

Alpha-Win Company Research Report

PCA
(9629 TSE Prime)

Issued: 2/5/2026

Alpha-Win Capital Research Department
<https://www.awincap.com/>

Financial Results Flash Report

◆ A major player specializing in enterprise system software, leading the market as the No. 1 player in cloud-based software

- PCA CORPORATION (hereinafter, the “Company”) and its group provide in-house developed, cloud-based business software (for accounting, sales management, purchasing and inventory management, payroll, human resources, work management, attendance management, and more), primarily to small and medium-sized enterprises (SMEs), along with related maintenance services. It sees its mission as contributing to society as a “Management Support Company” that supports companies in streamlining management and operations.
- It leads the market as the No. 1 player in cloud-based business software (PCA Cloud). Owing to its transition to a subscription-based business model (“subscription & maintenance business”), business stability and profitability have improved significantly. It provides software that helps corporate users improve operational efficiency, primarily through cloud and solution services.
- Record-high net sales and profits were achieved in FY2020 (note that the Company’s fiscal years are March-ending, i.e., FY2020 ended in March 2020) due to a surge in demand in response to the consumption tax revision and the end of Windows 7 support. In FY2022, although there was a change in the revenue-recognition standard, strong performance was maintained due to high, event-driven demand for its products. In addition, a gain on sales of securities was recorded under extraordinary income, resulting in record-high net profit.
- On the other hand, in FY2023, both net sales and profits declined due to a reactionary downturn following the event-driven demand. In FY2024 and FY2025, the cloud services drove growth, resulting in a record-high net sales. Although profits did not reach new record highs, they remained at high levels. Since FY2024, the Company has continued to implement substantial dividend increases, strengthening shareholder returns (target dividend payout ratio of 100%).

◆ Results for the First Nine Months of the Current Fiscal Year: Net sales grew, driven by continued expansion of cloud services, but profits declined due to upfront investments.

First Nine Months: Summary of Financial Results: In line with plan; no surprises

- For the first nine months of FY2026 (April–December 2025; hereinafter, the “first nine months” or “Q3 YTD”), the Company reported net sales of 12,762 million yen (year-on-year [YoY]: +5.8%), operating profit of 1,908 million yen (YoY: –9.4%), ordinary profit of 1,923 million yen (YoY: –10.4%), and profit attributable to owners of parent (hereinafter, “net profit”) of 1,225 million yen (YoY: –15.1%). While net sales increased year-on-year, profits declined (Figure 1).

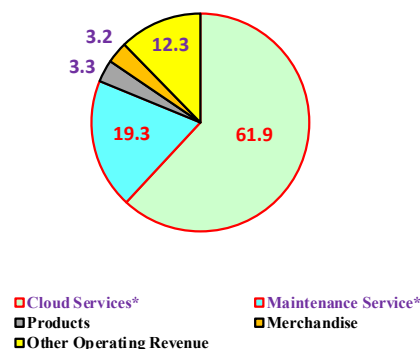
【Figure 1】 First Nine Months’ Results (April–December)

Q3 YTD Results		FY2024 Q3 YTD	FY2025 Q3 YTD	FY2026 Q3 YTD	YoY Change (Amount)	YoY Change (%)	Q3 Sales Composition
Unit: million yen		Apr–Dec 2023	Apr–Dec 2024	Apr–Dec 2025	Million yen	%	Apr–Dec 2025
Consolidated Net Sales		10,962	12,061	12,762	701	5.8	100.0%
Sales by Category	Products	957	447	416	-31	-7.0	3.3%
	Merchandise	414	418	406	-12	-2.9	3.2%
	Maintenance Service*	2,626	2,822	2,459	-363	-12.9	19.3%
	Cloud Services*	5,376	6,892	7,905	1,013	14.7	61.9%
	Other Operating Revenue	1,586	1,491	1,575	84	5.8	12.3%
Gross Profit		8	7,801	7,822	21	0.3	
Gross Profit Margin (%)		63.3	64.7	61.3	-3.4		
SG&A Expenses		5,240	5,693	5,914	221	3.9	
SG&A Expense Ratio (%)		47.8	47.2	46.3	-0.9		
Operating Profit		1,699	2,107	1,908	-199	-9.4	
Operating Profit Margin (%)		15.5	17.5	15.0	-2.5		
Ordinary Profit		1,734	2,147	1,923	-224	-10.4	
Ordinary Profit Margin (%)		15.8	17.8	15.1	-2.7		
Net Profit		1,162	1,443	1,225	-218	-15.1	
Net Profit Margin (%)		10.6	12.0	9.6	-2.4		

(Source) Prepared by Alpha-Win Research Dept. based on the financial results summary.

(Note) Subscription & maintenance business = cloud services* + maintenance service*.

【Figure 2】 Sales Composition by Category for the First Nine Months (%)



Short Report

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- Although sales of maintenance service, products, and merchandise declined, the Company's performance was driven by growth in cloud services, which have high profitability. In addition, following the consolidation of Tyrell Systems Inc. (hereinafter, "Tyrell Systems"), which was acquired in August 2025 (recent annual net sales of approximately 400 million yen and a slight net profit), other operating revenue turned to growth, contributing to overall performance.
- On the profit side, the Company increased development-related expenses and recorded a loss on investments in investment partnerships under non-operating expenses. As a result, profit margins decreased, leading to a double-digit decline in net profit.

Progress of the First Nine Months Results toward the Full-Year Plan

- Progress for the first nine months toward the Company's full-year plan for the current fiscal year stood at 72.8% for net sales and 75.0% for operating profit. These figures were somewhat above the average levels over the past 20 years (net sales: 70.6%; operating profit: 72.9%), but below the averages for the past five years (net sales: 73.5%; operating profit: 84.0%).
- The year-on-year growth rate in net sales for the first nine months was 5.8%, somewhat below the full-year plan's growth rate of 8.0%. However, this represented an increase from the 4.2% growth recorded in the first half, reflecting the contribution from the acquired Tyrell Systems. Similarly, while the year-on-year decline in operating profit for the first nine months (−9.4%) remains larger than the full-year forecast decline of −3.6%, it has improved from the first-half decline of −11.9%, indicating a gradual moderation in the profit decline rate.

Sales by Category for the First Nine Months

- Actual sales by category (the Company's sales classification) for the first nine months are as follows. Declines in maintenance service, products, and merchandise were offset by growth in cloud services and other operating revenue (Figure 1 on page 1).

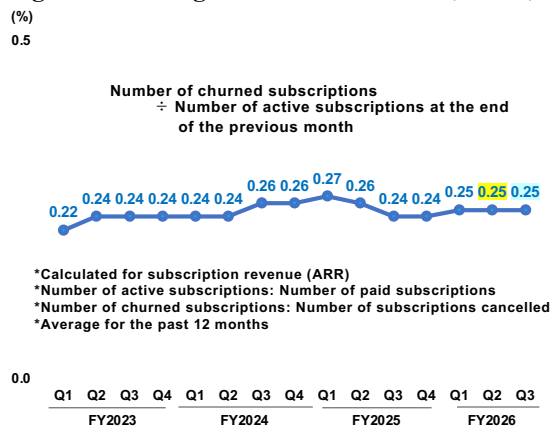
1. **Products:** To shift management resources for development and support to subscription services, the Company discontinued sales of its conventional packaged software (PCA software) in March 2024. As a result, current product sales are now primarily composed of products provided by its consolidated subsidiary, Xronos. As product sales have already been on a shrinking trend, the year-on-year sales decline had only a limited impact. Sales declined from 447 million yen to 416 million yen (from the first nine months of the previous fiscal year to the first nine months of the current fiscal year; YoY: −31 million yen or −7.0%), and the share of total net sales decreased from 3.7% to 3.3% (Figure 2 on page 1).
2. **Merchandise (ledger sheets, etc.):** With the ongoing trend toward digitalization and paperless operations, sales declined slightly from 418 million yen to 406 million yen (YoY: −12 million yen; −2.9%), and the share of total net sales decreased marginally from 3.5% to 3.2%.
3. **Maintenance Service:** As the shift from on-premises products to cloud services continues, the number of maintenance contracts has been declining. As a result, sales fell more than expected, from 2,822 million yen to 2,459 million yen (YoY: −363 million yen; −12.9%). Given the high profitability of this business, the decline in maintenance service sales is considered to be one of the primary factors behind the decrease in profits.
4. **Cloud Services:** Sales increased from 6,892 million yen to 7,905 million yen (YoY: +1,013 million yen; +14.7%). Although the growth rate has moderated compared with recent years, cloud services continue to maintain a high rate of sales growth. The increase in cloud services sales accounted for 144.5% of the Company's total net sales increase of 701 million yen year-on-year.

The number of corporate users of cloud services is no longer disclosed. Instead, under the newly disclosed KPIs for the subscription business, the churn rate has remained low at around 0.25% (Figure 3 on page 3), while the number of active subscriptions increased by 23.9% year-on-year to 41,579 (Figure 4 on page 3). Meanwhile, as the shift toward lower-priced services has progressed, ARPU (annual average revenue per subscription) declined by 5,000 yen (approximately −1.9% YoY) to 262,000 yen (Figure 5 on page 3). As a result, ARR (annual subscription revenue) increased by 14.1% year-on-year (Figure 6 on page 3).

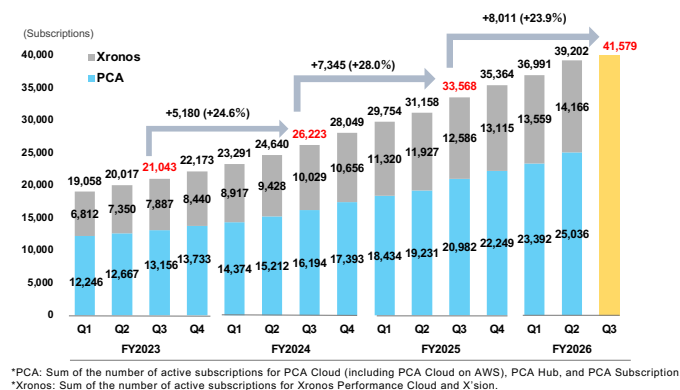
Cloud services accounted for 61.9% of total net sales, the largest share among all categories (57.1% in the

same period of the previous fiscal year). Combined with maintenance service (19.3%), the subscription & maintenance business accounted for 81.2% of total net sales (80.5% in the same period of the previous fiscal year) (Figure 2 on page 1). Given the high continuity and contribution margin ratios of these businesses, they continue to make a significant contribution to the Company's net sales and profits.

【Figure 3】 Changes in the Churn Rate (Unit: %)

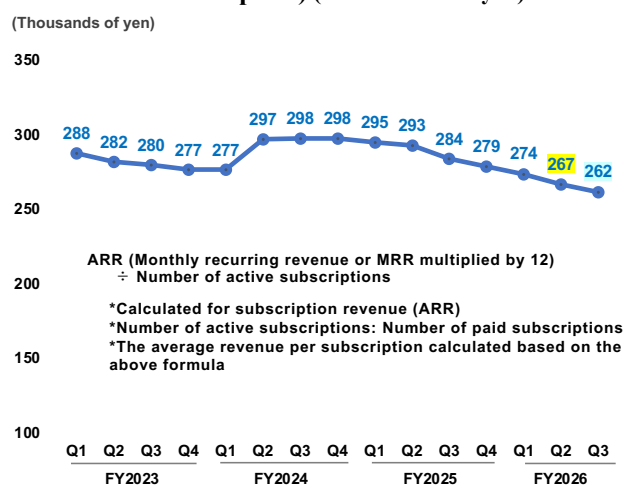


【Figure 4】 Changes in the Number of Active Subscriptions (Unit: number of subscriptions)

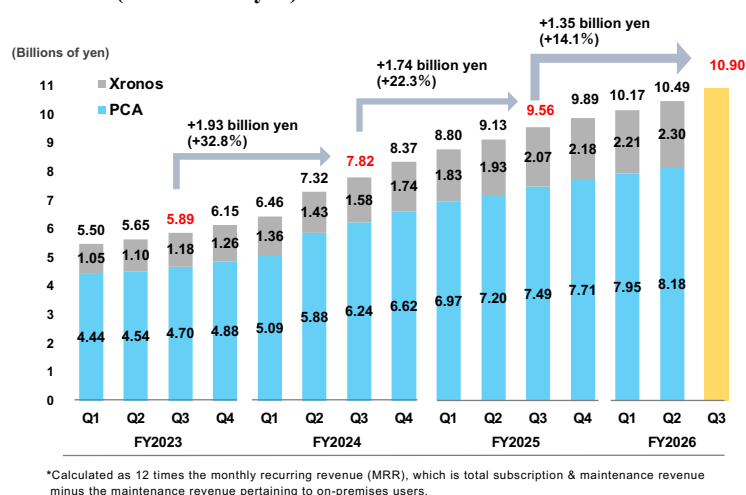


(Source) Figures 3-6: Prepared by Alpha-Win Research Dept. based on the financial results summary and financial results briefing materials.

【Figure 5】 Changes in ARPU (Annualized Revenue Per Subscription) (Unit: thousand yen)



【Figure 6】 Changes in ARR (Annual Subscription Revenue) (Unit: billion yen)



5. **Other Operating Revenue:** Sales increased from 1,481 million yen to 1,575 million yen, representing an increase of 94 million yen (YoY: +6.4%). This growth is mainly attributable to the consolidation of Tyrell Systems since August 2025 (estimated quarterly net sales of approximately 100 million yen).

Profit for the First Nine Months

- Given that the Company's core businesses have high contribution margin ratios, fluctuations in their sales have a significant impact on company-wide profit margins and profit levels. In the first nine months of the current fiscal year, the decline in maintenance service sales was offset by growth in cloud services, and it is estimated that there was almost no improvement in profitability stemming from changes in the product mix.
- Meanwhile, as the Company has been increasing development investment aimed at future growth, related personnel expenses and subcontracting costs rose. As a result, the gross profit margin declined by 3.4 percentage points, from 64.7% in the first nine months of the previous fiscal year to 61.3% in the first nine months of the current fiscal year.

• SG&A expenses have also increased, likely reflecting higher personnel and development-related expenses, as well as the impact of the acquisition of Tyrell Systems. (YoY: +221 million yen; +3.9%). However, the growth rate of SG&A expenses remained below the Company's overall net sales growth rate of 5.8%.

• As a result, the SG&A expense ratio improved by 0.9 percentage point, from 47.2% to 46.3%, but the operating profit margin declined from 17.5% to 15.0% (–2.5 percentage points). For reference, the Company's full-year assumption for the operating profit margin is 14.5%, and the first nine months' result exceeded this level by 0.5 percentage point.

• Non-operating income/expense for the first nine months of the current fiscal year decreased from +40 million yen in the previous fiscal year to +15 million yen, reflecting the recording of a loss on investments in investment partnerships (–56 million yen). There were no items recorded under extraordinary income or losses for the current fiscal year, and net profit also declined year-on-year.

Quarterly Trends in Financial Performance

• Quarterly financial performance for the current fiscal year is shown in Figure 7. From Q1 through Q3, each quarter posted year-on-year increases in net sales but declines in profit (marking the fourth consecutive quarter of higher net sales but lower profit since Q4 of FY2024). In Q3, net sales reached 4,539 million yen, the highest level on a quarterly basis. However, while profits remained at a high level, they did not surpass the previous record high.

• The year-on-year growth rate in net sales for Q1 through Q3 expanded sequentially, from 2.4% to 5.9% and then to 9.9%. Meanwhile, the year-on-year rate of decline in operating profit narrowed from –15.9% to –7.9% and then to –4.8%, indicating an improvement in momentum.

• Similarly, operating profit margins declined year-on-year (from the previous fiscal year to the current fiscal year), with the extent of the decline gradually moderating: from 18.0% to 14.8% in Q1 (a decline of 3.2 percentage points), from 16.8% to 14.8% in Q2 (a decline of 2.0 percentage points), and from 17.6% to 15.4% in Q3 (a decline of 2.2 percentage points).

• Even on a quarterly basis, double-digit growth in cloud services continues to contribute positively to the Company's overall performance.

【Figure 7】 Quarterly Financial Performance Trends

Results	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unit: million yen	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Mar 2025	Apr-Jun 2025	Jul-Sep 2025	Oct-Dec 2025	Jan-Mar 2026	Apr-Jun 2025	Jul-Sep 2025	Oct-Dec 2025	Jan-Mar 2026	Apr-Jun 2025	Jul-Sep 2025	Oct-Dec 2025	Jan-Mar 2026
Consolidated Net Sales	3,387	3,687	3,888	4,056	3,879	4,016	4,166	4,176	3,972	4,251	4,539	4,777	93	235	373	601	2.4	5.9	9.9	14.4
Sales by Category	Cloud Services	1,616	1,827	1,933	2,091	2,204	2,305	2,383	2,489	2,547	2,637	2,721	2,948	343	332	338	459	15.6	14.4	14.2
	Maintenance Service	839	876	911	942	957	949	916	890	804	829	826	741	-153	-120	-90	-149	-16.8	-12.6	-9.8
	Products	349	364	244	265	156	143	148	149	118	164	134	111	-38	21	-14	-38	-24.4	14.7	-9.5
	Merchandise	95	103	716	115	107	100	200	104	101	93	212	76	-6	-15	9	-2	-5.6	-13.9	4.4
Other Operating Revenue	486	516	594	641	453	514	514	544	400	528	647	900	-53	14	123	356	-11.7	2.7	25.9	65.4
Gross Profit	2,116	2,313	2,511	2,696	2,546	2,640	2,615	2,427	2,434	2,684	2,704	2,847	-112	44	89	420	-4.4	1.7	3.4	17.3
SG&A Expenses	1,688	1,742	1,810	2,086	1,846	1,965	1,882	1,898	1,844	2,062	2,008	2,212	-2	97	126	314	-6.1	4.9	6.7	16.5
SG&A Expense Ratio (%)	49.8	47.2	46.6	51.7	47.6	48.9	45.2	45.5	46.4	48.5	44.2	46.3	-1.2	-0.4	-0.9	0.9	-2.4	-0.9	-2.1	1.9
Operating Profit	428	570	701	610	700	675	732	530	589	622	697	635	-111	-53	-35	105	-15.9	-7.9	-4.8	19.8
Operating Profit Margin (%)	12.6	15.5	18.0	15.0	18.0	16.8	17.6	12.7	14.8	14.6	15.4	13.3	-3.2	-2.2	-2.2	0.6	-17.8	-12.9	-12.6	4.7
Ordinary Profit	436	590	708	609	708	700	739	541	600	606	717	607	-108	-94	-22	66	-15.3	-13.4	-3.0	12.2
Ordinary Profit Margin (%)	1.3	1.6	18.2	15.0	1.8	1.7	17.7	13.0	15.1	14.3	15.8	12.7	13.3	12.5	-1.9	-0.2	72.7	71.9	-11.0	-1.9
Net Profit	266	394	502	449	455	458	530	298	348	411	466	424	-107	-47	-64	126	-13.5	-10.3	-12.1	42.3
Net Profit Margin (%)	7.9	10.7	12.9	11.1	11.7	11.4	12.7	7.1	8.8	9.7	10.3	8.9	-3.0	-1.7	-2.5	1.7	-	-	-	-

(Source) Prepared by Alpha-Win Research Dept. based on the financial results summary and financial results briefing materials.

Balance Sheet

• The balance sheet as of the end of Q3 of the current fiscal year (December 2025) shows no significant changes compared with the end of the previous fiscal year (March 2025). Compared with the end of March, cash and deposits decreased by approximately 3.2 billion yen due to outflows related to M&A and dividend payments. Nevertheless, the Company continues to hold a substantial amount of cash and deposits at approximately 18.7 billion yen, exceeding its annual net sales. The equity ratio stands at 55.4%, and the current ratio at 185.7%, indicating a very sound financial position.

• Contract liabilities—consideration received in advance for services not yet provided under subscription contracts such as cloud services—stood at 10,754 million yen, representing a slight increase of 124 million yen (+1.2%) compared with the end of March, while remaining at a high level.

Short Report

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◆ Financial Forecast for the Current Fiscal Year and Beyond

The Company's Financial Forecast for the Current Fiscal Year

- On October 28, 2025, the Company revised downward its full-year financial forecast announced at the beginning of the fiscal year. It has left the forecast unchanged since then. It expects full-year net sales of 17,539 million yen (YoY: +8.0%), operating profit of 2,543 million yen (YoY: -3.6%), and net profit of 1,649 million yen (YoY: -5.3%).
- For the current fiscal year, the Company expects steady growth in net sales driven by continued expansion of cloud services, as well as contributions from the acquired Tyrell Systems. On the other hand, due to upfront investments aimed at the next phase of growth (strengthening development and increasing headcount), the Company anticipates a deterioration in profit margins (operating profit margin: 16.2% in the previous fiscal year to 14.5% in the current fiscal year; a decline of 1.7 percentage points). As a result, despite higher net sales, each profit line is expected to decline by around 5% (Figure 8).

【Figure 8】 Financial Forecasts for the Current Fiscal Year

Consolidated (Unit: million yen)	FY2025	FY2026: The Company's Forecast (CE)		FY2026: Alpha-Win's Forecast (E)		Difference between Alpha-Win and the Company's Forecasts		FY2026: Alpha-Win's Previous Forecast	Difference between Alpha-Win's Previous and New Forecasts	
	New Revenue- Recognition Standard	New Revenue- Recognition Standard	YoY: Change in Amount / BtE	YoY: % Change	New Revenue- Recognition Standard	YoY: Change in Amount / BtE	YoY: % Change	Difference (E - CE)	% Difference (E/CE)	New Revenue-Recognition Standard
Consolidated Net Sales	16,237	17,539	1,302	8.0%	17,320	1,083	6.7%	-219	-1.2%	17,600
Sales by Category										
Cloud Services	9,381	10,853	1,472	15.7%	10,750	1,369	14.6%	-103	-0.9%	11,000
Maintenance Service	3,712	3,200	-512	-13.8%	3,250	-462	-12.4%	50	1.6%	3,200
Products	596	527	-69	-11.6%	520	-76	-12.8%	-7	-1.3%	530
Merchandise	522	482	-40	-7.7%	500	-22	-4.2%	18	3.7%	480
Other Operating Revenue	2,025	2,475	450	22.2%	2,300	275	13.6%	-175	-7.1%	2,390
Gross Profit	10,228	10,669	441	4.3%	10,700	472	4.6%	31	0.3%	10,700
Gross Profit Margin (%)	63.0%	60.8%	-2.2%		61.8%	-1.2%		0.9%		60.8%
SG&A Expenses	7,591	8,126	535	7.0%	8,150	559	7.4%	24	0.3%	8,150
SG&A Expense Ratio (%)	46.8%	46.3%	-0.4%		47.1%	0.3%		0.7%		46.3%
Operating Profit	2,637	2,543	-94	-3.6%	2,550	-87	-3.3%	7	0.3%	2,550
Operating Profit Margin (%)	16.2%	14.5%	-1.7%		14.7%	-1.5%		0.2%		14.5%
Ordinary Profit	2,688	2,530	-158	-5.9%	2,530	-158	-5.9%	0	0.0%	2,530
Ordinary Profit Margin (%)	16.6%	14.4%	-2.1%		14.6%	-1.9%		0.2%		14.4%
Profit Attributable to Owners of Parent	1,741	1,649	-92	-5.3%	1,650	-91	-5.2%	1	0.1%	1,650
Net Profit Margin	10.7%	9.4%	-1.3%		9.5%	-1.2%		0.1%		9.4%
Annual Dividend Per Share (Yen)	87.00	95.00	8.0		95.00	8.00		0.00		95.00

(Source) Prepared by Alpha-Win Research Dept. based on the financial results briefing materials.

- For the full fiscal year, the Company expects an overall increase in net sales of 1,302 million yen (YoY: +8.0%). Following the termination of packaged software sales, product sales are projected to decline by 69 million yen (-11.6% YoY), and in line with this, maintenance service sales are also expected to decrease by 512 million yen (-13.8% YoY).
- In the subscription business, ARPU is expected to continue to decline, reflecting customers' preference for lower-priced services. However, as customers shift from on-premises products to PCA Cloud and PCA Subscription, the number of active subscriptions is expected to increase. As a result, cloud services sales are forecast to increase significantly by 1,472 million yen (+15.7% YoY) for the full fiscal year, fully offsetting declines in products, merchandise, and maintenance service sales (the increase in cloud services sales is expected to account for 113% of the Company's total net sales increase). In addition, while other operating revenue declined through Q2, it is expected to rise sharply by 450 million yen (+22.2% YoY), reflecting contributions from Tyrell Systems.
- In addition, the Company plans to strengthen product development for the next phase of growth, including the PCA Hub Series and the PCA Arch* Series. As a result, cost of sales (labor costs, subcontracting costs, and cost of cloud), R&D expenses, and other SG&A expenses (personnel expenses, advertising and sales promotion expenses, and system usage fees) are all expected to increase.

*PCA Arch: A next-generation platform for small and medium-sized enterprises and mid-tier companies. It serves as a portal that comprehensively supports core business operations by facilitating the sharing of operational know-how, optimizing human resources, and supporting the digitalization of workflows. Services for accounting and finance, human resources and labor management, and sales management were launched starting in November 2025.

- Consequently, the gross profit margin is expected to decline by 2.2 percentage points, from 63.0% in the previous fiscal year to 60.8% in the current fiscal year (the same order applies hereinafter), while the SG&A

expense ratio is planned to improve by 0.5 percentage point, from 46.8% to 46.3%.

- As a result, the operating profit margin is expected to decline by 1.7 percentage points, from 16.2% to 14.5%. While higher net sales are expected to provide some support in increasing profits, the Company forecasts a year-on-year decline in profits.

- In Q4, supported by strong sales growth in cloud services and other operating revenue, the Company expects company-wide net sales of 4,777 million yen (YoY: +604 million yen; +14.4%), marking a record high on a quarterly basis. In addition, an improvement in the gross profit margin is expected to lead to a recovery in the operating profit margin, with operating profit projected at 635 million yen (YoY: +105 million yen; +19.8%). No material items are expected to be recorded under non-operating income/expense or extraordinary income/losses.

- The Company also plans to increase the annual dividend by 8 yen year-on-year to 95 yen per share (unchanged from the initial plan). The forecast dividend payout ratio stands at 115.5%, exceeding the target level of 100%. Meanwhile, the Alpha-Win Research Department expects dividend on equity (DOE) to rise to around 10% in the current fiscal year, compared with 9.2% in the previous fiscal year.

Alpha-Win Research Department's Forecasts for the Current Fiscal Year and Beyond, and the Company's Medium-Term Financial Forecast

- The Alpha-Win Research Department (hereinafter, "Alpha-Win") had previously forecast net sales for the current fiscal year at 17,600 million yen (YoY: +8.4%), broadly in line with the Company's forecast (17,539 million yen; YoY: +8.0%). However, based on the actual sales by category for the first nine months and recent business conditions, Alpha-Win has revised its net sales forecast downward to 17,320 million yen (a revision of -280 million yen, or -1.6%, from its previous forecast). That said, Alpha-Win believes that the achievement of the planned profit levels remains feasible and expects profits to be largely in line with the Company's plan. Accordingly, Alpha-Win has made no changes to its forecasts for profits or dividends.

- As discussed above, progress for the first nine months toward the full-year forecast is generally in line with historical averages. While the Company's outlook for Q4 appears somewhat optimistic, Alpha-Win believes there remains room for cost control, and that the downside risk to profits is limited.

- With respect to forecasts for the next fiscal year and the fiscal year after the next, Alpha-Win has left its previous forecasts unchanged (Figure 9; for details, please refer to the previous research report issued on December 16, 2025). Alpha-Win plans to reassess its medium-term financial forecasts following the announcement of the full-year results for the current fiscal year.

【Figure 9】 Medium-Term Financial Forecasts

	Unit: million yen or %	FY2024	FY2025	FY2026 Initial CE	FY2026 CE	FY2026 Previous E	FY2026 New E	FY2027 E	FY2028 E	FY2028 Medium-Term Plan
Net sales		15,018	16,237	17,689	17,539	17,600	17,320	19,000	21,000	22,000
Category	Cloud Services	7,467	9,381	11,096	10,853	11,000	10,750	12,650	14,550	18,000
	Maintenance Service	3,568	3,712	3,212	3,200	3,200	3,250	3,000	2,600	
	Products	1,222	596	477	527	530	520	460	450	
	Merchandise	532	522	494	482	480	500	460	450	
	Other Operating Revenue	2,227	2,025	2,408	2,475	2,390	2,300	2,430	2,950	
Gross Profit		9,636	10,228	11,142	10,669	10,700	10,700	11,400	12,600	
Gross Profit Margin	(Ratio to sales)	64.2%	63.0%	63.0%	60.8%	60.8%	61.8%	60.0%	60.0%	
SG&A Expenses		7,326	7,591	8,318	8,126	8,150	8,150	8,550	8,850	
SG&A Expense Ratio	(Ratio to sales)	48.8%	46.8%	47.0%	46.3%	46.3%	47.1%	45.0%	42.1%	
Operating Profit		2,309	2,637	2,824	2,543	2,550	2,550	2,850	3,750	4,000
Operating Profit Margin	(Ratio to sales)	15.4%	16.2%	16.0%	14.5%	14.5%	14.7%	15.0%	17.9%	18.2%
Ordinary Profit		2,343	2,688	2,865	2,530	2,530	2,530	2,900	3,800	
Ordinary Profit Margin	(Ratio to sales)	15.6%	16.6%	16.2%	14.4%	14.4%	14.6%	15.3%	18.1%	
Net Profit		1,611	1,741	1,897	1,649	1,650	1,650	1,980	2,580	
Net Profit Margin	(Ratio to sales)	10.7%	10.7%	10.7%	9.4%	9.4%	9.5%	10.4%	12.3%	
Net Sales (YoY Growth Rate)		15.7%	8.1%	8.9%	8.0%	8.4%	6.7%	9.7%	10.5%	
Category	Cloud Services	34.1%	25.6%	18.3%	15.7%	17.3%	14.6%	17.7%	15.0%	
	Maintenance Service	7.6%	4.0%	-13.5%	-13.8%	-13.8%	-12.4%	-7.7%	-13.3%	
	Products	-58.6%	-51.2%	-20.0%	-11.6%	-11.1%	-12.8%	-11.5%	-2.2%	
	Merchandise	21.2%	-1.9%	-5.4%	-7.7%	-8.0%	-4.2%	-8.0%	-2.2%	
	Other Operating Revenue	101.9%	-9.1%	18.9%	22.2%	18.0%	13.6%	5.7%	21.4%	
Gross Profit Margin (% YoY Diff.)		-1.7%	-1.2%	-0.0%	-2.2%	-2.2%	-1.2%	-1.8%	0.0%	
SG&A Expenses (% Growth)		19.1%	3.6%	9.6%	7.0%	7.4%	7.4%	4.9%	3.5%	
Operating Profit (% Growth)		79.2%	14.2%	7.1%	-3.6%	-3.3%	-3.3%	11.8%	31.6%	
Ordinary Profit (% Growth)		76.6%	14.7%	6.6%	-5.9%	-5.9%	-5.9%	14.6%	31.0%	
Net Profit (% Growth)		82.5%	8.0%	9.0%	-5.3%	-5.2%	-5.2%	20.0%	30.3%	

(Source) Prepared by Alpha-Win Research Dept.

- As the results of past investments—including new services and existing businesses—are expected to be reflected in financial performance, Alpha-Win currently forecasts increases in both net sales and profits, as well as continued dividend growth. This forecast assumes that, in pursuit of achieving the medium-term management plan targets (including net sales of 22.0 billion yen or higher, operating profit of 4.0 billion yen or higher, and ROE of 10% or higher), the Company will emphasize cost control and pursue M&A with a focus on ROIC*.

*ROIC (Return on Invested Capital): A financial metric that measures profitability relative to invested capital.

- At the same time, Alpha-Win recognizes potential risks, including rising prices, increases in domestic interest rates, labor shortages, trade friction, and geopolitical risks. These factors could lead to deterioration in the business performance of SMEs—the Company's users—and to a suppression of IT investment. Alpha-Win believes such factors should be monitored as variables that could impact performance, alongside trends in cost execution.

◆ Share Price and Characteristics

- The Company is considered a small-cap, defensive, and domestic demand-oriented growth stock with a subscription-based business. It has been significantly outperforming the TOPIX since December 2018 (Figure C on page 11).
- In particular, following the announcement in January 2024 of strengthened shareholder return measures—including changes to its capital and dividend policies—the share price has performed relatively well and significantly outperformed the TOPIX as well as two industry peers* (*4733 Obic Business Consultants and *9928 Miroku Jyoho Service, both listed on the TSE Prime Market).
- That said, performance since the beginning of 2025 has been negative, and—similar to the two peer companies*—the stock has significantly underperformed various market indices (Figure 10). The historical daily beta values (against the TOPIX) over the past two years for the three companies, including the Company, are all well below 1.0, with the Company posting the lowest beta at 0.52 (Figure 11 on page 8).
- Based on the Company's forecast for the current fiscal year, the P/E ratio stands at 23.62x, while the actual P/B ratio is 2.10x. Compared with the average for all stocks listed on the TSE Prime Market, the valuation appears somewhat elevated (Figure 10).
- On the other hand, the Company's forecast dividend yield for the current fiscal year is high at 4.89%, ranking 47th out of 1,591 companies listed on the TSE Prime Market, indicating an attractive yield level (based on the closing price as of January 30, 2026; for reference, the TSE Prime Market averages are: forecast P/E of 18.98x, P/B of 1.66x, and simple-average forecast dividend yield of 2.27%.)

【Figure 10】 Comparison of Valuation and Performance with Major Indices

Closing price on January 30, 2026	Share price / indices	The current fiscal year's forecast P/E ratio	Actual P/B ratio (at the end of quarter)	Dividend yield (simple average) (%)	2025 YTD return (%)	Next-day return (%) following the Q3 results announcement for the current fiscal year (January 29, 2026)	Return (%) since January 29, 2024, the date of announcement of shareholder return enhancement
PCA (TSE Prime 9629)	1,943	23.62	2.10	4.89	-9.9	1.6	60.4
Average of All TSE Prime Stocks	1,837.49	18.98	1.66	2.27	28.2	0.6	41.2
Average of All TSE Standard Stocks	1,605.98	15.74	1.15	2.31	26.2	-0.1	31.4
Average of All TSE Growth Stocks	926.73	37.34	3.53	0.88	12.4	0.3	3.7
TOPIX	3,566.32	-	-	-	28.1	0.6	41.0
Nikkei Stock Average	53,322.85	19.78	1.75	1.72	33.7	-0.1	48.0

(Source) Prepared by Alpha-Win Research Dept. The Company's valuation figures are calculated based on the Company's forecasts.

- Comparing key valuation indicators with industry peers*, the Company ranks in the middle for P/E, P/B, P/S, and EV/EBITDA. However, its dividend yield is the highest among the three companies (Figure 11 on page 8).

【Figure 11】 Comparison with Industry Peers (Valuation, Stock Performance, and Business/Financial Performance Indicators)

	Company Name	PCA (PCA: Consolidated)	Obic Business Consultants (OBC: non-consolidated)	Miroku Jyoho Service (MJS: consolidated)
	Code (Market Listing)	9629(TSE Prime)	4733(TSE Prime)	9928(TSE Prime)
Market Where Listed, Share Price, and Valuation	Share price (closing price on January 30, 2026)	1,943	6,860	1,931
	Market capitalization (millions of yen)	42,746	517,271	62,383
	2025 YTD return (%)	-9.9	-1.1	-2.4
	Daily historical beta over the past two years	0.52	0.72	0.75
	Current fiscal year's forecast P/E ratio (price-to-earnings ratio)	23.6	29.7	11.8
	Actual P/B ratio (price-to-book ratio)	2.2	3.1	1.8
	Current fiscal year's forecast dividend yield (%)	4.9	1.6	3.1
	Current fiscal year's forecast EV/EBITDA	8.5	14.5	6.6
	Current fiscal year's forecast P/S ratio (price-to-sales ratio)	2.4	10.0	1.3
Full-Year Company Forecasts for the Current Fiscal Year (Fiscal Year Ending March 2026)	Net sales (millions of yen)	17,539	51,700	49,000
	Gross profit margin (%)	60.8	83.4	61.6
	Operating profit (millions of yen)	2,543	24,000	6,700
	Operating profit margin (%)	14.5	46.4	13.7
Previous Fiscal Year's Full-Year Results	EPS (company forecast): YoY change (%)	-5.3	7.2	11.8
	Dividend on equity ratio (%) – actual	9.2	4.9	5.9
Past Growth Rates	Return on equity (ROE, %) – actual	9.2	10.5	15.6
	Past 5 years' net sales growth rate	13.8	56.3	30.0
	Past 5 years' operating profit growth rate	-5.2	67.5	20.3
Results for the First Nine Months of the Current Fiscal Year	Equity ratio (%)	55.4	77.3	68.1
	Net sales (millions of yen)	12,762	37,877	36,526
	Net sales growth rate (YoY)	5.6	9.0	5.1
	Operating profit (millions of yen)	1,908	17,270	5,098
	Operating profit growth rate (YoY)	-9.4	8.5	4.3
	Operating profit margin (%)	15.0	45.6	14.0
	Net sales progress toward full-year plan (%)	72.8%	73.3%	74.5%
	Operating profit progress toward full year plan (%)	75.0%	72.0%	76.1%

(Source) Prepared by Alpha-Win Research Department based on each company's financial results summary and stock price data.

(Notes)

- Market capitalization = Total issued shares × Market share price (closing price as of January 30, 2026)
 - In the P/E calculations, the companies' forecast EPS for the current fiscal year (FY2026) was used.
 - In the P/B calculations, the BPS reflecting the results of this fiscal year's Q3 was used.
 - EV/EBITDA = (Market capitalization + Interest-bearing debt - Cash & deposits) / (Operating profit + Depreciation + Intangible fixed asset amortization, etc.)
 - Interest-bearing debt and cash & deposits also reflect the results of this fiscal year's Q3.
 - Operating profit is based on each company's forecast for this full fiscal year.
 - Depreciation and intangible fixed asset amortization, etc., were estimated for this full fiscal year by Alpha-Win based on the company's forecasts or Q3 results.
 - P/S ratio = Market capitalization / Net sales (based on the companies' forecasts for FY2026)
- As discussed above, Alpha-Win expects profits for the current fiscal year to be largely in line with the Company's plan. Based on Alpha-Win's forecasts for the current fiscal year, the estimated P/E ratio is 23.6x. However, based on forecasts for the next fiscal year (FY2027), the P/E ratio declines to 19.7x, and further to 15.1x in the fiscal year after the next (FY2028) (Figure B on page 10). Meanwhile, the P/B ratio (based on actual results as of Q3 of the current fiscal year) stands at 2.1x and is expected to remain around 2.0x in subsequent years. Overall, valuation multiples do not suggest a clear sense of undervaluation.
- That said, Alpha-Win expects EPS to increase over the medium term. Assuming the continuation of a 100% dividend payout ratio, the forecast dividend yields for the respective fiscal years are estimated at 4.9%, 5.1%, and 6.6%. From a medium-term dividend yield perspective, the share price appears undervalued.
- It should be noted that the Company's dividend policy of maintaining a 100% dividend payout ratio applies until ROE exceeds 10%, after which a progressive dividend policy will continue to serve as the basic approach. In principle, the Company needs to retain funds for growth investments, including future M&A and other initiatives for business development, and it would be reasonable for a certain portion or amount of net profit after tax to be retained as internal reserves.

- Once the ROE condition is met, the Company's subsequent dividend policy will become a major point of focus.
 - For reference, assuming consolidated operating profit of 4.0 billion yen in FY2028 (the final year of the medium-term management plan), in line with the Company's plan, and a corporate tax rate of approximately 30%, net profit after tax would amount to 2.8 billion yen. Under the assumption of no dilution, EPS would be 139.64 yen, and—assuming the continuation of a 100% dividend payout ratio—the dividend per share would be approximately 140 yen.
 - Based on FY2028 estimates, the forecast P/E ratio is calculated at 13.9x and the dividend yield at 7.2% (based on the closing price at the end of January 2026). Compared with the Company's forecast P/E for the current fiscal year, the FY2028-based forecast P/E represents a significant decline. It is also 27% below the current average forecast P/E for all stocks listed on the TSE Prime Market, while the dividend yield exceeds the Prime Market average by 4.9 percentage points.
 - In particular, the dividend yield is considered to be at an extremely attractive level. If the Company maintains its policy of a 100% dividend payout ratio and exercises appropriate cost control, continued strong growth in the subscription model is expected to support profit growth and further dividend increases over the medium term. Accordingly, Alpha-Win judges that the current share price has upside potential.
 - Going forward, the following are the key points:
 - The final full-year results for the current fiscal year
 - The Company's earnings outlook for the next fiscal year, including profit and dividend levels
 - The likelihood of achieving the FY2028 profit targets, and trends in upfront investment and their outcomes (particularly changes in profitability driven by development investment, and investment results from the CVC [corporate venture capital])
 - The sales growth rate of cloud services (PCA + Xronos), which serve as the primary growth driver, including trends in the number of active subscriptions and ARPU that underpin sales
 - Sales trends for the PCA Hub Series, the PCA Arch Series, PCA Subscription, and related services
 - Performance trends of major subsidiaries, including Dreamhop, Xronos, and Tyrell Systems
 - The impact on performance from accounting software replacements accompanying the transition to the new accounting standards for public interest corporations*, including the shift from existing on-premises systems to cloud-based solutions
- *The "Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations" was passed, and in December 2024, the new "Accounting Standards for Public Interest Corporations" and their "Implementation Guidelines" were released. These standards have been applied to fiscal years beginning on or after April 1, 2025, with a three-year transitional period through March 31, 2028. The Company provides accounting software for public interest corporations through PCA Cloud and PCA Subscription (Public Interest Corporation Accounting), and holds a top-tier market share in this field.
- In addition, if the currently active discussions regarding a reduction in the consumption tax rate were to materialize, the shift from on-premises systems to cloud services would likely accelerate, serving as a tailwind for the Company's business.
 - Furthermore, given the Company's cash-rich position, factors such as share buybacks, M&A, investment and financing activities, dividend increases driven by profit growth, stock splits, and the enhancement of shareholder benefit programs should also be closely monitored as important factors that could influence the share price.
 - That said, although the transition to a subscription model has reduced the impact compared with the past, event-driven demand—triggered by changes in tax systems, accounting standards, and other regulations—can still occur. Such events tend to increase volatility in both the Company's financial performance and share price before and after the event, and this risk warrants continued attention.

Alpha-Win Company Research Report

PCA (9629 TSE Prime)

Issued: 2/5/2026

【 9629 PCA Sector: Information & Communication 】 Figure A												
FY		Net Sales	YoY	Operating Profit	YoY	Ordinary Profit	YoY	Net Profit	YoY	EPS	BPS	Dividend
		(Millions of yen)	(%)	(Millions of yen)	(%)	Millions of yen	(%)	Millions of yen	(%)	(Yen)	(Yen)	(Yen)
2021	A: Old Standard	13,308	-6.7	2,314	-16.8	2,340	-16.7	1,668	-8.1	83.50	791.64	11.33
2022	A: Old Standard	15,142	13.8	2,516	8.7	2,542	8.6					
2022	A: New Standard (Same applies to the rest)	13,382	0.6	2,655	14.7	2,697	15.2	2,367	41.9	118.36	847.14	24.00
2023	A	12,981	-3.0	1,288	-51.5	1,326	-50.8	883	-62.7	44.16	870.38	17.00
2024	A	15,018	15.7	2,309	79.2	2,343	76.6	1,611	82.5	80.48	932.76	81.00
2025	A	16,237	8.1	2,637	14.2	2,688	14.7	1,741	8.0	86.86	949.72	87.00
2026	CE	17,539	8.0	2,543	-3.6	2,530	-5.9	1,649	-5.3	82.26		95.00
2026	Previous CE	17,689	8.9	2,824	7.1	2,865	6.6	1,897	9.0	94.61		95.00
2026	New E	17,320	6.7	2,550	-3.3	2,530	-5.9	1,650	-5.2	82.29	944.97	95.00
2026	Previous E	17,600	8.4	2,550	-3.3	2,530	-5.9	1,650	-5.2	82.29	944.97	95.00
2027	E	19,000	9.7	2,850	11.8	2,900	14.6	1,980	20.0	98.74	948.71	99.00
2028	CE: Current Medium-Term Plan	22,000		4,000								
2028	E	21,000	10.5	3,750	31.6	3,800	31.0	2,580	30.3	128.67	978.38	129.00
2025	Q1	3,879	14.5	700	63.6	708	62.3	455	71.0	22.75	876.67	0.00
2026	Q1	3,972	2.4	589	-15.8	600	-15.2	348	-23.5	17.38	875.16	0.00
2025	Q2	4,016	8.9	675	18.4	700	18.6	458	16.2	22.84	922.62	0.00
2026	Q2	4,251	5.9	622	-7.9	606	-13.4	411	-10.3	20.52	895.61	0.00
2025	Q3	4,166	7.2	732	4.4	739	4.4	530	5.6	26.09	944.82	0.00
2026	Q3	4,539	9.0	697	-4.8	717	-3.0	478	-9.8	23.79	924.88	0.00
2025	Q4	4,176	3.0	530	-13.1	541	-11.2	298	-33.6	15.18		
2026	Q4: CE	4,777	14.4	635	19.8	607	12.2	412	38.3	20.57		
2025	Q3 YTD	12,061	10.0	2,107	24.0	2,147	23.9	1,443	24.1	71.68	944.82	0.00
2026	Q3 YTD	12,762	5.8	1,908	-9.4	1,923	-10.4	1,237	-14.3	61.69	924.88	0.00
2025	First Half	7,895	11.6	1,375	37.7	1,408	37.2	913	38.4	45.59	922.62	0.00
2026	First Half	8,223	4.2	1,211	-11.9	1,206	-14.3	759	-16.8	37.90	895.61	0.00
2025	Second Half	8,342	8.4	1,262	-25.1	1,280	-25.4	828	-21.9	41.27	-	87.00
2026	Second Half: CE	9,316	11.7	1,332	5.5	1,324	3.4	890	7.5	44.36	-	95.00

(Source) Prepared by Alpha-Win Research Dept.

(Notes) A: actual result. CE: the Company's estimate/forecast. E: Alpha-Win Research Dept.'s estimate/forecast. Q1: April–June results; Q2: July–September results; Q3: October–December results; Q4: January–March results; Q3 YTD: April–December results. First half: April–September results; Second half: October–March results.

Past years' figures have been retroactively revised for the stock split (3-for-1) conducted on October 1, 2021 (for EPS, BPS, and dividend). "Old Standard" is the previous revenue-recognition standard. "New Standard" is the new revenue-recognition standard.

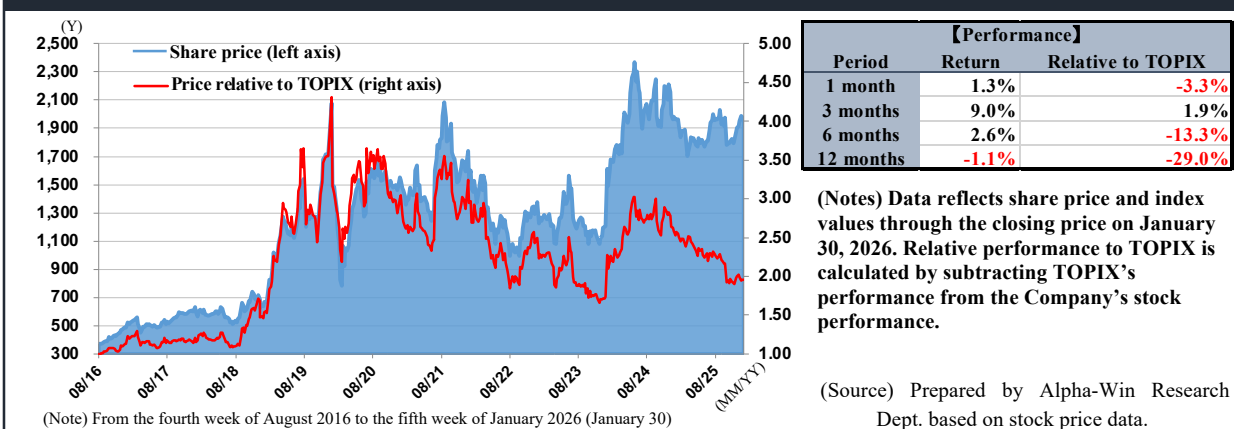
【 Share Price and Valuation Indicators: 9629 PCA 】 Figure B						
Item	1/30/2026	Item	P/E Ratio	P/B Ratio	Dividend Yield	Dividend Payout Ratio
Share Price (Yen)	1,943	Results for the Previous Fiscal Year	22.4	2.0	4.5%	13.6%
Total Issued Shares (Thousands of Shares)	22,000	Forecast for the Current Fiscal Year	23.6	2.1	4.9%	115.5%
Market Capitalization (Millions of Yen)	42,746	Forecast for the Next Fiscal Year	19.7	2.0	5.1%	100.3%
Dilutive Shares (Thousands of Shares)	0	Forecast for the Fiscal Year After the Next	15.1	2.0	6.6%	100.3%
Equity Ratio for the Current Fiscal Year's First Nine Months	55.4%	Dividend on Equity (DOE) Ratio at the End of the Previous Fiscal Year		9.2%	Previous Fiscal Year's ROE	9.2%

(Source) Prepared by Alpha-Win Research Dept.

(Note) Valuation figures are based on Alpha-Win Research Department's forecasts.

【Stock Chart (End-of-week prices) : 9629 PCA】

Figure C



Disclaimer

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SV2026-0208-0000