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3Q FY25 Consolidated Financial Results (Nine Months Ended June 30, 2026) [JGAAP]

July 21, 2026

Company Name:	Insource Co., Ltd.		Stock Exchange Listing: Tokyo
Code number:	6200	URL: https://www.insource.co.jp/index.html	
Representative:	Takayuki Funahashi, Representative Director, President and CEO		
Contact:	Shigeo Fujimoto, Director, Executive Officer and CFO		TEL. +81-3-5577-2283

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Not scheduled

(Amounts are rounded down to the nearest million yen)

1. 3Q FY25 Consolidated Financial Results (October 1, 2025 – June 30, 2026)

(1) Consolidated Financial Results (% indicates changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
3Q FY25	11,582	8.9	4,448	3.7	4,502	4.6	3,077	6.2
3Q FY24	10,637	15.9	4,291	21.2	4,306	21.5	2,897	19.2

(Note) Comprehensive income: 3Q FY25 3,069 million yen (4.6%) 3Q FY24 2,933 million yen (20.8%)

	Basic earnings per share	Diluted earnings per share
	yen sen	yen sen
3Q FY25	36.63	—
3Q FY24	34.51	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	mil yen	mil yen	%
3Q FY25	16,606	13,505	81.3
FY24 Full-year	16,149	12,487	77.3

(Reference) Shareholders' equity: 3Q FY25 13,505 million yen FY24 Full-year 12,487 million yen

2. Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	yen sen	yen sen	yen sen	yen sen	yen sen
FY24 Full-year	—	0.00	—	25.00	25.00
FY25 Full-year	—	0.00	—		
FY25 (forecast)				35.00	35.00

(Note) Revisions of dividend forecast from recently announced figures: yes

(Note) Breakdown of FY25 year-end dividend per share (forecast): Ordinary dividend: ¥29.50; commemorative dividend: ¥5.50.

3. Consolidated Financial Forecast for FY25 (October 1, 2025 – September 30, 2026)

(% indicates changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	mil yen	%	mil yen	%	mil yen	%	mil yen	%	yen sen
FY25 Full-year	16,000	10.3	6,380	6.7	6,430	7.2	4,400	6.5	52.39

(Note) Revisions of forecast of financial results from recently announced figures: No

* Notes

(1) Significant changes in the scope of consolidation during 3Q FY25 : None

(2) Specific accounting methods for Quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, estimates and restatements
- (i) Changes in accounting policies due to the revision of accounting standards : None
- (ii) Changes in accounting policies other than (3)-(i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None

(4) Total number of issued shares (common stocks)

(i)	Total number of issued shares at the end of the period (including treasury shares)	3Q FY25	85,243,000	shares	FY24	85,243,000	shares
(ii)	Total number of treasury shares at the end of the period	3Q FY25	1,210,371	shares	FY24	1,269,169	shares
(iii)	Average number of shares during the period (cumulative)	3Q FY25	83,996,078	shares	3Q FY24	83,938,269	shares

* These quarterly consolidated financial results are outside the scope of review by certified public accountants or audit firm

* Explanation for the appropriate use of financial forecasts and other special notes:

(Cautionary note on forward-looking statement)

The statements regarding the forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast figures due to various factors.

For the suppositions that form the assumptions for financial forecasts and cautions concerning the use thereof, please refer to "1. Overview of Business Performance and Other Key Indicators (3) Consolidated Financial Forecasts" on page 3 of this report.

(How to obtain supplementary explanatory materials for financial results)

Supplementary materials on financial results are disclosed on the Company's website along with this financial report. Please download the supplementary data for 3Q FY25 financial results (Excel format) from the "IR Library" on the "IR Information" of our website.

*Available from 9:00 PM (JST) on Tuesday, July 21, 2026

ttps://www.insource.co.jp/ir/ir_ir_ibrary.html#presentatinonMaterial

(Regarding the review by a certified public accountant or audit firm)

The Company plans to undergo a review by an audit firm and will disclose the quarterly financial results report with the review report attached after the review is completed (scheduled for August 3, 2026).

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1. Overview of Business Performance and Other Key Indicators

(1) Overview of Business Results

Demand in the corporate training market remained solid, driven by momentum toward enhancing corporate value through human capital management, as well as labor shortages and hiring difficulties during the third quarter of the current fiscal year (From October 1, 2025 to June 30, 2026). In addition, the DX (digital) education market saw expansion accompanying the advancement of data utilization and the social implementation of AI.

Under this business environment, Our Group has been strengthening AI and DX-related services, expanding our service lineup through the development of training content related to generative AI utilization and DX promotion, as well as adding new functions to “AI-OJT.” We also began offering consulting services related to generative AI utilization and a community for management executives. In addition, in our Open Seminars Business, we strengthened efforts to address client needs by launching on-demand delivery and developing new training content. Furthermore, we strengthened our sales structure and implemented transportation advertising aimed at increasing brand awareness and the number of inquiries.

As a result, as for the On-Site Training Business, the number of digital-related training sessions conducted increased by 16.7% and the total number of training sessions conducted increased by 5.1% YoY.

In the Open Seminars Business, the number of attendees for DX-related training increased 25.8% YoY, and the total number of attendees increased 3.9% YoY. While the number of attendees per training decreased by 1 YoY, the average unit price increased by 4.3% YoY.

In the IT Services Business, for LMS “Leaf” (*1), we expanded new features related to generative AI and strengthened sales promotion. Its active users exceeded 5.46 million (+19.3% YoY) as of the end of June 2026. The number of paid organizations wits paid subscriptions increased to 919 (+85, +10.2% YoY). As a result, Leaf’s monthly recurring revenue (MRR (*2)) increased, and ARR (*3) grew 7.4% YoY to 1,519 million yen.

In Other Businesses, the number of high-profit video and e-Learning products sold decreased 3.6% YoY, while the number of video production solution projects increased 61.0% YoY.

In addition, we continued initiatives to curb the increase in SG&A expenses, including selective hiring, the use of generative AI, and the optimization of personnel allocation across the Group.

As a result of the above, consolidated financial results for this third quarter are as follows; net sales were 11,582,678 thousand yen (+8.9% YoY), operating profit was 4,448,526 thousand yen (+3.7% YoY), ordinary profit was 4,502,897 thousand yen (+4.6% YoY), profit attributable to owners of parent was 3,077,394 thousand yen (+6.2% YoY).

*1:LMS (Learning Management System): A system necessary for implementing e-Learning.
*2:MRR: Monthly Recurring Revenue
*3:ARR: Annual Recurring Revenue. Calculated by multiplying the MRR of the last month of each term by 12.

■Net sales by business (cumulative) (unit: thousand yen)

Business	3Q FY25 (Oct.1, 2025 – Jun.30, 2026)	YoY (%)	3Q FY24 (Oct.1, 2024 – Jun.30, 2025)
On-Site Training	5,576,748	110.8	5,033,541
Open Seminars	2,812,991	108.4	2,595,253
IT Services	1,519,566	104.8	1,450,541
Other Businesses	1,673,371	107.4	1,557,995
Total	11,582,678	108.9	10,637,332

(2) Overview of Financial Position

(Assets)

Total assets at the end of the third quarter of the current fiscal year increased by 457,438 thousand yen compared to the end of the previous fiscal year to 16,606,879 thousand yen, mainly due to an increase of 376,007 thousand yen in property, plant and equipment, and others.

(Liabilities)

Total liabilities decreased by 561,119 thousand yen compared to the end of the previous fiscal year to 3,101,248 thousand yen. This was mainly due to a decrease of 534,736 thousand yen in income taxes payable.

(Net Assets)

Net assets increased by 1,018,557 thousand yen compared to the end of the previous fiscal year to 13,505,631 thousand yen. This was mainly due to an increase in retained earnings of 978,049 thousand yen.

(3) Consolidated Financial Forecasts

There are no changes to the full-year consolidated financial forecast for FY25 announced on May 7, 2026. Please note that this forecast is based on information currently available, and actual results may differ from the forecast due to various factors going forward.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(unit: thousand yen)

	FY24 (As of Sep.30, 2025)	3Q FY25 (As of Jun.30, 2026)
Assets		
Current assets		
Cash and deposits	8,191,258	8,218,353
Accounts receivable - trade	1,877,534	1,624,767
Inventories	40,334	22,184
Other	93,209	301,440
Allowance for doubtful accounts	-1,497	-1,680
Total current assets	10,200,841	10,165,065
Non-current assets		
Property, plant and equipment		
Buildings, net	1,574,497	1,639,683
Land	1,974,413	1,974,413
Other, net	45,729	421,736
Total property, plant and equipment	3,594,640	4,035,832
Intangible assets		
Leasehold interests in land	769,778	769,778
Goodwill	5,841	—
Software	161,198	181,873
Other	3,183	346
Total intangible assets	940,002	951,998
Investments and other assets	1,413,957	1,453,983
Total non-current assets	5,948,600	6,441,814
Total assets	16,149,441	16,606,879
Liabilities		
Current liabilities		
Accounts payable - trade	217,941	232,727
Accounts payable - other	681,408	350,908
Income taxes payable	1,162,924	628,188
Advances received	1,097,267	1,269,856
Provision for bonuses	—	255,844
Provision for bonuses for directors (and other officers)	—	6,000
Other	433,158	257,731
Total current liabilities	3,592,701	3,001,257
Non-current liabilities		
Asset retirement obligations	69,666	99,990
Total non-current liabilities	69,666	99,990
Total liabilities	3,662,367	3,101,248

Net assets		
Shareholders' equity		
Share capital	800,623	800,623
Capital surplus	941,782	956,986
Retained earnings	11,379,746	12,357,795
Treasury shares	-670,710	-637,335
Total shareholders' equity	12,451,441	13,478,069
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,632	27,562
Total accumulated other comprehensive income	35,632	27,562
Total net assets	12,487,074	13,505,631
Total liabilities and net assets	16,149,441	16,606,879

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(For the nine months ended June 30, 2026)

(unit: thousand yen)

	3Q FY24 (Oct.1, 2024- Jun.30, 2025)	3Q FY25 (Oct.1, 2025- Jun.30, 2026)
Net sales	10,637,332	11,582,678
Cost of sales	2,466,290	2,744,490
Gross profit	8,171,041	8,838,187
Selling, general and administrative expenses	3,879,345	4,389,661
Operating profit	4,291,696	4,448,526
Non-operating income		
Interest income	2,609	5,096
Dividend income	835	1,017
Foreign exchange gains	—	598
Subsidies for employment adjustment	1,218	—
Income from base station installation	1,557	1,354
Surrender value of insurance policies	548	1,424
Gain on sale of investment securities	10,419	43,886
Other	1,369	3,283
Total non-operating income	18,558	56,661
Non-operating expenses		
Foreign exchange losses	204	—
Loss on extinguishment of stock-based compensation expenses	3,724	2,291
Total non-operating expenses	3,928	2,291
Ordinary profit	4,306,326	4,502,897
Extraordinary losses		
Loss on valuation of investment securities	108,591	
Loss on retirement of non-current assets	—	449
Total extraordinary losses	108,591	449
Profit before income taxes	4,197,735	4,502,447
Income taxes	1,300,579	1,425,052
Profit	2,897,156	3,077,394
Profit attributable to owners of parent	2,897,156	3,077,394

(Quarterly Consolidated Statements of Comprehensive Income)
(For the nine months ended June 30, 2026)

(unit: thousand yen)

	3Q FY24 (Oct.1, 2024- Jun.30, 2025)	3Q FY25 (Oct.1, 2025- Jun.30, 2026)
Profit	2,897,156	3,077,394
Other comprehensive income		
Valuation difference on available-for-sale securities	36,823	-8,070
Total other comprehensive income	36,823	-8,070
Comprehensive income	2,933,980	3,069,324
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,933,980	3,069,324
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Application of Special Accounting Methods for the Preparation of Quarterly Consolidated Financial Statement)

(Calculating Tax Expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to the profit before income taxes for the consolidated fiscal year including this third quarter consolidated accounting period, and multiplying the quarterly profit before income taxes by that effective tax rate.

(Notes to the Segment Information)

This information is omitted because the Group operates in a single segment of the education service business.

(Notes to the Significant Change in the Amount of Shareholders' Equity)

Not applicable

(Notes to the Going Concern Assumption)

Not applicable

(Notes to the Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the nine months ended June 30, 2026 has not been prepared.

However, depreciation expenses for the 3Q FY25 (including amortization of intangible assets excluding goodwill) and the amount of amortization of goodwill are as follows.

(unit: thousand yen)

	3Q FY24 (Oct.1, 2024-Jun.30, 2025)	3Q FY25 (Oct.1, 2025-Jun.30, 2026)
Depreciation	132,094	146,080
Amortization of goodwill	5,841	5,841

(Significant Subsequent Events)

(Resolution of Matters Relating to the Acquisition and Cancellation of Treasury Shares)

At the Board of Directors meeting held on July 21, 2026, the Company resolved on matters concerning the acquisition of treasury shares pursuant to the provisions of Article 156 of the Companies Act as applied with the replacement of terms under Article 165, Paragraph 3 of the same Act, and also resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act, as described below.

1. Reason for acquisition and cancellation of treasury stock
   For the purpose of optimizing the Company's capital structure, enhancing shareholder returns, maintaining and improving the capability to execute flexible capital policies, and increasing medium- to long-term corporate value and shareholder value.
2. Details of the repurchase

(1)	Class of shares to be repurchased	Common stock of the Company
(2)	Total number of shares to be repurchased	Up to 3,000,000 shares （3.5% of the total number of issued shares (excluding treasury shares))
(3)	Aggregate purchase price	Up to 2,000,000,000 yen
(4)	Period of repurchase	From July 22, 2026 to September 30, 2026
(5)	Method of repurchase	Market purchases on the Tokyo Stock Exchange

3. Details of cancellation

(1)	Class of shares to be cancelled	Common stock of the Company
(2)	Total number of shares to be cancelled	Up to 4,000,000 shares* (4.7% of the total number of issued shares (excluding treasury shares))
(3)	Scheduled cancellation date	September 30, 2026

*The number comprises all treasury shares acquired under 2. above and 1,000,000 treasury shares currently held by the Company.