



MarkLines Co., Ltd.

Financial Results Briefing Materials

First quarter (Q1) of 2026

May 15, 2026

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The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed reasonable. It is possible that these statements or assumptions are objectively incorrect or may not be realized in the future.

In addition, the information in this document concerning companies other than our group companies is quoted from publicly available information, etc., and we do not guarantee the accuracy and appropriateness of such information.

MarkLines Co., Ltd.

Outline

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- III. Earnings Forecast**
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I. FINANCIAL RESULTS SUMMARY

Summary of Consolidated Financial Results

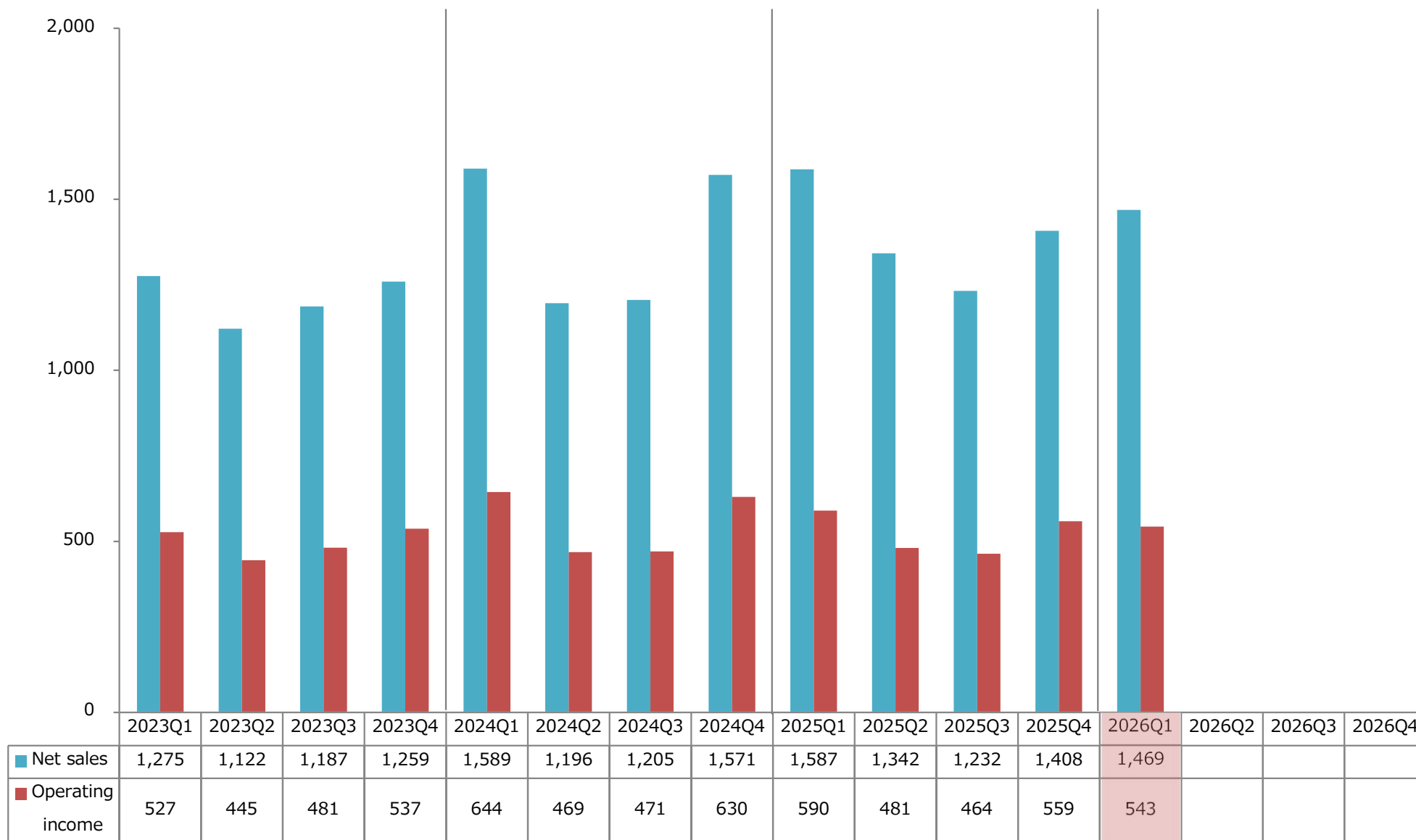
(Unit: JPY millions)

	2025Q1	2026Q1	y/y change (%)	Primary factors
Consolidated net sales	1,587	1,469	△7.4	The Information Platform business increased by 4.6% year-over-year (y/y). However, for the Company as a whole, sales decreased by 7.4% y/y due to declines in the Reverse Engineering business and other areas.
Consolidated operating income	590	543	△7.9	In addition to a 7.4% decrease in sales compared to the same period last year, the Company experienced a 7.9% decrease in operating income due to increased fixed costs associated with the relocation of its Headquarters office.
Consolidated ordinary income	594	561	△5.4	Operating income decreased by 7.9% y/y, resulting in a 5.4% decrease in ordinary income compared to the same period last year.
Net income attributable to shareholders of the parent	427	401	△6.1	As a result of the 5.4% decrease in ordinary income y/y, this figure decreased by 6.1% compared to the same period last year.

Summary of Consolidated Financial Results

Consolidated business performance trends

(Unit: JPY millions)

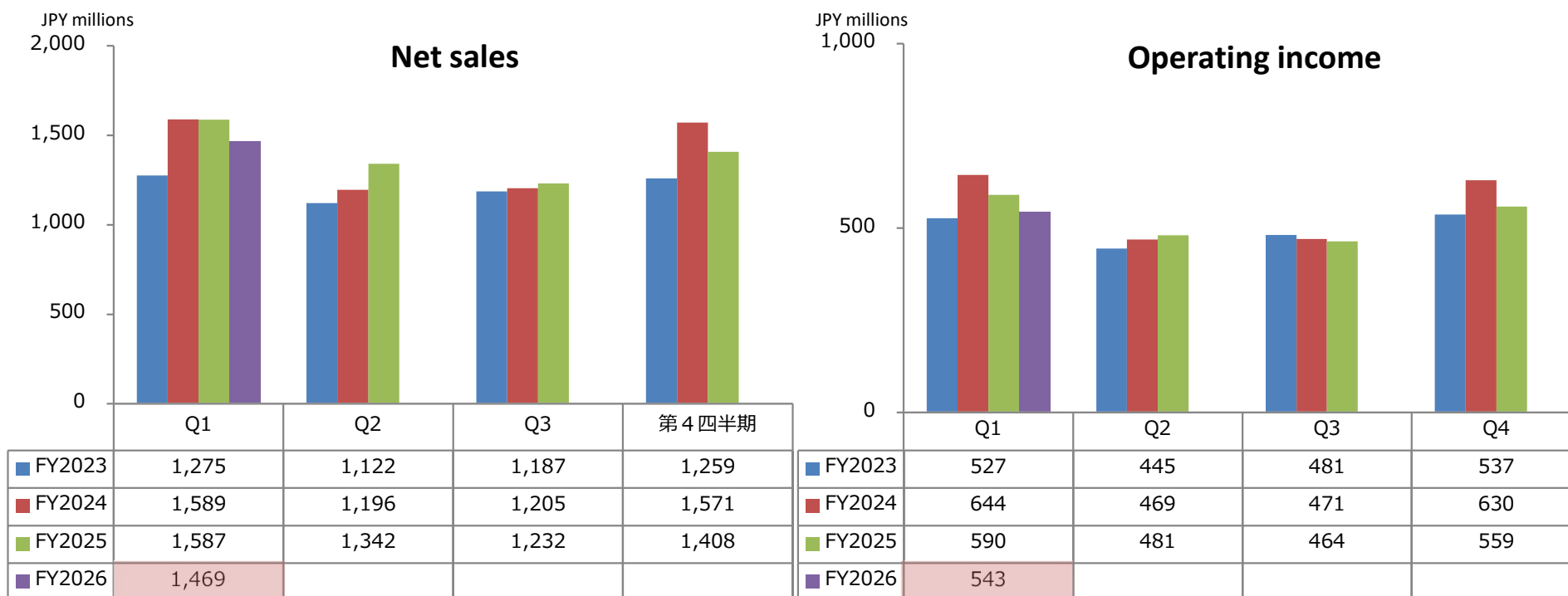


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Summary of Consolidated Financial Results

Comparison of quarterly consolidated results

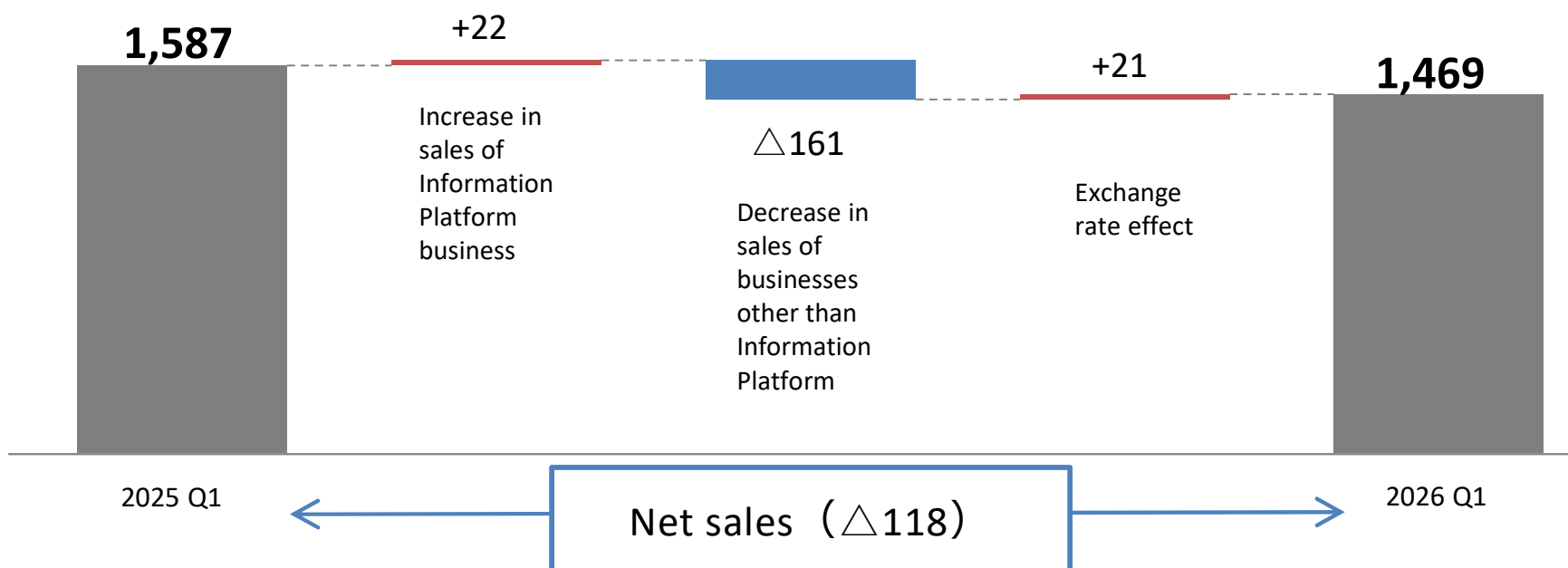
- In the first quarter (Q1) of the consolidated fiscal year, Japanese manufacturers (including overseas subsidiaries), which account for approximately 70% of consolidated sales, continued to face business challenges like those seen in 2025, due to factors such as the tariff policies imposed by the Trump administration, a temporary slowdown in global EV demand, and intensified competition with Chinese OEMs. Consequently, some customers have reduced their R&D budgets and experienced project delays, which has affected the order trends of the Company.



Summary of Consolidated Financial Results

(Unit: JPY millions)

Factors contributing to increase or decrease
in consolidated net sales
(y/y change)



Main breakdown of sales increases/decreases other than the Information Platform business:

- Sales in the Recruiting Solutions business increased by JPY 17 million.
- Sales in the Promotional Advertising business increased by JPY 8 million.
- Sales in the Reverse Engineering business decreased by JPY 146 million.
- Sales in the Consulting business decreased by JPY 42 million.

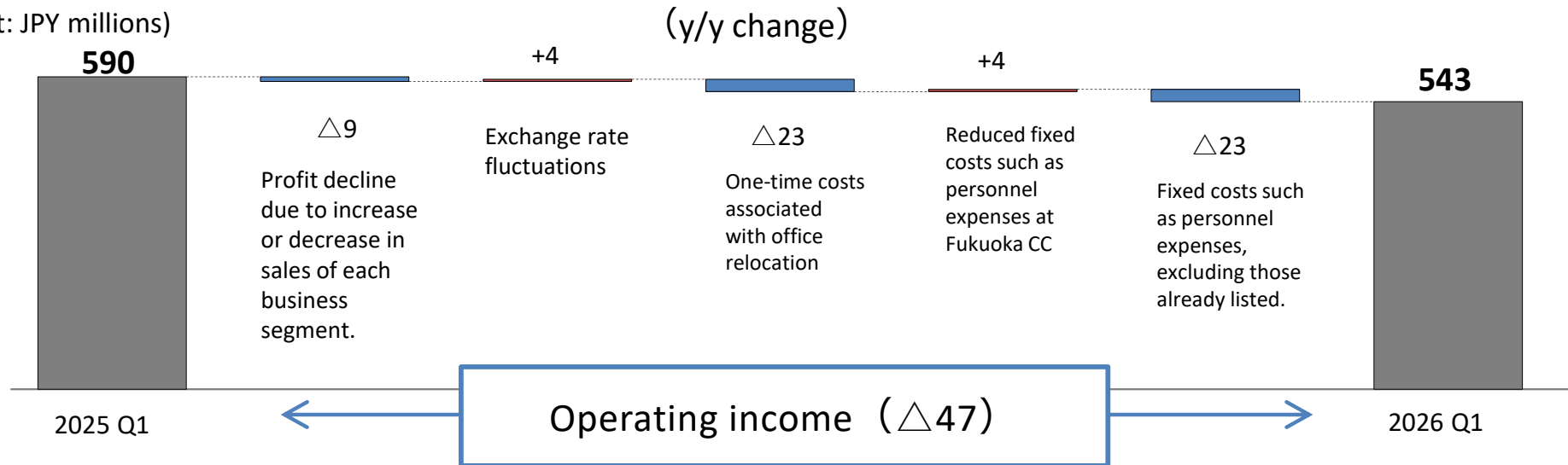
Breakdown of exchange rate fluctuations:

- Sales in foreign currencies increased by JPY 21 million due to the impact of the CNY, EUR, etc.

Summary of Consolidated Financial Results

Factors contributing to increase or decrease in operating income

(Unit: JPY millions)



- One-time expenses totaling approximately JPY 23 million were incurred due to the relocation of our Japan, North America, and Shanghai offices.
- With the closure of the Fukuoka Call Center (CC) in February 2026, fixed costs associated with that location in Q1 decreased by JPY 4 million compared to the same period last year.
- The majority of the increase due to exchange rate fluctuations is related to our Information Platform business.

Item	Information Platform business exchange rate	2025Q1	2026Q1	Conversion method
Net sales	USD (weighted average of conversion rates for each contract)	151.21	149.8	Converted at the spot rate at the time of deposit of each contract
	EUR (weighted average of conversion rates for each contract)	163.23	169.41	Converted at the spot rate at the time of deposit of each contract
	CNY (spot rate at end of period)	20.68	23.10	Cumulative sales in CNY converted at the spot rate at the end of each quarter
Expenses	USD (spot rate at end of period)	149.52	159.88	Cumulative USD costs converted at the spot rate at the end of each quarter
	EUR (spot rate at end of period)	162.08	183.41	Cumulative EUR costs converted at the spot rate at the end of each quarter
	CNY (spot rate at end of period)	20.68	23.10	Cumulative CNY costs converted at the spot rate at the end of each quarter

II. PROFIT AND LOSS BY SEGMENT

Profit and Loss by Segment

(Unit: JPY millions)

Business unit		2025 Q1 Actual results	2026 Q1 Actual results	y/y	
Information Platform business	Net sales	948	991	+43	+4.6%
	Segment operating income	451	453	+1	+0.3%
Consulting business	Net sales	177	135	△42	△23.7%
	Segment operating income	59	33	△25	△43.3%
Promotional Advertising business	Net sales	29	37	+8	+27.9%
	Segment operating income	24	26	+1	+6.5%
Market Forecast Information Sales business	Net sales	68	70	+1	+2.9%
	Segment operating income	21	24	+2	+12.2%
Reverse Engineering business	Net sales	330	184	△146	△44.2%
	Segment operating income	31	5	△26	△83.6%
Recruiting Solutions business	Net sales	22	39	+17	+77.5%
	Segment operating income	△4	2	+6	—
Automotive Fund business	Net sales	9	4	△5	△53.3%
	Segment operating income	4	△0	△5	—
Other	Net sales	—	4	4	—
	Segment operating income	—	△1	△1	—
Consolidated net sales		1,587	1,469	△117	△7.4%
Consolidated operating income		590	543	△46	△7.9%

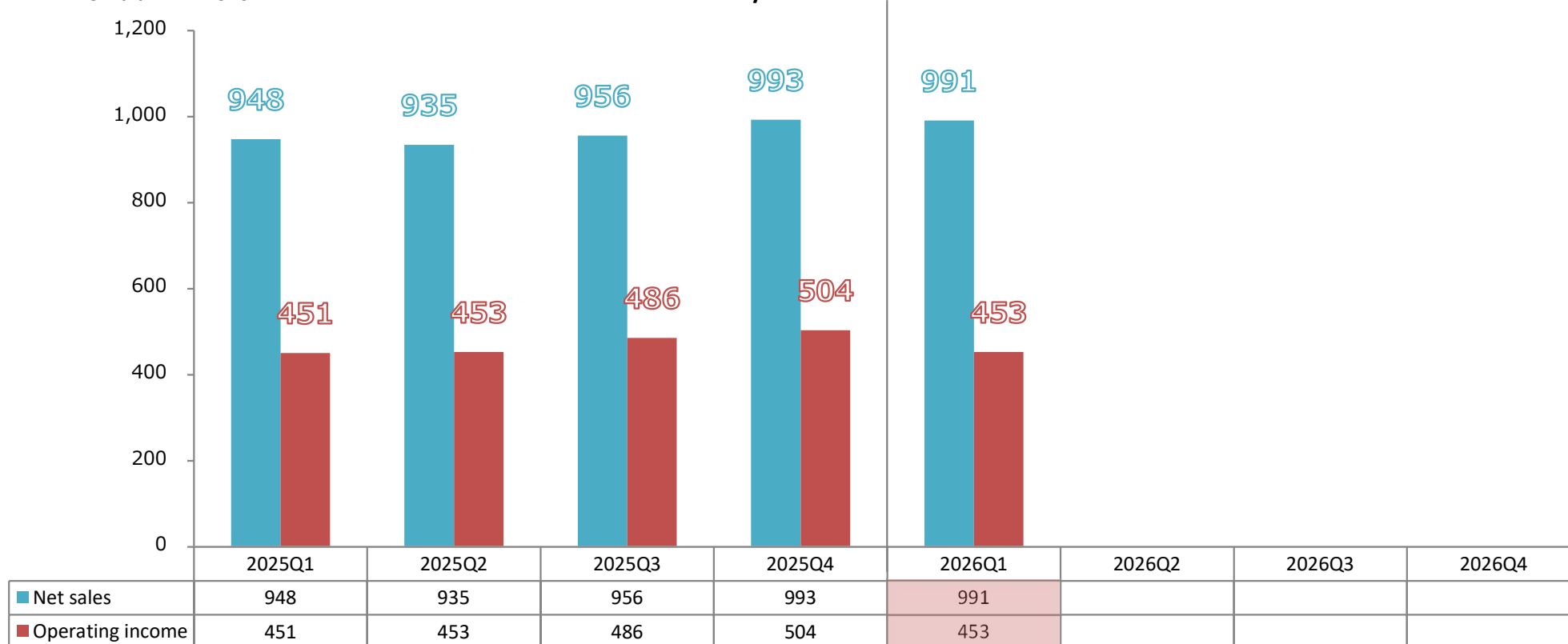
Profit and Loss by Segment (Information Platform business)

① Overview of the performance of the Information Platform business

In Q1 of the consolidated fiscal year, the Information Platform business saw a decrease in the number of contracts, mainly in Japan, but benefited from price revisions with existing customers. The average contract price increased, mainly for JPY-denominated contracts, and aided by the weaker Japanese yen (JPY), sales increased by 4.6%, while segment profit remained almost flat at 0.3%.

Unit: JPY millions

Quarterly financial results



Profit and Loss by Segment (Information Platform business)

② Net sales by region

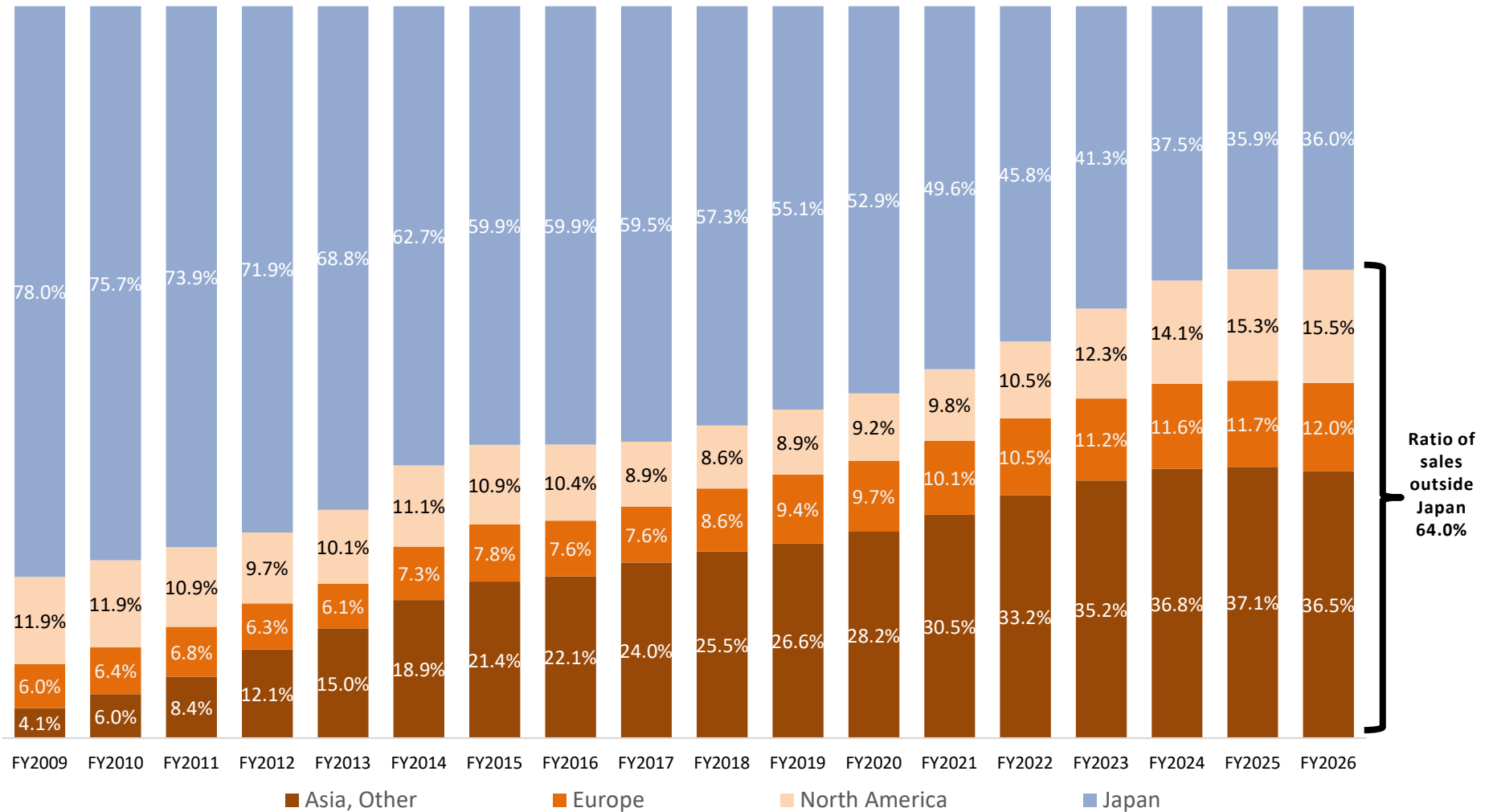
(Unit: JPY millions)

Information Platform business net sales by region				
	2025 Q1	2026 Q1	y/y change (%)	Factors causing increase or decrease
Japan	344	357	+3.7	Sales increased primarily due to the price revisions on existing contracts that began at the end of the previous fiscal year.
China	159	165	+3.9	The appreciation of the Chinese yuan (CNY) led to an increase in sales in Japanese yen (JPY).
Asia	179	186	+4.1	Sales increased primarily due to the price revisions on existing contracts that began at the end of the previous fiscal year.
North America	143	153	+6.6	Sales increased due to an increase in the number of contracts in the previous period and the effect of price revisions on existing contracts.
Europe	113	118	+4.5	Sales increased due to price revisions on existing contracts and the effects of the weaker JPY.
Other	7	10	+31.2	—
Total	948	991	+4.6	—

Profit and Loss by Segment (Information Platform business)

③ Sales breakdown by region

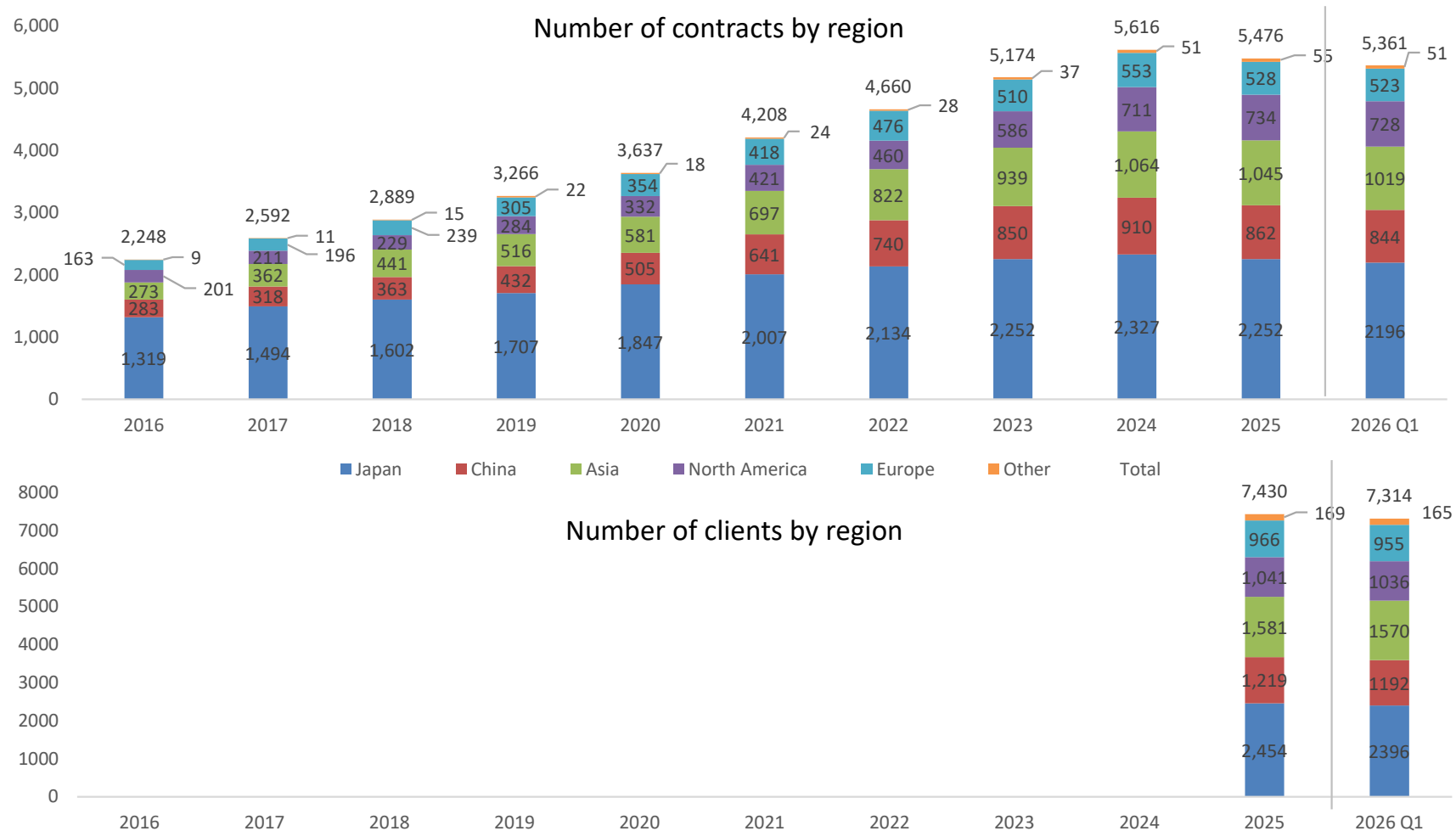
Information Platform business sales composition by region



Profit and Loss by Segment (Information Platform business)

④ Number of contracted companies and number of companies using the service

- Due to the rapid changes in the global external environment since 2025, cancellations by small and medium-sized enterprises (SMEs) with low recession resilience increased, resulting in a decrease in both the number of contracts and the number of client companies in Japan, China, Asia, North America, and Europe.



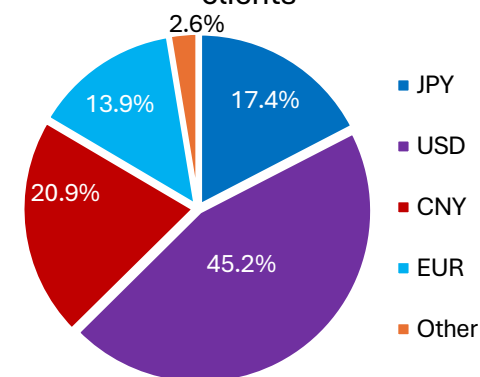
Profit and Loss by Segment (Information Platform business)

⑤ Average contract unit price by major currency (in local currency)

【Average unit price per contract for new clients】

Currency	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2025 full year (a)	2026 Q1 (b)	change (b) / (a)
JPY	686,341	623,810	707,167	675,750	676,636	587,400	△13.2%
USD	5,061	5,213	5,492	5,380	5,272	5,182	△1.7%
CNY	35,480	36,487	34,803	36,947	35,947	38,565	+7.3%
EUR	4,871	4,799	5,221	5,142	5,100	5,696	+11.7%

Breakdown of contracts by new clients

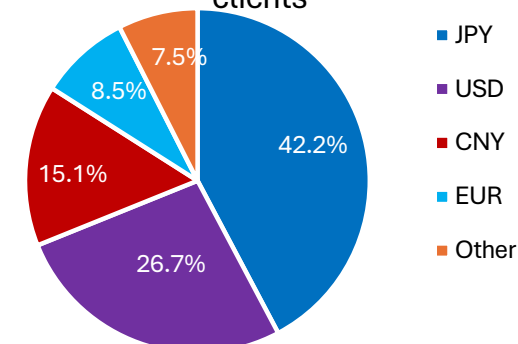


- In Q1 in Japan, the majority of contracts were for up to two users, and the average transaction value per new customer decreased compared to the full year last year. However, new contracts in JPY accounted for only about 17% of the total number of new contracts, so the impact on sales was limited.
- In CNY- and EUR-denominated markets, securing higher-value contracts boosted the average transaction value per customer.

【Average unit price per contract for existing clients】

Currency	2025 Q4 end (a)	2026 Q1 end (b)	change (b) / (a)
JPY	636,004	712,076	+12.0%
USD	5,339	5,466	+2.4%
CNY	37,082	37,528	+1.2%
EUR	5,274	5,432	+3.0%

Breakdown of contracts by existing clients



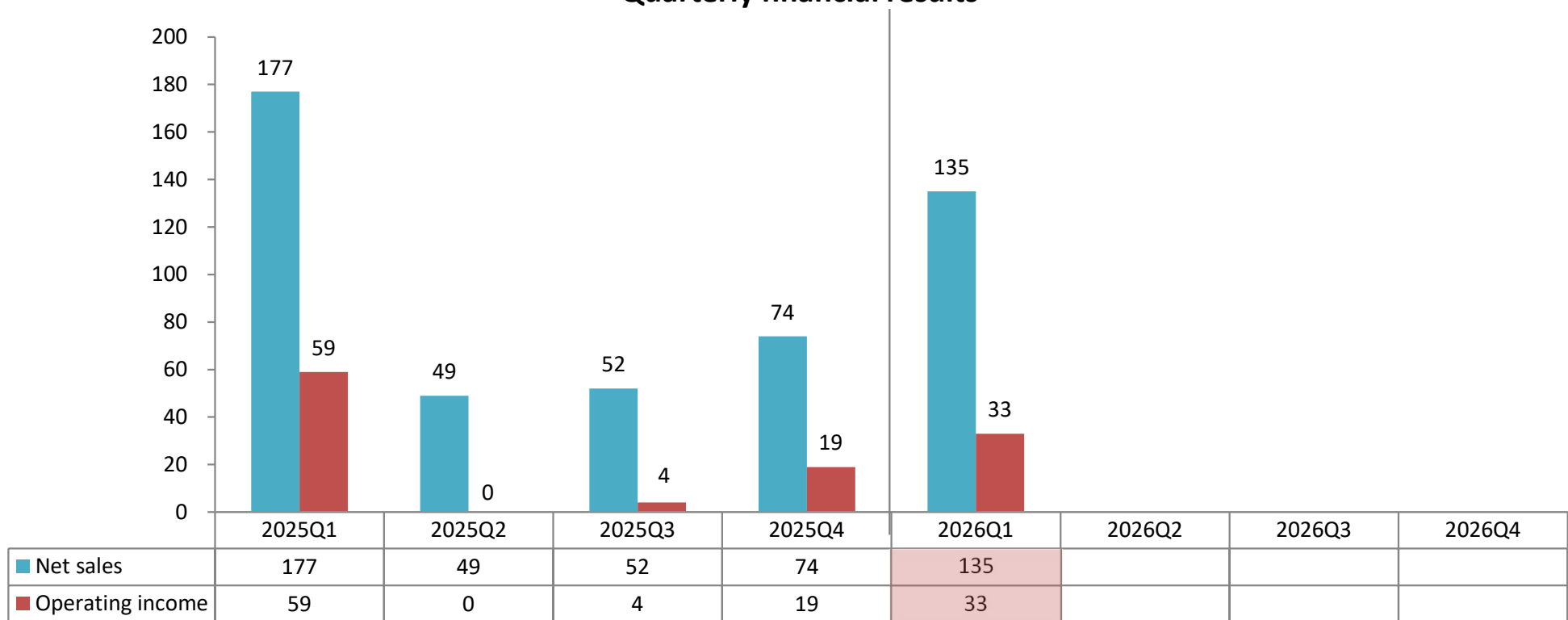
- The effects of price revisions to existing contracts, which have been implemented sequentially since Dec. 2025, are becoming apparent in all currency denominations. In addition, the limited upselling efforts promoted since last year have also contributed to the increase in the average contract unit price.
- Also, JPY-denominated contracts now account for over 40% of existing contracts, contributing to the increase in sales revenue.

Profit and Loss by Segment (Consulting business)

During Q1 of the consolidated fiscal year, the Consulting business saw a decrease in inquiries from automakers and major parts manufacturers for both consulting services and teardown survey data sales services, resulting in sluggish orders. As a result, both sales/segment income decreased significantly.

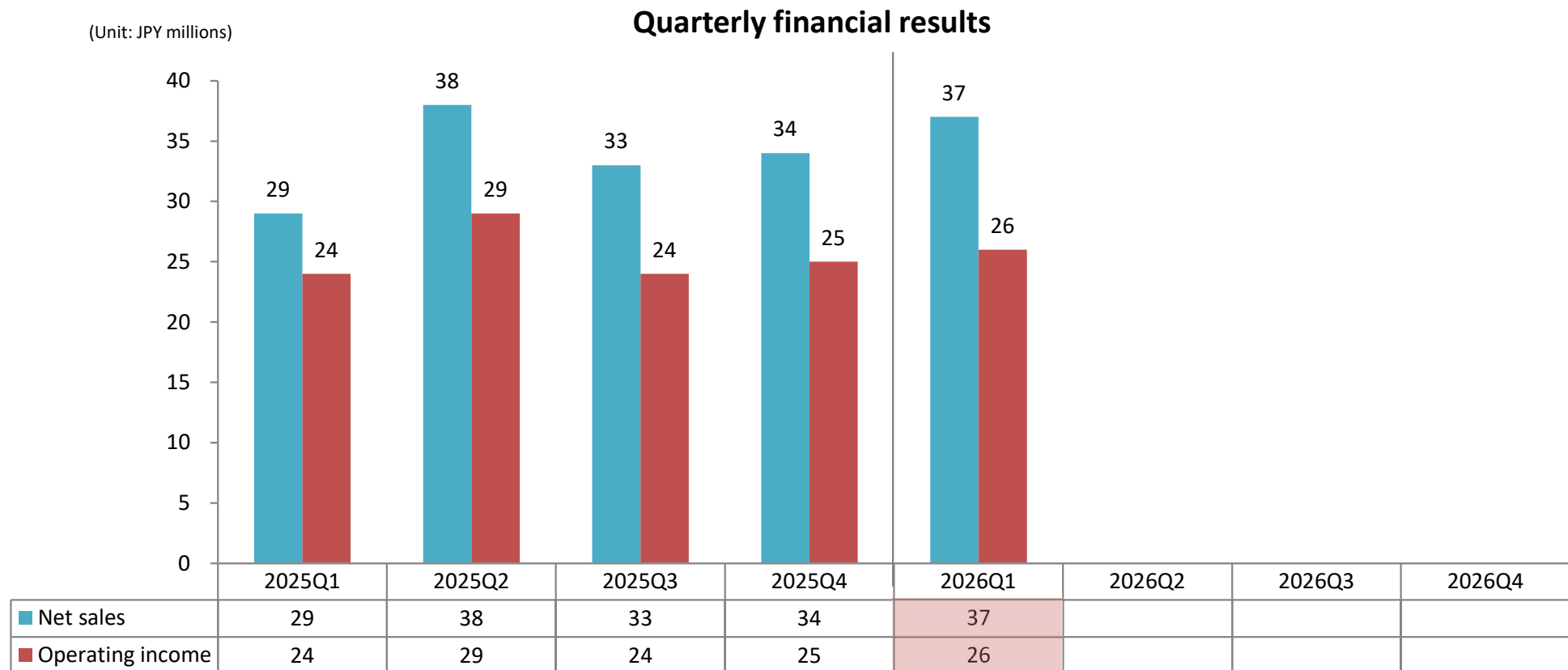
(Unit: JPY millions)

Quarterly financial results



Profit and Loss by Segment (Promotional Advertising business **LINES**)

In Q1 of the consolidated fiscal year, the Promotional Advertising business saw increases in both sales and segment income compared to the same period of the previous year. This was due to factors such as a strengthened customer follow-up system resulting from increasing personnel in the previous fiscal year, continued strong repeat orders, and an upward trend in the average order value per project.

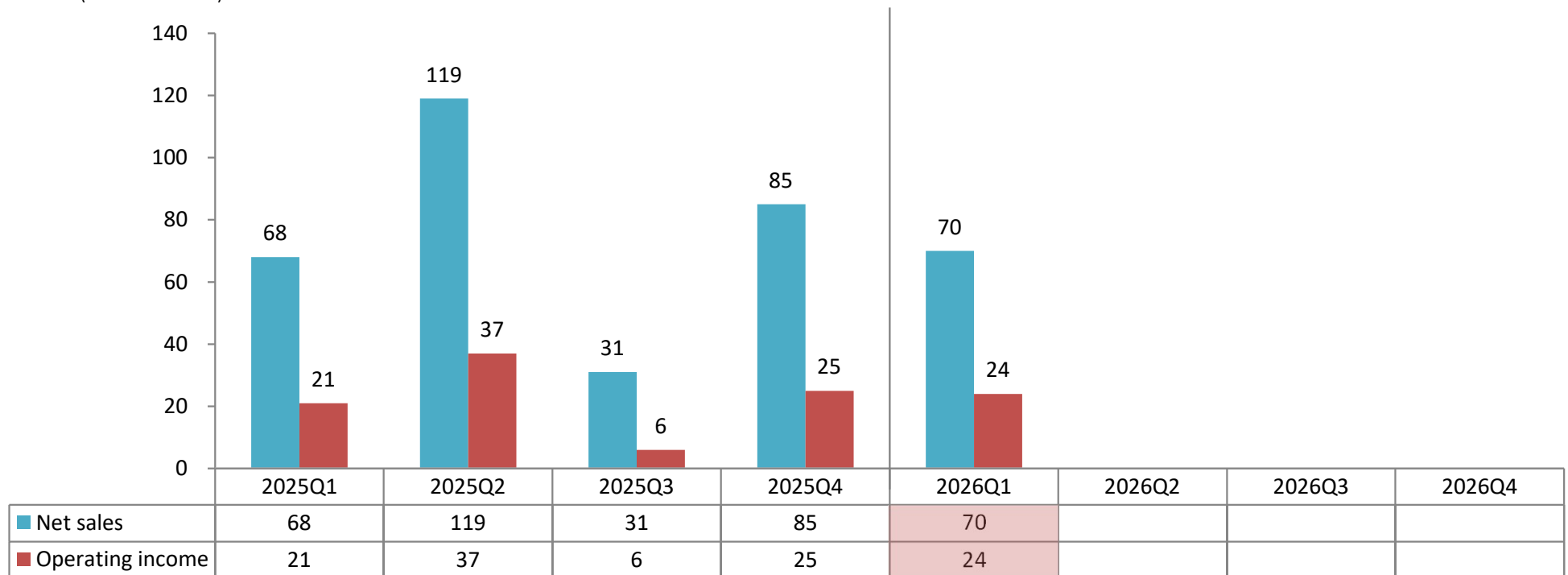


Profit and Loss by Segment (Market Forecast Information Sales business)

During Q1 of the consolidated fiscal year, the Market Forecast Information Sales business saw continued high demand for forecast information due to a combination of factors, including the slowdown in the BEV market, geopolitical risks, and rising raw material costs, which led to the restructuring of manufacturing sites. As a result, the contract renewal rate remained high, and both sales and segment profit increased y/y.

Quarterly financial results

(Unit: JPY millions)

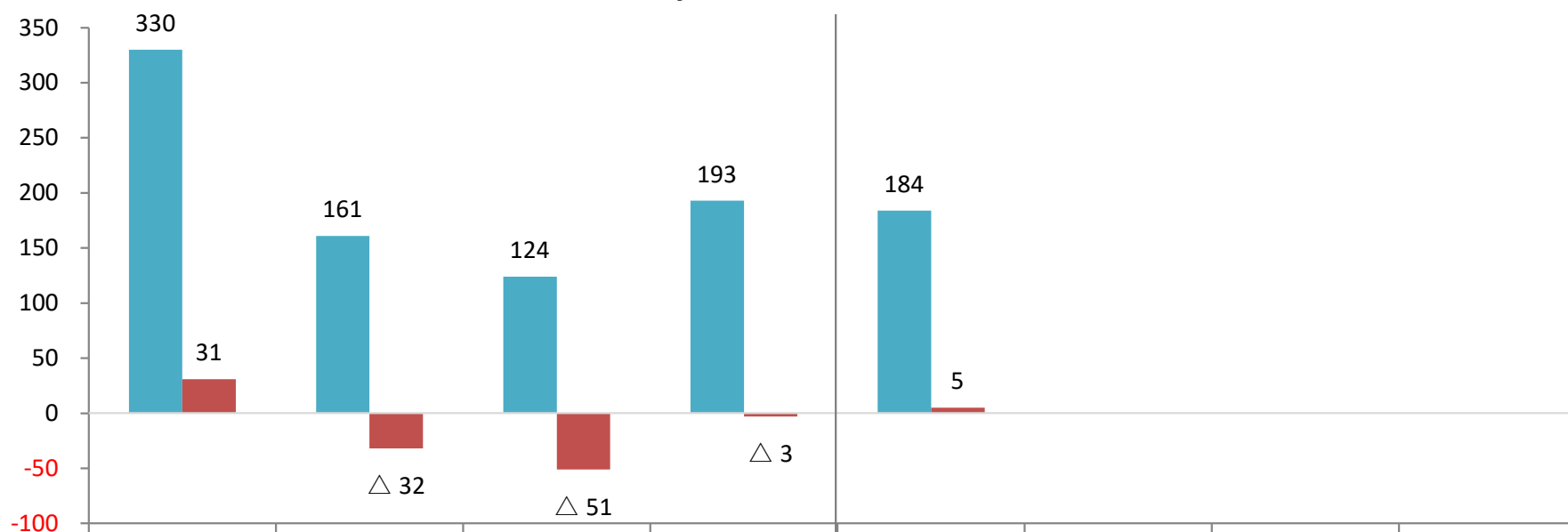


Profit and Loss by Segment (Reverse Engineering business)

In Q1 of the consolidated fiscal year, the Reverse Engineering business saw an increase in gross income margin due to a higher in-house production rate in vehicle teardown and measurement services, as well as an increase in high value-added projects in vehicle and parts procurement agency services. Conversely, both sales and segment income decreased y/y due to a decrease in the number of orders. Currently, there is an increasing trend in business negotiations from automobile/commercial vehicle manufacturers regarding teardown, measurement, and testing services, and these are expected to contribute positively to performance from Q2 onwards.

(Unit: JPY millions)

Quarterly financial results



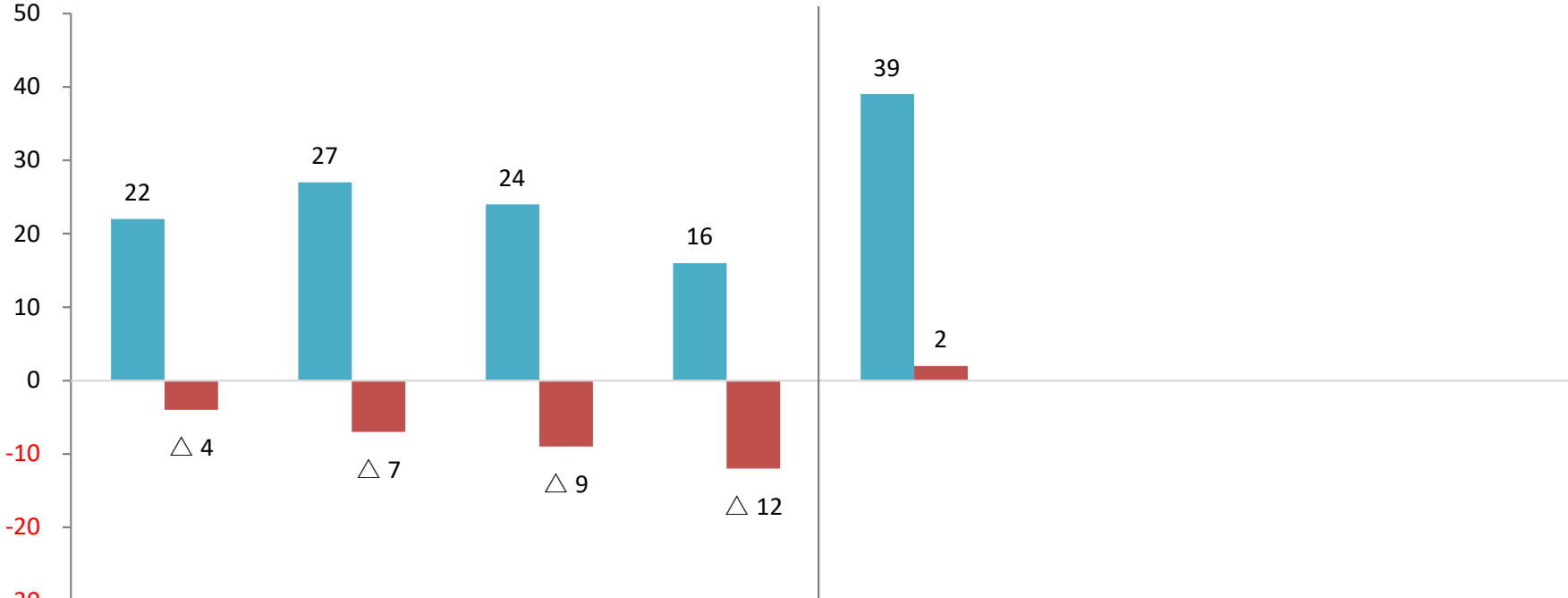
■ Net sales	330	161	124	193	184			
■ Operating income	31	△ 32	△ 51	△ 3	5			

Profit and Loss by Segment (Recruiting Solutions business)

In Q1 of the consolidated fiscal year, the Recruiting Solutions business saw a recovery in recruitment needs from automotive OEMs, resulting in an increase in the number of successful placements to 14 (compared to 10 in the same period last year). In addition, retainer agreements concluded with clients contributed to a 77.5% increase in sales y/y, and the segment recorded a profitable quarter.

(Unit: JPY millions)

Quarterly financial results

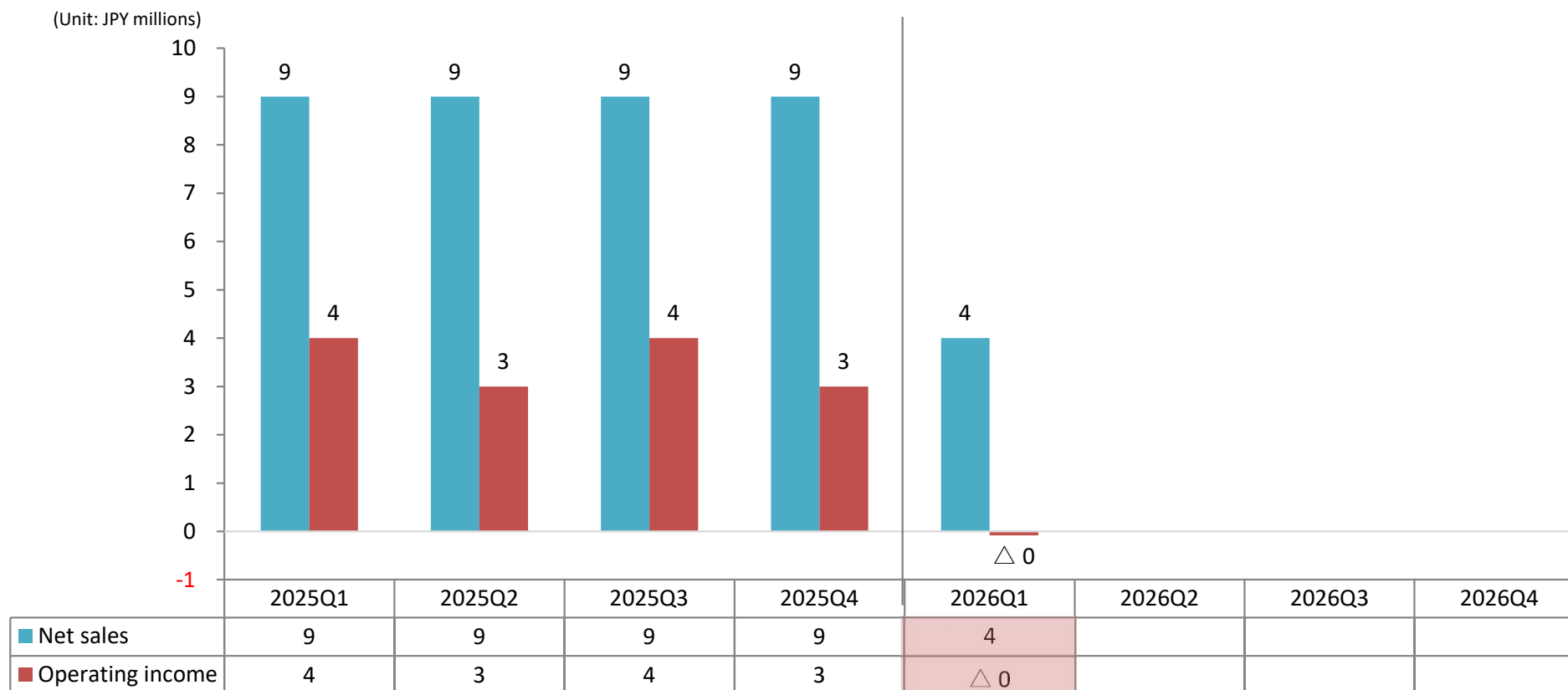


■ Net sales	22	27	24	16	39			
■ Operating income	△ 4	△ 7	△ 9	△ 12	2			

Profit and Loss by Segment (Automotive Fund business)

For Q1 of the consolidated fiscal year, the Automotive Fund business saw a decrease compared to the same period of the previous year. This was due to a change in the method of recording management fees received from affiliated companies. They will now be calculated from the total investment amount of the fund based on the investment balance at the end of the previous period, in accordance with the partnership agreements, starting in fiscal year 2026. In addition, the segment recorded a loss due to the decrease in sales.

Quarterly financial results



III. EARNINGS FORECAST

Earnings Forecast

(Unit: JPY millions)

	2025 Full year actual	2026 Full year forecast	change (%)
Consolidated net sales	5,570	6,150	+10.4%
Consolidated operating income	2,095	2,350	+12.1%
Consolidated ordinary income	2,146	2,380	+10.9%
Net income attributable to shareholders of the parent	1,519	1,660	+9.2%

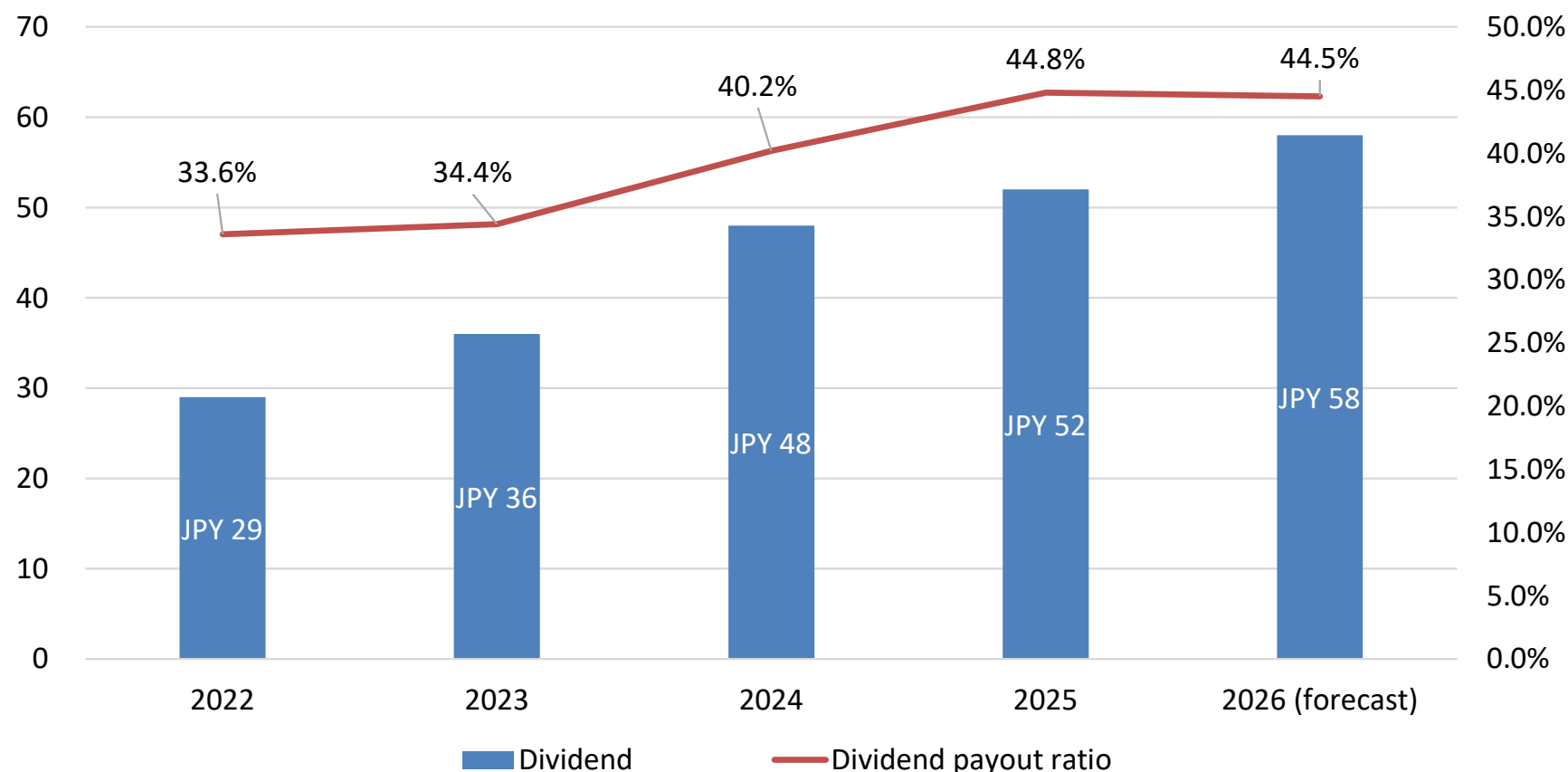
- The price revisions implemented since December of the previous fiscal year for existing contracts in our Information Platform business are contributing to a gradual increase in sales revenue as contracts are renewed, and this contribution is expected to increase further from Q2 onwards.
- Regarding the services provided at the Company's Benchmark Center, the main customers, Japanese OEMs, are becoming more active due to factors such as the change of fiscal year. Current inquiries are showing a positive trend y/y and are expected to contribute to performance from Q2 onwards.
- In January of this fiscal year, the Company released "MarkLines Gen-AI Beta Version." We are currently focusing on improvement activities based on customer feedback and anticipate that improvements to this function will gradually contribute to financial performance from Q2 onwards, leading to an increase in new contracts and a decrease in cancellations.

IV. DIVIDENDS

Dividends

Regarding dividend policy, the Company will raise the consolidated dividend payout ratio from the current 40% to 45% starting from the fiscal year ending December 2026.

Dividends and dividend payout ratio



V. REFERENCE INFORMATION

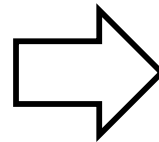
Reorganization of Business Units

Effective from Q1 of this consolidated fiscal year, to clarify the profitability of the Benchmark Center and headquarters, we have reorganized four businesses: Vehicle Teardown and Measurement, Vehicle and Parts Procurement, Consulting, and Teardown Survey Data Sales, into two business segments: Reverse Engineering and Consulting.

Segment classification change image

Through 2025

1. Vehicle Teardown and Measurement business
2. Vehicle and Parts Procurement business
3. Consulting business
 - ① ECU Benchmarking, cost comparison analysis, etc.
 - ② Technology research, market research
4. Teardown Survey Data Sales business
 - ① Benchmark Center representative
 - ② Head office representative



From 2026

- I. Reverse Engineering business
 1. Vehicle Teardown and Measurement business
 2. Vehicle and Parts Procurement business
 3. ① Consulting business
(ECU Benchmarking, cost comparison analysis, etc.)
 4. ① Teardown Survey Data Sales business
(Benchmark Center representative)
- II. Consulting business
 3. ② Consulting business
(Technology Research, market research)
 4. ② Teardown Survey Data Sales business
(Head office representative)

Profit and Loss by Business Segment 1/3

Reverse Engineering business

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	330,750	161,992	124,148	193,983	810,873	184,669				184,669
Teardown / Measurement	167,975	71,382	40,680	68,650	348,687	79,743				79,743
Veh, parts procurement	162,775	90,610	83,469	125,332	462,186	104,926				104,926
Segment P&L (before allocation of common expenses)	71,831	6,289	-11,872	32,335	98,583	47,236				47,236
Allocation of common exp	-40,146	-39,174	-39,310	-35,760	-154,390	-42,045				-42,045
Teardown / Measurement	-31,022	-29,414	-26,986	-22,804	-110,226	-27,779				-27,779
Veh, parts procurement	-9,124	-9,760	-12,324	-12,956	-44,164	-14,266				-14,266
Segment P&L (after allocation of common expenses)	31,685	-32,885	-51,182	-3,425	-55,807	5,191				5,191
Teardown / Measurement	9,036	-34,926	-49,788	-8,218	-83,897	-3,770				-3,770
Veh, parts procurement	22,650	2,041	-1,393	4,793	28,090	8,962				8,962

※1 The sales figures for Vehicle Teardown and Measurement include sales from the Consulting business and the Teardown Survey Data Sales business, which a

Consulting business

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	177,761	49,403	52,157	74,201	353,522	135,609				135,609
Consulting	107,913	30,214	33,915	74,200	246,243	87,250				87,250
Teardown Survey Data Sa	69,848	19,189	18,242	0	107,279	48,359				48,359
Segment P&L (before allocation of common expenses)	72,322	12,199	14,688	29,150	128,359	46,861				46,861
Allocation of common exp	-12,720	-11,641	-9,732	-10,045	-44,138	-13,083				-13,083
Consulting	-11,024	-9,965	-8,216	-8,480	-37,685	-10,535				-10,535
Teardown Survey Data Sa	-1,696	-1,676	-1,516	-1,565	-6,453	-2,548				-2,548
Segment P&L (after allocation of common expenses)	59,602	558	4,956	19,105	84,221	33,778				33,778
Consulting	29,427	-2,376	1,375	23,113	51,540	19,541				19,541
Teardown Survey Data Sa	30,176	2,934	3,581	-4,009	32,682	14,237				14,237

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Profit and Loss by Business Segment 2/3

Information Platform business

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	948,626	935,780	956,951	993,525	3,834,884	991,964				991,964
Segment P&L (before allocation of common expenses)	579,888	579,229	598,697	612,401	2,370,216	598,664				598,664
Allocation of common exp	-127,897	-125,399	-112,136	-107,559	-472,992	-145,428				-145,428
Segment P&L (after allocation of common expenses)	451,990	453,830	486,561	504,841	1,897,223	453,236				453,236

Promotional Advertising business

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	29,634	38,547	33,171	34,662	136,015	37,889				37,889
Segment P&L (before allocation of common expenses)	27,126	33,352	27,989	29,442	117,911	31,425				31,425
Allocation of common exp	-2,410	-4,191	-3,792	-3,913	-14,308	-5,097				-5,097
Segment P&L (after allocation of common expenses)	24,715	29,161	24,196	25,528	103,602	26,328				26,328

Market Forecast Information Sales business

(unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	68,356	119,302	31,558	85,339	304,556	70,307				70,307
Segment P&L (before allocation of common expenses)	24,658	40,665	8,609	28,196	102,130	26,190				26,190
Allocation of common exp	-2,826	-2,794	-2,528	-2,609	-10,758	-1,699	0	0	0	-1,699
Segment P&L (after allocation of common expenses)	21,832	37,871	6,080	25,587	91,371	24,491				24,491

Profit and Loss by Business Segment 3/3

Recruiting Solutions business

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	22,473	27,481	24,722	16,639	91,317	39,898				39,898
Segment P&L (before allocation of common expenses)	4,562	3,792	924	-2,905	6,374	14,428				14,428
Allocation of common exp	-8,988	-11,177	-10,113	-9,931	-40,209	-11,894				-11,894
Segment P&L (after allocation of common expenses)	-4,425	-7,385	-9,188	-12,836	-33,835	2,534				2,534

Automotive Fund business

(Unit : JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net Sales	9,665	9,773	9,881	9,881	39,200	4,511				4,511
Segment P&L (before allocation of common expenses)	4,884	3,984	4,982	3,905	17,755	-807				-807
Allocation of common exp	0	0	0	0	0	0				0
Segment P&L (after allocation of common expenses)	4,884	3,984	4,982	3,905	17,755	-807				-807

Other

(Unit: JPY thousands)

	2025Q1	2025Q2	2025Q3	2025Q4	FY2025	2026Q1	2026Q2	2026Q3	2026Q4	FY2026
Net sales	-	0	0	0	0	4,912				4,912
Segment P&L (before allocation of common expenses)	-	-3,463	-2,067	-3,429	-8,959	-1,372				-1,372
Allocation of common exp	-	0	0	0	0	0	0	0	0	0
Segment P&L (after allocation of common expenses)	-	-3,463	-2,067	-3,429	-8,959	-1,372				-1,372