

Translation

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Summary of Consolidated Financial Results for the Three Months Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: D.I.System Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4421 URL <https://www.di-system.co.jp/>
 Representative: Representative Director and Chairman Mitsuhiro Nagata
 Inquiries: Director, Corporate Planning Division Yutaka Otsuka TEL 03(6821)6122
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended December 31, 2024 (from October 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

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	%
Three months ended December 31, 2024	1,664	2.4	92	(7.7)	92	(7.6)	61	(6.6)
Three months ended December 31, 2023	1,624	11.3	100	(11.0)	100	(11.0)	66	(11.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2024	21.29		21.25	
Three months ended December 31, 2023	22.80		22.75	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	2,771	1,426	51.5
As of September 30, 2024	2,892	1,438	49.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2024	–	0.00	–	25.00	25.00
Year ending September 30, 2025	–				
Year ending September 30, 2025 (Forecast)		0.00	–	27.00	27.00

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2025	3,401	3.1	125	(44.7)	125	(44.8)	79	(47.8)	27.29
Full year	7,523	10.1	360	4.8	359	4.7	237	(2.0)	81.51

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended December 31, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	3,058,000 shares	As of September 30, 2024	3,058,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	150,336 shares	As of September 30, 2024	150,336 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended December 31, 2024	2,907,664 shares	Three months ended December 31, 2023	2,907,703 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of September 30, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	1,072,583	1,016,646
Accounts receivable - trade, and contract assets	962,998	873,618
Merchandise	8,250	9,472
Work in process	4,438	5,131
Other	109,084	101,333
Total current assets	2,157,356	2,006,202
Non-current assets		
Property, plant and equipment	141,483	155,309
Intangible assets		
Goodwill	179,511	173,544
Other	35,054	35,637
Total intangible assets	214,565	209,181
Investments and other assets		
Deferred tax assets	195,763	166,152
Other	183,085	234,904
Total investments and other assets	378,849	401,056
Total non-current assets	734,897	765,547
Total assets	2,892,254	2,771,749
Liabilities		
Current liabilities		
Accounts payable - trade	226,840	207,975
Current portion of long-term borrowings	58,430	41,775
Accrued expenses	195,269	212,577
Income taxes payable	71,133	7,873
Contract liabilities	195,863	180,109
Provision for bonuses	276,082	121,983
Other	163,196	293,687
Total current liabilities	1,186,815	1,065,983
Non-current liabilities		
Retirement benefit liability	264,807	277,007
Other	2,173	1,992
Total non-current liabilities	266,981	279,000
Total liabilities	1,453,796	1,344,983
Net assets		
Shareholders' equity		
Share capital	291,390	291,390
Capital surplus	215,390	215,390
Retained earnings	1,054,077	1,043,302
Treasury shares	(134,900)	(134,900)
Total shareholders' equity	1,425,957	1,415,181
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	12,499	11,584
Total accumulated other comprehensive income	12,499	11,584
Total net assets	1,438,457	1,426,766
Total liabilities and net assets	2,892,254	2,771,749

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Net sales	1,624,610	1,664,003
Cost of sales	1,290,731	1,313,197
Gross profit	333,879	350,805
Selling, general and administrative expenses	233,400	258,026
Operating profit	100,478	92,779
Non-operating income		
Interest income	2	1
Total non-operating income	2	1
Non-operating expenses		
Interest expenses	228	123
Total non-operating expenses	228	123
Ordinary profit	100,252	92,657
Profit before income taxes	100,252	92,657
Income taxes - current	869	725
Income taxes - deferred	33,076	30,015
Total income taxes	33,945	30,741
Profit	66,306	61,915
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	66,306	61,915

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Profit	66,306	61,915
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	(490)	(915)
Total other comprehensive income	(490)	(915)
Comprehensive income	65,816	61,000
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	65,816	61,000
Comprehensive income attributable to non-controlling interests	—	—