

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Based on Japanese GAAP)

May 14, 2025

Company name: VALTES HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 4442 URL <https://www.valtes-hd.co.jp/>
 Representative: Representative Director, Chairman, President Shinji Tanaka
 Inquiries: Director Yuichi Nishimura TEL 06(6534)6570
 Scheduled date of ordinary general meeting of shareholders: June 27, 2025
 Scheduled date to file Securities Report: June 27, 2025
 Scheduled date to commence dividend payments: June 12, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	10,795	4.2	940	12.2	944	11.3	589	14.0
Year ended March 31, 2024	10,362	14.4	838	(13.6)	848	(13.7)	516	(20.7)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2025	29.23	29.20	19.4	15.9	8.7
Year ended March 31, 2024	25.27	25.24	19.8	17.9	8.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	6,508	3,261	49.9	161.72
As of March 31, 2024	5,394	2,824	52.3	139.19

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	592	(865)	449	1,916
Year ended March 31, 2024	457	(859)	625	1,740

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	—	—	4.00	4.00	81	15.8	3.1
Year ended March 31, 2025	—	0.00	—	4.00	4.00	80	13.7	2.7
Year ending March 31, 2026 (Forecast)	—	0.00	—	4.00	4.00		20.3	

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	12,000	11.2	650	(30.9)	647	(31.5)	390	(33.8)	19.69

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended March 31, 2025: Yes
- (2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2025	21,450,000 shares	As of March 31, 2024	21,450,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	1,365,153 shares	As of March 31, 2024	1,194,206 shares
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Average number of shares during the period

Year ended March 31, 2025	20,154,725 shares	Year ended March 31, 2024	20,444,542 shares
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Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	1,760,719	1,937,013
Accounts receivable - trade	1,205,806	1,649,268
Contract assets	138,672	47,811
Other	421,104	354,392
Total current assets	3,526,302	3,988,487
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	200,825	267,573
Accumulated depreciation	(50,541)	(69,405)
Facilities attached to buildings, net	150,283	198,167
Tools, furniture and fixtures	149,579	181,470
Accumulated depreciation	(102,061)	(117,088)
Tools, furniture and fixtures, net	47,518	64,381
Leased assets	17,959	17,959
Accumulated depreciation	(17,878)	(17,959)
Leased assets, net	80	—
Construction in progress	—	23,426
Total property, plant and equipment	197,882	285,975
Intangible assets		
Goodwill	839,043	1,357,471
Software	72,115	82,072
Software in progress	70,899	111,041
Other	13,730	7
Total intangible assets	995,788	1,550,593
Investments and other assets		
Investment securities	212,000	213,612
Guarantee deposits	230,406	220,650
Deferred tax assets	168,949	183,020
Other	63,326	65,880
Total investments and other assets	674,682	683,164
Total non-current assets	1,868,352	2,519,733
Total assets	5,394,655	6,508,220

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	261,149	256,258
Short-term borrowings	115,000	815,000
Current portion of long-term borrowings	113,772	106,006
Accounts payable - other	542,816	545,190
Income taxes payable	164,733	191,918
Contract liabilities	11,748	16,782
Accrued consumption taxes	247,228	322,666
Provision for bonuses	207,192	219,302
Provision for loss on orders received	—	390
Other	135,528	87,016
Total current liabilities	1,799,168	2,560,531
Non-current liabilities		
Long-term borrowings	768,358	684,432
Retirement benefit liability	48	60
Other	2,363	1,214
Total non-current liabilities	770,769	685,706
Total liabilities	2,569,938	3,246,238
Net assets		
Shareholders' equity		
Share capital	90,000	90,000
Capital surplus	801,203	810,940
Retained earnings	2,236,125	2,744,196
Treasury shares	(304,197)	(394,643)
Total shareholders' equity	2,823,131	3,250,493
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	170
Foreign currency translation adjustment	(3,728)	(2,536)
Total accumulated other comprehensive income	(3,728)	(2,365)
Share acquisition rights	5,313	13,854
Total net assets	2,824,716	3,261,982
Total liabilities and net assets	5,394,655	6,508,220

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	10,362,419	10,795,074
Cost of sales	7,368,716	7,584,461
Gross profit	2,993,702	3,210,613
Selling, general and administrative expenses	2,155,179	2,269,724
Operating profit	838,522	940,888
Non-operating income		
Interest and dividend income	31	925
Subsidy income	7,445	5,740
Commission income	—	11,826
Foreign exchange gains	4,892	—
Other	4,743	3,160
Total non-operating income	17,114	21,653
Non-operating expenses		
Interest expenses	6,688	15,061
Guarantee commission	308	307
Commission for purchase of treasury shares	598	507
Foreign exchange losses	—	1,196
Other	—	1,346
Total non-operating expenses	7,594	18,418
Ordinary profit	848,042	944,123
Extraordinary losses		
Loss on valuation of investment securities	30,000	30,000
Total extraordinary losses	30,000	30,000
Profit before income taxes	818,042	914,123
Income taxes - current	289,127	338,580
Income taxes - deferred	12,261	(13,551)
Total income taxes	301,389	325,029
Profit	516,653	589,094
Profit attributable to owners of parent	516,653	589,094

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	516,653	589,094
Other comprehensive income		
Valuation difference on available-for-sale securities	—	170
Foreign currency translation adjustment	(2,537)	1,192
Total other comprehensive income	(2,537)	1,363
Comprehensive income	514,115	590,457
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	514,115	590,457
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	90,000	775,589	1,719,472	(177,373)	2,407,687
Changes during period					
Profit attributable to owners of parent			516,653		516,653
Purchase of treasury shares				(133,054)	(133,054)
Disposal of treasury shares		25,614		6,230	31,844
Net changes in items other than shareholders' equity					
Total changes during period	–	25,614	516,653	(126,824)	415,443
Balance at end of period	90,000	801,203	2,236,125	(304,197)	2,823,131

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	–	(1,191)	(1,191)	–	2,406,496
Changes during period					
Profit attributable to owners of parent					516,653
Purchase of treasury shares					(133,054)
Disposal of treasury shares					31,844
Net changes in items other than shareholders' equity		(2,537)	(2,537)	5,313	2,776
Total changes during period	–	(2,537)	(2,537)	5,313	418,220
Balance at end of period	–	(3,728)	(3,728)	5,313	2,824,716

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	90,000	801,203	2,236,125	(304,197)	2,823,131
Changes during period					
Profit attributable to owners of parent			589,094		589,094
Dividends of surplus			(81,023)		(81,023)
Purchase of treasury shares				(112,733)	(112,733)
Disposal of treasury shares		9,736		22,287	32,024
Net changes in items other than shareholders' equity					
Total changes during period	–	9,736	508,071	(90,446)	427,361
Balance at end of period	90,000	810,940	2,744,196	(394,643)	3,250,493

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	–	(3,728)	(3,728)	5,313	2,824,716
Changes during period					
Profit attributable to owners of parent					589,094
Dividends of surplus					(81,023)
Purchase of treasury shares					(112,733)
Disposal of treasury shares					32,024
Net changes in items other than shareholders' equity	170	1,192	1,363	8,540	9,903
Total changes during period	170	1,192	1,363	8,540	437,265
Balance at end of period	170	(2,536)	(2,365)	13,854	3,261,982

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	818,042	914,123
Depreciation	103,549	100,340
Loss (gain) on valuation of investment securities	30,000	30,000
Amortization of goodwill	91,831	141,029
Increase (decrease) in provision for bonuses	20,033	12,125
Interest and dividend income	(32)	(925)
Interest expenses	6,688	15,061
Decrease (increase) in accounts receivable - trade, and contract assets	(59,432)	(327,516)
Increase (decrease) in trade payables	(55,304)	(10,533)
Increase (decrease) in accounts payable - other	(13,520)	(23,062)
Other, net	(28,928)	11,204
Subtotal	912,926	861,846
Interest and dividends received	32	925
Interest paid	(6,688)	(15,061)
Income taxes refund (paid)	(448,635)	(254,941)
Net cash provided by (used in) operating activities	457,634	592,768
Cash flows from investing activities		
Purchase of property, plant and equipment	(77,358)	(111,656)
Proceeds from sale of property, plant and equipment	4,964	—
Purchase of intangible assets	(86,705)	(90,996)
Purchase of investment securities	(50,000)	(30,000)
Proceeds from cancellation of insurance funds	21,494	—
Payments of leasehold and guarantee deposits	(48,643)	(1,389)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(622,602)	(642,030)
Other, net	(680)	10,411
Net cash provided by (used in) investing activities	(859,530)	(865,662)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	700,000
Proceeds from long-term borrowings	900,000	—
Repayments of long-term borrowings	(72,616)	(116,904)
Purchase of treasury shares	(133,054)	(112,733)
Decrease (increase) in deposits for purchase of treasury shares	(66,393)	49,904
Dividends paid	—	(70,565)
Other, net	(2,855)	(87)
Net cash provided by (used in) financing activities	625,080	449,614
Effect of exchange rate change on cash and cash equivalents	2,086	(587)
Net increase (decrease) in cash and cash equivalents	225,271	176,133
Cash and cash equivalents at beginning of period	1,515,447	1,740,719
Cash and cash equivalents at end of period	1,740,719	1,916,852