

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Summary of Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 15, 2025

Company name: COMTURE CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 3844

URL: <https://www.comture.com/>

Representative: Chihiro Sawada

Representative Director, President

Inquiries: Takahiro Kamei

Managing Executive Officer, Corporate Communications

Telephone: +81-3-5745-9700

Scheduled date of annual general meeting of shareholders: June 27, 2025

Scheduled date to commence dividend payments: June 30, 2025

Scheduled date to file annual securities report: June 26, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (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	%
Fiscal year ended March 31, 2025	36,341	6.3	4,630	0.7	4,660	1.4	3,160	0.8
March 31, 2024	34,185	17.7	4,600	13.1	4,597	13.0	3,135	16.3

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 3,164 million [1.0%]
Fiscal year ended March 31, 2024: ¥ 3,134 million [16.5%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	99.12	-	17.9	19.0	12.7
March 31, 2024	98.35	-	19.7	20.4	13.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million
Fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	25,611	18,468	72.1	579.15
March 31, 2024	23,442	16,805	71.7	527.07

(Reference) Equity: As of March 31, 2025: ¥ 18,468 million
As of March 31, 2024: ¥ 16,805 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	3,194	(923)	(1,512)	12,881
March 31, 2024	3,424	449	(1,952)	12,123

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	11.50	11.50	11.50	11.50	46.00	1,466	46.8	9.2
March 31, 2025	12.00	12.00	12.00	12.00	48.00	1,530	48.4	8.7
Fiscal year ending March 31, 2026 (Forecast)	12.50	12.50	12.50	12.50	50.00		48.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	40,000	10.1	5,000	8.0	5,000	7.3	3,325	5.2	104.27

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 32,241,600 shares

March 31, 2024: 32,241,600 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 352,798 shares

March 31, 2024: 356,904 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 31,886,956 shares

Fiscal Year ended March 31, 2024: 31,880,935 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	26,004	16.4	3,202	(0.4)	4,518	(11.5)	3,863	(9.6)
March 31, 2024	22,341	21.7	3,215	12.8	5,106	78.9	4,273	117.9

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	121.16	-
March 31, 2024	134.04	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	23,418	18,201	77.7	570.78
March 31, 2024	19,771	15,835	80.1	496.66

(Reference) Equity: As of March 31, 2025: ¥ 18,201 million
As of March 31, 2024: ¥ 15,835 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

• Explanation of appropriate use of earnings forecasts, and other special items Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for several reasons. Please refer to "1. Overview of Results of Operations, (4) Outlook" on page 5 for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Overview of Results of Operations	2
(1) Results of Operations	2
(2) Financial Position	4
(3) Cash Flows	5
(4) Outlook	5
2. Basic Approach to the Selection of Accounting Standards	6
3. Consolidated Financial Statements and Notes	7
(1) Consolidated Balance Sheets	7
(2) Consolidated Statements of Income and Comprehensive Income	9
(3) Consolidated Statements of Changes in Equity	11
(4) Consolidated Statements of Cash Flows	13
(5) Notes to Consolidated Financial Statements	15
Going Concern Assumption	15
Changes in Accounting Policies	15
Additional Information	15
Segment and Other Information	16
Per Share Information	16
Subsequent Events	16

1. Overview of Results of Operations

(1) Results of Operations

Investments in the digital domain are increasingly gaining momentum as companies become increasingly aware of the importance of using digital technologies for strategic business process innovations. As investments increase, customers' needs involving system integration, assistance for performing generative AI and low code system development internally, the outsourcing of IT system operations, and other services are becoming even greater and more diverse.

The COMTURE Group regards these trends as an opportunity for long-term growth. We are dedicated to giving customers support for their activities for more use of digital technologies as well as altering COMTURE itself, a process we call the COMTURE Transformation (CX). We are expanding our business by playing a key role in the business model reforms of our customers. Our strategy to achieve net sales of 100 billion yen in the fiscal year ending in March 2032 includes services and support that incorporates our own templates and solutions for the provision of added value, an activity centered on building stronger ties with global vendors.

As one step to accomplish this goal, we have upgraded our consulting business unit from a department to a division. Our consulting operations will be even better able to create proposals for customers and create new business opportunities. By focusing on these goals, we continue to strengthen our ability to create proposals incorporating the cross-selling for current customers and measures to add new customers.

Market conditions are favorable and our highest priority is recruiting and retaining the engineers. Raising salaries and other benefits for employees is one of the most important points for recruiting and retaining engineers. One step was an average salary increase of 8.1% in the previous fiscal year and 5.0% in the current fiscal year. We have restructured our personnel system to increase engagement with employees. Revisions include new career paths for specialists, expansion of the overall training programs and remuneration that more closely reflects contributions and skills. In addition, we are taking actions to support good health for employees and provide pleasant workplace environments. Due to these activities, COMTURE was certified as an 2025 Excellent Health Management Corporation (Large company division). Furthermore, our score for training programs based on an engagement survey increased significantly from the previous fiscal year. As a result, our employee attrition rate improved by 3.1 percentage points from the previous fiscal year to 5.5%, achieving a significant improvement.

In April 2024 and 2025, 196 and 192 new graduates joined the COMTURE Group, respectively. In addition, we also plan to hire a maximum of 200 new graduates in April 2026. The number of people with prior work experience that we are hiring has increased significantly from one year earlier as we use employment agents and referrals.

Training and skill development programs are a priority in order to raise the value of our engineers. New graduates start their careers at COMTURE with a concentrated three-month training program that goes from April to June. As in the previous fiscal year, we also continue providing programs for the multi-skilling of current employees and the reskilling of people for changing to a new career path. We continue to use the resources of Edifist Learning, Inc., the COMTURE Group's IT training company, to strengthen these programs for the entire group. We are also strengthening relationships with partner companies, especially by making selected companies core partners, for the purpose of being the first to procure engineers who can be productive immediately.

In addition to recruiting and retaining engineers, there are many activities for expanding business operations to more business domains. Generative AI is one example. We used an alliance with Microsoft Japan for a training service for Microsoft Copilot, which is this company's generative AI assistant. In the current fiscal year, about 6,000 people participated in this training. In the training, we encourage companies to raise awareness and provide skills for using generative AI. Systems engineers then help companies incorporate generative AI into their business processes. We are also using generative AI throughout the COMTURE Group for implementing business process reforms and to offer installation support and training services for providing this generative AI know-how to our customers.

In the current fiscal year, the COMTURE Group performed as follows.

(Millions of yen)

	FY3/24	FY3/25	Change	Change (%)
Net sales	34,185	36,341	2,155	6.3%
Gross profit	7,852	8,235	383	4.9%
Operating profit	4,600	4,630	30	0.7%
Ordinary profit	4,597	4,660	62	1.4%
Profit attributable to owners of parent	3,135	3,160	25	0.8%

Sales increased 6.3% from one year earlier. The shift of more resources to digital-related businesses and sales activities backed by stronger relationships with platformers and tool vendors contributed to this growth. Higher sales were also attributable to increasing demand for COMTURE Group services at financial institutions, a recovery in the hiring of people with prior work experience, improvement in employee attrition rate and an increase in engineer resources at partner companies.

Gross profit increased 4.9% despite an increase in personnel expenses due to higher salary and larger number of employees and expenses for strengthening training programs for new graduates. The gross profit increase was mainly due to higher sales per employee, the result of shifting people to growing market sectors, raising the quality of services and improving productivity, and to an increase in the number of productive workforce at partner companies.

Operating profit increased 0.7% due to higher expenses associated with the consolidation of offices to strengthen ties with Group companies and an increase in expenditures concerning human resources, including the cost of company-wide events for increasing engagement with employees and training programs for upgrading skills of employees.

Profit attributable to owners of parent increased 0.8% from one year earlier.

The shareholders' equity ratio, which is an indicator of financial soundness, was 72.1% at the end of the current fiscal year. This figure demonstrates our ability to maintain a high level of financial soundness.

The COMTURE Group reports its performance in the following five business categories.

Business Category	Activities
Cloud Solutions Business	Collaboration using alliances with global SaaS vendors (Microsoft, Salesforce, ServiceNow and others), consulting and integration services for the installation and use of CRM and other cloud services, and other activities
Digital Solutions Business	Construction of data infrastructures by working with global AI vendors (Google Cloud, Amazon Web Services and others), provision of data analysis solutions by working with global data analysis vendors (SAS, Informatica, Databricks and others), and other activities
Business Solutions Business	Construction, operation and modernization concerning accounting, personnel, fintech and other core IT systems using collaborations with SAP, SuccessFactors and other global ERP package vendors
Platform, Operation Services Business	Hybrid cloud environments using virtualization software (Kubernetes and others), design, construction and operation of virtual networks (Cisco and others), IT system remote surveillance at COMTURE Group's service centers using global tools, help desk operations, and other activities
Digital Learning Business	Education services with cooperation of global vendors (Microsoft, Salesforce, ServiceNow and others) for acquiring vendor certifications and IT education services to give people digital technology skills

Sales and gross profit in the COMTURE Group's business categories were as follows.

In the Cloud Solutions Business, sales and gross profit increased because of increasing demand for moving internal data systems to the cloud, primarily at large companies while using collaborations with Microsoft Japan and other vendors, consulting services for the digitalization of business processes, and the use of low code development tools for the establishment of internal IT systems.

In the Digital Solutions Business, sales and gross profit increased due to growth of the data analysis business and the data management business, such as building infrastructures for collecting and storing large amount of data, and an increase in demand for the establishment of cloud environments.

In the Business Solutions Business, sales and gross profit increased due to the continuing growth of the SAP-related development business, the expansion of SAP peripheral development projects related to government agencies, and increasing demand at financial institutions for the development of front office systems to serve customers and for the automation of business processes.

In the Platform, Operation Services Business, sales and gross profit were higher because of increasing demand for the outsourcing of IT system operations and IT system security support.

In the Digital Learning Business, sales and gross profit increased because of the growing demand for Microsoft (AI, etc.) training programs, the growth of training programs outsourced by other companies and an increase in instructor utilization rate and pricing.

(Millions of yen)					
		FY3/24	FY3/25	Change	Change (%)
Cloud Solutions Business	Net sales	12,997	13,465	467	3.6%
	Gross profit	3,146	3,269	122	3.9%
Digital Solutions Business	Net sales	4,736	5,176	439	9.3%
	Gross profit	1,069	1,178	109	10.2%
Business Solutions Business	Net sales	9,049	9,731	682	7.5%
	Gross profit	2,076	2,176	100	4.8%
Platform, Operation Services Business	Net sales	5,855	6,322	466	8.0%
	Gross profit	1,138	1,173	35	3.1%
Digital Learning Business	Net sales	1,545	1,645	99	6.4%
	Gross profit	420	437	16	3.9%

(2) Financial Position

Total assets were 25,611 million yen at the end of the current fiscal year, 2,168 million yen more than the end of the previous fiscal year. There was a decrease in goodwill of 338 million yen due to amortization. There were increases in cash and deposits of 757 million yen mainly due to higher profit before income taxes, software in progress of 748 million yen due to installations of new core IT systems, notes and accounts receivable-trade of 600 million yen mainly due to growth in sales, and buildings, net of 194 million yen due to the relocation of the Osaka office.

Liabilities increased 505 million yen to 7,143 million yen. There were decreases in retirement benefit liability of 335 million yen mainly due to retirement allowance resulting from the termination of retirement benefit plans of certain consolidated subsidiaries, accrued expenses of 124 million yen due to the payment of social insurance premiums. There were increases in income taxes payable of 366 million yen due to higher taxable income, provision for bonuses of 314 million yen to reward employees for their contributions, asset retirement obligations of 136 million yen due to changes in estimates and other reasons, and accounts payable-trade of 105 million yen mainly due to higher cost of sales.

Net assets increased 1,662 million yen to 18,468 million yen. This was mainly due to profit attributable to owners of parent of 3,160 million yen, which exceeded the dividend payments of 1,514 million yen.

(3) Cash Flows

There was a net increase of 757 million yen in cash and cash equivalents from the end of the previous fiscal year to 12,881 million yen at the end of the current fiscal year. Major components of cash flows were as follows.

Net cash provided by operating activities decreased 6.7% to 3,194 million yen. Major sources of cash were profit before income taxes of 4,586 million yen, amortization of goodwill of 338 million yen, an increase in provision for bonuses of 314 million yen, depreciation of 168 million yen, and an increase in trade payables of 105 million yen. Major uses of cash were income taxes paid of 1,191 million yen, an increase in trade receivables of 600 million yen, a decrease in retirement benefit liability of 335 million yen, and a decrease in accrued expenses of 124 million yen.

Net cash used in investing activities was 923 million yen, compared with 449 million yen provided a year earlier. The major uses of cash were purchase of intangible assets of 698 million yen and purchase of property, plant and equipment of 211 million yen.

Net cash used in financing activities decreased 22.5% to 1,512 million yen. There were payments of 1,512 million yen for dividends.

(4) Outlook

With the goal of raising sales to 100 billion yen in 2032, the COMTURE Group has used rolling three-year business plans since 2022 that include targets for results of operations and measures for growth.

Since its inception, COMTURE has maintained double-digit average annual growth driven by constant innovation. The goal is more growth fueled by innovative ideas and management that places priority on businesses with substantial added value.

As generative AI becomes more advanced and widely used, the speed at which companies become more efficient and start new businesses is increasing. Japan's generative AI market is expected to further grow to more than 800 billion yen in 2028.

Guided by the theme of “creating the future with AI and digital,” we are determined to use the initiatives in this three-year business plan for rapid progress toward the goal of sales of 100 billion yen while building even stronger ties based on mutual prosperity with all stakeholders.

	Fiscal year ended March 2025 (Results)	Fiscal year ending March 2026 (Plan)	Fiscal year ending March 2028 (Plan)	(Millions of yen) Average annual growth rate (April 2024 to March 2028)
Net sales	36,341	40,000	51,000	10.0% or more
Operating profit	4,630	5,000	6,600	10.0% or more
Operating margin	12.7%	12.5%	12.9%	-
EBITDA	5,137	5,813	7,538	10.0% or more
EBITDA margin	14.1%	14.5%	14.8%	-
ROE	17.9%	17.2%	20.0% or more	-
Payout ratio	48.4%	48.0%	45.0% or more*	-

* Maintain a payout ratio of at least 45% while continuing to increase the dividend.

The plan has targets with the overall objective of achieving sustained growth. The sales target of this plan is average annual growth of at least 10% and our target for profitability is an operating margin of 12.9%. These targets demonstrate our determination to grow rapidly while maintaining a high level of profitability. To accomplish these goals, we have a strong commitment to assisting our customers with their activities for more use of digital technologies as well as using the COMTURE Transformation (CX) to significantly alter COMTURE itself. We plan on taking many actions, centered on collaborations with platform and tool vendors, for even faster growth as we advance to our next stage of progress.

In the steadily expanding digital domain, our target is to raise the share of digital-related sales to at least 80% from the current 67%. To accomplish this goal, we will continue reskilling programs that use the educational programs of COMTURE Group member Edifist Learning. We will also rapidly shift resources across the entire group to the four business sectors that are our key growth domains: Microsoft, Salesforce, SAP and data analysis. The COMTURE Group will concentrate on three core strategic initiatives. First is a rigorous sales process centered on collaborations with vendors in order to increase orders and sales. Second is establishing a sound user base by implementing a business model reform and using cross-selling activities. Third is reinforcing our resources. These activities include project manager training programs, hiring many people with the skills we need, reskilling programs and other measures.

Furthermore, we plan to use M&A often for even faster growth. Our plans also include more expenditures involving human resources, such as recruiting activities, more improvements in remuneration and benefits, measures for increasing engagement with employees, an upgraded training structure, and other measures.

For growth in a new business domain, we plan to increase the provision of services to assist customers with the use of generative AI and training services for this technology. Another priority is building a more powerful infrastructure for our business operations by making more progress with the use of digital technologies and updating our core IT systems. The goals of these activities are sustained growth accompanied by consistently high profitability, including more growth in sales and earnings in the future.

We forecast sales growth for the sixteenth consecutive fiscal year with a 10.1% increase to 40,000 million yen in the fiscal year ending in March 2026, which is the first year of the new medium-term business plan.

For earnings growth, we plan to increase added value, improve productivity, make quality management more rigorous to reduce unprofitable projects, and take other actions. We also plan on expenditures for improving remuneration and employee benefits and training programs, strengthening our infrastructure for business operations, R&D to create new businesses, and other initiatives. As a result, we expect earnings to increase to all-time highs for the fifteenth consecutive year. We forecast operating profit of 5,000 million yen, ordinary profit of 5,000 million yen and profit attributable to owners of parent of 3,325 million yen.

This forecast is based on assumptions judged to be valid and information available to management at the time the forecast was prepared. We will make an announcement promptly if any revisions to the forecast are needed.

2. Basic Approach to the Selection of Accounting Standards

As the COMTURE Group's operations are primarily limited to Japan, we expect to employ Japanese accounting standards for the foreseeable future. However, we intend to consider the future adoption of International Financial Reporting Standards (IFRS), depending on our percentage of foreign shareholders and adoption trends among other companies in Japan.

3. Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheet**

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	12,123	12,881
Notes and accounts receivable - trade	6,577	7,178
Work in process	109	128
Other	414	655
Total current assets	19,225	20,843
Non-current assets		
Property, plant and equipment		
Buildings, net	451	646
Vehicles, net	6	4
Tools, furniture and fixtures, net	176	208
Construction in progress	14	-
Total property, plant and equipment	649	859
Intangible assets		
Goodwill	1,355	1,016
Software	43	38
Software in progress	185	934
Other	65	34
Total intangible assets	1,650	2,024
Investments and other assets		
Investment securities	136	88
Guarantee deposits	689	770
Deferred tax assets	1,035	969
Other	55	54
Total investments and other assets	1,916	1,883
Total non-current assets	4,217	4,767
Total assets	23,442	25,611

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,871	1,976
Short-term borrowings	200	200
Accrued expenses	977	852
Asset retirement obligations	10	-
Income taxes payable	657	1,024
Provision for bonuses	1,258	1,572
Provision for bonuses for directors (and other officers)	37	37
Provision for loss on construction contracts	14	9
Other	856	917
Total current liabilities	5,882	6,590
Non-current liabilities		
Retirement benefit liability	438	102
Asset retirement obligations	311	447
Other	5	2
Total non-current liabilities	754	552
Total liabilities	6,637	7,143
Net assets		
Shareholders' equity		
Share capital	1,022	1,022
Capital surplus	3,652	3,662
Retained earnings	12,228	13,874
Treasury shares	(103)	(102)
Total shareholders' equity	16,798	18,457
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7	11
Total accumulated other comprehensive income	7	11
Total net assets	16,805	18,468
Total liabilities and net assets	23,442	25,611

(2) Consolidated Statements of Income and Comprehensive Income**Consolidated Statement of Income**

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	34,185	36,341
Cost of sales	26,332	28,105
Gross profit	7,852	8,235
Selling, general and administrative expenses	3,252	3,604
Operating profit	4,600	4,630
Non-operating income		
Interest income	1	2
Dividend income	0	1
Foreign exchange gains	3	0
Subsidy income	-	10
Gain on investments in investment partnerships	-	14
Other	6	4
Total non-operating income	12	34
Non-operating expenses		
Interest expenses	2	1
Loss on investments in investment partnerships	1	-
Loss On Redemption Of Investment Securities	9	-
Other	1	4
Total non-operating expenses	14	5
Ordinary profit	4,597	4,660
Extraordinary income		
Insurance claim income	0	-
Gain on sale of investment securities	5	14
Total extraordinary income	6	14
Extraordinary losses		
Loss on retirement of non-current assets	-	4
Loss on termination of retirement benefit plan	49	84
Total extraordinary losses	49	88
Profit before income taxes	4,553	4,586
Income taxes - current	1,660	1,361
Income taxes - deferred	(241)	63
Total income taxes	1,418	1,425
Profit	3,135	3,160
Profit attributable to owners of parent	3,135	3,160

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	3,135	3,160
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	4
Total other comprehensive income	(1)	4
Comprehensive income	3,134	3,164
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,134	3,164

(3) Consolidated Statements of Changes in Equity

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,022	3,631	10,543	(107)	15,089
Changes during period					
Dividends of surplus			(1,450)		(1,450)
Profit attributable to owners of parent			3,135		3,135
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		20		3	24
Net changes in items other than shareholders' equity					-
Total changes during period	-	20	1,684	3	1,709
Balance at end of period	1,022	3,652	12,228	(103)	16,798

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	8	8	15,097
Changes during period			
Dividends of surplus			(1,450)
Profit attributable to owners of parent			3,135
Purchase of treasury shares			(0)
Disposal of treasury shares			24
Net changes in items other than shareholders' equity	(1)	(1)	(1)
Total changes during period	(1)	(1)	1,708
Balance at end of period	7	7	16,805

FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,022	3,652	12,228	(103)	16,798
Changes during period					
Dividends of surplus			(1,514)		(1,514)
Profit attributable to owners of parent			3,160		3,160
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		10		1	12
Net changes in items other than shareholders' equity					-
Total changes during period	-	10	1,646	1	1,658
Balance at end of period	1,022	3,662	13,874	(102)	18,457

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	7	7	16,805
Changes during period			
Dividends of surplus			(1,514)
Profit attributable to owners of parent			3,160
Purchase of treasury shares			(0)
Disposal of treasury shares			12
Net changes in items other than shareholders' equity	4	4	4
Total changes during period	4	4	1,662
Balance at end of period	11	11	18,468

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,553	4,586
Depreciation	161	168
Amortization of goodwill	338	338
Increase (decrease) in provision for bonuses	54	314
Increase (decrease) in provision for bonuses for directors (and other officers)	2	-
Increase (decrease) in provision for loss on construction contracts	11	(5)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(45)	-
Increase (decrease) in retirement benefit liability	(95)	(335)
Interest and dividend income	(2)	(3)
Interest expenses	2	1
Insurance claim income	(0)	-
Loss on termination of retirement benefit system	49	84
Loss on retirement of non-current assets	-	4
Loss (gain) on sale of investment securities	(5)	(14)
Loss (gain) on redemption of investment securities	9	-
Loss (gain) on investments in investment partnerships	1	(14)
Decrease (increase) in trade receivables	(482)	(600)
Decrease (increase) in inventories	60	(18)
Increase (decrease) in trade payables	200	105
Increase (decrease) in accrued expenses	369	(124)
Increase (decrease) in accrued consumption taxes	67	(17)
Other, net	(74)	(163)
Subtotal	5,176	4,303
Interest and dividends received	2	3
Interest paid	(2)	(1)
Income taxes paid	(1,752)	(1,191)
Income taxes refund	0	79
Net cash provided by (used in) operating activities	3,424	3,194

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(40)	(211)
Purchase of intangible assets	(205)	(698)
Proceeds from sale of investment securities	12	55
Proceeds from redemption of investment securities	0	-
Payments of guarantee deposits	-	(106)
Proceeds from refund of guarantee deposits	11	24
Proceeds from cancellation of insurance funds	653	-
Payments for asset retirement obligations	-	(16)
Other, net	17	28
Net cash provided by (used in) investing activities	449	(923)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(500)	-
Dividends paid	(1,452)	(1,512)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(1,952)	(1,512)
Net increase (decrease) in cash and cash equivalents	1,921	757
Cash and cash equivalents at beginning of period	10,202	12,123
Cash and cash equivalents at end of period	12,123	12,881

(5) Notes to Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Changes in Accounting Policies**Application of Accounting Standard for Current Income Taxes**

COMTURE has applied the Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022) from the beginning of the fiscal year ended March 31, 2025.

Revisions concerning the accounting classification of income taxes (taxation of other comprehensive income) are made in accordance with the transitional treatment stipulated in the proviso of Paragraph 20-3 of this revised accounting standard and in the proviso of Paragraph 65-2, Item 2 of the Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022). The application of this standard has no effect on the consolidated financial statements.

For the revision concerning the change in the treatment in the consolidated financial statements of the tax deferral of gains or losses on sales of shares of subsidiaries, etc. between consolidated companies, COMTURE has applied the Implementation Guidance on Accounting Standard for Tax Effect Accounting beginning with the current fiscal year. This change has been applied retrospectively and the fiscal year consolidated financial statements for the previous fiscal year are shown after this restatement. This change in accounting policies has no effect on the fiscal year consolidated financial statements for the previous fiscal year.

Additional Information**Business combination through acquisition**

The Board of Directors of COMTURE approved a resolution on March 19, 2025 to acquire all of the outstanding shares of Human Interactive Technology inc. (HIT) to make this company consolidated subsidiary. On the same day, COMTURE signed an agreement with HIT for the acquisition of these shares.

All requirements in the agreement for this transaction must be fulfilled for the purchase of these shares to take place.

(1) Summary of business combination**1) Acquired company and its business activities**

Acquired company: Human Interactive Technology inc.

Business: Construction of infrastructure networks and construction of systems and applications

2) Main reasons for acquisition

The cloud solutions business, including the Microsoft business, and the digital solutions business of the COMTURE Group are providing a broad range of services in the digital domain as the pace of the global digitalization increases. This focus on the digital domain has enabled the COMTURE Group to grow at an average annual rate of 15% since its inception.

HIT creates infrastructure/security environments and provides cloud services by using mainly Microsoft solutions. Operations also include AI consulting.

COMTURE concluded this agreement because the acquisition of HIT will strengthen the Microsoft business, which is one of the core businesses of the COMTURE Group. Adding this company gives the group an even stronger base for providing total solutions that encompass infrastructure construction, system development, system operations and education support. The group's businesses are expected to grow faster as a result. In addition, COMTURE believes that using this acquisition to establish an even more powerful framework in the growing AI solutions category will further contribute to the growth of corporate value.

3) Acquisition date

June 30, 2025 (tentative)

4) Legal form of acquisition

Acquisition of stock

5) Companies' s name after acquisition

There is no change in the companies' name.

6) Percentage of voting rights acquired

100%

7) Basis for choosing the companies to acquire

COMTURE acquired the shares in exchange for consideration in cash.

(2) Acquisition cost of acquired company and breakdown by type of consideration

Payment for the acquisition	Cash	1,625 million yen
Acquisition cost		1,625 million yen

(3) Details of major acquisition-related costs

Advisory compensation, fees, etc. 8 million yen

(4) Goodwill resulting from the acquisition

Not determined at this time.

(5) Breakdown of assets acquired and liabilities assumed on the acquisition date

Not determined at this time.

Segment and Other Information

Segment information

No segment-related information is provided because COMTURE has only a single business segment.

Per Share Information

(Yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Net assets per share	527.07	579.15
Basic earnings per share	98.35	99.12

Notes: 1. Diluted earnings per share is not presented because there were no potential shares with dilutive effects.

2. The basis of calculating the basic earnings per share is as follows:

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Profit attributable to owners of parent (Millions of yen)	3,135	3,160
Amount not attributable to ordinary shareholders (Millions of yen)	-	-
Profit attributable to owners of parent applicable to common shares (Millions of yen)	3,135	3,160
Average number of common shares outstanding (Shares)	31,880,935	31,886,956

3. The basis of calculating the net assets per share is as follows:

	FY3/24 (As of Mar. 31, 2024)	FY3/25 (As of Mar. 31, 2025)
Total net assets (Millions of yen)	16,805	18,468
Deduction from total net assets (Millions of yen)	-	-
[of which share acquisition rights]	[-]	[-]
[of which non-controlling interests]	-	-
Net assets applicable to common shares (Millions of yen)	16,805	18,468
Number of common shares used in calculation of net assets per share (Shares)	31,884,696	31,888,802

Subsequent Events

Not applicable.

This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.