



## Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [J-GAAP]

May 13, 2025

Company name: Cross Cat Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 2307  
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 Scheduled date of Annual General Meeting of Shareholders: June 26, 2025  
 Scheduled date of commencing dividend payments: June 9, 2025  
 Scheduled date of filing annual securities report: June 25, 2025  
 Availability of supplementary briefing material on annual financial results: Yes  
 Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	16,194	8.5	1,836	20.7	1,898	20.9	1,316	0.4
March 31, 2024	14,931	7.9	1,521	4.2	1,570	4.0	1,311	28.6

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 1,367 million [ (5.4)%]  
 Fiscal year ended March 31, 2024: ¥ 1,445 million [ 34.5%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	93.17	—	24.1	19.0	11.3
March 31, 2024	90.28	—	25.8	17.4	10.2

(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	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	10,526	5,853	55.6	415.03
March 31, 2024	9,466	5,083	53.7	356.83

(Reference) Equity: As of March 31, 2025: ¥ 5,853 million  
 As of March 31, 2024: ¥ 5,083 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	692	(28)	(319)	2,683
March 31, 2024	1,223	94	(963)	2,339

## 2. Dividends

	Annual dividends					Total dividends (total)	Payout ratio (consolidated)	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	%	%
Fiscal year ended March 31, 2024	—	0.00	—	28.00	28.00	398	31.0	8.1
Fiscal year ended March 31, 2025	—	0.00	—	33.00	33.00	465	35.4	8.6
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	34.00	34.00		35.5	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
First half (cumulative)	8,100	0.7	760	(12.2)	790	(12.1)	500	(14.2)	35.45
Full year	17,100	5.6	1,930	5.1	1,990	4.8	1,350	2.5	95.71

### \* Notes

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatements
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatements: No
- (3) Total number of shares issued (common shares)
- 1) Total number of shares issued at the end of the period (including treasury shares):
    - March 31, 2025: 17,005,674 shares
    - March 31, 2024: 17,005,674 shares
  - 2) Number of treasury shares at the end of the period:
    - March 31, 2025: 2,900,874 shares
    - March 31, 2024: 2,760,632 shares
  - 3) Average number of shares outstanding during the period:
    - Fiscal Year ended March 31, 2025: 14,132,504 shares
    - Fiscal Year ended March 31, 2024: 14,527,821 shares

(Reference) Summary 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 (% indicates changes from the previous corresponding period.)

	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	11,891	11.2	1,491	23.8	1,710	26.4	1,253	4.8
March 31, 2024	10,695	7.4	1,205	0.4	1,353	(2.1)	1,195	18.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	88.69	—
March 31, 2024	82.31	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	9,165	5,376	58.7	381.18
March 31, 2024	8,064	4,660	57.8	327.18

(Reference) Equity: As of March 31, 2025: ¥ 5,376 million  
As of March 31, 2024: ¥ 4,660 million

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

\* Statement for proper use of business forecasts and other cautionary notes:

The forecasts and other forward-looking statements presented in this document are based on information presently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a commitment of achievement by the Company. Actual results may differ materially due to changes in various factors.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the Japanese economy continued to show a moderate recovery trend against the backdrop of an improved employment and income environment. However, the economic outlook remains uncertain due to such factors as concerns over U.S. trade policy, soaring raw material and energy prices caused by the unstable international situation, and rising prices resulting from the weak yen.

In the information service industry, where Cross Cat Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) operate, despite ongoing supply-side challenges, such as a shortage of IT personnel, IT investments, including the promotion of Digital Transformation (DX) using cutting-edge technologies such as Cloud Computing and generative AI, will continue to expand steadily in pursuit of solutions to social issues.

Amid such a business environment, the Group has set forth its management vision—“To be an independent information services provider that sustainably enhances corporate value and contributes to society”—as its medium- to long-term management policy. Guided by this vision, the Group has launched a new Medium-term Business Plan, “Growing Value 2026,” in April 2024. The plan clarifies our strengths and sets out a basic policy of improving our service quality by combining the quality, efficiency, expertise, and know-how, which are the value propositions, while aiming to contribute to our customers’ success. In accordance with this basic policy, the Group has defined five basic strategies: change its business model into one that can offer value; expand asset-based businesses; strengthen the customer base; enhance human resources and organizational capabilities; and leverage the strengths and attributes of each Group company. To achieve the goals of the new Medium-term Business Plan, we are advancing specific initiatives aligned with each strategy.

As a result, net sales for the fiscal year under review totaled ¥16,194 million (up 8.5% compared to the previous corresponding period; hereinafter “year-on-year”), which is an increase over the previous fiscal year. The cost to sales ratio improved by 0.3 percentage point, as the Group successfully maintained a high operation rate supported by increased orders in its main businesses and improved productivity, resulting in gross profit of ¥3,846 million (up 9.5% year-on-year).

Performance by business area is as follows.

#### *SI area*

The System Integration (SI) area provides high-quality SI services in system design, development, operation, and maintenance across a wide range of industry sectors, including credit, financial services, public, manufacturing, telecommunications, and distribution, by leveraging the technical expertise and know-how accumulated over many years. In the fiscal year under review, sales to the credit sector decreased 17.0% year-on-year, reflecting the absence of large-scale development projects compared to the previous fiscal year. Meanwhile, sales to financial services increased 6.2% year-on-year, mainly supported by strong performance in banking system maintenance services. Sales to government agencies, municipalities, and public corporations rose significantly, up 43.2% year-on-year, due to increased orders related to digitalization initiatives by national and local governments. As a result, net sales in the area totaled ¥13,988 million (up 6.2% year-on-year), and gross profit came to ¥3,313 million (up 8.7% year-on-year).

#### *DX area*

The Digital Transformation (DX) area supports various customers’ DX initiatives, such as improving business efficiency and productivity. To this end, we provide services that leverage cutting-edge technologies such as Cloud Computing and generative AI, offer support services and build infrastructure for data utilization, which has long been one of our strengths, and deliver proprietary systems. In the fiscal year under review, services related to our proprietary systems remained strong, and cloud-related services grew significantly amid increasing demand for data utilization. As a result, net sales in the area totaled ¥2,206 million (up 25.6% year-on-year), and gross profit came to ¥533 million (up 15.4% year-on-year).

		Fiscal year ended March 31, 2024	Fiscal year ended March 31 2025	Year-on-year change
SI area	Net sales (millions of yen)	13,174	13,988	6.2%
	Gross profit (millions of yen)	3,049	3,313	8.7%
DX area	Net sales (millions of yen)	1,757	2,206	25.6%
	Gross profit (millions of yen)	462	533	15.4%
Total	Net sales (millions of yen)	14,931	16,194	8.5%
	Gross profit (millions of yen)	3,511	3,846	9.5%

As for other profits, while investments in human capital increased as part of our efforts to secure and train human resources, including proactive wage hikes, active hiring of new graduates, and expansion of educational initiatives, we effectively controlled SG&A expenses, resulting in an operating profit of ¥1,836 million (up 20.7% year-on-year) and an ordinary profit of ¥1,898 million (up 20.9% year-on-year). Profit attributable to owners of parent increased 0.4% year-on-year to ¥1,316 million. This growth was driven by the increase in operating revenue mentioned above and tax reductions from the application of tax incentives for wage increases, which more than offset the absence of the gain on sale of investment securities recorded as extraordinary income in the previous fiscal year.

As a result, net sales and all line-item profits achieved record highs for the fourth consecutive year.

Regarding the progress of business metrics, the ordinary profit margin, which indicates profitability, rose by 1.2 percentage points year-on-year to 11.7%, driven by increased revenue from main businesses. The net profit margin and the return on equity (ROE), which indicates capital efficiency, declined by 0.7 and 1.7 percentage points year-on-year, respectively, to 8.1% and 24.1%, due to the absence of the gain on sale of investment securities recorded as extraordinary income in the previous fiscal year.

## (2) Overview of Financial Position for the Fiscal Year under Review

Total assets at the end of the fiscal year under review increased by ¥1,060 million to ¥10,526 million from ¥9,466 million at the end of the previous fiscal year. This was mainly due to an increase in cash and deposits of ¥343 million, an increase in accounts receivable - trade of ¥867 million, and an increase in investment securities of ¥98 million, which were partially offset by a total decrease of ¥108 million in property, plant and equipment and intangible assets.

Total liabilities at the end of the fiscal year under review increased by ¥289 million to ¥4,672 million from ¥4,382 million at the end of the previous fiscal year. This was mainly due to an increase in short-term borrowings of ¥300 million, an increase in provision for bonuses of ¥39 million, and an increase in retirement benefit liability of ¥31 million, which were partially offset by a decrease in income taxes payable of ¥70 million.

Net assets at the end of the fiscal year under review increased by ¥770 million to ¥5,853 million from ¥5,083 million at the end of the previous fiscal year. Main factors include an increase in capital surplus of ¥14 million, an increase as a result of recording profit attributable to owners of parent of ¥1,316 million, a decrease from dividends paid of ¥398 million, a decrease in treasury shares of ¥223 million primarily as a result of repurchases, and an increase in accumulated other comprehensive income of ¥50 million.

As a result, the equity ratio at the end of the fiscal year under review was 55.6%, up 1.9 percentage points from 53.7% at the end of the previous fiscal year.

## (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter referred to as “Funds”) at the end of the fiscal year under review totaled ¥2,683 million, up ¥343 million from the end of the previous fiscal year.

The status of each cash flow and their factors for the fiscal year under review are as follows.

### (Cash Flows from Operating Activities)

Cash flows from operating activities resulted in a net inflow of ¥692 million (a net inflow of ¥1,223 million was reported in the previous fiscal year). The inflow was mainly attributable to a profit before income taxes of

¥1,872 million and a depreciation of ¥153 million. The outflow was mainly attributable to an increase in trade receivables of ¥868 million and income taxes paid of ¥649 million.

(Cash Flows from Investing Activities)

Cash flows from investing activities resulted in a net outflow of ¥28 million (a net inflow of ¥94 million was reported in the previous fiscal year). The inflow was mainly attributable to proceeds from refund of leasehold and guarantee deposits of ¥48 million. The outflow was mainly attributable to purchase of property, plant and equipment of ¥45 million and purchase of intangible assets of ¥34 million.

(Cash Flows from Financing Activities)

Cash flows from financing activities resulted in a net outflow of ¥319 million (a net outflow of ¥963 million was reported in the previous fiscal year). The inflow was mainly attributable to net increase in short-term borrowings of ¥300 million. The outflow was mainly attributable to dividends paid of ¥396 million, and purchase of treasury shares of ¥223 million.

(4) Future Outlook

The economic outlook is predicted to remain uncertain due to soaring raw materials and energy prices caused by the unstable international situation, and rising commodities prices as the yen weakens. Meanwhile, IT investments, including the promotion of Digital Transformation (DX) with cutting-edge technologies such as Cloud Computing and generative AI, will continue to expand steadily in pursuit of solutions to social issues.

Amid such a business environment, the Group has launched a new Medium-term Business Plan, “Growing Value 2026,” in April 2024. The plan got off to a strong start in the first fiscal year, with business performance exceeding the annual plan and both revenues and profits growing year-on-year, resulting in record-high net sales and profits for the fourth consecutive year. In order to further accelerate the growth, we will pursue five basic strategies set in the new Medium-term Business Plan to achieve the goals thereof: change its business model into one that can offer value; expand asset-based businesses; strengthen the customer base; enhance human resources and organizational capabilities; and leverage the strengths and attributes of each Group company.

In the SI area, the Company will continue to leverage its strength and proactively engage in sales and promotion activities in highly public domains, such as the credit sector, financial services, government agencies, municipalities, and public corporations, and expand its business by providing high value-added businesses.

Furthermore, in the DX area, the Company has enhanced its lineup of services under its proprietary DX support framework, CC-Dash, by leveraging cutting-edge technologies such as Cloud Computing and AI. Through the provision of comprehensive one-stop services with necessary support tailored to each customer’s stage of data utilization, the Company will strive to further increase orders from customers.

In addition, the Company will make active investments in human capital by constantly increasing wages and expanding and improving its educational curriculum as an effort to secure human resources, while also enhancing the office environment to improve productivity.

Based on the above plans, the Company forecasts financial results for the first half (cumulative) of the fiscal year ending March 31, 2026 to be ¥8,100 million in net sales (up 0.7% year-on-year), ¥760 million in operating profit (down 12.2% year-on-year), ¥790 million in ordinary profit (down 12.1% year-on-year), and ¥500 million in profit attributable to owners of parent (down 14.2% year-on-year). While revenues are expected to increase and profits are expected to decrease for the first half of the fiscal year ending March 31, 2026 because high value-added projects for government agencies, municipalities, and public corporations were concentrated in the same period of the previous year, the Company forecasts increases in both revenues and profits for the full year of the fiscal year ending March 31, 2026, with ¥17,100 million in net sales (up 5.6% year-on-year), ¥1,930 million in operating profit (up 5.1% year-on-year), ¥1,990 million in ordinary profit (up 4.8% year-on-year), and ¥1,350 million in profit attributable to owners of parent (up 2.5% year-on-year).

## 2. Basic Policy on Selection of Accounting Standards

Since the Company provides services to customers within Japan, it uses Japanese GAAP.

In the future, if the Company expands its business overseas or recognizes the need to adopt the International Financial Reporting Standards (IFRS) due to a future increase in the number of companies switching to IFRS, it will reconsider its policy on accounting standards. For the time being, however, the Company intends to continue to use Japanese GAAP.



### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	2,339,462	2,683,140
Accounts receivable - trade	4,114,622	4,982,414
Contract assets	352,792	326,770
Other	212,494	174,011
Allowance for doubtful accounts	(4,441)	(5,290)
Total current assets	7,014,931	8,161,046
Non-current assets		
Property, plant and equipment		
Buildings and structures	463,360	399,003
Accumulated depreciation	(201,099)	(152,392)
Buildings and structures, net	262,260	246,610
Tools, furniture and fixtures	337,148	346,494
Accumulated depreciation	(227,446)	(241,411)
Tools, furniture and fixtures, net	109,702	105,082
Leased assets	19,708	19,708
Accumulated depreciation	(12,670)	(15,485)
Leased assets, net	7,038	4,223
Land	30,877	147
Other	1,500	1,500
Accumulated depreciation	(1,499)	(1,499)
Other, net	0	0
Total property, plant and equipment	409,879	356,064
Intangible assets		
Goodwill	174,596	124,711
Customer-related assets	28,499	20,357
Software	138,115	87,588
Other	4,082	3,963
Total intangible assets	345,295	236,620
Investments and other assets		
Investment securities	1,156,377	1,255,126
Deferred tax assets	123,012	125,782
Leasehold and guarantee deposits	309,123	306,049
Other	107,398	86,101
Total investments and other assets	1,695,912	1,773,059
Total non-current assets	2,451,087	2,365,744
Total assets	9,466,019	10,526,790

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	608,058	574,860
Short-term borrowings	1,200,000	1,500,000
Lease liabilities	3,097	3,097
Income taxes payable	402,653	332,136
Contract liabilities	86,251	83,418
Provision for bonuses	356,212	395,362
Provision for loss on orders received	9,311	248
Other	790,379	811,944
Total current liabilities	3,455,963	3,701,066
Non-current liabilities		
Lease liabilities	4,645	1,548
Deferred tax liabilities	109,178	125,261
Retirement benefit liability	595,618	626,694
Asset retirement obligations	197,672	199,122
Other	19,858	19,132
Total non-current liabilities	926,972	971,759
Total liabilities	4,382,935	4,672,826
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,000,000	1,000,000
Capital surplus	14,490	29,078
Retained earnings	4,893,626	5,811,532
Treasury shares	(1,511,738)	(1,723,868)
Total shareholders' equity	4,396,379	5,116,741
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	679,848	738,653
Remeasurements of defined benefit plans	6,855	(1,430)
Total accumulated other comprehensive income	686,703	737,222
Total net assets	5,083,083	5,853,964
Total liabilities and net assets	9,466,019	10,526,790

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

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	14,931,704	16,194,800
Cost of sales	11,419,755	12,348,398
Gross profit	3,511,948	3,846,402
Selling, general and administrative expenses	1,990,042	2,009,690
Operating profit	1,521,906	1,836,712
Non-operating income		
Interest income	15	808
Dividend income	17,305	24,325
Subsidy income	20,858	33,436
Rental income from buildings	3,336	2,893
Other	10,346	5,780
Total non-operating income	51,862	67,245
Non-operating expenses		
Interest expenses	3,041	5,340
Commission expenses	357	165
Total non-operating expenses	3,398	5,505
Ordinary profit	1,570,370	1,898,452
Extraordinary income		
Gain on sale of investment securities	263,334	—
Insurance claim income	—	4,000
Other	30,242	—
Total extraordinary income	293,577	4,000
Extraordinary losses		
Loss on sale of non-current assets	—	28,993
Loss on retirement of non-current assets	648	774
Total extraordinary losses	648	29,767
Profit before income taxes	1,863,299	1,872,684
Income taxes - current	573,645	578,941
Income taxes - deferred	(21,845)	(23,023)
Total income taxes	551,799	555,918
Profit	1,311,499	1,316,766
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,311,499	1,316,766

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	1,311,499	1,316,766
Other comprehensive income		
Valuation difference on available-for-sale securities	110,300	58,804
Remeasurements of defined benefit plans, net of tax	23,270	(8,285)
Total other comprehensive income	133,571	50,518
Comprehensive income	1,445,071	1,367,285
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,445,071	1,367,285
Comprehensive income attributable to non-controlling interests	—	—

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,000,000	—	4,138,119	(615,243)	4,522,876
Changes during period					
Dividends of surplus			(555,993)		(555,993)
Profit attributable to owners of parent			1,311,499		1,311,499
Purchase of treasury shares				(907,290)	(907,290)
Disposal of treasury stock		14,490		10,794	25,285
Net changes in items other than shareholders' equity					—
Total changes during period	—	14,490	755,506	(896,495)	(126,497)
Balance at end of period	1,000,000	14,490	4,893,626	(1,511,738)	4,396,379

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	569,548	(16,415)	553,132	5,076,009
Changes during period				
Dividends of surplus			—	(555,993)
Profit attributable to owners of parent			—	1,311,499
Purchase of treasury shares			—	(907,290)
Disposal of treasury stock			—	25,285
Net changes in items other than shareholders' equity	110,300	23,270	133,571	133,571
Total changes during period	110,300	23,270	133,571	7,073
Balance at end of period	679,848	6,855	686,703	5,083,083

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,000,000	14,490	4,893,626	(1,511,738)	4,396,379
Changes during period					
Dividends of surplus			(398,861)		(398,861)
Profit attributable to owners of parent			1,316,766		1,316,766
Purchase of treasury shares				(223,896)	(223,896)
Disposal of treasury stock		14,587		11,766	26,353
Net changes in items other than shareholders' equity					—
Total changes during period	—	14,587	917,905	(212,130)	720,362
Balance at end of period	1,000,000	29,078	5,811,532	(1,723,868)	5,116,741

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	679,848	6,855	686,703	5,083,083
Changes during period				
Dividends of surplus			—	(398,861)
Profit attributable to owners of parent			—	1,316,766
Purchase of treasury shares			—	(223,896)
Disposal of treasury stock			—	26,353
Net changes in items other than shareholders' equity	58,804	(8,285)	50,518	50,518
Total changes during period	58,804	(8,285)	50,518	770,881
Balance at end of period	738,653	(1,430)	737,222	5,853,964

## (4) Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,863,299	1,872,684
Depreciation	151,186	153,191
Amortization of goodwill	49,884	49,884
Share-based payment expenses	24,386	26,086
Increase (decrease) in allowance for doubtful accounts	353	849
Increase (decrease) in provision for bonuses	1,036	39,149
Increase (decrease) in retirement benefit liability	1,848	19,183
Increase (decrease) in provision for loss on orders received	1,136	(9,063)
Interest and dividend income	(17,320)	(25,134)
Interest expenses	3,041	5,340
Loss (gain) on sale of property, plant and equipment	—	28,993
Loss on retirement of non-current assets	648	774
Decrease (increase) in trade receivables	(443,435)	(868,023)
Decrease (increase) in contract assets	90,511	26,021
Decrease (increase) in inventories	(1,860)	1,697
Increase (decrease) in trade payables	86,290	(33,198)
Loss (gain) on sale of investment securities	(263,334)	—
Other, net	112,838	33,610
Subtotal	1,660,512	1,322,047
Interest and dividends received	17,320	25,134
Interest paid	(3,250)	(5,752)
Income taxes paid	(450,597)	(649,254)
Net cash provided by (used in) operating activities	1,223,984	692,175
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	—	2,792
Purchase of property, plant and equipment	(125,409)	(45,559)
Proceeds from sale of investment securities	327,360	—
Purchase of intangible assets	(33,822)	(34,475)
Payments of leasehold and guarantee deposits	(70,288)	(88)
Proceeds from refund of leasehold and guarantee deposits	548	48,821
Payments for asset retirement obligations	(3,600)	—
Net cash provided by (used in) investing activities	94,786	(28,508)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	500,000	300,000
Dividends paid	(555,993)	(396,093)
Purchase of treasury shares	(907,290)	(223,896)
Net cash provided by (used in) financing activities	(963,283)	(319,989)
Net increase (decrease) in cash and cash equivalents	355,488	343,677
Cash and cash equivalents at beginning of period	1,983,974	2,339,462
Cash and cash equivalents at end of period	2,339,462	2,683,140

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

The Group has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”), etc. from the beginning of the fiscal year under review.

With respect to the revisions to the classification of income taxes (taxation on other comprehensive income), the Company follows the transitional treatment stipulated in the proviso to paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the “2022 Revised Guidance”). This change in accounting policy has no effect on the consolidated financial statements.

In addition, with respect to the revisions related to the treatment in consolidated financial statements of deferring, for tax purposes, gains or losses on sales of shares, etc. of subsidiaries between consolidated companies, the 2022 Revised Guidance has been applied from the beginning of the fiscal year under review. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year are those after retrospective application. This change in accounting policy has no effect on the consolidated financial statements for the previous fiscal year.

(Segment information, etc.)

a. Segment information

This information is omitted as the Group operates in the single segment of information service business and its associated businesses and believes that this information is not significant enough to be disclosed.

b. Related information

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

This information is omitted as net sales to external customers in a single product and service category have exceeded 90 percent of the net sales in the consolidated statements of income.

2. Information by region

(1) Net sales

There is no applicable information, as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

There is no applicable information, as there are no property, plant and equipment located outside Japan.

3. Information by major customer

Name of customer	Net sales (thousands of yen)	Names of related segments
Fujitsu Limited	2,933,741	—
NTT DATA Japan Corporation	1,980,851	—



For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information by product and service

This information is omitted as net sales to external customers in a single product and service category have exceeded 90 percent of the net sales in the consolidated statements of income.

2. Information by region

(1) Net sales

There is no applicable information, as there are no net sales to external customers outside Japan.

(2) Property, plant and equipment

There is no applicable information, as there are no property, plant and equipment located outside Japan.

3. Information by major customer

Name of customer	Net sales (thousands of yen)	Names of related segments
Fujitsu Limited	3,060,466	—
NTT DATA Japan Corporation	2,067,332	—
National Tax Agency	1,938,076	—

c. Information on impairment loss on non-current assets by reportable segment

Not applicable.

d. Information on amortization and unamortized balance of goodwill by reportable segment

This information is omitted as the Group operates in the single segment of information service business and its associated businesses.

e. Information on gain on bargain purchase by reportable segment

Not applicable.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥356.83	¥415.03
Basic earnings per share	¥90.28	¥93.17

(Notes) 1. Diluted earnings per share is not stated as there are no dilutive shares.

2. The basis for the calculation of basic earnings per share is as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit attributable to owners of parent (thousands of yen)	1,311,499	1,316,766
Amount not attributable to common shareholders (thousands of yen)	—	—
Profit attributable to owners of parent relating to common shares (thousands of yen)	1,311,499	1,316,766
Average number of common shares outstanding during the period (shares)	14,527,821	14,132,504

(Significant subsequent events)

Not applicable.