



Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [J-GAAP]

May 15, 2024

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, 2024
 Scheduled date of commencing dividend payments: June 12, 2024
 Scheduled date of filing annual securities report: June 27, 2024
 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, 2024 (April 1, 2023 to March 31, 2024)

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

	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, 2024	14,931	7.9	1,521	4.2	1,570	4.0	1,311	28.6
March 31, 2023	13,835	14.2	1,461	31.7	1,510	29.0	1,019	33.3

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 1,445 million [34.5%]
 Fiscal year ended March 31, 2023: ¥ 1,074 million [40.8%]

	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, 2024	90.28	—	25.8	17.4	10.2
March 31, 2023	67.91	—	21.9	18.9	10.6

(Reference) Equity in earnings (losses) of affiliated companies:

Fiscal year ended March 31, 2024: ¥ - million
 Fiscal year ended March 31, 2023: ¥ - 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, 2024	9,466	5,083	53.7	356.83
March 31, 2023	8,593	5,076	59.1	337.80

(Reference) Equity: As of March 31, 2024: ¥ 5,083 million
 As of March 31, 2023: ¥ 5,076 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, 2024	1,223	94	(963)	2,339
March 31, 2023	737	(158)	59	1,983

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, 2023	—	0.00	—	37.00	37.00	555	54.5	12.0
Fiscal year ended March 31, 2024	—	0.00	—	28.00	28.00	398	31.0	8.1
Fiscal year ending March 31, 2025 (Forecast)	—	0.00	—	28.00	28.00		38.4	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2023:

Ordinary dividend: 25.00 yen

Commemorative dividend (50th anniversary): 12.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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)	7,740	8.1	680	1.5	720	1.5	440	(7.0)	30.89
Full year	15,600	4.5	1,580	3.8	1,630	3.8	1,040	(20.7)	73.01

* Notes

- (1) Changes in significant subsidiaries during the period under review: 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: No
 - 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, 2024: 17,005,674 shares
 - March 31, 2023: 17,005,674 shares
 - 2) Number of treasury shares at the end of the period:
 - March 31, 2024: 2,760,632 shares
 - March 31, 2023: 1,978,832 shares
 - 3) Average number of shares outstanding during the period:
 - Fiscal Year ended March 31, 2024: 14,527,821 shares
 - Fiscal Year ended March 31, 2023: 15,019,311 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024
(April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	10,695	7.4	1,205	0.4	1,353	(2.1)	1,195	18.7
March 31, 2023	9,959	19.8	1,200	50.7	1,382	50.1	1,007	57.2

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	82.31	—
March 31, 2023	67.07	—

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	8,064	4,660	57.8	327.18
March 31, 2023	7,374	4,792	65.0	318.93

(Reference) Equity: As of March 31, 2024: ¥ 4,660 million
As of March 31, 2023: ¥ 4,792 million

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

* 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 experienced a pickup in personal consumption, reflecting the downgrading of COVID-19 to a class 5 disease under the Infectious Diseases Act in May 2023, and an expansion of inbound demand. However, the economic outlook remained uncertain due to soaring raw materials and energy prices caused by the unstable international situation, and rising commodities prices as the yen weakened sharply.

In the information service industry, where Cross Cat Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) operate, the promotion of Digital Transformation (DX) with cutting-edge technologies such as Cloud Computing, Artificial Intelligence (AI), Internet of Things (IoT), Big Data, and Robotic Process Automation (RPA) continues to gain momentum, and companies are expected to expand their appetite for IT investments to boost competitiveness.

Amid such a business environment, as the Group celebrated the 50th anniversary of its founding in the final year of its Medium-term Business Plan “Impress with customers 2023” launched in April 2021, it pursued four basic strategies to achieve sustainable business growth: expand core businesses; leverage cutting-edge technologies; initiatives of new business domains; and strengthen the Group’s management base. Looking ahead to the next 50 years, the Group will continue to work toward the realization of Society 5.0, a society that balances economic growth with solutions to social issues, and contribute to the achievement of the SDGs, while at the same time “Harmonize Heart and Technology,” staying true to its corporate philosophy.

Net sales for the fiscal year under review totaled ¥14,931 million (up 7.9% compared to the previous corresponding period; hereinafter “year-on-year”), which is an increase over the previous fiscal year. By industry sector, orders from the credit, public sports betting and sports promoting lottery, telecommunications, and manufacturing sectors remained positive, reflecting favorable demand for DX solutions.

On the profit front, while the Group actively promoted high value-added businesses and successfully maintained a significant operation rate, personnel expenses swelled mainly due to wage hikes and increased hiring of new graduates as part of efforts to secure and train human resources. As a result, the cost to sales ratio decreased by 0.4 percentage points year-on-year while the SG&A ratio increased by 0.7 percentage points year-on-year, leading to an operating profit of ¥1,521 million (up 4.2% year-on-year), an ordinary profit of ¥1,570 million (up 4.0% year-on-year), and profit attributable to owners of parent of ¥1,311 million (up 28.6% year-on-year).

Regarding the progress of business metrics, the ordinary profit margin, which indicates profitability, declined by 0.4 percentage points year-on-year to 10.5% while the net profit margin rose by 1.4 percentage points year-on-year to 8.8%. In addition, the return on equity (ROE), which indicates capital efficiency, rose by 3.9 percentage points year-on-year to 25.8%.

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

Total assets at the end of the fiscal year under review increased by ¥872 million to ¥9,466 million from ¥8,593 million at the end of the previous fiscal year. This was mainly due to an increase in cash and deposits of ¥355 million, an increase in accounts receivable - trade of ¥443 million, and an increase in investment securities of ¥94 million.

Total liabilities at the end of the fiscal year under review increased by ¥864 million to ¥4,382 million from ¥3,517 million at the end of the previous fiscal year. This was mainly due to an increase in accounts payable - trade of ¥86 million, an increase in short-term borrowings of ¥500 million, and an increase in income taxes payable of ¥118 million.

Net assets at the end of the fiscal year under review increased by ¥7 million to ¥5,083 million from ¥5,076 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 ¥1,311 million, a decrease from dividends paid of ¥555 million, a decrease in treasury shares of ¥896 million primarily as a result of repurchases, and an increase in accumulated other comprehensive income of ¥133 million.

As a result, the equity ratio at the end of the fiscal year under review was 53.7%, down 5.4 percentage points from 59.1% 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 ¥2,339 million, up ¥355 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 ¥1,223 million (a net inflow of ¥737 million was reported in the previous fiscal year). The inflow was mainly attributable to a profit before income taxes of ¥1,863 million and a depreciation of ¥151 million. The outflow was mainly attributable to an increase in trade receivables of ¥443 million and income taxes paid of ¥450 million.

(Cash Flows from Investing Activities)

Cash flows from investing activities resulted in a net inflow of ¥94 million (a net outflow of ¥158 million was reported in the previous fiscal year). The inflow was mainly attributable to proceeds from sale of investment securities of ¥327 million. The outflow was mainly attributable to purchase of property, plant and equipment of ¥125 million and payments of leasehold and guarantee deposits of ¥70 million.

(Cash Flows from Financing Activities)

Cash flows from financing activities resulted in a net outflow of ¥963 million (a net inflow of ¥59 million was reported in the previous fiscal year). The inflow was mainly attributable to net increase in short-term borrowings of ¥500 million. The outflow was mainly attributable to dividends paid of ¥555 million, and purchase of treasury shares of ¥907 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. During the period of the previous Medium-term Business Plan, we achieved individual targets for net sales and other business metrics, leading to a steady growth of the company. Based on our belief that, in order to further accelerate the growth, it is important to clarify our strengths and enhance the value of our offerings, we have set the basic policy of our new Medium-term Business Plan to improve our service quality by combining the quality, efficiency, expertise, and know-how, which are the elements of our value offering, while aiming to contribute to our customers’ success. In accordance with this basic policy, the Group will pursue five basic strategies to achieve the goals set in the new Medium-term Business Plan: 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 System Integration (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 and public sectors, and expand its business by providing high value-added businesses.

Furthermore, in the DX area, the Company will strive to further increase orders from customers by enhancing its lineup of services. To do that, the Company will utilize cutting-edge technologies such as Cloud Computing and AI and strengthen collaboration with business partners. 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.

Base on the above plans, the Company forecasts financial results for the first half (cumulative) of the fiscal year ending March 31, 2025 to be ¥7,740 million in net sales (up 8.1% year-on-year), ¥680 million in operating profit (up 1.5% year-on-year), ¥720 million in ordinary profit (up 1.5% year-on-year), and ¥440 million in profit attributable to owners of parent (down 7.0% year-on-year). The Company also forecasts financial results for the full year of the fiscal year ending March 31, 2025 to be ¥15,600 million in net sales (up 4.5% year-on-year), ¥1,580 million in operating profit (up 3.8% year-on-year), ¥1,630 million in ordinary profit (up 3.8% year-on-

year), and ¥1,040 million in profit attributable to owners of parent (down 20.7% year-on-year). The forecasted decrease in profit attributable to owners of parent is due to the recording of an extraordinary gain of ¥293 million in the fiscal year under review.

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, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	1,983,974	2,339,462
Accounts receivable - trade	3,671,187	4,114,622
Contract assets	443,304	352,792
Other	147,209	212,494
Allowance for doubtful accounts	(4,087)	(4,441)
Total current assets	6,241,588	7,014,931
Non-current assets		
Property, plant and equipment		
Buildings and structures	426,769	463,360
Accumulated depreciation	(205,821)	(201,099)
Buildings and structures, net	220,947	262,260
Tools, furniture and fixtures	288,417	337,148
Accumulated depreciation	(216,573)	(227,446)
Tools, furniture and fixtures, net	71,844	109,702
Leased assets	19,708	19,708
Accumulated depreciation	(9,854)	(12,670)
Leased assets, net	9,854	7,038
Land	30,877	30,877
Other	1,500	1,500
Accumulated depreciation	(1,499)	(1,499)
Other, net	0	0
Total property, plant and equipment	333,524	409,879
Intangible assets		
Goodwill	224,481	174,596
Customer-related assets	36,642	28,499
Software	170,662	138,115
Other	4,202	4,082
Total intangible assets	435,988	345,295
Investments and other assets		
Investment securities	1,061,422	1,156,377
Deferred tax assets	131,032	123,012
Leasehold and guarantee deposits	261,874	309,123
Other	128,542	107,398
Total investments and other assets	1,582,871	1,695,912
Total non-current assets	2,352,384	2,451,087
Total assets	8,593,972	9,466,019

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	521,768	608,058
Short-term borrowings	700,000	1,200,000
Lease liabilities	3,097	3,097
Income taxes payable	284,009	402,653
Contract liabilities	66,249	86,251
Provision for bonuses	355,176	356,212
Provision for loss on orders received	8,175	9,311
Other	634,580	790,379
Total current liabilities	2,573,056	3,455,963
Non-current liabilities		
Lease liabilities	7,742	4,645
Deferred tax liabilities	80,093	109,178
Retirement benefit liability	627,309	595,618
Asset retirement obligations	188,177	197,672
Other	41,584	19,858
Total non-current liabilities	944,906	926,972
Total liabilities	3,517,963	4,382,935
Net assets		
Shareholders' equity		
Share capital	1,000,000	1,000,000
Capital surplus	—	14,490
Retained earnings	4,138,119	4,893,626
Treasury shares	(615,243)	(1,511,738)
Total shareholders' equity	4,522,876	4,396,379
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	569,548	679,848
Remeasurements of defined benefit plans	(16,415)	6,855
Total accumulated other comprehensive income	553,132	686,703
Total net assets	5,076,009	5,083,083
Total liabilities and net assets	8,593,972	9,466,019

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

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	13,835,749	14,931,704
Cost of sales	10,632,946	11,419,755
Gross profit	3,202,803	3,511,948
Selling, general and administrative expenses	1,741,573	1,990,042
Operating profit	1,461,230	1,521,906
Non-operating income		
Interest income	12	15
Dividend income	28,081	17,305
Subsidy income	8,508	20,858
Rental income from buildings	6,744	3,336
Other	6,735	10,346
Total non-operating income	50,081	51,862
Non-operating expenses		
Interest expenses	1,193	3,041
Commission expenses	—	357
Total non-operating expenses	1,193	3,398
Ordinary profit	1,510,118	1,570,370
Extraordinary income		
Gain on sale of investment securities	—	263,334
Other	—	30,242
Total extraordinary income	—	293,577
Extraordinary losses		
Loss on retirement of non-current assets	1,791	648
Total extraordinary losses	1,791	648
Profit before income taxes	1,508,327	1,863,299
Income taxes - current	481,333	573,645
Income taxes - deferred	7,062	(21,845)
Total income taxes	488,396	551,799
Profit	1,019,930	1,311,499
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,019,930	1,311,499

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	1,019,930	1,311,499
Other comprehensive income		
Valuation difference on available-for-sale securities	60,550	110,300
Remeasurements of defined benefit plans, net of tax	(5,837)	23,270
Total other comprehensive income	54,712	133,571
Comprehensive income	1,074,643	1,445,071
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,074,643	1,445,071
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,000,000	—	3,783,485	(1,062,090)	3,721,395
Changes during period					
Dividends of surplus			(240,090)		(240,090)
Profit attributable to owners of parent			1,019,930		1,019,930
Purchase of treasury shares				(46)	(46)
Disposal and retirement of treasury stock			(425,205)	446,893	21,687
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	354,634	446,846	801,481
Balance at end of period	1,000,000	—	4,138,119	(615,243)	4,522,876

	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	508,998	(10,578)	498,420	4,219,815
Changes during period				
Dividends of surplus			—	(240,090)
Profit attributable to owners of parent			—	1,019,930
Purchase of treasury shares			—	(46)
Disposal and retirement of treasury stock			—	21,687
Net changes in items other than shareholders' equity	60,550	(5,837)	54,712	54,712
Total changes during period	60,550	(5,837)	54,712	856,193
Balance at end of period	569,548	(16,415)	553,132	5,076,009

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 and retirement 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 and retirement 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

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,508,327	1,863,299
Depreciation	113,816	151,186
Amortization of goodwill	58,267	49,884
Share-based payment expenses	16,265	24,386
Increase (decrease) in allowance for doubtful accounts	240	353
Increase (decrease) in provision for bonuses	32,982	1,036
Increase (decrease) in retirement benefit liability	10,823	1,848
Increase (decrease) in provision for loss on orders received	(2,534)	1,136
Interest and dividend income	(28,094)	(17,320)
Interest expenses	1,193	3,041
Loss on retirement of non-current assets	1,791	648
Decrease (increase) in trade receivables	(234,419)	(443,435)
Decrease (increase) in contract assets	(122,154)	90,511
Decrease (increase) in inventories	3,573	(1,860)
Increase (decrease) in trade payables	10,301	86,290
Loss (gain) on sale of investment securities	—	(263,334)
Other, net	(71,194)	112,838
Subtotal	1,299,184	1,660,512
Interest and dividends received	28,094	17,320
Interest paid	(1,333)	(3,250)
Income taxes paid	(588,592)	(450,597)
Net cash provided by (used in) operating activities	737,353	1,223,984
Cash flows from investing activities		
Purchase of property, plant and equipment	(47,939)	(125,409)
Proceeds from sale of investment securities	—	327,360
Purchase of intangible assets	(88,434)	(33,822)
Payments of leasehold and guarantee deposits	(29,859)	(70,288)
Proceeds from refund of leasehold and guarantee deposits	14,228	548
Payments for asset retirement obligations	(6,380)	(3,600)
Net cash provided by (used in) investing activities	(158,385)	94,786
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	300,000	500,000
Dividends paid	(240,090)	(555,993)
Purchase of treasury shares	(46)	(907,290)
Net cash provided by (used in) financing activities	59,862	(963,283)
Net increase (decrease) in cash and cash equivalents	638,831	355,488
Cash and cash equivalents at beginning of period	1,345,143	1,983,974
Cash and cash equivalents at end of period	1,983,974	2,339,462

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(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, 2023 (from April 1, 2022 to March 31, 2023)

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	2,601,470	—
NTT DATA Japan Corporation	1,881,336	—
National Tax Agency	1,490,738	—

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	—

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, 2023	For the fiscal year ended March 31, 2024
Net assets per share	¥337.80	¥356.83
Basic earnings per share	¥67.91	¥90.28

(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, 2023	For the fiscal year ended March 31, 2024
Profit attributable to owners of parent (thousands of yen)	1,019,930	1,311,499
Amount not attributable to common shareholders (thousands of yen)	—	—
Profit attributable to owners of parent relating to common shares (thousands of yen)	1,019,930	1,311,499
Average number of common shares outstanding during the period (shares)	15,019,311	14,527,821

(Significant subsequent events)

Not applicable.