

Note: This document has been translated from a part of 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.

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

May 9, 2025

Company name: Entrust Inc.

Listing: Tokyo Stock Exchange

Securities code: 7191

URL: <https://www.entrust-inc.jp/>

Representative: Yutaka Kuwabara

President and Representative Director

Inquiries: Hiroyuki Ota

Director, operating officer

Telephone: +81-3(5213)0250

Scheduled date of annual general meeting of shareholders: June 23, 2025

Scheduled date to commence dividend payments: June 9, 2025

Scheduled date to file annual securities report: June 20, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes(for analysts and institutional investors)

(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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	10,572	17.9	2,329	12.3	2,345	13.3	1,360	10.8
March 31, 2024	8,971	-	2,073	-	2,070	-	1,227	-

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 1,339 million [7.5%]
Fiscal year ended March 31, 2024: ¥ 1,245 million [-%]

	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	60.79	60.74	20.9	22.4	22.0
March 31, 2024	54.88	54.82	20.2	21.4	23.1

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

(Note) The Company has prepared consolidated financial statements since the fiscal year ended March 31, 2024. Therefore, year-on-year changes, for the fiscal year ended March 31, 2024 are omitted. And, the Rate of return on equity and ordinary profit to total assets ratio for the fiscal year ended March 31, 2024 are calculated based on the end-of-year equity and total assets, respectively.

(2) 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	11,261	6,970	61.8	310.88
March 31, 2024	9,653	6,105	63.1	272.25

(Reference) Equity: As of March 31, 2025: ¥ 6,955 million
As of March 31, 2024: ¥ 6,087 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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	1,535	102	(479)	6,822
March 31, 2024	288	45	(357)	5,663

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets ratio (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	-	9.00	-	9.00	18.00	402	32.8	6.6
March 31, 2025	-	12.50	-	12.50	25.00	559	41.1	8.0
Fiscal year ending March 31, 2026 (Forecast)	-	17.50	-	17.50	35.00		50.5	

(Note) The Company has prepared consolidated financial statements since the fiscal year ended March 31, 2024. Therefore, dividends to net assets ratio (consolidated) for the fiscal year ended March 31, 2024 are calculated based on the end-of-year net assets.

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
Six months ending September 30, 2025	5,880	16.2	1,300	14.6	1,300	14.0	780	18.5	34.86
Full year	12,000	13.5	2,600	11.6	2,600	10.9	1,550	14.0	69.28

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 1 (Company name: RACCOON RENT, Inc)
 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: Yes
 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: 22,373,222 shares
 March 31, 2024: 22,360,122 shares
 2) Number of treasury shares at the end of the period:
 March 31, 2025: 158 shares
 March 31, 2024: 158 shares
 3) Average number of shares outstanding during the period:
 Fiscal Year ended March 31, 2025: 22,370,881 shares
 Fiscal Year ended March 31, 2024: 22,359,964 shares

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

* Explanation for appropriate use of financial forecasts and other special notes
 The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

* Briefing material on financial results will be posted on the Company's website on May 9, 2025

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,663,252	6,822,625
Accounts receivable - trade	211,076	206,534
Advances paid	3,824,979	4,991,621
Other	474,556	540,018
Allowance for doubtful accounts	(1,735,104)	(2,555,908)
Total current assets	8,438,761	10,004,890
Non-current assets		
Property, plant and equipment		
Buildings	186,918	209,235
Accumulated depreciation	(62,418)	(76,591)
Buildings, net	124,499	132,644
Other	86,691	107,608
Accumulated depreciation	(50,702)	(56,493)
Other, net	35,988	51,114
Total property, plant and equipment	160,488	183,758
Intangible assets		
Goodwill	31,667	105,816
Other	191,258	206,137
Total intangible assets	222,925	311,953
Investments and other assets		
Investment securities	510,983	381,588
Deferred tax assets	66,694	112,308
Other	253,579	267,110
Total investments and other assets	831,257	761,006
Total non-current assets	1,214,671	1,256,718
Total assets	9,653,433	11,261,609

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	65,677	91,465
Income taxes payable	579,024	566,315
Unearned revenue	1,978,836	2,239,811
Provision for bonuses	67,027	76,118
Reserve for fulfillment of guarantees	477,670	826,395
Other	224,792	308,450
Total current liabilities	3,393,028	4,108,557
Non-current liabilities		
Asset retirement obligations	71,946	81,128
Other	82,711	101,820
Total non-current liabilities	154,658	182,948
Total liabilities	3,547,686	4,291,505
Net assets		
Shareholders' equity		
Share capital	1,045,155	1,049,527
Capital surplus	831,723	836,096
Retained earnings	4,167,100	5,046,232
Treasury shares	(127)	(127)
Total shareholders' equity	6,043,851	6,931,728
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	43,685	23,563
Total accumulated other comprehensive income	43,685	23,563
Share acquisition rights	18,208	14,811
Total net assets	6,105,746	6,970,103
Total liabilities and net assets	9,653,433	11,261,609

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	8,971,530	10,572,954
Cost of sales	4,594,420	5,590,230
Gross profit	4,377,109	4,982,724
Selling, general and administrative expenses	2,303,138	2,653,069
Operating profit	2,073,971	2,329,655
Non-operating income		
Interest income	58	4,113
Interest on securities	3,069	2,494
Dividend income	1,969	2,220
Gain on liquidation of deposits received	454	6,029
Other	115	1,247
Total non-operating income	5,667	16,105
Non-operating expenses		
Loss on retirement of non-current assets	4,362	393
Loss on investments in investment partnerships	4,195	-
Other	474	-
Total non-operating expenses	9,031	393
Ordinary profit	2,070,607	2,345,366
Extraordinary income		
Gain on sale of non-current assets	131	97
Total extraordinary income	131	97
Extraordinary losses		
Loss on valuation of investment securities	-	1,582
Impairment losses	-	23,750
Total extraordinary losses	-	25,333
Profit before income taxes	2,070,739	2,320,131
Income taxes - current	863,620	975,067
Income taxes - deferred	(20,064)	(14,971)
Total income taxes	843,556	960,095
Profit	1,227,182	1,360,035
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,227,182	1,360,035

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	1,227,182	1,360,035
Other comprehensive income		
Valuation difference on available-for-sale securities	18,727	(20,122)
Total other comprehensive income	18,727	(20,122)
Comprehensive income	1,245,910	1,339,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,245,910	1,339,913
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,045,155	831,723	3,297,677	(127)	5,174,428
Changes during period					
Issuance of new shares - exercise of share acquisition rights					
Dividends of surplus			(357,759)		(357,759)
Profit attributable to owners of parent			1,227,182		1,227,182
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	869,423	-	869,423
Balance at end of period	1,045,155	831,723	4,167,100	(127)	6,043,851

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	24,958	24,958	10,451	5,209,838
Changes during period				
Issuance of new shares - exercise of share acquisition rights				-
Dividends of surplus		-		(357,759)
Profit attributable to owners of parent		-		1,227,182
Net changes in items other than shareholders' equity	18,727	18,727	7,757	26,484
Total changes during period	18,727	18,727	7,757	895,908
Balance at end of period	43,685	43,685	18,208	6,105,746

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,045,155	831,723	4,167,100	(127)	6,043,851
Changes during period					
Issuance of new shares - exercise of share acquisition rights	4,372	4,372			8,744
Dividends of surplus			(480,903)		(480,903)
Profit attributable to owners of parent			1,360,035		1,360,035
Net changes in items other than shareholders' equity					
Total changes during period	4,372	4,372	879,132	-	887,876
Balance at end of period	1,049,527	836,096	5,046,232	(127)	6,931,728

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	43,685	43,685	18,208	6,105,746
Changes during period				
Issuance of new shares - exercise of share acquisition rights				8,744
Dividends of surplus				(480,903)
Profit attributable to owners of parent				1,360,035
Net changes in items other than shareholders' equity	(20,122)	(20,122)	(3,397)	(23,519)
Total changes during period	(20,122)	(20,122)	(3,397)	864,357
Balance at end of period	23,563	23,563	14,811	6,970,103

Consolidated Statements of Cash Flows

(Thousands 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	2,070,739	2,320,131
Depreciation	97,186	110,273
Impairment losses	-	23,750
Amortization of goodwill	7,916	17,536
Increase (decrease) in allowance for doubtful accounts	573,813	673,663
Increase (decrease) in provision for bonuses	3,053	9,091
Increase (decrease) in reserve for fulfillment of guarantees	225,278	254,783
Interest and dividend income	(5,097)	(8,828)
Loss (gain) on sale of non-current assets	(131)	(97)
Loss on retirement of non-current assets	4,362	393
Loss (gain) on valuation of investment securities	-	1,582
Decrease (increase) in trade receivables	12,531	7,496
Decrease (increase) in advances paid	(2,146,104)	(1,016,132)
Increase (decrease) in trade payables	17,067	25,788
Increase (decrease) in unearned revenue	183,542	117,682
Other, net	(2,539)	(20,305)
Subtotal	1,041,617	2,516,810
Interest and dividends received	5,097	9,402
Income taxes paid	(757,889)	(990,333)
Net cash provided by (used in) operating activities	288,825	1,535,879
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(140,793)	(77,796)
Proceeds from sale of property, plant and equipment and intangible assets	131	97
Purchase of investment securities	-	(99,658)
Proceeds from redemption of investment securities	-	200,000
Payments of guarantee deposits	(24,313)	(11,782)
Proceeds from refund of guarantee deposits	3,388	794
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	207,007	90,987
Net cash provided by (used in) investing activities	45,421	102,641
Cash flows from financing activities		
Proceeds from issuance of share acquisition rights	-	1,564
Proceeds from exercise of employee share options	-	13
Dividends paid	(357,773)	(480,725)
Net cash provided by (used in) financing activities	(357,773)	(479,148)
Net increase (decrease) in cash and cash equivalents	(23,526)	1,159,372
Cash and cash equivalents at beginning of period	5,686,779	5,663,252
Cash and cash equivalents at end of period	5,663,252	6,822,625