

Consolidated Financial Report for Fiscal 2025 Ended March 31, 2026 [Japanese GAAP]

May 12, 2026

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 Listing: Tokyo Stock Exchange
 Securities code: 4687
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 Scheduled date of ordinary general meeting of shareholders: June 26, 2026
 Scheduled date of dividend payment: June 29, 2026
 Scheduled date of filing securities report: June 23, 2026
 Preparation of explanatory materials for annual financial results: Yes
 Holding of a briefing on annual financial results: Yes (video streaming)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages represent 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, 2026	48,359	8.9	5,159	8.1	5,359	9.9	3,880	13.0
Fiscal year ended March 31, 2025	44,417	11.9	4,772	25.3	4,876	14.6	3,433	11.1

Note: Comprehensive income

Fiscal year ended March 31, 2026 ¥3,792 million (7.0%)

Fiscal year ended March 31, 2025 ¥3,792 million (7.0%)

	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit margin
	Yen Sen	Yen Sen	%	%	%
Fiscal year ended March 31, 2026	82.11	—	17.5	17.9	10.7
Fiscal year ended March 31, 2025	72.86	—	17.4	18.1	10.7

(Reference) Equity in earnings of affiliates

Fiscal year ended March 31, 2026 ¥— million

Fiscal year ended March 31, 2025 ¥— million

(2) Consolidated financial position

	Total assets	Net assets	Owners' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	Yen Sen
Fiscal year ended March 31, 2026	31,500	23,436	74.4	495.37
Fiscal year ended March 31, 2025	28,286	20,881	73.8	442.98

Reference: Owners' equity Fiscal year ended March 31, 2026 ¥23,436 million

Fiscal year ended March 31, 2025 ¥20,881 million

(3) Consolidated cash flow conditions

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at the end of the fiscal year
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal year ended March 31, 2026	2,662	(3,200)	(1,540)	13,171
Fiscal year ended March 31, 2025	2,962	(1)	(1,089)	15,250

2. Dividends

	Dividends per share					Dividends (Total)	Dividend payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
	Yen	Sen	Yen	Sen	Yen	Sen	(Millions of yen)	%
Fiscal year ended March 31, 2025	—	0.00	—	27.00	27.00	1,291	37.1	6.5
Fiscal year ended March 31, 2026	—	0.00	—	33.00	33.00	1,578	40.2	7.0
Fiscal year ending March 31, 2027 (forecast)	—	0.00	—	34.00	34.00		41.1	

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Full year and quarterly percentages represent changes from the previous fiscal year and the same quarter of the previous fiscal year, respectively)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	Yen
Second quarter (cumulative)	25,100	7.5	2,860	8.0	2,960	7.4	1,990	0.3	42.06
Full year	53,000	9.6	5,600	8.5	5,800	8.2	3,915	0.9	82.75

* Notes

(1) Material Changes in the Scope of Consolidation During the Fiscal Year: None

New: — (company name(s))

Excluded: — (company name(s))

(2) Changes in accounting policies and accounting-based estimates, and restatements

- a. Changes in accounting policies due to revisions in accounting standards, etc. : None
- b. Changes in accounting policies other than a. above : None
- c. Changes in accounting-based estimates : None
- d. Restatements : None

(3) Number of issued shares (common stock)

- a. Number of issued shares at the end of fiscal year (including treasury stock)
- b. Number of treasury shares at the end of fiscal year
- c. Average number of shares during the fiscal year

Fiscal year ended March 31, 2026	50,227,200 shares	Fiscal year ended March 31, 2025	50,227,200 shares
Fiscal year ended March 31, 2026	2,916,125 shares	Fiscal year ended March 31, 2025	3,088,605 shares
Fiscal year ended March 31, 2026	47,258,551 shares	Fiscal year ended March 31, 2025	47,131,825 shares

Note: The number of treasury shares at the end of fiscal year includes the Company's shares (527,900 shares as of March 31, 2026; 700,400 shares as of March 31, 2025) held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets in a Board Benefit Trust (BBT) and an Employee Stock Ownership Plan (J-ESOP). In addition, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) are included in the treasury shares deducted from the calculation of the average number of shares during the fiscal year (as of March 31, 2026: 580,441 shares; as of March 31, 2025: 707,205 shares).

(Reference) Overview of Non-Consolidated Results

Individual Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Individual operating results

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Fiscal year ended March 31, 2026	45,347	8.8	4,933	8.2	5,118	10.0	3,735	13.7
Fiscal year ended March 31, 2025	41,663	12.9	4,561	27.0	4,652	15.5	3,285	11.7

	Earnings per share		Diluted earnings per share	
	Yen	Sen	Yen	Sen
Fiscal year ended March 31, 2026	79.04	—	—	—
Fiscal year ended March 31, 2025	69.70	—	—	—

(2) Individual financial position

	Total assets	Net assets	Owners' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	Yen Sen
Fiscal year ended March 31, 2026	29,719	22,154	74.5	468.26
Fiscal year ended March 31, 2025	26,805	19,741	73.6	418.79

Reference: Owners' equity

Fiscal year ended March 31, 2026	¥22,154 million
Fiscal year ended March 31, 2025	¥19,741 million

* The financial report is exempt from audits by certified public accountants or audit firms.

* Explanation about the proper use of financial results forecasts and other noteworthy items

This report contains statements about the future such as forecasts for financial results that are based on information available to the Company at the time of disclosure and certain assumptions the Company believes to be reasonable. The Company gives no assurance that these statements will prove to be accurate. Actual results may differ significantly from these forecasts due to various factors. For matters concerning the forecasts above, please refer to "1. Overview of Operating Results, etc. (4) Outlook" on page 6 of the attached materials.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year

During the Current Consolidated Fiscal Year (April 1, 2025 to March 31, 2026), Japan's economy maintained a moderate recovery trend, driven by improved employment and income conditions as well as steady corporate earnings. Meanwhile, weak consumer spending due to rising prices and heightened geopolitical risks have contributed to a continued uncertain outlook.

In the information services industry, investment in digital transformation (hereinafter "DX") aimed at strengthening corporate competitiveness has continued, with ongoing progress in cloud migration including core business systems, as well as expanding initiatives for data utilization and business process sophistication. In addition, generative AI is becoming increasingly important, as companies accelerate the review of business processes with operational implementation and AI utilization in mind.

Amid this environment, our Group has formulated the medium-term management plan "Be a Visionary System Integrator" covering the period from April 2025 to March 2028. As customer issues grow increasingly complex and diverse due to further changes in social conditions and technological trends, with demands for essential and high-value contributions intensifying, this medium-term management plan establishes a vision to be an unparalleled partner for our customers by enhancing TDC's foresight for the future and delivering exceptional development technologies and services while pursuing long-term growth. To make this vision a reality, we have two Group-wide core strategies.

The first strategy, "Diversification and advancement of expertise and knowledge," aims to enhance our capacity to address increasingly complex customer issues by possessing a broader range of highly specialized fields.

The second strategy, "enhancement of our ability to create proposals that deliver value for customers," aims to enhance our capability to create proposals that maximize customer value through effective IT utilization, based on a deep understanding of both the characteristics of elemental technologies and our customers' situations and strategies.

During this consolidated fiscal year, each business field performed well and net sales exceeded the plan, achieving an increase in revenue. In terms of profit, although we made aggressive investments and M&A for future business expansion in accordance with the medium-term management plan, the growth of high-value-added businesses and the effects of increased revenue resulted in higher operating profit. As specific investment initiatives, we are strengthening talent acquisition, including mid-career professionals, and education programs to acquire advanced elemental technologies such as AI and networking technologies as well as invest in human capital.

Additionally, extraordinary profit has been recorded due to the sale of shares in NTT DATA Group Corporation following the reorganization of the NTT Group.

As a result, for the current consolidated fiscal year, net sales amounted to ¥48,359 million (up 8.9% YOY), operating profit was ¥5,159 million (up 8.1% YOY), ordinary profit was ¥5,359 million (up 9.9% YOY), and profit attributable to owners of parent was ¥3,880 million (up 13.0% YOY).

Status of activities by field

<IT consulting and services>

In the IT consulting and services field, we offer services that include developing IT strategies and systemization planning to facilitate customers' DX and providing technical consulting and educational services about the latest technologies and development methodologies. We also provide our internally developed cloud application services, along with solution services, such as BI (Note 1)/DWH (Note 2) and ERP (Note 3)/CRM (Note 4). During this fiscal year, the Group made solid progress on cloud-related SaaS (Note 5) solutions and ERP solution services. As a result, net sales in this field increased 13.8% year on year to ¥8,849 million.

<IT solutions for financial services>

In the field of IT solutions for financial services, we offer integrated IT solutions for the financial sector, including systemization planning, design, development, and maintenance. During this fiscal year, the Group made solid progress on development projects for bank- and insurance-related systems. As a result, net sales in this field increased 6.3% year on year to ¥20,571 million.

<IT solutions for public corporations>

In the field of IT solutions for public corporations, we offer integrated IT solutions for the logistics, manufacturing, and service industries as well as the public sector, including systemization planning, design, development, and maintenance. During this fiscal year, the Group made solid progress on development projects for the steel sector and food products, public agencies, and educational institutions. As a result, net sales in this field increased 7.0% year on year to ¥12,841 million.

<Platform solutions>

In the field of platform solutions, we offer services such as the environmental design and construction of IT infrastructure, along with operational support, network product development, and network integration. During this fiscal year, the Group made solid progress on projects to build cloud-related infrastructure for businesses in the insurance, transportation, and energy sectors. As a result, net sales in this field increased 15.3% year on year to ¥6,096 million.

(Unit: Millions of yen)

Field	Cumulative Consolidated Period of the Fiscal Year Ended March 31, 2025		Cumulative Consolidated Period of the Fiscal Year Ended March 31, 2026		Year-on-year percentage change
	Amount	Share	Amount	Share	
IT consulting and services	7,775	17.5%	8,849	18.3%	+13.8%
IT solutions for financial services	19,356	43.6%	20,571	42.5%	+6.3%
IT solutions for public corporations	11,996	27.0%	12,841	26.6%	+7.0%
Platform solutions	5,289	11.9%	6,096	12.6%	+15.3%
Total	44,417	100.0%	48,359	100.0%	+8.9%

Notes: 1. BI: Business intelligence. A process for analyzing a company's internal information to harness it in business management.

2 DWH: Data warehouse. An integrated database that collects necessary data from multiple systems, including core systems, to sort the data by objective and accumulate it chronologically for data analysis and decision-making.

3 ERP: Enterprise resource planning. A core information system.

4 CRM: Customer relationship management. A customer management system.

5 SaaS: Software as a Service. A model in which software that runs on a server is provided as a service.

(2) Overview of Financial Position for the Fiscal Year

State of assets, liabilities, and net assets

Total assets at the end of this consolidated fiscal year increased by ¥3,213 million from the end of the previous consolidated fiscal year to ¥31,500 million.

Current assets increased by ¥1,648 million from the end of the previous consolidated fiscal year to ¥24,895 million. This is mainly due to increases of ¥2,405 million in securities and ¥1,454 million in notes and accounts receivable - trade, and contract assets, despite a decrease of ¥2,378 million in cash and deposits.

Non-current assets increased by ¥1,565 million from the end of the previous consolidated fiscal year to ¥6,604 million. This is mainly due to increases of ¥1,137 million in investment securities and ¥328 million in deferred tax assets.

Current liabilities increased by ¥774 million from the end of the previous consolidated fiscal year to ¥7,644 million. This is mainly due to increases of ¥479 million in accrued expenses, ¥406 million in income taxes payable, and ¥206 million in accounts payable - trade, despite decreases of ¥233 million in borrowings and ¥152 million in accounts payable - other.

Non-current liabilities decreased by ¥116 million from the end of the previous consolidated fiscal year to ¥419 million. This is mainly due to decreases of ¥63 million in long-term accrued expenses included in Other and ¥34 million in provision for share-based remuneration for directors (and other officers).

Net assets increased by ¥2,555 million from the end of the previous consolidated fiscal year to ¥23,436 million. This is mainly due to an increase of ¥2,588 million in retained earnings.

(3) Overview of Cash Flows for the Fiscal Year

The balance of cash and cash equivalents at the end of this consolidated fiscal year decreased by ¥2,078 million from the end of the previous consolidated fiscal year to ¥13,171 million (¥15,250 million in the previous fiscal year).

Cash flow conditions and their factors are as stated below:

(Cash flows from operating activities)

While there were an increase in trade receivables and contract assets of ¥1,454 million and income taxes paid of ¥1,452 million, profit before income taxes was ¥5,525 million, among other factors, and cash flows from operating activities amounted to ¥2,662 million (¥2,962 million in the previous fiscal year).

(Cash flows from investing activities)

While proceeds from sales of investment securities were ¥210 million and interest and dividend income received was ¥147 million, purchase of securities was ¥2,098 million and purchase of investment securities was ¥1,409 million. As a result, cash flows from investing activities amounted to negative ¥3,200 million (negative ¥1 million in the previous fiscal year).

(Cash flows from financing activities)

Dividends paid totaled ¥1,292 million, and there was a net decrease in short-term borrowings of ¥233 million. As a result, cash flows from financing activities amounted to negative ¥1,540 million (negative ¥1,089 million in the previous fiscal year).

(Reference) Trends in Cash Flow-Related Indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Owners' equity ratio	72.4%	72.1%	72.4%	73.8%	74.4%
Owners' equity ratio on a market value basis	133.7%	155.6%	214.5%	212.1%	137.0%
Ratio of cash flow to interest-bearing debt	0.2 years	0.2 years	0.2 years	0.2 years	0.1 years
Interest coverage ratio	620.8	567.2	811.4	485.9	470.6

Note: Owners' equity ratio: Owners' equity / Total assets

Owners' equity ratio on a market value basis: Market capitalization / Total assets

Ratio of cash flow to interest-bearing debt: Interest-bearing debt / Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / Interest payments

* Calculations are based on consolidated financial figures.

* Market capitalization is calculated by multiplying the closing share price at the end of the fiscal year by the number of issued shares at the end of the fiscal year (after deducting treasury stock).

* Effective April 1, 2024, the Company conducted a two-for-one stock split of its common shares. The "number of issued shares at the end of the fiscal year" is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2022.

* Interest-bearing debt covers all liabilities recorded on the consolidated balance sheet on which interest is paid. In addition, interest payments are based on the amount of interest paid as recorded on the consolidated statement of cash flows.

(4) Outlook

Going forward, although employment and income conditions in Japan are improving, geopolitical risks remain strong, and the outlook is expected to remain uncertain for the time being. In the information services industry, IT needs continue to expand in line with innovations in business models and operational workflows driven by DX, while at the same time the content required is becoming more advanced, diverse, and complex than ever before. Against this backdrop, the Group has launched its medium-term management plan, “Be a Visionary System Integrator,” for the period from April 2025 to March 2028, leveraging the advanced technical capabilities cultivated over many years and our insight to anticipate societal changes in order to contribute to solving our customers’ true challenges. As social issues grow increasingly complex, we will sharpen our foresight to look one step ahead into the future and provide outstanding development technologies and services, thereby becoming an indispensable presence for our customers and striving to achieve long-term growth. To this end, we have established business strategy, investment strategy, and human capital strategy as our key strategies, and we will promote various initiatives aimed at diversification and advancement of expertise and knowledge, as well as improving our proposal capabilities to deliver value to our customers.

In terms of investment in specific technology fields, we will pursue both top-down and bottom-up approaches to acquire elemental technologies that are likely to have a significant impact on the future SI business, such as AI and data engineering, network and security, and UXD, ahead of the curve, as well as to develop services and products that respond to the diverse IT needs of our customers. In terms of investment in human capital, we will continue to strengthen education programs and promote strategic mid-career recruitment. In addition, we will promote investment in creating work systems and environments that enable a diverse range of talent to engage in their work with greater motivation.

Against this backdrop, the financial results forecast for the fiscal year ending March 31, 2027 is as follows: net sales of ¥53,000 million (up 9.6%), operating profit of ¥5,600 million (up 8.5%), ordinary profit of ¥5,800 million (up 8.2%), and profit attributable to owners of parent of ¥3,915 million (up 0.9%).

Please note that the above forecasts have been prepared based on information available as of the date of this document, including economic trends and market conditions, and that actual results may differ from forecast figures due to various factors going forward, and the forecasts themselves may also be subject to change.

(5) Sustainability Initiatives

Under our Sustainability Basic Policy, the Group is promoting sustainability management that aims to balance contributions to a sustainable society with medium- to long-term enhancement of corporate value. In formulating the medium-term management plan “Be a Visionary System Integrator,” with the fiscal year ending March 31, 2028 as its final year, we reassessed our materiality, set GHG emissions reduction targets as one of our management indicators in response to climate change, and strengthened our initiatives to reduce environmental impact across the supply chain. In addition, we are systematically addressing key ESG issues through the promotion of human resources development and health management as well as the strengthening of corporate governance. Through these initiatives, we aim to contribute to the realization of a smart society and pursue sustainable growth. Going forward, we will continue to engage in constructive dialogue with our stakeholders to deepen relationships of trust and promote co-creation with society.

2. Basic Approach to the Selection of Accounting Standards

The Group’s business is primarily focused on Japan, and the ratio of foreign shareholders is low. For these reasons, the Group has decided to adopt Japanese accounting standards for the time being. Going forward, we plan to consider the adoption of IFRS (International Financial Reporting Standards) based on the development of our overseas business and changes in the ratio of foreign shareholders.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	Fiscal 2024 (as of March 31, 2025)	Fiscal 2025 (as of March 31, 2026)
Assets		
Current assets		
Cash and deposits	13,250,091	10,871,435
Notes and accounts receivable - trade, and contract assets	7,474,236	8,928,931
Securities	2,000,000	4,405,838
Work in process	95,290	157,587
Other	428,081	532,042
Total current assets	23,247,699	24,895,835
Non-current assets		
Property, plant and equipment		
Buildings	728,031	666,444
Tools, furniture and fixtures	168,656	123,579
Leased assets	19,524	10,920
Total property, plant and equipment	916,212	800,943
Intangible fixed assets		
Software	32,496	28,328
Software in progress	18,397	202,508
Telephone subscription rights	4,973	4,973
Goodwill	23,263	—
Other	11,181	11,181
Total intangible fixed assets	90,312	246,991
Investments and other assets		
Investment securities	3,077,253	4,214,362
Shares of subsidiaries and associates	—	30,692
Deferred tax assets	138,650	467,202
Guarantee deposits	779,597	804,949
Other	37,095	39,164
Total investments and other assets	4,032,597	5,556,371
Total non-current assets	5,039,122	6,604,306
Total assets	28,286,821	31,500,142

(Thousands of yen)

	Fiscal 2024 (as of March 31, 2025)	Fiscal 2025 (as of March 31, 2026)
Liabilities		
Current liabilities		
Accounts payable – trade	1,885,043	2,091,444
Short-term borrowings	531,000	298,000
Accounts payable – other	656,804	504,238
Accrued expenses	2,124,663	2,604,078
Income taxes payable	848,043	1,254,128
Accrued consumption taxes	507,999	530,058
Provision for bonuses for directors (and other officers)	156,272	155,941
Other	160,515	206,613
Total current liabilities	6,870,341	7,644,502
Non-current liabilities		
Provision for share-based remuneration for employees	48,259	35,325
Provision for share-based remuneration for directors (and other officers)	89,720	54,774
Retirement benefit liabilities	41,563	46,247
Asset retirement obligations	233,322	235,674
Other	122,335	47,021
Total non-current liabilities	535,201	419,041
Total liabilities	7,405,542	8,063,544
Net assets		
Shareholders' equity		
Share capital	970,400	970,400
Capital surplus	986,256	986,256
Retained earnings	18,588,901	21,177,752
Treasury shares	(1,278,964)	(1,224,434)
Total shareholders' equity	19,266,592	21,909,974
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,614,686	1,526,624
Total accumulated other comprehensive income	1,614,686	1,526,624
Total net assets	20,881,279	23,436,598
Total liabilities and net assets	28,286,821	31,500,142

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

Consolidated Statement of Income

(Thousands of yen)

	Fiscal 2024 (from April 1, 2024 to March 31, 2025)	Fiscal 2025 (from April 1, 2025 to March 31, 2026)
Net sales	44,417,991	48,359,422
Cost of sales	34,912,751	38,556,537
Gross profit	9,505,239	9,802,885
Selling, general and administrative expenses	4,732,710	4,642,923
Operating profit	4,772,529	5,159,962
Non-operating income		
Interest income	6,916	18,914
Interest on securities	1,794	27,990
Dividend income	86,692	108,449
Subsidy income	11,755	10,402
Gain on sales of investment securities	—	8,699
Other	8,911	31,080
Total non-operating income	116,069	205,536
Non-operating expenses		
Interest expenses	5,965	5,713
Loss on investments in partnerships	6,149	—
Other	28	733
Total non-operating expenses	12,142	6,446
Ordinary profit	4,876,455	5,359,051
Extraordinary profit		
Gain on sales of investment securities	—	166,275
Total extraordinary profit	—	166,275
Profit before income taxes	4,876,455	5,525,326
Income taxes - current	1,380,100	1,839,272
Income taxes - deferred	62,532	(194,449)
Total income taxes	1,442,632	1,644,822
Profit	3,433,822	3,880,504
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	3,433,822	3,880,504

Consolidated Statement of Comprehensive
Income

(Thousands of yen)

	Fiscal 2024 (from April 1, 2024 to March 31, 2025)	Fiscal 2025 (from April 1, 2025 to March 31, 2026)
Profit	3,433,822	3,880,504
Other comprehensive income		
Valuation difference on available- for-sale securities	111,293	(88,062)
Total other comprehensive income	111,293	(88,062)
Comprehensive income	3,545,116	3,792,442
Breakdown:		
Comprehensive income attributable to owners of parent	3,545,116	3,792,442
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes in Equity

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

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	970,400	986,256	16,303,215	(1,285,727)	16,974,143	1,503,392	1,503,392	18,477,535
Changes during the fiscal year								
Dividends from surplus			(1,148,137)		(1,148,137)			(1,148,137)
Profit attributable to owners of parent			3,433,822		3,433,822			3,433,822
Purchase of treasury shares				(67)	(67)			(67)
Disposal of treasury shares				6,831	6,831			6,831
Net changes in items other than shareholders' equity during the fiscal year					—	111,293	111,293	111,293
Total changes during the fiscal year	—	—	2,285,685	6,763	2,292,449	111,293	111,293	2,403,743
Balance at the end of the fiscal year	970,400	986,256	18,588,901	(1,278,964)	19,266,592	1,614,686	1,614,686	20,881,279

Fiscal 2025 (from April 1, 2025 to March 31, 2026)

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	970,400	986,256	18,588,901	(1,278,964)	19,266,592	1,614,686	1,614,686	20,881,279
Changes during the fiscal year								
Dividends from surplus			(1,291,652)		(1,291,652)			(1,291,652)
Profit attributable to owners of parent			3,880,504		3,880,504			3,880,504
Purchase of treasury shares				(23)	(23)			(23)
Disposal of treasury shares				54,553	54,553			54,553
Net changes in items other than shareholders' equity during the fiscal year						(88,062)	(88,062)	(88,062)
Total changes during the fiscal year	—	—	2,588,851	54,529	2,643,381	(88,062)	(88,062)	2,555,319
Balance at the end of the fiscal year	970,400	986,256	21,177,752	(1,224,434)	21,909,974	1,526,624	1,526,624	23,436,598

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal 2024 (from April 1, 2024 to March 31, 2025)	Fiscal 2025 (from April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	4,876,455	5,525,326
Depreciation and amortization	157,524	138,674
Amortization of goodwill	23,263	23,263
Increase (decrease) in provision for bonuses for directors (and other officers)	13,014	(331)
Increase (decrease) in provision for share-based remuneration for directors (and other officers)	6,609	5,281
Increase (decrease) in provision for share-based remuneration for employees	1,043	1,391
Increase (decrease) in retirement benefit liabilities	829	4,683
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(15,000)	—
Interest and dividend income	(93,608)	(127,363)
Interest on securities	(1,794)	(27,990)
Interest expenses	5,965	5,713
Loss (gain) on sales of investment securities	—	(174,974)
Loss (gain) on investments in partnerships	6,149	(12,471)
Decrease (increase) in notes and accounts receivable – trade and contract assets	(872,611)	(1,454,695)
Decrease (increase) in inventories	(45,997)	(62,297)
Increase (decrease) in notes and accounts payable-trade	179,770	206,400
Increase (decrease) in accounts payable – other	176,832	(152,565)
Increase (decrease) in accrued expenses	(128,584)	415,820
Increase (decrease) in accrued consumption taxes	9,867	22,058
Other	(102,494)	(220,584)
Subtotal	4,197,234	4,115,340
Income taxes paid	(1,235,109)	(1,452,514)
Cash flows from operating activities	2,962,125	2,662,825
Cash flows from investing activities		
Purchase of securities	—	(2,098,293)
Purchase of property, plant and equipment	(62,589)	(13,765)
Purchase of intangible fixed assets	(28,137)	(5,471)
Purchase of investment securities	(17,109)	(1,409,771)
Proceeds from sales of investment securities	—	210,198
Purchase of shares of subsidiaries and associates	—	(30,692)
Proceeds of dividend distributions from partnerships	12,410	28,266
Payments of loans receivable to employees	(6,780)	(6,720)
Collection of loans receivable from employees	6,622	3,448
Payments of guarantee deposits	(131)	(25,352)
Interest and dividend income received	94,254	147,469
Cash flows from investing activities	(1,461)	(3,200,682)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	78,000	(233,000)
Purchase of treasury shares	(67)	(23)
Interest expenses	(6,095)	(5,658)
Dividend payment	(1,148,137)	(1,292,652)
Repayments of lease obligations	(12,787)	(9,464)
Cash flows from financing activities	(1,089,088)	(1,540,798)
Net increase (decrease) in cash and cash equivalents	1,871,575	(2,078,655)
Balance of cash and cash equivalents at the beginning of the fiscal year	13,378,515	15,250,091
Balance of cash and cash equivalents at the end of the fiscal year	15,250,091	13,171,435

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Changes in Accounting Policies)

Not applicable.

(Changes in Presentation Method)

(Consolidated Statement of Income)

“Interest on securities,” which was included in “Other” under “Non-operating income” in Fiscal 2024, has become more material in amount and is therefore presented as a separate line item from Fiscal 2025. To reflect this change in presentation method, the consolidated financial statements for Fiscal 2024 have been reclassified.

As a result, in the consolidated statement of income for Fiscal 2024, the amount of ¥10,705 thousand presented under “Other” of “Non-operating income” has been reclassified into “Interest on securities” of ¥1,794 thousand and “Other” of ¥8,911 thousand.

(Consolidated Statement of Cash Flows)

“Interest on securities,” which was included in “Other” under “Cash flows from operating activities” in Fiscal 2024, has become more material in amount and is therefore presented as a separate line item from Fiscal 2025. To reflect this change in presentation method, the consolidated statement of cash flows for Fiscal 2024 has been reclassified.

As a result, in the consolidated statement of cash flows for Fiscal 2024, the amount of negative ¥104,288 thousand presented under “Other” of “Cash flows from operating activities” has been reclassified into “Interest on securities” of negative ¥1,794 thousand and “Other” of negative ¥102,494 thousand.

(Segment Information and Related Matters)

Segment Information and Related Matters:

This information has been omitted as the Group operates in a single segment, "System Development."

Related Information

Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025) 1. Information by Product and Service

This information has been omitted as net sales to external customers from a single product/service category exceed 90% of net sales on the consolidated statement of income.

2. Information by Geographical Area

(1) Net sales

This information has been omitted as net sales to external customers in Japan exceed 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

This information has been omitted as the property, plant and equipment amount located in Japan exceeds 90% of the property, plant and equipment amount on the consolidated balance sheet.

3. Information by Major Customer

(Thousands of yen)

Customer name	Net sales	Related segment name
NTT DATA Corporation	7,889,546	System Development

Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026) 1. Information by Product and Service

This information has been omitted as net sales to external customers from a single product/service category exceed 90% of net sales on the consolidated statement of income.

2. Information by Geographical Area

(1) Net sales

This information has been omitted as net sales to external customers in Japan exceed 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

This information has been omitted as the property, plant and equipment amount located in Japan exceeds 90% of the property, plant and equipment amount on the consolidated balance sheet.

3. Information by Major Customer

(Thousands of yen)

Customer name	Net sales	Related segment name
NTT DATA Corporation	8,023,969	System Development

(Per Share Information)

	Fiscal 2024 (from April 1, 2024 to March 31, 2025)	Fiscal 2025 (from April 1, 2025 to March 31, 2026)
Net assets per share	¥442.98	¥495.37
Earnings per share	¥72.86	¥82.11

(Note) 1. Diluted earnings per share is not presented as no dilutive potential shares exist.

2. The basis for calculating earnings per share is as follows.

	Fiscal 2024 (from April 1, 2024 to March 31, 2025)	Fiscal 2025 (from April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (thousands of yen)	3,433,822	3,880,504
Amount not attributable to common shareholders (thousands of yen)	—	—
Profit attributable to owners of parent for common stock (thousands of yen)	3,433,822	3,880,504
Average number of shares of common stock during the fiscal year (shares)	47,131,825	47,258,551

3. The basis for calculating net assets per share is as follows.

	Fiscal 2024 (as of March 31, 2025)	Fiscal 2025 (as of March 31, 2026)
Total net assets (thousands of yen)	20,881,279	23,436,598
Amount deducted from total net assets (thousands of yen)	—	—
Net assets attributable to common stock at the end of the fiscal year (thousands of yen)	20,881,279	23,436,598
Number of shares of common stock at the end of the fiscal year used in the calculation of net assets per share (shares)	47,138,595	47,311,075

4. The Company's shares remaining in trust that are recorded as treasury stock under shareholders' equity are included in the treasury stock deducted from the total number of issued shares at the end of the fiscal year for the purpose of calculating net assets per share, and are also included in the treasury stock deducted in the calculation of the average number of shares during the fiscal year for the purpose of calculating earnings per share. The number of such treasury shares deducted in the calculation of net assets per share at the end of the fiscal year was 700,400 shares for the Fiscal 2024 and 527,900 shares for Fiscal 2025, and the average number of such treasury shares during the fiscal year deducted in the calculation of earnings per share was 707,205 shares for Fiscal 2024 and 580,441 shares for Fiscal 2025.

(Material Subsequent Events)

Not applicable.