



Consolidated Financial Report for the Fiscal Year Ended March 31, 2025 [IFRS]

April 30, 2025

BIPROGY Inc.

Stock Listing:	Tokyo Stock Exchange, Prime Market
Stock Code:	8056
URL:	https://www.biprogy.com/e/
Representative:	Noboru Saito, Representative Director, President & CEO
Contact:	Motoko Takizawa, Manager, Corporate Communications (TEL 81-3-5546-4111)
Scheduled Date for Ordinary General Meeting of Shareholders:	Jun 25, 2025
Scheduled Starting Date for Dividend Payment:	Jun 26, 2025
Scheduled Submission Date for Securities Report:	Jun 24, 2025
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors, analysts and the press)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for FY2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2025	404,010	9.2	39,066	17.4	38,789	13.5	26,965	6.8	25,085	(28.8)
FY2024	370,142	8.9	33,287	12.2	34,164	13.9	25,246	25.0	35,252	75.5

(Note) Adjusted operating profit FY2025 : 38,420 Million Yen (13.6%) FY2024 : 33,812 Million Yen (15.0%)

Adjusted operating profit is the result obtained after deducting cost of sales and selling, general and administrative expenses from revenue.

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Profit before tax to total assets	Operating Profit to net sales
	Yen	Yen	%	%	%
FY2025	272.65	272.03	16.1	12.0	9.7
FY2024	251.15	250.47	16.5	11.5	9.0

(Reference) Share of Profit of Entities Accounted for Using Equity Method FY2025: 831 Million Yen FY2024: 156 Million Yen

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of owners' equity to gross assets	Owners' equity per share
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
FY2025	330,876	171,297	169,050	51.1%	1,721.81
FY2024	314,219	168,314	166,423	53.0%	1,654.93

(3) Consolidated Cash Flow Status

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2025	44,916	(8,926)	(30,613)	64,801
FY2024	41,693	(8,550)	(17,621)	59,263

2. Dividends

	Dividends Per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2024	—	45.00	—	55.00	100.00	10,054	39.8	6.6
FY2025	—	50.00	—	60.00	110.00	10,805	40.3	6.5
FY2026 (Forecast)	—	60.00	—	60.00	120.00		40.2	

(Note1) The total dividends amount for the fiscal year ending March 2025 includes the dividends of 6 million yen for ESOP Trust. Please refer to the notice on the implementation of Employee Stock Ownership Plan (Restricted Stock Trust) announced on April 30, 2024 for details about the ESOP Trust (Only in the Japanese language).

(Note2) The dividend payout ratio forecast for the fiscal year ending March 2026 is given by taking into account impacts from an acquisition and cancellation of treasury shares which the board of directors resolved on at the meeting held on March 27, 2025. Please refer to "3. Consolidated Financial Statements and Material Notes, (5) Notes about Consolidated Financial Statements (Additional Information)" on page 19.

3. Consolidated Earnings Forecast for FY2026 (from April 1, 2025 to March 31, 2026)

(Percentage below represents increase (decrease) from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2026	420,000	4.0	42,600	9.0	42,600	9.8	29,000	7.5	298.66

(Note1) Adjusted operating profit (Full Year) 42,000 Million Yen (9.3%)

(Note2) Basic earnings per share in the Consolidated Earnings Forecast for the fiscal year ending March 2026 are forecasted by taking into account impacts from an acquisition and cancellation of treasury shares which the board of directors resolved on at the meeting held on March 27, 2025. Please refer to "3. Consolidated Financial Statements and Material Notes, (5) Notes about Consolidated Financial Statements (Additional Information)" on page 19.

* Notes

(1) Significant changes in the scope of consolidation during the period : No

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS : Yes
2. Changes in accounting policies due to other reasons : No
3. Changes in accounting estimates : No

Note: For details, please refer to “3. Consolidated Financial Statements and Material Notes, (5) Notes about Consolidated Financial Statements (Material Changes in Accounting Policies)” on page 14.

(3) Number of shares outstanding (common stock)

(shares)

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

2. Number of treasury shares at the end of the period

3. Average number of shares outstanding (during the period)

FY2025	100,663,524	FY2024	109,663,524
FY2025	2,481,445	FY2024	9,101,382
FY2025	98,902,359	FY2024	100,526,636

* This Consolidated Financial Report is not subject to audit procedures.

* Comments regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

(Appendix)

Contents

1. Results of Business Operations and Financial Conditions	
(1) Summary of Business Operations	2
(2) Summary of Financial Condition	4
(3) Summary of Cash Flows	4
(4) Prospects for the Next Fiscal Year	5
(5) Basic Policy on Distribution of Profits	6
2. Basic Concept on the Selection of Accounting Standards	6
3. Consolidated Financial Statements and Material Notes	7
(1) Consolidated Statements of Financial Position	7
(2) Consolidated Statements of Profit or Loss and Comprehensive Income	9
(3) Consolidated Statements of Changes in Equity	11
(4) Consolidated Statements of Cash Flows	13
(5) Notes on Consolidated Financial Statements	14
(Notes on Going Concern Assumption)	14
(Material Changes in Accounting Policies)	14
(Segment Information and Others)	15
(Per-Share Information)	18
(Significant Subsequent Events)	18
(Additional Information)	19

1. 【Results of Business Operations and Financial Conditions】

(1) Summary of Business Operations

For the fiscal year ended March 31, 2025, the Japanese economy continued to show signs of gradual recovery in response to the employment and income situations improving.

We have seen continued good appetite of companies mainly for digital transformation (DX) investment in the information services industry.

On the other hand, we are aware of the downturn in the overseas economies possibly exerting downward pressure upon the domestic economy. Furthermore, we foresee price increases, fluctuations in the financial and capital market, and U.S. policy trends likely impacting companies' investment appetites in the future.

In this environment, we have been promoting initiatives as indicated in the “Management Policies (2024-2026)”^{Note 1} with an eye on realizing the “Vision 2030,” which is envisioned by the Group. We have been performing business pursuant to the basic policies to: increase corporate value by establishing a sustainable business portfolio; optimize an allocation of management resources; and strengthen the Group's business platform. We have been enhancing business through core businesses (the existing revenue sources) in tandem with growth businesses (the new foundations of revenue).

We have defined five focus areas in the core business: Financial, Retail, Energy, Mobility, and OT Infrastructure^{Note 2} where we can utilize our excellent customer base and our operational knowledge.

In the Financial focus area, we have seen expanding revenue from the BankVision®, a full banking system in an open environment/public cloud, and the OptBAE®, a joint-use core-banking service. In FY2024, we newly launched operations of the BankVision at two banks and upgraded the existing systems at two other banks. We newly launched operations of the OptBAE at one bank and are in the process of installing it at several other banks. Furthermore, we have received multiple inquiries for both systems, including the start of new discussions with a regional bank in March 2025 on the next core-banking system, and we expect growth going forward. In addition, #tsumuGO_mobile®^{Note 3}, a banking application released in March 2024, has been increasingly adopted by seven financial institutions in the regional/shinkin bank industry.

In the Retail focus area, inquiries for core system renewal have been strong, and projects for AI automated ordering and electronic shelf labels to improve store operational efficiency are expanding against the backdrop of labor shortages. Especially, in March 2025, we started to conduct a demonstration test of electronic shelf labels at a major drugstore. The number of companies using the BIPROGY ESL SaaS™^{Note 4}, a cloud service specializing in electronic shelf labels, is growing, mainly among food supermarkets, and the number of inquiries from specialty stores, drugstores, etc. is also increasing.

In the Energy focus area, revenue related to the Enability® Series^{Note 5}, electricity retailing cloud solutions, and non-fossil certificate management systems are growing. In addition, we are expanding and upgrading our service assets by enhancing the functionality of Re:lviz®^{Note 6}, an environmental value management service, and launching a “PV power generation volume and PV excess prediction service.”

In the Mobility focus area, we are seeing an increasing number of system development projects from railroad and airline operators related to business domain expansion and new business creation. In addition, we are accelerating our efforts to solve social issues such as driver shortages and traffic accidents by launching safety verification initiatives using digital twins for social implementation of automated driving services and conducting driving tests of automated trucks.

In the OT Infrastructure focus area, we have received substantial inquiries from automobile manufacturers in the OT infrastructure area, and we will work to further expand our business by applying the knowledge and expertise we have gained in this area to the non-automobile manufacturing industry.

In growth businesses, we have defined three areas of market development, business development and global initiatives with the aim of establishing a new revenue base and providing value.

In market development, an enhanced version of Azure OpenAI Service Starter Set Plus, a service of creating environments for using ChatGPT of corporate use, was released in May 2024 and the adoption of this service is expanding as it meets the needs of companies leading in the use of generative AI, mainly manufacturers and social infrastructure companies.

In business development, we are creating and expanding businesses that solve social issues under the themes of SX/GX, smart life, and revitalizing regional economies. In October 2024, we entered the digital payroll area with the value exchange platform doreca®^{Note 7}. We will contribute to making the use of digital payroll widespread in Japan by providing full outsourcing services to cover operations of companies in the digital payroll area.

In global initiatives, the ICT/DX business is expanding in major ASEAN countries by making Nexus System Resources Co., Ltd. in Thailand and iByte Solutions Sdn Bhd. in Malaysia consolidated subsidiaries, among others. In addition, we have established a CVC fund in the U.S. and are strengthening our approach aimed at entering markets such as North America.

Under the “Management Policies (2024-2026),” we have been promoting human resources strategy, technical strategy, investment strategy, and financial strategy, in collaboration with the business strategies, and also willingly investing management resources in areas where we have strength and towards providing new value in order to strengthen market competitiveness. In the human resource strategy, we released the BIPROGY Group Human Resources Strategy Report 2024 ^{Note 8} in September 2024. We have established four human resource models to lead the business strategies as set forth in the Management Policies (2024-2026) which we will acquire and develop over the next three years. We monitor their progress while promoting various measures. In the technology strategy, we are also working to enhance the value of the entire Group by utilizing generative AI in areas such as “differentiation by incorporating it into our own solutions” and “improving the efficiency of system development.” We will evolve value chains for the Group in order to cope with changes in the environments in Japan and overseas and improve value that we provide to customers.

(Notes)

1. For more information on Vision 2030 and the Management Policies (2024-2026), please refer to the Group’s web page below.
https://www.biprogy.com/invest-e/com/management_policy.html (in English)
2. OT is an abbreviation of Operational Technology. It refers to information system platform that supports design and manufacture processes mainly for factories and plants.
3. For more information on the banking application #tsumuGO_mobile, please refer to the Group’s web page below.
<https://www.biprogy.com/solution/service/tsumugo.html> (in Japanese only)
4. For more information on the cloud service specialized in electronic shelf labels BIPROGY ESL SaaS, please refer to the Group’s web page below.
<https://www.biprogy.com/solution/service/shelf-tag.html> (in Japanese only)
5. For more information on the electricity retailing cloud solutions Enability Series, please refer to the Group’s web page below.
<https://www.biprogy.com/solution/service/cis.html> (in Japanese only)
6. For more information on the environmental value management service Re:lvis, please refer to the Group’s web page below.
https://www.biprogy.com/solution/service/environmental_value.html (in Japanese only)
7. For more information on the value exchange platform doreca, please refer to the Group’s web page below.
<https://doreca.net/> (in Japanese only)
8. For the “BIPROGY Group Human Resources Strategy Report 2024,” please refer to the Group’s web page below.
https://www.biprogy.com/e/pdf/e/about/human_resources_strategy_report2024.pdf (in English)
9. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

For the fiscal year ended March 31, 2025, revenue amounted to ¥404,010 million (up ¥33,868 million or 9.2% compared with the previous fiscal year) as a result of strong sales of both services and products, against a backdrop of strong demand from customers for IT investments.

Operating profit increased ¥5,778 million or 17.4% compared with the previous fiscal year to ¥39,066 million, as higher gross profit from increased revenue outweighed the increase in selling, general and administrative (SG&A) expenses mainly due to the renewal of the core system and changes in the personnel system.

Profit attributable to owners of parent increased to ¥26,965 million, up ¥1,718 million or 6.8% compared with the previous fiscal year, due to an increase in operating profit.

Adjusted operating profit^(*) that is used by the Company as an index for managing performance was ¥38,420 million, up by ¥4,607 million or 13.6% compared with the previous fiscal year.

(*) Adjusted operating profit is the result obtained after deducting cost of sales and selling, general and administrative expenses from revenue.

(2) Summary of Financial Condition

In the period of the fiscal year under review, partly due to an increase in cash and cash equivalents and an increase in right-of-use assets, total assets were ¥ 330,876 million, an increase of ¥16,656 million compared with the end of the previous fiscal year.

Liabilities were ¥159,578 million, a ¥13,673 million increase from the end of the previous fiscal year, partly due to an increase in contract liabilities and an increase in lease liabilities.

Equity was ¥171,297 million. The ratio of owners' equity to gross assets was 51.1%, down by 1.9 pts. from the end of the previous fiscal year.

(3) Summary of Cash Flows

Cash and cash equivalents at the end of the period of the fiscal year under review were ¥64,801 million, an increase of ¥5,538 million compared with the end of the previous fiscal year. The cash flow situations and relevant factors are stated below.

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥44,916 million (an increase of ¥3,223 million in proceeds compared with the previous period). This reflects proceeds of ¥38,789 million in profit before income taxes, the elements of increasing the proceeds and the elements of decreasing the proceeds. The factors increasing proceeds include ¥17,941 million in depreciation and amortization, non-cash expenses, and an increase of ¥5,746 million in contract liabilities. The factors decreasing the proceeds include an increase of ¥2,824 million in inventories, as well as a decrease of ¥1,360 million in trade and other payables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥8,926 million (an increase of ¥376 million in expenditures compared with the previous fiscal year).

This reflects expenditures of ¥3,086 million as a result of purchasing property, plant and equipment such as computers for business activities, and expenditures of ¥9,909 million due to the acquisitions of intangible assets such as the investments in software for outsourcing, as well as proceedings of ¥6,218 million from selling investment securities mainly held for cross-shareholding purposes.

(Cash flows from financing activities)

Net cash used in the financing activities was ¥30,613 million (an increase of ¥12,991 million in expenditures from the previous fiscal year). This is attributable to expenditures of ¥11,188 million for acquiring treasury shares and ¥10,435 million for dividends payment.

(Reference) Changes in the equity attributable to owners of parent ratios and the indicators related to cash flows

	Fiscal Year ending March 2025	Fiscal Year ending March 2024
Equity attributable to owners of parent ratio (%)	51.1	53.0
Equity attributable to owners of parent ratio (Market cap.) (%)	136.0	145.0
Ratio of cash flow to interest-bearing debts (years)	0.9	0.9
Interest coverage ratio (times)	144.9	283.4

(Notes)

Equity attributable to owners of parent ratio: Equity attributable to owners of parent/Total assets

Equity attributable to owners of parent ratio (Market cap.): Market capitalization /Total assets

Ratio of cash flow to interest-bearing debt: Interest-bearing debt/Cash flow

Interest coverage ratio: Cash flow/Interest payments

* 1. All of the above indicators are calculated using financial figures on a consolidated basis.

* 2. Cash flows indicated above mean cash flows from operating activities.

(4) Prospects for the Next Fiscal Year

The Company plans to post revenue of ¥420,000 million, an increase of 4.0% as it projects for the next fiscal year on a consolidated basis.

We plan to post operating profit of ¥42,600 million, up by 9.0%, profit before tax of ¥ 42,600 million, up by 9.8% and profit attributable to owners of parent of ¥ 29,000 million, up by 7.5%.

Adjusted operating profit is projected to be ¥42,000 million, up by 9.3%.

Forecast of the consolidated performance for FY 2025

(Billions of Yen)

	Fiscal Year ending March 2026	Fiscal Year ending March 2025	Changes
Revenue	420.0	404.0	4.0%
Operating Profit	42.6	39.1	9.0%
Profit before Tax	42.6	38.8	9.8%
Profit Attributable to Owners of Parent	29.0	27.0	7.5%
Adjusted Operating Profit	42.0	38.4	9.3%

(5) Basic Policy on Distribution of Profits

Based on the consolidated financial results for the current fiscal year, the Company hereby announces that the Board of Directors resolved to pay dividends of surplus with a record date of March 31, 2025, as described below, on April 30, 2025.

This matter will be submitted to the 81st Ordinary General Meeting of Shareholders scheduled to be held on June 25, 2025.

In line with a policy of paying dividends in accordance with our performance, the Company sets forth as measures for improving capital efficiency and enhancing shareholder returns acquisition of treasury shares as well as a dividend payout ratio of 40% or more, as stipulated in the Management Policies (2024-2026).

We will pay a year-end dividend of 60.0 yen per share, an increase of 10.0 yen per share from 50.0 yen per share (with a record date of March 31, 2025), based upon the performance results on a consolidated basis for the fiscal year under review as well as this basic earnings distribution policy.

For the fiscal year under review, we will pay an annual dividend of 110.0 yen per share (including the interim dividend), with the dividend payout ratio of 40.3% on a consolidated basis based upon the performance on a consolidated basis.

Details of dividends

	Resolved	Recent Forecast (Announced on February 4, 2025)	Year-end dividends for the previous fiscal year (Fiscal Year Ending March 2024)
	Yen	Yen	Yen
Record date	March 31, 2025	Same as on the left	March 31, 2024
Dividend per share	JPY60.00	JPY50.00	JPY55.00
Total amount of dividends	JPY5,897 million	—	JPY5,530 million
Effective date	June 26, 2025	—	June 27, 2024
Dividend resource	Retained earnings	—	Retained earnings

The Company plans to pay an annual dividend of 120.0 yen per share (an interim dividend of 60.0 yen per share and a year-end of 60.0 yen per share) for the next fiscal year.

2. 【Basic Concept on the Selection of Accounting Standards】

We have applied IFRS (International Financial Reporting Standards) in the fiscal year ending March 2022 and thereafter, in order to prepare our consolidated financial statements, in light of improving global comparability of financial information in the capital market.

3. Consolidated Financial Statements and Material Notes

(1) Consolidated Statements of Financial Position

	(Millions of Yen)	
	FY2024	FY2025
	(As of March 31, 2024)	(As of March 31, 2025)
Assets		
Current assets		
Cash and cash equivalents	59,263	64,801
Trade and other receivables	87,449	87,949
Contract assets	10,799	7,387
Inventories	13,015	15,842
Other financial assets	1,214	2,664
Other current assets	16,172	18,163
Total current assets	187,914	196,809
Non-current assets		
Property, plant and equipment	13,486	13,056
Right-of-use assets	13,438	20,647
Goodwill	1,926	2,539
Intangible assets	31,212	33,592
Investments accounted for using equity method	5,691	5,801
Other financial assets	41,944	32,548
Deferred tax assets	8,844	12,341
Retirement benefit asset	2,584	2,784
Other non-current assets	7,176	10,755
Total non-current assets	126,304	134,066
Total assets	314,219	330,876

(Millions of Yen)

	FY2024	FY2025
	(As of March 31, 2024)	(As of March 31, 2025)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	33,225	31,979
Contract liabilities	25,781	31,912
Borrowings	6,600	9,467
Lease liabilities	8,584	8,003
Other financial liabilities	2,893	2,917
Income taxes payable	7,815	8,759
Provisions	609	1,066
Other current liabilities	26,954	28,545
Total current liabilities	112,464	122,649
Non-current liabilities		
Borrowings	14,125	11,262
Lease liabilities	6,235	13,867
Other financial liabilities	207	308
Retirement benefit liability	7,606	7,380
Provisions	4,942	3,713
Deferred tax liabilities	323	396
Other non-current liabilities	1	—
Total non-current liabilities	33,440	36,929
Total liabilities	145,905	159,578
Equity		
Share capital	5,483	5,483
Capital surplus	15,004	13,972
Treasury shares	(13,226)	(5,247)
Other components of equity	8,556	3,734
Retained earnings	150,605	151,107
Total equity attributable to owners of parent	166,423	169,050
Non-controlling interests	1,890	2,247
Total equity	168,314	171,297
Total liabilities and equity	314,219	330,876

(2) Consolidated Statements of Profit or Loss and Comprehensive Income

(Consolidated Statements of Profit or Loss)

(Millions of Yen)

	FY2024 (Fiscal year ended March 31, 2024)	FY2025 (Fiscal year ended March 31, 2025)
Revenue	370,142	404,010
Cost of sales	272,968	298,179
Gross profit	97,173	105,831
Selling, general and administrative expenses	63,360	67,410
Share of profit (loss) of investments accounted for using equity method	156	831
Other income	243	344
Other expenses	924	529
Operating profit	33,287	39,066
Finance income	1,043	497
Finance costs	167	774
Profit before tax	34,164	38,789
Income tax expense	8,662	11,526
Profit	25,502	27,263
Profit attributable to		
Owners of parent	25,246	26,965
Non-controlling interests	255	297
Profit	25,502	27,263
Earnings per share		
Basic earnings per share (Yen)	251.15	272.65
Diluted earnings per share (Yen)	250.47	272.03

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	FY2024 (Fiscal year ended March 31, 2024)	FY2025 (Fiscal year ended March 31, 2025)
Profit	25,502	27,263
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	3,546	(2,231)
Remeasurements of defined benefit plans	5,833	(408)
Share of other comprehensive income of investments accounted for using equity method	—	(0)
Total of items that will not be reclassified to profit or loss	9,380	(2,640)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	284	357
Share of other comprehensive income of investments accounted for using equity method	86	104
Total of items that may be reclassified to profit or loss	370	462
Other comprehensive income, net of tax	9,750	(2,178)
Comprehensive income	35,252	25,085
Comprehensive income attributable to		
Owners of parent	34,987	24,754
Non-controlling interests	264	330
Comprehensive income	35,252	25,085

(3) Consolidated Statements of Changes in Equity
FY2024 (Fiscal year ended March 31, 2024)

(Millions of Yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Share of other comprehensive income of investments accounted for using equity method
				Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	
As of April 1, 2023	5,483	14,955	(13,315)	7,447	—	456	18
Profit							
Other comprehensive income				3,546	5,833		86
Comprehensive income	—	—	—	3,546	5,833	—	86
Dividends of surplus							
Purchase of treasury shares			(1)				
Disposal of treasury shares		(6)	49			(42)	
Share-based payment transactions		55	40				
Obtaining of control of subsidiaries							
Loss of control of subsidiaries							
Transfer from other components of equity to retained earnings				(3,610)	(5,833)		
Other							
Total transactions with owners	—	48	88	(3,610)	(5,833)	(42)	—
As of March 31, 2024	5,483	15,004	(13,226)	7,383	—	413	104

	Equity attributable to owners of parent					
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total				
As of April 1, 2023	381	8,302	124,460	139,887	1,710	141,597
Profit			25,246	25,246	255	25,502
Other comprehensive income	274	9,740		9,740	9	9,750
Comprehensive income	274	9,740	25,246	34,987	264	35,252
Dividends of surplus			(8,544)	(8,544)	(145)	(8,689)
Purchase of treasury shares				(1)		(1)
Disposal of treasury shares		(42)		0		0
Share-based payment transactions				95		95
Obtaining of control of subsidiaries					136	136
Loss of control of subsidiaries					(76)	(76)
Transfer from other components of equity to retained earnings		(9,444)	9,444			—
Other			(2)	(2)		(2)
Total transactions with owners	—	(9,487)	898	(8,451)	(84)	(8,536)
As of March 31, 2024	655	8,556	150,605	166,423	1,890	168,314

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Share of other comprehensive income of investments accounted for using equity method
				Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	
As of April 1, 2024	5,483	15,004	(13,226)	7,383	—	413	104
Profit							
Other comprehensive income				(2,231)	(408)		104
Comprehensive income	—	—	—	(2,231)	(408)	—	104
Dividends of surplus							
Purchase of treasury shares			(11,188)				
Disposal of treasury shares		(23)	91			(67)	
Cancellation of treasury shares		(19,033)	19,033				
Share-based payment transactions		116	43				
Obtaining of control of subsidiaries							
Changes in ownership interest in subsidiaries		(21)					
Changes in investments accounted for using equity method interests in their subsidiaries		(644)					
Transfer from retained earnings to capital surplus		18,573					
Transfer from other components of equity to retained earnings				(2,952)	408		
Other							
Total transactions with owners	—	(1,031)	7,979	(2,952)	408	(67)	—
As of March 31, 2025	5,483	13,972	(5,247)	2,199	—	345	209

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of April 1, 2024	655	8,556	150,605	166,423	1,890	168,314
Profit			26,965	26,965	297	27,263
Other comprehensive income	324	(2,211)		(2,211)	32	(2,178)
Comprehensive income	324	(2,211)	26,965	24,754	330	25,085
Dividends of surplus			(10,438)	(10,438)	(148)	(10,587)
Purchase of treasury shares				(11,188)		(11,188)
Disposal of treasury shares		(67)		0		0
Cancellation of treasury shares						—
Share-based payment transactions				160		160
Obtaining of control of subsidiaries					211	211
Changes in ownership interest in subsidiaries				(21)	(37)	(58)
Changes in investments accounted for using equity method interests in their subsidiaries				(644)		(644)
Transfer from retained earnings to capital surplus			(18,573)			—
Transfer from other components of equity to retained earnings		(2,543)	2,543			—
Other			5	5		5
Total transactions with owners	—	(2,611)	(26,463)	(22,127)	25	(22,101)
As of March 31, 2025	980	3,734	151,107	169,050	2,247	171,297

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2024 (Fiscal year ended March 31, 2024)	FY2025 (Fiscal year ended March 31, 2025)
Cash flows from operating activities		
Profit before tax	34,164	38,789
Depreciation and amortization	17,860	17,941
Impairment losses	763	483
Interest and dividend income	(396)	(487)
Interest expenses	149	307
Share of loss (profit) of investments accounted for using equity method	(156)	(831)
Decrease (increase) in trade and other receivables	(2,375)	(378)
Decrease (increase) in contract assets	943	3,443
Decrease (increase) in inventories	(2,848)	(2,824)
Increase (decrease) in trade and other payables	2,179	(1,360)
Increase (decrease) in contract liabilities	3,259	5,746
Increase or decrease in retirement benefit asset or liability	(1,563)	(1,120)
Other	(971)	(1,976)
Subtotal	51,009	57,733
Interest and dividends received	401	513
Interest paid	(147)	(309)
Income taxes paid	(9,569)	(13,020)
Net cash provided by (used in) operating activities	41,693	44,916
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,176)	(3,086)
Proceeds from sale of property, plant and equipment	1	1
Purchase of intangible assets	(10,593)	(9,909)
Purchase of investment securities	(1,781)	(2,227)
Proceeds from sale of investment securities	7,516	6,218
Payments for acquisition of subsidiaries	(930)	(510)
Purchase of investments accounted for using equity method	(908)	(9)
Proceeds from sale of investments accounted for using equity method	—	26
Other	323	571
Net cash provided by (used in) investing activities	(8,550)	(8,926)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,300	950
Proceeds from long-term borrowings	—	3,250
Repayments of long-term borrowings	(2,300)	(4,205)
Repayments of lease liabilities	(9,048)	(9,177)
Purchase of treasury shares	(1)	(11,188)
Dividends paid	(8,542)	(10,435)
Dividends paid to non-controlling interests	(145)	(148)
Other	115	341
Net cash provided by (used in) financing activities	(17,621)	(30,613)
Effect of exchange rate changes on cash and cash equivalents	97	162
Net increase (decrease) in cash and cash equivalents	15,618	5,538
Cash and cash equivalents at beginning of period	43,645	59,263
Cash and cash equivalents at end of period	59,263	64,801

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

None applicable

(Material Changes in Accounting Policies)

The material accounting policies adopted for the consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended March 31, 2024, except for the following standard.

Standard Document	Standard Name	New and revision contents
IFRS 16	Lease	Clarify accounting after the date of the transaction for a sale and leaseback

There was no material impact on the consolidated financial statements resulting from the adoption of the standard above.

(Segment Information and Others)

(1) Overview of reportable segments

The reportable segments of the Company are those among the constituent units of the Company for which separate financial statements can be obtained and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

By fully harnessing the collective capabilities of the Group, the Company provides comprehensive IT solution services, from identifying customers' management issues to providing solutions to them.

The Company's operations therefore consist of segments composed of products and services that constitute our IT solution services.

We have five reportable segments: System Services, Support Services, Outsourcing, Software, and Hardware.

Details of the reportable segments are as follows:

- System Services: Software contract development business, system engineer services, and consulting
- Support Services: Software and hardware maintenance, installation support and related services
- Outsourcing: System operation by contract, and related services
- Software: Provision of software based on software license agreements
- Hardware: Provision of hardware partly based on equipment sales agreements

(2) Information about performance by reportable segment

FY2024 (from April 1, 2023 to March 31, 2024)

(Millions of Yen)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	127,039	54,881	76,582	38,330	60,471	357,305	12,836	370,142	—	370,142
Segment profits (Note 4)	44,137	16,743	16,908	5,853	10,544	94,187	2,986	97,173	(63,360)	33,812
Share of profit (loss) of investments accounted for using equity method										156
Other income										243
Other expense										924
Operating profit										33,287
Finance income										1,043
Finance costs										167
Profit before tax										34,164

(Millions of Yen)

	Reportable Segments						Other (Note 1)	Total	Adjustment (Note 2)	Consolidation
	System services	Support services	Out sourcing	Software	Hardware	Total				
Segment assets	1,644	1,394	28,805	6,151	9,561	47,556	181	47,738	266,480	314,219
Other items										
Depreciation and amortization	213	202	6,778	1,292	172	8,660	30	8,690	9,170	17,860
Impairment loss	425	297	25	1	—	750	—	750	13	763
Investments accounted for using equity method	—	—	—	—	—	—	—	—	5,691	5,691
Capital expenditures (Note 3)	667	877	9,946	818	72	12,382	86	12,468	8,627	21,096

(Note)

- The Other category is a business segment that is not included in the reportable segments. It includes network services and installation.
- The contents of adjustment are described below.
 - The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.
 - The adjustment to segment assets represents the corporate assets that have not been distributed to each reportable segment.
 - The adjustment to depreciation and amortization represents the depreciation and amortization of the corporate assets that have not been distributed to each reportable segment.
 - The adjustment to investments accounted for using equity method represents the investments accounted for using equity method that have not been distributed to each reportable segment.
 - The adjustment to capital expenditures represents an increase in the corporate assets that have not been distributed to each reportable segment.
- Capital expenditures include amounts that are related to right-of-use assets and goodwill.
- Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.

FY2025 (from April 1, 2024 to March 31, 2025)

(Millions of Yen)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	130,433	58,355	90,583	45,087	67,401	391,861	12,149	404,010	—	404,010
Segment profits (Note 4)	44,746	19,405	18,230	9,166	11,377	102,926	2,904	105,831	(67,410)	38,420
Share of profit (loss) of investments accounted for using equity method										831
Other income										344
Other expense										529
Operating profit										39,066
Finance income										497
Finance costs										774
Profit before tax										38,789

(Millions of Yen)

	Reportable Segments						Other (Note 1)	Total	Adjustment (Note 2)	Consolidation
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Segment assets	1,872	1,585	31,758	7,435	10,513	53,165	174	53,340	277,535	330,876
Other items										
Depreciation and amortization	258	203	7,405	1,320	151	9,339	28	9,367	8,574	17,941
Impairment loss	—	—	33	—	—	33	—	33	449	483
Investments accounted for using equity method	—	—	—	—	—	—	—	—	5,801	5,801
Capital expenditures (Note 3)	1,091	151	10,572	861	111	12,788	17	12,805	16,140	28,946

(Note)

- The Other category is a business segment that is not included in the reportable segments. It includes network services and installation.
- The contents of adjustment are described below.
 - The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.
 - The adjustment to segment assets represents the corporate assets that have not been distributed to each reportable segment.
 - The adjustment to depreciation and amortization represents the depreciation and amortization of the corporate assets that have not been distributed to each reportable segment.
 - The adjustment to investments accounted for using equity method represents the investments accounted for using equity method that have not been distributed to each reportable segment.
 - The adjustment to capital expenditures represents an increase in the corporate assets that have not been distributed to each reportable segment.
- Capital expenditures include amounts that are related to right-of-use assets and goodwill.
- Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.

(3) Information by product and service

Information by product and service is not described because the same information is stated as part of segment information.

(4) Information by region

① Revenue from external customers

Revenue by region is not disclosed because the amount of revenue from external customers in Japan accounts for a large portion of the amount of revenue of consolidated statements of income.

② Non-current assets

Non-current assets by region are not disclosed because the amount of non-current assets that are located in Japan accounts for a large portion of the amount of non-current assets of consolidated balance sheets.

(5) Information by major customer

No major customer is stated because no customer accounted for 10% or more of the amount of revenue as stated in the consolidated statements of income.

(Per-Share Information)

(1) Calculation basic data for basic earnings per share

	FY 2024 (from April 1, 2023 to March 31, 2024)	FY 2025 (from April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent (¥ Mil)	25,246	26,965
Profit not attributable to ordinary shareholders of parent (¥ Mil)	—	—
Profit used for calculating basic earnings per share (¥ Mil)	25,246	26,965
Weighted-average number of shares outstanding (thousand shares)	100,526	98,902
Basic earnings per share (¥)	251.15	272.65

(2) Calculation basic data for diluted earnings per share

	FY 2024 (from April 1, 2023 to March 31, 2024)	FY 2025 (from April 1, 2024 to March 31, 2025)
Profit used for calculating basic earnings per share (¥ Mil)	25,246	26,965
Profit adjustments (¥ Mil)	—	—
Profit used for calculating diluted earnings per share (¥ Mil)	25,246	26,965
Weighted-average number of shares outstanding (thousand shares)	100,526	98,902
Increase in the number of ordinary shares		
Share acquisition rights (thousand shares)	272	225
Weighted-average number of shares outstanding used for calculating diluted earnings per share (thousand shares)	100,799	99,128
Diluted earnings per share (¥)	250.47	272.03
Dilutive shares, which were not included in the calculation of diluted earnings per share, due to lack of dilution effect	—	—

(Note) The Company's shares owned by the ESOP Trust are processed as treasury shares. Basic earnings per share and diluted earnings per share were calculated by deducting the Company's shares owned by the ESOP Trust from an average number of shares outstanding. The weighted-average number of treasury shares deducted for the purpose of calculating basic earnings per share and diluted earnings per share for the fiscal year under review is 39 thousand shares.

(Significant Subsequent Events)

None

(Additional Information)

(Acquisition of Own Shares and Cancellation of Own Shares)

It was resolved at the Company's Board of Directors meeting held on March 27, 2025 on the following matters relating to the acquisition of own shares and the specific contents of acquisition pursuant to Article 156 of the Companies Act as applied pursuant to Article 165 (3) of the Companies Act, and the cancellation of own shares pursuant to Article 178 of the Companies Act, as indicated in the Notice on the Acquisition of Own Shares and the Cancellation of Own Shares announced on March 27, 2025.

1. Reasons for acquisition and cancellation of treasury shares

The Company intends to become a company that the market and customers want to work with to resolve social issues. For this, we aim to establish a new earnings base and provide value, as well as establish areas of strength and improve value proposition. We have been working on enabling sustained enhancement of corporate value and shareholder value, with growth investments being strengthened.

Our financial strategy dictates that we should take a balanced approach to shareholder returns, according to situations, with proactive investments in businesses and areas of higher growth potential taking precedence. We will implement an acquisition of our own shares based upon a comprehensive view of the progress situations of growth investments, changes in our future cash position and other factors.

The Company's policy stipulates that the Company should retain its treasury shares of 3% of the total number of issued shares at maximum, and should cancel its treasury shares in excess of the percentage. The Company will cancel the treasury shares pursuant to the policy.

2. Contents of matters relating to the acquisition

- ① Class of shares to be acquired
Common stock
- ② Total number of shares to be acquired
2,500,000 shares (maximum)
(Percentage of total number of shares issued (excluding treasury shares): 2.5%)
- ③ Total amount of share acquisition cost
¥10,000,000,000 (maximum)
- ④ Period of acquisition
From May 1, 2025 to February 27, 2026
- ⑤ Method of acquisition
Market buying on Tokyo Stock Exchange

3. Contents of matters relating to the cancellation

- ① Class of shares to be cancelled: Common stock
- ② Total number of shares to be cancelled:
All of the shares repurchased as stated in 2. Above
- ③ Scheduled date of cancellation: March 25, 2026