

## Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: ITFOR Inc.  
 Listing: Tokyo Stock Exchange Prime Market  
 Securities code: 4743  
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 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2025	4,235	(13.9)	431	(43.1)	492	(39.6)	354	(35.4)
June 30, 2024	4,920	10.3	759	3.8	814	6.5	549	2.1

Note: Comprehensive income For the three months ended June 30, 2025: ¥305 million/(48.2%)  
 For the three months ended June 30, 2024: ¥588 million/(13.2%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2025	13.42	---
June 30, 2024	20.29	20.27

Notes: 1. In calculating "Earnings per share" and "Diluted earnings per share," the shares of the Company held by "Stock Grant Trust for Officers and Employees" are included in the treasury stock which is excluded in calculation of the average number of shares during the period.  
 2. Diluted earnings per share for the three months ended June 30, 2025 are not shown because there are no latent shares.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-total assets ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
June 30, 2025	23,064	18,670	80.9	706.62
March 31, 2025	23,952	19,044	79.5	720.80

Reference: Equity As of June 30, 2025: ¥18,670 million  
 As of March 31, 2025: ¥19,044 million

### 2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	---	25.00	---	25.00	50.00
Fiscal year ending March 31, 2026	---				
Fiscal year ending March 31, 2026 (Forecast)		30.00	---	30.00	60.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	9,700	0.8	1,550	2.4	1,600	1.3	1,070	1.0	40.50
Full year	23,400	13.9	4,100	16.1	4,200	14.5	3,000	2.9	113.54

Notes: 1. Revisions to the forecast of consolidated financial results most recently announced: None

2. In calculating "Earnings per share," the shares of the Company held by "Stock Grant Trust for Officers and Employees" are included in the number of treasury stock at the end of the period, which is excluded from the number of issued shares at the end of the period.

\* Notes

(1) Significant changes in the scope of consolidation during the period: None

New: --- (Company Name: ), Exclusion: --- (Company Name: )

(2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

For details, refer to "2. Quarterly Consolidated Financial Statements and Major Notes (3) Explanatory Notes to Quarterly Consolidated Financial Statements (Application of Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements)" on p. 8 of the attached materials.

(3) Changes in accounting policy and accounting estimates, and retrospective restatement

1) Changes in the accounting policy in connection with revision of the accounting standards, etc.: None

2) Changes in the accounting policy other than 1) above: None

3) Changes in the accounting estimates: None

4) Retrospective restatement: None

(4) Number of outstanding shares (common stock)

1) Number of issued shares at the end of the period (including treasury stock):

As of June 30, 2025: 27,911,900 shares

As of March 31, 2025: 27,911,900 shares

2) Number of shares of treasury stock at the end of period:

As of June 30, 2025: 1,490,407 shares

As of March 31, 2025: 1,490,308 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 26,421,518 shares

Three months ended June 30, 2024: 27,067,852 shares

Note: Treasury stock which is excluded in calculation of the number of shares of treasury stock at the end of period and the average number of shares during the period includes the shares of the Company held by "Stock Grant Trust for Officers and Employees."

\* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary).

\* Appropriate use of the financial forecast and other matters

(Matters to be noted for statement about the future)

Forward-looking statements such as forecasts of financial results in this material are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and does not make assurances of the achievement thereof by the Company. Actual financial results may differ significantly due to various factors. For the conditions constituting the precondition of the forecast of financial results and the matters to be noted in using the forecast of financial results, refer to "1. Qualitative Information concerning Current Quarterly Financial Results (3) Explanation about Future Forecast Information, including Forecast of Consolidated Financial Results" on p. 3 of the attached materials.

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## 1. Qualitative Information concerning Current Quarterly Financial Results

### (1) Explanation about Financial Results

During the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025), the Japanese economy as a whole continued a moderate growth trend, despite an impact from external factors such as a change in the trade environment and rising prices. On the other hand, the outlook remains uncertain due to factors such as a fluctuation in crude oil prices caused by rising tensions in the Middle East and a resurfacing of concerns over the impact of U.S. trade policies, the so-called Trump tariffs.

In the domestic IT service industry that surrounds ITFOR Inc. (the “Company”) and its consolidated subsidiaries and affiliate (together with the Company, the “Company Group”), the need for digitalization that realizes “contactless” and “non-face-to-face” remains strong, and companies continue to show a strong willingness to invest, mainly in DX (digital transformation) that transforms business processes and business models by utilizing digital technologies such as AI and blockchain.

To achieve sustainable growth even in these circumstances, the Company Group released its new long-term vision for FY2033, “HIGH FIVE 2033.” Led by this vision, the Company Group will utilize its current business base to expand and extend into new areas, establishing businesses that drive economy within a region, with the aim of becoming a company that creates businesses which generate regional economic circulation. Through our businesses, we will contribute to creating quality time for people. To achieve this “HIGH FIVE 2033,” at first, we launched “FLY ON 2026,” our 4<sup>th</sup> Medium-Term Management Plan for the three years from FY2024 through FY2026. Based on the three pillars of reinforcing the management base, enhancing profitability and advancing ESG management, defined in the 3<sup>rd</sup> Medium-Term Management Plan, we will tackle the challenges of dynamically developing our existing businesses and achieving drastic growth through new businesses. In line with this theme, we will conduct activities led by our three categories of strategies: business strategy, human resource strategy, and corporate value enhancement strategy.

As for our sales activities, our packaged systems, including “SCOPE,” our personal loan operation support system, and “WELCOME,” the web-based loan application and contract system that enables non-face-to-face operations, are highly competitive as we are the only packaged system vendor that can combine and offer these systems that contribute to reducing the time required for credit screening while providing environmental benefits by reducing the number of paper application forms and digitizing contract documents. Moreover, we captured replacement demand from existing customers following the release of the cloud service version of the new “Servicer TCS (delinquent loan management system)” in June 2024. In addition, the sale of “Robotic Call,” an unmanned system for delinquent loan reminders, is contributing to solving the problem of personnel shortages caused by the declining working age population, and the sale of “iRITSpay Payment Terminal,” multi-payment terminals, is contributing to the promotion of the Ministry of Economy, Trade and Industry’s cashless policy, respectively. Furthermore, new orders and order backlogs both increased compared to the previous fiscal year, due to the impact of orders being received as planned after the budget for the standardization of regional government systems was finalized. As a result, new orders were ¥4,427 million (112.2% on a year-on-year basis) and order backlogs were ¥16,487 million (105.5% on a year-on-year basis).

In terms of the financial results, we have implemented initiatives to improve gross margins such as the reduction of costs through the revision of the proportion of in-house development. Selling, general and administrative expenses increased to ¥1,074 million (107.4% on a year-on-year basis) as a result of an increase in personnel expenses due to the annual wage revisions initiated in April 2025, increased investments in human resources including higher hiring and training expenses, and a focus on research and development activities.

As a result, the financial results for the three months ended June 30, 2025 were net sales of ¥4,235 million (86.1% on a year-on-year basis), operating income of ¥431 million (56.9% on a year-on-year basis), ordinary income of ¥492 million (60.4% on a year-on-year basis), and net income attributable to owners of the parent of ¥354 million (64.6% on a year-on-year basis), recording decreases in net sales and profit. Despite decreases in net sales and profit on a year-on-year basis, we have been generally on track with the financial forecast.

Financial results by reporting segment are as follows:

(System Development and Sales)

Sales have remained steady due to our core business of software system development for financial institutions, renewal of infrastructure equipment, and expansion of new business with financial institutions such as personal loan operation support systems. In addition, sales remained strong as orders were received as planned after the budget for the standardization of regional government systems was finalized. On the other hand, for the multi-payment terminal “iRITSpay Payment Terminal,” the shipment dates were postponed to the second quarter following a delay in customer’s service launch. As a result, new orders were ¥3,180 million (153.7% on a year-on-year basis), net sales were ¥1,952 million (72.1% on a year-on-year basis), and segment income was ¥187 million (50.4% on a year-on-year basis).

(Recurring Business)

In addition to maintenance services that are a stable source of earnings, BPO services for the public sector, mainly for ordinance-designated cities and core cities, have continued to be steady, with additional requests from existing customers and sales from new customers. As a result, new orders were ¥1,246 million (66.4% on a year-on-year basis), net sales were ¥2,282 million (103.1% on a year-on-year basis), and segment income was ¥245 million (63.3% on a year-on-year basis).

(2) Explanation of Financial Position

Total assets as of June 30, 2025 were ¥23,064 million, a decrease of ¥887 million as compared with the end of the previous fiscal year. Current assets were ¥17,561 million, a decrease of ¥898 million. This was mainly due to increases in cash and deposits of ¥1,281 million and inventories of ¥172 million, offset by decreases in notes, accounts receivable-trade, and contract assets of ¥2,057 million and securities of ¥302 million. Fixed assets were ¥5,502 million, an increase of ¥10 million.

Total liabilities as of June 30, 2025 were ¥4,394 million, a decrease of ¥513 million as compared with the end of the previous fiscal year. Current liabilities were ¥3,969 million, a decrease of ¥543 million. This was mainly due to an increase in contract liabilities of ¥302 million, offset by decreases in corporate income tax and other taxes payable of ¥360 million, provision for bonuses of ¥290 million, and accounts payable-trade of ¥270 million. Fixed liabilities were ¥425 million.

Net assets as of June 30, 2025 were ¥18,670 million, a decrease of ¥374 million as compared with the end of the previous fiscal year. This was mainly due to an increase of ¥354 million as a result of recording of net income attributable to owners of the parent, offset by a decrease of ¥672 million as a result of dividend payments from retained earnings.

As a result, the equity-to-total assets ratio was 80.9% compared to 79.5% as of the end of the previous fiscal year.

(3) Explanation about Future Forecast Information, including Forecast of Consolidated Financial Results

Currently, no changes have been made to the forecasts of consolidated financial results for the first half ending September 30, 2025 and the full year ending March 31, 2026 announced on May 13, 2025.

Forecasts of financial results are based on information available at the time of announcement and certain assumptions that the Company deems reasonable. However, actual financial results may differ significantly from the forecasts due to various factors, and the forecasts themselves are subject to change.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheet

(Unit: thousands of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	5,037,547	6,319,116
Notes, accounts receivable-trade and contract assets	4,742,770	2,685,054
Securities	7,694,996	7,392,721
Inventories	629,479	802,025
Other	355,654	362,746
Total current assets	18,460,447	17,561,664
Fixed assets		
Tangible fixed assets	902,424	889,357
Intangible fixed assets		
Other	466,010	535,413
Total intangible fixed assets	466,010	535,413
Investments and other assets		
Investment securities	2,997,342	2,943,560
Deferred tax assets	310,530	313,737
Other	815,719	820,758
Total investments and other assets	4,123,592	4,078,055
Total fixed assets	5,492,026	5,502,826
Total assets	23,952,474	23,064,491

(Unit: thousands of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,241,287	970,715
Corporate income tax and other taxes payable	524,764	163,947
Provision for bonuses	614,229	323,594
Contract liabilities	827,693	1,129,855
Other	1,304,275	1,381,039
Total current liabilities	4,512,250	3,969,153
Fixed liabilities		
Liabilities for retirement benefit	217,550	219,043
Provision for stock-based remuneration	173,789	201,964
Other	4,278	4,278
Total fixed liabilities	395,617	425,285
Total liabilities	4,907,868	4,394,438
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,124,669	1,124,669
Capital surplus	1,221,189	1,221,189
Retained earnings	17,392,253	17,067,523
Treasury stock	(1,613,696)	(1,613,836)
Total shareholders' equity	18,124,414	17,799,545
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	929,653	879,753
Remeasurements of defined benefit plans	(9,462)	(9,245)
Total accumulated other comprehensive income	920,191	870,507
Total net assets	19,044,606	18,670,052
Total liabilities and net assets	23,952,474	23,064,491

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

### Quarterly Consolidated Income Statement

#### Consolidated Cumulative First Quarter

(Unit: thousands of yen)

	Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Net sales	4,920,999	4,235,090
Cost of sales	3,161,378	2,728,560
Gross profit on sales	1,759,621	1,506,529
Selling, general and administrative expenses	1,000,212	1,074,591
Operating income	759,409	431,938
Non-operating income		
Interest income	1,814	10,121
Dividend income	35,531	37,064
Share of profit of entities accounted for using equity method	12,980	5,599
Miscellaneous income	8,428	12,232
Total non-operating income	58,755	65,017
Non-operating expenses		
Commissions fee	903	903
Loss on retirement of fixed assets	---	1,359
Loss on sale of non-current assets	---	2,159
Foreign exchange losses	2,351	---
Other	395	425
Total non-operating expenses	3,650	4,848
Ordinary income	814,514	492,107
Net income before income taxes	814,514	492,107
Corporate income taxes	265,330	137,400
Net income	549,184	354,707
Net income attributable to owners of the parent	549,184	354,707



Quarterly Consolidated Statement of Comprehensive Income  
Consolidated Cumulative First Quarter

(Unit: thousands of yen)

	Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Net income	549,184	354,707
Other comprehensive income		
Valuation difference on available-for-sale securities	39,250	(49,838)
Deferred gains or losses on hedges	(2)	---
Remeasurements of defined benefit plans	87	216
Share of other comprehensive income of affiliates accounted for using equity method	48	(61)
Total other comprehensive income	39,384	(49,684)
Comprehensive income	588,568	305,023
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	588,568	305,023
Comprehensive income attributable to non-controlling interests	---	---

(3) Explanatory Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

No applicable matters.

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

No applicable matters.

(Application of Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

For tax expenses, the effective tax rate is reasonably estimated after application of tax effect accounting for net income before income taxes in the fiscal year including the first quarter of the fiscal year under review and these are calculated by multiplying the quarterly net income before income taxes by the estimated effective tax rate.

(Segment Information)

1. Overview of reportable segments

(1) Method of determining reportable segments

The reportable segments of the Company Group are components of the Company Group for which separate financial information is available, and which are subject to review by the Board of Directors on a regular basis to determine the allocation of management resources and evaluate performance.

The Company Group is composed of segments classified based on the business characteristics of products and services, and has two reportable segments: “System Development and Sales” and “Recurring Business.”

(2) Types of products and services that belong to each reportable segment

“System Development and Sales” segment mainly engages in the sale of system equipment, and provides integrated services ranging from design and development to implementation and installation related to software and system infrastructure networks.

“Recurring Business” segment mainly provides software maintenance, hardware maintenance and operation, cloud, and BPO services.

2. Information on net sales and income or loss by reportable segment

Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Unit: thousands of yen)

	Reportable segment			Adjustment	Amount recorded in the Quarterly Consolidated Financial Statements
	System Development and Sales	Recurring Business	Total		
Net sales					
Net sales to external customers	2,706,160	2,214,839	4,920,999	---	4,920,999
Intersegment sales or transfers	---	430	430	(430)	---
Total	2,706,160	2,215,269	4,921,429	(430)	4,920,999
Segment income	371,260	388,149	759,409	---	759,409

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Unit: thousands of yen)

	Reportable segment			Adjustment	Amount recorded in the Quarterly Consolidated Financial Statements
	System Development and Sales	Recurring Business	Total		
Net sales					
Net sales to external customers	1,952,433	2,282,656	4,235,090	---	4,235,090
Intersegment sales or transfers	25,110	440	25,550	(25,550)	---
Total	1,977,544	2,283,096	4,260,641	(25,550)	4,235,090
Segment income	187,124	245,891	433,015	(1,076)	431,938

(Notes to Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the current consolidated cumulative first quarter have not been prepared. Depreciation (including amortization related to intangible fixed assets other than goodwill) and goodwill amortization for the consolidated cumulative first quarters were as indicated below.

	(Unit: thousands of yen)	
	Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Depreciation	84,765	78,780
Goodwill amortization	7,437	---