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May 13, 2025

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: NCD Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4783  
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 Representative: Osamu Shimojo, President and Representative Director  
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 Scheduled date of annual general meeting of shareholders: June 24, 2025  
 Scheduled date to commence dividend payments: June 25, 2025  
 Scheduled date to file annual securities report: June 20, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for Institutional investors and Analysts)

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

### 1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	30,106	18.1	2,809	32.8	2,852	33.3	1,905	37.3
March 31, 2024	25,481	11.5	2,115	76.9	2,140	76.5	1,387	106.4

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥1,998 million [35.4%]  
 For the fiscal year ended March 31, 2024: ¥1,475million [113.9%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	232.95	—	27.0	18.4	9.3
March 31, 2024	170.38	—	24.5	15.7	8.3

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2025: ¥— million  
 For the fiscal year ended March 31, 2024: ¥— million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	16,095	7,854	48.4	951.77
March 31, 2024	14,899	6,403	42.6	775.87

Reference: Equity  
 As of March 31, 2025: ¥7,785 million  
 As of March 31, 2024: ¥6,346 million

**(3) Consolidated cash flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	2,270	361	(947)	7,455
March 31, 2024	2,574	(99)	(508)	5,767

**2. Cash dividends**

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	16.00	—	34.00	50.00	409	29.3	7.2
Fiscal year ended March 31, 2025	—	33.00	—	37.00	70.00	572	30.0	8.1
Fiscal year ending March 31, 2026 (Forecast)	—	60.00	—	60.00	120.00		50.3	

**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 profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	32,000	6.3	3,000	6.8	3,000	5.2	1,950	2.3	238.38

**\*Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: Yes
- (iv) Restatement: None

(3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	8,800,000 shares
As of March 31, 2024	8,800,000 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	619,838 shares
As of March 31, 2024	619,757 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Fiscal year ended March 31, 2025	8,180,181 shares
Fiscal year ended March 31, 2024	8,145,953 shares

**[Reference] Overview of non-consolidated financial results****1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)****(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	22,962	10.1	2,205	28.9	2,244	30.2	1,530	35.2
March 31, 2024	20,854	10.7	1,710	75.6	1,723	75.2	1,132	113.5

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	187.13	—
March 31, 2024	139.03	—

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	12,209	5,991	49.1	732.38
March 31, 2024	11,382	4,991	43.9	610.23

Reference: Equity

As of March 31, 2025: ¥5,991 million

As of March 31, 2024: ¥4,991 million

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

\* Appropriate use of earnings forecasts, and other special matters

The forward-looking statements, such as the financial forecast, provided in this material are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and are not intended as a guarantee that the Company will achieve the same. In addition, actual results, including financial performance, may significantly differ due to various factors.

\* How to obtain supplementary materials for the financial results

The Company plans to hold a briefing for institutional investors and analysts on Friday, May 16, 2025. Supplementary materials for the financial results to be distributed at this briefing will be posted on the Company's website today (May 13, 2025).

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## 1. Summary of Business Results, etc.

### (1) Summary of Business Results for the Fiscal Year under Review

During the fiscal year under review (April 1, 2024 to March 31, 2025), the Japanese economy showed signs of a moderate recovery with the employment and income environment improving despite some areas remaining stagnant. On the other hand, the outlook remains uncertain, influenced by factors such as the situations in the Middle East and Ukraine, rising prices, exchange rate fluctuations, and the policy direction of the new US administration.

The information services industry, to which the Group belongs, continued to face the need for improving operational efficiency against the backdrop of labor shortages and other factors, while experiencing expansion in the DX market. Furthermore, this trend was accompanied by an increasing demand for advanced IT such as cloud computing and AI. The Group responded flexibly to diversifying customer needs by focusing on human resource development through means such as encouraging the acquisition of cloud-related certifications and implementing digital technology training, enhancing mid-career recruitment of work-ready personnel, utilizing near-shore operations, and creating synergies with Japan Computer Services Inc. (JCS), which has become a subsidiary. The Group will continue to expand the existing client base and acquire new clients by promoting IT full outsourcing and other measures, which provides comprehensive support for the IT lifecycles of the clients.

In the bicycle-parking industry, bicycle parking lot use remained steady, even though teleworking took hold to a certain degree. The Group has made steady progress in the revision of the bicycle parking lot usage fee. While having completed the initial implementation at its main in-house bicycle parking facilities, the Group will continue to promote the revision in a flexible manner. The Group is also working to further improve profitability such as withdrawal from unprofitable projects in line with the review of municipal strategies. Furthermore, through strengthening cooperation with its subsidiaries, the Group has worked to enhance the added value of its services while focusing on the introduction of DX to bicycle parking operations such as “ECOPOOL,” a monthly bicycle parking lot management system. In March 2025, the Group began utilizing its self-developed patrol management system (smartphone app for bicycle parking lot staff) to reduce labor and improve efficiency in bicycle parking lot operations.

During the fiscal year under review, various projects in the IT-related business (System Development Business, Support and Service Business) progressed smoothly, and JCS, which has become a subsidiary of the Group, contributed. The Parking System Business received orders for replacement of equipment for municipal bicycle parking and for sales and installation of bicycle parking equipment as a result of station front redevelopment. On the profit side, the effect of increased sales and the progress in price revisions in both businesses contributed, despite increased expenses in the form of wage increases and in the relocation of the Fukuoka office in line with business expansion. Therefore, both sales and profit increased year on year.

As a result, net sales for the fiscal year under review were 30,106 million yen (up 18.1% year on year), operating profit was 2,809 million yen (up 32.8% year on year), ordinary profit was 2,852 million yen (up 33.3% year on year), and net profit attributable to owners of parent was 1,905 million yen (up 37.3% year on year).

Results by segment for the fiscal year under review are as follows.

#### System Development Business

A substantial year-on-year increase in sales was attributable to contributions from application maintenance for an insurance company, system development for a gas company, and a core system renewal project within a manufacturing company. Regarding profitability, despite increased expenses such as the Fukuoka office relocation costs, improved profitability due to successful price negotiations with customers led to a year-on-year profit increase. As a result, net sales were 12,699 million yen (up 21.9% year on year) and segment profit was 1,867 million yen (up 21.1% year on year).

#### Support and Service Business

A significant year-on-year increase in both sales and profit was driven by the operation of cloud-based core systems utilizing Amazon Web Services, Microsoft Azure, etc., in a manufacturing company, as well as support for the deployment of an IT asset management solution by JCS. As a result, net sales were 9,409 million yen (up 21.6% year on year) and segment profit was 1,029 million yen (up 21.0% year on year).

## Parking System Business

Large orders for projects including the replacement of equipment at municipal bicycle parking lots due to aging, the sale and installation of bicycle parking equipment associated with large-scale station-front redevelopment, and railway companies' transition to electromagnetic locking bicycle parking facilities, were received. In addition, bicycle parking lot usage fee revenue also remained steady. As a result, sales increased year on year. Profit increased significantly year on year as, in addition to the effect of increased sales, the profitability of self-operated bicycle parking lots greatly improved due to rate revisions and the profitability of designated management operation improved as a result of the review of municipal strategies. As a result, net sales were 7,975 million yen (up 9.3% year on year) and segment profit was 1,786 million yen (up 39.1% year on year).

## **(2) Summary of Financial Position for the Fiscal Year under Review**

### Assets, Liabilities and Net Assets

Total assets increased 1,196 million yen from the end of the previous fiscal year to 16,095 million yen. The main items of increase were cash and deposits of 1,654 million yen, and accounts receivable - trade of 384 million yen. On the other hand, the main items of decrease were securities of 200 million yen, land of 172 million yen, and lease receivables and investments in leases of 100 million yen. Liabilities decreased 253 million yen from the end of the previous fiscal year to 8,241 million yen. The main items of decrease were lease liabilities - NCL of 257 million yen.. On the other hand, the main items of increase were provision for bonuses of 162 million yen and asset retirement obligations - NCL of 103 million yen. Net assets increased 1,450 million yen from the end of the previous fiscal year to 7,854 million yen, and the equity ratio increased from 42.6% at the end of the previous fiscal year to 48.4%.

## **(3) Summary of Cash Flows for the Fiscal Year under Review**

Cash and cash equivalents in the fiscal year under review increased 1,687million yen year on year to 7,455 million yen.

The status of each cash flow and their factors during the fiscal year under review are as follows.

### (Net cash provided by (used in) operating activities)

Net cash provided by operating activities in the fiscal year under review amounted to 2,270 million yen (2,574 million yen in the same period of the previous fiscal year). The main inflows were profit before income taxes of 2,852 million yen, depreciation of 405 million yen, and increase in provision for bonuses of 162 million yen. On the other hand, the main outflows were income taxes paid of 944 million yen and an increase in trade receivables of 313 million yen.

### (Net cash provided by (used in) investing activities)

Net cash provided by investing activities in the fiscal year under review amounted to 361 million yen (an outflow of 99 million yen in the same period of the previous fiscal year). The main inflows were proceeds from sale of property, plant and equipment of 347 million yen, and proceeds from redemption of investment securities of 200 million yen. On the other hand, the main outflow was purchase of property, plant and equipment of 238 million yen. .

### (Net cash provided by (used in) financing activities)

Net cash used in financing activities in the fiscal year under review amounted to 947 million yen (508 million yen in the same period of the previous fiscal year). The main outflows were dividends paid of 538 million yen and repayments of lease liabilities of 299 million yen.

(Reference) Trends in cash flow 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
Equity ratio (%)	37.3	40.4	42.6	48.4
Equity ratio based on market value (%)	46.9	49.5	102.0	125.3
Ratio of interest-bearing debt to cash flow (%)	87.8	297.6	67.8	71.0
Interest coverage ratio (times)	86.2	22.9	111.8	92.2

Equity ratio: owner's equity / total assets

Equity ratio based on market value: market capitalization / total assets

Ratio of interest-bearing debt to cash flow: ((interest-bearing debt at beginning of period + interest-bearing debt at end of period) / 2) / operating cash flow

Interest coverage ratio: operating cash flow / interest payments

(Notes) 1 All calculations are based on consolidated financial figures.

2 Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding (less treasury stock) at the end of the fiscal year.

3 Cash flow is the net cash provided by operating activities in the consolidated statements of cash flows. Interest-bearing liabilities are all liabilities on the consolidated balance sheets for which interest is paid. For interest payments, the amount of interest paid in the consolidated statements of cash flows is used.

#### (4) Future Outlook

During the fiscal year ending March 31, 2026, the Japanese economy is expected to see continued wage increases amid ongoing labor shortages and a tight labor market. However, the outlook remains highly uncertain due to factors such as instability in financial and capital markets stemming from US trade policies, an increasing risk of global economic slowdown, and rising resource prices.

Looking at the business environment surrounding the Group, in the IT-related business, IT investment by client companies has remained solid, with a particular emphasis on promoting the further utilization of generative AI in the financial sector. Furthermore, there is a trend towards cloud migration and the opening up of legacy systems. On the other hand, the Group anticipates increased personnel costs due to rising external staffing expenses and wage hikes to secure talent. In this environment, the Group will continue to respond flexibly to diversifying customer needs by focusing on human resource development through means such as encouraging the acquisition of cloud-related certifications and implementing generative AI training, further enhancing mid-career recruitment of work-ready personnel, utilizing near-shore operations, and creating synergies with a subsidiary. In addition, the Group will continue to expand the existing client base and acquire new clients by promoting IT full outsourcing and other measures, which provides comprehensive support for the IT lifecycles of the clients.

In the Parking System Business, bicycle parking lot use has remained steady. Steady demand is expected from client companies and municipalities for new bicycle parking facilities associated with urban redevelopment, the unattended bicycle parking lots due to labor shortages, and the replacement of aging equipment. The Group will continue to strive for steady order acquisition, leveraging its strengths such as the “ECOPOOL” monthly bicycle parking management system (which addresses labor shortages), consulting capabilities cultivated through extensive experience, and high-quality service. Moreover, with the aim of enhancing profitability in recent years, the Group has been establishing a robust financial foundation by implementing various strategies such as revising the bicycle parking lot usage fees, promoting initiatives aligned with municipal strategies, internalizing outsourced operations, and reducing costs through the utilization of IT technology. Moving forward, the Group intends to further accelerate efficient bicycle parking operation through data-driven strategies, specifically by implementing flexible fee adjustments based on established pricing models and rationally deploying parking facilities through the analysis and utilization of bicycle parking data.

Through continued company-wide efforts to increase human capital investment, raise wages, and other measures, alongside planned investments in new business ventures and the development of next-generation bicycle parking facilities, consolidated financial results for the full year ending March 31, 2026, which marks the final year of the Medium-Term Management Plan, Vision 2026, are expected to be as shown in the table below.

(Forecast of consolidated financial results for the fiscal year ending March 31, 2026)

(Millions of yen)

	Fiscal year ending March 31, 2026 Forecast
Net sales	32,000
Operating profit	3,000
Ordinary profit	3,000
Profit attributable to owners of parent	1,950

The above forecast is based on currently available information. Actual results may differ significantly due to a variety of factors. If it becomes necessary to revise the forecast, the information will be promptly disclosed.

## **(5) Basic Policy on Profit Allocation and Dividends for the Fiscal Year under Review and the Following Fiscal Year**

The Company positions the return of profits to shareholders as one of the most important management issues, and stipulates the basic policy as paying stable and continuous dividends with a consolidated dividend payout ratio of 30% or higher as a guideline, comprehensively taking into consideration the consolidated results of operations, the level of retained earnings necessary for future business development, and others. Based on this basic policy, the Company has decided to pay a year-end ordinary dividend of 37 yen per share for the fiscal year ended March 31, 2025, up 4 yen from the initial forecast of 33 yen. As a result, the annual dividend per share for the fiscal year ended March 31, 2025 will be 70 yen, together with the interim dividend of 33 yen that has already been paid.

The Company decided to change its dividend policy in order to implement management that is conscious of cost of capital and stock price with the aim of further improving corporate value, to clarify and enhance its stance on returning profits to shareholders, and to expand its shareholder base. The Company will pay stable and continuous dividends with a consolidated dividend payout ratio of 50% or higher as a guideline.

For the fiscal year ending March 31, 2026, the Company plans to pay an ordinary dividend of 120 yen per share (interim dividend of 60 yen and year-end dividend of 60 yen).

## **2. Basic Approach to the Selection of Accounting Standards**

Since most of the Group's stakeholders are domestic shareholders, creditors, business partners, etc., and there is little need to raise funds from overseas, Japanese GAAP is applied for accounting standards.

The Company intends to make appropriate decisions regarding the application of International Financial Reporting Standards (IFRS), while keeping an eye on future developments.



### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,912,650	7,567,225
Notes receivable - trade	42,264	36,157
Accounts receivable - trade	3,648,730	4,032,809
Contract assets	91,089	26,898
Lease receivables and investments in leases	196,333	95,935
Securities	200,071	-
Merchandise and finished goods	238,498	160,077
Work in process	177,191	157,549
Other	537,915	509,624
Total current assets	11,044,746	12,586,277
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	388,964	382,035
Vehicles, net	604	2,057
Tools, furniture and fixtures, net	129,077	120,355
Land	339,426	166,823
Leased assets, net	637,556	616,025
Construction in progress	13,179	5,762
Total property, plant and equipment	1,508,808	1,293,059
Intangible assets		
Goodwill	114,973	73,164
Other	209,281	197,519
Total intangible assets	324,254	270,684
Investments and other assets		
Investment securities	204,444	235,728
Deferred tax assets	1,266,207	1,274,493
Other	550,901	435,562
Total investments and other assets	2,021,552	1,945,785
Total non-current assets	3,854,615	3,509,528
Total assets	14,899,361	16,095,806

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,110,425	1,069,642
Short-term borrowings	833,200	799,868
Current portion of long-term borrowings	19,936	-
Lease liabilities	458,594	389,918
Income taxes payable	614,027	657,014
Contract liabilities	223,155	278,638
Provision for bonuses	1,094,050	1,256,183
Provision for loss on orders received	2,388	1,869
Asset retirement obligations	3,581	2,313
Other	1,431,735	1,285,971
Total current liabilities	5,791,095	5,741,420
Non-current liabilities		
Long-term borrowings	55,798	-
Lease liabilities	652,907	395,838
Provision for retirement benefits for directors (and other officers)	206,195	185,001
Provision for share-based payments	60,950	132,600
Retirement benefit liability	1,461,264	1,416,756
Asset retirement obligations	229,511	332,769
Other	37,918	37,383
Total non-current liabilities	2,704,546	2,500,348
Total liabilities	8,495,641	8,241,768
Net assets		
Shareholders' equity		
Share capital	438,750	438,750
Capital surplus	1,019,556	1,019,556
Retained earnings	5,007,649	6,365,152
Treasury shares	(229,170)	(229,315)
Total shareholders' equity	6,236,785	7,594,142
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	90,522	117,949
Foreign currency translation adjustment	3,685	8,255
Remeasurements of defined benefit plans	15,857	65,346
Total accumulated other comprehensive income	110,064	191,551
Non-controlling interests	56,869	68,343
Total net assets	6,403,720	7,854,038
Total liabilities and net assets	14,899,361	16,095,806

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

### Consolidated Statement of Income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	25,481,801	30,106,683
Cost of sales	20,319,168	23,541,682
Gross profit	5,162,632	6,565,001
Selling, general and administrative expenses	3,047,176	3,755,393
Operating profit	2,115,455	2,809,608
Non-operating income		
Interest income	4,241	4,306
Dividend income	6,410	7,382
Insurance claim and dividend income	6,557	21,839
Rental income from buildings	14,913	14,879
Subsidy income	11,652	10,826
Other	10,117	12,445
Total non-operating income	53,893	71,679
Non-operating expenses		
Interest expenses	23,645	23,751
Other	5,671	5,095
Total non-operating expenses	29,316	28,847
Ordinary profit	2,140,032	2,852,440
Extraordinary income		
Gain on sale of non-current assets	-	8,183
Gain on sale of investment securities	-	57,157
Total extraordinary income	-	65,341
Extraordinary loss		
Impairment losses	45,859	63,984
Other	1,086	1,582
Total extraordinary loss	46,945	65,567
Profit before income taxes	2,093,087	2,852,214
Income taxes - current	734,578	981,761
Income taxes - deferred	(42,005)	(46,596)
Total income taxes	692,573	935,164
Profit	1,400,513	1,917,049
Profit attributable to non-controlling interests	12,574	11,473
Profit attributable to owners of parent	1,387,939	1,905,576

## Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	1,400,513	1,917,049
Other comprehensive income		
Valuation difference on available-for-sale securities	40,029	27,427
Foreign currency translation adjustment	1,736	4,570
Remeasurements of defined benefit plans, net of tax	33,531	49,489
Total other comprehensive income	75,298	81,487
Comprehensive income	1,475,812	1,998,536
(Breakdown)		
Comprehensive income attributable to owners of parent	1,463,237	1,987,063
Comprehensive income attributable to non-controlling interests	12,574	11,473

### (3) Consolidated Statement of Changes in Equity

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the current period	438,750	954,989	3,842,025	(269,509)	4,966,255
Changes during period					
Dividends of surplus			(235,808)		(235,808)
Profit attributable to owners of parent			1,387,939		1,387,939
Purchase of treasury shares				(34)	(34)
Disposal of treasury shares		64,566		40,374	104,941
Adjustment due to change in scope of consolidation			13,492		13,492
Net changes in items other than shareholders' equity					
Total changes during period	-	64,566	1,165,623	40,339	1,270,530
Balance at the end of the current period	438,750	1,019,556	5,007,649	(229,170)	6,236,785

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other comprehensive income Cumulative total		
Balance at the beginning of the current period	50,492	1,948	(17,674)	34,766	44,295	5,045,317
Changes during period						
Dividends of surplus						(235,808)
Profit attributable to owners of parent						1,387,939
Purchase of treasury shares						(34)
Disposal of treasury shares						104,941
Adjustment due to change in scope of consolidation						13,492
Net changes in items other than shareholders' equity	40,029	1,736	33,531	75,298	12,574	87,872
Total changes during period	40,029	1,736	33,531	75,298	12,574	1,358,402
Balance at the end of the current period	90,522	3,685	15,857	110,064	56,869	6,403,720

Fiscal year under review (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the current period	438,750	1,019,556	5,007,649	(229,170)	6,236,785
Changes during period					
Dividends of surplus			(548,073)		(548,073)
Profit attributable to owners of parent			1,905,576		1,905,576
Purchase of treasury shares				(145)	(145)
Disposal of treasury shares					-
Adjustment due to change in scope of consolidation					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,357,502	(145)	1,357,357
Balance at the end of the current period	438,750	1,019,556	6,365,152	(229,315)	7,594,142

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other comprehensive income Cumulative total		
Balance at the beginning of the current period	90,522	3,685	15,857	110,064	56,869	6,403,720
Changes during period						
Dividends of surplus						(548,073)
Profit attributable to owners of parent						1,905,576
Purchase of treasury shares						(145)
Disposal of treasury shares						-
Adjustment due to change in scope of consolidation						-
Net changes in items other than shareholders' equity	27,427	4,570	49,489	81,487	11,473	92,960
Total changes during period	27,427	4,570	49,489	81,487	11,473	1,450,318
Balance at the end of the current period	117,949	8,255	65,346	191,551	68,343	7,854,038

**(4) Consolidated Statement of Cash Flows**

(thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	2,093,087	2,852,214
Depreciation	359,621	405,908
Impairment losses	45,859	63,984
Loss (gain) on sale of investment securities	-	(57,157)
Increase (decrease) in allowance for doubtful accounts	(832)	-
Increase (decrease) in provision for bonuses	90,252	162,133
Increase (decrease) in provision for loss on orders received	629	(519)
Increase (decrease) in retirement benefit liability	16,503	28,038
Increase (decrease) in provision for retirement benefits for directors (and other officers)	18,360	(21,194)
Increase (decrease) in provision for share-based payments	40,743	71,649
Interest and dividend income	(10,652)	(11,689)
Subsidy income	(11,652)	(10,826)
Interest expenses	23,645	23,751
Decrease (increase) in trade receivables	89,104	(313,540)
Decrease (increase) in inventories	(114,132)	97,851
Increase (decrease) in trade payables	63,161	(40,803)
Increase (decrease) in accrued consumption taxes	63,829	18,338
Decrease (increase) in other current assets	66,140	(16,618)
Increase (decrease) in other current liabilities	101,969	(70,734)
Other	(16,643)	35,571
Subtotal	2,918,994	3,216,357
Interest and dividends received	10,652	11,689
Interest paid	(23,020)	(24,618)
Subsidies received	11,652	10,826
Income taxes paid	(343,829)	(944,037)
Net cash provided by (used in) operating activities	2,574,448	2,270,216
Cash flows from investing activities		
Payments into time deposits	(123,500)	(135,000)
Proceeds from withdrawal of time deposits	122,000	168,000
Purchase of property, plant and equipment	(183,567)	(238,603)
Proceeds from sale of property, plant and equipment	111,223	347,533
Purchase of intangible assets	(42,171)	(65,388)
Proceeds from sale of investment securities	-	68,552
Proceeds from redemption of investment securities	-	200,000
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	52,090	-
Other	(35,586)	15,926
Net cash provided by (used in) investing activities	(99,512)	361,019
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	25,832	(33,332)
Repayments of long-term borrowings	(11,014)	(75,734)
Repayments of lease liabilities	(293,390)	(299,723)
Dividends paid	(229,891)	(538,816)
Other	(34)	(145)
Net cash provided by (used in) financing activities	(508,499)	(947,750)
Effect of exchange rate change on cash and cash equivalents	1,736	4,088
Net increase (decrease) in cash and cash equivalents	1,968,173	1,687,574
Beginning balance of cash and cash equivalents	3,799,476	5,767,650
Ending balance of cash and cash equivalents	5,767,650	7,455,225

## (5) Notes to Consolidated Financial Statements

(Notes on Assumptions for Going Concerns)

Not applicable.

(Notes on Changes in Accounting Policies)

(Application of the "Accounting Standard for Current Income Taxes")

The Company has adopted the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") from the beginning of the fiscal year under review. For the revisions regarding the classification of income taxes (taxation on other comprehensive income), the Company follows the transitional treatment set forth in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set forth in the proviso of Paragraph 65-2(2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Application Guidance"). The change in accounting policies has no effect on the consolidated financial statements.

In addition, the Company has adopted the 2022 Revised Application Guidance from the beginning of the fiscal year under review for the revisions related to the review of the treatment in consolidated financial statements of the deferral for tax purposes of gains or losses on sales of shares of subsidiaries among consolidated companies. The change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. The change in accounting policies has no effect on the consolidated financial statements for the previous fiscal year.

(Notes on Changes in Accounting Estimates)

(Changes in estimates for asset retirement obligations)

During the fiscal year under review, the Company has changed its estimates of restoration costs for asset retirement obligations, which were recorded as restoration obligations associated with real estate lease agreements, etc., due to the acquisition of new information such as rising construction costs.

The increase of 87,387 thousand yen due to this change in estimate has been added to the asset retirement obligation balance before the change.

The effect of this change in estimate on income for the fiscal year under review is immaterial.

(Segment Information, etc.)

(Segment Information)

### 1 Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of resources and evaluating performance.

The Company has established business departments by product and service. Each department formulates comprehensive strategies for the products and services it handles and develops business activities.

Accordingly, the Company is composed of product and service segments based on business departments, and has three reportable segments: "System Development Business," "Support and Service Business," and "Parking System Business."

The System Development Business provides system development and maintenance services, including consulting, system integration services, package solution services, and application system operation and maintenance. The Support and Services Business provides technical support services, help desk services, outsourcing services, and system management and operation. The Parking System Business sells and operates bicycle parking management systems, provides consulting services related to these systems, and sells related products.

### 2 Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting methods used for the reported business segments are the same as those used for the preparation of the consolidated financial statements.

Profit by reportable segment is based on operating profit. Intersegment revenues and transfers are based on prevailing market prices.



3 Amount of net sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Reportable segments				Other (Note) 1	Total	Adjustment (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	System Development Business	Support and Service Business	Parking System Business	Total				
Net sales								
Revenue from contracts with customers	10,421,084	7,735,922	7,281,644	25,438,651	26,836	25,465,487	—	25,465,487
Other revenue	—	—	16,313	16,313	—	16,313	—	16,313
Sales to external customers	10,421,084	7,735,922	7,297,958	25,454,965	26,836	25,481,801	—	25,481,801
Intersegment sales and transfers	9,370	—	—	9,370	—	9,370	(9,370)	—
Total	10,430,455	7,735,922	7,297,958	25,464,335	26,836	25,491,171	(9,370)	25,481,801
Segment profit (loss)	1,541,978	851,011	1,284,985	3,677,975	7,812	3,685,788	(1,570,332)	2,115,455
Other Items								
Depreciation	23,224	96,353	205,857	325,435	72	325,508	34,112	359,621
Amortization of goodwill	3,885	6,567	—	10,452	—	10,452	—	10,452
Impairment losses	—	—	45,859	45,859	—	45,859	—	45,859

(Notes) 1 "Other" is a business segment not included in the reportable segments.

2 Adjustments to segment profit (loss) include elimination of intersegment transactions and corporate expenses not allocated to each segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

Depreciation is allocated to each segment, but segment assets and liabilities are omitted because they are not used to determine the allocation of resources or to evaluate performance.

3 Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.

Fiscal year under review (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segments				Other (Note) 1	Total	Adjustment (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	System Development Business	Support and Service Business	Parking System Business	Total				
Net sales								
Revenue from contracts with customers	12,699,516	9,409,949	7,956,612	30,066,078	22,107	30,088,185	—	30,088,185
Other revenue	—	—	18,497	18,497	—	18,497	—	18,497
Sales to external customers	12,699,516	9,409,949	7,975,110	30,084,576	22,107	30,106,683	—	30,106,683
Intersegment sales and transfers	7,624	—	—	7,624	—	7,624	(7,624)	—
Total	12,707,141	9,409,949	7,975,110	30,092,200	22,107	30,114,308	(7,624)	30,106,683
Segment profit (loss)	1,867,049	1,029,637	1,786,787	4,683,474	8,465	4,691,940	(1,882,331)	2,809,608
Other Items								
Depreciation	28,103	114,244	236,299	378,646	54	378,701	27,206	405,908
Amortization of goodwill	15,540	26,268	—	41,808	—	41,808	—	41,808
Impairment losses	—	—	27,678	27,678	—	27,678	36,305	63,984

(Notes) 1 "Other" is a business segment not included in the reportable segments.

2 Adjustments to segment profit (loss) include elimination of intersegment transactions and corporate expenses not allocated to each segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

Depreciation is allocated to each segment, but segment assets and liabilities are omitted because they are not used to determine the allocation of resources or to evaluate performance.

3 Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.

(Information per Share)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	775.87 yen	951.77 yen
Basic earnings per share	170.38 yen	232.95 yen

(Notes) 1 Diluted earnings per share is not stated because there are no latent shares.

2 Basis for calculation of basic earnings per share is as follows.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (thousand yen)	1,387,939	1,905,576
Amount not attributable to common shareholders (thousand yen)	—	—
Profit attributable to owners of parent related to common stock (thousand yen)	1,387,939	1,905,576
Average number of shares of common stock during the period (thousand shares)	8,145	8,180

3 Basis for calculation of net assets per share is as follows

	As of March 31, 2024	As of March 31, 2025
Total net assets (thousand yen)	6,403,720	7,854,038
Amount deducted from total net assets (thousand yen)	56,869	68,343
(Of which: Non-controlling interests (thousand yen))	(56,869)	(68,343)
Net assets related to common stock at the end of the period (thousand yen)	6,346,850	7,785,694
Number of shares of common stock used in the calculation of net assets per share at the end of the period (thousand shares)	8,180	8,180

(Significant Subsequent Events)

Not applicable.