DTS (TSE Code: 9682)
A Growing Reputation as a Provider of High-Value-Added Solutions

Executive Summary

DTS's full-year financial results for the fiscal year ended March 31, 2026 showed net sales of ¥135.2 billion (up 7.4% year-on-year) and operating profit of ¥16.4 billion (up 13.4% year-on-year), marking a strong finish with all key profit indicators reaching record highs. The key point of this earnings report lies in a qualitative transformation of its revenue structure, which goes beyond merely achieving numerical targets. Specifically, the company absorbed a revenue shortfall of over ¥1 billion—resulting from the absence of large projects for a megabank recorded in the previous fiscal year—while its focus businesses, representing its strategic priority areas, achieved growth that more than offset this shortfall, thereby securing both revenue and profit growth.

The structural transformation of the business portfolio, which is accelerating under President Kitamura's leadership, is progressing at a remarkable pace, with the focus business ratio reaching 62.9%—achieving the initial target for the fiscal year ending March 31, 2028 (57% or higher) two years ahead of schedule. GIR recognizes the importance of noting that the company is enhancing its value proposition over the medium to long term, transitioning from a traditional person-month-based system integrator ("SIer") to a high-value-added solutions provider that encompasses cloud, EAS, and AI/generative AI solutions.

The company presents practical solutions to concerns raised in investor dialogues, such as the weight of future forward-looking investments and the risk of sales decline resulting from reduced development workload hours due to AI adoption. Rather than pursuing profit margins at all costs, the company is achieving growth in both operating profit and operating profit per employee (productivity) through investment and the expansion of high-productivity businesses. Highly efficient management, as evidenced by a ROE of 19.2%, and the company's commitment to shareholder returns, reflected in a total

KEY STATISTICS

Key Stock Statistics

Recent Price (07/24/2026)	¥1,075
52-Week High / Low	¥1,362 / ¥958
Shares Outstanding	163,954,928 shares
Market Cap	¥176,300 million
PER	14.6 times
PSR	1.08 times
Dividend (Dividend Yield)	CE ¥38.00(3.69%)

Sector Overview

Sector	Information and Communications

Financials (FY 03/2027 CE)

Net Sales	¥142,000 million
Operating Profit Margin (%)	12.0%
EBITDA Margin (%)	12.9%

Management

President & CEO	Tomoaki Kitamura
URL	https://www.dts.co.jp/en/

*CE: "Company Estimate"

payout ratio of 72.1%, also suggest that the company has entered a phase in which it is successfully balancing capital efficiency and growth.

GIR View

Overcoming the Decline in Bank-Related Demand

Although there were concerns about a rebound-driven decline in bank-related projects, growth in the fire service systems and EAS areas not only filled that gap for the full fiscal year but also led to a record-high profit. This signifies a transition to a phase of self-sustaining growth that is not dependent on specific customer cycles.

Target for Focus Business Ratio Achieved Two Years Ahead of Schedule

The ratio of net sales from focus businesses, which stood at 51.6% in the previous fiscal year, rose further to 62.9% for the full fiscal year. As we have pointed out in previous reports, the fact that the company achieved the target of 57% or more—set for the fiscal year ending March 31, 2028—two years ahead of schedule is proof that the pace of DTS's transformation is exceeding market expectations.

Growth in Concentrated Investment Areas Capitalizing on Modernization Demand

By accurately capturing strong customer demand for migration from existing systems to the cloud, SaaS, and in-house solutions, the two areas of **cloud computing & modernization and enterprise application services** recorded double-digit revenue growth even within the concentrated investment areas. These areas achieved both high sales growth and improved profit margins, leading the company's overall growth.

Further Refinement of the Shareholder Return Policy

Given the status of growth investments, setting the forecast for the total return ratio for the next fiscal year at 93.0% (with a target of 70% or higher during the medium-term management plan period) demonstrates the top management's commitment to optimizing capital efficiency. This is an attractive move for global institutional investors who value the high-level balance between growth investments and shareholder returns.

Full-Year Financial Results Analysis: Evidence of Structural Growth

Consolidated Financial Results Overview

In the consolidated financial results for the fiscal year ended March 31, 2026, DTS reported net sales of ¥135.21 billion (up 7.4% year-on-year), operating profit of ¥16.43 billion (up 13.4% year-on-year), and profit attributable to owners of parent of ¥11.64 billion (up 9.5% year-on-year), with the operating profit margin rising to 12.2% (up 0.6 percentage points year-on-year). This growth stems from the fact that the company has moved away from dependence on specific customers, and its diversified portfolio is beginning to bear fruit.

Figure 1: Consolidated Financial Highlights

Indicator	FY 03/2026 (Billions of Yen)	FY 03/2025 (Billions of Yen)	Year-on-Year	Full-Year Forecast Progress Rate
Consolidated Net Sales	135.21	125.90	+7.4%	100.2%
Gross Profit	29.67	28.37	+4.6%	97.3%
Operating Profit	16.43	14.48	+13.4%	106.0%
Ordinary Profit	16.94	15.45	+9.6%	106.9%
Profit Attributable to Owners Of Parent	11.64	10.63	+9.5%	106.8%
EBITDA	17.79	15.61	+13.9%	106.5%

Source: Prepared by Global IR Co., Ltd. based on financial results briefing materials and financial results summaries.

In the previous fiscal year ended March 31, 2025, there was a large-scale surge in demand from the banking sector driven by large one-off system upgrade projects at megabanks. While a reactionary decline was anticipated for the fiscal year ended March 31, 2026, actual results showed that the renewal of fire service systems for local governments in the Operation and Solutions segment and growth in the EAS (enterprise application services) area within the Technology and Solutions segment offset this decline. This demonstrates that DTS has accurately identified its client companies' investment priorities regarding the modernization of aging systems.

Analysis by Segment: A Clear Shift Towards High-Value-Added Areas

A detailed look at the performance of each segment reveals that DTS's concentrated emphasis on focus businesses is improving the quality of profits.

Operation and Solutions Segment

Net sales decreased slightly to ¥52.81 billion (down 0.7% year-on-year), but operating profit rose significantly to ¥7.5 billion (up 10.4% year-on-year). The decline in sales was due to the winding down of special demand from megabanks for large one-off projects, which had already been anticipated in the company's plans. However, the increase in profit was driven by a higher proportion of high-margin projects incorporating the company's own intellectual property (IP), such as the FireWeb fire service system for local governments and the AMLion anti-financial crime solution. Excluding the impact of special demand from large-scale megabank one-off projects, the company has achieved sustained growth, and the transition from its core business to its focus businesses is progressing. Within the focus business segments, cloud computing & modernization is expected to drive growth in this segment.

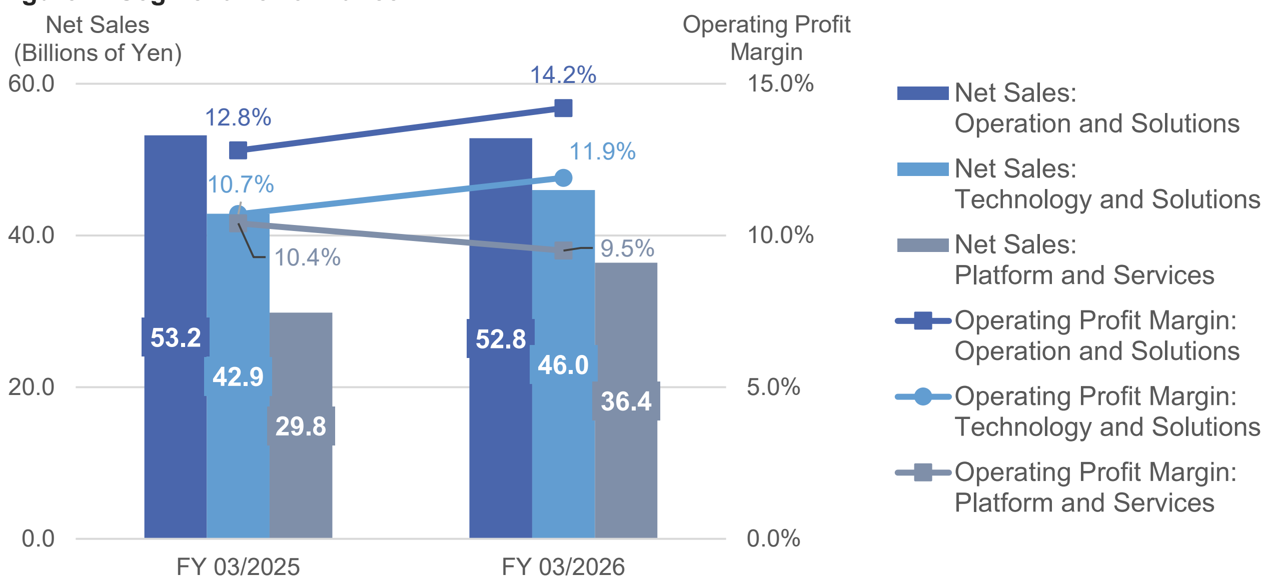
Technology and Solutions Segment

With net sales of ¥45.99 billion (up 7.3% year-on-year) and operating profit of ¥5.47 billion (up 19.5% year-on-year), this segment recorded the highest growth rate in terms of profit among the three segments. This is believed to reflect the results of growth investments made under the previous medium-term management plan. Growth was driven by initiatives such as building cloud infrastructure for securities firms, implementing mcframe for the manufacturing sector, and revamping workflows using ServiceNow. The long-standing efforts in talent development have borne fruit, and the cultivation of personnel capable of contributing to revenue has been the source of profit growth that outpaced sales growth. This segment continues to have the highest proportion of focus businesses, which are projected to grow at a high rate, and strong growth is expected to continue.

Platform and Services Segment

Net sales reached ¥36.4 billion (up 22.1% year-on-year), and operating profit reached ¥3.44 billion (up 11.3% year-on-year), with net sales growing significantly, driven by strong demand for AI infrastructure. Sales were significantly boosted by the construction of GPU servers for generative AI and an HPC (high-performance computing) project for RIKEN. The RIKEN project is expected to have a positive ripple effect on other projects as a track record of infrastructure development for the public sector. The decline in profit margins in the fourth quarter was due to a concentration of hardware product sales and is considered a temporary factor.

Figure 2: Segment Performance



Source: Prepared by Global IR Co., Ltd. based on financial results briefing materials and financial results summaries.

Maximizing the Economic Performance, Profit, and Productivity of Focus Businesses

A Growth Model Emphasizing Operating Profit and Profit Per Employee

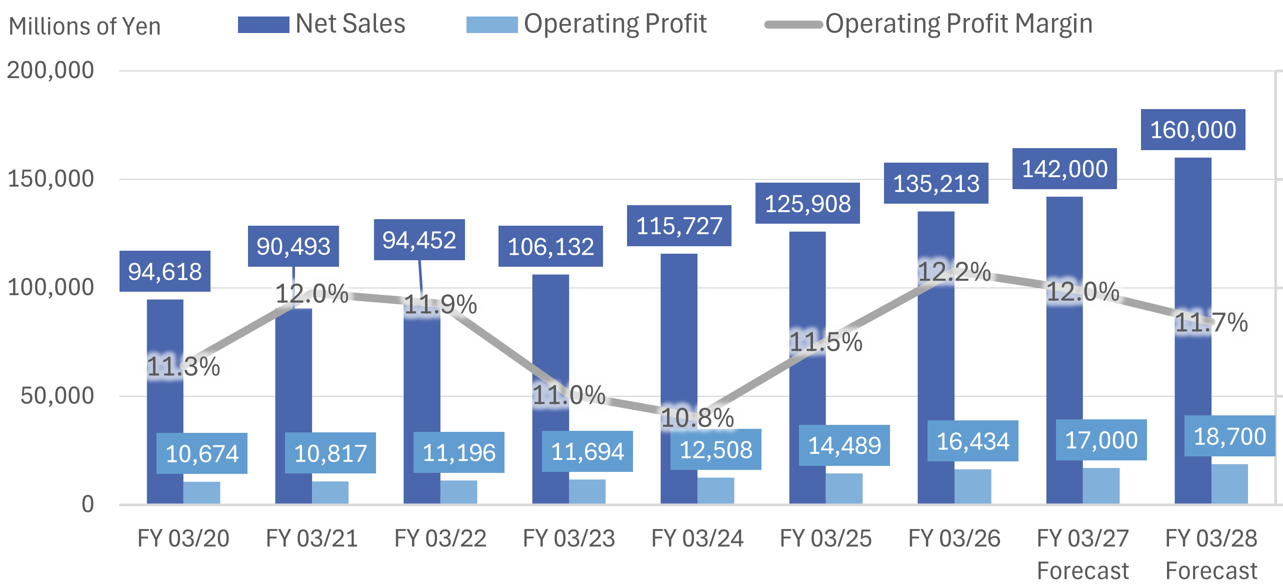
DTS's top management prioritizes not merely maximizing the short-term operating profit margin itself, but rather maximizing operating profit through proactive growth investments, as well as improving and maintaining Japanese domestic operating profit per employee (productivity).

The company is currently strategically expanding its licensing business and hardware and infrastructure construction business (such as GPU servers and quantum HPCs), which—even though their profit margins tend to be lower than those of custom-built development projects—boost top-line revenue without requiring additional personnel and, as a result, efficiently enhance labor productivity.

The M&A investments, totaling ¥10 billion over three years, will significantly contribute to rapid net sales growth. However, in the short term, they will act as a drag on the company-wide profit margin due to certain strains, such as goodwill amortization and startup costs, and it will take considerable time for them to contribute to profits.

Therefore, the scenario outlined in the medium-term management plan (2025–2027) is not aimed at a sharp rise in the operating profit margin. Instead, it is a realistic and capital-efficient strategy that seeks to "maintain a stable operating profit margin of approximately 11.5%–12.0%, while steadily scaling operating profit from ¥14.48 billion (actual for the fiscal year ended March 31, 2025) to ¥18.7 billion (target for the fiscal year ending March 31, 2028) by steadily expanding operations through growth investments and high-value-added business initiatives."

Figure 3: Trends in DTS's Consolidated Financial Results



Source: Prepared by Global IR Co., Ltd. based on company materials.

The slight decline in operating profit margins for the fiscal years ending March 31, 2027 and March 31, 2028, as shown in the figure above, is due to the inclusion of increased selling, general, and administrative expenses resulting from growth investments totaling approximately ¥32.5 billion over the three-year period, as well as the amortization of goodwill from M&A transactions in their early stages.

However, a closer look at the details reveals that consolidated net sales generated by the business are projected to grow steadily to ¥160 billion, with operating profit reaching ¥18.7 billion. The plan is to maintain and solidify a high level of Japanese domestic operating profit per employee at over ¥3.2 million. This disciplined approach—which prioritizes enhancing earning power in absolute terms and labor productivity even at the cost of short-term dilution of profit margins—is likely the driving force behind the company's sustainable ROE (medium-term management plan target: 18% or higher).

Leading Areas Driving the Concentrated Investment Areas

Within the concentrated investment areas of the company's growth-stage focus businesses, the two areas currently driving growth directly are cloud computing & modernization and enterprise application services (EAS). In the full-year results for the fiscal year ended March 31, 2026, these two areas demonstrated high double-digit growth as shown below.

- **Cloud Computing & Modernization Area:** Net sales **¥26.4 billion** (**up 28.1%** year-on-year, up ¥5.8 billion) Growth was driven by steady performance in large-scale core system redesign projects for the insurance industry and the deployment of hybrid environments for data center operators.
- **Enterprise Application Services (EAS) Area:** Net sales **¥14.2 billion** (**up 68.8%** year-on-year, up ¥5.8 billion) Significant growth driven by the digitization of internal workflows using ServiceNow, the renewal of production management systems using SAP and mcframe, and the rollout of the company's proprietary fire safety solution FireWeb and housing-related solutions.

The reason these two areas are driving growth is that the company has accurately identified a strong, genuine need among its client companies to migrate and modernize their existing core systems to cloud environments, the latest SaaS solutions (such as ServiceNow and mcframe), or in-house solutions. As a result, the company is achieving both strong sales growth and improved profit margins.

Figure 4: Focus Business Segment Performance (Billions of Yen)

Segment Category	Segment	FY 03/2025 Net Sales	FY 03/2026 Net Sales (Percentage of Total Focus Business)	Medium-Term Management Plan Target
Concentrated Investment	**Cloud Computing & Modernization**	20.6	**26.4 (31.0%)**	25.0
Concentrated Investment	**Data Utilization**	1.0	**2.5 (2.9%)**	2.5
Concentrated Investment	**Security & Managed Services**	6.9	**7.3 (8.6%)**	10.0
Concentrated Investment	**Enterprise Application Services (EAS)**	8.4	**14.2 (16.7%)**	14.0
Concentrated Investment	**IoT & Edge Technologies**	8.9	**10.9 (12.8%)**	11.5
Forward-Looking Investment	**AI & Generative AI**	2.0	**7.8 (9.2%)**	10.0 *Target for FY 2030
Forward-Looking Investment	**Customer Experience Value (CX)**	-	**2.8 (3.3%)**	5.0 *Target for FY 2030
Other	-	-	**13.3 (15.6%)**	-
	Total Focus Business	64.95	**85.09**	(57% or more of consolidated net sales)

Source: Prepared by Global IR Co., Ltd. based on the company's financial results briefing materials and medium-term management plan.

Avoiding the Risk of Declining Sales and Transforming the Revenue Model Through AI Adoption

The Potential of the AI Domain

AI and generative AI are positioned as forward-looking investment areas in DTS's strategy. While the domain is likely to be currently on the cusp of transitioning from the introduction phase to the growth phase, it has the potential to contribute significantly to business performance once it enters the growth phase. This is because, while the term "AI" may be used broadly, it encompasses not only license sales from the company's own AI-powered products and the sale of specialized standalone solutions, but also the integration needs associated with AI adoption—such as building the infrastructure to run AI and embedding AI into existing systems. DTS has set a target of ¥10 billion in net sales in the AI domain by 2030, but given the company's track record as a high-level system integrator, it is highly likely that it will achieve results that significantly exceed this target.

The Shift to a Value-Based Model

When considering a system integrator (SIers) business model, if, for example, the adoption of AI leads to a 30% increase in development productivity, this carries the risk of a 30% decrease in net sales under the traditional business model approach that multiplies unit price per person-month with workload hours. This aspect is precisely what the market is on alert for as it views the potential for such fundamental cannibalization as an SIer industry-wide structural risk. Against this backdrop, DTS is directly addressing the perceived risk through two transformations as described below.

1. Enhancing the Pricing Model

DTS is shifting its focus from simply providing labor to delivering business solution value in specific fields (such as firefighting, anti-financial crime solutions, and housing CAD). Specifically, through measures such as applying proprietary development standards based on the use of AI, the company aims to transition to a pricing model based on value delivered to customers rather than simply providing workload hours. As a result, even if development periods are shortened, the company's revenue levels are maintained, and it is advancing a structural shift that directly leads to improved profitability.

2. Maximizing Throughput (Project Turnover Rate)

Currently, the SIer industry is facing a severe labor shortage, and DTS is also in a situation where, in segments such as Technology and Solutions, while there is demand, the company lacks the resources and therefore limits the number of orders to accept. If AI increases the productivity of individual engineers by 30%, this will not result in a decline in sales but will instead function as a 30% expansion of capacity that captures demand that was previously left untapped. In other words, as long as market demand for digital transformation (DX) exceeds supply capacity, productivity gains will directly translate into top-line growth and improved profit margins.

Figure 5: Potential for Future Revenue Model Enhancement

Strategies for Transitioning Away from Person-Month Contracts	Example
Transition to SaaS/Subscription Models	Expanding the monthly subscription-based business model for the housing CAD software “Walk in home” and the operations service ReSM
Introduction of Performance-Based Elements	Beginning partnership-based contract negotiations—primarily with major clients—to share in a portion of the cost savings and revenue increases resulting from customers’ successful digital transformation (DX) initiatives
Licensing of AI Assets	The company aims to transition to a business model that provides general-purpose AI agents and prompt libraries developed by the AI Center of Excellence (AI-CoE)—such as security and managed services—as a customer-specific AI platform, generating revenue from maintenance and usage fees

Source: Prepared by Global IR Co., Ltd.
Note: GIR’s hypothesis regarding the future direction of contract structures.

Case Studies in the Financial Sector

A concrete example demonstrating that AI adoption is not merely an idealistic concept but is generating tangible benefits—such as higher hourly rates and shorter delivery times—is **AMLion**. By adding AI-driven fraud pattern analysis consulting as an add-on to support the implementation of AMLion, an anti-financial crime solution, the service offering has evolved from a simple system implementation (service provision) to AI consulting. In this way, efforts are gradually being made to increase the hourly rate per engineer.

Investment in Human Capital and Resilience During Rising Labor Costs

¥11 Billion Investment Plan in Human Capital

While rising labor costs are a common challenge for all system integrators (SIers), DTS specifies in its medium-term management plan that it will invest a total of ¥11 billion in human capital. This investment is not merely a cost increase; rather, it is a strategic investment aimed at enhancing the value of engineers in order to secure high-margin projects. In the fiscal year ended March 31, 2026—the first year of the plan—the company has already executed ¥3 billion worth of investments and is making steady progress. The allocation of the ¥11 billion is summarized below.

Salary and Compensation Improvements:

The company aims to prevent the loss of highly skilled IT talent and strengthen its ability to attract top talent. In addition to raising compensation in line with market value, DTS is working to enhance employee engagement and a sense of ownership through performance-based special bonuses and the issuance of restricted stock.

Reskilling and Training:

DTS seeks to evolve into a group of highly skilled engineers leading the AI era. The DTS GenAI Academy was established in April 2026 as a core element of this effort. The academy leverages the group's strengths by having MIRUCA, a group company specializing in IT talent training, operate practical, original programs supervised by the AI Center of Excellence (AI-CoE), the group's dedicated AI organization. Going beyond mere classroom-based skill acquisition, the company has established a mechanism to rapidly elevate both the quality and quantity of AI-native development talent by accelerating a cycle that progresses from training to assignment to actual projects and ultimately to developing in-house trainers to educate the next generation. For the fiscal year ending March 31, 2027, the company plans to train more than 300 employees annually, and this robust training system will serve as the source of DTS's competitive advantage.

Soundness of Human Capital KPIs

The following metrics shine a positive light on the market's question: "Is the company able to offset rising labor costs in its focus businesses?"

Figure 6: Human Capital-Related KPI Results

Human Capital KPIs	Results for FY 03/2025	Results for FY 03/2026	Industry Average (For Reference)
Number of Highly Skilled Professionals	238	351 (+113)	-
Operating Profit Per Employee (Japan)	¥2.8 million	¥3.2 million (+¥300,000)	¥2.5 - ¥3.0 million

Source: Prepared by Global IR Co., Ltd. based on company materials.

The fact that the company simultaneously increased its headcount of highly skilled professionals and improved operating profit per employee from the fiscal year ended March 31, 2025 through the fiscal year ended March 31, 2026 indicates that salary increases are contributing to productivity gains. Furthermore, the operating profit per employee of ¥3.2 million represents a level that has already achieved the target set for the final year of the medium-term plan ahead of schedule. It is believed that the skill-building opportunities provided by the AI Center of Excellence (AI-CoE) are enhancing the loyalty of junior to mid-level engineers, which will likely be the key to breaking through the barriers to medium- to long-term profitability.

The Link Between Capital Efficiency and Financial Strategy

Sustainable High ROE

DTS's ROE rose from 17.7% in the fiscal year ended March 31, 2025 to 19.2% in the fiscal year ended March 31, 2026, placing it among the highest levels among Japanese domestic system integrators. This is the result of a synchronized effort to reduce the denominator—shareholders' equity—through proactive share buybacks and cancellations, while simultaneously increasing the numerator—profit attributable to owners of parent.

Shareholder Return Plan for the Fiscal Year Ending March 31, 2027

- **Annual Dividend:** ¥38 (dividend payout ratio: 50.7%)
- **Treasury Share Acquisition:** ¥5 billion
- **Total Return Ratio:** 93.0%

The total return ratio of 93% reflects the top management's strong confidence in their ability to balance growth investments (¥32.5 billion) with shareholder returns. The systematic process of reducing the ratio of cash on hand to total assets to 33% or less symbolizes the optimization of capital efficiency and will serve as a catalyst for further improvement in the PBR.

Cash Allocation Strategy

DTS allocates the cash it generates according to the following priorities.

1. **Reinvestment in Focus Businesses:** Funds are allocated as growth investments (excluding M&A) to human resources, capital expenditures, research and development, and other business investments. In addition to advancing development standards, the company is vigorously promoting the development of highly skilled professionals, including AI specialists.

2. **Strategic Alliances (M&A, Capital Alliances, Business Alliances, Industry-Academia-Regional Partnerships) (¥10 billion budget):** Although there were no actual transactions in the fiscal year ended March 31, 2026, DTS aims to pursue acquisitions and partnerships from the fiscal year ending March 31, 2027 onward based on the following policies.
   (1) Strengthening focus businesses (companies with strengths in DTS's concentrated investment areas and expected to generate business synergies with the DTS Group)
   (2) Expanding new businesses (companies with strengths in DTS's forward-looking investment areas and expected to generate business synergies with the DTS Group)
   (3) Expanding regional locations
   (4) Securing talent

3. **Direct Returns to Shareholders:** Dividend increases and flexible share buybacks.

The company has made it clear that it will not merely rely on retained earnings but will also utilize debt financing for attractive M&A opportunities, thereby successfully balancing growth and shareholder returns at a high level. The operational efficiency reflected in its high ROE is likely to become even more solid.

Outlook

Positioning in the Industry

DTS's full-year financial results for the fiscal year ended March 31, 2026 signal that the company is shedding its traditional image as a mid-sized SI firm with a strong focus on banking systems, and in turn, is evolving into an advanced integrator that supports Japan's digital transformation (DX) and cutting-edge IT solutions. In response to the two major concerns raised by some investors—namely, focus business profit margins and sales declines due to AI—the company has demonstrated strong execution by accepting a temporary dilution of margin ratios while converting productivity gains into an increase in the number of projects, thereby steadily expanding operating profit. Even in the upcoming phase of AI commoditization, the company is expected to maintain its position as a trusted, highly sought-after builder based on its core SI capabilities.

Target Valuation

Given the company's ROE exceeding 19%, the enormous growth potential demonstrated by its current concentrated investment areas, and a total payout ratio approaching 90%, the current share price—trading at a PER of around 15 times—is considered to be undervalued. Going forward, as successful case studies from the AI Center of Excellence (AI-CoE) emerge and it becomes visibly clear that the focus businesses are not factors diluting profit margins but rather essential growth engines that strongly drive up both earnings per employee and company-wide operating profit, the market is likely to reevaluate the company, shifting its perception from a high-dividend value stock to a high-quality value-growth stock that successfully balances defensiveness and growth potential.

The optimization of people, technology, and capital being pursued by DTS's top management presents a model that the Japanese SI industry should aspire to. Starting with the fiscal year ending March 31, 2027, as the results of growth investments materialize in the form of accelerated top-line growth, the company's market capitalization is expected to enter a new dimension.

Figure 7: Consolidated Results

Accounting Period	Net Sales (mn)	YoY (%)	Operating Profit (mn)	YoY (%)	Ordinary Profit (mn)	YoY (%)	Profit (mn)	YoY (%)	EPS (Yen)	PER (Times)
FY 03/2016	82,537	110.6	7,599	118.2	7,707	118.2	4,341	117.6	186.6	11.5
FY 03/2017	79,858	96.8	7,986	105.1	8,093	105.0	5,121	118.0	222.4	12.5
FY 03/2018	83,163	104.1	8,523	106.7	8,574	105.9	5,765	112.6	247.9	14.8
FY 03/2019	86,716	104.3	9,789	114.8	9,929	115.8	6,817	118.2	292.2	14.0
FY 03/2020	94,618	109.1	10,674	109.0	10,849	109.3	7,317	107.3	158.0*	11.9
FY 03/2021	90,493	95.6	10,817	101.3	11,131	102.6	7,593	103.8	165.4	15.3
FY 03/2022	94,452	104.4	11,196	103.5	11,403	102.4	7,853	103.4	172.7	15.5
FY 03/2023	106,132	112.4	11,694	104.4	11,932	104.6	8,001	101.9	181.4	17.8
FY 03/2024	115,727	109.0	12,508	107.0	12,831	107.5	7,293	91.2	168.5	23.9
FY 03/2025	125,908	108.8	14,489	115.8	15,457	120.5	10,635	145.8	253.8	15.7
FY 03/2026	135,213	107.4	16,434	113.4	16,940	109.6	11,644	109.5	72.94**	14.1

Source: Prepared by Global IR Co., Ltd. based on company securities reports and company IR materials.
Note: Figures are rounded to the nearest million yen, or to the first decimal place.

*) A 2-for-1 stock split was implemented effective July 1, 2019; the EPS for the fiscal year ended March 31, 2020 was calculated assuming the split took place at the beginning of the fiscal year.
**) A 4-for-1 stock split was implemented effective October 1, 2025; the EPS for the fiscal year ended March 31, 2026 was calculated assuming the split took place at the beginning of the fiscal year.

Management Indicators

Financial Data (Consolidated: Quarterly) (Millions of Yen)

Accounting Period	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2026					
				Q1	Q2	H1	Q3	Q4	Full-year
Net Sales	106,132	115,727	125,908	32,908	34,018	66,926	31,409	36,878	135,213
YoY (%)	112.4	109.0	108.8	113.9	109.9	111.8	100.8	105.7	107.4
Profit Before Tax	11,637	11,592	15,131	4,014	4,161	8,175	4,512	4,198	16,885
YoY (%)	102.2	99.6	130.5	133.0	116.0	123.8	112.7	92.8	111.6
Profit Before Tax Margin (%)	11.0	10.0	12.0	12.2	12.2	12.2	14.4	11.4	12.5
Profit Attributable to Owners of Parent	8,001	7,293	10,635	2,696	2,770	5,466	3,062	3,116	11,644
YoY (%)	101.9	91.2	145.8	132.1	114.6	122.6	111.8	90.6	109.5
Profit Margin (%)	7.5	6.3	8.4	8.2	8.1	8.2	9.7	8.5	8.6

Per Share Data (Consolidated)

Accounting Period	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2026
Total Number of Shares Issued and Outstanding (Thousand Shares)	49,073	47,591	46,854	41,498	163,955
EPS	172.78	181.41	168.51	253.80	72.94
EPS Adjusted	43.20	45.35	42.13	63.45	72.94
BPS	1376.05	1408.81	1451.61	1440.87	398.60
DPS	70.00	120.00	103.00	127.00	37.00

Note: Because a 4-for-1 stock split was implemented effective October 1, 2025, the EPS and BPS for the fiscal year ended March 31, 2026 are calculated assuming the split occurred at the beginning of the fiscal year. Adjusted EPS figures are calculated by retroactively applying the stock split to prior fiscal periods. DPS figures shown are adjusted for the stock split, with a breakdown of ¥60.00 at the end of the second quarter (pre-split) and ¥22.00 at the end of the fiscal year (post-split). The annual dividend on a pre-split basis, excluding the stock split, is ¥148.

Cash Flows (Millions of Yen)

Accounting Period	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2026
Depreciation and Amortization	532	608	628	703	843
Cash Flows from Operating Activities	7,589	7,642	10,410	9,181	8,929
Cash Flows from Investing Activities	(139)	(931)	(8,516)	(2,322)	92
Cash Flows from Financing Activities	(5,025)	(9,095)	(7,817)	(16,087)	(8,089)

Financial Data (%)

Accounting Period	FY 03/2022	FY 03/2023	FY 03/2024	FY 03/2025	FY 03/2026
Return on Assets (ROA)	14.8	14.9	15.5	18.7	20.5
Return on Equity (ROE)	13.0	13.0	11.8	17.7	19.2
Equity-to-Asset Ratio	78.4	76.1	73.4	72.2	74.5

Source: Prepared by Global IR Co., Ltd. based on company securities reports and company IR materials.
Note: Figures are rounded to the nearest million yen, or to the first decimal place. CE: “Company Estimate”

Disclaimer

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