



Consolidated Financial Results for the Three Months Ended June 30, 2025 [J-GAAP]

August 5, 2025

Company name: Cross Cat Co., Ltd.
 Stock exchange listing: Tokyo
 Code number: 2307
 URL: <https://www.xcat.co.jp>
 Representative: Mitsunori Yamane, President & CEO
 Contact: Tomoki Yamashita, Director and Managing Executive Officer, Corporate Supervisory Department
 Phone: +81-3-3474-5251
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on financial results: No
 Schedule of financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

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

(1) Consolidated operating results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	3,957	2.0	342	12.4	369	7.7	302	35.9
June 30, 2024	3,880	12.2	304	24.8	343	22.6	222	27.0

(Note) Comprehensive income Three months ended June 30, 2025: ¥ 324 million [25.8 %]
 Three months ended June 30, 2024: ¥ 257 million [(1.2) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	21.55	—
June 30, 2024	15.65	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	8,320	5,574	67.0
March 31, 2025	10,526	5,853	55.6

(Reference) Equity: As of June 30, 2025: ¥ 5,574 million
 As of March 31, 2025: ¥ 5,853 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen	Yen	Yen	Yen	Yen
—	—	0.00	—	33.00	33.00
Fiscal year ending March 31, 2026	—	—	—	—	—
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	34.00	34.00

(Note) Revision to the most recently announced dividend forecasts: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026

(April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
First half (cumulative)	8,100	0.7	760	(12.2)	790	(12.1)	500	(14.2)	35.45
Full year	17,100	5.6	1,930	5.1	1,990	4.8	1,350	2.5	95.71

(Note) Revision to the most recently announced financial results forecast: No

* Notes

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

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatements

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatements: No

(4) Total number of shares issued (common shares)

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

June 30, 2025: 17,005,674 shares

March 31, 2025: 17,005,674 shares

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

June 30, 2025: 3,034,174 shares

March 31, 2025: 2,900,874 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 14,044,742 shares

Three months ended June 30, 2024: 14,225,701 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

*Statement for proper use of business forecasts and other cautionary notes:

The forecasts and other forward-looking statements presented in this document are based on information presently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a commitment of achievement by the Company. Actual results may differ materially due to changes in various factors.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of operating results

During the three months ended June 2025 (April 2025 to June 2025; the “period under review”), the Japanese economy continued to show a moderate recovery trend against the backdrop of an improved employment and income environment and rising inbound demand. On the other hand, the economic outlook remains uncertain due to such factors as the risk of an economic downturn resulting from the U.S. trade policy, persistently rising prices, and fluctuations in financial and capital markets.

In the information service industry, where Cross Cat Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) operate, despite ongoing supply-side challenges, such as a shortage of IT personnel, IT investments, including the promotion of Digital Transformation (DX) using cutting-edge technologies such as Cloud Computing and generative AI, will continue to expand steadily in pursuit of solutions to social issues.

Amid such a business environment, the Group has set forth its corporate vision—“To be an independent information services provider that sustainably enhances corporate value and contributes to society”—as its medium- to long-term corporate policy. Guided by this vision, the Group’s new Medium-term Business Plan, “Growing Value 2026,” which was launched in April 2024, has entered its second year. The plan clarifies our strengths and sets out a basic policy of improving our service quality by combining the quality, efficiency, expertise, and know-how, which are the value propositions, while aiming to contribute to our customers’ success. Based on this basic policy, the Group has set five basic strategies: change its business model into one that can offer value; expand asset-based businesses; strengthen the customer base; enhance human resources and organizational capabilities; and leverage the strengths and attributes of each Group company. To achieve the goals of the new Medium-term Business Plan, we are advancing specific initiatives aligned with each strategy.

As a result, net sales for the period under review totaled ¥3,957 million (up 2.0% compared to the previous corresponding period; hereinafter “year-on-year”), which is an increase over the previous corresponding period. The cost to sales ratio improved by 0.6 percentage point, as the Group successfully maintained a high operation rate supported by increased orders in its main businesses and improved productivity, resulting in gross profit of ¥961 million (up 4.5% year-on-year).

Performance by business area is as follows.

SI area

The System Integration (SI) area provides high-quality SI services in system design, development, operation, and maintenance across a wide range of industry sectors, including credit, financial services, public, manufacturing, telecommunications, and distribution, by leveraging the technical expertise and know-how accumulated over many years. In the period under review, sales to the credit sector decreased 22.2% year-on-year due to the completion of large-scale projects in the previous period. Meanwhile, sales to financial services increased 9.5% year-on-year, mainly supported by strong performance in banking system maintenance services. Sales to government agencies, municipalities, and public corporations rose 12.7% year-on-year due to a continued increase in orders related to digitalization initiatives by national and local governments. As a result, net sales in the area totaled ¥3,428 million (up 2.6% year-on-year), and gross profit was ¥834 million (up 4.7% year-on-year).

DX area

The Digital Transformation (DX) area supports various customers’ DX initiatives, such as improving business efficiency and productivity. To this end, we provide services that leverage cutting-edge technologies such as Cloud Computing and generative AI, offer support services and build infrastructure for data utilization, which has long been one of our strengths, and deliver in-house developed systems. In the period under review, sales related to in-house developed systems, which are high value-added services such as a cloud-based attendance management system and self-service BI (business intelligence) tools, remained strong. In addition, orders for cloud-related services remained at the same level as the previous corresponding period amid increasing demand for data utilization. As a result, net sales in the area totaled ¥529 million (down 1.6% year-on-year), and gross profit was ¥126 million (up 3.2% year-on-year).

		Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year change
SI area	Net sales (millions of yen)	3,342	3,428	2.6%
	Gross profit (millions of yen)	797	834	4.7%
DX area	Net sales (millions of yen)	537	529	(1.6)%
	Gross profit (millions of yen)	122	126	3.2%
Total	Net sales (millions of yen)	3,880	3,957	2.0%
	Gross profit (millions of yen)	919	961	4.5%

As for other profits, investments in human capital increased year-on-year as part of our efforts to secure and train human resources, including proactive wage hikes, costs associated with hiring of new graduates and mid-career personnel, and expansion of educational initiatives. However, the increase in human capital investments was more than offset by the increase in net sales and the improvement in the cost to sales ratio, resulting in an operating profit of ¥342 million (up 12.4% year-on-year) and an ordinary profit of ¥369 million (up 7.7% year-on-year). Profit attributable to owners of parent increased 35.9% year-on-year to ¥302 million due to the recording of gain on sale of investment securities resulting from sale of a portion of investment securities as part of initiatives to improve the efficiency of asset holdings and enhance our financial standing.

(2) Explanation of financial position

Total assets at the end of the quarter under review decreased by ¥2,206 million to ¥8,320 million from ¥10,526 million at the end of the previous fiscal year. This was mainly due to a decrease in accounts receivable - trade and contract assets of ¥2,269 million, which was partially offset by an increase in cash and deposits of ¥44 million.

Liabilities decreased by ¥1,927 million to ¥2,745 million from ¥4,672 million at the end of the previous fiscal year. This was mainly due to a decrease in short-term borrowings of ¥1,500 million, a decrease in income taxes payable of ¥250 million, and a decrease in provision for bonuses of ¥190 million.

Net assets decreased by ¥279 million to ¥5,574 million from ¥5,853 million at the end of the previous fiscal year. Main factors include a decrease from dividends paid of ¥465 million and an increase in treasury shares of ¥138 million as a result of repurchases.

As a result, the equity ratio at the end of the quarter under review was 67.0%, up 11.4 percentage points from 55.6% at the end of the previous fiscal year.

(3) Explanation of consolidated financial results forecast and other forward-looking information

The consolidated financial results forecast currently remains unchanged from the consolidated financial results forecast for both the six months ending September 2025 and the full fiscal year as announced on May 13, 2025 in the consolidated financial results for the fiscal year ended March 31, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	2,683,140	2,727,484
Accounts receivable - trade, and contract assets	5,309,416	3,040,185
Other	173,780	223,044
Allowance for doubtful accounts	(5,290)	(3,018)
Total current assets	8,161,046	5,987,695
Non-current assets		
Property, plant and equipment		
Buildings and structures	399,003	400,310
Accumulated depreciation	(152,392)	(158,173)
Buildings and structures, net	246,610	242,137
Tools, furniture and fixtures	346,494	345,097
Accumulated depreciation	(241,411)	(247,084)
Tools, furniture and fixtures, net	105,082	98,013
Leased assets	19,708	19,708
Accumulated depreciation	(15,485)	(16,189)
Leased assets, net	4,223	3,519
Land	147	147
Other	1,500	1,500
Accumulated depreciation	(1,499)	(1,499)
Other, net	0	0
Total property, plant and equipment	356,064	343,817
Intangible assets		
Goodwill	124,711	112,240
Other	111,908	112,391
Total intangible assets	236,620	224,632
Investments and other assets		
Investment securities	1,255,126	1,266,590
Other	517,932	497,632
Total investments and other assets	1,773,059	1,764,222
Total non-current assets	2,365,744	2,332,672
Total assets	10,526,790	8,320,367

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	574,860	586,036
Short-term borrowings	1,500,000	—
Income taxes payable	332,136	81,170
Provision for bonuses	395,362	204,810
Provision for loss on orders received	248	—
Other	898,460	824,976
Total current liabilities	3,701,066	1,696,993
Non-current liabilities		
Retirement benefit liability	626,694	624,314
Asset retirement obligations	199,122	199,470
Other	145,942	224,981
Total non-current liabilities	971,759	1,048,766
Total liabilities	4,672,826	2,745,760
Net assets		
Shareholders' equity		
Share capital	1,000,000	1,000,000
Capital surplus	29,078	29,078
Retained earnings	5,811,532	5,648,739
Treasury shares	(1,723,868)	(1,862,233)
Total shareholders' equity	5,116,741	4,815,584
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	738,653	759,440
Remeasurements of defined benefit plans	(1,430)	(417)
Total accumulated other comprehensive income	737,222	759,023
Total net assets	5,853,964	5,574,607
Total liabilities and net assets	10,526,790	8,320,367

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three months ended June 30

	(Thousands of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	3,880,278	3,957,069
Cost of sales	2,960,616	2,996,037
Gross profit	919,661	961,032
Selling, general and administrative expenses	614,882	618,590
Operating profit	304,778	342,442
Non-operating income		
Dividend income	22,713	26,092
Subsidy income	16,094	1,016
Other	995	3,620
Total non-operating income	39,803	30,728
Non-operating expenses		
Interest expenses	1,297	3,358
Commission expenses	165	165
Total non-operating expenses	1,462	3,523
Ordinary profit	343,119	369,647
Extraordinary income		
Gain on sale of investment securities	—	81,108
Total extraordinary income	—	81,108
Extraordinary losses		
Loss on retirement of non-current assets	577	0
Total extraordinary losses	577	0
Profit before income taxes	342,541	450,756
Income taxes - current	49,114	71,030
Income taxes - deferred	70,739	77,059
Total income taxes	119,854	148,090
Profit	222,687	302,665
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	222,687	302,665

Quarterly Consolidated Statements of Comprehensive Income
Three months ended June 30

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	222,687	302,665
Other comprehensive income		
Valuation difference on available-for-sale securities	34,975	20,787
Remeasurements of defined benefit plans, net of tax	266	1,013
Total other comprehensive income	35,242	21,800
Comprehensive income	257,930	324,466
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	257,930	324,466
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on segment information, etc.)

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

This information is omitted as the Group operates in the single segment of information service business and its associated businesses.

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

This information is omitted as the Group operates in the single segment of information service business and its associated businesses.

(Notes in case of significant changes in shareholders' equity)

The Company repurchased 133,300 treasury shares in accordance with a resolution of the Board of Directors meeting held on May 20, 2025.

As a result, treasury shares increased by ¥138,365 thousand during the three months ended June 30, 2025, resulting in treasury shares of ¥1,862,233 thousand at the end of the quarter under review.

(Notes on going concern assumption)

Not applicable.

(Notes on statements of cash flows)

No quarterly consolidated statements of cash flows have been prepared for the three months ended June 30, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2025 are as follows.

	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	For three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Depreciation	34,772 thousand yen	35,039 thousand yen
Amortization of goodwill	12,471 thousand yen	12,471 thousand yen

(Significant subsequent events)

(Disposal of treasury shares as restricted stock compensation)

By a resolution of the Board of Directors meeting held on July 23, 2025, the Company resolved to dispose of treasury shares as restricted stock compensation as follows.

1. Overview of the disposal

(1) Payment due date	August 15, 2025
(2) Class and number of shares to be disposed	24,600 common shares of the Company
(3) Disposal value	¥1,006 per share
(4) Total disposal value	¥24,747,600
(5) Planned disposal allottees	Five Directors of the Company (*): 13,800 shares Seven Directors of the Company's subsidiaries: 10,800 shares *Excluding Directors who are Audit & Supervisory Committee Members and Outside Directors

2. Objectives of and reasons for disposal

The purpose of the disposal is for Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) to share the benefits and risks of share price fluctuations with the Company's shareholders, thereby increasing their motivation to contribute more than before to raising the Company's share price and enhancing the Company's corporate value.