



Consolidated Financial Results for the Six Months Ended September 30, 2025 [J-GAAP]

November 7, 2025

Company name: Cross Cat Co., Ltd.
 Stock exchange listing: Tokyo
 Code number: 2307
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 Scheduled date of filing semi-annual securities report: November 13, 2025
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on financial results: Yes
 Schedule of financial results briefing session: No

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

1. Consolidated Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	8,223	2.3	881	1.8	914	1.7	665	14.1
September 30, 2024	8,040	12.3	865	29.2	898	26.7	583	23.2

(Note) Comprehensive income Six months ended September 30, 2025: ¥ 736 million [17.3 %]
 Six months ended September 30, 2024: ¥ 628 million [9.5 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	47.47	—
September 30, 2024	41.18	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	9,258	6,011	64.9
March 31, 2025	10,526	5,853	55.6

(Reference) Equity: As of September 30, 2025: ¥ 6,011 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
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	33.00	33.00
Fiscal year ending March 31, 2026	—	0.00			
Fiscal year ending March 31, 2026 (Forecast)			—	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
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 semi-annual 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):

September 30, 2025: 17,005,674 shares

March 31, 2025: 17,005,674 shares

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

September 30, 2025: 3,009,574 shares

March 31, 2025: 2,900,874 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2025: 14,014,239 shares

Six months ended September 30, 2024: 14,160,057 shares

* Semi-annual financial results reports are exempt from reviews by certified public accountants or an audit firm.

* 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.

Contents

1. Overview of Operating Results, etc.	2
(1) Overview of operating results for the period under review	2
(2) Overview of financial position for the period under review	3
(3) Explanation of consolidated financial results forecast and other forward-looking information	4
2. Semi-Annual Consolidated Financial Statements and Principal Notes	5
(1) Semi-Annual Consolidated Balance Sheets.....	5
(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income.....	7
Semi-Annual Consolidated Statements of Income	7
Semi-Annual Consolidated Statements of Comprehensive Income	8
(3) Semi-Annual Consolidated Statements of Cash Flows	9
(4) Notes to Semi-Annual Consolidated Financial Statements	10
(Notes on going concern assumption)	10
(Notes in case of significant changes in shareholders' equity)	10

1. Overview of Operating Results, etc.

(1) Overview of operating results for the period under review

Forward-looking statements in this document are based on judgments made by management as of the end of the second quarter of the fiscal year ending March 31, 2026 (hereinafter the “quarter under review”).

During the six months ended September 2025 (April 2025 to September 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 geopolitical risks.

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 ¥8,223 million (up 2.3% compared to the previous corresponding period; hereinafter “year-on-year”), which is an increase over the previous corresponding period. The cost to sales ratio remained at the same level as the previous corresponding period, as the Group successfully continued to maintain a high operation rate supported by increased orders in its main businesses, resulting in gross profit of ¥1,960 million (up 1.7% 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, government agencies, municipalities, public corporations, 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 28.4% year-on-year due to the completion of large-scale projects in the previous period. Meanwhile, sales to financial services increased 15.8% year-on-year, mainly supported by strong performance in banking system maintenance services. Sales to government agencies, municipalities, and public corporations rose 7.5% 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 ¥7,072 million (up 1.8% year-on-year), and gross profit was ¥1,704 million (up 2.4% 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, such as a cloud-based attendance management system, remained strong. In addition, orders for cloud-related services remained brisk amid increasing demand for data utilization. As a result, net sales in the area totaled ¥1,151 million (up 5.1% year-on-year). On the other hand, as we made upfront investments to expand the cloud-related service business, the cost to sales ratio rose, resulting in gross profit of ¥255 million (down 2.2% year-on-year).

		Six months ended September 30, 2024	Six months ended September 30, 2025	Year-on-year change
SI area	Net sales (millions of yen)	6,945	7,072	1.8%
	Gross profit (millions of yen)	1,665	1,704	2.4%
DX area	Net sales (millions of yen)	1,095	1,151	5.1%
	Gross profit (millions of yen)	261	255	(2.2)%
Total	Net sales (millions of yen)	8,040	8,223	2.3%
	Gross profit (millions of yen)	1,927	1,960	1.7%

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 an increase in profit driven by increased revenue, resulting in an operating profit of ¥881 million (up 1.8% year-on-year) and an ordinary profit of ¥914 million (up 1.7% year-on-year). Profit attributable to owners of parent increased 14.1% year-on-year to ¥665 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) Overview of financial position for the period under review

Total assets at the end of the quarter under review decreased by ¥1,267 million to ¥9,258 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 ¥1,587 million, which was partially offset by an increase in cash and deposits of ¥222 million.

Liabilities decreased by ¥1,425 million to ¥3,247 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 ¥1,200 million.

Net assets increased by ¥157 million to ¥6,011 million from ¥5,853 million at the end of the previous fiscal year. Main factors include an increase as a result of recording profit attributable to owners of parent of ¥665 million, an increase in valuation difference on available-for-sale securities of ¥69 million, a decrease from dividends paid of ¥465 million, and an increase in treasury shares of ¥123 million primarily as a result of repurchases.

As a result, the equity ratio at the end of the quarter under review was 64.9%, up 9.3 percentage points from 55.6% at the end of the previous fiscal year.

(Status of cash flows)

Cash and cash equivalents at the end of the quarter under review totaled ¥2,906 million, up ¥222 million from the end of the previous fiscal year.

The status of each cash flow and their factors for the period under review are as follows.

(Cash flows from operating activities)

Cash flows from operating activities resulted in a net inflow of ¥1,953 million (a net inflow of ¥789 million was reported in the same period of the previous fiscal year). The inflow was mainly attributable to a profit before income taxes of ¥991 million and a decrease in trade receivables of ¥2,423 million. The outflow was mainly attributable to an increase in notes and accounts receivable - contract assets of ¥835 million and income taxes paid of ¥306 million.

(Cash flows from investing activities)

Cash flows from investing activities resulted in a net inflow of ¥67 million (a net outflow of ¥32 million was reported in the same period of the previous fiscal year). The inflow was mainly attributable to proceeds from sale of investment securities of ¥100 million. The outflow was mainly attributable to purchase of property, plant and equipment of ¥18 million and purchase of intangible assets of ¥13 million.

(Cash flows from financing activities)

Cash flows from financing activities resulted in a net outflow of ¥1,798 million (a net outflow of ¥1,634 million was reported in the same period of the previous fiscal year). The outflow was mainly attributable to net decrease in short-term borrowings of ¥1,200 million, dividends paid of ¥460 million, and purchase of treasury shares of ¥138 million.

(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 the full fiscal year as announced on May 13, 2025 in the consolidated financial results for the fiscal year ended March 31, 2025.

2. Semi-Annual Consolidated Financial Statements and Principal Notes

(1) Semi-Annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	2,683,140	2,906,012
Accounts receivable - trade, and contract assets	5,309,185	3,721,297
Other	174,011	220,993
Allowance for doubtful accounts	(5,290)	(3,703)
Total current assets	8,161,046	6,844,599
Non-current assets		
Property, plant and equipment		
Buildings and structures	399,003	407,110
Accumulated depreciation	(152,392)	(161,316)
Buildings and structures, net	246,610	245,794
Tools, furniture and fixtures	346,494	353,357
Accumulated depreciation	(241,411)	(234,378)
Tools, furniture and fixtures, net	105,082	118,979
Leased assets	19,708	19,708
Accumulated depreciation	(15,485)	(16,893)
Leased assets, net	4,223	2,815
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	367,736
Intangible assets		
Goodwill	124,711	99,769
Other	111,908	105,001
Total intangible assets	236,620	204,771
Investments and other assets		
Investment securities	1,255,126	1,337,647
Other	517,932	504,077
Total investments and other assets	1,773,059	1,841,724
Total non-current assets	2,365,744	2,414,232
Total assets	10,526,790	9,258,831

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	574,860	630,709
Short-term borrowings	1,500,000	300,000
Income taxes payable	332,136	339,981
Provision for bonuses	395,362	311,114
Provision for loss on orders received	248	11,962
Other	898,460	637,381
Total current liabilities	3,701,066	2,231,149
Non-current liabilities		
Retirement benefit liability	626,694	624,711
Asset retirement obligations	199,122	199,819
Other	145,942	191,535
Total non-current liabilities	971,759	1,016,065
Total liabilities	4,672,826	3,247,215
Net assets		
Shareholders' equity		
Share capital	1,000,000	1,000,000
Capital surplus	29,078	38,727
Retained earnings	5,811,532	6,011,327
Treasury shares	(1,723,868)	(1,847,135)
Total shareholders' equity	5,116,741	5,202,919
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	738,653	808,100
Remeasurements of defined benefit plans	(1,430)	595
Total accumulated other comprehensive income	737,222	808,696
Total net assets	5,853,964	6,011,616
Total liabilities and net assets	10,526,790	9,258,831

(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income
Semi-Annual Consolidated Statements of Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	8,040,718	8,223,798
Cost of sales	6,113,597	6,263,087
Gross profit	1,927,121	1,960,710
Selling, general and administrative expenses	1,061,698	1,079,710
Operating profit	865,423	881,000
Non-operating income		
Dividend income	22,713	26,092
Subsidy income	9,358	2,567
Other	3,101	8,173
Total non-operating income	35,173	36,832
Non-operating expenses		
Interest expenses	1,716	3,412
Commission expenses	165	255
Total non-operating expenses	1,881	3,668
Ordinary profit	898,715	914,164
Extraordinary income		
Gain on sale of investment securities	—	81,108
Insurance claim income	4,000	—
Total extraordinary income	4,000	81,108
Extraordinary losses		
Loss on sale of non-current assets	28,916	—
Loss on retirement of non-current assets	577	3,660
Total extraordinary losses	29,494	3,660
Profit before income taxes	873,221	991,612
Income taxes - current	281,378	313,281
Income taxes - deferred	8,790	13,077
Total income taxes	290,169	326,358
Profit	583,051	665,253
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	583,051	665,253

Semi-Annual Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	583,051	665,253
Other comprehensive income		
Valuation difference on available-for-sale securities	44,613	69,447
Remeasurements of defined benefit plans, net of tax	533	2,026
Total other comprehensive income	45,147	71,474
Comprehensive income	628,199	736,727
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	628,199	736,727
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-Annual Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	873,221	991,612
Depreciation	73,264	65,794
Amortization of goodwill	24,942	24,942
Share-based payment expenses	12,909	12,775
Increase (decrease) in allowance for doubtful accounts	(461)	(1,586)
Increase (decrease) in provision for bonuses	(19,604)	(84,247)
Increase (decrease) in retirement benefit liability	11,841	937
Increase (decrease) in provision for loss on orders received	(2,859)	11,714
Interest and dividend income	(22,880)	(28,666)
Interest expenses	1,716	3,412
Loss (gain) on sale of property, plant and equipment	28,916	—
Loss on retirement of non-current assets	577	3,660
Decrease (increase) in notes and accounts receivable - contract assets	(1,291,545)	(835,181)
Decrease (increase) in trade receivables	1,757,887	2,423,300
Decrease (increase) in inventories	1,860	(56)
Increase (decrease) in trade payables	(13,150)	55,849
Loss (gain) on sale of investment securities	—	(81,108)
Other, net	(293,024)	(329,109)
Subtotal	1,143,611	2,234,042
Interest and dividends received	22,880	28,666
Interest paid	(1,414)	(2,802)
Income taxes paid	(375,483)	(306,161)
Net cash provided by (used in) operating activities	789,594	1,953,745
Cash flows from investing activities		
Purchase of property, plant and equipment	(20,936)	(18,986)
Proceeds from sale of property, plant and equipment	2,772	—
Proceeds from sale of investment securities	—	100,000
Purchase of intangible assets	(32,443)	(13,216)
Payments of leasehold and guarantee deposits	(30,219)	—
Proceeds from refund of leasehold and guarantee deposits	48,646	20
Net cash provided by (used in) investing activities	(32,181)	67,816
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,015,000)	(1,200,000)
Dividends paid	(395,503)	(460,324)
Purchase of treasury shares	(223,896)	(138,365)
Net cash provided by (used in) financing activities	(1,634,400)	(1,798,689)
Net increase (decrease) in cash and cash equivalents	(876,987)	222,872
Cash and cash equivalents at beginning of period	2,339,462	2,683,140
Cash and cash equivalents at end of period	1,462,475	2,906,012

(4) Notes to Semi-Annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(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. In addition, the Company used 24,600 treasury shares as restricted stock compensation on August 15, 2025, in accordance with a resolution of the Board of Directors meeting held on July 23, 2025. As a result, capital surplus and treasury shares increased by ¥9,649 thousand and ¥123,267 thousand, respectively, during the six months ended September 30, 2025, resulting in a capital surplus of ¥38,727 thousand and treasury shares of ¥1,847,135 thousand at the end of the quarter under review.