

November 11, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Densan System Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 4072
 URL: <http://www.ds-hd.co.jp/>
 Representative: Ryoji Kobayashi, President, Representative Director
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2025	50,180	11.2	2,677	83.2	2,830	74.5	2,235	163.8
September 30, 2024	45,106	2.1	1,461	(52.2)	1,622	(48.0)	847	(59.2)

Note: Comprehensive income For the nine months ended September 30, 2025: ¥2,306 million [162.2%]
 For the nine months ended September 30, 2024: ¥879 million [(60.2)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	209.31	-
September 30, 2024	79.66	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	73,351	23,847	32.2
December 31, 2024	61,747	22,294	35.8

Reference: Equity
 As of September 30, 2025: ¥23,629 million
 As of December 31, 2024: ¥22,083 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	20.00	-	40.00	60.00
Fiscal year ending December 31, 2025	-	40.00	-		
Fiscal year ending December 31, 2025 (Forecast)				40.00	80.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(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 December 31, 2025	67,500	10.2	3,500	51.4	3,530	39.3	2,530	36.7	236.82

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 company (Micro Research Inc.)

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

- (3) 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: None

(iv) Restatement: None

- (4) Number of issued shares (common shares)

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

As of September 30, 2025	10,798,341 shares
As of December 31, 2024	10,795,550 shares

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

As of September 30, 2025	100,641 shares
As of December 31, 2024	133,421 shares

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

Nine months ended September 30, 2025	10,681,554 shares
Nine months ended September 30, 2024	10,637,261 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:None

- * Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For details on the conditions on which earnings forecasts are based and precautions for using earnings forecasts, please refer to Appendix P.2 "(3) Explanation of Forward-Looking Information on Consolidated Earnings Forecasts and Other Forward-Looking Information."

Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	19,279	21,680
Money held in trust	15,531	21,321
Notes and accounts receivable - trade, and contract assets	11,164	13,032
Merchandise and finished goods	660	1,144
Work in process	398	756
Prepaid expenses	6,016	6,499
Other	838	1,135
Allowance for doubtful accounts	(12)	(25)
Total current assets	53,876	65,545
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,268	1,172
Land	791	791
Other, net	658	631
Total property, plant and equipment	2,718	2,595
Intangible assets		
Goodwill	461	376
Customer-related assets	513	477
Software	705	671
Software in progress	64	144
Other	0	0
Total intangible assets	1,745	1,669
Investments and other assets		
Investment securities	2,355	2,512
Deferred tax assets	635	554
Guarantee deposits	393	440
Other	104	114
Allowance for doubtful accounts	(82)	(81)
Total investments and other assets	3,407	3,541
Total non-current assets	7,870	7,805
Total assets	61,747	73,351

	As of December 31, 2024	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	5,072	7,209
Short-term borrowings	-	5,000
Current portion of bonds payable	7	-
Current portion of long-term borrowings	206	129
Income taxes payable	455	206
Contract liabilities	9,228	10,008
Deposits received of storage agency	19,370	23,397
Provision for bonuses	87	434
Provision for bonuses for directors (and other officers)	23	23
Provision for loss on orders received	899	26
Provision for shareholder benefit program	46	-
Other	2,404	1,757
Total current liabilities	37,804	48,194
Non-current liabilities		
Bonds payable	15	-
Long-term borrowings	846	586
Deferred tax liabilities	177	165
Provision for retirement benefits for directors (and other officers)	208	148
Retirement benefit liability	121	99
Asset retirement obligations	26	26
Provision for loss on guarantees	-	22
Other	252	260
Total non-current liabilities	1,648	1,309
Total liabilities	39,452	49,503
Net assets		
Shareholders' equity		
Share capital	2,496	2,503
Capital surplus	2,628	2,628
Retained earnings	17,323	18,695
Treasury shares	(420)	(316)
Total shareholders' equity	22,027	23,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	55	118
Total accumulated other comprehensive income	55	118
Non-controlling interests	211	218
Total net assets	22,294	23,847
Total liabilities and net assets	61,747	73,351

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Net sales	45,106	50,180
Cost of sales	38,393	41,997
Gross profit	6,713	8,182
Selling, general and administrative expenses	5,252	5,505
Operating profit	1,461	2,677
Non-operating income		
Interest income	3	44
Dividend income	107	16
Commission income	25	22
Gain on sale of investment securities	5	15
Gain on investments in investment partnerships	1	126
Gain on sale of non-current assets	1	0
Debt prescripton profit	5	7
Gain on sale of businesses	50	-
Other	12	12
Total non-operating income	213	244
Non-operating expenses		
Interest expenses	9	16
Share of loss of entities accounted for using equity method	12	32
Loss on sale of non-current assets	6	2
Foreign exchange losses	2	17
Loss on valuation of derivatives	19	1
Provision of allowance for doubtful accounts	-	20
Other	1	0
Total non-operating expenses	52	91
Ordinary profit	1,622	2,830
Extraordinary losses		
Impairment losses	245	-
Loss on valuation of investment securities	87	-
Loss on sale of shares of subsidiaries and associates	-	15
Total extraordinary losses	333	15
Profit before income taxes	1,289	2,814
Income taxes - current	862	514
Income taxes - deferred	(442)	57
Total income taxes	419	571
Profit	869	2,243
Profit attributable to non-controlling interests	22	7
Profit attributable to owners of parent	847	2,235

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit	869	2,243
Other comprehensive income		
Valuation difference on available-for-sale securities	6	63
Deferred gains or losses on hedges	1	-
Share of other comprehensive income of entities accounted for using equity method	2	-
Total other comprehensive income	9	63
Comprehensive income	879	2,306
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	857	2,298
Comprehensive income attributable to non-controlling interests	22	7

(Notes on segment information, etc.)
Segment Information
I. The nine months of the previous fiscal year (January 1, 2024 to September 30, 2024)
1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	27,363	17,742	45,106	-	45,106
Transactions with other segments	98	0	98	(98)	-
Total	27,462	17,742	45,205	(98)	45,106
Segment profit (loss)	(460)	1,912	1,451	9	1,461

Note: 1. The adjustment amount for segment profit is the difference in the allocation of administrative expenses incurred by the reporting segment.
2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.
2. Information on impairment losses or goodwill on fixed assets by reporting segment
In the Information Services segment, we recorded an impairment loss on fixed assets. The amount of the impairment loss recorded was 245 million yen in the nine months of the current fiscal year.
II. The nine months of the current fiscal year (January 1, 2025 to September 30, 2025)
1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	31,389	18,790	50,180	-	50,180
Transactions with other segments	18	0	18	(18)	-
Total	31,408	18,791	50,199	(18)	50,180
Segment profit (loss)	605	2,067	2,673	3	2,677

Note: 1. The adjustment amount for segment profit is the difference in the allocation of administrative expenses incurred by the reporting segment.
2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.
2. Information on impairment losses or goodwill on fixed assets by reporting segment
Not applicable.