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February 12, 2026

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

Company name: DENTSU SOKEN INC.  
Listing: Tokyo Stock Exchange  
Securities code: 4812  
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Scheduled date of annual general meeting of shareholders: March 23, 2026  
Scheduled date to commence dividend payments: March 24, 2026  
Scheduled date to file annual securities report: March 18, 2026  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes (For analysts and institutional investors)

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

### 1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025, to December 31, 2025)

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Net profit (loss) *	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	164,865	8.0	22,888	8.8	23,618	12.0	16,365	8.3
December 31, 2024	152,642	7.0	21,039	0.1	21,093	(0.7)	15,117	3.1

\* Profit attributable to owners of parent

Note: Comprehensive income: For the fiscal year ended December 31, 2025: ¥16,566 million (up 7.8%); For the fiscal year ended December 31, 2024: ¥15,373 million (up 3.0%)

	EPS	Diluted EPS	ROE	ROA	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2025	83.83	—	17.1	15.1	13.9
December 31, 2024	77.44	—	17.4	15.0	13.8

Reference: Equity in earnings of affiliated companies: For the fiscal year ended December 31, 2025: ¥99 million; For the fiscal year ended December 31, 2024: (¥46 million)

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. "EPS" is calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	BPS
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	165,055	100,159	60.7	513.17
December 31, 2024	147,331	91,194	61.9	467.13

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income): As of December 31, 2025: ¥100,159 million; As of December 31, 2024: ¥91,194 million

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. "BPS" is calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

#### (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
December 31, 2025	19,064	(2,956)	(8,552)	69,419
December 31, 2024	23,721	(11,886)	(7,982)	61,722

## 2. Cash dividends

	Annual dividends per share					Total dividends paid (Annual)	Payout ratio (Consolidated)	Dividend on equity ratio (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 December 31, 2024	—	54.00	—	54.00	108.00	7,037	46.5	8.1
Fiscal year ended December 31, 2025	—	58.00	—	62.00	120.00	7,819	47.7	8.2
Fiscal year ending December 31, 2026 (forecast)	—	22.50	—	22.50	45.00		48.8	

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. "Cash dividends" prior to the year ended December 31, 2025 are the actual amount of dividends prior to the stock split. The forecast for the fiscal year ending December 31, 2026 is stated in consideration of the impact of the stock split.

## 3. Consolidated financial results forecast for the fiscal year ending December 31, 2026 (from January 1, 2026, to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Net profit (loss) *		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	87,000	8.4	12,000	12.6	12,300	10.7	8,500	10.6	43.55
Full year	182,000	10.4	25,500	11.4	26,100	10.5	18,000	10.0	92.22

\*Profit attributable to owners of parent

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. The impact of the stock split is taken into account for the "EPS" in the forecast for the fiscal year ending December 31, 2026.

## Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimate, and restatement:

(i) Changes in accounting policies in accordance with revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to reasons other than (i) above: None

(iii) Changes in accounting estimate: None

(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 December, 31, 2025	195,547,440 shares	As of December, 31, 2024	195,547,440 shares
(ii) Number of treasury shares at end of period:	As of December, 31, 2025	370,047 shares	As of December, 31, 2024	323,463 shares
(iii) Average number of shares outstanding during the period:	As of December, 31, 2025	195,215,698 shares	As of December, 31, 2024	195,220,670 shares

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. "Total number of issued shares at the end of the period", "Number of treasury shares at end of period", and "Average number of shares outstanding during the period" have been calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

**(Reference) Summary of non-consolidated business performance****1. Non-consolidated business performance for the fiscal year ended December 31, 2025 (from January 1, 2025, to December 31, 2025)****(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Net Profit (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	140,912	6.7	19,552	7.9	22,261	7.3	15,665	(4.6)
December 31, 2024	132,065	7.0	18,117	7.5	20,739	7.5	16,420	15.2

	EPS	Diluted EPS
Fiscal year ended	Yen	Yen
December 31, 2025	80.25	—
December 31, 2024	84.11	—

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. “EPS” share is calculated as if the stock split had taken place at the beginning of the previous fiscal year.

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

	Total assets	Net assets	Equity ratio	BPS
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	151,356	90,840	60.0	465.42
December 31, 2024	134,782	82,671	61.3	423.47

Reference: Shareholders' equity: As of December 31, 2025: ¥90,840 million; As of December 31, 2024: ¥82,671 million

Note: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. “BPS” is calculated as if the stock split had taken place at the beginning of the previous fiscal year.

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

**\* Proper use of financial results forecast, and other special matters**

The forecast figures presented above are based on information available at the time of release and represent our current outlook. They are not intended as a guarantee of achievement by us. Actual results may differ materially from these forecasts due to changes in business conditions and other factors.



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# I. Qualitative information on the consolidated financial results for the period under review

## 1. Operating results

(1) Results for FY2025 (Ended December 31, 2025)

(Millions of yen)

	FY2024 (cumulative)	FY2025 (cumulative)	YoY change	
			Amount	%
Net sales	152,642	164,865	12,223	8.0
Operating profit	21,039	22,888	1,849	8.8
Operating profit margin	13.8%	13.9%	0.1pt	—
Ordinary profit	21,093	23,618	2,525	12.0
Profit attributable to owners of parent	15,117	16,365	1,248	8.3
ROE	17.4%	17.1%	(0.3pt)	—

During the current consolidated fiscal year under review (from January 1, 2025, to December 31, 2025), the Japanese economy continued to show a moderate recovery trend with improvement in the employment and income environment. The business environment surrounding our group also remained firm, with strong corporate appetite for digital investment. On the other hand, looking ahead, concerns remain regarding the potential impact on the domestic economy from global policy developments, financial market volatility, and geopolitical risks, resulting in an uncertain outlook.

Amid these circumstances, we started a three-year medium-term management plan "Contributing to Progress in Society 2027," the second phase of our efforts to realize our long-term management vision "Vision 2030" from the current consolidated fiscal year. The title, "Contributing to Progress in Society," is the name of the business concept established by our group for 2024 and summarizes a new form of business in which think tank, consulting, and system integration functions will work together to create a cycle from the proposal of issues to their resolution through technology. We will strengthen and leverage our core capabilities to broadly contribute to addressing the challenges faced by companies and society, and to support and implement progress toward a better society.

This medium-term management plan is built around three basic policies of "Addition of value to corporate and social transformation," "Enhancement of competitive solutions," and "Strengthening of management", the medium-term management plan sets five quantitative targets (net sales of ¥210 billion, operating profit of ¥31.5 billion, operating profit margin of 15.0%, and ROE of 18.0% or higher for the year ending December 2027, with a total number of 6,000 employees). We will aim for further growth through more aggressive challenges than ever before, taking advantage of the business base expanded under the previous medium-term management plan.

As a result of these initiatives, for the current consolidated fiscal year, net sales were ¥164,865 million (up 8.0% year on year), operating profit was ¥22,888 million (up 8.8% year on year), ordinary profit was ¥23,618 million (up 12.0% year on year), and profit attributable to owners of parent was ¥16,365 million (up 8.3% year on year).

Net sales increased across all segments, led mainly by the Business Solutions segment and the Communication IT segment. Operating profit increased despite costs associated with the retirement of intangible assets related to in-house software and higher selling, general and administrative expenses, all profit items increased due to the effect of higher sales.

As a result, net sales have reached record highs for 10 consecutive years, and operating profit and profit attributable to owners of parent have reached record highs for eight consecutive years.

In order to implement the growth strategy in the current medium-term management plan, from the first quarter of the current consolidated fiscal year, the business classifications under the reportable segments have been changed. As a result, the results for the previous consolidated fiscal year are presented using the figures reclassified into the new classifications for comparison and analysis.

Net sales, operating profit, and operating activities by reportable segment are as follows.

Net sales and operating profit (loss) by reportable segment

(Millions of yen)

Reportable segment	FY2024 (cumulative)			FY2025 (cumulative)			YoY change	
	Net sales	Operating profit	Operating margin	Net sales	Operating profit	Operating margin	Net sales	Operating profit
Financial Solutions	34,050	4,348	12.8%	34,832	4,459	12.8%	782	111
Business Solutions	23,626	5,319	22.5%	28,013	6,994	25.0%	4,387	1,675
Manufacturing Solutions	60,564	8,574	14.2%	61,039	7,549	12.4%	475	(1,025)
Communication IT	34,401	2,797	8.1%	40,980	3,886	9.5%	6,579	1,089
Total	152,642	21,039	13.8%	164,865	22,888	13.9%	12,223	1,849

Operating activities by reportable segment

#### Financial Solutions

The main business of this segment is providing solutions that support business transformation in the financial industry and the utilization of financial services functions by general operating companies.

Net sales and operating profit increased due to the expansion of custom system development projects for mega banks and trust banks, as well as the expansion of implementation projects for BANK R, a loan solution, for government-affiliated financial institutions and major credit unions.

#### Business Solutions

The main business of this segment is providing solutions that support the sophistication of business management operations of corporates, centered on human resources and accounting.

Net sales and operating profit increased due to the expansion of implementation projects for STRAVIS, a consolidated accounting solution, mainly for trading companies, and the expansion of implementation projects for POSITIVE, an integrated HCM solution, for the electric power and gas industries and the retail industry.

#### Manufacturing Solutions

The main business of this segment is providing solutions that support the enhancement of business processes and value chains in the manufacturing industry.

Net sales increased due to the expansion of CAE and PLM solution sales to the transportation equipment industry, despite a decrease in SAP introductions. Operating profit declined due to a decrease in profitable third-party software add-on development projects and higher personnel expenses.

#### Communication IT

The main business of this segment is providing solutions that support corporate marketing transformation and digital reform initiatives for government agencies and municipalities.

Net sales and operating profit increased due to the expansion of business for the public sector and the Dentsu Group, as well as the contribution of Mitsue-Links Co., Ltd., which was included in the scope of consolidation from the third quarter of the previous fiscal year.

## (2) Forecasts for FY2026 (Ending December 31, 2026)

The next fiscal year will be the second year of our medium-term management plan, “Contributing to Progress in Society 2027.” We will accelerate investment in human capital and our proprietary solutions to build a foundation for sustainable growth, and aim for growth that exceeds that of the first year as we work toward achieving the quantitative targets for the fiscal year ending December 2027.

The forecast of consolidated financial results for the next fiscal year is as follows.

Consolidated Earnings Forecasts for FY 2026 (from January 1, 2026, to December 31, 2026)

(Millions of yen)

	Amount	YoY % change
Net sales	182,000	10.4
Operating profit	25,500	11.4
Ordinary profit	26,100	10.5
Profit attributable to owners of parent	18,000	10.0

Note: Forecast figures are projections based on information available at the time of release, are not intended as a guarantee that we will achieve these targets. Actual results may differ significantly from the above forecasts as a result of changes in the business environment and other factors.

## 2. Analysis of financial position

### (1) Status of assets, liabilities and net assets

#### Assets

Total assets at the end of the current consolidated fiscal year increased by ¥17,724 million from the end of the previous consolidated fiscal year to ¥165,055 million. Current assets increased by ¥17,865 million from the end of the previous consolidated fiscal year to ¥136,923 million, due to an increase in accounts receivable - trade and deposits, as well as an increase in advance payments related to maintenance and subscription-type service contracts for customers. Non-current assets decreased by ¥142 million from the end of the previous consolidated fiscal year to ¥28,131 million, mainly due to the continued amortization of goodwill and customer-related assets.

#### Liabilities

Total liabilities at the end of the current consolidated fiscal year increased by ¥8,759 million from the end of the previous consolidated fiscal year to ¥64,896 million. Current liabilities increased by ¥8,405 million from the end of the previous consolidated fiscal year to ¥60,949 million, mainly due to an increase in trade payables. Non-current liabilities increased by ¥355 million from the end of the previous consolidated fiscal year to ¥3,947 million.

#### Net assets

Net assets at the end of the current consolidated fiscal year increased by ¥8,965 million from the end of the previous consolidated fiscal year to ¥100,159 million, mainly as a result of an increase in retained earnings due to the recording of profit attributable to owners of parent, despite the payment of dividends from retained earnings.



## (2) Status of cash flows

Cash and cash equivalents (hereinafter referred to as "cash") on a consolidated basis at the end of the fiscal year under review increased by ¥7,697 million from the end of the previous consolidated fiscal year to ¥69,419 million.

### Cash flows from operating activities

Cash increased by ¥19,064 million, as income before income taxes and minority interests exceeded payments for income taxes.

Compared with the same period of the previous consolidated fiscal year, cash inflows decreased by ¥4,657 million, mainly due to a decrease in cash resulting from an increase in accounts receivable – trade and an increase in advance payments related to the provision of maintenance and subscription-type services for customers, despite an increase in cash resulting from an increase in trade payables.

### Cash flows from investing activities

Cash decreased by ¥2,956 million due to the acquisition of fixed assets such as software and others. Compared with the same period of the previous consolidated fiscal year, expenditures decreased by ¥8,930 million, mainly due to the absence of the expenditure for the acquisition of shares of Mitsue-Links Co., Ltd. that was recorded in the previous fiscal year.

### Cash flows from financing activities

Cash decreased by ¥8,552 million due to the payment of dividends and the repayment of lease liabilities. Compared with the same period of the previous consolidated fiscal year, cash outflow increased by ¥570 million due to an increase in expenditures for the acquisition of treasury shares.

Major indicators are as follows.

	FY2023	FY2024	FY2025
Shareholders' equity ratio (%)	62.2	61.9	60.7
Equity ratio based on market value (%)	279.2	258.4	328.8
Interest-bearing debt to cash flow ratio (years)	0.2	0.1	0.1
Interest coverage ratio (times)	473.0	648.1	469.2

Equity ratio = Equity capital/Total assets

Equity ratio based on market value: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: interest-bearing debt/cash flow

Interest coverage ratio: Cash flows/Interest payments

Note 1: All figures are calculated based on consolidated financial figures.

Note 2: Market capitalization is calculated based on the number of issued shares excluding treasury stock.

Note 3: Cash flow is based on operating cash flow.

Note 4: Interest-bearing debt includes all liabilities on the consolidated balance sheets for which interest is paid.

### **3. Basic policy regarding earnings distribution, and dividends for FY2025 and FY2026**

Our group's basic policy on dividends is to continue providing appropriate and stable dividends while securing retained earnings to achieve sustainable growth. Under this basic policy, we aim to enhance shareholder returns through earnings growth and an improved dividend payout ratio. Regarding the consolidated dividend payout ratio, we intend to achieve a level of 50% in the fiscal year ending December 31, 2027.

We had planned to pay a year-end dividend of ¥58 per share. However, based on the above policy and consolidated results for the fiscal year under the review, we increased the dividend by ¥4 from the most recent dividend forecast to ¥62 per share. Combined with the interim dividend already paid, the annual dividend is expected to be ¥120 per share (up ¥12 from the previous fiscal year), for a consolidated dividend payout ratio of 47.7%.

In addition, we conducted a 3-for-1 stock split of our common stock, effective January 1, 2026. For the next fiscal year ending December 31, 2026, the dividend forecast on a post-split basis is ¥45 per share (¥22.50 at the end of the first half and ¥22.50 at year-end). This represents an increase of ¥5 per share compared with the current fiscal year on a post-split basis. The consolidated dividend payout ratio is expected to be 48.8%.

## **II. Basic approach to selection of accounting standards**

Our group applies Japanese GAAP. Our policy is to respond to the application of IFRS (International Financial Reporting Standards) after considering various domestic and overseas conditions.

### III. Consolidated financial statements and primary notes

#### 1. Consolidated balance sheets

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	6,354	8,363
Notes and accounts receivable - trade, and contract assets	33,560	37,791
Merchandise and finished goods	106	50
Raw materials and supplies	14	27
Advance payments to suppliers	21,629	26,508
Deposits paid	55,961	61,863
Other	1,430	2,319
Total current assets	119,058	136,923
Non-current assets		
Property, plant and equipment		
Buildings, net	1,137	1,105
Vehicles, net	17	17
Tools, furniture and fixtures, net	415	528
Land	524	524
Leased assets, net	1,455	1,888
Construction in progress	22	29
Total property, plant and equipment	3,572	4,094
Intangible assets		
Software	5,581	5,624
Goodwill	5,532	4,896
Leased assets	481	308
Customer-related intangible assets	3,096	2,770
Other	5	5
Total intangible assets	14,696	13,604
Investments and other assets		
Investment securities	3,388	3,650
Deferred tax assets	2,608	2,788
Leasehold and guarantee deposits	3,849	3,799
Other	158	194
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	10,004	10,432
Total non-current assets	28,273	28,131
Total assets	147,331	165,055

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	15,083	19,922
Lease liabilities	807	804
Accrued expenses	6,485	6,877
Income taxes payable	3,721	5,012
Contract liabilities	18,939	19,939
Provision for loss on orders received	98	6
Provision for share awards	256	5
Other	7,152	8,380
Total current liabilities	52,544	60,949
Non-current liabilities		
Lease liabilities	1,149	1,415
Retirement benefit liability	103	123
Asset retirement obligations	954	947
Provision for share awards	—	142
Other	1,385	1,317
Total non-current liabilities	3,592	3,947
Total liabilities	56,137	64,896
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,180	8,180
Capital surplus	15,270	15,270
Retained earnings	66,858	75,925
Treasury shares	(389)	(693)
Total shareholders' equity	89,920	98,683
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	222	327
Foreign currency translation adjustment	1,051	1,148
Total accumulated other comprehensive income	1,274	1,475
Total net assets	91,194	100,159
Total liabilities and net assets	147,331	165,055

## 2. Consolidated statements of income and consolidated statements of comprehensive income

[Consolidated statements of income]

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	152,642	164,865
Cost of sales	96,519	104,489
Gross profit	56,123	60,376
Selling, general and administrative expenses	35,083	37,487
Operating profit	21,039	22,888
Non-operating income		
Interest and dividend income	188	478
Share of profit of entities accounted for using equity method	—	99
Foreign exchange gains	—	20
Dividend income of insurance	51	22
Subsidy income	48	36
Gain on investments in investment partnerships	—	15
Miscellaneous income	29	109
Total non-operating income	318	783
Non-operating expenses		
Interest expenses	36	40
Share of loss of entities accounted for using equity method	46	—
Foreign exchange losses	123	—
Loss on investments in investment partnerships	50	—
Miscellaneous losses	7	12
Total non-operating expenses	264	53
Ordinary profit	21,093	23,618
Extraordinary income		
Gain on sale of investment securities	326	—
Total extraordinary income	326	—
Extraordinary losses		
Impairment losses	67	—
Loss on termination of retirement benefit plan	—	14
Total extraordinary losses	67	14
Profit before income taxes	21,351	23,604
Income taxes - current	6,128	7,573
Income taxes - deferred	105	(333)
Total income taxes	6,233	7,239
Profit	15,117	16,365
Profit attributable to owners of parent	15,117	16,365

[Consolidated statements of comprehensive income]

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	15,117	16,365
Other comprehensive income		
Valuation difference on available-for-sale securities	(63)	104
Foreign currency translation adjustment	319	96
Total other comprehensive income	256	201
Comprehensive income	15,373	16,566
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,373	16,566

### 3. Consolidated statements of changes in net assets

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,180	15,270	58,909	(406)	81,953
Changes during period					
Dividends of surplus			(7,168)		(7,168)
Profit attributable to owners of parent			15,117		15,117
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				18	18
Net changes in items other than shareholders' equity					
Total changes during period	—	—	7,949	17	7,967
Balance at end of period	8,180	15,270	66,858	(389)	89,920

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	285	732	1,018	82,971
Changes during period				
Dividends of surplus				(7,168)
Profit attributable to owners of parent				15,117
Purchase of treasury shares				(0)
Disposal of treasury shares				18
Net changes in items other than shareholders' equity	(63)	319	256	256
Total changes during period	(63)	319	256	8,223
Balance at end of period	222	1,051	1,274	91,194

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,180	15,270	66,858	(389)	89,920
Changes during period					
Dividends of surplus			(7,298)		(7,298)
Profit attributable to owners of parent			16,365		16,365
Purchase of treasury shares				(576)	(576)
Disposal of treasury shares		0		271	272
Net changes in items other than shareholders' equity					
Total changes during period	—	0	9,066	(304)	8,763
Balance at end of period	8,180	15,270	75,925	(693)	98,683

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	222	1,051	1,274	91,194
Changes during period				
Dividends of surplus				(7,298)
Profit attributable to owners of parent				16,365
Purchase of treasury shares				(576)
Disposal of treasury shares				272
Net changes in items other than shareholders' equity	104	96	201	201
Total changes during period	104	96	201	8,964
Balance at end of period	327	1,148	1,475	100,159



#### 4. Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	21,351	23,604
Depreciation	3,449	3,968
Amortization of goodwill	371	635
Impairment losses	67	—
Increase (decrease) in allowance for doubtful accounts	(4)	—
Increase (decrease) in retirement benefit liability	22	16
Increase (decrease) in provision for loss on orders received	(81)	(91)
Increase (decrease) in provision for share awards	90	(108)
Interest and dividend income	(188)	(478)
Interest expenses	36	40
Share of loss (profit) of entities accounted for using equity method	81	(53)
Loss (gain) on sale of investment securities	(326)	(1)
Loss (gain) on investments in investment partnerships	50	(15)
Decrease (increase) in accounts receivable - trade, and contract assets	2,568	(4,142)
Decrease (increase) in inventories	(43)	43
Decrease (increase) in advance payments to suppliers	(1,965)	(4,847)
Increase (decrease) in trade payables	610	4,811
Increase (decrease) in accrued expenses	(291)	370
Increase (decrease) in contract liabilities	2,932	974
Increase (decrease) in accrued consumption taxes	573	(74)
Other, net	127	264
Subtotal	29,434	24,916
Interest and dividends received	163	460
Interest paid	(36)	(40)
Income taxes paid	(5,839)	(6,271)
Net cash provided by (used in) operating activities	23,721	19,064
Cash flows from investing activities		
Payments into time deposits	(508)	(704)
Proceeds from withdrawal of time deposits	478	528
Purchase of property, plant and equipment	(333)	(311)
Purchase of intangible assets	(2,848)	(2,422)
Payments for asset retirement obligations	(19)	(20)
Purchase of investment securities	(0)	—
Proceeds from sale of investment securities	453	2
Purchase of shares of subsidiaries and associates	(577)	—
Proceeds from distributions from investment partnerships	81	59
Payments of leasehold and guarantee deposits	(50)	(19)
Proceeds from refund of leasehold and guarantee deposits	21	67
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(8,591)	—
Other, net	8	(136)
Net cash provided by (used in) investing activities	(11,886)	(2,956)

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from financing activities		
Repayments of lease liabilities	(825)	(904)
Dividends paid	(7,168)	(7,298)
Purchase of treasury shares	(0)	(576)
Proceeds from sale of treasury shares	12	226
Net cash provided by (used in) financing activities	(7,982)	(8,552)
Effect of exchange rate change on cash and cash equivalents	353	141
Net increase (decrease) in cash and cash equivalents	4,206	7,697
Cash and cash equivalents at beginning of period	57,515	61,722
Cash and cash equivalents at end of period	61,722	69,419

## 5. Notes to consolidated financial statements

### (Notes regarding assumption of a going concern)

Not applicable

### (Notes regarding changes in accounting policies)

(Application of the “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules”)

The Company has applied the “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (Practical Solution No. 46, March 22, 2024) starting from the beginning of the current consolidated fiscal year. This change in accounting policies has no effect on the consolidated financial statements.

### (Segment information)

#### ■Reportable segment

##### 1. The outline of any reportable segment

The reportable segments of our group are our constituent units for which separate financial information is available, and which are subject to regular review by the Board of Directors in order to decide how to allocate management resources and evaluate business performance.

Our Group is engaged in the information services business, including consulting services, custom system development, sales of in-house software and third-party software, outsourcing and operation and maintenance services, and sales of information equipment, and we have four reportable segments: Financial Solutions, Business Solutions, Manufacturing Solutions, and Communication IT.

The business operations of the four reportable segments are as follows.

Reportable segment	Business content
Financial Solutions	The main business of this segment is providing solutions that support business transformation in the financial industry and the utilization of financial services functions by general operating companies.
Business Solutions	The main business of this segment is providing solutions that support the sophistication of business management operations of corporates, centered on human resources and accounting.
Manufacturing Solutions	The main business of this segment is providing solutions that support the enhancement of business processes and value chains in the manufacturing industry.
Communication IT	The main business of this segment is providing solutions that support corporate marketing transformation and digital reform initiatives for government agencies and municipalities.

##### 2. Methods of calculating net sales, profit or loss, assets, liabilities and other items by reportable segment

The fiscal method for reportable segments is the same as the accounting method used for the preparation of the consolidated financial statements.

Income of reportable segments is based on operating profit.

Assets and liabilities are not allocated to reportable segments.

### 3. Information on net sales, income or loss, assets, liabilities and other items by reportable segment

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

(Millions of yen)

	Reportable segment				
	Financial Solutions	Business Solutions	Manufacturing Solutions	Communication IT	Total
Net sales					
Sales to customers	34,050	23,626	60,564	34,401	152,642
Inter-segment sales and transfers	—	—	—	—	—
Total	34,050	23,626	60,564	34,401	152,642
Segment profit	4,348	5,319	8,574	2,797	21,039
Other items					
Depreciation and amortization	397	1,135	912	1,003	3,449

Notes: Total values for segment income match those for the operating profit on the “Consolidated statements of income.”

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

(Millions of yen)

	Reportable segment				
	Financial Solutions	Business Solutions	Manufacturing Solutions	Communication IT	Total
Net sales					
Sales to customers	34,832	28,013	61,039	40,980	164,865
Inter-segment sales and transfers	—	—	—	—	—
Total	34,832	28,013	61,039	40,980	164,865
Segment profit	4,459	6,994	7,549	3,886	22,888
Other items					
Depreciation and amortization	542	1,181	1,031	1,212	3,968

Notes: Total values for segment income match those for the operating profit on the “Consolidated statements of income.”

### 4. Disclosure of changes, etc. in reportable segments

In order to implement the growth strategy in the current medium-term management plan, from the first quarter of the current consolidated fiscal year, the business classifications under the reportable segments have been changed.

As a result, the segment information for the previous consolidated fiscal year is presented using the figures reclassified into the new classifications.

## ■Related Information

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

### 1. Information for each product and service

(Millions of yen)

	Consulting Services	Custom System Development	In-house Software	Third-party Software	Outsourcing, Operation and Maintenance Services	IT Equipment Sales and Others	Total
Sales to customers	10,480	31,013	30,095	54,372	18,498	8,182	152,642

### 2. Information by region

#### (1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

#### (2) Tangible fixed assets

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheets.

### 3. Information by major customers

(Millions of yen)

Name of customer	Net sales	Associated segment name
Dentsu Group Inc. and its subsidiaries	21,449	Communication IT, Manufacturing Solutions, Financial Solutions, and Business Solutions

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

### 1. Information for each product and service

(Millions of yen)

	Consulting Services	Custom System Development	In-house Software	Third-party Software	Outsourcing, Operation and Maintenance Services	IT Equipment Sales and Others	Total
Sales to customers	10,872	35,083	33,985	54,200	21,112	9,611	164,865

### 2. Information by region

#### (1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

#### (2) Tangible fixed assets

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheets.

### 3. Information by major customers

(Millions of yen)

Name of customer	Net sales	Associated segment name
Dentsu Group Inc. and its subsidiaries	22,455	Communication IT, Manufacturing Solutions, Financial Solutions, and Business Solutions

■Information on impairment loss on non-current assets by reportable segment

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

Impairment loss: ¥67 million

Note: The impairment loss is not allocated to business segments.

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

Not applicable

■Information on amortization of goodwill and unamortized balance by reportable segment

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

(Millions of yen)

	Financial Solutions	Business Solutions	Manufacturing Solutions	Communication IT	Others	Total
Amortization for the current period	36	2	5	327	—	371
Balance at the end of the current period	21	1	2	5,506	—	5,532

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

(Millions of yen)

	Financial Solutions	Business Solutions	Manufacturing Solutions	Communication IT	Others	Total
Amortization for the current period	21	1	2	609	—	635
Balance at the end of the current period	—	—	—	4,896	—	4,896

■Information on gain on negative goodwill by reportable segment

The previous consolidated fiscal year (from January 1, 2024, to December 31, 2024)

Not applicable

The current consolidated fiscal year (from January 1, 2025, to December 31, 2025)

Not applicable

**(Per share information)**

	FY2024	FY2025
Basic earnings per share	¥467.13	¥513.17
Earnings per share	¥77.44	¥83.83

Note

- 1: Diluted net profit per share is not presented because there are no dilutive shares.
- 2: We have introduced the Executive Compensation BIP Trust. Our shares owned by the Executive Compensation BIP Trust are included in treasury shares, which are deducted from the total number of issued shares. (268,000 shares in the previous consolidated fiscal year, 315,000 shares in the current consolidated fiscal year)
- 3: Effective January 1, 2026, we conducted a 3-for-1 stock split of common stock. "BPS" and "EPS" are calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.
- 4: The basis for calculating net profit per share is as follows.

	FY2024	FY2025
Profit attributable to owners of parent (Millions of yen)	15,117	16,365
Net income not applicable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common stock (Millions of yen)	15,117	16,365
Average number of shares outstanding for each period (Thousand shares)	195,220	195,215

**(Significant subsequent events)**

(Absorption-type merger between consolidated subsidiaries)

We resolved at the Board of Directors meeting held on March 24, 2025 to conduct an absorption-type merger with our wholly-owned subsidiary, DENTSU SOKEN SECURE SOLUTIONS INC., as the surviving company and our wholly-owned subsidiary, DENTSU SOKEN IT INC., as the absorbed company.

**1. Outline of the transaction**

(1) Name of combination business enterprise and description of its business

(i) Corporate Mergers

Name: DENTSU SOKEN SECURE SOLUTIONS INC.

Business description: Information services

(ii) Acquired entity

Name: DENTSU SOKEN IT INC.

Business description: Information services

(2) Date of business combination

January 1, 2026

(3) Legal form of the business combination

Absorption-type merger with DENTSU SOKEN SECURE SOLUTIONS INC. as the surviving company and DENTSU SOKEN IT INC. as the absorbed company.

(4) Name of the combined company

DENTSU SOKEN TECHNOLOGY INC.

(5) Matters concerning the outline of other transactions

The purpose of the absorption-type merger is to consolidate the management resources of the two companies and to enhance their human capital and business functions as a single entity, thereby aiming to expand group synergies and profits.

**2. Outline of the accounting treatment to be implemented**

In accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019), we plan to account for the transaction as a transaction under common control.

(Stock split)

Based on the resolution of the Board of Directors meeting held on December 3, 2025, we conducted a stock split on January 1, 2026.

**1. Purpose of the stock split**

The purpose of the stock split is to improve the liquidity of our shares and expand its investor base by reducing the price per investment unit.

**2. Overview of the stock split**

(1) Method of split

We will implement a 3-for-1 stock split of common stock held by shareholders listed or recorded in the final shareholder register of the year, with a record date of December 31, 2025 (effectively December 30, 2025, as this date is a holiday for the shareholder register administrator).

(2) Increase in the number of shares due to the stock split

Total issued shares and outstanding before stock split	65,182,480 shares
Increase in the number of shares due to the stock split	130,364,960 shares
Total number of outstanding shares after stock split	195,547,440 shares
Total number of authorized shares after stock split	588,000,000 shares

(3) Schedule for split

Date of public notice of record date	December 11, 2025
Base date	December 31, 2025
Effective date	January 1, 2026

(4) Effects on the "per share" information

The impact on per share information is stated in the relevant section.



## IV. Others

### 1. Changes in officers

#### (1) Change of representative director

Not applicable

#### (2) Other Changes in directors

##### • Candidates for new directors

Senoo Makoto	Director who is not an Audit and Supervisory Committee Member (Current position) Managing Executive Officer Business Supervisor President - DX, dentsu Japan
Shinji Shimojo	Outside Director who is not an Audit and Supervisory Committee Member (Current position) Professor Aomori University Faculty of Software Information Technology President Global Environment Centre Foundation
Akira Yoshida	Director who is not an Audit and Supervisory Committee Member (Current position) Managing Executive Officer (BX), DENTSU INC. President - BX, dentsu Japan
Masato Ono	Outside Director who is an Audit and Supervisory Committee Member (Current position) Executive Business Producer, Business Producers Division 2, DENTSU INC.

##### • Retiring directors

Chisato Matsumoto	Director who is not an Audit and Supervisory Committee Member
Atsuhiko Sekiguchi	Outside Director who is an Audit and Supervisory Committee Member

##### • Candidates for new alternate directors

Koichiro Tanaka	Substitute Outside Director who is an Audit and Supervisory Committee Member (Current position) Certified public accountant Certified public tax accountant Founder and Head of Tanaka Sogo Kaikei Jimusho Outside Audit & Supervisory Board Member of ODAWARA ENGINEERING CO., LTD. Auditor of Japan Automobile Research Institute Outside Audit & Supervisory Board Member of Arisawa Mfg Co., Ltd. Outside Audit & Supervisory Board Member of Ten Allied Co.,Ltd.
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#### (3) Date of appointment and retirement

March 23, 2026

#### (4) Number of officers of DENTSU SOKEN INC. by gender and ratio of women

Since the appointment of the new officers, we have a total of 11 officers, including seven men and four women. The percentage of women is 36%.