

May 8, 2025



Consolidated Summary Report

for the Fiscal Year Ended March 31, 2025

(under Japanese GAAP)

Company name : **NSD Co., Ltd.**
 Listing : Tokyo Stock Exchange, Prime Market
 Securities code : 9759
 URL : <https://www.nsd.co.jp/>
 Representative : Yoshikazu Imajo, President & CEO
 Scheduled date of annual general meeting of shareholders : June 25, 2025
 Scheduled date to commence dividend payments : June 6, 2025
 Preparation of supplementary material on financial results : Yes

(Fractions smaller than a million yen omitted)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Results of Operations (Cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	107,791	6.4	16,849	11.0	17,038	11.1	11,795	14.9
March 31, 2024	101,263	29.9	15,180	21.2	15,340	21.1	10,262	0.4

Note: Comprehensive income Fiscal year ended March 31, 2025: 12,270 million yen ((1.7%))
 Fiscal year ended March 31, 2024: 12,483 million yen (14.8%)

	Net income per share	Net income per share (Diluted)	Ratio of net income to net assets attributable to NSD shareholders	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	153.61	—	18.2	19.3	15.6
March 31, 2024	133.29	133.28	17.5	19.8	15.0

Note: The diluted net income per share for the fiscal year ended March 31, 2025 is omitted as there are no dilutive shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	90,485	68,252	74.5	881.67
March 31, 2024	86,405	64,032	72.2	811.26

Reference: Equity As of March 31, 2025: 67,416 million yen
 As of March 31, 2024: 62,370 million yen

(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 year
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	12,298	904	(10,272)	29,903
March 31, 2024	12,188	(17,849)	(5,770)	26,987

2. Dividends

	Annual dividends					Total dividends paid (Full year)	Dividends payout ratio (Consolidated)	Dividends paid to net assets (Consolidated)
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	—	0.00	—	72.00	72.00	5,535	54.0	9.5
March 31, 2025	—	0.00	—	87.00	87.00	6,652	56.6	10.3
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	89.00	89.00		56.7	

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter ending September 30, 2025	54,500	4.7	7,600	1.0	7,700	1.4	5,000	2.1	65.39
Fiscal year ending March 31, 2026	113,200	5.0	17,100	1.5	17,300	1.5	12,000	1.7	156.94

*Notes

- (1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting in the change in scope of consolidation) : None
- (2) Changes in accounting policies, changes in accounting estimates, and restatements of financial statements of the prior period after error corrections
- a. Changes in accounting policies due to revisions of accounting standards and other regulations : Yes
 - b. Changes in accounting policies due to other reasons : None
 - c. Changes in accounting estimates : None
 - d. Restatement of financial statements of the prior period after error corrections : None
- (3) Number of shares issued (Common stock)
- a. Total number of shares issued at the end of the period (including treasury stock)
 - As of March 31, 2025: 86,000,000 shares
 - As of March 31, 2024: 86,000,000 shares
 - b. Number of treasury stock at the end of the period
 - As of March 31, 2025: 9,535,723 shares
 - As of March 31, 2024: 9,118,526 shares
 - c. Average number of shares during the period
 - Fiscal year ended March 31, 2025: 76,785,699 shares
 - Fiscal year ended March 31, 2024: 76,996,357 shares

(Reference) Summary of non-consolidated financial results

Non-consolidated Financial Results of the Fiscal Year Ended March 31, 2025

(from April 1, 2024 to March 31, 2025)

(1) Non-consolidated Results of Operations (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	83,610	9.0	15,000	10.3	15,519	1.9	10,857	(3.2)
March 31, 2024	76,674	11.7	13,603	17.0	15,235	22.4	11,221	14.8

	Net income per share	Net income per share(Diluted)
Fiscal year ended	Yen	Yen
March 31, 2025	141.40	—
March 31, 2024	145.74	145.73

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	75,481	63,344	83.9	828.42
March 31, 2024	70,503	59,685	84.7	776.33

Reference: Equity As of March 31, 2025: 63,344 million yen
As of March 31, 2024: 59,685 million yen

***Reports of financial results are not subject to review by certified public accountants or auditing firm.**

***Explanations relating to the appropriate use of financial forecasts and other important items**

(Notes on Financial Forecasts)

The financial forecasts contained in this document is based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual businesses and other results may differ substantially due to various factors. For premises for financial forecasts and cautions when using financial forecasts, please refer to “(4) Financial Forecasts for the Next Fiscal Year” in “1. Results of Operations and Financial Conditions” on page 6 of Appendix.

(Supplemental Materials on Results)

Supplemental materials on results will be posted on the Company’s website on May 8, 2025.

Appendix to “Consolidated Summary Report”

for the Fiscal Year Ended March 31, 2025

(under Japanese GAAP)

Table of Contents

1. Results of Operations and Financial Conditions	2
(1) Operating Results	2
(2) Financial Conditions	5
(3) Cash Flows	5
(4) Financial Forecasts for the Next Fiscal Year	6
2. Status of Corporate Group	7
3. Basic Policy to Selecting Accounting Standards	8
4. Consolidated Financial Statements and Notes	9
(1) Consolidated Balance Sheets	9
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	11
(3) Consolidated Statements of Changes in Equity	14
(4) Consolidated Statements of Cash Flows	16
(5) Notes to Consolidated Financial Statements	18
Notes on Premise of Going Concern	18
Basis of Consolidated Financial Statements	18
Change in Accounting Policies	21
Revenue Recognition	22
Segment and Other Information	23
Per Share Information	27
Significant Subsequent Events	27

1. Results of Operations and Financial Conditions

(1) Operating Results

【Business Environment】

During the fiscal year under review, the Japanese economy gradually recovered, as favorable corporate performance led to an increase in capital investment, as well as the improvement of employment and income environment to secure labor force. However, there remains risks of downward pressure on the Japanese economy regarding future trends, due to U.S. economic policies and economic stagnation in China.

Under these circumstances, in the information service industry, where the NSD Group operates, the order environment remained favorable, with both IT investment in digital transformation (DX) and needs for core system renewal remaining strong, underpinned by favorable corporate performances.

【Measures and Initiatives】

The NSD Group has been stepping up activities to meet DX needs and expanding its business through M&A, with the aim of achieving the target under its five-year Medium-term Management Plan of posting consolidated net sales of more than 100 billion yen by the final fiscal year ending March 31, 2026. As a result, the Group succeeded in achieving this target two years ahead of schedule in the fiscal year ended March 31, 2024. In the remaining two years of the plan, the Group has been continuing to steadily implement the measures set out in the plan and has been working on various initiatives during the fiscal year under review to further expand its business.

In the System Development Business, the Group is pursuing the sustainable expansion of the business by focusing on the development of systems related to new technologies and DX, for which there are ever-increasing social needs, as a growth driver, and by strengthening consulting capabilities in upstream processes.

In the Solution Business, the Group is creating new solutions that meet market needs and bolstering its sales capabilities to make the business into its second earnings pillar.

Based on the above measures, in April 2024, the Group established Innovation Strategy Business Unit and strengthened its capabilities to create solutions by seamlessly handling all processes from planning to development and sales of products and services. In July 2024, the Group established Consulting Business Unit and absorbed Trigger Inc., acquired as a subsidiary in October 2022, and strengthened its consulting capability. Also, in January 2025, the Group established Cross-Industry IT Business Unit to flexibly and agilely respond to customer needs through sharing information and knowledge across businesses.

Besides, the Group reached a basic agreement on a business alliance with Hitachi, Ltd. in December 2024, regarding collaboration in the fields of DX and generative AI. By doing so, the Group will provide services and solutions with greater added value, including collaboration to raise technological level and utilize overseas resources of both companies.

As part of the Group's efforts to solve social issues by leveraging its development track record, the Group is considering measures for "a DX platform for the next-generation water supply operation" which water utilities are coping with. In March 2025, the Group concluded a cooperation agreement with Matsumoto City Waterworks and Sewerage Bureau on promoting DX, following the agreement with the Sendai City Waterworks Bureau in March 2024. The Group will provide IT support for the safe and stable operation of water lifelines through the initiative above.

【Operating Results】

Under the favorable order environment, the operating results become as follows.

(Unit: Millions of yen)

	FY ended March, 2024	FY ended March, 2025	YoY	
System Development Business	86,721	92,392	5,671	6.5%
Solution Business	14,542	15,398	856	5.9%
Net sales	101,263	107,791	6,528	6.4%
DAS Business	44,209	49,702	5,492	12.4%
Operating income	15,180	16,849	1,669	11.0%
Ordinary income	15,340	17,038	1,697	11.1%
Net income attributable to owners of the parent	10,262	11,795	1,532	14.9%

EBITDA	17,751	19,472	1,721	9.7%
EBITDA margin	17.5%	18.1%	0.5 points	—

* DAS Business consists of System Development Business related to DX, System Development Business utilizing new technologies such as AI, and Solution Business.

* EBITDA is calculated by operating income + depreciation + amortization of goodwill.

Net sales increased by 6.4% year on year to 107,791 million yen as a result of a significant increase in orders in Social Infrastructure IT, in addition to a steady increase in orders in Financial IT and Industry IT in System Development Business. Net sales of DAS Business, which the Group focuses on, increased by 12.4% year on year to 49,702 million yen as a result of a significant growth of System Development Business related to DX utilizing cloud technologies.

Operating income increased by 11.0% year on year to 16,849 million yen, absorbing increased selling, general and administrative expenses due to pay raise, increased research & development expenses, and one-time expenses related to the 55th anniversary.

As a result, ordinary income increased by 11.1% year on year to 17,038 million yen and net income attributable to owners of the parent company increased by 14.9% year on year to 11,795 million yen.

In the Medium-term Management Plan (revised upward in May 2023), the Group achieved its final year goal two years ahead of schedule, as mentioned above. In terms of profitability indicators, operating income margin was 15.6% against the target of 14.6%, EBITDA margin was 18.1% against the target of 17.2%, and ROE was 18.2% against the target of 15.9%, showing the results of profitability indicators exceeding the targets.

【Operating Results by Segment】

Operating Results by Segment are as below.

(Net Sales by Segment)

(Unit: Millions of yen)

		FY ended March, 2024	FY ended March, 2025	YoY	
System Development Business	Financial IT	30,921	32,487	1,565	5.1%
	Industry IT	23,939	25,635	1,696	7.1%
	Social Infrastructure IT	20,306	22,441	2,135	10.5%
	IT Infrastructure Construction	11,870	12,403	533	4.5%
Solution Business		14,555	15,411	855	5.9%
Adjustment		(330)	(588)	(257)	—
Total		101,263	107,791	6,528	6.4%

(Operating Income by Segment)

(Unit: Millions of yen)

		FY ended March, 2024	FY ended March, 2025	YoY	
System Development Business	Financial IT	5,739	6,326	586	10.2%
	Industry IT	2,931	3,746	815	27.8%
	Social Infrastructure IT	3,963	4,552	588	14.8%
	IT Infrastructure Construction	2,055	2,167	111	5.4%
Solution Business		870	772	(98)	—
Adjustment		(380)	(715)	(334)	—
Total		15,180	16,849	1,669	11.0%

* Numbers are written including inter-segment sales and incomes.

* Adjustments are the total of inter-segment sales eliminations and costs of whole company (mainly G&A costs which do not attribute to the segments).

<System Development Business (Financial IT)>

Net sales increased by 5.1% year on year to 32,487 million yen and operating income increased by 10.2% to 6,326 million yen due to a steady increase in order from major banks caused by expansion of existing projects including core system renewal as well as an increase in orders from local banks and securities companies.

<System Development Business (Industry IT)>

Net sales increased by 7.1% year on year at 25,635 million yen due to a steady increase in orders in transportation sector such as logistics companies and manufacturing sector. Operating income increased by 27.8% to 3,746 million yen due in part to improvement of profit margins.

<System Development Business (Social Infrastructure IT)>

Net sales increased by 10.5% year on year to 22,441 million yen and operating income increased by 14.8% to 4,552 million yen due to a significant increase in orders from public sector caused by expansion of existing projects, and a steady increase in orders from telecommunication and electricity, gas, water sector.

<System Development Business (IT Infrastructure Construction)>

Net sales increased by 4.5% year on year to 12,403 million yen and operating income increased by 5.4% to 2,167 million yen due to a steady increase in orders of infrastructure construction projects from financial sector such as banks and public sector.

<Solution Business>

Net sales increased by 5.9% year on year to 15,411 million yen due to an expansion of orders of security products, RFID related solutions, and shareholder relation services. Operating income decreased 98 million yen to 772 million yen due to deterioration of profit margin of certain solutions.

(2) Financial Conditions

Total assets as of March 31, 2025 increased by 4,079 million yen from March 31, 2024 to 90,485 million yen due to 3,377 million yen increase of notes and accounts receivable, 800 million yen increase of securities, and 590 million yen increase of retirement benefit asset, while there was 802 million yen decrease of goodwill.

Liabilities decreased by 139 million yen to 22,233 million yen due to 1,056 million yen decrease of short-term borrowings (including current portion of long-term borrowings), 305 million yen decrease of long-term borrowings, and 712 million yen decrease of other current liabilities, while there was 781 million yen increase of accounts payable and 1,213 million yen increase of income taxes payable.

Net assets increased by 4,219 million yen to 68,252 million yen due to 11,795 million yen increase of net income attributable to owners of the parent and 247 million yen increase resulting from disposal of treasury stock, while there was 5,535 million yen decrease resulting from dividend payout, and 1,701 million yen decrease resulting from repurchase of treasury stock (including requests for purchase of shares less than the trading unit).

(3) Cash Flows

Cash and cash equivalents as of March 31, 2025 increased by 2,915 million yen year on year to 29,903 million yen.

Operating activities generated net cash of 12,298 million yen. This mainly reflects income before income taxes of 17,080 million yen, which was offset by an outflow in income taxes payout of 4,353 million yen.

Investing activities generated net cash of 904 million yen mainly due to inflow for proceeds from redemption of securities of 2,200 million yen, while there was outflow for purchase of property, plant and equipment of 589 million yen and outflow for payments into time deposits of 454 million yen.

Financing activities used net cash of 10,272 million yen mainly due to outflows for dividend payout of 5,535 million yen and for share repurchase of 1,701 million yen (including requests for purchase of shares less than the trading unit).

(Reference) Trends in cash flow indicators

	FY ended March, 2021	FY ended March, 2022	FY ended March, 2023	FY ended March, 2024	FY ended March, 2025
Equity ratio (%)	81.8	80.9	80.3	72.2	74.5
Market value equity ratio (%)	245.3	269.7	268.9	264.8	282.6
Ratio of interest-bearing debt to cash flow (years)	0.0	0.0	0.0	0.3	0.2
Interest coverage ratio (times)	659.5	755.3	1,306.1	665.6	480.6

- Equity ratio: Equity / Total assets
- Market value equity ratio: Market capitalization / Total assets
- Ratio of interest-bearing debt to cash flow: Interest-bearing debt / Cash flow
- Interest coverage ratio: Cash flow / Interest payment

(Note 1) All numbers are calculated from consolidated financial numbers.

(Note 2) Market capitalization is calculated from issued shares excluding treasury stocks.

(Note 3) Cash flow is cash flows from operating activities.

(Note 4) Interest-bearing debt is all liabilities with paying interests among liabilities recorded in the consolidated balance sheets.

(4) Financial Forecasts for the Next Fiscal Year

In the next fiscal year of the information service industry, the order environment is expected to remain strong because strong IT investment is expected to continue, including support for DX, productivity improvement, and renewal of core systems. However, there are concerns about a downturn in domestic and overseas economies and the increasing risks of volatility in the financial and capital markets due to the U.S. economic policies, making the future economic trends unpredictable, especially in the manufacturing sector.

Based on the above business environment, for the fiscal year ending March 31, 2026, which is the final year of the Medium-term Management Plan, the Group expects cost of sales and selling, general and administrative expenses to increase in order to invest in human capital and research & development, and forecasts the consolidated financial results as follows.

(Financial Forecasts)

(Unit: Millions of yen)

	FY ending March, 2026	YoY	
Net sales	113,200	5,408	5.0%
DAS Business	52,500	2,797	5.6%
Operating income	17,100	250	1.5%
Ordinary income	17,300	261	1.5%
Net income attributable to owners of the parent	12,000	204	1.7%

2. Status of Corporate Group

The NSD Group is comprised of NSD Co., Ltd., 15 subsidiaries, and three affiliates. Our main business operations center on System Development Business (Financial IT, Industry IT, Social Infrastructure IT, and IT Infrastructure Construction) and Solution Business.

The Group operations and the positioning of NSD and its subsidiaries as it relates to said operations are outlined below.

(1) System Development Business (Financial IT)

- We provide services such as software development and system consulting to financial institutions such as banks, insurance companies, and securities companies.

(2) System Development Business (Industry IT)

- We provide services such as software development and system consulting to companies such as manufacturing and commerce.

(3) System Development Business (Social Infrastructure IT)

- We provide services such as software development and system consulting to companies such as telecommunication, transportation, electricity, gas, water, and public organizations.

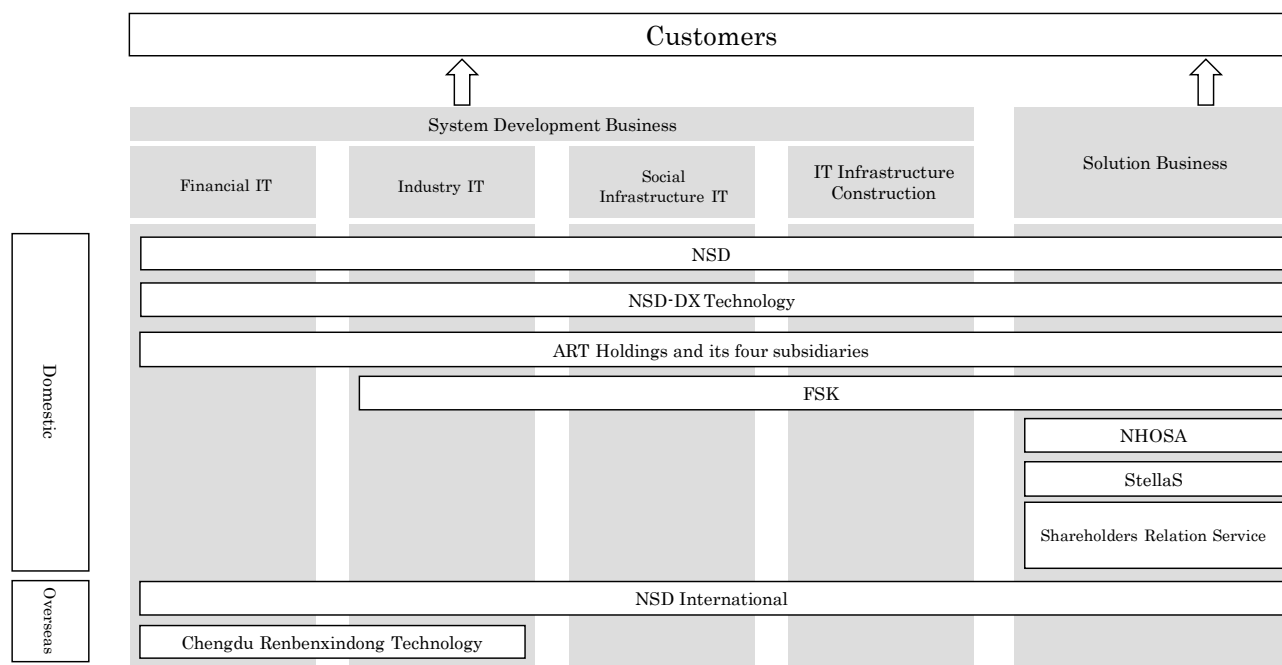
(4) System Development Business (IT Infrastructure Construction)

- We provide services such as IT backbone and network development, system consulting, and system maintenance and operation.

(5) Solution Business

- We offer system-based services and sell system products to provide solutions ranging from generic packages to customized solutions.

The following organizational chart indicates how NSD and the major subsidiaries provide the abovementioned operations. (As of March 31, 2025)



3. Basic Policy to Selecting Accounting Standards

We create consolidated financial statements based on Japanese standards (JGAAP) to enable comparability among competitors or past years.

Our policy on the application of International Financial Reporting Standards (IFRS) is to respond appropriately based on consideration of conditions in Japan and overseas.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	27,221	27,358
Notes and accounts receivable - trade, and contract assets	19,406	22,783
Lease receivables and investments in leases	43	20
Securities	2,199	3,000
Merchandise and finished goods	357	430
Work in process	1	5
Raw materials and supplies	186	187
Other	758	713
Allowance for doubtful accounts	(52)	(66)
Total current assets	50,121	54,432
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,855	1,931
Land	2,598	2,598
Other, net	586	778
Total property, plant and equipment	5,040	5,308
Intangible assets		
Goodwill	10,303	9,500
Software	996	831
Customer-related intangible assets	8,224	7,791
Other	252	279
Total intangible assets	19,777	18,404
Investments and other assets		
Investment securities	1,653	1,785
Retirement benefit asset	7,716	8,307
Deferred tax assets	103	192
Other	1,993	2,056
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	11,466	12,340
Total non-current assets	36,284	36,052
Total assets	86,405	90,485

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	4,600	5,381
Short-term borrowings	1,250	400
Current portion of long-term borrowings	512	305
Income taxes payable	2,299	3,512
Provision for bonuses	630	566
Provision for shareholder benefit program	67	68
Provision for loss on orders received	-	15
Other	5,187	4,475
Total current liabilities	14,547	14,725
Non-current liabilities		
Long-term borrowings	1,458	1,152
Retirement benefit liabilities	1,407	1,488
Deferred tax liabilities	4,474	4,399
Other	485	466
Total non-current liabilities	7,825	7,507
Total liabilities	22,373	22,233
Net assets		
Shareholders' equity		
Share capital	7,205	7,205
Capital surplus	6,773	6,811
Retained earnings	56,395	62,655
Treasury shares	(11,794)	(13,386)
Total shareholders' equity	58,580	63,286
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	709	590
Revaluation reserve for land	(8)	(8)
Foreign currency translation adjustment	534	504
Remeasurements of defined benefit plans	2,554	3,043
Total accumulated other comprehensive income	3,790	4,129
Non-controlling interests	1,661	836
Total net assets	64,032	68,252
Total liabilities and net assets	86,405	90,485

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	101,263	107,791
Cost of sales	76,302	80,257
Gross profit	24,961	27,534
Selling, general and administrative expenses		
Salaries and allowances	3,282	3,642
Provision for bonuses	113	106
Provision for retirement benefits for directors (and other officers)	32	-
Retirement benefit expenses	82	86
Welfare expenses	787	969
Rent expenses	628	679
Depreciation	812	669
Research and development expenses	236	501
Amortization of goodwill	1,283	1,454
Provision for shareholder benefit program	31	30
Provision of allowance for doubtful accounts	5	13
Other	2,485	2,529
Total selling, general and administrative expenses	9,781	10,684
Operating income	15,180	16,849
Non-operating income		
Interest income	7	29
Dividend income	35	41
Dividend income of insurance	106	107
Subsidy income	7	42
Other	122	117
Total non-operating income	279	338
Non-operating expenses		
Interest expenses	22	26
Foreign exchange losses	22	-
Settlement payments	-	55
Office relocation expenses	-	34
Loss on investments in investment partnerships	13	-
Compensation of loss	12	-
Other	47	33
Total non-operating expenses	119	149
Ordinary income	15,340	17,038
Extraordinary income		
Gain on sale of investment securities	42	49
Other	0	1
Total extraordinary income	42	51
Extraordinary losses		
Loss on sale of non-current assets	1	-
Loss from sales of membership for facilities	4	-
Impairment losses	-	8
Loss on sale of investment securities	2	-
Loss on valuation of golf club membership	-	1
Other	-	0
Total extraordinary losses	7	9

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Income before income taxes	15,375	17,080
Income taxes - current	5,030	5,544
Income taxes - deferred	(144)	(393)
Total income taxes	4,886	5,150
Net income	10,489	11,929
Net income attributable to non-controlling interests	226	134
Net income attributable to owners of the parent	10,262	11,795

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net income	10,489	11,929
Other comprehensive income		
Valuation difference on available-for-sale securities	132	(115)
Foreign currency translation adjustment	180	(32)
Remeasurements of defined benefit plans, net of tax	1,681	489
Total other comprehensive income	1,994	341
Comprehensive income	12,483	12,270
(Composition)		
Comprehensive income attributable to owners of parent	12,250	12,134
Comprehensive income attributable to non-controlling interests	233	136

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	7,205	6,773	51,070	(12,144)	52,906
Changes during the period					
Dividends of surplus			(4,381)		(4,381)
Net income attributable to owners of the parent			10,262		10,262
Repurchase of treasury stock				(1,701)	(1,701)
Disposal of treasury stock		736		757	1,494
Retirement of treasury stock		(736)	(556)	1,293	—
Change in ownership interest of parent due to transactions with non-controlling interests					—
Net changes in items other than shareholders' equity					
Total changes during the period	—	—	5,324	349	5,673
Balance at the end of the period	7,205	6,773	56,395	(11,794)	58,580

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains or losses on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of retirement benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	575	(8)	362	872	1,802	749	55,458
Changes during the period							
Dividends of surplus							(4,381)
Net income attributable to owners of the parent							10,262
Repurchase of treasury stock							(1,701)
Disposal of treasury stock							1,494
Retirement of treasury stock							—
Change in ownership interest of parent due to transactions with non-controlling interests							—
Net changes in items other than shareholders' equity	133	—	171	1,681	1,987	912	2,900
Total changes during the period	133	—	171	1,681	1,987	912	8,573
Balance at the end of the period	709	(8)	534	2,554	3,790	1,661	64,032

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	7,205	6,773	56,395	(11,794)	58,580
Changes during the period					
Dividends of surplus			(5,535)		(5,535)
Net income attributable to owners of the parent			11,795		11,795
Repurchase of treasury stock				(1,701)	(1,701)
Disposal of treasury stock		137		109	247
Retirement of treasury stock					—
Change in ownership interest of parent due to transactions with non-controlling interests		(99)			(99)
Net changes in items other than shareholders' equity					
Total changes during the period	—	38	6,259	(1,591)	4,706
Balance at the end of the period	7,205	6,811	62,655	(13,386)	63,286

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains or losses on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of retirement benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	709	(8)	534	2,554	3,790	1,661	64,032
Changes during the period							
Dividends of surplus							(5,535)
Net income attributable to owners of the parent							11,795
Repurchase of treasury stock							(1,701)
Disposal of treasury stock							247
Retirement of treasury stock							—
Change in ownership interest of parent due to transactions with non-controlling interests							(99)
Net changes in items other than shareholders' equity	(119)	—	(30)	489	339	(825)	(486)
Total changes during the period	(119)	—	(30)	489	339	(825)	4,219
Balance at the end of the period	590	(8)	504	3,043	4,129	836	68,252

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Income before income taxes	15,375	17,080
Depreciation	1,287	1,167
Impairment losses	-	8
Amortization of goodwill	1,283	1,454
Increase (decrease) in provision for bonuses	53	(64)
Increase (decrease) in allowance for doubtful accounts	4	13
Increase (decrease) in provision for shareholder benefit program	(1)	0
Increase (decrease) in retirement benefit liability	214	220
Decrease (increase) in retirement benefit asset	227	29
Interest and dividend income	(42)	(70)
Interest expenses	22	26
Loss (gain) on sale of investment securities	(40)	(49)
Net decrease (increase) in lease receivables and investments in leases	28	22
Decrease (increase) in trade receivables	(930)	(3,381)
Decrease (increase) in inventories	326	(78)
Decrease (increase) in other current assets	(47)	(45)
Increase (decrease) in trade payables	(154)	781
Increase (decrease) in accrued consumption taxes	195	(147)
Increase (decrease) in other current liabilities	(16)	(458)
Other, net	94	68
Subtotal	17,879	16,579
Interest and dividends received	39	64
Interest paid	(18)	(25)
Income taxes refund	180	34
Income taxes paid	(5,893)	(4,353)
Net cash provided by (used in) operating activities	12,188	12,298
Cash flows from investing activities		
Payments into time deposits	(233)	(454)
Proceeds from withdrawal of time deposits	79	230
Purchase of securities	(2,000)	-
Proceeds from redemption of securities	-	2,200
Purchase of property, plant and equipment	(288)	(589)
Purchase of intangible assets	(263)	(280)
Purchase of investment securities	(1)	(350)
Proceeds from sale of investment securities	63	97
Proceeds from sale of securities	29	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(15,292)	-
Other, net	56	50
Net cash provided by (used in) investing activities	(17,849)	904
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,775)	(850)
Proceeds from long-term borrowings	1,775	-
Repayments of long-term borrowings	(729)	(512)
Dividends paid	(4,381)	(5,535)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Dividends paid to non-controlling interests	(271)	(35)
Purchase of treasury shares	(1,701)	(1,701)
Proceeds from sale of treasury shares	1,400	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(1,551)
Other, net	(87)	(87)
Net cash provided by (used in) financing activities	(5,770)	(10,272)
Effect of exchange rate change on cash and cash equivalents	122	(13)
Net increase (decrease) in cash and cash equivalents	(11,309)	2,915
Cash and cash equivalents at beginning of period	38,297	26,987
Cash and cash equivalents at end of period	26,987	29,903

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Basis of Consolidated Financial Statements)

1. Scope of Consolidation

Number of consolidated subsidiaries: 15

Names of consolidated subsidiaries

NSD-DX Technology Co., Ltd.

ART Holdings Co., Ltd.

NHOSA Corporation

FSK Co., Ltd.

StellaS Co., Ltd.

Shareholders Relation Service, Inc.

NSD International, Inc.

Chengdu Renbenxindong Technology Ltd.

Seven other subsidiaries

(Note) Changes in main subsidiaries during the fiscal year ended March 31, 2025

Trigger Inc., which was our consolidated subsidiary, was excluded from the scope of consolidation because it was dissolved by an absorption-type merger with NSD as the surviving company.

Four wholly owned subsidiaries of ART Holdings Co., Ltd., which is our consolidated subsidiary, merged as an absorption-type with ART Technology Co., Ltd. as the surviving company, and the dissolved three companies are excluded from the scope of consolidation.

2. Application of Equity Method

(1) Equity Method Affiliate

Not applicable.

(2) Affiliates Not Subject to the Equity Method

Number of affiliates: Three

Names of major affiliates

KONOIKE IT Solutions Co., Ltd.

Winnersoft Co., Ltd.

One other affiliate

(3) Reasons for not Applying Equity Method

We removed the abovementioned companies subject to the equity method as their impact on consolidated financial statements is minor from the aspect of factors such as net gains or losses and retained earnings (amounts proportionate to equity).

3. Fiscal Year of Consolidated Subsidiaries

Of our consolidated subsidiaries, the closing date for Chengdu Renbenxindong Technology Ltd. and Renbenxindong Technology Ltd. is December 31.

In preparing the consolidated financial statements, for these companies we used financial statements made using provisional settlement of accounts conducted based on the consolidated closing date.

The final day of the fiscal year for other consolidated subsidiaries is the same as the consolidated closing date.

4. Accounting Policies

(1) Valuation Standards and Method for Significant Assets

① Securities

• Available-for-sale securities

Securities with market value

Market value method (valuation differences are included directly in net assets, and selling costs are calculated using the moving average method.)

Securities without market value

Cost method using the moving average method

Investments in limited partnerships (those deemed to be securities as defined under Article 2, Paragraph 2 of the Financial Instruments and Exchange Act)

Net amount equivalent to equity indicated in the most recent financial statements available as of the settlement report date stipulated in the partnership agreement

② Inventories

Cost method using mainly the specific identification method (Balance sheet values are calculated using the devaluation of book value due to decreased profitability)

(2) Depreciation Method of Significant Depreciable Assets

① Property and Equipment, and Investments and Other Assets (Excluding Leased Assets)

Straight-line method

The service life used for buildings and structures: 8 to 60 years

② Intangible Assets (Excluding Leased Assets)

Software

For commercial software, the larger amount of either the amortization amount based on the estimated sales volume or the even distribution amount for the estimated effective period (within 3 years)

For software used in-house, the straight-line method based on the expected usage period (within 5 years).

Customer-related assets

In principle, the straight-line method based on the period during which the effects are estimated from the recognition.

Others

Straight-line method

③ Leased Assets

Leased assets related to finance lease without transfer of ownership

Straight-line method with the lease term as the service life and the residual value as zero

(3) Standards for Recording Allowances/Provisions

① Allowance for Doubtful Accounts

To prepare for bad debt losses such as receivables or loans, for ordinary claims, we record allowance based on the historical rate of uncollectables. For doubtful claims such as debt with a possibility of default, we record allowance equivalent to estimated amount of losses examining the collectability individually.

② Provision for Bonuses

To prepare for the payment of bonuses to the employees of the Company and its consolidated subsidiaries, we record provisions based on the estimated amount of payment.

③ Provision for Shareholder Benefit Program

To prepare for the use of points allocated to shareholders based on the shareholder benefits points system, we record provision based on the amounts expected to be used in the future.

④ Provision for Loss on Order Received

To prepare for future losses related to software development contracts, for the future losses are expected to

occur at the end of the current fiscal year and whose amount can be reasonably estimated, we record provision based on the estimated losses.

(4) Accounting for Retirement Benefits

① Period Attribution for Projected Retirement Benefits

When calculating retirement benefit obligations, the method of attributing the estimated retirement benefit amount for the period up to the end of the current consolidated fiscal year is based on the benefit calculation formula standard.

② Expense Recognition for Actuarial Gains/Losses and Past Service Costs

Actuarial gains/losses are amortized by the straight-line method over a certain number of years (12 years) within the average remaining service period of employees at the time of occurrence for each consolidated fiscal year from the next consolidated fiscal year.

Past service costs amortized by the straight-line method over a certain number of years (12 years) within the average remaining service period of employee at the time of occurrence.

③ Application of Simplified Method in Small Enterprises

Some consolidated subsidiaries are applied the simplified method to calculate retirement benefit liabilities and retirement benefit expenses, in which the amount required to be paid for voluntary retirement at the end of the fiscal year is treated as the retirement benefit liabilities.

(5) Standards for Recognition of Significant Revenues and Expenses

Revenues are recognized as follows according to the type of business.

Revenue is measured at the amount specified in a contract with the customer and includes no important interest rate components because the consideration is received within one year of the fulfillment of performance obligations.

① System Development Business

The main business activities in the System Development Business are providing software development services and consulting services, building IT infrastructure and networks, and the operation and maintenance of systems for financial institutions, including banks, insurance companies, and securities companies, companies in the manufacturing, communications, and transportation industries, and public entities.

The main performance obligations in providing software development services or consulting services are providing software development services, including the definition of requirements, construction, testing and installation, or consulting services including advice and research, to meet the requests of the customer under contracts and quasi-mandate agreements.

In transactions under contracts, revenue is recognized according to progress, because deliverables are transferred to the customer according to progress in development work and performance obligations are fulfilled in a certain period. Revenue is recognized by measuring progress reasonably using an input method based on the ratio of actual costs incurred to total estimated cost on the last day of the fiscal year. If the estimated order amount or the estimated total costs may change, the estimated amounts are reviewed as necessary.

In transactions under quasi-mandate agreements, revenue is recognized according to work delivered during the work period because performance obligations are fulfilled in a certain period through the delivery of work to customers.

In providing operation and maintenance services, performance obligations are providing technologies and solutions necessary for center management, primarily the operation management of systems, system management, data management, and facilities management. Revenue is recognized according to work delivered during the agreement period because performance obligations are fulfilled in a certain period through the delivery of operation and maintenance services during the agreement period.

② Solution Business

The main business activities in the Solution Business are providing services using systems and selling system products, including general-purpose products for security and human resources management and products for specific operations for the medical/healthcare, logistics industry, and rental business.

In providing solution services, performance obligations are providing services using systems and provide solutions to solve customers' problems. Revenue is recognized according to work delivered during the agreement period because performance obligations are fulfilled according to services provided to the customer in a certain period.

In the sale of solution products, performance obligations are delivering products and product installation and configuration according to customers' requests. Revenue is recognized when the products are delivered because the customer obtains control of the products and performance obligations are fulfilled by the delivery. In part of the product business, net revenue amounts are recognized in agency transactions.

(6) Goodwill Amortization Method and Amortization Period

Goodwill is amortized using the straight-line method for 10 years.

(7) Scope of Cash and Cash Equivalents in the Consolidated Statements of Cash Flow

Cash and cash equivalents consist of cash on hand, demand deposits, and short-term, highly liquid investments with maturities of three months or less at the time of acquisition that involve little risk of changes in value.

(Change in Accounting Policies)

[Application of "Accounting Standard for Current Income Taxes"]

The "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27 of October 28, 2022, hereinafter referred to as "2022 Revised Accounting Standard") has been applied from the beginning of the consolidated fiscal year.

Regarding the amendment to the accounting classification of income taxes (taxation of other comprehensive income), the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set forth in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28 of October 28, 2022, hereinafter referred to as "2022 Revised Implementation Guidance") are followed. These have no impact on the consolidated financial statements.

In addition, regarding the revision related to the review of the treatment in consolidated financial statements when gain or loss on sale of shares of subsidiaries between consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the consolidated fiscal year. This change in accounting policies has been applied retroactively, and the consolidated financial statements for the previous fiscal year have been retroactively applied. This has no impact on the consolidated financial statements for the previous fiscal year.

(Revenue Recognition)

1. Information on Revenue by Contracts

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	Reporting segment					Total
	System Development Business				Solution Business	
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction		
System development	30,394	22,376	19,563	9,381	—	81,715
Operation and maintenance	3	183	136	1,480	—	1,804
Others	491	1,125	606	977	—	3,200
Service	—	—	—	—	11,228	11,228
Product	—	—	—	—	3,313	3,313
Revenue from contracts	30,889	23,685	20,306	11,839	14,542	101,263
Net sales from external customers	30,889	23,685	20,306	11,839	14,542	101,263

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	Reporting segment					Total
	System Development Business				Solution Business	
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction		
System development	31,830	23,893	21,719	10,115	—	87,559
Operation and maintenance	—	209	117	1,266	—	1,592
Others	656	1,079	561	943	—	3,240
Service	—	—	—	—	11,784	11,784
Product	—	—	—	—	3,614	3,614
Revenue from contracts	32,487	25,182	22,398	12,324	15,398	107,791
Net sales from external customers	32,487	25,182	22,398	12,324	15,398	107,791

2. Information on the Basis for Revenue Recognition

Please refer to notes of 4. Accounting Policies, (5) Standards for Recognition of Significant Revenues and Expenses, under “(Basis of Consolidated Financial Statements)”.

3. Contract Assets/Liabilities and Performance Obligations as of End of the Fiscal Year (Order Backlog)

(1) Contract Assets and Contract Liabilities

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Receivables from contracts (Balance at the beginning of the period)	13,774	17,131
Receivables from contracts (Balance at the end of the period)	17,131	19,840
Contract assets (Balance at the beginning of the period)	2,302	2,274
Contract assets (Balance at the end of the period)	2,274	2,942
Contract liabilities (Balance at the beginning of the period)	488	605
Contract liabilities (Balance at the end of the period)	605	615

(2) Performance Obligations as of End of the Fiscal Year (Order Backlog)

(Unit: Millions of yen)

Segment		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
System Development Business	Financial IT	10,091	10,669
	Industry IT	3,875	5,496
	Social Infrastructure IT	5,272	6,072
	IT Infrastructure Construction	2,661	2,856
Solution Business		2,379	2,862
Total		24,281	27,956

(Note) The total amount of performance obligations as of end of the consolidated accounting period is 27,956 million yen, and 99% of the amount is expected to be recognized as revenue within one year.

(Segment and Other Information)

【Segment Information】

1. Reporting Segment

As it is possible to obtain financial information at the structural component level for the Company and the Group, the reporting segments are subject to regular evaluation to enable the Board of Directors to make decisions on management resource allocation and to evaluate performance.

In particular, business divisions and Group companies are organized into five segments based on offered services and business type of customers: System Development Business (Financial IT), System Development Business (Industry IT), System Development Business (Social Infrastructure IT), System Development Business (IT Infrastructure Construction), and Solution Business.

2. Method for Calculation of Segment-specific Net Sales, Income or Losses, Assets, Liabilities, and Other Matters

Accounting for reporting segments are as indicated in Basis of Consolidated Financial Statements.

Income of reporting segment are based on operating income.

Inter-segment revenues and transfer balances are based on prevailing market prices.

3. Information on Net Sales, Profit/Loss, Assets, Liabilities and Other Items by Reporting Segment

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	Reporting segment						Adjustment (Note 1)	Amount reported on the consolidated financial statements (Note 2)
	System Development Business				Solution Business	Total		
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Net sales								
Sales to external customers	30,889	23,685	20,306	11,839	14,542	101,263	—	101,263
Intersegment sales or transfers	32	253	0	30	13	330	(330)	—
Total	30,921	23,939	20,306	11,870	14,555	101,594	(330)	101,263
Segment income	5,739	2,931	3,963	2,055	870	15,561	(380)	15,180
Other								
Depreciation expenses	217	414	69	83	482	1,267	20	1,287
Amortization of goodwill	345	376	22	29	509	1,283	—	1,283
Impairment losses	—	—	—	—	—	—	—	—

(Note) 1. Adjustment is as below.

Adjustment of segment income is as below.

Inter-segment sales eliminations	— million yen
Costs of whole company *	(380) million yen
Total	(380) million yen

* Costs of whole company are mainly G&A costs which do not attribute to the segments.

2. Operating income in the consolidated financial statements consists of segment income and adjustments.

3. Assets are not allotted to business segments.

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	Reporting segment						Adjustment (Note 1)	Amount reported on the consolidated financial statements (Note 2)
	System Development Business				Solution Business	Total		
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Net sales								
Sales to external customers	32,487	25,182	22,398	12,324	15,398	107,791	—	107,791
Intersegment sales or transfers	—	453	43	78	12	588	(588)	—
Total	32,487	25,635	22,441	12,403	15,411	108,380	(588)	107,791
Segment income	6,326	3,746	4,552	2,167	772	17,565	(715)	16,849
Other								
Depreciation expenses	167	288	78	74	526	1,136	31	1,167
Amortization of goodwill	402	419	27	32	572	1,454	—	1,454
Impairment losses	—	—	—	—	—	—	8	8

(Note) 1. Adjustment is as below.

Adjustment of segment income is as below.

Inter-segment sales eliminations	— million yen
Costs of whole company *	(715) million yen
Total	(715) million yen

* Costs of whole company are mainly G&A costs which do not attribute to the segments.

- Operating income in the consolidated financial statements consists of segment income and adjustments.
- Assets are not allotted to business segments.

【Related Information】

Fiscal year ended March 31, 2024

1. Information by Product and Service

This information is omitted as the reporting segment categories and the product and service categories are the same.

2. Information by Geographical Area

(1) Net Sales

This information is omitted as net sales to external customers in Japan exceed 90% of net sales recorded on the consolidated statements of income.

(2) Property and Equipment

This information is omitted as the amount for property and equipment held in Japan exceeds 90% of the amount for property and equipment recorded on the consolidated balance sheet.

3. Information on Major Customer

This information is omitted as there are no sales to external customers which is 10% or more of the sales on the consolidated statements of income.

Fiscal year ended March 31, 2025

1. Information by Product and Service

This information is omitted as the reporting segment categories and the product and service categories are the same.

2. Information by Geographical Area

(1) Net Sales

This information is omitted as net sales to external customers in Japan exceed 90% of net sales recorded on the consolidated statements of income.

(2) Property and Equipment

This information is omitted as the amount for property and equipment held in Japan exceeds 90% of the amount for property and equipment recorded on the consolidated balance sheet.

3. Information on Major Customer

This information is omitted as there are no sales to external customers which is 10% or more of the sales on the consolidated statements of income.

【Information on Impairment Losses on Non-current Assets by Reporting Segment】

Fiscal year ended March 31, 2024

This information is omitted as similar information is provided in the segment information.

Fiscal year ended March 31, 2025

This information is omitted as similar information is provided in the segment information.

【Information on Amortization and Unamortized Balance of Goodwill by Reporting Segment】

Fiscal year ended March 31, 2024

(Unit: Millions of yen)

	System Development Business				Solution Business	Subtotal	Adjustment	Total
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Amortization during the period	345	376	22	29	509	1,283	—	1,283
Unamortized balance at the end of the period	2,662	3,305	205	211	3,919	10,303	—	10,303

Fiscal year ended March 31, 2025

(Unit: Millions of yen)

	System Development Business				Solution Business	Subtotal	Adjustment	Total
	Financial IT	Industry IT	Social Infrastructure IT	IT Infrastructure Construction				
Amortization during the period	402	419	27	32	572	1,454	—	1,454
Unamortized balance at the end of the period	2,549	3,100	201	190	3,458	9,500	—	9,500

【Information on Gain on Bargain Purchase by Reporting Segment】

Fiscal year ended March 31, 2024

Not applicable.

Fiscal year ended March 31, 2025

Not applicable.

(Per Share Information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	811.26 yen	811.67 yen
Net income per share	133.29 yen	153.61 yen
Diluted net income per share	133.28 yen	— yen

(Note 1) The diluted net income per share for the current consolidated accounting period is omitted as there are no dilutive shares.

(Note 2) The basis of calculating net income per share and diluted net income per share are as below.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income per share		
Net income attributable to owners of the parent company (Millions of yen)	10,262	11,795
Amount not attributable to shareholder related to common stock (Millions of yen)	—	—
Net income attributable to owners of the parent company related to common stock (Millions of yen)	10,262	11,795
Average number of outstanding shares of common stock during the period (Shares)	76,996,357	76,785,699
Diluted net income per share		
Increase in number of common stock (Shares)	4,398	—
Share options among the above (Shares)	4,398	—
Summary of dilutive shares not included in diluted net income per share because they do not have diluting effects	—	—

(Significant Subsequent Events)

Not applicable.