

February 9, 2026

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

Company name: Densan System Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 4072
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 Representative: Ryoji Kobayashi, President, Representative Director
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 Scheduled date of annual general meeting of shareholders: March 25, 2026
 Scheduled date to commence dividend payments: March 26, 2026
 Scheduled date to file annual securities report: March 24, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	68,131	11.2	3,624	56.8	3,843	51.6	2,896	56.5
December 31, 2024	61,256	2.8	2,311	(41.7)	2,534	(36.9)	1,850	(7.7)

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥3,290 million [81.3%]
 For the fiscal year ended December 31, 2024: ¥1,815 million [(12.8)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2025	271.06	-	12.4	5.9	5.3
December 31, 2024	173.88	-	8.7	4.3	3.8

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended December 31, 2025: ¥(24) million
 For the fiscal year ended December 31, 2024: ¥(16) million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2025	69,112	24,881	35.6	2,300.88
December 31, 2024	61,747	22,294	35.8	2,071.18

Reference: Equity
 As of December 31, 2025: ¥24,637 million
 As of December 31, 2024: ¥22,083 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	4,165	(855)	(1,053)	17,581
December 31, 2024	3,021	239	(765)	15,324

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (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	-	20.00	-	40.00	60.00	647	34.5	3.0
Fiscal year ended December 31, 2025	-	40.00	-	50.00	90.00	971	33.2	4.1
Fiscal year ending December 31, 2026 (Forecast)		50.00		50.00	100.00		41.0	

Note: The year-end dividend per share for the fiscal year ended December 31, 2025 was changed from ¥40 to ¥50. For details, please refer to the "Notice Concerning Dividend (Dividend Increase)" announced today (February 9, 2026).

3. Forecast of consolidated financial results 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		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2026	70,000	2.7	3,650	0.7	3,850	0.2	2,620	(9.6)	244.11

* **Notes**

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

Newly included: 1 company (Unyte Inc.)

Excluded: 1 company (Micro Research Inc.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

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

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(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	10,798,341 shares
As of December 31, 2024	10,795,550 shares

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

As of December 31, 2025	90,541 shares
As of December 31, 2024	133,421 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	10,687,405 shares
Fiscal year ended December 31, 2024	10,642,584 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(4) Future outlook” of “1. Overview of Operating Results and Others” on page 5 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

Consolidated balance sheet

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	19,279	22,666
Money held in trust	15,531	17,319
Notes receivable - trade	127	136
Accounts receivable - trade	8,734	9,306
Contract assets	2,302	1,794
Merchandise and finished goods	660	579
Work in process	398	345
Prepaid expenses	6,016	7,806
Other	838	1,075
Allowance for doubtful accounts	(12)	(31)
Total current assets	53,876	60,999
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,268	1,136
Land	791	791
Other, net	658	641
Total property, plant and equipment	2,718	2,568
Intangible assets		
Goodwill	461	594
Customer-related assets	513	464
Software	705	618
Software in progress	64	297
Other	0	0
Total intangible assets	1,745	1,974
Investments and other assets		
Investment securities	2,355	2,811
Deferred tax assets	635	285
Guarantee deposits	393	443
Other	104	116
Allowance for doubtful accounts	(82)	(87)
Total investments and other assets	3,407	3,569
Total non-current assets	7,870	8,113
Total assets	61,747	69,112

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	5,072	6,610
Current portion of bonds payable	7	-
Current portion of long-term borrowings	206	131
Income taxes payable	455	260
Contract liabilities	9,228	10,728
Deposits received of storage agency	19,370	22,288
Provision for bonuses	87	92
Provision for bonuses for directors (and other officers)	23	-
Provision for loss on orders received	899	62
Provision for shareholder benefit program	46	44
Other	2,404	2,789
Total current liabilities	37,804	43,008
Non-current liabilities		
Bonds payable	15	-
Long-term borrowings	846	498
Deferred tax liabilities	177	164
Provision for retirement benefits for directors (and other officers)	208	152
Retirement benefit liability	121	101
Provision for loss on guarantees	-	18
Asset retirement obligations	26	26
Other	252	260
Total non-current liabilities	1,648	1,222
Total liabilities	39,452	44,230
Net assets		
Shareholders' equity		
Share capital	2,496	2,503
Capital surplus	2,628	2,628
Retained earnings	17,323	19,356
Treasury shares	(420)	(284)
Total shareholders' equity	22,027	24,204
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	55	433
Total accumulated other comprehensive income	55	433
Non-controlling interests	211	244
Total net assets	22,294	24,881
Total liabilities and net assets	61,747	69,112

Consolidated statement of income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	61,256	68,131
Cost of sales	51,968	57,116
Gross profit	9,287	11,014
Selling, general and administrative expenses	6,975	7,389
Operating profit	2,311	3,624
Non-operating income		
Interest income	13	73
Dividend income	124	31
Commission income	34	31
Gain on sale of non-current assets	1	0
Gain on sale of investment securities	-	15
Gain on investments in investment partnerships	1	126
Gain on valuation of derivatives	1	1
Debt prescripton profit	8	9
Gain on sale of businesses	50	-
Other	28	14
Total non-operating income	264	302
Non-operating expenses		
Interest expenses	14	22
Loss on sale of non-current assets	6	2
Share of loss of entities accounted for using equity method	16	24
Loss on investments in silent partnerships	0	-
Foreign exchange losses	0	13
Provision of allowance for doubtful accounts	-	20
Other	2	0
Total non-operating expenses	40	84
Ordinary profit	2,534	3,843
Extraordinary income		
Gain on sale of investment securities	641	-
Total extraordinary income	641	-
Extraordinary losses		
Impairment losses	456	-
Loss on valuation of investment securities	92	116
Loss on sale of shares of subsidiaries and associates	-	15
Total extraordinary losses	549	132
Profit before income taxes	2,626	3,711
Income taxes - current	1,031	564
Income taxes - deferred	(269)	233
Total income taxes	761	798
Profit	1,865	2,912
Profit attributable to non-controlling interests	14	16
Profit attributable to owners of parent	1,850	2,896

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	1,865	2,912
Other comprehensive income		
Valuation difference on available-for-sale securities	(50)	377
Deferred gains or losses on hedges	1	-
Total other comprehensive income	(49)	377
Comprehensive income	1,815	3,290
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,800	3,274
Comprehensive income attributable to non-controlling interests	14	16

Consolidated statement of changes in equity

Fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income
Balance at beginning of period	2,489	2,628	15,893	(540)	20,471	106	(1)	105
Changes during period								
Issuance of new shares - restricted stock	6				6			
Dividends of surplus			(420)		(420)			
Profit attributable to owners of parent			1,850		1,850			
Purchase of treasury shares				(0)	(0)			
Disposal of treasury shares				120	120			
Net changes in items other than shareholders' equity						(50)	1	(49)
Total changes during period	6	-	1,429	120	1,556	(50)	1	(49)
Balance at end of period	2,496	2,628	17,323	(420)	22,027	55	-	55

	Non-controlling interests	Total net assets
Balance at beginning of period	197	20,774
Changes during period		
Issuance of new shares - restricted stock		6
Dividends of surplus		(420)
Profit attributable to owners of parent		1,850
Purchase of treasury shares		(0)
Disposal of treasury shares		120
Net changes in items other than shareholders' equity	14	(35)
Total changes during period	14	1,520
Balance at end of period	211	22,294

Consolidated statement of changes in equity

Fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income
Balance at beginning of period	2,496	2,628	17,323	(420)	22,027	55	-	55
Changes during period								
Issuance of new shares - restricted stock	7				7			
Dividends of surplus			(863)		(863)			
Profit attributable to owners of parent			2,896		2,896			
Purchase of treasury shares				(0)	(0)			
Disposal of treasury shares				135	135			
Net changes in items other than shareholders' equity						377	-	377
Total changes during period	7	-	2,033	135	2,176	377	-	377
Balance at end of period	2,503	2,628	19,356	(284)	24,204	433	-	433

	Non-controlling interests	Total net assets

Balance at beginning of period	211	22,294
Changes during period		
Issuance of new shares - restricted stock		7
Dividends of surplus		(863)
Profit attributable to owners of parent		2,896
Purchase of treasury shares		(0)
Disposal of treasury shares		135
Net changes in items other than shareholders' equity	32	410
Total changes during period	32	2,587
Balance at end of period	244	24,881

Consolidated statement 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	2,626	3,711
Depreciation	780	716
Impairment losses	456	-
Amortization of goodwill	116	113
Increase (decrease) in allowance for doubtful accounts	12	24
Increase (decrease) in provision for bonuses	(0)	10
Increase (decrease) in provision for bonuses for directors (and other officers)	(7)	(23)
Increase (decrease) in provision for loss on orders received	675	(836)
Increase (decrease) in provision for shareholder benefit program	7	(2)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(221)	(25)
Increase (decrease) in provision for loss on guarantees	-	18
Increase (decrease) in retirement benefit liability	8	0
Interest and dividend income	(138)	(104)
Interest expenses	14	22
Loss (gain) on valuation of derivatives	(1)	(1)
Share of loss (profit) of entities accounted for using equity method	16	24
Foreign exchange losses (gains)	(12)	(0)
Loss (gain) on investments in investment partnerships	(1)	(126)
Loss (gain) on valuation of investment securities	92	116
Loss (gain) on sale of investment securities	(641)	(15)
Loss (gain) on sale of non-current assets	4	2
Loss (gain) on sale of shares of subsidiaries and associates	-	15
Decrease (increase) in accounts receivable - trade, and contract assets	(952)	(77)
Decrease (increase) in inventories	(154)	(64)
Decrease (increase) in prepaid expenses	(762)	(1,793)
Increase (decrease) in trade payables	608	1,585
Increase (decrease) in accounts payable - other	403	266
Increase (decrease) in contract liabilities	1,643	1,499
Decrease (increase) in other current assets	(33)	(353)
Increase (decrease) in other current liabilities	(145)	127
Other, net	(39)	(69)
Subtotal	4,354	4,762
Interest and dividends received	41	174
Interest paid	(14)	(22)
Income taxes paid	(1,359)	(748)
Net cash provided by (used in) operating activities	3,021	4,165

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from investing activities		
Payments into time deposits	(116)	(116)
Proceeds from withdrawal of time deposits	116	116
Purchase of property, plant and equipment	(295)	(229)
Proceeds from sale of property, plant and equipment	9	3
Purchase of intangible assets	(328)	(403)
Purchase of investment securities	(99)	(153)
Proceeds from sale of investment securities	898	15
Proceeds from distributions from investment partnerships	2	163
Proceeds from maturity of insurance funds	53	-
Payments of leasehold and guarantee deposits	(2)	(0)
Proceeds from refund of leasehold and guarantee deposits	5	2
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(225)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(27)
Other, net	(2)	-
Net cash provided by (used in) investing activities	239	(855)
Cash flows from financing activities		
Redemption of bonds	(7)	(3)
Repayments of long-term borrowings	(445)	(316)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	108	129
Dividends paid	(421)	(863)
Dividends paid to non-controlling interests	(0)	(0)
Net cash provided by (used in) financing activities	(765)	(1,053)
Effect of exchange rate change on cash and cash equivalents	12	0
Net increase (decrease) in cash and cash equivalents	2,508	2,256
Cash and cash equivalents at beginning of period	12,816	15,324
Cash and cash equivalents at end of period	15,324	17,581

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which segregated financial information is available and are subject to periodic review by the Board of Directors and the Executive Committee in order to determine the allocation of management resources and evaluate business performance. The Group conducts business activities by service, and the reporting segments are "Information Service Business" and "Collection Agency Service Business." The "Information Service Business" is engaged in the sale of products and products such as information processing services, system integration, software development, and system equipment, while the "Receipt Service Business" provides payment collection services to credit card companies, convenience stores, banks, and electronic money business operators.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The total amount of each item in the reporting segment is consistent with the respective amount on the consolidated balance sheet or consolidated statements of income, and the method of accounting for the reporting segment is in accordance with the accounting policy adopted to prepare the consolidated financial statements. Profit in the reporting segment is a figure based on operating income.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

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

(Millions of yen)

	Reportable segments			Reconciling items	Amount recorded in consolidated financial statements (Note)
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	37,281	23,974	61,256	-	61,256
Transactions with other segments	108	0	108	(108)	-
Total	37,389	23,974	61,364	(108)	61,256
Segment profit (loss)	(278)	2,579	2,300	10	2,311
Segment Assets	23,730	23,545	47,275	14,471	61,747
Other items					
Depreciation	660	51	711	68	780
Increase in property, plant and equipment and intangible assets	479	84	564	57	622

Note: 1. Adjustments for segment profits or losses (loss) are the difference in the allocation of administrative expenses borne by the reporting segment.

2. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.

3. The increase in depreciation, property, plant and equipment and intangible assets includes long-term upfront expenses.

4. The adjustment for the increase in property, plant and equipment and intangible assets is the amount of capital expenditure in the administrative department.

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

(Millions of yen)

	Reportable segments			Reconciling items	Amount recorded in consolidated financial statements (Note)
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	43,061	25,069	68,131	-	68,131
Transactions with other segments	24	0	24	(24)	-
Total	43,085	25,070	68,155	(24)	68,131
Segment Profit	942	2,676	3,618	5	3,624
Segment Assets	27,290	26,400	53,691	15,421	69,112
Other items					
Depreciation	580	69	650	66	716
Increase in property, plant and equipment and intangible assets	510	113	624	51	675

Note: 1. The adjustment amount for segment profit is the difference in the allocation of administrative expenses borne by the reporting segment.

2. Segment profit is adjusted to operating income in the consolidated statements of income.

3. The increase in depreciation, property, plant and equipment and intangible assets includes long-term upfront expenses.

4. The adjustment for the increase in property, plant and equipment and intangible assets is the amount of capital expenditure in the administrative department.

4. Difference between the Total Amount of Reporting Segments and the Amount Recorded in Consolidated Financial Statements, and Main Details of the Difference (Matters Related to Adjustment of Differences)

benefit	The previous fiscal year (Millions of Yen)	The current fiscal year (Millions of Yen)
Total Reporting Segments	2,300	3,618
Company-wide expense allocation difference (Note)	8	3
Inter-segment transaction elimination	2	2
Operating income in consolidated financial statements	2,311	3,624

Note: Company-wide expenses are allocated to each reporting segment in accordance with internal standards.

Assets	The previous fiscal year (Millions of Yen)	The current fiscal year (Millions of Yen)
Total Reporting Segments	47,275	53,691
Company-wide assets not allocated to each reporting segment (Note)	14,534	17,097
Offset elimination of inter-segment receivables	(63)	(1,676)
Total assets in consolidated financial statements	61,747	69,112

Note: This is mainly the remaining funds under management of the submitting company and buildings, land, etc. that have not been allocated to the reporting segment.

Related Information

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

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

Since there are no property, plant and equipment outside of Japan, there is no applicable matter.

3. Information per main customer

Since there are no counterparties that account for 10% of sales to external customers in the consolidated statements of income, the description is omitted.

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

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

Since there are no property, plant and equipment outside of Japan, there is no applicable matter.

3. Information per main customer

Since there are no counterparties that account for 10% of sales to external customers in the consolidated statements of income, the description is omitted.

Information on impairment losses on fixed assets by reporting segment

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

In the information services business, we recorded an impairment loss of 456 million yen on fixed assets.

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

Not applicable.

Information on amortization and unamortized balances of goodwill by reporting segment

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

(Millions of yen)

	Reportable segments			Reconciling items	Per consolidated financial statements
	information technology service	collection agency services	Total		
Depreciation for the period	116	-	116	-	116
Balance at the end of the current fiscal year	461	-	461	-	461

Note: In the information services business, we recorded an impairment loss of 27 million yen on goodwill.

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

(Millions of yen)

	Reportable segments			Reconciling items	Per consolidated financial statements
	information technology service	collection agency services	Total		
Depreciation for the period	113	-	113	-	113
Balance at the end of the current fiscal year	594	-	594	-	594

Information on Negative Goodwill Accrual Gains by Reporting Segment

Not applicable.