

# Densan System Holdings Co., Ltd.

## Financial Results

FY 2026 Q1

(Tokyo Stock Exchange Prime • Nagoya Stock Exchange Prime Security Code : 4072)

Forward-looking statements contained in this document are based on current estimates and projections and include potential risks and uncertainties. Future results are therefore not guaranteed. Please note that actual results may differ from projections due to changes in the business environment and other factors. Amounts are displayed rounded down to units of one million yen. Aggregate totals stated in charts may not tally with a result. Percentages are displayed rounded to the second decimal point.

\*Information from 2Q FY2021 and before is that of Densan System Co., Ltd.

# Table of Contents

## FY 2026 1st Quarter

---

Business Result Highlights	3
Business Result Quarterly Trends	4
Business Results Financial Condition(B/S)	5
Cash Allocation Strategy	6

## Information Services Segment

---

Business Summary	7
Quarterly Trends	8
Business Result Details (Google Business)	9
Business Result Details (Outsourcing)	10

## Payment Agency Services Segment

---

Business Summary	11
Quarterly Trends	12
Business Result Details	13
Business Result Details (Offline Convenience Store Payment)	14

## Forecast and Plans

---

FY 2026 Financial Forecasts	15
FY2026 Key Strategies	16
Shareholder Returns	17
Sustainability Policy	18
Response to Achieve Management with Awareness of Capital Cost and Stock Price	19
Topics	20

## Appendix

---

Company Profile	24
Management Philosophy	25
Trends in Key Consolidated Financial Indicators	26
Segment Description (Information Services Segment)	27
Segment Description (Payment Agency Services Segment)	28

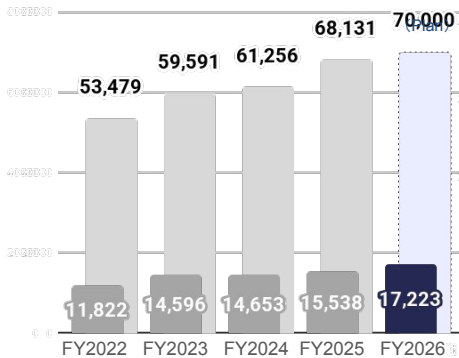
# Business Results Highlights

Unit: Millions of Yen

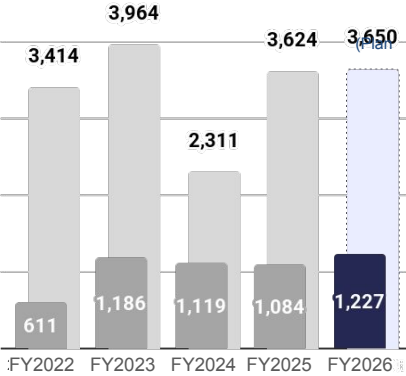
- Revenue grew steadily, driven by an expanding client base within the Google business segment.
- Operating income increased despite rising costs—including labor, unit procurement costs, and strategic investments—as the growth in top-line revenue offset these expenses.
- Progress for both sales and all profit levels is on track relative to the initial forecast, and the full-year plan remains unchanged.

	FY 2025 1Q	FY 2026 1Q	YoY		Full-Year Plan	Progress
			Amount	Ratio		
Net Sales	15,538	17,223	1,684	10.8%	70,000	24.6%
Operating Profit	1,084	1,227	143	13.2%	3,650	33.6%
Profit Margin	7.0%	7.1%	0.1%pt Up		5.2%	
Ordinary Profit	1,242	1,301	58	4.7%	3,850	33.8%
Ordinary Profit Margin	8.0%	7.6%	0.4%pt Down		5.5%	
Net Income	820	888	67	8.3%	2,620	33.9%

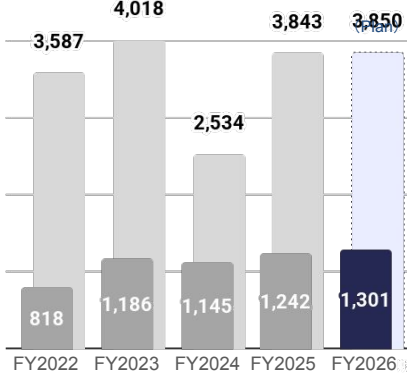
## Net Sales



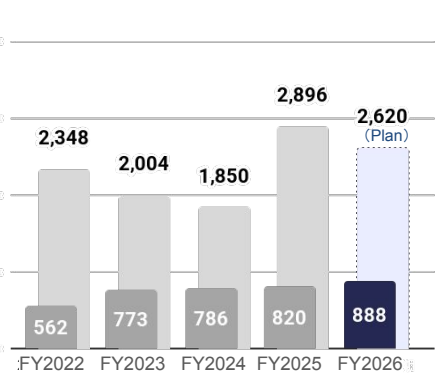
## Operating Profit



## Ordinary Profit



## Net Income

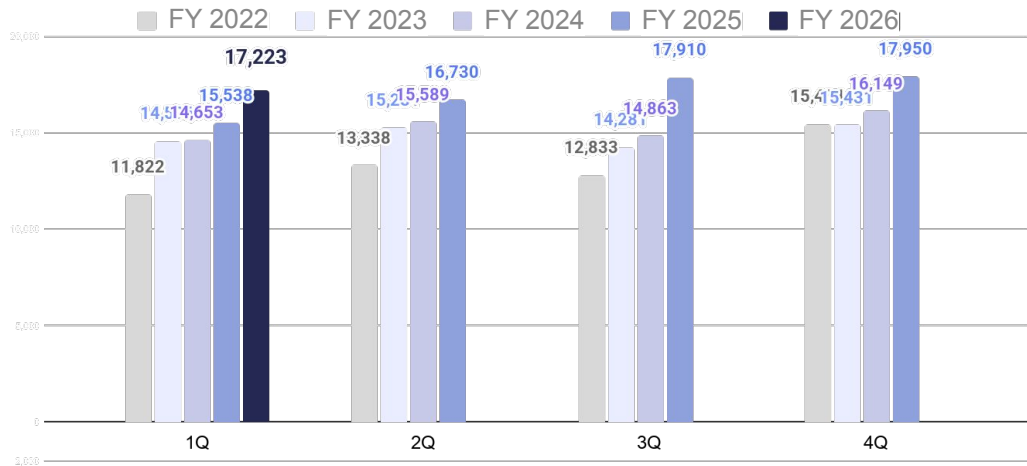


# Business Results Quarterly Trends

Unit: Millions of Yen

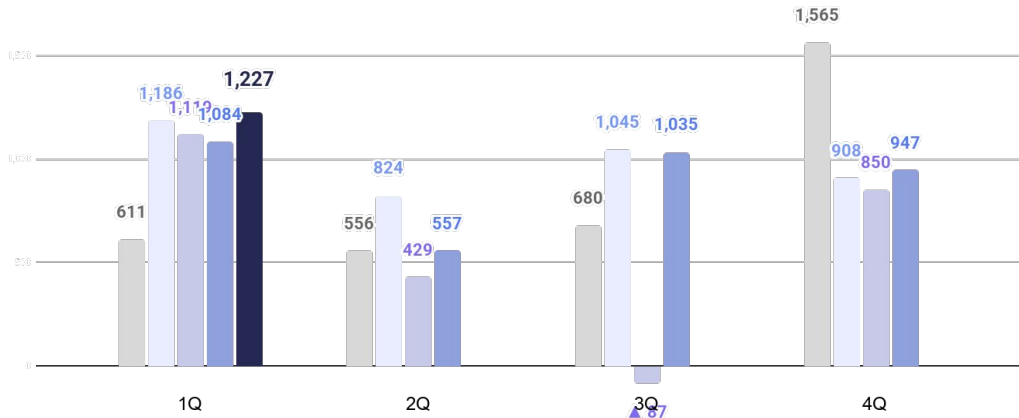
## Net Sales

- Net sales have increased steadily each period.
- Q1 of the current term also reached a record high.



## Operating Profit

- First-quarter earnings rose in line with seasonal trends, driven by a high volume of system development acceptances and the stable operation of deployed systems.
- Operating profit for the first quarter of 2022 was lower relative to other fiscal years as a result of the adoption of new revenue recognition standards.



# Business Results Financial Condition(B/S)

Unit: Millions of Yen

## Financial Conditions

- **Total Assets:** Up ¥5,103M vs. prior FY-end, driven by higher money trusts and cash levels.
- **Total Liabilities:** Up ¥4,784M vs. prior FY-end, mainly due to increases in deposits for collection services and short-term debt.
- **Net Assets:** Up ¥318M vs. prior FY-end, primarily reflecting growth in retained earnings.

	FY 2025	FY 2026 1Q	Amount Change
Total Asset	69,112	74,215	5,103
Current Asset	60,999	65,831	4,832
Non-Current Asset	8,113	8,384	270
Total Liabilities	44,230	49,015	4,784
Current Liabilities	43,008	47,850	4,841
Non-Current Liabilities	1,222	1,165	▲ 56
Total net assets	24,881	25,199	318
Equity ratio	35.6%	33.6%	2.0%pt Down
Deposit Received in payment agency services	22,288	25,556	3,268
Equity ratio excluding deposits received in payment agency	52.6%	51.3%	1.3%pt Down

## Net Cash Analysis

- Temporary deposits from customers in the collection business are recognized as offsetting entries: Liabilities (Deposits received) and Assets (Money trusts).
- Reflecting these business characteristics, effective net cash available for strategic allocation is ¥17.03B.

	FY 2025	FY 2026 1Q	Amount Change
A) Total Cash	39,985	46,283	6,297
Cash and deposits	22,666	23,679	1,012
Money held in trust	17,319	22,603	5,284
B) Deposits received in payment agency services	22,288	25,556	3,268
C) Interest-bearing debt	629	3,696	3,067
Net Cash ( A-B-C )	17,067	17,030	▲ 37

# Cash Allocation Strategy

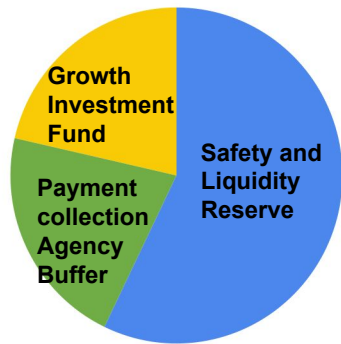
## Flow : Use of Free cash flow

Optimizing Capital Allocation to Drive Strategic Growth

<b>First Priority</b>	<b>Shareholder returns: Delivering stable, consistent dividends while prioritizing financial health.</b> (Dividend for FY 2026; Approx. ¥1.08 billion forecast)
<b>Second Priority</b>	<b>Financial soundness: Secure and maintain a liquidity buffer to cover payment advances.</b>
<b>Third Priority</b>	<b>Growth investment: Strategic investment to secure competitive advantage while maintaining a balance between security and returns.</b>

## Stock : Strategic allocation of net cash (¥17.0 billion in FY 2025)

<b>1. Safety and Liquidity Reserve</b>	<b>Working Funds</b> A reserve for monthly funding needs. (Secure funds of about 1.2 times monthly sales = ¥8.0 billion)
<b>2. Payment Collection Agency Buffer</b>	<b>Payment Collection agency funds</b> Securing funds to address liquidity risk from payment advances (¥3.0 billion)
<b>3. Growth Investment Fund</b>	<b>Investment in growth strategies, M&amp;A standby funds</b> Strategic reserve in preparation for expansion into new business areas and dynamic M&A to acquire technology. (¥3.0 billion)



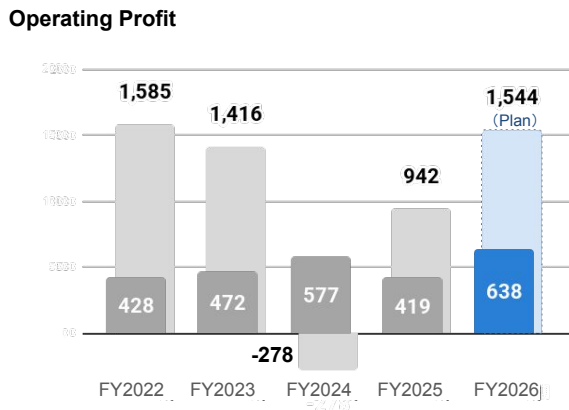
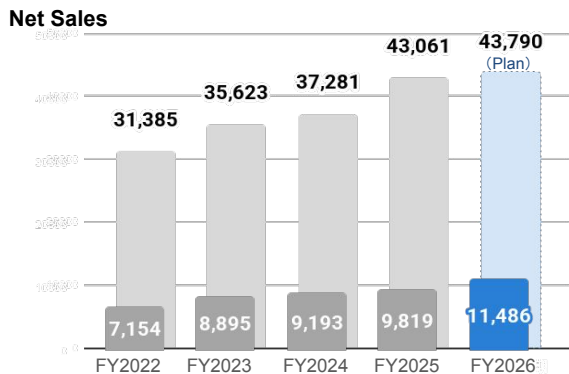
※ From the standpoint of security, efficiency, and growth, cash is properly rebalanced through a strategic breakdown of the stock (balance) of funds earned in business flow.

## Business Result: Information Services Segment Summary

Unit: Millions of Yen

- **Google Business:** Increased contract count drove higher implementation and license sales, boosting overall revenue.
- **SI & Software Development:** Revenue expanded on the back of strong demand for auto auction system projects.
- **BPO:** Performance remained stable YoY, as new acquisitions and existing project growth offset volume declines at major accounts.
- **Operating Income:** Rose 52.1% YoY; sales growth and portfolio optimization successfully offset higher labor and procurement costs.

	FY 2025 1Q	FY 2026 1Q	YoY		Full-Year Plan	Progress
			Amount	Ratio		
Net Sales	9,819	11,486	1,667	17.0%	43,790	26.2%
SI・SW Development・ Product Sales	5,314	6,245	931	17.5%	20,071	31.1%
Cloud license	3,172	3,911	738	23.3%	17,898	21.9%
BPO	1,310	1,307	▲ 2	▲0.2%	5,723	22.8%
Other revenue	22	22	0	1.1%	99	23.0%
Operating Profit	419	638	218	52.1%	1,544	41.4%
Operating Profit Margin	4.3%	5.6%	1.3%pt Up		3.5%	

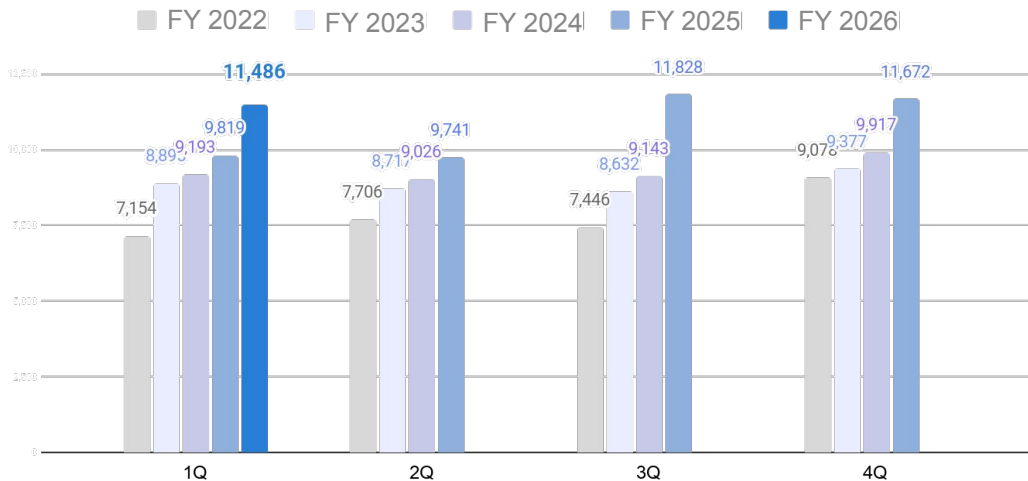


# Business Result: Information Services Segment Quarterly Trends

Unit: Millions of Yen

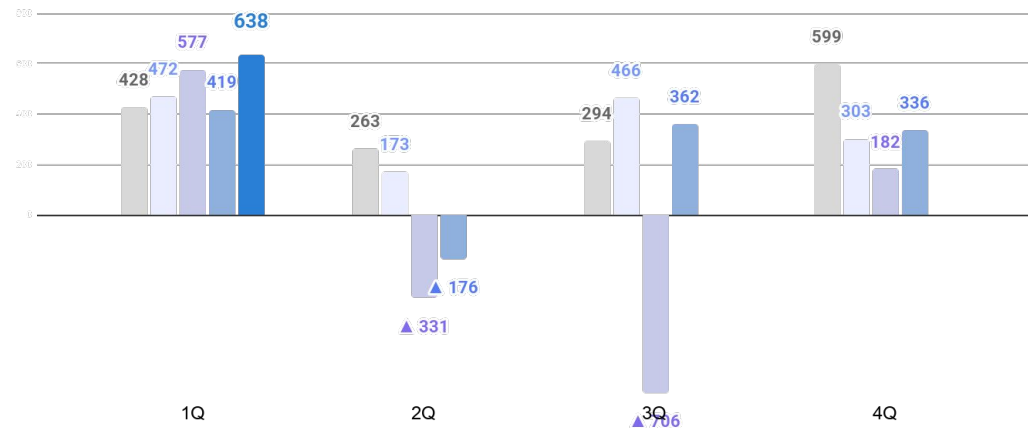
## Net Sales

- **Consistent Quarterly Growth:** Net sales have demonstrated a steady upward trend every quarter.
- **Record-High Q1 Results:** Achieved historical peak performance, fueled by strong demand for Google-related services, auto auction systems, and SI projects.



## Operating Profit

- **Profit Growth:** Operating income increased in line with revenue expansion.
- **High Utilization:** Robust project demand led to high engineer utilization, boosting Q1 earnings.
- **Profit Volatility:** Historical quarterly earnings have fluctuated due to project timing and the impact of low-margin projects.
- **Accounting Change:** Q1 FY 2022 results reflect the impact of transitioning to new revenue recognition standards.



# Business Result: Information Services Segment Details (Google Business)

Unit: Millions of Yen

- **Steady Client Acquisition:** Added 72 new Google Workspace clients in Q1.
- **Strong YoY Growth:** Total clients up 8.9% (+195 companies) and revenue up 30.6% (¥1,133M) vs. prior year Q1.
- **Quarterly Revenue Trend:** Q1 revenue declined compared to Q3 and Q4 of the previous year, reflecting a high bar set by the GIGA School Program projects.

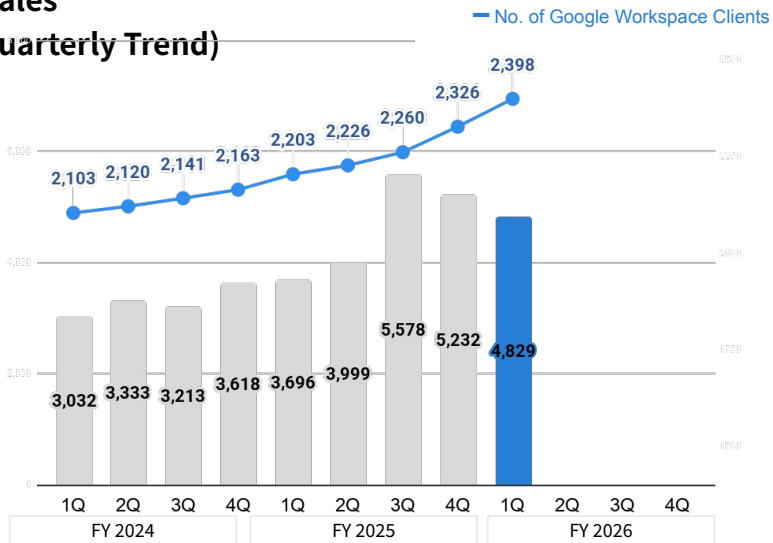
## Google Workspace Clients:

**2,398**

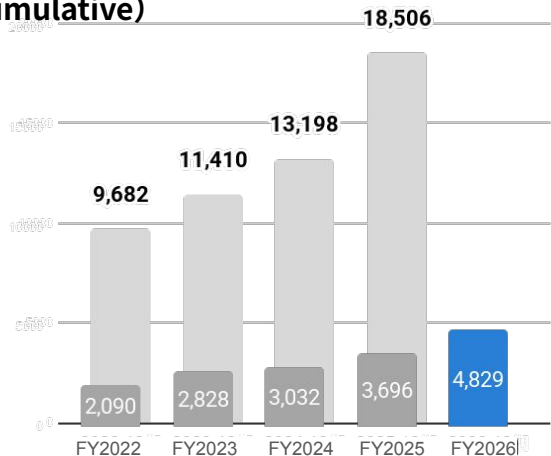
(Google Business Revenue Up 30.6 % YoY)

### Net Sales

#### (Quarterly Trend)



#### (Cumulative)



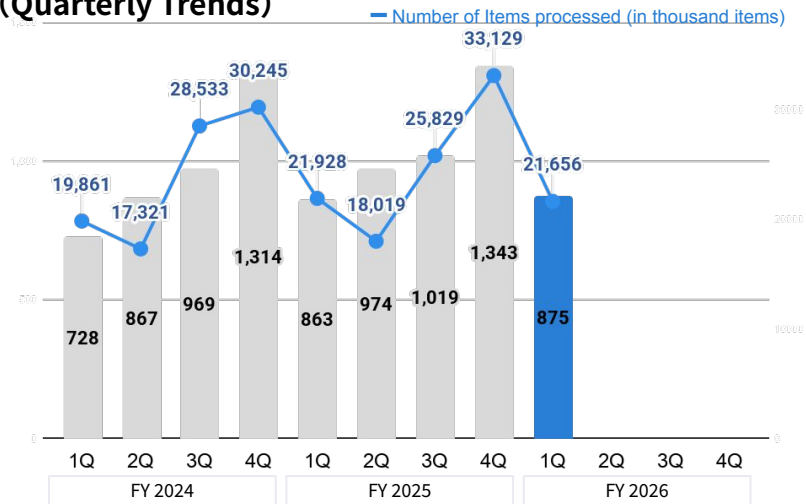
# Business Results: Information Services Segment (Outsourcing)

Unit: Millions of Yen

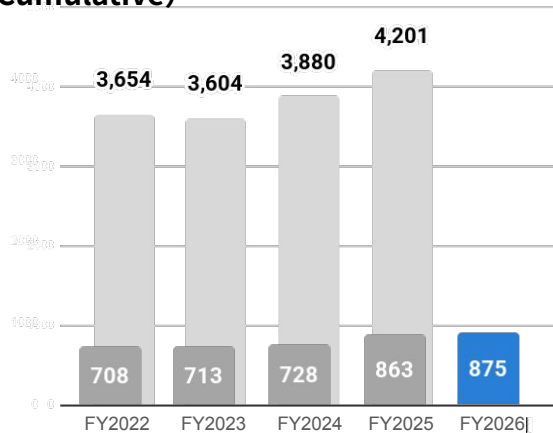
- **Segment Rename:** "BPO" renamed to "Outsourcing" in Information Services segment. Data scope remains consistent with the previous year.
- **Performance:** Net sales of ¥875M and 21.65M transactions; results remained stable YoY.
- **Volume Drivers:** New acquisitions and existing project growth successfully offset volume reductions from a major client's operational shift.
- **Market Trends:** E-commerce growth continues to impact traditional catalog-related data entry and printing services; further declines expected in these legacy areas.

## Net Sales

### (Quarterly Trends)



### (Cumulative)

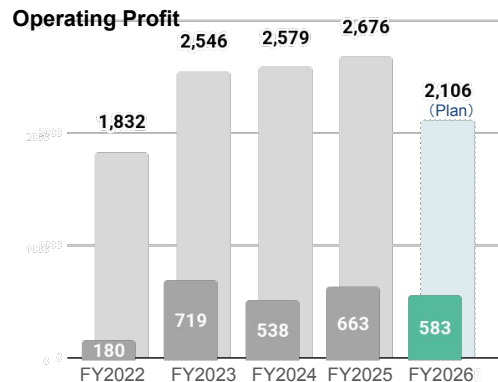
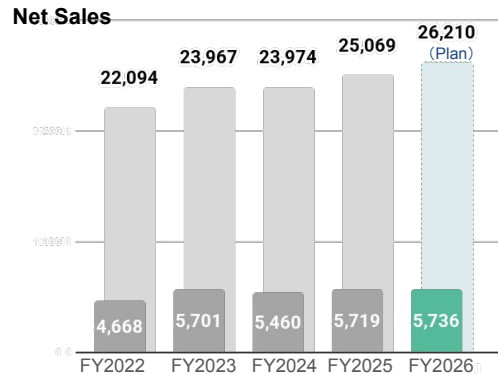


# Business Results: Payment Agency Services Segment Summary

Unit: Millions of Yen

- **Offline Convenience Store Payments:** New public sector contracts offset declines in private sector volume.
- **Bank Transfers & Online Payments:** Increased YoY due to new client onboarding.
- **Ancillary Services:** Sales down following cancellations of over-the-counter service locations.
- **Other Revenue:** Fell 14.4% YoY due to lower BNPL transaction volumes from existing clients.
- **Operating Income:** ¥583M (Down 12.1% YoY). Despite planned declines from strategic investments and cost increases, productivity gains have kept the profit progress rate ahead of sales.

	FY 2025 1Q	FY 2026 1Q	YoY		Full-Year Plan	Progress
			Amount	Ratio		
Net Sales	5,719	5,736	17	0.3%	26,210	21.9%
Offline Convenience store payments	5,078	5,095	17	0.3%	23,603	21.6%
Bank Transfers/Direct Debits	170	176	6	3.6%	704	25.1%
Online Payments	281	294	12	4.4%	1,287	22.8%
Ancillary Collection Services	95	90	▲ 5	▲ 5.9%	232	38.9%
Other Revenue	93	79	▲ 13	▲ 14.4%	384	20.7%
Operating profit	663	583	▲ 80	▲ 12.1%	2,106	27.7%
Operating profit margin	11.6%	10.2%	1.4%pt Down		8.0%	

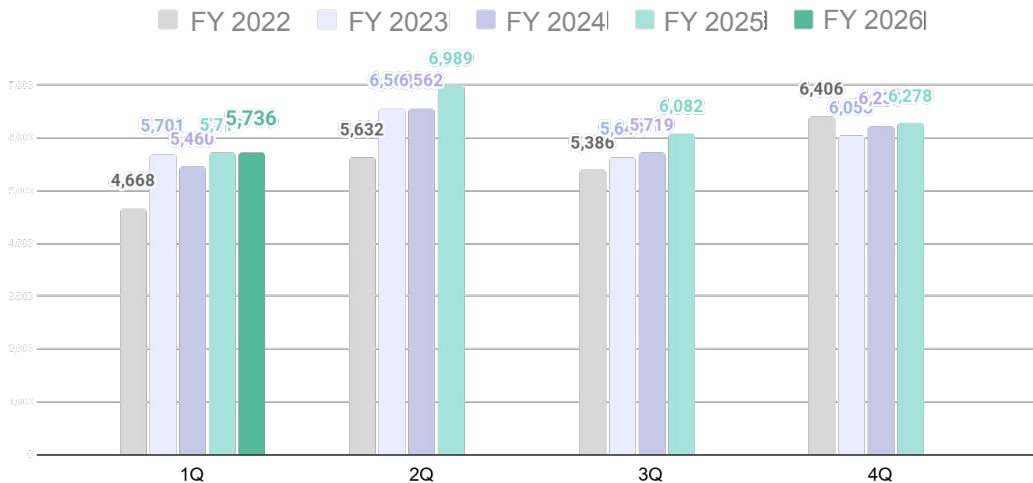


# Business Results: Payment Agency Services Segment Quarterly Trends

Unit: Millions of Yen

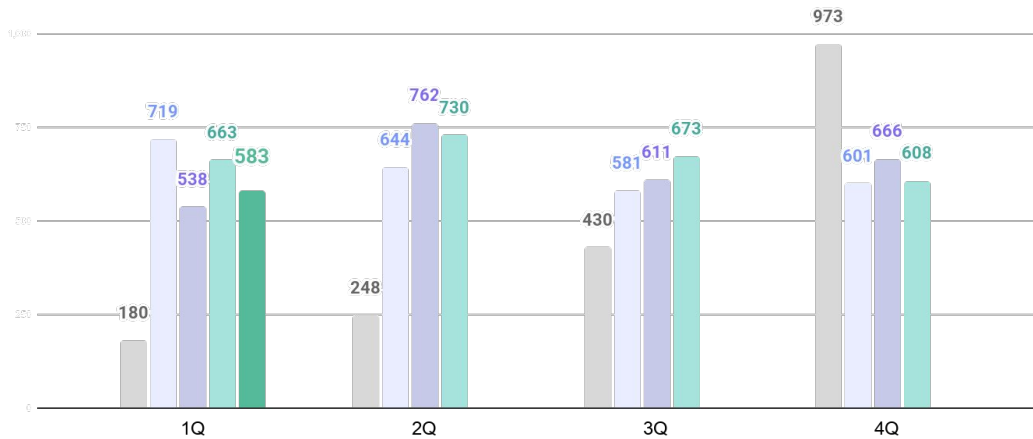
## Net Sales

- Revenue Trends:** Overall upward trend maintained, despite YoY fluctuations driven by major account activity (onboarding/cancellations) and unit price adjustments.



## Operating Profit

- Profit Volatility:** Operating income experiences significant quarterly variance, driven by sales fluctuations and rising procurement costs.
- Q1 Earnings Decline:** Profits decreased YoY due to a time lag in implementing price pass-throughs for cost increases that occurred in prior-year Q4.



# Business Result: Payment Agency Services Segment Details

Unit: Millions of Yen

## Offline Convenience Store Payment

- **Q2 Seasonality:** Significant growth in volume and revenue due to local tax collection peak.
- **Q4 Peak:** Increased transaction volume driven by seasonal gift demand.
- **Sector Mix:** Modest overall growth as expansion in public sector (local government) contracts offsets the gradual decline in private sector volumes.

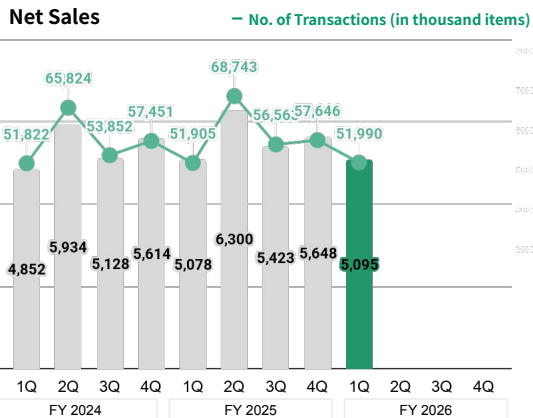
## Bank Transfers/Direct Debits

- Stable performance with minimal fluctuations compared to other services, supported by a high volume of recurring tuition payments.

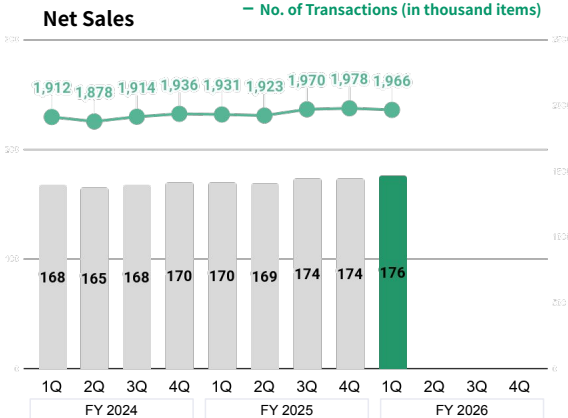
## Online Payments

- Comprised of convenience store paperless and credit Card payment services.
- Revenue up vs. previous 4Q: Higher unit prices offset lower transaction volume.

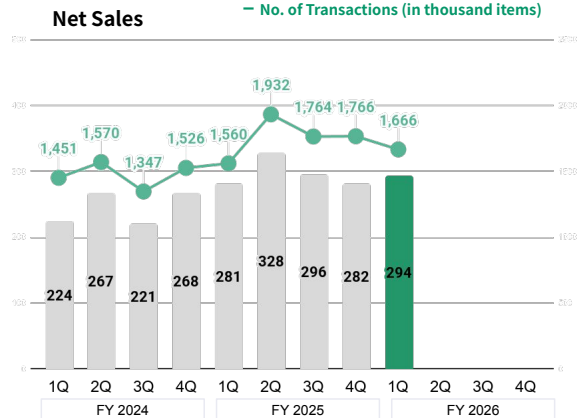
Net Sales YoY +1.0 %  
Transaction Volume YoY +0.2 %



Net Sales YoY +3.6 %  
Transaction Volume YoY +1.8 %



Net Sales YoY +4.4 %  
Transaction Volume YoY +6.8 %



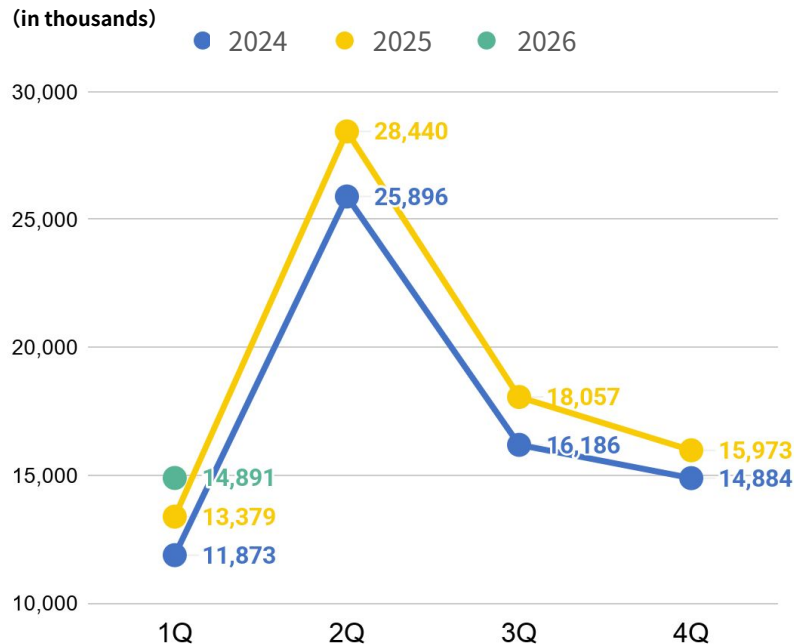
# Payment Agency Services Segment Details (Offline Convenience Store Payments)

## Transaction Volume Trend for Local Government Convenience Store Payment Slips

**Volume (YoY) +11.3%**

(Local Government Mix 25.7% → 28.6%)

- **Segment Definition:** Identical to previous year's "Payment and Collection Agency Services" (Local government portion).
- **Steady Growth:** Q1 transaction volume increased 11.3% YoY, maintaining a consistent quarterly upward trend.
- **Structural Shift:** Local government transactions now account for 28.6% of the segment as private-sector volumes gradually decline; this shift is projected to persist.



Unit: Millions of Yen

# FY 2026 Full Year Forecast (Initial)

- **Revenue Growth:** Deceleration expected due to high baseline from prior-year GIGA School projects.
- **Operating Income:** Strategic expansion of R&D investments in blockchain payment infrastructure.
- **Net Income:** Forecasted to decrease YoY; corporate tax rates will normalize following one-time tax gains in FY 2025 (subsidiary share sale).

## Information Services

- High market demand for Cloud/AI/Outsourcing; steady growth outlook maintained.
- SI & Software Development: Revenue decline anticipated following the FY2025 GIGA School project peak.
- Cloud & Licenses: Continued sales expansion in Google Workspace and ancillary solutions.
- BPO: Slight revenue decline expected due to the termination of a major client contract.
- Profit Margin Improvement: Strategic reduction in low-margin product sales and enhanced profitability through quality improvements in SI and software development.

	FY 2025	FY 2026 Plan	Difference	YoY Comparison
Net Sales	68,131	70,000	1,869	2.7%
Information Services Segment	43,061	43,790	728	1.7%
Payment Agency Services Segment	25,069	26,210	1,140	4.5%
Operating Profit	3,624	3,650	25	0.7%
Operating Profit Margin	5.3%	5.2%	0.1%pt Down	
Information Services Segment	942	1,544	601	63.8%
Operating Profit Margin	2.2%	3.5%	1.3%pt Up	
Payment Agency Services Segment	2,676	2,106	▲ 570	▲ 21.3%
Operating Profit Margin	10.7%	8.0%	2.6%pt Down	
Ordinary Income	3,843	3,850	6	0.2%
Ordinary Income Margin	5.6%	5.5%	0.1%pt Down	
Net Income	2,896	2,620	▲ 277	▲ 9.6%
Adjustments to Segment Income	5	0		

## Payment Agency Services

- Revenue growth planned across all sub-segments through new client acquisition.
- Ancillary Services: Projected YoY revenue decline following a major client's contract termination.
- Service Expansion: Focused promotion of "PAYSLE" (electronic slips) and "TREE PAYMENT" (multi-payment gateway).
- Profitability: Operating income expected to decrease due to rising labor costs and upfront investments in new business ventures.

Information Services Segment Net Sales	FY 2025	FY 2026 Plan	Difference	YoY Comparison
Net Sales	43,061	43,790	728	1.7%
SI·SW Dev·Product Sales	23,793	20,071	▲ 3,722	▲ 15.6%
Cloud·License	13,288	17,898	4,609	34.7%
BPO	5,888	5,723	▲ 166	▲ 2.8%
Other Revenue	91	99	7	8.1%
Operating Profit	942	1,544	601	63.8%
Payment Agency Segment Net Sales	FY 2025	FY 2026 Plan	Difference	YoY Comparison
Net Sales	25,069	26,210	1,140	4.5%
Offline Convenience Store Payment	22,450	23,603	1,152	5.1%
Bank Transfer/Direct Debits	688	704	15	2.2%
Online Payment	1,188	1,287	98	8.3%
Ancillary Collection Services	368	232	▲ 137	▲ 37.1%
Other Revenue	372	384	12	3.3%
Operating Profit	2,676	2,106	▲ 570	▲ 21.3%

# FY 2026 Key Initiatives and Q1 Progress Update

Key Strategic Themes	Initiatives	Q1 Strategic Milestones and Achievements
<b>DSK Transformation</b>	<p>Established Cross-functional Sales HQ .Maximizing LTV as a "Co-creation Partner" to meet diverse needs. Shift from contract-based to service-based (Recurring Rev). Building a cutting-edge framework leveraging stablecoins.</p>	<ul style="list-style-type: none"> <li>Established Sales HQ (Jan): Promoting account-based sales to deepen customer relationships.</li> <li>Focused on securing maintenance contracts; exploring synergies between maintenance and BPO services to expand recurring revenue.</li> <li>Preparing to build the next-generation payment infrastructure.</li> </ul>
<b>Deepening and Expanding AI • DX</b>	<p>Shifting from license sales to expert-led implementation and problem-solving value-added solution business Group Synergies for Targeted DX, accelerating DX initiatives tailored to specific industry sectors.</p>	<ul style="list-style-type: none"> <li>Secured large scale public sector DX project</li> <li>Launched AI-Driven PoC Initiatives</li> </ul>
<b>Evolution and Expansion of Payment Business</b>	<p>Enhancing Profitability by strengthening services and optimizing app-based payment fees. Market creation by targeting public sectors and untapped fields to create new market demand.</p>	<ul style="list-style-type: none"> <li>Price optimization: Completed negotiations for sales price revisions. (effective April)</li> <li>Expanding payment domains to explore new use cases and application areas.</li> </ul>
<b>Human Capital Management</b>	<p>Aim to attract, develop and retain high-caliber talent by revising compensation structure, expanding professional education, and boosting employee engagement.</p>	<ul style="list-style-type: none"> <li>Extended retirement age and implemented Base-up</li> <li>Deployed a "Talent Collaboration Tool" to drive cross-divisional synergy.</li> <li>Certified as a "Health &amp; Productivity Management Outstanding Organization" (Large Enterprise Category) for two consecutive years.</li> </ul>
<b>Other Strategic Initiatives</b>	<p>Flattening hierarchy to accelerate decision-making and foster active communication. Profitability and Governance: Enhancing project monitoring to eliminate losses and boost margins. Driving growth through strategic M&amp;A, R&amp;D and new business creation.</p>	<ul style="list-style-type: none"> <li>Implemented organizational flattening in January to streamline reporting lines and enhance operational agility.</li> </ul>

# Shareholder Returns

## Basic Policy

Our basic policy is to maintain stable and continuous returns to shareholders while securing sufficient internal reserves to support future business expansion and strengthening our management foundation.

## Dividend

FY2026 Dividend Forecast

**Annual Dividend 100 JPY per share**

(Interim 50 JPY, Year-end 50 JPY)

Planned Increase

FY2025 Dividend

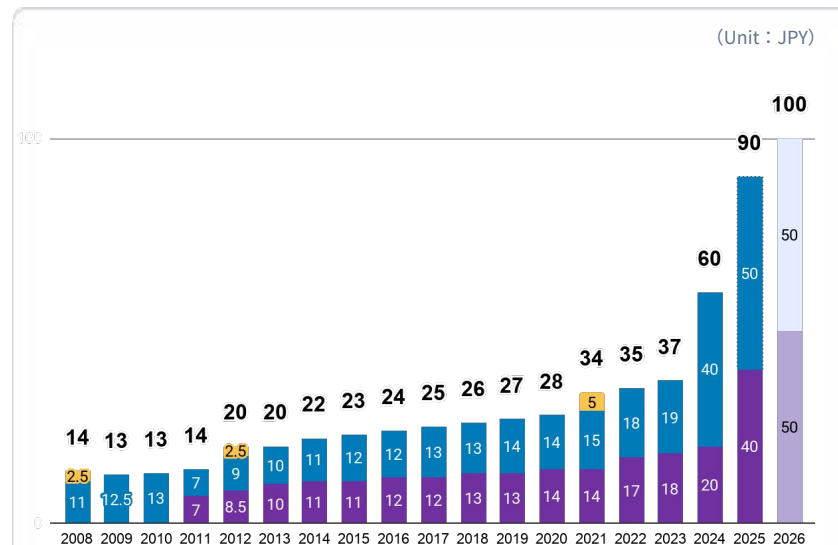
**Annual Dividend 90 JPY per share**

(Interim 40 JPY, Year-end 50 JPY)

Shareholder Benefit Program; Gifu Prefecture specialty products (worth 3,000 JPY) or a charitable donation.

(Applicable to shareholders holding 1 unit (100 shares) or more for at least one consecutive year)

## Dividend History



- FY 2008 Commemorative Dividend (2.5 JPY) for Initial Public Listing  
 FY 2012 Special Dividend (2.5 JPY) for Listing on the First Sections of the Tokyo Stock Exchange and Nagoya Stock Exchange  
 FY 2021 Commemorative Dividend (5 JPY) for Transition to a Holding Company Structure

Data for FY 2020 and earlier refers to Densan System Co., Ltd.

Data for FY 2021 onwards succeeds the information of Densan System Co., Ltd., which became a split-off wholly owned subsidiary through a sole share transfer.

Historical dividend figures have been retroactively adjusted to account for past stock splits.

# Sustainability Policy • Human Capital Initiatives

## Driving New Innovation through Sustainability

At Densan System Group, Diversity is a core management strategy. We believe that respecting the unique individuality of our employees and maximizing their collective strengths is essential to meeting the evolving needs of our customers.

Building on our work-style reforms, we aim to create an organization where every employee can thrive. We will continue to drive growth by investing in human capital and health and productivity management.

## Creating a Workplace Where Everyone Can Thrive and Achieve Work-Life Balance

**FY 2026 Initiatives** At Group company Densan System Co., Ltd.

- Support for Senior Talent: Revised regulations to extend the employment cap to age 70.
- Healthcare Support: Introduced subsidies for optional medical screenings during annual health checkups.



**Health & Productivity Management Outstanding Organization 2026 (Large Enterprise Category)**  
Certified for 2 consecutive yrs

To create a safe and comfortable environment where every individual can perform to their full potential.

Strengthening Follow-ups to Reach 100% Participation:  
Annual Health Checkups: 99.9%  
Stress Checks: 96.0%

### ★ Aiming for “Eruboshi “ 3-Star Certification

Currently 2-star certified. We are improving key indicators to achieve the highest 3-star ranking by promoting women to management and executive levels.

KPIs

	FY2024 Actual	FY2025 Actual	Target
% of women among New grad and mid-hires	<b>44.4%</b>	<b>54.7%</b>	<b>45%</b>

	FY2024 Actual	FY2025 Actual	Target (Industry ave.)
Ratio of Female Managers	<b>7.1%</b>	<b>9.2%</b>	<b>12.6%</b>

	FY2024 Actual	FY2025 Actual	Target
Overall % of female employees	<b>28.7%</b>	<b>31.3%</b>	<b>30.0%</b>

	FY2024 Actual	FY2025 Actual	Target
Average monthly overtime hours	<b>8.88 hrs</b>	<b>7.58 hrs</b>	<b>Less than 10 hrs</b>

### 🌿 Aiming for “Kurumin” Certification (new)

To enhance employee well-being, we began implementing various environmental improvements in 2025, such as promoting the taking of consecutive holidays.

KPIs

	FY2024 Actual	FY2025 Actual	Target
Parental Leave Rate (Male)	<b>71.4%</b>	<b>61.5%</b>	<b>30%</b>

	FY2024 Actual	FY2025 Actual	Target
Parental Leave Rate (Female)	<b>100.0%</b>	<b>100.0%</b>	<b>100%</b>

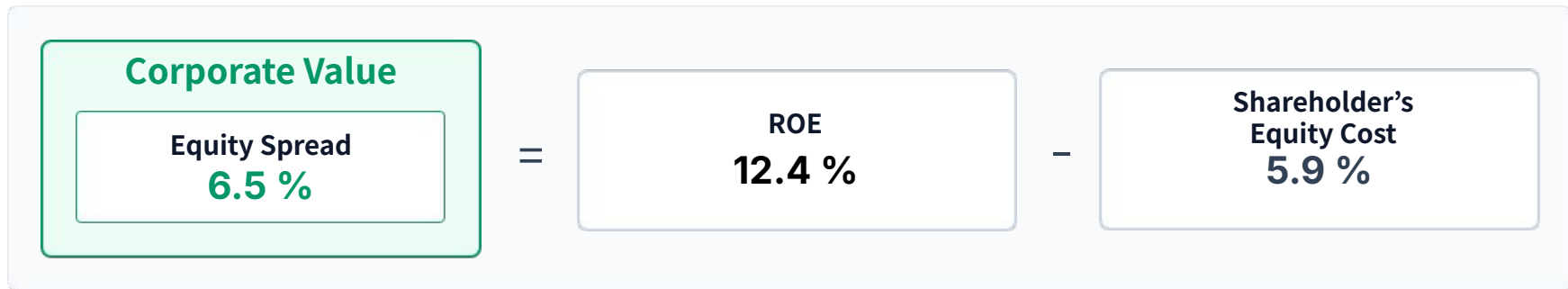
	FY2024 Actual	FY2025 Actual	target
Paid Leave Usage Rate	<b>73.2%</b>	<b>72.7%</b>	<b>70%</b>

	FY2024 Actual	FY2025 Actual	Target
Average monthly overtime hours	<b>8.88 hrs</b>	<b>7.58 hrs</b>	<b>Less than 10 hrs</b>

## Action to Implement Management Conscious of Cost of Capital and Stock Price

We will work to further enhance our profitability and steadily implement measures to improve the cost of capital, including timely and appropriate information disclosure as well as financial and capital policies. Our goal is to **secure an ROE of 12%** while consistently increasing our equity spread

### • Current Situation (FY2025)



### • Initiative policies To achieve specific corporate value improvements;

#### Strengthen ability to generate profit

- Create and develop new business for continued business expansion
- Strengthen our structure to be a highly profitable company

#### Strengthen financial and capital strategies

- Fulfill shareholder returns with priority on continuing stable dividends
- Strengthen investment in human capital
- Reduce cross-shareholdings

#### Reduce capital cost

- Proactive disclosure of risk information
- Strengthening of corporate governance
- Stabilization of the business portfolio

## Topics

- 2026/01/09** DSHD、DSK [Launched Business Alliance with EasyTechnology Co., Ltd.](#)  
Aiming to enhance convenience and expand the foundation of our payment and collection services. We will drive synergies across core businesses to increase market share.
- 2026/01/21** DSHD、Unyte [Launched "vjra." a Backend-as-a-Service for Seamless RAG Integration](#)  
New service enabling easy construction of Retrieval-Augmented Generation (RAG) using corporate chat logs. Supporting enterprise AI adoption to capture DX demand and contribute to high-value-added IT solution revenue.
- 2026/01/22** DSHD、DSK [Conducted Special Lectures at Aichi Shinwa Gakuen Taisei High School](#)  
Contributing to the community through next-generation IT talent development. This initiative enhances long-term brand value and strengthens our presence in the educational sector.
- 2026/02/18** DSHD、Unyte [Participating in the Osaka "Super City" National Strategic Special Zone](#)  
Selected for the Cabinet Office's FY2025 survey project on advanced service development. We aim to build a track record in national DX and smart city projects to facilitate future nationwide rollout.
- 2026/02/27** DSHD、DSK [Supporting Kiso Town Board of Education in "Next-Gen School DX"](#)  
Completely integrated school and learning networks within a Zero Trust environment. Established a model case in the educational cloud market that balances high security with operational efficiency.
- 2026/03/12** DSK [Launched "DSK Account Transfer Data Transmission Service" for Aichi Municipalities](#)  
Expanding our presence in Aichi Prefecture. Accelerating the deployment of BPO services in public fund collection—a stable source of recurring (stock-type) revenue.
- 2026/03/12** DSHD、DSK [Certified as a "Health & Productivity Management Outstanding Organization 2026"](#)  
Achieved certification for two consecutive years. Showcasing our commitment to sustainability by protecting employee health and boosting productivity from an ESG investment perspective.

## Topics

2026/04/17 DSHD、DSK

[Notice Regarding Base Salary Increase and Starting Salary Hike for New Graduates](#)  
[Notice Regarding the Revision of the "Continued Employment System"](#)

Proactive investment in human capital. By securing top talent and promoting the active participation of senior employees, we are strengthening our organizational capabilities—the core driver of our mid- to long-term growth.

2026/04/21 DSK

[Promoting DX through a Partnership Agreement with Gifu Pharmaceutical University. Conducted the SPRING Scholarship Workshop "Utilizing Generative AI in Research" for research students.](#)

Providing comprehensive support for DX in research, education, and university administration by leveraging Google Workspace and AI. This serves as a proven track record of providing sophisticated solutions in the educational and medical sectors.

2026/04/22 DSK

[Winner of the Google Cloud Partner of the Year for "Artificial Intelligence: Workplace AI Transformation - Japan"](#)

Our comprehensive support for large-scale Generative AI transformations using Google Workspace and Gemini was highly evaluated.

## Topics: Stablecoin Initiatives

2023/6 The revised Payment Services Act legally defined stablecoins as 'Electronic Payment Instruments' enabling their domestic issuance and circulation.

2025/8 JPYC was authorized as Japan's first issuer of Yen-denominated stablecoin. 2025/10 Issuance of JPYC stablecoin commenced.

**DSK's Strengths**  
(existing payment network and customer base)



**Advantages of Stablecoin**  
(low cost and high speed)

## Digital transformation of payment infrastructure using stablecoin!

**Aiming to build a next-generation payment infrastructure (payment gateway) harnessing the unique characteristics of stablecoin**

Working with the best partners in the areas of finance, technology (global/domestic), and Web3 to rapidly advance business



Japan's first issuer of JPYC, a yen-denominated stablecoin



A Japanese megabank (financial) promoting stablecoin business



Provides state-of-the-art blockchain technology required for stablecoin-related development



JAPAN  
SMART  
CHAIN

Provides blockchain infrastructure with a focus on domestic regulations



Supports building stablecoin payment and remittance infrastructure in collaboration with INTERTRADE Co., Ltd.

Various use cases under consideration: In-store payments, e-commerce payments, B2B payments, financial product payments, and other use cases are currently being explored and discussed, including seeking potential partners.

Extremely low payment/remittance processing fees

→ Lower fees than bank transfer fees, credit cards, QR code payments, etc., reducing costs

Payment and remittance infrastructure that allows for same-day receipt (same value as cash [Japanese yen] and can be converted into cash)

→ Individuals: Means of payment allowing receipt of payment for work on the same day, in line with the new era of work styles (e.g., supplemental income, crowdworkers, etc.)

→ Stores (businesses): An optimal means of payment to improve cash flow, receiving value for goods and services in real time as if it were cash

# Thank you very much

---

【Contact for IR Inquiries】

Investor Relations, DENSAN System Holdings Co., Ltd.  
(Please visit our corporate website for contact details)

# Appendix: Company Overview

**Established:** July 2021 (Established as a holding company through a sole-share transfer of Densan System Co., Ltd.)

**Representative:** Ryoji Kobayashi, President and CEO

**Capital:** 2496.6 million yen

**Net Sales:** FY2025/12 68,131 million

(Information Service Segment 43,061 million / Payment Agency Services Segment 25,069million yen)

**Offices:** Gifu HQ (Gifu-city, Gifu) / Tokyo HQ (Hatchobori, Chuo-ku, Tokyo) **No. of Employees:** Consolidated: 1,036 (as of 2025/12)

**History:** 1967 Established as Gifu Electronic Computing Center Co., Ltd., providing IT services for local businesses and organizations.

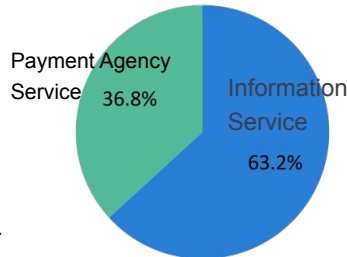
1973 Launched the first bank transfer service by a private company in Japan.

1977 Renamed to Densan System Co., Ltd. for nationwide business expansion. 1997 Launched the first bank transfer service by a private company.

2006 Commenced Google business as a secondary partner.

2008 Promoted to primary partner following the launch of Google Apps

2008 Listed on the 2nd Section of the Tokyo Stock Exchange and the Nagoya Stock Exchange. 2012 Upgraded to the First Section of both exchanges.



## Group Companies (※Including equity-method affiliates)

Densan System Co., Ltd. (Gifu-city, Tokyo)

Core operating company of DNS Holdings Group. Established 1967 as Gifu Electronic Computer Center Co., Ltd.; Renamed 'DNS Co., Ltd.' in 1977.

Softteks Co., Ltd. (Miyazaki-City)

Develops/sells package software for dental clinics, medical systems, and provides information processing. Established 1993; joined DNS Group 2010 (strengthened dental/data entry).

DSK PAYMENT Inc. (Tokyo)

Provides system development, maintenance, and technical support; offers debt-guaranteed post-payment services. Established 1992; joined DNS Group 2010; renamed DSK Payment Co., Ltd. in May 2024.

Garden Network, Ltd. (Tokyo)

Offers information processing, system development, sales, and credit processing for gas stations and petroleum businesses. Established 2004; joined DNS Group 2014 (expanded/strengthened services in the energy industry).

GOGA, Inc. (Tokyo)

Specializes in map solutions and services using Google Maps Platform. Established 2006; joined DNS Group 2016 (expanded Google Cloud services).

PSI Inc. (Tokyo)

Imports, sells, and provides technical support for cutting-edge information security products. Established 1994; joined DNS Group 2020 (expanded security business).

Micro Research Ltd. (Tokyo)

Designs, develops, and sells proprietary IoT gateway products (custom/OEM/ODM). Established 2008; joined DNS HD Group 2021 (strengthened security). Scheduled to exit the Group in August 2025.

Chuo Management Consulting Ltd. (Gifu-City)

Supports implementation of business systems (especially accounting) and legacy systems; sells original attendance management software. Established 1991; joined DNS HD Group 2022.

Unyte Inc. (Tokyo)

Development of Web3 technologies, construction of DAOs, and the provision of integrated DAO platforms. Founded in 2022. Joined the Densan System Holdings Group in 2025 (to strengthen next-generation blockchain-based technologies).

System Engineering Corporation (Takayama-city, Gifu) ※

Full-scale software development company promoting regional informatization.

Juroku Densan Digital Service Co., Ltd. (Gifu-City) ※

Established 1990 in Takayama City as a joint-investment cooperating company of Densan Systems Co., Ltd.

Joint venture with Juroku Financial Group (2022). Promotes DX for local companies/governments by combining DNS solutions with Juroku's sales network.

# Appendix: Corporate Philosophy

**No Company can exist without creating customers.**

## Management Philosophy

### Vision (Beyond Realization of the Purpose)

- Challenge 1000 : Achieving 100 Billion JPY in net sales 7 Billion JP in operating income by 2027
- Transforming into a value-creating company for the realization of a sustainable society.
- DSK Transformation (DX)



### Purpose (Reason for Being)

Contributing to society by creating a prosperous future through information technology and payment solutions, while fulfilling our customers' aspirations and dreams.

### Mission (Actions to Realize the Purpose)

- Creating New Value
- Challenge, Innovation, Speed
- Co-Creation

As a result

**Shareholder Satisfaction** (enhancing corporate value)  
**& Employee Happiness** (improving well-being)

# Appendix: Trends in Major Consolidated Financial Indicators

Unit: Millions of Yen

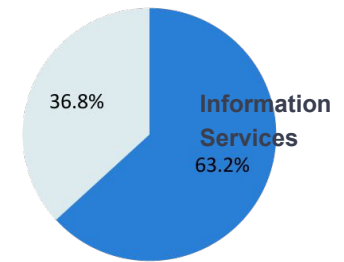
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Plan
Net Sales	50,356	53,479	59,591	61,256	68,131	70,000
Operating Profit	3,134	3,414	3,964	2,311	3,624	3,650
Ordinary Profit	3,210	3,587	4,018	2,534	3,843	3,850
Net Income	1,978	2,348	2,004	1,850	2,896	2,620
Total Assets	51,389	72,170	57,051	61,747	69,112	
Net Assets	17,605	19,665	20,774	22,294	24,881	
Operating Profit Margin	6.2%	6.4%	6.7%	3.8%	5.3%	5.2%
ROE	12.0%	12.7%	10.0%	8.70%	12.4%	10.3%

## Appendix: Segment Description (Information Services Segment)

We provide optimal, one-stop IT solutions by analyzing our clients' business operations and challenges, followed by system planning, cloud service selection, construction, and ongoing maintenance.

Furthermore, our BPO (Information and Business Process Outsourcing) services leverage a wide range of operational expertise and the latest technologies to assist companies in improving efficiency and reducing costs.

Revenue by Segment:  
FY 2025



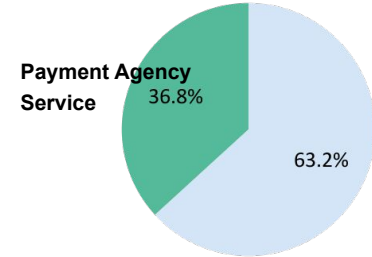
segmentSub	Former Sub segment	Description
<b>SI・Software Development・Product Sales</b>	<b>Professional Services / System Integration (Service-based)</b>  <b>Product Sales</b>	Provision of hardware with embedded software products, delivery of various cloud services including Google-related solutions, and sales of software products. Package implementation and customization tailored to client needs, contract development for design and production based on client specifications, and related operational support, contracting, and technical staffing. Technical support for security products. Cloud service implementation and support, system development for the auto auction industry, and application development. Procurement and sales of software products, system hardware, and supplies. Various network services.
<b>Cloud License</b>	<b>Cloud &amp; License Sales</b>	Sales of licenses only (Google Workspace-related, AWS, Salesforce, security services) and provision of IDC (Tono IDC)
<b>BPO</b>	<b>Information Processing</b>	Provision of BPO services (Invoice creation agency, DSK Multi-Invoice, call center, data entry, etc.) Data processing and order fulfillment for gift mail-orders from post offices and department stores Information processing for the energy industry (gas stations and gas retailers)
<b>Other Revenue</b>	<b>Other Revenue</b>	Server leasing/rentals

## Appendix: Segment Description (Payment Agency Service Segment)

As a pioneer in payment and collection services with over 50 years of history since becoming the first private-sector company to launch account transfer and convenience store payment services, we continue to expand our offerings.

Our highly experienced consultants provide the "optimal payment solutions" for your business.

Revenue by Segment:  
FY 2025



Sub segment	Former Sub segment	Description
<b>Convenience Store Offline Payment</b>	<b>Collection Services within our payment and collection agency operations</b>	Invoicing services for payments at convenience stores and other main locations Japan Post Bank transfer (MT) agency services Cashless payment services (PayPay, LINE Pay, Bank Pay, etc.) Mobile payment service "Mobalai☆DSK"
<b>Bank Transfer/Direct Debits</b>	<b>Collection Services within our payment agency operations</b>	Bank Transfer/Direct Debit services (including TREE PAYMENT)
<b>Online Payment</b>	<b>Online Payment Services</b>	Credit card payment services Paperless convenience store payment services "PayLabo": A payment platform providing one-stop integrated payment solutions "TREE PAYMENT -On-Demand-": A service platform allowing payments at the customer's preferred timing and method
<b>Payment Collection-Related Services</b>	<b>Remittance Service Payment Collection-Related Services</b>	Domestic Remittance (Type II Funds Transfer Service) Accurately handles complex tasks such as refunds and remittances to domestic customers; convenient for refund processes following event cancellations, etc. Biz@gent: Implementation of services that allow "payment slips" to be paid not only at convenience stores and financial institutions but also at supermarkets, drugstores, and various retail outlets
<b>Other Revenue</b>	<b>Other Revenue</b>	DSK Deferred Payment Service and TREE PAYMENT Account Transfer -100% Guaranteed Payment Type-