August 12, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Densan System Holdings Co., Ltd.
Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code: 4072
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Scheduled date to file semi-annual securities report: August 13, 2026
Scheduled date to commence dividend payments: September 14, 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 six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	34,879	8.1	2,007	22.3	2,194	19.0	1,501	19.9
June 30, 2025	32,269	6.7	1,641	6.0	1,844	15.2	1,252	15.3

Note: Comprehensive income For the six months ended June 30, 2026: ¥1,486 million [18.9%]
For the six months ended June 30, 2025: ¥1,250 million [3.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	140.09	-
June 30, 2025	117.35	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	78,906	25,901	32.5
December 31, 2025	69,112	24,881	35.6

Reference: Equity
As of June 30, 2026: ¥25,681 million
As of December 31, 2025: ¥24,637 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	40.00	-	50.00	90.00
Fiscal year ending December 31, 2026	-	50.00			
Fiscal year ending December 31, 2026 (Forecast)				50.00	100.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 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

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

* **Notes**

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

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

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	10,800,677 shares
As of December 31, 2025	10,798,341 shares

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

As of June 30, 2026	69,211 shares
As of December 31, 2025	90,541 shares

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

Six months ended June 30, 2026	10,718,491 shares
Six months ended June 30, 2025	10,675,346 shares

* Semi-annual financial results reports are exempt from review 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. For details on the conditions on which earnings forecasts are based and precautions for using earnings forecasts, please refer to Appendix P.3 "(3) Explanation of Forward-Looking Information on Consolidated Earnings Forecasts and Other Forward-Looking Information."

Semi-annual consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	22,666	20,705
Money held in trust	17,319	29,574
Notes and accounts receivable - trade, and contract assets	11,237	10,415
Merchandise and finished goods	579	1,059
Work in process	345	488
Prepaid expenses	7,806	7,154
Other	1,075	889
Allowance for doubtful accounts	(31)	(35)
Total current assets	60,999	70,251
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,136	1,079
Land	791	791
Other, net	641	621
Total property, plant and equipment	2,568	2,491
Intangible assets		
Goodwill	594	513
Customer-related assets	464	440
Software	618	700
Software in progress	297	603
Other	0	0
Total intangible assets	1,974	2,257
Investments and other assets		
Investment securities	2,811	3,220
Deferred tax assets	285	228
Guarantee deposits	443	431
Other	116	119
Allowance for doubtful accounts	(87)	(94)
Total investments and other assets	3,569	3,905
Total non-current assets	8,113	8,655
Total assets	69,112	78,906

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	6,610	5,504
Short-term borrowings	-	100
Current portion of long-term borrowings	131	122
Income taxes payable	260	780
Contract liabilities	10,728	9,967
Deposits received of storage agency	22,288	32,157
Provision for bonuses	92	61
Provision for bonuses for directors (and other officers)	-	13
Provision for loss on orders received	62	45
Provision for shareholder benefit program	44	1
Other	2,789	3,163
Total current liabilities	43,008	51,918
Non-current liabilities		
Long-term borrowings	498	374
Deferred tax liabilities	164	156
Provision for retirement benefits for directors (and other officers)	152	161
Retirement benefit liability	101	108
Provision for loss on guarantees	18	19
Asset retirement obligations	26	26
Other	260	240
Total non-current liabilities	1,222	1,086
Total liabilities	44,230	53,004
Net assets		
Shareholders' equity		
Share capital	2,503	2,510
Capital surplus	2,628	2,628
Retained earnings	19,356	20,318
Treasury shares	(284)	(216)
Total shareholders' equity	24,204	25,240
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	433	441
Total accumulated other comprehensive income	433	441
Non-controlling interests	244	219
Total net assets	24,881	25,901
Total liabilities and net assets	69,112	78,906

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	32,269	34,879
Cost of sales	26,922	29,080
Gross profit	5,346	5,799
Selling, general and administrative expenses	3,705	3,792
Operating profit	1,641	2,007
Non-operating income		
Interest income	32	64
Share of profit of entities accounted for using equity method	-	14
Dividend income	16	19
Commission income	15	62
Gain on sale of investment securities	15	21
Gain on investments in investment partnerships	189	-
Foreign exchange gains	-	14
Debt prescripton profit	5	4
Other	10	2
Total non-operating income	285	205
Non-operating expenses		
Interest expenses	11	9
Share of loss of entities accounted for using equity method	33	-
Loss on investments in investment partnerships	-	3
Loss on sale of non-current assets	2	4
Foreign exchange losses	20	-
Loss on valuation of derivatives	13	-
Other	0	0
Total non-operating expenses	82	18
Ordinary profit	1,844	2,194
Profit before income taxes	1,844	2,194
Income taxes - current	305	709
Income taxes - deferred	283	6
Total income taxes	589	715
Profit	1,255	1,478
Profit (loss) attributable to non-controlling interests	2	(23)
Profit attributable to owners of parent	1,252	1,501

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	1,255	1,478
Other comprehensive income		
Valuation difference on available-for-sale securities	(4)	8
Total other comprehensive income	(4)	8
Comprehensive income	1,250	1,486
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,248	1,509
Comprehensive income attributable to non-controlling interests	2	(23)

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,844	2,194
Depreciation	350	355
Amortization of goodwill	56	81
Increase (decrease) in allowance for doubtful accounts	(4)	10
Increase (decrease) in provision for bonuses	(27)	(31)
Increase (decrease) in provision for bonuses for directors (and other officers)	(8)	13
Increase (decrease) in provision for loss on orders received	(872)	(17)
Increase (decrease) in provision for shareholder benefit program	(46)	(42)
Increase (decrease) in provision for loss on guarantees	24	0
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(33)	8
Increase (decrease) in retirement benefit liability	(4)	7
Interest and dividend income	(49)	(84)
Interest expenses	11	9
Loss (gain) on valuation of derivatives	13	-
Share of loss (profit) of entities accounted for using equity method	33	(14)
Foreign exchange losses (gains)	(0)	(2)
Loss (gain) on investments in investment partnerships	(189)	3
Loss (gain) on sale of investment securities	(15)	(21)
Loss (gain) on sale of non-current assets	2	4
Decrease (increase) in accounts receivable - trade, and contract assets	920	812
Decrease (increase) in inventories	(252)	(622)
Decrease (increase) in prepaid expenses	536	652
Increase (decrease) in trade payables	(283)	(1,106)
Increase (decrease) in accounts payable - other	(72)	(147)
Increase (decrease) in contract liabilities	(799)	(760)
Decrease (increase) in other current assets	(161)	210
Increase (decrease) in other current liabilities	444	532
Other, net	10	52
Subtotal	1,428	2,098
Interest and dividends received	32	62
Interest paid	(12)	(9)
Income taxes paid	(401)	(220)
Net cash provided by (used in) operating activities	1,047	1,930

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from investing activities		
Payments into time deposits	(113)	(213)
Proceeds from withdrawal of time deposits	113	113
Purchase of property, plant and equipment	(179)	(150)
Proceeds from sale of property, plant and equipment	3	4
Purchase of intangible assets	(167)	(527)
Purchase of investment securities	(153)	(374)
Proceeds from sale of investment securities	15	40
Proceeds from distributions from investment partnerships	160	8
Payments of leasehold and guarantee deposits	(0)	(7)
Proceeds from refund of leasehold and guarantee deposits	0	0
Other, net	-	4
Net cash provided by (used in) investing activities	(321)	(1,104)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,710	100
Redemption of bonds	(3)	-
Repayments of long-term borrowings	(183)	(131)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	65	67
Dividends paid	(431)	(539)
Dividends paid to non-controlling interests	(0)	(0)
Net cash provided by (used in) financing activities	4,156	(505)
Effect of exchange rate change on cash and cash equivalents	0	2
Net increase (decrease) in cash and cash equivalents	4,882	324
Cash and cash equivalents at beginning of period	15,324	17,581
Cash and cash equivalents at end of period	20,207	17,905

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (January 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	19,560	12,708	32,269	-	32,269
Transactions with other segments	12	0	12	(12)	-
Total	19,573	12,708	32,282	(12)	32,269
Segment Profit	243	1,393	1,637	4	1,641

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

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. Interim Consolidated Accounting Period (January 1, 2026 to June 30, 2026)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	information technology service	collection agency services	Total		
Sales					
Revenues from external customers	22,160	12,719	34,879	-	34,879
Transactions with other segments	26	0	26	(26)	-
Total	22,187	12,719	34,906	(26)	34,879
Segment Profit	834	1,170	2,005	1	2,007

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

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

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.