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May 7, 2025

Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2025 (Under Japanese GAAP)

Company name: System Support Holdings Inc.
Listing: Tokyo Stock Exchange
Securities code: 4396
URL: https://www.sts-hd.co.jp/
Representative: Ryoji Koshimizu, President and Representative Director
Inquiries: Naoyuki Morita, Director and General Manager of Management Headquarters
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2025	20,181	23.5	1,934	37.2	1,954	36.6	1,262	31.2
Nine months ended March 31, 2024	16,345	15.2	1,410	19.2	1,431	19.8	962	20.0

Note: Comprehensive income For the nine months ended March 31, 2025: ¥1,255 million [22.2%]
For the nine months ended March 31, 2024: ¥1,027 million [27.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2025	122.73	122.68
Nine months ended March 31, 2024	92.93	92.76

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of March 31, 2025	12,995	5,817	44.8
As of June 30, 2024	9,929	5,055	50.9

Reference: Equity
As of March 31, 2025: ¥5,817 million
As of June 30, 2024: ¥5,055 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 June 30, 2024	-	18.00	-	22.00	40.00
Fiscal year ending June 30, 2025	-	25.00	-		
Fiscal year ending June 30, 2025 (Forecast)				24.00	49.00

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

3. Forecast of consolidated financial results for the fiscal year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

(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 June 30, 2025	26,603	20.8	2,200	31.7	2,195	25.9	1,459	19.2	141.57

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 companies (System Support Inc., Communication Planning Corporation.)

Note: System Support Inc. has changed its trade name from System Support Inc. to System Support Division Preparation Company as of January 1, 2025.

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(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: Yes
(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 March 31, 2025	10,400,000 shares
As of June 30, 2024	10,380,000 shares

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

As of March 31, 2025	39,526 shares
As of June 30, 2024	25,026 shares

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

Nine months ended March 31, 2025	10,287,964 shares
Nine months ended March 31, 2024	10,354,974 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters
(Cautions on forward-looking statements, etc.)
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.
(Method of accessing supplementary material on financial results)
Supplementary financial results materials are scheduled to be posted on the Company's website on Wednesday, May 7, 2025.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	4,253,313	4,907,941
Notes and accounts receivable - trade, and contract assets	3,539,162	4,733,427
Merchandise and finished goods	36,855	39,820
Work in process	18,541	15,757
Supplies	2,641	12,065
Other	331,108	510,876
Allowance for doubtful accounts	(16,209)	(24,287)
Total current assets	8,165,413	10,195,601
Non-current assets		
Property, plant and equipment	468,947	616,081
Intangible assets		
Goodwill	141,322	439,946
Other	110,172	111,928
Intangible assets	251,494	551,875
Investments and other assets	1,043,244	1,632,329
Total non-current assets	1,763,687	2,800,286
Total assets	9,929,100	12,995,888

(Thousands of yen)

	As of June 30, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	635,449	1,031,552
Short-term borrowings	700,000	1,239,000
Current portion of bonds payable	-	10,000
Current portion of long-term borrowings	44,488	296,490
Lease liabilities	46,752	64,977
Income taxes payable	367,096	427,226
Provision for bonuses	11,523	462,363
Reserve for quality assurance	14,888	14,320
Other	2,446,190	2,000,841
Total current liabilities	4,266,390	5,546,772
Non-current liabilities		
Bonds payable	-	20,000
Long-term borrowings	167,122	854,903
Lease liabilities	103,146	110,761
Provision for retirement benefits for directors (and other officers)	285,867	136,089
Retirement benefit liability	26,601	67,584
Other	24,017	441,860
Total non-current liabilities	606,755	1,631,200
Total liabilities	4,873,145	7,177,972
Net assets		
Shareholders' equity		
Share capital	723,323	723,726
Capital surplus	549,837	584,272
Retained earnings	3,785,521	4,564,690
Treasury shares	(18,826)	(63,834)
Total shareholders' equity	5,039,857	5,808,854
Accumulated other comprehensive income		
Foreign currency translation adjustment	16,097	9,061
Total accumulated other comprehensive income	16,097	9,061
Total net assets	5,055,954	5,817,915
Total liabilities and net assets	9,929,100	12,995,888

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)
Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2024	Nine months ended March 31, 2025
Net sales	16,345,567	20,181,188
Cost of sales	11,836,240	14,535,969
Gross profit	4,509,327	5,645,218
Selling, general and administrative expenses	3,098,742	3,710,484
Operating profit	1,410,584	1,934,734
Non-operating income		
Interest income	102	2,660
Commission income	13,493	39,311
Subsidy income	14,942	11,423
Other	9,860	11,464
Total non-operating income	38,398	64,860
Non-operating expenses		
Interest expenses	15,033	23,491
Foreign exchange losses	-	20,686
Other	2,854	970
Total non-operating expenses	17,887	45,148
Ordinary profit	1,431,095	1,954,445
Extraordinary income		
Gain on termination of retirement benefit plan	22,988	-
Total extraordinary income	22,988	-
Profit before income taxes	1,454,083	1,954,445
Income taxes	491,771	691,842
Profit	962,312	1,262,602
Profit attributable to owners of parent	962,312	1,262,602

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2024	Nine months ended March 31, 2025
Profit	962,312	1,262,602
Other comprehensive income		
Foreign currency translation adjustment	2,532	(7,036)
Remeasurements of defined benefit plans, net of tax	62,617	-
Total other comprehensive income	65,150	(7,036)
Comprehensive income	1,027,463	1,255,566
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,027,463	1,255,566

(Notes on segment information, etc.)

Segment Information

I. the nine months of the previous fiscal year (July 1, 2023 to March 31, 2024)

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

(Thousands of yen)

	Reportable segments						Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	Cloud Integration Business	System Integration Business	Outsourcing Business	Product Business	Overseas Business	Total		
Sales								
Revenues from external customers	5,255,081	8,827,193	1,520,013	571,351	171,928	16,345,567	-	16,345,567
Transactions with other segments	-	22,876	43,314	6,349	34,139	106,679	(106,679)	-
Total	5,255,081	8,850,069	1,563,328	577,700	206,068	16,452,247	(106,679)	16,345,567
Segment Profit	847,545	161,970	245,245	141,721	51,213	1,447,694	(37,110)	1,410,584

Note: 1. The amount of adjustment for segment profit is the amount of elimination of inter-segment transactions.
2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

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

Not applicable.

II. the nine months of the current fiscal year (July 1, 2024 to March 31, 2025)

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

(Thousands of yen)

	Reportable segments						Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	Cloud Integration Business	System Integration Business	Outsourcing Business	Product Business	Overseas Business	Total		
Sales								
Revenues from external customers	7,149,624	10,168,590	1,765,565	690,064	407,343	20,181,188	-	20,181,188
Transactions with other segments	860	14,477	47,577	4,989	37,729	105,634	(105,634)	-
Total	7,150,484	10,183,068	1,813,142	695,053	445,073	20,286,822	(105,634)	20,181,188
Segment Profit	1,215,628	270,829	194,642	199,479	88,917	1,969,497	(34,763)	1,934,734

Note: 1. The amount of adjustment for segment profit is the amount of elimination of inter-segment transactions.
2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

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

Not applicable.