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

April 30, 2025

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 Scheduled date of annual general meeting of shareholders: June 24, 2025
 Scheduled date to commence dividend payments: June 25, 2025
 Scheduled date of filing annual securities report: June 25, 2025
 Preparation of supplementary materials for the financial results: Yes
 Holding of presentation of financial results: Yes (For institutional investors and analysts)

(Rounded down to the nearest million yen)

1. Consolidated performance for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (Percentages represent changes versus the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	8,801	-	1,615	-	1,562	-	1,010	-
Fiscal year ended March 31, 2024	-	-	-	-	-	-	-	-

Note: Comprehensive income Fiscal year ended March 31, 2025: 1,228 million yen (-%)
 Fiscal year ended March 31, 2024: - million yen (-%)

	Net income per share	Diluted earnings per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	134.48	134.05	32.8	19.2	18.3
Fiscal year ended March 31, 2024	-	-	-	-	-

Reference: Investment gains and losses from equity-method affiliates Fiscal year ended March 31, 2025: -34 million yen
 Fiscal year ended March 31, 2024: - million yen

Note: Since consolidated financial statements have been prepared as of the fiscal year ended March 31, 2025, figures for the fiscal year ended March 31, 2024 and the percentage change versus the previous fiscal year are not stated. Since this is the first year of consolidation, return on equity and ordinary income to total assets are calculated based on equity and total assets at the end of the fiscal year, respectively.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	8,141	3,078	37.8	410.16
As of March 31, 2024	-	-	-	-

Reference: Equity As of March 31, 2025: 3,078 million yen
 As of March 31, 2024 - million yen

Note: Since consolidated financial statements have been prepared as of the fiscal year ended March 31, 2025, figures for the fiscal year ended March 31, 2024 are not stated.

(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 period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	1,018	(411)	(457)	1,379
Fiscal year ended March 31, 2024	-	-	-	-

Note: Since consolidated financial statements have been prepared as of the fiscal year ended March 31, 2025, figures for the fiscal year ended March 31, 2024 are not stated.

2. Cash dividends

	Annual dividends per share					Total dividend amount	Dividend payout ratio (consolidated)	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 March 31, 2024	-	0.00	-	26.21	26.21	199	-	-
Fiscal year ended March 31, 2025	-	20.85	-	20.86	41.71	315	31.0	10.2
Fiscal year ending March 31, 2026 (forecast)	-	-	-	-	-		-	

- Notes: 1. Since consolidated financial statements have been prepared as of the fiscal year ended March 31, 2025, dividend payout ratio (consolidated) and dividends to net assets (consolidated) for the fiscal year ended March 31, 2024 are not stated.
2. At a meeting of the Board of Directors held on March 14, 2025, the Company resolved to conduct a 2-for-1 stock split of shares of common stock, with an effective date of June 1, 2025.
3. Figures for the fiscal year ended March 31, 2024 and the fiscal year ended March 31, 2025 are the actual dividend amounts prior to the stock split.
4. The Company's Articles of Incorporation stipulate the end of the second quarter and the end of the fiscal year as the record dates for dividends, but at this time the dividend forecast for these record dates has not yet been determined.
5. The total dividend amount includes dividends for the Company's shares remaining in the Stock Benefit Trust (Employee Stock Ownership Plan, or J-ESOP).

3. Consolidated performance forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Full year percentages represent changes versus the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	11,000	25.0	2,200	36.2	2,181	39.5	1,417	40.3	94.38

- Notes: 1. Since the Company manages its operations on an annual basis, the forecast for the first six months has been omitted.
2. At a meeting of the Board of Directors held on March 14, 2025, the Company resolved to conduct a 2-for-1 stock split of shares of common stock, with an effective date of June 1, 2025. Net income per share takes into account the effect of this stock split. Net income per share without considering this stock split would be 188.77 yen for the full year.

* Note

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

New: 1 company (Company name) CyberSTAR Inc., Excluded: - companies (Company name) -

Note: For more information, please refer to "3. Consolidated financial statements and related notes, (5) Notes to consolidated financial statements (Notes on changes in scope of consolidation or scope of equity method)" on page 11 of the appendix.

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

- (i) Changes in accounting policies due to revision of accounting standards, etc.: None
(ii) Changes in accounting policies other than (i) above: None
(iii) Changes in accounting estimates: None
(iv) Restatements: None

(3) Number of shares outstanding (common stock)

- (i) Number of shares outstanding at end of period (including treasury stock)
(ii) Number of shares of treasury stock at end of period
(iii) Average number of shares during the period

Fiscal year ended March 31, 2025	7,644,600 shares	As of March 31, 2024	7,629,600 shares
As of March 31, 2025	138,003 shares	As of March 31, 2024	97,174 shares
As of March 31, 2025	7,511,086 shares	As of March 31, 2024	7,472,534 shares

Note: The Company has introduced the Stock Benefit Trust (Employee Stock Ownership Plan, or J-ESOP) and the number of shares of treasury stock at the end of the period includes the Company's shares remaining in such trust (65,320 shares as of March 31, 2025 and 65,784 shares as of March 31, 2024). The Company's shares remaining in the trust are included in treasury stock as a deduction in the calculation of the average number of shares outstanding during the period (65,583 shares for the fiscal year ended March 31, 2025 and 65,931 shares for the fiscal year ended March 31, 2024).

Reference: Overview of non-consolidated performance

Non-consolidated performance for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results (Percentages represent changes versus the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
As of March 31, 2025	7,178	2.5	1,448	30.2	1,441	30.5	975	24.5
As of March 31, 2024	7,002	26.0	1,113	51.1	1,104	49.7	783	60.5

	Net income per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended March 31, 2025	129.82		129.41	
Fiscal year ended March 31, 2024	104.84		103.34	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2025	7,959		3,030		38.1		403.73	
As of March 31, 2024	6,536		2,433		37.2		323.09	

Reference: Equity As of March 31, 2025: 3,030 million yen

As of March 31, 2024: 2,433 million yen

* These financial results are outside the scope of audit by certified public accountants or audit corporations.

* Explanation of appropriate use of performance forecasts and other special notes

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly due to various factors.

(How to obtain supplementary financial results materials)

Supplementary materials for financial results are disclosed on TDnet on the same day.

○Appendix: Table of Contents

1. Outline of operating results, etc.	2
(1) Outline of operating results.....	2
(2) Outline of financial position.....	2
(3) Outline of cash flows	3
(4) Future outlook.....	3
2. Basic stance concerning choice of accounting standards	4
3. Consolidated financial statements and related notes	5
(1) Consolidated balance sheets.....	5
(2) Consolidated statements of income and statements of comprehensive income	7
Consolidated statements of income	7
Consolidated statements of comprehensive income	8
(3) Consolidated statements of changes in equity	9
(4) Consolidated statements of cash flows	10
(5) Notes to consolidated financial statements	11
(Notes on going concern assumption)	11
(Notes on changes in scope of consolidation or scope of equity method)	11
(Notes on changes in accounting policies).....	11
(Notes on changes in accounting estimates)	11
(Notes on segment information).....	11
(Notes on per share information)	11
(Notes on additional information)	12
(Notes on significant subsequent events)	13

1. Outline of operating results, etc.

The Group began preparing consolidated financial statements from the consolidated fiscal year under review. Therefore, comparative analysis with the previous consolidated fiscal year is not provided.

Forward-looking statements in this document are based on the Company's judgment as of the end of the consolidated fiscal year under review.

(1) Outline of operating results

During the consolidated fiscal year under review, the outlook for the Japanese economy remained uncertain, with growing geopolitical risks, the yen's trend toward depreciation, and rising prices, though inbound demand expanded and the employment and income environment improved.

The environment surrounding the cybersecurity industry, of which our Group is a part, is characterized by increasing reliance on IT, such as digital transformation (DX) among companies and utilization of cloud services, while cyberattacks have been on the rise. In addition, the national trend in Japan to strengthen cybersecurity and the demand for supply chain risk countermeasures have served as a tailwind, making it essential and urgent for medium-sized companies and SMEs to make up for their relative lag in cybersecurity measures.

On the other hand, there is still a shortage of cybersecurity personnel in Japan, and the supply of personnel is not keeping up with the demand from companies requiring specialized personnel in-house.

In addition, the need for cybersecurity training is dramatically increasing as the digitalization of operations, products, and services continues to advance, and the need for "Plus-Security"* is growing in all aspects of corporate activities.

* Definition of "Plus-Security"

The ability to have security awareness in carrying out one's own work and to acquire the ability to implement necessary and sufficient security measures, or the state of having acquired it. (Source: Cybersecurity Management Guidelines, Ministry of Economy, Trade and Industry)

In this environment, we are growing our business performance by providing security services that are suited to the size of the Group, by capturing the strong security needs of semi-large and medium-sized companies, as well as SMEs, and by providing security training services for a wide range of IT-related personnel, as well as by providing specialized personnel to meet the needs of companies needing to secure security personnel.

During the consolidated fiscal year under review, all services experienced growth and net sales amounted to 8,801,647 thousand yen. In terms of profit, operating income was 1,615,034 thousand yen due to the effect of a significant increase in revenue, despite one-time expenses associated with the relocation of the headquarters as of July 29, 2024 and increased personnel expenses associated with the increase in the number of employees. On the other hand, ordinary income was 1,562,981 thousand yen due to low contribution to earnings from equity-method affiliates and the posting of share of loss of entities accounted for using equity method, and net income attributable to owners of parent was 1,010,077 thousand yen due to recording share of loss of entities accounted for using equity method from the issuance of new shares as equity-method affiliates and due to higher income tax rates. Both net sales and profits marked their highest-ever levels.

As the Company operates in a single segment, the Cybersecurity Business, segment information is omitted.

(2) Outline of financial position

(Assets)

Total assets at the end of the consolidated fiscal year under review amounted to 8,141,157 thousand yen.

This mainly consisted of accounts receivable - trade, and contract assets of 2,149,724 thousand yen, prepaid expenses of 1,247,488 thousand yen, and shares of subsidiaries and associates of 1,992,608 thousand yen, etc.

(Liabilities)

Total liabilities at the end of the consolidated fiscal year under review amounted to 5,062,246 thousand yen.

This mainly consisted of contract liabilities of 1,609,965 thousand yen and long-term borrowings of 1,308,365 thousand yen.

(Net assets)

Total net assets at the end of the consolidated fiscal year under review amounted to 3,078,911 thousand yen.

This mainly consisted of share capital of 545,921 thousand yen and retained earnings of 2,322,124 thousand yen.

(3) Outline of cash flows

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the consolidated fiscal year under review amounted to 1,379,536 thousand yen.

The respective cash flows in the consolidated fiscal year under review and the major factors thereof are as follows.

(Cash flows from operating activities)

Funds obtained from operating activities amounted to 1,018,887 thousand yen. This was mainly due to net income before income taxes and minority interests of 1,540,088 thousand yen, despite was a 662,928 thousand yen increase in accounts receivable - trade, and contract assets, a 288,515 thousand yen increase in prepaid expenses, and 312,960 thousand yen in income taxes paid.

(Cash flows from investing activities)

Funds used in investment activities amounted to 411,367 thousand yen. This was mainly due to purchase of property, plant and equipment of 279,387 thousand yen and purchase of investment securities of 90,000 thousand yen.

(Cash flows from financing activities)

Funds used in financing activities amounted to 457,415 thousand yen. This was mainly due to dividends paid of 356,918 thousand yen.

(4) Future outlook

Looking ahead, the Company expects ongoing strong corporate needs, including needs for security countermeasures from semi-large and medium-sized companies, as well as SMEs, needs for security education and securing security personnel from IT companies and system integrators. Founded in our basic policy of emphasizing improvement in profit margins while continuing to expand net sales, the Company forecasts net sales of 11,000,000 thousand yen, operating income of 2,200,000 thousand yen, ordinary income of 2,181,000 thousand yen, and net income of 1,417,000 thousand yen for the next consolidated fiscal year (ending March 31, 2026).

The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from these forecasts due to various factors.

2. Basic stance concerning choice of accounting standards

Considering that consolidated financial statements are also used in the calculation of distributable amounts under the Companies Act and in the calculation of taxable income under the Corporation Tax Act, the Group applies Japanese generally accepted accounting principles (J-GAAP) for accounting purposes.

3. Consolidated financial statements and related notes

(1) Consolidated balance sheets

(Thousands of yen)

	Consolidated fiscal year under review (March 31, 2025)
Assets	
Current assets	
Cash and deposits	1,385,388
Accounts receivable - trade, and contract assets	2,149,724
Merchandise	9,754
Prepaid expenses	1,247,488
Other	7,064
Total current assets	4,799,420
Non-current assets	
Property, plant and equipment	
Facilities attached to buildings	183,774
Accumulated depreciation	(9,495)
Facilities attached to buildings, net	174,279
Tools, furniture and fixtures	128,911
Accumulated depreciation	(28,106)
Tools, furniture and fixtures, net	100,804
Leased assets	3,037
Accumulated depreciation	(1,265)
Leased assets, net	1,771
Total property, plant and equipment	276,855
Intangible assets	
Goodwill	67,645
Other	30,573
Total intangible assets	98,219
Investments and other assets	
Investment securities	764,371
Shares of subsidiaries and associates	1,992,608
Deferred tax assets	67,631
Other	142,851
Allowance for doubtful accounts	(800)
Total investments and other assets	2,966,662
Total non-current assets	3,341,737
Total assets	8,141,157

(Thousands of yen)	
Consolidated fiscal year under review (March 31, 2025)	
Liabilities	
Current liabilities	
Accounts payable - trade	430,565
Short-term borrowings	400,000
Current portion of long-term borrowings	219,624
Lease liabilities	1,113
Accounts payable - other	64,608
Accrued expenses	78,311
Income taxes payable	449,100
Contract liabilities	1,609,965
Provision for bonuses	211,956
Provision for bonuses for directors (and other officers)	24,707
Provision for shareholder benefit program	4,122
Accrued consumption taxes	123,184
Other	13,558
Total current liabilities	3,630,817
Non-current liabilities	
Long-term borrowings	1,308,365
Lease liabilities	835
Provision for share awards	122,228
Total non-current liabilities	1,431,428
Total liabilities	5,062,246
Net assets	
Shareholders' equity	
Share capital	545,921
Capital surplus	642,095
Retained earnings	2,322,124
Treasury shares	(653,019)
Total shareholders' equity	2,857,122
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	221,788
Total accumulated other comprehensive income	221,788
Total net assets	3,078,911
Total liabilities and net assets	8,141,157

(2) Consolidated statements of income and statements of comprehensive income
(Consolidated statements of income) (Thousands of yen)

	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net sales	8,801,647
Cost of sales	5,735,244
Gross profit	3,066,403
Selling, general, and administrative expenses	1,451,369
Operating income	1,615,034
Non-operating income	
Subsidy income	4,140
Grant income	3,696
Other	942
Total non-operating income	8,778
Non-operating expenses	
Interest expenses	16,912
Foreign exchange losses	3,366
Share of loss of entities accounted for using equity method	34,768
Loss on investments in investment partnerships	5,552
Other	232
Total non-operating expenses	60,832
Ordinary income	1,562,981
Extraordinary losses	
Loss on change in equity	22,892
Total extraordinary losses	22,892
Net income before income taxes and minority interests	1,540,088
Income taxes - current	573,632
Income taxes - deferred	(43,621)
Total income taxes	530,010
Net income	1,010,077
Net income attributable to non-controlling interests	-
Net income attributable to owners of parent	1,010,077

(Consolidated statements of comprehensive income)

(Thousands of yen)

Consolidated fiscal year
 under review
 (April 1, 2024 to March 31, 2025)

Net income	1,010,077
Other comprehensive income	
Valuation difference on available-for-sale securities	218,704
Share of other comprehensive income of entities accounted for using equity method	(580)
Total other comprehensive income	218,124
Comprehensive income	1,228,202
(Comprehensive income attributable to)	
Comprehensive income attributable to owners of parent	1,228,202
Comprehensive income attributable to non- controlling interests	-

(3) Consolidated statements of changes in equity

For the fiscal year under review (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	544,999	630,676	1,655,127	(400,840)	2,429,962
Changes during period					
Issuance of new shares	922	922			1,845
Dividends of surplus			(356,961)		(356,961)
Change in scope of equity method			13,880		13,880
Net income attributable to owners of parent			1,010,077		1,010,077
Purchase of treasury shares				(281,604)	(281,604)
Disposal of treasury shares		10,497		26,979	37,476
Disposal of treasury shares by stock benefit trust				2,445	2,445
Net changes in items other than shareholders' equity					-
Total changes during period	922	11,419	666,997	(252,179)	427,160
Balance at end of period	545,921	642,095	2,322,124	(653,019)	2,857,122

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	3,663	3,663	2,433,625
Changes during period			
Issuance of new shares		-	1,845
Dividends of surplus		-	(356,961)
Change in scope of equity method		-	13,880
Net income attributable to owners of parent		-	1,010,077
Purchase of treasury shares		-	(281,604)
Disposal of treasury shares		-	37,476
Disposal of treasury shares by stock benefit trust		-	2,445
Net changes in items other than shareholders' equity	218,124	218,124	218,124
Total changes during period	218,124	218,124	645,285
Balance at end of period	221,788	221,788	3,078,911

(4) Consolidated statements of cash flows

(Thousands of yen)

	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Cash flows from operating activities	
Net income before income taxes and minority interests	1,540,088
Depreciation	63,267
Amortization of goodwill	13,529
Interest and dividend income	(511)
Interest expenses	16,912
Share of loss (profit) of entities accounted for using equity method	34,768
Loss (gain) on change in equity	22,892
Loss (gain) on investments in investment partnerships	5,552
Share-based payment expenses	32,007
Increase (decrease) in provision for bonuses	34,401
Increase (decrease) in provision for bonuses for directors (and other officers)	1,392
Increase (decrease) in provision for share awards	41,740
Increase (decrease) in provision for shareholder benefit program	4,122
Decrease (increase) in accounts receivable - trade, and contract assets	
Decrease (increase) in inventories	710
Decrease (increase) in prepaid expenses	(288,515)
Decrease (increase) in other assets	18,937
Increase (decrease) in trade payables	75,786
Increase (decrease) in contract liabilities	379,518
Increase (decrease) in other liabilities	(13,824)
Other	10,456
Subtotal	1,330,303
Interest and dividends received	10,619
Interest paid	(16,912)
Income taxes paid	(312,960)
Other	7,836
Net cash provided by (used in) operating activities	1,018,887
Cash flows from investing activities	
Purchase of property, plant and equipment	(279,387)
Purchase of intangible assets	(2,224)
Purchase of investment securities	(90,000)
Payments of leasehold and guarantee deposits	(56,888)
Proceeds from refund of leasehold deposits	38,473
Other	(21,340)
Net cash provided by (used in) investing activities	(411,367)
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	400,000
Repayments of long-term borrowings	(219,624)
Repayments of lease liabilities	(1,113)
Proceeds from issuance of shares	1,845
Purchase of treasury shares	(281,604)
Dividends paid	(356,918)
Cash flows from financing activities	(457,415)
Net increase (decrease) in cash and cash equivalents	150,104
Cash and cash equivalents at beginning of period	1,229,432
Cash and cash equivalents at end of period	1,379,536

(5) Notes to consolidated financial statements
(Notes on going concern assumption)
Not applicable.

(Notes on changes in scope of consolidation or scope of equity method)

(1) Significant changes in scope of consolidation

CyberSTAR Inc., which was established through an incorporation-type company split, was included in the scope of consolidation during the first three months of the fiscal year ended March 31, 2025.

(2) Significant changes in scope of equity method

BroadBand Security, Inc. and Secure Innovation Inc. were included in the scope of equity method affiliates from the consolidated fiscal year under review due to the preparation of consolidated financial statements.

(Notes on changes in accounting policies)
Not applicable.

(Notes on changes in accounting estimates)
Not applicable.

(Notes on segment information)

[Segment information]

As the Group operates in a single segment, the Cybersecurity Business, this information is omitted.

(Notes on per share information)

	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net assets per share	410.16 yen
Net income per share	134.48 yen
Diluted earnings per share	134.05 yen

Notes: 1. The Company has introduced the Stock Benefit Trust (Employee Stock Ownership Plan, or J-ESOP) and the number of shares of treasury stock at the end of the period includes the Company's shares remaining in such trust (65,320 shares as of the end of the consolidated fiscal year under review). The Company's shares remaining in the trust are included in treasury stock as a deduction in the calculation of the average number of shares outstanding during the period (65,583 shares for the consolidated fiscal year under review).

2. The basis for the calculation of net assets per share is as follows.

	Consolidated fiscal year under review (March 31, 2025)
Total net assets (Thousands of yen)	3,078,911
Amount deducted from total net assets (Thousands of yen)	-
Net assets at end of period relating to common shares (Thousands of yen)	3,078,911
Number of common shares at end of period used to calculate net assets per share (Shares)	7,506,597

3. The basis for the calculation of net income per share and diluted earnings per share is as follows.

	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net income per share	
Net income attributable to owners of parent (Thousands of yen)	1,010,077
Amount not attributable to common shareholders (Thousands of yen)	-
Net profit attributable to owners of parent relating to common shares (Thousands of yen)	1,010,077
Average number of shares during the period (Shares)	7,511,086
Diluted earnings per share	
Adjustment on profit attributable to owners of parent (Thousands of yen)	-
Increase in number of common shares (Shares)	23,973
(Share acquisition rights included therein (Shares))	(23,973)
Overview of potential shares not included in calculation of diluted earnings per share due to lack of dilutive effect	-

(Notes on additional information)

(Significant matters that serve as the basis for preparing consolidated financial statements)

The Group began preparing consolidated financial statements from the consolidated fiscal year under review. Significant matters that serve as the basis for preparing consolidated financial statements are as follows.

1. Matters related to the scope of consolidation

Consolidated subsidiaries: 1 company

Name of consolidated subsidiary: CyberSTAR Inc.

2. Matters related to the application of equity method

(1) Equity-method affiliates: 2 companies

Affiliate company names: BroadBand Security, Inc., Secure Innovation Inc.

(2) Matters deemed particularly necessary to be stated with respect to the procedures for application of the equity method

For equity-method affiliates that have different closing dates, provisional financial statements prepared based on the most recent quarterly financial statements of those companies are used.

3. Matters related to fiscal years of consolidated subsidiaries

The closing date of consolidated subsidiaries is the same as the consolidated closing date.

(Notes on significant subsequent events)

(Stock split and partial amendment to the Articles of Incorporation in conjunction with the stock split)

Based on resolution of the Board of Directors meeting held on March 14, 2025, the Company will conduct a stock split and partially amend its Articles of Incorporation in connection with the stock split effective on June 1, 2025.

1. Purpose of the stock split

By reducing the amount per investment unit and creating a more facilitative investment environment for investors, the Company aims to increase the liquidity of its shares and further expand its investor base.

2. Overview of the stock split

(1) Split method

With Saturday, May 31, 2025 as the date of record (effectively Friday, May 30, 2025 due to a holiday for the shareholder registry administrator), the common stock held by shareholders of record in the final shareholder list as of the end of that date will be split at a ratio of two shares to one.

(2) Number of shares to be increased by the split

(i) Total number of shares issued before the stock split:	7,644,600 shares
(ii) Number of shares to be increased by the stock split:	7,644,600 shares
(iii) Total number of issued shares after the stock split:	15,289,200 shares
(iv) Total number of shares authorized to be issued after the stock split:	25,920,000 shares

(3) Date of the split

(i) Date of public notice of record	May 16, 2025 (Friday)
(ii) Date of record	May 31, 2025 (Saturday)
(iii) Effective date	June 1, 2025 (Sunday)

(4) Effect on per share information

Per share information based on the assumption that the stock split was conducted at the beginning of the consolidated fiscal year under review is as follows.

	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net assets per share	205.08 yen
Net income per share	67.24 yen
Diluted earnings per share	67.03 yen

3. Partial amendment to the Articles of Incorporation

(1) Reason for amendment

In accordance with the stock split, the total number of authorized shares as stipulated in Article 6 of the Company's Articles of Incorporation will be changed as of June 1, 2025 by resolution of the Board of Directors meeting held on March 14, 2025, pursuant to Article 184, Paragraph 2 of the Companies Act.

(2) Details of the amendment

Pre-amendment Articles of Incorporation	Proposed amendment
(Authorized shares) Article 6 The total number of authorized shares of the Company shall be 12,960,000 shares.	(Authorized shares) Article 6 The total number of authorized shares of the Company shall be 25,920,000 shares.

(3) Date of amendment

Effective date: June 1, 2025 (Sunday)

4. Shareholder benefit program

The Company has introduced a shareholder benefit program under which we present QUO cards for shareholders who hold one unit (100 shares) or more of the Company's stock listed or recorded in the shareholders' register as of March 31 of each year and who have continuously held the Company's shares for one year or more. In accordance with this stock split, the Company will change the standard for the number of shares held, as follows.

Since the stock split has not yet taken place as of March 27, 2025, the last day of the rights period, shareholders holding one unit (100 shares) or more will be eligible for the stock split.

This change is a change due to the stock split and involves no substantive change.

<Current>

Number of shares held	Number of years of continuous holding	Benefits
100 shares or more	One year or more	QUO Card, 2,000 yen value

<After the stock split>

Number of shares held	Number of years of continuous holding	Benefits
200 shares or more	One year or more	QUO Card, 2,000 yen value

5. Other

(1) There will be no change in the amount of share capital in this stock split.

(2) Adjustment of exercise price for stock acquisition rights

In connection with this stock split, the exercise price per share for stock acquisition rights issued by the Company will be adjusted as follows, effective June 1, 2025.

	Exercise price before adjustment	Exercise price after adjustment
First series of stock acquisition rights	123 yen	62 yen
Second series of stock acquisition rights	123 yen	62 yen