



August 6, 2025

Summary of Consolidated Financial Results
for the First Quarter of Fiscal Year Ending March 31, 2026 (FY2025)
(Three Months Ended June 30, 2025)

[Japanese GAAP]

Company name: ZUKEN Inc. Listing: Tokyo Stock Exchange
 Stock code: 6947 URL: <https://www.zuken.co.jp>
 Representative: Jinya Katsube, President and Representative Director
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 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for financial results: None
 Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Jun. 30, 2025	9,119	1.1	827	(3.4)	1,112	(1.1)	701	(0.3)
Jun. 30, 2024	9,017	6.8	856	10.5	1,124	7.1	703	2.3

Note: Comprehensive income (Millions of yen) Three months ended Jun. 30, 2025: 928 (up 11.1%)
 Three months ended Jun. 30, 2024: 835 (down 39.2%)

	Net income per share	Diluted net income per share
Three months ended	Yen	Yen
Jun. 30, 2025	32.44	-
Jun. 30, 2024	31.62	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of Jun. 30, 2025	62,464	39,247	62.8
As of Mar. 31, 2025	63,274	39,948	63.1

Reference: Shareholders' equity (Millions of yen) As of Jun. 30, 2025: 39,247 As of Mar. 31, 2025: 39,948

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2025	-	50.00	-	50.00	100.00
Fiscal year ending Mar. 31, 2026	-				
Fiscal year ending Mar. 31, 2026 (forecast)		50.00	-	50.00	100.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	43,000	5.6	5,600	3.9	6,300	6.1	4,450	(14.9)	209.00

Note: Revisions to the most recently announced consolidated forecast: None

Only the full-year forecast is shown because Zuken manages performance on a fiscal year basis.

* Notes

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

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

(a) Changes in accounting policies due to revisions in accounting standards, others:	None
(b) Changes in accounting policies other than (a) above:	None
(c) Changes in accounting-based estimates:	None
(d) Restatements:	None

(4) Number of outstanding shares (common stock)

(a) Number of shares outstanding at the end of the period (including treasury shares)

As of Jun. 30, 2025:	22,249,804 shares	As of Mar. 31, 2025:	22,249,804 shares
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(b) Number of treasury shares at the end of the period

As of Jun. 30, 2025:	685,688 shares	As of Mar. 31, 2025:	583,295 shares
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(c) Average number of shares outstanding during the period

Three months ended Jun. 30, 2025:	21,616,181 shares	Three months ended Jun. 30, 2024:	22,249,694 shares
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* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in this report are based on assumption judged to be valid and information available to the Company's management at the time this report was prepared, but are not promises by the Company regarding future performance. Actual results may differ substantially from the forecasts for a number of reasons. Please refer to "1. Overview of Results of Operations, etc., (3) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 2 for forecast assumptions and notes of caution for usage.

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1. Overview of Results of Operations, etc.

(1) Results of Operations

In the first quarter of the current fiscal year, the economic outlook remained uncertain due to concerns about U.S. economic policy and other factors. Despite these uncertainties, the economy has been recovering slowly overall. Digital transformation of the manufacturing sector remains strong, and manufacturers in the electronics, automobile and industrial equipment sectors, which are the major customers of the Zuken Group, are continuing to make substantial IT investments for the digital transformation.

Net sales in the first quarter increased 1.1% year on year to 9,119 million yen, a new record high for the first quarter of a fiscal year. In Europe, sales were lower than one year earlier, when large projects were received, but in Japan, sales of the core CR-8000 Design Force electronic design system and the DS series of data management systems remained strong.

Earnings decreased slightly from one year earlier mainly due to ongoing strategic investments in development activities for future growth. Operating profit decreased 3.4% to 827 million yen, ordinary profit decreased 1.1% to 1,112 million yen and profit attributable to owners of parent decreased 0.3% to 701 million yen.

(2) Financial Position

Total assets at the end of the first quarter of the current fiscal year decreased 809 million yen from the end of the previous fiscal year to 62,464 million yen.

Current assets decreased by 576 million yen. The main factors include a decrease of 2,623 million yen in notes and accounts receivable-trade, and increases of 833 million yen in prepaid expenses and 746 million yen in cash and deposits. Non-current assets decreased by 233 million yen. The main factors include a decrease of 122 million yen in investments and other assets.

Total liabilities decreased 108 million yen from the end of the previous fiscal year to 23,217 million yen. Current liabilities decreased by 116 million yen. There were decreases of 1,396 million yen in income taxes payable, 537 million yen in provision for bonuses, and an increase of 1,837 million yen in advances received. Non-current liabilities increased by 7 million yen mainly due to an increase in retirement benefit liability.

Net assets decreased by 700 million yen from the end of the previous fiscal year to 39,247 million yen mainly due to dividends paid of 1,083 million yen and repurchase of treasury shares of 545 million yen, while there was profit attributable to owners of parent of 701 million yen. As a result, the shareholders' equity ratio was 62.8%.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

We currently maintain the consolidated forecast for the fiscal year ending March 31, 2026 that was released on May 12, 2025. Many of the Zuken Group's customers use a fiscal year that ends in March. As a result, a large percentage of the deliveries and final acceptances of our products tend to be concentrated in March each year. Consequently, sales and profits tend to be disproportionately concentrated in the fourth quarter in each fiscal year.

2. Quarterly Consolidated Financial Statements and Notes(1) **Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	As of Mar. 31, 2025	As of Jun. 30, 2025
Assets		
Current assets		
Cash and deposits	28,218,445	28,964,731
Notes and accounts receivable - trade	7,235,146	4,612,101
Securities	6,700,000	6,700,000
Merchandise and finished goods	449,028	583,211
Work in process	122,029	345,853
Raw materials and supplies	3,511	1,617
Prepaid expenses	5,420,640	6,254,246
Other	378,421	499,651
Allowance for doubtful accounts	(31,261)	(41,656)
Total current assets	48,495,961	47,919,757
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,488,840	2,453,589
Land	3,009,821	3,009,821
Other, net	643,108	609,016
Total property, plant and equipment	6,141,770	6,072,427
Intangible assets		
Goodwill	54,821	43,039
Other	765,712	735,764
Total intangible assets	820,533	778,803
Investments and other assets	7,815,994	7,693,988
Total non-current assets	14,778,298	14,545,220
Total assets	63,274,260	62,464,977

(Thousands of yen)

	As of Mar. 31, 2025	As of Jun. 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	827,019	1,070,845
Income taxes payable	1,544,513	148,410
Advances received	12,772,768	14,609,938
Provision for bonuses	1,233,470	695,733
Other provisions	117,357	24,904
Other	2,884,319	2,713,543
Total current liabilities	19,379,447	19,263,376
Non-current liabilities		
Retirement benefit liability	3,690,937	3,705,901
Other	255,306	247,896
Total non-current liabilities	3,946,244	3,953,797
Total liabilities	23,325,692	23,217,174
Net assets		
Shareholders' equity		
Share capital	10,117,065	10,117,065
Capital surplus	7,625,112	7,625,112
Retained earnings	22,249,184	21,866,981
Treasury shares	(2,501,631)	(3,047,264)
Total shareholders' equity	37,489,730	36,561,894
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,766,657	1,827,160
Foreign currency translation adjustment	739,710	903,398
Remeasurements of defined benefit plans	(47,530)	(44,649)
Total accumulated other comprehensive income	2,458,837	2,685,909
Total net assets	39,948,567	39,247,803
Total liabilities and net assets	63,274,260	62,464,977

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income**

	(Thousands of yen)	
	Three months ended Jun. 30, 2024	Three months ended Jun. 30, 2025
Net sales	9,017,552	9,119,949
Cost of sales	2,637,509	2,751,402
Gross profit	6,380,043	6,368,546
Selling, general and administrative expenses	5,523,411	5,540,973
Operating profit	856,632	827,573
Non-operating income		
Interest income	35,232	7,448
Dividend income	23,966	26,361
Foreign exchange gains	78,717	-
Share of profit of entities accounted for using equity method	113,401	230,409
Subsidy income	12,378	18,170
Other	17,296	13,095
Total non-operating income	280,992	295,485
Non-operating expenses		
Interest expenses	793	761
Foreign exchange losses	-	8,559
Commission expenses	12,020	-
Other	0	1,120
Total non-operating expenses	12,813	10,440
Ordinary profit	1,124,810	1,112,617
Extraordinary income		
Gain on sale of non-current assets	2,153	3
Total extraordinary income	2,153	3
Extraordinary losses		
Loss on disposal of non-current assets	211	270
Total extraordinary losses	211	270
Profit before income taxes	1,126,753	1,112,350
Income taxes - current	157,983	123,355
Income taxes - deferred	251,783	287,873
Total income taxes	409,767	411,228
Profit	716,986	701,122
Profit attributable to non-controlling interests	13,487	-
Profit attributable to owners of parent	703,498	701,122

Quarterly Consolidated Statement of Comprehensive Income

	(Thousands of yen)	
	Three months ended Jun. 30, 2024	Three months ended Jun. 30, 2025
Profit	716,986	701,122
Other comprehensive income		
Valuation difference on available-for-sale securities	(111,987)	102,498
Foreign currency translation adjustment	218,418	163,687
Remeasurements of defined benefit plans, net of tax	1,600	2,881
Share of other comprehensive income of entities accounted for using equity method	10,710	(41,995)
Total other comprehensive income	118,742	227,071
Comprehensive income	835,728	928,194
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	822,241	928,194
Comprehensive income attributable to non-controlling interests	13,487	-

(3) Notes to Quarterly Consolidated Financial Statements**Segment Information****I. Three months ended Jun. 30, 2024****1. Information about reportable segment net sales and profit or loss, and breakdown of revenue**

(Thousands of yen)

	Reportable segment					Adjustment amount (Note 1)	Appropriated amount in the quarterly consolidated statement of income (Note 2)
	Japan	Europe	Americas	Asia	Total		
Net sales							
Solutions	3,028,515	1,152,859	402,833	291,574	4,875,782	-	4,875,782
Client services	2,837,465	773,799	261,781	268,722	4,141,769	-	4,141,769
Sales to third parties	5,865,981	1,926,658	664,614	560,297	9,017,552	-	9,017,552
Intersegment sales or transfers	455,254	331,616	29,382	27,831	844,084	(844,084)	-
Total	6,321,235	2,258,274	693,996	588,129	9,861,636	(844,084)	9,017,552
Segment profit (loss)	780,415	154,727	(284,277)	177,265	828,131	28,500	856,632

Notes: 1. Adjustment amount in segment profit (loss) includes amount of 28,500 thousand yen eliminated for intersegment transactions.

2. Segment profit (loss) is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Not applicable.

II. Three months ended Jun. 30, 2025**1. Information about reportable segment net sales and profit or loss, and breakdown of revenue**

(Thousands of yen)

	Reportable segment					Adjustment amount (Note 1)	Appropriated amount in the quarterly consolidated statement of income (Note 2)
	Japan	Europe	Americas	Asia	Total		
Net sales							
Solutions	3,039,232	1,038,829	398,785	313,884	4,790,732	-	4,790,732
Client services	3,046,819	753,523	241,647	287,226	4,329,217	-	4,329,217
Sales to third parties	6,086,051	1,792,352	640,433	601,111	9,119,949	-	9,119,949
Intersegment sales or transfers	477,833	324,580	28,909	23,858	855,181	(855,181)	-
Total	6,563,885	2,116,933	669,342	624,969	9,975,130	(855,181)	9,119,949
Segment profit (loss)	809,665	17,594	(219,598)	204,257	811,918	15,654	827,573

Notes: 1. Adjustment amount in segment profit (loss) includes amount of 15,654 thousand yen eliminated for intersegment transactions.

2. Segment profit (loss) is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Going Concern Assumption

Not applicable.

Notes to Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows for the first three months of FY2025 has not been prepared. Depreciation (includes amortization expenses related to intangible assets minus goodwill) and amortization of goodwill for the first three months of FY2024 and FY2025 is as follows.

	(Thousands of yen)	
	Three months ended Jun. 30, 2024	Three months ended Jun. 30, 2025
Depreciation	212,090	210,837
Amortization of goodwill	14,195	13,850

Subsequent Events

Repurchase of treasury shares

At the Board of Directors meeting held on May 12, 2025, ZUKEN resolved the following matters pertaining to the purchase of its own shares pursuant to Article 156 of the Companies Act which is applicable in lieu of Article 165, Paragraph 3 of the Companies Act.

1. Reason for the repurchase of shares

Shares are repurchased to improve capital efficiency and return more earnings to shareholders.

2. Details of repurchase

- | | |
|---|--|
| (1) Type of shares to be repurchased: | Common stock of ZUKEN |
| (2) Total number of shares to be repurchased: | Up to 750,000 shares
(3.46% of total number of shares outstanding, excluding treasury shares) |
| (3) Total value of shares to be repurchased: | Up to 3 billion yen |
| (4) Period for repurchase: | From May 13, 2025 to March 31, 2026 |
| (5) Method of repurchase: | Purchase on the Tokyo Stock Exchange |

3. Result of repurchase

As a result of the purchase on the Tokyo Stock Exchange, 177,300 shares of the ZUKEN's common stock (acquisition cost: 965,647 thousand yen) were repurchased from May 13, 2025 to July 31, 2025 (contract basis).

3. Supplementary Information

(1) Sales and Orders

(a) Sales (Thousands of yen)

Segment	Three months ended Jun. 30, 2024		Three months ended Jun. 30, 2025	
	Amount	Composition (%)	Amount	Composition (%)
Japan	5,865,981	65.1	6,086,051	66.7
Europe	1,926,658	21.4	1,792,352	19.7
Americas	664,614	7.4	640,433	7.0
Asia	560,297	6.1	601,111	6.6
Total	9,017,552	100.0	9,119,949	100.0

(b) Orders received and order backlog (Thousands of yen)

Segment	Three months ended Jun. 30, 2024		Three months ended Jun. 30, 2025	
	Orders received	Order backlog	Orders received	Order backlog
Japan	8,676,506	14,951,298	9,897,426	17,429,300
Europe	1,852,412	4,202,551	1,729,348	4,403,829
Americas	342,476	2,197,176	490,273	2,038,238
Asia	616,395	948,125	686,361	842,214
Total	11,487,790	22,299,152	12,803,410	24,713,583

Note: Intersegment transactions have been eliminated.

(Reference) Results by product category are as follows.

(a) Sales (Thousands of yen)

Product category	Three months ended Jun. 30, 2024		Three months ended Jun. 30, 2025	
	Amount	Composition (%)	Amount	Composition (%)
Printed Circuit Board design solutions	1,157,901	12.8	1,176,020	12.9
Circuit design solutions	1,944,245	21.6	1,813,395	19.9
IT solutions	1,773,116	19.7	1,801,211	19.8
Client services	4,141,769	45.9	4,329,217	47.4
Others	519	0.0	104	0.0
Total	9,017,552	100.0	9,119,949	100.0

(b) Orders received and order backlog (Thousands of yen)

Product category	Three months ended Jun. 30, 2024		Three months ended Jun. 30, 2025	
	Orders received	Order backlog	Orders received	Order backlog
Printed Circuit Board design solutions	1,092,887	1,650,755	1,295,188	1,490,575
Circuit design solutions	2,473,334	2,851,320	2,528,614	3,146,293
IT solutions	2,920,879	2,910,331	2,895,132	2,766,000
Client services	4,999,305	14,885,344	6,083,574	17,309,814
Others	1,382	1,400	900	900
Total	11,487,790	22,299,152	12,803,410	24,713,583

Note: Name of major products by product category are as follows.

Major products of Printed Circuit Board design solutions	CR-8000 Design Force CR-8000 Board Designer CR-8000 DFM Center CADSTAR eCADSTAR
Major products of Circuit design solutions	CR-8000 Design Gateway CR-8000 System Planner E3.series E3.infinite Cabling Designer Harness Designer
Major products of IT solutions	DS-CR DS-2 Espresso DS-E3 DS-E3.infinite GENESYS PreSight visual BOM

This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.