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Notice Concerning Revisions to Full-Year Financial Results Forecasts

Digital Arts Inc. ("Digital Arts") announces it has revised its full-year business performance forecasts for the fiscal year ending March 31, 2026 (April 1, 2025–March 31, 2026), which was released on May 8, 2025, based on recent trends in business performance, etc., as detailed below.

1. Revision of business performance forecasts

(1) Revisions to consolidated financial results forecasts for the current fiscal year (April 1, 2025 through March 31, 2026)

	Previously announced forecasts (A)	Revised forecasts (B)	Change (B-A)	Change (%)	(Reference) Actual results for the previous fiscal year (Fiscal year ended March 2025)
Contracts	Millions of Yen 16,475	Millions of Yen 19,000	Millions of Yen 2,525	15.3	Millions of Yen 10,570

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share
Previously announced forecasts (A)	Millions of Yen 12,550	Millions of Yen 6,150	Millions of Yen 6,150	Millions of Yen 4,200	Yen 308.76
Revised forecasts (B)	11,800	5,607	5,627	3,880	286.06
Change (B-A)	(750)	(543)	(523)	(320)	—
Change (%)	(6.0)	(8.8)	(8.5)	(7.6)	—
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended March 2025)	9,982	4,558	4,562	3,183	232.79

(2) Revisions to non-consolidated financial results forecasts for the current fiscal year (April 1, 2025 through March 31, 2026)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share
Previously announced forecasts (A)	Millions of Yen 12,545	Millions of Yen 6,160	Millions of Yen 6,160	Millions of Yen 4,210	Yen 309.50
Revised forecasts (B)	11,795	5,615	5,635	3,888	286.65
Change (B-A)	(750)	(545)	(525)	(322)	―
Change (%)	(6.0)	(8.8)	(8.5)	(7.6)	―
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 2025)	9,972	4,562	4,569	3,187	233.13

2. Reason for revision

At the point of interim consolidated fiscal period under review, reflecting mainly attribute to favorable orders received for projects related to Phase 2 of the GIGA School Concept, the full-year contracts forecast has been revised 2,525 million yen upward from the previous figure of 16,475 million yen to expected result of 19,000 million yen (up 15.3% compared to the previous forecast).

As a result, contracts, which represent the value of the orders in this fiscal period under review, substantially exceeded the previous plan.

On the other hand, almost all of the projects related to Phase 2 of the GIGA School Concept involve cloud service-based products, and therefore, net sales are reported on a prorated monthly basis throughout the service provision period based on corporate accounting rules. As a result, it is anticipated that the business performance figures, including net sales, will fall below the previous forecast. Additionally, as both the ordinary profit and net profit are expected to fall short of the previously announced forecasts, we will be revising our full-year performance projections.

Going forward, we will aim for further growth by expanding our sustainable revenue base centered on cloud services and creating new business opportunities.