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February 13, 2026

## Summary of Business Results for the Six Months Ended December 31, 2025 [Japan GAAP] (Consolidated)

Company name: Digital Information Technologies Corporation  
Listing: Tokyo Stock Exchange  
Securities code: 3916  
URL: <http://www.ditgroup.jp/>  
Representative: Satoshi Ichikawa, Representative Director and President, Executive Officer  
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Scheduled date to file semi-annual securities report: February 13, 2026  
Scheduled date to commence dividend payments: March 9, 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 December 31, 2025 (from July 1, 2025 to December 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	%
Six months ended								
December 31, 2025	12,753	8.0	1,570	-1.9	1,592	-0.8	1,068	-0.4
December 31, 2024	11,807	23.3	1,600	33.5	1,606	35.2	1,072	32.2

Note: Comprehensive income For the six months ended December 31, 2025: ¥1,098 million [2.6%]  
For the six months ended December 31, 2024: ¥1,070 million [28.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
December 31, 2025	36.28	—
December 31, 2024	36.09	—

Note: 1. Diluted earnings per share is not presented because there are no dilutive shares.  
2. The Company implemented a 2-for-1 common stock split on January 1, 2026. Basic earnings per share and Diluted earnings per share have been calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2025	11,897	8,718	72.3
June 30, 2025	11,271	8,182	71.6

Reference: Equity  
As of December 31, 2025: ¥8,599 million  
As of June 30, 2025: ¥8,072 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, 2025	—	30.00	—	42.00	72.00
Fiscal year ending June 30, 2026	—	37.00			
Fiscal year ending June 30, 2026 (Forecast)			—	19.00	—

- Note: 1. Revisions to the forecast of cash dividends most recently announced: None  
2. The Company resolved to conduct a 2-for-1 share split of its common shares, effective January 1, 2026. Fiscal year-end dividends per share for the fiscal year ending June 30, 2026 (forecast) reflects the impact of the share split, with the total annual dividends per share indicated as “-.” On a pre-split basis, the fiscal year-end dividend would be 38.00 yen per share and the total annual dividend would be 75.00 yen per share.

## 3. Forecast of consolidated financial results for the year ending June 30, 2026 (from July 1, 2025 to June 30, 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
Full year	26,000	7.6	3,050	1.2	3,050	0.7	2,200	1.0	74.70

- Note: 1. Revisions to the forecast of financial results most recently announced: None  
2. “Basic earnings per share” of the full-year financial results forecast reflects the impact of the share split. On a pre-split basis, the full-year basic earnings per share for the fiscal year ending June 30, 2026, would be 149.40 yen.

\* **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 December 31, 2025	31,003,640 shares
As of June 30, 2025	31,003,640 shares

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

As of December 31, 2025	1,540,774 shares
As of June 30, 2025	1,582,374 shares

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

Six months ended December 31, 2025	29,440,665 shares
Six months ended December 31, 2024	29,700,733 shares

- Note: 1. The number of treasury stock to be deducted from the calculation of the number of treasury stock at the end of the period and the number of treasury stock during the period includes the Company's shares held by Custody Bank of Japan, Ltd. as trust assets under the Employees' Benefit Trust (J-ESOP) Plan.
2. The Company implemented a 2-for-1 common stock split on January 1, 2026. Total number of issued shares at the end of the period, Number of treasury shares at the end of the period and Average number of shares outstanding during the period have been calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

- \* 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 regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Therefore, the Company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

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# 1. Qualitative Information Regarding Semi-annual Business Results

## (1) Explanation of Business Results

During the second quarter of the current fiscal year (July 1, 2025 to December 31, 2025), the domestic economy maintained a moderate recovery trend. However, amid prolonged inflation, impacts on consumer sentiment and corporate cost burdens persisted, resulting in only a gradual recovery in demand. In addition, against the backdrop of U.S. trade policy developments, corporate activity—particularly in the automotive-related sector—was affected in certain instances. Companies continued to face the need to secure profitability and review cost structures, and the overall business environment remained uncertain.

In the information services industry to which we belong, there has been a continued steady investment in software. According to the Bank of Japan Tankan survey (December) announced on December 15, 2025, the software investment plan (total for all industries and enterprises of all sizes) for fiscal 2025 showed a continued expansion trend, rising 12.2% compared to fiscal 2024.

For our group as well, the progress in fields such as Artificial Intelligence (AI) to accelerate the realization of DX, Internet of Things (IoT), the transition of existing systems to cloud systems, and progress in low-code development to accelerate system development have led to increased opportunities to enter new businesses and the expansion of business scope. Meanwhile, ransomware attacks—where corporate data is encrypted and ransom is demanded for restoration—continued to occur, with cases emerging that caused serious disruptions to corporate operations. As a result, demand for enhanced cybersecurity measures increased. Furthermore, rising personnel costs driven by higher prices have expanded demand for greater operational efficiency. For the Group, which provides effective solutions to address these challenges, the business environment remained favorable.

On the other hand, with respect to advanced technologies such as generative AI, which remain in a transitional phase between validation and practical implementation, the Company is closely monitoring technological developments—primarily through its R&D division—and advancing initiatives toward future business deployment.

Under such conditions, the DIT Group formulated the following five business strategies and continues to take proactive measures to achieve them.

- Renovation (Expand and stabilize business foundation through reform of existing businesses)
- Innovation (Create new value centered on in-house products)
- Shift from competition to collaboration (Expand business through cooperative efforts)
- Shift from development to services (Expand business from service-oriented perspective)
- Secure and develop human assets (Hire and train personnel)

On August 9, 2024, the Company announced its Medium-Term Management Plan (FY2024–FY2026). Under the Plan, the Company defined its Purpose as the linkage between its corporate philosophy and raison d’être: “Enrich people’s lives by supporting the digitized society (changes) that continues to ‘evolve’ with the power of IT (responsiveness).” The Company has committed to achieving growth as a unified organization under this Purpose.

**Philosophy, Purpose, and Vision for 2030**

**Purpose**

Our company will grow as one team by expressing the linkage between our corporate philosophy and the reason for our existence in the purpose in the New Medium-term Management Plan.

**Purpose**

Enrich people's lives by supporting the digitized society (changes) that continues to “evolve” with the power of IT (responsiveness).

**Mindset that DIT values**

**Provide value that can adapt to changes of the times**

- Enhance Customer Value !

**We value the responsiveness to changes.**

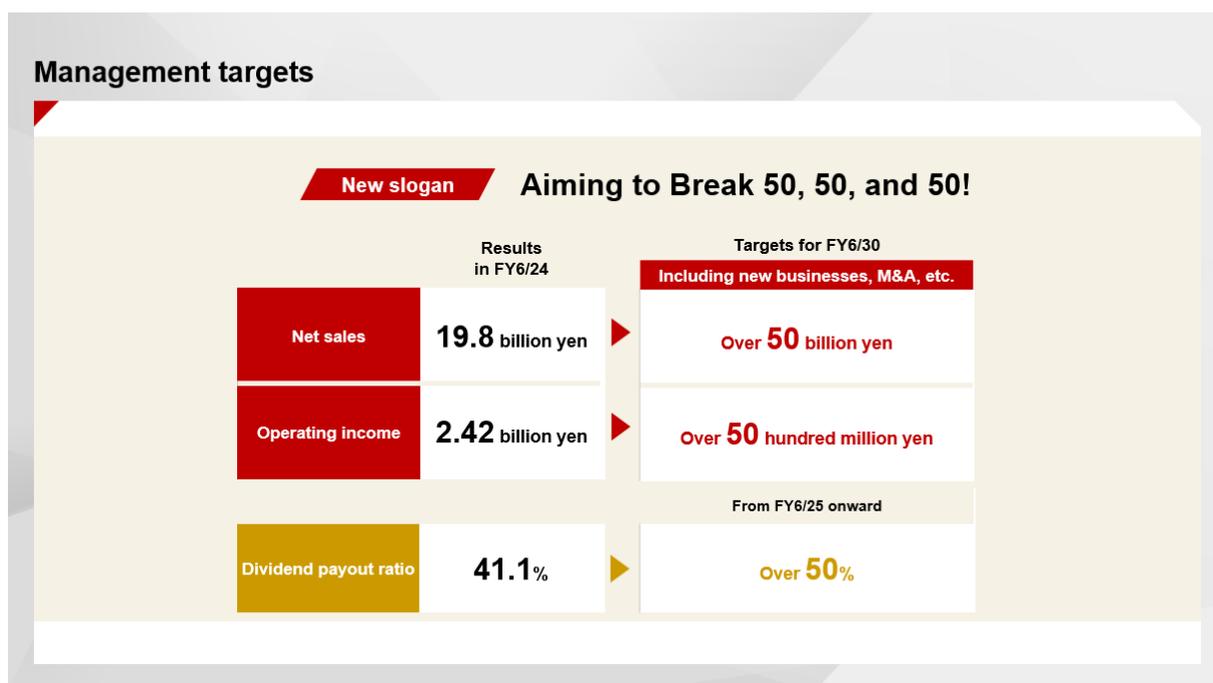
Responsiveness to changes means that we will not be content with the status quo, but always take on challenges because of a sense of urgency that we will easily get left behind the times if we do not take measures to adapt to changes as the world keeps changing.

We will engage in businesses and provide services that can adapt to changes in the current of the times and the trend in technology. As the immediate step, we will clarify the direction that we will move in by developing a long-term vision that can accommodate changes, such as development of innovative technology including generative AI, the aging society with a declining birthrate and a decrease in the working population, and work style reforms and diversifying lifestyles, and strive for continuous growth.

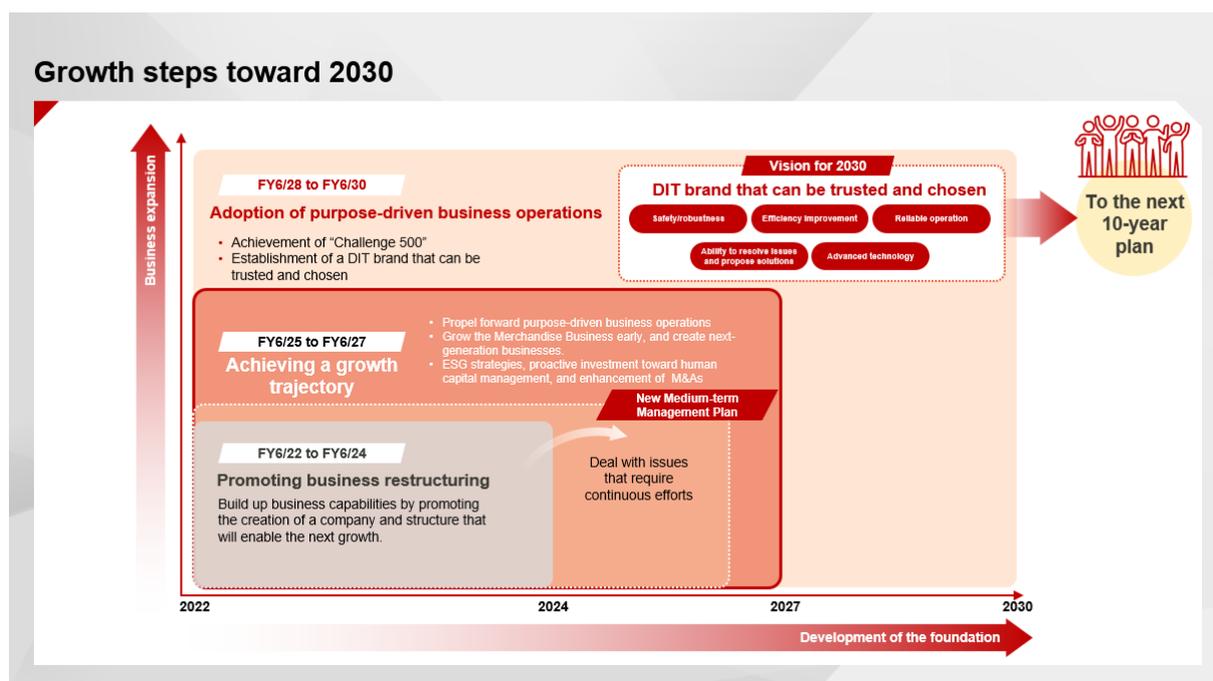
We believe that our mission is to contribute to society and enrich the lives of our stakeholders from all walks of life by achieving the aforementioned.

Digital Information Technologies Corporation. 38

In addition, we will continue to build “Trusted and Chosen DIT Brand” as our 2030 vision, and take on the challenge of achieving goals under the new slogan “Aiming to Break 50, 50, and 50!” which states that more than 50 billion yen of net sales, 50 hundred million yen of operating profit, and 50% of dividend payout ratio, respectively.



As a step toward achieving this 2030 Vision, we set the period from FY6/25 to FY6/27 as the period for “achieving a growth trajectory” to address issues newly recognized when promoting business structural reform, to promote Purpose management, to establish a business style and put the overall business on a growth track. Moreover, the period from FY6/28 to FY6/30 is the period for “establishing the DIT brand”, that is trusted and chosen by all stakeholders by establishing a Purpose.



■ Summary of Business Results for the First Half of the Fiscal Year Ending June 30, 2026

For the second quarter of the current fiscal year, the Company had initially anticipated a significant decline in profit (operating profit: down 12.5% YoY). This outlook reflected several factors, including reduced IT investment by key automotive-related customers due to U.S. trade policy developments, the absence of high-margin special demand projects and year-end greeting card software sales recorded in the previous fiscal year, and increased growth investments in AI and strategic product development.

However, through proactive demand capture and the contribution of M&A, net sales increased steadily by 8.0% YoY. In addition, the decline in operating profit was significantly narrowed to a decrease of 1.9% YoY.

As a result, for the second quarter, the Company recorded net sales of 12,753,150 thousand yen (up 8.0% YoY), operating profit of 1,570,244 thousand yen (down 1.9% YoY), ordinary profit of 1,592,881 thousand yen (down 0.8% YoY), and profit attributable to owners of parent of 1,068,133 thousand yen (down 0.4% YoY).

Results by segment are as follows.

Of note, figures for sales by segment and segment profit (operating profit) are presented before the elimination of intra-company transactions.

① Software Development Business

In the Business Solutions Unit (business system development and operation support), sales and profits increased from the previous year, supported by strong growth in projects, particularly in the telecommunications sector, which had been initiated in the prior fiscal year.

In business systems development, although the profit margin declined due to the absence of high-margin public-sector projects recorded in the previous year, increased communications-related projects and a recovery in ERP and pharmaceutical-related projects contributed to performance. As a result, the segment achieved slight increases in both sales and profit, delivering revenue and profit growth. With regard to the use of generative AI in project development, accumulated experience has been built up, and the Company has compiled its know-how into formal guidelines with the aim of establishing it as a standard tool for addressing customer challenges.

In operation support, the Company steadily expanded its share among major customers and enhanced value-added services such as data analysis. As a result, the segment moved beyond the plateau experienced in the previous fiscal year and returned to a growth trajectory, achieving revenue and profit growth, with profit growth outpacing sales growth.

In the Embedded Solutions Unit, which includes embedded system development and verification, demand in the core automotive-related area showed some uncertainty, resulting in a challenging start in the first quarter. However, recovery measures implemented in the second quarter proved effective, leading to growth in both sales and profit.

In embedded system development, although IT investment reductions by key customers in high-margin automotive and semiconductor-related projects had an impact, expanded projects for other customers enabled the segment to maintain double-digit sales growth. While the gross profit margin declined year-on-year due to changes in the project mix, the profit decline recorded in the first quarter was eliminated, and the segment returned to profit growth in the second quarter.

In embedded systems verification, although the automotive IVI project in Japan, which had contributed through the first quarter, concluded earlier than expected and performance did not progress entirely as planned, the expansion of automotive verification services in the United States led to double-digit growth in both sales and gross profit.

Regarding the utilization of AI, effectiveness has been confirmed through automation of testing processes, and the Company plans to roll this out as a new service going forward.

In the Product Solutions Unit, license sales of proprietary products, peripheral development related to electronic contract services, and sales of corporate products from Jungle Inc. continued to increase. However, beginning in the second quarter, sales remained nearly flat and profit declined year on year due to the discontinuation of sales of Jungle Inc.'s New Year's card software "Fudegurume," which had boosted sales in the same period of the previous year.

In the cyber security business, sales and profits increased from the previous fiscal year due to a steady increase in licensing sales from existing customers in WebARGUS (\*1). In addition, demand has been increasing for the security product "Sentinel ARGUS", which reliably protects critical data from ransomware attacks and other cybersecurity threats—the most significant risks in information security today—resulting in a growing number of inquiries. Furthermore, the embedded device security solution "RezOT", whose completion was recently announced, is currently undergoing customization development for implementation in actual embedded devices. In collaboration with partner companies possessing extensive expertise and proven track records in the industrial sector, preparations are underway for market launch.

In the operational efficiency business, sales and profits increased from the previous fiscal year due to steady progress in capturing lead customers acquired through exhibitions of xoBlos (\*2) and other events. In addition, within February, the Company plans to launch a new product specializing in Excel report extraction by utilizing certain functions of xoBlos, with the aim of expanding sales. DD-CONNECT, an outsourcing service for electronic contracts, boosted sales, especially in SI development within the residential construction industry.

Furthermore, Jungle Inc., a consolidated subsidiary, achieved substantial growth in sales of corporate products that align with market needs. However, it was unable to offset the decline resulting from the discontinuation of its New Year's card software "Fude-

gurume,” leading to significant decreases in both sales and profit.

- “Data Migration Box” is a high-speed data migration tool for corporate, from on-premises to cloud and from cloud to other cloud. Jungle, Inc. holds exclusive sales rights.
- “DiskDeleter” is a USB memory-type data-deleting software. It is copyrighted by Jungle, Inc., and has been installed by more than 10,000 companies.
- “PDF –XChange Editor” is a multi-functional PDF integrated software that allows free editing of PDF files. Jungle, Inc. sells it as a “Platinum Reseller.”

As a result, net sales in the Software Development Business amounted to 12,253,607 thousand yen (up 7.3% year-on-year), with segment profit (operating profit) of 1,488,306 thousand yen (down 5.4%).

- (\*1) WebARGUS is a new type of website security solution that detects the tampering of websites as it occurs, and immediately restores the site to its original state. Instant detection and restoration protect corporate and other websites from malicious, unknown cyber-attacks, while at the same time preventing the escalation of the damage, such viruses spreading via the tampered website.
- (\*2) xoBlos is an innovation platform for Excel to automate inefficient Excel-based tasks. (Excel® is a registered trademark in the U.S. and other countries by the U.S. Microsoft Corporation)

## ② System Sales Business

In the System Sales segment, which centers on “Rakuichi,” an operations and management support system for small and medium-sized enterprises developed by CASIO HUMAN SYSTEMS CO., LTD., sales and profits increased significantly. This was driven by profits from sales agent office, which assumed the business in the second half of the previous fiscal year, contributing to first-half results of the current fiscal year, and by increased PC demand associated with Windows 11 compatibility.

As a result, net sales in the System Sales Business amounted to 514,563 thousand yen (up 27.3% year on year), with segment profit (operating profit) of 81,321 thousand yen (up 196.7%).

## (2) Explanation of Financial Position

The status of assets, liabilities, and net assets at the end of the second quarter of the current fiscal year is as follows.

### (Current Assets)

Current assets amounted to 10,069,030 thousand yen at the end of the second quarter, an increase of 594,971 thousand yen compared to the end of the previous fiscal year.

This was mainly attributable to increases of 265,068 thousand yen in cash and deposits and 205,388 thousand yen in notes and accounts receivable, and contract assets.

### (Noncurrent Assets)

Noncurrent assets amounted to 1,828,680 thousand yen at the end of the second quarter, an increase of 31,616 thousand yen compared to the end of the previous fiscal year.

This was mainly due to an increase of 126,591 thousand yen in investment securities, and a decrease of 81,804 thousand yen in goodwill.

### (Current Liabilities)

Current liabilities amounted to 2,900,770 thousand yen at the end of the second quarter, an increase of 109,249 thousand yen compared to the end of the previous fiscal year.

This was mainly attributable to increases of 51,976 thousand yen in income taxes payable and 47,683 thousand yen in provision for bonuses.

### (Noncurrent Liabilities)

Noncurrent liabilities amounted to 278,690 thousand yen at the end of the second quarter, a decrease of 18,685 thousand yen compared to the end of the previous fiscal year.

This was mainly attributable to decreases of 8,500 thousand yen in bonds payable and 7,627 thousand yen in provision for share-based remuneration.

### (Net Assets)

Net assets amounted to 8,718,250 thousand yen at the end of the second quarter, an increase of 536,023 thousand yen compared to the end of the previous fiscal year.

This was mainly due to increases of 462,827 thousand yen in retained earnings and 99,826 thousand yen in treasury shares.

## (3) Explanation of Results Forecasts and Other Future Predictions

No revisions have been made to the full-year consolidated business forecast announced on August 8, 2025. We will disclose changes to our forecasts as necessary in light of future social conditions.

## 2. Semi-annual Consolidated Financial Statements and Major Notes

### (1) Semi-annual Consolidated Balance Sheets

(Thousand yen)

	FY6/25 (June 30, 2025)	Q2 FY6/26 (December 31, 2025)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,354,155	5,619,224
Notes and accounts receivable - trade, and contract assets	3,736,379	3,941,767
Merchandise	41,364	78,331
Work in process	196,341	153,912
Raw materials and supplies	4,092	3,634
Other	141,916	272,325
Allowance for doubtful accounts	-190	-165
<b>Total current assets</b>	<b>9,474,059</b>	<b>10,069,030</b>
<b>Noncurrent assets</b>		
Property, plant and equipment	188,296	191,362
<b>Intangible assets</b>		
Goodwill	647,077	565,273
Other	44,868	37,990
<b>Total intangible assets</b>	<b>691,945</b>	<b>603,263</b>
<b>Investments and other assets</b>		
Investment securities	522,161	648,752
Other	427,007	417,595
Allowance for doubtful accounts	-32,347	-32,293
<b>Total investments and other assets</b>	<b>916,821</b>	<b>1,034,054</b>
<b>Total noncurrent assets</b>	<b>1,797,063</b>	<b>1,828,680</b>
<b>Total assets</b>	<b>11,271,122</b>	<b>11,897,711</b>

(Thousand yen)

	FY6/25 (June 30, 2025)	Q2 FY6/26 (December 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	857,055	848,956
Current portion of bonds payable	16,600	16,800
Income taxes payable	527,087	579,064
Provision for bonuses	47,565	95,249
Provision for loss on orders received	72	1,021
Other	1,343,139	1,359,678
<b>Total current liabilities</b>	<b>2,791,520</b>	<b>2,900,770</b>
Noncurrent liabilities		
Bonds payable	8,500	-
Retirement benefit liability	11,431	11,935
Provision for share awards	208,281	200,654
Other	69,162	66,100
<b>Total noncurrent liabilities</b>	<b>297,375</b>	<b>278,690</b>
<b>Total liabilities</b>	<b>3,088,896</b>	<b>3,179,460</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	453,156	453,156
Capital surplus	460,618	601,109
Retained earnings	8,170,350	8,633,177
Treasury shares	-1,315,772	-1,415,599
<b>Total shareholders' equity</b>	<b>7,768,352</b>	<b>8,271,844</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	272,666	269,546
Foreign currency translation adjustment	31,783	58,507
<b>Total accumulated other comprehensive income</b>	<b>304,450</b>	<b>328,054</b>
Non-controlling interests	109,423	118,351
<b>Total net assets</b>	<b>8,182,226</b>	<b>8,718,250</b>
<b>Total liabilities and net assets</b>	<b>11,271,122</b>	<b>11,897,711</b>

(2) Semi-annual Consolidated Statements of Income and Semi-annual Consolidated Statements of Comprehensive Income  
(Semi-annual Consolidated Statements of Income)

(Thousand yen)

	Q2 FY6/25 (July 1, 2024 to December 31, 2024)	Q2 FY6/26 (July 1, 2025 to December 31, 2025)
Net sales	11,807,498	12,753,150
Cost of sales	8,777,921	9,618,213
Gross profit	3,029,577	3,134,937
Selling, general and administrative expenses	1,429,430	1,564,693
Operating profit	1,600,146	1,570,244
Non-operating income		
Interest income	487	4,170
Dividends income	-	2,246
Commission income	1,218	1,393
Surrender value of insurance policies	957	7,678
Subsidy income	13,520	14,904
Gain on forfeiture of unclaimed dividends	593	912
Other	136	176
Total non-operating income	16,912	31,482
Non-operating expenses		
Interest expenses	973	474
Commission expenses	6,004	5,545
Loss on investments in investment partnerships	-	1,310
Foreign exchange losses	1,877	1,514
Office relocation expenses	2,133	-
Total non-operating expenses	10,990	8,845
Ordinary profit	1,606,069	1,592,881
Extraordinary income		
Gain on sale of investment securities	80	-
Total extraordinary income	80	-
Profit before income taxes	1,606,149	1,592,881
Income taxes - current	549,993	529,075
Income taxes - deferred	-19,647	-11,237
Total income taxes	530,346	517,838
Profit	1,075,803	1,075,043
Profit attributable to non-controlling interests	3,764	6,909
Profit attributable to owners of parent	1,072,039	1,068,133

## (Semi-annual Consolidated Statements of Comprehensive Income)

(Thousand yen)

	Q2 FY6/25 (July 1, 2024 to December 31, 2024)	Q2 FY6/26 (July 1, 2025 to December 31, 2025)
Profit	1,075,803	1,075,043
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,751	-3,367
Foreign currency translation adjustment	-3,146	26,724
Total other comprehensive income	-4,897	23,357
Comprehensive income	1,070,905	1,098,400
Comprehensive income attributable to		
Owners of parent	1,067,164	1,091,275
Non-controlling shareholders	3,741	7,124

## (3) Semi-annual Consolidated Statements of Cash Flows

(Thousand yen)

	Q2 FY6/25 (July 1, 2024 to December 31, 2024)	Q2 FY6/26 (July 1, 2025 to December 31, 2025)
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,606,149	1,592,881
Depreciation	36,523	36,062
Amortization of goodwill	91,990	81,804
Increase (decrease) in allowance for doubtful accounts	44	-78
Increase (decrease) in provision for loss on orders received	-	949
Increase (decrease) in provision for bonuses	64,587	63,287
Increase (decrease) in retirement benefit liability	-955	504
Increase (decrease) in provision for share awards	13,935	25,630
Interest and dividend income	-487	-6,417
Interest expenses	973	474
Decrease (increase) in accounts receivable - trade, and contract assets	-233,202	-199,435
Decrease (increase) in inventories	-34,434	5,919
Increase (decrease) in trade payables	132,653	-7,929
Increase (decrease) in accounts payable - other, and accrued expenses	-49,894	21,048
Decrease (increase) in other assets	-24,058	-111,994
Increase (decrease) in other liabilities	-47,297	-9,925
Loss (gain) on investments in investment partnerships	-	1,310
Other	-8,332	-16,750
Subtotal	1,548,194	1,477,342
Interest and dividends received	487	6,417
Interest paid	-973	-474
Subsidies received	13,520	14,904
Income taxes paid	-448,503	-471,173
<b>Cash flows from operating activities</b>	<b>1,112,724</b>	<b>1,027,016</b>
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	-2,200	-1,682
Purchase of intangible assets	-13,918	-2,765
Payments for acquisition of businesses	-17,373	-
Purchase of investment securities	-1,200	-126,200
Proceeds from withdrawal of time deposits	81,242	-
Purchase of insurance funds	-3,042	-2,205
Proceeds from cancellation of insurance funds	1,919	15,122
Payments of leasehold and guarantee deposits	-14,779	-77
Proceeds from refund of leasehold and guarantee deposits	20	660
Other	136	53
<b>Net cash provided by (used in) investing activities</b>	<b>30,804</b>	<b>-117,093</b>
<b>Net cash provided by (used in) financing activities</b>		
Repayments of lease liabilities	-16,242	-17,583
Repayments of borrowings	-134,880	-
Redemption of bonds	-8,300	-8,300
Purchase of treasury shares	-488,422	-
Dividends paid	-346,318	-621,894
Other	-5,496	-5,545
<b>Net cash provided by (used in) financing activities</b>	<b>-999,660</b>	<b>-653,323</b>
Effect of exchange rate change on cash and cash equivalents	-3,161	37,152
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>140,707</b>	<b>293,752</b>
Cash and cash equivalents at beginning of period	4,506,944	5,337,753
<b>Net increase (decrease) in cash and cash equivalents resulting from change in fiscal year-end of consolidated subsidiaries</b>	<b>-</b>	<b>-23,454</b>
<b>Cash and cash equivalents at end of period</b>	<b>4,647,651</b>	<b>5,608,051</b>

(4) Notes on Semi-annual Consolidated Financial Statements

(Notes Regarding Segment Information)

Segment Information

I Q2 FY6/25 (July 1, 2024 to December 31, 2024)

Information Relating to the Amounts of Net Sales, Profit, and Loss

(Thousand yen)

	Reporting Segments			Adjustment amount	Amount recorded on semi-annual consolidated statement of income (Note)
	Software Development Business	System Sales Business	Total		
Net sales					
Net sales to outside customers	11,419,822	387,675	11,807,498	-	11,807,498
Intersegment net sales and transfers	29	16,390	16,419	-16,419	-
Total	11,419,852	404,066	11,823,918	-16,419	11,807,498
Segment profit	1,572,734	27,412	1,600,146	-	1,600,146

(Note) Segment profit is adjusted with operating profit in the semi-annual consolidated statement of income.

II Q2 FY6/26 (July 1, 2025 to December 31, 2025)

Information Relating to the Amounts of Net Sales, Profit, and Loss

(Thousand yen)

	Reporting Segments			Adjustment amount	Amount recorded on semi-annual consolidated statement of income (Note)
	Software Development Business	System Sales Business	Total		
Net sales					
Net sales to outside customers	12,253,563	499,587	12,753,150	-	12,753,150
Intersegment net sales and transfers	44	14,976	15,020	-15,020	-
Total	12,253,607	514,563	12,768,171	-15,020	12,753,150
Segment profit	1,488,306	81,321	1,569,627	616	1,570,244

(Note) Segment profit is adjusted with operating profit in the semi-annual consolidated statement of income.

(Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable.

(Notes Regarding Going Concern Assumptions)

Not applicable.