

Financial Statements(under Japanese GAAP)

February 13, 2025

Company name	IFIS JAPAN LTD.	Stock Exchange listing	TSE
Code number	7833	URL	http://www.ifis.co.jp
Representative	President	Hiroki Osawa	
Contact	Director	Masamitsu Nagashima	TEL 81-(3)6824-6440
Scheduled date of annual shareholder's meeting		March 28, 2025	
Scheduled start date of dividend		March 31, 2025	
Scheduled submission date of annual security report		March 31, 2025	
Preparation of supplementary material on earnings		: Yes	
Holding of earnings performance review		: Yes (for analysts)	

(Fractions less than ¥1 million have been omitted.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results

(Percentages figure represent changes from same period of previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal year ended December 2024	5,859	5.5	677	-3.0	678	-3.4	422	-5.9
Fiscal year ended December 2023	5,554	3.2	698	-15.4	703	-15.8	448	-23.6

(Note) Comprehensive income (loss)

Fiscal year ended December 2024 ¥428 million (-5.3%)

Fiscal year ended December 2023 ¥452 million (-23.5%)

	Net income per share	Diluted net income per share	Return on Equity	Return on assets	Profit margin on sales
	¥	¥	%	%	%
Fiscal year ended December 2024	43.80	—	7.6	10.4	11.6
Fiscal year ended December 2023	46.49	—	8.5	11.6	12.6

(Reference) Earnings on investments in equity-method affiliates

Fiscal year ended December 2024 ¥0 million

Fiscal year ended December 2023 ¥0 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
Fiscal year ended December 2024	6,866	5,670	82.6	588.52
Fiscal year ended December 2023	6,191	5,419	87.5	562.54

(Reference) Equity Fiscal year ended December 2024 ¥5,670 million

Fiscal year ended December 2023 ¥5,419 million

(3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investment activities	Net cash provided by (used in) financing activities	Closing balance of cash and cash equivalents
	¥ million	¥ million	¥ million	¥ million
Fiscal year ended December 2024	582	-1,043	-178	4,431
Fiscal year ended December 2023	606	-233	-193	5,070

2. Dividends

	Annual dividends					Total cash dividends	Dividend payout ratio(consolidated)	Dividends on equity (consolidated)
	1 st Qtr	2 nd Qtr	3 rd Qtr	Year-end	Total			
	¥	¥	¥	¥	¥	¥million	%	%
Fiscal year ended December 2023	—	0.00	—	18.50	18.50	178	39.8	3.4
Fiscal year ended December 2024	—	0.00	—	19.50	19.50	187	44.5	3.4
Fiscal year ending December 2025 (Estimated)	—	0.00	—	21.50	21.50	—	40.6	—

3. Projected Results for Fiscal year 2025(January 1 to December 31, 2025)

(Percentages figure represent changes from same period of previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
First half ending Jun. 2024	3,500	26.3	350	-6.1	350	-6.5	231	-6.5	24.07
Fiscal year ending Dec. 2024	7,150	22.0	770	13.6	770	13.4	510	20.9	52.97

* Notes

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in the change in consolidation scope): None

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

- 1) Changes in accounting policies in accordance with revisions of accounting standards: Yes
- 2) Changes other than 1) above: None
- 3) Changes in accounting estimates: Yes
- 4) Restatements: None

(3) Number of shares outstanding (common stock)

1)	Number of shares outstanding at term end (including treasury stock)	Fiscal year ended December 2024	10,242,000 shares	Fiscal year ended December 2023	10,242,000 shares
2)	Number of shares of treasury stock at term end	Fiscal year ended December 2024	607,305 shares	Fiscal year ended December 2023	607,305 shares
3)	Average number of shares during the period	Fiscal year ended December 2024	9,634,695 shares	Fiscal year ended December 2023	9,650,106 shares

(Reference) Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2024
(January 1 to December 31, 2024)

(1) Non-Consolidated Operating Results

(Percentages figure represent changes from same period of previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal year ended December 2024	3,567	2.5	393	19.8	413	18.1	284	24.0
Fiscal year ended December 2023	3,480	-0.5	328	-34.7	350	-31.5	229	-36.3

	Net income per share		Diluted net income per share	
	¥	¥	¥	¥
Fiscal year ended December 2024	29.53	—	—	—
Fiscal year ended December 2023	23.77	—	—	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
Fiscal year ended December 2024	4,587	4,049	88.3	420.29
Fiscal year ended December 2023	4,370	3,942	90.2	409.25

(Reference) Equity Fiscal year ended December 2024 ¥4,049 million
Fiscal year ended December 2023 ¥3,942 million

2. Non-Consolidated earnings forecasts for Fiscal year 2025(January 1 to December 31, 2025)

(Percentages figure represent changes from same period of previous year.)

	Net sales		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥
First half ending Jun. 2025	1,800	0.2	195	-13.1	133	-13.1	13.84
Fiscal year ending Dec. 2025	3,650	2.3	415	0.3	305	7.2	31.66

* Disclosure regarding execution of audit procedures

At the time of disclosure of this earnings report, audit procedures in accordance with the Financial Instruments and Exchange Act are in progress.

Note to ensure appropriate use of forecasts, and other noteworthy items

(Cautionary note on forward-looking statements and other information)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

(Means of contents of supplementary material on earnings and earnings performance review)

The Company holds presentations for analysts regarding the six-month and year-end results. Distributed presentation materials and audio recordings from performance reviews are available on the Company's website.

Consolidated Financial Statements
(1) Consolidated balance sheet

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
(Assets)		
Current assets		
Cash and deposits	5,088,365	5,899,154
Notes and accounts receivable-trade and contract assets	457,238	635,834
Other	50,351	73,907
Total current assets	5,595,954	5,608,895
Noncurrent assets		
Property, plant and equipment		
Buildings		8,179
Accumulated depreciation		-1,774
Buildings and accompanying facilities	57,558	95,293
Accumulated depreciation	-4,579	-13,622
Buildings and accompanying facilities, Net	52,978	81,670
Machinery, equipment and vehicles	1,590	3,470
Accumulated depreciation	-1,258	-2,138
Machinery, equipment and vehicles, net	331	1,331
Tools, furniture and fixtures	199,904	219,397
Accumulated depreciation	-135,125	-161,909
Tools, furniture and fixtures, Net	64,778	57,488
Total Property, plant and equipment	118,088	152,161
Intangible assets		
Goodwill	95,636	571,653
Software	117,855	154,223
Software in progress	4,460	24,940
Other	1,469	1,469
Total intangible assets	219,421	752,288
Investments and other assets		
Investment securities	2,637	2,754
Stock of affiliated company	21,071	21,087
Affiliated company investments	77,538	83,611
Guarantee deposits	115,417	145,346
Deferred tax assets	35,939	86,164
Other	5,824	14,126
Total investment and other assets	258,429	353,074
Total noncurrent assets	595,939	1,257,524
Total assets	6,191,893	6,866,420

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Liabilities		
Current liabilities		
Accounts payable-trade	200,141	241,554
Accounts payable-other	116,645	159,719
Income taxes payable	83,431	207,188
Consumption taxes payable	37,720	66,753
Advances received	120,529	133,967
Lease obligation		1,303
Provision for bonuses	25,937	18,933
Other	70,361	98,394
Total current liabilities	654,767	927,814
Noncurrent liabilities		
Net defined benefit liability	29,029	33,997
		4,505
Other	88,243	229,863
Total noncurrent liabilities	117,272	268,365
Total liabilities	772,039	1,196,180
Net assets		
Shareholders' equity		
Capital stock	382,510	382,510
Capital surplus	438,310	438,310
Retained earnings	4,669,127	4,912,923
Treasury stock	-92,600	-92,600
Total shareholders' equity	5,397,346	5,641,142
Accumulated other comprehensive income		
Valuation difference on securities (other than subsidiaries and affiliated companies)	68	172
Foreign currency translation adjustment	22,438	28,924
Total accumulated other comprehensive income	22,507	29,097
Total net assets	5,419,854	5,670,239
Total net liabilities	6,191,893	6,866,420

(2) Consolidated statements of income and consolidated statements of comprehensive income
(Consolidated Statement of Income)

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net sales	5,554,383	5,859,006
Cost of sales	3,202,405	3,415,345
Gross profit	2,351,977	2,443,661
Selling, general and administrative expenses	1,653,095	1,765,709
Operating income	698,882	677,951
Non-operating income		
Interest income	37	408
Dividends income	157	163
Investment gain by equity method	418	
Foreign exchange gains	1,656	
Defined contribution refund	1,656	
Other	340	313
Total non-operating income	4,265	2,060
Non-operating expenses		
Interest expense		18
Equity in losses of affiliates		412
Foreign exchange losses		281
Bad debt loss		321
Other	42	18
Total non-operating expenses	42	1,053
Ordinary income	703,105	678,958
Extraordinary income		
Gain on sale of property, plant and equipment and intangible assets	15	
Gain on sales of investment securities		394
Insurance cancellation refund		195
Total extraordinary income	15	589
Extraordinary loss		
Loss on retirement of noncurrent assets	1,840	154
Head office transfer cost	20,531	
Other	79	
Total extraordinary loss	22,451	154
Income before income taxes	680,669	679,394
Income taxes-current	208,087	300,009
Income taxes-deferred	23,936	-42,653
Total income taxes	232,024	257,356
Net income	448,645	422,037
Profit attributable to owners of parent	448,645	422,037

(3) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Income before income taxes	680,669	679,394
Depreciation and amortization	81,366	75,507
Amortization of goodwill	34,776	47,874
Increase (decrease) in provision for bonuses	6,578	-18,368
Increase (decrease) in net defined benefit liability	3,411	4,967
Interest and dividends income	-194	-574
Interest expense		18
Investment gain(loss) by equity method	-418	412
Loss on retirement of noncurrent assets	1,840	154
Gain on sale of property, plant and equipment and intangible assets	-15	
Gain/loss on sale of investment securities		-394
Insurance cancellation refund		-195
Decrease (increase) in notes and accounts receivable-trade	23,401	6,705
Decrease (increase) in inventories		
Increase (decrease) in notes and accounts payable-trade	14,301	-42,258
Increase (decrease) in accrued consumption taxes	-27,771	6,483
Other	65,699	-5,344
Subtotal	883,646	754,384
Interest and dividends income received	194	571
Interest payment		-18
Income taxes paid	-277,437	-172,660
Refund of income taxes		
Net cash provided by (used in) operating activities	606,403	582,277

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	-109,721	-32,865
Gain on sales of property, plant and equipment	669	80,488
Purchase of investment securities		-90
Proceeds from sales of investment securities		33,384
Purchase of intangible assets	-52,078	-73,041
Proceeds from redemption of securities	37	32
Payments for asset retirement obligations	-41,100	
Purchase of insurance funds	-301	-442
Proceeds from cancellation of insurance funds		135,670
Payments into time deposits	-1,200	-19,107
Proceeds from withdrawal of time deposits		118,730
Payments for guarantee deposits	-104,834	-7,041
Proceeds from collection of guarantee deposits	94,113	
Purchase of shares of subsidiaries and associates	-18,711	
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation		-1,278,758
Net cash provided by (used in) investing activities	-233,126	-1,043,039
Cash flows from financing activities		
Purchase of treasury shares	-14,625	
Cash dividends paid	-178,704	-178,242
Lease sacrifice expenditure		-649
Net cash provided by (used in) financing activities	-193,329	-178,891
Net increase (decrease) in cash and cash equivalents	179,946	-639,653
Cash and cash equivalents at beginning of period	4,890,801	5,070,748
Cash and cash equivalents at end of period	5,070,748	4,431,094