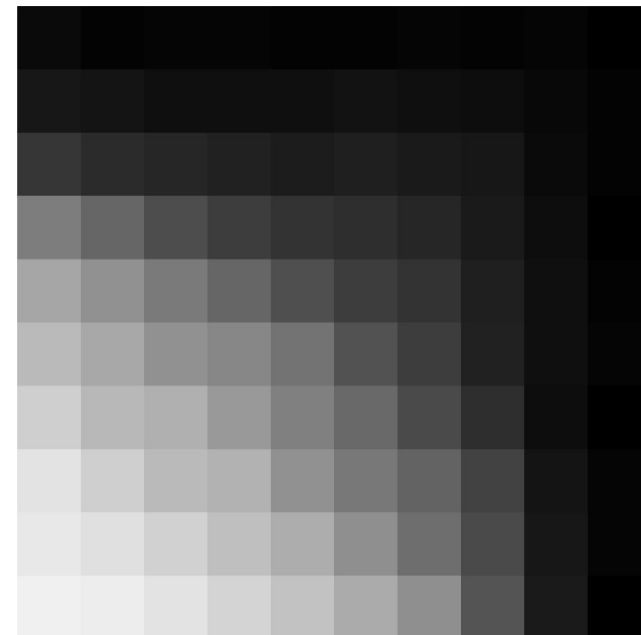


3836 TSE Prime

# Avant Group Corporation

Financial Results Briefing  
for the Fiscal Year ended June 2024

August 2, 2024



*This is an unofficial translation. In the event of any discrepancy between the original Japanese text and this English translation, the Japanese text shall prevail.*



# Financial Highlights for the Q4/24

## Net Sales

¥24,419<sub>m</sub>

(YoY + 14.0%)

**14th consecutive year of  
revenue growth**

Sales increased due to strong growth in the Digital Transformation Promotion Business (hereafter DX Promotion Business), continued high growth in the outsourcing business, and a recovery in sales in the Business Management Solutions Business.

## Operating Income

¥4,099<sub>m</sub>

(YoY + 24.6%)

**Profit growth for 9  
consecutive terms**

Although fixed personnel costs due to an increase in the workforce, outsourced processing costs in response to an increase in orders and investment-related costs to realise future growth increased, the increase in profit was due to a decrease in one-off costs from the previous year's group restructuring and the effect of higher revenues.

## Net Income

¥2,850<sub>m</sub>

(YoY + 36.1%)

**Growth rate above the CAGR\*  
target of 25%**

In addition to the growth in operating profit, the significant increase in profit was due to the effects of the wage tax system, which reduces corporation tax for companies that raise wages above the threshold.

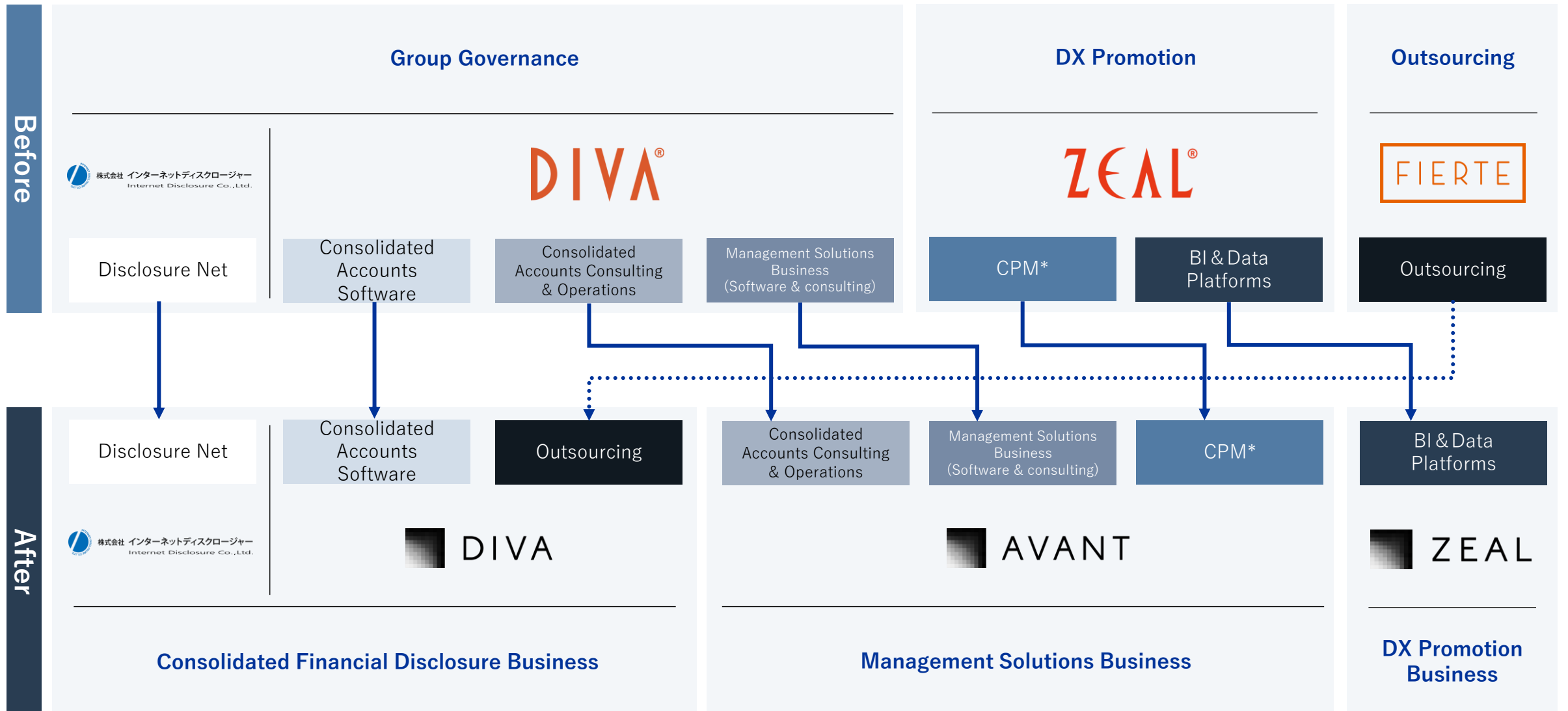
※CAGR : Compound Average Growth Rate

**All KPIs were achieved in the first year of the BE GLOBAL 2028 medium-term management plan.**

▼Forecasts for the year ending 30 June 2025

- For FY2025, the company forecasts sales of **28,800 million yen** and operating profit of **4,900 million yen**.
- The year-end dividend is forecast to be **25 yen** per share, with the aim of achieving the 8% ratio of dividends to net assets, which is the target for the period of the new medium-term management plan.

# 【Reference】 Segment Reorganization



※CPM : Corporate Performance Management

# 【Reference】 New business segments

## Consolidated Financial Disclosure Business (M1)

In addition to the development and maintenance of our own packaged software "DivaSystem" for consolidated management support and consolidated accounting, we also provide outsourcing of consolidated and non-consolidated financial statements using this software, supporting value creation through corporate information disclosure. As for our position within our group, we aim to establish a business model that combines the software business and outsourcing business.

The consolidated financial statement disclosure service also includes an information search service for disclosure documents provided by Internet Disclosure Co., Ltd. primarily for auditing firms.

## Digital Transformation Promotion Business (M2)

Through consulting and system development, we provide AI and BI solutions that analyze, predict, and visualize data from a data platform that utilizes all kinds of data surrounding companies, and support companies in promoting digital transformation and data-driven management. From major cloud vendors to multi-cloud compatible software, you will learn about the latest information utilization methods and generation AI specializing in data utilization, as well as train engineers and develop your own data utilization platform products. We also aim to expand our group's products.

## Management Solutions Business (M3)

Focusing on group management, consolidated accounting, and business management, we aim to visualize and maximize a company's "invisible value," and provide one-stop support from consulting to system planning, construction, implementation, operation, and maintenance. In addition to in-house development, it is also possible to develop in combination with software developed by other companies. In this segment, we will continue to create solutions that make the most of the group's assets and provide solutions that provide management information that will improve corporate value.

# INDEX

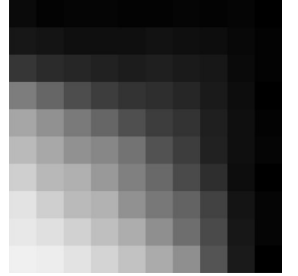
I . Summary of financial results for the FY ended June 2024

II . Earnings and Dividend Forecast

III . 'BE GLOBAL 2028' Actions to realise

\* Figures in this presentation are rounded down to the unit of display.

The information contained in this material regarding the business outlook and other forecasts and strategies etc. are forward-looking statements and are determined within the range that could normally be predicted based on the information reasonably available to the Company at the time of preparation of this material. Investors should be aware of the risks, however, that actual results may differ from the business prospects described in the material due to the occurrence of extraordinary circumstances that cannot usually be predicted or the occurrence of results that cannot usually be predicted. The Company will proactively disclose information that is considered material to investors, but investors should be advised not to make judgment based entirely on only the business prospects described in this material. This material should not be copied or transferred for any purpose without permission of the Company.



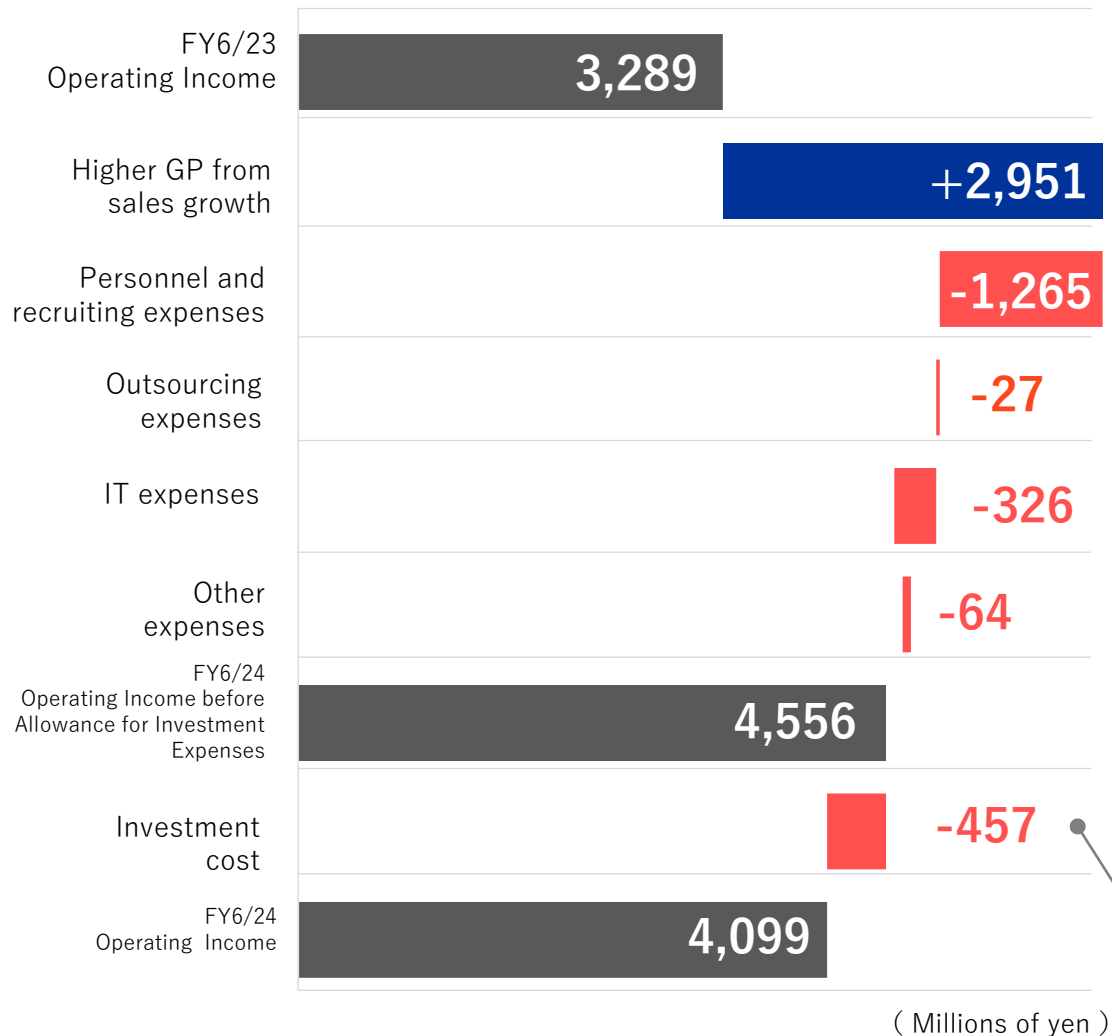
# **I. Summary of financial results for the FY ended June 2024**

# Results Highlights

- Net sales increased by 14.0% year-on-year to 24,419 million yen due to significant growth in the DX Promotion Business, the outsourcing business also continuing to maintain a high growth rate and a recovery in sales in the Business Management Solutions Business.
- Operating profit increased by 24.6% year-on-year to JPY 4,099 million, mainly due to a decrease in one-off costs incurred in the previous year as a result of the Group's reorganisation and the effect of increased sales in the DX Promotion business, despite higher fixed personnel costs due to an increase in headcount, outsourced processing costs to meet increased orders, and investment-related costs to realise future growth.

(million of yen)	FY6/24 Q4	YoY Variance		FY6/24 Total	YoY Variance	
		Yr earlier	% chg		Yr earlier	% chg
Net Sales	6,613	5,236	26.3%	24,419	21,425	14.0%
Cost of Sales	3,514	3,173	10.7%	13,491	12,029	12.2%
Gross Profit	3,099	2,063	50.2%	10,928	9,396	16.3%
GPM	46.9%	39.4%	7.5pt	44.8%	43.9%	0.9pt
SG&A	2,075	1,694	22.5%	6,829	6,106	11.8%
Operating Income	1,023	368	177.7%	4,099	3,289	24.6%
OPM	15.5%	7.0%	8.4pt	16.8%	15.4%	1.4pt
Net Income	876	223	292.8%	2,850	2,095	36.1%
NPM	13.3%	4.3%	9.0pt	11.7%	9.8%	1.9pt
EBITDA	1,171	493	137.6%	4,642	3,738	24.2%
EBITDA margin	17.7%	9.4%	8.3pt	19.0%	17.4%	1.6pt

# FY6/24 Operating Income Bridge (YoY)



## Personnel and recruiting expenses

Personnel and recruitment costs increased within the framework of increased revenues due to active recruitment to achieve sustainable growth.

## Outsourcing expenses

Outsourcing costs in the consolidated financial disclosure, which were temporarily incurred as restructuring costs, decreased, but outsourcing costs increased in DX to meet strong demand, resulting in a slight increase overall.

## IT expenses

IT expenses increased due to an increase in headcount and cloud computing (for customers and internal environment).

## Other Expenses

Office expenses decreased due to the office review. Despite a decrease in restructuring expenses, other expenses increased slightly due to expenses for the introduction of the RS Trust and an increase in fees paid related to the Materiality Realization Office.

## Investment cost: 457 million yen

M3 (Business Management Solution) 262M  
M2 (DX propulsion) 79M  
M1 (Consolidated financial disclosure) 78M  
AVANT GROUP CORPORATION 42M

Software development and procurement, and most occur in M3, which is undergoing a business model transformation.  
The Materiality Realization (MI) Office, which is responsible for the group-wide R&D function, is located at Avant Group Corporation and thus incurs investment cost.

## Operating Income / YoY Growth

Before inclusion of investment expenses

**+ ¥1,267m / 38.5%UP**

After inclusion of investment expenses

**+ ¥810m / 24.6%UP**



# Results by Business Segment

- Sales increased in all business segments. The DX promotion business in particular led the overall increase.
- Operating profit also increased in all business segments. The DX promotion business, which had a significant increase in revenue, led the overall increase.
- Orders and order backlogs increased year-on-year in all segments

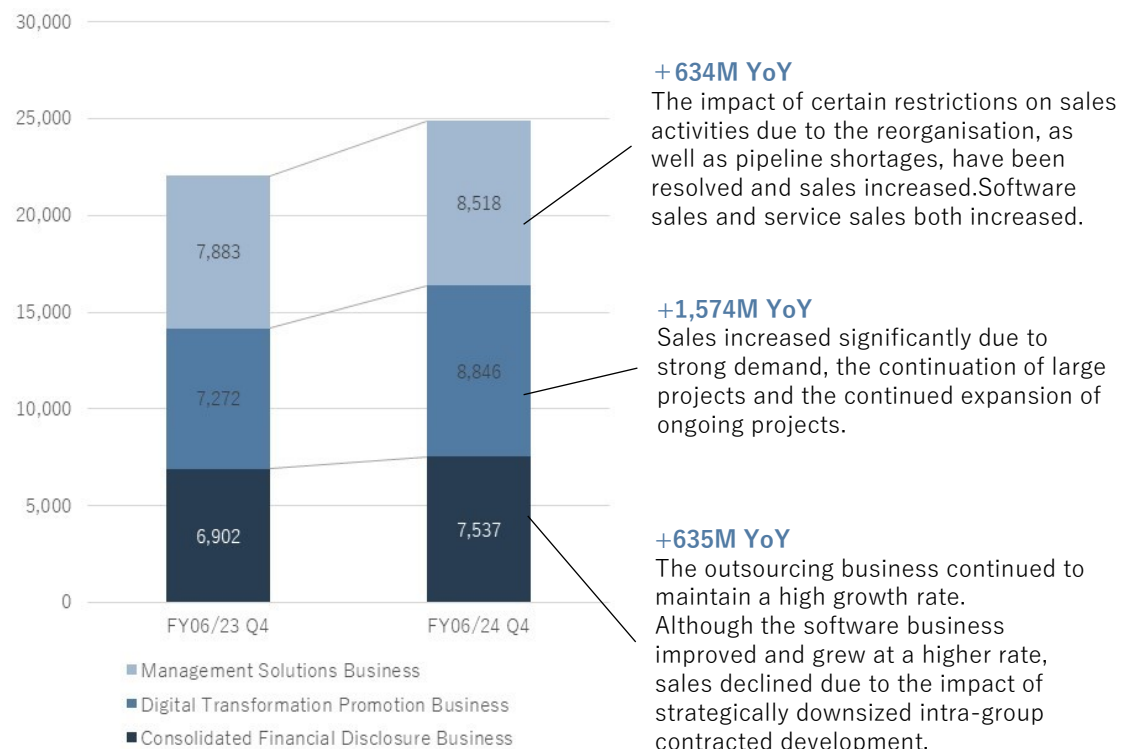
	(Millions of yen)	FY6/24 Q4	YoY Variance		FY6/24 Total	YoY Variance	
			Yr earlier	% chg		Yr earlier	% chg
Consolidated Financial Disclosure Business	Net Sales	2,025	1,735	16.7%	7,537	6,902	9.2%
	Operating Income	403	387	4.1%	1,840	1,586	16.0%
	OPM	19.9%	22.3%	▲2.4pt	24.4%	23.0%	1.4pt
	Orders	2,871	2,141	34.1%	8,269	7,435	11.2%
	Order Backlog	4,681	3,949	18.5%	4,681	3,949	18.5%
Digital Transformation Promotion Business	Net Sales	2,206	1,895	16.4%	8,846	7,272	21.7%
	Operating Income	333	145	129.3%	1,633	1,118	46.1%
	OPM	15.1%	7.7%	7.4pt	18.5%	15.4%	3.1pt
	Orders	2,745	2,446	12.2%	9,211	7,919	16.3%
	Order Backlog	2,069	1,705	21.4%	2,069	1,705	21.4%
Management Solutions Business	Net Sales	2,468	1,767	39.7%	8,518	7,883	8.1%
	Operating Income	562	135	314.8%	1,407	1,321	6.6%
	OPM	22.8%	7.7%	15.1pt	16.5%	16.8%	▲0.2pt
	Orders	3,800	2,820	34.8%	9,410	7,999	17.6%
	Order Backlog	4,006	3,113	28.7%	4,006	3,113	28.7%

# Results by Business Segment (Factors)

- The DX promotion business drove the increase in profits due to the effect of increased revenues. The consolidated financial disclosure business increased revenues due to the strong performance of the outsourcing business, and the growth of the outsourcing business was also a driving force in terms of earnings. The Business Management Solutions business recorded higher revenues and profits due to a recovery in sales, as the impact of certain restrictions on sales activities due to business restructuring and the lack of a pipeline were resolved.

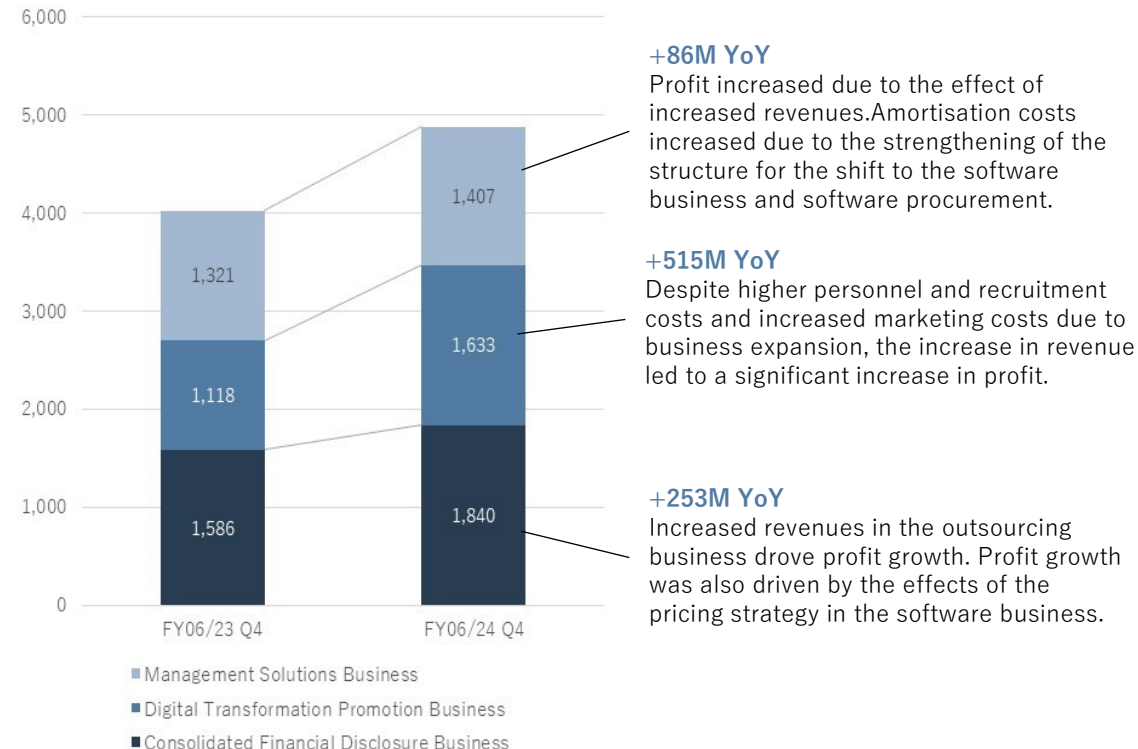
## Net Sales Variance

(Millions of yen)



## Operating Income Variance

( Millions of yen )



## Results by Business Segment (Consolidated financial disclosure business :M1 )

- Excluding the impact of Internet Disclosure, which is included in the consolidated financial disclosure segment, and the strategic reduction of intra-group contract development, the company has achieved solid growth and improved profits.

### Sales Growth Rate

4Q  
Non-consolidated **+ 22.2%**

Total **+ 13.9%**

### Stock sales ratio

4Q  
Non-consolidated **90.5%**

Total **91.4%**

### Operating profit ratio

4Q  
Non-consolidated **20.0% → 19.0%**  
**-1.0pts**

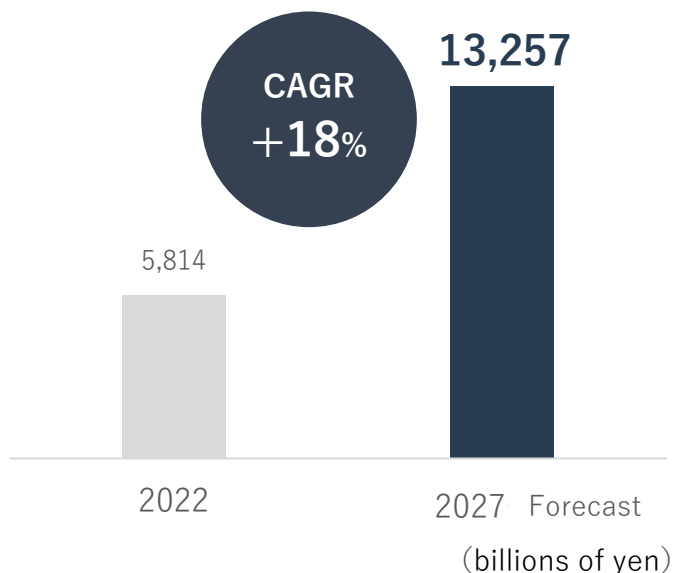
Total **21.0% → 23.5%**  
**+ 2.5pts**

\*All exclude the impact of ID sales.

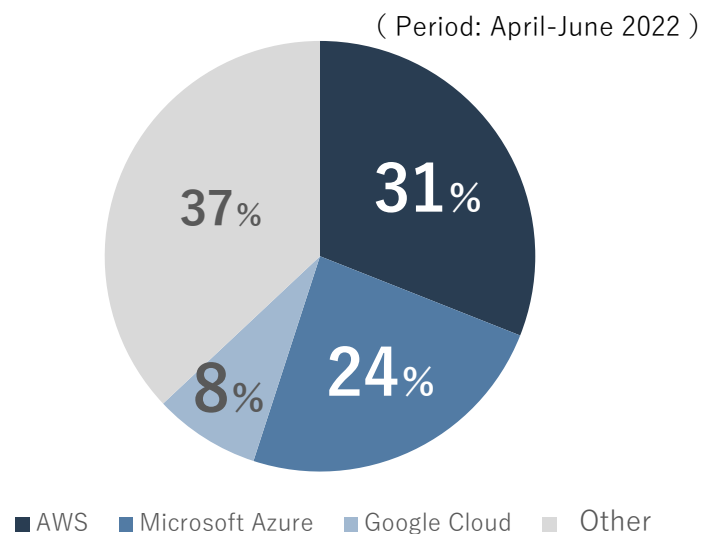
## Results by Business Segment (DX Promotion Business : M2 )

- It operates in the DX market and its business domain covers not only BI, but also the entire use of data to realise DX (data platform). This is a particularly high-growth business area in the DX market
- The domestic cloud market is expected to continue to grow at a high rate. Microsoft, Amazon and Google hold the top market shares in the global cloud market
- Strategically focused on the Azure, AWS and GCP business areas and successfully realised business opportunities in these growth business areas due to the multi-vendor strategy described below and extensive awards and partner accreditations
- As a result, sales growth. Note that sales related to Azure, AWS and GCP accounted for approximately two-thirds of cumulative sales in FY2024

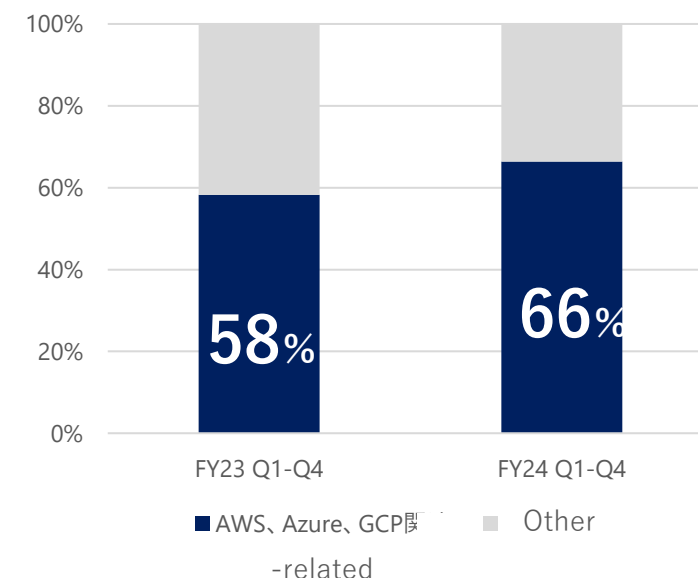
Domestic Cloud Market Forecast  
(in terms of revenue)



Global Cloud Infrastructure Services  
Spending Market Share



AWS, Azure, and GCP-related sales as a  
percentage of Zeal sales



## Results by Business Segment (DX Promotion Business : M2)

- The company has adopted a multi-vendor strategy and collaborates with a wide range of manufacturers. As a result, the business is growing as it is able to adapt to the needs of its customers
- The company has a wealth of awards and partner accreditations. As a result, we often receive orders for projects from each of our major partner companies, leading to business growth.

### Major Vendor Companies (selected)

#### BI/Statistical Analysis



#### Analysis Basis



### Awards and Recognition from Partners

**Awards :** Awarded Microsoft Japan Partner of the Year for three consecutive years  
2023: Business Intelligence category  
2022: Power BI Awards  
2021: Analytics Award



Our engineer won Microsoft Top Partner Award in Azure category and Microsoft MVP Award in Data Platform category.

We won the "Best Solution Award" at the SAS Partner Award 2021.

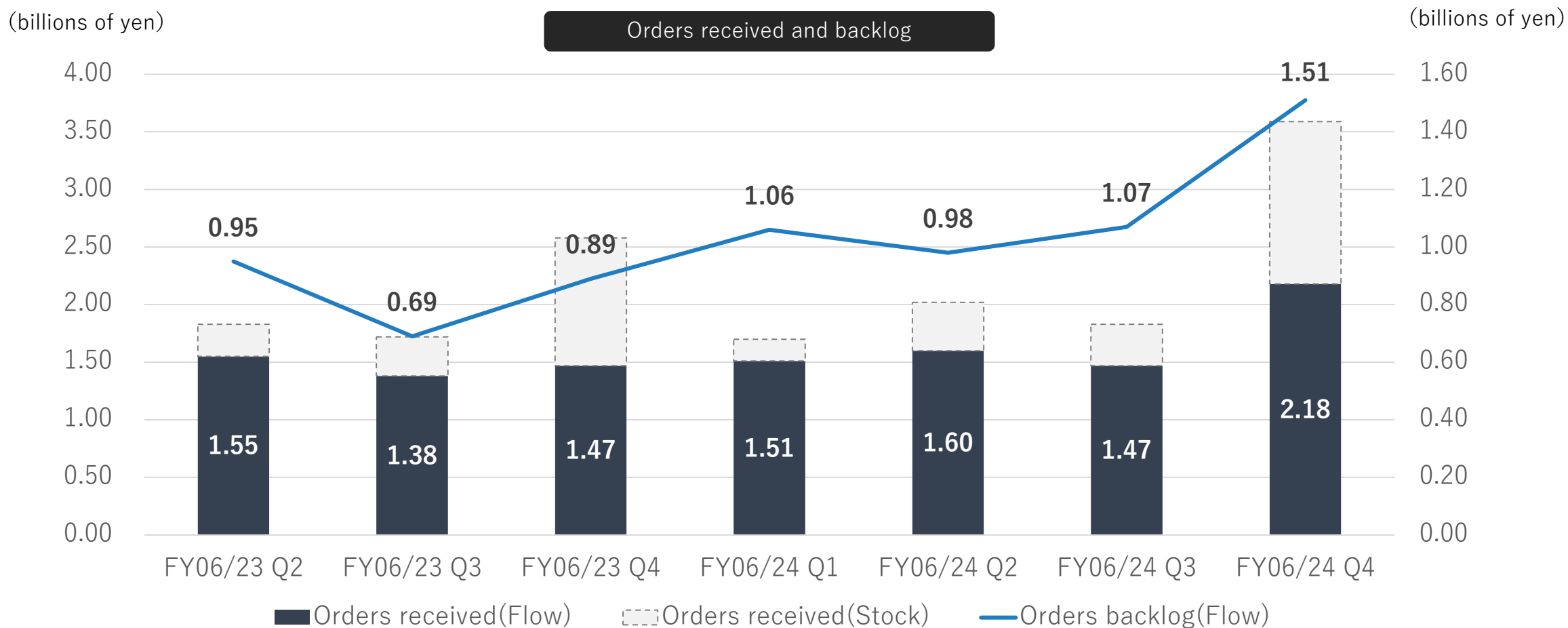
**Microsoft :** We are the first company in Japan to receive the Advanced Specialization for "Analysis using Microsoft Azure" in 2021.

**Amazon :** Promoted to AWS Advanced Tier Service Partner (2023) and obtained SDP for AWS Glue. First in Japan to acquire SDP for Amazon Redshift, Amazon QuickSight, and AWS Glue (2023).

**Google :** Acquire Google Cloud service partner certification (2021) and Looker Sell partner certification under Google Cloud (2022)

## Results by Business Segment (Business management solutions : M3 )

- The impact of certain restrictions on sales activities for a period of time due to business restructuring has been resolved, pipeline build-up has recovered and the flow order backlog, excluding stock, has increased. Flow order intake temporarily declined in FY24Q3 but increased significantly in FY24Q4 due to steady build-up



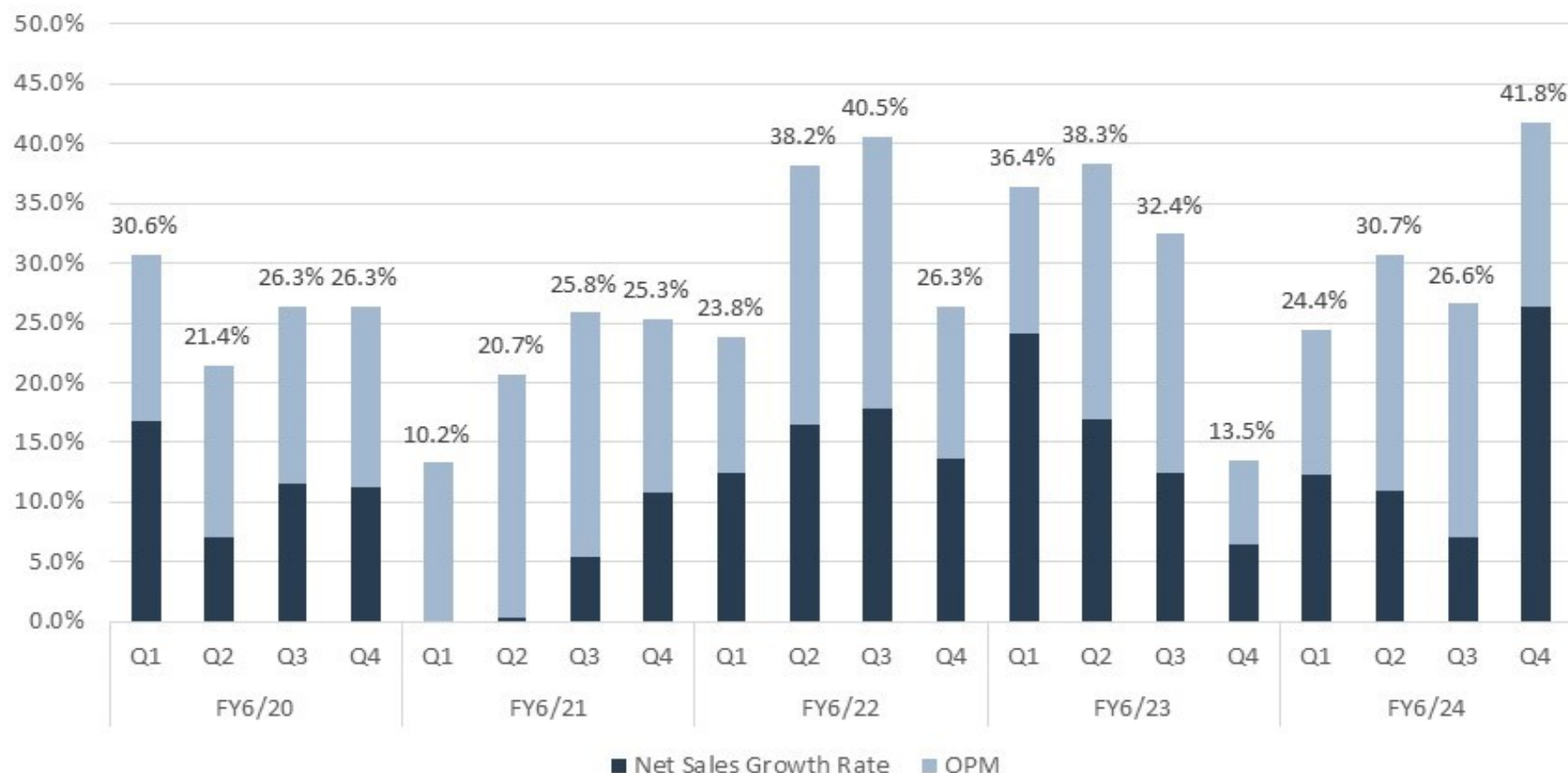
# Group Cost Structure

- Recruitment and personnel expenses increased due to active recruitment activities. Outsourcing costs also increased, but to a limited extent.
- IT expenses increased due to increased headcount and cloud computing (for customers and internal environment)
- Despite a decrease in restructuring costs, other expenses increased due to expenses for the introduction of the RS Trust and an increase in fees paid related to the Materiality Realization Office.

(Millions of yen)	FY6/24 Q4	YoY Variance		FY6/24 Total	YoY Variance	
		Yr earlier	% chg		Yr earlier	% chg
Net Sales	6,613	5,236	26.3%	24,419	21,424	14.0%
Personnel expenses	3,141	2,766	13.6%	11,657	10,277	13.4%
Recruitment expenses	150	134	11.8%	489	433	12.9%
Outsourcing expenses	1,038	984	5.5%	4,004	3,778	6.0%
IT expenses	376	313	20.3%	1,321	994	32.9%
Office expenses	255	216	18.4%	883	905	▲2.5%
Other expenses	626	453	38.0%	1,966	1,748	12.5%
Total expenses	5,589	4,868	14.8%	20,320	18,135	12.1%
Operating Income	1,023	368	177.7%	4,099	3,289	24.6%
OPM	15.5%	7.0%	8.4pt	16.8%	15.4%	1.4pt

# Quarterly GPP (Net Sales Growth + OPM) Trends

- GPP had been on a downward trend since the 3Q of the previous year, but rose in the 1Q of the current year due to a recovery in sales growth and an improvement in operating margin in the 2Q; in the 3Q, sales growth in the business management solutions business slowed due to a lack of pipeline, but the operating margin remained high; in the 4Q, the DX promotion business performed well and the business management solutions business grew due to the effect of increased sales. 4Q growth was driven by the strong performance of the DX promotion business and the effect of increased revenues in the business management solutions business.



Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.



# Quarterly Net Sales by Segment

- Transient effects of business restructuring are seen in the figures of Business Management Solutions for the 4Q of the previous fiscal year and the 1Q of the current fiscal year.
- Profitability tends to increase in 2Q and 3Q, while profitability tends to be lower in 4Q due to performance-linked bonuses and new graduates joining the company, but in the 4Q of this fiscal year, sales grew in all business segments and profitability improved as a result of this revenue growth.

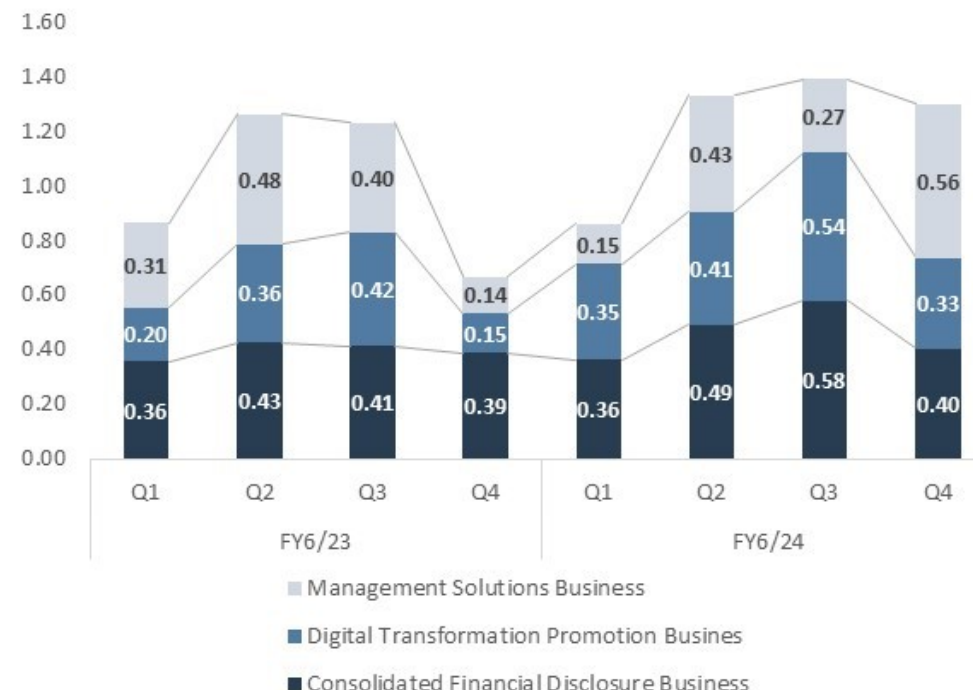
( Billions of yen )

## Net Sales



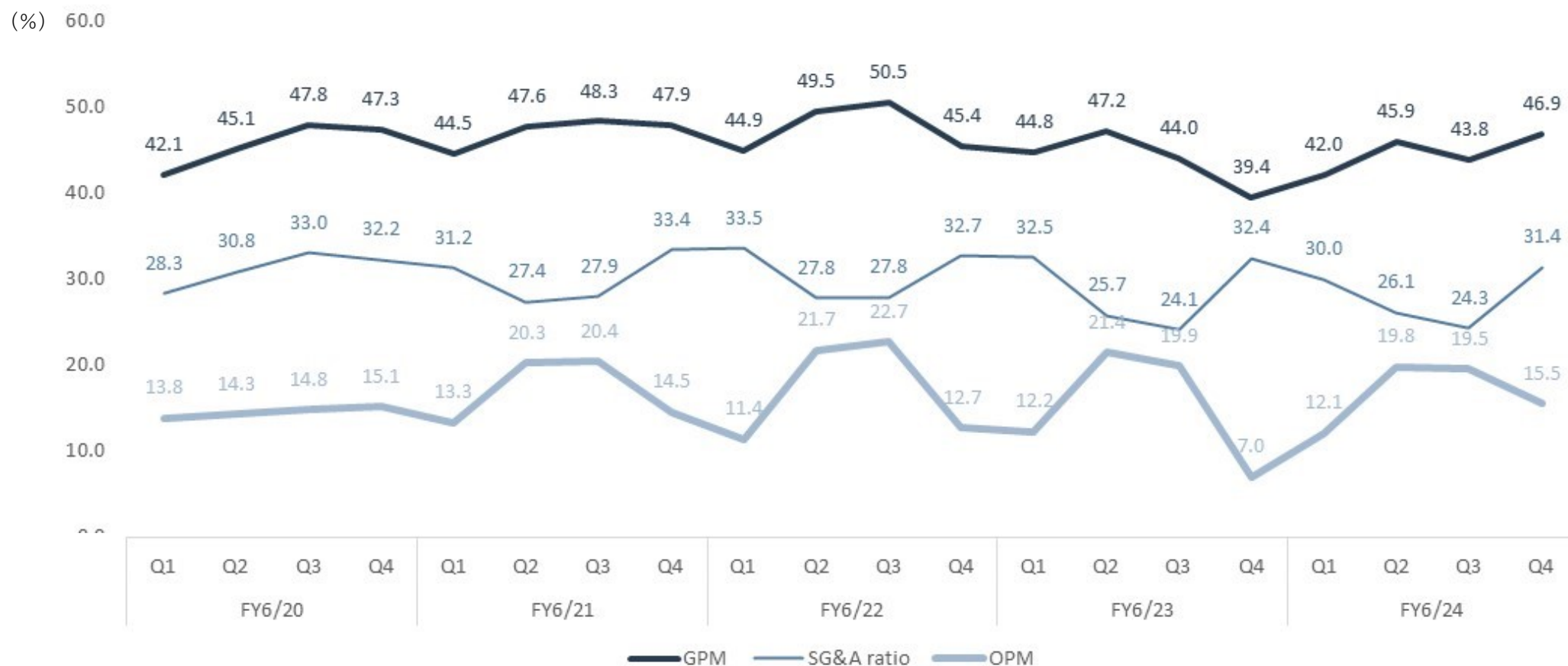
( Billions of yen )

## Operating Income



# Quarterly Margin Trends

- Although the gross margin had declined in the previous year's 4Q due to a certain period of restrictions on sales activities related to business management solutions as a result of business restructuring, sales grew and both the gross margin and operating margin recovered in the current year.



Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

# Quarterly Recurring Sales and Recurring Sales Ratio

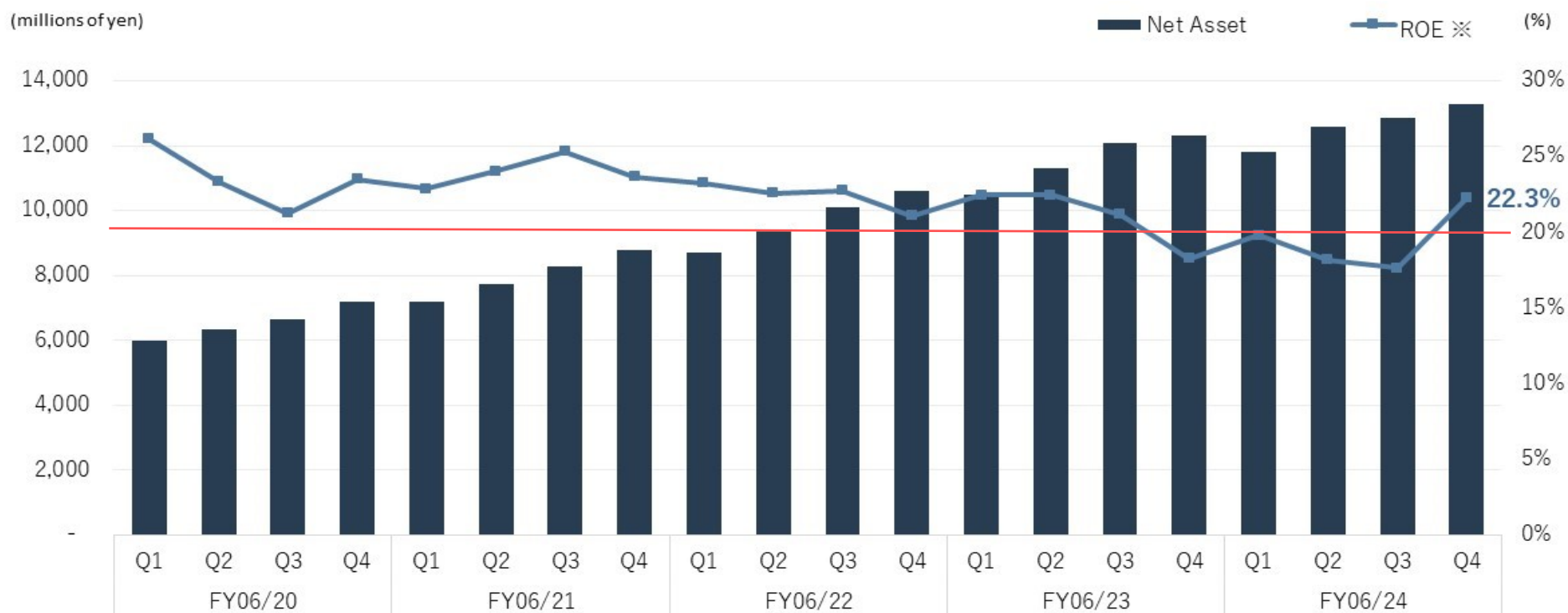
- While the stock ratio has not changed its level significantly, the absolute value of stock sales has remained steady.



Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

# ROE Trends

- ROE\* has recently been on a downward trend, partly due to the build-up of net assets, but improved in 1Q of the current year due to dividend payments and share buy-backs; in 2Q and 3Q it declined again due to the build-up of net assets, but improved in 4Q, partly due to share buy-backs; in 4Q it improved due to the increase in net assets.
- Aim to maintain an average of at least 20% through adherence to the Group's management principles, further increasing profitability and managing assets more efficiently.

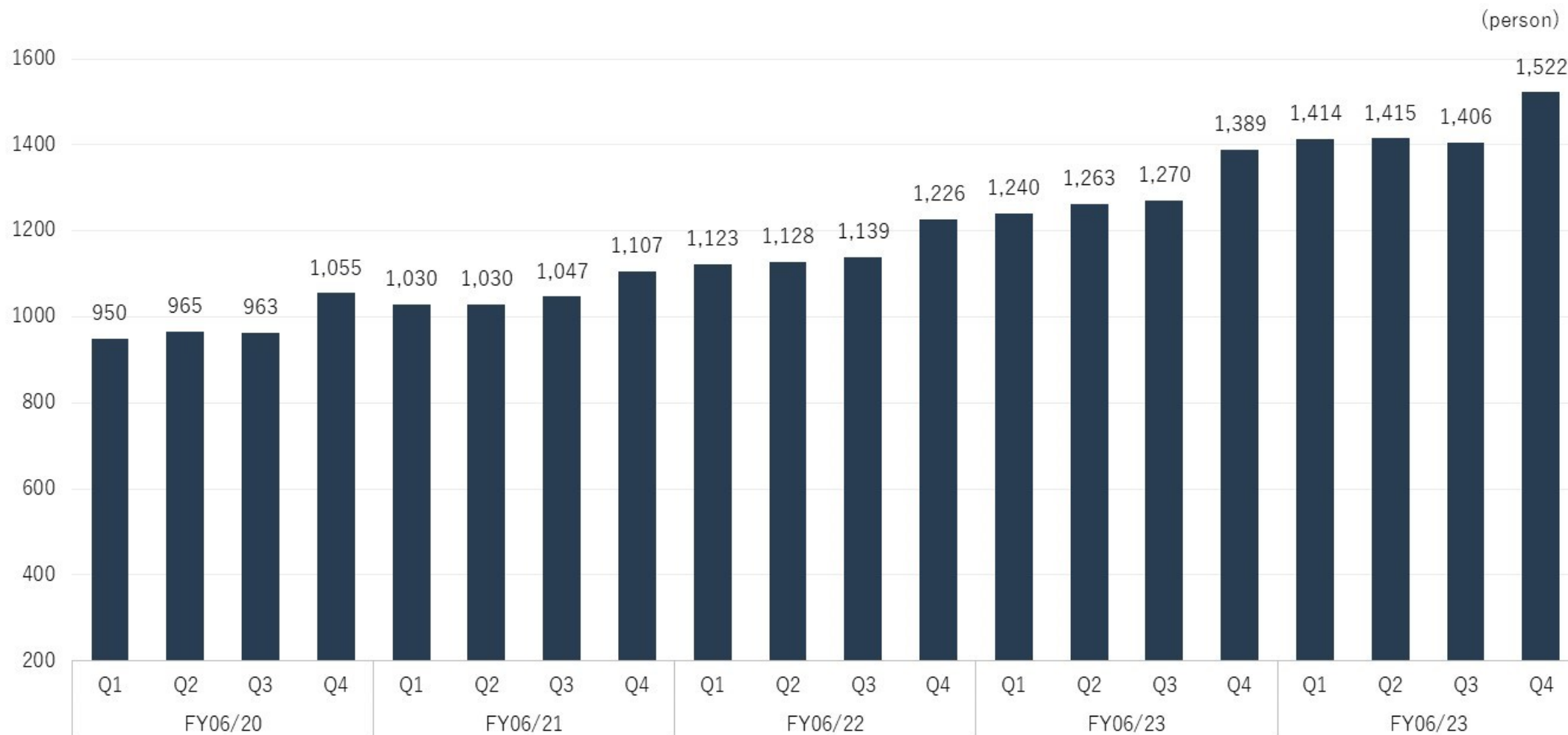


※Figures are calculated based on the past four quarters.

Effective from the beginning of the first quarter of FY6/22, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied.

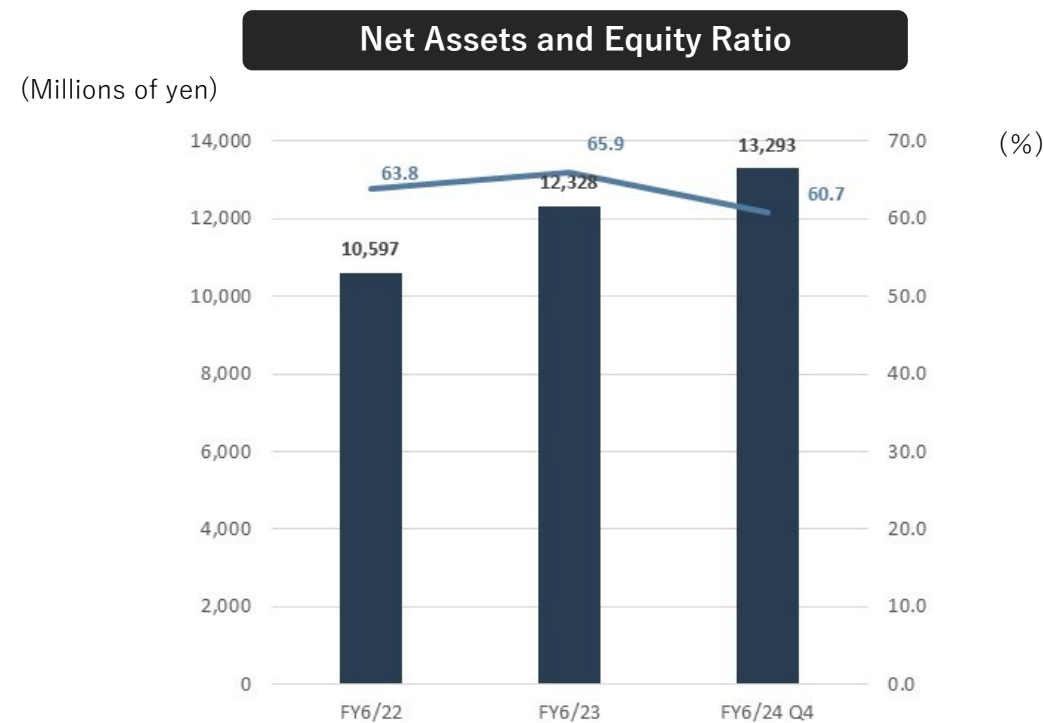
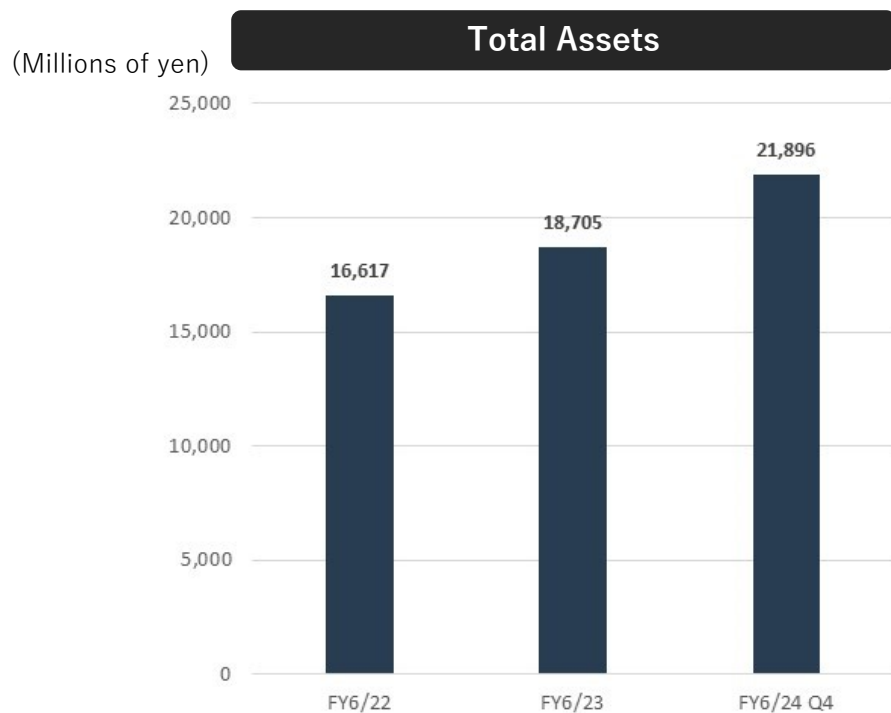
# | Number of Group Employees

- The number of employees is increasing in order to achieve sustainable growth, with a large increase in 4Q due to the timing of new graduates joining the company and a large number of mid-career recruits joining the company.



# Financial Condition Trends

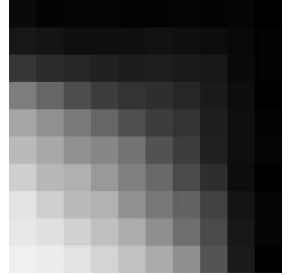
- Total asset value increased due to a JPY 557 million increase in cash and deposits, a JPY 1,477 million increase in notes, accounts receivable and contract assets, a JPY 296 million increase in prepaid expenses and a JPY 264 million increase in investment securities.
- Net assets increased by JPY 965 million from the end of the previous year to JPY 13,293 million due to net profit attributable to owners of the parent company of JPY 2,850 million, the acquisition of treasury shares of JPY 1,396 million and the payment of dividends from retained earnings of JPY 564 million.
- The capital adequacy ratio has remained at a high level.



# Cashflow Trends

- Operating cash flow increased mainly due to income before income taxes and minority interests of JPY 4,131 million, depreciation and amortisation of JPY 543 million, increase/decrease in accounts payable and accrued expenses of JPY 519 million, refund of income taxes of JPY 565 million and increase/decrease in allowance for bonuses of JPY 293 million, whereas it decreased mainly due to decrease in trade receivables and contract assets of and income taxes paid of JPY 1,273 million.
- The financial cash flow used increased by JPY 507 million year-on-year, mainly due to the acquisition of treasury shares of JPY 1,396 million following the introduction of the RS Trust as an incentive scheme for future share price increases, and the payment of dividends of JPY 564 million.

(Millions of yen)	FY6/24 Q4	YoY Variance		FY6/24 total	YoY Variance	
		Yr earlier	% chg		Yr earlier	% chg
Operating CF	2,420	2,269	151	3,680	2,175	1,505
Investment CF	△ 25	△ 121	95	△ 630	△ 795	164
Free CF	2,394	2,147	246	3,049	1,379	1,669
Financial CF	△ 483	△ 4	△ 479	△ 1,981	△ 507	△ 1,474



## II . Earnings and Dividend Forecast



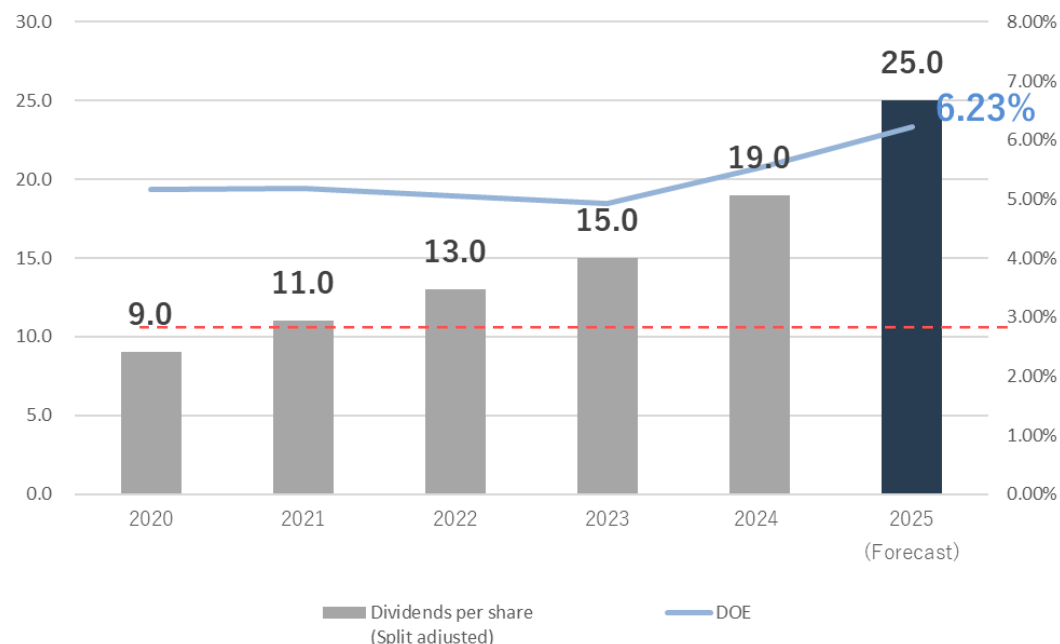
# | Earnings forecast for the fiscal year ending June 30, 2025

- For FY2025, sales are expected to increase by 17.9% year-on-year to JPY 28,800 million. Operating profit and net profit are expected to increase due to the effect of higher sales.

	FY6/24 (Actual)	FY6/25 (Forecast)	Variance	Chg
(Millions of yen)				
Net Sales	24,418	28,800	4,381	17.9%
Operating Income	4,099	4,900	800	19.5%
OPM	16.8%	17.0%	-	-
Net Income	2,850	3,350	499	17.5%

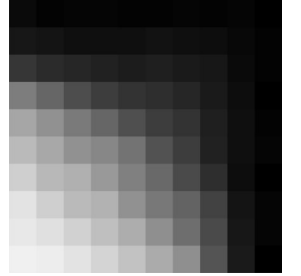
# Shareholder Returns

- In line with the policy of continuing to pay a stable dividend, the dividend per share for the year ending 30 June 2025 is expected to be 25 yen per share.
- DOE for the fiscal year ended June 30, 2024 was 5.5%, well above the TSE-listed company average (12 months) of 3.1%.



## Our shareholder return policy

- Dividends are an important part of our shareholder return policy
- Avant aims to maintain if not grow the dividend by focusing on indicators such as dividend on equity (DoE) which is less impacted by fluctuations in annual earnings.
- The Company's DOE will always exceed the average of all companies listed on the Tokyo Stock Exchange and will aim to achieve 8% within the period of the new medium-term management plan.



### III. 'BE GLOBAL 2028' Actions to realise

# BG28 Review of first year results

- BG28 The first year got off to a good start, with all figures exceeding the plan.

	FY6/23	FY6/24			FY6/28 Plan
		Actual	Rate to the plan	YoY	
Net Sales	21,424M	24,419M	+1.7%	+14.0%	40,000~45,000M
Operating Income (OI)	3,289M	4,099M	+6.5%	+24.6%	9,000~11,000M
OPM	15.4%	16.8%	+0.7pts	+1.4pts	20~24%
Net Income	2,094M	2,850M	+14.0%	+36.1%	6,000~7,000M
OI / person	2.5M	2.8M	+8.7%	+12.0%	3.9M
Software Gross Profit	2,367M	2,442M	+26.6%	+3.2%	5,500~6,000M
ROE	18.3%	22.3%	+3.0pts	+4.0pts	20% or more
DOE	4.9%	5.5%	+0.2pts	+0.6pts	8.1% or more
Dividend	¥15	¥19	± 0	+26.7%	¥51 or more

# BG28 Year second year of the plan

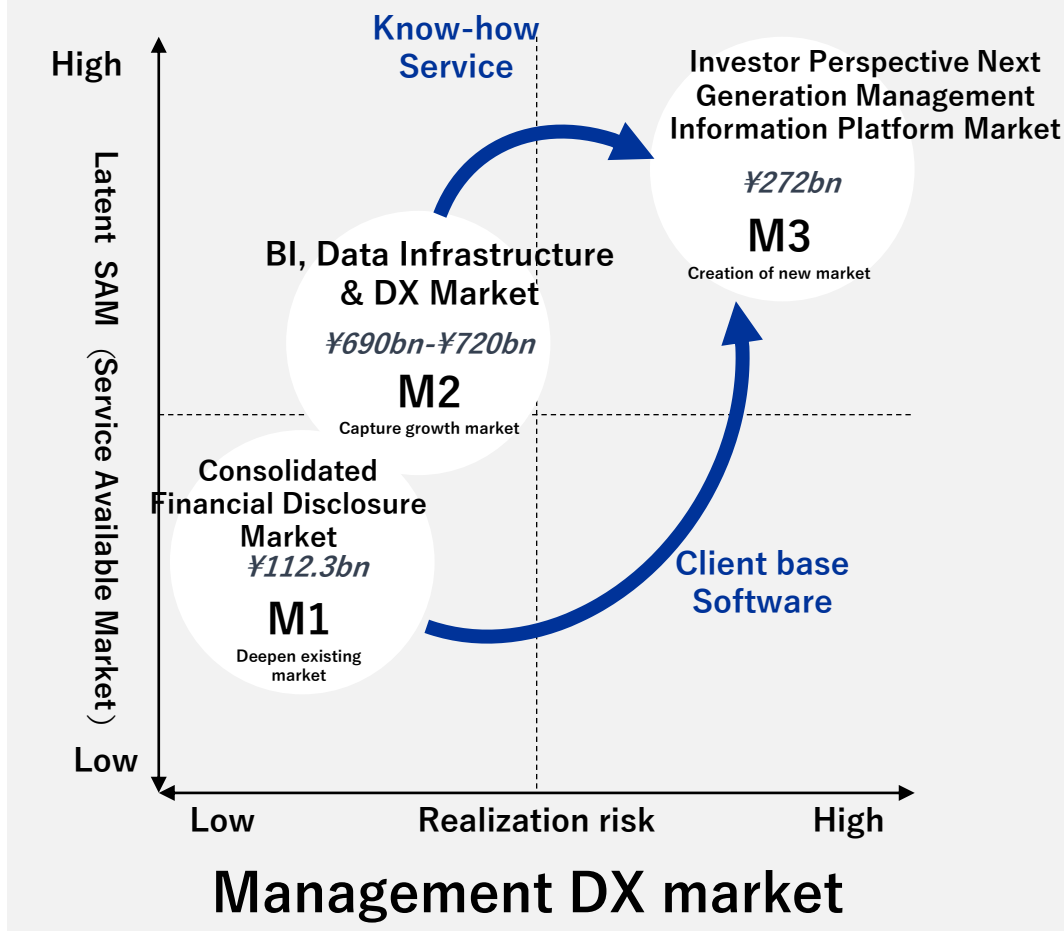
- Year BG28's second year plan exceeds the FY25 level in the BG28 original plan, but software gross profit remains largely in line with the plan.

	FY6/24	FY6/25			FY6/28 Plan
		Plan	Rate to BG28	YoY	
Net Sales	24,419M	28,800M	+6.8%	+17.9%	40,000~45,000M
Operating Income (OI)	4,099M	4,900M	+19.0%	+19.5%	9,000~11,000M
OPM	16.8%	17.0%	+1.8pts	+0.2pts	20~24%
Net Income	2,850M	3,350M	+25.2%	+17.5%	6,000~7,000M
OI / person	2.8M	3.0M	+21.8%	+5.6%	3.9M
Software Gross Profit	2,442M	2,474M	+0.7%	+1.3%	5,500~6,000M
ROE	22.3%	22.4%	+4.0pts	+0.1pts	20% or more
DOE	5.5%	6.2%	▲0.3pts	+0.7pts	8.1% or more
Dividend	¥19	¥25	±0	+31.6%	¥51 or more

# BG28 Focus Markets

- Position self in management DX market for companies where enhancing corporate value is a serious issue

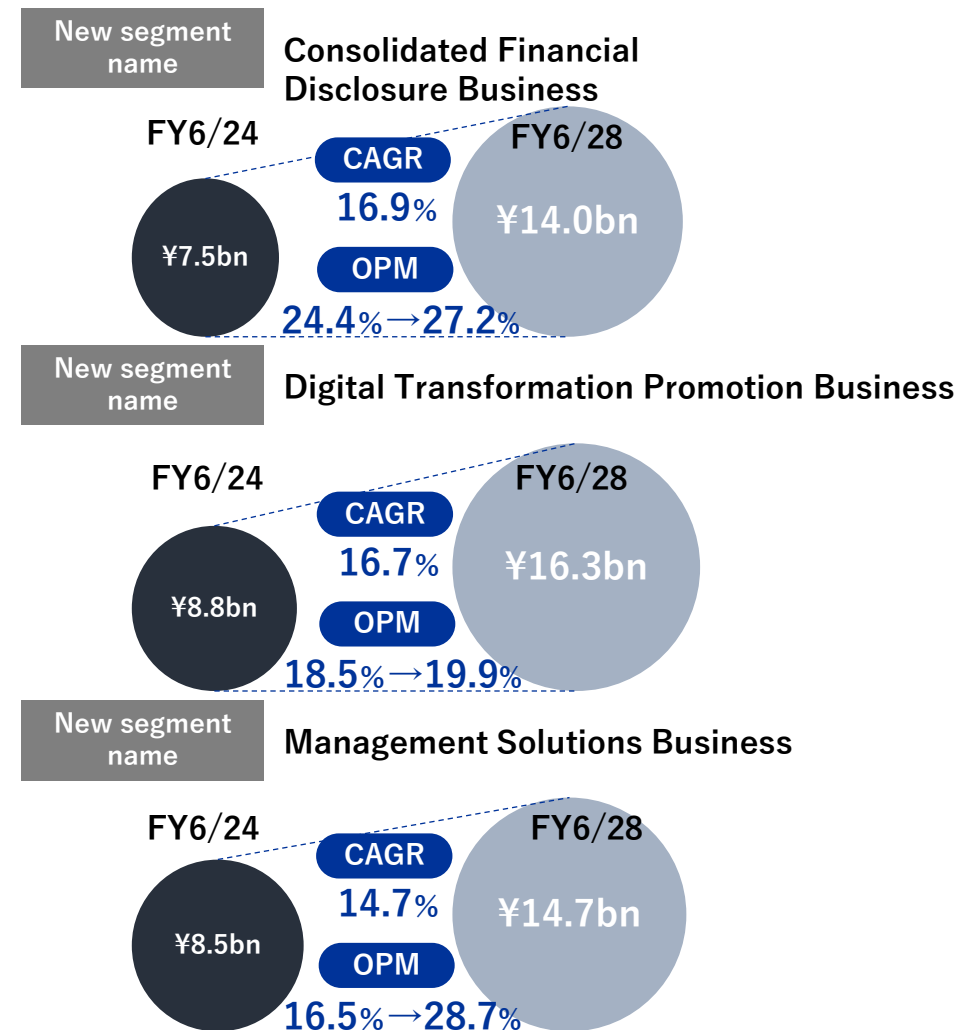
TAM (Total Addressable Market) and positioning of each market



**M1**  
Deepen existing market

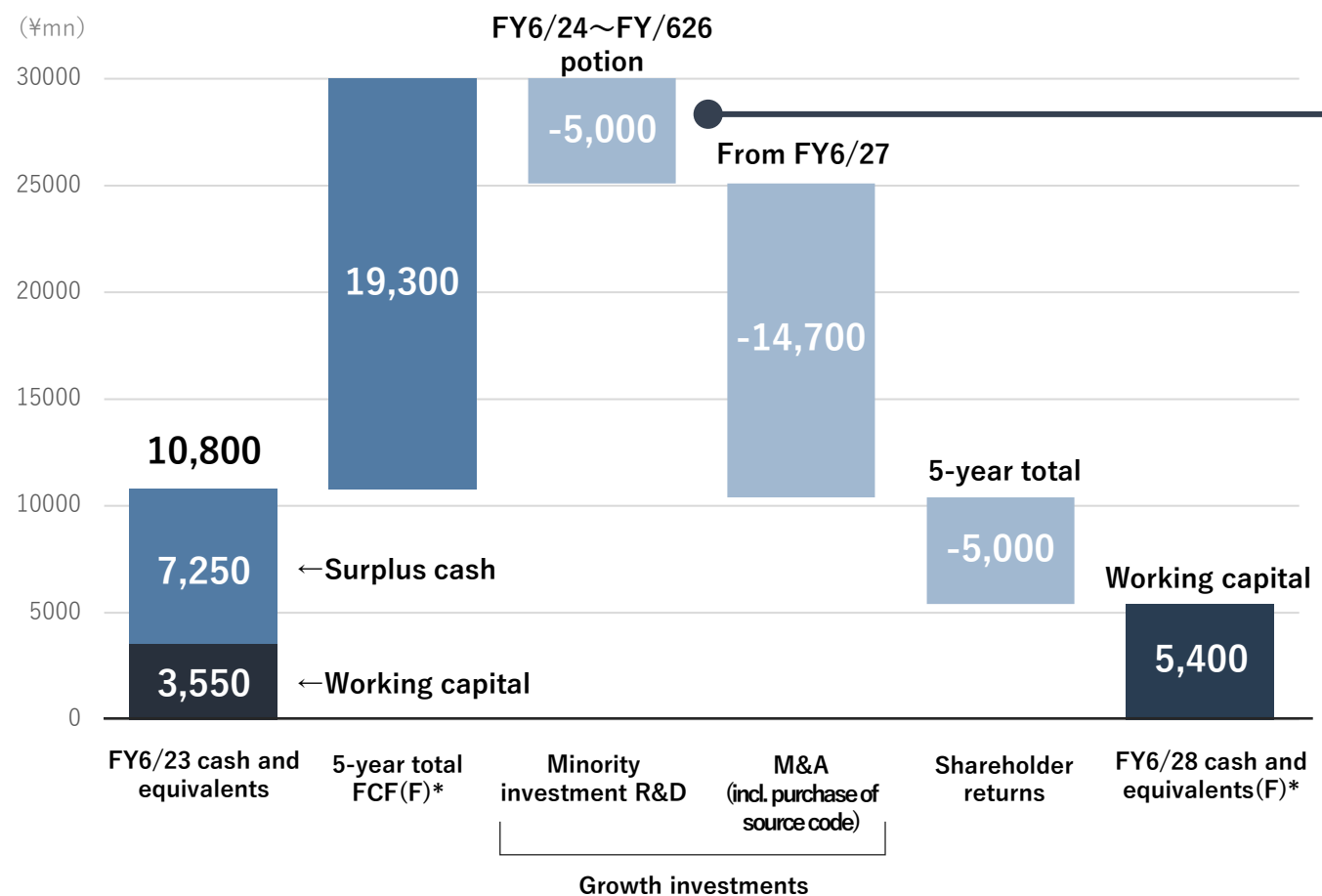
**M2**  
Capture growth market

**M3**  
Creation of new market



# Initial plan for capital allocation in BG28

- Assuming ¥20bn for growth investments and ¥5bn for shareholder returns (dividends) over the 5-year period of the medium-term management plan.



\*(F) : Forecast   ■ Sources (procurement)   ■ Uses

## First Growth Investment Direction

**Internal investment = Human capital investment**

¥1.0b

- Conduct R&D that contributes to the achievement of the business plan
- Developing functions that produce economies of scale

¥3.5b

**Business Growth Asset Procurement Investment**

- Minority-funded
- Software Purchase

¥0.5b

**Reserve Funds**

- VC investment, etc.

# Capital allocation results and plans

- Internal investment is the highest priority and is planned to be increased within the first growth investment framework.
- No change in shareholder returns, as the company plans to use the shares gained from the 1 billion share buyback to return profits to employees and through M&A, etc.

## Cash in

Surplus cash and cash equivalents  
at end of FY6/23

¥7.25bn

Free cash flow  
Total cumulative forecast

¥19.3bn

FY6/24: operating CF ¥3.68bn +  
investment CF -¥0.63bn =  
¥3.05bn.

## Cash out

( ¥20bn investment in growth, ¥5bn in shareholder returns )

### First Growth Investment (~FY6/26)

¥5.0bn

Priority

¥2.0-3.0  
bn

Internal investment =  
investment in human capital  
FY6/24: ¥0.45bn

¥1.5-2.5  
bn

Business and capital alliances,  
etc.  
FY6/24: ¥0.22bn

¥0.5  
bn

Reserve funds

### Second Growth Investment (FY6/27~)

¥15.0bn

Priority

Internal investment =  
investment in human capital

Business and capital  
alliances, etc.

Source code purchase,  
M&A

Shareholder Returns ¥5.0bn (5-year total)

FY6/24 Dividend: ¥0.71bn



## Avant rebrands 'AVANT Compass'



- Rebranding of the previously offered 'AVANT Compass' as 'AVANT Compass Powered by NOMURA'.
- This product is one of the initiatives to promote the "Software Driven Strategy" and contributes to the gross profit of software, which is the most important CSF for promoting the Group's strategy.

### Functions and effects of this software

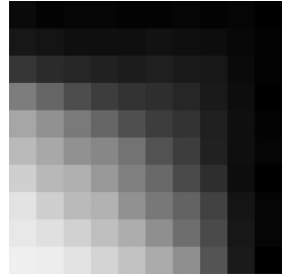
This software is a management support tool that streamlines the response to the request from the Tokyo Stock Exchange ("TSE") in March 2023 for all listed companies to "respond toward the realization of management conscious of cost of capital and stock price" and accelerates the management process necessary for sustainable value creation.

Combining Nomura Securities Co., Ltd.'s expertise in cost of capital analysis, corporate valuation, and scenario risk analysis, which it has provided mainly to prime market listed companies, with Avant's business management software technology, the company will support its clients in formulating and disclosing business strategies and engaging in constructive dialogue with investors.

Avant will provide and market the software, while Nomura will propose effective use of the software, provide advice based on corporate finance theory on the calculated values, and assist with ongoing monitoring after disclosure.

**June 29, 2024 Release (Japanese)**

[https://www.avantgroup.com/ja/ir/irnews/auto\\_20240619531978/pdfFile.pdf](https://www.avantgroup.com/ja/ir/irnews/auto_20240619531978/pdfFile.pdf)



## Reference : Company overview

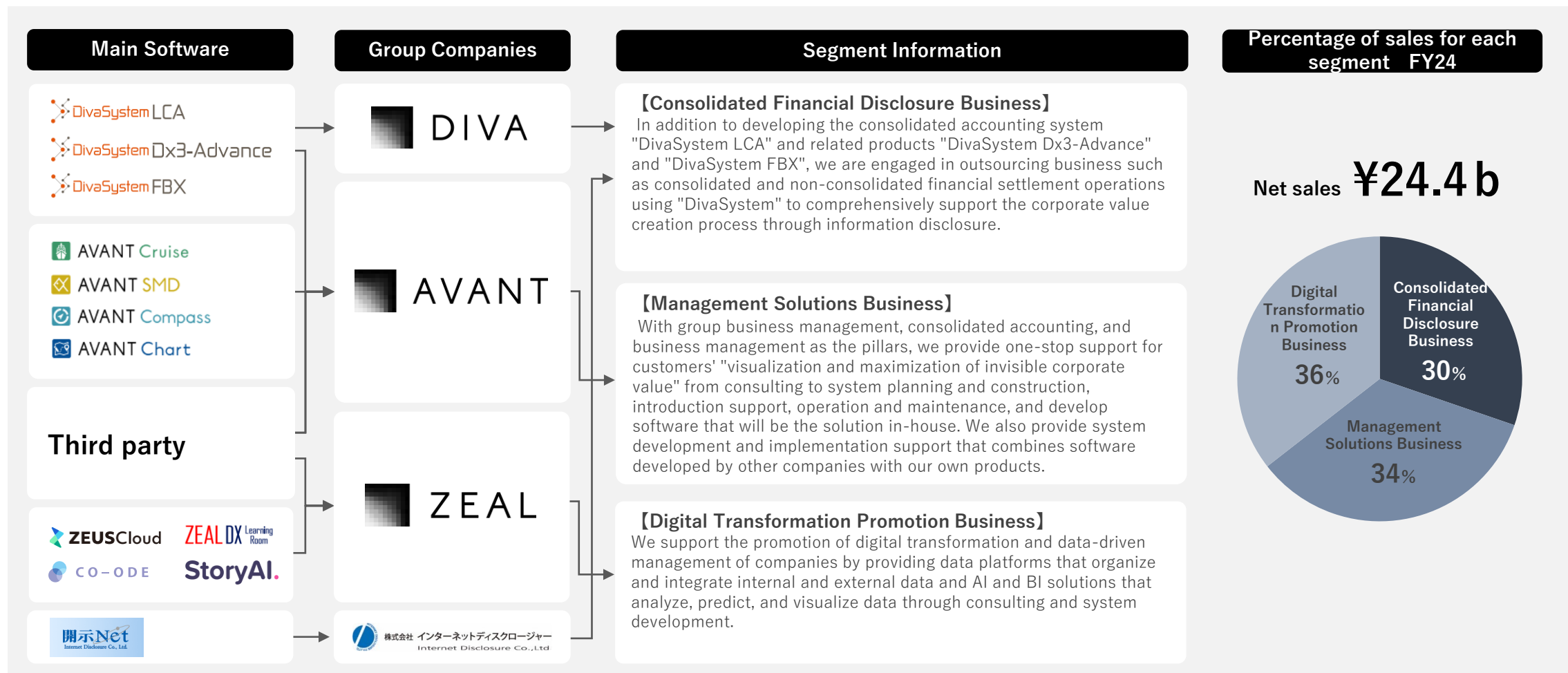
# Company Introduction

**Name** : AVANT GROUP CORPORATION

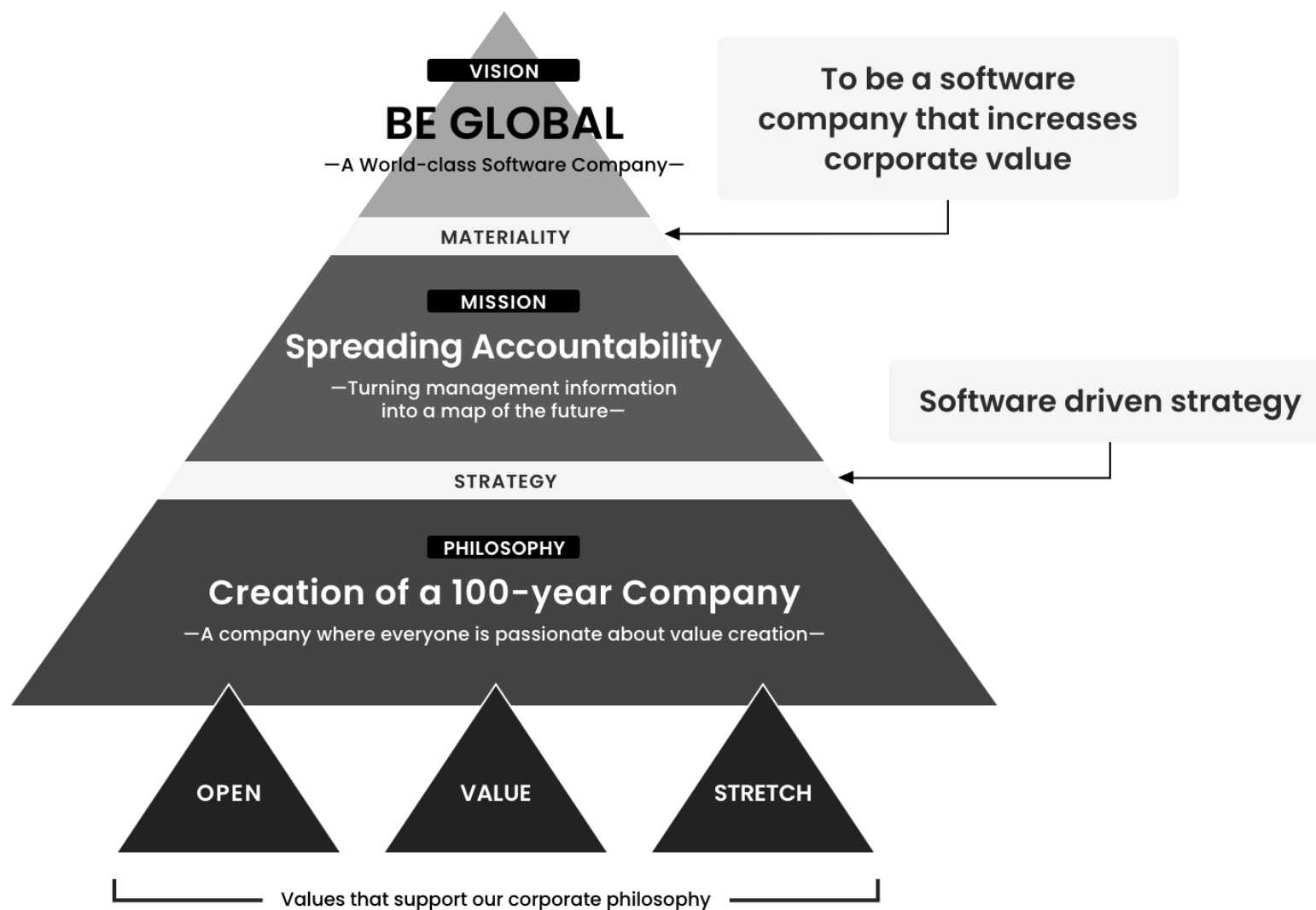
**Inception** : May 26, 1997

**Representative** : Tetsuji Morikawa, President and Group CEO

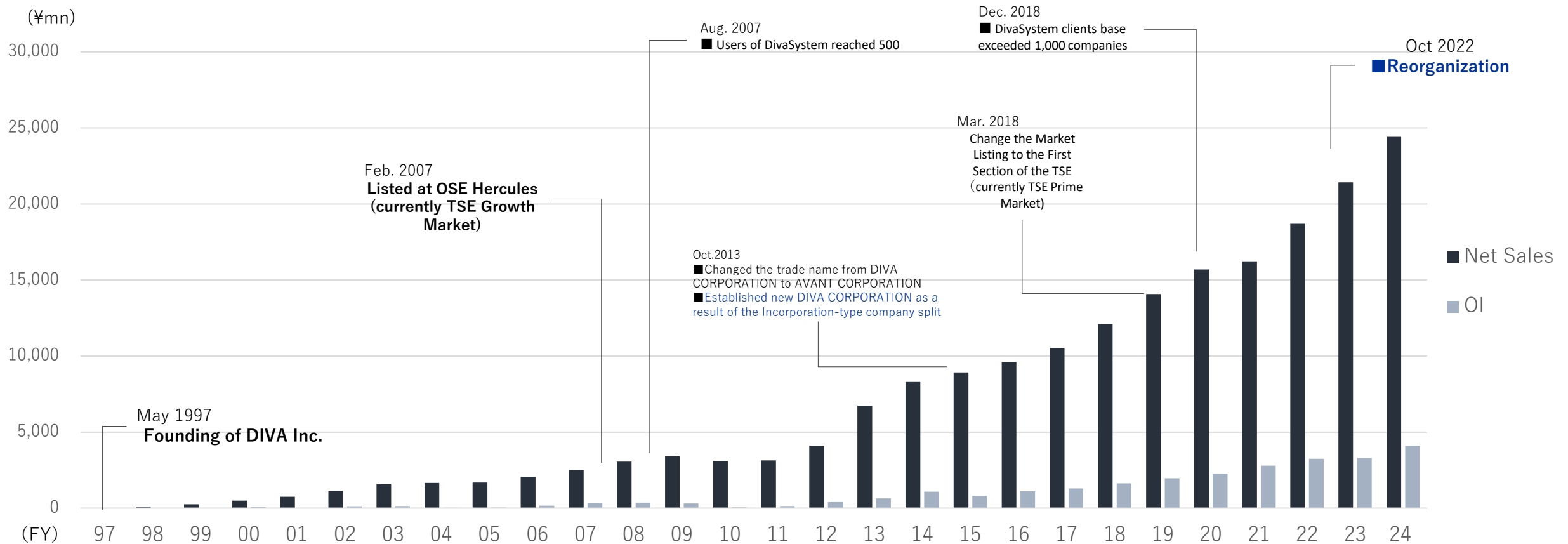
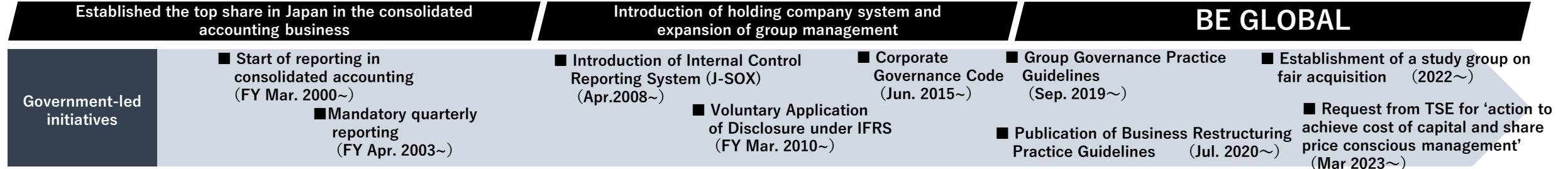
**Market Cap** : Approximately 55 billion yen ( TSE Prime, 3836 )



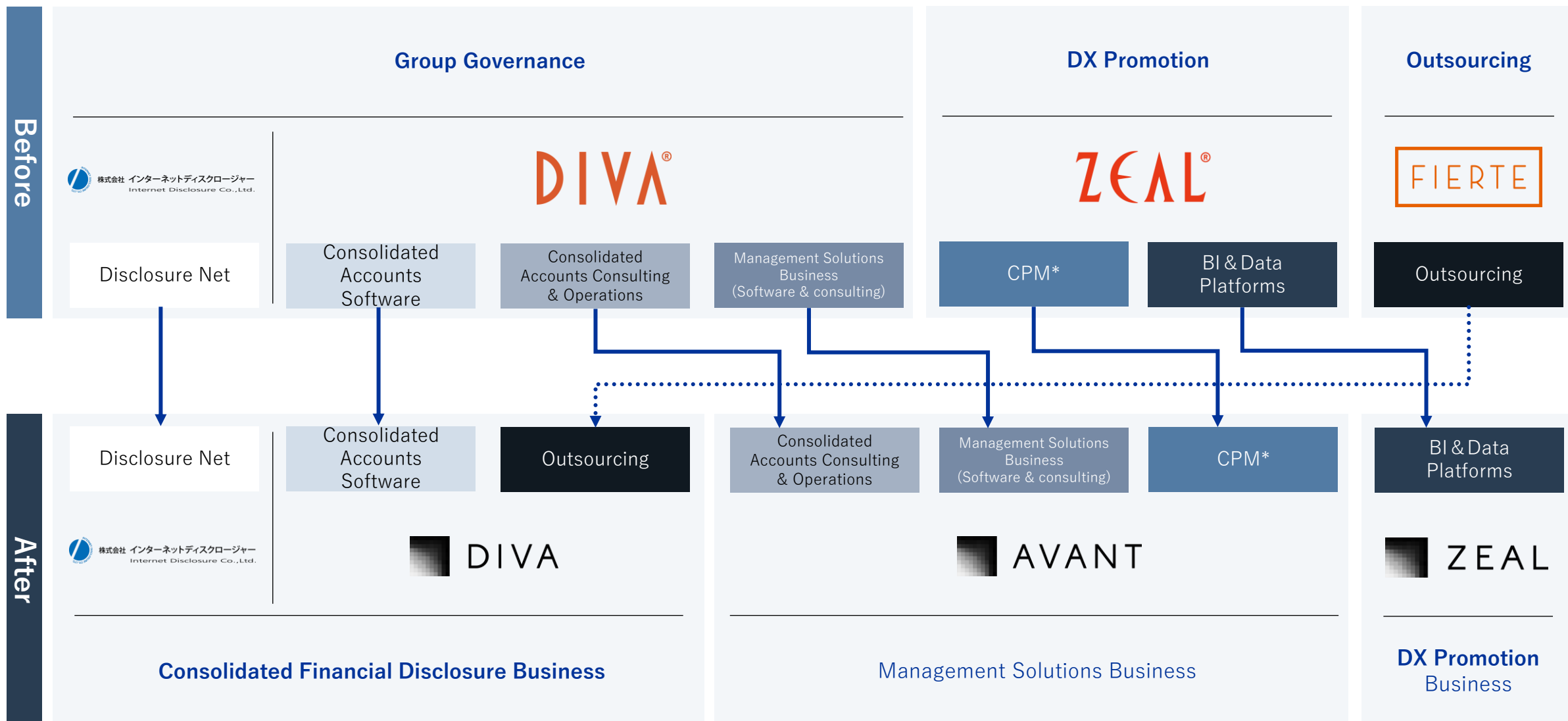
# Avant Group Philosophy



# The Avant Group Moves to the Next Five Years to Realize BE GLOBAL



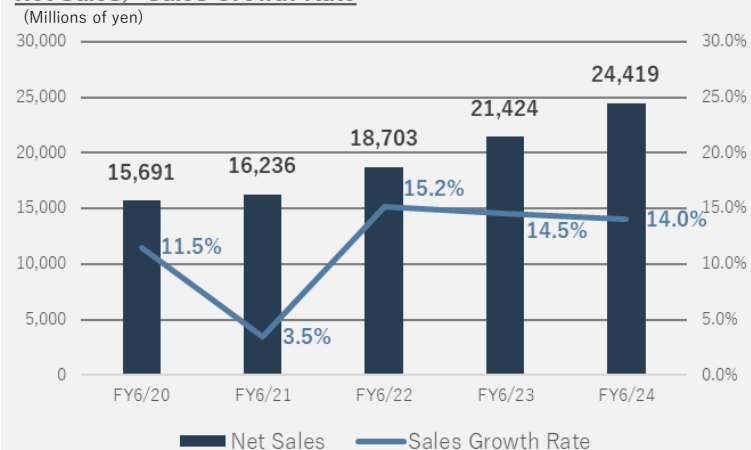
# Segment Reorganization



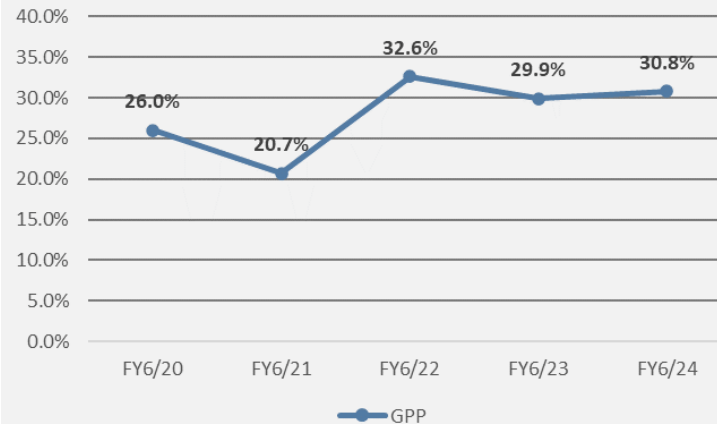
※CPM : Corporate Performance Management

# Numerical Summary

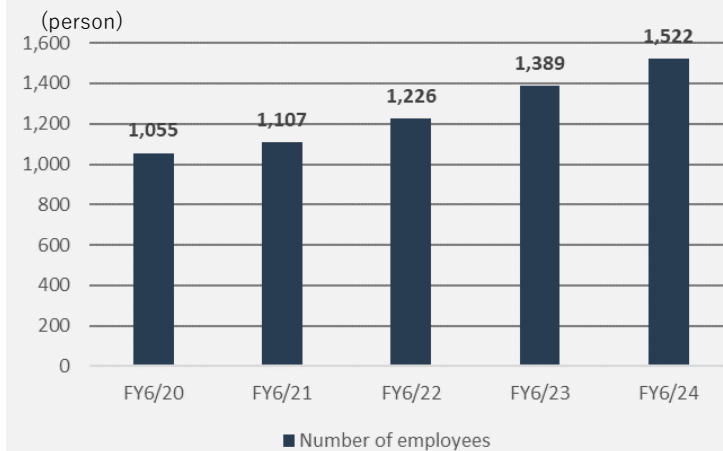
**Net Sales / Sales Growth Rate**



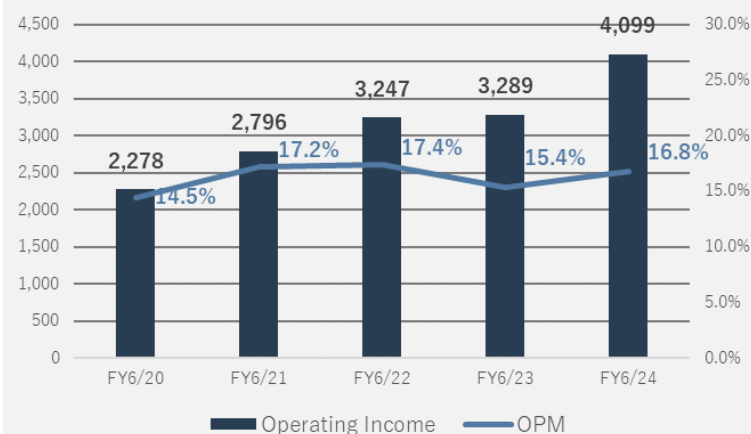
**GPP (Sales Growth Rate + OPM)**



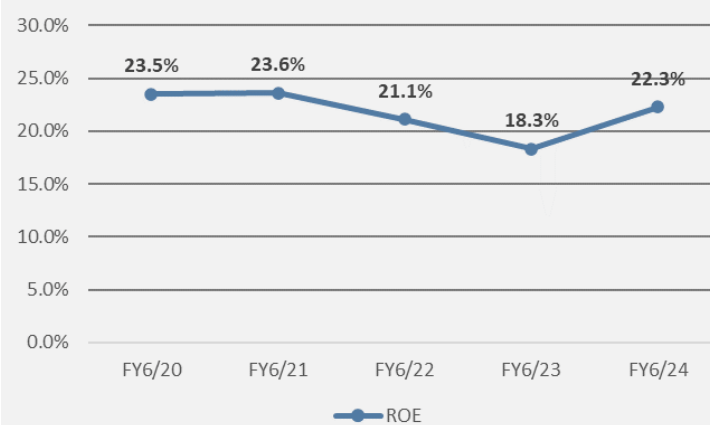
**Number of employees**



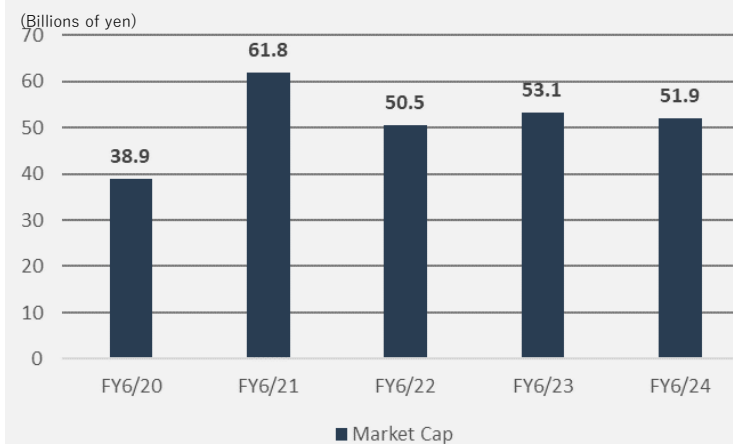
**Operating Income / OPM**



**ROE**

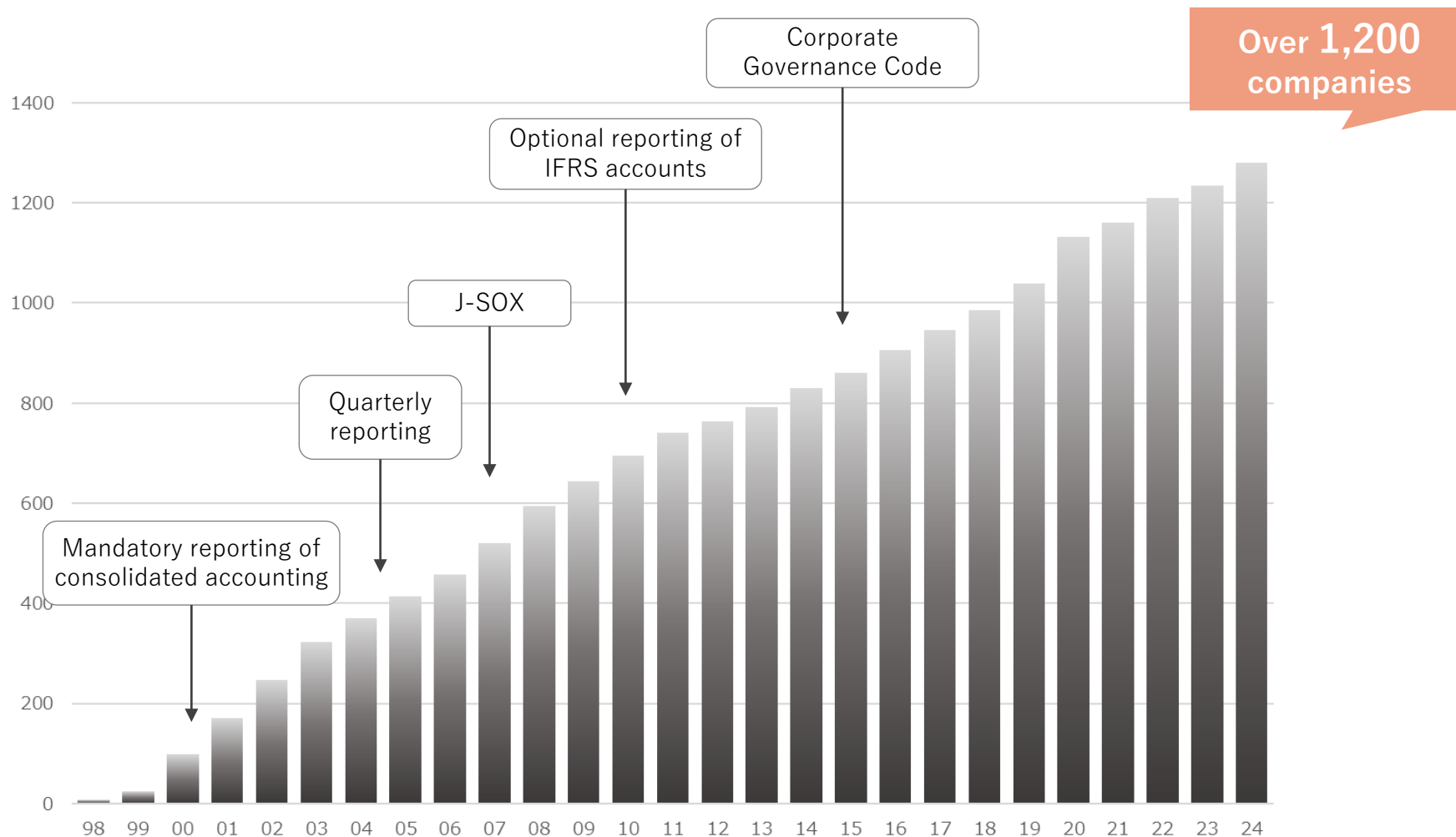


**Market Cap**



# Trends in companies that have introduced Avant Group Software Product

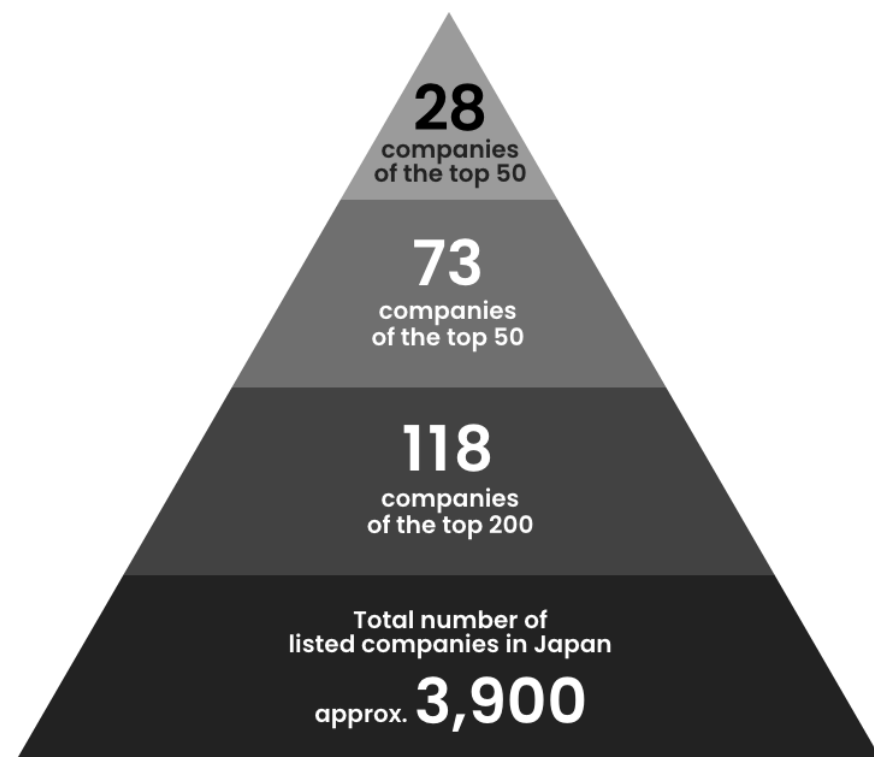
- With the tightening of disclosure regulations, consolidated accounting system LCA leads the number of introductions.





# Customer base of consolidated accounting system “LCA”

- More than 1,100 companies have sold ※1
- FY2022 consolidated accounting software market share is 43.1% ※2
- From institutional accounting to budget and management accounting, we support the strengthening of corporate governance



TOYOTA MOTOR CORPORATION  
Tokyo Electron Ltd.  
KDDI CORPORATION  
NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
DAIKIN INDUSTRIES, LTD.  
DENSO CORPORATION  
Hitachi, Ltd.  
CHUGAI PHARMACEUTICAL CO., LTD.  
Seven & i Holdings Co., Ltd.  
Mizuho Financial Group, Inc.  
FUJIFILM Holdings Corporation  
Astellas Pharma Inc.  
Japan Tobacco Inc.  
Bridgestone Corporation  
Unicharm Corporation  
(Market cap order as end of June 2023)

※1 As of the end of June 2023

※2 Fuji Chimera Research Institute "Software Business New Market 2023 Edition" Consolidated Accounting Management Software Market Share

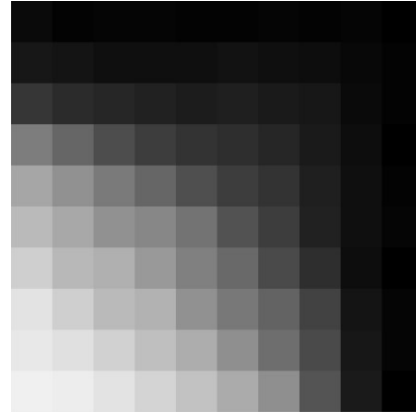
# Cautionary Statement Concerning Forward-Looking Statements

The information in this document regarding business forecasts and other future projections and strategies is based on judgments made by the Company based on information reasonably available to it at the time this document was prepared and within the scope of what is normally expected. However, actual results may differ materially from those discussed in the forward-looking statements due to the occurrence of extraordinary circumstances or unforeseeable results that could not be foreseen in the normal course of events. While we endeavor to actively disclose information that we believe is important to investors, we urge you not to base your decisions solely on the earnings forecasts contained in this document. Please do not reproduce or transmit this material for any purpose without permission.

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AVANT GROUP

SUSTAINABILITY IS VALUE