

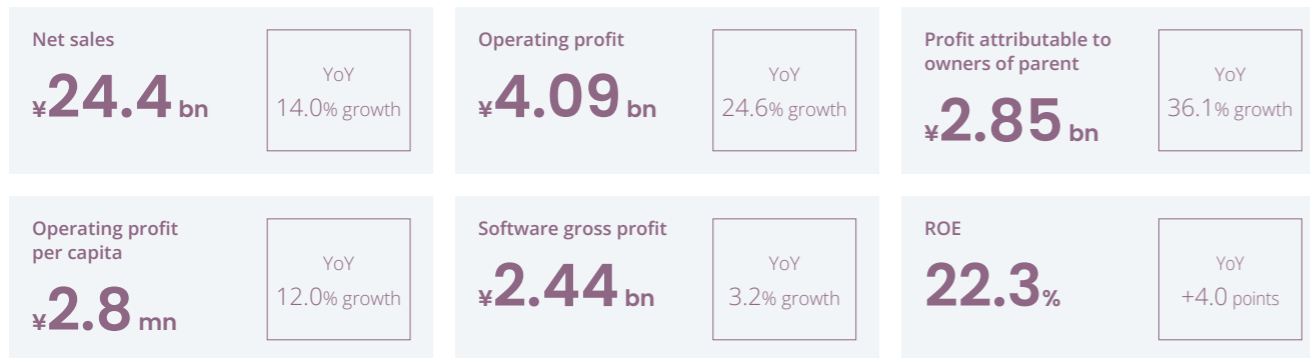
Progress of the Medium-Term Management Plan “BE GLOBAL 2028”

Overview of the Medium-Term Management Plan

Beginning with the fiscal year ending June 2024, we are implementing a five-year medium-term management plan “BE GLOBAL 2028”. In the current medium-term business plan, to realize our strategic material-ity of “becoming a software company that increases corporate value,” we are focusing on a “Software Driven Strategy,” in which software is the source of value creation, and are working to improve value creation productivity (operating profit per capita) by expanding gross profit from software in our business.

The goal is to double sales and triple operating profit and net profit in five years, with an annual net profit CAGR of at least 25%. We intend to increase software gross profit through a software-driven Software Driven Strategy to improve value-creating productivity and increase profits more than net sales. We will also be conscious of capital efficiency while growing net profit income and maintain ROE at the 20% level. The plan does not incorporate M&A and assumes organic growth.

Progress in FY6/24



	FY6/23 results	FY6/24 results	Vs. plan	Vs. prior period	FY6/28
Net sales	¥21.4 bn	¥24.4 bn	+1.7%	+14.0%	¥40-45 bn
Operating profit	¥3.28 bn	¥4.09 bn	+6.5%	+24.6%	¥9-11 bn
Operating profit margin	15.4%	16.8%	+0.7 points	+1.4 points	20-24%
Net profit attributable to owners of parent	¥2.09 bn	¥2.85 bn	+14.0%	+36.1%	¥6-7 bn
Operating profit per capita	¥2.5 mn	¥2.8 mn	+8.7%	+12.0%	¥3.9 mn
Software gross profit	¥2.36 bn	¥2.44 bn	+26.6%	+3.2%	¥5.5-6.0 bn
ROE	18.3%	22.3%	+3.0 points	+4.0 points	20% or more
DOE	4.9%	5.5%	+0.2 points	+0.6 points	8.1% or more
Dividend	¥15	¥19	±0	+26.7%	¥51 or more

*1 Operating profit per capita is calculated using the average number of employees during the period.

*2 Software gross profit is re-calculated based on the Group's standardized definition, which takes into account the calculation lead time.

The fiscal year ended June 2024, the first year of the current medium-term plan, got off to a good start, achieving all key management indicators. In addition to financial figures such as net sales, operating profit, and net profit, operating profit per capita,

which measures value creation productivity, was up 8.7% from the plan, and software gross profit, which measures the progress of the Software Driven Strategy, was up 26.6% from the plan. ROE also improved to 22.3%, achieving the target of 20% or more.

	FY6/23 results	FY6/24 results	Vs. prior period
Consolidated Financial Disclosure Business	Net sales	¥6.9 bn	¥7.53 bn +9.2%
	Operating profit	¥1.58 bn	¥1.84 bn +16.0%
	Operating profit margin	23.0%	24.4% +1.4 points
	Orders received	¥7.43 bn	¥8.26 bn +11.2%
	Order backlog	¥3.94 bn	¥4.68 bn +18.5%
Digital Transformation Promotion Business	Net sales	¥7.27 bn	¥8.84 bn +21.7%
	Operating profit	¥1.11 bn	¥1.63 bn +46.1%
	Operating profit margin	15.4%	18.5% +3.1 points
	Orders received	¥7.91 bn	¥9.21 bn +16.3%
	Order backlog	¥1.7 bn	¥2.06 bn +21.4%
Management Solutions Business	Net sales	¥7.88 bn	¥8.51 bn +8.1%
	Operating profit	¥1.32 bn	¥1.4 bn +6.6%
	Operating profit margin	16.8%	16.5% -0.2 points
	Orders received	¥7.99 bn	¥9.41 bn +17.6%
	Order backlog	¥3.11 bn	¥4.0 bn +28.7%

By business segment, both sales and profits increased in all segments. In particular, the Digital Transformation Promotion Business led the overall growth in net sales and operating profit. In addition, order received and order backlog also increased from

the previous year in all segments. We believe that the Management Solutions Business, which is taking on the challenge of creating new markets, is also on a growth trajectory.

FY6/25 plan

	FY6/24 results	FY6/25 plan	Vs. plan	Vs. prior period	FY6/28
Net sales	¥24.4 bn	¥28.8 bn	+6.8%	+17.9%	¥40-45 bn
Operating profit	¥4.09 bn	¥4.90 bn	+19.0%	+19.5%	¥9-11 bn
Operating profit margin	16.8%	17.0%	+1.8 points	+0.2 points	20-24%
Net profit attributable to owners of parent	¥2.85 bn	¥3.35 bn	+25.2%	+17.5%	¥6-7 bn
Operating profit per capita	¥2.8 mn	¥3.0 mn	+21.8%	+5.6%	¥3.9 mn
Software gross profit	¥2.44 bn	¥2.47 bn	+0.7%	+1.3%	¥5.5-6.0 bn
ROE	22.3%	22.4%	+4.0 points	+0.1 points	20% or more
DOE	5.5%	6.2%	-0.3 points	+0.7 points	8.1% or more
Dividend	¥19	¥25	±0	+31.6%	¥51 or more

*1 Operating profit per capita is calculated using the average number of employees during the period.

*2 Software gross profit is re-calculated based on the Group's standardized definition, which takes into account the calculation lead time.

As the results for the period ending June 30, 2024 exceeded the plan, we target all major indicators for the period ending June 30, 2025 to exceed the levels at the time BE GLOBAL 2028 was formulated, with the exception of DOE. On the other hand, operating profit per capita, which measures value creation productivity, exceeded the plan but was only +5.6% y-y, and Software gross profit, which measures the progress of the Software Driven Strategy, is expected to be +0.7% vs. plan and +1.3% y-y, which is less progress than the other indicators.

We recognize this as a lack of resolution on the path to improving value-creating productivity through the Software Driven Strategy. Through the full-scale sales of TRINITY BOARD, a DX cloud for board of directors, and AVANT Compass, a cloud for corporate value analysis, we will deliver management information that enables discussion from the perspective of corporate value to the boards of directors of client companies and realize more sophisticated management decision-making. Creating this condition will increase the value of information provided by each group company, accelerate Software gross profit growth, and improve value creation productivity.

For more information on financial strategies, including capital allocation, see Financial Strategies on p. 44.