

# LINK Smart

Toward a shared, connected future

## CYBERLINKS CO., LTD.

# Financial Results for 1H FY12/24(Interim Period)

(January 1, 2024 – June 30, 2024)

September 3, 2024

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**\*We changed our reportable segment classification starting in FY12/24.  
The segment sales and profit figures for FY12/23 in this document are based on the new segment classification.  
As a result, there are some discrepancies between this document and the financial results for 1H FY 12/23 and the financial results for FY12/23.**

# 1. Executive Summary

## 1. Executive Summary

### Net sales

Net sales increased due to growth in the Distribution Cloud Business and brisk sales of high-end handsets in the Mobile Network Business

### Ordinary profit

Ordinary profit decreased slightly, due in part to the reinforcement of the development structure in the Distribution Cloud Business

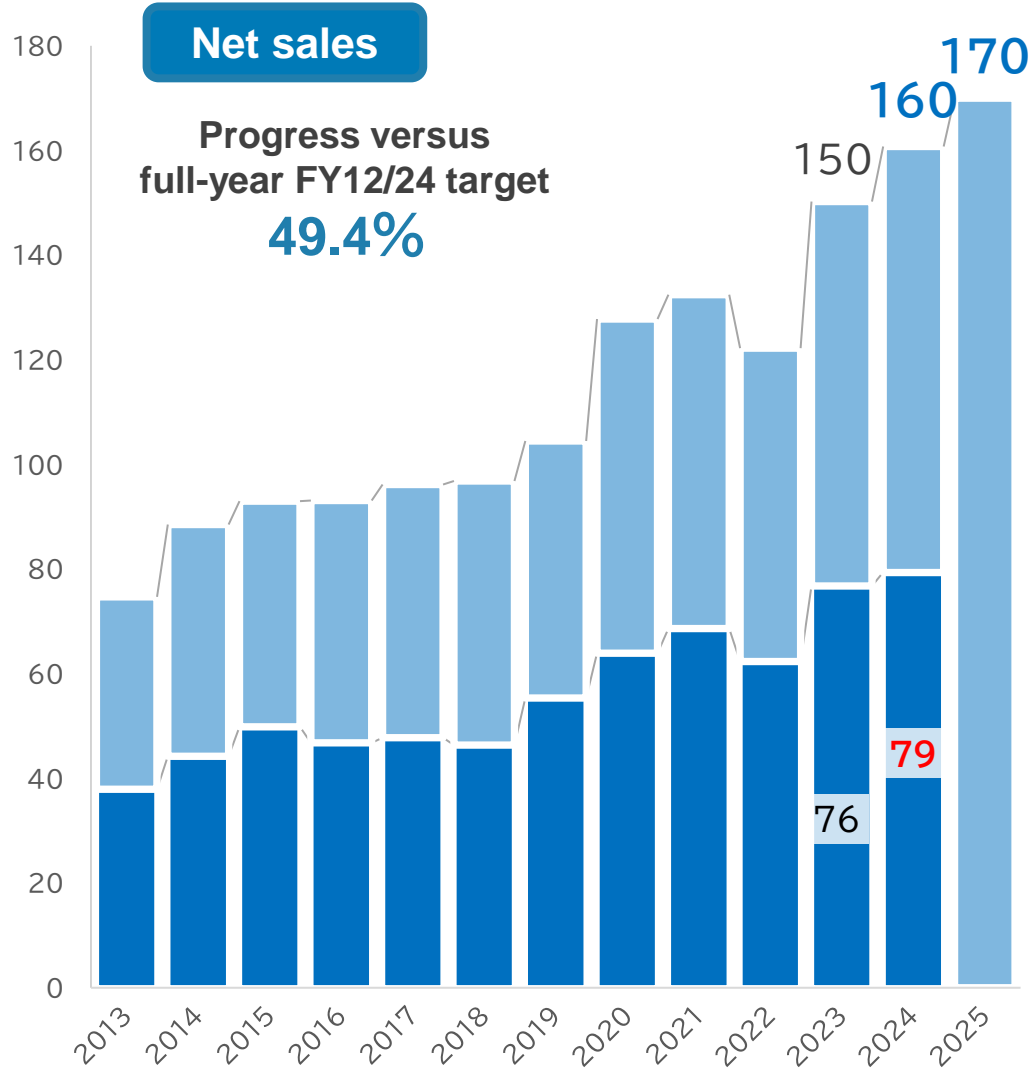
Surpassed the forecast by a significant margin owing to a recovery in the Mobile Network Business

| (100mn yen)               | 1H FY12/24<br>results | 1H FY12/23<br>results | YoY     |       | 1H FY12/24<br>plan | Progress<br>vs. Plan |
|---------------------------|-----------------------|-----------------------|---------|-------|--------------------|----------------------|
|                           |                       |                       | Amount  | %     |                    | %                    |
| Net sales                 | <b>79</b>             | 76                    | +2.6    | 3.4   | 76                 | 104.0                |
| Recurring<br>revenue      | <b>39</b>             | 37                    | +1.8    | 4.8   | 38                 | 102.0                |
| Ordinary profit           | <b>5.7</b>            | 5.8                   | (0.1)   | (3.4) | 4.0                | 139.4                |
| Ordinary profit<br>margin | <b>7.2%</b>           | 7.7%                  | (0.5pt) | —     | 5.4%               | —                    |

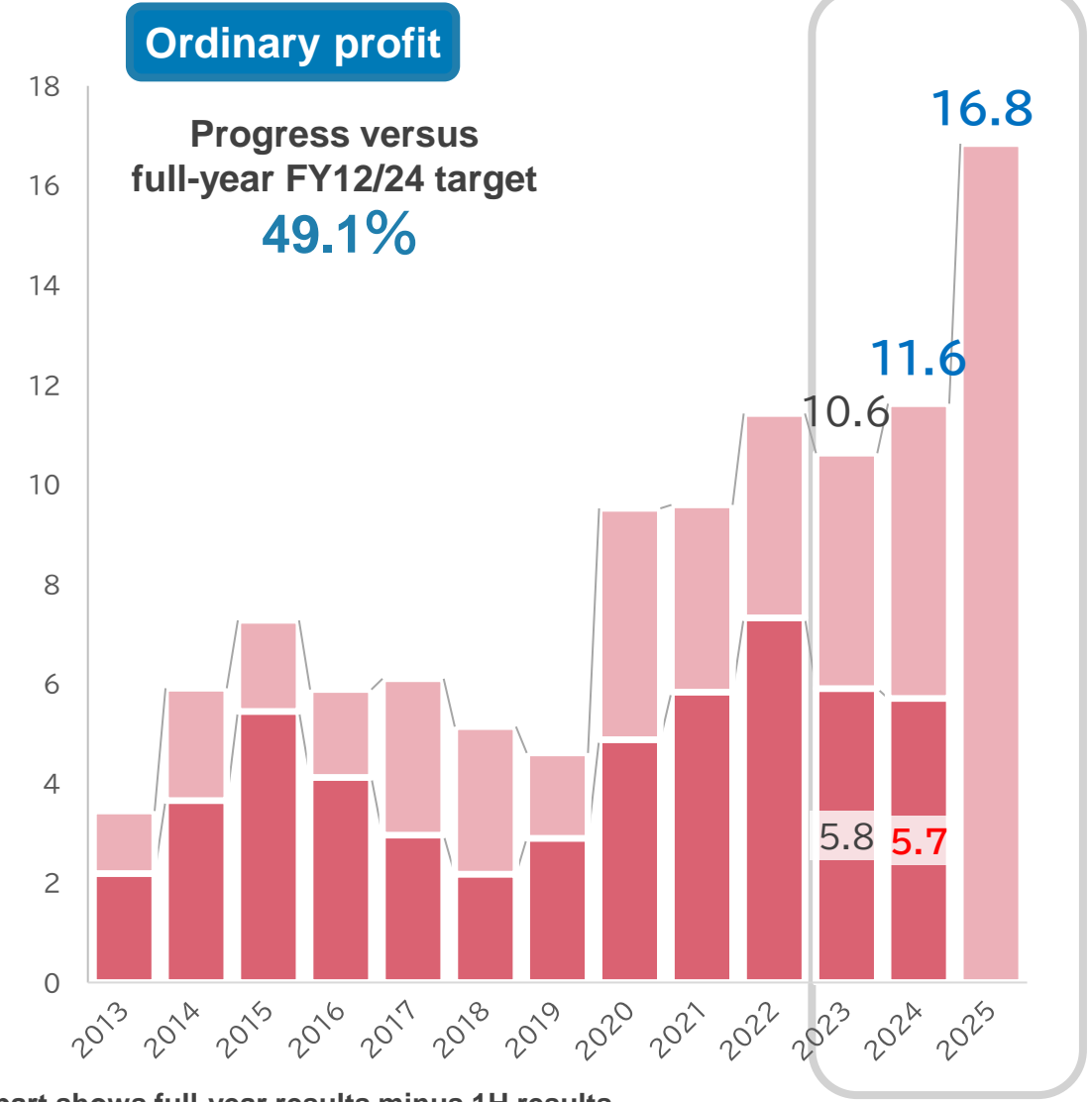
# 1. Executive Summary Net Sales & Ordinary Profit

Offset amortization (240 million yen/year) related to acquisition of Synergy

(100mn yen)



(100mn yen)

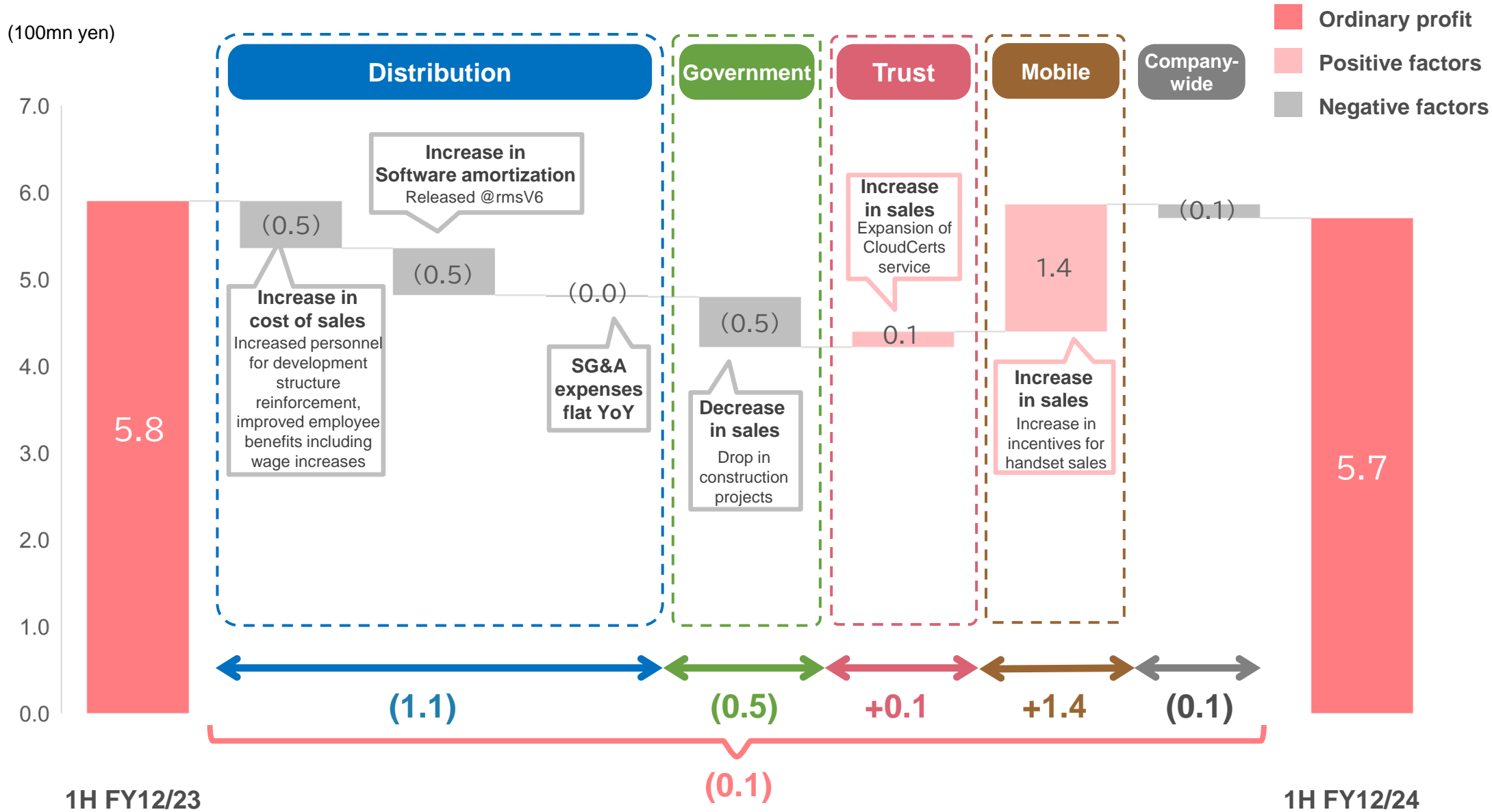


Note: The lower part of the stacked chart shows 1H results, and the upper part shows full-year results minus 1H results.

\*2024 figures reflect earnings forecast, 2025 figures reflect medium-term management plan

## **2. Consolidated 1H FY12/24 Results & Full-Year FY12/24 Forecast**

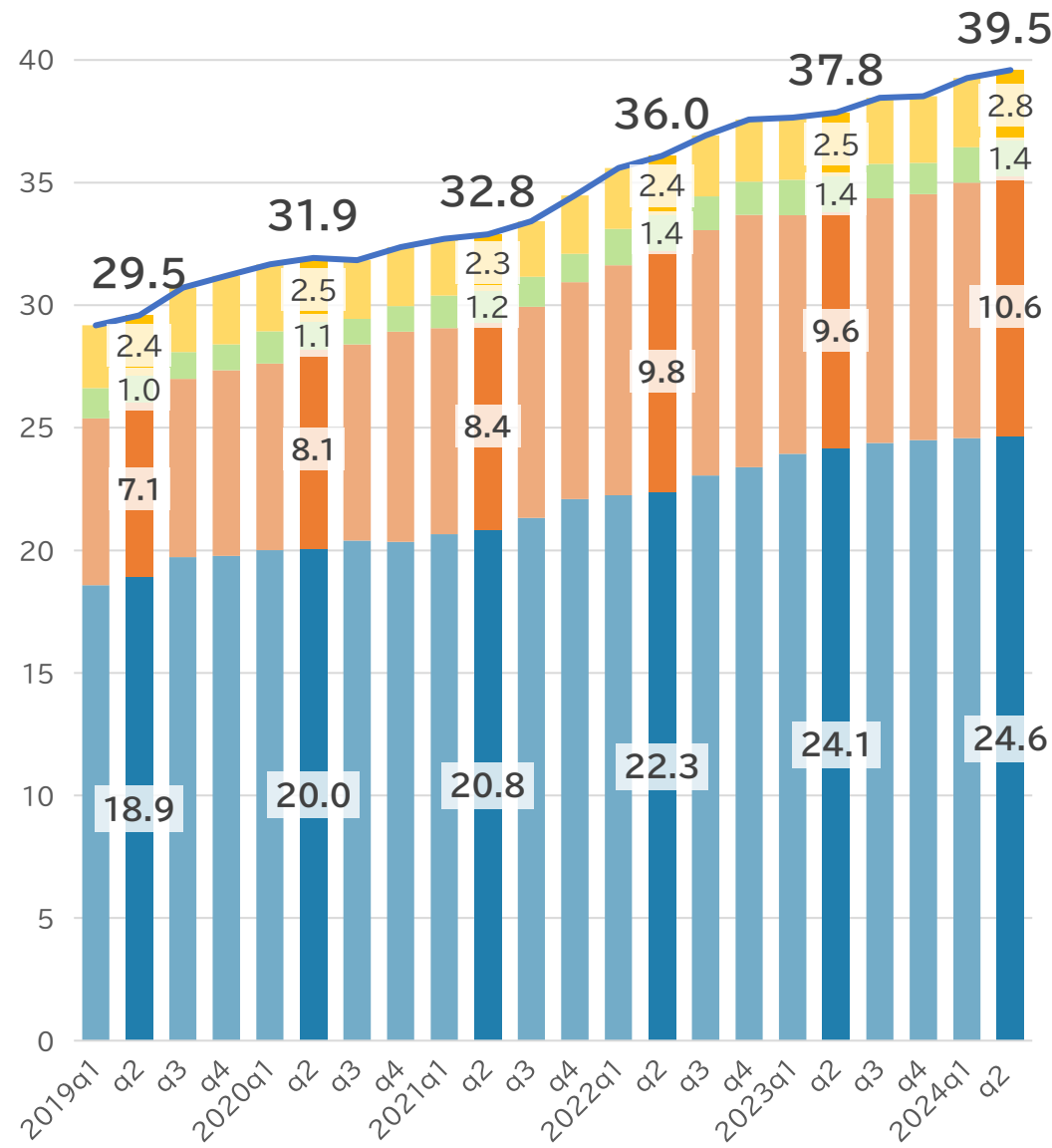
# Recovery in the Mobile Network Business offset the reinforcement of the development structure in the Distribution Cloud Business








**ARR (Monthly recurring revenue for the final month of a given quarter × 12 months)**

Example: ARR for 1H FY12/24 = recurring revenue for June 2024 × 12

(100mn yen)

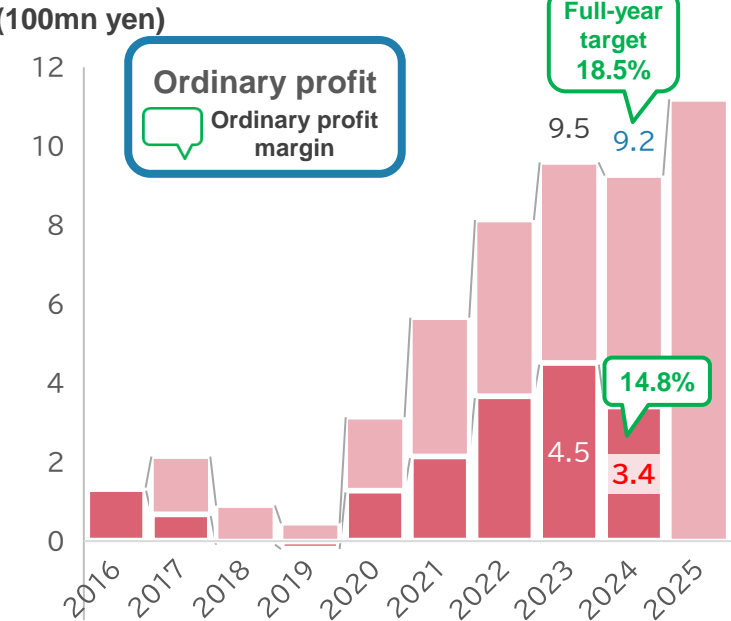
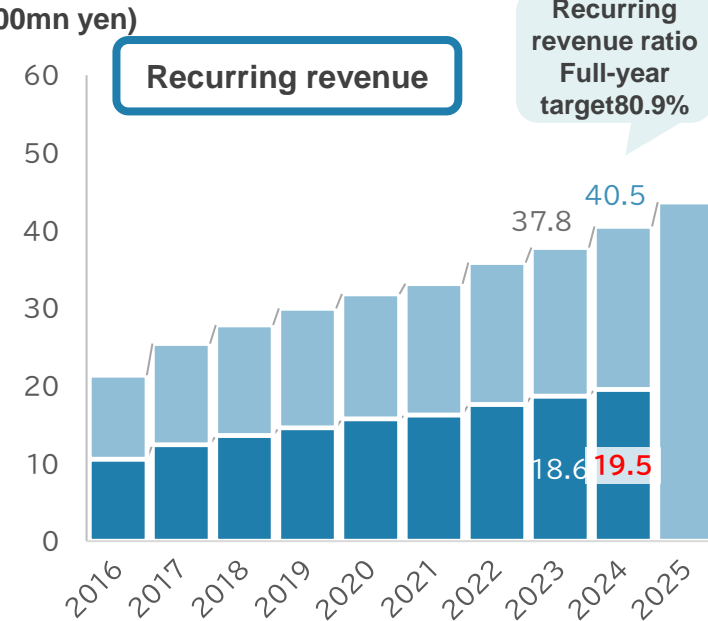
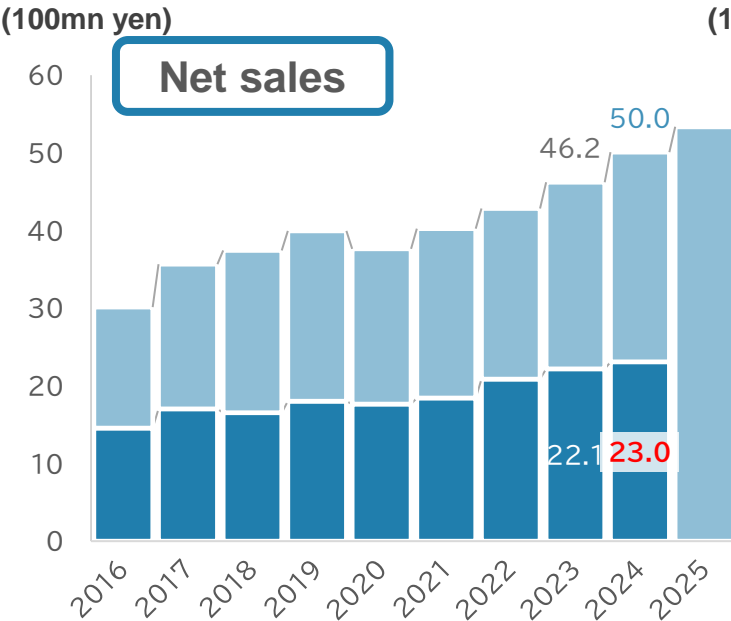


Achieved **solid annual expansion of about JPY 200 million thanks primarily to growth in services for food retailers, including @rms ERP**

|  |   |
|--|---|
| <p><b>Services for Food Retailers Wholesalers</b></p>  <p>YoY <b>+0.4</b></p>  | <p><b>Services for Processed Food Wholesalers</b></p>  <p>YoY <b>+0.9</b></p>                           |
| <p><b>Services for the Overall Food Distribution Industry</b></p>  <p>YoY <b>+0.0</b></p>  <p>Mdb<br/>MULTIMEDIA DATABASE CENTER<br/>商品情報・画像データベース</p> | <p><b>Services for Specialty Stores</b></p>  <p>YoY <b>+0.2</b></p> <p>AUTHORIZED Business Partner</p> |

Note: ARR for 1H FY12/20 has been adjusted to reflect recurring revenues generated by special factors.





\*2024 figures reflect earnings forecast, 2025 figures reflect medium-term management plan

1H FY12/24 Results

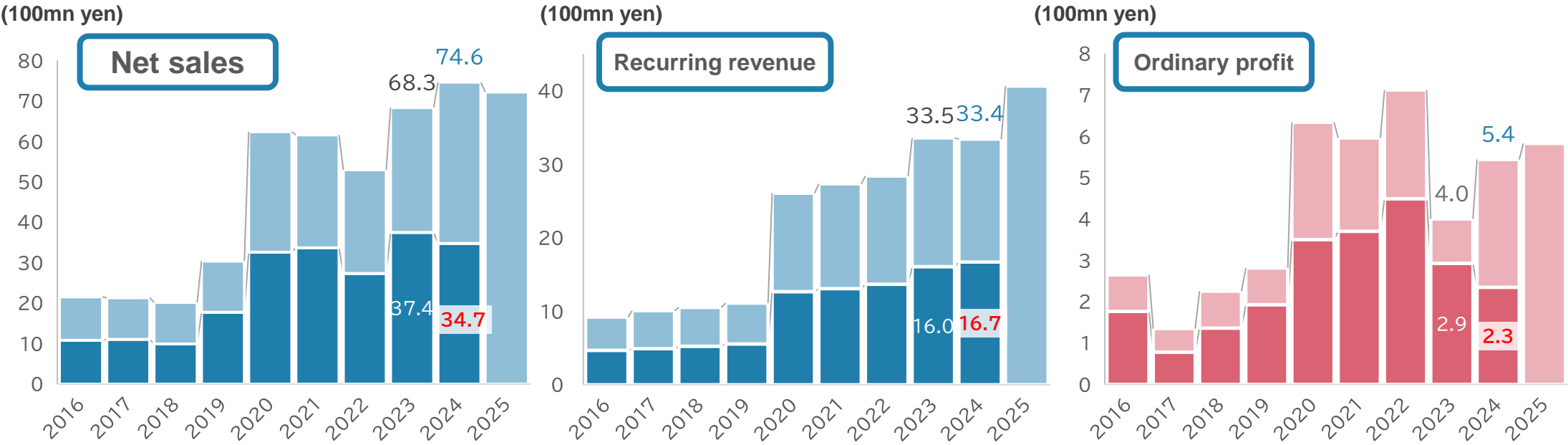
Full-Year FY12/24 Forecast

**Net sales increased backed by higher recurring revenue**

- ◆ Completed development for processing speed enhancements for @rms ERP  
→ Released @rmsV6 (began recording software amortization)
- ◆ Marketed the C2Platform Negotiation Support service for wholesalers  
→ Completed demonstration testing jointly conducted with the Japan Processed Foods Wholesalers Association and several major food wholesalers

**Accelerate growth**

- ◆ Expand the provision of @rmsV6
  - Focus on making proposals targeting medium- to large-sized clients
  - Work on implementing the service at the three companies that have already placed an order
- ◆ Aim for full-scale utilization at major food wholesalers
- ◆ Updated version of Fresh Food EDI
  - Steadily capture orders from medium- to large-sized clients
- ◆ Revise fees for various services (from October 2024 onward)



\*2024 figures reflect earnings forecast, 2025 figures reflect medium-term management plan

1H FY12/24 Results

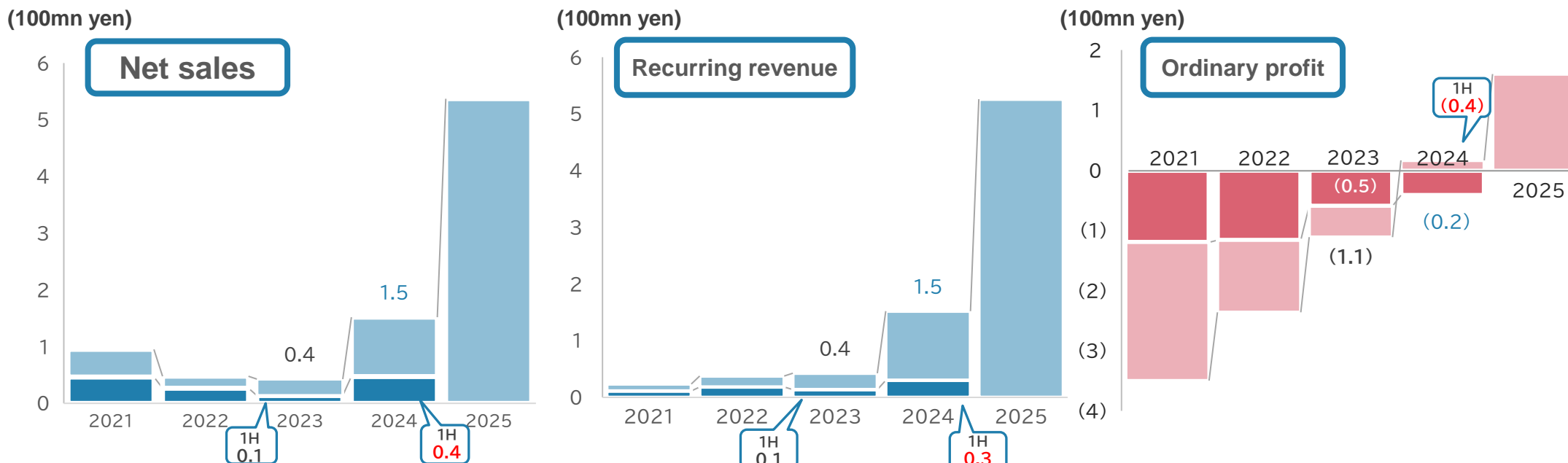
Construction projects decreased, while DX-related services for local governments grew

- ◆ Several local governments, including the city of Sanda, adopted MynaSign electronic authentication service
- ◆ Orders for ActiveCity, a document management system, were strong
- ◆ Participated in a local government DX exhibition (June 2024)

Full-Year FY12/24 Forecast

Promote DX for local governments

- ◆ Aim for sales growth, by responding to demand for centralized and standardized core operational systems for local governments and expanding sales of ActiveCity
- ◆ Rollout MynaSign nationwide
- ◆ M&A-related goodwill amortization expenses (240 million yen/ year) will continue
  - Software amortization: Approx. 70 million yen/year (ending in 2025)
  - Goodwill amortization: Approx. 160 million yen/year (ending in 2027)



\*2024 figures reflect earnings forecast, 2025 figures reflect medium-term management plan

### 1H FY12/24 Results

### Full-Year FY12/24 Forecast

#### Higher net sales on the back of CloudCerts rollout

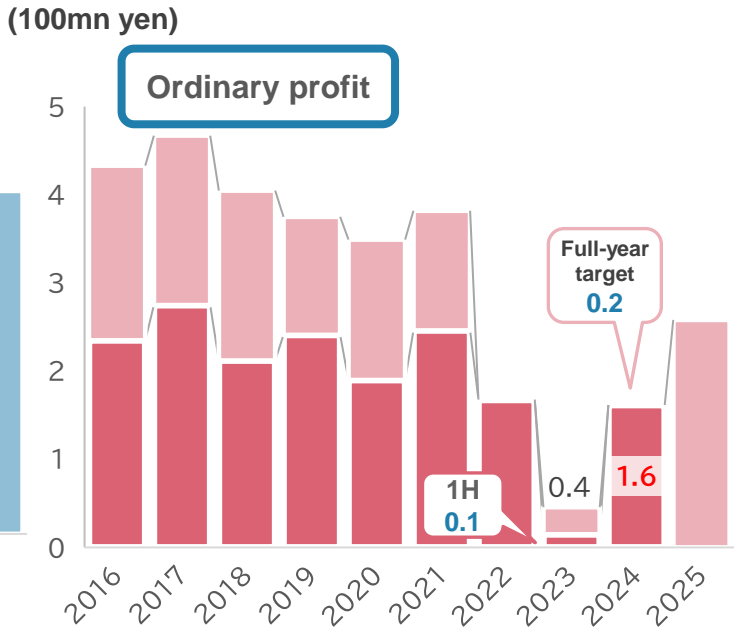
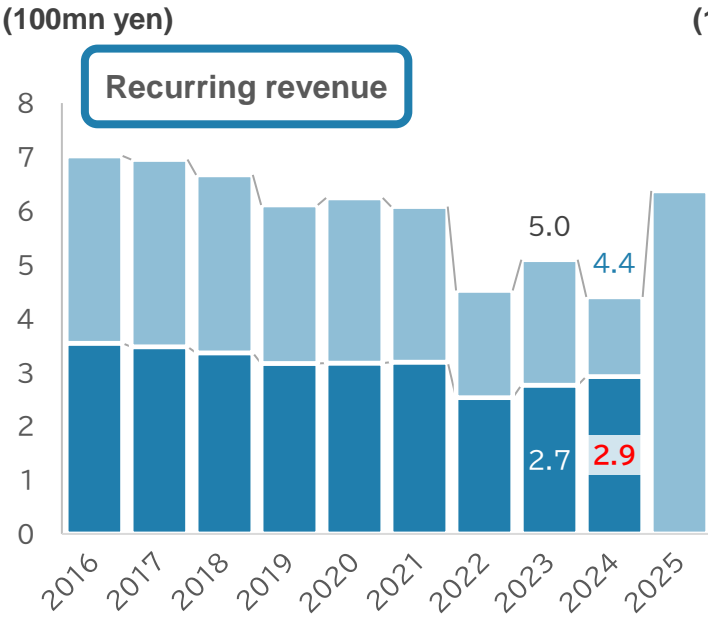
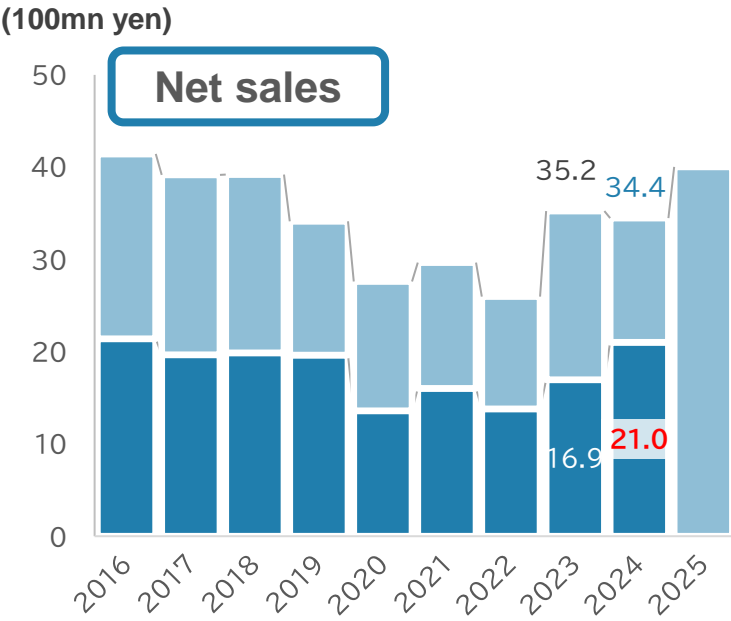
##### ◆ Expanded CloudCerts

- Began issuing digital pharmacist certificates (from May 2024)  
First digitization of national certificates in Japan
- Developed a standard version for small-scale users  
Reduced installation man hours (see July 2024 press release)

#### Develop a diverse user base and usage scenes

##### ◆ Focus on marketing CloudCerts services

- Adopted by Kindai University (August 2024), for digitization of the certificates of completion for foreign language extracurricular courses
- Make a proposal to manufacturers to digitize product warranty certificates
- Accelerate adoption by small-scale users with the introduction of a standard version



\*2024 figures reflect earnings forecast, 2025 figures reflect medium-term management plan

1H FY12/24 Results

Net sales and ordinary profit increased, continuing the recovery trend from 1Q

- ◆ High-end handset sales were brisk
- ◆ Incentives for handset sales increased

Full-Year FY12/24 Forecast

Continue working to secure sales and profits

- ◆ Engage in aggressive sales activities, including door-to-door sales  
Pursue efficient store operation
- ◆ Strengthen sales activities targeting corporations and continue working on various measures, including providing DX solutions

# 3. Sustainability Initiatives

## Promotion of initiatives in response to Japan's Revised Corporate Governance Code

■ Indicates changes from FY12/23

### Environmental

- Disclose CO2 emission calculations (Scope 1–3) and reduction targets (Scope 1, 2)
- Streamlined offices ( closed Shizuoka Office, Sendai Office, and Fukuoka Branch )
- Enabled signing of minutes and commercial registration online with MynaTrust
- Gradually replace gasoline vehicles with PHVs in our fleet

### Social

- Raise salaries (maximum 8.1% increase, company-wide average of 3.5% increase)
- Plan to increase the contribution ratio for the defined contribution (DC) pension plan premiums and introduce an elective DC pension plan (September)
- Implement initiatives to promote the advancement of women in the workplace (ratio of managers: 8.2%; ratio of senior staff: 23.6%) \*As of December 31, 2023.  
\*By end-FY12/25: 25% target ratio of female senior staff; By end-FY12/30: 10% target ratio of female managers  
Raise the target ratio of women in senior staff positions from 20.0% to 25.0% by end-FY2025
- Provided training for managerial candidates (management strategy school,team-building)
- Create an employee-friendly workplace (renovate office space)

### Governance

- Enhance and improve both English disclosure materials and English IR website; establish a YouTube channel
- Adopt the exercise of voting rights via the Internet
- Add one independent outside director and increase ratio of independent outside directors to 50.0%

### 3. Sustainability Initiatives

With the theme of “WorkSmart,” aggressively invest in human capital

- Raise salaries

  - maximum 8.1% increase, company-wide average of 3.5% increase

- Create an employee-friendly workplace

  - Substantially renovated the head office



## 4. Management Mindful of Cost of Equity and Stock Prices



## 4. Management Mindful of Cost of Equity and Stock Prices: Initiatives

Aiming to boost corporate value by efficiently improving earning power and fostering future expectations

### Initiatives

#### Growth strategy

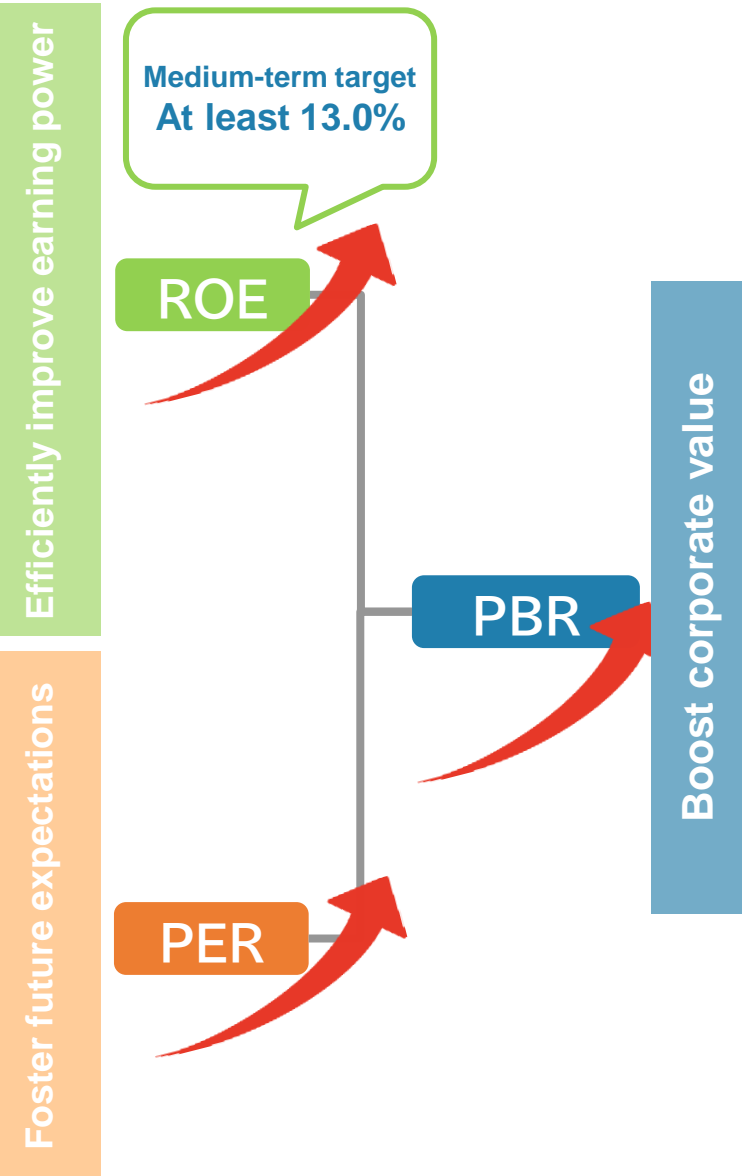
- ◆ Steady business growth and earning power improvement based on medium-term management plan
- ◆ Optimize business portfolio and capital allocation
  - Track and manage the efficiency of invested capital for each business by using ROIC
- ◆ Promote an all-employee management strategy using Cyber Cell Management\*
- ◆ Improve productivity based on the WorkSmart work environment strategy
  - Create a rich and efficient work environment
- ◆ Design a compensation system that helps boost corporate value

#### Financial strategy

- ◆ Maintain adequate level of shareholders' equity and improve capital efficiency
- ◆ Improve capital efficiency by recognizing and eliminating low-profitability assets

#### IR strategy

- ◆ Enhance information disclosure and dialogue opportunities
  - Develop and disclose corporate value improvement scenarios, including value creation stories
  - Investment and utilization of non-financial capital (human and intellectual) and disclosure of related information



\*Cyber Cell Management: An initiative aimed at involving all staff members in management by subdividing the organization into small groups called cyber cells to make it easier for each staff member to track the results of their own activities.

# 5. Shareholder Returns

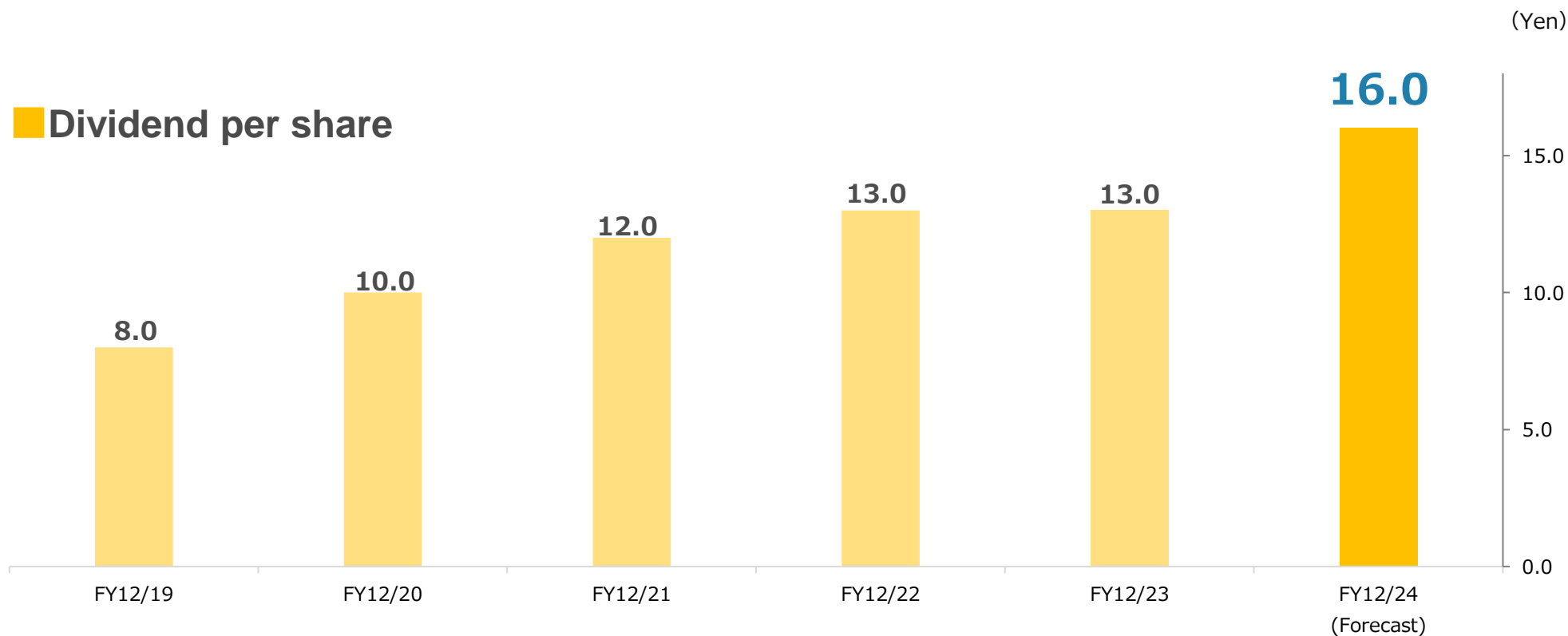
## 5. Shareholder Returns: Shareholder Return Policy and Dividend Forecast

### Shareholder Return Policy

We will raise our dividend payout ratio and dividend per share in line with improved earnings and profitability (improved cash flow) by making progress toward our medium-term targets, while securing the internal reserves necessary to make bold and timely investments for business growth.

### Dividend forecast

For FY12/24, we expect to pay a dividend per share of JPY16.00, up JPY3.00 year-on-year.



## 6. About CYBERLINKS

Business Model

## Shared Cloud specializing in the food distribution industry

- ◆ By sharing a system specialized for the industry, **provide an optimal system for the industry at a low price**
- ◆ **Launched services in 2005**

The system improves along with the industry

**reduce IT costs and streamline management**

## Leading market share

- ◆ Our EDI service for food wholesalers is the de facto industry standard service
- ◆ Approx. 30% of grocery supermarkets nationwide use our system



A vital service for the food distribution industry

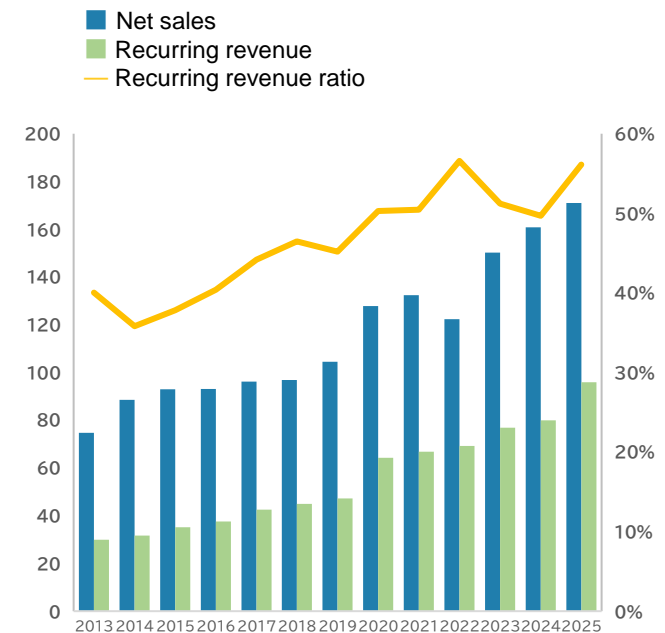
## Stable management

- ◆ Recurring revenue of JPY7.6bn (51.2% of total sales)

\* FY12/23 results



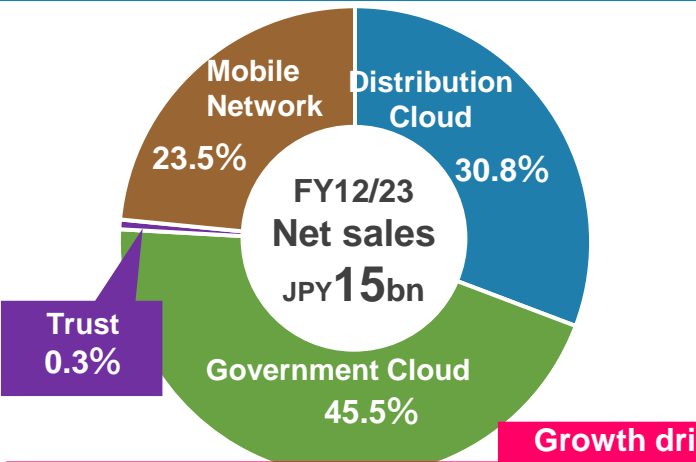
Sustainable growth backed by stable revenue



Our Shared Cloud business model focuses on providing the industry's best functions at affordable prices through “**shared use**” rather than by addressing the functional requirements of individual companies

|                         | On-premise system usage  |   | Private cloud system usage  |  | Cyberlinks's Shared Cloud   |
|-------------------------|--|---|---|--|---|
|                         |  |   |   |  |   |
| Hardware                | On-premise   |   | Private cloud   |  | Shared use  |
| Software                | Packaged software  | Proprietary system                      | Packaged software   | Proprietary system   |   |
| Initial investment      | Costly hardware investment<br>Requires software purchase             | Costly hardware and software investment | Affordable hardware investment<br>Requires software purchase                      | Affordable hardware investment<br>Costly software investment | Low initial investment for both hardware and software               |
| Operation & Maintenance | Hardware and software maintenance personnel needed                   |   | Hardware maintenance can be outsourced, but software maintenance personnel needed |  | Outsource maintenance for both hardware and software!               |
| System renewal          | Requires hardware updates every few years<br>Costly software updates |   | No hardware updates required, but software updates are costly                     |  | No hardware updates required!<br>Software is continuously upgraded! |
| Helpdesk                | Requires in-house support  |   | Requires in-house support   |  | Outsource helpdesk operations to Cyberlinks!                        |

# 6. About CYBERLINKS Breakdown of Business (Consolidated)



**Growth driver centered on Shared Cloud**

| Segment                   | Sales           | Ordinary Profit  |
|---------------------------|-----------------|------------------|
| <b>Distribution Cloud</b> | <b>JPY4.6bn</b> | <b>JPY0.95bn</b> |

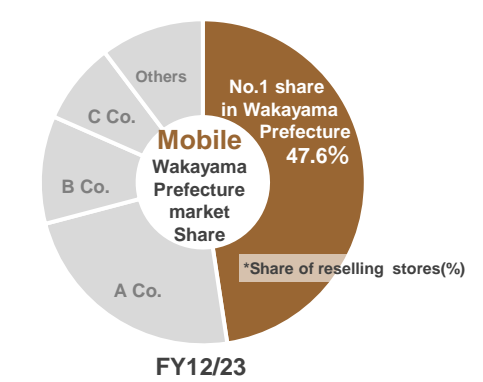
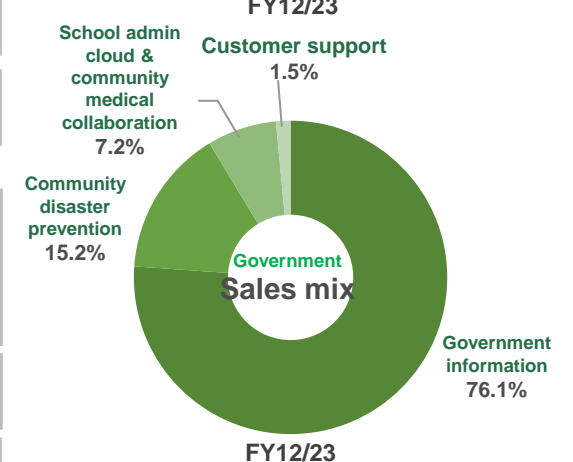
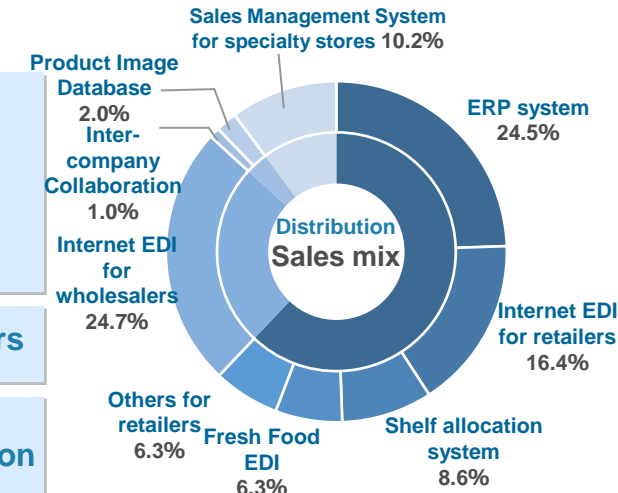
| Segment                 | Sales           | Ordinary Profit |
|-------------------------|-----------------|-----------------|
| <b>Government Cloud</b> | <b>JPY6.8bn</b> | <b>JPY0.4bn</b> |

| Segment      | Sales            | Ordinary Profit   |
|--------------|------------------|-------------------|
| <b>Trust</b> | <b>JPY0.04bn</b> | <b>JPY-0.11bn</b> |

| Segment               | Sales           | Ordinary Profit  |
|-----------------------|-----------------|------------------|
| <b>Mobile Network</b> | <b>JPY3.5bn</b> | <b>JPY0.04bn</b> |

| Customer Segment                          | Key Services  |
|---|---|
| <b>Food Retailers</b>                     | ERP system<br>Internet EDI for retailers<br>Shelf allocation system<br>Fresh Food EDI |
| <b>Processed food wholesalers</b>         | Internet EDI for wholesalers  |
| <b>Overall food distribution industry</b> | Inter-company Collaboration<br>Product Image Database                                 |
| <b>Specialty stores</b>                   | Sales Management System   |





| Customer Segment                          | Key Services   |
|---|--|
| <b>Local government</b>                   | Government information system<br>Local disaster prevention system                |
| <b>Elementary and Junior high schools</b> | School administration cloud service  |
| <b>Medical institutions</b>               | Community medical collaboration  |
| <b>Private companies</b>                  | Customer support services  |
| <b>Government Professionals Companies</b> | Digital contract service<br>Digital certificate issuing service<br>Time Stamping |
| <b>Individuals Corporations</b>           | Mobile phone reselling business  |










In 2005, we launched @rms ERP, Japan's first cloud retail ERP service, then gradually expanded our lineup of peripheral services

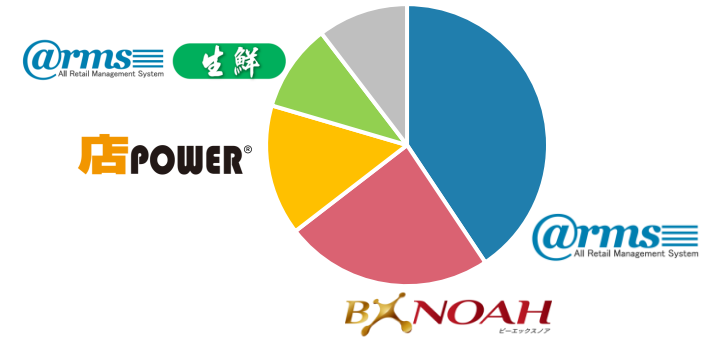
Key services for grocery supermarkets

| Service   | Description  | Industry rank<br>(* Based on our research)           |
|---|--|--|
| ERP system<br>                   | Support overall core business operations such as ordering, purchasing, inventory, sales management, etc.   | Cloud retail ERP system installations<br><b>No.1</b> |
| Internet EDI for Retailers<br>  | Support electronic data interchange (EDI), including order placement and receipt   | Internet EDI for Retailers<br><b>No.1</b>            |
| Fresh Food Ordering System<br> | EDI service specializing in fresh food products. Supports business practices specific to fresh food, such as market fluctuations and market purchases. | Fresh Food Ordering System<br><b>No.1</b>            |
| Shelf allocation system<br>    | Supports merchandising optimization through shelf allocation management, work instructions, and analytics  | Shelf allocation system<br><b>No.1</b>               |

Monthly fee structure by service (recurring revenue)

|  |  |
|--|--|
|    | Base fee + Per store charge                      |
|    | Base fee + Per partner charge                    |
|   | Base fee + Per partner charge + Per store charge |
|    | Per user ID charge                               |

Food Retail Recurring Revenue by service (FY12/23)



\*Standard billing structure.

Increase in store count = Increase in recurring revenue



Number of stores with @rms ERP installed\*1

**1,254 stores**  
out of **21,000 total stores**\*2

See p27 for medium-term target

\*1 Number of stores using @rms ERP (as of the end of 1H FY12/24)

\*2 Total stores in the market based on our estimates

The Cloud EDI-Platform centrally organizes all order data received from retailers via various communication methods on behalf of wholesalers (first in the industry)

Cloud Service for Wholesalers  
Cloud EDI-Platform

GTV\*1  
JPY 9.8tn  
out of JPY36tn (overall market)\*2  
As of the end of 1H FY12/24



Installed in 8 of the top 10 processed food wholesalers companies by sales

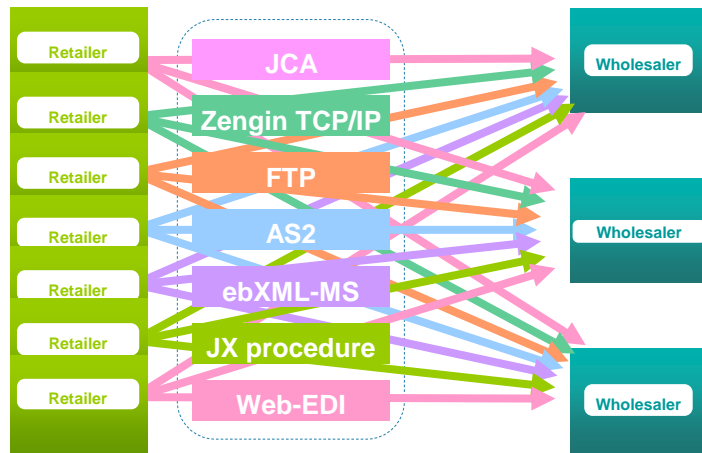
Also installed at major manufacturers

\*1 The value of orders received and placed by customers using the Cloud EDI-Platform  
\*2 Overall market GTV figure is an internal estimate



Leading Distribution EDI Cloud service (in terms of wholesaler EDI processing volume)

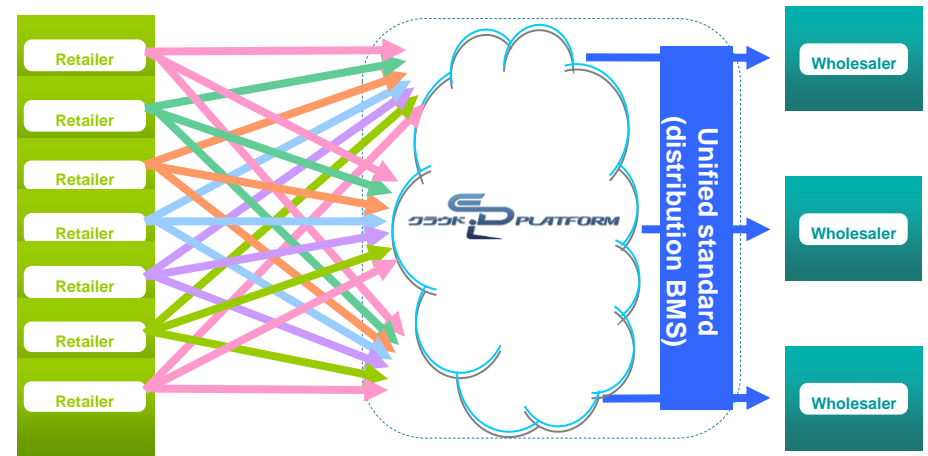
Order data received via a wide variety of communication methods



Consolidate network types and communication methods



Sent to wholesalers via an unified standard (distribution BMS)



## 6. About CYBERLINKS Key Services – Distribution Cloud (KPI)

| Food Retail<br>(@rms)                               | FY12/20<br>Results | 1Q FY12/24<br>Results | 1H FY12/24<br>Results | FY12/25<br>Targets |
|---|--------------------|-----------------------|-----------------------|--------------------|
| KPI: # of stores<br>(Overall Market: 21,000 stores) | 1,205              | 1,256                 | 1,254<br>(-2)         | 1,765              |

\*Number of stores using @rms ERP

\*Cancellation by one major client, etc.

| Processed Food Wholesale<br>(EDI-Platform)    | FY12/20<br>Results | 1Q FY12/24<br>Results | 1H FY12/24<br>Results | FY12/25<br>Targets |
|---|--------------------|-----------------------|-----------------------|--------------------|
| KPI: GTV<br>(Overall Market: JPY 36 trillion) | 8.7                | 9.7                   | 9.8<br>(+0.1)         | 12.3               |

\*Gross Transaction Value: The value of orders received and placed by customers using our services.

| Retailer/Wholesale<br>/Manufacturing<br>(C2Platform) | FY12/20<br>Results | 1Q FY12/24<br>Results | 1H FY12/24<br>Results | FY12/25<br>Targets |
|--|--------------------|-----------------------|-----------------------|--------------------|
| KPI: # of IDs<br>(Overall Market: 220,000 ID)        | 0                  | 164                   | 170<br>(+6)           | 5,000              |

Retail

@rms ERP system

Wholesale

EDI-Platform  
(Commercial Platform)

Manufacturing

C2Platform  
(Negotiation Platform)

### Government Cloud

Support local governments in keeping up with the rapid progress of digitization

#### Local government

Administrative information system (ERP and information systems)

- Local government information security cloud service
- information system (document management systems, etc.)
- ERP systems

Local disaster prevention system (disaster prevention radio, etc.)

#### Elementary and junior high school

- School administration cloud service (Clarinet)

#### Medical institutions

- Medical collaboration platform
- Electronic medical records, medical office system

### Mobile Network

Largest NTT Docomo reseller in Wakayama Prefecture, operating approximately half of all Docomo Shops in the area



Iwade Store (largest store in Wakayama Prefecture)

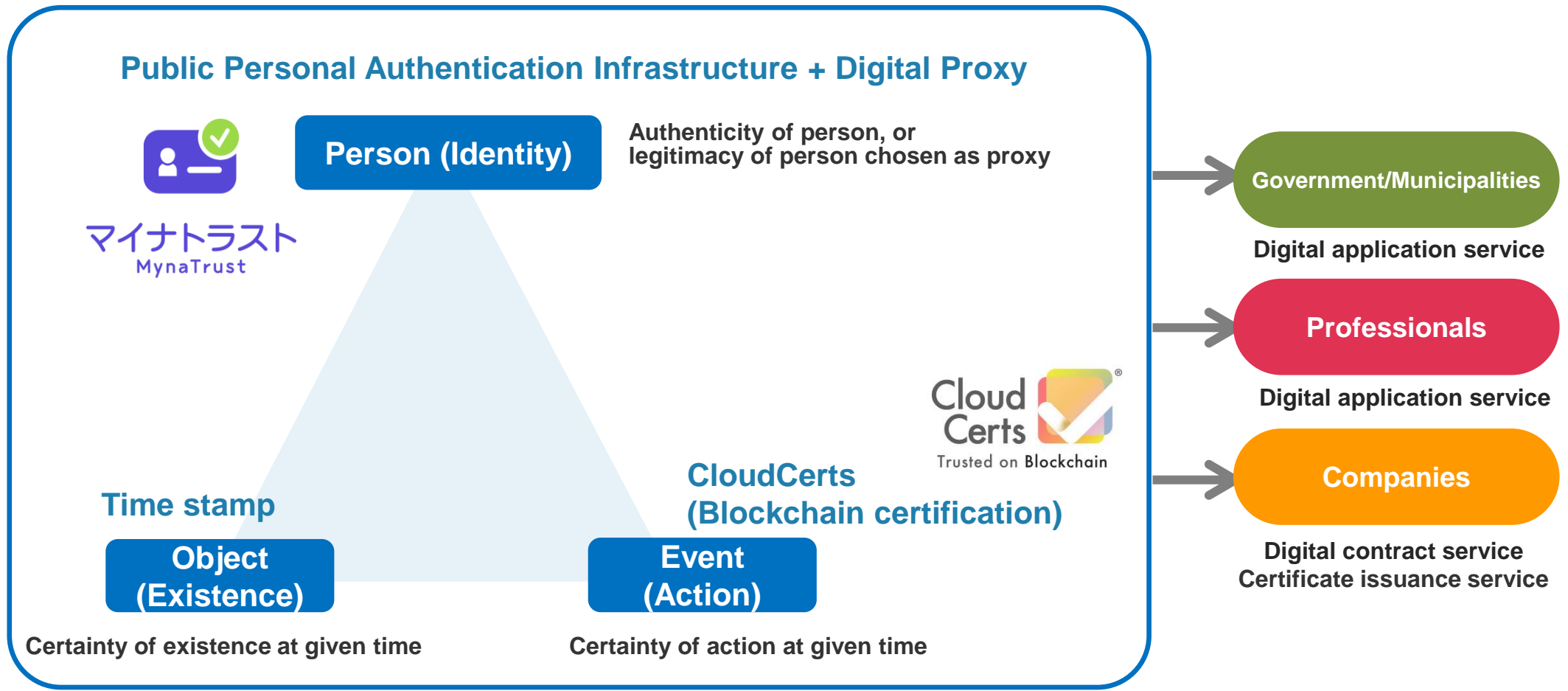


Central City Wakayama Store



Tanabe Store

Leveraging our core strength in “Third Trust” service based on the My Number Card, we offer comprehensive trust services for people (identity), objects (existence), and experience (actions).





### Shared Research

Easy-to-understand information on Cyberlinks' strengths, business environment, performance, and recent initiatives.

<https://sharedresearch.jp/en/companies/3683>

### IRTV

Video now also available on the IRTV channel operated by IR Robotics, providing information on Cyberlinks' business, product releases, and other matters.

Change in president to transit into a new organization /  
Aiming for growth in its Distribution Cloud Business

<https://youtu.be/B9TTcLxDpnl>



CyberLinks, Co., Ltd./TSE Standard 3683

### JapanStockChannel

President Murakami made an appearance on JapanStockChannel, a YouTube channel operated by IR Robotics Inc., to explain over the course of three videos the Company's trajectory, growth potential, and vision for the future.

Video 1: Story of the company's start assembling TVs after World War II

<https://youtu.be/WThVNgtZjpM>

Video 2: Entering a phase of rapid growth! 20% ordinary profit margin rule!

<https://youtu.be/eLaCAJj-E>

Video 3: Transformation 2025! Currently exceeding the goals of the Company's medium-term management plan!

<https://youtu.be/Jm7hvLLyqU>

\*The video is based on the medium Term Management Plan before revision.

# Supplementary Materials



# Supplementary Materials Consolidated 1H FY12/24 Results: Consolidated Income Statement

(millions of yen)

|   | 1H FY12/23<br>(Actual) | 1H FY12/24<br>(Actual) | YoY Change<br>(%) | 1H FY12/24<br>(Plan) | Achievement<br>Rate (%) |
|---|------------------------|------------------------|-------------------|----------------------|-------------------------|
| Net sales                               | 7,675                  | 7,936                  | 3.4%              | 7,632                | 104.0%                  |
| Distribution Cloud                      | 2,216                  | 2,308                  | 4.1%              | 2,409                | 95.8%                   |
| Government Cloud                        | 3,747                  | 3,478                  | (7.2%)            | 3,473                | 100.2%                  |
| Trust                                   | 13                     | 47                     | 244.8%            | 50                   | 94.8%                   |
| Mobile Network                          | 1,697                  | 2,102                  | 23.9%             | 1,700                | 123.7%                  |
| Recurring revenue                       | 3,766                  | 3,948                  | 4.8%              | 3,870                | 102.0%                  |
| Distribution Cloud                      | 1,868                  | 1,956                  | 4.7%              | 1,977                | 98.9%                   |
| Government Cloud                        | 1,608                  | 1,670                  | 3.9%              | 1,627                | 102.7%                  |
| Trust                                   | 13                     | 30                     | 118.6%            | 50                   | 60.1%                   |
| Mobile Network                          | 275                    | 292                    | 6.0%              | 216                  | 135.4%                  |
| Operating profit                        | 572                    | 567                    | (0.9%)            | 406                  | 139.8%                  |
| Ordinary profit                         | 589                    | 570                    | (3.4%)            | 409                  | 139.4%                  |
| Distribution Cloud                      | 452                    | 341                    | (24.4%)           | 420                  | 81.4%                   |
| Government Cloud                        | 292                    | 235                    | (19.7%)           | 174                  | 135.1%                  |
| Trust                                   | (59)                   | (41)                   | —                 | (32)                 | —                       |
| Mobile Network                          | 14                     | 161                    | 977.9%            | 35                   | 461.5%                  |
| Adjustments                             | (110)                  | (126)                  | —                 | (188)                | —                       |
| Profit attributable to owners of parent | 143                    | 333                    | 132.6%            | 232                  | 143.9%                  |
| EPS                                     | JPY12.90               | JPY29.92               | —                 | JPY20.80             | —                       |

# Supplementary Materials Consolidated 1H FY12/24 Results: Consolidated Balance Sheet

(millions of yen)

|                          |                                | End-Dec. 2023 |             | End-June. 2024 |               |              | Factors behind changes   |
|--------------------------|--------------------------------|---------------|-------------|----------------|---------------|--------------|--|
|                          |                                | Amount        | Composition | Amount         | Composition   | Change       |  |
| Assets                   | Current Assets                 | 6,256         | 47.9%       | <b>5,510</b>   | <b>44.6%</b>  | <b>(746)</b> | Decrease in cash and cash deposits   |
|                          | Non-current Assets             | 6,796         | 52.1%       | <b>6,848</b>   | <b>55.4%</b>  | <b>51</b>    | Increase in software   |
|                          | Total Assets                   | 13,053        | 100.0%      | <b>12,359</b>  | <b>100.0%</b> | <b>(694)</b> |  |
| Liabilities & Net Assets | Current Liabilities            | 3,295         | 25.2%       | <b>2,599</b>   | <b>21.0%</b>  | <b>(696)</b> | Short-term borrowings decreased due to repayment<br>Decrease in accounts payable-trade |
|                          | Non-current Liabilities        | 2,330         | 17.9%       | <b>2,112</b>   | <b>17.1%</b>  | <b>(217)</b> | Long-term borrowings decreased due to repayment  |
|                          | Total Liabilities              | 5,625         | 43.1%       | <b>4,711</b>   | <b>38.1%</b>  | <b>(914)</b> |  |
|                          | Total Net Assets               | 7,427         | 56.9%       | <b>7,647</b>   | <b>61.9%</b>  | <b>219</b>   | Increase in retained earnings due to accumulation of profit                            |
|                          | Total Liabilities & Net Assets | 13,053        | 100.0%      | <b>12,359</b>  | <b>100.0%</b> | <b>(694)</b> |  |

## Supplementary Materials Consolidated 1H FY12/24 Results: Consolidated Cash Flow Statement

(millions of yen)

|  | 1H FY12/23<br>(Actual) | 1H FY12/24<br>(Actual) | Description  |
|--|------------------------|------------------------|--|
| Cash flows from operating activities                 | 574                    | <b>906</b>             | Profit before income taxes, depreciation                                     |
| Cash flows from investing activities                 | (514)                  | <b>(700)</b>           | Purchases of intangible assets and purchase of property, plant and equipment |
| Cash flows from financing activities                 | (380)                  | <b>(672)</b>           | Repayments of short-term borrowings, long-term borrowings<br>Dividends paid  |
| Net increase (decrease) in cash and cash equivalents | (319)                  | <b>(465)</b>           |  |
| Cash and cash equivalents at beginning of period     | 2,258                  | <b>1,934</b>           |  |
| Cash and cash equivalents at end of period           | 1,938                  | <b>1,469</b>           |  |

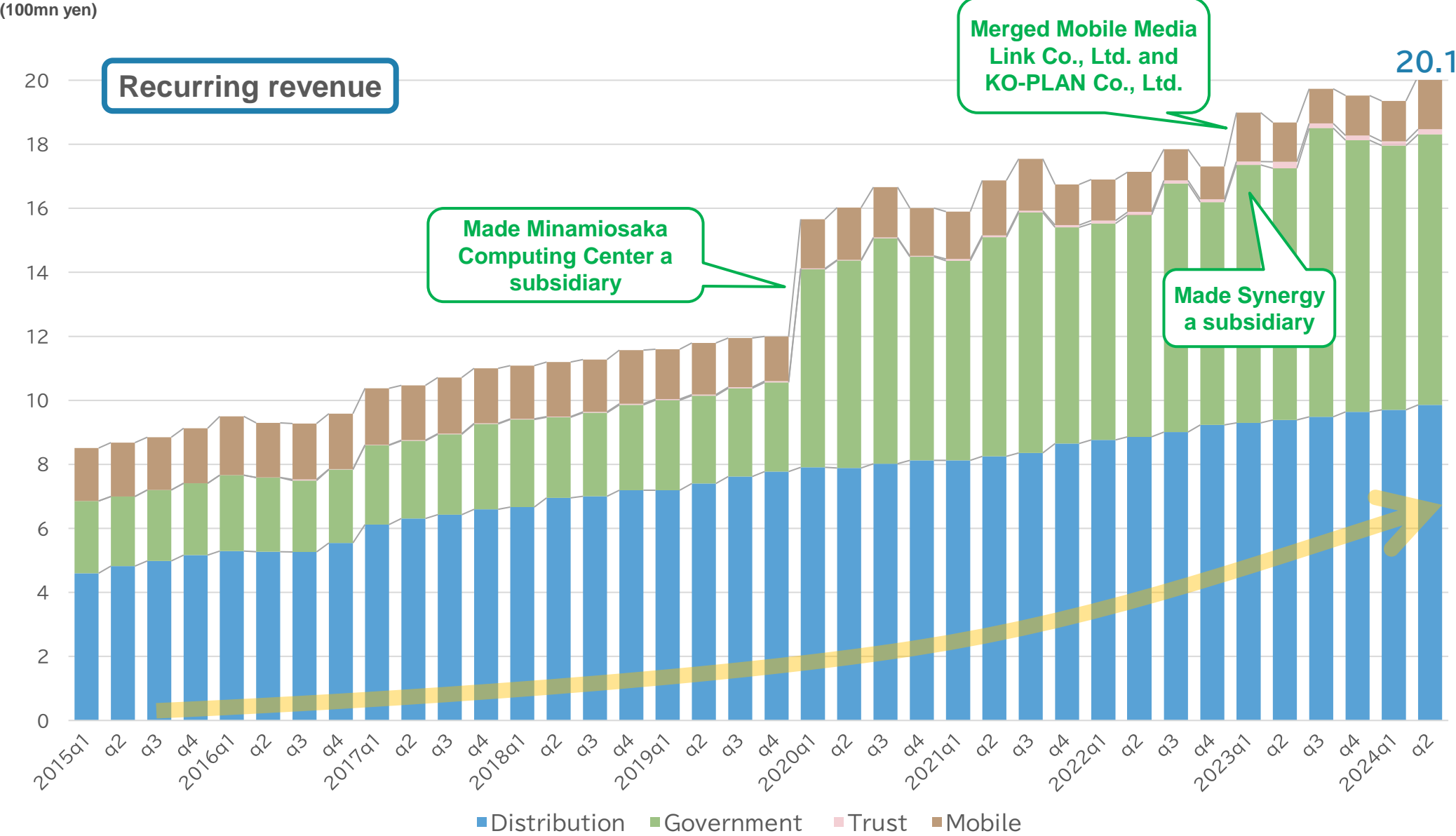
# Supplementary Materials Full-Year Consolidated FY12/24 Earnings Forecast: Consolidated Income Statement

(millions of yen)

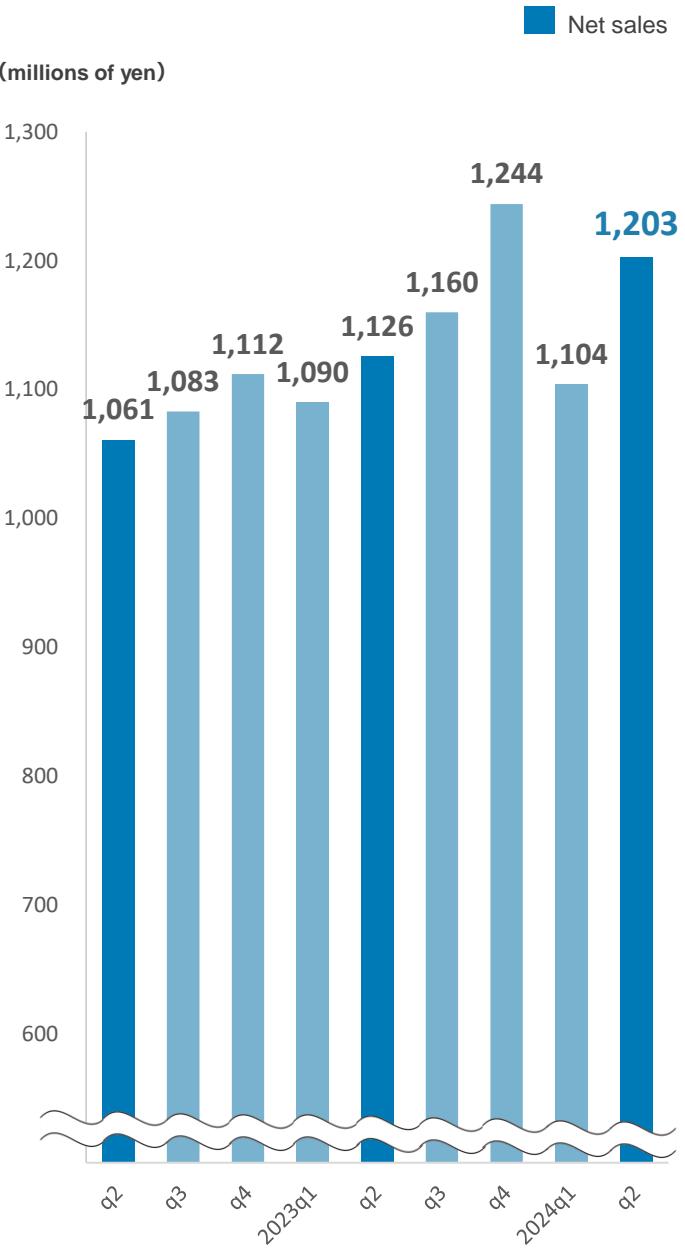
|   | FY12/23 (Actual) | FY12/24 (Forecast) (※) | YoY Change (%) |
|---|------------------|------------------------|----------------|
| Net sales                               | 15,023           | 16,073                 | 7.0%           |
| Distribution Cloud                      | 4,622            | 5,009                  | 8.4%           |
| Government Cloud                        | 6,835            | 7,463                  | 9.2%           |
| Trust                                   | 42               | 152                    | 255.7%         |
| Mobile Network                          | 3,523            | 3,449                  | (2.1%)         |
| Recurring revenue                       | 7,692            | 7,988                  | 3.8%           |
| Distribution Cloud                      | 3,781            | 4,052                  | 7.1%           |
| Government Cloud                        | 3,358            | 3,344                  | (0.4%)         |
| Trust                                   | 42               | 152                    | 256.6%         |
| Mobile Network                          | 509              | 440                    | (13.6%)        |
| Operating profit                        | 1,040            | 1,155                  | 11.0%          |
| Ordinary profit                         | 1,062            | 1,162                  | 9.3%           |
| Distribution Cloud                      | 958              | 926                    | (3.4%)         |
| Government Cloud                        | 400              | 544                    | 35.9%          |
| Trust                                   | (111)            | (25)                   | —              |
| Mobile Network                          | 45               | 29                     | (36.5%)        |
| Adjustments                             | (230)            | (312)                  | —              |
| Profit attributable to owners of parent | 445              | 714                    | 60.4%          |
| EPS                                     | JPY39.95         | JPY64.03               | —              |

\*No revisions have been made to the forecast announced on February 14, 2024.

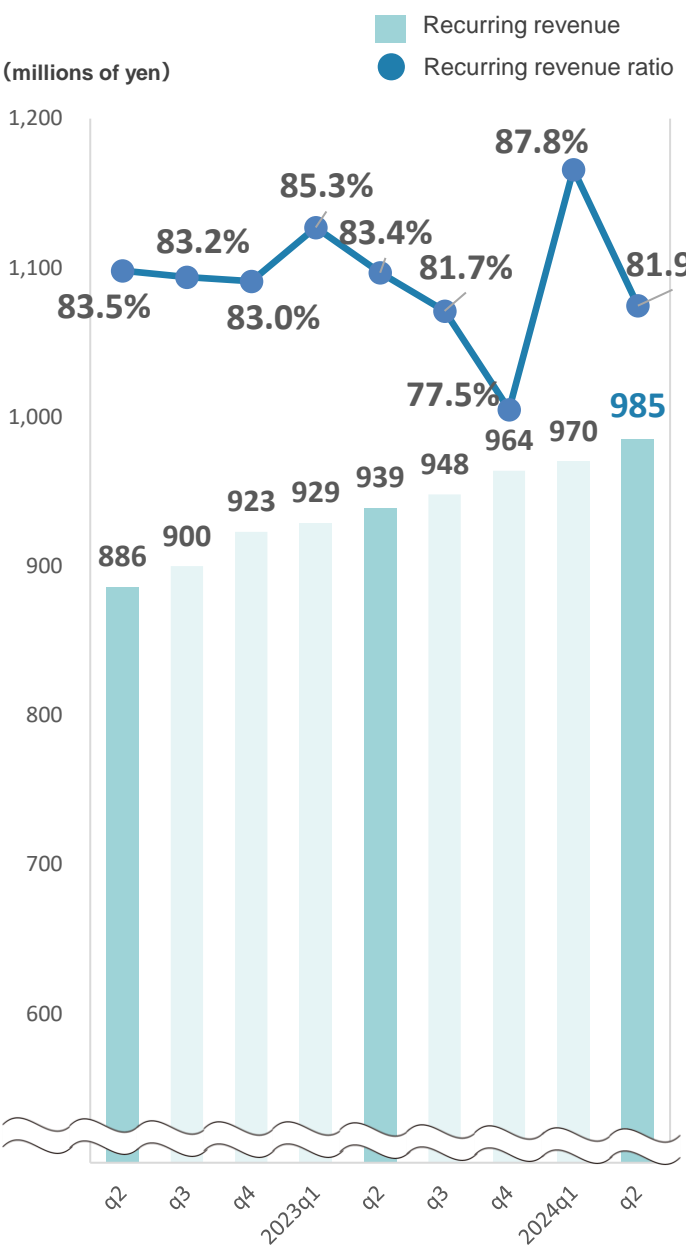
# Growth continued to be driven by the Distribution Cloud business



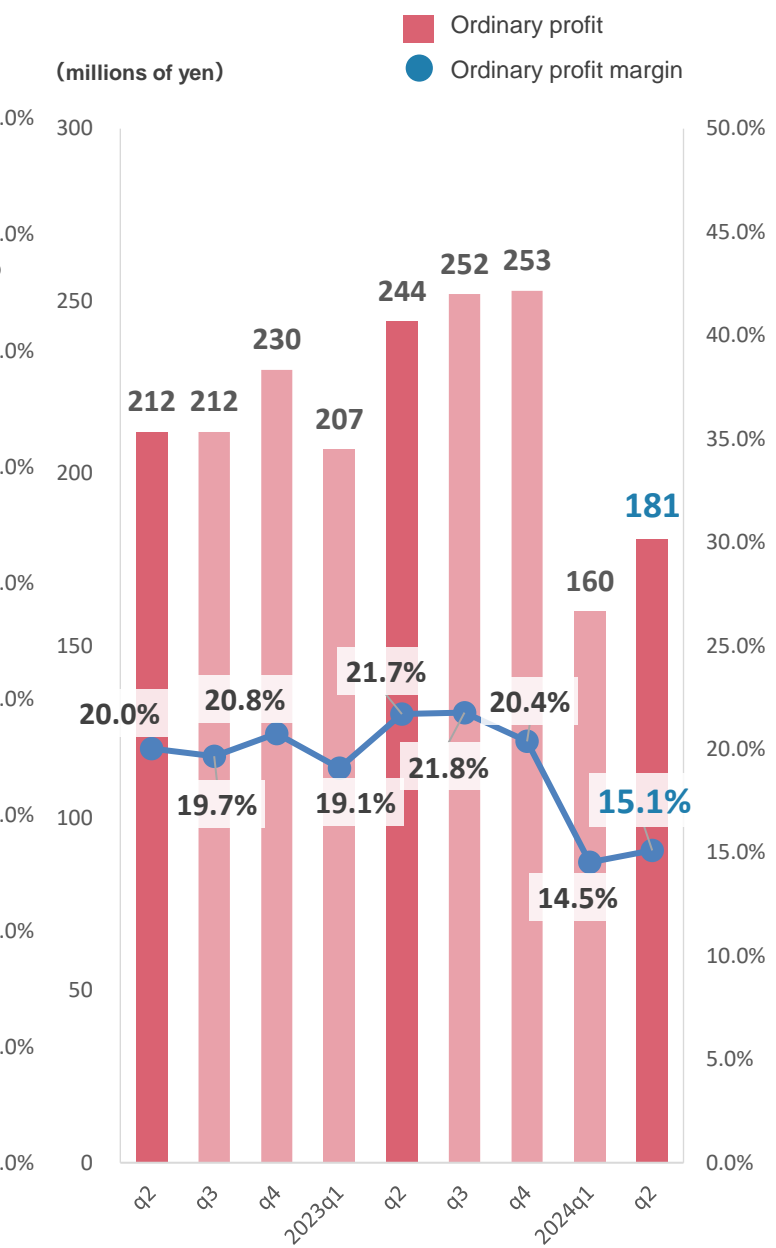
### Net sales



### Recurring revenue

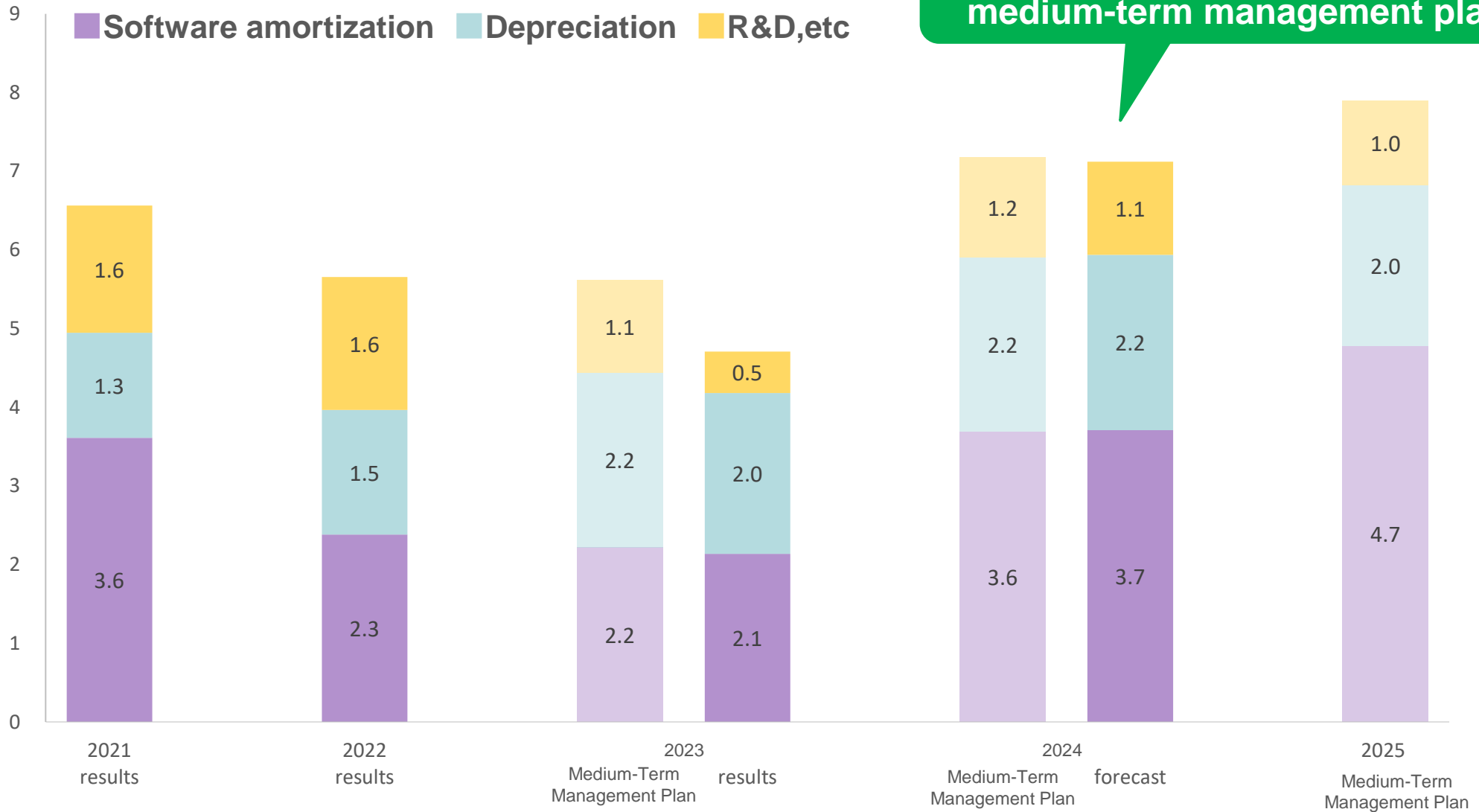


### Ordinary profit



# Software amortization is trending upward owing to stepped-up development of @rms ERP to accelerate rollout to medium- and large-sized clients

(100mn yen)



Projected to be largely in line with medium-term management plan

WiLL makes anything すべては思うことから始まる—



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■ Disclaimer

This document contains forward-looking statements, including forecasts, future plans, and management targets pertaining to the Company. These forward-looking statements are based on current assumptions about future events and trends, and the accuracy of these assumptions is not guaranteed. Actual results may differ significantly from those described in this document due to a variety of factors. Unless otherwise specified, the financial data in this document is presented in accordance with accounting principles generally accepted in Japan. The Company makes no guarantee that it will revise any of the forward-looking statements it has already made, regardless of the occurrence of future events, except as required by disclosure regulations. Information regarding other companies is based on information that is generally known to the public.

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