

# Financial Results Presentation

for the Fiscal Year Ending March 31, 2025

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**May 13, 2025**

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## 1. Financial Results for 2025/3 (Consolidated)

## 2025/3 Results

### Financial Results for 2025/3 (Consolidated)

(in millions of yen)

Net Sales and Profit at Each Stage	2025/3		YoY Change			
	Results	Profit Ratio	2024/3 Results	Profit Ratio	Amount	%
Net sales	83,621	-	76,940	-	6,680	8.7%
Operating profit	12,067	14.4%	9,713	12.6%	2,353	24.2%
Ordinary profit	11,855	14.2%	9,942	12.9%	1,913	19.2%
Profit attributable to owners of parent	8,480	10.1%	7,232	9.4%	1,247	17.2%

### Financial Results (Consolidated)

- Reallocated management resources and improved productivity
- Promoted the expansion of high value-added businesses including consulting services supporting DX promotion in the software development business, etc. and PMO projects.
- Focused on recurring business to secure revenue

### Main Financial Indicators

(in millions of yen)

Indicators	As of December 31, 2024	As of March 31, 2024	Change
Equity capital	32,464	38,099	(5,635)
Interest-bearing debt	1,550	1,550	0
Debt-to-equity ratio	4.77%	4.07%	0.70%pt
Equity ratio	62.7%	70.5%	(7.8) %pt

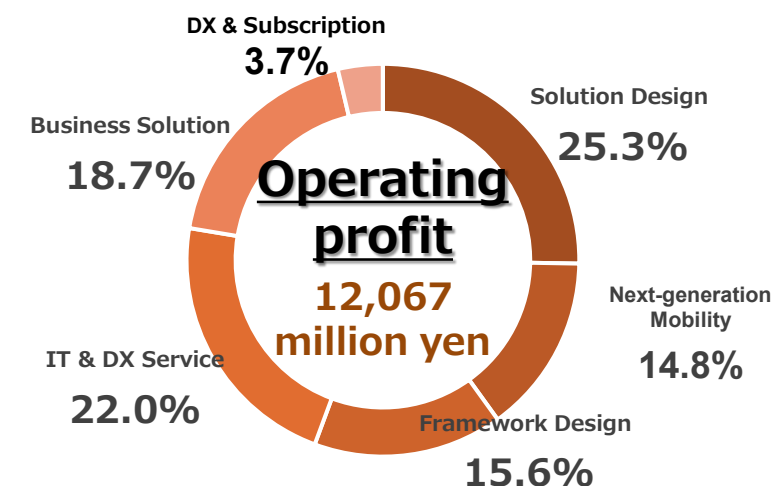
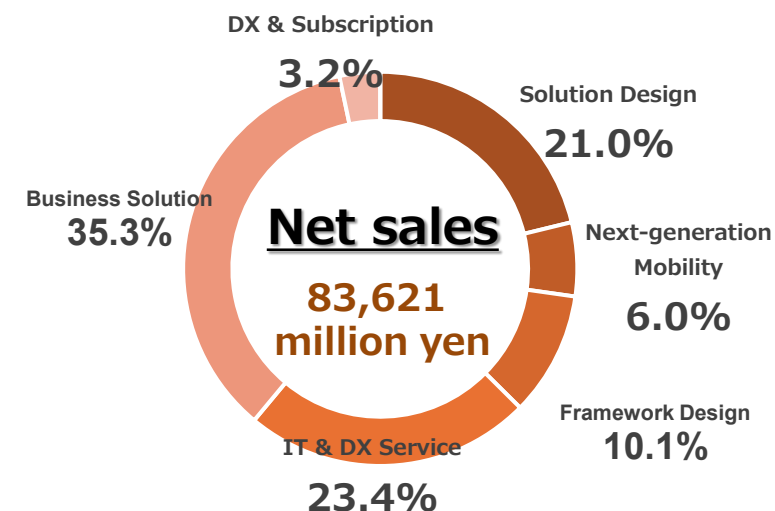
## YoY Comparison (by Segment)

(in millions of yen)

Business Segment	2024/3	2025/3	YoY rate	2025/3
	Results	Results	Comparison %	Profit Ratio
Solution Design Business	18,642	<b>17,565</b>	(5.8)	17.4%
	2,215	<b>3,048</b>	37.6	
Next-generation Mobility Business	2,512	<b>5,045</b>	100.8	35.3%
	642	<b>1,779</b>	177.1	
Framework Design Business	6,901	<b>8,482</b>	22.9	22.2%
	1,642	<b>1,883</b>	14.7	
IT & DX Service Business	18,297	<b>19,750</b>	7.9	13.4%
	2,922	<b>2,651</b>	(9.3)	
Business Solutions Business	27,481	<b>29,729</b>	8.2	7.6%
	1,917	<b>2,263</b>	18.0	
DX & Subscription Business	2,231	<b>2,783</b>	24.7	16.5%
	232	<b>460</b>	98.1	
Other Business	1,292	<b>797</b>	—	(2.4) %
	142	<b>(19)</b>	—	

\* Top row: net sales, bottom row: operating profit

## Composition of Net Sales and Operating Profit



## By Segment (Net Sales / Operating Profit, YoY)

### ■ **Solution Design Business: 17,565 million yen (-5.8%) / 3,048 million yen (+37.6%)**

- Profitability improved in IT problem-solving support, in which this business was strongest, and also in project management projects and system development.
- The unit price also increased after customers gave us high marks for working closely with them on the basis of a profound understanding of their businesses.
- The strengthening of collaborative activities with customers led to growth in high value-added projects that help customers' businesses.

### ■ **Next-generation Mobility Business: 5,045 million yen (+100.8%) / 1,779 million yen (+177.1%)**

- We secured a growing number of orders leveraging the experience we have cultivated in mobile development, including automotive cockpit and automotive software development solutions including in-vehicle infotainment (IVI) and cockpit domain controllers (CDC).
- There was an increase in business inquiries thanks to proactive investment and activities aimed at in-house services to support software-defined vehicles (SDV).
- A joint project with Systema America Inc. was started.

### ■ **Framework Design Business: 8,482 million yen (+22.9%) / 1,883 million yen (+14.7%)**

- In the financial sector, performance was healthy with an increase in the number of inquiries concerning DX-related projects such as cloud utilization and new service development aimed at improving the customer experience (CX), in addition to services for the development of mission-critical systems.
- In the public sector, development projects stemming from the "My Number" individual number system continued to expand, as did orders received. DX projects for local governments increased and developed into a mainstay area of this business.
- Sales expanded by receiving orders for contracted development projects for large enterprises. Under our lab framework we have tapped into customer needs through integrated maintenance and development services, leading to expanded orders.

### By Segment (Net Sales / Operating Profit, YoY)

#### ■ IT & DX Service Business: 19,750 million yen (+7.9%) / 2,651 million yen (-9.3%)

- Numerous inquiries were received from companies creating new business models regarding standardization, automation and other optimization of business processes.
- Focus was placed on collaborative project management office (PMO) services offering comprehensive support in facilitating the operation of different tools following the introduction and reconstruction of business processes on the basis of the visualization and assessment of customers' latent issues.
- Proposals were increasingly made that combined optimal service options after an understanding of customers' IT investment plans and IT events.
- In the DX verification service, we sought extra orders from existing customers and cultivated new customers in the enterprise area, tapping our experience in situations where customers in the net business and game sectors faced difficulties.

#### ■ Business Solution Business: 29,729 million yen (+8.2%) / 2,263 million yen (+18.0%)

- Despite uncertainty over the future due to the weak yen and high prices of resources and goods, we strengthened sales activities aimed at boosting competitiveness through the utilization of DX and AI.
- In the system integration business, we received orders for migration to a cloud environment for digitalization, system development projects, and maintenance services.
- The number of inquiries increased for projects that require one-stop services, high value-added solutions that include the understanding of roadmaps, the introduction of IT equipment, the construction of IT infrastructure, the utilization of the cloud and the development of systems, as well as maintenance/operation projects.
- We continued to step up proposal activities in response to an increase in replacement projects attributable to the termination of support for Windows 10 in October 2025 and an expansion of plans for the next fiscal year.

#### ■ DX & Subscription Business: 2,783 million yen (+24.7%) / 460 million yen (+98.1%)

- Strong inquiries regarding the generative AI and **Canbus.**-based facilitation of DX.
- The number of orders for PMO and integration for operational reforms increased from the customers using **Canbus.** to facilitate their DX.
- We carried out service planning for the purpose of widening the lineups of Canbus. services for specific industries or for specific applications.
- We announced a new service lineup centering on **Canbus.**, including **Canbus.** with generative AI and **Canbus.** with partners' products, to accelerate the cultivation of new customers.



## **2. Consolidated Earnings Forecast for 2026/3 and Our Initiatives**

# 2026/3 Full-year Forecasts

## 2026/3 Full-year Forecasts

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	(in millions of yen)	(in millions of yen)	(in millions of yen)	(in millions of yen)	(Yen)
Earnings Forecast for 2026/3 (A)	89,100	12,700	12,700	8,850	24.76
2025/3 Actual results (B)	83,621	12,067	11,855	8,480	23.17
Difference (B - A)	5,478	632	844	369	
Change (%)	6.6%	5.2%	7.1%	4.4%	

### Initiatives by Segment (Outlook)

#### Next-generation Mobility Business

**Capitalize on our experience in mobile and mobility sectors to seek new business expansion as Tier 1 software providers in response to the development of software defined vehicles (SDVs) in the automotive sector.**

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>1. Focus on SDV development with the use of mobile technologies.</li><li>2. Strategically focus on the in-vehicle communication sector using our knowledge in the communication area.</li><li>3. Support the enhancement of automobile brand value using communication technologies and mobile development.</li></ul> | <ul style="list-style-type: none"><li>• Leveraging our experience cultivated in mobile development, we will focus on automotive cockpit systems such as IVI and CDC as well as automotive information systems.</li><li>• Make intensive efforts in in-vehicle communication systems using the extensive ample experience in wireless communication control, protocol design and security measures cultivated in the communication business.</li><li>• Provide support for the enhancement of automobile brand value through SDV development, making use of our experience in communication technologies and mobile development. Increase competitiveness by strengthening entertainment and connectivity.</li></ul> |
|---|---|

#### Project Management Design Business

\* Certain operations were transferred from the Solution Design Business.

**Aiming to create high added-value business fields**

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>1. Aggressive expansion into growth areas</li><li>2. Strengthening of organizational capabilities</li><li>3. Make more proactive investments for expanding the scopes of strategy and planning</li></ul> | <ul style="list-style-type: none"><li>• Positively expand mainstay businesses in IT problem-solving support, project management and system development to different sectors, leveraging their strengths and bolstering planning in the front-end process to win more orders and increase profitability in all processes during and after implementation of development.</li><li>• Invest in the recruitment and development of personnel for IT problem-solving support to help expand customers' digital transformation and business expansion.</li><li>• Proactively invest in our own services for helping corporate customers create new businesses and value that incorporate generative AI and cutting-edge technologies.</li></ul> |
|--|---|

### Initiatives by Segment (Outlook)

#### ■ Digital Integration Business

\* The name was changed from the Framework Design Business.

**Capture digital transformation needs in business system development to offer integration services that support customers' growth.**

- |  |   |
|--|---|
| <ol style="list-style-type: none"><li>1. Work untiringly to increase the customer base</li><li>2. Shift to high value-added businesses</li><li>3. Transform the business model</li></ol> | <ul style="list-style-type: none"><li>• Capture customer needs for full-scale digital transformation to achieve continuous business expansion and to increase the customer base.</li><li>• Make full use of generative AI to increase development productivity and to boost competitiveness in system development.</li><li>• Expand services that address low-code development and DX solutions.</li><li>• Turn expertise in system development into assets and shift to an active business model in which we will provide value.</li></ul> |
|--|---|

#### ■ IT & DX Service Business

**Instead of merely making proposals in answer to customers' needs, visualize (and assess) their latent issues and then enhance comprehensive services.**

- |  |  |
|--|--|
| <ol style="list-style-type: none"><li>1. Focusing on the provision of services for customers' digital businesses</li><li>2. Promote and upgrade offering services</li><li>3. Expand risk management services</li></ol> | <ul style="list-style-type: none"><li>• Further expand collaborative PMO services including support for the introduction of different tools, facilitation of operations after the introduction and reconstruction of business processes.</li><li>• Propose optimal service options that combine services, products and expertise to help customers enhance their corporate value</li><li>• Identify or predict risks in customers' services and expand the service operations in all processes and fields ranging from consultation to testing on services for solution.</li></ul> |
|--|--|

# Initiatives by Segment (Outlook)

## Business Solutions Business


### Shifting our focus from physical business to service business

- |   |   |
|---|---|
| 1. Investments in expanding the domains covered by our solutions  | • Enhance the portfolio of services and expand sales into the profit division   |
| 2. Enhancement of hybrid environment initiatives                  | • Enhance capabilities for dealing with hybrid environments and strengthen alliances with cloud developers<br>• Enhance the portfolio of services aimed at Windows 10 End of Life (EOL) |
| 3. Expansion of DX-related services                               | • Enhance system development and the application reconfiguration business in a multi-cloud environment  |
| 4. Strengthening earnings capacity by expanding sales of services | • Provide all services through ALL Systema solutions on a one-stop basis  |

## DX & Subscription Business

### We are making proactive up-front investments in our own services, primarily Canbus., with the aim of deploying these services in the field of digital transformation (DX).

- |   |   |
|---|---|
| 1. Strengthening sales promotion of Canbus.                 | • Strengthen services that integrate generative AI and direct the promotion of DX, aiming to capture customer demand and develop new customers                    |
| 2. Increasing the brand recognition of Canbus.              | • Conduct a range of advertising activities such as exhibiting at events, taking part in joint events with partners, and engaging in social media-based marketing |
| 3. Up-front investment associated with service improvements | • Plan services for specific industries or for specific applications in the Canbus. series and carry out sales promotion activities                               |



### **3 . Medium-term Management Plan (2026/3~2028/3)**

### Formulation of Medium-Term Management Plan

The Systemena Group has formulated a new medium-term three year plan for the fiscal year ending March 2028. We aim to achieve net sales of 102.7 billion yen, operating profit of 16 billion yen, and an operating profit margin of 15.6% in three years. To achieve this goal, we will strengthen sales, expand stock-based businesses, concentrate investment in growth areas, scrap and build existing businesses, and improve productivity by investing in human resources.

### Management Policy

In order to achieve the three-year medium-term plan, the Systemena Group will not be bound by the framework of business segments, but will further strengthen cooperation among divisions and focus on improving productivity and expanding businesses with higher added value under the "All-Systemena" structure. In the plan, in the solution design business, where growth is slowing, we will continue to restructure our business domain by deepening our efforts in each field, and expand our business domain to support IT problem solving, integrating project management and specification design in all processes, by employing specialists with expertise in each industry in the conventional specification formulation and design processes, which are our specialties.

In addition, as the shortage of human resources is becoming serious in all industries, our Group is also facing an urgent need to secure excellent human resources. We will continue to improve the working conditions of employees and raise wages further, hire engineers with particularly high technical capabilities, find partner companies, and actively invest in stock-based businesses to secure profits. Furthermore, in addition to improving productivity, we will focus on expanding high-value-added businesses such as consulting services and PMO projects that support the promotion of DX in the software development business, etc., so that we can pass on the cost increase to the price as soon as possible.

### Performance target

(Millions of yen)

	FY2025 Actual results	FY2026 Forecast	FY2027 Plan	FY2028 Plan
Net sales	83,621	89,100	94,700	102,760
Operating profit	12,067	12,700	13,800	16,000
Operating profit margin	14.4%	14.3%	14.6%	15.6%



## Company Outline

## Company Outline

- Company name: Systema Corporation
- Established: March 1983
- Fiscal period: March
- Listed monetary and commodities exchange: TSE Prime Market
- Capital stock: 1,513,750,000 yen
- Number of outstanding shares: 425,880,000 shares
  
- Directors Representative Director and Chairman: Yoshichika Hemmi  
 Director and President: Kenji Miura  
 Senior Managing Director: Shingo Hemmi  
 Executive Managing Director: Hiroshi Kotani  
 Director: Makoto Taguchi  
 Director: Hiroyuki Fujii  
 Outside Director: Kouichi Ogawa  
 Outside Director: Mari Itoh  
 Outside Director: Keirou Hemmi  
 Outside Director: Rikizou Kurosaki
  
- Audit & Supervisory Board Members  
 Full-time Outside Audit & Supervisory Board Member: Toshiji Arita  
 Outside Audit & Supervisory Board Member: Yoshihiro Nakamura  
 Outside Audit & Supervisory Board Member: Hiroshi Adagawa  
 Outside Audit & Supervisory Board Member: Nobushige Tokuono
  
- Number of employees Non-consolidated: 4,182 / Consolidated: 5,799  
 (as of April 1, 2025)

Business	Descriptions
Next-generation Mobility Business	▶ Provision of in-house services including engineering and MaaS to the automotive industry, with a focus on automotive OEMs and suppliers
Project Management Design Business	▶ Planning, design, development and verification support for various products and telecommunications services ▶ Planning, design, development and verification support for net businesses, business apps, web services, social infrastructure-related systems, IoT, artificial intelligence and robotics-related services
Digital Integration Business	▶ Development of financial (non-life and life insurance, banks), industrial, public sector and other mission-critical systems ▶ Development of infrastructure systems
IT & DX Service Business	▶ Provide IT outsourcing services including IT project implementation, PMO, digital transformation support, system construction and operation, data entry, mass data output, software testing and digital transformation assessment.
Business Solutions Business	▶ Sale of IT-related products including servers, PCs, peripheral equipment and software to corporations ▶ Provision of services related to IT equipment including infrastructure building and virtualization ▶ Provision of RPA solutions
DX & Subscription Business	▶ Provision of proprietary services Canbus., Cloudstep and Web Shelter ▶ Provision of and installation support for cloud-based services including Google Workspace and Microsoft 365 ▶ Provision of PMO and direction services that support DX implementation under the brand Canbus.Lab
Other	▶ In the overseas domain, technical support related to mobile telecommunications, development and verification support, the provision of various solutions, and trend research / commercialization of the latest technologies and services ▶ In the investment and development field, the planning, development and sale of game content for smartphones and tablets

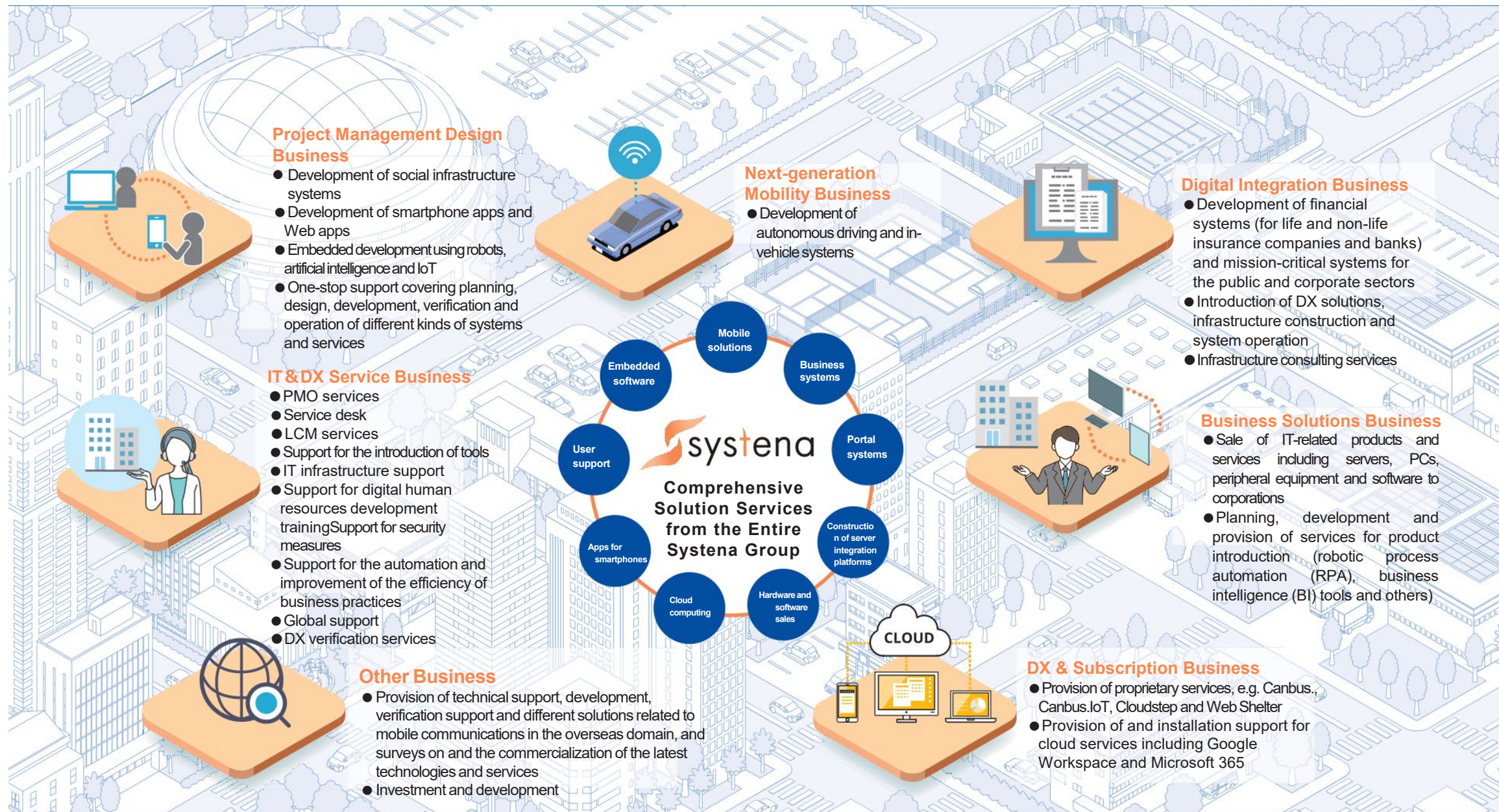
## ■ Topics

### ■ We have established a Nomination and Remuneration Committee.

- The Company has established a voluntary Nomination and Remuneration Committee as an advisory body to the Board of Directors.
- The purpose of establishing the Nominating and Compensation Committee is to enhance corporate governance by strengthening the independence, objectivity and accountability of the Board of Directors' functions related to director nominations (succession planning included) and compensation.
- The Nominating and Compensation Committee shall consist of a majority of independent outside directors and at least three directors appointed by resolution of the Board of Directors.












### ■ We have established a dedicated department for IR.

- We have established an IR Office within the Business Management Department as a department dedicated to IR matters.



## Group companies

### Domestic consolidated subsidiaries ▶

Group companies		Capital / Investment Ratio	Business Descriptions
 ProVision	ProVision Co., Ltd.	85 million yen 99.6%	- Comprehensive net services business based on development support and quality assessment for mobile device apps and internet content
 東京都第三セクター企業 東京都ビジネスサービス株式会社	Tokyoto Business Service Co., Ltd.	100 million yen Systema Corporation: 51%, Tokyo Metropolitan Government: 49%	- Data entry, volume output, mailing, proxy dispatch, proxy administrative office services, proxy administrative processing (Model company for the employment of people with severe disabilities as a joint venture with the Tokyo Metropolitan Government)
 株式会社ティービーエスオペレーション	TBSOPERATION Co., Ltd.	40 million yen Tokyoto Business Service Co., Ltd. 100%	- Employment transition support business and employment continuation support business based on the Act on Comprehensive Support for Persons with Disabilities - Occupational training business for people with disabilities and others
 IDY	IDY Corporation	65 million yen 76.7%	- Development, manufacturing and sales of IoM® (IoT/M2M) 5G gateways, LTE routers, DCM terminals, antennas for IoM® and 5G and LTE femtocell base stations
 GaYa	GaYa Co., Ltd.	75 million yen 100%	- Planning, development and provision of social games for smartphones - Contracted development and development support
 MINGAL	MINGAL, Inc.	100 million yen 100.0%	- Planning, development, distribution, maintenance and operation of cloud services through business co-creation
 HiS Group HOKUYO INFORMATION SYSTEM HISホールディングス株式会社	HIS Holdings, Inc.	95 million yen 25.0%	- System development, packaged software development and sale, and sale of IT equipment - Near-shore development based in Sapporo
 systema	Systema America Inc.	28 million US dollars 100%	- US-based mobility and mobile-related software development and verification support business, corporate DX support service utilizing proprietary Canbus. product, concept business development utilizing start-ups, trend research and commercialization of latest technologies and services in the US
 systema	Systema Vietnam Co., Ltd.	200,000 US dollars 100%	- Software development and quality evaluation - Operation and maintenance - General IT services
 STRONGKEY	StrongKey, Inc.	7.65 million US dollars 28.8%	- Development and sale of data encryption and password-less authentication web servers for security measures - Development and sale of FIDO authentication, PKI and tokenization solutions
 one	ONE Tech, Inc.	6 million US dollars 50.0%	- Development and sale of AI solutions and Micro AI (edge AI) aimed at streamlining manufacturing processes and data monitoring in the manufacturing industry

### Domestic equity-method affiliates ▶

### Overseas consolidated subsidiaries ▶

### Overseas equity-method affiliates ▶



## Basic Management Policy and Target Management Indicators

## ■ Basic Management Policy

**To become one of Japan's leading IT companies and support the Japanese economy from the ground up!**

To achieve this, we embrace the basic policy of balanced management, controlling the conflicting qualities of “destruction and creation,” “stability and growth” and “maintenance and innovation” in the right balance while continually placing the axis of management at the central point of the pendulum.

## ■ Target Management Performance Indicators

1. Stable and high dividends
2. High return on equity
3. High ratio of operating profit to sales

To achieve these indicators, we will aim to achieve a high revenue structure consistent with a basic management policy that emphasizes a balance between stability and growth.



**ALL Systema**

**[Precautions regarding outlook]**

This document contains forward-looking statements and predictions that represent projections determined based on the information currently available to the Company and involve considerable uncertainty.

Please note that actual business performance and other results can fluctuate due to various factors including changes in the economic or business environment.

