

FY2025.3 Financial Results Briefing for the 2nd Quarter

Japan System Techniques Co., Ltd.

Launch the Future



Financial Highlights

FY2025.3 2Q Performance Overview

- Sales and profits increased from one year earlier
- Profit margins remained basically unchanged even though expenses increased
- The DX & SI business performed well, and achieved the double-digit sales and profits growth

FY2025.3 Forecasts

- No change in the consolidated earnings forecasts for FY2025.3 due to the sound first half performance
- Dividend per share remained unchanged

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II. FY2025.3 Forecasts

III. Long-term Growth Strategy

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1. Summary of Consolidated Results of Operations (Comparison with Prior Years)

(M¥)

	2023.3 2Q	2024.3 2Q	2025.3 2Q	
	Accumulated total	Accumulated total	Accumulated total	YoY
Net sales	11,004	12,132	13,260	+9.3%
Gross profit	2,927	3,257	3,448	+5.9%
Margin	26.6%	26.8%	26.0%	-0.8
Operating profit	1,003	1,003	1,045	+4.2%
Margin	9.1%	8.3%	7.9%	-0.4
Ordinary profit	1,037	1,008	1,077	+6.8%
Profit attributable to owners of parent	737	651	671	+3.1%

	2023.3	2024.3	2025.3 2Q	
	End of period	End of period	End of 2Q	YoY
Total assets	17,413	20,022	20,032	+0.0%
Net assets	10,816	12,712	13,030	+2.5%
Equity ratio (%)	61.8%	63.2%	65.0%	+1.8
Free cash flow	532	1,127	155	-86.2%
Cash and cash equivalents	6,793	7,515	7,130	-5.1%
Stock price (yen, Highest price during the period)*	902	2,042	2,006	-1.8%
Market capitalization (billion yen, Highest price during the period)*	22.4	50.7	49.8	-1.8%

◆ Performance

- ✓ Net sales **increased 9.3% year-on-year**
- ✓ Ordinary profit **increased 6.8% year-on-year**
- ✓ Earnings continue to increase and **profit margins were about the same as one year earlier**
- ✓ **Double-digit sales and profits growth in the DX & SI business segment**

◆ Financial condition

- ✓ Financial condition remains sound due to consistently strong earnings

◆ Valuation

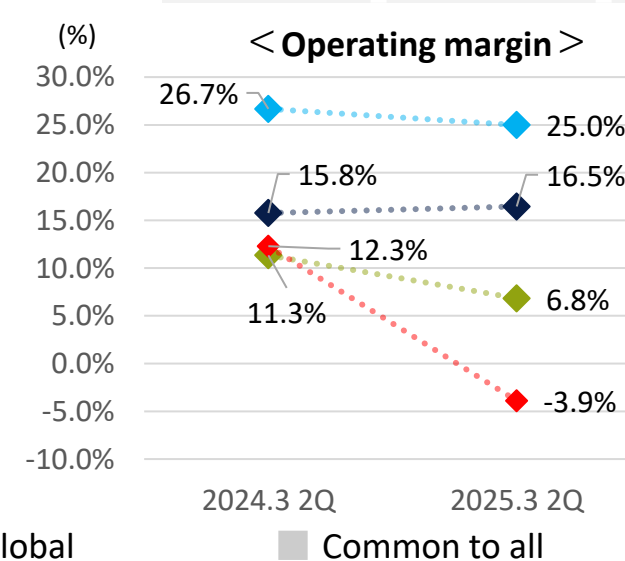
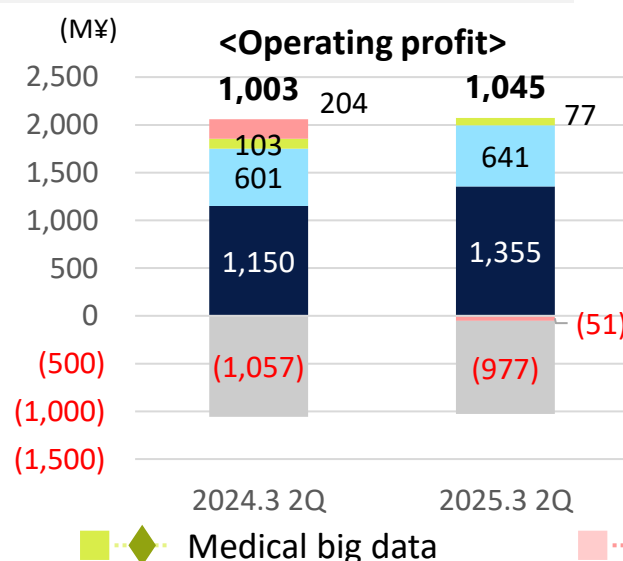
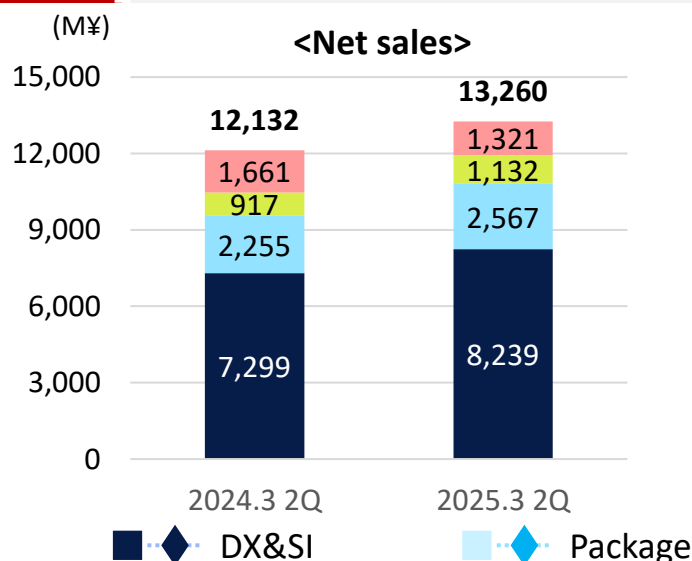
- ✓ The stock price and market capitalization have recovered to the highest levels since listing

*Highest share price and market capitalization observed at: closing price on Jan. 30, 2023 for FY2023.3, Mar. 1, 2024 for FY2024.3 and Sep. 27, 2024 for FY2025.3 2Q

2. Business Segment Overview

Segment	Business Conditions and Factors of Increase/Decrease
DX & SI	<ul style="list-style-type: none"> Orders progressed generally as planned Many large prime projects for new and current customers
Package	<ul style="list-style-type: none"> GAKUEN business: Sales of package software, implementation service and end user computing were firm BankNeo business: Sales of program products went as planned
Medical big data	<ul style="list-style-type: none"> Growth of data health and RezepPlus categories Profits down mainly because of up-front investments with an eye to medium/long-term growth
Global	<ul style="list-style-type: none"> Decrease in orders in Malaysia in connection with SAP implementation support projects

	(M¥)		
	Net sales	Operating profit	Margin
2025.3 Cumulative 2Q	8,239	1,355	16.5%
YoY	+12.9%	+17.8%	+0.7
2025.3 Cumulative 2Q	2,567	641	25.0%
YoY	+13.8%	+6.6%	-1.7
2025.3 Cumulative 2Q	1,132	77	6.8%
YoY	+23.5%	-25.6%	-4.5
2025.3 Cumulative 2Q	1,321	(51)	-3.9%
YoY	-20.5%	-125.2%	-16.2



*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

3. Main Topics (From April 2024)

Business Activities

- [30th anniversary of the release of the GAKUEN series](#)
- [Added a platform business for the alumni of universities by starting to provide the ALUPA alumni service for universities](#) [August 20, 2024]
- [Made an investment in Land Aqua Culture Innovation Co., Ltd., to support the growth of land-based aquaculture business in Okinawa](#) [July 4, 2024]
- [Started providing a system that examines and confirms the eligibility of a dependent of a policyholder to receive insurance benefits, a part of the Insurers Business Support System \(iBss\), to mutual aid associations](#) [August 21, 2024]
- [Bank of the Ryukyus Starts Using Salesforce Financial Services Cloud](#) [September 6, 2024]
- [Established Virtual Calibre IT Solutions L.L.C. in Dubai, UAE](#) [September 12, 2024]
- [Made an investment in Exsome Research Biotech Company Regenesome](#) [October 21, 2024]
- [Established VIRTUAL CALIBRE IT CONSULTANCY - L.L.C - S.P.C. in Abu Dhabi, UAE](#) [November 27, 2024]

M&A / Alliance

- [Launched disease/injury and drug use statistics dashboard service using medical big data](#) [April 9, 2024]
- [Started a joint research about public transportation diversity and health](#) [April 11, 2024]
- [Started providing medical data sets on the JDEX data marketplace](#) [May 8, 2024]
- [Entered into an agreement with the Institute for Open and Transdisciplinary Research Initiatives \(OTRI\) of Osaka University for co-creation activities using medical big data](#) [June 4, 2024]
- [Started a demonstration trial of table service robot with KatsuandKatsu](#) [September 10, 2024]
- [Started sales of digital certificate system and entered into a business alliance agreement with Seiko Solutions](#) [September 30, 2024]

Shareholder Returns

- [Announced year-end dividend forecast of 27 yen for FY2025.3](#) [May 13, 2024]

4. Consolidated Financial Results (1/3): Income Statement

(M¥)

	2023.3			2024.3			2025.3	YoY
	First half	Second half	Full year	First half	Second half	Full year	First half	
Net sales	11,004	12,515	23,519	12,132	14,051	26,183	13,260	+9.3%
Cost of sales	8,076	9,067	17,143	8,875	10,040	18,915	9,811	+10.6%
Gross profit	2,927	3,448	6,375	3,257	4,011	7,268	3,448	+5.9%
Margin	26.6%	27.6%	27.1%	26.8%	28.5%	27.8%	26.0%	-0.8
Selling, general and administrative expenses	1,924	2,066	3,990	2,253	2,223	4,476	2,403	+6.6%
of which R&D expenses	199	270	469	120	233	353	137	+14.2%
Operating profit	1,003	1,382	2,385	1,003	1,788	2,791	1,045	+4.2%
Margin	9.1%	11.0%	10.1%	8.3%	12.7%	10.7%	7.9%	-0.4
Ordinary profit	1,037	1,413	2,450	1,008	1,853	2,861	1,077	+6.8%
Margin	9.4%	11.3%	10.4	8.3%	13.2%	10.9%	8.1%	-0.2
Profit attributable to owners of parent	737	1,035	1,772	651	1,435	2,086	671	+3.2%
Margin	6.7%	8.3%	7.5%	5.4%	10.2%	8.0%	5.1%	-0.3

4. Consolidated Financial Results (2/3): Balance Sheets

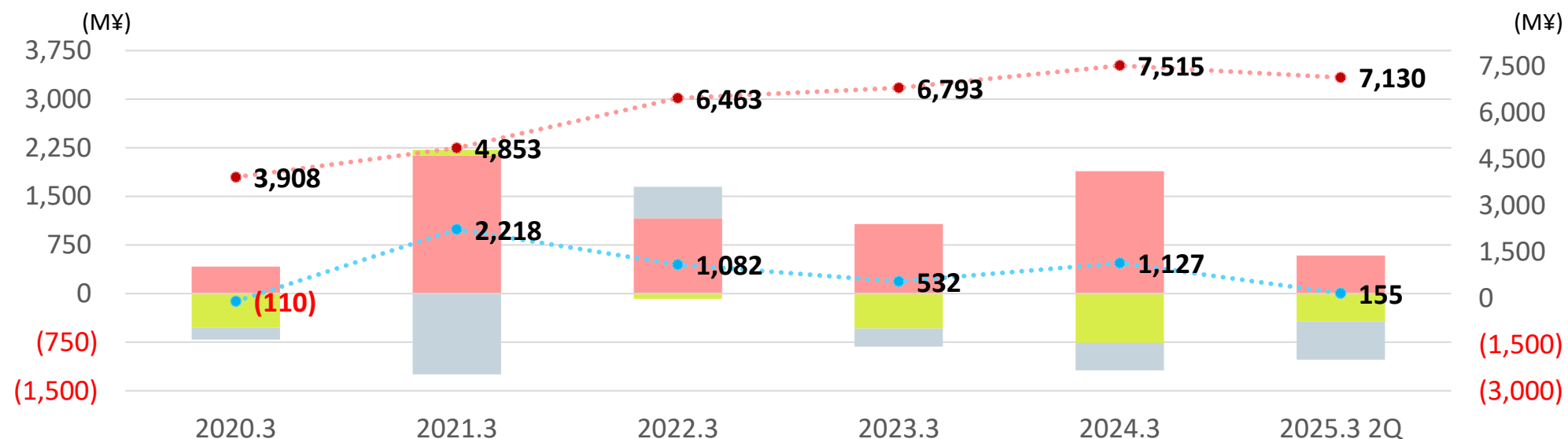
(M¥)

	2022.3	2023.3	2024.3	2025.3		Vs. 2024.3	
	End of period	End of period	End of period	End of 2Q	Composition ratio	Difference	Percentage change
Total assets	15,539	17,413	20,022	20,032	100.0%	+9	+0.0%
Current assets	12,389	14,187	15,710	15,468	77.2%	-242	-1.5%
Property, plant and equipment	546	631	1,065	1,106	5.5%	+41	+3.9%
Intangible assets	274	242	490	571	2.9%	+80	+16.4%
Investments and other assets	2,329	2,352	2,755	2,884	14.4%	+129	+4.7%
Total liabilities and net assets	15,539	17,413	20,022	20,032	100.0%	+9	+0.0%
Liabilities	6,345	6,597	7,310	7,002	35.0%	-308	-4.2%
Current liabilities	4,621	4,703	5,222	4,951	24.7%	-271	-5.2%
Non-current liabilities	1,724	1,893	2,087	2,050	10.2%	-36	-1.8%
Net assets	9,194	10,816	12,712	13,030	65.0%	+317	+2.5%
Shareholder's equity	8,929	10,451	12,141	12,275	61.3%	+134	+1.1%
Share capital	1,535	1,535	1,535	1,535	7.7%	+0	+0.0%
Capital surplus	1,703	1,702	1,702	1,702	8.5%	+0	+0.0%
Retained earnings	5,865	7,389	9,079	9,192	45.9%	+113	+1.2%
Treasury shares	(175)	(175)	(175)	(154)	-0.8%	+21	-12.1%
Accumulated other comprehensive income	230	316	517	694	3.5%	+177	+34.3%
Non-controlling interests	34	47	53	59	0.3%	+6	+11.3%

4. Consolidated Financial Results (3/3): Cash Flows

(M¥)

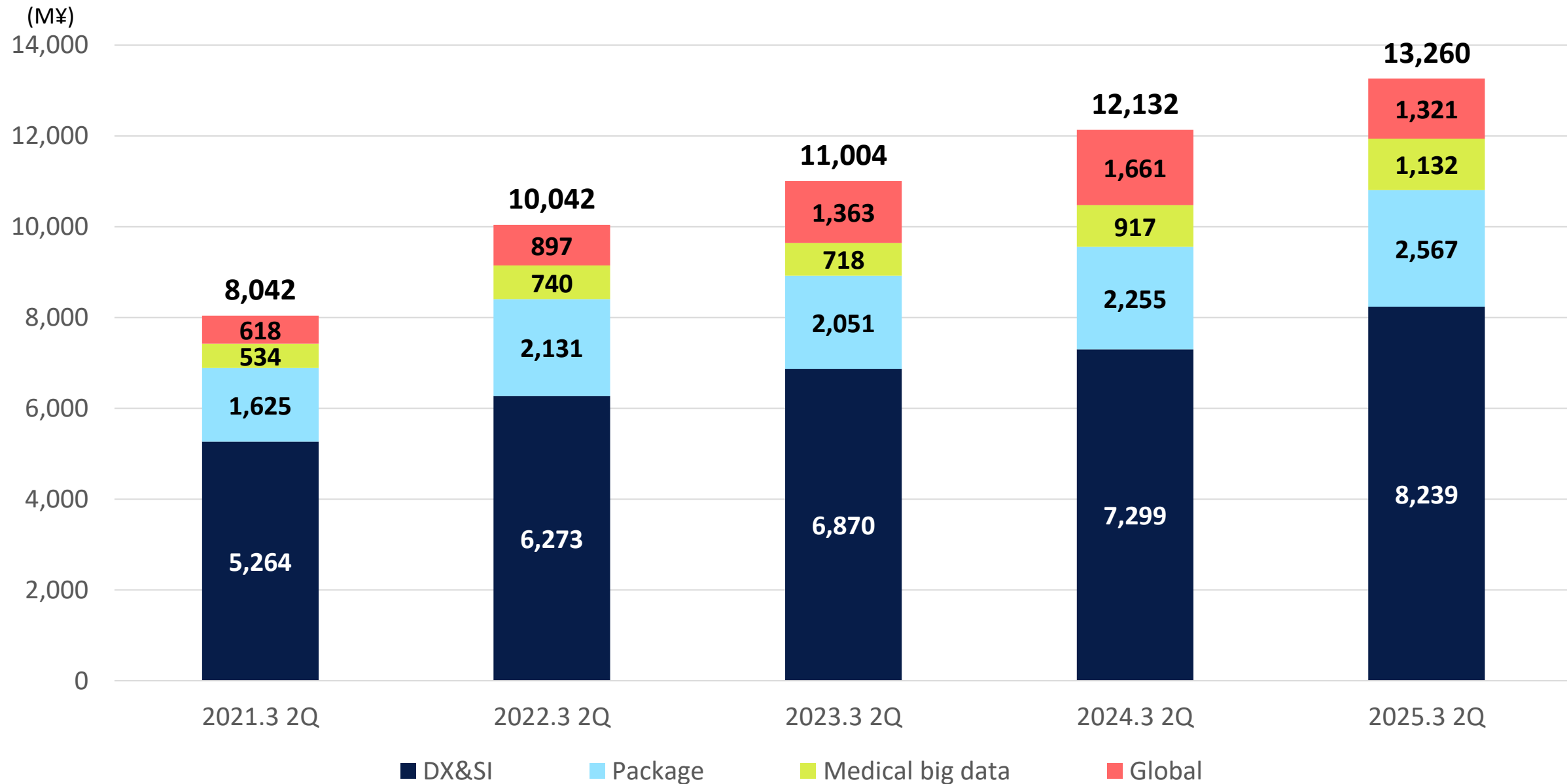
	2020.3	2021.3	2022.3	2023.3	2024.3	2025.3
	Full year	Full year	Full year	Full year	Full year	First half
Cash flows from operating activities	417	2,131	1,162	1,073	1,888	587
Cash flows from investing activities	(527)	87	(80)	(541)	(761)	(432)
Free cash flow	(110)	2,218	1,082	532	1,127	155
Cash flows from financing activities	(185)	(1,247)	486	(280)	(424)	(588)
Cash and cash equivalents at the end of period	3,908	4,853	6,463	6,793	7,515	7,130



Left-hand scale: Operating cash flows Investing cash flows Financing cash flows

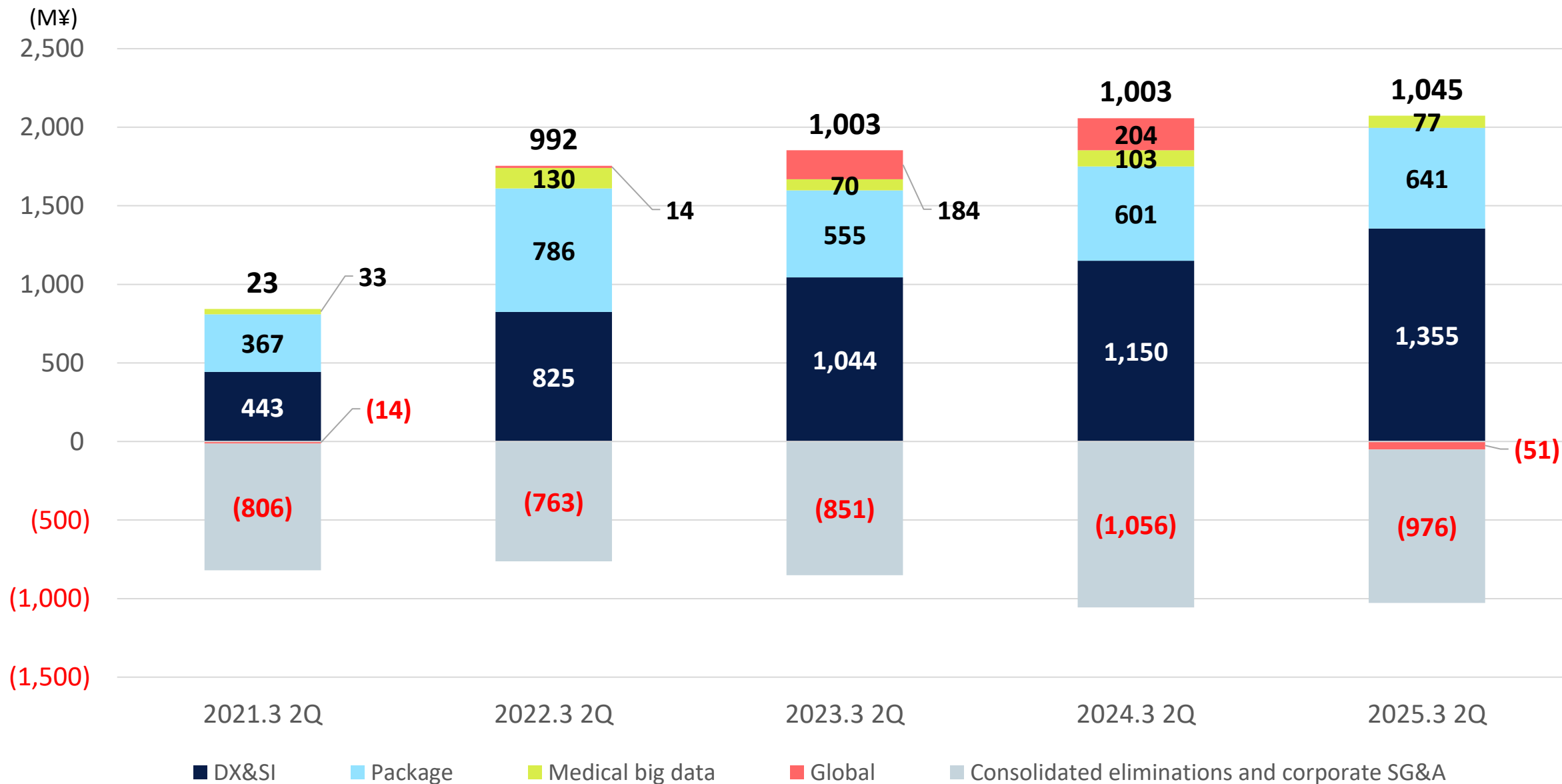
Right-hand scale: Free cash flows Cash and cash equivalents at the end of period

5. Performance by Business Segment (1/2): Sales



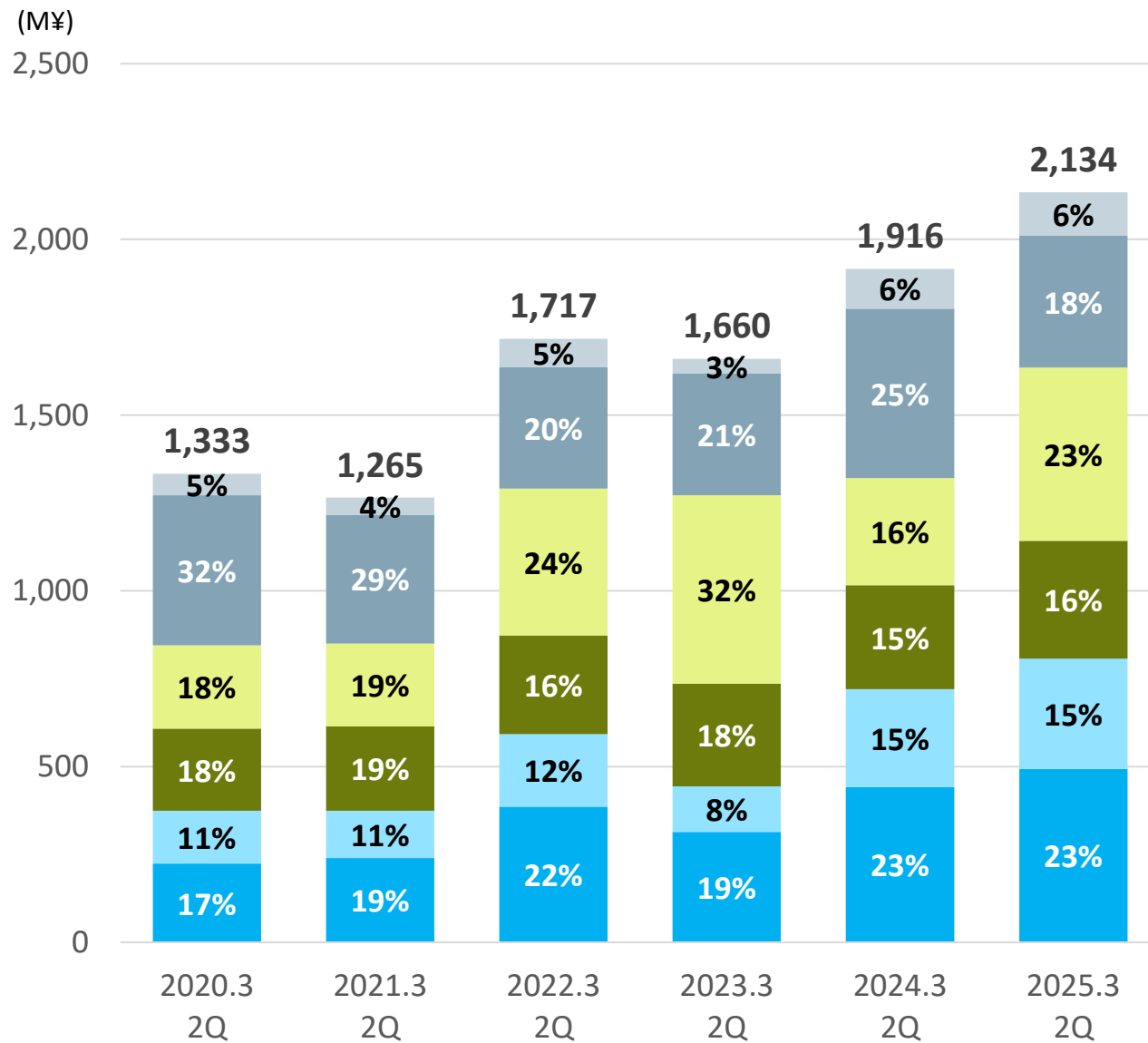
Note: Figures at the top of the graph are consolidated net sales (after consolidation and elimination).

5. Performance by Business Segment (2/2): Operating Profit



Note: Figures at the top of the graph are consolidated operating profit (after consolidation and elimination).

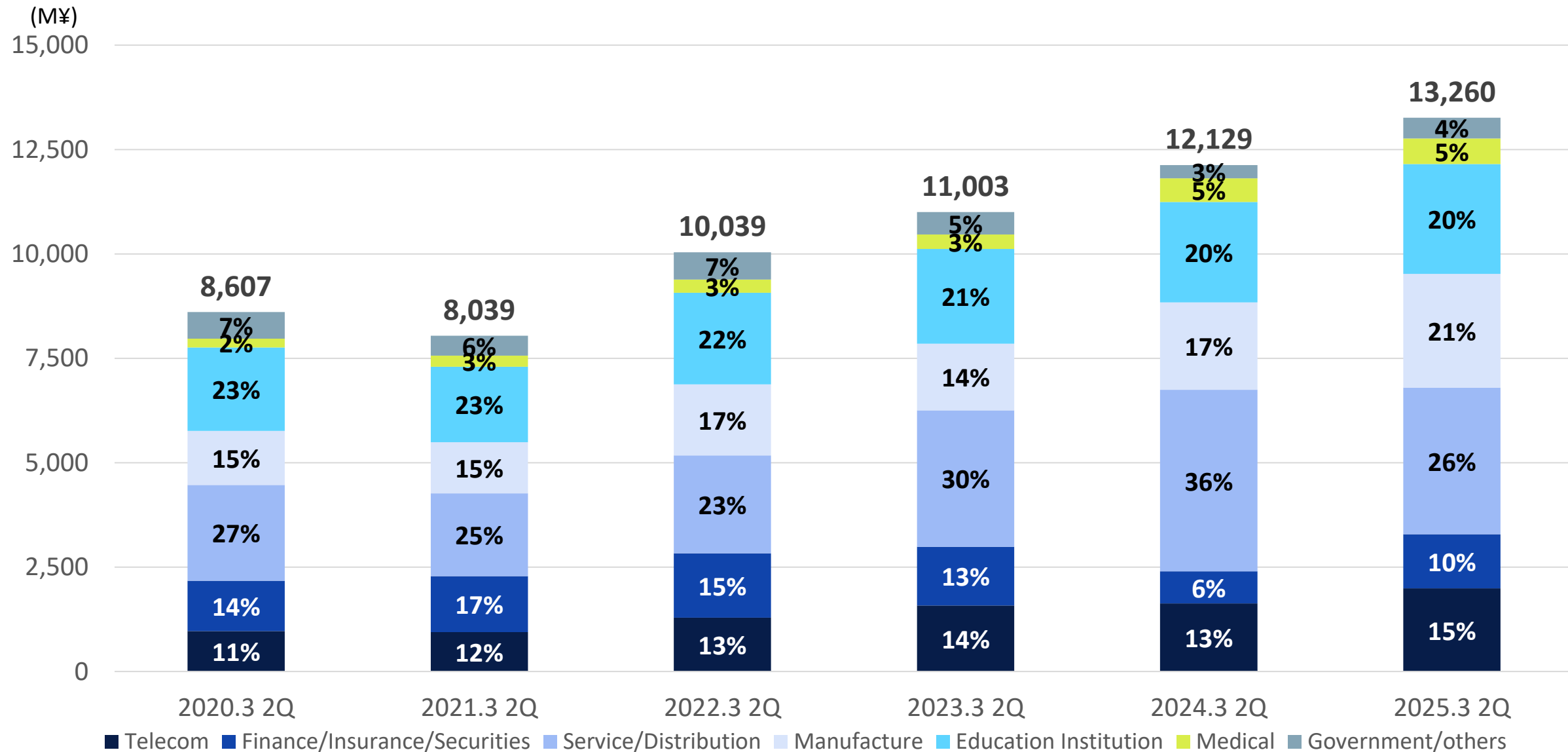
6. Performance by Category (1/3): Package Business (GAKUEN Sales)



Category	Description	Feature
Operation service	System operation support	<ul style="list-style-type: none"> Stock-type revenue
Purchase and sales	Purchase and sales of hardware and third party's products	<ul style="list-style-type: none"> Enhancement of product lineup through OEM
EUC development	Individual contracted development associated with package sales	<ul style="list-style-type: none"> High unit price SE High profitability
Package maintenance	Maintenance contracts for packaged products	<ul style="list-style-type: none"> Stock-type revenue
Implementation service	Consulting for packaged product implementation	<ul style="list-style-type: none"> Sales and profit linked with package sales Very high unit price
Package sales	Sales of packaged products	<ul style="list-style-type: none"> Development investment being completed Extremely high profitability

Note: Figures at the top of the graph are total sales of GAKUEN business.

6. Performance by Category (2/3): Sales by End User's Industry



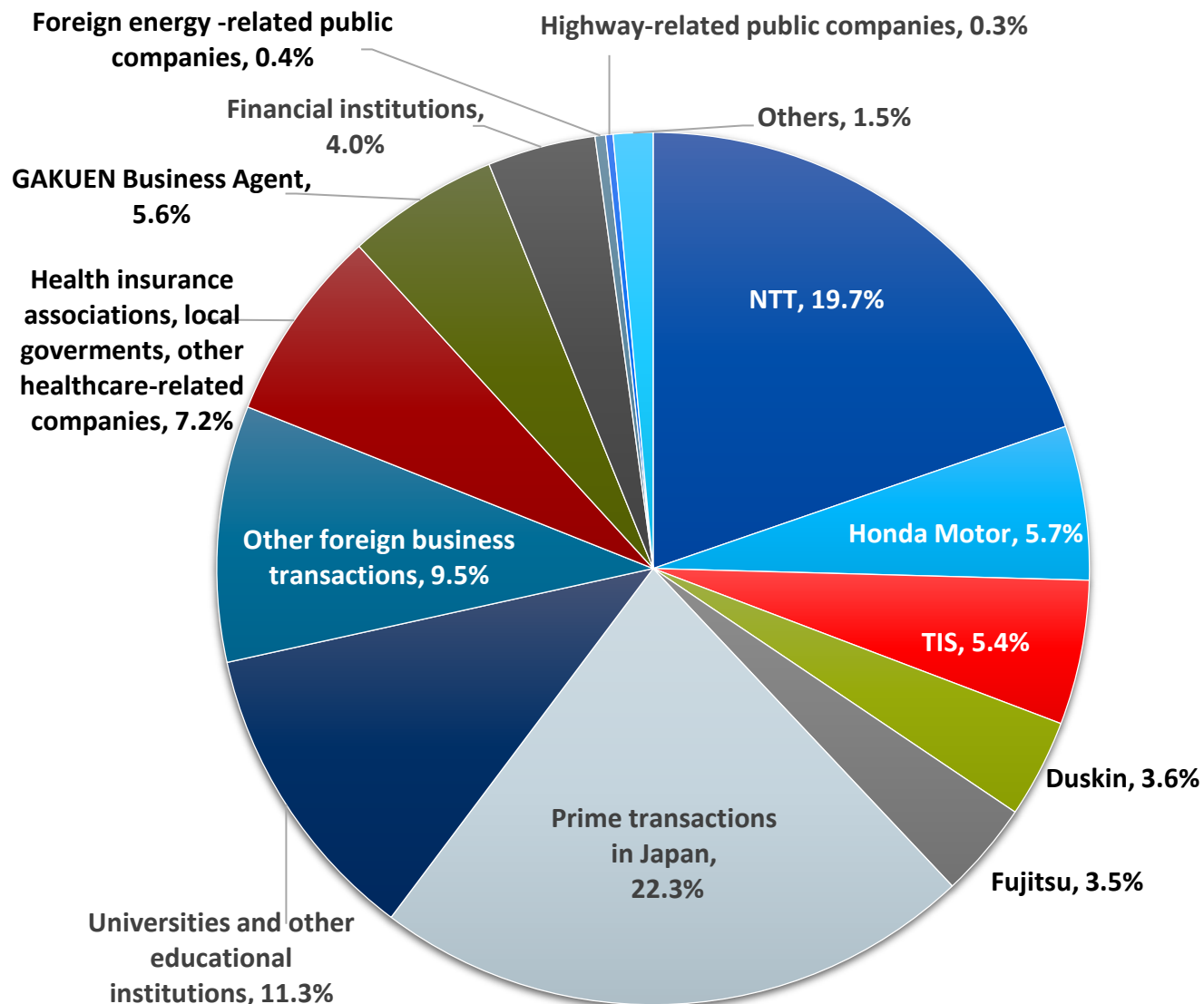
Note 1: Figures at the top of the graph are consolidated net sales (after consolidation and elimination).

Note 2: Sales to local governments and others from the medical big data business, such as receipt checks, are classified as "Medical".

6. Performance by Category (3/3): Sales by Customer Group

Adding new customer groups due to business diversification while maintaining a base of ultra-long-term customers

Customer group	2024.3 2Q	2025.3 2Q
*Years in parentheses indicate the number of years of business with JAST.		
NTT (30 years)	15.8%	19.7%
Honda Motor (41 years)	4.6%	5.7%
TIS (28 years)	5.1%	5.4%
Duskin (36 years)	4.6%	3.6%
Fujitsu (48 years)	4.8%	3.5%
Above 5 companies	34.9%	38.0%
Prime transactions in Japan	19.4%	22.3%
Universities and other educational institutions	11.5%	11.3%
Other foreign business transactions	6.2%	9.5%
Health insurance associations, local governments, other healthcare-related companies	10.1%	7.2%
GAKUEN business agent	5.9%	5.6%
Financial institutions	4.3%	4.0%
Foreign energy-related public companies	3.5%	0.4%
Highway-related public companies	0.4%	0.3%
Others	3.9%	1.5%
Total	100.0%	100.0%



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1. Full Year Earnings Forecast

No change to the initial plan

Aiming for **14th consecutive year of sales growth** and **10th consecutive year of ordinary profit growth**

(M¥)

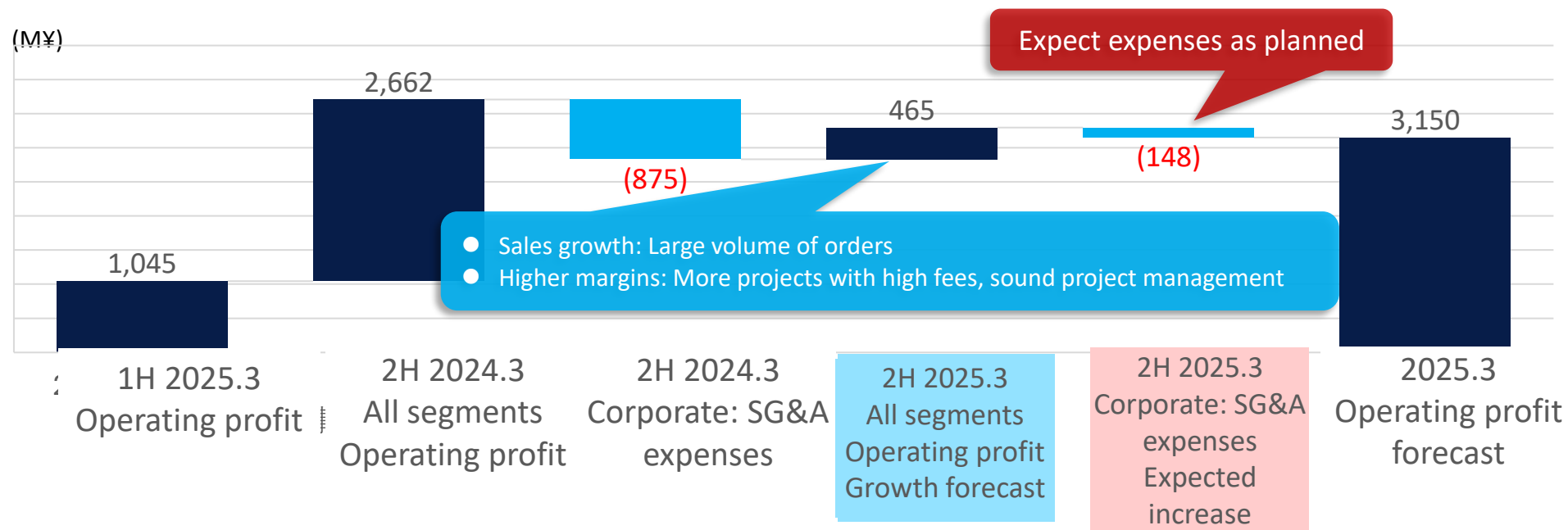
	2024.3		2025.3		
	Results	Margin	Forecast	Margin	YoY
Net sales	26,183	-	28,570	-	+9.1%
Operating profit	2,791	10.7%	3,150	11.0%	+12.9%
Ordinary profit	2,861	10.9%	3,200	11.2%	+11.8%
Net income	2,086	8.0%	2,300	8.1%	+10.2%

2. Feasibility Analysis against Full-year Forecasts

In the second half, the outlook is for YoY increases in business segment operating profit and a small increase in SG&A expenses. As a result, the initial forecast for fiscal year earnings is expected to be achieved.

(M¥)

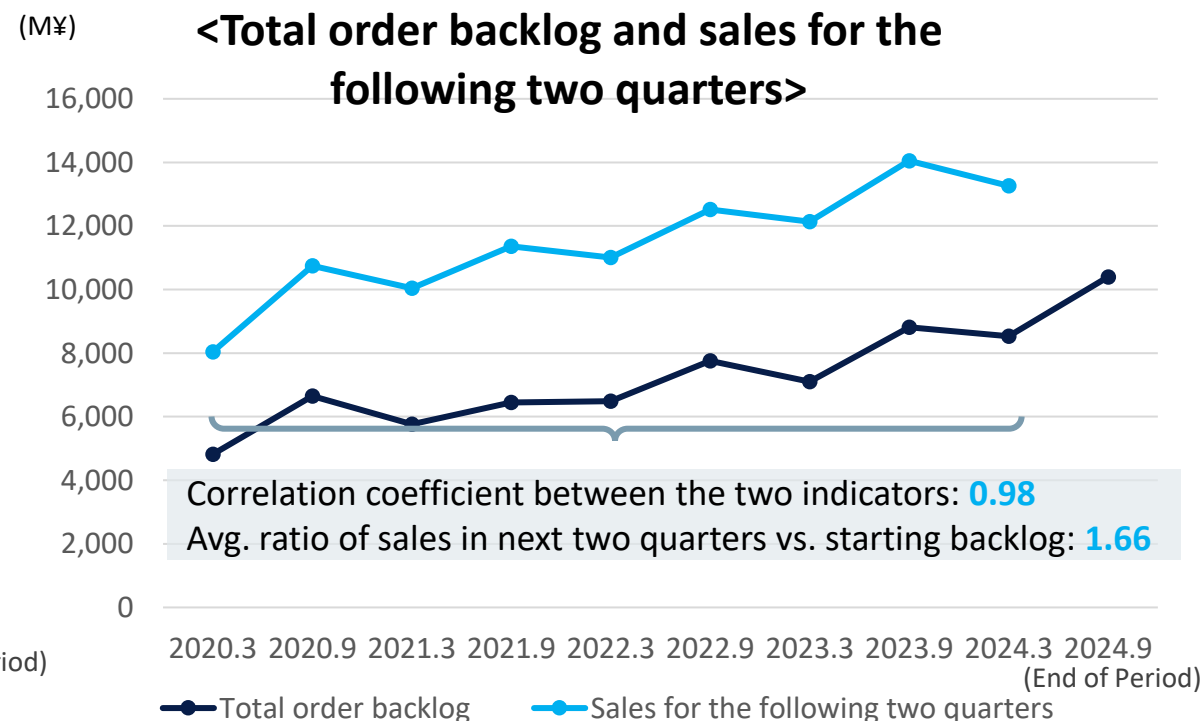
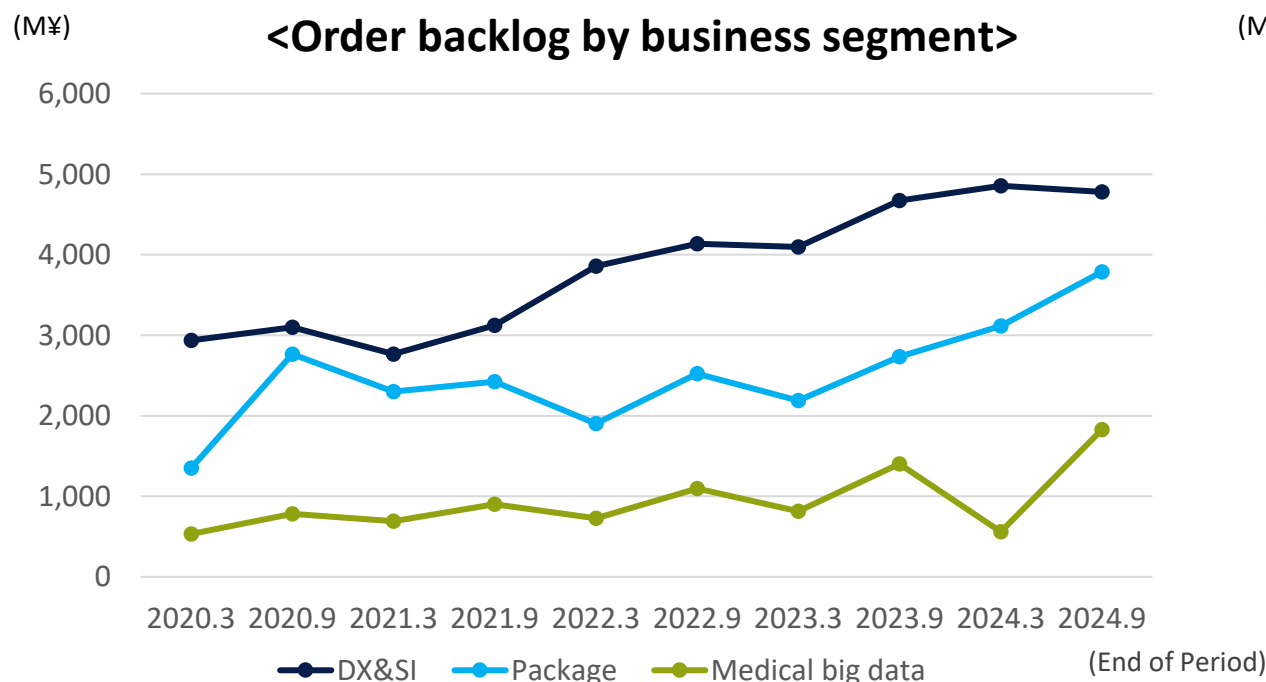
Period	Target items	2024.3	2025.3	Difference
Second half (results, forecast)	All segments: operating profit	2,662	3,127	+465
Second half (results, forecast)	Corporate: SG&A expenses	(875)	(1,023)	-148
Second half /Second half forecast	Subtotal (consolidated operating profit)	1,788	2,105	+317
First half results	Consolidated operating profit	1,003	1,045	+42
Full-year	Total (consolidated operating profit)	2,791	3,150	+359



3. Sales and Order Backlog

There is a correlation coefficient of 0.98 (strong positive correlation) between the order backlog and sales in the following two quarters. Based on the order backlog, sales in the second half of FY2025.3 are expected to be higher than the initial forecast.

Business/Period	2020.3	2020.9	2021.3	2021.9	2022.3	2022.9	2023.3	2023.9	2024.3	2024.9	YoY
DX&SI	2,937	3,099	2,766	3,121	3,857	4,138	4,098	4,672	4,856	4,781	+2.3%
Package	1,349	2,764	2,301	2,423	1,902	2,521	2,187	2,735	3,115	3,788	+38.5%
Medical big data	532	782	692	900	727	1,095	814	1,403	561	1,828	+30.3%
Total order backlog	4,818	6,645	5,760	6,446	6,486	7,754	7,099	8,811	8,533	10,398	+21.86%
Sales in next two quarters	8,042	10,747	10,042	11,357	11,004	12,515	12,132	14,051	13,260		



Note: Global business is omitted due to the short-term nature of the remaining order period.

4. Research and Development Expenses

Investing actively in technological development and joint research in addition to product development
 Continue research and development activities for a wide range of topics

< R&D Themes >

	2023.3 Full year	2024.3 Full year	2025.3 *1 Full year forecast
DX & SI	108	74	↗
Package	179	126	↗
Medical big data	73	98	→
Others	107	52	↘
R&D Total	469	353	↗

DX & SI business

- Strengthening mega solutions
- JAST branding of SI business

Medical big data business

- iBss Function Expansion
- AI/automation for higher operational efficiency
- New product and service research

Others

- New product development
- New technology research
- Joint research with industrial, academic and public sector

GAKUEN

- RX product enhancement
- Related solution expansion
- New services expanded for graduates
- New product development for university students

BankNeo

- New service development (AI natural language processing (NLP), image recognition, co-creation with customers)
- Enhance products (SMART BankNeo, Salesforce*2)

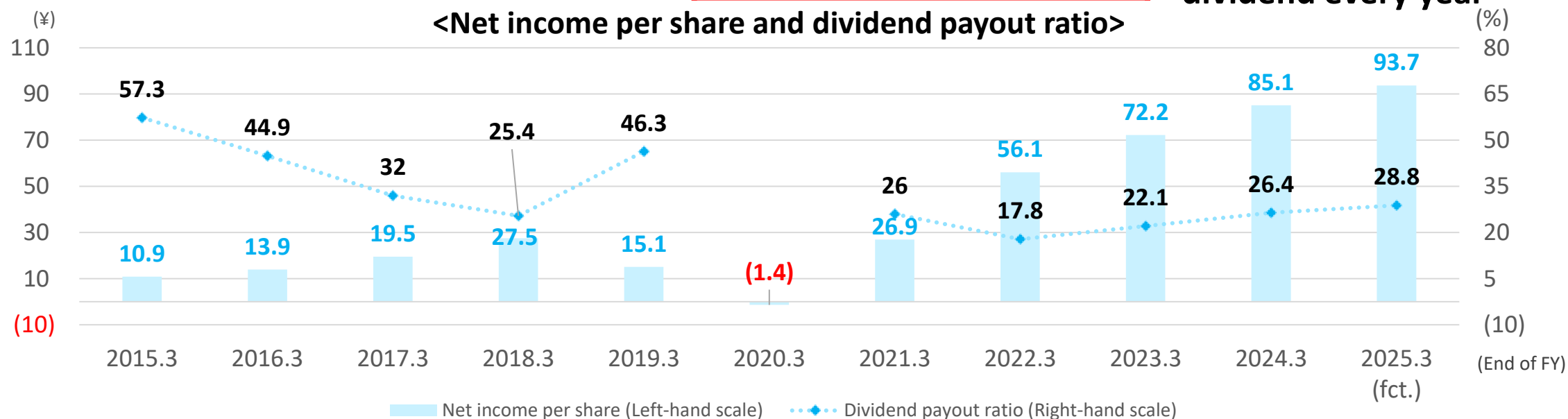
*1 The arrow angle in the full-year forecast for FY2025.3 is an image of the percentage increase/decrease.
 *2 Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

5. Shareholder Returns (Dividends)

	2024.3	2025.3	
	Results	Plan	YoY
Dividends per share	¥22.5	¥27.0	+4.5
Dividends payout ratio	26.4%	28.8%	+2.4
Dividend on Equity (DOE)	4.36%	4.57%	+0.21
Year-end dividend yield	1.2%	-	-

[Revised dividend policy]
Guidelines:
Payout ratio of 30%
 or
DOE of 4%

Aim for same/higher dividend every year

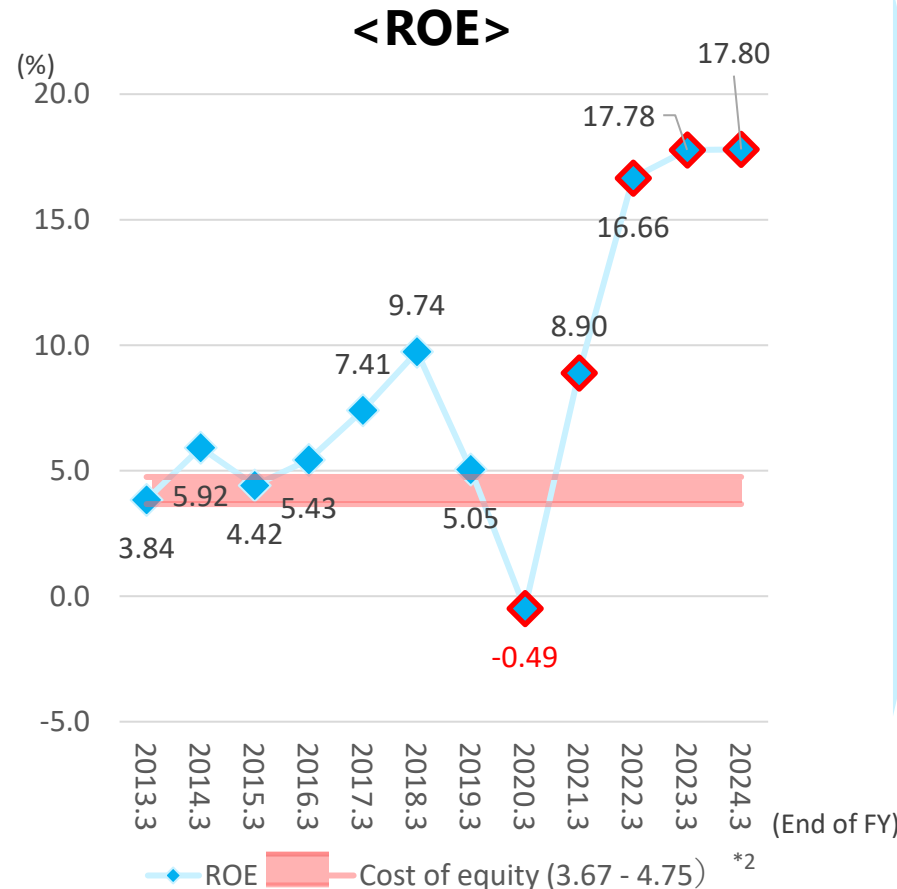
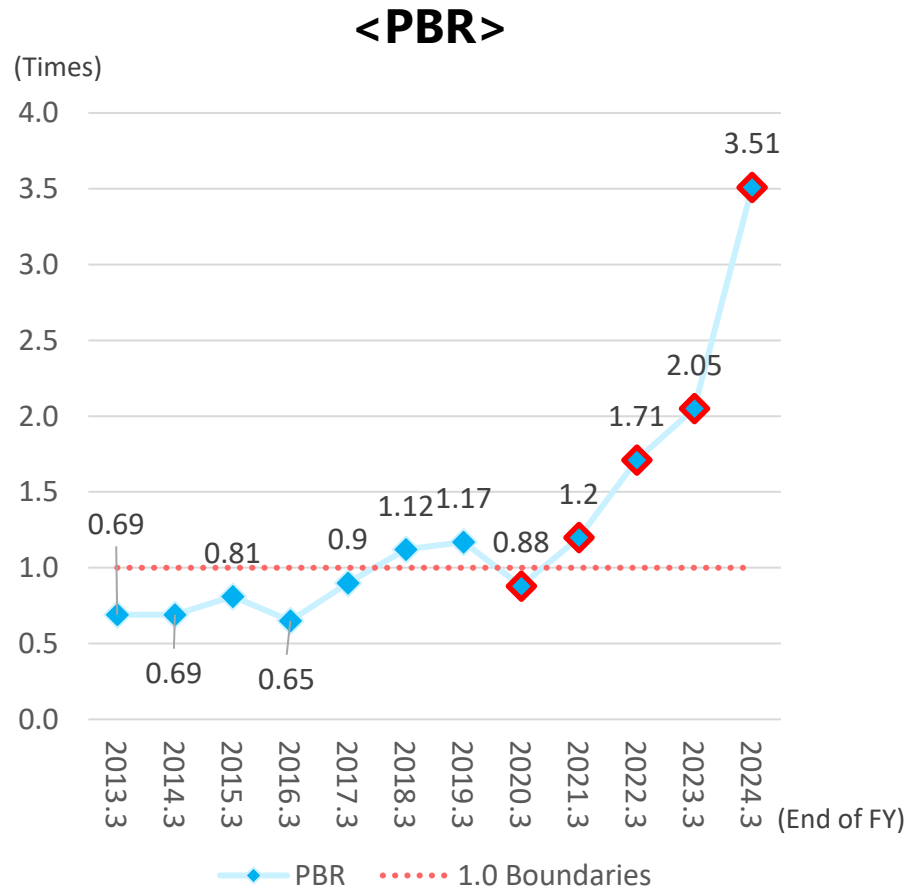


Note: Share prices prior to the stock split (effective date: April 1, 2024) are retrospectively adjusted.

6. Management with Priority on the Cost of Capital (1/2): Perceptions Regarding Enhancement of Corporate Value

The PBR is higher than one and increasing rapidly

Our goal is an even higher PBR through equity spread*1-oriented management.



More growth of corporate value by earning an ROE higher than the cost of equity

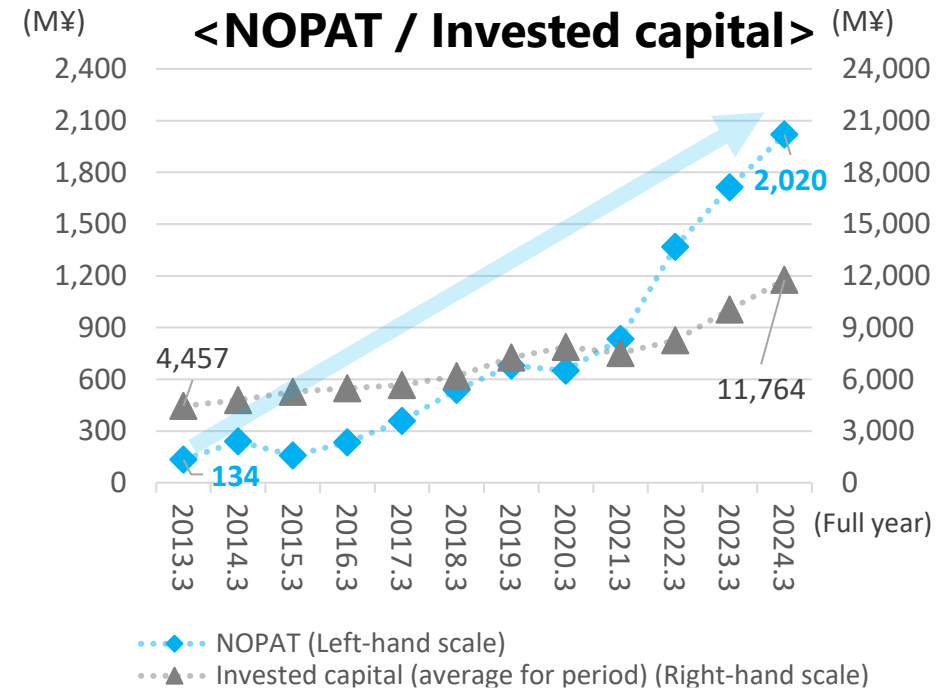
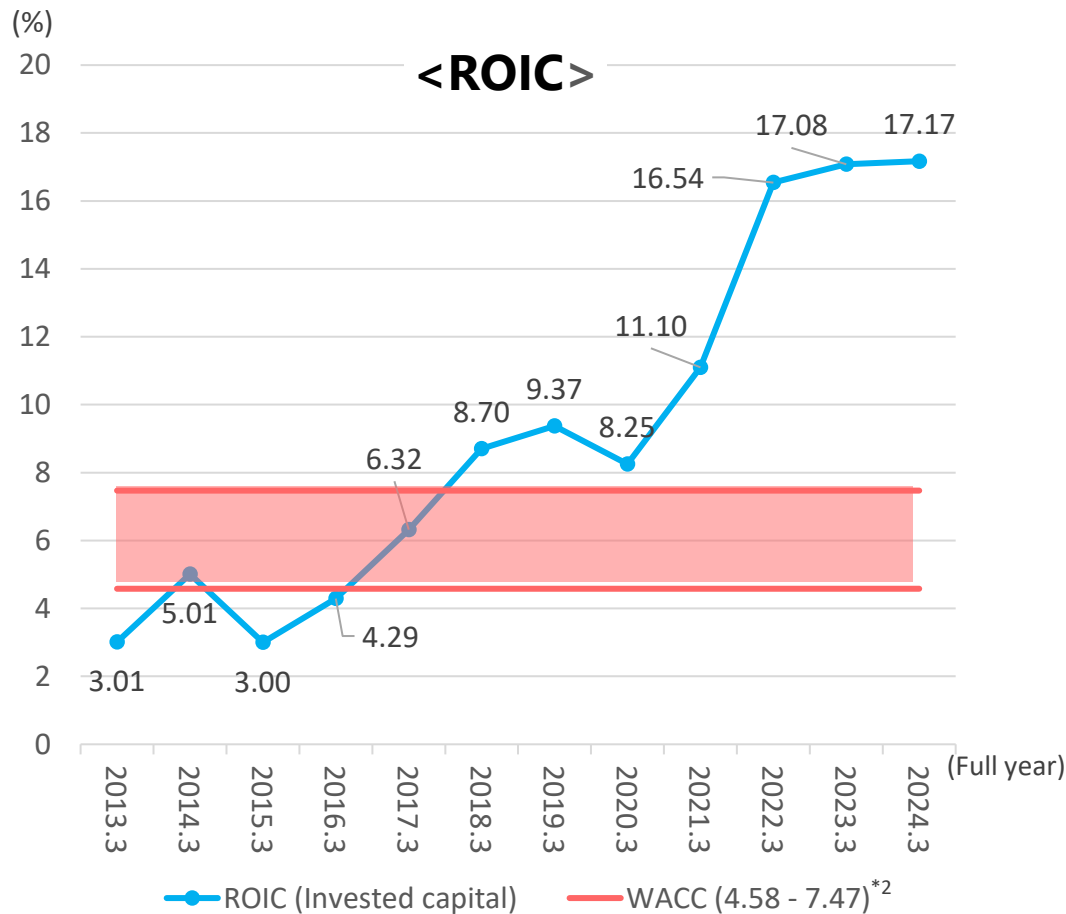
*1: Equity Spread: Calculated as ROE - Cost of Equity, a positive value indicates the creation of shareholder value.

*2: Cost of Equity: Risk-free Rate + β (sensitivity) \times Equity Risk Premium

The risk-free rate is based on the 10-year government bond yield as of March 29, 2024 (0.750%), and the Equity Risk Premium is derived from historical risk premium data over the past 50 years (4.03%) sourced from SPEEDA. The β value is adjusted using past data of stock prices (including dividends) and TOPIX (including dividends) with the following formula: Adjusted $\beta = 2/3 \times \beta + 1 \times 1/3$. The upper and lower bounds are calculated based on the data for the past 15 years, 10 years, and 5 years.

6. Management with Priority on the Cost of Capital (2/2): Continuous Improvement of ROIC

Profit growth rate exceeded the rate of expansion of invested capital and improved by about 14 points in 10 fiscal years
The EVA spread*1 is increasing



2015.3 end - 2024.3 end CAGR (10 fiscal years)	
Net Operating Profit After Tax (NOPAT)	Invested capital (average for period)
32.7%	9.3%

*1: EVA Spread: ROIC (invested capital) minus WACC. If this value is positive, the company is creating economic value in excess of the cost required by shareholders and creditors (WACC).

*2: WACC: Calculated as follows.

Interest-bearing debt / (market capitalization less treasury shares + interest-bearing debt) x (1 - effective tax rate) x cost of debt*3 + market capitalization less treasury shares / (market capitalization less treasury shares) + interest-bearing debt) x cost of equity

*3: Debt cost is the median of several listed companies with the same level of equity capital and equity ratio.

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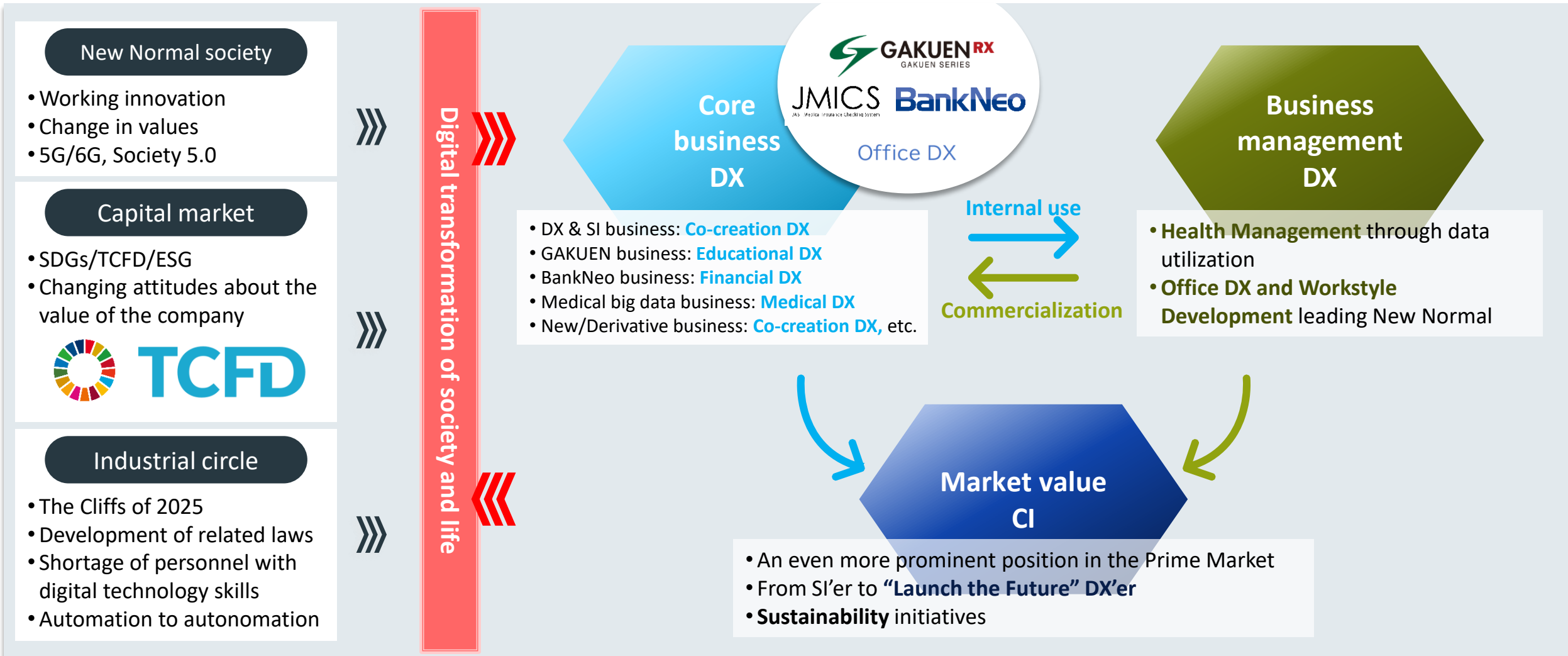
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1. JAST-Style DX Concept

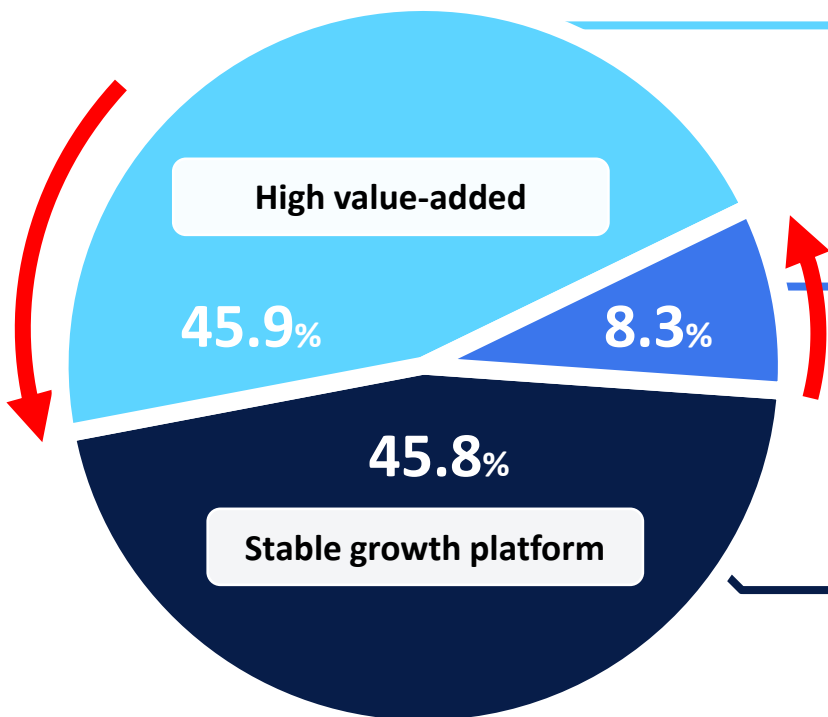
Creating a cyclical structure for business development, productivity improvement, and market value enhancement by fully utilizing DX promotion activities in the core business and business management.



2. DX & SI Business

Refining the business portfolio to maintain and expand a stable growth platform and promote high value-added businesses

Sales composition

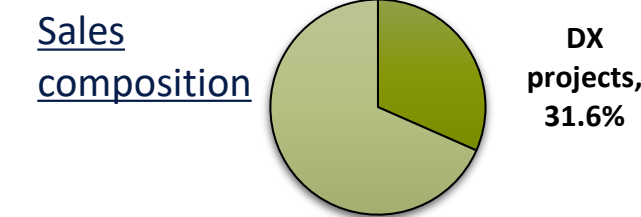


FY2025.3 2Q Results

Service
<ul style="list-style-type: none"> Data collection, utilization and analysis support Provided one-stop service from infrastructure construction to operation and maintenance with cloud computing
Solution
<ul style="list-style-type: none"> Launching new businesses Building large scale businesses with high gross profit margin Developing mega solution businesses such as SAP*/SFDC*
SI
<ul style="list-style-type: none"> Maintaining and expanding SI (System Integration) business mainly with existing customers as the primary revenue base Use senior SEs (Systems Engineers) to strengthen SI project capabilities Creating new branded products

Accompanying Customer DX

- Providing consulting services for planning and promotion
- Building a business ecosystem



JAST Branding of SI business

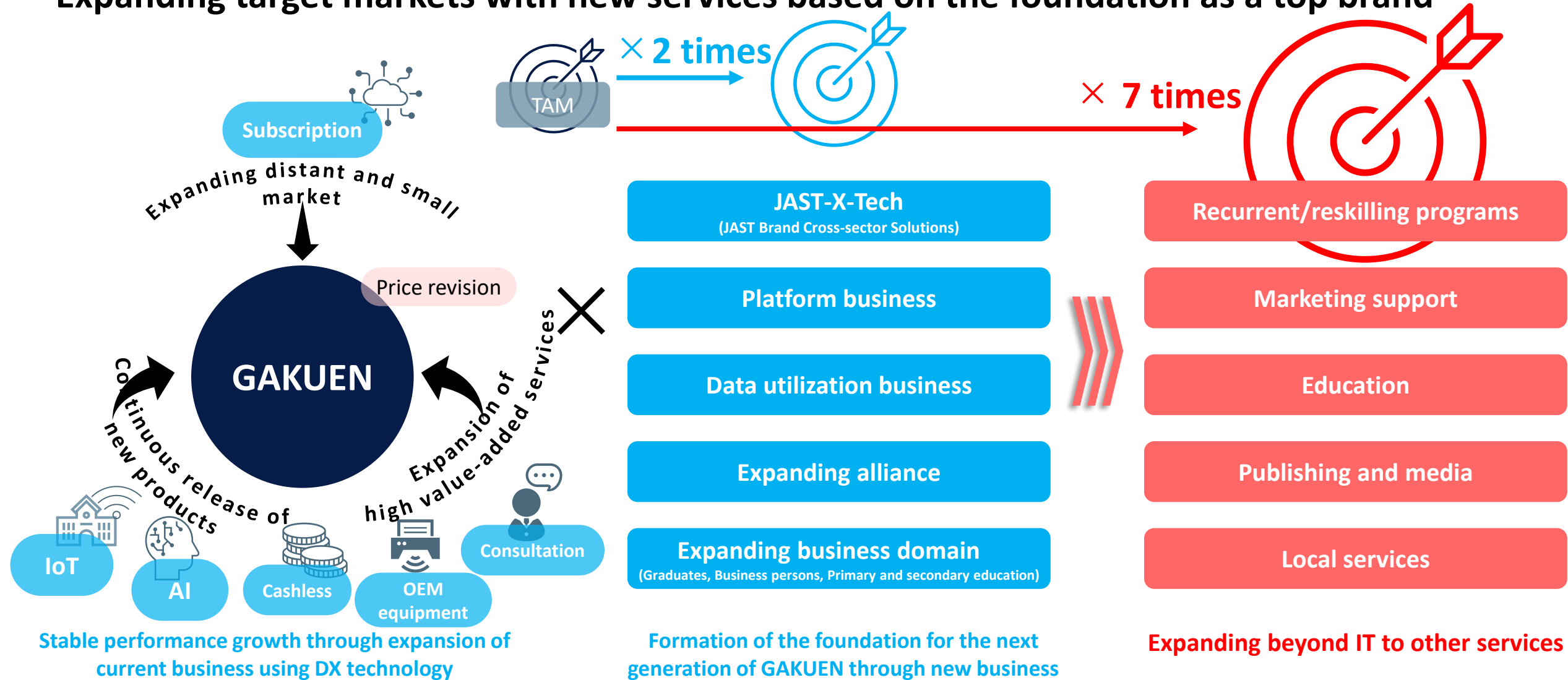
Branding development methods and frameworks cultivated over 50 years as the JAST Method to **add value and enhance market competitiveness**

For further information about our DX & SI Business: <https://www.jast.jp/service/software/>

*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

3. Package Business (1/2): GAKUEN

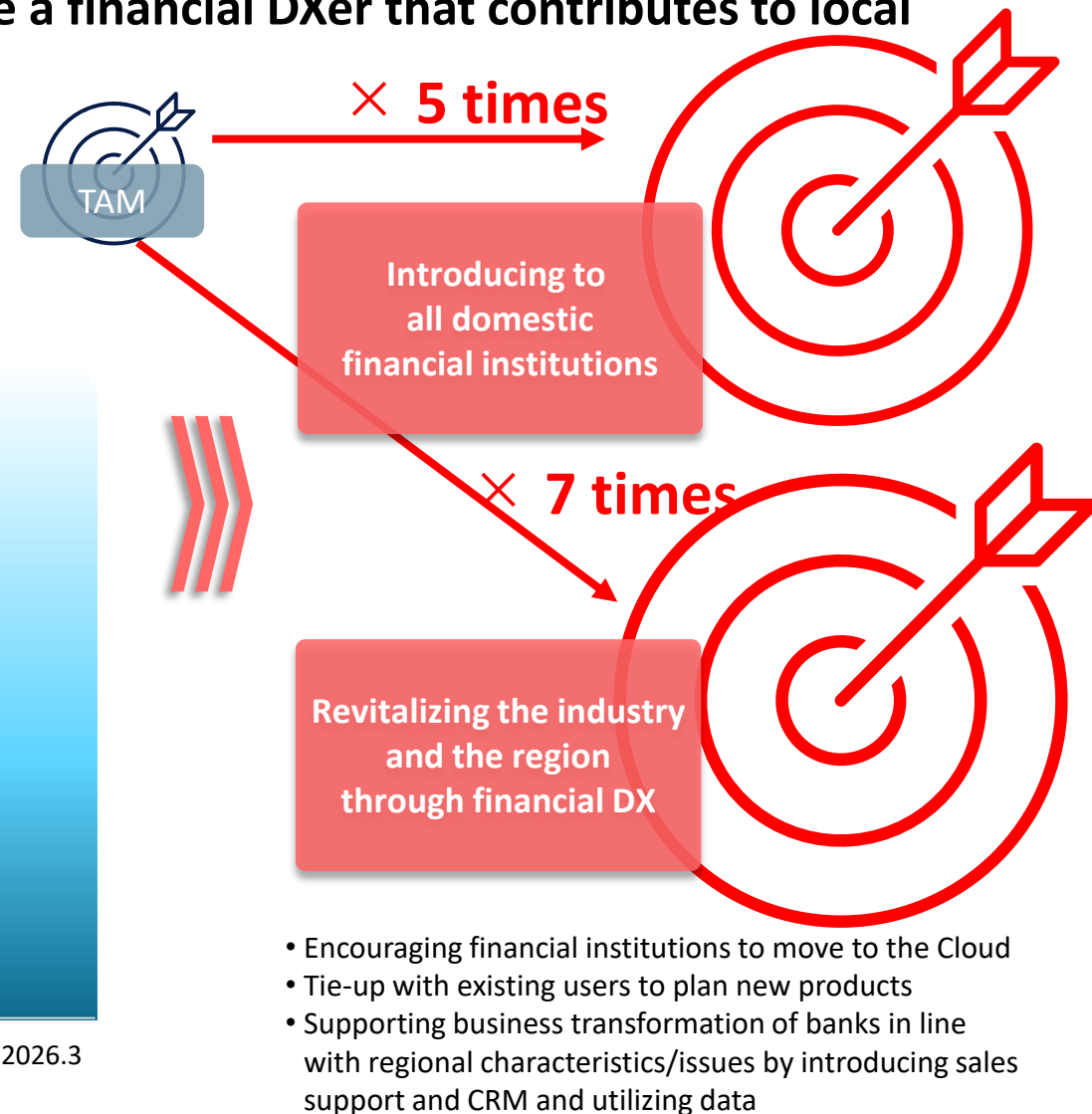
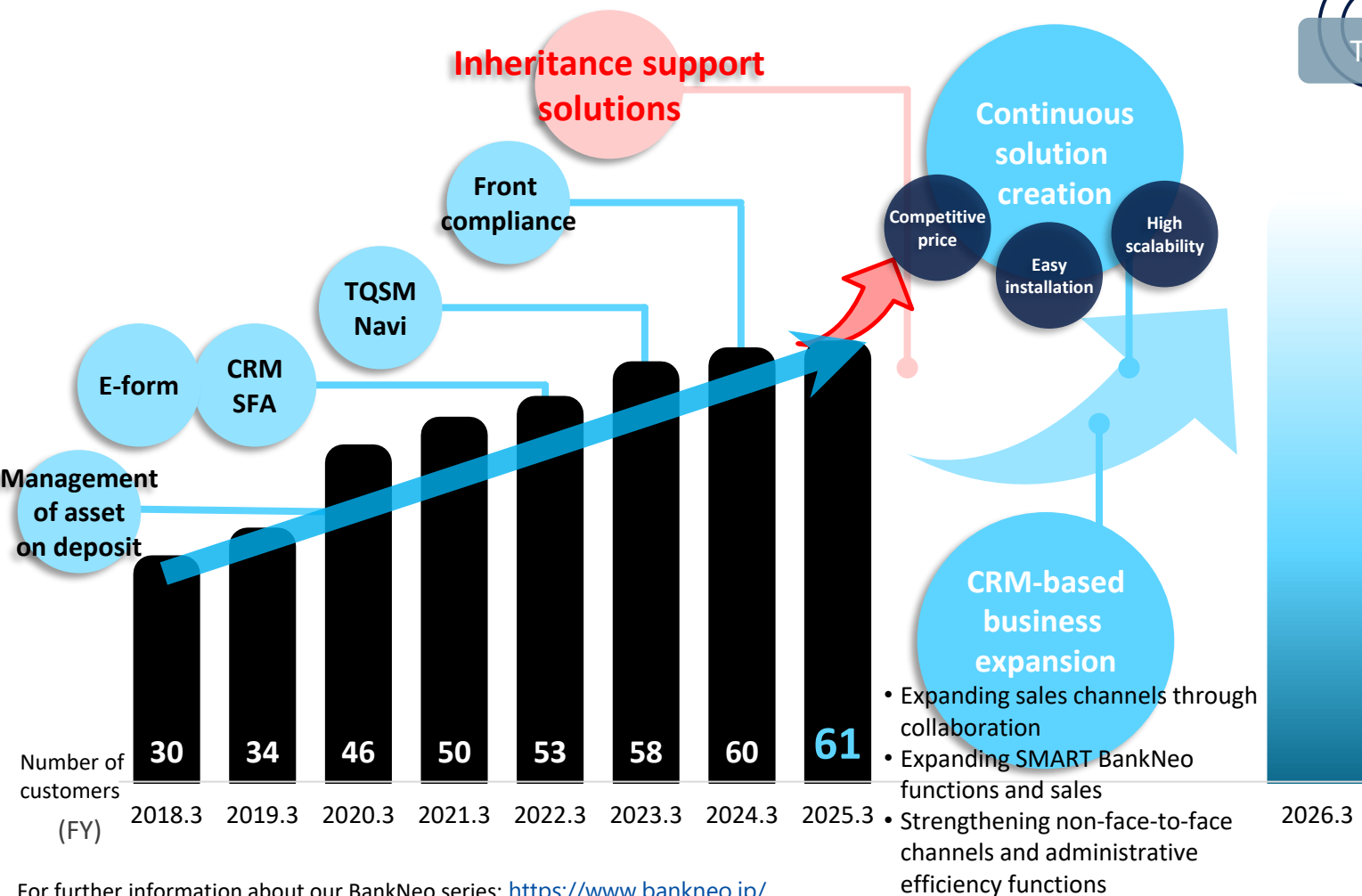
Expanding target markets with new services based on the foundation as a top brand



3. Package Business (2/2): BankNeo

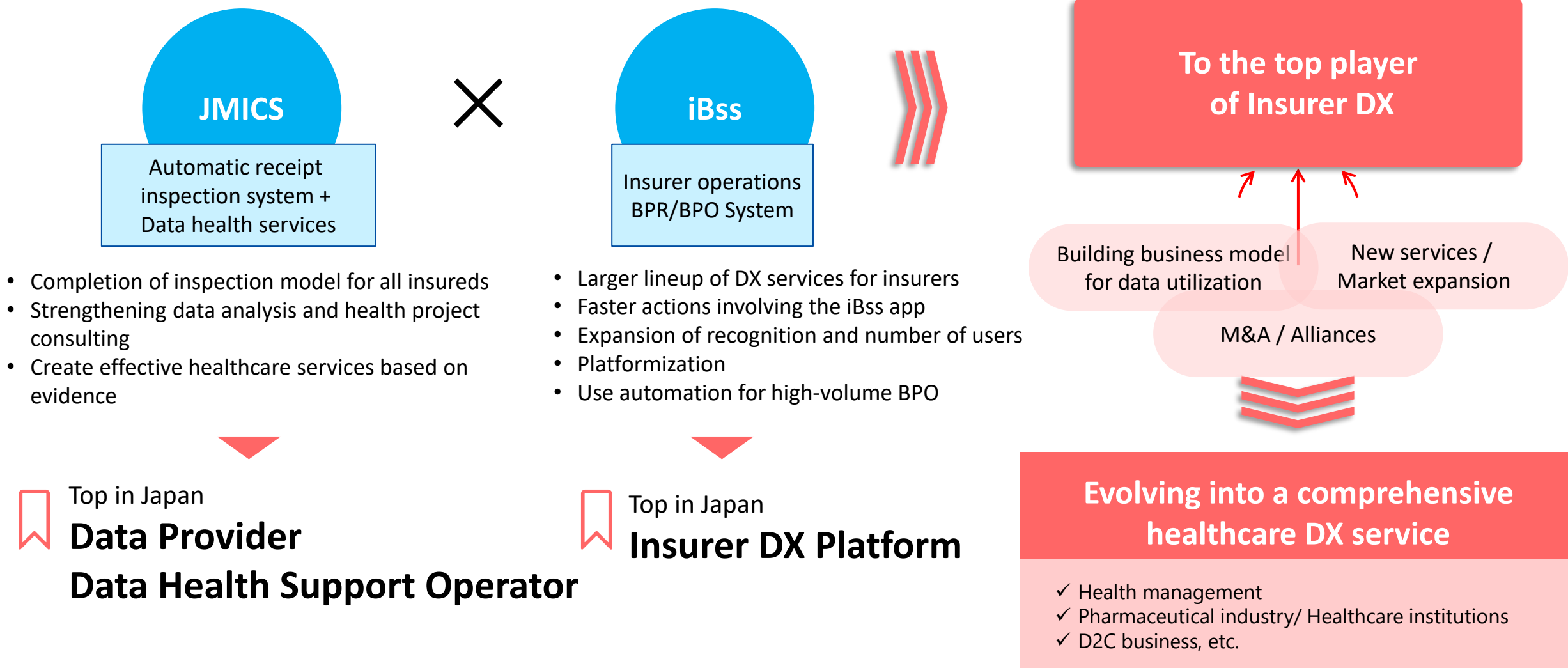
Releasing continuously new solutions based on the concept of Smart/Niche/Cloud

Expanding target market with our unique products to become a financial DXer that contributes to local communities



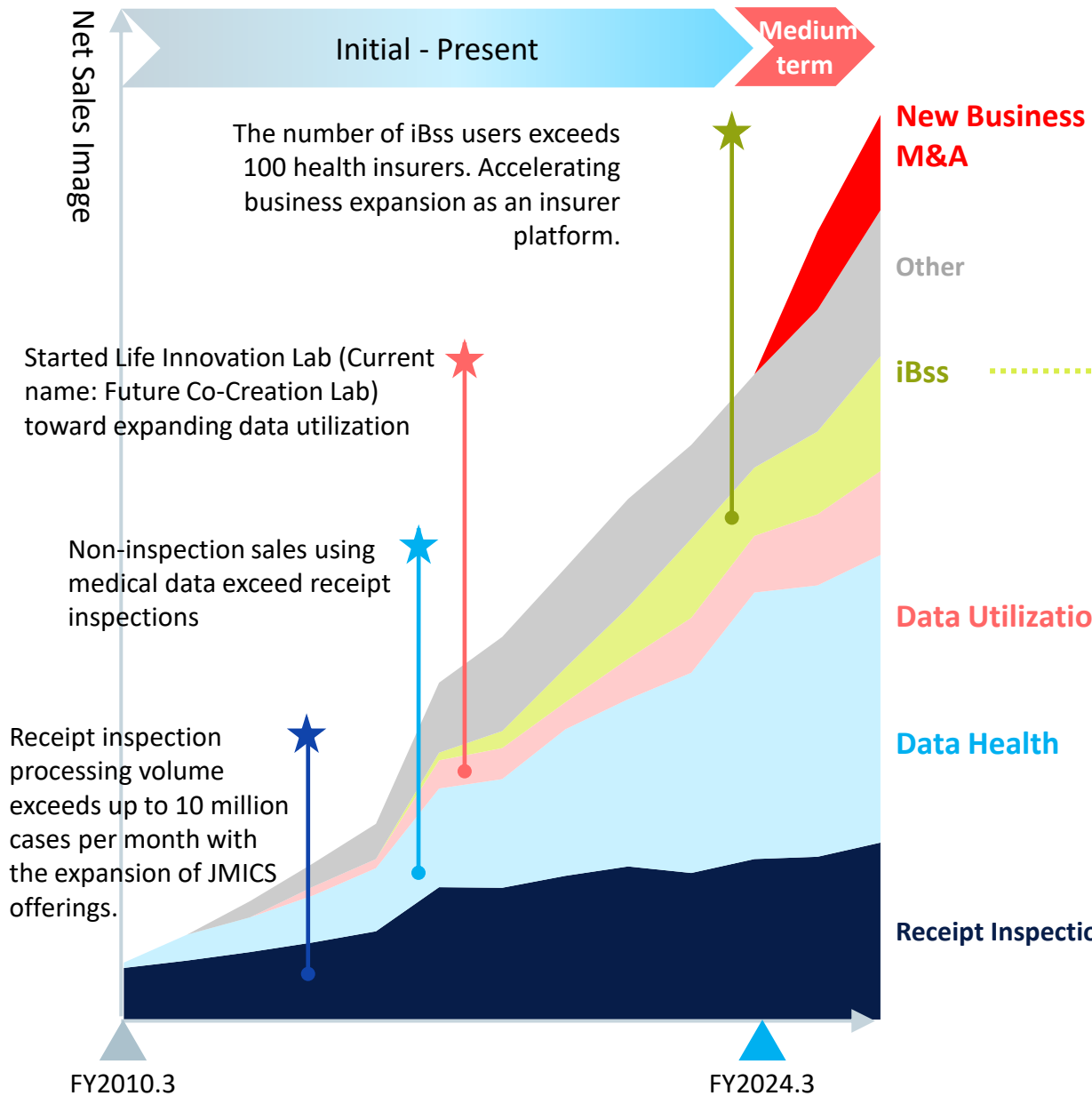
4. Medical Big Data Business (1/2)

Leveraging an unparalleled receipt processing volume and high value-added big data business to become a top player in insurer DX



For further information about our Medical Big Data Business: <https://jmics.jp/>

4. Medical Big Data Business (2/2)



Medium-term Growth Theme

Accelerate business expansion by creating synergies between existing & upcoming services

- ✓ Expansion of data base (quantity, quality, scope)
- ✓ Expansion of data-driven services (wearable tools, PHR, etc.)
- ✓ Increase human resources and expertise
- ✓ Expansion to new market sectors

Establishment of insurer platform

- ✓ Deepen the differentiation point of System & BPO
- ✓ Expand services to adjacent markets by enhancing web functions for subscribers
- ✓ Expansion/upgrades of insurer DX services, become the leader in the insurer DX category

Expanding data coverage and revenue base through alliances

- ✓ Expansion of alliances with data providers
- ✓ Expansion of data range for new RWD business

Expansion of human resources x De-personalization through AI

- ✓ Use evidence for effective data health activities and the creation of products
- ✓ A larger team of consultants
- ✓ Expansion of organizational scale to accelerate subsequent growth x increased efficiency through AI

Completion of inspection business through fully automated JMICS applicable to all types of insurer

- ✓ Becoming market-leading data holders and the top provider of receipt data in Japan



5. Future Co-creation Laboratory

Contributing to society through joint research with academia, etc., by using data held by JAST
 Aiming to discover seeds for new commercialization through the development of commercial products through co-creation DX with other companies



1) Medical Data PROVISION: MDP

A DX research/product development service using medical big data

REZULT : Medical big data containing information of 9.3 million patients

Lab room: Secure research/analysis environment

JAST data advisor: Data analysis and proposals

Projects under way include joint research with Osaka University involving the COI-NEXT program and the development of a product with Japan Weather Association.

2) Medicine Tiger

A statistics dashboard service linking injuries and diseases with the use of drugs for the visualization of medical treatment data



Use of RWD to supply actual clinical data



実臨床データ

RWDをもとに
処方率・有病率
上位10件を表示

医薬品数1.5万以上、傷病数1万以上のレセプト由来RWDから、対象傷病における処方率上位10件・対象医薬品における有病率上位10件を表示します。

長期追跡

過去3年度分のデータをご提供

基本サービスで2020年/2021年/2022年の3年度分に関する統計データをご提供します。オプションサービスで2016~2019年度の追加が可能です。

全国エリア

全国10エリア*の処方状況をカバー

全国および北海道/東北/南関東/北関東/甲信/北陸/東海/近畿/中国/四国/九州沖縄の10エリア*別で条件指定分析が可能です。

Used for fee-generating research by schools involving medical economics, supporting the medical representatives of pharmaceutical companies, and other purposes

3) Investment in exosome research biotech firm Regenesome

Using biotechnology to develop technologies that help solve numerous issues

Businesses involving exosomes have immense growth potential. Interest in exosomes is high due to expectations for applications involving regenerative medicine, enabling people to age slowly and live longer, and increasing the healthy life spans of people. JAST made a pre-seed investment in Regenesome based on the belief that the company's advanced technologies can contribute to the growth of the exosome market. This investment may lead to an alliance that includes JAST's brand business and cooperation between Regenesome and JAST's Future Co-Creation Laboratory.

4) Topics

Japan System Techniques and Osaka University OTRI Sign Agreement for Co-Creation Activities Using Medical Big Data [June 4, 2024]

Research projects encompassing related academic partners, local governments, companies and other participants will be used to contribute to society by using advanced technologies to make local infrastructure projects an integral element of communities and regions.

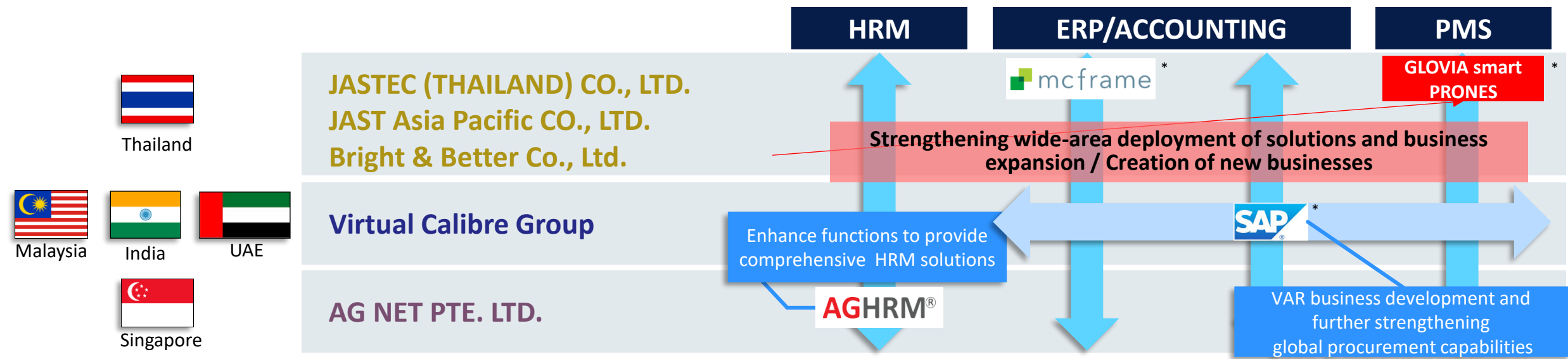
JAST Starts Provision of Medical Data Sets on JDEX, a data marketplace of Japan Data Exchange Inc. [May 8, 2024]

Through this service, JAST and JDEX will promote the utilization of medical data of high social interest and high potential for collaboration and cooperative creation and will work together to create medical data businesses that transcend the boundaries between industry, academia and government.

6. Global Business

Establishing a base in India, a rapidly growing market in the pursuit of a digital transformation

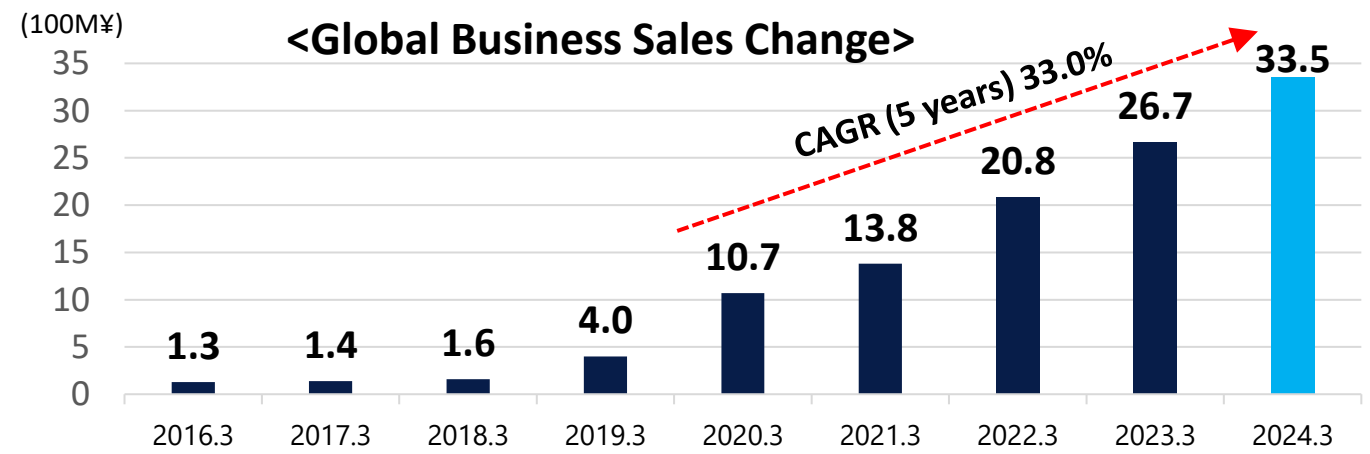
Expanding SAP business to ASEAN + Pacific / South Asia and Middle East regions to accelerate global growth



GuiLin Anxin Software Co., Ltd.

Domestic Business in China

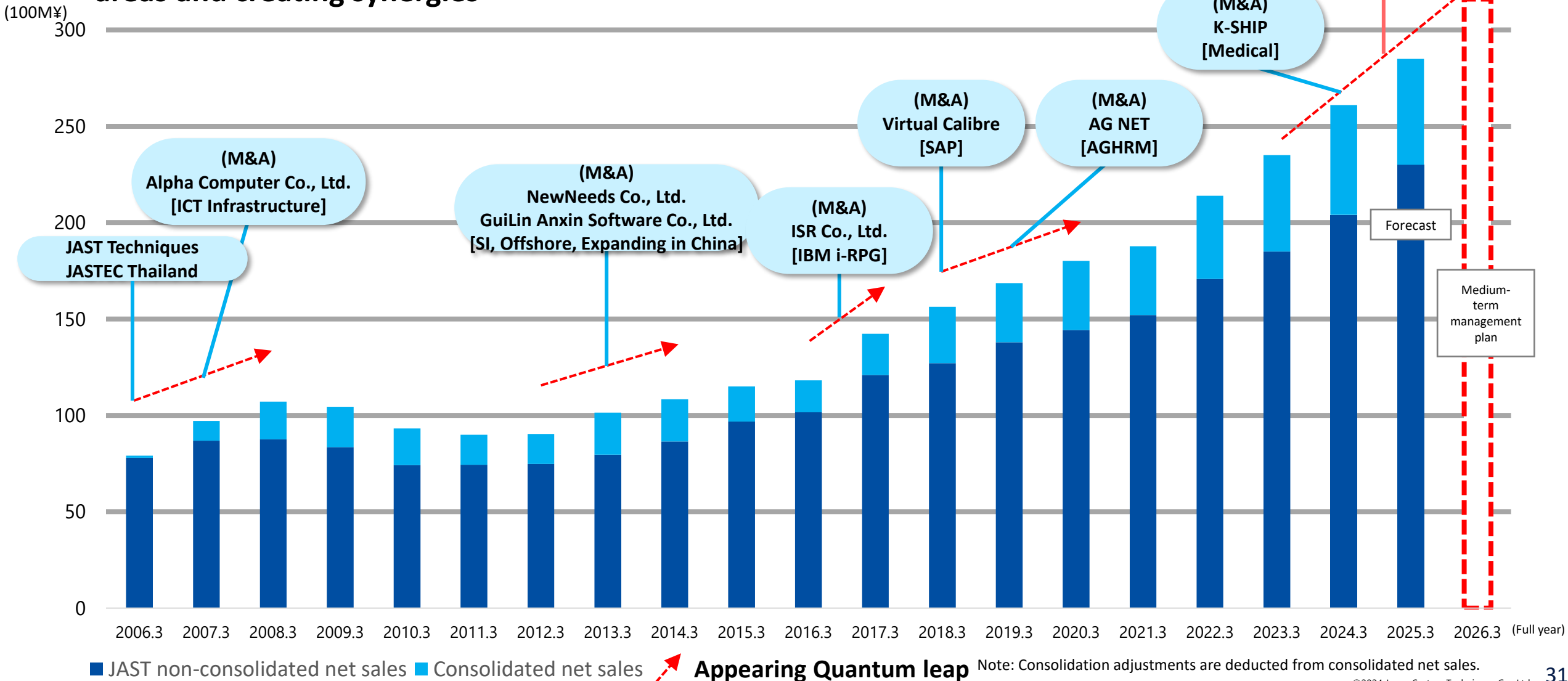
- SI development
- ASEAN merchandise collaboration
- New product development/sales through alliances



*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

7. M&A / Strategy for Group Expansion

Creating new domestic markets with “JAST IT” for same industry/other industries
 Continuing domestic and overseas M&A with an eye on expanding products and areas and creating synergies



8. Adapting to New Areas and Alliance Strategy

✓ Current business areas and measures

JAST brand

Areas under planning/development

	Big data Data science	DX	Blockchain Fintech	AI / Biometric identification / Robots	Cloud
DX & SI business	<ul style="list-style-type: none"> ✓ Construction of data analysis platform ✓ Data analysis service 	<ul style="list-style-type: none"> ✓ E-commerce site construction ✓ Use of RPA for business process automation ✓ Low code development ✓ SAP* 	<ul style="list-style-type: none"> ✓ Energy management ✓ MaaS data platform ✓ Financial cloud 	<ul style="list-style-type: none"> ✓ Use of generative AI 	<ul style="list-style-type: none"> ✓ SI development for broader range of applications ✓ Solutions (SAP*, Salesforce*, Adobe*, ServiceNow*, AWS*)
AWS platform business					
BankNeo (Package business)	<ul style="list-style-type: none"> ✓ "BankNeo for CRM/SFA" 	<ul style="list-style-type: none"> ✓ Management of asset on deposit ✓ Sales productivity improvement support 			<ul style="list-style-type: none"> ✓ "SMART BankNeo" ✓ Salesforce*
		Non-face-to-face/ Office efficiency enhancements		Application to Package Functions	
GAKUEN (Package business)	<ul style="list-style-type: none"> ✓ Management decision support (BI) ✓ IR 	<ul style="list-style-type: none"> ✓ Smartphone app ✓ E-learning ✓ Linkage with textbook selection DB ✓ Digital certificates 	<ul style="list-style-type: none"> ✓ On-campus electronic money 	<ul style="list-style-type: none"> ✓ AI-based package functions 	<ul style="list-style-type: none"> ✓ GAKUEN subscription ✓ Services for graduates
	Big Data in Education	Collaborations for certificates issued at convenience stores	Blockchain utilization	Additional applications to packages	
Medical big data business	<ul style="list-style-type: none"> ✓ Expansion of monthly receipts processed ✓ Expansion of data utilization services ✓ Medical big data service "REZULT" 	<ul style="list-style-type: none"> ✓ Smartphone app ✓ DX of insurer business processes ✓ Use data approach for measures for staying healthy and medical expense optimization 		<ul style="list-style-type: none"> ✓ Partnerships with academic institutions ✓ AI disease forecasts, changes in behavior ✓ Use of AI technology for business process automation, higher efficiency and receipt of high-volume BPO orders 	<ul style="list-style-type: none"> ✓ Cloud-based receipt inspection system
		✓ BtoBtoC products		Use of AI for processing health insurance claims	
Global business		<ul style="list-style-type: none"> ✓ SAP* ✓ mcframe* 			<ul style="list-style-type: none"> ✓ AGHRM ✓ SAP*
<ul style="list-style-type: none"> • Alliance • New business creation through in-house ventures 	<ul style="list-style-type: none"> ✓ Co-Creation DX Service "MDP" ✓ Industry-academia-government collaboration *Future Co-Creation Lab 	<ul style="list-style-type: none"> New service for Generation Z students *Package business Land-based aquaculture system 		<ul style="list-style-type: none"> Business use of NLP *DX&SI business Restaurant table service provided by a robot 	

*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

9. Cash Allocation

*Cumulative amount of distributable cash flows for the period

Strategic investment: Up to ¥7.0 billion

Investment for growth

Strengthening the value offered

M&A / Alliances

Expand share in the current market

JAST brands: same market and peers; DX & SI business: similar SI businesses, etc.

Business domain / market expansion

JAST brands: adjacent markets and different service providers; Others: alliances including capital tie-ups with ventures

R&D /
New business development

Identification of new business seeds and focused investment in specific seeds

Development of technical human resources

Recruitment / Training investment
Multi-alliance

Diversity recruitment, sophisticated professionals, training and recruiting cutting-edge technology human resources
Coverage of advanced technologies and deep tech fields

Business management DX /
Capital investments

Continuously updating the decision-making infrastructure and contributing to agile management

Shareholder returns

Strengthen shareholder relations and increase market capitalization

For steady growth of market capitalization (shift from Micro-cap to Small-cap), aggressively developing measures to increase total yield, taking into account the balance between the speed of profit growth and investment for growth.

Adequate cash and cash equivalents

Profit growth for stronger cash flows and maintaining appropriate cash conversion cycle (CCC)

Further increase financial soundness through diversification of brand business models (cash points), improvement of SE unit prices and expansion of the solutions business. Aggressive investment for growth and safer management.

*Approximates determined by cash on hand (cash and deposits and accounts receivable) at the end of FY2024.3 + {operating profit + R&D expenses + non-cash expenses from mid-term plan (FY2025.3-FY2026.3)}

10. Activities to Enhance Human Capital

Health Management Promotion

Excellent Health Management Corporation

(Large corporate division)

Certified for **4** consecutive years

Eliminating Long Working Hours
JAST's Unique Labor Policy

"Kaeru! JAST"

Promoting stress check examinations

Continuation of **90%** or higher inspection rate
(96.6% of the FY2024.3 results)

Attendance Data Analysis

Pick up & follow up persons at high risk of physical and mental health

Platinum Kurumin certification

(Obtained on November 27, 2023)

Certified as a Sports Yell Company 2024

Enhancement of health education

(1) Group Education Training

- Health management training
- Mental health training
- Woman's activity support forum

(2) Health Events

- "Walking Events"
- "Let's eat healthy meals!"
- "The 10-day challenge"
- "Measuring the quality of sleep"

(3) Personal interviews with industrial physicians and public health nurses

Promotion of regular health checkups and medical checkups

(1) Periodic health checkup rate

Continuing **100%**

(2) Percentage of re-examination

Continuing efforts toward

100%

(FY2024.3 re-examination rate: 88.0%)

DX Human Resource Development

Number of SAP* qualified employee

Total qualifications **343**

Qualified persons **104** persons
(As of April 30, 2024)

DX Human Resource Development Group Training

15 categories

202 courses
(FY2024.3 results, number of days held)

In-house certifications **"JCPL"**

Beginner **555** persons

Intermediate **105** persons
(FY2010.3 - FY2024.3 cumulative number of certified recipients)

DX related external e-learning

12 categories

21 courses
(FY2024.3 results)

JCPL: The abbreviation for JAST Certified Project Leader.

In-house independent certification in JAST-style project management

Advancing workstyle reform

Average annual paid holiday

Acquisition rate **74.8%**

Number of days **11.9** days
(FY2024.3 results)

Average overtime hours

(Average monthly overtime hours)

17.2 hours
(FY2024.3 results)

Recipients of parental leave

16 persons

Male **8** persons
(FY2024.3 results)

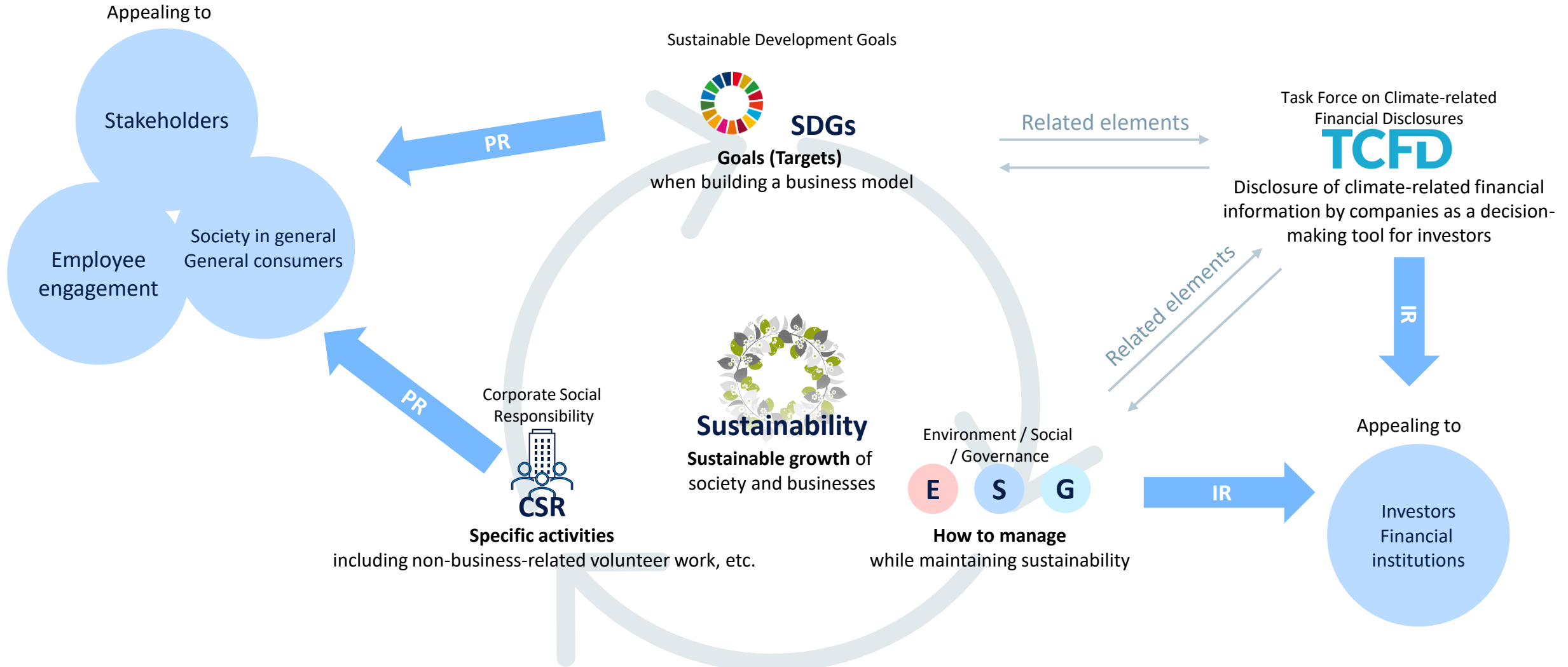
Reduced working hours after parental leave

Maximum of **9** years



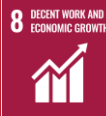








(1.5 times the legal requirement)

11. Sustainability (1/3): Overall Policy

Appealing to various stakeholders through appropriate disclosure of corporate activities aimed at sustainable growth







11. Sustainability (2/3): SDGs Initiatives (Main Business)

Key issue	Business field	Contents	SDGs theme
Industry and ICT innovation	General business	<ul style="list-style-type: none"> ➤ Making society a better place by creating and providing new types of IT services ➤ Supporting the structural transformation of industries with ICT ➤ Contributing to co-creation and cooperative system establishment and ecosystem transformation ➤ Working in solidarity with group and partner companies 	
Support for learning activities using ICT	GAKUEN	<ul style="list-style-type: none"> ➤ Providing a comprehensive solution in building the future of universities ➤ ICT-driven, high-quality classroom support and technology-based education ➤ Facilitating improved educational quality through the use of educational big data ➤ Realization of recurrent education (lifelong learning) environments ➤ AI and IoT research development aimed at the digitalization of education ➤ Providing new services for Generation Z 	  
Optimization of medical costs and contribution to health promotion	Medical big data business	<ul style="list-style-type: none"> ➤ Using medical big data in pursuit of “medical care expense optimization for insurers and promotion of the health of the insured” ➤ Joint research efforts with academia and others to help find “solutions to address disease, including infectious diseases, and medical challenges” ➤ Open-sourcing medical big data 	 
Improving the efficiency of financial operations with an integrated information system package	BankNeo	<ul style="list-style-type: none"> ➤ Contributing to society via information systems integration package business aimed at financial institutions 	 
Contribution to corporate transformation by promoting digitalization	DX & SI business	<ul style="list-style-type: none"> ➤ Cashless service for employee cafeterias and offices ➤ “mieHR” human resources data platform ➤ Office DX -Facial recognition-based attendance recording- 	  

Note: Excerpt from our corporate website section “[Initiatives for SDGs](#)”

11. Sustainability (3/3): SDGs Initiatives (Business Management)

Key issue	Business field	Contents	SDGs theme
Initiatives for health management	Health management	<ul style="list-style-type: none"> ➤ Promotion of “Health management” ➤ Promotion of regular health checkups and medical checkups ➤ Elimination of long working hours ➤ Communication promotion initiatives (e.g., events) ➤ Physical and mental health promotion 	
Providing opportunities for learning	Training and education	<ul style="list-style-type: none"> ➤ A robust in-house training system (e.g., in-house professional certification programs) ➤ Internships (providing students with systems engineering work experience) ➤ Supporting education and learning through systems development 	
Diversity initiatives	Recruitment and treatment	<ul style="list-style-type: none"> ➤ Hiring and fair treatment regardless of race, nationality, gender, etc. ➤ A variety of in-house systems for supporting a variety of work styles ➤ Contract with “Work Happiness Farm” run by S-POOL Plus Inc. 	
Reduction of environmental impact	General business management	<ul style="list-style-type: none"> ➤ Initiatives to promote paperless offices via DX promotion ➤ Initiatives to address environmental issues in our offices, data centers and elsewhere 	

Contents

I. FY2025.3 2Q Performance Overview

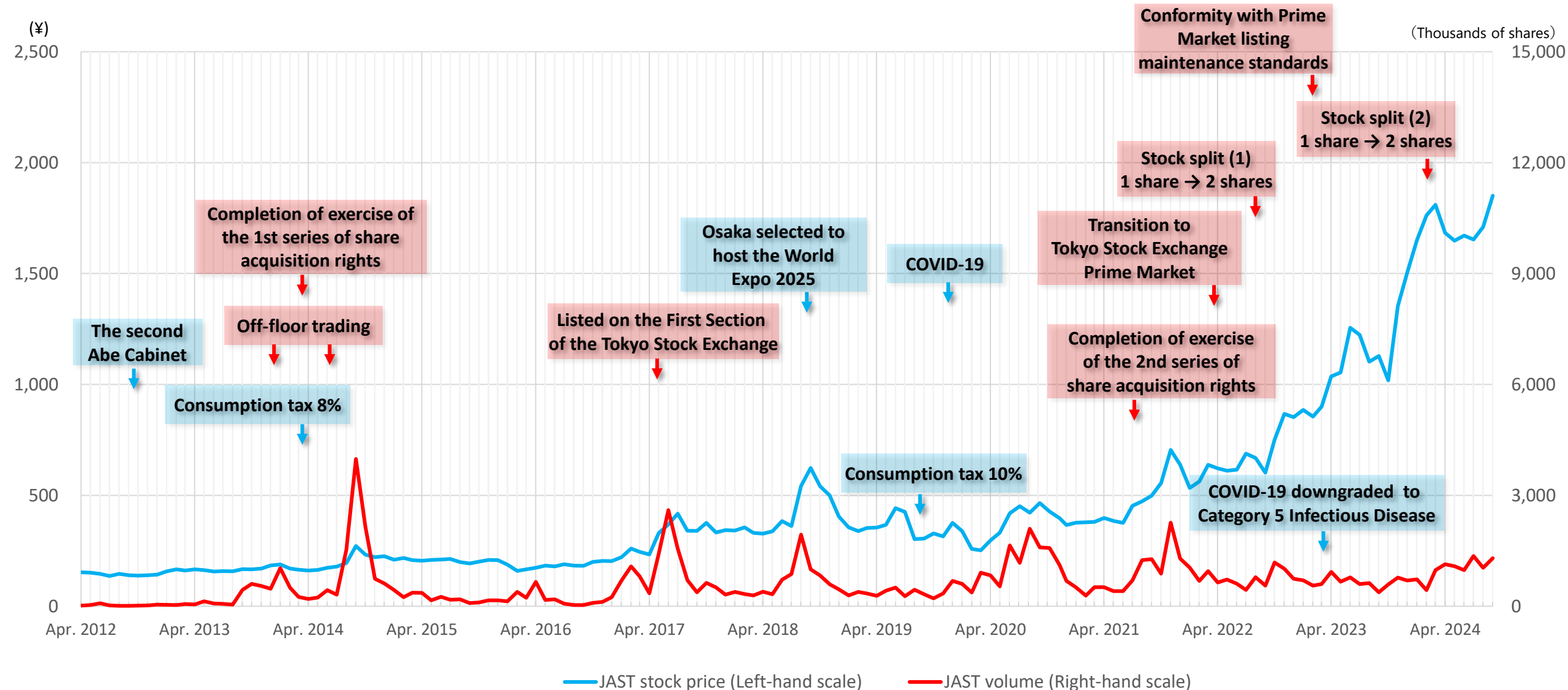
II. FY2025.3 Forecasts

III. Long-term Growth Strategy

IV. Reference



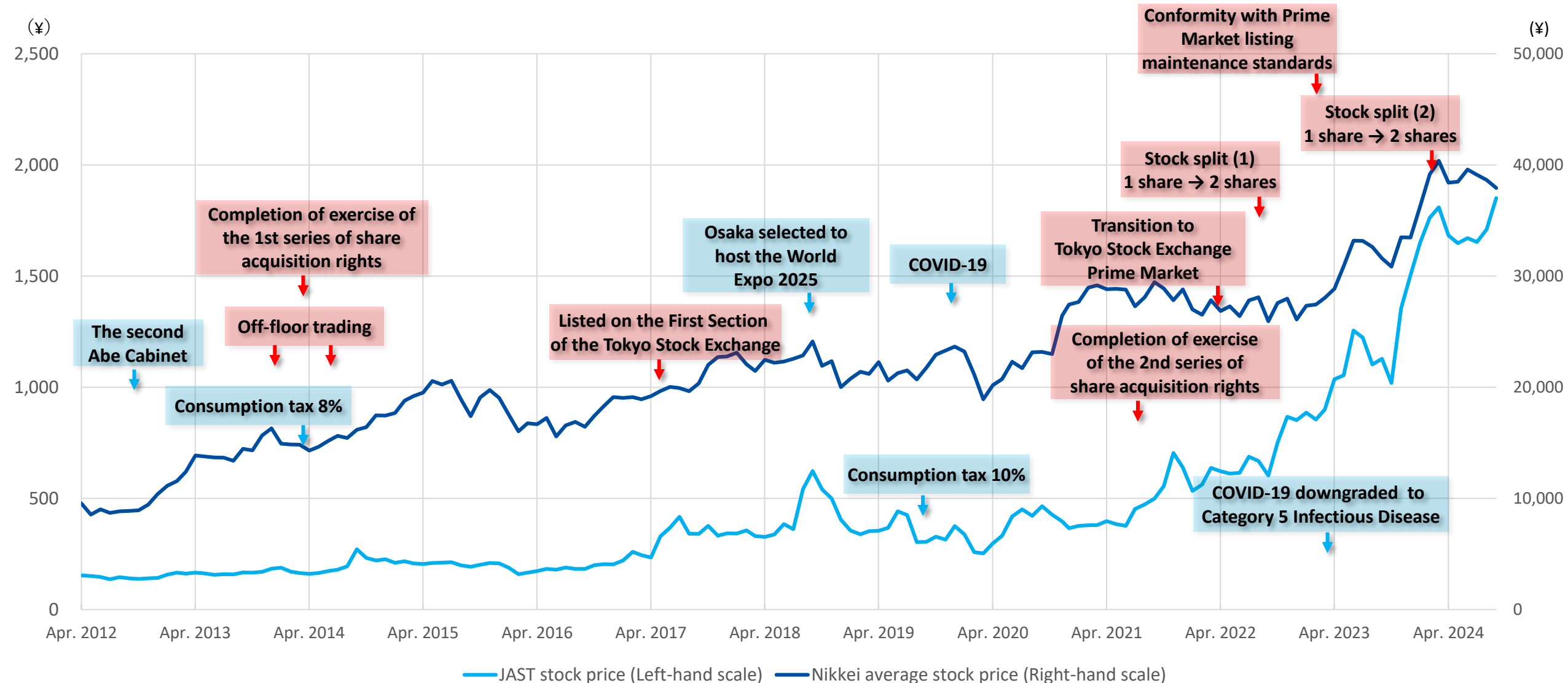
1. JAST's Stock Price and Volume



Closing price on November 29, 2024	Stock Price	¥1,953	EPS (Est.)	¥93.74	PER (Est.)	20.83 x	PBR	3.70 x
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Note: Share prices prior to the stock split (effective date: April 1, 2024) are retrospectively adjusted.

2. JAST's Stock Price and Correlation of the Nikkei Stock Average



Closing price on November 29, 2024	Stock Price	¥1,953	EPS (Est.)	¥93.74	PER (Est.)	20.83 x	PBR	3.70 x
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Note: Share prices prior to the stock split (effective date: April 1, 2024) are retrospectively adjusted.

3. Company Information

Company Name	Japan System Techniques Co., Ltd. (“JAST”)
Listed Market	Tokyo Stock Exchange Prime Market (Stock code: 4323)
Founded	March 26, 1973
Capital	1,535 million yen (as of March 31, 2024)
Location	Osaka Head Office Nakanoshima Festival Tower 29F, 2-3-18 Nakanoshima, Kita-ku, Osaka-shi Tokyo Head Office Taiyo Seimei Shinagawa Building 27F, 2-16-2 Konan, Minato-ku, Tokyo
Representative	Takeaki Hirabayashi, President and CEO
Employees	Consolidated: 1,785 (as of September 30, 2024)
Business Affiliation	None (completely independent)
Office Locations	Osaka, Tokyo, Singapore, Thailand, Malaysia, India, China and UAE

Business Segment	<ol style="list-style-type: none"> DX & SI business Package business Medical big data business Global business
Qualifications	<ul style="list-style-type: none"> Privacy Mark Certification ISO9001 registered company ISO14001 registered company ISO27001 registered company ISO20000 registered company* Excellent Health Management Corporation 2024 Platinum Kurumin certification Sports Yell Company 2024
Certification Mark	     

*Registered with our Healthcare Innovation Division

4. Group Companies

★ GuiLin Anxin Software Co., Ltd.

Guilin, China
 ★Offshore development ★Sales base in China

★ Shanghai Jiafeng Information Technology Co., Ltd.

Shanghai, China
 ★Development and product sales base in China

★ JASTEC (THAILAND) CO., LTD.

Thailand, Bangkok
 ★IT service for local Japanese companies

★ JAST Asia Pacific CO., LTD.

Thailand, Bangkok
 ★Deployment of JAST brand services in ASEAN

★ Bright & Better Co., Ltd.

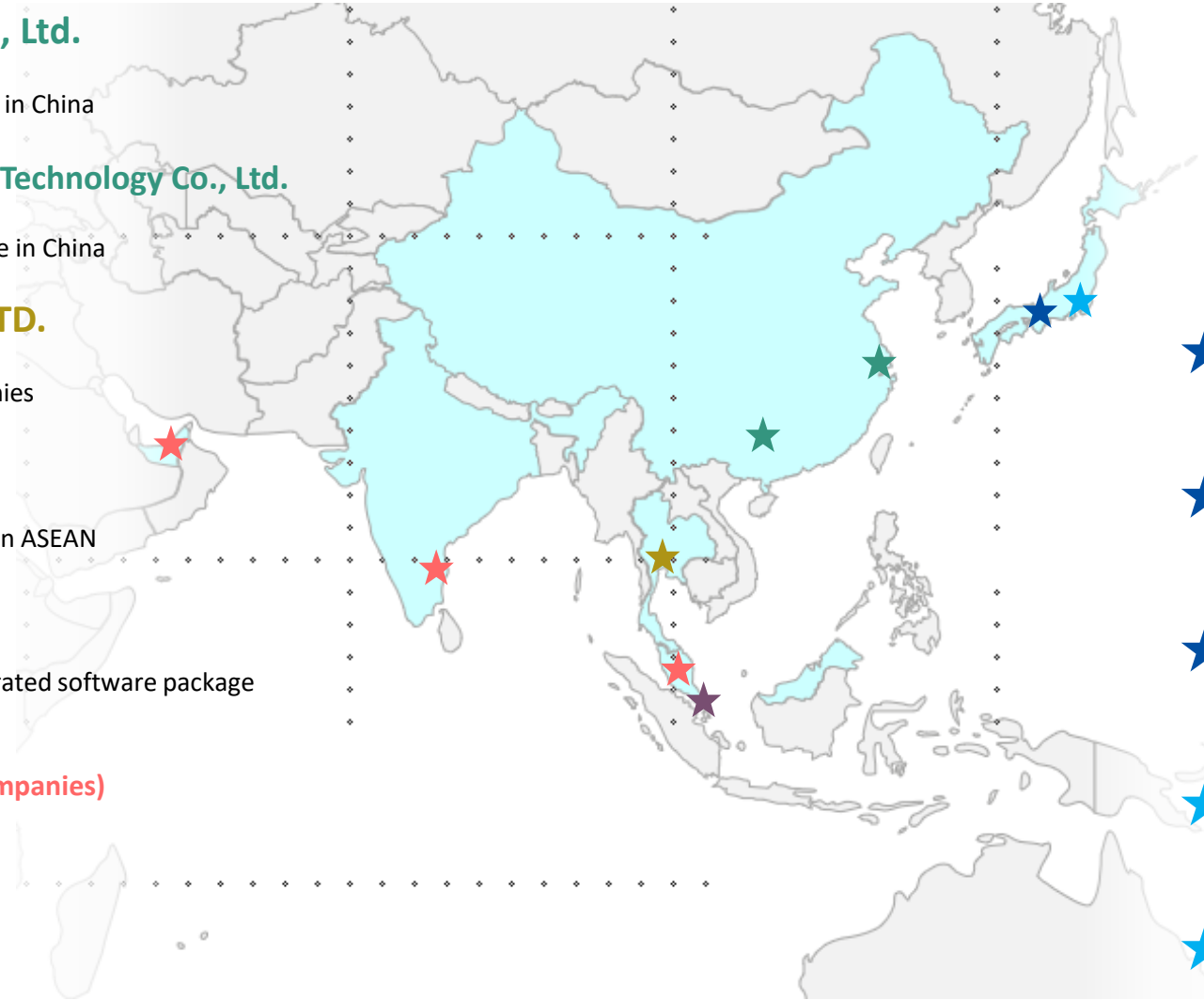
Thailand, Bangkok
 ★Consultation of implementing integrated software package
 Software contract development

★ Virtual Calibre Group (6 companies)

Kuala Lumpur, Malaysia
 Chennai, India
 Dubai and Abu Dhabi, UAE
 ★Deployment of SAP business

★ AG NET PTE. LTD.

Singapore
 ★Deployment of HRM business



Osaka Head Office

Tokyo Head Office

★ Osaka Head Office
 Nakanoshima Festival Tower 28-29F,
 2-3-18 Nakanoshima, Kita-ku, Osaka-shi, Osaka

★ NewNeeds Co., Ltd.
 Osaka
 ★Local based IT service

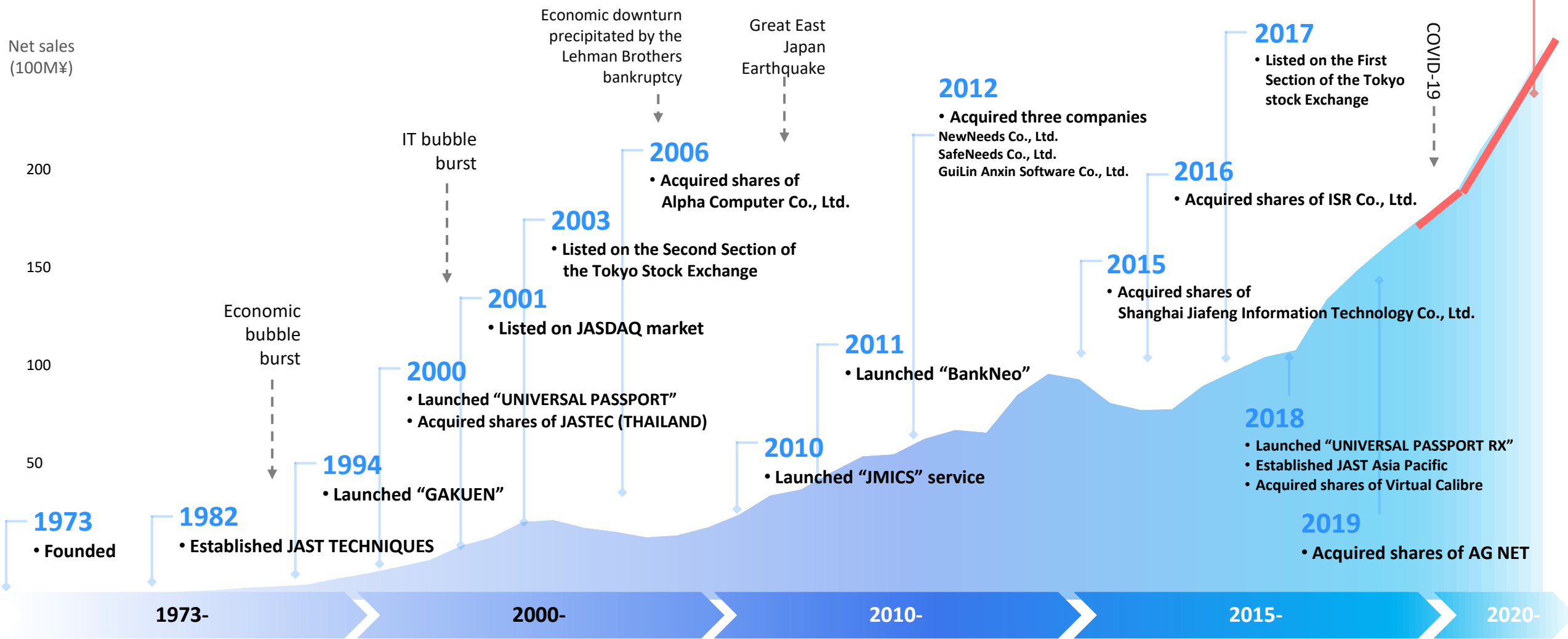
★ K-SHIP Co., Ltd.
 Toyonaka City, Osaka
 ★ Receipt inspection and health management
 business, etc.

★ Tokyo Head Office
 Taiyo Seimei Shinagawa Building 5F, 26F, 27F,
 2-16-2 Konan, Minato-ku, Tokyo

★ Alpha Computer Co., Ltd.
 Shinagawa-ku, Tokyo
 ★ Multi-vendor IT infrastructure design

5. History

<p>2020</p> <ul style="list-style-type: none"> • Launched “iBss” service • Launched “mieHR” • Launched “GAKUEN Subscription” • Launched “GAKUEN RX” 	<p>2021</p> <ul style="list-style-type: none"> • Launched “SMART BankNeo” <p>2022</p> <ul style="list-style-type: none"> • Announced transition to Tokyo Stock Exchange Prime market • Established Bright & Better 	<p>2023</p> <ul style="list-style-type: none"> • 50th anniversary of the foundation • Certified as a "DX Certified Business Operator" • Conformed to TSE Prime Market listing maintenance standards • Made Virtual Calibre Consulting India Pvt. Ltd. an affiliated company 	<p>2024</p> <ul style="list-style-type: none"> • Made K-SHIP Co., Ltd. a subsidiary • Established Virtual Calibre IT Solutions L.L.C • Established Virtual Calibre IT Consultancy - L.L.C - S.P.C
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6. Business Description (1/4): List of Businesses

DX & SI business

Contracted development, development support, solution development and implementation

Taking advantage of our strength as a completely independent company, we provide a wide variety of information systems and services across a wide range of fields

◆SI

Providing system development services to a wide range of industries and business domains

◆Solution

Development, operation, analysis, and related system development of in-house solutions and cooperative solutions

< Priority solutions >

- AWS*
- 3S (SAP*, Salesforce*, ServiceNow*)
- Adobe*

◆Service

From consultation, data science and cloud infrastructure to operation and maintenance, and data analysis and utilization., etc.

Package business

Development and sales of in-house packaged solutions

Providing development and sales of our own branded products, along with implementation consulting services. Additionally, we offer related services such as environment setup and system development

◆GAKUEN

Providing development, sales, and implementation and consulting services for the "GAKUEN Series," a comprehensive package system for universities, which has a top market share in Japan (adopted by over 400 universities and junior colleges nationwide)



◆BankNeo

Providing development, sales, and implementation for the "BankNeo" package solution for financial institutions. Adopted by 60 financial institutions as of today, including two Japanese mega banks in 2021.



Medical big data business

Inspection and analysis of medical information data and related services

Offer multiple healthcare businesses and provide a one-stop service with an aim to promote utilization of medical data and insurers' business reforms

◆Receipt automatic inspection system



◆Insurers business support services



◆Receipt management system for public assistance



◆Data health business

◆Data utilization



Global business

Global DX business with a focus on the Asia-Pacific region

With group companies in five countries overseas, provide development, sales and implementation consulting of ERP and HRM products, and system development.

◆Countries



Singapore



China



UAE

◆Business

- SAP* implementation consulting and related services (in Malaysia, India and UAE)
- ERP implementation and development of related services (in Thailand)
- Cloud-based HRM solution
Developing "AGHRM*" (in Singapore)

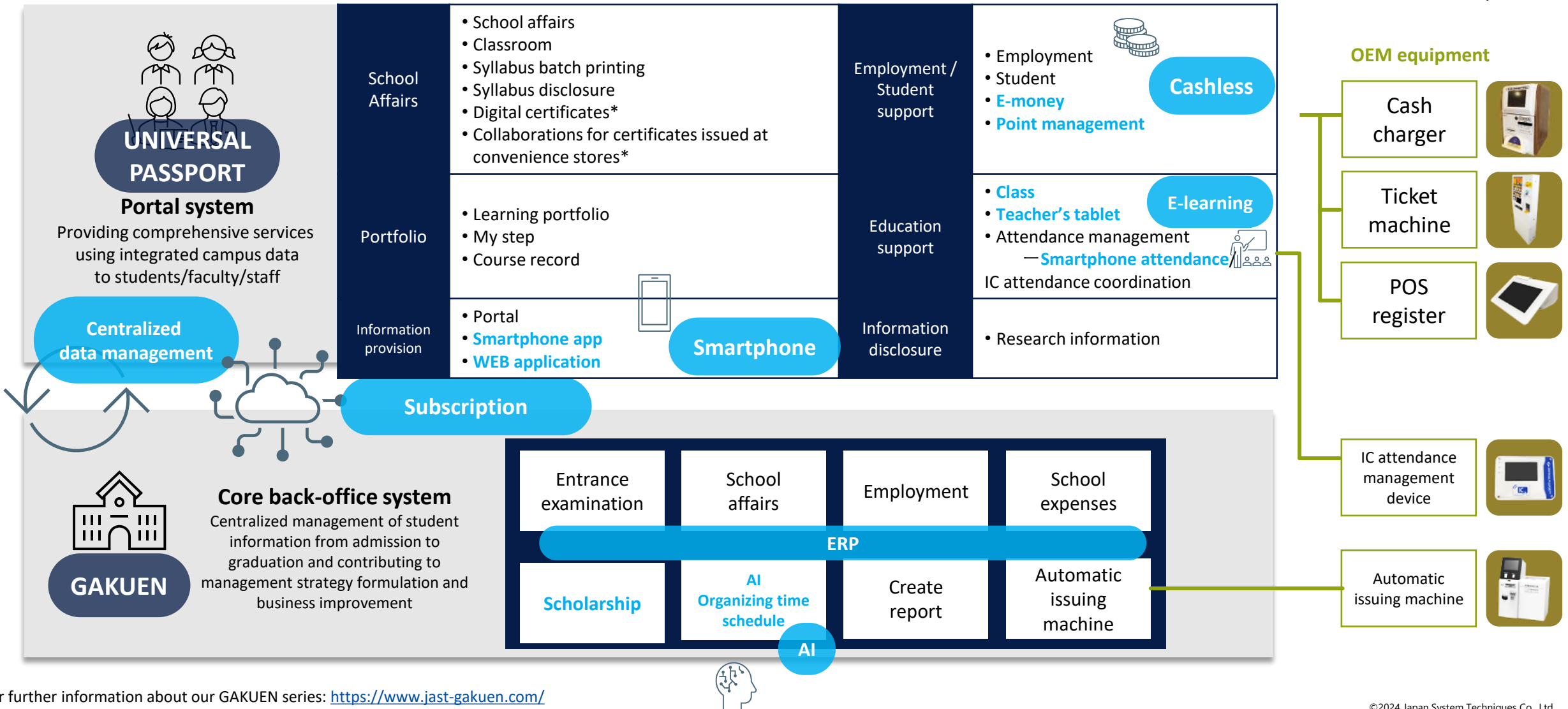


- Offshore development (in Guilin, China)

6. Business Description (2/4): JAST Brand (GAKUEN)

Top brand with more than **454 schools installed**

An integrated platform that comprehensively supports the activities of higher education institutions



6. Business Description (3/4): JAST Brand (BankNeo)

Offering a wide range of **smart and niche solutions** that leverage easy implementation and scalability
 Our integrated package drives digital transformation (DX) in financial institutions

Inheritance support solutions

Scheduled for release in FY2025.3

- Centralization/efficiency of clerical tasks
- Compliance with laws and regulations
- Banking system linkage

Front-end Compliance

Released in FY2024.3

- Unified workflow and paperless operations
- Compliance with regulations
- Integration with CRM

TQSM NAVI

Released in FY2023.3

- Improved productivity in external activities and external affairs management
- Enhancement of sales skills for personnel
- Strengthening the organization.

CRM/SFA

Released in FY2022.3

- Centralized customer management and sales support.

Electric form

Released in FY2022.3

- Reduction of administrative burdens
- Paperless initiatives

Management of asset of deposit

Released in FY2020.3

- Strengthening information management
- Paperless initiatives

Cloud

- Ensuring comprehensive security
- Reducing administrative burdens in management and operations

Other solutions

- Comprehensive estate management and business administration
- Versatile scalability and expandability

JAST Solution for BANKING
BankNeo

- Proven track record of implementation in numerous financial institutions nationwide
- Ease of implementation through a small start approach.
- High scalability after implementation
- A wealth of expertise accumulated over 30 years
- A service lineup that captures customer needs

6. Business Description (4/4): JAST Brand (JMICS/iBss)

Used by more than 400 organizations, JMICS/iBss uses a large volume of medical data and DX technology for total support for medical expense optimization and measures to stay healthy. Extends from insurer business process support to analysis, consulting and healthcare services.

Benefit and application-related services

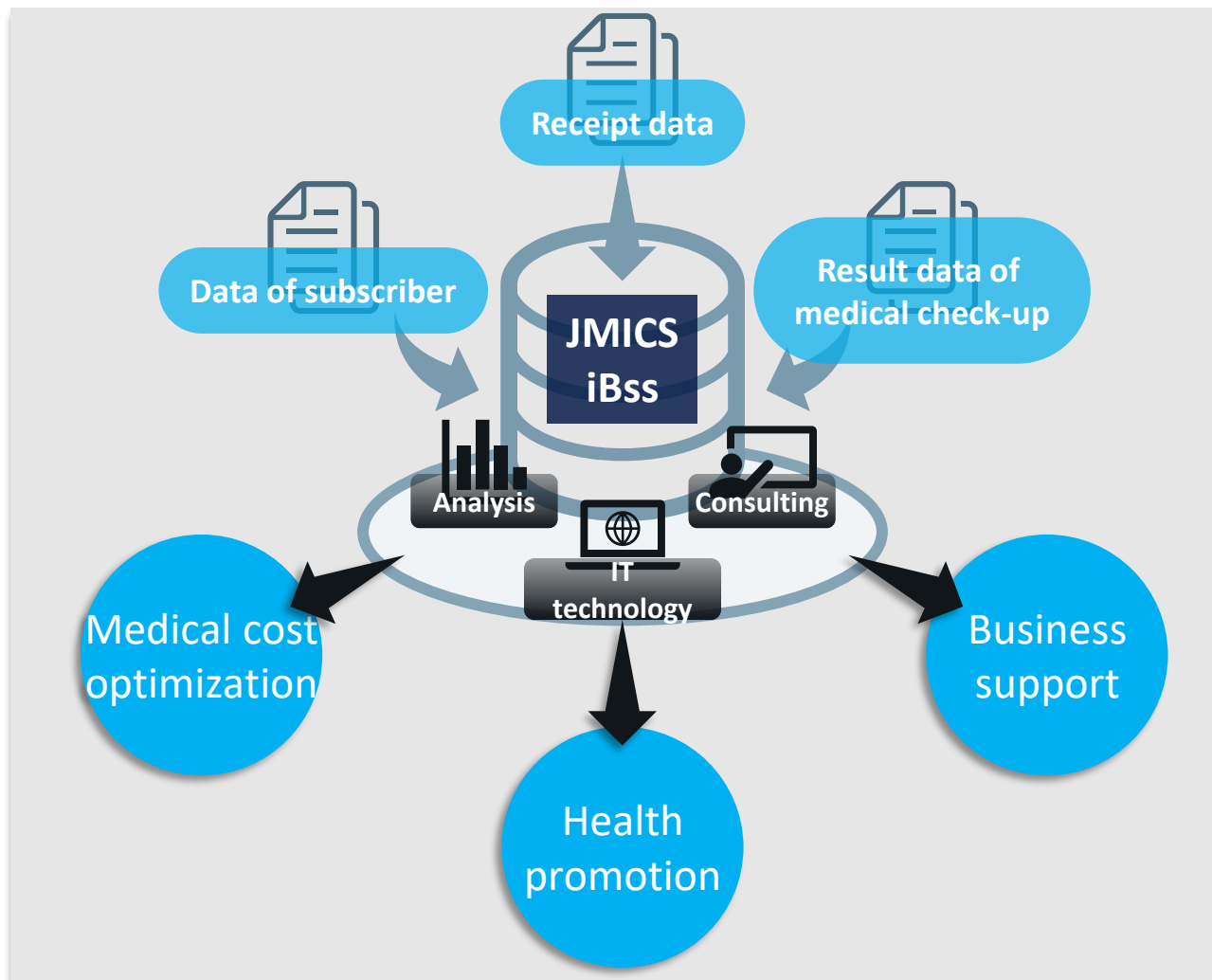
Utilizing the system for receipt inspection, dependent investigation, and assistance with subsidy application

- Inspection 【JMICS】
 - Receipt inspection
 - Inspection of overseas medical cost, Inspection for judo therapy and osteopathy
- Web application 【iBss】
 - Dependent investigation system (Verification)
 - Various applications (influenza vaccination subsidy)

Notification services

Identification of eligible individuals and issuance of corrective notices for medical expense optimization

- WEB notifications
- Issuance of notices to promote generic medicine usage
- Identification of individuals with duplicate or frequent visits and issuance of corrective notices
- Identification of individuals with duplicate medicine administration and issuance of corrective notices
- Dispatch of notices recommending medical examinations
- Other notifications for appropriate healthcare behavior, etc.



Medical cost analysis services

Providing support for various health initiatives and caregiving data, with a focus on receipt and health check-up data

- Providing comprehensive support from data health strategy formulation to execution.
- Analysis of receipt and health check-up data
- Evaluation of the effectiveness of healthcare services
- Various analytical reports and benchmarks
- Geographic Information System (GIS) analysis of regional medical expenses
- Analysis of caregiving data

Health guidance services

Offering health guidance provided by health counselors, registered dietitians, nurses, and other professionals

- Extraction of target individuals for health guidance
- Prevention of the exacerbation of lifestyle-related diseases
- Prevention of the exacerbation of lifestyle-related diseases diabetic nephropathy
- Specific health guidance (face-to-face and ICT-based)
- Guidance on appropriate medical check-ups (reducing duplications, frequent visits, etc.)

7. Philosophy-driven Management

Since its inception, the company has adhered to a philosophy-driven management approach, encapsulated by the principle "The vision comes first." This approach is grounded in the integration of Taoism and economics, emphasizing that the caliber of management is fundamentally dependent on the quality of its employees.

天爵を修めて人爵これに従う

Basic Philosophy

A heaven-given rank naturally bestowed upon individuals who possess a respectable and trustworthy character. This esteemed status is earned through the consistent practice of principles and the continuous improvement of one's personality, character, and virtue.

A human-made rank is a superficial status awarded by an organization or supervisor, typically based on an individual's achievements or experience.

When individuals receive a human-made rank first, they often mistake it for a heaven-given rank. Our ultimate theme regarding business activities and human resource development is to ensure that each of our employees attains a heaven-given rank first.

Management Policy

Upholding absolute independence

To genuinely engage with our clients, we firmly maintain a position of complete independence, enabling us to **tackle challenges freely and without restrictions**. JAST's current strength lies in **its extensive achievements and accumulated knowledge across a wide range of industries and technical fields**.

Beneficial in all directions

We are dedicated to the philosophy of **"good for four directions"** (namely, **customers, shareholders, employees and society**) in order to build win-win relationships with them. We **pursue long-term stable growth** by maximizing value of each stakeholder and increasing corporate value in the aggregate.

Human capital development management

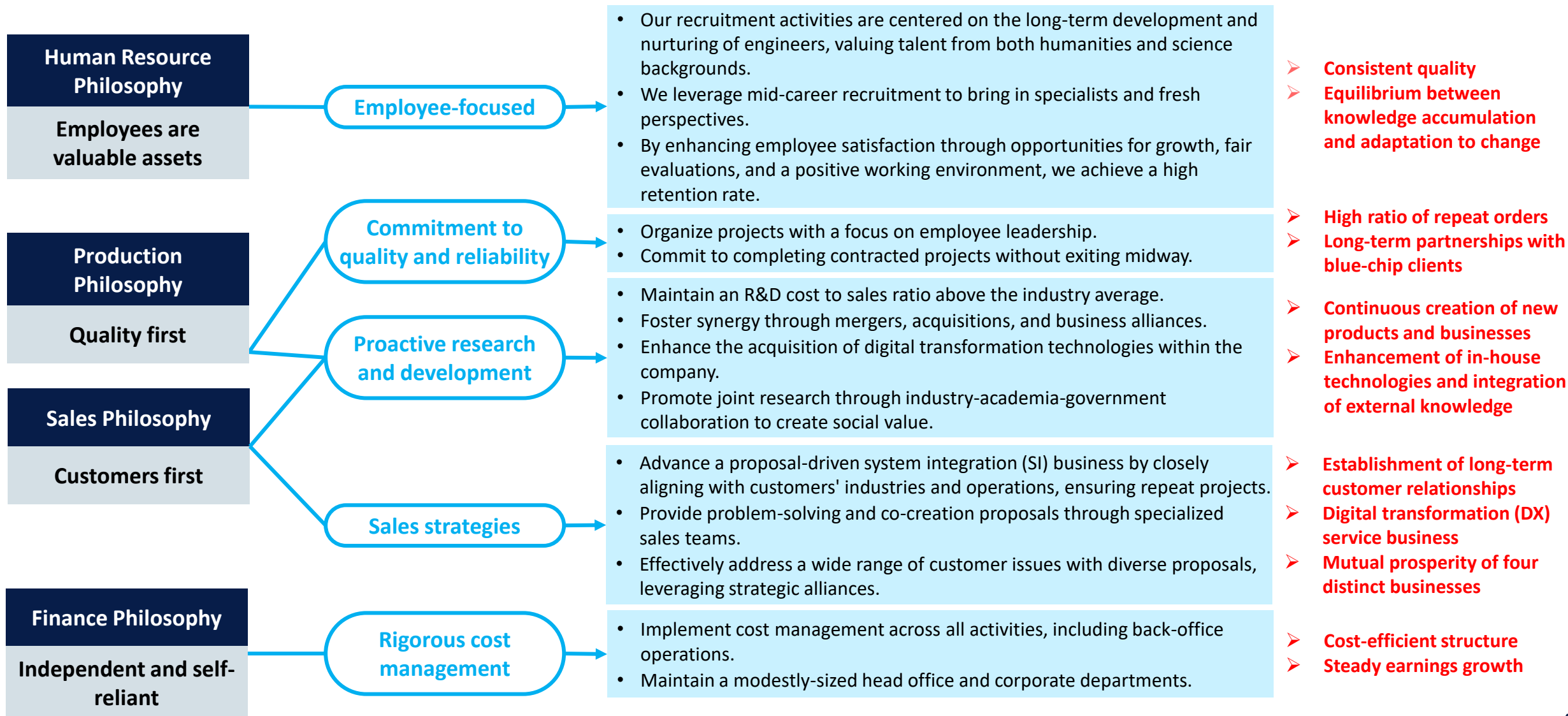
Our approach to **human capital development management** is rooted in the belief that nurturing human potential should take precedence over all else. Through this philosophy, we cultivate each JAST employee to possess **a passion for information technology and a commitment to thoughtful customer service**. These qualities are the driving forces behind our company's growth.

Adapt the *Fueki Ryūkō* (immutability and fluidity) concept in management

Based on Matsuo Basho's concept of **"Fueki Ryūkō"** (immutability and fluidity), which emphasizes creating value by embracing new changes while preserving essential elements, we exercise suitable leadership for **managing changes (fluidity)** by adhering to **a consistent management philosophy (immutability)**.

8. Management Policy

The company's management policy is integrated into four key areas: human resources, production, sales, and finance. This policy serves as a guiding framework to ensure long-term growth.





Launch the Future

Japan System Techniques Co., Ltd.

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Inquiry

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[Notice]

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