



COMTURE CORPORATION

Second Quarter of the Fiscal Year Ending March 31, 2024

November 2, 2023

Kamei: It is time. Let us start the session. Thank you very much for taking time out of your busy schedules to join us today. We start the financial results briefing for Q2 FY3/24, which we announced on October 30.

This time, we will hold a hybrid session of face-to-face and livestreaming to discuss the situation after the pandemic and to further communicate with our investors.

The COMTURE Group now consists of seven companies, and in order to further strengthen cooperation within the Group and to achieve more efficient management, we are consolidating offices or examining how offices should be located.

Today's venue is the COM's Lounge, which opened in February 2023. As you can see, inspired by a café, the atmosphere is very different from that of a regular office and is very open. We use it for communication or collaboration across the Group regardless of the hierarchical relationship.

Now, we will move on to the presentation.

First of all, I would like to introduce today's speakers. Chihiro Sawada, Representative Director, Executive President. I am Kamei. I will be the moderator. I appreciate your attention.

Now, President Sawada will explain the financial results. President Sawada, please go ahead.

Sawada: Hello, everyone. I am Sawada, Representative Director and Executive President of COMTURE CORPORATION.

I shall begin. I would like to explain the financial results for Q2 FY2024, which we announced on October 30.

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1-1 Financial Highlights (Announced October 30, 2023)

Record high first half sales and interim profit with the 13 consecutive year of sales growth and a big earnings recovery

*Figures in parenthesis are organic growth excluding M&A

	2Q FY3/23 Results		2Q FY3/24 Results		YoY change (%)
	Amount	% to net sales	Amount	% to net sales	
Net sales	14,045 million yen	-	16,761 million yen (15,381 million yen)	-	+19.3% (+9.5%)
Operating profit	1,733 million yen	12.3%	1,950 million yen (1,823 million yen)	11.6% (11.9%)	+12.5% (+5.2%)
Ordinary profit	1,741 million yen	12.4%	1,946 million yen (1,817 million yen)	11.6% (11.9%)	+11.8% (+4.4%)
Interim profit attributable to owners of parent	1,186 million yen	8.4%	1,251 million yen	7.5%	+5.5%
Interim net income per share	37.21 yen	-	39.26 yen	-	+5.5%



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First, a summary of the financial results.

In Q2 FY2024, our group's performance reached a record high in terms of both sales and profits, with YoY increases.

Net sales were JPY16.761 billion, up 19.3% YoY, and operating income was JPY1.95 billion, up 12.5% YoY. Ordinary income was JPY1.946 billion, up 11.8% YoY, and interim net income was JPY1.251 billion, up 5.5% YoY. Interim net income per share was JPY39.26, up 5.5% YoY.

These figures exclude the contribution of TAKT SYSTEMS, INC., which became a consolidated subsidiary in the current fiscal year.

As you can see, we have achieved sustained organic growth in both sales and profits.

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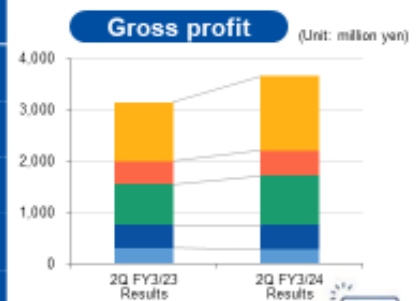
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1-2 Business Segment Performance



(Unit: million yen)

	2Q FY3/23 Results	2Q FY3/24 Results	YoY change (%)
Net sales (*) See next page	14,045	16,761	+19.3%
Cloud Solutions	4,223	6,339	+50.1%
Digital Solutions	1,986	2,315	+16.6%
Business Solutions	4,257	4,316	+1.4%
Platform, Operation Services	2,631	2,856	+8.5%
Digital Learning	945	933	▲ 1.3%
Gross profit (*) See next page	3,156	3,670	+16.3%
Cloud Solutions	1,150	1,454	+26.4%
Digital Solutions	453	495	+9.3%
Business Solutions	789	958	+21.4%
Platform, Operation Services	458	480	+4.9%
Digital Learning	305	281	▲ 7.8%



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Next, I will explain our five business segments.

The results by business segment are shown on the slide you see.

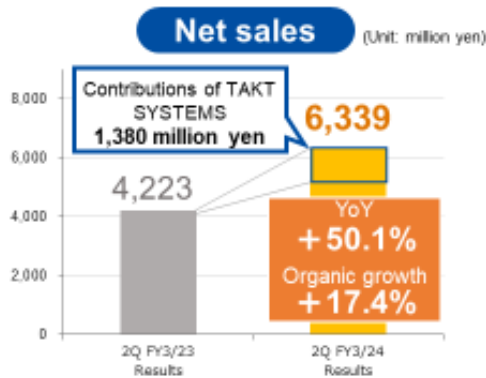
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1-3 Cloud Solutions Business

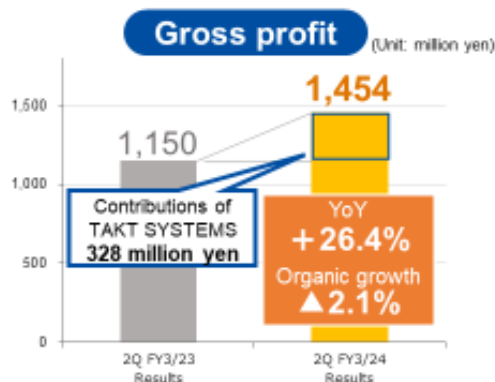


■ Main Activities

Collaboration using alliances with global SaaS vendors (Microsoft, Salesforce, ServiceNow and others), consulting and integration services for the installation and use of CRM and other cloud services, and other activities

■ Overview

- ⊕ Contribution of the sales at a subsidiary newly consolidated in this fiscal year
- ⊕ Growing demand for consulting services and building systems for the digital transformation (DX) using collaborations with vendors
- ⊖ Temporary increase in training expenses for new graduate employees and for reskilling of current employees



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The cloud solutions business includes collaboration with global SaaS vendors, such as Microsoft, Salesforce, and ServiceNow, as well as consulting and integration services when implementing cloud services, such as CRM.

Net sales were JPY6,339 million, up 50.1% YoY, and gross profit was JPY1,454 million, up 26.4 YoY%.

In addition to the contribution of a subsidiary consolidated from this fiscal year, increased demand for business for digital transformation through vendor collaboration led to the sales and profit increase.

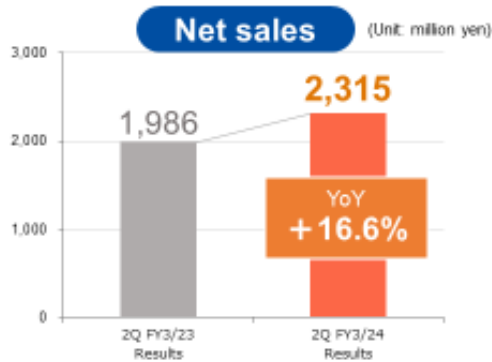
Excluding TAKT SYSTEMS' contribution, the organic growth saw sales of JPY4,958 million, up 17.4% YoY. Gross profit, on the other hand, was JPY1,125 million, down 2.1% YoY, due to onetime cost burdens resulting from training associated with the increased number of new graduates and resource shifting based on reskilling.

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1-4 Digital Solutions Business

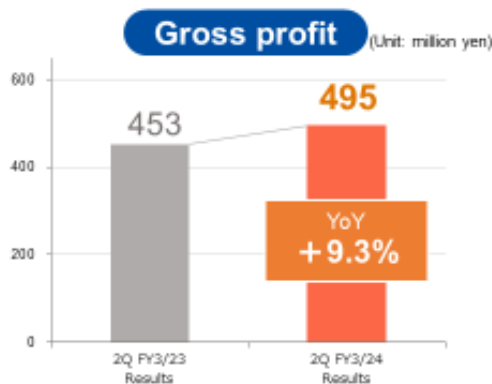


■ Main Activities

Construction of data infrastructures by working with global AI vendors (Google Cloud Platform, Amazon Web Services and others), provision of data analysis solutions by working with global data analysis vendors (SAS, Informatica, Databricks and others), and other activities

■ Overview

- ⊕ Growth of the data analysis business
- ⊕ Growth of the data management business, such as building infrastructures for collecting and storing large amount of data
- ⊕ Expanding the business of building anti-money laundering systems for financial institutions
- ⊖ Temporary increase in training expenses for new graduate employees



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The digital solutions business includes building data analysis platforms in collaboration with global AI vendors, such as Google Cloud Platform and AWS, and providing data analysis solutions in collaboration with global data analysis vendors, such as SAS, Informatica, and Databricks.

Net sales were JPY2,315 million, up 16.6% YoY, and gross profit was JPY495 million, up 9.3% YoY.

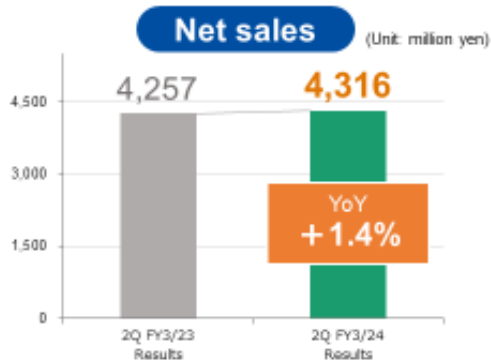
Expansion of the data analysis business, the data management business including the construction of an environment for storing data, and the anti-money laundering system construction business for the financial industry absorbed a temporary increase in training costs associated with the increased number of new graduates, resulting in an increase in both sales and profit.

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1-5 Business Solutions Business

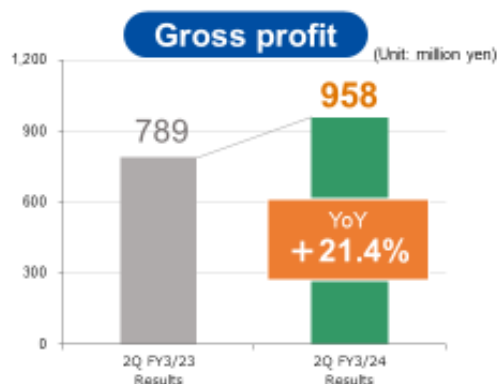


■ Main Activities

Construction, operation and modernization concerning accounting, personnel, fintech and other core IT systems using collaborations with SAP, SuccessFactors and other global ERP package vendors

■ Overview

- ⊕ Growth of the SAP business resulting from the shift of people to this business due to reskilling
- ⊕ An increase in demand for the services of this business at financial institutions
- ⊕ Profitability improved in part because earnings in the 1Q of FY3/23 were impacted by a project that encountered difficulties



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The business solutions business includes the construction, operation, and modernization of core systems, such as accounting, human resources, as well as fintech, in collaboration with global ERP package vendors, such as SAP and SuccessFactors.

Net sales were JPY4,316 million, up 1.4% YoY, and gross profit was JPY958 million, up 21.4%.

SAP-related business grew thanks to the shift of employee resources based on reskilling that has been undertaken from the previous fiscal year, and finance-related business expanded in line with increased IT investments by banks.

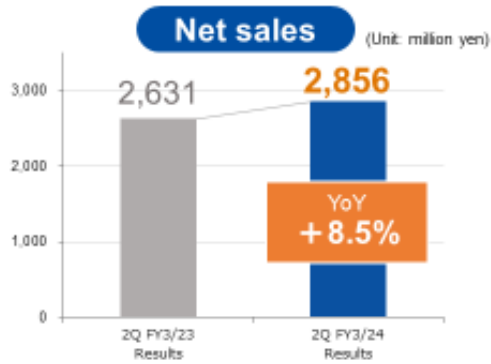
In addition, the completion of trouble projects that occurred in the previous fiscal year and improved profitability led to the sales and profit increase.

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1-6 Platform, Operation Services Business

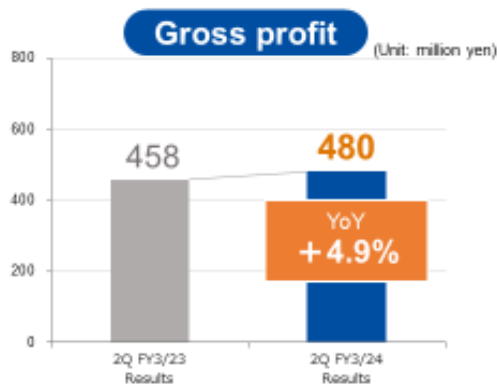


Main Activities

Hybrid cloud environments using virtualization software (Kubernetes and others), design, construction and operation of virtual networks (Cisco and others), IT system remote surveillance at COMTURE Group's service centers using global tools, help desk operations, and other activities

Overview

- + Growth of the business for operating cloud environments
- + Higher demand for the outsourcing and security support of IT system operations



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The platform solutions business includes the design, construction, and operation of hybrid cloud environments utilizing virtualization software, such as Kubernetes, and other virtualization networks, such as Cisco, and remote system monitoring services and help desks at our centers using global tools.

Net sales were JPY2,856 million, up 8.5% YoY, and gross profit was JPY480 million, up 4.9%.

Both sales and profit increased thanks to the expansion of the cloud environment operation business and increased demand for outsourcing of system operations and security support.

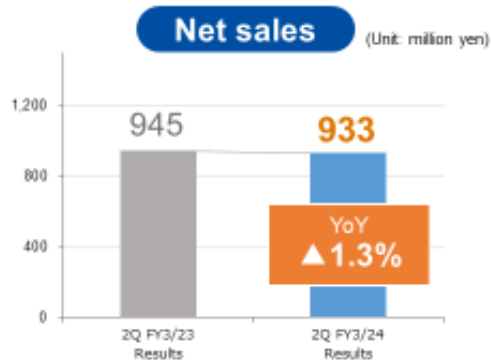
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1-7 Digital Learning Business



Main Activities

Education services with cooperation of global vendors (Microsoft, Salesforce, ServiceNow and others) for acquiring vendor certifications and IT education services to give people skills needed to perform DX jobs

Overview

- + Increasing demand at companies for structured training programs
- A brief downturn in the vendor certification education business caused mainly by a change in the system used for earning these certifications



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The digital learning business includes education for vendor certifications in collaboration with global vendors, such as Microsoft, Salesforce, and ServiceNow, as well as IT skill learning for digital transformation personnel development.

Net sales were JPY933 million, up 1.3% YoY, and gross profit was JPY281 million, down 7.8% YoY.

While demand for planned training programs for corporate clients increased, a change in the vendor certification system led to a temporary decline in demand for training business for certification purposes, resulting in the sales and profit decrease.

We will continue to grow our business in the two growth areas of cloud and digital as pillars of our operations.

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1-8 Contributing Factors

Net sales

Up 19.3% YoY

- + Cloud solutions sales increased because of rising demand at companies for moving internal systems to the cloud, cloud consulting services and other services.
- + M&A also contributed to sales growth in the Cloud solutions business.
- + Digital solutions sales increased due to higher demand for data management.
- + Business solutions sales increased because of the growth of the SAP business resulting from the shift of people to this business and of an increase in demand for the services of this business at financial institutions.
- + Platform, operation services sales increased mainly due to increasing demand for the outsourcing of IT system operations.

Operating profit

Up 12.5% YoY

- + Sales per employee: up 2.0%
- + Gross profit increased due to growth of sales and start of contributions to sales of recently hired new graduates.
- + Earnings growth more than offset the increase in goodwill amortization due to the acquisition of TAKT SYSTEMS.
- Labor expenses per capita increased 6.1% and expenses for human resource measures (recruiting, revisions of HR systems) increased.
- Higher expenses due to the growth of business operations (increase in leased space, measures to improve workplace environments, other activities).

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Next, I will explain the key points of the financial results.

Net sales increased by 19.3%, and I have just explained the reasons with the segments results.

Operating income was up 12.5%. I will explain the factors behind this.

The first positive factor was increased sales per employee by 2.0%, thanks to efforts to add higher value, including business expansion in consulting and other upstream processes and a shift to growth areas.

The second, in addition to sales growth, gross profit increased as a result of the early profit generation from new graduates.

The third was the increase in earnings above the amortization of goodwill resulting from the consolidation of TAKT SYSTEMS.

The first negative factor is due to a significant increase in labor costs per employee to 6.1% again this fiscal year in order to improve employee satisfaction, as well as an increase in expenses related to personnel policies, such as improvement of recruitment activities and revisions to the personnel system.

The second is due to increased costs associated with business expansion, such as additional office space and improvements to the work environment.

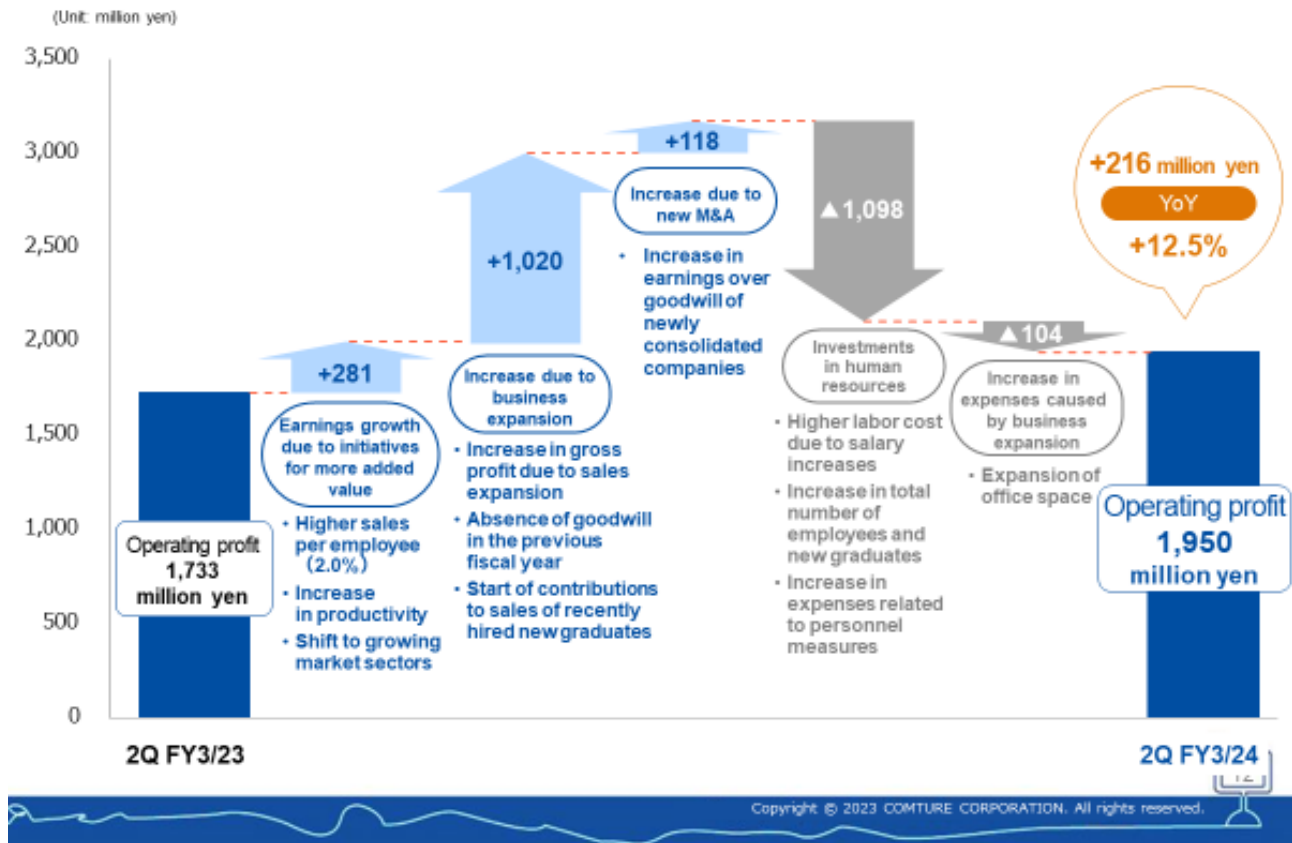
The details are explained in the following chart.

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1-9 Components of Changes in Operating Profit



Operating income of Q2 FY2023 was JPY1,733 million.

The high value-added strategy resulted in sales per employee increasing by 2.0%, which led to an increase in profit by JPY281 million.

Sales increase and the effect of the immediate amortization of goodwill incurred in the previous year resulted in a JPY1,020 million increase in income.

Furthermore, an increase in profits from newly consolidated subsidiaries resulted in an increase of JPY118 million.

On the other hand, negative factors included an investment of JPY1,098 million in human capital, including labor and human management system costs.

In addition, there was a JPY104 million increase in costs due to business expansion, including office expansion.

When subtracted, operating income for Q2 FY2024, was JPY1,950 million, up 12.5% YoY.

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2-1 FY3/24 Earnings Forecast (Announced May 12, 2023)

Aiming for 14 consecutive years of sales growth and 13 consecutive years of earnings growth, reaching new record highs

*Figures in parenthesis are organic growth excluding M&A

	FY3/23 Results		FY3/24 Forecast		YoY change (%)
	Amount	% to net sales	Amount	% to net sales	
Net sales	29,056 million yen	-	35,000 million yen (32,300 million yen)	-	+20.5% (+11.2%)
Operating profit	4,065 million yen	14.0%	4,750 million yen (4,596 million yen)	13.6% (14.2%)	+16.8% (+13.1%)
Ordinary profit	4,067 million yen	14.0%	4,750 million yen (4,596 million yen)	13.6% (14.2%)	+16.8% (+13.0%)
Profit attributable to owners of parent	2,695 million yen	9.3%	3,150 million yen	9.0%	+16.9%
Net income per share	84.56 yen	-	98.83 yen	-	+16.9%

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Next, I will explain the earnings forecast for FY3/24.

For the full year, we expect to record 14 consecutive years of sales growth and 13 consecutive years of earnings growth, backed by continued growth in the digital transformation market, and reach new record highs.

Net sales are JPY35 billion, up 20.5% YoY. Operating income is projected at JPY4.75 billion, up 16.8% YoY, with an operating margin of 13.6%. Ordinary income is expected to be JPY4.75 billion, up 16.8% YoY, and net income is expected to be JPY3.15 billion, up 16.9% YoY, with net income per share of JPY98.83, up 16.9% YoY.

Even excluding the contribution from M&A and seeing only organic growth, net sales are JPY32.3 billion, with a YoY increase of 11.2%, and operating income increases by 13.1% YoY to JPY4,596 million, with an operating margin of 14.2%.

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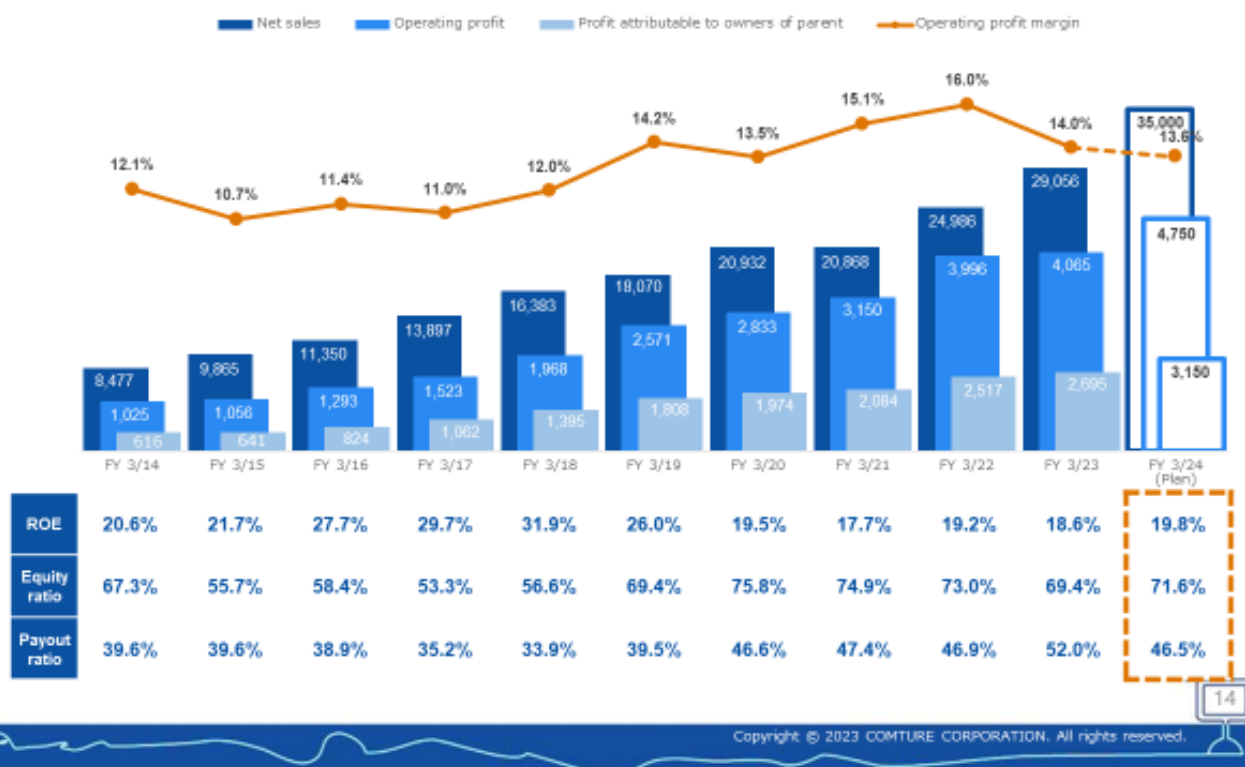
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2-2 Performance Trends

FY3/14 to FY3/24 (Net sales/Operating profit/Net income)



This chart shows net sales, operating income, and net income for the past 10 years.

Although the operating margin has temporarily increased due to the reduction of commuting and entertainment expenses due to COVID-19, the operating margin of 13.6% for the current fiscal year is planned to remain adequate compared to past performance, despite the trend of large increases in labor costs and other human resources investments.

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2-3 Business Segment Forecast (Revised on October 30)

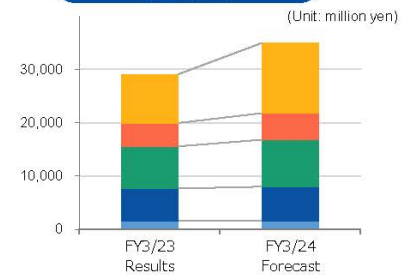


(Unit: million yen)

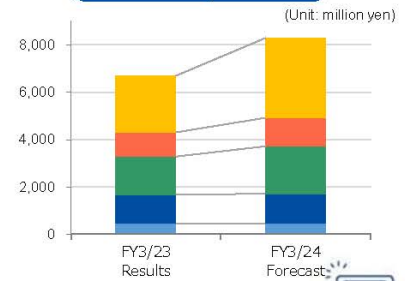
	FY3/23 Results	FY3/24 Forecast	YoY change (%)
Net sales	29,056	35,000	+20.5%
Cloud Solutions	9,112	13,200	+44.9%
Digital Solutions	4,375	5,000	+14.3%
Business Solutions	7,956	8,800	+10.6%
Platform, Operation Services	6,047	6,400	+5.8%
Digital Learning	1,566	1,600	+2.2%
Gross profit	6,696	8,289	+23.8%
Cloud Solutions	2,392	3,370	+40.9%
Digital Solutions	1,018	1,200	+17.8%
Business Solutions	1,615	2,000	+23.8%
Platform, Operation Services	1,211	1,260	+4.0%
Digital Learning	457	460	+0.4%

- Cloud Solutions Business
- Digital Solutions Business
- Business Solutions Business
- Platform, Operation Services
- Digital Learning

Net sales



Gross profit



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The business segment forecasts are shown on the slide, as you can see.

We will continue to develop human resources and shift resources around the growth areas of cloud solutions and digital solutions and firmly increase net sales and gross profit in all business segments.

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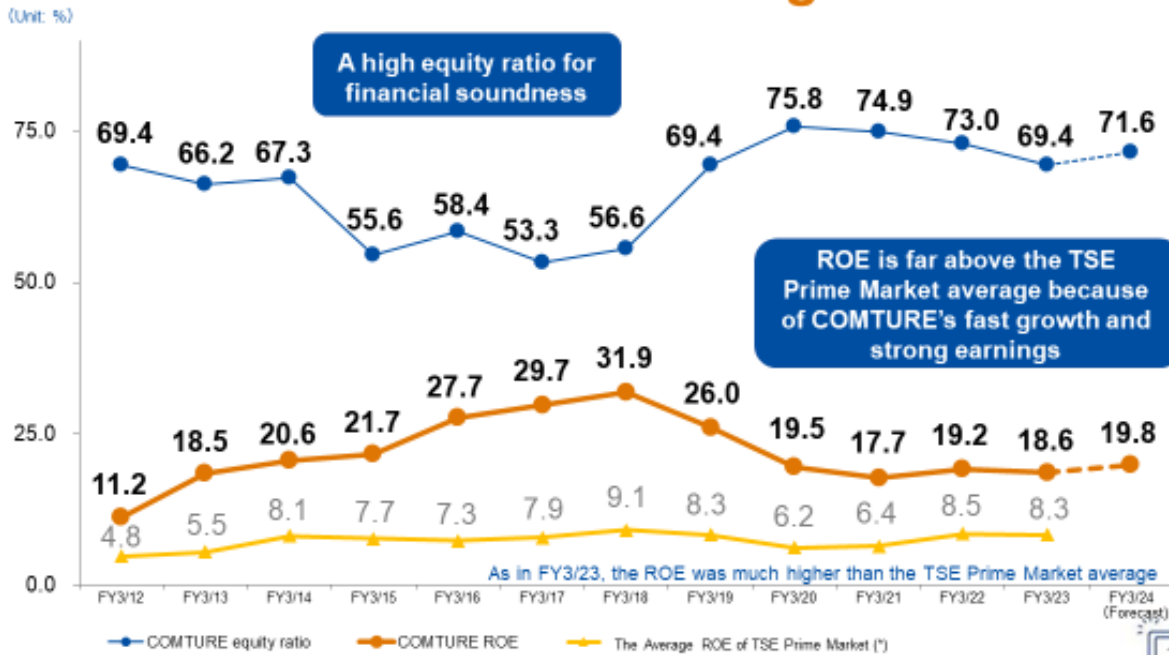
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2-4 Financial Soundness and High Profitability

The goals are a shareholder's equity of **more than 70%** and a **high ROE**



Next is the capital adequacy ratio.

It was 69.4% for FY3/23 and is expected to be 71.6% for the current fiscal year. ROE was 18.6% for FY3/23 but is expected to be 19.8% for the current fiscal year by an increase in net income.

This is a very high level compared to the average for prime market companies listed on the Tokyo Stock Exchange. We will continue to promote high-growth, high-value-added management, aiming for both soundness and high profitability.

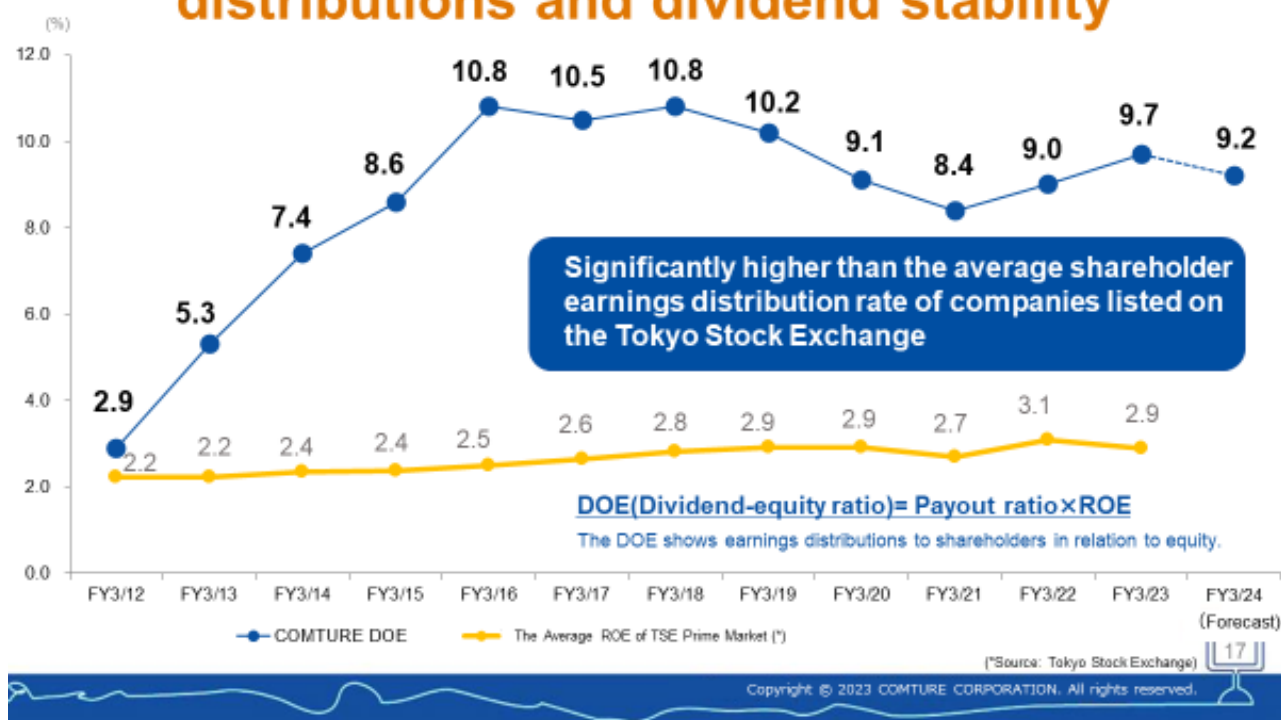
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2-5 Balancing Capital Efficiency and Shareholder Returns

Goal is consistently **high shareholder distributions and dividend stability**



DOE, which indicates the ratio of dividends to shareholders' equity, was 9.7% for FY3/23.

In the current fiscal year, due to the increase in net income, the dividend payout ratio forecast at the beginning of the fiscal year will be 9.2%, which is lower than that of the previous fiscal year, but this is also well above the average shareholder return ratio for prime market companies listed on the Tokyo Stock Exchange.

We aim to balance capital efficiency and shareholder returns well and will actively and stably return profits to our shareholders.

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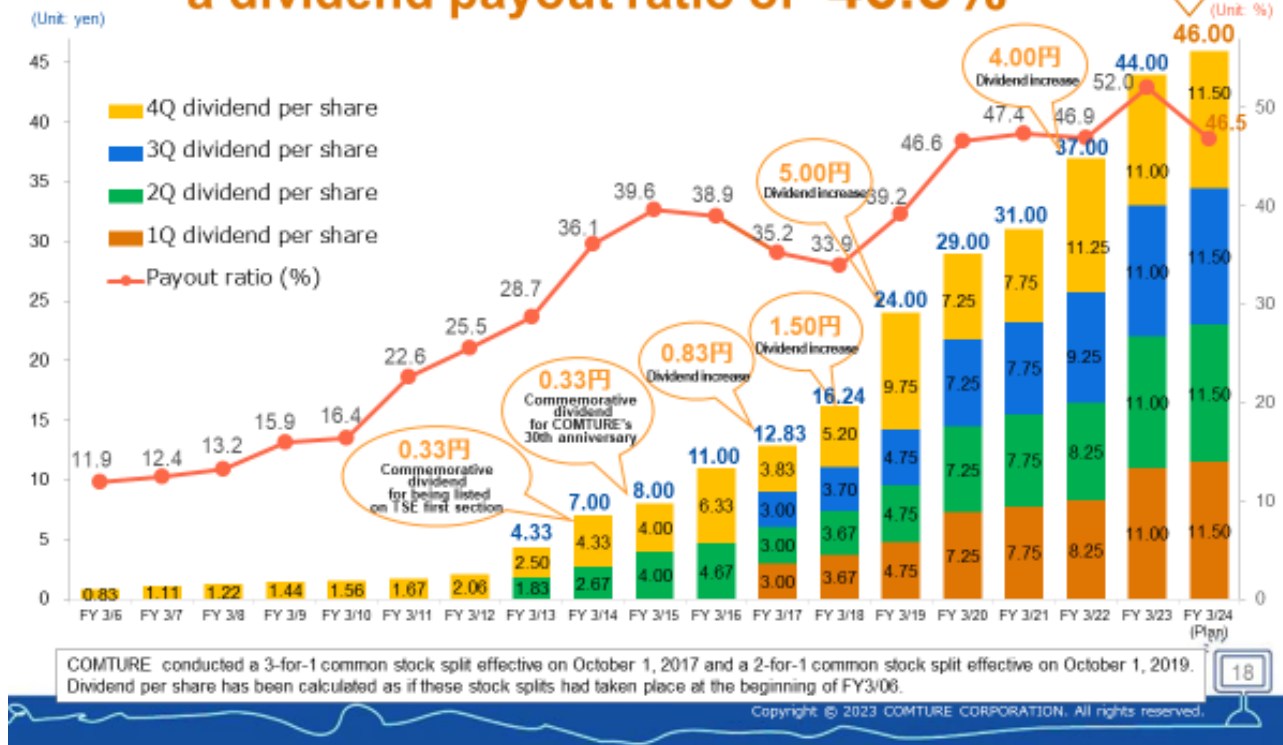
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2-6 Dividend Growth

Plan to raise the dividend for the 19th consecutive year

a dividend payout ratio of **46.5%**

2.00yen
Dividend
increase YoY



The dividend payout ratio for the current fiscal year is 46.5%, with a target of 45% or more.

The annual dividend will be JPY46, an increase of JPY2 YoY and the 19th consecutive fiscal year of dividend increases. Since we pay a quarterly dividend, the dividend will be JPY11.50 per quarter.

If profits exceed the plan, we intend to increase dividends accordingly.

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3-1 Progress with the ITOCHU Alliance



	CRM/Low code development Salesforce/kintone	ERP SAP	Data analysis/Other D-native
Group companies	Support for the DX of ITOCHU and group companies		
	<ul style="list-style-type: none"> Started Salesforce services for ITOCHU Group companies Started support for internal low code development for the DX of ITOCHU Group companies 	<ul style="list-style-type: none"> Started planning for training programs for people at the ITOCHU Group to implement the DX 	
Activities with ITOCHU Group IT companies	Use of joint solutions to target new markets		
		<ul style="list-style-type: none"> Received Best Partner Award from the Distribution Group of ITOCHU Techno-Solutions (CTC), recognition of benefits of using SAP and personnel system success factors 	<ul style="list-style-type: none"> Started joint activities with CTC involving data analysis
	Project and resource sharing for more growth		
	<ul style="list-style-type: none"> Joint activities with CTC in the Salesforce domain targeting large companies in the Nagoya region 	<ul style="list-style-type: none"> Started joint project with CTC for updating the accounting system (SAP) of a large cargo transportation company 	<ul style="list-style-type: none"> Joint activities with CTC in the infrastructure domain targeting large companies in the Nagoya region



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Finally, I will explain the topics and the progress of the measures in the medium-term management plan.

First, we are working to expand our business.

Business alliances with ITOCHU Group companies are taking shape in the areas of CRM, low-code development, ERP, and data analysis, which we focus on.

In addition to our stand-alone approach, we will promote digital transformation proposals to more than 200 group companies in collaboration with ITOCHU Techno-Solutions Corporation and other group IT companies.



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3-2 Generative AI Activities

 <p>Customers</p>	<p>Cloud services including generative AI</p> <ul style="list-style-type: none"> Started studies for launching a service using the Azure OpenAI Service Using generative AI in Salesforce and ServiceNow for programming and UI designs <p>Use of generative AI for development processes</p> <ul style="list-style-type: none"> Started technology verification process for the use of generative AI for the automatic production of source code and test cases in new projects in order to improve the efficiency and quality of development activities <p>Training programs using generative AI</p> <ul style="list-style-type: none"> Started training programs to give people skills for the use of the Azure OpenAI Service
 <p>COMTURE</p>	<p>Established an environment in which 100 employees in corporate departments can use an exclusive COMTURE generative AI for their work</p> <ul style="list-style-type: none"> Automation of internal data collection/analysis and reports used for establishing business plans for higher efficiency and "smart" decisions Improve the quality of business processes by performing checks of inconsistencies and redundancies in company rules, disclosure materials and other information when preparing documents Strengthen search engine optimization (SEO) when producing web content in order to create ideas for improving key word settings and content expressions

With regard to generative AI, we are actively promoting business development and internal use. Cloud services, such as Salesforce and Microsoft, which are our areas of expertise, have added generative AI capabilities, and we are in the process of verifying new services that take advantage of these capabilities.

We are also working on technical validation for the application in the development process. Improvement of added value is expected thanks to improved development efficiency and quality, mainly in programming.

In the learning business, we also began offering training services for companies that see this as an opportunity to create business and promote the development of human resources capable of utilizing Microsoft's generative AI.

At the same time, we have begun to improve the quality and efficiency of our operations through its use. We have established a unique environment within the Company and started using the system with 100 employees in the corporate division.

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3-3 The New Consulting Division



(1) Business domain: Enlargement of consulting, an upstream process



(2) Organization: Previously handled projects individually; now creating organizational units of experienced people to handle the business consulting domain
Expand organizational structure and consulting business by training other internal consulting personnel and reinforcing personnel from outside the company



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We are also working to further added value.

We have been providing consulting services on a project-by-project basis but have now established a new consulting division. By consolidating not only our resources, but also our know-how, we will expand the scope of our business consulting services, thereby enhancing both our ability to solve our clients' business challenges and our value.

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3-4 Ceremony for new graduates recruited by COMTURE



A ceremony for new college graduates joining COMTURE in 2024

COMTURE has notified **200** individuals who will complete their college degrees in 2024 that they will be hired following graduation. These people will help build a stronger infrastructure for more growth in the following years.

Recruited many talented people

COMTURE hired 200 new college graduates, about the same as in the previous year, while maintaining its high standards in order to add engineers in growing business sectors

Quickly train people to make them productive

Activities are under way to help people upgrade skills prior to starting their jobs at COMTURE in April 2024



We are also making good progress in securing excellent human resources for sustainable growth.

We recently held a face-to-face informal ceremony to welcome new graduates who will join us in April 2024. With 200 new graduates, we will increase the number of engineers in growth areas and further expand our business in the next fiscal year and beyond.

We will also focus on skill improvement measures for new graduates before they officially join the Company, aiming to make them competitive at an early stage.

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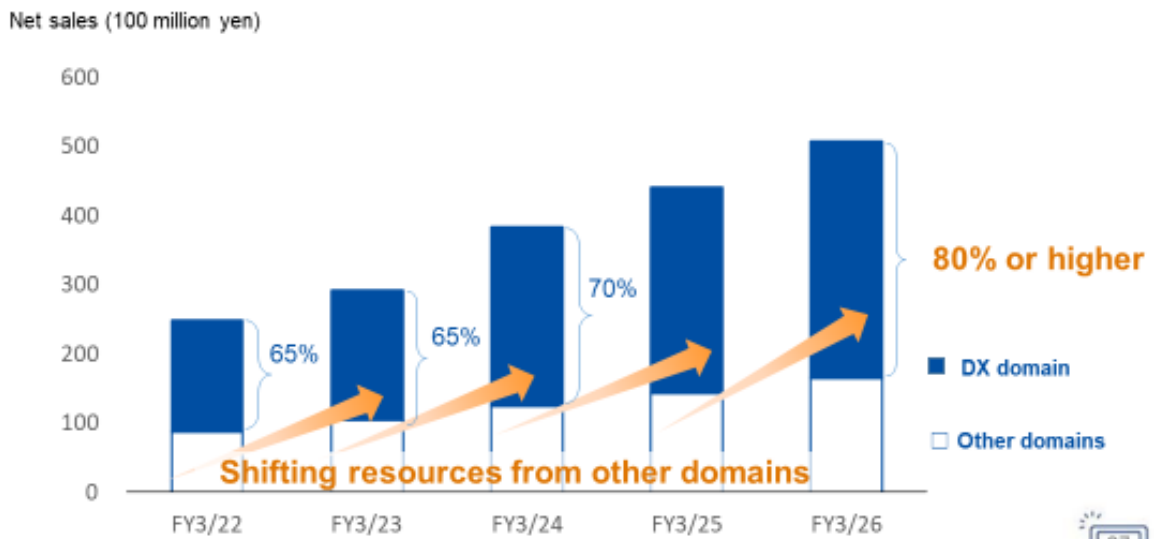
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3-5 Medium-term Management Plan – Expansion of DX domain

Accelerating the shift to DX domain, which is a growth engine

- **Expanding business in the DX domain** backed by the growing DX market
- **Shifting resources proactively** to grow at an accelerated rate
- **Increasing the ratio of businesses in the DX domain to net sales to 80% or higher (FY3/26)**



As shown on the slide here, our medium-term business plan calls for accelerating the shift to the digital transformation area, which is a driver for growth. A key measure to achieve this is to develop and secure human resources.

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3-6 Human Resources

A stronger infrastructure by recruiting and training many talented people

Recruiting

Hiring new graduates and people with prior job experience

900 people over three years

Training

DX training model centered on certifications

1,000 people certified every year

Reskilling program

30 to 40 people every six months

Stronger ties with business partners

Increase the partner ratio

Add **600 people** over three years



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The KPIs for developing and securing human resources are shown on the slide here.

The following slides describe our efforts to achieve these KPIs.

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3-7 Progress of Medium-term Management Plan – Workforce Growth



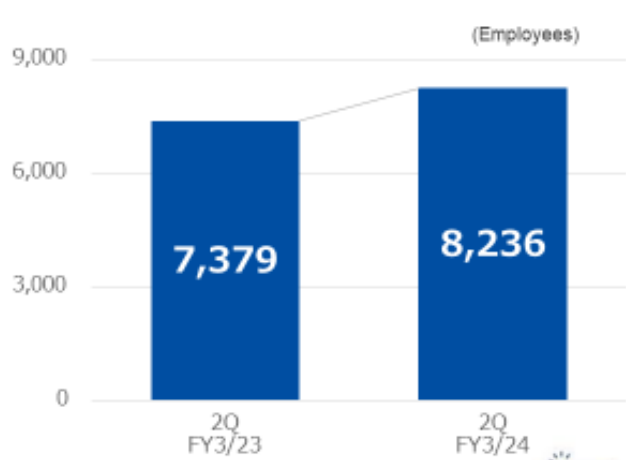
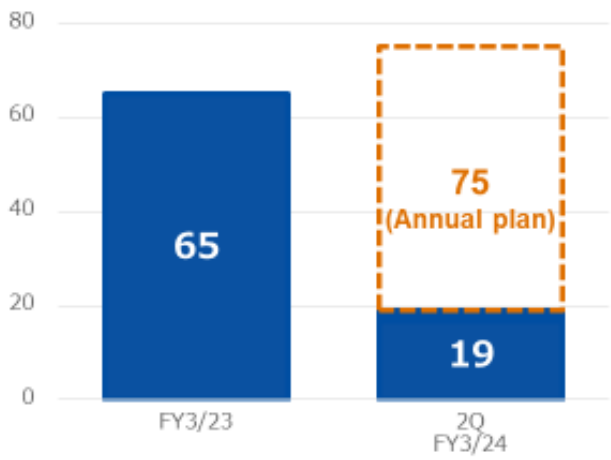
Recruiting activities for faster growth

More hiring of experienced people

- Hired 19 people in FY3/24 as of the end of September
- Using employee introductions, scouting and other activities

Stronger relationships with partner companies

- Outsourced projects were 11.6% more than one year earlier
- Working with 39 core partner companies



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In terms of securing human resources, we are expanding our mid-career recruiting measures to include employee referrals and the use of headhunting tools.

The number of requests increased by double digits, mainly because of efforts to strengthen cooperation with subcontractors, mainly our core partners for areas lacking in our employees, which contributed to the increase in sales.

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3-8 Progress of Medium-term Management Plan – Workforce Growth



Education and training programs for more added value

Reskilling current employees

- 95 people had been shifted as of July 1.
- Plan to reskill and shift 150 people during FY3/24.

Fast training of new graduate employees

- Almost 90% of 201 new hires assigned to business units are productive
- Goal is 100% productivity of these new hires by the 3Q



As part of our human resources development efforts, we are shifting resources to growth areas for existing employees through reskilling efforts that utilize the Group's internal training expertise.

As a result of our early training efforts for new graduates who joined the Company in April, nearly 90% of them are profitable, which contributes to our business performance in terms of profit.

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COMTURE in 5 to 10 years



The goal is sales of **100 billion yen** in FY3/32

Providing high value-added services by driving customers' DX and solving their issues
 ×
 Creating the foundations as a top-drawer company where employees find it comfortable to work
 ↓
 Accelerating growth through M&A in addition to driving organic growth



Through these efforts, we will provide more value-added services to our customers by promoting digital transformation and resolving issues, and at the same time, we will build a foundation as a top leading company by creating a comfortable working environment for our employees.

Furthermore, by strategically executing M&A and other measures to accelerate growth, we aim to become a company with net sales of JPY100 billion by FY3/32.

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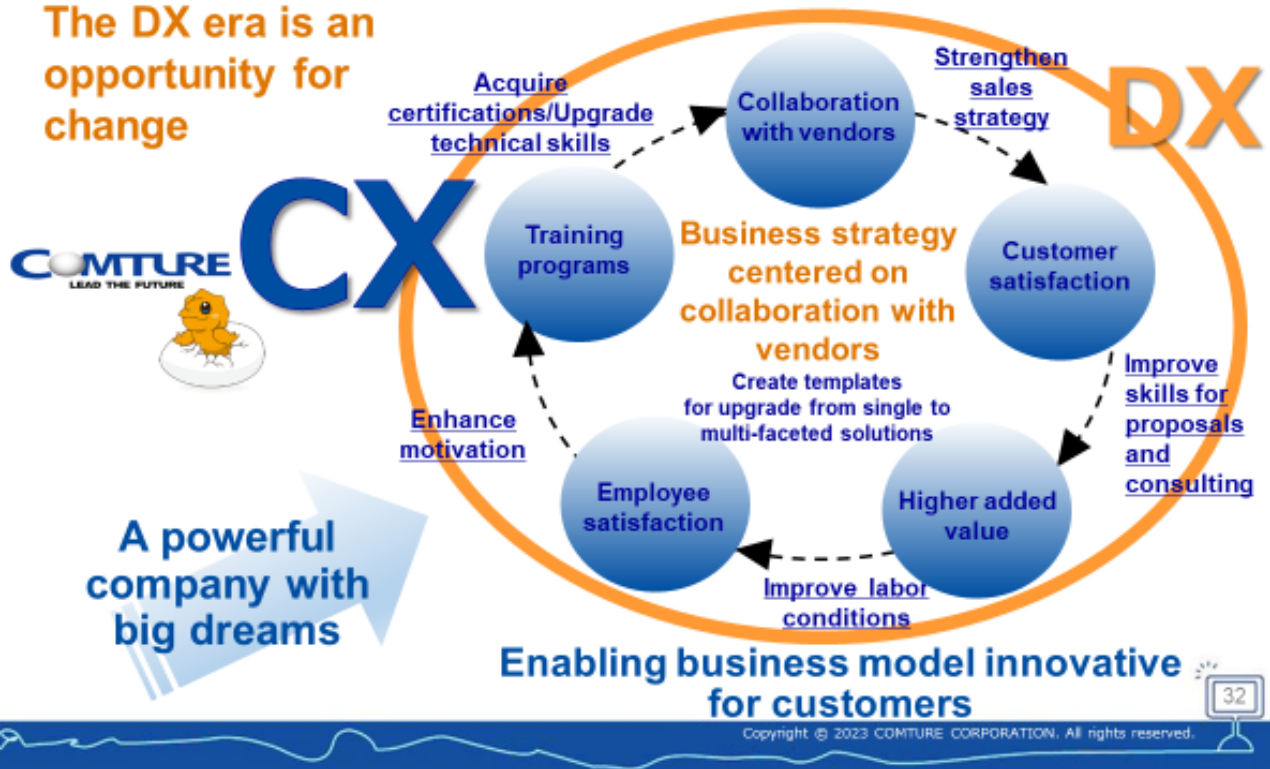
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The Comture Transformation (CX)

Comture will transform into a DX integrator

The DX era is an opportunity for change



A powerful company with big dreams

To achieve this plan, the COMTURE Group will transform itself into a digital transformation promotion partner to further expand business in the digital transformation area.

Through sales collaboration with global platformers and tool vendors, we will improve our technical capabilities and strengthen our proposal and service quality, leading to customer satisfaction, added value, employee satisfaction, and further human resources development.

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Closing “Our Slogan”



Be a source of
“*excitement*”
for customers and
“*dreams*”
for employees



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As a conclusion, in addition to our corporate motto of “more excitement” for our customers and “more dreams” for our employees, we will continue to properly manage the Company so that we can deliver even more “excitement” and “dreams” to our shareholders.

Thank you very much for your cooperation. Thank you.

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Kamei [M]: Thank you. I would like to conclude with a few words from Sawada.

President Sawada, please go ahead.

Sawada [M]: Thank you very much for your time today.

We are now working with high aspirations to become a JPY100 billion company by FY2032. Last year, we were a little behind in dealing with new hires in Q1, and in the end, we were unable to make up for the delay in Q1 with the remainder of the year.

Based on this experience, we hired a much larger number of new employees this year, and as a result of our preparations, I think we have been able to achieve a reasonable level of performance so far.

However, as I said at the beginning, we still need to grow more organically. We have to do more value-added activities, and I will continue to manage the Company.

We look forward to receiving guidance and encouragement from our investors.

Thank you very much for your time today.

Kamei [M]: Thank you. It is time to conclude the briefing.

We would like to continue to hold the next and subsequent sessions in a hybrid format, depending on the situation of the society, and we look forward to your participation.

Thank you very much for your participation.

Sawada [M]: Thank you.

[END]

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