



COMTURE CORPORATION

Third Quarter of the Fiscal Year Ending March 31, 2024

February 5, 2024

Event Summary

[Company Name]	COMTURE CORPORATION	
[Company ID]	3844-QCODE	
[Event Language]	JPN	
[Event Type]	Earnings Announcement	
[Event Name]	Third Quarter of the Fiscal Year Ending March 31, 2024	
[Fiscal Period]	FY2024 Q3	
[Date]	February 5, 2024	
[Number of Pages]	37	
[Time]	11:00 – 11:57 (Total: 57 minutes, Presentation: 29 minutes, Q&A: 28 minutes)	
[Venue]	Webcast	
[Venue Size]		
[Participants]		
[Number of Speakers]	2	
	Chihiro Sawada	Representative Director, President
	Takahiro Kamei	Managing Executive Officer (IR-SR)

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Presentation

Kamei: It is time to begin the meeting. Thank you for taking the time out of your busy schedule to join us today. We will be holding a financial results briefing for Q3 of the fiscal year ending March 31, 2024. The financial report was recently announced on January 31. This year's meeting is being held via live streaming.

First of all, I would like to introduce the attendees from our company today. Mr. Chihiro Sawada, President and Chief Executive Officer and I, Mr. Kamei, will be the moderator. Thank you.

I will now turn this meeting over to Mr. Sawada to discuss the financial results. Mr. Sawada, please go ahead.

Sawada: Hello, everyone. I am Mr. Sawada, Representative Director, and President of COMTURE CORPORATION. I would now like to discuss our financial results for Q3 of the fiscal year ending March 2024, which we recently announced on January 31.

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1-1 Financial Highlights (Announced January 31, 2024)



Achieved 14 consecutive years of sales growth and 12 consecutive years of earnings growth with both sales and earnings climbing to record highs

*Figures in parenthesis are organic growth excluding M&A

	3Q FY3/23 Results		3Q FY3/24 Results		YoY change (%)
	Amount	% to net sales	Amount	% to net sales	
Net sales	21,365 million yen	-	25,310 million yen	-	+18.5%
Operating profit	2,883 million yen	13.5%	3,262 million yen	12.9%	+13.1%
Ordinary profit	2,871 million yen	13.4%	3,260 million yen	12.9%	+13.6%
Profit attributable to owners of parent	1,945 million yen	9.1%	2,113 million yen	8.4%	+8.7%
Net income per share	61.02 yen	-	66.30 yen	-	+8.7%

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First, let's look at the financial summary.

In Q3 of the fiscal year ending March 2024, our group's performance reached a record high in terms of both sales and profits, with YoY increases in both sales and profits. Net sales were JPY25.31 billion, up 18.5% from the previous year, and operating profit was JPY3.262 billion, up 13.1% from the previous year. Ordinary profit was JPY3.26 billion, up 13.6% from the previous year, and net profit was JPY2.113 billion, up 8.7% from the previous year. Net profit per share was JPY66.30, up 8.7% from the previous year.

As a result, our group's performance in Q3 of the fiscal year ending March 2024, marked the 14th consecutive year of sales growth and the 12th consecutive year of profit growth, with both sales and profits reaching record highs.

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1-1 Financial Highlights (Announced January 31, 2024)



Achieved 14 consecutive years of sales growth and 12 consecutive years of earnings growth with both sales and earnings climbing to record highs

*Figures in parenthesis are organic growth excluding M&A

	3Q FY3/23 Results		3Q FY3/24 Results		YoY change (%)
	Amount	% to net sales	Amount	% to net sales	
Net sales	21,365 million yen	-	25,310 million yen (23,198 million yen)	-	+18.5% (+8.6%)
Operating profit	2,883 million yen	13.5%	3,262 million yen (3,009 million yen)	12.9% (13.0%)	+13.1% (+4.4%)
Ordinary profit	2,871 million yen	13.4%	3,260 million yen (3,005 million yen)	12.9% (13.0%)	+13.6% (+4.7%)
Profit attributable to owners of parent	1,945 million yen	9.1%	2,113 million yen	8.4%	+8.7%
Net income per share	61.02 yen	-	66.30 yen	-	+8.7%

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The financial results exclude the effects of the TACT SYSTEMS acquisition, which occurred during the current fiscal year and led to its consolidation as a subsidiary. This fact indicates our organic business growth. As evident from the chart, we have achieved sustained and organic growth in both revenue and profit.

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1-2 Business Segment Performance

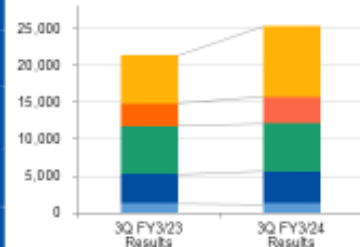


(Unit: million yen)

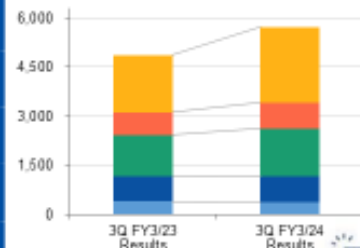
	3Q FY3/23 Results	3Q FY3/24 Results	YoY change (%)
Net sales (*) See next page	21,365	25,310	+18.5%
Cloud Solutions	6,537	9,587	+46.6%
Digital Solutions	3,046	3,544	+16.3%
Business Solutions	6,488	6,537	+0.7%
Platform, Operation Services	3,975	4,332	+9.0%
Digital Learning	1,317	1,308	▲0.6%
Gross profit (*) See next page	4,872	5,726	+17.5%
Cloud Solutions	1,742	2,311	+32.6%
Digital Solutions	693	794	+14.5%
Business Solutions	1,260	1,462	+16.0%
Platform, Operation Services	764	772	+1.0%
Digital Learning	410	386	▲5.8%

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

Net sales (Unit: million yen)



Gross profit (Unit: million yen)



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Next, I would like to discuss the five business segments of our company. The results by business segment are shown in the slide.

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***Business Segment for FY3/23:**

Beginning with this fiscal year, we have revised a part of the scope of our business in accordance with the reality of our group's business.

For consistency with this change, the consolidated statement of income for the third quarter of the previous fiscal year have been restated.

***Gross profit for FY3/23:**

In previous fiscal years, the salaries of employees hired following graduation were included in cost of sales during the April and May initial training period. Beginning with this fiscal year, these salaries are included in selling, general and administrative expenses in order to more appropriately show the true operations of the COMTURE Group because these new employees are not involved with business projects and make no direct contribution to sales during their two months training period.

For consistency with this change, the consolidated statement of income for the third quarter of the previous fiscal year have been restated.



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Please note that at the beginning of the consolidated fiscal year, a part of the scope of the business was revised to conform to the actual business situation.

The cloud service design and engineering business that focuses on data infrastructure was previously a part of the cloud solutions division. We moved the business segment to the Digital Solutions Division, and TACT SYSTEMS, a newly consolidated subsidiary, has been added to the cloud solutions division.

In addition, personnel expenses for new graduates in April and May, which were previously included in the cost of sales, are now presented as selling, general and administrative expenses, to provide a more accurate understanding of the business situation.

Per these changes, net sales and gross profit by business segment for the same period of the previous year have been reclassified.

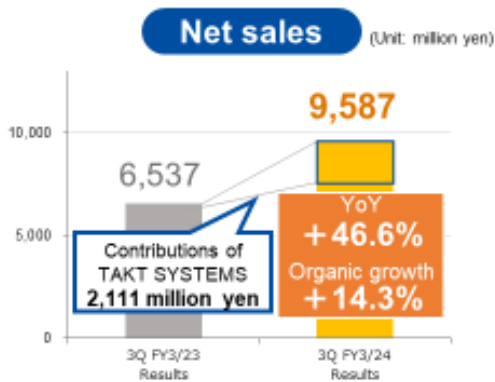
I will now provide an overview of the business by division.

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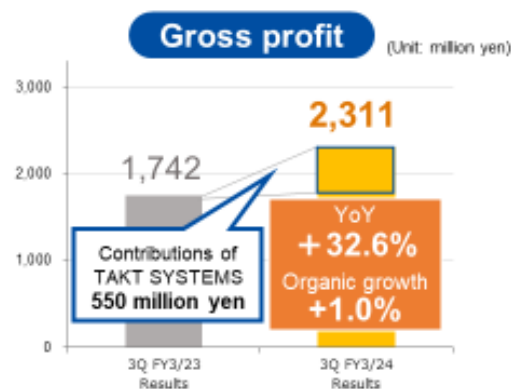
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1-3 Cloud Solutions Business



■ 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 providing consulting and integration services when introducing cloud services, such as CRM.

Net sales were JPY9.587 billion, up 46.6% from the previous year, and gross profit was JPY2.311 billion, up 32.6% from the previous year. Both sales and profit increased due to increased demand for system construction through vendor collaboration and consulting services for cloud computing and DX, as well as the contribution of a subsidiary consolidated from this fiscal year.

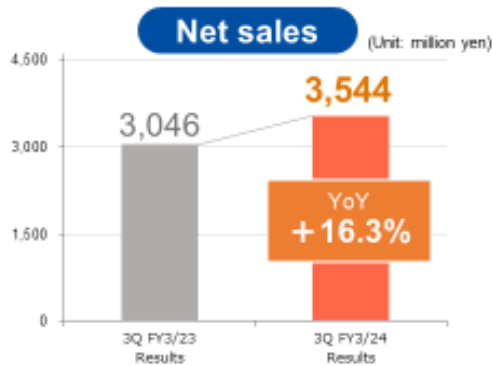
Organic figures, excluding TACT SYSTEMS contribution, show sales of JPY7.475 billion, up 14.3% from the previous year. Gross profit, on the other hand, increased 1% YoY to JPY1.76 billion due to one-time training costs incurred as a result of resource shifting associated with reskilling.

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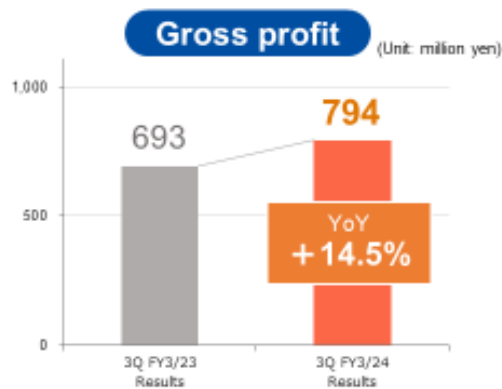
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1-4 Digital Solutions Business



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. The digital solution business includes the provision of solutions.

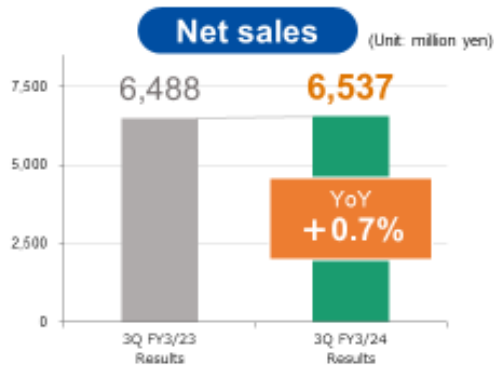
Net sales were JPY3.544 billion, up 16.3% from the previous year, and gross profit was JPY794 million, up 14.5% from the previous year. Both sales and profits increased due to the expansion of the anti-money laundering system construction business for the financial industry, the data analysis business, and the data management business, including the construction of an environment for storing data.

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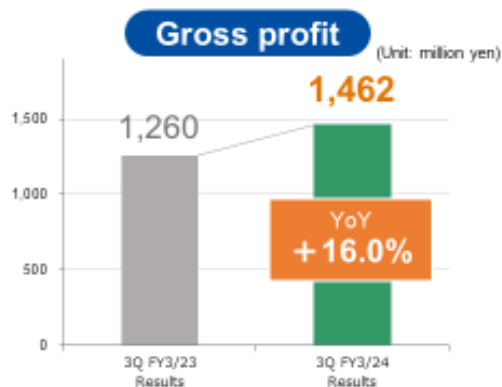
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1-5 Business Solutions Business



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 and human resources, as well as fintech, in collaboration with global ERP package vendors such as SAP and SUCCESSFACTORS.

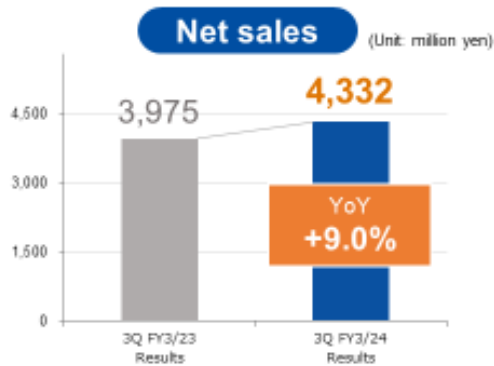
Net sales were JPY6.537 billion, up 0.7% from the previous year, and gross profit was JPY1.462 billion, up 16% from the previous year. The increase in revenue was due to the expansion of SAP-related business as a result of the shift of employee resources through reskilling that was undertaken from the previous fiscal year, the recovery of finance-related business as a result of increased IT investment by banks, and improved profitability as a result of the termination of trouble projects that occurred in Q1 of the previous fiscal year. The increase in profit was due to the improvement in profitability.

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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 and operation Services business includes the design, construction, and operation of hybrid cloud environments utilizing virtualization software such as Kubernetes and other virtualization networks such as CISCO, remote system monitoring services at our own centers using global tools, and help desk. These are the businesses of

Net sales were JPY4.332 billion, up 9% from the previous year, and gross profit was JPY772 million, up 1% from the previous year. Both sales and profits increased due to the expansion of the cloud environment operation business and increased demand for outsourcing of system operation 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 acquiring certifications from global vendors such as MICROSOFT, SALESFORCE, and SERVICENOW, as well as IT skills for DX personnel development.

Net sales were JPY1.308 billion, down 0.6% from the previous year, and gross profit was JPY386 million, down 5.8% from the previous year. While demand for planned training for companies increased, the number of lecturers involved in reskilling training for group companies increased, and the impact of changes in the vendor certification system resulted in a temporary decline in demand for the education business for certification.

We will continue to grow the business by focusing on the two growth areas of cloud and digital businesses.

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1-8 Contributing Factors

Net sales

Up 18.5% 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 13.1% YoY

- + Sales per employee: up 2.1% *Sales per employee (excluding new employees): up 5.0%
- + 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.
- Total labor expenses per employee increased 5.7%.
*Expenses increased 8.1% after excluding new employees
- Expenses for human resource measures and the growth of business operations increased.

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Next, I would like to discuss the key points of our financial results.

Net sales increased by 18.5%, and I have just explained the reasons with the segments results.

Operating profit increased 13.1%. I will discuss the factors.

The first positive factor was a 2.1% increase in net sales per employee due to efforts to add higher value, including business expansion in upstream processes such as consulting and a shift to growth areas. This is an average increase that includes 200 new graduates; however, excluding the impact of new graduates, sales per employee increased by 5%. Second, in addition to sales growth, the increase is due to paid new graduate employees. The third is an increase in profit that exceeds the amortization of goodwill resulting from the consolidation of TACT SYSTEMS as a subsidiary.

The first negative factor was a significant increase in labor costs per employee, averaging 5.7%. It was meant for an improvement in employee satisfaction. The wage increase rate excluding new hires was initially set at 8% at the beginning of the period. We raised it by 8.1% at the end of Q3, leading to an improvement in the resignation rate.

The second is due to an increase in expenses related to personnel policies, such as strengthening recruitment activities and revising the personnel management, as well as increased costs associated with business expansion, such as office expansion and improvements to the workplace environment. The details are shown in the following diagram.

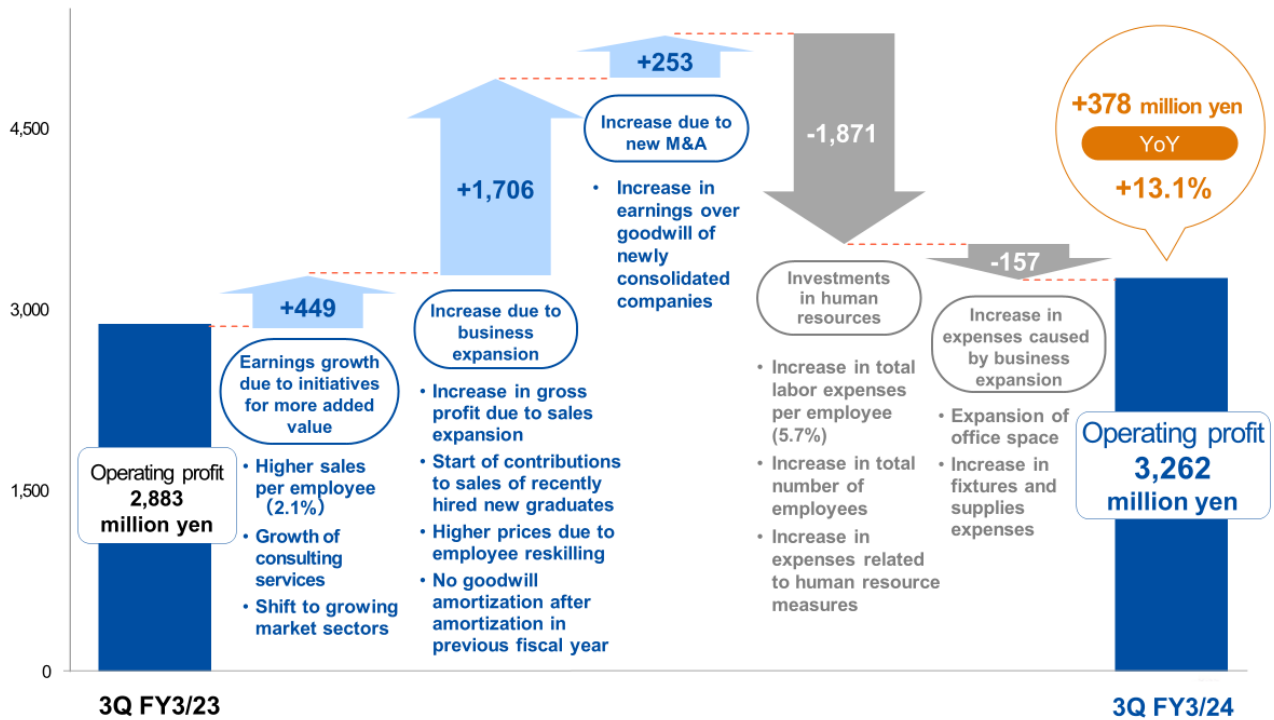
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1-9 Components of Changes in Operating Profit

(Unit: million yen)



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Operating profit for Q3 of the fiscal year ending March 2023 was JPY2.883 billion. The high value-added strategy resulted in a 2.1% increase in net sales per employee, which led to a JPY449 million increase in profit. The increase of JPY1.706 billion was due to sales growth, paid new graduate employees, and the effect of the immediate amortization of goodwill incurred in the previous year. In addition, the increase in profits from newly consolidated subsidiaries resulted in a JPY253 million increase in profit.

On the other hand, negative factors included a combined investment of JPY1.871 billion in human capital, including labor and recruiting costs. In addition, there was a JPY157 million increase in costs due to business expansion, including an increase in office space.

When subtracted, operating profit for Q3 of the fiscal year ending March 2024, rose 13.1% from the previous year to JPY3.262 billion.

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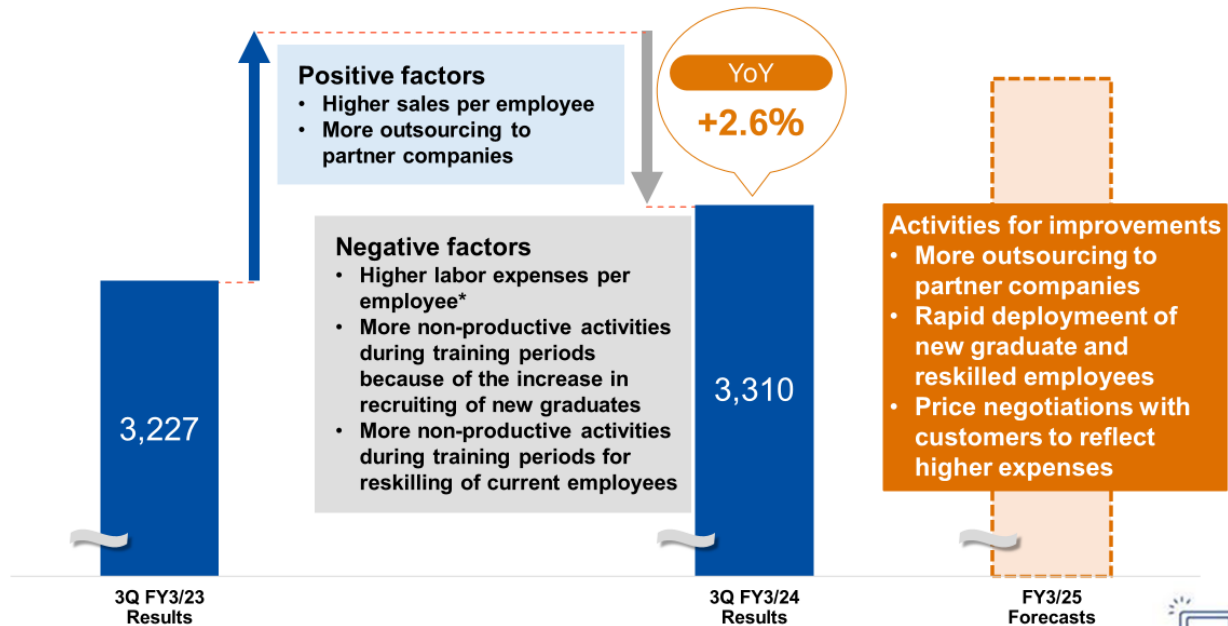
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1-10 Components of Changes in Gross Profit per Employee*

(Unit: thousand yen)

*Gross profit per employee is total gross profit divided by the number of employees (consolidated, end of the quarter)
*Labor expenses per employee is total labor expenses divided by the number of employees (consolidated, end of quarter)



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Next, I will discuss the factors behind the increase or decrease in gross profit per employee, an indicator that measures the earning power of employees.

Gross profit per employee totaled JPY3.31 million in Q3, up 2.6% from the same period last year. The increase was due to higher sales per worker and an increase in the number of man-hours outsourced to subcontractors. The decrease was due to an increase in labor cost per worker and an increase in non-working man-hours associated with training for new graduates and reskilling training.

This is the third consecutive year that we have raised salaries significantly, but we managed to increase profitability by passing on this increase to prices and by expanding the scale of our business. Looking ahead to the next fiscal year, we will work to increase gross profit per employee through further price pass-through, early payroll conversion of new graduates, reskilling of employees, and stronger cooperation with partner companies.

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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	-	+20.5%
Operating profit	4,065 million yen	14.0%	4,750 million yen	13.6%	+16.8%
Ordinary profit	4,067 million yen	14.0%	4,750 million yen	13.6%	+16.8%
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 review the outlook for the current fiscal year ending March 2024.

For the full year, we expect to achieve a record-high 14 consecutive quarters of revenue growth and 13 consecutive quarters of profit growth on the back of continued growth in the digital transformation market. Net sales will be JPY35 billion, up 20.5% from the previous year. Operating profit is projected to be JPY4.75 billion, up 16.8% from the previous year, with an operating margin of 13.6%. Ordinary profit is expected to be JPY4.75 billion, up 16.8% from the previous year, net profit is expected to be JPY3.15 billion, up 16.9% from the previous year, and net profit per share is expected to be JPY98.83, up 16.9% from the previous year.

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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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Even excluding the contribution factor from M&A, thanks to the organic sales growth by double digits, we expect the net sales to reach JPY32.3 billion, up 11.2% from the previous year, and operating profit to reach JPY4.596 billion, up 13.1% from the previous year, with an operating margin of 14.2%.

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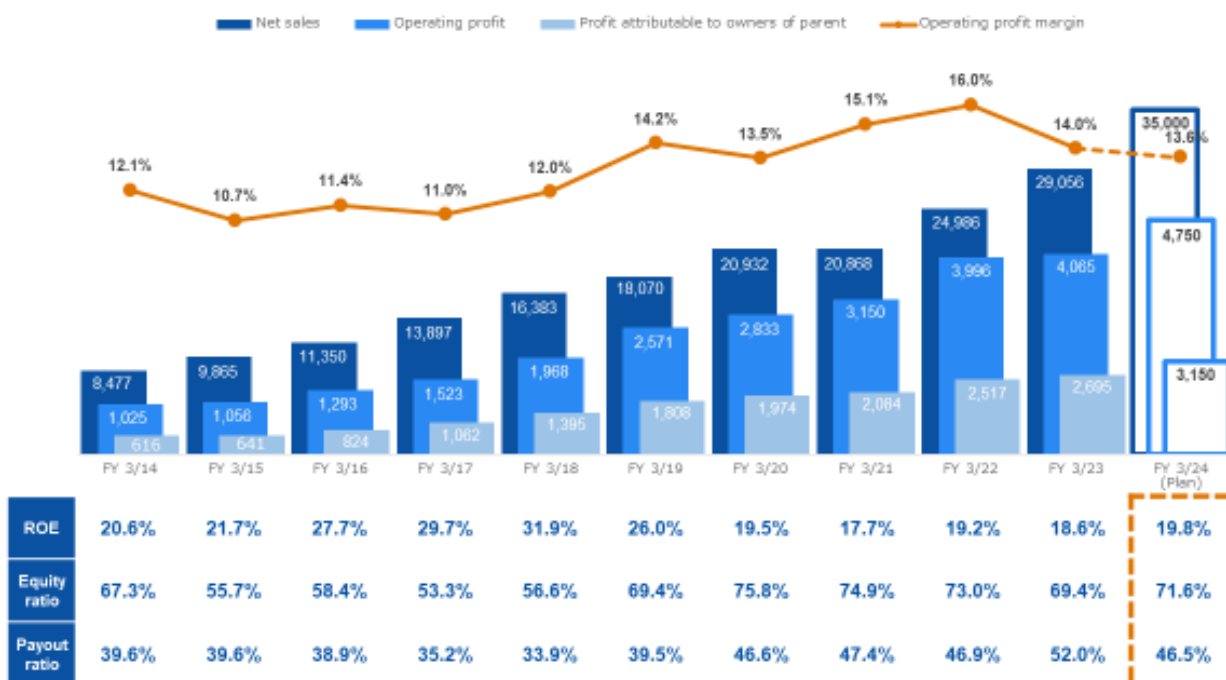
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2-2 Performance Trends

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



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This chart shows sales, operating profit, and net profit for the past 10 years. A reduction in commuting and entertainment expenses due to COVID-19 and other factors led to a one-time increase in operating margin. However, the company plans to maintain an operating profit margin of 13.6% for the current fiscal year, which is adequate compared to past performance, despite the trend of large increases in labor and other human resource investments.

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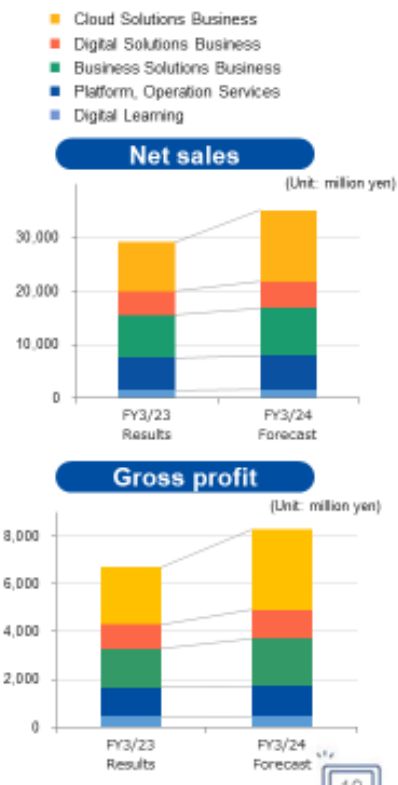
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2-3 Business Segment Forecast (Revised on October 30)

(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%



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The forecast by business segment is shown in the slide.

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

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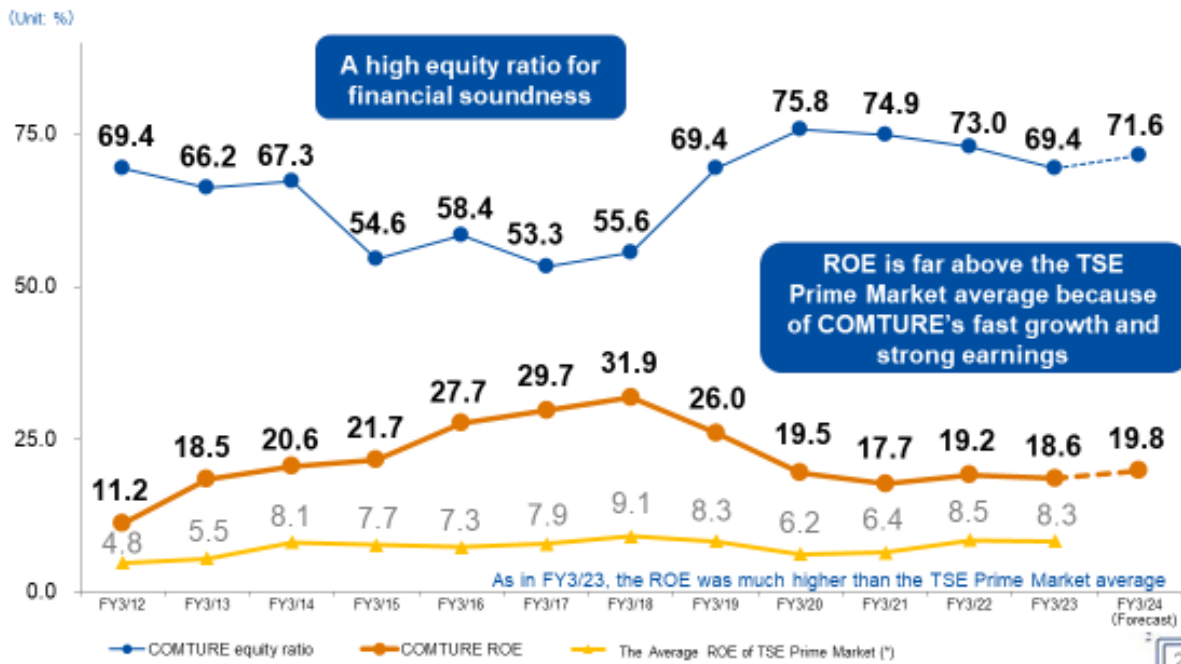
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2-4 Financial Soundness and High Profitability

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



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Next is the capital adequacy ratio.

For the fiscal year ending March 2023, the ratio was 69.4% and is expected to be 71.6% for the current fiscal year. ROE was 18.6% for the fiscal year ending March 2023, but is expected to be 19.8% for the current fiscal year due to an increase in net profit. This is an incredibly high level compared to the average of TSE prime listed companies. Aiming to achieve both soundness and high profitability, we will continue to strive for high growth and high profitability.

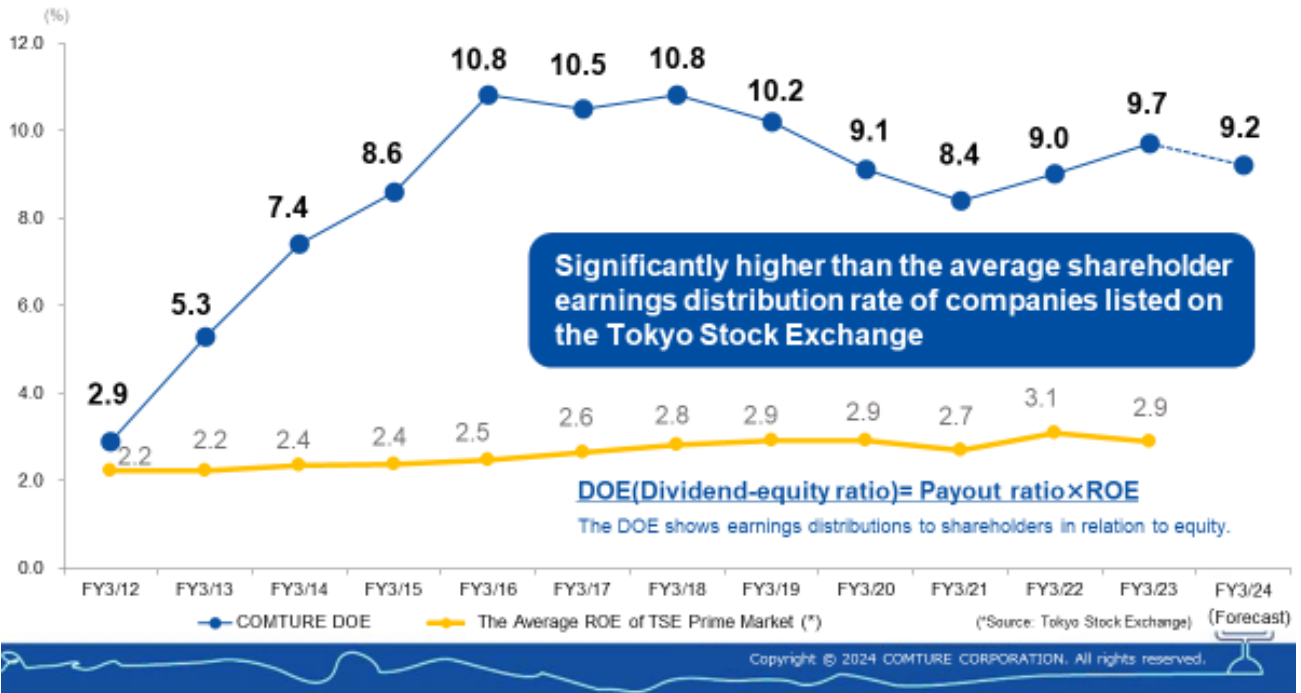
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2-5 Balancing Capital Efficiency and Shareholder Returns

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



As for DOE, which indicates the ratio of dividends to shareholders' equity, it was 9.7% for the fiscal year ended March 2023. In the current fiscal year, due to the increase in net profit, 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 TSE Prime listed companies. We aim to achieve both capital efficiency and shareholder returns and will actively and stably return profits to our shareholders.

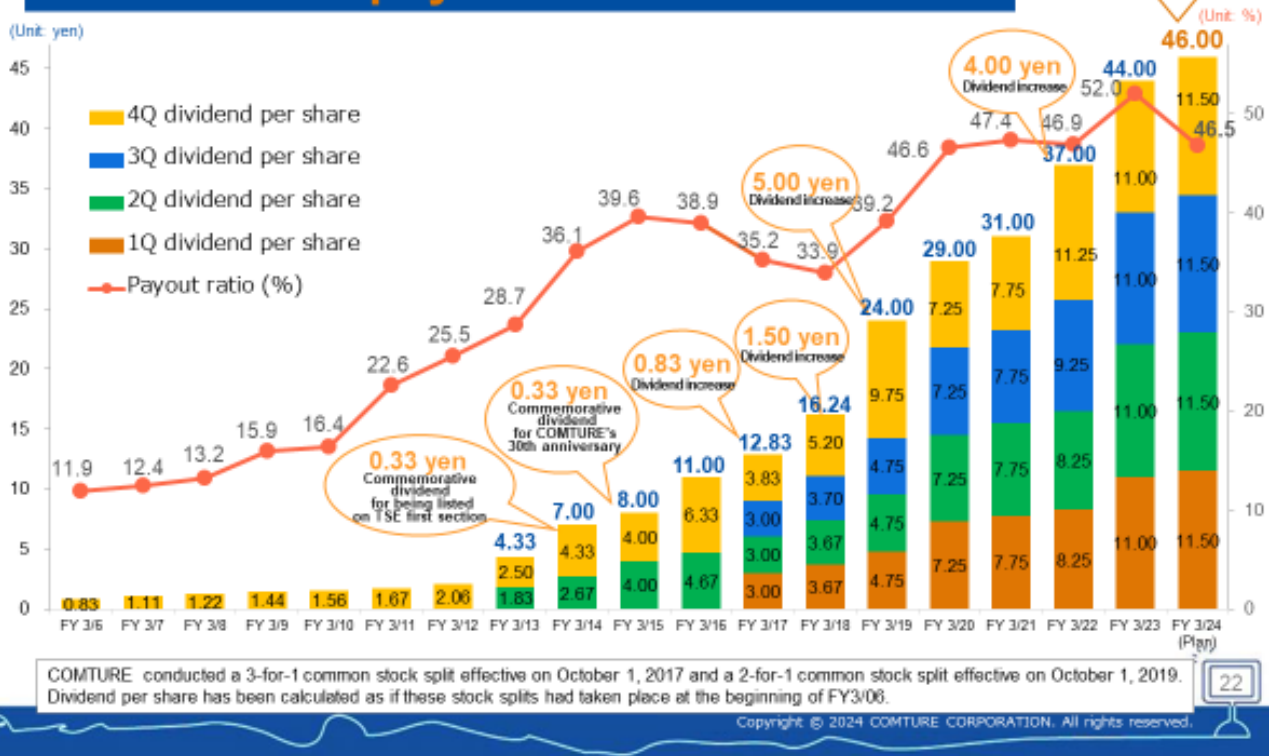
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2-6 Dividend Growth

Plan to raise the dividend for the 19th consecutive year
a dividend payout ratio of 46.5%



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 over the previous year and the 19th consecutive year of dividend increases. Since the Company pays quarterly dividends, the dividend will be JPY11.5 per quarter. In the future, if profits exceed the plan, we will increase dividends in line with that.

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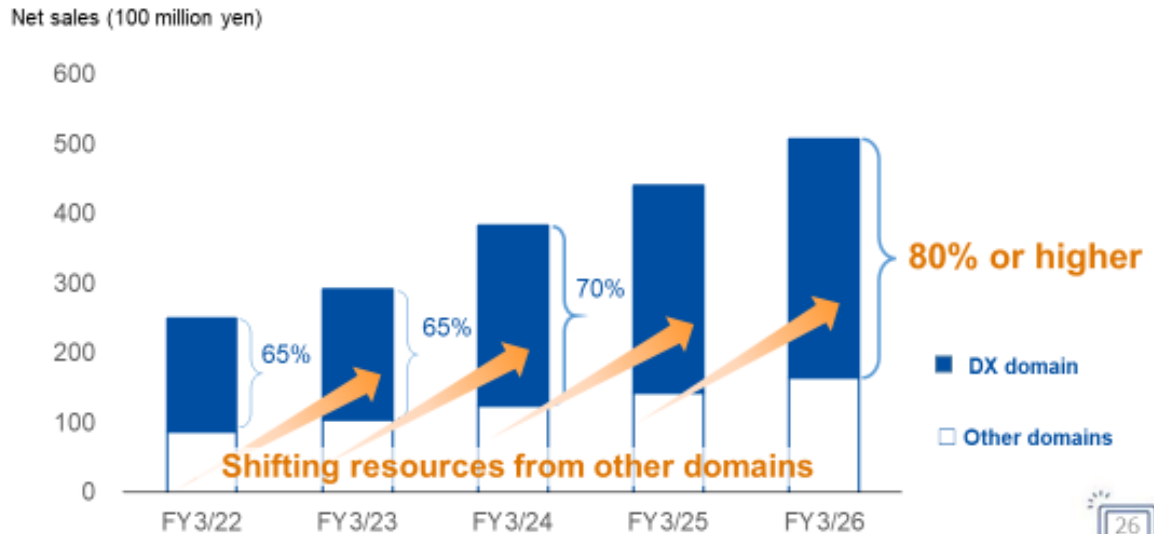
3-1 Medium-term Management Plan

– Expansion of DX domain (Announced May 12, 2023)



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)**



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Finally, as a topic, I would like to discuss the progress of measures in our medium-term management plan.

As you can see on the slide, our medium-term management plan calls for accelerating the shift to the DX business, which is a growth engine.

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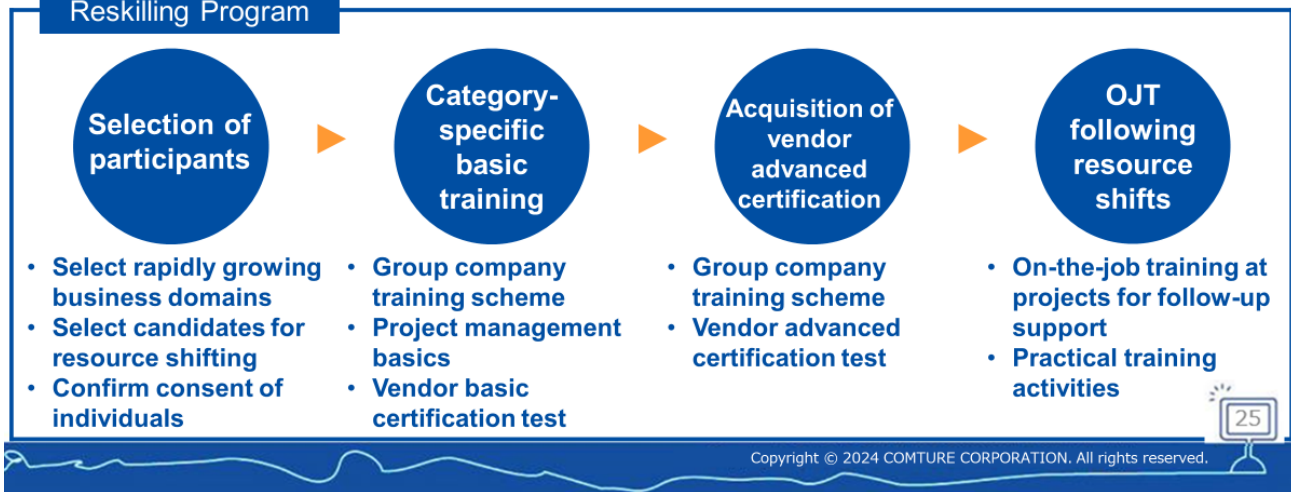


3-2 Human Resources (Announced May 12, 2023)

Proactively shift resources to growing business domains

- About one month from selections of participants for shifts and confirmation of their consent
→ Determination of ability to **shift required resources to the required domains** based on an examination of all business operations
- Complete basic training in targeted categories for earning advanced certification **within 3 to 5 months**
- Following resource shifts during about 6 months, provide support with continuous on-the-job training
→ **Use knowledge acquired** from activities up to the OJT stage to establish **a program for constant reskilling**

Reskilling Program



A key measure to achieve this is to develop and secure human resources. As part of our efforts to develop human resources, we have implemented an employee reskilling program. By repeating reskilling in six-month cycles, we will expand performance in growth areas and improve profitability through higher added value, leading to the sustainable growth of our group.

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3-3 Human Resources (Announced May 12, 2023)



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 in the slide. The following slides discuss our efforts to achieve these KPIs.

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3-4 Progress of Medium-term Management Plan – Workforce Growth



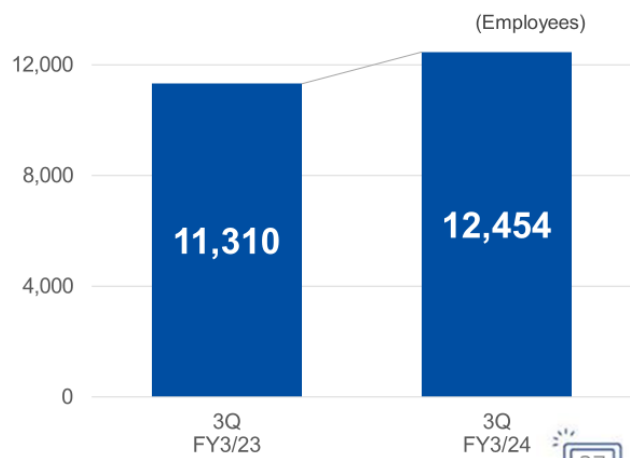
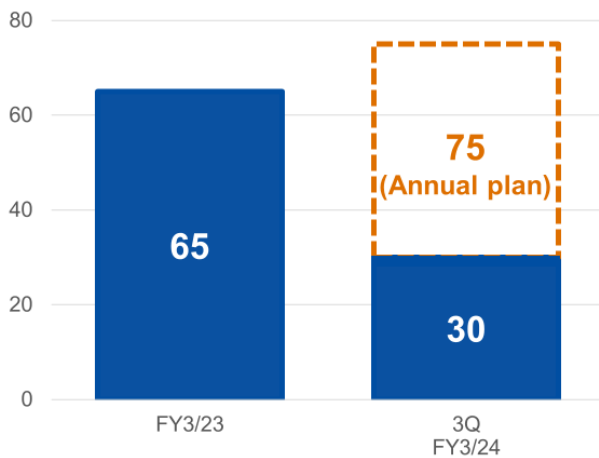
Recruiting activities for faster growth

More hiring of experienced people

- Hired 30 people in FY3/24 as of the end of December
- Using employee introductions, scouting and other activities

Stronger relationships with partner companies

- Outsourced projects were 10.1% more than one year earlier
- Working with 38 core partner companies



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First, in terms of securing human resources, we are expanding our mid-career recruitment measures to include hiring through employee referrals and the use of scouting tools. The number of outsourcings also increased by double digits, contributing to the increase in sales, mainly due to the stronger relationships with core partners and other subcontractors to fill the employee shortage.

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3-5 Progress of Medium-term Management Plan – Workforce Growth



Education and training programs for more added value

Reskilling current employees

- 121 people had been shifted as of December 31.
- Plan to reskill and shift 150 people during FY3/24.

Fast training of new graduate employees

- 94% of 201 new hires assigned to business units are productive
- Goal is 100% productivity of these new hires by the 4Q



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In human resource development, the Company continues to invest in existing employee training, including the use of instructors sent from EDIFIST LEARNING CO., and is shifting resources to growth areas through reskilling. For new graduates who joined the company in April, our early training efforts have resulted in 94% paid employment, which contributes to our business performance, especially in terms of profit.

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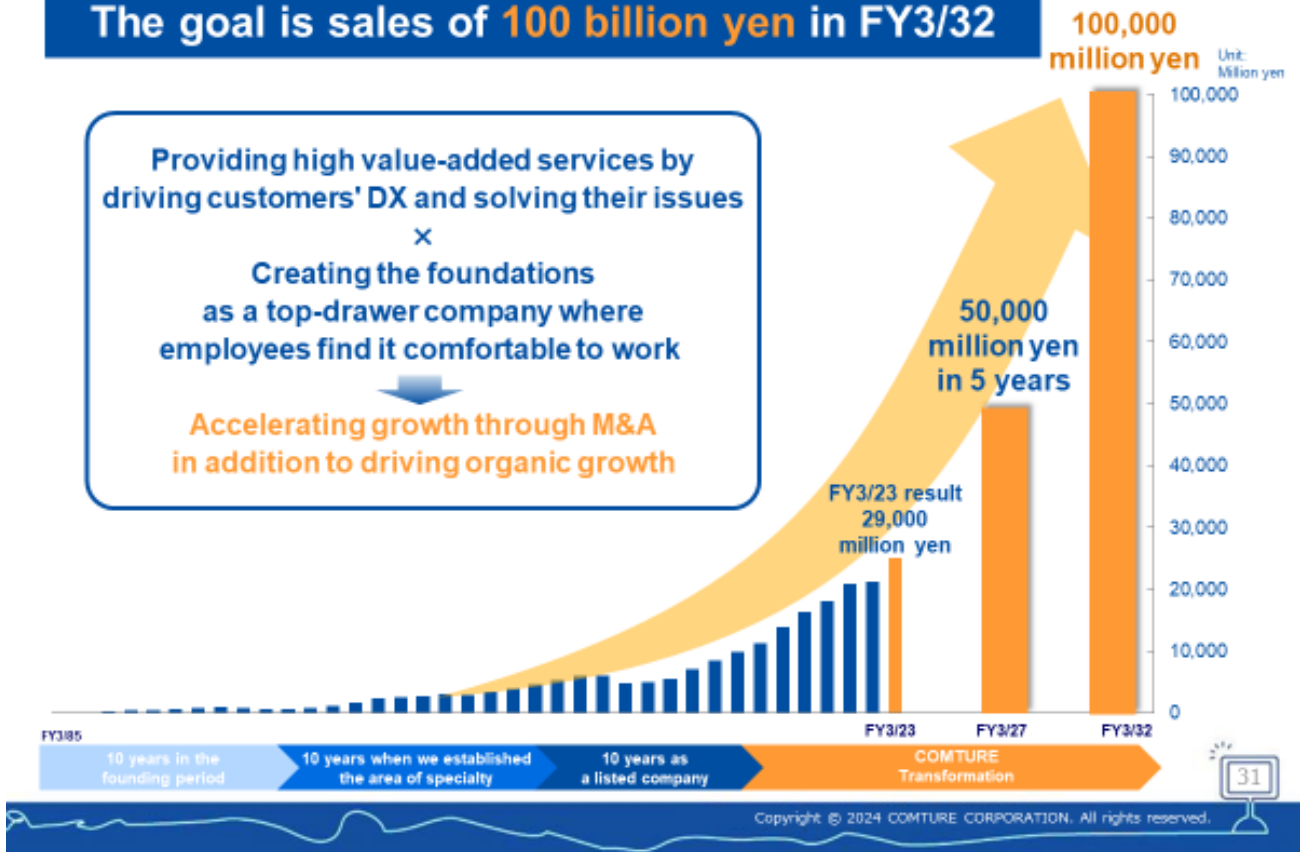


3-6 COMTURE in 5 to 10 years



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 high value-added services to our customers by promoting DX and resolving issues, while building a foundation as a top-notch 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 sales of JPY100 billion by the fiscal year ending March 31, 2032.

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3-7 The Comture Transformation (CX)

Comture will transform into a DX integrator

The DX era is an opportunity for change



To achieve this plan, COMTURE will transform itself into a DX promotion partner to further expand business in the DX arena.

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

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



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In summary, alongside our company motto – ‘creating thrilling experiences for customers, inspiring ambitions for employees’ – we remain committed to adeptly managing our business. Our goal is to consistently deliver excitement and dreams not only to our valued shareholders. Thank you for your continued support.

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Kamei: Thank you very much.

* Question & Answer session omitted.

Now, President Sawada would like to conclude his remarks by saying a few words to all participants.

Sawada: Thank you for joining us today. Thank you very much for all the advice you give us day to day. This year, we successfully onboarded 200 new employees, and it was a significant achievement. Talent acquisition poses considerable challenges for our organization.

These 200 employees account for more than 10% of our total employee headcount, and we have made schemes to ensure that they generate revenues. It has not been easy, but we finally made it thus far.

As long as we continue to hire 200 new employees per year, we can expect to see the formation of a population pyramid. A structure may emerge in which third-year and fourth-year employees will mentor first-year employees, similar to the structure of a university or a club. I would like to continue to recruit 200 people at a time to secure excellent young people.

In addition, we are currently focusing on shifting resources to the DX business, with 150 employees this year and 100 employees annually for the next several years.

And one more thing, business partners. We would like to create business partners who can also hold a firm grip on the market, and by working together, including the training of talents, we could create an ecosystem that will grow together with us. We are taking reasonable steps to secure resources, which is the biggest challenge.

In this way, we should be able to grow and spend more on personnel costs, salary increases, training investments, and recruiting. This will require greater expenditure on human resources and human capital. We would like to grow our business by effectively creating pricing points that transfer cost increases to customers and keep our business profitable.

Despite the prevailing uncertainties in the market environment, we anticipate market growth, and we have a well-defined vision, as we diligently execute comprehensive business operations to ensure both growth and profitability.

I would very much appreciate the continued support and guidance from our shareholders. Thank you very much.

Kamei: Thank you very much, President Sawada. Everyone, it is time to conclude this briefing. For individual interviews, please feel free to contact our IR SR division. Thank you very much for joining us today. Thank you for your continued support.

[END]

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