

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under IFRS)

October 29, 2024

Company Name: SCSK Corporation  
 Securities Code: 9719  
 Stock Exchange Listing: Tokyo Stock Exchange  
 URL: <https://www.scsk.jp>  
 Representative: Takaaki Touma, Representative Director and President  
 Inquiries: Masakatsu Suzuki, General Manager, Accounting Dept. TEL: +81-3-5166-2500  
 Scheduled date to file semi-annual securities reports: November 13, 2024  
 Scheduled date to commence dividend payment: December 2, 2024  
 Preparation of supplementary information material on financial results (yes/no): Yes  
 Financial results conference for institutional investors and analysts (yes/no): Yes

(Amounts of less than ¥1 million are truncated)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results (cumulative)

(Millions of yen unless otherwise stated)

(Percentage figures are changes from the previous fiscal year)

	Net sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive profit	
Six months ended September 30, 2024	251,523	8.8%	26,958	0.1%	27,597	3.4%	19,327	4.3%	19,237	4.2%	20,102	1.5%
September 30, 2023	231,196	8.5%	26,926	19.6%	26,700	13.9%	18,522	14.1%	18,468	13.8%	19,800	15.5%
	Basic earnings per share		Diluted earnings per share									
Six months ended September 30, 2024	Yen 61.56		Yen 61.56									
September 30, 2023	59.12		59.12									

#### (2) Consolidated Financial Position

(Millions of yen unless otherwise stated)

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of September 30, 2024	484,025	312,705	312,604	64.6%
March 31, 2024	471,400	302,910	302,254	64.1%

### 2. Cash Dividends

	Annual dividends per share (Yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2024	—	28.00	—	32.00	60.00
Fiscal year ending March 31, 2025	—	34.00			
Fiscal year ending March 31, 2025 (Forecasts)			—	34.00	68.00

Notes: Revisions during this quarter of dividends forecasts for Fiscal Year 2024: None

### 3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen unless otherwise stated)

(Percentage figures are changes from the corresponding period of the previous fiscal year)

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share	
Full Year	510,000	6.2%	62,000	8.8%	63,000	9.6%	44,500	10.0%	Yen 142.42	

Notes: Revisions during this quarter of consolidated earnings forecasts for Fiscal Year 2024: None

※Notes

- (1) Changes in significant subsidiaries during the period : None
- (2) Changes in accounting policies and changes in accounting estimates
  - 1) Changes in accounting policies as required by IFRS standards: None
  - 2) Changes in accounting policies due to other reasons: None
  - 3) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

- 1) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	312,875,169 shares
As of March 31, 2024	312,783,158 shares

- 2) Number of treasury shares at the end of the period

As of September 30, 2024	359,997 shares
As of March 31, 2024	359,375 shares

- 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	312,498,722 shares
Six months ended September 30, 2023	312,397,025 shares

※ Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

※ Proper use of earnings forecasts, and other special matters

- The financial forecasts contained in this document are based on the information currently available and certain assumptions deemed reasonable. Actual results may vary from these forecasts for various reasons. With regard to the assumptions on which financial forecasts are based and other explanatory notes in connection with the use of financial forecasts, please refer to “Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2025” on page 3.
- The Company will hold a results briefing for institutional investors and analysts on October 29, 2024. Materials used in the briefing, a transcript of the main questions and answers, and other related information will be published on the Company’s website promptly thereafter.

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## 1. Qualitative Information Regarding Operating Results for the Six-month Period Ended September 30, 2024

### (1) Analysis of Operating Results

In the six-month period ended September 30, 2024, the international economy felt the impacts of the rising commodity prices that stemmed from increases in energy and raw material prices as well as the foreign exchange trends that were shaped by the interest rate fluctuations seen worldwide. Nevertheless, a modest recovery trend continued in the domestic economy as economic activity in Japan picked up and corporate performance improved.

The Japanese economy is anticipated to see the continuation of this modest recovery trend due in part to the benefits of financial and fiscal measures implemented amid improvements in the job market and in wages. However, we must be wary of the risk of downward pressure being placed on the Japanese economy due to downturns overseas attributable to factors such as the impacts of continuously high interest rates in Europe and the United States and the ongoing stagnancy in the Chinese real estate market. In addition, caution is required with regard to the potential economic ramifications of fluctuations in financial and capital markets and conditions in the Middle East.

In this economic environment, the IT services market continues to enjoy an upward trend in IT investment. Meanwhile, ongoing growth in demand for IT investment is expected, even amid concern for economic downturns overseas seen against a backdrop of global commodity price rises and high interest rates in Europe and the United States, due to a strong appetite for IT investment for growing businesses and bolstering competitiveness seen across a wide range of industries. Specific targets of demand will include transitioning from existing systems to cloud systems to accommodate the increasingly digital society.

Demand for IT investment continues to increase among customers in the manufacturing industry. Outlets for this investment demand include strategic investments seen centered on automotive businesses as well as investments for strengthening operating foundations and developing core systems as part of digitalization efforts. In the financial industry, demand was strong for investment for the purposes of developing fraud and money laundering detection and prevention systems and accommodating online financial transactions.

In addition, consistent demand is being seen for cloud IT services along with continuous investment demand for redeveloping core systems to address the ends of software service periods. Furthermore, ongoing demand for systems redevelopment and strategic IT investment demand is anticipated amid a robust appetite for improvements in operational efficiency and productivity.

In the six-month period ended September 30, 2024, net sales increased 8.8% year on year, to ¥251,523 million, as result of higher sales in all three sales segments—Systems Development, System Maintenance and Operation / Services, and Packaged Software / Hardware Sales—amid robust IT investment demand.

Operating profit was relatively unchanged year on year, increasing 0.1% to ¥26,958 million, despite the growth in sales and including losses on disposal of certain ProActive assets and gains on sales of real estate recorded in other income and expenses. This outcome was a result of the costs associated with functional enhancements measures in ProActive operations, the dissipation of the benefits for business process outsourcing operations from the special demand trend spurred by the COVID-19 pandemic, the rise in personnel expenses that followed the increase in base salaries, and higher expenses related to internal systems.

Profit attributable to owners of the parent, meanwhile, increased 4.2%, to ¥19,237 million due to the impact of a valuation loss on marketable securities recorded in the previous fiscal year.

In the pursuit of further growth, the SCSK Group will be promoting sustainability management as a growth strategy. Positioning its corporate philosophy and materiality items as the Group's purpose, the SCSK Group will

pursue its vision of becoming a Co-Creative IT Company in 2030 with the goal of achieving sustainable development together with society. To this end, we have defined the policies of “Reorganization of business areas and redevelopment of business models to continue providing new value to customers and society” and “Maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of the SCSK Group” in the Medium-Term Management Plan. Dramatic improvements to comprehensive corporate value will be pursued based on these policies.

## (2) Summary of Financial Position

### (Assets)

Assets as of September 30, 2024, were ¥484,025 million, an increase of 2.7% or ¥12,624 million compared to March 31, 2024, as increases in trade and other receivables resulting from the collection of trade receivables, despite increases in contract assets and property, plant and equipment.

### (Liabilities)

Liabilities as of September 30, 2024, were ¥171,320 million, an increase of 1.7% or ¥2,830 million compared to March 31, 2024, as increases in liabilities for employee benefits, etc.

### (Equity)

Total equity as of September 30, 2024, was ¥312,705 million, an increase of 3.2% or ¥9,794 million compared to March 31, 2024.

## (3) Overview of Cash Flows

Cash and cash equivalents (“cash”) as of September 30, 2024, increased ¥5,906 million compared to March 31, 2024, to ¥150,266 million. The changes in each type of cash flow and the main factors for such changes are as follows.

### (Cash flow from operating activities)

Net cash provided by operating activities was ¥29,472 million (decreased ¥8,582 million in comparison to the same period of the previous fiscal year).

The main cash inflow factors were profit before tax of ¥27,597 million, depreciation and amortization of ¥11,018 million, and a decrease in trade and other receivables of ¥14,189 million. The main cash outflow factors were a decrease in trade and other payables of ¥2,577 million, a decrease in employee benefits of ¥2,062 million, and payment for income taxes of ¥9,520 million.

### (Cash flow from investing activities)

Net cash used in investing activities was ¥8,098 million (increased ¥5,736 million in comparison to the same period of the previous fiscal year).

The main cash inflow factors were proceeds from sale of property, plant and equipment of ¥1,196 million, and proceeds from sales and redemptions of other financial assets of ¥30,171 million. The main cash outflow factors were payment for purchase of property, plant and equipment of ¥4,507 million, purchase of intangible assets of ¥3,223 million and a decrease due to purchase of other financial assets ¥30,985 million.

### (Cash flow from financing activities)

Net cash used in financing activities was ¥16,259 million (decreased ¥3,326 million in comparison to the same period of the previous fiscal year).

The main cash inflow factor was the proceeds from long-term debt of ¥10,597 million. The main cash outflow factors were repayments of borrowings of ¥11,687 million, repayments of lease liabilities of ¥4,550 million, and dividend payments of ¥9,997 million (¥32.00 per share) for the year-end dividend of the fiscal year ended March 31, 2024.

**(4) Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2025**

Performance in the six-month period ended September 30, 2024, was within the scope of the Company's initial forecast. Accordingly, the Company has chosen not to revise the full-year consolidated financial results forecasts for the fiscal year ending March 31, 2025, announced on April 26, 2024.

## 2. Condensed Quarterly Consolidated Financial Statements

### (1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of Yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	144,360	150,266
Trade and other receivables	85,512	71,272
Contract assets	14,979	21,382
Inventories	7,939	7,248
Other financial assets	5,010	5,010
Income taxes receivable	0	22
Other current assets	15,033	18,770
Total current assets	272,834	273,972
Non-current assets		
Property, plant and equipment	71,665	72,881
Right-of-use assets	42,250	49,549
Goodwill and intangible assets	32,495	32,651
Investments accounted for using equity method	13,662	14,404
Other receivables	9,121	9,058
Other financial assets	9,053	9,742
Deferred tax assets	624	302
Other non-current assets	19,691	21,463
Total non-current assets	198,565	210,053
Total assets	471,400	484,025

(Millions of Yen)

	As of Mar. 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	36,232	33,295
Contract liabilities	17,029	21,714
Liabilities for employee benefits	13,058	11,465
Bonds and borrowings	11,875	10,875
Lease liabilities	9,154	9,097
Other financial liabilities	25	104
Income taxes payable	9,601	7,149
Provisions	734	489
Other current liabilities	7,823	5,248
<b>Total current liabilities</b>	<b>105,535</b>	<b>99,440</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	19,370	19,288
Lease liabilities	33,570	40,996
Other payables	177	70
Liabilities for employee benefits	2,078	2,163
Provisions	7,332	8,078
Deferred tax liabilities	425	1,282
<b>Total non-current liabilities</b>	<b>62,954</b>	<b>71,879</b>
<b>Total liabilities</b>	<b>168,489</b>	<b>171,320</b>
<b>Equity</b>		
Share capital	21,420	21,561
Capital surplus	162	328
Retained earnings	275,551	284,657
Treasury shares	-284	-286
Other components of equity	5,404	6,343
<b>Total equity attributable to owners of parent</b>	<b>302,254</b>	<b>312,604</b>
Non-controlling interests	655	100
<b>Total equity</b>	<b>302,910</b>	<b>312,705</b>
<b>Total liabilities and equity</b>	<b>471,400</b>	<b>484,025</b>



**(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income**

Condensed Quarterly Consolidated Statements of Income

Six-month period ended September 30, 2023 and 2024

(Millions of Yen)

	From April 1, 2023 to September 30, 2023	From April 1, 2024 to September 30, 2024
Net sales	231,196	251,523
Cost of sales	-169,972	-185,654
Gross profit	61,223	65,869
Selling, general and administrative expenses	-34,206	-38,390
Other income	199	931
Other expenses	-291	-1,451
Operating profit	26,926	26,958
Finance income	221	286
Finance costs	-1,104	-449
Share of profit (loss) of investments accounted for using equity method	656	802
Profit before tax	26,700	27,597
Income tax expense	-8,178	-8,270
Profit	18,522	19,327
Profit attributable to		
Owners of parent	18,468	19,237
Non-controlling interests	53	89
Earnings per share		
Basic earnings per share (Yen)	59.12	61.56
Diluted earnings per share (Yen)	59.12	61.56

Condensed Quarterly Consolidated Statements of Comprehensive Income  
 Six-month period ended September 30, 2023 and 2024

(Millions of Yen)

	From April 1, 2023 to September 30, 2023	From April 1, 2024 to September 30, 2024
Profit	18,522	19,327
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	-	-4
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	-323	-13
Share of other comprehensive income of investments accounted for using equity method	399	137
Total of items that will not be reclassified to profit or loss	75	119
Items that may be reclassified to profit or loss		
Cash flow hedges	-68	-81
Exchange differences on translation of foreign operations	1,234	710
Share of other comprehensive income of investments accounted for using equity method	37	26
Total of items that may be reclassified to profit or loss	1,202	655
Total other comprehensive income, net of tax	1,278	775
Comprehensive income	19,800	20,102
Comprehensive income attributable to		
Owners of parent	19,747	20,013
Non-controlling interests	53	89

### (3) Condensed Quarterly Consolidated Statements of Changes in Equity

Six-month period ended September 30, 2023 (April 1, 2023 - September 30, 2023)

(Millions of Yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2023	21,285	122	246,812	-286	3,976	271,909	493	272,403
Profit	—	—	18,468	—	—	18,468	53	18,522
Other comprehensive income	—	—	—	—	1,278	1,278	—	1,278
Comprehensive income	—	—	18,468	—	1,278	19,747	53	19,800
Issuance of new shares	135	135	—	—	—	270	—	270
Dividends of surplus	—	—	-8,119	—	—	-8,119	-51	-8,171
Changes in ownership interest in subsidiaries	—	-91	—	—	—	-91	91	-0
Purchase of treasury shares	—	—	—	-2	—	-2	—	-2
Disposal of treasury shares	—	0	—	0	—	0	—	0
Transfer to capital surplus from retained earnings	—	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	204	—	-204	—	—	—
Transfer to non-financial assets	—	—	—	—	76	76	—	76
Total transactions with owners	135	44	-7,915	-2	-128	-7,867	39	-7,827
Balance at September 30, 2023	21,420	166	257,366	-289	5,126	283,790	586	284,376

Six-month period ended September 30, 2024 (April 1, 2024 - September 30, 2024)

(Millions of Yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2024	21,420	162	275,551	-284	5,404	302,254	655	302,910
Profit	—	—	19,237	—	—	19,237	89	19,327
Other comprehensive income	—	—	—	—	775	775	—	775
Comprehensive income	—	—	19,237	—	775	20,013	89	20,102
Issuance of new shares	141	141	—	—	—	282	—	282
Dividends of surplus	—	—	-9,997	—	—	-9,997	—	-9,997
Changes in ownership interest in subsidiaries	—	24	—	—	—	24	-645	-620
Purchase of treasury shares	—	—	—	-1	—	-1	—	-1
Disposal of treasury shares	—	0	—	0	—	0	—	0
Transfer to capital surplus from retained earnings	—	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	-134	—	134	—	—	—
Transfer to non-financial assets	—	—	—	—	28	28	—	28
Total transactions with owners	141	165	-10,131	-1	163	-9,663	-645	-10,308
Balance at September 30, 2024	21,561	328	284,657	-286	6,343	312,604	100	312,705

**(4) Condensed Quarterly Consolidated Statements of Cash Flows**

(Millions of Yen)

	From April 1, 2023 to September 30, 2023	From April 1, 2024 to September 30, 2024
Cash flows from operating activities		
Profit before tax	26,700	27,597
Depreciation and amortization	10,247	11,018
Finance income	-221	-286
Finance costs	1,104	449
Share of loss (profit) of investments accounted for using equity method	-656	-802
Decrease (increase) in trade and other receivables	15,542	14,189
Decrease (increase) in contract assets	-5,335	-6,409
Decrease (increase) in inventories	1,637	690
Increase (decrease) in trade and other payables	-5,463	-2,577
Increase (decrease) in contract liabilities	4,395	4,652
Increase (decrease) in employee benefits	-41	-2,062
Increase (decrease) in provisions	-176	-564
Other	-1,113	-7,029
Subtotal	46,619	38,865
Interest and dividends received	354	503
Interest paid	-317	-376
Income taxes refund (paid)	-8,601	-9,520
Net cash provided by (used in) operating activities	38,055	29,472
Cash flows from investing activities		
Purchase of property, plant and equipment	-1,633	-4,507
Proceeds from sale of property, plant and equipment	98	1,196
Purchase of intangible assets	-2,206	-3,223
Purchase of investments for equity method affiliates	-140	-67
Purchase of other financial assets	-5,698	-30,985
Proceeds from sales and redemptions of other financial assets	1,458	30,171
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-4,996	-
Other	-715	-682
Net cash provided by (used in) investing activities	-13,834	-8,098
Cash flows from financing activities		
Redemption of bonds and repayments of borrowings	-21,947	-11,687
Proceeds from long-term debt	11,500	10,597
Proceeds from issuance of bonds	9,950	-
Repayments of lease liabilities	-4,258	-4,550
Dividends paid	-8,119	-9,997
Dividends paid to non-controlling interests	-51	-51
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	-568
Other	-6	-1
Net cash provided by (used in) financing activities	-12,933	-16,259
Effect of exchange rate changes on cash and cash equivalents	897	791
Net increase (decrease) in cash and cash equivalents	12,184	5,906
Cash and cash equivalents at beginning of period	121,425	144,360
Cash and cash equivalents at end of period	133,610	150,266

**(5) Notes to Condensed Quarterly Consolidated Financial Statements**

**(Notes to Going Concern Assumptions)**

No applicable items.

**(Notes Concerning the Significant Changes in Shareholder's Equity)**

No applicable items.

## (Segment Information)

### 1. Summary of reportable segments

The Group's operating segments are the components of the Group for which discrete financial information is available and which are regularly reviewed by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance. The Company formulates comprehensive domestic and overseas strategies pertaining to the products and services it offers according to the characteristics of client industries and IT service business areas, and develops businesses in accordance with these strategies.

Based on these business activities, the Company has defined the following six reportable segments: Industrial IT Business, Financial IT Business, IT Business Solutions, IT Platform Solutions, IT Management Service, and Others.

The Company determines its reportable segments by aggregating multiple operating segments into a single operating segment in cases in which the applicable operating segments share similarities with regard to each of the following economic characteristics: (a) the nature of the products and services, (b) the nature of the production processes, (c) the type or class of customer for their products and services, (d) the methods used to distribute their products or provide their services; and if applicable, (e) the nature of the regulatory environment. The business activities of the Company's reportable segments are as follows:

#### (1) Industrial IT Business

This segment provides various IT solutions, including SAP, through systems development and maintenance and operation services for core systems, manufacturing management systems, information management systems, supply chain management (SCM) systems, customer relationship management (CRM) systems and other systems. This segment's services leverage the experience and know-how that we have cultivated over many years. The clients of this segment are primarily companies in the manufacturing, communications, energy, distribution, service, and media industries.

Moreover, this reportable segment supplies the automotive industry with a wide range of solutions for automobile electronic control units on a global basis. These solutions include the development of embedded software through a model-based development approach, proprietary SCSK middleware (QINeS-BSW), software assessments, and process improvement measures.

#### (2) Financial IT Business

This segment engages in systems development, maintenance, and operation services for financial institutions. As professionals that understand financial operations and possess a strong track record of creating sophisticated financial systems, members of this segment's staff support secure and efficient management and help clients implement their financial business strategies. The segment provides these services primarily to financial institutions, such as banks and trust banks as well as insurance, securities, shopping credit and leasing companies.

#### (3) IT Business Solutions

This segment provides ProActive, an in-house developed ERP (integrated core operations) packaging, as well as production-management systems, and AMO (Application Management Outsourcing) services to support the entire life cycle of ERP such as Oracle etc, from introduction and development to maintenance and operation. We also provide a wide range of IT solutions, including EC service and contact center service. In addition, we provide BPO services that are unique to IT companies, combining manpower support operations with IT.

#### (4) IT Platform Solutions

This segment draws on solid technical capabilities and know-how to leverage computer-aided design (CAD), computer aided engineering (CAE), and other advanced technologies in the fields of IT infrastructure and manufacturing. In this way, the IT Platform Solutions provides services and products that accurately

address the needs of clients and offers flexible support for a wide range of client businesses.

(5) IT Management Service

This segment develops solutions-oriented netXDC data centers, which boast robust facilities and high-level security, to provide clients with proposal-based outsourcing services that address their management issues pertaining to operating cost reductions, infrastructure integration and optimization, governance enhancement, and business risk mitigation. The segment also supplies cloud infrastructure and offers its on-site SE support management services 24 hours a day, 365 days a year.

(6) Others

This segment performs remote development (nearshore development) and provides other services out of Group companies that leverage the characteristics of its regional bases and the software development, system operation and management, system equipment sales, and consulting services it provides for a wide range of industries and business models.

The Others businesses did not meet the quantitative thresholds for reportable segments both in the fiscal year ended March 31, 2024 and the fiscal year ending March 31, 2025.

**2. Reorganization of reportable segments, etc.**

From the first quarter of consolidated fiscal year ending March 31, 2025, in conjunction with the partial revision of the internal organization, the method for classifying reportable segments has been revised.

Segment information for the six-month period ended September 30, 2023, has been restated to reflect this change in reportable segments.

### 3. Profits, Losses, and Other Information Pertaining to Reportable Segments

Six-month period ended September 30, 2023 (April 1, 2023 - September 30, 2023)

(Millions of Yen)

	Reportable Segment							Adjustments (Note2)	Amount recorded in consolidated financial statements
	Industrial IT Business	Financial IT Business	IT Business Solutions	IT Platform Solutions	IT Management Service	Others	Total		
Net sales									
Sales to external customers	85,880	30,718	29,403	40,742	31,364	12,806	230,915	280	231,196
Inter segment sales (Note1)	5,123	313	2,301	4,909	14,006	7,630	34,283	-34,283	—
Total	91,003	31,031	31,705	45,651	45,370	20,436	265,199	-34,002	231,196
Operating profit (loss)	12,029	3,461	1,795	5,342	4,840	641	28,111	-1,185	26,926
							Finance income		221
							Finance costs		-1,104
							Share of profit (loss) of investments accounted for using equity method		656
							Profit before tax		26,700

Notes: 1. Amounts for inter-segment transactions are decided based on price negotiations made with reference to market prices.

2. The amount of ¥280 million for sales to external customers includes adjustment to reflect net sales to be conformity with IFRS. The ¥1,185 million reduction to operating profit is comprised of in general corporate expenses that have not been allocated to the reportable segments.



Six-month period ended September 30, 2024 (April 1, 2024 - September 30, 2024)

(Millions of Yen)

	Reportable Segment							Adjustments (Note2)	Amount recorded in consolidated financial statements
	Industrial IT Business	Financial IT Business	IT Business Solutions	IT Platform Solutions	IT Management Service	Others	Total		
Net Sales									
Sales to external customers	93,048	31,832	28,439	48,433	35,845	14,085	251,684	-160	251,523
Inter segment sales (Note1)	8,319	231	2,329	5,874	14,429	8,177	39,362	-39,362	—
Total	101,368	32,063	30,768	54,307	50,274	22,263	291,047	-39,523	251,523
Operating profit (loss)	13,133	3,896	-1,324	6,392	5,245	639	27,982	-1,024	26,958
							Finance income		286
							Finance costs		-449
							Share of profit (loss) of investments accounted for using equity method		802
							Profit before tax		27,597

Notes: 1. Amounts for inter-segment transactions are decided based on price negotiations made with reference to market prices.

2. The amount of ¥160 million reduction for sales to external customers includes adjustment to reflect net sales to be conformity with IFRS. The ¥1,024 million reduction to operating profit is comprised of in general corporate expenses that have not been allocated to the reportable segments.

**(Significant Subsequent Events)**

No applicable items.