



Message from the President

It has been four years since I assumed the post of president. Digital technology innovation such as the recent rapid advancement of generative AI implementation in society and the rise of cloud-native architecture as the standard have forced a significant transformation in the very business models of our IT services industry. The traditional approach of “custom development,” in which systems are built from scratch to meet individual specifications, is being reevaluated. We feel that our customers’ interests continue to evolve from mere system-driven operational efficiency to more sophisticated, complex goals, such as enhancing the overall competitive power of their businesses. We acknowledge that we have reached a major turning point in terms of changes to the very nature of how work is accomplished.

Amidst this environment, since becoming president, I have consistently managed the company with a strong conviction to establish market-leading businesses that possess significant presence and influence. The SCSK Group has leveraged its full service lineup as a strength, offering end-to-end solutions encompassing everything from consulting and system development to maintenance and operation, verification services, and business process outsourcing (BPO). Meanwhile, we often receive feedback that “SCSK’s unique strengths are not readily apparent.” Establishing a core business that combines profitability and growth potential has been a challenge for many years. This is essential in creating a stage where every employee can take pride in their work and fully demonstrate their abilities.

Given this awareness of the issues, we have been advancing portfolio reform and focusing management resources on growth areas under our current Medium-Term Management Plan. To break through the three areas of stagnation I have stressed since assuming this position—client relationships, business models, and organizations/people—and to lead the SCSK Group into a new stage of growth, we took a significant new step forward, achieving a business integration with Net One Systems Co., Ltd. last fiscal year.

Net One Systems Co., Ltd. is the only network integration company of its kind in Japan. I feel strongly that the integration with the SCSK Group, which excels in application development, provides a sound solution to the long-standing challenge of “establishing a business with presence and influence.” With this new power, I am convinced that we are steadily moving toward becoming a corporate group that leads the resolution of social issues and develops business groups with an overwhelming presence and influence.

I would like to explain the results of the transformation we have achieved over the past year and the vision for the SCSK Group that we are shaping with these new capabilities.

1. Toward New Business Growth

We have steadily honed our singular strengths in areas of growth such as our mobility and digital supply chain businesses. And, with the addition of Net One Systems Co., Ltd. to the SCSK Group, our position as a group has changed drastically. No longer a distant goal, the ¥1 trillion net sales target set forth in Grand Design 2030 is finally within our reach.

By adding outstanding partners with distinct strengths, we believe our growth strategy has unlocked unprecedented potential. In addition to expanding our scale, we are now advancing as a group toward a new stage where we will focus more than ever on the “quality” of our business and dramatically enhance the SCSK Group’s unique “corporate value.”

Business integration with Net One Systems Co., Ltd. We made Net One Systems Co., Ltd. a member of the SCSK Group last fiscal year. This was an inevitable strategic decision to elevate “security”—a growth area outlined in our Medium-Term Management Plan—to the next stage. In an era dominated by hyperscalers, the SCSK Group with its application expertise and Net One Systems Co., Ltd., which is renowned for its superior network integration capabilities, have joined

forces to support our customers’ “last mile.” This integration has resulted in the lone enterprise group in Japan that can deliver true full-stack services.

This integration was realized following years of dialogue with company president Takeshita. As fellow entrepreneurs of the same generation, we recall that we hit it off immediately. Through our ongoing conversations about the future of our respective companies and issues facing the industry, shared corporate cultures—such as “placing people above all else” and the spirit of “craftsmanship” embodied in our logo—resonated deeply with both of us. At the same time, we realized that we were also in alignment with regard to our understanding of the challenges facing our mutual future. For the SCSK Group to establish a true “business with presence and influence,” we must strengthen our network domain. Net One Systems Co., Ltd. required our application development capabilities in adapting to the software-defined era. While we exist in different business domains, we felt we would be complementary partners for the future. We firmly believe that sharing these values and challenges is the single greatest force that will lead this to being a successful integration.

We have fully launched the Integration Committee and are accelerating discussions toward integration. We have established a basic policy to optimize integration benefits through three key pillars: “integration of corporate cultures,” “maximization of business synergies,” and “enhancement of corporate functions.” With the specific policy for this purpose now clarified, we have set a fundamental policy to proceed with preparations on the premise of an April 2027 merger. This involves maintaining the separate legal entities as of April 2026 while advancing business maximization, looking at current operations, and boosting efficiency. This decision is intended to prevent the merger from becoming an end in and of itself, and to ensure we achieve the true purpose of the integration—maximizing corporate value.

Achieving ¥1 trillion in net sales by 2030 is simply an intermediate milestone. Along with our new capabilities, we aim to realize a corporate group that leads the resolution of social issues and develops business groups with an overwhelming presence and influence.

Takaaki Touma
SCSK Corporation
Representative Director
President

Message from the President

To create business synergies, we will focus in particular on the security business as the core and aim for high added value by merging the two companies' technologies and intellectual properties. We have a clear quantitative target of ¥50 billion by FY2030 for business synergy-related sales. By providing high-value-added services, we aim for an operating profit margin of 20% in the synergy segment, surpassing the company-wide average. We will pursue management practices befitting a group with ¥1 trillion in net sales, including the creation of value in new domains like smart manufacturing and unique mobility services that seamlessly integrate in-car and out-of-car experiences with safety and security. Combining the strengths of both companies will allow us to achieve a creative integration through which 1+1 equals 3 or even 4.

Naturally, the process of unifying an organization never goes entirely smoothly. Through the 2011 merger of Sumisho Computer Systems Corporation and CSK Corporation, however, we experienced firsthand the difficulties involved in integrating two organizations with distinct cultures into a single entity—and the tremendous potential attainable through overcoming those challenges. It is our firm belief that this integration, which will open up our future, will certainly lead to success, centered on the companies' shared values that prioritize "people."

[P15/Toward New Business Growth](#)

Transforming current Medium-Term Management Plan into tangible results

Current Status Against Medium-Term Goals

The fiscal year ending March 2026 will be crucial in completing our current Medium-Term Management Plan, while also serving as a year to formulate the subsequent plan and lay the foundation for the future. Under the present Medium-Term Management Plan, we

Post-Integration Vision

The Company We Aim to Be

A corporate group that drives social issue resolution and deploys business groups with overwhelming presence and influence

- To be chosen by all Stakeholders (Society, Customers & Partners, Shareholders & Investors, Employees, etc.)
- Establishing a unique position in specific domains based on advanced technical capabilities and market insights
- Continuous and Sustainable Growth & Evolution Cycle

Pioneering the future by anticipating change, driven by the growth of each employee

Human capital and the resulting intellectual properties are the engine of new value creation

Leading the Transformation

Employee Development and Market Expansion Capability

Corporate Culture and Code of Conduct in our Ideal Company Profile

Integrity
(Honesty, Dedication, Nobility, etc.)

Opportunities for
Challenge and Growth

Respect for Diversity

Advancing Co-Creation

have pursued two policies to achieve "dramatic improvements in comprehensive corporate value"—a concept encompassing not only economic value, but human capital and social value. One is the "Reorganization of business areas and redevelopment of business models to continue providing new value to clients and society." And the other is the "Maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of SCSK Group."

Based on this policy, we have united as a company to pursue three fundamental strategies: 1) Decisive business shifts, 2) Development of market-leading businesses in growth markets, and 3) Advancement of next-generation digital businesses through co-creation with society." Last fiscal year was one in which these strategies steadily bore fruit. We achieved record-high net sales and operating profit, driven by robust demand from our key clients in manufacturing, finance, and other industries, and including the performance of Net One Systems Co., Ltd., which was consolidated from the fourth quarter.

Specifically, through the selection and concentration on core businesses, the shifting of resources to higher-value business areas, and the promotion of AI adoption company-wide, we significantly improved the gross profit margin to 28.1%.* Moreover, the revenue scale of growth areas such as mobility and digital supply chain services—which are evolving into the businesses with an overwhelming presence and influence we aspire to create—has shown robust growth at a CAGR of 14% over two years. We are deepening our commitment to delivering more fundamental value that directly drives our customers' business growth. And, in creating next-generation digital businesses, we have launched the eco supply chain platform business—a carbon management platform that utilizes digital technology to advance the

implementation of a decarbonized society—within the green transformation (GX) domain. We are taking a vital step toward establishing our position as an indispensable digital infrastructure provider for tomorrow's society.

These are the result of all employees flexibly adapting to market changes and practicing sustainability management as a growth strategy, which involves providing value to society and customers. We view this as having formed a solid foundation for the final year of the current medium-term plan and for the next stage.

[P33/Progress of the Medium-Term Management Plan](#)

*Calculated based on sales from domestic IT services excluding product sales

Building upon this sound foundation, the strategic company-wide adoption of AI will serve as the engine to further drive forward the growth of these businesses. We recognize that the wave of transformation brought by AI is irreversible regardless of industry and absolutely essential to succeed in future competition. The SCSK Group is, for instance, advancing the increased sophistication of development processes in the mobility domain. By combining AI and virtual electronic control unit (ECU) technology, it aims to dramatically enhance quality and efficiency in the upstream stages of development. While AI is expected to raise productivity, there are new threats emerging, such as data loss through identity theft. Given this, we are driving forward a strategy to deepen our new business domain of digital resilience by establishing application API security as a standard framework within the security domain we will focus on. We will advance the leveraging of these state-of-the-art technologies across all business domains to enhance the value we deliver to our customers even further.

[P45/Technology Vision 2030: Technological Strategy](#)

The core of our market-leading business: "Offering Business"

Building on these steady results, we are also pursuing transformative initiatives to further boost delivered value. Our vision is not to simply be a system vendor—we aspire to be a "co-creation partner" that works together with customers to build the future. To achieve this, we have been working to shift away from our outsourcing-based business model for quite a while now. To be honest, however, we acknowledge that we are only halfway there.

The key to overcoming this situation and shaping a "transformation of work methods" lies in the establishment an "offering business" that leverages our intellectual properties. The offering business we aim to realize is nothing less than delivering true value to our clients through the optimal combination of our upstream consulting capabilities with our intangible assets—technology, services, and industry and operational expertise.

Toward achieving concrete advances in this offering initiative, we rebranded PROACTIVE, the crystallization of our intellectual property, last fiscal year. We have rebuilt our product with a focus on AI, transforming it into something we believe we can confidently deliver to our customers. For the fiscal year ending March 2026, we will fully launch our market offerings with this new PROACTIVE as the nucleus of our offering business.

[P37/Aiming at Offering Business: PROACTIVE](#)

Formulation of next Medium-Term Management Plan

In our next Medium-Term Management Plan, we will aim to become a corporate group that leads the resolution of social issues and develops business groups with an overwhelming presence and influence. We will position the enhancement of corporate value as our primary theme and place unprecedented emphasis on profitability as the most vital metric.

And the promotion of an AI-centric business strategy lies at the core of that growth. AI is no longer merely a tool; rather, it is a fundamental force transforming our customers' businesses as well as our own business model.

We will serve as the "AX Enabler" supporting our customers' AI transformation amid the significant changes that will result. We regard this as the SCSK Group's oncoming challenge in the next Medium-Term Management Plan.

We are already promoting AI-driven development company-wide to boost efficiency, and we are working to advance and streamline our development processes with the objective of achieving full adoption by 2030. Moving forward, we will position AI at the core of every business domain—from its application in upstream processes like definition of requirements to the fundamental transformation of our BPO business through AI agents—with the aim of further advancing our business model.

Moreover, as a new priority area, we will focus on strengthening digital resilience, including security. To maximize the benefits of AI, we must provide a secure, safe environment as a foundation. We regard this as a crucial responsibility of ours.

2. The Source of All Value—SCSK's Human Capital Management

To this point, we have discussed our business strategy, but the ultimate source of all value creation in our business remains our people, without question. The SCSK Group is a company where people are everything. Our future would be impossible without the wisdom, passion, and growth of each employee.

Message from the President

Penetration of Well-Being

As leader, one of my goals is for every SCSK Group colleague to take pride in their work and feel truly happy to be a part of the company. This conviction became firmly established when I was first appointed senior executive officer, a position of some responsibility. I felt from the bottom of my heart that I wanted to make my colleagues standing before me happy, as well as their families.

Since then, I've noticed several common elements while considering the moments when people are fulfilled by their work. It is the sense of fulfillment that comes from customer appreciation, reliance from colleagues, contributions to society, and serving one's role. Words of gratitude we receive from our customers as we go about executing our daily duties. The sense of unity that develops among teammates when overcoming difficulty in a project. And moments when employees are certain that their work is truly helping someone. I believe that the accumulation of such moments becomes our sense of fulfillment and shapes our well-being. We believe that this sense of employee fulfillment contributes to the sustainable growth of the SCSK Group and, ultimately, to the prosperity of society overall, which we intend to realize as a "co-creative IT company."

The SCSK Well-Being Score helps visualize employees' true feelings, acting as a compass to pinpoint our current state of well-being. This indicator is not merely a survey; rather, it is a unique SCSK Group initiative to visualize the state of the company and organization and explore mechanisms for creating job satisfaction. We will continue to advance our efforts.

[P72/Well-Being Management as a Driver of Value Creation](#)

Further advancement of human capital management
We established "human capital investment" as our core strategy for the fiscal year ended March 2021, driving forward initiatives to expand educational investment and reform our personnel systems. These initiatives

received considerable external recognition last fiscal year, as evidenced by the awards "Thought Leaders of Human Capital 2024" and "Human Capital Management Excellence 2024 Gold Award." Meanwhile, the environment surrounding our company is subject to constant change. In the interest of driving future growth and enhancing our HR strategy, we will launch a new personnel system in April 2026.

The basic principle underpinning the new system is to ensure the company remains an employer of choice for the most talented personnel driving business growth, while simultaneously maximizing the market value of each employee. It achieves this by implementing a clear distinction in evaluation and compensation to ensure contributions are properly rewarded, and by fairly recognizing those who have made significant achievements.

When undertaking such system reforms, one thing I value deeply is empathy between people. My feeling is that the steady accumulation of dialogue is what enhances an organization's execution power and fosters genuine empathy—ensuring management policies gain the empathy of each employee, are accepted as their personal responsibility, and are practiced autonomously in their respective roles.

Empathy serves as motivation, boosting the desire to grow. Employees who develop are praised by customers, which becomes a source of job satisfaction, which in turn leads to further growth. The growth of our employees then serves as the growth driver for our business. And as our business grows, we receive opportunities from our customers for more sophisticated, challenging first-class work. The company will reward those employees who achieve significant results with first-class compensation. Creating a virtuous cycle to maximize human capital value and business growth—that is the essence of human capital management as practiced by the SCSK Group.

[P69/SCSK's Human Capital Management – To Next Stage Toward Grand Design 2030](#)

3. To Stakeholders

Our challenge has only just begun. But the direction we are aiming for is clear. It is about fusing technology and human capabilities to resolve the issues faced by our customers and society, and co-creating a more prosperous, sustainable future.

The SCSK Group views this era of significant transformation as an opportunity. Each employee shines individually, and their combined strength creates tremendous value. As a co-creative IT company, we will strive as a group to become an entity that surpasses the expectations of all stakeholders.

We look forward to your continued support.



Message from the Executive Vice President

We will drive Japan's digital transformation with true full-stack capabilities and co-create Create our future of dreams with our customers.

I am Takafumi Takeshita, and I have recently assumed the position of Executive Vice President as a new member of the SCSK Group. I have been involved with Net One Systems Co., Ltd. since it was founded, engaging in all aspects of the business, including technology, services, sales, and management. Having established a unique position as a network integrator, Net One Systems Co., Ltd. has believed in the expanding possibilities of networks along with the evolution of ICT and the company has dedicated itself sincerely to this field for a very long time.

During this journey, networks have evolved to become more than mere communication tools; today, they are a vital element of social infrastructure supporting our everyday lives and business activities. This management integration is a major undertaking with a mission of great importance: tackling head-on the structural challenge of Japan's overall lag in DX, which tends to fall into suboptimal solutions.

Net One Systems Co., Ltd. possesses unparalleled network expertise within Japan and SCSK provides comprehensive capabilities spanning everything from applications to IT infrastructure. The fusion of these two strengths makes possible a true full stack that provides unified solutions incorporating everything from network to application. This enables us to provide support for our clients' challenges from a holistic optimization perspective, focusing on the "whole" rather than just individual "points." We will create unique value together not merely as a system installation contractor, but as a strategic partner accompanying the business growth of our customers.

Moreover, guided by the shared belief that "the growth of people drives corporate growth," both companies will respect diversity and strive to become leading ICT industry companies that contribute to resolving social challenges.

As a member of management, I will take the lead on this path, maximizing the potential of people and networks while dedicating all of my efforts to the co-creation of Create our future of dreams.

Takafumi Takeshita

Apr. 1988	Joined Ungermann-Bass Networks K.K.
May 1989	Joined Net One Systems Co., Ltd.
Apr. 2006	Vice President of Technical Service Headquarters of Network Service And Technologies Co., Ltd. (currently, Net One Systems Co., Ltd.) (seconded)
Jun. 2009	Executive Director of Network Service And Technologies Co., Ltd.
Jul. 2011	Vice President of Net One Systems Co., Ltd.
Jun. 2018	Senior Vice President of Net One Systems Co., Ltd.
Apr. 2021	President & CEO of Net One Systems Co., Ltd. (current)
Apr. 2025	Executive Vice President of SCSK
Jun. 2025	Executive Vice President and Director of SCSK (current)

(Current position(s) of directors as of June 24, 2025)

