

Toward New Business Growth

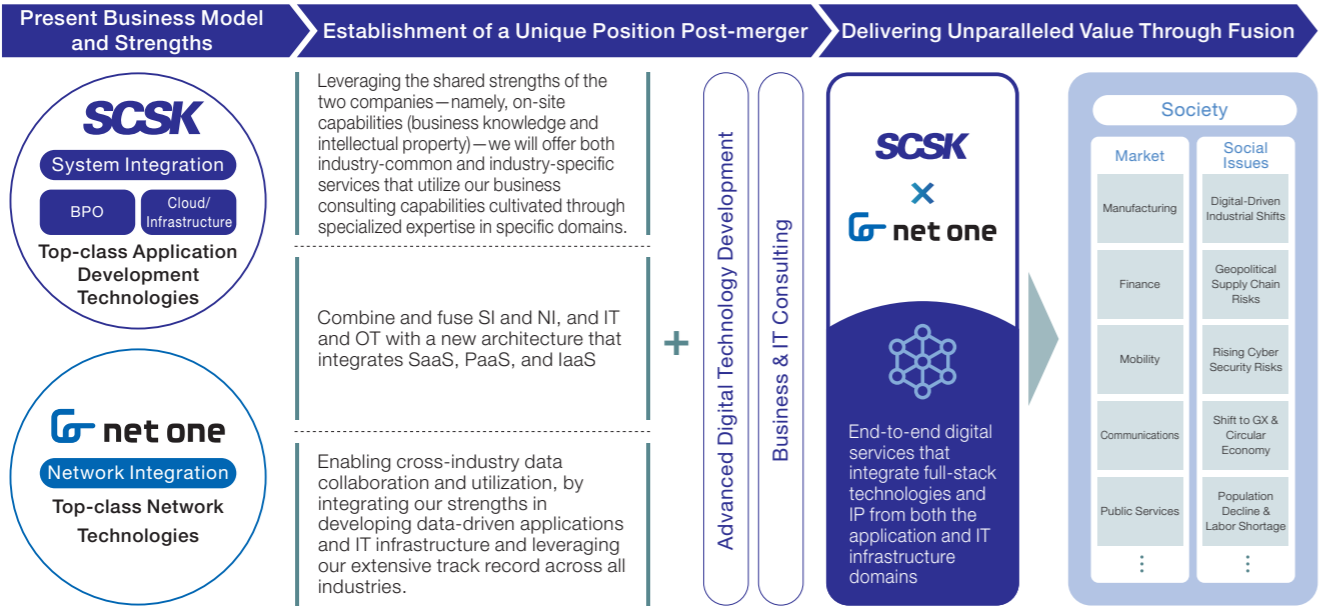
For more details on the integration, please click here.
https://www.scsk.jp/ir_en/library/analyst_meeting/index.html



Following the completion of the tender offer in December 2024, we will work toward achieving the goal of “Advancement of Corporate Functions” through the integration of both companies. We will strive to leverage the strengths of both firms with the aim of maximizing business synergies, enhancing corporate functions, and Integration of Corporate Cultures.

Through the integration, we aim to realize a corporate group that leads the resolution of social issues and develops business groups with an overwhelming presence and influence.

Vision for the Integrated Company

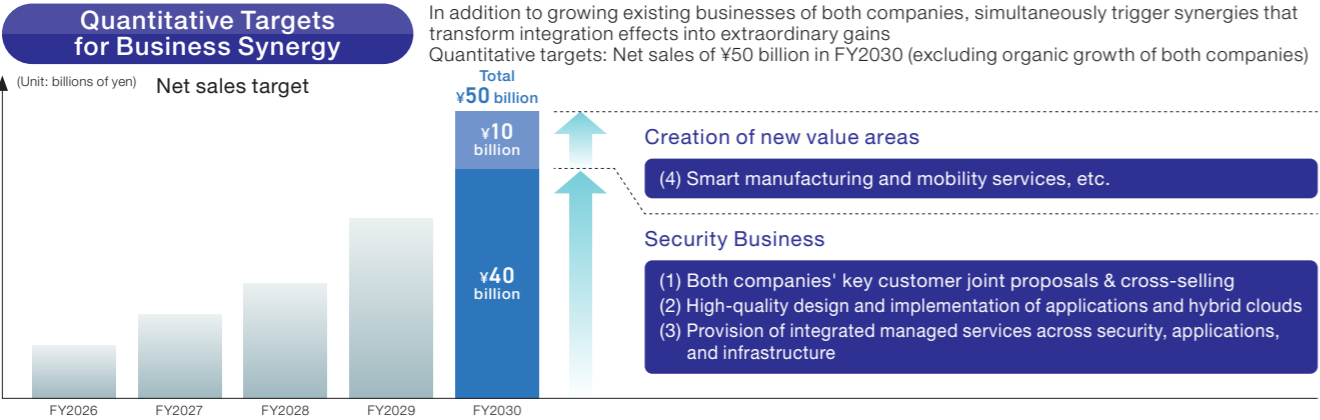


1. Maximization of Business Synergies

The integration of SCSK's top-tier application technology and Net One Systems Co., Ltd.'s high-level network technology will create powerful business synergies. The core of these synergies is the security business, which leverages both companies' strengths to deliver high-quality design and implementation and secure integrated managed service spanning applications to infrastructure. We also aim to create new value domains including smart manufacturing and mobility services.

In addition to growing the existing businesses of both companies, we established a quantitative target to generate an additional ¥50 billion in net sales by FY2030 by accelerating the powerful synergies the integration will create. This target only applies to sales generated

through synergies between the two companies. We aim for high growth rates for the security business even through the organic growth of both companies' existing domains, projecting net sales of about ¥120 billion by 2030. To this, our objective is to add ¥40 billion from business synergies, growing the business to a total of over ¥160 billion. Moreover, we target about 20% for the operating profit margin for the ¥50 billion in net sales generated by business synergies—combined with the ¥10 billion generated through the creation of new value domains—surpassing the company-wide average. We will achieve this through measures such as providing high-value-added services, as illustrated in the figure below.



2. Advancement of Corporate Functions

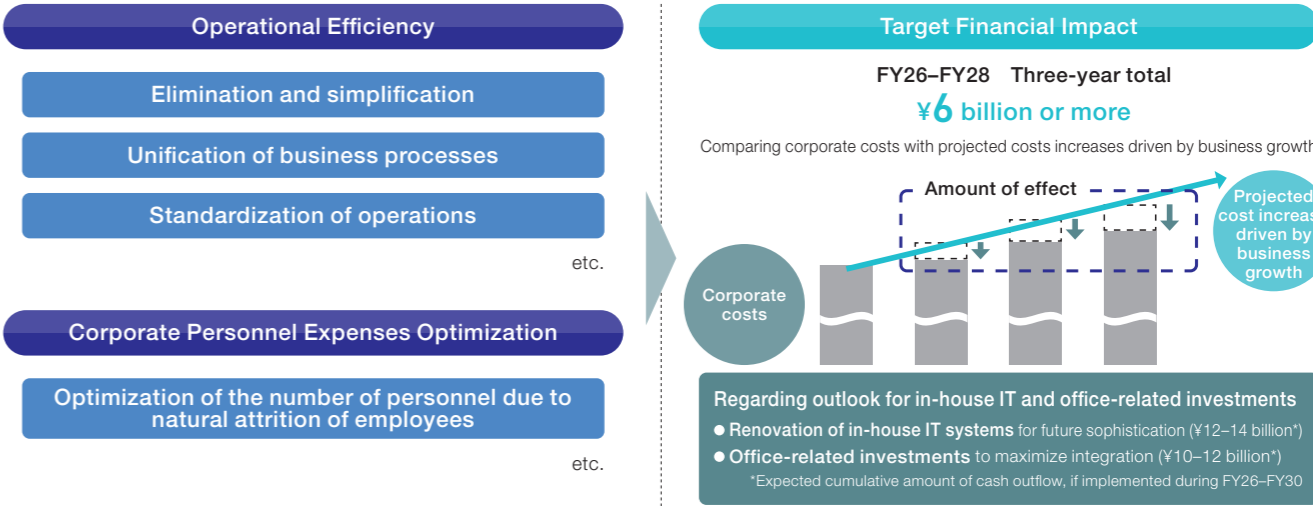
Beginning in April 2026, we will pursue operations centered on the overall optimization and comprehensive efficiency of the corporate functions of both companies. This will lead to enhanced functional expertise and speed. Our aim is to achieve an efficient corporate structure that contributes to the performance of the business.

With regard to cost synergies associated with the advancement of these corporate functions, we plan to achieve cumulative cost synergies over the three-year period starting from FY2026 in excess of ¥6 billion. We will accomplish this by optimizing staffing levels through

measures such as curbing outsourcing and natural attrition, effectively offsetting costs that we see increasing in line with business growth.

Moreover, independent of this initiative, we may need to upgrade internal IT systems to support future business advancements and make office-related investments to maximize the benefits of the integration. Going forward, we will consider the feasibility, timing, and specific amounts of these investments, while considering the current status of both companies' systems and future business strategies, to ensure they do not hinder the growth of business or the effects of cost synergies.

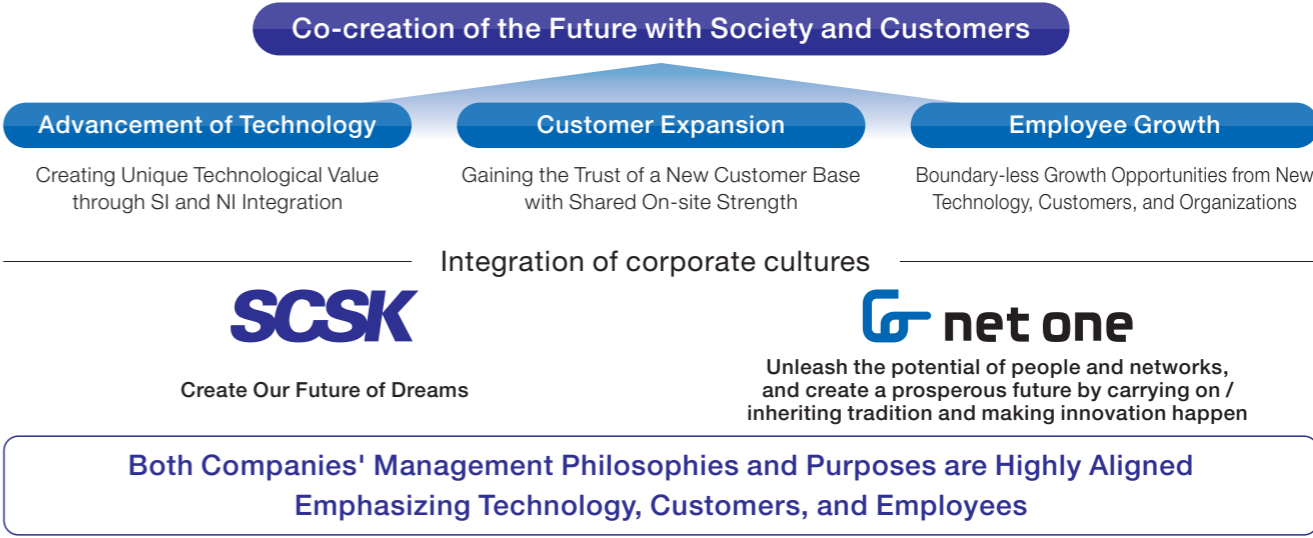
Quantitative Targets for Advancement of Corporate Functions (Cost Synergies)



3. Integration of Corporate Cultures

SCSK's corporate philosophy and Net One Systems Co., Ltd.'s purpose are highly compatible in corporate culture integration. They share the belief that we should maximize human potential, enhance technology, and contribute to the future.

Building upon this foundation, we will advance technology, expand our customer base, and help our employees grow by mutually understanding and integrating the two companies' strengths, thereby co-creating the future for society and our customers.



Oct. 2011 Created through the merger of Sumisho Computer Systems Corporation and CSK Corporation
Dec. 2024 Net One Systems Co., Ltd. joined the SCSK Group



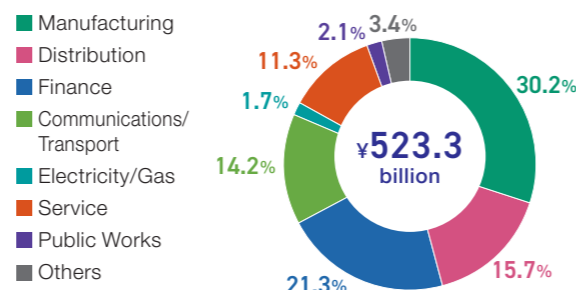
SCSK Corporation

A full lineup of all IT services required by businesses are provided through the coordination of specialists who are familiar with problem-solving in all industries, bringing together their expertise

Capital
¥21.561 billion

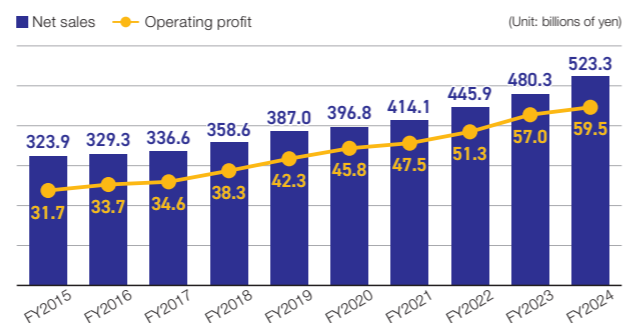
- 1969 Established
- 1989 Listed on the First Section of the Tokyo Stock Exchange
- 2011 SCSK Corporation was created through the merger of Sumisho Computer Systems Corporation and CSK Corporation

Breakdown of Net Sales by Client Industry*



*Reference figures that have been reclassified from the FY2024 results

Trends in Net Sales and Operating Profit



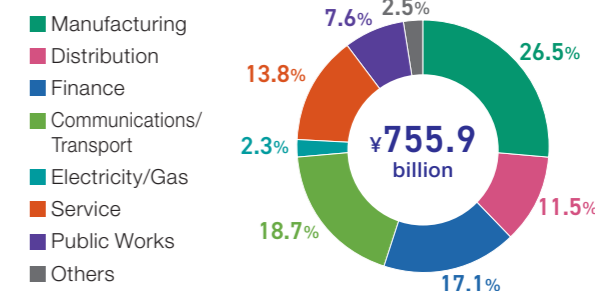
At a Glance (FY2024 results proforma)

Net sales
¥755.9 billion

Operating profit
¥80.1 billion

Operating profit margin
10.6%

Breakdown of Net Sales by Client Industry*



*Reference figures that have been reclassified from the FY2024 results

Customer base
Approx. 10,000 companies

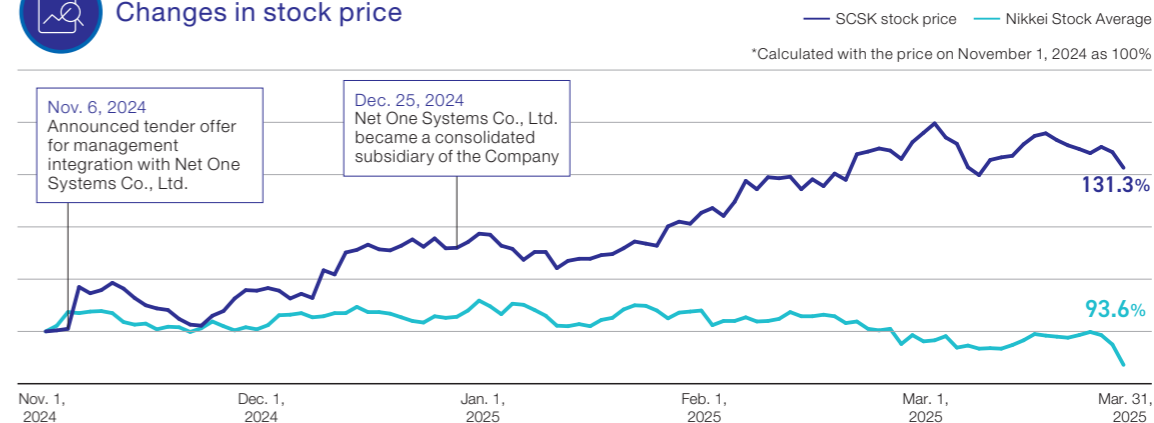
Number of customers with net sales of ¥1 billion or more
133 companies

Market capitalization*1
Approx. ¥1.1 trillion

Number of employees on a consolidated basis*1
20,252

Net Sales of IT Infrastructure Services Business*2
Approx. ¥400 billion

Changes in stock price



*1 As of Mar. 31, 2025 *2 Estimated based on net sales of the IT Infrastructure Services Business Group and Net One Systems Co., Ltd. for FY2024



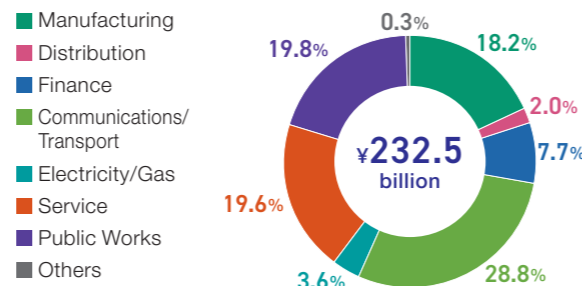
Net One Systems Co., Ltd.

Building an information infrastructure that incorporates the world's most advanced technologies and providing related services and know-how to realize strategic ICT utilization

Capital
¥12.279 billion

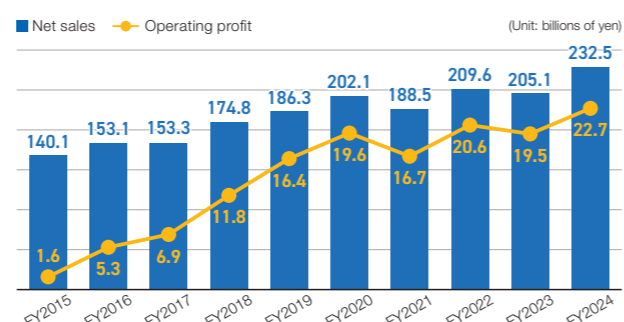
- 1988 Established to sell LAN
- 2001 Listed on the First Section of the Tokyo Stock Exchange

Breakdown of Net Sales by Client Industry*



*Reference figures that have been reclassified from the FY2024 results

Trends in Net Sales and Operating Profit



By combining our respective strengths, we will create new value with security at the core and drive our customers' modernization.



Takuya Tanaka

Senior Managing Executive Officer,
 General Manager,
 IT Infrastructure Services Business Group,
 SCSK Corporation
 Vice President and Chief Operating Officer (COO)
 of Net One Systems Co., Ltd.

Takuya Tanaka, Vice President and Chief Operating Officer (COO) of Net One Systems Co., Ltd., and Masaki Komine, General Manager, IT Infrastructure Services Business Group at SCSK, discussed the objectives of the business integration and future strategies.

1. Combining Net One's on-site capabilities with SCSK's technical expertise in integration to create a new source of strength

Tanaka: My impression of SCSK was that it had established a solid position as a "comprehensive IT company" and had a broad business scope that continues to evolve with sincerity and dedication. The company was well known in the industry for its transformation into a "company with good working conditions" company in a remarkably short time, underpinned by its reputation as an extremely disciplined organization. I was a bit envious when I viewed the organizational strength that achieved this transformation. What surprised me once we actually began collaborating, though, was the similarity in our corporate cultures were—to a much greater extent than I had anticipated. While we may have different clients, there could be a shared underlying mentality that resonates with both companies, as fellow practitioners of IT infrastructure in Japan.

Komine: From my perspective, Net One Systems Co., Ltd. can be summed up in one phrase: "a professional group in the network business." I recognized them as undoubtedly the leading company in Japan in this field—whether you're talking about their technical expertise, vendor selection, or customer-focused approach. They are strong in terms of both sales and technical capabilities, and seem to have a firm grip on their customers. I viewed Net One Systems Co., Ltd. as a company engaged in an extremely compelling business that supports the IT infrastructure foundation—as irreplaceable to modern society as blood vessels are to the human body. And as Mr. Tanaka noted, once we actually started collaborating, we found we had quite a bit in common. In the IT infrastructure business for which I am responsible in particular, there are similarities in terms of approach to the business, the mindset, and the

attitude toward initiatives, and I find many aspects resonate with me. That said, since our areas of expertise differ, we are becoming excited about what we may achieve by fusing our respective strengths.

Tanaka: When describing the strengths of Net One Systems Co., Ltd., I often use the term "on-site strength." Our entire competitive edge comprises the power of the engineers and salespeople working on the front lines, and those who support them. As we get closer to customers, various signs become apparent. The greatest strength of Net One Systems Co., Ltd. lies in its ability to rapidly identify the signs of such issues and respond immediately. A key organizational feature is that we operate our sales and pre-sales engineering teams as a single integrated unit to achieve that speed. To enhance proximity to customers, sales personnel and engineers must both become deeply involved, working together on-site to drive projects forward. Going forward, we hope to eliminate even the barriers between roles such as sales and technical positions. I even think that, ultimately, having just one customer-facing role would be enough.

Komine: A key strength of our organization is the leveraging of the diverse personalities and strengths of our workforce in assigning them to various roles. SCSK's strength also lies in prioritizing relationships with customers. I suppose you could call it "technical expertise in integration." SCSK has proprietary intellectual properties such as PROACTIVE, SUMAKURA, and USIZE, but views each as merely one important component in the integration that enhances the value we deliver to our customers. Accurately identify market gaps, and then address and integrate them. That is precisely our technological strength. This stems from our discernment, which involves constantly observing cutting-edge products and market trends with both breadth and depth.

Tanaka: The fact that we don't need to sell our own products is a strength shared by both companies. We can immediately adopt what we deem good and find new things to replace those that no longer fit the times. That is directly related to the sense of speed I alluded to earlier.

Komine: We constantly survey the market overall from the viewpoint of what constitutes the optimal solution for our customers, which allows us to impartially assess



Masaki Komine

Managing Executive Officer,
 General Manager,
 IT Infrastructure Services Business Group,
 SCSK Corporation
 Representative Director and President,
 SCSK Security Corporation

cutting-edge technologies and products. This is the greatest value of being multi-vendor. At SCSK, we have offered singular value by combining the best choices from numerous options and adding our know-how and experience as value-added services. We have high expectations that combining this discernment and technical expertise in integration with the on-site strengths of Net One Systems Co., Ltd. will establish a structure for the rapid delivery of high-value-added services, thereby solidifying our competitive advantage.

2. Creating new value with security at the core

Tanaka: Through this integration, we aim to position the security business at the core of our IT infrastructure services business to further enhance its overall value. Both companies regarded security as a key area in their medium-term management plans, and their direction was in alignment.

Komine: When we think of modernizing the entire IT infrastructure, security naturally lies at its core. Net One Systems Co., Ltd. excels in network security, while SCSK specializes in cybersecurity, such as using log analysis to detect threats. Combining our respective strengths will enable us to provide comprehensive services without blind spots.

Tanaka: When we interact with customers, we sense there is a solid demand for security. Many legacy systems remain in use—particularly for manufacturing customers—and these are targets for cyberattacks. Net One Systems Co., Ltd. is skilled in the area of factory networks. The overall vision for integrated business synergies centers on security while envisioning the deployment of various services. Areas such as “Smart Manufacturing,” which integrates IT and OT* for manufacturing, will be developed into company-wide initiatives through collaboration with both the IT infrastructure and application departments.

Komine: Until now, SCSK had not ventured into the factory network domain. Once you grasp the network, however, you can position yourself to deeply comprehend customers' specific requests—such as their desire to utilize factory data in a particular way—from a technical standpoint. Data is an asset for our manufacturing clients. We believe we can deliver unparalleled value by ensuring a secure environment while offering end-to-end services—from infrastructure to applications. Another key area is supporting Japanese global companies. Customers operating abroad often face issues related to local security governance. We will provide unification and support on the global level. This also represents a significant business opportunity.

Tanaka: It becomes vital to establish security policies

based on Japanese standards and figure out how to implement them locally. Sole reliance on local integrators can often lead to unexpected situations. To prevent situations where USB drives, for instance, are brought into factories or power/gas facilities and become infected, physical security measures must be taken. Even fundamental measures such as access control can ultimately make a huge difference.

Komine: By starting with security, the value of operations in particular changes significantly. Security encompasses a host of layers, incorporating everything from physical aspects like access control to firewalls and endpoint security for PCs. The burden on customers themselves to implement countermeasures across such diverse areas is significant. Our operational support structure in that area serves as a powerful weapon. Operation services, which are commonly viewed as cost reduction targets, can now be proposed as an integral part of security value. The ripple effect generated by this approach extends beyond IT infrastructure into other business domains.

Tanaka: Security is vital in all business operations, including the application development domain. While the IT infrastructure department is still building momentum, we must now establish security as both companies' primary focus and embed it as a company-wide initiative.

Komine: Through this integration, our IT infrastructure services business will surpass ¥400 billion in sales. In terms of scale, it will become one of Japan's largest operations. Leveraging this scale and our service lineup—built through collaboration with our application development team with a focus on security—we will strongly drive our customers' entire ICT infrastructure modernization.

*Operational Technology: Control and operation technology used to optimize equipment performance

3. Taking the security business global

Komine: When considering the modernization of our entire IT infrastructure, we have all the tools we need now that we have joined forces with Net One Systems Co., Ltd. We will construct our solutions and the security of both companies on the powerful foundation of the network. We can now confidently engage the market with our structure capable of providing one-stop service in place—spanning consulting, design, construction, operation, and data centers across domains such as networking, security, cloud, and AI/data infrastructure. I aspire to become a presence that surpasses our rivals, and I am confident that we will.

Tanaka: The beauty of this integration lies in the notable lack of overlap between the businesses of the two companies. There is almost no cannibalization, which

frequently occurs in corporate mergers. The two companies have different customer bases and handle different products. This is extremely rare.

Komine: For the employees who will work together, the absence of unnecessary friction is a tremendous benefit. Combining Net One Systems Co., Ltd. and my business group results in an organization of about 5,000 people. With this kind of structure, we have no real limitations. While there are constant complaints from the field about staffing being insufficient, we must further strengthen automation through AI and collaboration with external partners to transform our business model.

Tanaka: In this industry, understaffing is a common grievance. First, however, companies should take on work that suits their capabilities and reevaluate how they approach their work.

Finally, as the first step toward a successful integration, over the next year, I aim to create as many collaborative use cases as possible between our companies. Both successes and failures become our assets. We will actively share success stories both

inside and outside the companies. The emergence of even two or three examples in each department will result in deeper mutual understanding. The success we achieve there should serve as the driving force for the next significant collaboration.

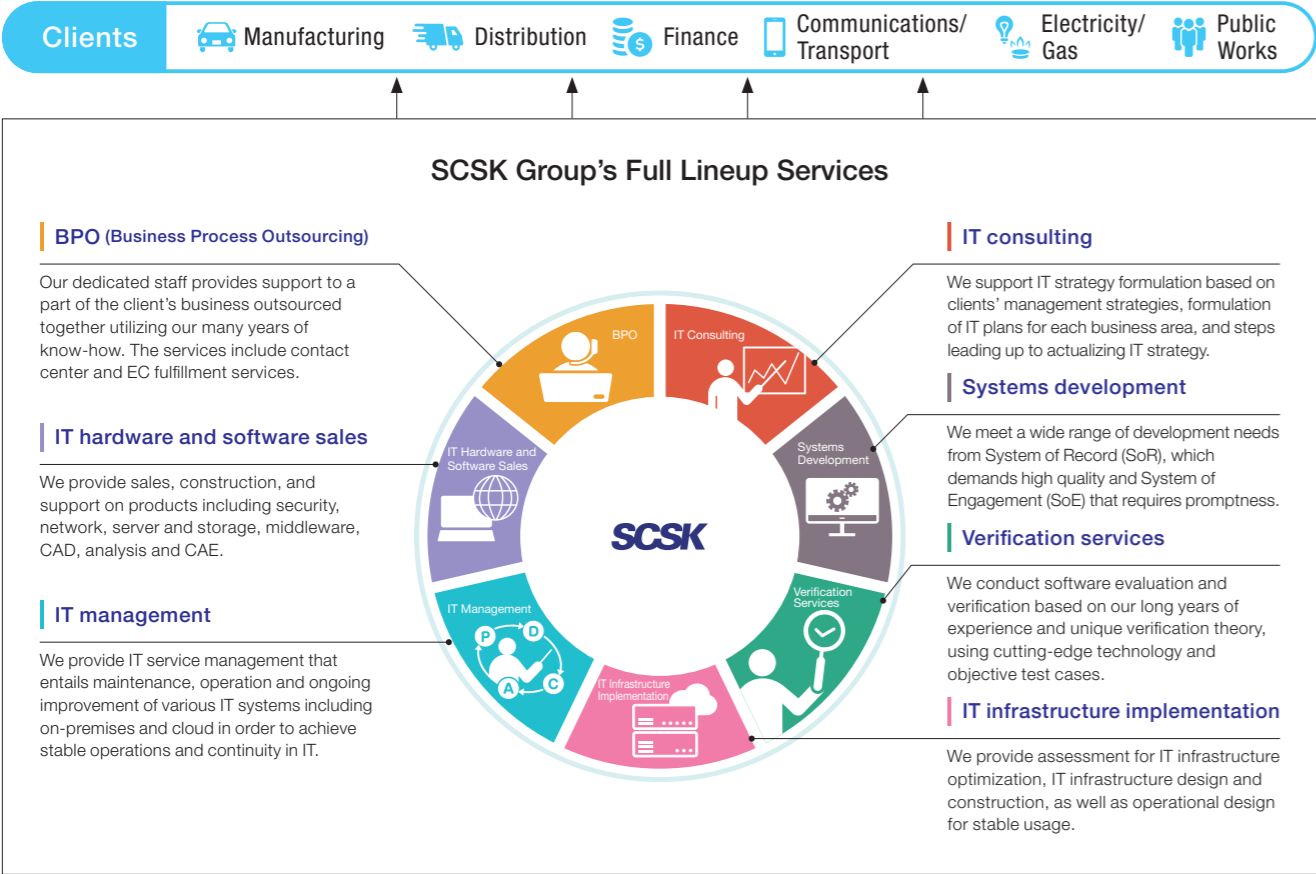
Komine: Once these case studies permeate the organization, it can advance its business operations under a set of shared values. First, we complement each other's capabilities through cross-selling. Next, we become the partner who, with regard to IT infrastructure modernization, can confidently declare, “Leave it to us.” Together, we will create a future that transcends the expectations of our customers.

Tanaka: We will grow our security business to a larger scale to serve as a powerful weapon for just this purpose. Rather than focusing on individual companies or industries, we must expand our business nationwide and even into the ASEAN region with the resolve to safeguard Japan's national security. This will result in us establishing a solid global presence. That's the future we want to create.



Businesses of the SCSK Group

The SCSK Group continues to meet the IT needs of a wide range of clients who widely support society with seven services. We build strong relationships of trust with clients by being knowledgeable of their strategies and operations through our long years of partnerships.



By Sales Segment



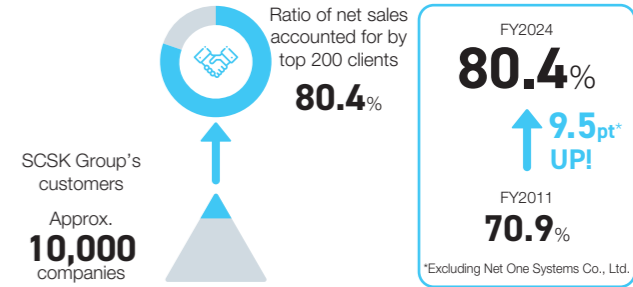
SCSK Group's Premier Client Base

During the course of providing IT solutions to numerous industries over many years through the provision of our full lineup services, the SCSK Group has established solid relationships of trust with client companies spanning a multitude of industries. In FY2024, the Group consolidated Net One Systems Co., Ltd., expanding its customer base to approximately 10,000 companies. In particular, transactions with the top 200 companies in terms of sales, mainly large companies, accounted for more than 80% of consolidated sales in FY2024. Expansion of the scope and scale of business entrusted to us by leading customers in each industry is one of the factors behind our sustained growth.

To achieve further growth, we are also rebranding our in-house ERP solution, "PROACTIVE," as an AI-centered product. For mid-sized companies, we are strengthening our market and customer engagement through SCSK Minori Solutions Corporation.

Going forward, we will work to further build relationships as a strategic IT partner that supports clients' business transformations through co-creation, by utilizing the relationships of trust built up with our clients over many years.

Percentage of Consolidated Net Sales Accounted for by Top 200 Clients



Organizational Reform

As part of an organizational change on April 1, 2025, the SCSK Group implemented the following organizational reforms to achieve the goals of its current Medium-Term Management Plan, which concludes in FY2025, while also establishing a framework for the next plan.

Under this reform, the Group is reorganizing its business group structure to respond to market trends toward greater integration of products and services and to accelerate the development of offer-type businesses. The Group is also consolidating its IT infrastructure business (through an organizational restructuring integrating it with Net One Systems Co., Ltd.) to strengthen and enhance its service capabilities in the IT infrastructure domain.

The details of the organizational reform are as follows.

- **Split into the Industrial Business Group and the Manufacturing Business Group**
 - ▶ The former Industrial Business Group was reorganized into two new groups: the Manufacturing Business Group, which handles digital supply chain businesses for the manufacturing industry, and the Industrial Business Group, which manages existing businesses for large-scale transaction customers.
 - ▶ The Digital Engineering Solutions Div. of the Products & Services Business Group was transferred to the Manufacturing Business Group, and the SC Systems Business Div. of the Solution Business Group was transferred to the Industrial Business Group.
 - ▶ The Industrial & Manufacturing Business Promotion Div. and the Industrial & Manufacturing Business Sales Div. were established in both business groups and jointly operated.
- **Establishment of the IT Infrastructure Services Business Group**
 - ▶ The Solution Business Group and the Products & Services Business Group were integrated into the IT Infrastructure Services Business Group.
 - ▶ The Network Security Div. of the Products & Services Business Group was divided into the Network Business Div. and the Security Business Div.
 - ▶ The Solution Business Promotion Div. and the Products & Services Business Group were integrated and renamed as the IT Infrastructure Services Business Promotion Div.
- **Establishment of organization under direct control of the Company**
 - ▶ To accelerate the development of offer-type businesses at customer contact points, the CX Business Div. was newly established under the direct control of the Company, based on the framework of the CX Business Div. of the Business Design Group.
- **Establishment of the Asia Region Promotion Office**
 - ▶ To expand our business in the Asian region, we established the Asia Region Promotion Office as an organization to manage our business in Asia.
- **Renamed as the PROACTIVE Business Solutions Div.**
 - ▶ The ProActive Business Solutions Div. was renamed as the PROACTIVE Business Solutions Div.