



Technology X Open Innovation

**Supplementary Material for the Q1 FY03/2024
43rd Fiscal Year**

Systemsoft Corporation

TYO: 7527

January 31, 2024

- **FY09/2024 First Quarter Financial Results Summary**
- **FY09/2024 First Quarter Financial Results Reporting by Segment**
- **FY09/2024 Earnings Forecast**

FY09/2024 First Quarter Financial Results

Financial Results Summary

Summary of consolidated financial results for Q1 FY09/2024

Progress in line with plan

Promote achievement of full-year plan

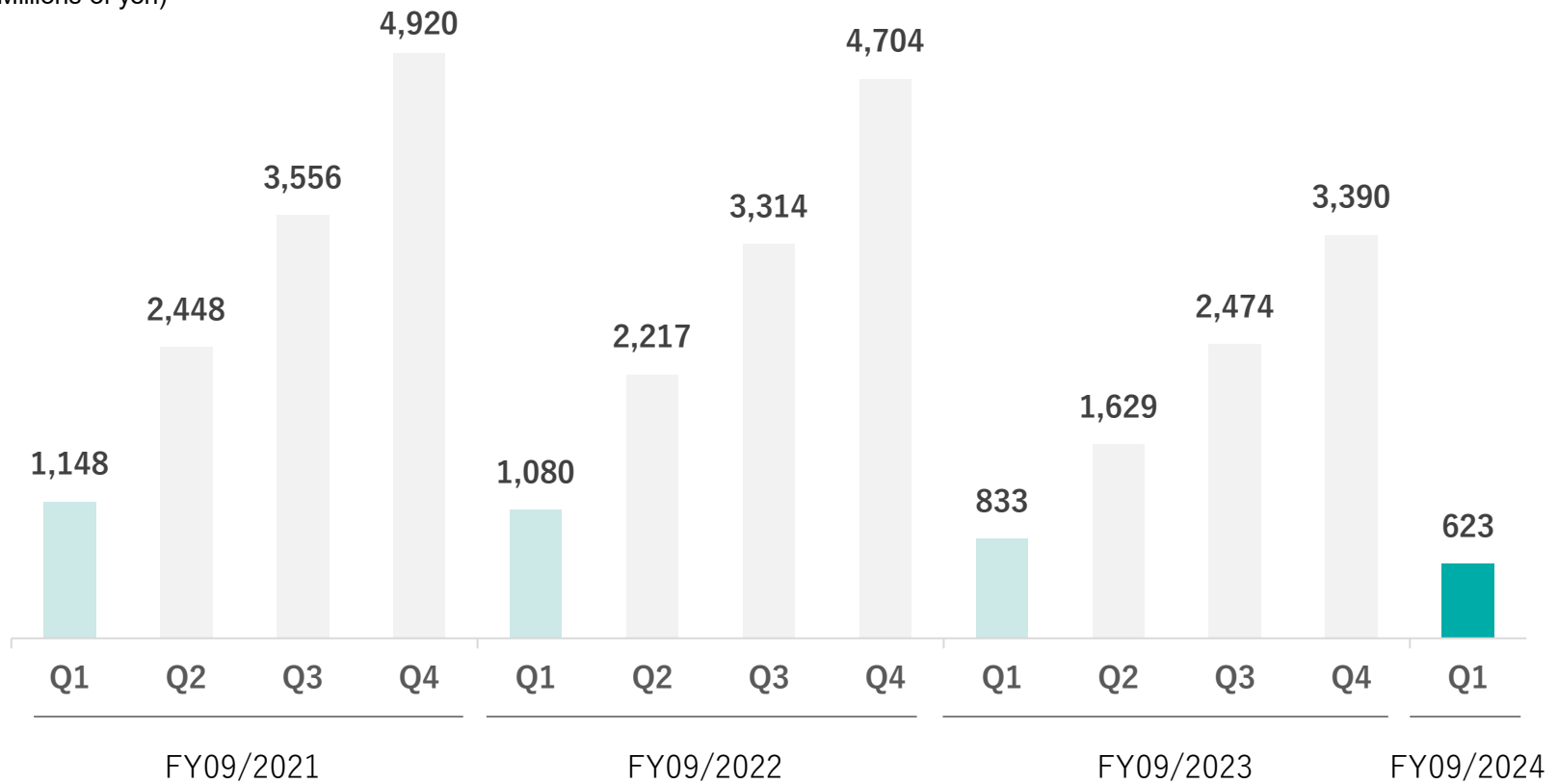
	Q1 2023		Q1 2024		YoY
	Amount	%	Amount	%	
(Millions of yen)					
Net sales	833	100%	623	100.0%	74.7%
Gross profit	181	21.8%	147	23.7%	81.3%
SG&A expenses	216	26.0%	196	31.6%	90.9%
Operating income	-34	-	-49	-	-
Net income attributable to shareholders of the parent company	-83	-	-87	-	-

Net sales quarterly changes (Cumulative period)

Existing projects in technology business remained strong

Sales decreased due to changes in contracts for some projects in systems development

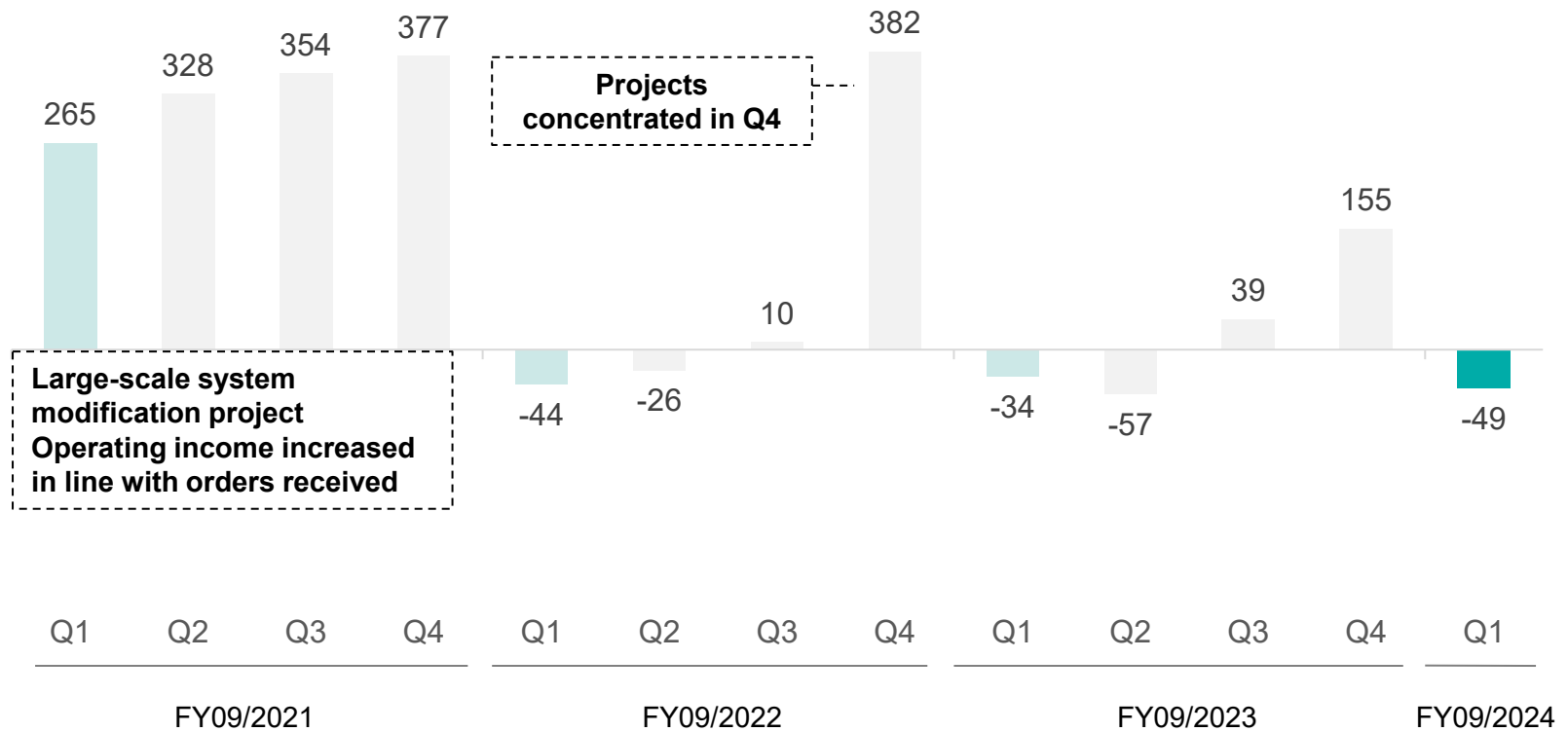
(Millions of yen)



Operating Income Quarterly Changes (Cumulative Period)

Strive to improve profits by securing talent and reducing costs for this fiscal year's second half

(Millions of yen)



Balance Sheet

(Millions of yen)	Q4 FY09/2023	Q1 FY09/2024	Increase/ Decrease
Current assets	3,610	3,538	-72
Fixed assets	3,131	3,026	-105
Current liabilities	599	580	-19
Fixed liabilities	360	294	-66
Net assets	5,782	5,689	-93
Capital stock	1,706	1,706	0
Capital surplus and others	4,150	4,063	-87
Total assets	6,742	6,565	-177

FY09/2024 First Quarter Financial Results

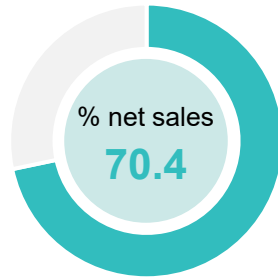
Financial Results by Segment

About the Segment

Two pillars: technology business and open innovation business

Technology

Engaging in SS Cloud Series to provide real estate operators, major corporations and public sector with robust system development solutions



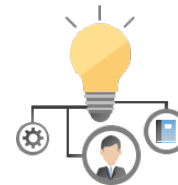
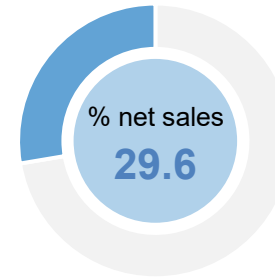
SaaS/RPA
SS Payments



System development
and solutions

Open innovation

Focusing on creating ecosystems through corporate collaboration, revitalizing local regions and knowledge sharing

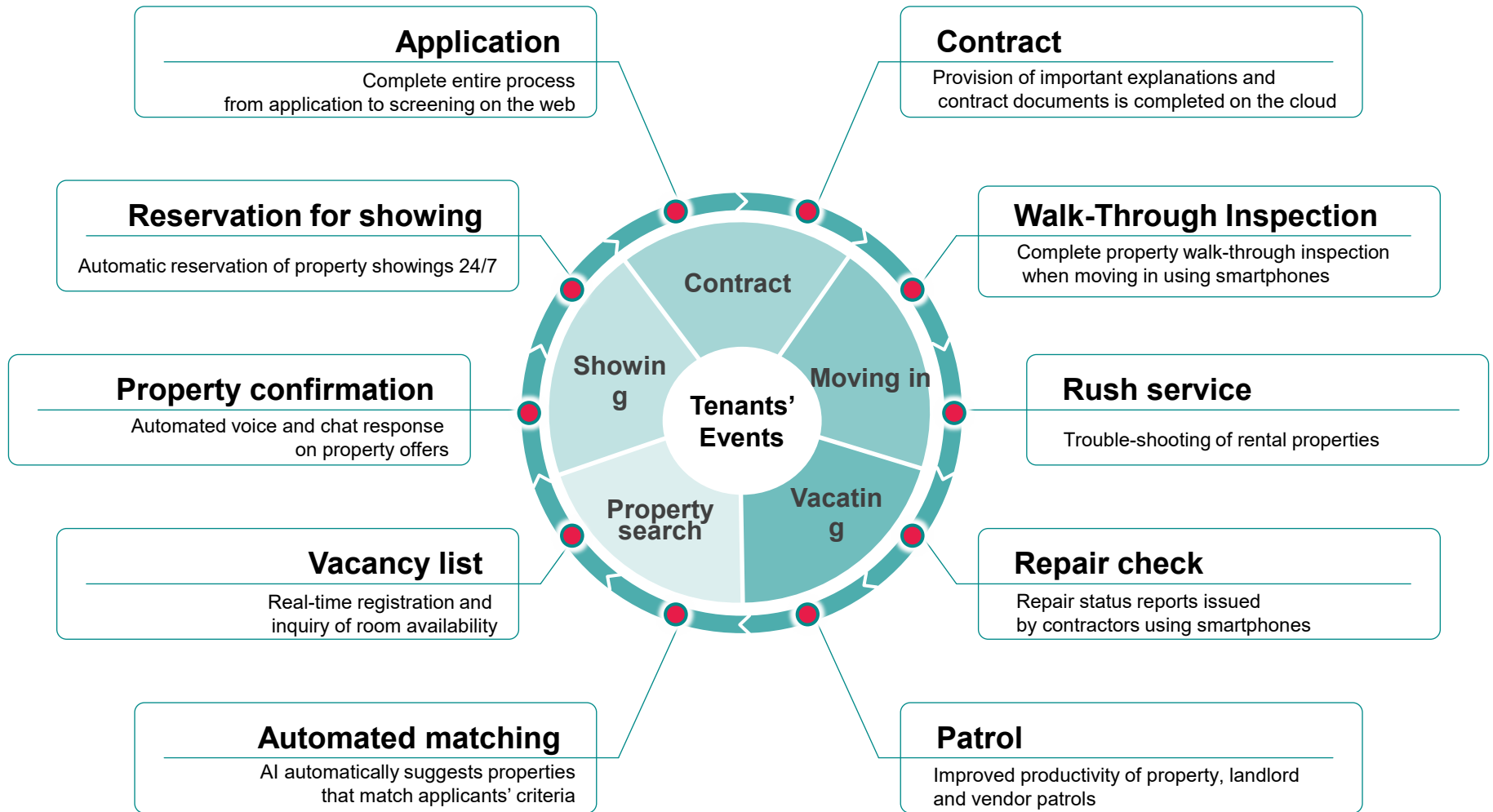


fabbit (DX linkage)



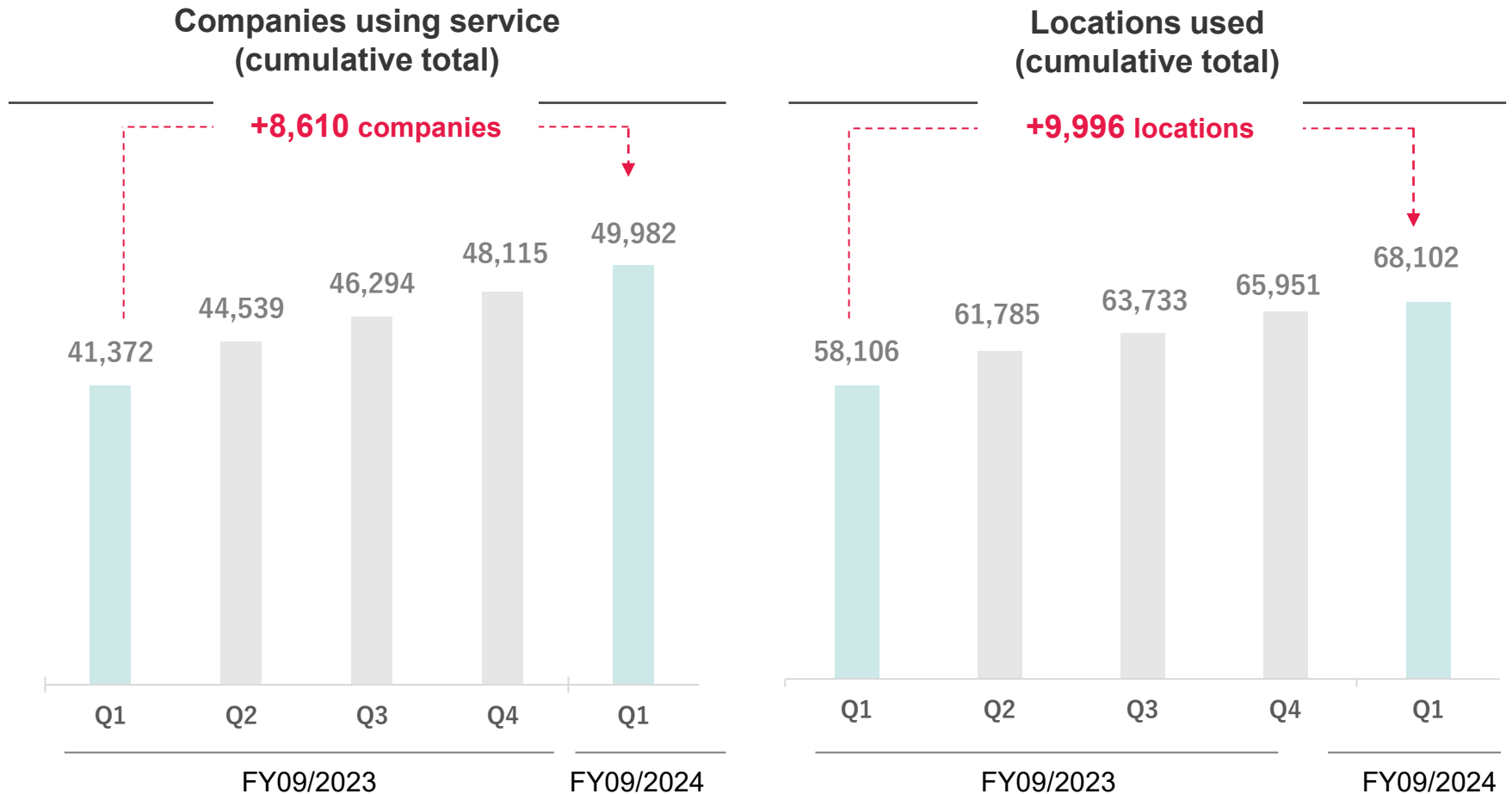
Consulting

Promoting "ReTech" (Real Estate x Technology)



SS Cloud Series Usage Status

Achieved one of largest* adoption records in Japan through proactive sales efforts



The "Cumulative total number of locations used" is simply the sum of the number of locations used by agent and management company for each cloud.
(For management companies, head offices, branches, sales offices, and stores are counted among those that applied.)

The "Cumulative total number of companies using the system" is simply the total number of companies using the service of the agent and management company for each cloud.

*Based on our own research.

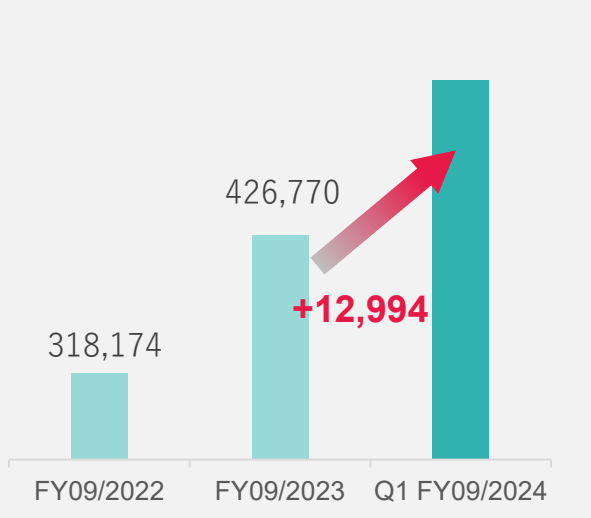
SS Payment Series Introduction Status

In cooperation with SS Cloud Series
developing services to further improve operational efficiency

Money transfer

Total number of cases
(Sept. 2021 - Sept. 2024 Q1)

439,764 cases



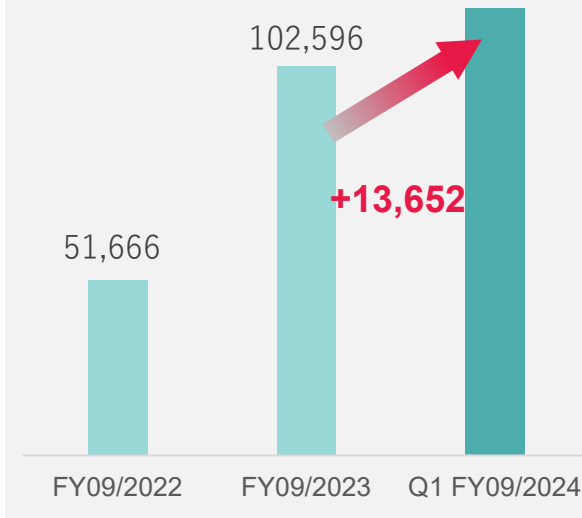
No installation fee, no monthly fee,
no need to open account
Significant reduction in remittance
transfer fee

*This product is a service to introduce customers to the management company.

Account transfer

Total number of cases
(Sept. 2021 - Sept. 2024 Q1)

116,248 cases

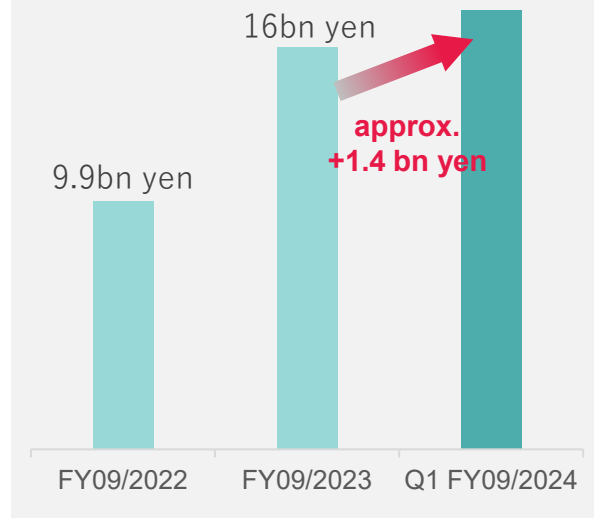


No need to confirm errors in signing or
stamping
Dramatically reduced account transfer fees

Credit card payment

Total settlement amount
(Sept. 2021 - Sept. 2024 Q1)

about **17.4** bn JPY



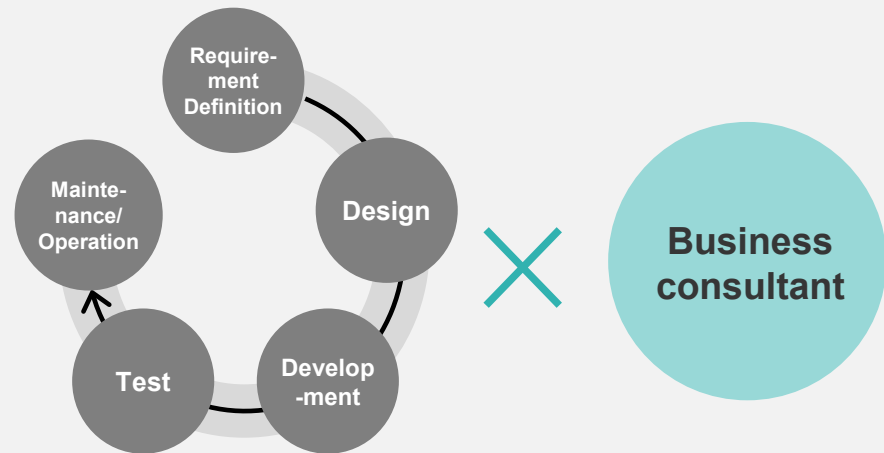
Real estate leasing related transaction
including security deposit, key money
Settlement services for utilizing credit card
to pay lump-sum deposit.

About system development and business

Provide full range of services from development to maintenance and operation offered to meet needs of users in wide range of industries

One-stop service x consulting

By leveraging strengths of consulting derived from years of experience, know-how, and knowledge in general system development process, it is possible to achieve development with higher customer satisfaction.



Case studies



Banks

RMS

Digitize large number of regulations and manuals used within the bank. Contribute to improve operational efficiency and cost reduction.



Property insurance

ERP

Core business system centered on host system. Building advanced systems that require stability and accuracy.



Retail & Sales

EC Site Building System

Package allows for project and product additions, inventory management and even effectiveness measurement through access analysis.



Manufacturer

Business Support Systems

A system that can be used to manage sales activities and results and to develop more effective sales and management strategies.



Educational institutions

Academic Support Systems

A portal system that allows students to access school's homepage, as well as notifications of credit acquisition status and information on school closures and make-up classes.



FY09/2024

Earnings Forecast

Reduction in development scale due to some changes in contract forms in system development business

SaaS business timing and scope of monetization considered carefully

(Millions of yen)	FY09/2023 Actual	FY09/2024 Forecast
Net sales	3,390	3,000
Operating income	155	130
Ordinary income	135	110
Net income Attributable to Shareholders of the parent company	93	65

For fiscal year ending September 2024, we will proceed with internal consolidation and strengthening as a period of reinforcement aimed at medium to long-term growth.

Reinforcement of business structure

System development

- Expanding projects in **development** field, which has always been one of our strengths
- Increased contractual certainty through more **flexible contractual arrangements**
- Improved **profit margins** through operational efficiency and cost control

SaaS for Real Estate Agents

- Continue to promote aggressive sales activities to expand market share

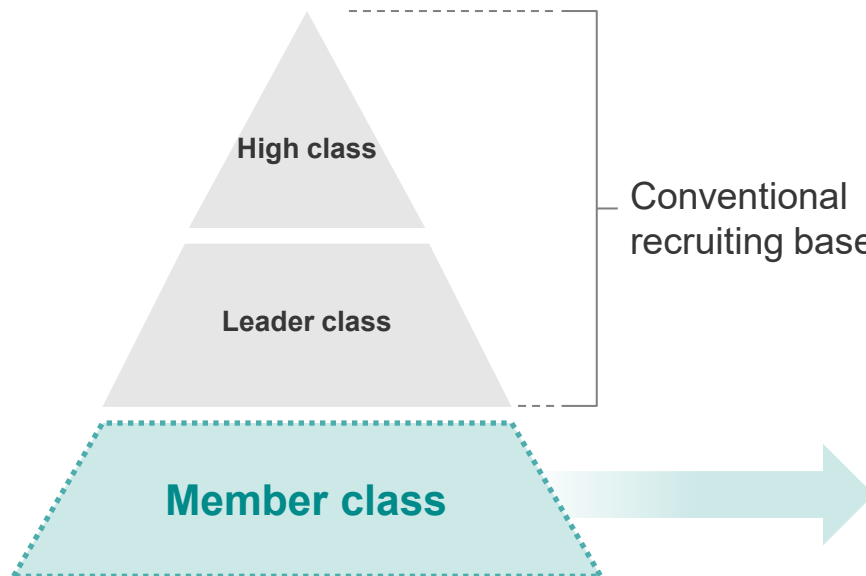
Investment in human resources

- **Securing personnel** to meet robust demand for system development
 - ✓ Renewal of recruitment website, expansion of recruitment contacts already implemented
- Enhancement of the **training system**, including retraining of recruited talent, to accelerate development speed

Strengthen securing and development of Human Resources to support medium- to long-term growth

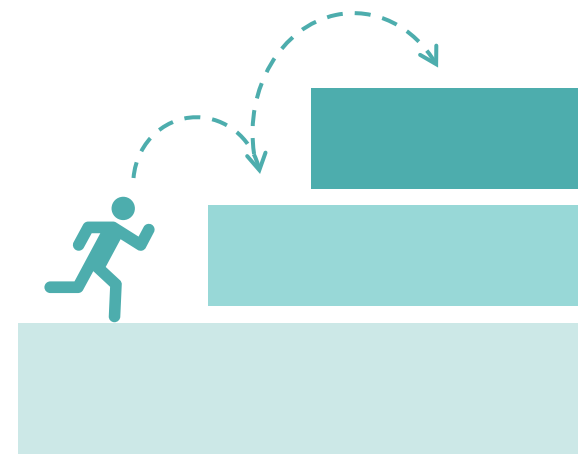
Expansion of recruitment quota

Widely recruiting mainly engineers



Enhanced skill development

Post-recruitment employee training,
Enhancement of training programs



**By widening range of recruiting slots, we advance talent acquisition.
By enhancing and expanding employee benefits and educational systems, we create an environment conducive to growth.**

Technology × Open Innovation

Systemsoft

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