

Financial Results Briefing Fiscal Year Ended March 31, 2025

May 26, 2025



Agenda

- 1 Overview of Consolidated Financial Results as of March 31, 2025
- 2 Status of Key Measures as of March 31, 2025
- 3 New Medium-Term Management Plan
“Be a Visionary System Integrator” (FY2025~FY2027)
- 4 Outlook for the Fiscal Year Ending March 31, 2026
.....Hiroyoshi Kobayashi, President and Representative Director
- 5 Details of Financial Results as of March 31, 2025
..... Director and Executive Officer Tsuyoshi Ogaki, in charge of Corporate Sector

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Overview of Consolidated Financial Results as of March 31, 2025

Overview of Consolidated Financial Results as of March 31, 2025

(Unit: millions of yen)	Fiscal year ended March 31, 2025	Profit margin	Year on Year	Fiscal year ended March 31, 2024
Proceeds	44,417	-	11.9%	39,698
Gross profit	9,505	21.4%	17.2%	8,112
Operating profit	4,772	10.7%	25.3%	3,807
Ordinary profit	4,876	11.0%	14.6%	4,253
Net earnings	3,433	7.7%	11.1%	3,089
ROE	17.4%	-	-1.7%	17.7%
Dividends	27 yen	-	12.5%	24 yen

*The Company conducted a 2-for-1 share split of common stock, effective April 1, 2024.

Dividends per share are indicated on the assumption that the share split was conducted at the beginning of the previous consolidated fiscal year.

Overview of Consolidated Financial Results as of March 31, 2025

Highlights

highlight

- ▶ Each business field performed well this fiscal year as well, with proceeds exceeding the plan, achieving an increase in revenue
- ▶ With regard to SG&A expenses, although we are actively expanding business and human resource investments for future business expansion, these increases were absorbed by the positive effects of revenue increases
- ▶ With regard to dividends, we have implemented an increase from our initial projections in line with improved business performance

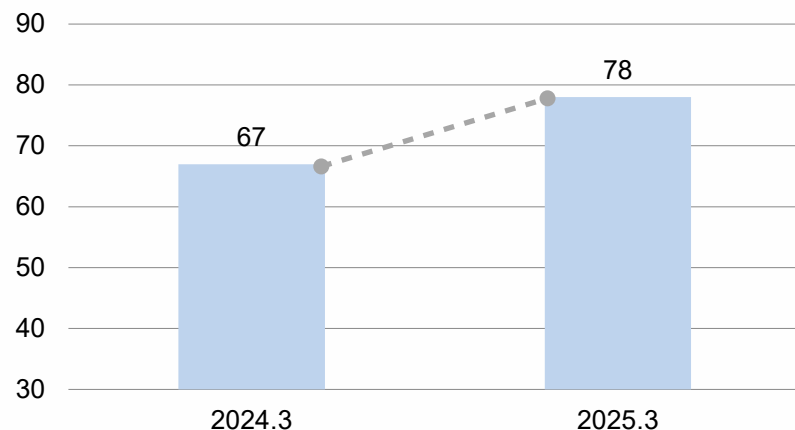


Highlights of Each Field

IT Consulting & Services Field

IT Consulting & Services

(Hundreds of millions of yen)



YoY

+14.9%

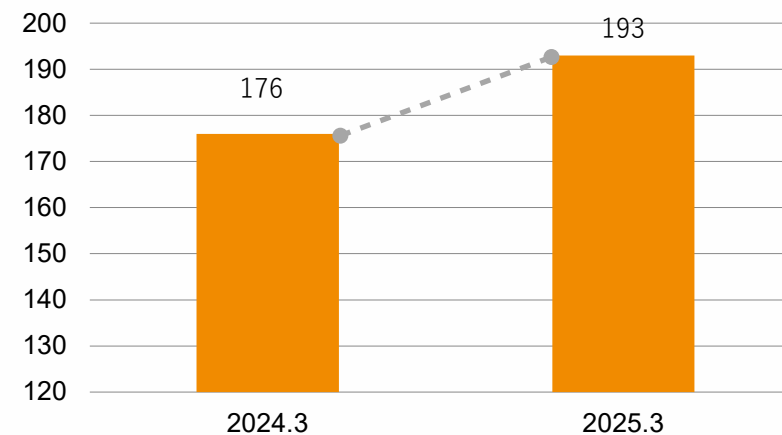
Enterprise SaaS solution projects continue to perform strongly



IT Solutions for Financial Services Field

Financial IT solutions

(Hundreds of millions of yen)



YoY

+9.9%

System development projects, particularly for the banking sector, are performing well

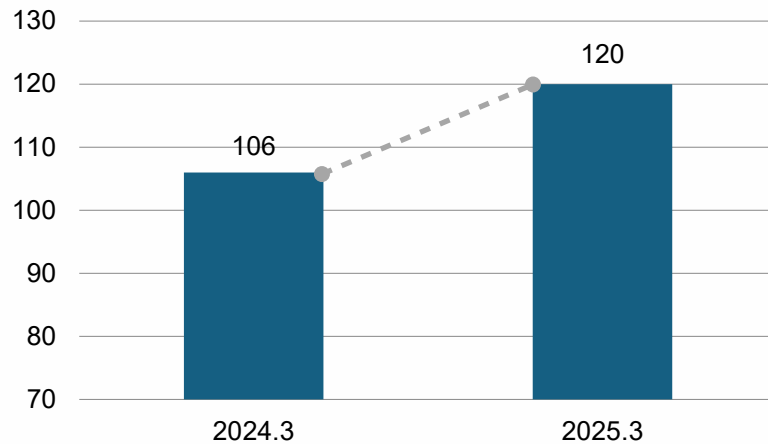


Highlights of Each Field

IT Solutions for Public Corporations Field

Public corporation IT solutions

(Hundreds of millions of yen)



YoY

+12.8%

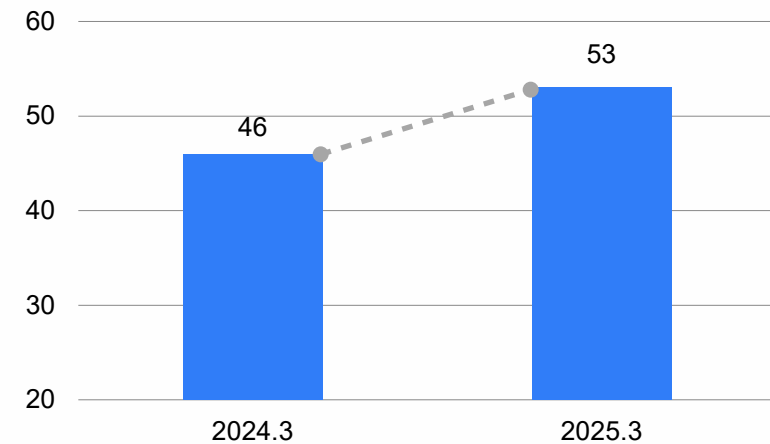
Development projects for government agencies, transportation, and travel industries continue to show steady growth



Platform Solutions Field

Platform solution

(Hundreds of millions of yen)



YoY

+13.2%

Infrastructure construction projects for telecommunications and government agencies are progressing steadily

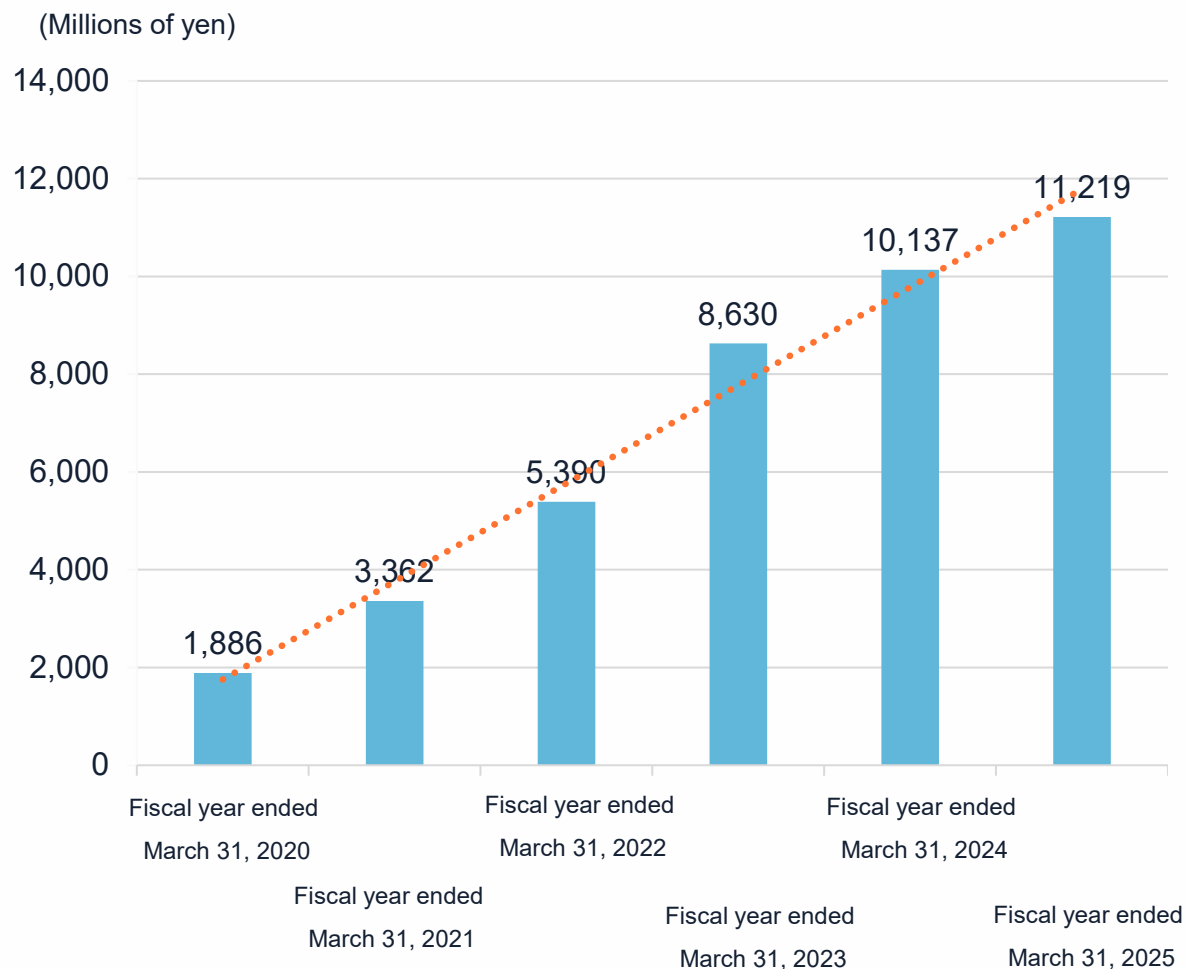




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Status of Key Measures as of March 31, 2025

Key Strategy (1): Create high-value-added SI services



Steady expansion of next-generation SI business

- Driven by the agile development and cloud sectors, **proceeds have grown 5.9-fold over six years, growing to 25% of total proceeds composition**

Next-generation SI business

Next-generation
SI business

Integration services that capture customers' latent needs, utilizing cutting-edge elemental technologies including agile and security, delivering high value-added services while reducing user costs including time and effort

Key Strategy (2): Support SI Model Reforms

Personnel system revision effective April 2025

Social trends

- Intensifying competition for talent acquisition due to declining working population, increasing social security costs, slowing domestic economic growth, etc.



Impact on SI model

- Diversification of development technologies and methodologies
- Downsizing of project scale
- Increasing project complexity

Toward SI model
transformation

Talent concept All Professional

- Shift from position-focused to expertise-centered grade system
- Shift from performance-based to dual-axis evaluation incorporating both capabilities and performance
- Career development support through a further enhanced proprietary education system

Key Strategy (3) Expand Our Business Domain

Expand consulting business and service product sales business

(広告)

エンタープライズアジャイルを
推進する2人のフェローが語る



TDCSOFT

激動の時代に求められる

エンタープライズアジャイルを
推進する2人のフェローが語る



TDCSOFT

「ビジネスアジリティ」による 企業変革の実現

世界で2万を超える企業や政府機関が活用しているSAFe® (Scaled Agile Framework)™ は、「ビジネスアジリティ」を組織に植え付け、トランスフォーメーションを駆動するためのフレームワークである。近年、日本でも関心が高まっており、変革に積極的な企業の導入が進んでいる。昨年11月に日本人として初めてSAFeのフェローに任命されたScaled Agile-Japanの中谷晃児氏と、SAFeの導入・活用を支援するパートナーであるTDCソフトでフェローを務める上條 英樹氏が語り合った。

上條 まずは、フェロー就任おめでとうございます。SAFeは、2011年の1.0の発表以降、昨年の6.0まで、進捗を遂げて、世界の2万企業や政府機関が採用していき動向としてコンサルタント格に当たってのAdvanced SPICのSAFe for Hardwareなど、新たなトレーニングが追加されています。そのあたりについてお聞かせください。

中谷 前者は、継続したSAFeコンサ

ルタントの学びの場の提供であり、後者は、既に自動車産業で多くの実績があり、市場のニーズに応える形で、製造業向けのトレーニングと資格を新たに提供することになりました。

上條 日本企業でもSAFeの導入が進

図 TDCソフトの提供する「SAFeパッケージ」

トライアル	ミニмум	ベーシック	エッセンシャル	オプション
SAFeダイジェスト	SAFeトレーニング	SAFeトレーニング	SAFeトレーニング	LPMトレーニング
危機意識醸成ワークショップ	SAFeコンサルティング	SAFeコンサルティング	SAFeコンサルティング	SPIトレーニング
パブリックストリームワークショップ	SSM コーチ	RTE コーチ	RTE コーチ	LACEワークショップ
SAFeフェンシブ体験 20人分	SSM コーチ	RTE コーチ	RTE コーチ	RTBEハンズオン支援
	SSM コーチ	RTE コーチ	RTE コーチ	SSMハンズオン支援
				遠隔フル導入支援
				イデレーションサポート
				etc...

図 TDCソフトの提供する「SAFeパッケージ」

トライアル	ミニмум	ベーシック	エッセンシャル	オプション
SAFeダイジェスト	SAFeトレーニング	SAFeトレーニング	SAFeトレーニング	LPMトレーニング
危機意識醸成ワークショップ	SAFeコンサルティング	SAFeコンサルティング	SAFeコンサルティング	SPIトレーニング
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	SSM コーチ	RTE コーチ	RTE コーチ	SSMハンズオン支援
				遠隔フル導入支援
				イデレーションサポート
				etc...

SAFeの導入と活用をサポートするため、TDCソフトはトレーニングとコンサルティングをセットにした「SAFeパッケージ」の開発中で、SAFe導入に伴う社内への浸透を促進。両社役員に導入初期の支援を要請したサービスだが、導入後の活用を伴った支援メニューも用意されている

上條 しっかり取り組みれば挽回できるということでご安心下さい。経営者の意思決定を得るために各企業が苦労している実情があるかと思いますが、何かアドバイスはありますか。

中谷 SAFeの成功事例紹介を含めて認知度を向上させていくことに加え、経営者の意思決定の支援もしています。TDCソフトのようなパートナー企業の支援も期待しています。

上條 ヒエラルキー型組織とネットワーク型組織の特徴を生かし、サイロ化による弊害を解決するオペレーションの仕組みが必要です。企業文化については、いかがですか。

中谷 企業文化も非常に重要なポイントです。組織文化や価値観を醸成するためにリーディングアジャイルマインドセットという概念を提唱しています。これ

Nikkei Business: March 31, 2025 issue

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URL: <http://www.tdc.co.jp/>



導入期間3ヵ月 → たった1週間に！

※当社における通常のServiceNow導入時との比較

ServiceNow ITSM導入テンプレート

Snap ITSM

スナップ アイティエスエム

TDCソフトの ITSMテンプレートなら
ServiceNowがすぐに始められます

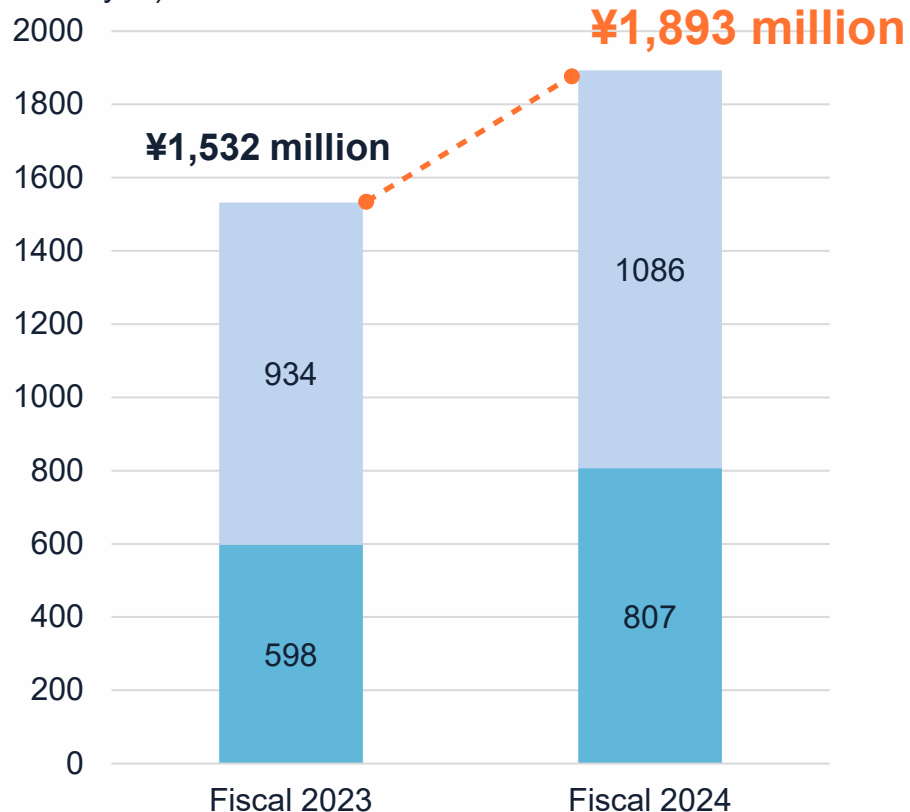
June 17, 2024: Press release

Key Strategy (3) Expand Our Business Domain

Consulting business and service product sales business

- Both businesses are experiencing steady expansion in lead and project acquisition through marketing initiatives. Additionally, we are promoting comprehensive measures including know-how asset development and personnel training, with business expansion making smooth progress.

(Millions of yen)



Year on Year
23.6% increase

Consulting business

Service product sales business

3

New Medium-Term Management Plan

Be a Visionary System Integrator
(FY2025~FY2027)

Business Environment

Amid increasing uncertainty and difficulty in forecasting the future,
customer challenges are becoming increasingly complex and diverse



Essential and high-value contributions are required for customer and industry challenges,
with a growing trend for diverse expertise needed to solve customer challenges

Be a Visionary System Integrator

NOISIA

Proceeds

proceeds

600

Hundreds of millions of yen

Operating profit

operating profit

62

Hundreds of millions of yen

VISION

Be a Visionary System Integrator

NOISIA

Diversification and Advancement of Expertise and Knowledge

Expand holdings in highly specialized fields to strengthen problem-solving capabilities for increasingly complex customer challenges

Basic Strategy
1



Basic Strategy
2

Enhancement of Proposal Capabilities that Connect to Customer Value

Enhance proposal capabilities that connect IT to customer value through deep understanding of elemental technology characteristics, customer situations, and strategies

Key Strategies

Business Strategy

Deepen our value chain
and promote better offerings

Enhance our expertise related to
each business and expand our
business domain

Expand global business

Investment Strategy

Promote business investment
that integrates
advanced technologies acquisition
and marketing functions

Strengthen human capital

Promote strategic partnerships
that include M&A and alliances

Human Resource Strategy

Enhance management that
possesses advanced expertise

Pursue advancement of training systems
in engineering fields

Promote the success of diverse
human resources
and improve employee
engagement

Quantitative Targets

Business portfolio

Consulting
business

15

Hundreds of
millions of yen

Product sales
business

20

Hundreds of
millions of yen

Portfolio by industry

Financial
field

45 %

Corporate
field

40 %

Public field

15 %

Number of
employees

Number of
employees

2,900
persons

The ratio of
female managers

The ratio of
female managers

10% or more

Greenhouse gas (GHG)
emissions

Scope 1/2

0.27 ktCo₂

Scope 3

15 ktCo₂

Dividend payout ratio

40% or more

4

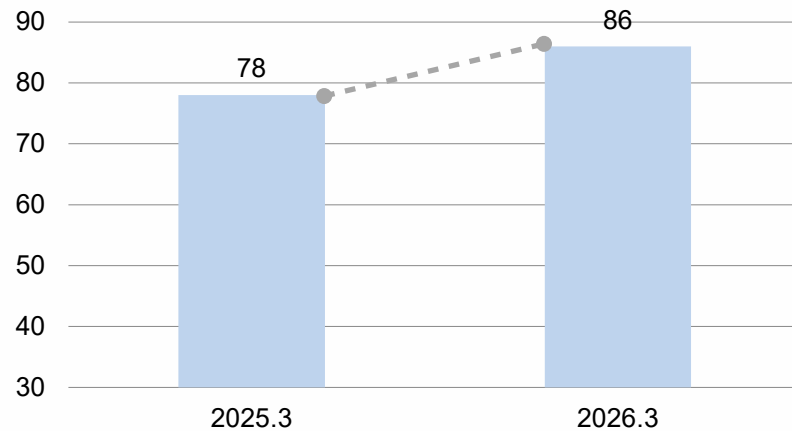
Outlook for the Fiscal Year Ending March 31, 2026

Outlook for the Fiscal Year Ending March 31, 2026 (By Field)

IT Consulting & Services Field

IT Consulting & Services

(Hundreds of millions of yen)



YoY
+10.6%

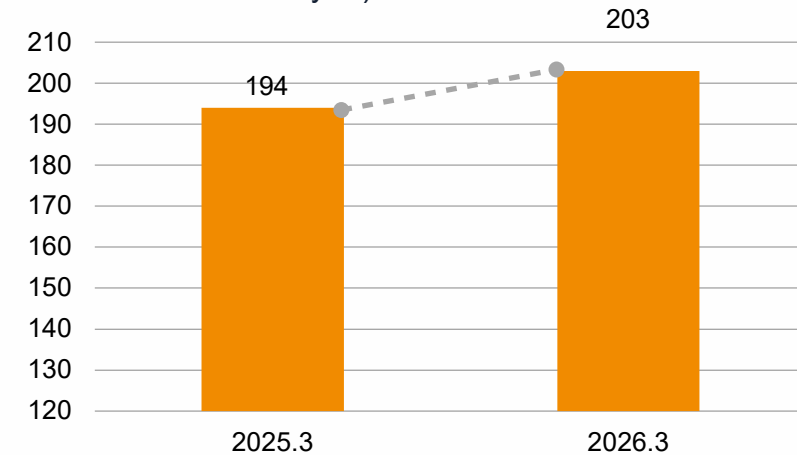
Our SaaS, iPaaS, and other cloud solutions are solid. We will develop better offerings through combinations of various services.



IT Solutions for Financial Services Field

Financial IT solutions

(Hundreds of millions of yen)



YoY
+4.9%

Due to good demand for modernization, we will expand mainly in the credit and banking fields.

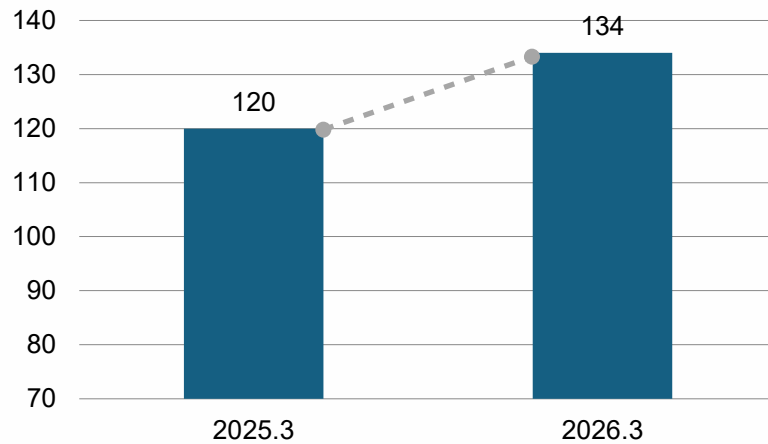


Outlook for the Fiscal Year Ending March 31, 2026 (By Field)

IT Solutions for Public Corporations Field

Public corporation IT solutions

(Hundreds of millions of yen)



YoY

+11.7%

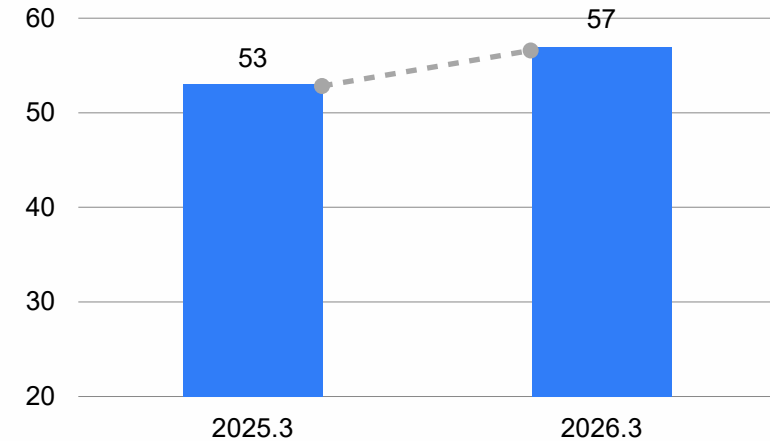
Led by large-scale projects driven by social infrastructure demand, particularly in the public sector. Continuing to expand support from IT/DX planning as customers' partners.



Platform Solutions Field

Platform solution

(Hundreds of millions of yen)



YoY

+7.8%

Our business is expected to steadily expand due to ongoing cloud needs.



Outlook for the Fiscal Year Ending March 31, 2026

Final Results Forecast and Dividend Forecast

(Unit: millions of yen)	Proceeds	Operating profit	Ordinary profit	Net earnings	EPS (yen)	Dividend Forecast (Yen)
Second quarter (cumulative)	22,900 (+7.3%)	2,410 (+0.4%)	2,460 (+0.7%)	1,665 (+0.8%)	35.3	-
Full year	48,000 (+8.1%)	5,100 (+6.9%)	5,200 (+6.6%)	3,520 (+2.5%)	74.7	30

- ▶ The business environment is expected to remain strong, with revenue projected to increase 8.1% year-on-year
- ▶ While maintaining an operating profit margin of 10%, we will continue to actively invest in future business expansion, including securing and developing human resources aimed at acquiring advanced elemental technologies and strengthening expertise in line with our medium-term management plan

5

Details of Financial Results as of March 31, 2025

Financial Results as of March 31, 2025 - Categories



Financial Statements

Balance sheet



Orders Received/Backlog

Sales order/backlog of unfilled orders



Overview of Proceeds by Customer Industry

Sales by Customer Industry



Operating Profit Analysis

Operating profit analysis

Financial Statements

Statement of Income

PL Income statement

(Unit: millions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Percentage Change
Proceeds	44,417	39,698	11.9%
Labor costs	14,325	13,464	6.4%
Outsourcing costs	19,240	16,938	13.6%
Other expenses	1,393	1,173	18.8%
Work-in-process adjustment	(45)	9	(583%)
Cost of sales	34,912	31,585	10.5%
Gross profit	9,505	8,112	17.2%
Selling, general and administrative expenses	4,732	4,304	9.9%
Operating profit	4,772	3,807	25.3%
Non-operating income	103	445	(76.7%)
Ordinary profit	4,876	4,253	14.6%
Profit (loss) before income taxes	4,876	4,253	14.6%
Net earnings	3,433	3,089	11.1%
EPS	72.86 yen	64.90 yen	12.3%

Balance Sheet

Balance sheet

(Unit: Millions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Percentage Change
Total assets	28,286	25,505	10.9%
Current assets	23,247	20,434	13.8%
Non-current assets	5,039	5,071	-0.6%
Total liabilities	7,405	7,028	5.4%
Current liabilities	6,870	6,378	7.7%
Non-current liabilities	535	649	-17.7%
Total net assets	20,881	18,477	13.0%
Total liabilities and net assets	28,286	25,505	10.9%
Owners' equity ratio	73.82%	72.44%	1.9%
Net assets per share	442.98	392.16 yen	13.0%

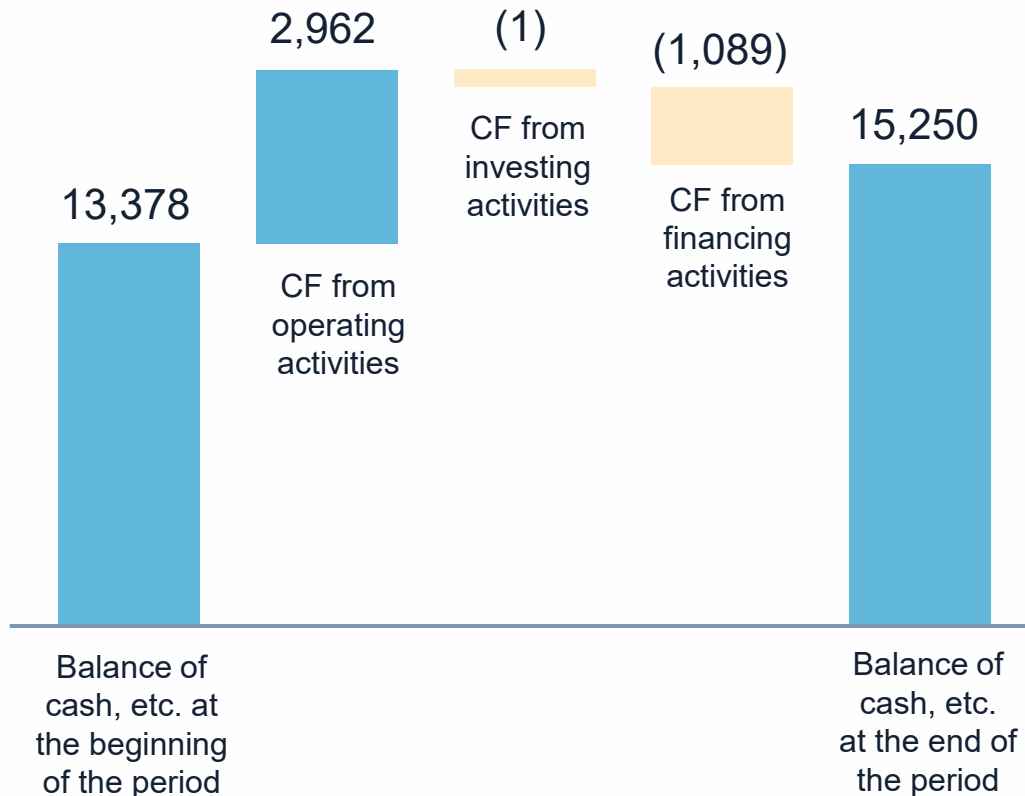


Financial Statements

Balance sheet

Financial Statements

Statement of Cash Flows



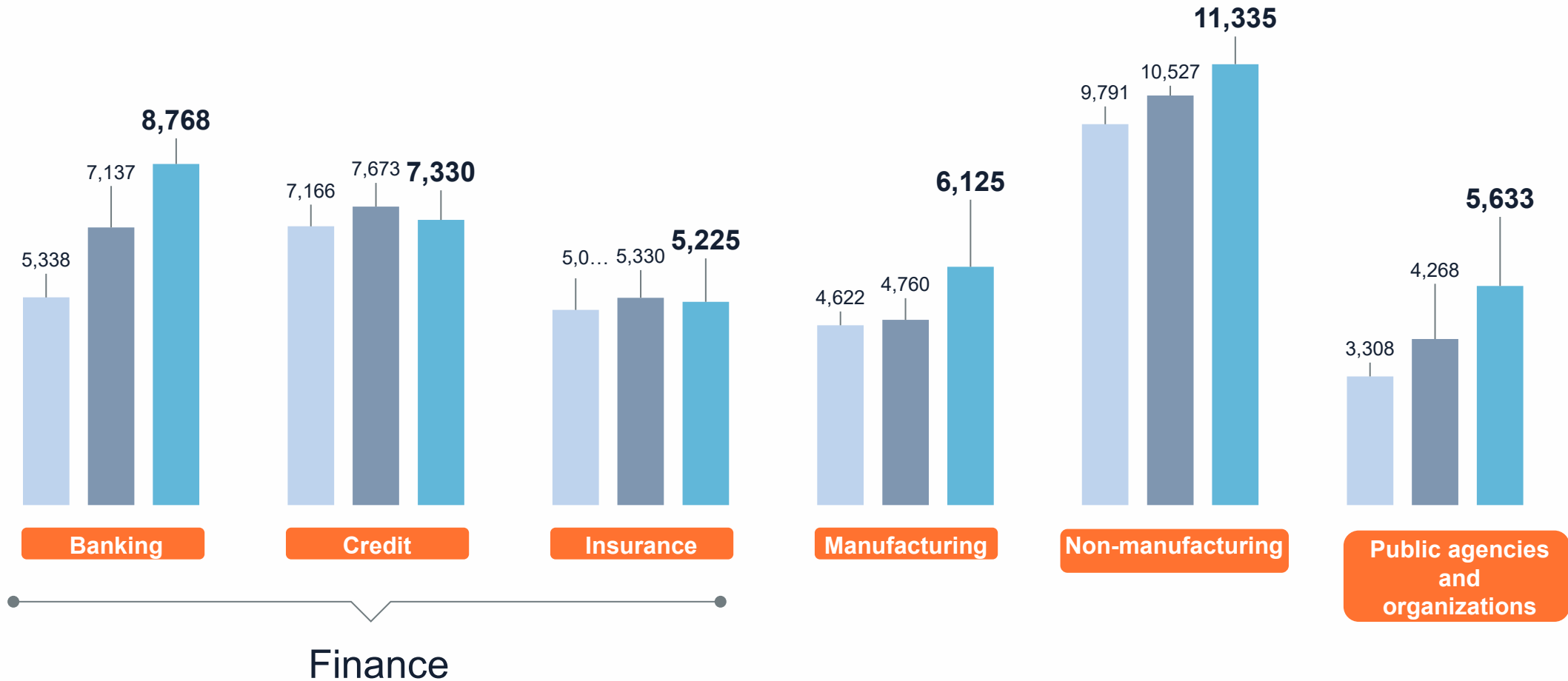
Financial Statements

Balance sheet

Balance of cash, etc. at the beginning of the period	13,378
Profit (loss) before income taxes	4,876
Increase in notes and accounts receivable – trade and contract assets	(873)
Other	194
Income taxes	(1,235)
CF from operating activities	2,962
Purchase of property, plant and equipment	(63)
Proceeds from sales of investment securities	10
Other	52
CF from investing activities	(1)
Interest expenses	(6)
Dividend payment	(1,148)
Other	65
CF from financing activities	(1,089)
Balance of cash, etc. at the end of the period	15,250

Overview of Proceeds by Customer Industry

■ Fiscal year ended March 31, 2023 ■ Fiscal year ended March 31, 2024 ■ Fiscal year ended March 31, 2025 Unit (Millions of yen)



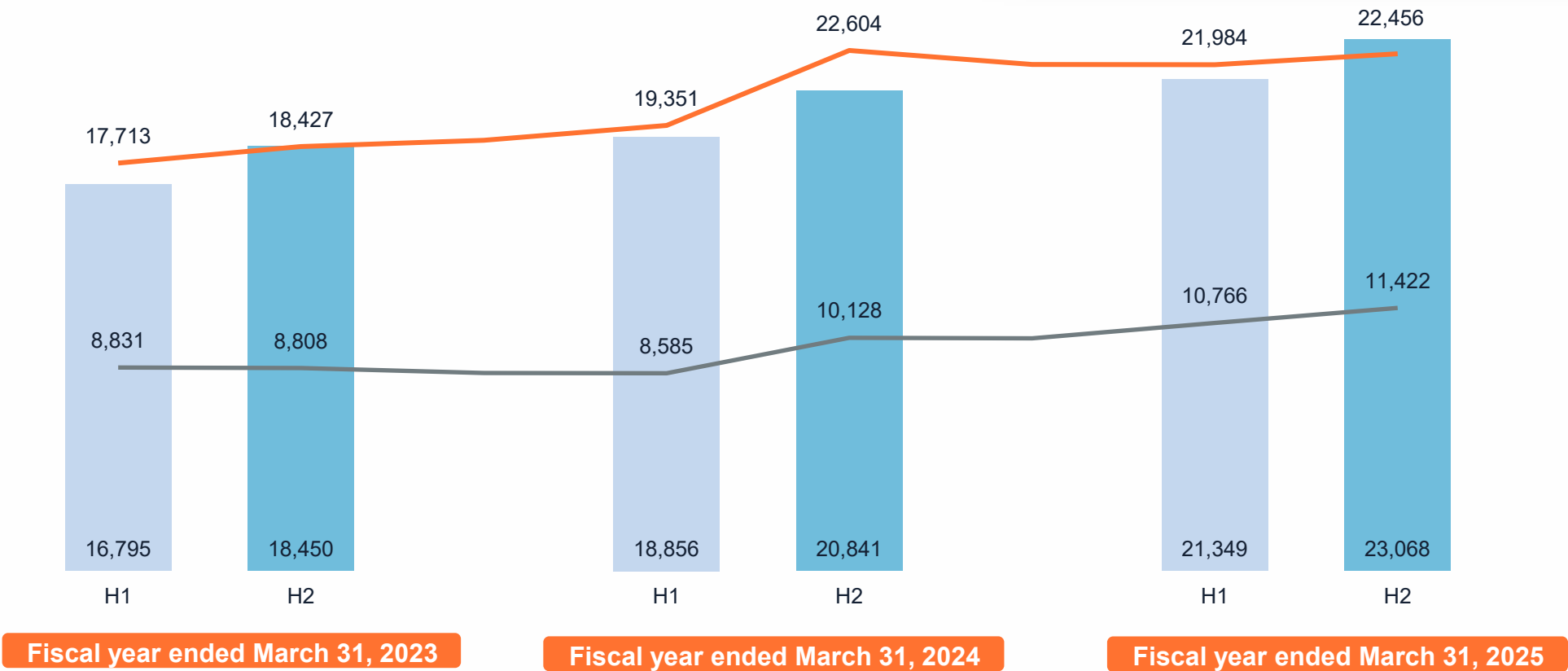
Orders Received/Backlog

Orders received Backlog Proceeds Unit (Millions of yen)

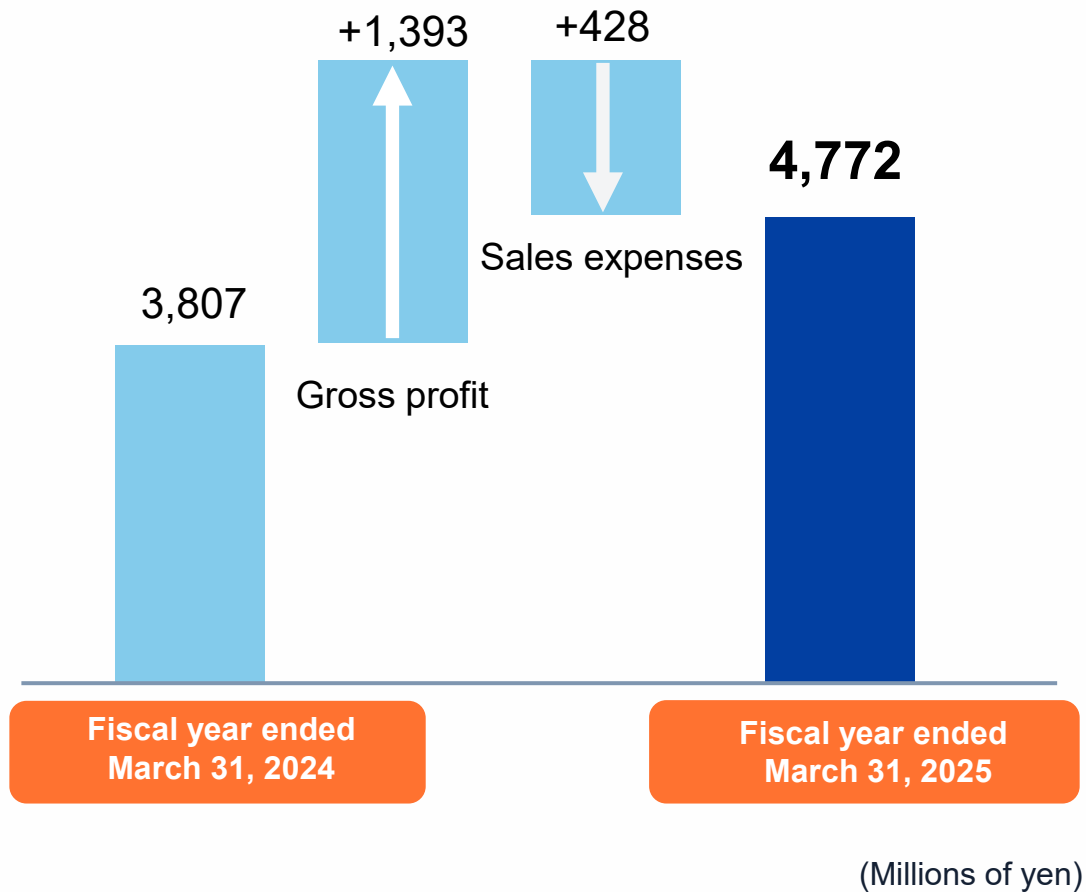


Orders Received/Backlog

Sales order/backlog of unfilled orders



Operating Profit Analysis



Operating Profit Analysis

Operating profit analysis

Gross profit

- Increase in proceeds leading to profit improvement

Sales expenses

- Expansion of recruitment and education investment
- Expansion of business investment for new technology acquisition, etc.
- Strengthening initiatives for brand enhancement



<https://www.tdc.co.jp/>

***Note about this document:**

The future projections for the TDC Soft Group outlined in this document are based on information available at the present time. These projections are subject to change due to inherent uncertainties and changes in business operations in the future.