

# Financial Results Presentation for the Fiscal Year Ended March 31,2022

**OBIC Co.,Ltd.**

**April 22, 2022**

Organization for **B**usiness **I**nnovation and **C**ommunication

# Overview of Group Companies

(As of March 31, 2022)

Established      Paid-in capital      Number of employees

## OBIC Co., Ltd.

Apr. 1968

¥19.17 billion

1,857

Consolidated subsidiaries

## OBIC Office Automation Co., Ltd.

Nov. 1979

¥320 million

197

**Number of employees (consolidated) : 2,054**

Equity-method affiliates

## OBIC Business Consultant Co., Ltd.

Dec. 1980

¥10.51 billion

908

# Overview of the Group's Business Operations

【 System Integration Services 】	OBIC Co., Ltd.
【 System Support Services 】	
【 Office Automation Services 】	OBIC Office Automation Co., Ltd.
【 Business-use Package SoftwareServices 】	OBIC Business Consultant Co., Ltd.

**OBIC Group**

**Consolidated Financial Results**

**Fiscal Year Ended March 31, 2022**

# Consolidated Balance Sheet

(¥ million)

<b>Assets</b>	<b>2021/3</b>	<b>2022/3</b>	<b>Change</b>
<b>Current assets</b>	<b>163,046</b>	<b>136,150</b>	<b>△26,895</b>
Cash and deposits	150,745	122,699	△28,046
Notes and accounts receivable - trade	11,035	12,025	989
Others	1,265	1,425	160
<b>Fixed assets</b>	<b>135,211</b>	<b>187,776</b>	<b>52,564</b>
Tangible fixed assets	56,265	56,121	△144
Intangible fixed assets	133	154	20
Investments and other assets	78,811	131,500	52,688
Investment securities	74,816	118,570	43,753
Deferred tax assets	2,296	433	△1,862
Long-term time deposits	-	10,658	10,658
Others	1,698	1,838	139
<b>Total assets</b>	<b>298,257</b>	<b>323,927</b>	<b>25,669</b>

# Consolidated Balance Sheet

(¥ million)

<b>Liabilities</b>	<b>2021/3</b>	<b>2022/3</b>	<b>Change</b>
<b>Current liabilities</b>	<b>23,931</b>	<b>21,066</b>	<b>Δ2,865</b>
<b>Fixed liabilities</b>	<b>8,300</b>	<b>9,293</b>	<b>993</b>
<b>Total liabilities</b>	<b>32,231</b>	<b>30,359</b>	<b>Δ1,872</b>
<b>Net assets</b>			
<b>Shareholders' equity</b>	<b>256,596</b>	<b>277,131</b>	<b>20,534</b>
Capital stock and capital surplus	38,708	38,708	-
Retained earnings	240,028	265,985	25,957
Treasury shares	Δ22,140	Δ27,562	Δ5,422
<b>Accumulated other comprehensive income</b>	<b>9,428</b>	<b>16,435</b>	<b>7,006</b>
Valuation differences on other securities	10,162	16,877	6,714
Revaluation reserve for land	Δ694	Δ481	213
<b>Total net assets</b>	<b>266,025</b>	<b>293,567</b>	<b>27,541</b>
<b>Total liabilities and net assets</b>	<b>298,257</b>	<b>323,927</b>	<b>25,669</b>

Equity ratio

**90.6%**

# Financial Results (consolidated) : reference

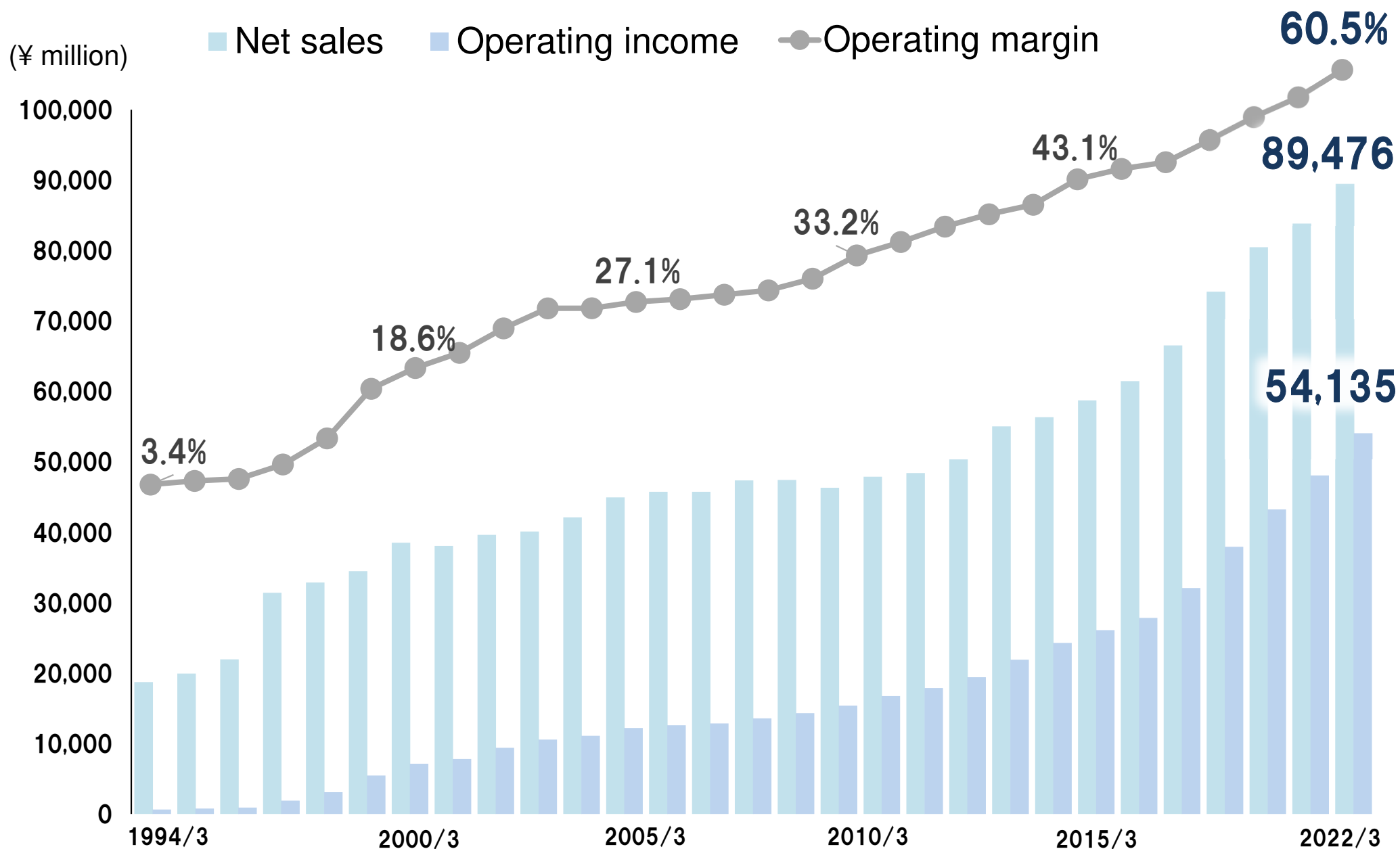
(¥ million)

	2021/3	2022/3	YoY
<b>Net sales</b>	<b>81,273</b>	<b>89,476</b>	<b>110.1%</b>
<b>Operating income</b>	<b>48,077</b>	<b>54,135</b>	<b>112.6%</b>
<b>Ordinary income</b>	<b>52,600</b>	<b>60,174</b>	<b>114.4%</b>
<b>Net income</b>	<b>38,001</b>	<b>43,500</b>	<b>114.5%</b>
<b>Earnings per share (EPS) (yen)</b>	<b>427.22</b>	<b>489.96</b>	<b>114.7%</b>
<b>Average number of total shares outstanding(thousands)</b>	<b>88,950</b>	<b>88,783</b>	<b>—</b>

OBIC Co., Ltd. has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the first quarter ended June 30, 2021.

The numbers above are calculated under the assumption that the accounting standard, etc. had been applied in the fiscal year ended March 31, 2021,

# Operating income increases for 28<sup>th</sup> consecutive period





# Financial Results (consolidated)

(¥ million)

	2021/3	2022/3	Change
<b>Net sales</b>	83,862	89,476	5,614
Cost of goods sold	23,021	21,518	△1,503
<b>Gross profit</b>	60,840	67,958	7,117
SG&A expenses	12,762	13,822	1,060
<b>Operating income</b>	48,077	54,135	6,057
Non-operating profits	2,480	3,434	953
Equity-method gains	3,348	4,141	792
Non-operating expenses	1,306	1,536	230
<b>Ordinary income</b>	52,600	60,174	7,573
Extraordinary income	288	4	△284
Extraordinary losses	4	384	380
Income taxes, etc.	14,883	16,293	1,409
<b>Net income</b>	38,001	43,500	5,499

Operating income YoY

**112.6%**

Ordinary income YoY

**114.4%**

Net income YoY

**114.5%**

# Business Results by Segment :reference

(¥ million)

		2021/3	2022/3	YoY
<b>SI</b>	<b>Sales</b>	<b>38,082</b>	<b>40,238</b>	<b>105.7%</b>
	<b>Operating income</b>	<b>21,002</b>	<b>22,559</b>	<b>107.4%</b>
	<b>Operating margin</b>	<b>55.2%</b>	<b>56.1%</b>	
<b>SS</b>	<b>Sales</b>	<b>36,632</b>	<b>42,374</b>	<b>115.7%</b>
	<b>Operating income</b>	<b>25,591</b>	<b>29,832</b>	<b>116.6%</b>
	<b>Operating margin</b>	<b>69.9%</b>	<b>70.4%</b>	
<b>OA</b>	<b>Sales</b>	<b>6,557</b>	<b>6,863</b>	<b>104.7%</b>
	<b>Operating income</b>	<b>1,484</b>	<b>1,743</b>	<b>117.5%</b>
	<b>Operating margin</b>	<b>22.6%</b>	<b>25.4%</b>	
<b>Total</b>	<b>Sales</b>	<b>81,273</b>	<b>89,476</b>	<b>110.1%</b>
	<b>Operating income</b>	<b>48,077</b>	<b>54,135</b>	<b>112.6%</b>
	<b>Operating margin</b>	<b>59.2%</b>	<b>60.5%</b>	

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# Sales :reference

Segments	YoY
<b>SI</b>	<b>106%</b>
Software	107%
Hardware	75%
<b>SS</b>	<b>116%</b>
Software system operation support	117%
Hardware maintenance	81%
<b>OA</b>	<b>105%</b>
<b>Total</b>	<b>110%</b>

**The core software-related sales And Cloud-related systems were strong**

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# Profitability

	2021/3	2022/3	
Operating margin	57.3%	60.5%	3.2points ↑
Ordinary income margin	62.7%	67.3%	4.6points ↑
Net income margin	45.3%	48.6%	3.3points ↓

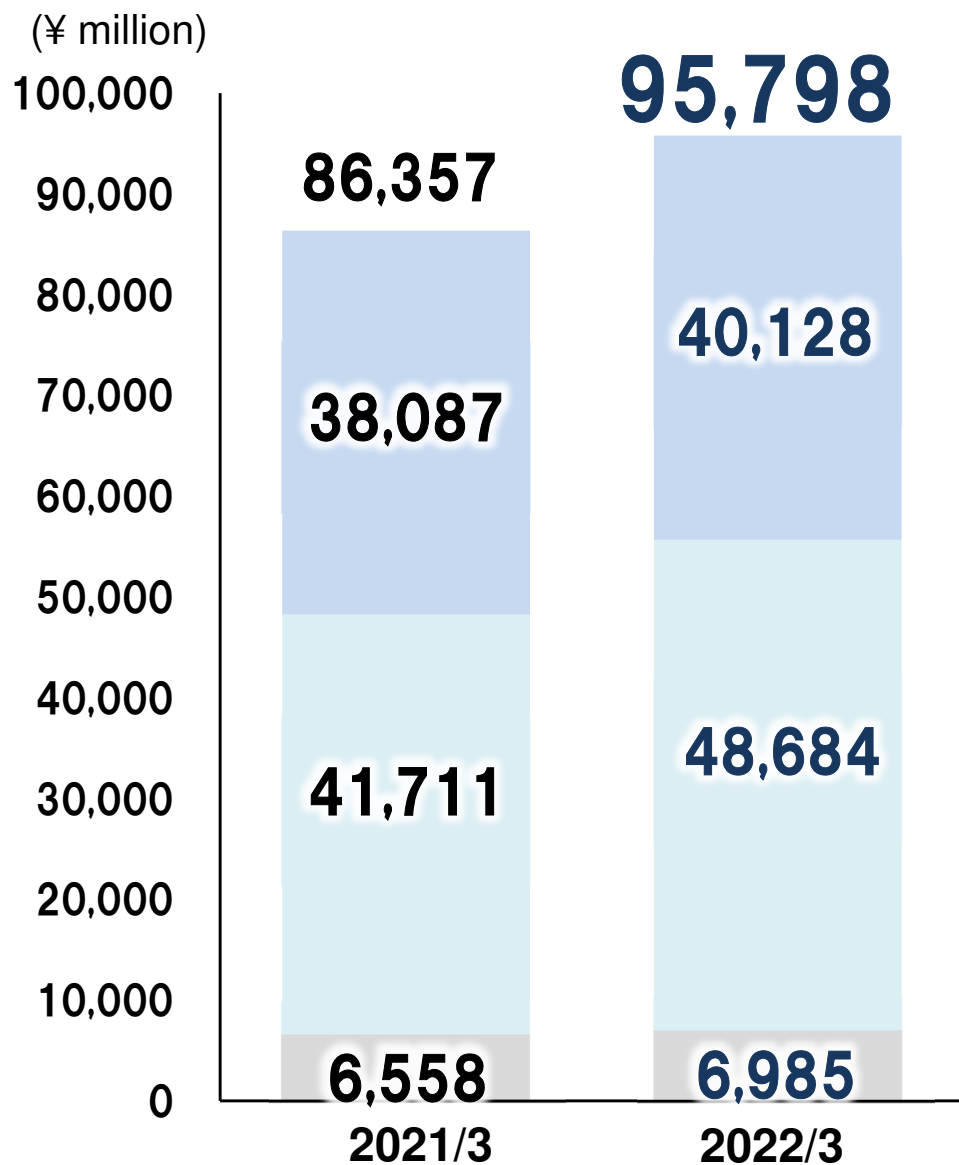
**Absorbed R&D expenses of about ¥1.8billion**

# Consolidated Cash Flow

(¥ million)

	2022/3
Cash flows from operating activities	38,972
Cash flows from investing activities	△44,053
Cash flows from financing activities	△22,965
Change in cash and cash equivalents	△28,046
Balance at the beginning of the year	150,745
Balance at the end of the year	122,699

# Orders Received :reference



	YoY
SI	105%
SS	117%
OA	107%
<b>Total</b>	<b>111%</b>

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# **Earnings Forecasts**

## **Fiscal Year Ending March 31,2023**

# Fiscal Year Ending March 31, 2023(Full-year)

(¥ million)

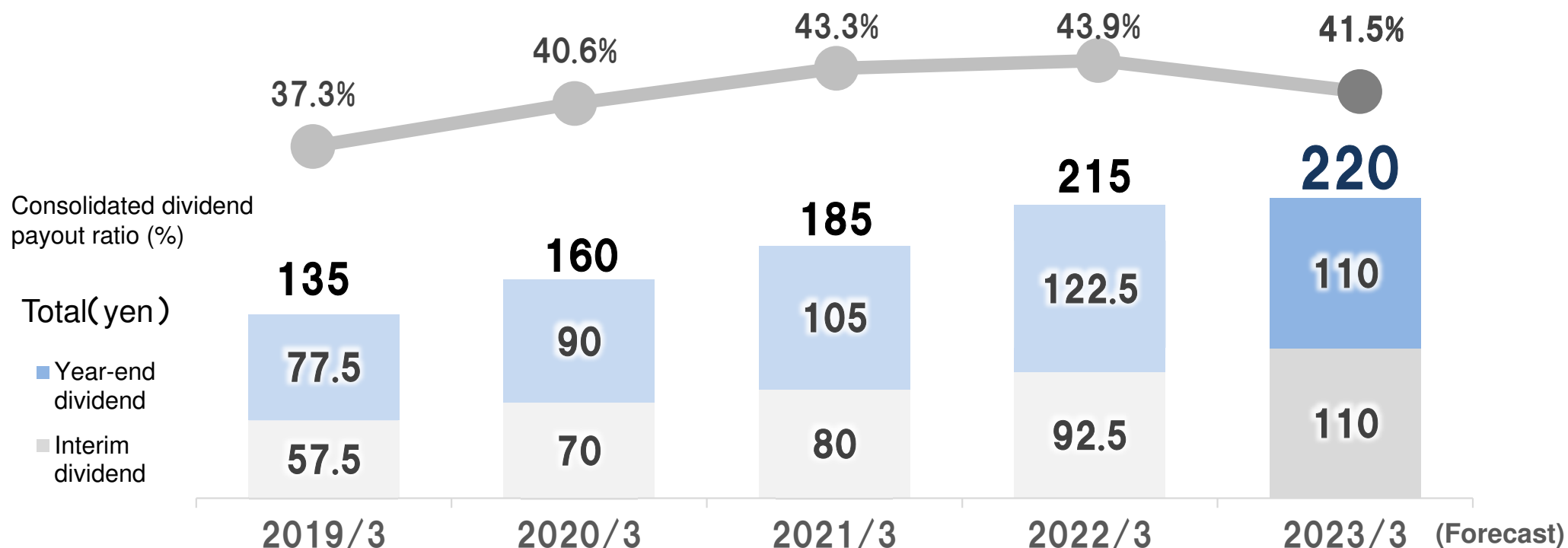
	Earnings forecasts	YoY
Net sales	98,500	10.1%
Operating income	59,600	10.1%
Ordinary income	65,600	9.0%
Net income	47,000	8.0%



# Profit-sharing With Shareholders

## Fiscal Year Ended March 31,2022

Year-end dividend : 122.5yen      Annual dividend : **215yen**



## Fiscal Year Ending March 31,2023

Year-end dividend : Will be **220 yen**

# Basic Management Policies

**Management focus on both quantity and quality**

**Emphasis on compliance**

**Efficient management**

**Promotion of innovation management**

**Selection and concentration**

**Persistence is the key to achieve corporate growth**

**OBIC Co.,Ltd.**

**[www.obic.co.jp](http://www.obic.co.jp)**

This document contains forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties.

Actual results may differ from those in the forward-looking statements as a result of various factors.

These materials were prepared for the sole purpose of providing information to use as reference in making investment decisions, and are not intended as a solicitation for investment.