

# Financial Results Presentation for the Fiscal Year Ended March 31, 2023

**OBIC Co.,Ltd.**

**April 26, 2023**

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

# Overview of Group Companies

(As of March 31, 2023)

Established      Paid-in capital      Number of employees

## OBIC Co., Ltd.

Apr. 1968

¥19.17 billion

1,888

Consolidated subsidiaries

## OBIC Office Automation Co., Ltd.

Nov. 1979

¥320 million

194

**Number of employees (consolidated) : 2,082**

Equity-method affiliates

## OBIC Business Consultant Co., Ltd.

Dec. 1980

¥10.51 billion

918

# 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, 2023**

# Consolidated Balance Sheet

(¥ million)

<b>Assets</b>	<b>2022/3</b>	<b>2023/3</b>	<b>Change</b>
<b>Current assets</b>	<b>136,150</b>	<b>171,746</b>	<b>35,595</b>
Cash and deposits	122,699	156,321	33,622
Notes and accounts receivable - trade, and contract assets	12,025	13,855	1,829
Others	1,425	1,569	143
<b>Fixed assets</b>	<b>187,776</b>	<b>194,962</b>	<b>7,186</b>
Tangible fixed assets	56,121	55,279	△842
Intangible fixed assets	154	144	△9
Investments and other assets	131,500	139,538	8,037
Investment securities	118,570	137,226	18,656
Deferred tax assets	433	464	30
Long-term time deposits	10,658	-	△10,658
Others	1,838	1,847	9
<b>Total assets</b>	<b>323,927</b>	<b>366,708</b>	<b>42,781</b>

# Consolidated Balance Sheet

(¥ million)

<b>Liabilities</b>	<b>2022/3</b>	<b>2023/3</b>	<b>Change</b>
<b>Current liabilities</b>	<b>21,066</b>	<b>27,067</b>	<b>6,000</b>
<b>Fixed liabilities</b>	<b>9,293</b>	<b>11,776</b>	<b>2,483</b>
<b>Total liabilities</b>	<b>30,359</b>	<b>38,843</b>	<b>8,484</b>
<b>Net assets</b>			
<b>Shareholders' equity</b>	<b>277,131</b>	<b>306,671</b>	<b>29,540</b>
Capital stock and capital surplus	38,708	38,745	36
Retained earnings	265,985	295,484	29,498
Treasury shares	△27,562	△27,558	4
<b>Accumulated other comprehensive income</b>	<b>16,435</b>	<b>21,192</b>	<b>4,757</b>
Valuation differences on other securities	16,877	21,567	4,689
Revaluation reserve for land	△481	△481	-
<b>Total net assets</b>	<b>293,567</b>	<b>327,864</b>	<b>34,297</b>
<b>Total liabilities and net assets</b>	<b>323,927</b>	<b>366,708</b>	<b>42,781</b>

Equity ratio

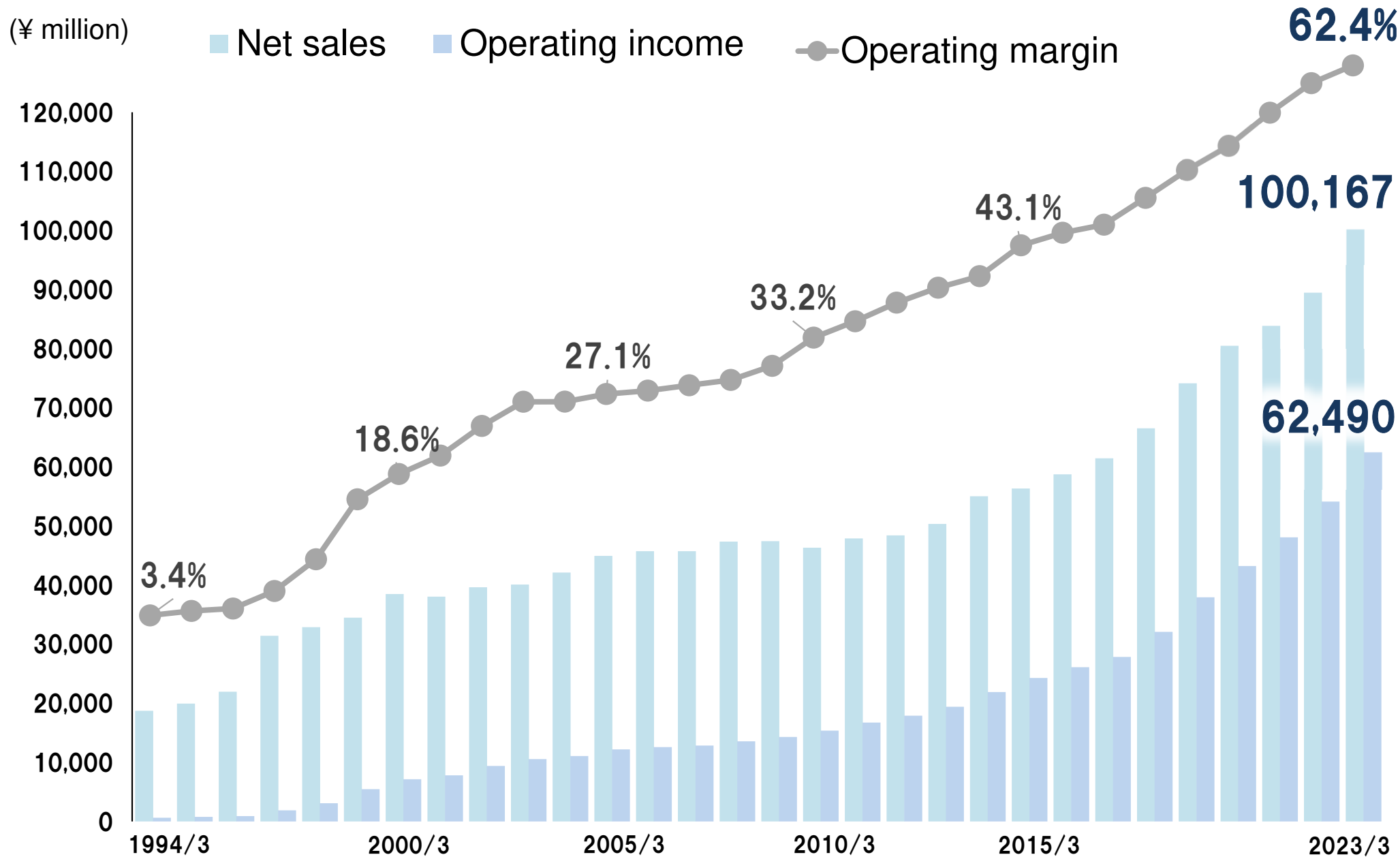
**89.4%**

# Financial Results (consolidated)

(¥ million)

	2022/3	2023/3	YoY
Net sales	89,476	100,167	111.9%
Operating income	54,135	62,490	115.4%
Ordinary income	60,174	70,223	116.7%
Net income	43,500	50,116	115.2%
Earnings per share (EPS) (yen)	489.96	565.14	115.3%
Average number of total shares outstanding(thousands)	88,783	88,679	—

# Operating income increases for 29<sup>th</sup> consecutive period





# Financial Results (consolidated)

(¥ million)

	2022/3	2023/3	Change
<b>Net sales</b>	89,476	100,167	10,690
Cost of goods sold	21,518	22,942	1,424
<b>Gross profit</b>	67,958	77,224	9,266
SG&A expenses	13,822	14,734	912
<b>Operating income</b>	54,135	62,490	8,354
Non-operating profits	3,434	6,021	2,587
Equity-method gains	4,141	3,917	△223
Non-operating expenses	1,536	2,205	668
<b>Ordinary income</b>	60,174	70,223	10,049
Extraordinary income	4	1	△2
Extraordinary losses	384	0	△384
Income taxes, etc.	16,293	20,108	3,814
<b>Net income</b>	43,500	50,116	6,616

Operating income YoY

**115.4%**

Ordinary income YoY

**116.7%**

Net income YoY

**115.2%**

# Business Results by Segment

(¥ million)

		2022/3	2023/3	YoY
SI	Sales	40,238	44,467	110.5%
	Operating income	22,559	25,474	112.9%
	Operating margin	56.1%	57.3%	
SS	Sales	42,374	48,873	115.3%
	Operating income	29,832	35,209	118.0%
	Operating margin	70.4%	72.0%	
OA	Sales	6,863	6,826	99.5%
	Operating income	1,743	1,806	103.6%
	Operating margin	25.4%	26.5%	
Total	Sales	89,476	100,167	111.9%
	Operating income	54,135	62,490	115.4%
	Operating margin	60.5%	62.4%	

# Sales

Segments	YoY
<b>SI</b>	<b>110.5%</b>
Software	111.0%
Hardware	96.9%
<b>SS</b>	<b>115.3%</b>
Software system operation support	116.5%
Hardware maintenance	77.8%
<b>OA</b>	<b>99.5%</b>
<b>Total</b>	<b>111.9%</b>

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

# Profitability

	2022/3	2023/3	
Operating margin	60.5%	62.4%	1.9points ↑
Ordinary income margin	67.3%	70.1%	2.8points ↑
Net income margin	48.6%	50.0%	1.4points ↑

**Absorbed R&D expenses of about ¥1.7billion**

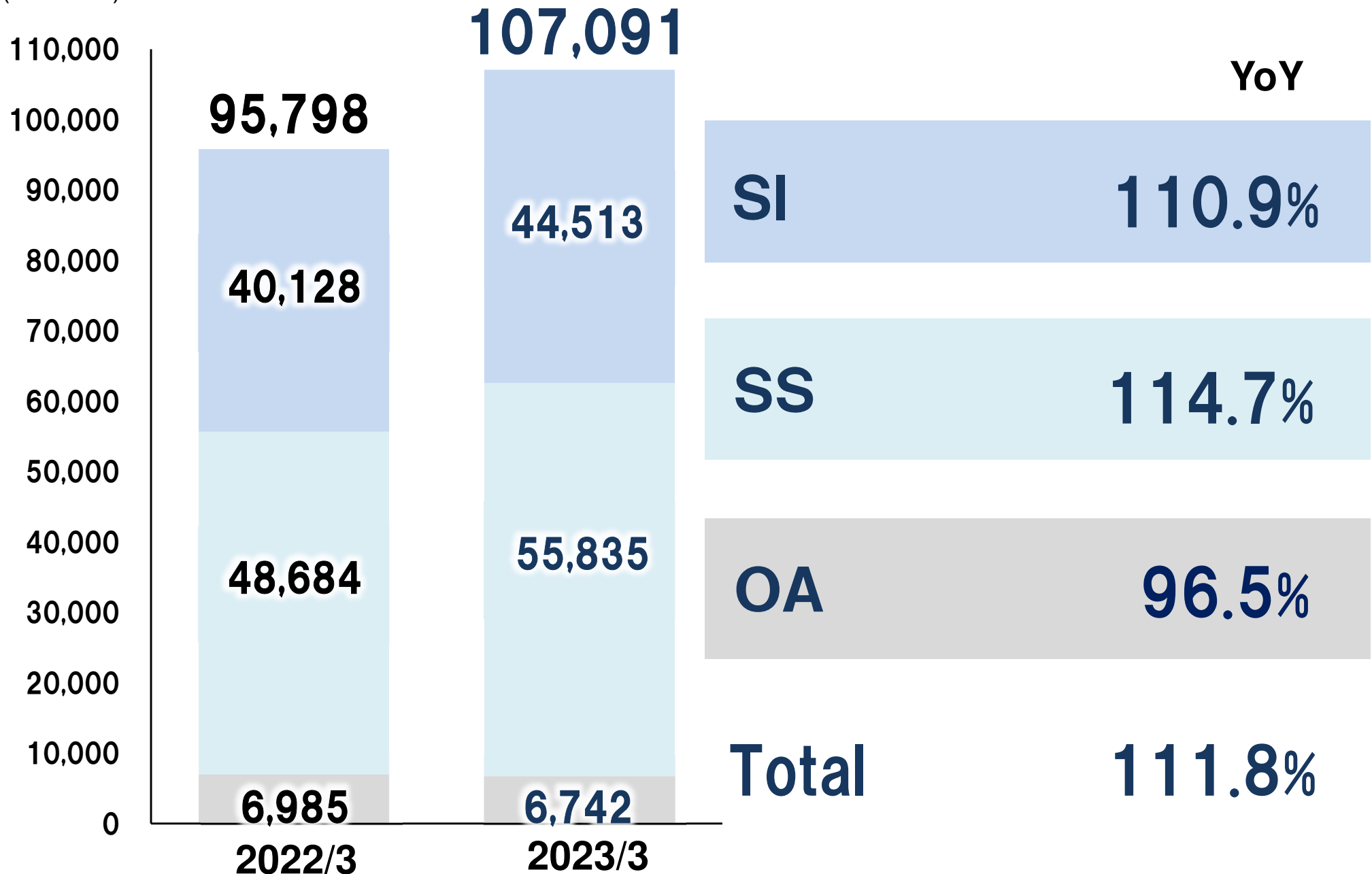
# Consolidated Cash Flow

(¥ million)

	2023/3
Cash flows from operating activities	52,960
Cash flows from investing activities	1,282
Cash flows from financing activities	△20,619
Change in cash and cash equivalents	33,622
Balance at the beginning of the year	122,699
Balance at the end of the year	156,321

# Orders Received

(¥ million)



# Earnings Forecasts

## Fiscal Year Ending March 31,2024

# Fiscal Year Ending March 31, 2024(Full-year)

(¥ million)

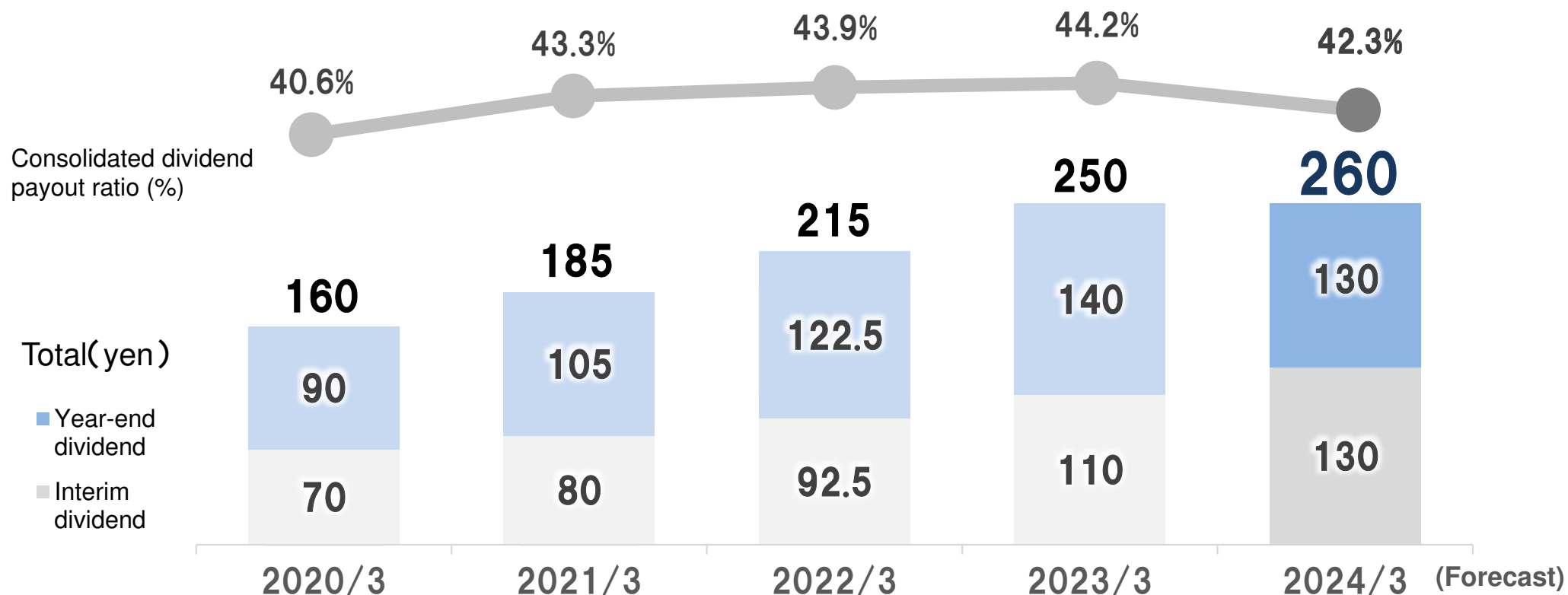
	Earnings forecasts	YoY
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# Profit-sharing With Shareholders

## Fiscal Year Ended March 31,2023

Year-end dividend : 140.0yen      Annual dividend : **250yen**



## Fiscal Year Ending March 31,2024

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**

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**OBIC Group**

**Consolidated Financial Results**

**Fiscal Year Ended March 31, 2023**



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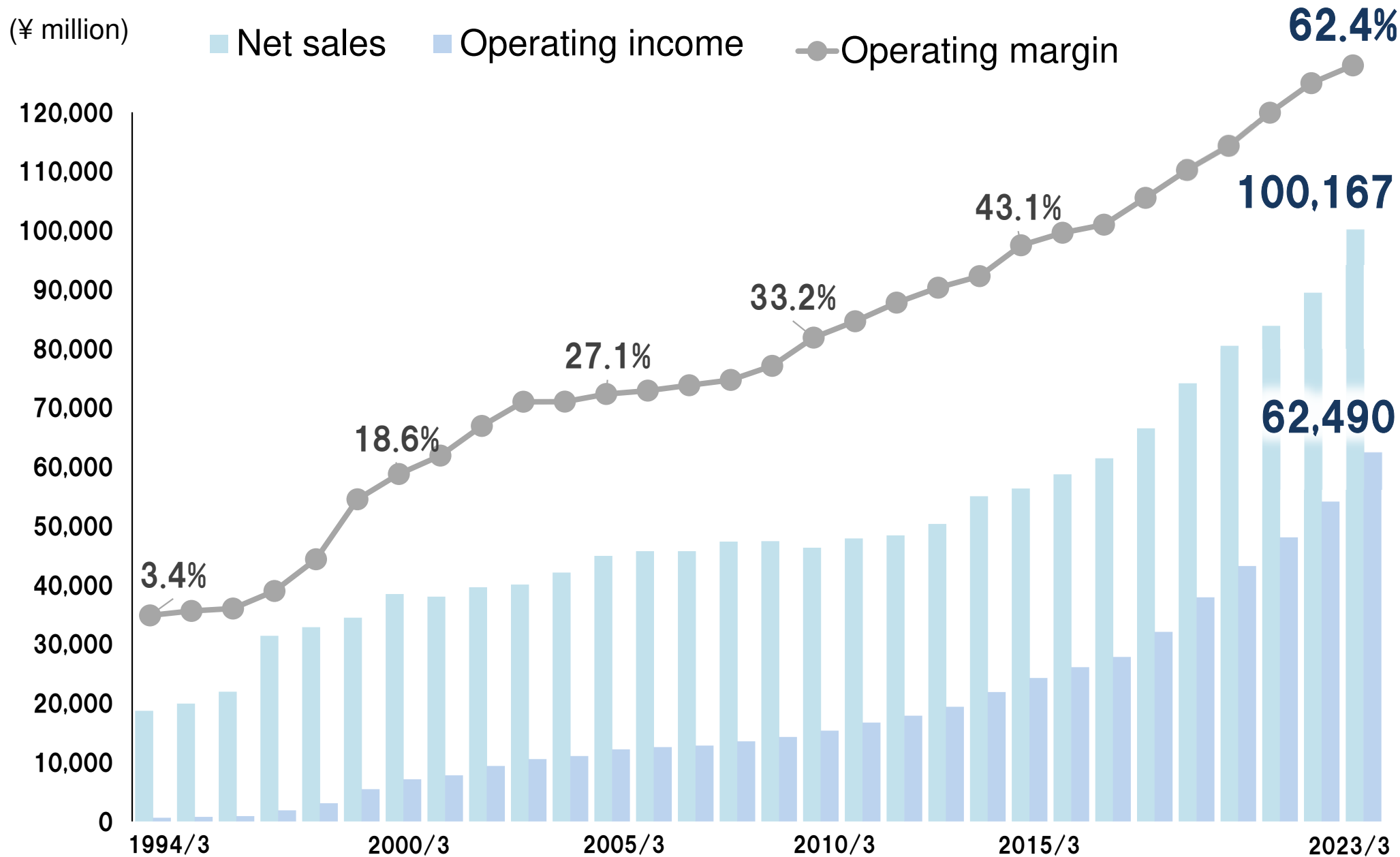
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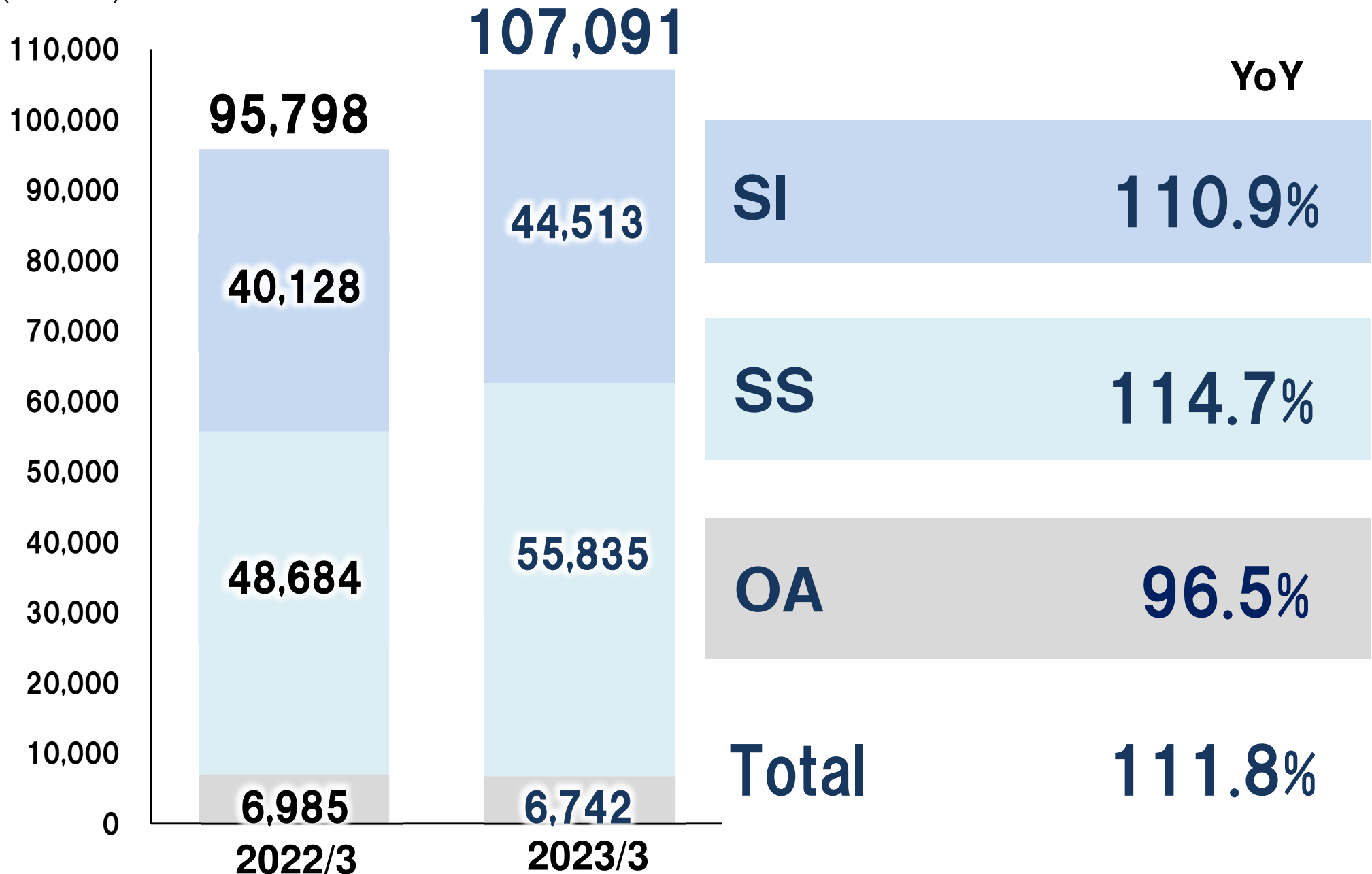
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# Fiscal Year Ending March 31, 2024(Full-year)

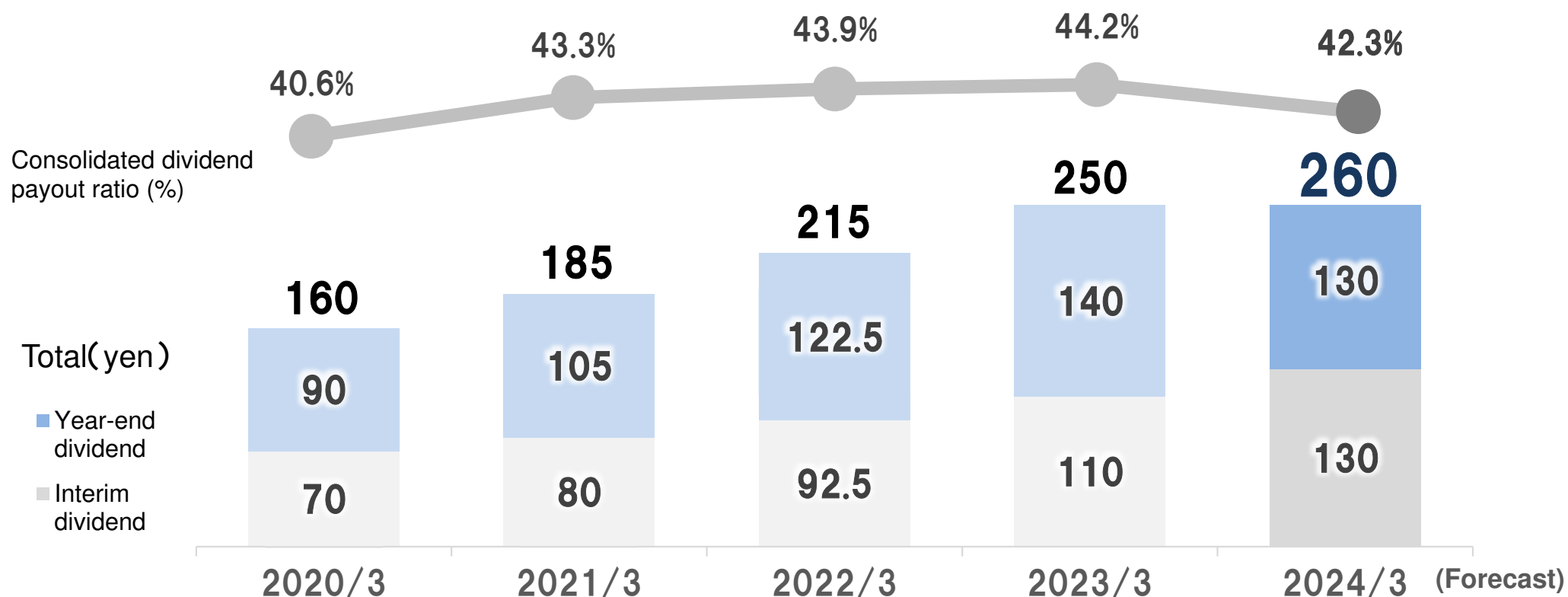
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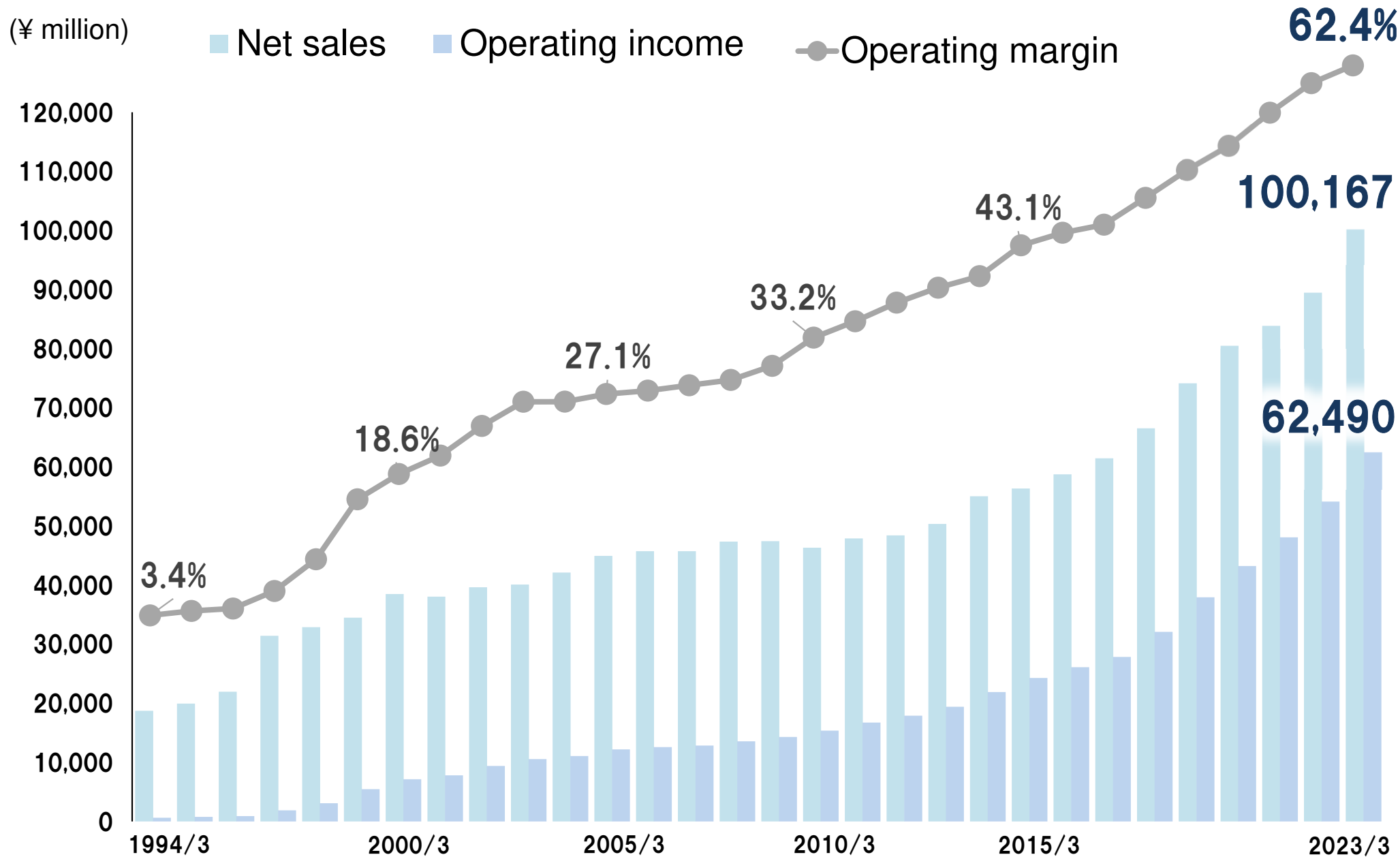
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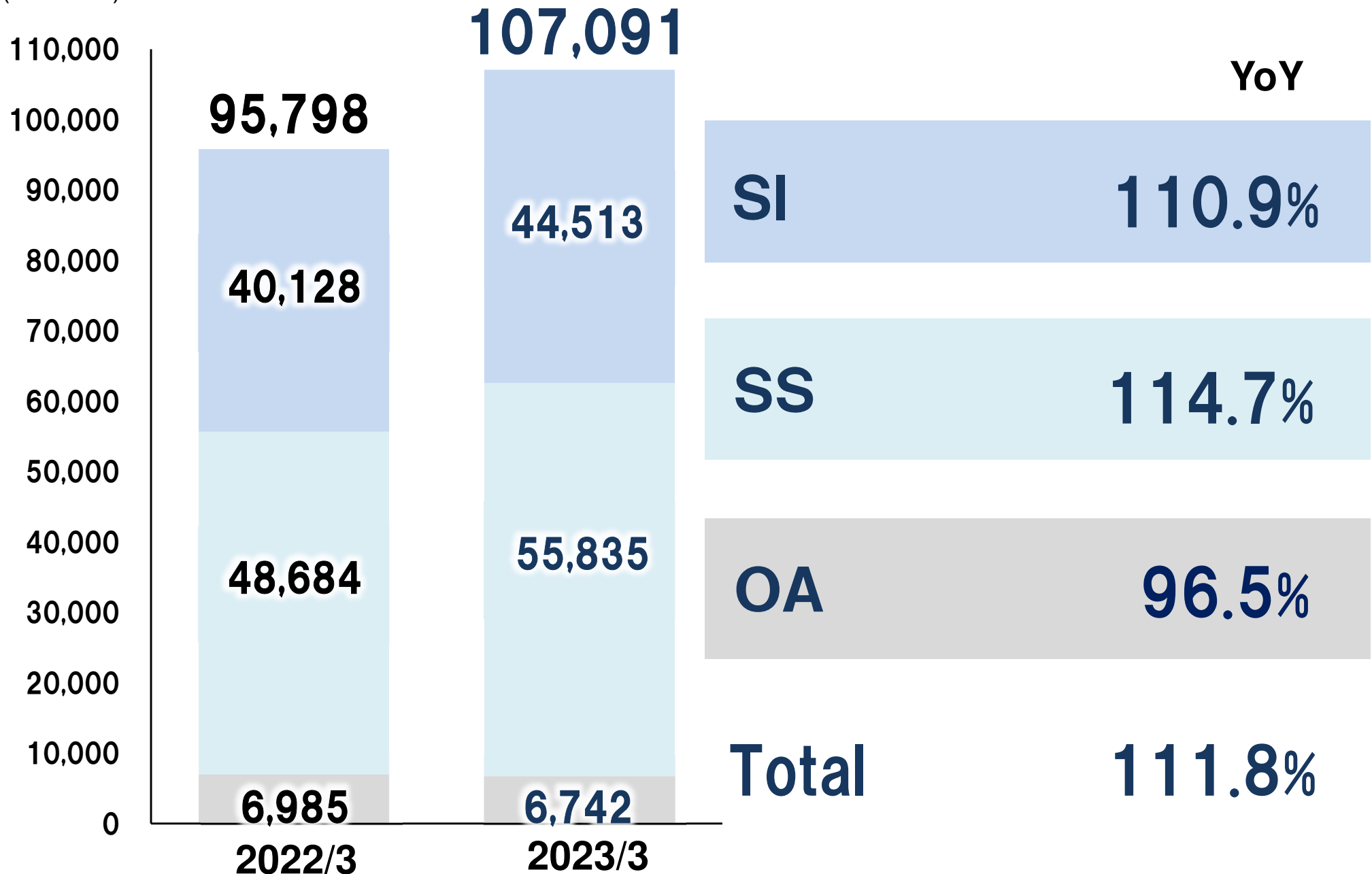
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Balance at the beginning of the year	122,699
Balance at the end of the year	156,321

# Orders Received

(¥ million)



# Earnings Forecasts

## Fiscal Year Ending March 31,2024

# Fiscal Year Ending March 31, 2024(Full-year)

(¥ million)

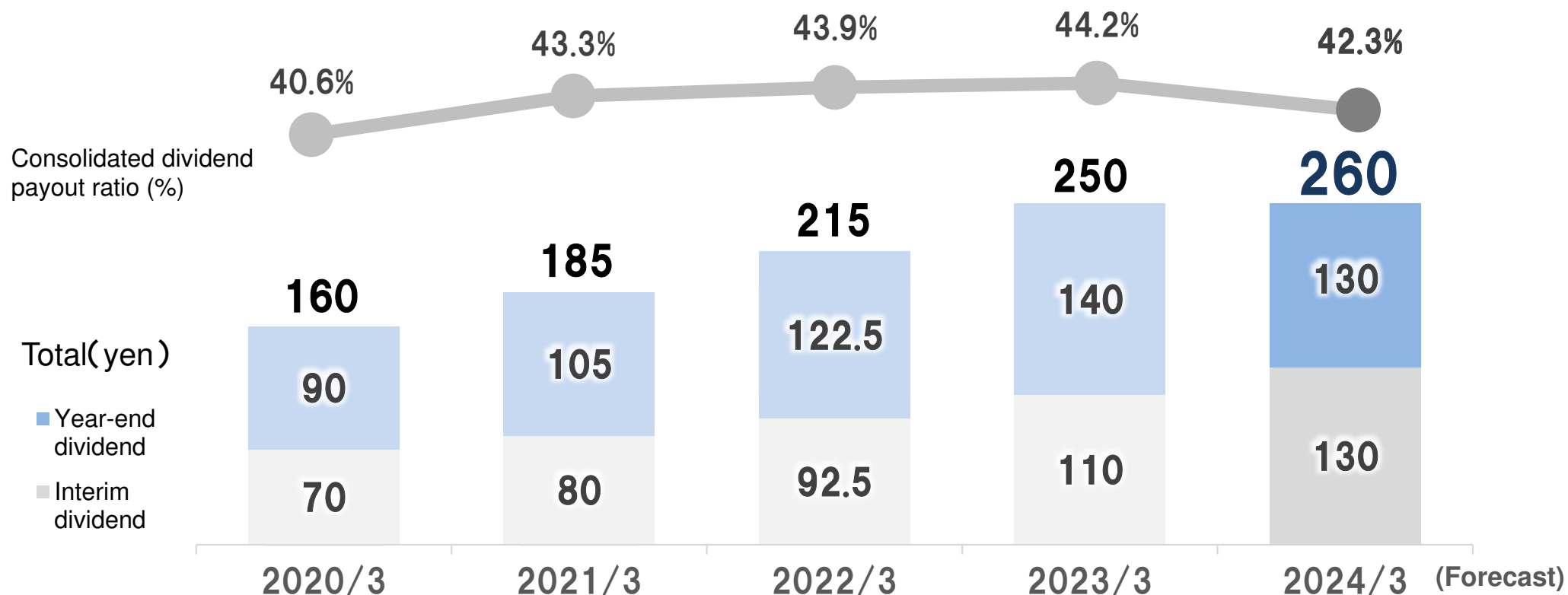
	Earnings forecasts	YoY
<b>Net sales</b>	<b>111,000</b>	<b>10.8%</b>
<b>Operating income</b>	<b>70,000</b>	<b>12.0%</b>
<b>Ordinary income</b>	<b>76,500</b>	<b>8.9%</b>
<b>Net income</b>	<b>54,500</b>	<b>8.7%</b>



# Profit-sharing With Shareholders

## Fiscal Year Ended March 31,2023

Year-end dividend : 140.0yen      Annual dividend : **250yen**



## Fiscal Year Ending March 31,2024

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.