

Financial Results Presentation

for the Second Quarter of

Fiscal Year Ending March 31,2024

OBIC Co.,Ltd.

October 25, 2023

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

Overview of Group Companies

(As of September 30, 2023)

Established Paid-in capital Number of employees

OBIC Co., Ltd.

Apr. 1968

¥19.17 billion

1,957

Consolidated subsidiaries

OBIC Office Automation Co., Ltd.

Nov. 1979

¥320 million

210

Number of employees (consolidated) : 2,167

Equity-method affiliates

OBIC Business Consultant Co., Ltd.

Dec. 1980

¥10.51 billion

976

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

for the Second Quarter of

Fiscal Year Ending March 31,2024

Consolidated Balance Sheet

(¥ million)

Assets	2023/3	2023/9	Change
Current assets	171,746	185,440	13,694
Cash and deposits	156,321	169,178	12,856
Notes and accounts receivable - trade, and contract assets	13,855	14,480	625
Others	1,569	1,781	211
Fixed assets	194,962	229,986	35,023
Tangible fixed assets	55,279	54,224	△1,054
Intangible fixed assets	144	126	△18
Investments and other assets	139,538	175,635	36,096
Investment securities	137,226	173,400	36,173
Deferred tax assets	464	443	△20
Others	1,847	1,791	△56
Total assets	366,708	415,426	48,717

Consolidated Balance Sheet

(¥ million)

Liabilities	2023/3	2023/9	Change
Current liabilities	27,067	25,610	△1,456
Fixed liabilities	11,776	22,350	10,573
Total liabilities	38,843	47,961	9,117
Net assets			
Shareholders' equity	306,671	322,755	16,083
Capital stock and capital surplus	38,745	38,835	89
Retained earnings	295,484	311,467	15,982
Treasury shares	△27,558	△27,547	11
Accumulated other comprehensive income	21,192	44,709	23,516
Valuation differences on other securities	21,567	45,137	23,570
Revaluation reserve for land	△481	△481	-
Total net assets	327,864	367,464	39,600
Total liabilities and net assets	366,708	415,426	48,717

Equity ratio

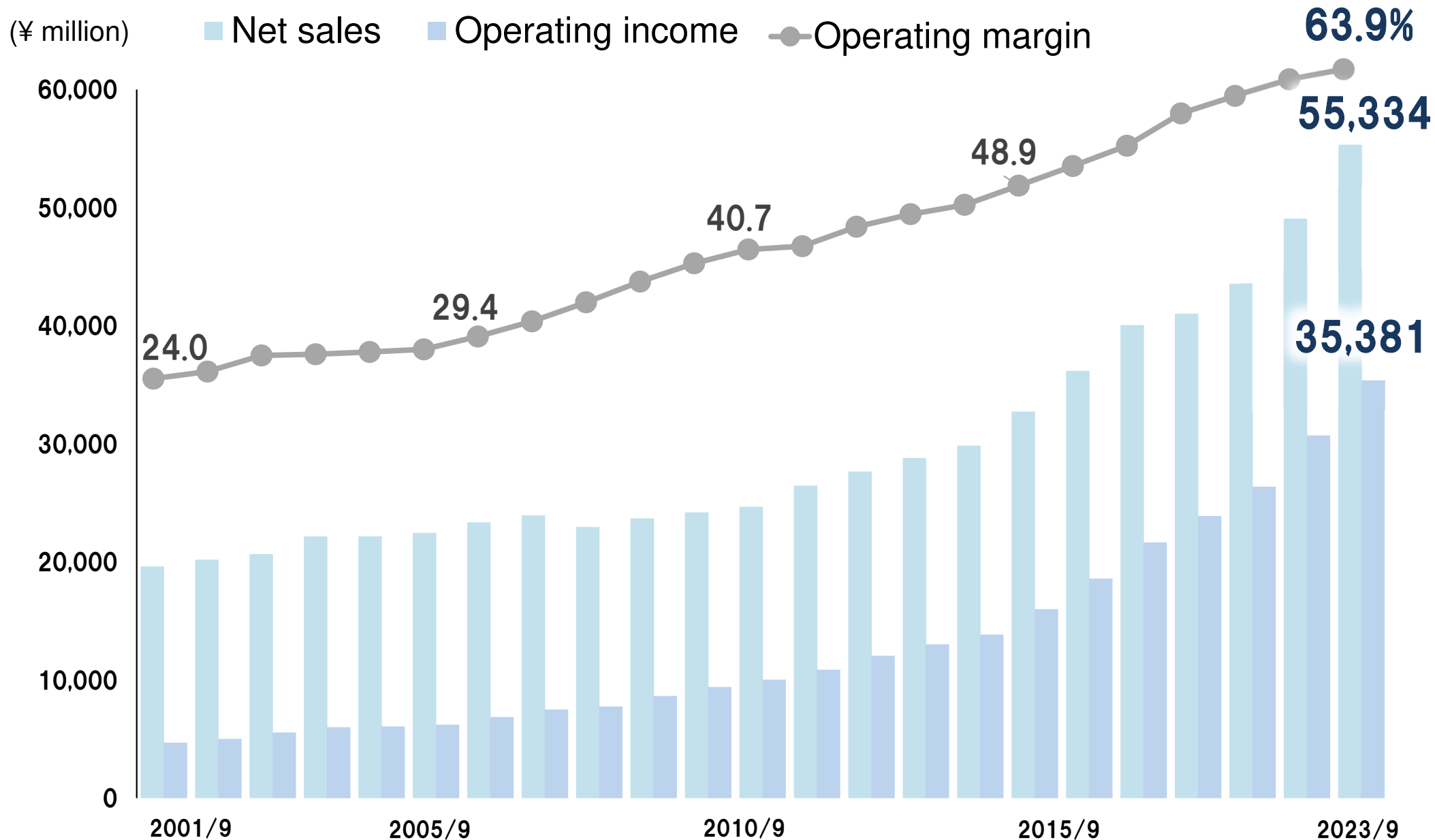
88.5%

Financial Results (consolidated)

(¥ million)

	2022/9	2023/9	YoY
Net sales	49,076	55,334	112.8%
Operating income	30,718	35,381	115.2%
Ordinary income	35,062	40,062	114.3%
Net income	24,904	28,397	114.0%
Earnings per share (EPS) (yen)	280.84	320.22	114.0%
Average number of total shares outstanding(thousands)	88,678	88,681	—

First half operating income increases for 23th consecutive period



Financial Results (consolidated)

(¥ million)

	2022/9	2023/9	Change
Net sales	49,076	55,334	6,257
Cost of goods sold	11,071	12,258	1,186
Gross profit	38,005	43,076	5,070
SG&A expenses	7,287	7,694	407
Operating income	30,718	35,381	4,663
Non-operating profits	3,983	3,274	△708
Equity-method gains	1,813	2,151	337
Non-operating expenses	1,453	745	△707
Ordinary income	35,062	40,062	5,000
Extraordinary income	-	-	-
Extraordinary losses	0	71	71
Income taxes, etc.	10,157	11,593	1,435
Net income	24,904	28,397	3,493

Operating income YoY

115.2%

Ordinary income YoY

114.3%

Net income YoY

114.0%

Business Results by Segment

(¥ million)

		2022/9	2023/9	YoY
SI	Sales	22,247	24,175	108.7%
	Operating income	13,052	14,520	111.3%
	Operating margin	58.7%	60.1%	
SS	Sales	23,567	27,277	115.7%
	Operating income	16,906	19,721	116.7%
	Operating margin	71.7%	72.3%	
OA	Sales	3,261	3,881	119.0%
	Operating income	759	1,139	150.1%
	Operating margin	23.3%	29.4%	
Total	Sales	49,076	55,334	112.8%
	Operating income	30,718	35,381	115.2%
	Operating margin	62.6%	63.9%	

Sales

Segments	YoY
SI	108.7%
Software	109.6%
Hardware	77.3%
SS	115.7%
Software system operation support	116.7%
Hardware maintenance	72.9%
OA	119.0%
Total	112.8%

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

Profitability

	2022/9	2023/9	
Operating margin	62.6%	63.9%	1.3points ↑
Ordinary income margin	71.4%	72.4%	1.0points ↑
Net income margin	50.7%	51.3%	0.6points ↑

Absorbed R&D expenses of about ¥0.9billion

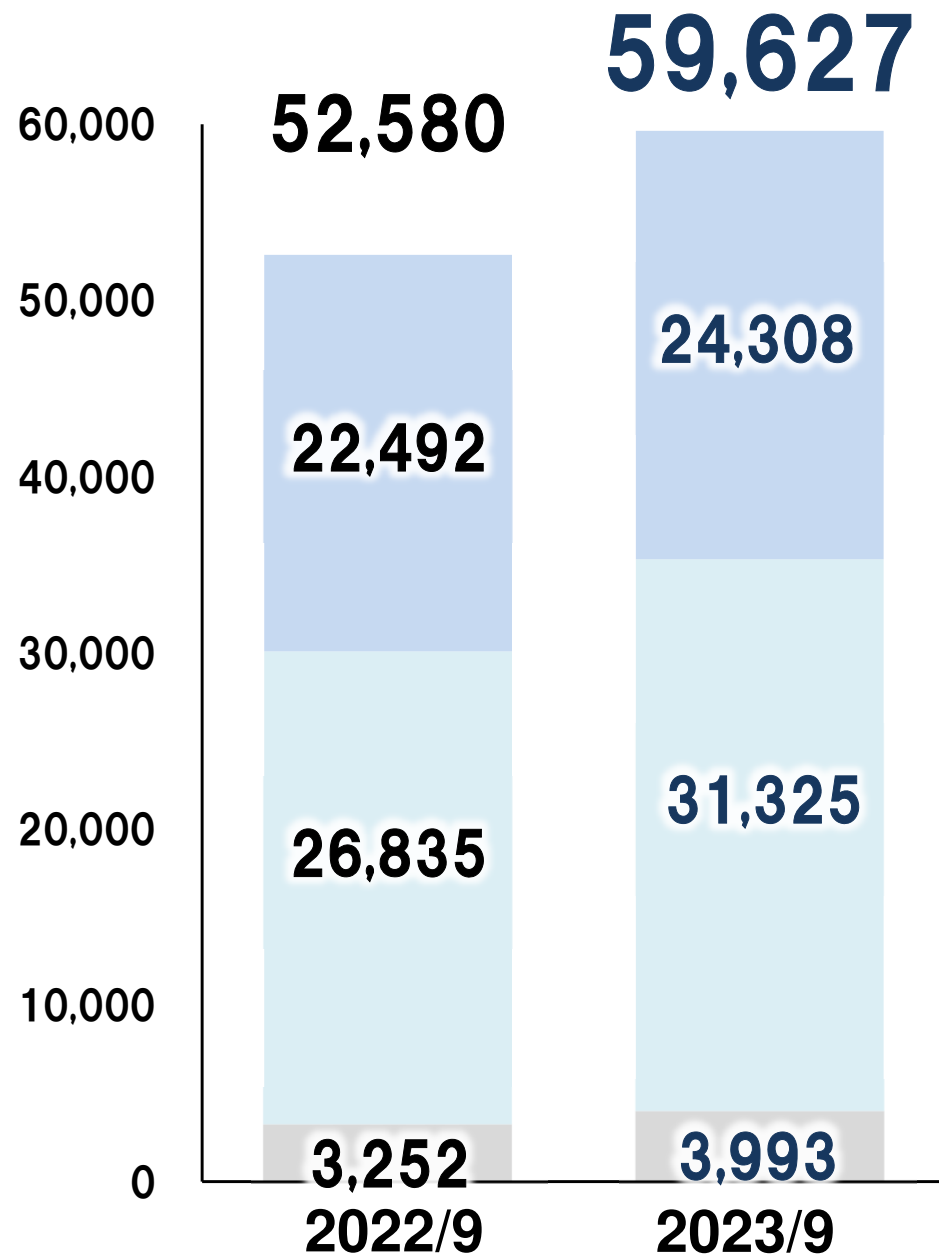
Consolidated Cash Flow

(¥ million)

	2023/9
Cash flows from operating activities	26,896
Cash flows from investing activities	△1,624
Cash flows from financing activities	△12,415
Change in cash and cash equivalents	12,856
Balance at the beginning of the year	156,321
Balance at the end of the year	169,178

Orders Received

(¥ million)



YoY

SI

108.1%

SS

116.7%

OA

122.8%

Total

113.4%

Earnings Forecasts

Fiscal Year Ending March 31,2024

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

(¥ million)

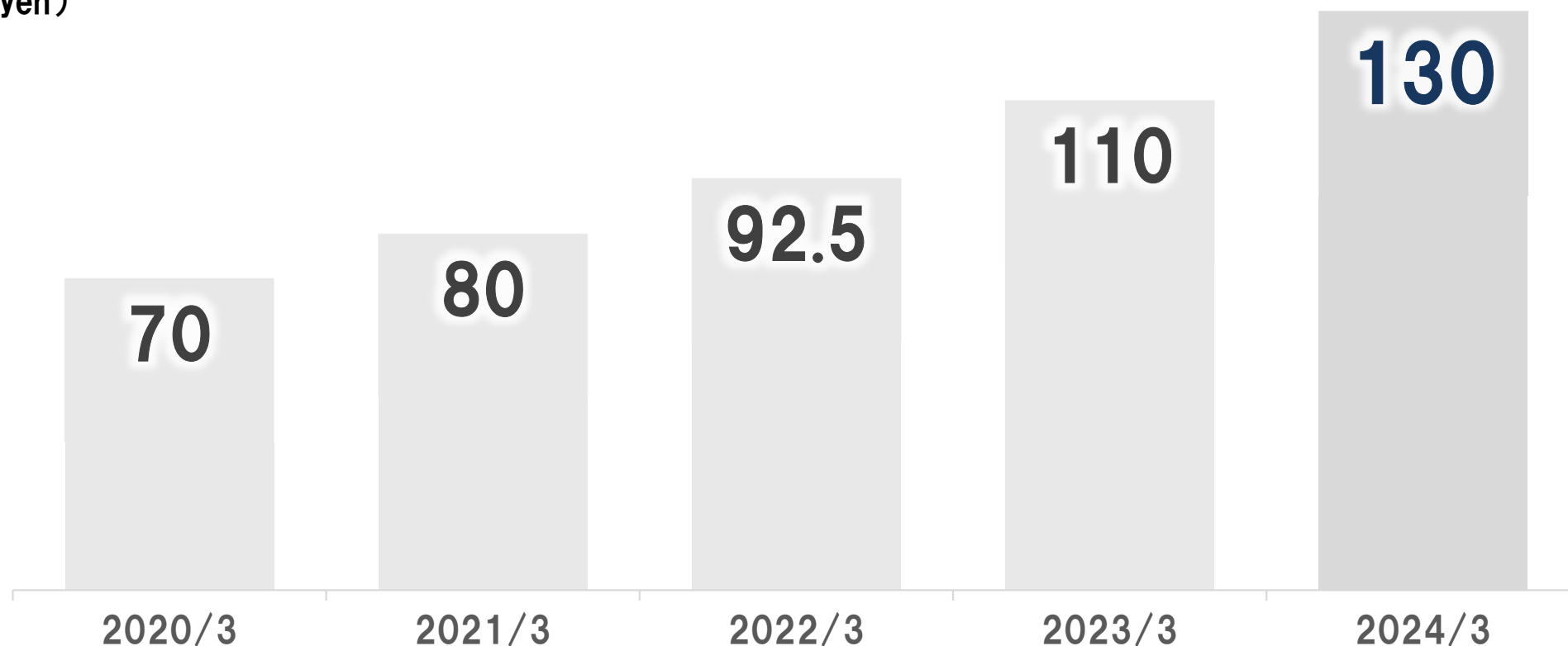
	Earnings forecasts	YoY
Net sales	111,000	10.8%
Operating income	70,000	12.0%
Ordinary income	76,500	8.9%
Net income	54,500	8.7%

Trends in Interim Dividends

FY2023 interim dividend

increased to ¥130.0

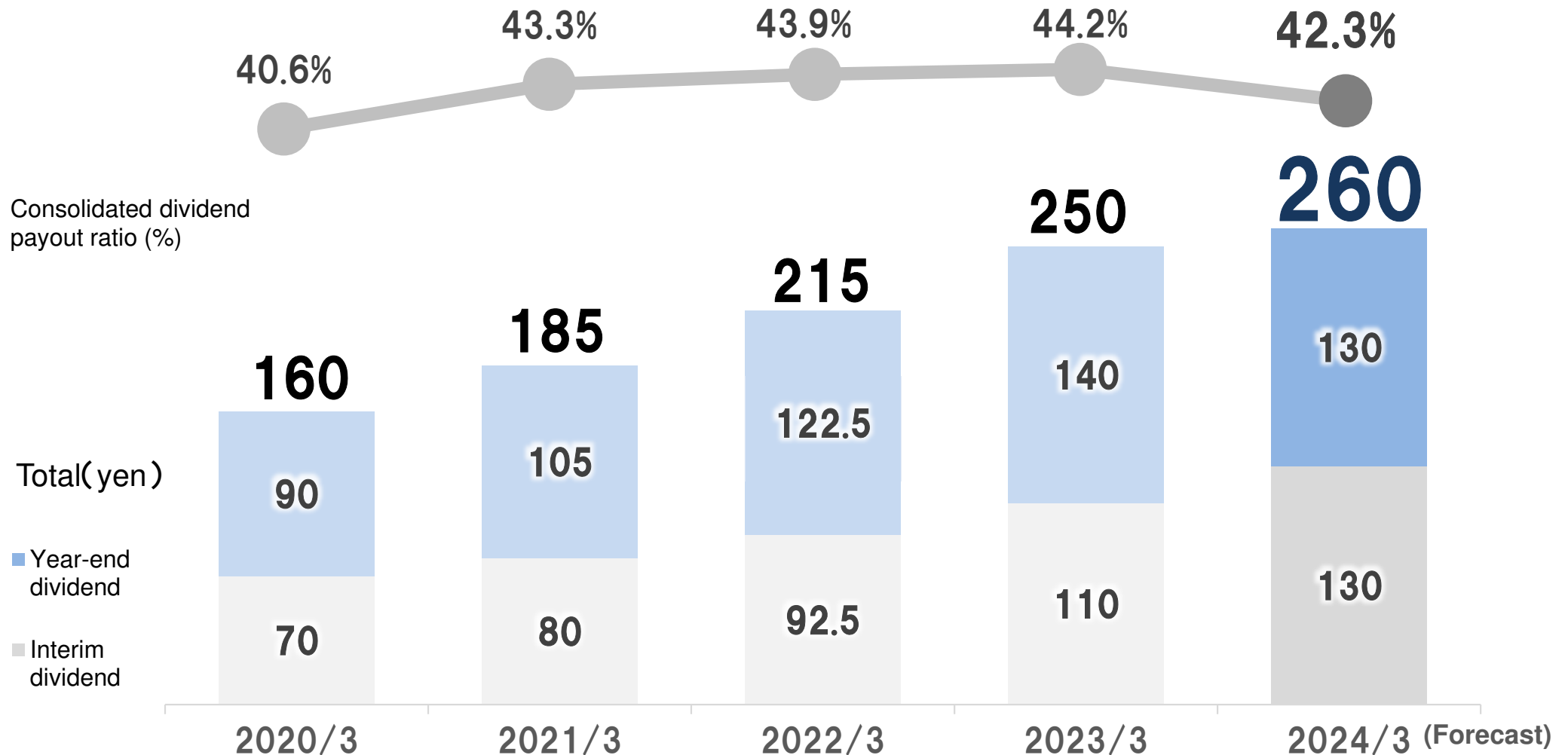
(yen)



Profit-sharing With Shareholders

FY2023 Annual dividend : **260**yen (Forecast)

interim dividend: 130.0yen Year-end dividend: 130.0yen



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

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.