

OBIC

Organization for Business Innovation and Communication

Integrated Report 2025



TOP MESSAGE



Chairman and CEO
Masahiro Noda



President and COO
Shoichi Tachibana

The OBIC Group will continue to change and grow with customers, continuing to move forward with powerful steps

Creating New Value with Technology Innovation and by Taking on Challenge

Our management philosophy is "Company growth starts with employee growth" and "Innovation ~Destruction and Creation~." We believe that sustainable corporate growth can be achieved when each and every employee identifies issues and continuously makes improvements. Supporting this philosophy is our user-oriented approach, which means always taking the customer's perspective and pursuing truly needed services. Our business model, which provides one-stop solutions through in-house development and direct sales, is a strength based on this philosophy.

Regarding "human capital," the source of corporate growth, we have consistently adhered to a principle of "Emphasis on new graduates" and a thorough on-site approach since our founding. Just as the nodes of bamboo bend, people also develop flexibility when faced with challenges. By learning from our customers and growing through friendly competition among employees, we will continue to focus on employee skill development and medium- to long-term corporate growth, based on this long-term perspective on human resource development. Furthermore, by being sensitive to technological advancements and creating new value, we will continue to be a company trusted by our customers.

Direction of Management toward Enhancing Corporate Value

In the present day, when IT is vital to the infrastructure of society, OBIC wants to be an irreplaceable partner for our customers who provides optimal solutions looking ahead to the future. Considering that customers' business success is the very thing that gives meaning to our existence, we have continued to take on challenges toward its realization.

Under our corporate philosophy of "Innovation ~Destruction and Creation~," we will pursue constant reform and evolution without sticking to the customs and successful experiences of the past. Establishment of OBIC7 Cloud, a private cloud developed in-house, and OBIC Cloud Academy, a training facility for customers, are examples of our efforts.

Our strength lies in the provision of one-stop solution services, as well as in a wealth of expertise in various industries and businesses we have accumulated over 55 years. Through utilizing an integrated in-house system that enables us to provide all processes ranging from proposal, development, and installation to support after starting operation in a responsible manner, we propose optimum solutions that meet customers' various needs flexibly and appropriately.

Toward Achieving Medium- to Long-term Targets

In the fiscal year ending March 2026, we will complete our cloud shift and actively work on providing new services that strongly support our customers' digital transformation (DX), such as expanding the functions of our cloud ERP "OBIC7" and developing solutions to improve operational efficiency.

Taking advantage of our strength as an independent company, we will conduct weather-impervious management unaffected by changes in economic conditions of specific businesses. By providing services to customers of a wide range of businesses in a balanced fashion, we reduce the risk of our business environment being affected by economic conditions of specific businesses, and aim to achieve stable growth.

Our goal for the future is to realize our mission of "contributing to the growth of Japan's economy and society." As your business partner, we will support the creation of management value through the provision of solutions and contribute to society. To this end, it is vital to continue to transform ourselves without getting satisfied with the present situation. When each and every employee continues to take on challenges for his or her own growth and the Company's growth, it will be a driving force that enables the OBIC Group to continue to evolve.

Strengthening Corporate Management with Information System

VISION STATEMENT

Company growth starts with employee growth
Innovation -Destruction and Creation-

Since our foundation, we have concentrated on personnel development based on the idea that company growth starts with employee growth. Each individual employee possesses an innovative spirit and works hard to improve their skills and expertise, not limiting themselves to their past experiences of success or conventional methods. In this way, they aim for continuous growth.

MISSION STATEMENT

Support customers' business reform through the provision of information systems and contribute to the establishment of sustainable management foundations

As IT services have become an integral part of social infrastructure, OBIC offers customers integrated services from provision of systems to support after implementation. We believe our mission is to help our corporate customers achieve sustained growth. We support customers' business reform as their business partner, and contribute to the establishment of sustainable management foundations, thereby sparking innovation of corporate management throughout Japan.

Business Development of OBIC Group

History of Value Creation That Has Supported the Management of Japanese Companies for Half a Century

1960s Founded on a user-oriented approach; started with ¥2 million in capital stock and an office of approx. 20 square meters

Osaka Business (currently OBIC) was founded in 1968 during the period of rapid economic growth in Japan. At the time, many large companies had installed accounting machines and large computers to handle the increasing volume of bookkeeping calculation work. Accounting machines cost ¥several million at the time, which was quite expensive for SMEs, so they would outsource complicated and extensive paperwork to outside calculation centers.

While working as a sales representative for an import and sales company of accounting machines, Masahiro Noda (currently Chairman and CEO) held a fervent desire to encourage SMEs to use accounting machines to streamline their administrative processes. He started an accounting machine leasing business, in which he would acquire used accounting machines that were stored in the warehouses of large companies at low prices, refurbish them, and rent them to SMEs for a fixed monthly fee. He founded the company as a husband and wife team with stock capital of ¥2 million.



The accounting machines handled at that time



Building during the "Osaka Business" period (Higashi-ku (currently Chuo-ku), Osaka)

1970s~90s Transitioned to open systems and developed the OBIC7 series

In the 1970s, office computers for SMEs were launched one after another. When Mitsubishi Electric Corporation introduced its MELCOM series, the first domestically produced office computer, we signed a distribution agreement and became the No. 1 dealer for sales of MELCOM80. Later, when the focus of office computer sales shifted from hardware to software, we announced our in-house developed office computer OFFICE80 based on the know-how we had accumulated through lease sales, and it was adopted by customers in various businesses and industries.

In the 1990s, Windows took the PC industry by storm, which led to a rapid shift from the heyday of office computers to open systems. In order to quickly shift the focus of our business from office computers to PCs, we provided PCs to approximately 1,000 employees, trained them in their operation, and began developing an ERP system. At the time, ERP software was mainly created for large companies and was entirely dominated by major foreign manufacturers until OBIC released the OBIC7 series, which targeted SMEs and was suited to Japanese business practices. The software received high acclaim for its extensive functions and thorough support.



Office computers for SMEs

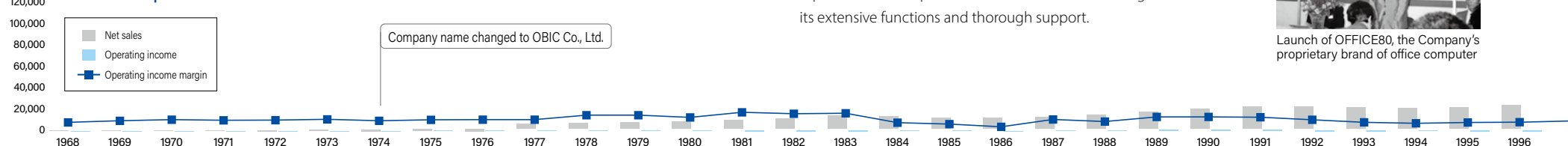


Integrated business software centered on accounting "OBIC7 Series"



Launch of OFFICE80, the Company's proprietary brand of office computer

OBIC Group Business Performance Trends



OBIC Group History

1968 Company founded in Osaka as Osaka Business Co., Ltd.

1974 Company name changed to OBIC Co., Ltd.
1976 OBIC Office Automation Co., Ltd. founded
1979 Number of office computers (MELCOM 80 series) delivered exceeds 3,000 units

1980 Office computer "OFFICE80" developed
 OBIC Business Consultant Co., Ltd. founded
1981 OBIC Business Solution Co., Ltd. founded
1982 OBIC System Engineering Co., Ltd. founded

1996 OBIC Support Center opens
1997 OBIC7 series of comprehensive corporate ERP software products developed
1998 Listed on the Second Section of the Tokyo Stock Exchange

Events in Society

1960s
1968 Kawabata Yasunari awarded the Nobel Prize in Literature

1970s
1970 Osaka World Exposition held
1972 First giant panda brought to Japan
1976 Apple Computer, Inc. (now Apple Inc.) founded
1978 Treaty of Peace and Friendship Between Japan and the People's Republic of China signed

1980s
1983 Tokyo Disneyland opens
1986 Act on Securing, Etc. of Equal Opportunity and Treatment between Men and Women in Employment goes into effect
1989 Heisei era begins, Berlin Wall falls, and the Cold War ends

1990s
1995 Great Hanshin-Awaji Earthquake
1998 Nagano Winter Olympic Games held

Business Development of OBIC Group

2000_s Listed on the First Section of the Tokyo Stock Exchange

After listing on the Second Section of the Tokyo Stock Exchange in 1998 and on the First Section in 2000, we took various steps to further enhance the management efficiency of our customers. To this day, we have continued to implement our unique proposal style of an integrated production, sales and service system, in which sales and SE staff work together in an open-plan office space to address customer issues.

In 2005, construction of the Tokyo headquarters was completed, and a bamboo grove and a small stone wall were placed in the front garden as a reminder that our employees, who are as flexible and pliable as bamboo, shall work together and press on, as expressed in the quote "The people are your castle and your stone walls." We also strengthened our ties with society by sponsoring the OBIC Seagulls American football team and holding the "OBIC Special Concert" featuring world-renowned conductor Ken-Ichiro Kobayashi.



At the listing press conference



The first OBIC Special Concert held



American football team OBIC Seagulls is formed
In 2021, won the top league championship for the eighth time, and first time in seven years

The OBIC7 series developed

Listed on the First Section of the Tokyo Stock Exchange

2010_s~20_s Promotes Cloud Business

Starting from 2013, we began providing OBIC7 Cloud, a private in-house cloud service. It has been highly commended as a solution that enables early system startup and Group-wide optimization, as well as quick adaptation to changes in the business environment.

In addition, in 2017, we opened the OBIC7 Cloud Academy, a training facility for customers, which has generated further benefits of system implementation by using the OBIC7 Cloud to improve project efficiency and hold system operation learning sessions.

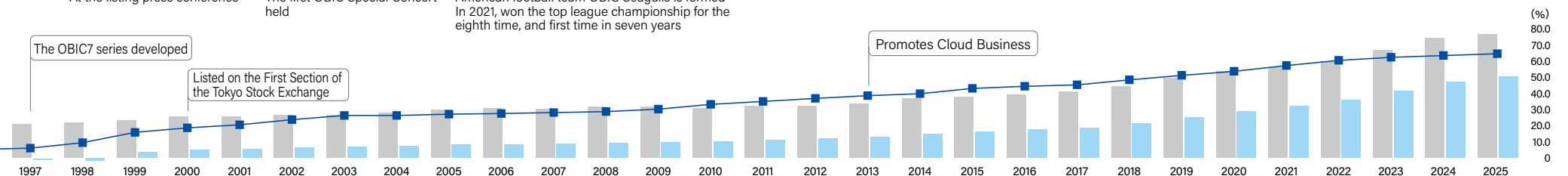
In 2018, the year of our 50th anniversary, the cumulative number of companies that have installed the OBIC7 series exceeded 20,000, and its use has spread to corporate customers of various industries and sizes. We will continue to strive to contribute to our customers and society through sincere customer service and continued innovation.



Scenes from a seminar held at the OBIC Cloud Academy



The OBIC Midosuji Building completed in Osaka, the site of the Company's founding



2000 Designated to the First Section of the Tokyo Stock Exchange
2005 OBIC Tokyo headquarters building completed (Kyobashi, Chuo-ku)
2006 Acquires ISO/IEC27001(ISMS) certification Enters into Certified Gold Partner. Agreement with Microsoft Corporation

2013 Launch of OBIC Cloud
2017 OBIC Cloud Academy Tokyo opens
2018 50th anniversary of the foundation
 Total number of companies using the OBIC7 series exceeds 20,000

2020 Market capitalization exceeds ¥2 trillion
 The OBIC Midosuji Building completed (Hiranomachi, Chuo-ku, Osaka)
 OBIC Cloud Academy Osaka opens

2021 OBIC Cloud Academy Nagoya opens
2024 Receives the Intellectual Property Achievement Award from the Commissioner of the Japan Patent Office

2000_s

2000 Financial Services Agency established; ¥2,000 note issued
2002 FIFA World Cup Korea/Japan begins
2008 Bankruptcy of Lehman Brothers(2008 financial Crisis)
2009 Dematerialization of share certificates of listed companies

2010_s

2011 Great East Japan Earthquake
2012 Tokyo Skytree opens
2019 New era "Reiwa" is announced

2020_s

2020 Outbreak of the (COVID-19) pandemic

2021 Tokyo 2020 Olympic Games held
2025 Osaka World Exposition held

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Editorial policy

The OBIC Group publishes the Integrated Report with the aim of enhancing communication with our stakeholders, and improving their understanding of the OBIC Group's medium- to long-term value creation through financial and non-financial information.

Period covered by the report

April 1, 2024 to March 31, 2025
(The report includes some information of years other than the relevant year.)

Scope covered by the report

In principle, this Integrated Report provides information about OBIC Co., Ltd. and the OBIC Group (one consolidated subsidiary and two equity method affiliates).

Reference guidelines

The International Integrated Reporting Framework by the IFRS Foundation, and Guidance for Collaborative Value Creation by the Ministry of Economy, Trade and Industry are used as reference.

Matters that require attention regarding future outlook

This Integrated Report includes information concerning future outlook and future forecast based on plans. These descriptions do not guarantee future performance; as they include various risks and uncertainties, actual financial results, performance, achievement degree, and financial condition in the future can be different from the present outlook.

2025 TOPICS

OBIC Seagulls win the Pearl Bowl for the sixth consecutive time!

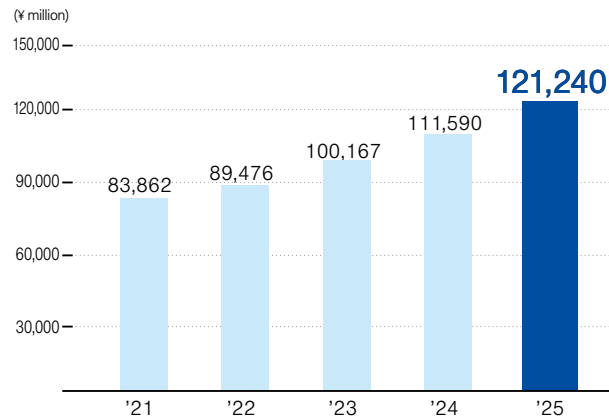
The final of the "45th Pearl Bowl Tournament," which determines the American football East Japan corporate champion, was held on June 14, and the OBIC Seagulls achieved their sixth consecutive and eleventh overall victory.

Thank you for your warm support.

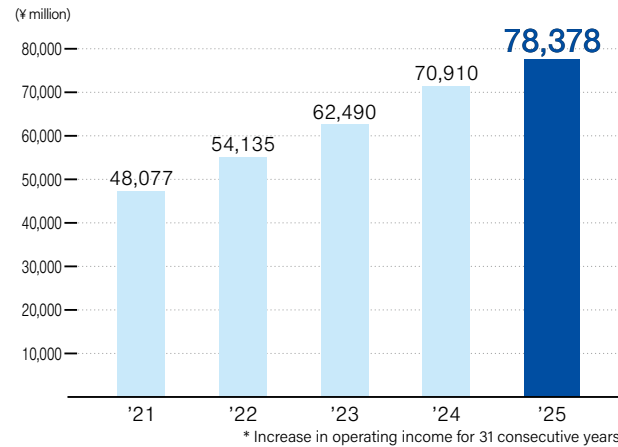


Financial and Non-Financial Highlights

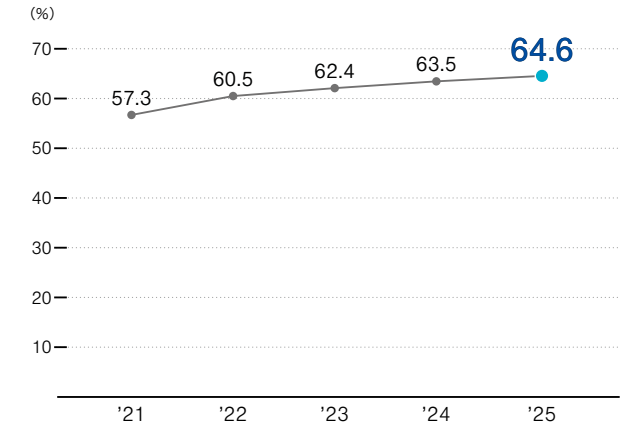
Net Sales **¥121,240** million (consolidated)



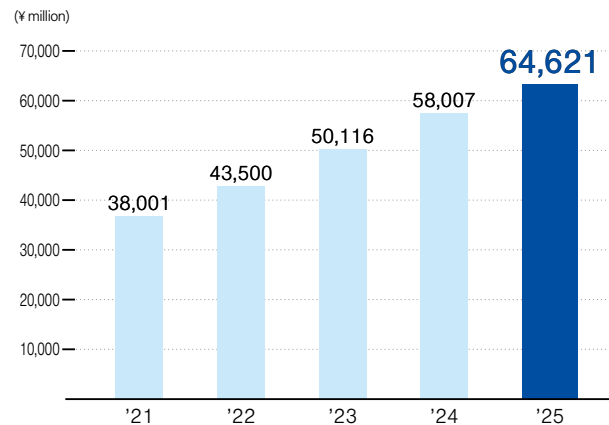
Operating Income **¥78,378** million (consolidated)



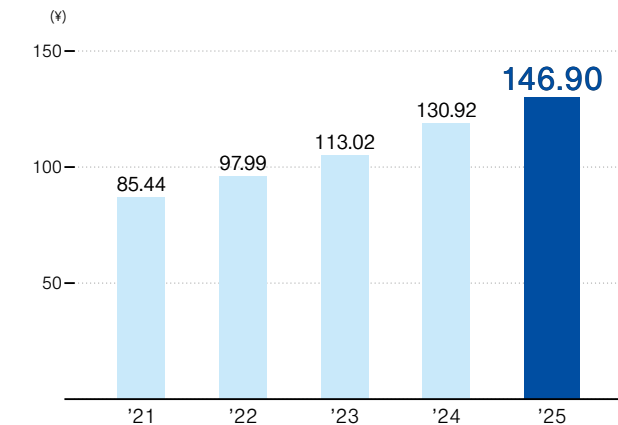
Operating Income Margin **64.6%** (consolidated)



Net Income Attributable to Owners of the Parent **¥64,621** million (consolidated)

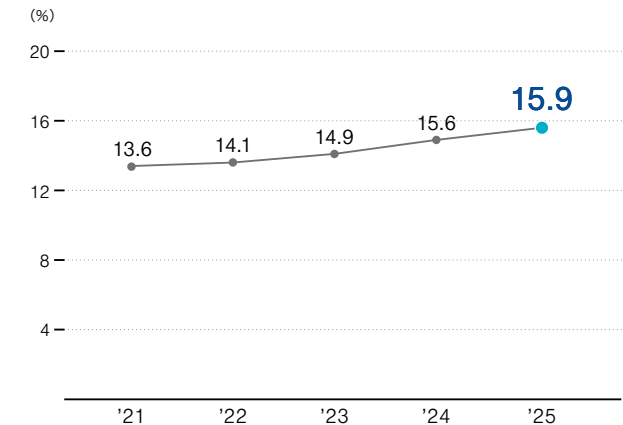


Net Income per Share (EPS) **¥146.90** (consolidated)



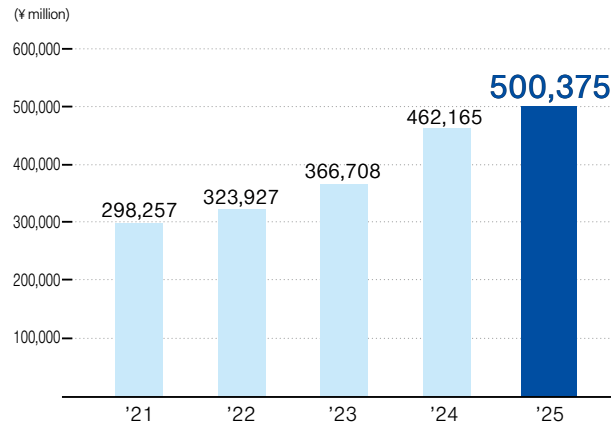
* A stock split at a ratio of 5 shares for every 1 common share was implemented on October 1, 2024. Calculated on the assumption that the stock split was implemented at the beginning of each fiscal year from the fiscal year ended March 2021 to the fiscal year ended March 2024.

Return on Invested Capital (ROIC) **15.9%** (consolidated)

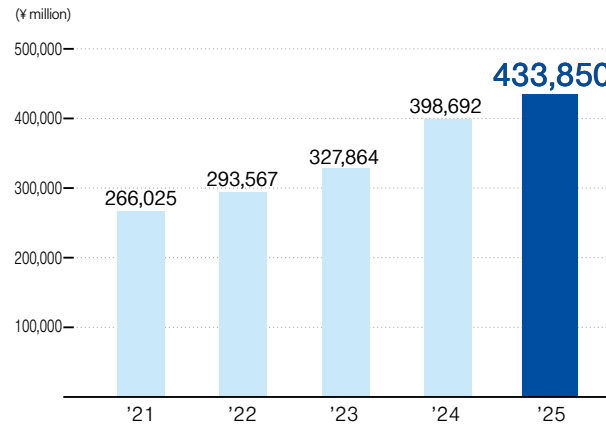


* Return on invested capital (ROIC) = operating income after tax / (shareholders' equity + interest-bearing debt)

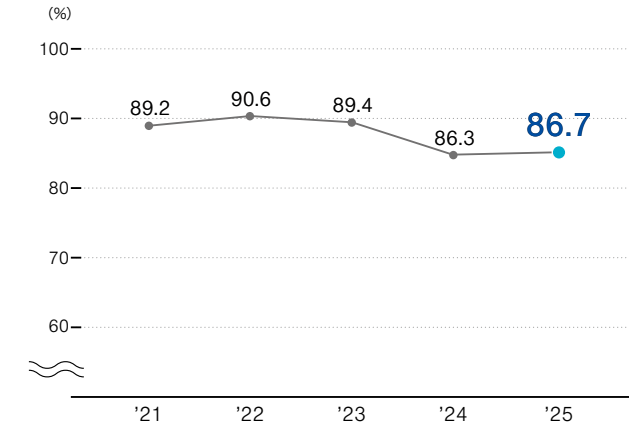
■ Total Assets **¥500,375** million (consolidated)



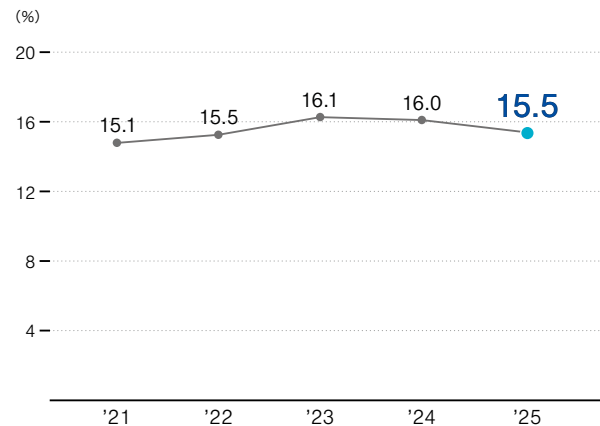
■ Net Assets **¥433,850** million (consolidated)



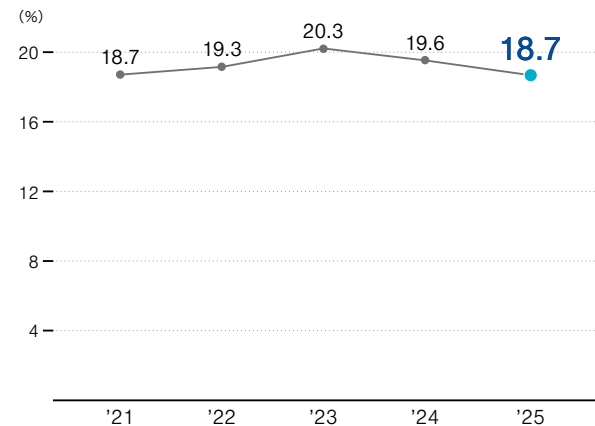
■ Equity Ratio **86.7%** (consolidated)



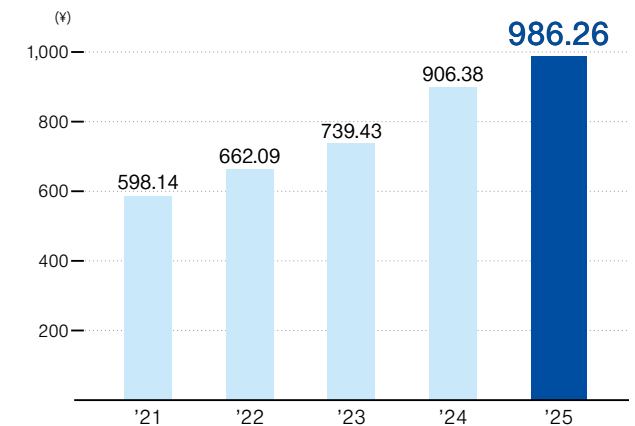
■ Return on Equity (ROE) **15.5%** (consolidated)



■ Return on Assets (ROA) **18.7%** (consolidated)



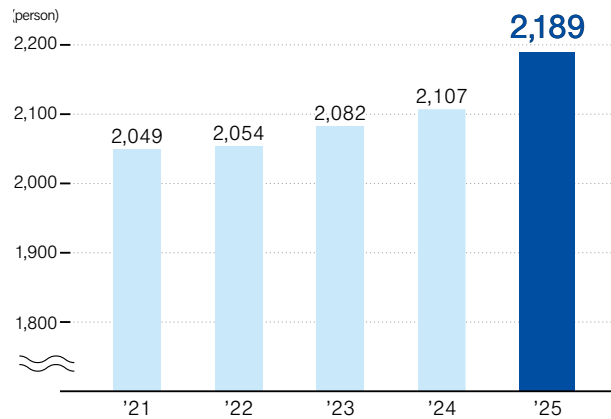
■ Net Assets per Share (BPS) **¥986.26** (consolidated)



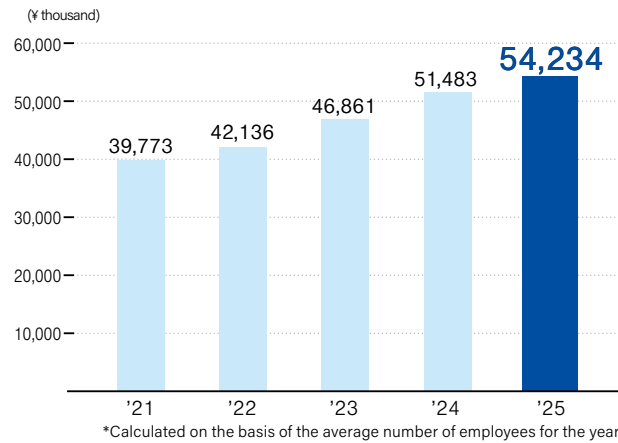
* A stock split at a ratio of 5 shares for every 1 common share was implemented on October 1, 2024. Calculated on the assumption that the stock split was implemented at the beginning of each fiscal year from the fiscal year ended March 2021 to the fiscal year ended March 2024.

Financial and Non-Financial Highlights

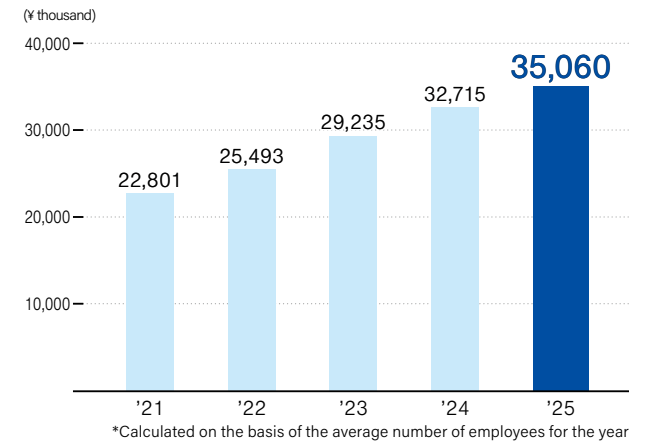
Total number of employees **2,189** persons (consolidated)



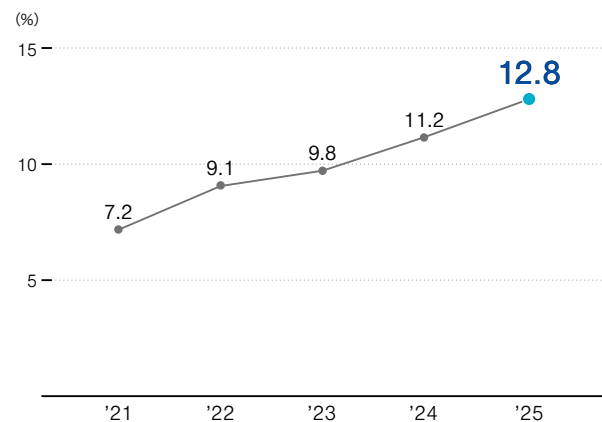
Net Sales per Employee **¥54,234** thousand (consolidated)



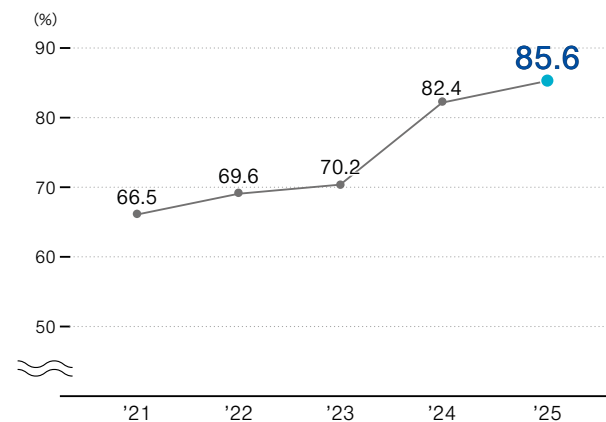
Operating Income per Employee **¥35,060** thousand (consolidated)



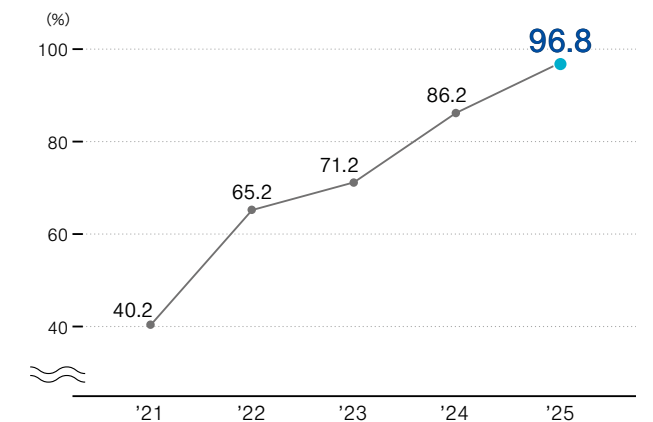
Ratio of Women in Managerial Posts **12.8**% (non-consolidated)



Paid Leave Acquisition Rate **85.6**% (non-consolidated)



Acquisition Rate of Male Employees Taking Childcare Leave, etc. **96.8**% (non-consolidated)



Financial Capital

Taking on the Challenge of Expanding Business with Active Investment While Maintaining Strong Financial Foundation

Operating Income Rose for 31th Consecutive Fiscal Year

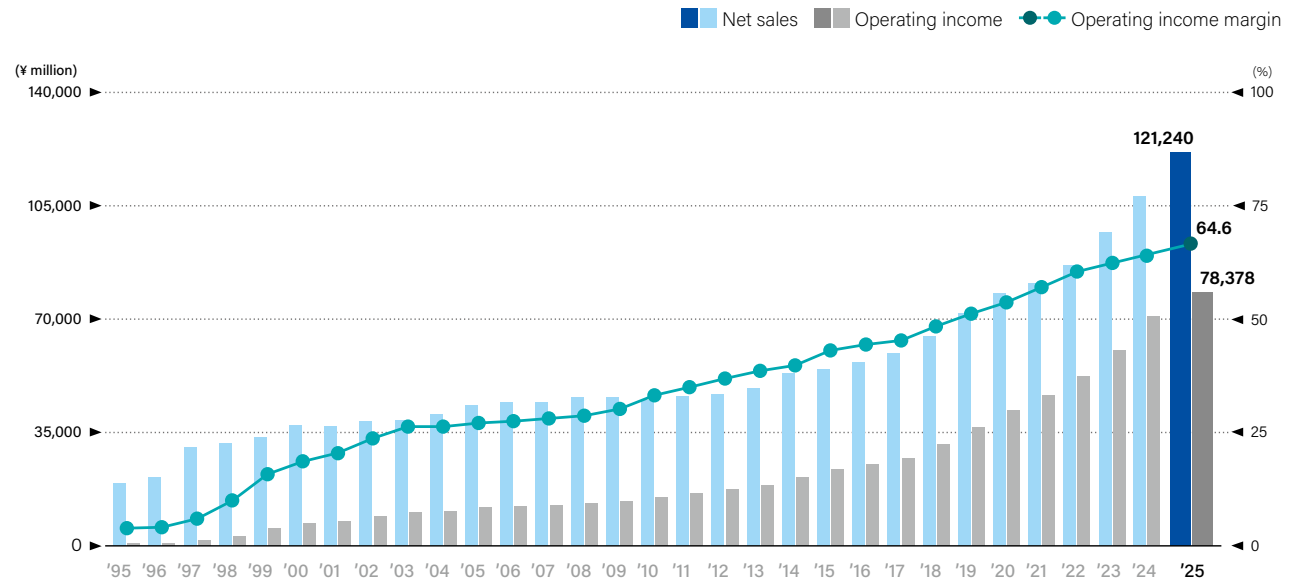
Since its establishment, OBIC has pursued quality in management with a focus on operating income, and continued to grow even during various global financial crises, such as when the bubble economy burst and Lehman Brothers failed. Recently, although the global economy has changed significantly due to tense overseas conditions, surging resource costs, and global monetary restraints, all of our employees have worked diligently, resulting in operating income growth for 31 consecutive years and a record-high operating income margin of 64.6%.

Going forward, we will continue to secure a strong management foundation, set a target of 10% or more for Return on Equity, and strive to enhance business performance and corporate value by making sufficient investments in human capital and cloud-related facilities.

Furthermore, we regard returning profits to shareholders as one of our key priorities. We believe appropriate reflection of our corporate value in our share price will enable us to meet shareholders' expectations.

We plan to pay dividends at a consolidated payout ratio of roughly 45% for the foreseeable future."

Net sales/Operating Income (¥ million)/Operating Income Margin (%)



Growth

Operating income
Year over year

110.5%

Profitability

Operating income
margin

64.6%

Efficiency

Return on equity
(ROE)

15.5%

Safety

Equity ratio

86.7%

Continuity

Period of consecutive
operating income growth

31 fiscal years

Financial Capital

Enhancement of Financial Characteristic and Improvement of Capital Efficiency

Looking back on the fiscal year ended March 2025, the factors that had the greatest impact on our financial performance were the promotion of cloud shift and the cultivation of major companies. The ratio of cloud users exceeded 90%, which greatly contributed to the increase in sales. This was achieved as a result of the Company's efforts to properly identify a growing demand for cloud service and actively work on investment and development.

We also directed our efforts to cloud investment and the returning of human capital, and strengthened the foundation to provide high quality services. In particular, we work to further strengthen our competitiveness by securing and developing talented human capital.

In the business strategy for the fiscal year ending March 2026, we aim to achieve an increase in operating income for 32 consecutive years and further strengthen our financial foundation. While continuing to focus on quality in management, this fiscal year, we will aim to create operating income exceeding that of the previous fiscal year, considering that we achieved the increase in operating income for 31 consecutive years in the previous fiscal year.

As an independent company, placing a significance on maximizing financial security, we have continued non-debt management. Equity ratio was 86.7% as of the end of the previous fiscal year, remaining high. This strong financial characteristic is supporting our management foundation that can flexibly respond to changes in the external environment.

In addition, by directly listening to the voices of customers and maintaining a direct sales structure that can quickly capture a market trend, we will flexibly and promptly respond even in this dynamically changing time. As close communication with customers is an essential factor for the improvement of our services, we will continue to accept their voices with sincerity and work to deliver better services.

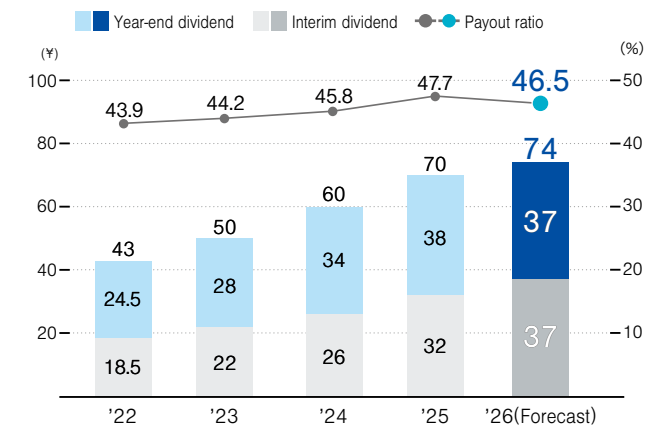
Improvement of Our Share Price and Shareholder Returns

We believe it is the Company's basic approach to secure a strong management foundation by producing high performance and continue reinvestment and shareholder returns stably in the medium- and long-term. We believe that this will lead to the improvement of corporate value and an appropriate stock price level. Regarding capital efficiency, we recognize that our return on equity (ROE) has been maintained at over 15%, demonstrating efficient use of capital and high profitability. We will continue to strive for business growth and improved profitability, maintain this high level of ROE through appropriate investment decisions and efficient management, and achieve further sustainable improvement.

Regarding shareholder returns, we have continued to increase dividends based on the policy of "long-lasting stability and continuation," with dividends as the basic method of return. Under this policy, the annual dividend per share for the fiscal year ended March 2025 was set at ¥70. For the fiscal year ending March 2026, we plan an annual dividend of 74 yen.

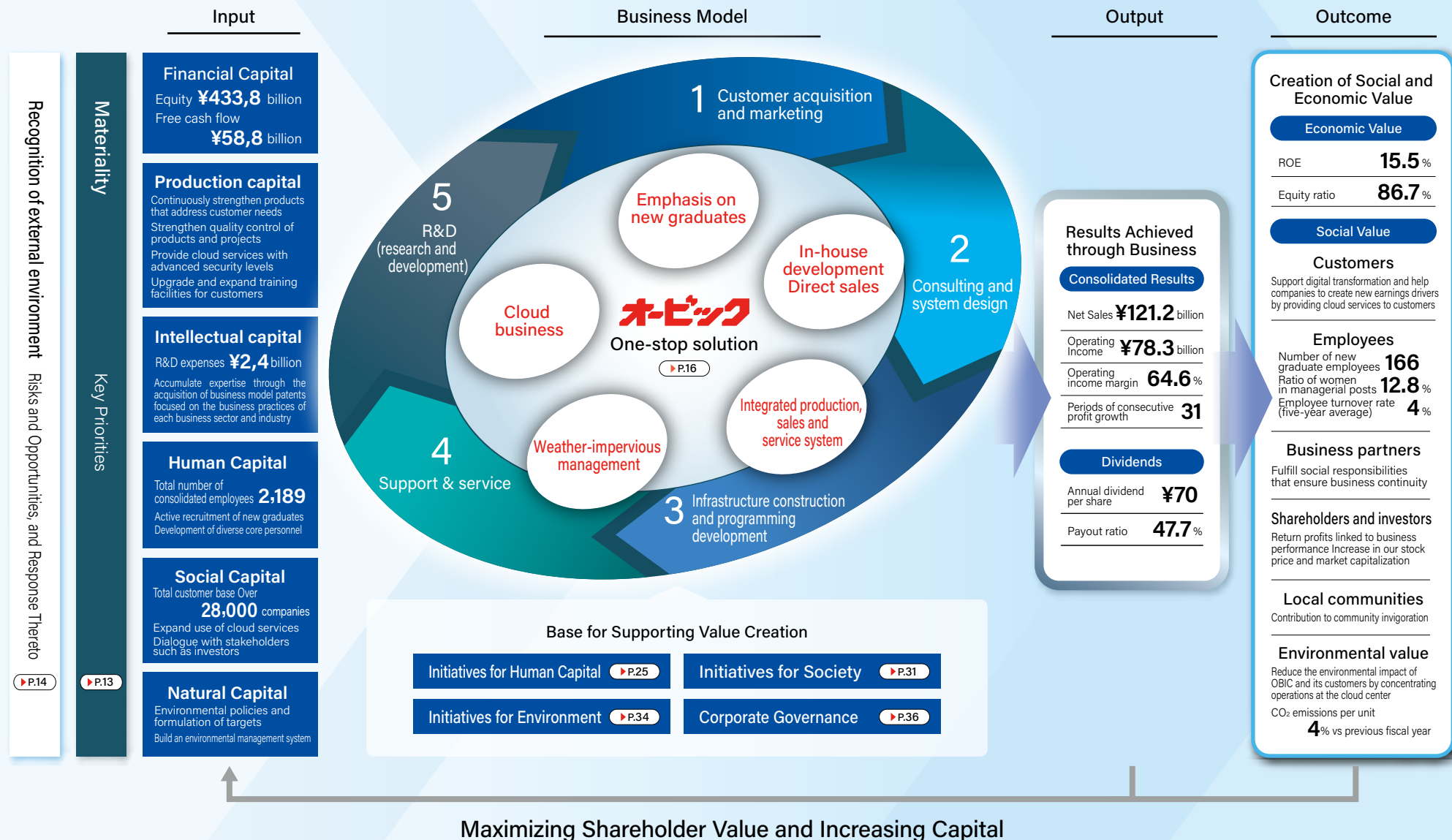
We will continue to work on improving corporate value while balancing enhanced shareholder returns and growth investments, so that we can continue to deliver stable dividends.

Dividend Record



(Note) A stock split at a ratio of 5 shares for every 1 common share was implemented on October 1, 2024.
The dividend amount is calculated on the assumption that the stock split was implemented at the beginning of each fiscal year from the fiscal year ended March 2022 to the fiscal year ended March 2025.

Value Creation Process



Materiality

Corporate philosophy

"Company growth starts with employee growth"
"Innovation -Destruction and Creation-"



Process of Identifying Issues

- Step1** Grasp the current situation surrounding the OBIC Group
- Step2** Select key priorities to respond to social demands
- Step3** Confirm validity and identify materiality

Targets to Work on Related to Materiality Items

	Category	Key priorities	Concrete measures	Related SDGs
Key priorities related to business	Production capital	Technology innovation and product development	<ul style="list-style-type: none"> Development of OBIC7 series of comprehensive corporate ERP software products Provision of private cloud services 	7 持続可能なエネルギー、7.2 再生可能エネルギーの拡大、8 質の高い雇用と経済成長、9 産業、科学、技術とイノベーション、12 持続可能な消費と生産
		Information security enhancement	<ul style="list-style-type: none"> Meeting certification standards for information security management Obtaining an SOC 1 Type 2 and SOC 2 Type 2 Report in compliance with the U.S. Statement on Standards for Attestation Engagements No. 18 (SSAE No. 18) for OBIC cloud services 	16 平和と公正な社会
		Business continuity plans	<ul style="list-style-type: none"> Development of a telework environment Establishment of duplicate cloud computing center sites Arranging a manual for responses during large-scale disasters and conducting periodic training 	11 持続可能な都市とコミュニティ
	Intellectual capital	Increasing added value through accumulation of know-how	<ul style="list-style-type: none"> Acquisition of business model patents focused on the business practices of each business sector and industry Data utilization harnessing the latest digital technology such as AI 	8 質の高い雇用と経済成長、9 産業、科学、技術とイノベーション
Key priorities related to corporate activities	Human capital	Securing and training human capital	<ul style="list-style-type: none"> Fostering new graduate employees from the very beginning of their professional careers Identification and improvement to employee engagement by implementing a feedback system for operations and operational processes 	4 質の高い雇用と経済成長
		Ensuring diversity through employee growth	<ul style="list-style-type: none"> Development of diverse core personnel through a direct sales structure Arranging a wide variety of education and training programs and skills development, such as for IT, accounting or specific industries, matching employees' characteristics 	5 ジェンダー平等
		Realization of employee work-life balance	<ul style="list-style-type: none"> Promotion of flexible work styles such as paid holidays in one-hour increments, staggering work hours and telework Acquisition of the Platinum Kurumin certification for being a company that excels at supporting childcare 	3 持続可能な社会
	Natural capital	Environmental preservation, including climate change response	<ul style="list-style-type: none"> Meeting certification standards for environmental management systems Information disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) 	13 気候変動、14 海洋資源、17 パートナーシップ
	Rigorous corporate governance		<ul style="list-style-type: none"> Enhancing transparency, fairness, and objectivity by establishing a Nomination and Remuneration Advisory Committee Formulating and thoroughly implementing each policy concerning compliance with ethics, laws and regulations, etc. Solving compliance violations, etc. at an early stage and preventing them from occurring beforehand by establishing an internal reporting system 	10 人や組織の繁栄、15 陸域生態系、16 平和と公正な社会

Risks and Opportunities, and Response Thereto

Ever-changing political climate and market circumstances pose various risks to corporate activities.

In modern society with globalization and diversification advancing, OBIC builds a structure that can properly respond to risks having a potential impact on our corporate value, and aims to achieve sustained growth and contribute to society.

	Risk factors	Risks	Countermeasures	Opportunities	Corresponding materiality
Economy	Deterioration of an economic environment due to business recession, price fluctuation, etc.	<ul style="list-style-type: none"> Reduction of investing activities associated with decline in earnings Deterioration of an employment environment 	<ul style="list-style-type: none"> Cost reduction and promotion of efficiency Improvement of productivity Development of close relationships with customers 	<ul style="list-style-type: none"> Expansion of market share due to the weakening of competitors Promotion of innovation Improvement of corporate value 	<ul style="list-style-type: none"> Technology innovation and product development Increasing added value through accumulation of know-how
Technology	Cybersecurity threats	<ul style="list-style-type: none"> Damage to corporate image Suspension of business 	<ul style="list-style-type: none"> Enhancement of security measures Improvement of employees' security awareness Quick response to the occurrence of information leakage 	<ul style="list-style-type: none"> Protection of information assets Securing of business continuity Acquisition of competitive advantage 	<ul style="list-style-type: none"> Information security enhancement
Society	Occurrence of large-scale natural disasters	<ul style="list-style-type: none"> Restrictions on business activities Damage to facilities, etc. 	<ul style="list-style-type: none"> Formulation and enhancement of a business continuity plan (BCP) Analysis and management of supply chain risks Enhancement of initiatives for environment issues 	<ul style="list-style-type: none"> Enhancement of risk management Improvement of reputation from the international community 	<ul style="list-style-type: none"> Measures for business continuity plans (BCP) Environmental preservation, including climate change response
Human capital	Shortages of human capital or decline in motivation	<ul style="list-style-type: none"> Loss of competitive advantage Decrease in productivity Compliance violations 	<ul style="list-style-type: none"> Active recruiting activities Enhancement of training systems Creation of satisfying work environment Diversity & inclusion 	<ul style="list-style-type: none"> Acquisition of talented human capital Improvement of employee engagement Enhancement of innovation Acquisition of competitive advantage Realization of sustainable growth 	<ul style="list-style-type: none"> Securing and training human capital Ensuring diversity through employee growth Realization of employee work-life balance
Organization	Inadequacy of governance system	<ul style="list-style-type: none"> Decline in employees' motivation Decrease in customer satisfaction Loss of competitive advantage 	<ul style="list-style-type: none"> Enhancement of corporate governance system Demonstration of leadership by management personnel Enhancement of information disclosure Enhancement of internal controls Clarification of responsibilities of management personnel and officers 	<ul style="list-style-type: none"> Management transparency and efficiency improvement Improvement of reputation from the investors Prompt response to ESG issues 	<ul style="list-style-type: none"> Rigorous corporate governance

Growth Strategy to Create Value

Value and Strategy Created by OBIC

The people are your castle and your stone walls —

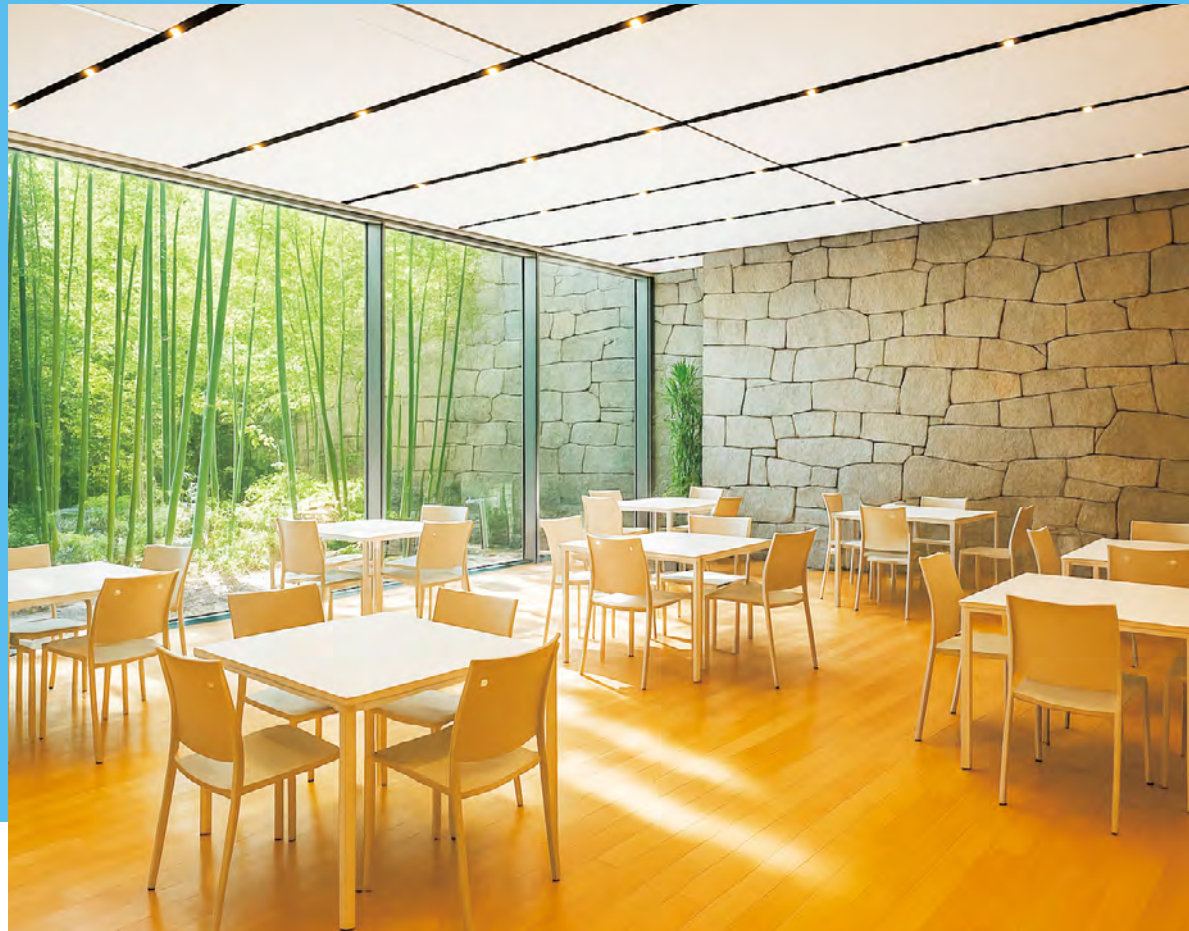
Since our founding, we have believed that human capital are the foundation of a company and the driving force that creates value. Even in times of rapid change, it is human capital who flexibly adapt and move forward with strength that generate new growth.

This chapter presents our approach to human capital and organizations, which we value, and an overview of our growth strategy that maximizes their strengths.

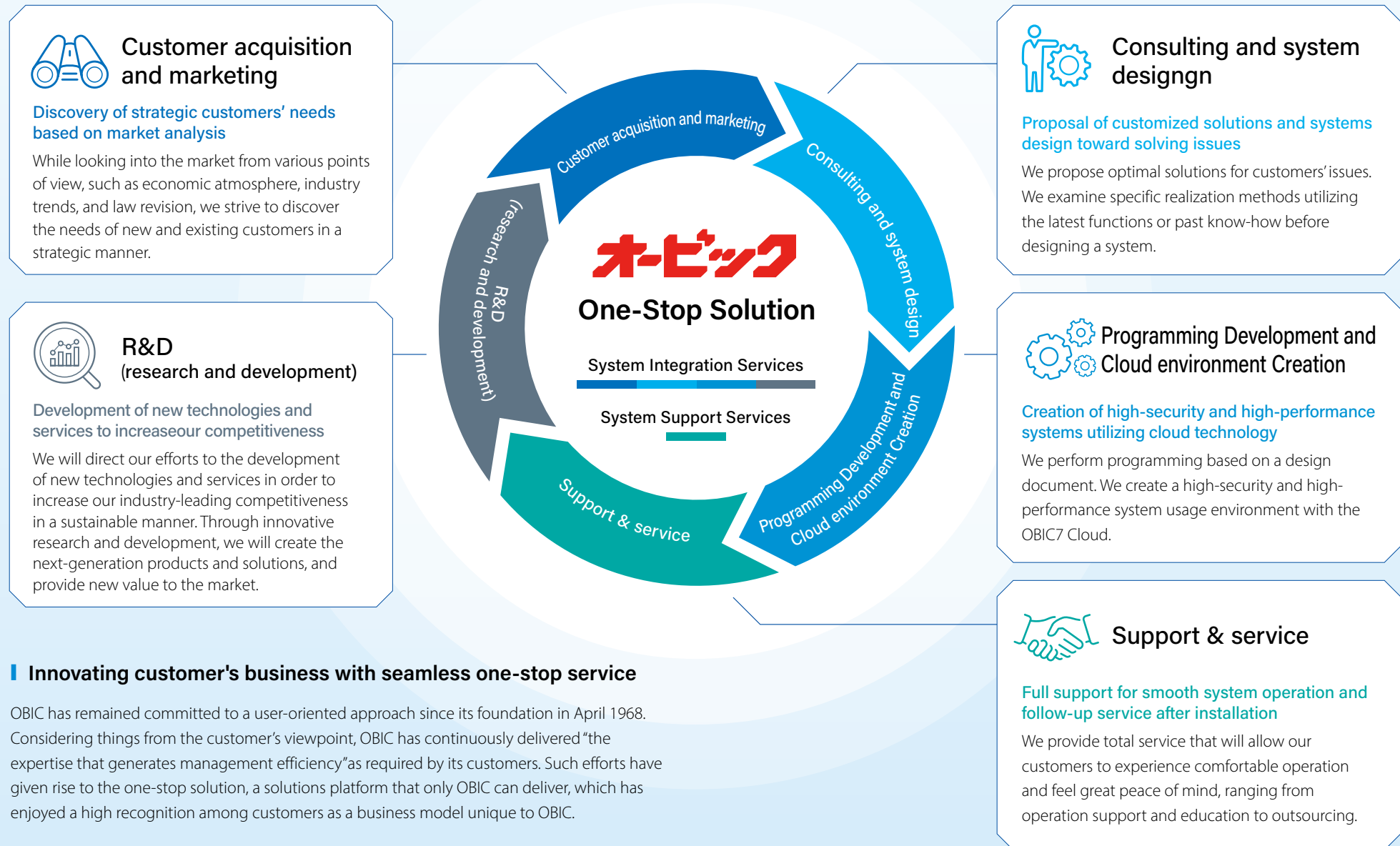
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Initiatives to Enhance Intellectual Capital	22

The garden at our headquarters, decorated with stone walls and bamboo. This represents our corporate philosophy that "an organization where flexible yet resilient people, like bamboo, unite their strength like a stone wall, demonstrates unlimited power."



Business Model



■ Innovating customer's business with seamless one-stop service

OBIC has remained committed to a user-oriented approach since its foundation in April 1968. Considering things from the customer's viewpoint, OBIC has continuously delivered "the expertise that generates management efficiency" as required by its customers. Such efforts have given rise to the one-stop solution, a solutions platform that only OBIC can deliver, which has enjoyed a high recognition among customers as a business model unique to OBIC.

Business Model

Strengths of the OBIC Group

01 Emphasis on new graduates

OBIC recruits only new graduates as employees. We work to provide the best solutions for customers' business issues by investing considerable time in developing employees' techniques and skills.



"People are the real assets of Osaka Business"
(from a corporate brochure published in 1973)

02 In-house development and direct sales

We identify ever-changing needs and issues of the market in a timely manner by coming face-to-face with customers, not through sales agents. We constantly provides optimal solutions and achieve business solutions by utilizing our expertise for direct sales and reflecting such expertise in our system development.

04 Weather-impervious management

OBIC offers its solutions to all companies. Therefore, we can cover a wide range of customers from every line of businesses and industries, ranging from major enterprises and leading medium-sized enterprises to SMEs in terms of company size. This is why we have been able to establish a strong management foundation unaffected by economic trends.

03 Integrated production, sales and service system

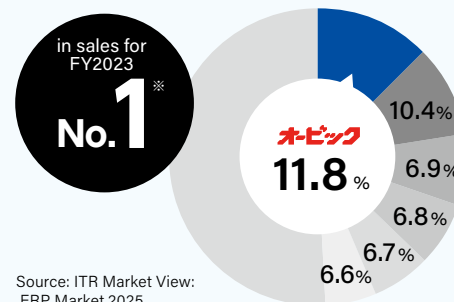
Sales and SE staff work closely together to serve customers in an integrated production, sales and service system. Our open and flat organizational structure allows employees to work across boundaries of job categories and job responsibilities, which contributes to their strong solidarity.

05 Cloud business

Our private in-house cloud service dramatically reduces customers' maintenance and upgrade work. Ensuring rapid stable operation and advanced security, this cloud service responds to the optimization of work styles and rapid changes in the business environment.

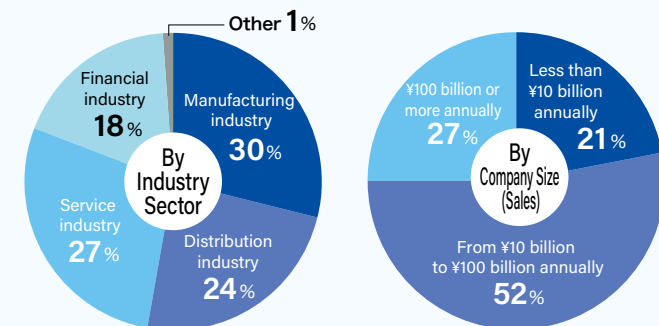
Share of net sales for ERP market

OBIC ranked No. 1 (11.8%) in terms of market share by vendor sales in fiscal 2023 in "ITR Market View: ERP Market 2025," a market research report published by ITR Corporation. In addition, we have ranked first in various market shares, including a sales operations market share of 18.4% in the business field market share for fiscal 2023.



Source: ITR Market View:
ERP Market 2025

* Based on FY2023 sales amount



*The graphs show the results of System Integration Services based on net sales. (Fiscal year ended March 31, 2025)

Business Summary of OBIC Group

The OBIC Group's unique total solution and synergy that accelerate corporate growth

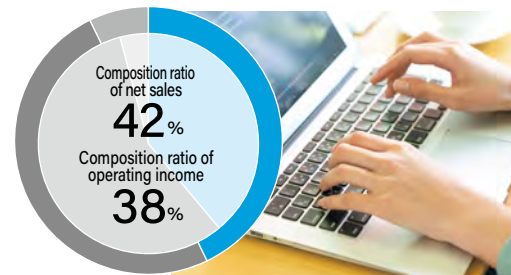
01 System Integration Services

Net sales **¥50,329 million**
(increase by 6.4% vs previous fiscal year)

Operating income **¥29,895 million**
(increase by 6.8% vs previous fiscal year)

Major services Provision of core operating integration systems

Major companies OBIC Co., Ltd.



02 System Support Services

Net sales **¥63,028 million**
(increase by 12.3% vs previous fiscal year)

Operating income **¥45,912 million**
(increase by 13.6% vs previous fiscal year)

Major services Operation support, maintenance, etc. of core operating integration systems

Major companies OBIC Co., Ltd.



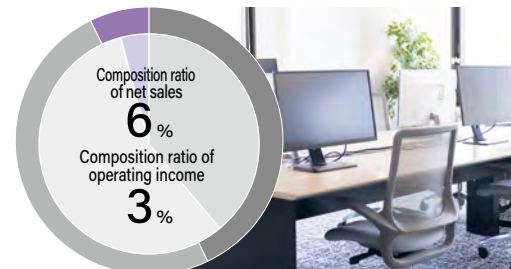
03 Office Automation Services

Net sales **¥7,882 million**
(decrease by 3.8% vs previous fiscal year)

Operating income **¥2,571 million**
(increase by 2.9% vs previous fiscal year)

Major services Provision of office automation equipment in general and computer supplies

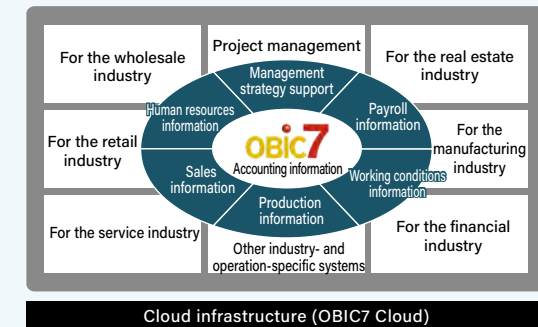
Major companies OBIC Office Automation Co., Ltd.



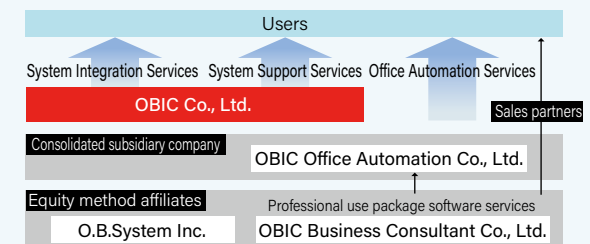
*Net sales and operating income by segment above are results of the fiscal year ended March 2025.

OBIC7 Series

The OBIC7 series is a component-based ERP product that integrates information systems, such as those for personnel, payroll, management of working conditions, sales and production, with a primary focus on accounting information systems. The product is designed in such a way that by utilizing the advantages of a component-based system developed in-house, it becomes possible to customize it according to the characteristics of customer business types and business formats and maintain integration at an introduction stage. This makes it possible to achieve total optimization in a short time frame, contributing to optimizing investment for the informatization of the entire business group. The OBIC7 series has been installed by many companies since its launch in 1997 and has gained the top market share.



Business Structure



*Since the professional use package software services are carried out by an affiliate company, they are not included in any segment for services.

Overview of Operations

01

System Integration

System Integration Services

Supporting customers' business reform through the provision of information systems



Characteristics and Strength of the Services

Through our system integration services, we provide business consulting service for corporations, systems design, program development, and installation support, with a primary focus on the OBIC7 series, our flagship comprehensive corporate ERP software products.

OBIC has two major strengths related to these services.

The first is a one-stop solution. In the system development industry, it is common for a prime contractor to re-entrust services to multiple layers of companies such as subcontractors and sub-sub contractors. However, we perform all steps by our own employees without re-entrusting them, and strive to promote projects smoothly through prompt and appropriate communication with customer companies.

The second is our expertise in various industries and businesses. OBIC has been addressing the functional enhancement of products and services as well as the accumulation of know-how in human capital through doing business with companies in various industries and businesses for more than 50 years since its foundation. In projects of major and leading medium-sized enterprises, which are our main projects, we are required to satisfy various business requirements in line with the business practices of industries and businesses. The OBIC7 series has enjoyed a high reputation among our customers for its ability to cover a wider range of area than competitors' products in its standard conditions as well as for its usability that allows users to reduce the burden of customized development as much as possible while securing the quality and rapid operations, all of which are the product of our years of effort to enhance the functions of the OBIC7 series according to the needs of each industry and business.

Principal products and services



OBIC7 Series



OBIC Cloud Academy

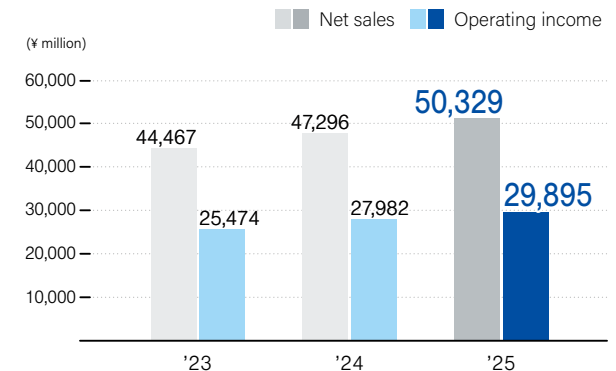
Results and issues in the fiscal year ended March 31, 2025

In this fiscal year, our flagship products, the OBIC7 series of comprehensive corporate ERP software products, were appreciated by companies of various industries and businesses as an ERP system to manage information in an integrated manner. As a general tendency, we promoted the acquisition of new customers among major and leading medium-sized enterprises, as a result of which the sales of system building of the OBIC7 series with high added value remained strong.

We have conventionally promoted the expansion of market share, the accumulation of expertise, and the enhancement of proposal capabilities in the market of leading medium-sized enterprises. In recent years we have also been developing our business in the market of major enterprises. At the OBIC Cloud Academy, our training facility, which we use to introduce the example of system introduction and the effects of their introduction to our client companies according to their business type, we held seminars about how to respond to legal changes including the introduction of the invoice system, lecture meeting for our users, and other events with various contents, which were attended by many visitors.

We will continue to address the expansion of our market share in the market of major enterprises by improving our added-value proposal capabilities and productivity.

Net Sales/Operating Income



Overview of Operations

02

System Support

System Support Services

Continuing to support information systems growing with the development of companies into the future



Characteristics and Strength of the Services

Our system support services include operation support after the beginning of system operation, maintenance, the measurement of the effect of system utilization, etc. OBIC has three major strengths related to these services.

The first is reliable operation and quick recovery. Nowadays, there are a lot of client companies using our system in their in-house private cloud environment, which has a higher level of hardware redundancy than a conventional on-premise environment and realizes reliable operation. In addition, since supporting applications and an infrastructure in-house in an integrated manner enables us to clearly identify a cause in case of failure and allows quicker recovery than the case where multiple vendors provide support, which is highly evaluated.

The second is a high level of security. Since our flagship products, the OBIC7 series of comprehensive corporate ERP software products, are core systems that handle highly confidential information assets related to management, they need to satisfy requirements of high-level security. Our OBIC7 Cloud is adopted by large financial institutions with strict security requirements, and has been introduced by many major and leading medium-sized enterprises.

The third is our continuous proposal activities. Our sales and SE staff engage in continuous proposal activities such as by measuring the effect of system utilization even after system installation, through which we work to build lasting relationships with customers.

Principal products and services



Information system operation support



Cloud solutions

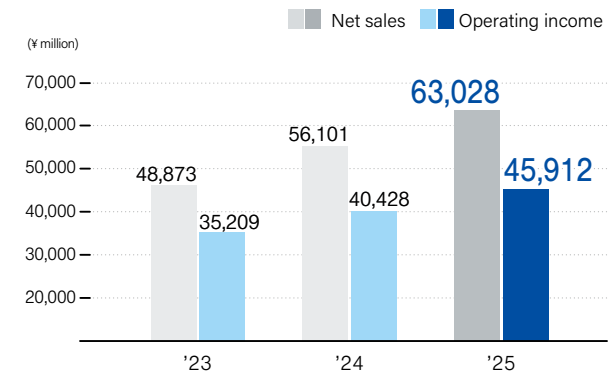
Results and issues in the fiscal year ended March 31, 2025

In this fiscal year, our services for software and hardware operation support, maintenance, etc. showed a favorable trend, with a primary focus on cloud solutions.

OBIC aims to achieve total cloud migration by using the OBIC7 series in fiscal 2025, and cloud introduction ratio has increased by four points from the beginning of the current fiscal year, rising up to 92%. Since it is not necessary for SE staff to go to client companies for system support, employee productivity is also improving.

In order to continue to respond to high demand from the market of major and leading medium-sized enterprises, we will work on the improvement of the support system and service quality as well as the further enhancement of cloud service by making cloud-related prior investments actively.

Net Sales/Operating Income



Overview of Operations

03

Office Automation

Office Automation Services

Aiming at the creation of
ideal office environment and
operational improvement



Characteristics and Strength of the Services

Our office automation services include the provision of system hardware to SMEs, and sales of office supplies, office furniture, etc.

OBIC has two major strengths related to these services.

The first is our group-integrated support system. Our flagship products, the Bugyo series of ERP package products for SMEs are ones developed by OBIC Business Consultant Co., Ltd.(OBC), our equity method affiliate company, which are highly evaluated because the OBIC Group can respond to system construction and provide support after installation in an integrated manner.

The second is our total office solution service. We provide adequate solutions to complex issues that can occur in an office such as the improvement of operation efficiency and work environment. We not only select software, hardware, security devices, etc. used in an office, but also propose optimum products and services including related office supplies and office furniture out of the options offered by a wide range of manufacturers. Our know-how that enables to provide such services is highly evaluated by SMEs.

Principal products and services



Bugyo Series

Hardware, and network
and security devices

Office supplies



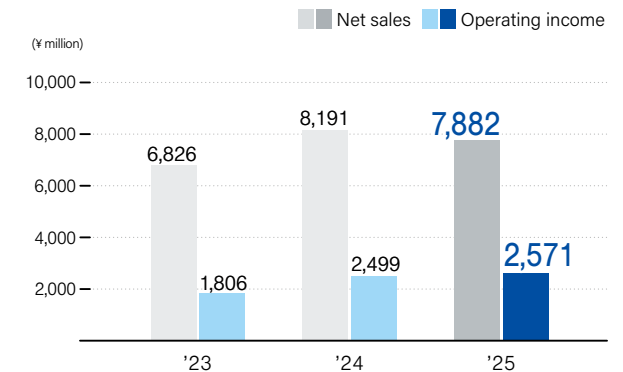
Office design

Results and issues in the fiscal year
ended March 31, 2025

This year as well, driven by the growing digitalization needs of small and medium-sized enterprises, sales of highly profitable cloud products increased and remained steady.

We will continue to address the expansion of the share of the market targeting SMEs by maximizing the synergistic effect of the OBIC Group and promoting the improvement of operation efficiency of SMEs.

Net Sales/Operating Income



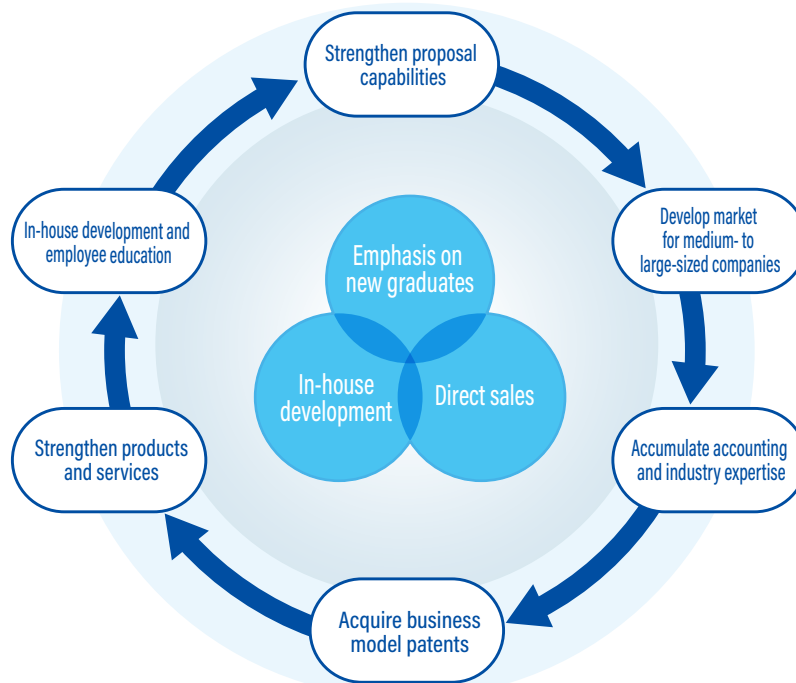
Initiatives to Enhance Intellectual Capital

Patent Strategy

OBIC, which has provided solutions to customers through in-house development and direct sales activities over many years, has accumulated a wealth of expertise of various industries and businesses. To visualize and increase the added value of this expertise leading to differentiation from the competition and bolstering of knowledge intensive business, the Company has been working for over two decades on acquiring business model patents.

Business model patents are patents that are granted for frameworks that utilize systems and other devices to solve business issues. We believe our strength in providing integrated in-house services for customers ranging from consulting to business process improvement proposals, systems design, and support after installation is reflected in the number of these patents that we have acquired.

Process for Accumulating Intellectual Property

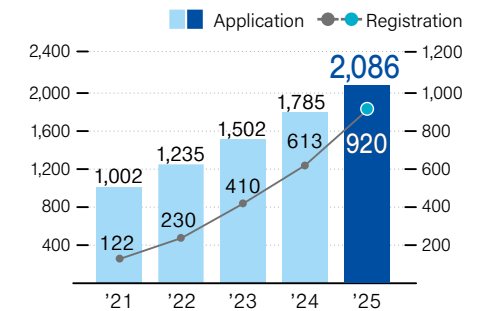


Patent Acquisition Framework

OBIC's patent strategy emphasizes acquiring patents linked to management strategy. We are working to acquire patents that are valuable to customers by incorporating the process of acquiring business model patents within various sales, marketing, and development strategy processes, such as strengthening products and services in line with marketing for industries and businesses, and employee education. In promoting patent acquisition, we have established promotion teams in each business division, centered on the Intellectual Property Strategy Promotion Department within the Solutions Business Division headed by the President and COO, and are working company-wide on these activities. As of the end of March 2025, the cumulative number of our business model patent

applications and registrations exceeded approximately 2,000, which is a high level even in the IT sector. Going forward, we will keep endeavoring to provide services that offer even higher added value and contribute to a sustainable society by actively using patented technology and encouraging constant innovation by employees.

Total Number of Patent Applications and Registrations



External Evaluations

Number of Registered Business Method Patents (Registered in 2024): 3rd place

As an external evaluation of our intellectual property activities, we were ranked third in the number of business method patents registered in Japan, according to the statistical data in the 2025 edition of the Annual Report on Patent Administration.

Please scan the QR code to visit a reference website.

2025 Edition of the Annual Report on Patent Administration



Receives the FY2024 Intellectual Property Achievement Award from the Commissioner of the Japan Patent Office

The "Intellectual Property Achievement Award" is an annual commendation by the Patent Office under the Economy, Trade and Industry Ministry for companies and others that have made effective use of the intellectual property rights system and contributed to its smooth operation and development. Our company was recognized as a good-standing company utilizing the intellectual property rights system, with our intellectual property activities in the field of patents being highly evaluated.

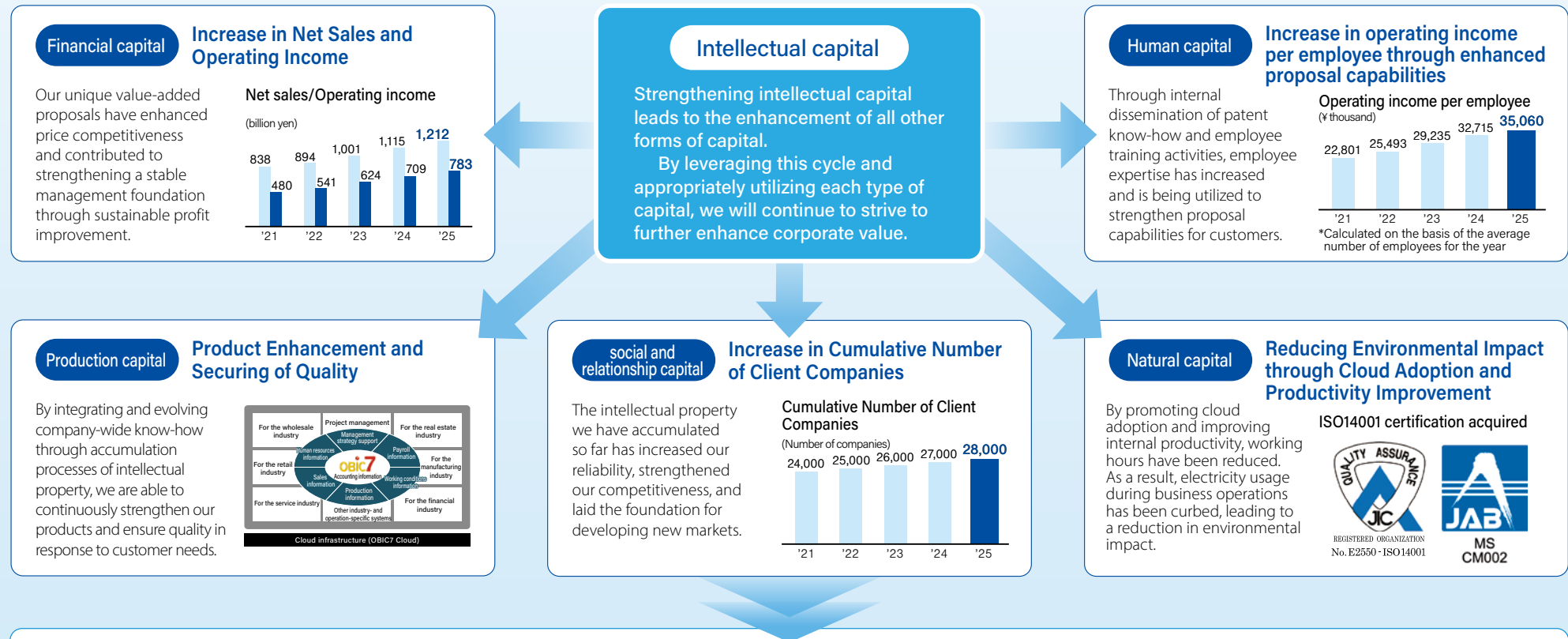
Please scan the QR code to visit a reference website.

FY2024 Intellectual Property Achievement Award



Initiatives to Enhance Intellectual Capital

Relationship between Intellectual Capital and Other Capitals and Patent Case Studies



Management Effects through Patent Strategy

Case Study 1 Virtual Multi-Axis Analysis Function (Patent No. 6974953)

Details Enables profit and loss analysis not only by actual organizations and segments, but also by virtual organizations and arbitrary segments.

Effect Supports decision-making for business planning and sales strategies, such as store/product analysis and area/business analysis.

We are constantly pursuing technological innovation and aim to enhance corporate value by providing optimal solutions to our customers.

Products and services utilizing business model patents are contributing to solving our customers' challenges.

Case Study 2 Lifetime Profit and Loss Management by Machine (Patent No. 6966210)

Details Aggregates sales and cost information for complex operations from manufacturing to maintenance, enabling understanding of lifetime revenue and expenditure by machine.

Effect Supports revenue management and future investment decisions for companies engaged in complex businesses.

Case Study 3 FC Deployment Royalty Calculation (Patent No. 6830781)

Details Enables calculation of store royalties or outsourcing fees and automatic journal entries according to contract type.

Effect Simplifies administrative processes that increase in proportion to the number of FC stores, supporting the acceleration of further store expansion while controlling personnel costs.

Base for Supporting Value Creation

Toward Sustainable Growth through Valuable Innovation

We continuously innovate to contribute to our customers' growth over the medium to long term —

Since our founding, we have consistently focused on human capital development and strengthening our products and services.

We believe that sustainable growth lies ahead as we continue to hone our unique strengths and enhance added value.

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Innovation is born from communication between people. By learning from a variety of stakeholders, including our customers, and fostering a flat and open organizational culture where employees challenge each other, we will continue to provide new value to our customers.



Initiatives for Human Capital

Human Capital

Under the Company's management philosophy of "Company growth starts with employee growth" and "Innovation -Destruction and Creation-," we strive to address the recruitment and development of human capital and the creation of pleasant working environment.



Creation and Development of Human Capital

Since its foundation, OBIC has emphasized the view that company growth starts with employee growth. By taking the time to really cultivate the attributes of new graduate employees from medium- to long-term perspectives without being restrained by stereotypical frameworks such as membership-type and job-type employment models, we are working to bolster our organizational capabilities by fostering our corporate culture, while enhancing individual employees' expertise.

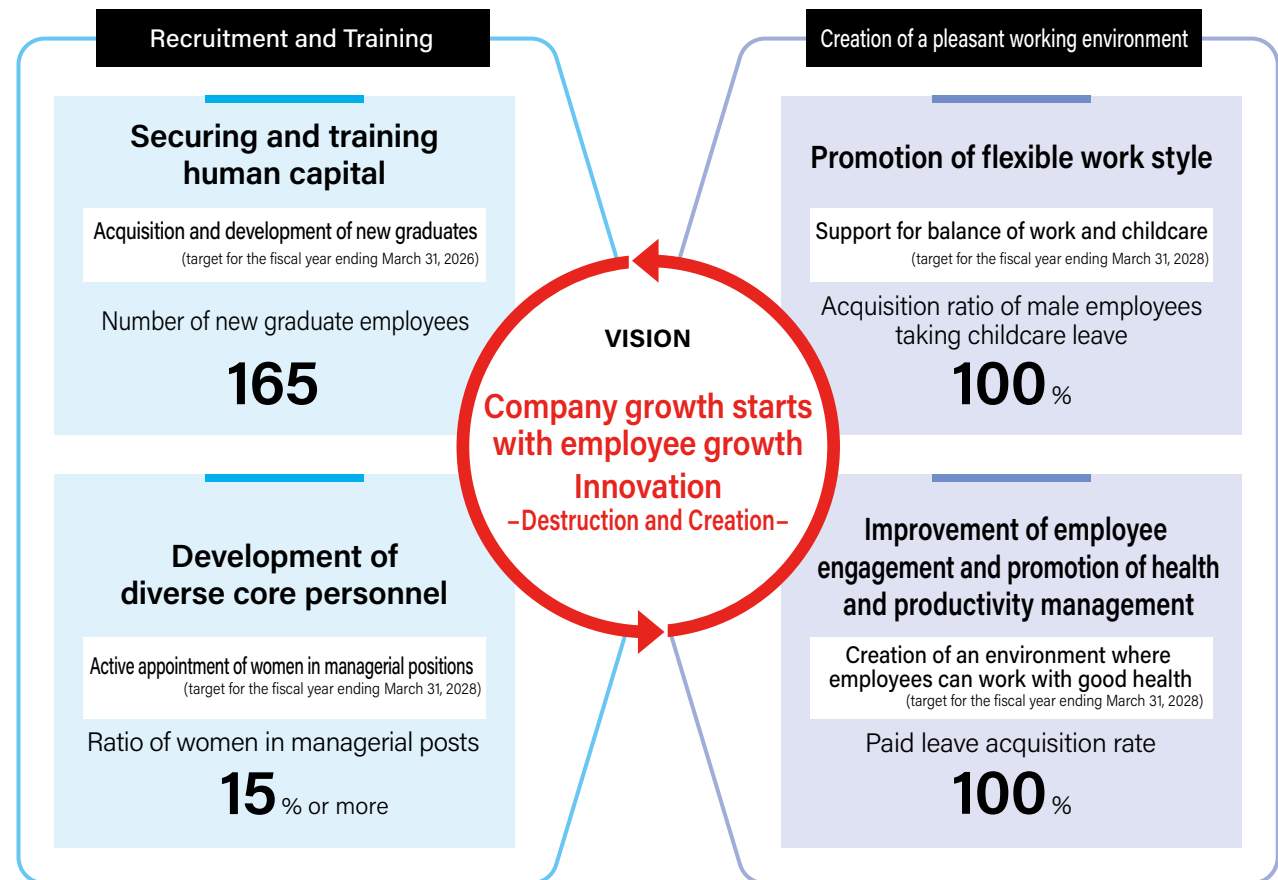
Priority Issues and Priority Measures

Priority Issues

- Securing and training human capital
- Ensuring diversity through employee growth
- Realization of employee work-life balance

Priority Measures

- Active recruitment of new graduates
- Promotion of the development of digital human capital
- Development of next-generation executive managers
- Creation of a system that enables everyone to work with vigor and enthusiasm
- Implementation of employee engagement surveys
- Initiatives for Health and Productivity Management



Initiatives for Human Capital

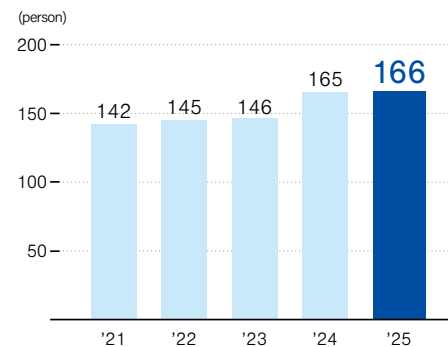
Securing and training human capital

Securing human capital

■ Emphasis on new graduates

OBIC recruits only new graduates as employees. Believing that employees' ability to make proposals, communication skills, and other human skills are crucial to exploring and finding the best solutions for customers' business issues, we invest considerable time in developing such human capital. Being strongly committed to recruiting new graduates as employees, OBIC fosters such new graduates from the very beginning of their professional careers, and works to rigorously develop and motivate human capital.

Change in the number of new graduate employees



■ What We Are Looking for in Employees

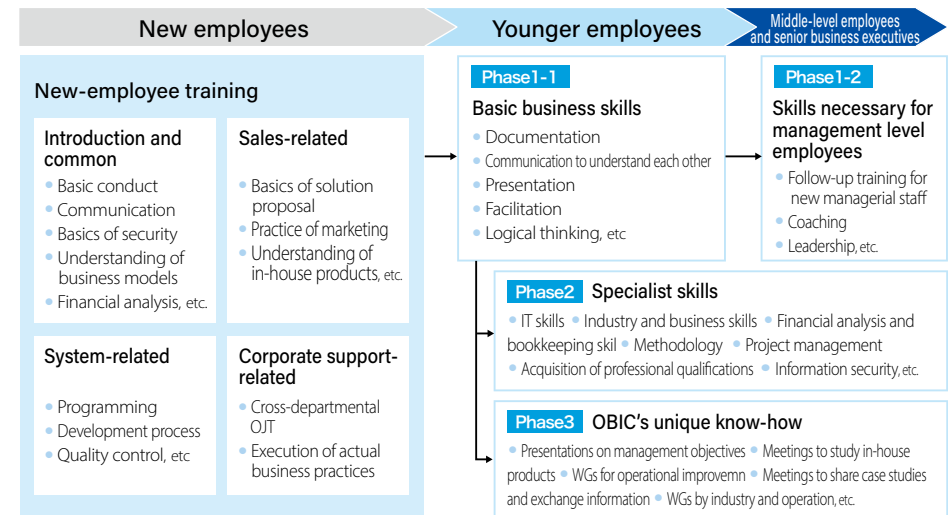
Guided by our philosophy of “contributing to the growth of Japan’s economy and society,” we wish to contribute to corporate and social development by solving our corporate clients’ management issues and contributing to sustainable growth. To continue to address the diverse array of issues faced by our customers as their management partners, we believe it is important to have unconventional flexibility and playful ideas as well as a drive to contribute to society without being bound by precedents or past successes. Those are the ideal characteristics of people we are looking to hire.



2025 New Employee Ceremony

Human capital development

Training Flowchart



■ New-employee training

At the new employee training, participants learn about basic conduct including compliance and business manners, as well as basic knowledge on our business models at the common training for all new employees regardless of their job type. Then, they go to the next step and get training according to their job type, where they acquire knowledge necessary to individual job. We provide employee education based on our self-sufficiency policy, and we hold about six-month group training session for new employees, where about 200 employees serve as instructors and pass on OBIC's unique knowledge and know-how to new employees.

After assigning them to individual departments, we richly provide training programs and programs to support certification acquisition that will help them improve capabilities to young employees, middle-level employee, and senior business executives according to their characteristics. Such programs include ones related to basic business skills, specialist skills, and OBIC's unique expertise.

In addition, we provide training programs to acquire skills necessary for management level employees to middle- and higher-ranked employees to promote the development of next-generation executive managers.

Initiatives for Human Capital

Human capital development

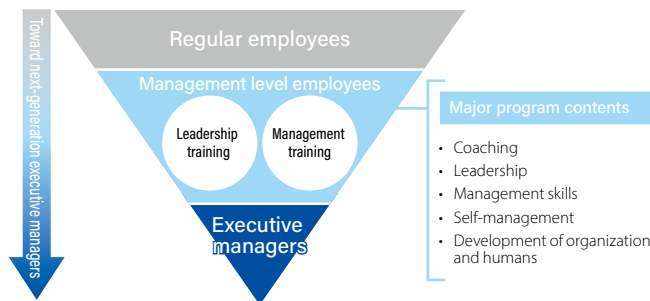
Phase 1

Development of next-generation executive managers

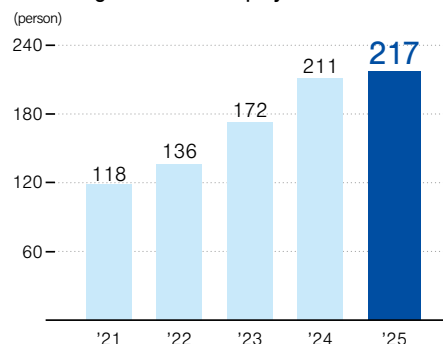
-Upskilling programs for management level employees-

OBIC provides opportunities for learning leadership skills, coaching skills, etc. through various training programs for management level employees and those ranked higher, working to develop next-generation executive managers who will support employees.

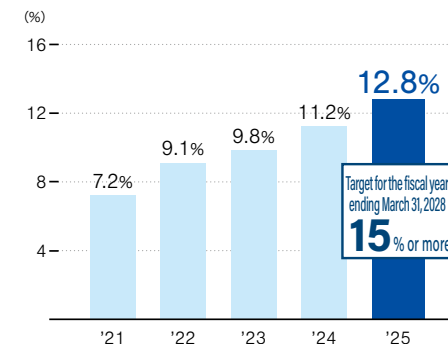
At the same time, in an effort to increase the diversity of core personnel, we actively promote the appointment to managerial positions focusing on the management abilities and attributes of individual employees. Going forward, with the aim of achieving a ratio of women in managerial posts of 15% or more, we will work to continually provide growth opportunities to employees.



Number of participants in upskilling programs for management level employees



Ratio of women in managerial posts



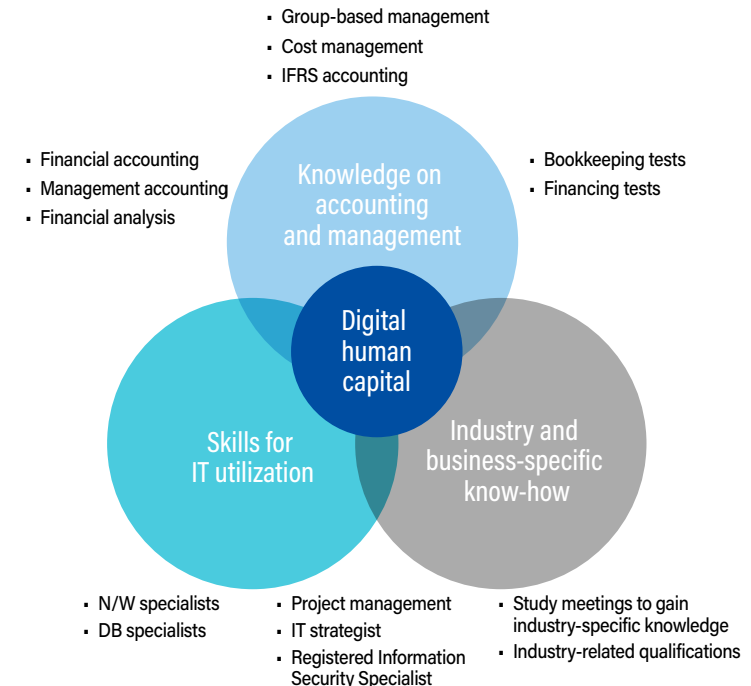
Phase 2

Development of digital human capital

-Programs for improving basic business skills and specialist skills-

To support our customers' sustainable growth, it is necessary to develop digital human capital who have knowledge on accounting and management, extensive knowledge on business operations, and industry-specific know-how, in addition to skills for IT utilization. Under our robust education and training system, all employees work to improve a diverse range of knowledge and skills in accounting and other areas, regardless of their type of job.

We also support employees' learning by providing assistance for obtaining certifications, paying certification allowances, and working on online education.



Initiatives for Human Capital

Human capital development

Phase
3

Strengthening added value proposal capabilities

-Unique know-how enhancement program-

Since shortly after our founding, we have held "Presentations on management objectives" at the beginning of each fiscal year. All employees, including new hires, participate to share annual goals and activity policies, unifying direction and enabling each person to tackle their work.



At the 2025 presentations on management objectives

In addition to the vertical organization that manages operations, we have formed cross-functional virtual organizations (workings) where young, mid-career, and executive employees can freely participate according to purpose. The number of workings exceeds 100, with almost all employees participating.

Through the process of employees with diverse backgrounds sharing know-how, planning marketing strategies, exchanging industry information, and holding study sessions to improve skills, our ability to propose added value is fostered, leading to strengthened competitive advantage.

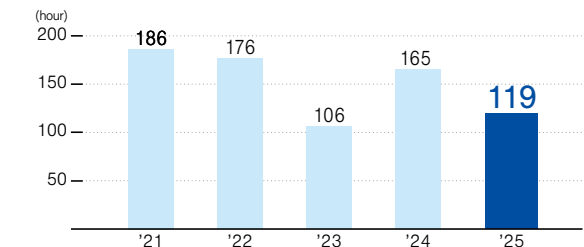
	Tokyo Metropolitan Area	Kansai	Chubu	Kyushu
Industry-related	Chemicals Steel Machinery Construction Work Logistics Food Services Real estate Finance etc.			
Business-related	Accounting Human Resources Payroll Employment Cloud etc.			
Activity-related	Intellectual Property Quality Improvement Diversity etc.			

Providing learning opportunities suited to work styles

As for training formats, we offer online training tailored to various areas of study and participants, in addition to in-person training, so that all sorts of employees can work to improve their abilities in a flexible manner without limiting themselves to their working styles.

Moreover, all employees participate in presentations on management objectives that have been held since our founding, in addition to other seminars, which leads to the creation of innovations every year.

Average training hours per employee



人的資本経営品質2024

OBIC was selected for Human Capital Management Quality 2024 (GOLD) as a good-standing company working on human capital management and information disclosure.

Going forward, as a leading company for its approach to human capital management and information disclosure, OBIC will continue to address sustainable corporate growth by achieving a good balance between the improvement of individual employees' expertise and the enhancement of organizational capabilities by fostering our corporate culture.

Initiatives for Human Capital

Promotion of flexible work style

Creation of a system that enables everyone to work with vigor and enthusiasm

We believe that individual employee growth combined with greater diversity creates a synergistic effect. To that end, we encourage employees to hone their respective skills and know-how and build on their individuality in an open corporate culture that emphasizes communication.

In addition, we promote flexible work styles so that all employees in various circumstances can use their abilities to the fullest, and have successful long-term careers. For instance, we offer paid holidays that can be used in one-hour increments, shortened working hours for employees raising children until their children finish the sixth grade of elementary school, staggered working hours, and working from home.

Recently, we have set a 100% paternity leave acquisition rate among male employees as a key indicator, while also supporting the balance of work and caregiving. We will continue to work to increase growth opportunities for employees.

Major initiatives

- Paid holidays that can be used in one-hour increments
- Shortened working hours (available to employees raising children until their children finish the sixth grade of elementary school)
- Introduction of a staggered shift system
- Introduction of telework
- Acquisition of male employees taking childcare leave, etc.



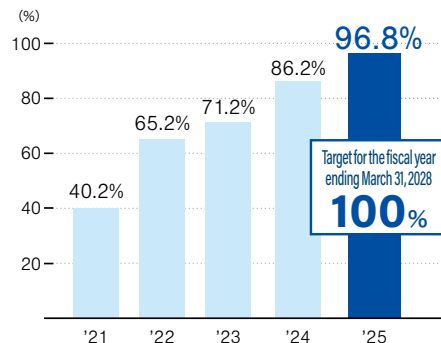
Platinum Kurumin certification

Platinum Kurumin certification is granted from the Minister of Health, Labour and Welfare to companies that have implemented initiatives at a particularly high level among the companies that have formulated and submitted action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children and received Kurumin certification as companies supporting childcare and satisfying certain requirements.

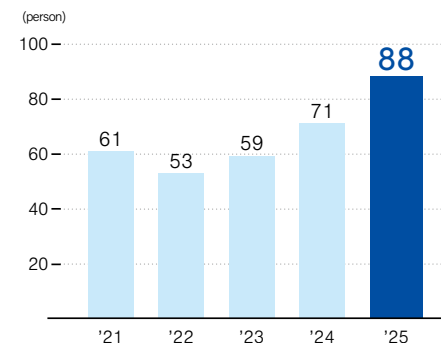
In 2024, Platinum Kurumin certification was given to OBIC in recognition of the ratio of female employees' returning to work, their retention rate after maternity leave and childcare leave, and the acquisition ratio of male employees taking childcare leave satisfying accreditation criteria as well as its various initiatives for supporting the career development of employees rearing children.



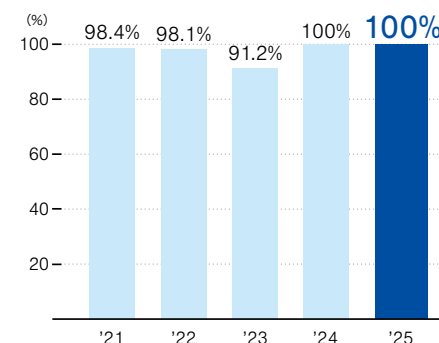
Acquisition Ratio of Male Employees Taking Childcare Leave



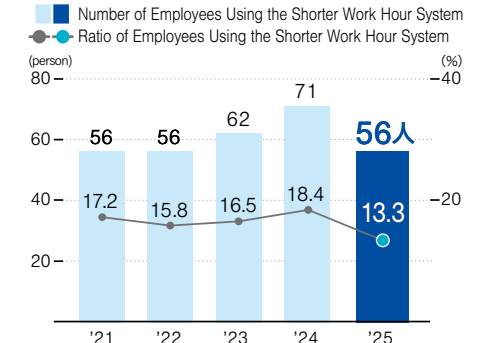
Number of Employees Acquiring Childcare Leave



Ratio of Employees Returning to Work after Childcare Leave



Number and Ratio of Employees Using the Shorter Work Hour System



*The ratio of employees using the shorter work hour system is calculated for female employees only.

Initiatives for Human Capital

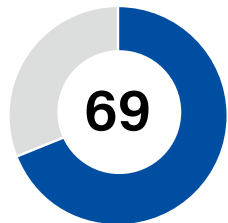
Improvement of employee engagement and promotion of health and productivity management

Implementation of employee engagement surveys

In efforts to visualize the status of organizations and individuals and foster the climate to promote organizational activation by all employees, we implement employee engagement surveys. For the survey, we use the engagement measurement tool “wevox” provided by Atræ, Inc., and measure all employees of our company twice a month. The results of organization-based engagement score are made available to employees on the portal website of wevox, which are used for the planning and formulation of activities, and individual personnel management services toward the improvement of employee engagement within a workplace.

Going forward, by continuously monitoring weekly score results, we will work to establish a system that can grasp the conditions of organizations and individuals promptly, and properly carry out the management of human capital and organizations.

Overall score of OBIC

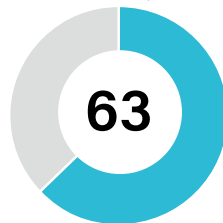


*As of April 2025

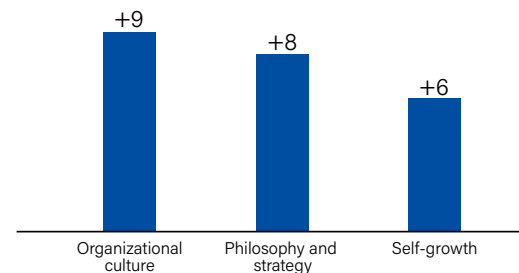
*The score is calculated for the regular and contract employees of OBIC alone (non-consolidated).

Average score of Slers and commissioned development companies

*Reference data on other companies



Top 3 items with higher scores compared to industry peers



Initiatives toward the improvement of employee engagement

Christmas cakes

It has been our annual event to give a whole Christmas cake to all employees at Christmas to express our continuing gratitude.



OBIC Family Sports Festival

We hold the OBIC Family Sports Festival participated by employees and their family members every year throughout Japan.



One-on-one meetings

Employees have interviews with their supervisors several times a year, in which the achievement of individual employees' activity targets they set at the start of the fiscal year is confirmed, and that information is utilized in assigning the right people to the right jobs.

Feedback system

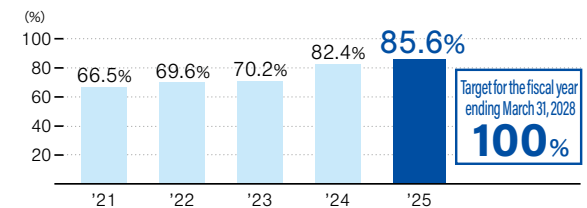
This system allows employees to obtain feedback not only from members in the same workplace or their project members but also from those in other departments who are related to them in work, through which we aim to accelerate our employees' growth and improve their motivation.

Initiatives for Health and Productivity Management

We have worked hard to maintain and improve the health of our employees based on the principle of family (an emphasis on new graduates) which we have cultivated since the early days of our foundation in 1968. We are considering and implementing cross-organizational measures extending from main departments to the work-life balance promotion team, centered on our goal of creating environments where employees can work with good health and grow.

As indicators of health and productivity management, we established a paid leave acquisition ratio of 100%, and have been seeing improvements every fiscal year through the encouragement of periodically taking leave and the introduction of a cool-down break. In recognition of these initiatives, we have been continually certified as a Health & Productivity Management Outstanding Organization since 2021.

Paid Leave Acquisition Rate per Employee



OBIC was designated as a “Health & Productivity Management Outstanding Organization 2025” by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. Based on the belief that employees constantly innovating and fully leveraging their abilities ends up supporting customers' sustainable growth, OBIC will continue striving to create environments where employees can work with good health and grow.

Initiatives for Society

Social

Taking responsibility as a company that supplies IT services that have become an integral part of social infrastructure, we will provide services that guarantee a high level of information security and product quality.



Initiatives for Security

Responsibility for Information Security

OBIC provides comprehensive integration services to conduct system analysis and consultation for client companies as well as system support services for hardware maintenance and system operations. We recognize that the information assets of customers and the Company to be handled by us in the course of these services are a critical component of our management foundation. To protect these information assets from various security risks, we have established a basic policy, and implement and promote it.

Please scan the QR code to visit a reference website.

Information Security Basic Policy



ISO/IEC27001(ISMS)

We recognize that the information assets of both the Company and the customers that we serve are a critical component of our management foundation.

We hold information security seminars for all employees several times a year and work to improve employees' knowledge about security. In addition, to protect these information assets from various security risks, we acquired Information Security Management System (ISMS) certification in 2007, and have since then expanded the scope of acquisition. Furthermore, an audit is conducted each year by an independent third party for obtaining and maintaining ISMS certification.

We have secured appropriate measures against risks involving information security under the director in charge of information security.



Scope of registration
System analysis, design, development, maintenance, operation, and services ordered by customers, design and development of integrated package software, and installation and support services, incorporated business units (Tokyo Headquarters, Tokyo Headquarters Kyobashi Edogrand, Osaka Headquarters, Yokohama Branch, Nagoya Branch, Kyoto Branch, Fukuoka Branch, and East Japan Data Center No. 2)



Development of Security Human Capital

We are also concentrating on measures to combat the recent surge in cyberattacks. We have established a dedicated security team in-house, drawn up security rules, and monitor quality. In addition, we enlist several external firms specializing in security to perform periodic vulnerability assessments, and OBIC7 and our cloud services are highly commended.

To develop security personnel, we encourage employees to acquire the national cybersecurity certification of Registered Information Security Specialist. At present, between 10 and 20 of our employees are registered as holding this certification and keeping it up to date.

We will spare no effort in ensuring security so that customers will feel comfortable entrusting us with installing and operating their systems.



Registered
Information
Security
Specialist

Policy on Personal Information Protection

We deeply understand that it is our social responsibility as a company to appropriately handle our clients' personal information, and work to protect personal information based on the personal information protection policy we have established.

Please scan the QR code to visit a reference website.

Policy on Personal
Information Protection



Initiatives for Society

Initiatives for Products and Service

Quality Responsibility

OBIC believes that providing high-quality products and services is crucial for achieving rapid installation and reliable operation. We have set a target of increasing the number of employees who have obtained a qualification for the basic level of SE to about 10% of all employees for the next couple of years by selecting leaders for quality improvement and the enhancement of development efficiency mainly from among persons with qualifications to hold study meetings conducted by such selected members. In addition, by considering the development of an in-house recognition system to promote qualification acquisition as well as utilizing technological capability for software tests in the entire project, we will address continuous initiatives aiming to realize early system startup and reliable operations at a high level of quality.

SOC1 and SOC2 Type 2 Report

We have obtained SOC1 Type 2 Report on internal controls related to contracted business in compliance with the U.S. standard AT-C Section 320 (SSAE No. 18) as well as SOC2 Type 2 Report on internal controls related to Trust service standards (among security standards) in compliance with the U.S. standards AT-C Section 105 and AT-C Section 205 (SSAE No. 18) and SOC2 Trust Service Criteria (Security).

OBIC is capable of providing highly transparent and highly trustworthy cloud services to its client companies, along with reducing the burden of audits of financial statements, audits of internal controls and other such processes, and has received objective evaluations of its response to information security risks.



OBIC Cloud Academy, a Training Facility for Customers

The OBIC Cloud Academy serves as a venue for concentrated testing by our customers and meetings to explain operations, as well as for planning the rollout of solutions in dedicated cloud service environments prepared for each customer. The OBIC Cloud Academy is available at all of the Company's bases across Japan, and we are considering various ways to use it as part of our services to assist customers' business continuation.



OBIC Cloud Academy

Cloud Services

All of the many solutions provided by OBIC are available as cloud services. We build dedicated environments for each customer in our in-house cloud center, which dramatically reduces their maintenance and upgrade work, while ensuring advanced security and rapid deployment of reliable operations. Our cloud services help our corporate customers optimize their groupwide operations, organizations and work styles by strengthening internal controls and enabling remote work. We also promptly respond to rapid changes in the business environment.



Cloud center

First ERP Vendor in the Country! Certified as JSTQB "Platinum Partner"

OBIC recognizes that providing high-quality products and services is important to achieve rapid installation and reliable operation. To realize high quality through the improvement of technological capability for software tests, we encourage employees to study for the JSTQB software testing qualification, and have acquired certification as a Platinum Partner, the highest rank in Japan.



About the JSTQB Partner Program

JSTQB is an organization that awards certification to individuals demonstrating basic software testing knowledge and testing abilities that are appropriate for actual business operations. It holds exams for basic and advanced level qualifications and designates partners based on the number of employees at the partner organization who hold these qualifications.

Initiatives for Society

Initiatives to Support Sports and Culture

OBIC Seagulls

American football requires level-headed insight, in-depth strategy and team-oriented tactics. These attributes have a lot in common with OBIC's approach to business, which involves working closely together with companies to help transform their businesses through information systems. OBIC has sponsored the OBIC Seagulls since 2003. The team is part of the National Football Association (commonly known as the X League) and won the American Football Japan Championship, Rice Bowl 74, in 2021, achieving the feat of winning for the eighth time overall.

The OBIC Seagulls are based in Narashino, Chiba Prefecture, and interact with the community and conduct activities to popularize American football. The team strives to contribute to society through sports through continuous participation in various events such as putting on performances at a community marathon and teaching elementary and junior high school students about the fun of American football in sports classes. Going forward, the team continues to be grateful to all for their support and will continue striving to be loved by many people.



In 2021, won the top league championship for the eighth time, and first time in seven years



A community interaction marathon with Seagulls players



Community interaction with Seagulls players

OBIC Special Concerts

OBIC has held the "OBIC Special Concert" series every year in Tokyo, Nagoya, Osaka and Fukuoka since the first concert was held in 1999. It is a popular series of concerts featuring accessible and authentic classical music. Fabulous performances are given by a first-rate orchestra under the passionate direction of Mr. Ken-Ichiro Kobayashi, who is known as a "fiery maestro." Concert halls are filled to capacity with audiences who are captivated by these musical performances.



OBIC Special Concert 2024 ©Taira Tairadate



Mr. Ken-Ichiro Kobayashi

Golf (Professional Golfer Isao Aoki at Mobara Country Club)

OBIC has long sought to help promote the sport of golf in various ways through Japanese professional golfer Isao Aoki. Since signing an agreement to appear in an OBIC TV commercial in 1982, Mr. Aoki has served as the public face for OBIC while continuing to lead an impressive career on the golf course. Mr. Aoki was inducted into the World Golf Hall of Fame in 2004, and was designated a Person of Cultural Merit in 2024.



Mobara Country Club



Club pro Isao Aoki

Initiatives for Environment

Environment

OBIC recognizes the gravity of its social responsibility to conduct its operations in an environmentally friendly manner. Accordingly, OBIC will drive innovation in various technologies and improve management efficiency to help realize a society balancing environmental preservation and sustainable corporate growth.

Information Disclosure Based on the TCFD Recommendations



Governance

We have established the Sustainability Promotion Committee that works under the direct supervision of the President and COO. The President and COO has also been designated as the person ultimately responsible for climate-related issues and receives daily reports from committee members regarding changes in the external environment and other issues concerning climate change, progress made on meeting the Company's targets, and proposals for new initiatives. If necessary, these reports and other information are shared with the Board of Directors and other relevant parties.

Strategy

1.Risks

Risks	Transition	Regulatory	Increase in the cost of business due to the introduction of new environmental regulations, such as carbon taxes
		Legal	Litigation and halts in operation due to serious violations of environmental laws and regulations, etc.
		Reputational	Damage to the Company's reputation due to an inability to conform to greenhouse gas emission regulations or the like
	Physical risks		Impact on business operations or damage to Company facilities, etc. due to a major natural disaster caused by climate change

2.Opportunities

Opportunities	Products and services	Increased demand for services through cloud centers that offer advanced environmental performance due to a growing need to reduce greenhouse gas emissions
	Resource efficiency	Reductions in operational costs accompanying more efficient use of energy, such as electricity
	Resilience	Increased demand for secure cloud centers that ensure business continuity in the event of a major natural disaster



3.Policy for Reduction of Greenhouse Gas Emissions

We recognize risks and opportunities in climate change, which are reflected in our policy to reduce greenhouse gas emissions and in our initiatives. With view to reducing the environmental impact of our Tokyo headquarters, we promoted a change to LED lighting for the entire building and a conversion to energy saving facilities, which have helped to reduce annual electricity consumption. Going forward, we will also gradually convert the electricity plans at offices in each location to the ones using renewable energy, thereby reducing CO₂ emissions on a continual basis.

Risks and Management

We conduct risk management through a committee and a risk management system. Each quarter, relevant departments compile climate-related data at the committee's request and this information is used by committee members for monitoring purposes, including to confirm the state of progress, conduct analysis, and identify issues. This ensures the continuous monitoring and management of risk.

Indicators and Targets

We have set the targets below for cutting greenhouse gas emissions (Scope 1 + 2*).



* Scope 1: Direct emissions from fuel consumption at Company facilities
 Scope 2: Indirect emissions from the use of electricity and heat at Company facilities

Initiatives for Environment

Climate Change Initiatives

Action Guidelines for Climate Change

1. We recognize the finite nature of resources and energy and strive to use them effectively.
2. We sufficiently consider the conservation and protection of the natural environment and biodiversity.
3. We strive to reduce environmental impact by providing cloud services to customers.
4. We promote work styles that do not require employees to commute or travel, such as working from home.
5. We act in compliance with environmental laws and regulations, regional ordinances and conventions, and agreements with stakeholders.
6. We work to improve environmental performance by building and operating an environmental management system, regularly evaluating the progress made on achieving targets, and continuously making improvements.

Environmental Targets

Effective use of the Company's environmental resources	Reduce CO ₂ emissions (reduce by 10% vs previous fiscal year)
	Reduce CO ₂ emissions per unit of net sales (reduce by 20% vs previous fiscal year)
	Waste recycling rate (65% or higher)
Enhance management resource efficiency at partner companies and safeguard business continuity	Provide cloud services (cloud utilization rate of at least 90%)
Provide flexible and diverse workplace environments	Develop remote working environments (environment completion rate: 100%)
Legal compliance	Comply with environmental laws and regulations (zero violations)

Environmental Performance Data

		2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2025/3	2030/3	2050/3
	Data item	Unit	Base year						Latest reporting year	Reduction rate (vs base year)	Reduction rate target (vs base year)	Reduction rate target (vs base year)
Fuel consumption	Kerosene	ℓ	38,700	36,600	36,200	0	0	30,040	38,240	41,040		
	Diesel	kL	0.06	0.16	0.05	0.08	0.06	0.05	0.06	0.09		
	LPG	t	1.63	1.67	1.73	0.00	0.00	1.64	1.69	1.77		
	City gas	1000 Nm ³	93	84	92	75	70	61	54	56		
	Heat consumption (steam, cold water)	GJ	1,081	1,583	1,853	1,839	3,376	2,864	4,041	4,293		
	Electricity consumption	MWh	4,771	4,695	4,525	4,392	4,175	3,936	3,473	3,474		
	Water usage*1	m ³	12,791	12,873	13,668	12,177	11,714	11,421	11,771	11,294		
Waste	General waste*1	t	119.4	120.8	117.3	96.0	105.2	120.8	77.3	70.6		
	General waste recycling rate	%	62.2	64.1	57.4	64.3	66.9	71.6	61.7	64.0		
	Industrial waste*1	t	29.0	64.2	29.6	29.6	17.1	22.5	15.5	12.7		
	Industrial waste recycling rate	%	100	100	100	100	100	100	100	100		
	Primary energy consumption*2	GJ	54,026	53,441	52,566	48,999	48,779	46,600	38,738	39,244	27.4%	
CO ₂ emissions	Scope1*3	t-CO ₂	307	282	300	166	156	217	218	230	25.1%	
	Scope2*3	t-CO ₂	2,374	2,283	2,157	1,971	1,970	1,469	1,179	1,204	49.3%	
	Scope1+2*3	t-CO ₂	2,681	2,565	2,457	2,137	2,126	1,686	1,397	1,434	46.5%	50%
	CO ₂ emissions per ¥1 million of net sales(Scope1+2)*4		0.040	0.035	0.031	0.025	0.024	0.017	0.013	0.012	70.5%	
	Scope3*3	t-CO ₂	-	-	-	-	-	20,998	28,323	27,151		

*1 Water usage and waste is calculated for the Tokyo headquarters. *2 The amount of energy converted from fossil fuels, nuclear fuels and natural energy such as hydropower and solar power. *3 Scope 1: Direct emissions from fuel consumption at Company facilities
Scope2: Indirect emissions from the use of electricity and heat at Company facilities
Scope 3: Indirect emissions from the other sources (supply chain emissions) *4 CO₂ emissions ÷ Consolidated net sales (¥ million)

Please scan the QR code to visit a reference website.

Environmental Performance Data



Environmental management system

ISO 14001 Certification

ISO14001 is an international standard for environmental management systems. It provides organizations with a framework for protecting the environment and responding to changing environmental conditions, while striking a balance with socioeconomic needs.

◀Scope▶ Tokyo Headquarters

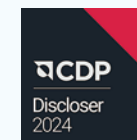
◀Services▶ System analysis, design, development, and maintenance services ordered by customers, design and development of integrated package software, and installation and support services



External Evaluations

Response to CDP Questionnaires

CDP climate change surveys target the world's top companies by market capitalization and investigate factors such as their activities to reduce greenhouse gas emissions and initiatives for mitigating climate change. We responded to the CDP questionnaire for fiscal 2024 and received a B rating.



Third-Party Assurance

We have obtained third-party assurance for CO₂ emissions from JIC Quality Assurance Ltd. (JICQA), an organization for third-party assurance. We will continue to work on highly reliable information disclosure.

Corporate Governance

Corporate Governance

OBIC recognizes that for the sustainable improvement of corporate value, it is extremely important to enhance business risk management and secure the transparency of corporate management.



System of Directors and Audit & Supervisory Board Members

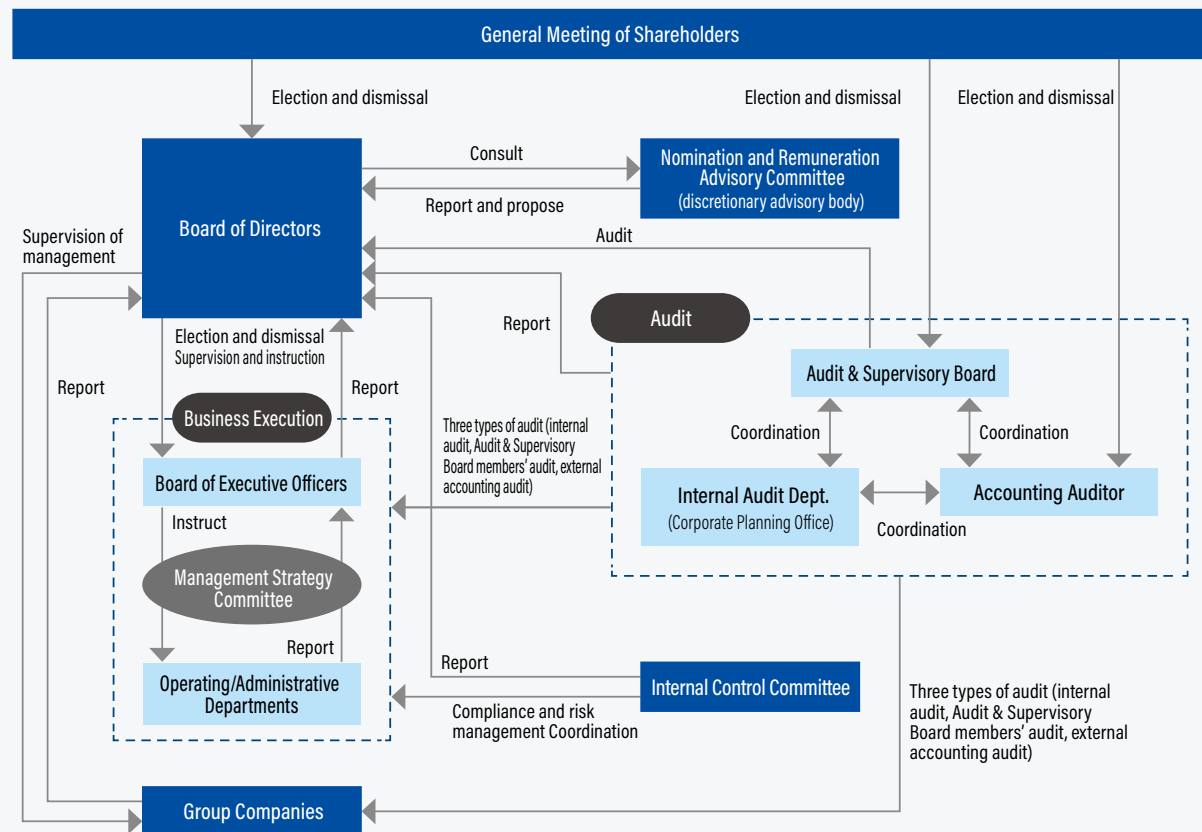
OBIC has built a corporate governance system that enlists the Board of Directors to serve as a managerial decision-making body, while also employing the Audit & Supervisory Board equipped with the managerial audit function, and an Executive Officer system to further strengthen the corporate structure.

The Board of Directors meets regularly once a month to deliberate on all important matters, and also discusses and explores countermeasures with respect to progress achieved in business performance.

The Company has 13 executive officers, who are not directors, in addition to four directors who concurrently serve as executive officers. Adoption of the Executive Officer system has culminated in a framework that separates the managerial decision-making and supervision functions from the business execution functions, which makes it possible to promptly address changes in the business environment. At management strategy meetings and other meetings held on the same day as the Board of Directors, reports on the current status of performance from each department are made, and after discussion, specific measures are decided.

The Audit & Supervisory Board consists of three members including two outside Audit & Supervisory Board members and serves to strengthen the management monitoring function. Its members conduct daily audits, attend important meetings including those of the Board of Directors, and provide advice and recommendations as appropriate. The Audit & Supervisory Board works smoothly, seeking to ensure objectivity and neutrality.

Outline of Corporate Governance Framework



Corporate Governance

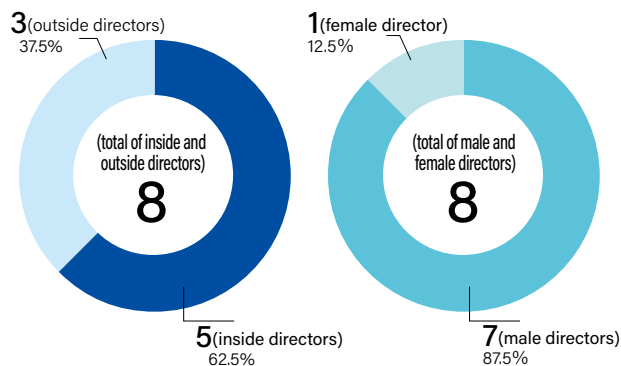
Board of Directors

Roles of the Board of Directors

At the beginning of a fiscal year, directors, executive officers, and persons responsible for individual departments have a constructive discussion on management objectives and management plans for the entire Company, and individual business units and departments of that fiscal year, and formulate them.

The Board of Directors receives reports from individuals who execute operations, including executive directors, executive officers, persons responsible for individual departments on the execution status and issues of business operations they are in charge of each quarter, and monitors business conditions. The Board of Directors points out improvements and makes remarks as necessary after examining the reports from the individuals who execute operations. In addition, the Board of Directors makes decisions over matters that are highly important and have an impact on corporate management, in addition to matters stipulated by the Board of Directors regulations as matters to be resolved by the Board of Directors, and those prescribed by laws and regulations, and the articles of incorporation. Also company rules are separately set, and the Board of Directors delegates decision-making authority to management personnel depending on the size and characteristics of transactions and operations.

Composition of the Board of Directors
(As of June 26, 2025)



Nomination and Remuneration Advisory Committee

With the aim of ensuring the sustainable improvement of corporate value and securing business transparency, the Nomination and Remuneration Advisory Committee has been established as a voluntary advisory body of the Board of Directors. This committee functions to improve the transparency and objectivity of the process related to the nomination of directors and candidates for Audit & Supervisory Board members as well as a decision on director remuneration, consisting of one inside director and two outside directors, in which the inside director serves as a chairperson and a president.

Status of the fiscal year ended March 31, 2025

Composition	Major roles and authorities
Inside director (chairperson) 2 outside directors	Submission of answers related to the adequacy of agenda items deliberated by the Board of Directors and the results of considerations ● Nomination of directors and candidates for Audit & Supervisory Board members ● Determination of director remuneration

Evaluating the Effectiveness of the Board of Directors

OBIC exchanges opinions about the effectiveness of the Board of Directors through individual consultations with outside officers. The Company held discussions at the Board of Directors based on the results of those consultations, and has determined that the effectiveness of the Board of Directors is largely secure.

Process of evaluation



Summaries of the evaluation results

- OBIC's Board of Directors is well balanced and comprised of members who understand the Company's management philosophy and policies and have a wide variety of experiences and knowledge. It aims to carry out appropriate decision-making and supervise the execution of operations.
- Free and active discussion as well as constructive exchange of opinions are conducted by all of the attending directors including outside directors.
- The Nomination and Remuneration Advisory Committee, which is a voluntary advisory body, also receives appropriate advice and proposals from outside directors, and works effectively.

Corporate Governance

Officer Remuneration

Details of Officer Remuneration

Category	Type of remuneration	Eligibility	Limit
Directors	Basic remuneration (monthly fixed remuneration)	Inside and outside	Capped at ¥1,000 million annually (including no more than ¥90 million for outside directors)
	Bonuses (performance-linked remuneration)	Inside	Up to 0.5% of net income or ¥400 million annually
	Shares with restrictions on transfer	Inside	Up to ¥600 million annually
Audit & Supervisory Board members	Basic remuneration (monthly fixed remuneration)	Inside and outside	Up to ¥30 million annually

Director remuneration is comprised of monetary compensation as basic remuneration (monthly fixed remuneration) and bonuses (performance-linked remuneration), and non-monetary compensation as restricted stock compensation. Bonuses in the form of performance-linked remuneration are paid at a fixed period every year with net income on a non-consolidated basis, which is the ultimate profit from execution of duties to which the directors make direct contributions, as the performance index, thereby increasing the directors' ambition to improve performance.

The rate of performance-linked remuneration is approximately 20 to 30% in the case of standard performance. OBIC's non-consolidated net income for the fiscal year ended March 31, 2025 was ¥59,699 million. Remuneration for Audit & Supervisory Board members is basic remuneration (monthly fixed remuneration) only.

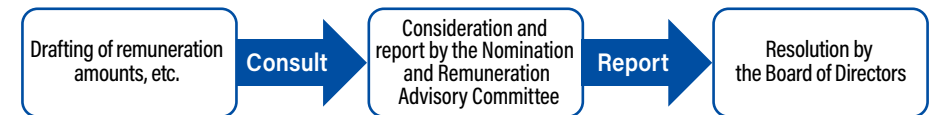
Total Remuneration, etc. for Each Officer Category (¥ million)

Category	Total amount of remuneration, etc.	Total amount of remuneration, etc. by type		
		Basic remuneration	Bonuses	Shares with restrictions on transfer
Directors (outside)	1,036 (51)	674 (51)	270 (—)	91 (—)
Audit & Supervisory Board members (outside)	24 (12)	24 (12)	— (—)	— (—)
Total (outside)	1,060 (63)	698 (63)	270 (—)	91 (—)

Process for Determining Officer Remuneration

Original proposals for the amount of remuneration are drafted based on an additive and subtractive formula within a range determined at the General Meeting of Shareholders after giving consideration to the Company's performance based on remuneration according to position in relation to the status of execution of each executive's duties. Based on the results of an inquiry to the Nomination and Remuneration Advisory Committee, which is a voluntary advisory body in which outside directors make up a majority of the members, a decision is made by the Board of Directors.

Remuneration for Audit & Supervisory Board members is basic remuneration (monthly fixed remuneration) only. The amounts of remuneration for Audit & Supervisory Board members are calculated per discussions among the Audit & Supervisory Board members within the range resolved by the General Meeting of Shareholders.



April 2024	The Nomination and Remuneration Advisory Committee considered details of officer bonuses for the fiscal year ended March 31, 2023, and the individual amounts to be paid for basic remuneration and for the shares with restrictions on transfer plan for directors for the fiscal year ending March 31, 2024. The committee resolved to report to the June 2023 meeting of the Board of Directors on the draft produced as a result of the consideration.
June 2024	A meeting of the Board of Directors following the Ordinary General Meeting of Shareholders received the report from the Nomination and Remuneration Advisory Committee and passed a resolution on the officer bonuses for the fiscal year ended March 31, 2023, and the individual amounts to be paid for basic remuneration and the shares with restrictions on transfer plan for directors in the fiscal year ending March 31, 2024.
March 2025	The Nomination and Remuneration Advisory Committee considered details of officer bonuses for the fiscal year ended March 31, 2024, and the individual amounts to be paid for basic remuneration and for the shares with restrictions on transfer plan for directors for the fiscal year ending March 31, 2025. The committee resolved to finalize the draft sometime after April 2024.
April 2025	The Nomination and Remuneration Advisory Committee considered details of officer bonuses for the fiscal year ended March 31, 2024, and the individual amounts to be paid for basic remuneration and for the shares with restrictions on transfer plan for directors for the fiscal year ending March 31, 2025. The committee resolved to report to the June 2024 meeting of the Board of Directors on the draft produced as a result of the consideration.
May 2025	The Nomination and Remuneration Advisory Committee considered future policies for granting restricted stock compensation.
June 2025	A meeting of the Board of Directors following the Ordinary General Meeting of Shareholders received the report from the Nomination and Remuneration Advisory Committee and passed a resolution on the officer bonuses for the fiscal year ended March 31, 2024, and the individual amounts to be paid for basic remuneration and the shares with restrictions on transfer plan for directors in the fiscal year ending March 31, 2025.

Corporate Governance

Introduction of Officers

System of Directors and Audit & Supervisory Board Members

Directors			
Chairman and CEO Masahiro Noda (Born on August 24, 1938)	President and COO (Chairman of the Board of Directors) Shoichi Tachibana (Born on April 26, 1961)	Managing Director General Manager of Kansai Business Div. Takao Fujimoto (Born on April 07, 1971)	Managing Director General Manager of Capital Area Business Div. Takeshi Okada (Born on July 01, 1981)
Director General Manager of Chubu Nagoya Business Div. Yuta Hanada (Born on October 21, 1982)	Outside Director Yasumasa Gomi (Born on February 8, 1943)	Outside Director Takashi Ejiri (Born on May 16, 1942)	Outside Director Mime Egami (Born on September 14, 1957)

Audit & Supervisory Board members		
Audit & Supervisory Board member(standing) Masatsugu Kanoutani (Born on December 31, 1968)	Audit & Supervisory Board member (part-time) Yasuo Tanaka (Born on December 12, 1973)	Audit & Supervisory Board member (part-time) Shigetsugu Yamada (Born on July 04, 1974)

Executive Officers (13) Excludes four directors serving concurrently as executive officers

Tomoyuki Kajjura	Managing Executive Officer	Administrator of Sales Promotion Div., Solutions Business Div.
Fumio Fukushima	Managing Executive Officer	Administrator of Marketing Promotion Div. and Development Div., Solutions Business Div.
Tomonori Anan	Executive Officer	Administrator of Accounting Div.
Kosuke Ishikawa	Executive Officer	Administrator of Human Resources Dept.
Toru Kanasugi	Executive Officer	Administrator of Purchasing Div.
Shinichi Furuya	Executive Officer	Administrator of Capital Area Business Dept. 1
Masakazu Hirose	Executive Officer	Administrator of Capital Area Business Dept. 2

Skill Set of System of Directors and Audit & Supervisory Board Members

Name	Business Execution	Skills					
		Corporate management	Innovation ~Destruction and Creation~	Business and industry experience	Accounting and finance	Legal	ESG
Masahiro Noda		●	●	●	●		
Shoichi Tachibana	●	●	●	●	●		●
Takao Fujimoto	●		●	●			
Takeshi Okada	●		●	●			
Yuta Hanada	●		●	●			
Yasumasa Gomi	Independent outside	●			●		●
Takashi Ejiri	Independent outside					●	●
Mime Egami	Independent outside Female		●				●
Masatsugu Kanoutani			●	●	●		
Yasuo Tanaka	Independent outside					●	●
Shigetsugu Yamada	Independent outside				●		●

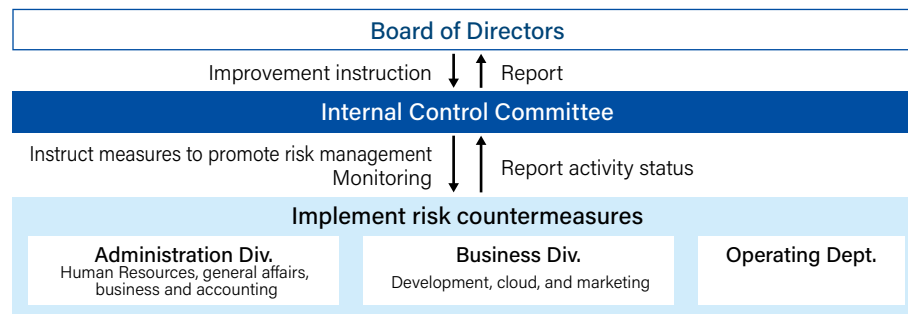
Corporate Governance

Risk Management

Risk Management System

Regarding the risk management system, we regularly review risks, and the internal control committee takes the lead in company-wide integrated management, ensuring thorough compliance in all business areas, preventing risks before they occur, and ensuring prompt response when they do.

Organizational Chart of Risk Management System



Countermeasures for Priority Risks in FY2025

Risks	Countermeasures
Technology innovation and research & development	Strives to engage in research and development activities related to the latest technology trends in a wide range of fields, including network technology and communications technology, verification of new hardware products or verification of software and middleware.
Loss of human capital and expertise	Spends significant time and money each year on securing and developing talented human capital and working to develop human capital with strong future potential.
Information Security	Strives to strengthen and ensure customer data management and to prevent leaks by establishing information management rules, ensuring that all employees are made aware of these through training, and strengthening security of software and infrastructure.
Environmental and climate change	Strives to implement business continuity plan measures, such as setting up a teleworking environment for employees and establishing duplicate cloud computing center sites. Furthermore, by concentrating our cloud computing centers with advanced environmental performance, we are working to reduce greenhouse gas emissions of OBIC and customer companies.

Compliance

To enhance credibility from society, OBIC has formulated various policies concerning the observance of ethics, laws and regulations, etc., while ensuring rigorous compliance in business as a whole, as well as working to prevent risks and ensure prompt response on the occurrence of risks.

Three policies



Internal reporting system

OBIC has established an internal reporting system for the early detection of compliance violations, and correction and prevention thereof. There are two reporting routes, inside Compliance Counselling Counter and outside attorneys, with whom whistleblowers can contact via a number of ways, such as telephone calls, regular mail, e-mails. (anonymous acceptable in both cases)

For the proper operation of the system, we have set company rules to protect the privacy of whistle-blowers and people involved and the confidentiality of reported information, as well as to ensure that such whistle-blowers will not suffer disadvantages for whistle-blowing, etc.



Compliance Counselling Counter Operational results for the fiscal year ended March 31, 2025

	Number of consultations
Number of new consultations	1
Number of consultations continuing from the previous fiscal year	0

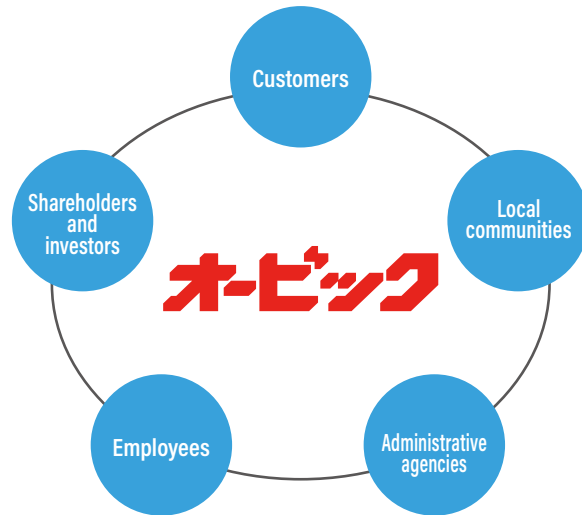
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Compliance initiatives



Corporate Governance

Stakeholder engagement



Basic Approach

OBIC believes that dialogues with various stakeholders such as customers, shareholders and investors, employees, and communities are important for the Company's sustainable growth, and is working to clarify the responsibilities and issues of the OBIC Group through communication and working on daily business activities while striving for improvement.

Going forward, by further deepening dialogue with stakeholders, we will continue to address society's expectations and issues with sincerity and apply what we have learned from such dialogue in the Company's business activities.

Status of Major Activities

Stakeholders	Major responsibilities /issues	Contents of activities	Details of contents	Results/indicators
Customers	Development of customer satisfaction, and creation of lasting relationships with customers	Enhancement of interactive communication with customers	*Holding of events for customers : Holding seminars, users meetings, customers social gatherings *Enhancement of customer support system: Enhancement of call center system and improvement of online support	*Improvement of the number of companies visiting events : over 30,000 companies *Improvement of customer loyalty : Continued usage rate of 97% or more *Improvement of sales by system support services : Increase by 10% or more
		Improvement of product/service quality	*Market research : Conducting market research to grasp customer needs *Development of products and services: Developing products and services to satisfy customer needs *Quality control : Establishing a quality control system for improving the quality of products and services *Enhancement of follow-up service system : Enhancement of the call center system and improvement of online support	
Shareholders and investors	Securing of the transparency of management information and acquisition of appropriate evaluation	Improvement of the timeliness and quality of information disclosure	*Announcement of quarterly results : Implementation of meetings for the announcement of financial results, and prompt and timely publication of disclosed information *Provision of English version of disclosure documents : Translation of summary of financial results and IR materials into English *IR activities for overseas investors : Conducting personal interviews with overseas investors	*Stable transition of share prices : Improvement of credibility in the market
		Enhancement of personal interviews and briefings	*Personal interviews : Conducting personal interviews with domestic and overseas investor's (150 times or more per year) *Briefing : Conducting financial results briefings (twice per year) *Enhancement of the question-and-answer system : Prompt and polite replies at personal interviews and a question-and-answer session in briefings.	*Establishment of trustful relationships with investors : Promoting interactive communication through personal interviews and briefings *Improvement of understanding and evaluation from the investors: Promoting the understanding of the Company's management strategies and financial situation by politely replying to questions and opinions from investors through personal interviews and briefings.
		Enhancement of IR activities for overseas investors	*Creation of an IR website for overseas investors : Posting IR information in English *Assignment of IR personnel for overseas investors : Responding to inquiries from overseas investors *Information dissemination with overseas media : Responding to requests for interviews with overseas media	*Expansion of interest and investment from overseas investors : Increasing interest and expanding investment from overseas investors through overseas IR activities *Establishment of lasting relationships with overseas investors : Establishing trustful relationships through constant communication with overseas investors
Employees	Improvement of employee satisfaction and development of human capital	Creation of a pleasant working environment Career path support	*Employee engagement: Conducting monitoring on a regular basis (engagement surveys and stress checks) *Events for employees: Holding in-house social gatherings and family sports festivals *Enhancement of training systems: Introduction of e-learning system and enhancement of external training programs *Promotion of diversity: Holding various study meetings including working style sharing meetings	*Reduction of an employee turnover rate *Improvement of employee engagement
Local communities	Contribution to local communities and cooperation with communities	Contribution to the solution of local issues Contribution to community invigoration	*Local contribution activities : Volunteer activities, support for local events, and donation to local organizations *Cooperation with communities : Cooperation with local governments and regional companies *Information dissemination : Information dissemination to communities and interactive communication with local residents	*Improvement of the rate of participation in local contribution activities
Administrative agencies	Compliance with laws and regulations	Compliance with laws and regulations	*Enhancement of the internal auditing system : Establishing an internal audit office to conduct a periodic audit *Collection and analysis of law revision information : Collecting and analyzing law revision information to evaluate the impact of such law revision on the company structure *Prompt response to legal violations : Promptly implementing investigation into the cause, the development of recurrence prevention measures, and the report thereof to related organizations upon the occurrence of legal violations	*Number of legal violations 0 *Publication of corporate governance reports *Positioning compliance with laws and regulations as one of the highest-priority issue in the promotion of company-wide initiatives

Summarized Financial and Non-Financial Data

	Unit	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Earnings conditions												
Net sales	¥ million	56,344	58,738	61,453	66,814	74,163	80,488	83,862	89,476	100,167	111,590	121,240
Gross operating profit	¥ million	35,336	37,514	39,839	44,517	50,941	56,328	60,840	67,958	77,224	86,428	94,385
Selling expense and general administrative expenses	¥ million	11,051	11,405	11,989	12,192	13,002	13,090	12,762	13,822	14,734	15,518	16,007
Operating income	¥ million	24,285	26,108	27,850	32,325	37,939	43,238	48,077	54,135	62,490	70,910	78,378
Operating income margin	%	43.1	44.4	45.3	48.4	51.2	53.7	57.3	60.5	62.4	63.5	64.6
Net income attributable to owners of the parent	¥ million	18,776	23,157	23,359	26,268	32,223	35,096	38,001	43,500	50,116	58,007	64,621
Ratio of net income attributable to owners of the parent	%	33.3	39.4	38.0	39.3	43.4	43.6	45.3	48.6	50.0	52.0	53.3
Status of free cash flow												
Cash flow by operating activities	¥ million	20,980	16,656	21,311	26,107	29,843	31,999	41,677	38,972	52,960	55,831	62,794
Cash flow by investing activities	¥ million	1,570	4,377	2,314	-6,320	-8,209	-9,238	-5,422	-44,053	1,282	-2,206	-3,934
Free cash flow	¥ million	22,550	21,033	23,625	19,787	21,634	22,761	36,255	-5,081	54,242	53,625	58,860
Cash flow by financing activities	¥ million	-5,381	-10,117	-8,005	-8,450	-11,119	-13,120	-15,121	-22,965	-20,619	-39,702	-29,038
Financial conditions												
Total assets	¥ million	173,542	181,522	200,061	221,260	244,909	264,596	298,257	323,927	366,708	462,165	500,375
Net assets	¥ million	150,584	160,522	177,500	197,394	218,476	238,392	266,025	293,567	327,864	398,692	433,850
Cash and cash equivalents	¥ million	71,584	82,502	98,121	109,458	119,972	129,612	150,745	122,699	156,321	170,244	200,065
Equity capital	¥ million	150,584	160,522	177,500	197,394	218,476	238,392	266,025	293,567	327,864	398,692	433,850
Equity Ratio	%	86.8	88.4	88.7	89.2	89.2	90.1	89.2	90.6	89.4	86.3	86.7
Other information												
Return on equity (ROE)	%	13.2	14.9	13.8	14.0	15.5	15.4	15.1	15.5	16.1	16.0	15.5
Return on Assets	%	17.0	16.6	16.9	16.9	18.0	18.1	18.7	19.3	20.3	19.6	18.7
Earnings per share (EPS)	¥	41.87	51.88	52.52	59.06	72.45	78.91	85.44	97.99	113.02	130.92	146.90
Net assets per share (BPS)	¥	335.82	360.92	399.10	443.83	491.23	536.01	598.14	662.09	739.43	906.38	986.26
Dividend per share	¥	65	85	90	115	135	160	185	215	250	300	70
Dividend on equity ratio (DOE)	%	4.1	4.9	4.7	5.5	5.8	6.2	6.5	6.8	7.1	7.3	7.4
Payout Ratio	%	31.0	32.8	34.3	38.9	37.3	40.6	43.3	43.9	44.2	45.8	47.7
Non-financial information (non-consolidated)												
Total number of consolidated employees	person	-	-	-	-	-	1,860	1,854	1,857	1,888	1,898	1,969
Ratio of female employees (%)	%	-	-	-	-	-	17.0	17.5	19.1	19.9	20.3	21.3
Ratio of female hires	%	-	-	-	-	-	23.2	30.3	28.3	24.0	28.5	31.3
Ratio of women in managerial posts	%	-	-	-	-	-	6.5	7.2	9.1	9.8	11.2	12.8
Number of Employees Acquiring Childcare Leave	person	-	-	-	-	-	58	61	53	59	71	88
Acquisition rate of male employees taking childcare leave, etc.	%	-	-	-	-	-	54.4	40.2	65.2	71.2	86.2	96.8
Paid leave acquisition rate	%	-	-	-	-	-	65.9	66.5	69.6	70.2	82.4	85.6
Average training hours per employee	hour	-	-	-	-	-	122	186	176	106	165	119

* A stock split was implemented at a ratio of 5 shares for every 1 common share on October 1, 2024. Calculated assuming the stock split was conducted at the beginning of each fiscal year from March 2015 to March 2024.

Company Profile

Company name	OBIC Co., Ltd.
Trademark	
Headquarters	2-4-15 Kyobashi, Chuo-ku, Tokyo
Date of establishment	April 8, 1968 (Showa 43)
Capital stock	¥19,178 million
Number of employees	Consolidated: 2,189 Non-Consolidated: 1,969 (As of March 31, 2025)
Net sales	Consolidated: ¥121,240 million Non-Consolidated: ¥113,360 million (Fiscal year ended March 31, 2025)
Stock listing	Tokyo Stock Exchange Prime Market (Securities Code: 4684)
Total number of shares issued	498,000,000 shares
Overview of operations	<ul style="list-style-type: none"> System Integration Services System Support Services Office Automation Services
Group companies	OBIC Office Automation Co., Ltd. OBIC Business Consultant Co., Ltd. (Prime Market) O.B. System Co., Ltd. (Standard Market)

Financial Results Information (As of March 31, 2025)

Fiscal year	From April 1 through March 31 of the following year
Ordinary General Meeting of Shareholders	June each year
Date of record of the Ordinary General Meeting of Shareholders	March 31 each year
Date of record for dividends of surplus	Year-end dividend: March 31 each year Interim dividend: September 30 each year

Stock Information (As of March 31, 2025)

Total number of shareholders	10,331	
Number of shareholders holding full trading units	7,845	
Number of shares listed and registered	498,000,000	
Number of shares owned by non-residents	170,908,893	34.3%
Number of shares owned by Company directors and principal shareholders	303,612,231	60.9%
Number of floating shares (consolidated number of shares consisting of less than 50 trading units)	3,745,222	0.7%
Number of shares owned by investment trusts	37,014,700	7.4%
Number of shares owned by pension trusts	3,504,947	0.7%

* A stock split was implemented at a ratio of 5 shares for every 1 common share on October 1, 2024.

Principal Shareholders (As of March 31, 2025)

Ranking	Name	Number of shares owned (thousand)	Ownership ratio (%)
1	MN Holdings Co., Ltd.	84,545	19.21
2	The Master Trust Bank of Japan, Ltd.	66,586	15.13
3	Custody Bank of Japan, Ltd.	29,782	6.77
4	Masahiro Noda	14,405	3.27
5	Mizuki Noda	13,905	3.16
6	State Street Bank and Trust Company 505103(Standing proxy: Mizuho Bank, Ltd.,Settlement & Clearing Services Division)	9,954	2.26
7	State Street Bank and Trust Company 505001(Standing proxy: Mizuho Bank, Ltd.,Settlement & Clearing Services Division)	9,432	2.14
8	JP Morgan Chase Bank 385632(Standing proxy: Mizuho Bank, Ltd.,Settlement & Clearing Services Division)	9,035	2.05
9	State Street Bank West Client Treaty 505234(Standing proxy: Mizuho Bank, Ltd.,Settlement & Clearing Services Division)	7,624	1.73
10	State Street Bank and Trust Company 505223(Standing proxy: Mizuho Bank, Ltd.,Settlement & Clearing Services Division)	7,402	1.68

* OBIC held 58,106 thousand shares of common stock in treasury

* Numbers of shares stated above include shares held in trust as follows:

	(thousand)
The Master Trust Bank of Japan, Ltd.	66,586
Custody Bank of Japan, Ltd.	29,782



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OBIC website
<https://www.obic.co.jp/>

Securities Code: 4684