Results for the 41th business period (Fiscal Year Ending March 31, 2025)

TechM@trix

May 15, 2025

TECHMATRIX CORPORATION（code：3762）

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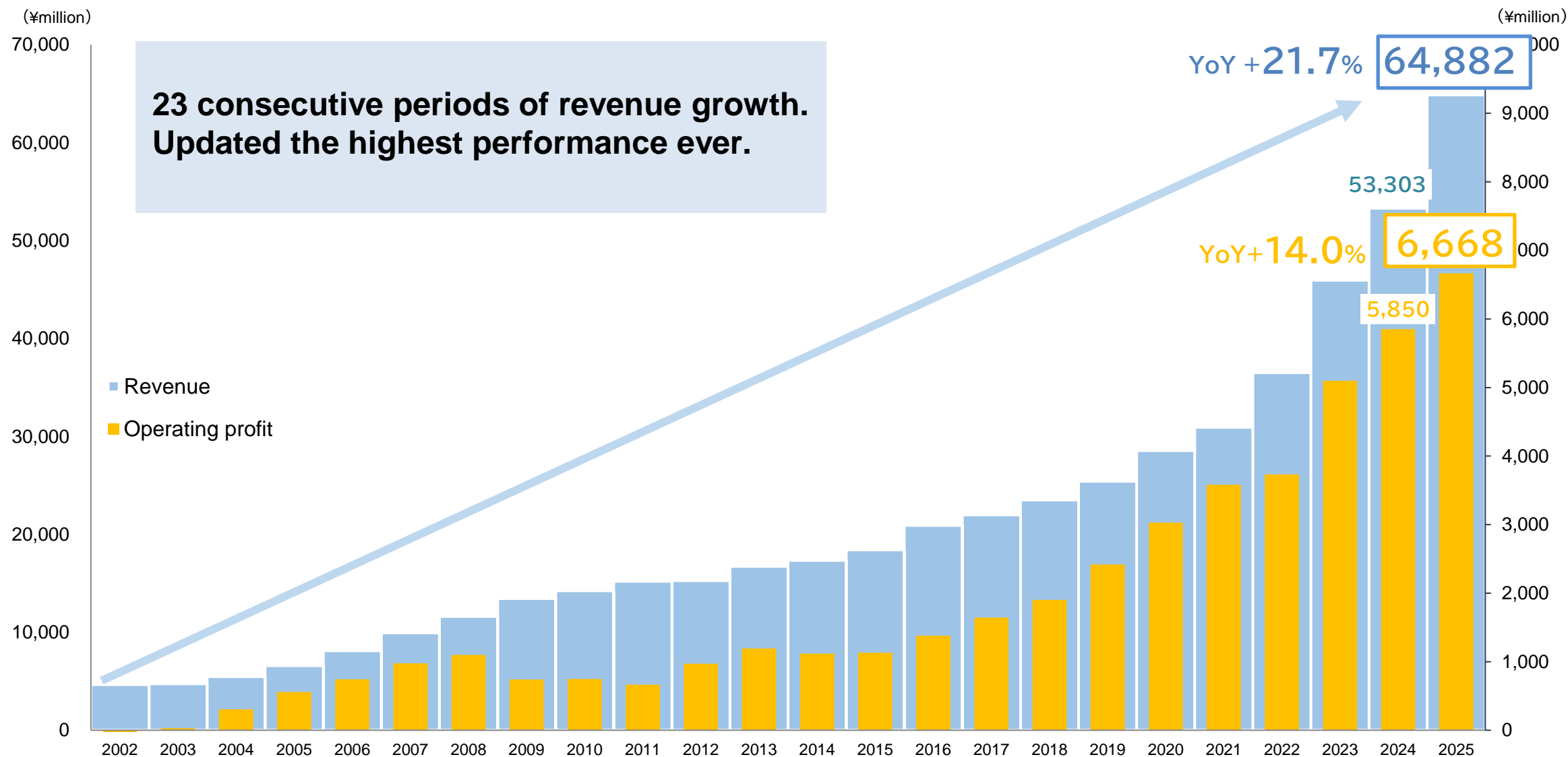
5. Topics of Business activities

1.Business Highlights for Fiscal Year ending March31,2025 (Consolidated)

Business Highlights for FY2024 （Consolidated）

- **Key KPIs（Consolidated）**

Revenue	Operating profit	Orders	Backlog
+21.7% YoY	**+14.0%** YoY	**+21.1%** YoY	**+28.6%** YoY
¥64,882 m	¥6,668 m	¥82,866 m	¥88,155 m

Stock type sales (Recurring revenue) ratio	Consecutive increase in revenue	Patients who stored medical images in NOBORI	Inspections stored in NOBORI
74.5% TECHMATRIX and PSP	**23years** in a row March 2025	**59.60 m**	**396.2 m**

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Performance trends (Consolidated)

23 consecutive periods of revenue growth.
Updated the highest performance ever.

YoY +**21.7**% **64,882**

53,303

YoY+**14.0**% **6,668**

5,850

- Revenue
- Operating profit

(¥million)

70,000 — 60,000 — 50,000 — 40,000 — 30,000 — 20,000 — 10,000 — 0

(¥million)

9,000 — 8,000 — 6,000 — 5,000 — 4,000 — 3,000 — 2,000 — 1,000 — 0

2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Special factors

① Information Infrastructure (2Q)

Temporary demand from one-time factors

Temporary demand from large one-time deals (Next-Generation Firewall and Storage).

Revenue: +1,734 million yen

Operating profit:　+201 million yen

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② Information Infrastructure (3Q–4Q)

Acquisition of shares in Firmus

Recorded expenses and profit/loss for the period in connection with the acquisition of Firmus shares.

Periodical profit/loss
(Nov. 2024 to Mar. 2025)

Revenue: +1,030 million yen
Operating profit: +220 million yen

Cost related to share acquisition
(One-time cost)　**▲191 million yen**

Amortization of intangible fixed assets
(Nov. 2024 to Mar. 2025)　**▲56 million yen**

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③ Application Service (4Q)

Impairment of "tsumugino" software asset

Although order inquiries in the EdTech Division are increasing, operating profit has fallen short of the business plan due to rising investment costs. As a result, the full book value of the "tsumugino" software asset was impaired.

Impairment of software asset:　**▲333 million yen**

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④ Information Infrastructure / Application Service (3Q)

Changing the valuation of retirement benefit obligation

Change in valuation of retirement benefit obligations due to change in work regulations (extension of retirement age).

Return of retirement benefit expense:　**+173 million yen**

Special factors

[*After excluding special factors]

（¥million）

	FY2023 Actual	FY2024 Actual	FY2024 After excluding special factors	YoY	
				Change	Change %
Revenue	53,303	64,882	62,117	+8,814	+16.5%
Operating profit	5,850	6,668	6,653	+803	+13.7%
Profit ratio	(11.0%)	(10.3%)	(10.7%)		(▲0.3P)

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Business Highlights for FY2024 (Consolidated)

（¥million）

	FY2023			FY2024			YoY	
	Results	Com-position ratio	Profit margin	Results	Com-position ratio	Profit margin	change	Change %
Revenue	**53,303**	**100.0%**		**64,882**	**100.0%**		**+11,578**	**+21.7%**
Information Infrastructure	35,005	65.7%		45,585	70.3%		+10,579	+30.2%
Application Service	8,205	15.4%		9,177	14.1%		+972	+11.8%
Medical System	10,092	18.9%		10,119	15.6%		+26	+0.3%
Operating profit	**5,850**	**100.0%**	**11.0%**	**6,668**	**100.0%**	**10.3%**	**+818**	**+14.0%**
Information Infrastructure	3,973	67.9%	11.4%	5,273	79.1%	11.6%	+1,300	+32.7%
Application Service	317	5.4%	3.9%	141	2.1%	1.5%	△175	△55.4%
Medical System	1,559	26.7%	15.5%	1,253	18.8%	12.4%	△306	△19.7%

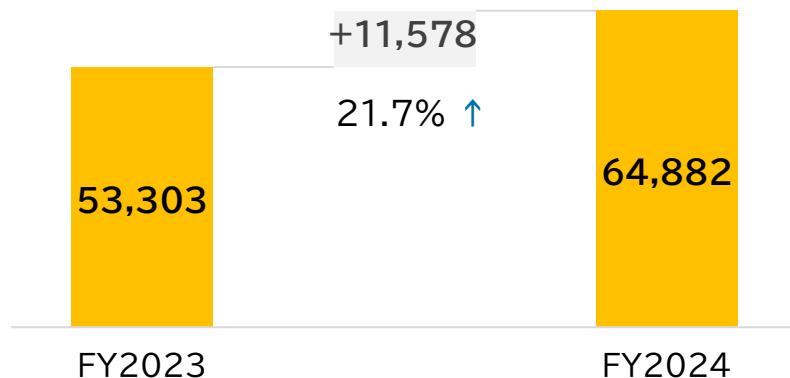# Business Highlights for FY2024 (Consolidated)

Information Infrastructure Business: Demand for cloud-based security products continued to drive overall performance.
Application Service Business: Progress in the shift to stock business contributed to performance, with double-digit revenue growth YoY in the CRM, SE, BS, and EdTech fields. Operating income decreased due to impairment loss in EdTech business.
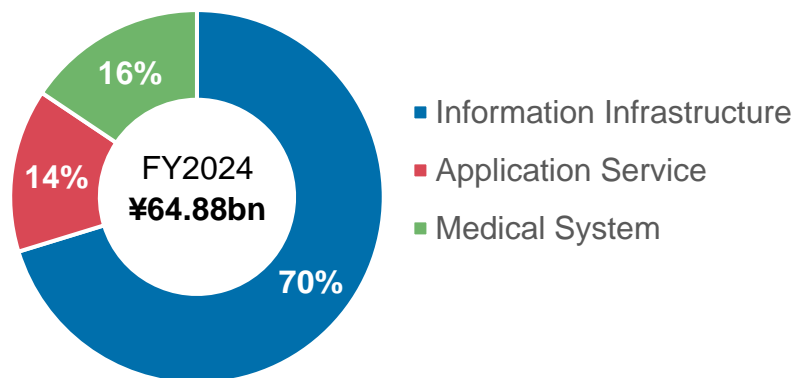**Medical Systems Business**: For business expansion, Personnel expenses and aggressive development investments increased.
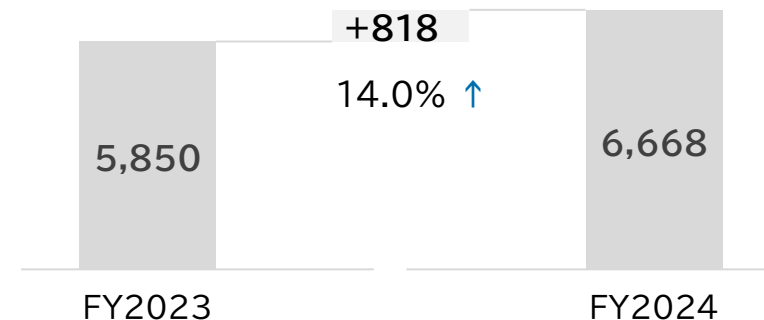
Revenue

（¥million）

+11,578
21.7% ↑

FY2023	FY2024
53,303	64,882

Operating profit

（¥million）

+818
14.0% ↑

FY2023	FY2024
5,850	6,668

Revenue breakdown

FY2024
¥64.88bn

- 16%
- 14%
- 70%

- ■ Information Infrastructure
- ■ Application Service
- ■ Medical System

Operating profit breakdown
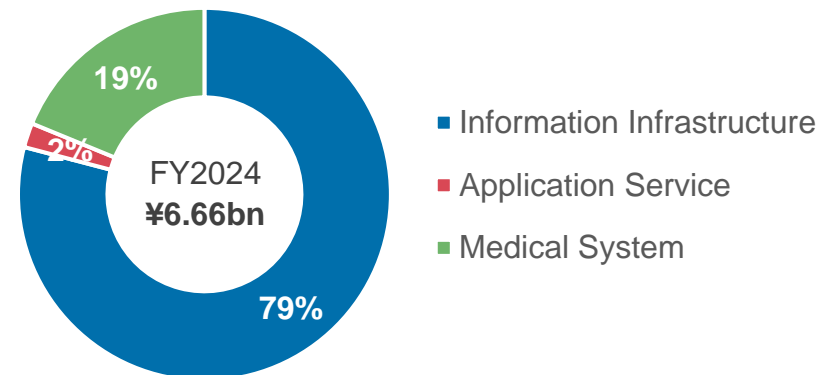
FY2024
¥6.66bn

- 19%
- 2%
- 79%

- ■ Information Infrastructure
- ■ Application Service
- ■ Medical System

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TechMatrix

Revenue

（¥million）

+7,815

45,585

45,400

+2,764

Net increase

35,005

①one-time
special demand
②Firmus related

**FY2023
Actual**

**FY2024
Actual**

**FY2024
Revised
Plan**

Operating profit

（¥million）

+1,055

5,273

5,140

+245

Net increase

3,973

①One-time
special demand
② Firmus related
④ Retirement benefit
obligation

**FY2023
Actual**

**FY2024
Actual**
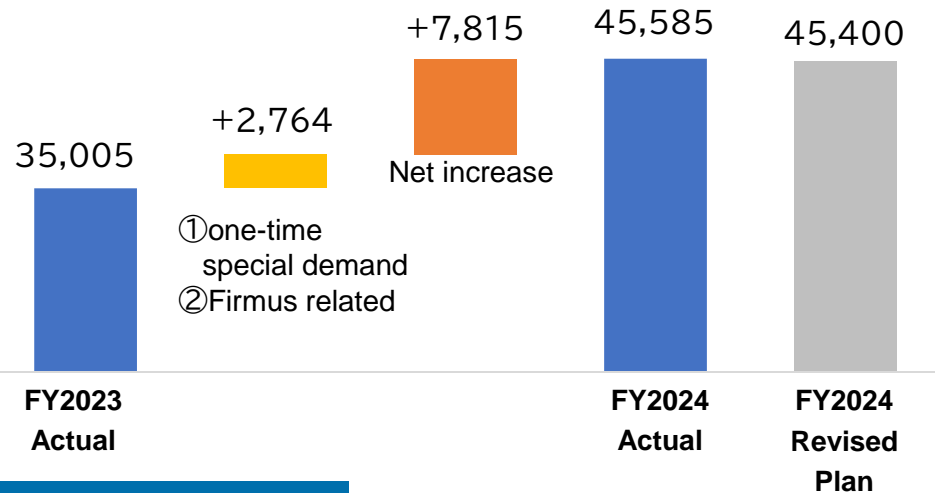
**FY2024
Revised
Plan**
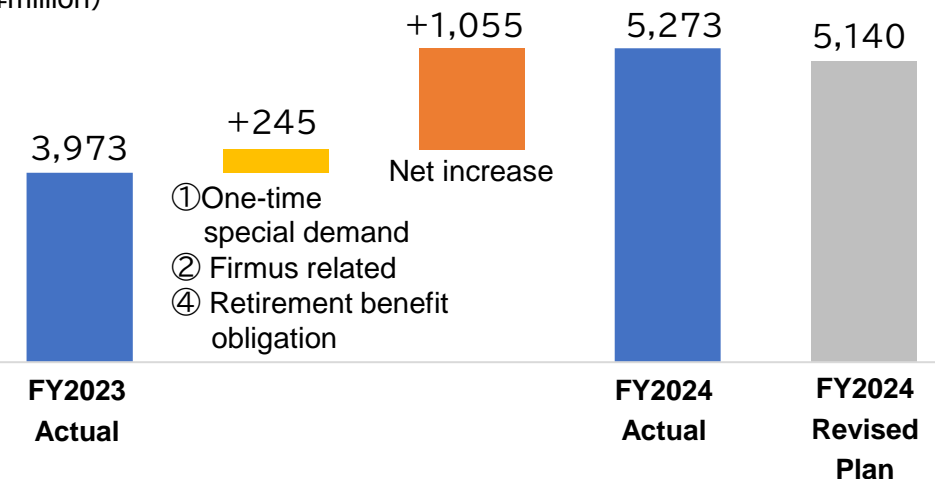
The **highest** consolidated Revenue and Operating profit.

YoY

Revenue

+ 10,579 milllion yen   **+ 30.2** %

（＋）Recorded Next-Generation Firewall product. （On-premise-based ¥1bn 2Q ）
（＋）Strage product was recorded by CROSS HEAD, a consolidated subsidiary.
　　（On-premise-based ¥0.7bn 2Q ）
（＋）Increasing demands for cloud-based security products(subscription-based).
（＋）Strong demand for Next-Generation Mail security solutions.
（＋）Accumulation of multi-year subscriptions.
（＋）Firmus' pereodical Revenue.（ Nov.2024 to Mar.2025 ）

Operating profit

+ 1,300 milllion yen   **+ 32.7** %

（＋）Return of retirement benefit expense
（＋）Thoroughly conducted sales activities with profitability in mind.
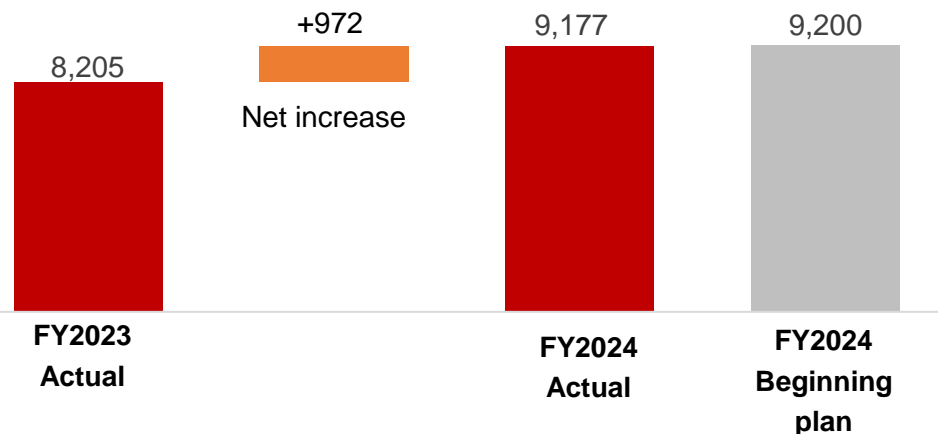（－）Firmus related. （ Nov.2024 to Mar.2025 ）

Application Service Business

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Revenue

（¥million）

8,205
FY2023 Actual

+972
Net increase

9,177
FY2024 Actual

9,200
FY2024 Beginning plan

Operating profit

（¥million）

317
FY2023 Actual

+100
④Retirement benefit obligation

▲333
③Impairment loss in EdTech

+58
Net increase

③+④ Amount of impact
233
141
374
FY2024 Actual

410
FY2024 Revised Plan

**Revenue increased YoY, but operating income decreaed due to impairment loss in EdTech business.**

YoY

Revenue

+ 972 milllion yen   **+ 11.8** %

（＋）Demands on quality testing tools for embedded software were strong.（SE）
（＋）In the CRM field and Software Quality Assurance field, revenue and operating profit increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions.（CRM, SE）
（＋）Infrastructure-related sales were recorded.（EdTech）
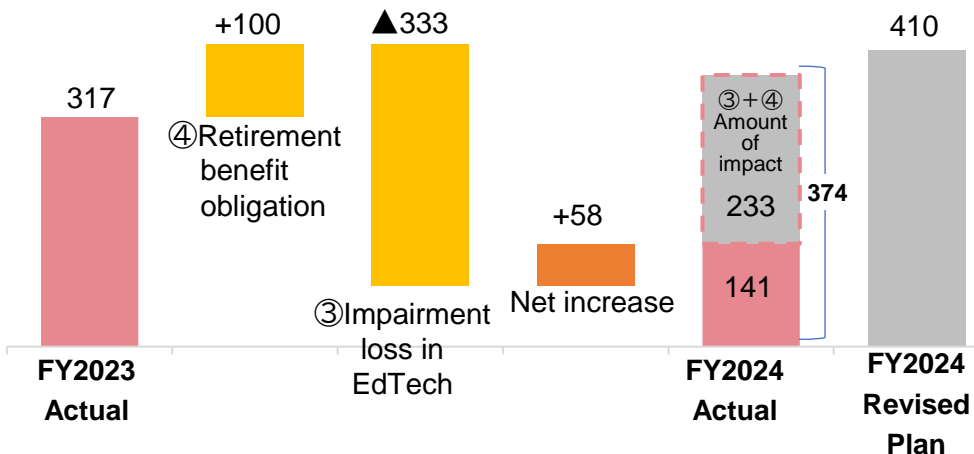
Operating profit

▲ 175 milllion yen   **▲ 55.4** %

（－）Return of retirement benefit expense
（－）Increased in personnel and SG&A expenses due to business expansion.
（－）Failure to accumulate orders(bidding an others) in the BS field.
（－）Impairment of software assets.（EdTech）

Revenue

（¥million）

10,092 | +26 Net increase | 10,119 | 9,800

| FY2023 Actual | | FY2024 Actual | FY2024 Beginning plan |

Operating profit

（¥million）

1,559 | ▲310 Increase in personnel and investment costs | +4 Profit excluding the left | 1,253 | 1,450

| FY2023 Actual | | | FY2024 Actual | FY2024 Beginning plan |
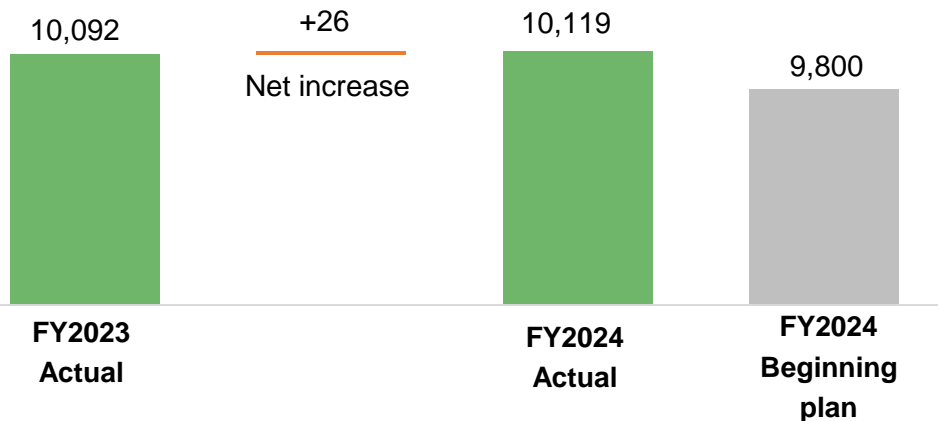
Revenue was flat YoY, but operating income decreased due to higher investment costs.

YoY

Revenue

+ 26 milllion yen   **+ 0.3** %

(+) The business of medical imaging system（PACS）is steady.
(+) NOBORI, a medical information cloud service and a PHR application, performed well.
(−) Gradual shift to cloud computing
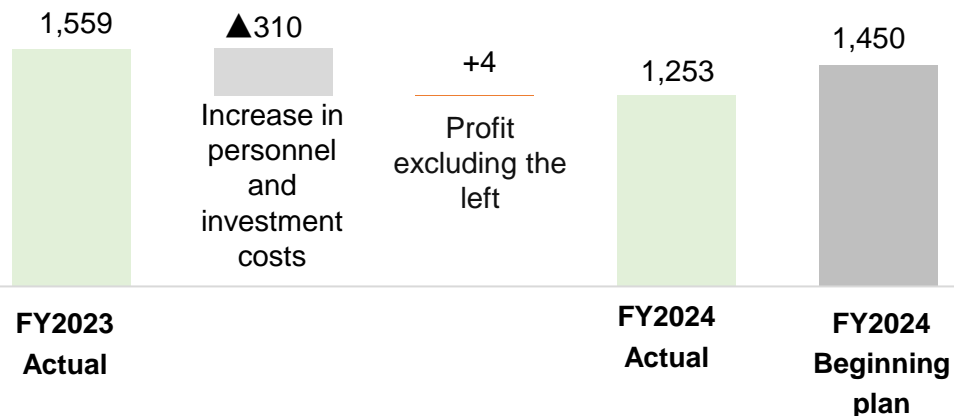
Operating profit

▲306 milllion yen   **▲19.7** %

(+) Special factors such as costs related to unification of treatment systems have been eliminated.（1Q: ¥98million）
(−) Increased in SG&A expenses due to aggressive development investment.

Orders and Backlog for FY2024 (Consolidated)

- Orders was strong compared to the last fiscal year.
- Strong backlogs, in particular, Information Infrastructure business.
- Information Infrastructure, Application Service, and Medical System businesses all orders steadily increased.
  Firmus：Orders 971million yen, Backlog 1,797million yen.

Company-wide total

Orders

（¥million）

+14,419

21.1% ↑

FY2023	FY2024
68,446	82,866

Backlog

（¥million）

+19,589

28.6% ↑

FY2023	FY2024
68,566	88,155
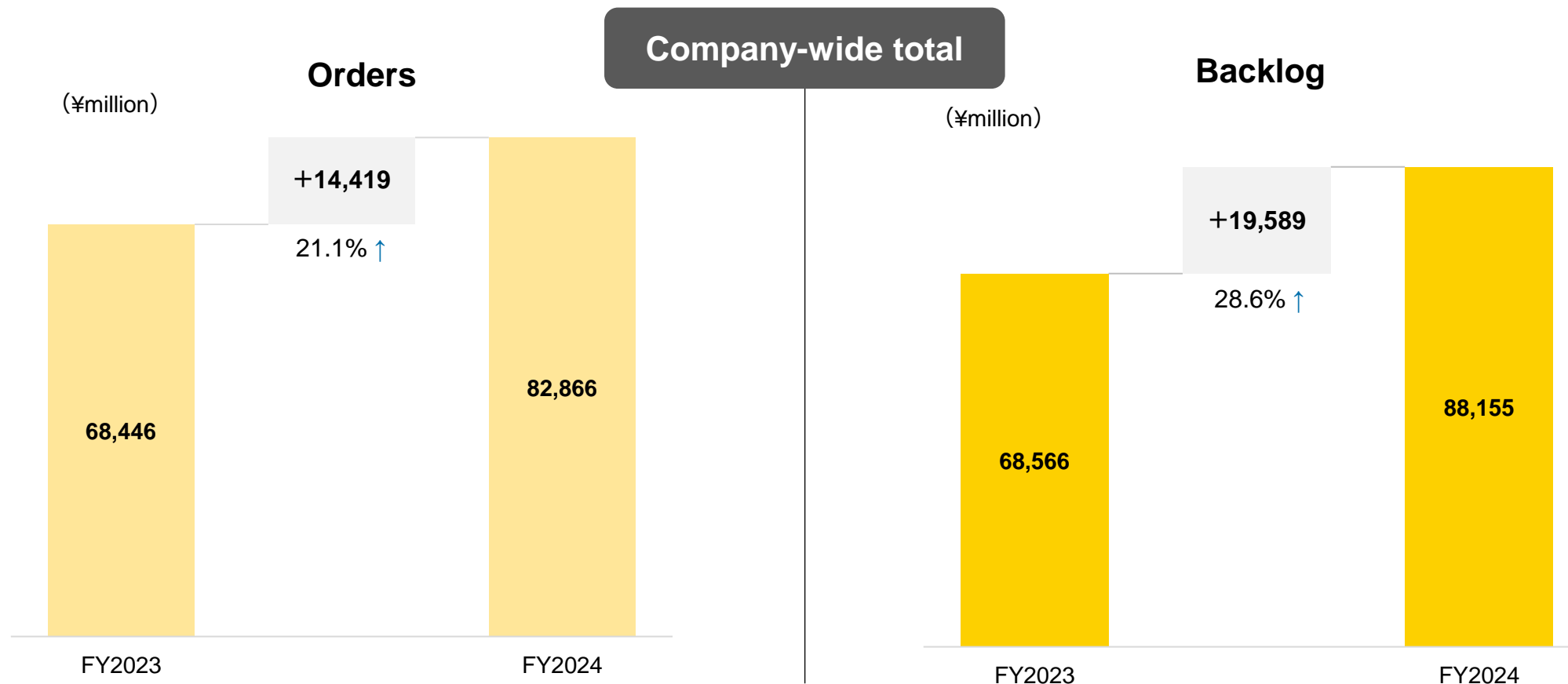
Orders by Segment for FY2024 (Consolidated)

- Information Infrastructure Business ： Increased demands for cloud-based security products (new / renewal) and increase in large renewal projects of 500million yen or more due to contract renewal timing. Firmus: Orders 971million yen.
- Application Service Business ： Strong performance mainly in the CRM field and Software quality assurance field.
- Medical System Business ： Orders for medical image management systems (PACS) were steady and exceeded the plan.
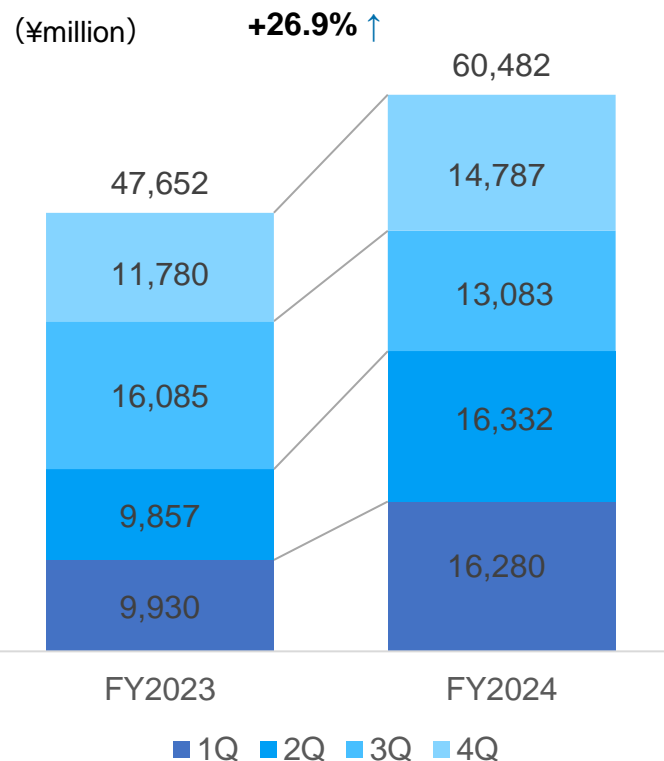
Information Infrastructure Business

（¥million）　　+26.9% ↑

	FY2023	FY2024
Total	47,652	60,482
4Q	11,780	14,787
3Q	16,085	13,083
2Q	9,857	16,332
1Q	9,930	16,280

■1Q ■2Q ■3Q ■4Q

Application Services Business

（¥million）　　+9.4% ↑

	FY2023	FY2024	FY2024 *reference After considering agent transactions
Total	9,074	9,924	9,924
4Q	3,124	3,245	3,245
3Q	1,966	1,526	1,858
2Q	2,104	2,511	2,179
1Q	1,880	2,643	2,643

■1Q ■2Q ■3Q ■4Q

Medical System Business

（¥million）　　+6.3% ↑

	FY2023	FY2024
Total	11,719	12,459
4Q	3,561	4,099
3Q	2,806	2,640
2Q	2,317	2,980
1Q	3,034	2,740
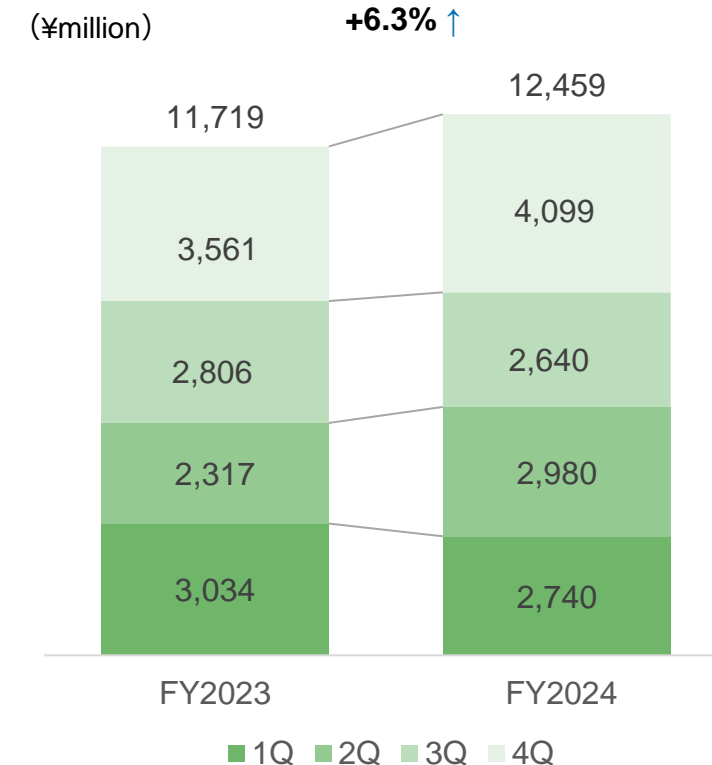
■1Q ■2Q ■3Q ■4Q

（¥million） ※ Figures before consolidation adjustments between divisions

■1Q ■2Q ■3Q ■4Q

CRM
+303
（9.6%↑）

	FY2023	FY2024
Total	3,178	3,482
4Q	1,095	1,299
3Q	825	661
2Q	621	877
1Q	637	644

SE
+374
（14.2%↑）

	FY2023	FY2024
Total	2,627	3,001
4Q	757	870
3Q	564	641
2Q	604	663
1Q	702	827

BS
▲201
（11.9% ↓）

	FY2023	FY2024
Total	1,688	1,487
4Q	595	224
3Q	201	321
2Q	577	165
1Q	315	777

EdTech
+159
（48.9%↑）

	FY2023	FY2024
Total	325	484
4Q	256	110
3Q	9	51
2Q	38	148 ※
1Q	22	176

CASAREAL
+47
（5.2%↑）

	FY2023	FY2024
Total	925	973
4Q	357	363
3Q	193	155
2Q	208	253
1Q	167	202

ARECCIA Fintech
+136
（20.2%↑）

	FY2023	FY2024
Total	679	815
4Q	189	476
3Q	238	104
2Q	129	135
1Q	123	101

Division name abbreviation
CRM: Contact center / Call center,
SE: Software quality assurance
BS: Business solution
EdTech: Education

EdTech2024 2Q orders adjustment factor:
:when orders are recorded⇒Record orders including agent transactions
when revenue are recorded⇒Record only the net amount as revenue, and eliminate agent transactions
Due to the above, eliminated 331 orders (480⇒148)

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Backlog by Segment for FY2024 (Consolidated)

- In increasing tendency due to shift to subscription (strengthening stock business).

Information Infrastructure Business
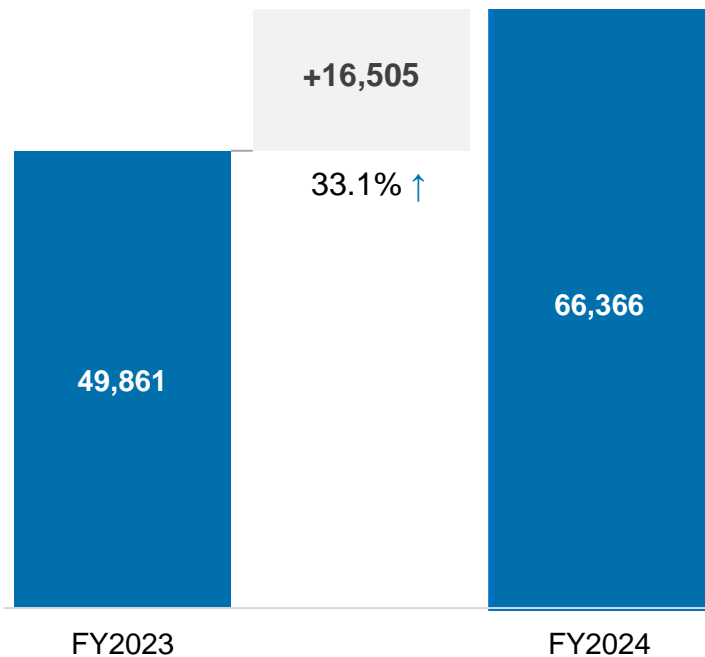
（¥million）

+16,505
33.1% ↑

49,861 （FY2023）
66,366 （FY2024）

FY2023　　　　FY2024

Application Services Business

（¥million）

+744
14.0% ↑

5,327 （FY2023）
6,071 （FY2024）

FY2023　　　　FY2024

Medical System Business

（¥million）

+2,339
17.5% ↑

13,377 （FY2023）
15,717 （FY2024）

FY2023　　　　FY2024

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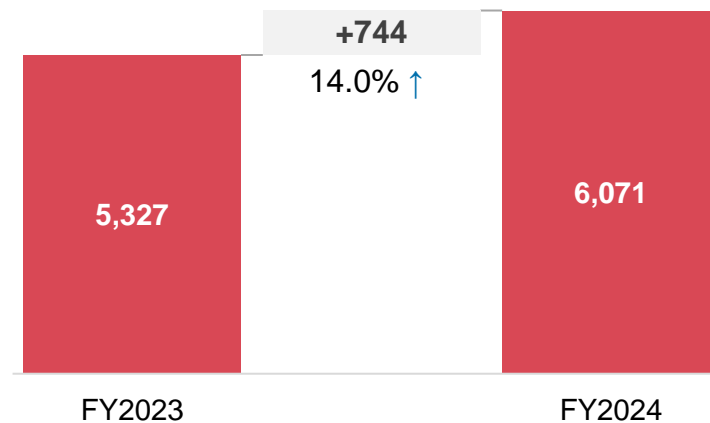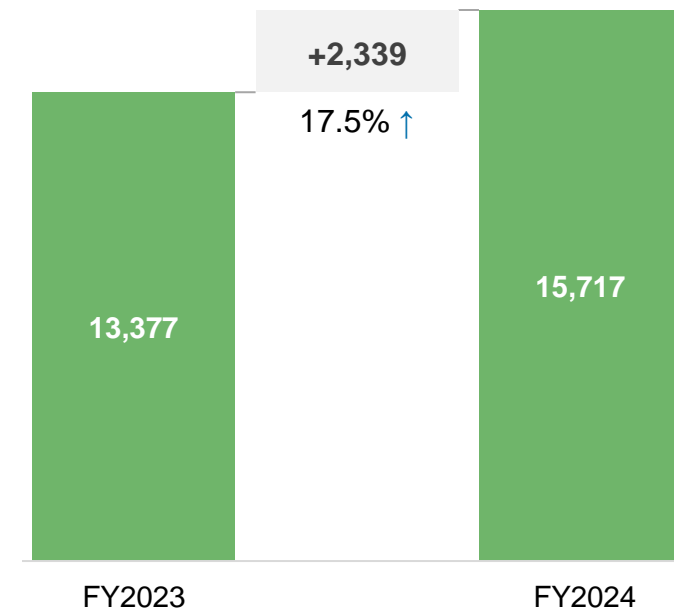
Backlog for FY2024 (Non-Consolidated)

- Consolidated and non-consolidated (TechMatrix only) backlogs are as follows.

Backlog
(Consolidated)

(¥million)

+19,589

28.6% ↑

FY2023	FY2024
68,566	88,155

Backlog
(Non-consoliated)

(¥million)

About **80%** of consolidated backlog

+15,730

28.6% ↑

FY2023	FY2024
54,995	70,725

Backlog for FY2024 (Non-Consolidated)

- Non-consolidated backlog (or only TechMatrix) are as follows.

（¥million）

■ Short term　　■ Long term　　— Long term rate

※Short term
Backlog (in each quarter) whose revenue will be　recognized within a year
※long term
Backlog (in each quarter) whose revenue will be recognized after one year

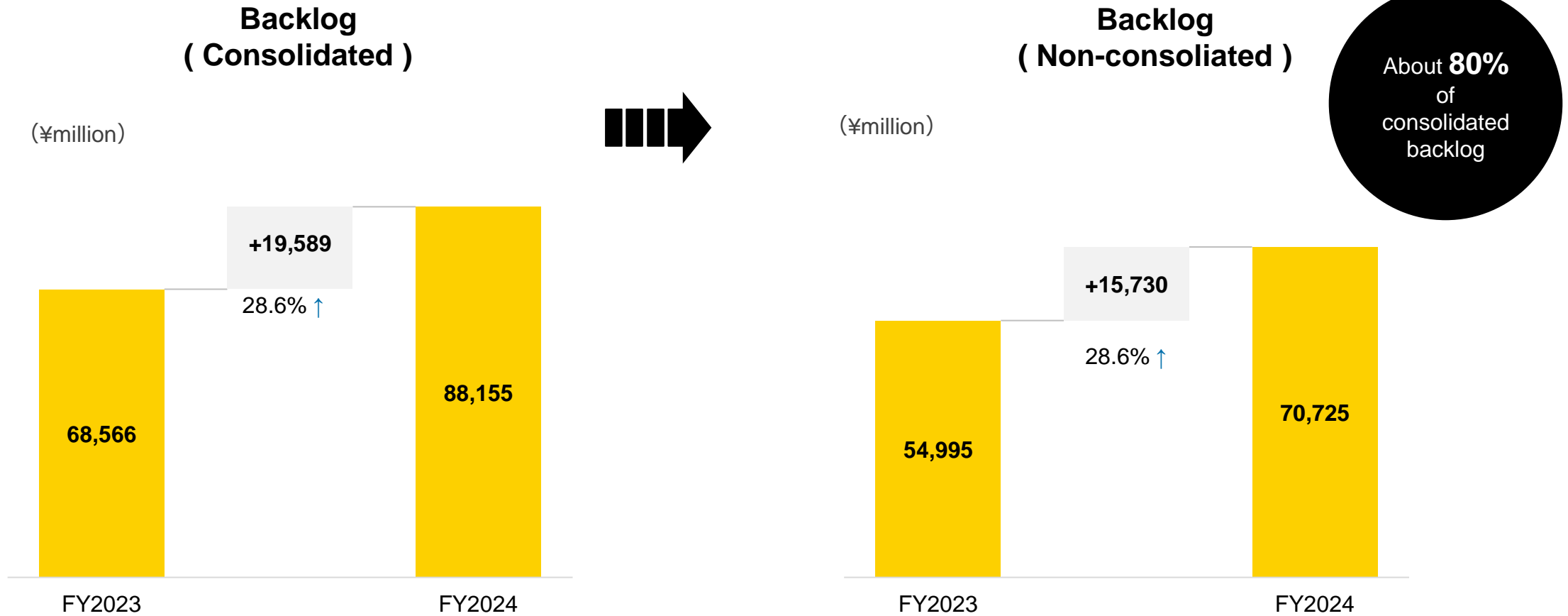|	FY2021 Q4	FY2022 Q1	FY2022 Q2	FY2022 Q3	FY2022 Q4	FY2023 Q1	FY2023 Q2	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4
Long term rate	44.6%	46.9%	47.9%	47.8%	47.6%	49.2%	49.3%	52.1%	52.8%	51.5%	52.9%	52.9%	52.9%
Long term	13,500	16,091	18,393	18,755	19,701	21,747	21,932	26,541	29,015	31,786	35,196	35,756	37,440
Short term	16,737	18,236	20,018	20,444	21,702	22,451	22,579	24,388	25,980	29,958	31,288	31,801	33,285

67,557　**70,725**

ARRR for FY2024 (Non-Consolidated)

- Non-consolidated ARRR (only at TechMatrix) is as follows.

（¥million）　ARRR

※ARRR（Annual Revenue Run Rate）
Projected revenue on a yearly basis, converted based on each quarter's recurring revenue(4x)

YoY ＋24.9%

FY2021 Q4	FY2022 Q1	FY2022 Q2	FY2022 Q3	FY2022 Q4	FY2023 Q1	FY2023 Q2	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4
19,863	20,383	22,060	23,996	25,553	27,216	28,779	30,342	31,692	33,407	36,116	37,629	39,590
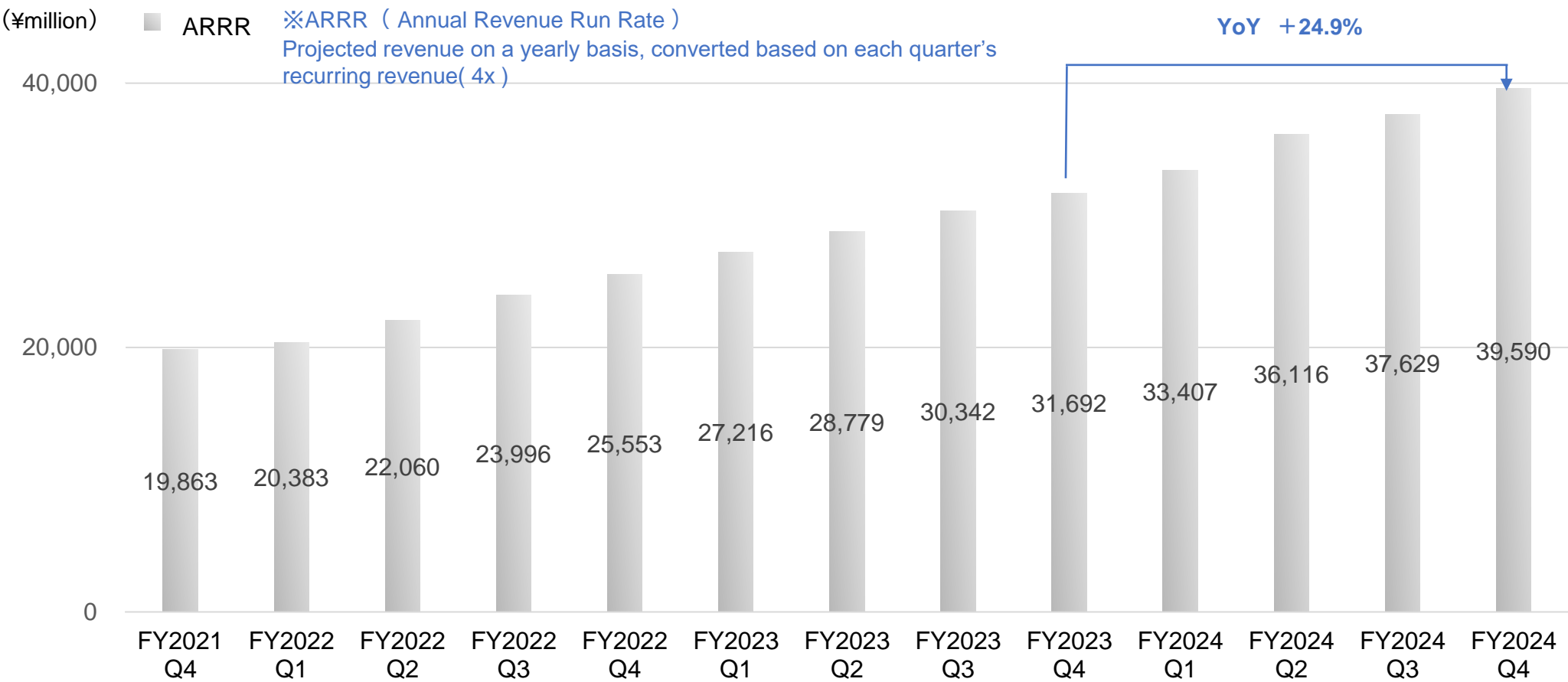
Weather chart by Segment (Based on revenue) for FY2024

Information Infrastructure Business		YoY
Next-Generation Firewall / SASE / XDR / SOAR (Palo Alto)	• Increased revenue for cloud-based security products as a result of the accumulation of medium-sized projects and new ultra-large projects. New demands for medium projects continue to increase. In addition, on-premise-based hardware sales were recorded(2Q).	☀☀
Next-Generation Mail security(ProofPoint)	• Revenue increased YoY due to strong new demand for cloud-based solutions that utilize DMARC to respond to spoofed e-mails.	☀☀
Antivirus / Intrusion prevention Appliances / Security Information and Event Management(SIEM) / Web security (Trellix, Skyhigh)	• Strong orders for Intrusion prevention Appliances and revenue remained at the same level as the previous year.	☀☁
Storage products (Dell, Cohesity)	• Medium-scale projects were accumulated mainly in the media/entertainment industry.	☀
Load balancers (F5)	• Revenue for application delivery / load balancer (BIG-IP) increased as a result of the accumulation of medium-sized projects.	☀☀
Personal Authentication Systems & Forensic Products (RSA)	• Increased revenue due to increased demand for Forensic Products.	☀☀
Cyber Hygiene (Tanium)	• Demands for endpoint security solution was strong. We received an order for a new large-scale project in the 4Q.	☀☁
Security-related operation and monitoring services (TPS)	• Revenue for TPS remained steady, which was stimulated by increasing demands for cloud-based security products.	☀
Other security products	• Strong demands for Next-generation anti-virus products utilizing AI and Web application vulnerability assessment tool. Revenue increased as a result of the significant accumulation of backlog.	☀☀
CROSS HEAD & OCH	• CROSS HEAD：Revenue increased YoY due to large-scale orders for storage product. • OCH：Revenue increased due to strong orders for new UTM products. Exceeded the plan.	☀☀

☀☀ ＋10% and over　☀ ＋5% ~ +10%　☀☁ within±5%　☁ within△10%　🌧 under△10%

Weather chart by Segment (Based on revenue) for FY2024

TechMatrix

Application Services Business		YoY
CRM field	• Market environment is favorable. Revenue increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions.	☀
Software Quality Assurance field	• Strong demands for testing tools, especially in the automotive industry. • Revenue increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions.	☀
Business Solution field	• Although enterprise sales stagnated, academic and public solutions performed well and maintained the same level as the previous year.	⛅
EdTech field	• Increased revenue significantly due to deployment to public schools in addition to private schools that offer advanced education and the accumulation of projects.	☀
CASAREAL	• Education business including IT training was sluggish. Maintained the same level as the previous year.	⛅
ARECCIA Fintech	• Maintained the same level as the previous year due to strengthening sales activities through reorganization. ※Financial system-related business was transferred from Business Solution field to ARECCIA Fintech in July 2023. YoY change is calculated based on the assumption that the business was transferred in 3Q of the previous year.	⛅

Medical System Business		YoY
PSP	• On-premise sales decreased due to the cloud shift but maintained the same level as the previous year due to an increase in cloud sales. • New contracts, renewals, and replacements of cloud-based PACS were all steady.	⛅
Ichigo	• Maintained stable sales growth for teleradiology and telepathology and exceeded the plan.	☀
A-Line	• Expanded the installation of radiation dose management systems for medical institutions due to the increased willingness of medical institutions to invest in safety management systems for medical radiation.	☀

☀☀ +10% and over　　☀ +5% ~ +10%　　⛅ within±5%　　☁ within△10%　　🌧 under△10%

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Stock type sales (Recurring Revenue) ratio of TECHMATRIX and PSP

Information Infrastructure Business

（¥million）

	FY2022	FY2023	FY2024
Non-Stock	5,550	5,302	7,229
Stock	19,016	24,612	31,089
Stock ratio	77.4%	82.3%	81.1%

- Stock
- Non-Stock
- Stock ratio

Application Services Business

（¥million）

	FY2022	FY2023	FY2024
Non-Stock	2,386	2,438	2,746
Stock	3,962	4,643	5,256
Stock ratio	62.4%	65.6%	65.7%

- Stock
- Non-Stock
- Stock ratio

Medical System Business

（¥million）

	FY2022	FY2023	FY2024
Non-Stock	4,575	4,871	4,300
Stock	4,416	4,855	5,388
Stock ratio	49.1%	49.9%	55.6%

- Stock
- Non-Stock
- Stock ratio
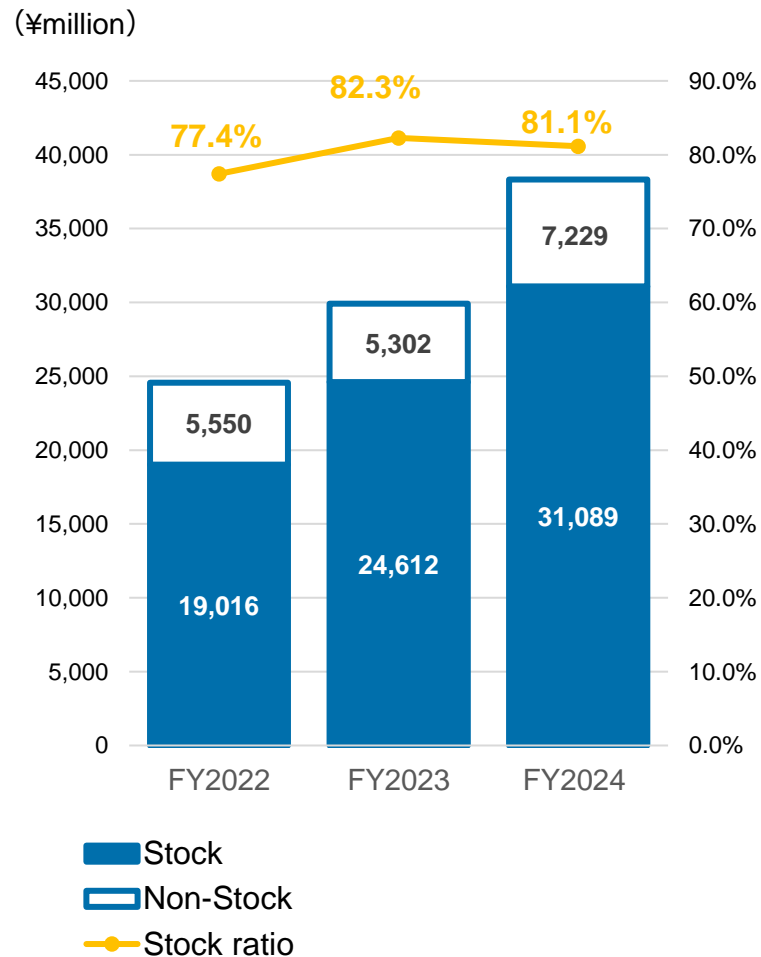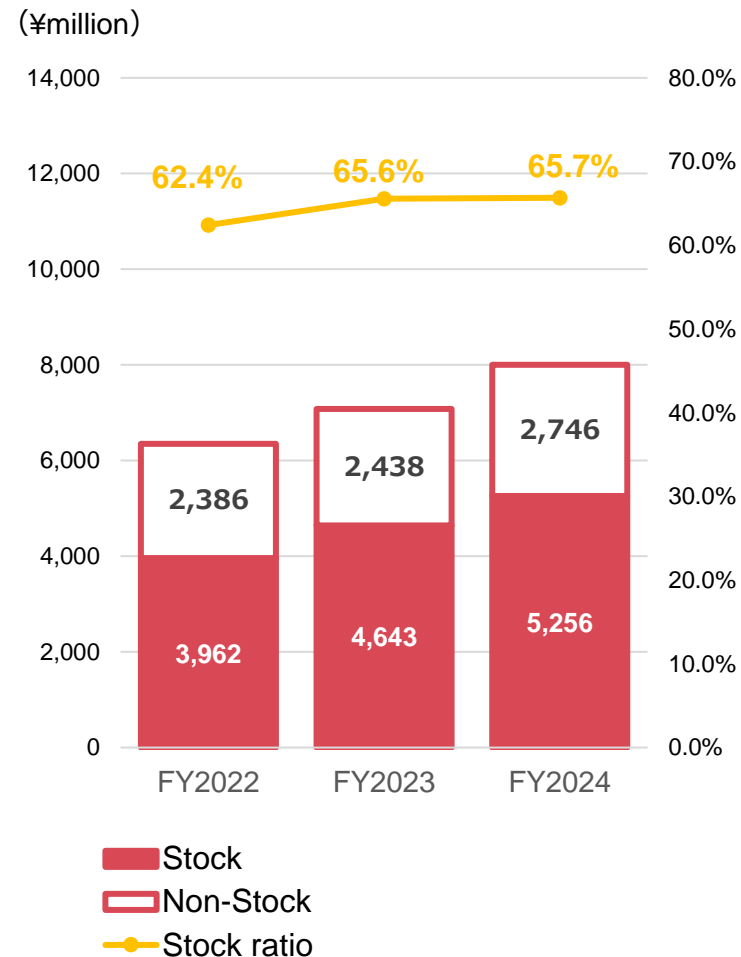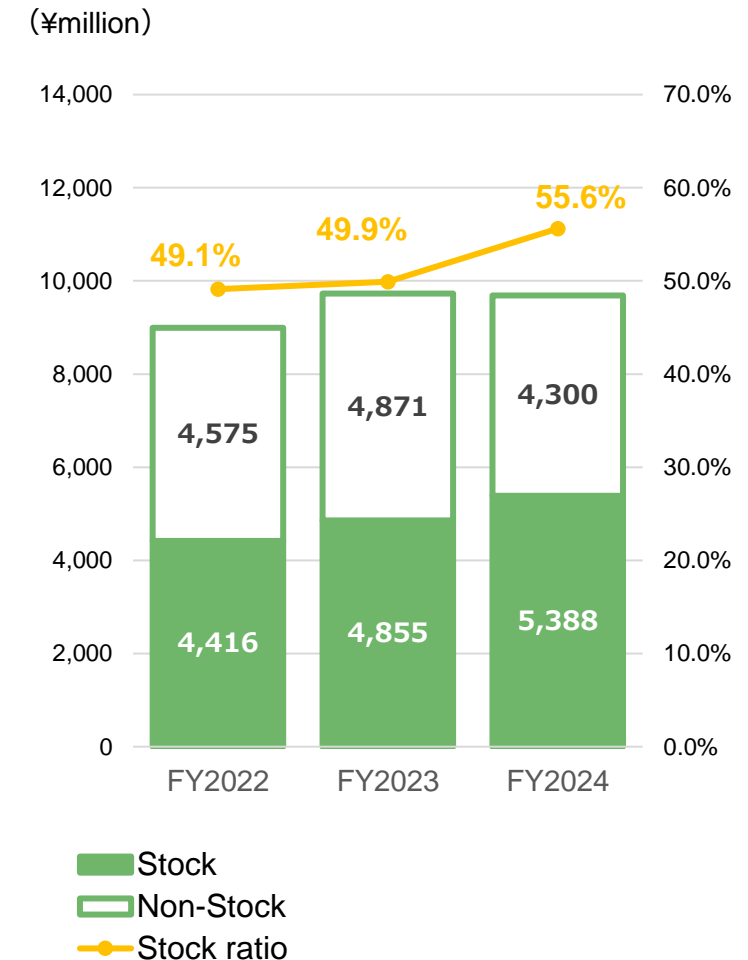
※ FY2024 excludes financial business

Consolidated Statement of Financial Position

※1 "Advance payments" included in "Other current assets" and "Advance received" included in "Other current liabilities" were increased as a result of increase in order for subscription-based cloud security services.

※2 "Goodwill," "intangible assets," and "borrowings" have increased due to the acquisition of Firmus shares.

(¥million)

	FY2023	FY2024		FY2023	FY2024
Total current assets	**70,462**	**85,446**	**Total current liabilities**	**51,648**	**67,449**
Cash and cash equivalents	27,265	27,325	Trade and other payables	2,230	2,166
			Borrowings	570	510
Trade and other receivables	6,874	7,699	Other current liabilities (※1)	48,847	64,772
Other current assets (※1)	36,321	50,421	**Total non-current liabilities**	**7,064**	**7,995**
Total non-current assets	**15,294**	**19,994**	Borrowings(※2)	100	1,750
Property, plant and equipment	6,117	5,987	Other non-current liabilities	6,964	6,245
Goodwill(※2)	171	4,092	**Total liabilities**	**27,043**	**29,996**
			Share capital and Capital surplus	6,065	6,097
Intangible assets(※2)	2,420	3,255	Treasury shares	△930	△921
			Retained earnings	16,037	18,912
			Other components of equity	571	118
Other non-current assets	6,584	6,658	Total equity attributable to owners of parent	21,744	24,207
			Non-controlling interests	5,299	5,789
Total assets	**85,756**	**105,441**	**Total liabilities and equity**	**85,756**	**105,441**

Changes in Employees

FY2023	1Q	2Q	3Q	4Q
Information Infrastructure	635 (+29)	636 (+25)	629 (+11)	636 (+23)
Application Services	377 (+24)	382 (+33)	386 (+31)	387 (+27)
Medical System	419 (+4)	419 (+2)	425 (+12)	426 (+12)
Corporate (Common)	53 (+3)	52 (±0)	51 (-5)	53 (+1)
Consolidated total	1,484 (+60)	1,489 (+60)	1,491 (+49)	1,502 (+63)

FY2024	1Q	2Q	3Q	4Q
Information Infrastructure	667 (+32)	659 (+23)	759 (+130)	779 (+143)
Application Service	416 (+39)	421 (+39)	421 (+35)	429 (+42)
Medical System	449 (+30)	457 (+38)	457 (+32)	465 (+39)
Corporate (Common)	54 (+1)	58 (+6)	62 (+11)	65 (+12)
Consolidated total	1,586 (+102)	1,595 (+106)	1,699 (+208)	1,738 (236)
(Firmus Group)			(94)	(108)

FY2023	1Q	2Q	3Q	4Q
Non-Consolidated total	558 (+27)	543 (+11)	541 (-3)	553 (+9)

FY2024	1Q	2Q	3Q	4Q
Non-Consolidated total	588 (+30)	598 (+55)	605 (+64)	619 (+66)

※The number of employees is the number of full-time employees.
※ Figures in parentheses are year-on-year comparisons.

Anticipating dividend increase for 10th consecutive fiscal years.
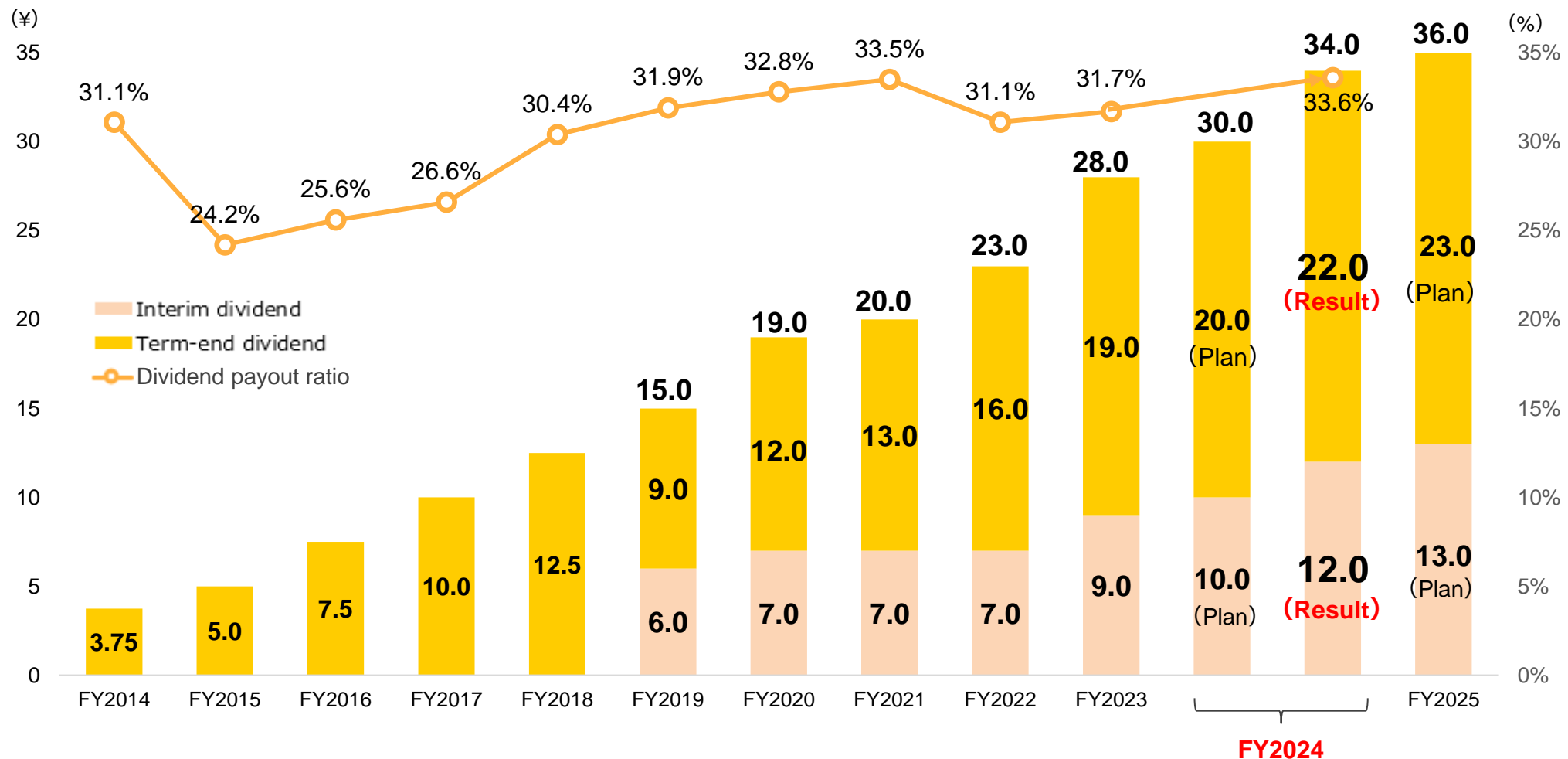
※As a result of the 1:2 stock split implemented in Marth 2017 and July 2020, the amount of dividends for prior periods presented assuming that the stock split was implemented.

2. Forecast for Fiscal Year ending March31, 2026

Consolidated Financial Forecast

TechM@trix

・**Consolidated revenue and profits are expected to increase due to the accumulation of order backlogs.**

・**Growth in the information infrastructure business is the main driver of growth, covering the increased investment costs of Medical System Business.**

(¥million)

	FY2024	FY2025	YoY	
	Actual	Forecast	Change	Change %
Revenue	64,882	73,000	+8,118	+12.5%
Operating profit	6,668	7,600	+932	+14.0%
Profit margin	(10.3%)	(10.4%)		(+0.1P)
Profit before tax	6,424	7,600	+1,176	+18.3%
Profit attributable to owners of parent	4,060	4,880	+820	20.2%

Forecast by segment(Consolidated)

(¥million)

Revenue	FY2024 Actual	FY2025 Forecast	YoY Change	Change %
Information Infrastructure	45,585	52,600	+7,015	+15.4%
Application Service	9,177	10,200	+1,023	+11.1%
Medical System	10,119	10,200	+81	+0.8%

Operating profit	FY2024 Actual	FY2025 Forecast	YoY Change	Change %
Information Infrastructure	5,273	6,200	+927	+17.6%
Application Service	141	500	+359	+254.6%
Medical System	1,253	900	▲353	▲28.2%

Factors for Revenue and Profit
Information Infrastructure Business

- Revenue and profits are expected to increase in FY2025 due to continued growth in demand for cybersecurity products and services.
- In FY2024, sales increased temporarily due to upselling/cross-selling at the time of renewal of large projects and price negotiations in line with exchange rates.

Revenue

*See P5 for details on special factors.

(¥million)

35,006		
FY2023 Actual		

+2,764
Special factors
・One-time demand
・Firmus related

+7,815
Net increase

45,585
FY2024 Actual

▲196
Reactive increase/decrease due to special factors in FY2024
・One-time demand
・Firmus related

+7,211
Net increase

52,600
FY2025 Forecast

Operating profit

(¥million)

3,973
FY2023 Actual

+245
Special factors
・One-time demand
・Firmus related
・Retirement benefit obligation

+1,055
Net increase

5,273
FY2024 Actual

+23
Reactive increase/decrease due to special factors in FY2024
・One-time demand
・Firmus related
・Retirement benefit obligation

+904
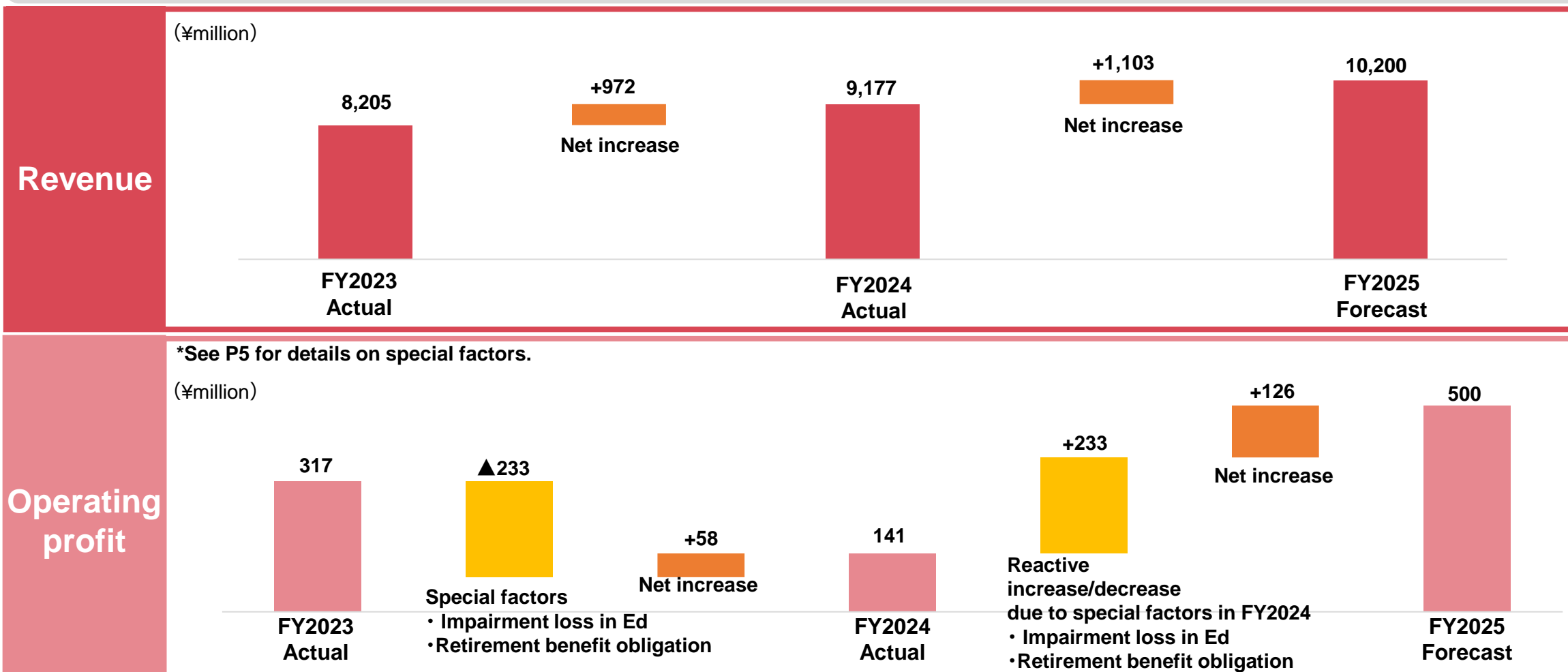Net increase

6,200
FY2025 Forecast

Factors for Revenue and Profit
Application Service Business

- In FY2025, revenue and profits are expected to increase due to the accumulation of subscription performance.
- To improve the functionality of the products and strengthen the system in order to make the education business profitable in the future.
- Revised the original mid-term plan for both revenue and profits due to slowdown in orders in FY2024 in BS business.

Revenue

（¥million）

8,205	+972 Net increase	9,177	+1,103 Net increase	10,200
FY2023 Actual		FY2024 Actual		FY2025 Forecast

Operating profit

*See P5 for details on special factors.

（¥million）

317	▲233	+58 Net increase	141	+233	+126 Net increase	500

- FY2023 Actual
- Special factors
  ・Impairment loss in Ed
  ・Retirement benefit obligation
- FY2024 Actual
- Reactive increase/decrease due to special factors in FY2024
  ・Impairment loss in Ed
  ・Retirement benefit obligation
- FY2025 Forecast

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Factors for Revenue and Profit
Medical System Business

・On-premise sales are expected to decrease due to the cloud shift, but sales will be maintained due to an increase in cloud sales.

・Continue to invest aggressively in order to increase profits from FY2026 onward.

Revenue

（¥million）

10,092	+26	10,119	+81	10,200
	Net increase		Net increase	
FY2023 Actual		**FY2024 Actual**		**FY2025 Forecast**

Operating profit

（¥million）

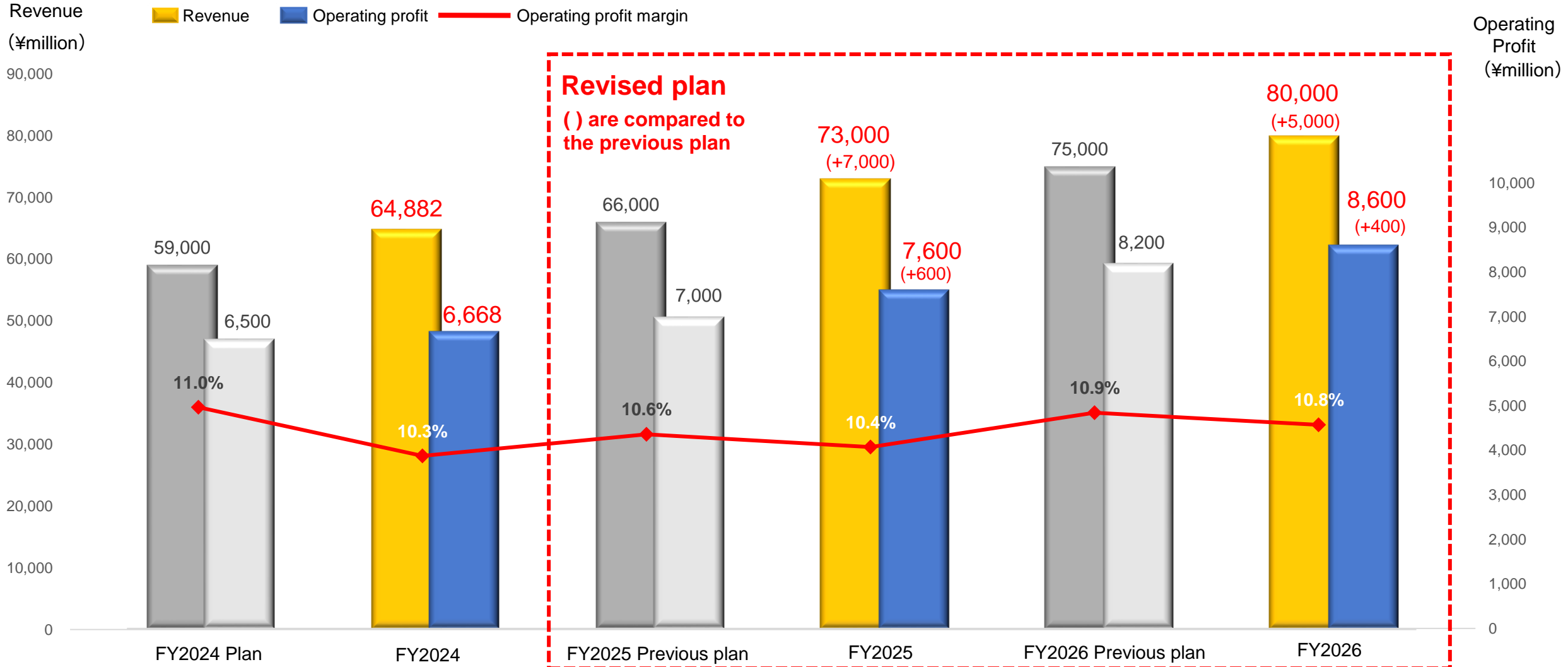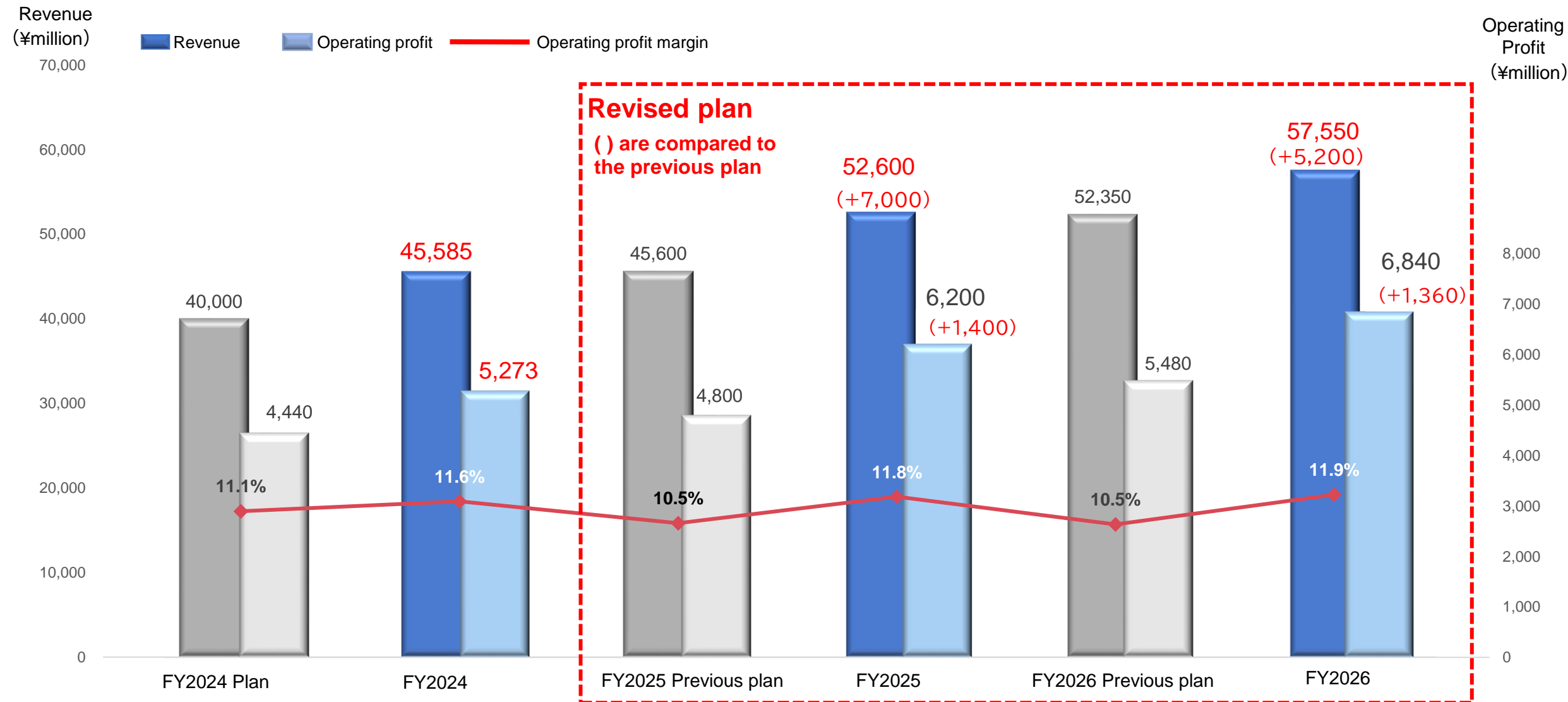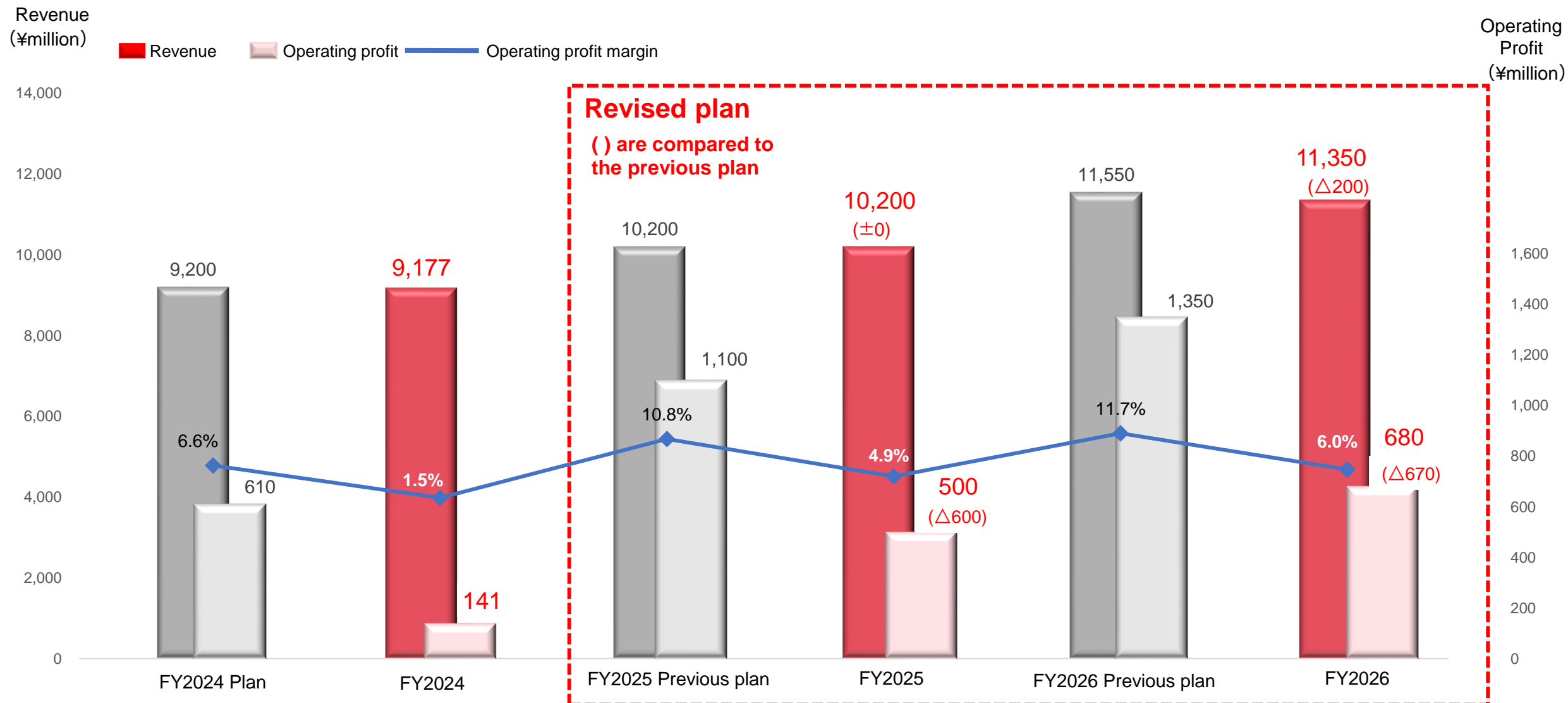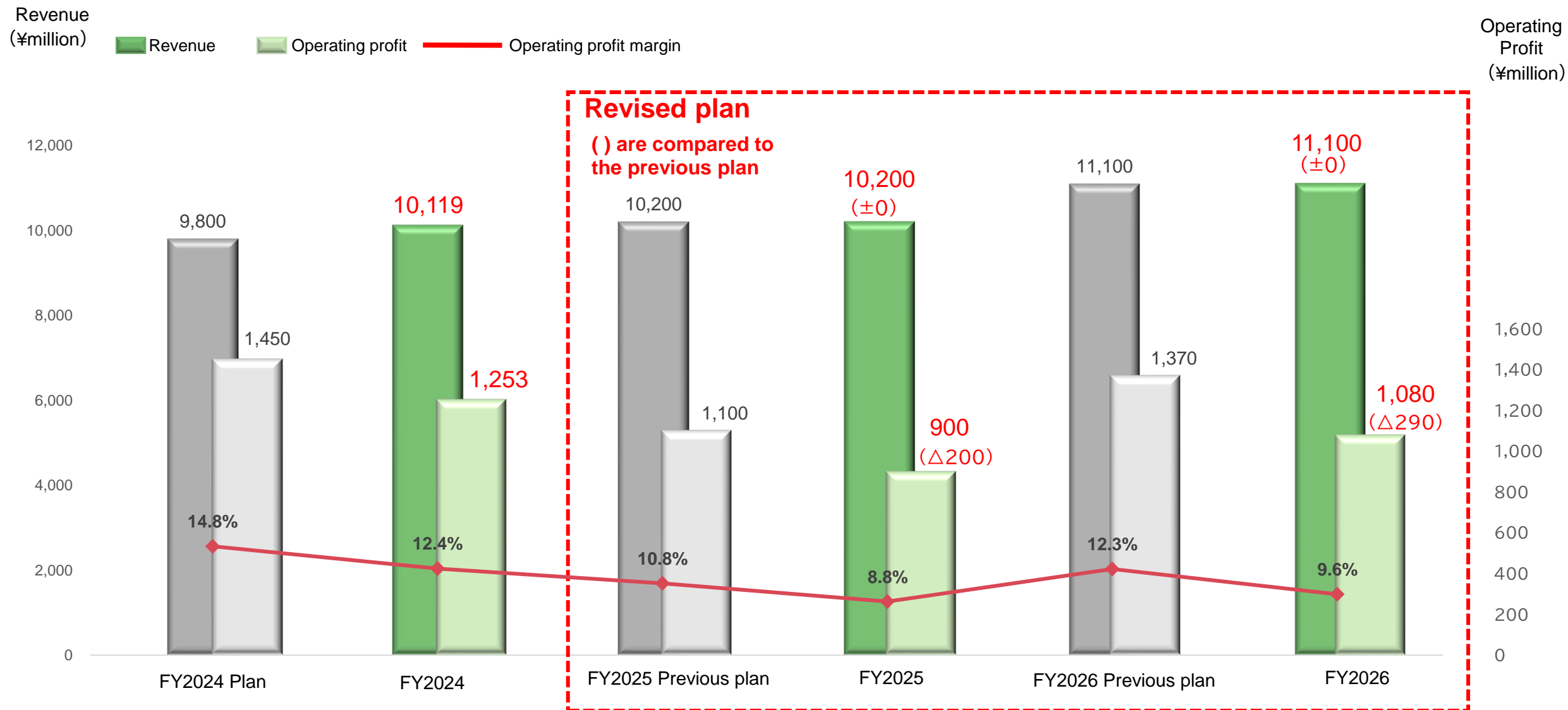| 1,559	▲310	+4	1,253	▲479	+126	900
	Increase in personnel and investment costs	Profit excluding the left		Increase in personnel and investment costs	Profit excluding the left	
FY2023 Actual			**FY2024 Actual**			**FY2025 Forecast**

3. Revision of the Medium-Term Management Plan

Forecast (Consolidated) (Total)

4 . Medium-Term Management Plan Review "Creating Customer Value in the New Era"

Creating Customer Value in the New Era: Key Strategies

Purposes (what we want to achieve)

- Expanding business domains
- Expanding business in the overseas market
- Creating businesses by utilizing data

Measures (to make them happen)

- Diverse alliances / M&A (expansion of existing business, creation of new business)
- Expanding portfolio of products and services
- Utilization of AI
- Developing and retaining talents (including promotion of diversity)
- Creation of synergies by strengthening group collaboration

Creating Customer Value in the New Era:
Key Strategies by Segment

	Major key strategies
Information Infrastructure Business	• Expand products and services handled. • Deep-dive into strategic accounts in collaboration with our resellers. • Expand sales of the integrated security monitoring service (TPS) and provide a one-stop threat information analytics service. • Expand business in the Chubu and Kyushu regions and to seek to develop business in Asia. • Use AI in operation and monitoring processes in serving customers.
Application Service Business	• Increase the number of tsumugino's adaption to public schools. [EdTech] • Business expansion in the ASEAN region. [CRM] • Run a business that helps streamline contact center operations with the use of generative AI. [CRM] • Build a development base and offer an introduction support service (with automation and streamlining). [SE] • Introduce in-house developed products to launch a development data analytics business. [SE] • Carry out digital transformation (DX) of the public business and develop and provide solutions for improving the customer experience (CX). [BS]
Medical System Business	• Establish a B2B2C business model with the PHR. • Discover new markets created from the DX in the pathology area. • Commercialize in-house developed AI. • Expand the business of the AI-based medical image diagnosis support service. • Business expansion in Asia • Strengthen the subscription model business (stock business) by shifting to the cloud PACS business.

Creating Customer Value in the New Era: Review of Key Strategies

Expanding business domains

Assessment: ○

Key Strategies	Business	Progress in the first year
Expansion of products and services	Information Infrastructure	**Signed a partnership agreement with OT security company Dispel (U.S.)** Started offering Operational Technology (OT) security services for the manufacturing, government, and utilities sectors. **Launched "AeyeScan," a cloud-based web application vulnerability assessment tool. Launched "Pentera," an automated penetration testing tool.**
Full-scale deployment in public schools in the education business	EdTech	**Deployment in public schools progressed following adoption by leading private schools.** "Tsumugino," our fully cloud-based school system for supporting school admin, was selected by multiple public schools, including KUDAN Secondary School. **Formed a business alliance with Benesse Corporation** Began supporting the development of "Benesse School Admin Cloud," a next-generation admin service for high schools.
Development infrastructure construction and implementation support services (Automation and efficiency)	Software Quality Assurance	**Launched the TechMatrix SBOM Solution.** Support for SBOM-related needs to enhance security and compliance in the software supply chain.
Exploring new markets through digital transformation (DX) in pathology area	Medical	**Launched cloud-based medical image management system "NOBORI" for the pathology area.** Formed a capital and business alliance in July 2022 with Medmain Inc., a pioneer in digital pathology solutions, and began developing solutions for the pathology area. **PSP, our consolidated subsidiary, acquired all shares of Regulus inc., which operates in the medical imaging sector, making it a wholly-owned subsidiary.** Expanded business into areas such as clinical research and clinical trials utilizing medical images (radiology, endoscopy, pathology, etc.).
Other	CRM	**Expanded voicebot and chatbot product offerings for contact centers.** Released under the FastSeries brand on an OEM basis from Mobilus (an affiliate accounted for by the equity method).
	Financial (BS)	**Launched ARECCIA®.PRS, a power trading risk management service tailored to the Japanese market.**

Creating Customer Value in the New Era: Review of Key Strategies

Expanding business in the overseas market

Assessment: ◎

Key Strategies	Business	Progress in the first year
Seek to develop business in Asia	Information Infrastructure	**Acquired all shares of Firmus Sdn. Bhd., Malaysia's largest cybersecurity specialist, making it a wholly-owned subsidiary.** Positioning it as a foothold for entry into the rapidly growing ASEAN market.
Business expansion in the ASEAN region	CRM	**After establishing a local subsidiary, collaboration with partners progressed, and large-scale project acquisition accelerated.**

Creating businesses by utilizing data

Assessment: ○

Key Strategies	Business	Progress in the first year
Improving contact center efficiency using generative AI	CRM	**Launched FastGenie, a range of generative AI features.** Enhances contact center efficiency through response assistance and conversation summarization.
Commercialize in-house developed AI	Medical	**First in Japan to launch a medical imaging data as anonymously processed medical information under the Next Generation Medical Infrastructure Act.** Collaborating with Life Data Initiative and NTT DATA Japan Corporation. **Formed business alliances with CANON MEDICAL SYSTEMS and M3 AI.** Promoting healthcare AI by improving image reading quality and efficiency in diagnostic imaging with the use of AI technology.
Expand the business of the AI-based medical image diagnosis support service	Medical	**Launched AI-based medical image diagnosis support service for temporal bone change detection** In the diagnostic imaging support AI platform business with M3 AI, Inc., began offering Canon Medical Systems' software for detecting temporal bone changes.

5. Topics of Business activities

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Medium-term Management Plan: Expanding portfolio of products and services

■ Enhanced penetration testing solutions

Rising market demand:

The Financial Services Agency's "Guidelines for Cybersecurity in the Financial Sector," issued in October 2024, mandate financial institutions to conduct penetration testing at least once a year

Product enhancement

In addition to the acquisition of Firmus (October 2024), which offers penetration testing services,

TechMatrix signed a partnership agreement with Pentera (Boston, U.S.) and began sales of the automated penetration testing tool "Pentera". (February 2025)

[Key features]

1. **Penetration testing based on real-world attack scenarios**
2. **Visualization of actionable risks**
3. **Continuous assessment of IT asset accessibility, external exposure, and potential for exploitation.**
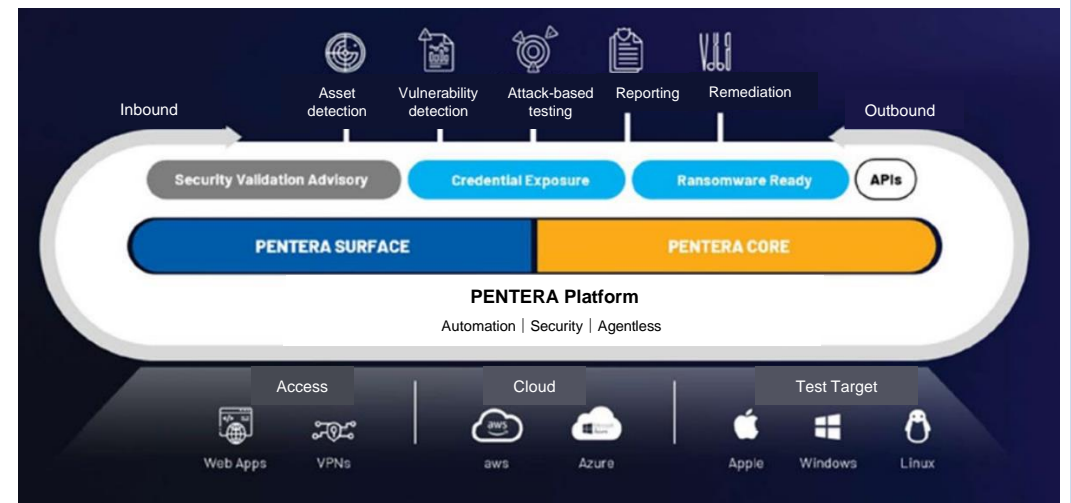
Future outlook

To meet growing market demand,

we will continue to enhance our penetration testing services, centered on offerings from Firmus and Pentera.

Medium-term Management Plan: Use of AI

FastGenie

● Launched FastGenie, a range of generative AI features available within the FastSeries contact center solution.

Key features of FastGenie

① Agent assistant

Automatically generates response texts during customer interactions based on knowledge sources, with support for translation and refinement.

Past workflow

| Customer interaction | Post-call processing |

Workflow with FastGenie

| Customer interaction powered by generative AI | Automated post-call processing |

Focus on reducing total handling time
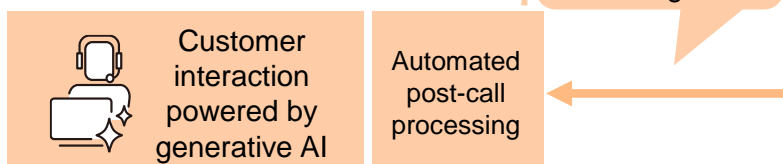
② Conversation summarization & advanced VOC extraction

Real-time conversation summarization with automated inquiry classification and entry enabling accurate and efficient data extraction.

③ AI Chatbot

A chatbot capable of flexible conversations with customers, generating responses from knowledge sources.

④ FAQ creation support & enhanced search accuracy

Creates and manages FAQs from conversation history, while enhancing search accuracy via natural language processing.

✓ Reduces operational workload for both operators and supervisors.

✓ Drives greater efficiency and productivity in operator tasks and contact center management while enhancing customer experience (CX).

(Reference (reposted))
1Q Topics for FY2024

Medium-term Management Plan: Expanding portfolio of products and services

■ Concluded a partnership agreement with Dispel (U.S.) (May 2024)

*Dispel, founded in 2015, provides services to customers in manufacturing, government, and utility sectors (¥42 trillion in annual production)

Market environment

- Growing cyberattacks to the OT (Operational Technology: a general term for control and operational technology for manufacturing and social infrastructure) environment
- These attacks target VPN equipment used for remote maintenance in the IT/OT environment

Product features

- An integrated platform provided on cloud controls access to IT/OT equipment in real time
- Its defensive function, which changes IP addresses and access lists on the cloud environment every few minutes, prevents external cyberattacks such as ransomware

Zero-trust secure remote access service specializing in IT/OT remote maintenance

Operator

Video recording

SD-WAN

Privileged ID | Multi-factor authentication link

DISPEL

Authentication/authorization fraud monitoring

SD-WAN

One-time VDI

Environment changing every few minutes (Moving Target Defense)

Customers' IT/OT environment

Manufacturing equipment

Screen transfer server

Mission-critical system
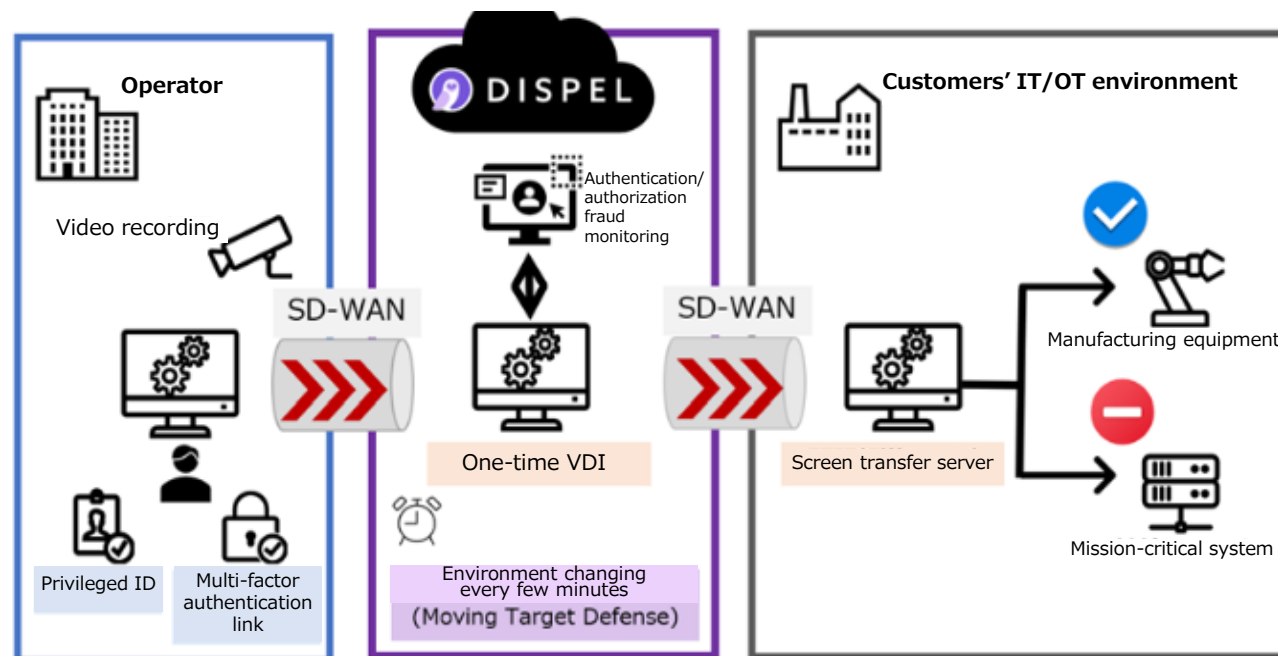
With this service, TechMatrix won the Special Prize in the Industrial Network category of the Best of Show Award at Interop Tokyo 2024 (June 2024)

Interop BEST OF SHOW AWARD 2024 特別賞

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Application Services Business, CRM field

Medium-term Management Plan: Diverse alliances/M&A, Use of AI

Started sales of four solutions for contact centers that are provided from Mobilus (an affiliate accounted for by the equity method) on an OEM basis as TechMatrix products (under the FastSeries brand)

Improve operational efficiency and customer satisfaction at contact centers

TechMatrix

Strengths in voice call-centered multi-channel solutions

Product collaboration, joint development

MOBILUS

Strengths in non-voice solutions (chat, LINE, bot) and generative AI domain

Voice

Non-Voice

Voicebot

FastVoice
AI-based voicebot which automates voice call answering

Visual IVR (*)

FastNavigation

Visualized voice IVR. Displays options as menu items on a web browser of smartphone and PC.

Chatbot

FastBot
Easily creates customer response scenarios. Automates customer response through links with generative AI, mission-critical system, etc.

Manned chat system

FastText
Multi-functional manned chat system. Enables attentive customer response.

（＊）IVR stands for Interactive Voice Response. Visual IVR recognizes inquiries from customers and visually guides them to the most suitable channel.

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Medical Systems Business

Medium-term Management Plan: Diverse alliances/M&A

Support research and development for program medical equipment, etc. that assist imaging tests to facilitate earlier and more accurate diagnosis and shorter working hours, thereby promoting workstyle reform for doctors
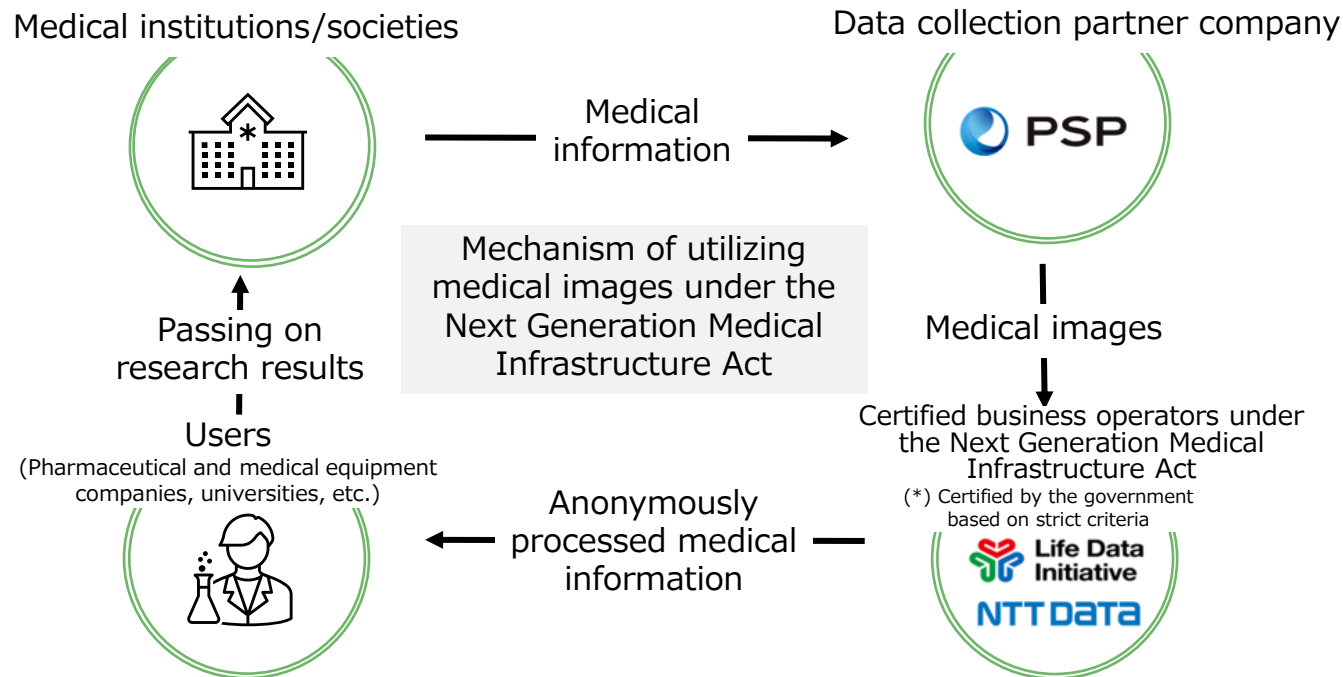
We announced on June 7, 2024 that PSP, our consolidated subsidiary, together with Life Data Initiative and NTT DATA will start providing medical image data as anonymously processed medical information under the Next Generation Medical Infrastructure Act in October 2024.

This will be the first time in Japan that medical image data has been provided under the Next Generation Medical Infrastructure Act

Medical institutions/societies

Data collection partner company

PSP

→ Medical information →

Mechanism of utilizing medical images under the Next Generation Medical Infrastructure Act

Passing on research results

Users
(Pharmaceutical and medical equipment companies, universities, etc.)

Medical images

Certified business operators under the Next Generation Medical Infrastructure Act
(*) Certified by the government based on strict criteria

Life Data Initiative

NTT DaTa

← Anonymously processed medical information —

Background
- Medical image data necessary for research and development is in short supply
- To acquire medical image data, one must go through a costly, time-consuming, and cumbersome procedure
- High-level anonymous processing technology taking account of privacy is needed to use medical images
- Workstyle reform for doctors took effect in April 2024

Benefits of medical image data provision under the Next Generation Medical Infrastructure Act
- Create an environment enabling medical image data to be used easily
- Facilitate earlier and more accurate diagnosis by accelerating research and development of AI-based program medical equipment, etc.
- Reduce doctors' working hours

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Medium-term Management Plan: Diverse alliances/M&A

PSP, our consolidated subsidiary, acquired all shares in Regulus to make it a wholly-owned subsidiary (a non-consolidated sub-subsidiary of TechMatrix).

Completed acquisition of all shares on June 21, 2024

PSP

Shareholders and shareholding ratio

TechMatrix	
TechMatrix Corporation	**50.02%**
MITSUI & CO., LTD.	**20.00%**
M3, Inc.	**18.70%**
Dai Nippon Printing Co., Ltd.	**11.28%**

医知悟LLC
Investment ratio: 95.0%

Provides IT infrastructure to support teleradiology
Provides teleradiology business support information services, etc.

A-Line
Investment ratio: 84.1%

Develops and provides support for MINCADI, a cloud-based medical radiation dose management system

M3 AI
Investment ratio: 35.0%

Provides a variety of diagnostic imaging support AI services as a platform

REGULUS
Investment ratio: 100.0%

Provides services for developing, operating, and managing diagnostic imaging quality control processes that improve evidence in clinical research and trials as a Contract Research Organization (CRO) specializing in medical imaging

Non-consolidated

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Medium-term Management Plan: Diverse alliances/M&A

Combine Regulus' abundant clinical insights specializing in medical imaging and PSP's technological, development, and sales capabilities in healthcare IT to expand business domains
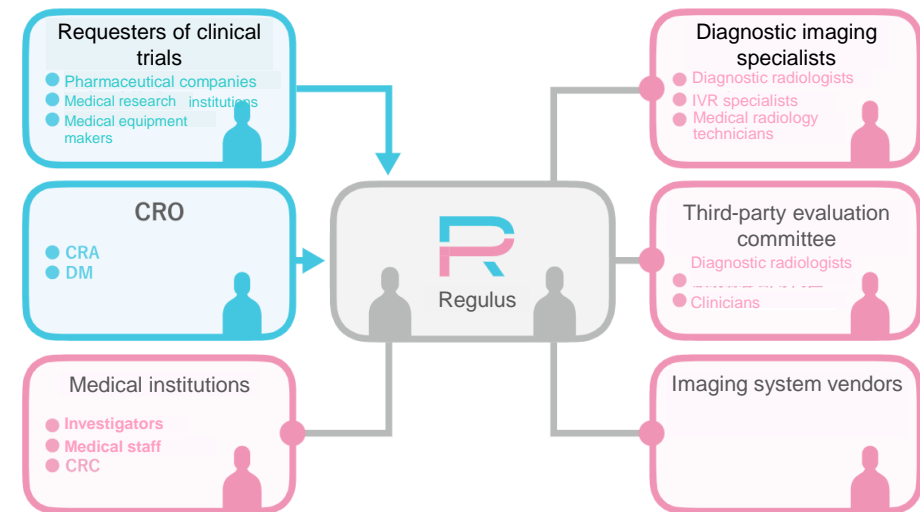
PSP × **REGULUS**

- Cloud-based healthcare IT technologies, such as PACS (medical imaging management system) and PHR
- Capabilities to develop systems and services
- Sales capabilities

- Relationships of trust with research and pharmaceutical institutions
- Relationships of trust with clinicians and diagnostic imaging specialists
- Expertise in measuring the efficacy of anticancer drug treatment

Position of Regulus

Requesters of clinical trials
- Pharmaceutical companies
- Medical research institutions
- Medical equipment makers

CRO
- CRA
- DM

Medical institutions
- Investigators
- Medical staff
- CRC

Regulus

Diagnostic imaging specialists
- Diagnostic radiologists
- IVR specialists
- Medical radiology technicians

Third-party evaluation committee
- Diagnostic radiologists
- Clinicians

Imaging system vendors

Implement and support clinical study operations for pharmaceutical companies, etc.
(including developing imaging procedures, setting imaging conditions, collecting and analyzing image data, preparing for screening by doctors, and submitting reports to pharmaceutical institutions, etc.)

Establish a platform for supporting anticancer drug treatment plan management and treatment efficacy assessment as digital transformation (DX) to aid cancer treatment, which becomes more complex with personalized medicine

Consolidate information on treatment plans and progress into one single platform to facilitate information sharing to patients and their families and collaboration among doctors

Imaging CRO(*) market size

USD 5.37 billion in 2024, and forecast to reach USD 8.19 billion by 2030 globally

Source: Global Information, Inc., "Imaging CRO Market by Services, Imaging Modality, Application, End-User—Global Forecast 2024-2030"

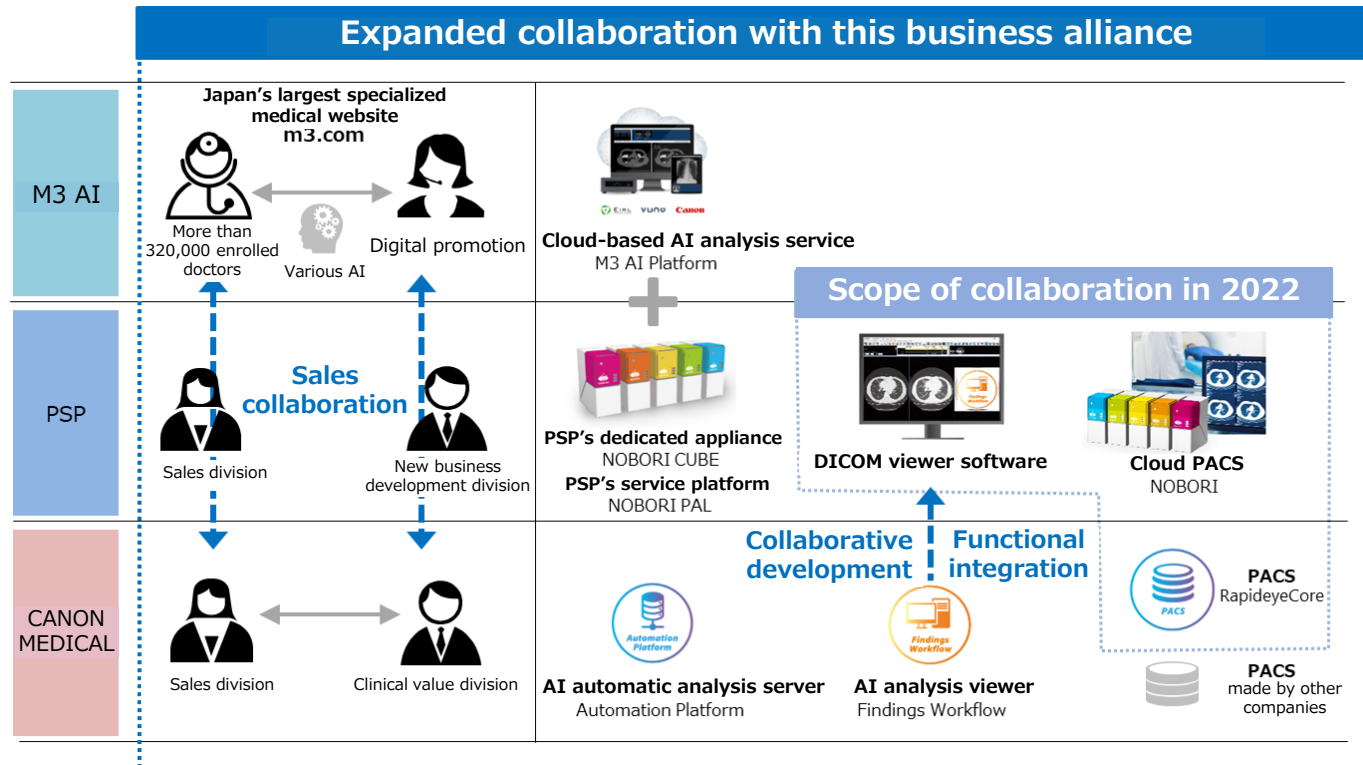(*) CRO stands for Contract Research Organization for pharmaceutical development.

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Medium-term Management Plan: Diverse alliances/M&A, Use of AI

Business alliance for promoting healthcare AI

PSP, CANON MEDICAL SYSTEMS, and M3 AI entered into a business alliance to promote healthcare AI on April 4, 2024

Provide an environment enabling the wider use of healthcare AI through sales collaboration, and further improve image reading quality and efficiency in diagnostic imaging

Expanded collaboration with this business alliance

M3 AI — Japan's largest specialized medical website m3.com — More than 320,000 enrolled doctors — Various AI — Digital promotion — Cloud-based AI analysis service M3 AI Platform

Scope of collaboration in 2022

PSP — Sales collaboration — Sales division — New business development division — PSP's dedicated appliance NOBORI CUBE — PSP's service platform NOBORI PAL — DICOM viewer software — Cloud PACS NOBORI

CANON MEDICAL — Sales division — Clinical value division — Collaborative development — Functional integration — AI automatic analysis server Automation Platform — AI analysis viewer Findings Workflow — PACS RapideyeCore — PACS made by other companies

Background
- Conditions in medical settings in Japan are growing increasingly severe due to changes in disease structure owing to aging population, a doctor shortage, and other factors
- As workstyle reform for doctors took effect in April 2024, medical settings need to further improve their efficiency

Benefits of the business alliance
- Further improve image reading quality and efficiency in diagnostic imaging with the use of AI technology
- Provide an environment enabling a wider range of customers to use healthcare AI

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Sustainability Initiatives

Create customer value and a better future by strengthening management foundations with sustainable management in mind

Environment

Developed climate strategies and action plans and started calculating GHG emissions at group companies *See other page for details

- Identified risks and opportunities related to climate change
- Started calculating GHG emissions generated from TechMatrix and group companies

Social

Enhanced initiatives regarding human rights and those regarding internal environment creation and human resource development

- Formulated Guidelines for Business Partners (Human Rights and Labor) and implemented human rights due diligence for overseas offshore business partners
- Obtained "Tomonin" certification as a nursing care support company
- Obtained "Platinum Kurumin" certification as an excellent childcare support company

Governance

Visualized information security risks at TechMatrix and group companies to enhance the level of security

- Improvement in BitSight Security Rating score (750 as of July 2024)

*Glass Lewis (a proxy voting advisory firm) evaluates a company's level of security based on BitSight ratings

Strengthened the governance system of the Personnel Committee *See other page for details.
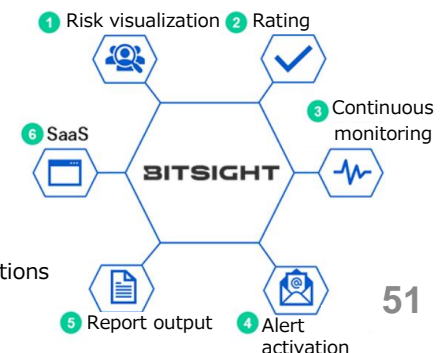
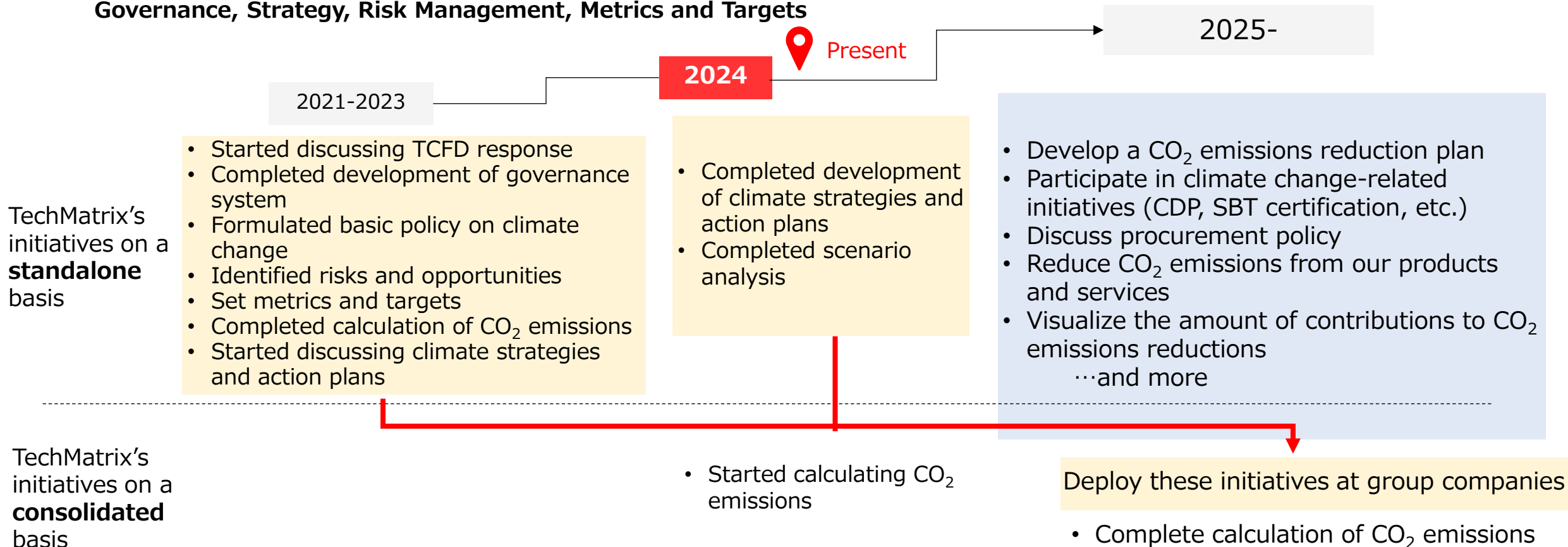The right figure is quoted from the website of ITOCHU Techno-Solutions
https://www.ctc-g.co.jp/solutions/bitsight/

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Sustainability Initiatives

Environment

Completed around 80% of environmental disclosures based on the ISSB's standards (*TCFD recommendations)

*Supervision of the progress of companies' information disclosures has been transferred from the Task Force on Climate-related Financial Disclosures (TCFD) to the International Sustainability Standards Board (ISSB). However, the TCFD recommendations remain valid.

Four pillars of disclosure items:
Governance, Strategy, Risk Management, Metrics and Targets

Present

2024

2025-

2021-2023

TechMatrix's initiatives on a **standalone** basis

- Started discussing TCFD response
- Completed development of governance system
- Formulated basic policy on climate change
- Identified risks and opportunities
- Set metrics and targets
- Completed calculation of CO_2 emissions
- Started discussing climate strategies and action plans

- Completed development of climate strategies and action plans
- Completed scenario analysis

- Develop a CO_2 emissions reduction plan
- Participate in climate change-related initiatives (CDP, SBT certification, etc.)
- Discuss procurement policy
- Reduce CO_2 emissions from our products and services
- Visualize the amount of contributions to CO_2 emissions reductions
    …and more

TechMatrix's initiatives on a **consolidated** basis

- Started calculating CO_2 emissions

Deploy these initiatives at group companies

- Complete calculation of CO_2 emissions

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Sustainability Initiatives

Governance

- ## Strengthened the governance system of the Personnel Committee

### Changed the committee structure and Chair of the Personnel Committee in June 2024

Committee structure: 4 members (3 Outside Directors and 1 Internal Director)
Chair: Outside Director

Committee structure (3 members)
Takaharu Yai (Chair)
Ken Takayama
Ryota Miura

Committee structure (4 members)
Akio Sugihara (Chair)
Ken Takayama
Ryota Miura
Takaharu Yai

Selection/ Dismissal

Remuner- ation

Audit

Ratio of Outside Directors 75%
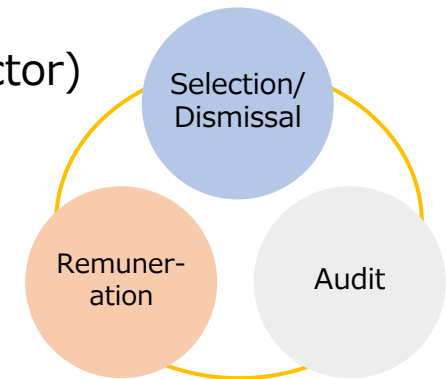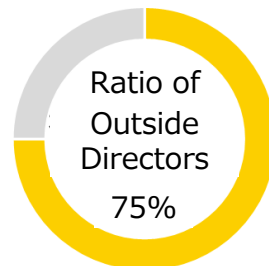
Items to be discussed at the Personnel Committee
- Formulation of standards regarding the term of office for directors
- Selection and development of the next-generation management team
- Selection of candidates to succeed current Outside Directors (creation of a long list) *including selection of candidates for new female directors

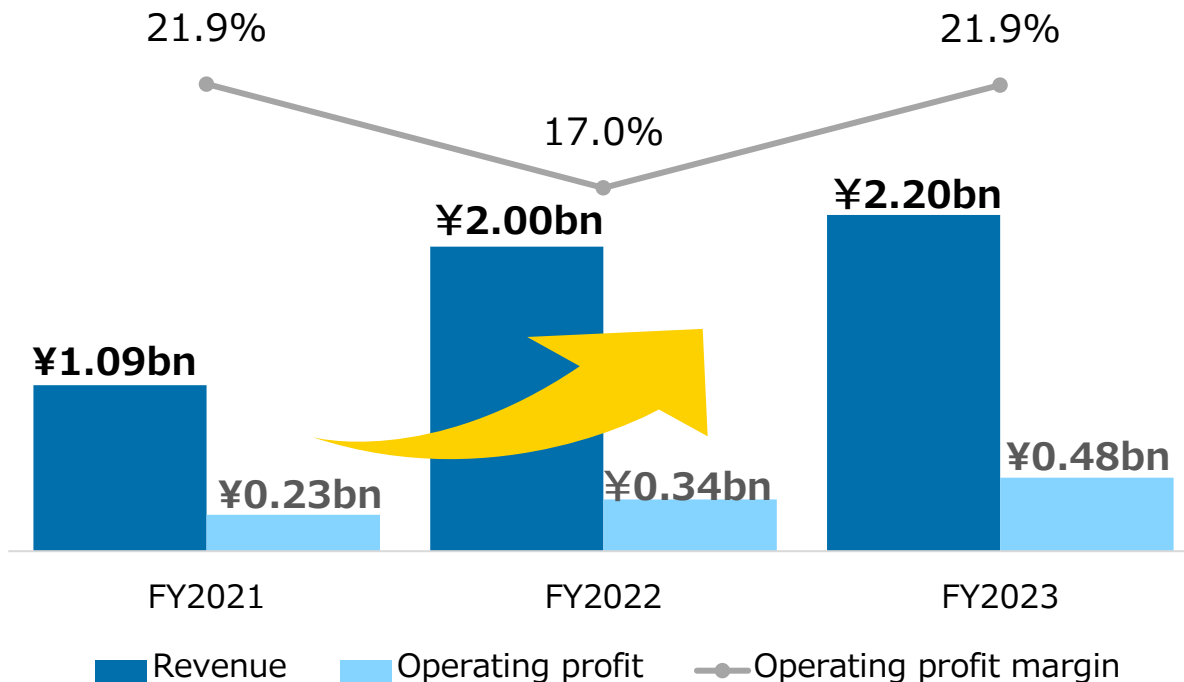# (Reference (reposted))
2Q Topics for FY2024

Medium-term Management Plan: Diverse alliances/M&A

■ **Acquire all shares in Firmus Sdn. Bhd. ("Firmus"), Malaysia's largest cybersecurity specialist, to make it a wholly-owned subsidiary (scheduled for November 2024)**

*Firmus' profit/loss is expected to be included beginning in the 3rd quarter of the current fiscal year.

Firmus Group continues to deliver strong consolidated results

21.9%   17.0%   21.9%

¥1.09bn   ¥0.23bn   ¥2.00bn   ¥0.34bn   ¥2.20bn   ¥0.48bn

FY2021   FY2022   FY2023

■ Revenue   ■ Operating profit   ─●─ Operating profit margin

*MYR to JPY: 35.0

Firmus' businesses

Provide security services and security solutions

Offer incident response, penetration testing, managed services, etc.

Serve approx. 200 companies, mainly large financial institutions

Outline of Firmus and TechMatrix

	Firmus Sdn. Bhd.	TechMatrix
Location	Level 15, Hampshire Place, No. 1 Jalan Mayang Sari 50450 Kuala Lumpur Wilayah Persekutuan, Malaysia	SHINAGAWA SEASON TERRACE 24F 2-70 Konan 1-chome, Minato-ku, Tokyo
Name and title of the representative	Datuk See Wei Chyun, CEO/Director	Takaharu Yai, President and CEO
Business areas	Security services, security consulting, security product sales	Provision of services such as sales consulting and maintenance of IT-related software, hardware and solutions Provision of cutting-edge network and security products and operation monitoring services in the Information Infrastructure business
Share capital	MYR 1 million (as of December 31, 2023) (approx. ¥35 million) *MYR to JPY: 35.0	¥1,298 million
Number of employees	73	1,502 (As of March 31, 2024)
Revenue	MYR 63.11 million (¥2,200 million) (Fiscal year ended December 31, 2023)	¥53,300 million (Fiscal year ended March 31, 2024)
Operating profit	MYR 13.80 million (¥480 million) (Fiscal year ended December 31, 2023)	¥5,850 million (Fiscal year ended March 31, 2024)
Operating profit margin	21.9% (Fiscal year ended December 31, 2023)	11.0% (Fiscal year ended March 31, 2024)
Ordinary profit (profit before tax)	MYR 13.71 million (¥470 million) (Fiscal year ended December 31, 2023)	¥5,854 million (Fiscal year ended March 31, 2024)
Profit (Profit attributable to owners of parent)	MYR 9.74 million (¥340 million) (Fiscal year ended December 31, 2023)	¥3,540 million (Fiscal year ended March 31, 2024)
Profit per share (Basic earnings per share)	MYR 18 (¥630) (Fiscal year ended December 31, 2023)	¥88.35 (Fiscal year ended March 31, 2024)

# Network Security field

TechMatrix

Purpose of the M&A ▶ Complement each other's services and expertise to deepen specialization and expand our sales network
Expand business in the rapidly growing ASEAN market to drive future growth

TechMatrix **FiRMUS**

Customer base	✕	Products and services	✕	Insights, technology and expertise

Expand business in the overseas (ASEAN) market

Expand business in the ASEAN market, using our entry into the Malaysian market as a stepping stone
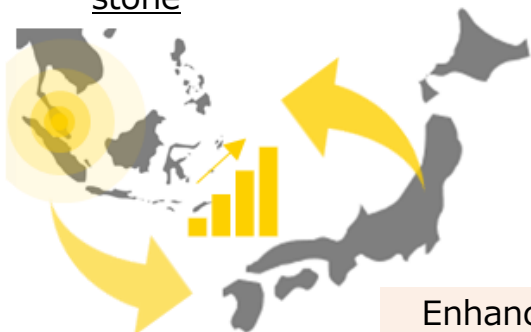
Enhance business performance in the overseas (ASEAN) market

Increase product sales

Strengthen Firmus' product sales capabilities in the ASEAN market by leveraging TechMatrix's product discovery expertise (Palo Alto, etc.)

Enhance services

Promote cross-selling and co-development of services offered by both companies
・Security monitoring service (TechMatrix)
・Penetration testing service* (Firmus)

Attract and develop global security personnel

*A penetration test is a method for evaluating security adequacy and potential damage by simulating attacks from a hacker's point of view.

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Group structure for the Information Infrastructure Business

Information Infrastructure Business

Network Security Division

CROSS HEAD [100%]

OCH Co., Ltd. [100%]

Firmus Sdn. Bhd. [100%]

Firmus Consulting Sdn. Bhd. [100%]

Firmus Pte. Ltd. [70%]

This M&A will add three companies to our group

Consulting on, as well as design and building of, IT system infrastructure; import, sales, and support of overseas IT products; dispatch of network engineers

Education and development of IT technicians, building of network servers

Security services, security consulting, security product sales

Security consulting

Security consulting

Publication of Integrated Report (September 2024)

The Integrated Report which provides a comprehensive explanation of financial and non-financial information has been published for all stakeholders to deepen their understanding of the TechMatrix Group initiatives to enhance corporate value in the medium- to long-term and to gain their trust.

Sections of the Report that we want to draw your attention to:

- Internal survey conducted to instill our corporate philosophy (featuring the voices of employees), p. 2

- Message from the President & CEO, pp. 11-16

- Our strengths and case studies, pp. 19-22

- New Medium-term Management Plan (identification of risks and opportunities, business strategies, financial strategies, human resources strategies, pp. 25-38, 45-48

- Dialogue between Outside Directors (successor appointment process), pp. 49-52

*The Integrated Report is available on the Company's IR website (Japanese).
https://www.techmatrix.co.jp/ir/library/library_07.html

*The English version of the Integrated Report will be available at the end of November.

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Inclusion in Investment Indices

Investment indices in which TechMatrix is included

- **FTSE Blossom Japan Sector Relative Index**   **Selected as a constituent this year**
  - ＊ Adopted by the Government Pension Investment Fund (GPIF) as one of its ESG investment indices
    Developed by FTSE Russell, a member of the London Stock Exchange Group, as a global ESG investment index
    Comprised of Japanese companies with high ESG (environment, social, governance) ratings

  > **We promote ESG initiatives and aim to be included in the FTSE Blossom Japan Index.**

- **S&P/JPX Carbon Efficient Index**
  - ＊ Adopted by the GPIF as one of its ESG investment indices
    Jointly developed by S&P Dow Jones Indices and Japan Exchange Group as an index focused on the "E" in ESG investment
    Comprised of companies in the Tokyo Stock Price Index that excel in environmental disclosure and carbon efficiency (carbon emissions per unit of revenue)

- **Russell/Nomura Prime**
  - ＊ A Japanese stock index jointly developed by Nomura Securities Financial Engineering & Technology Research Center and Russell Investments in the U.S.

- **JPX-Nikkei Mid and Small Cap Index**
  - ＊ A mid- and small-cap stock index jointly developed by Tokyo Stock Exchange and Nikkei Inc. that focuses on capital efficiency and financial position

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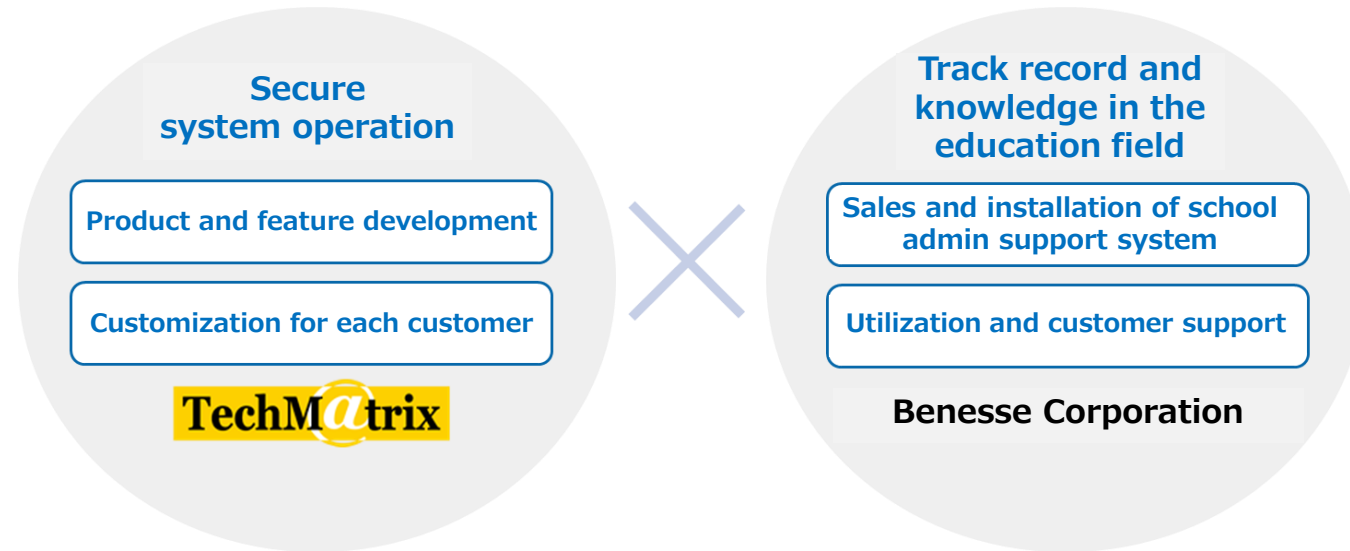# (Reference (reposted))
3Q Topics for FY2024

Application Services Business, EdTech (Education) field

TechMatrix

Medium-term Management Plan: Diverse alliances

From April 2025, Benesse Corporation will offer our "tsumugino" as "**Benesse School Admin Cloud**," a system to support high schools for admin tasks

■ Background of business alliance

- To reform teachers' workstyles, schools have been promoting digital transformation by digitalizing paper-based operations and streamlining school admin tasks. Education is expected to become more sophisticated.

- Benesse has been considering a fully cloud-based system for supporting school admin as a new service for high schools.

- TechMatrix has been considering the further advancement of sales and installation of fully cloud-based systems for supporting school admin

Secure system operation

- Product and feature development
- Customization for each customer

TechMatrix

Track record and knowledge in the education field

- Sales and installation of school admin support system
- Utilization and customer support

Benesse Corporation

With Benesse customizing and adding value to the underlying "tsumugino" system, the two companies will jointly roll out a next-generation system for supporting school admin

Application Services Business, CRM field

Medium-term Management Plan: Diverse alliances/M&A, Use of AI

Improve operational efficiency and customer satisfaction at contact centers

Linked a wider range of AI solutions with our CRM systems

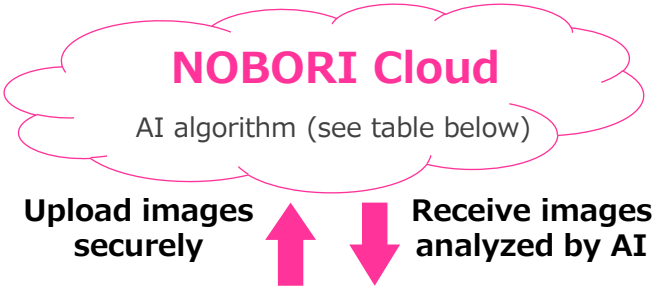| Developer	Solution name	Linked in
Advanced Media	AI voice recognition solution for contact centers "AmiVoice® Communication Suite"	March 2020
A.I. Squared	AI-powered automatic summarizing and classifying system "QuickSummary"	January 2020
RevComm	Phone equipped with voice analysis AI "MiiTel"	May 2021
AI Shift	Voice bot that speaks to customers and automatically stores the conversation content in CRM "AI Messenger Voicebot"	October 2023
TOMORROW NET	AI for navigation-style dialogue "CAT.AI"	May 2024
PKSHA	AI voice recognition and call analysis "PKSHA Speech Insight"	May 2024
NEW SCSK	Cloud-based contact center service that produces automatic summaries and helps generate FAQs by using generative AI "PrimeTiaas"	November 2024

Before

Operators created records of conversations with customers and manually entered them in CRM systems.

After solution linkage

Linkage with phone infrastructure and voice recognition systems enables automatic transcribing and summarizing of conversations between operators and customers. Generative AI helps create FAQs.

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Medical Systems Business

Medium-term Management Plan: Diverse alliances/M&A, Use of AI

NOBORI

NOBORI Cloud

AI algorithm (see table below)

Upload images securely ⬆ ⬇ **Receive images analyzed by AI**

Business alliance between M3 and PSP to promote the diagnostic imaging support AI platform business

In medical institutions

(PACS)

See results from PACS/reporting system

⬅➡

M3 edge server

NOBORI-CUBE

*NOBORI PACS users can also use NOBORI-CUBE

| Condition	AI developer	Supplementary information	Image
Brain aneurysm	LPIXEL*	Detects areas in X-ray images similar to brain aneurysm in cerebral blood vessels	X-ray
Lung disease		Detects areas in X-ray images showing possible signs of pulmonary nodule or other diseases	X-ray
Interstitial lung disease	M3	Detects areas in X-ray images showing possible signs of interstitial lung diseases	X-ray
Lung disease	VUNO	Detects areas in chest CT images showing possible signs of pulmonary nodule Also shows changes from the previous test	Chest CT
Stroke	Canon Medical Systems	Detects areas in head CT images showing possible signs of cerebral hemorrhage or cerebral infarction	Head CT
Cancer	Canon Medical Systems	Analyzes torso CT images and visualizes bone changes from past tests Used to observe bone changes in cancer follow-up cases, etc.	Torso CT
Heart disease	Us2.ai	Analyzes heart ultrasound images and automatically measures various atrial and ventricular metrics	Ultrasound

NEW

Medium-term Management Plan: Diverse alliances/M&A

Added **a service for the pathology area** to NOBORI, a cloud-based medical image management system (PACS) service that enables secure storage and use of medical information, including CT and MRI images taken at medical facilities. The new service was launched on November 1, 2024

Service for the pathology area
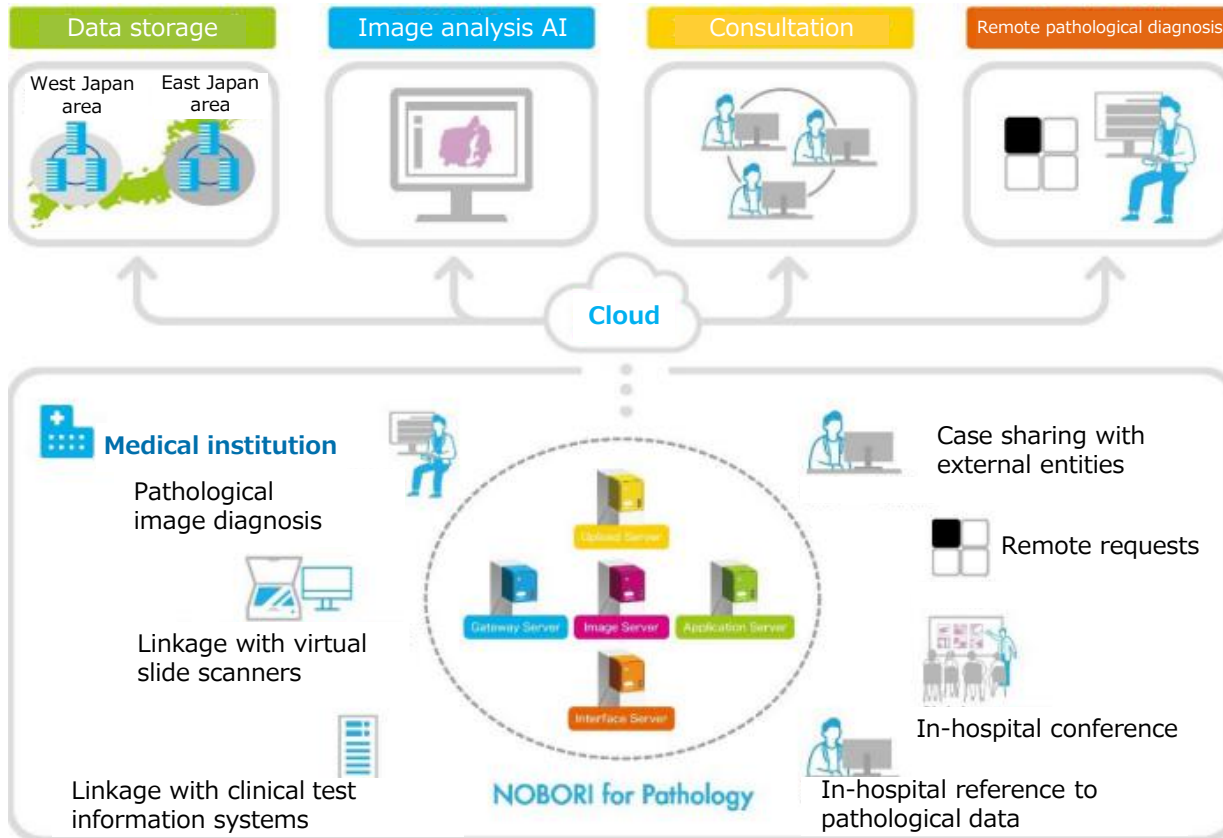
Background
The pathology department needs to advance digitalization, due to such factors as a shortage of specialists who engage in pathological diagnosis

Concluded in July 2022 a capital and business alliance with Medmain Inc., a pioneer in digital pathology solutions, and developed solutions for the pathology area

- Offer four new services for the pathology area on NOBORI service cloud: data storage, image analysis AI, consultation, and remote pathological image diagnosis
- In NOBORI, enable the management of not only pathological image data but also data from CT, MRI, endoscopic, and other tests
- Contribute to workflow improvement in the pathology department

EOF

(Reference)
New Medium-Term Management Plan
"Creating Customer Value in the New Era"

TechMatrix Corporate Philosophy

To survive the new era as a company that creates the future, new business development is absolutely necessary.

Mission Statement

The IT professional group who create a better future

Action Guidelines

- In a spirit of co-existence and co-prosperity, we work hard to make a contribution to our customers and society.

- Keeping in mind the importance of humbly learning something new, we continue to challenge new technologies and new businesses.

- All the members make a strong commitment to a team success and team growth through open discussion.

Slogan for the New Medium-Term Management plan (2024-2026)

Creating Customer Value in the New Era

Thoughts on the New Medium-Term Management Plan

The TechMatrix Group will continue to be a company that creates **a better future** by solving social issues with solutions packed with its **foresight** and **Business know how**.

Foresight	×	**Business know-how**	=	**A better future**

Foresight
- Discovering social issues to be solved
- Finding state-of-the-art technologies.

Business know-how
- Holding more In-depth knowledge than customers do on business processes in focused industries requiring expert knowledge or skills.

A better future
- Enhancing customer convenience and operational efficiency
- Building a society where customers can live safely and with peace of mind.

New Medium-Term Management Plan

Creating Customer Value

Source of customer value (DNA)
Offering solutions packed with
Business know-how

Credo and aspiration (corporate culture)
Providing close support for customers
Serving persistently without giving up

An environment where every single employee
can take on challenges to grow

Business infrastructure (basis for offering customer value)
Recruiting and retaining talents
Putting in place systems for conducting operations quickly and accurately

New Medium-Term Management Plan

the New Era

| Decrease in the working population | × | Emergence of new technology | × | corporate social responsibility |

New Medium-Term Management Plan: Key Strategies

Purposes (what we want to achieve)

Expanding business domains

Expanding business in the overseas market

Creating businesses by utilizing data

Measures (to make them happen)

Expanding portfolio of products and services

Utilization of AI

Creation of synergies by strengthening group collaboration

Diverse alliances / M&A (expansion of existing business, creation of new business)

Developing and retaining talents (including promotion of diversity)

New Medium-Term Management Plan: Focus Areas

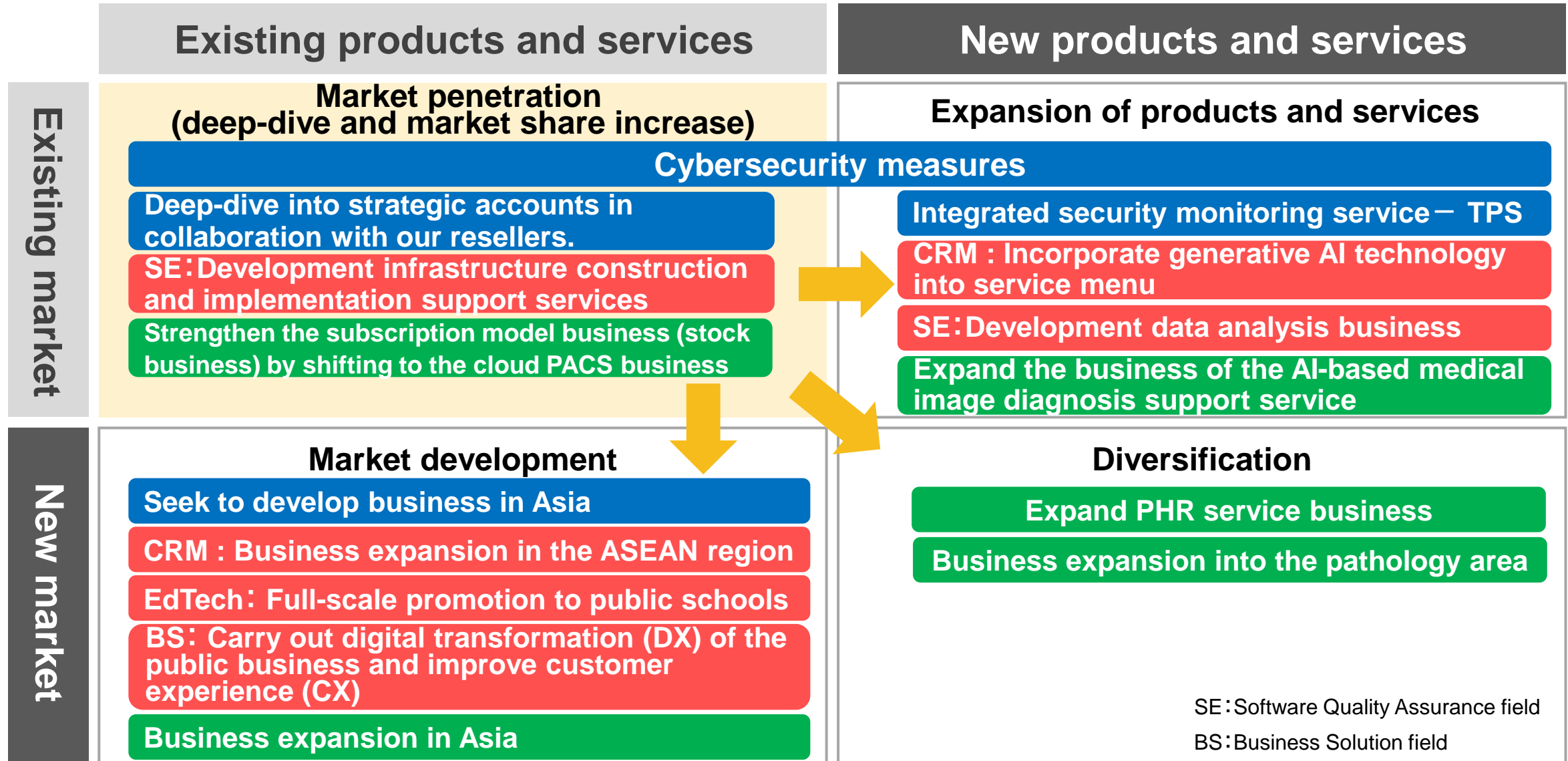**■ Information Infrastructure** **■ Application Service** **■ Medical System**

	Existing products and services	**New products and services**
Existing market	**Market penetration (deep-dive and market share increase)**	**Expansion of products and services**

Existing products and services — Existing market:

Cybersecurity measures

- Deep-dive into strategic accounts in collaboration with our resellers.
- SE：Development infrastructure construction and implementation support services
- Strengthen the subscription model business (stock business) by shifting to the cloud PACS business

New products and services — Existing market (Expansion of products and services):

Cybersecurity measures

- Integrated security monitoring service－ TPS
- CRM：Incorporate generative AI technology into service menu
- SE：Development data analysis business
- Expand the business of the AI-based medical image diagnosis support service

Existing products and services — New market: Market development

- Seek to develop business in Asia
- CRM：Business expansion in the ASEAN region
- EdTech：Full-scale promotion to public schools
- BS：Carry out digital transformation (DX) of the public business and improve customer experience (CX)
- Business expansion in Asia

New products and services — New market: Diversification

- Expand PHR service business
- Business expansion into the pathology area
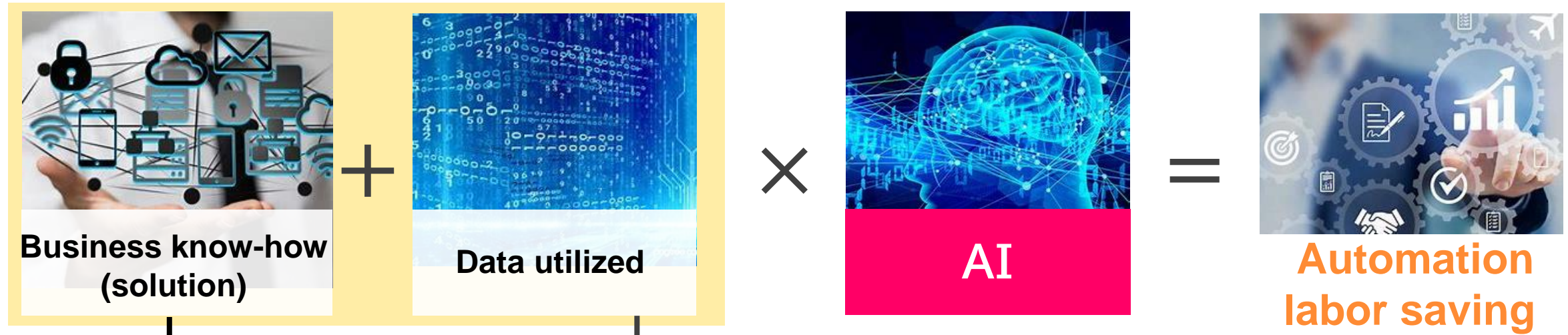
SE：Software Quality Assurance field
BS：Business Solution field

New Medium-Term Management Plan: Data utilization

Support automation and labor saving through data utilization
for Customers of our solutions

Business know-how (solution) + **Data utilized** × **AI** = **Automation labor saving**

・**Medical System field**
Medical institution business processes including medical image management

・**CRM field**
Call center / contact center operations and knowledge management

・**SE field**
Software development process and quality control

・**Security field**
Cybersecurity measures and security operations

・**Medical System field**
medical image data
*More than 50 million people and more than 300 millio data items (as of March 2024)

・**CRM field**
call history data
Inquiry history data

(Reference) Data・Other

59,602,000

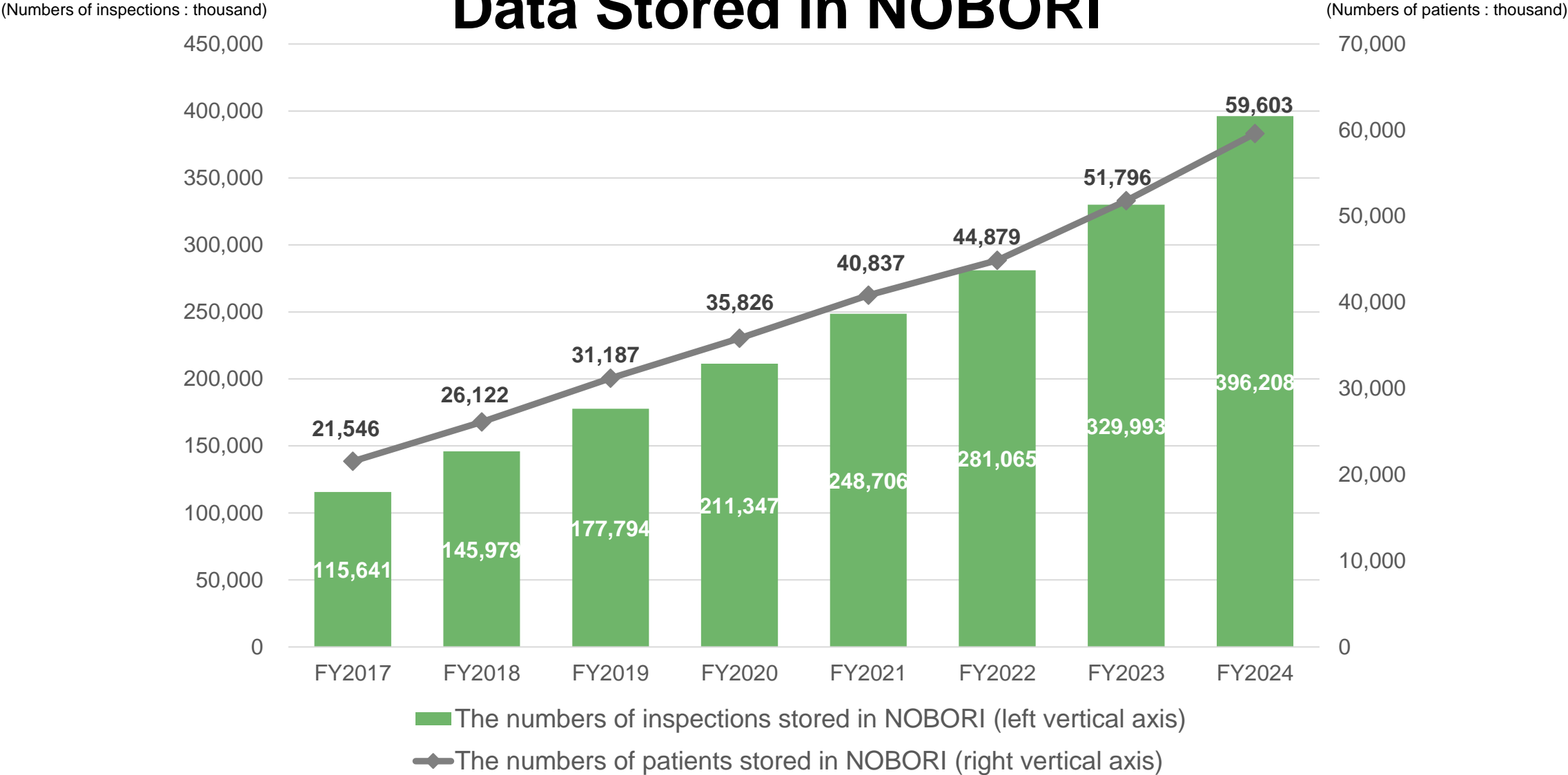**The number of patients who stored medical images in NOBORI**

396,208,000

The number of inspections stored in NOBORI
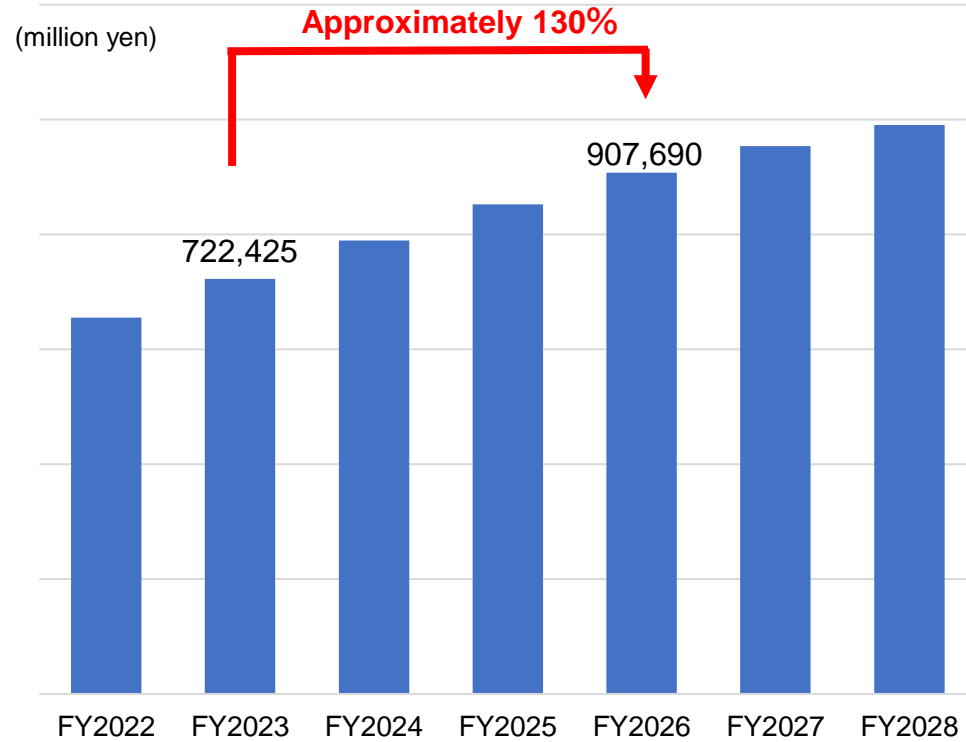
（March 31, 2025）

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Medical field

Data Stored in NOBORI

(Numbers of inspections : thousand)

(Numbers of patients : thousand)

- The numbers of inspections stored in NOBORI (left vertical axis)
- The numbers of patients stored in NOBORI (right vertical axis)

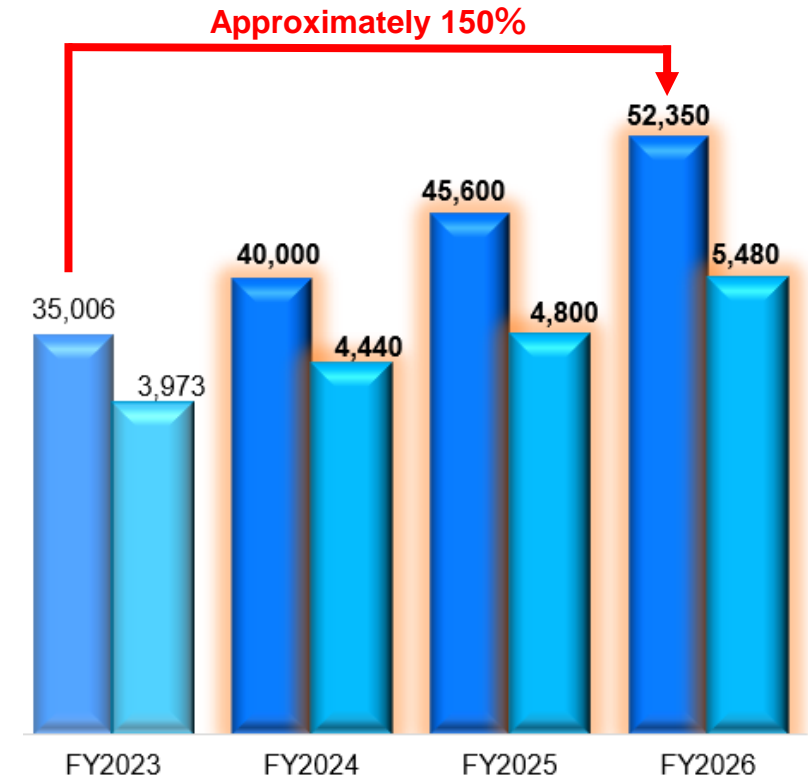|	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Inspections	115,641	145,979	177,794	211,347	248,706	281,065	329,993	396,208
Patients	21,546	26,122	31,187	35,826	40,837	44,879	51,796	59,603

TechMatrix

Network security business market is expected to continue expanding

Domestic market forecast for network security business

- Net sales
- Operating income

Medium-term plan for our information infrastructure business

(million yen)

Approximately 130%

907,690

722,425

FY2022　FY2023　FY2024　FY2025　FY2026　FY2027　FY2028

Approximately 150%

52,350

45,600

40,000

35,006

5,480

4,800

4,440

3,973

FY2023　FY2024　FY2025　FY2026

Source：Fuji Chimera Research Institute, Inc.
Created based on「Survey of the domestic market for network security business」

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At super major and major companies that are our main business partners Continued investment is expected in the future

Domestic company size Network security investment trends

(Billion yen)

	FY2022	FY2028	Ratio to FY2022
Super major	2,651	4,055	153.0%
Major	2,090	3,313	158.5%
Medium	1,183	1,707	144.3%
Small	627	830	132.4%

(employees)
Super major ：5,000～
Major ：1,000～4,999
Medium ：300～900
Small ：299～1

Super-major and Major companies are proactive in implementing security measures, so their investment amounts are steadily increasing. **It is anticipated that active efforts will continue in the future** to prevent business shutdowns due to the increasing sophistication of cyber attacks and security incidents that have increased in recent years.

Small and medium-sized companies have limited budgets for security measures, and future growth in investment amounts is expected to be slower than that of Super-major and Major companies .
However, steady growth is expected as efforts are being made to comply with security guidelines established by each industry.

Source：Fuji Chimera Research Institute, Inc.
Created based on「Survey of the domestic market for network security business」

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The Global Personal Health Record Software Market size is expected to reach $13.2 Million by 2027

Market Growth Factors

Increasing government initiatives across the globe
　There are growing government initiatives across various regions to promote the paperless healthcare mechanism. The burden of carrying multiple papers or prescriptions for availing any health care facilities has led patients to opt for personal health record software.

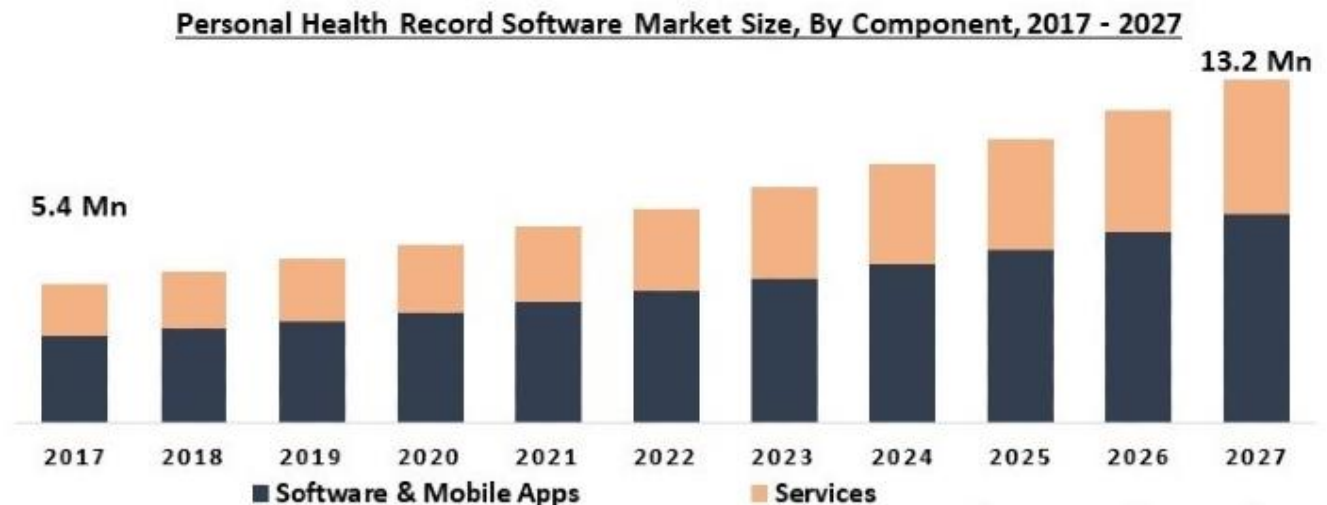**Growing digitalization in the healthcare industry**
　The increasing digitalization across the globe, especially in the healthcare sector is creating demand for more advanced, compact, and convenient technologies and solutions, which is estimated to fuel the demand for personal health record software. This software helps in keeping the health record of a person that includes a wide variety of information like doctor and patient's address, an allergy to the patient, etc., which improves the healthcare management.

Personal Health Record Software Market Size, By Component, 2017 - 2027

13.2 Mn

5.4 Mn

2017　2018　2019　2020　2021　2022　2023　2024　2025　2026　2027
■ Software & Mobile Apps　■ Services

Source: www.kbvresearch.com

Source：Global Information, Inc.
　　　　"Global Personal Health Record Software Market By Component (Software & Mobile Apps and Services), By Architecture Type (Payer Tethered, Standalone and Provider Tethered), By Deployment Mode (Web-
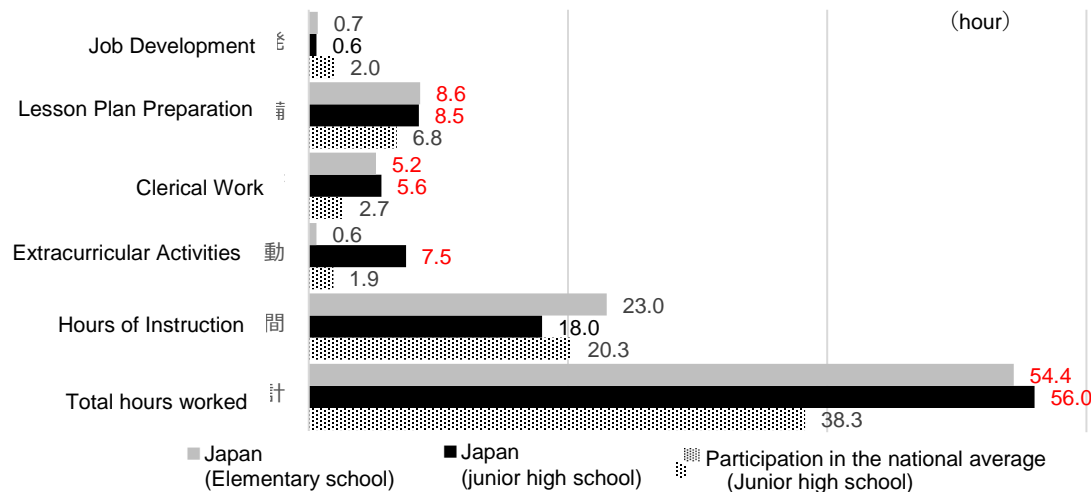　　　　based and Cloud-based By Regional Outlook, Industry Analysis Report and Forecast, 2021 - 2027 "（KBV Research)

TechMatrix

Teacher's work hour per week

（hour）

	Japan (Elementary school)	Japan (junior high school)	Participation in the national average (Junior high school)
Job Development	0.7	0.6	2.0
Lesson Plan Preparation	8.6	8.5	6.8
Clerical Work	5.2	5.6	2.7
Extracurricular Activities	0.6	7.5	1.9
Hours of Instruction	23.0	18.0	20.3
Total hours worked	54.4	56.0	38.3

Percentage of teachers who frequently use each instructional practice

（%）

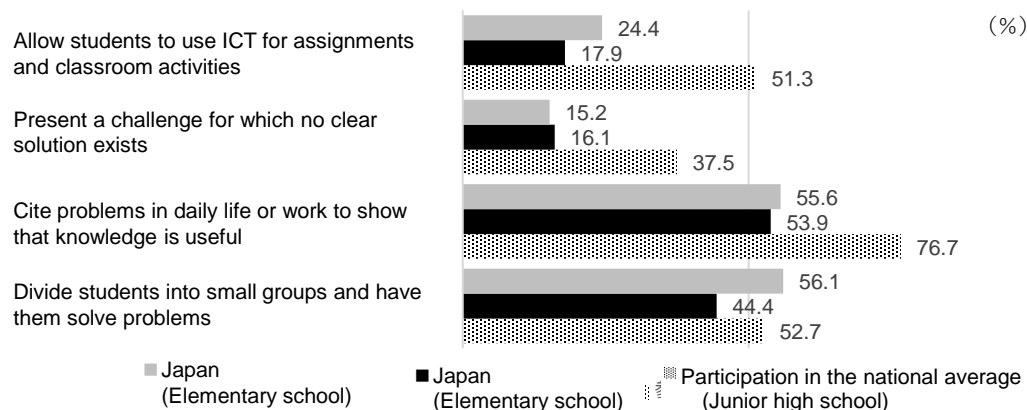|	Japan (Elementary school)	Japan (Elementary school)	Participation in the national average (Junior high school)
Allow students to use ICT for assignments and classroom activities	24.4	17.9	51.3
Present a challenge for which no clear solution exists	15.2	16.1	37.5
Cite problems in daily life or work to show that knowledge is useful	55.6	53.9	76.7
Divide students into small groups and have them solve problems	56.1	44.4	52.7

Teachers work the longest hours among any of the participating countries, and there is a significant sense of a shortage of human resources.

The following items recorded the longest hours among the participating countries.

✓ Work time
✓ Extracurricular activity hours (junior high school)
✓ Administrative work

Insufficient efforts to improve classes from the viewpoint of independent, interactive, and deep learning and to utilize ICT, etc.

*Organization for Economic Cooperation and Development (OECD) International Teacher Leadership and Instructional Environment Survey (TALIS) has been conducted every five years since 2008 for teachers and principals, focusing on the working and school environments of teachers and principals. The next survey is scheduled to be conducted in 2024.*48 countries/regions, including OECD member countries, participated (15 countries/regions participated in primary education).Translated with www.DeepL.com/Translator (free version)

Source：International Teacher Teaching Environment Survey（TALIS）2018（OECD）

Provision of optimal services to customers based on our Japan's top class track record of supporting product deployments.

paloalto NETWORKS

2 years in a row
・ JAPAC Distributor Excellence Award
　（2023,2024）
7 years in a row
・Distributor of the year
　（2018, 2019, 2020, 2021, 2022, 2023, 2024）
2 years in a row
・Excellence in support of the year
　（2018, 2019）

TANIUM

2021 Award
・MVP Partner of the year

2022 Award
・Most Dedicated Partner of the Year

DELL Technologies

2019〜2021,2023〜2024 Award
Channel Services Delivery Excellence Award
　（Former Services Delivery　Excellence Awards ）

【Others】

proofpoint.

5 years in a row
・PARTNER OF THE YEAR
　（2021, 2022, 2023, 2024,2025）
2 years in a row
・Deal registration of the year
（2022, 2023）

COHESITY

2022 Award
APJ Marketing Partner of the Year

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