



Digital Information Technologies Corporation

Financial Results for the Second Quarter of the Fiscal Year Ending June 2025



1 — Q2 FY6/25 Financial Report

2 — FY6/25 Business Forecasts

3 — Vision for 2030 and Medium-term Management Plan
(Partially extracted from the financial results materials disclosed on August 9, 2024)

4 — Appendix



Q2 FY6/25 Overview of Financial Results

- Significant increase in sales and profit compared to the previous fiscal year, driven by capturing strong demand and contributions from the two newly acquired subsidiaries.
- All business segments performed well, generating profits that exceeded investment costs, including rising labor expenses.
- As a result, the full-year earnings forecast was revised upward on February 14.

Major KPIs

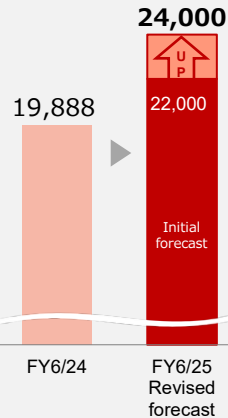
Net sales: 11,807 million yen
(+23.3% YoY)

Operating profit:
1,600 million yen
(+33.5% YoY)

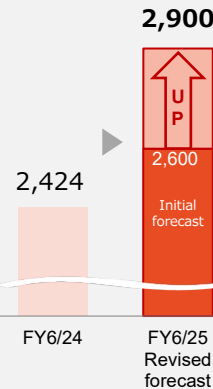
Operating profit margin:
13.6%
(+1.1 ppt. YoY)

Upward revision to full-year forecasts

Net sales

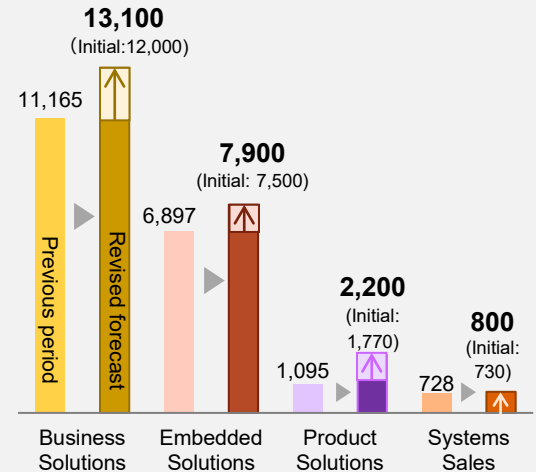


Operating profit



Revision to full-year sales by business

Sales by business

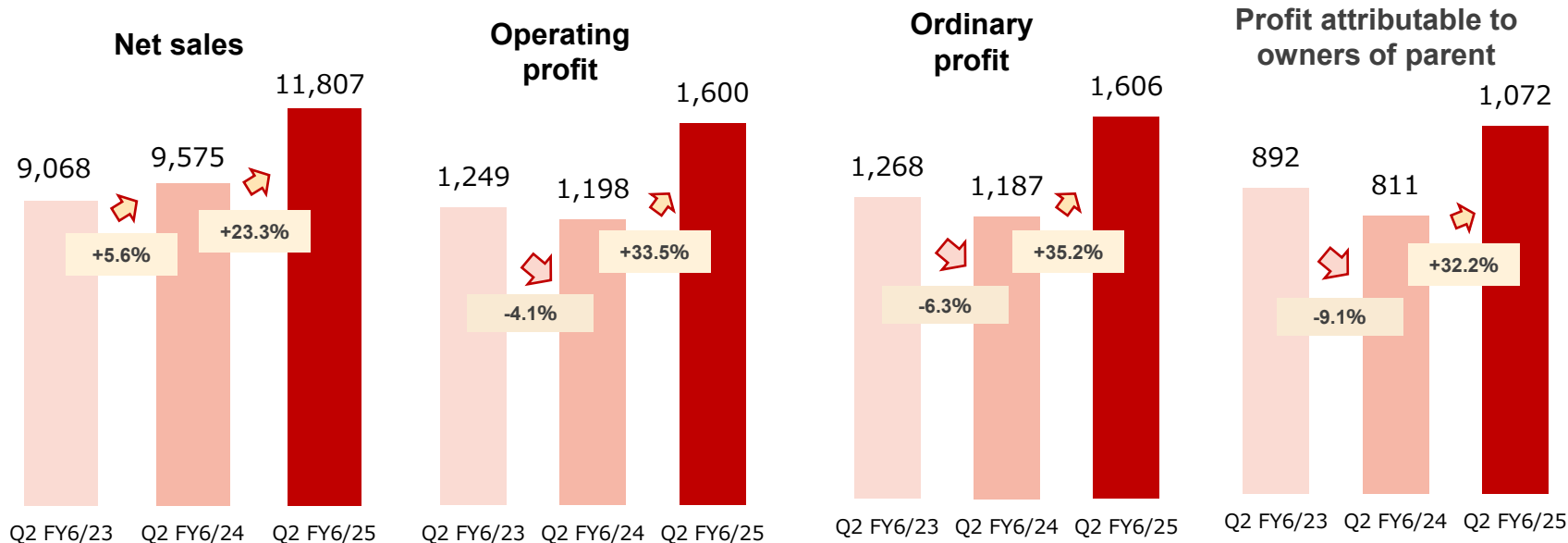




Q2 FY6/25 Financial Highlights

- Both sales and profit have overcome the impact of unprofitable projects from the past two years, returning to a growth trajectory.
- Profit at each stage saw a significant increase, successfully absorbing cost increases and reaching an all-time high.

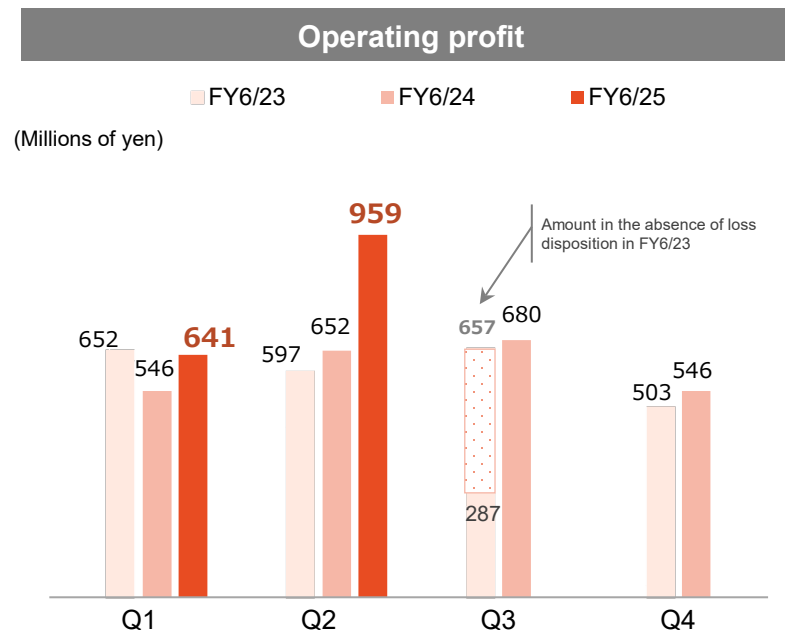
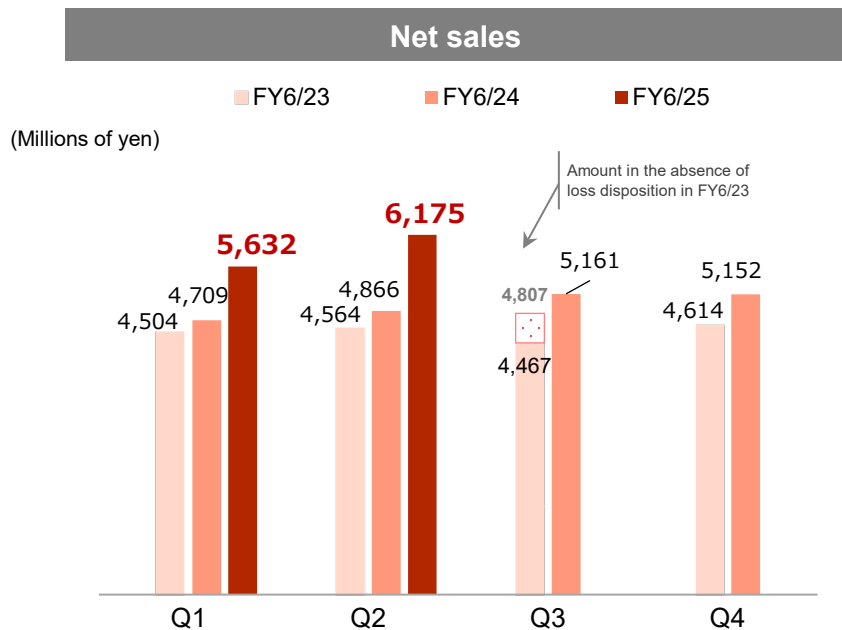
(Millions of yen)





Quarterly Net Sales & Operating Profit

- Both net sales and operating profit achieved record highs across all quarterly accounting periods.
- High-value public sector projects peaking in the first half and seasonal sales of New Year's greeting card software significantly contributed to the notable profit growth in Q2.



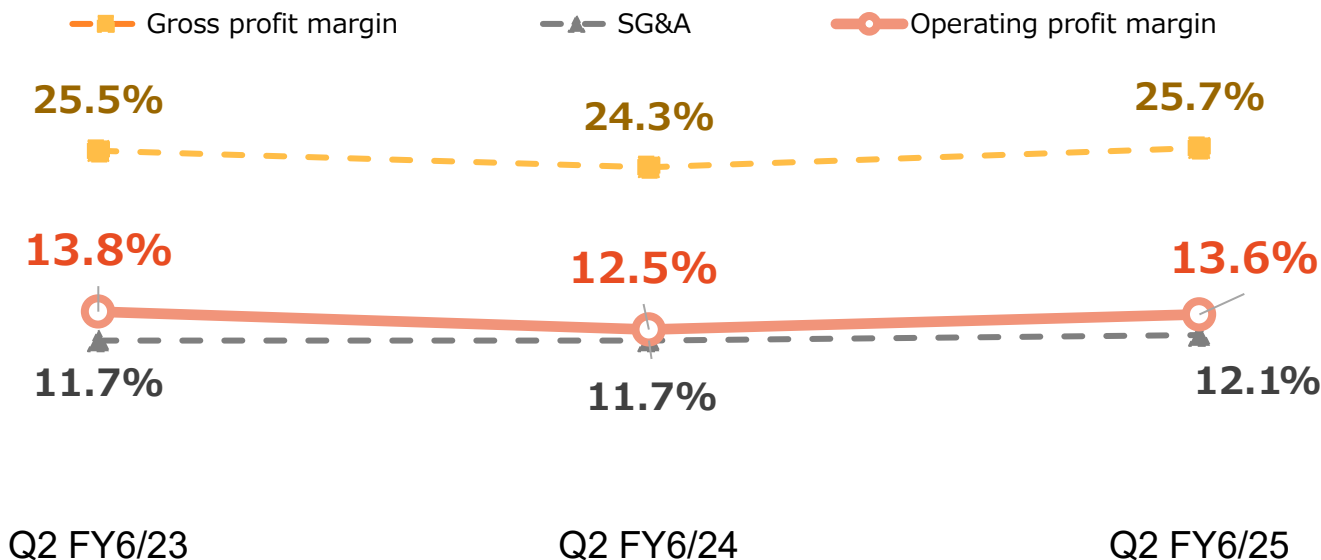
*Operating profit has a seasonal tendency to decrease in Q4 due to the hiring of new graduates, year-end allowances, etc. However, we have been working to reduce the decrease by increasing the base salary and bonus payment rate since the previous fiscal year.



Changes in Gross Margin/SG&A Expenses/Operating Profit Margin

- The gross profit margin is on a recovery trend, as the impact of an unprofitable project has been eliminated and cost increases have been absorbed.
- Selling, general, and administrative (SG&A) expenses have increased due to business expansion efforts and goodwill amortization, but the growth rate remains slow.
- The operating profit margin has rebounded to a high level, as the growth in gross profit offset the increase in SG&A expenses.

Ratio of each profit and SG&A to sales





Q2 FY6/25 Summary of Financial Results

- In the first half of the previous fiscal year, operating profit declined by 4.1% due to the impact of work to conclude the unprofitable project.
- Initially, moderate growth was expected in the first half of the current fiscal year due to rising costs. However, strong demand far exceeded the cost increases, resulting in significant sales and profit growth.

(Millions of yen)	Q2 FY6/24 Result	Composition %	Q2 FY6/25 Result	Composition %	YoY change %	Q2 FY6/25 Forecast	Vs. forecast %
Net sales	9,575	100.0%	11,807	100.0%	+23.3%	10,800	+9.3%
Gross profit	2,322	24.3%	3,029	25.7%	+30.5%	-	-
SG&A	1,123	11.7%	1,429	12.1%	+27.2%	-	-
Operating profit	1,198	12.5%	1,600	13.6%	+33.5%	1,270	+26.0%
Ordinary profit	1,187	12.4%	1,606	13.6%	+35.2%	1,270	+26.5%
Profit attributable to owners of parent	811	8.5%	1,072	9.1%	+32.2%	881	+21.7%

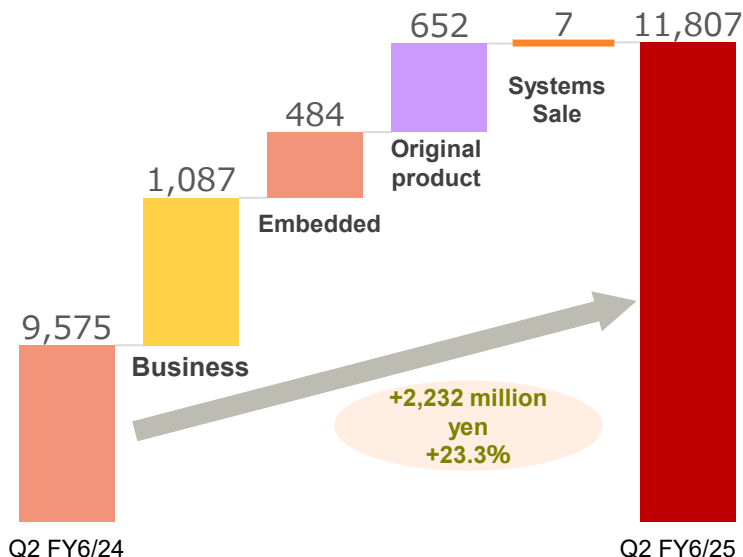


Factors behind Changes in Net Sales and Operating Profit (YoY)

- All core businesses—Business Solutions, Embedded Solutions, and Product Solutions—continued to perform strongly.
- Operating profit saw a significant increase, as the growth in gross profit offset the rise in SG&A expenses.

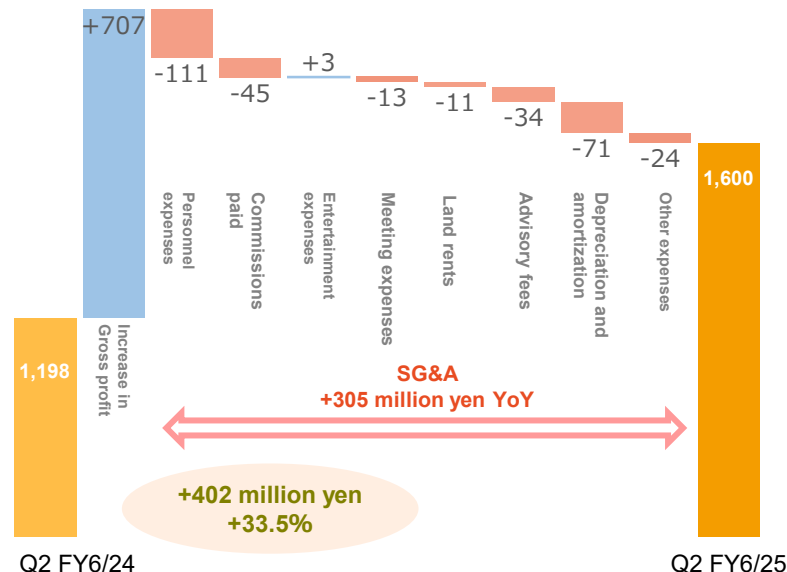
Net sales

(Millions of yen)



Operating profit

(Millions of yen)





Business Segments and Composition of Sales

- The increase in sales from Jungle Inc., acquired through M&A, contributed to the Product Solutions Unit, significantly expanding its share.
- Business system development saw a recovery within the Business Solutions segment, driven by increased sales from the acquired System Products Co., Ltd. and the elimination of the impact of the unprofitable project from the previous fiscal year, leading to a higher segment share.

Sales composition by business segment	Classification	Q2 FY6/23	Q2 FY6/24	Q2 FY6/25
Software Development Business		96.4%	96.0%	96.7%
Business Solutions Unit	Business Bases	57.9%	56.1%	54.7%
Business System Development		56.5%	55.2%	59.1%
Operational Support		43.5%	44.8%	40.9%
Embedded Solutions Unit	Business Bases	34.1%	34.7%	32.2%
Embedded Product Development		72.8%	73.4%	71.3%
Embedded Product Verification		27.2%	26.6%	28.7%
Product Solutions Unit	Growth Field	4.4%	5.3%	9.8%
Systems Sales Business	Business Bases	3.6%	4.0%	3.3%

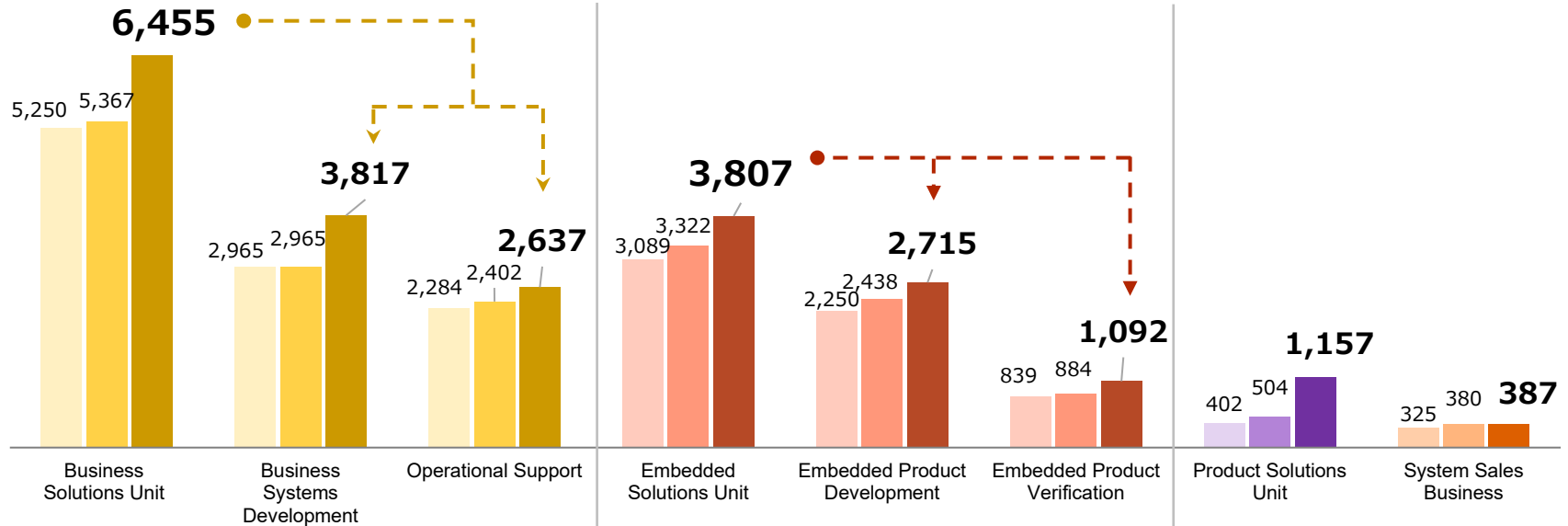


Sales by Business Segment

- The stable foundation businesses, Business Solutions and Embedded Solutions, saw significant growth.
- The growth-driven Product Solutions Unit doubled its sales.

Quarterly Sales by Business

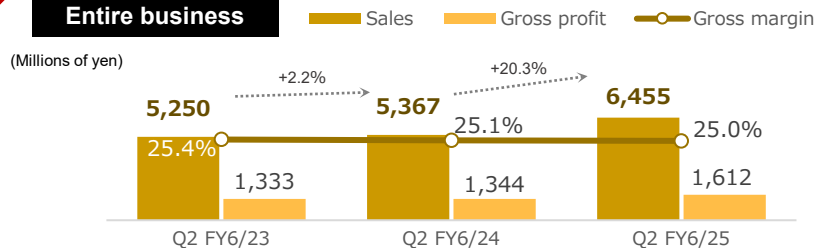
(From left to right: Q2 FY6/23, Q2 FY6/24, Q2 FY6/25)





Sales by Segment: Business Solutions Unit

Entire business

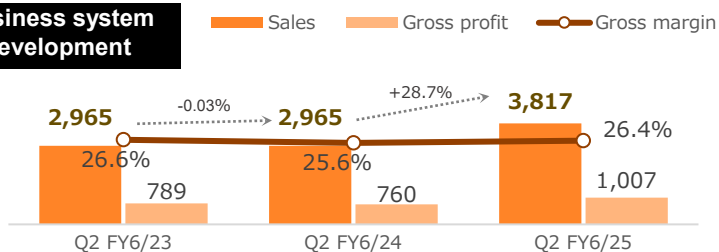


Sales: 6,455 million yen
YoY change: +20.3%

<Entire business>

Driven by strong demand, the rebound from the handover process of the unprofitable project in the previous fiscal year, and contributions from System Products Co., Ltd., we achieved significant sales and profit growth compared to the previous year.

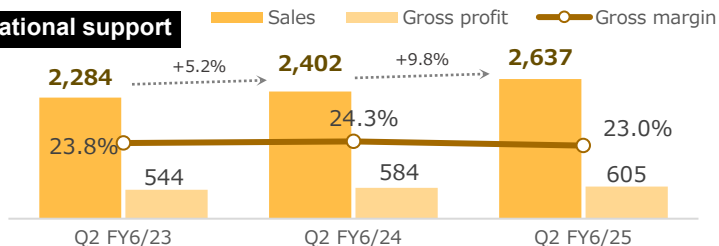
Business system development



■ Business system development

In the financial sector, a recovery strategy aligned with strong investment appetite proved successful, while public, telecommunications, and manufacturing projects also expanded. Additionally, sales from System Products Co., Ltd. (417 million yen) were incorporated. In particular, high-value public sector projects peaking in the first half contributed significantly to profitability.

Operational support

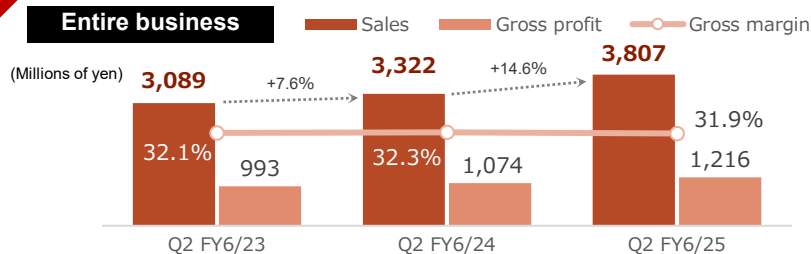


■ Operational support

While steadily expanding its business domain, including growth in cloud-based infrastructure development, sales growth was minimal compared to the same period last year due to delays in the rollout of new services such as Salesforce.



Sales by Segment: Embedded Solutions Unit



Net sales: 3,807 million yen
YoY change: +14.6%

<Entire business>

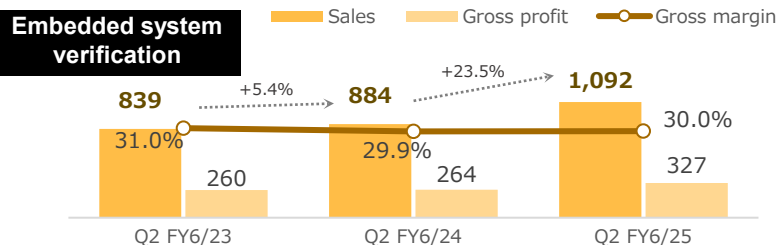
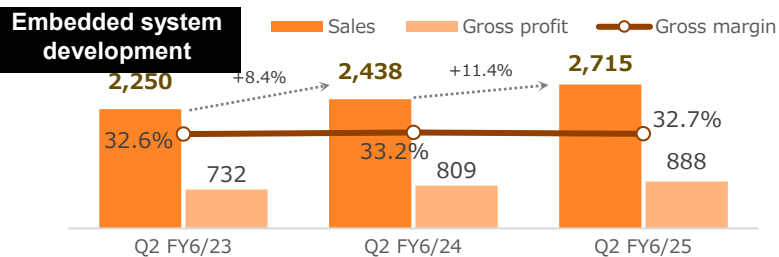
While performance varied across sectors, automotive-related projects remained strong, driven by automakers' continued strong investment appetite, leading overall growth. The business saw greater-than-expected expansion from the beginning of the fiscal year, resulting in significant sales and profit growth compared to the same period last year.

■ Embedded system development

While the semiconductor and mobile-related sectors showed signs of leveling off, demand for automotive systems remained strong. Additionally, IoT-related projects in the home appliance sector expanded, leading to significant sales and profit growth compared to the same period last year.

■ Embedded system verification

Although the industrial sectors, including pharmaceuticals and 5G, experienced a downturn in their project cycles, the automotive sector—where collaboration with development teams is strengthening—achieved substantial growth, driving overall performance. This resulted in significant sales and profit growth compared to the same period last year.

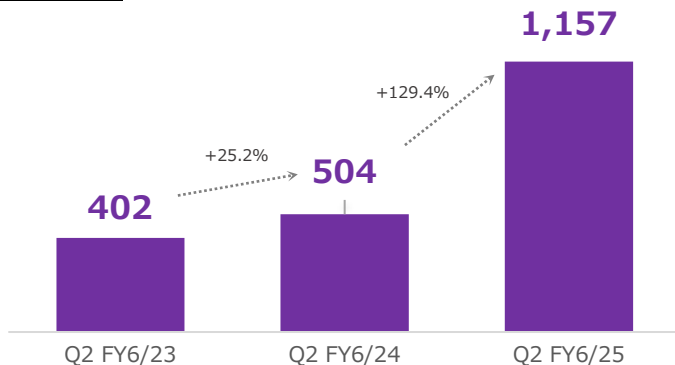




Sales by Segment: Product Solutions Unit

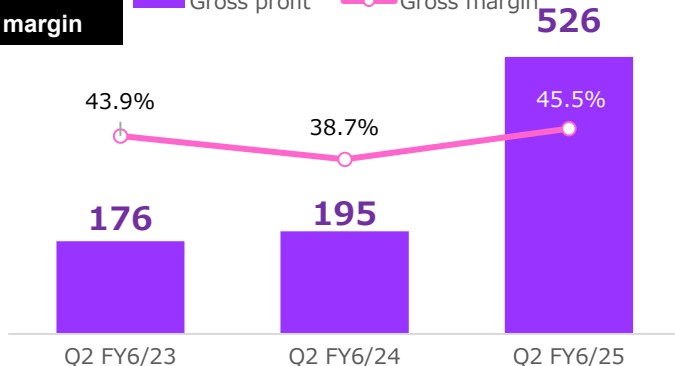
Net sales

(Millions of yen)



Gross margin

Gross profit (Purple bars) Gross margin (Pink line)



Sales: 1,157 million yen
YoY change: +129.4%

<Entire business>

In addition to the accumulation of traditional license sales, significant sales and profit growth were achieved through SI development for electronic contract services and the incorporation of sales from Jungle Inc. (389 million yen).

■ [WebARGUS: Cybersecurity product]

License sales from existing customers steadily increased, driving consistent growth in both sales and profit. Additionally, a new security product was developed to align with market needs.

■ [xoBlos: Operational efficiency products]

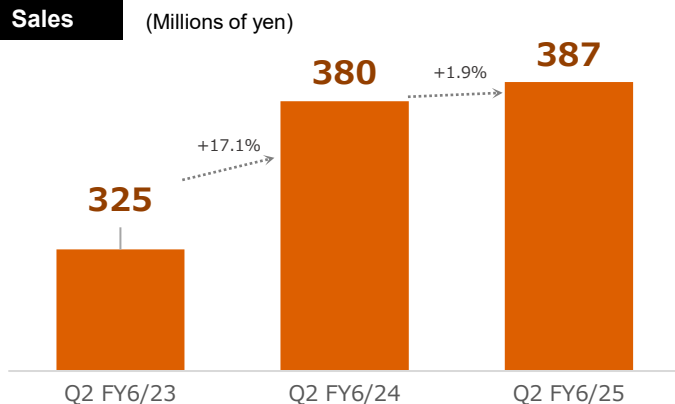
Sales and profit increased compared to the same period last year, supported by continued cross-selling and horizontal expansion within existing customers, as well as strengthened sales efforts, including participation in trade exhibitions.

■ [Other new products]

The electronic contract service "DD-CONNECT" gained strong traction, particularly among major enterprises in the housing construction industry, with high demand for integrated SI development. Jungle Inc. also contributed to sales and profit growth, with New Year's greeting card-related products peaking in sales during the second quarter, even though they were seasonal.



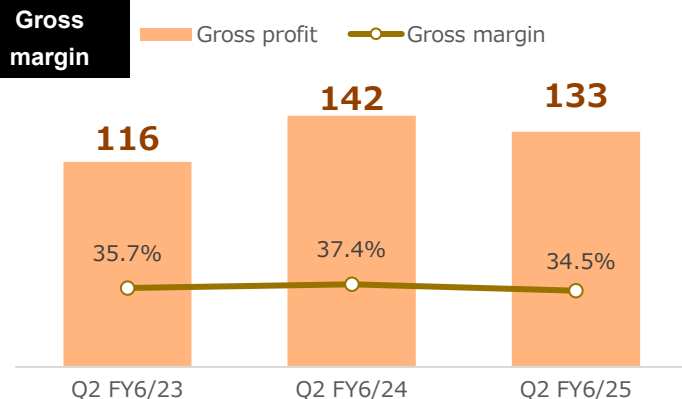
Sales by Segment: Systems Sales Business



Sales: 387 million yen
YoY change: +1.9%

<Entire business>

Despite the temporary slowdown following the surge in last-minute demand driven by the introduction of new regulations such as the Electronic Bookkeeping Act and the Invoice System, the expansion of business locations contributed to increased revenue compared to the same period last year, while profit declined.



- Although the rush in demand for "Rakuichi" due to the introduction of new regulations has subsided, sales increased year-on-year, supported by the business succession of a new location in the Hokuriku region. However, profit declined due to goodwill amortization and other related expenses from the succession.



Balance Sheet

■ Maintained a high equity ratio of 68.4%.

	End-Jun. 2024	End-Dec. 2025	Change
Cash and deposits	4,615	4,677	62
Accounts receivable and contract assets	3,579	3,813	233
Work in progress	120	158	38
Others	220	243	23
Total current assets	8,536	8,893	357
Property, plant and equipment	207	195	-12
Intangible assets	862	781	-81
Investments and other assets	610	648	37
Total non-current assets	1,680	1,624	-56
Total assets	10,217	10,518	301

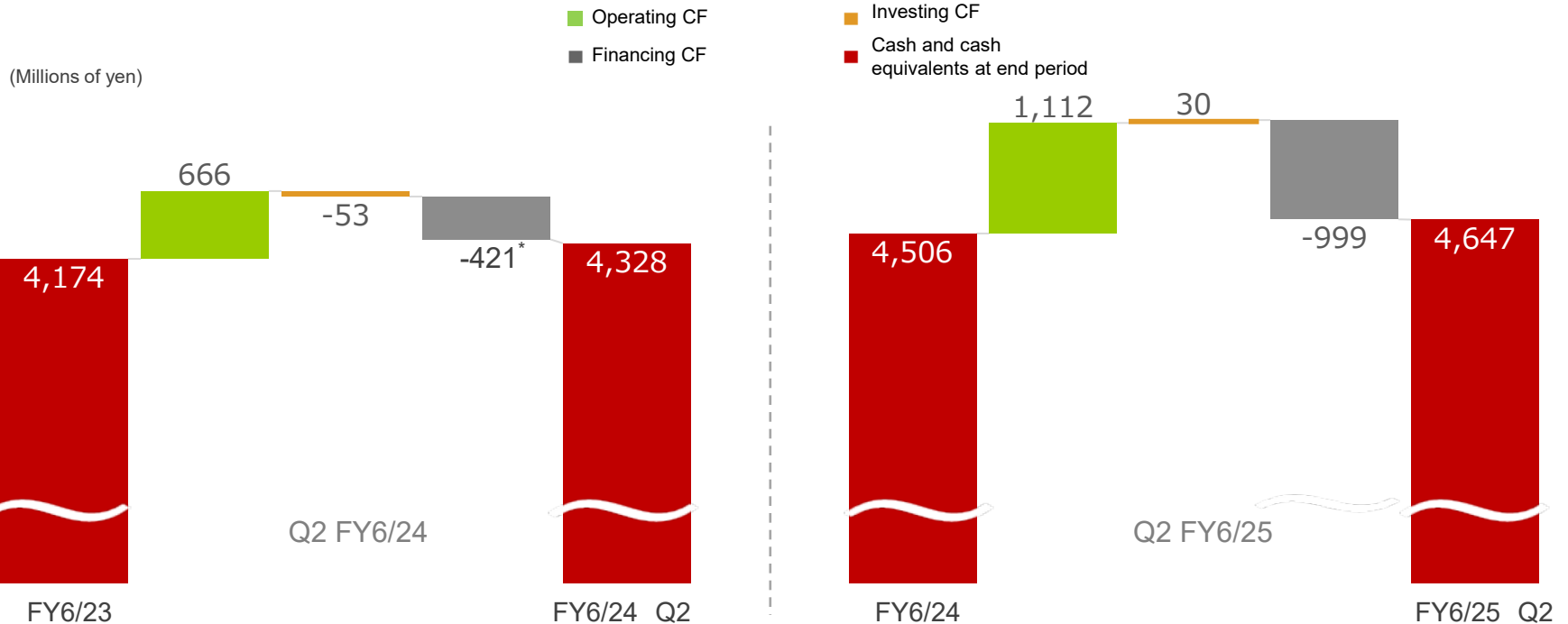
(Millions of yen)
*Rounded down to the nearest million yen

	End-Jun. 2024	End-Dec. 2025	Change
Accounts payable-trade	733	865	132
Income taxes payable	495	594	99
Others	1,445	1,408	-37
Total current liabilities	2,673	2,868	195
Long-term borrowings	179	52	-127
Provision for share awards	175	189	13
Others	129	107	-22
Total non-current liabilities	485	348	-136
Total liabilities	3,158	3,217	58
Capital stock	453	453	—
Capital surplus	459	460	1
Retained earnings	6,145	6,386	240
Total net assets	7,058	7,300	242
Total liabilities and net assets	10,217	10,518	301



Cash Flows

■ Operating cash flow saw a substantial increase in line with sales and profit growth, resulting in a strong cash position.



*In FY6/24, there was an additional ¥33 million decrease in cash and cash equivalents due to changes in the fiscal year-end of a consolidated subsidiary.

Topic: Establishment of “Hokuto AI Satellite” in Hokuto City, Hokkaido to Promote DX and Strengthen AI Technology



- Promoting regional digitalization by leveraging the latest AI and DX technologies, such as utilizing drone technology in the primary industry.
- Providing advanced workspaces, including a Digital Kitchen Studio and Communication Lab.
- Aiming to create over 60 jobs in the southern Hokkaido region, contributing to talent retention and preventing the outflow of skilled local professionals.



Following the Agricultural DX Experience Internship, continuous collaborative activities with Hokuto City are being carried out.



Handshake between DIT President Ichikawa (right) and Hokuto City Mayor Ikeda (left).



Communication Lab



Digital Kitchen Studio



1 ——— **Q2 FY6/25 Financial Report**

2 ——— **FY6/25 Business Forecasts**

3 ——— **Vision for 2030 and Medium-term Management Plan**
(Partially extracted from the financial results materials disclosed on August 9, 2024)

4 ——— **Appendix**



FY6/25 Full-year Business Forecasts

- By effectively capturing strong corporate investment appetite, we expect to achieve record-high performance overall, prompting an upward revision of its full-year earnings forecast.
- Regarding the profit outlook, excluding the special factors that impacted the first half, we have accounted for strategic investments in AI and other growth areas, the creation of new business models for future expansion, and incentive initiatives.

(Millions of yen)	FY6/24 Result	Composition %	FY6/25 Initial Forecast	FY6/25 Revised Forecast	Composition %	YoY %	Pct. change from initial forecast	Progress rate as of H1
Net sales	19,888	100.0%	22,000	24,000	100.0%	20.7%	9.1%	49.2%
Operating profit	2,424	12.2%	2,600	2,900	12.1%	19.6%	11.5%	55.2%
Ordinary profit	2,409	12.1%	2,600	2,900	12.1%	20.4%	11.5%	55.4%
Profit attributable to owners of parent	1,686	8.5%	1,804	1,943	8.1%	15.2%	7.7%	55.2%



Business Forecasts by Segment (After Upward Revision)

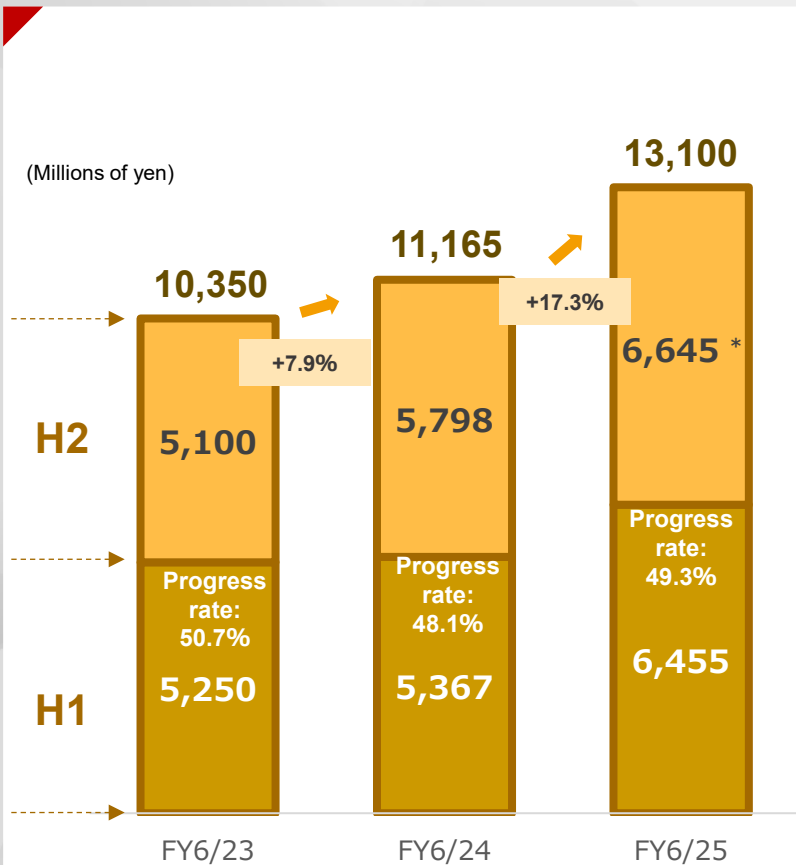
- All segments of our software development business are expected to perform well, and we have incorporated this stronger-than-expected momentum into our forecast.
- The high-margin Product Solutions Unit is expected to continue expanding in the second half, contributing to the maintenance and improvement of overall profitability.

(Millions of yen)

Business Segment	FY6/24 Result	FY6/25 Initial Forecast	FY6/25 Revised Forecast	Pct. change %	Pct. change from initial forecast
Software Development Business	19,159	21,270	23,200	21.1%	9.1%
Business Solutions Unit	11,165	12,000	13,100	17.3%	9.2%
Embedded Solutions Unit	6,897	7,500	7,900	14.5%	5.3%
Product Solutions Unit	1,095	1,770	2,200	100.9%	24.3%
Systems Sales Business	728	730	800	9.9%	9.6%
Total	19,888	22,000	24,000	20.7%	9.1%



Sales by Segment: Business Solutions Unit



Net sales: 13,100 million yen

YoY change: +17.3%

Progress to full-year forecast: 49.3%

<Entire business>

While high-value public sector projects are shrinking, strong demand persists. We will selectively pursue projects that prioritize future potential and profitability while promoting collaboration with our subsidiaries, simplism inc. and System Products Co., Ltd.. As in the first half, we aim for significant sales and profit growth.

■ Business system development

We will maintain the strong momentum from the first half and proactively respond to robust demand. By continuing our re-engagement strategy in the financial sector, we aim to further strengthen our customer base. Additionally, we will enhance our ability to propose trend technologies such as AI and low-code development to acquire new customers.

■ Operational support

We will expand our market share by adapting to changes among key customers. Furthermore, we plan to grow in high-value service areas, including Salesforce and data analytics services.

*The H2 forecast figures are derived by simply subtracting the H1 Results from the full-year forecast values.

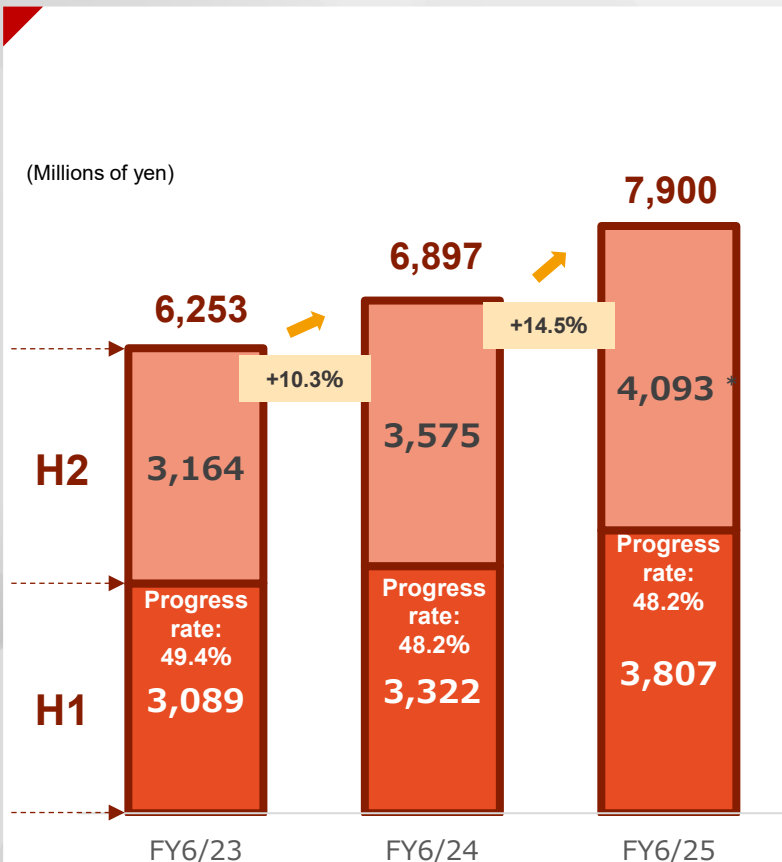


Key Initiatives by Segment: Business Solutions Unit

Key Initiatives	H1 Results	Initiatives for H2
1. Strategic re-engagement in the financial sector, which we excel	Sales in financial system development expanded from 1 billion yen to 1.6 billion yen, demonstrating steady growth.	By improving personnel rotation efficiency, we are not only expanding sales but also enhancing profit margins.
2. Improving estimation accuracy and strengthening project management	Through overall QCD (Quality, Cost, Delivery) improvements, we have secured higher-than-expected profitability in contract projects.	Continue to enhance QCD while fostering project management talent through training and hands-on experience.
3. Maximizing synergies with group companies in system development and operational support	Operational Support: Strengthened collaboration with simplism inc. System Development: Initiated discussions with System Products Co., Ltd.	Carefully evaluate projects and continue to proactively enhance collaboration efforts.
4. Advancing new value creation through generative AI and low-code development with agile methodology	PoC development for generative AI has begun, and large-scale projects using low-code development + agile methodology have received high evaluations.	Focus on AI talent development and upskilling high-skill personnel to strengthen our technical capabilities.
5. Expanding and evolving the solutions business based on operational support	Strengthening high-value service offerings centered on Salesforce and data analytics.	Continue efforts to expand solution-based business, with a focus on Salesforce projects launching in the second half.
6. Establishing a high-level nearshore development center utilizing regional offices	In addition to Matsuyama City (12th year), new DX and nearshore development hubs have been established in Hakodate and Hokuto.	Utilize local talent and cutting-edge technologies to build a high-level nearshore development center.



Sales by Segment: Embedded Solutions Unit



Net sales: 7,900 million yen

YoY change: +14.5%

Progress to full-year forecast: 48.2%

<Entire business>

With automotive systems as a key growth driver, we aim to surpass the first half's sales and profit growth by providing integrated "development + verification" services, expanding our market share, and acquiring new customers.

■ Embedded system development

We will focus resources on the growth areas of advanced automotive technologies to drive further expansion. In the rapidly growing IoT sector, we will actively engage in the development of next-generation IoT solutions, particularly in home appliances, by leveraging AI and other cutting-edge technologies.

■ Embedded system verification

We will maintain the strong performance of the first half and pursue further business expansion. To enhance quality, we will implement standardized methodologies while fully launching automation initiatives for verification processes using Generative AI and RPA.

*The H2 forecast figures are derived by simply subtracting the H1 Results from the full-year forecast values.



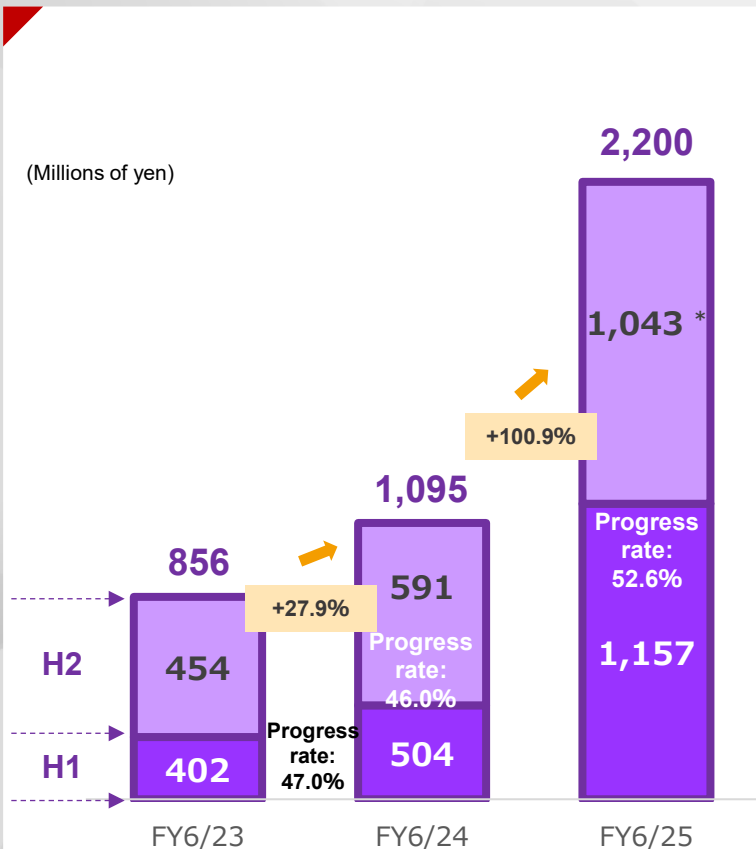
Key Initiatives by Segment: Embedded Solutions Unit

Key Initiatives	H1 Results	Initiatives for H2
<p>1. Expanding and stabilizing growth through integrated "development + verification" proposals in automotive, IoT, and semiconductor fields</p>	<p>Projects that were difficult to win with only development or verification are now being widely secured through integrated "development + verification" approaches.</p>	<p>We will continue to leverage this unique strength to drive business expansion.</p>
<p>2. Focusing resources on growing segments in Automotive Infotainment (IVI, CDC) and ECU domains</p>	<p>Infotainment (IVI, CDC) and ECU (meter and engine control) sectors are expanding.</p>	<p>As core strengths, we will focus on IVI, CDC, meters, and engine control, while also expanding into ECU power steering applications.</p>
<p>3. Expanding into emerging technologies such as AD/ADAS</p>	<p>Participating in ADAS projects for major domestic automakers, including conductorless bus systems and vehicle driving data collection.</p>	<p>Develop high-level ADAS expertise to meet industry needs and strengthen our competitive edge.</p>
<p>4. Deployment into the DevOps (Development to Operations) field</p>	<p>Collaboration initiated with a major trading company-affiliated system firm utilizing DevOps tools.</p>	<p>The acquired DevOps expertise will be applied to automotive projects for future business expansion.</p>
<p>5. Standardizing verification processes and advancing automation with AI and RPA</p>	<p>Promoting standardized testing methodologies while initiating automation using AI and RPA.</p>	<p>Expand AI-based automated testing and conducting PoC trials for mobile applications.</p>

1. IVI (In-Vehicle Infotainment): An integrated information and entertainment system that combines in-vehicle navigation, audio, and smartphone connectivity. It enhances convenience and comfort by providing driving assistance and entertainment functions.
2. CDC (Cockpit Domain Controller): A central control unit that integrates and manages cockpit systems, including infotainment, driving assistance, and safety functions.
3. ECU (Electronic Control Unit): An in-vehicle electronic control unit that manages systems such as the engine, brakes, and power steering.
4. AD/ADAS (Autonomous Driving / Advanced Driver Assistance Systems): Technologies designed to reduce driver burden and enhance safety by supporting autonomous driving and advanced driver assistance functions.
5. DevOps (Development & Operations): A methodology that ensures continuous software development and operations, enabling rapid development and deployment.



Sales by Segment: Product Solutions Unit



Net sales: 2,200 million yen

YoY change: +100.9%

Progress to full-year forecast: 52.6%

<Entire business>

Although the seasonal impact of Jungle Inc.'s New Year's greeting card software sales will dissipate, we aim for higher revenue growth than in the first half.

■ **[WebARGUS: Cybersecurity product]**

We will drive subscription license sales growth by acquiring new mid-sized enterprise customers. Additionally, we plan to release a new security product that aligns with market needs.

■ **[xoBlos: Operational efficiency products]**

We will actively promote sales discussions utilizing the "xoBlos Starter Kit" while exploring new solutions that integrate xoBlos with AI technology.

■ **[Other new products]**

The electronic contract service "DD-CONNECT" will focus on securing large-scale projects, particularly in the construction and real estate industries, to expand recurring revenue. We will also fully engage in AI- and drone-based business initiatives. For Jungle Inc., we aim for revenue growth by focusing on B2B products as the core business.

*The H2 forecast figures are derived by simply subtracting the H1 Results from the full-year forecast values.



Key Initiatives by Segment: Product Solutions Unit

WebARGUS

Key Initiatives	H1 Results	Initiatives for H2
1. Strengthening business foundations through increased license sales	Several existing customers scaled up to large projects, leading to higher license sales.	Aim for further business expansion by simultaneously focusing on scaling up existing customers and acquiring new ones.
2. Expanding product lineup to strengthen total security services	Launched in-house services for platform diagnostics and vulnerability assessments.	Enhance in-house services while expanding third-party product offerings to strengthen total security and drive cross-sell opportunities.
3. Implementing sales strategies aligned with market trends to expand customer base	Web-based marketing efforts, including a website renewal, have increased inquiries.	Continue sales initiatives to strengthen brand recognition and improve market visibility.
4. Launching new security products aligned with market needs	Developed new products with enhanced data protection features.	SentinelARGUS, a security product designed to prevent ransomware damage and unauthorized access to critical data, is scheduled for release in February.
5. Developing an IoT version of WebARGUS with a resilient, self-detecting, and self-healing concept	Reviewed security features for IoT devices to prepare for product development.	Establish the development environment to kickstart production of IoT security solutions.



Key Initiatives by Segment: Product Solutions Unit

xoBlos

Key Initiatives	H1 Results	Initiatives for H2
1. Strengthening sales activities to promote new implementations	Launched the "xoBlos Starter Kit", an affordable service to support new adoptions, leading to expanded implementation.	Actively advance sales discussions using the "xoBlos Starter Kit", while further strengthening partner support to drive adoption.
2. Enhancing education and technical support for existing customers to drive upsell opportunities	Conducted business improvement consultation sessions for existing customers, leading to effective upselling.	Refine successful support strategies and continuing activities to increase upsell opportunities.
3. Accelerating order intake by capturing leads accumulated in the previous year	Selected high-potential leads and proactively engaged them, successfully securing deals.	Continue efforts to convert remaining leads, while utilizing exhibitions and events to generate new lead acquisition.
4. Exploring collaboration with Jungle Inc. products to expand sales opportunities	Initiated discussions on integrating Jungle Inc.'s DMB and PDF-related products with xoBlos. <small>*DMB (Data Migration Box) is a high-speed data migration tool for transferring data from on-premises to the cloud or between different cloud environments. Jungle Inc. holds the exclusive sales rights.</small>	Assess feasibility and formulating an execution plan for product integration.
5. Developing new solutions combining xoBlos with AI technology	Advanced semi-automation of AI-powered control sheets (simplifying programming tools) to lower implementation barriers.	Aim for early realization of AI-driven semi-automation, enhancing precision to achieve commercial-level usability and drive adoption.



Key Initiatives by Segment: Product Solutions Unit

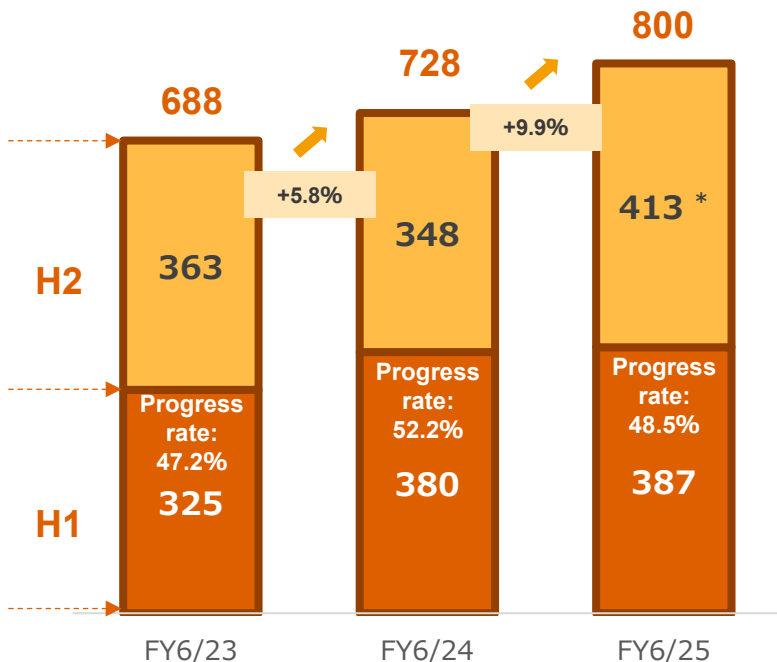
DD-CONNECT/DX Business/Jungle Inc.

Key Initiatives	H1 Results	Initiatives for H2
1. Expanding subscription license and SI business through large-scale orders for DD-CONNECT	Secured large-scale SI projects from major housing and construction companies, driving steady growth in subscription license sales.	Strengthen proposal activities targeting the housing, construction, and real estate industries, while also expanding orders in the Southern Hokkaido region.
2. Pursuing added value through new AI-driven business creations	We have been conducting PoC trials for Generative AI in collaboration with multiple companies and are also conducting a demonstration experiment of agricultural AI in the southern part of Hokkaido.	We will continue to advance PoC trials for AI while positioning the southern Hokkaido region as a hub for AI and aiming to foster the development of AI-related businesses.
3. Commercializing drone technology in anticipation of future market growth	We are exploring the commercialization of autonomous drone technology and 3D spatial projection technology while actively proposing solutions to theme parks and golf courses	Strengthen efforts to secure PoC projects utilizing drones and take the first step toward commercialization.
4. Strengthening the product lineup of Jungle Inc., a subsidiary specializing in product sales	<p>Despite the declining trend in New Year's greeting card sales, seasonal greeting card software achieved planned sales, while DMB and PDF-Xchange Editor exceeded expectations.</p> <p><small>*PDF-Xchange Editor: A comprehensive PDF editing tool for which Jungle Inc. holds a Platinum Reseller status.</small></p>	Shift focus from B2C to B2B for more stable revenue and executing a profitability improvement strategy.



Sales by Segment: Systems Sales Business

(Millions of yen)



Net sales: 800 million yen

YoY change: +9.9%

Progress to full-year forecast: 48.5%

<Entire business>

We aim for sales and profit growth by leveraging our strengthened sales structure and expanding into new regions.

- We will continue to enhance proposals for small and mid-sized enterprises that have delayed adoption of new regulatory systems while expanding after-sales support services for already implemented businesses to secure stable revenue.
- We will reinforce our support to ensure that the newly acquired Hokuriku region becomes a sustainably profitable business hub.

* The second-half forecast figures are derived by simply subtracting the first-half actual results from the full-year forecast values.

** The System Sales Business primarily focuses on selling "Rakuichi", a core business and management support system for small and mid-sized enterprises, developed by Casio Computer Co., Ltd.



Key Initiatives by Segment: Systems Sales Unit

Key Initiatives	H1 Results	Initiatives for H2
<p>1. Implementing customer acquisition strategies to minimize the post-special demand decline caused by the previous year's legal revisions (Invoice System)</p>	<p>Expanded market coverage by inheriting sales rights in the Hokuriku region (Kanazawa City, Toyama City), resulting in sales exceeding the previous year's performance. However, due to goodwill amortization, profits fell below the previous year.</p>	<p>Provide our sales expertise to the Hokuriku office to expand local sales, while also strengthening sales activities, including utilizing external telemarketing agencies, to drive sales growth.</p>
<p>2. Strengthening customer support following the full enforcement of the Electronic Bookkeeping Act in January 2024</p>	<p>Enhanced proposals for optional software supporting electronic data storage (compliant with Article 7 of the Electronic Bookkeeping Act) for Rakuichi (sales management system).</p>	<p>Strengthen system review and operational proposals for customers with insufficient compliance for the Electronic Bookkeeping Act, aiming for expanded sales.</p>
<p>3. Enhancing service proposals to meet diverse customer needs beyond "Rakuichi," including multifunction printers, PCs, related devices, and production management solutions</p>	<p>Due to replacement demand for PCs following the end of Windows 10 support (October 2025), sales of non-Rakuichi devices exceeded budget expectations.</p>	<p>While last-minute replacement demand is anticipated, potential supply shortages are a concern, so we will proceed with swift responses.</p>

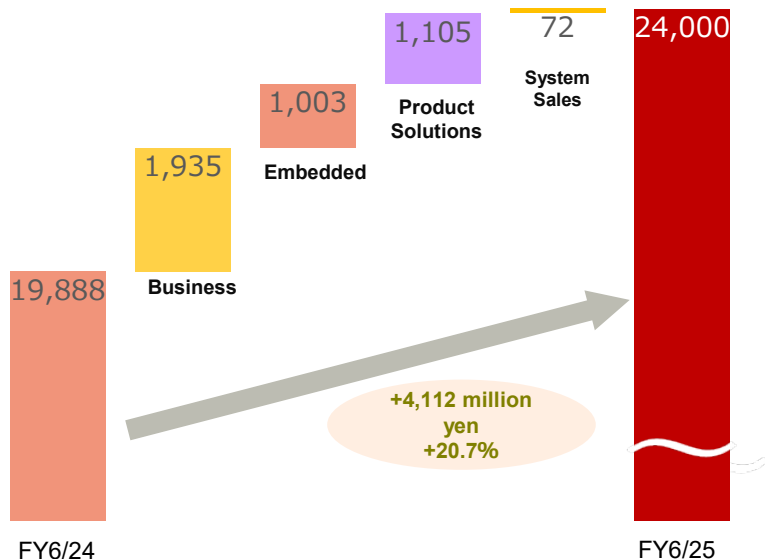


Key KPIs (Net Sales, Operating Profit/Margin)

- We maintain our outlook for sales and profit growth across all business segments, led by the Business Solutions segment.
- The Product Solutions Unit's contribution is expected to drive profit margins to record-high levels.

Net sales

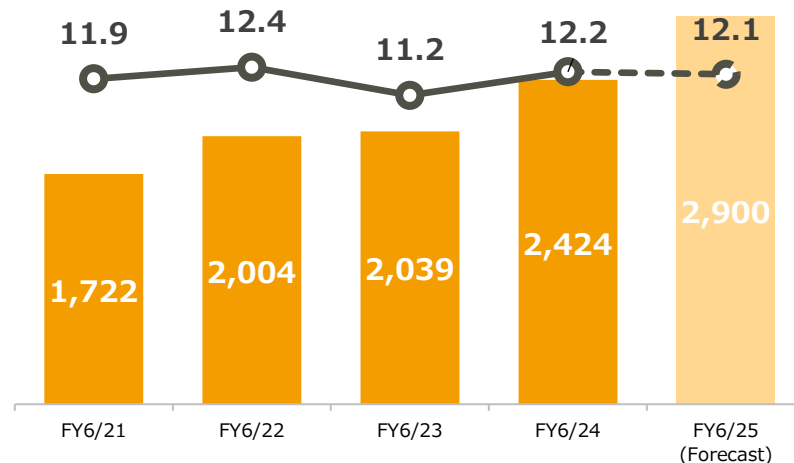
(Millions of yen)



Operating profit/Operating profit margin

Operating profit (million yen)

Operating profit margin (%)

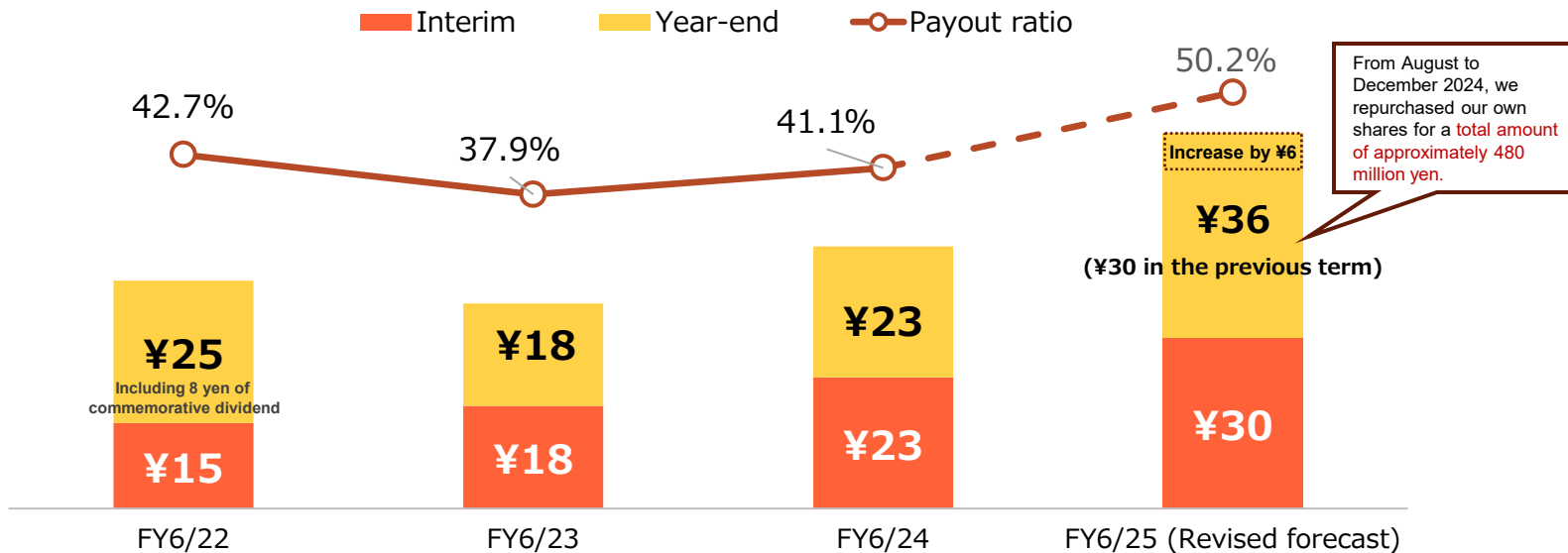




Shareholder Returns (Dividend Forecasts)

- Following the upward revision of our business forecasts, we have also revised our annual dividend per share from 60 yen to 66 yen, in line with our medium-term policy of maintaining a dividend payout ratio of at least 50%.
- From August to December last year, we also conducted share repurchases.

Changes in dividend and payout ratio



* Dividend payout ratio = Total dividends paid ÷ Profit attributable to owners of parent



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(Partially extracted from the financial results materials disclosed on August 9, 2024)

4 ——— **Appendix**



Purpose

Our company will grow as one team by expressing the linkage between our corporate philosophy and the reason for our existence in the purpose in the New Medium-term Management Plan.

Purpose

To **enrich people's lives** by supporting **the digitized society** (changes) that continues to “evolve” with **the power of IT** (responsiveness).

Mindset that DIT values

Provide value that can adapt to changes of the times

~ Enhance Customer Value ! ~

We value the responsiveness to changes.

Responsiveness to changes means that we will not be content with the status quo, but always take on challenges because of a sense of urgency that we will easily get left behind the times if we do not take measures to adapt to changes as the world keeps changing.

We will engage in businesses and provide services that can adapt to changes in the current of the times and the trend in technology.

As the immediate step, we will clarify the direction that we will move in by developing a long-term vision that can accommodate changes, such as development of innovative technology including generative AI, the aging society with a declining birthrate and a decrease in the working population, and work style reforms and diversifying lifestyles, and strive for continuous growth.

We believe that our mission is to contribute to society and enrich the lives of our stakeholders from all walks of life by achieving the aforementioned.



Management targets

Challenge 500

Challenge to sales of 50 billion yen !

	Results in FY6/24	Targets for FY6/30 Including new businesses, M&A, etc.
Net sales	19.8 billion yen	Over 50 billion yen
Operating profit	2.42 billion yen	Over 5 billion yen
		From FY6/25 onward
Dividend payout ratio	41.1%	Over 50%



We will achieve three "50" targets with the new slogan "Aiming to Break 50, 50, and 50!"

New slogan

Net sales

50 billion

Operating profit

50 hundred million

Dividend payout ratio

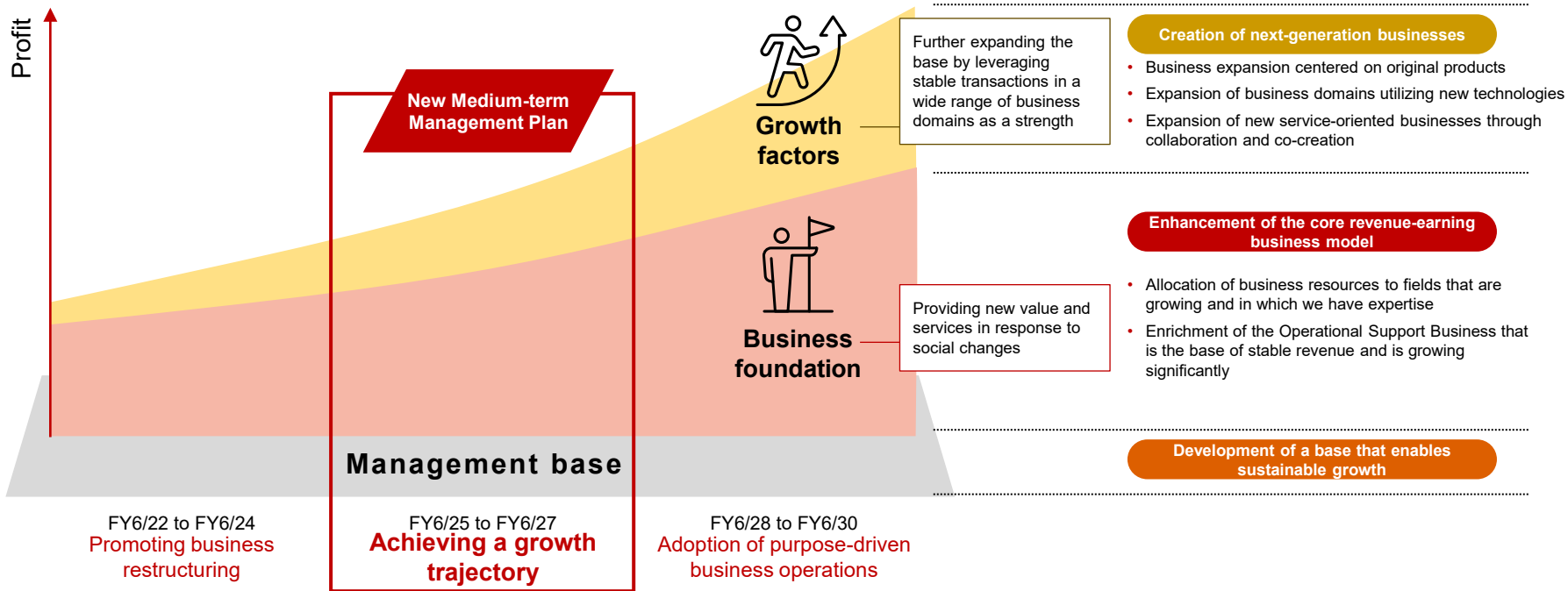
50 %

Aiming to Break 50, 50, and 50!



Medium-to long-term growth model

We will further strengthen the “2-axis business promotion,” which has supported growth up to the present time, and promote further expansion of our business foundation and the provision of new value and services.





Management targets of the Medium-term Management Plan

Financial targets

Numerical targets (KPI)

	FY6/24		FY6/25	FY6/26	FY6/27
Net sales	19.8 billion yen	→	24 billion yen	24.2 billion yen (Considering revision)	26.7 billion yen (Considering revision)
Operating profit	2.42 billion yen	→	2.9 billion yen	2.87 billion yen (Considering revision)	3.2 billion yen (Considering revision)
Operating profit margin	12.2%	→	11.8%	11.9%	12.0%
ROE	26.0%	→	Maintain 25% or higher		
Dividend payout ratio	41.1%	→	50% or higher		

CAGR
10.3%

CAGR
9.7%

Non-financial targets (FY6/27)

Ratio of women in managerial positions | **20% or higher**

Number of newly acquired advanced IT qualifications | **Double**

Attendance ratio of purpose-related training | **100%**

Increase in "AAA" human resources

*Achieve through the utilization of a target management system and talent management tools



Strategy 1: Business foundation

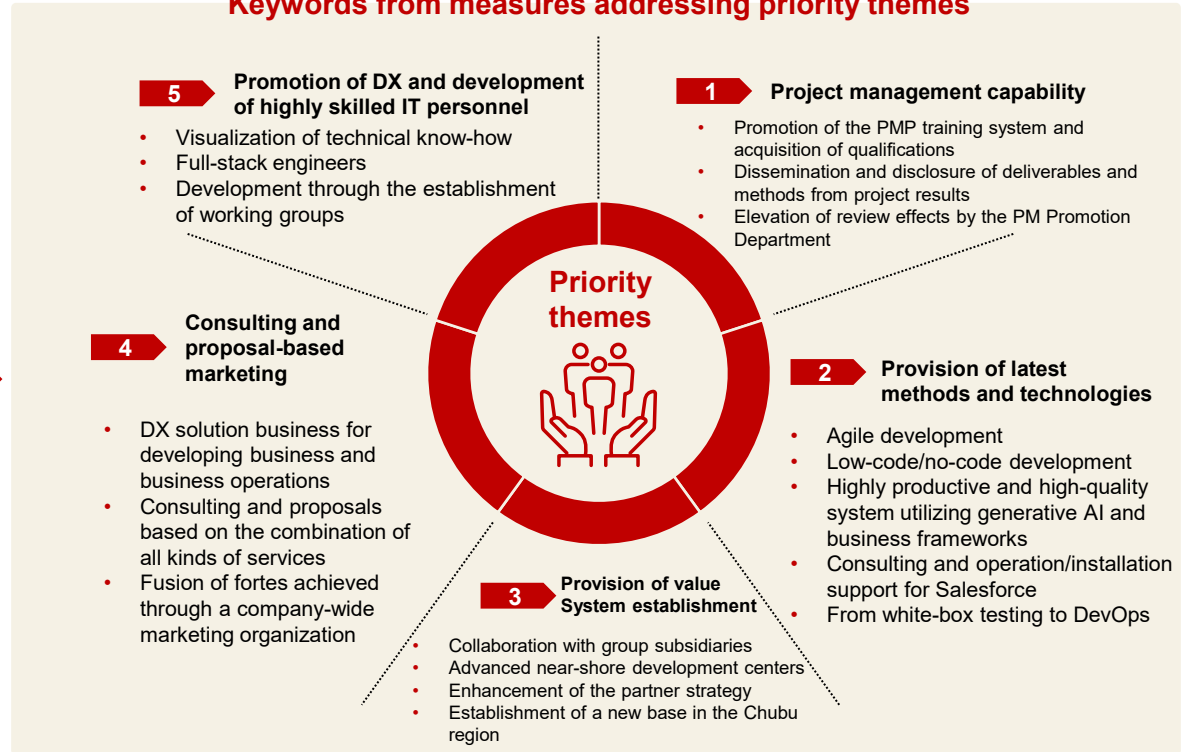
Further elevate the capability to co-create value and market competitiveness to reinforce the core revenue-earning business model

Acknowledged challenges from the previous Medium-term Management Plan

- I** Shift to a service proposal-based business model
- II** Strengthening frontline capabilities through investments in human resources
- III** Capability to solve social issues through the promotion of digital reform



Keywords from measures addressing priority themes





Strategy 2: Growth factors

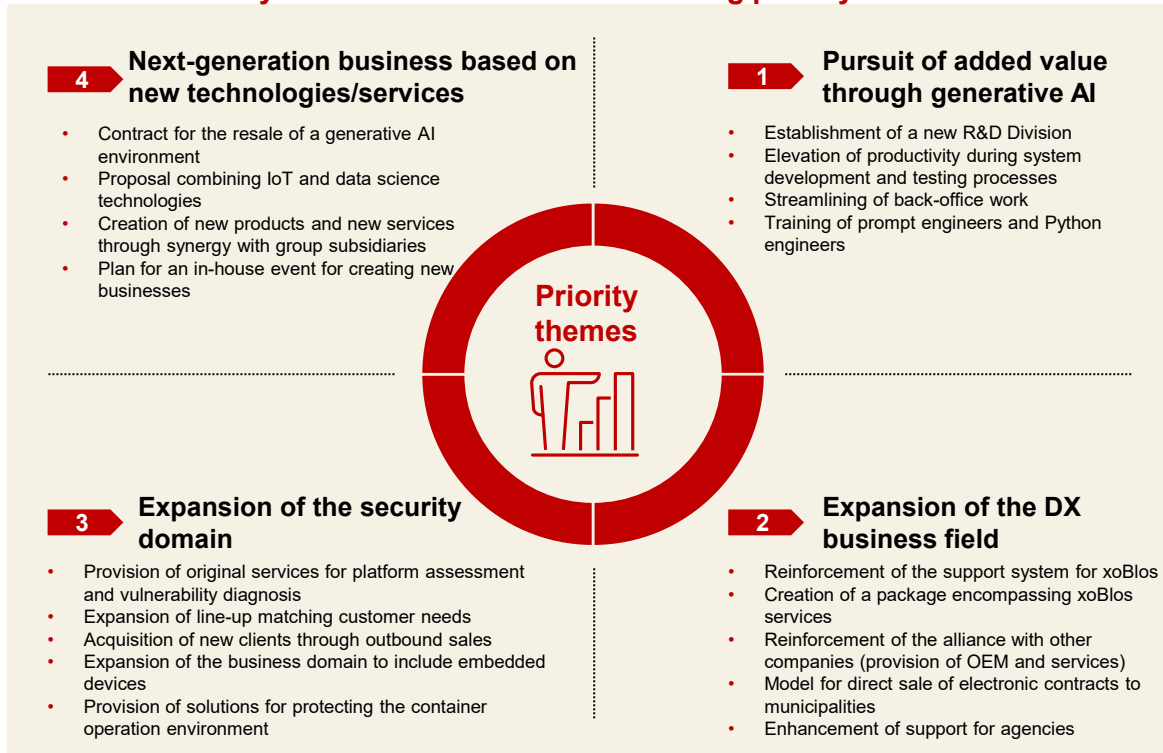
Swiftly grasp the constantly evolving digitalized society to grow the Merchandise Business early and create next-generation business

Acknowledged challenges from the previous Medium-term Management Plan

IV Improvement of responsiveness to changes in trends and new technologies

V Acceleration of growth of the Merchandise Business by enhancing our product appeal which captures the needs of the market

Keywords from measures addressing priority themes





Strategy 3: Management base

Respond to all kinds of changes in the environment to establish a management base that allows for sustainable growth

Acknowledged challenges

- vi Further reinforcement of the management base that will allow for sustainable growth
- vii Promotion of ESG initiatives
- viii Clarification of fields for investment for growth and actual investments



Set up company-wide committees to launch initiatives focusing on priorities.





M&A Strategy

Proactively engage in M&A to achieve “Challenge 500.”

(Net sales of 50 billion yen and operating profit of 5 billion yen by FY6/30)

Role of M&A

Further reinforce the fusion of **“Business foundation,” “Growth factors,”** and **“Strengthening our management base.”**

Business foundation

- Upgrade of existing businesses
- Cross-selling and upselling utilizing the sales channels of existing businesses

Growth factors

- Development of new sales channels
- Enhancement of marketing know-how, product planning and selling capability
- Acquisition of cutting-edge technologies and know-how for specialized business operations

Strengthening our management base

- Hiring excellent engineers
- Elevation of employee awareness

Achieve a **Win-Win** relationship for both the M&A target company and DIT stakeholders.

Achievements and vision



		Company (business unit)									
		BS	eB	SB	ES	NN	QE	EM	xoB	ITS	DX
Business Solutions Unit	Business system development	●	●			●		●			
	Operational support			●							
Embedded Solutions Unit	Product development				●	●					
	Product verification						●				
Product Solutions Unit	Original product								●	●	●
	System sales							●			

System Products Co., Ltd
システム・プロダクト株式会社

Field to be further reinforced

SIMPLISM.INC

Field to be further reinforced

DIT AMERICA, LLC.
Digital Information Technologies Corporation

DITマーケティングサービス株式会社
DIT Marketing Services Co., Ltd.

Jungle

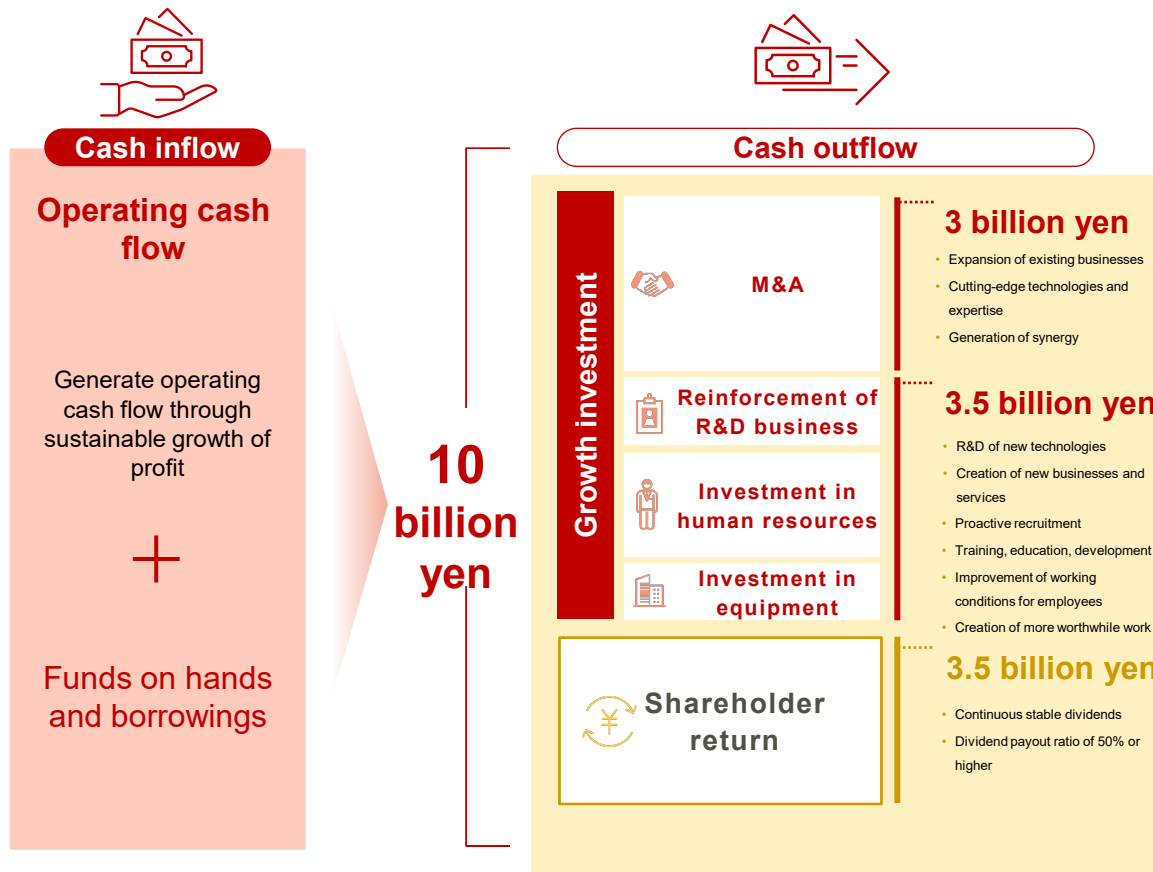
Field to be further reinforced

DITマーケティングサービス株式会社
DIT Marketing Services Co., Ltd.



Cash allocation

- Make proactive investments for growth from the medium/long-term perspective to work toward continuous elevation of value.
- As for shareholder return, we will raise the target dividend payout ratio to 50% or higher, stably provide dividends and comprehensively consider and discuss increase of dividends.
- Take into account the market environment, etc. to make judgment concerning acquisition of treasury stocks.





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Corporate Data



Trade name: Digital Information Technologies Corporation

Establishment: January 4, 2002

Contents of business: Development of business systems, development and verification of embedded systems, system operation services, sales of in-house developed software, and system sales business

Location of head office: 5F, FORECAST Sakurabashi, 4-5-4 Hacchobori, Chuo-ku, Tokyo

Capital stock: 453,156 thousand yen (As of June 30, 2024)

Fiscal year end: June 30

Number of employees: 1,499 (non-consolidated: 1,204) (As of June 30, 2024)

Satoshi Ichikawa, Representative Director and President

Directors: 4 other internal directors and 4 outside directors
1 full-time auditor and 2 outside auditors
(As of September 30, 2024)

Group companies: DIT Marketing Service Co., Ltd., DIT America, LLC., simpriism inc., System Products Co.,Ltd., Jungle, Inc.



March 2004: Joined the Company
July 2007: Executive Officer, General Manager, Corporate Planning Division
July 2010: Executive Officer, General Manager of Business Division
September 2012: Director and Executive Director, General Manager of Corporate Planning Department and Product Planning and Development Department
July 2015: Managing Director, General Manager of Business Division
July 2016: Representative Director and Senior Managing Executive Officer
July 2018: Representative Director and President



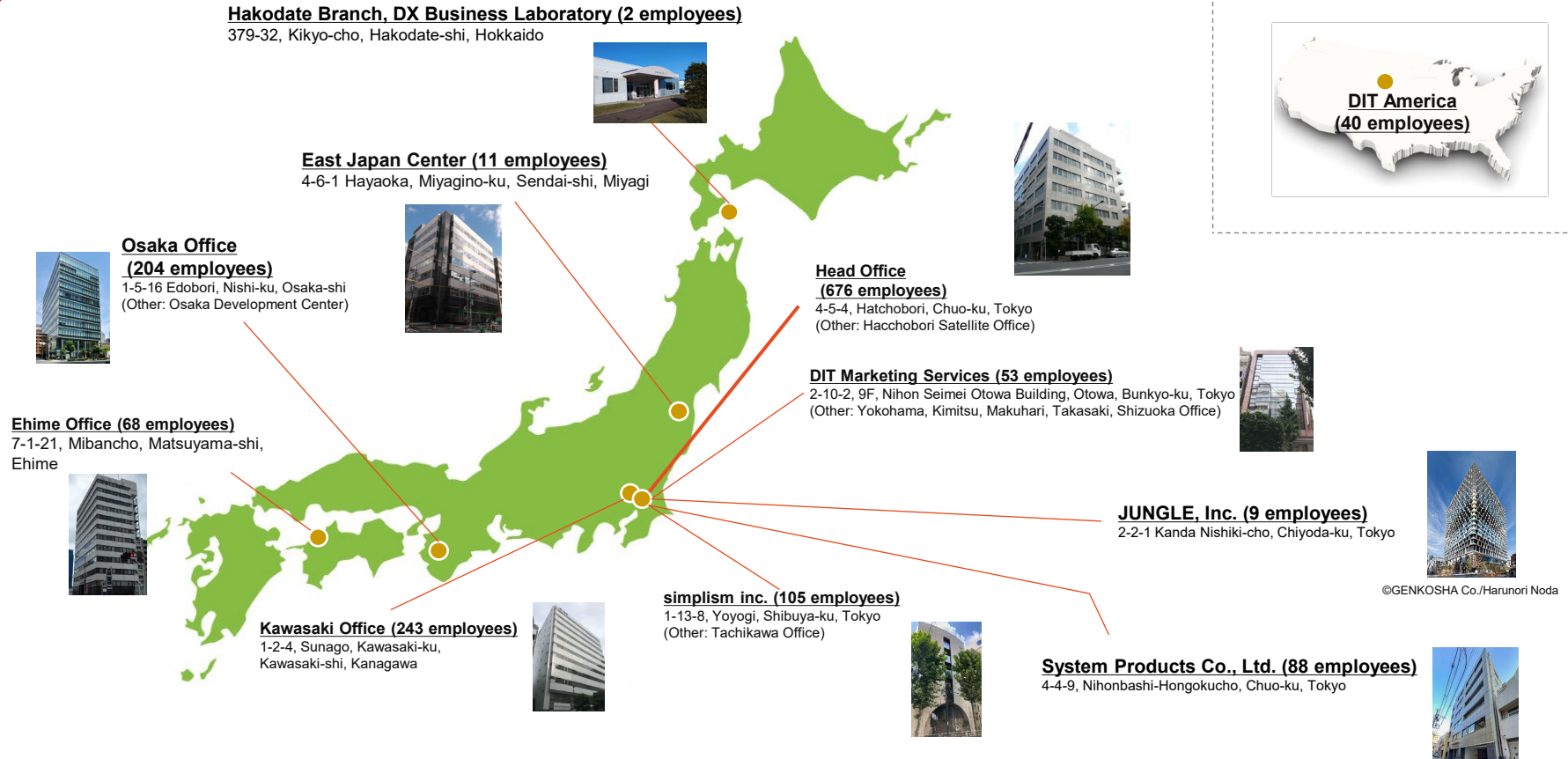
JPX-NIKKEI Mid Small

Included in the JPX-Nikkei Mid and Small Cap Index* for FY2024

*This index is applicable from August 30, 2024, to August 28, 2025.

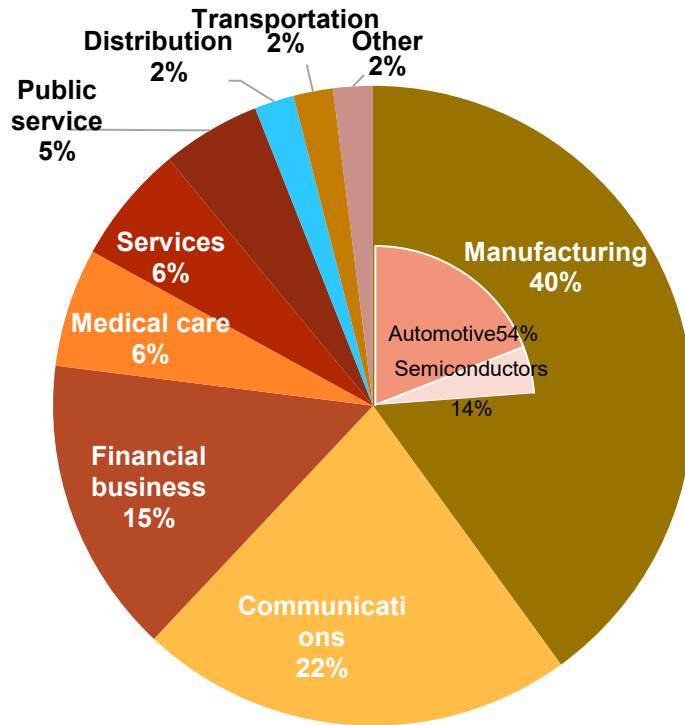


Domestic and Overseas Development Bases and the Number of Employees



Customer Base

Sales Composition by Industry



■ DIT Group has approx. 2,800 customer companies

- Major customers include listed companies and their affiliates in the Software Development Business and SMEs in the Systems Sales Business.

■ Sales Composition by Industry in the Software Development Business (left chart)

- Including information systems subsidiaries, sales for end users accounted for 80% of total sales.

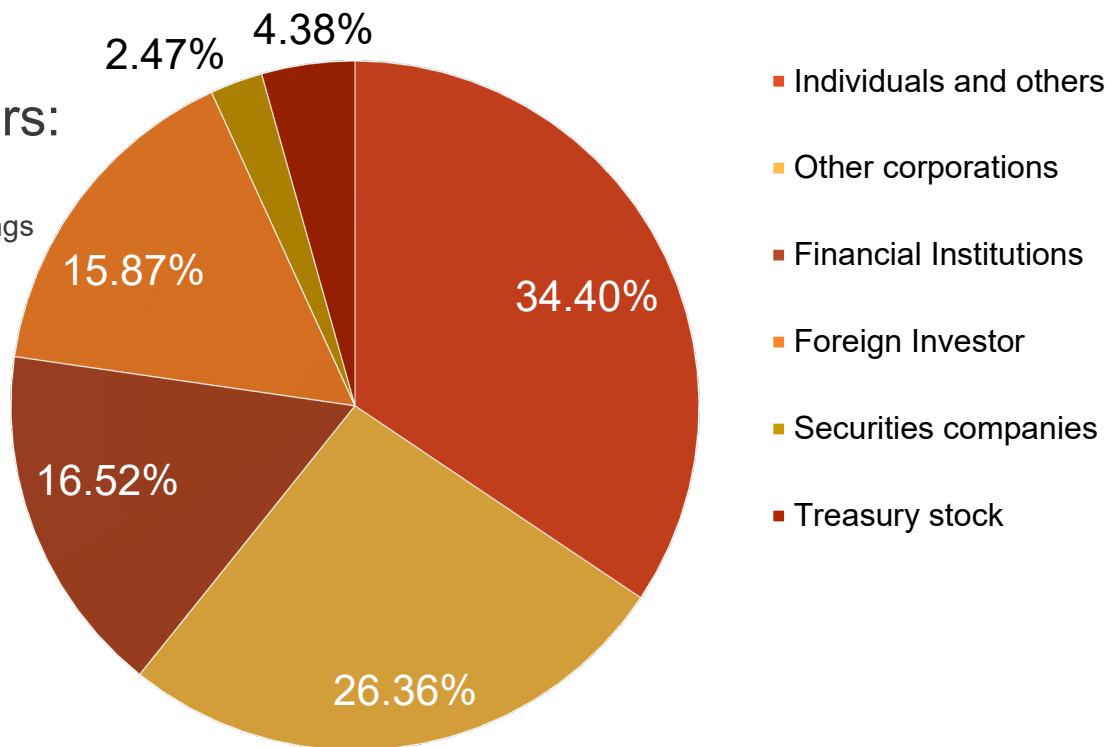


Shareholder Composition

End of Dec. 2024

Number of shareholders:
4,176 persons

*The graph is based on number of holdings





Initiatives toward sustainability

- Contribute to sustainable society by promoting the DX of society in core businesses and solving social issues by introducing original products.
- Set up a Sustainable Committee and engage in activities to achieve the purpose of “enriching people’s lives.”

関連するSDGsのゴール



Addressing social issues through original products

- Solve social issues by introducing security products (WebARGUS), products related to the work style reform (xoBlos) and products for paperless business operation (DD-CONNECT).

WebARGUS xoBlos DD-CONNECT

Environmental conservation

- Promote in-house shift to paperless administration, and visualize the amount of used electricity and paper.
- Disclose TCFD initiatives.
- Consider collaboration with municipalities in the blue carbon business.



D&I

- Improve the ratio of women in managerial positions.
- Recruit and promote capable persons regardless of gender, nationality, etc.

Elevation of well-being

- Develop a comfortable working environment compatible with diverse workstyles, and create worthwhile work.
- Enrich employee benefits and encourage health-oriented management.
- Promote initiatives for hearing the voices of employees.
- Invest for elevating human value.
- Improve working conditions of employees.

Regional revitalization

- Revitalize regions by creating employment in the countryside.
- Engage in activities contributing to the region such as volunteering and participation in local events (in the district where the headquarters is located).



Corporate governance

- Revise the system for the compensation for executives.
- Make information disclosure transparent and enriched.
- Reinforce the governance of group companies.

Risk management

- Elevate quality by continuously revising BCP.
- Reinforce measures against cyber risks.



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- The content of these materials is based on generally accepted economic and social conditions and certain assumptions that we deem reasonable. However, the content of these materials may change without notice due to changes in the business environment or other factors.
- The information provided in this presentation contains forward-looking statements. These forward-looking statements are based on current expectations, estimates and assumptions that involve risks. These statements are subject to uncertainties that could cause actual results to differ materially from those described in these statements.
- Such risks include, but are not limited to, general domestic and international economic conditions, such as general industry and market conditions, interest rate and currency exchange rate fluctuations.
- We shall not be obligated to update or revise any forward-looking statements contained in this report, even if there is any new information or future events.