

FY2023. 3 Financial Results Briefing

Japan System Techniques Co., Ltd.



Launch the Future



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1. Consolidated results Comparison with the same period of the previous year

(M¥)

	2021.3 Full year	2022.3 Full year	2023.3 Full year	YoY
Net sales	18,789	21,399	23,519	+9.9%
Gross profit	4,620	5,688	6,375	+12.1%
Gross profit rate (%)	24.6	26.5	27.1	+0.5
Operating income	1,216	2,000	2,385	+19.3%
Operating margin (%)	6.5	9.3	10.1	+0.8
Ordinary income	1,310	2,052	2,450	+19.4%
Profit attributable to owners of parent	578	1,330	1,772	+33.2%
Total assets	12,861	15,539	17,413	+12.1%
Net assets	6,850	9,194	10,816	+17.6%
Equity ratio (%)	53.0	58.9	61.84	+2.9
PER (times)	14.08	11.88	12.46	+0.6
PBR (times)	1.20	1.71	2.05	+0.3
ROE (%)	8.90	16.66	17.78	+1.1
ROIC (invested capital) (%)	11.10	16.54	17.08	+0.5
WACC* (%)	5.85	4.58	6.09	+1.51
Number of employees (person)	1,320	1,448	1,687	+16.5%

◆ Performance

- Net sales **increased for 12 consecutive years and reached a record high for 10 consecutive years**
- Ordinary income **increased for 8 consecutive years and reached a record high for 4 consecutive years**
- Operating margin continued to improve and reached the 10% level

◆ Financial condition

- Continuing stability of financial base due to continuous increase in profit and good liquidity on hand,

◆ Capital efficiency

- Both ROE and ROIC increased for three consecutive years
- EVA spread continuously positive
- PBR achieved a level above 2 times

◆ Number of employees

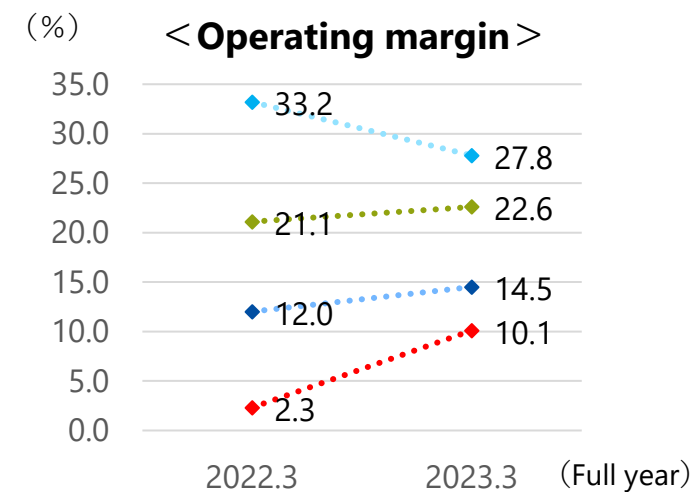
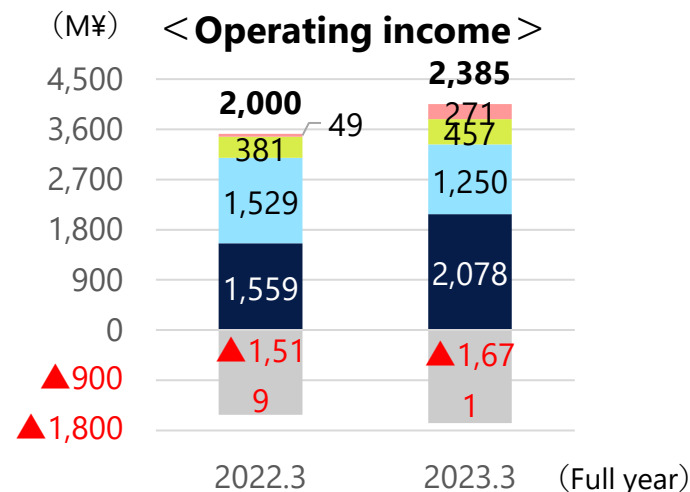
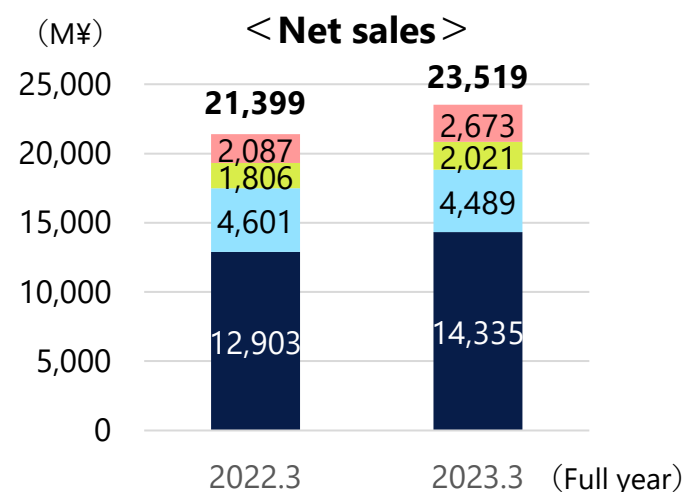
- Recruitment of new graduates fulfilled as initially planned
- Increased demand for human resources, mainly experienced personnel, due to brisk orders

*The formula for calculating WACC is provided on page 26.

2. Digest by Segment

Segment	Business Conditions and Factors of Increase/Decrease
DX&SI business	<ul style="list-style-type: none"> Expansion of large prime projects for new and existing customers Quarterly profit margin improvement due to stable project operations
Package Business	<ul style="list-style-type: none"> GAKUEN sales and income down due to lower PP sales BankNeo grew in both revenue and profit due to strong PP sales Orders for both services increased from the previous quarter
Medical big data business	<ul style="list-style-type: none"> Expansion of high-profit businesses such as analytical services and insurer business support services
Global business	<ul style="list-style-type: none"> New customer expansion in Malaysia SAP business Currency fluctuations have a positive effect on profit

	Net sales	Operating income	Operating income rate
2023.3 Full year	14,335	2,078	14.5%
YoY	+11.0%	+33.2%	+2.4
2023.3 Full year	4,489	1,250	27.8%
YoY	▲2.4%	▲18.2%	▲5.4
2023.3 Full year	2,021	457	22.6%
YoY	+11.9%	+19.9%	+1.6
2023.3 Full year	2,673	271	10.1%
YoY	+28.0%	+453.0%	+7.8



3. Topics (From 3Q FY2023.3)

Business Activities

- Established Virtual Calibre Consulting India Pvt. Ltd. in Chennai, India to expand SAP*1 business in South Asia and the Middle East [2023/1/6]
- Determined GAKUEN would be implemented at Tohoku University [2023/3/22]

Shareholder Returns / Corporate Value

- Dividend forecast revised upward from ¥25.00 to ¥32.00 yen (as a dividend increase and the 50th anniversary commemorative dividend) [2023/1/26]
- Market capitalization of tradable shares reaches 10.9 billion yen* and meets criteria for maintaining prime listing [2023/4/20]

Alliance

- Started providing medical data on AWS [2022/11/8]
- Started collaboration with Kindai University students “YARUKA YARANKA Inc.” for the development of a new service targeting Generation Z students [2022/12/22]
- Reported joint analysis results with Professor Hirata from Nagoya Institute of Technology in the “ Cabinet Office COVID-19 AI Simulation Project” [2023/1/5]
- Started joint research on fracture treatment using medical big data initiated with Research Associate Hiroyuki Okada from the Center for Disease Biology and Integrative Medicine, Graduate School of Medicine, The University of Tokyo [2023/1/10]
- Signed collaboration agreement with the Graduate School of Human Life Sciences, Osaka Metropolitan University, regarding "Research Promotion in the Healthcare Field utilizing Medical Big Data" [2023/3/29]
- Starting system integration for enhancing sales capabilities through CRM "SMART BankNeo" and business digitalization tool "POWER EGG" for regional financial institutions [2023/4/3]

Non-financials/others

- Certified as a "Excellent Corporation for Health Management (Large Corporation Category)" for three consecutive years [2023/3/22]
- JAST celebrates its 50th anniversary since its foundation [2023/3/26]

*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

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1. Consolidated Financial Results (1) Consolidated Statements of Income

(M¥)

	2021.3			2022.3			2023.3			Compared to the previous period	2023.3 initial forecast	
	First half	Second half	Full year	First half	Second half	Full year	First half	Second half	Full year		Full year	Percentage change with actual
Net sales	8,042	10,747	18,789	10,042	11,357	21,399	11,004	12,515	23,519	+9.9%	22,400	+5.0%
Cost of sales	6,267	7,902	14,169	7,323	8,388	15,711	8,076	9,067	17,143	+9.1%	-	-
Gross profit	1,775	2,845	4,620	2,719	2,969	5,688	2,927	3,448	6,375	+12.0%	-	-
Gross profit rate (%)	22.1	26.5	24.6	27.1	26.1	26.6	26.6	27.6	27.1	+0.5	-	-
Selling, general and administrative expenses	1,752	1,651	3,403	1,726	1,961	3,687	1,924	2,066	3,990	+8.2%	-	-
of which R&D expenses	195	204	399	160	276	436	199	270	469	+7.6%	-	-
Operating income	23	1,193	1,216	992	1,008	2,000	1,003	1,382	2,385	+19.3%	2,120	+12.5%
Operating margin (%)	0.3	11.1	6.5	9.9	8.9	9.3	9.1	11	10.1	+0.8	9.4	+0.7
Ordinary income	58	1,252	1,310	1,004	1,048	2,052	1,037	1,413	2,450	+19.4%	2,160	+13.4%
Ordinary income rate (%)	0.7	11.6	7.0	10.0	9.2	9.6	9.4	11.2	10.4	+0.8	9.6	+0.8
Profit attributable to non-controlling interests	▲309	887	578	686	644	1,330	737	1,035	1772	+33.2%	1,370	+29.3%
Net income rate (%)	▲3.8	8.3	3.1	6.8	5.7	6.2	6.7	8.2	7.5	+1.3	6.1	+1.4
Comprehensive income	▲258	1,007	749	706	636	1,342	908	960	1868	+39.2%	-	-

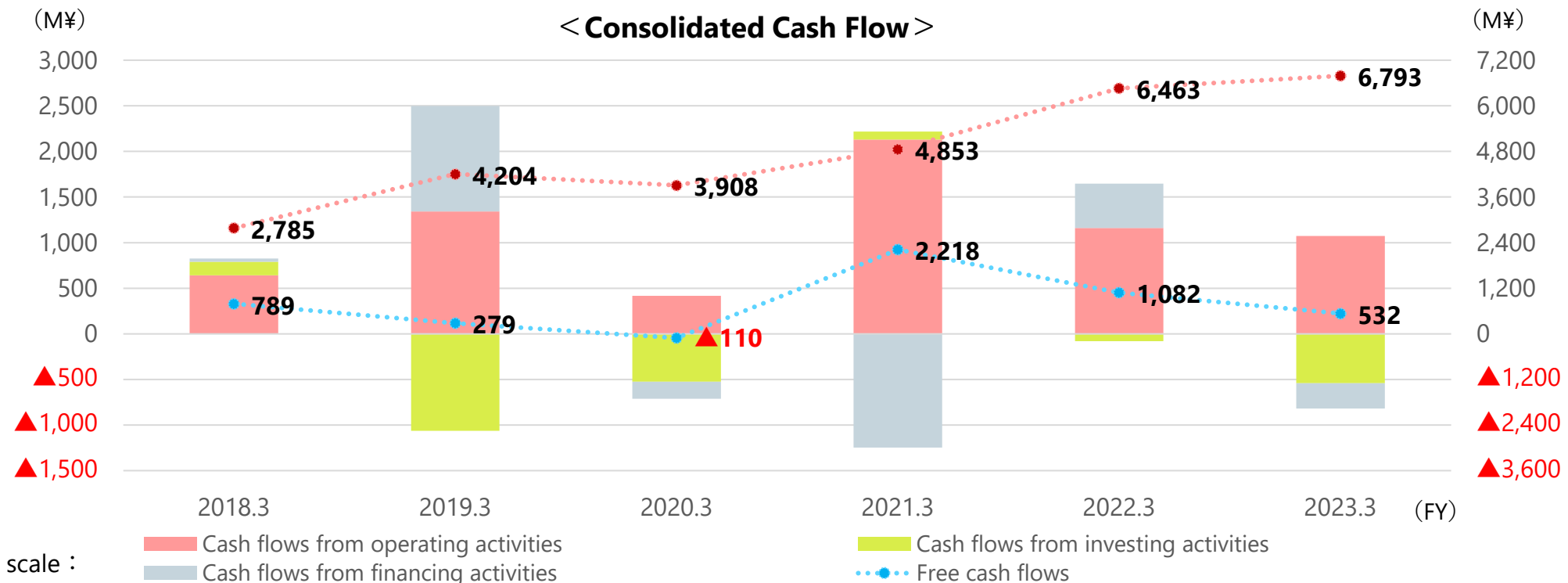
1 Consolidated Financial Results (2) Consolidated Balance Sheets

(M¥)

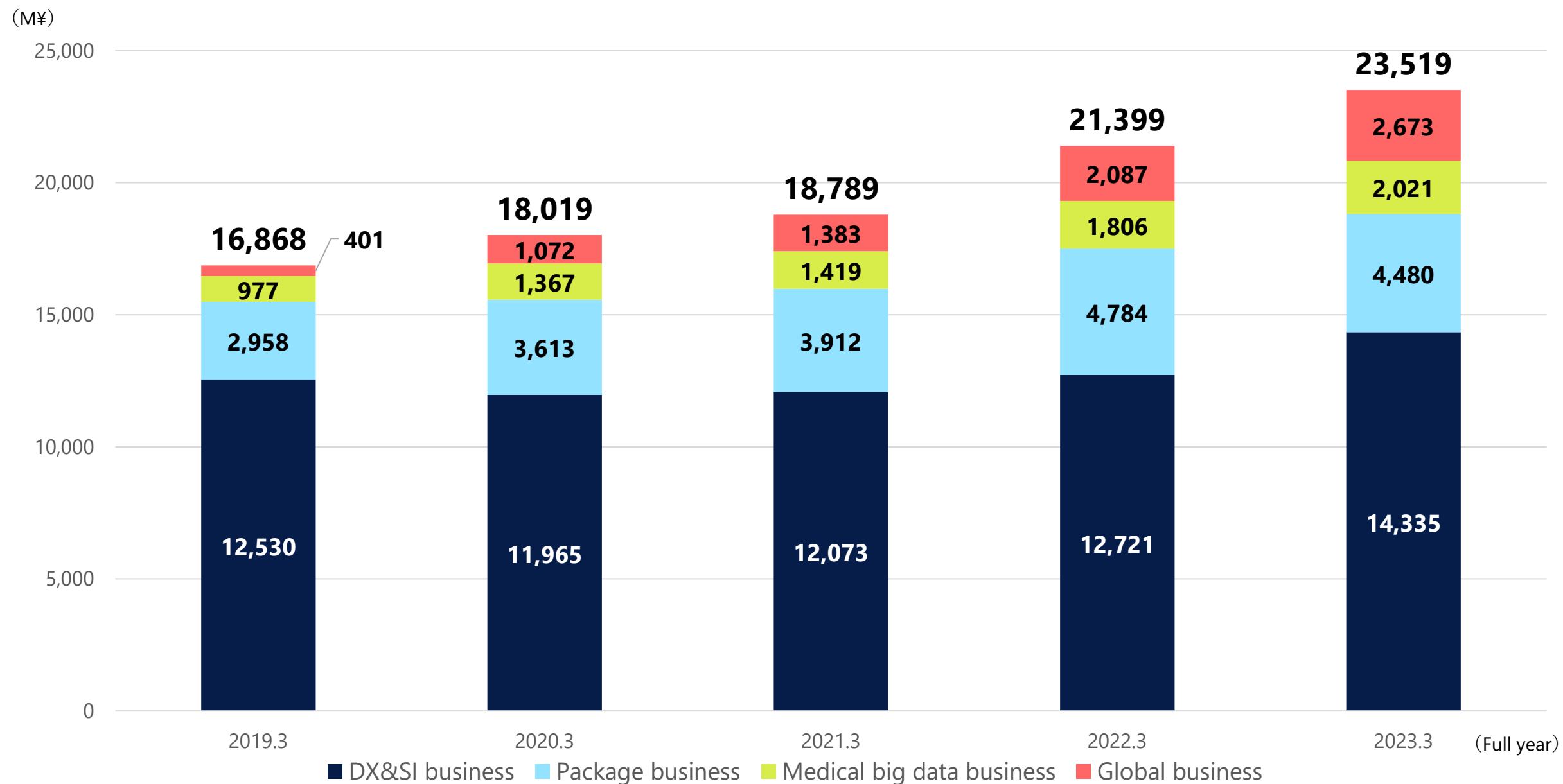
	2020.3	2021.3	2022.3	2023.3		YoY	
	End of period	End of period	End of period	End of period	Composition ratio	Difference	Percentage change
Total assets	12,988	12,861	15,539	17,413	100.0%	+1,874	+12.1%
Total current assets	9,602	9,696	12,389	14,187	81.5%	+1,798	+14.5%
Total property, plant and equipment	571	542	546	631	3.6%	+85	+15.6%
Total intangible assets	794	378	274	242	1.4%	▲32	▲11.7%
Total investments and other assets	2,019	2,243	2,329	2,352	13.5%	+23	+1.0%
Total liabilities and net assets	12,988	12,861	15,539	17,413	100.0%	+1,874	+12.1%
Total liabilities	6,770	6,011	6,345	6,597	37.9%	+252	+4.0%
Total current liabilities	5,168	4,388	4,621	4,703	27.0%	+82	+1.8%
Total non-current liabilities	1,601	1,623	1,724	1,893	10.9%	+169	+9.8%
Total net assets	6,218	6,850	9,194	10,816	62.1%	+1,622	+17.6%
Total shareholder's equity	6,135	6,592	8,929	10,451	60.0%	+1,522	+17.0%
Share capital	1,076	1,076	1,535	1,535	8.8%	+0	+0.0%
Capital surplus	1,113	1,128	1,703	1,702	9.8%	▲1	▲0.1%
Retained earnings	4,178	4,605	5,865	7,389	42.4%	+1,524	+26.0%
Treasury shares	▲233	▲218	▲175	▲175	▲1.0%	+0	+0.0%
Total accumulated other comprehensive income	53	220	230	316	1.8%	+86	+37.4%
Share acquisition rights	-	5	-	-	-	-	-
Non-controlling interests	28	31	34	47	0.3%	+13	+38.2%

1. Consolidated Financial Results (3) Consolidated Cash Flow

	2018.3 Full year	2019.3 Full year	2020.3 Full year	2021.3 Full year	2022.3 Full year	2023.3 Full year
Cash flows from operating activities	642	1,342	417	2,131	1,162	1,073
Cash flows from investing activities	147	▲1,063	▲527	87	▲80	▲541
Free cash flow	789	279	▲110	2,218	1,082	532
Cash flows from financing activities	38	1,157	▲185	▲1,247	486	▲280
Cash and cash equivalents at the end of period	2,785	4,204	3,908	4,853	6,463	6,793

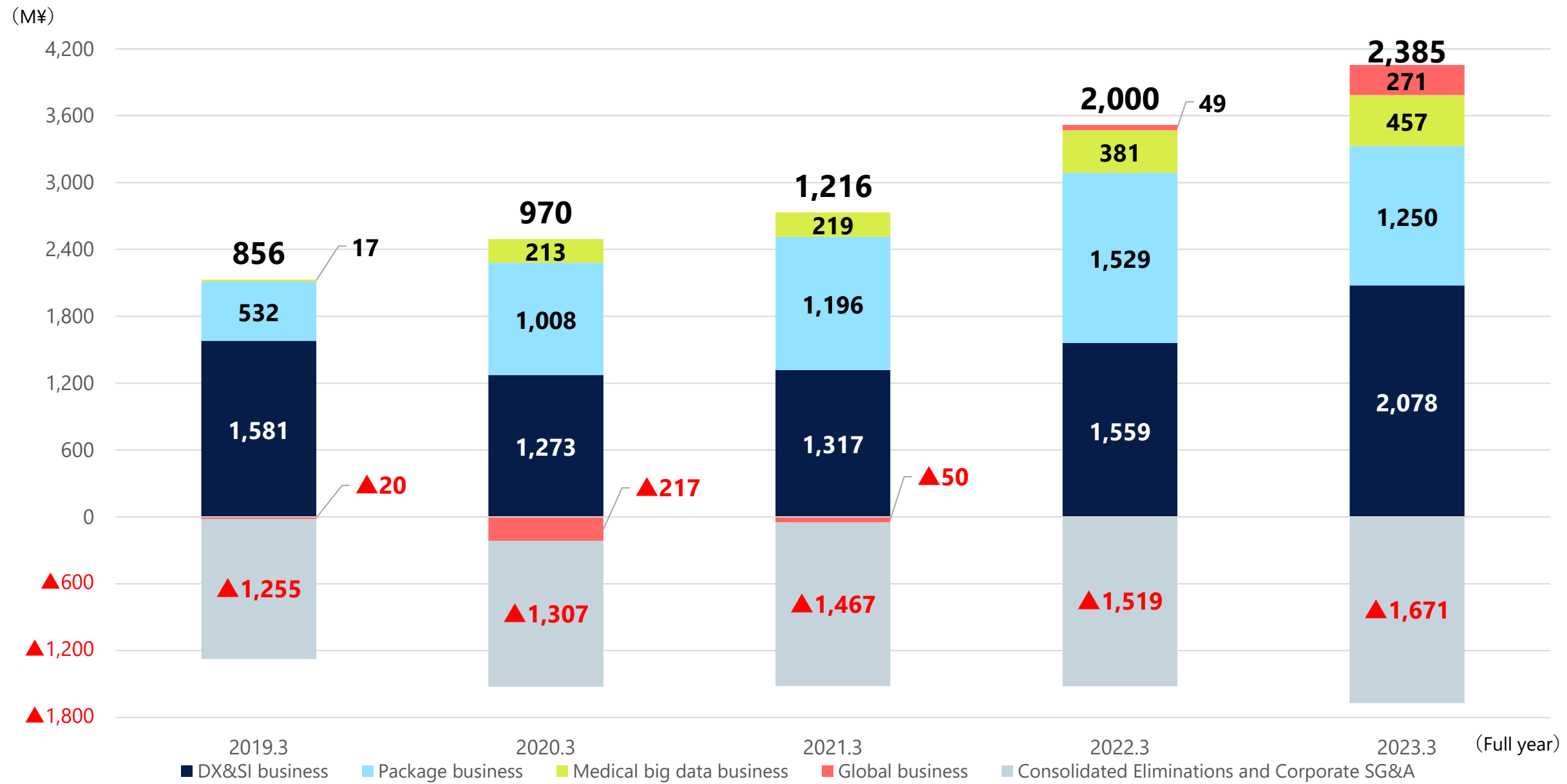


1. Consolidated Results (4) Sales by Business Segment



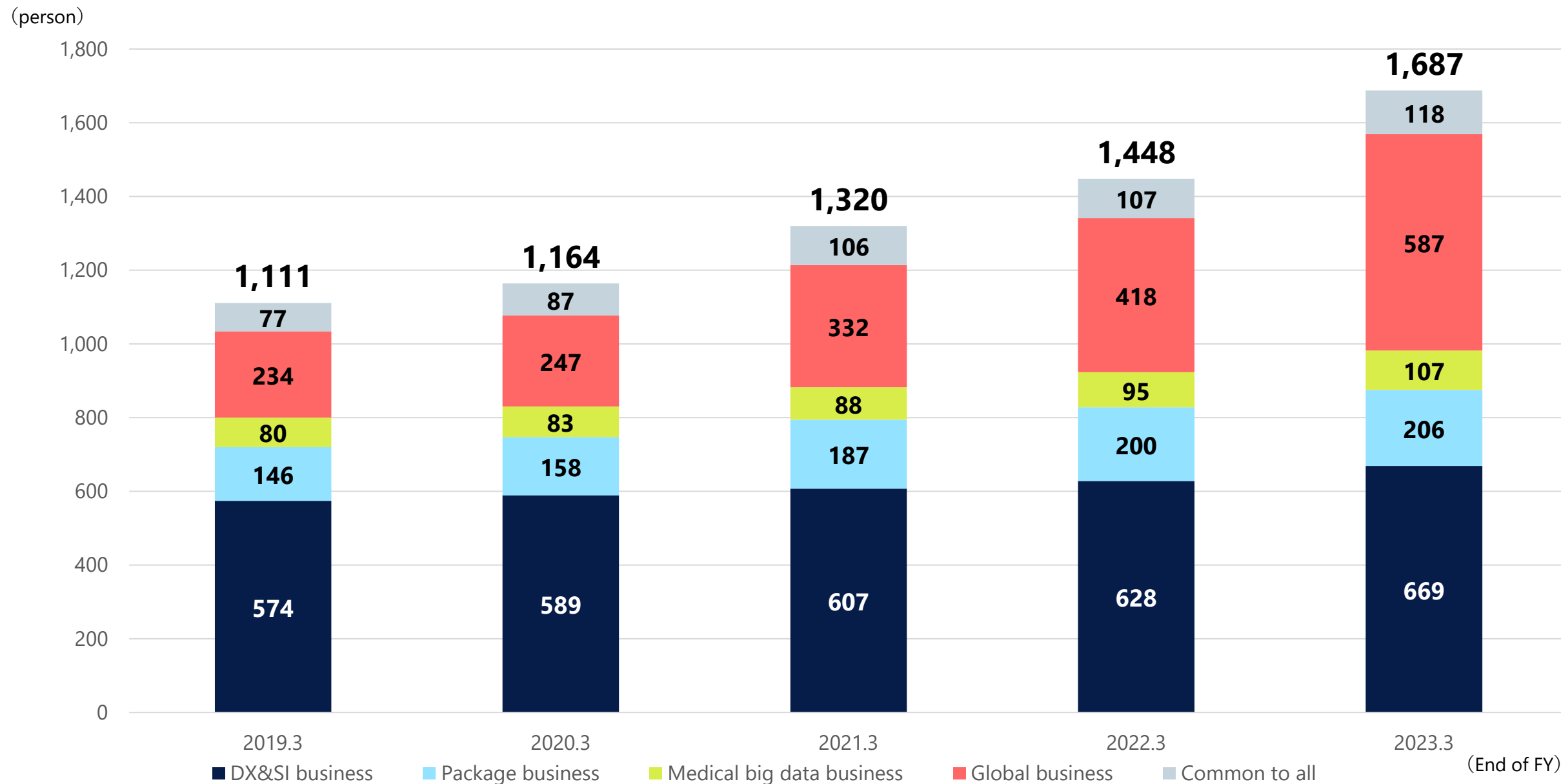
Note: Figures at the top of the graph are consolidated net sales (after consolidation and elimination).

1. Consolidated Results (5) Operating Income by Business Segment



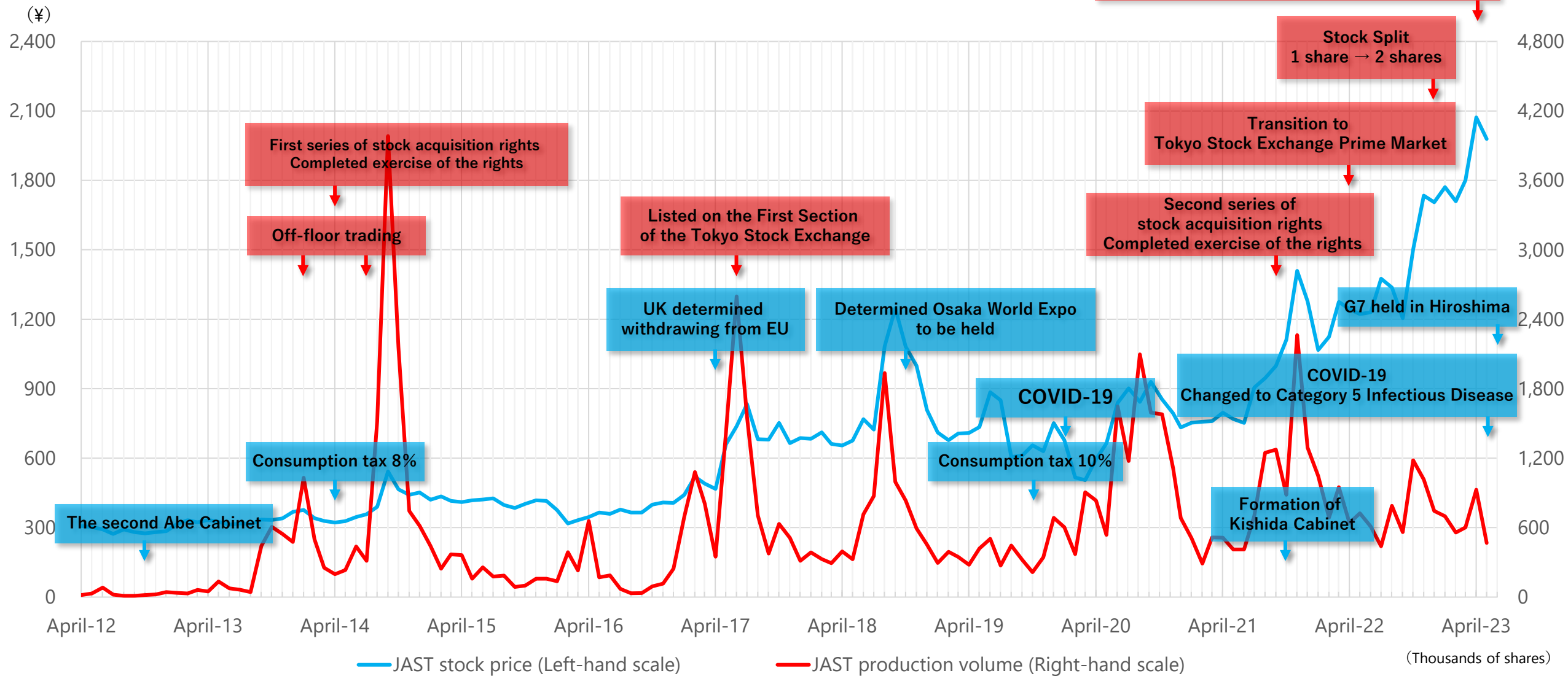
Note: Figures at the top of the graph are consolidated net sales (after consolidation and elimination).

1. Consolidated Financial Results (6) Consolidated Number of Employees



Note: Figures at the top of the graph are the number of consolidated employees.

2. Share Price (1) JAST's share price and volume



Stock price information (as of June 1, 2023)

Stock
price

¥ 2,219

EPS

¥ 153.29

PER

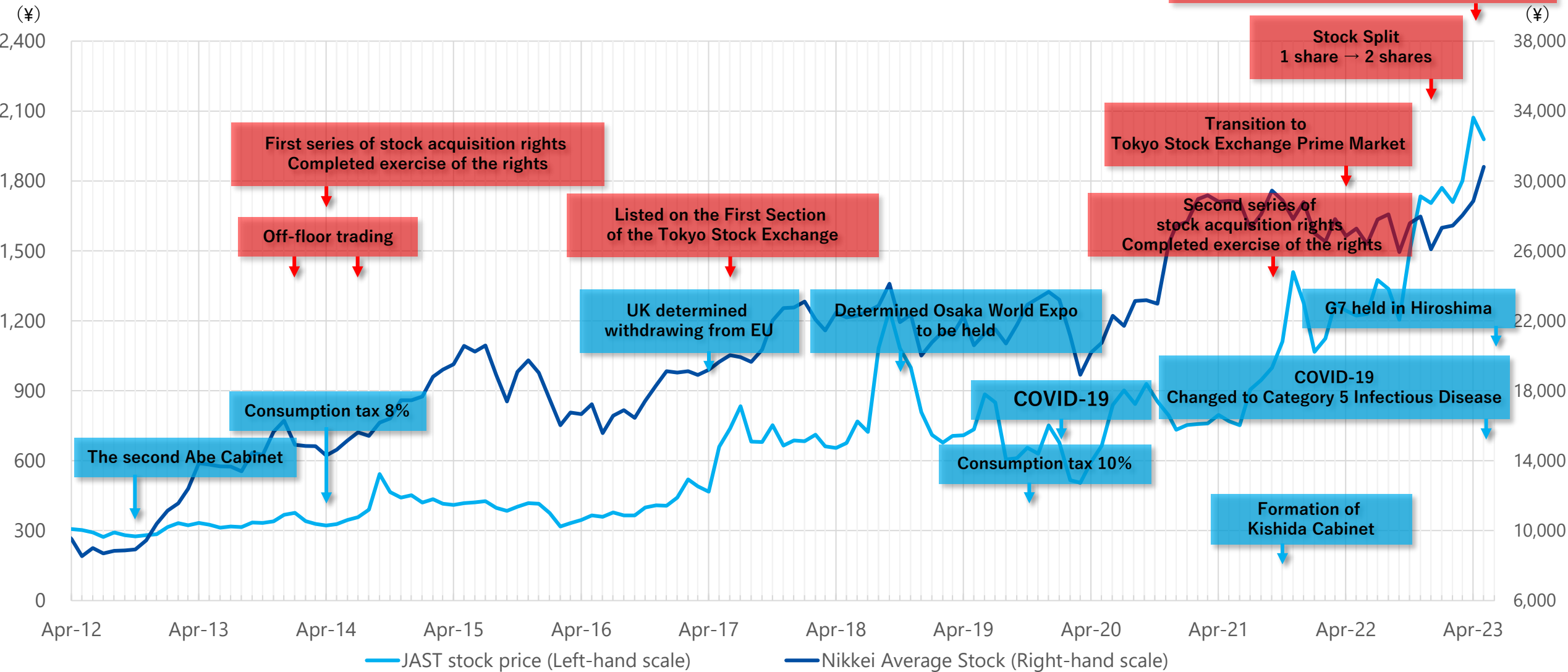
14.48 times

PBR

2.53 times

*Share prices prior to the stock split (effective date: October 1, 2022) are retroactively adjusted.

2. Stock price (2) Correlation between JAST stock price and Nikkei average

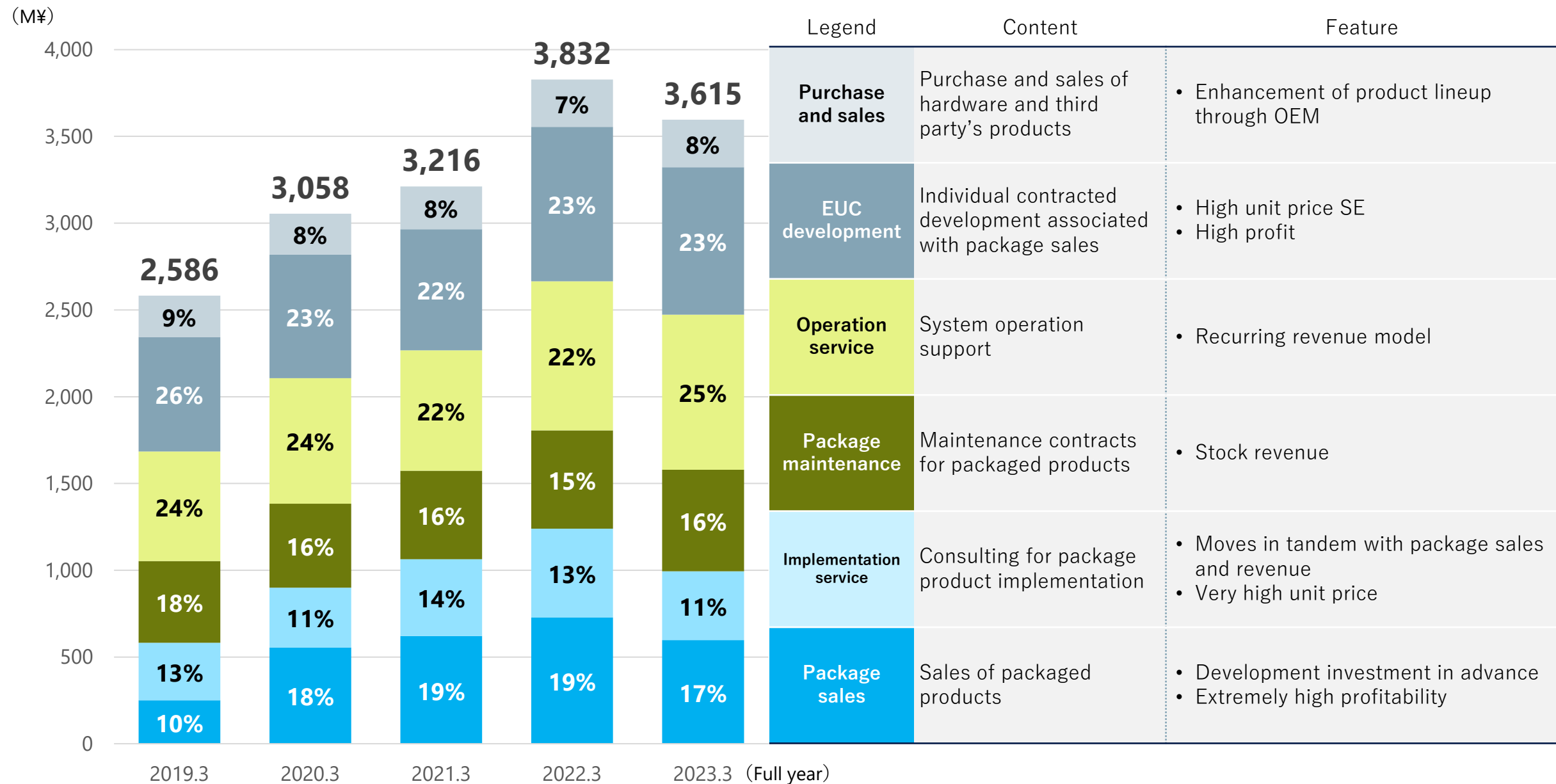


Stock price information (as of June 1, 2023)

Stock price	¥2,219	EPS	¥153.29	PER	14.48 times	PBR	2.53 times
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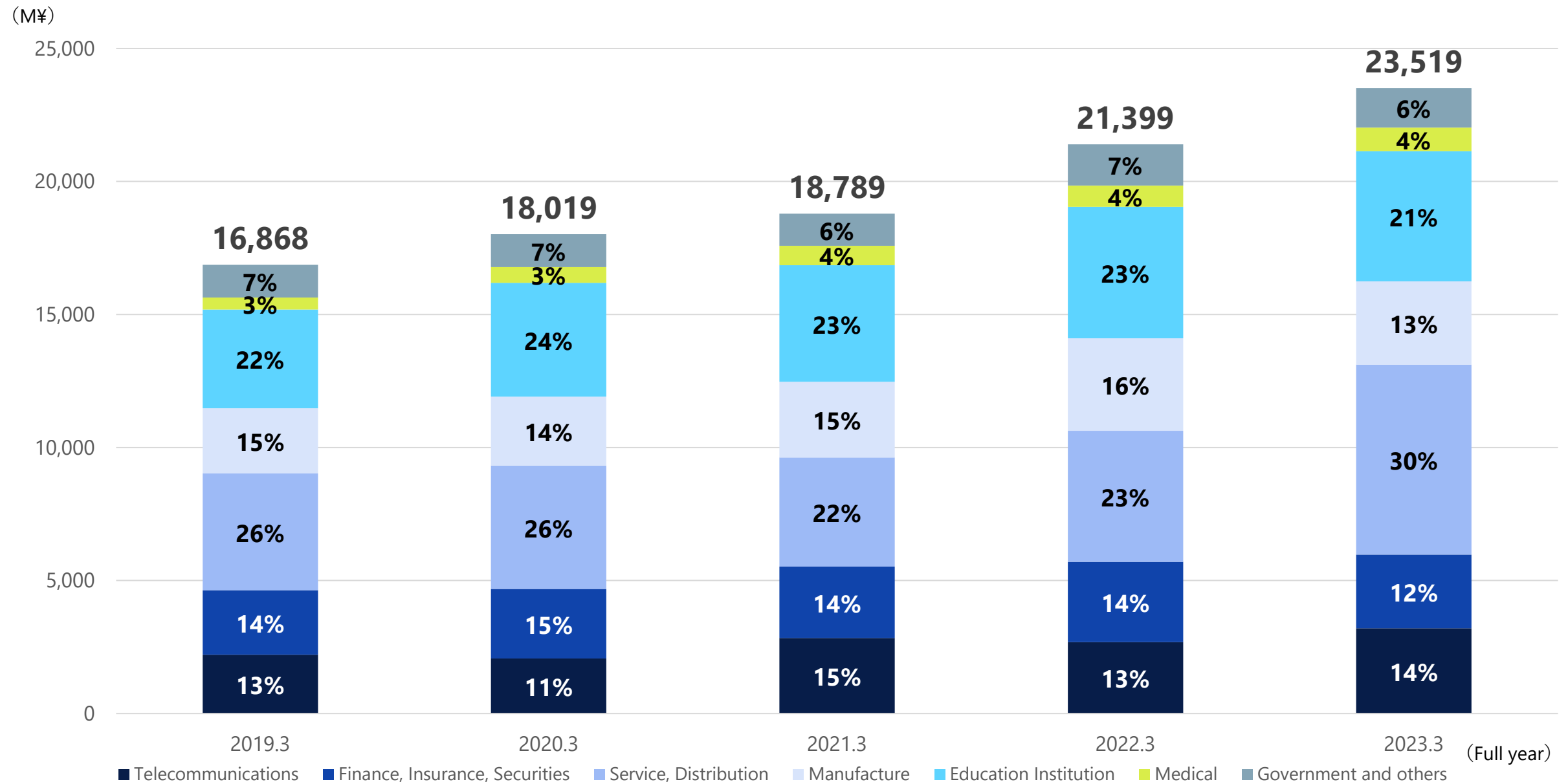
*Share prices prior to the stock split (effective date: October 1, 2022) are retroactively adjusted.

3. Performance by Category (1) Package Business GAKUEN Sales by Category



Note: Figures at the top of the graph are total sales of GAKUEN business.

3. Performance by Category (2) Sales by End user's Industry

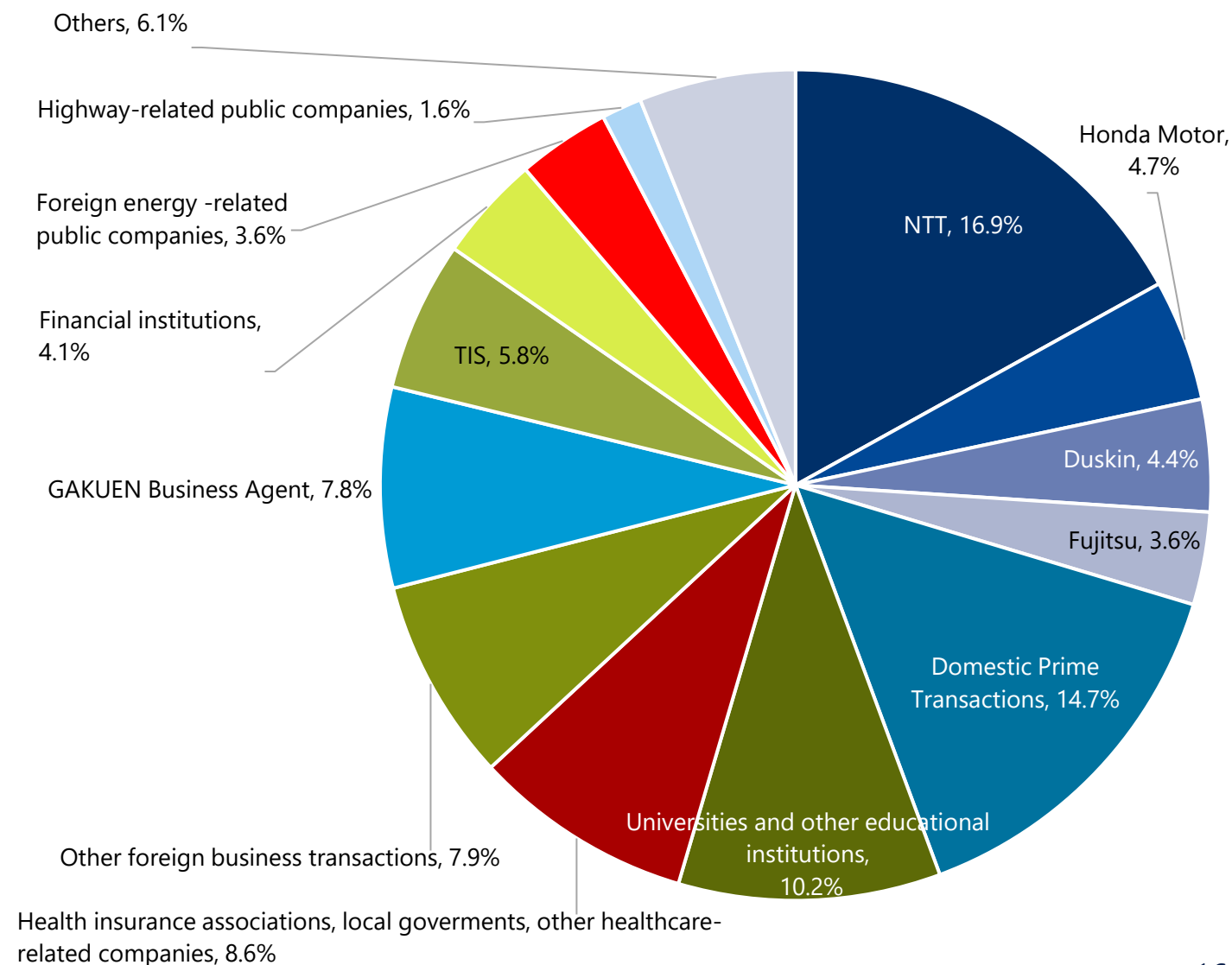


Note: Figures at the top of the graph are consolidated net sales (after consolidation and elimination).

3. Performance by Category (3) Sales by Customer Group

Maintain and continue to build on our ultra-long-term customer base while expanding new customer groups as we diversify our business.

Customer group ※(XX years) indicates number of years in business.	2022.3 Full year	2023.3 Full year
NTT(28 years)	15.4%	16.9%
Honda Motor(39 years)	5.0%	4.7%
Duskin(34 years)	3.3%	4.4%
Fujitsu(46 years)	6.1%	3.6%
Above 4 companies	29.7%	29.6%
Domestic Prime Transactions	10.7%	14.7%
Universities and other educational institutions	15.2%	10.2%
Health insurance associations, local governments, other healthcare-related companies	7.4%	8.6%
Other foreign business transactions	5.2%	7.9%
Sales agent of GAKUEN	3.5%	7.8%
TIS	6.2%	5.8%
Overseas energy-related public companies	4.0%	4.1%
Financial institutions	4.6%	3.6%
Highway-related public companies	1.8%	1.6%
Others	11.6%	6.1%
Total	100%	100%



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1. Fiscal Year 2024.3 Fiscal Year Policy

Corporate Policy : Creating new value with JAST's strengths, driven by quick and resolute thinking and action and co-creation in cross-sectional activities

DX & SI business		Pursuing high profits and expansion of scale through "alliances" x "proposal ability and negotiation ability"
Package business	GAKUEN	Expanding and growing toward providing a new learning environment through "product enhancement" x "further high profitability"
	BankNeo	Expanding market and business performance toward regional DX through "new products" x "collaboration with other companies"
Medical big data business		Expanding "Share" x "Service" x "Alliances" to become a top insurer DX company
Global business		Achieve both growth in business performance and a stronger foundation through "product enrichment" x "expansion of customer base and geographic regions" x "improvement of governance"
Business management	Finance · IR	Strengthening our presence in the prime market with an IR strategy directly linked to corporate value
	HR	Maximizing engagement and performance by strengthening the systems and skills of each organization and promoting health management
	R&D	Fostering a challenging corporate culture to boldly take on the challenge of discovering seeds and investment activities
	Publicity	Maximizing awareness and brand image through company-wide strategic public relations
	Sustainability	Promoting "Sustainability Management" for the Betterment of "All Four Sectors" rooted in the next generation JAST Group Image

2. Forecast of Business Performance (1) Earnings Forecasts

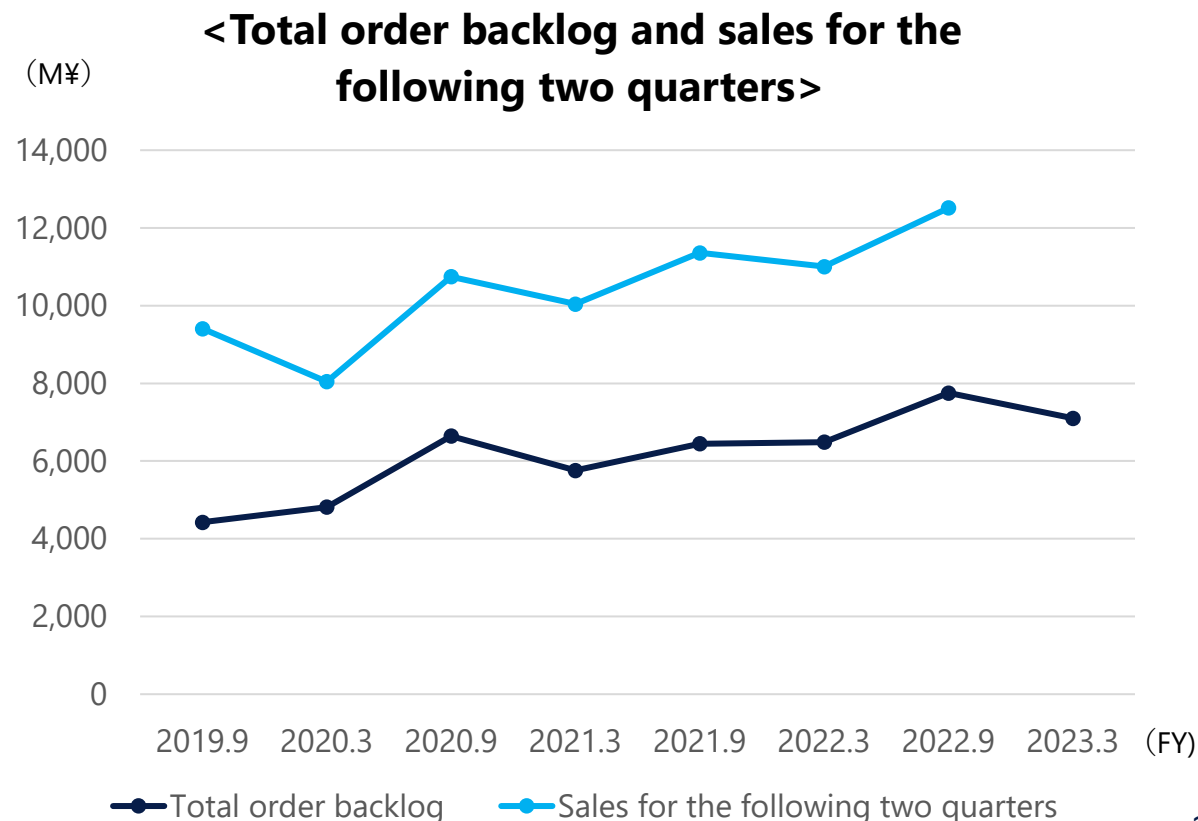
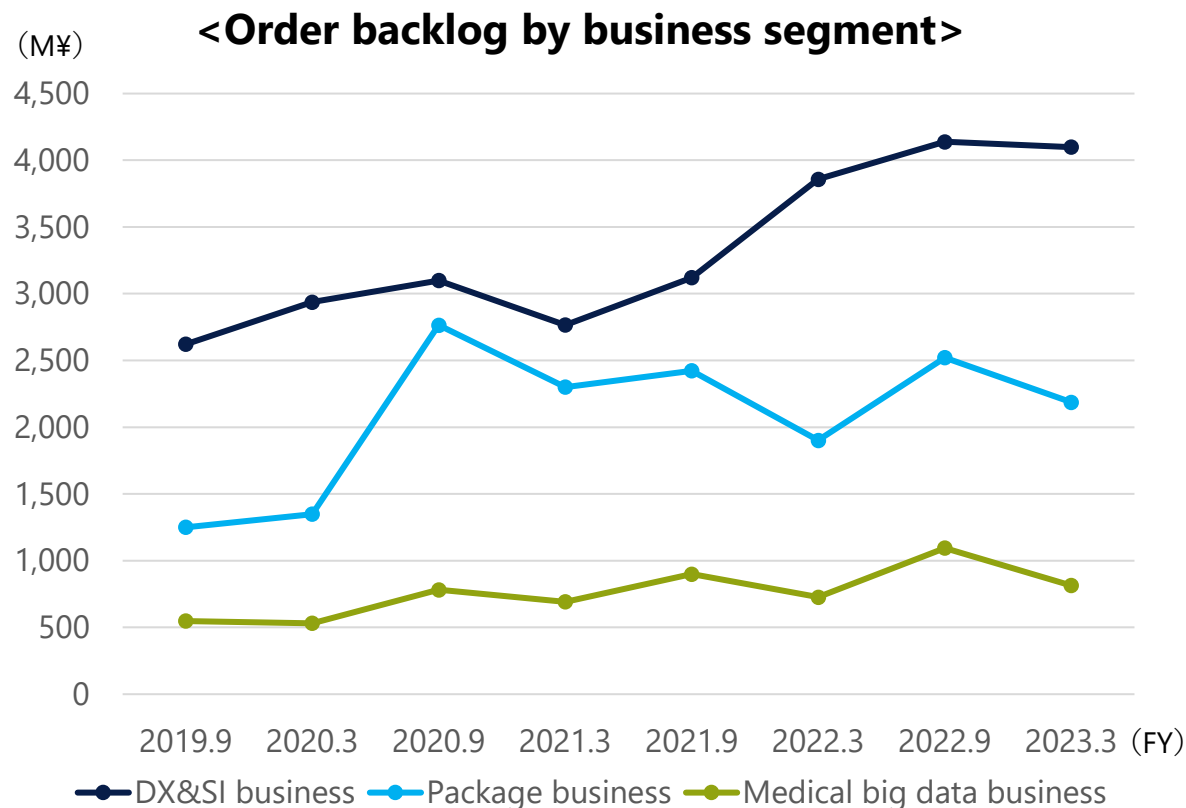
Aiming for 13th consecutive year of sales growth and 9th consecutive year of ordinary income growth

		2022.3		2023.3		2024.3		YoY	
		Results	Sales ratio	Results	Sales ratio	Forecast	Sales ratio	Increase/ decrease	Percentage change
Net sales	(M¥)	21,399	100.0%	23,519	100.0%	25,300	100.0%	1,781	+7.6%
Operating income	(M¥)	2,000	9.3%	2,385	10.1%	2,540	10.0%	155	+6.5%
Ordinary income	(M¥)	2,052	9.6%	2,450	10.4%	2,600	10.3%	150	+6.1%
Net income	(M¥)	1,330	6.2%	1,772	7.5%	1,880	7.4%	108	+6.1%

2. Forecast of Business Performance (2) Sales and Order Backlog

(M¥)

Business/ Period	2019.9	2020.3	2020.9	2021.3	2021.9	2022.3	2022.9	2023.3	Percentage change from 2022.3
DX&SI business	2,622	2,937	3,099	2,766	3,121	3,857	4,138	4,098	+6.2%
Package business	1,251	1,349	2,764	2,301	2,423	1,902	2,521	2,187	+15.0%
Medical big data business	549	532	782	692	900	727	1,095	814	+12.0%
Total order backlog	4,423	4,818	6,645	5,760	6,446	6,486	7,754	7,099	+9.5%

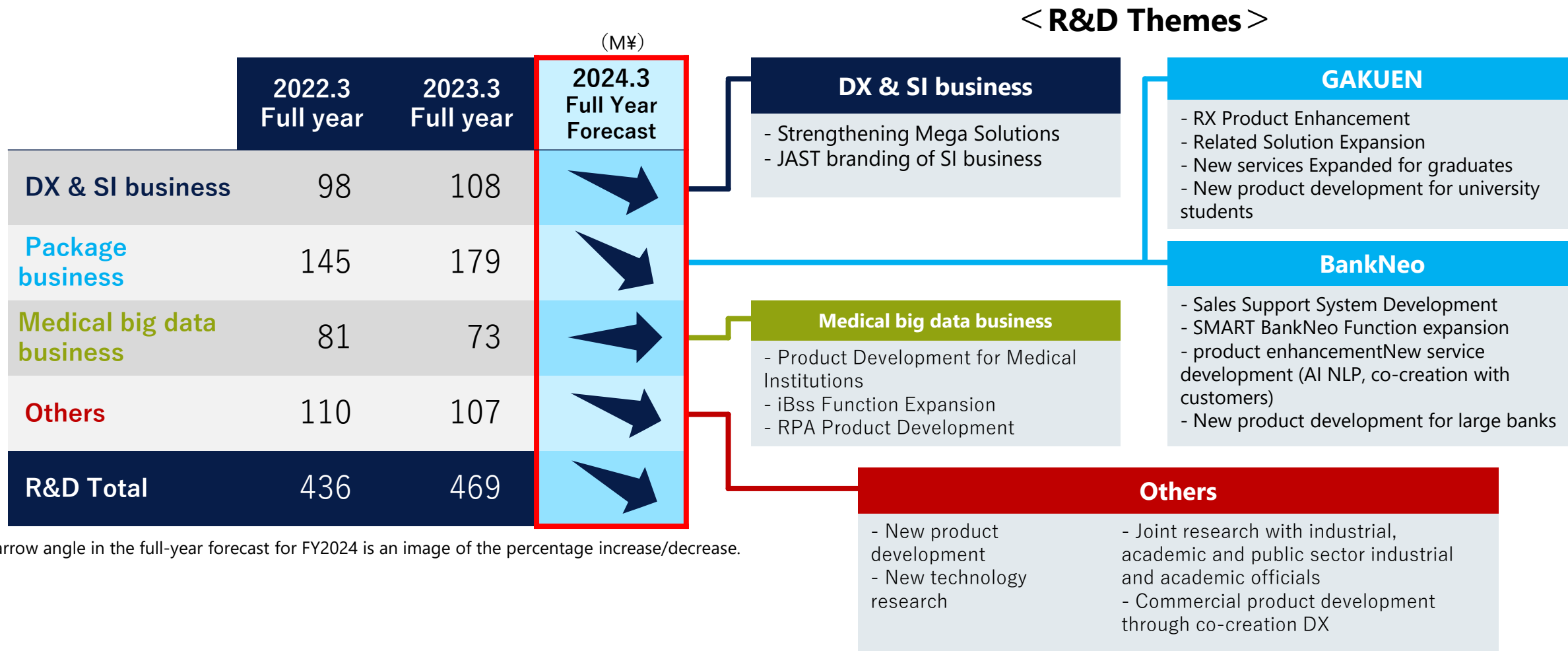


*Global business is omitted due to the short-term nature of the remaining order period.

2. Forecast of Business Performance (3) Research and Development Expenses

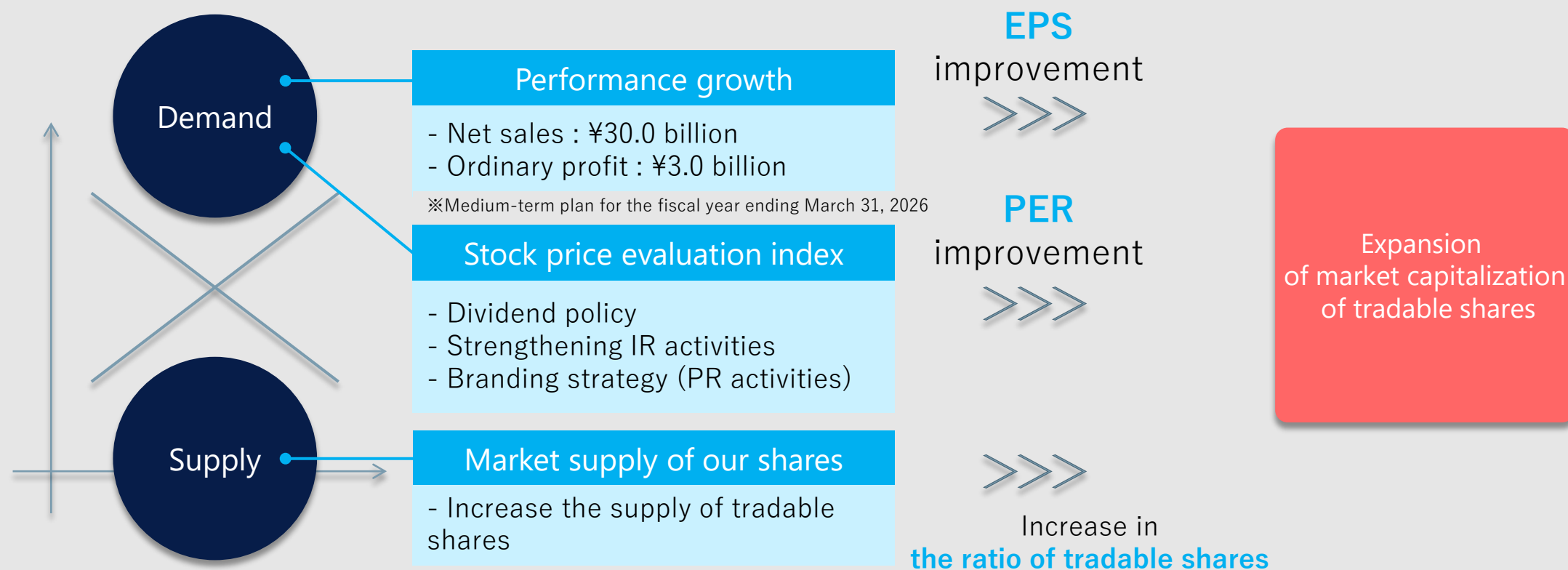
Investing actively in technological development and joint research in addition to product development

Continuing R&D on a wide range of topics

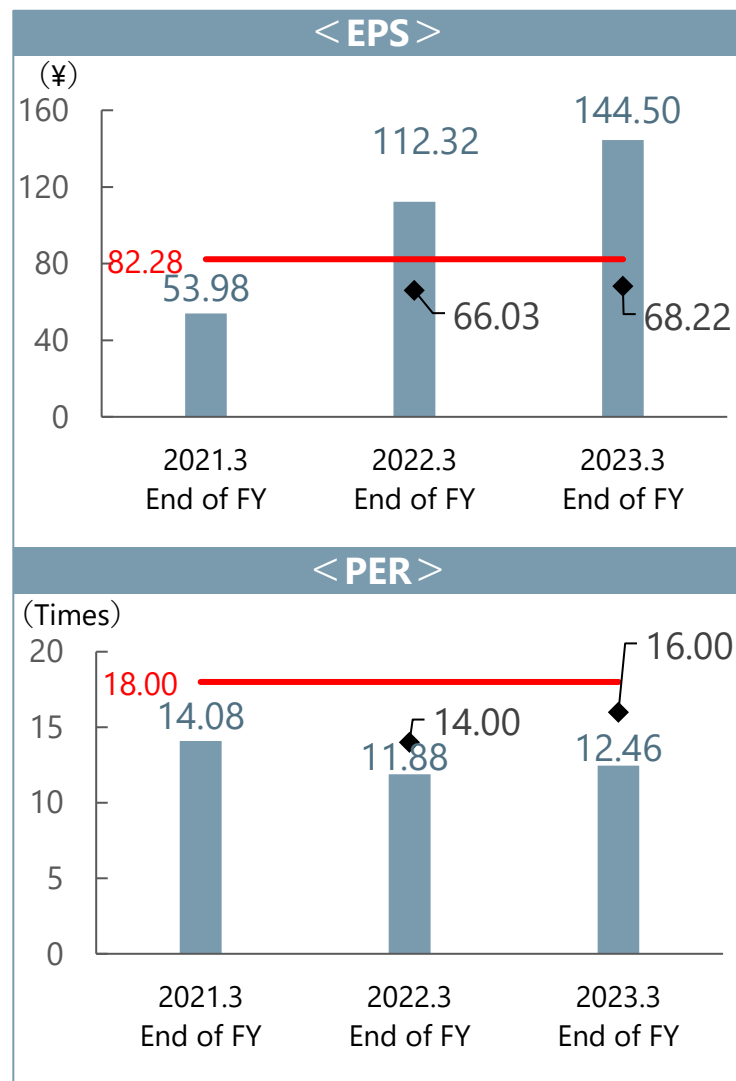


3. Corporate Value (1) Policy for increasing market capitalization

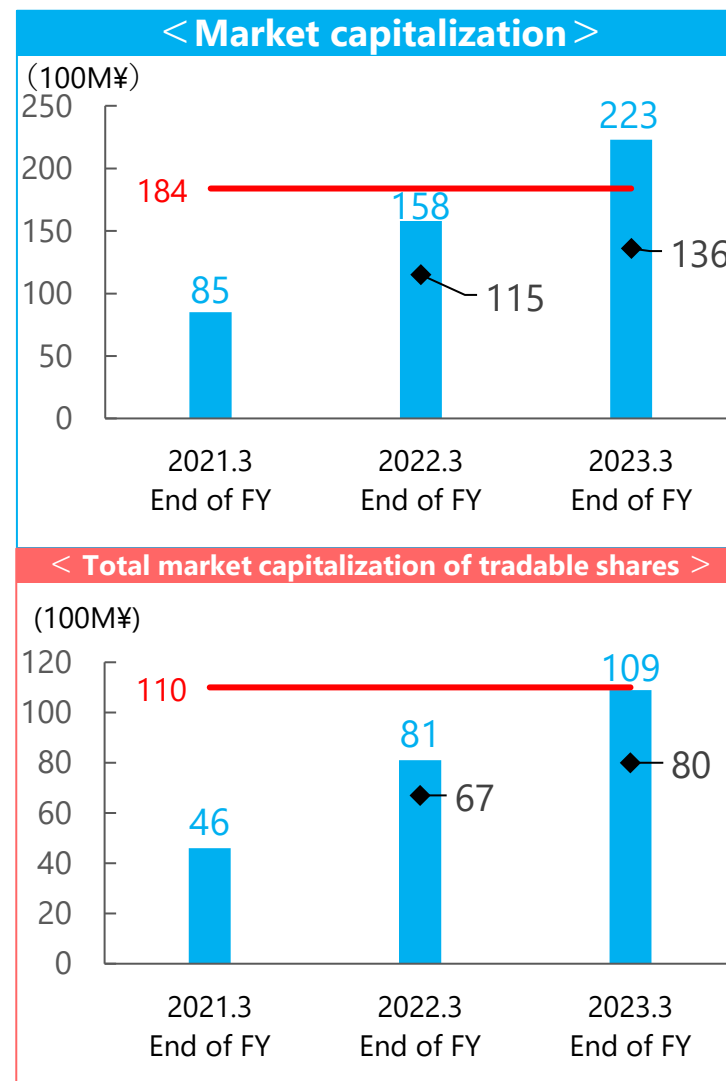
The following plan released in November 2021 aimed for maintaining prime listing is **progressing one year ahead of schedule.**



3. Corporate Value (2) Progress Toward Compliance with Prime Market Standards



- Track record
- ◆ Initial plan (at the time of plan submission)
- Targeted value to achieve the standard



- Track record
- ◆ Initial plan (at the time of plan submission)
- Targeted value to achieve the standard

Reached planned market capitalization
one year ahead of schedule

Meets prime criteria

Market capitalization of 40-50 billion yen
Aiming to **further increase our presence**
in the prime market

3. Corporate Value (3) Initiatives to Improve PER

Corporate value base: Growth in EPS and ROE through earnings expansion

+ **Strengthening relationships with investors** through various measures



Strengthening information dissemination to individual and institutional investors

- 1-on-1 meetings with domestic and international institutional investors
- Exposure to IR media (TV, magazines)
- Briefings for individual investors

⇒ **Increased awareness through increased contact and exposure opportunities**



IR Globalization

- Enhancement of various English disclosures
 - ⇒ • Financial statements • Press releases
 - Financial Results Briefing Materials • Website

⇒ **Strengthening the approach to foreign institutional investors, whose influence on Japanese equities is increasing**



Strengthening branding as a DX provider

- Launching of DX Image
- Website revision
- Focus on DX business by changing reporting segment
- Strengthen press releases

⇒ **Maximize business activities and strengthen branding**
Aiming to increase positive perception among individual and institutional investors



Improvement of liquidity of stock transactions and activation of trading

- Stock split
- Dividend policy in line with profit growth

⇒ **Stimulate market trading by improving the attractiveness of JAST stock**

Future Priority Initiatives

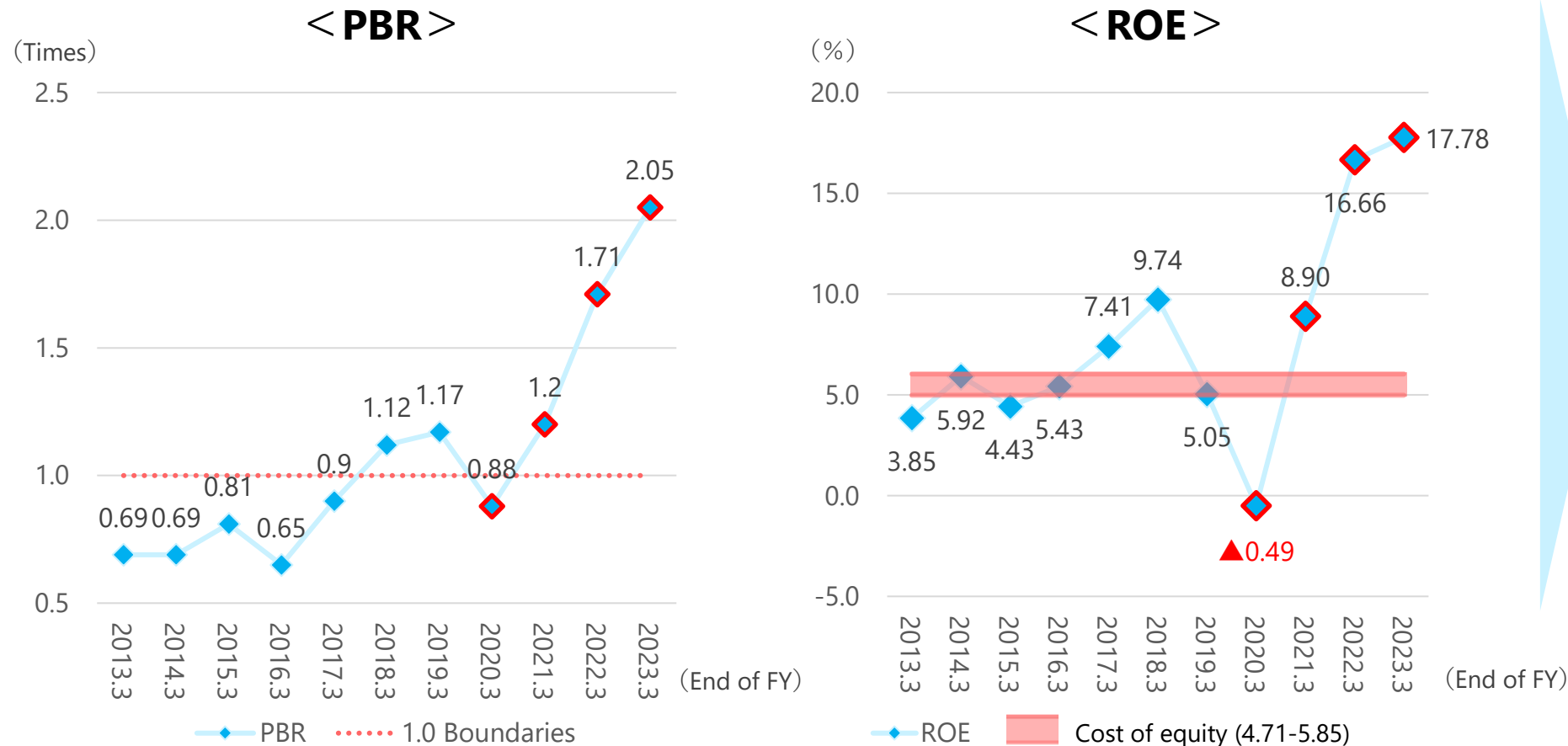


- Strengthening shareholder return policies, including dividend policy
- Converting non-tradable shares into tradable shares
- Expanding public recognition by further strengthening public relations
- Strengthening communication of sustainability-related information

3. Corporate Value (4) Perceptions Regarding Enhancement of Corporate Value

PBR is stably expanding at over 1.0

Continuing to rise further through equity spread* conscious management



Positive/negative of equity spread are liked to PBR

Continuing to generate ROE in excess of cost of shareholders' equity and growing as a high P/B ratio company

*Equity Spread: Calculated as ROE - Cost of Equity, a positive value indicates the creation of shareholder value.

*Cost of Equity: Risk-free Rate + β (sensitivity) \times Equity Risk Premium.

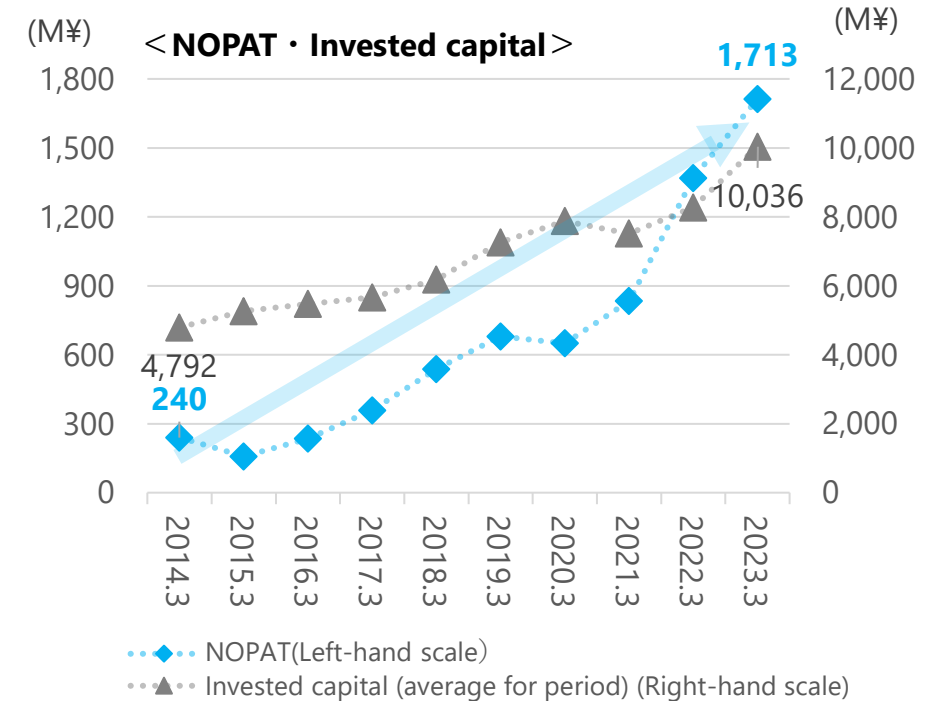
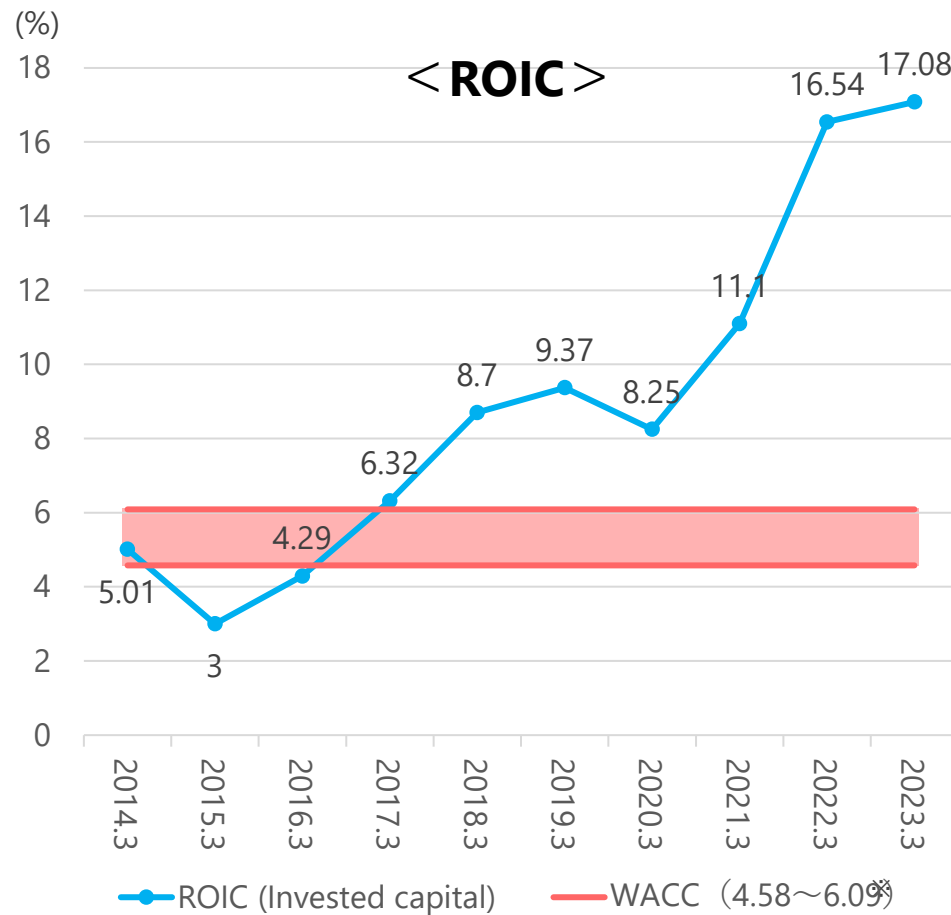
The risk-free rate is based on the 10-year government bond yield as of March 31, 2023 (0.322%), and the Equity Risk Premium is derived from historical risk premium data over the past 50 years (5.45%) sourced from SPEEDA.

The β value is adjusted using past data of stock prices (including dividends) and TOPIX (including dividends) with the following formula: Adjusted $\beta = 2/3 \times \beta + 1 \times 1/3$. The upper and lower bounds are calculated based on the data for the past 15 years, 10 years, and 5 years.

3. Corporate Value (5) Continuous Improvement of ROIC

Profit growth rate exceeded the rate of expansion of invested capital and improved by about 12 points in 10 fiscal years

EVA Spread* remained positive



2014.3 end - 2023.3 end CAGR (10 fiscal year)

NOPAT	Invested capital (average for period)
24.4%	8.6%

*Equity Spread: ROIC (invested capital) minus WACC. If this value is positive, the company is creating economic value in excess of the cost required by shareholders and creditors (WACC).

*WACC: Calculated as follows.

Interest-bearing debt / (market capitalization less treasury stock + interest-bearing debt) x (1 - effective tax rate) x cost of debt* + market capitalization less treasury stock / (market capitalization less treasury stock) + interest-bearing debt) x cost of equity

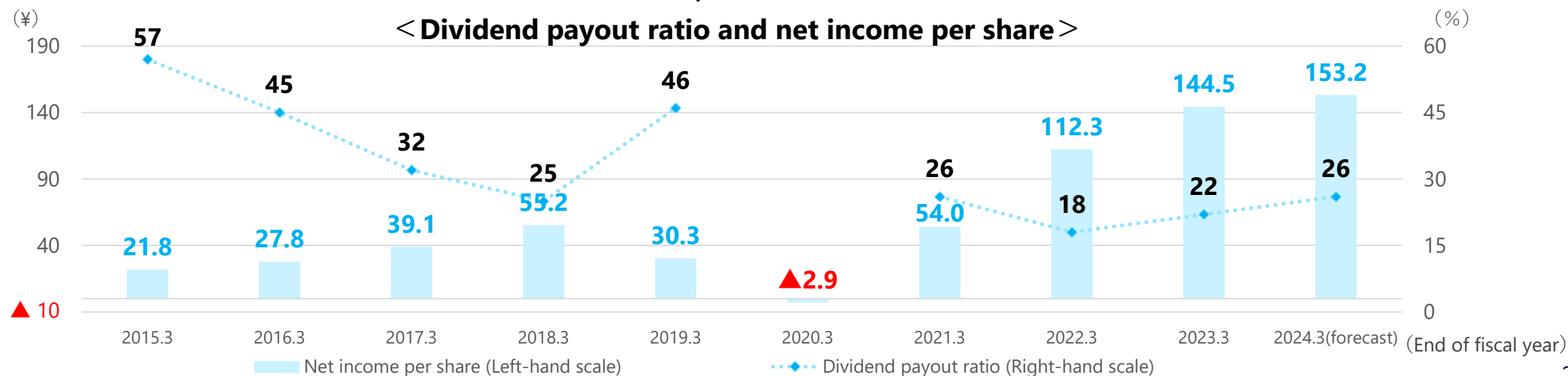
*Debt cost is the median of several listed companies with the same level of equity capital and equity ratio.

3. Corporate Value (6) Shareholder Returns

		FY2022.3 Result	FY2023.3 Result	YoY Increase/ Decrease Percentage change		FY2024.3 Plan
Dividends per share	(¥)	20	32	+12	+60.0%	40
Year-end dividend yield	(%)	1.6	1.8	+0.2	-	—
Number of shareholders at end of period	(person)	2,699	2,572	▲127	▲4.7%	—
Market capitalization at end of period	(M¥)	15,833	22,353	+6,520	+42.3%	—

※The figures for the fiscal year ended March 31 represent the full-year performance figures, respectively.

※Amounts are rounded down to the nearest million yen.



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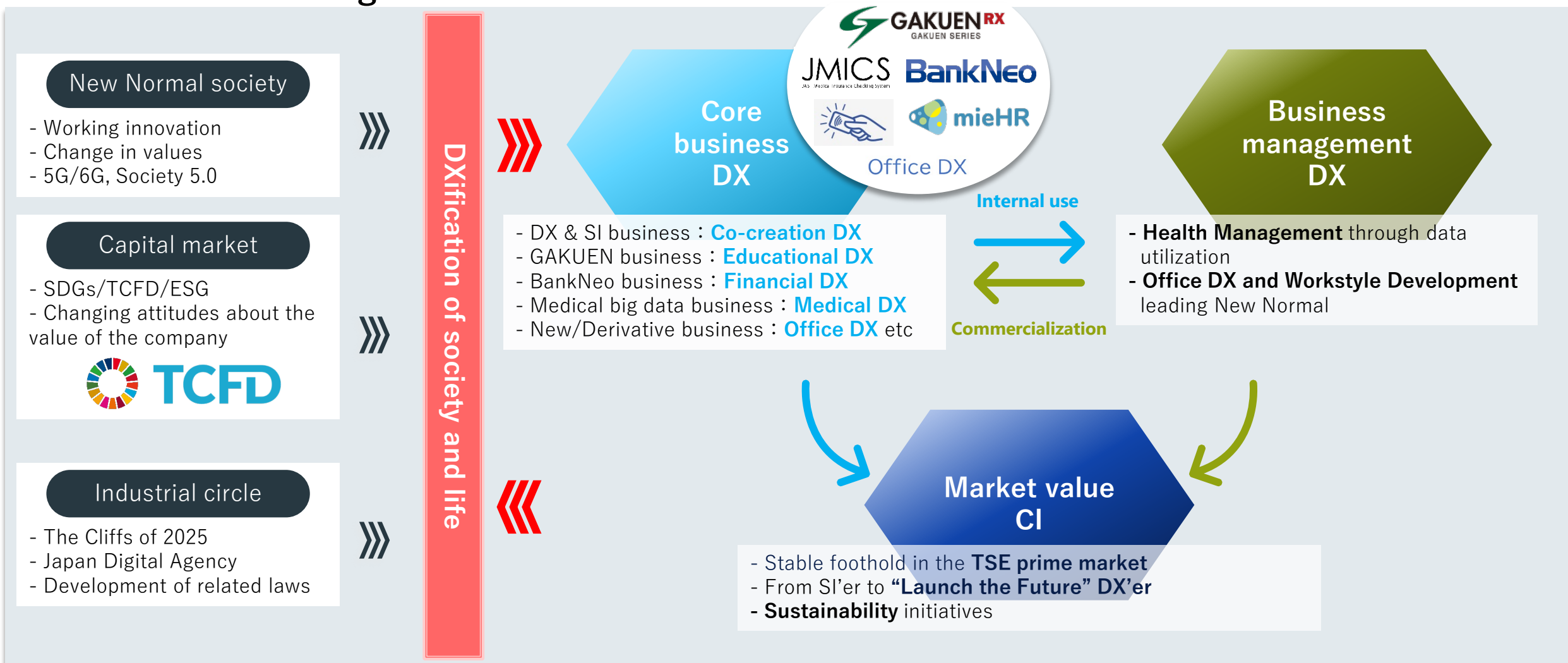
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IV . Long-term growth strategy

V . Appendix

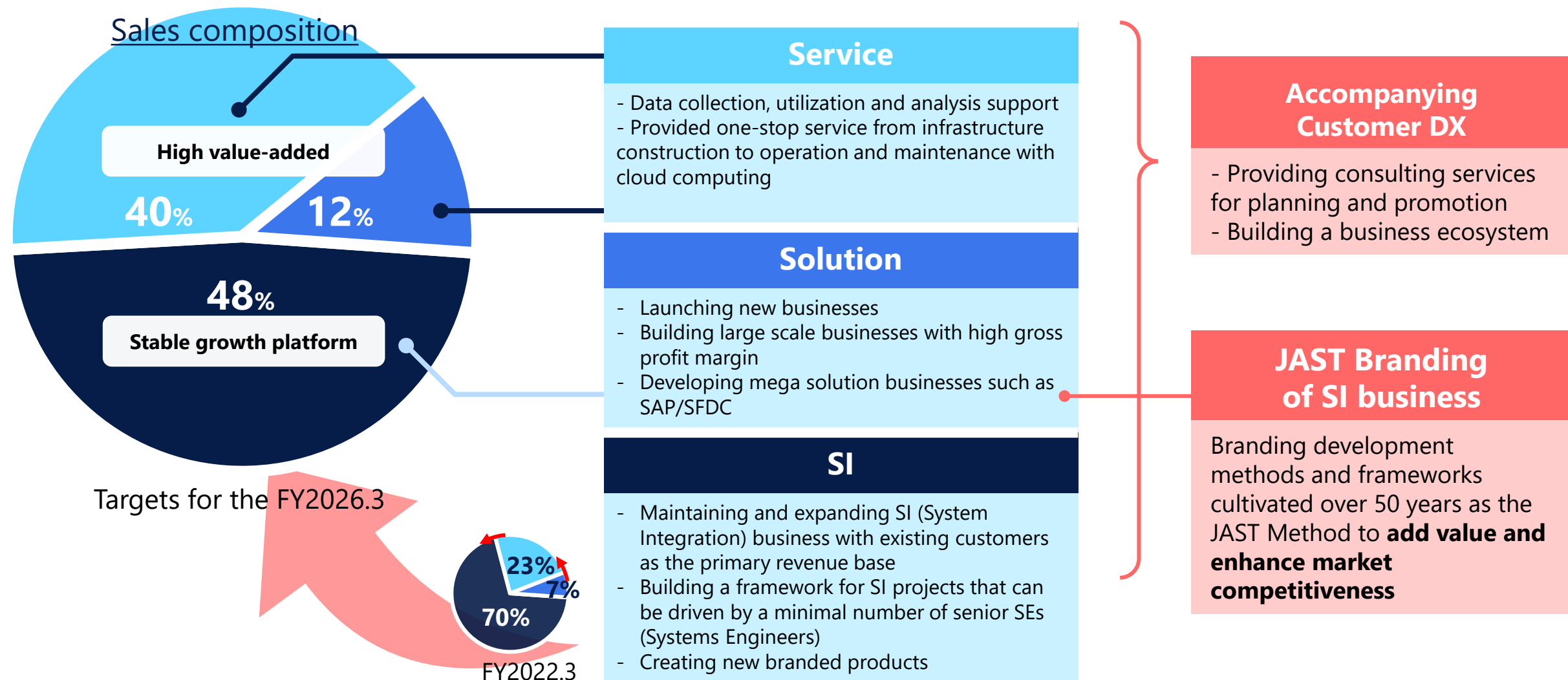
1. JAST Style of DX Concept

Creating a cyclical structure for business development, productivity improvement, and market value enhancement by fully utilizing DX promotion activities in the core business and business management.



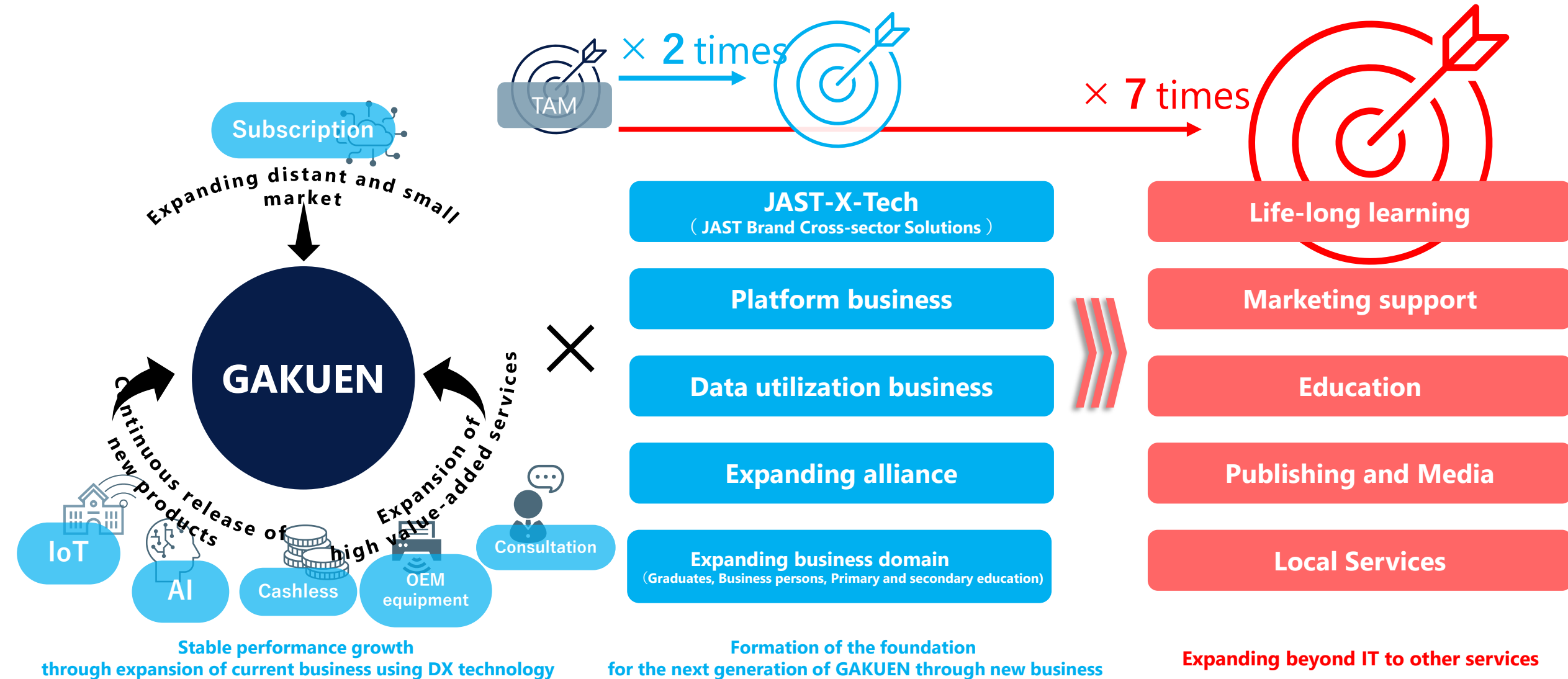
2. Core Business DX (1) DX & SI Business Strategy Overview

Redefining the business portfolio, maintaining and expanding a stable growth base and promote high value-added businesses



2. Core Business DX (2) Package Business : GAKUEN Strategy Overview

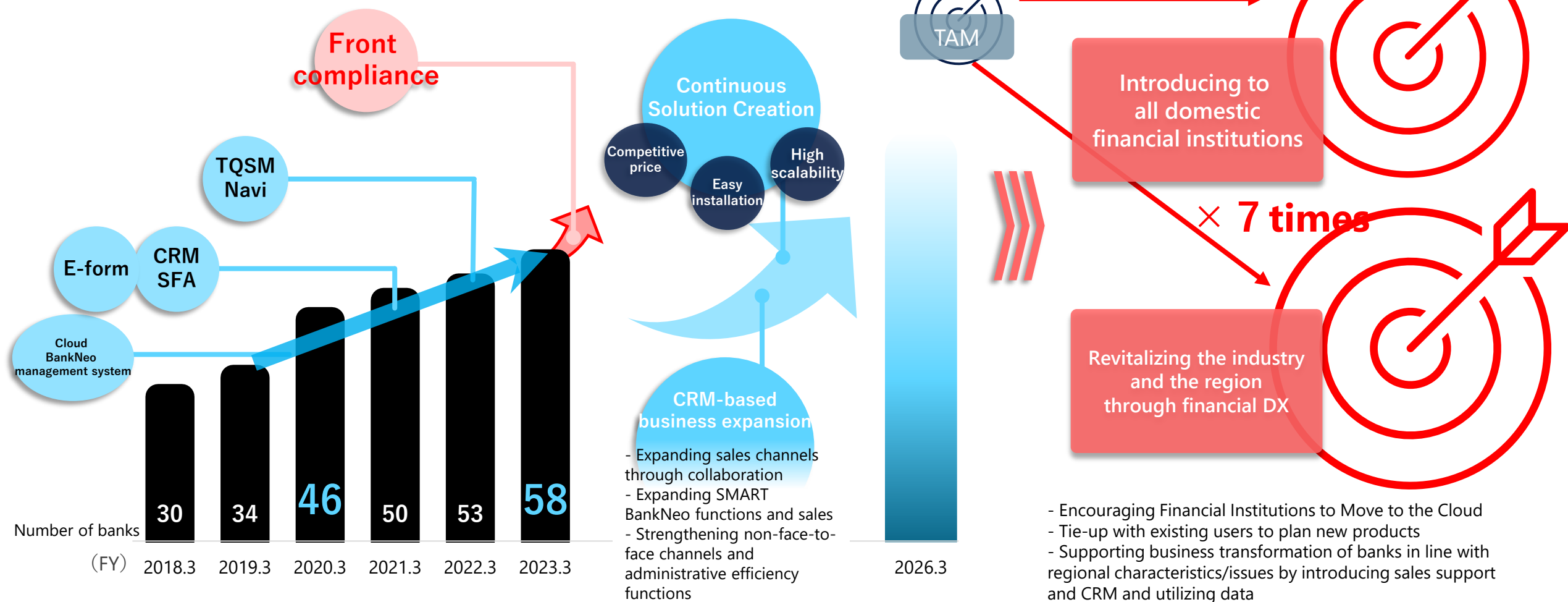
Expanding target markets with new services based on the foundation as a top brand



2. Core Business DX (3) Package Business : BankNeo Strategy Overview

Releasing continuously new solutions based on the concept of Smart/Niche/Cloud

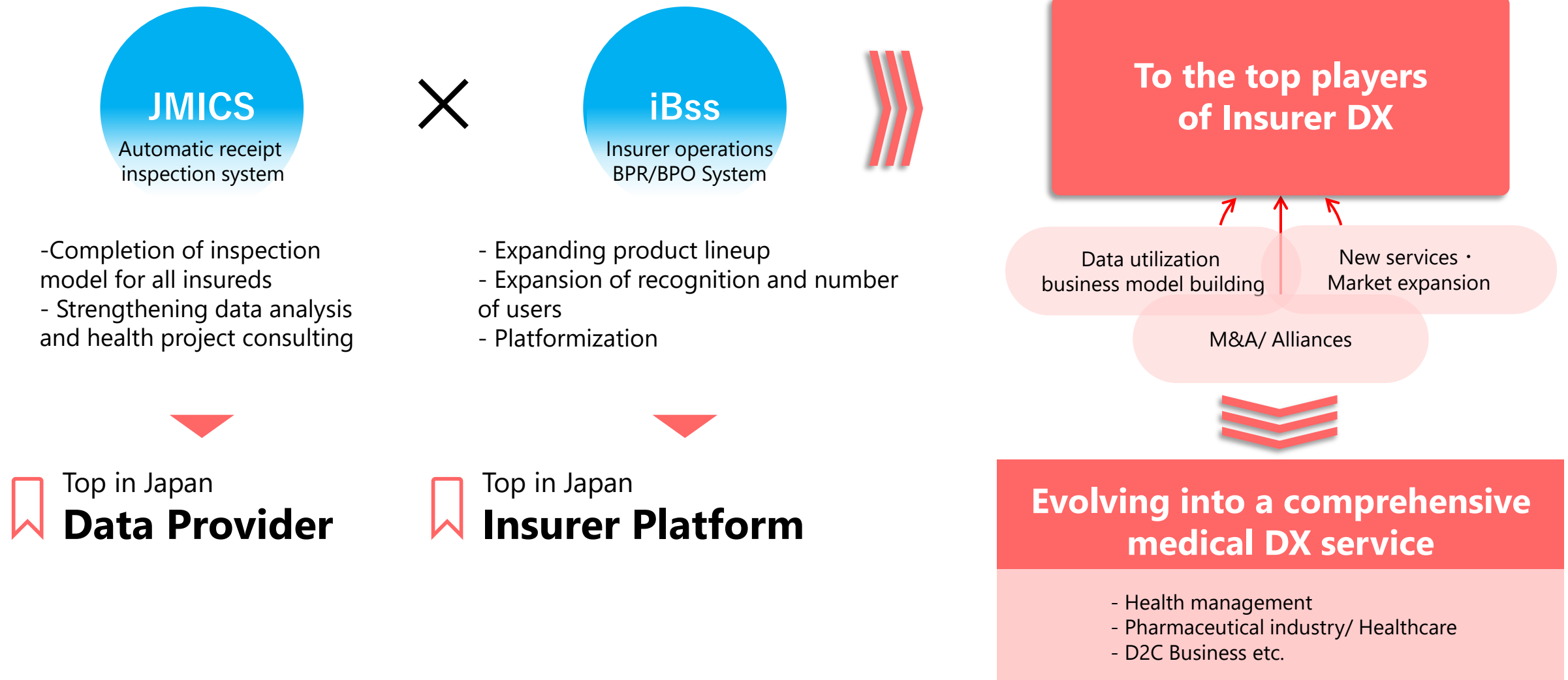
Expanding target market with our unique products to become a financial DXer that contributes to local communities



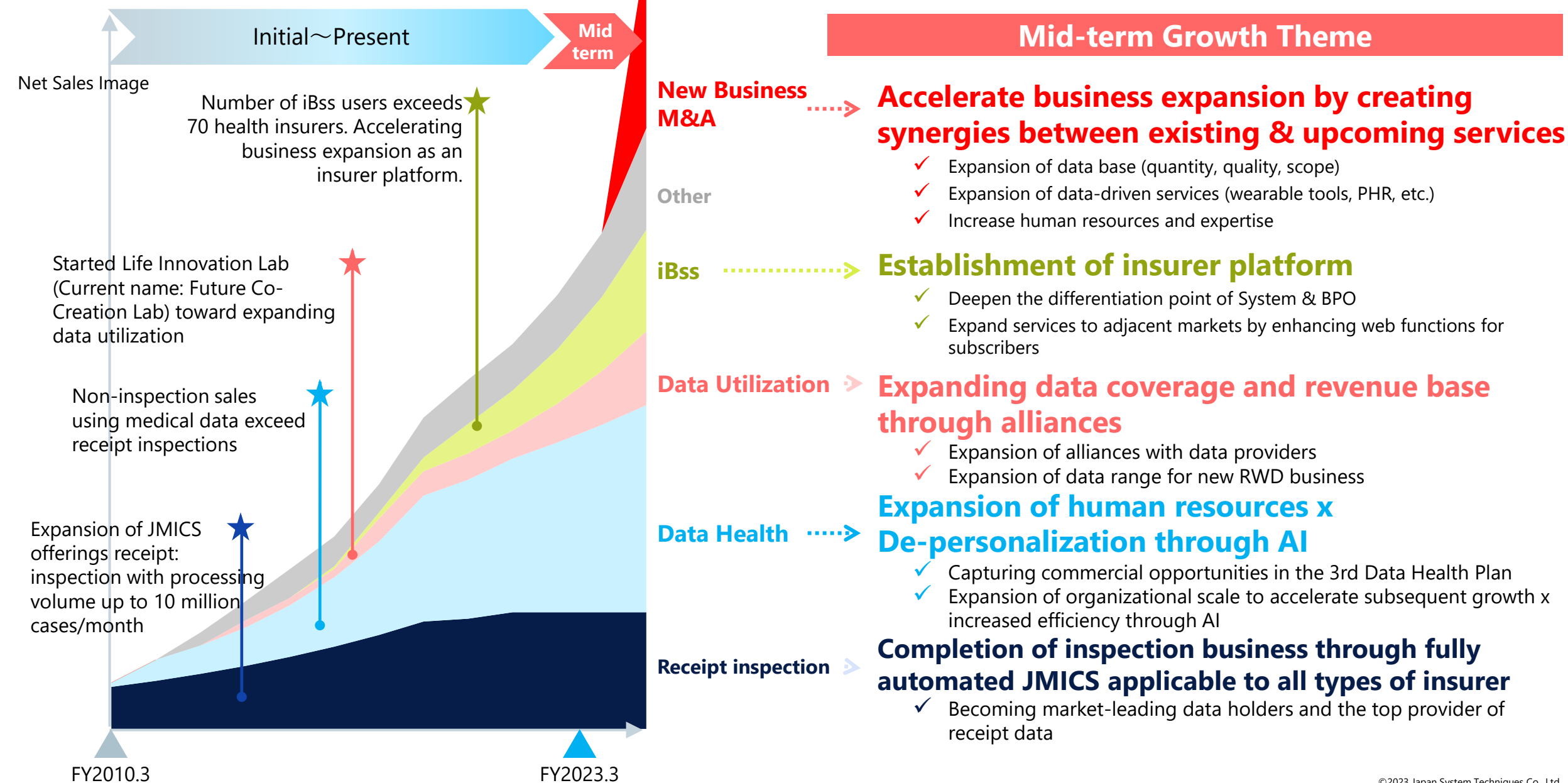
2. Core Business DX (4) Medical Big Data Business Strategy Overview

Leveraging an unparalleled receipt processing volume and insurer platform

Becoming a top player in insurer DX



2. Core Business DX (5) Medical Big Data Business Mid-term Business Expansion



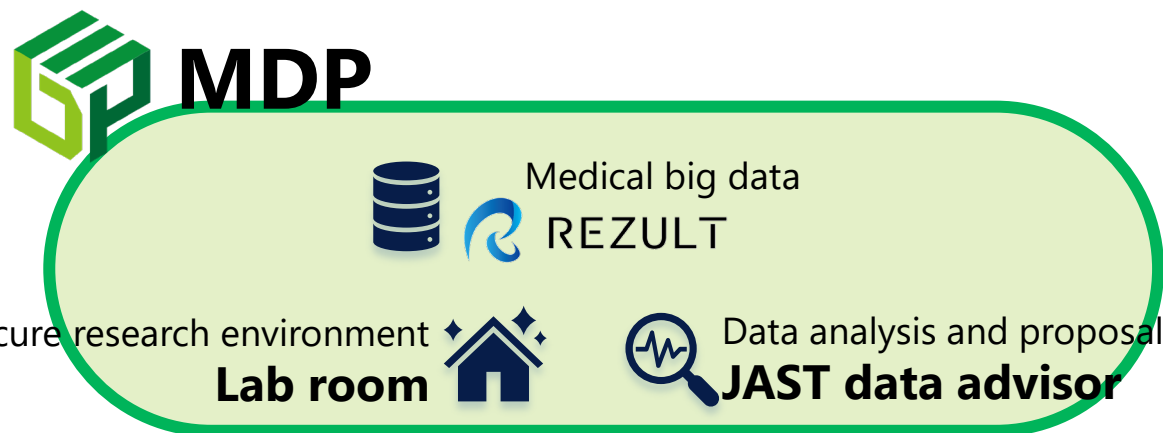
2. Core Business DX (6) Future Co-Creation Lab (JAST Lab)

Utilizing the data as assets, we aim to contribute to society through collaborative research with academia and other partners, and to discover business opportunities through the development of new products with other companies

◆ Services

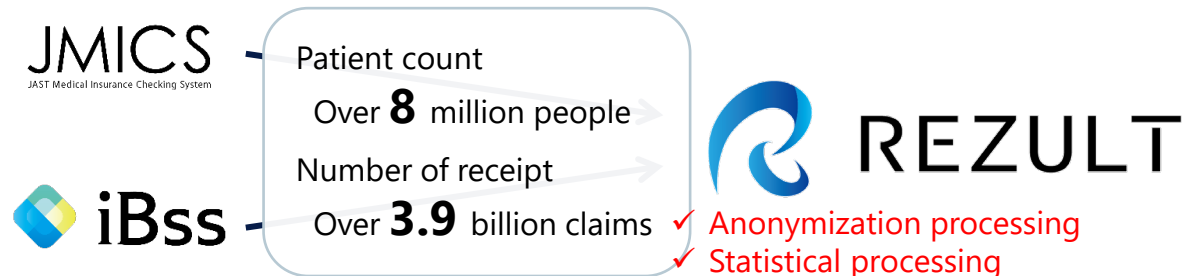
1) Medical Data PROVISION : MDP

DX activities and a package for promoting DX using medical big data



2) REZULT

User-intuitive dataset leveraging JAST's medical big data



◆ Collaborative research partners [Commencing from the second half of FY2023.3]

**The Graduate School of Human Life Sciences,
Osaka Metropolitan University** [2023.3.29]

**Center for Disease Biology and Integrative Medicine, Graduate School of Medicine,
The University of Tokyo**
Research Associate Hiroyuki Okada [2023.1.5]

+ There are **10 ongoing** collaborative research projects

◆ Output [From the second half of FY3.2023]

"Cabinet Secretariat COVID-19 AI · Simulation project" [2023.1.5]

TV Asahi "Oshita Yoko WIDE! SCRAMBLE" [2023.01.16]

At DEIM2023, Seki, Y. Laboratory, University of Tsukuba
presented a research paper [2023.03.16]

Started offering free access to dashboards
on Tableau Public, JAST Lab HP[2023.4.13]

◆ Data recipients [As of 2023.6.9]

**Japan Alternative Data Accelerator
Association**

**Cabinet Secretariat COVID-19
AI · Simulation project**

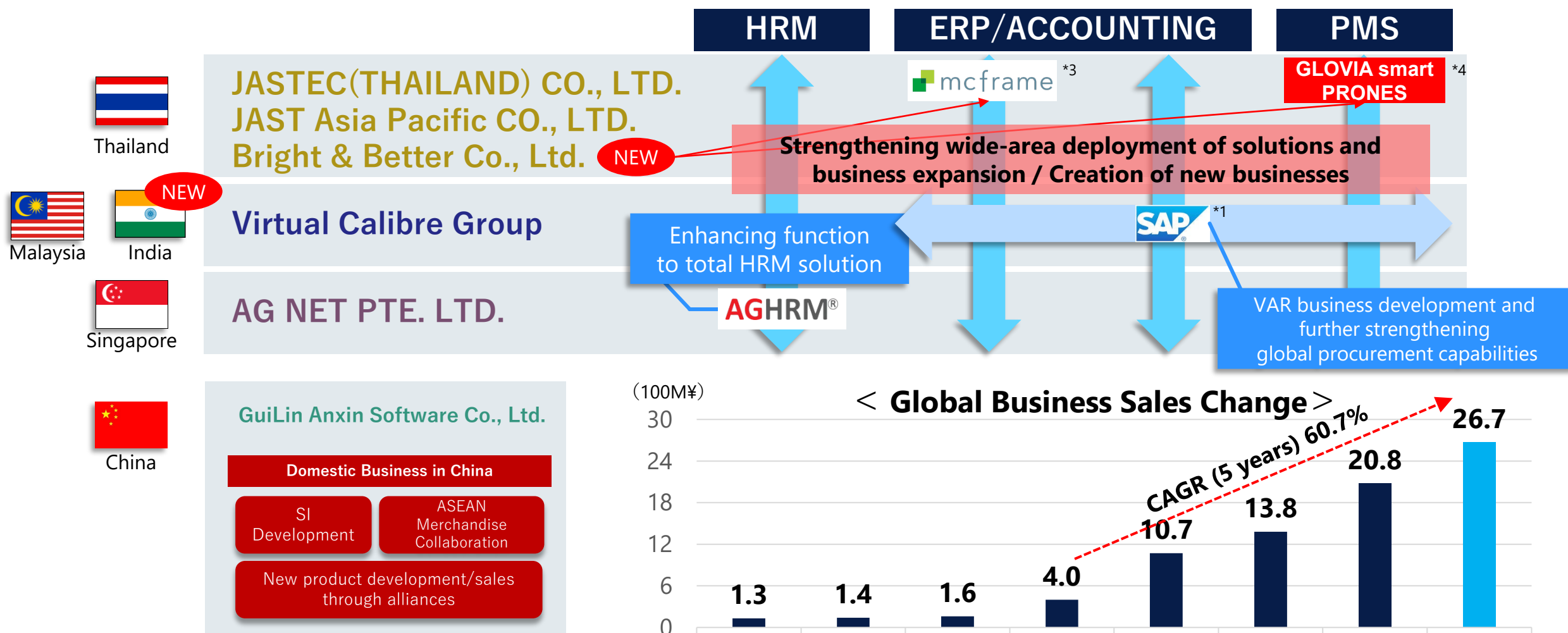
**National Institute of Informatics
Informatics Research Data Repository
(IDR)**

**AWS Data Exchange/
AWS Marketplace**

2. Core Business DX (7) Global Business

Establishing a base in India, a rapidly growing market in the pursuit of a digital transformation

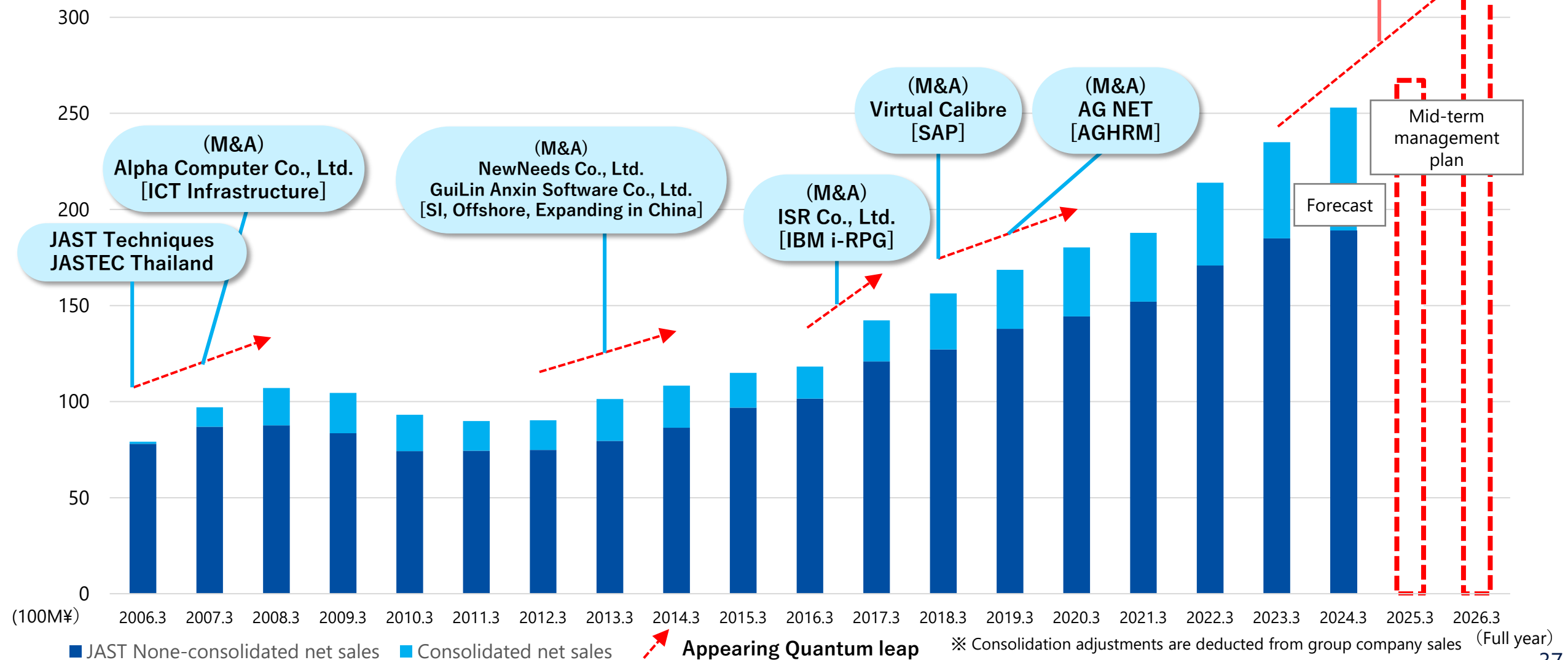
Expanding SAP business to ASEAN + South Asia and Middle East to accelerate global growth



2. Core Business DX (8) M&A/ Strategy for Group Expansion

Creating new domestic markets with “JAST IT” for same industry/other industries
Continuing domestic and overseas M&A with an eye on expanding products and area and creating synergies

Organic growth of existing businesses and extra revenue from M&A



2. Core Business DX (9) Adapting to New Areas and Alliance Strategy

Targeted new areas are multifaceted.

Aggressive R&D and alliance strategies will accelerate the creation of the next growth driver

	Big data Data science	NewNormal DX	Blockchain Fintech	AI、Biometric identification、 VR	Cloud
DX & SI business	✓ Expansion of data science projects	✓ E-commerce site construction ✓ mieHR (HRM)	✓ MaaS data platform	✓ Office DX – Facial recognition –	✓ Expanding application in SI development ✓ SAP*1
		✓ Office Cashless payment			
BankNeo (Package business)	✓ [BankNeo for CRM/SFA]	✓ Cloud BankNeo management system ✓ Sales Productivity Improvement Support Non-personal/ Office efficiency enhancements		Application to Package Functions	✓ “SMART BankNeo”
GAKUEN (Package business)	✓ Management Decision Support (BI) ✓ IR Big Data in Education	✓ Smartphone app ✓ E-learning ✓ Linkage with Textbook Selection DB	✓ On-campus electronic money Blockchain Utilization	✓ Package function AI Applying additions to the package	✓ GAKUEN Subscription
Medical big data business	✓ Expansion of monthly receipts processed ✓ Expansion of data utilization services ✓ Medical Big Data Services “REZULT”	✓ Web service “iBss” ✓ Predictive model for severe disease BtoBtoC products		✓ Academia collaboration ✓ AI health management system AI for receipt processing	✓ Cloud version receipt inspection
Global business		✓ SAP*1 ✓ mcframe*3			✓ AGHRM ✓ SAP*1
<ul style="list-style-type: none"> • Alliance • New business creation through in-house ventures 	<ul style="list-style-type: none"> ✓ Co-Creation DX Service “MDP” ✓ Industry-academia-government collaboration *Future Co-Creation Lab 	<ul style="list-style-type: none"> New Service for Generation Z Students ※Package business 		<ul style="list-style-type: none"> Business Applications of Natural Language Processing *DX&SI business 	
		✓ Current business areas and measures	JAST brand	Areas under planning/development	

2. Core Business DX (10) Activities to Enhance Human Capital

Health Management Promotion

Excellent Health Management Corporation
(Large corporate division)

Certified for **3** consecutive years

Eliminating Long Working Hours
JAST's Unique Labor Policy
"Kaeru! JAST"

Promoting stress check examinations

Continuation of **90%** or higher
inspection rate
(93.2% of the full-year results for FY2023.3)

Attendance Data Analysis
Pick up & follow up
persons at high risk of
physical and mental health

Enhancement of health education

- ① **Group Education Training**
 - Health Management Training
 - Woman's Activity Support Forum
- ② **Health Events**
 - "Walking Events"
 - "Stretching for Functional Improvement"
 - "Smoking Cessation Events"
- ③ **Personal interviews with industrial physicians and public health nurses**

Regular health checkups Promotion of medical checkups

- ① **Periodic health checkup rate**
Continuing **100%**
- ② **Percentage of re-examination**
Continuing efforts toward
100%

(Re-examination rate: 84.6% for the full year of FY2023.3)

DX Human Resource Development

SAP*1 Number of qualified employee

Total Qualifications **209**

Qualified persons **82** persons
(As of April 30, 2023)

DX Human Resource Development Group Training

10 categories

143 courses

(2023.3 Full year results, number of days held)

In-house certifications "JCPL"

Beginner **528** persons

Intermediate **105** persons

(2010.3~2023.3 Cumulative number of certified recipients)

DX related external e-learning course campaign

10 categories

19 courses

(Full year results for FY2023.3)

JCPL : The abbreviation for JAST Certified Project Leader.

In-house independent certification in JAST-style project management

Advancing workstyle reform

Average annual recuperation time

Acquisition rate **66.3%**

Number of days **10.8** days

(Full year results for FY2023.3)

Average overtime hours

(Average monthly overtime hours)

17.6 hours

(Full year results for FY2023.3)

Recipients of parental leave

28 persons

Male **7** persons

(Full year results for FY2023.3)

Reduced working hours after maternity/paternity leave

Maximum of **9** years


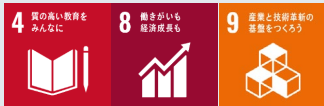



(**1.5** times the legal requirement)

3. Efforts Towards Sustainability (1) Overall Policy

Appealing to various stakeholders through appropriate disclosure of corporate activities aimed at sustainable growth


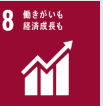








3. Sustainability Initiatives (2) SDGs Initiatives (Main Activities)

Key issue	Business field	Contents	SDGs theme
Industry and ICT innovation	General business	<ul style="list-style-type: none"> ➤ Making society a better place by creating and providing new types of IT services ➤ Supporting the structural transformation of industry with ICT ➤ Contributing to co-creation and cooperative system establishment and ecosystem transformation ➤ Working in solidarity with Group and partner companies 	
Support for learning activities using ICT	GAKUEN	<ul style="list-style-type: none"> ➤ Providing a comprehensive solution in building the future of universities ➤ ICT-driven, high-quality classroom support and technology-based education ➤ Facilitating improved educational quality through the use of educational big data ➤ Realization of recurrent education (lifelong learning) environments ➤ AI and IoT research development aimed at the digitalization of education ➤ Providing new services for Generation Z 	
Optimization of medical costs and contribution to health promotion	Medical big data business	<ul style="list-style-type: none"> ➤ Using medical big data to contribute to health care cost optimization for insurers and promotion of the health of the insured ➤ Joint research efforts with academia and others to help find solutions to address disease, including infectious diseases, and medical challenges ➤ Open-sourcing medical big data 	
Improving the efficiency of financial operations with an integrated information system package	BankNeo	<ul style="list-style-type: none"> ➤ Contributing to society via information systems integration package business aimed at financial institutions 	
Contribute to corporate transformation by promoting digitalization	DX & SI business	<ul style="list-style-type: none"> ➤ Cashless service for employee cafeterias and offices ➤ "mieHR" human resources data platform ➤ Office DX -Facial recognition-based attendance recording- 	

*Excerpt from our corporate website section "Initiatives for SDGs"

3. Sustainability Initiatives (3) SDGs Initiatives (Business Management)

Key issue	Business field	Contents	SDGs theme
Initiatives for health management	Health management	<ul style="list-style-type: none"> ➤ Health management promotion ➤ Promotion of regular health examinations and multiphasic health screenings ➤ Elimination of long working hours ➤ Communication promotion initiatives (e.g., events) ➤ Physical and mental health promotion 	 
Providing opportunities for learning	Training and education	<ul style="list-style-type: none"> ➤ A robust in-house training system (e.g., in-house professional certification programs) ➤ Internships (providing students with systems engineering work experience) ➤ Supporting education and learning through systems development 	
Diversity initiatives	Recruitment and treatment	<ul style="list-style-type: none"> ➤ Hiring and fair treatment without consideration of race, nationality, gender, etc. ➤ A variety of in-house systems for supporting a variety of work styles ➤ Contract with "Work Happiness Farm" run by S-POOL Plus Inc. 	  
Reduction of environmental impact	General business management	<ul style="list-style-type: none"> ➤ Initiatives to promote paperless offices via DX promotion ➤ Initiatives to address environmental issues in our offices, data centers and elsewhere 	 

*Excerpt from our corporate website section "Initiatives for SDGs"

Contents

- I . FY2023.3 Summary
- II . Performance Overview
- III . Forecast for FY2024.3 and latest initiatives
- IV . Long-term growth strategy
- V . Appendix**

1. Company Information

Company name	Japan System Techniques Co., Ltd. (JAST)
Listed Market	Tokyo Stock Exchange Prime Market (Stock code: 4323)
Founded	March 26, 1973
Capital	1,535 million yen (as of March 31, 2023)
Location	Osaka Head Office 2-3-18 Nakanoshima, Kita-ku, Osaka-shi, Osaka (Nakanoshima Festival Tower 29F) Tokyo Head Office 2-16-2 Konan, Minato-ku, Tokyo (Taiyo Seimei Shinagawa Building 27F)
Representative	Takeaki Hirabayashi, President and CEO
Employees	Consolidated : 1,687 (as of March 31, 2023) New employees effective April 1, 2023 (Consolidated) : 117
Business Affiliation	Completely independent
Office Locations	Tokyo, Osaka, Singapore, Thailand, Malaysia, India and China

Business Segment	<ol style="list-style-type: none"> 1. DX & SI business 2. Package business 3. Medical big data business 4. Global business
Qualifications	<ul style="list-style-type: none"> • Privacy Mark Certification • ISO9001 registered company • ISO14001 registered company • ISO27001 registered company • ISO20000 registered company* • Excellent Health Management Corporation 2023
Certification mark	   

※ Registered with our Healthcare Innovation Division

2. Group Companies



★ GuiLin Anxin Software Co., Ltd.

Guilin, China

★Offshore development ★Sales base in China

★ Shanghai Jiafeng Information Technology Co., Ltd.

Shanghai, China

★Development and product sales base in China

★ JASTEC(THAILAND) CO., LTD.

Thailand, Bangkok

★IT service for local Japanese companies

★ JAST Asia Pacific CO., LTD.

Thailand, Bangkok

★Deployment of JAST brand service in ASEAN

★ Bright & Better Co., Ltd.

Thailand, Bangkok

★Consultation of implementing integrated software package

Software Contract Development

★ Virtual Calibre Group (4 companies)

Kuala Lumpur, Malaysia

Chennai, India

★Deployment of SAP business

★ AG NET PTE. LTD.

Singapore

★Deployment of HRM business



Osaka Head Office

Tokyo Head Office

Osaka Head Office

★ Nakanoshima Festival Tower 28-29F,
2-3-18 Nakanoshima, Kita-ku, Osaka-shi,
Osaka

★ NewNeeds Co., Ltd.

Osaka

★Local based IT service

★ Tokyo Head Office

Taiyo Seimei Shinagawa Building 5F, 26F, 27F,
2-16-2 Konan, Minato-ku, Tokyo

★ Alpha Computer Co., Ltd.

Shinagawa-ku, Tokyo

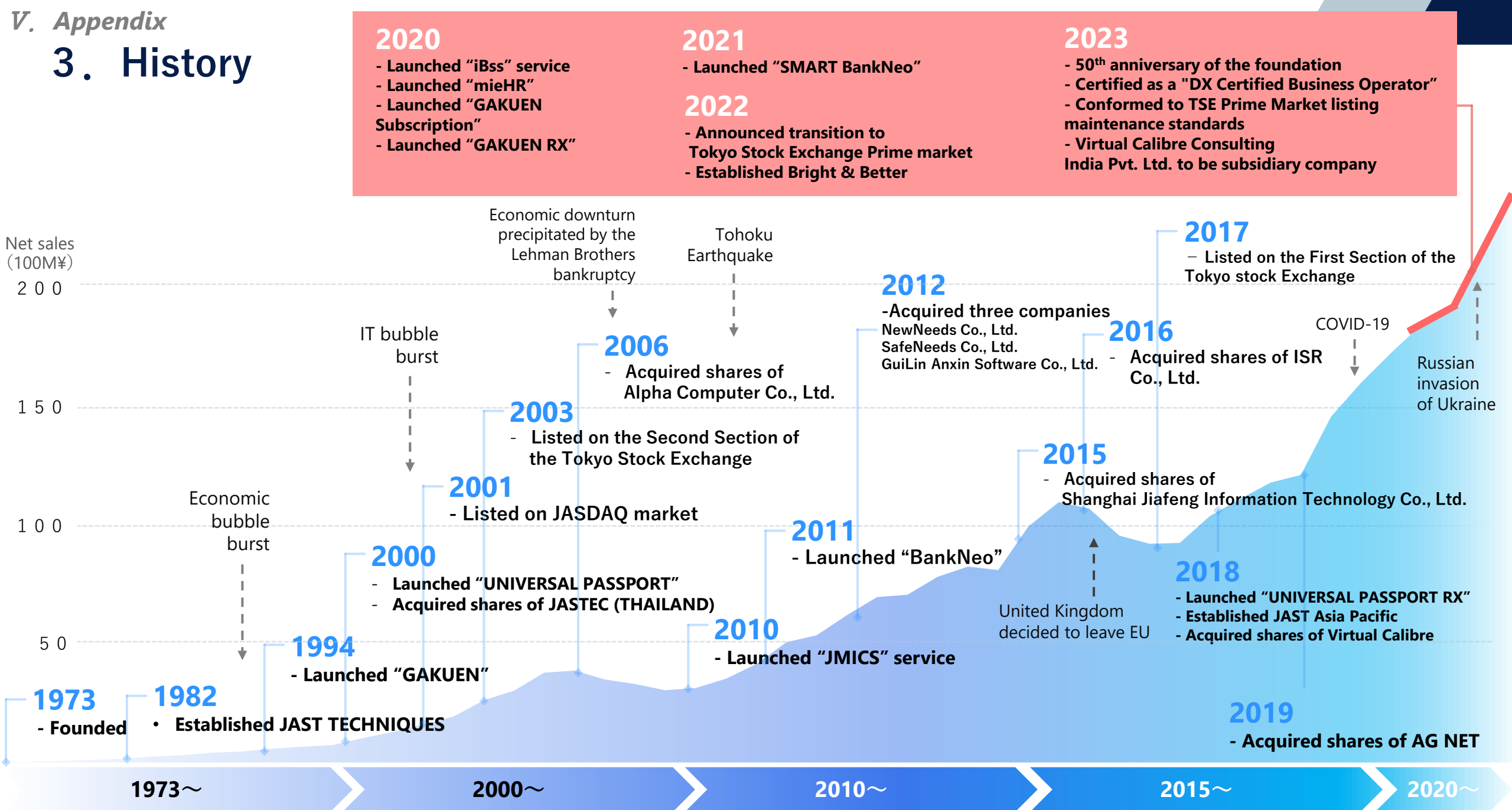
★ Multi-vendor IT infrastructure design

★ ISR Co., Ltd.

Chiyoda-ku, Tokyo

★ Contract development, package development
and sales

3. History



4. Business (1) List of Businesses

DX&SI business

Contracted Development
Development Support
Solution development and implementation

Taking advantage of our strength as a completely independent company, we provide a wide variety of information systems and services across a wide range of fields

◆SI

Providing system development services to a wide range of industries and business domains

◆Solution

Development, collaboration, implementation, analysis, and related system development of in-house solutions and cooperative solutions

◆Service

From consultation and data science to cloud infrastructure construction, operation and maintenance, and data analysis and utilization, we provide comprehensive services to support the needs

<JAST brand product>

- HR data platform



- In-house Cashless service
- Office DX
- Face recognition attendance system-

Package business

In-house packaged solutions
Development and Sales

Providing development and sales of our own branded products, along with implementation consulting services. Additionally, we offer related services such as environment setup and system development

◆GAKUEN

Providing development, sales, and implementation and consulting services for the "GAKUEN series," a comprehensive package system for universities. With a top market share in Japan (adopted by over 400 universities and junior colleges nationwide), our system is tailored to meet the specific needs of educational institutions.



◆BankNeo

Providing development, sales, and implementation for the "BankNeo" package solution for financial institutions. In 2021, it was adopted by major banks, and we currently have a total of 58 financial institutions using the system.



Medical big data business

Inspection and analysis of
medical information data and
related services

Providing a one-stop service by offering multiple healthcare businesses and promoting the utilization of medical data and insurance business reforms

◆Receipt automatic inspection system



◆Insurer Business Support Services



◆Receipt Management for Public Assistance System



◆Data health business

◆Data utilization

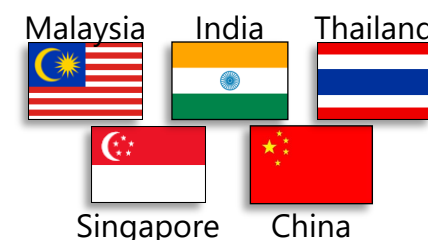


Global business

Global DX business with a focus
on the Asia-Pacific region

We have group companies in five countries overseas and provide services such as development, sales, and implementation consulting of ERP and HRM products, as well as system development

◆Countries



◆Business

- SAP* implementation consulting and related services (in Malaysia and India)
- ERP implementation and related services (in Thailand)
- Cloud-based HRM solution Developing "AGHRM®" (in Singapore)



- Offshore development (in Guilin, China)

*Trademarks of other companies' solutions are listed under "Trademarks" at the end of this document.

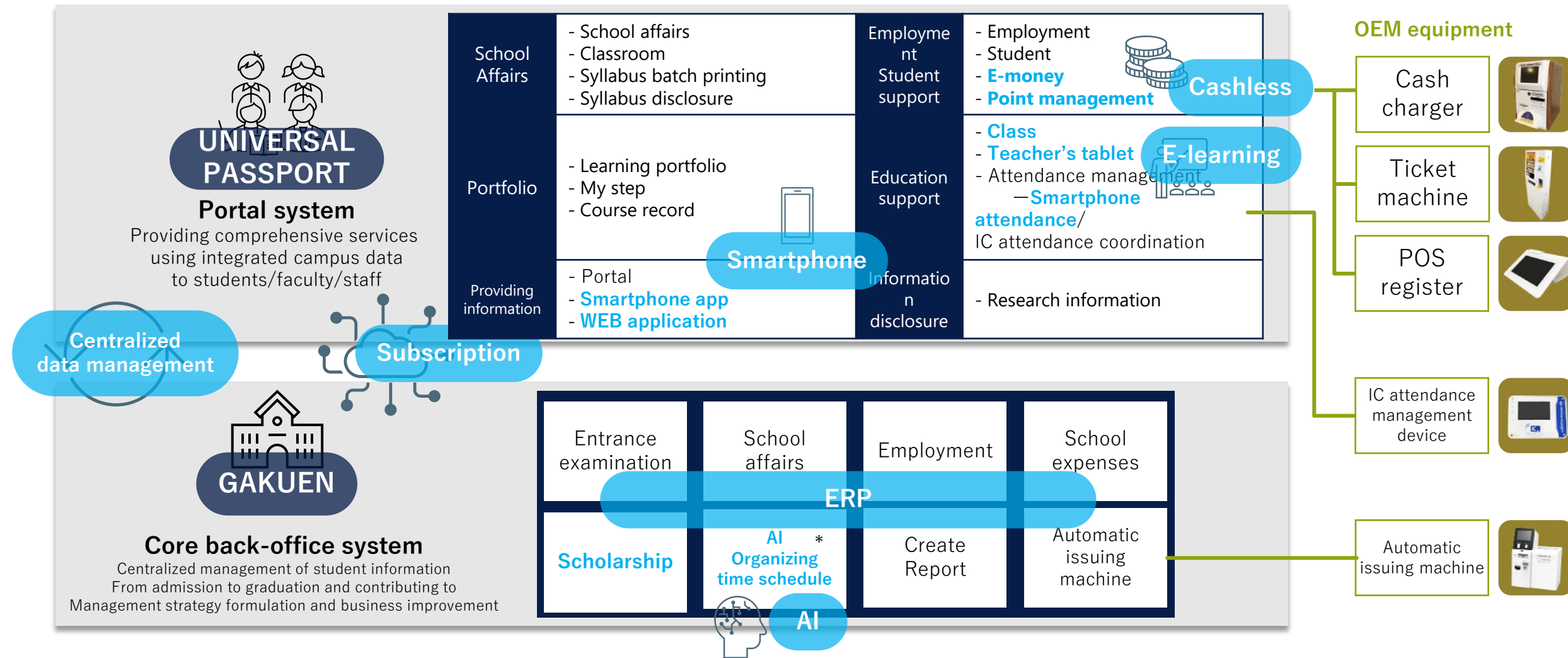
4. Business (2) JAST Brand : GAKUEN

Top brand with more than **437 schools installed**

An integrated platform that comprehensively supports the activities of higher education institutions.

DX main theme

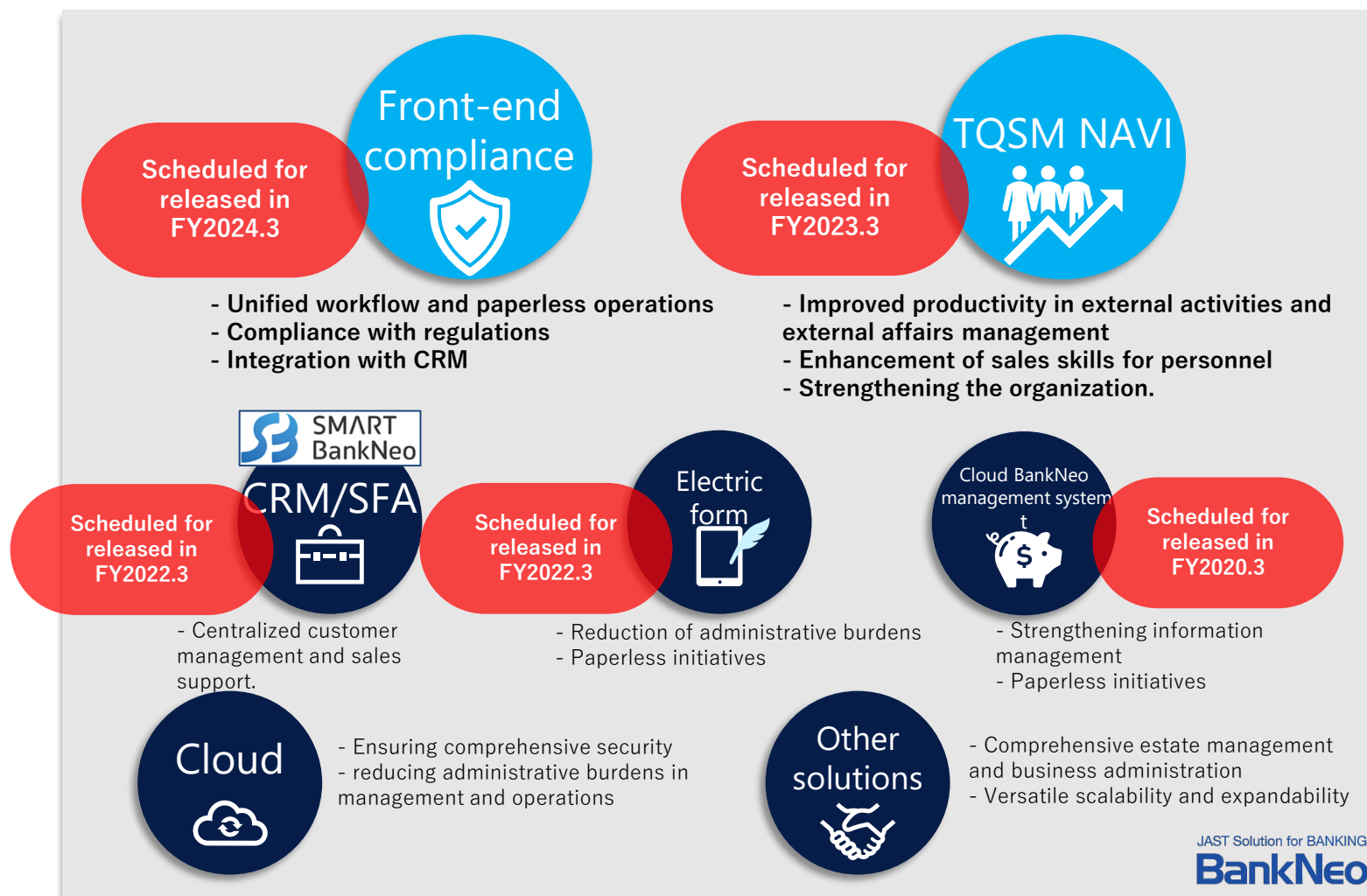
*Under developing



4. Business (3) JAST Brand : BankNeo

Offering a wide range of **smart and niche solutions** that leverage easy implementation and scalability

Our integrated package drives digital transformation (DX) in financial institutions



Proven track record of implementation in numerous financial institutions nationwide

Ease of implementation through a small start approach.

High scalability after implementation

A wealth of expertise accumulated over 30 years

A service lineup that captures customer needs

4. Business (4) JAST Brand : JMICS

Providing comprehensive support ranging from insurance business assistance to analysis, business consulting, and implementation of healthcare services by leveraging a large volume of medical data. **Our monthly claims processing ranges from 7 to 10 million sheets**

Benefit and application-related services

Utilizing the system for receipt inspection, dependent investigation, and assistance with subsidy application

Inspection 【JMICS】

- Receipt inspection
- Inspection of overseas medical cost, Inspection for judo therapy and osteopathy

• Web application 【iBss】

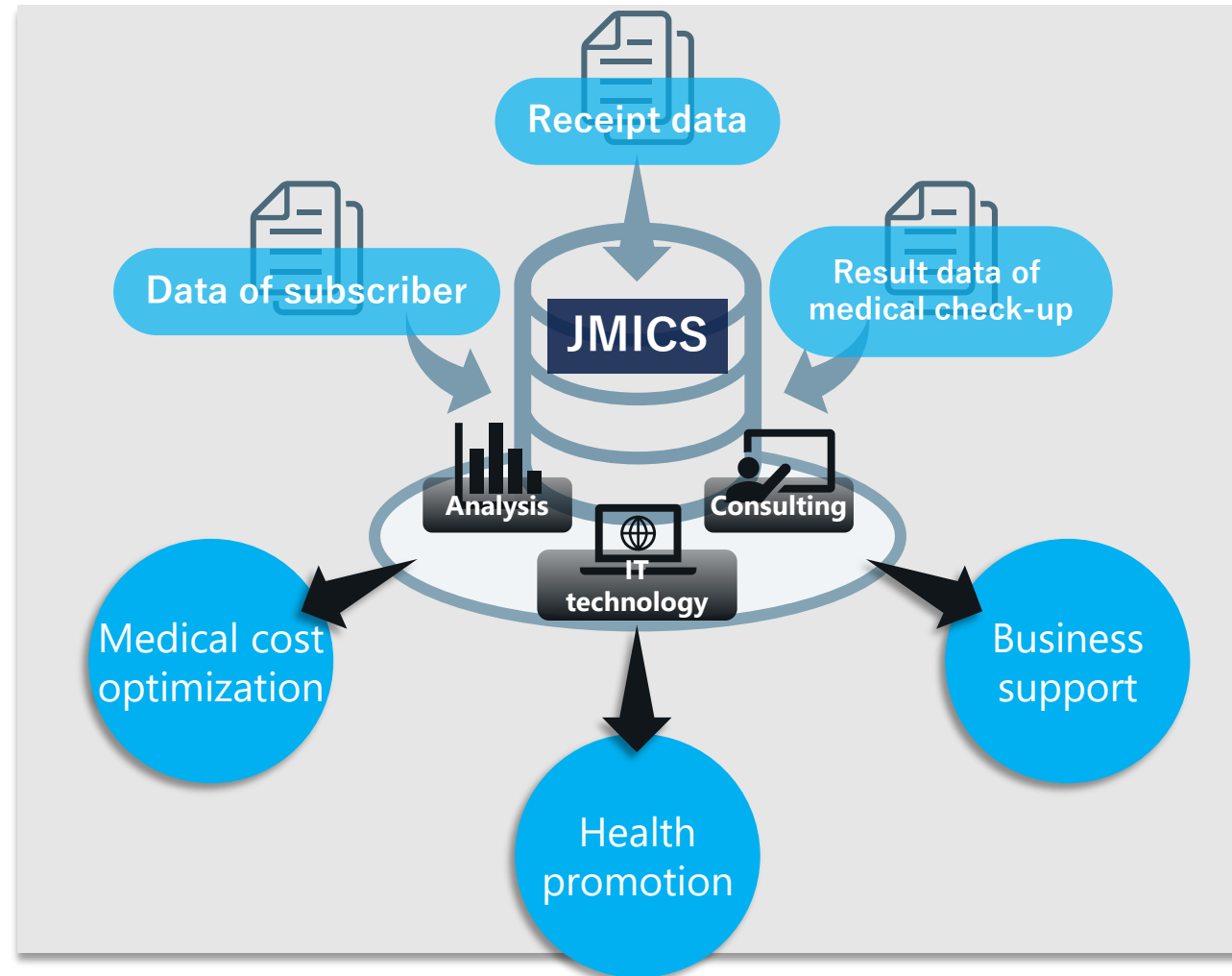
- Dependent investigation system (Verification)
- Various applications (influenza vaccination subsidy)

Notification services

Identification of eligible individuals and issuance of corrective notices for medical expense rationalization

WEB notifications

- Promotion of generic medicine usage notification
- Identification of individuals with duplicate or frequent visits and issuance of corrective notices
- Identification of individuals with duplicate medicine administration and issuance of corrective notices
- Dispatch of notices recommending medical examinations
- Other notifications for appropriate healthcare behavior, etc.



Medical cost optimization services

Providing support for various health initiatives and caregiving data, with a focus on receipt and health check-up data

Providing comprehensive support from data health strategy formulation to execution.

- Analysis of receipt and health check-up data
- Evaluation of the effectiveness of health initiatives
- Various analytical reports and benchmarks
- Geographic Information System (GIS) analysis of regional medical expenses
- Analysis of caregiving data

Health guidance services

Offering health guidance provided by health counselors, registered dietitians, nurses, and other professionals

- Extraction of target individuals for health guidance
- Prevention of the exacerbation of lifestyle-related diseases
- Prevention of the exacerbation of lifestyle-related diseases
- Specific health guidance (face-to-face and ICT-based)
- Guidance on appropriate medical check-ups (reducing duplications, frequent visits, etc.)

5. Philosophy-based Management

Since its founding, we have consistently adhered to the philosophy of “Starting with a vision” under the guiding principle of “the quality of management is determined by the quality of people,” embodying the concept of the integration of business and ethics.

天爵を修めて人爵これに従う

Basic philosophy

Through steadfast adherence to morality and fundamental principles, and the continuous cultivation of personal character, integrity, and virtue, one naturally attains a position of respect and trust, bestowed upon those who possess a dignified character.

There are artificial or nominal ranks bestowed upon individuals by organizations or superiors based on performance and experience. These ranks are primarily attributed to external appearances

By bestowing a knighthood upon someone first, they may mistakenly believe they have also attained a higher rank. However, our ultimate goal in business activities and talent development is for each individual to strive to “attain the higher rank” or “excellence” itself, considering it as the supreme theme.

Firmly maintain a position of complete independence

We firmly maintain a position of complete independence, allowing us to fully engage with our customers and tackle challenges without any constraints. Our strength lies in the accumulated achievements and knowledge we have gained across various industries and technological fields. This enables us to provide the utmost value to our clients.

Management focused on developing people

Based on the belief that the cultivation of human abilities should take precedence above all else, we foster a “people-centric” management approach at JAST. We nurture the passion for information technology, which serves as the driving force behind our company's growth, and instill a genuine commitment to providing wholehearted services to our customers in each and every individual at JAST

Benefit in all directions

We uphold the principle of “Shihouyoshi” to establish a win-win relationship with our customers, shareholders, employees, and society. By maximizing the value of each stakeholder and enhancing the overall corporate value, we strive for long-term stable growth.

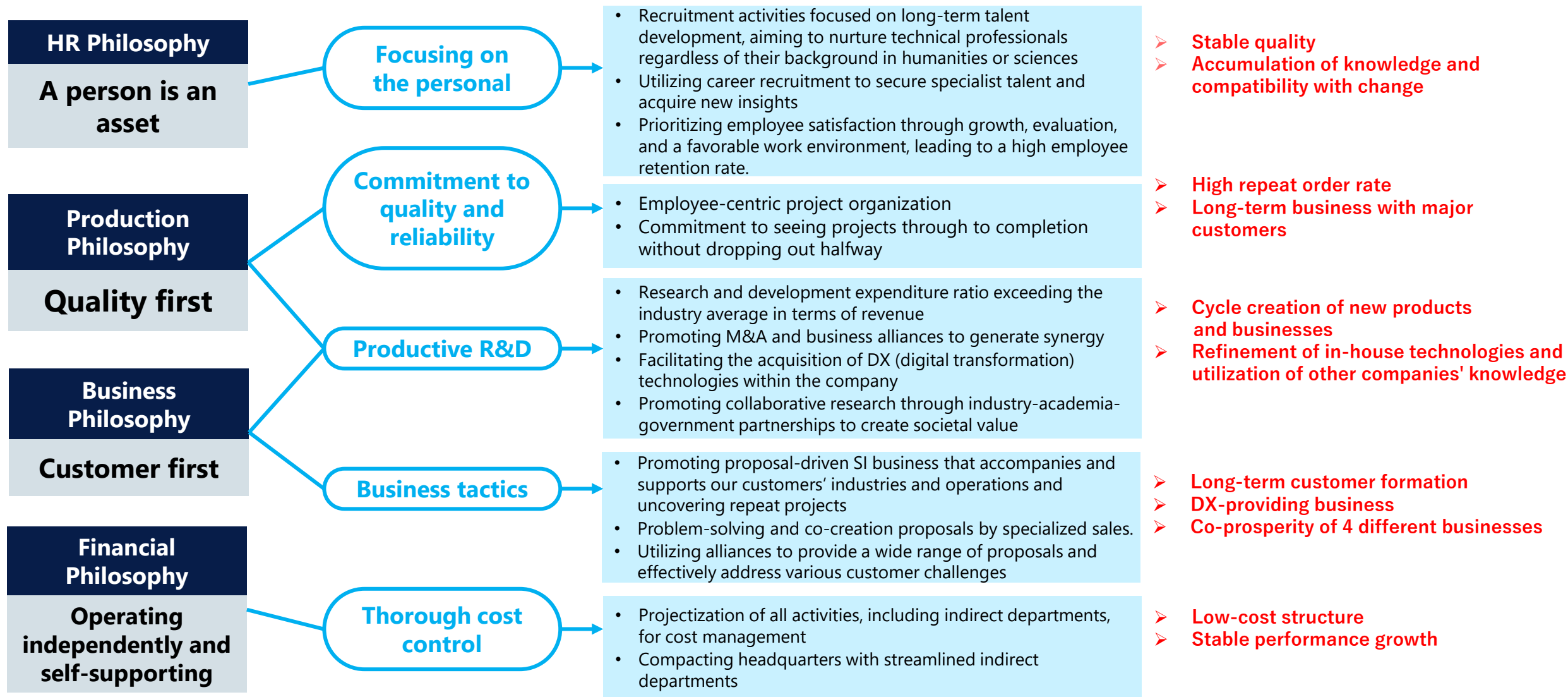
One should strive to discover that which is true and unchanging, but to also learn from the changes taking place all around

We follow the philosophy of “Fueki Ryūkō” established by Matsuo Basho, which embodies the idea of preserving the essential while incorporating new changes and creating value. In accordance with this philosophy, we provide proper leadership by adhering to a consistent management principle of “Fueki” (unchanging) while effectively embracing the dynamic nature of the business world (“Ryūkō” or trends).

Management policy

6. Management Policy

Management policy is incorporated into the four principles of human resources, production, sales, and finance, and serves as a guideline for long-term, stable growth





Launch the Future

Japan System Techniques Co., Ltd.

<https://www.jast.jp/>

Inquiry

<https://www.jast.jp/contact/>

【Notice】

The data and future projections disclosed in this document are based on the judgment and information available as of the date of this document and are subject to change due to various factors. They do not guarantee the achievement of these objectives or forecasts or future performance. Additionally, this information is subject to change without notice. Unless otherwise noted, all performance-related figures are presented on a consolidated basis.

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