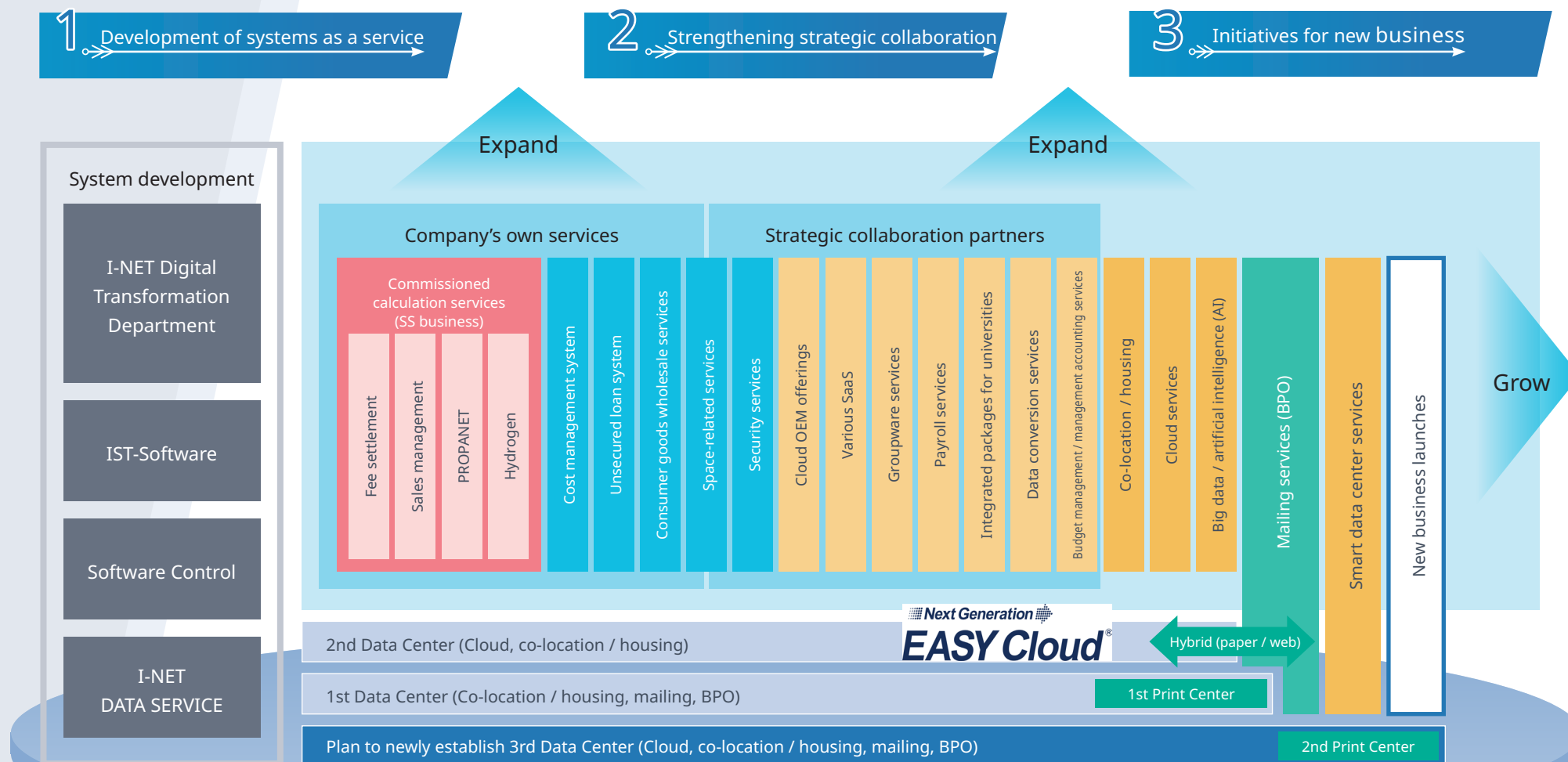


Business Strategy

Platform Strategy—Expand and grow business strategy

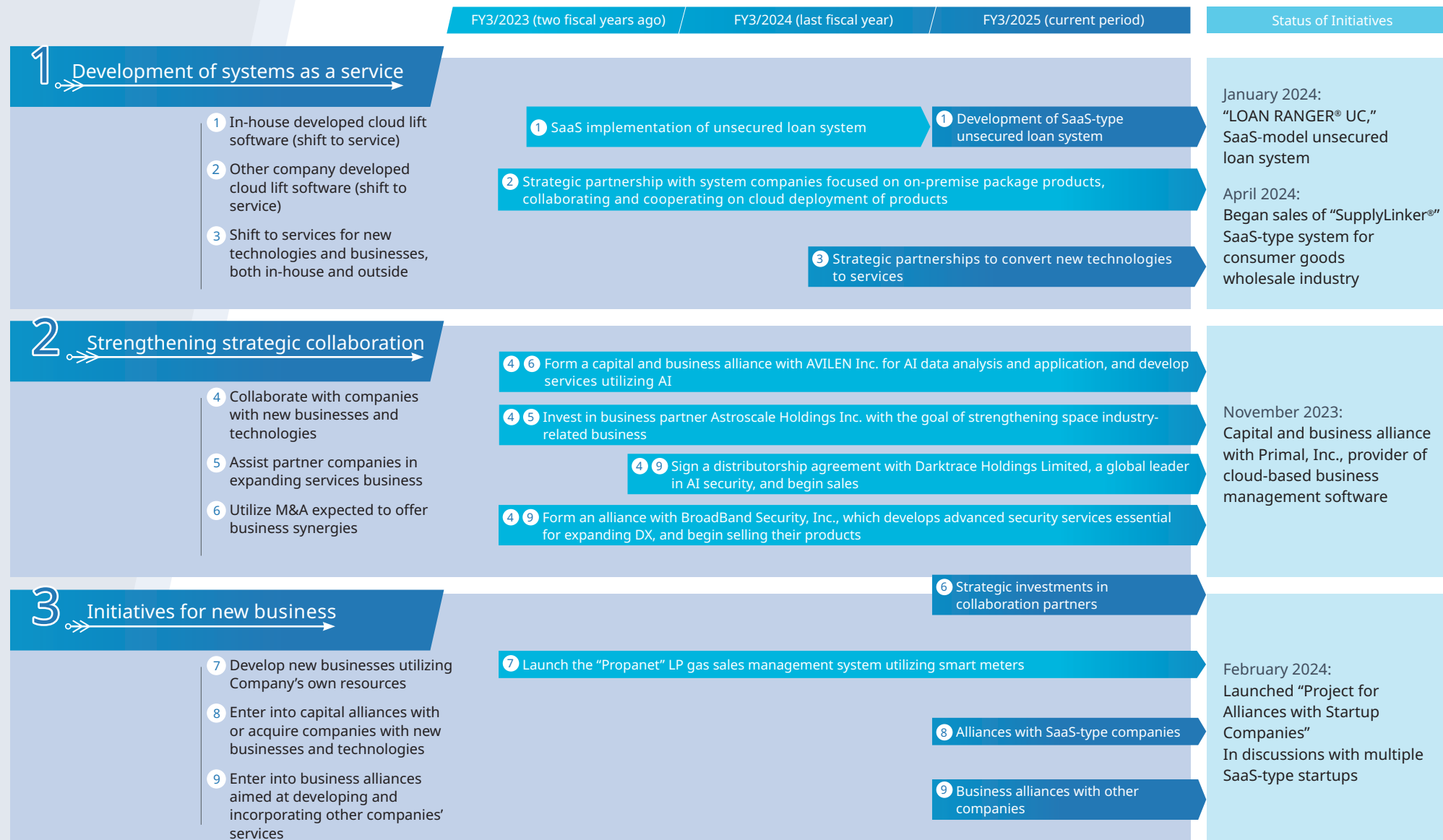
Regardless of how society changes, the Group will aim for further growth by expanding our business and increasing the number of services and partners on our platforms in a way that adapts to these changes. We will continue to incorporate a variety of services and partners in line with changing times, while advancing strategic investments, partnerships, support for startups, and collaborations.





Business Strategy

Promoting the “Three Arrows”—Three initiatives for expansion and growth





Summary of Medium-term Management Plan (April 2022 to March 2025)

Numerical targets While working to increase net sales and operating profit, also aim to improve operating profit margin and ROE

	FY3/2022 results	FY3/2024 results		FY3/2025 target (initial plans)	FY3/2025 target (revised plans)
Net sales	31,169 million yen	37,763 million yen		37,700 million yen	40,000 million yen
Operating profit	2,367 million yen	2,887 million yen		3,200 million yen	3,200 million yen
Operating profit margin	7.6%	7.6%		8.5%	8.0%
ROE	10.1%	11.7%		10% or more	10% or more

Key areas of focus

Key areas of focus	Main initiatives	Related SDGs
Promotion of customer service and R&D for the digital transformation (DX) and "new normal" era	<ul style="list-style-type: none"> Spread and expansion of cloud services Measures limiting contact and preventing overcrowding Promotion of big data, AI, and IoT 	
Promotion of co-creation and innovation, and value creation	<ul style="list-style-type: none"> Establishment of SDGs Promotion Office Pursuit of projects in collaborations between industry, public and private sectors, and academia Pursuit of business activities through foundations and special subsidiary companies 	
Diversification and advancement of human resources, productivity improvements	<ul style="list-style-type: none"> Employee skill development Diversity promotion Support with career development Promotion of workstyle reforms 	
Appropriate business portfolio management in the service development model, enhancement of corporate value	<ul style="list-style-type: none"> Promotion of one-stop model through I-NET's own data centers Reinforcement of stock business 	

Business strategy by service

Information processing services	Data center and cloud services	<ul style="list-style-type: none"> Pursuit of a broad range of services, from infrastructure management and system operations to business operations Full support for move to the cloud, tailored to customer Expansion of new services (security, storage, etc.) Energy-saving services provided with high-efficiency, low-power-consumption server and storage
	Commissioned calculation services	<ul style="list-style-type: none"> Reinforcement of pursuit of DX for oil wholesalers and trading firms (proposals to improve operational efficiency, etc.) Expansion of services to major dealerships (regulation response, increased use of ASP) Expansion of customer base (increase services to SS, expand services to LPG industry)
	Printing, mailing, and BPO services	<ul style="list-style-type: none"> Promotion of consulting on better operational efficiency (hybrid of electronic and paper) Multifaceted services (collaboration with cooperating entities—BPO, delivery services, etc.) Upgrading of facilities to enhance operational quality and volume, and running operations efficiently
	System development services	<ul style="list-style-type: none"> Reinforcement of services for financial institutions Reinforcement of deployment of services for sales management system and IoT platforms Reinforcement of cooperation in space and satellite business and I-NET's services

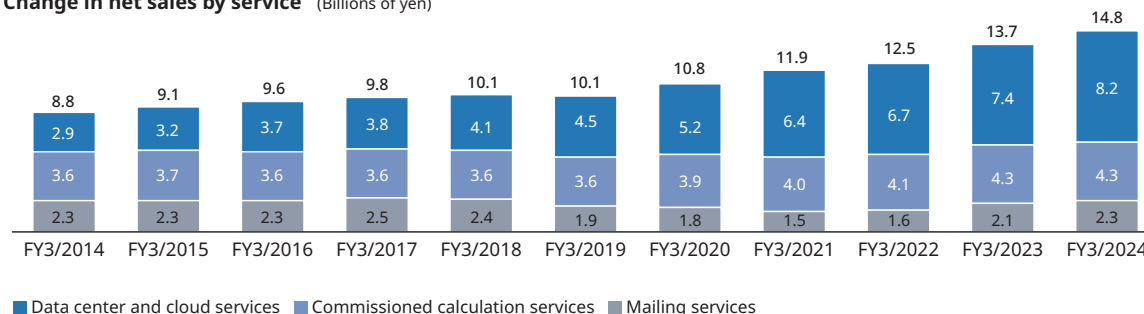


Business Overview

Information Processing Services

Managing, processing, and handling of customer systems and data, including data center and cloud services; commissioned calculation and settlement processing for service stations; printing, mailing, and business process outsourcing (BPO); call center operations; etc.

Change in net sales by service (Billions of yen)

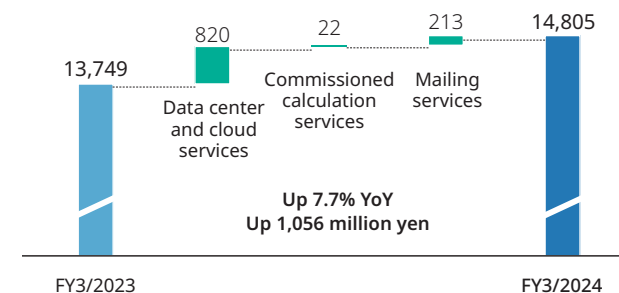


Overview as of the fiscal year ended March 2024

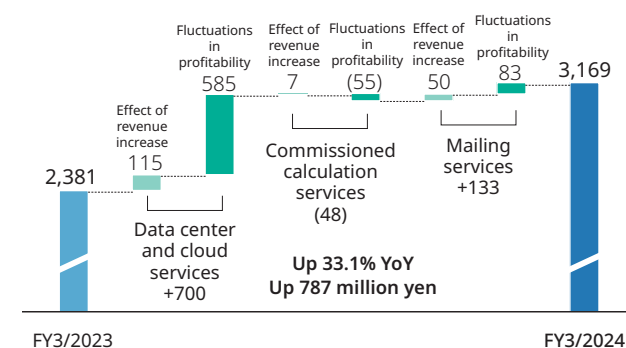
Against the backdrop of society's advancing digital transformation (DX), in the fiscal year ended March 2024 the use of data center and cloud services steadily increased. In addition, efforts to improve the profitability of transactions in response to rising costs due to soaring electricity prices resulted in an improvement in gross profit margin. Further, commissioned calculation services (including administrative processing and payment settlement, etc.) for service stations performed steadily, and BPO services, mainly centered on mailing, also showed a trend toward increasing revenue. As a result, sales of information processing services in the fiscal year ended March 2024 increased by 7.7% year-on-year (YoY) to 14,805 million yen, while gross profit increased by 33.1% to 3,169 million yen.

Existing customers continue to utilize data center and cloud services against a backdrop of advancements in digitalization and increasing demand for IT investments, allowing sales to remain strong in the fiscal year ended March 2024. To proactively respond to growing customer demand in recent years, we will continue to focus on our service development capabilities.

Factors behind changes in net sales (Millions of yen)



Factors behind changes in gross profit (Millions of yen)



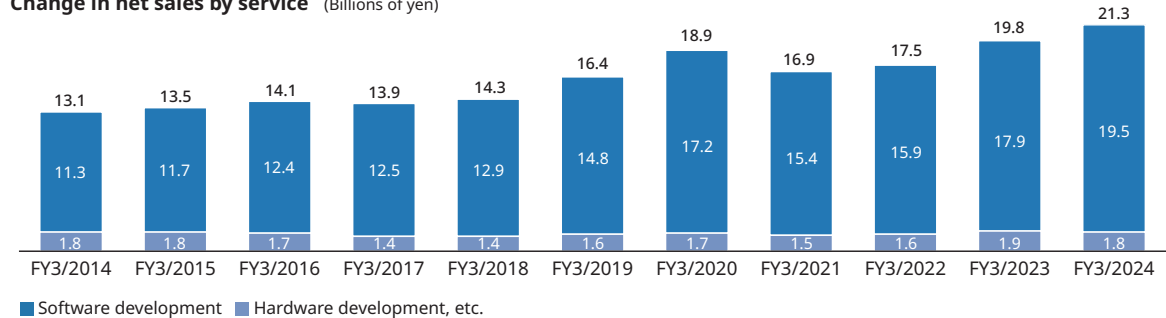


Business Overview

System Development Services

We respond flexibly to different requests from customers across a variety of industries and business types, offering not only system and application development but also services ranging from definition of requirements and design to development and operations, all tailored to customer needs. With expertise gained from our extensive experience, we provide our customers with optimal proposals.

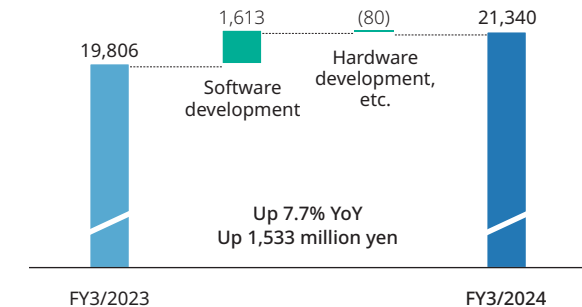
Change in net sales by service (Billions of yen)



Overview as of the fiscal year ended March 2024

The fiscal year ended March 2024 saw a continued steady increase in system development projects for the financial and distribution industries. In addition, the operation and maintenance business contracted from major customers contributed to a stable source of revenue, and the performance of two Group companies engaged in system development also showed strong results. In fields in which the I-NET Group has strengths, including finance, distribution, telecommunications, and energy- and space-related businesses, the Group's expertise and technical capabilities are highly regarded, contributing to stable orders and leading to revenue generation. As a result of the above, in the fiscal year ended March 2024 net sales from system development services rose 7.7% YoY to 21,340 million yen, while gross profit increased by 3.3% to 4,700 million yen.

Factors behind changes in net sales (Millions of yen)



Factors behind changes in gross profit (Millions of yen)

