

Financial Results Presentation for the Fiscal Year Ended March 31, 2021

OBIC Co.,Ltd.

April 23, 2021

Organization for **B**usiness **I**nnovation and **C**ommunication

Overview of Group Companies

(As of March 31, 2021)

Established Paid-in capital Number of employees

OBIC Co., Ltd.

Apr. 1968

¥19.17 billion

1,854

Consolidated subsidiaries

OBIC Office Automation Co., Ltd.

Nov. 1979

¥320 million

195

Number of employees (consolidated) : 2,049

Equity-method affiliates

OBIC Business Consultant Co., Ltd.

Dec. 1980

¥10.51 billion

898

Overview of the Group's Business Operations

【 System Integration Services 】	OBIC Co., Ltd.
【 System Support Services 】	
【 Office Automation Services 】	OBIC Office Automation Co., Ltd.
【 Business-use Package SoftwareServices 】	OBIC Business Consultant Co., Ltd.

OBIC Group

Consolidated Financial Results

Fiscal Year Ended March 31, 2021

Consolidated Balance Sheet

(¥ million)

Assets	2020/3	2021/3	Change
Current assets	141,160	163,046	21,885
Cash and deposits	129,612	150,745	21,133
Notes and accounts receivable-trade	10,110	11,035	924
Others	1,437	1,265	△172
Fixed assets	123,435	135,211	11,775
Tangible fixed assets	57,847	56,265	△1,582
Intangible fixed assets	122	133	11
Investments and other assets	65,465	78,811	13,346
Investment securities	60,501	74,816	14,315
Deferred tax assets	3,577	2,296	△1,281
Others	1,386	1,698	312
Total assets	264,596	298,257	33,661

Construction
in progress: △1,142
Land : △ 556

Valuation of stocks of
affiliates and Subsidiaries
: + 3,510
Valuation of stocks
: + 10,804

Consolidated Balance Sheet

(¥ million)

Liabilities	2020/3	2021/3	Change
Current liabilities	18,444	23,931	5,486
Fixed liabilities	7,758	8,300	541
Total liabilities	26,203	32,231	6,028
Net assets			
Shareholders' equity	234,728	256,596	21,868
Capital stock and capital surplus	38,708	38,708	-
Retained earnings	218,159	240,028	21,868
Treasury shares	△22,140	△22,140	-
Accumulated other comprehensive income	3,663	9,428	5,764
Valuation differences on other securities	5,177	10,162	4,985
Revaluation reserve for land	△1,705	△694	1,010
Total net assets	238,392	266,025	27,633
Total liabilities and net assets	264,596	298,257	33,661

Equity ratio

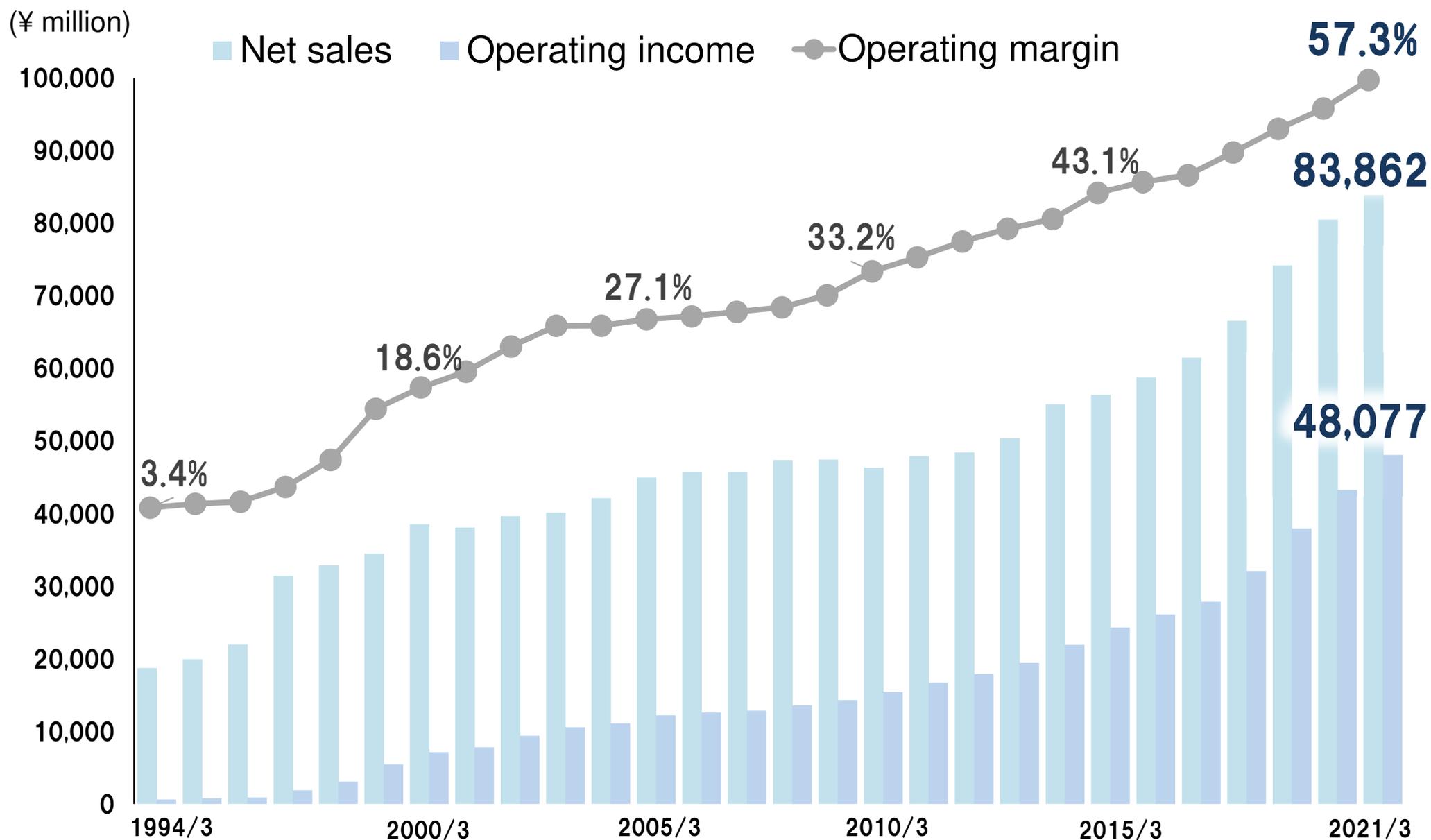
89.2%

Financial Results (consolidated)

(¥ million)

	2020/3	2021/3	YoY
Net sales	80,488	83,862	104.2%
Operating income	43,238	48,077	111.2%
Ordinary income	46,012	52,600	114.3%
Net income	35,096	38,001	108.3%
Earnings per share (EPS) (yen)	394.56	427.22	108.3%
Average number of total shares outstanding(thousands)	88,950	88,950	—

Operating income increases for 27th consecutive period



Financial Results (consolidated)

(¥ million)

	2020/3	2021/3	Change
Net sales	80,488	83,862	3,373
Cost of goods sold	24,159	23,021	△1,138
Gross profit	56,328	60,840	4,511
SG&A expenses	13,090	12,762	△328
Operating income	43,238	48,077	4,839
Non-operating profits	665	2,480	1,815
Equity-method gains	3,455	3,348	△107
Non-operating expenses	1,346	1,306	△39
Ordinary income	46,012	52,600	6,588
Extraordinary income	2,499	288	△2,211
Extraordinary losses	606	4	△601
Income taxes, etc.	12,809	14,883	2,074
Net income	35,096	38,001	2,904

SI	△ 1,382
SS	+ 5,294
OA	△ 538

Operating income YoY

111.2%

Ordinary income YoY

114.3%

Net income YoY

108.3%

Business Results by Segment

(¥ million)

		2020/3	2021/3	YoY
SI	Sales	39,465	38,082	96.5%
	Operating income	20,512	21,002	102.4%
	Operating margin	52.0%	55.2%	
SS	Sales	31,338	36,632	116.9%
	Operating income	21,035	25,591	121.7%
	Operating margin	67.1%	69.9%	
OA	Sales	9,685	9,146	94.4%
	Operating income	1,690	1,484	87.8%
	Operating margin	17.5%	16.2%	
Total	Sales	80,488	83,862	104.2%
	Operating income	43,238	48,077	111.2%
	Operating margin	53.7%	57.3%	

Sales

Segments	YoY
SI	97%
Software	99%
Hardware	63%
SS	117%
Software system operation support	119%
Hardware maintenance	83%
OA	94%
Total	104%

The core software-related sales And Cloud-related systems were strong

Profitability

	2020/3	2021/3	
Operating margin	53.7%	57.3%	3.6points ↑
Ordinary income margin	57.2%	62.7%	5.5points ↑
Net income margin	43.6%	45.3%	1.7points ↓

Absorbed R&D expenses of about ¥1.6billion

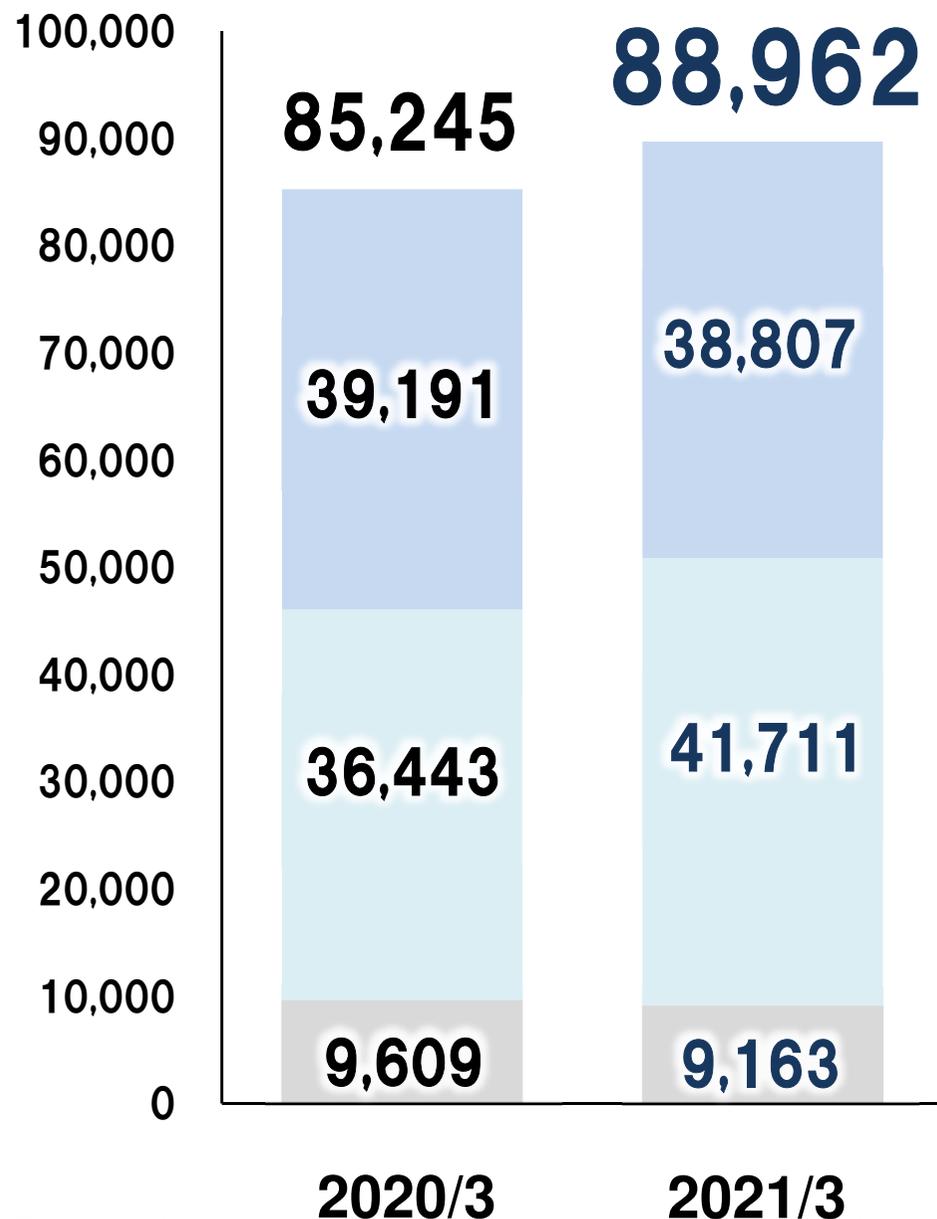
Consolidated Cash Flow

(¥ million)

	2021/3	
Cash flows from operating activities	41,677	
Cash flows from investing activities	△5,422	
Cash flows from financing activities	△15,121	
Change in cash and cash equivalents	21,133	Payment of dividends
Balance at the beginning of the year	129,612	
Balance at the end of the year	150,745	

Orders Received

(¥ million)



	YoY
SI	97%
SS	114%
OA	95%
Total	104%

Earnings Forecasts

Fiscal Year Ending March 31,2022

Fiscal Year Ending March 31, 2022(Full-year)

(¥ million)

	Earnings forecasts	YoY
Net sales	90,000	10.7%
Operating income	52,000	8.2%
Ordinary income	56,000	6.5%
Net income	40,000	5.3%

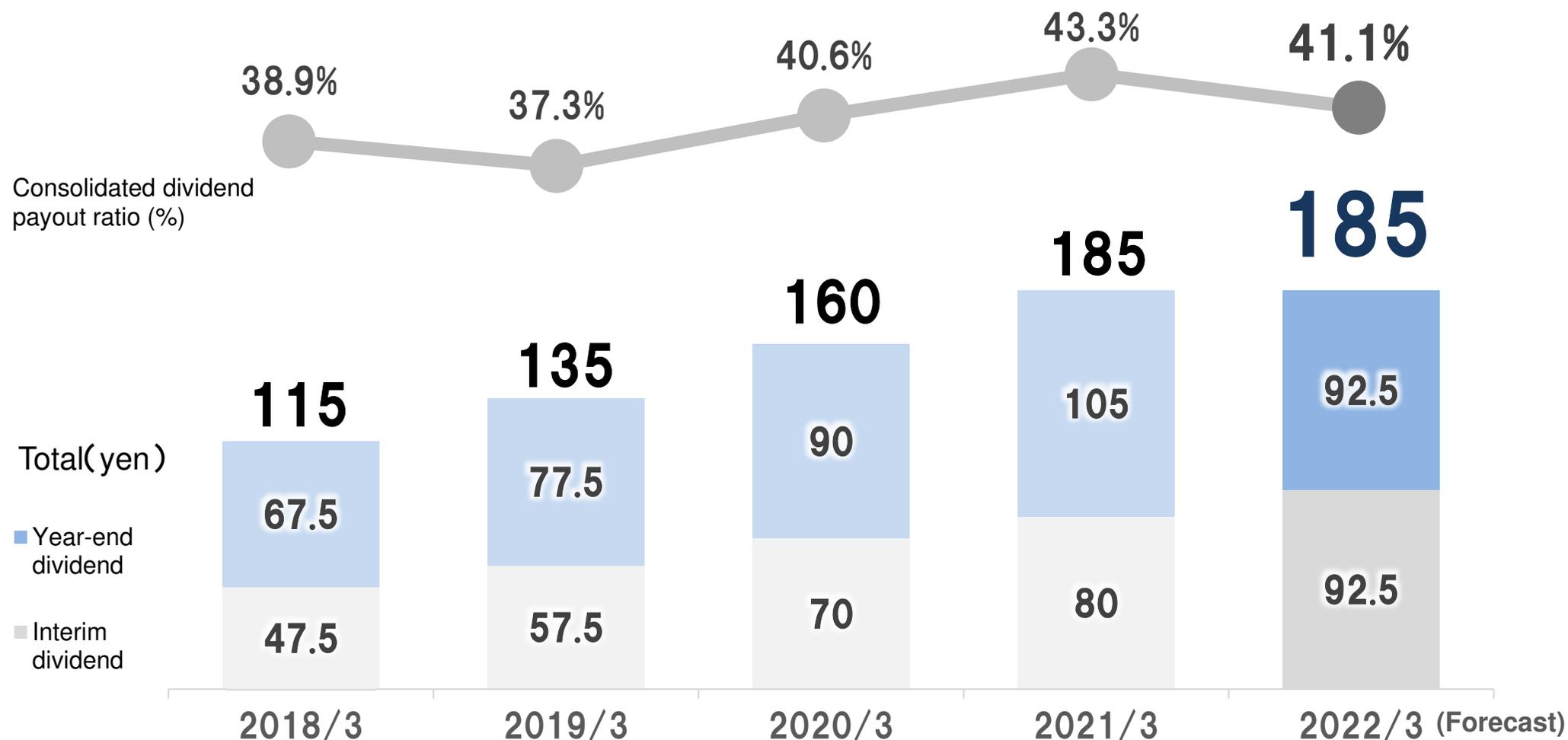
Note: Because “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. will be applied from the beginning of the fiscal year ending March 31, 2022, the above consolidated earnings forecasts represent the amounts based on the said accounting standard, etc. and the percentages indicating year-on-year changes were calculated as if the said accounting standard, etc. had been applied for the fiscal year ended March 31, 2021.

Profit-sharing With Shareholders

Fiscal Year Ended March 31, 2021

Year-end dividend : 105yen

Annual dividend : **185yen**



Basic Management Policies

Management focus on both quantity and quality

Emphasis on compliance

Efficient management

Promotion of innovation management

Selection and concentration

Persistence is the key to achieve corporate growth

OBIC Co.,Ltd.

www.obic.co.jp

This document contains forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties.

Actual results may differ from those in the forward-looking statements as a result of various factors.

These materials were prepared for the sole purpose of providing information to use as reference in making investment decisions, and are not intended as a solicitation for investment.