

# Digital Information Technologies Corporation

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**Financial Results for the Second Quarter  
of the Fiscal Year Ending June 2022  
(TSE1: 3916)**

**February 2022**





**1. FY6/2022 2Q Financial Results**

**2. FY6/2022 Business Forecasts**

**3. FY6/2022 Priority Measures by Segment/Initiatives in 1H**

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# 1. FY6/2022 2Q Financial Results

# FY6/2022 2Q Overview of Financial Results

- Steadily responded to demand; achieved new record highs in sales and profits, breaking the previous-year records.
- Operating income margin remained high at 12.7%

## Progress rate to the full-year forecasts

Net sales (Est.): 15,600 million yen

Operating income (Est.): 1,900 million yen

**Net sales: 7,685 million yen**

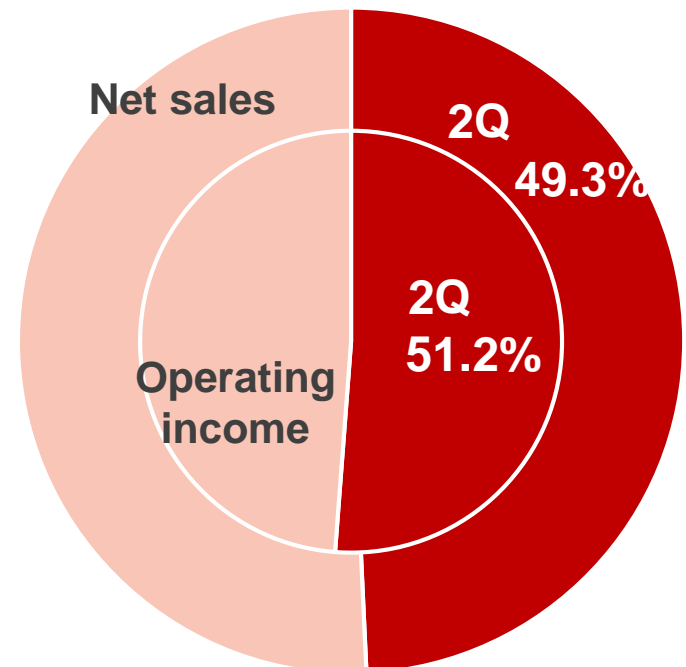
(+8.8% YoY)

**Operating income: 973 million yen**

(+6.7% YoY)

**Operating income margin: 12.7%**

(-0.2ppt.)



# FY6/2022 2Q Overview of Financial Results (Business)

**Our core Software Development Business grew. Both the Business Solutions Unit and the Embedded Solutions Units drove the favorable performance.**

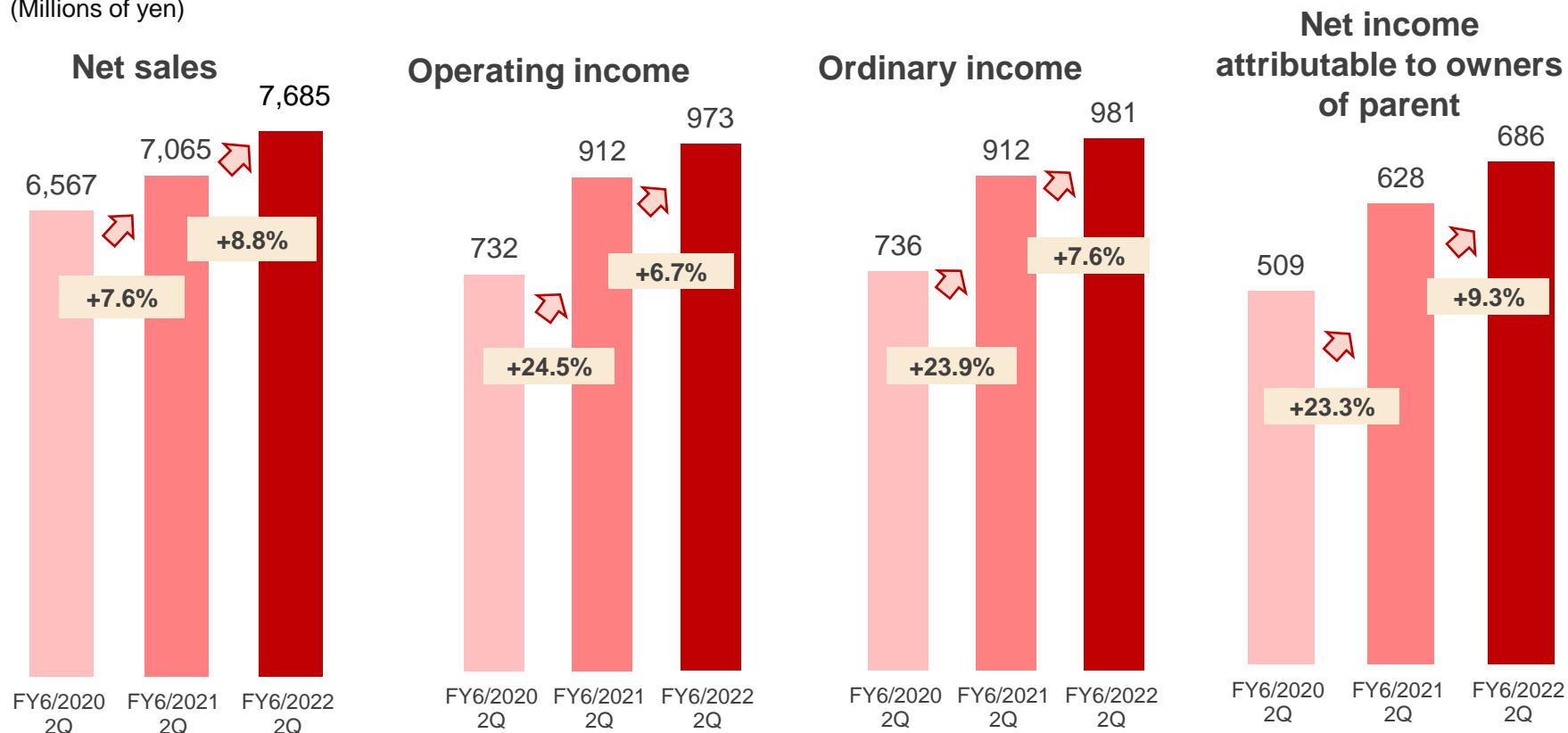
## ■ Software Development Business

- **In the Business Solutions Unit (+9.5% YoY)**, sales and profits increased thanks to significant growth in our mainstay business system development. In business system development, sales of pharmaceutical-related projects grew significantly, while the acquisition of communications, manufacturing, and ERP-related projects progressed more than expected. Operational support was partly affected by business reforms at mainstay customers, but steadily grew by capturing needs such as cloud infrastructure construction.
  - **In the Embedded Solutions Unit (+9.2% YoY)**, sales and profits increased thanks to significant growth in semiconductor-related projects and increase in system verifications. In embedded systems development, sales of mainstay automobile-related projects went out of the pause and sales of semiconductor-related projects grew significantly. Sales and profits of IoT-related projects also increased steadily. In embedded system verification, sales and profits increased significantly YoY thanks to significant growth in automotive verification, as well as growth in 5G and pharmaceuticals-related projects.
  - **In the Original Product Unit (+12.8% YoY)**, sales grew steadily in both xoBlos and WebARGUS despite continuing constraints on business negotiations following the COVID-19 crisis. Electronic contract cloud DD-CONNECT received more inquiries and also received orders from major construction companies, etc.
- **In the Systems Sales Business (-8.5% YoY)**, sales and profits decreased as COVID-19 had a large impact on its mainstay face-to-face sales activities, despite a respite in the reactionary fall following the special demand.

# FY6/2022 2Q Financial Highlights

Both sales and profits achieved record-highs.

(Millions of yen)



# FY6/2022 2Q Summary of Financial Results

- Strong performance even under the COVID-19 crisis. Record-high figures for each income items.

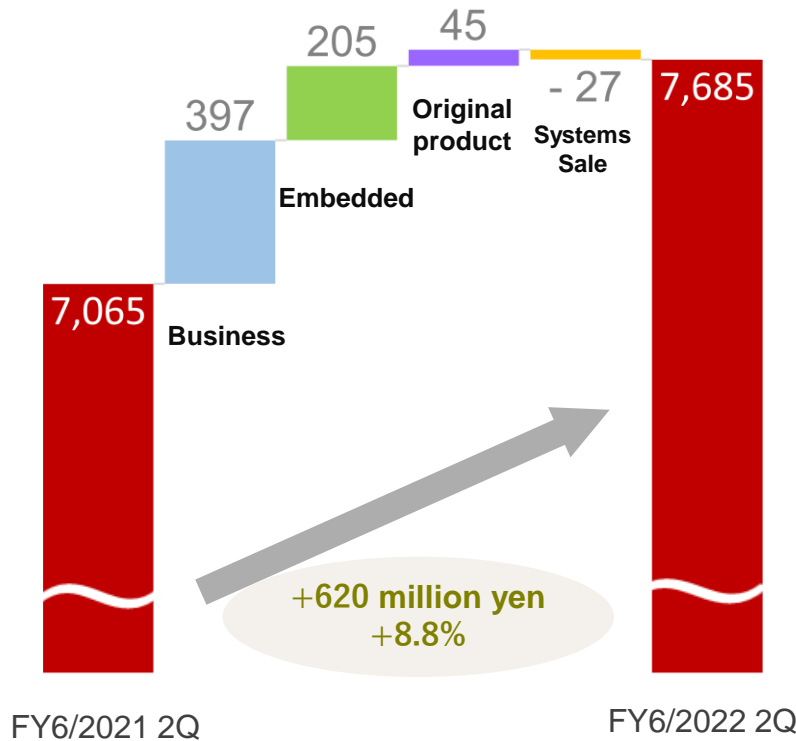
(Millions of yen)	FY6/2021 2Q Result	Composition %	FY6/2022 2Q Result	Composition %	FY6/2022 plan	Progress rate %
<b>Net sales</b>	<b>7,065</b>	100.0%	<b>7,685</b>	100.0%	<b>15,600</b>	49.3%
<b>Gross profit</b>	<b>1,758</b>	24.9%	<b>1,931</b>	25.1%	-	-
<b>SG&amp;A</b>	<b>846</b>	12.0%	<b>958</b>	12.5%	-	-
<b>Operating income</b>	<b>912</b>	12.9%	<b>973</b>	12.7%	<b>1,900</b>	51.2%
<b>Ordinary income</b>	<b>912</b>	12.9%	<b>981</b>	12.8%	<b>1,900</b>	51.6%
<b>Net income attributable to owners of parent</b>	<b>628</b>	8.8%	<b>686</b>	8.9%	<b>1,318</b>	52.0%

# Factors behind Changes in Net Sales and Operating Income (YoY)

- Sales were strong in both the Business Solutions Units and the Embedded Solutions Units, and steady growth in the Original Product Unit.
- SG&A expenses increased by 111 million yen due to a refund of taxes and public charges in the previous 1Q in addition to an increase in personnel expenses and recruitment expenses associated with business expansion.

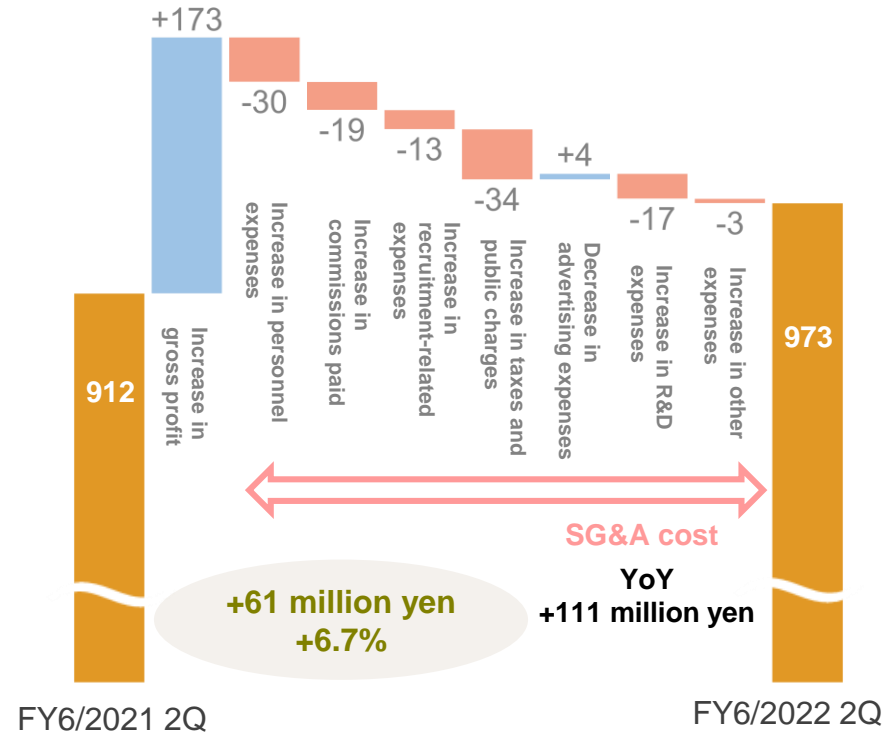
## Net sales

(Millions of yen)



## Operating income

(Millions of yen)

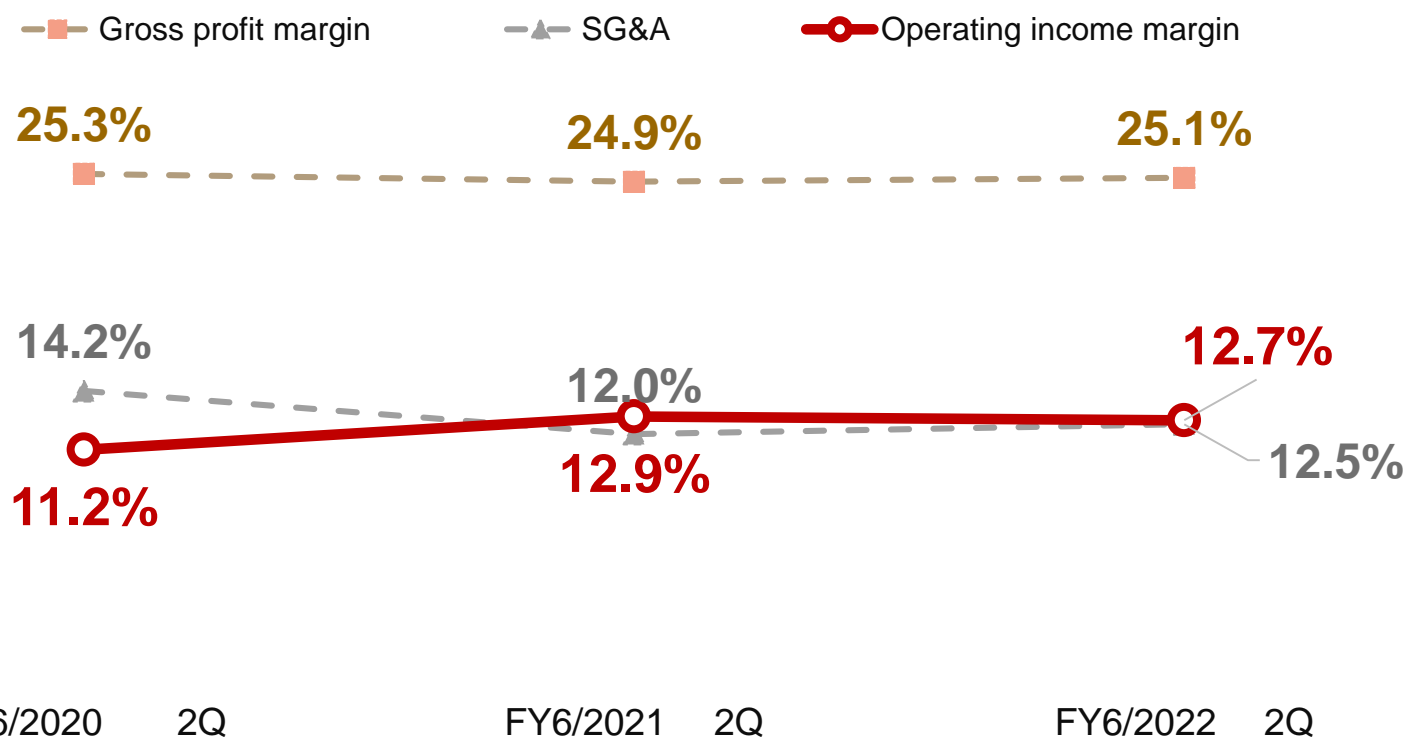




# Changes in Operating Income Margin

- Operating income margin declined slightly (0.2%) due to higher SG&A expenses, but maintained a high profit margin.
- Gross margin increased due to higher sales and higher profit margins in the software development business, despite a decrease in sales of Rakuichi, which has a high profit margin.

## Ratio of each profit and R&D expenses to sales



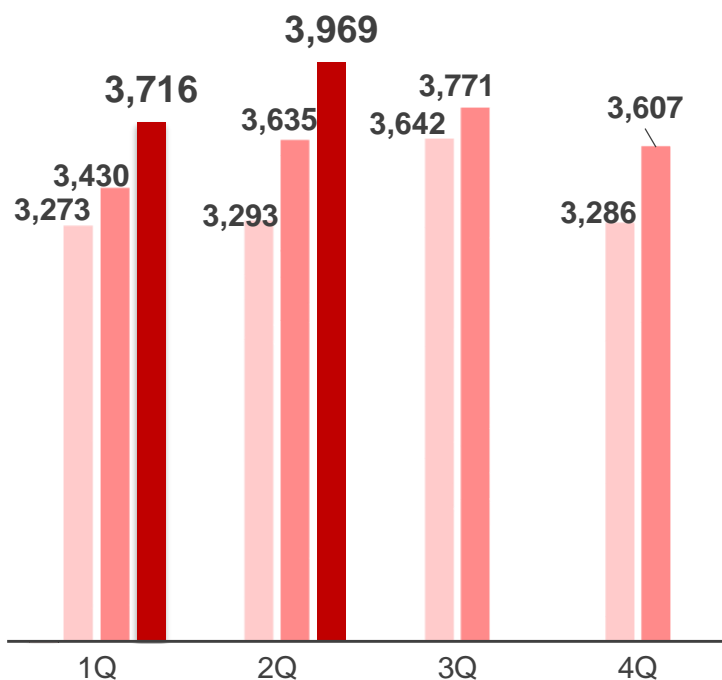
# Quarterly Net Sales & Operating Income

■ For 2Q, net sales and operating income showed record-highs.

## Net sales

(Millions of yen)

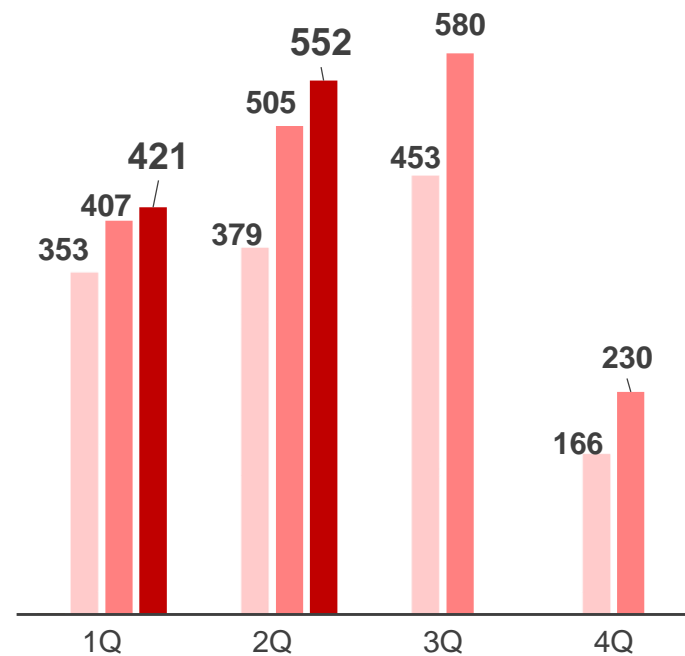
■ FY6/2020 ■ FY6/2021 ■ FY6/2022



## Operating income

(Millions of yen)

■ FY6/2020 ■ FY6/2021 ■ FY6/2022



\*Operating income is seasonally lower in 4Q due to new hires and year-end allowances, but we are working to reduce the decline by increasing the salary and bonus payment rate starting this fiscal year.

# Business Domains: Positioning of Each Business



# Business Segment and Composition of Sales

- Business system development and embedded system verification grew. Ratio of the Original Product Unit exceeded 5%.

Businesses segment	Classification	FY6/2020 2Q Net sales Composition	FY6/2021 2Q Net sales Composition	FY6/2022 2Q Net sales Composition
<b>Software Development Business</b>		<b>93.7%</b>	<b>95.5%</b>	<b>96.2%</b>
<b>Business Solutions Unit</b>	Business Bases	<b>56.3%</b>	<b>58.9%</b>	<b>59.3%</b>
Business System Development		59.6%	57.6%	59.3%
Operational Support		40.4%	42.4%	40.7%
<b>Embedded Solutions Unit</b>	Business Bases	<b>33.0%</b>	<b>31.7%</b>	<b>31.8%</b>
Embedded Product Development		77.9%	78.9%	75.9%
Embedded Product Verification		22.1%	21.1%	24.1%
<b>Original Product Unit</b>	Growth Field	<b>4.4%</b>	<b>4.9%</b>	<b>5.1%</b>
<b>Systems Sales Business</b>	Business Bases	<b>6.3%</b>	<b>4.5%</b>	<b>3.8%</b>

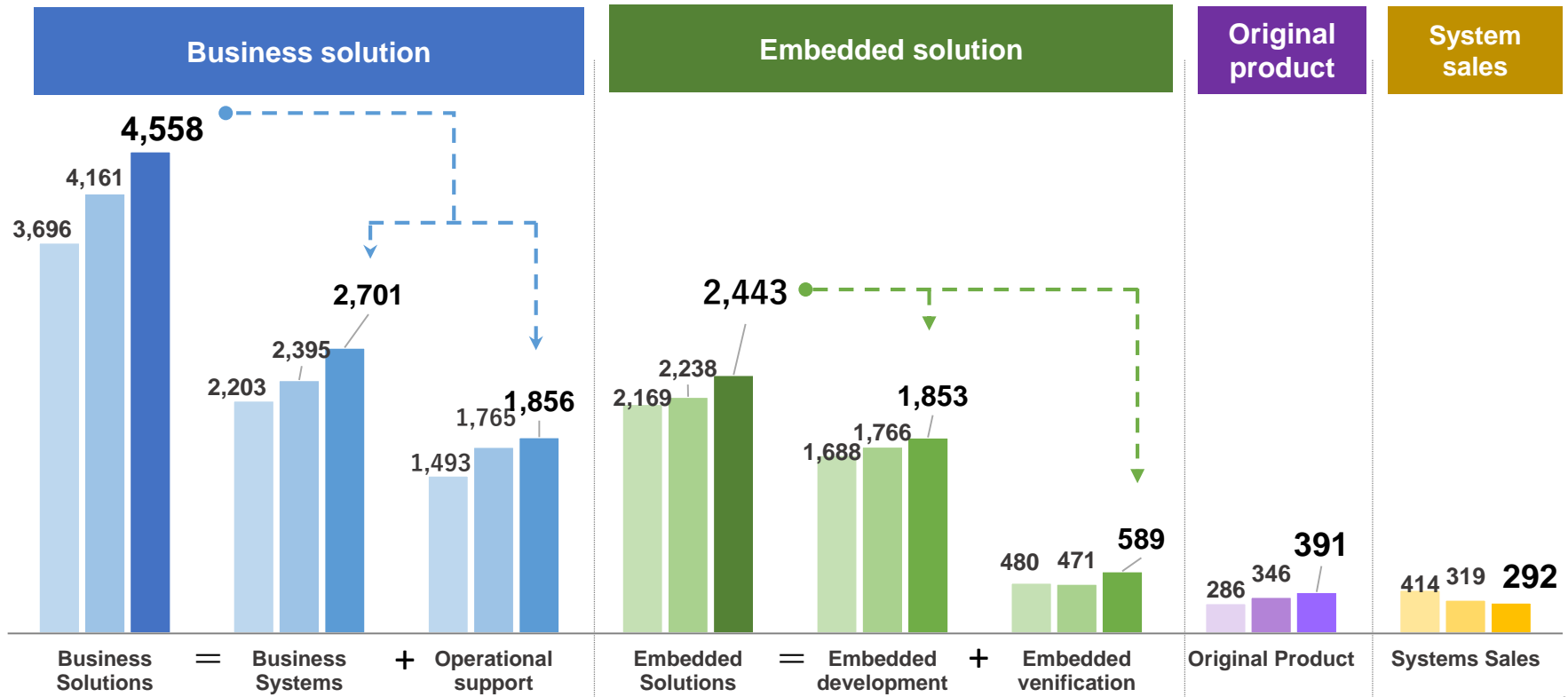
# Sales by Business Segment

- In addition to the strong performance of the Business Solutions and Original Product Units, the Embedded Solutions Unit also showed signs of recovery.

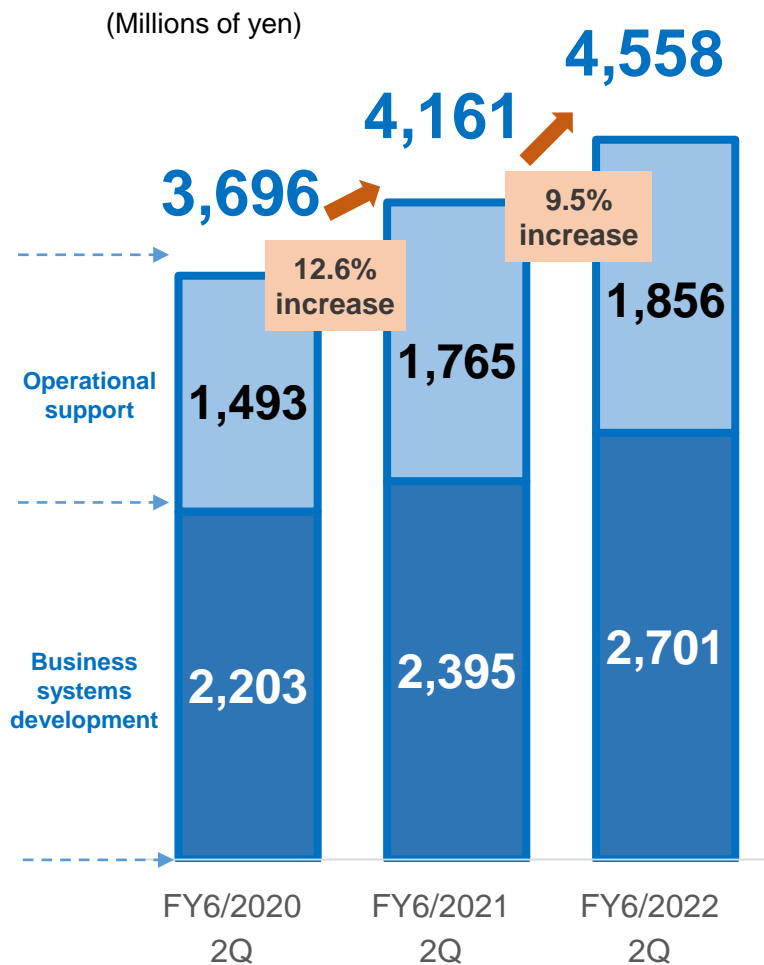
## Quarterly Sales by Business

(Graphs from left to right: FY6/2020 2Q, FY6/2021 2Q, FY6/2022 2Q)

(Millions of yen)



# Net Sales by Segment: Business Solutions Unit



**Net sales: 4,558 million yen**  
**YoY change: +9.5%**

## <Entire business>

Successful review of business portfolio resulted in higher sales and profits.

### ■ Business System Development ■

Although sales of the financial-related projects declined slightly due to a shift in personnel, sales of the pharmaceutical-related projects grew significantly, and orders in the communications, manufacturing, and ERP-related projects progressed more than expected, resulting in significant growth.

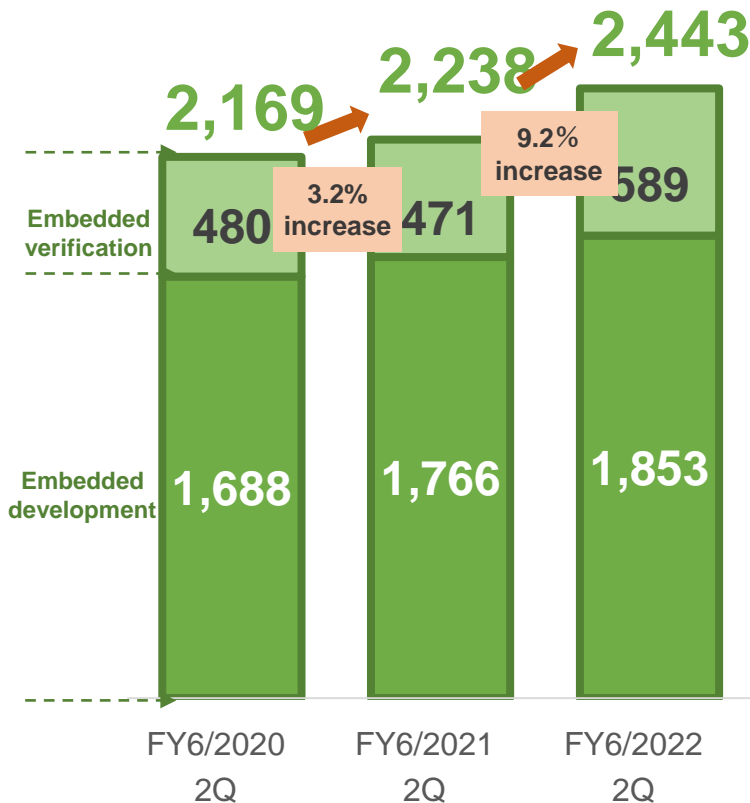
### ■ Operational Support ■

Despite some impacts from business reforms by mainstay customers following the COVID-19 crisis, steady growth by capturing needs such as cloud infrastructure construction.

# Net Sales by Segment: Embedded Solutions Unit

**Net sales: 2,443 million yen**  
**YoY change: +9.2%**

(Millions of yen)



## <Entire business>

Higher sales and profits due to growth in semiconductor-related projects, etc.

## ■ Embedded Development ■

Sales of mainstay automobile-related projects increased slightly after leveling off, and sales of semiconductor-related products grew significantly.

Sales and profits increased as IoT-related projects, including mobile and consumer electronics, were solid.

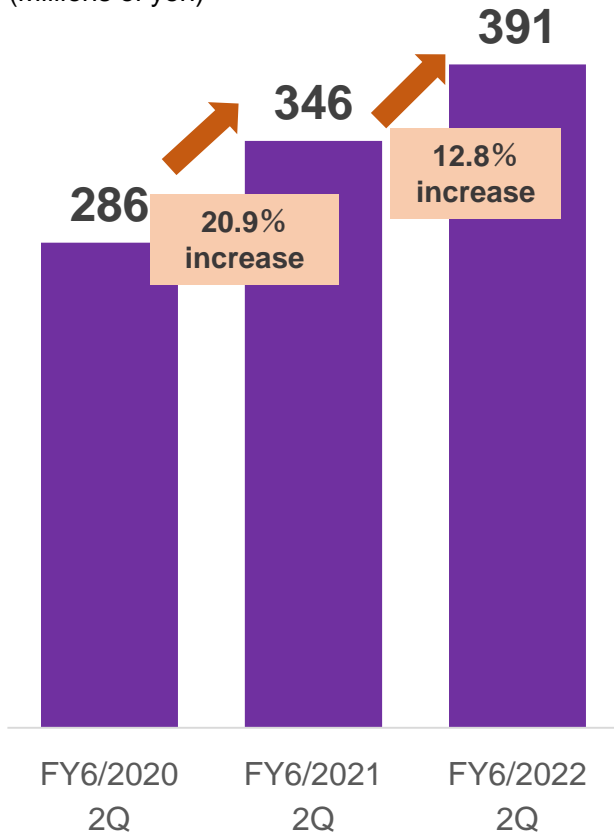
## ■ Embedded System Verification ■

Sales and profits substantially increased, with sales growing by 25.1% YoY. This was attributable to a large growth in sales of automotive verification, and growth in 5G (mobile devices and base stations) and pharmaceutical-related products.

# Net Sales: 391 million yen

## YoY change: +12.8%

(Millions of yen)



### <Entire business>

Despite the remaining impact of COVID-19, results exceeded those of the previous year.

#### ■ [WebARGUS: Cybersecurity product]

Both sales and profits were solid due to the accumulation of license sales. Continued collaboration with external cyber security specialist companies.

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

Steady growth due to expansion of horizontal deployment within existing customers. Both sales and profits grew. Strengthened product appeal by expanding linkage functions with various systems such as RPA and ERP. Orders from major companies is increasing.

#### ■ [Other new products]

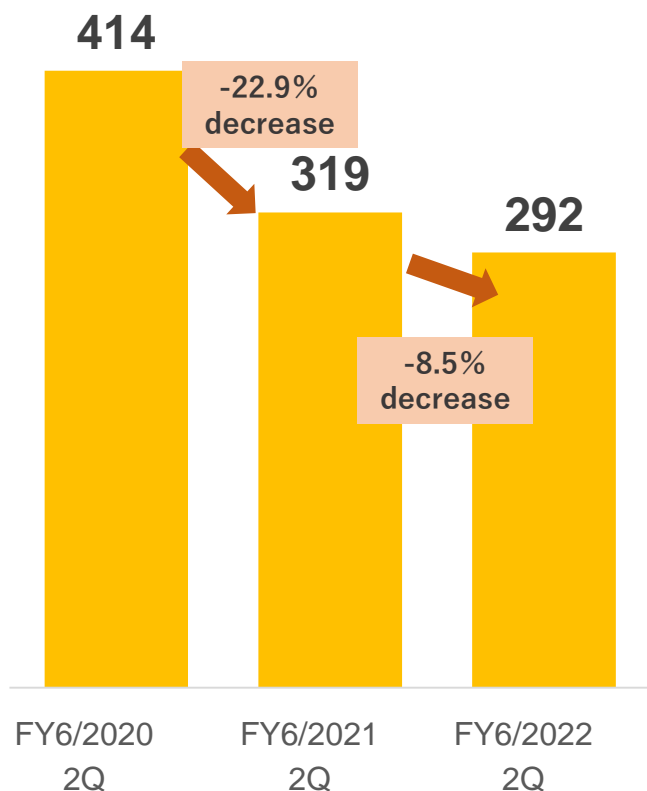
DD-CONNECT, an electronic contract service, both received inquiries and orders increased. Develop sales agents for new product "shield cms".



# Net Sales by Segment: Systems Sales Business



(Millions of yen)



**Net Sales: 292 million yen**  
**YoY change: -8.5%**

Sales and profits in the systems sales business declined YoY due to the impact of COVID-19.

- Sales and profits decreased due to susceptibility to the COVID-19 impact, since we mainly sell product through face-to-face sales, despite a respite in the reactionary fall following the reduced tax rate from FY6/2020 to FY6/2021.

\*The Systems Sales business mainly sells Rakuichi, which is a core system for providing operational support and management support to small-and medium-sized enterprises created by Casio Computer Co., Ltd.

# Balance Sheet

## ■Debt-free management, with equity ratio at 73.4%

(Millions of yen)

	End-Jun. 2021	End-Dec. 2021	Change
Cash and deposits	3,333	3,720	387
Accounts receivable	2,084	—	—
Accounts receivable and contract assets	—	2,320	—
Work in progress	131	98	△33
Others	116	165	49
<b>Total current assets</b>	<b>5,664</b>	<b>6,303</b>	<b>639</b>
Property, plant and equipment	110	101	△9
Intangible fixed assets	15	14	△1
Investments and other assets	598	401	△197
<b>Total fixed assets</b>	<b>724</b>	<b>517</b>	<b>△207</b>
<b>Total assets</b>	<b>6,388</b>	<b>6,820</b>	<b>432</b>

	End-Jun. 2021	End-Dec. 2021	Change
Notes and accounts payable - trade	487	515	28
Short-term borrowings	—	—	—
Other	1,263	1,180	△83
<b>Total current liabilities</b>	<b>1,750</b>	<b>1,695</b>	<b>△55</b>
Long-term debt	—	—	—
Others	111	119	8
<b>Total fixed liabilities</b>	<b>111</b>	<b>119</b>	<b>8</b>
<b>Total liabilities</b>	<b>1,861</b>	<b>1,815</b>	<b>△46</b>
Capital stock	453	453	0
Capital surplus	459	459	0
Retained earnings	3,614	4,093	479
<b>Total net assets</b>	<b>4,526</b>	<b>5,005</b>	<b>479</b>
<b>Total liabilities and net assets</b>	<b>6,388</b>	<b>6,820</b>	<b>432</b>

# Cash Flows

## ■ Steady increase in cash

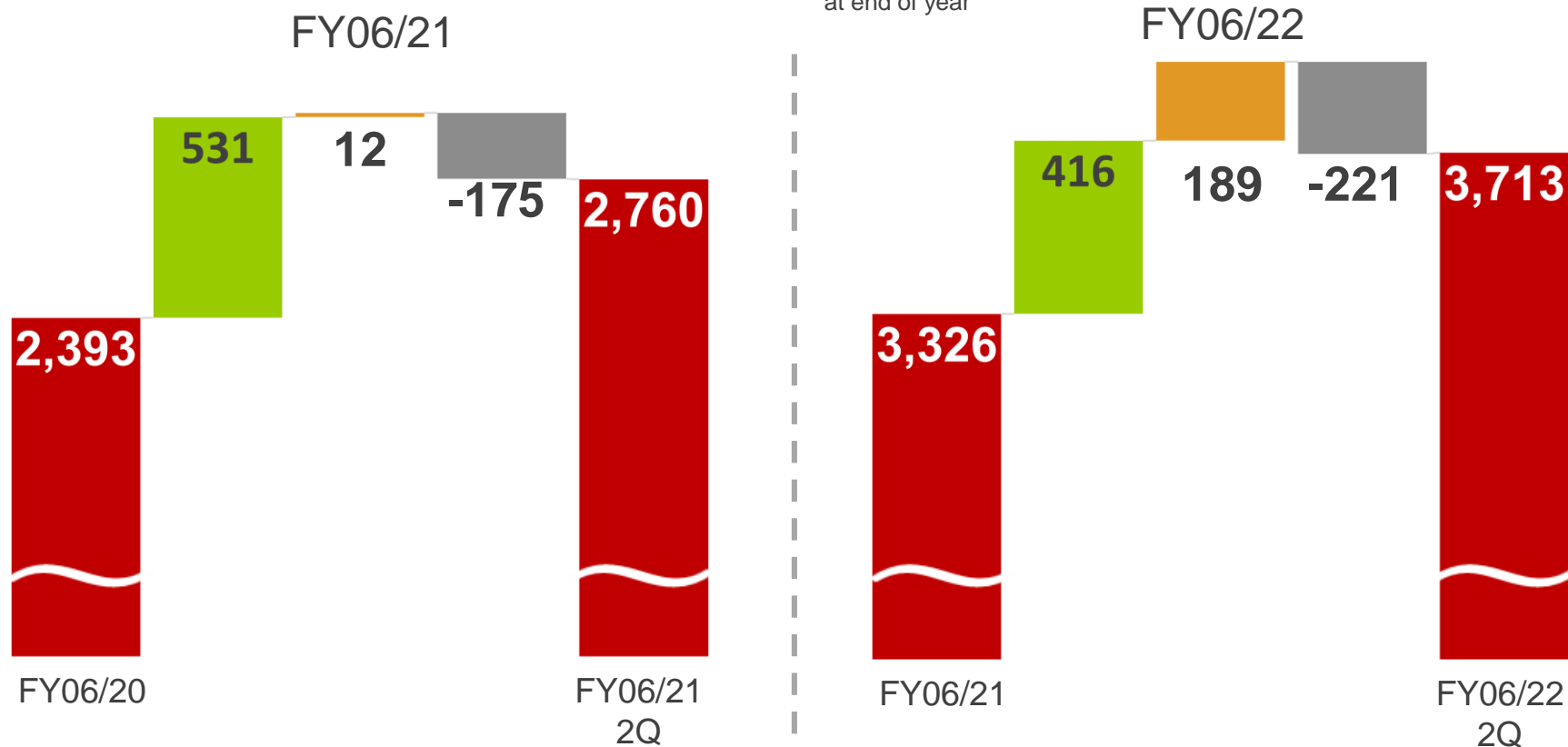
( Millions of yen )

■ Operating CF

■ Finance CF

■ Investment CF

■ Cash & cash equivalents at end of year



## Topics: Decided to shift to the Prime Market

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**Based on the "Results of Selection of New Market Segments" published by the Tokyo Stock Exchange, we were given permission to shift to the "Prime Market" from April 4 of this year.**

As a company listing on the Prime Market, the top market after the reclassification, we will strive to achieve sustainable growth and increase corporate value over the medium to long term so that we can meet the expectations of our shareholders.

## 2. FY6/200 Business Forecasts



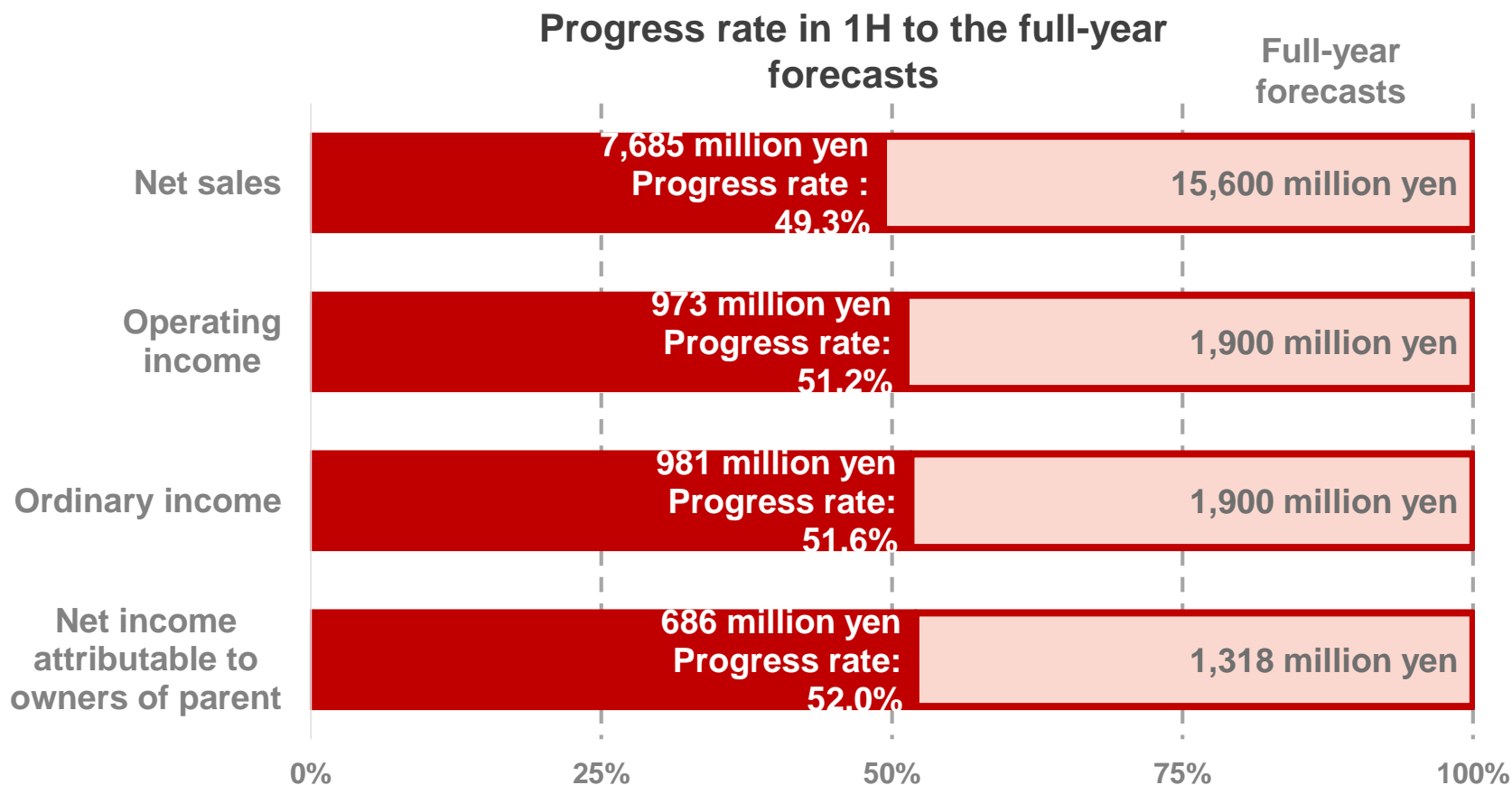
# FY6/2022 Business Forecasts

- Aim to increase sales and profits by promoting business based on the two pillars of "stabilizing the business foundation" and "strengthening growth factors".

(Millions of yen)	FY6/2021 Result	Composition %	FY6/2022 Forecast	Composition %	YoY %
<b>Net sales</b>	<b>14,444</b>	100.0%	<b>15,600</b>	100.0%	+8.0%
<b>Operating income</b>	<b>1,722</b>	11.9%	<b>1,900</b>	12.2%	+10.3%
<b>Ordinary income</b>	<b>1,730</b>	12.0%	<b>1,900</b>	12.2%	+9.8%
<b>Net income attributable to owners of parent</b>	<b>1,196</b>	8.3%	<b>1,318</b>	8.4%	+10.2%

# FY6/2022 Progress Rate in 1H to the Full-year Forecasts

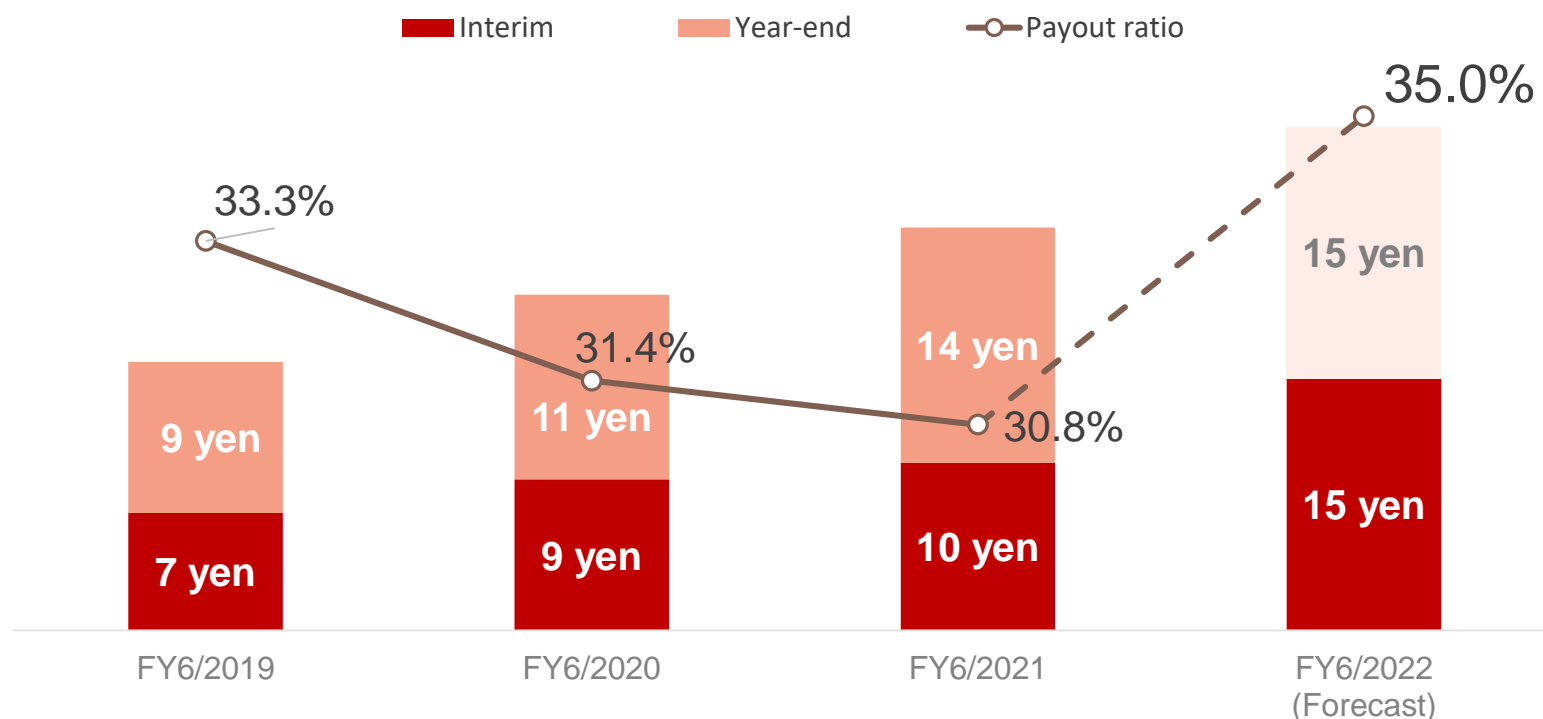
- Considering the impact of COVID-19, we have expected that sales will be weighted toward 2H, but progress rate in 1H was favorable.



# Return to Shareholders (Dividend Forecasts)

- Based on the target payout ratio of 35% or above stated in the medium-term management plan, we plan to pay 30 yen per share for the current fiscal year.

## Changes in dividend and payout ratio



• Payout ratio = Total amount of dividend payment ÷ Net income attributable to owners of parent





### 3. FY6/2022 Key Initiatives by Segment for 2H

# Forecast of Business Results by Segment

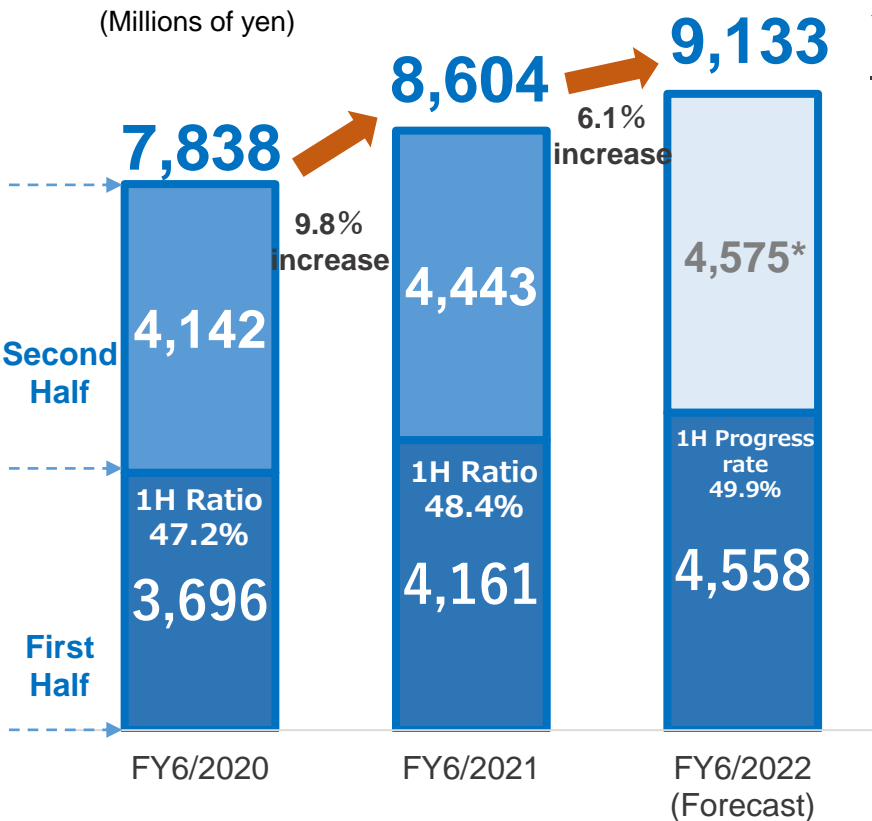
- In the Software Development Business, we plan to increase sales by 8.2% YoY, and in the Original Product Unit, we aim to increase sales by 15.2%.

(Millions of yen)

Business Segment	FY6/2021 Net sales	FY6/2022 Net sales Forecast	Change	% Change	Composition
<b>Software Development Business</b>	13,838	14,975	1,136	8.2%	96.0%
Business Solutions Unit	8,604	9,133	529	6.1%	58.5%
Embedded Solutions Unit	4,522	5,022	500	11.0%	32.2%
Original Product Unit	712	820	108	15.2%	5.3%
<b>System Sales Business</b>	605	625	20	3.2%	4.0%
<b>Total</b>	14,444	15,600	1,156	8.0%	

# Forecast by Segment: Business Solutions Unit

**Net sales: 9,133 million yen**  
**YoY change: +6.1%**



- In business system development, demand is expanding to a wider range of industries; we will build a system that can capture the demand to expand business scale and improve profits.
- Operational support is an area that is less susceptible to the impact of COVID-19; it aims to respond appropriately to demand and continue to expand business scale and improve profits.

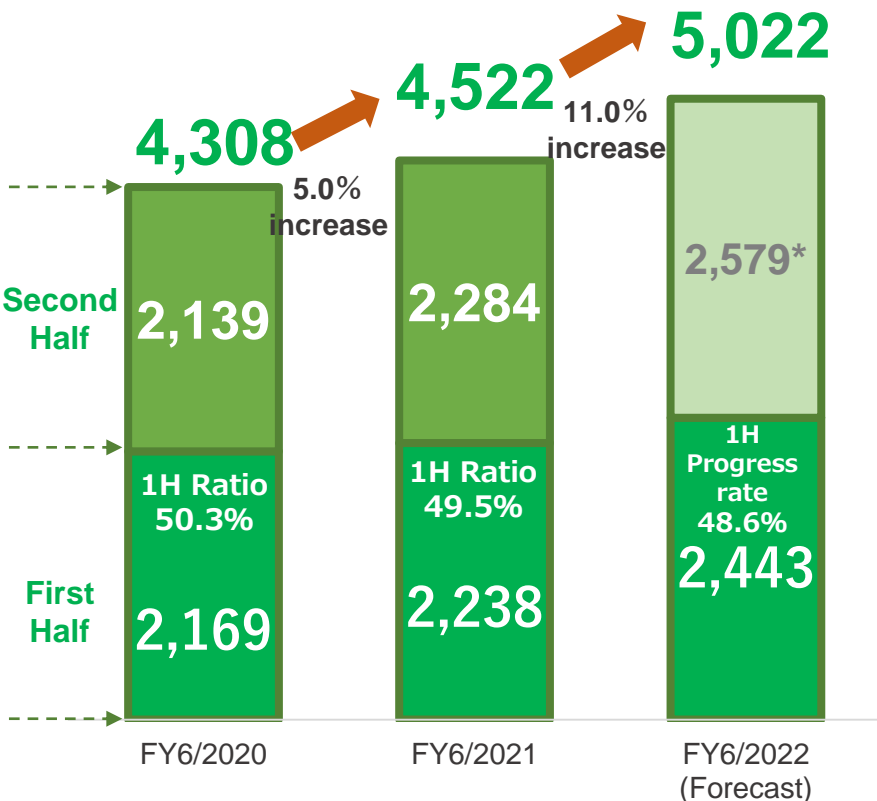
\*The 2H figure in the current forecast is simply the full-year forecast minus the 1H actual results.

# Priority Measures by Segment: Business Solutions Unit

Priority Measures	Results in the First Half	Efforts in the Second Half
1. Expand pharmaceuticals, communications, ERP (SAP, etc.)-related projects in addition to financial services, which are our strengths.	Strong performance due to a shift of personnel from financial to pharmaceutical and ERP (mainly SAP)-related projects in accordance with the plan	Continue to shift personnel to high-margin areas (pharmaceuticals, SAP-related, etc.)
2. Increase orders for technology projects that promote DX, such as cloud and AI-based services.	Expanded through cloud-related projects	The number of cloud-related projects is expected to increase, and we aim to expand DX projects such as AI-based services
3. Expand end-user direct contract projects and promote service proposal based business.	Steady growth in direct contracts with end users	Steady progress in large-scale projects by pharmaceutical end users and promotion of service proposal-based businesses
4. Improve the contract project ratio and implement thorough project management.	Standardization of project management progressed, and QCD (quality, cost, delivery) progressed without problems	Further promotion of standardization of project management and aiming for zero failure projects
5. Expand business by utilizing local bases as “advanced near shore development centers.”	Growth in Ehime Company, the main regional base	Aiming to acquire more projects with the COVID-19 disaster as a tailwind

# Forecast by Segment: Embedded Solutions Unit

(Millions of yen)



**Net sales: 5,022 million yen**  
**YoY change: +11.0%**

- In embedded system development, we aim to grow by striving to increase its share of transactions with existing high-quality customers in the automotive, semiconductor, and industrial equipment fields, as well as expanding its IoT-related projects.
- In embedded system verification, we aim to grow by expanding the domains of automotive, pharmaceutical-equipment, and 5G related projects.

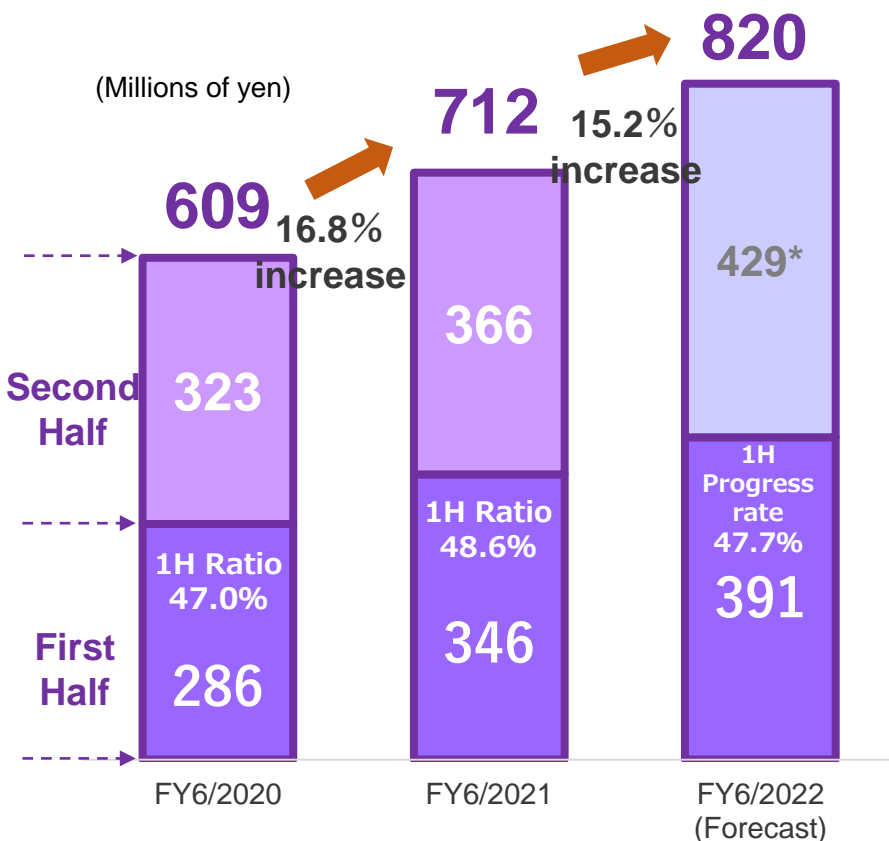
\*The 2H figure in the current forecast is simply the full-year forecast minus the 1H actual results.

# Priority Measures by Segment: Embedded Solutions Unit

Priority Measures	Results in the First Half	Efforts in the Second Half
1. Maintain/expand automobile-related business (autonomous driving, in-vehicle communication equipment and safety standards) and expand the industrial equipment business.	Automobile-related field is going out of the pause and sales start to increase	Focus on expanding the fields of automated driving, automotive communications equipment, and safety standards, as recovery in the automobile-related field is expected
2. Expand IoT beyond the boundaries of industry (e.g., cars (communication modules development) and consumer electronics (kitchen consumer electronic IoT service platform development and service expansion)).	Steady expansion in the IoT field in each industry (automotive, consumer electronics, electricity, and gas)	Aiming to win projects in each industry in the IoT field and expand in the IoT field
3. In the automotive field, we aim to win projects in the mass-production development field, as well as in the advanced development field.	Expansion of mass production development at major automobile meter-related companies	Accumulate results for participation in mass production development by finished vehicle manufacturers and major parts manufacturers
4. Complete standardization of embedded verification to improve quality and expand operations.	Standardization of embedded verification progressed, and the effects were confirmed through trial operation	Aiming to expand embedded verification operations using proprietary methodology, supported by recovery in automobile-related fields

\*MaaS: Mobility as a Service (The concept of using information and communication technology to lead to seamless movement for modes of transport other than private cars.)

**Net sales: 820 million yen**  
**YoY change: +15.2%**



We aim for steady growth as all products can play a more active role in the New Normal society under COVID-19.

- Growth is expected in response to further rising demand for cyber security.
- Anticipate growth by riding trend of work style reform.

\*The 2H figure in the current forecast is simply the full-year forecast minus the 1H actual results.

## Priority Measures by Segment: Original Product Unit



Priority Measures	Results in the First Half	Efforts in the Second Half
1. Actively approach large users focused on financial institutions based on introduction results.	Received inquiries for projects from multiple large-scale users	Proactively pursue approaches to introduction
2. Provide Total Security Services under "DIT Security" Brand <ul style="list-style-type: none"> <li>• Promote activities through joint seminars with partner companies</li> <li>• Strengthen lineup of cyber security products</li> </ul>	Successful introduction of other companies' products constantly as part of total security services	Aim to strengthen lineup and revitalize sales activities by collaborating with other companies' products
3. Provide cyber security services in our own cloud environment	Established the foundation for cyber security services in our own cloud environment	Aim to expand service deployment to customers
4. Enhance engagement with customers through web advertising, webinars, and DM	Continued web advertising and increase awareness	Develop news advertising in smart speakers as a new trial
5. Realize the introduction of the IoT version of WebARGUS based on the system resilience (self-detection and self-repair) concept.	Significant progress was not achieved	Continue to explore industry trends



## Priority Measures by Segment: Original Product Unit



Priority Measures	Results in the First Half	Efforts in the Second Half
1. Introduced in a total of more than 515 companies and further strengthen sales to large users.	The number of companies introducing the system exceeded 530	Aim for 550 installation companies, mainly large-scale users
2. Strengthen user support and increase licenses from existing customers.	Steady progress in increasing licenses from existing customers	Continue to strengthen support activities for existing customers and to increase licenses
3. Actively promote the Plus one concept (linkage with RPA, ERP and other systems) to expand sales opportunities.	Expansion of sales centered on ERP products	Promote sales activities with the aim of collaborating with ERP products that have a track record
4. Provide form processing services in the cloud environment.	Established the foundation to provide cloud-based services	Redefine the content of services and begin sales activities
5. Commercialize and provide services of RPA operation portal based on xoBlos.	Progress in designing xoBlos based RPA-operation portals	Complete the commercialization of the RPA operation portal and aggressively commence sales activities

## Priority Measures by Segment: Original Product Unit

**New  
Product: DX**

Priority Measures	Results in the First Half	Efforts in the Second Half
1. Aim for full-scale development of the electronic contract outsourcing service DD-CONNECT.	Strong demand with introduction to large-scale users	Capture robust demand
2. Aim to cultivate markets and receive orders as soon as possible with the launch of sales of Shield CMS.	Enhanced corporate web site, promoted awareness activities, and cultivated distributors to cultivate the market	Start full-scale sales activities to win orders
3. Provide new services in response to the New Normal society under the COVID-19 crisis and SDGs. Provide DX-related services (AI, RPA, voice recognition, etc.)	R&D is underway to provide new services	Plan to provide new services during the 2H of the fiscal year

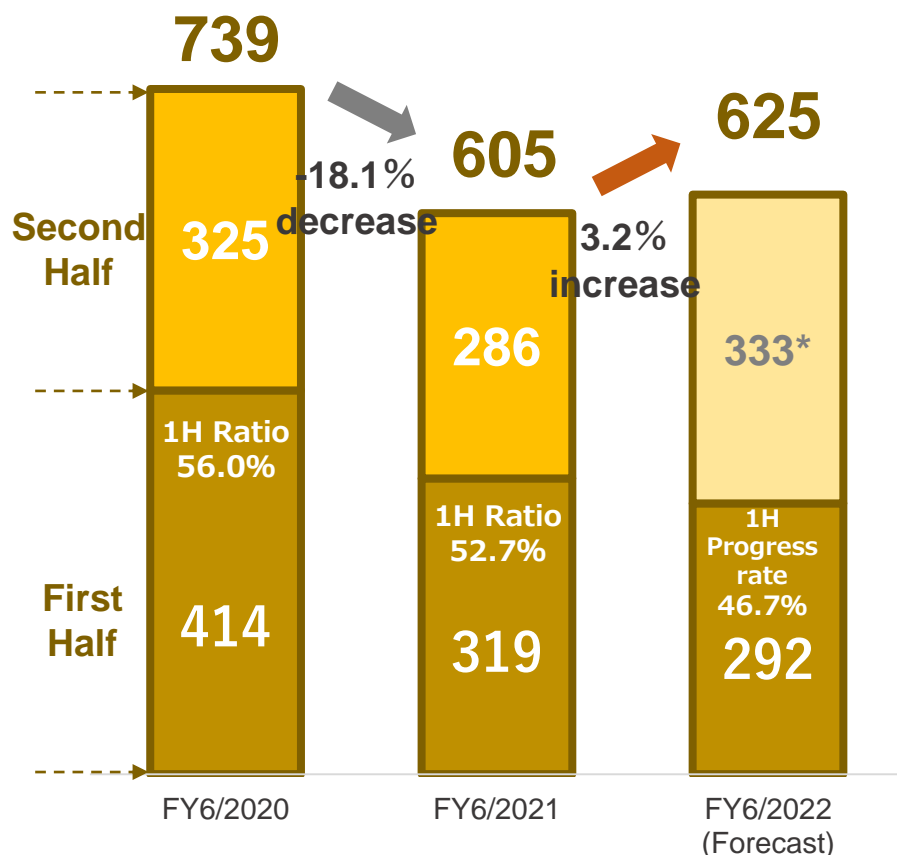
\*CMS: Contents Management System (This is the general term for systems that manage the digital content of text and images that constitute web content on an integrated and systematic basis and perform the necessary processing such as distribution.)

\*SDGs: Sustainable Development Goals (These are the United Nations' international goals for sustainable development. They consist of 17 global goals and 169 targets.)

# Forecast by Segment: Systems Sales Business



(Millions of yen)



**Net sales: 625 million yen**  
**YoY change: +3.2%**

Expect a reactionary fall due to the absence of special demand in the previous fiscal year.

- For the mainstay Rakuichi business, we aim to increase sales by strengthening support and proposals useful to customers.
- Approach royal existing customers to expand profits.

\* Rakuichi is a business and management support system for SMEs manufactured by Casio Computer Co., Ltd.

\*The 2H figure in the current forecast is simply the full-year forecast minus the 1H actual results.

# Priority Measures by Segment: Systems Sales Business

Priority Measures	Results in the First Half	Efforts in the Second Half
1. Aim for stable transaction over the long term; strive to support digital transformation (DX) by SMEs	Selection of domains to support DX by SMEs	Capture demand in line with revisions to the Electronic Book Retention Law
2. Strengthen proposals for various services required by customers (e.g., printers, networks and security products).	Promoted sales of Rakuichi peripheral equipment to cover the decline in sales of Rakuichi	Strive to propose UTM(*) and other peripheral equipment
3. Cultivate new customers by proposing exclusive business packages to companies whose business scale is larger than those of existing customers.	Started proposals by selecting packaged products	Implement proposals without fail, focusing on selectively packaged products

\*UTM: Unified Threat Management centralizes several security functions into a single product and manages various types of security.

## 4. DIT Group's Vision for 2030 and New Mid-term Management Plan (FY6/2022-FY6/24) (Excerpted from explanatory materials disclosed on Aug. 20, 2021)



Vision for 2030

# Toward a Trusted and Selected DIT Brand

# DIT Brand

- Enhance Customer Value! -

**DIT Services** Providing a higher level of value



**DIT Spirits**

DIT Security



Safety and robustness

DIT Efficiency



Efficiency improvement

DIT Support



Reliable operation

DIT Consulting



Ability to resolve issues and propose solutions

DIT Quality



High quality

DIT Technologie



Advanced technology

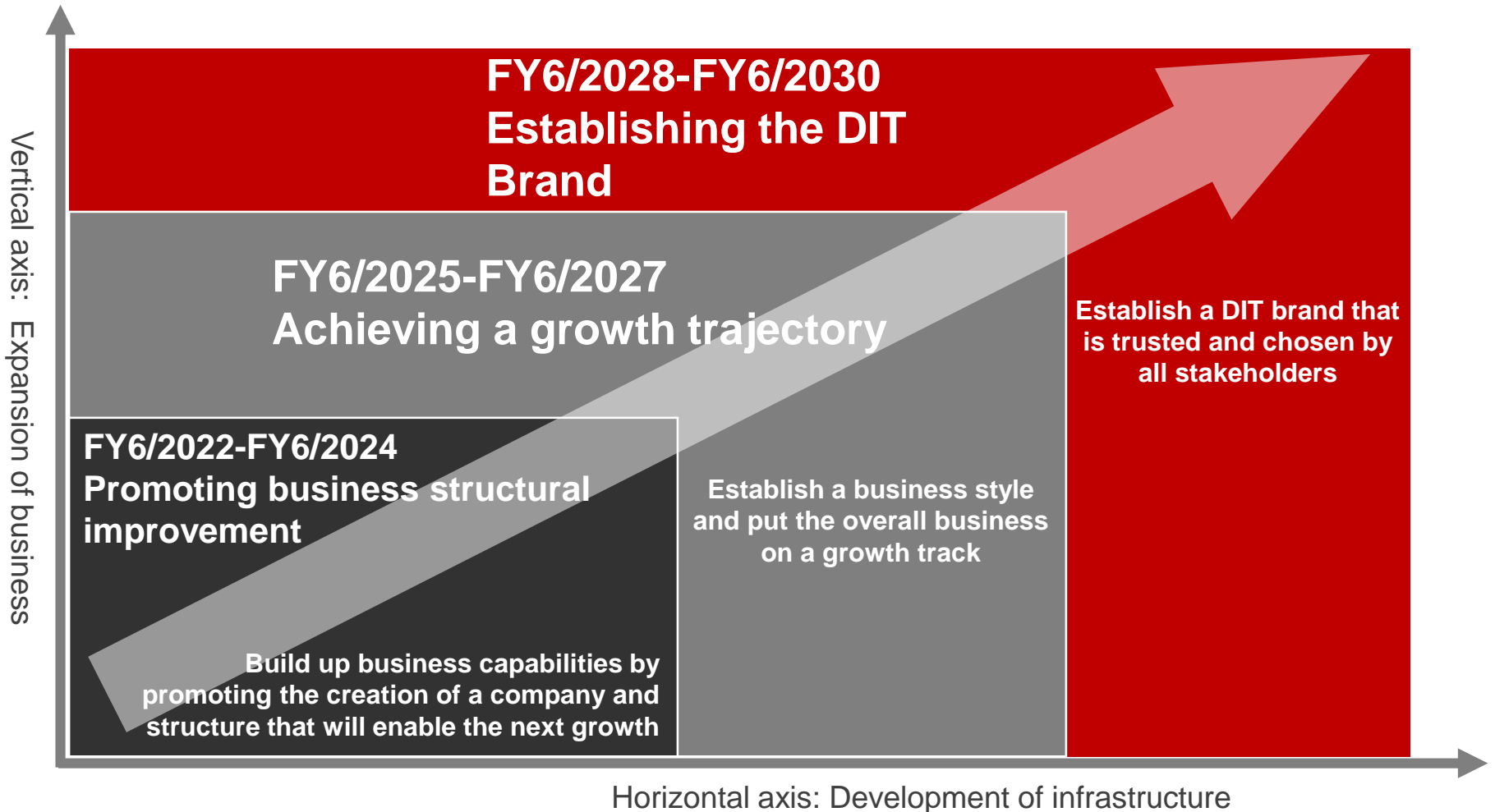


Professional group

# Steps to Realize the 2030 Vision



## DIT 2030 Vision

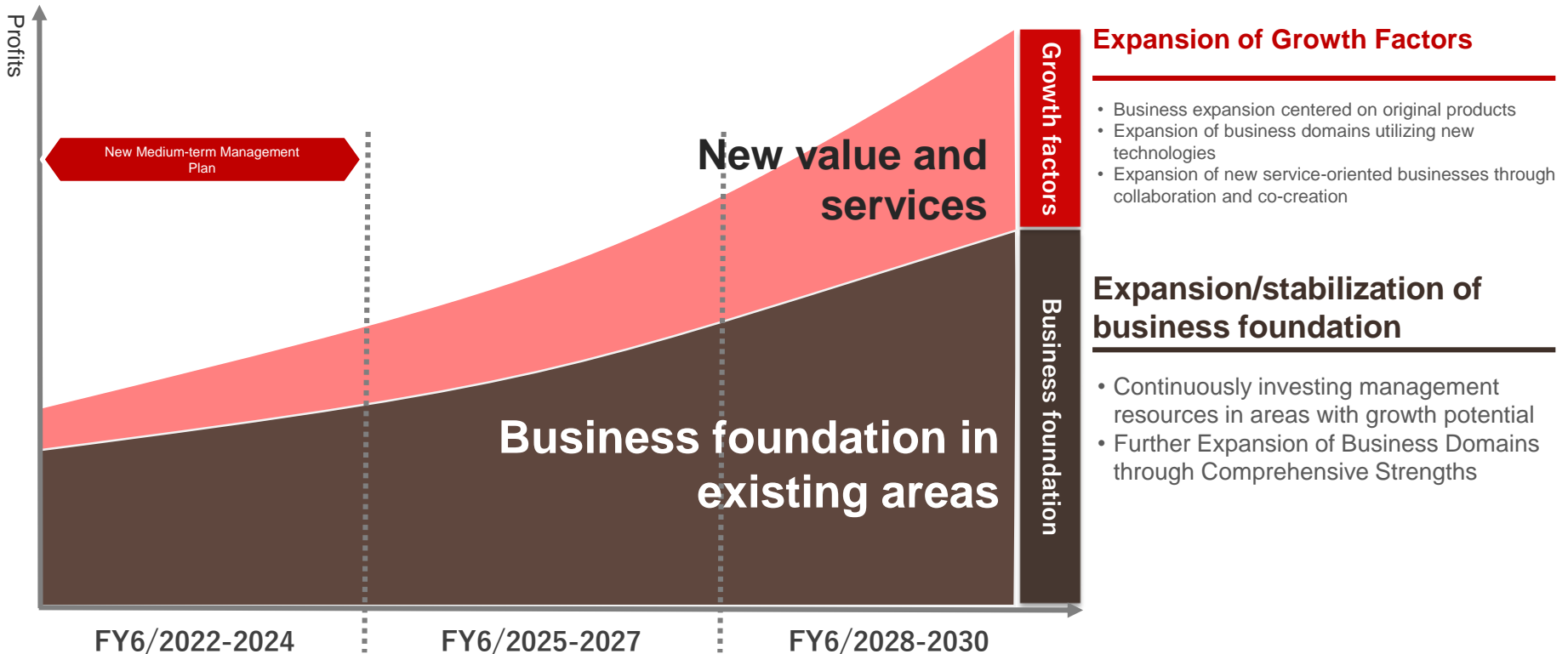


# Mid-term Growth Model

■ 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.

- |   |                     |
|---|---------------------|
| 1 | Business foundation |
| 2 | Growth factors      |

- • • Further expanding the base by leveraging stable exchanges in a wide range of business domains as a strength
- • • Providing new value and services in response to social change





# Management Targets

Challenge to sales of 50 billion yen ! <Challenge 500>

FY6/2022 Results

FY6/2030 Target

Net sales
Operating income

14.4 billion yen

1.72 billion yen

Organic growth

+New business · M&A, etc.

30 billion yen or more

50 billion yen or more

4 billion yen or more

5 billion yen or more

-FY6/2022

FY6/2022-FY6/2030

Dividend payout ratio

30% or more

35% or more

# Management Targets in the Medium-Term Management Plan

## ■ Medium-Term Management Targets for Organic Growth

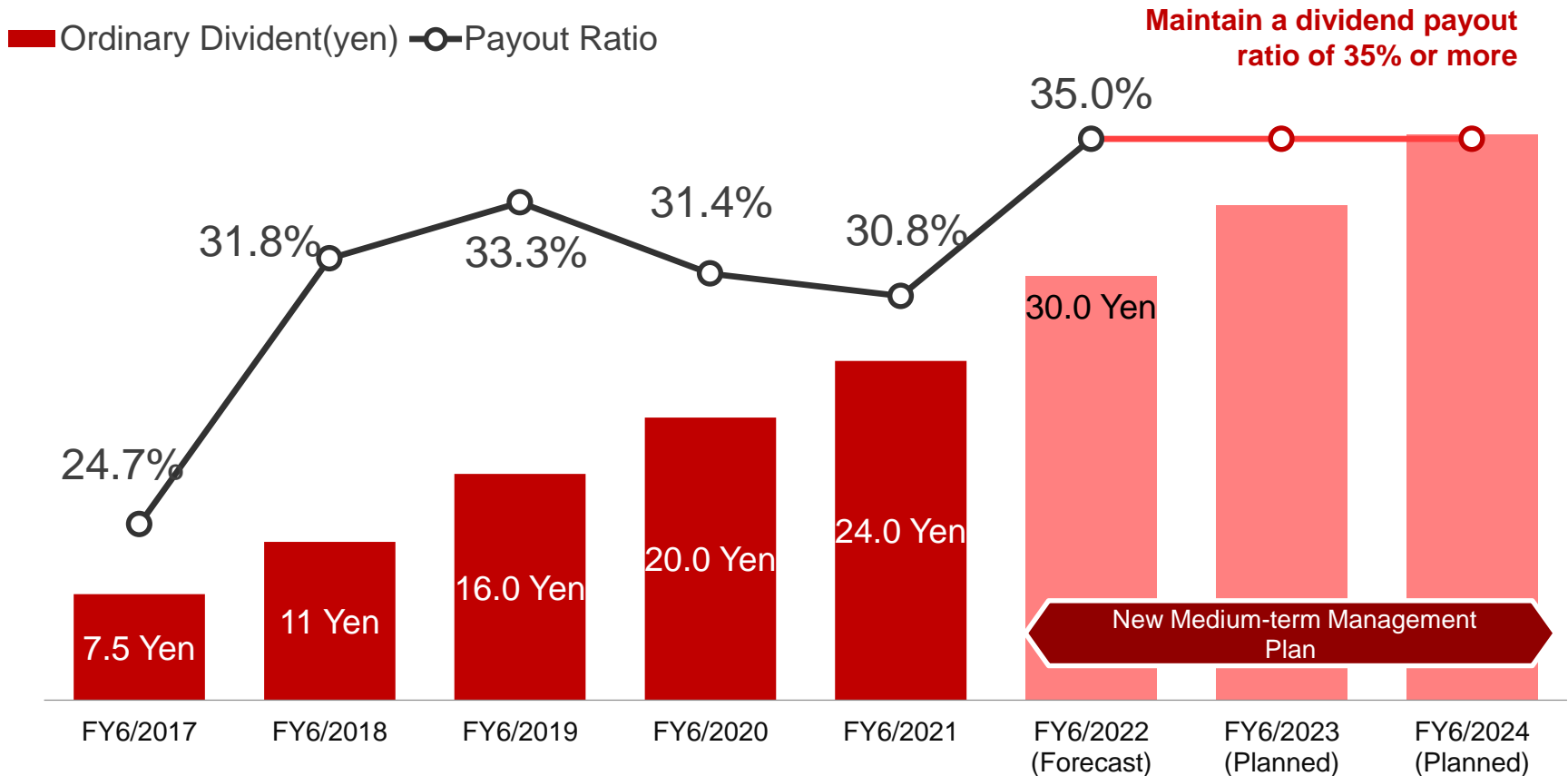
	FY6/2021 (Results)	FY6/2022 (Forecast)	FY6/2023 (Planned)	FY6/2024 (Planned)
<b>Net sales</b>	14.4 billion yen	<b>15.6 billion yen</b>	<b>16.8 billion yen</b>	<b>18.5 billion yen</b>
<b>Operating income</b>	1.72 billion yen	<b>1.90 billion yen</b>	<b>2.15 billion yen</b>	<b>2.50 billion yen</b>
<b>Ordinary income</b>	11.9%	<b>12.2%</b>	<b>12.8%</b>	<b>13.5%</b>
<b>ROE</b>	29.2%	<b>Maintain 20% or more</b>		
<b>Dividend payout ratio</b>	30% or more	<b>35% or more</b>		

## ■ Dividend Forecast for FY6/2022

<b>Annual dividend per share</b>	24.0 yen	<b>30.0 yen</b>
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# Management Targets of the Medium-Term Management Plan (Dividend Payout Ratio)

## ■ Raising the dividend payout ratio from the current 30% level to 35% or more



# SDGs: Contributing to the Realization of a Sustainable Society

We will strive to support a sustainable society through appropriate corporate management and the introduction of our original products to customers.

## Contribution from corporate management



Contribute to a sustainable society by enhancing employee benefits, promoting diversity through the appointment of women to managerial positions, and appropriate business management with an emphasis on governance, etc.

### Relevant SDGs goals



## Contribution from introduction of original products, etc.



Contribute to establishing a comfortable and secure Internet-based society and improving social productivity by introducing security products (WebARGUS) and work style reform-related products (xoBlos, DD-CONNECT), etc.

### Relevant SDGs goals





## Reference materials

# 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 the end of June 2021)
Fiscal year end :	June 30
Number of the employees	1,097 (1,016 on a non-consolidated basis) (As of the end of June 2021)
Officer	Satoshi Ichikawa, Representative Director and President 6 other internal directors and 4 outside directors 1 full-time auditor and 2 outside auditors (As of the end of September 2021)
Group Companies :	DIT Marketing Service Co., Ltd., DIT America, LLC.



Satoshi Ichikawa, Representative Director and President

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

# Domestic and overseas development bases and the number of employees



# Corporate Philosophy

<b>Corporate philosophy</b>	Over-all	Client-driven	<b>Management philosophy</b>	Guarantee our employees' livelihood while contributing to society
	Company	Employee training/growth, Communication		
	Individuals	Increase in value added, Sense of objective / target, Passion and dedication		

**Management Policy**  
 Deliver on our commitment to value generation and adaptability to change, while aiming to realize stable growth for the company

**Business strategy**

### 5 Basic Business Strategies

- 1. (Strengthen our business foundation through the renovation of existing businesses)**
- 2. (Create new value centered around original products)**
- 3. (Expand our business through partnerships)**
- 4. (Expand our business through the perspective of services)**
- 5. Hire personnel and aid employee growth**

**Organizational strategy**

Organizational strategy involving dispersion (sub-optimization) and concentration (total optimization)

Dispersion (sub-optimization) Adaptability to change / Specialization / Development of Managerial talent	BS Company	CS Division	TS Division	PS Division	DIT America, LLC	DIT Marketing Service Co., Ltd.
	eB company					
	SB Company					
	ES Company	Administration division				
	NN Company	Corporate Planning Division				
	QE Company	Concentration (total optimization) Control / Unification / Collaboration				
	EM Company					
	Xobios Division					
	Business Division					
	Laboratory					
DX Business						
New Product Development Office						



Selected as One of Stocks Constituting JPX-Nikkei Mid and Small Cap Index

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**We continued to be selected as one of stocks used by Tokyo Stock Exchange, Inc. and Nikkei Inc. for calculating "JPX-Nikkei Mid and Small Cap Index" in fiscal 2020\***



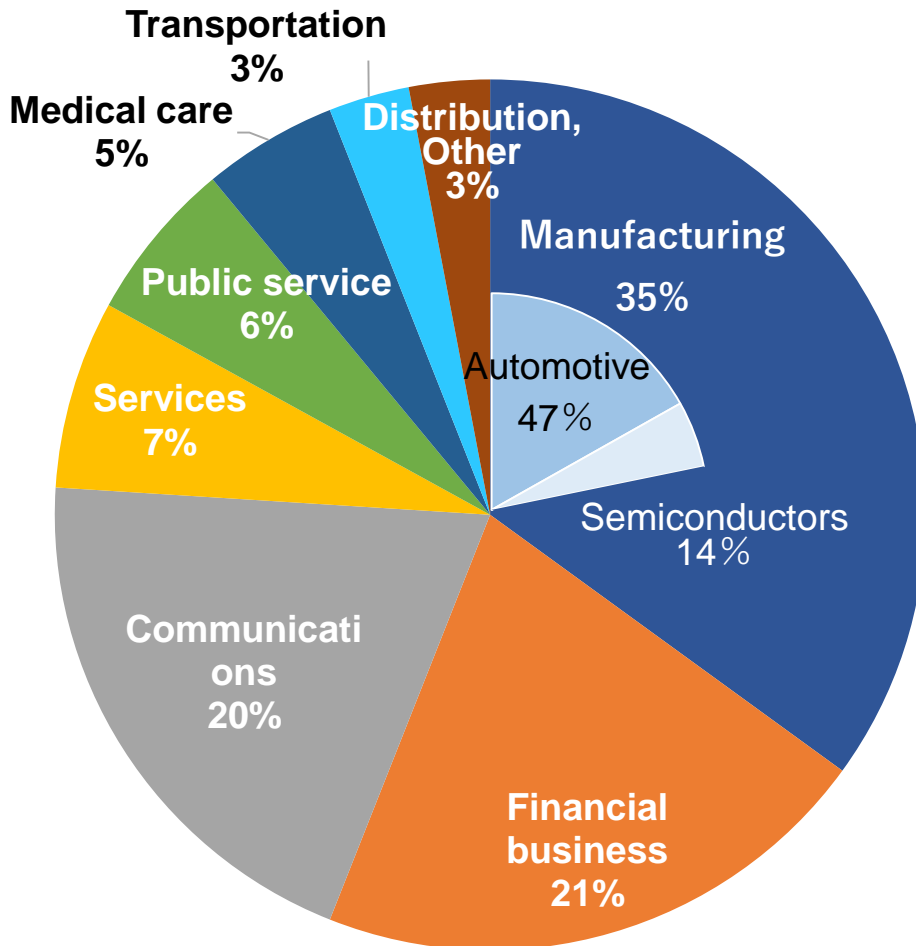
**JPX-NIKKEI Mid Small**

In order to live up to the expectations of stakeholders, we will strive to improve corporate value sustainably and conduct business administration while caring for shareholders, in accordance with the purpose of the selection.

\*This index will be applied from August 31, 2021 to August 30, 2022.

# Customer Base

## Sales Composition by Industry



### ■ Customers of the DIT Group are Approx. 2,800 companies

- Software development business mainly attend listed companies and their affiliates, and system sales business mainly attend SMEs.

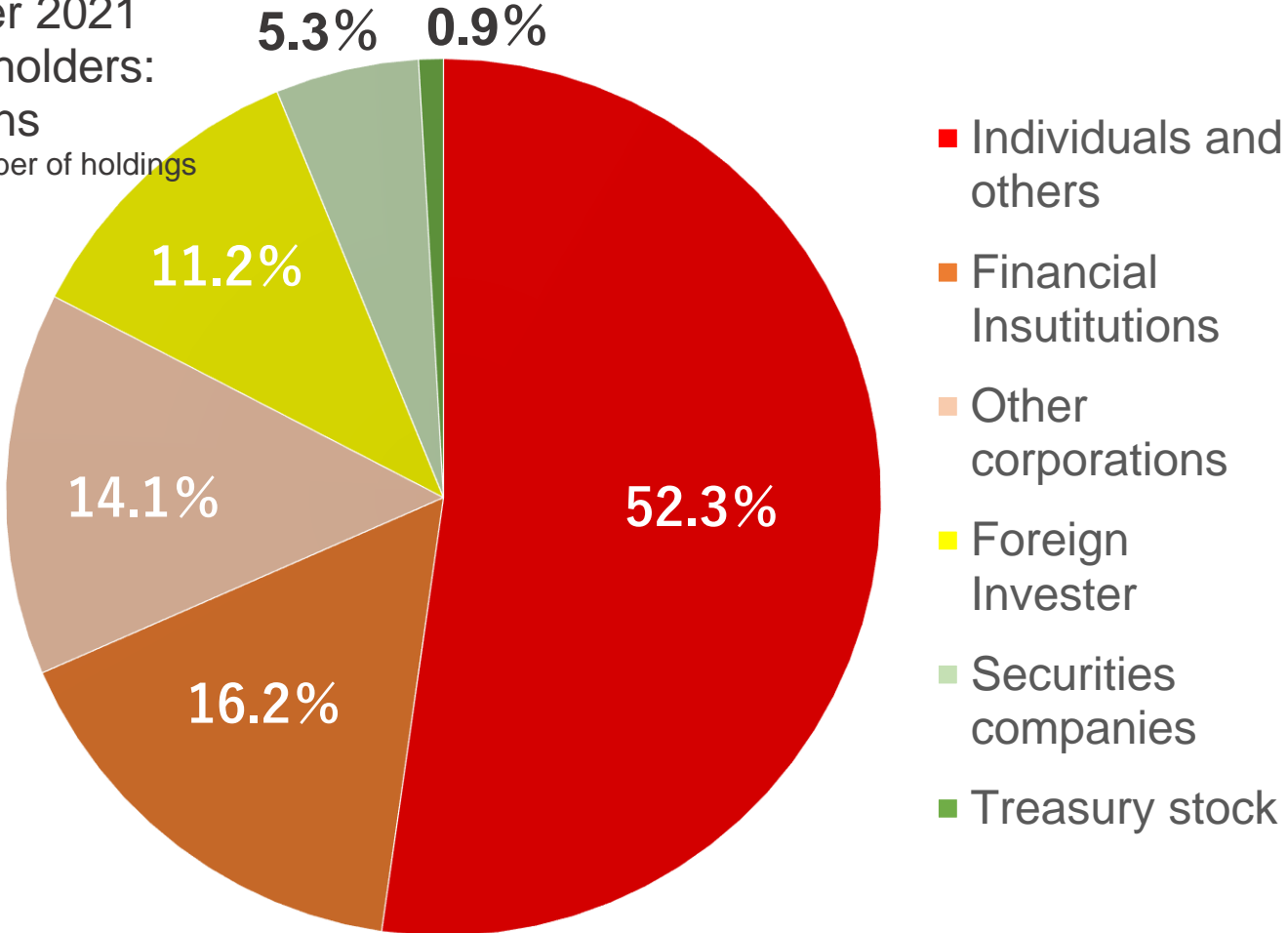
### ■ Sales Composition by Industry of Software Development Business (Left chart)

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

# Composition of Shareholders

End of December 2021  
Number of shareholders:  
5,767 persons

\*The graph is based on number of holdings



# Launched "shieldcms", a Highly Secure Website Creation Platform

## Launched "shieldcms", a website creation platform that combines safety and mobility, in September

SaaS, open source services are often poorly secured and are vulnerable to cyber-attacks such as falsification of websites.

Accordingly, we have combined our original security product WebARGUS with CMS services to develop a new high-security **SaaS platform** that enables instantaneous recovery of web tampering caused by cyber-attacks. The platform was launched in September. **We have been receiving much inquiries for this product.**





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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.