

IT Solution for You!

PCI Holdings, Inc.



PCI Holdings, Inc.

(TSE Prime Market, Stock Code: 3918)

Financial Results for the Fiscal Year Ended September 2022

2022.11.24

To our stakeholders



PCI Holdings which was established in 2005 is **still a young pure holding company** with consolidated subsidiaries engaged in IT-related businesses under our umbrella. Our distinctive Group with the aim of becoming “**a company that contributes to a safe, secure, and prosperous society**” through information technology operates business in four areas.

In the **Embedded solutions business**, in addition to various developments of automobile-related including in-vehicle related, **automated driving (AD and ADAS) and EV**, we develop embedded software such as for communication control for smartphones, heavy and construction machinery and information appliances including digital cameras, provide software technology for the development of advanced technologies including **VR/AR** and **AI** and also provide **one-stop solution** from planning to design, development, testing, manufacturing and maintenance of various manufacturing and testing equipment, etc.

In the **Business solutions business**, taking advantage of our technology-oriented business development we provide IT system to a broad range of industries including finance, distribution and manufacturing, and we also contribute to the **promotion of DX**.

In the **IoT/IoE solutions business**, as a telecommunication corporation with a carrier identification code “**0067**,” we provide services which the number can be used such as for television prize campaign application and surveys and distinctive ICT services such as a unique brand that produces and distributes mobile content, such as LINE stamps. The business also focuses on cybersecurity field.

In the **Total semiconductor solutions business**, we provide major semiconductor manufacturers with overall semiconductor development services, including LSI design, test, and evaluation.

In November 2020, we announced the **New Mid-term Management Plan “PCI-VISION 2023”** setting a challenging target of 30 billion yen in sales. Furthermore, in order to respond to changes in the business environment, the Company changed from a one-person representative director structure to a two-person structure as of April 1, 2022.

We will continue to aim for further growth by acting on our words while **executing M&A strategies**. We sincerely appreciate your continued support.



Toyomi Amano, Representative Director and Chairman

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Net sales
¥25.17 bn
(+18.5%YoY)

Operating income
¥1.44 bn
(+23.0%YoY)

Net income
attributable to owners of parent
¥643 mn
(-4.0%YoY)

【Business environment】

IT investment demand remained firm as a result of increased demand for **information systems due to the acceleration of DX using advanced technologies** such as IoT/loE and AI, **IT infrastructure development and enhancement** due to an increase in the number of companies adopting remote working as a COVID-19 measure, and **continued priority software investment for non-contact support and other measures**.

On the other hand, in some businesses, **the impact of exchange rates due to the rapid depreciation of the yen and the worldwide shortage of electronic components affected production plans.**

【Practical Strategy】

In the midst of implementing the "PCI-VISION 2023" medium-term management plan, which is now in its second year, we have **reorganized the group structure** aiming for **selection and concentration, taking into consideration current trends**.

【Sustainability】

Established a new Sustainability Committee to further strengthen our sustainability initiatives and achieve sustainable growth for our group.

FY9/22 Financial Results



Consolidated balance sheet



- Inventory assets increased as a result of consolidation of SORD CORPORATION. Decrease in cash and deposits is due to repayment of borrowings.
- Equity ratio increased to 45.9% (42.8% at the end of the previous fiscal year)

(Million yen)	End-FY9/21	End-FY9/22
Current assets	11,198	11,205
Cash and deposits	3,310	2,629
Trade receivables	6,085	6,123
Inventories	1,291	1,627
Others	512	824
Noncurrent assets	6,193	5,709
Goodwill	2,299	2,150
Investment securities	1,403	1,123
Others	2,490	2,435
Total assets	17,391	16,915

(Million yen)	End-FY9/21	End-FY9/22
Current liabilities	6,505	6,509
Trade notes and accounts payable	2,787	2,979
Borrowings and bonds	868	872
Others	2,849	2,657
Noncurrent liabilities	2,935	2,031
Borrowings and bonds	1,925	1,052
Liabilities for retirement benefits	135	128
Others	875	850
Total liabilities	9,441	8,541
Total net assets	7,950	8,374
Total liabilities and net assets	17,391	16,915

Consolidated cash flows



(Million yen)	FY9/21	FY9/22
CF from operating activities	948	736
Income before income taxes	1,211	1,175
Depreciation and amortization	155	197
Amortization of goodwill	154	192
Increase (decrease) in notes and accounts receivable	3	69
Increase (decrease) in inventories	▲276	▲470
Increase (decrease) in notes and accounts payable	25	191
Others	▲326	▲619
CF from investing activities	▲3,364	▲193
Purchase of property, plant and equipment	▲42	▲108
Purchase of investment security	▲143	▲51
Payments for acquisition of shares in subsidiaries resulting in change in scope of consolidation	▲3,090	—
Other	▲88	▲32
Free cash flow	▲2,416	542

(Million yen)	FY9/21	FY9/22
CF from financing activities	848	▲1,227
Increase (decrease) in borrowings and corporate bonds	▲934	▲868
Dividend payment	▲254	▲310
Proceeds from issuance of shares	2,091	—
Others	▲53	▲48
Balance of cash and equivalents at the end of the period	3,298	2,617

<CF from operating activities>

- Income before income taxes and minority interests of 1,175 million yen, depreciation and amortization of 197 million yen, amortization of goodwill of 192 million yen, and loss on valuation of investment securities of 310 million yen
- Increase in inventories of 470 million yen, decrease in accrued consumption taxes of 129 million yen, and income taxes paid of 542 million yen

<CF from investing activities>

- Purchase of property, plant and equipment of 108 million yen

<CF from financing activities>

- Repayment of long-term debt of 868 million yen, cash dividends paid of 310 million yen

Summary of consolidated statements of income



- In addition to existing businesses, **SORD CORPORATION**, which became a subsidiary in the previous fiscal year, **contributed to the full-year results**. Net sales and each profit significantly increased YoY.
- "Loss on valuation of securities" is recorded as an extraordinary loss for securities held that have significantly declined in real value.

(Million yen)	FY9/21		FY9/22		
	Full-year	Ratio to sales	Full-year	Ratio to sales	YoY change
Net sales	21,248	100.0%	25,170	100.0%	+18.5%
Gross margin	5,693	26.8%	6,340	25.2%	+11.4%
SG&A expenses	4,519	21.3%	4,895	19.4%	+8.3%
Operating income	1,174	5.5%	1,445	5.7%	+23.0%
Ordinary income	1,208	5.7%	1,549	6.2%	+28.2%
Net income attributable to owners of parent	669	3.2%	643	2.6%	▲4.0%
EPS	76.12	-	63.97	-	▲15.9%

Results by business

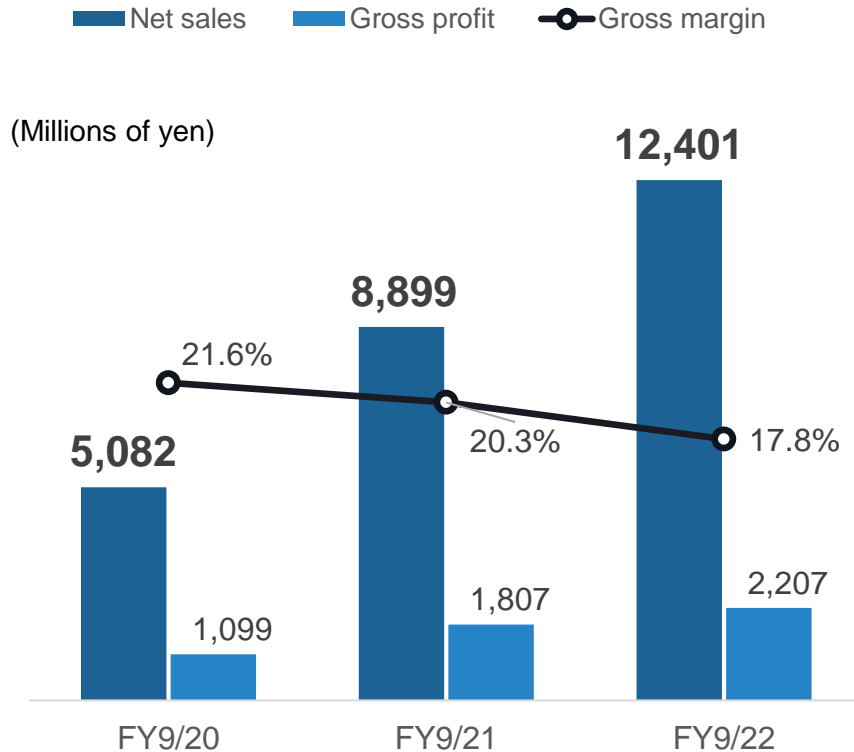
- In the Embedded solutions domain, despite **the impact of rising component prices in the hardware field and the rapid depreciation of the yen**, sales increased YoY due to **brisk sales of software development for automobile-related and construction machinery**.
- In the Business solutions domain for enterprises segment, profits and profit margins increased and improved due to **the termination of unprofitable projects** in the previous fiscal year, and also absorbed the decrease in sales due to **the strategic withdrawal from the education-related business**.

Net sales (Millions of yen)	FY9/21	FY9/22	Ratio to sales	YoY
IT Solutions Business (A+B)	16,758	20,494	81.4%	+22.3%
Embedded solution (A)	8,899	12,401	49.3%	+39.3%
Business Solution (B)	7,858	8,092	32.2%	+3.0%
IoT/loE Solutions Business	2,428	2,350	9.3%	▲ 3.2%
Semiconductor Solutions Business	2,049	2,325	9.2%	+13.4%
Total	21,248	25,170	100.0%	+18.5%

*Figures for FY9/21 exclude adjustments of 11 million yen

*Excluding intersegment figures

Results by business: Embedded Solution



Net sales **12,401** million yen
(+39.3% YoY)

Gross profit **2,207** million yen
(+22.1% YoY)

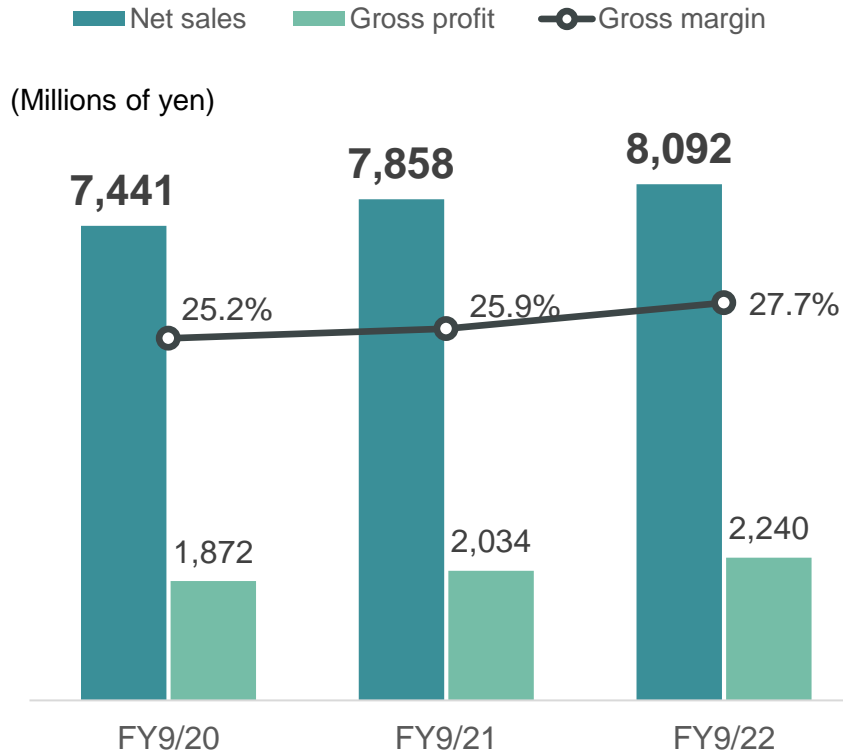
*Excluding intersegment figures

- Steady growth in automobile-related projects, as well as growth in camera and sensor development projects and control equipment projects.
- The development, design, and manufacturing of embedded PCs, controllers, and peripheral equipment for medical use developed by SORD contributed to profits.
- Significant impact on certain production plans due to the worldwide shortage of electronic components and soaring component prices.

*Major subsidiaries recorded in this business

Related businesses in PCI Solutions INC , PRIVATECH Inc and SORD CORPORATION

Results by business: Business Solution



Net sales **8,092** million yen
(+2.8% YoY)

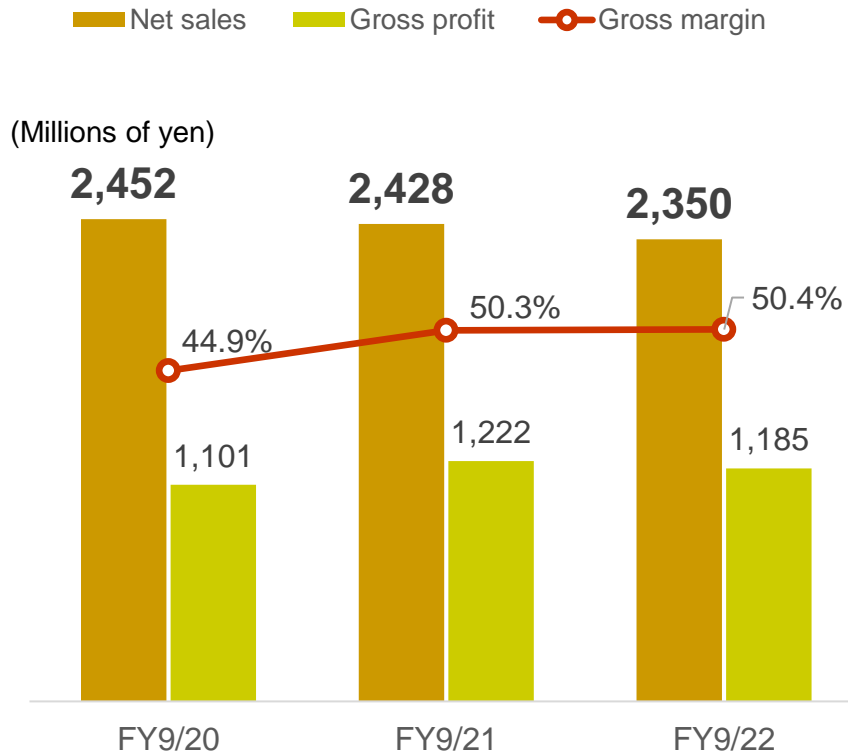
Gross profit **2,240** million yen
(+10.1% YoY)

*Excluding intersegment figures

- Increased number of projects to shift systems to the cloud against a backdrop of accelerated promotion of DX by corporations.
- Solid performance in projects for industry and distribution field in software development, and favorable performance in projects for social infrastructure construction.
- Contract projects for kitting and other businesses developed by SORD, which was newly consolidated in the previous fiscal year, contributed to profits.

*Major subsidiaries recorded in this business
Related business in PCI Solutions INC, CLC corporation,
leafnet Co., Ltd., and SORD CORPORATION

Results by business: IoT/loE Solution



Net sales **2,350** million yen
(▲3.2% YoY)

Gross profit **1,185** million yen
(▲3.0% YoY)

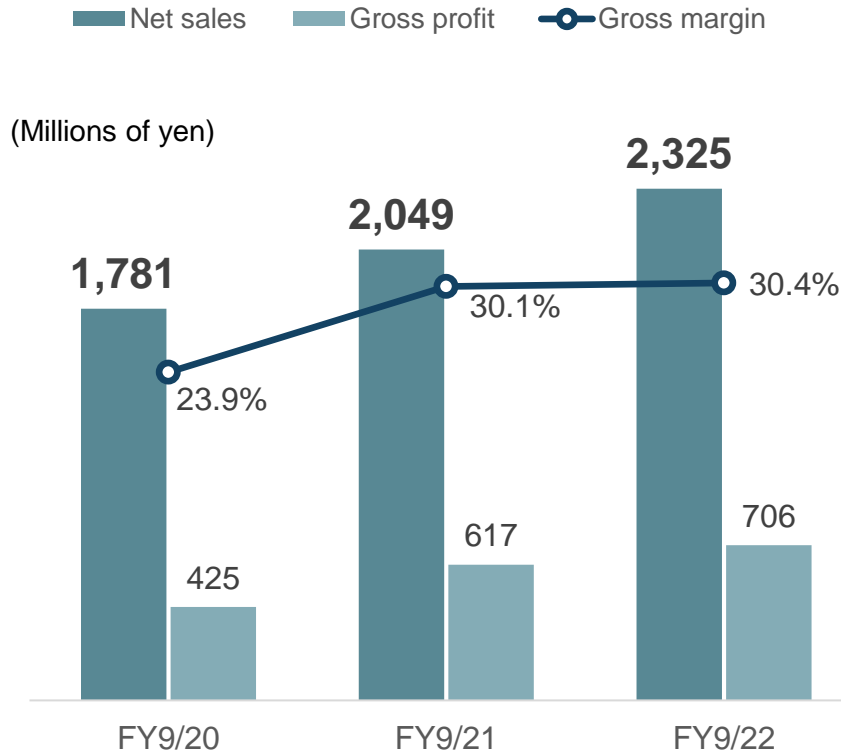
*Excluding intersegment figures

- Steady growth in IoT for heavy machinery and construction machinery and an increase in security-related projects.
- Sales decreased year-on-year due to the strategic downsizing of low-profit businesses and a decline in the telecommunications business.

*Major subsidiaries recorded in this business

Related business in PCI Solutions INC, leafnet Co., Ltd., PRIVATECH Inc.

Results by business: Semiconductor Total Solution



Net sales **2,325** million yen
(+13.4% YoY)

Gross profit **706** million yen
(+14.4% YoY)

*Excluding intersegment figures

- Increased inquiries for substrates as production lines were strengthened against the backdrop of a worldwide shortage of semiconductors, greatly contributing to profits.
- Strong overall performance, including continued orders for projects in collaboration with Group companies and partner companies.
- Continuously invest in R&D to develop new technologies and commercialize our products.

*Major subsidiaries recorded in this business
Related business in PRIVATECH Inc

FY9/22 Topics



① Accelerate the development of human resources for DX representing the Metaverse/Web3 era

Participated in "LEVEL BOOST", an educational platform operated by our business alliance partner, ORENDA WORLD Corporation



Press Release

2022年7月19日

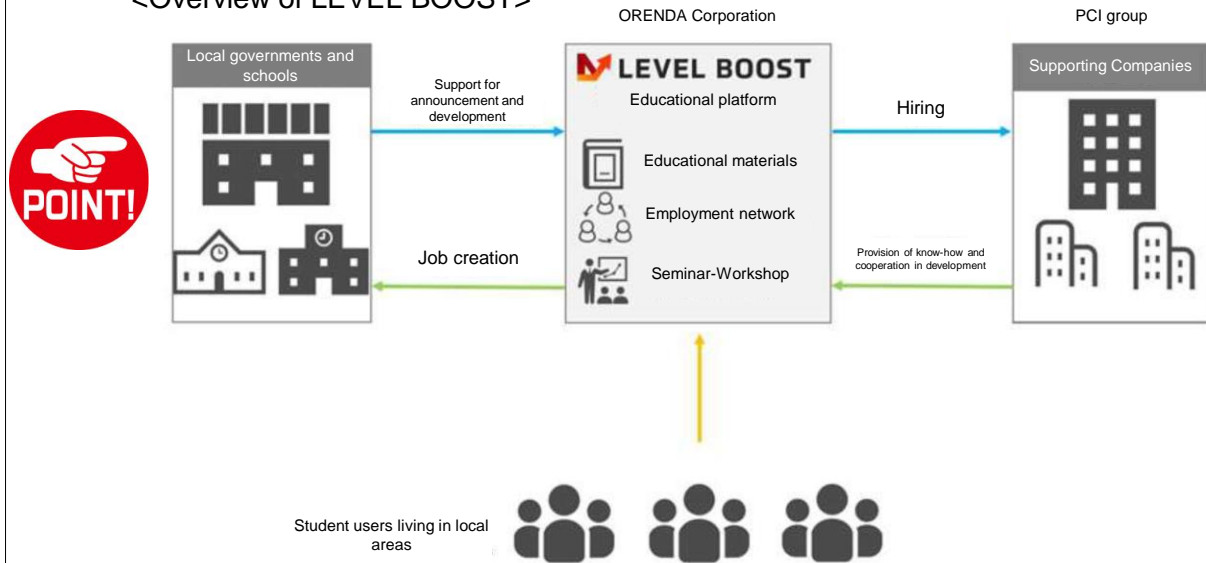
報道関係者各位

PCIホールディングス株式会社
(東証プライム: 3918)
株式会社 ORENDA

Regional Development x Creator Training"
Notification of participation in "LEVEL BOOST"
educational platform
-Accelerating the Development of DX Human Resources
Representing the Metavers/Web3 Era

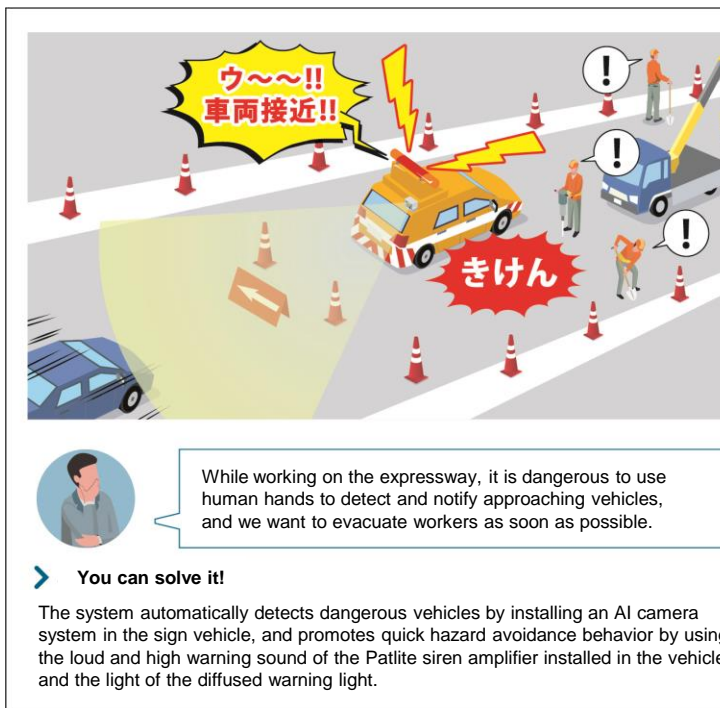


<Overview of LEVEL BOOST>



② Practical application of "AI-based vehicle detection system"

Rear-end vehicle detection system provided by our consolidated subsidiary PCI Solutions INC. is featured in PATLITE Corporation's catalog (their hardware partially provided by SORD CORPORATION).



機器構成



高警告サイレン音搭載
電子サイレンアンプ SAP-520型



LED散光式警告灯 ALS型



補助警告灯 LPT型



PCIソリューションズ製
AIカメラシステム一式



https://www.patlite.jp/catalog/vbb03/index_h5.html#8

③ SMS (short-messaging service) delivery service started

"FourS Message", a SMS distribution service developed by our consolidated subsidiary leafnet Co., Ltd., began alliance with "BIZTEL", a linked cloud-based call center system developed by LINK, INC.

*New response system via SMS for calls waiting for response at call centers

FourS Message

Features of FourS Message

携帯キャリア直接接続

国内キャリアと直接（直取）接続のため、より確実にSMSを届けられます。

長文対応

通常70文字上限を最大で全角660文字までの送信が可能。
※70文字を超える場合、docomoは66文字、KDDI・楽天は67文字単位で1通分の課金となります。

短縮URL

長いURLを20文字の短縮URLへと変換することができます。また、短縮URLのクリック数を確認することも可能です。

API対応

お客様のシステムとAPI接続によって自動連携し、Web管理画面を介することなくSMSを自動送信することが可能です。

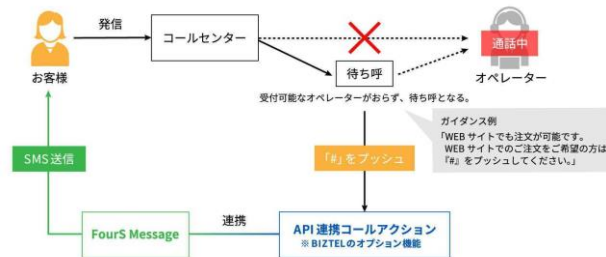
携帯キャリア追跡

送信先のキャリアを自動で判別します。同一番号でキャリアが変わった場合も変更を自動で認識し送信結果に反映されます。

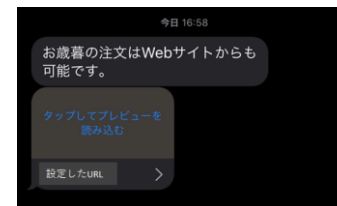
業界最安値

1通あたり～8円と、SMS配信サービスの中では業界最安値水準で高品質なサービスを提供します。

Image of the response flow



Example of sent message



**"FourS Message": A SMS (short-messaging service) distribution service featuring 4S (Stable/Secure/Speedy/Sustainable).

In addition to stable delivery from a secure environment through a direct connection to each mobile carrier's communication network, various functions are available to support communication with customers, including batch delivery, delivery reservation settings, monitoring of incoming call status (transmission completion, out of range, power off, etc.), insertion of shortened URLs, and click measurement.

④ Strengthen the organizational structure and promote work style reforms




- R&D investment since listing (IT solutions and semiconductor total solutions)

	FY9/15	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22
IT Solutions								
Dependability	*							
Smart Community	*							
Renewable Energy O&M	*							
ID Collaboration Framework	*							
V2X	*	*	*	*	*	*	*	
V-Low	*	*						
A-ya		*	*	*	*			
Location Information			*	*	*	*	*	*
AR/VR/MR			*					
AI					*	*	*	*
AI Image Recognition							*	*
Network Cameras							*	*
Inspection of Power Generation Facilities							*	*
Semiconductor Total Solutions								
High Loading VLSI			*	*	*	*	*	*
Sensor Module				*	*	*	*	*

⑤ Establish the Sustainability Committee

We established the Sustainability Committee, chaired by the President and Representative Director, to further strengthen our sustainability initiatives and realize the sustainable growth of our group, with the aim of achieving both social and corporate sustainability. We aim to realize a sustainable society and increase corporate value over the medium to long term.

(Timely disclosure on July 27, 2022)



2022年7月27日

各位

会社名 PCIホールディングス株式会社
 代表者名 代表取締役社長 横山 邦男
 (コード番号: 3918 東証プライム)
 問合せ先 取締役経営企画本部長 井口 直裕
 (TEL: 03-6858-0530)

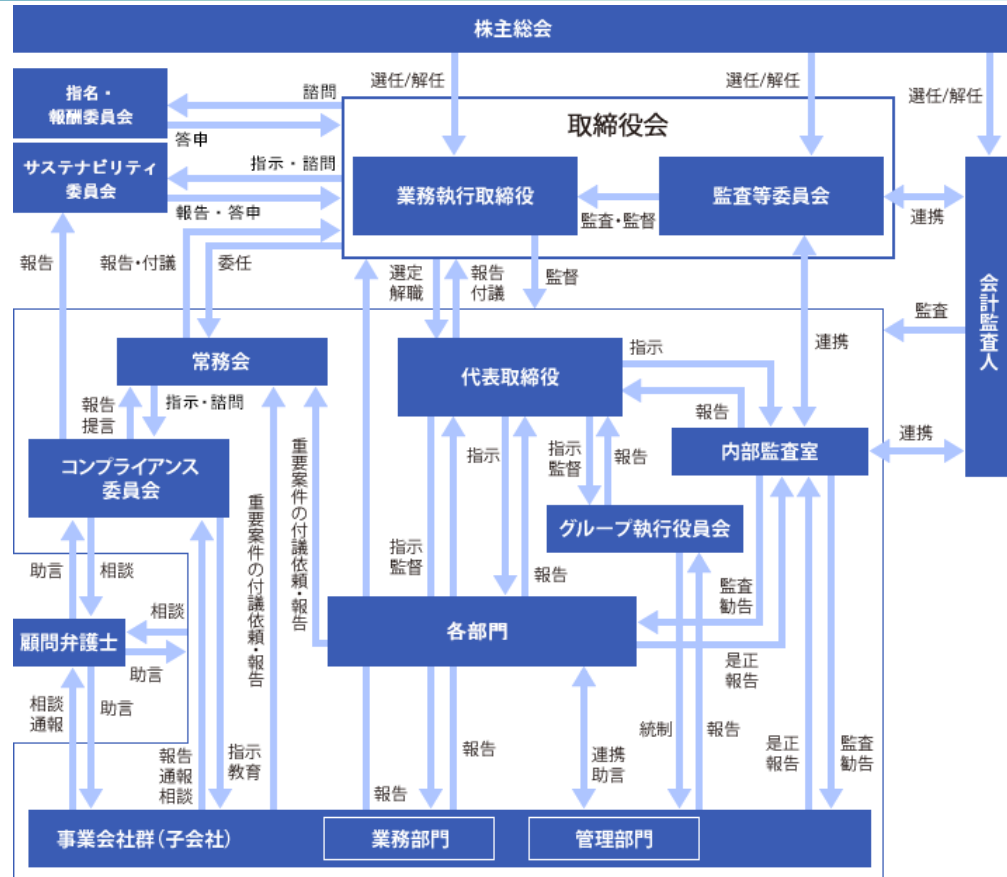
サステナビリティ委員会の設置に関するお知らせ

当社は、本日開催の取締役会において、下記のとおり、サステナビリティ委員会の設置について決議いたしましたのでお知らせいたします。

記

- サステナビリティ委員会設置の目的
 当社は、サステナビリティを高める課題への対応が経営の重要課題であると認識し、重要課題の解決に向けた取り組みを積極的かつ継続的に実行することにより、持続可能な社会の実現と中長期的な企業価値の向上を目指しております。
 この度、社会と企業との持続可能性の両立を目指し、サステナビリティへの取り組みを一層強化し、当社グループの持続的成長を実現するため、代表取締役社長を委員長とする「サステナビリティ委員会」を設置することといたしました。
- サステナビリティ委員会の役割
 本委員会は、サステナビリティに関する基本方針や重要課題（マテリアリティ）の特定、重要課題に基づく目標設定や進捗管理、サステナビリティに関する全社教育や浸透活動の推進、情報開示に関する事項等の審議を行い、定期的に取締役会へ報告・提言を行います。
- サステナビリティ委員会の構成
 本委員会は、代表取締役社長が委員長を務め、管理部門管理取締役及び経営企画部門管理取締役が副委員長を務めます。また、各グループ会社代表取締役（当社執行役員）及び当社関連部署責任者を委員とすることで事業との連動性を強化いたします。加えて、サステナビリティ活動を推進するため、委員長の指名によりグループ会社役員で構成されるワーキンググループを設置し、全グループを挙げて取り組み体制を構築いたします。
- サステナビリティ委員会の設置日
 2022年7月27日

以上



FY9/23 Business forecasts



Our company's four business domains

- Four cross-sectional businesses spanning software and hardware, from software development to semiconductor business. Our strength lies in our knowledge and technological capabilities in both software and hardware.



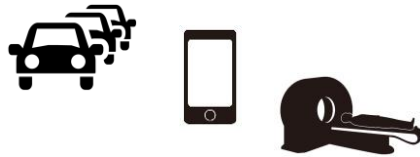
Business Solutions Business



Construction of IT systems for a wide range of industries supporting social infrastructure including financial, manufacturing and public offices

- Related markets
ICT investment in general, including software development and DX

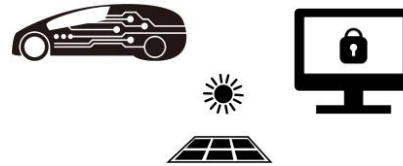
Embedded Solutions Business



Development of software embedded in automobiles, information appliances, mobile terminals and MRI, etc. and design, testing, planning, manufacturing, sales and maintenance of hardware

- Related markets
DX, IoT, automotive, semiconductor, medical, etc.

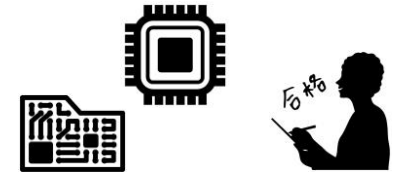
IoT/IoE Solutions Business



Develop IoT solutions for the automotive and energy industries. Also apply location information and AR/VR technologies

- Related markets
IoT, telecommunications, energy, AR/VR, etc.

Semiconductor Solutions Business

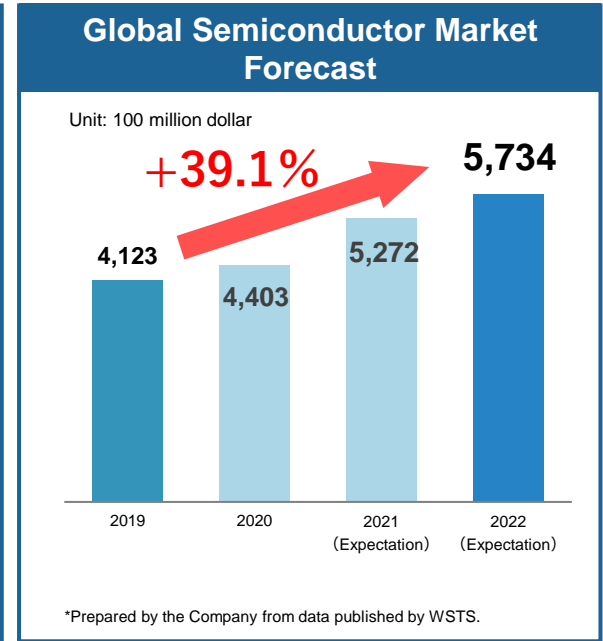
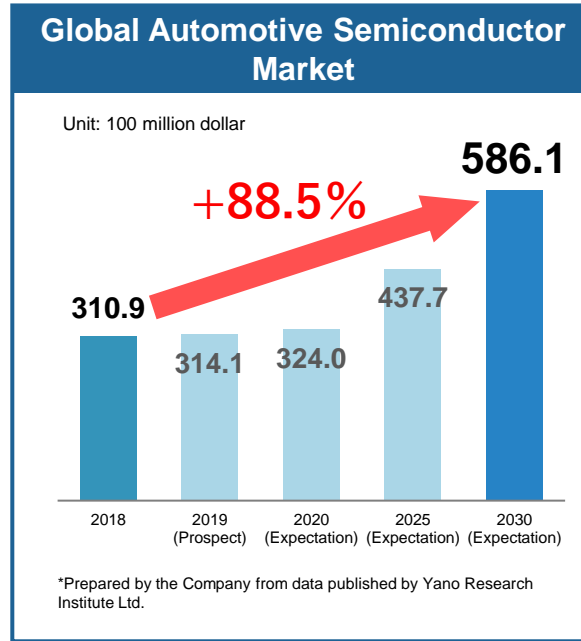
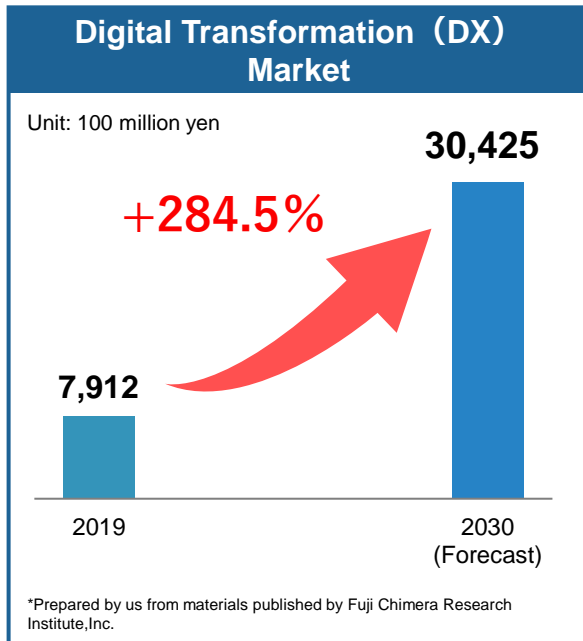


Provide services related to overall development from design to testing, etc. in the semiconductor field essential for information society

- Related markets
Semiconductors, IoT, communications, etc.

Market overview by business segment

- Social digitization accelerated due to the COVID-19 disaster, and DX market is trending upward.
- The market for automotive semiconductors and other semiconductors is expected to remain strong over the long term due to rapid digitization, EV adoption, and full-scale autonomous driving. The market for both software and hardware will be targeted for growth.



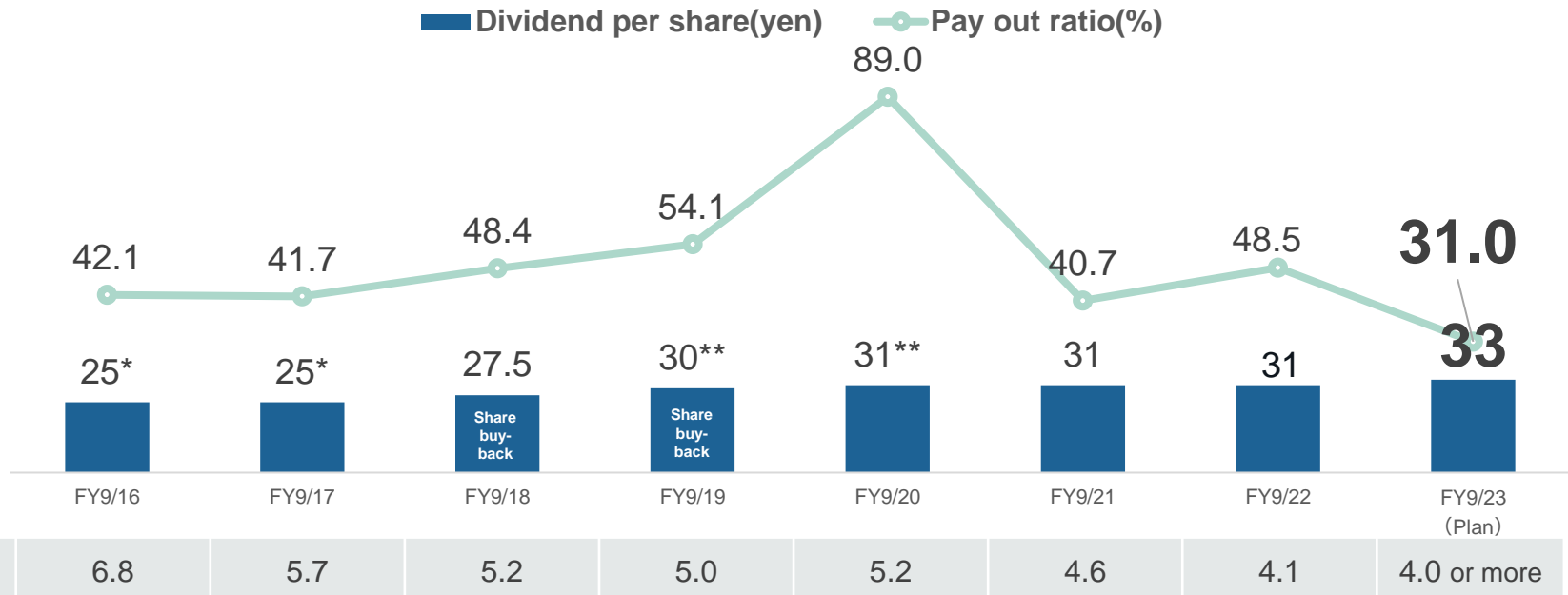
FY9/23 Business forecasts

The business environment is expected to remain firm against the backdrop of demand for IT capital expenditures, such as **IoT, AI and metaverse**, due to the **rapid progress of digitization and DX** in society as a whole.

(Millions of yen)	FY9/22 Results	FY9/23 Forecasts	YoY
Net sales	25,170	30,000	+19.2%
Operating income	1,445	1,800	+24.6%
(Operating Income Margin)	5.7%	6.0%	+0.3pt
Ordinary income	1,549	1,830	+18.1%
(Ordinary Income Margin)	6.2%	6.1%	▲0.1pt
Net income attributable to owners of parent	643	1,070	+66.4%
(Profit Margin)	2.6%	3.5%	+0.9pt
EPS	63.97 yen	106.34 yen	+66.2%

Shareholder returns

- Targeting a consolidated dividend payout ratio of 30% to 50%, maintaining a payout ratio of over 30% since listing
- Aiming to improve comprehensive returns, aiming to improve overall returns.



*FY16/9 includes commemorative dividend (commemorative dividend FY16/9: 5 yen)

**Purchase of treasury stock FY9/18: Repurchase of approximately 140 million yen, FY9/19: Repurchase of approximately 230 million yen

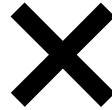
***Stock split of 1:2 on April 1, 2016 and 1:2 on April 1, 2020; graphs have been retroactively adjusted for this split

Status of Medium-term Management Plan



**Regardless of software or hardware,
respond to all IT needs of customers
establishing one-stop solutions**

**Embedded Solutions
Product design and test
plan, manufacture, sale,
maintenance**



**Business solutions
IT services · IoT/IoE
Cybersecurity**

**M&As, business alliances,
abundant human resources to meet customer needs**

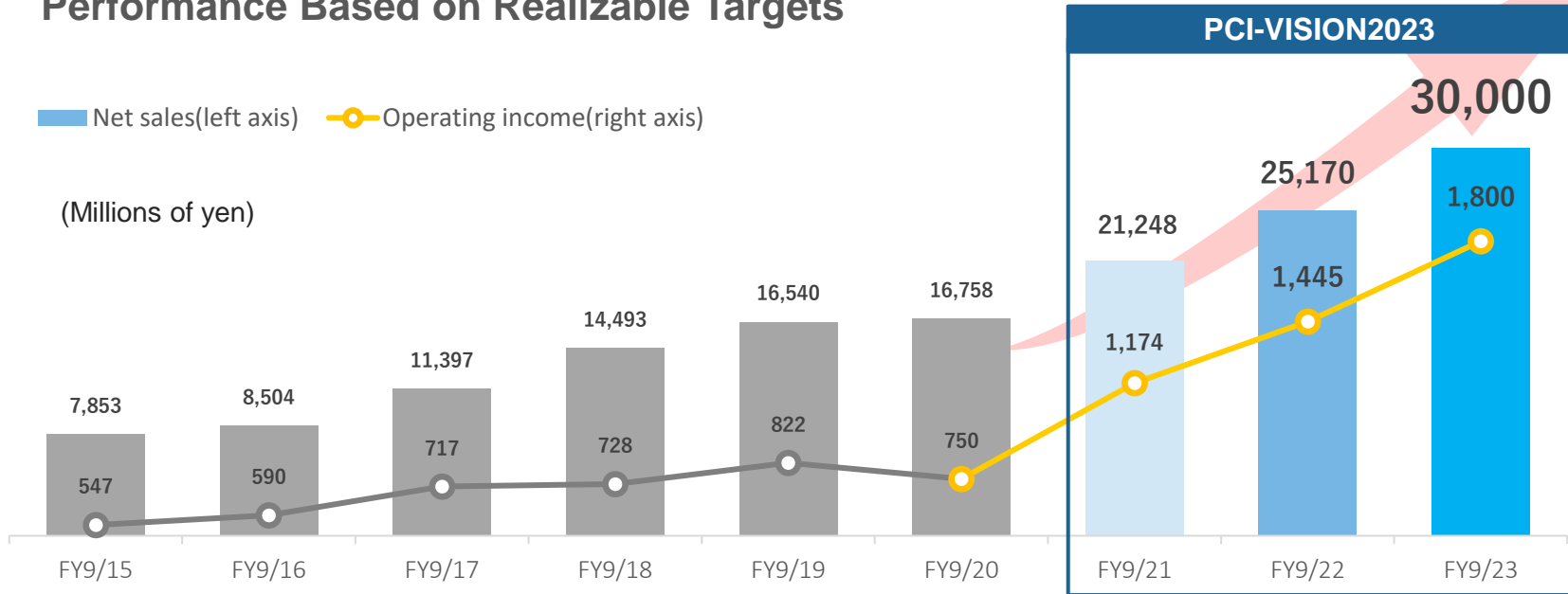
Medium-Term Management Plan Targets

-Changed from challenge targets to realizable targets



- Significant growth by taking on the challenge for targets→ Aiming to exceed 30 billion in net sales!
- With the consolidation of SORD CORPORATION into a wholly owned subsidiary in January 2021, we have shifted our targets for net sales of 30 billion yen and operating income of 1.8 billion yen from "Challenge Targets" to "Realizable Targets".

Performance Based on Realizable Targets



Medium-term Management Plan "PCI- VISION 2023"

Quantitative Targets



(Millions of yen)	FY9/21 Results	FY9/22 Results	FY9/23 Plan
Net sales	21,248	25,170	30,000
Operating income	1,174	1,445	1,800
Net income attributable to owners of parent	669	643	1,070
Net income per share (yen)	76.12	63.97	106.34
ROE	10.7%	8.5%	12% or more
Consolidated dividend payout ratio	40.7%	48.5%	30%~50%
Ratio of dividends to consolidated net assets	4.6%	4.1%	4.0% or more

5 main strategies in the Medium-term Management Plan and their progress



① Expansion and qualitative improvement of system engineering services business

→ Demand is recovering from the COVID-19 disaster. To win cutting-edge projects in the digital society, including the start of entry into the Smart City business.

② Creation of optimal proprietary brand products/solutions/services

→ Deepen cultivation of AI and other advanced technologies and establish a one-stop solution provision system.

③ Promotion of cyber security-related business

→ Expand sales of "AppGuard®" and enhance other solution lineups.

④ Further strengthen collaboration with business alliance partners and promote aggressive M&A

→ Strengthen ties with existing business partners, identify companies that are expected to create synergies with the Company's business, and promote M&As.

⑤ Reinforcement of organizational structure and promotion of work style reform

→ Strengthen recruitment and training of human resources and promote work style reform

PCI's SDGs



Our SDGs policy

- Our Group will contribute to a **“safe, secure, and prosperous society”** with IT, and will work on SDGs under four themes from both business and corporate activities.

Secure, Safe, and Prosperous Society



Contribution through business

"Safety and security" created by the IoT society

Build a foundation for industry and technological innovation through M&A

Contribution as a company

Contribution by utilizing the network of our Group

Developing the next generation by providing accumulated knowledge



Aiming for “safe, secure, and prosperous society”



- We will continue our social activities focusing on contribution to “safe, secure, and prosperous society”
- We will continue to work toward “the realization of carbon neutral in 2050”

CSR

ESG

SDGs

2015

2016

2017

2018

2019

2020

2021

2022

Listed on TSE Mothers Listed on 1st Section of TSE

Transition to Prime Market of TSE

May 2014: Promotion of sports and youth development

Sep. 2014: Support for the United Nations WFP

Jan. 2016: Study Group on the Utilization of **Ad Hoc Communication Network in Emergencies**

Dec 2016: 12 Support for Dolphin Breeding Project

Feb. 2017: Supporting activities for the Mathematical Research Club at Rikkyo Ikebukuro Junior and Senior High School

Mar. 2017: Contribution to the Kumamoto Castle Disaster Recovery Support Fund

Jan. 2018: Comprehensive ICT collaboration aimed at regional revitalization and human development (Murayama City, Yamagata Prefecture)

Oct. 2018: Participating in and sponsoring events sponsored by the Student Investment Union USIC

Feb. 2021 **Launched an experiment in sophistication of inspection work of solar cell power plant using drone**

















Apr. 2021 Support for braille name card project

Apr. 2021 Development of vehicle detection through AI toward safe and secure roadside assistance using OpenVino™

* OpenVino™: A software development environment to execute deep learning inference at a faster pace through various hardware such as Intel’s CPU, built-in GPU, Intel@FPGA and Intel@Movidius™VPU

Our policy on addressing sustainability issues

We recognize that dealing with issues related to sustainability is an important management issue. Going forward, we aim to realize a sustainable society and increase corporate value over the medium to long term by actively and continuously implementing initiatives to resolve issues related to sustainability. Our Group has positioned the "Corporate Philosophy" and "Action Policies" as basic policies for sustainability management.

	Core ESG Topics (Key Issues)	Related Major SDGs	Our Initiatives (Policy/Specific Initiatives)
 <p>Environment</p>	Global Warming Prevention/Resource Recycling Society	  	<ul style="list-style-type: none"> Contributing to reducing environmental impact through IT solutions <ul style="list-style-type: none"> Solutions to improve the efficiency of inspection of photovoltaic power generation facilities Solutions for electric vehicle development Participation in technology in the Smart City business Solutions for ecosystem protection
	Safe and Sustainable Society	 	<ul style="list-style-type: none"> Using IT to develop safe, secure and convenient communities/contributing to healthy people's lives <ul style="list-style-type: none"> Rear vehicle detection solution Snow removal monitoring solution Monitoring solution Health risk detection solution
 <p>Social</p>	Innovation and Economic Growth	  	<ul style="list-style-type: none"> Building a Foundation for Industrial and Technological Innovation through R&D/M&A <ul style="list-style-type: none"> R&D investment to strengthen technologies and solutions Establishment/enhancement of advanced technology councils Promotion of partnerships to respond to various IT requirements
	Employment and Human Resources	  	<ul style="list-style-type: none"> Develop next-generation human resources by providing accumulated knowledge <ul style="list-style-type: none"> Support for school/student organization education Development of advanced human resources through support for acquisition of IT skills/skills (formulation of Human Resource Development Policy) Promotion of workplace environment and work style reforms (formulate internal environment development policy) Provision of equal opportunities, training and promotion to all employees through the promotion of diversity
 <p>Governance</p>	Appropriate Corporate Governance System	 	<ul style="list-style-type: none"> Enhancing corporate governance <ul style="list-style-type: none"> Compliance with the Corporate Governance Code Risk Management/Compliance (Legal Compliance) Appropriate information disclosure and securing transparency Accountability

Company Profile



Corporate profile



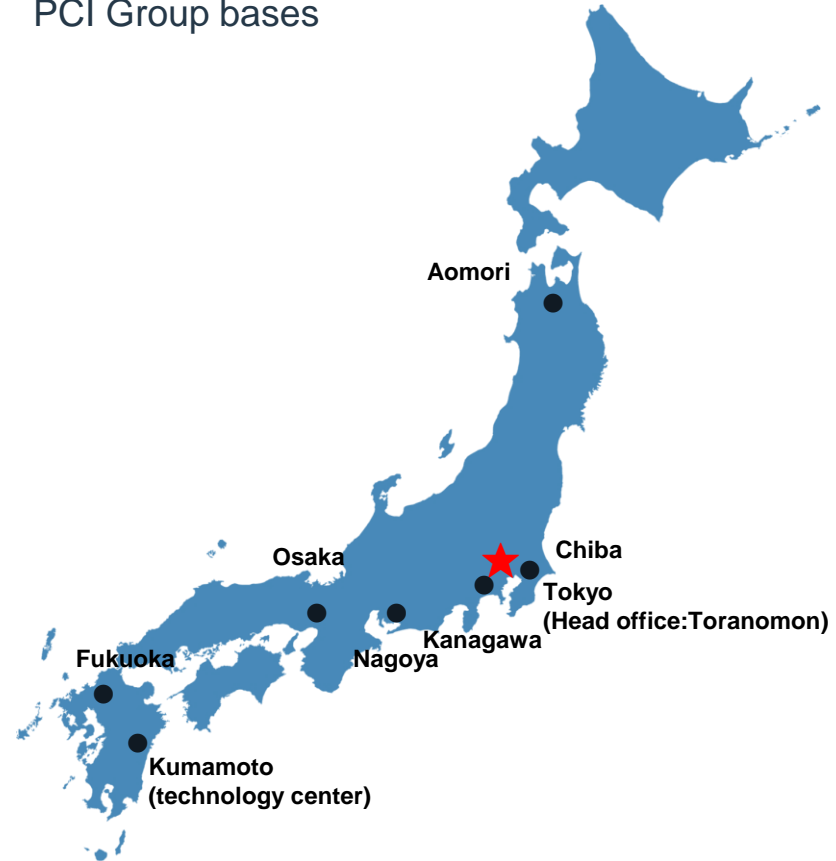
Corporate name	PCI Holdings, Inc.	Capital	2,091.89 million yen (as of the end of Sep. 2022)
Established	April 2005	Net sales (Consolidated)	25,170 million yen (FY9/22 result) 30,000 million yen (FY9/23 forecast)
Listing	Tokyo Stock Exchange Prime market (Stock code:3918)	Operative income (Consolidated)	1,445 million yen (FY9/22 result) 1,800 million yen (FY9/23 forecast)
Location	1-21-19 Toranomom, Minato-ku, Tokyo, 105-0001	No.of employees (Consolidated)	1,680 employees (as of Sep. 30, 2022)
Representative	Toyomi Amano, Chairman Kunio Yokoyama, President	Consolidated subsidiaries	PCI Solutions INC. SORD CORPORATION leafnet Co., Ltd. CLC corporation PRIVATECH Inc. *Merged with PCI Solutions INC. on October 1, 2022

Executive structure and list of bases

Executive structure (As of Sep. 30, 2022)

Title	Name	Career, etc.
Chairman	Toyomi Amano	Executive Managing Director, NCR Corporation Director, The Shinkin Banks Information System Center
President	Kunio Yokoyama	Managing Executive Officer, Deputy Director of Corporate Divisions, Sumitomo Mitsui Banking Corporation President & CEO, Sumitomo Mitsui DS Asset Management Company, Limited Representative Director, President and Chief Executive Officer, Japan Post Co., Ltd.
Executive Managing Director	Yasuhiro Horibe	Executive officer, General Manager of Solutions business division, Mitsubishi Research Institute, Inc.
Executive Managing Director	Takefumi Oka	Representative Director, leafnet Co., Ltd. Vice-Chairman, Japan Unified Communications Service provider Association (JUSA)
Director	Naohiro Iguchi	Director of Management planning office, Profit Cube Inc. Director and General Manager of Management Planning Headquarters,
Director	Kazuya Sugizono	Director, General Manager of Administration Division Director, Finance and Accounting Office
External Director (full-time auditor, etc.)	Yuzuru Miyahara	General Manager of System Solutions Headquarters, Director, transcocos inc.
External Director (auditor, etc.)	Takanori Sato	Vice-Chairman, Tokyo Bar Association Representative, Yamabuki Law Firm
External Director (auditor, etc.)	Akiko Takahara	Mitsubishi Corporation External Director (auditor, etc.), Wantedly, Inc. Auditor, vivid garden Inc.
External Director (auditor, etc.)	Shinnosuke Maki	Representative, Shinnosuke Maki CPA Firm Representative partner, Tax Accountant Corporation MS Partners

PCI Group bases

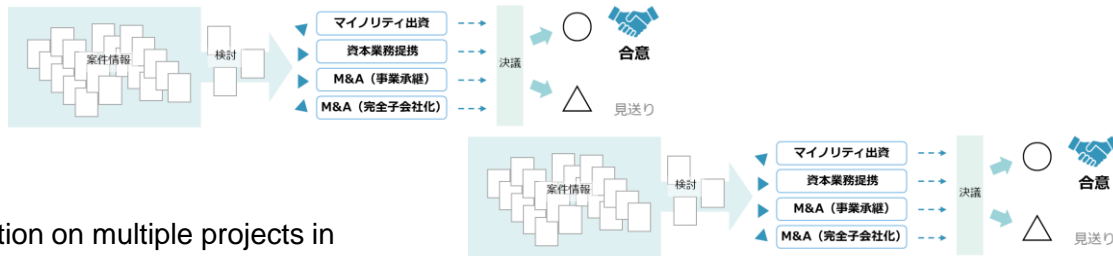
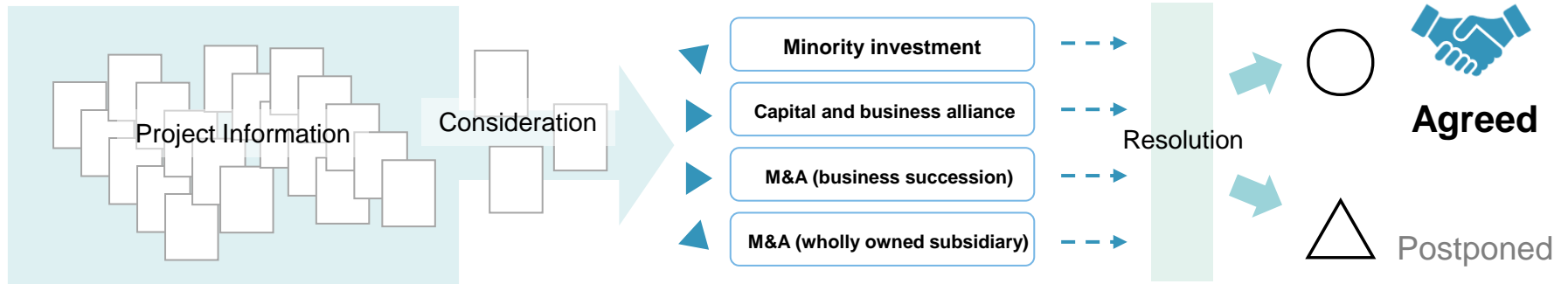


Appendix



Approach to M&A and Partner Strategy

- Promote partner strategy as a **prior investment** for medium- to long-term growth
- We are **constantly working on multiple projects** and actively considering capital participation



Acquire information on multiple projects in parallel, and examine them carefully

Background of capital and business alliance with Restar Holdings



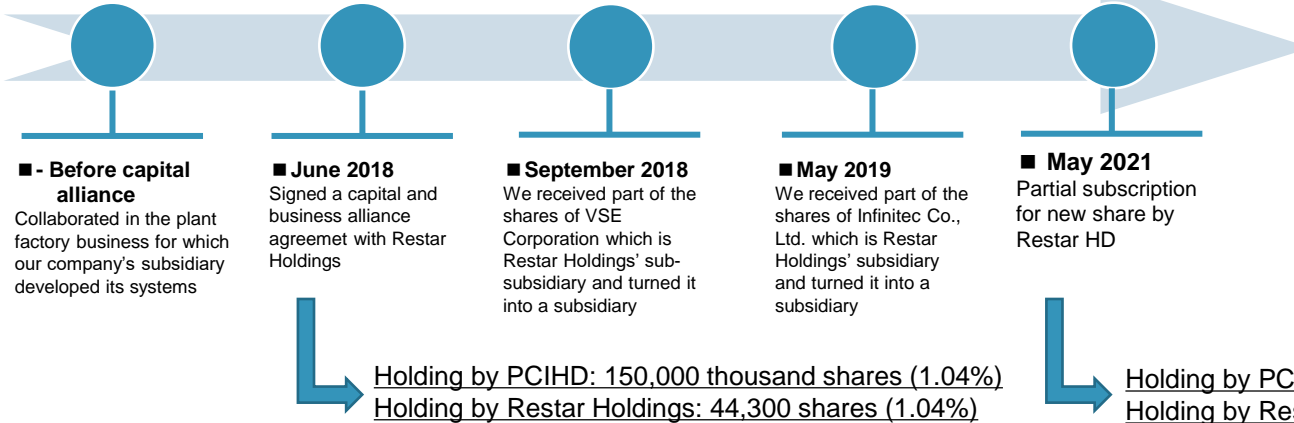
- Signed a capital and business alliance agreement with Restar Holdings in 2018 and **established “Co- creation committee”**
- Aim to **establish one-stop solutions for IT services** through “co-creation” with our Group strong in software development and Restar Holdings with knowledge of semiconductor and hardware



Restar Holdings



PCI Holdings



Aim to “establish one-stop solutions” through close cooperation with Restar Holdings

Integrated production and sales concept through collaboration with Restar Holdings Corporation



We will develop high value-added products based on our knowledge of software and hardware, using parts and materials procured from Restar Holdings, which is strong in electronics products, and sell them to major domestic and overseas customers connected to Restar Holdings Corporation, enabling us to provide one-stop solutions that integrate production and sales.

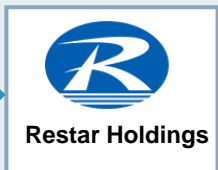
Collaborating with Restar Holdings to provide one-stop solutions that integrate manufacturing and sales!

Manufacturing

Utilizing the knowledge of an electronics trading company, Restar Holdings will be able to efficiently procure parts and materials, and provide a one-stop solution that integrates production and sales. PCI's technical capabilities (combination of software development of the main unit and hardware knowledge of SORD CORPORATION, etc.) will enable the development of high value-added products.

Supplier
Intel
SONY
SAMSUNG,
etc.

Procurement of
parts and
materials



Sales of
parts,
etc.

PCI Group Embedded Solutions Business

[Service related]
• Application development
• Platform development



[Software and components]
• Middleware
• Development tools



[Hardware related]
• Design, development and
manufacturing
• Industrial embedded PCs



Solution
provision



Solution
proposal



Sales to:
Industrial equipment
In-vehicle equipment
Precision equipment
Major consumer
electronics
manufacturers etc.

PCI's products will be provided to Restar Holdings as comprehensive hardware and software solutions. Restar Holdings will be able to sell high value-added products that add solutions to its existing products to leading electronics customers in Japan and overseas.

YouTube channel “PCI NETWORK”

A YouTube channel produced and distributed by in-house personnel.

This channel introduces the background of IR news, business content, Q&A and topics.



Click here for
channel registration
and viewing
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Therefore, please be aware that the actual results may differ from these forecasts due to various factors. Please note that we and the information provider are not responsible for any damages incurred based on this information.

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(Excluding Saturdays, Sundays and national holidays)

**QR for our IR movies
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