



# Consolidated Financial Results for the 3rd quarter FY2024

– January to September 2024 –



**CAC Holdings Corporation**



# Agenda

1. Overview of Financial Results for the 3<sup>rd</sup> quarter FY2024
2. Consolidated Forecasts for FY2024
3. Progress of Medium-Term Management Plan
4. Reference



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# Overview of Financial Results for the 3rd quarter FY2024



# Overview of Consolidated Results

(JPY mil)	3rd quarter FY2023	3rd quarter FY2024	YoY change	
			Amount	%
<b>Net sales</b>	37,555	<b>39,145</b>	+1,590	+4.2%
<b>Gross profit</b>	9,035	<b>10,059</b>	+1,023	+11.3%
(Profit margin)	24.1%	<b>25.7%</b>	+1.6pt	
SG & A	6,694	<b>7,483</b>	+788	+11.8%
<b>Operating profit</b>	2,341	<b>2,575</b>	+234	+10.0%
(Profit margin)	6.2%	<b>6.6%</b>	+0.3pt	
<b>Ordinary profit</b>	2,139	<b>2,395</b>	+256	+12.0%
(Profit margin)	5.7%	<b>6.1%</b>	+0.4pt	
Extraordinary income	612	<b>580</b>	-32	- 5.3%
Extraordinary losses	328	<b>536</b>	+207	+63.3%
Total extraordinary income & losses	284	<b>43</b>	-240	- 84.6%
<b>Profit*1</b>	1,435	<b>1,476</b>	+40	+2.9%
(Profit margin)	3.8%	<b>3.8%</b>	-0.1pt	
<b>Adjusted EBITDA*2</b>	2,939	<b>3,303</b>	+364	+12.4%
<b>Orders received</b>	42,843	<b>38,170</b>	-4,672	- 10.9%
<b>Order backlog</b>	18,016	<b>16,026</b>	-1,989	- 11.0%

## Overview of profit and loss

- Net sales increased mainly due to the growth of core subsidiaries, the contribution of newly consolidated companies, and the effect of the depreciation of the yen, although there were factors such as a decrease in net sales due to the exclusion of consolidated subsidiaries in Domestic IT business and a reaction to a large-scale project of an Indian subsidiary reported in the third quarter of the previous year.

## Overview of Adjusted EBITDA

- The main difference with operating profit is the occurrence of goodwill associated with the new consolidation and the increase in depreciation.

## Overview of Orders received and Order backlog

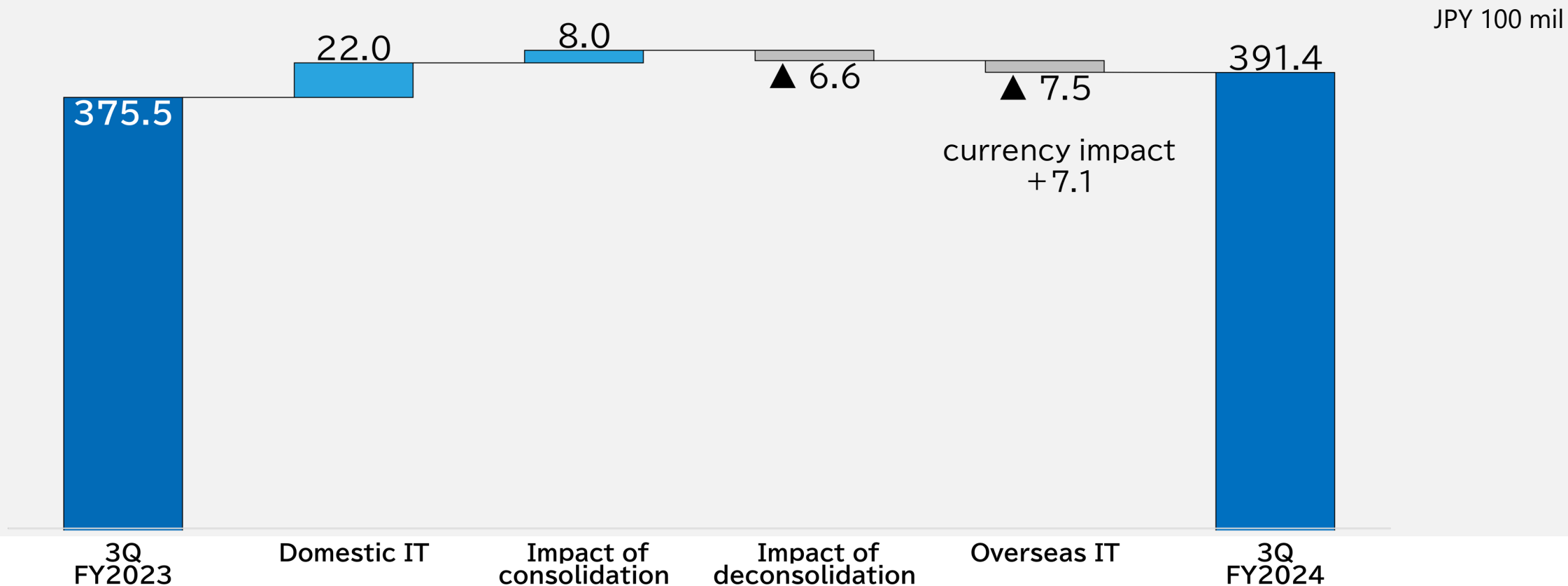
- Orders received and Order backlog decreased significantly due to a decline in large projects in India reported in the second quarter of the previous year, as well as a decrease in those for the Domestic pharmaceutical and service industries.

\*1 Profit attributable to owners of parent \*2 Adjusted EBITDA= Operating profit + Depreciation + Goodwill amortization + Share-based payment expenses



# Net Sales Analysis

- Domestic IT increased year-on-year mainly owing to the growth of core subsidiaries and the inclusion of newly consolidated subsidiaries, although there was an impact from the exclusion of consolidated subsidiaries.
- Overseas IT decreased from the same period of the previous year due to the reaction of large-scale projects for financial institutions reported by the Indian subsidiary in the previous fiscal year.

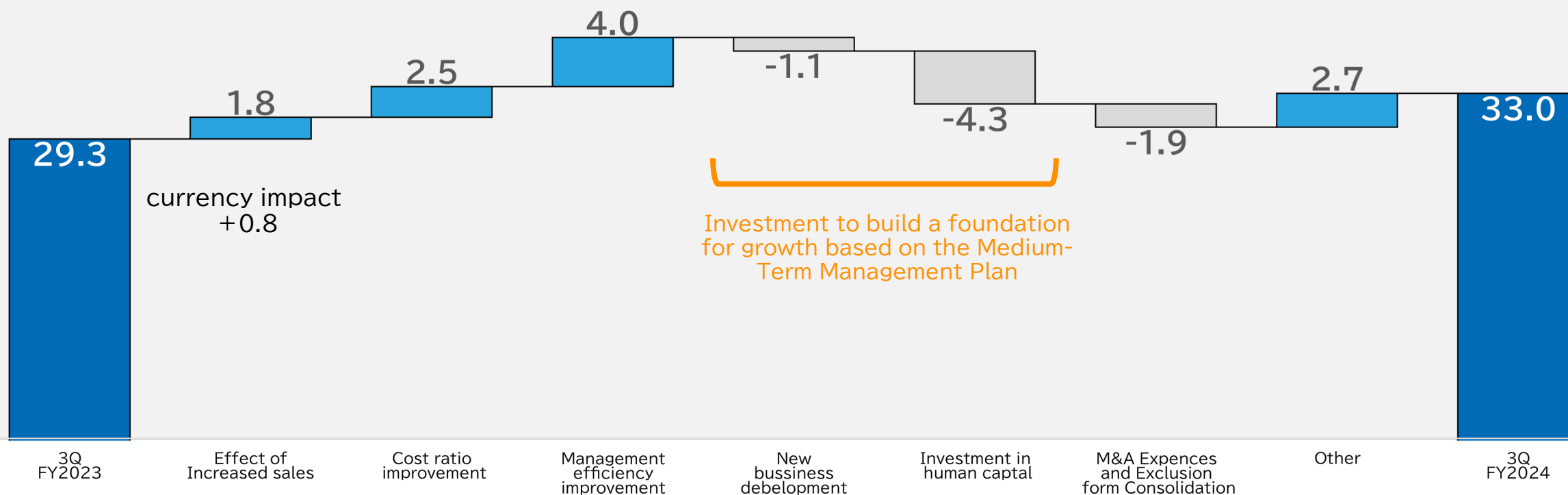




# Adjusted EBITDA Analysis

- In addition to active investments to create a foundation for growth (such as new business development and investment in human capital), the exclusion of consolidated subsidiaries had a negative impact. However, adjusted EBITDA increased by ¥360 million year-on-year due to increased revenue, cost ratio improvement, and management efficiency.

JPY 100 mil





# Net Sales / Adjusted EBITDA by Segment

## Net Sales

For details, please refer to Overview by Segment.

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	26,635	70.9%	<b>28,977</b>	<b>74.0%</b>	+2,341	+8.8%
Overseas IT	10,919	29.1%	<b>10,168</b>	<b>26.0%</b>	-751	- 6.9%
<b>Total</b>	<b>37,555</b>	<b>100.0%</b>	<b>39,145</b>	<b>100.0%</b>	<b>+1,590</b>	<b>+4.2%</b>

## Adjusted EBITDA

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	2,763	10.4%	<b>2,893</b>	<b>10.0%</b>	+129	+4.7%
Overseas IT	1,186	10.9%	<b>1,359</b>	<b>13.4%</b>	+173	+14.6%
Adjustment	-1,010	—	<b>-949</b>	—	+60	—
<b>Total</b>	<b>2,939</b>	<b>7.8%</b>	<b>3,303</b>	<b>8.4%</b>	<b>+364</b>	<b>+12.4%</b>

\* The Company has changed a method for calculating segment profit from FY2023. Consequently, the amounts of adjustment reflect corporate expenses that are not allocated to individual reportable segments.





# (Reference) Net Sales / Operating Profit by Segment

## Net sales

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	26,635	70.9%	<b>28,977</b>	<b>74.0%</b>	+2,341	+8.8%
Overseas IT	10,919	29.1%	<b>10,168</b>	<b>26.0%</b>	-751	-6.9%
Total	37,555	100.0%	<b>39,145</b>	<b>100.0%</b>	+1,590	+4.2%

## Operating profit

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	2,587	9.7%	<b>2,595</b>	<b>9.0%</b>	+8	+0.3%
Overseas IT	850	7.8%	<b>1,028</b>	<b>10.1%</b>	+177	+20.9%
Adjustment	-1,096	—	<b>-1,048</b>	—	+48	—
Total	2,341	6.2%	<b>2,575</b>	<b>6.6%</b>	+234	+10.0%

\* The Company has changed a method for calculating segment profit from FY2023. Consequently, the amounts of adjustment reflect corporate expenses that are not allocated to individual reportable segments.







# Orders Received / Order Backlog by Segment

## Orders Received

For details, please refer to Overview by Segment.

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	29,278	68.3%	<b>28,139</b>	<b>73.7%</b>	-1,139	- 3.9%
Overseas IT	13,564	31.7%	<b>10,030</b>	<b>26.3%</b>	-3,533	- 26.1%
Total	42,843	100.0%	<b>38,170</b>	<b>100.0%</b>	-4,672	- 10.9%

## Order Backlog

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Domestic IT	11,535	64.0%	<b>9,843</b>	<b>61.4%</b>	-1,691	- 14.7%
Overseas IT	6,480	36.0%	<b>6,182</b>	<b>38.6%</b>	-298	- 4.6%
Total	18,016	100.0%	<b>16,026</b>	<b>100.0%</b>	-1,989	- 11.0%



# Overview by Segment: Domestic IT

(JPY mil)	3rd quarter FY2023	3rd quarter FY2024	YoY change	
<b>Orders received</b>	29,278	<b>28,139</b>	-1,139	- 3.9%
<b>Net sales</b>	26,635	<b>28,977</b>	+2,341	+8.8%
<b>Adjusted EBITDA</b>	2,763	<b>2,893</b>	+129	+4.7%
Adjusted EBITDA margin	10.4%	<b>10.0%</b>	—	-0.4%
<b>Order backlog</b>	11,535	<b>9,843</b>	-1,691	- 14.7%

## Summary

- Orders received and Order backlog decreased due to a decrease in orders for pharmaceutical companies and service companies.
- Net sales increased due to the impact of new consolidation due to M & A and growth in sales to finance companies and manufacturing companies, mainly to core companies.
- Adjusted EBITDA increased due to the effect of increased revenue, improvement of cost ratio and promotion of business efficiency, while investments for growth and exclusion of consolidated subsidiaries and various expenses for new consolidation were recorded.



# Overview by Segment: Overseas IT

(JPY mil)	3rd quarter FY2023	3rd quarter FY2024	YoY change	
<b>Orders received</b>	13,564	<b>10,030</b>	-3,533	-26.1%
<b>Net sales</b>	10,919	<b>10,168</b>	-751	- 6.9%
<b>Adjusted EBITDA</b>	1,186	<b>1,359</b>	+173	+14.6%
Adjusted EBITDA margin	10.9%	<b>13.4%</b>	—	+2.5%
<b>Order backlog</b>	6,480	<b>6,182</b>	-298	- 4.6%

Reference: Performance excluding the effect of the yen depreciation (estimate)

	Q3 FY2024		YoY
Orders Received	9,332	-4,231	-31.2%
Net sales	9,450	-1,469	-13.5%
Adjusted EBITDA	1,271	+84	+7.2%
Order Backlog	5,773	-747	11.5%

## Summary

- Orders received, Net sales and Order backlog decreased due to a rebound decline from a large-scale financial project in India reported in the previous fiscal year (FY 2023), despite an increase due to the depreciation of the yen.
- Adjusted EBITDA increased mainly due to an increase in structural reforms in India, while an increase in personnel expenses in Indonesia was a negative factor.





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# Forecasts for FY2024



# Forecasts for FY2024

- As the progress has been largely in line with expectations, the full-year earnings forecast remains unchanged.
- The annual dividend forecast remains unchanged.

(JPY mil)	FY2024			FY2023
	3rd quarter Results	Forecast	%	Results
Net sales	<b>39,145</b>	<b>51,500</b>	+76.0%	50,539
Adjusted EBITDA*	<b>3,303</b>	<b>4,500</b>	+73.4%	4,143
Adjusted EBITDA margin	<b>8.4%</b>	<b>8.7%</b>	-	8.2%
ROE	-	<b>8.3%</b>	-	8.2%
Equity spread	-	<b>1.3%</b>	-	1.2%
Annual dividend	-	<b>¥80</b>	-	¥80
DOE	-	<b>4.7%</b>	-	4.6%

※ Adjusted EBITDA= Operating profit + Depreciation + Goodwill amortization + Share-based payment expenses





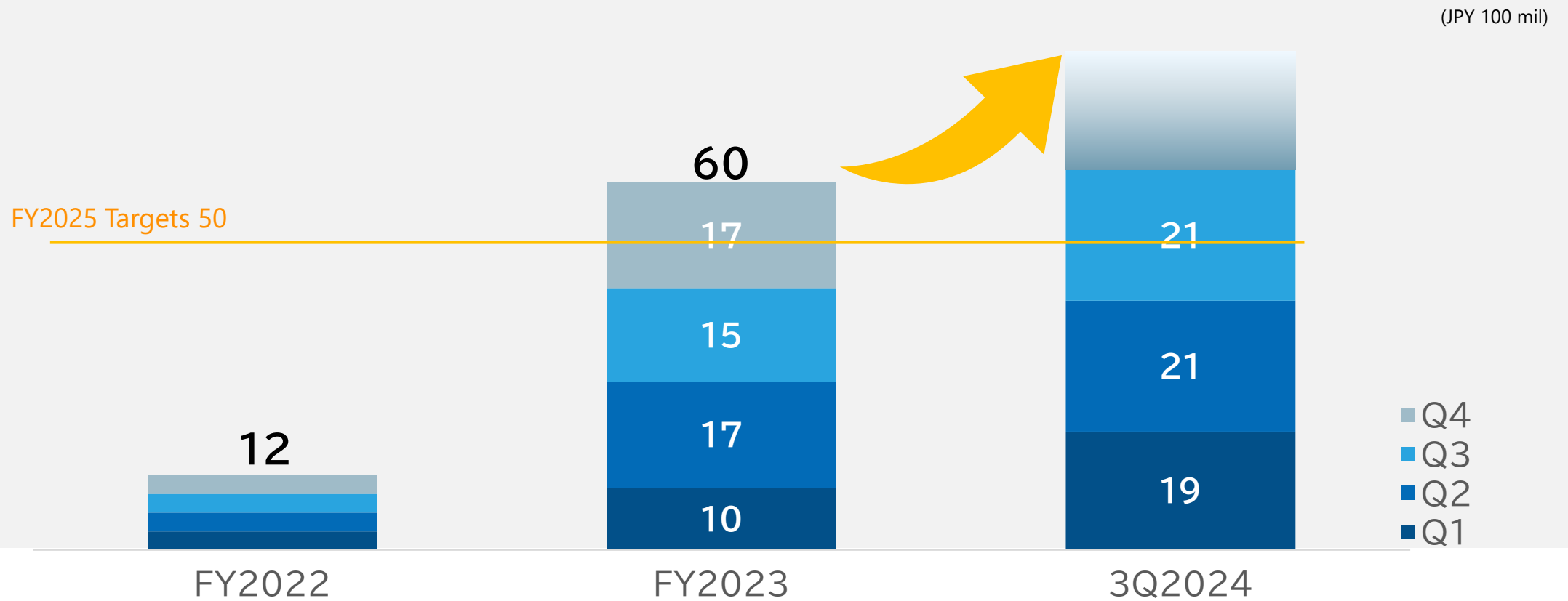
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# Progress of Medium-Term Management Plan



# Trend in Net Sales of P&S (Products and Services)

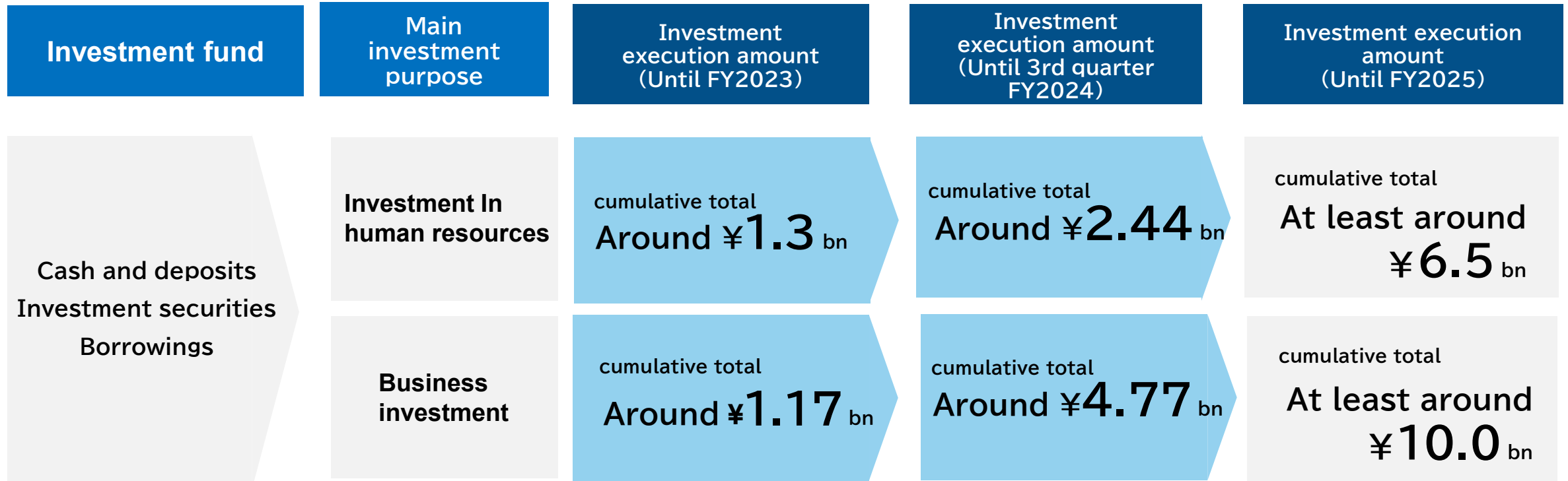
- In the product and service business, sales remained strong.





# Status of Investments for Growth

- From FY2022 through the third quarter of 2024, we spent about 7.2 billion yen.
- Investments were made with assets held and borrowings.







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# Reference



# Orders Received by Industry

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Financial services	16,431	38.4%	<b>13,332</b>	<b>34.9%</b>	-3,099	- 18.9%
Pharmaceuticals	7,723	18.0%	<b>6,388</b>	<b>16.7%</b>	-1,334	- 17.3%
Manufacturing	5,758	13.4%	<b>5,937</b>	<b>15.6%</b>	+178	+3.1%
Information & communications	5,237	12.2%	<b>4,847</b>	<b>12.7%</b>	-390	- 7.5%
Services and others	7,691	18.0%	<b>7,665</b>	<b>20.1%</b>	-26	- 0.3%
Total	42,843	100.0%	<b>38,170</b>	<b>100.0%</b>	-4,672	- 10.9%



# Net Sales by Industry

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
Financial services	13,455	35.8%	<b>13,354</b>	<b>34.1%</b>	-100	- 0.7%
Pharmaceuticals	6,178	16.5%	<b>6,572</b>	<b>16.8%</b>	+393	+6.4%
Manufacturing	5,229	13.9%	<b>5,922</b>	<b>15.1%</b>	+693	+13.3%
Information & communications	5,497	14.6%	<b>5,573</b>	<b>14.2%</b>	+76	+1.4%
Services and others	7,194	19.2%	<b>7,722</b>	<b>19.8%</b>	+527	+7.3%
Total	37,555	100.0%	<b>39,145</b>	<b>100.0%</b>	+1,590	+4.2%





# Orders Received by Segment & Industry

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
<b>Domestic IT</b>	29,278	68.3%	<b>28,139</b>	<b>73.8%</b>	-1,139	-3.9%
Financial services	8,941	20.9%	<b>9,033</b>	<b>23.7%</b>	+91	+1.0%
Pharmaceuticals	7,133	16.7%	<b>5,800</b>	<b>15.2%</b>	-1,332	-18.7%
Manufacturing	4,453	10.4%	<b>4,560</b>	<b>11.9%</b>	+107	+2.4%
Information & communications	2,492	5.8%	<b>2,856</b>	<b>7.5%</b>	+364	+14.6%
Services and others	6,257	14.6%	<b>5,888</b>	<b>15.4%</b>	-369	-5.9%
<b>Overseas IT</b>	13,564	31.7%	<b>10,030</b>	<b>26.2%</b>	-3,533	-26.1%
Financial services	7,490	17.5%	<b>4,299</b>	<b>11.3%</b>	-3,190	-42.6%
Pharmaceuticals	589	1.4%	<b>587</b>	<b>1.5%</b>	-1	-0.3%
Manufacturing	1,305	3.0%	<b>1,376</b>	<b>3.6%</b>	+71	+5.4%
Information & communications	2,745	6.4%	<b>1,990</b>	<b>5.2%</b>	-754	-27.5%
Services and others	1,434	3.3%	<b>1,776</b>	<b>4.7%</b>	+342	+23.9%
<b>Total</b>	42,843	100.0%	<b>38,170</b>	<b>100.0%</b>	-4,672	-10.9%





# Net Sales by Segment & Industry

(JPY mil)	3rd quarter FY2023		3rd quarter FY2024		YoY change	
	Amount	%	Amount	%	Amount	%
<b>Domestic IT</b>	26,635	70.9%	<b>28,977</b>	<b>74.0%</b>	+2,341	+8.8%
Financial services	8,488	22.6%	<b>9,570</b>	<b>24.4%</b>	+1,082	+12.8%
Pharmaceuticals	5,706	15.3%	<b>5,899</b>	<b>15.1%</b>	+192	+3.4%
Manufacturing	4,064	10.8%	<b>4,822</b>	<b>12.3%</b>	+757	+18.6%
Information & communications	2,550	6.8%	<b>2,896</b>	<b>7.4%</b>	+346	+13.6%
Services and others	5,825	15.5%	<b>5,788</b>	<b>14.8%</b>	-37	-0.6%
<b>Overseas IT</b>	10,919	29.1%	<b>10,168</b>	<b>26.0%</b>	-751	-6.9%
Financial services	4,967	13.2%	<b>3,784</b>	<b>9.7%</b>	-1,183	-23.8%
Pharmaceuticals	471	1.3%	<b>672</b>	<b>1.7%</b>	+201	+42.6%
Manufacturing	1,164	3.1%	<b>1,100</b>	<b>2.8%</b>	-64	-5.5%
Information & communications	2,947	7.8%	<b>2,676</b>	<b>6.8%</b>	-270	-9.2%
Services and others	1,369	3.6%	<b>1,934</b>	<b>5.0%</b>	+564	+41.3%
<b>Total</b>	37,555	100.0%	<b>39,145</b>	<b>100.0%</b>	+1,590	+4.2%





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