

# FY25 North American IR Presentation Material

Oct. 2025



## About Us

|                                   |                                                                                                                  |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------|
| <b>Company Name</b>               | <b>EXEO Group, Inc.</b>                                                                                          |
| <b>Established</b>                | <b>May 17, 1954</b>                                                                                              |
| <b>Representatives</b>            | <b>Chairman : Tetsuya Funabashi<br/>President and CEO: Keigo Kajimura</b>                                        |
| <b>Paid-in capital</b>            | <b>¥6,888 million</b>                                                                                            |
| <b>listed exchange</b>            | <b>Listed on TSE Prime (Code: 1951)<br/>Trading unit: 100 shares</b>                                             |
| <b>Stocks</b>                     | <b>Total number of issued shares 208,624,838 shares<br/>Number of shareholders 56,806 (As of March 31, 2025)</b> |
| <b>Consolidated net sales</b>     | <b>¥670.8 billion (FY2024)</b>                                                                                   |
| <b>Rating</b>                     | <b>Japan Credit Rating Agency, Ltd. (JCR) A + (stable)</b>                                                       |
| <b>Number of employees</b>        | <b>Consolidated total: 17,260 (As of March 31, 2025)</b>                                                         |
| <b>Head office</b>                | <b>3-29-20 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan</b>                                                        |
| <b>Number of business offices</b> | <b>Headquarters and Branch offices: 14 Sales offices: 23</b>                                                     |
| <b>Consolidated subsidiaries</b>  | <b>139 (As of March 31, 2025)</b>                                                                                |
| <b>Fiscal year-end</b>            | <b>March 31</b>                                                                                                  |



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# **1. Overview of FY2024 Results**

## ( 1 ) Financial Highlights

**Sales achieved mid-term target ahead of schedule  
Data center demand continues**

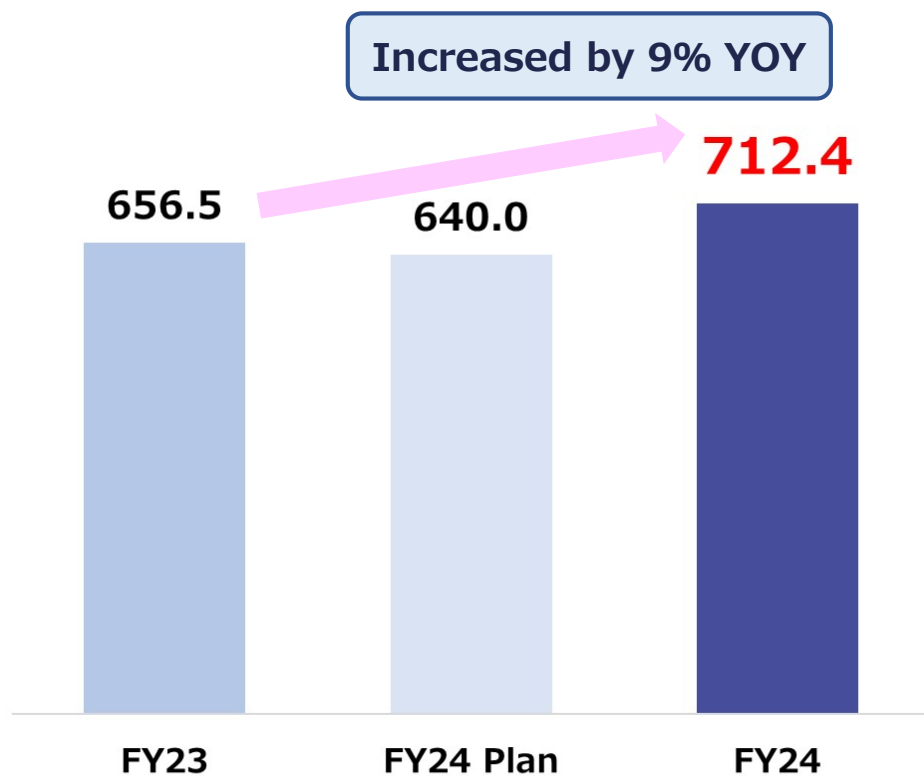
**Profits increased in all segments  
Operating profit increased 24% year-on-year**

**The year-end dividend for FY24 is expected to increase by 1 yen, and  
the annual dividend for FY25 is scheduled to be 66 yen  
This marks 14 consecutive years of dividend increases**

## ／ (2) Results Highlights (Orders Received, Net Sales)

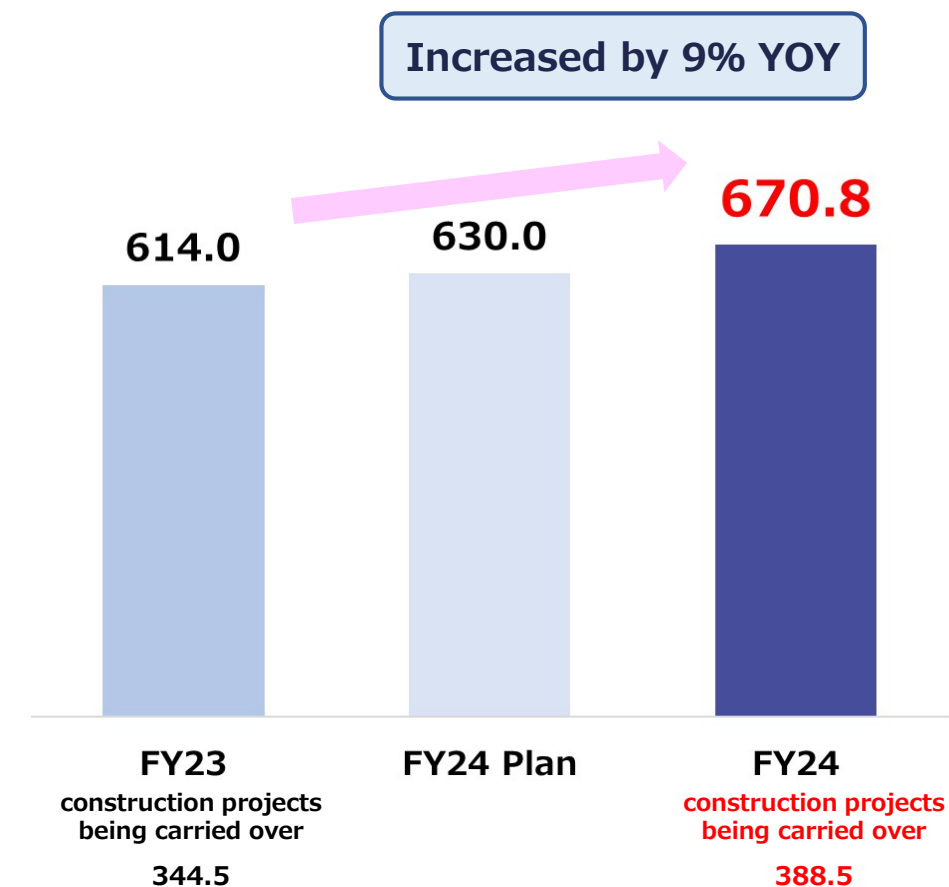
Record-high orders and net sales, as well as a significant increase in construction projects being carried over

### ■ Orders Received



### ■ Net Sales

(billion yen)

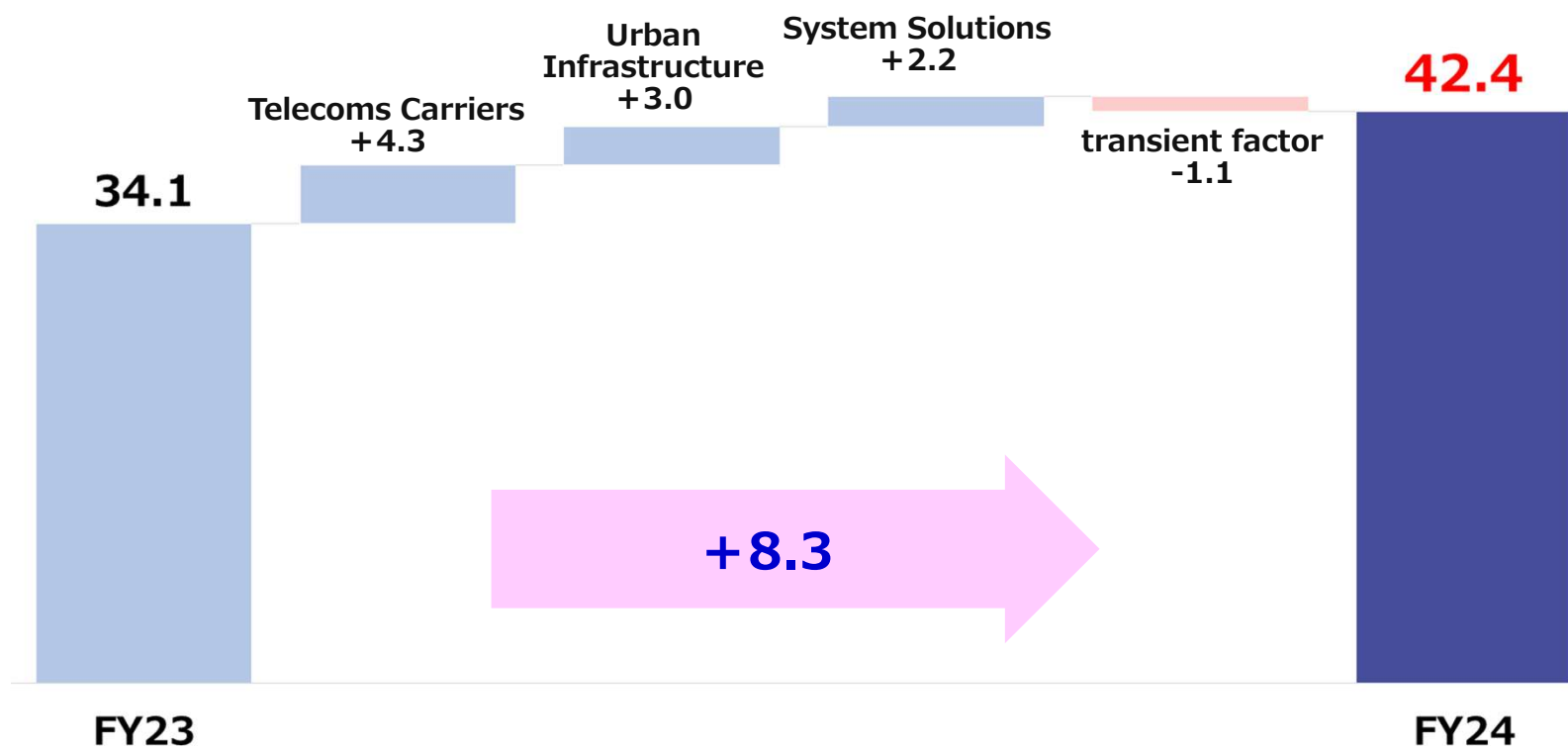


## ／ ( 3 ) Results Highlights (Operating Profit)

Despite transient factors, profits increased in all segments

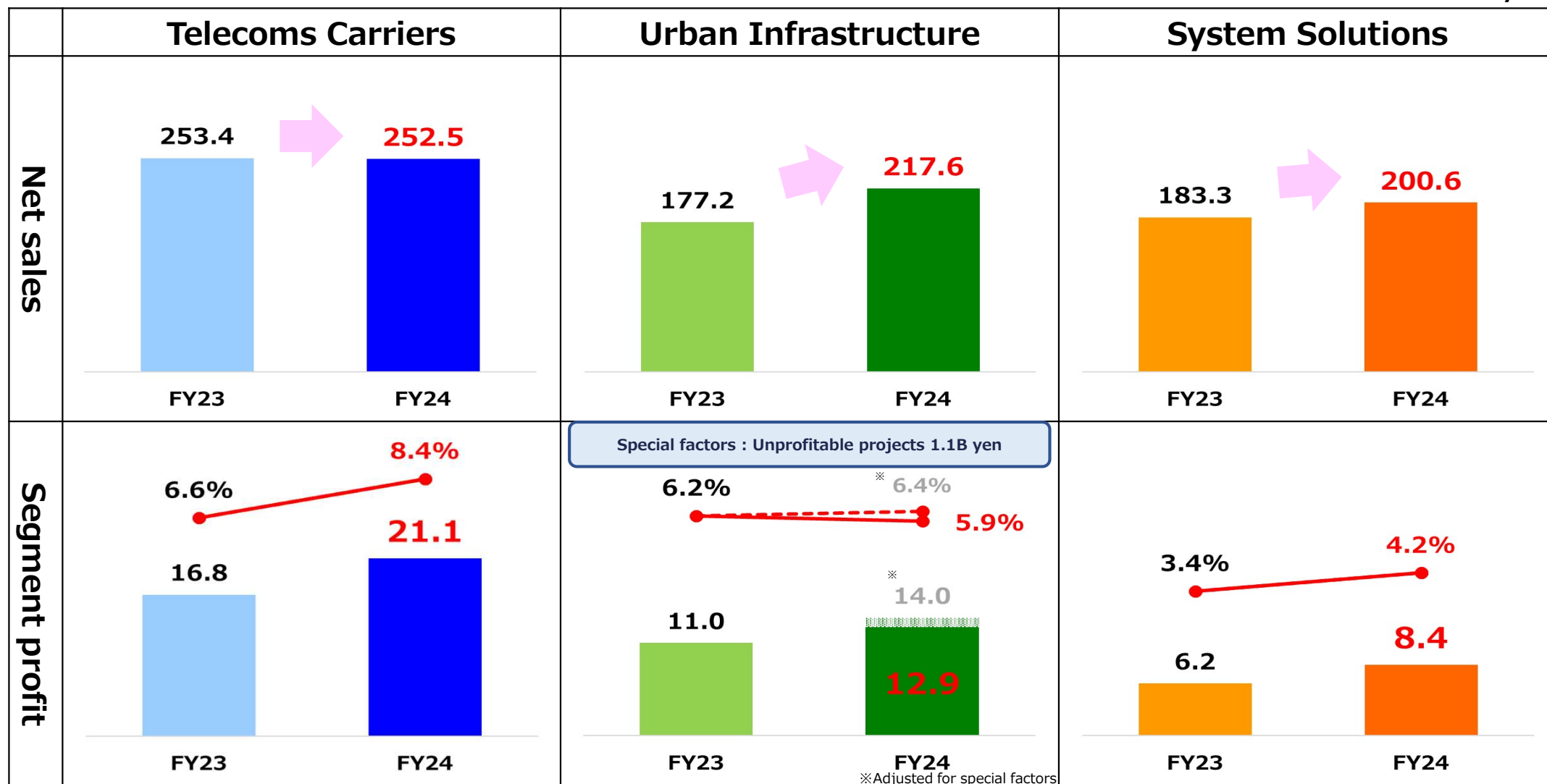
### ■ Operating Profit

(billion yen)



## ／ (4) Results Highlights (Segment Information)

(billion yen)





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## **2. Forecast for FY2025 performance**



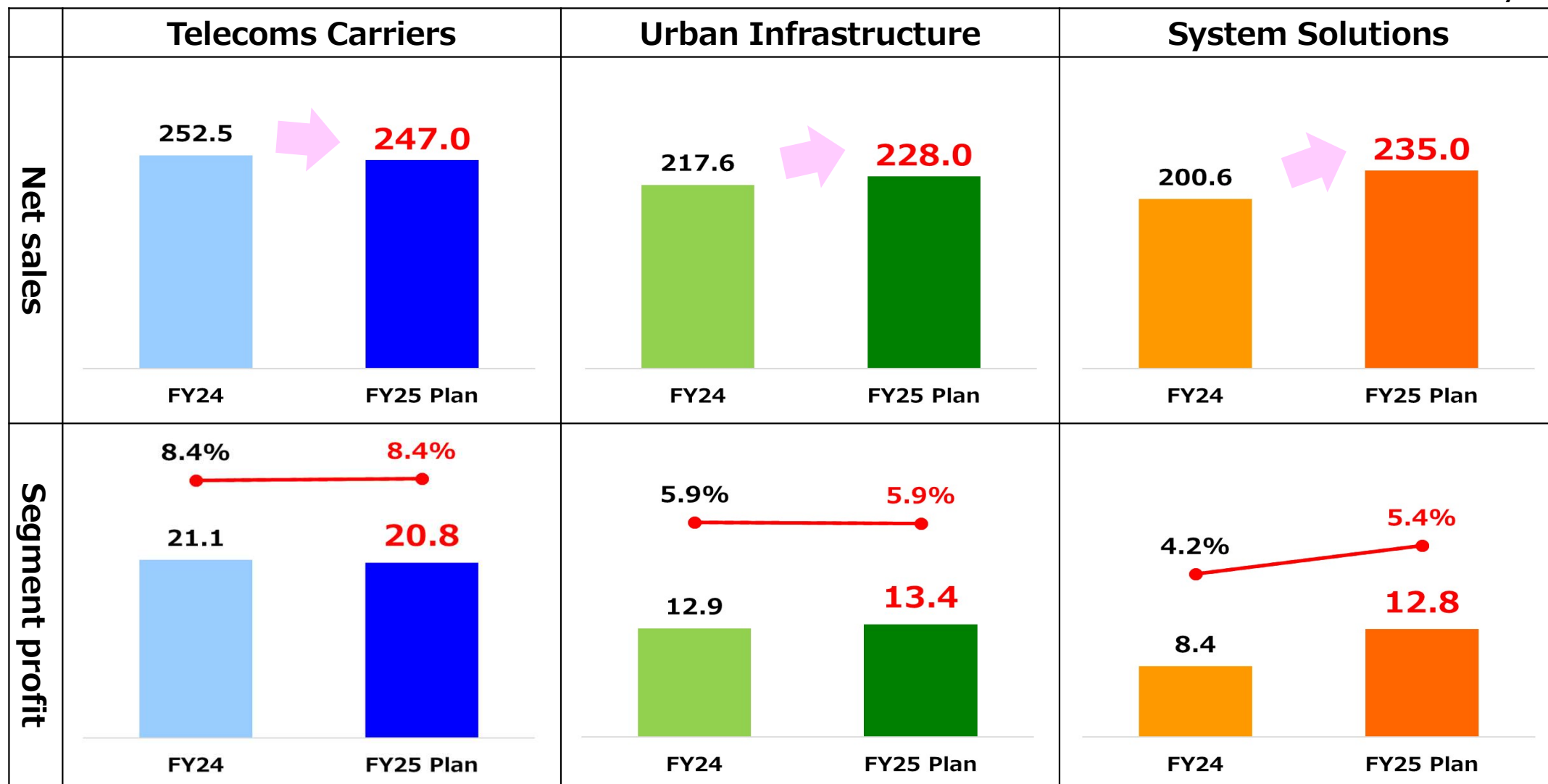
## ／ ( 1 ) Plan Summary

Net Sales are projected to further expand, including the completion of carried-over orders, and Operating Profit is expected to reach the mid-term target of 47.0 billion yen

| (billion yen)    | FY2024         | FY2025         |                 |
|------------------|----------------|----------------|-----------------|
|                  | Actual<br>A    | Plan<br>B      | YoY<br>B-A      |
| Orders received  | 712.4          | 720.0          | +7.6            |
| Net sales        | 670.8          | 710.0          | +39.2           |
| Operating Profit | (6.3%)<br>42.4 | (6.6%)<br>47.0 | (+0.3P)<br>+4.6 |

## ／ (2) Plan Summary (Segment Information)

(billion yen)



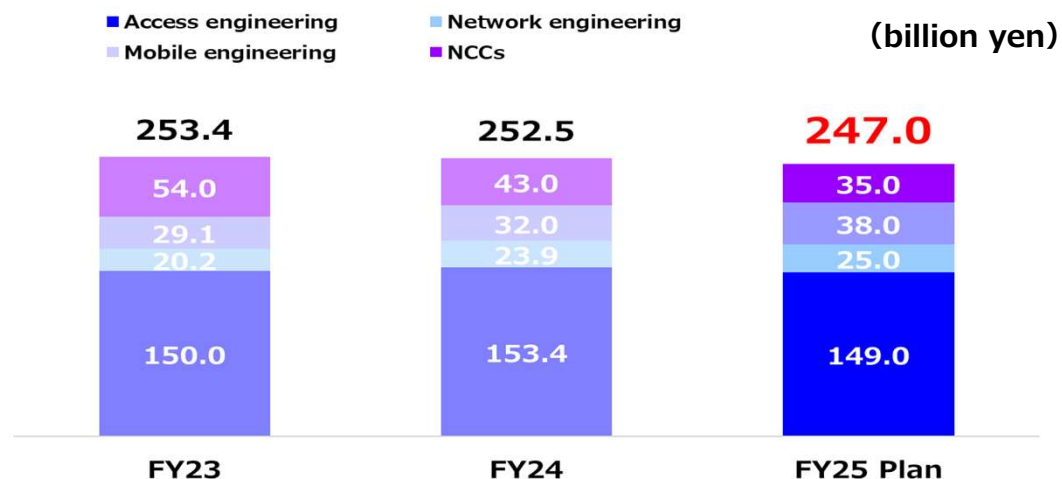


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## 3. Initiatives by Segment

# ／ ( 1 ) Telecoms Carriers

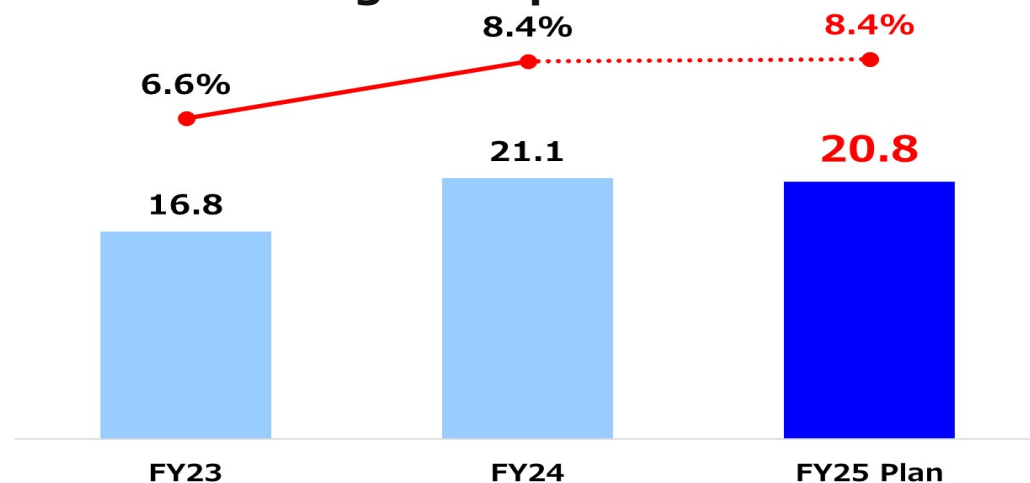
## ■ Trends in net sales



## FY2025 Plan

- Investments in mobile quality improvement continue
- Profit levels were maintained through the continued implementation of efficiency measures.
- Pay close attention to NCC's investment trends

## ■ Trends in segment profit



## Main Initiatives

- Continuing optimization through area business restructuring
- Improve productivity through standardization using DX
- Focus on next-generation infrastructure "IOWN" and communications network renewal (wireless landlines, removal of metal cables, etc.)

## ／ ( 1 ) Telecoms Carriers (Profit Generation)

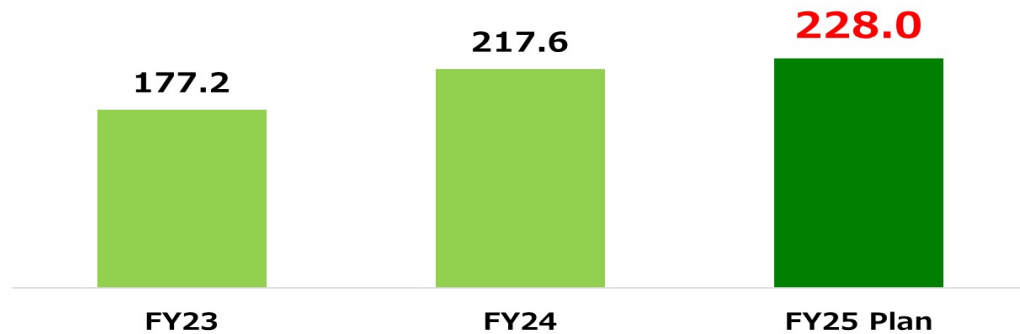
**Continue to implement initiatives to generate profits in our core business**  
**A stronger business management structure through subsidiary integration, base consolidation, and business process improvements**

|                                       |                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                        |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Integration/<br/>Consolidation</b> | <ul style="list-style-type: none"><li>• Integrating subsidiaries by area</li><li>• Relocation of area bases within the group</li><li>• Limiting cash outflows within the group<br/>⇒ Efficient management system</li></ul>                                            | <div>• Already implemented in the Tokyo metropolitan area, Hokkaido, Kansai, Kyushu, etc.<br/>• To be implemented in other areas in the future</div> <div>Generate profits through flexible and strong organizational management</div> |
| <b>Expand<br/>business area</b>       | <ul style="list-style-type: none"><li>• Expanding into DC peripheral businesses and renewable energy businesses<br/>(servers/racks, power lines, etc.)<br/>⇒ Continued human resource development</li></ul>                                                           |                                                                                                                                                                                                                                        |
| <b>Process<br/>improvement</b>        | <ul style="list-style-type: none"><li>• Standardization of business processes within the group</li><li>• Area-free/offshore design/inspection work</li><li>• Review of procurement operations<br/>⇒ Consolidation of goods/outsourcing work, database, etc.</li></ul> |                                                                                                                                                                                                                                        |

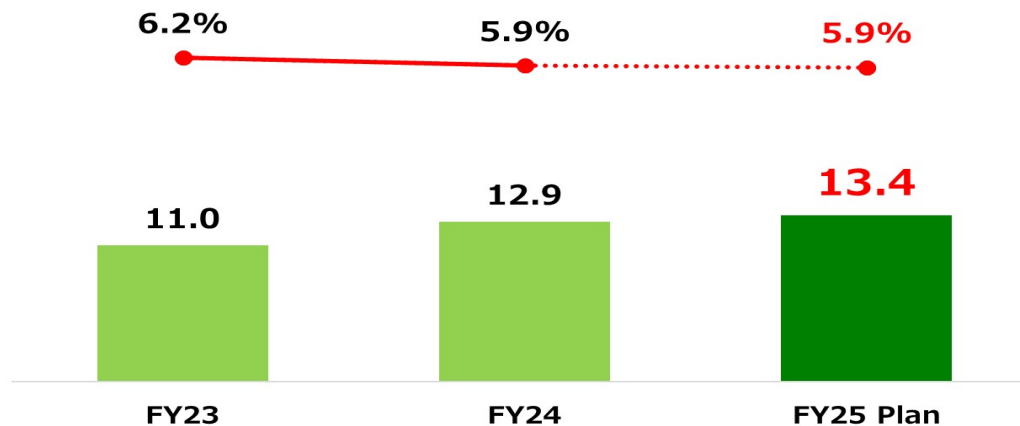
## ／ (2) Urban Infrastructure

### ■ Trends in net sales

(billion yen)



### ■ Trends in segment profit



### FY2025 Plan

- Inquiries about data centers continue  
⇒ Increased profits by accelerating completion of carried-over construction
- Continued selective acceptance of public projects

### Main Initiatives

- Maximize electrical construction capabilities across the entire group (shift resources, develop/secure human resources)
- Make energy-related construction the core of the next business (storage batteries, power conditioner-less, etc.)
- Develop new business models such as ESG renovations

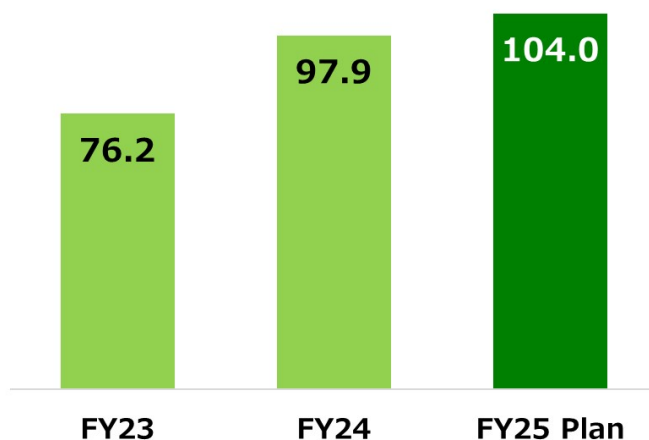
## ／ (2) Urban Infrastructure (Breakdown by Business Unit)

### ■ Trends in net sales

(billion yen)

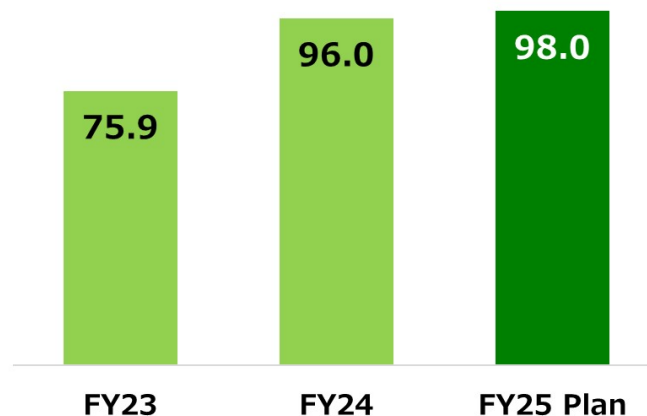
#### ・Energy Unit

(Electricity, Environment, Renewable energy, etc.)



#### ・Public infrastructure Unit

(Railway communications, urban-civil engineering, etc.)



#### ・Facility infrastructure Unit

(700MHz Band TV reception measures, Local 5G facilities, etc.)



## ／ (2) Urban Infrastructure (Data Center)

### ***Complete electrical and air conditioning installation work for the "AI Ready Data Center\*"***

\*Data centers with high power supply capacity and density per rack

#### **【Construction overview】**

- Power capacity: up to 96 MW  
(up to 140 kVA per rack)
- Adopts water cooling method to cool AI servers, GPUs, etc
- Constructed a complete set of electrical and air conditioning equipment work as a prime contractor
- Announced to related parties and media at opening ceremony in April 2025



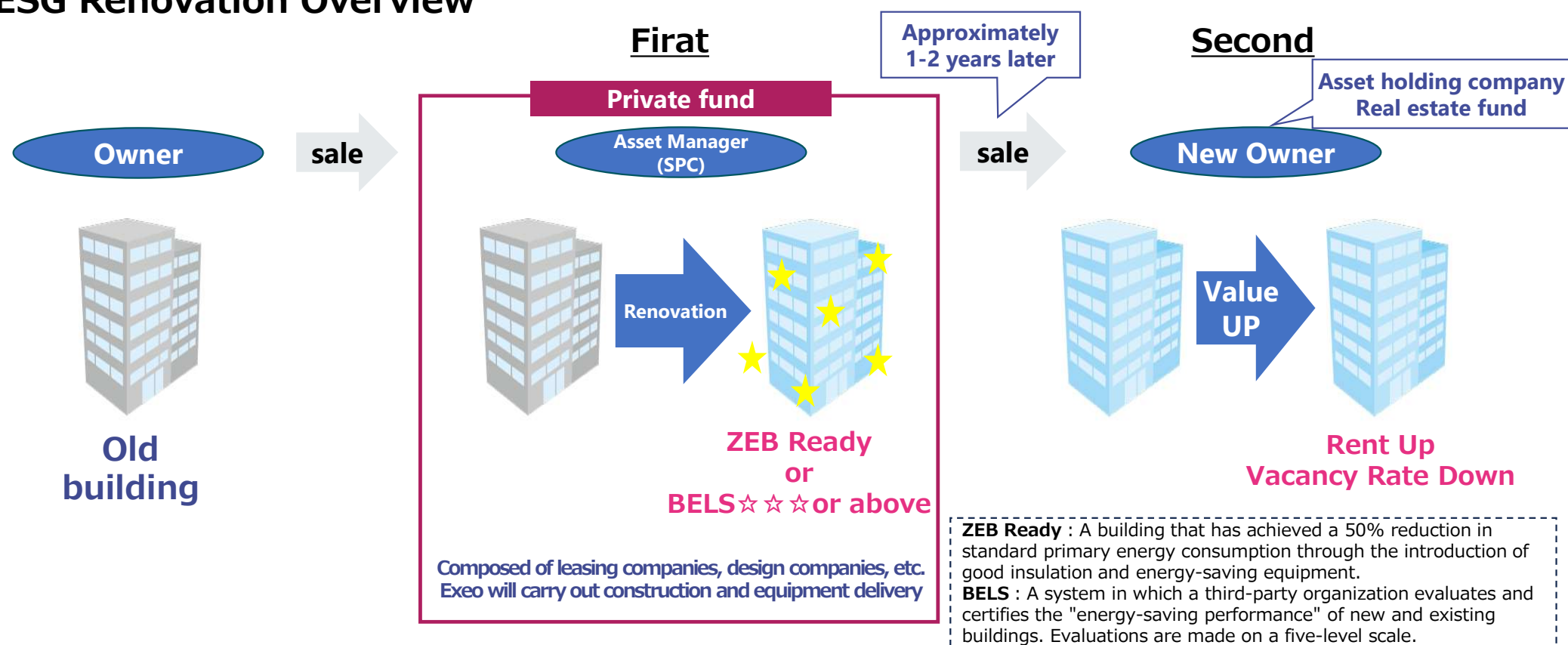
**Building exterior photo**



## ／ (2) Urban Infrastructure (ESG Renovation)

Contributing to the maintenance and revitalization of old buildings, a social issue  
A private fund purchases a property, renovates it, and then sells it

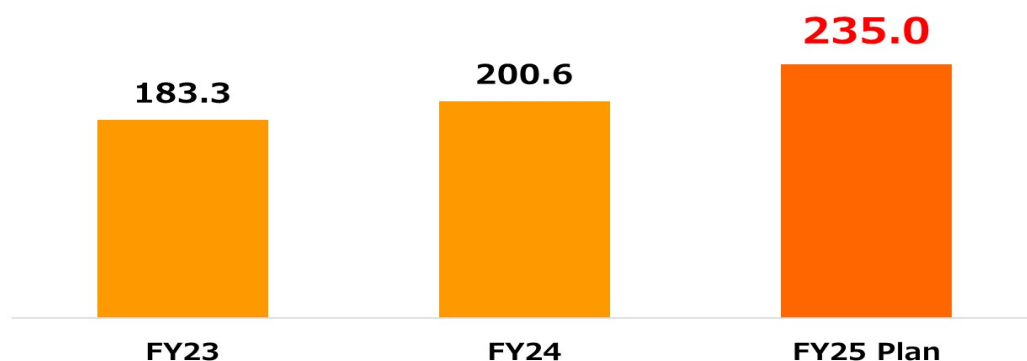
### ■ ESG Renovation Overview



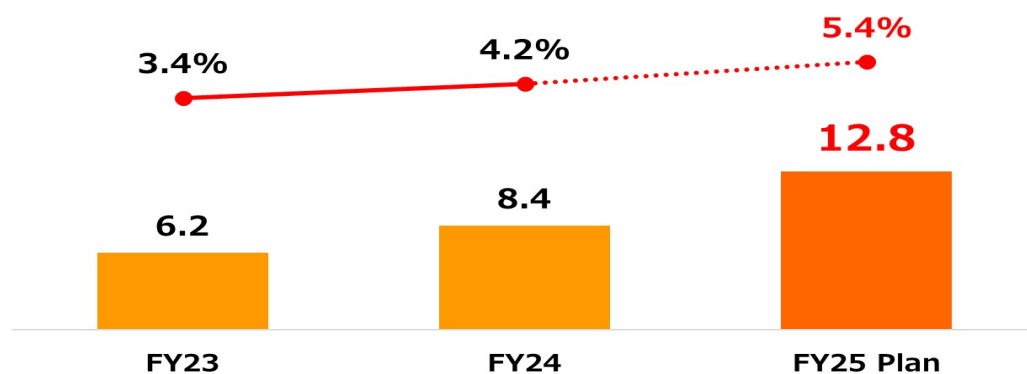
## ／ (3) System Solutions

### ■ Trends in net sales

(billion yen)



### ■ Trends in segment profit



### FY2025 Plan

- DX, security business, etc. remain strong
- Expectations for "Next-GIGA" and "generative AI" businesses
- Global business continues to improve profits

### Main Initiatives

- Expanding prime contractors by strengthening upstream consulting  
⇒ Business expansion into high value-added areas center
- Strengthening maintenance/recurring revenue by expanding Service Units
- Expanding business by utilizing generative AI  
⇒ Establishing a generative AI promotion

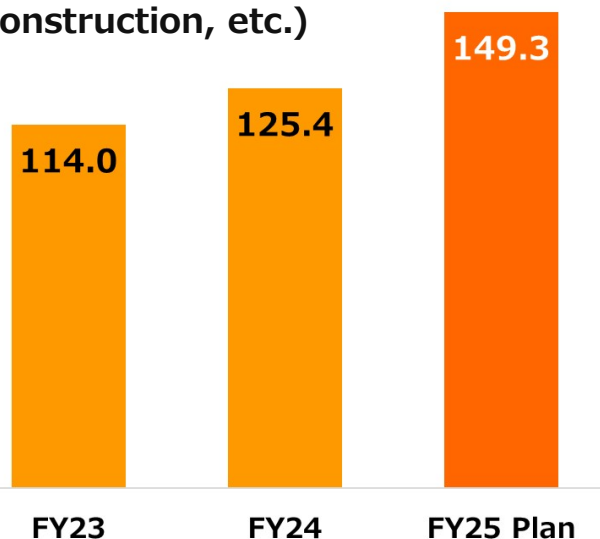
## ／ (3) System Solutions (Breakdown by Business Unit)

### ■ Trends in net sales

(billion yen)

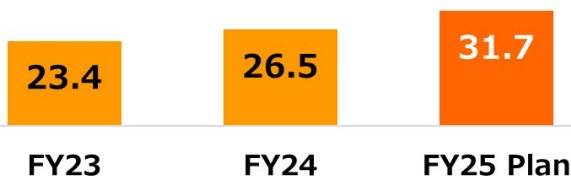
#### ・Information system Unit

(Contract development, server construction, etc.)

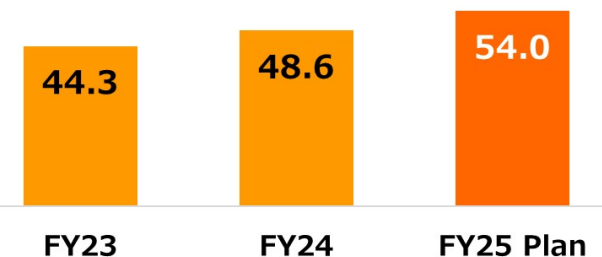


#### ・Service Unit

(Recurring business such as maintenance and operation)



#### ・Overseas projects Unit

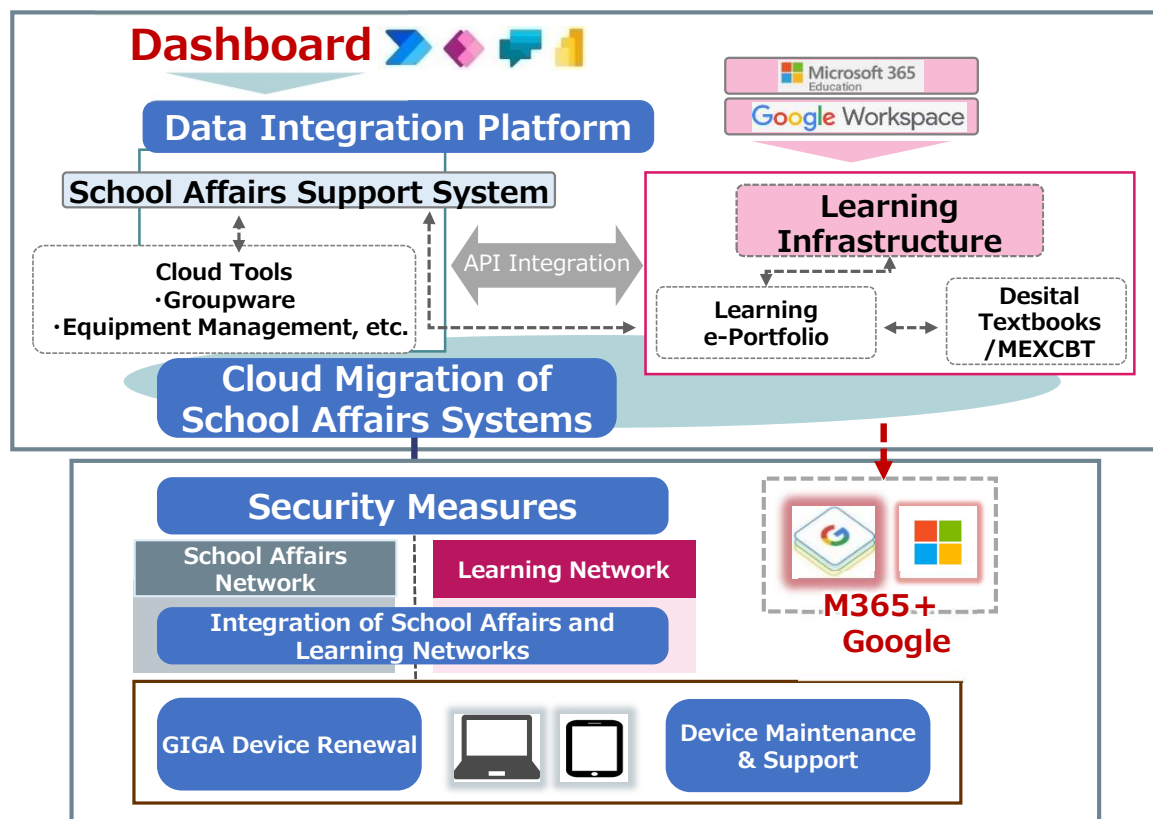


※We have reviewed the method for counting recurring projects within the Group and retroactively revised the figures for the Information systems Unit and the Service Unit.

## ／ (3) System Solutions (GIGA School)

Acquire peripheral infrastructure/security businesses in the "Next GIGA" era, which will reach its peak in fiscal 2025

Expand business centered on cloud infrastructure and data utilization to realize digital transformation in education



Expansion of  
Education DX

### Data Integration Platform Business Development

- Establishing an infrastructure for the effective utilization of educational data to promote personalized learning. (e.g., use of school system data, dashboards)

### School Affairs Cloud Business Development

- Acquisition of Cloud migration projects for school administrative systems
- Acquisition of SASE / Zero Trust projects related to cloud migration

### Infrastructure & Security Enhancements

- Proposals for GIGA Device and Network Security Solutions
- Integration of School Affairs and Learning Networks, Network Access Control, Security Response Guidelines etc. (Compliance with MEXT Guidelines, )

### GIGA Device Renewal & Maintenance Services

- Acquisition of Phase 2 GIGA (Next GIGA)
- Provision of Maintenance Services by Group Units

## ／ (3) System Solutions (Generative AI)

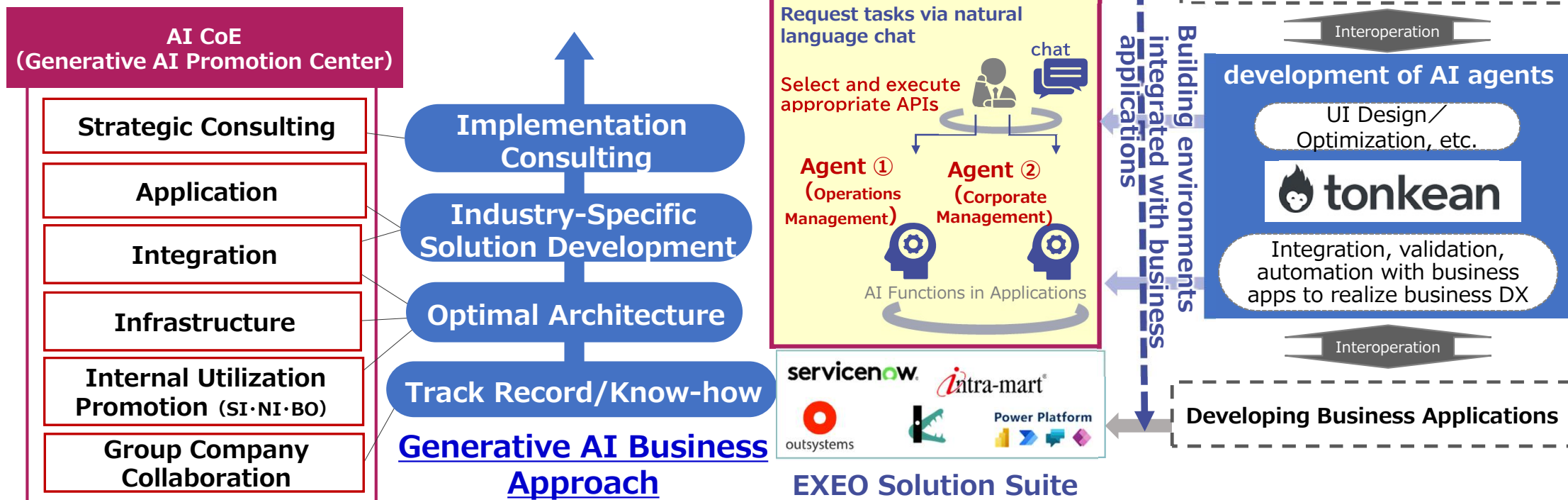
New organization established to accelerate business expansion and productivity improvement through generative AI

Deploying AI agents centered on "tonkean" to expand DX solutions

### ■ AI CoE (Center of Excellence) Established

- Aimed at expanding generative AI business by gathering internal experts
- Providing AI business as a one-stop service

### ■ Business deployment of AI agents



## ／ (3) System Solutions (Overseas Project)

While limiting investment in growth businesses, we will continue with structural reforms to steadily improve our bottom line and accelerate profitability improvements through streamlining and automation of operations.

### ■ Structural reform and efficiency

- With EXEO Global as the starting point, we will focus on our business and strengthen management.  
(Procurri becomes a wholly owned subsidiary)
- Withdraw from unprofitable businesses, downsize and restructure
- Consolidation and elimination of overseas group companies  
(Three companies have been merged and closed by March 2025. Five more companies will be merged and closed in the first half of FY2025, and two more companies are scheduled to be merged and closed by December, for a total of 10 companies.)
- Promoting automation of operations using robotics technology

### ■ New business development

- Collaboration with NTT Group's global businesses (ORAN, etc.)
- Established an offshore center in Vietnam to expand foreign human resources
- Considering business expansion to India etc.



Ghana Airport  
Command Center

The President of the  
Republic of Ghana visited  
Exeo Global Headquarters



LAE's DfMA Factory

**DfMA** : Design For Manufacture and Assembly/Designing with consideration given to ease of manufacturing and assembly.



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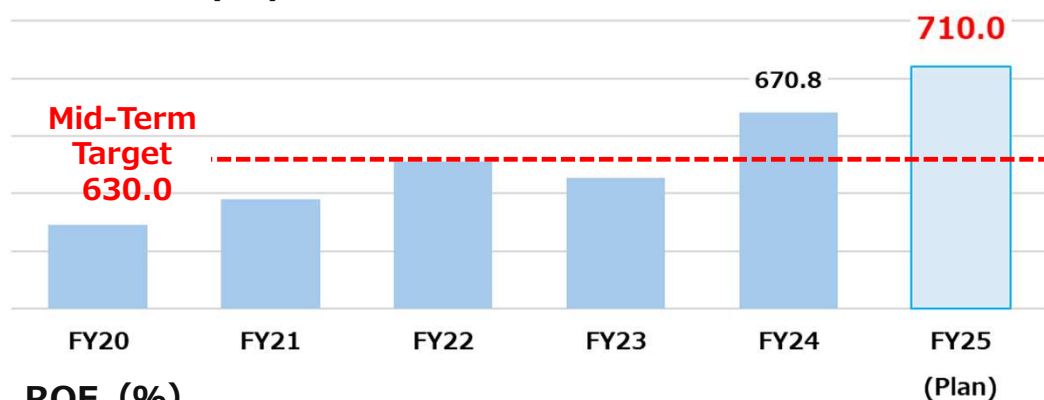
## **4. Progress of the Medium-Term Management Plan and Toward Increasing Corporate Value**



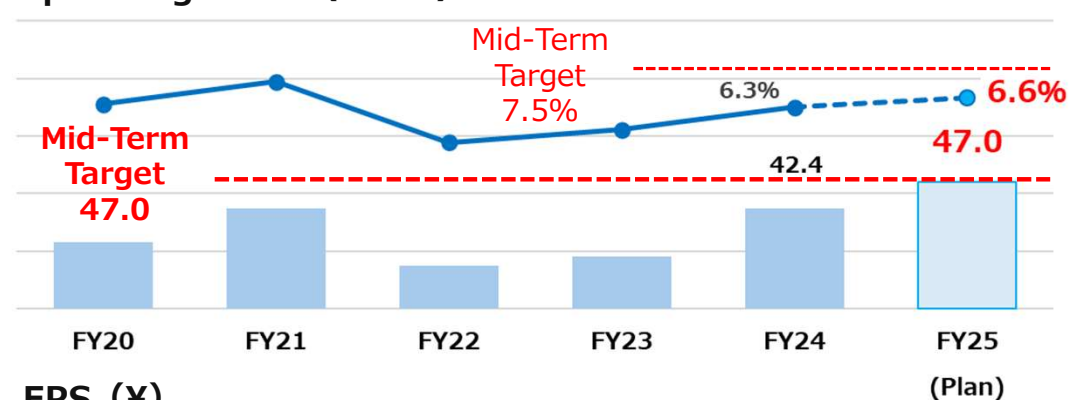
## ／ ( 1 ) Mid-Term Targets and FY2025 Plans

Medium-term plan sales target (630 billion yen) achieved one year early  
In FY25, we aim to achieve our mid-term targets for operating profit, ROE, and EPS

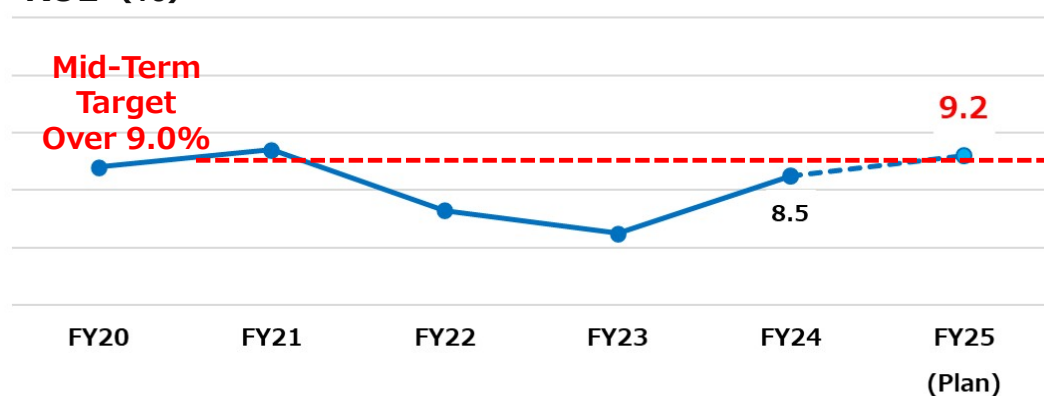
Net sales (bn)



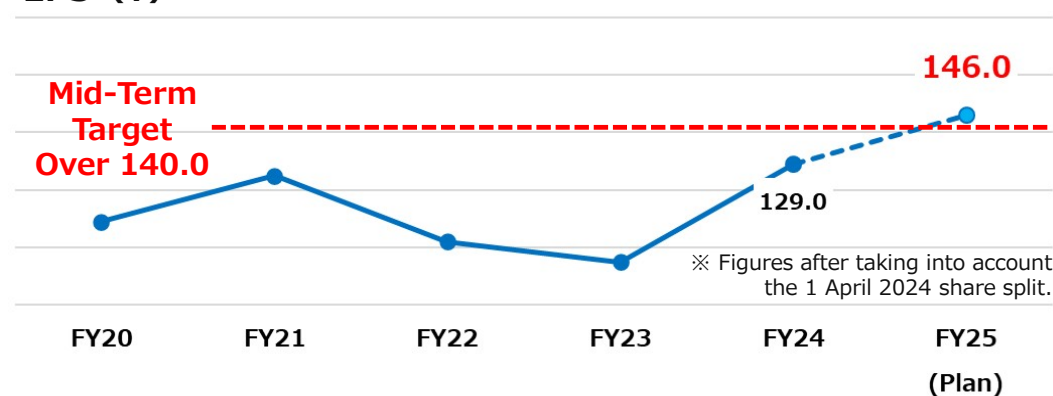
Operating Profit (bn・%)



ROE (%)



EPS (¥)

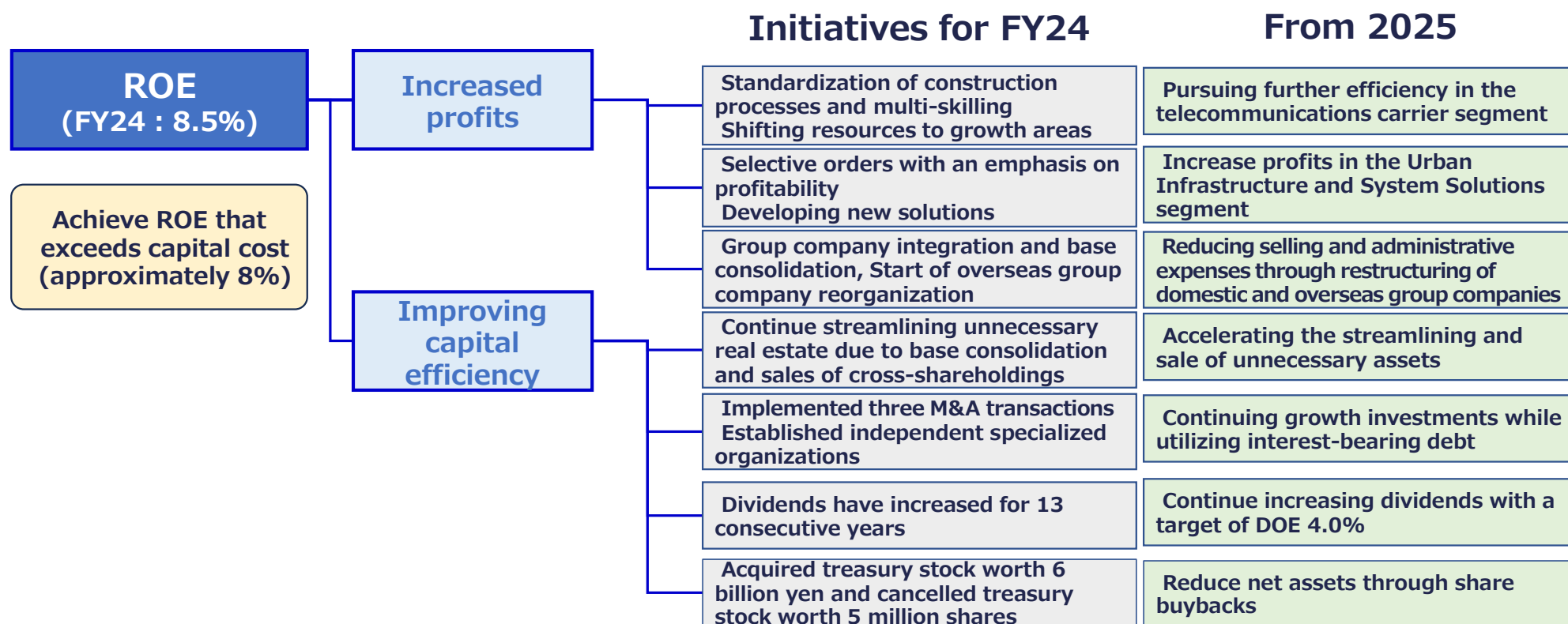




## (2) ROE

**Aim to further improve ROE by simultaneously maximizing profits and improving capital efficiency**

**Continue proactive IR activities to gain the understanding of market participants**



## ／ (3) Cash Allocation Policy

Aiming to increase corporate value by continuing growth investments and shareholder returns

### Policy

- Cash flow generation through steady growth
- Sale of Cross-Shareholdings and unwanted real estate
- Use of interest-bearing debt while maintaining financial soundness

### 【Actual results】

#### EBITDA

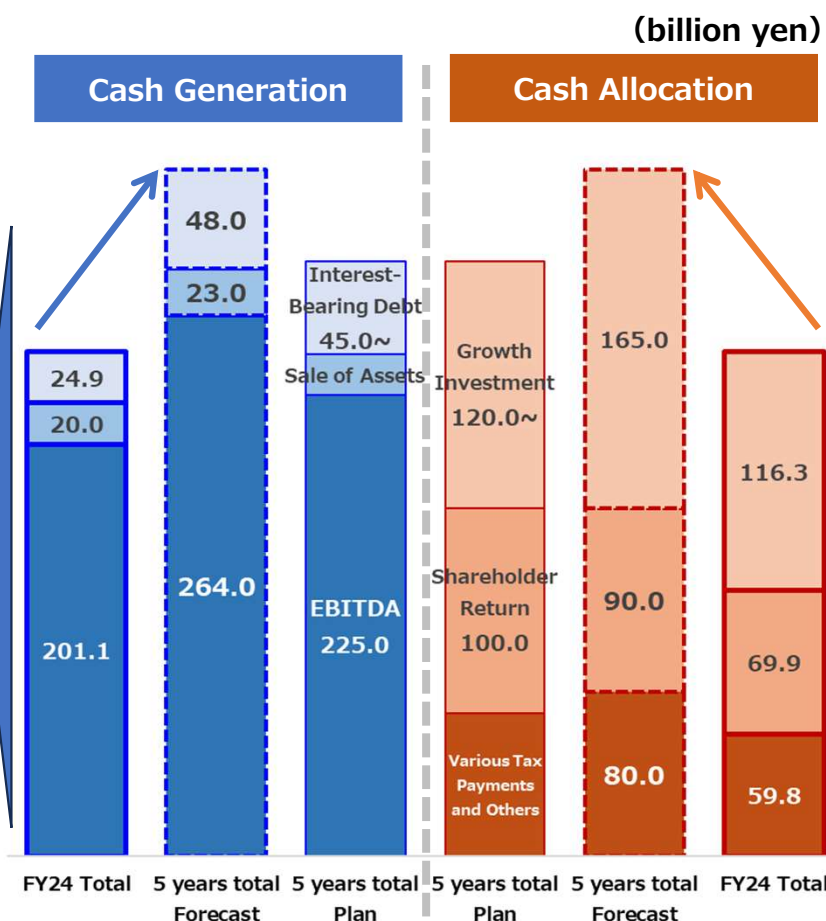
- 89% progress on medium-term targets. (4-year cumulative total)

#### Sales of asset

- 17 billion Cross-Shareholdings sold (4-year cumulative total)
- Appropriate sale of unnecessary real estate
- ⇒ Consider real estate utilization strategies

#### interest-bearing debt

- Utilized 24.9 billion yen of interest-bearing debt (4-year cumulative total)



### Policy

- Continued investment in building a growth platform and through M&A
- Active allocation of cash to human capital/R&D
- Continuous dividend increases and share buybacks

### 【Actual results】

#### Growth Investment

- 98% progress on medium-term targets (4-year cumulative total)
- Capital investment : 70bn M&A : 40bn
- Human Resource Development : Average of about 1 billion per year (training, etc.)
- R&D/DX : **Continue to invest approximately 2% of sales**
- ⇒ Accelerating growth investment

#### Shareholder return

- DOE standard increased to 4.0%(FY23)
- Share buybacks continue with the aim of improving capital efficiency

## ／ (4) M&A

In the first half of fiscal year 2025, we acquired shares in SAT Co., Ltd. and Olivier Inc. We expect to achieve synergy effects within the group.

Establishing the "Strategic Alliances Division" to execute growth strategies

### ■ M&A policy

- Strategic mergers and acquisitions to expand the business portfolio
- Selection of investment destinations with an awareness of investment effectiveness and profitability.
- Restructuring of the asset portfolio through the sale of Cross-Shareholdings

### ■ Outline of the new subsidiary

| Name           | SAT Co., Ltd.                                                                                                                                                                                                                                                                                  | Olivier Inc.                                                                                                                                                                                                                          |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Location       | Fuchu-shi, Tokyo                                                                                                                                                                                                                                                                               | Sapporo-shi, Hokkaido                                                                                                                                                                                                                 |
| Business       | <ul style="list-style-type: none"> <li>• Maintenance for IT hardware equipment</li> <li>• IT infrastructure construction and IT solution implementation and operation</li> </ul>                                                                                                               | <ul style="list-style-type: none"> <li>• System integration business catering to a wide range of industries, including the financial sector, communications, distribution, and public sector</li> </ul>                               |
| Office         | Tokyo・Osaka                                                                                                                                                                                                                                                                                    | Sapporo・Tokyo                                                                                                                                                                                                                         |
| M&A objectives | <ul style="list-style-type: none"> <li>• Complementing our maintenance and operation service lineup</li> <li>• The use of refurbished parts and extending the lifespan of equipment reduces resource consumption and environmental impact, contributing to sustainable initiatives.</li> </ul> | <ul style="list-style-type: none"> <li>• Maximizing the uniqueness and innovativeness of Olivier Inc. and creating synergies in terms of technology and human resources through mutual complementarity with the Exeo Group</li> </ul> |

### ■ Strategic Alliances Division Mission

- ① Formulation of growth strategies through M&A, etc., market research
- ② Target selection and negotiation
- ③ Due diligence, negotiating share transfer terms, etc.
- ④ Promoting PMI operations
- ⑤ Monitoring

Reflecting verification results in strategy

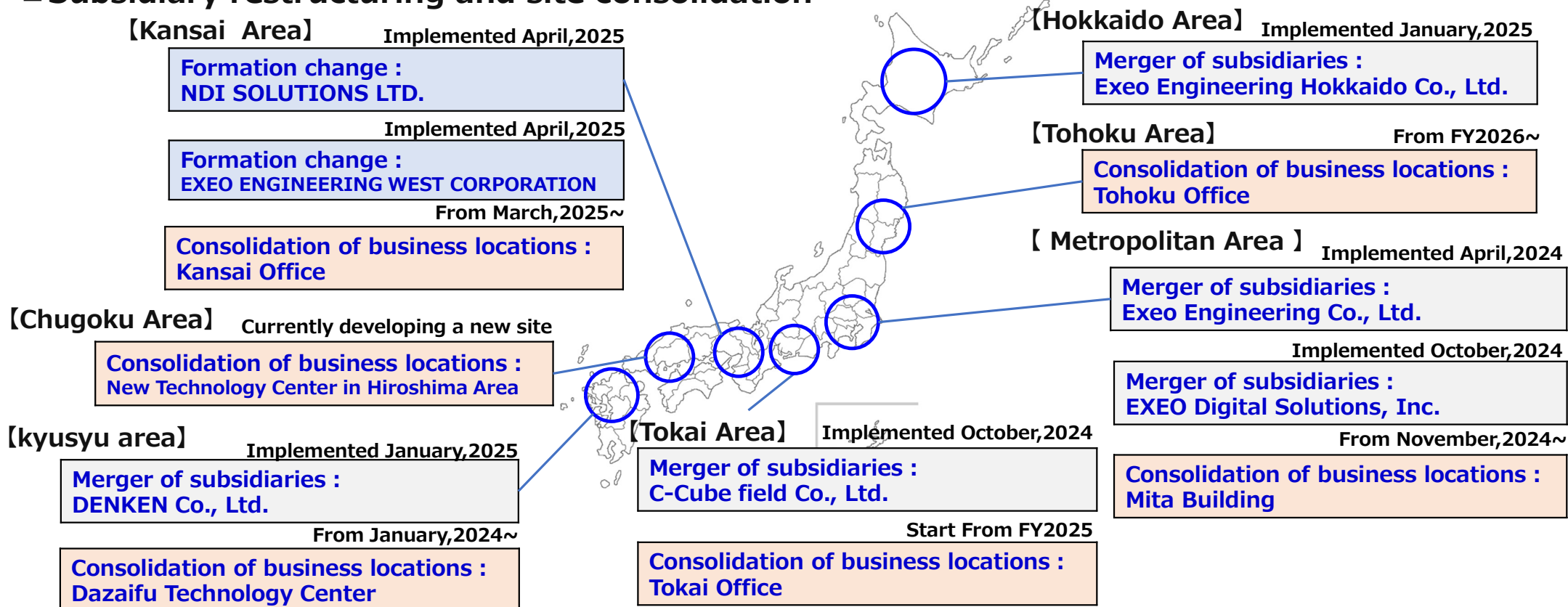


## ／ (5) Consolidation and integration of group companies

To aim for sustainable growth and strengthened governance, we are promoting further integration of group companies

We are continuing to consolidate companies across segments and aggregate business locations, creating larger units by area

### ■ Subsidiary restructuring and site consolidation



## ／ ( 6 ) Strengthening Our Business Infrastructure

### Steady implementation of strengthening our business infrastructure

| Theme              | Main Initiatives                                                                                                                                                                                                                                                                  | Theme                    | Main Initiatives                                                                                                                                                                                                                                                       |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial strategy | <ul style="list-style-type: none"><li>• Invested heavily in human resources and R&amp;D/DX</li><li>• Raised the DOE of our dividend policy to 4.0%</li><li>• Planning a dividend increase for the 14 consecutive years , continuing repurchase treasury stock</li></ul>           | Safety, quality&BCP      | <ul style="list-style-type: none"><li>• Remote safety monitoring using network cameras</li><li>• Introduced safety equipment and other checking functions through the use of AI</li><li>• Conducted practical training for preparedness against cyberattacks</li></ul> |
| Group management   | <ul style="list-style-type: none"><li>• Strengthen of internal system (settlement of internal Audit division)</li><li>• Instill the governance policy to all group companies</li><li>• Unified internal system (core /operations)</li></ul>                                       | Environment & energy     | <ul style="list-style-type: none"><li>• Woody biomass power generation started its operation</li><li>• Advanced our grid-scale battery storage business</li><li>• Selected for CDP's 2024 "A List"</li></ul>                                                           |
| DX implementation  | <ul style="list-style-type: none"><li>• Generated innovations through R&amp;D promotion organizations</li><li>• Continued efficiency improvements through digital implementation project teams</li><li>• Established training systems for developing DX human resources</li></ul> | Human resources strategy | <ul style="list-style-type: none"><li>• Introduced &amp; implemented a transformation leader development program</li><li>• Worked on multi-skilling &amp; reskilling employees</li><li>• Began building a Group-wide personnel database</li></ul>                      |



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## 5. Shareholder Return

## ／ (1) Dividends, Share Buybacks

Based on the dividend policy of DOE 4.0%, the company plans to increase the final dividend for FY24 by 1 yen, marking the 14th consecutive year of dividend increases

The company canceled 5 million treasury shares at the end of November 2024, and announced a 3 billion yen share buyback in May 2025

2-for-1 stock split in April 2024

### ■ Annual Dividends and Share Price



※ Figures after taking into account the 1 April 2024 share split.



## Disclaimer Regarding Forward-Looking Statements

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.

### **EXEO Group, Inc.**

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A variety of IR materials is available for  
consultation on our company website.



*“Bring the benefits of connectivity to all”*

