



# **Business Results for FY12/2021 Medium-term Management Plan**

## **Briefing Material**

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**February 9, 2022**

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NOTE)

- In this document, “.c Series” represents cloud-based software  
"NS Series" represents conventional software
- Figures are rounded to the nearest unit.

# CHAPTER 1

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## Overview of FY12/2021 Business Results

## Summary

### **Transition of industry-specific software to monthly subscription models** **Progressed as planned**

Impact of transition to subscription

**-1.654** billion yen

**In order to realize smooth transition to “.c Series,” cloud-based software, from 2022,**  
for "NS Series," conventional software, the Company

(1) restrained from renewals of a contract before its expiration

(2) promoted the transition from multi-year lump-sum contracts to monthly subscription contracts  
(for some users)

**The Company sold cloud-based software only to specific major users**

※No sales to the general users in 2021

### **Transition to stock revenue** **Progressed as planned**

Monthly sales ratio

**39.9** %

(+3.9pts YoY)

**Promoted the transition of industry-specific software to monthly subscription models**

Monthly subscription (SaaS) sales **858** million (YoY +24.0%)

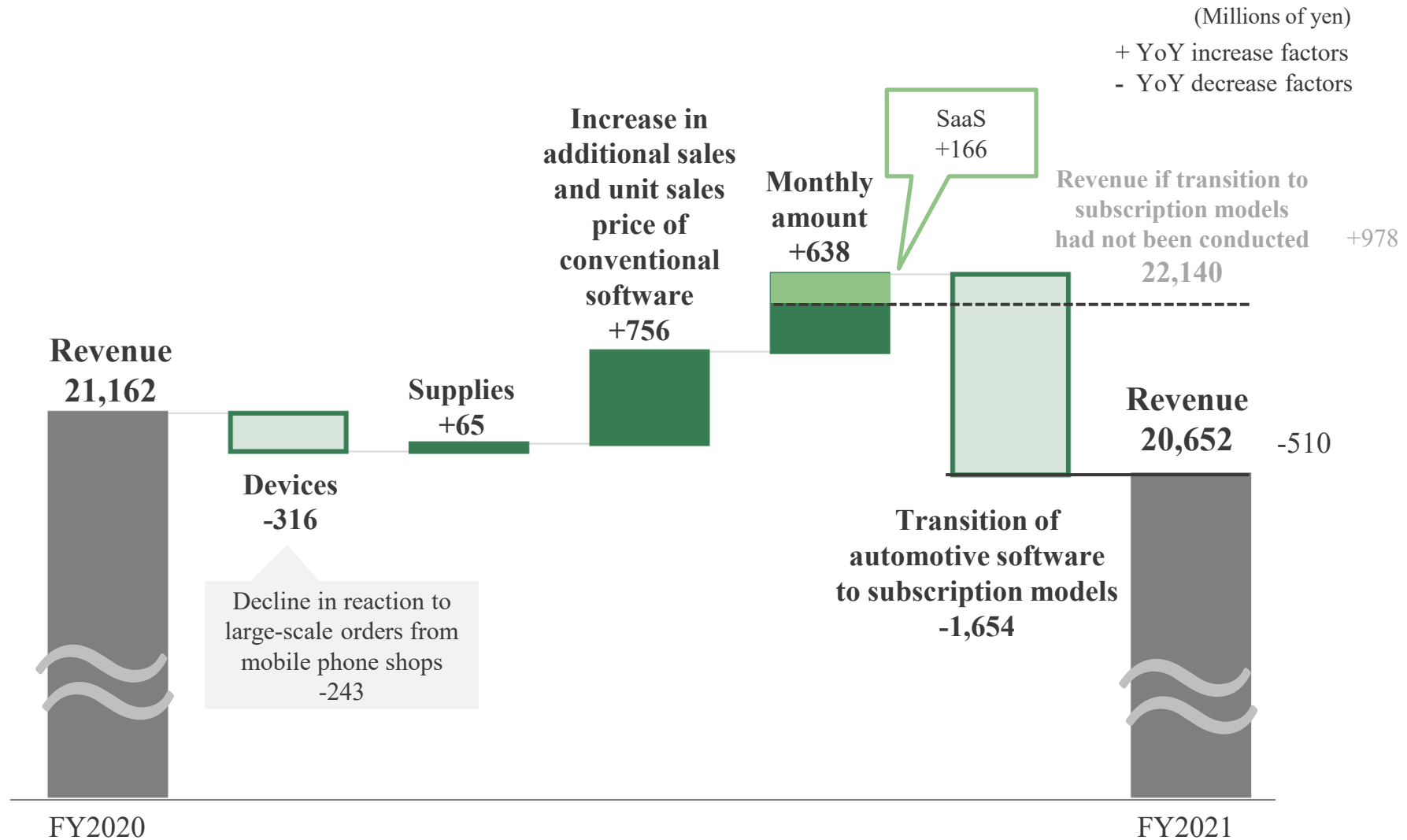
**Strengthened proposals for monthly support service**

Monthly support service contract rate **63.4**% (+11.1pts YoY)

## Overview of the Consolidated Business Results

(Millions of yen)	FY2021	FY2020	YoY change	YoY ratio
Revenue	20,652	21,162	-510	-2.4%
Cost of sales	5,753	6,088	-335	-5.5%
Gross profit	14,898	15,074	-176	-1.2%
SG&A expenses, etc.	11,503	10,939	+564	+5.2%
Operating profit	3,395	4,135	-740	-17.9%
Profit before tax	3,233	3,820	-588	-15.4%
Profit attributable to owners of the parent	2,173	2,465	-292	-11.9%
Basic earnings per share	24.72 yen	28.16 yen	—	—

## Breakdown of Major Changes in Revenue (YoY)



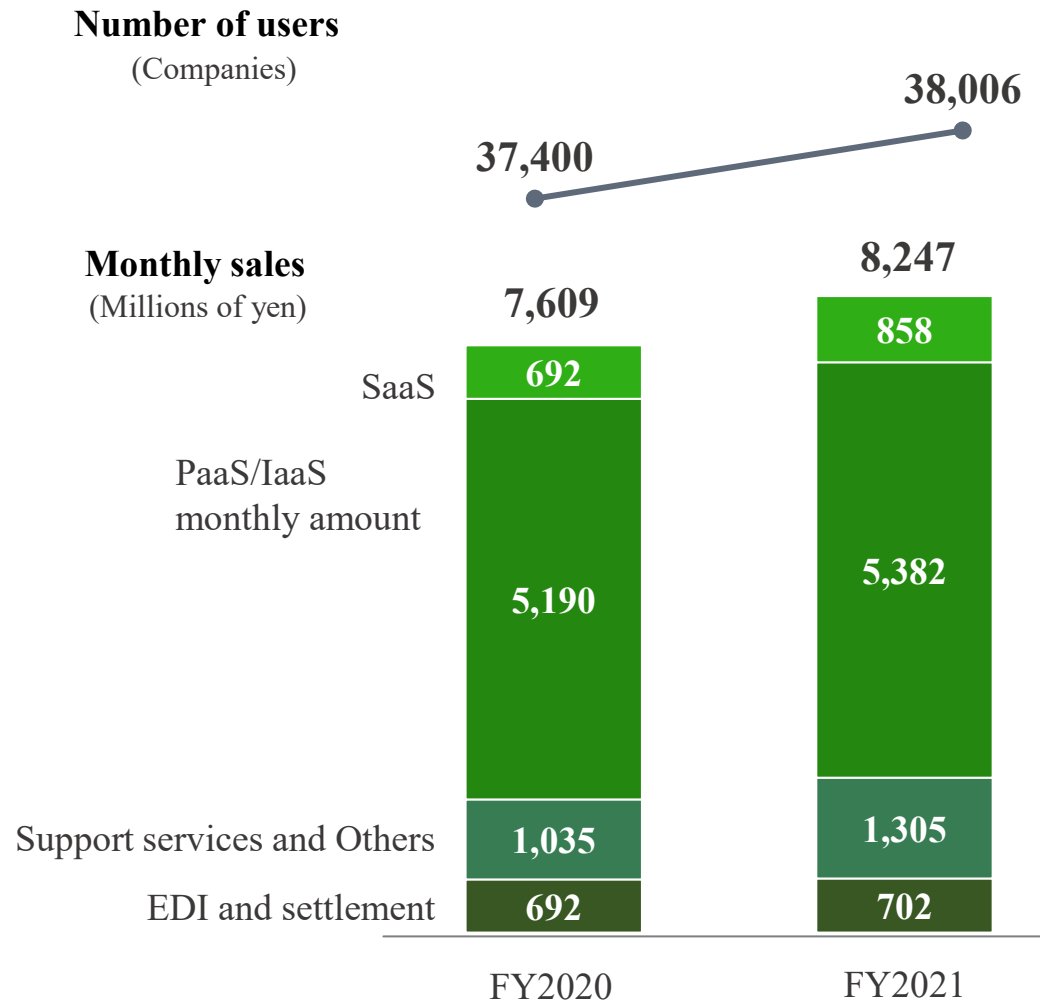
## Breakdown by Revenue Categories

(Millions of yen)	FY2021	FY2020	YoY change	YoY ratio	Major factors of increase/decrease (Amount)
<b>Platform</b>	<b>11,479</b>	<b>10,692</b>	<b>+786</b>	<b>+7.4%</b>	
<b>SaaS</b>	<b>858</b>	<b>692</b>	<b>+166</b>	<b>+24.0%</b>	Increase in the number of users choosing monthly subscription contracts +166
<b>PaaS/IaaS (basic)</b>	<b>7,830</b>	<b>7,555</b>	<b>+275</b>	<b>+3.6%</b>	
<b>Lump-sum</b>	<b>2,448</b>	<b>2,365</b>	<b>+83</b>	<b>+3.5%</b>	Progress in transition to subscription models -496 Additional sale of conventional automotive software, etc. +579
<b>Monthly amount</b>	<b>5,382</b>	<b>5,190</b>	<b>+192</b>	<b>+3.7%</b>	Increase in the total number of license +192
<b>EDI and settlement</b>	<b>702</b>	<b>692</b>	<b>+10</b>	<b>+1.4%</b>	Increase in the number of users of the ordering platform +21
<b>Support</b>	<b>1,866</b>	<b>1,596</b>	<b>+270</b>	<b>+16.9%</b>	Increase in monthly support services contract ratio +205 Increase in sale of supplies +65
<b>Others (DX)</b>	<b>222</b>	<b>157</b>	<b>+65</b>	<b>+41.6%</b>	Increase in the number of sale of DX Solutions etc. +68
<b>Application</b>	<b>9,173</b>	<b>10,469</b>	<b>-1,297</b>	<b>-12.4%</b>	
<b>By industry</b>	<b>7,868</b>	<b>8,868</b>	<b>-1,000</b>	<b>-11.3%</b>	Progress in transition to subscription models-1,158 Additional sale of conventional automotive software, etc. +330 Decrease in sale of conventional non-automotive software -172
<b>OTRS</b>	<b>223</b>	<b>204</b>	<b>+20</b>	<b>+9.6%</b>	Recovery in demand in manufacturing industry +20
<b>Devices</b>	<b>1,082</b>	<b>1,398</b>	<b>-316</b>	<b>-22.6%</b>	Decrease in reaction to large-scale orders from mobile phone shops-243
<b>Total</b>	<b>20,652</b>	<b>21,162</b>	<b>-510</b>	<b>-2.4%</b>	

NOTE) SaaS category has been established since FY2021, and the breakdown of Application sales has been changed retroactively to reflect the launch of cloud-based software.

For an explanation of revenue categories, please refer to the supplemental information on page 38.

## Number of Users and Monthly Sales



### SaaS

- Progress in the transition of conventional software to subscription models
- Installation of cloud-based software to certain major users

### PaaS/IaaS (basic)

- Increase in the number of users of conventional software

### Support services and Others

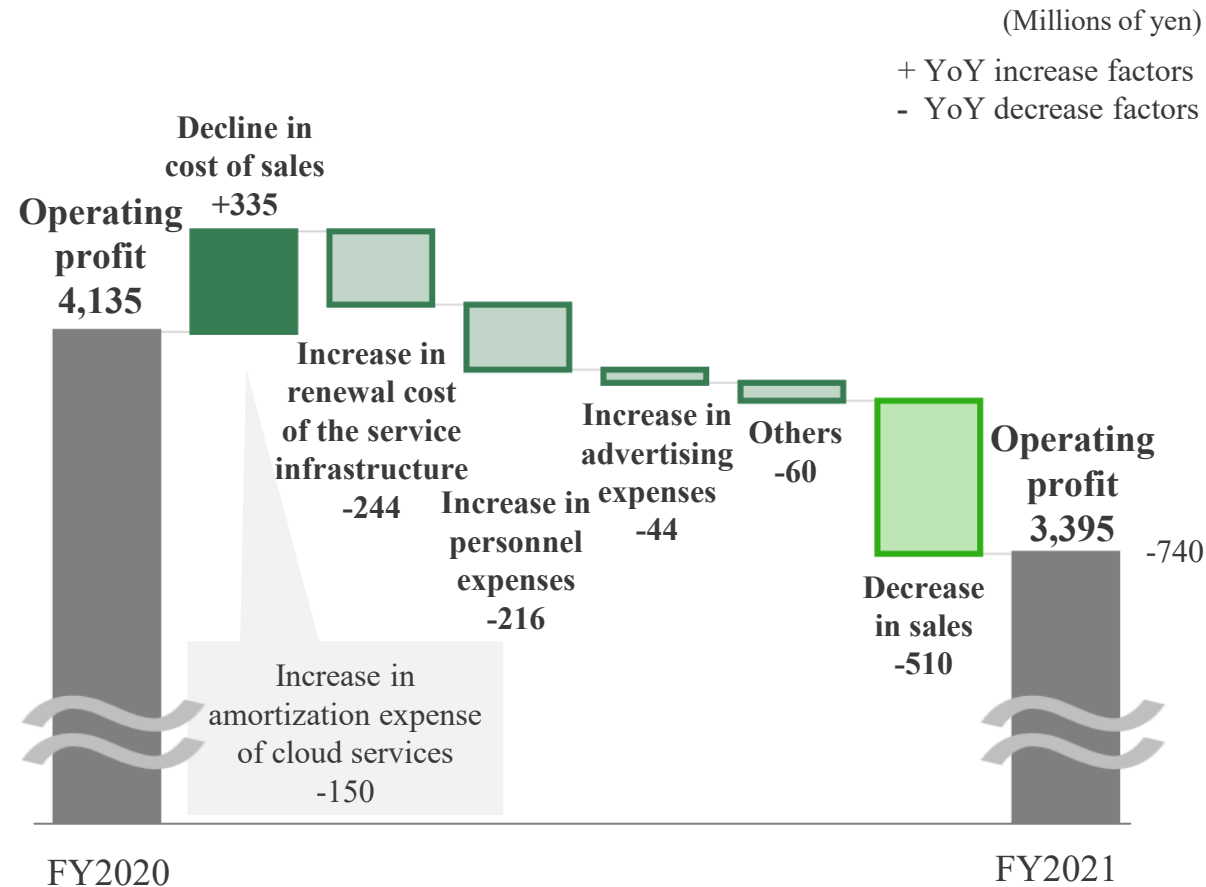
- Monthly support services contract ratio increased
- Increase in the number of sale of DX solutions

### EDI and settlement

- Increase in the number of users



## Breakdown of Changes in Operating Profit (YoY)

**Cost of sales**

- Increase in amortization expense of cloud services
- Decrease in purchase cost due to a decline in reaction to large-scale orders of devices

**SG&A expenses, etc.**

- Update of the service infrastructure  
Strengthening and expansion of operating infrastructure in preparation for the launch of cloud-based software
- Personnel expenses  
Legal welfare expenses temporarily increased due to the commencement of stock compensation system
- Advertising expenses  
Active creation of online content and holding of webinars

## Overview of Balance Sheet

(Millions of yen)	FY2021 Year-end	FY2020 Year-end	YoY change	Main breakdown
<b>Current assets</b>	<b>8,405</b>	<b>7,752</b>	<b>+653</b>	Operating and other receivables +496
<b>Non-current assets</b>	<b>26,071</b>	<b>24,522</b>	<b>+1,550</b>	Intangible assets +2,123
<b>Total assets</b>	<b>34,476</b>	<b>32,274</b>	<b>+2,202</b>	
<b>Current liabilities</b>	<b>7,512</b>	<b>6,432</b>	<b>+1,080</b>	Short-term interest-bearing debts +1,732
<b>Non-current liabilities</b>	<b>850</b>	<b>1,239</b>	<b>-389</b>	Long-term interest-bearing debts-450
<b>Total liabilities</b>	<b>8,362</b>	<b>7,671</b>	<b>+690</b>	
<b>Total equity</b>	<b>26,114</b>	<b>24,602</b>	<b>+1,512</b>	Profit attributable to owners of the parent +2,173 Dividend payout -930
<b>Total liabilities and shareholders' equity</b>	<b>34,476</b>	<b>32,274</b>	<b>+2,202</b>	

## Cash Flow Analysis

(Millions of yen)	FY2021	FY2020	YoY change	Main breakdown
<b>Cash flow from operating activities</b>	<b>3,783</b>	<b>5,056</b>	<b>-1,274</b>	Profit before tax -588 Changes in operating and other receivables (minus shows increase) -984
<b>Cash flow from investment activities</b>	<b>-3,388</b>	<b>-2,774</b>	<b>-614</b>	Acquisition of intangible assets -801
<b>Cash flow from financing activities</b>	<b>-108</b>	<b>-2,084</b>	<b>+1,976</b>	Net changes in short-term loans payable (minus shows decrease) +1,802
<b>Free cash flow</b>	<b>395</b>	<b>2,283</b>	<b>-1,888</b>	
<b>Cash and cash equivalents</b>	<b>3,522</b>	<b>3,232</b>	<b>+290</b>	

## CHAPTER 2

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# Results Forecast for FY12/2022

## Forecast of Consolidated Results

(Millions of yen)	FY2022 Full-year forecast	FY2021 Full-year	YoY change	FY2022 1H Forecast	FY2021 1H	YoY change
<b>Revenue</b>	<b>12,300</b>	<b>20,652</b>	<b>-8,352</b>	<b>5,800</b>	<b>9,937</b>	<b>-4,137</b>
<b>Cost of sales</b>	<b>5,500</b>	<b>5,753</b>	<b>-253</b>	<b>2,600</b>	<b>2,867</b>	<b>-267</b>
<b>Gross profit (loss)</b>	<b>6,800</b>	<b>14,898</b>	<b>-8,098</b>	<b>3,200</b>	<b>7,070</b>	<b>-3,870</b>
<b>SG&amp;A expenses, etc.</b>	<b>11,600</b>	<b>11,503</b>	<b>+97</b>	<b>5,800</b>	<b>5,827</b>	<b>-27</b>
<b>Operating profit (loss)</b>	<b>-4,800</b>	<b>3,395</b>	<b>-8,195</b>	<b>-2,600</b>	<b>1,243</b>	<b>-3,843</b>
<b>Profit (loss) before tax</b>	<b>-4,800</b>	<b>3,233</b>	<b>-8,033</b>	<b>-2,600</b>	<b>1,239</b>	<b>-3,839</b>
<b>Profit (loss) attributable to owners of the parent</b>	<b>-5,000</b>	<b>2,173</b>	<b>-7,173</b>	<b>-2,700</b>	<b>795</b>	<b>-3,495</b>
<b>Basic earnings per share</b>	<b>-56.62 yen</b>	<b>24.72 yen</b>	<b>-</b>	<b>-30.60 yen</b>	<b>9.05 yen</b>	<b>-</b>

Key Points of Revenue

While the business is in good condition, cloud-based software, which is recorded as monthly sales, becomes the main product, resulting in a significant decrease in sales.

Business Conditions

The number of users is trending upward, and will **continue to grow** in 2022

Changes from 2022

Change the main product for software sales

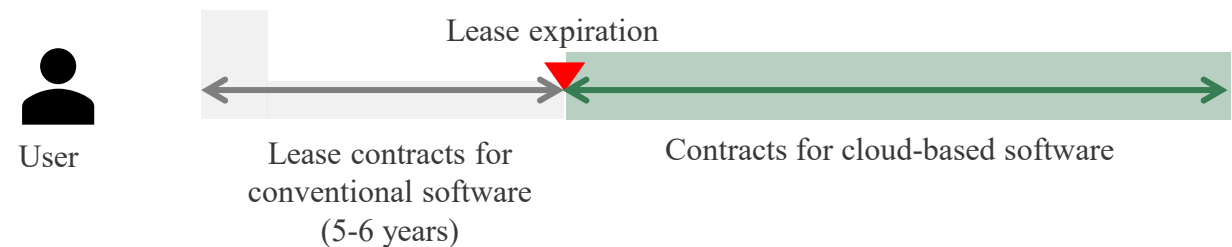
Conventional software "NS Series"  
Sales recorded as Multi-year lump-sum



Cloud software ".c Series"  
Sales recorded on a monthly basis

Amount of impact  
Approx.  
**-8 billion**  
yen

Transition of users of conventional software to cloud-based software will be sequentially implemented in line with the expiration of previous lease contracts (5-6 years)

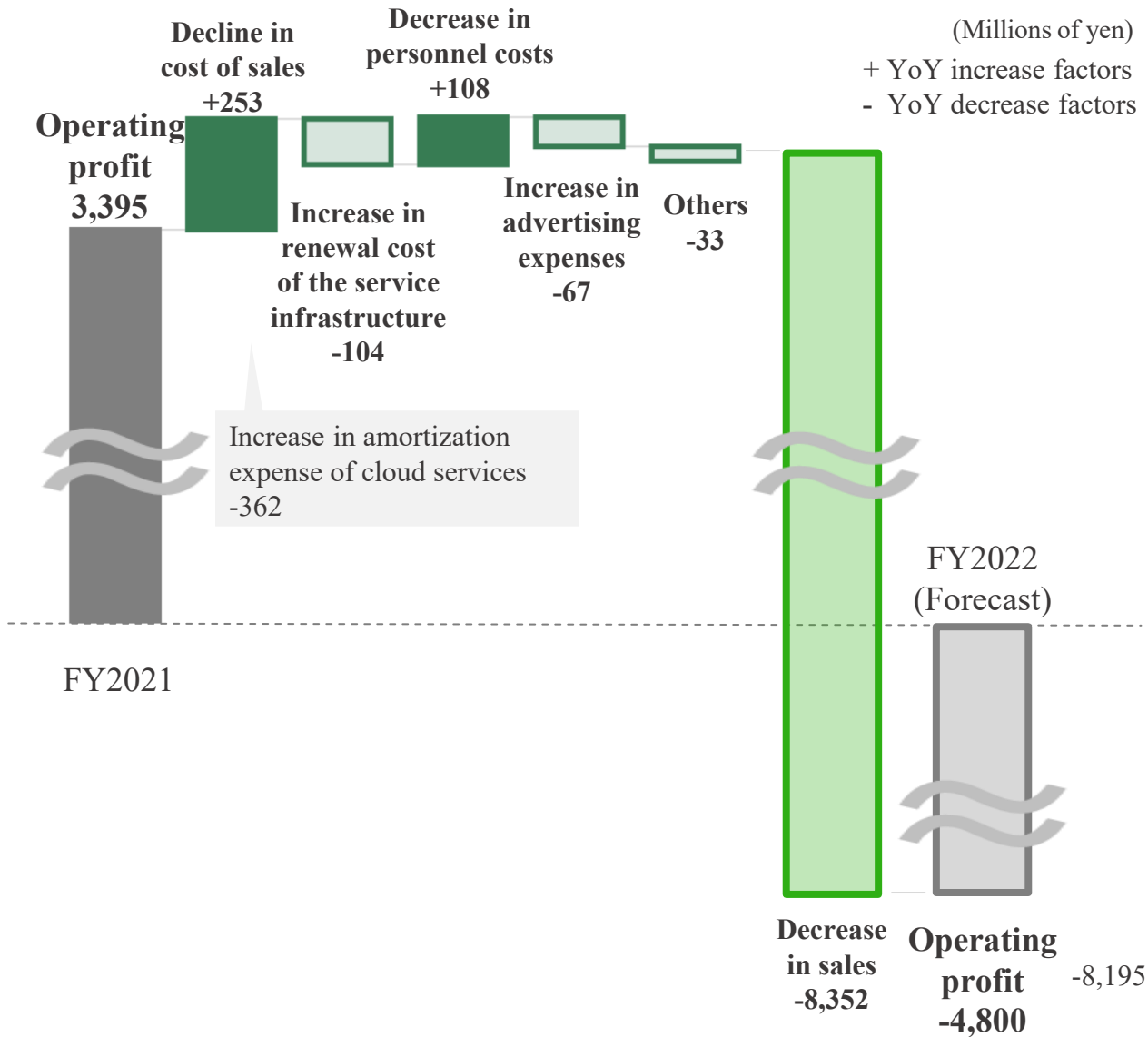


## Forecast by Revenue Categories

(Millions of yen)	FY2022 Full-year forecast	FY2021 Full-year	YoY change	YoY ratio	FY2022 1H forecast	FY2021 1H	YoY change	YoY ratio
<b>Platform</b>	<b>9,800</b>	<b>11,479</b>	<b>-1,679</b>	<b>-14.6%</b>	<b>4,620</b>	<b>5,552</b>	<b>-932</b>	<b>-16.8%</b>
SaaS	<b>1,440</b>	<b>858</b>	<b>+582</b>	<b>+67.8%</b>	<b>470</b>	<b>398</b>	<b>+72</b>	<b>+18.2%</b>
PaaS/IaaS (basic)	<b>5,400</b>	<b>7,830</b>	<b>-2,430</b>	<b>-31.0%</b>	<b>2,700</b>	<b>3,793</b>	<b>-1,093</b>	<b>-28.8%</b>
EDI and settlement	<b>710</b>	<b>702</b>	<b>+8</b>	<b>+1.1%</b>	<b>340</b>	<b>346</b>	<b>-6</b>	<b>-1.6%</b>
Support	<b>1,830</b>	<b>1,866</b>	<b>-36</b>	<b>-2.0%</b>	<b>920</b>	<b>912</b>	<b>+8</b>	<b>+0.9%</b>
DX	<b>420</b>	<b>222</b>	<b>+198</b>	<b>+89.1%</b>	<b>190</b>	<b>104</b>	<b>+86</b>	<b>+82.2%</b>
<b>Application</b>	<b>2,500</b>	<b>9,173</b>	<b>-6,673</b>	<b>-72.7%</b>	<b>1,180</b>	<b>4,385</b>	<b>-3,205</b>	<b>-73.1%</b>
By industry	<b>1,600</b>	<b>7,868</b>	<b>-6,268</b>	<b>-79.7%</b>	<b>750</b>	<b>3,828</b>	<b>-3,078</b>	<b>-80.4%</b>
OTRS	<b>250</b>	<b>223</b>	<b>+27</b>	<b>+12.0%</b>	<b>120</b>	<b>138</b>	<b>-18</b>	<b>-13.0%</b>
Devices	<b>650</b>	<b>1,082</b>	<b>-432</b>	<b>-39.9%</b>	<b>310</b>	<b>419</b>	<b>-109</b>	<b>-26.1%</b>
<b>Total</b>	<b>12,300</b>	<b>20,652</b>	<b>-8,352</b>	<b>-40.4%</b>	<b>5,800</b>	<b>9,937</b>	<b>-4,137</b>	<b>-41.6%</b>

NOTE) The breakdown of Application sales has been retroactively changed to reflect the launch of sales of cloud-based software.

Breakdown of Changes in Operating Profit (Full-Year, YoY)



**Cost of sales**

- In line with the release of cloud-based software, amortization expenses of cloud services will increase
- Decrease in purchase of devices

**SG&A expenses, etc.**

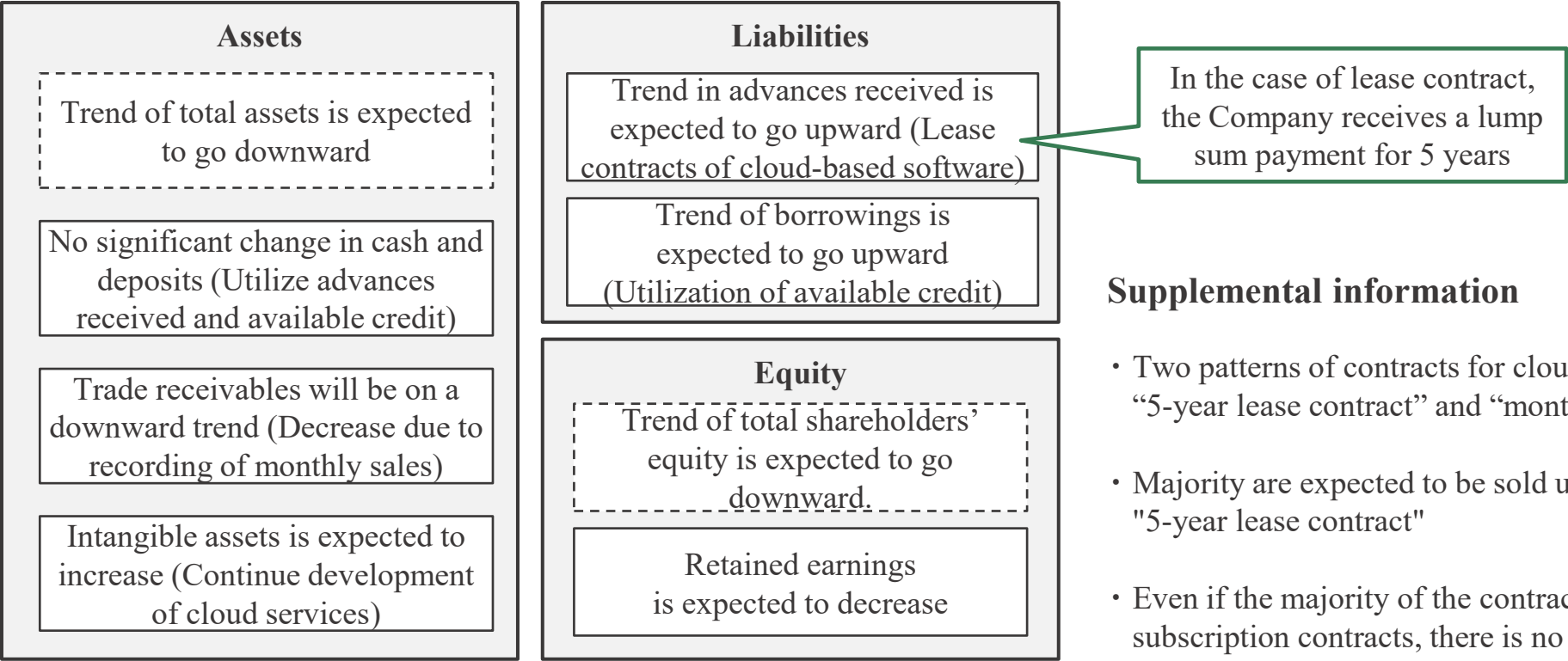
- Update of the service infrastructure  
Strengthening and expansion of operating infrastructure in line with the release of cloud-based software and new services
- Personnel expenses  
Legal welfare expenses that temporarily occurred in FY2021 will decrease
- Advertising expenses, Others  
Will strengthen sales of cloud-based software and DX services



Key Points of the Balance Sheet

While trade receivables are expected to decrease, advances received are expected to increase, so financial soundness will be secured even if it will result in a net loss.

Expected changes in the balance sheet  
(Comparison with the end of 2021)



Supplemental information

- Two patterns of contracts for cloud-based software “5-year lease contract” and “monthly subscription contract”
- Majority are expected to be sold under "5-year lease contract"
- Even if the majority of the contracts consist of monthly subscription contracts, there is no concerns about working capital since the Company will utilize existing available credit

## Dividend forecast

## Dividend per share

(Yen)	FY2020	FY2021 (Year-end is forecast)	FY2022 (Forecast)
<b>Interim</b>	<b>6.60</b>	<b>4.00</b>	<b>Undecided</b>
<b>Year-end</b>	<b>6.60</b>	<b>4.70</b>	<b>Undecided</b>
<b>Annual</b>	<b>13.20</b>	<b>8.70</b>	<b>Undecided</b>
<b>Dividend payout ratio</b>	<b>46.9%</b>	<b>35.2%</b>	—

**FY2021 Year-end dividend**

- Profit exceeded the forecast
- Year-end dividend increases by 0.7 yen from the previous forecast, and the Company plans to pay 4.7 yen per share

**FY2022 Dividends**

- Undecided  
Plans to announce forecast once a reasonable calculation becomes possible in light of the progress of the medium-term management plan and the status of retained earnings

## CHAPTER 3

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# Medium-term Management Plan (2022-2028)

## Background of Formulation of the Plan

**Updated the medium-term management policy announced in 2021 and formulated a performance plan up to 2028 in accordance with the launch of “.c Series,” cloud-based software.**

### **February 2021    Announced the mid-term management policy**

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**Establishment of growth strategies and priority measures under the theme of “2 DX”**

DX (1) Promote clients' digital transformation

DX (2) Add values to its service infrastructure as the Data Exchanger

### **October 2021    Released “.c Series,” cloud-based software**

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Started offering from 2022. The transition from conventional software is expected to be completed in 2028.

### **February 2022    Announced medium-term management plan (2022-2028)**

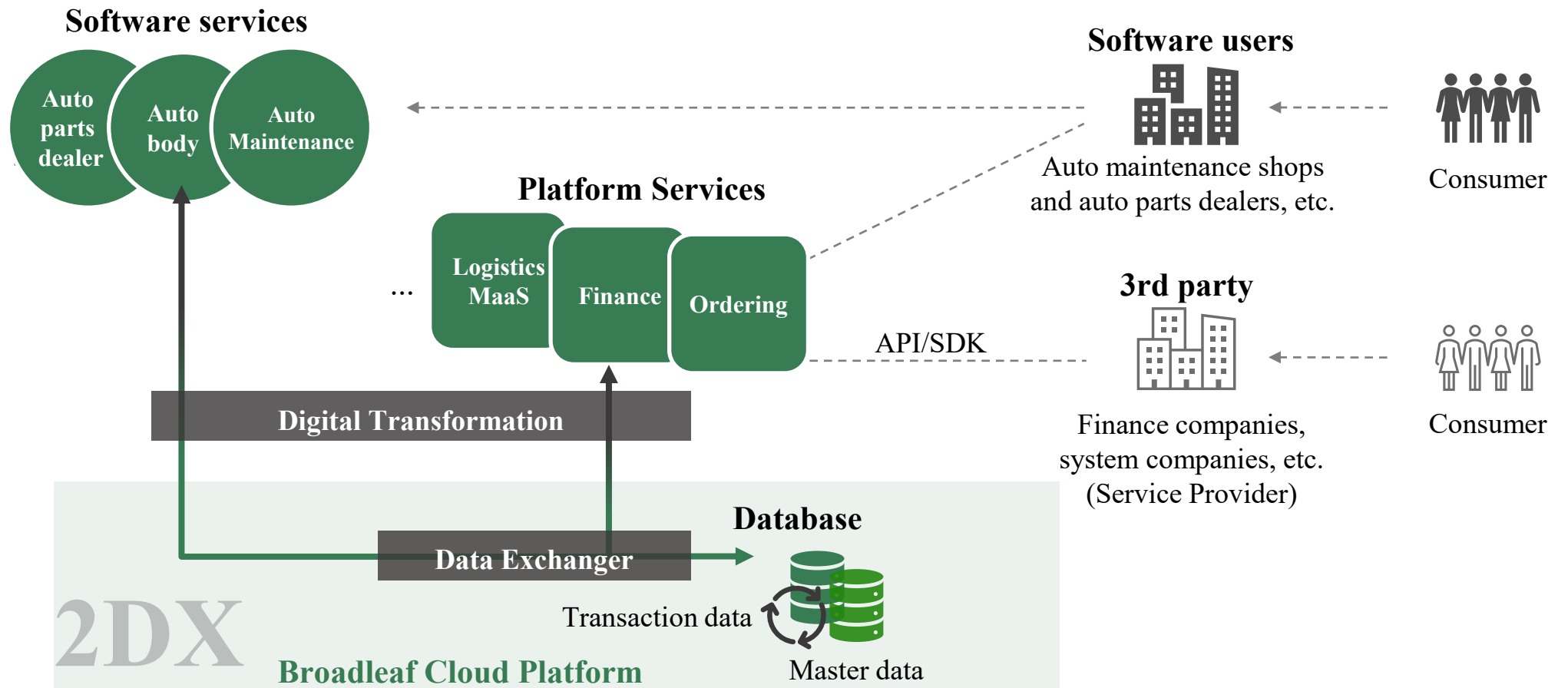
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Updated the medium-term management policy announced in 2021 and formulated a performance plan up to 2028

## Growth strategy

### Growth strategy ① Cloud penetration

### Growth strategy ② Expansion of services



## Consolidated Performance Plan

**Record-high performance in 2026 is a milestone, continuing to grow as transition to stock revenue continues. The Company aims to achieve operating margin of 40% and profit of 8 billion yen in 2028.**

(Billions of yen)	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Revenue	12.3	14.7	18.5	22.0	25.5	29.0	32.5
Operating profit (loss)	-4.8	-2.7	1.0	3.3	6.7	10.0	13.0
Operating margin	—	—	5%	15%	25%	34%	40%
Profit (loss) attributable to owners of the parent	-5.0	-2.9	0.6	2.0	4.2	6.3	8.0
Equity attributable to owners of the parent	20.0	17.5	18.0				
Percentage of equity attributable to owners of the parent	60%	50%	52%				

## Revenue Plan by Business Categories

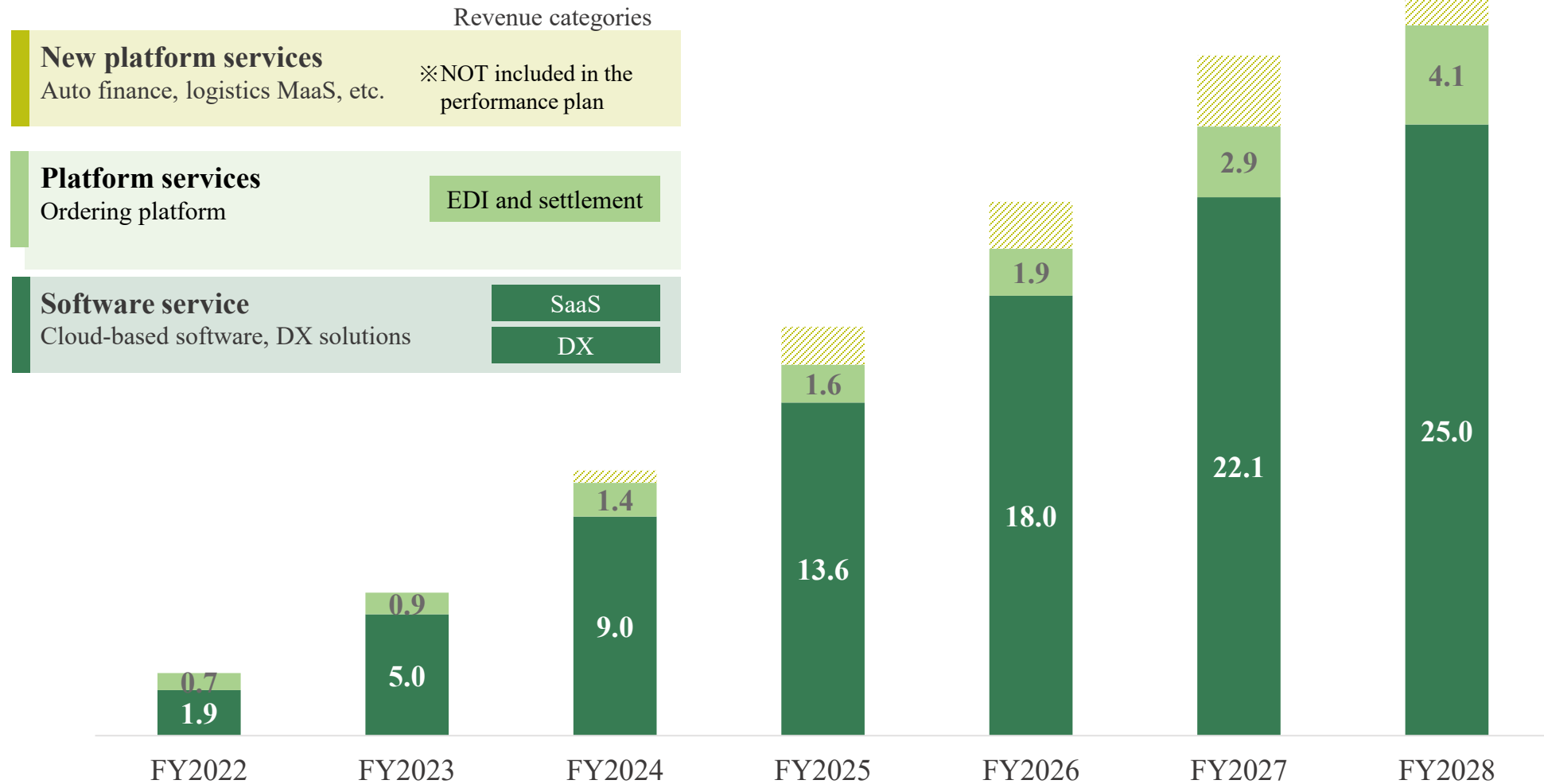
(Billions of yen)	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
<b>Cloud business</b>	<b>2.6</b>	<b>5.9</b>	<b>10.4</b>	<b>15.2</b>	<b>20.0</b>	<b>25.0</b>	<b>29.1</b>
<b>Platform services</b>	<b>0.7</b>	<b>0.9</b>	<b>1.4</b>	<b>1.6</b>	<b>1.9</b>	<b>2.9</b>	<b>4.1</b>
<b>Software service</b>	<b>1.9</b>	<b>5.0</b>	<b>9.0</b>	<b>13.6</b>	<b>18.0</b>	<b>22.1</b>	<b>25.0</b>
<b>Conventional business</b>	<b>9.7</b>	<b>8.8</b>	<b>8.1</b>	<b>6.8</b>	<b>5.5</b>	<b>4.0</b>	<b>3.4</b>
<b>License sale</b>	<b>1.9</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>1.5</b>
<b>Ancillary services</b>	<b>6.5</b>	<b>6.0</b>	<b>5.2</b>	<b>3.8</b>	<b>2.7</b>	<b>1.5</b>	<b>1.2</b>
<b>Device sale, etc.</b>	<b>1.3</b>	<b>1.2</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>1.1</b>	<b>0.7</b>
<b>Total Revenue</b>	<b>12.3</b>	<b>14.7</b>	<b>18.5</b>	<b>22.0</b>	<b>25.5</b>	<b>29.0</b>	<b>32.5</b>

NOTE) Please refer to page 39 for a comparison between the breakdown of FY2022 sales forecasts and sales forecasts by revenue category.

## Revenue Trend in Cloud Business

(Billions of yen)

## Cloud business drives revenue growth



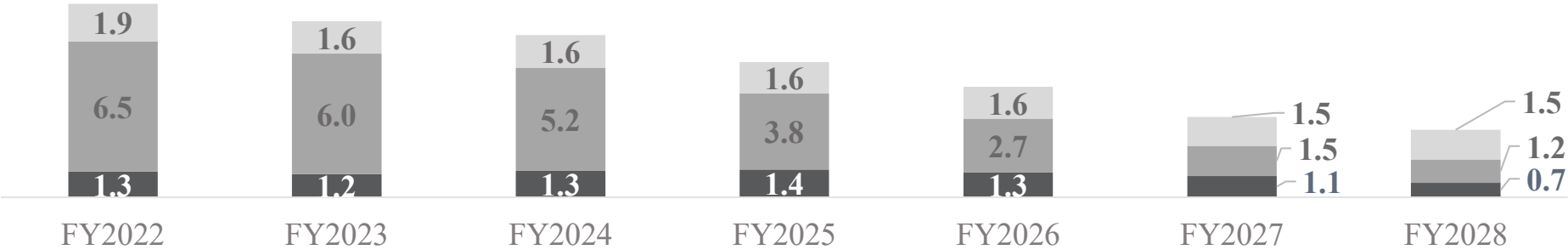


Revenue Trend in Previous Business

(Billions of yen)

As cloud business progresses, revenue of conventional business is expected to shrink.

Revenue categories	
By industry	
License sale	OTRS
License fees for conventional software	
Ancillary services	PaaS/IaaS (basic)
Network usage fees and support services fee for conventional software	Support Support services
Device sales and Other	Support Supply
Devices , forms, etc.	Devices



## Growth Strategy ① Penetration of cloud-based products (1)

Key to achieving the performance target is the penetration of “.c Series,” cloud-based software

### Key Factors for Success



Progress

= **Cloud transition rate** (Rate of transition to cloud-based software)



Cloud-based  
software sales

= **Number of licenses** × **Average monthly license fee** × **(1 - churn rate)**

Total number of licenses  
for cloud-based software

Monthly sales per license  
for cloud-based software

Average churn rate per  
year for cloud-based  
software

## Growth Strategy ① Penetration of cloud-based products (2)

### Cloud transition rate

**40%**

(End of 2024)

Users of conventional software will gradually transit to cloud-based software over the next 6 years

#### Client base

Number of users \*

**33,000 companies**



Repeat rate \*\*

**95% or more**



#### Product

Fully remodeled

**Cloud-based software**



\* Auto maintenance shops, auto body shops, auto parts dealers, and recycle shops are covered.

\*\* Repeat rate of conventional software

Growth Strategy ① Penetration of cloud-based products (3)

Number of licenses

**24,000**

(End of 2024)

Average monthly license fee

**23,000**

(2024)

× yen/month

In addition to expanding the market through high scalability, license system is changed to an easy-to-introduce system

Market expansion

Number of Companies \*

More than **100,000** companies



Car dealers (16,000 companies) becomes the new market due to easier customization of the software

Change in the license system

Number of personnel \*

More than **500,000** people



From industry-specific to job-specific license

\*Number of companies and personnel in auto maintenance shops, auto body shops, auto parts dealers, and recycle shops

## Growth Strategy ① Penetration of cloud-based products (4)

### Role license

#### based on each industry and job category

- Role licenses \* subdivided by job categories is set in addition to basic licenses for each industry

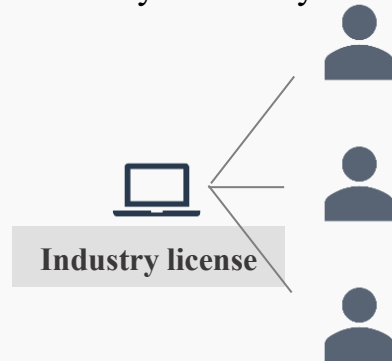
### Terminal free

#### since the software is running on the Web

- Real-time integrated management of information and systems of each base is available at the headquarter.
- Portability that enables usage in any location

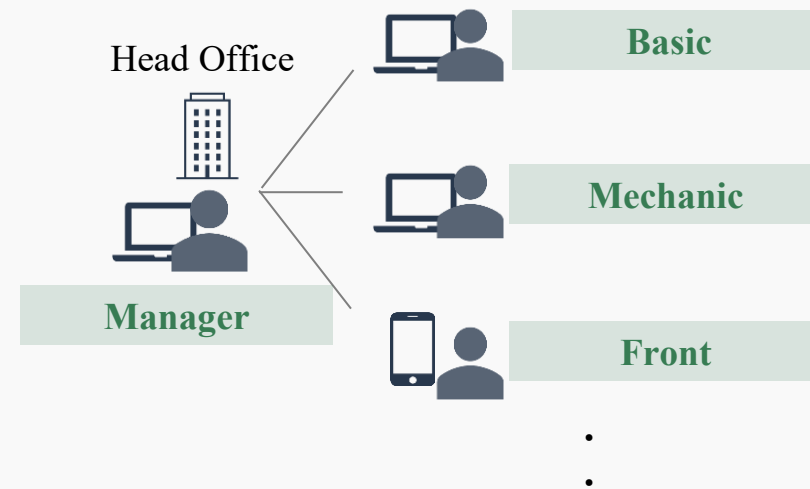
#### "NS Series," conventional software

Use industry license by turns



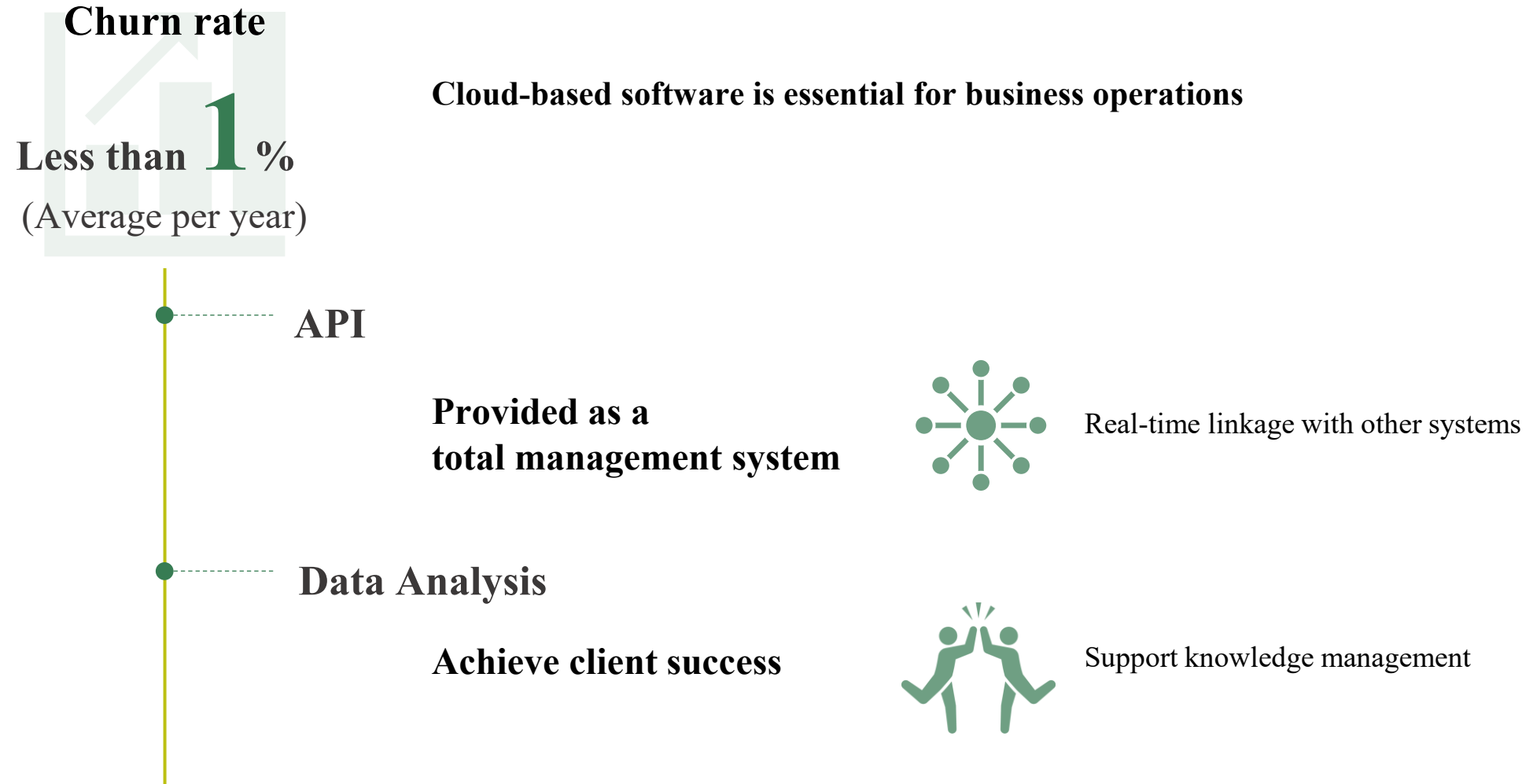
#### "c Series," cloud-based software

Each person uses role license based on their job categories



\*Available functions are set based on each account ID

## Growth Strategy ① Penetration of cloud-based products (5)



## Growth Strategy ① Penetration of cloud-based products (6)

### Single sign-on

- Login to other systems with the same cloud-based software account ID

### Real-time linkage by using the API

- Function linkage and data linkage

### Analysis and sharing of the knowledge

- Support knowledge management based on the usage conditions, etc.

**“.NS Series,” conventional software  
= Administrative processing system**

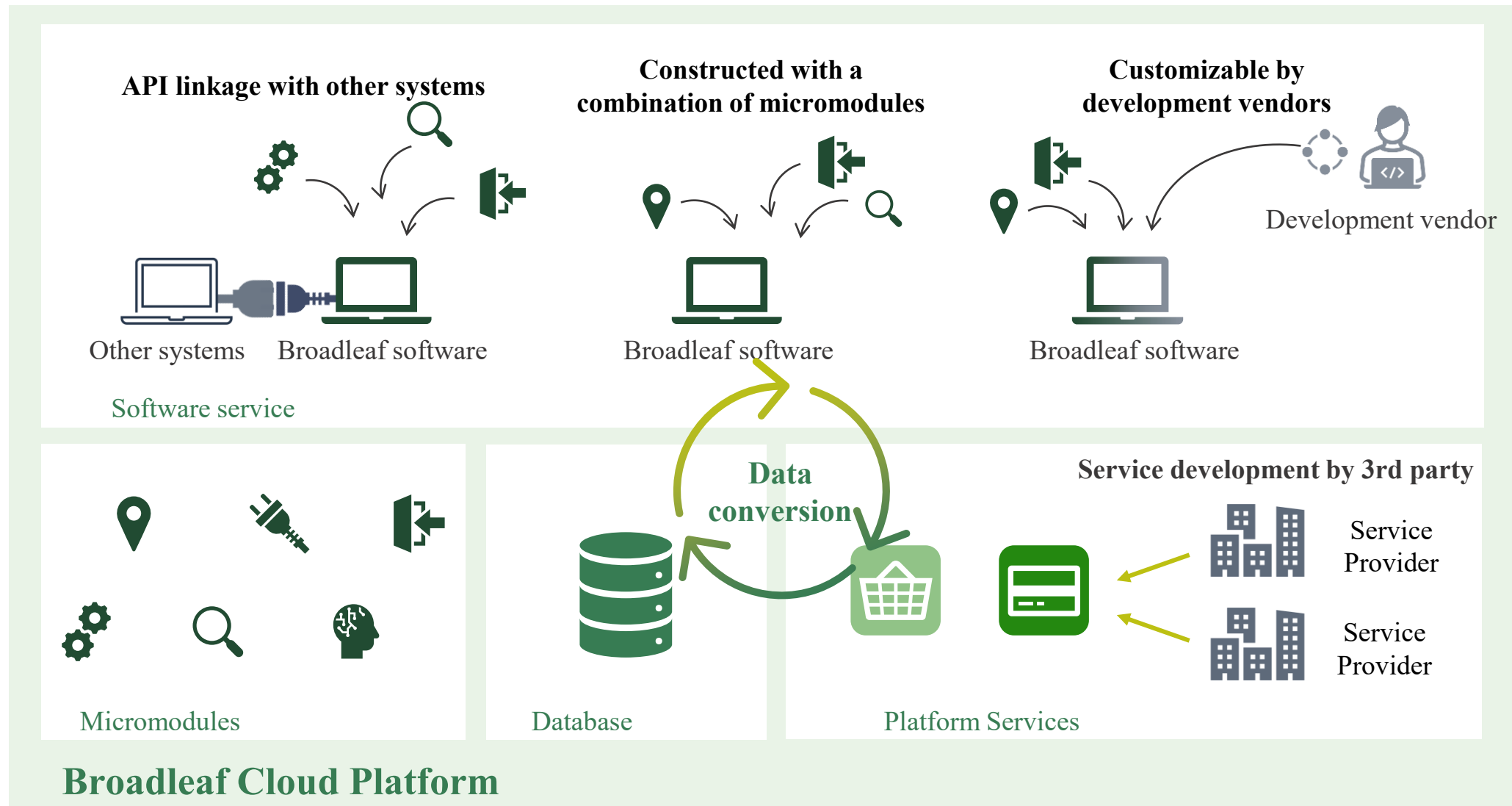
Issuance of estimates and invoices,  
client management, etc.



**“.c Series,” cloud-based software  
= Total management system**



## Growth Strategy ② Expansion of Services (1)





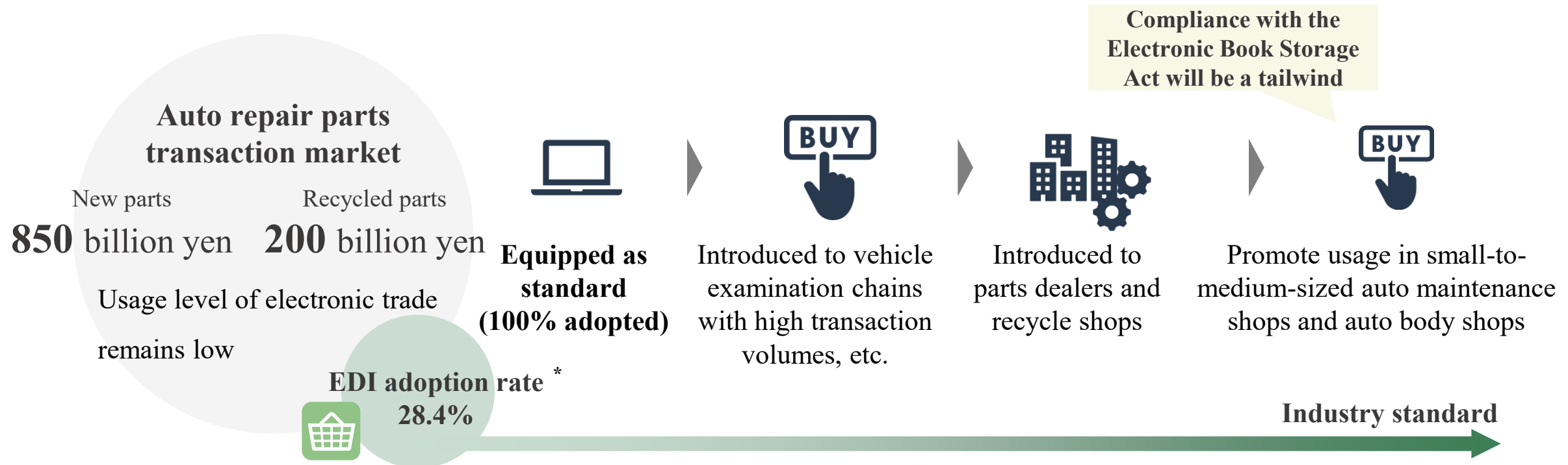
## Growth Strategy ② Expansion of Services (2)

Establish industry standards  
with the Ordering platform

CAGR

**30%** or more

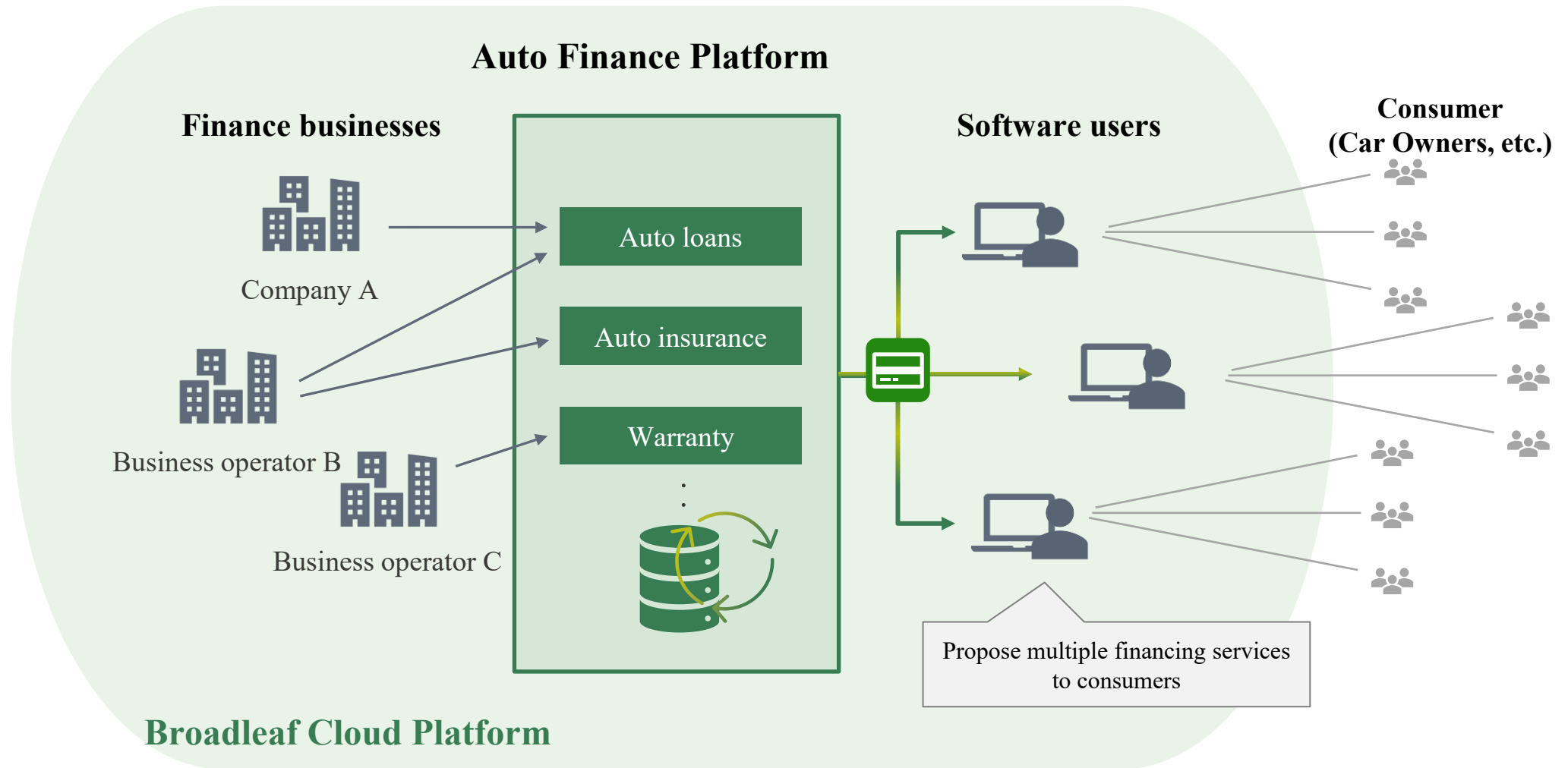
Aims to penetrate the ordering platform by incorporating the ordering platform into cloud-based software as a standard function (100% adopted)



\*Rate of adoption of the ordering platform by the Company's software users (auto maintenance shops)

## Growth Strategy ② Expansion of Services (3)

### Development of Auto Finance Platform



## Policy for Allocating Management Resources

**Concentrate all management resources on growth strategies of “Penetration of cloud-based products” and “Expansion of services”**

### Portfolio management

Implementation of portfolio management to realize optimal allocation of management resources

Economic value  
(ROIC, sales growth rate, etc.)

+

Market attractiveness and  
the Company’s strengths and advantages  
(Market growth rate, market share, etc.)

### Investment in human capital and intellectual property

Recognize human resources and intellectual property as the core assets for realizing the Company’s growth strategy, and make active investments in maximizing human capital and IP resources

Environmental changes and their impact on the Company's business  
～Automobility Industry～

**EV shift**

**Sophistication of vehicle**

**Sophistication of maintenance**

- Increasing demand for IT systems that support maintenance of EV and sophisticated vehicle
- Increasing demand for accumulation and sharing of knowledge
- In the case of large-scale business there is increasing demand for DX investment in order to improve management efficiency  
→Introduced cloud-based software in the market

**Polarization of business operators**

- The number of companies tends to decrease while the number of cars tends to increase
- Demand for maintenance such as preventive inspection is increasing  
→Changed the market from the number of companies to the number of employees

**DX in administrations**

**Response to computerization due to changes in the legal system**

- Increasing demand for electronic storage of documents












## Sustainability Policy

**The Company aims to "realize a sustainable society" and “enhance its corporate value” through the practice of the ideas embodied in the "Corporate Philosophy" and "Origin of Company Name" of Broadleaf**

### Basic Policy

From a long-term perspective, the Company will strive to expand direct and indirect positive impacts (value creation) and reduce negative impacts (social responsibility) to various stakeholders by addressing priority issues, materiality, within "sustainability."

## Relationship between the Company's business and SDGs

Theme of resolution	Corporate activities that lead to the resolution of issues	Related SDGs
 <p><b>Realization of a safe, secure, and comfortable mobility society</b></p>	<ul style="list-style-type: none"> <li>• Provision of IT system for proper vehicle inspections and maintenance</li> <li>• Promote the popularization of EVs and sophistication of vehicle</li> </ul>	  
 <p><b>Promotion of recycle-oriented usage of resources</b></p>	<ul style="list-style-type: none"> <li>• Provision of ordering platforms for recycled auto parts</li> </ul>	  
 <p><b>Realization of a comfortable working society</b></p>	<ul style="list-style-type: none"> <li>• Promotion of home and remote work (establishment of systems and infrastructure)</li> <li>• Selected as one of “Telework Pioneer 100 company in Japan”</li> </ul>	 

# Supplemental Information

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## Correspondence Table between Business Categories and Revenue Categories

## Breakdown of FY2022 revenue forecast

(Billions of yen)

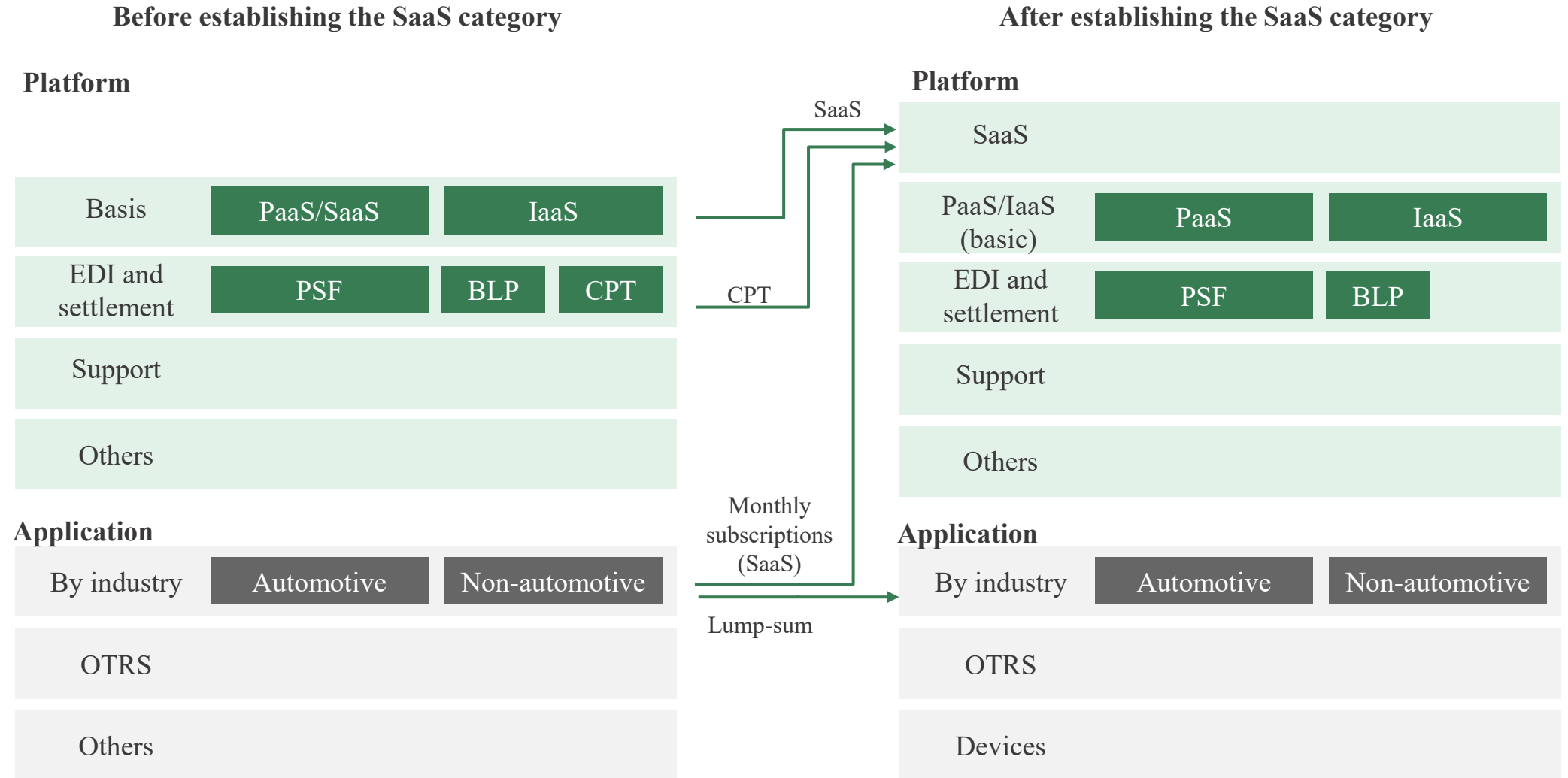
Business category		Revenue category			
Cloud business		26			
	Platform services	7	Platform	EDI and settlement	7
	Software service	19	Platform	SaaS	14
				DX	4
Conventional business		97			
	License sale	19	Application	By industry	16
				OTRS	3
	Ancillary services	65	Platform	PaaS/IaaS (basic)	54
				Support Support services	11
	Device sale, etc.	13	Platform	Support Supplies	6
			Application	Devices	7
Total revenue		123			123



## Details of Revenue Categories

Category			Details
Major category	Medium category	Small category	
Platform	SaaS		<ul style="list-style-type: none"> <li>• Provision of ".c Series," cloud-based software</li> <li>• Provision of ".NS Series" in a monthly subscription contract</li> <li>• Provision of "CarpodTab (CPT)," a tablet-type business terminal</li> </ul>
	PaaS/IaaS (basic)	PaaS lump sum	• Provision of basic software and common functions of ".NS Series"
		PaaS monthly	• Provision of database for ".NS Series" (auto parts, vehicles, and index information, tourist spot data, etc.)
		IaaS monthly	• Provision of network server function required for the use of ".NS Series"
	EDI and settlement	PSF	• Provision of settlement agency services for "Parts Station NET," a network specialized in the transaction of recycled auto parts
		BLP	• Provision of "BL Parts Order System," an ordering platform for auto parts
	Support	Support services	• Provision of support service and hardware maintenance service for clients using ".NS Series"
		Supplies	• Sale of exclusive forms and OA supplies
	Others		• Provision of DX solutions such as website creation tools and groupware, etc.
Application	By industry		<ul style="list-style-type: none"> <li>• Sale of ".NS Series" (excluding basic software)</li> <li>(Automotive category: auto maintenance shops, auto body shops, car dealers, auto parts dealers, auto glass shops, auto electrical equipment shops, recycling shops, etc.)</li> <li>(Non-automotive category: machine tool dealers, mobile phone distributors, travel agencies, sightseeing bus operators, etc.)</li> </ul>
	OTRS		• Sale of "OTRS", a work analysis and business optimization software
	Devices		• Sale of devices such as PCs, printers, and peripheral devices, etc.

## Changes in Revenue Categories



## Breakdown of Details by Revenue Categories (Full Year)

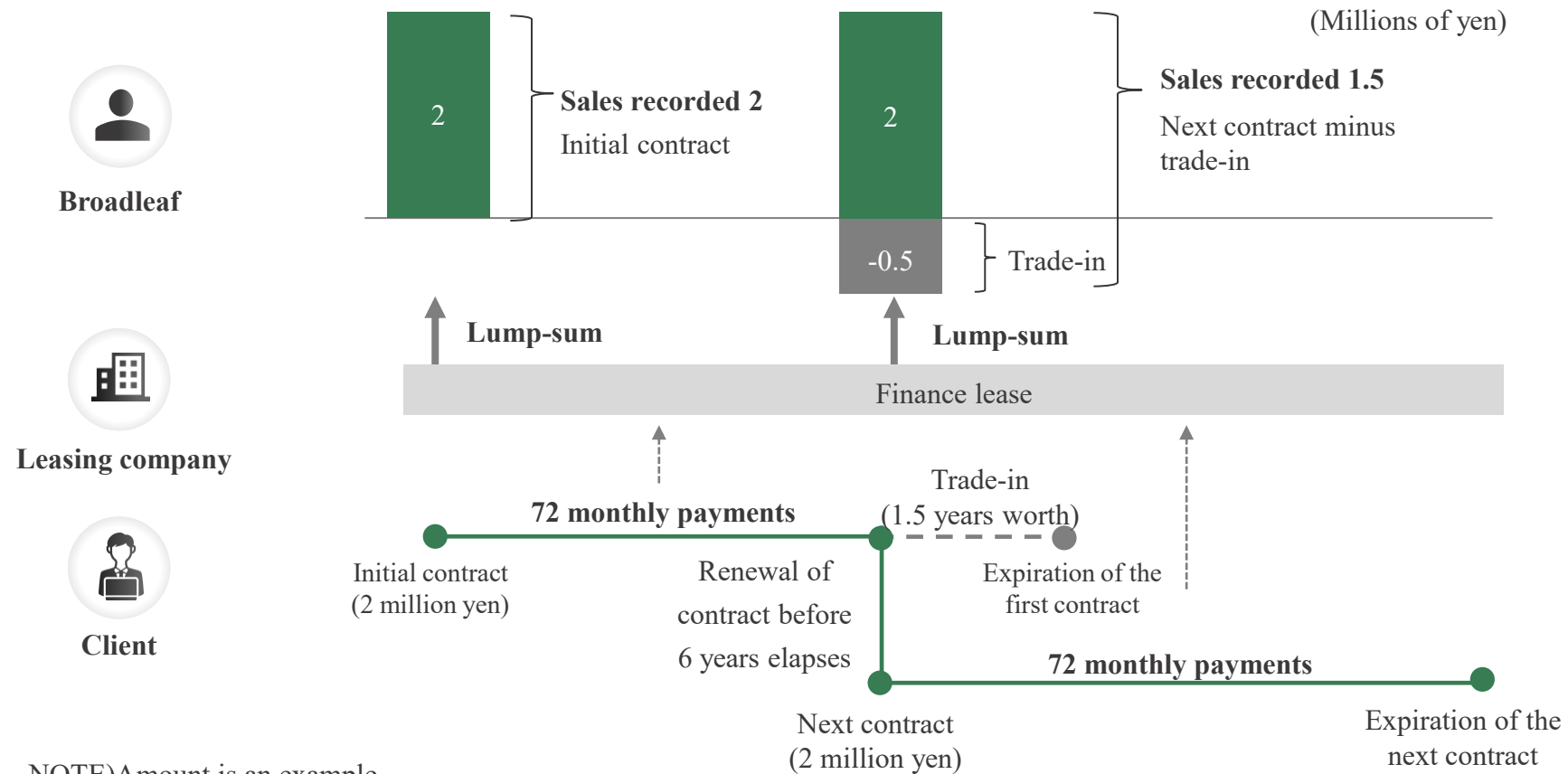
(Millions of yen)	FY2021	FY2020	YoY change	YoY ratio
<b>Platform</b>	<b>11,479</b>	<b>10,692</b>	<b>+786</b>	<b>+7.4%</b>
<b>SaaS</b>	<b>858</b>	<b>692</b>	<b>+166</b>	<b>+24.0%</b>
<b>PaaS/IaaS (basic)</b>	<b>7,830</b>	<b>7,555</b>	<b>+275</b>	<b>+3.6%</b>
<b>PaaS (basic software/lump-sum)</b>	<b>2,448</b>	<b>2,365</b>	<b>+83</b>	<b>+3.5%</b>
<b>PaaS (database/monthly)</b>	<b>2,965</b>	<b>2,939</b>	<b>+26</b>	<b>+0.9%</b>
<b>IaaS (monthly)</b>	<b>2,417</b>	<b>2,251</b>	<b>+166</b>	<b>+7.4%</b>
<b>EDI and settlement</b>	<b>702</b>	<b>692</b>	<b>+10</b>	<b>+1.4%</b>
<b>PSF</b>	<b>543</b>	<b>554</b>	<b>-11</b>	<b>-2.0%</b>
<b>BLP</b>	<b>159</b>	<b>138</b>	<b>+21</b>	<b>+15.3%</b>
<b>Support</b>	<b>1,866</b>	<b>1,596</b>	<b>+270</b>	<b>+16.9%</b>
<b>Support services</b>	<b>1,083</b>	<b>878</b>	<b>+205</b>	<b>+23.3%</b>
<b>Supplies</b>	<b>784</b>	<b>719</b>	<b>+65</b>	<b>+9.1%</b>
<b>Others</b>	<b>222</b>	<b>157</b>	<b>+65</b>	<b>+41.6%</b>
<b>Application</b>	<b>9,173</b>	<b>10,469</b>	<b>-1,297</b>	<b>-12.4%</b>
<b>By industry</b>	<b>7,868</b>	<b>8,868</b>	<b>-1,000</b>	<b>-11.3%</b>
<b>Automotive</b>	<b>6,779</b>	<b>7,607</b>	<b>-828</b>	<b>-10.9%</b>
<b>Non-automotive</b>	<b>1,089</b>	<b>1,261</b>	<b>-172</b>	<b>-13.6%</b>
<b>OTRS</b>	<b>223</b>	<b>204</b>	<b>+20</b>	<b>+9.6%</b>
<b>Devices</b>	<b>1,082</b>	<b>1,398</b>	<b>-316</b>	<b>-22.6%</b>
<b>Total</b>	<b>20,652</b>	<b>21,162</b>	<b>-510</b>	<b>-2.4%</b>

NOTE) The breakdown of Application sales has been retroactively changed in line with the launch of cloud-based software sales.

## Sales Recognition in Lease Contract

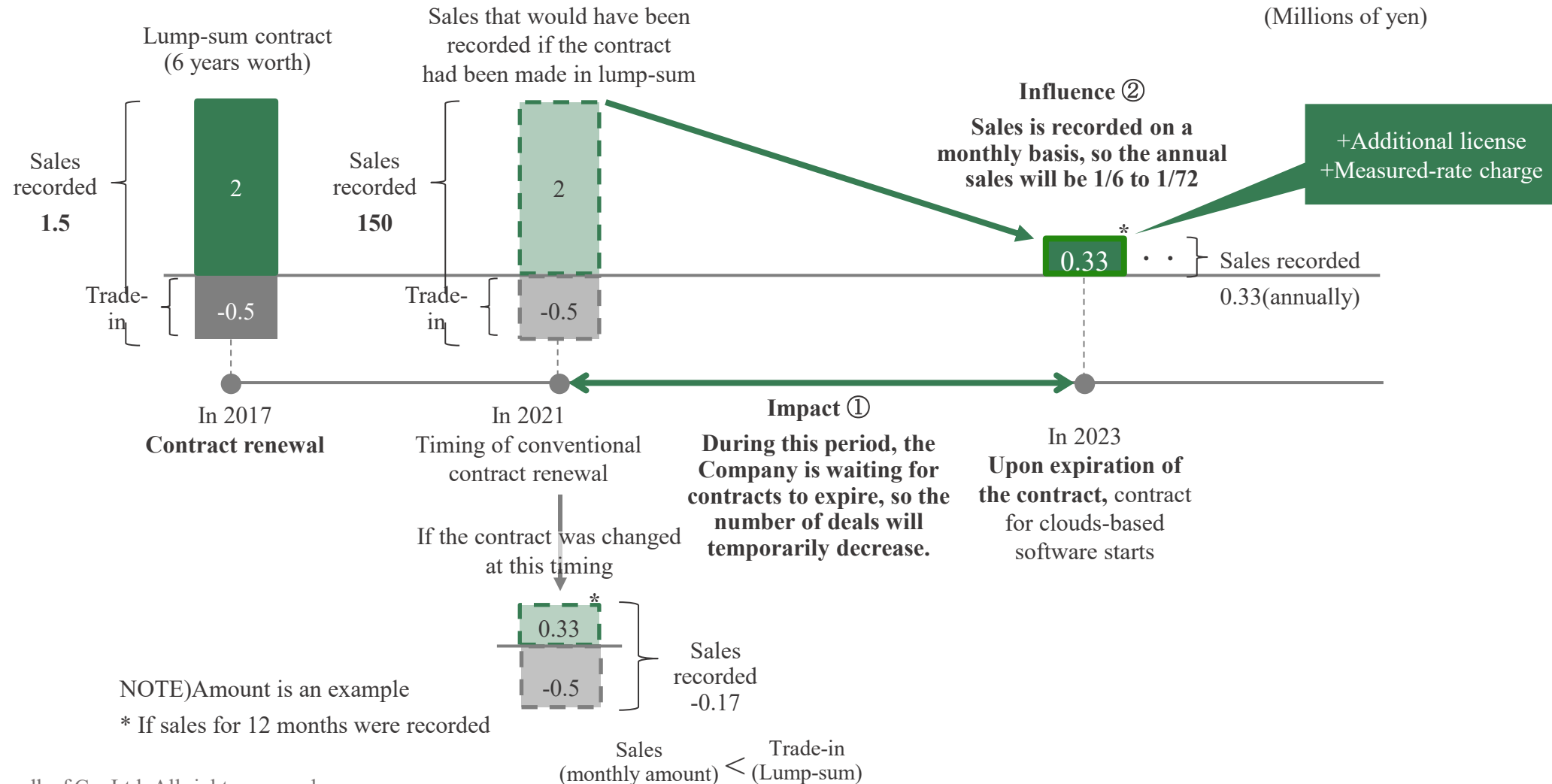
## Previous software ".NS Series" (for 6-year contracts)

Most clients choose lease contracts. Prior to the expiration of the software rights purchase period (= lease period), the Company may trade in the remaining lease balance.

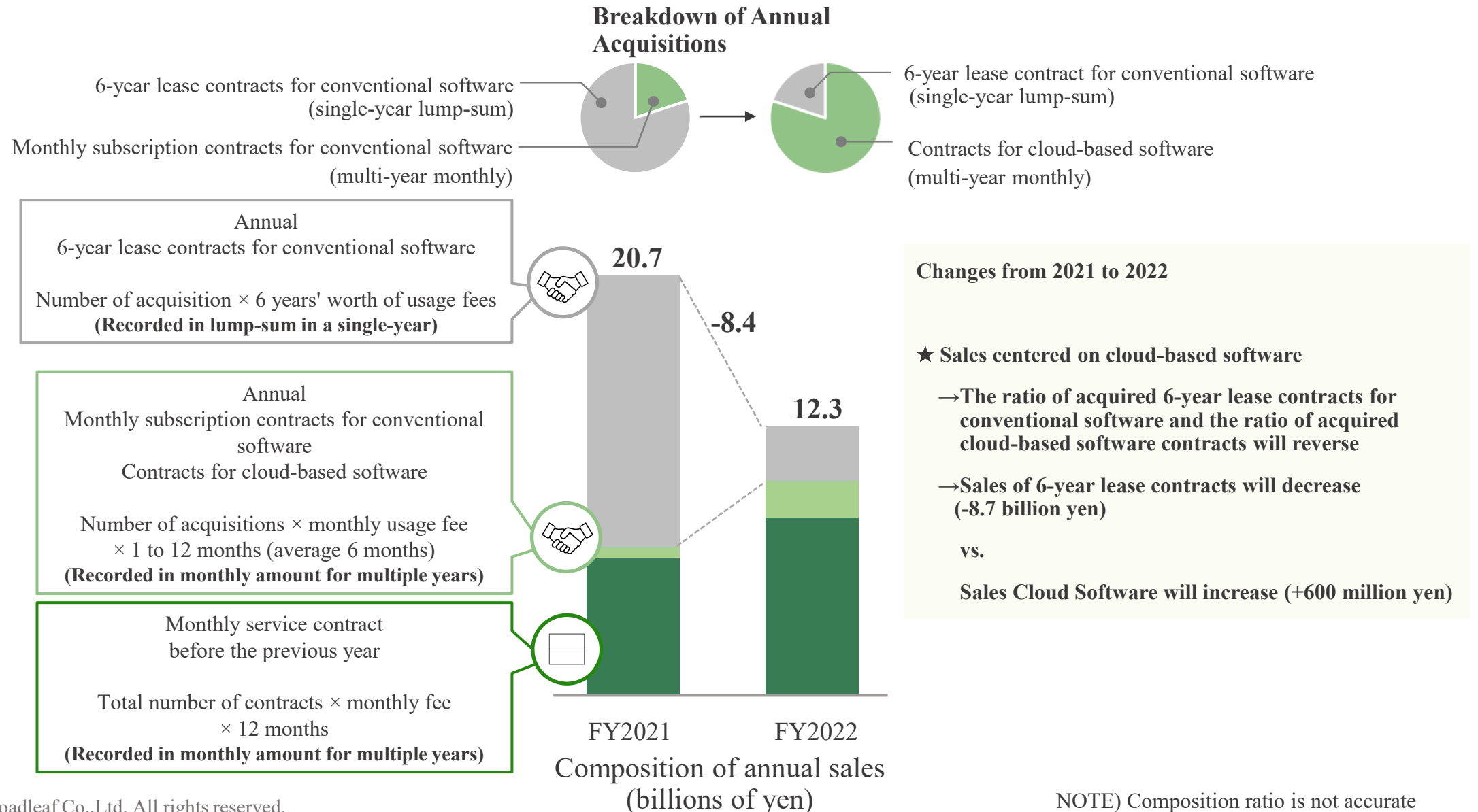


## Impact of Transition to Cloud-based Software

**In the case where existing users with 6-year contract change to “.c Series” of cloud-based software (regardless of the type of contract)**

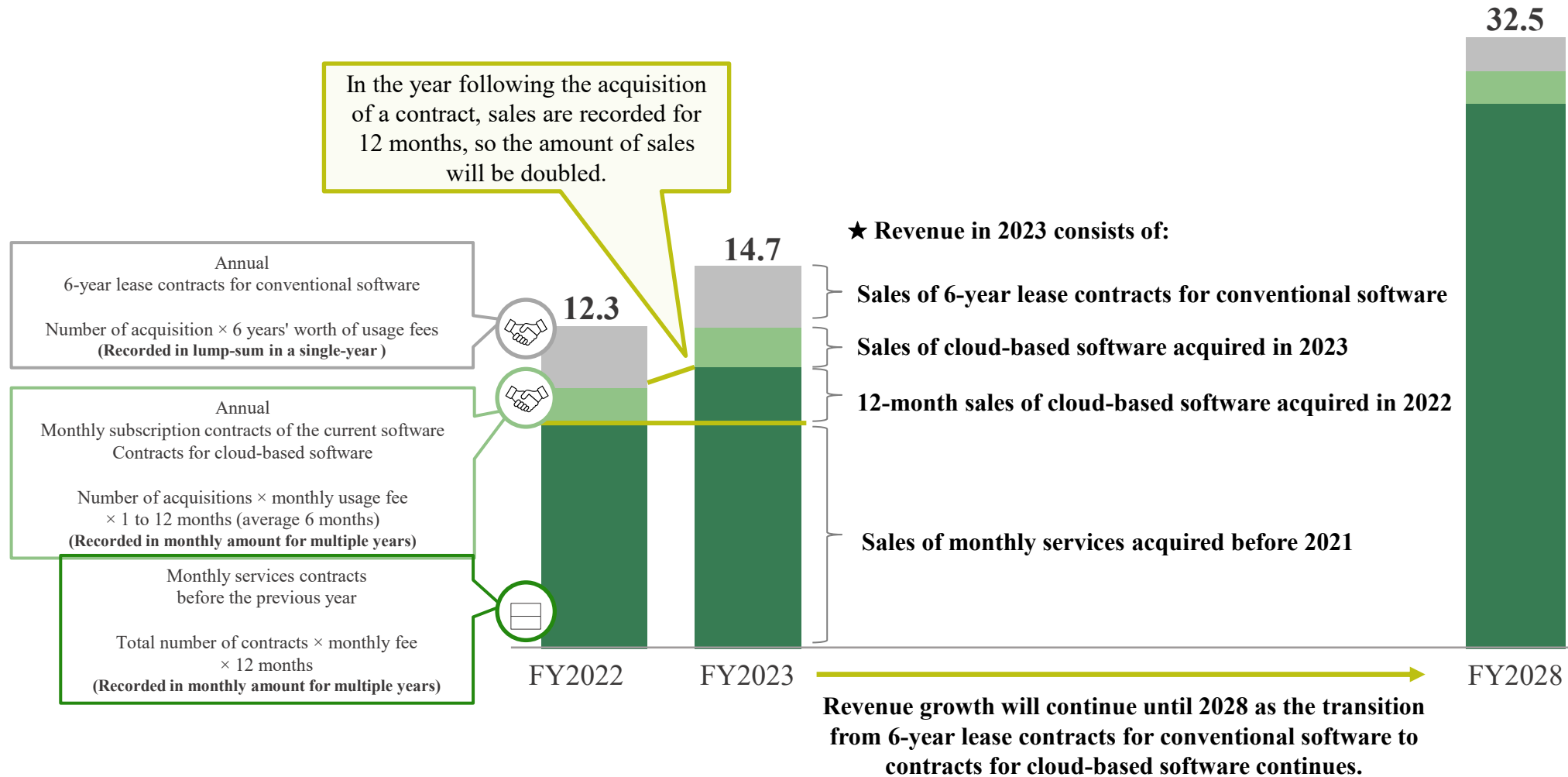


## Reasons for the Decline in Revenue in 2022



## Reasons for Continued Revenue Growth since 2023

(Billions of yen)



NOTE) Some conventional software is not planned to be transit to cloud-based software,  
and cloud-based software is recorded as monthly sales regardless of the type of contract.

## Origin of the Corporate Philosophy and Company Name

### “Gratitude and Happiness”

Broadleaf is promoting businesses that prosper together with clients, with the importance of the spirit of "gratitude and happiness", which is indispensable for deep ties between people and companies. When our products and services contribute to our clients' businesses, clients will feel satisfied about having connection with Broadleaf.

And We believe that the realization of daily growth in our businesses will create a sense of happiness.

With the hearts of clients, we will also be able to create "gratitude and happiness" that will lead to the provision of better products, services, and value to society.

### Corporate Philosophy

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Based on the spirit of "gratitude and happiness," we will develop business applications specializing in a wide range of industries and sectors, and contribute to the creation of our client' businesses by providing better products and services.

### Origin of the company name

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Broadleaf means just what it says – a broad leaf.

Broad leaves bathe in sunlight during spring and summer so that they can grow. In winter, the leaves and fruit fall from the tree and return to the ground as nutrients. This cycle creates a broader field in which a range of different plants and animals can live together.

We chose the name Broadleaf because we wanted to take a single leaf and plant it in the vast field of business, so that we can grow countless more leaves, produce fruit and keep on growing in the future, hand in hand with our customers and everyone else.



## Corporate Profile

Company Name	Broadleaf Co., Ltd
Representative	Kenji Oyama, Representative Director and President
Listed on	Listed on the First Section of Tokyo Stock Exchange (3673) *Planning to move to the Prime Market
Sector	Information and telecommunication
Founded/established	December 2005/September 2009
Capital stock	7.148 billion yen (consolidated)
Business Year	From January 1 to December 31
Business Outline	<p>The Company offers a wide range of IT services, including its independently developed business software.</p> <p>In addition to providing business software that serves as core systems mainly to business operators in the automotive aftermarket industry, the Company delivers a variety of unique services including an ordering platform for auto parts and big data analysis as a one-stop service.</p> <p>Looking ahead to the future evolution of mobility society, the Company is also promoting research and studies related to the practical use of leading-edge technologies</p>
Head Office Location:	Floor 8, Glass Cube Shinagawa, 4-13-14 Higashi-Shinagawa, Shinagawa-ku, Tokyo
Domestic Offices	28 Business Offices and 3 Development Centers in Japan
Major Subsidiaries	Tajima Inc.

## Disclaimer

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The statements regarding results forecasts and future forecasts contained in this materials are forecasts based on information available at the time of preparation of the materials, so they include potential risks and uncertainties.

Therefore, please be aware that actual results may differ from these results forecasts due to various factors.

### Contact Information

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Corporate Communication Department

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