



データに、物語を。

Designing Narratives with Data

# Financial Results Material for the First Six Months of the 62nd Fiscal Year Ending March 31, 2025

ODK Solutions Company, Ltd.

Securities code: 3839





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# Executive summary

## Profit and loss summary

Net sales		Ordinary profit		Profit attributable to owners of parent	
¥2,108 million	+173 <sup>YoY</sup> (+9.0%)	(¥343) million	(73) <sup>YoY</sup> (-)	(¥261) million	(57) <sup>YoY</sup> (-)

### Revenue grew YoY, with net sales progressing smoothly according to plan

#### ■ Net sales

Increased mainly due to the recording of revenue from the development of core clinical testing systems in medical-related services and development projects addressing system reforms in securities operations

#### ■ Ordinary profit / profit attributable to owners of parent

Decreased due to increased cost of sales resulting from increased net sales as well as the absence of temporary special factors that occurred in the previous period (i.e., capitalization of software development costs for addressing system reforms in securities operations)

## Net sales summary by service category

**Educational operations**  
¥903 million; +¥39 million, or +4.5% YoY

+: Increase in revenue recognition from university entrance exam operations and others

**General business operations**  
¥445 million; +¥91 million, or +25.9% YoY

+: Increase in development of core clinical testing systems

+: Renewal of printers for medical systems

**Securities and deposit/transfer operations**  
¥585 million; +¥39 million, or +7.2% YoY

+: Recording of revenue related to WITH-X<sup>®</sup> resulting from development projects addressing system reforms

**Other operations (Group companies, etc.)**  
¥172 million; +2 million, or +1.7% YoY

+: Increase in net sales resulting from new development projects undertaken by Fplus, Inc.

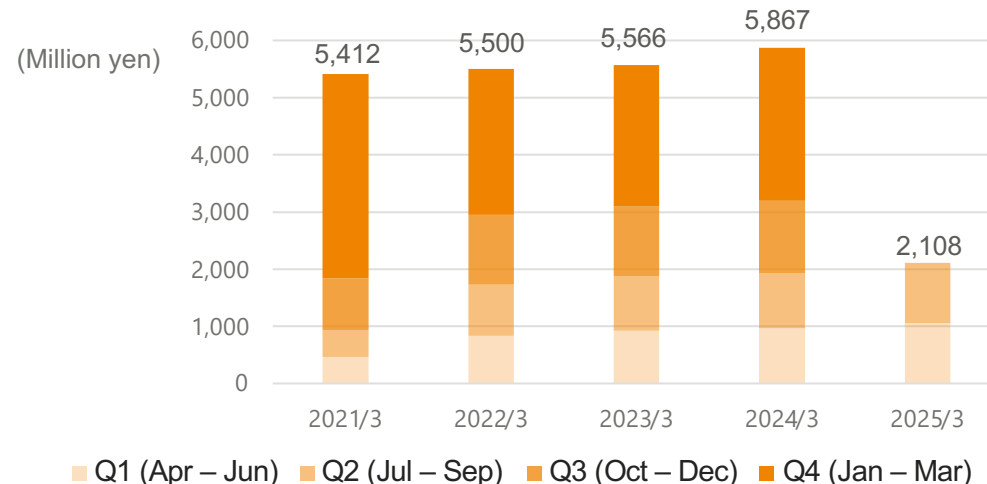
# Earnings trends

ODK Group businesses tend to record higher profits in the fourth quarter, mainly due to university entrance exam operations.

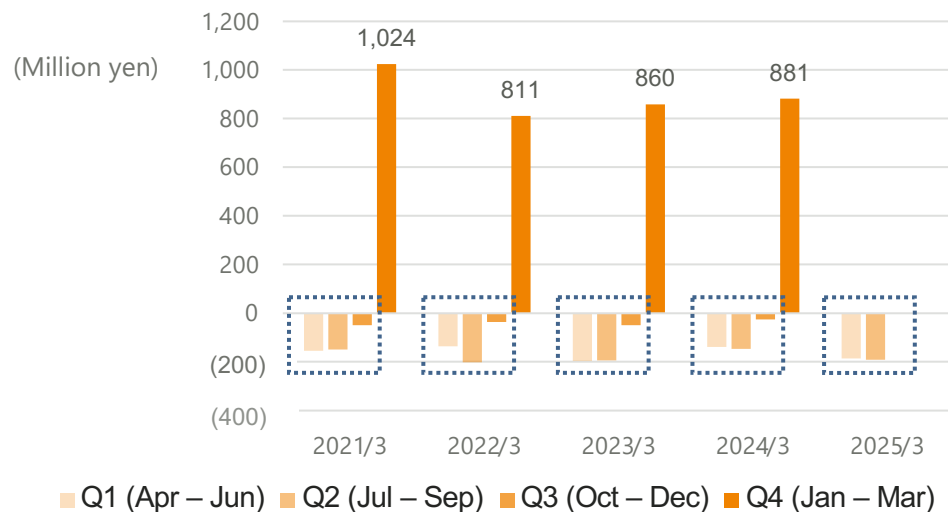
Meanwhile, fixed costs such as personnel expenses, etc. do not change from quarter to quarter. Consequently, in a typical year we usually record losses through the third quarter.

However, these losses are offset on a full-year basis.

Cumulative quarterly net sales (consolidated)



Quarterly operating profit (consolidated)





# Consolidated statement of income (first six months of FY 3/2025)

(Million yen, %)

	Consolidated	YoY change	Change (%)	ODK (non-consolidated)	YoY change	Change (%)
Net sales	2,108	173	9.0	1,935	170	9.6
Operating expenses	2,485	265	12.0	2,275	229	11.2
Commission expenses	655	97	17.4	621	65	11.8
Machine rental expenses, etc.	332	39	13.4	324	39	13.9
Labor cost	859	130	17.9	744	119	19.1
SG&A expenses	636	(1)	(0.3)	584	4	0.8
Operating profit	(376)	(92)	–	(340)	(59)	–
Ordinary profit	(343)	(73)	–	(356)	(64)	–
Profit attributable to parent of owners	(261)	(57)	–	(268)	(51)	–

## ■ Operating expenses

**Commission expenses** : Increased mainly due to an increase in the development of core clinical testing systems in medical-related services and an increase in Career Port® operation and maintenance expenses

**Machine rental expenses, etc.:** Increased mainly due to UCARO® Application cloud service usage fees

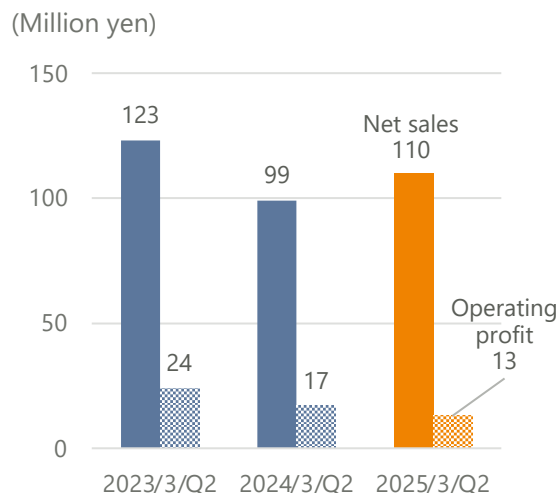
**Labor cost:** Increased mainly due to increased net sales and the absence of temporary special factors that occurred in the previous period (i.e., capitalization of software development costs for addressing system reforms in securities operations)

# Status of subsidiaries

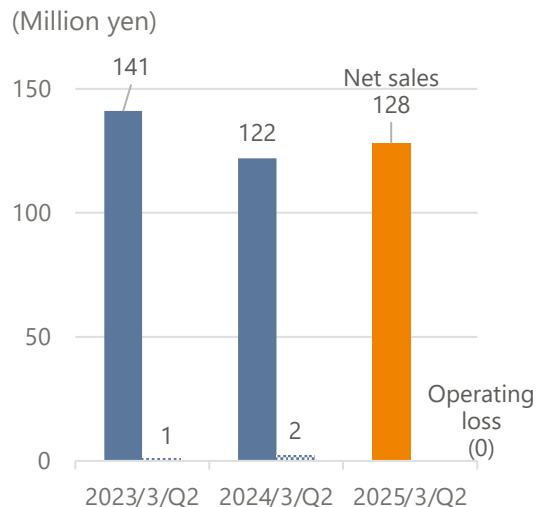
Note: Subject to consolidation from FY 3/2022 Q3

Note: Subject to consolidation from FY 3/2023 Q2

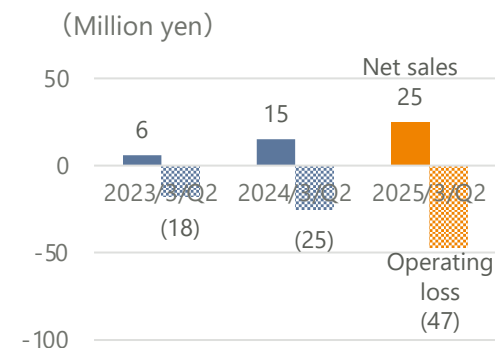
## Fplus, Inc.



## ECS, Inc.



## Pottos, Inc.



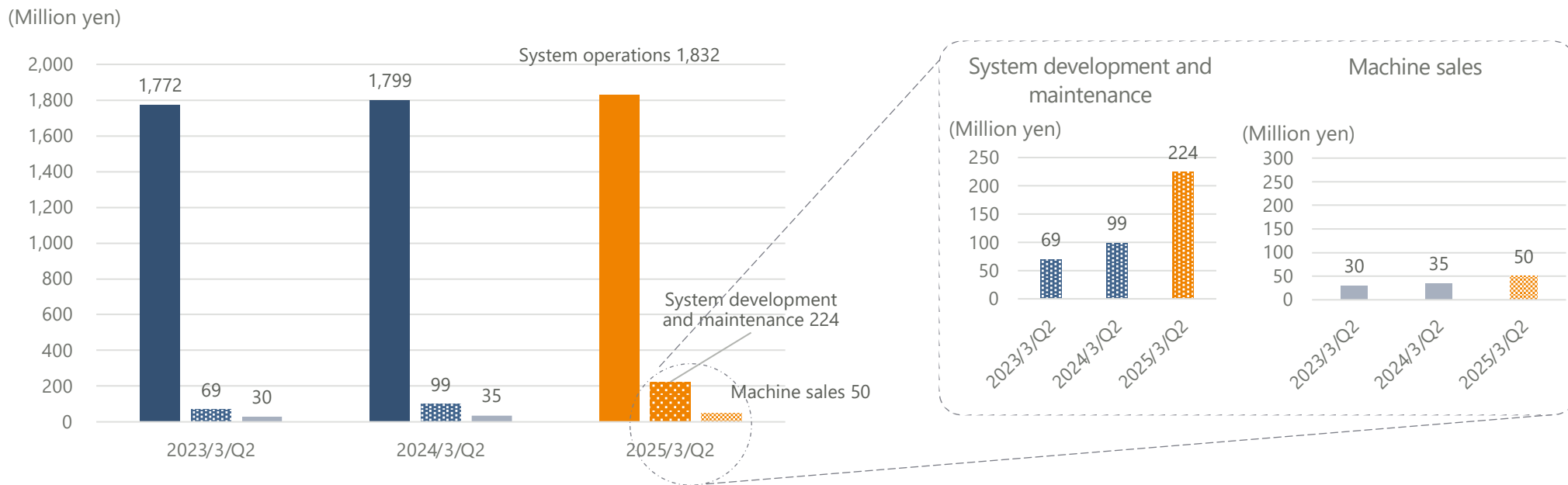
### Consolidation of ECS, Inc.

For FY 3/2023, we adopted an irregular accounting period of 14 months from February 1, 2022 to March 31, 2023 for ECS, Inc. This was due to the end of ECS's accounting period being changed from January 31 to March 31.

### Consolidation of NINJAPAN Inc.

NINJAPAN Inc. is scheduled to be consolidated from the third quarter of the current fiscal year ending March 31, 2025.

# Net sales by business category (consolidated)



## ■ System operations

Increased mainly due to revenue recognition from university entrance exam operations

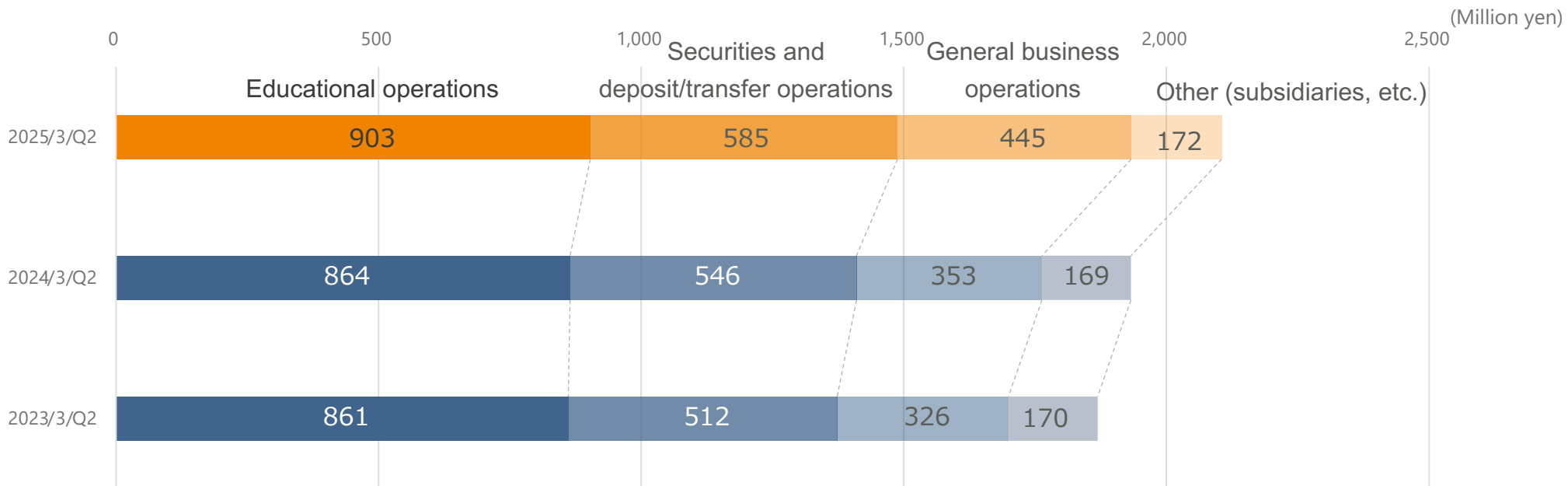
## ■ System development and maintenance

Increased mainly due to the development of core clinical testing systems in medical-related services and the recording of revenue related to WITH-X<sup>®</sup> resulting from development projects addressing system reforms

## ■ Machine sales

Increased mainly due to the renewal of printers for medical systems

## Net sales by service category (consolidated)



### ■ Educational operations

Increased mainly due to revenue recognition from university entrance exam operations

### ■ Securities and deposit/transfer operations

Increased mainly due to the recording of revenue related to WITH-X<sup>®</sup> resulting from development projects addressing system reforms

### ■ General operations

Increased mainly due to increased development of core clinical testing systems and the renewal of printers for medical systems

### ■ Other

Increased mainly due to new development projects undertaken by Fplus, Inc.



# Financial conditions as of September 30, 2024

## Balance sheet as of Mar. 31, 2024

[Consolidated] (Million yen)

Cash and deposits 2,855	Current liabilities 1,704
	Non-current liabilities 935
Accounts receivable – trade 2,432	Shareholder's equity 5,860
Inventories 29	
Contract assets 3	
Other 121	
Property, plant and equipment 264	
Intangible assets 1,372	Valuation difference on available-for-sale securities 194
Investments and other assets 1,614	
<b>Total assets 8,694</b>	

## Balance sheet as of Sep. 30, 2024

[Consolidated] (Million yen)

Cash and deposits 3,726	Current liabilities 1,262
	Non-current liabilities 1,302
Accounts receivable – trade 250	Shareholder's equity 5,605
Inventories 0	
Other 248	
Contract assets 816	
Property, plant and equipment 229	
Intangible assets 1,360	Valuation difference on available-for-sale securities 210
Investments and other assets 1,749	
<b>Total assets 8,380</b>	

Up

### ■ Total assets

Total assets decreased ¥313 million from the end of the previous fiscal year due to business cycle impacts (mainly the collection of trade receivables in educational operations)

### ■ Liabilities and net assets

Liabilities decreased ¥74 million from the end of the previous fiscal year mainly due to payment of income taxes payable, despite an increase in liabilities resulting from borrowings

Net assets decreased ¥239 million from the end of the previous fiscal year mainly due to a decrease in retained earnings



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# Earnings forecasts for FY 3/2025 (consolidated)

## Full-year profit and loss forecasts


	Net sales	Ordinary profit	Profit attributable to owners of parent
<b>FY 3/2025</b>	<b>¥6,700</b> million	<b>¥500</b> million	<b>¥340</b> million
(Reference) FY 3/2024 results	¥5,867 million	¥604 million	¥266 million

### ■ Plan to increase earnings by over 10% year on year


- **Net sales** is forecasted to increase mainly due to M&A execution and increased system development related to entrance exams in educational operations
- **Ordinary profit** is forecasted to decrease mainly due to the absence of special factors in the fiscal year ended March 31, 2024, as well as expenses incurred for system restructuring in educational operations
- **Profit attributable to owners of parent** is forecasted to increase due to the exclusion of impairment loss impacts that occurred in the fiscal year ended March 31, 2024

## Net sales forecasts and major factors by service category


### Educational operations

- 
- + Increase in system development addressing FY2025 entrance exam system reforms
  - + Increase due to offering at fair prices


### General business operations

- 
- + Increase in development related to clinical testing systems and machine sales

### Securities and deposit/transfer operations

- 
- + Increase in system development related to WITH-X<sup>®</sup>

### Other operations (Group companies, etc.)

- 
- + Increase due to M&A (NINJAPAN Inc.)
  - + Increase in sales of Career Port<sup>®</sup>



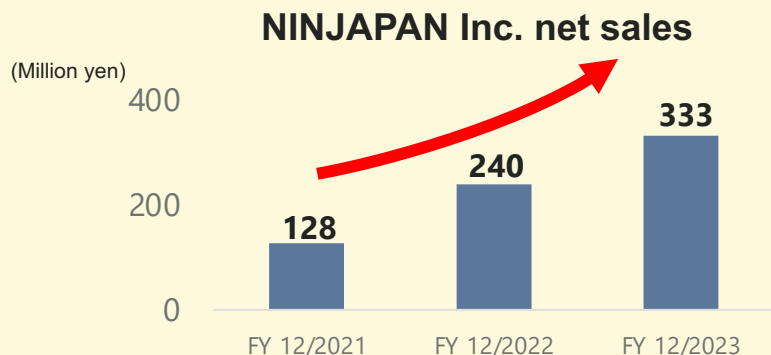
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# Made NINJAPAN Inc. a subsidiary

Stock acquisition: October 2, 2024

## NINJAPAN Inc.

- Operates the Strategic Career build Coaching for Job-Hunting “Abuild® Job Hunting” and “Abuild® New Grads Strategic Recruitment”
- Possesses a high market share in job-hunting coaching market for upper-level students



Note) B/S: Scheduled to be reflected from FY 3/2025 Q3  
P/L: Scheduled to be reflected from FY 3/2025 Q4

**戦略就活で 即戦力内定**  
選ばれるな、選べ。

内定率 **98.2%**<sup>※1</sup> 満足度 **92.2%**<sup>※2</sup> 受講生 **1,700**名<sup>※3</sup>

外資系投資銀行出身  
新井翔太

※1 自社調べ、2022年8月「Abuild就活卒業生へのアンケート」（有効回答数175）  
※2 自社調べ、2023年12月時点  
※3 自社調べ、2024年5月時点

## Expanding UCARO® ecosystem by making NINJAPAN Inc. a subsidiary



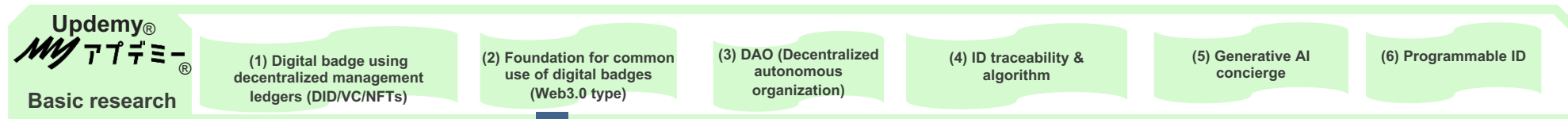
- ◆ **Promote new business portfolio**  
➢ Expand UCARO® ecosystem by supporting career development
- ◆ **Materialize group synergies**  
➢ Launch new services in collaboration with Career Port®
- ◆ **Promote M&A and alliances**  
➢ Expand new business domains by acquiring contents/services

Steadily delivering on key issues set forth in the medium-term management plan

# Made NINJAPAN Inc. a subsidiary

## Why did ODK execute an M&A for a job-hunting coaching business?

- ▶ ODK aims to acquire contents that allows us to leverage the insights gained through basic research on Updemy and expand our business opportunities



Applying existing R&D outcomes to the business side

ODK's unique contents  
Local Bridge® Career Port®  
キャリアポート



Newly acquired contents  
Job Hunting  
Abuild就活

Enables the recording of **daily achievements** that could not be demonstrated to date

- ✓ Record of tentative job offers
- ✓ Record of internship & event participation

## What is ODK's future growth strategy?

- ▶ ✓ **Short-term:** ODK will offer the **Joint Internship Program** and **Branding Media** with Pottos, Inc. for **creating opportunities to think about long-term career development** from the early years of university, thereby **increasing sales of Career Port®**, a recruitment and public relations support service
- ▶ ✓ **Medium- to long-term:** ODK aims to create a **job-hunting matching service for new graduates and services for recent graduates and young professionals** by leveraging NFT records of internship participation and tentative job offers

## What social impact does ODK intend to achieve through its job hunting-related business?

- ▶ Create a prosperous society where each individual has more choices for living and working authentically

### <Social issues in domestic job hunting>

- Mismatch due to mass hiring and early job offers
- Overemphasis on academic background
- Information disparity between rural and urban areas



### <Value proposition that ODK aims to achieve going forward>

- Creating a platform that **connects people with other people and people with organizations** leveraging ODK's connections to students
- Empower each student to actively develop their own career as the leading character
  - Visualize important but underutilized information such as on tentative job offers
  - Proactively establish partnerships with companies necessary for achieving social impact



# Harnessing M&A synergies

- Experience executing four large-scale M&As in the past
- Synergy creation through solid post-merger integration (PMI) implementation
- ODK Group regards “people” as our greatest asset and pursues human resource strategies that enable each employee to work with peace of mind and embrace challenges



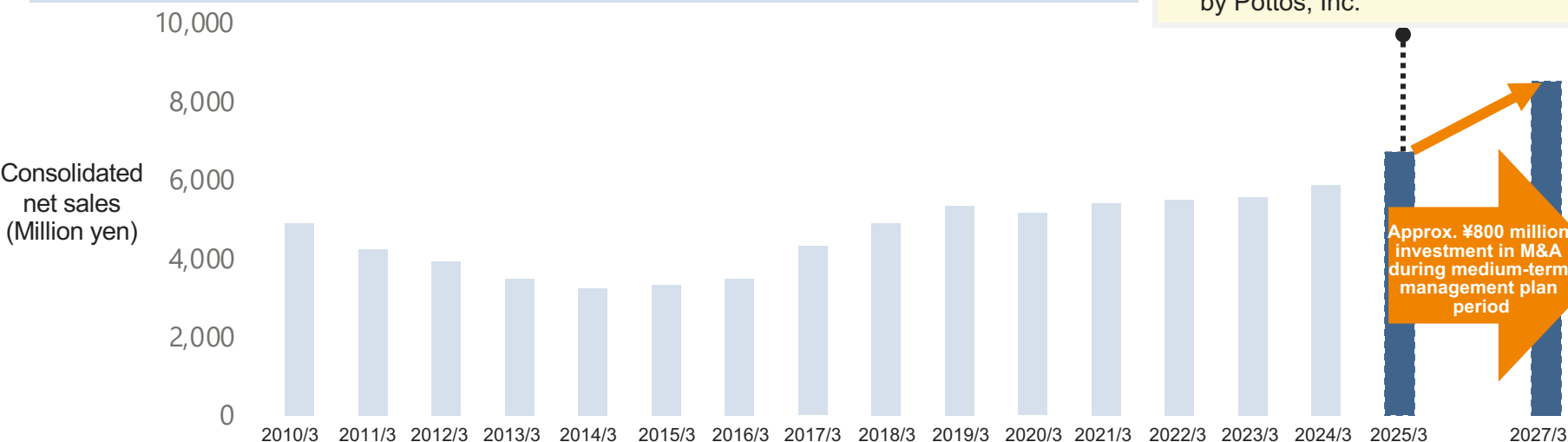
## Expand UCARO® ecosystem

### Develop multiple joint services

- Offer the Joint Internship Program and Branding Media in conjunction with Career Port®, provided by Pottos, Inc.

Grow through both organic growth of existing businesses and M&A

Approx. ¥800 million investment in M&A during medium-term management plan period



Fplus, Inc.

### Strengthening of system development for financial institutions

- Transferred development of educational & securities operations
- Enhanced groupwide profitability by consolidating outsourcing expenses



ECS, Inc.

### Strengthening of business for universities

- Plan to transfer entrance exam operations (on trial basis from FY 3/2026)
- Streamlined group functions to free up human resources and shift to upstream processes



Human resources training support business

### Expansion of UCARO® ecosystem

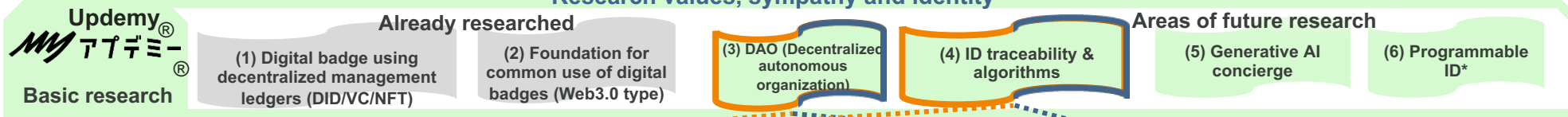
#### Increasing connections to learning fields of working professionals

- Plan to enhance functions of foundational e-learning platform SLAP as a basis for future deployment of a talent management system



# Early monetization of new businesses (R&D activities)

## Research values, sympathy and identity



- Adopted in the Traceability Platform Development Project conducted by Dentsu Group Inc., Panasonic Holdings Corporation and others**  
 Press release (Japanese only): <https://digitalpr.jp/r/90760>

- Engage in researching ID traceability and algorithms\*** together with **Dentsu Group Inc., Panasonic Holdings Corporation and others**
- Evaluate and facilitate students' social contribution activities based on strict traceability**
- Aim to visualize and analyze the diverse values of individuals as our NFT portfolio**

- Verify new system for distributing remuneration to creators via blockchain**  
 Press release (Japanese only): <https://digitalpr.jp/r/96187>

- Demonstrate smart contract technology\*** that utilize blockchains
- Deploy data and programs on public blockchains\***
- Verify highly transparent automatic system of distributing remuneration to creators,** without restricting app or platform types

\* ID traceability and algorithms: This technology aims to achieve self-sovereignty and authentic identity history management leveraging the tamper-resistant nature of blockchains, thereby enabling optimal matching and recommendations.  
 \* Smart contract: A program hosted on a blockchain and automatically executed when predetermined terms and conditions are met..  
 \* Public blockchain: An open blockchain network that allows anyone to participate. With no central authority, transaction data is accessible to everyone, ensuring a high level of transparency.



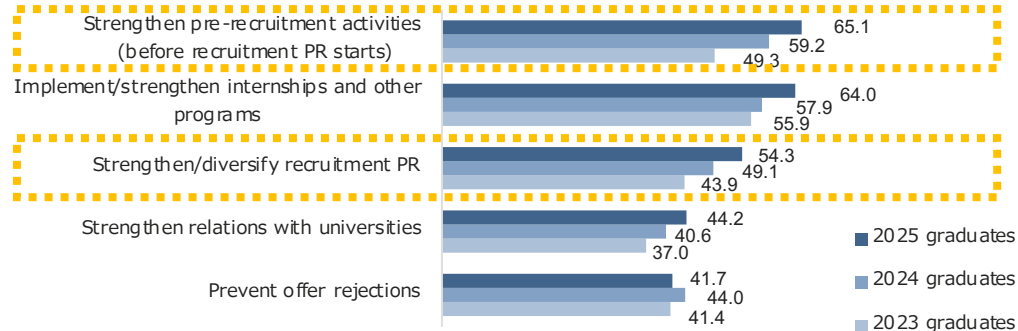
# Early monetization of new businesses (sales promotion of Career Port®)

What is Career Port® recruitment and public relations support service?

A recruitment and public relations support service helps build talent pools that lead to successful employment, leveraging strong connections with university students and a thorough student-centered perspective

ODK has steadily acquired leads by hosting events centered on “recruitment PR,” which many companies are actively engaged in

Q: What does your company intend to focus on in the recruitment of new graduates in 2025?



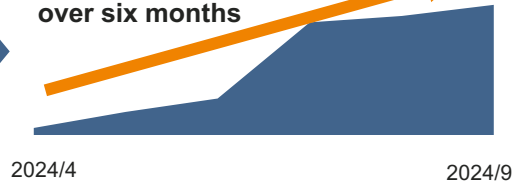
Reference: Career-tasu, Inc. (formerly, Disco Inc.)  
“Emergency Corporate Survey on the Perception and Other Aspects of 2024 Graduate Recruitment Activities”

## Proactively participated in exhibitions and hosted seminars



Smoothly acquired corporate leads under robust new grad recruitment market

Increased approx. 18-fold over six months



Trend in lead acquisition (cumulative)

< Participation records >

- New Grad Recruitment Forum: July 9th
- CONTENT TOKYO: July 3rd to 5th
- DXPO: July 23rd to 24th
- HR SUMMIT: September 5th

Jointly developing services with NINJAPAN Inc. (scheduled to be rolled out from November 2024)



Joint Internship Program  
Branding Media

Partnering in building talent pools that lead to successful employment through a combination of in-person events and media strategies

## Local Bridge® Student Taskforce was initiated to solve local issues in partnership with municipalities; over 100 students participating nationwide



Mission: **“Thriving in Community and Career”**

Participants: Over 100 university students (community organizers)

Scheduled activities:

- ✓ Proposing projects addressing community issues from a student perspective
- ✓ Producing videos and articles introducing the community on social media, etc.
- ✓ Organizing and managing events and other activities

▶ ODK supports **students to develop their careers independently**

### ◆ The first project is currently underway in Nagahama City, Shiga Prefecture



- The Nagahama Project is underway in cooperation with the **Nagahama Tourism Association, Shiga Prefecture**
- Student-driven initiatives and projects to enjoy “Nighttime Nagahama” are being carried out, aiming to enhance the city’s charm and encourage tourism
- ODK helps with **verifying students’ career experience records** using NFTs

**Multiple projects are ongoing other than the Nagahama Project**

▶ Moving forward, ODK will **support students to develop their careers** under the theme of **“creating a second hometown,”** collaborating with municipalities and companies that engage in regional revitalization

## Promoting engagement with retail investors

- ✓ Leveraging insights to refine corporate presentation materials and planning future seminars for retail investors

### < Upcoming events >

- 2024/11/23
  - Souba-no-Fuku-no-Kami (Radio NIKKEI) in Tokyo
- 2025/2/16
  - Daiwa IR in Tokyo
- 2025/3/22
  - Radio NIKKEI Japan Tour in Nagoya

- ✓ Planning IR seminars targeted at diverse retail investors to boost investor awareness

### <First half results>

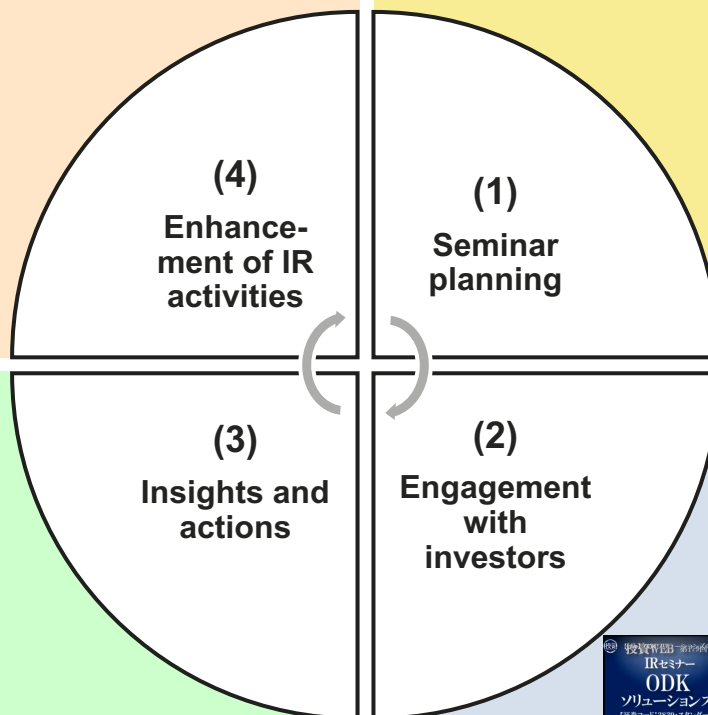
- Investment WEB @YouTube
- Kabushiki Sentai Agarunjer @YouTube
- eventos @Nara
- Kabu Berry @YouTube

- ✓ Frequently asked questions

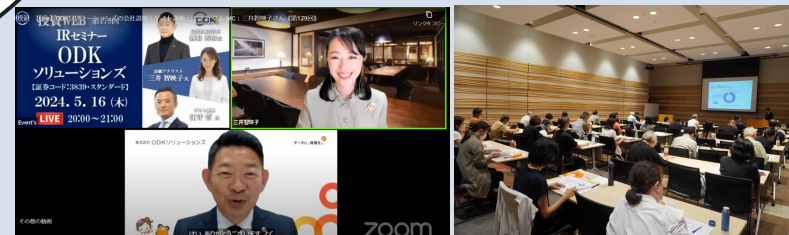
- Impact of declining birthrate
- Upside potential of UCARO®
- M&A growth strategies

- ✓ Insight-driven actions

- Rethought how to explain new businesses
- Created briefing materials regarding up-selling and cross-selling of UCARO®
- Enhanced materials explaining M&A synergies



- ✓ Proactively engaged with investors online and offline
- ✓ Approx. 3,000 investors watched or joined in total





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# Consolidated performance targets

**Net sales**  
**¥8,500**  
million

**Ordinary profit**  
**¥900**  
million

**ROIC**  
**7.0%**

**Dividend**  
**¥10 per year**

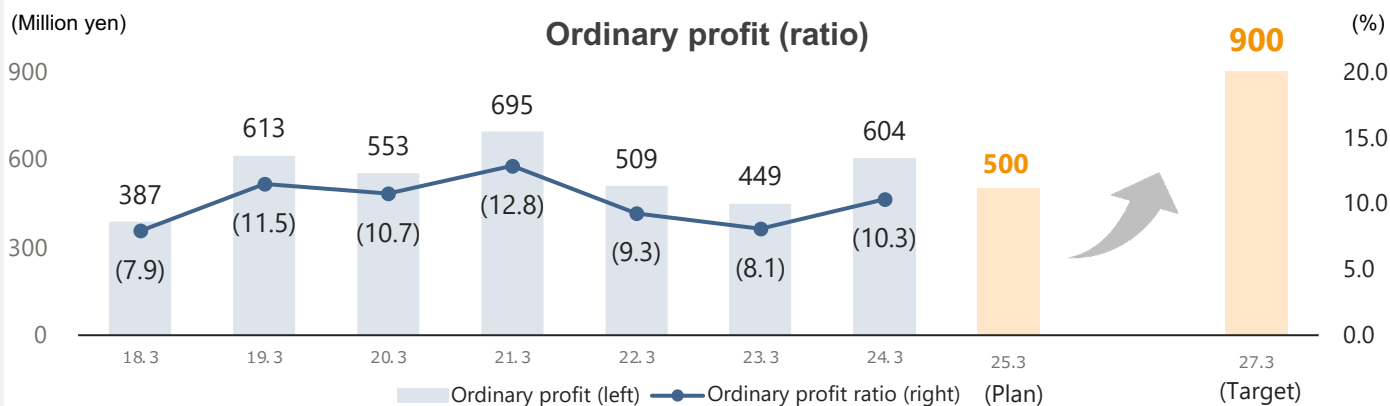
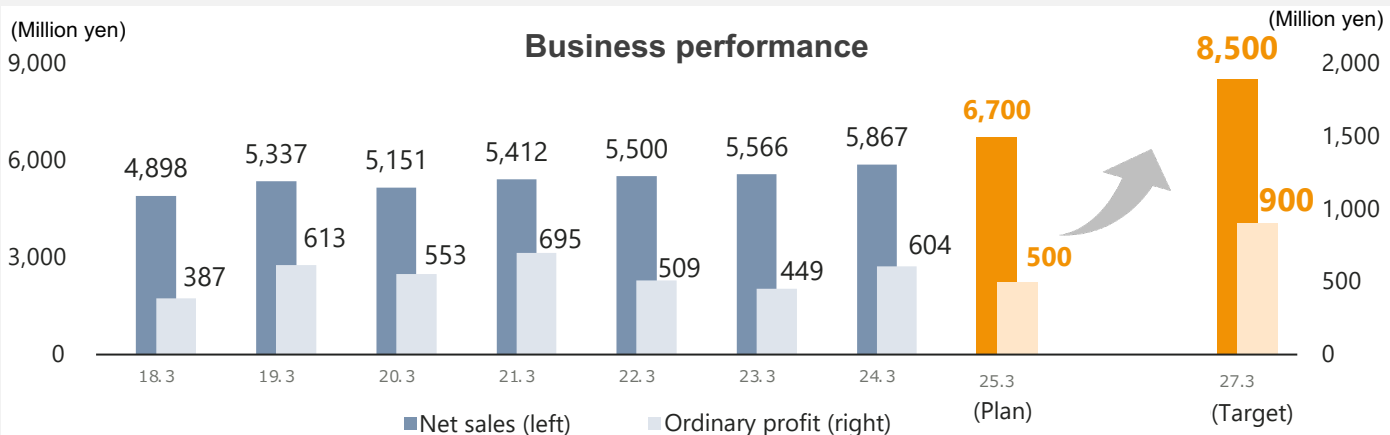
## Comparison with previous targets

◇ Net sales  
Remains unchanged

◇ Ordinary profit (ratio)  
+¥200 million (+2.4%)

### Core policies

- Continue growth trajectory while considering non-achievement of net sales target in previous fiscal year
  - Prioritize measures to improve profitability
- (1) Reduce costs on consolidated basis including groupwide restructuring
  - (2) Rebuild existing businesses including offering services at fair price
  - (3) Quickly monetize new businesses



## Group strategy: Basic policy, strategy and key issues

### Basic policy

**Expand ODK Group**



### Basic strategy

**Promote growth strategy for Group as a whole**



### Key issues

**Promote new  
business portfolio**

**Materialize  
group synergies**

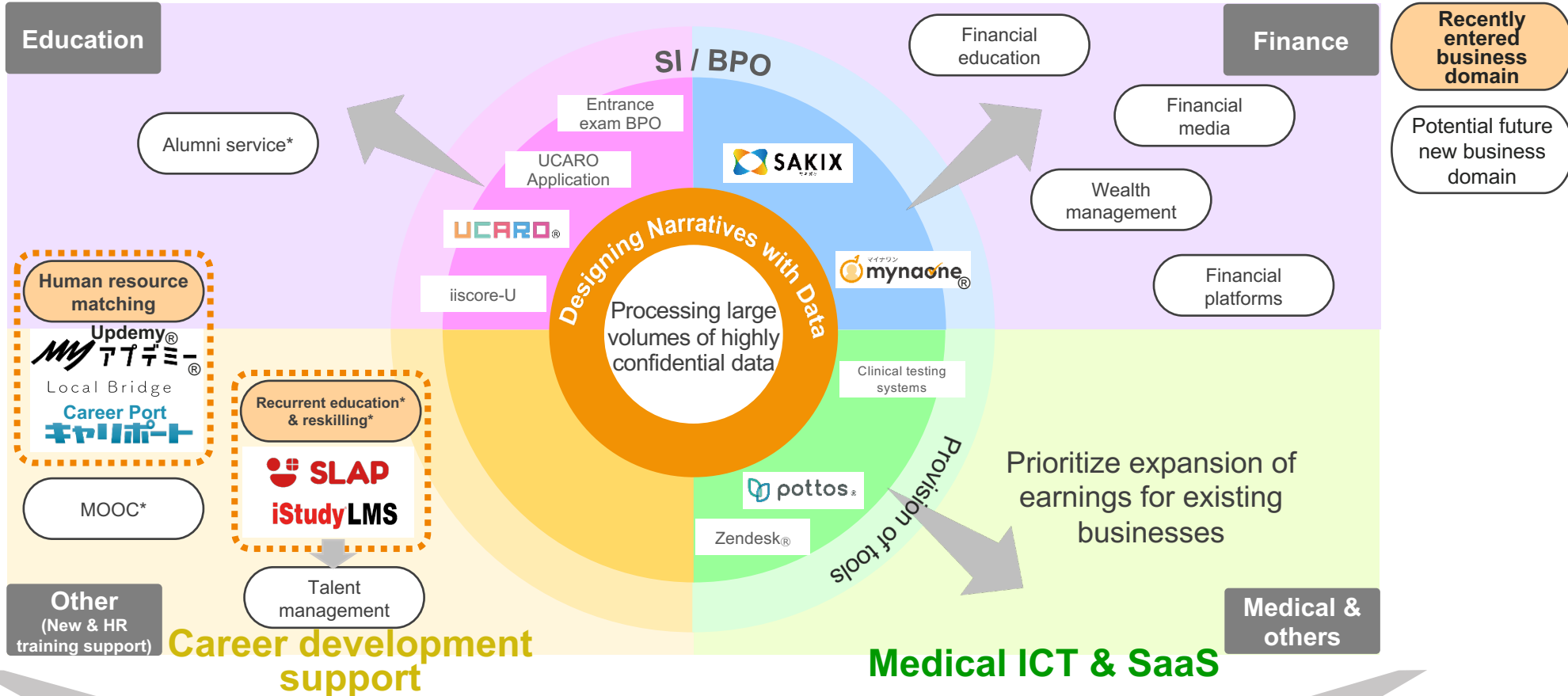
**Promote M&A  
and alliances**



# Promote new business portfolio

- Develop and quickly monetize services that support individual career development, going beyond university entrance exams to address declining population of 18-year-olds

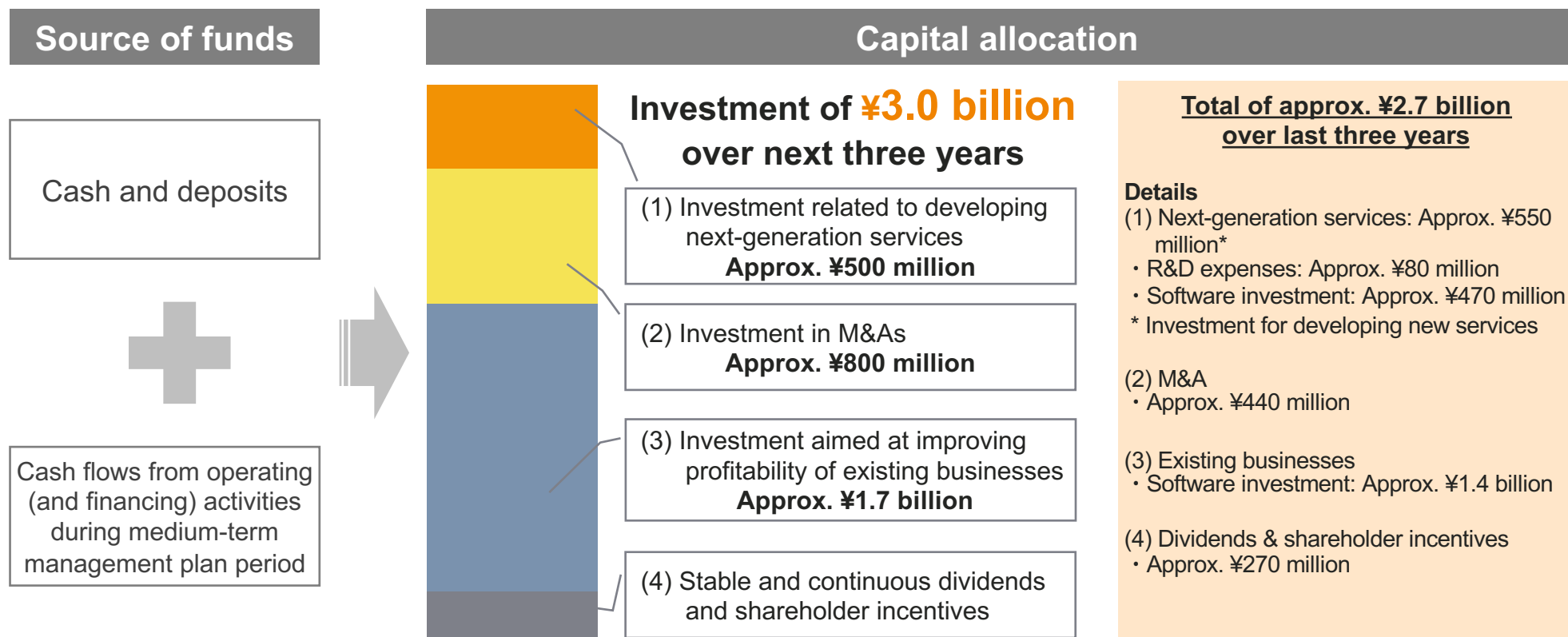
## EdTech × FinTech



\* MOOC: Massive open online courses  
 \* Recurrent education: Periodic return to learning throughout one's life; relearning  
 \* Reskilling: Learning of knowledge and skills necessary for taking on new tasks  
 \* Alumni service: Service that organizes and utilizes alumni of companies and organizations

## Capital allocation policy

- Allocate ¥3.0 billion for investment over next three years for engaging in growth investment while maintaining financial soundness
- Maintain stable and continuous dividends and shareholder incentives



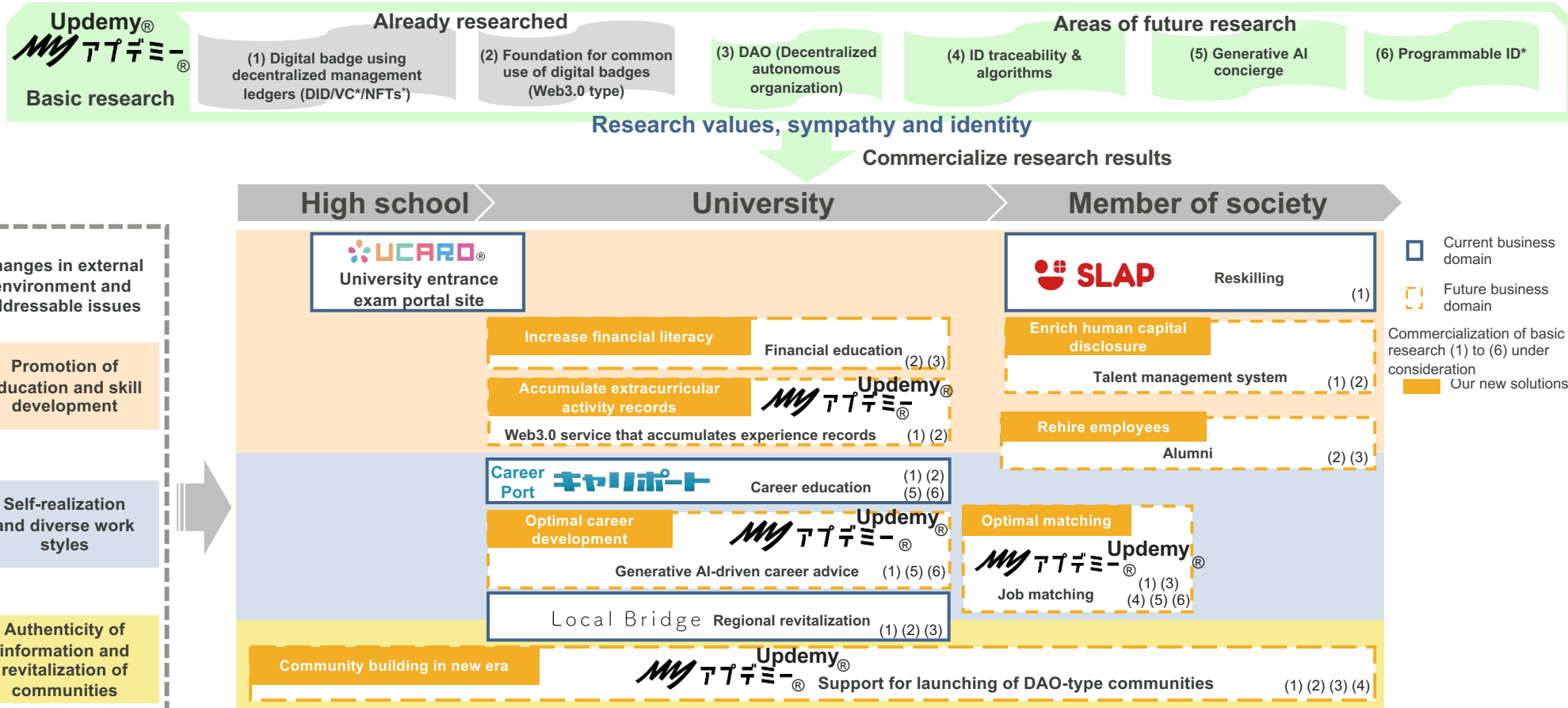


# Leverage R&D results for maximizing individual value

## ➤ Utilize Updemy® R&D results

For organizations (companies): Support **marketing** and **recruiting activities** in new era

For individuals : Support **career development** and **job-hunting activities** that allow for self-realization



\* DID and VC refer to DID (decentralized identifier/distributed ID) and VC (verifiable credential), respectively. DID and VC are authentication and certification methods using blockchain technology.  
 \* NFTs refers to non-fungible tokens, or digital assets that are guaranteed to be unique and non-substitutable thanks to blockchain technology. NFTs are difficult to alter and allow for proving experience records.  
 \* Programmable ID allows for programming of functions that manage autonomous economic activities, information sharing and contract execution across applications with respect to people, things and content.



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# Shareholder returns

## FY 3/2024: Record of dividends paid (full-year)

Dividends	Dividend payout ratio (consolidated)
Regular dividend: ¥10 per share (including ¥5 for interim dividend)	30.3%

## Shareholder incentives



**Total return**

Less than three years    Three years or more

**3.71% to 5.19%**



Record dates	Number of shares held	Continuous holding period	Shareholder incentive
September 30 and March 31	One trading unit (100 shares) or more	Less than three years	QUO card worth ¥500
		Three years or more	QUO card worth ¥1,000

## Shareholder incentive for exercising voting rights

Shareholder incentive
QUO card worth ¥500

Note:  
This incentive is presented to shareholders who exercised their voting rights regardless of their approval or disapproval of proposals.

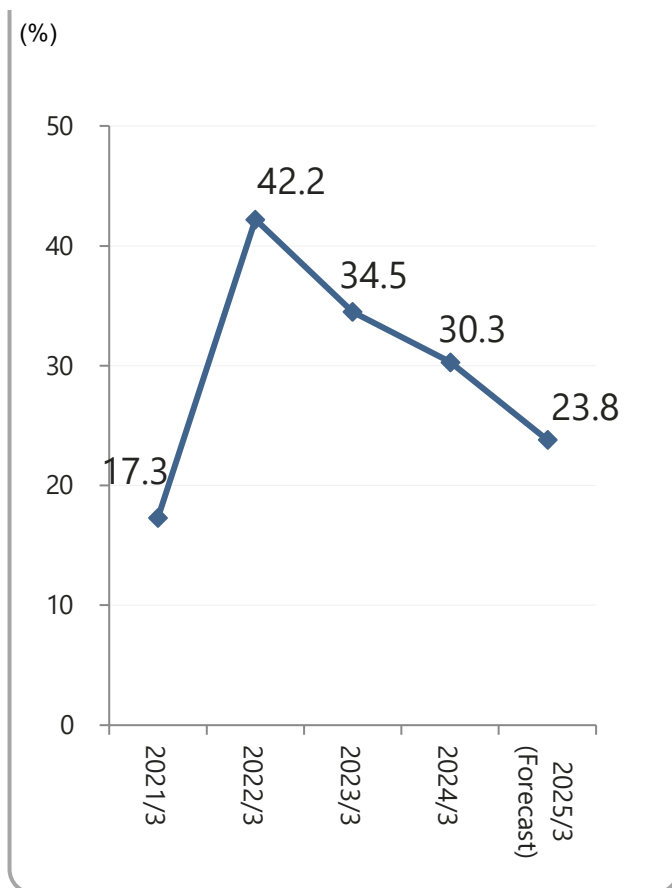
Calculation basis:

- In the case of holding one trading unit (100 shares)
- Total of shareholder incentives (including incentive for exercising voting rights) and dividends
- Calculated based on the actual stock price as of March 31, 2024 (¥674)



# Dividend payout ratio and turnover

## Dividend payout ratio



Note: Dividend payout ratio is on a consolidated basis

## Trend in ODK stock price and turnover

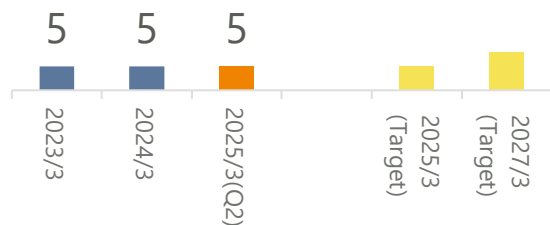


Note: Figures are monthly averages

# Contract and medium-term targets for securities and deposit/transfer operations



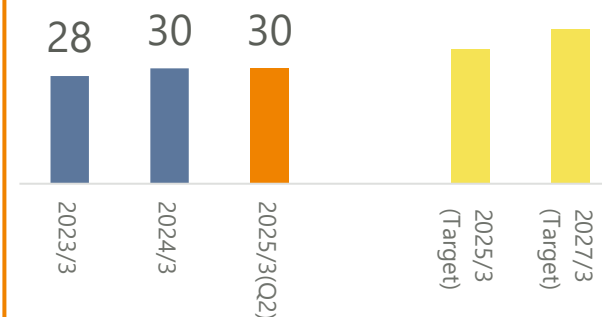
Number of WITH-X® clients



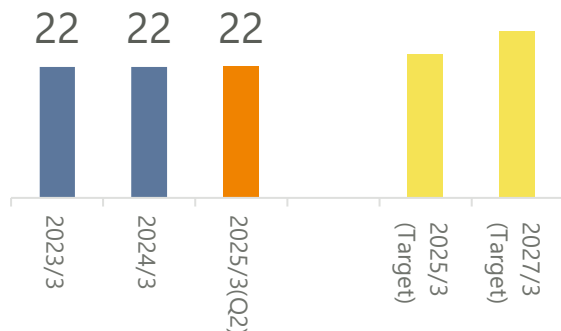
Number of FOR-X® clients



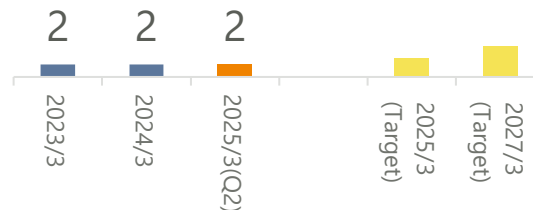
Number of clients



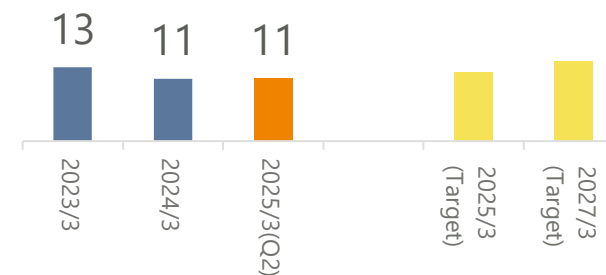
Number of COMBI-X® clients



Number of KIZUNA-X® clients



Number of peripheral system clients



Note: Service names were changed in March 2023.

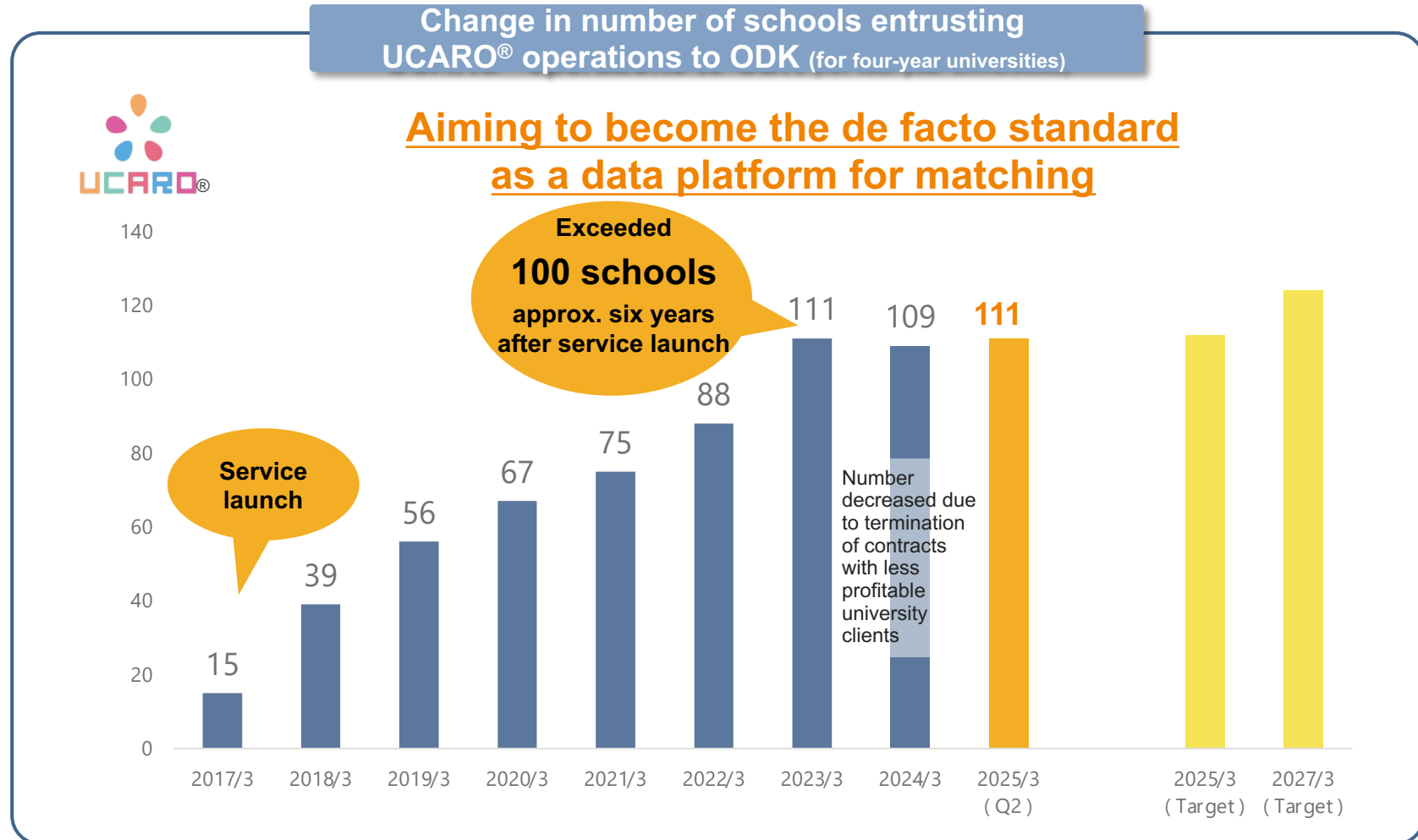
- “SENS21” was changed to “WITH-X®”; “Watch21” was changed to “FOR-X®”
- “JASDEC Connection Service” was changed to “COMBI-X®”
- “IFA-dedicated Web Transaction System” was changed to “KIZUNA-X®”

Note:

Peripheral systems includes other securities operations not included as part of the SAKIX series or mynaone® (e.g., admin related to transaction balance reporting, inheritance operations)



# Contract and medium-term targets in educational operations

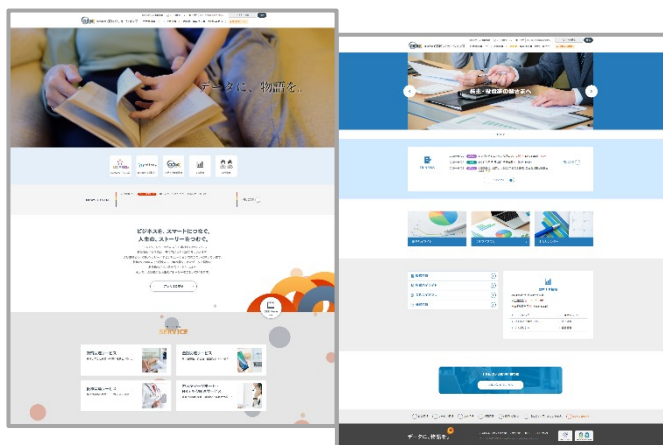


Japan has 807 universities, excluding junior colleges, as of 2022  
 Source: "Basic School Survey 2022," Ministry of Education, Culture, Sports, Science and Technology

# Information dissemination

## ■ ODK website

We disseminate the latest information in various ways to inform stakeholders of our current situation and deepen their understanding.



### ● Special webpage for retail investors

We created a special page on our website for retail investors to deepen their understanding of ODK.

<https://www.odk.co.jp/ir/individual/index.html> (Japanese only)



## ■ Corporate brochure

We renewed our corporate brochure to more clearly communicate about our company, businesses and vision.



## ■ Other communication activities

### ● IR information emails

We introduce our businesses and current situation in addition to announcing updates on our corporate website.

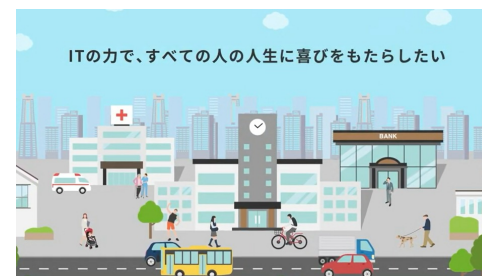


<https://www.odk.co.jp/ir/ir14.html>  
(Japanese only)

### ● ODK video

We introduce our history and operations.

<https://www.youtube.com/watch?v=7tn0lcRXh3U> (Japanese only)





## Management Philosophy

**Contribute to customer prosperity and  
the development of society  
through the information service business**

### Basic Management Policy

- Consistently aim to improve technology, provide excellent service and enjoy higher levels of customer trust
- Create the future with a global outlook for what lies ahead
- Realize an attractive company life where employees enjoy their work and feel motivated

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Securities code  
【3839】







データに、物語を。

Designing Narratives with Data

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The foregoing statements regarding future results reflect the Company's expectations based on information available at the time of announcement. The information contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

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