



Financial Results Explanatory Material

First Quarter of the fiscal year ending August 31, 2025

January 10, 2025 (Securities code 5129)

FIXER will be reborn by further evolving its cloud-native technology and taking advantage of the expanding global opportunities in generative AI business to drive growth

Generative AI has the potential to bring about more than mere technological innovation and fundamentally change the sense of stagnation in the Japanese workplace.

At FIXER, we believe that if we can speed up tedious writing and time-consuming administrative tasks and focus on the work that truly matter, many world-class results will be generated from Japan.

As Japanese society evolves with the cloud and generative AI, we at FIXER believe that the first important step for our next growth is to bring about a production revolution using generative AI and surpass our past productivity.

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01

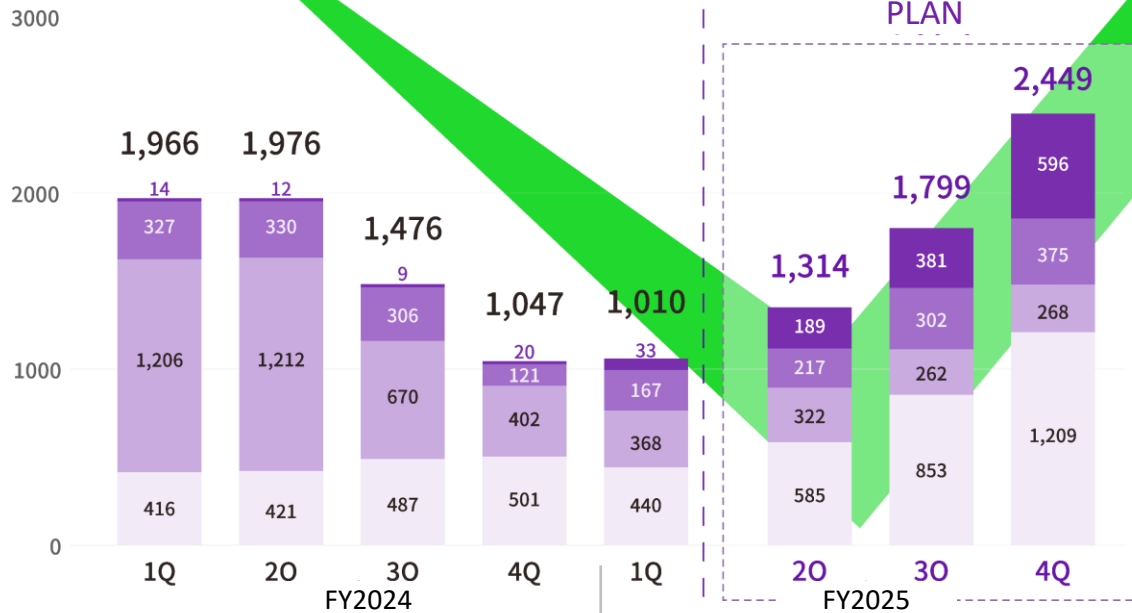
Financial Results for the First Quarter of the fiscal year ending August 31, 2025

Financial highlight

Evolution from Enterprise Cloud Provider to Generative AI Provider with GaiXer

- PJ-type service
- Re-sale
- Managed service
- SaaS

(Unit : M JPY)



4 Q Enterprise AGI

For Enterprise Systems
Evolution of CI (*2) with GaiXer

3 Q Generative AI agentization

Providing GaiXer Agent (*1) to the world of government, finance, and medicine

2 Q GaiXer's expansion phase

Sales expansion through partner strategy/DX of medical office work with generative AI

1 Q HER-SYS to Medical DX

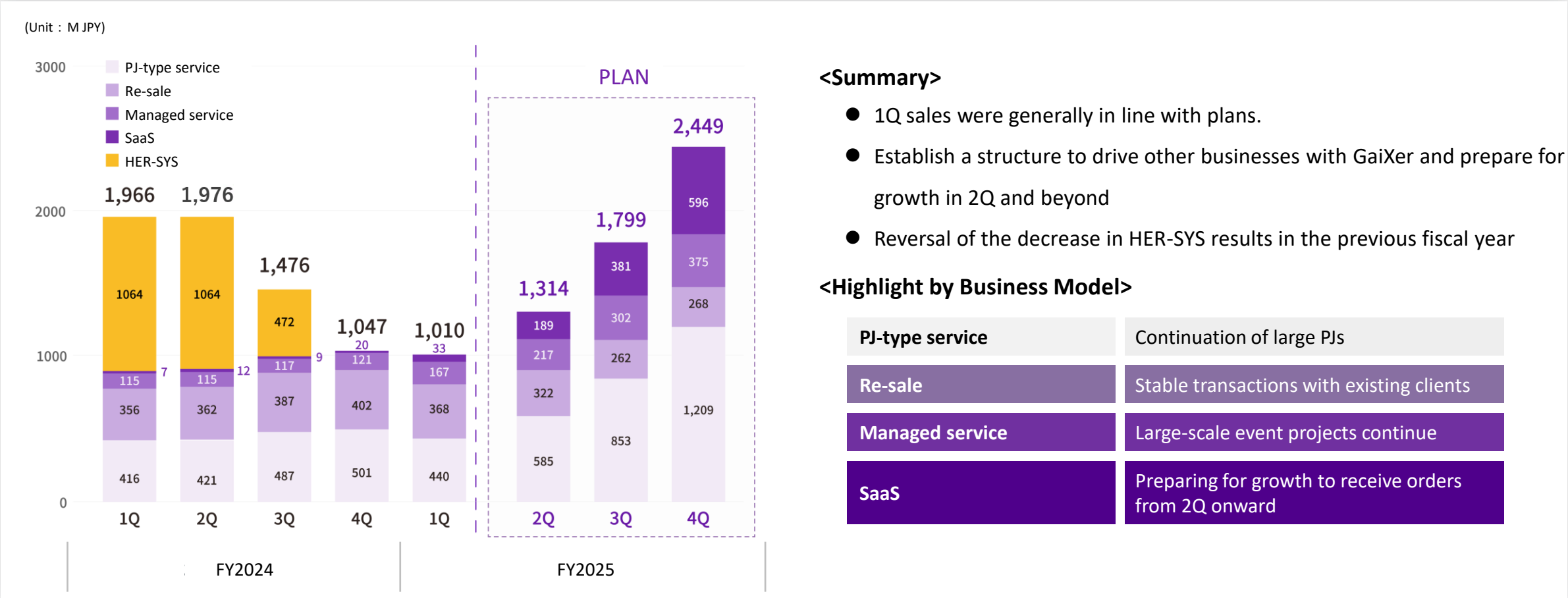
Supporting medical DX with technology developed by HER-SYS

※1 GaiXer as an agent service for generative AI

※2 CI (Cloud Integration) is a technology for integrating cloud services

Summary of Business Performance

Sales, excluding HER-SYS, which drove business growth as an enterprise cloud provider until the previous fiscal year, remained almost unchanged from the previous fiscal year. Progress in 1Q in establishing a foothold for evolution into the next generation AI provider



Summary of Financial Results

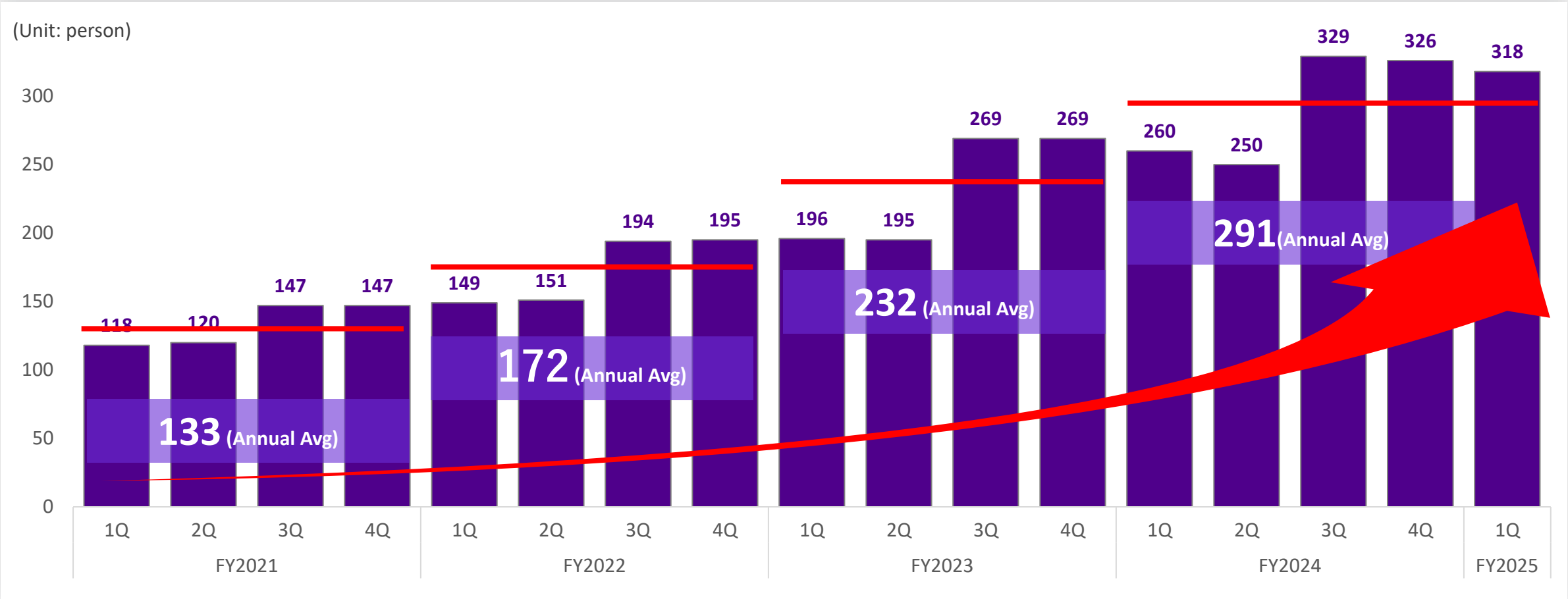
Operating income improved by 119 million yen from the original plan due to a significant reduction in selling, general and administrative expenses assumed in the original plan for the fiscal year ending August 31, 2025.Ordinary income improved by 118 million yen and net income improved by 229 million yen

(Unit : M JPY)

	First quarter of the FY August, 2024	First quarter of the FY August, 2025	Changes Comparison with the same period of the previous fiscal year
Net sales	1,047	1,010	△37
Cost of sales	902	914	+11
Gross profit	144	96	△48
Gross profit margin	14%	10%	△4pt
SG&A expenses	634	466	△167pt
Operating profit	△489	△369	+119
Operating profit margin	△47%	△37%	+ 10pt
Ordinary profit	△489	△370	+118
Ordinary profit margin	△47%	△37%	+ 10pt
Income taxes	-	△110	△110pt
Net profit	△489	△260	+229
Administrative expense ratio	61%	46%	△14pt

Quarterly Trend of the Number of Employees

Number of employees increases significantly every year in 3Q when new graduates join the company. Securing an increase in staff at an average rate of approximately 60 per year.



Trend of Expenses

Outsourcing expenses increased by 18 million yen from the 4Q of the previous fiscal year due to the expansion of specialized personnel to strengthen medical DX.

Advertising expenses increased by 23 million yen from the 4Q of the previous fiscal year due to resumed sales expansion of GaiXer.

(Unit : M JPY)					
		FY2024			FY2025
	1Q	2Q	3Q	4Q	1Q
Personnel expense	482	456	500	561	561
Office rent	125	125	127	127	127
Outsourcing expenses	164	132	97	75	93
Advertising expenses	63	20	10	3	26

Balance Sheet

Capital adequacy ratio remains high

(Unit : M JPY)

	As of the end of FY 2024	As of the end of the 1Q 2025	Changes
Current assets	5,854	5,416	△438
Fixed assets	735	818	+82
Total assets	6,590	6,234	△355
Current liabilities	703	609	△93
Fixed assets	10	8	△1
Total liabilities	713	617	△95
Shareholders' equity	5,875	5,615	△260
Share warrant	1	1	-
Total net assets	5,877	5,616	△260
Total liabilities and net assets	6,590	6,234	△355
Self-capitalization ratio	89.2%	90.1%	+0.9pt

02

Business Highlights

Progress in Business Structure Transformation

Focused on business structure reform since the release of GaiXer in April 2023 to solidify a foothold for growth

■ Qualitative Evolution of GaiXer

Improved RAG performance, responsiveness of the latest LLMs installed, and multimodal support

Registration on the ISMAP-LIU Special Measures Service List for the first time in Japan, and support for LGWAN

Strengthening reliability through the development of domestically completed services

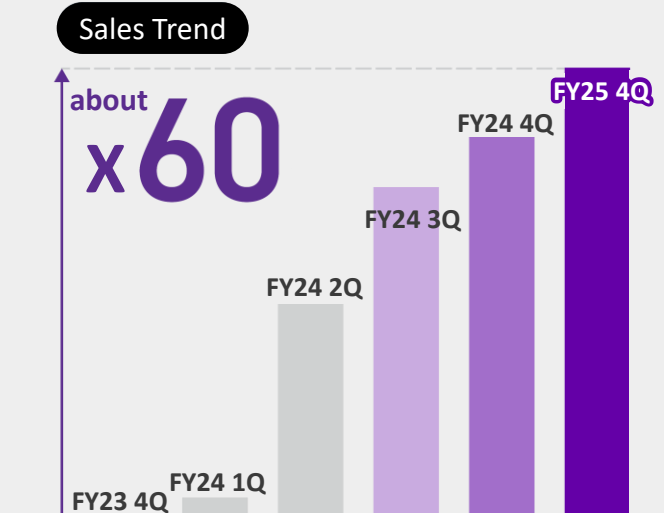
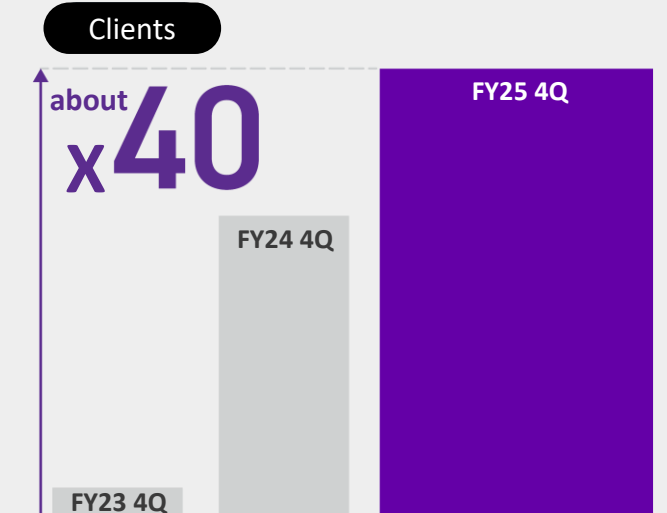
■ Service development in the medical DX field

Development of standardized electronic medical record alpha version as the core of medical DX, including online eligibility verification and electronic prescription services

Generative AI enables automatic creation of medical documents

■ Growth of GaiXer use

GaiXer, a growth driver for the business, is fully deployed



Enrollment in ISMAP-LIU Special Measures Service

GaiXer has been added to the special measures service list of the government's security evaluation system "ISMAP-LIU"



■About ISMAP

The Information system Security Management and Assessment Program (ISMAP*1) is a system that aims to ensure security standards in the government's cloud service procurement by evaluating and registering in advance cloud services that meet the government's security requirements, thereby contributing to the smooth introduction of cloud services.

This system is run by the National Center of Incident Readiness and Strategy for Cybersecurity, the Digital Agency, the Ministry of Internal Affairs and Communications, and the Ministry of Economy, Trade and Industry, based on the "Basic Framework for the Security Assessment System for Cloud Services for Government Information Systems" (decided by the Cybersecurity Strategic Headquarters on January 30, 2020).

The name of the system's mechanism that targets SaaS services used for low-risk operations and information processing is ISMAP for Low-Impact Use, or ISMAP-LIU.

*1 ISMAP - Security Assessment Scheme for Government Information Systems

https://www.ismap.go.jp/csm?id=csm_ismap_index

Register for LGWAN ASP service

GaiXer is now also registered as a “LGWAN ASP Service”, enabling us to provide services to local government employees via the highly secure LGWAN



■ About LGWAN (Local Government Wide Area Network)

LGWAN (Local Government Wide Area Network) is a highly secure network for government use, aimed at sharing and advanced use of information between local governments. LGWAN ASP service provides various administrative services to local government employees through this network, aiming to reduce the IT gap between local governments and to introduce and operate economical and standardized systems.

Please see below page for details

LGWAN ASP Portal site : <https://lgwan-asp.j-lis.go.jp/>

GaiXer Case Studies

GaiXer is used by more than 100 companies, government agencies, and municipalities, and has been highly evaluated for its UI/UX, safety, and security that anyone can use conveniently.

Public administration and local government

デジタル庁
Digital Agency



長野県



四日市市



桑名市



呉市役所



世田谷区
SETAGAYA CITY



八女市



三重県



OSAKA CITY
大阪市

Trial underway in dozens of municipalities
in addition to those listed above.

Enterprise, etc.



NTT



三十三銀行



明日の夢 人から人へ
宮崎銀行



栃木銀行

Track record of service adoption – Osaka city × GaiXer



Overview

Introduced to improve efficiency and quality of administrative work that requires specialized knowledge. Documents such as Osaka City ordinances, business manuals, and question-and-answer books are converted into a form suitable for AI learning, and support is provided so that highly accurate answers can be obtained for questions posed by employees.

Case studies

- Providing an environment in which answers can be obtained from a generated AI based on the results of searches of various Osaka City documents
- Conversion and formatting of documents to be trained by the generating AI
- User support

How to Proceed

- Provides a safe and high quality generative AI environment in line with Osaka City requirements
- Contribute to the realization of the “3 DX” (Administrative DX, Urban and City DX, and Service DX) set forth in Osaka City's DX strategy “Re-Design Osaka”

*Excerpt from our press release

Track record of service adoption – Himeji city × GaiXer



GaiXer

Enterprise AGI Platform

Overview

Himeji City, which was considering how to use generative AI to improve the efficiency of city hall operations, implemented GaiXer in a wide range of operations inside of the city hall, without limiting it to specific departments or applications.

Case studies

- Writing, checking for typographical errors and omissions
- Drafting catchphrases
- Questionnaire tabulation
- Creating Excel Macros
- Drafting of drafts of answers to council meetings and public relations documents for the public

How to Proceed

- Increase the number of accounts used as needed
- Integration with MS Office products

*Excerpt from our press release

Track record of service adoption – Iga city × GaiXer



Overview

Through the administrative service demonstration project using GaiXer, which began in May 2023, the effect of improved operational efficiency was confirmed, leading to the full-scale introduction of GaiXer.

Case studies

- Knowledge base for city employees to help city hall staff improve work efficiency
- Proofreading and writing

How to Proceed

- Expanding the use of generative AI in Iga City and further improving the efficiency of agency operations
- Support for the use of GaiXer in risk analysis, reporting, and other situations

*Excerpt from our press release

Track record of service adoption – Tochigi bank × GaiXer



Overview

Deepen understanding of the characteristics and usage of generative AI to improve operational efficiency and productivity, and promote the use of generative AI in the bank.

Case studies

- Information collection
- Document Preparation and Summarization
- Preparation of minutes of meetings
- Idea planning, etc.

How to Proceed

- Based on the results obtained from this trial, consider expanding the number of users and improving convenience by linking with various business systems

*Excerpt from our press release

Case Study - Provision of a Ministry-Generated AI Demonstration Environment

総務省



GaiXer

Enterprise AGI Platform

Overview

The Ministry of Internal Affairs and Communications (MIC), which has been implementing initiatives such as pilot introduction of generative AI limited to the use of public information from the perspective of promoting work style reform and active AI utilization, needs to provide a secure generative AI demonstration environment that can utilize multiple large-scale language models (LLMs) to further improve operational efficiency.

We will support a demonstration project for full-scale implementation in the next fiscal year, utilizing our generation AI platform “GaiXer”.

業務内容

- Provide a secure generative AI demonstration environment
- Provide a demonstration environment utilizing multiple large-scale language models (LLMs)
- Demonstration support such as providing user manuals, responding to inquiries, etc.

*Excerpt from our press release

Collaboration with SAKURA Internet Inc.

Japan-based service running on Sakura Cloud

Basic Agreement Signed to Provide “GaiXer on Sakura Cloud”



■ Main aims of “GaiXer on Sakura Cloud”

In order to deliver safe and high quality “GaiXer” generation capability, we announced “GaiXer on Sakura Cloud” in October 2024, in collaboration with Sakura Internet Inc. which was certified as the first government cloud service provider in Japan.

※Excerpt from our press release

Osaka ▪ Kansai World expo public App 「EXPO 2025 Visitors」



Overview

Development and operation of EXPO 2025 Visitors, the official application and web service for the Osaka-Kansai Expo. Provides visitors to the Osaka-Kansai Expo with aggregated information on pavilions, restaurants, events, etc., enabling them to experience the attractions of the Expo even before the event begins.

Case studies

- Venue Map
- Introduction of Pavilion
- Event Introduction Goods & Shops
- Gourmet Introductions
- Service & Support Information
- push notification

How to Proceed

- Ensuring the success of the Osaka-Kansai Expo through seamless operations
- Continue to expand information and add and improve functions to support a pleasant Expo experience for visitors

*Excerpt from our press release



Growth Strategies for the First Year of AI SaaS

The global market for generative AI and SaaS is expected to grow tremendously



GaiXer's growth potential and reliability

Currently, the momentum in the global generative AI market is being generated by a group of companies such as OpenAI and Anthropic, which are evolving at an astonishing pace backed by the massive capital power of “AI powerhouses” and “AI giants,” as well as by hub cloud platforms such as Microsoft, AWS, and Google. Cascading cloud platforms such as Microsoft, AWS, and Google are also evolving their services.

On the other hand, in the Japanese market, where reliability is required for enterprise systems, the use of on-site generated AI. On the other hand, the Japanese market, which demands reliability in enterprise systems, requires global standard cloud-native technical capabilities in platform development for on-site use of generative AI. In this regard, we are confident that FIXER's “GaiXer,” which has focused on cloud-native development since its establishment, will play a role in the use of generative AI in Japanese society.

GaiXer Applications	
Sales & Marketing	Draft text production, customer analysis
Development	Automatic code generation, automatic bug detection, and more efficient software development
Education/Training	Support for individualized learning, automatic generation of teaching materials, and improvement of educational effectiveness and quality
Creativity	Automatic generation of music, images, and video content; increased creative capabilities

Future focus areas and Directions for Social issues

We grow the industry together with our customers in our business development centered on GaiXer

Target industries with low labor productivity and significant room for productivity improvement through technology
Target industries with low labor productivity

- Industries with legacy systems
- Industries with a high degree of human labor involvement

Financial industry
Accounting system

Medical industry
Electric medical records/receipts

Government
Government cloud

Others
Manufacturing industry, etc.

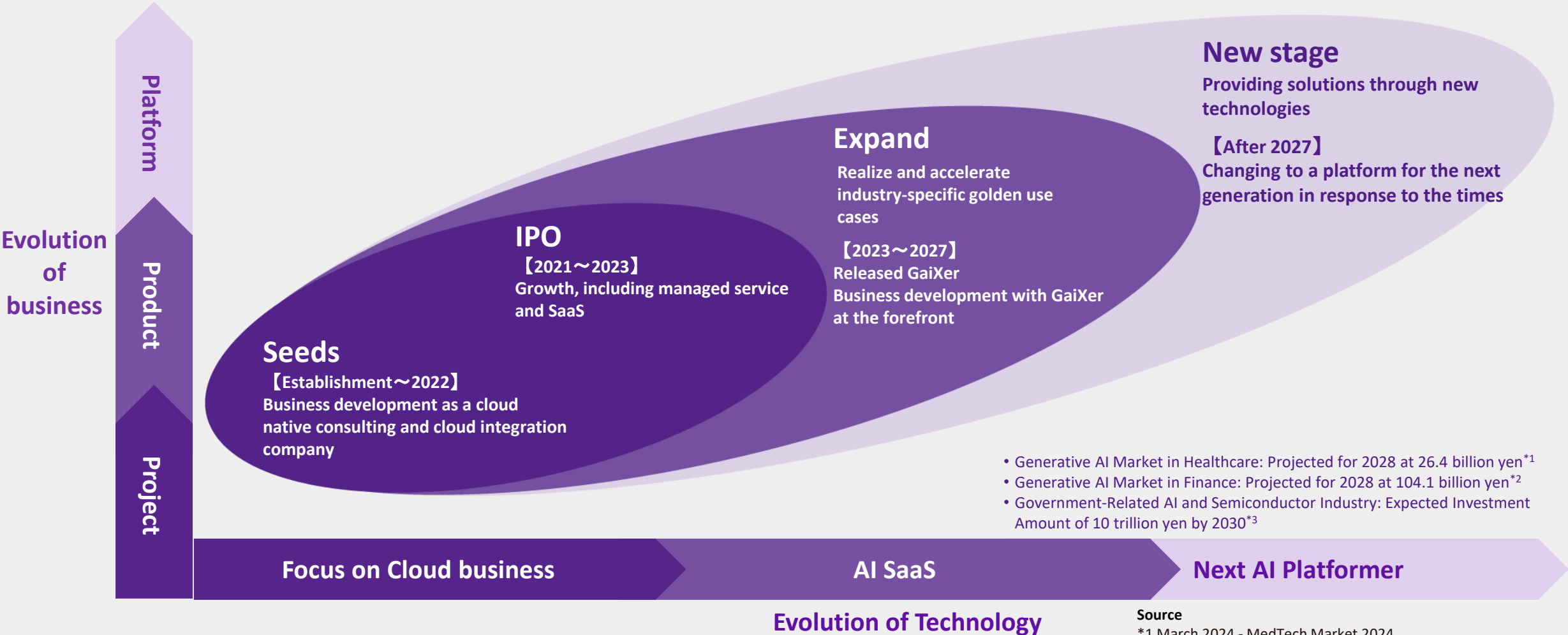
Focus on industries that are rooted in the infrastructure of daily life

Areas where the impact of productivity gains is large and the benefits of focusing on higher value-added operations are significant



New stage

Evolution of GaiXer to shape customer challenges and become an AI platformer



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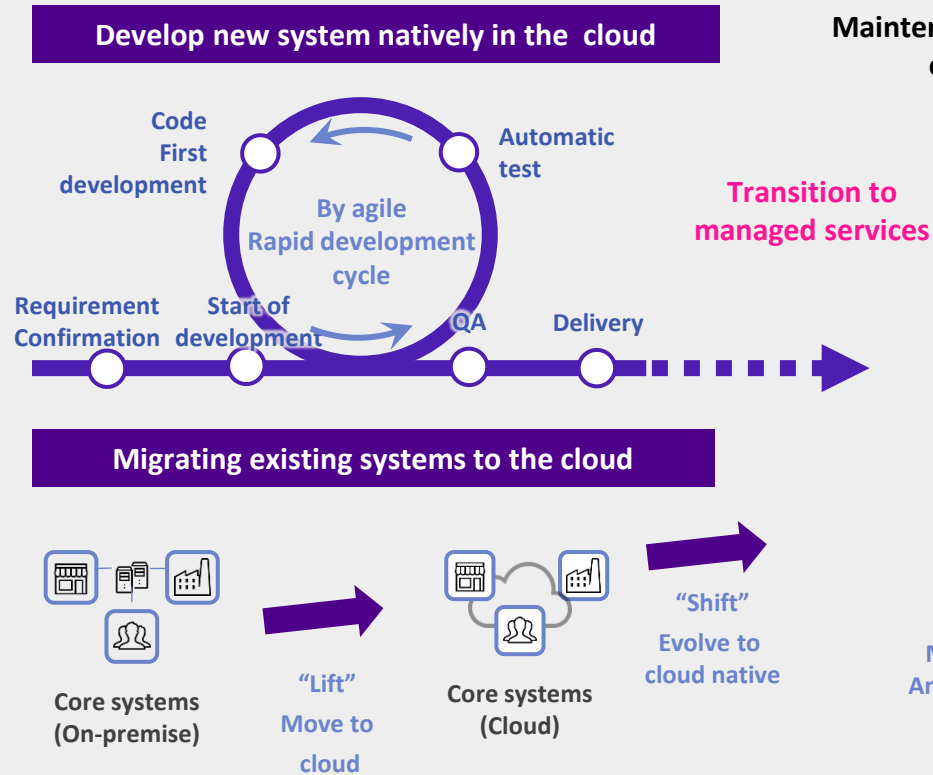
04

Appendix

Business Model

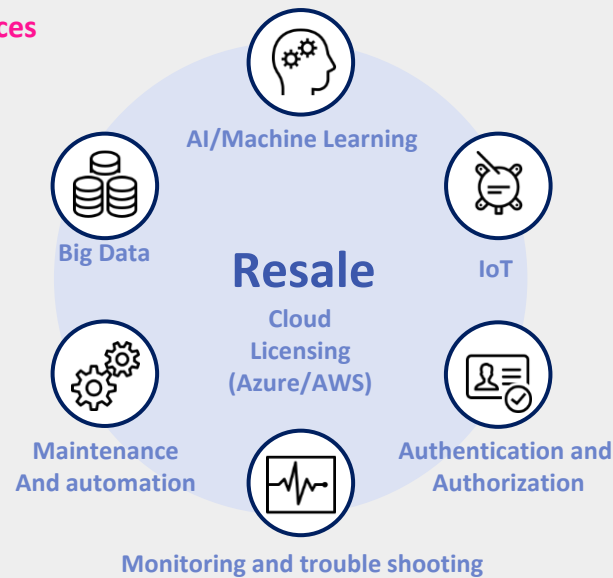
- ▶ Building a cloud-native system through project-based services
- ▶ Resells cloud and software licenses and provides managed services (maintenance, operation, and enhanced development)
- ▶ We also develop SaaS business that provides platforms with functions that are highly in demand among customers

PJ-type service



Managed service

Maintenance, operation and enhancement development of the completed enterprise cloud system through Managed service



SaaS

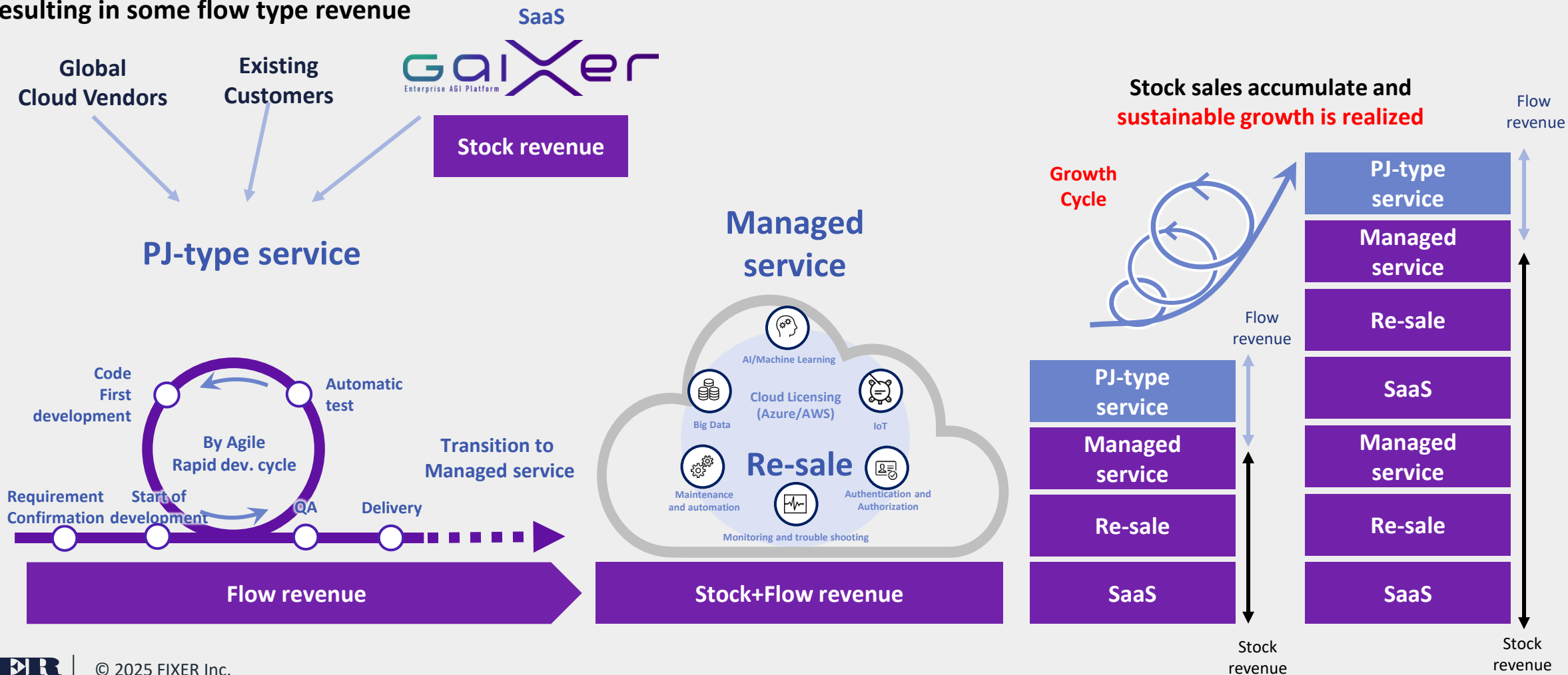
Providing high-value-added SaaS services by creating a platform for customers' highly-demand functions



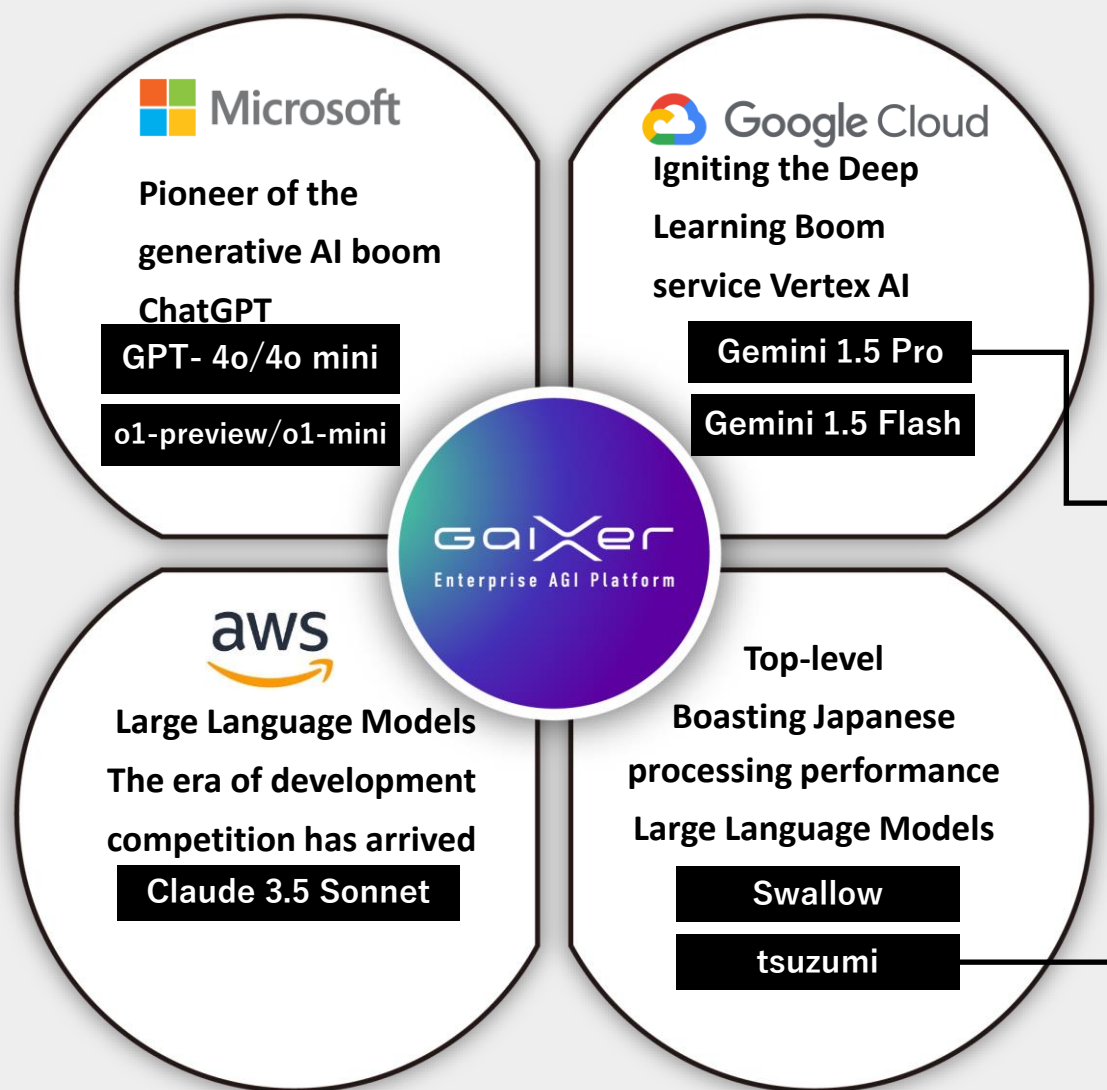
AGI platform for enterprises run within a secure network environment on Microsoft Azure, with learning and generation in adedicated environment

Business Flow

- ▶ The Company receives orders for Project type Services through referrals from global cloud vendors and existing customers
- ▶ The systems developed through PJ-typed services are transferred to Resale and Managed service, contributing to stock type revenue
- ▶ In Managed services, the Company also provide enhancement development (additional functions) tailored to customer needs, resulting in some flow type revenue



GaiXerの特徴



is sequentially equipped with additional LLMs that are optimal for business operations

Getting the best of both worlds from multiple LLMs is possible to

The huge context frame of 2 million token allows for the input and output of very long sentences, etc. Using Google's existing technology, multimodal (images, videos, audio) responses are possible.

LLM was developed based on NTT's long-standing research results in natural language processing technology, and is characterized by its high Japanese natural language processing capability and low power consumption.

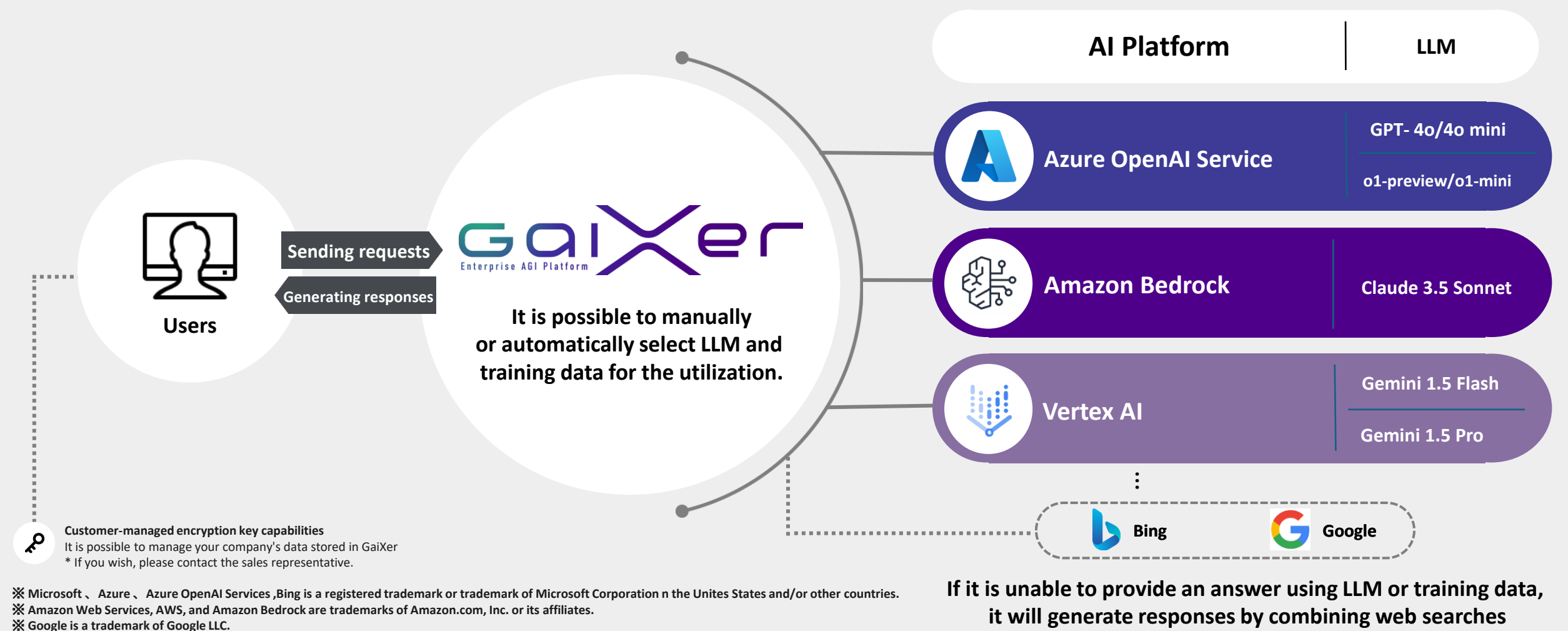
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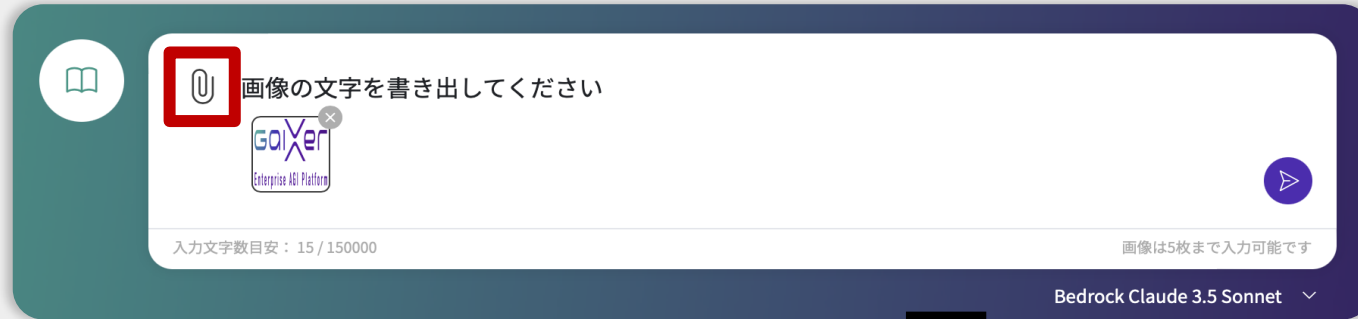
Multi-cloud for high availability and production quality

Prevent vendor lock-in and be available across three platforms: Azure, AWS, and Vertex AI



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※ Amazon Web Services, AWS, and Amazon Bedrock are trademarks of Amazon.com, Inc. or its affiliates.
※ Google is a trademark of Google LLC.

New Feature 1: Recognize uploaded images and retrieve information



Capable of transcribing paper documents and simultaneously processing documents containing large amounts of textual information

Reduce physical work and promote operational efficiency



※Image upload function is not available in Swallow

New Feature 2 Creating Power Point

Claude 3.5 Easily create PowerPoint documents from instructions using Sonnet's Artifacts feature and export as .pptx

G かしこまりました。新商品のワイヤレスイヤホンのPRのためのスライドを作成いたします。まずは、スライドの構成、レイアウト、デザインについて計画を立てましょう。

スライド構成計画:

1. タイトルスライド：新商品名と魅力的なキャッチコピー
2. 製品概要：主な特徴と利点
3. 技術仕様：音質、バッテリー性能、接続性など
4. 競合製品との比較：性能と価格の優位性
5. ターゲット市場と使用シーン
6. 価格と発売日の案内

レイアウトとデザイン計画:

- 色彩：青と緑の補色を使用し、先進的でクリーンな印象を与える
- フォント：Yu Gothicを使用し、読みやすさと現代的な印象を両立
- 図表：競合製品との比較にはバーチャートを使用
- 視覚的要素：シンプルな図形を使って製品の特徴を表現

では、この計画に基づいてスライドを作成していきます。

PowerPointファイルをダウンロード

▶ コード

以上で、新商品のワイヤレスイヤホン「SoundWave Pro」のPRスライドを作成いたします：

1. 青と緑の補色を使用し、製品の先進性とクリーンなイメージを表現
2. 製品の主要な特徴と利点を簡潔に紹介
3. 技術仕様を表形式で分かりやすく提示
4. 競合製品との比較をバーチャートで視覚的に表現
5. ターゲット市場と使用シーンを明確に説明
6. 価格と発売日を強調して表示

1 SoundWave Pro
音の世界を自由に

2 SoundWave Pro の特徴

- ・高音質
- ・最新のノイズキャンセリング技術
- ・長時間バッテリー
- ・防水性能
- ・快適な装着感
- ・人間工学に基づいたデザイン

3 技術仕様

項目	SoundWave Pro	競合製品A	競合製品B
音質	高音質	標準	標準
バッテリー	20時間	15時間	12時間
防水性能	IPX5	IPX4	IPX3
接続性	Bluetooth 5.3	Bluetooth 5.0	Bluetooth 4.2

4 競合製品との比較

5 ターゲット市場と使用シーン

- ・通勤・通学
- ・運動時
- ・音楽鑑賞
- ・通話
- ・ゲーム

6 価格と発売日


価格：¥15,000 (税別)
発売日：2025年7月1日

※This is a contract for “Assistance in creating prompt recipes” on the Services menu list.



※Claude 3.5 Available only when using Sonnet


New Feature 3 Creating Excel

Create Excel documents from instructions and export as .xlsx



稟議書のテンプレートを作成してください





承知しました。稟議書のテンプレートを作成いたします。まず、レイアウトの計画を立ててご
掛けましょう。

レイアウト計画:


- シート名: 稟議書
- ヘッダー部分:
 - タイトル: 「稟議書」 (大きめのフォント、中央揃え)
 - 日付欄
 - 申請者情報 (部署、氏名)
- 承認欄:
 - 部長、課長、係長の承認印欄
- 本文部分:
 - 件名
 - 内容 (目的、理由、詳細など)
 - 予算
 - スケジュール
- フッター部分:
 - 備考欄

では、この計画に基づいてExcelファイルを作成しましょう。

Excelファイルをダウンロード

▶ コード

このコードでは、以下の特徴を持つ稟議書のテンプレートを作成しています:



ホーム 挿入 描画 ページレイアウト 数式 データ 校閲 表示 自動化 開発 Acrobat

MS Pゴシック 18 A⁺ A⁻ 標準 条件付き書式 テーブルとして書式設定 セルのスタイル

ペースト B I U 田 abc A 標準 挿入 削除 書式 並び替えとフィルター 検索と選択

A1 x fx 稟議書

	A	B	C	D	E	F	G
1	稟議書						
2					日付:		
3	部署:		部長印	課長印	係長印		
4	氏名:						
5	件名:						
6							
7	1. 目的						
8							
9	2. 理由						
10							
11	3. 詳細						
12							
13	4. 予算						
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15	5. スケジュール						
16							
17	備考:						
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20							

※This is a contract for “Assistance in creating prompt recipes” on the Services menu list.
※Claude 3.5 Available only when using Sonnet

The material in this presentation describes forward-looking information about the Company's industry trend and business based on the Company's current plans, estimates, prospects, or forecast.

This forward-looking information is subject to various risks and uncertainties. Risk, uncertainty, and other known or unknown factors may cause results that differ from the forward-looking information.

The Company's actual future business and financial performance may differ from the forward-looking information described in this material.

