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March 10, 2025

Dear shareholders and investors,

Company name Tobila Systems Inc.  
Representative Atsushi Akita, Representative Director and President  
(Securities code: 4441 Tokyo Stock Exchange Standard)  
Contact Norimasa Kanemachi, Director and CFO  
([E-mail: ir@tobila.com](mailto:ir@tobila.com))

**[Delayed] Transcript of Financial Results Briefing  
for the First Quarter of the Fiscal Year Ending October 31, 2025**

Date : March 10, 2025  
Contact : Investor Relations, Tobila Systems Inc.  
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HP : <https://tobila.com/contact/>

(Reference)

- Results of Operations for the First Quarter of the Fiscal Year Ending October 31, 2025

<https://contents.xj-storage.jp/xcontents/AS05546/ca56872f/9acd/4535/85fd/ed10a2e85e40/140120250310590828.pdf>

- Non-consolidated Financial Results for the First Quarter of the Fiscal Year Ending October 31, 2025

<https://contents.xj-storage.jp/xcontents/AS05546/dbc740fb/94f6/42e5/a668/fc46d330c86a/140120250307590520.pdf>

- [Delayed] Notice Concerning Formulation of the Medium-term Management Plan (December 10, 2024)

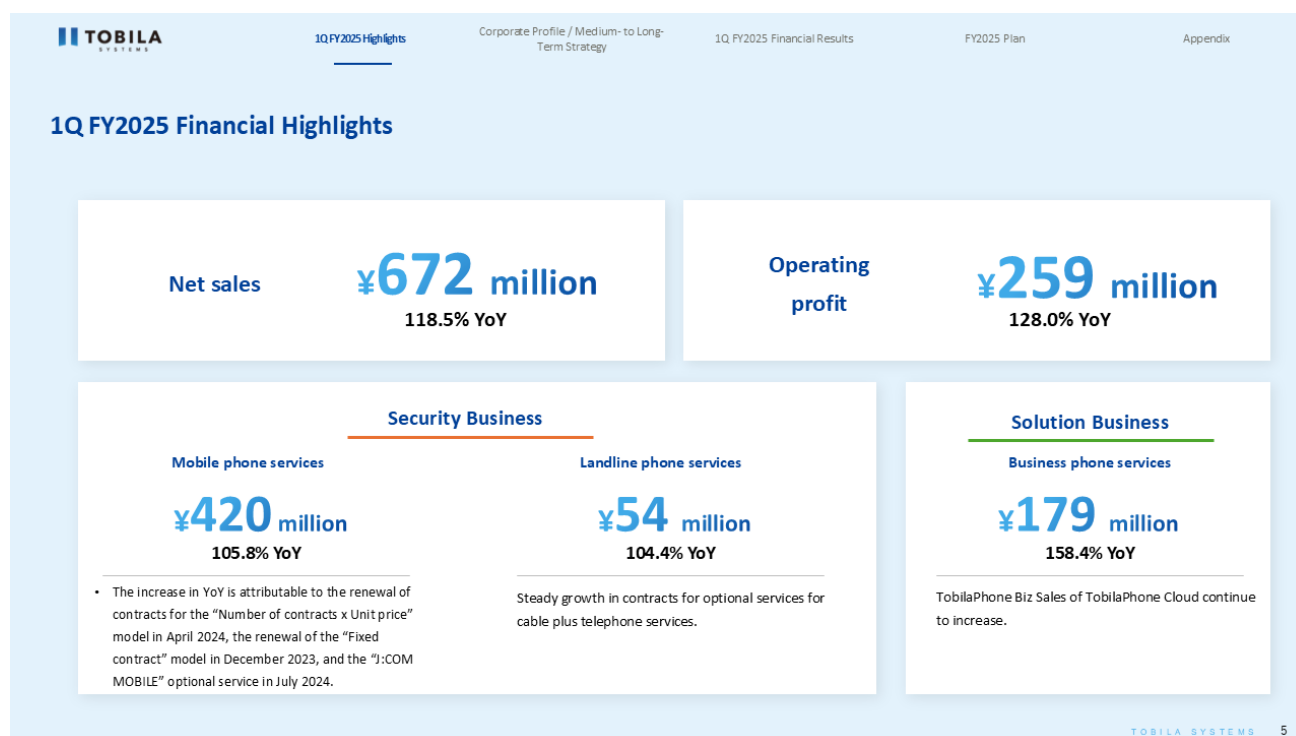
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## ◆ Transcript of Financial Results Briefing for the First Quarter of the Fiscal Year Ending October 31, 2025

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Hello, everyone. I am Atsushi Akita, President and CEO of Tobila Systems Inc. I will now explain our financial results for the first quarter of the fiscal year ending October 31, 2025.

### 1. 1Q FY2025 Financial Highlights





I will begin with the highlights of the first quarter of the fiscal year ending October 31, 2025.

First, we would like to inform you that we have changed our reportable segments from the fiscal year ending October 31, 2025. Effective from the fiscal year ended October 31, 2024, the nuisance information filter business had been a single segment, but in consideration of future business development based on the mid-term management plan, we have decided to change to two reportable segments: Security Business and Solution Business. In conjunction with this segment change, we have prepared financial data for download on our website starting this time. We hope you will find the information on the old segment useful as well.

Sales for the first quarter of the fiscal year ending October 31, 2025 were ¥672 million, 118.5% of the same period last year, and operating profit was ¥259 million, 128% of the same period last year. By segment, sales in the

The reasons for the growth of each of these services will be explained in more detail later, but we were able to maintain a stable business in the first quarter.


[1Q FY2025 Highlights](#)
[Corporate Profile / Medium-to Long-Term Strategy](#)
[1Q FY2025 Financial Results](#)
[FY2025 Plan](#)
[Appendix](#)

 **Solution Business**

**1Q FY2025 Topics - TobilaPhone Cloud**

- ### Functional Description
- Added a new function that enables the automatic transmission of SMS to mobile phone numbers of customers or other sources at a branch destination specified by the IVR function (automatic voice response system).
  - The TobilaPhone Cloud management screen enables automatic SMS transmission of pre-specified text messages, website URLs, and other information.



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The automatic SMS sending function can be used by companies and stores that receive many inquiries by phone to prevent missed calls, reduce the burden of answering incoming calls, and improve customer convenience, leading to increased operational efficiency and customer satisfaction. We will continue to add functions and updates that will help users improve their business efficiency.

Corporate

## 1Q FY2025 Topics - Activities as a "Leading Company in Special Fraud and Other Measures"

- Participation in and participation in various organizations as part of activities to eradicate special fraud, phishing, etc.

### Participation in or Certification Mark Acquisition of a Variety of Organizations

Japan Cyber Security Fund No. 1 Investment Limited Partnership <sup>\*1</sup>



Japan Cyber Crime Control Center (JC3) <sup>\*2</sup>



Elite Telecom Operator Certification Body (ETOC) <sup>\*3</sup>



### Holding of the Opening Ceremony for the Promotion of Special Fraud Prevention <sup>\*4</sup>

- Tobila Systems and the Fukui Prefectural Police are working together in response to the rapid increase in damages due to special fraud in Fukui Prefecture caused by telephone calls.



<sup>\*1</sup>: Press release [Tobila Systems is Limited Partner of Japan Cyber Security Fund No. 1 Limited Partnership] (Japanese only)

<sup>\*2</sup>: Press release [Joined the Tobila Systems Japan Cyber Crime Control Center (JC3)] (Japanese only)

<sup>\*3</sup>: Press release [Tobila Systems receives an Excellent Telephone Carrier Certification Mark from the Elite Telecom Operator Certification Body (ETOC)] (Japanese only)

<sup>\*4</sup>: Press release [Starting ceremony for the promotion of special fraud damage prevention using TobilaPhone Mobile in cooperation with Tobila Systems and the Fukui Prefectural Police] (Japanese only)

The second topic is our activities as a “leading company in the fight against special fraud”. In recent years, cyber-attack methods have become more sophisticated and diverse, and in the area of special fraud and phishing, there is an urgent need to respond quickly to new methods.

As part of the Company's activities to combat special fraud and phishing, which are social issues, the Company participated in the Nippon Cyber Security Fund, joined the Japan Cybercrime Control Center, and obtained the Telephone Service Provider Authentication Mark from the Elite Telecom Operator Certification body. In response to a sharp increase in special fraud triggered by calls to cell phones in Fukui Prefecture, we collaborated with the Fukui Prefectural Police to launch special fraud prevention promotion activities using TobilaPhone Mobile, an anti-nuisance call application. We will continue to promote our business in cooperation with various organizations and the Japan Tourism Agency in order to provide safe telephone services and realize a healthy telephone market.

## 2. Corporate Profile / Midium-to Long-Term Strategy



1Q FY2025 Highlights

Corporate Profile / Medium-to Long-Term Strategy

1Q FY2025 Financial Results

FY2025 Plan

Appendix

### Corporate Data

Through special fraud and phishing scams

We are a company that aims to solve social issues using technologies.

Company name	Tobila Systems Inc.
Securities code	Tokyo Stock Exchange Standard 4441
Date of establishment	December 1, 2006 (Founded April 1, 2004)
Representative	Atsushi Akita, President and Representative Director
Number of employees	102 (including 55 engineers) * As of January 31, 2025
Bases	Tokyo Office and Nagoya Office



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From here, I would like to reiterate our company profile and medium- to long-term strategy.

Tobila Systems is a company that aims to “use technology to solve social issues” such as special fraud and phishing. We are currently in our 19th year of operation and have offices in Tokyo and Nagoya.



1Q FY2025 Highlights

Corporate Profile / Medium-to Long-Term Strategy

1Q FY2025 Financial Results

FY2025 Plan

Appendix

### Our Vision for a Better Future: - Corporate Philosophy / Code of Conduct

## We open the door to a better future for our lives and the world

We are constantly changing without fear of failure and challenging conventional thinking to realize a better future for which we dream.

We will be a source of products that help solve social issues and benefit people. We will also pursue appropriate earnings for sustainable steady growth as we expand and upgrade our operations.

We believe that maintaining an environment where we can live in peace with our loved ones will directly lead to our growth and a better life for people worldwide.

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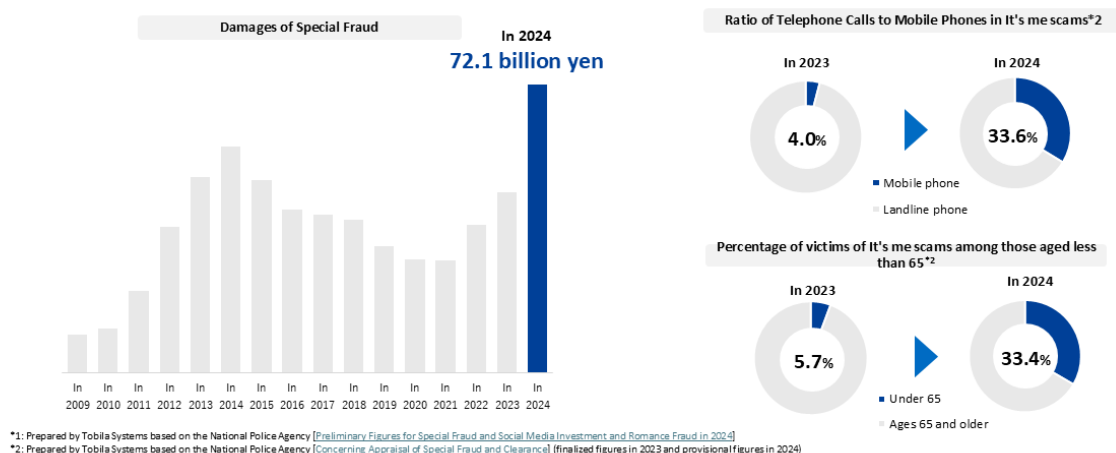
Our corporate philosophy is “We open the door to a better future for our lives and the world”, and the axis of our business policy is to use innovative technology to solve social issues that someone must solve, but no one has been

able to.

Currently, we are promoting our business from the perspective of protecting people. We are taking on the challenge of realizing a society where everyone can live with peace of mind by minimizing the number of people suffering from troubles such as fraud and “gray zone” crimes.

## Social Issues of Special Fraud and Phishing Scams

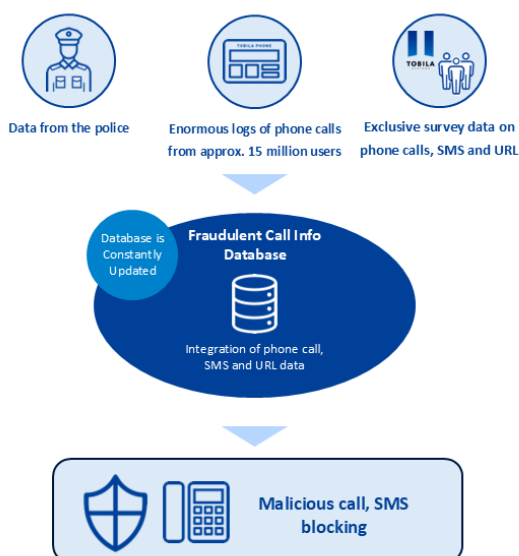
- Damages caused by special fraud in 2024 marked a record high of ¥72.1 billion.
- Among the 10 types of special fraud, the most common cause of fraud is “It’s me scam” (scam pretending to be a family member). There are many cases of fraud involving government agencies, such as the police and the Ministry of Internal Affairs and Communications. The number of calls placed on mobile phones is increasing and the damages to people under 65 is also increasing.



Our challenge to solve is special fraud, phishing, and gray zone crimes. Last year, 2024, unfortunately, the amount of damage caused by special fraud was the highest ever, with the “It’s me, it’s me scam” being particularly noteworthy. When you hear the phrase “It’s me, it’s me scam”, you may have the impression that someone is calling you pretending to be your son or grandson and asking for money, but tactics are changing on a daily basis, and recently there has been an increase in the number of cases in which criminals are using the police, the Ministry of Internal Affairs and Communications, and other public offices to defraud people out of cash and other items under the guise of investigations.

In addition, compared to 2023, the number of calls made to cell phones by “It’s me, it’s me” scammers has increased, and the number of victims under the age of 65 has also increased. We hope that you will not think that you will be fine but be aware that special frauds are lurking in your neighborhood.

## Approach to Social Issues: The Fraudulent Call/Message Database



- Losing money due to a scams starts by answering a dangerous phone calls, responding to malicious SMSs or visiting a dangerous websites.
- Everyday, Tobila Systems updates its fraudulent call/message database that contains dangerous phone numbers, SMSs, and URL information to protect users of Tobila Systems services by blocking incoming calls and messages from these sources.

### Strengths of Our Fraudulent Call/Message Database

- Tobila Systems receives information from the police on telephone numbers and URLs that were used for crimes and other malicious activities.
- The database has a system for incorporating feedback from users concerning phone numbers and SMS.
- The database is updated everyday by using information from the Tobila Systems survey team.

The volume of data increases along with the number of users, resulting in a cyclical system for the constant improvement of phone call and SMS blocking accuracy.

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To help solve social issues such as special fraud and phishing, which have become social problems, we provide a service that blocks dangerous phone calls and SMSs by utilizing our strength, our nuisance information database. The nuisance information database is a system that creates a block list of dangerous phone numbers, URLs in SMSs, etc., and allows users to block dangerous calls and SMSs. Our database has three main characteristics.

The first is data provided by the police. The police have provided us with data on phone numbers and URLs that are believed to have been used in actual crimes and attacks. This makes it possible to obtain highly accurate information.

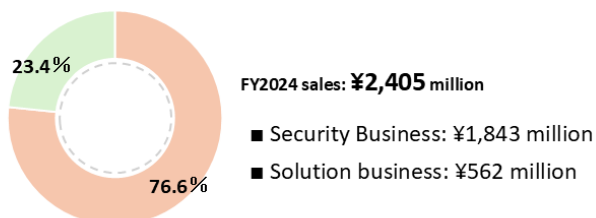
The second is that we have a large number of users. Our service has approximately 15 million monthly users, and we believe it would be difficult to attract the same scale of users. We utilize statistical information obtained from a large number of users, and the more users we have, the more accurate the data will be, giving us the advantage of being the first mover. Our services have been adopted by major telecommunications carriers, which has led to an expansion in the number of users and has solidified the barriers to entry.

Third is our research team. We judge more than five billion calls, texts, and SMSs per year. Based on feedback from our users, our own team actually calls the numbers and accesses the SMSs to ensure high accuracy. Another reason for the high accuracy of the data is that the latest data is reflected daily.

A database composed of these three strengths is the foundation of our company, and we hope to contribute to the preservation of happy times for people by continuing to work toward a society in which our services are taken for granted like infrastructure.

## Business Activities

- Beginning with the fiscal year ending October 31, 2025, we have been promoting business in two segments: [Security Business] and [Solutions Business].



Ordinary profit margin	ROE	Equity ratio	Market capitalization
34.5%	26.3%	56.0%	¥7.7 billion

\*: Ordinary profit margin, equity ratio, and ROE are as of October 31, 2024. Market capitalization is as of the close of trading on February 28, 2025.

**Security Business**

- Provision of special fraud and phishing prevention services to telecommunication carriers, financial institutions, and other organizations

**Solution Business**

- Provides two products for corporations: TobilaPhone Biz and TobilaPhone Cloud

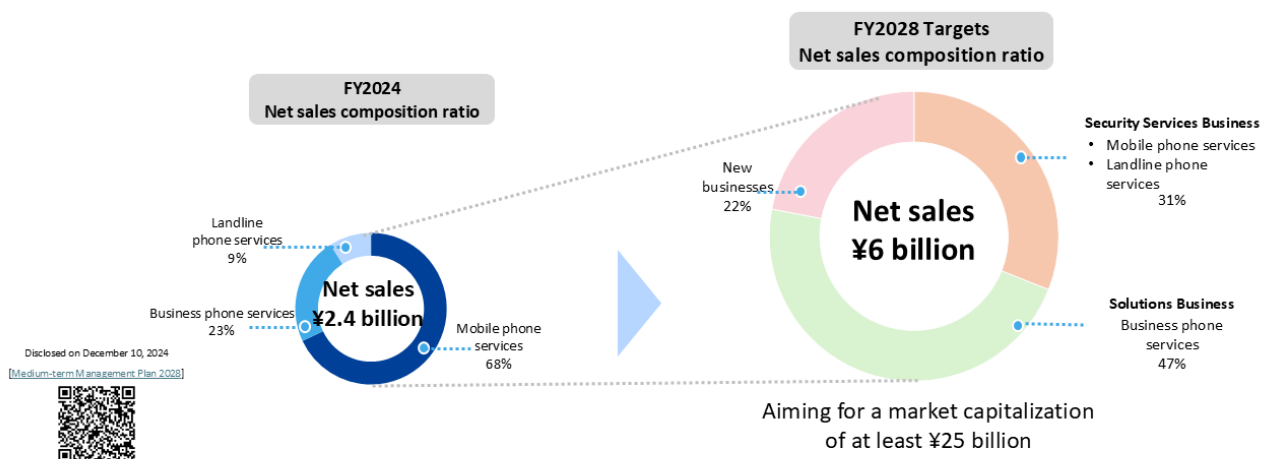
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Using the nuisance information database, we are promoting our business in two segments, the Security Business and the Solution Business, starting in the fiscal year ending October 31, 2025. The Security Business, which provides anti-fraud and phishing services to telecommunications carriers and financial institutions, is a stable business, accounting for approximately three-quarters of sales in the fiscal year ended October 31, 2024. Currently, we are focusing on expanding our Solution Business that facilitates DX for corporate clients, building on the revenues from this stable business.

Quoted from 2028 materials in the Medium-term Management Plan (Segment Information for the Fiscal Year Ending October 31, 2028 was revised).

## Medium-Term Management Plan Targets

Focusing on business phone services and the creation of new businesses, aiming for Net sales of ¥6 billion or more in FY2028.



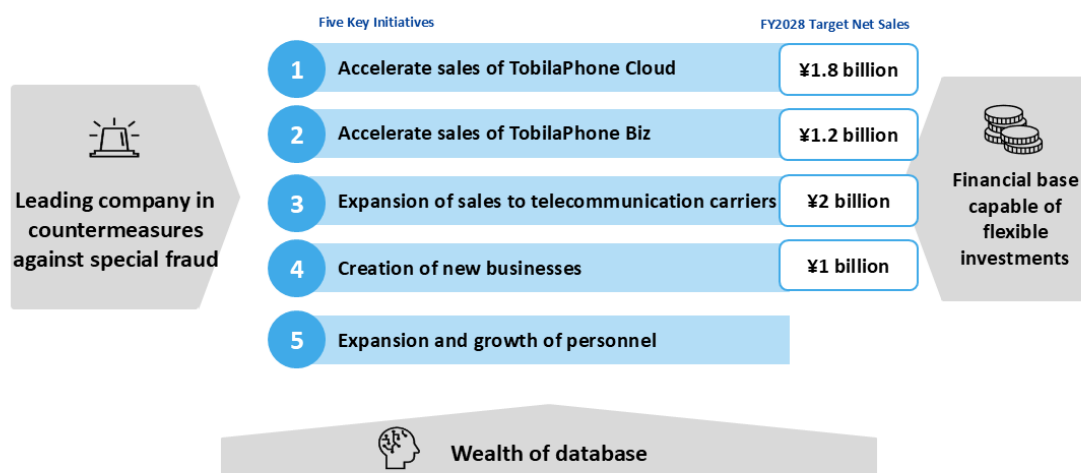
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As a mid- to long-term goal, on December 10 last year, we announced our “Mid-Term Management Plan 2028”, which ends in 2028, and our plan to achieve net sales of ¥6 billion or more for the fiscal year ending October 31, 2028.

Represented from 2028 materials of the medium-term management plan

## Five Key Initiatives for Achieving Targets

We will invest management resources in five key initiatives as part of our strategy to strengthen business phone services.

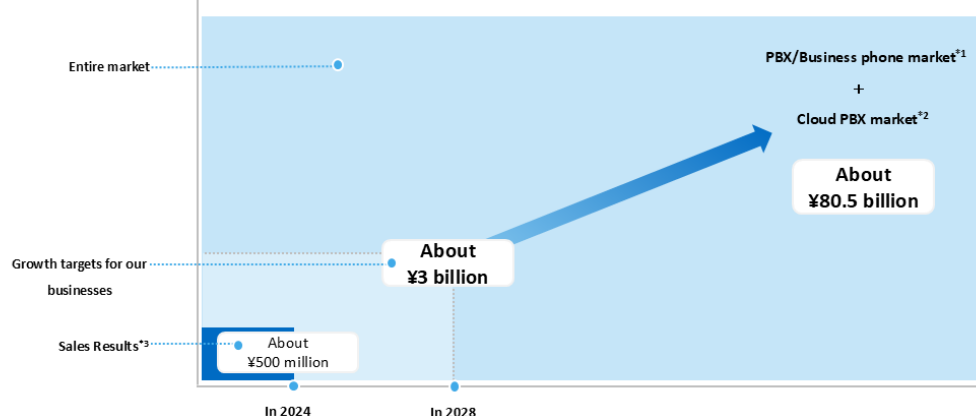


We have set five priority policies as our growth strategy until 2028: accelerate sales of TobilaPhone Cloud, accelerate sales of TobilaPhone Biz, expand sales to telecommunications carriers, create new businesses, and expand and grow our members, and we plan to invest management resources in these five areas for the next four years.

Represented from 2028 materials of the medium-term management plan

## Market Size of Business Phone Services

- The total size of the PBX, business phone, and cloud PBX market is estimated to be about ¥80.5 billion, indicating significant room for growth.
- Aiming for about 6x sales by accelerating sales of TobilaPhone Biz and TobilaPhone Cloud.



\*1: PBX and key telephone system sales in fiscal 2022 based on the CIAJ FY2022 – FY2027 Mid-Term Demand Forecast for Telecommunication Equipment.

\*2: Fiscal 2022 forecast in 2022 Communications Marketing Survey by Fujii Chimera Research Institute.

\*3: Actual sales figures for filtering services for business phones in FY2024.

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The current fiscal year 2025 is positioned as a period of preparation for the next leap forward. We believe the drivers of growth will be for business phones and the creation of new businesses. We consider PBX, the business phone market, and the cloud PBX market to be the markets in which our business phones are positioned, with a market size of approximately ¥80.5 billion. The trend of migration from on-premises to cloud PBX is expected to continue to grow.

Our actual sales for business phones in the fiscal year ended October 31, 2024 were approximately ¥500 million, which we consider to be 1% of the market size, and we believe there is ample potential for growth in the future. With a target of approximately ¥3 billion by 2028, we aim to expand the market share of both TobilaPhone Biz and TobilaPhone Cloud.

The details of the Mid-Term Management Plan are explained in the financial statements and other related materials of last December. We would appreciate it if you could check them out as well.

### 3. 1Q FY2025 Financial Results

#### Financial Summary

- Sales and profit at all levels increased steadily YoY and QoQ.

Unit: Millions of yen	FY2024 1Q (Previous year)	FY2024 4Q (Previous quarter)	FY2025 1Q Results	YoY	QoQ
Net sales	567	634	672	118.5%	106.1%
EBITDA*	247	222	302	122.4%	136.0%
Operating profit	202	162	259	128.0%	159.6%
Ordinary profit	201	162	257	127.7%	158.3%
Profit	155	136	172	111.2%	126.8%

\* EBITDA = Operating profit + Depreciation + Goodwill amortization

I am Kanemachi, CFO of Tobila Systems. From this point on, I will be discussing our performance for the first quarter of the fiscal year ending October 31, 2025.

First is the performance summary. First quarter sales were ¥672 million, 118.5% of the same period last year; operating profit was ¥259 million, 128% of the same period last year; and net income was ¥172 million, 111.2% of the same period last year. In this quarter, we have been able to achieve steady YoY and QoQ growth.

This section describes sales by segment. To repeat, as we have changed the segmentation from this fiscal year, we are disclosing information in the new segmentation after the change.

## Net Sales by Segment

- [Security Business] Sales of services for mobile phones increased steadily YoY due to factors such as contract renewals for carriers in the previous fiscal year. Significant increases in other services are due to temporary income.
- [Solution Business] Sales of TobilaPhone Biz and TobilaPhone Cloud continue to increase steadily.

Unit: Millions of yen	FY2024 1Q (YoY)	FY2024 4Q (Previous quarter)	FY2025 1Q Results	YoY	QoQ
<b>Security Services Business</b>	454	469	<b>493</b>	108.6%	105.1%
Mobile phone services	397	414	<b>420</b>	105.8%	101.4%
Landline phone services	51	53	<b>54</b>	104.4%	101.1%
Other	5	1	<b>18</b>	368.7%	1,488.4%
<b>Solutions Business</b>	113	164	<b>179</b>	158.4%	109.2%

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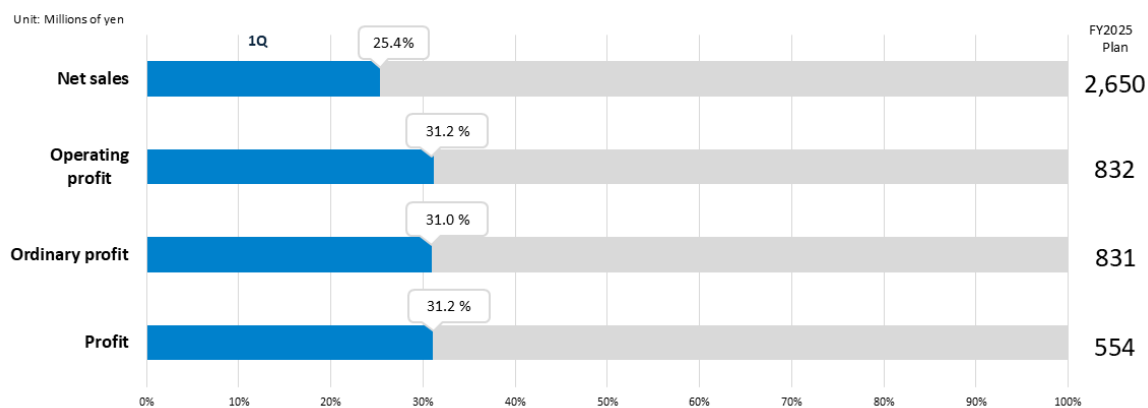
The Security Business amounted to ¥493 million, or 108.6% of the previous year's level. The breakdown is as follows: ¥420 million for mobile phones, 105.8% YoY; ¥54 million for fixed-line phones, 104.4% YoY; and ¥18 million for others, about 3.6 times the amount in the same period last year. The growth from the previous year for mobile is due to the contract renewal of the number of subscribers × unit price model in April 2024, which was last year, and the start of service provision for JCOM in July 2024.

The number of subscribers to services for fixed-line telephones continued to increase steadily, as did the number of subscribers to services for CATV. The increase in “Others” is due to temporary contracted development projects and is not expected to grow to this level from Q2 onward.

As for the Solution Business, it amounted to ¥179 million, 158.4% of the same period last year. Although the sales breakdown of each business phone product in the Solution Business is not disclosed, both TobilaPhone Biz and TobilaPhone Cloud achieved steady growth in sales volume as planned.

## 1Q vs. FY2025 Forecast

- Steady sales and profit at each stage compared to the forecasts disclosed in December 2024.
- We plan to make investments for the future and expect the fiscal year to be about the same as the earnings forecast.



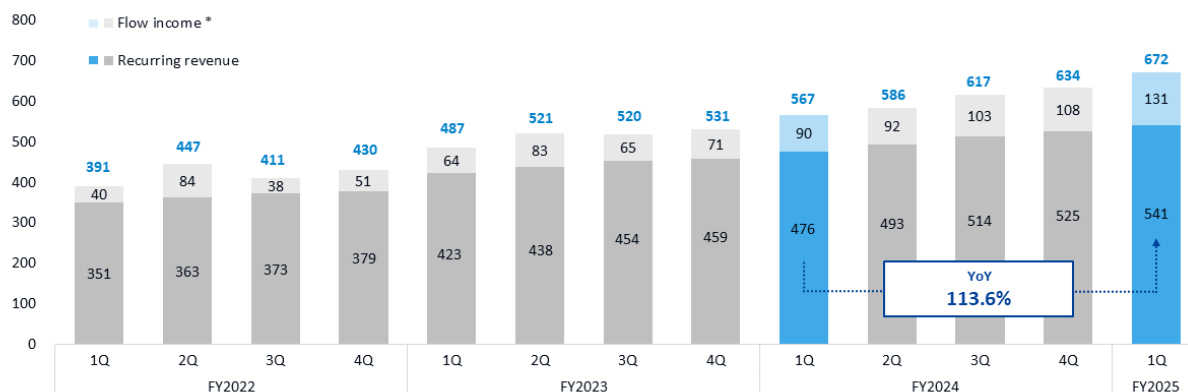
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This is the progress against the forecast for the full year 2025. Progress toward the full-year forecast is 25.4% for net sales and more than 30% for each stage of income. These are the first quarterly financial results since the announcement of the mid-term management plan, and we believe that we are making steady progress against the plan. Although the progress of each stage of profit is ahead of schedule, we expect the full-year forecast to be in line with the initial forecast.

## Quarterly Sales (Recurring Revenue and Non-recurring Revenue)

- Steady growth in recurring revenue due to stable growth of services for mobile phones and strong sales of services for business phones.

Unit: Millions of yen



\*: Non-recurring revenue includes sales of [280blocker], hardware for [TobilaPhone] and [TobilaPhone Biz]

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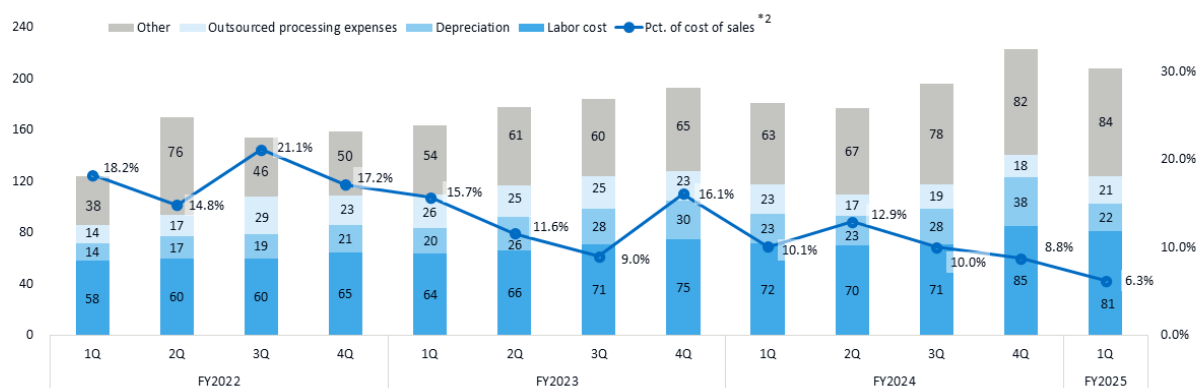
These are the quarterly changes in sales. The graph shows a separate breakdown of recurring revenue and transient revenue. Recurring revenue, which is the foundation of our business, grew 113.6% YoY and 103% QoQ, showing steady growth. This was mainly due to stable growth in the services for mobile phones in the Security Business and sales growth of each product in the Solution Business.

Transient revenues include sales of 280blocker and terminal charges for TobilaPhone and TobilaPhone Biz. In this first quarter, transient revenues increased due to a one-time contracted development project.

## Cost of Sales

- Depreciation expenses decreased from the previous quarter because depreciation expenses had increased temporarily in 4Q FY2024 due to the effects of the termination of TalkBook services.
- Planning to continue to actively recruit personnel.

Unit: Millions of yen



\*1: The sum of labor cost, depreciation, outsourced processing cost and others does not match the total cost of sales on the income statement because these figures are before adjustments for reclassified expenses and work in process transfers

\*2: Pct. reclassified as other expense categories is the percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees

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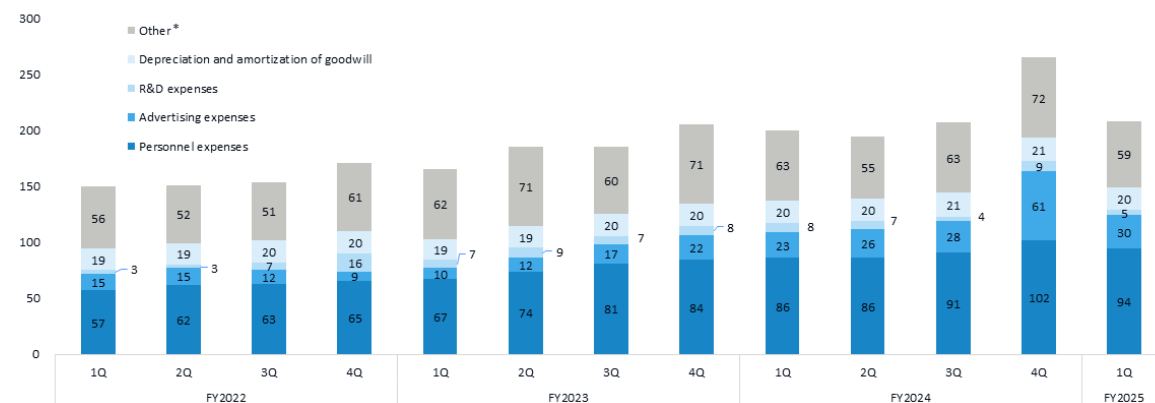
Next are the changes in the cost of sales. Overall, we are in control as planned. Depreciation decreased from Q4 of the previous fiscal year due to the termination of TalkBook service in Q4 of the previous fiscal year and the integration of its functions with TobilaPhone Cloud. As a result, depreciation expenses temporarily increased in Q4 of the previous fiscal year.

Since the service was terminated on October 31, 2024, depreciation and amortization expenses decreased from the previous year since the effect of the termination was eliminated in the current year. In addition, labor costs are expected to increase due to plans for aggressive hiring in the current fiscal year.

## SG Expenses

- SG Expenses were down in 1Q FY2025 as a reaction to increased advertising expenses as a trial and an increase in hiring expenses due to the concentration of hiring in 4Q FY2024.
- Plans to continue to strengthen investment in human resources, the foundation of the medium-term management plan.

Unit: Millions of yen



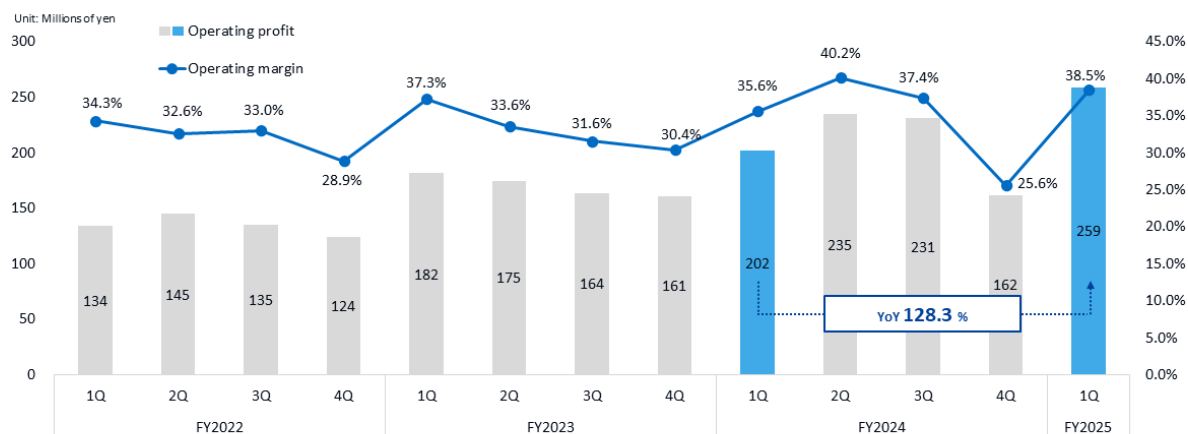
\* : Others include collection fees, outsourcing expenses, rent expenses on land and buildings.

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The next section shows the changes in SG&A expenses. Overall, we have been able to control the situation as planned. Advertising as a trial was conducted in Q4 of the previous fiscal year. Recruitment costs have also increased since we have recruited many new members. As a reaction to this, this decreased in Q1. For the future, we would like to undergo advertising trials and if we deem it necessary to invest for growth, we will do so. In addition, we plan to continue hiring human resources. Since we cannot control the timing of recruitment alone, there may be a slight gap in timing, but we expect SG&A expenses to increase since we will aggressively expand our recruitment activities.

## Operating Profit

- Profit increased from the previous quarter due to the reaction to a temporary increase in depreciation expenses and the use of advertising expenses in 4Q FY2024.
- Plans call for active recruitment of human resources and new advertising and other measures for future growth.



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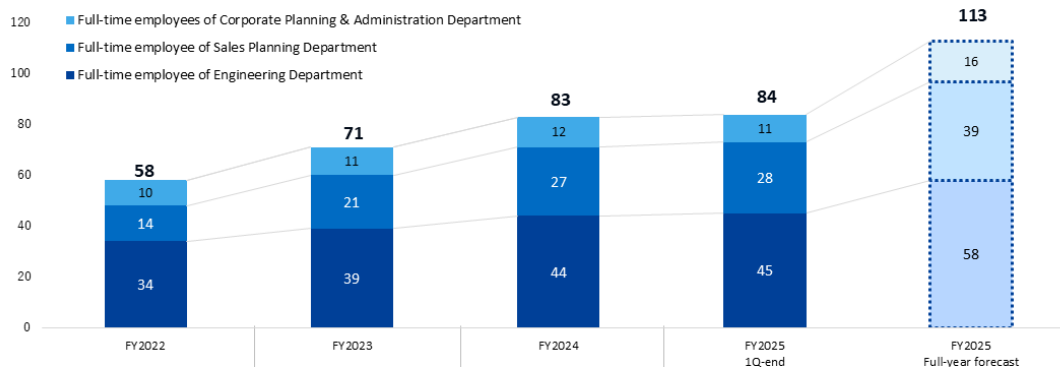
Here are the trends in operating profit. Operating income for the first quarter was ¥259 million, 128% of the same period last year, and operating margin was 38.5%. I have just explained the cost and SG&A expenses. Although costs were generally under control, the timing of hiring was delayed and other factors resulted in a higher-than-expected landing.

Since we will continue to focus on the effects of the time lag and recruiting personnel, etc., we expect quarterly operating profit in Q2 to decrease compared to Q1.

## Number of Full-Time Employees

- The company plans to secure the necessary personnel to achieve the medium-term management plan. Currently, the plan is to hire 30 or more employees in FY2025.
- Although fewer new employees joined the company in 1Q, the company is actively engaged in recruiting activities. The number of new employees who have joined the company in 2Q (February) and thereafter is increasing steadily.

Unit: Number of employees



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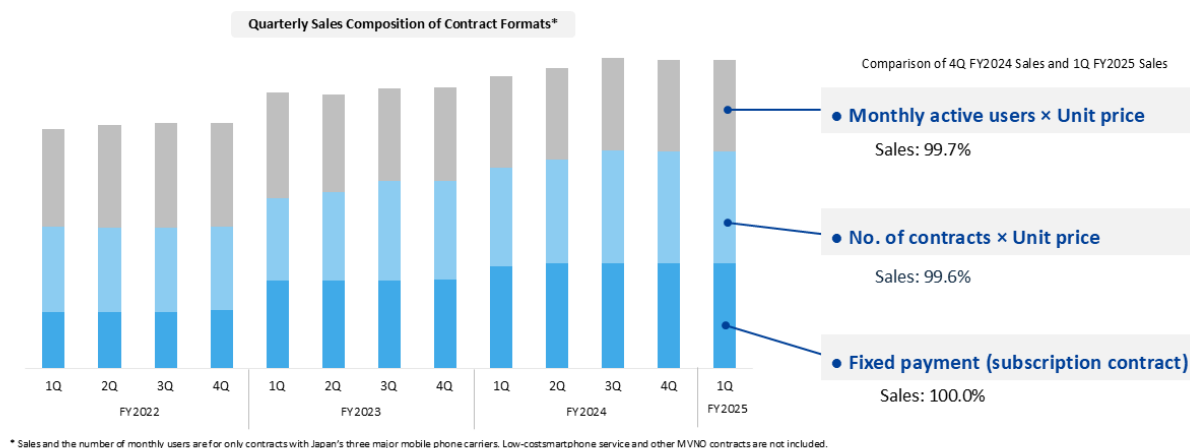
Trends in the number of employees. Expansion and growth of members is one of the priority measures in the mid-term management plan, and this is the first slide added from the current financial results. The Company plans to secure the necessary personnel to achieve its mid-term management plan and plans to hire approximately 30 employees.

Although the number of new hires at the end of the first quarter was small, we have been actively recruiting, and about 10 new hires in the current Q2 will join our company, so we will continue to make firm progress.

Security Business

## Mobile Phone Services: Quarterly Sales by Contract Format

- Sales to major mobile phone carriers decreased slightly quarter on quarter.
- Considering measures to continue increasing users while consulting with telecommunication carriers.



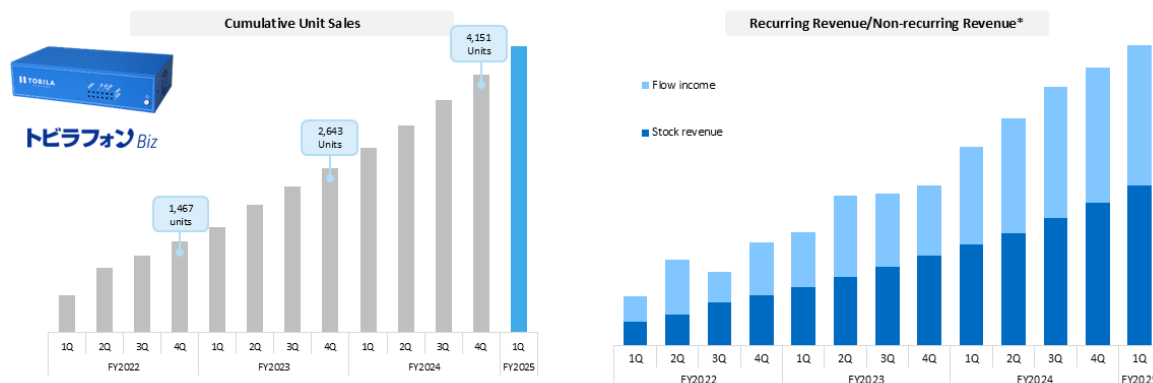
Here is a look at quarterly trends by main contract model for mobile filters in the Security Business. The graph on the left of the slide shows the quarterly change in the sales composition of the three contract models, and the right of the graph shows the net sales QoQ for each model. Please note that these slides include only the contracts of the three major telecommunications carriers and do not include figures for sub-brands or MVNOs.

Sales were almost unchanged from the previous quarter. We will continue to take measures to expand the number of users in cooperation with telecommunication carriers as appropriate.

Solution Business

## TobilaPhone Biz Sales

- The number of units sold continues to increase as a result of the favorable effect on sales of "casualty" (harassment from customers) prevention measures and the strengthening of relationships with agents.
- As of the end of FY2024, Tobila Systems had 4,151 units sold, which is a stable earnings base driven by an increase in recurring revenue.



\*: Most sales are made through sales agents using a package of the cost of the device and a five- to seven-year usage fee. Sales of hardware are recorded when the product is sold to agents. License fees are recorded as a liability under contract agreements. Monthly sales are calculated by dividing the cost of sales according to the length of the contract.

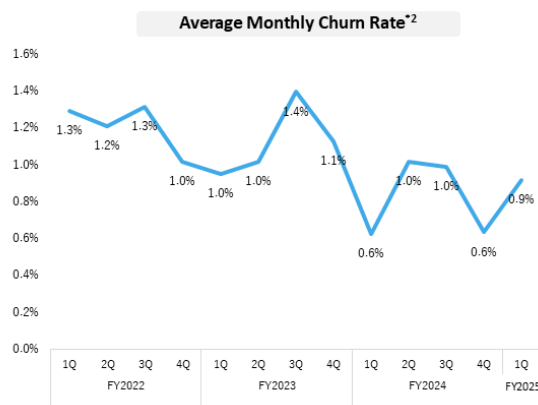
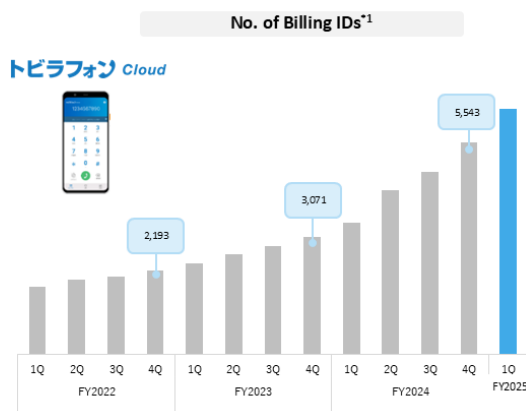
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Changes in TobilaPhone Biz. Sales continued to increase due to the appeal as a product against “excessive complaining from customers” and also due to the demand at the end of the fiscal year. We have also included figures for cumulative unit sales volume, although these figures are for each fiscal year. The number of units sold in each fiscal year has steadily increased. As stated in our mid-term management plan, we are also strengthening cooperation with our agents. We will work to ensure that they grow well.

> Solution Business

## TobilaPhone Cloud Sales

- Steady increase in sales due to the continued efforts to strengthen the sales structure and implement strategies outlined in the medium-term management plan.
- Monthly churn rate also remains below 1%.



\*1: The total number of IDs included in the contract in the billing period. Synonym for the number of users

\*2: Monthly churn rate is the quarterly average of the monthly churn rate calculated by using the ratio of monthly churn to the number of contracts at the beginning of the month

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About TobilaPhone Cloud. We have listed the number of billing IDs, although it is by fiscal year. The number of billing IDs at the end of October 2024 was 5,543, and the number of IDs continued to increase steadily during this quarter. The average monthly churn rate remained 1% or lower. We will continue to work to enhance functionality and improve quality and will also take advantage of the characteristics of our telephone service to ensure its solid growth.

## 4. FY2025 Plan



1Q FY2025 Highlights

Corporate Profile / Medium-to Long-Term Strategy

1Q FY2025 Financial Results

**FY2025 Plan**

Appendix

Reprinted

### FY2025 Plan

- We plan on making investments in recruitment and expansion of business phone services for growth strategies outlined in the medium-term management plan. As a result, we expect sales to increase by 10.1% YoY to ¥2.65 billion in FY2025 while operating profit is expected to be the same YoY at ¥832 million.

Unit: Millions of yen	FY2023 Results	FY2024 Results	FY2025 Forecast	YoY (After revision)
Net sales	2,061	2,405	<b>2,650</b>	110.1%
EBITDA* <sup>1</sup>	870	1,031	<b>1,015</b>	98.4%
Operating profit	682	831	<b>832</b>	100.0%
Ordinary profit	679	829	<b>831</b>	100.2%
Profit	517	601	<b>554</b>	92.0%
(Profit excluding extraordinary income (loss))	(469)	(580)	<b>(554)</b>	(95.4%)
Operating margin	33.1%	34.6%	<b>31.4%</b>	-
ROE* <sup>2</sup>	26.9%	26.3%	<b>22.8%</b>	-
Equity ratio	58.6%	56.0%	<b>52.4%</b>	-

\*1: EBITDA = Operating profit + Depreciation + Goodwill amortization.

\*2: Equity, which is the denominator in ROE, is calculated by using the average for the period.

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Finally, I would like to discuss our forecast for the fiscal year ending October 31, 2025. As explained by Akita at the beginning of the presentation, this fiscal year is positioned as a period of preparation for the next leap forward, and we expect net sales of ¥2,650 million and operating profit of ¥832 million for the fiscal year ending October 31, 2025.

For the fiscal year ending October 31, 2025, the first year of the Mid-Term Management Plan 2028, we plan to develop new businesses and other concepts in addition to growing existing businesses. We currently have a variety of ideas, but we would like to conduct tests to determine detailed market needs and sales methods to see if they can be commercialized. In addition, since our greatest asset is our people, we will continue to invest in people in the current fiscal year.

Revised in the new segment

### FY2025 Sales Plan by Service Category

- Aiming for solid growth of each service in FY2025 in accordance with the medium-term management plan formulated.
- In particular, we will work to expand the earnings base of the filtering service for business phones, which will be a future growth driver.

	FY2023 Results	FY2024 Results	FY2025 Plan	YoY
Unit: Millions of yen				
<b>Security Services Business</b>	1,730	1,843	<b>1,876</b>	101.8%
Mobile phone services	1,490	1,623	<b>1,635</b>	100.7%
Landline phone services	193	212	<b>216</b>	102.1%
Other	46	8	<b>24</b>	303.6%
<b>Solutions Business</b>	330	562	<b>773</b>	137.6%
TobilaPhone Biz	257	430	<b>532</b>	123.6%
TobilaPhone Cloud	73	131	<b>240</b>	183.7%

\*Figures indicated in Other in FY2023 Results of include HP4U Business that has been sold in September 2023.

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Sales by service. Revisions have been made by the new segment. Sales in the Security Business are expected to be generally on a par with the previous year. We view the Security Business as the foundation of our revenue. Since this is a business that will be promoted while strengthening relationships with telecommunications carriers, figures for new service introductions, etc., are not incorporated in this report.

For the Solution Business, we plan ¥773 million, or 137.6% of the previous year's total. From this time, we have included the plans and past results of TobilaPhone Biz and TobilaPhone Cloud. We will focus on the Solution Business, which is a growth business, and will first proceed with the business so that we can achieve our goals for this year, the first year of our mid-term management plan.

Represented

## FY2025 Forecast for Expenses

- We plan to continue to actively recruit more personnel for future growth. Expect higher recruiting expenses, higher labor costs, and personnel expenses.
- Forecast an increase in the cost of sales of hardware based on the plan to increase sales of the filtering service for business phones.

Unit: Millions of yen	FY2023 Results	FY2024 Results	FY2025 Forecast	YoY
<b>Cost of sales*<sup>1</sup></b>	628	699	<b>828</b>	118.4%
Labor cost	278	299	<b>395</b>	131.9%
Outsourced processing cost	100	78	<b>86</b>	109.5%
Depreciation	105	114	<b>101</b>	88.7%
Others	241	291	<b>358</b>	123.1%
Pct. of cost of sales classified as R&D expenses and assets* <sup>2</sup>	13.1%	10.3%	<b>12.1%</b>	1.7pt
<b>SG&amp;A expenses</b>	750	874	<b>989</b>	113.2%
Personnel expenses	308	366	<b>431</b>	117.8%
Advertising expenses	63	139	<b>123</b>	88.6%
R&D expenses	31	29	<b>29</b>	98.8%
Depreciation and amortization of goodwill	80	83	<b>79</b>	95.3%
Others	266	255	<b>325</b>	127.7%

\*1: The sum of labor cost, depreciation, outsourced processing cost, and others do not match the total cost of sales on the income statement because these figures are before adjustments for reclassified expenses and work-in-process transfers.

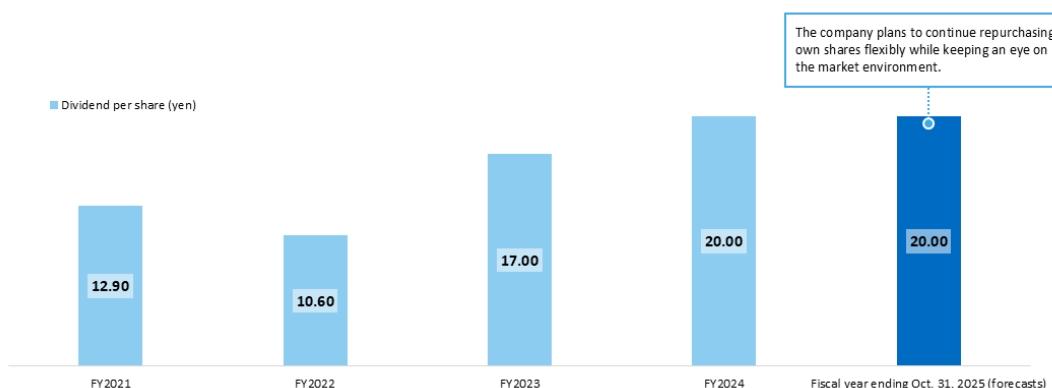
\*2: The percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees.

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This is the outlook for costs. We expect an increase in the cost of sales due to sales expansion of TobilaPhone Biz, and an increase in labor and personnel expenses due to investment in human capital.

## Returns to Shareholders - Dividends and Share Buybacks

- Based on a dividend payout ratio of 35%, the lower limit on dividends is ¥20.00, and the year-end dividend is expected to be ¥20.00 in FY2025.
- Acquisition of own shares up to the maximum of ¥400 million, which started on December 11, 2024, ended without reaching the maximum amount. Considering the possibility of flexible acquisition in the future.



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This is our shareholder return policy. Currently, the Company's basic policy for returning profits to shareholders is to maintain a dividend payout ratio of 35%. Furthermore, ¥20 is set as the lower limit of the dividend. For the current fiscal year, we plan to pay a dividend of ¥20 per share.

In addition, from December 11, 2024 to March 5, 2025, the Company had repurchased up to ¥400 million of its own shares. As a result of the share repurchase, the Company has completed the repurchase without reaching the maximum limit. The Company's policy on future share repurchases is to implement them in a flexible manner while keeping an eye on market conditions.

## 5. Message from CEO

In the first quarter of the fiscal year ending October 31, 2025, we were able to make steady progress in our business against our full-year plan. We will continue to promote our business to enhance our corporate value while making the necessary investments so that we can achieve our mid- to long-term growth strategy, “Mid-Term Management Plan 2028”. These are the financial results for the first quarter of the fiscal year ending October 31, 2025. Thank you very much for your attention to the end.