



Financial Results Explanatory Material Second Quarter of the fiscal year ending August 31, 2025

April 11, 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.

Table of contents

• Summary of the Second Quarter of the fiscal year ending August 31, 2025	P.3
• Financial Results for the Second Quarter of the fiscal year ending August 31, 2025	P.6
• Business Highlights	P.14
• Progress of GaiXer	P.21
• Growth Strategies for the First Year of AI SaaS	P.27
• Appendix	P.34



01

Summary of the Second Quarter of the fiscal year ending August 31, 2025

Summary Q2/2025(1/2)

① Direction of strategy and Business

FIXER aims to become the market leader in the AI SaaS space by leveraging cloud-native technologies and placing the GaiXer business at the center of its business. Our goal is to fundamentally improve operational efficiency in the Japanese work environment through the use of generative AI technology

② Highlights, Q2/2025

- Excluding “HER-SYS” business, which drove sales in the previous fiscal year, sales grew in the second quarter
- Although sales fell short of the plan, operating income, ordinary income, and net income exceeded the plan due to successful reductions in selling, general, and administrative expenses
- The number of employees will increase to 378 (as of April 1, 2025) due to new graduates joining the company
- Capital adequacy ratio remained high at 90.1%

③ Business Highlights (Especially in Medical DX Initiatives)

- In the midst of active efforts to promote Medical DX within the “Medical DX 2030 Vision 2030” promoted by the Ministry of Health, Labour and Welfare, discussions are underway to establish a joint venture company with Fujita Gakuen
- Promote the construction of a new medical information platform that includes automatic generation of medical documents and sharing of electronic medical record information
- Full-scale entry into the medical DX market, a market that will grow to approximately 520.7 billion yen in size(*) by 2030

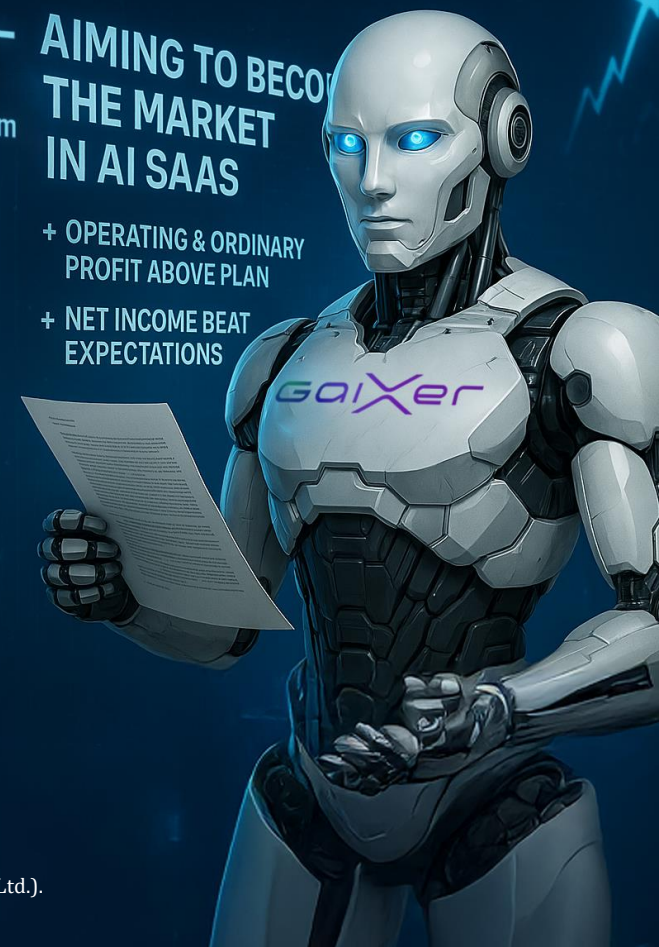
GaiXer
Enterprise AGI Platform

REVENUE GROWTH
IN Q2

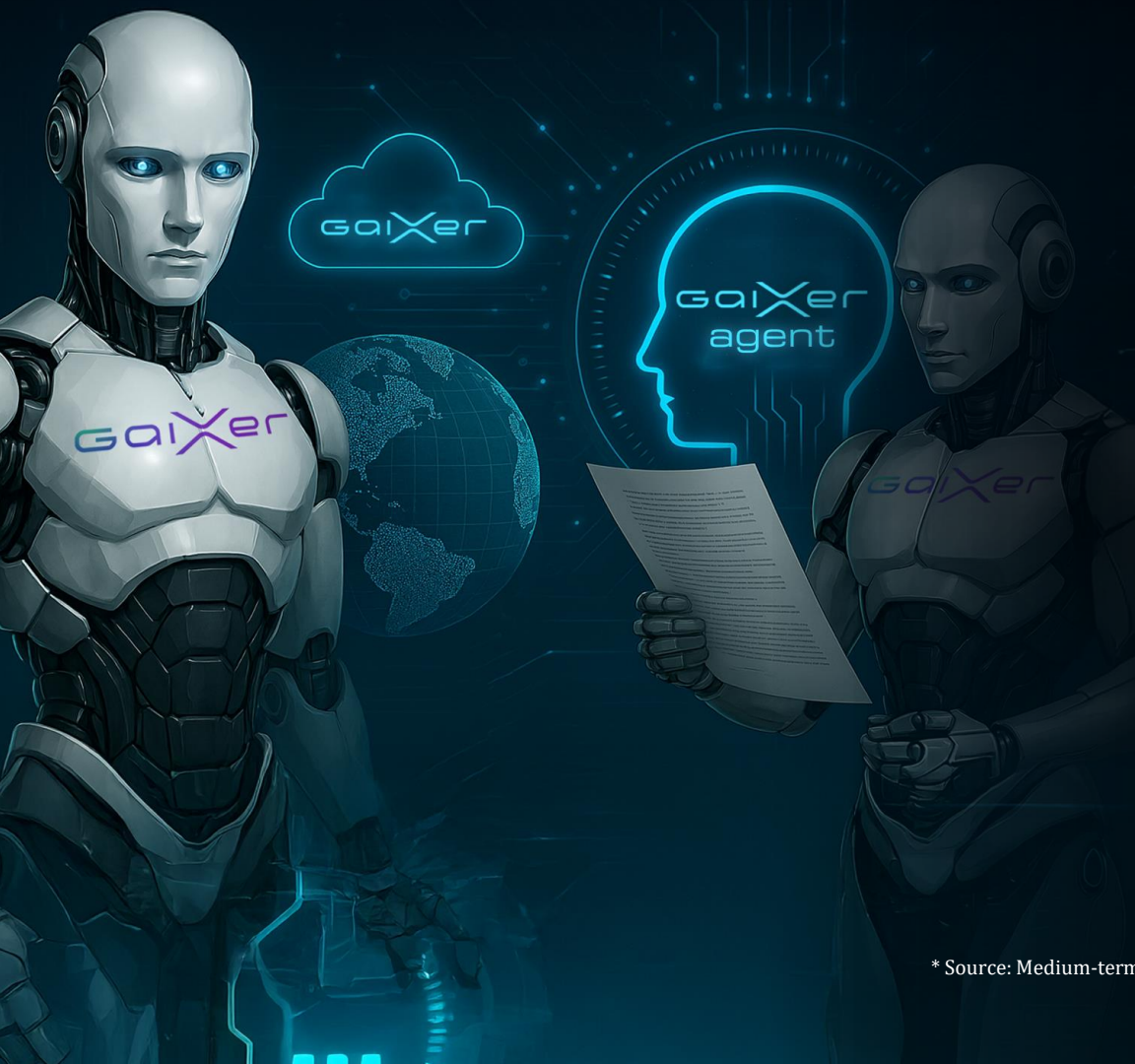


AIMING TO BECOME
THE MARKET
LEADER IN AI SAAS

- + OPERATING & ORDINARY
PROFIT ABOVE PLAN
- + NET INCOME BEAT
EXPECTATIONS



Summary Q2/2025(2/2)



④ GaiXer Progress

- Driving performance improvement of the generative AI platform GaiXer
- Multimodal support and registration on the “ISMAP-LIU” special measures service list
- More than 100 companies have introduced our products to government, municipalities, and corporations.
- Introduced to new educational and administrative institutions, including Suzuka National College of Technology and Mie Prefecture

⑤ Growth Strategies in the AI SaaS Market

- Generative AI market for corporate customers is expected to grow to 121.2 billion yen by 2028
- Contribute to improved productivity by improving business processes through the use of generative AI
- Introduces examples of AI agents in the municipal and medical industries (P32-33)

⑥ AI technology to be utilized

- Continued qualitative evolution of production quality with the latest LLMs, including o3-mini, Claude 3.7 Sonnet, and Gemini 2.0 Flash

* Source: Medium-term forecast by category for corporate generative AI implementation support services (August 7, 2024 Deloitte Tohmatsu MIC Research Institute Co., Ltd.)

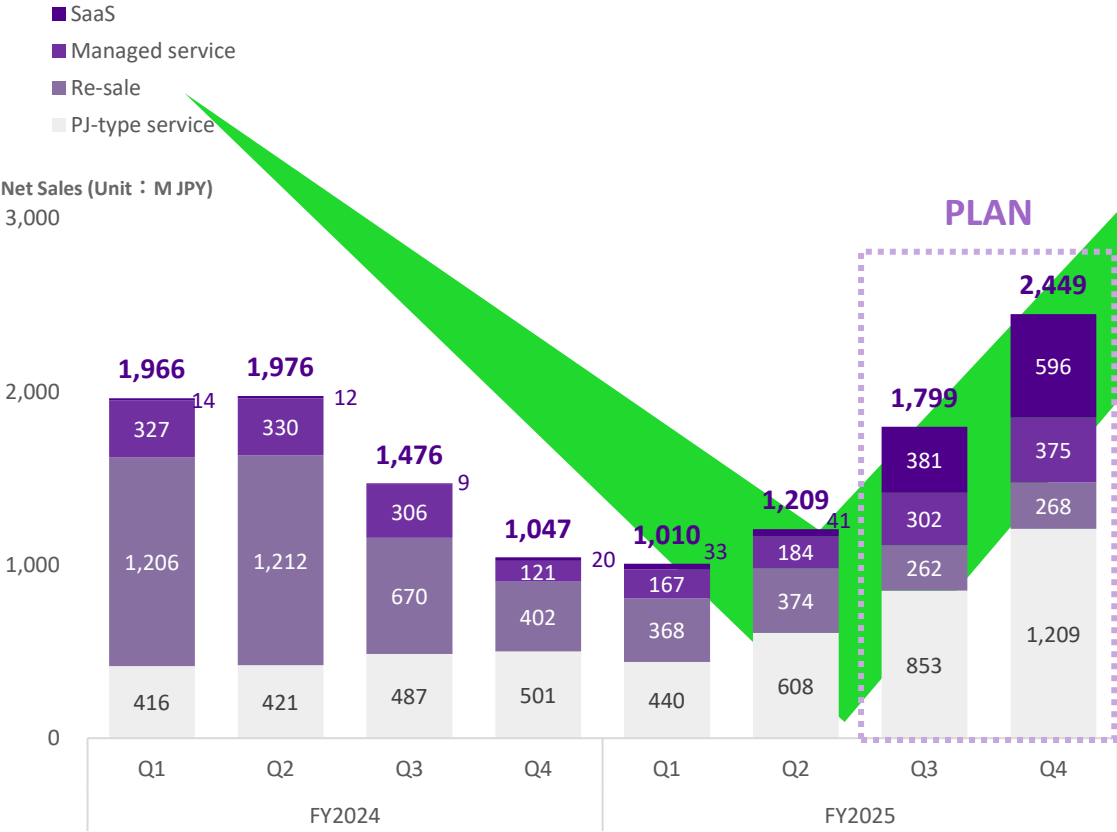
Financial Results

for the Second Quarter of

the fiscal year ending August 31, 2025

Summary of Financial Results

Evolution from Enterprise Cloud Provider to Generative AI Provider with GaiXer



4Q Enterprise AGI

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

3Q Generative AI agentization

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

2Q GaiXer's expansion phase

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

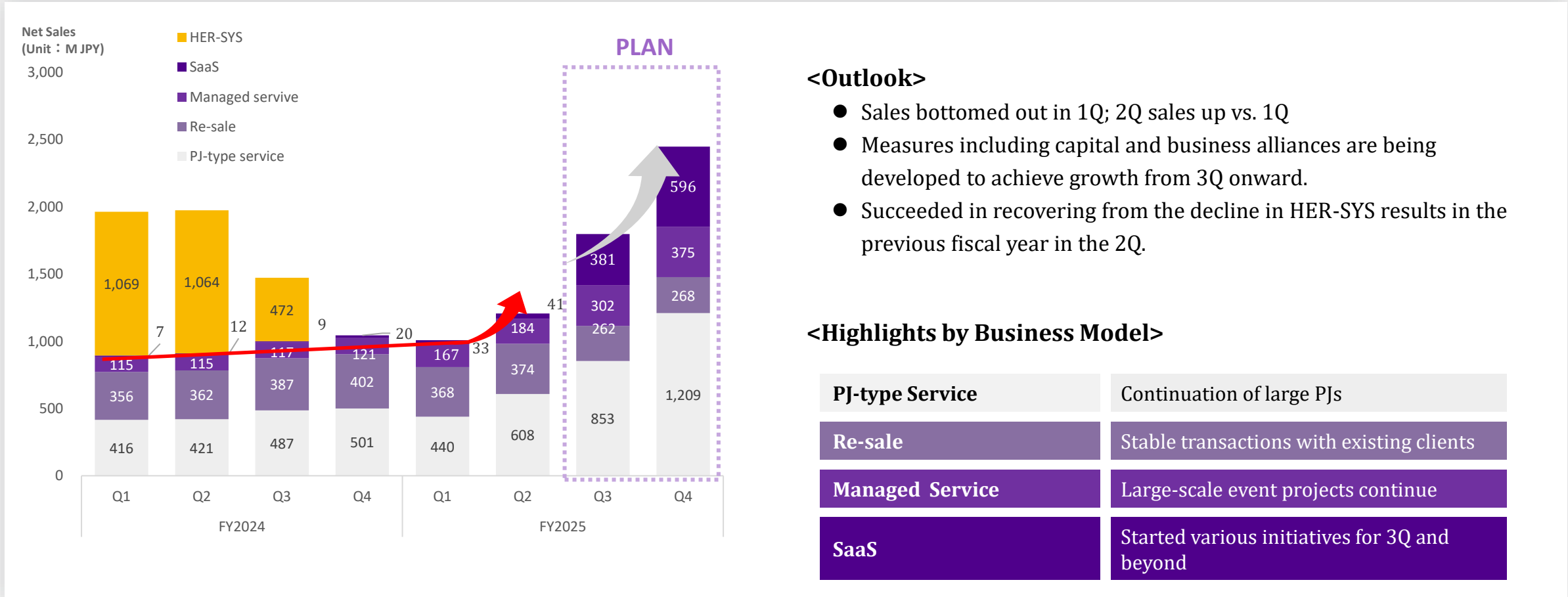
1Q HER-SYS to Medical DX

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

Financial Summary

Sales, excluding HER-SYS, which drove business growth until the previous quarter, grew significantly compared to the previous quarter. Furthermore, the company has entered a growth trajectory from a flat state in the previous quarter



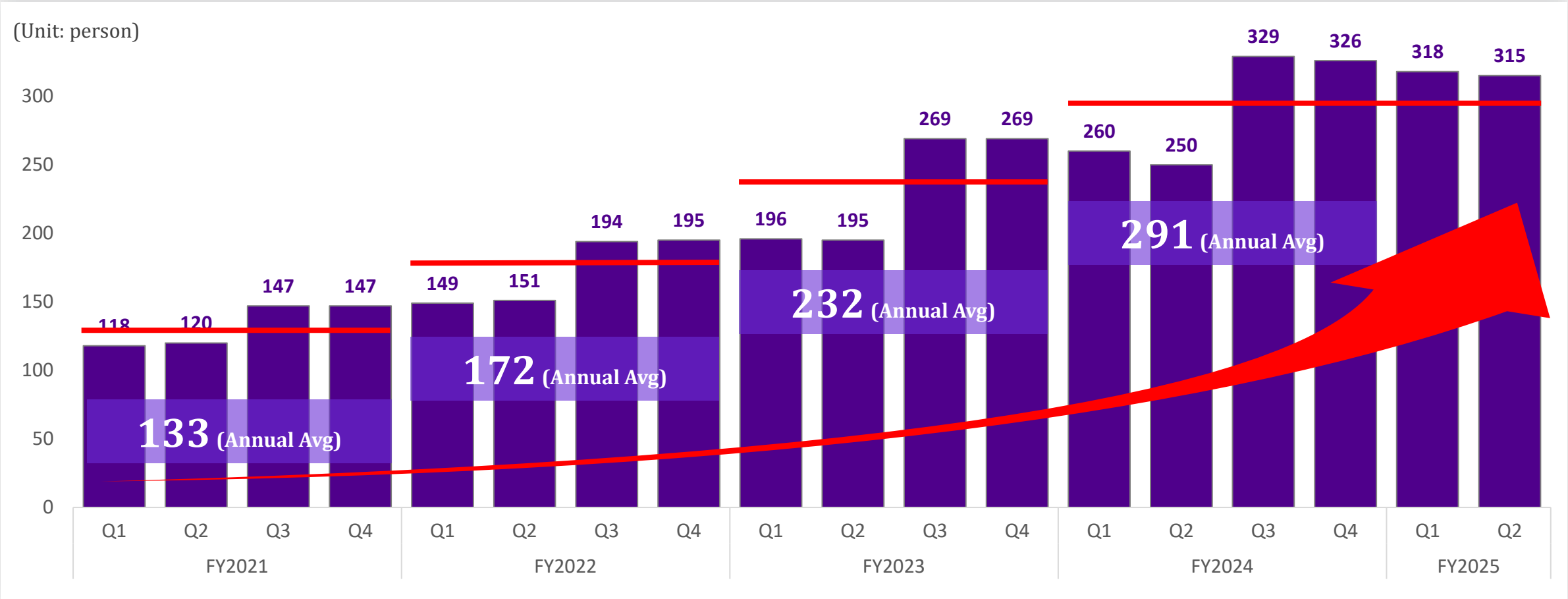
Financial Summary (Actual results versus forecast for the year ending August 2025)

FY8/2025 forecast: Despite a significant reduction in selling, general, and administrative expenses assumed in the initial plan, resulting in sales of -142 million less than planned, operating income was +135 million more than planned, ordinary income was +142 million more than planned, and net income was +296 million for the quarter

	Cumulative Q2 FY 2025 (Forecast)	Cumulative Q2 FY2025 (Actual)	(Unit : M JPY) Changes
Net sales	2,362	2,219	-142
Cost of sales	1,821	1,834	+12
Gross profit	540	385	-155
Gross profit margin	23%	17%	-6pt
SG&A expenses	1,202	912	-290
Operating profit	-662	-527	+135
Operating profit margin	-28%	-24%	+ 4pt
Ordinary profit	-662	-519	+142
Ordinary profit margin	-28%	-23%	+ 5pt
Income taxes	-	-153	-153
Net profit	-662	-366	+296
Administrative expense ratio	51%	41%	-10pt

Number of Employees, Quarterly Basis

The number of employees increases significantly every year in the 3Q when new graduates join the company.
Securing an increase in the number of employees at an average pace of approximately 60 per year.
54 new graduate engineers joined the company in April, bringing the total number of employees to 378 as of April 1



Quarterly changes in major expense items

Outsourcing expenses increased by 13 million yen due to the expansion of specialized personnel to strengthen medical DX and the expansion of new clients, as in the previous fiscal year.

Despite cost adjustments due to incentive returns, advertising and publicity expenses remained high to expand sales of GaiXer

(Unit : M JPY)						
	FY 2024				FY 2025	
	Q1	Q2	Q3	Q4	Q1	Q2
Personnel expenses	482	456	500	561	561	543
Expense for rent	125	125	127	127	127	127
Outsourcing expenses	164	132	97	75	93	107
Advertising expenses	63	20	10	3	26	4*
* Cost adjustment due to incentive reimbursement.						

Balance Sheet

Equity ratio remained high at 90.1%

			(Unit : M JPY)
	As of the end of FY 2024	As of the end of Q2 FY 2025	Changes
Current Assets	5,854	5,261	-593
Fixed Assets	735	854	+119
Total Assets	6,590	6,116	-473
Current liabilities	703	598	-104
Fixed liabilities	10	6	-3
Total Liabilities	713	605	-108
Shareholders' equity	5,875	5,509	-365
Equity warrant	1	1	-0
Total Net Assets	5,877	5,511	-365
Total liabilities and net assets	6,590	6,116	-473
Equity ratio	89.2%	90.1%	+0.9pt

Cash flow statement

Operating cash flow was -296 million compared to the previous year due to factors such as the impact of income tax payments on the refund position. Going forward, the company aims to improve cash flow and achieve sustainable growth through improved operating efficiency and business expansion

(Unit : M JPY)

	Q2 FY 2024	Q2 FY 2025	Changes (YoY)
Operating cash flow	-620	-916	-296
Investment cash flow	2	8	+5
Financial Cash Flow	-16	-3	+12
Free cash flows	-618	-908	-290
Cash and cash equivalents at end of year	4,200	3,243	-957

03

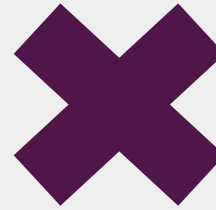
Business Highlights

Medical DX Initiatives

In the midst of the major trend toward “Medical DX 2030 Vision 2030”^(*1) by the Ministry of Health, Labor and Welfare, signed a MOU on March 17 to establish a joint venture with FUJITA ACADEMY, which has an advanced hospital^(*2) in Medical DX as an affiliate. With this initiative, we plan to deepen our relationship with the domestic medical industry and strongly promote the introduction of our services

FIXER
the Cloud native Company

GaiXer
Enterprise AGI Platform



FUJITA ACADEMY



フジタ・イノベーション・キャピタル
FUJITA・INNOVATION・CAPITAL

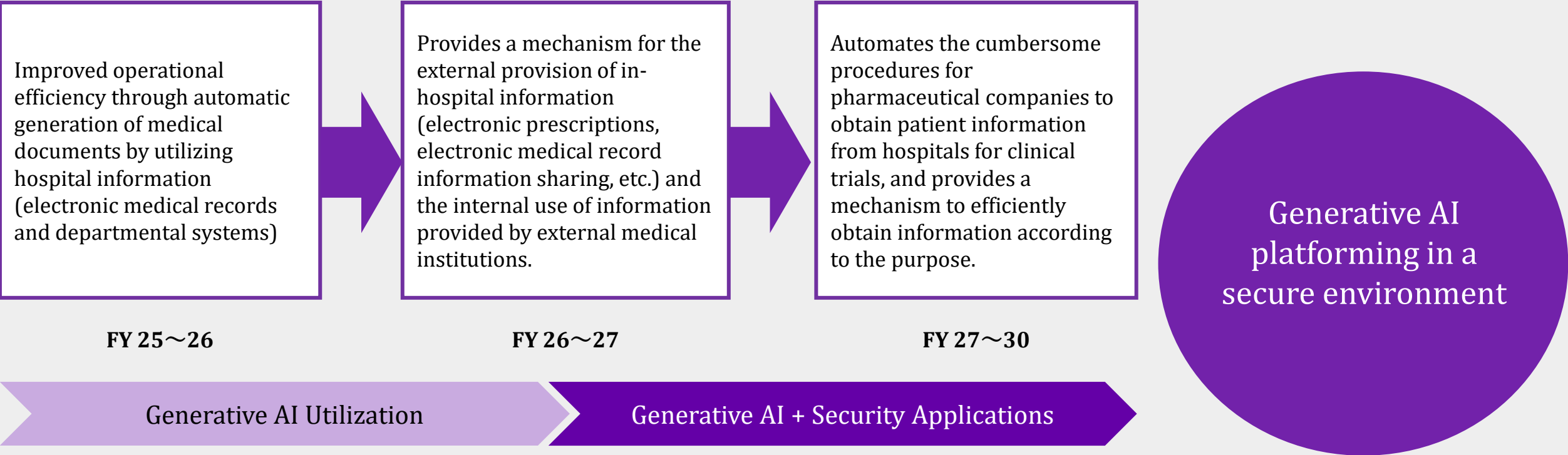
Discussions are underway to establish a joint venture by the end of April

*1 Medical DX 2030 Vision 2030"... The Ministry of Health, Labour and Welfare (MHLW) is promoting this vision in response to the recommendations of the Liberal Democratic Party's Policy Research Committee released in May 2022. The vision aims to promote medical DX (Digital Transformation) to improve the efficiency of medical care, to make appropriate use of medical resources, and to develop new drugs and new medical devices. The main contents of the vision include: (1) establishment of a national medical information platform, (2) standardization of electronic medical record information, and (3) efforts to revise medical fee DX.

*2 Fujita Medical College Hospital, an affiliate of Fujita Gakuen, is one of the hospitals selected by the Ministry of Health, Labor and Welfare as a “planned model project area” for electronic medical record information sharing services. With 1,376 sickbeds, it is the largest single hospital in Japan. It has the functions of a core disaster medical center, an advanced emergency medical center, a hospital with specific functions, and others, of which there are two in Aichi Prefecture.

Roadmap for Medical DX contributed by FIXER

We will start by supporting the creation of medical documents, which is a heavy workload for ,Doctor and in the future, we will contribute to medical DX by building a medical information collaboration system that consolidates various medical data in hospitals and enables secondary use



Full-scale entry into the medical DX area market

Contributing to the productivity of Japanese society through business development centered on GaiXer

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

- Still an on-premise or emerging industry
- Older industries dependent on human labor



Finance
(Account Systems)

Public Administration
(Government Cloud)

GaiXer
Enterprise AGI Platform

**Medical
Treatment**

Electronic medical records/receipts

Other, manufacturing, etc.

Focus on industries that support the nation's infrastructure

Focus on high value-added areas with high impact from productivity improvements through the use of cloud and AI



Advantages in the Generative AI Market

Differentiation through competitive advantage in an intensifying market

➤Our Advantages

- Registered on ISMAP-LIU Special Measures Service List, proving reliability and security for public institutions through LGWAN support, etc.
- AI agent technology optimized for specific markets such as the medical industry and municipalities
- Maintains a competitive advantage through the responsiveness and growth of its young engineers, whose average age is in their 20s.

➤Competitive Comparisons

	  the Cloud native Company Enterprise AGI Platform	Comparable Company A	Comparable Company B
LGWAN	○	○	×
ISMAP-LIU Special Action Service List	◎	×	×
Medical DX Performance	◎	△	○
Government Introduction Results	○	◎	○

New Markets by Domestic Medical DX

Healthcare Industry is a Newly Reborn Market with a Shift to Next-Generation Medical Systems and Health Tech

Medical industry DX is expected to expand to 520.7 billion yen by 2030

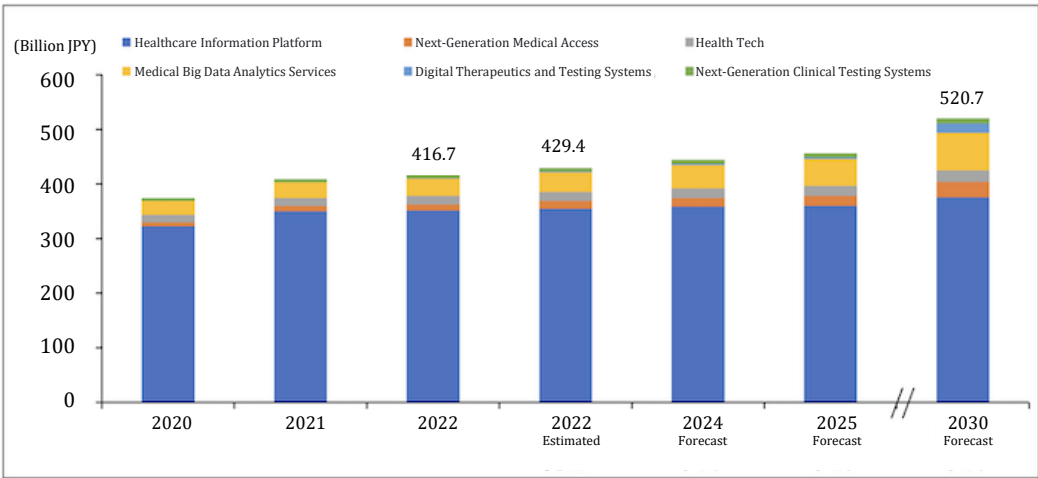
Among these, the medical information platform domain, which FIXER is entering, is the most promising field, with a market expected to exceed 300 billion yen

Our readiness for DX in the healthcare industry and future prospects

	Current	Prospect FY2026
Automatic Medical Document Generation	Alpha version developed	nation-wide expansion
Medical Information PF Area	Alpha version developed	Partnerships with various hospitals
Electronic Prescription / Clinical Trial Information Management	Partnerships under consideration	Start of practical application



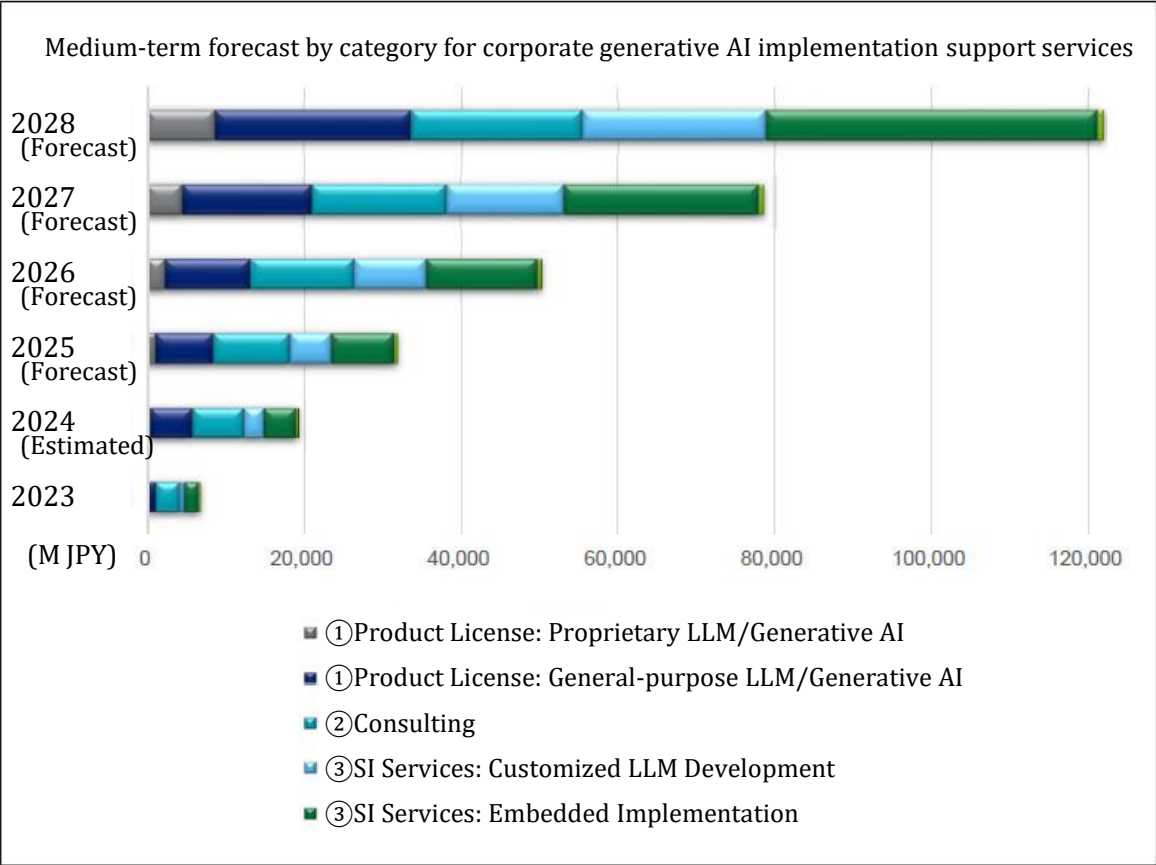
Market size of medical/healthcare DX-related markets



Source: Excerpt from "Current Status and Future Outlook of the 2023 Medical and Healthcare DX-related Market" (March 20, 2024 Fuji Keizai Co., Ltd.).

Market Expansion Forecast for Corporate Generated AI Implementation Solution Services

The overall AI market for corporate customers is expected to reach 31.9 billion yen in FY2025 and 121.2 billion yen in FY2028



04

Progress of GaiXer

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

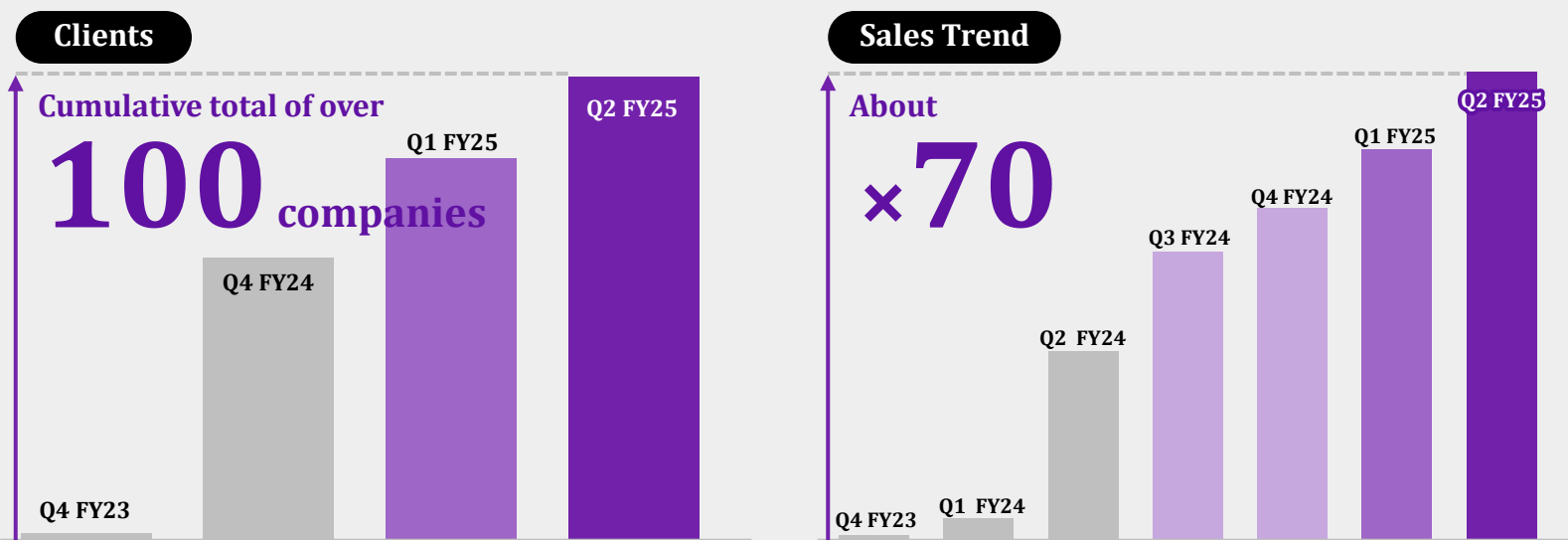
- Improved RAG performance, responsiveness of the latest LLMs installed, and multimodal support
- Registration on the ISMAP-LIU Special Measures Service List for the first time in Japan, and support for LGWAN
- Strengthening reliability through the development of domestically completed services

■ 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



GaiXer - Case Studies

GaiXer has been used by more than 100 companies, government agencies, and municipalities, and has been highly evaluated for its convenient UI/UX, safety, and security

Public administration and local government

- **Kasama City, Ibaraki Prefecture**
- **Susono City, Shizuoka Prefecture**
- **Nagoya City, Aichi Prefecture**
- **Osaka City, Osaka Prefecture**
- **Iga City, Mie Prefecture**
- **Kuwana City, Mie Prefecture**
- **National Institute of Technology (KOSEN), Suzuka College**
- **Himeji City, Hyogo Prefecture**
- **Kure City, Hiroshima Prefecture**
- **Kan-onji City, Kagawa Prefecture**
- **Yame City, Fukuoka Prefecture**
- **Ministry of Foreign Affairs of Japan**
- **Ministry of Internal Affairs and Communications**

Companies,etc.

- **NTT Communications Corporation**
- **San ju San Bank,Ltd.**
- **THE TOCHIGI BANK, LTD.**
- **Okasan Securities Co.,Ltd.**
- **DEPOC Inc.**
- **TYON Inc.**
- **DiREC**
- **rise group**
- **Miyazakihonten Co.,Ltd.**
- **KAMAYA**
- **Masuoka Dance Studio Inc.**
- **L&M Global Consultants**

Selected by Mie Prefecture for “FY2024 Search Extension Generation AI Usage Environment Provision Work”

GaiXer has been adopted by Mie Prefecture for the “FY2024 Search Extension Generation AI Usage Environment Provision Work” project



■Outline

GaiXer, a generation AI service provided by NTT Communications Corporation, was selected by Mie Prefecture for the “FY2024 Search Extension Generation AI Usage Environment Provision Work” project. The service will be used from January 27, 2025, to improve operational efficiency and productivity.

We will build and operate an environment for the use of a search-enhanced generative AI chatbot that can learn accumulated information and provide answers based on that information, etc., in general tasks such as writing by Mie Prefecture employees.

Started introduction at Suzuka National College of Technology

With the introduction of GaiXer at Suzuka National College of Technology, we will promote the use of generative AI by faculty and staff by taking advantage of the initiatives in the generative AI course



■Outline

GaiXer was introduced at Suzuka National College of Technology (Location: Suzuka City, Mie Prefecture; Principal: Shinji Fujimoto; hereinafter referred to as “Suzuka National College of Technology”) on February 3, 2025. This initiative is scheduled to continue until August 2025.

This offering was triggered by FIXER's efforts in a generative AI course offered at Suzuka National College of Technology for about a year starting in May 2024. In this course, FIXER developed the lesson plan and its employees participated as instructors. FIXER employees participated as lecturers and provided the students with knowledge on the fundamentals and applications of AI technology. The “Generative AI Lecture” served as a momentum-builder for the use of generative AI within the college of technology, leading to the introduction of GaiXer for faculty members. We are planning to study how GaiXer can be used in Suzuka National College of Technology through training sessions. Through this initiative, FIXER will support Suzuka National College of Technology faculty members in their use of generative AI and promote the use of generative AI in educational institutions.

Case Studies in Himeji City

GaiXer Application Case Study in Himeji City, Hyogo Prefecture Introduced in iJAMP Times

■ Outline

I was looking for a “good to go” service that would allow me to compare results while using multiple models of generative AI (Artificial Intelligence).

I was looking for a service that would allow me to compare results while using multiple models of generative AI (Artificial Intelligence).

GaiXer is widely used not only in the planning and policy-making departments, but also in about 50 departments, including the fire department and water department. In addition to document creation, some staff members use it to create Excel VBA and macros.

※From the article

■ Use case

- Reduction of student survey analysis work time from 240 hours to 50 hours (approx. 80% reduction)
- Improved efficiency in preparing manuals for counter service at the Child Rearing Support Office
- Improved multilingual support for foreign residents

兵庫県姫路市

自治体こそ、使ってほしい

松田清一、株式会社iJAMP代表取締役社長

行政や企業向け生成AIサービス「GaiXer」を姫路市に導入し、活用している。松田代表は、GaiXerを導入する地方自治体が増えることを目指している。

松田代表は、GaiXerを導入する地方自治体が増えることを目指している。GaiXerは、生成AIを活用して、行政や企業向けに様々なサービスを提供している。松田代表は、GaiXerを導入する地方自治体が増えることを目指している。

自治体 クロスアップ

生成 AI

「GaiXer」で240時間が5分の1に

「いいとこ取り」のAIサービス

兵庫県姫路市 × iJAMP

導入したGaiXerのメリットは、業務時間の短縮が最も大きい。以前は、240時間かかっていた作業が、現在は5分の1に短縮された。また、GaiXerは、生成AIを活用して、行政や企業向けに様々なサービスを提供している。松田代表は、GaiXerを導入する地方自治体が増えることを目指している。

子育支援の現場で

子育支援の現場では、GaiXerを活用して、子育て支援の業務を効率化している。GaiXerは、生成AIを活用して、行政や企業向けに様々なサービスを提供している。松田代表は、GaiXerを導入する地方自治体が増えることを目指している。

生成 AI の活用で働き方改革

生成AIを活用して、働き方改革を進めている。GaiXerは、生成AIを活用して、行政や企業向けに様々なサービスを提供している。松田代表は、GaiXerを導入する地方自治体が増えることを目指している。

05

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

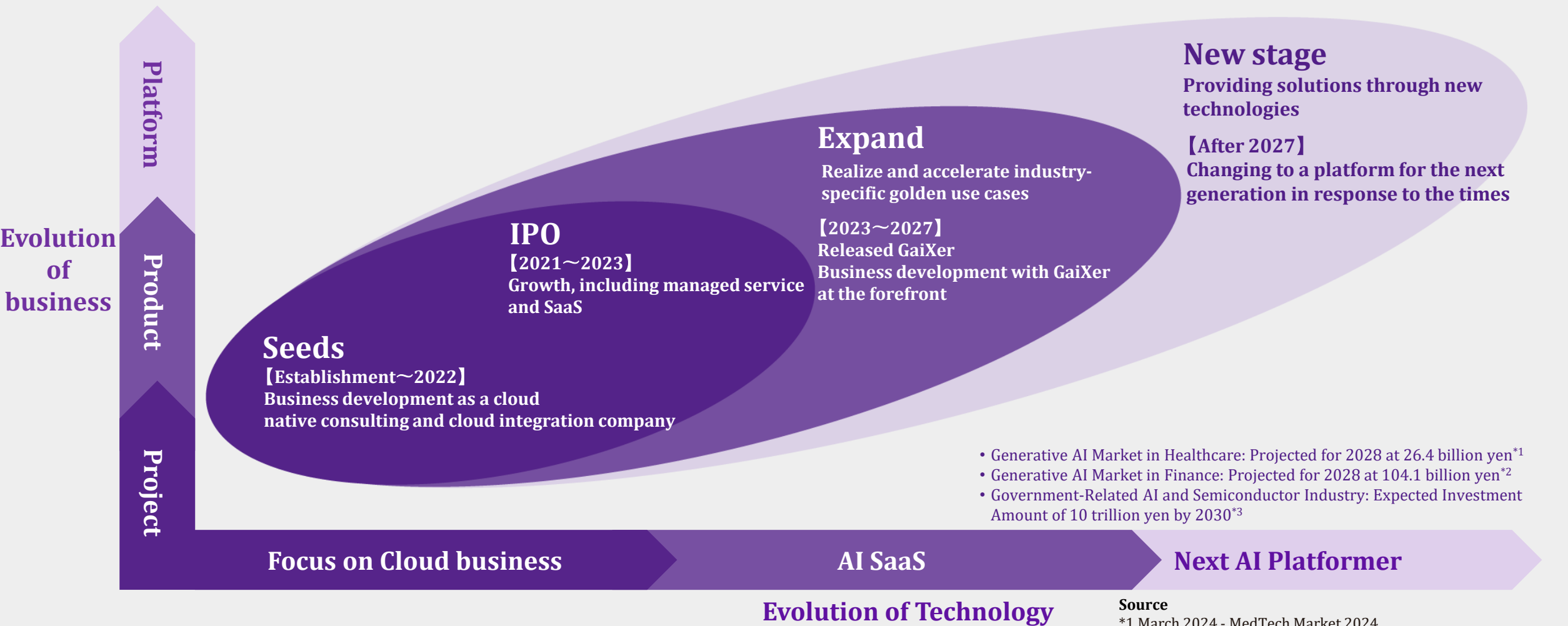
Currently, the momentum in the global generative AI market is being generated by a group of companies such as OpenAI and Anthropic, which are evolving at an astonishing pace backed by the massive capital power of “AI powerhouses” and “AI giants,” as well as by hub cloud platforms such as Microsoft, AWS,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

New stage

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



Source
*1 March 2024 - MedTech Market 2024
*2 January 2024 - Financial DX Strategy Report 2024-2028
*3 November 12, 2024 - Announcement by Prime Minister Ishiba

Improvement of profitability through “application of automation x utilization of generative AI”

Implemented own cost reductions and increased productivity by utilizing GaiXer for large-scale projects
Increase profitability by further expanding the scope of automation that has been achieved through cloud computing

Scope of Automation	Methods	Benefits from Automation
Infrastructure building	<ul style="list-style-type: none">• Programmatically describe the process from construction and configuration of the cloud infrastructure to confirmation of normal operation	<ul style="list-style-type: none">• By automating tasks that were previously performed manually shortened delivery time, reduced man-hours, and improved stability
Infrastrucure operations	<ul style="list-style-type: none">• Automatic severity determination and notification in case of failure• AI detects predictive failure signs and prevents failures before they occur	<ul style="list-style-type: none">• Reduced maintenance and operation man-hours and improved operational quality (Break away from the labor-intensive style of the on-premise era)
Migration	<ul style="list-style-type: none">• Cloud migration (migration) projects in application migration of existing systems automatic conversion by machine learning	<ul style="list-style-type: none">• Compared to manual conversion, the conversion time and cost are significantly reduced and the quality was improved and costs compared to manual conversion, while improving the quality of conversion.
Test	<ul style="list-style-type: none">• Automatically generate test cases and test data, automatically run tests after application updates	<ul style="list-style-type: none">• Repeat implementation and testing in short cycles. Increased development productivity in agile development

Further
Productivity
Improvement
with
Generative AI

AI agentization case study① (Kan-onji city)

Provided GaiXer to LINE's Chat BOT function and established it as an AI agent function for Q&A for Kan-nonji citizens



【Utilization of GaiXer agents】

GaiXer is provided as a ChatBOT function behind the “Ask Zenigata-kun” with inquiry function on the Kannonji City LINE. The system determines appropriate learning function data and generates answers to questions from Kannonji residents

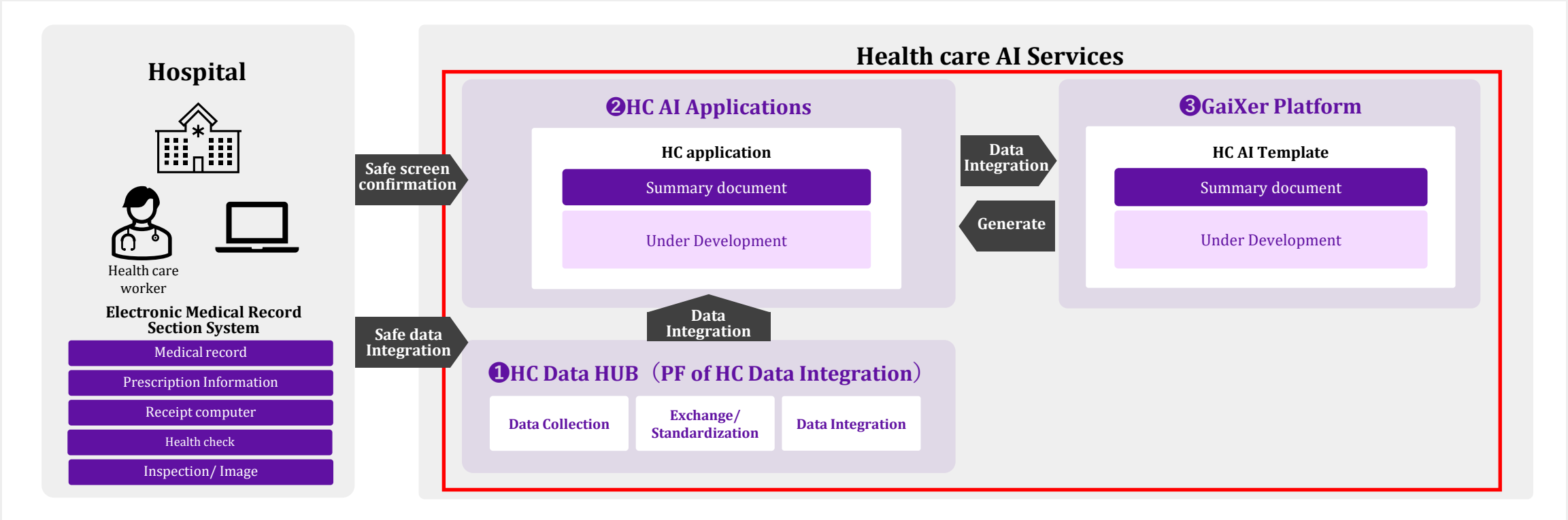
【Effects of agentization】

Provide prompt service to citizens by implementing features that reduce the workload of staff and allow citizens to receive appropriate answers

The first case study of GaiXer's use of AI agents, which is still in use today

AI agentization case study①（Health Care Industry DX）

Provide more effective use of GaiXer within the healthcare industry, and as data accumulates and the frequency of GaiXer use increases, its use and penetration as AI agent intelligence will expand



By combining ①data transfer to the cloud, ②application development, and ③GaiXer-generated AI platform, the company has begun offering an advanced AI agent. This service is attracting attention from the medical industry as a service that is expected to be in great demand in the future medical DX

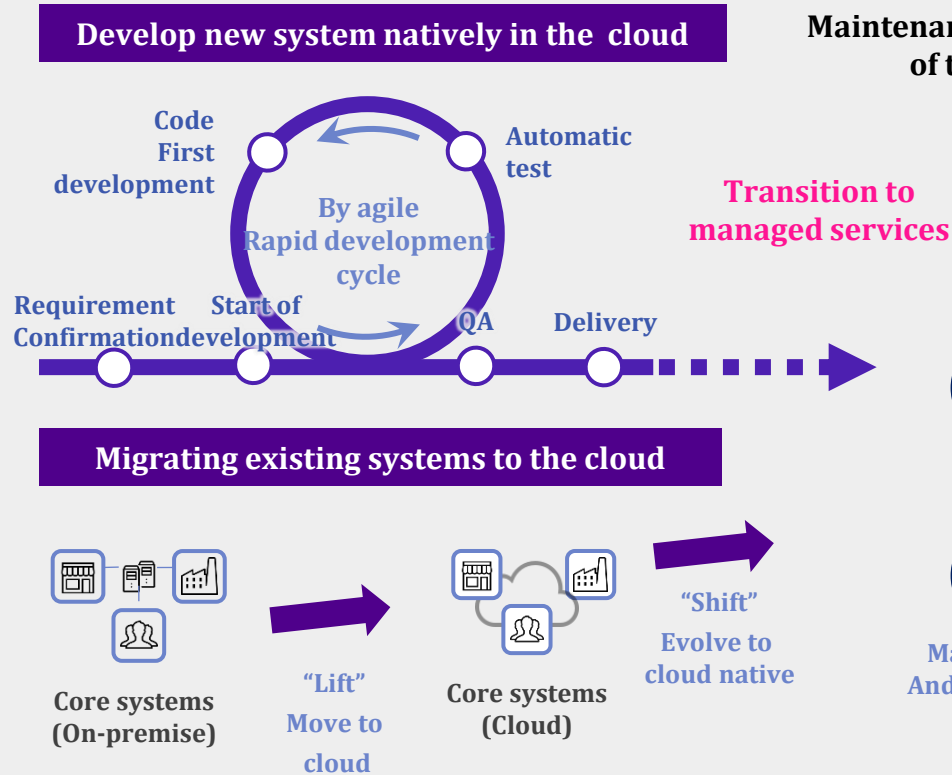
06

Appendix

Business Model

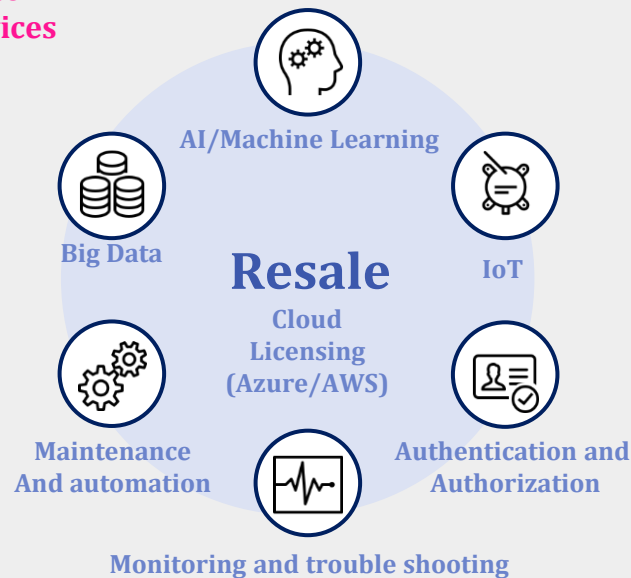
- ▶ Building a cloud-native system through project-based services
- ▶ Resells cloud and software licenses and provides managed services (maintenance, operation, and enhanced development)
- ▶ We also develop SaaS business that provides platforms with functions that are highly in demand among customers

PJ-type service



Managed service

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



SaaS

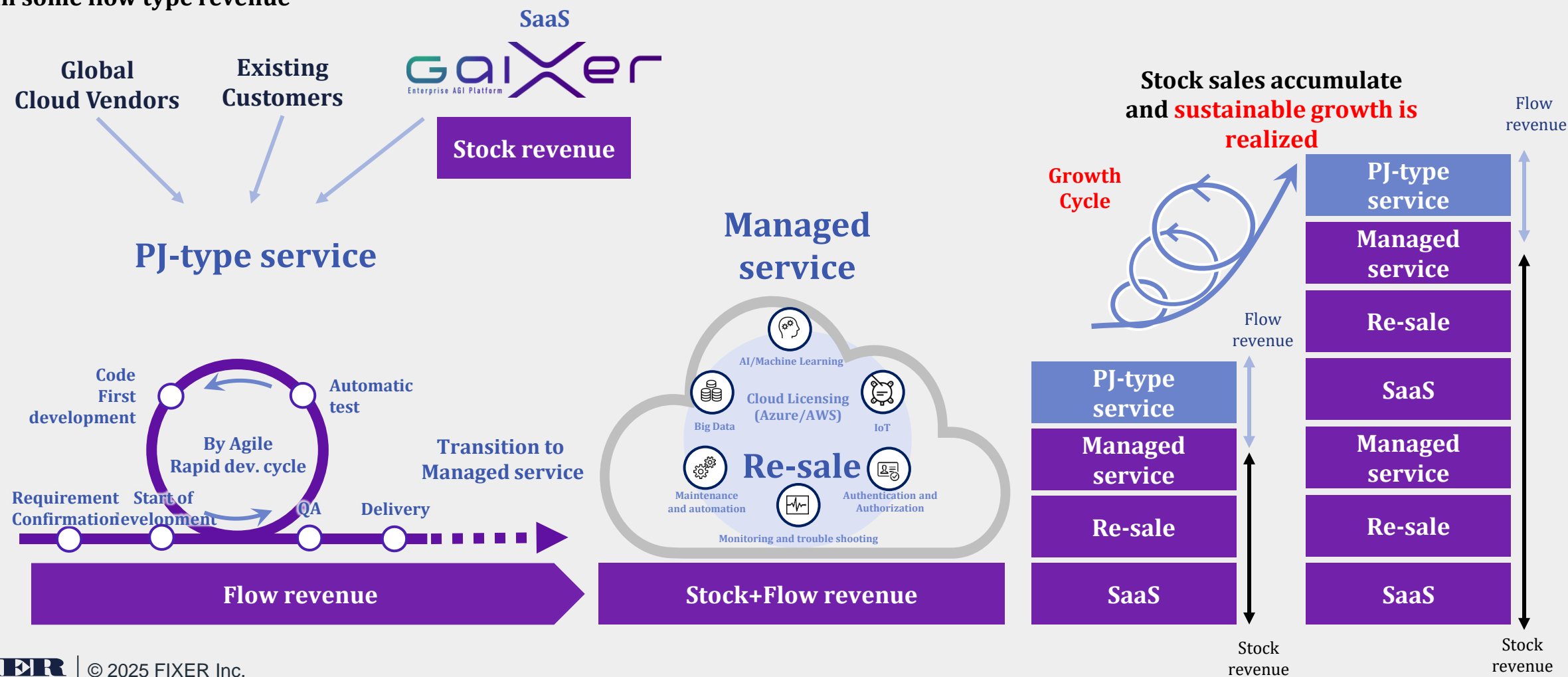
Providing high-value-added SaaS services by creating a platform for customers' highly-demand functions



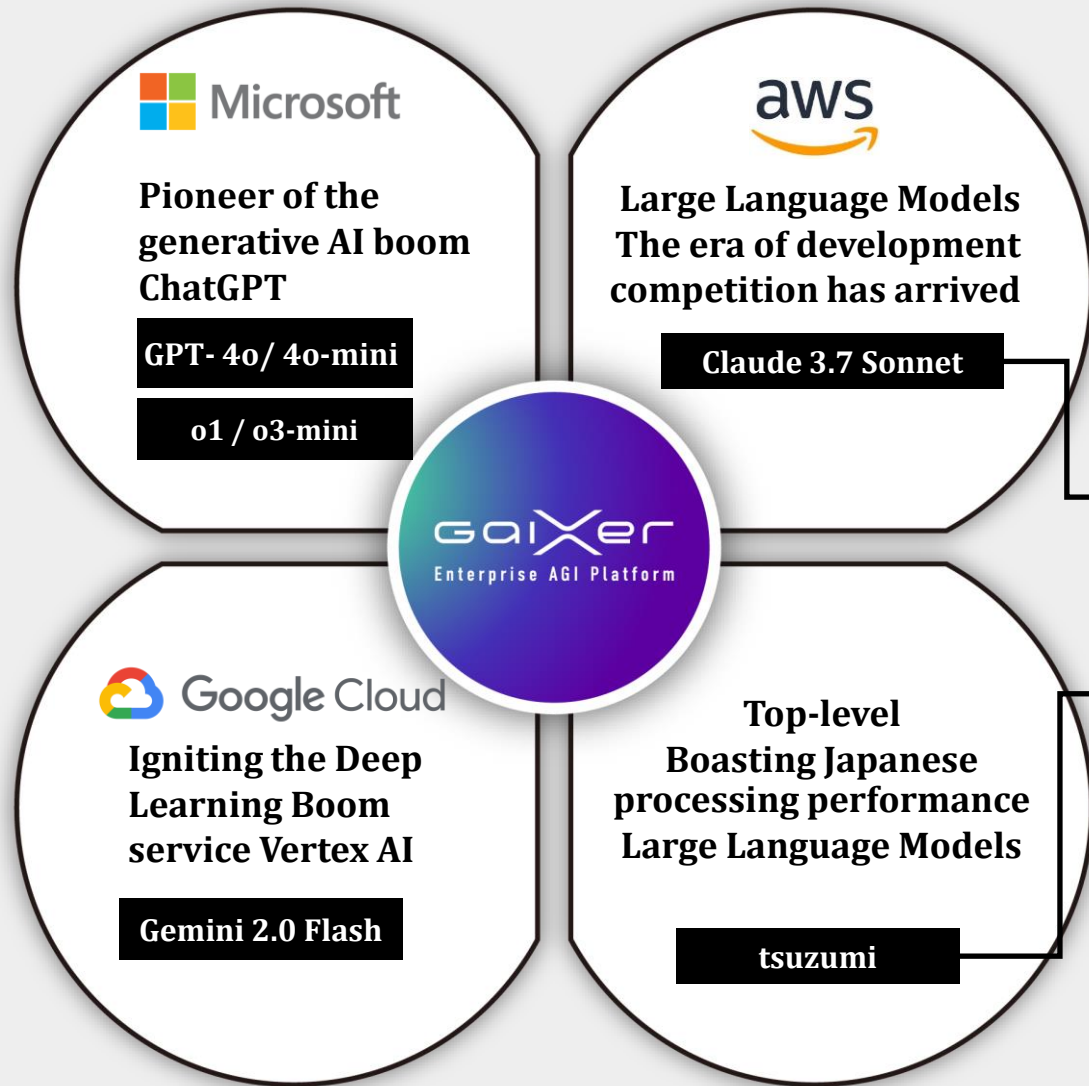
AGI platform for enterprises run within a secure network environment on Microsoft Azure, with learning and generation in a dedicated environment

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



Feature of GaiXer



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

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

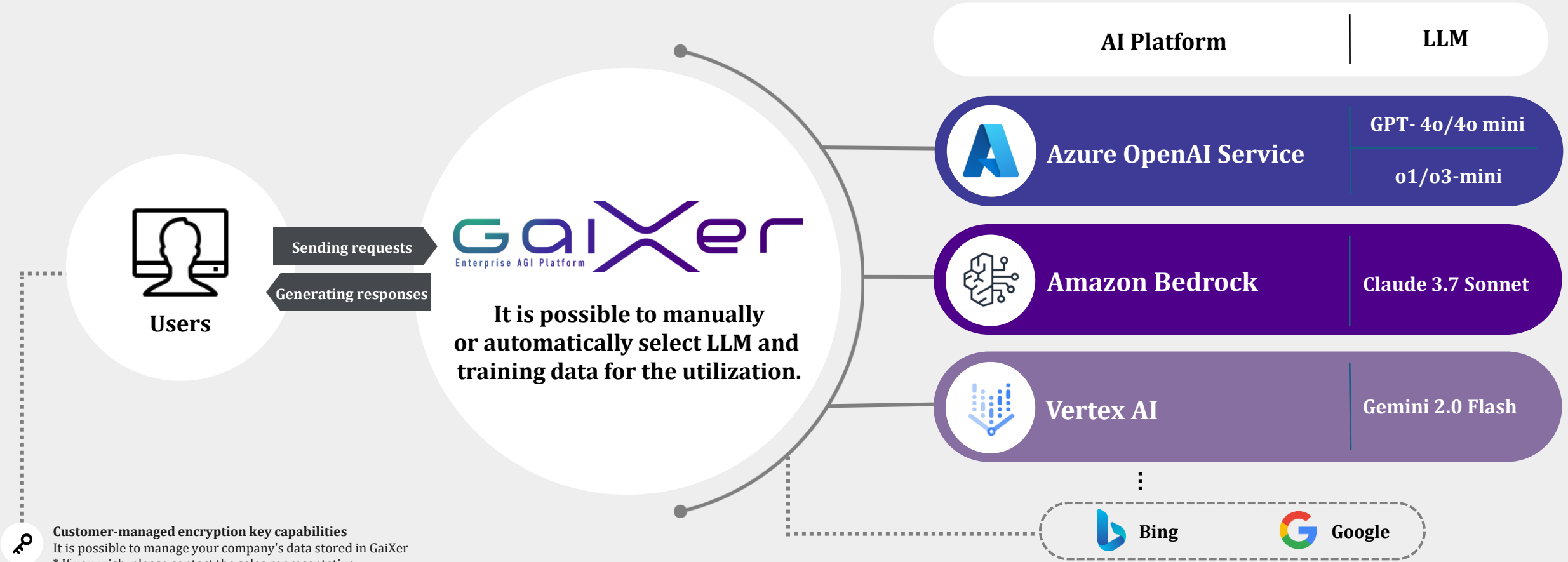
The huge context frame of 2 million token allows for the input and output of very long sentences, etc. Using Google's existing technology, multimodal (images, videos, audio) responses are possible.

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.

- * Microsoft and Azure are registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries.
- * Amazon Web Services and AWS are trademarks of Amazon.com, Inc. or its affiliates.
- * Other company names and product names are trademarks or registered trademarks of their respective companies.

Multi-cloud for high availability and production quality

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



* Microsoft, Azure, Azure OpenAI Services, Bing is a registered trademark or trademark of Microsoft Corporation n the Unites States and/or other countries.
* Amazon Web Services, AWS, and Amazon Bedrock are trademarks of Amazon.com, Inc. or its affiliates.
* Google is a trademark of Google LLC.

If it is unable to provide an answer using LLM or training data, it will generate responses by combining web searches

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.

