

2024 Broadleaf Report

January 1, 2024 > December 31, 2024



Top Message

I would like to express my sincere appreciation to all our shareholders for your continued extraordinary support. At Broadleaf Group, our corporate philosophy is rooted in the spirit of “Gratitude and Happiness.” We contribute to the creation of our customers’ businesses by developing business applications tailored to a wide range of industries and delivering high-quality products and services. We also value the spirit that is essential for building strong connections between people and companies, and we are committed to supporting our customers’ operations while contributing to the advancement of the broader industry. Based on this vision, we have developed new cloud services, by leveraging cutting-edge technologies such as AI and cloud computing, including a complete overhaul of our business applications. In conjunction with the launch of our services, in 2022 we formulated a Medium-term management plan (2022-2028) and are now advancing two key growth strategies: Penetration of cloud-based products and Expansion of Services. We incurred an operating loss for the first 2 years as we transformed our revenue model from license-based software sales to a subscription-based cloud service.



In the fiscal year ending December 2024, the third year of the plan, subscriptions to our mainstay cloud product, the “.c Series”, increased steadily, and we successfully returned to operating profitability as planned. The fiscal year ending December 2025 is the fourth year of the Medium-term management plan (2022-2028) and is the mid-term year. We will further accelerate the trend toward higher sales and profits, with the entire Group united to achieve the operating income target of 13 billion yen for the fiscal year ending December 2028, the final year of the plan. We look forward to your continued support.

Representative Director and President **Kenji Oyama**

Financial Highlights (Year Ended December 31, 2024)

Consolidated Operating Results and Financial Position (Millions of yen)	FY2023	FY2024	FY2025 Forecast
Revenue	15,385	18,045	20,100
Operating income (- indicates a loss)	-1,902	674	1,500
Net income attributable to owners of the parent (- indicates a loss)	-1,487	343	1,000
Total assets	36,750	39,895	
Total liabilities	14,263	16,751	
Total equity	22,487	23,143	
Basic earnings per share (Yen)	-16.76	3.85	
Equity attributable to owners of the parent per share (Yen)	253.08	259.39	
Cash flow from operating activities	3,425	6,531	
Cash flow from investing activities	-3,669	-4,308	
Cash flow from financing activities	705	-1,835	

* Minus(-) shown loss

Dividend per share (Yen)	FY2023	FY2024	FY2025 Forecast
Annual dividend	1.00	2.00	4.00
Consolidated dividend payout ratio (%)	-	51.9	35.9

Click here for more IR information
<https://www.broadleaf.co.jp/english/ir/>



Report on Financial Results for the Fiscal Year under Review and Forecast for the Next Fiscal Year

In the fiscal year ended December 2024, revenue increased from the previous fiscal year due to steady progress in the adoption of cloud software and increased demand for hardware. In addition, the Company stepped up cost-cutting initiatives, such as reviewing business processes and actively utilizing AI to improve productivity. As a result, profit and loss position improved significantly, and both operating income and net income attributable to owners of the parent returned to profitability.

In the fiscal year ending December 2025, we expect revenue to increase year-on-year driven by the continued introduction of cloud software.

In addition, while software amortization and other expenses are increasing, we will seek to control costs in general and administrative expenses.

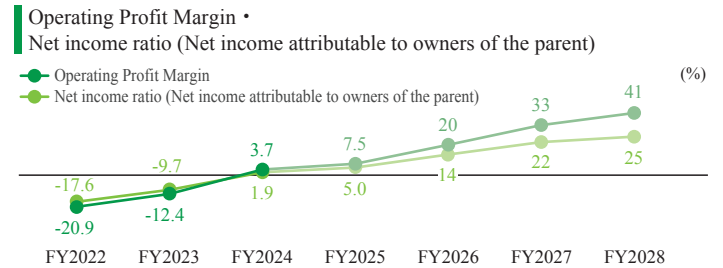
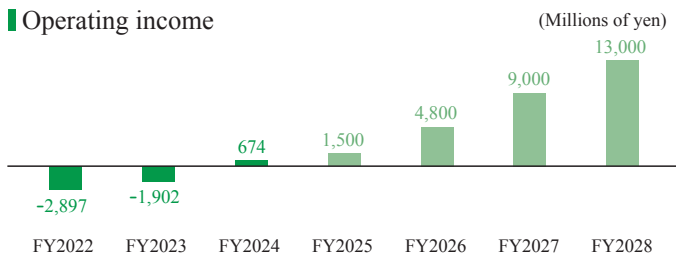
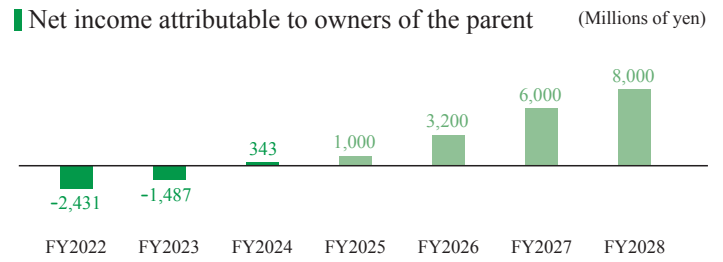
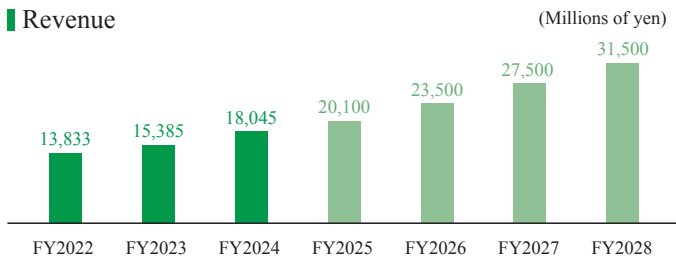
As a result of these factors, we expect a significant year-on-year increase in operating income to 1.5 billion yen and net income attributable to owners of the parent to 1 billion yen.

About dividend

The dividend for the fiscal year ending December 2025 is expected to be 4.00 yen per share (interim 2.00 yen, year-end 2.00 yen), an increase of 2.00 yen from the previous fiscal year.

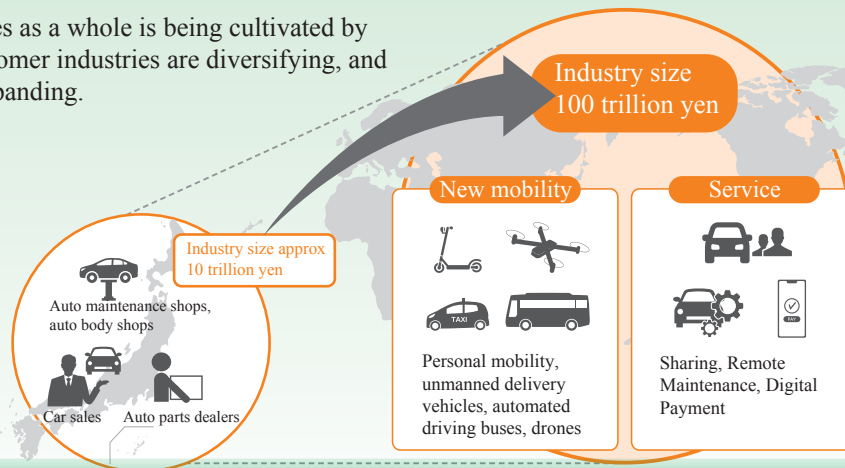
Performance Plan under the Medium-Term Management Plan (2022-2028)

*Announced on February 7, 2025
*Results through the fiscal year ended December 2024



Close Up Enlarged image of broadleaf economic zone

Mobility-related companies as a whole is being cultivated by service providers and customer industries are diversifying, and industry size is rapidly expanding.



Big data on automobiles

Broadleaf Cloud Platform(BCP)



Broadleaf's Spirit

Since its founding, Broadleaf has developed and provided optimal products and services that contribute to the continuity of customers' businesses and the creation of businesses in a changing business environment through the implementation of the ideas embodied in our Corporate Philosophy and Company Name.

Corporate Philosophy

Gratitude and Happiness

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



Origin of our name

Broadleaf means just what it says – a broad leaf.

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

We chose the name Broadleaf because we wanted to put down roots as a broadleaf tree in the land of business, so that we can grow countless more leaves, produce fruit and keep on growing in the future, hand in hand with our clients and everyone else.