

FY12/2025 Business Results Briefing Q&A [Summary]

Q1. Could you explain the reasons for the upward revision of the software services revenue forecast for the period from 2026 to 2028 compared with the previous forecast?

The primary reasons are that software services revenue for 2025 exceeded the original plan, and that we have updated the earnings outlook for our consolidated subsidiary that develops and provides a Sales Force Automation (SFA) system.

Q2. Please explain the calculation logic behind the marketplace revenue forecast for the period from 2026 to 2028 and the reasons for the downward revision from the previous forecast.

Our marketplace revenue forecast is calculated based on the estimated transaction volume derived from the projected number of marketplace participants. We have revised the forecast to reflect a delay from our initial assumption in the timing of participation by automotive parts distributors and automobile manufacturer-affiliated parts wholesalers, which are expected to list a large number of items.

Q3. When the forecast for package software revenue for the period from 2026 to 2028 is combined with the forecast for other revenue, the total does not differ significantly from the previous forecast for package software revenue. Is it correct to understand that the previous package software revenue forecast has now been presented as two separate categories?

The previous forecast for package software revenue included hardware sales and other items. In order to provide greater clarity regarding the composition of revenue, we have separated and disclosed “other revenue” starting with the current forecast. Based on this revised classification, we have also updated the revenue forecasts for each category accordingly.

Q4. From 2027 onward, marketplace revenue is expected to increase. Could you clarify whether this is because transactions of new automotive replacement parts will become the main driver, or whether recycled parts will continue to be the primary component of transactions, as they have been to date?

For the time being, transactions of recycled parts will continue to account for the majority of marketplace revenue. However, as we are advancing initiatives to increase transactions of new parts, we expect their proportion to gradually rise over time.

Q5. Could you provide your view on the expected growth rate and profit margin after achieving a 100% cloud adoption rate?

While our management plan for 2029 and beyond has not yet been formulated, we believe there remains significant room for growth.

Q6. The year-on-year revenue growth rate in the second half of 2026 is expected to be at a high level. Could you confirm whether this level can be maintained from 2027 onward?

As implementations for large-scale customers are expected to continue from the second half of 2026 onward, we anticipate that revenue growth will be sustained at a similar pace. While the proportion of implementations for small- and medium-sized customers is scheduled to gradually increase from the second half of 2027, we expect the number

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of installations to rise. Accordingly, we believe the pace of revenue growth will remain largely unchanged through the end of 2028.

Q7. If the earnings forecast for 2028 is achieved, does the Company intend to maintain a consolidated dividend payout ratio of over 40% as part of its shareholder return policy?

At this time, we intend to implement dividends in line with our dividend policy, targeting a consolidated dividend payout ratio of 40% or higher.