

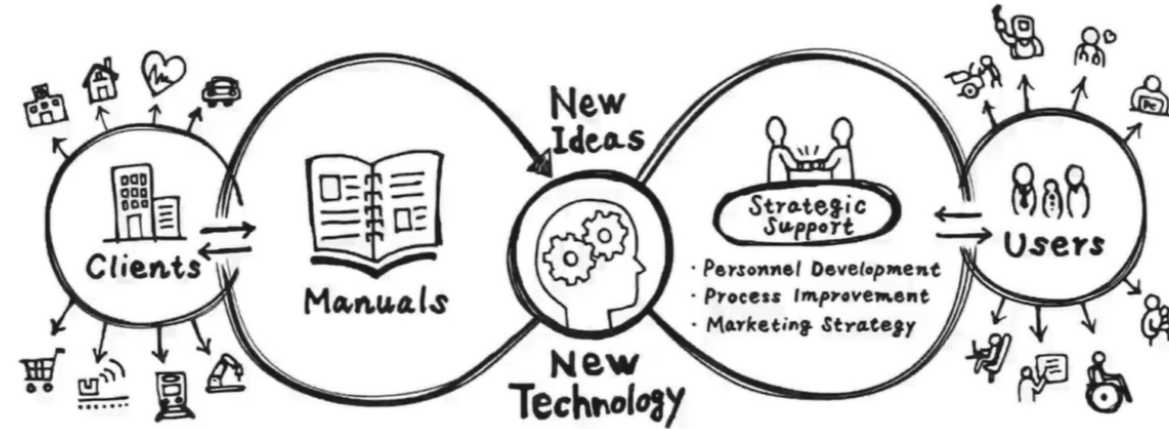
FY2024 Financial Results Presentation & Our Strategy for Growth

CMC GROUP



CMC CORPORATION

Behind the scenes, the CMC Group works side by side with our clients, leveraging our technical expertise and intimate knowledge of their businesses and products to help drive digital transformations



Impressive track record:
Six decades of constant evolution and sustainable growth



Trusted by the best:
Long-standing relationships with major global corporations



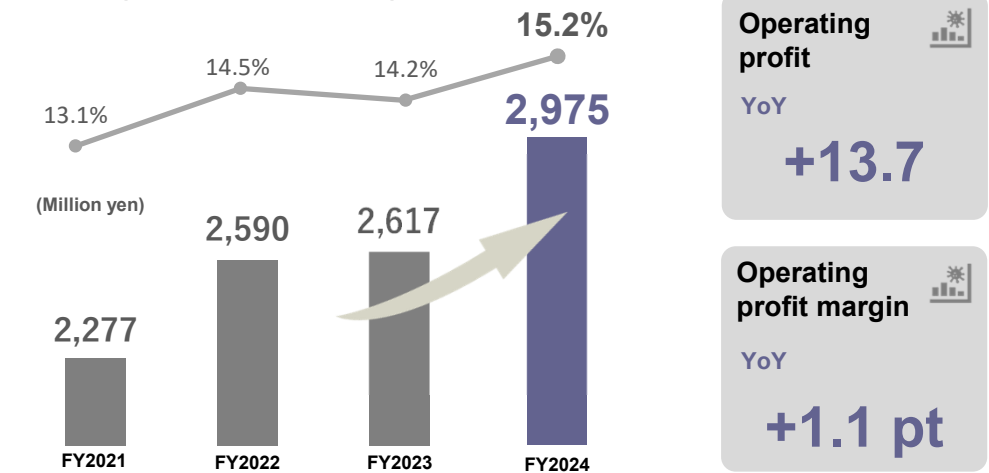
Solid financial base:
Flexibility to allocate capital dynamically and invest in strategic opportunities

Summary of FY2024 Performance

Revenue and profit metrics all hit record highs, with operating profit setting a new benchmark for the fourth consecutive year

Profitability was boosted by productivity improvements and the digitization of products and services

Operating Profit & Profit Margin



Review of the Mid-Range Business Plan

Market expansion and cultivation; strategic use of M&A

- Expanded our footprint in non-mobility industries
- Laid the foundations for global business expansion

Improved profitability through digitization

- Increased productivity by streamlining processes and getting more done with less manpower

Increased returns to shareholders

- 7th consecutive year of dividend growth

Investment in our human capital

- Put in place systems and processes facilitating flexible ways of working
- Set up the necessary work environments

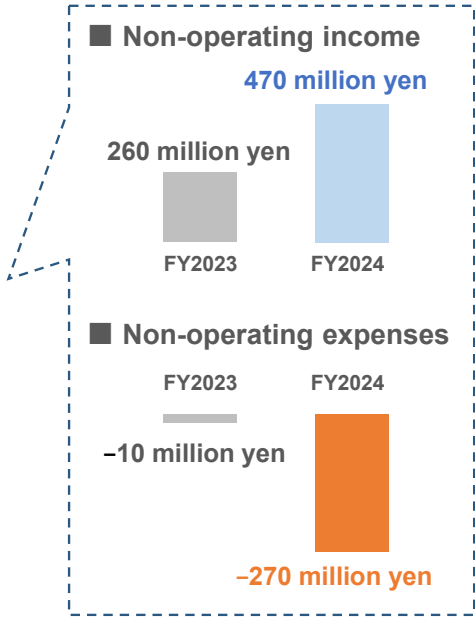
- 1 | **Financial Results** (Fiscal year ended September 30, 2024)
- 2 | **Review of the Mid-Range Business Plan** (FY2022 to FY2024)
- 3 | **New Mid-Range Business Plan** (FY2025 to FY2027)
- 4 | **Earnings Guidance** (Fiscal year ending September 30, 2025)
- 5 | **Reference**

1 | Financial Results (Fiscal year ended September 30, 2024)

Revenue and profit metrics all hit record highs, with operating profit setting a new benchmark for the fourth consecutive year

	FY2023	FY2024	YoY
Revenue	18,451	19,523	+5.8
Gross profit	6,858	7,275	+6.1
Operating profit	2,617	2,975	+13.7
Operating profit margin	14.2%	15.2%	+1.1 pt
Ordinary profit	2,873	3,182	+10.7
Net profit attributable to owners of parent	1,762	2,078	+18.0%
EPS	132.97 yen	156.72 yen	+23.75 yen
ROE	9.7%	10.5%	+0.8 pt

Unit: Million yen



Revenue by Segment

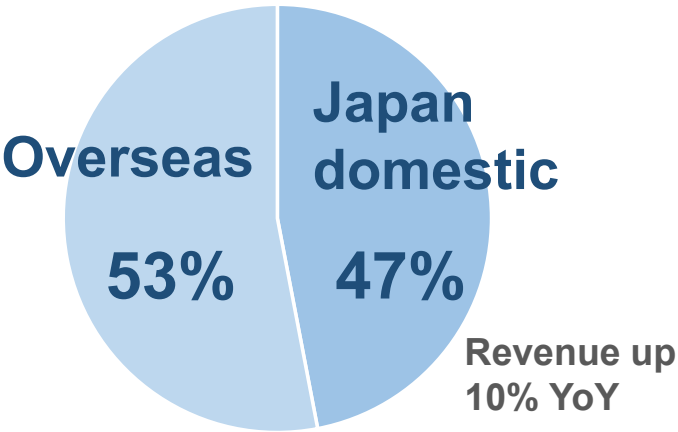
Manuals: Despite the impact of a slower period in key clients' product lifecycles, sales were in line with expectations

Knowledge: Growth in initiatives supporting digital transformation and marketing support activities

Reference: Sales by target market

Unit: Million yen

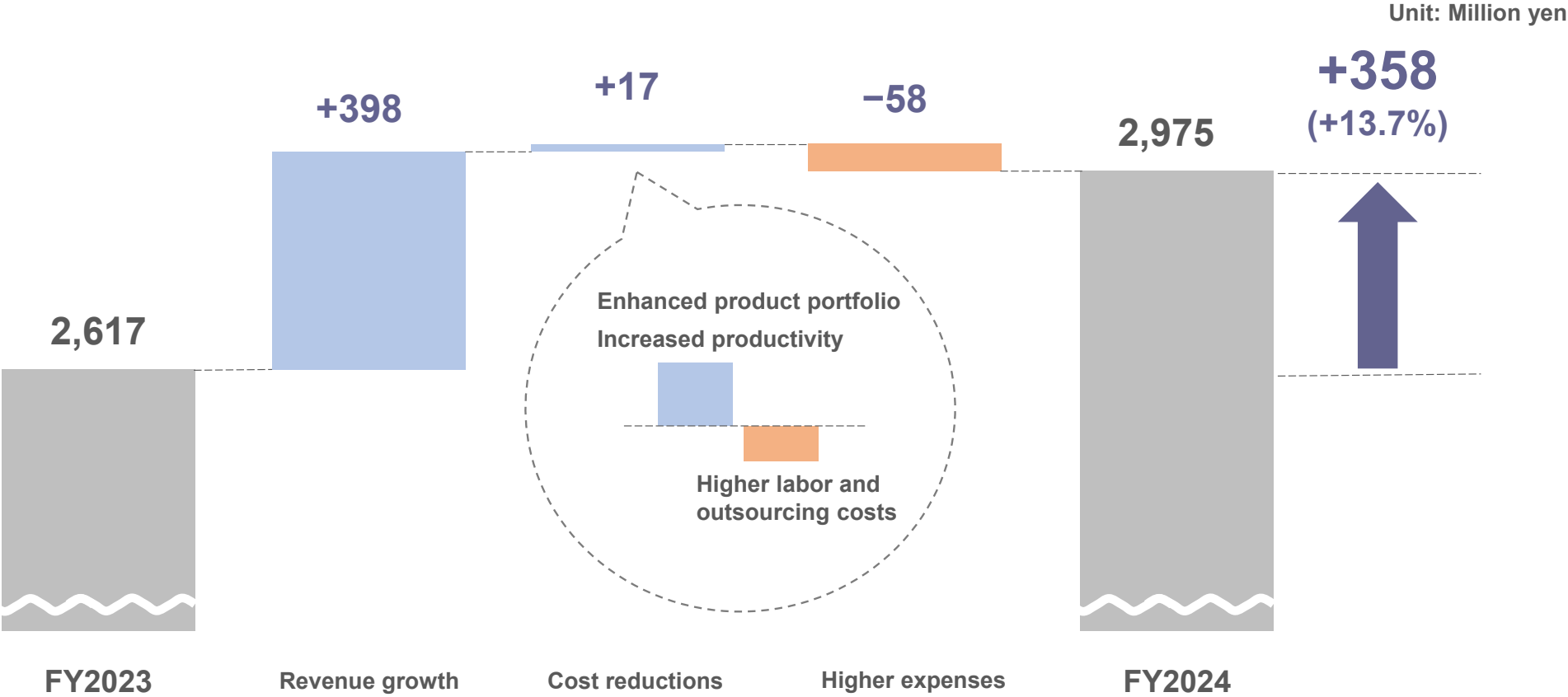
Revenue	FY2023		FY2024		
	Amount	%	Amount	%	YoY
Manuals	9,247	50.1%	9,106	46.6%	-1.5%
Knowledge	9,017	48.9%	9,949	51.0%	10.3%
Other	186	1.0%	468	2.4%	151.5%



Japanese domestic: Products and services sold in or intended for use by customers in the Japanese domestic market

Overseas: Products and services sold in or intended for use by customers in overseas markets

Impact of revenue growth further boosted by increased productivity and enhanced product portfolio

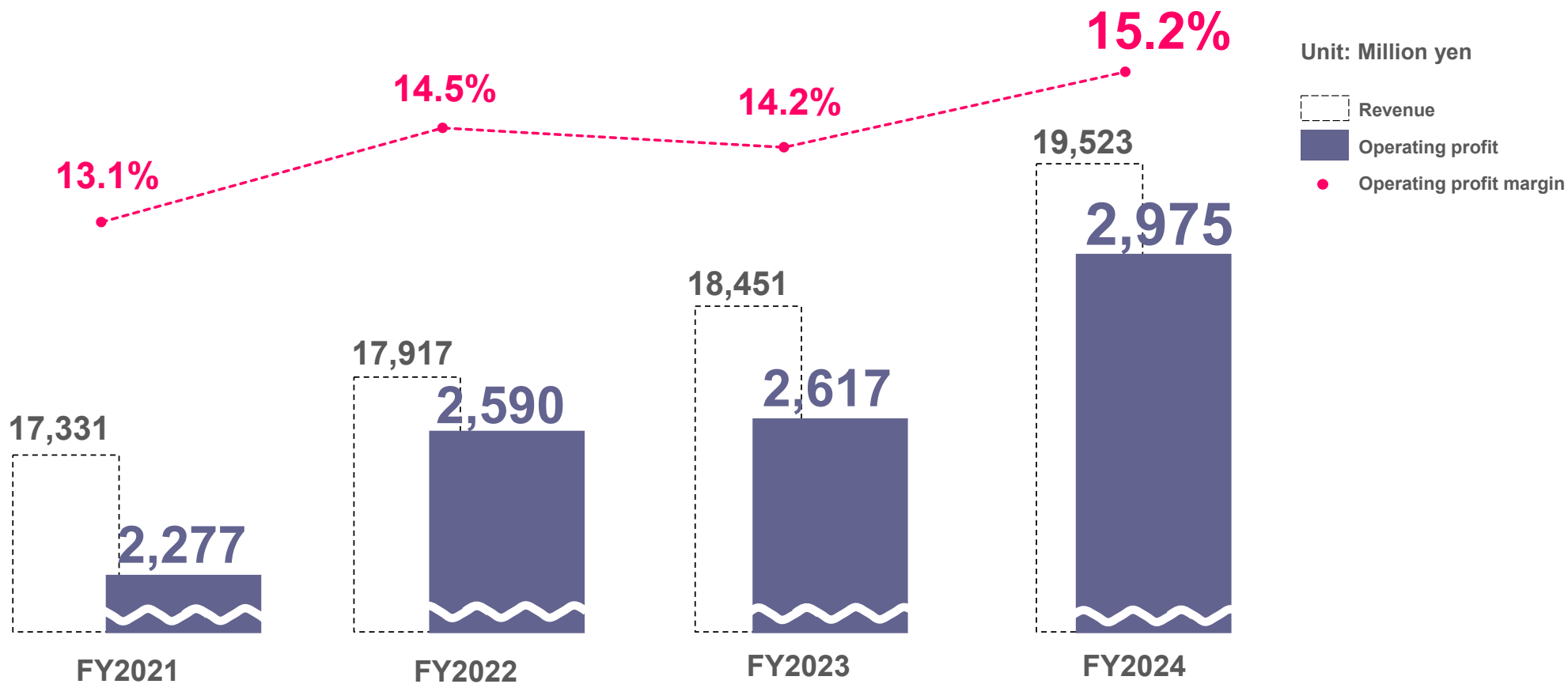


Balance Sheet

	Unit: Million yen		
	Sep. 30, 2023	Sep. 30, 2024	Change
Assets			
Current assets	18,098	17,610	-487
(Cash and deposits)	13,538	12,320	-1,217
Non-current assets	6,648	8,798	+2,149
Total assets	24,746	26,408	+1,662
Liabilities and net assets			
Current liabilities	3,482	3,552	+69
Fixed liabilities	2,041	1,927	-113
Total liabilities	5,523	5,480	-43
Shareholders' equity	18,408	19,995	+1,587
Other	813	932	+118
Total net assets	19,222	20,928	+1,705
Total liabilities and net assets	24,746	26,408	+1,662

2 | Review of the Mid-Range Business Plan (FY2022 to FY2024)

Stronger profitability thanks to ongoing efforts to increase productivity and development of products and services that address digital transformation needs



Review of the Mid-Range Business Plan: Growth Strategy Roadmap



Growth Strategy

Market expansion and cultivation; strategic use of M&A



Expand in core competencies and key markets



Expand and cultivate mobility business



Expand and cultivate overseas markets



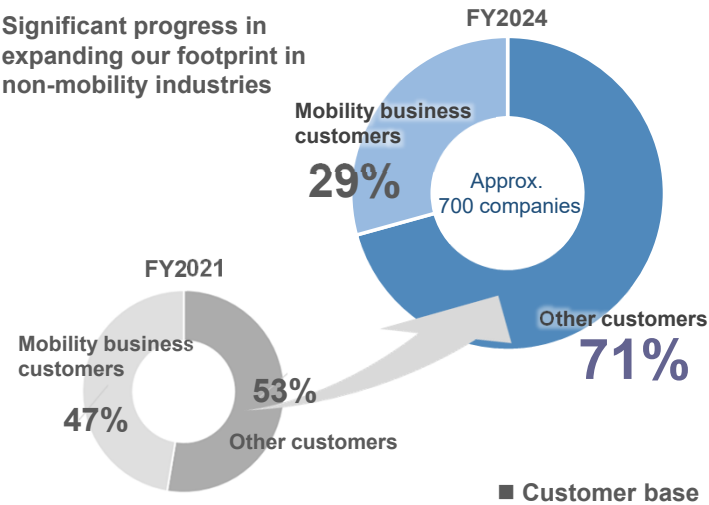
Expand into new markets and enhance product portfolio through strategic M&A and alliances

Worked closely with our clients in our core competencies and key industries

Comprehensive expansion into all regions and strengthening of global business

Development of new businesses that address the digital transformation of automotive service

Significant progress in expanding our footprint in non-mobility industries



Acceleration of growth in Southeast Asia

CMC GROUP ASIA

Increased operational effectiveness and solidified the foundation at our European operations

CMC GROUP EUROPE

New consolidated subsidiary*1



府中自動車株式会社

Sales partnership*2



IYASAKA

*1 Fuchucar Co., Ltd. (Automotive maintenance specialist in Fuchu, Tokyo)

*2 Iyasaka Co., Ltd. (Automotive maintenance equipment manufacturer headquartered in Tokyo)

Growth Strategy

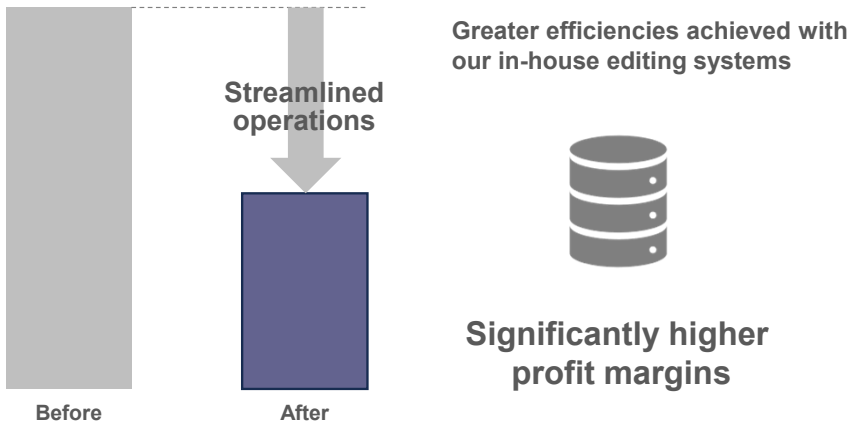
Improved profitability through digitization



Harness the power of ICT to dramatically improve productivity

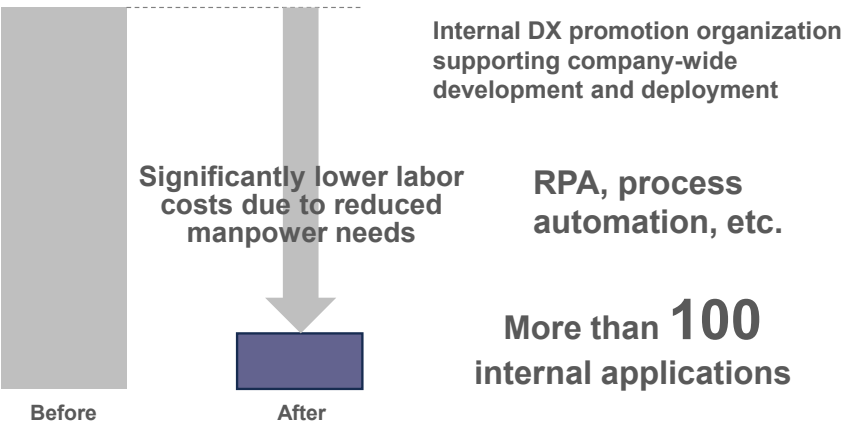
Leveraged our proprietary systems to achieve sustainable productivity improvements

Productivity improved in key aspects of manual production operations



Reduced manpower needs through digital transformation of work processes

Developed and deployed more than 100 RPA applications for internal processes



Growth Strategy

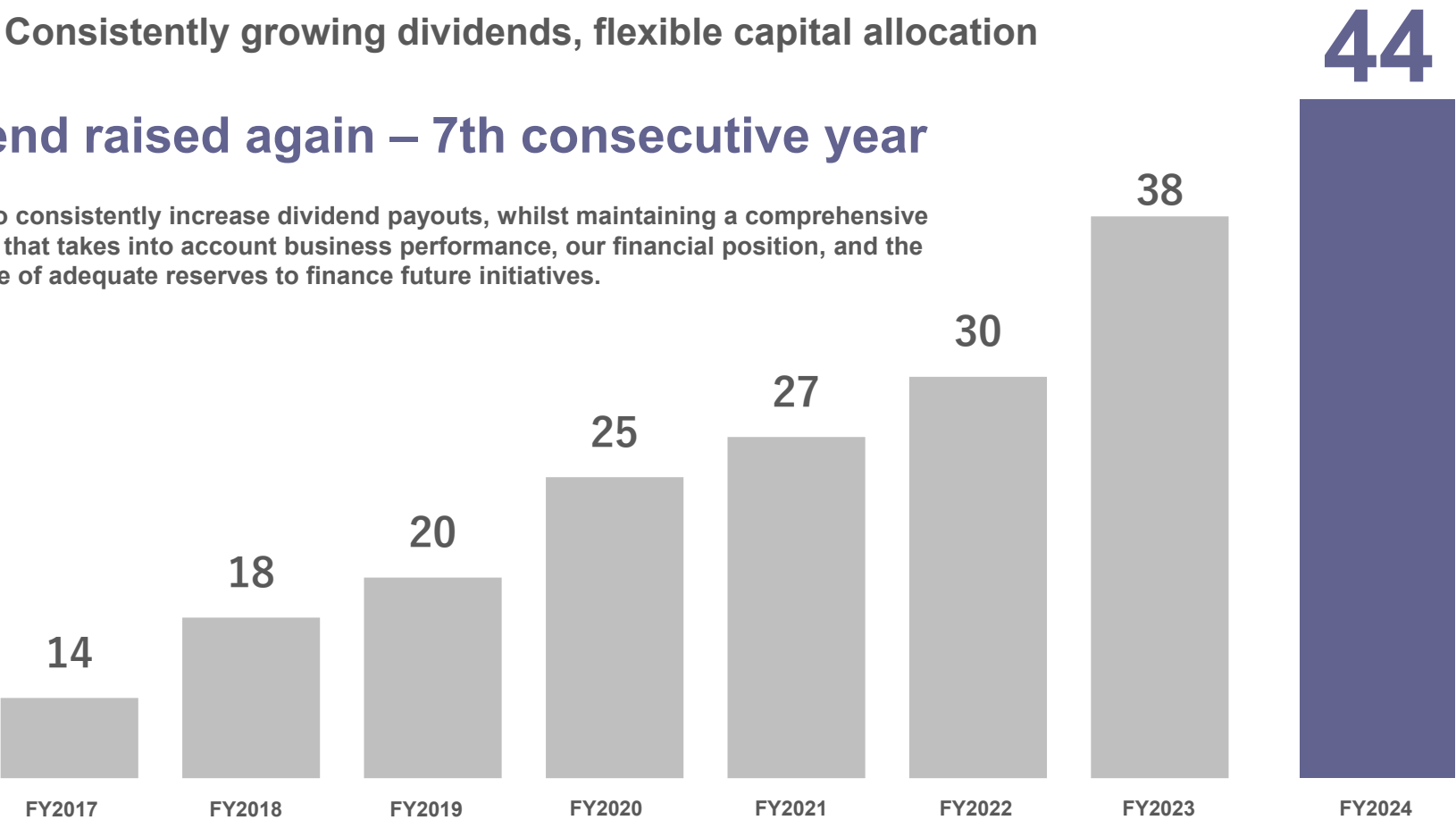
Increased returns to shareholders



Consistently growing dividends, flexible capital allocation

Dividend raised again – 7th consecutive year

We intend to consistently increase dividend payouts, whilst maintaining a comprehensive perspective that takes into account business performance, our financial position, and the maintenance of adequate reserves to finance future initiatives.



Growth Strategy

Investment in our human capital

Increased motivation and encouraged behavioral transformation in our human capital – the foundation of our business

Development of systems/processes that address social changes and support diverse ways of working

Creation of suitable work environments for employees

Development of Group-wide code of conduct

Programs and accreditations



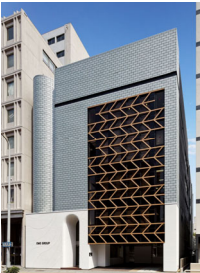
Employee health promotion



Sustainable procurement



Cost of living support
Increased wages



Refurbishment of head office building



Rebuilding of Innovation Center

Scheduled completion 2025

Formulated and instilled Group-wide principles and code of conduct



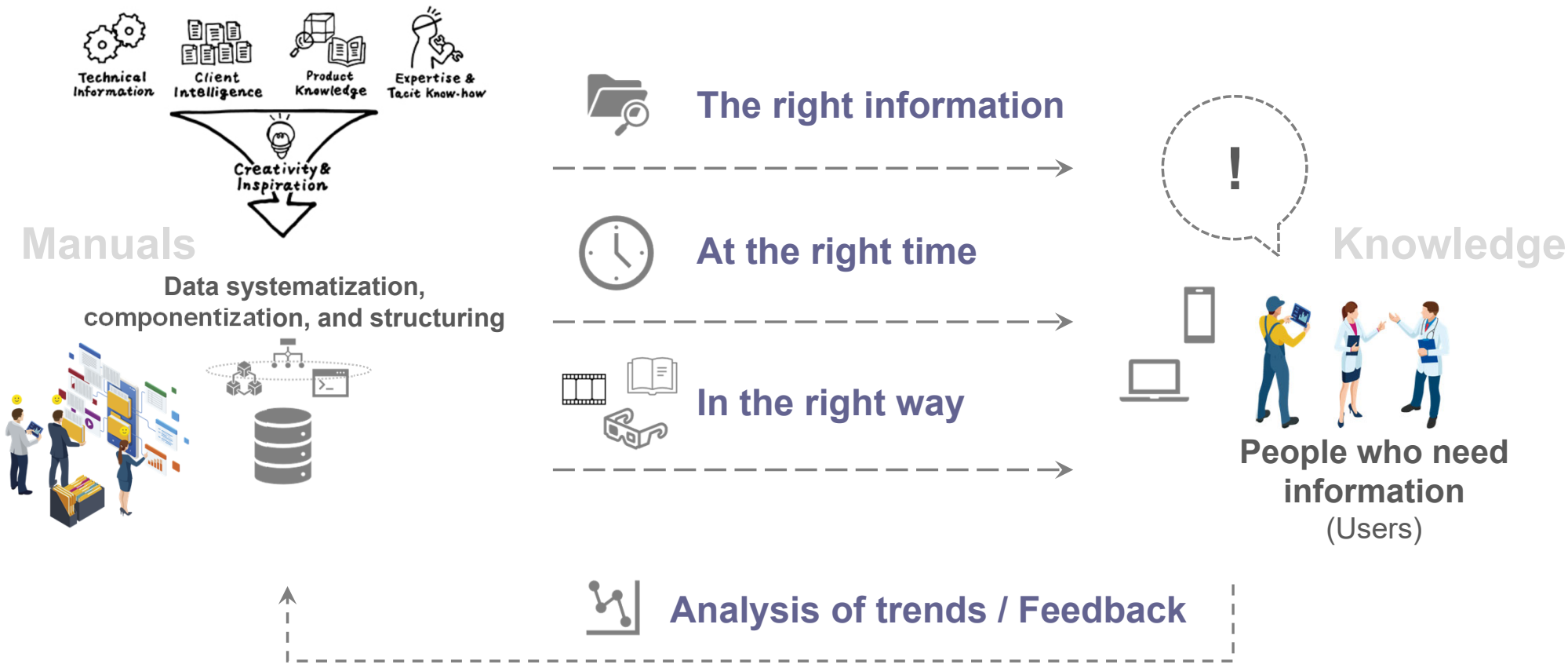
CMC Group Way



Creating Inspirational Value Report

3 | New Mid-Range Business Plan (FY2025 to FY2027)

Supporting our clients behind the scenes; creating a foundation that supports the flow of information value



Delivering inspiring value to all stakeholders

Creative Multivalued Coordinator

"Ready for what comes next: Laying the foundations for the potential of people to meet the power of data."



New Mid-Range Business Plan: Growth Strategy Roadmap



Growth Strategy

Product Strategy / Market Strategy / Organization Strategy

Product Strategy

Accelerate the refinement and formalization of business models

- (1) Concentrate on developing business models that have information as their starting point



- Product information
- Service information
- Operations information

- (2) Evolve our products/services to address the changing times, such as pressing social issues and the spread of next-generation technologies

BPM DX / Maintenance DX / Medical DX

Market Strategy

Continue to grow in our core competencies and key markets

■ Core competencies

- Mobility
- Manufacturing
- Medical/Pharmaceutical
- Logistics
- Local government

■ Key markets

- Overseas markets

Organization Strategy

Be future-ready: Lay the foundations for optimizing the organization

■ Japan domestic

Refine and hone in on what we do best by clearly outlining the roles of each Group company and division

■ Overseas

- (1) Facilitate effective collaboration between regions and organizations
- (2) Expand our presence by establishing operations in new locations

Growth Strategy

Human Capital Strategy / Data Cultivation Strategy / M&A and Alliance Strategy

Human Capital Strategy

Develop and get the most out of our human capital as the foundation for transformative growth

(1) Focus on developing human capital

Training subjects

- Business design know-how
- Management perspectives
- Interpersonal, relationship-building, and negotiation skills

(2) Stimulate Group-wide cross-deployment and recruitment of human capital

CMC GROUP

Data Cultivation Strategy

Cultivate data to lay the foundations for future use and application

(1) Accumulate data in proprietary CMC Group products/services and systematize it for future applications

(2) Iterate business models through Proof of Concept (PoC) development

(3) Ramp up output and roll-out of successful models

M&A and Alliance Strategy

Proactively pursue our goals

(1) Maximize business synergies

Goals

- Expansion into new markets
- Product portfolio enhancement
- Acquisition of technology/organizational capabilities

(2) Reduce lead times

4 | Earnings Guidance (Fiscal year ending September 30, 2025)

Record highs for both revenue and profits are expected

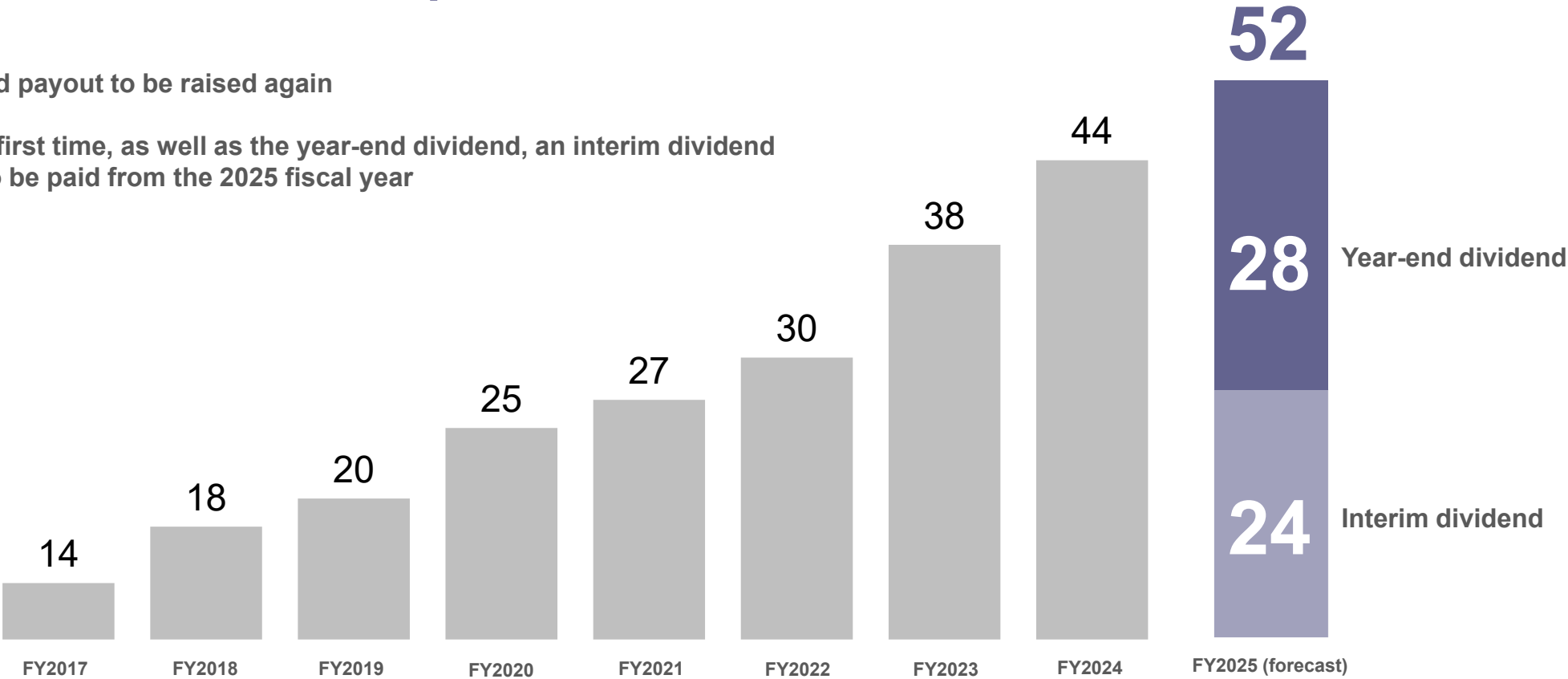
Unit: Million yen

	FY2024	FY2025 (Forecast)	YoY
Revenue	19,523	22,000	+12.7%
Operating profit	2,975	3,600	+21.0%
Operating profit margin	15.2%	16.4%	+ 1.2 pt
Ordinary profit	3,182	3,700	+16.3%
Net profit attributable to owners of parent	2,078	2,400	+15.4%
EPS	156.72 yen	180.88 yen	+24.16 yen
ROE	10.5%	11.1%	+0.6 pt

Dividend forecast to be increased for 8th consecutive year; interim dividend to be paid

Dividend payout to be raised again

For the first time, as well as the year-end dividend, an interim dividend will also be paid from the 2025 fiscal year



CMC GROUP

The earnings announcement for the first quarter of the fiscal year ending September 30, 2025 is scheduled to be released on Wednesday, February 12, 2025.

5 | Reference

History

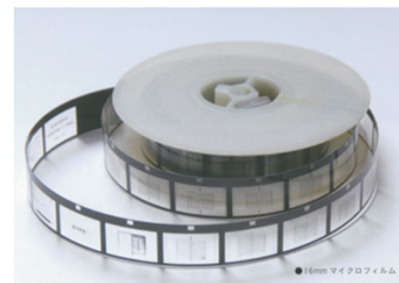
Trusted by clients with highly sensitive technical and product information

Leveraging our product knowledge and expertise

Both creating manuals (making things) and providing strategic support (crafting experiences) for our clients

Making "things" (physical products)

Crafting experiences (intangible value)



Compressing documents and blueprints and recording on film

Microfilm



1962

Printing



1970

Example



Writing and editing owner's manuals, repair manuals, etc.

Technical manuals



2000

Example



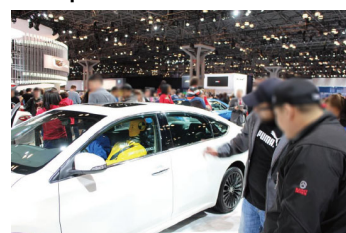
BPM support

Example



Product training

Example



Exhibition support (VR tech)



Process improvement:
Visualizing expertise and tacit know-how

2010



HRD:
Staff training



Marketing strategy:
Increasing consumer awareness

2020

Manual production

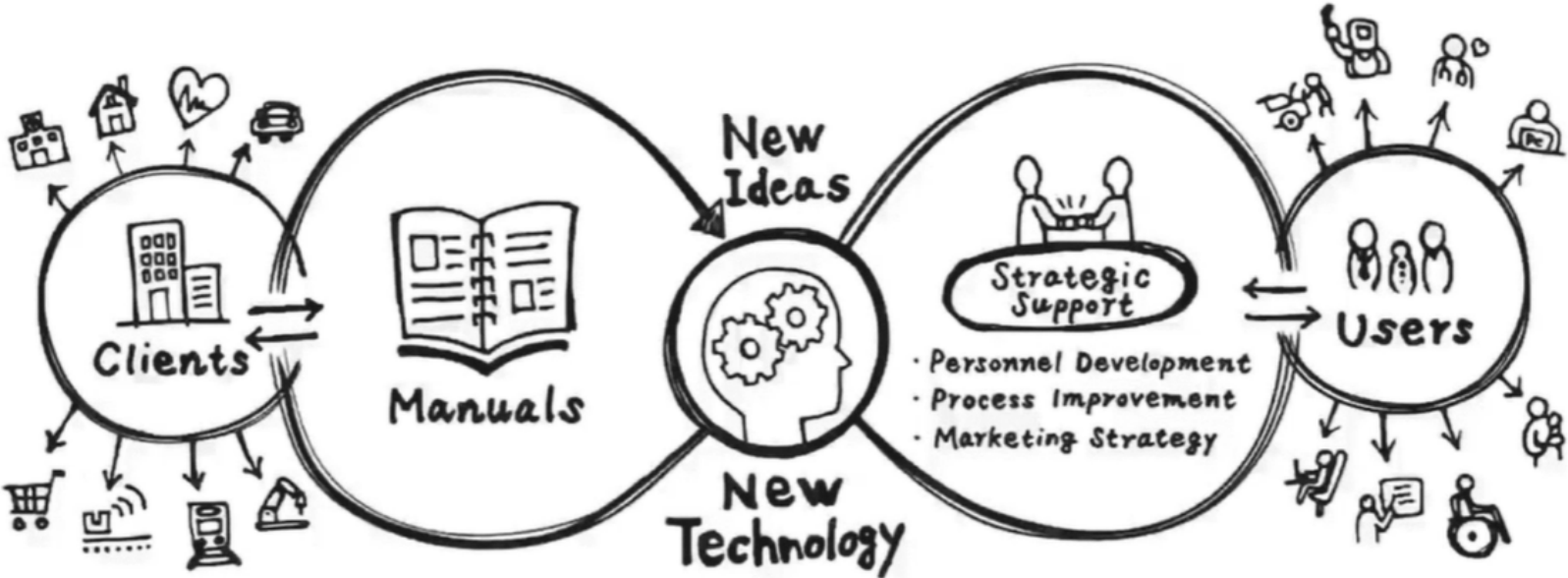
Printing

Understand client companies

through manual production

Understand end users

through strategic support



Through this **virtuous cycle**, we provide **comprehensive support**
to our **clients** and facilitate **behavioral changes**



**Evolving with the
changing times**

0

Products/Services
continuously provided
since foundation



**Quality trusted
by the best**

60+
years

Track record with top
global automaker



**Driving growth
through acquisitions**

Approx.
6x

Profit growth post-
acquisition of three
Group companies



**The manual experts: Unparalleled
knowledge and experience**

Approx.
50%

Share of technical
manuals for major
automaker



**Cutting-edge
ICT**

Approx.
25%

Group employees with info
and communication tech
expertise



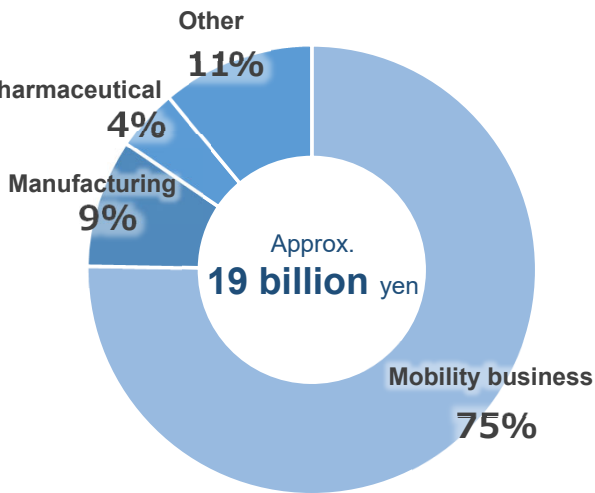
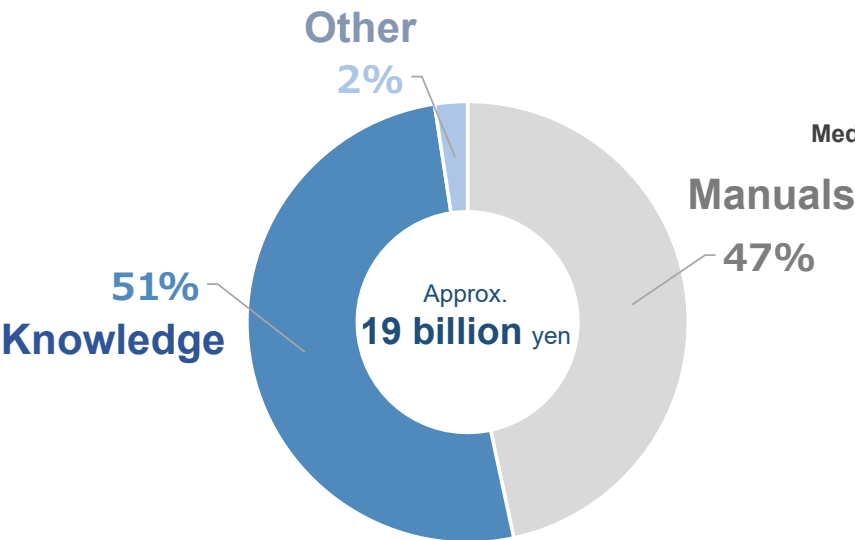
**Steady profit and
dividend growth**

7
consecutive
years

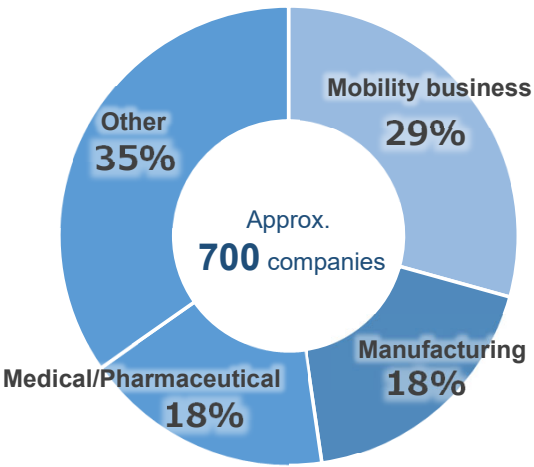
Consistent results enabling
dividend increases seven
years in a row

Current Business Situation (As of September 30, 2024)

Revenue structure



Customer base



North America

USA



CMC Productions USA, INC.

Europe

Poland



Maruboshi Central & Eastern Europe
Sp. zo.o.

Asia

China



GCMC Information Technology Co., Ltd.
GCMC Network Technology Co., Ltd

Netherlands



CMC Group Europe B.V.

Taiwan



Taiwan Maruboshi Information Technology Co., Ltd.

France



CMC Group Europe B.V.

Thailand



CMC Group Asia, Co., Ltd.

Singapore



CMC Group Asia, Co., Ltd.

Global presence:

11 locations in 8 countries

PURPOSE

To achieve sustainability of information value

Continuing to provide "inspirational value" to all of our stakeholders by ensuring "the right people have the right information, at the right time, in the right way" – this is the CMC Group's enduring purpose.

Our Fundamental Approach to Sustainability

Since our earliest days, we've moved with the times, and our products and services have evolved to keep pace. What hasn't changed, however, is our commitment to working alongside our clients to deliver "inspirational value" to all stakeholders.

When people's innate potential and skills are combined with the power of data, we can change the way we live and work for the better. We will continue to open up new possibilities and help to make life more enjoyable.

VISION

The potential of people meets the power of data – better lives through better information



The CMC Group values system expresses the way in which each and every one of our employees can help realize our vision. The scenes in the background of our vision are a depiction of the future ways of life we want to make a reality. We will continue to challenge ourselves to realize our vision and keep delivering inspirational value.

CMC Group Way

<https://cmc.jp/english/about/vision/>

The CMC Group Way defines the actions and behaviors expected of all Group employees. We aim to prove ourselves worthy of the trust that our clients and other stakeholders place in us.



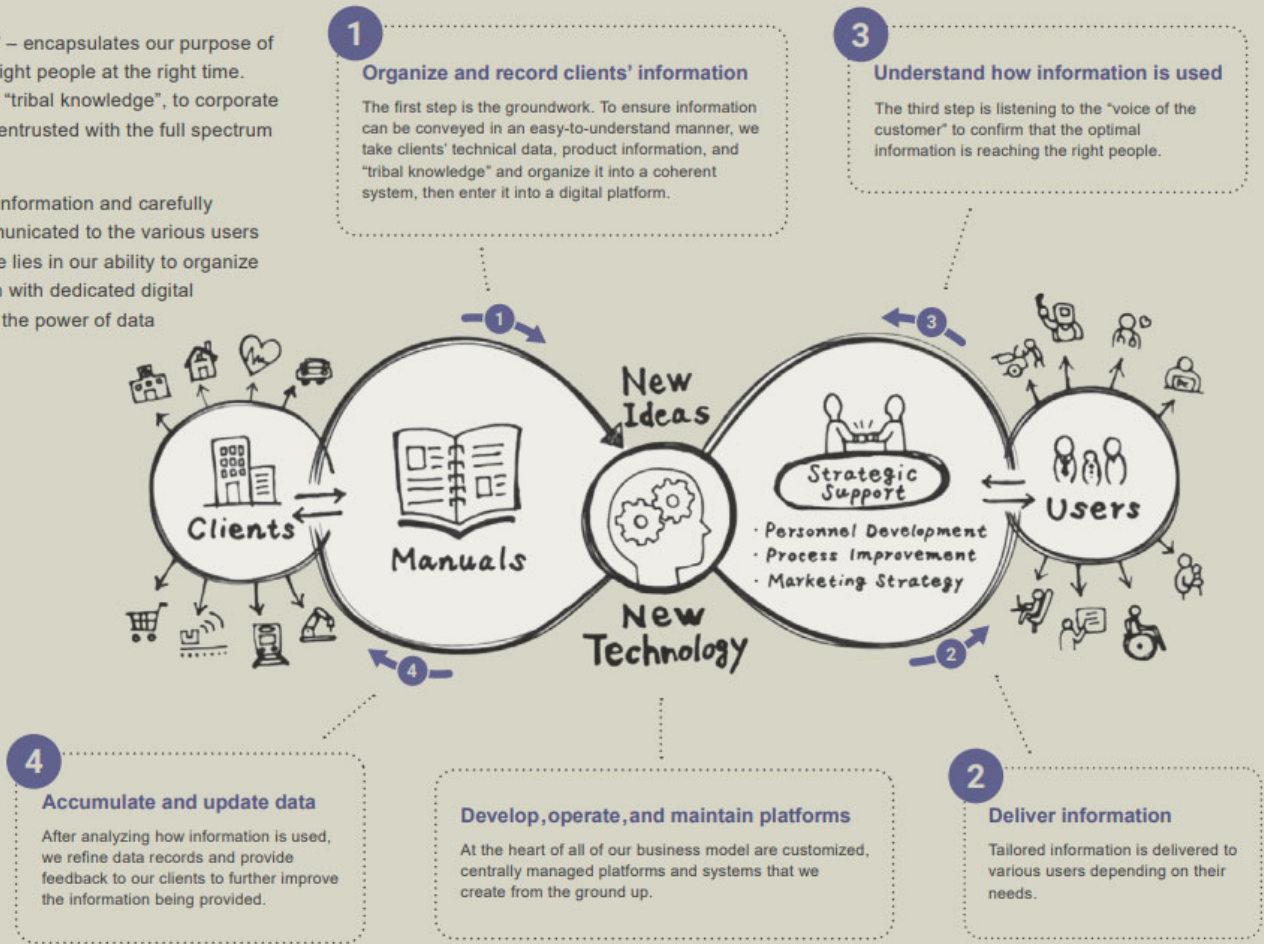
Business Plans
Mid-Range Plans
Company Goals / Divisional Targets

VALUES
CMC Group Way

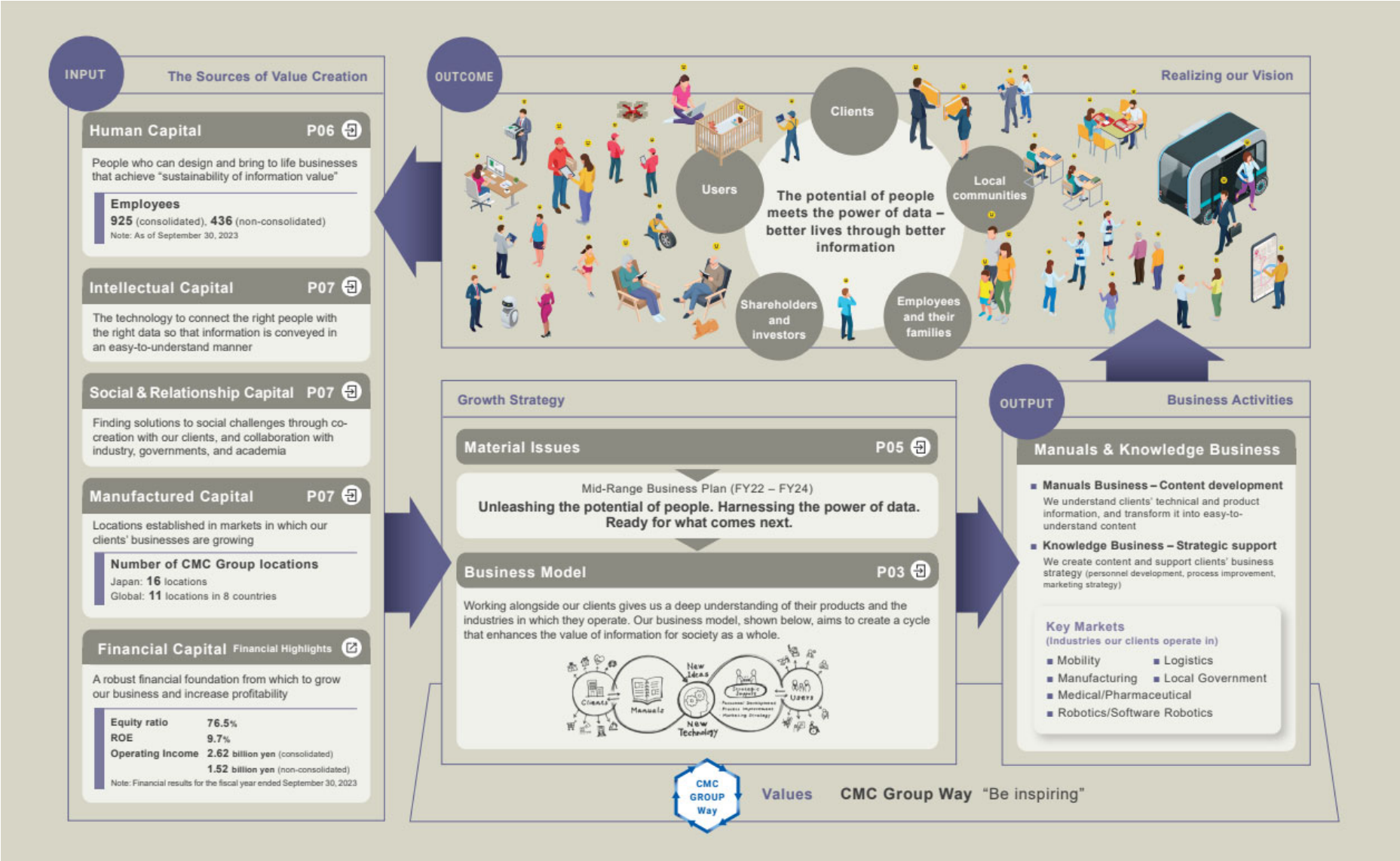
How We “Achieve Sustainability of Information Value”

Our business model strategy – the “Infinity Loop” – encapsulates our purpose of continuing to deliver the right information to the right people at the right time. From highly confidential blueprints and unwritten “tribal knowledge”, to corporate value systems and marketing strategies, we are entrusted with the full spectrum of our clients’ information.

Our job is to make sense of this vast quantity of information and carefully consider what, when, and how it should be communicated to the various users who need it. The CMC Group’s point of difference lies in our ability to organize and streamline the flow of our clients’ information with dedicated digital platforms and feedback mechanisms that unlock the power of data to identify what users really want.



How We Create Inspirational Value



Management KPIs

Consolidated income statement	Unit	FY22	FY23	FY24	FY25 (Forecast)
Revenue	Million yen	17,917	18,451	19,523	22,000
Gross profit	Million yen	6,860	6,858	7,275	8,700
Operating profit	Million yen	2,590	2,617	2,975	3,600
Ordinary profit	Million yen	2,964	2,873	3,182	3,700
Net profit attributable to owners of parent	Million yen	2,003	1,762	2,078	2,400
Gross profit margin	%	38.3	37.2	37.3	39.5
Operating profit margin	%	14.5	14.2	15.2	16.4
Ordinary profit margin	%	16.5	15.6	16.3	16.8
Net profit margin* ¹	%	11.2	9.6	10.6	10.9

*¹ Net profit margin = Net profit attributable to owners of parent ÷ Revenue

Other indicators	Unit	FY22	FY23	FY24
Book-value per share	Yen	1,315.42	1,428.67	1,554.78
Earnings per share	Yen	150.56	132.97	156.72
ROE	%	12.0	9.7	10.5
ROA	%	13.6	12.1	12.4
PER	Times	7.9	10.7	7.6
Dividend payout ratio	%	19.9	28.6	28.1
Employees	Employees	909	925	862

Cautionary Note Regarding Forward-Looking Statements

This presentation has been prepared by CMC Corporation (hereafter, the Company) and is intended to facilitate understanding of the Company's current situation. The content of this presentation is based on generally accepted economic and social conditions and other assumptions deemed reasonable by the Company's management.

Conditions and assumptions are subject to change without notice in accordance with changes in the business environment. Certain information set forth in this presentation contains forward-looking statements. Such statements reflect our current understanding of forecasts and expected developments and are inherently subject to various risks and uncertainties that may cause actual results to differ materially from those expressed in the statements contained in this presentation. Risks and uncertainties include, but are not limited to, general economic conditions, such as industry and market conditions, both in Japan and internationally, and fluctuations in interest rates and currency exchange rates.

The Company disclaims any intention or obligation to update or revise the forward-looking statements contained in this presentation, regardless of any new information or future events.

In light of the above, investors are asked to exercise their own judgment with regard to any investment decisions involving the Company.

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