



# **Business Brain Showa・Ota Inc.**

**Supplementary Materials for the Consolidated Financial  
Results for the Three Months Ended June 30, 2025**





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for the Three months of FY2025**

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# 1. Company Introduction

Name	株式会社ビジネスブレイン太田昭和 (BBS)
Name in English	Business Brain Showa-Ota Inc.
Headquarters	15F Hibiya Fort Tower, 1-1-1 Nishishimbashi, Minato-ku, Tokyo
Business locations	Tokyo, Osaka, Nagoya, Hamamatsu, Fukuoka, Sapporo, Niigata, Kumamoto, Kagoshima, Naha, Nago, Bangkok, Thailand; Ho Chi Minh City, Vietnam; Singapore
Representative	Kazuhiro Komiya, President
Founded	August 1967
Capital	2,233,490,000 yen
Number of issued shares	12,725,000
Listed market	TSE Prime (Securities Code: 9658)
Number of Employees	927 (non-consolidated) 2,382 (consolidated)*

(As of the end of March 2025)

\* Including 13 consolidated subsidiaries of BBS Group

BBS Group Network URL: <https://www.bbs.co.jp/corporate/group/>

# Business Model -Aiming to Solve Back Office Challenges-

## Expanding Back Office Challenges

Hiring difficulties      Aging workforce      Black-boxed operations  
 Preventing fraud/  
 Strengthening internal controls      BCP measures      Changing workstyles      etc...

## BBS's Unique Integrated Consulting Services

Supporting mid-sized companies through the integrated provision of three core solutions



### CONSULTING

Optimizing business processes

### SYSTEM INTEGRATION

Automation through system implementations

### MANAGEMENT SERVICE

Outsourcing via BPO

### Advantages of Providing Services in a Cycle

- ✓ Can select and propose optimal solutions without being tied to a specific solution
- ✓ Realistic proposals with an eye on subsequent processes
- ✓ Seamless integration between solutions

# Business Details

## 92 BPO & Managed Services

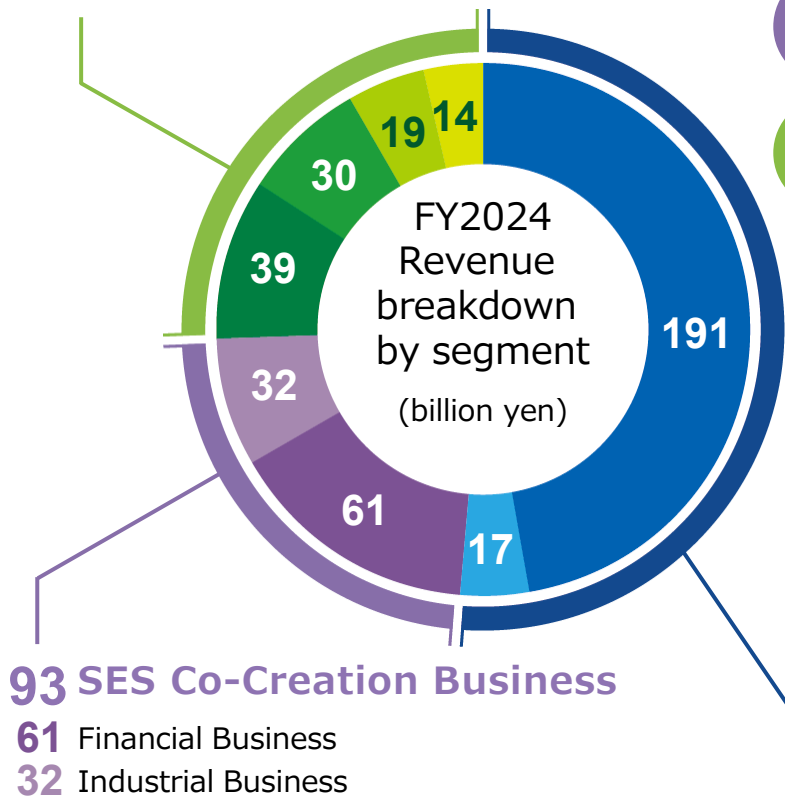
- 39 HR & Payroll BPO
- 30 Accounting BPO
- 19 Onsite BPO
- 14 Managed Services

Quarter-over-Quarter  
Comparison  
(100 million yen)

+59

+23

+24



## 93 SES Co-Creation Business

- 61 Financial Business
- 32 Industrial Business

## 208 Consulting and System Development

- 191 Management Accounting Consulting & Solutions
- 17 PLM Solutions

Consulting and  
System Development

### Management Accounting Consulting & Solutions

- Consulting for management accounting and related domains and system development, introduction support, and maintenance
- Some scratch development and package adoption, handled solutions include the ACT series (internal brand), Bizf, mcframe, Rakuraku Framework, etc.

### PLM Solutions

- CAD add-on development, BOM/PDM development, and maintenance
- Sales and adoption of our PLM console product

SES Co-Creation  
Business

### Financial Business

- Contracted development for securities companies (quasi-mandate-based), SE dispatching
- Sales and adoption of internally developed fund wrap package

### Industrial Business

- Contracted development (semi-commission), SE deployment

BPO & Managed Services

### HR & Payroll BPO

- Center-based HR related outsourcing services, such as payroll calculation
- Contract calculation using our systems (Bulas, Win5)

### Accounting BPO

- Consulting and center-based outsourcing services for accounting operations
- Handles highly specialized tasks such as preparing financial statements and consolidated financial statements

### Onsite BPO

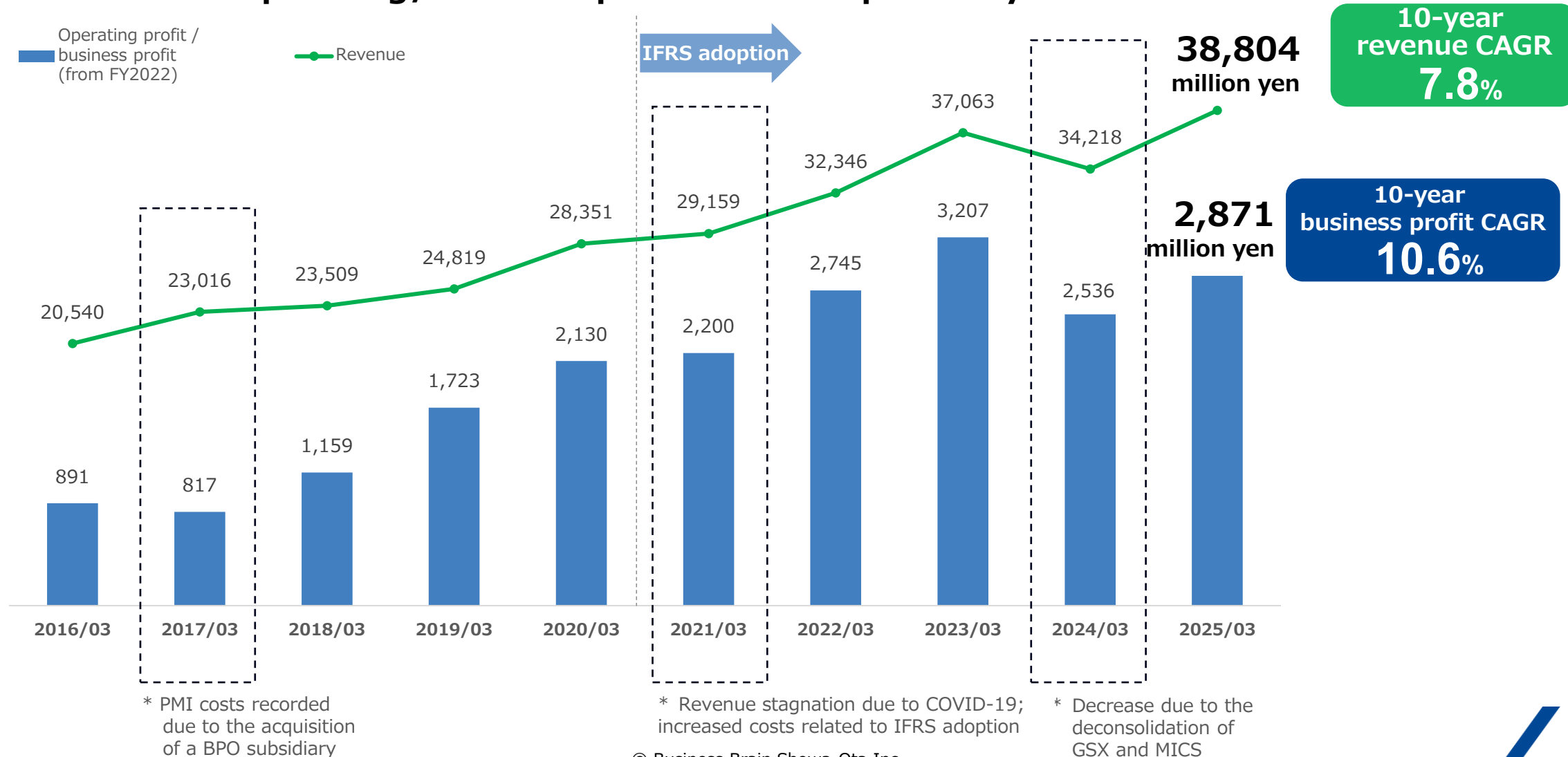
- Dispatch of call center operators, recruitment services, and call center operations

### Managed Services

- Product maintenance and business outsourcing services for packaged product vendors and service providers

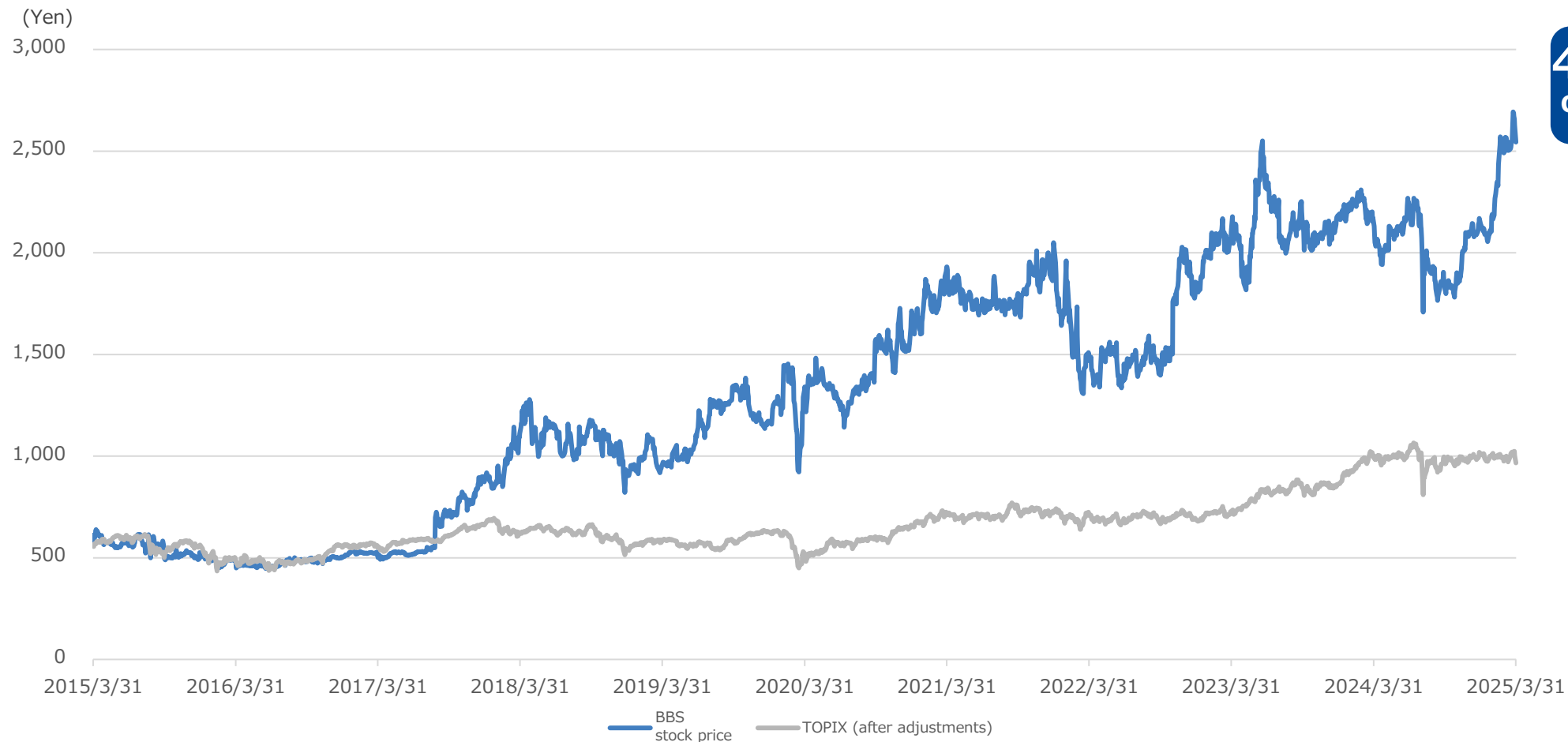
# Profit / Loss Highlights

Revenue and operating/business profit over the past 10 years



# Stock Price Trends

Stock price over the past 10 years



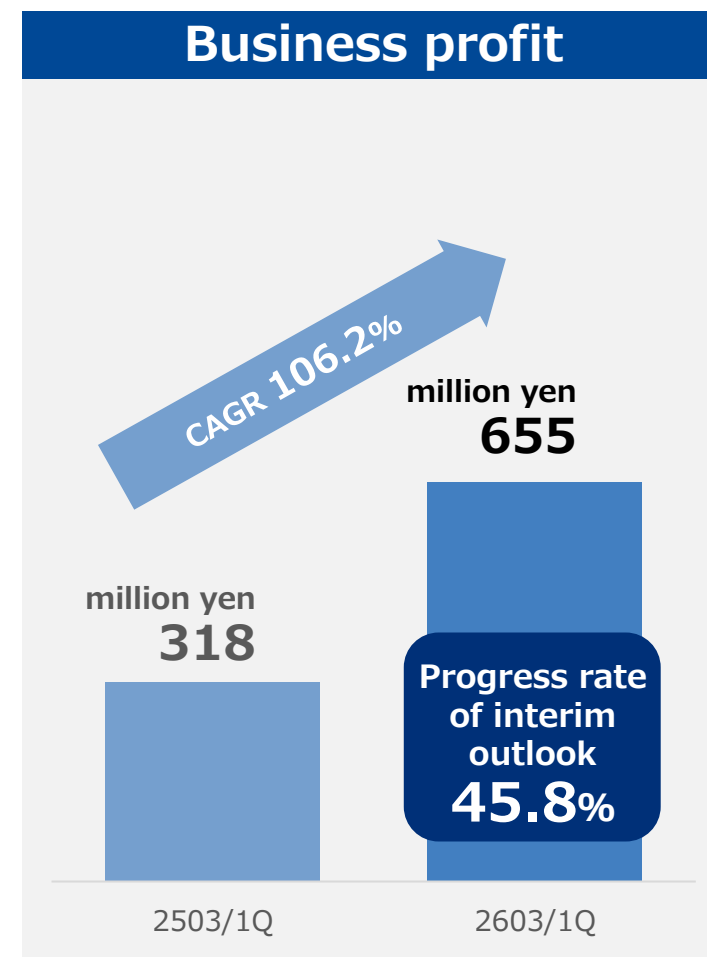
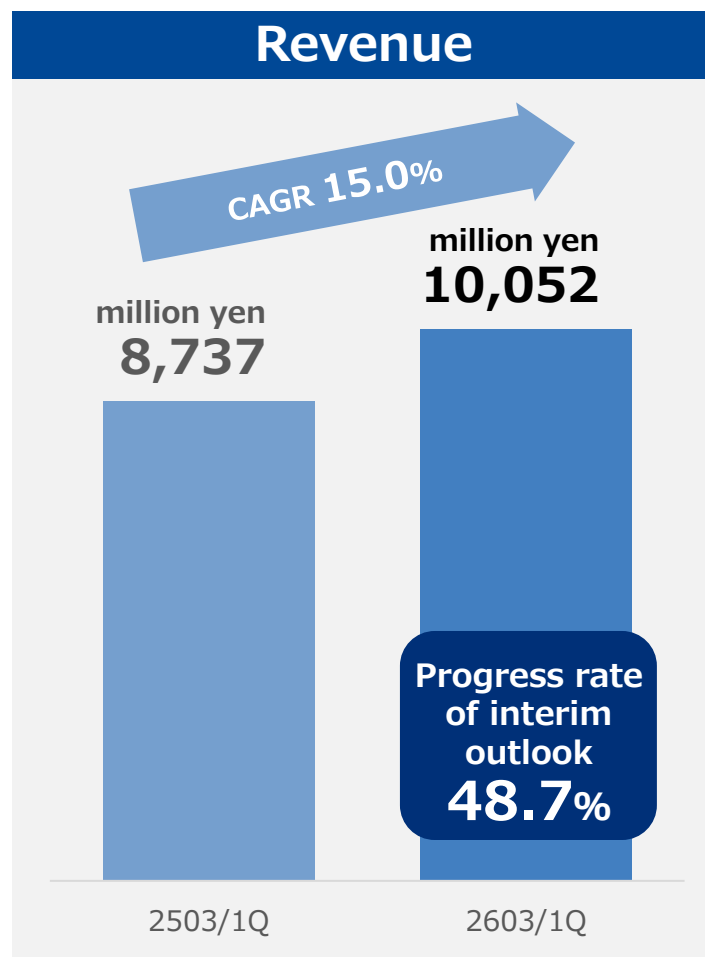
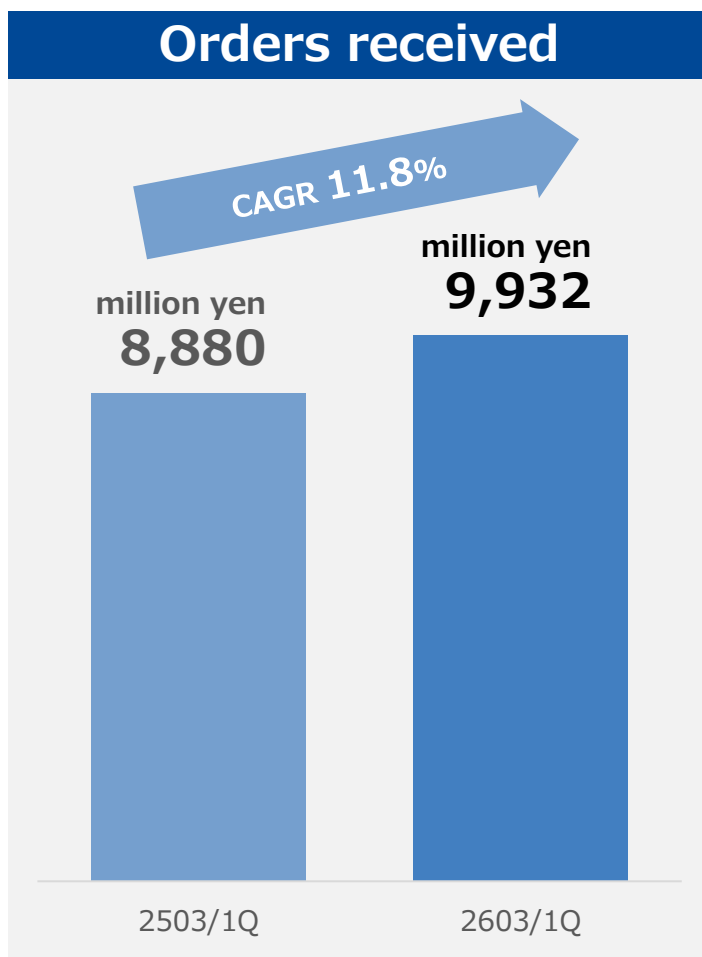


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## 2. Highlights for the Three Months of FY2025

# Highlights for the Three Months of FY2025

Achieved significantly higher results in each category compared to the same period of the previous year, driven by a rebound from the previous year's slump



# Highlights for the Three Months of FY2025 - Comments

## Orders received

## Revenue

### **Consulting and System Development Business:**

**Increased orders (+720 million yen) and increased revenues (+937 million yen)**

- Growth after the slump in the previous fiscal year
- Increased orders from infrastructure-related sectors and existing clients

### **SES Co-Creation Business: Decreased orders (-388 million yen)**

- Decline in fund wrap projects
- Existing SES projects also shrank because of worsening conditions at securities companies

### **BPO & Managed Services Business:**

**Increased orders (+718 million yen) and increased Revenue (+334 million yen)**

- Increased orders for accounting BPO and call center dispatch
- Increased revenues from HR & payroll BPO

## Business profit

### **Consulting and System Development Business: Improved profits (+250 million yen)**

- Profits increased with higher revenue, though profit margin declined due to underperforming projects

### **BPO & Managed Services Business: Improved profits (+79 million yen)**

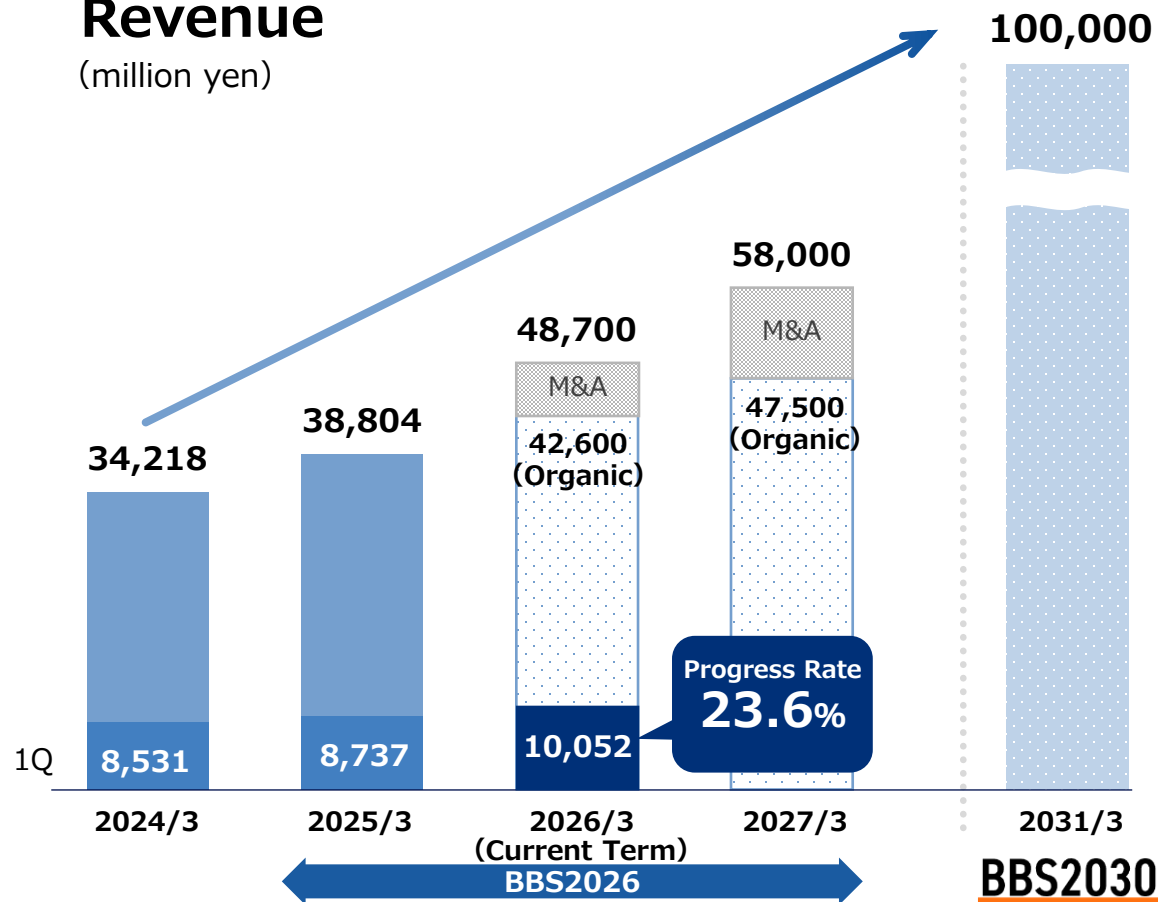
- Profits increased due to higher revenues from HR & payroll BPO
- Profits increased from the elimination of prior-period integration costs in accounting BPO and improved utilization rate at the Sapporo BPO Center

\* Business Profit is calculated by excluding profits and losses incurred due to non-recurring factors from Operation profit.

# Business Progress

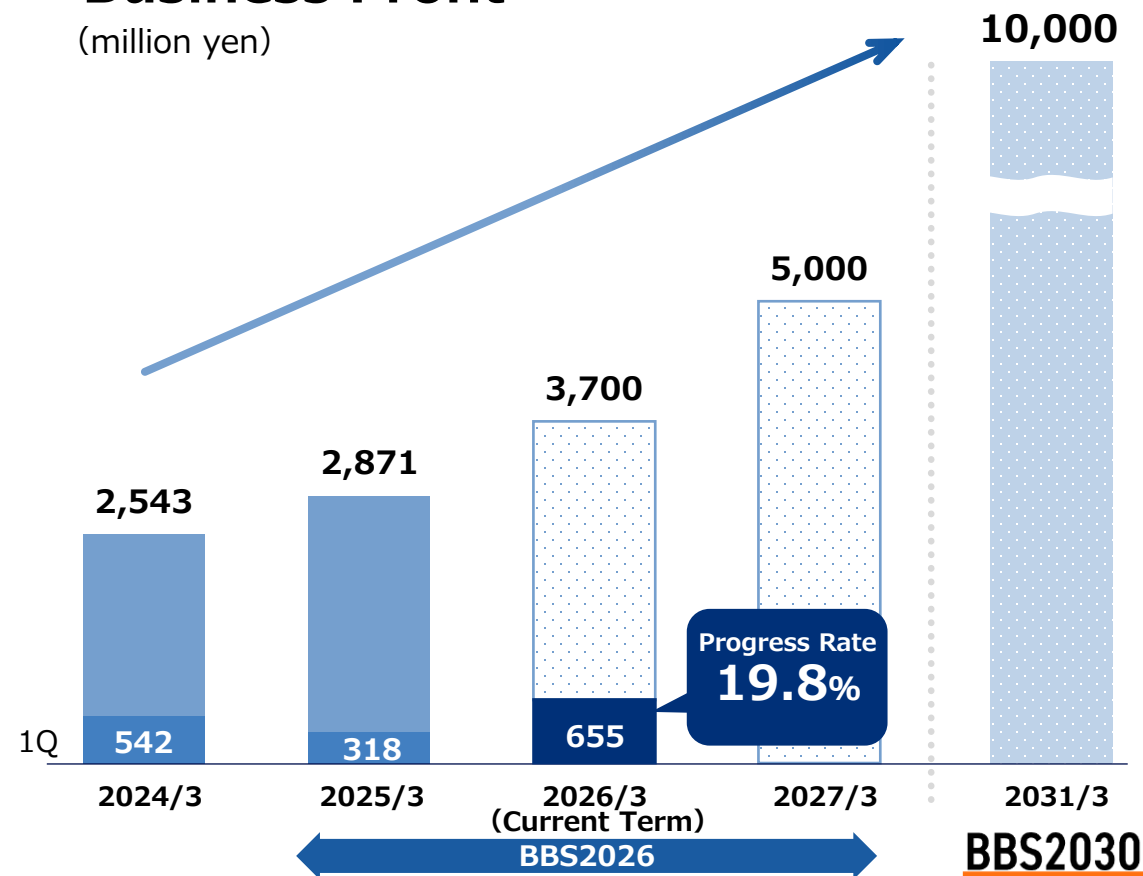
## Revenue

(million yen)



## Business Profit

(million yen)



FY2025 marks the second year of our Medium-Term Management Plan, BBS2026, and we have made a solid start in the first quarter.

# BBS2026 KPI Progress

## 【Growth】

Medium-term goal

### Sales growth rate (including M&A)

**15.0%** (2.4% YoY )  
(organic sales growth rate 15.0%)

3-year  
CAGR  
**20%**

### Business profit margin on sales

**6.5%** (3.6% YoY )

by the  
year2026  
**8.5%**

### BPO sales ratio

**19.9%**  
(28.9% at the end of previous period)

by the  
year2026  
**30%**

### BBS cycle rate

**32%**  
(34% at the end of previous period )

by the  
year2026  
**40%**

## 【Investment】

Medium-term goal

### M&A Investment

No significant progress

Total of  
3 years  
13,000  
million yen

### R&D investment

**30**million yen  
(Cumulative 190million yen)  
(Investment progress 19%)

Total of  
3 years  
Over 1,000  
million yen

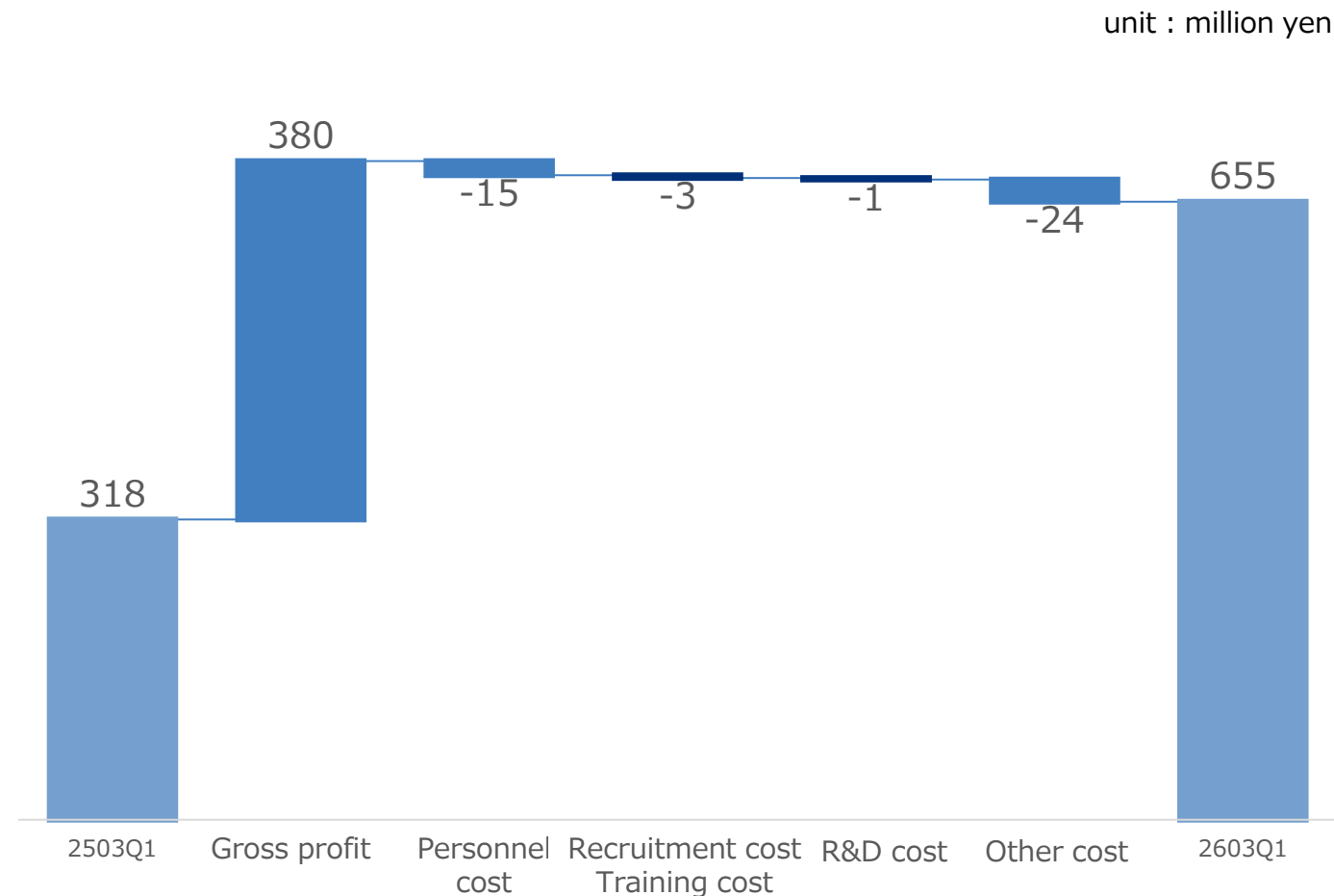
### Human capital investment

**120**million yen  
(Cumulative 500million yen)  
(Investment progress 23%)

Total of  
3 years  
Over 2,200  
million yen

# Analysis of Changes in Business Profit

Continuously invest within the business profit



**Human capital investment: 115 million yen**

**Recruitment costs: 73 million yen + 2 million yen**

- Increased recruitment staff
- Increase in agent fees due to increased hiring

**Education and training expenses: 42 million yen + 1 million yen**

- Strengthened selective training for next-generation management development
- Expand training opportunities by enhancing e-Learning

**R&D investment: 30 million yen**

**R&D expensed: 30 million yen + 1 million yen**

- Research on operations optimization using AI
- Edification activities to improve AI technical capabilities
- Development of next-generation system development platform

(No expense recorded because software recorded)

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## 3. Topics

- Disposal of Treasury Shares:  
Cancellation & Contribution to BIP Trust
- Change in Segment Classifications

# Disposal of Treasury Shares: Cancellation & Contribution to BIP Trust

Treasury shares contributed to the BIP trust for officers, with the remaining shares cancelled

Of the 1,262 thousand treasury shares held in the first quarter, a portion was used as an additional contribution due to the extension of the BIP trust for officers, and the remaining shares were cancelled as there are no plans for their future use.

Balance as of June 30, 2025	Number of shares	Ratio
Treasury shares	1,262,654 shares	9.9%
(Reference) Number of issued shares	12,725,000 shares	100.0%



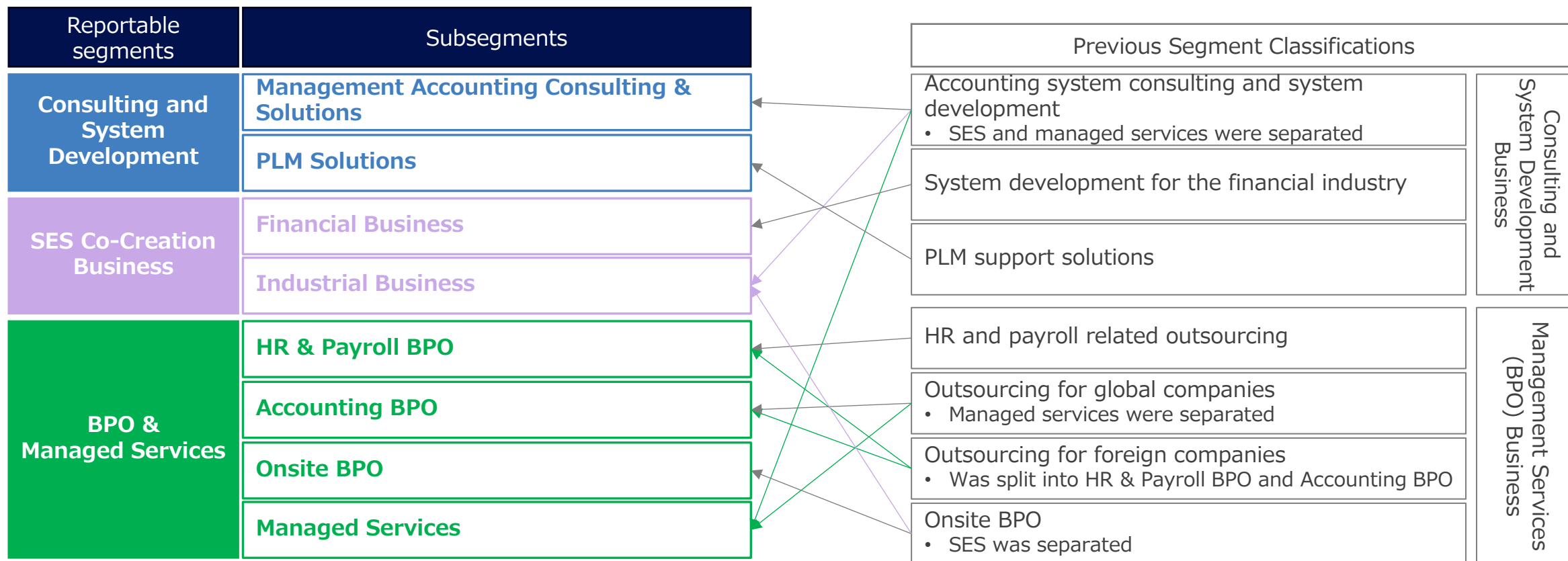
Balance after disposal	Number of shares
Cancellation	1,109,800 shares
Contribution to BIP trust	152,821 shares
Treasury shares	33 shares
(Reference) Number of issued shares	11,615,200 shares



# Change in Segment Classifications

More easily understood, and facilitating easier comparisons with other companies

- Establishment of reportable segments based on business content and revenue structure
- Unified subsegment classification criteria
- Displays common inter-segment expenses as adjusted amounts without allocation



# Business Details (Repost)

## 92 BPO & Managed Services

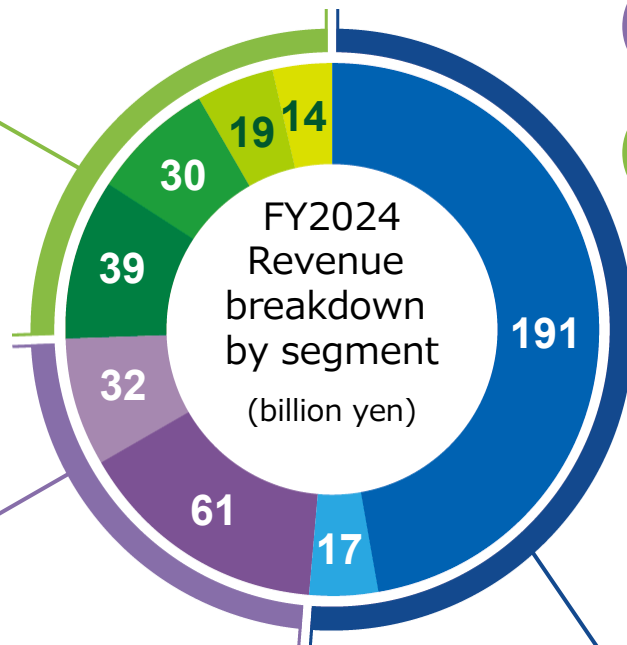
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# Comparison of New and Old Segments for the Fiscal Year Ending March 2025

Reaggregate segment information using the new segmentation method for the Fiscal Year Ending March 2025.

## New segment classification

segment	Revenue	Business Profit	Profit Margin
Consulting and System Development	20,755	1,990	9.6%
ES Co-Creation Business	9,323	357	3.8%
BPO & Managed Services	9,216	903	9.8%
Company-wide expenses and Adjustments	-490	-378	
<b>Consolidated</b>	<b>38,804</b>	<b>2,871</b>	<b>7.4%</b>

## Old segment classification

Segment	Revenue	Business Profit	Profit Margin
Consulting and System Development Business	27,705	2,211	8.0%
Management Services (BPO) Business	11,451	661	5.8%
Adjustments	-352	-1	
<b>Consolidated</b>	<b>38,804</b>	<b>2,871</b>	<b>7.4%</b>

# (Reference) New Segments for the Fiscal Year Ending March 2025

Re-aggregate quarterly information for the fiscal year ending March 2025 in the new segments.

segment	Revenue				Business Profit			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Consulting and System Development	4,503	4,924	5,462	5,866	209	578	655	548
ES Co-Creation Business	2,255	2,368	2,373	2,327	131	144	74	7
BPO & Managed Services	2,102	2,159	2,494	2,461	119	190	318	275
Company-wide expenses and Adjustments	-122	-124	-102	-142	-142	-55	-24	-157
<b>Consolidated</b>	<b>8,737</b>	<b>9,326</b>	<b>10,227</b>	<b>10,513</b>	<b>318</b>	<b>857</b>	<b>1,023</b>	<b>674</b>

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## **4. Explanation of Financial Results for the Three months of FY2025**

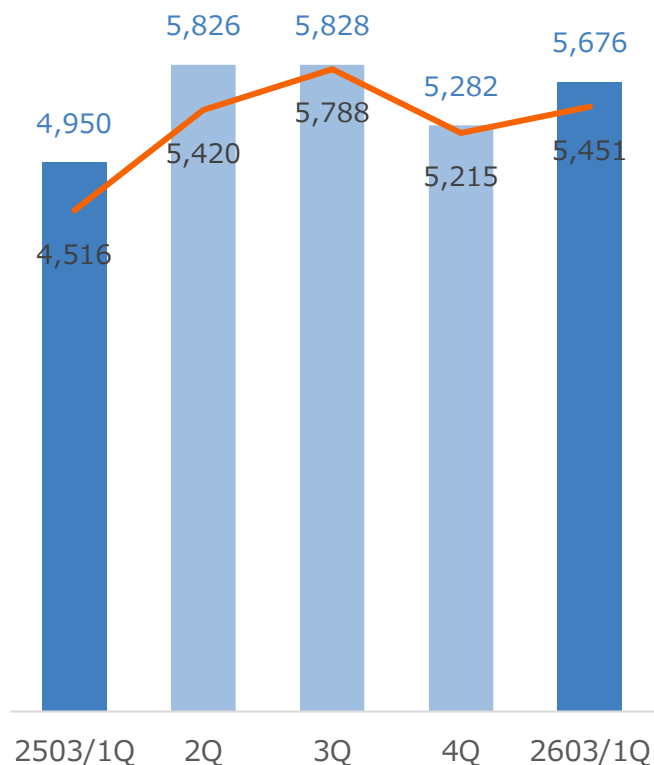
# Orders Received and Backlog of Orders

Quarterly Change (Accounting Period)

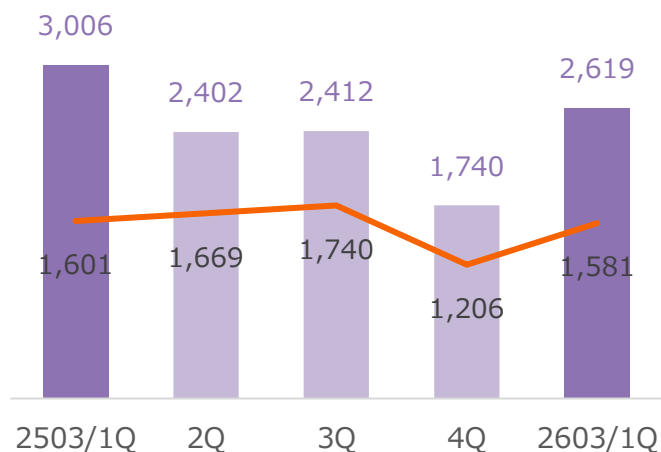
While Consulting & System Development and BPO & Managed Services improved, the SES Co-Creation Business continued to face a challenging business environment and struggled

■ ■ ■ Orders Received  
 --- Backlog of Order  
 Unit : million yen

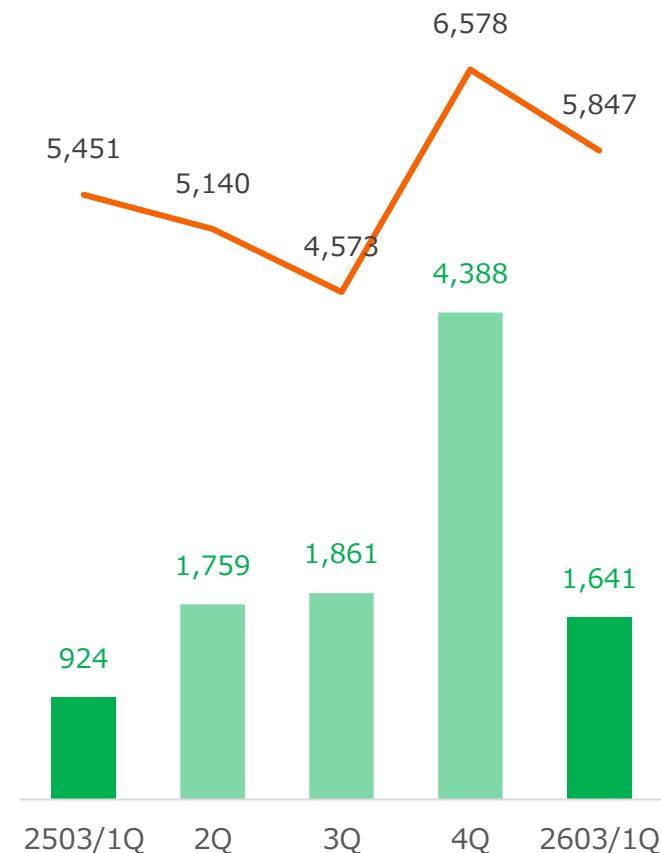
Consulting and  
System Development



SES Co-Creation Business



BPO & Managed Services



# Orders Received and Backlog of Orders

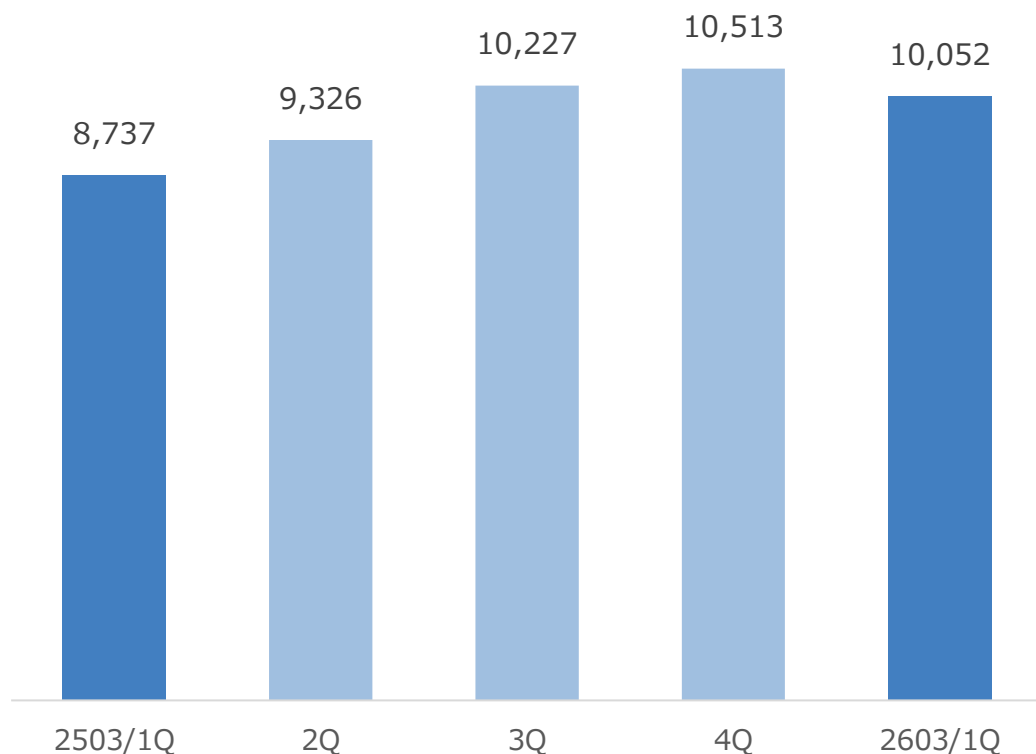
■ Consulting and System Development	<ul style="list-style-type: none"><li>• Since many orders are placed with the customer's budget finalized, traditionally the fourth quarter was the peak. However, due to the increasing proportion of relatively large projects and issues related to our capacity to respond (production capacity), there is a tendency for orders to be dispersed in the second and third quarters. (Year-on-Year Comparison Commentary.)</li><li>• A significant increase due to the rebound from poor performance in the previous term.</li><li>• Continuing from the fourth quarter of last year, the infrastructure sector is performing well, with an increase in orders from existing customers.</li></ul>
■ SES Co-Creation Business	<ul style="list-style-type: none"><li>• Basically, there are many orders lasting for about 1 to several months, and it is a business that acquires stable orders throughout the year. (Year-on-Year Comparison Commentary.)</li><li>• The business environment in the securities industry is harsh, and due to a lack of new regulatory responses, overall projects are shrinking. Additionally, the fund wrap projects have generally reached a cycle, leading to a transitional period with demands for new functionality.</li><li>• We are strengthening revenues to compensate for the order shortfall in the fourth quarter of last year, but we have not reached the same level as the same period last year.</li></ul>
■ BPO & Managed Services	<ul style="list-style-type: none"><li>• Most contracts are on a yearly basis, and orders updated in March tend to concentrate in the fourth quarter. Additionally, large orders are often on multi-year contracts, which can lead to a surge in orders during the period when such orders are received. Therefore, the order volume each quarter is not stable. (Year-on-Year Comparison Commentary.)</li><li>• Smooth expansion of orders in accounting BPO, with an increase in orders for onsite BPO due to customer factors.</li></ul>

# Revenue and Business Profit

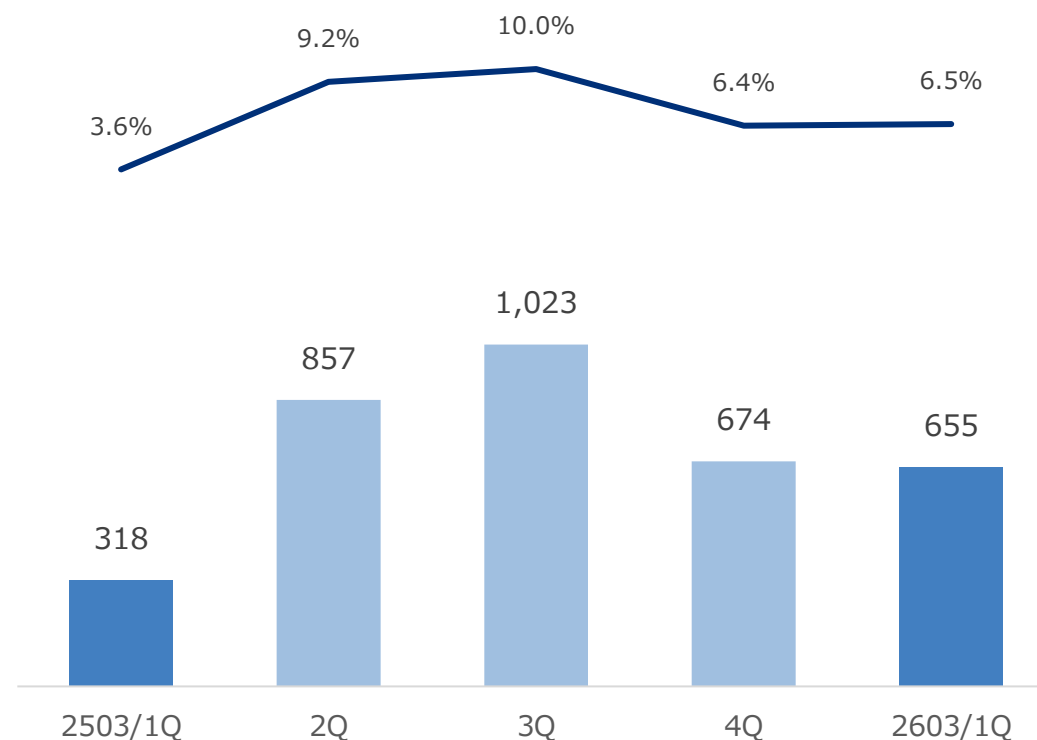
Quarterly Change (Accounting Period)

Revenue has been recovering steadily, and while business profit has significantly improved, profit margins have not increased.

Revenue (unit:million yen)



Business Profit (unit:million yen) · Profit Margin



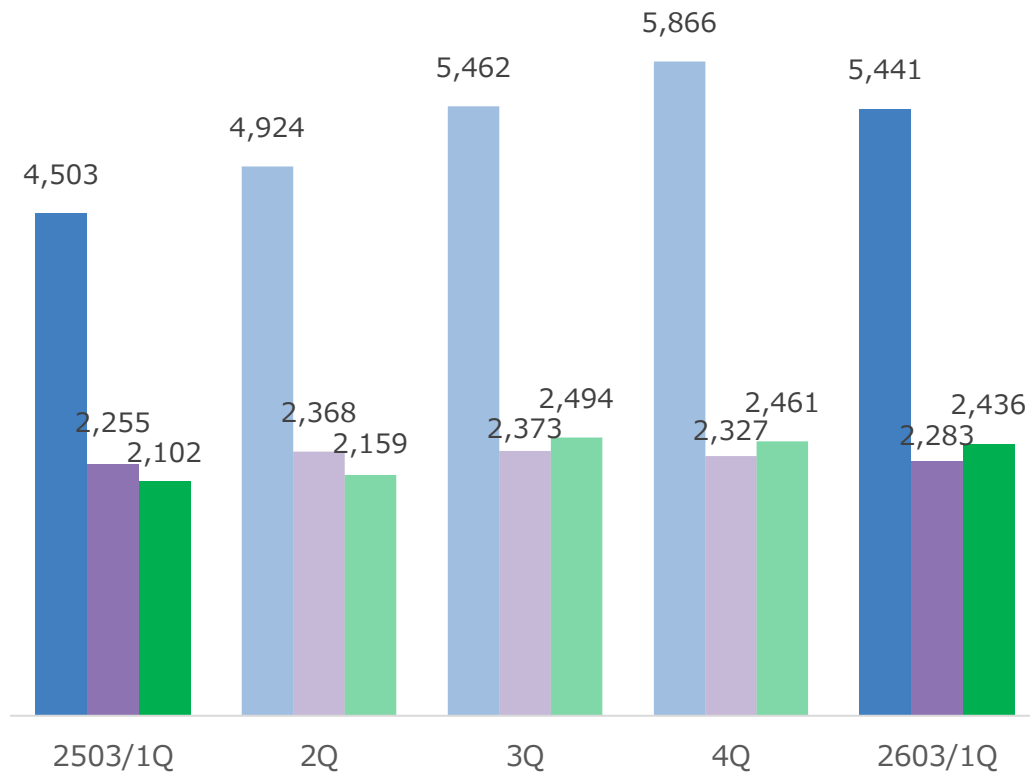


# Segment Revenue and Business Profit

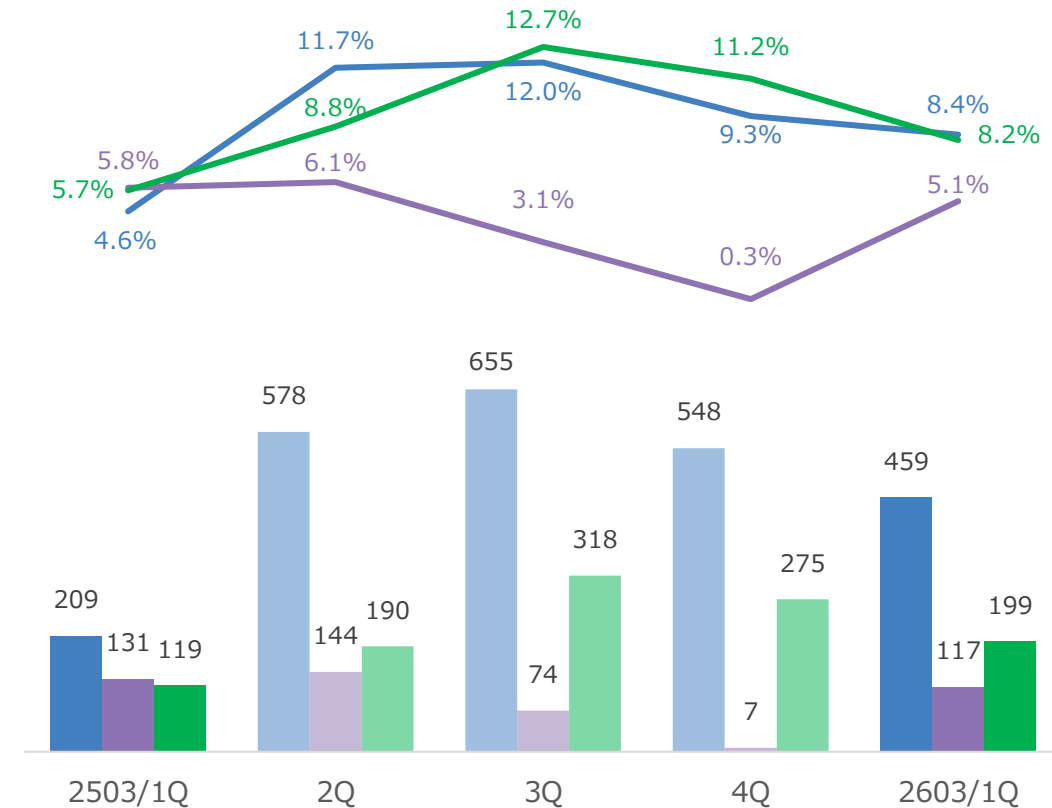
## Quarterly Change (Accounting Period)

- Consulting and System Development
- SES Co-Creation Business
- BPO & Managed Services

Segment Revenue (unit:million yen)



Segment Business Profit (unit:million yen)

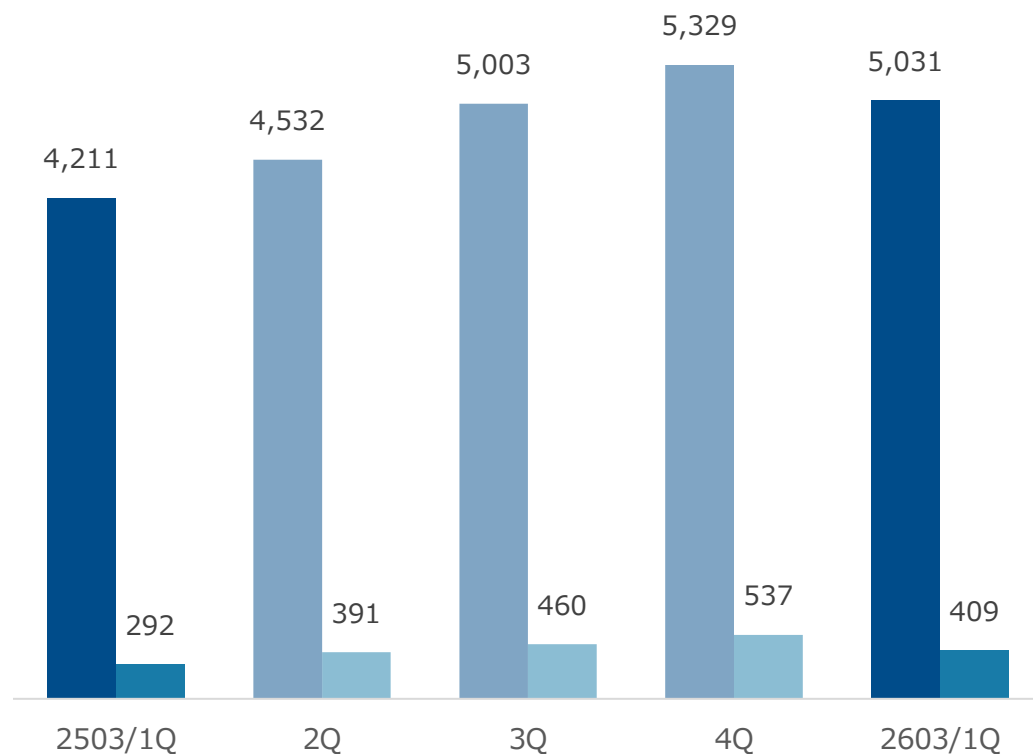


# Consulting and System Development Business

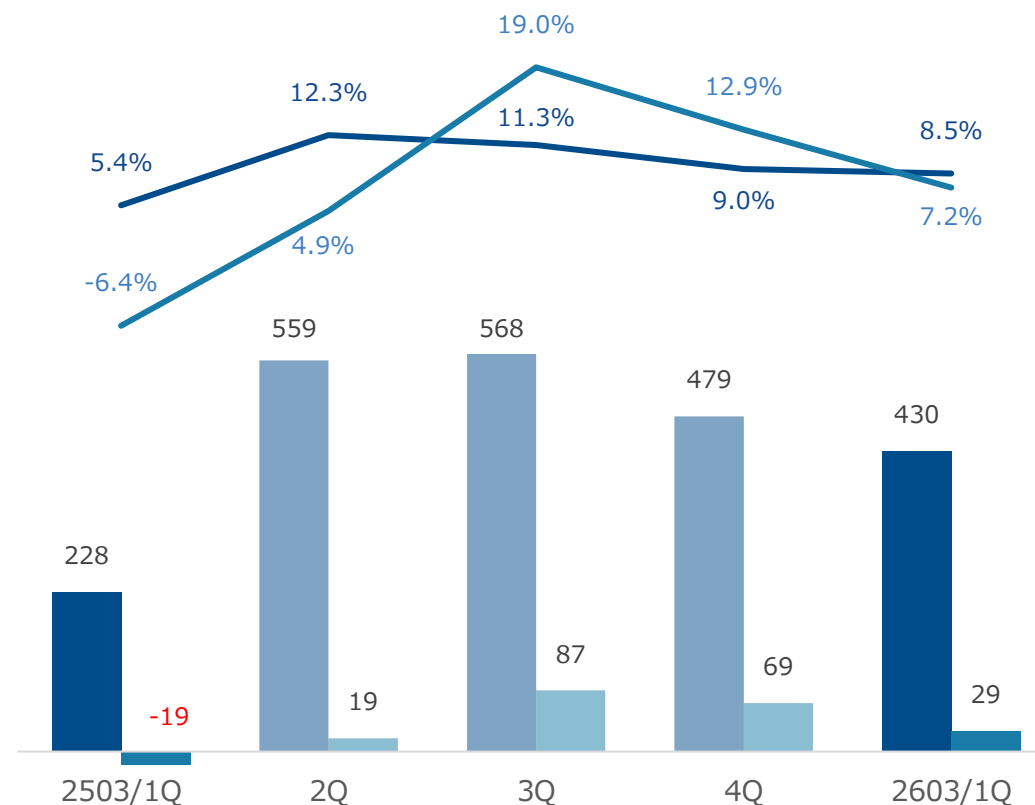
Quarterly Change (Accounting Period)

■ Management Accounting Consulting & Solutions  
■ PLM Solutions

Segment Revenue (unit:million yen)



Segment Business Profit (unit:million yen)



# Consulting and System Development Business

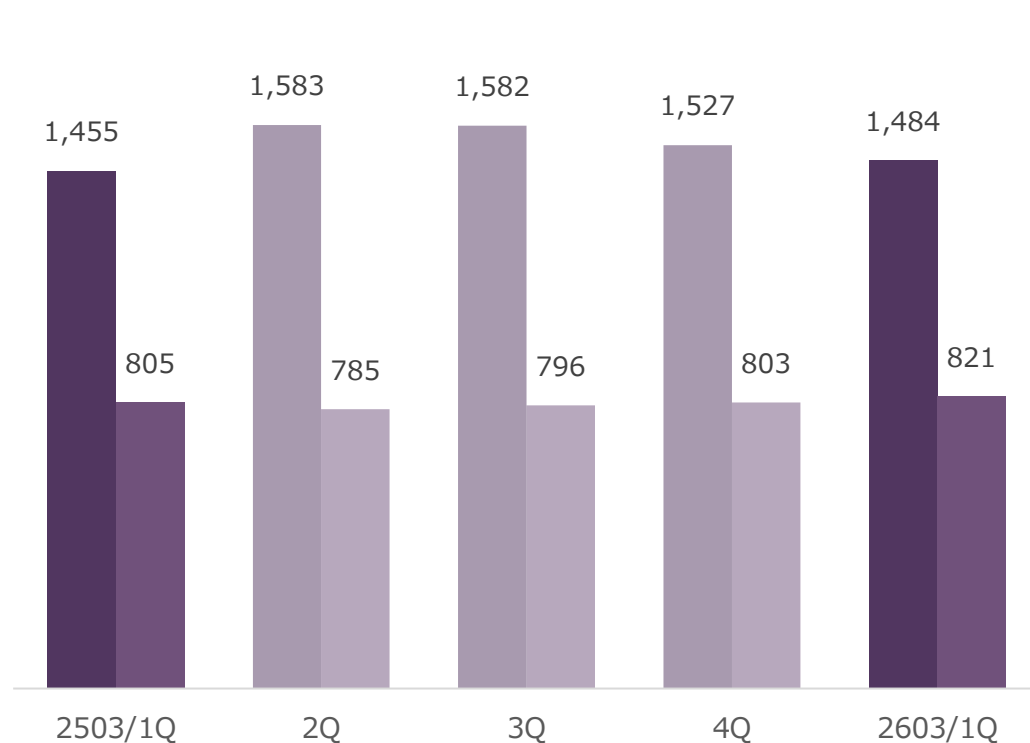
## Overview

Subsegments	Year-on-Year Comparison Commentary
■ Management Accounting Consulting & Solutions	<ul style="list-style-type: none"><li>• Revenue significantly increased due to a rebound from the previous year's slump</li><li>• Infrastructure-related sectors remained strong, continuing from the fourth quarter of the previous fiscal year</li><li>• While profits increased with revenues, profit margin deteriorated more than expected due to the occurrence of underperforming projects</li></ul>
■ PLM Solutions	<ul style="list-style-type: none"><li>• Revenue significantly increased due to a rebound from the previous year's slump</li><li>• The previous fiscal year recorded a loss due to measures for underperforming projects, but higher revenues led to a return to profitability</li><li>• However, profit margin deteriorated more than expected due to the occurrence of new underperforming projects</li></ul>

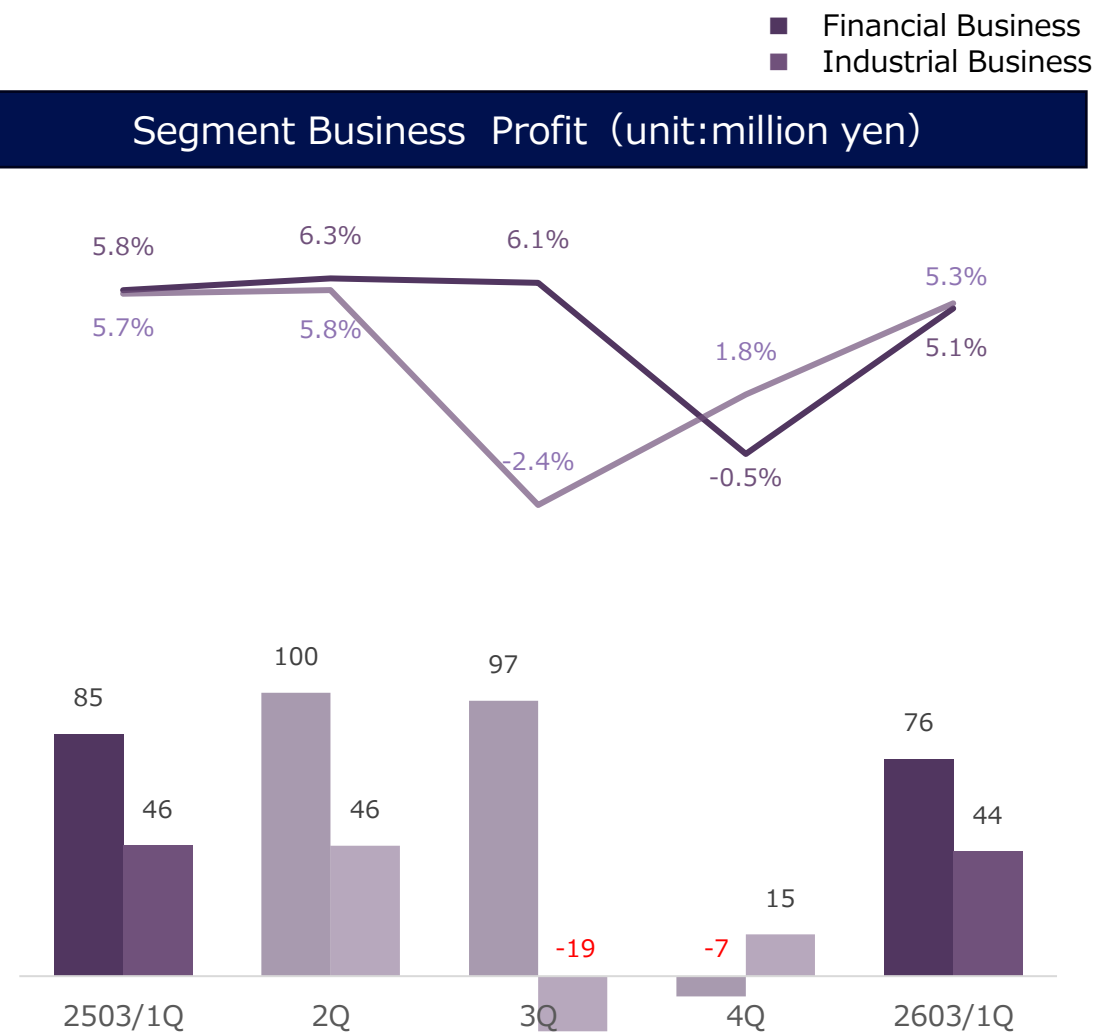
# SES Co-Creation Business

## Quarterly Change (Accounting Period)

Segment Revenue (unit:million yen)



Segment Business Profit (unit:million yen)



# SES Co-Creation Business Overview

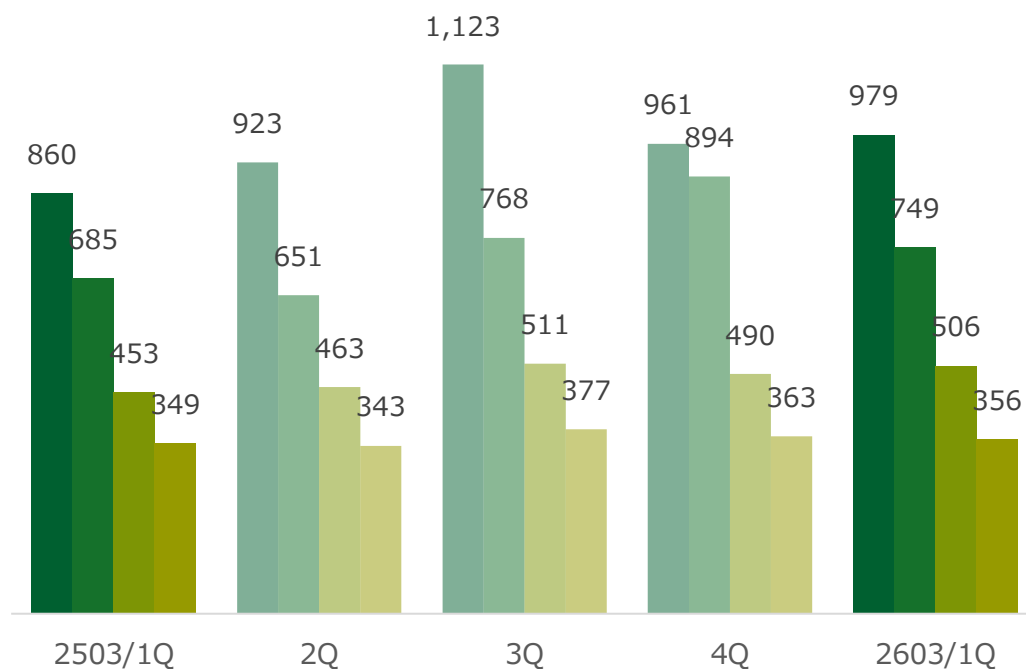
Subsegments	Year-on-Year Comparison Commentary
■ Financial Business	<ul style="list-style-type: none"><li>• In terms of revenue, the business environment in the securities industry remains challenging, and with no new regulatory compliance requirements, overall project volume is shrinking</li><li>• Fund wrap projects have largely run their course, and the business is now in a transitional phase awaiting new feature development</li><li>• With limited revenue growth and rising costs such as personnel expenses, profits declined</li></ul>
■ Industrial Business	<ul style="list-style-type: none"><li>• Difficulty in securing sufficient personnel has limited revenue growth</li><li>• At the same time, profits have declined due to increased hiring costs</li></ul>

# BPO & Managed Services

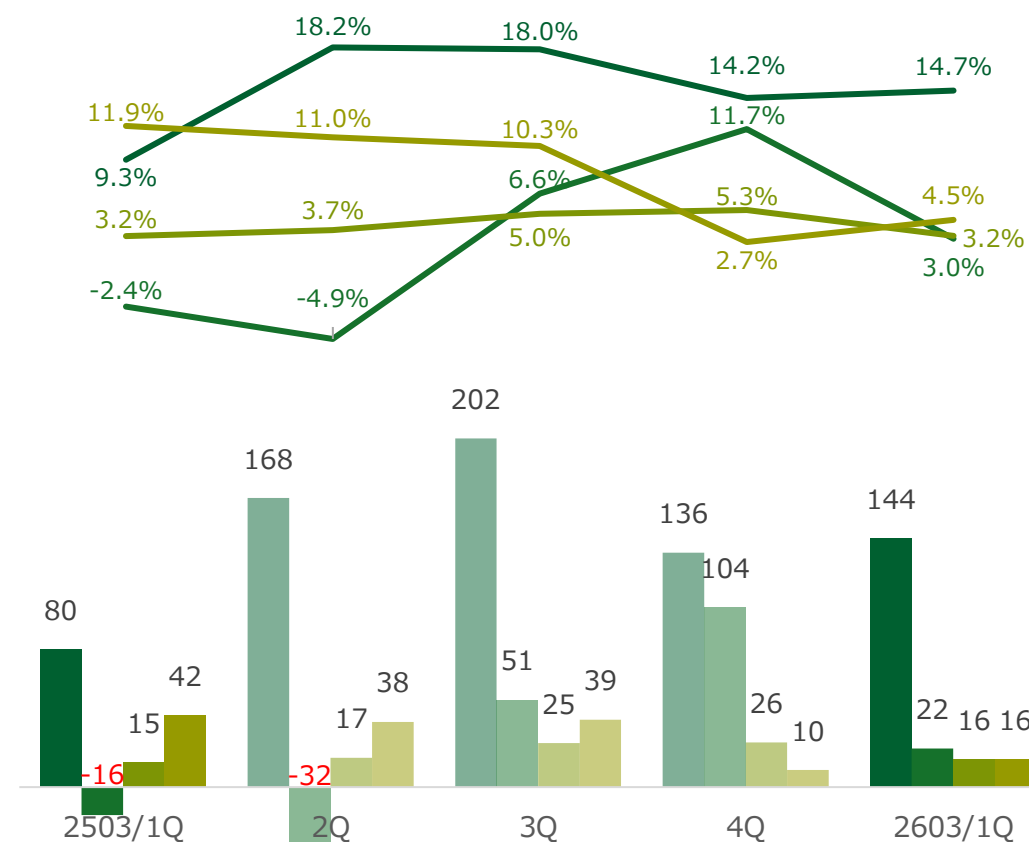
## Quarterly Change (Accounting Period)

- HR & Payroll BPO
- Accounting BPO
- Onsite BPO
- Managed Services

Segment Revenue (unit:million yen)



Segment Business Profit (unit:million yen)



# BPO & Managed Services Overview

Subsegments	Year-on-Year Comparison Commentary
■ HR & Payroll BPO	<ul style="list-style-type: none"> <li>Revenue is steadily increasing due to order accumulation since last year</li> <li>Profits are also increasing in line with the rise in revenues</li> </ul>
■ Accounting BPO	<ul style="list-style-type: none"> <li>The Sapporo BPO center is steadily ramping up, and revenue is rising</li> <li>The previous fiscal year recorded a loss due to integration costs from a subsidiary merger, but these costs were eliminated in the current fiscal year, resulting in a return to profitability</li> <li>However, upfront investments in the new Sapporo No. 3 Center have kept the profit margin low</li> </ul>
■ Onsite BPO	<ul style="list-style-type: none"> <li>Revenue increased in response to a client request to expand call center staffing</li> <li>However, there have been recruitment expenses, delaying the impact on profits</li> </ul>
■ Managed Services	<ul style="list-style-type: none"> <li>Operations ramped up smoothly</li> <li>In the current fiscal year, staffing has been secured in advance for new orders, resulting in deteriorated profitability</li> </ul>

## About BBS

Since its founding in 1967, BBS has been working closely with Japanese companies to support the management and accounting of our customers.

BBS provides consulting, system integration, and management services (business process outsourcing) with regards to management accounting, and has stipulated that the BBS cycle is the foundation of these three services. The BBS cycle enables effective and continuous support in a variety of stages from the strategies and plan formulation of our customers to operation and consolidation.

As experts in management accounting transcending the accounting field, we are a Back Office Comprehensive Supporter providing support to our customers.

# Together for Value



## Business Brain Showa-Ota Inc.