



SMS Co., Ltd. (2175 TSE Prime Market)

Earnings Presentation for Investors, FY03/2025

April 28, 2025

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01 **FY03/2025 Consolidated Financial Results**

FY03/25 Consolidated Financial Results (Full-year)

- Sales increased and profits decreased YoY due to the continued proactive hiring of career partners and increased investments in advertising, etc.
- FY03/25 results were in line with the revised guidance announced with the Q3 financial results.

FY03/25 [JPY million]

	FY03/24 Actual	FY03/25 Revised guidance	FY03/25 Actual	YoY Change	vs Revised guidance
Net Sales	53,973	61,050	60,952	+13%	(0%)
Operating Income	8,269	6,300	6,335	(23%)	+1%
Ordinary Income	9,901	8,250	8,357	(16%)	+1%
Net Income	7,227	6,050	6,054	(16%)	+0%

FY03/25 Career Segment (Full-year)

- Grew with strong demand for hiring professionals by medical/elderly/disability care business operators.
- Sales growth was limited due to a slowdown in job seekers' motivation to change jobs and increased competition for attracting job seekers.

Sales, FY03/25 [JPY million]

	FY03/24 Actual	FY03/25 Actual	YoY Change
Elderly Care Career	16,292	19,320	+19%
Medical Care Career	16,086	16,891	+5%
Total	32,379	36,211	+12%

FY03/25 Elderly/Disability Care Operators Segment (Kaipoke, Full-year)

- The number of Kaipoke memberships increased steadily.
 - 55,550 service offices (31,800 locations)*¹ as of April 1, 2025
 - Annual membership increase: 5,150 service offices (2,650 locations)
- In addition to the increased usage of optional add-ons (factoring, tablets, smartphones, etc.), the M&A matching business also grew steadily.

Sales, FY03/25 [JPY million]

	FY03/24 Actual	FY03/25 Actual	YoY Change
Elderly/Disability Care Operators (Kaipoke)	9,811	11,957	+22%

1. # of service offices: the number of elderly care services / welfare services for persons with disabilities provided based on the public insurance scheme
 # of locations: the number of service office locations
 e.g. When an operator provides two types of elderly care services, home care support service and home-visit elderly care, at one specific address, the number of locations is counted as one and the number of service offices is counted as two. Kaipoke's subscription fee is charged per membership location. Normally, the number of locations is smaller than the number of service offices.

FY03/25 Overseas Segment (Full-year*1)

- Sales growth of Medical Platform Business was limited due to factors such as temporary reductions in marketing budgets by some customers.
- Sales growth of Global Career Business was limited, affected by temporary factors such as visa suspensions and volatile situation in the Middle East.

Sales, FY03/25 [JPY million]

	FY03/24 Actual	FY03/25 Actual	YoY Change
Overseas	9,002	9,385	+4%

1. Income statement of MIMS group is consolidated with a three-month delay and the results are for January to December. (Please refer to p.107)

02 **FY03/2026 Guidance**

FY03/26 Consolidated Financial Guidance

- Expect double-digit growth in both sales and profits.
- Plan to invest in strengthening our service brands, revamping the DR^{*1} service, and developing new business to achieve sustainable growth in light of the solid market due to population aging.
- The increase in expenses is expected to be limited in 1H FY03/26 compared to 1H FY03/25 when significant investments were made.

FY03/26 Guidance [JPY million]

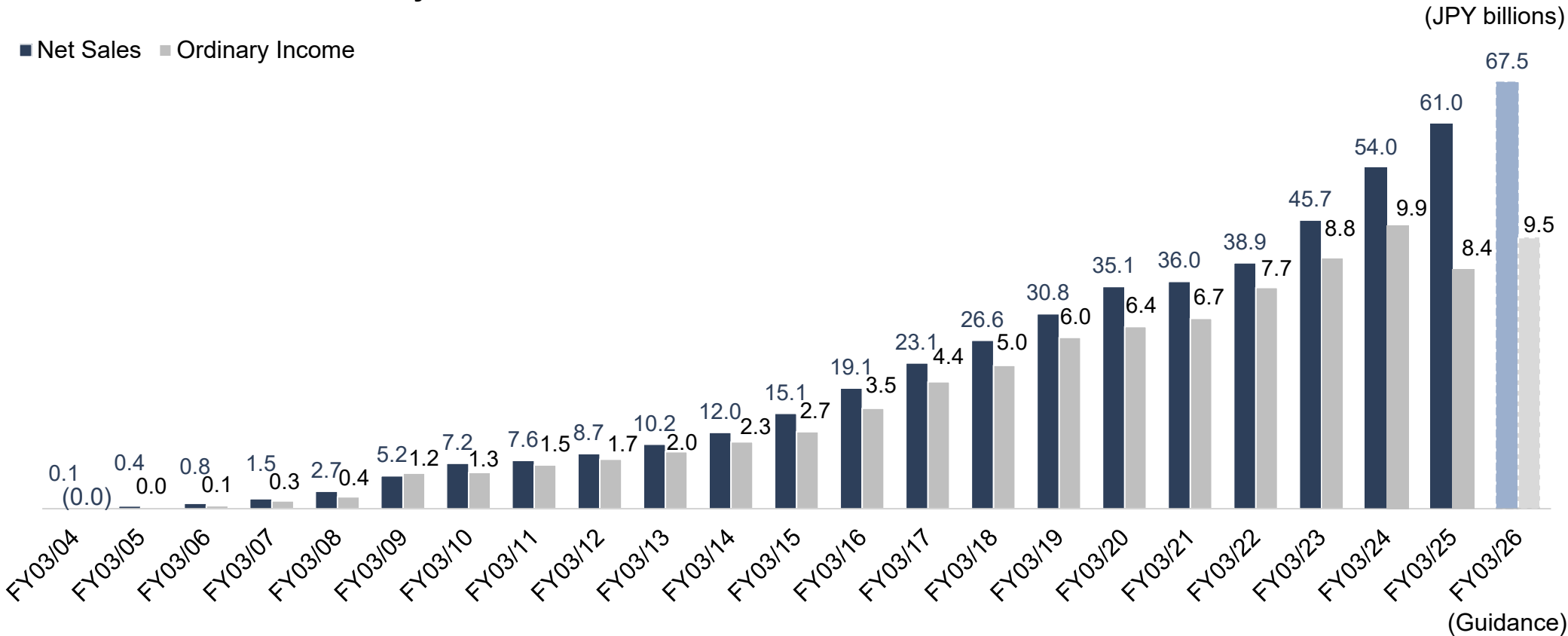
	FY03/25 Actual	FY03/26 Guidance	Difference (Amount)	YoY Change
Net Sales	60,952	67,544	6,591	+11%
Operating Income	6,335	7,287	952	+15%
Ordinary Income	8,357	9,468	1,111	+13%
Net Income	6,054	7,029	974	+16%

1. Direct recruiting

Supplementary Info: Historical Financial Results and FY03/26 Guidance

Expect to achieve growth in sales for the 22nd consecutive year since our establishment.

Trends in net sales and ordinary income

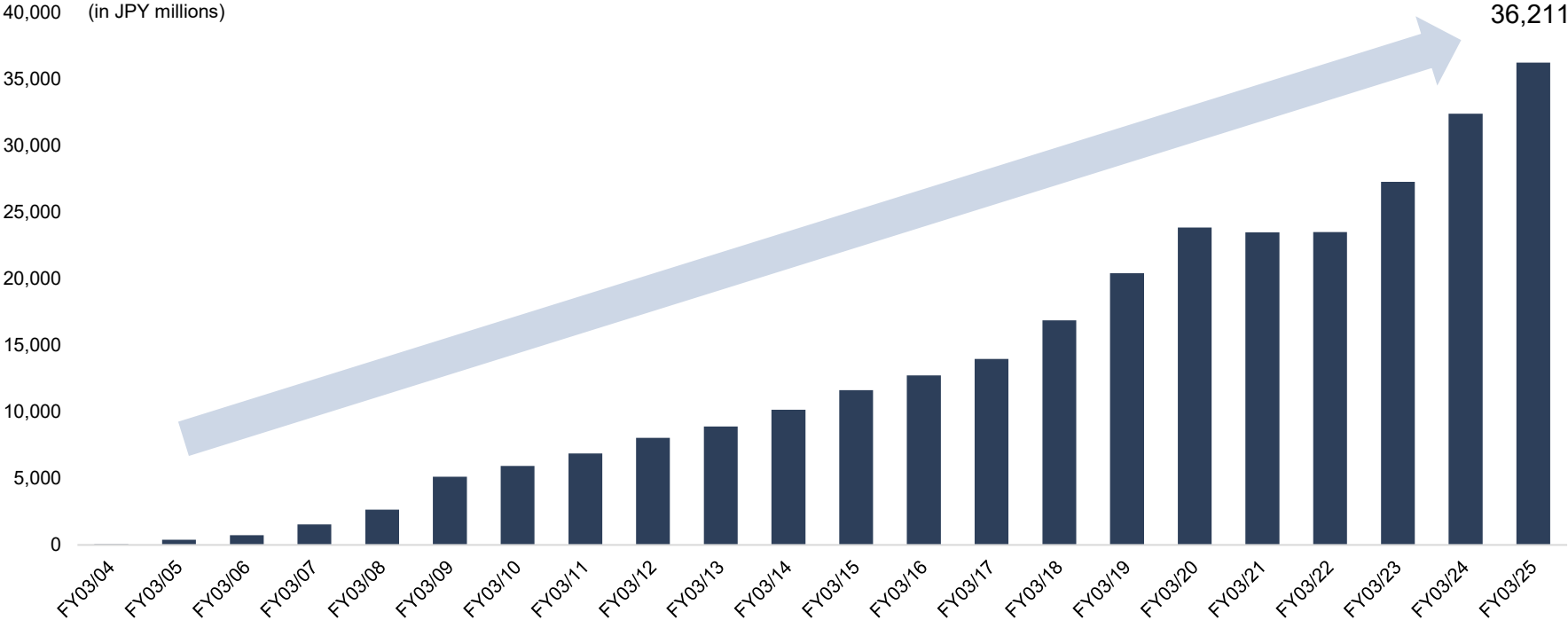


Career Segment

Growth Trajectory of Career Segment

- Amid the growing demand for medical and elderly/disability care due to the aging population, we have been developing our Career Business centered on recruiting agent services to address the social issue of a growing shortage of professionals in these fields.
- As a pioneer in the industry, we have accumulated know-how in areas such as attracting job seekers and improving placement rates, understanding the hiring needs of business operators and building relationships with them, and providing high-quality matching. Leveraging this expertise, we have continuously grown by solving the hiring challenges of hospitals and elderly care facilities.

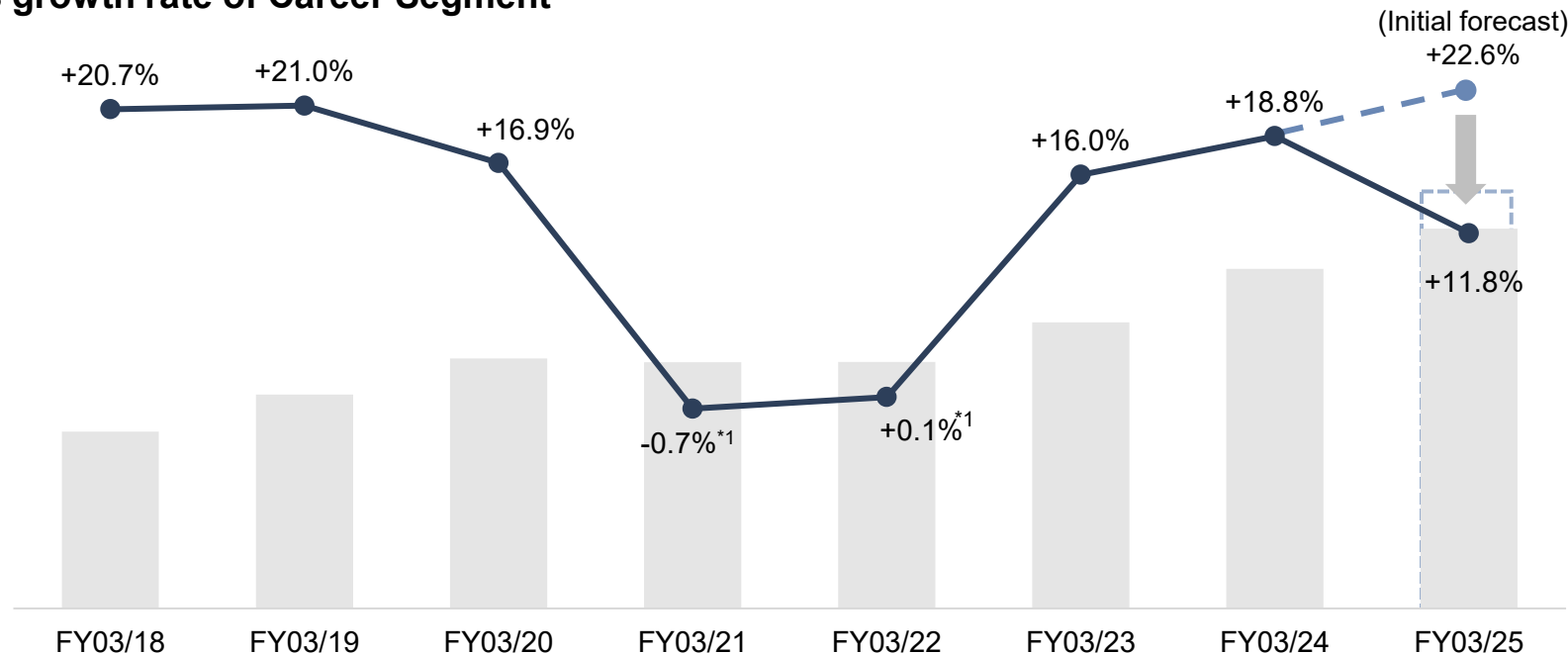
Sales of Career Segment



Growth Rate Declines: Less Job Seeker Movement, More Competition

- In FY03/25, there was a slowdown in job seekers' motivation to change jobs due to factors such as improvements in workplace environments and working conditions resulting from work style reforms throughout the hospital following overtime regulations for doctors, as well as income growth resulting from revisions to medical/long-term care fees and flat-rate tax reduction measure.
- In addition, increased competition has made it more difficult to attract job seekers.
- Growth rate was below the initial forecast, while sales continued to grow.

Sales growth rate of Career Segment



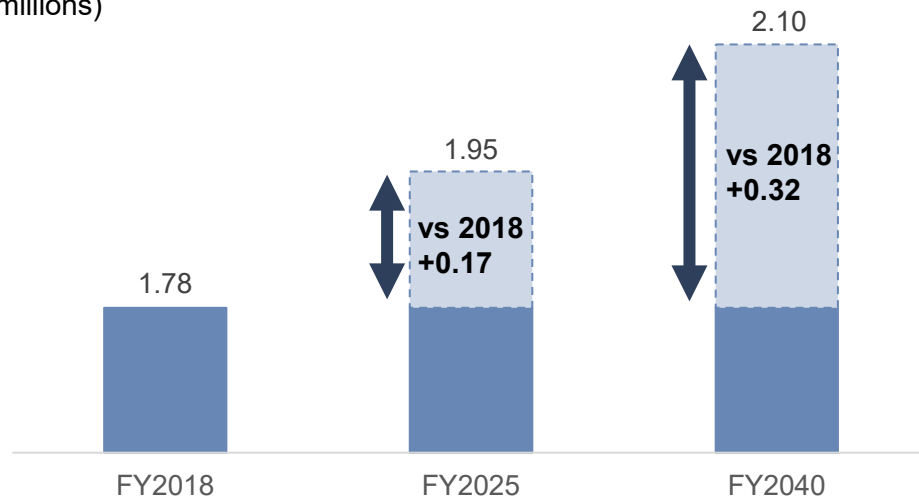
1. Sales growth was flat in FY03/21 and FY03/22 due to the impact of COVID-19.

Shortage of Professionals

- While the demand for medical care, elderly care, and disability welfare continues to increase with the aging population, the demand for professionals in these fields is also continuously growing.
- Although the demand for professionals is increasing, the growth in their supply is limited, and the gap between supply and demand is expected to widen.
- Demand for recruiting agent services, which can substitute for or support business operators' recruitment functions*¹, continues to grow.

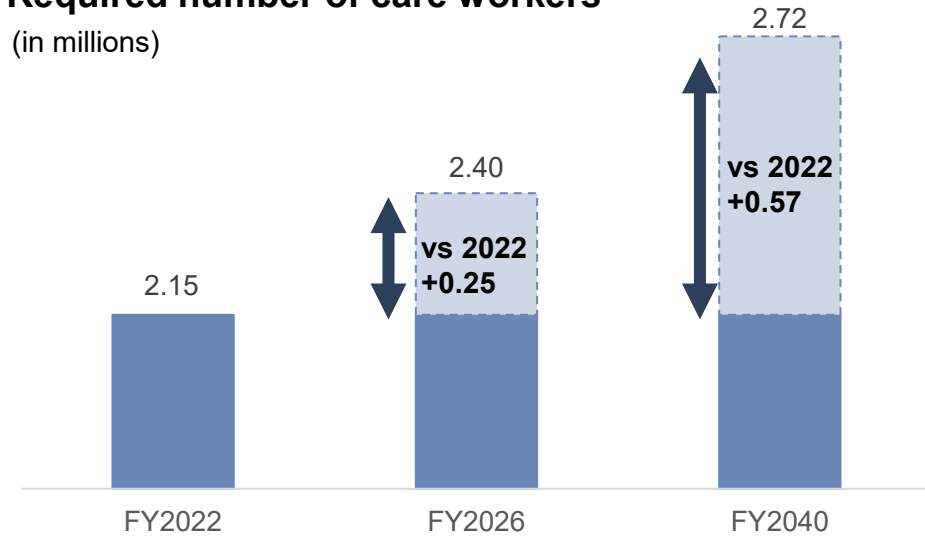
Required number of nurses*²

(in millions)



Required number of care workers*³

(in millions)



1. In many cases, hospitals and elderly care operators do not have dedicated recruitment staff; instead, head nurses, facility managers, etc., handle hiring activities concurrently with their primary roles. Consequently, there is widespread demand for outsourcing certain recruitment functions, such as creating job postings, building a candidate pool, and initial screening.
2. MHLW, "Status of securing nurses and other nursing staff"
3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"

Growth Potential of Recruiting Agent Service (RAG)

- The RAG market in the medical, elderly/disability care, and childcare fields is expected to continue to expand in the future, driven by factors such as an increase in the RAG penetration, rising wages for workers, and revisions to commission rates, against a backdrop of labor shortages.
- As an industry pioneer, we will continue to drive market expansion, achieving above-market growth and increasing market share.

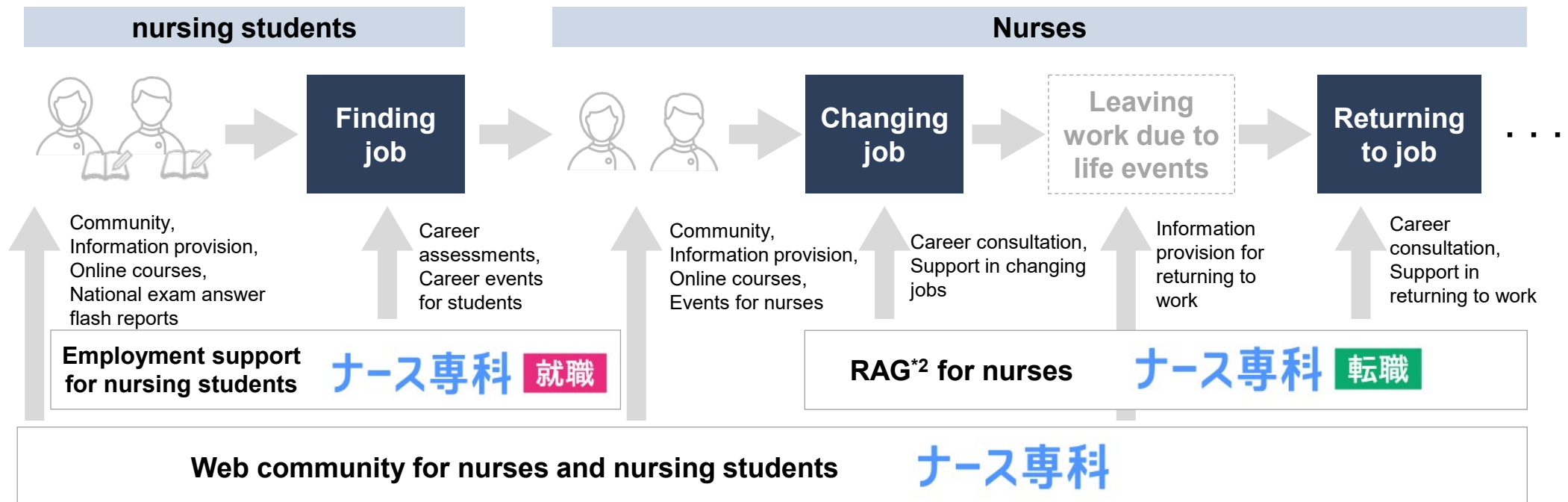
Estimated market size of RAG for occupations we cover*1



1. Calculated by totaling the estimated market size for each occupation. The size for each occupation is estimated by multiplying the projected number of job changers using RAG by the assumed commission fee per placement.

Competitive Advantage in Career Services for Nurses

- Nursing requires a national license, which means the growth of the total number of nurses is limited to the number of nursing students. Effective strategies involve early outreach to students and providing occupation-specific support tailored to their career stage.
- By engaging nursing students early through the community service and providing seamless access to job finding support, job changing support, and return-to-work support under the unified "Nurse-senka" brand, we will establish ourselves as a career support partner throughout nurses' entire professional lives.

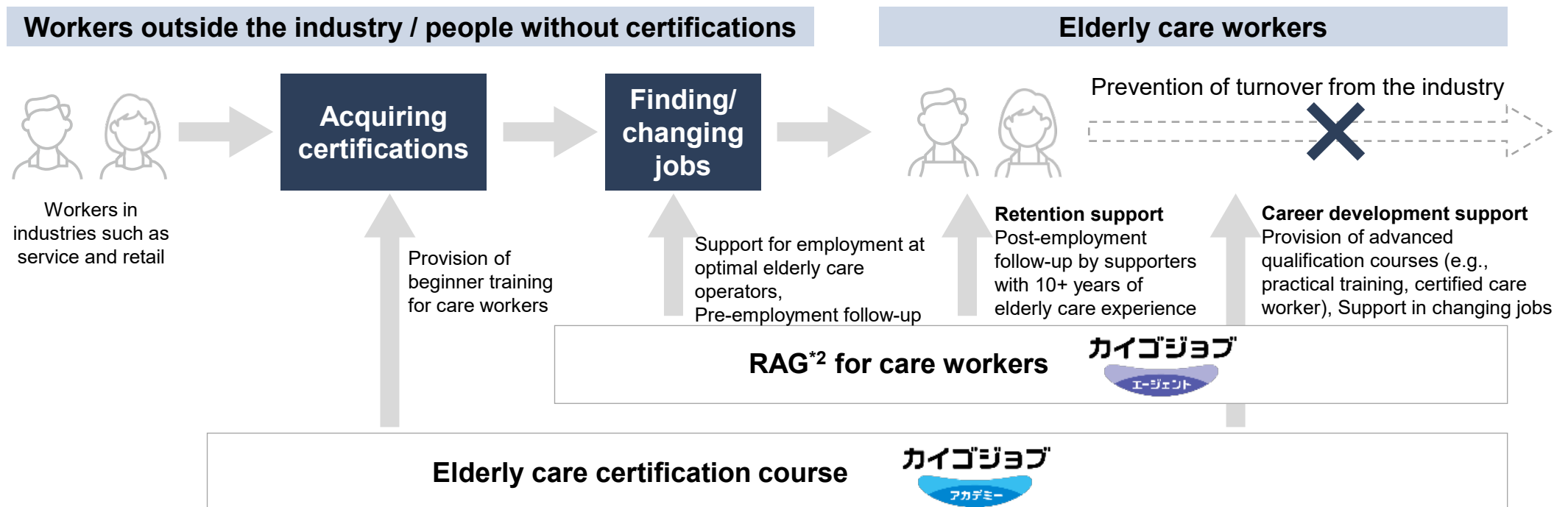


1. Approximately 70% of nursing students and approximately 90% of nurses are registered for Nurse-senka services as of the end of March 2025.

2. RAG: Recruiting agent service

Competitive Advantage in Career Services for Care Workers

- It is essential to promote new employment from outside the elderly care industry to resolve the shortage of elderly care workers.
- Promote entry into the industry for those without experience by providing certification training through our schools and facilitating their placement with good elderly care operators.^{*1}
- Through optimal matching with operators, providing retention support services, and support for continuous career development, we prevent turnover from the industry and establish ourselves as a career support partner in the elderly care field.



1. We have supported the employment of over 20,000 people without elderly care experience cumulatively by the end of March 2025.

2. RAG: Recruiting agent service

Development of a Cross-Occupational Direct Recruiting Platform

- We will revamp "Kaigo Job", our direct recruiting (DR) service for elderly care workers, into a cross-occupational DR platform covering the medical, elderly/disability care, and childcare fields, during FY03/26.
- Achieve significant growth by expanding the market into areas previously unreachable by recruiting agent services.



Cross-occupational DR platform^{*2}

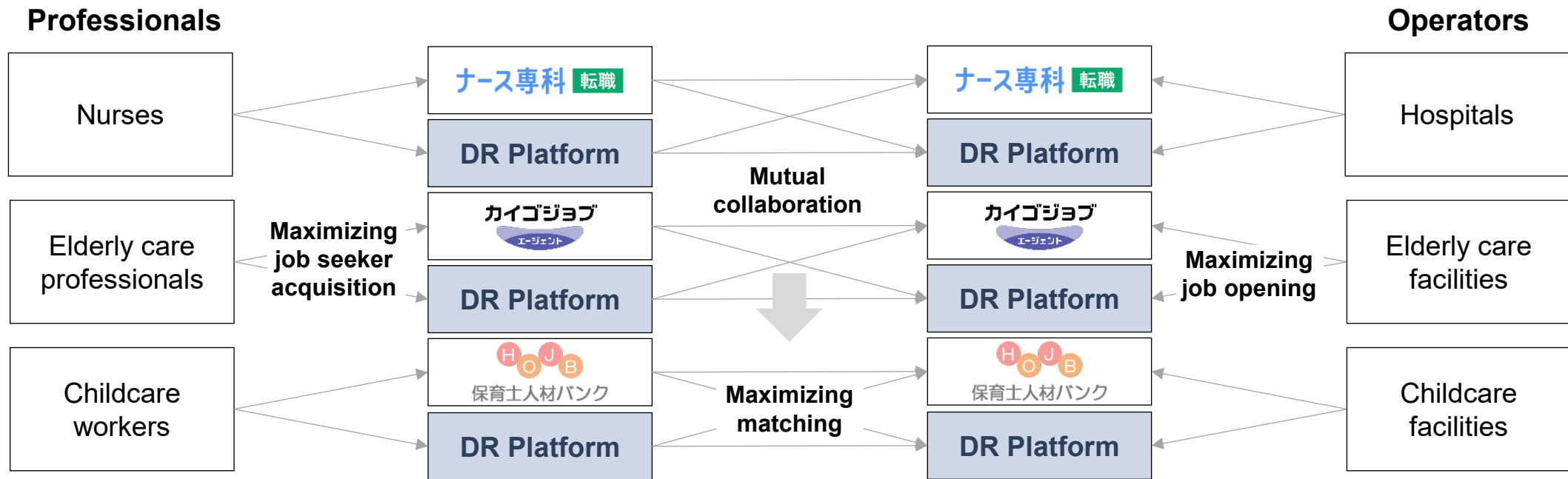
- Launched "Kaigo Job", RAD^{*1} for elderly care workers, in 2004.
- Initially based on posting and application fee model.
- Converted to a success-based fee DR model around 2021.
- Extended the service to nurses from FY03/25.

- DR platform covering a wide range of occupations in the medical, elderly/disability care, and childcare fields.
- Plan to gradually expand into occupations such as childcare workers, dietitians, rehabilitation professionals and medical technologists.

1. RAD: Recruiting ads service
2. Brand name to be changed

Competitive Advantage from Possessing both RAG*¹ and DR*¹ Platform

By possessing both a highly specialized RAG*¹ specific to each occupation and a cross-occupational DR*¹ platform, we will establish a competitive advantage by maximizing both the acquisition of job seekers and job openings, and maximizing matching through mutual collaboration between services.

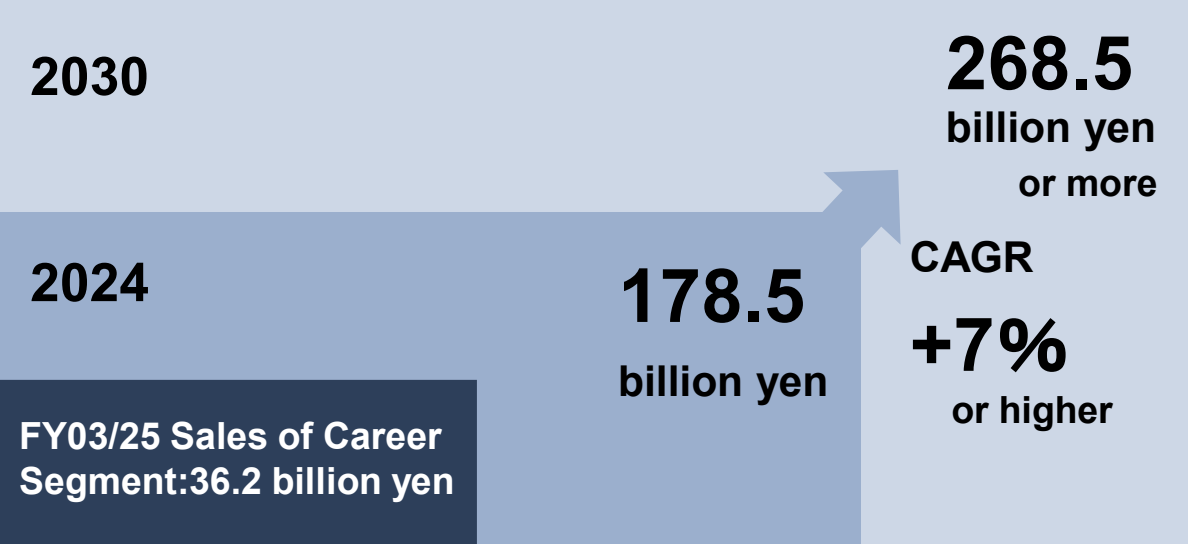


1. RAG: Recruiting agent service DR: Direct recruiting

Growth Potential of the Career Segment

- The career market, including RAG*1 and DR*1, is expected to have significant growth potential going forward, driven by the growing labor shortage in the medical, elderly/disability care, and childcare fields.
- By possessing both occupation-specific RAGs and the cross-occupational DR platform, and by leveraging our Career Business know-how, as an industry leader, we will drive the expansion of the entire career market and grow faster than the market.

Estimated market size of RAG/DR/RAD*1 for occupations we cover*2



1. RAG: Recruiting agent service DR: Direct recruiting RAD: Recruiting ads service
 2. Calculated by totaling the estimated market size for each occupation. The size for each occupation is estimated by multiplying the projected number of job changers using RAG/DR/RAD by the assumed commission fee per placement.

FY03/2026 Guidance by Segment

FY03/26 Guidance: Career Segment

- The demands for medical care and elderly care professionals continue to expand over the long term with the aging of the population and the decline in the working-age population.
- Expect growth in both Elderly Care Career and Medical Care Career by optimizing career partner headcount and improving productivity^{*1}, assuming continued headwinds from a slowdown in job seekers' motivation to change jobs and increased competition for attracting job seekers.
- Plan to implement initiatives such as brand awareness campaigns to strengthen brands^{*2} and a revamp of our direct recruiting service^{*3} to drive medium- to long-term growth.

Sales, FY03/26 Guidance [JPY million]

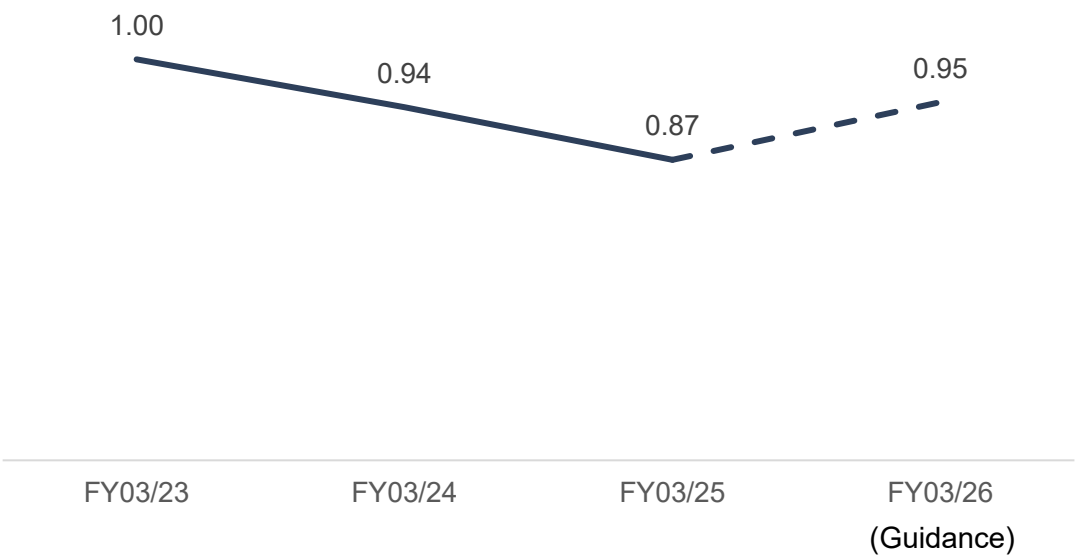
	FY03/25 Actual	FY03/26 Guidance	YoY Change
Elderly Care Career	19,320	21,411	+11%
Medical Care Career	16,891	18,028	+7%
Total	36,211	39,439	+9%

1. Details are explained on p. 23.
2. Details are explained on pp. 24-25.
3. Details are explained on pp. 18-20.

Supplementary Info: Productivity of Career Partners

- In order to increase the number of career partners, which was reduced due to the COVID-19 pandemic, we have been actively hiring career partners since FY03/2023, and sales per person have been on a downward trend.
- In FY03/2026, we will reduce the number of new career partner hires and aim to improve sales per person by strengthening management/training systems and leveraging technology including generative AI.

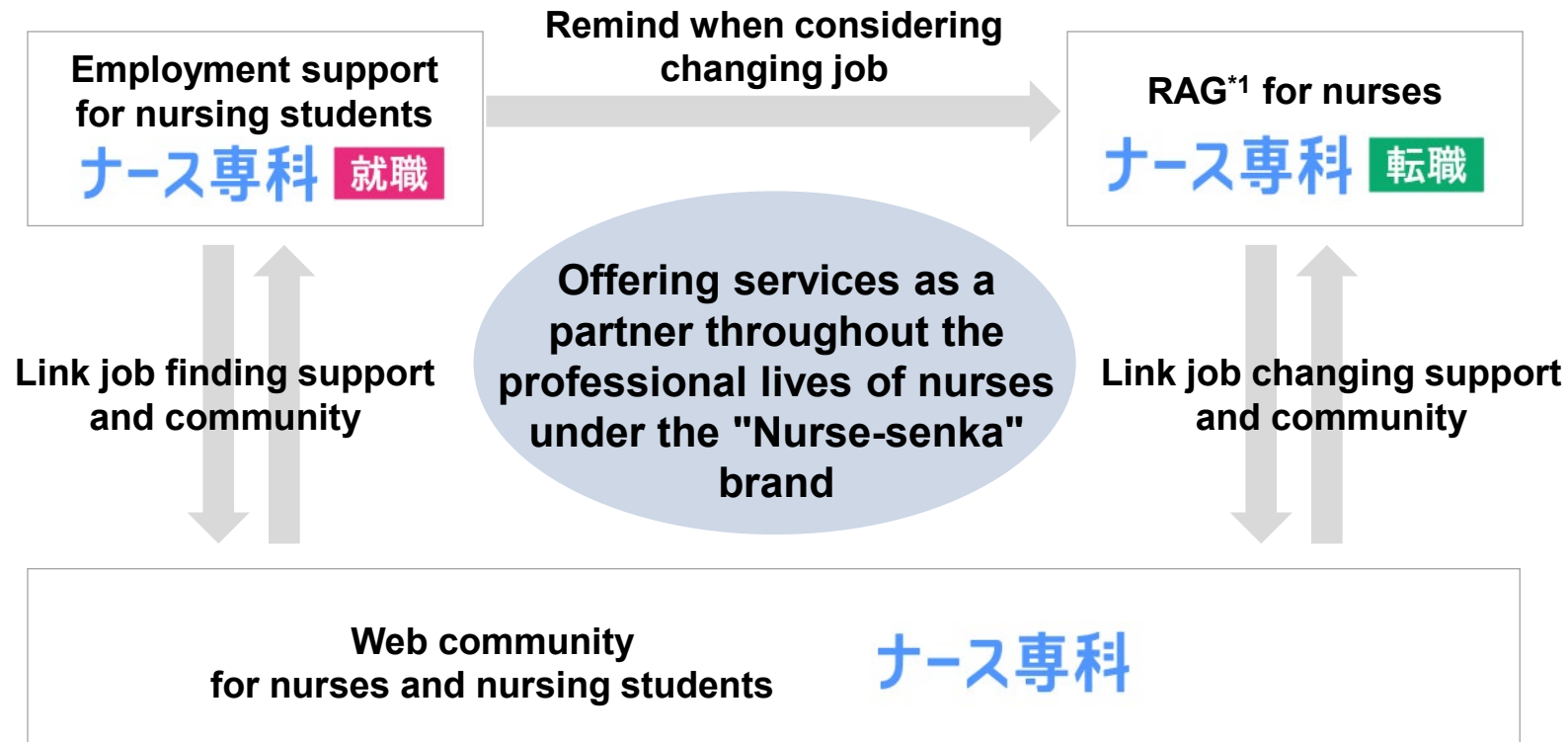
Sales per career partner*1



1. The sales of each year in the Career Segment were divided by the average number of career partners during the fiscal year, and the index was calculated with FY03/2023 as 1.

Supplementary Info: What We Achieve with Stronger “Nurse-senka”

- Unified the brand of multiple services for nurses under "Nurse-senka" in FY03/2025.
- Establish and maintain the No. 1 position in the industry over the long term by ensuring that each service can be used seamlessly.
- Aim to maximize the value provided as a partner throughout the professional life of nurses by offering highly specialized services.

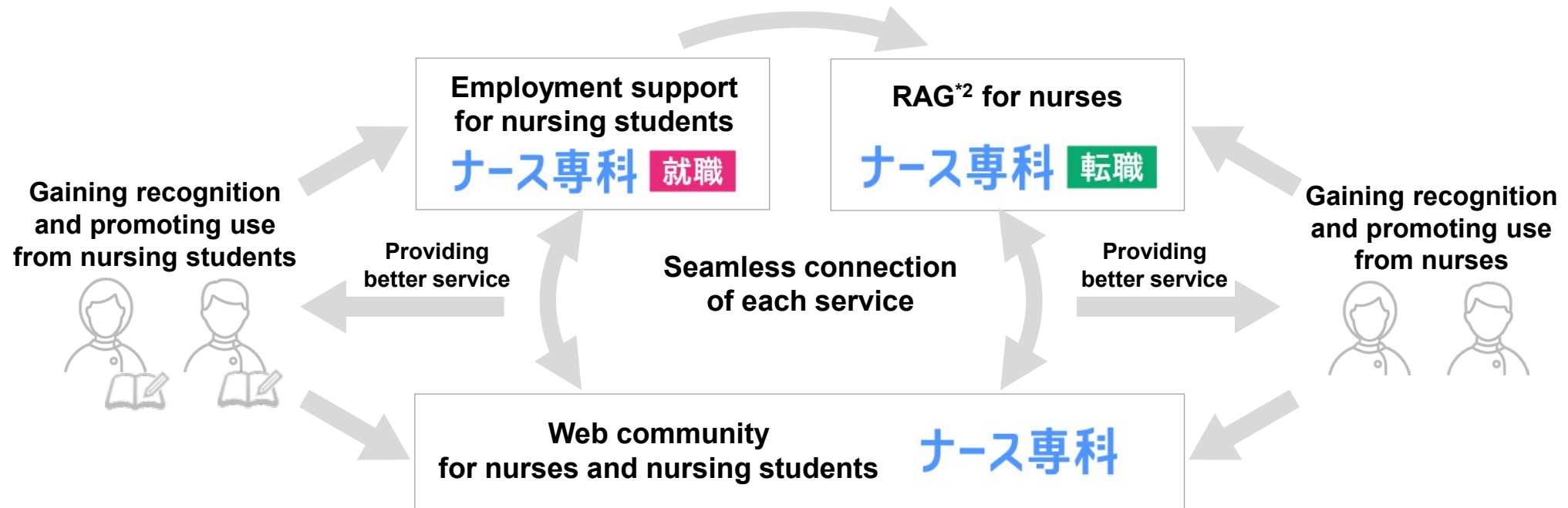


1. RAG: Recruiting agent service

Supplementary Info: Specific Measures

Continuing from the previous year, we will implement the following measures:

- Appeal to nurses through commercials, web marketing, holding offline events*¹ for nurses, etc., to deliver the message as a unified brand to nurses and gain further recognition.
- Design the user path and mutually utilize site contents to seamlessly connect each service.
- Expand site contents and improve matching accuracy by leveraging our deep understanding of nurses to provide better service.



1. "Nurse Fest 2025" is scheduled to be held in May 2025.

2. RAG: Recruiting agent service

FY03/26 Guidance: Elderly/Disability Care Operators Segment (Kaipoke)

- Long-term market prospects remain solid, backed by a continuous increase in the number of elderly/disability care operators and their needs for management support.
- Expect steady growth driven by factors such as the customer acquisition of Kaipoke, increased usage of optional add-ons (factoring, tablets, smartphones, etc.), and growth in areas including M&A matching and RAG^{*1} for persons with disabilities.
- Evolve “PROJECT RIN”, a business support system for disability welfare services into a more attractive product by adding features such as an insurance claim function to drive medium- to long-term growth.

Sales, FY03/26 Guidance [JPY million]

	FY03/25 Actual	FY03/26 Guidance	YoY Change
Elderly/Disability Care Operators (Kaipoke)	11,957	13,968	+17%

1. RAG: Recruiting agent

FY03/26*1 Guidance: Overseas Segment

- Expect growth in Medical Platform Business as the long-term market prospects remain solid with a continuous expansion of the healthcare market in Asia, while the impact of factors such as marketing budget reductions by some customers continues.
- Global Career Business has huge long-term growth potential with the expanding demands for healthcare professionals across the globe. Expect growth by increasing the number of clients (healthcare institutions), while the impact of factors such as the volatile situation in the Middle East continues.

Sales, FY03/26 Guidance [JPY million]

	FY03/25 Actual	FY03/26 Guidance	YoY Change
Overseas	9,385	9,889	+5%

1. Income statement of MIMS group is consolidated with a three-month delay and the results are for January to December. (Please refer to p.107)

03 Medium-Term Target

Medium-Term Target

- Aim to achieve a Compound Annual Growth Rate (CAGR) of 15% in Earnings Per Share (EPS) and a Return on Equity (ROE) of 20%.
- We will continue to invest aiming for EPS growth and ROE improvement, while also flexibly implementing measures for shareholder returns.

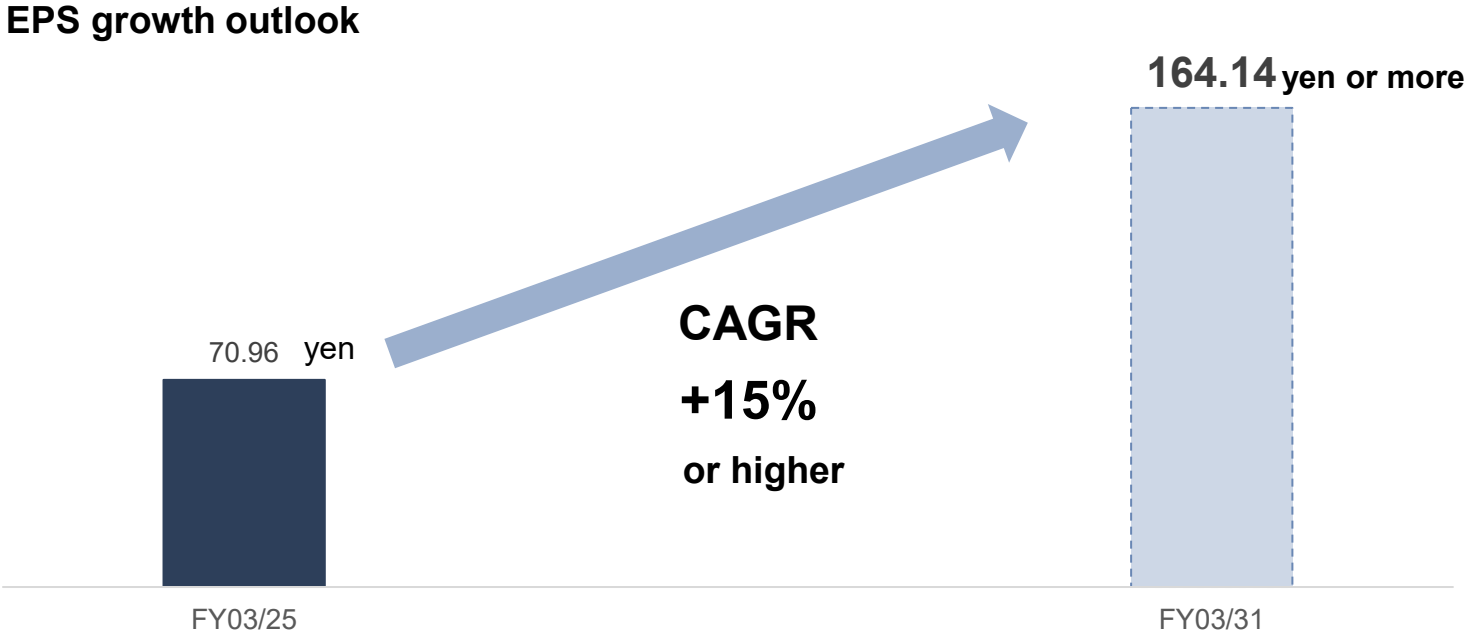
Medium-term targets for management indicators and approach to shareholder returns

Management indicators	EPS	Achieve 15% CAGR by FY03/31 ^{*1}
	ROE	Achieve 20% ROE at the earliest possible time, by FY03/31 ^{*2}
Shareholder returns	Dividends	Dividend payout ratio of 30% and progressive dividend policy ^{*3*4}
	Share Repurchase	Implement flexibly, according to financial conditions and share price levels

1. Compound Annual Growth Rate (CAGR) calculated based on results from FY03/25 through FY03/31
 2. ROE calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator
 3. Dividend per share to be maintained or increased compared with the previous fiscal year
 4. However, this does not apply in the event of major investment opportunities such as M&A.

Continuous Growth in Earnings Per Share (EPS)

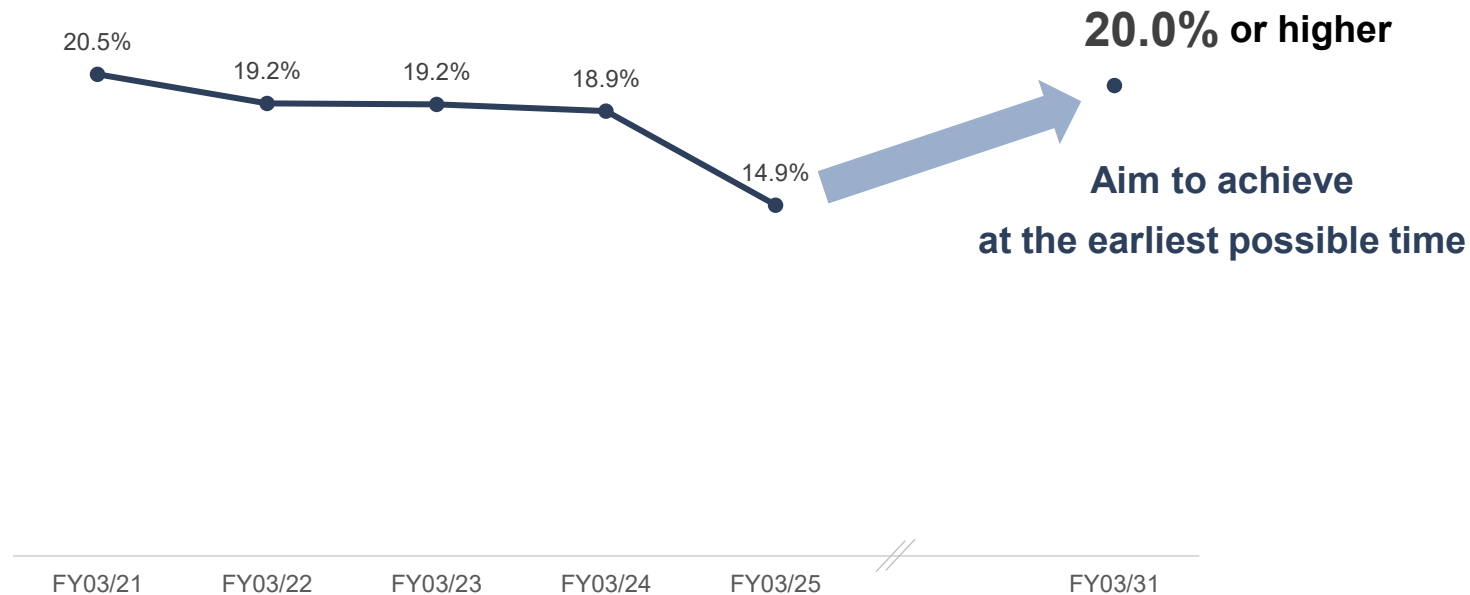
- Although we have continuously grown EPS in the past, profits declined in FY03/25 due to external factors.
- From FY03/26 onwards, we will steadily grow EPS while making growth investments and aim to achieve a 15% compound annual growth rate based on results from FY03/25 through FY03/31.



Improvement in Return on Equity (ROE)

- Currently, due to a temporary decline in the profit margin, ROE calculated excluding foreign currency translation adjustments^{*1} is at a lower level compared to the past.
- While prioritizing ROE improvement through profit margin recovery, we will also pursue improvement through financial strategies such as flexible shareholder returns, and aim to achieve 20% ROE at the earliest possible time, by FY03/31.

ROE Trend



1. ROE calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator

Shareholder Returns

- Based on the judgment that EPS growth is achievable over the medium- to long-term, we have updated our dividend policy to implement a progressive dividend in addition to our target of a 30% consolidated payout ratio.
- We will also implement share repurchases flexibly, considering our financial conditions and share price levels.

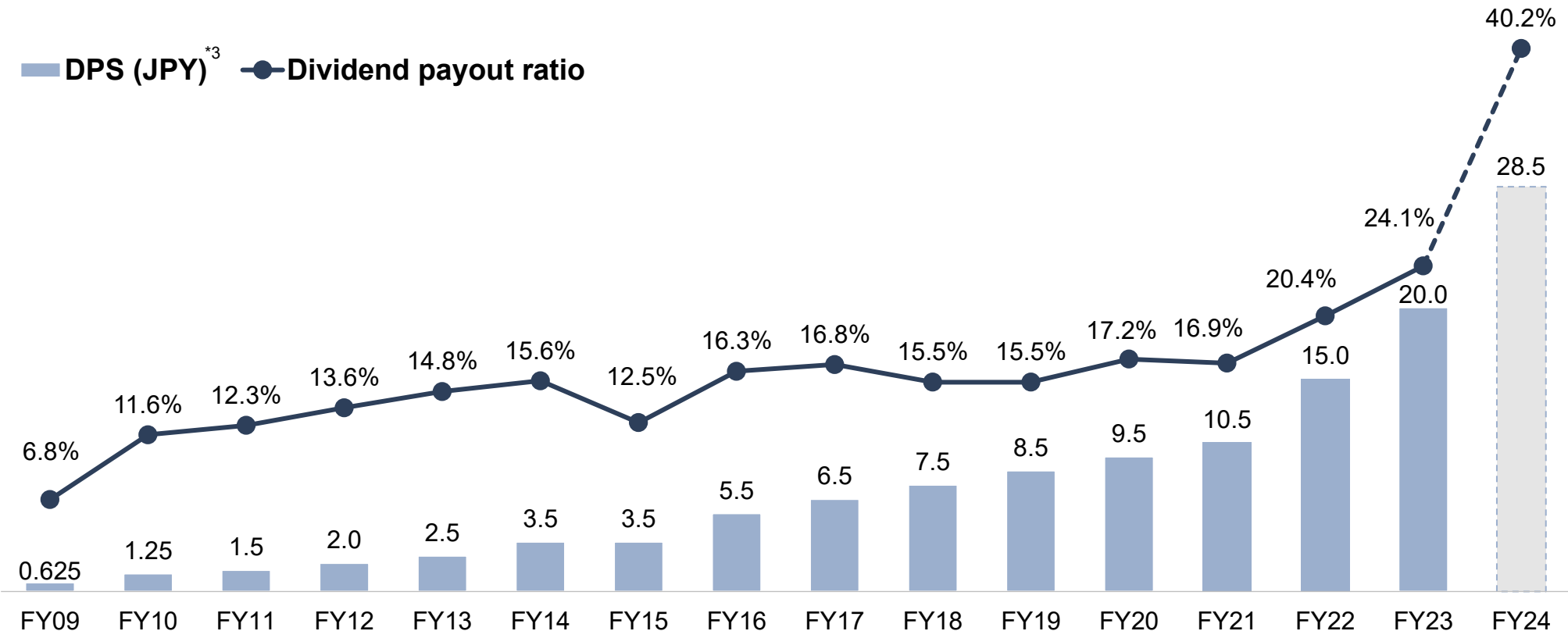
Our Approach to Shareholder Returns

Dividend Policy	(Before the changes) Our basic policy for profit distribution is to pay dividends in line with business results for each fiscal year, with a target consolidated dividend payout ratio of 30%, while prioritizing growth investment and considering the financial conditions. However, this does not apply in the event of major investment opportunities such as M&A. (After the changes) Our basic policy for profit distribution is to <u>implement a progressive dividend</u>^{*1}, with a target consolidated dividend payout ratio of 30%, while prioritizing growth investment and considering the financial conditions. However, this does not apply in the event of major investment opportunities such as M&A.
Share Repurchase Program	We implement share repurchases flexibly, according to financial conditions and share price levels.

1. Dividend per share to be maintained or increased compared with the previous fiscal year

Supplementary Info: Trend in Shareholder Returns

- The year-end cash dividend per share for FY03/25: 28.5 yen (increased by 8.5 yen compared with FY03/24)
- The consolidated dividend payout ratio*¹ based on actual EPS for FY03/25: 40.2%
- Total payout ratio*², including the share repurchase of approximately 3.9 billion yen executed in FY03/2025: 105.5%



1. Dividend payout ratio = DPS / EPS
 2. Total payout ratio = (Total dividends to be paid + Total share repurchased) / Net income *Forecast for dividends
 3. Past stock splits are taken into account for the DPS calculation.

04 Topic

Topic: Share Repurchase Program

Plan to repurchase shares (up to 4 billion yen / 3,382,600 shares) in order to enable flexible implementation of capital policies in response to changes in the business environment.

Overview of Share Repurchase announced on April 28, 2025

Total number of shares to be repurchased	3,382,600 shares ^{*1*2} (3.98 % of total shares outstanding ^{*3})
Aggregate repurchase price	4 billion yen ^{*1}
Repurchase period	From April 30, 2025 to July 31, 2025
Repurchase method	Market purchase based on a discretionary trading agreement

1. Maximum
 2. The total number of shares to be repurchased is calculated based on the aggregate repurchase price of 4 billion yen and the closing price (1,182.5 yen) on April 25, 2025, which is one business day before the Board resolution, and the number of shares less than one unit is rounded down.
 3. Excluding treasury shares

05 **References**

Mission and Strategy

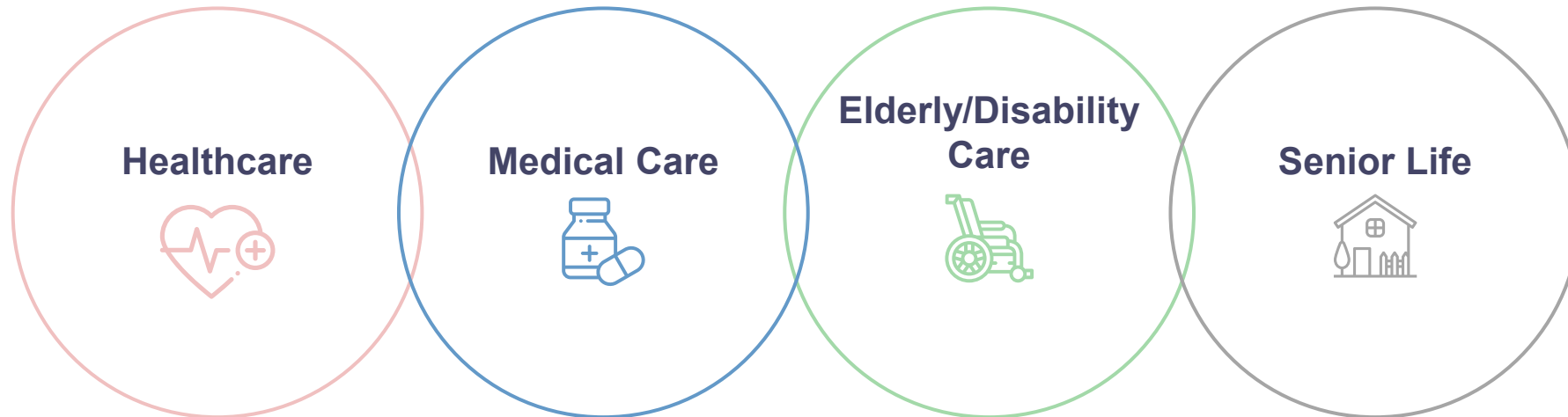
Mission

Group Mission

**We aim to improve people's quality of life
by providing information infrastructure
for an aging society.**

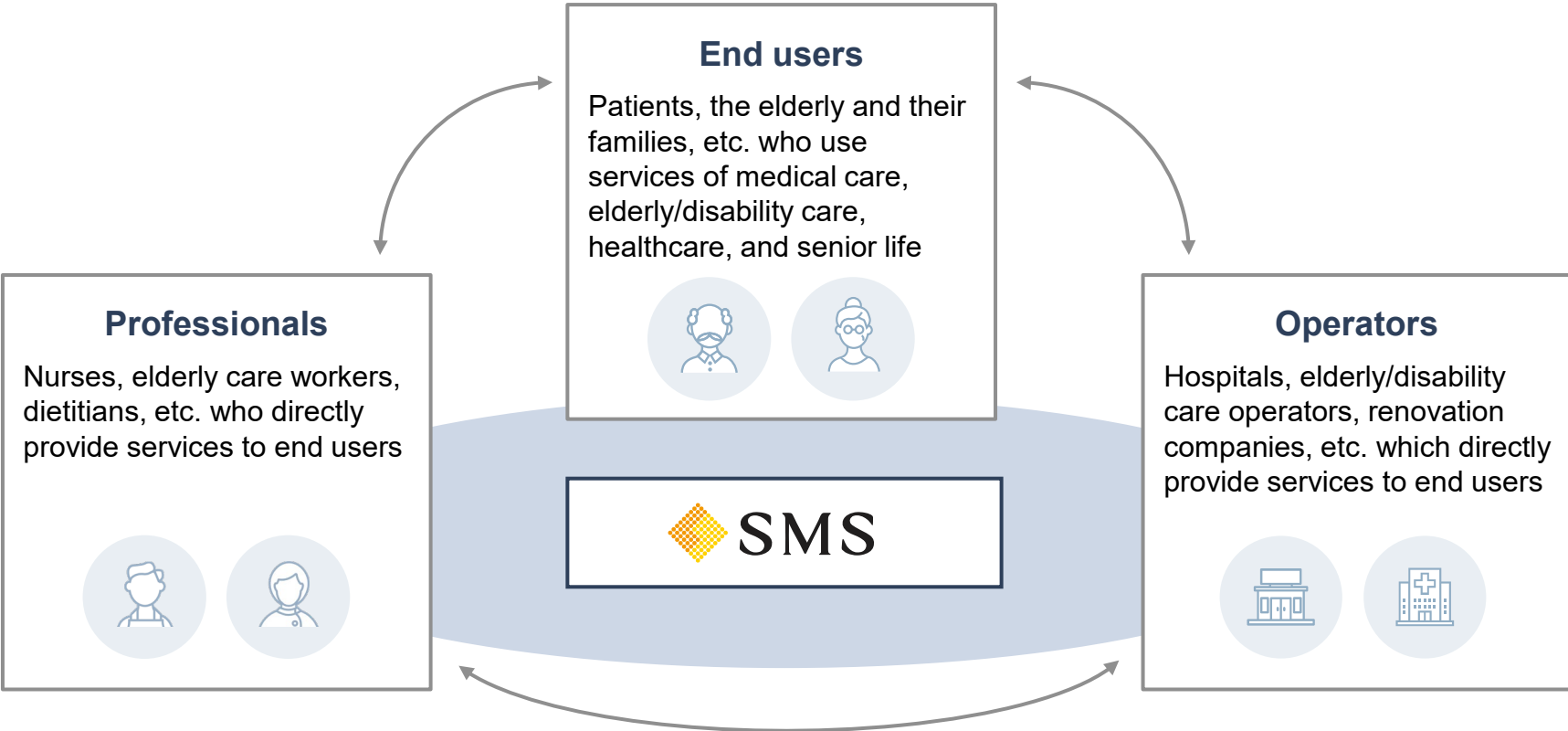
Aging Society

Define our business domains in an aging society as **Medical Care**, **Elderly/Disability Care**, **Healthcare**, and **Senior Life**.



Information Infrastructure

Define information infrastructure as a platform to connect those to whom we provide value: end users such as patients, the elderly and their families; professionals such as nurses and elderly care workers; and business operators such as hospitals and elderly/disability care operators.



Business Areas

- Set our business areas based on the four domains required for an aging society and the three stakeholders to whom we provide value.
- Build the information infrastructure by developing and nurturing businesses in each business area.

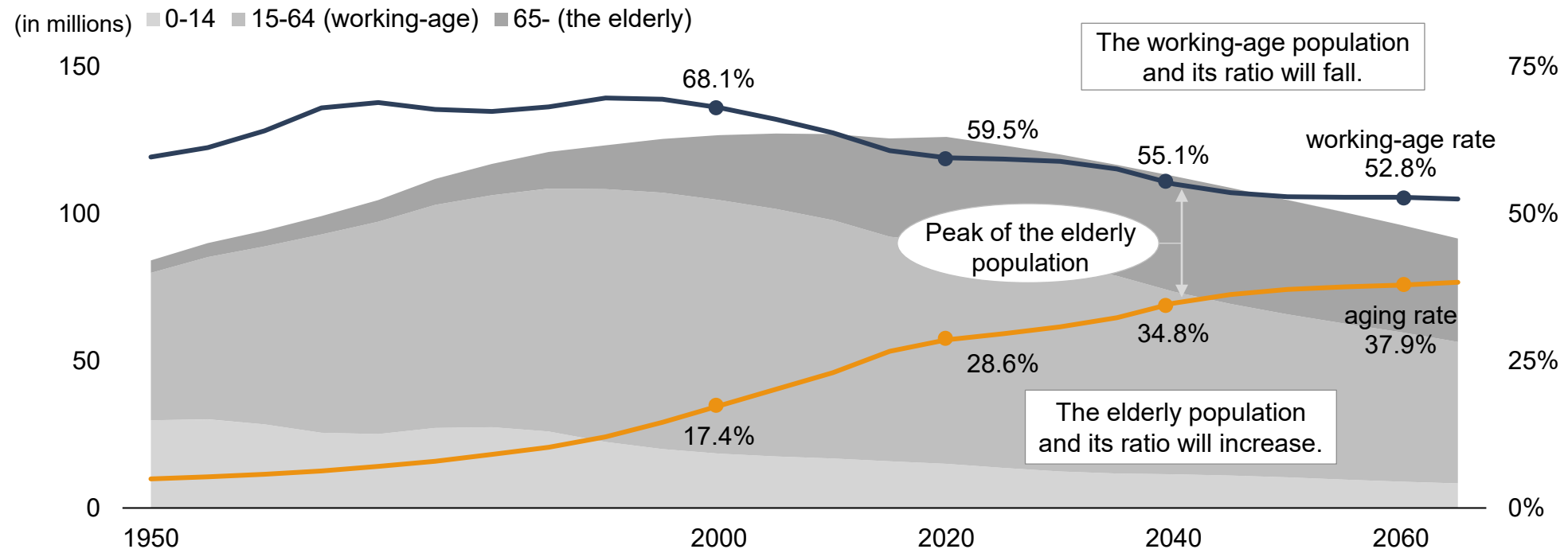
	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 				
Operators 		Business Areas		
End users 				

Issues in an Aging Society and Our Solutions

An Unprecedented Era of Low Birth Rate, Aging and Population Decline

- We are facing rapid aging and population decline simultaneously in Japan.
- The aging rate is expected to reach approximately 35% by 2040 when the elderly population approaches its peak.
- The working-age population is declining, and its ratio will drop to nearly 55% by 2040.

Population trends in Japan*1



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

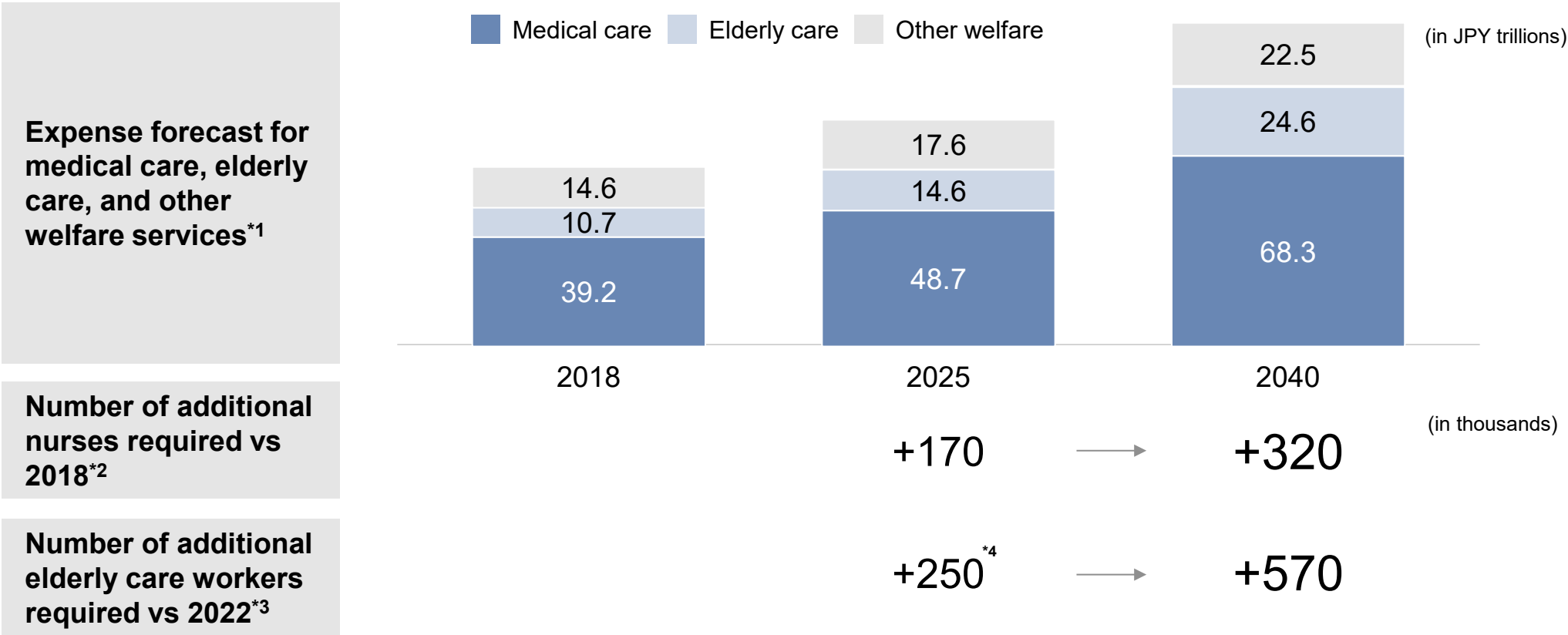
Three Critical Issues Faced by an Aging Society

- We are facing three critical social issues in an aging society with the low birth rate, aging and population decline.
- Need to solve these issues in order to improve people's quality of life in an aging society.

Issue 1	Difficulty in sustaining high-quality medical care and elderly/disability care services
Issue 2	More severe burden on the working generation
Issue 3	Difficulty in solving problems related to living in an aging society

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services

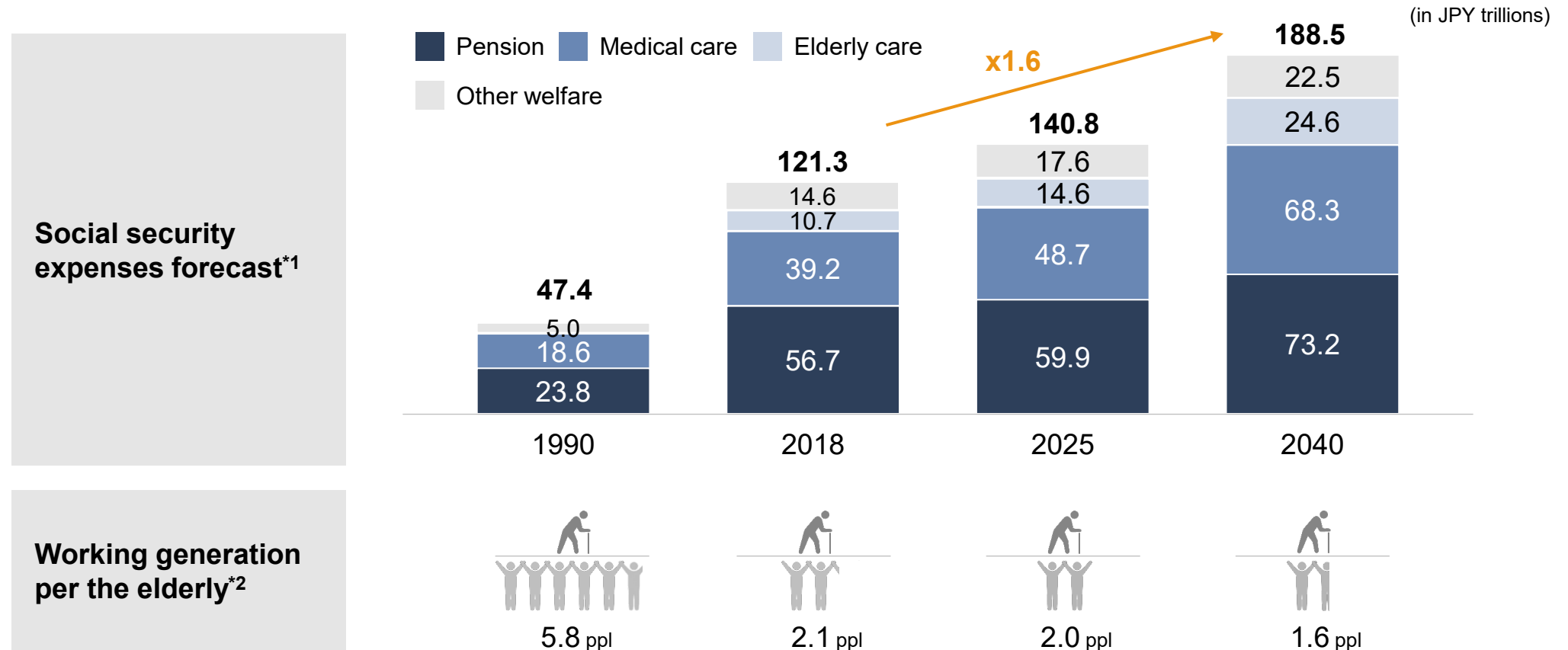
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"
 2. MHLW, "Status of securing nurses and other nursing staff"
 3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"
 4. Required number as of 2026

Issue 2: More severe burden on the working generation

The burden on the working generation will become more serious due to the increasing social security expenses for pensions, medical care, elderly care, and other welfare services, as well as the declining working-age population who cover these expenses.

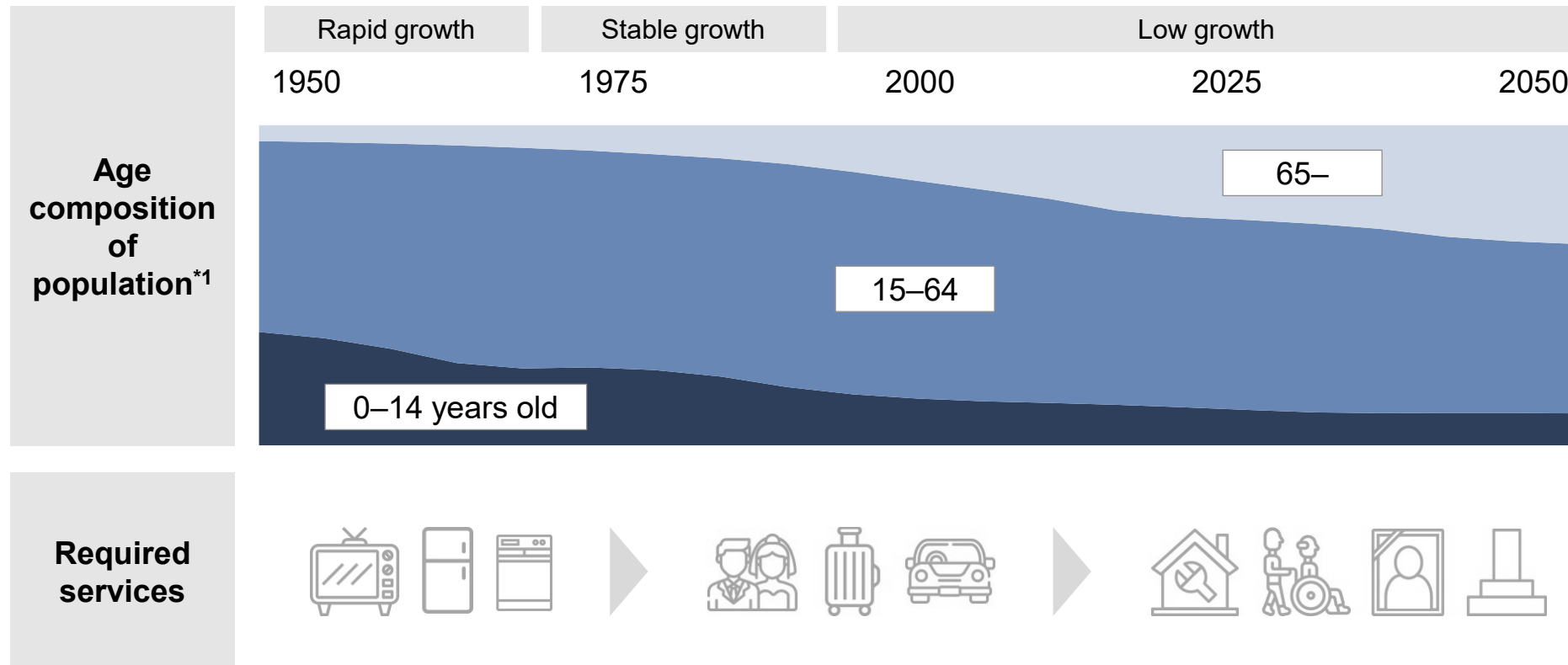


1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

2. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Issue 3: Difficulty in solving problems related to living in an aging society

- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and their families will have difficulties in solving life-related problems in an aging society.



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Our Solutions for Issues in an Aging Society

Address the social issues in an aging society by establishing specific solutions targeting each social issue and building information infrastructure.

Social issues in an aging society		Our Solutions
Issue 1	Difficulty in sustaining high-quality medical care and elderly/disability care services	• Solve labor shortages and uneven distribution of medical care and elderly/disability care professionals. • Improve the management of medical care and elderly/disability care operators.
Issue 2	More severe burden on the working generation	• Increase the number of healthy people in the work force.
Issue 3	Difficulty in solving problems related to living in an aging society	• Provide a variety of options and high-quality decision-making information.

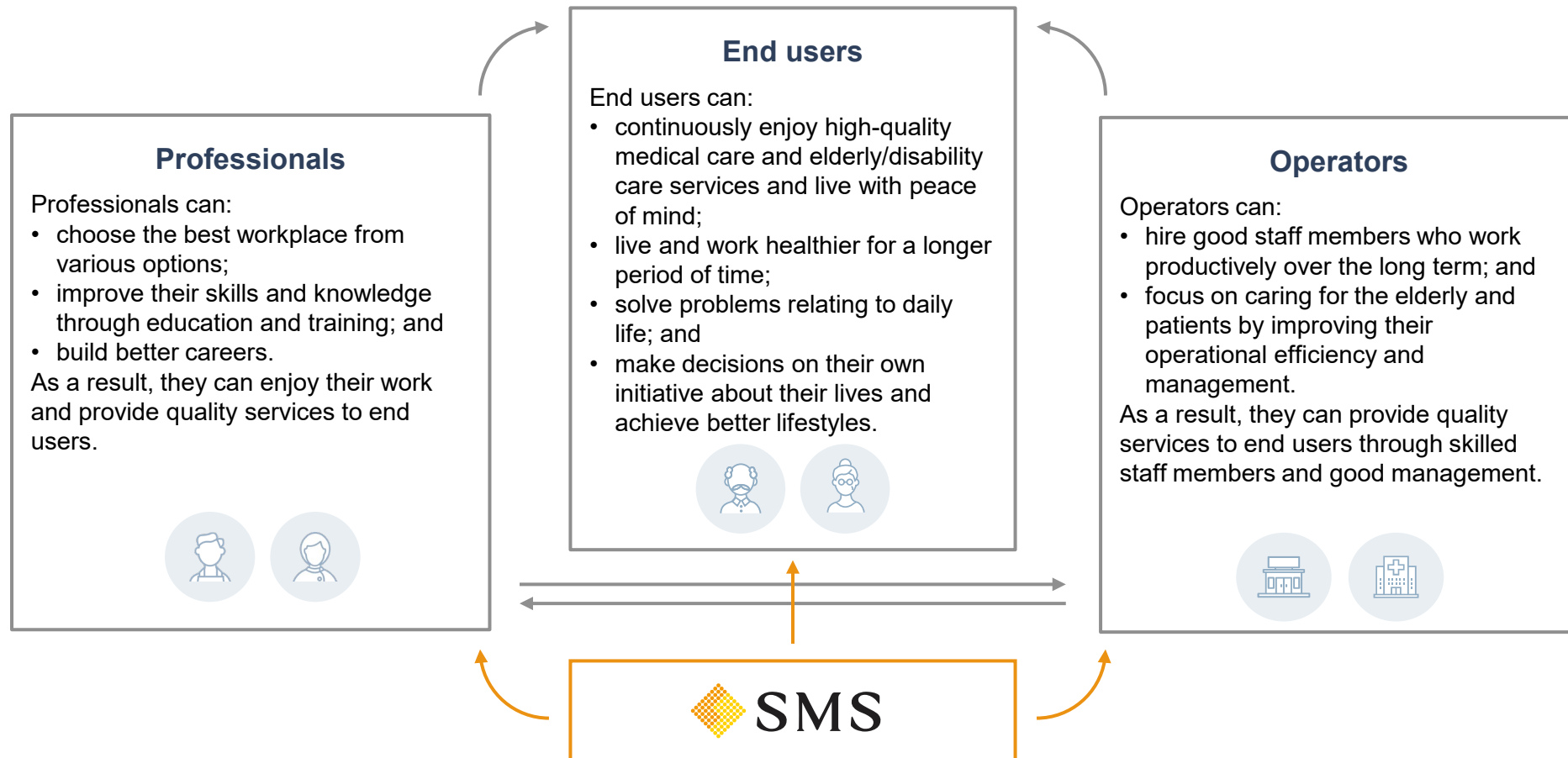
Strategic Business Areas

Aim to solve the three critical issues in an aging society by defining our strategic business areas as Career, Elderly/Disability Care Operators, Healthcare, and Senior Life, and by strategically developing and nurturing businesses to address the issues.

	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 	Healthcare Business Issue 2	Career Business Issue 1		Senior Life Business Issue 3
Operators 		Elderly/Disability Care Operators Business Issue 1		
End users 				

Realization of the Group Mission

Contribute to improving people's quality of life in an aging society by building information infrastructure and providing value to end users, professionals, and operators.



Growth Track

Location

- Started our business in Japan in 2003 and have accelerated our overseas expansion since the acquisition of MIMS group in 2015.
- Have offices in 17 countries and regions, mainly in Japan and APAC.



Japan
South Korea
China
Hong Kong
Taiwan
Singapore
Malaysia
Indonesia
Thailand

Vietnam
Philippines
India
Australia
New Zealand
UAE
Ireland
Germany

Business Portfolio

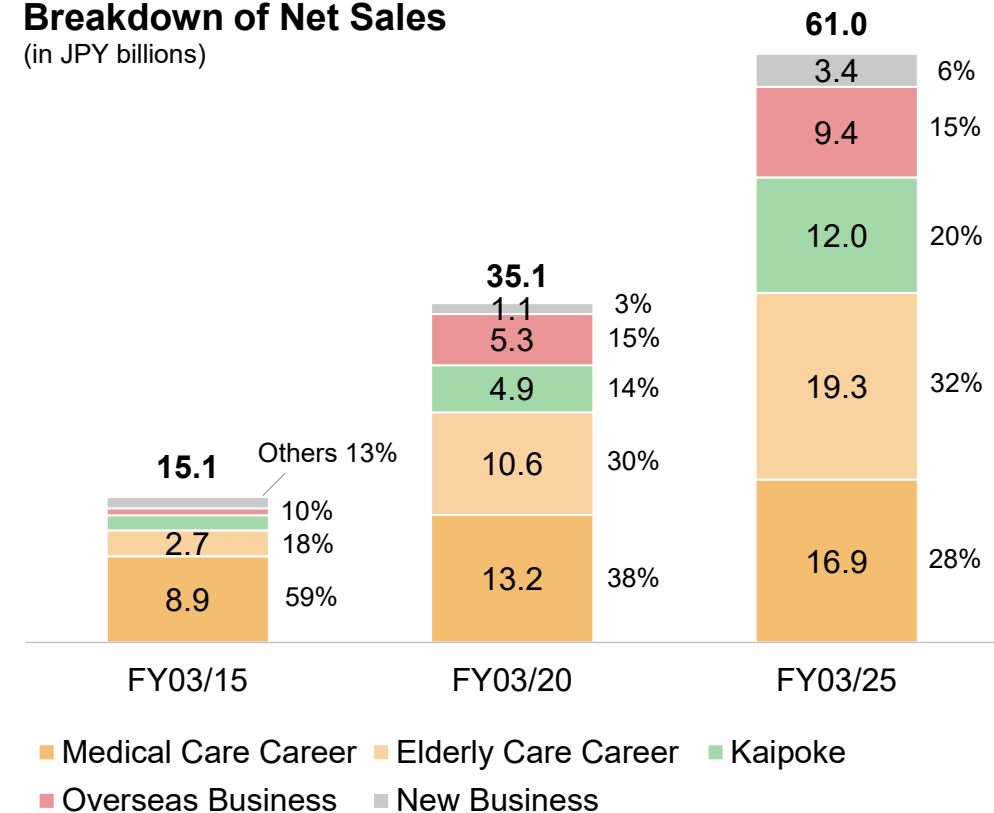
- **Medical Care Career** has been driving our growth since our establishment.
- **Elderly Care Career, Kaipoke and Overseas business** are growing as the new pillars of our business portfolio.
- **Actively develop new businesses**, mainly in healthcare and senior life domains, to create next pillars of our businesses, which will further drive our long-term growth.

Business Areas

- Career Business – Medical Care Career**
 - Recruiting service for medical care professionals
- Career Business – Elderly Care Career**
 - Recruiting service for elderly/disability care professionals
- Elderly/Disability Care Operators Business (Kaipoke)**
 - Management support platform for elderly/disability care operators
- Overseas Business**
 - Marketing support service for medical-related companies
 - Clinical decision support
 - Domestic/cross-border recruiting service of HCPs*¹
- New Business**
 - Developing new businesses mainly in Healthcare and Senior Life domains

Breakdown of Net Sales

(in JPY billions)

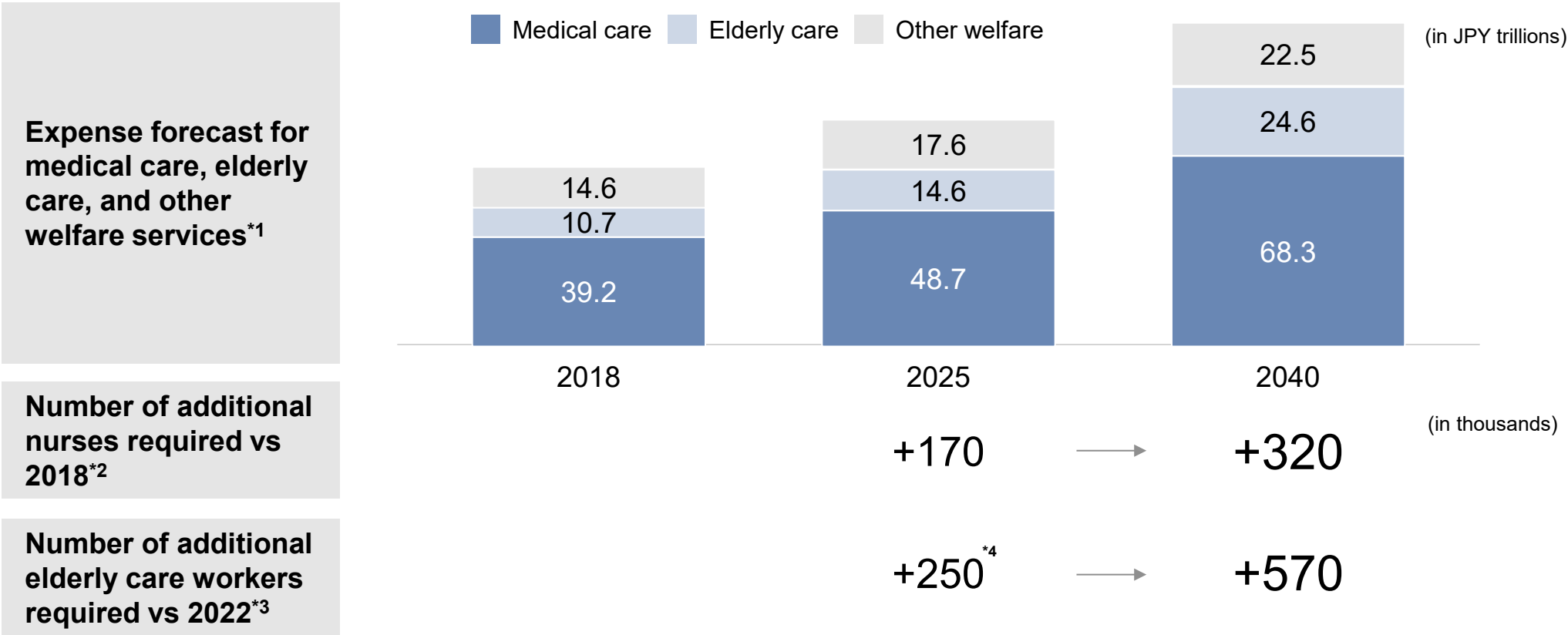


1. HCP: Healthcare professionals

Career Strategy

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services (Repost)

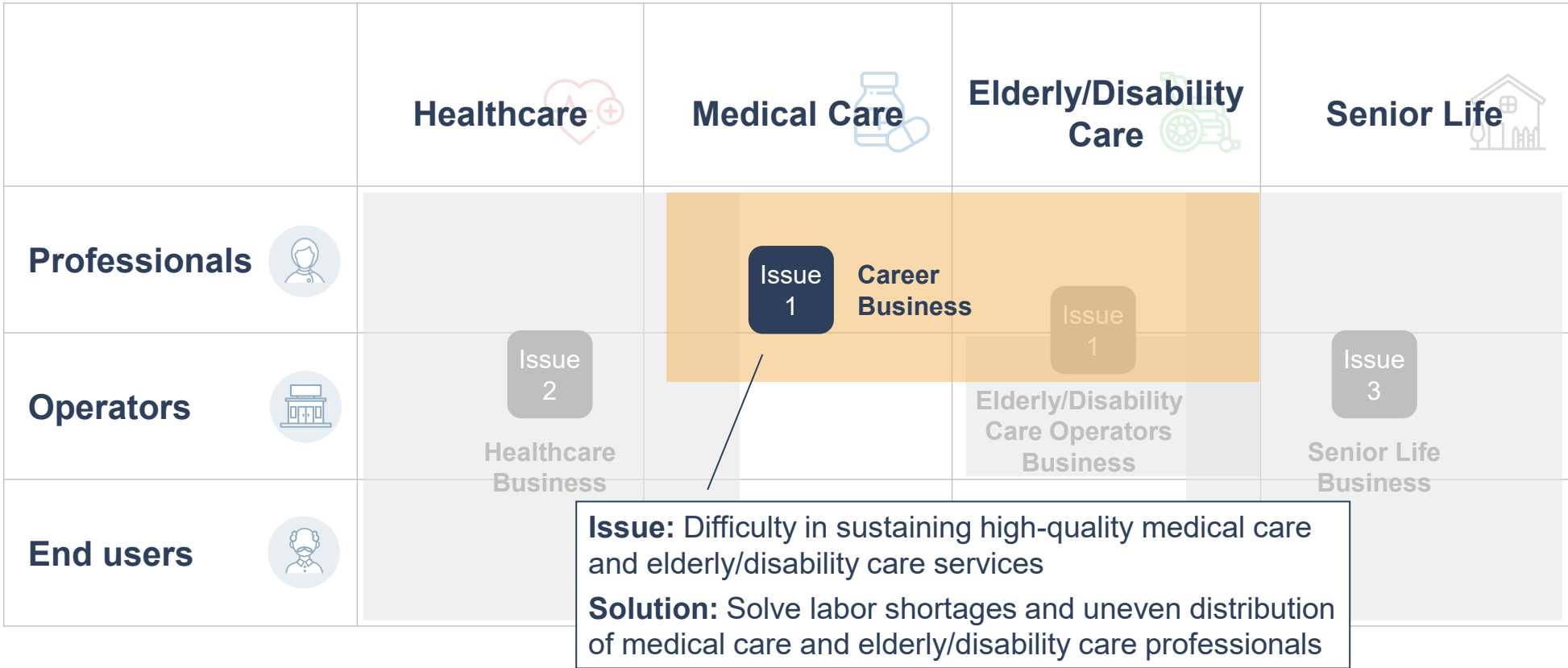
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"
 2. MHLW, "Status of securing nurses and other nursing staff"
 3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"
 4. Required number as of 2026

Solution for Issue 1 in Career Business

Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by solving labor shortages and uneven workforce distribution through optimized matching of professionals and operators.

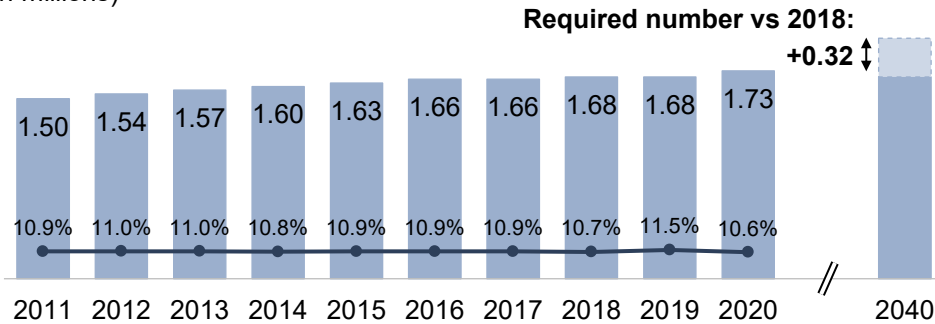


Shortage of Professionals

- Labor shortage continues to be a serious issue despite the increasing numbers of nurses and elderly care workers.
- The labor shortage of care workers is particularly severe, with an additional 570,000 care workers will be required by 2040 compared to 2022.

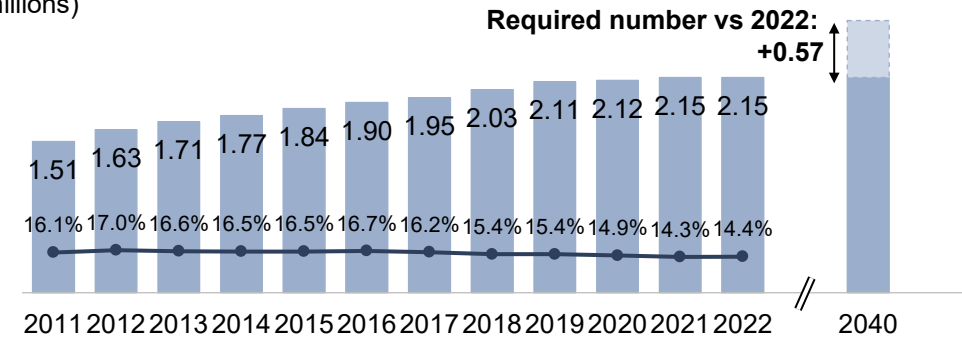
Number of nurses / their turnover rate*1

(in millions)

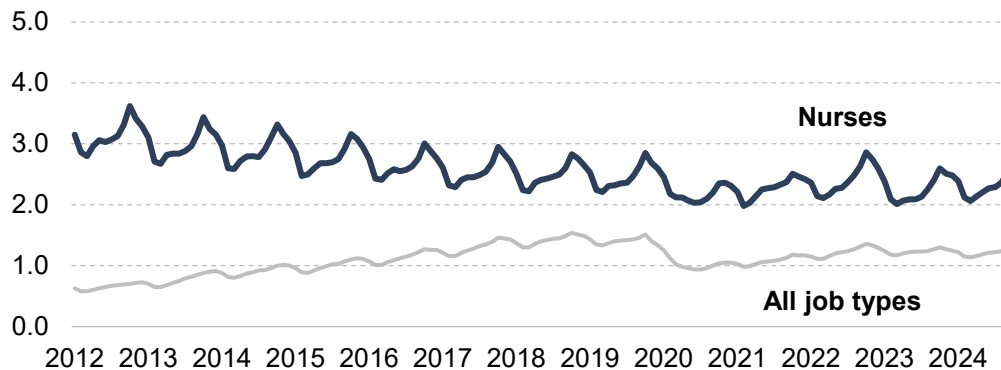


Number of care workers / their turnover rate*2

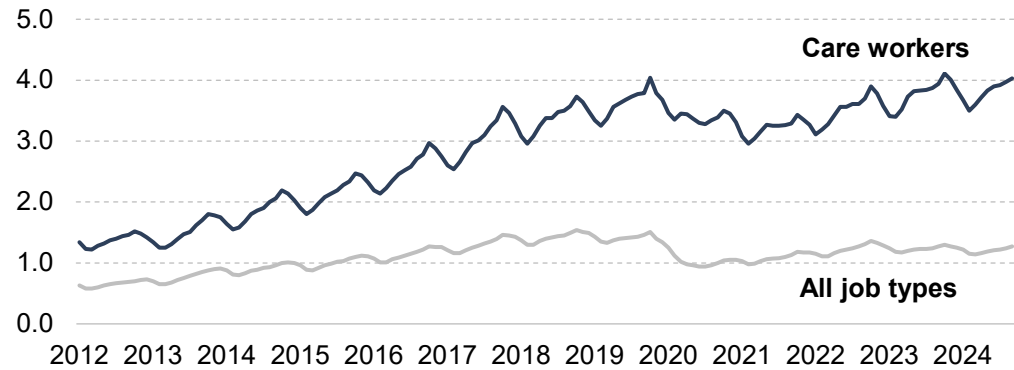
(in millions)



Jobs-to-applicants ratio of nurses*3



Jobs-to-applicants ratio of care workers*3



1. Number of nurses/their turnover rate: Japanese Nursing Association "Nursing Statistics", Required number in 2040: MHLW, "Status of securing nurses and other nursing staff"

2. Number of elderly care workers: MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance", Turnover rate: Care Work Foundation "Care Work Survey"

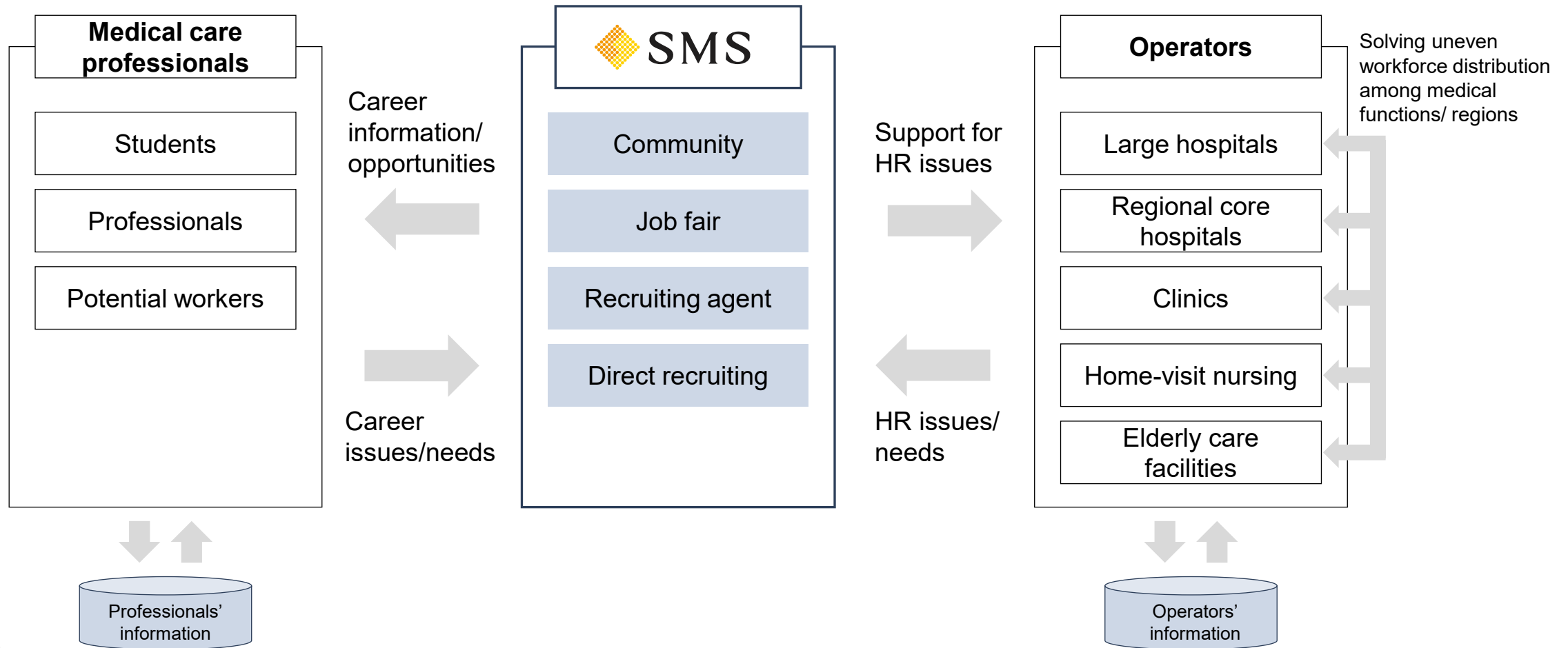
3. MHLW, "Employment referrals for general workers"

Mission of Career Business

We aim to contribute to sustaining high-quality medical care and elderly/disability care services by solving labor shortages and uneven workforce distribution.

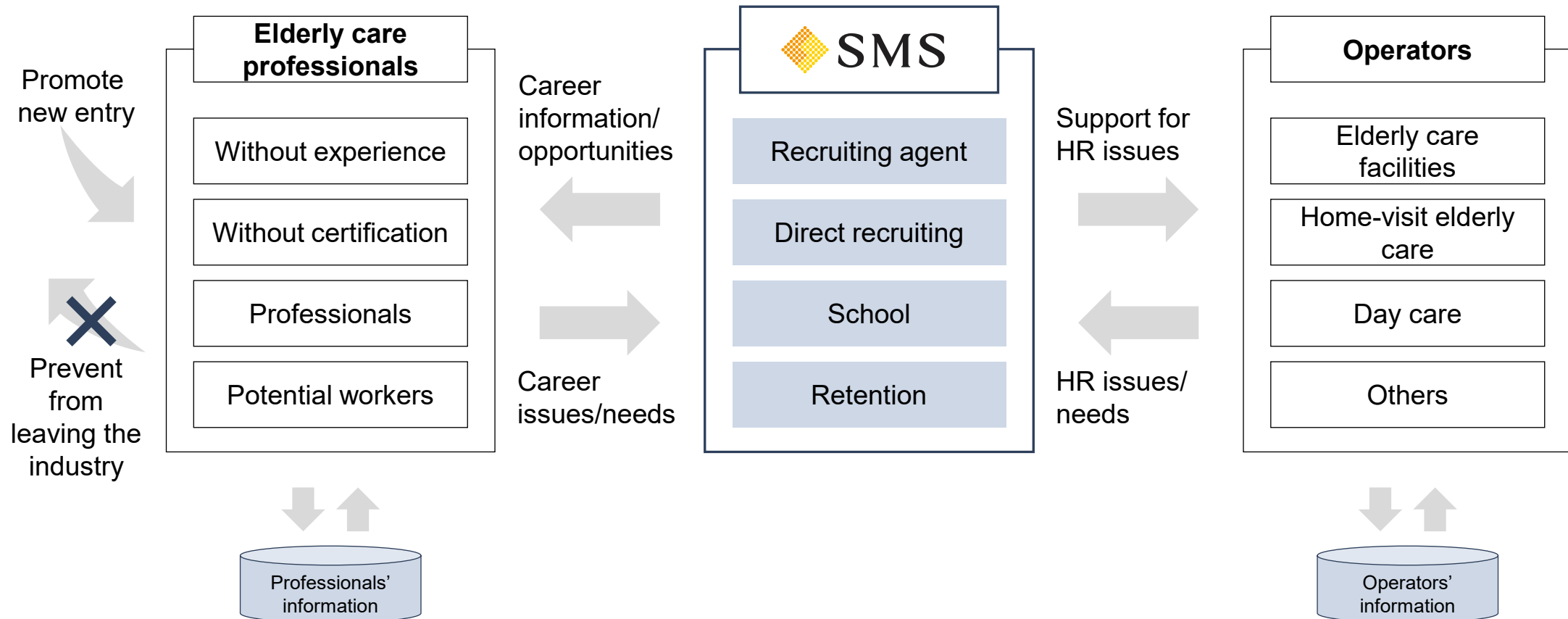
Strategy of Medical Care Career

- Provide various supports for professionals in pursuing their ideal careers throughout their professional lives, including supports in: finding/changing jobs, returning to work, and developing their careers.
- Promote optimal matching between professionals and operators in order to solve uneven workforce distribution among medical functions and regions.



Strategy of Elderly Care Career

- Promote new entry from outside the industry through helping new entrants obtain a qualification and find a good job at a good operator.
- Prevent turnover to outside the industry through enhancing working environments of operators and optimizing matching between professionals and operators.

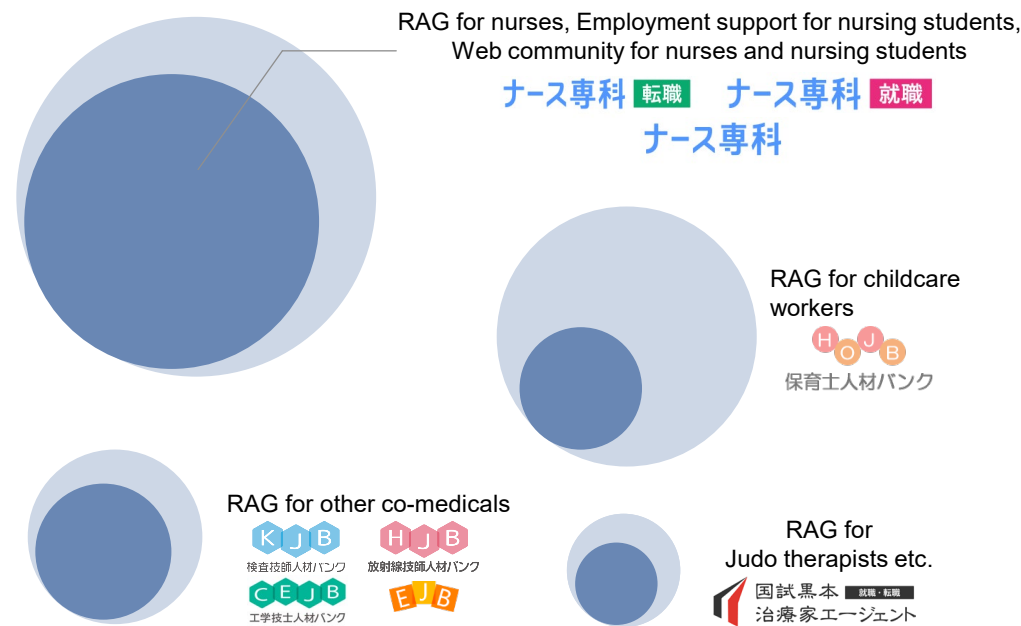


Growth Scenario

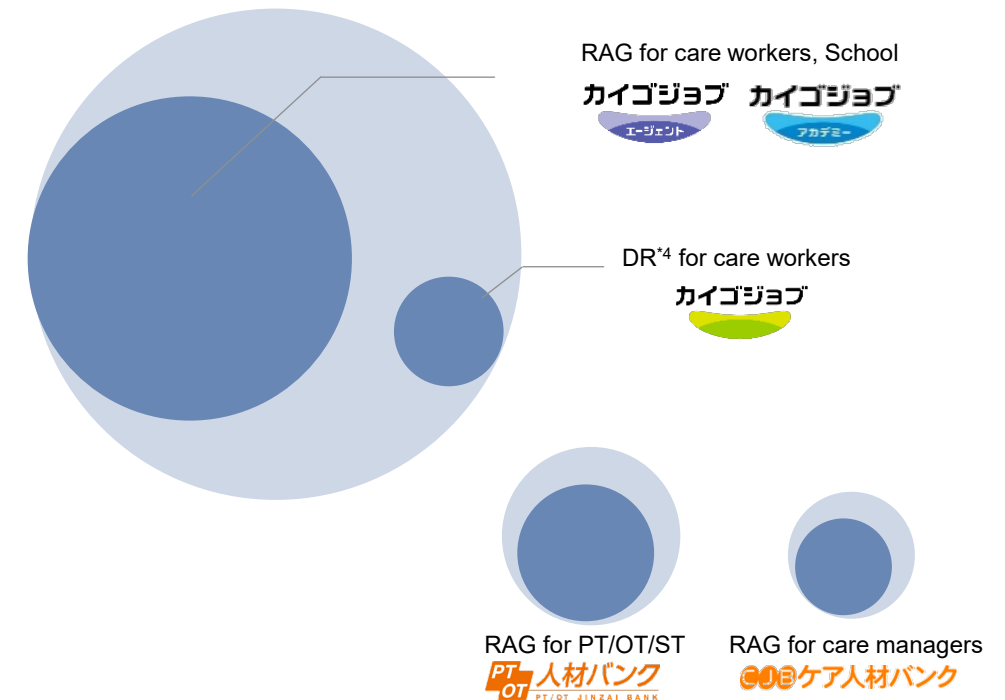
- The Career Segment has huge growth opportunities.
- Leveraging our Career Business expertise developed as an industry pioneer, we are driving growth led by the stable growth in services for nurses, as well as services for care workers with severe labor shortages and RAG^{*1} for childcare workers, which has significant potential for expansion.

Sales of Medical Care Career: JPY 16.9 billion^{*2*3}

● : Sales for FY03/25 ● : Estimates of the future sales



Sales of Elderly Care Career: JPY 19.3 billion^{*3}

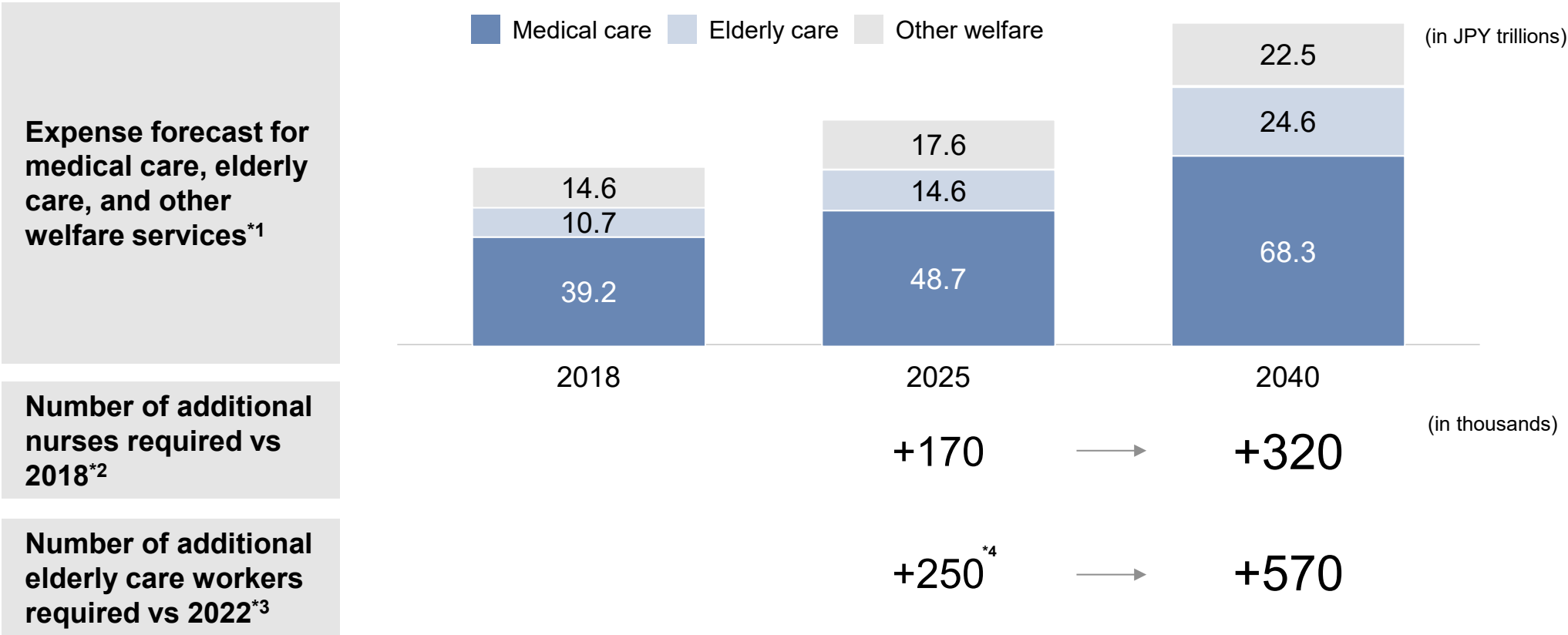


1. RAG: Recruiting agent service
2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).
3. Sales for FY03/25
4. DR: Direct recruiting

Elderly/Disability Care Operators (Kaipoke) Strategy

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services (Repost)

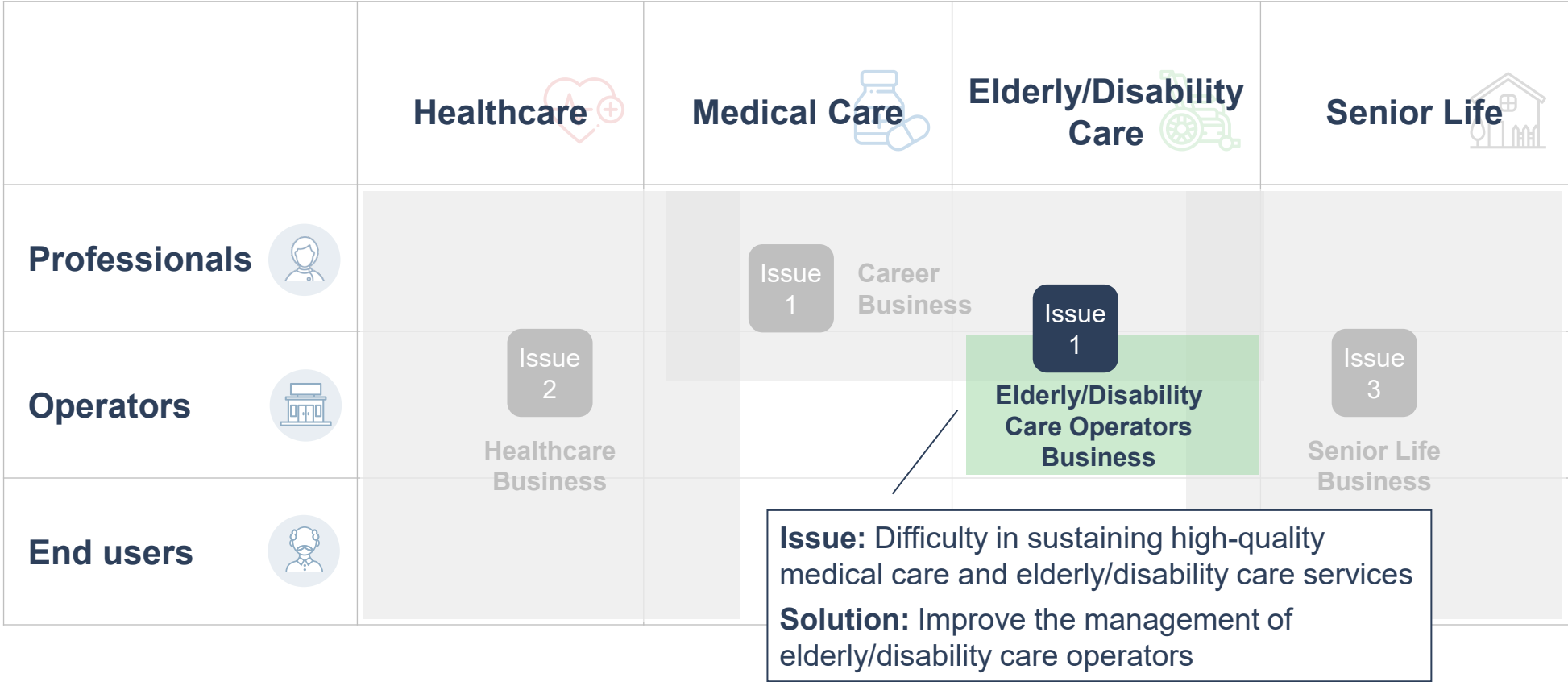
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"
 2. MHLW, "Status of securing nurses and other nursing staff"
 3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"
 4. Required number as of 2026

Solution for Issue 1 in Elderly/Disability Care Operators Business

Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by improving the management of elderly/disability care operators through a management support platform “Kaipoke”.



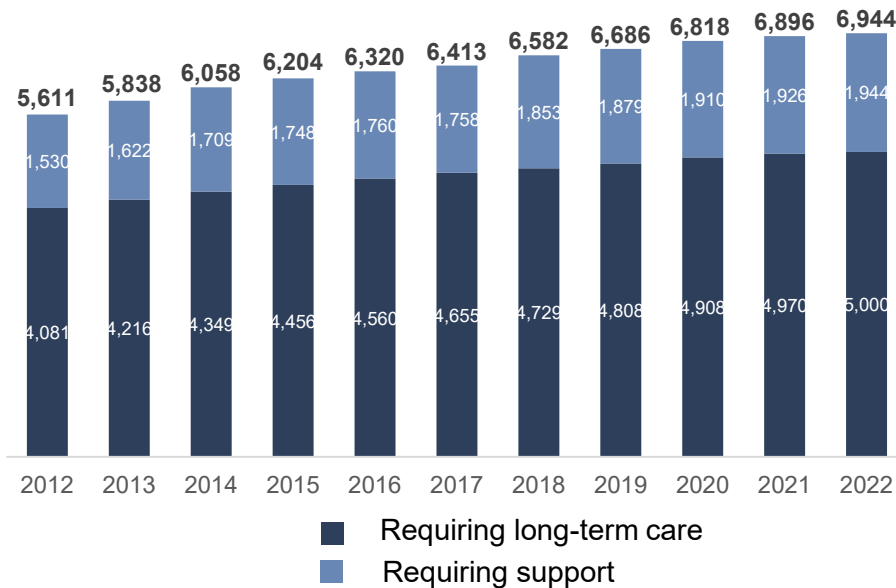
Business Environment of Elderly Care Services

As the population ages, the number of elderly care operators continues to increase, amounting to 260,000 offices.

Number of people certified for long-term care/support need*1

(in thousands)

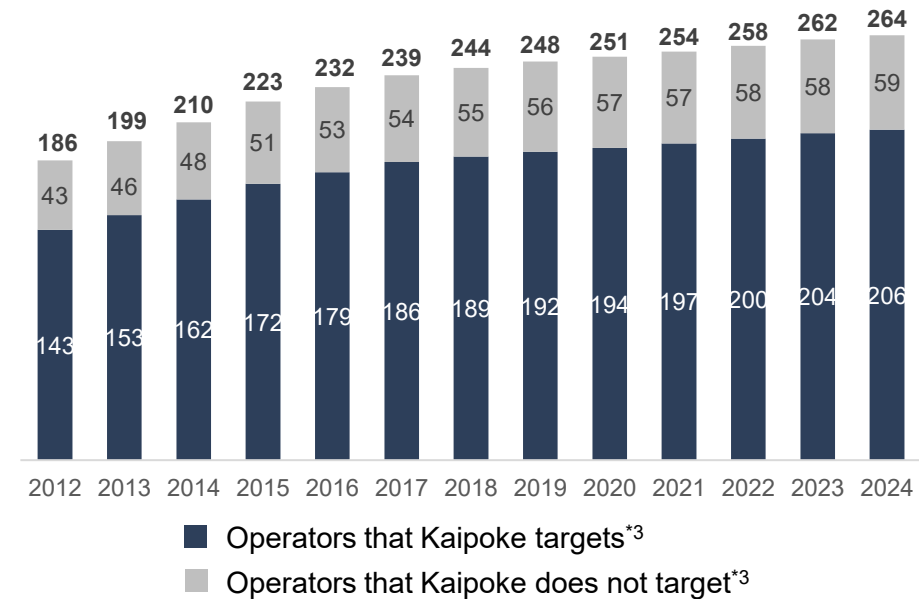
Average annual rate of increase: 2.2%



Number of elderly care service offices*2

(in thousands)

Average annual rate of increase: 2.9%



1. MHLW, "Report on Long-Term Care Insurance"

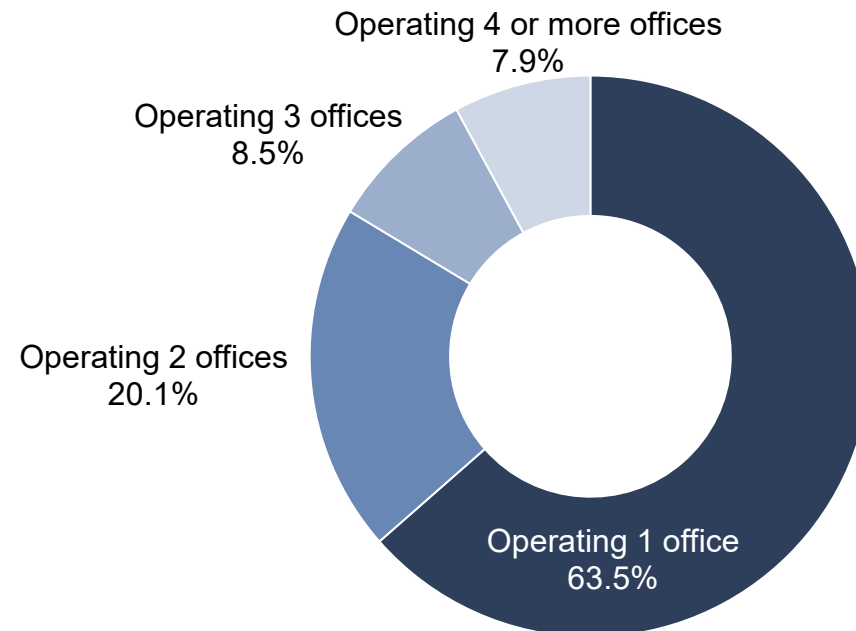
2. MHLW, "Statistics of Long-term Care Benefit Expenditures" (March of each year)

3. Kaipoke targets in-home services such as in-home care support, home-visit elderly care, day care, home-visit nursing, and outpatient rehabilitation, etc., and does not target facility services such as commuting care for elderly with dementia, short stay, daily life care for elderly in specific facilities, and small-sized multifunctional inhome care, etc.

Business Environment of Elderly Care Services

- More than 80% of the elderly care operators covered by Kaipoke are small corporations with one or two operating offices.
- It is difficult for these operators to focus on the care for the elderly due to various operational/management issues such as numerous indirect tasks, including document preparation, insufficient manpower, low purchasing power, and cash-flow issues.

Size of corporations operating elderly care service offices*¹



1. MHLW, "Long-Term Care Information Publication System", "Information Provision System for residences with health and welfare services" Compiled based on information as of January 2025

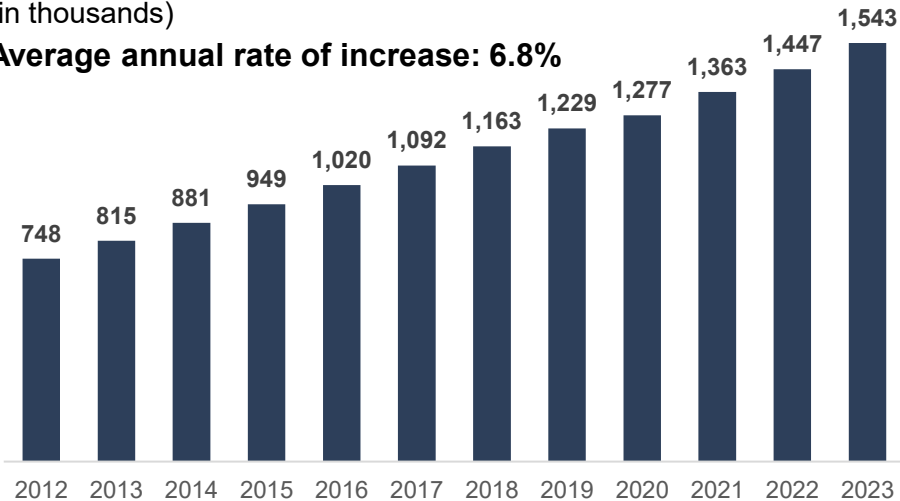
Business Environment of Disability Welfare Services

The number of users of welfare services for persons with disabilities is on the rise due to better understanding of disabilities and easier access to diagnosis, and the number of service offices is continuously increasing.

Number of users of welfare services for persons with disabilities and for children with disabilities (average per month)^{*1}

(in thousands)

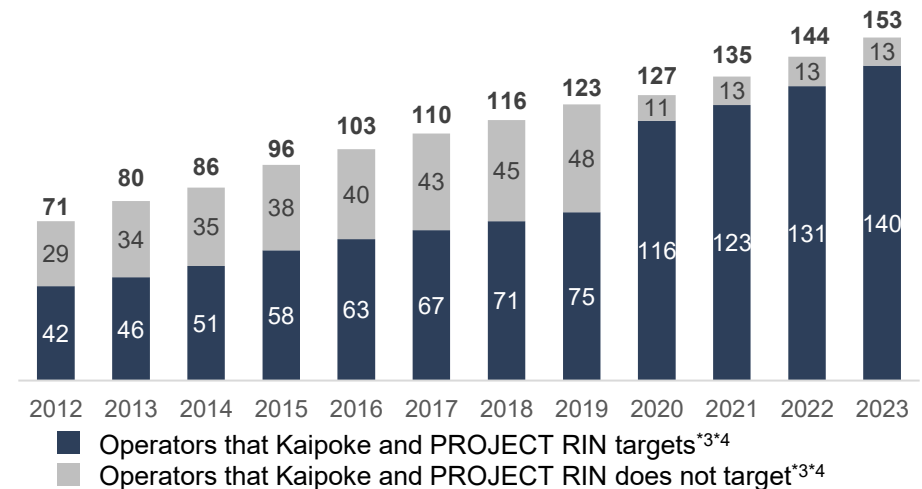
Average annual rate of increase: 6.8%



Number of welfare service offices for persons with disabilities^{*2}

(in thousands)

Average annual rate of increase: 7.2%



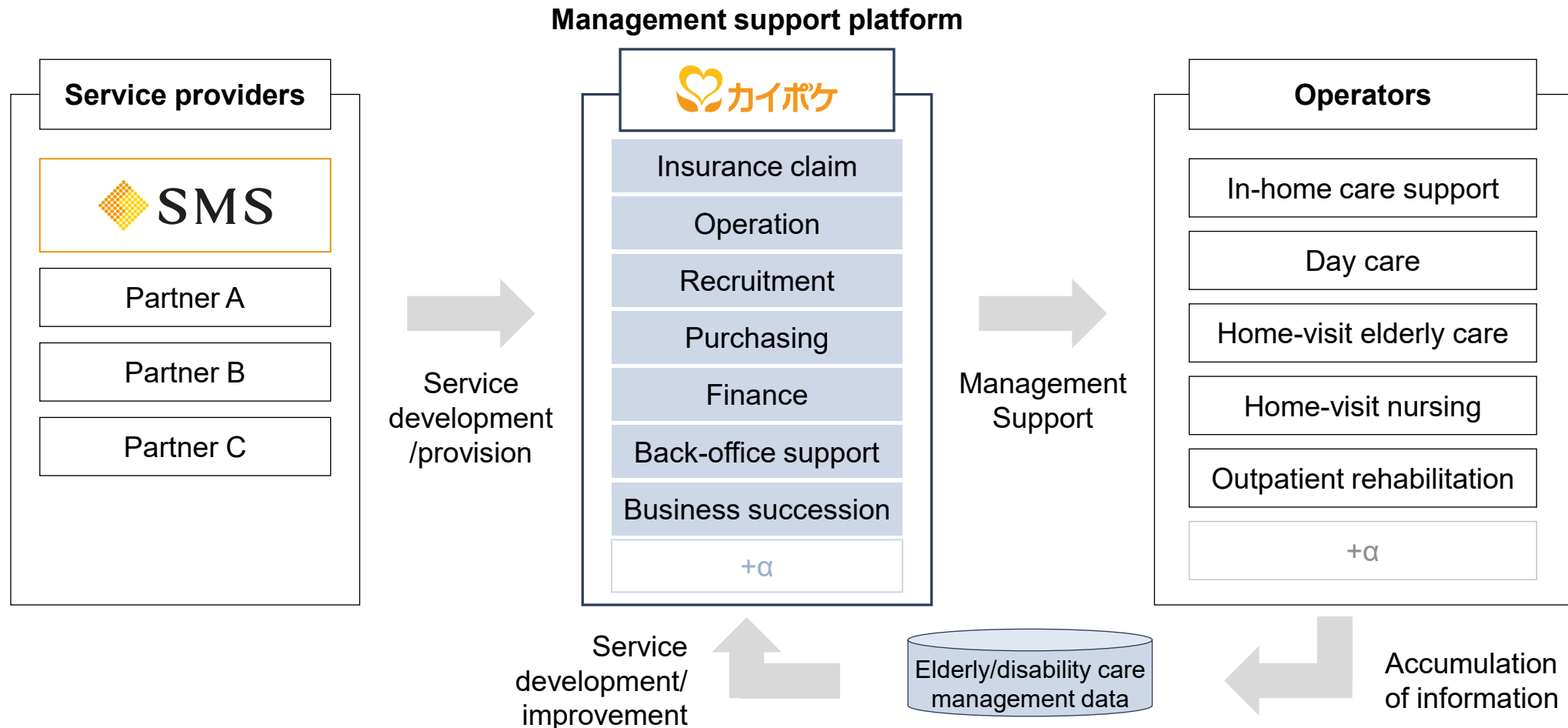
1. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc."
2. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc.", "Recent Trends in the Field of Welfare for Persons with Disabilities"
3. Kaipoke and PROJECT RIN targets, in-home nursing care, visiting care for persons with severe disabilities, companion support, activity support, daily nursing care, independent living support, group home assistance, rehabilitation services, employment transition support, employment continuation support (Type A/B), employment retention support, planning consultation support, consultation support for children with disabilities, child development support, and after-school day services.
4. For companion support, activity support, independent living support, group home assistance (external/daytime support types), rehabilitation services, employment transition support, employment continuation support (Type A/B), employment retention support, planning consultation support, consultation support for children with disabilities are targeted by Kaipoke and PROJECT RIN, but the number of individual offices is unknown prior to FY 2019, so they are not targeted until 2019 and are counted as targeted starting in 2020.

Mission of Elderly/Disability Care Operators Business (Kaipoke)

We aim to contribute to sustaining high-quality elderly/disability care services by improving the management and the service quality of elderly/disability care operators.

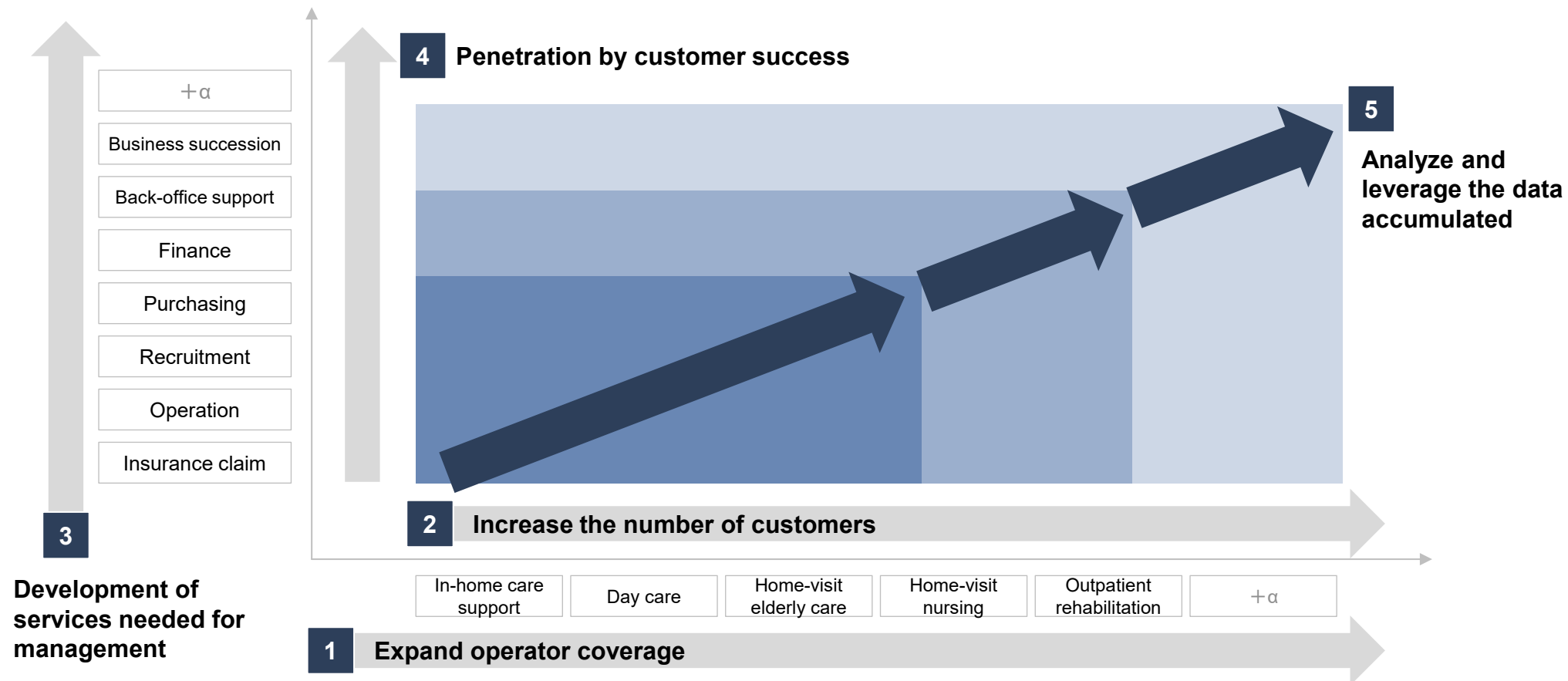
Management Support Platform

- Kaipoke is a management support platform provided in the form of SaaS, which realizes one-stop support for the management of elderly/disability care operators.
- Offer more than 40 services that support operations, recruitment, purchasing, finance, back office, M&A (Business succession), etc., on top of the insurance claim service that is essential for elderly/disability care operations.



Strategy of Kaipoke

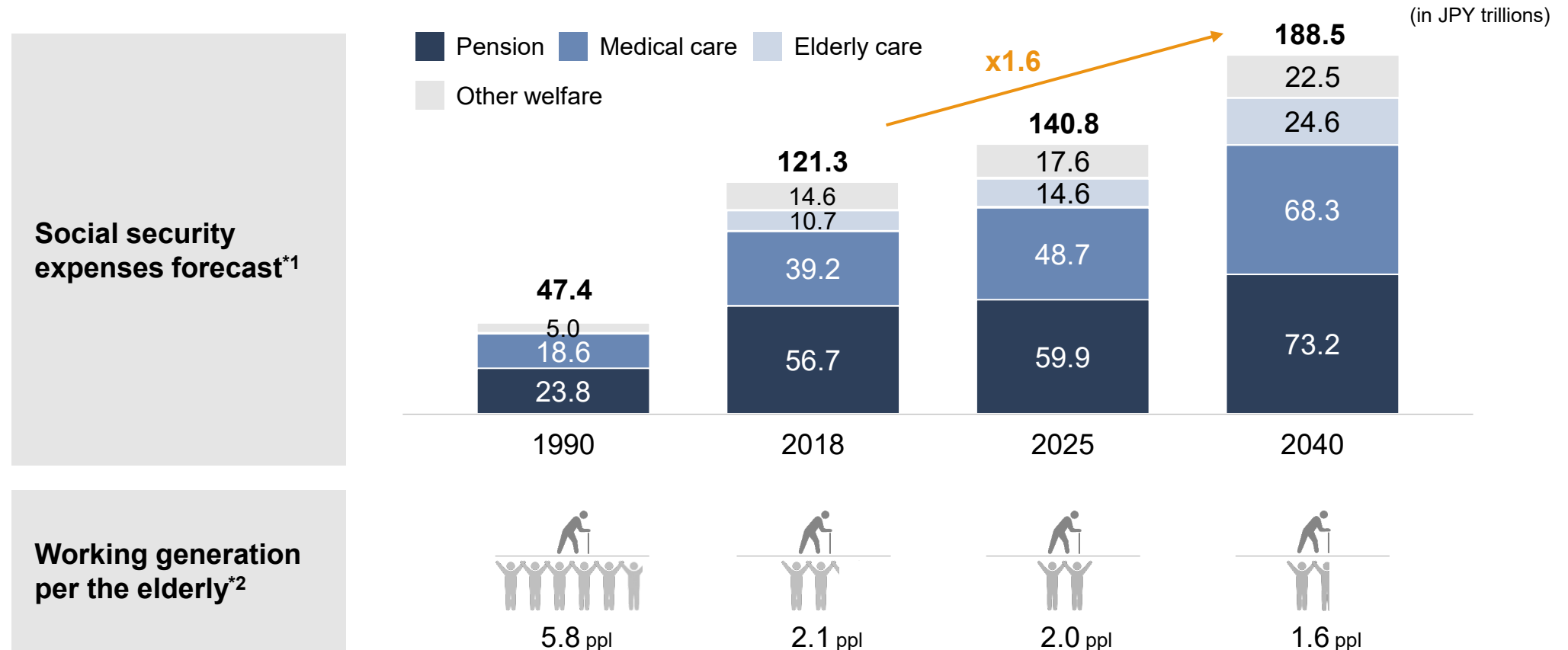
Maximize the value as a management support platform by No. 1 – 5 below.



New Business (Healthcare) Strategy

Issue 2: More severe burden on the working generation (Repost)

The burden on the working generation will become more serious due to the increasing social security expenses for pensions, medical care, elderly care, and other welfare services, as well as the declining working-age population who cover these expenses.



1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

2. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Solution for Issue 2 in Healthcare Business

Contribute to solving the social issue “more severe burden on the working generation” by increasing the number of healthy people in the work force through a platform that supports “health and productivity management” of companies.

	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 	Issue 2 Healthcare Business	Issue 1 Career Business	Issue 1 Elderly/Disability Care Operators Business	Issue 3 Senior Life Business
Operators 				
End users 				

Issue: More severe burden on the working generation

Solution: Increase the number of healthy people in the work force

Declining QOL^{*1} and Productivity Caused by Physical/Mental Disorders

- Among the working generation, there are many patients/potential patients with life-style related diseases, which often progress to critical illnesses such as diabetes.
- Mental disorders caused by overworking or workplace stress are increasing in recent years.
- The government encourages “health and productivity management,” in which companies work to improve the health of employees and their families.

Physical disorder		Mental disorder
Risk of lifestyle-related diseases	Lifestyle-related diseases	
Number of recipients of specific health guidance ^{*2}	Number of diabetics ^{*3}	Number of patients with mood disorders ^{*3}
Approx. 5.12 million	Approx. 5.52 million	Approx. 1.59 million
	Number of hypertensive patients ^{*3}	
	Approx. 16.17 million	

1. QOL: Quality of life
 2. Subjects are 40 – 74 years old. MHLW, "2022 Implementation of specified health checkups and specific health guidance"
 3. MHLW, "2023 Patient survey"

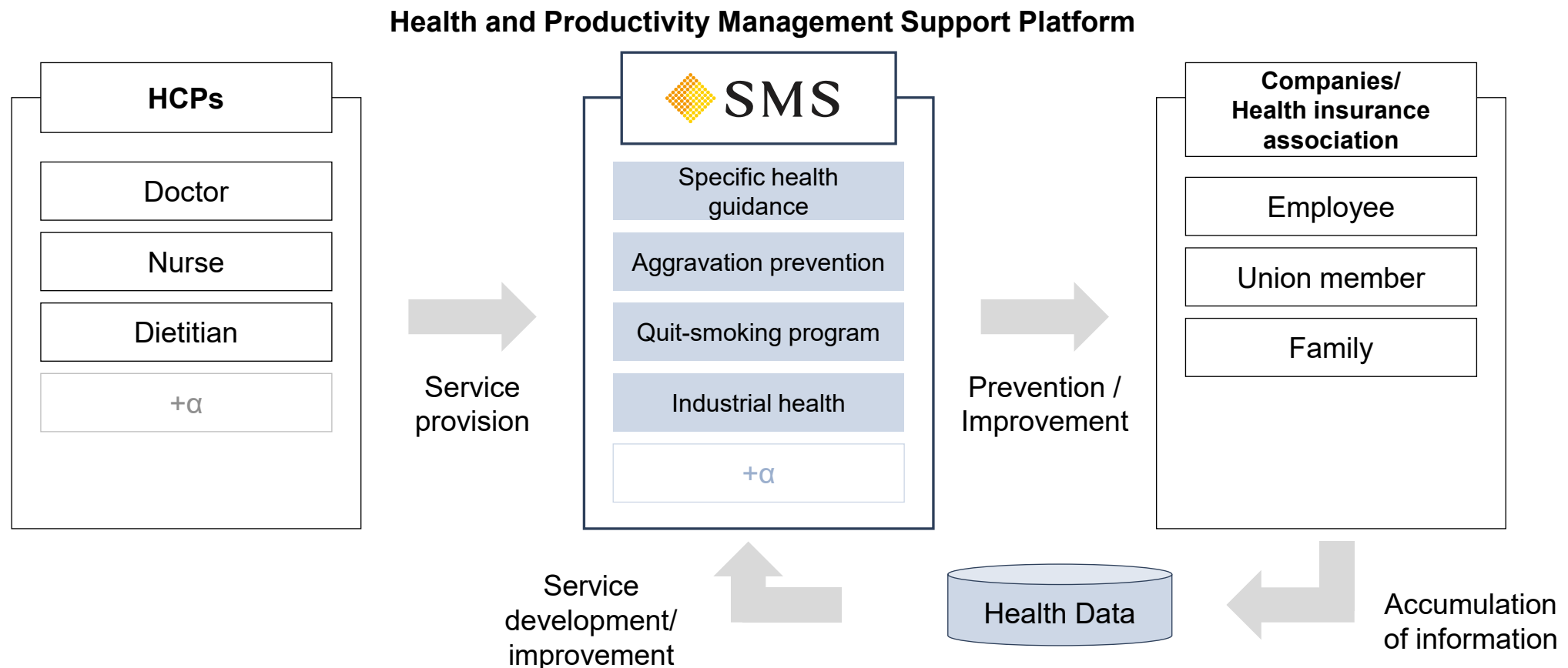
Mission of Healthcare Business

We aim to contribute to improving QOL^{*1} and increasing the number of healthy people in the work force by preventing and treating lifestyle-related diseases and mental disorders.

1. QOL: Quality of life

Health and Productivity Management Support Platform

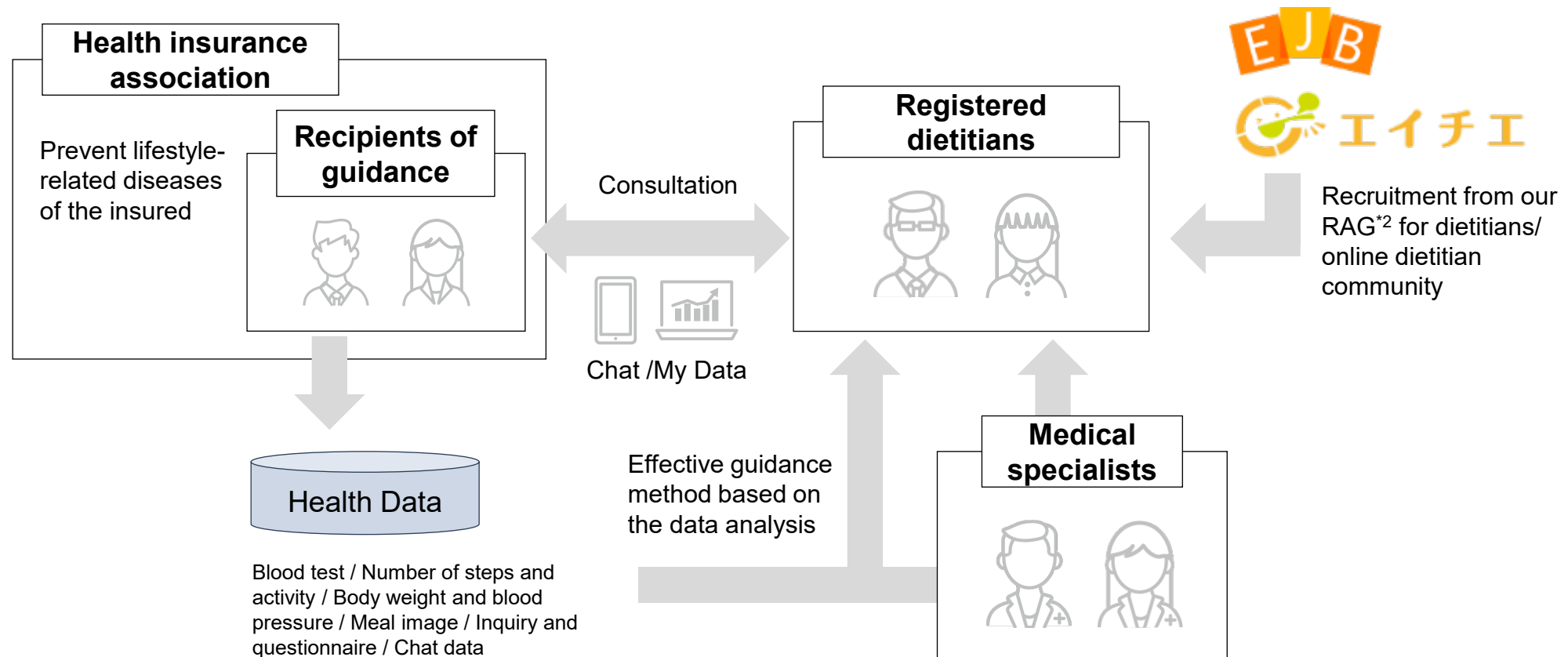
- Provide digital health services*1 for companies and health insurance associations.
- The services are based on scientific evidences and provided by seasoned healthcare professionals (HCPs) including doctors, nurses, and dietitians.



1. Digital Health: Improving the effects of medical care and healthcare by utilizing the latest digital health technologies such as AI, ICT, IoT, wearable devices, and big data analysis.

Remote Health Guidance Service

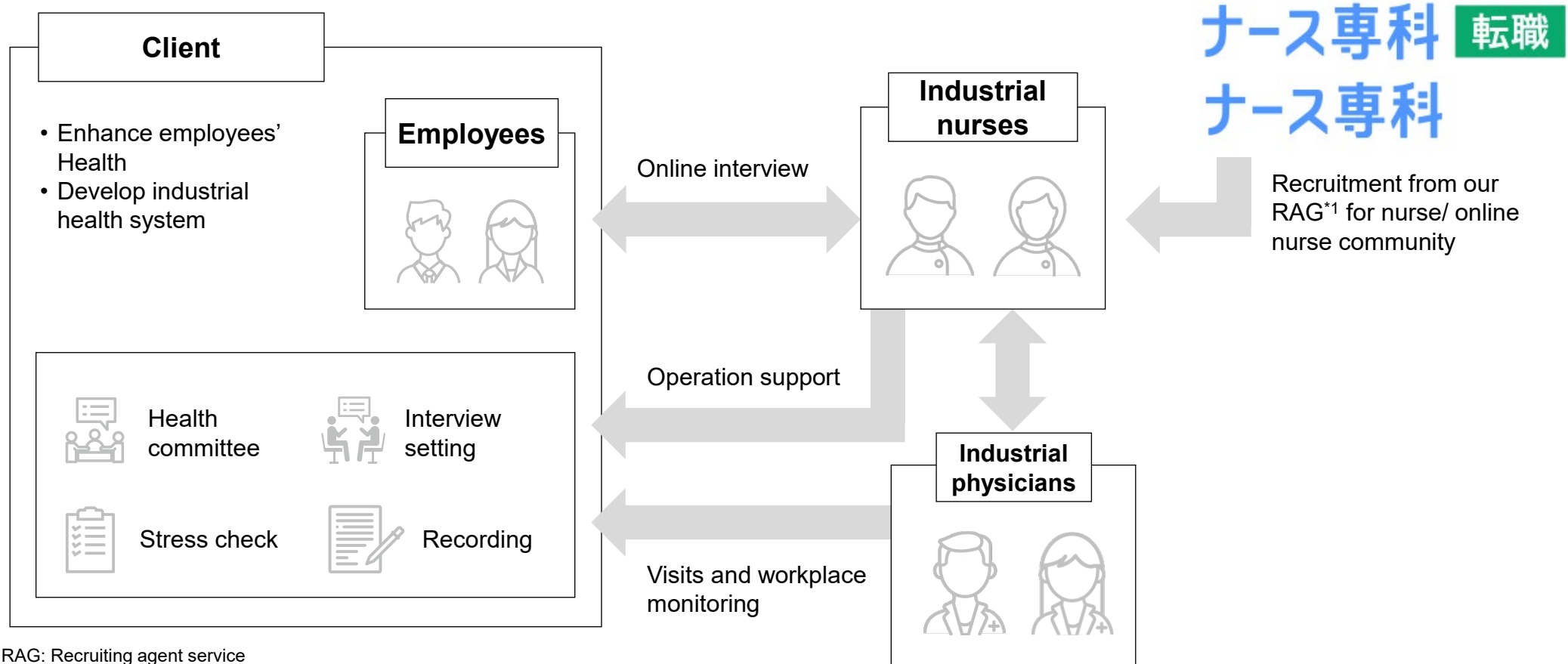
- Provide specific health guidance service for HIAs^{*1} aiming to prevent lifestyle-related diseases of employees and their families. The service is provided by registered dietitians and based on the results of verification projects conducted with MHLW.
- Remote service using smartphones enables frequent and continuous intervention.



1. HIA: Health insurance association
2. RAG: Recruiting agent service

Remote Industrial Health Service

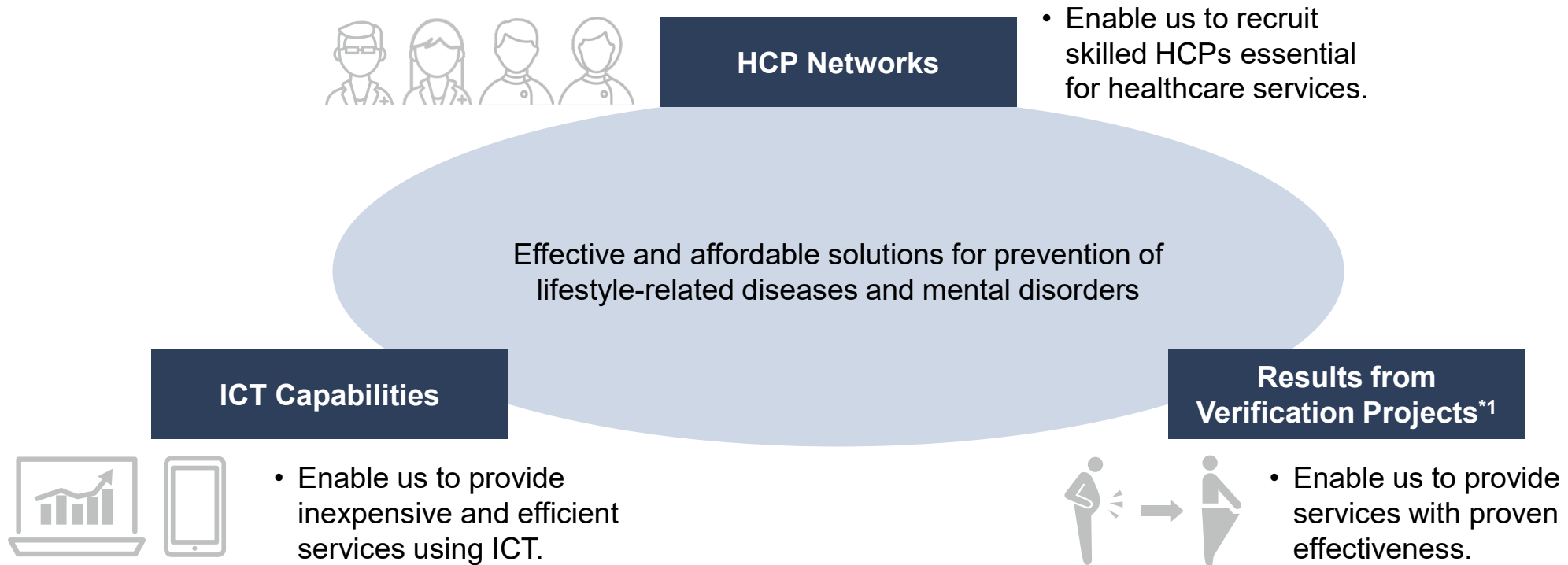
- Provide comprehensive support for industrial health operations in the human resources and labor departments of companies, including visits by industrial physicians, stress checks, and the establishment and operation of health committees.
- Reduce the workload of HR and realize effective mental care through the service provided by the two-person system of an industrial physician and an industrial nurse.



1. RAG: Recruiting agent service

Our Strength

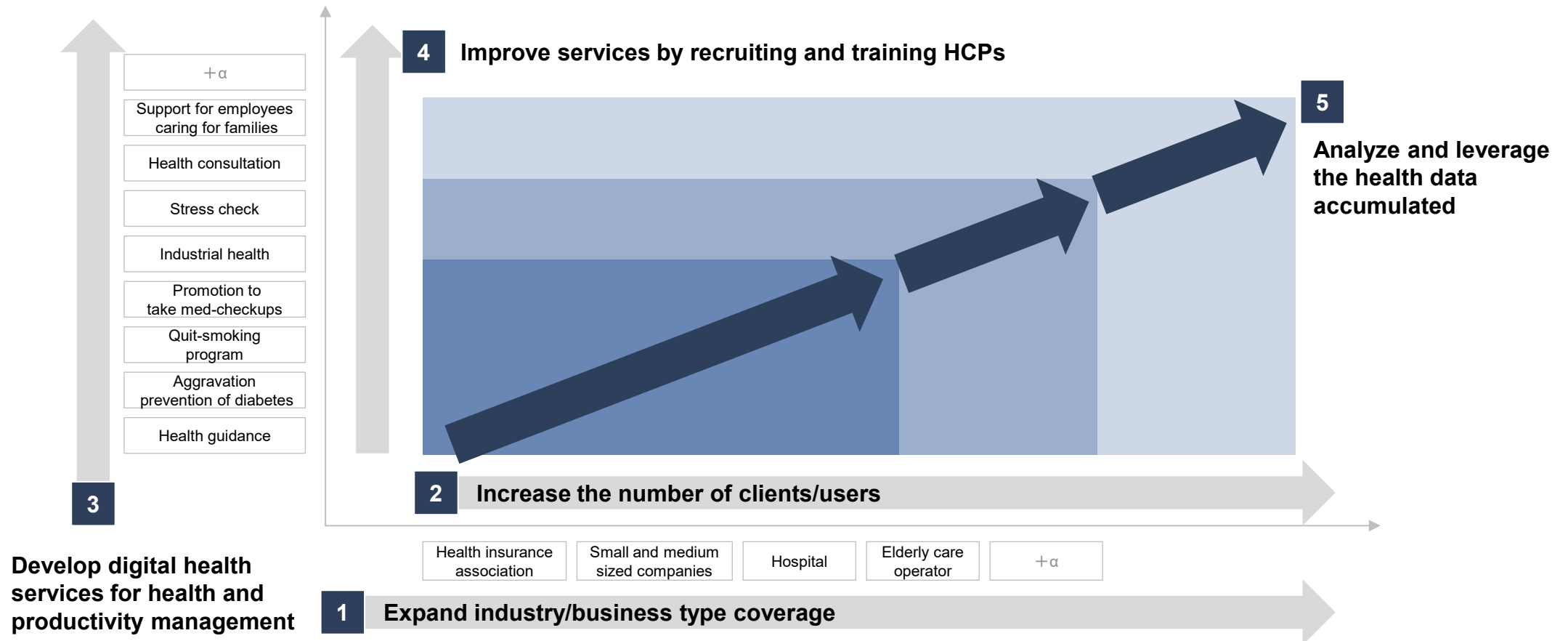
Leveraging our strengths in healthcare professional (HCP) networks, ICT capabilities, and proven results from verification projects conducted with ministries and national agencies, we offer effective solutions with a reasonable price for prevention of lifestyle-related diseases and mental disorders.



1. Joint project with MHLW, METI, and national hospitals

Strategy of Healthcare Business

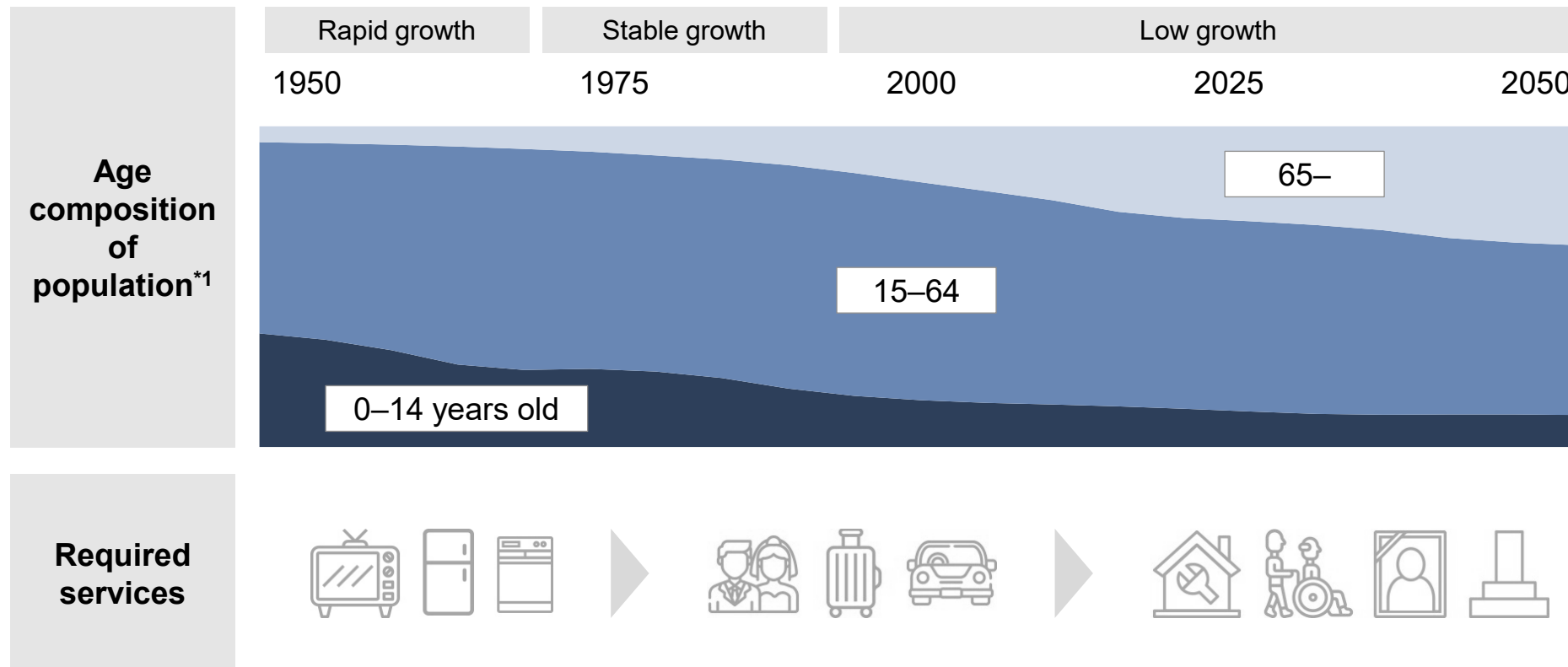
Maximize the value as a health and productivity management support platform by No. 1 – 5 below.



New Business (Senior Life) Strategy

Issue 3: Difficulty in solving problems related to living in an aging society (Repost)

- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and their families will have difficulties in solving life-related problems in an aging society.



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Solution for Issue 3 in Senior Life Business

Contribute to solving the social issue “difficulty in solving problems related to living in an aging society” by developing a platform that connects people who have some worries or problems in their lives, with advisors and solution services.

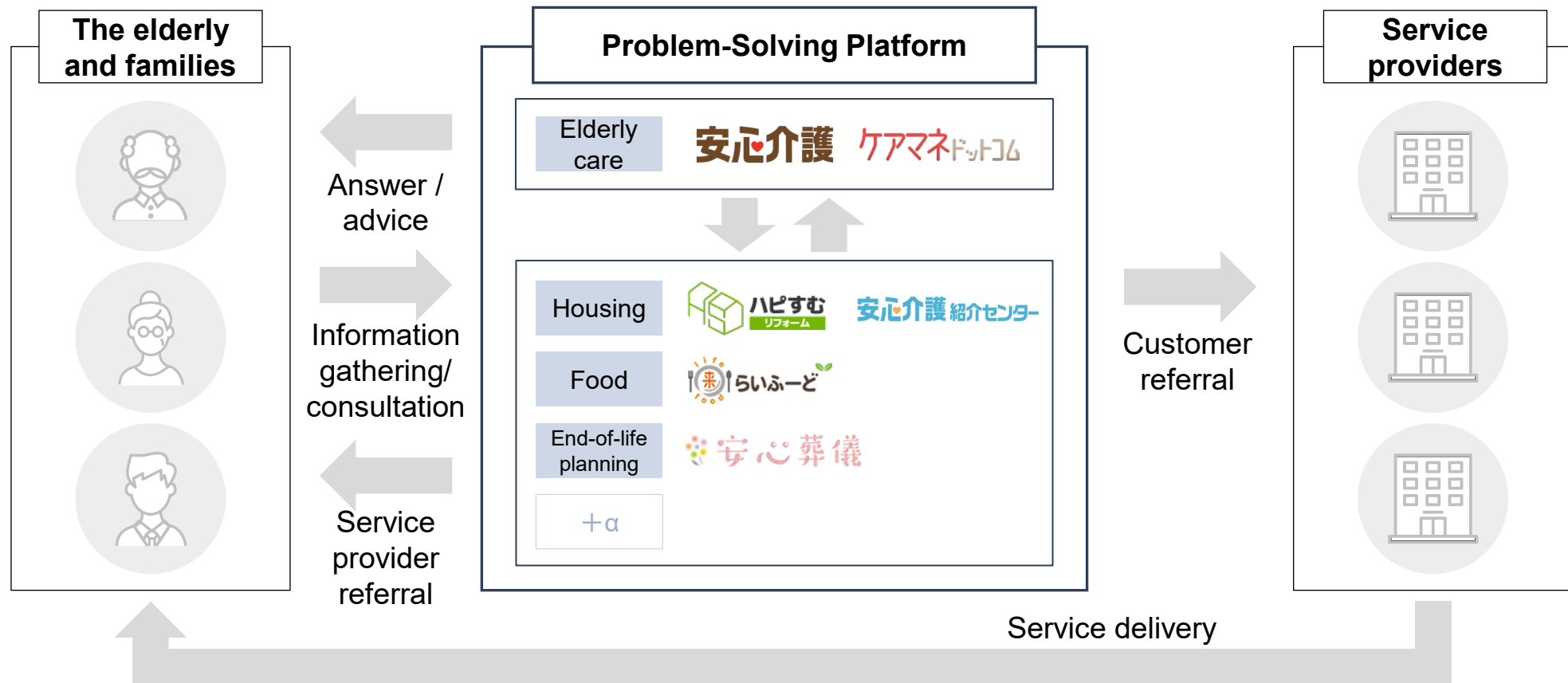
	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 		Issue 1 Career Business	Issue 1	
Operators 	Issue 2 Healthcare Business		Elderly/Disability Care Operators Business	Issue 3 Senior Life Business
End users 		Issue: Difficulty in solving problems related to living in an aging society Solution: Provide a variety of options and high-quality decision-making information.		

Mission of Senior Life Business

**We aim to contribute to improving people's lives
by offering a wide range of options and
information related to living in an aging society.**

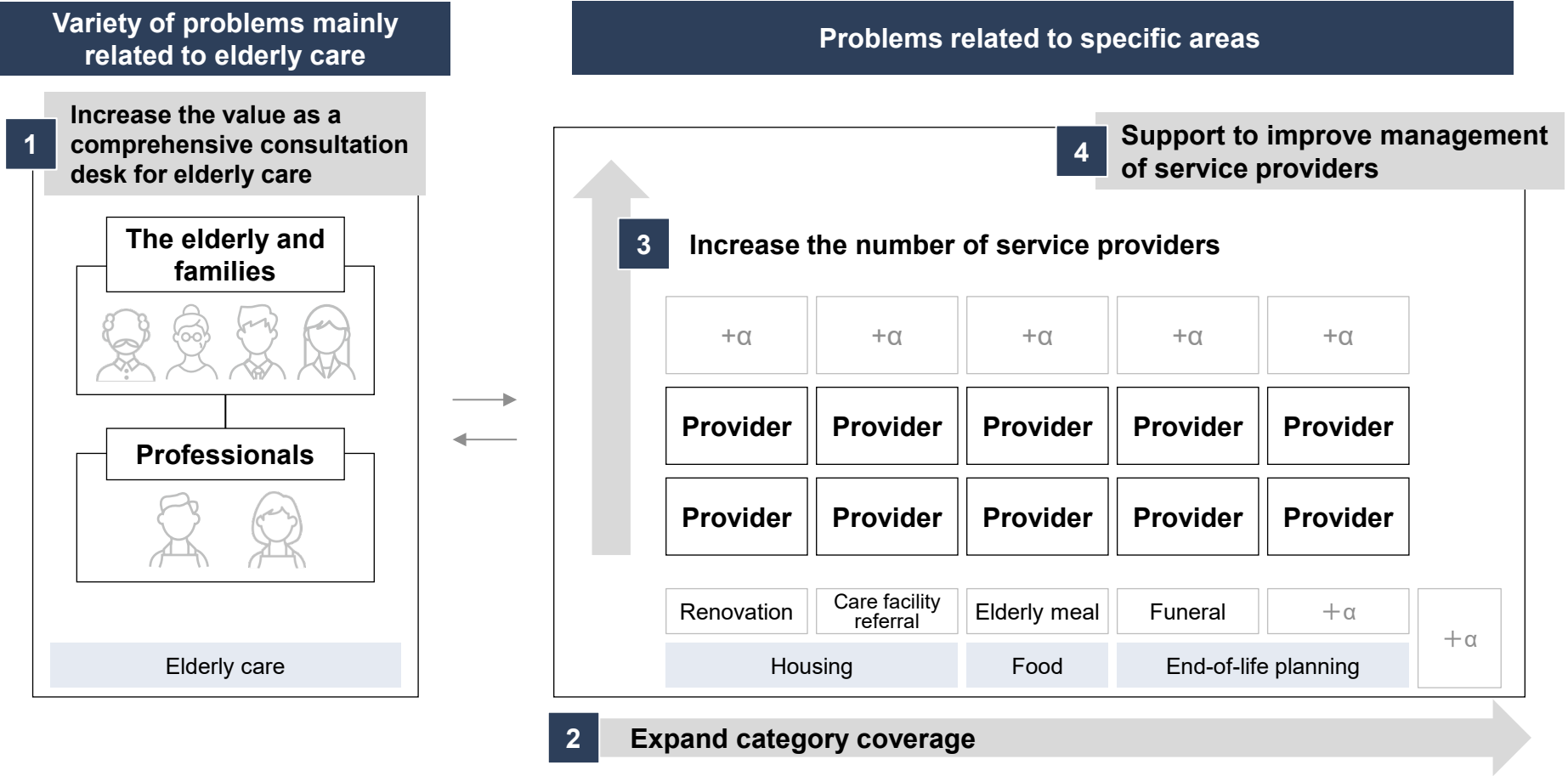
Problem-Solving Platform

- Help to solve a variety of problems, mainly related to elderly care, through communication among those who have similar problems and advice from professionals.
- Refer service providers to solve problems related to specific categories such as housing, food, and end-of-life planning.



Strategy of Senior Life Business

Maximize the value as a problem-solving platform by No. 1 – 4 below.



Overseas Strategy

Overview of Overseas Segment

- Define two strategic business areas in the segment:
 - Medical Platform Business, operated mainly in MIMS group, which we acquired in 2015, and
 - Global Career Business, which supports recruitment of HCPs*¹ around the world.

Overseas Business Structure

Overseas Segment	Medical Platform Business	Medical Marketing	Marketing support service for medical-related companies* ²
		Clinical Decision Support	Prescription error check service, etc. for healthcare institutions such as hospitals
	Global Career Business		Domestic/cross-border recruiting service of HCPs

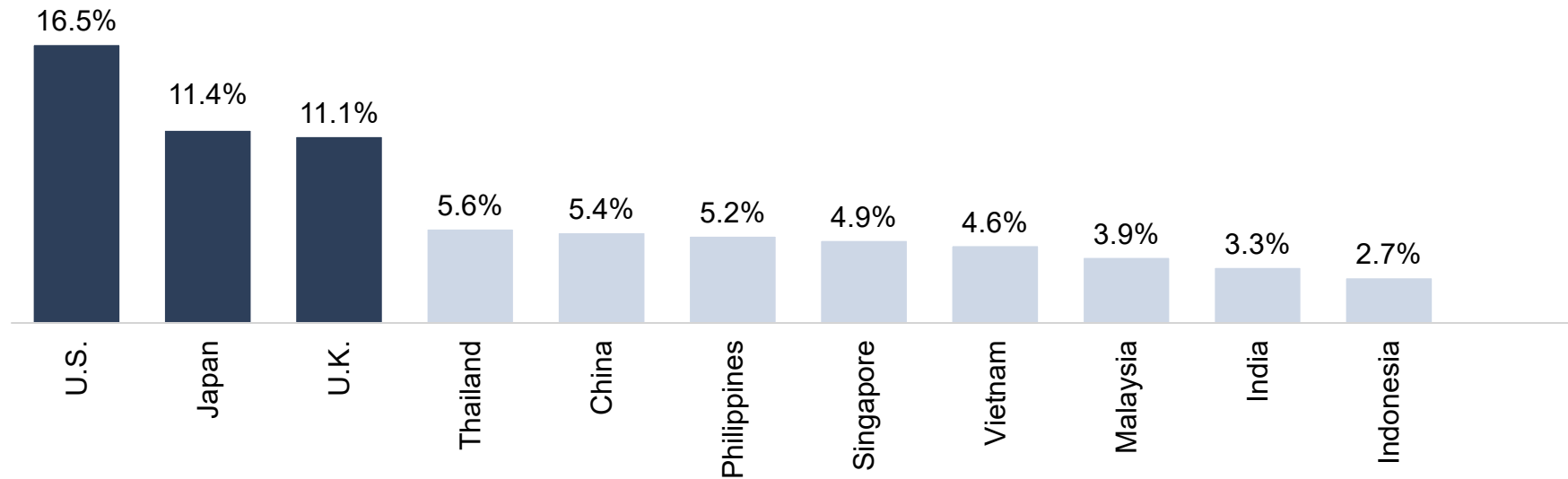
1. HCP: Healthcare professionals
 2. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group.

Medical Platform Business

Issue: Low Availability of Medicines and Medical Devices, and Inadequate Quality of Medical Care in APAC

- Health expenditure per economic scale in APAC is less than in developed countries.
- Medical-related companies face high entry barriers, as the medical systems, regulations, languages, cultures, and social customs are different by country.
- This results in the social issue of low availability of medicines/medical devices and inadequate quality of medical care.

Health Expenditure to GDP*1



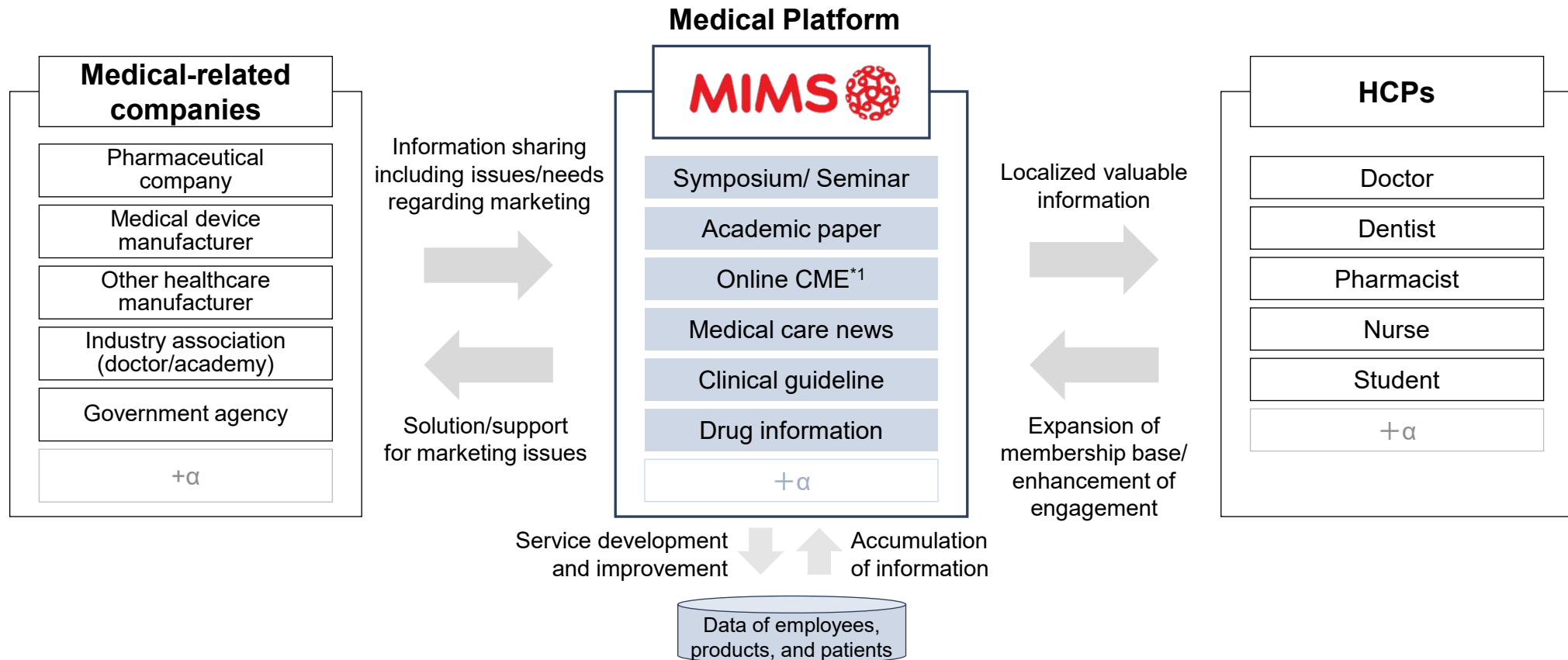
1. WHO "Global Health Expenditure Database" (2022)

Mission of Medical Platform Business

We aim to contribute to realizing healthy and high-quality lives by improving the availability and safety of medical care in APAC.

Medical Platform

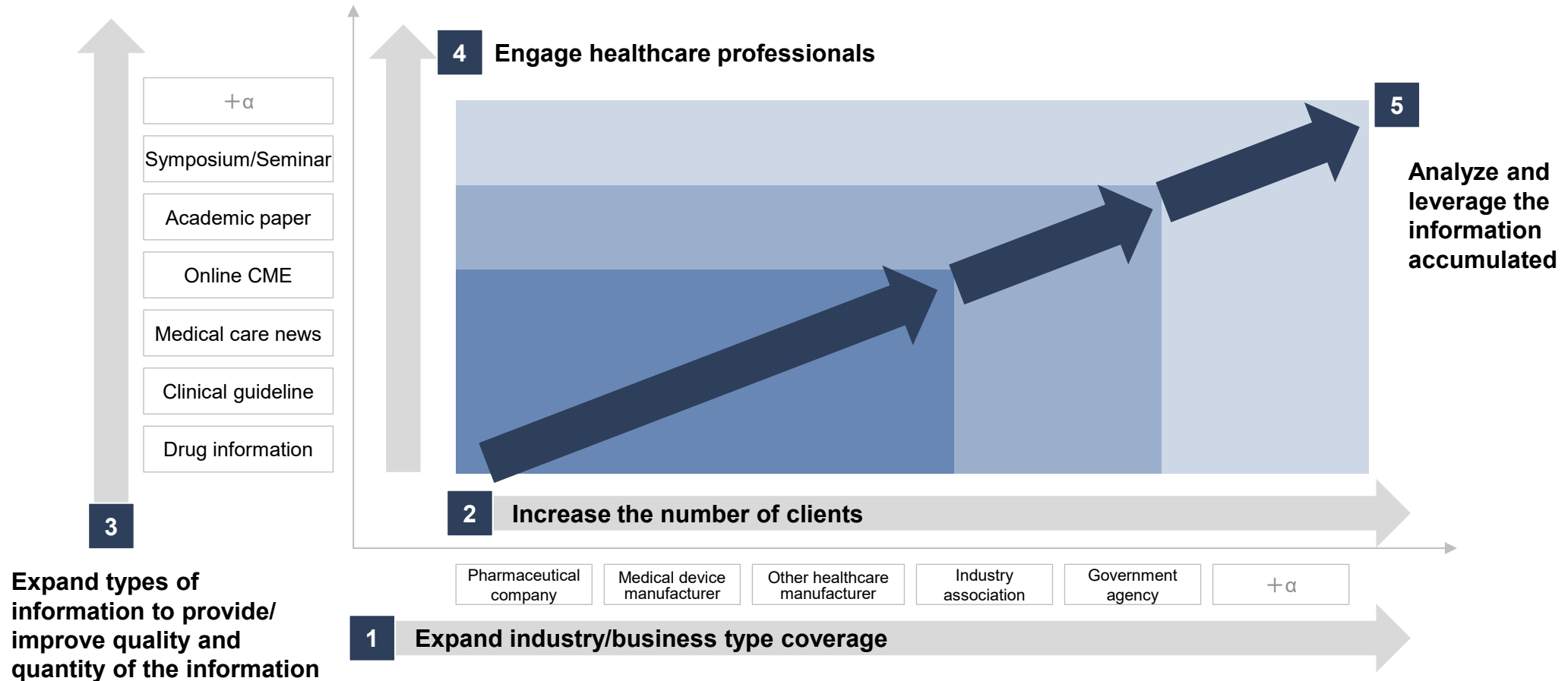
- Support the marketing activities of medical-related companies by using our membership base of healthcare professionals (HCPs) in APAC.
- Expand our membership base of HCPs and enhance their engagement by providing localized valuable information, thereby making marketing activities of medical-related companies more effective and efficient.



1. CME: Continuing medical education

Strategy of Medical Platform Business

Maximize the value as a medical platform by No. 1 – 5 below.

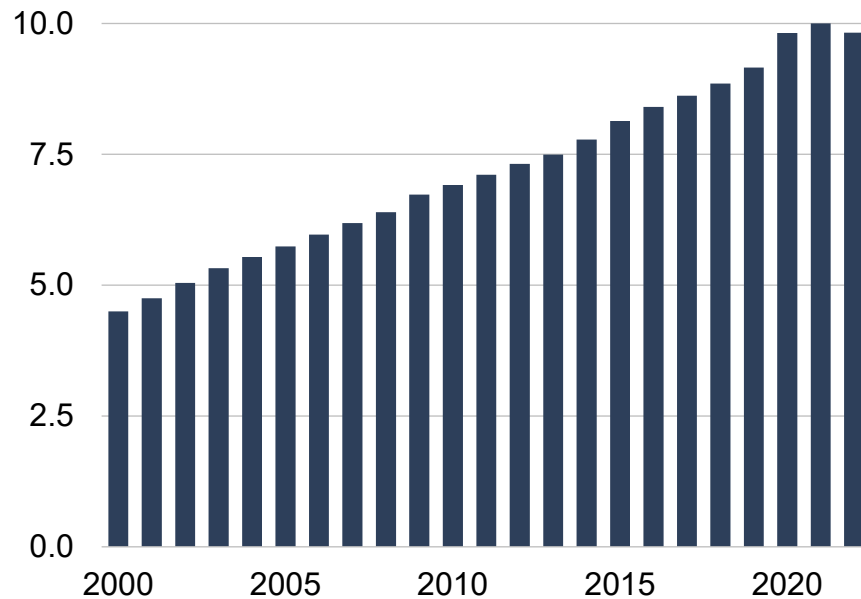


Global Career Business

Issue: Global Shortage and Uneven Distribution of Healthcare Professionals

- While the situation surrounding medical care services differs greatly among countries and regions, the demand for medical care is continuously increasing around the world due to economic growth and population aging.
- The shortage and uneven distribution of healthcare professionals has become an issue in many countries due to the increasing demand for medical care.

Health Expenditure*¹
(in USD trillions)



Expected Shortage of Nurses*²
(in thousands)

	Japan	320	(2040)
	Germany	390	(2035)
	Australia	120	(2030)
	South Korea	160	(2030)
	Saudi Arabia	100	(2030)

1. WHO "Global Health Expenditure Database" (FX rates: 2022)

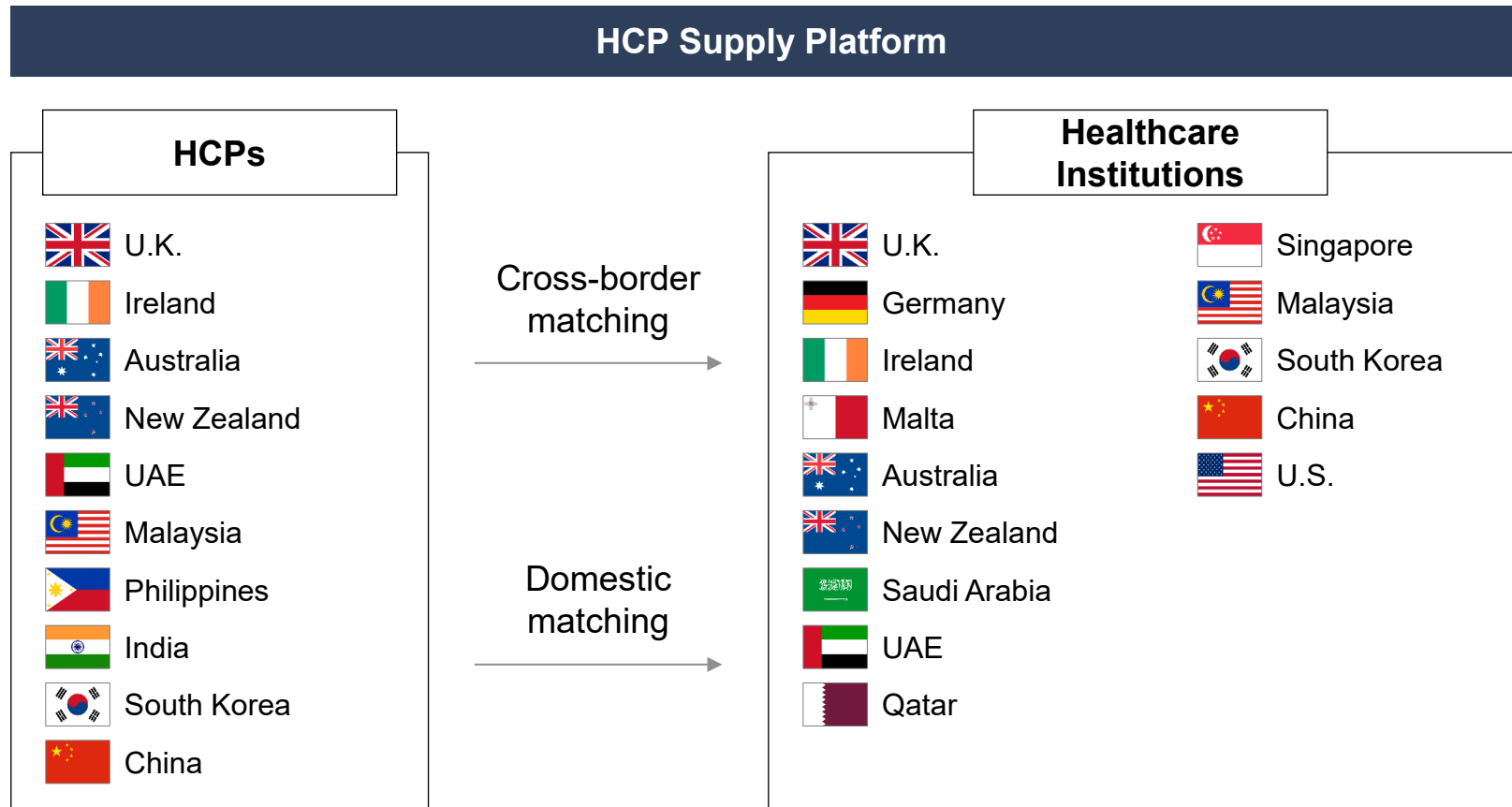
2. Japan: MHLW, "Status of securing nurses and other nursing staff", Germany: PwC "Fachkräftemangel im Gesundheitswesen: Wenn die Pflege selbst zum Pflegefall wird", Australia: Department of Health and Aged Care "Australia's Future Health Workforce – Nurses Overview Report", South Korea: Korea Institute for Health and Social Affairs "2017 mid- to long-term supply and demand outlook for major health and medical personnel", Saudi Arabia: Nourah Alsadaan, Linda K. Jones, Amanda Kimpton and Cliff DaCosta "Challenges Facing the Nursing Profession in Saudi Arabia: An Integrative Review"

Mission of Global Career Business

**We aim to contribute to improving the quality of
medical care around the world
by solving the shortage and uneven distribution
of healthcare professionals.**

HCP^{*1} Supply Platform

Promote optimal cross-border and domestic matching according to the supply of HCPs and the demand from healthcare institutions^{*2}.

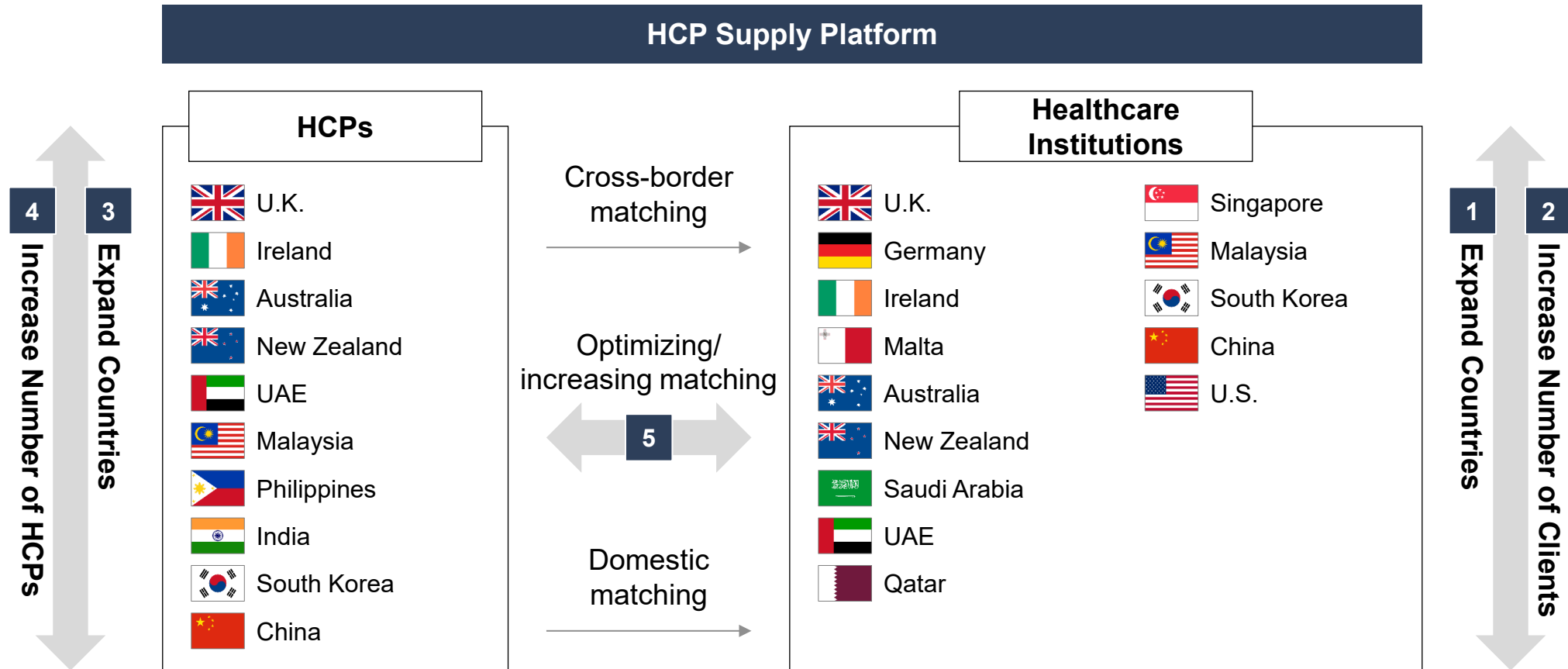


1. HCP: Healthcare professional

2. Hospitals, clinics etc.

Strategy of Global Career Business

Maximize the value as a HCP supply platform by No. 1 – 5 below.

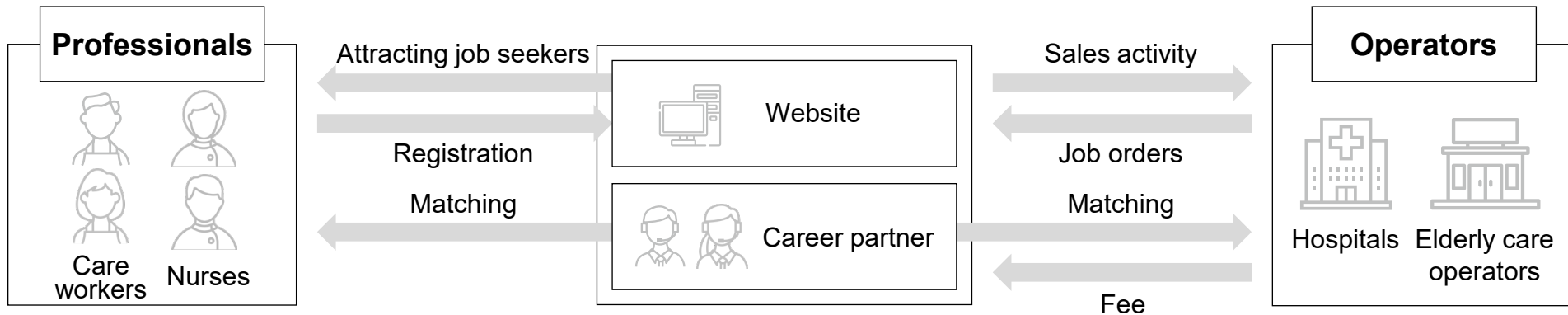


Appendix

Business Model of Career Business

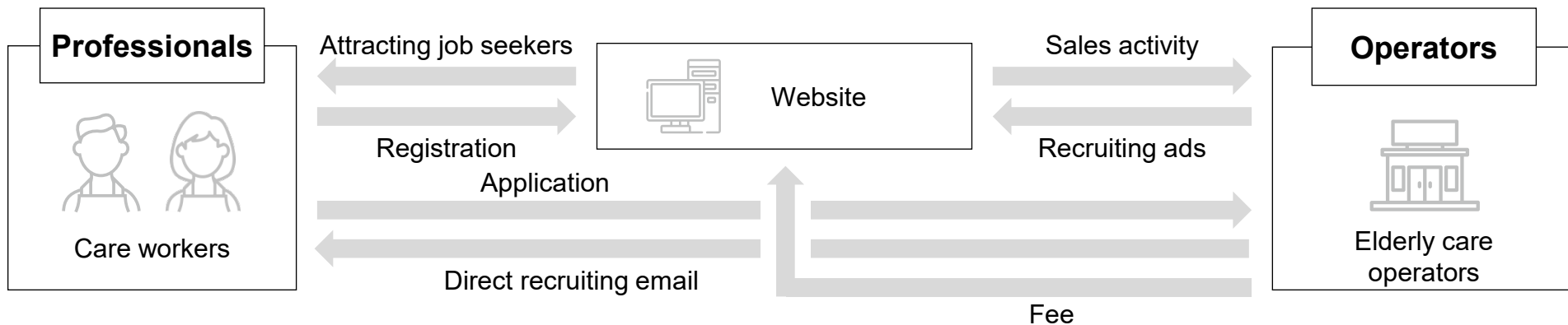
Business model of Recruiting Agent

Receive a fee from a hiring business operator, calculated as a certain percentage of an annual salary, depending on the occupation, when an applicant joins.



Business model of Direct Recruiting

Receive a fee from a hiring business operator, based on the occupation, when an applicant joins.



Kaipoke's Main Services

Subscription-based management support platform providing more than 40 services as a package^{*1}

Insurance Claim	Elderly care operators can claim for the reimbursement of insurance efficiently.
Recruitment	Support the recruitment of professionals working for elderly/disability care operators, in collaboration with Career Business.
Back-office Support	Support for improving the efficiency of back-office operations, including labor management (such as staff attendance management, payroll calculation/transfers), business management, client billing information management, and accounting processing.
Operation Improvement	Provide one iPad for free to enable care workers to complete documentations at their customer sites.
Opening Support	Support procedures needed to open an elderly care business such as application for designation, financing, finding office properties and market research.
Finance	Provide factoring services to improve operators' cash flows.
Purchasing	Elderly/disability care operators can procure various equipment and supplies, such as rental smartphones, in an easy and inexpensive way.
Business Succession	Supporting the succession of elderly/disability care operators

1. Additional payments are required for the use of two or more iPads, factoring, etc.

MIMS Group Profile

MIMS group global coverage



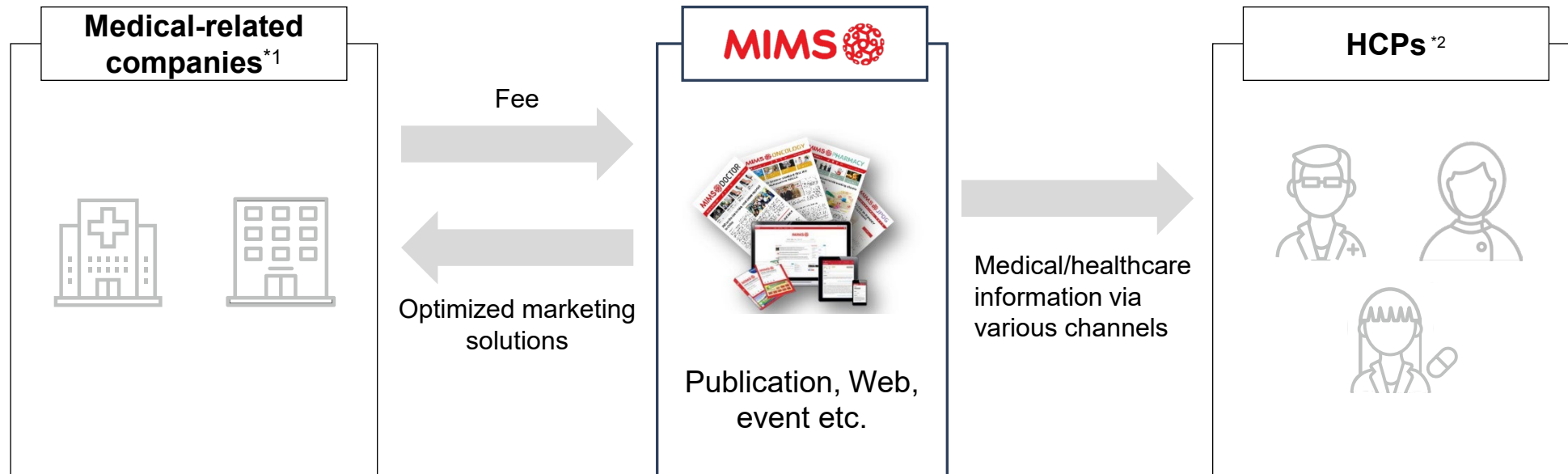
1. As of December 2024

MIMS group profile

Founded	1963
Business	• Medical Platform • Global Career
Global coverage	17 countries and regions, mainly in APAC
Number of memberships	3.65 million ^{*1}
Acquisition date	October 7, 2015

Business Model of Medical Marketing

Support marketing activities of medical-related companies*¹

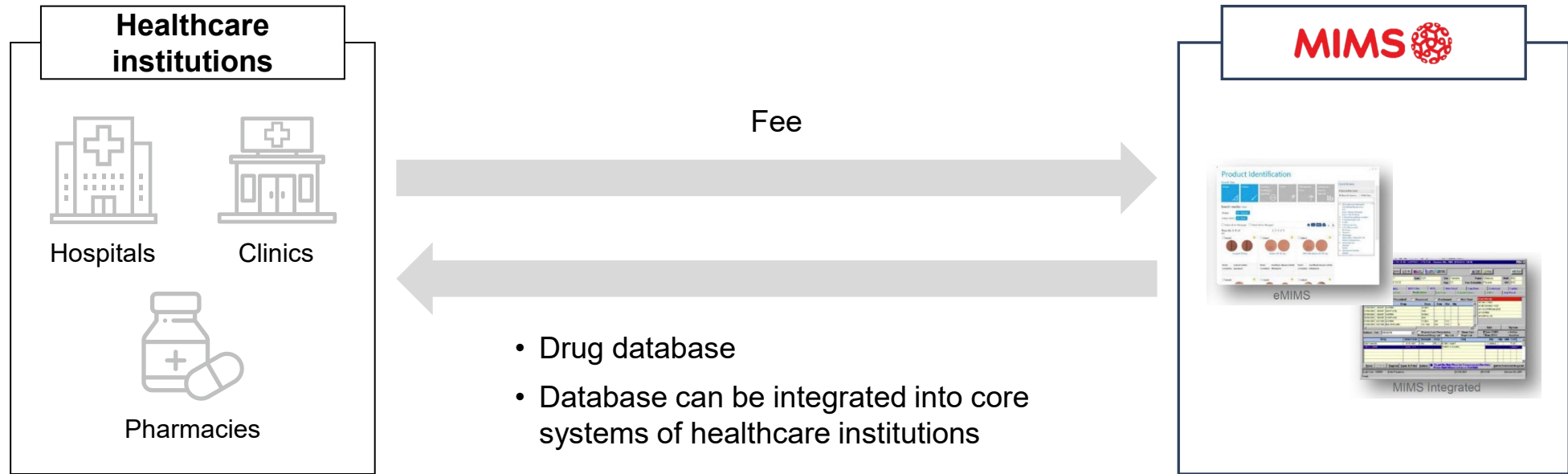


1. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group

2. Healthcare professionals such as doctors, nurses, and pharmacists

Business Model of Clinical Decision Support

Provide a drug database for prescription error checks in healthcare institutions



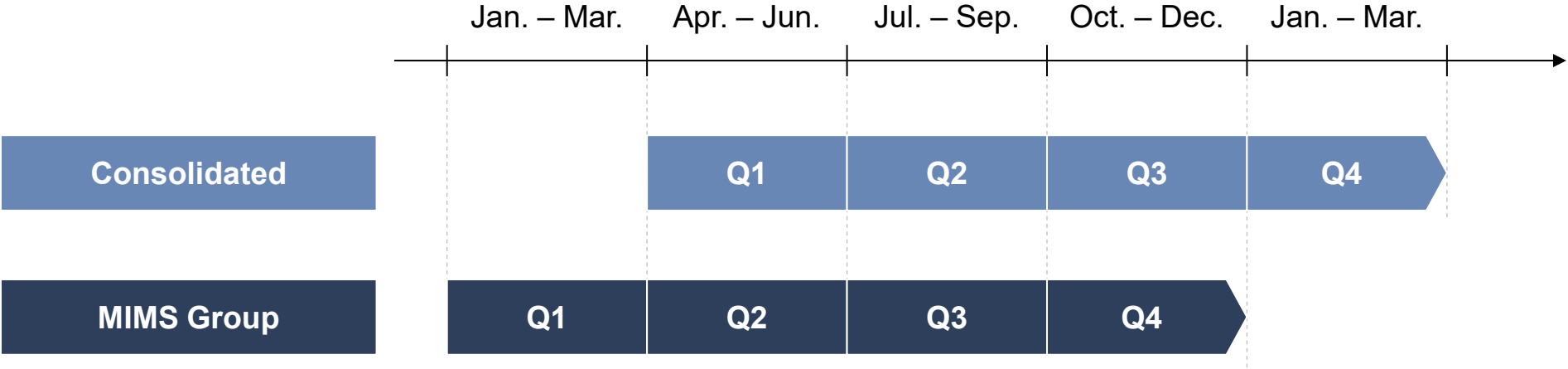
Expansion of the Global Career Business

Starting with the acquisition of NURSCAPE in South Korea in 2011, we have expanded our overseas bases steadily to Malaysia in 2017, to the Philippines in 2018, to Europe and Oceania in 2019, and to Germany in 2022.

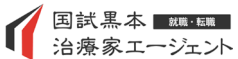
Sep. 2011	 South Korea	 Acquired NURSCAPE	Launched the Global Career Business. Started career-related business for nurses in South Korea
Jun. 2017	 Malaysia	 Acquired MELORITA	Launched cross-border matching. Started cross-border introduction of Malaysian healthcare professionals(HCPs) to hospitals in the middle east and other countries.
May 2018	 the Philippines	 Acquired MSR	Increased the number of countries from which nurses are introduced. Started introduction of Filipino HCPs to hospitals in the middle east and other countries.
Aug. 2019	 Ireland Australia	 Acquired CCM	Expanded business to Europe and Oceania. - Started matching for European/Oceanian healthcare professionals. - Expanded client hospitals in Europe/Oceania for HCPs from Southeast Asia and other countries.
Dec. 2022	 Germany	 Acquired CWC/CF	Expanded business to Germany. Started cross-border introduction of foreign nurses to healthcare institutions and elderly care operators in Germany.

Consolidation of MIMS Group Financial Results

Income statement of MIMS group is consolidated to income statement of SMS following a time lag of three months.



Business Portfolio^{*1} – Career^{*2}

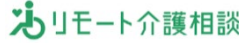
Segment	Category	Services				
Elderly Care Career	Services for care workers	DR ^{*3} for care workers 	RAG ^{*3} for care workers 	Elderly care certification course 	Certification course information 	
	Others	RAG ^{*3} for PT/OT/ST 	RAG ^{*3} for care managers 			
Medical Care Career	RAG ^{*3} services	RAG ^{*3} for nurses 	RAG ^{*3} for radiological technologists 	RAG ^{*3} for medical technologists 	RAG ^{*3} for clinical engineers 	RAG ^{*3} for childcare workers 
	Others	RAG ^{*3} for Judo therapists etc. 	RAG ^{*3} for dietitians 	Employment support for nursing students 	Scholarship information portal 	Web community for nurses and nursing students 
		Workplace assessment tool for nurses 		DR ^{*3} for Judo therapists etc. 	National examination reference book for Judo therapists etc. 	

1. As of April 2025

2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).

3. DR: Direct recruiting RAG: Recruiting agent service

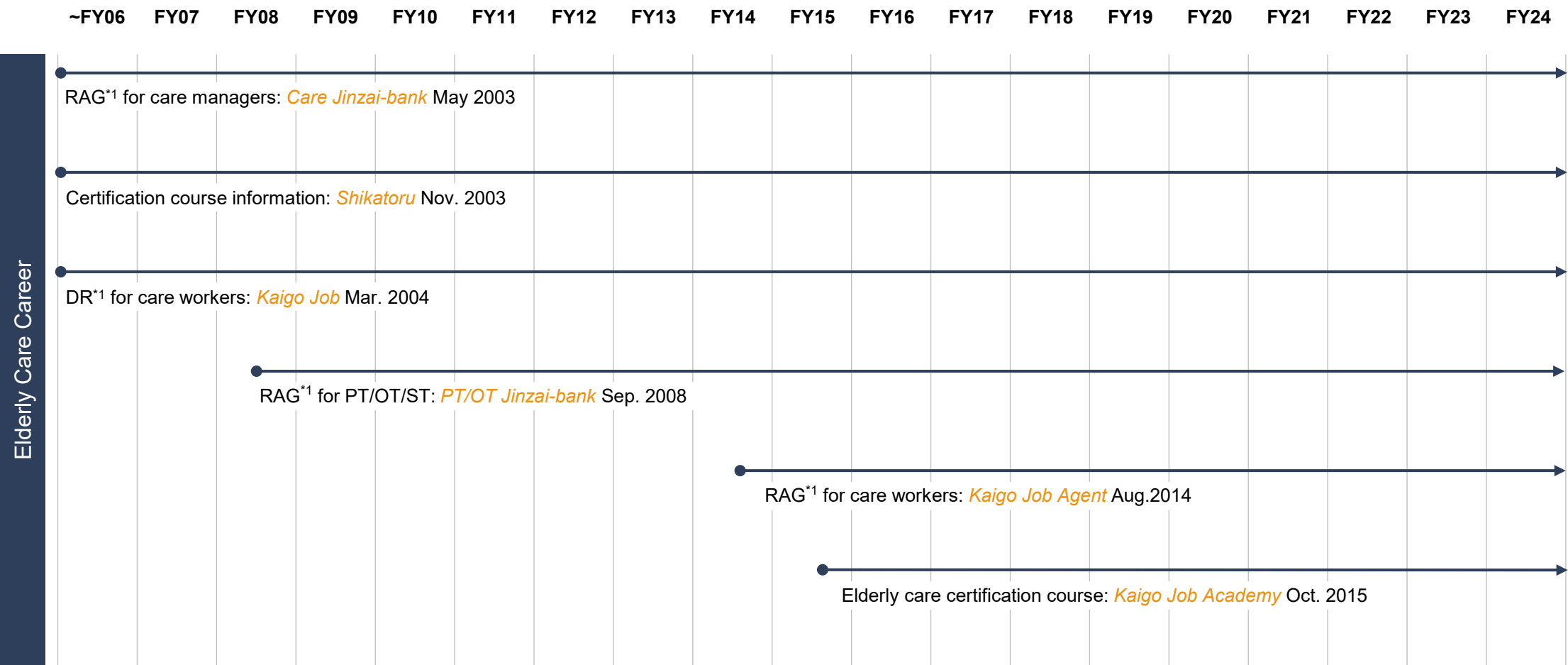
Business Portfolio*¹ – Elderly/Disability Care Operators, Overseas, New Business

Segment	Services						
Elderly/Disability Care Operators	Management support platform for elderly/disability care operators  	Information portal for management of elderly care operators 	Research and information on the aging society 高齢社会ラボ	RAG* ² for persons with disabilities 	Information service on employment support offices for persons with disabilities 		
Overseas	Drug information service for healthcare professionals and institutions 	Cross-border RAG* ² for healthcare professionals (Malaysia, Philippines, Ireland, UK, Germany, etc.)     	Career related service for nurses (South Korea) 	Medical ad services (Philippines, Indonesia, Malaysia)			
New Business (Healthcare)	Preventive solution for lifestyle-related diseases 	Health guidance solution 	Quit-smoking support using ICT 	Quit-smoking solution with behavior therapy 	Remote industrial health service 	Information portal of dementia 	Solution for dementia prevention 
	Web community for dietitians 	Frailty prevention service 	Preventive solution for elderly care turnover 	Health maintenance/promotion support for women 	Information portal of industrial health service 	Stress checks specialized for medical care and elderly care industries 	Habitual support for dementia prevention 
New Business (Senior life)	Web community for people struggling with elderly care 	Referral service of home-delivered meals 	Referral service of housing for the elderly 	Referral service of renovation operators 	RAG* ² for construction industry 	Referral service of funeral companies 	Web community for care managers 

1. As of April 2025

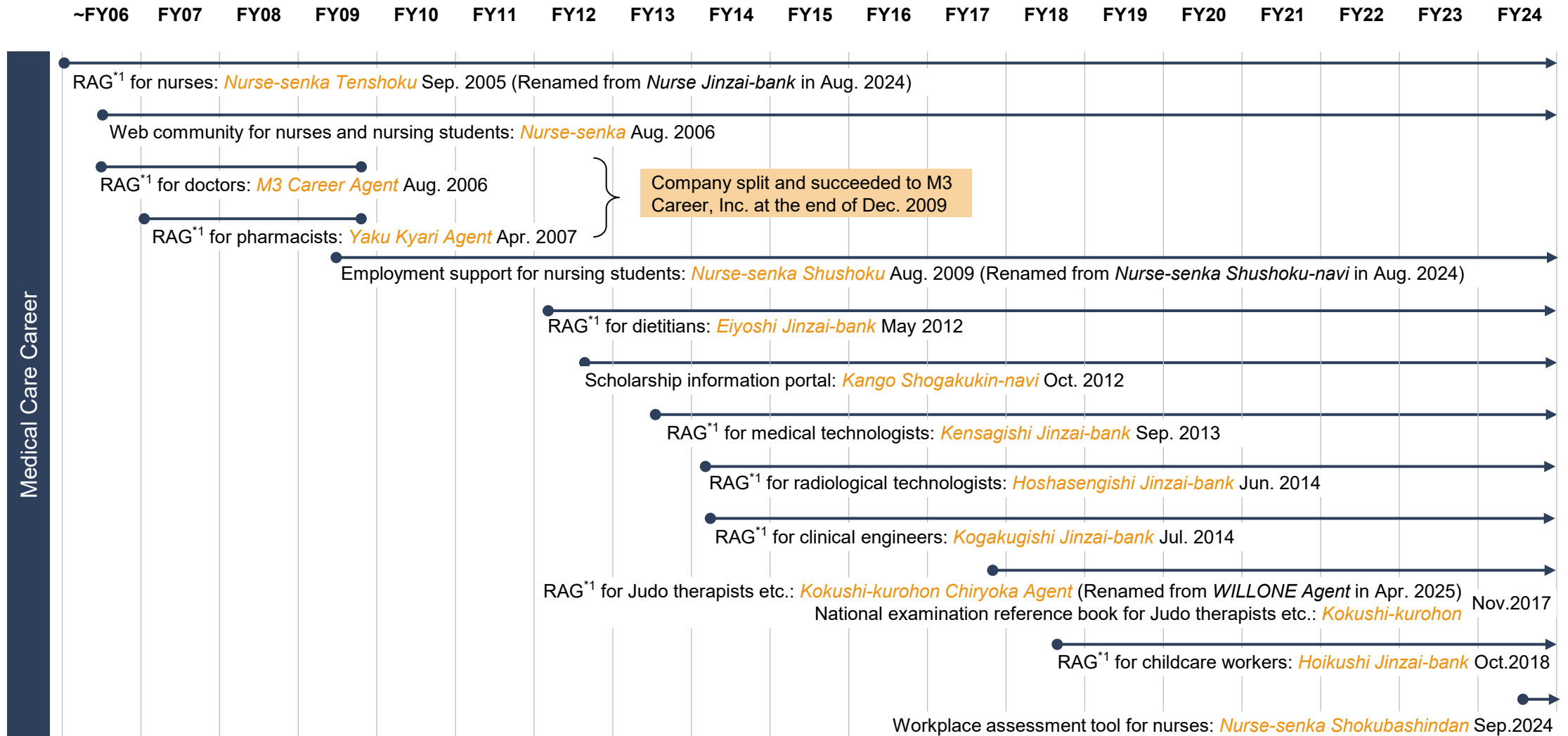
2. RAG: Recruiting agent service

History of Service Launches – Elderly Care Career



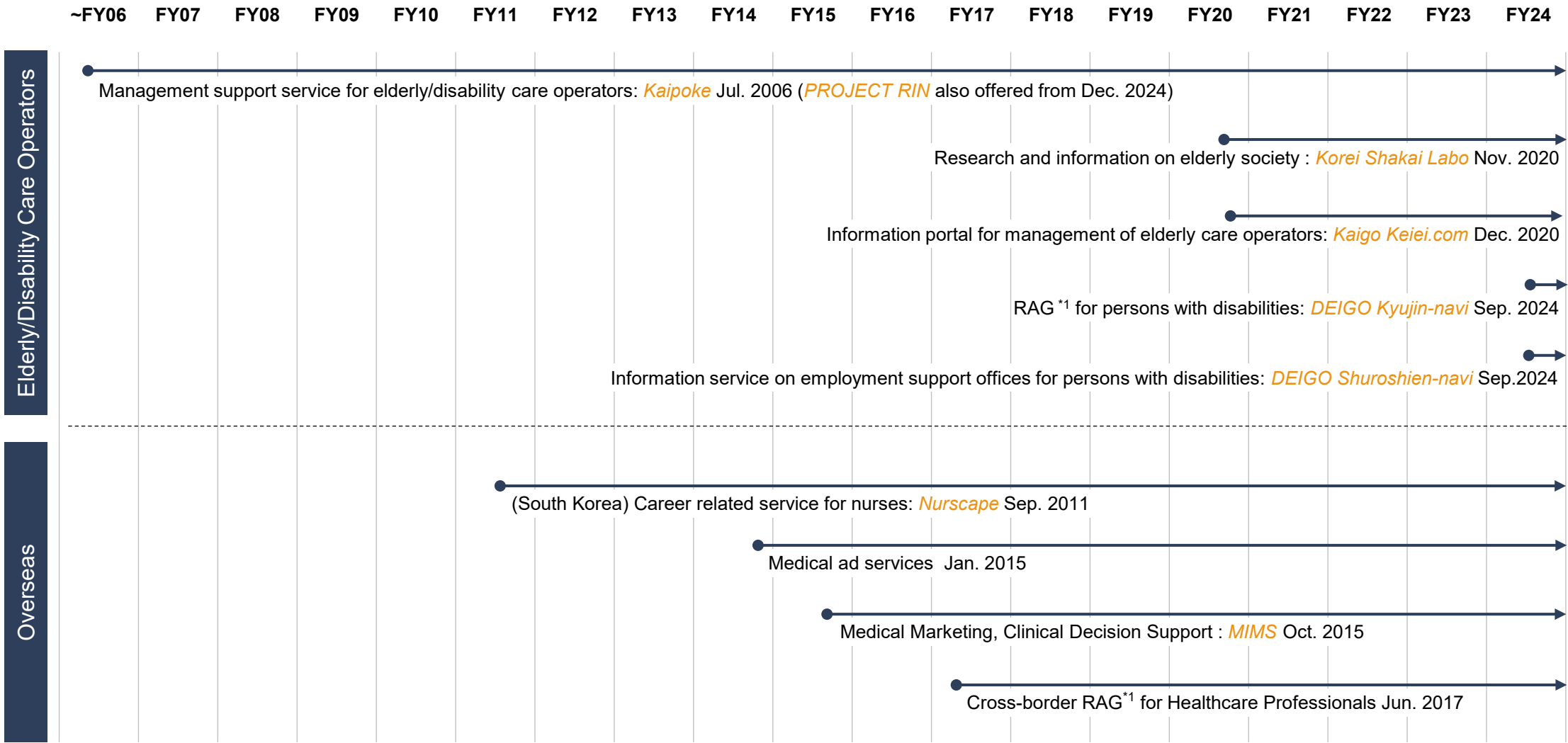
1. RAG: Recruiting agent service DR: Direct recruiting

History of Service Launches – Medical Care Career



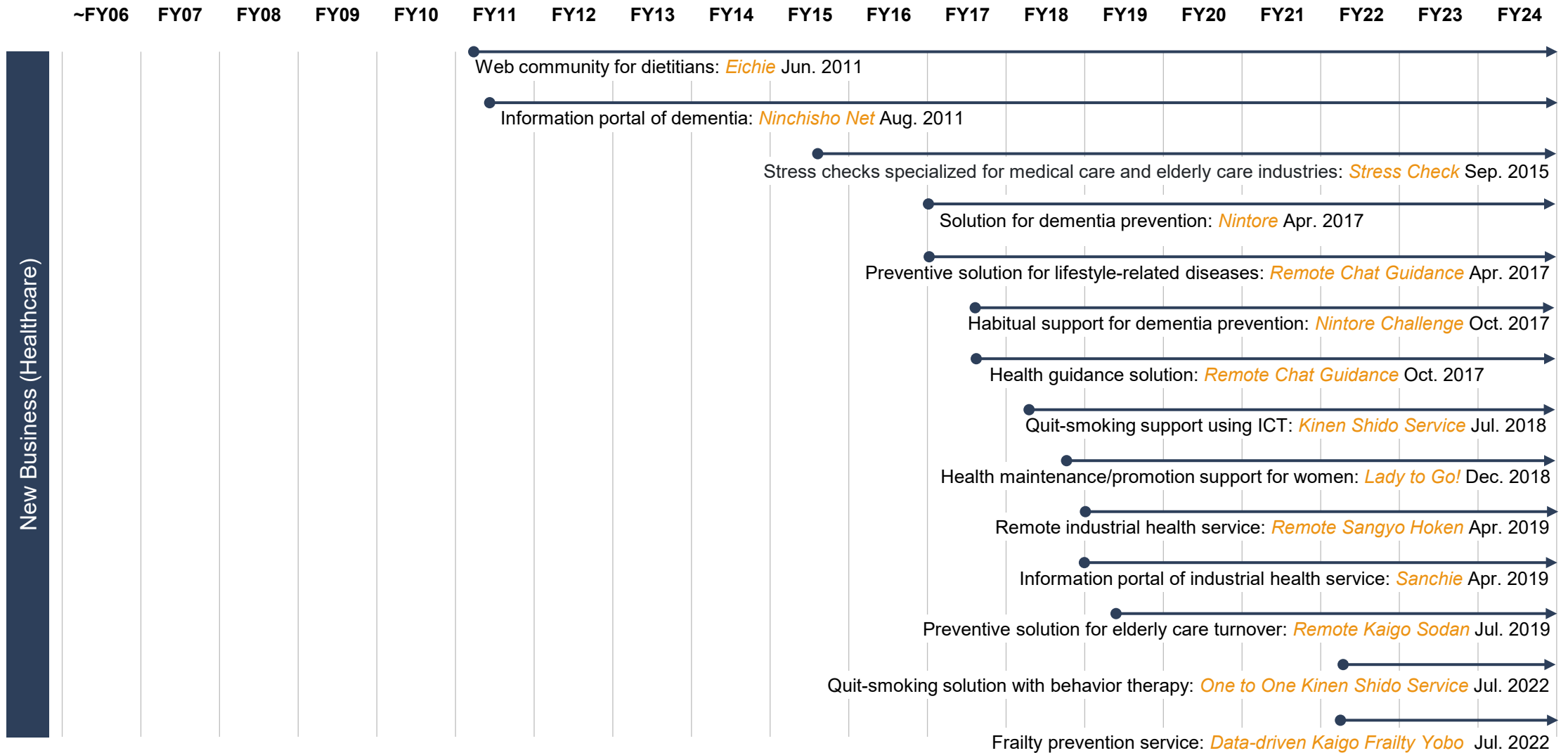
1. RAG: Recruiting agent service

History of Service Launches – Elderly/Disability Care Operators, Overseas

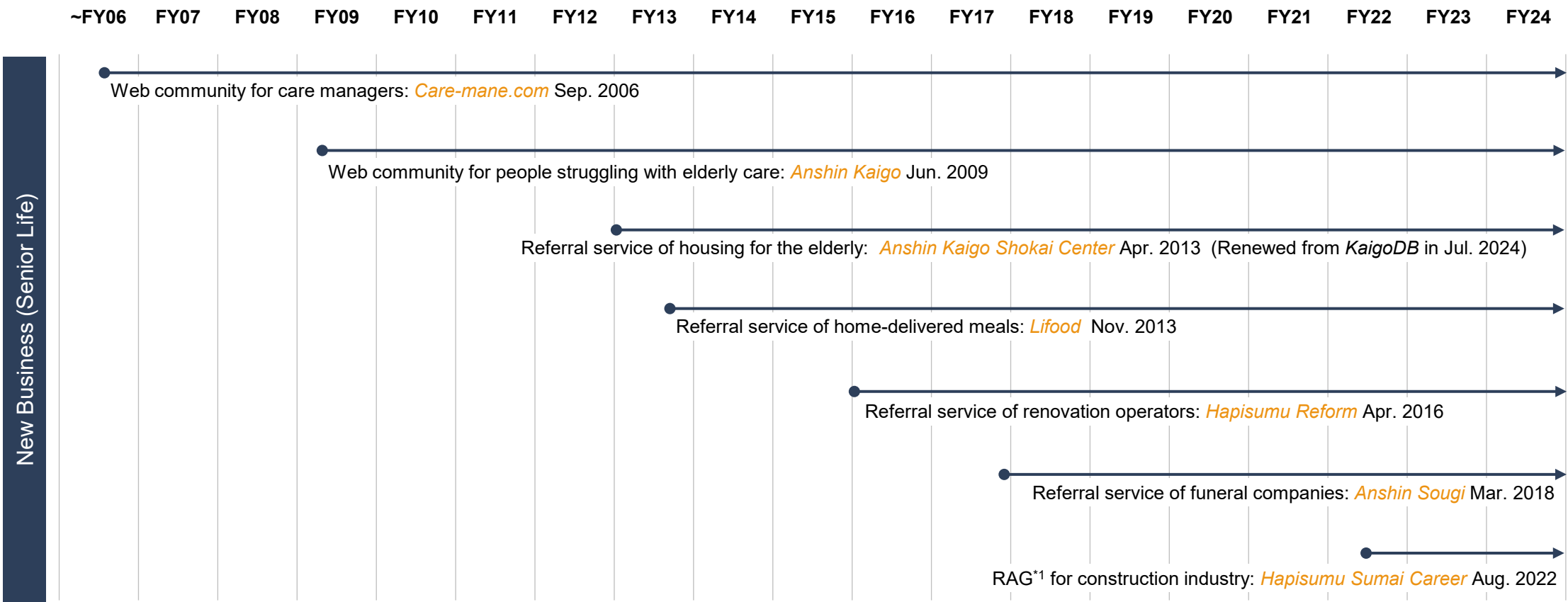


1. RAG: Recruiting agent service

History of Service Launches – New Business (Healthcare)

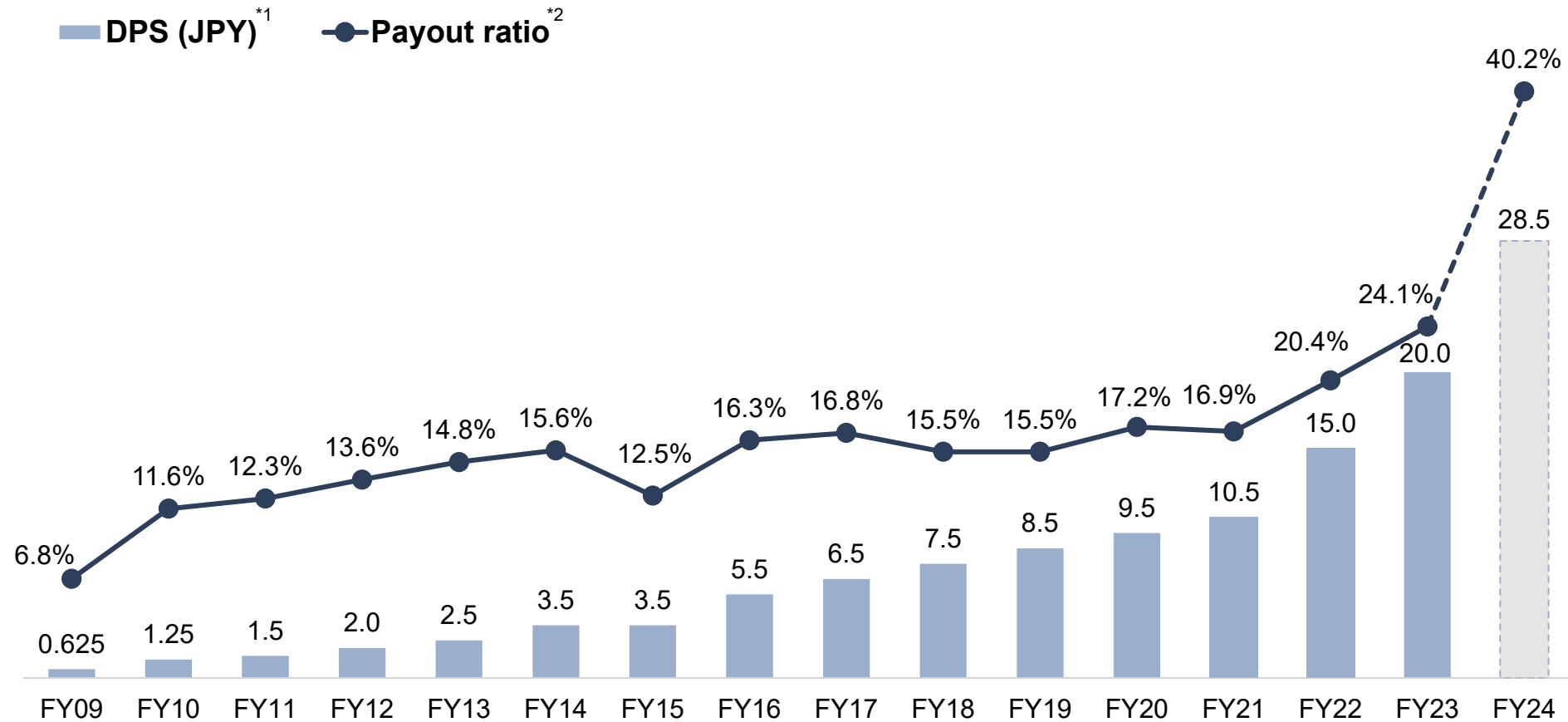


History of Service Launches – New Business (Senior Life)



1. RAG: Recruiting agent service

Dividends



1. Past stock splits are taken into account for the DPS calculation.
 2. Payout ratio = DPS / EPS

Historical Financial Results

(in JPY millions)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Net Sales	58	383	835	1,545	2,715	5,177	7,172	7,618	8,692	10,181	12,046	15,056	19,069	23,054	26,611	30,836	35,140	35,960	38,899	45,667	53,973	60,952
Operating Income	(5)	52	109	269	426	1,230	1,261	1,480	1,519	1,570	1,730	2,079	2,756	3,646	4,021	4,743	4,935	5,470	6,318	7,279	8,269	6,335
Ordinary Income	(5)	49	108	269	415	1,238	1,266	1,530	1,734	1,990	2,340	2,693	3,509	4,430	5,007	5,979	6,355	6,653	7,726	8,759	9,901	8,357
Net Income	(5)	31	63	157	244	719	717	876	1,004	1,226	1,380	1,824	2,265	2,801	3,361	4,216	4,760	4,800	5,408	6,406	7,227	6,054
EPS* ¹ (JPY)	(5.8)	1.8	1.5	2.2	3.3	9.2	9.2	11.1	12.2	14.9	16.8	22.4	27.9	33.7	38.7	48.5	54.7	55.1	62.1	73.5	83.0	71.0
Total Assets	59	357	566	1,016	1,806	3,118	3,645	4,672	5,716	6,948	8,406	11,421	41,689	43,231	46,087	47,467	50,996	49,444	56,585	65,098	72,475	76,540
Liabilities	55	166	196	489	822	1,410	1,266	1,430	1,579	1,794	2,331	4,497	28,532	21,648	22,446	31,928	31,597	26,785	26,594	26,677	28,190	29,221
Net Assets	4	190	369	527	983	1,708	2,379	3,242	4,136	5,153	6,074	6,923	13,157	21,583	23,641	15,539	19,398	22,658	29,991	38,421	44,284	47,319
Equity Ratio (%)	7.5	53.3	65.3	51.9	54.4	54.8	65.2	69.2	72.3	74.1	71.5	59.7	20.5	39.6	41.8	32.4	37.7	45.3	52.4	58.3	60.7	61.5
ROE* ² (%)	(124.9)	31.8	22.8	35.1	32.3	53.4	35.1	31.2	27.1	26.2	24.7	29.1	30.3	21.2	17.4	22.3	24.7	20.5	19.2	19.2	18.9	14.9
DPS* ¹ (JPY)	-	-	-	-	-	0.625	0.625	1.25	1.5	2.0	2.5	3.5	3.5	5.5	6.5	7.5	8.5	9.5	10.5	15.0	20.0	28.5* ⁴
Dividend Payout Ratio (%)	-	-	-	-	-	6.8	6.8	11.6	12.3	13.6	14.8	15.6	12.5	16.3	16.8	15.5	15.5	17.2	16.9	20.4	24.1	40.2* ⁴
TSR* ¹⁺³ (%)	-	-	-	-	-	-	-	-	-	-	177.1	514.5	1,150.3	1,057.5	682.8	402.3	263.6	317.8	243.5	143.2	132.6	57.8* ⁴

1. Past stock splits are taken into account for the EPS, DPS and TSR calculations.

2. ROE (from FY10 onwards) calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator

3. (Ending share price of the fiscal year + Total dividends paid over 5 years) / Ending share price 5 fiscal years ago

4. FY24 dividend to be finalized following the general meeting of shareholders in June.

Number of Employees and Shareholder Composition

Number of Employees

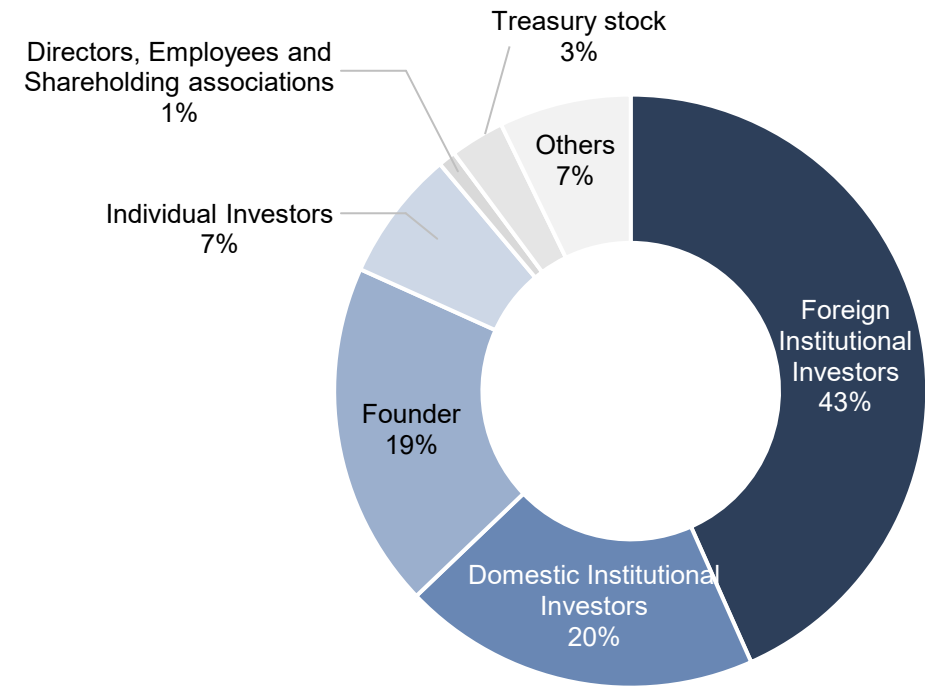
As of March 31, 2025:

Category	# of Employees
Consolidated	4,528
Japan	3,363
Overseas	1,165

Shareholder Composition*1

As of March 31, 2025 :

Number of shareholders 9,597



1. Pie chart shows the ratio of number of stocks held by each category.

Cautionary Statement with Respect to Forward-Looking Statements

These materials contain forward-looking statements, including estimates, projections, and statements related to the business operations of SMS Co., Ltd. (hereinafter, “the Company”) based on current expectations and assumptions in light of the information available to the Company as of March 31, 2025. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. These factors include, but are not limited to:

- changes in economic conditions, market demand, and the competitive environment affecting Japan, Asia and other markets in which the Company operates;
- reliance on digital and information technology, including with respect to the handling of medical care, elderly/disability care and other client information and operation of the Company’s online community services;
- Inability to effectively execute M&A/business alliance and overseas expansion strategies;
- Changes in the laws, regulations and government policies in the markets in which the Company operates, particularly relating to employment placement, medical care, and elderly/disability care;
- any damage to the brand image;
- risk of infringing intellectual property rights;
- fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the US dollar, the Singapore dollar, the Hong Kong dollar and the Australian dollar; and
- risk of impairment losses, particularly with respect to goodwill, trademark right and customer-related assets recognized in connection of the acquisition of Medica Asia (Holdco) Limited in October 2015.

A discussion of these and other factors which may affect the Company’s actual results, performance, achievements or financial position is described in “Business Risks” contained in the Company’s corporate website^{*1}.

We do not intend, and disclaim any duty, to update or revise any forward-looking statements contained in these materials to reflect new information, future events or otherwise. We caution you not to place undue reliance on any forward-looking statements contained in these materials.

For any inquiries on the materials, please contact below:

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1. https://global.bm-sms.com/ir/management/risk_factor/