First Quarter of the Fiscal Year Ending September 30, 2025 Financial Results Briefing Materials

Plus Alpha Consulting Co., Ltd.
(Tokyo Stock Exchange Prime: 4071)

February 14, 2025

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01 Financial results for the three months ended December 31, 2024

Financial results highlights

- Net sales increased by 27.1% and operating profit increased by 9.0% in the three months ended December 31, 2025 (1Q)

<1Q>

Net sales	**3,893**	million yen	YoY change	**27.1**	% up
Operating profit	**1,121**	million yen	YoY change	**9.0**	% up
Operating profit margin	**28.8**	%	YoY change	**4.8**	points up
Ordinary profit	**1,118**	million yen	YoY change	**8.5**	% up
Profit	**755**	million yen	YoY change	**7.6**	% up

Financial Highlights (HR Solutions including Talent Palette & Yorisoar)

- HR Solution continued to perform well, showing a 33.0% increase in net sales and a 18.2% increase in operating profit
- MRR grew 32.9%, and the operating profit margin remained high at 43.7%

	FY2024 1Q		FY2025 1Q		YoY change	
Net sales[1]	1,943	million yen	2,584	million yen	33.0	% up
Operating profit[2]	956	million yen	1,130	million yen	18.2	% up
Operating profit margin	49.2	%	43.7	%	5.5	points up
MRR[3]	582	million yen	773	million yen	32.9	% up
Number of customers[4]	1,473	cases	1,856	cases	383	cases up
Revenue churn rate[5]	0.30	%	0.35	%	0.05	points down
ARPU[6]	402	thousand yen	417	thousand yen	3.7	% up

Note 1: Combined figures for Talent Palette (TP), Yorisoar(YS), Attack and D4DR. Note 2-5 are combined figures for TP and YS.

Note 2: Monthly Recurring Revenue. Total of the monthly fee of contracted subscription users in December 2023 and in December 2024

Note 3: Number of monthly billed contracts as of December 31, 2023 and December 31, 2024

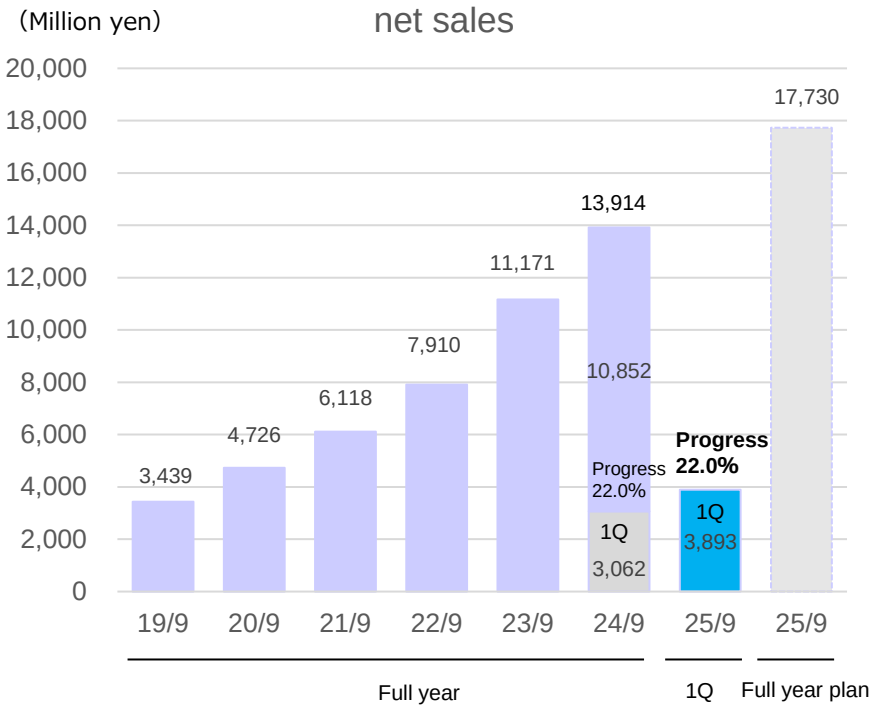
Note 4: Ratio of reductions as a result of cancellations to total monthly billed amounts as of December 2023 and December 2024 (average for the past 12 months).

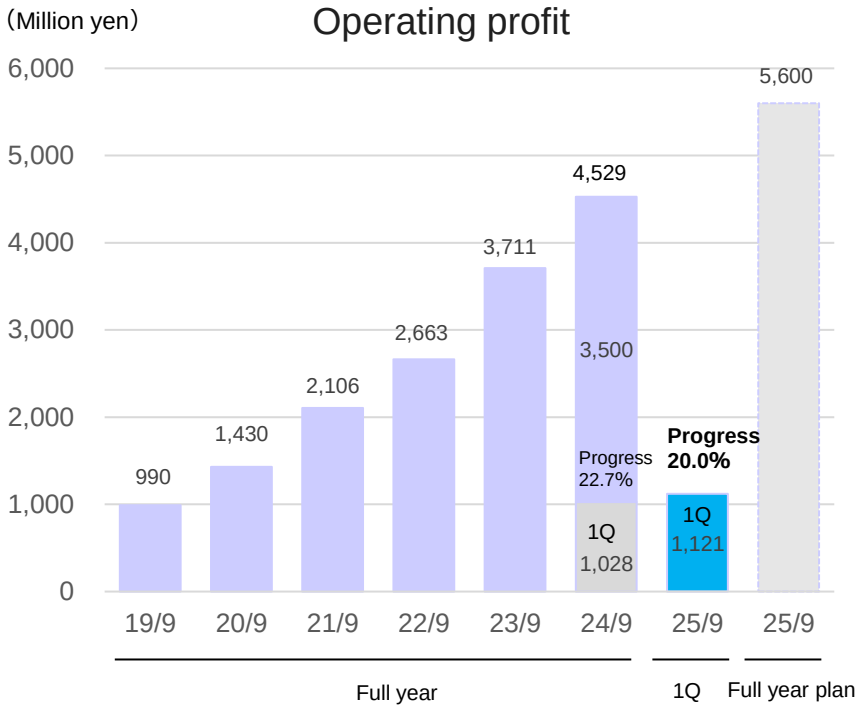
This ratio is calculated as the reduced subscription fee due to cancellations divided by the sum of the monthly fee revenue of the former month.

Note 5: Average Revenue Per User. Calculated by dividing the average MRR for 1Q of FY 2024 and 1Q of FY 2025 by the average number of paid billing enterprise users of each month for the same period.

Performance trends

- 1Q progress against the annual plan was almost the same level as the previous year at 22.0% for net sales and 20.0% for operating profit





In the first quarter of the consolidated fiscal year ended September 30, 2024, the Company finalized provisional accounting for business combinations, and the figures for the fiscal year ended September 30, 2024 reflect the content of the finalized provisional accounting.

Financial results summary

- Performance was steady in 1Q, with a 27.1% increase in net sales, a 9.0% increase in operating profit and an operating profit margin of 28.8%

Million yen	FY2025 (Oct.-Dec.)			FY2025 (Oct.-Sep.)	
	1Q（Oct.-Dec）			FY2025 plan	
	Results	Results	YoY	Plan	Progress
Net sales	3,062	**3,893**	27.1%	17,730	22.0%
Cost of sales	829	**1,085**	30.8%	-	-
Gross profit	2,232	**2,808**	25.8%	-	-
Selling, general and administrative expenses	1,203	**1,687**	40.2%	-	-
Operating profit	1,028	**1,121**	9.0%	5,600	20.0%
Operating profit margin	*33.6%*	***28.8%***	-	*31.6%*	-
Ordinary profit	1,030	**1,118**	8.5%	5,600	20.0%
Profit	702	**755**	7.6%	3,900	19.4%

Highlights for the three months ended December 31, 2024

Overview

- In FY2025 1Q, net sales increased by 27.1% and operating profit increased by 9.0% (28.8% margin).
- With regard to progress against the full-year plan, net sales were 22.0% and operating profit was 20.0%.
- Although net sales grew steadily in 1Q, factors such as bringing forward expenses and difficulties faced by subsidiaries resulted in a slight decrease in the profit margin for 1Q.

Business Overview

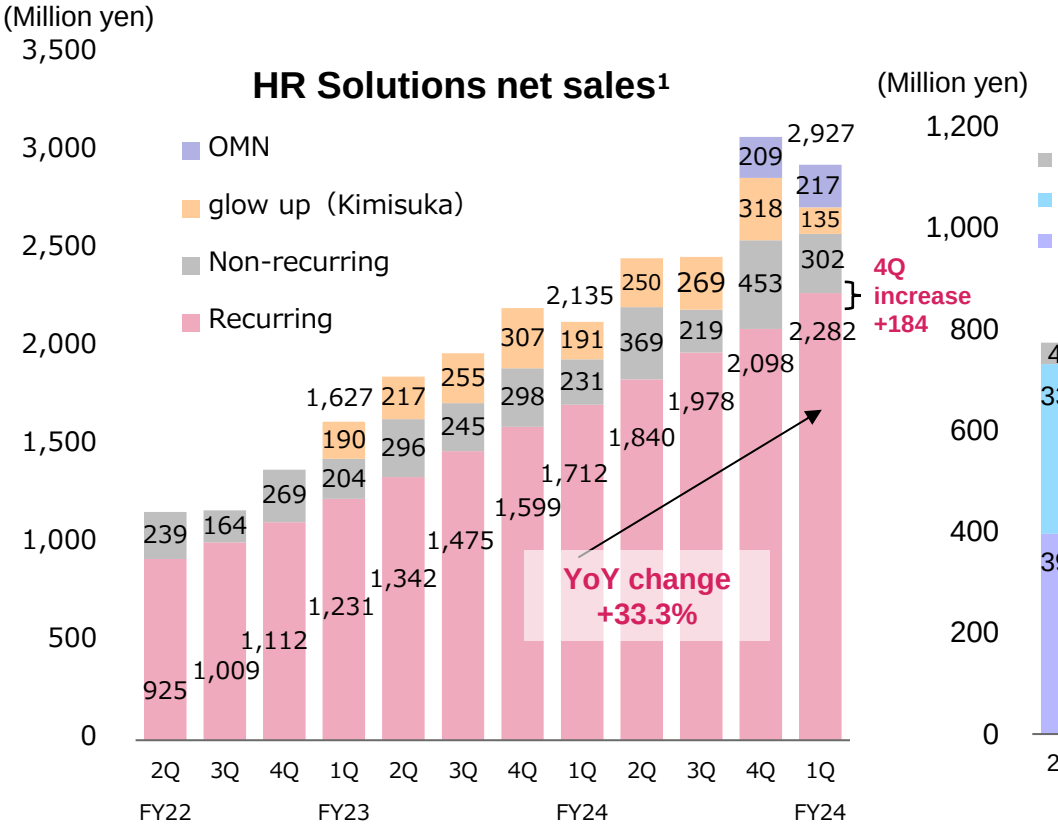
- In HR Solutions (HRS), net sales expanded steadily, but profit growth was modest due to marketing expenses being brought forward and increased losses at subsidiaries.
- In Marketing Solutions (MS) stable growth continued in both net sales and profit.
- In HRS, in addition to the increase in the number of customers for Talent Palette, the price revision and progress with the introduction of paid options resulted in an increase in ARPU and a significant increase in recurring revenue. Yorisoar is in a period of upfront investment, but continues to make a smooth start.
- glow up orders have continued to be weak, and the losses increased due to difficulties in expanding sales.
- In MS, although the number of cancellations of Visualization Engine increased, ARPU remained at a high level due to the price revision and the contribution of upselling, contributing to the expansion of net sales and profits.

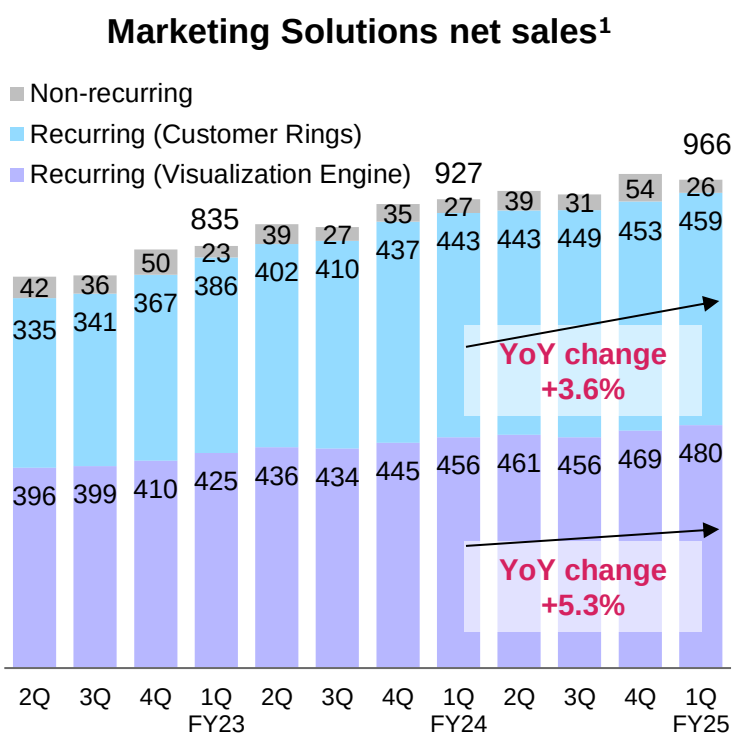
Earnings forecasts for the fiscal year ending September 30, 2025（No change）

- We forecast net sales of **17,730** million yen (up **27.4%** year on year) and operating profit of **5,600** million yen (operating profit margin of **31.6%**)
- In addition to the increase in the number of customers of HRS and MS, we expect the full-year contribution from the subsidiary acquired through M&A in the previous fiscal year

Net sales trends (By segment)

- HR Solutions recurring revenue steadily increased and expanded to 2,282 million yen (+33.3% year on year) in 1Q
- Marketing Solutions has maintained stable sales growth for both Visualization Engine and Customer Rings





Note 1: The values in the graph do not match the total because they are before consolidation adjustment.
Note 2: Sales of Attack and D4DR are included in non-recurring sales (from FY24 3Q onwards).

Factors Contributing to Changes

- Net sales are steadily increasing in both MS and HRS
- Profit growth was somewhat restrained due to sluggish sales of glow up and increased marketing expenses

(Million yen)	2024/9 1Q	2Q	3Q	4Q	2025/9 1Q	YoY change	YoY change (%)
net sales							
Marketing Solutions	927	943	936	976	**966**	+ 39	+ 4.2%
HR Solutions	2,135	2,459	2,466	3,068	**2,927**	+ 792	+ 37.1%
（Talent Palette）*1	1,923	2,181	2,167	2,476	**2,488**	+ 565	+ 29.4%
（Yorisoar）	19	27	29	65	**86**	+ 67	+ 343.0%
（glow up）	191	250	269	318	**134**	△ 57	△ 29.7%
（OMN）	-	-	-	208	**217**	+ 218	-
Total	3,062	3,403	3,403	4,044	**3,893**	+ 831	+ 27.1%
Operating profit							
Marketing Solutions	409	394	376	441	**432**	+ 22	+ 5.4%
HR Solutions	929	1,101	912	1,493	**1,105**	+ 176	+ 18.9%
（Talent Palette）*1	1,001	1,147	916	1,283	**1,152**	+ 150	+ 15.0%
（Yorisoar）	△ 44	△ 50	△ 57	△ 13	**△ 21**	+ 23	Loss decreased
（glow up）	△ 26	4	53	145	**△ 99**	△ 73	Loss increased
（OMN）	-	-	-	76	**74**	+ 75	-
Companywide	△ 263	△ 285	△ 295	△ 321	**△ 323**	△ 59	Expenses increased
Consolidated adjustment, etc.	△ 47	△ 72	△ 54	△ 190	**△ 93**	△ 46	Expenses increased
Total	1,028	1,138	939	1,423	**1,121**	+ 93	+ 9.0%

◆ Marketing Solutions

- Both net sales and profits continued to grow steadily.
- Although the number of customers has decreased slightly, ARPU has increased, and both sales and profits have increased year on year.

◆ HR Solutions

・Talent Palette

Monthly recurring revenue increased due to an increase in the number of customers and an increase in unit price
In the FY25 1Q, marketing expenses increased year on year, and the increase in profits was somewhat restrained.

・Yorisoar

The number of customers increased and ARPU also rose.
Growth investment continued, but losses decreased somewhat.

・glow up

Weak orders continued, and the impact of the year-on-year decline in net sales has led to an increase in losses.

・OMN

Net sales and profits were both generally as planned.

* Includes Attack and D4DR as services related to Talent Palette.

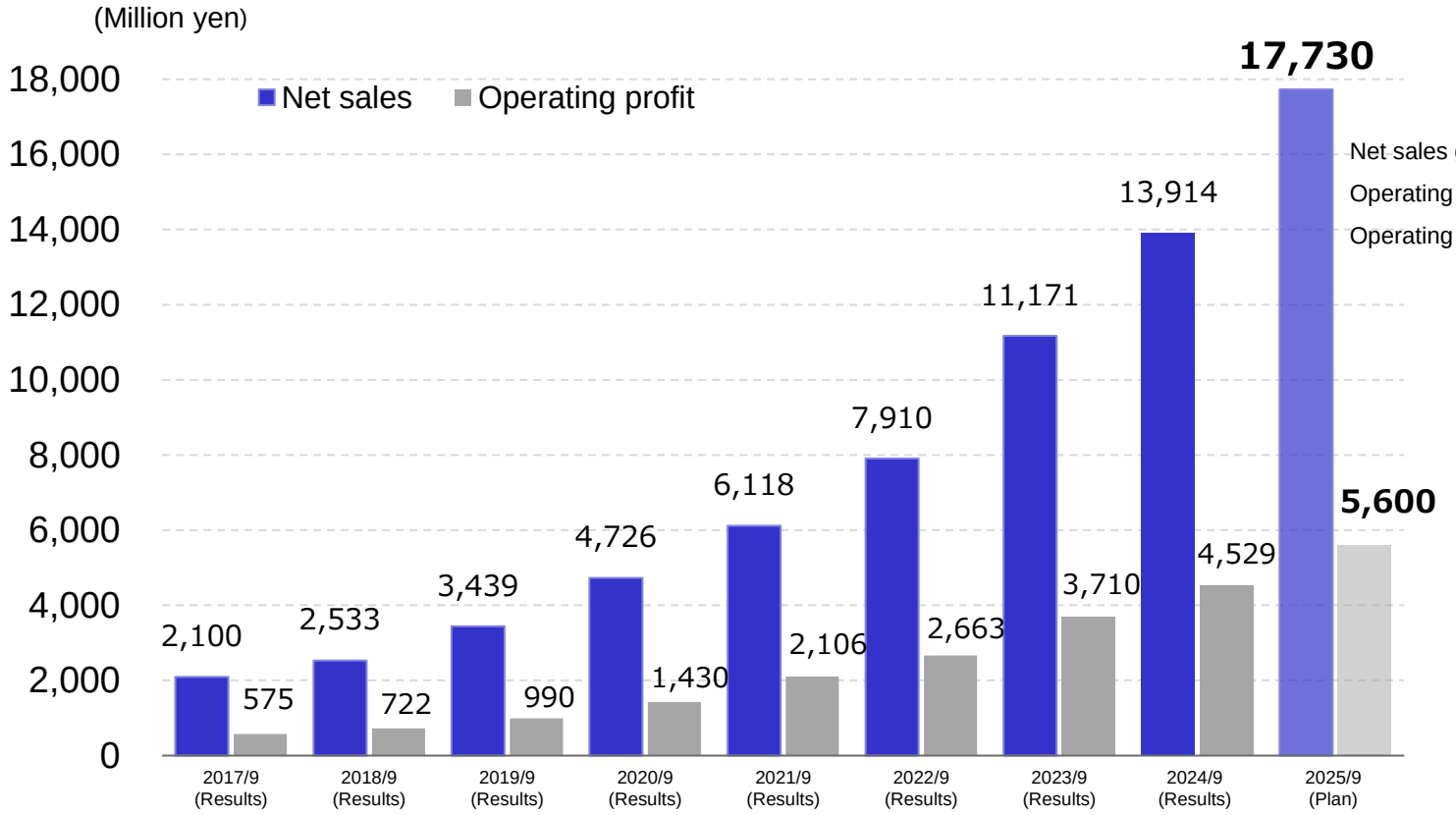
Status of Balance Sheets

- Net assets decreased by 676 million yen from the end of the previous fiscal year due to dividends and share buybacks
- The slim financial structure was maintained, and the equity ratio was maintained at the high level of 80.6%

(Million yen)	Sep. 30, 2024	Dec. 31, 2024	Changes from Sep. 30, 2024
Current assets	12,077	**11,037**	down 1,039
(Cash and deposits)	10,189	**6,993**	down 3,196
(Accounts receivable-trade)	1,599	**1,549**	down 49
Non-current assets	3,336	**3,104**	down 229
Total assets	15,413	**14,142**	down 1,268
Current liabilities	2,968	**2,457**	down 510
Non-current liabilities	342	**261**	down 81
Net assets	12,102	**11,423**	down 676
Equity ratio	78.4%	**80.6%**	

02 Earnings forecasts for the fiscal year ending September 30, 2025

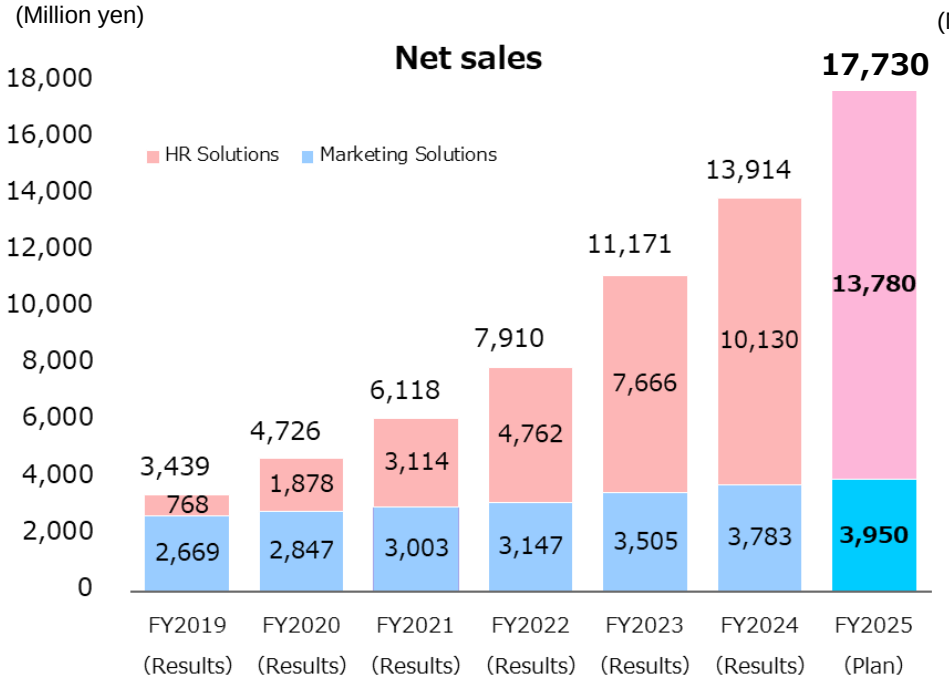
Earnings forecasts for the fiscal year ending September 30, 2025

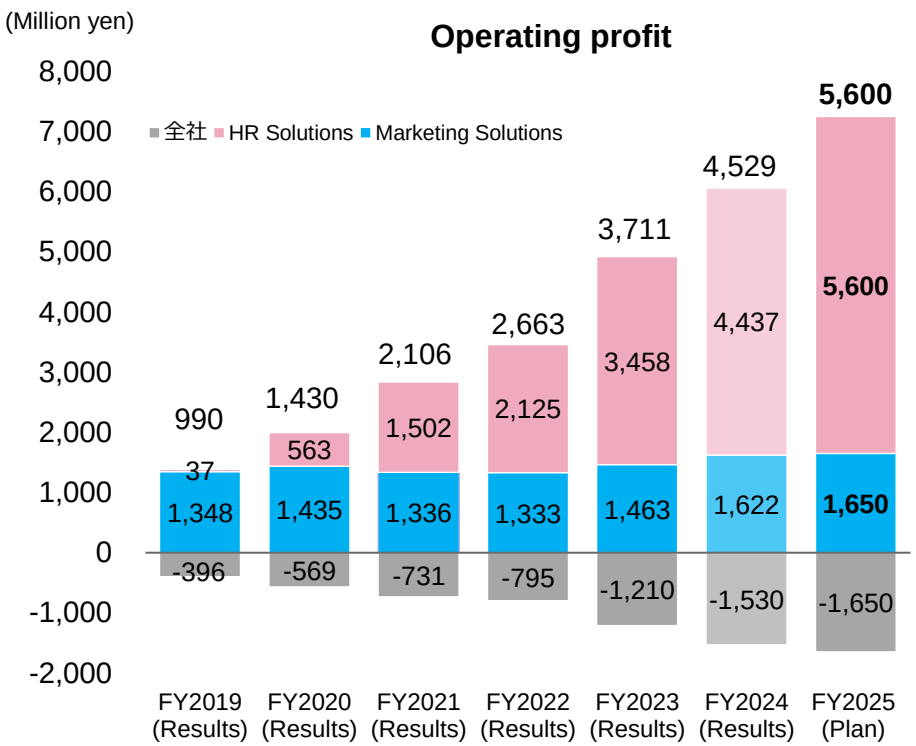


Net sales growth rate	**27.4**%
Operating profit growth rate	**23.6**%
Operating profit margin	**31.6**%

Earnings forecasts for the fiscal year ending September 30, 2024 (By segment)

- Companywide growth in revenues and profits is expected to be driven by sales and profit growth in HR Solutions



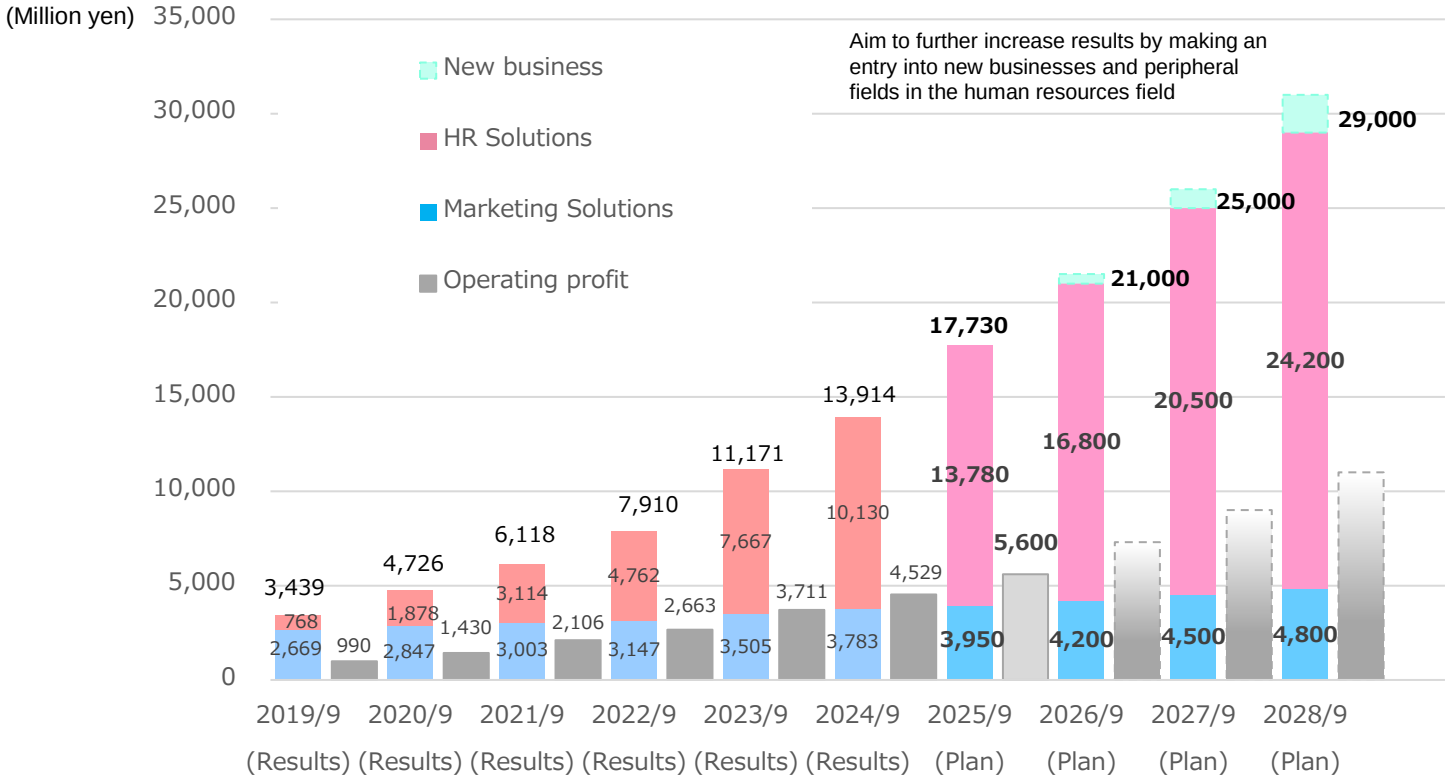


* Figures for FY2023 and earlier are retroactively restated according to the new segment classifications.

* Companywide includes amortization of goodwill, etc.

Medium-term growth image

- In addition to continued expansion of HR Solutions, expected to develop HR-related areas and new businesses
- In the medium term, aim for sales of 30 billion yen and operating profit of 10 billion yen or more.

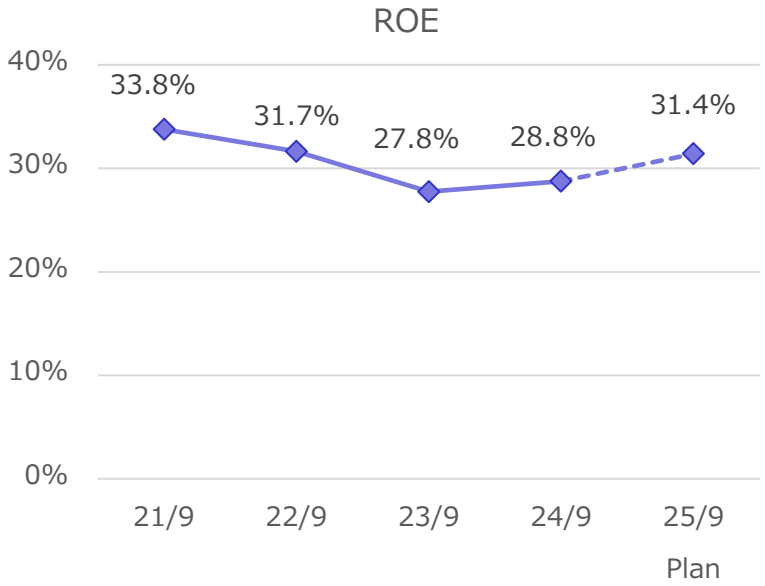


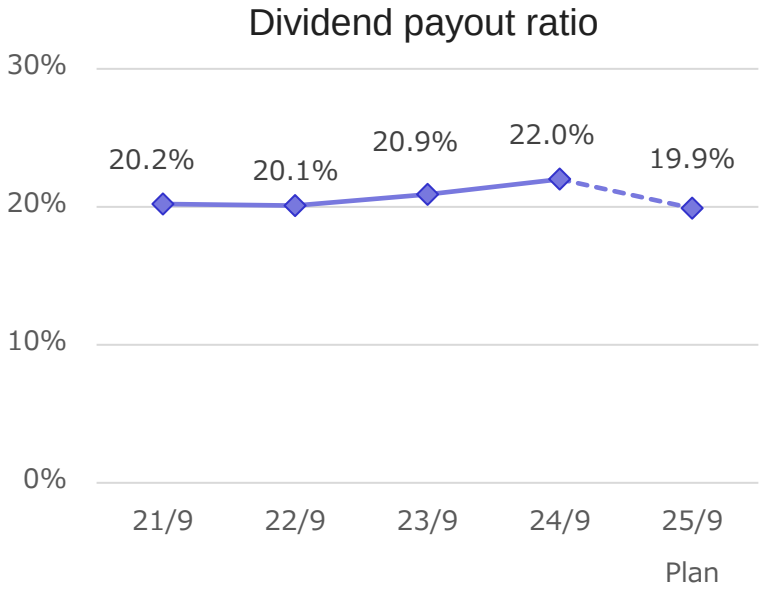
- Figures for FY2023 and earlier are retroactively restated according to the new segment classifications.
- *Operating profit takes into account expenses incurred for M&A, etc.

Shareholder return policy

We have set ROE as an indicator for efficient use of capital and intend to maintain a high level over the medium term through measures to improve profitability and provide shareholder returns

- Return on capital: Recognize ROE as an important indicator and aim to maintain a level of 20% or more
- Shareholder return policy: Continue to pay stable dividends while securing necessary internal reserves (the target dividend payout ratio is 20%)





*ROE for the fiscal year ending September 2025 takes into account the planned amount of treasury stock acquisition (3 billion yen) announced on November 29, 2024.

03 Business Overview

Major KPIs for 1Q of FY2025

Non-consolidated basis

MRR[1]

Companywide

1,087 million yen

- Marketing Solutions 314 million yen
- HR Solutions 773 million yen

MRR growth rate[2]

Companywide

22.8%

- Marketing Solutions 3.5%
- HR solutions 32.9%

Average monthly revenue churn rate[3]

Companywide

0.61%

- Marketing Solutions 1.17%
- HR Solutions 0.35%

Number of users[4]

Companywide

2,696 companies

- Marketing Solutions 840 companies
- HR Solutions 1,856 companies

Recurring ratio[5]

Companywide

92.4%

- Marketing Solutions 97.3%
- HR Solutions 90.5%

ARPU[6]

Companywide

402 thousand yen

- Marketing Solutions 370 thousand yen
- HR Solutions 417 thousand yen

Note 1: Monthly Recurring Revenue. Total of the monthly fee of contracted subscription users in December 2023 (excluding temporary sales)
Note 2: MRR growth rate from December 2023 to December 2024
Note 3: Ratio of reductions as a result of cancellations to total amounts of the existing monthly billed contracts as of December 2024 (average for the past 12 months).
This ratio is calculated as the reduced subscription fee due to cancellations divided by the sum of the monthly fee revenue of the former month.
Note 4: Number of monthly billed contracts as of December 31, 2024
Note 5: Calculated as dividing total monthly billed amounts for the first quarter of the fiscal year ending September 30, 2024 by net sales for the same period.
Note 6: Average Revenue Per User. Calculated as dividing the average MRR for the first quarter of the fiscal year ending September 30, 2025 by the average number of paid billing enterprise users of each month for the same period.
Companywide result is calculated by dividing total amounts of the average MRRs of all businesses for the same period by the average number of total enterprise users for all businesses of each month for the same period.

Number of customers, revenue churn rate, ARPU (HR Solutions)

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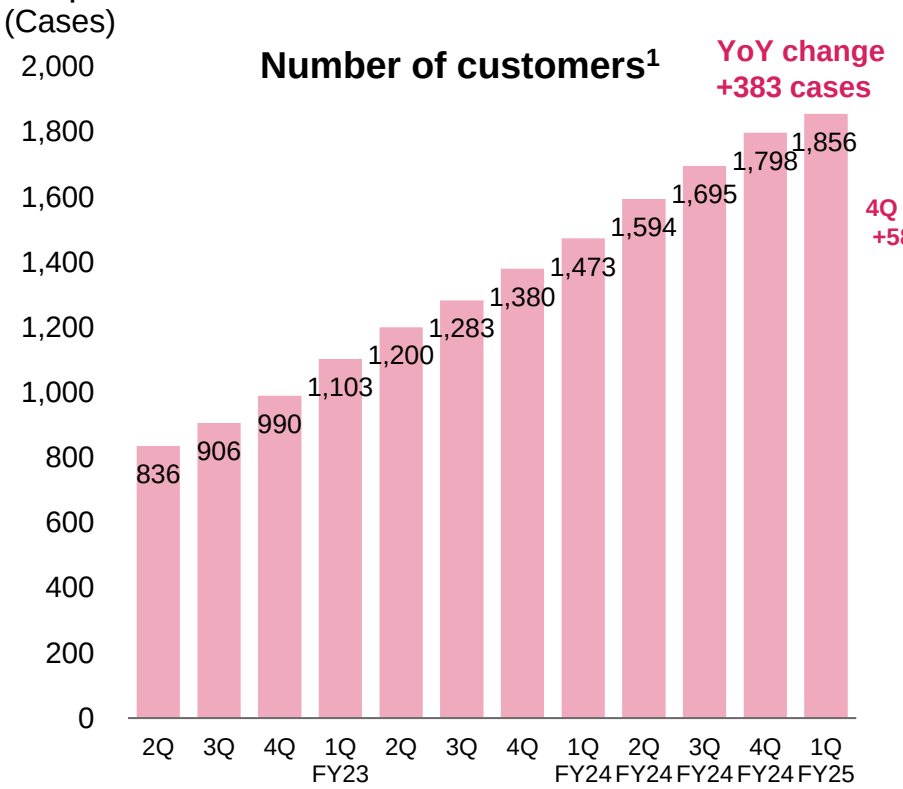
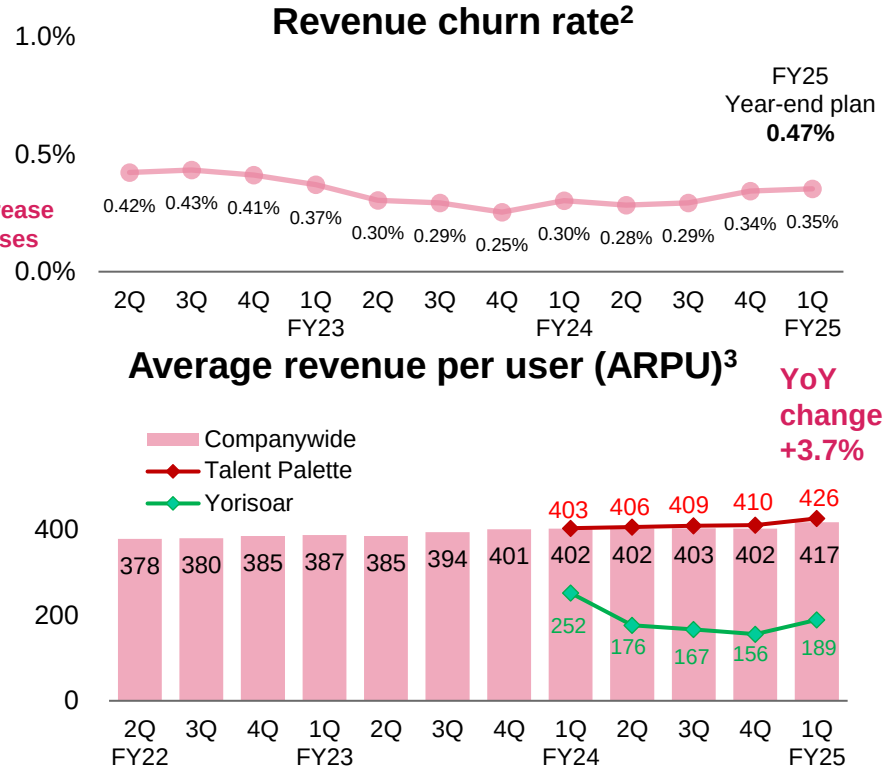
Non-consolidated basis

- Talent Palette acquired new customers, mainly from enterprises
- Talent Palette ARPU rose due to the effect of price increases and the penetration of cross-selling of paid options





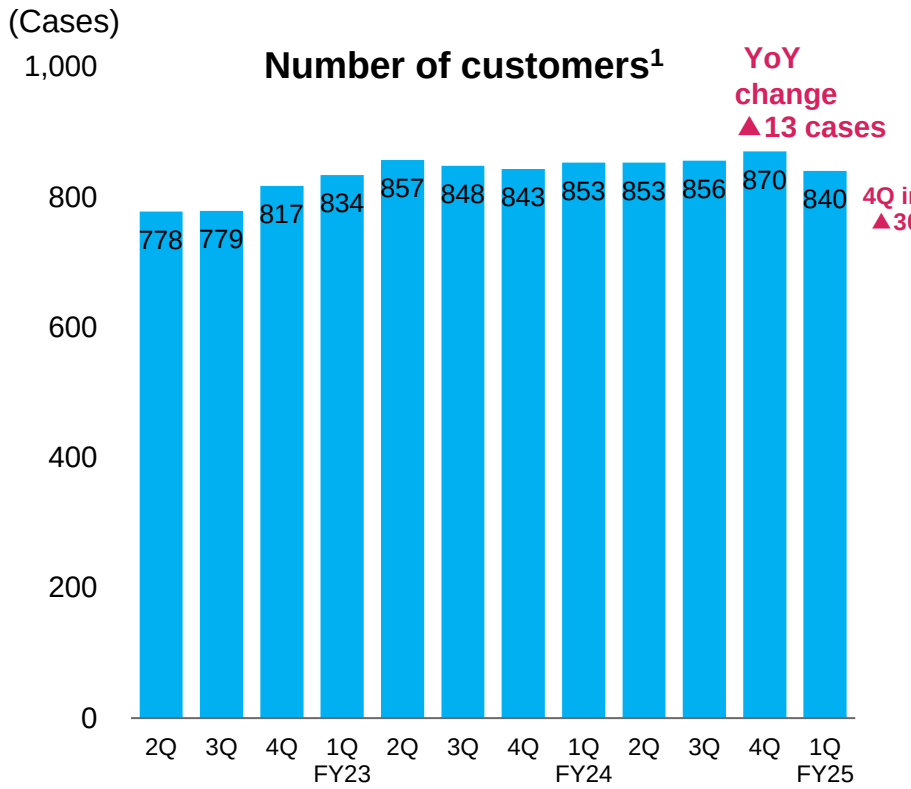
Note 1: Number of monthly billed contracts
Note 2: Ratio of reductions as a result of cancellations to total monthly billed amounts (average of the past 12 months at the end of each quarter)

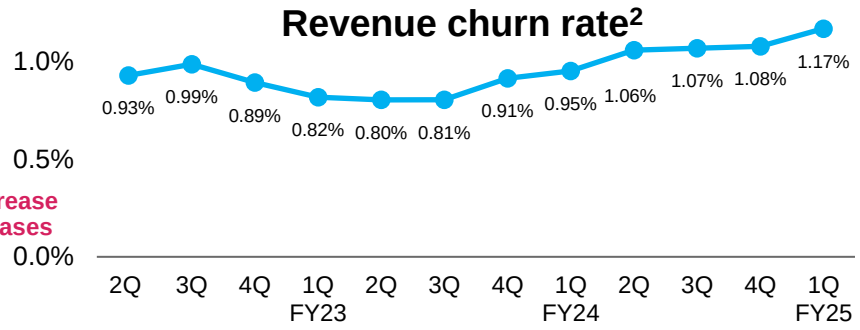
Note 3: Average Revenue Per User. Average monthly revenue per paid billing enterprise user. Calculated as dividing the average MRR for each quarter by the average number of paid billing enterprise users of each month for the same period.

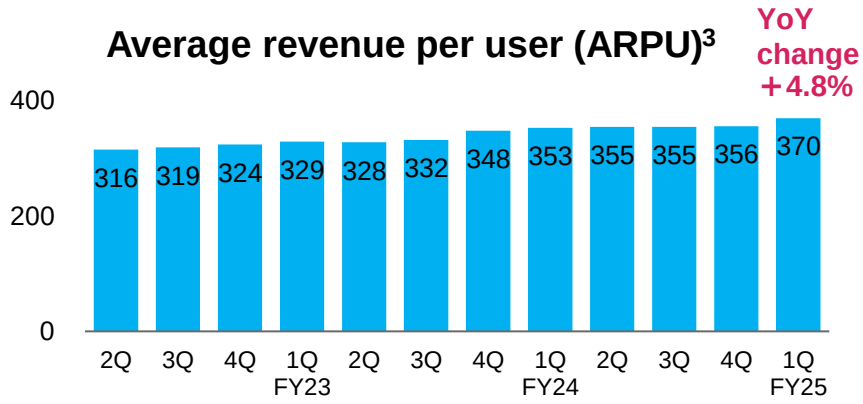
Number of customers, revenue churn rate, ARPU (Marketing Solutions)

Non-consolidated basis

- The number of cancellations of Visualization Engine is rising, and the number of customers has decreased by 30
- ARPU[3] is gradually rising due to factors such as up selling to existing customers







Note 1: Number of monthly billed contracts
Note 2: Ratio of reductions as a result of cancellations to total monthly billed amounts (average of the past 12 months at the end of each quarter)

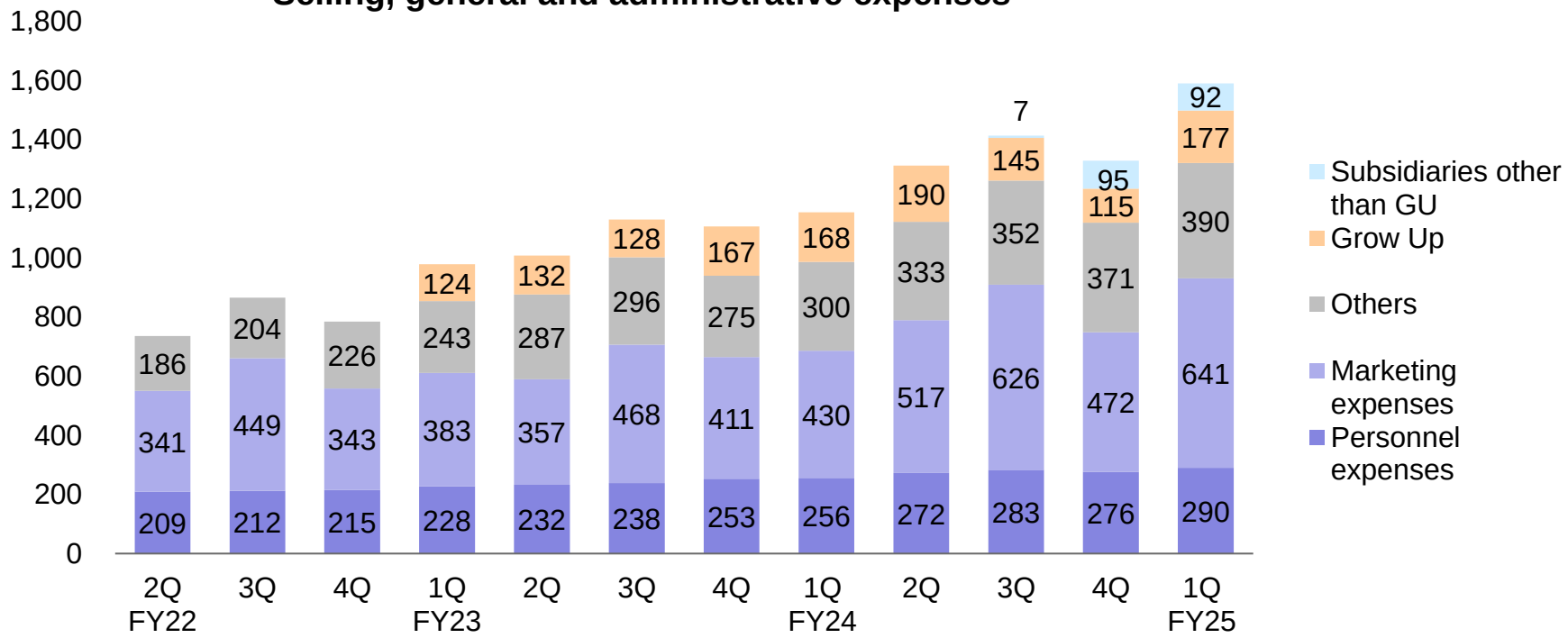
Note 3: Average Revenue Per User. Average monthly revenue per paid billing enterprise user. Calculated as dividing the average MRR for each quarter by the average number of paid billing enterprise users of each month for the same period.

Trends in selling, general and administrative expenses

- Marketing expenses have increased due to the strengthening of web promotion in HRS

(Million yen)

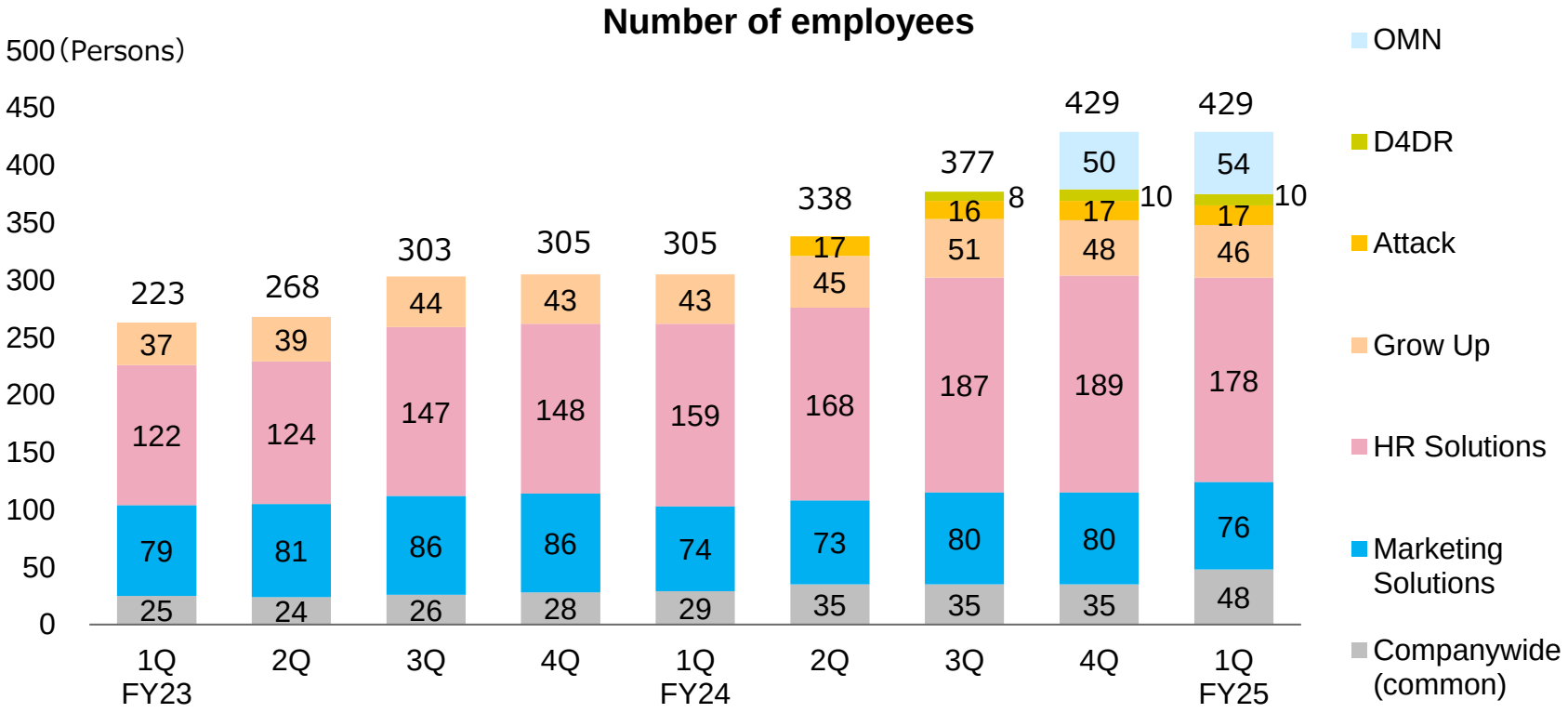
Selling, general and administrative expenses[1]



Note 1: **Amortization of goodwill, etc. is not included in the above figures.**

Trends in the number of employees

- Recruitment of both engineers and consultants is progressing smoothly according to plan
- The number of staff in business divisions has decreased slightly due to the transfer of quality control engineers to common divisions



Note 1: The number of permanent employees as of the end of each quarter
Note 2: Non-consolidated figures are shown for HR Solutions

04 Latest topics

Latest topics

(1) Examples of implementing Talent Palette in enterprises

(2) “Scientific HR Forum” as an enterprise measure

(3) Participated in the Takagi Village Demonstration Project, received the Leader award (Yorisoar)

(4) Strengthened functions and implemented training using generative AI (Visualization Engine)

(5) AIinsight, a dialogue analysis function that utilizes generative AI (Talent Palette)

(6) Established the “HR Future Creation Research Institute,” a think tank for considering the future of human resources

Topic ①:Examples of implementing Talent Palette in enterprises

Niigata City, Nojima Corporation, GEO HOLDINGS CORPORATION, and Joshin Denki Co., Ltd. have introduced Talent Palette.

新潟市

Niigata City

- Utilization in personnel strategy through analysis of personnel evaluation results
- Improving engagement through survey compilation and analysis

Nojima

Nojima Corporation

- End-to-end recruitment work can be carried out by using jointly with the PAC Group's recruitment support service
- Using the location map function to consider positioning when opening a new store, etc.

GEO HOLDINGS CORPORATION

- Human resource development, improving employee retention rates
- Disclosure of information on human capital
- Optimal assignment using job rotation planning functions

ひと、まち、笑顔に。
Joshin

Joshin Denki Co., Ltd.

- Utilization of information on human resources, systematization of personnel evaluation
- Optimal personnel allocation and improved operational efficiency through collaboration with "R-Shift"

topics② : “Scientific HR Forum” as an enterprise measure

Held the Scientific HR Executive Forum 2023 to promote personnel strategies using HR data and to award companies that have implemented Talent Palette for their progressive initiatives



Announced on
November 28, 2024



<Grand Prize>

MISAWA HOMES CO., LTD.
Niterra Co., Ltd.
Niterra Co., Ltd.
Chugin Financial Group, Inc.
AOYAMA TRADING Co., Ltd.

<Special Prize>

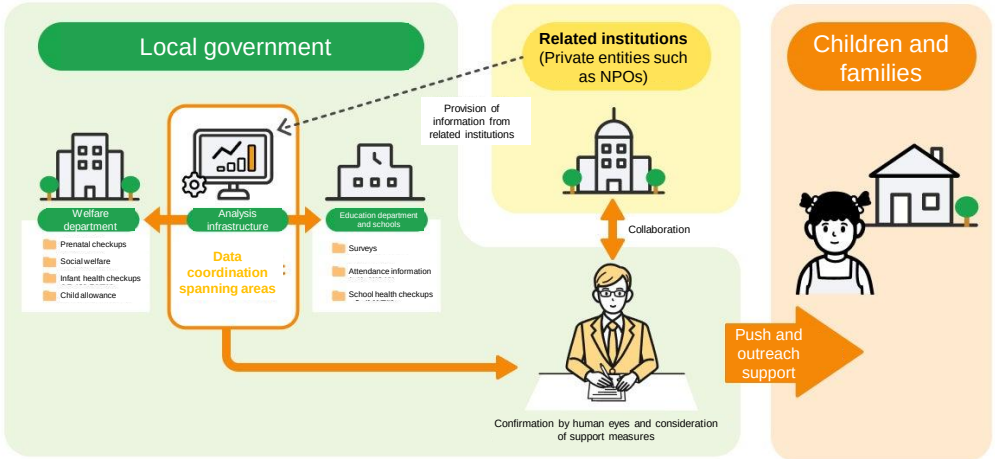
Alfresa Medical Service Corporation
Hiro-Tec Co.,Ltd.

*Titles omitted

Topic ③: Participated in the Takagi Village Demonstration Project, received the Leader award (Yorisoar)

Participated in a project in Takagi Village in Nagano Chosen as a “FY2024 Children’s Data Linkage Demonstration Project”

By integrating, visualizing and analyzing various data held by Takagi Village, such as “insurance data” and “disability data”, on Yorisoar, we have established a system to quickly identify children and families in need of support.



Received the highest Leader award at ITreview Grid Award 2025 Winter.

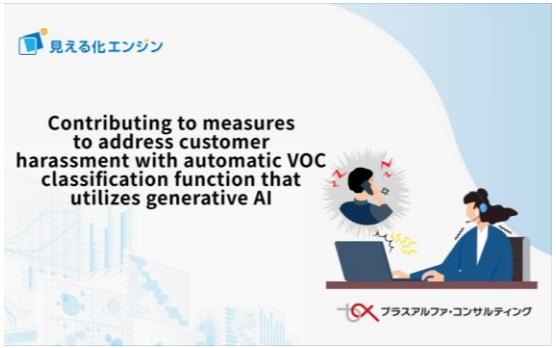
Received the highest Leader award in the school support system category and the learning management category at ITreview Grid Award 2025 Winter.



* The Leader award received this time is given to products that have received above-average recognition and satisfaction ratings in the ITreview Grid based on user evaluations.

Topic ④: Strengthened functions and implemented training using generative AI (Visualization Engine)

- Newly equipped with an automatic VOC classification function that utilizes generative AI
- Conducted cross-group qualitative analysis training to promote the use of qualitative data at SEKISUI CHEMICAL CO., LTD.



Contributing to measures to address customer harassment with automatic VOC classification function that utilizes generative AI

- Easy analysis is possible by automatically classifying VOCs into categories.
- By not only classifying the types of voices, but also analyzing the temperature of the customer's anger and the operator's response from an objective perspective, AI contributes to improving customer satisfaction and reducing the burden of dealing with customer harassment of operators.



Conducted analysis training using Visualization Engine at SEKISUI CHEMICAL CO., LTD.

- Conducted group-wide qualitative analysis training.
- We also plan to hold training sessions using generative AI in the future.

Page showing the example: https://www.mieruka-engine.com/case/sekisui/

Topic ⑤: AIinsight, a dialogue analysis function that utilizes generative AI



“AIinsight” for instantly grasping the characteristics of employees to improve decision-making

- By following the instructions in free-form text, it is possible to instantly grasp the characteristics of the employees and interactively identify employees who meet the conditions.
- The personnel in charge can deepen their understanding of the organization, such as organizational issues and employee characteristics, in a chat-like format, and enhance decision-making on measures.



2024/12/18

The turning point for implementing generative AI concerning whether to develop in-house or use SaaS

The turning point for implementing generative AI concerning whether to develop in-house or use SaaS : published in NewsPicks

Vice President Suzumura and Executive Officer Igarashi explained the features and usage scenarios of “SaaS equipped with generative AI” under the theme of “In-house development or SaaS: The turning point for implementing generative AI.”

Talent Palette generative AI functions

AI-based HR search	Generation of personnel profiles using AI	AIinsight	AI advisor

Visualization Engine generative AI functions

AI interview	Persona generation	AIinsight	Positive-negative estimation

Page: https://newspicks.com/news/10770322/body/

Topic ⑥: Established the “HR Future Creation Research Institute,” a think tank for considering the future of human resources

- We will broadly contribute to society and the human resources industry by identifying future issues in the field of human resources, predicting countermeasures and communicating information.
- The “HR Future Creation Co-Creation Institute” has published a “Future Timeline” on its official website, which summarizes the wide-ranging social changes and elements changing in relation to human resources that are predicted to occur over the next 30 years in chronological order.



HR Future Prediction Project



Future Timeline

05 Reference materials

Company outline

Company outline

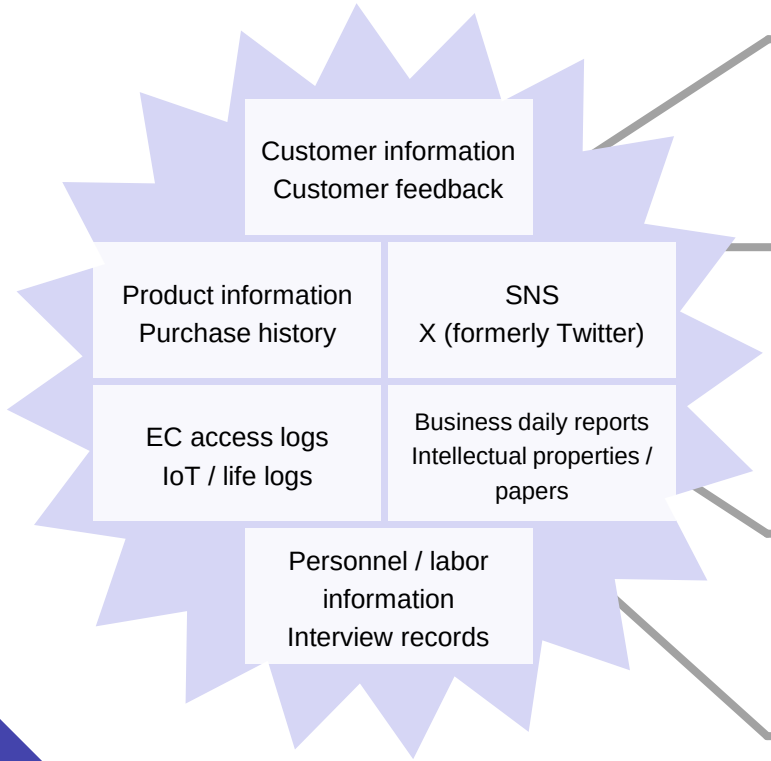
Company name	Plus Alpha Consulting Co., Ltd. (Tokyo Stock Exchange Prime: 4071)
Representative	Katsuya Mimuro, Representative Director and President
Headquarters location	25F Shiodome Sumitomo Building, 1-9-2 Higashi Shimbashi, Minato-ku, Tokyo
Osaka Branch	13F Osaka Nakanoshima Building, 2-2-2 Nakanoshima, Kita-ku, Osaka-shi, Osaka
Fukuoka Branch	4F Grand Cabin Tenjin-minami, 3-3-33 Yakuin, Chuo-ku, Fukuoka-shi, Fukuoka
Consolidated subsidiary	Grow Up Co., Ltd.
Established	December 25, 2006
Capital	499,342 thousand yen (as of January 31, 2025)
Business content	Providing cloud services for data analysis platforms
Number of employees	429 consolidated (as of December 31, 2024)
URL	https://www.pa-consul.co.jp/

Business concept

Platform to visualize big data

Explosive information growth = Creation of big data

Information in all areas will be digitized



Visualize

enormous information through technology

Text mining
Data mining
Natural language processing
AI / machine learning
+
Consulting Operational knowledge

Serving various sectors

Marketing Solutions

Marketing area

Visualization of customer feedback

見える化エンジン

CRM area

Visualizing client information and actions

CustomerRings カスタマーリングス

HR Solutions

HR/personnel area

Visualizing personnel information / employees

Talent Palette タレントパレット

キミスカ

Education area

ヨリソル

Main services

Developing profitable SaaS businesses in multiple areas

Marketing Solutions

Developing business in the areas of marketing and CRM with advanced technological capabilities to visualize big data in a way that is useful in practice

Marketing area

見える化エンジン

Text mining analysis for the use of customer feedback data from call logs, X (formerly Twitter), etc.

Monthly subscription according to the amount of analyzed data

CRM area

CustomerRings カスタマーリングス

Customer analysis using purchase histories, web access logs, etc., and automation of marketing initiatives

Monthly subscription according to the number of customers/e-mails delivered

HR Solutions

Expanding business into the the areas of HR/personnel and education based on expertise on data utilization cultivated in the area of marketing

HR/personnel area

Talent Palette タレントパレット

Analysis of employee information for HR measures such as personnel development and optimal placement

Monthly subscription according to the number of employees

Education area

ヨリソル

Visualization by central management of information on teachers, students and parents, and promotion of educational data use and utilization

Monthly subscription according to the number of students and teachers

Subscription products

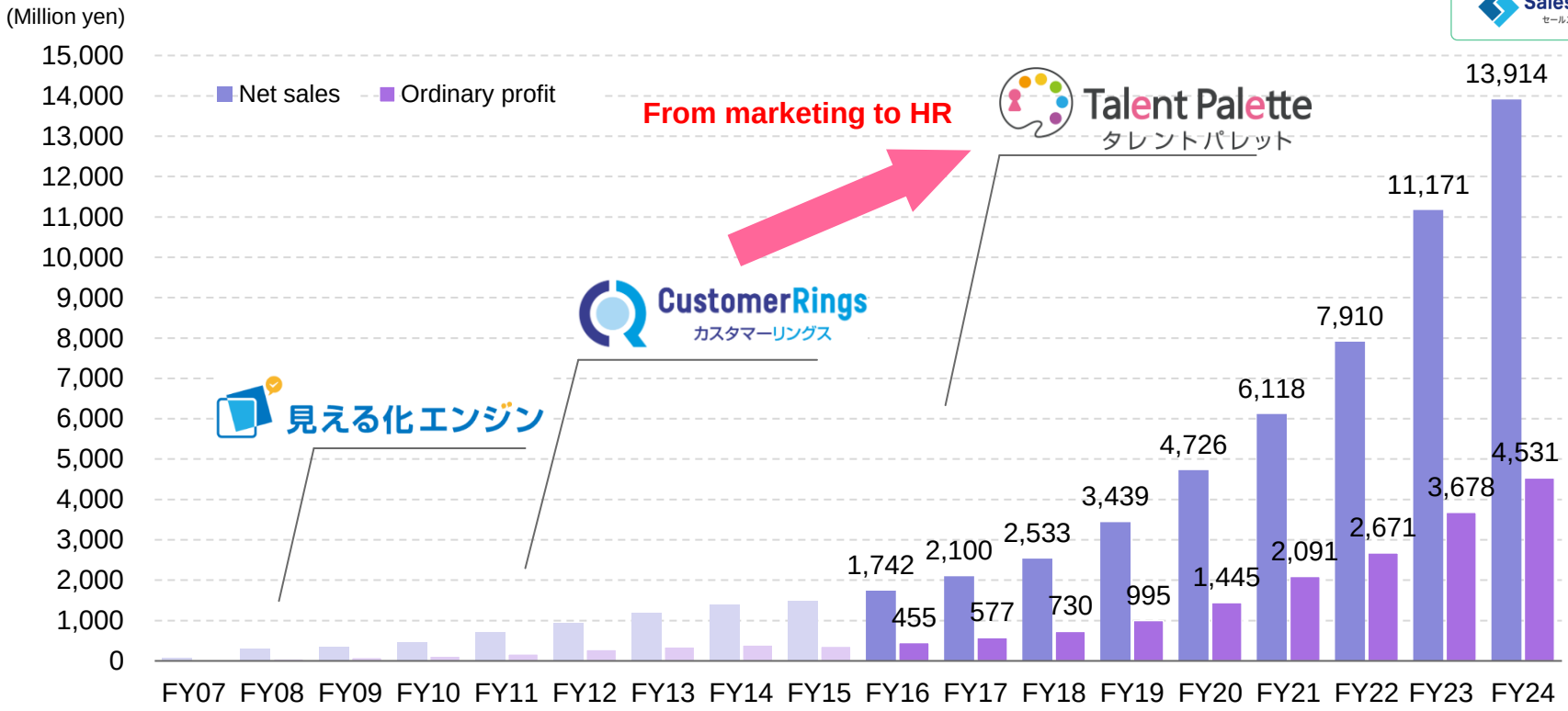
Technology and expertise behind the services

Language processing technologies	Visualized mining technologies	Mass data analysis expertise	Industrial / operational knowledge	Utilization support consulting

Course of Growth

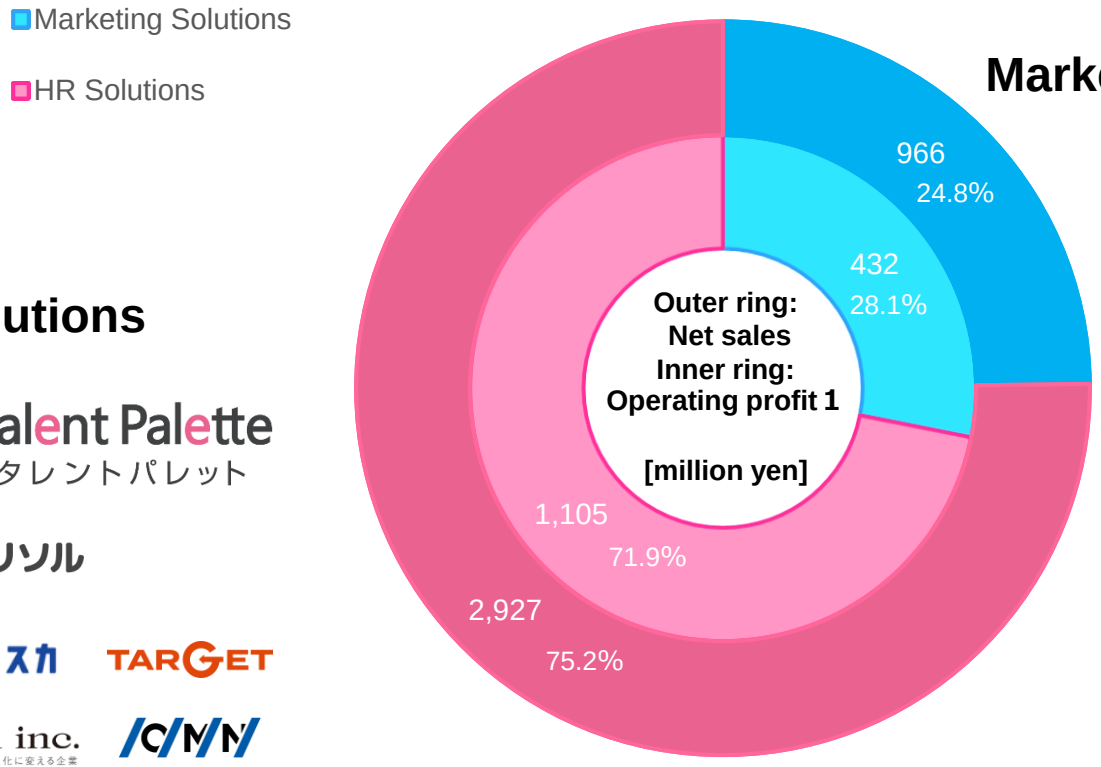
Expanded content of business by introducing business-specialized products in intervals of several years
Expanded business into personnel and HR centered on know-how utilizing data developed in marketing

New businesses
ヨリソル
Sales Square セールス スクエア



Financial results (by segment) for the three months ended December 31, 2024 (1Q)

- The HR Solutions Business accounted for 75.2% of net sales and 71.9% of profit, driving growth



Marketing Solutions

見える化エンジン

CustomerRings
カスタマーリングス

HR solutions

Talent Palette
タレントパレット

ヨリソル

キミスカ

TARGET

D4DR inc.
知的好奇心を社会の進化に変える企業

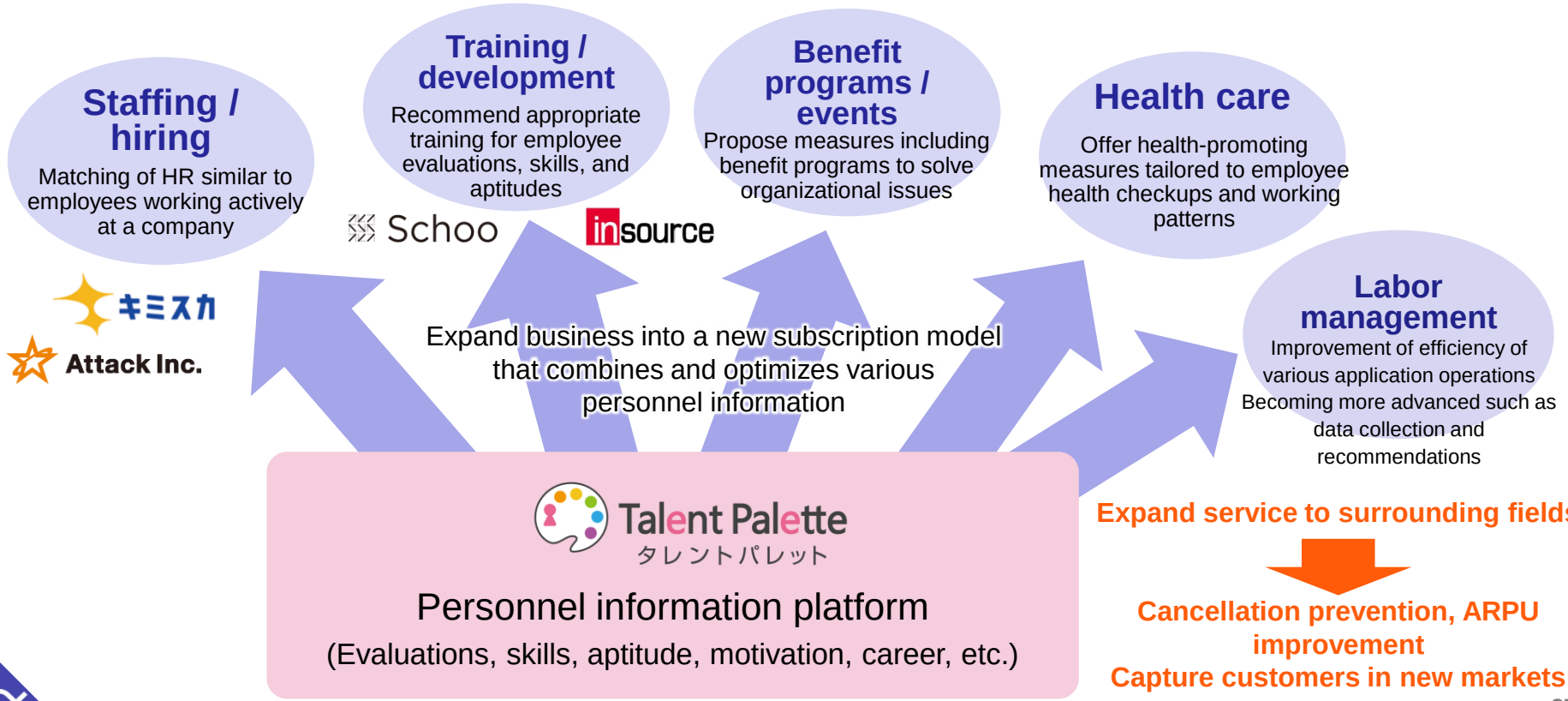
CMN

Note 1: Amount of operating profit of the segment in 1Q of FY2025 (before elimination of shared expenses, before amortization of goodwill, etc., excluding one-time expenses associated with M&A)

Further development of Talent Palette Business

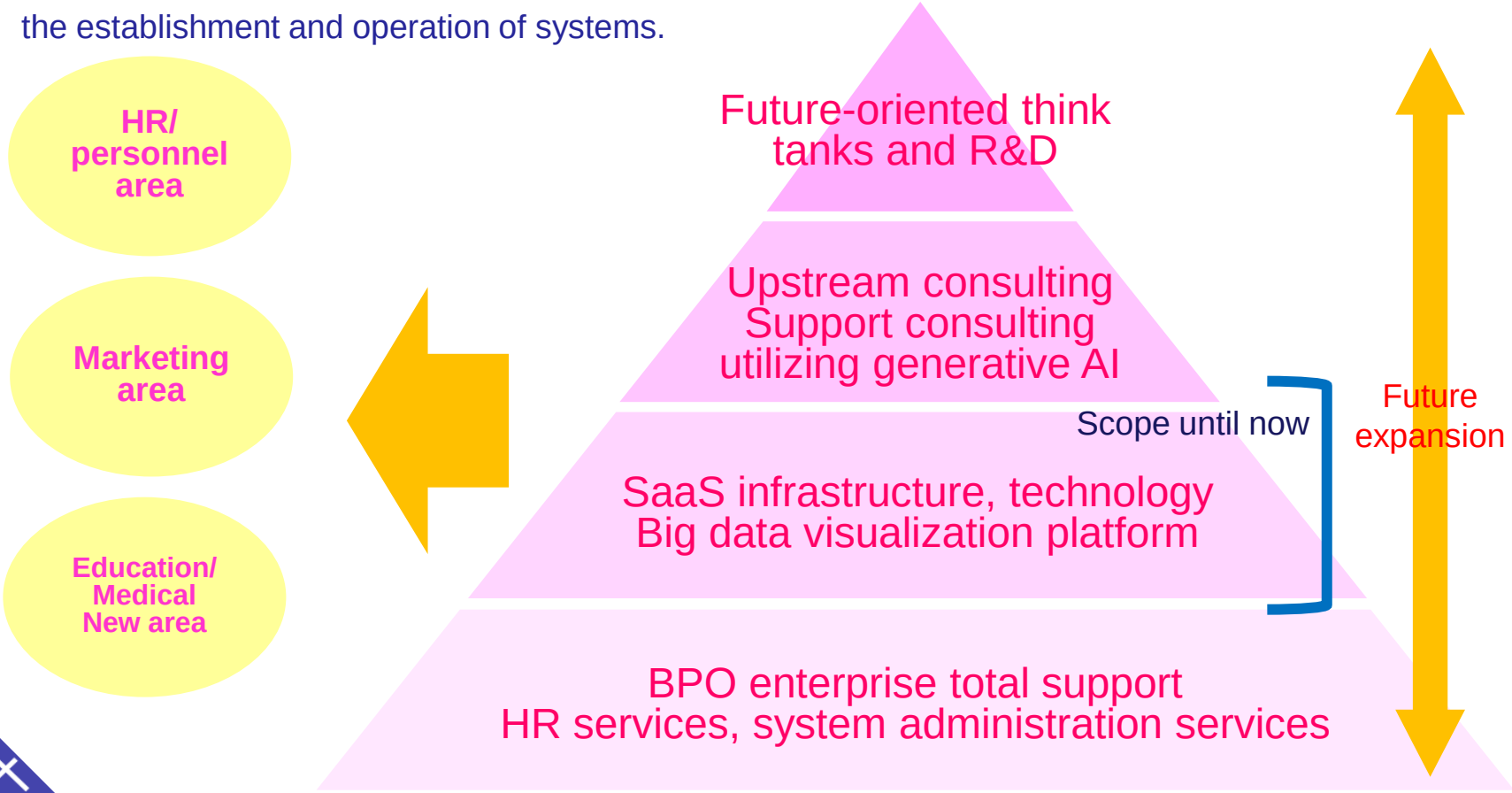
Expand services to sectors surrounding HR

By utilizing HR data accumulated in Talent Palette, we have improved the accuracy of services surrounding personnel.
We aim to expand business not only in the company but also by utilizing partnerships and capital alliances with partner companies



Strengthening services with high added value to conquer the enterprise market

With the existing SaaS business infrastructure at its core, we aim to provide industry leadership to future-oriented think tanks and upstream consulting, and expand our business to BPO that provides total support for the establishment and operation of systems.



Business strengths

Service characteristics

	Visualization platform	Marketing automation tool	HR utilization platform
	見える化エンジン	CustomerRings カスタマーリングス	Talent Palette タレントパレット
Service overview	Text mining analysis of massive amounts of diverse customer feedback and conversation data from surveys, call logs, voice recognition data, social media and X (formerly Twitter), etc.	Support for optimal communication with customers based on analysis results gained from integrated data for customer attributes and action histories	Utilized for talent management by visualizing personnel information such as employee skills, aptitude, evaluations, and survey results and hiring related data
Users and usage	Introduced mainly into companies' contact centers and marketing and DX/digital marketing divisions Used for strengthening CS, improving services and planning and developing new products	Introduced mainly into companies in EC (apparel, health foods, cosmetics, general goods, etc.) and retail industries Used for planning and implementing measures for online marketing	Introduced mainly into personnel divisions Used for personnel planning and strategies to improve employee performance by utilizing human resources
Major characteristics	No. 1 market share in Japan for the 12th consecutive year in the text mining tool area with functions of supporting a wide range of data sources centered on qualitative data, highly accurate natural language processing, an intuitive user interface, etc.	Intuitive interface, various functions to analyze and visualize customer actions, and support for multiple channels such as e-mail, social media and apps	Personnel database on employee information, evaluations, and skills. Support for optimal placement, HR selection, resignation analysis/prediction, and improvement in matching efficiency
Fee system	Monthly fee: Monthly subscription plan according to data amount, etc. Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.	Monthly fee: Monthly subscription plan according to the number of members and distribution, etc. Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.	Monthly fee: Monthly subscription plan according to the number of employees Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.

Business strengths

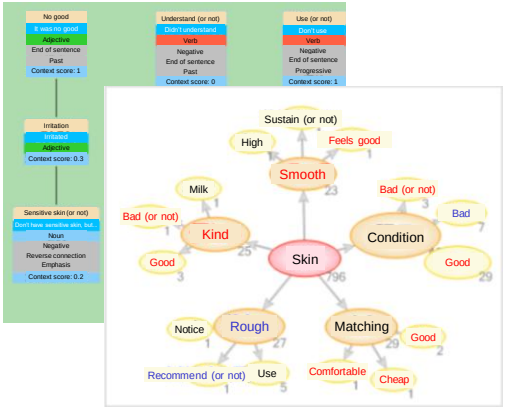
Advanced technologies to visualize big data for practical use

見える化エンジン

CustomerRings
カスタマーリングス

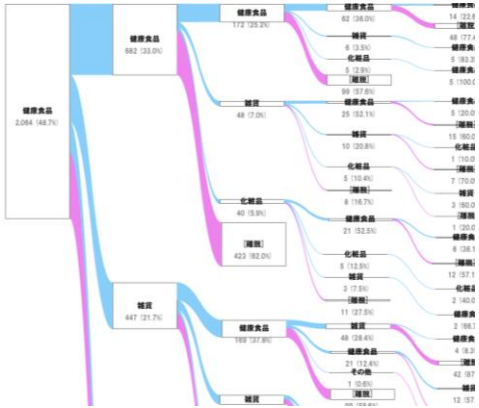
Talent Palette
タレントパレット

Syntax analysis, word maps



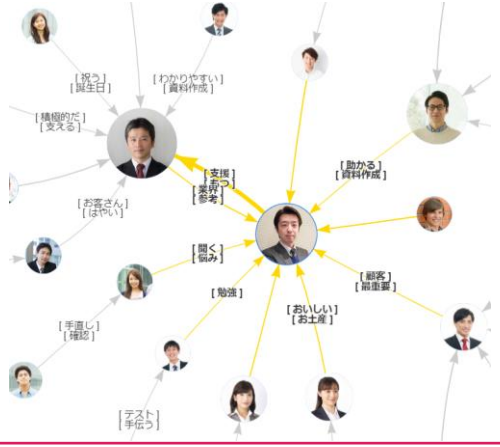
Analyze Japanese text to create maps for subjects / predicates and positive /negative sentiment to see customer feedback at a glance

Purchasing pattern analysis



Analyze product purchasing data, etc., to visualize purchasing patterns and ascertain how customers become loyal customers

Employee network diagram

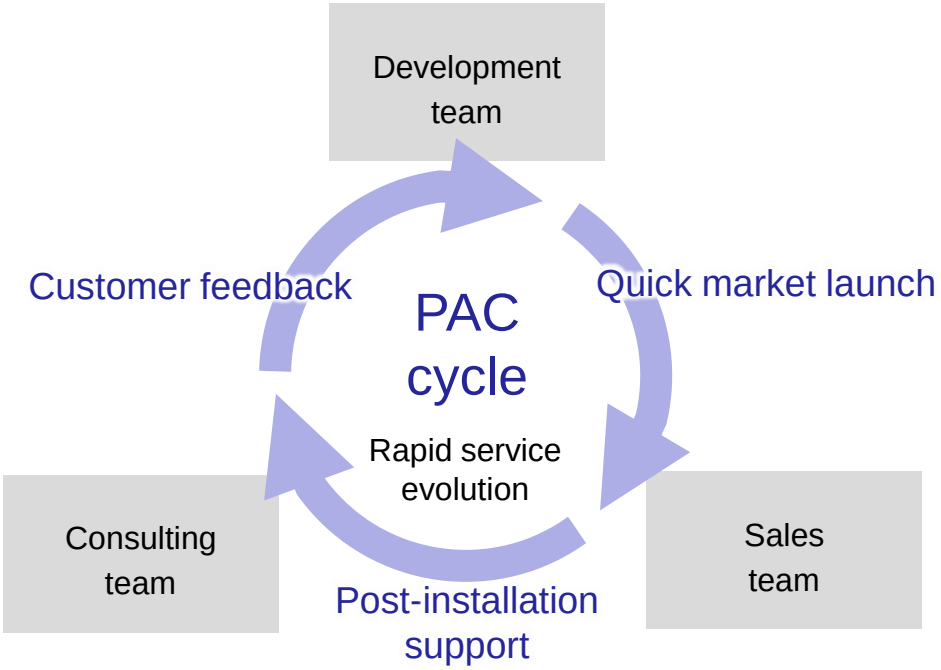


Through collaborative data between employees such as Thanks Points, ascertain volume and quality of communication between employees and departments

Business strengths

Organizational capabilities to realize rapid service evolution

We realize rapid implementation of general-purpose functions by ascertaining needs through consulting services for leading companies



Culture and framework to support the PAC cycle

PAC cycle realizes:

Differentiation
by rapid functional evolution

ARPU improvement
by creating high added value

Cancellation prevention / LTV improvement
through a concerted effort by the entire team

Partner relationships
on equal footing with clients

Early market launch
of new functions and businesses

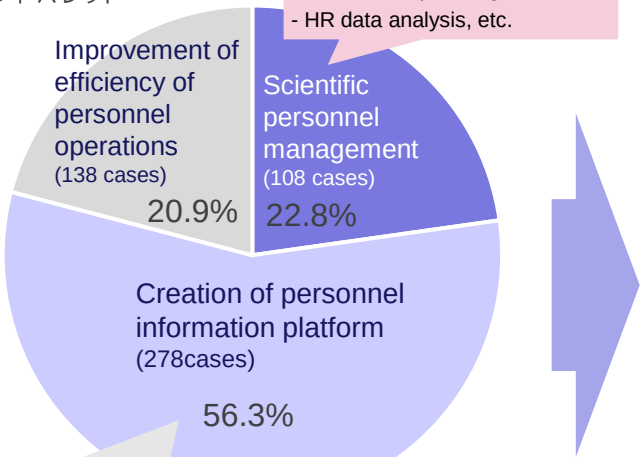
Business strengths

High-speed development of consulting results as a general purpose function

Realizing increased added value of services by leveraging enterprise consulting capabilities
Over 5,900 functions installed as standard over approximately eight years through consulting for a variety of leading companies

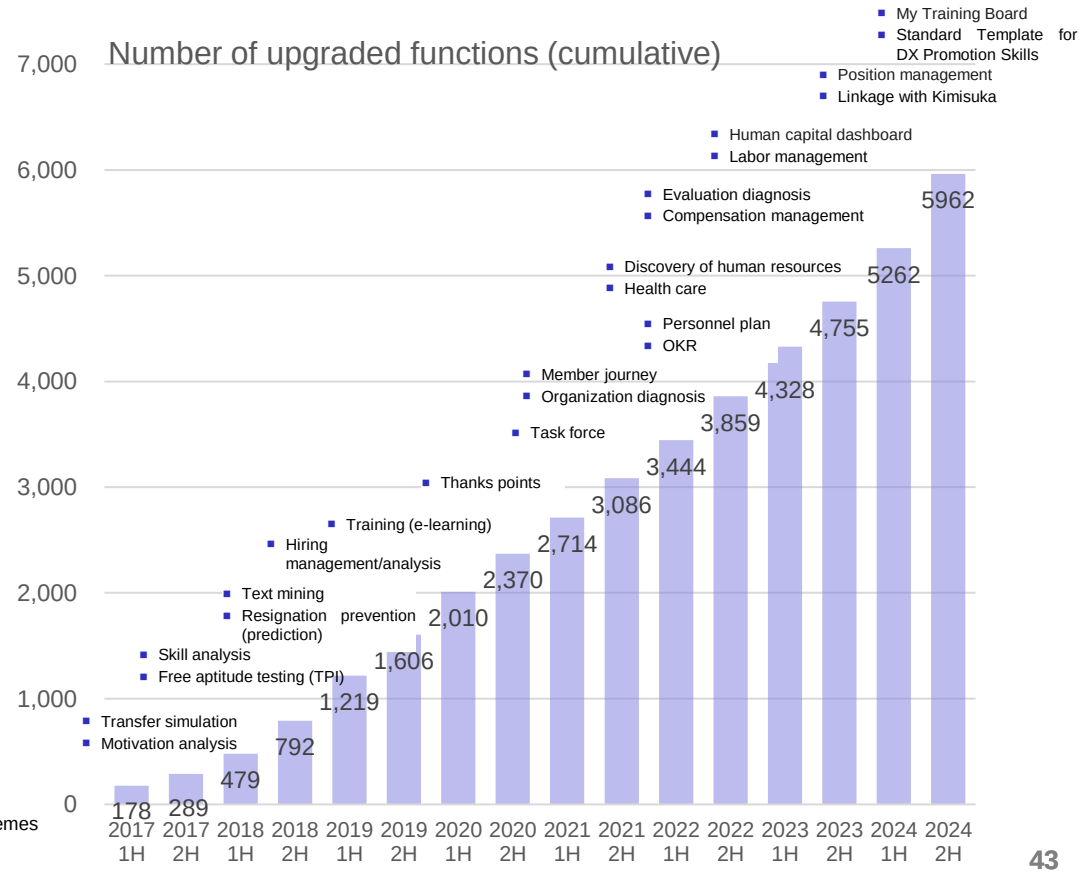
Talent Palette
タレントパレット

- Human resource development (skill analysis)
- Optimal assignment, consideration of transfers
- Succession planning
- HR data analysis, etc.



- Consolidation of human resource information
- Personnel portfolio analysis
- Creation of HR dashboard
- Engagement survey
- Creation of group portal, etc.

Approximately 70% of the approx. 400 annual consulting projects and approx. 500 themes are projects for the creation of a personnel information platform or scientific personnel management



Note) Annual delivery basis. Duplicates counted if a single project includes two or more themes

Business strengths

Capabilities to develop multiple businesses and create new businesses based on the SaaS business foundations

Rapid launch of new businesses such as Talent Palette by utilizing more than ten years of accumulated expertise in the SaaS business

Accumulated SaaS expertise through existing services

Highly profitable business

見える化エンジン

Stable growth business

CustomerRings カスタマーリングス

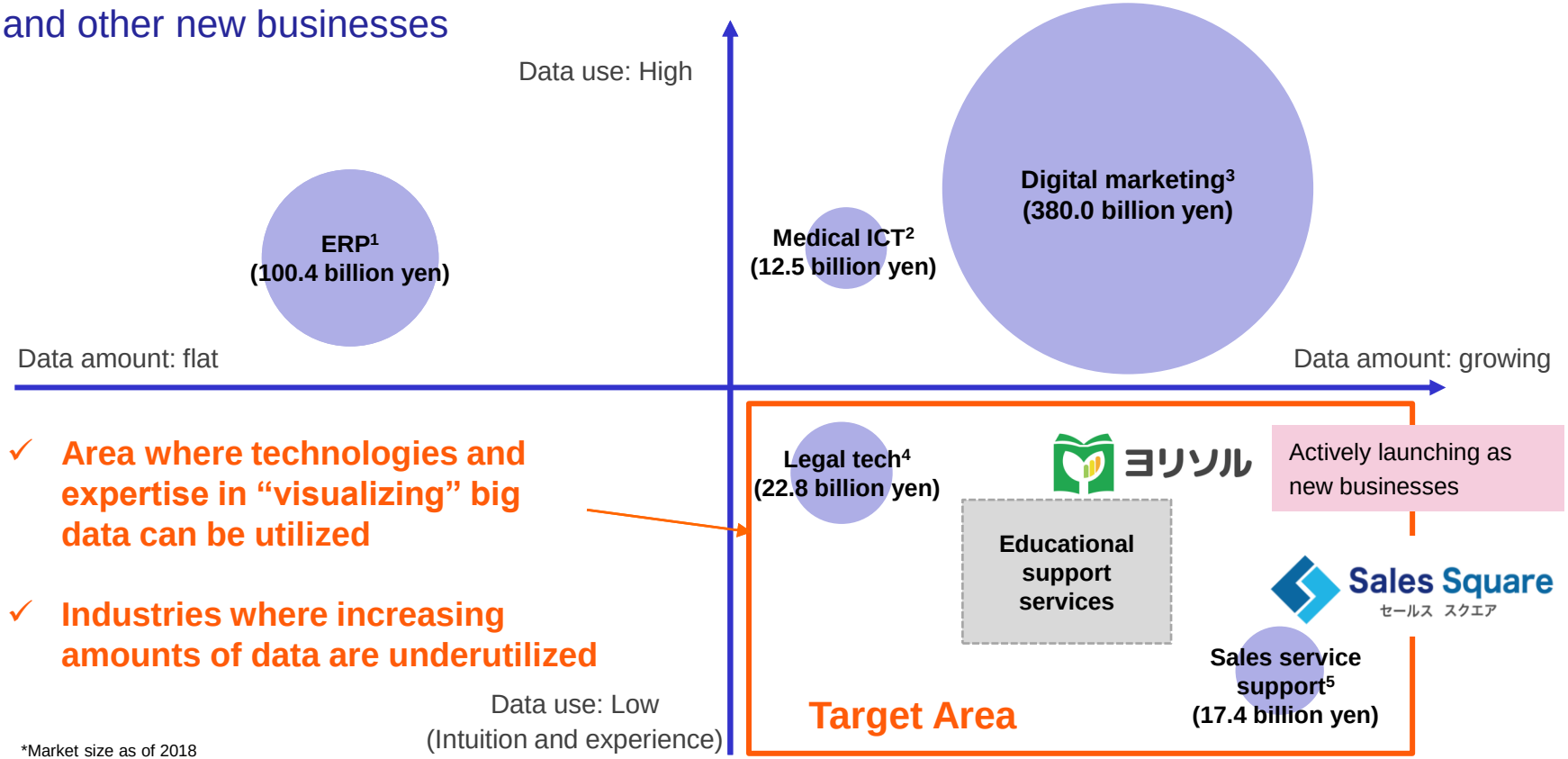


By developing multiple highly profitable and high-growth businesses simultaneously, we have achieved both a higher growth rate and a higher profit margin.

Approach to new business creation

New sector of “visualizing” big data

Currently planning educational support services, sales force automation (SFA) services, and other new businesses



✓ **Area where technologies and expertise in “visualizing” big data can be utilized**

✓ **Industries where increasing amounts of data are underutilized**

*Market size as of 2018

Note 1: “ERP Market 2020,” ITR
Note 2: “Current State and Future of the Next Generation Medical ICT Market, FY2020 Edition,” Yano Research Institute
Note 3: “Domestic Digital Marketing-related Service Market 2020 - 2024,” IDC
Note 4: “2019 Legal Tech Watch,” Yano Research Institute
Note 5: “Integrated Marketing Support Market 2020,” ITR

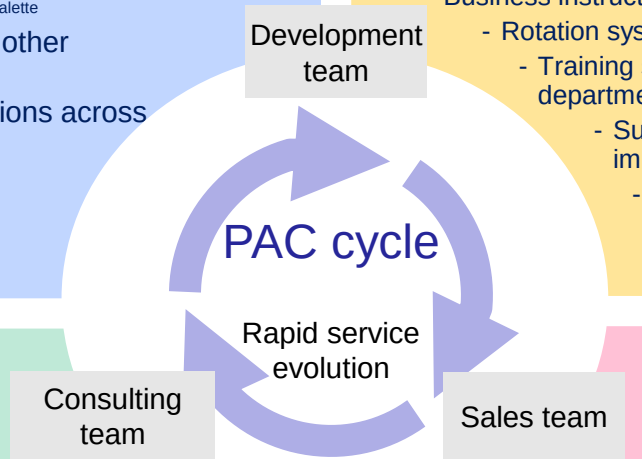
Initiatives to improve the human capital of PAC

Communication measures

- Thanks Points system * Standard function of Talent Palette
  Cultivation of culture for sending each other messages of thanks
- A committee active outside main operations across divisions
  17 teams are currently active
- Employee travel
  Original travel planned by employees

Human resource development

- Business instruction system for new employees
- Rotation system for understanding of other teams
- Training system implemented by occupation across departments
- Support system for book purchases and self-improvement
- Implementation of online education
  *Utilization of Talent Palette
- “Training for Learning Culture” for new employees



Penetration of strategy

- Strategy meetings
  (held once every six months)
  A total of six days by business, all employees can participate
- Overall meeting (held monthly)
  Sharing of company measures and department measures
- “Penguin Contest” for new businesses
  26 people participated in FY2024

Workplace environment

- Flexible work styles with flex time system
- Refresh holiday system enabling long holidays to be taken
- Measures for promoting employee communication (active support of activities outside operations such as sports activities)
- Improvement of refresh spaces (provision of light meals, etc.)

★ Employee awareness survey score (Company vision: 4.4/5.0), company atmosphere: 4.1/5.0, benefits: 4.3/5.0)
★ Annual turnover rate: 7.5%

HR solution business overview

Background of Rapid Growth of Talent Palette

- It has become necessary to take initiatives such as how to **maximize utilization of HR** by current employees and whether **reskilling** can be achieved amid the increasingly serious labor shortage caused by the low birthrate and aging population and the diversification of work styles.

- COVID-19 has led to an **outflow of talented human resources** and a lowing of understanding of employees due to **remote work**, and it is no longer possible to ensure adequate precision with existing personnel systems.

- The Ministry of Economy, Trade and Industry has also begun nationwide efforts such as advocating that companies perceive human resources as “capital” that is the source of corporate growth, leading to to enhancement of medium- to long-term corporate value through “**human capital management**” that fully draws out their value.

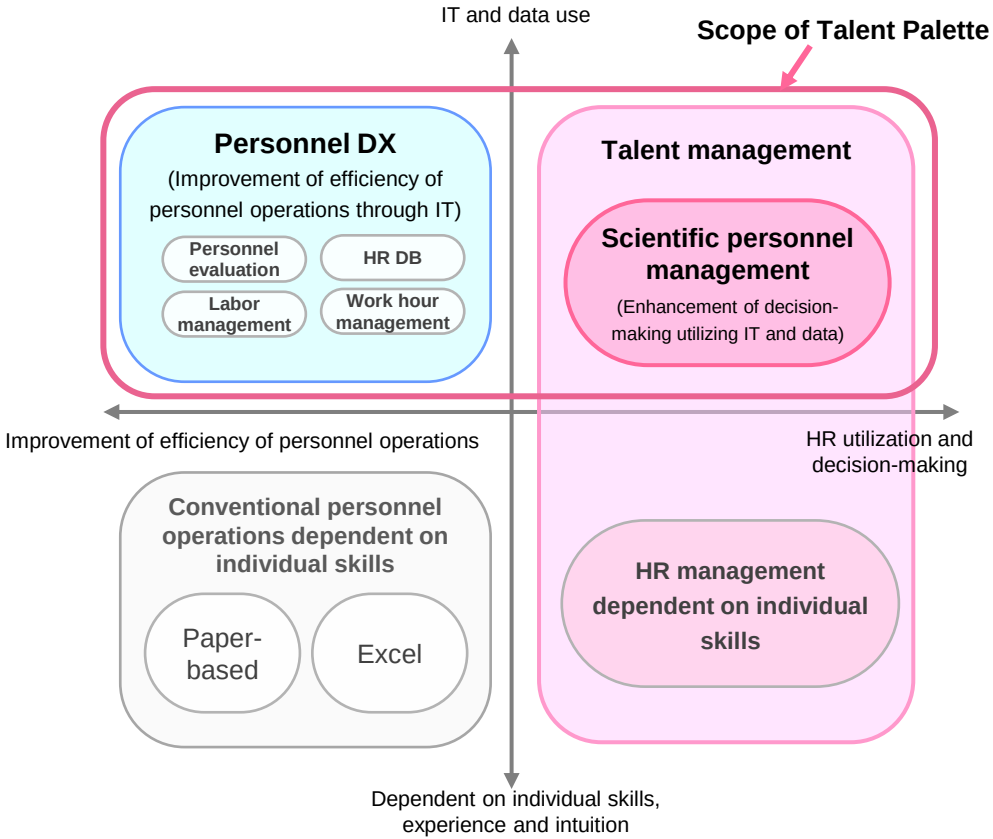
⇒ **Based on this trend, the HRTech cloud market is expected to grow by +37.7% year on year in FY2023.** (Research by Deloitte Tohmatsu MIC Research Institute Co., Ltd.)

Characteristics of Talent Palette

Entering the HR sector leveraging our expertise in “scientific personnel management”

By applying our marketing method to the HR sector, we not only increase efficiency in HR operations but also support the decision-making process.

Marketing strategy	HR / personnel strategy
Ascertain customer needs	Ascertain employee needs Self-reporting, ES surveys
Develop loyal customers	Develop employee skills Succession planning
Prevent customer defection	Prevent employee resignations Motivation management
Capture new customers	Employee hiring activities
Visualizing customers	Visualizing employees



Characteristics of Talent Palette

All-in-one service from personnel DX to scientific personnel management

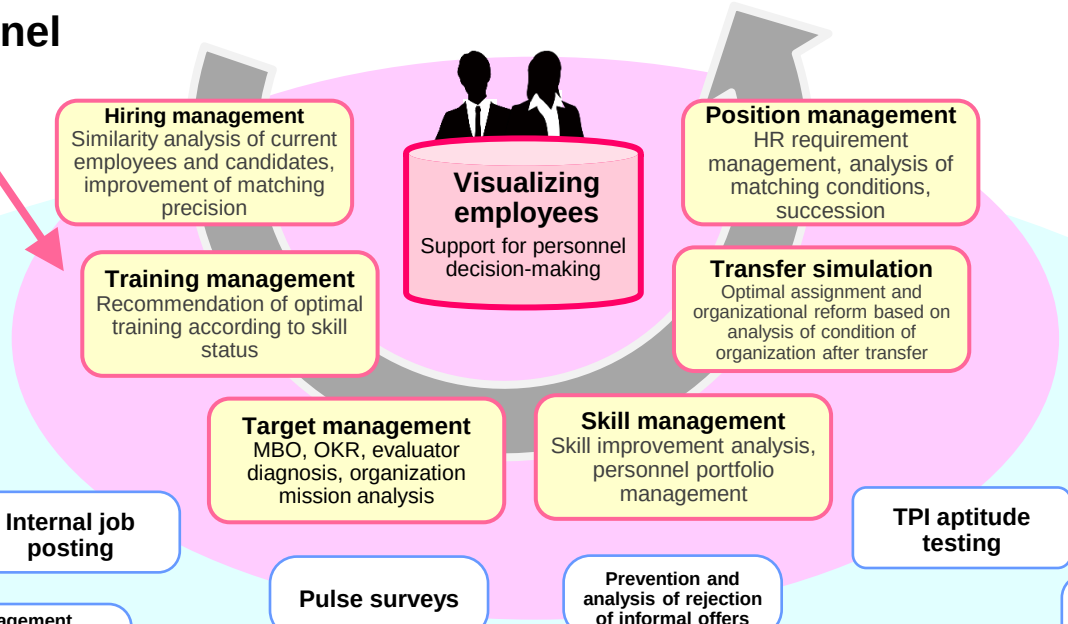
For enterprises, we differentiate with scientific personnel functions through the utilization of data, and for small and medium businesses, we integrate tools required for personnel management and realize the improvement of efficiency of personnel DX through IT

Scientific personnel management

Enhancement of decision-making utilizing IT and data

Personnel DX

Improvement of personnel operations using IT



Visualizing employees
Support for personnel decision-making

Hiring management
Similarity analysis of current employees and candidates, improvement of matching precision

Position management
HR requirement management, analysis of matching conditions, succession

Training management
Recommendation of optimal training according to skill status

Transfer simulation
Optimal assignment and organizational reform based on analysis of condition of organization after transfer

Target management
MBO, OKR, evaluator diagnosis, organization mission analysis

Skill management
Skill improvement analysis, personnel portfolio management

Safety confirmation
Swift and smooth implementation of safety confirmation in the event of a disaster

Stress checks
Support for stress checks that are mandated to be conducted once per year

Internal job posting

Pulse surveys

Prevention and analysis of rejection of informal offers

TPI aptitude testing

Direct recruiting
Enabling direct scouting of students matching the company

Thanks points
Increasing engagement through employees expressing gratitude to each other

Surveys
Visualization of employees' opinions through free question setting and text mining

Labor management
Various procedures when joining and leaving the company, My Number management and year-end adjustment

Health management
Central management of data on employee health status, lifestyle habit checks and health diagnosis

Personnel FAQ
Creation of knowledge on systems and procedures in the Personnel and General Affairs Division

Organization diagnosis
Recommendation of improvement measures by identifying organizational characteristics and issues based on surveys

Strengths of Talent Palette

Enterprise penetration and high evaluation

The percentage of implementation in large enterprises with 1,000 of more employees (on a contract basis) is approximately 40%

Detailed functions and advanced consulting for enterprises are highly regarded

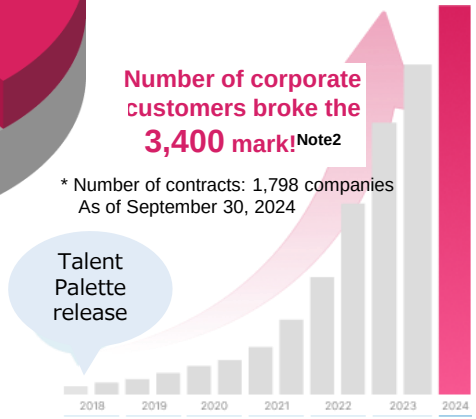
Percentage of contracts by plan

As of September 30, 2024



The service is highly regarded among enterprise user with 1,000 or more employees and implementations are progressing





Number of corporate customers broke the 3,400 mark! Note2

* Number of contracts: 1,798 companies
As of September 30, 2024

Features highly appreciated by large enterprises

- Analysis functions specializing in diverse HR measures
- Specialized functions adapted to complex personnel management procedures
- An infrastructure that can withstand simultaneous access by tens of thousands of employees
- Speedy development and frequent updates of required functions
- Functions enabling flexible data links with customers' core systems and provision of technical support
- Advanced consulting and devoted concierge services
- Enhancement of utilization of HR big data by incorporating generative AI

Extensive analytical function and detailed function

Rapid development system and interoperability

Consulting and concierge services

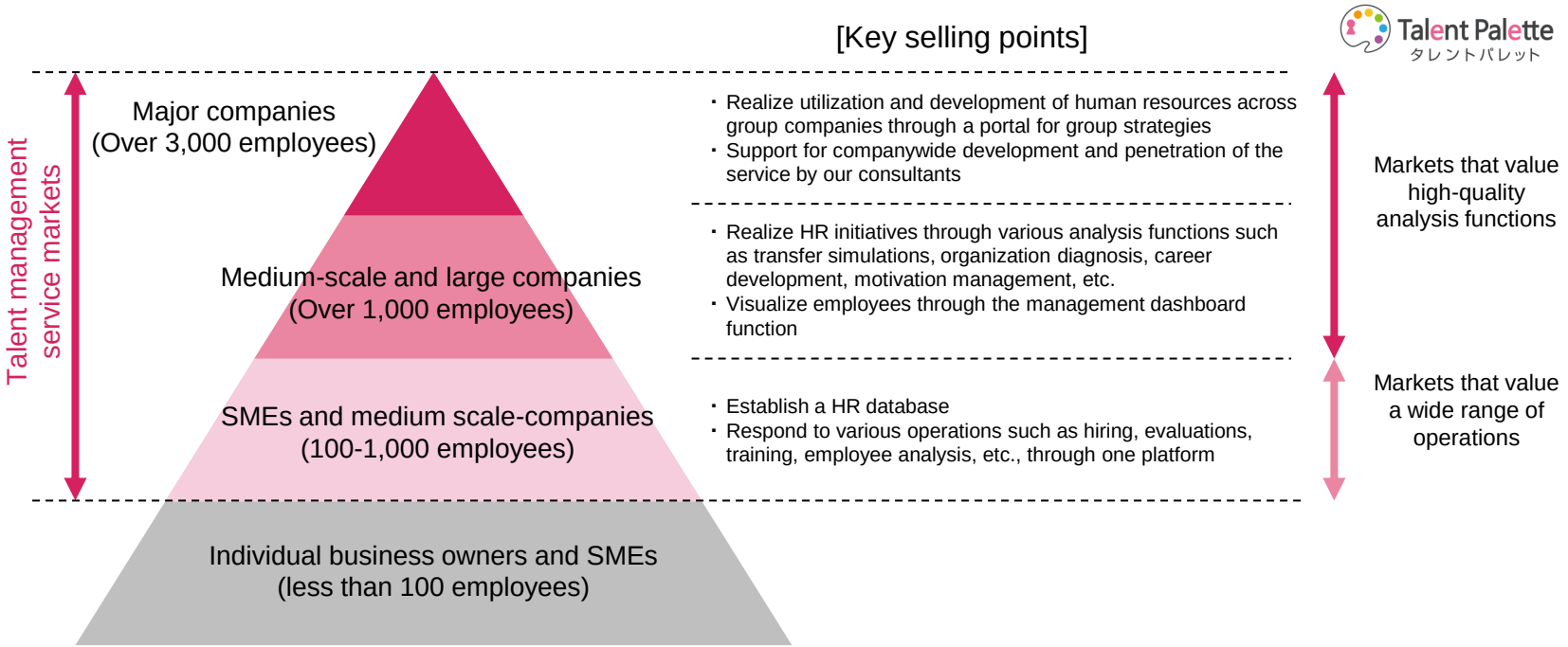
Note 1: 2024 Forecast of Personnel and Assignment Cloud Market Deloitte Tomatsu MIC Research Institute Co., Ltd. "HRTech Cloud Market Facts and Outlook FY2023"

Note 2: Approximately 3,000 companies are using this service, taking in accounts of single contracts consisting multiple companies' usage.

Talent Palette's target market

The talent management service is targeted for companies with 100 or more employees.
Since market characteristics differ depending on the number of employees, we adopt a method of approach focusing on selling points suitable for each market.

Target markets and selling points of the talent management service



Companies Implementing of Talent Palette

Talent Management System Chosen by Leading Companies

Talent Palette タレントパレット

プラスアルファコンサルティング

2024-10

Manufacturers (lifestyle, parts, chemicals, pharmaceuticals, construction, other)



Finance (banking, life and non-life insurance, credit cards, leasing)



Public infrastructure (power, gas, etc.), communications, transportation, local government, other



Distribution, retail, restaurants, real estate, services, medical, nursing, welfare, education



IT, system development, call centers, entertainment



Staffing, advertising, mass media, specialized services



- Scientific personnel management
- Human capital management
- Personnel DX
- Shift to Job- based employment
- Reskilling Autonomous career building
- Becoming a holding company

*Some of the companies' logos are shown here with permission. (In no particular order)

Characteristics of Talent Palette

Entering the HR sector leveraging our expertise in “scientific personnel management”

By applying our marketing method to the HR sector, we not only increase efficiency in HR operations but also support the decision-making process.

Marketing strategy	HR / personnel strategy
Ascertain customer needs	Ascertain employee needs Self-reporting, ES surveys
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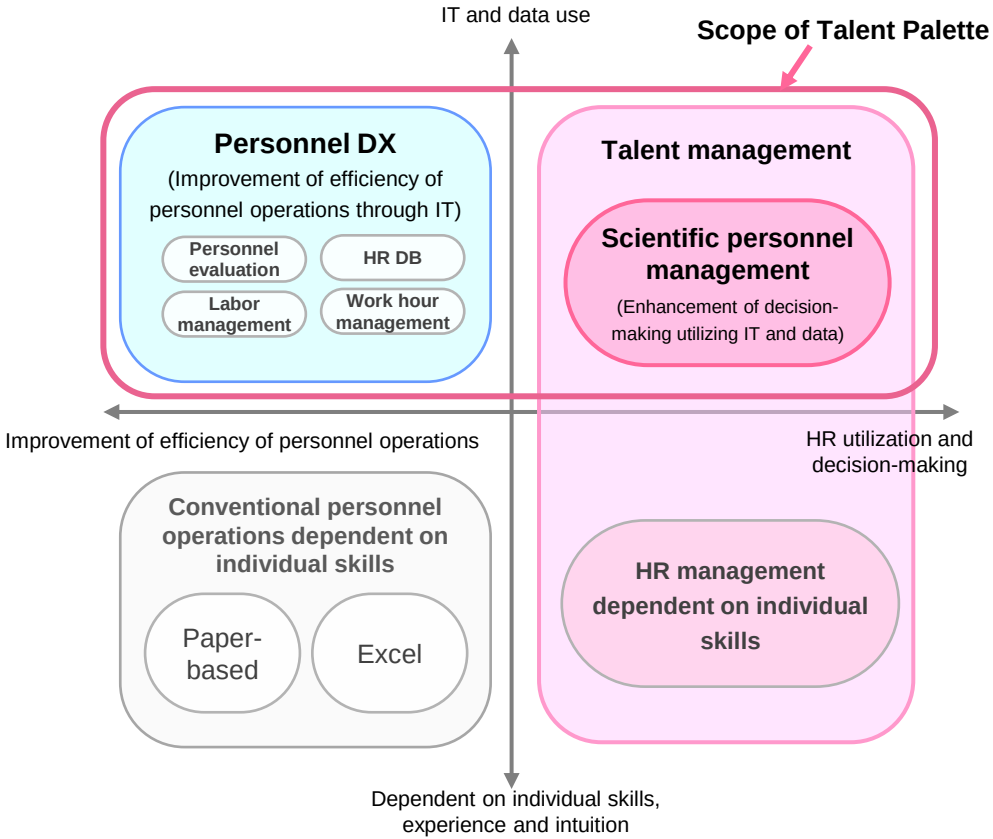
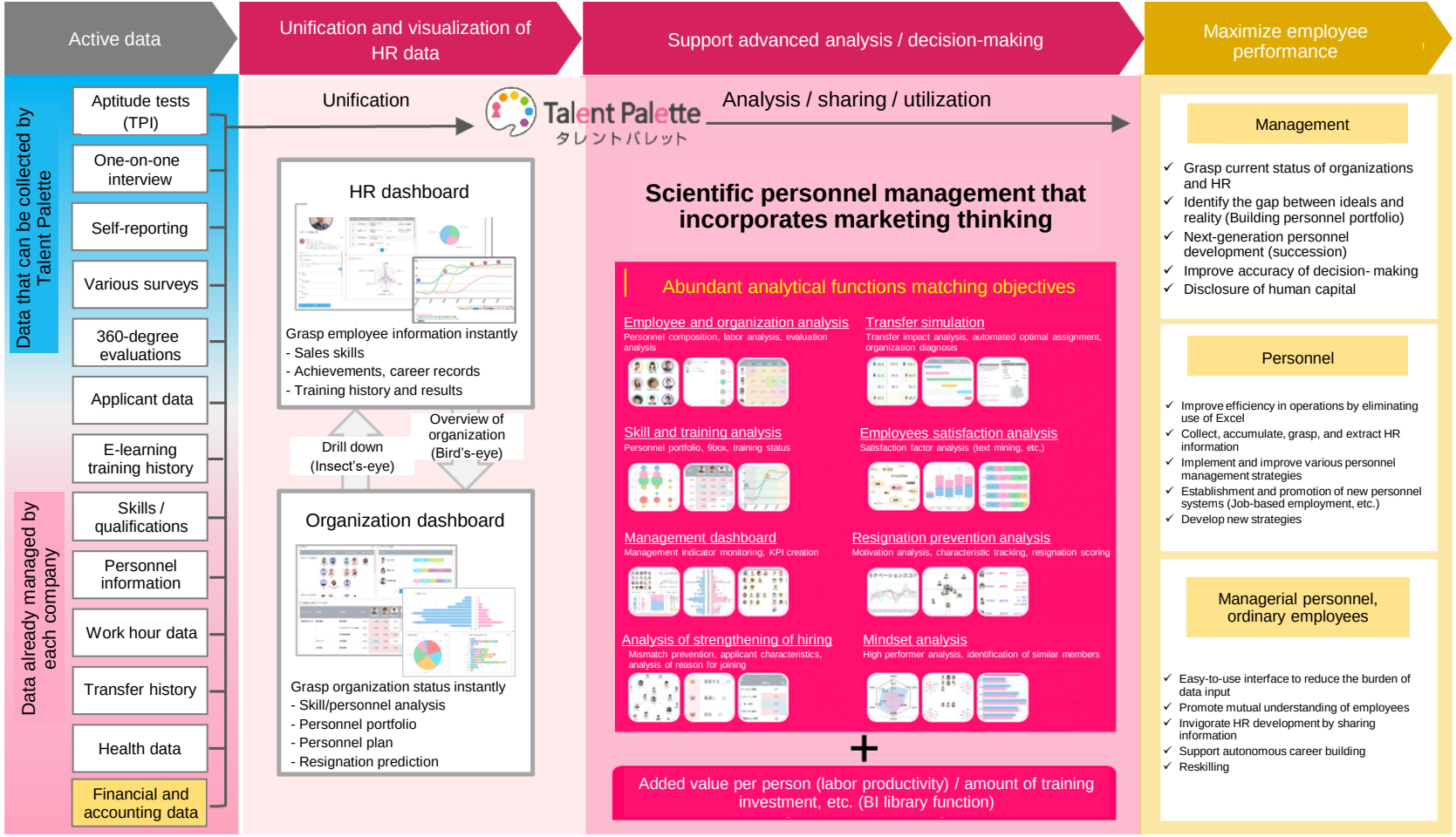


Evolution of Talent Palette

Integrated personnel information platform

Evolved into a one stop service for various personnel measures by rapidly functionalizing the needs of leading companies



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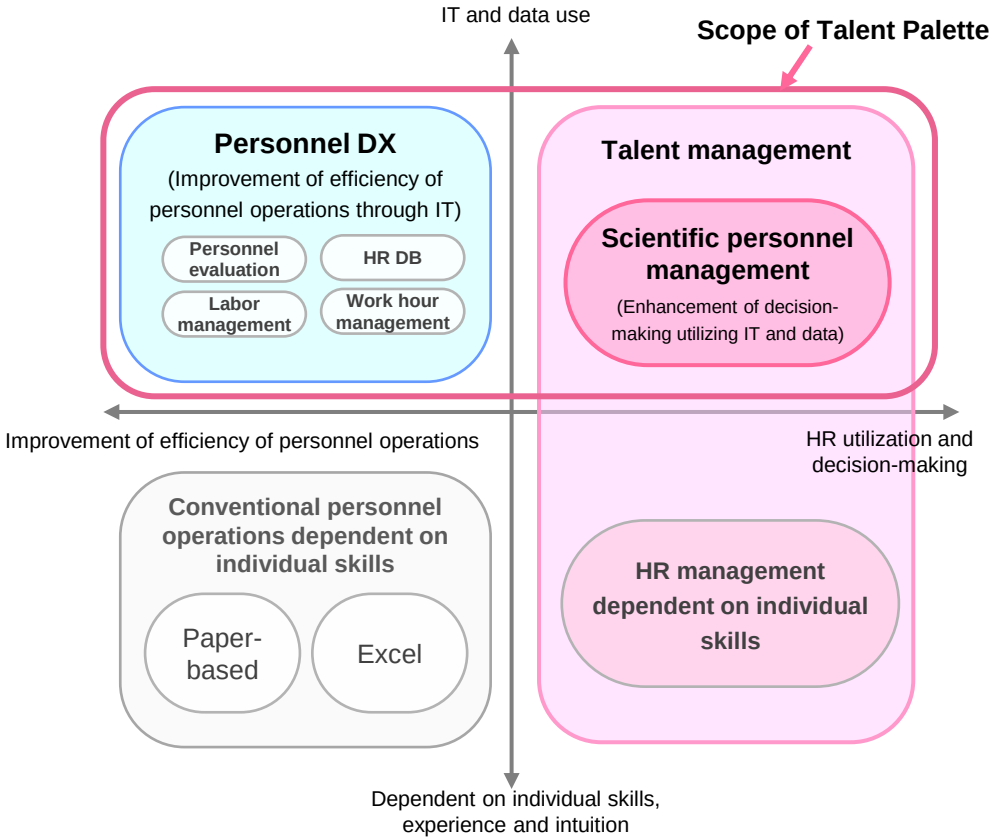
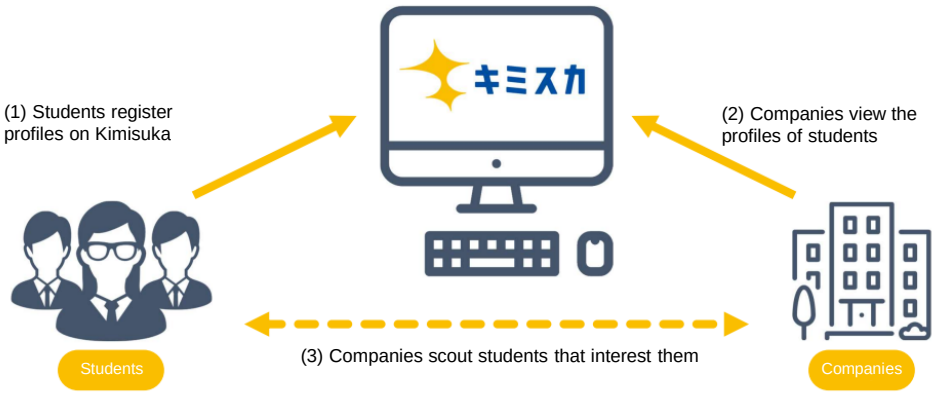


Further development of Talent Palette Business

Staffing / Hiring

Entry into hiring business through new graduate area by making Grow Up a subsidiary



Cross-selling of each other's services

Common aptitude tests are utilized to increase precision of matching with similar active employees



Hiring management and management of recipients of informal offers

Recommendation of candidates

(1) Increase of added value through the enhancement of hiring operations

Linking of hiring management and analysis functions of Talent Palette with Kimisuka. Recommendation of candidates that match job specs

(2) Promotion of cross selling of each other's services

Expansion of sales through cross selling of each other's services utilizing each other's customer base

(3) Sharing of knowhow on functional development and the hiring business

Functional development and sharing of knowhow for accelerating expansion in the hiring area through a high level of coordination of each other's services

Launch of new business

Full-scale implementation of Yorisoar, a new service aimed at education

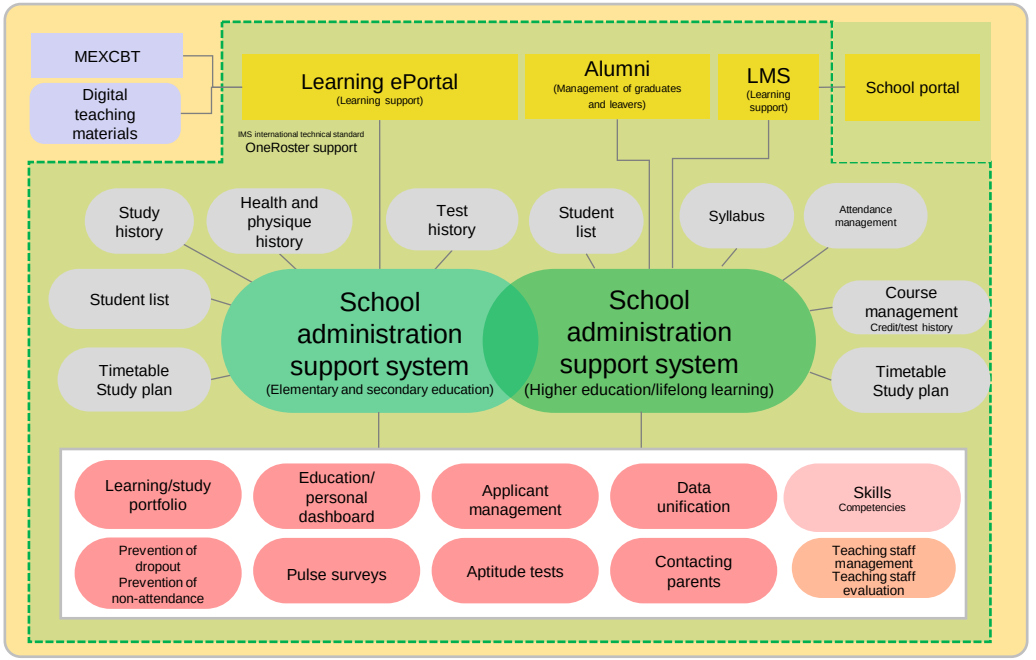
Visualization by central management of information on teachers, students and parents, and promotion of educational data use and utilization

Aim for a total solution enabling centralized management of learning history, class evaluation, LMS, teaching and school administration

ヨリソル

Integrated school management system realizing educational DX and visualization of educational data





Launch of new business

Full-scale implementation of Yorisoar, a new service aimed at education

In addition to universities, vocational schools, junior and senior high schools, elementary schools, kindergartens, and other school institutions, it is being introduced in a wide range of advanced educational institutions, including cram schools, prep schools, and adult (recurrent) education

Universities

日本大学生産工学部 / 日本で唯一の生産工学部
ノートルダム清心女子大学 NOTRE DAME SEISHIN UNIVERSITY
人間環境大学 UNIVERSITY OF HUMAN ENVIRONMENTS
帝塚山学院大学
奈良女子大学 Nara Women's University

Objectives
◎ Visualization of study results (analysis of individual learners)
◎ Personnel evaluation (work style reform for faculty and staff)

Local governments

豊中市役所　喬木村役場

Objectives
◎ Education dashboard
◎ Child SOS detection

Junior high schools and high schools

花と歴史ある学び舎 学校法人 緑ヶ丘学院
学校法人 岩田学園 岩田中学校・高等学校

Objectives
◎School affairs support (attendance, Grade management ledger)
◎Education Dashboard (analysis of school as a whole)

Vocational school

学校法人 河原学園
映像テクノアカデミア
ATEC
i-SEIFU
学校法人 今村学園 今村学園ライセンスアカデミー

Objectives
◎ Data unification from applicants to graduates
◎ LMS、Learning support

Elementary schools and kindergartens

サムエル幼稚園
高取幼稚園
さやか星小学校 SAYAKABOSHI Elementary School

Objectives
◎Support for school administration (time schedule, guidance plan)
◎Growth journals, survey analysis

Adult education (recurrent)

株式会社 類設計室
sulliVan
トミーアクロバットスクール Tommy Acrobat School
JFAEL

Objectives
◎ Unification of student data across all schools
◎ Parent communication

*Some of the Schools' logos are shown here with permission. (In no particular order)

“From students to members of society” platform concept including Yorisoar

We aim to develop a platform to accumulate and utilize the data of wide range of personnel including students, working adults and retiree

Applicants | Primary, junior high and high school students | Undergraduate, graduate, and vocational school students | Job-seeking students | Working adults | Retired persons

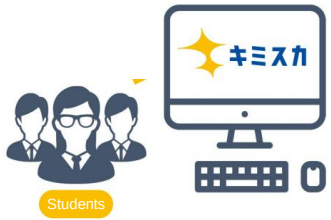
Accumulation and utilization of student data

ヨリソル



Job matching for students

キミスカ



Accumulation and utilization of employee data

Talent Palette
タレントパレット



Yorisoar
- Learning portfolio
- Class evaluation, aptitude test
- Track records of extracurricular activities
- Student questionnaires
- Desire industry and occupation
- Work styles and individual values

Kimisuka
- Utilization of data from students and employees
- Improvement of matching precision
- Recruiting history, student career after hiring

Talent Palette
- Employee’s skills and evaluations
- Career path, aptitude test
- Characteristics of high-achieving employees
- Health care
- Organization, company culture

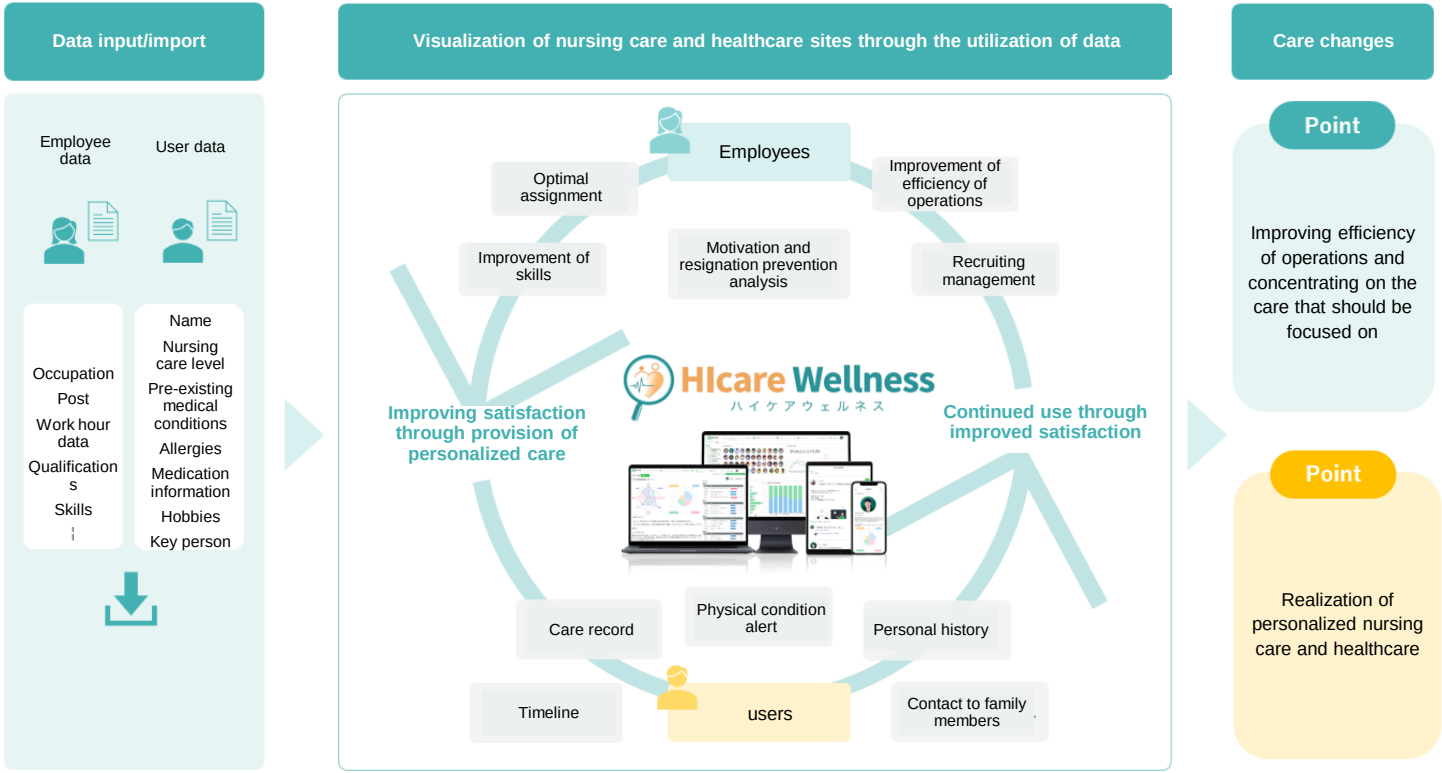
Adult education (specializing in IT)

Support for recent graduates with work experience and mid-career hires

Launch of “HIcare Wellness,” a new service for the medical and nursing care sector

“HIcare Wellness,” a new service that supports the use of data by staff and users in the nursing care and medical sector

- Based on Talent Palette, centralized management of data on employees and staff in the nursing care and medical sector and users who are patients
- Realizing improvement of operational efficiency and quality of care through employee training, shift management, and increased motivation



Marketing solution business overview

Characteristics of Visualization Engine

見える化エンジン

プラスアルファ コンサルティング

Service characteristics

- Instantly visualize big data (customer feedback, purchase reasons, etc.) in the digital age
- Platform for utilization of voices of customers with leading share used by over 1,600 companies
- Latest UIUX with usability enabling intuitive overview and in-depth investigation of voices of customers
- Proprietary natural language analysis technology supporting prominent comments on social media and posts by Gen Z

These are the key points!

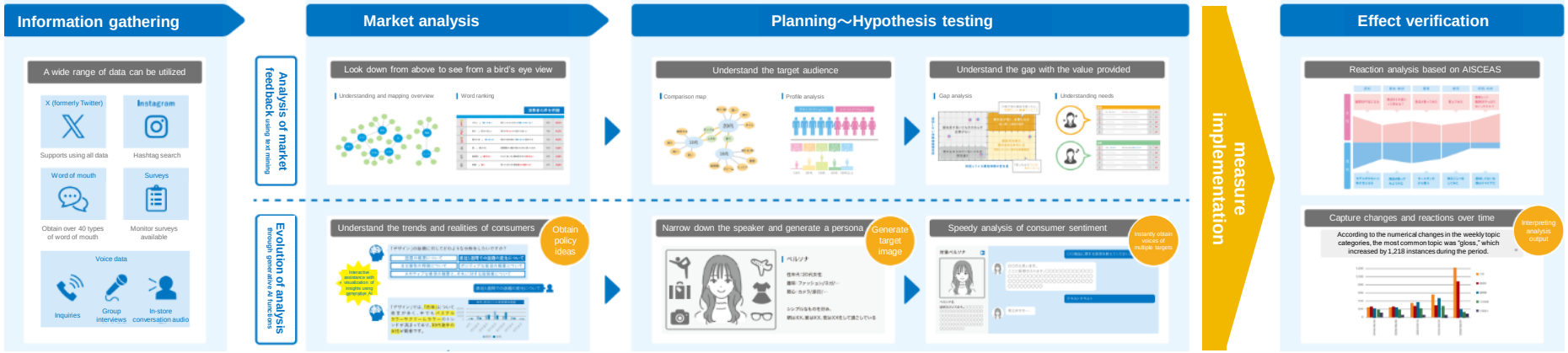
- Text mining analysis of massive amounts of diverse customer feedback from call logs, voice recognition data, surveys and social media such as X (formerly Twitter)
- Customer insight: Visualization of sentiments such as requests, dissatisfaction, and satisfaction
- One-stop support using dashboard functions, from tracking customer experience to insight analysis and systematic implementation of companywide improvement activities, based on the voices of customers as evidence

Supporting CX improvement through Japan's top text mining technology and generative AI

Supporting VOC, surveys, social media and audio

Over 40 analysis methods and output for all kinds of analysis purposes included as standard

Post-launch monitoring and response analysis Understanding the gap in customer experience



We fully utilize customers feedback to support ideas
Standard inclusion of generative AI functions (+ speech recognition, summarization, and analysis and commentary generation, etc.)

We provide comprehensive support for the use of voice data in customer centers, from speech recognition to summarization and conversation analysis

Integrated voice data utilization solution including speech recognition and summarization

Text conversion of a variety of audio data
（Voice recognition processing）

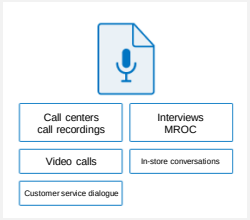
cleansing/summary

Text mining
(Natural language processing)

Visualizing “conversations”

Derivation of insights

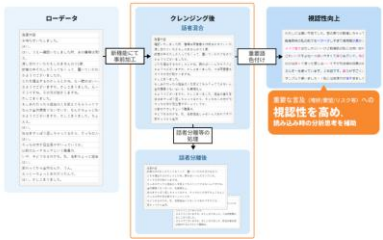
Audio data（Call recording）



Text conversion of audio data



Removing filler / mold

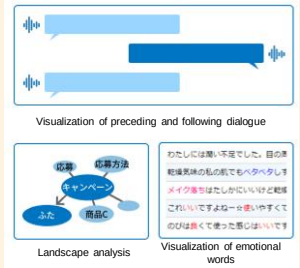


call sign Understanding intent

Confirming intent from long audio recording

New feature：Automatic classification of intent (customer intent)

VoC Analysis / Conversation Analysis



Generative AI element

Confirmation of original text (original audio, highlighted display, etc.)

Conversation information Saving summary results

Utilization of QA data for customer support

New feature: QA generation using a generative AI

- ✓ Analysis along axes of call, speaking and speaker
- ✓ Deeper insight provided only by conversation
- ✓ Match rate with talk script

Companies that have introduced visualization engine

Achieved No.1 share of implementation for 13 years ※1

見える化エンジン

プラスアルファコンサルティング

Manufacturing

SUNTORY, meiji, 雪印メグミル, SUBARU, YAMAHA, Nestlé Good Food, Good Life, おいしさと健康 Glico, カラダにピース CALPIS, 湖 KOIKEYA, 今日を愛する。LION, ちふれ, Panasonic, KOKUYO, nippn, KAI, BANDAI

Finance Bank

MIZUHO, みずほ銀行, LiFEnet INSURANCE COMPANY

Retail distribution business

洋服の青山, AOKI, ADASTRIA Play fashion!, Belle Maison, TSUTAYA, 一蘭, ハンバーグレストラン びっくりドンキー, ドン・キホーテ, CBON To create and produce the beauty, DUSKIN, JTB 感動のそばに、いつも。, ORBIS, OIOI, BOOK・OFF, CO・OP 日本生活協同組合連合会, スギ薬局

IT Communication EC

NTT東日本, MIXI, SHOP CHANNEL, コクヨの通販 カウネット, LINEヤフー

Infrastructure Communications finance

ANA, SKY, AIR DO, NEXCO 中日本, 大東建託パートナーズ, 阪神高速道路株式会社

Pharmaceutical

NEVER SAY NEVER ロート製薬, SARAYA, Daiichi-Sankyo, P!

other Service

駿台 SUNDAI, Lions

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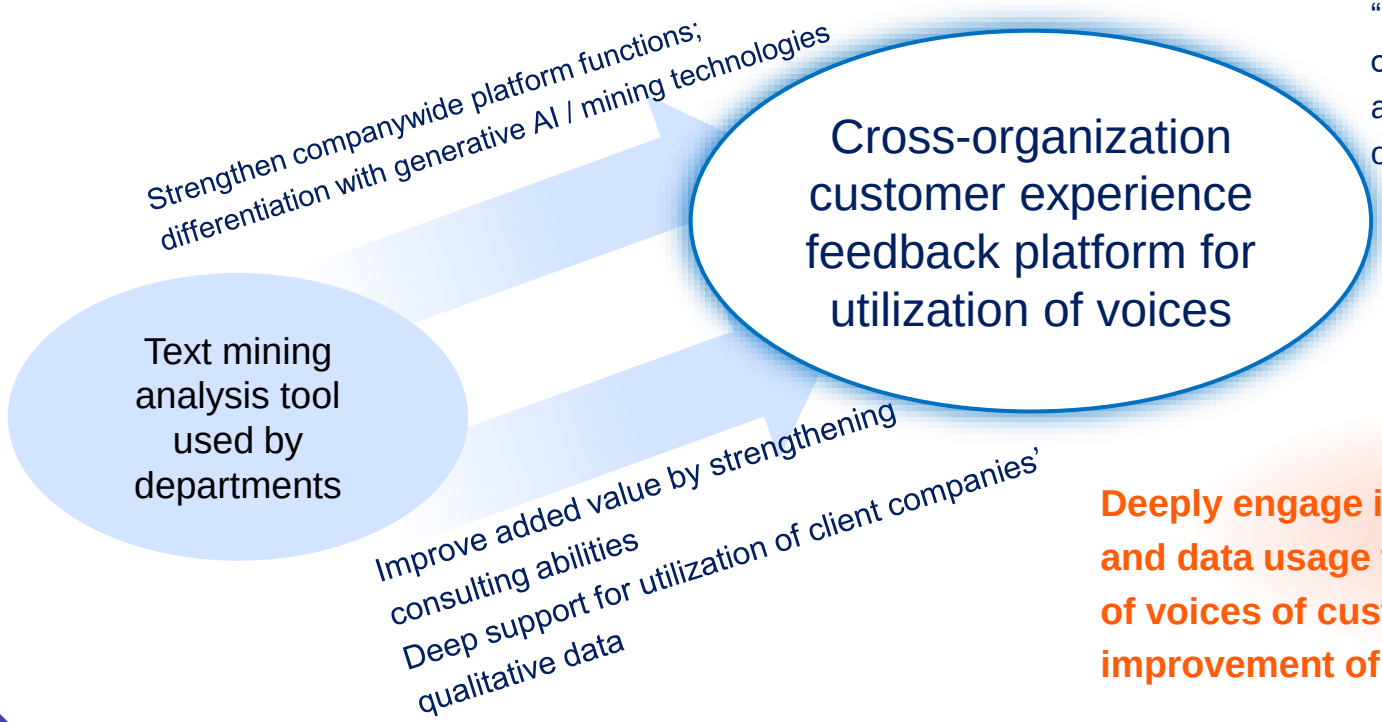
Note 1: Fuji Chimera Research Institute, Inc. "New Markets in the Software Business"

Growth strategy for Visualization Engine Business

見える化エンジン

プラスアルファコンサルティング

Expand platform functions that facilitate customer experience feedback, expand the scope of applicable data, and support the organization of utilization of voices of customers through high value-added consulting services after implementation.



Establish framework for "platform for utilization of voices of customers" from expanding analysis data to improvement operations

Deeply engage in enterprise DX strategy and data usage through companywide use of voices of customers, and support improvement of customer experience (CX)

Characteristics of Customer Rings

CustomerRings カスタマーリングス

プラスアルファ コンサルティング

Service characteristics

- A CRM/MA tool that realizes optimal communication with customers by integrating and analyzing massive amounts of customer information and purchase histories
- An intuitive interface that does not hamper users' thinking
- Enables timely approaches to customers through optimal channels, ranging from e-mail, LINE, SMS, web customer support, app notifications, direct mails, etc

ここがポイント！

- Supports the planning and execution of one-to-one marketing initiatives via diverse analysis functions and a wealth of visualized output that allow users to gain a firsthand understanding of each customer's behaviors and preferences
- Supports CRM analysis, strengthening of measures and better one-to-one digital marketing strategies such as for EC, finance, and retail businesses
- CRM consultants provide accompanying support for CRM strategy and analysis

Automates the optimal communication with customers by directly understanding customers with big data
An essential customer feeling marketing automation system for the digital marketing age

Data integration (CDP) | Analysis (BI: understanding customers) | Use (MA)



Automation (allows users to focus on more creative work)

Companies that have introduced Customer Rings

CustomerRings カスタマーリングス

プラスアルファコンサルティング

Examples of implementation: Supporting digital marketing / CRM enhancement of more than 750 growing companies in total

Health foods

everlife / KAGOME / Ajinomoto / フジッコ / あじかん / Real Style / 京福堂 / ZENCARE / TeaLife / ワダカルシウム製薬 / Otsuka / 九州自然館 / OM-X / Sixth sense Lab.

Cosmetics/ salon

NATURE'S WAY / ファンファレ / euglena / エステティック MISS PARIS / THE BODY SHOP / アンファー / DECENCIA / Vitabrid C12 / アートネイチャー / FAITH Beauty / Beautiful Skin / NEAL'S YARD REMEDIES / BOTANIST / MTG / FABIUS / VERNAL

Apparel

ORAL / FAST RETAILING / REGAL / JIONE / TAKAGI / NEUVEA / HRC / PUNYUS / It's a beautiful day. The SAZABY LEAGUE / RAVIJOUR / ATSUGI / RENEXY

Food

morinaga / 最北の漁師市場 / 湖 KOIKEYA / 餃子の王将 / JOYL Joy for Life / 堀内珈琲

Travel and tourism

VALUE MANAGEMENT / 不死王閣 / びゅう

Insurance and finance

りそな銀行 RESONA / au 損保 / メディケア生命 住友生命グループ

Media and publishing

高知新聞社 / 徳島新聞社 / 西日本新聞

General mail order sales, other mail order sales

Btops / SARAYA / キャスティング / GREEN DOG / 藤巻百貨店 / LESTAS

BtoB mail order sales

配管部品.com / Orie Printing Supplies / TAT

Member services

Hiroo Thoroughbred Club / CCC / JAL

HR/ career

資格キャリカル / bstyle / KRASYS

Contact

SMbrand / TeAmo / Lcode

※許諾いただいた企業様のロゴを掲載を一部抜粋して掲載しております。（順不同）

Growth strategy for Customer Rings Business

As a “customer feeling” MA, it aims to evolve into a marketing platform that supports the expansion of approximately 30 types of customer analysis functions to visualize each individual customer, the enhancement of high value-added analysis consulting services, and the improvement of the range and accuracy of customer reach through e-mail, LINE, and recommendations.

Differentiation via analysis functions from generative AI / mining technologies and “customer feeling” functions

Expand industries by expanding services through high value-added consulting

Create a platform that enables visualization of CRM data from management to the first line of stores

A digital marketing platform highly sensitive to customer needs

- LINE linkage
  App linkage
- EC website linkage
  Web customer
- Sending e-mail
  Sending SMS
- Inventory management
  Various core systems

Shift from EC centric to expand the scope of industries and realize higher MRR and ARPU

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