Corporate and Other Information

Financial Highlights

(¥ billion)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019*7	FY2020	FY2021	FY2022
Operating Results										
Revenue	350.6	381.9	391.6	407.8	429.6	452.0	487.0	479.9	522.4	570.9
Cost of Sales	(266.9)	(290.7)	(300.1)	(311.1)	(328.0)	(344.2)	(369.0)	(358.4)	(387.7)	(431.9)
Gross Profit	83.7	91.3	91.5	96.7	101.6	107.7	118.1	121.5	134.7	139.1
(Gross Profit Margin)	23.9%	23.9%	23.4%	23.7%	23.6%	23.8%	24.2%	25.3%	25.8%	24.4%
Other Income and Expenses	(59.9)	(61.9)	(63.6)	(65.6)	(69.0)	(71.8)	(76.4)	(77.8)	(84.2)	(92.6)
Operating Income	23.8	29.3	27.9	31.1	32.6	35.9	41.7	43.6	50.5	46.5
(Operating Income Margin)	6.8%	7.7%	7.1%	7.6%	7.6%	7.9%	8.6%	9.1%	9.7%	8.1%
EBITDA*1	31.4	37.5	36.4	39.6	41.4	44.7	57.9	63.3	68.9	62.1
Net Profit Attributable to CTC's Shareholders	14.2	17.4	18.0	21.9	23.6	24.6	28.5	30.5	35.4	34.2
Orders Received	369.1	388.1	398.3	437.6	435.2	470.2	490.7	522.5	547.0	628.4
Backlog	195.5	201.6	208.3	238.1	243.7	262.9	272.3	314.9	339.6	397.0
(Backlog Turnover Ratio)*2	63.1%	65.4%	65.3%	63.1%	63.8%	63.3%	64.6%	60.4%	60.6%	59.0%
Financial Position at End of Fiscal Year										
Total Assets	282.7	302.7	307.9	333.1	353.9	378.9	438.8	462.7	507.7	528.0
Total Shareholders' Equity	163.0	168.9	179.3	192.2	206.6	220.7	231.7	254.8	281.1	298.7
Cash Flows										
Cash Flows from Operating Activities	6.4	25.8	21.9	25.2	11.0	20.6	50.1	37.3	36.1	31.8
Cash Flows from Investing Activities	(8.0)	(17.3)	(18.2)	(14.2)	(2.3)	(3.2)	(17.2)	(10.1)	3.5	(5.9)
Cash Flows from Financing Activities	(9.5)	(13.6)	(8.4)	(7.8)	(6.0)	(9.5)	(17.1)	(21.1)	(27.4)	(27.9)
Cash and Cash Equivalents at End of the Year	55.1	50.1	44.9	48.2	51.0	58.8	74.6	80.9	94.1	92.5
Capital Investment	7.0	8.0	11.1	10.7	5.2	7.2	16.2	14.6	44.1	10.5
Depreciation and Amortization	7.6	8.2	8.4	8.4	8.8	8.8	16.2	19.7	18.4	15.6
Financial Index / Indicators (%)										
ROE*3	8.9	10.5	10.4	11.8	11.8	11.5	12.6	12.5	13.2	11.8
ROA*4	5.1	5.9	5.9	6.8	6.9	6.7	6.8	6.8	7.3	6.6
Ratio of Shareholders' Equity to Total Assets	57.7	55.8	58.2	57.7	58.4	58.2	52.8	55.1	55.4	56.6
Dividend Payout Ratio	45.8	40.3	44.9	42.3	44.1	46.9	47.1	48.5	55.5	54.7
Per Share Data (yen)*5										
Net Profit Attributable to CTC's Shareholders	60	74	78	95	102	107	123	132	153	148
Shareholders' Equity	692	730	775	831	894	955	1,003	1,103	1,217	1,292
Dividend	27.50	30.00	35.00	40.00	45.00	50.00	58.00	64.00	85.00	81.00
Per Capita Data (¥ million)*6										
Revenue	45	49	49	50	53	54	55	53	56	59
Operating Income	3.1	3.7	3.5	3.8	4.0	4.3	4.7	4.8	5.4	4.8

*1 EBITDA = Operating Income + Depreciation and Amortization
*2 Backlog Turnover Ratio = Revenue / (Backlog of the previous fiscal year + Orders received for this fiscal year) x 100
*3 ROE = Net Profit Attributable to CTC's Shareholders / Average Total Shareholders' Equity (which is based on total shareholders' equity at the beginning and end of the year) x 100
*4 ROA = Net Profit Attributable to CTC's Shareholders / Average Total Assets (which is based on total assets at the beginning and end of the year) x 100
*5 CTC conducted two-for-one stock splits of common shares on April 1, 2015 and April 1, 2018. For the past data, retroactive revisions were made accordingly.
*6 Figures are calculated on March 31.
*7 The CTC Group adopted IFRS 16 "Leases" (issued in January 2016) from fiscal 2019.

Corporate and Other Information

Non-Financial Highlights

Human Resources-Related Data

(Data calculation reference dates: Data are calculated on March 31 of each fiscal year. But disabled employee figures are calculated on June 1 of each fiscal year.)

▶ Basic Data (Consolidated)

		Unit	FY2019	FY2020	FY2021	FY2022
Employees	Total	People	8,808	9,050	9,291	9,665
Gender	Men	People	7,317	7,436	7,530	7,748
	Women	People	1,491	1,614	1,761	1,917

▶ Basic Data (Non-Consolidated)

		Unit	FY2019	FY2020	FY2021	FY2022
Employees	Total	People	4,276	4,451	4,597	4,784
Gender	Men	People	3,569	3,684	3,773	3,888
	Women	People	707	767	824	896
Age	Under 30	People	708	807	888	980
	30-39	People	1,117	1,107	1,095	1,118
	40-49	People	1,641	1,665	1,665	1,661
	50-59	People	760	829	897	971
	Over 60	People	50	43	52	54
Turnover[1]	Men	People	140	70	106	100
	Women	People	12	12	28	27
	Total	People	152	82	134	127
Turnover rate[1]	Men	%	3.8	1.9	2.7	2.5
	Women	%	1.6	1.5	3.2	2.9
	Total	%	3.4	1.8	2.8	2.6
Average years worked	Men	Year	13.6	13.7	13.8	13.8
	Women	Year	12.6	12.4	12.2	11.9
	Total	Year	13.5	13.4	13.5	13.5
Wage difference between genders[2]	All employees	%	—	—	—	78.3
	Permanent employees	%	—	—	—	78.8
	Contract employees	%	—	—	—	73.0

▶ Diversity (Non-Consolidated)

		Unit	FY2019	FY2020	FY2021	FY2022
Number of new graduates hired	Men	People	96	101	97	100
	Women	People	58	61	59	61
	Total	People	154	162	156	161
Number of mid-career hires		People	162	156	155	207
Retiree reemployment rate		%	70.5	90.1	81.4	74.1
Managers (female)[1]	Number	People	69	70	80	83
	Percentage	%	5.7	5.6	6.0	5.9
Percentage of disabled employees[3]		%	2.5	2.5	2.4	2.3

▶ Work Style (Non-Consolidated)

		Unit	FY2019	FY2020	FY2021	FY2022
Average annual leave uptake rate		%	72.6	61.0	64.2	70.7
Annual average number of holidays taken		Days	13.9	11.7	12.3	13.5
Average monthly overtime hours per employee		Hours	13	16	13	12
Childcare leave system users[4]	Men	People	55	49	58	95
	Women	People	31	23	26	20
	Total	People	86	72	84	115
Childcare leave uptake rate (male)[4]		%	42.0	35.8	46.8	65.5
Rate of return from childcare leave		%	100.0	98.8	99.0	100.0
Reduced working hours system users		People	99	93	72	70
Nursing care holiday system users		People	200	144	147	101

		Unit	FY2019	FY2020	FY2021	FY2022
Nursing care leave system users		People	1	0	0	0
Time off for caregiver system users		People	44	35	33	34
Volunteer leave[5] number of employees		People	74	3	10	12
Disaster support volunteer special leave[6] number of employees[7]		People	23	0	0	0
Users of disaster support volunteer activity cost subsidies[7]		People	77	0	0	5
Morning work[8]	Annual total	People	2,941	3,080	3,135	3,356
	Monthly average	People	1,325	1,519	1,709	1,835
Staggered work[9]	Annual total	People	1,515	1,916	1,638	1,658
	Monthly average	People	497	846	780	775
Hourly paid leave[10]	Annual total	People	1,453	1,357	845	969
	Monthly average	People	425	327	228	266

[1] Figures for the number of turnover, turnover rate, and managers refer to employees originally hired by CTC.
[2] The ratio of average annual wages of women to average annual wages of men is calculated in accordance with the regulations under the Act on the Promotion of Women's Active Engagement in Professional Life.
[3] Figures include special subsidiaries and companies considered part of the Group.
[4] Figures have been calculated based on the number of users of childcare leave in accordance with regulations under the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members.
[5] Figures refer to leave that can be taken for activities approved by the Company, such as community contribution and welfare activities in Japan.
[6] Figures are for special leave that can be taken to undertake support for disaster-stricken areas in Japan.
[7] Due to the COVID-19 pandemic, the disaster support volunteer special leave has not been used since fiscal 2020 while the disaster support volunteer activity cost subsidies programs were not used in fiscal 2020 and fiscal 2021.
[8] The Company places limits on overtime work at night and on holidays and encourages work in the early morning hours (5:00–9:00 a.m.).
[9] This system allows employees to work full-time while selecting their daily starting times from a period between 5:00 a.m. and 11:30 a.m.
[10] This system allows employees to take five days (40 hours) of annual paid leave in hourly units.

▶ Human Resource Development (Non-Consolidated)

	Unit	FY2019	FY2020	FY2021	FY2022
Number of training participants	People	129,882	135,889	98,252	108,375
Average hours of training per person	Hours	54	60	56	65

Security / Compliance (Consolidated)

	Unit	FY2019	FY2020	FY2021	FY2022
Number of serious security incidents	Cases	0	0	0	0
Number of serious compliance violations	Cases	0	0	0	0
Number of serious environmental law violations	Cases	0	0	0	0

Greenhouse Gas Emissions (Consolidated)[1]

	Unit	FY2019	FY2020	FY2021	FY2022
Scope 1[2]	t-CO_2	—	—	262	345
Scope 2[3]	t-CO_2	—	—	17,630	14,540
Scope 1+2	t-CO_2	—	—	17,892	14,885
Scope 3[4]	t-CO_2	—	—	2,455,212	1,897,665

[1] The scope of coverage was changed from CTC parent to consolidated in fiscal 2021. Moreover, in order to improve the reliability of this value, a third-party guarantee was obtained from SOCOTEC Certification Japan
[2] Scope1: Direct greenhouse gas (GHG) emissions from company-owned or -controlled sources (fuel combustion, industrial processes)
[3] Scope2: Indirect emissions from electricity, steam, and heating supplied by other companies
[4] Scope3: Indirect emissions other than Scope 1 and Scope 2 (emissions from other companies related to our activities)

Quality (Non-Consolidated)

	Unit	FY2019	FY2020	FY2021	FY2022
Customer evaluation of system quality*	%	89	91	92	89

* Percentage of respondents who answered "Similar to competitors" or higher in the system quality evaluation section of the customer satisfaction survey.

Management Team As of June 16, 2023

Directors

Ichiro Tsuge
President & CEO

Mamoru Seki
Director & Managing Executive Officer
CFO
CCO
COO, Corporate Administration Group

Naoko Iwasaki*1
Director

Aya Motomura*1
Director

Yasuhiro Ikeda*1
Director

Yumiko Nagai*1
Director

Hiroshi Kajiwara
Director

Audit & Supervisory Board Members

Hiroshi Takada
Audit & Supervisory Board Member

Yasuyuki Harada*2
Audit & Supervisory Board Member

Toshiaki Tada*2
Audit & Supervisory Board Member

Katsuhiko Hara*2
Audit & Supervisory Board Member

*1 Outside director as defined in Article 2, Item 15 of the Companies Act
*2 Outside Audit & Supervisory Board member as defined in Article 2, Item 16 of the Companies Act
Outside directors Naoko Iwasaki, Aya Motomura, Yasuhiro Ikeda, and Yumiko Nagai and outside Audit & Supervisory Board members Toshiaki Tada and Katsuhiko Hara are independent from CTC, our parent company, and major suppliers. As independent officers, they have no inherent conflicts of interest with regular shareholders.

CFO (Chief Financial Officer)
CCO (Chief Compliance Officer)
CTO (Chief Technology Officer)
CMSO (Chief Managed Service Offier)
CPMO (Chief Product Marketing Officer)
CAO (Chief Administrative Officer)
CDO (Chief Digital Officer)
CIO (Chief Information Officer)

Executive Officers

Hisashi Eda
Senior Managing Executive Officer
Assistant to the President (Special appointment for Advanced IT Strategy / Chubu Region)
CTO
COO, IT Strategy Group

Yasuhiko Terada
Senior Managing Executive Officer
COO, Telecommunication Group

Eiji Haraguchi
Senior Managing Executive Officer
COO, IT Services Group
CMSO

Takanori Minatohara
Senior Managing Executive Officer
COO, Enterprise Group
CPMO

Toshiyuki Awai
Managing Executive Officer
COO, Financial Services Group

Junji Hirooka
Managing Executive Officer
President & CEO, CTC SYSTEM MANAGEMENT CORPORATION

Hirohito Ohashi
Managing Executive Officer
COO, Regional & Social Infrastructure Group

Nagaki Fujioka
Managing Executive Officer
COO, Business Innovation & Digital Transformation Group and R&D in North America

Hiroshi Torigoe
Managing Executive Officer
President & CEO, CTCSP CORPORATION
(Direct report to COO, Enterprise Group)

Shinichi Hirayama
Managing Executive Officer
CAO
COO, Corporate Planning Group

Kiyoshi Imagawa
Managing Executive Officer
COO, Distribution Group
COO, Global Business Group

Seiji Nagamatsu
Executive Officer
General Manager, Corporate IT Systems Division, IT Strategy Group

Tatsuya Matsumaru
Executive Officer
President & CEO, CTC TECHNOLOGY CORPORATION

Yoshinori Yoshida
Executive Officer
Deputy COO, Financial Services Group

Hisashi Sawanobori
Executive Officer
General Manager, Enterprise Division No. 1

Katsuya Kami
Executive Officer
General Manager, Telecommunication Division No. 3

Kinya Matsuda
Executive Officer
President & CEO, CTC FACILITIES CORPORATION
(Direct report to COO, IT Services Group)

Toshihiro Nakaya
Executive Officer
General Manager, Telecommunication Division No. 1

Kazuhiko Nagao
Executive Officer
General Manager, Nishi-Nihon Region
General Manager, Nishi-Nihon Regional Division

Noboru Ueda
Executive Officer
General Manager, Chubu Region
General Manager,
Automotive Industry Sales Division

Keiichi Ozawa
Executive Officer
General Manager, Financial Services Sales Division

Tamotsu Oda
Executive Officer
General Manager, Mobile & Services Division

Manabu Igarashi
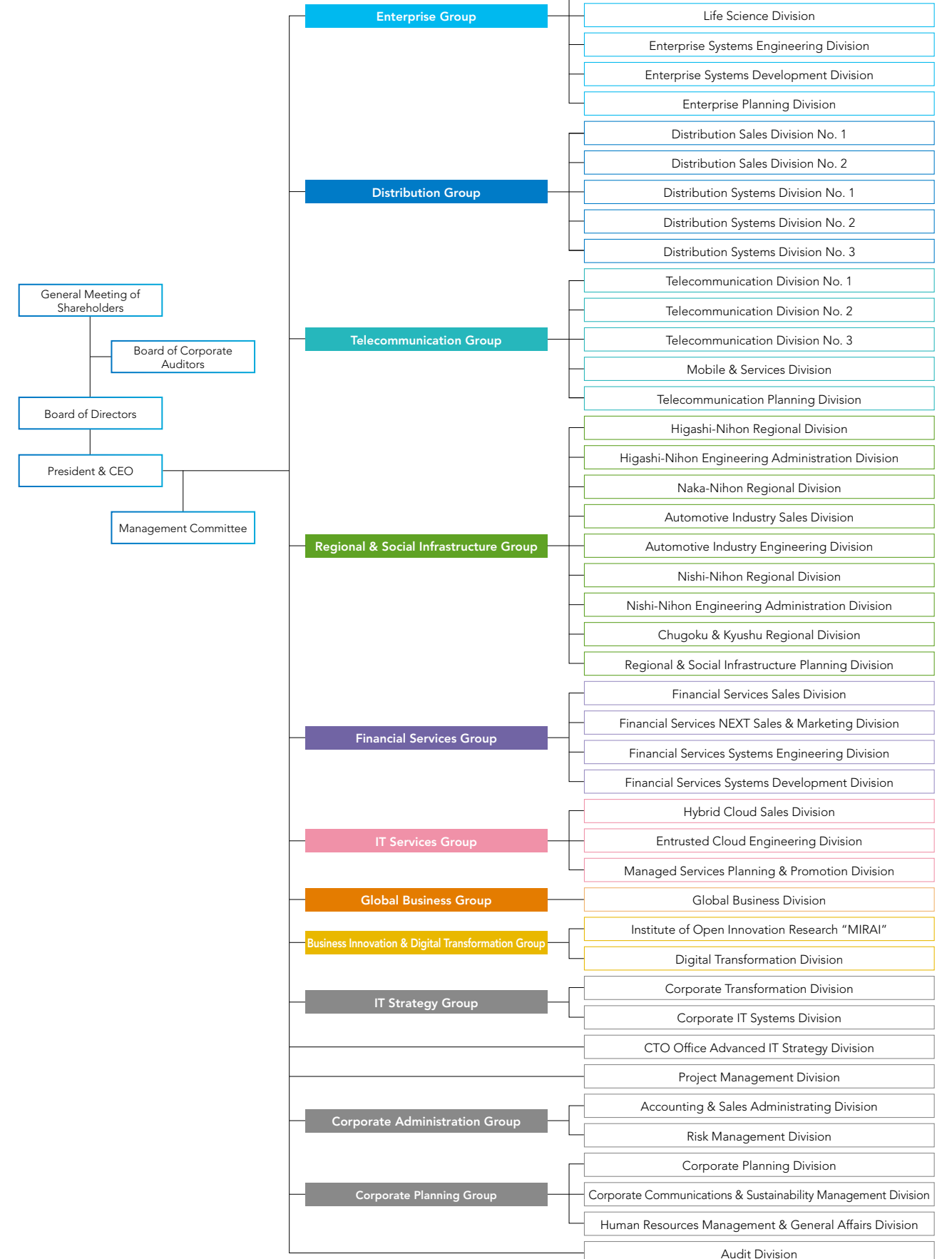Executive Officer
CDO, CIO

Akira Yamamoto
Executive Officer
General Manager, Higashi-Nihon Regional Division

Masanori Tanaka
Executive Officer
President & CEO,
ITOCHU Techno-Solutions America, Inc.

Yoshihiko Ito
Executive Officer
General Manager, Global Business Division

Organization Chart As of April 1, 2023

General Meeting of Shareholders
Board of Corporate Auditors
Board of Directors
President & CEO
Management Committee

Enterprise Group
- Enterprise Division No. 1
- Enterprise Division No. 2
- Science & Engineering Systems Division
- Life Science Division
- Enterprise Systems Engineering Division
- Enterprise Systems Development Division
- Enterprise Planning Division

Distribution Group
- Distribution Sales Division No. 1
- Distribution Sales Division No. 2
- Distribution Systems Division No. 1
- Distribution Systems Division No. 2
- Distribution Systems Division No. 3

Telecommunication Group
- Telecommunication Division No. 1
- Telecommunication Division No. 2
- Telecommunication Division No. 3
- Mobile & Services Division
- Telecommunication Planning Division

Regional & Social Infrastructure Group
- Higashi-Nihon Regional Division
- Higashi-Nihon Engineering Administration Division
- Naka-Nihon Regional Division
- Automotive Industry Sales Division
- Automotive Industry Engineering Division
- Nishi-Nihon Regional Division
- Nishi-Nihon Engineering Administration Division
- Chugoku & Kyushu Regional Division
- Regional & Social Infrastructure Planning Division

Financial Services Group
- Financial Services Sales Division
- Financial Services NEXT Sales & Marketing Division
- Financial Services Systems Engineering Division
- Financial Services Systems Development Division

IT Services Group
- Hybrid Cloud Sales Division
- Entrusted Cloud Engineering Division
- Managed Services Planning & Promotion Division

Global Business Group
- Global Business Division

Business Innovation & Digital Transformation Group
- Institute of Open Innovation Research "MIRAI"
- Digital Transformation Division
- Corporate Transformation Division

IT Strategy Group
- Corporate IT Systems Division
- CTO Office Advanced IT Strategy Division
- Project Management Division

Corporate Administration Group
- Accounting & Sales Administrating Division
- Risk Management Division

Corporate Planning Group
- Corporate Planning Division
- Corporate Communications & Sustainability Management Division
- Human Resources Management & General Affairs Division
- Audit Division

External Recognition

ESG indices selected by the Japanese Government Pension Investment Fund

▶ FTSE Blossom Japan Sector Relative Index

CTC has been selected for inclusion in the FTSE Blossom Japan Index, a stock market index that comprises Japanese companies demonstrating outstanding ESG-related performance. The index was developed by FTSE Russell, a wholly owned subsidiary of the London Stock Exchange Group.

FTSE Blossom Japan Sector Relative Index

▶ MSCI Japan Empowering Women Index*

CTC has been selected for inclusion in the MSCI Japan Empowering Women Index, a stock market index comprising Japanese companies in the Top 700 Index that conduct progressive initiatives to promote gender diversity in their workforces. The index was developed by MSCI Inc.

2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

▶ MSCI Japan ESG Select Leaders Index*

Selected by MSCI, a major ESG research firm, for an index consisting of companies with high ESG ratings

2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

▶ S&P/JPX Carbon Efficient Index

Selected by the S&P Dow Jones Indices, the largest index provider in the U.S., and the Japan Exchange Group, Inc. for an index that determines the weighting of TOPIX constituent stocks based on the status of environmental information disclosure and the level of carbon efficiency (carbon emissions per unit of sales)

S&P/JPX Carbon Efficient Index

▶ ISS ESG Corporate Rating

CTC's information security and environmental management practices have been favorably evaluated and rated as "Prime Status" by Institutional Shareholder Services Inc., one of the world's leading sustainability rating agencies.

Corporate ESG Performance RATED BY ISS ESG▷ Prime

▶ Sompo Sustainability Index

CTC has been selected for inclusion in the Sompo Sustainability Index, which is based on a combination of ESG evaluations conducted by research companies and a proprietary equity valuation method (fundamental value). The index was developed by Sompo Asset Management Co., Ltd.

2023 Sompo Sustainability Index

▶ MSCI ESG RATINGS*

MSCI issues ratings, ranging from AAA to CCC, based on the degree of ESG risk and how well risks and other issues are managed. Reflecting favorable evaluation of improvements in its governance system, CTC has received a rating of AA.

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA

▶ JPX-Nikkei Index 400

In fiscal 2022, CTC was selected for inclusion in the JPX-Nikkei Index 400, a stock market index comprising 400 companies that are highly appealing to investors and which meet international investment criteria, such as efficient use of capital and an investor-focused approach to business management. The index was developed by the Japan Exchange Group and Nikkei Inc.

JPX-NIKKEI 400

▶ PRIDE Index 2022: Gold

We received a "Gold" rating, the highest rating of the PRIDE Index. The index reflects evaluations of initiatives for LGBT individuals and other sexual minorities and is prepared by work with Pride, a voluntary organization.

work with Pride Gold 2022

▶ The 2023 Certified Health & Productivity Management Outstanding Organizations (White 500)

Under the Certified Health & Productivity Management Outstanding Organizations Recognition Program, which is conducted by METI and the Nippon Kenko Kaigi (Japan Health Council), we have received certification for seven consecutive years since the program began in fiscal 2017.

2023 健康経営優良法人 Health and productivity ホワイト500

▶ "Eruboshi" Certification

CTC has received third-level "Eruboshi" certification, which is the highest level, as a company deemed favorable based on criteria stipulated by the Ministry of Health, Labour and Welfare pursuant to the Act on the Promotion of Women's Active Engagement in Professional Life

▶ Next-Generation Certification Mark "Kurumin"

In recognition of our track record in implementing action plans to support child-rearing, we have obtained "Kurumin" certification based on the Act on Advancement of Measures to Support Raising Next-Generation Children.

くるみん

▶ Tokyo Sports Promotion Company

We have been selected and certified as the Tokyo Sports Promotion Company that conducts sports activities for its employees as well as social contribution activities in the field of sports by the Tokyo Metropolitan Government.

TOKYO 東京都スポーツ推進企業 2022 認定

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Glossary

Agile Development
Agile development is a software development approach entailing a rapid cycle of design, implementation, and testing based on close on-site collaboration with clients, early development of prototypes, and feedback from clients and the market.

Cloud Journey
Transferring existing systems to the Cloud and making business models and processes Cloud-ready requires careful planning and multiple approaches. The term "journey" is used to describe this ongoing effort to move to the Cloud.

Cloud Native
The term "Cloud native" refers to a development methodology that assumes the developed system will be used through a Cloud environment. This methodology facilitates the creation of a system development environment, because it is possible to acquire the necessary resources as needed. Moreover, amendment to Cloud systems can be conducted frequently, with the expected results, and with minimal effort.

Data Driven
Data driven is a method of analyzing a vast amount of data of various types collected and held by companies and using the results for management decision-making in order to respond to changes in the competitive environment surrounding companies, such as increasingly diverse and complex consumer needs.

Edge Computing
Edge computing is a network technology that reduces communication lag by installing application servers in close physical proximity to terminal devices. This technology is important for facilitating the use of 5G communications, which are characterized by high frequencies that make it difficult for communications to travel long distances in areas with many physical obstacles which could interfere with communications.

Generative AI
Generative AI uses models learned from large amounts of data to quickly and automatically generate new text, images, and other content based on user instructions. Problems may arise in areas such as fairness, safety, and privacy, and appropriate ethical standards must be maintained when utilizing generative AI.

Hybrid Cloud
A Cloud environment that is created and used by combining public and private Clouds and on-premise systems. By complementing each other's disadvantages while enjoying the advantages of each environment, it is possible to both reduce costs and diversify risks.

Legacy Modernization
Optimizes aging black box legacy systems according to the latest technologies and trends to transform them so that they can create new value.

Local 5G
A local 5G network is a 5G network that is constructed and used exclusively within the building or premises of a company or local municipality. Compared to public networks, local 5G networks offer the benefits of high security and exclusive access to the entire range of data traffic capacity.

Managed Services
A service that provides IT system management, operation, and monitoring services in an integrated manner. The service can be used as necessary without the need for in-house IT experts.

Multimodal
Multimodal is a word meaning multiple, in multiple forms, or by multiple means. Multimodal AI refers to AI systems that collect information from two or more different modalities (types of data), such as text, voice, images, video, and sensor information, to integrate and process them.

Observability
Observability refers to the ability to identify, within a complex system environment, which issues have occurred where and when. Good observability makes it possible to pinpoint the causes of issues and improve the performance of systems.

On-Premise
This term refers to a type of system use, in which the necessary equipment including server and network is physically contained with the premises of a company. On-premise systems require capital investment, but offer the benefit of increased flexibility and information confidentiality. The term is employed to highlight the difference from Cloud systems, which involve the use of systems and services through networks.

Quantum Computers
A computer that uses quantum mechanics and can perform computational processing at ultra-high speed. Due to its ability to perform massively parallel processing, which was not possible with conventional computing, it offers the potential for use in various fields, including finance and life sciences.

RAN (Radio Access Network)
Wireless access networks are a component of mobile networks used in smartphones and other devices. They convert wireless signals sent and received by mobile devices into digital signals and serves as a bridge to connect to the internet and the Cloud.

O-RAN: Aims for RAN to become an open source based on the standard specifications of the O-RAN Alliance, a telecommunications industry organization, in order to develop an open and flexible network. Since it does not depend on a specific vendor's proprietary technology, it is expected to invigorate the market and reduce introduction costs.

vRAN: vRAN is an abbreviation for Virtual RAN. To virtually realize functions that are similar to dedicated machines used for RAN, using software on general-purpose hardware. As with O-RAN, they enable the deployment of services that do not hinge on the proprietary technologies of specific vendors.

Zero Trust
An approach to security measures without placing trust in all users, networks, and devices. Zero trust security is gaining interest as a result of the fact that perimeter protection measures for internal and external networks are becoming no longer sufficient for security as corporate systems become increasingly Cloud-based and the number of access routes to these systems increases.

Corporate and Other Information

Corporate Data As of April 1, 2023

ITOCHU Techno-Solutions Corporation (CTC)

Head Office
Kamiyacho Trust Tower, 4-1-1, Toranomon, Minato-ku, Tokyo 105-6950, Japan
📞 +81-3-6403-6000 🖥 https://www.ctc-g.co.jp/en/

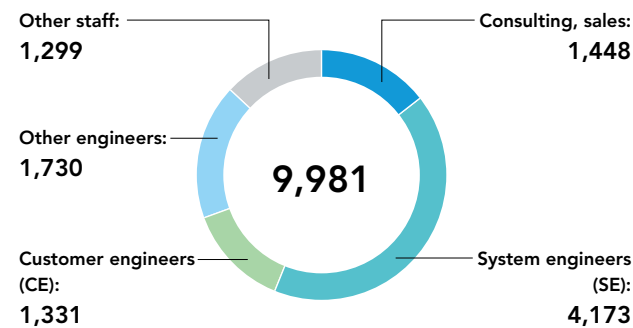### Founded
April 1, 1972

Paid-in Capital
¥21,764 million

Business Lines
Sales, maintenance, and support of computers and network systems; commissioned software development; information processing services; information services-related to science and engineering; support; other

Employees
CTC 4,962; CTC Group Total 9,981

▶ Composition of CTC Employees

Other staff: 1,299
Consulting, sales: 1,448
Other engineers: 1,730
9,981
Customer engineers (CE): 1,331
System engineers (SE): 4,173

▶ CTC Group Companies

Subsidiaries

CTC TECHNOLOGY CORPORATION
CTC SYSTEM MANAGEMENT CORPORATION
CTCSP CORPORATION
CTC FACILITIES CORPORATION
Asahi Business Solutions Corp.
CTC Global (Thailand) Ltd.
CTC GLOBAL SDN. BHD.
PT. Nusantara Compnet Integrator
CTC GLOBAL PTE. LTD.
PT. Pro Sistimatika Automasi
ITOCHU Techno-Solutions America, Inc.
Six other companies (four in Japan, two overseas)

Associated Companies

| |
|---|
| MEGAZONE Corp. |
| CTC First Contact Corporation |
| IW.DX Partners Inc. |
| ITOCHU Technology Ventures, Inc. |
| SYSCOM GLOBAL SOLUTIONS INC. |
| Cardzone Sdn. Bhd. |
| Seven other companies (four in Japan, three overseas) |

Stock Information As of March 31, 2023

Authorized	492,000,000 shares
Issued	240,000,000 shares
	(includes 8,772,586 treasury shares)
Shareholders	24,883

▶ Major Shareholders

| Shareholder	Number of Shares	Ownership Ratio (%)
ITOCHU Corporation	141,601,600	61.24
The Master Trust Bank of Japan, Ltd. (Trust Account)	18,013,400	7.79
Custody Bank of Japan, Ltd. (Trust Account)	10,928,000	4.73
CTC Employee Shareholding Association	4,500,972	1.95
STATE STREET BANK WEST CLIENT - TREATY 505234	2,022,400	0.87
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	1,512,235	0.65
The Gibraltar Life Insurance Co.,Ltd. (General Account Stock D Account)	1,415,500	0.61
JP MORGAN CHASE BANK 385781	1,269,767	0.55
STATE STREET BANK AND TRUST COMPANY 505025	1,268,544	0.55
SSBTC CLIENT OMNIBUS ACCOUNT	1,160,615	0.50

Note: The Company holds 8,772,586 treasury shares, and these shares are excluded from the above list of major shareholders. These treasury shares do not include shares owned by the trust account related to the stock-based compensation program (Board Benefit Trust, or BBT) for the Company's directors and officers. In addition, the ownership ratio was calculated after deducting the number of treasury shares.

▶ Breakdown by Number of Owners
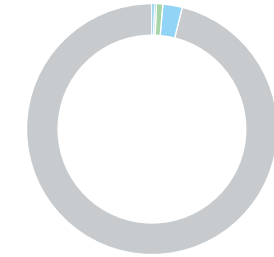
- ■ Financial institutions 0.40%
- ■ Securities companies 0.18%
- ■ Other entities 0.86%
- ■ Foreign entities, etc. 2.58%
- ■ Individuals, others 95.98%

▶ Ownership by Percentage Shareholding
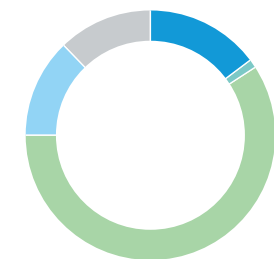
- ■ Financial institutions 14.98%
- ■ Securities companies 1.00%
- ■ Other entities 59.17%
- ■ Foreign entities, etc. 12.66%
- ■ Individuals, others 12.20%

Notes: 1. In the column of "Other entities" 36 units of stocks in the name of Japan Securities Depository Center, Inc. are included.
2. Treasury stock is stated in "Individuals, others"

| CTC's Corporate Website

This report is designed mainly to provide in-depth information about CTC's management strategy, management messages to stakeholders, and other topics. For the latest financial data and information on our sustainability initiatives and various projects, please refer to our corporate website.
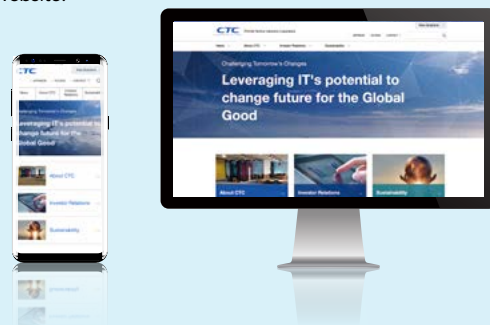
IR Information
🖥 https://www.ctc-g.co.jp/en/company/ir/
IR documents such as financial results and securities filings, as well as the latest IR news

Sustainability
🖥 https://www.ctc-g.co.jp/en/company/sustainability/
Detailed information about the Group's relationships with clients, business partners, employees, and communities, as well as environmental initiatives

Governance
🖥 https://www.ctc-g.co.jp/en/company/about/governance/corporate-governance.html
Detailed information about the Group's corporate governance and risk management initiatives

Case Studies / Column
🖥 https://www.ctc-g.co.jp/en/report/
Project case studies, event reports, and articles

Best Engine
🖥 https://www.ctc-g.co.jp/en/company/about/pr/magazine.html
CTC's approach about the latest IT trends and IT technology