Integrated Report 2023 Year Ended March 31, 2023 (From April 1, 2022, to March 31, 2023)



TIS Inc.

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Make society's wishes come true through IT. TIS INTEC Group

Securities Code: 3626

Our mission is to draw on leading-edge digital technology and

know-how to shape completely new concepts and approaches

that solve issues affecting our world.

Guided by this mission, we seek to make society

a more colorful and vibrant place and

create a tomorrow full of more smiles than yesterday.

IT has the power to make the future brighter.

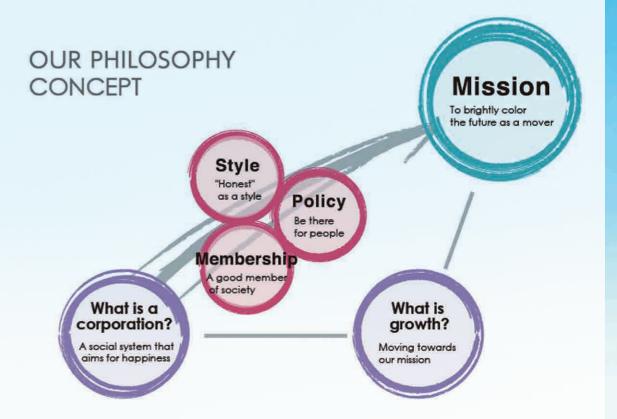
Make society's wishes come true through IT.



OUR PHILOSOPHY (TIS INTEC Group Philosophy)

OUR PHILOSOPHY represents the values of TIS INTEC Group. It clearly and broadly delineates the thinking and ideals that TIS INTEC Group highly values in its group's management, corporate activities, and constituent members. TIS INTEC Group's entire business revolves around OUR PHILOSOPHY.

Mission | To brightly color the future as a mover

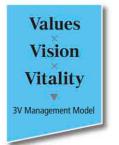


Management Platform

TIS INTEC Group has a clear business management platform. It can be referred to as our business management model. It is constructed with "social," "humanistic," and "rational" approaches in order to allow TIS INTEC Group to actively progress toward its mission, based on the fundamental and underlying concept that the corporation is "a social system that aims for happiness" and engages in value exchange with stakeholders. Let's take a look at the two models within the platform.

3V Management is the basic management platform at TIS INTEC Group. It is a management model centered on the encouragement of Values (Value-based management), Vision (Vision-based management), and Vitality (Vitality-based management), named the 3Vs.

TIS INTEC Group places a great deal of importance on "CPS" in the management of its business. CPS is an acronym for Culture-oriented, People-based, and Social-perspective. It refers to business management that is based on and respects the culture of the country or region where the company is located, is centered and focused on people, and intends to improve sociality.



Culture
People
Society

CPS Management Model

TIS INTEC Group

TIS INTEC Group

Editorial Policy



IR information



Financial information

Find financial results and IR-related news as well as the latest IR events. https://www.tis.com/ir/

Annual securities report Materials related to financial results

Sustainability information

Find information about sustainability initiatives. https://www.tis.com/group/sustainability/ Corporate governance report ESG data book

Comprehensiveness

The Group regards the Integrated Report as an important tool for dialogue with all stakeholders, including shareholders and other investors. To provide a clearer understanding of the Group's approach and efforts to sustainably enhance its corporate value, we compiled this report with a focus on matters of particular importance that we wish to convey while also providing important financial and non-financial

In addition to top management's explanation of medium- and long-term growth strategies, this special feature section focuses on the status of service-style businesses in the context of our structural transformation. It also introduces the initiatives to realize sustainable improvement in corporate value, connecting business strategy to human resources strategy. Please refer to our corporate website for more detailed information.

We hope that this report will give readers a better understanding of the Group and encourage greater

Scope of reporting: TIS (parent) and TIS INTEC Group

Issued: September 2023

Disclaimer: Forward-looking statements, such as performance forecasts, described in this report are based on information available to management regarding the TIS INTEC Group—that is, TIS and the subsidiaries under its umbrella—as of the production date and certain assumptions deemed reasonable at this time. No intent of promise is implied by the Company to achieve such forward-looking statements. Indeed, various factors may cause future results to be substantially different from the assumptions presented in

The names of the products and services described in this report are trademarks or else registered trademarks of the respective company.

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Three Characteristics and Strengths of the TIS INTEC Group

Solid management platform

TIS' solid management platform comprises three building blocks—a broad client base, an extensive business base and a stable financial base—which provides the leverage to drive business forward and underpins good financial health and capital efficiency.

2 Dominant presence in payment services domain

TIS has cemented its position as a leading system integrator in the domestic payment services domain. Drawing on capabilities accumulated through SI activities, we are quickly rolling out service-style operations matched to technological innovation and diversifying payment methods.

Flexible management strategies and speedy decision-making thanks to independent status

The TIS INTEC Group established itself as the top of Japan's IT services industry as a major, independent corporate group free from keiretsu ties. The absence of a controlling shareholder ensures management independence facilitates decisions that leverage robust, flexible and speedy business development of Group operations.

Meeting Various Social Needs by Providing IT Services

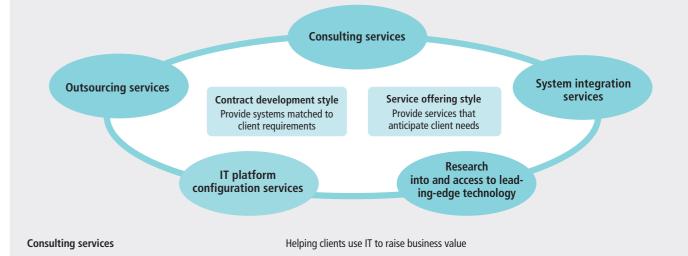
— The TIS INTEC Group operates across all these domains —

Changing the way we work through IT services **Furnishing society** Supporting a stable with useful robots energy supply Supporting comfortable IT services for living **Making transportation** restaurants and pubs Supporting cashless more convenient services

TIS INTEC Group Business Activities

As an IT specialist which partners with clients, the Group handles a wide range of IT services to provide optimal one-stop support.

The Group's IT services supports society in ways some may take for granted, and contributes to meeting social needs through its business.



System integration services

Research into and access to leading-edge technology

IT platform configuration services

Outsourcing services

Providing one-stop access to systems perfectly matched to client needs

Always on a quest for the latest IT technology to provide systems a step ahead of expectations Building safe and secure computer networks, from host to public cloud, matched to client nee Everything from system operation to full business process outsourcing (BPO)

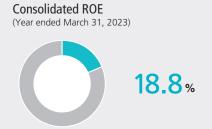
TIS INTEC Group 6

Making online services

Consolidated Net Sales (Year ended March 31, 2023) ¥508.4 billion







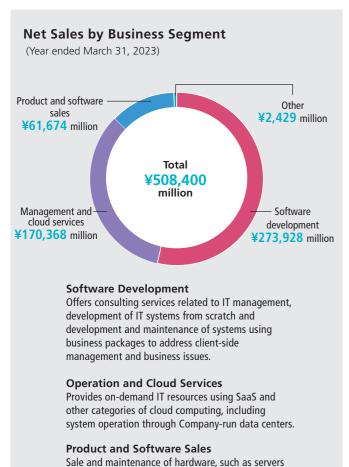




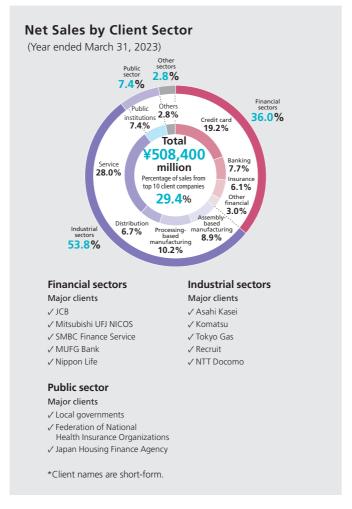








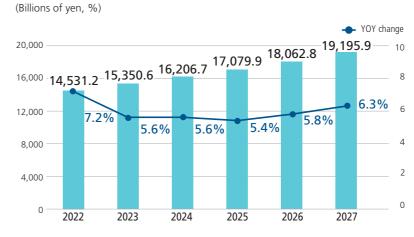
and network equipment, and software.



Positioning in the IT Services Market

TIS INTEC Group has cemented a position as a leading, independent prime contractor in Japan's IT services industry—a market that is expected to continue growing against a backdrop of robust corporate demand for digital technology.

IT Services Market Size in Japan

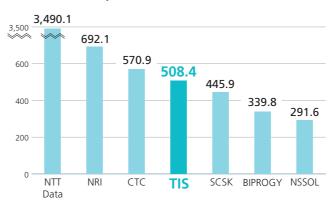


- * Gartner®, "Forecast: IT Services, Worldwide, 2021-2027, 2Q23 Update" M. Sawai/July 24, 2023 End user spending based graph created by TIS based on Gartner
- End user spending based graph created by TIS based on Gartner research.

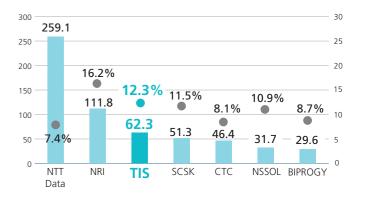
All statements in this report attributable to Gartner represent TIS's interpretation of data, research opinion or viewpoints published as part of a syndicated subscription service by Gartner, Inc., and have not been reviewed by Gartner. Each Gartner publication speaks as of its original publication date (and not as of the date of this report). The opinions expressed in Gartner publications are not representations of fact and are subject to change without notice. GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally and is used herein with permission. All rights reserved.

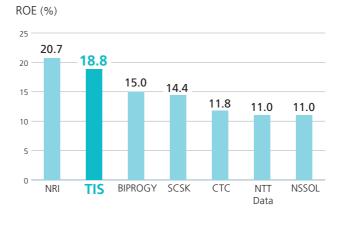
Comparison of Japan's Leading IT Companies (Year ended March 31, 2023)*1

Net Sales (Billions of yen)

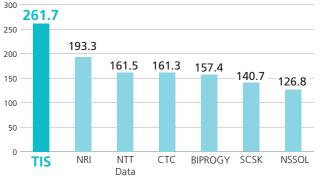












*The above figures are calculated based on 100% of the stock price on March 31, 2018.

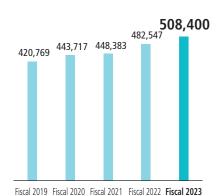
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^{*1}The full company names used in the above graphs (NTT Data, NRI, CTC, SCSK, BIPROGY, and NSSOL) are: NTT Data Group Corporation, Nomura Research Institute, Ltd., ITOCHU Techno-Solutions Corporation, SCSK Corporation, BIPROGY Inc., and NS Solutions Corporation. NTT Data, NRI, CTC, SCSK, BIPROGY, and NSSOL amounts are based on the IFRS (International Financial Reporting Standards).

Financial Highlights

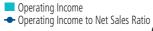
Net Sales

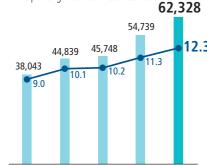
(Millions of yen)



Operating Income, **Operating Income to Net Sales Ratio**

(Millions of yen, %)

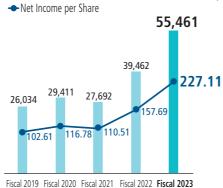




Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

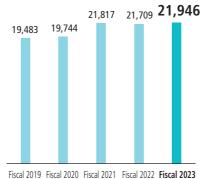
Net Income Attributable to Owners of the Parent Company (Millions of yen), Net Income per Share*1 (Yen)

■ Net Income Attributable to Owners of the Parent Company



Non-Financial Highlights

Number of Employees at Year-End (Consolidated)



Results of Employee Awareness Surveys*2

TIS INTEC Group



Number of Days Spent on Learning and Research per Person*2

→ TIS → TIS INTEC Group



Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

 $\ensuremath{^{\star}}$ Percentage of respondents answering positively to the question "Overall, this company is a good place to work" Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

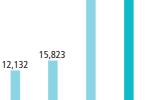
Orders Received during the Term, Order Backlog at Year-End (Total) (Millions of yen)

Orders Received Order Backlog



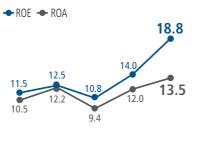
Free Cash Flow (Millions of yen)

52,702 44,935 36.345



ROE, ROA

(%)



in Management Positions*2,3

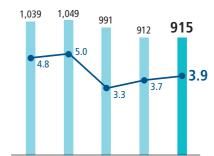
Percentage of Female Employees



Number of People Hired/ Tuunover Rate*2 (Person,%)

Number of new graduate recruits and mid-career hired

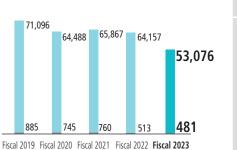




Greenhouse Gas Emissions*4

Scope 1

Scope 2



Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

*Scope 1: Direct emission of greenhouse gases by business

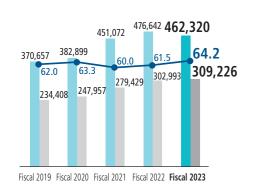
operators
*Scope 2: Indirect emission through use of electricity or heat/ steam provided by other companies

Total Assets, Net Assets, Equity Ratio

Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

(Millions of yen, %)

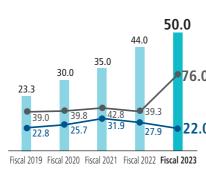
■ Total Assets ■ Net Assets ◆ Equity Ratio



Dividends per Share*1, Payout Ratio, Total Return Ratio (Yen, %)

■ Dividends per Share (annual) ◆ Payout Ratio ◆Total Return Ratio

Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 **Fiscal 2023**

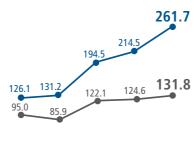


- * Total return ratio: Total amount of dividends and treasury
- stock buybacks as a percentage of net income.
 * Total return ratio in fiscal 2023 included the effects of treasury stock acquired as part of efforts to optimize capital

Total Shareholder Return

Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

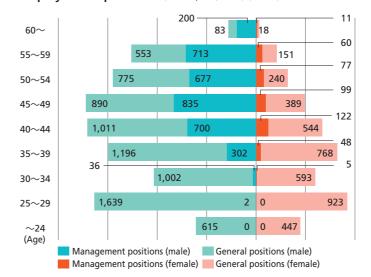
◆TIS ◆ TOPIX including dividends



Fiscal 2019 Fiscal 2020 Fiscal 2021 Fiscal 2022 Fiscal 2023

*The above figures are based on the stock price prevailing on March 31, 2018, which is indexed at 100%

Employee Composition*2 (As of April 1, 2023) (Person)



*1 The Company executed a stock split, with each share of common stock split into three shares, effective April 1, 2020. Figures before fiscal 2020 are presented assuming this stock split was conducted.

- *2 The figures include the TIS INTEC Group's seven principal companies (TIS, INTEC, AGREX, QUALICA, AJS, TIS System
- Service, and TIS Solution Link).
 *3 Figures for fiscal 2019, fiscal 2020, fiscal 2021, fiscal 2022, and fiscal 2023 are based respectively on April 1, 2019; April 1, 2020; April 1, 2021, March 31, 2022, and March 31, 2023.
- *4 The figures include TIS, 12 consolidated subsidiaries (domestic) and nine consolidated subsidiaries (overseas).

*Other non-financial data and scope of collection, details refer to "6. Nonfinancial data" of the "ESG Data Book"

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