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Net One by the Numbers

Major achievements in fiscal 2022

Related page [P.29](#) Chapter 2: Growth Strategy

Service ratio

45.2%



Accelerate the shift to services and achieve customer success

ROE

20.1%



Maintaining a high level of capital efficiency

Operating margin

9.8%



High value-added business and improved productivity

Customer satisfaction

78.3%



Overall satisfaction improved 0.1 points year on year

Ratio of Independent Outside Executive Directors

66.7%



Two of our Outside Executive Directors are women
An Outside Executive Director serves as the Chairman of the Board of Directors

Progress toward the fulfillment of key materiality-related KPIs

Related page [P.21](#) Chapter 1: Materiality

Solving social challenges Solution revenue

FY2022 **¥7.2 billion** → FY2024 **¥30.0 billion**



Train personnel for the next generation

Security personnel
CISSP holder
FY2022 **23** → FY2030 **80**
Registered Information Security Specialist
FY2022 **51** → FY2030 **100**
Cloud personnel
Front divisions
FY2022 **Up 93%** → FY2030 **Up 50%**
DX personnel
Corporate divisions
FY2022 **Up 23** → FY2030 **Up 150**



Percentage of male employees taking childcare leave or special leave for childbirth

FY2022 **68.0%** → FY2030 **90%**



Ratio of female managers

April 2023 **7.8%** → FY2030 **15%**



Ratio of female new graduate hires

April 2023 **28.6%** → FY2030 **50%**



Editorial policy

The net one report is published to inform all stakeholders of the Net One Group regarding our growth strategy, value creation efforts, and the sustainability management concepts and initiatives we have adopted as we aim to realize our Purpose. Our net one report for fiscal 2023 introduces the value creation measures we are implementing as we aim to attain our Vision for 2030 in accordance with the central idea of shifting toward services and ensuring sustainability management. In addition, the separate "Sustainability Data Book 2023" covers the Net One Group's progress in implementing materiality-related initiatives, including ESG performance data. In this report, figures for financial results from fiscal 2014 to fiscal 2019 have been restated to reflect the revisions that were made to past financial results disclosed in December 2020.

Notes on included matters

The names of each company in the net one report are trademarks or registered trademarks of each company. "Health Management®" is a registered trademark of the Nonprofit Organization Kenkoikei.

Reference guidelines

Ministry of Economy, Trade and Industry:
Guidance for Collaborative Value Creation

International Integrated Reporting Council (IIRC)
The International <IR> Framework



Forward-looking statements

This report contains forward-looking statements that involve inherent risks and uncertainties and therefore may differ materially from actual results. Forward-looking statements are based on information currently available to the Company and investors should not place undue reliance on them. The Company undertakes no obligation to update or revise current forecasts in this report to reflect events, changes in the operating environment or other unforeseen developments that may occur in the future.

Disclosure tools for financial and non-financial information

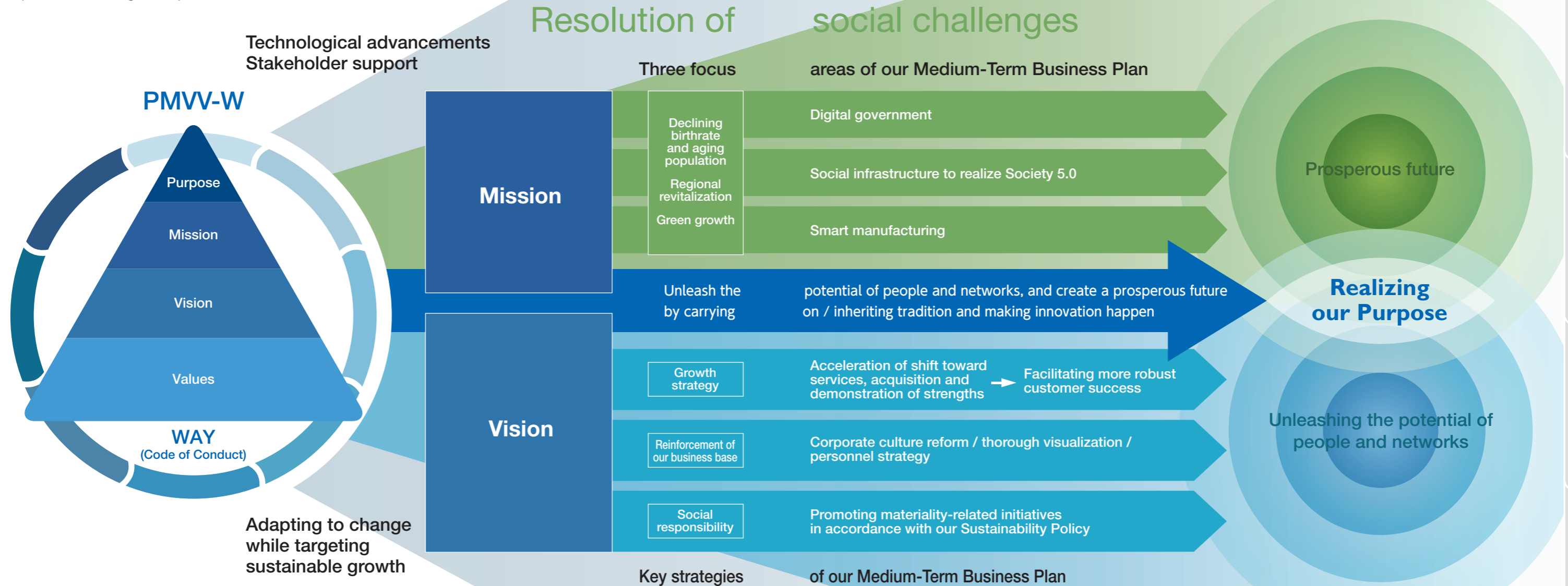
"**net one report**": An integrated report comprising content focused on the importance and story lines of our value creation and sustainability.

"**Sustainability Data Book (SDB)**": A data book focused on the completeness of non-financial information such as reports on ESG initiatives.



Net One's Visions for Itself and Society

As the pace of digitalization picks up in virtually every industry, we will proactively facilitate proper adaptation by designing connections that link people and networks. Moving forward, we will leverage the unique critical assessment capabilities we have developed through our effective utilization of ICT as we consistently innovate solutions for social challenges and provide society with value underpinned by our proven technological capabilities.



Purpose Unleash the potential of people and networks, and create a prosperous future by carrying on / inheriting tradition and making innovation happen

Mission Each of us is a professional with outstanding expertise and high ethical standards, and contributes to solving the problems of society and our customers

Vision

- Act with pride as a leading network company
- Create added value unique to Net One and achieve sustained growth
- Continue to be an elite group of people who train their minds and skills through continuous self-improvement
- Maintain an appropriate profit structure to fulfill our responsibilities to a wide range of stakeholders

Sustainable growth

As a leading network company, we will create a prosperous future by maximizing human abilities through optimal ICT application.

The trend toward digitalization is accelerating amid changes in our external environment, including the emergence of geopolitical risks and a declining population in Japan. Under these circumstances, networks, which serve as the foundation for digitalization, are indispensable. Accordingly, the Net One Group remains keenly aware that expectations are high. Many are waiting to see what kind of value the Net One Group will deliver to society when the time for digitalization is now or never. Please allow me the opportunity to explain our vision for the future.

Takafumi Takeshita

President & CEO
Net One Systems Co., Ltd.

Realizing our Purpose

Now is the time to restructure the relationships between people and digital technology and demonstrate the true value that the Net One Group provides in pursuit of a better society.

In accordance with its Purpose, the Net One Group aims to “unleash the potential of people and networks, and create a prosperous future by carrying on / inheriting tradition and making innovation happen.” To understand what is meant by “prosperous future,” we must first unravel the relationships between people and digital technology. The evolution of networks has eliminated borders that previously compartmentalized different elements of information distribution, while ICT has become increasingly convenient in a wide range of contexts. However, at present, I personally feel that we still have a long way to go before we can confidently

say that people are truly using ICT effectively. True, generative AI, for example, can do in a matter of minutes what used to require one person an hour to accomplish. At first glance, this may seem like an improvement in productivity, but I believe that true improvement in productivity is not measured by the length of time spent on a job, but rather by how much of the surplus output created through the use of AI can be allocated to tasks which only humans can perform. This belief is what we have in mind when we talk about “unleashing the potential of people;” in the context of human activity, ICT should be viewed as a supplemental tool to be used by all people, regardless of race, gender, nationality, or physical ability, in order to maximize their own abilities. If utilized in this way, ICT will enable all people to influence each other, address emergent issues, and facilitate the creation of a better society. This scenario constitutes the Net One Group’s vision of a “prosperous future.”



Photo: netone valley's VALLEY** space

*1. This is the central gathering place of the “netone valley” innovation center. The VALLEY area connects people, technology, and information to accelerate collaboration and synergy.

We firmly believe that the driving force behind our efforts to facilitate a “prosperous future” is our capacity for “critical assessment,” a capability that the Net One Group has consistently maintained and refined throughout its existence. From the time of our founding, when computer networks were not commonplace, we recognized that the evolution of networks would revolutionize our perceptions of physical distance and human connections, while also impacting our personal values and culture. We accordingly improved our technologies in accordance with a core objective of incorporating network application to ensure that these changes would enrich human lives. Along the way, we experienced both successes and failures and developed realistic frames of reference through which we could evaluate our progress. Consequently, we were able to improve our critical assessment capabilities, which enabled us to identify the true issues our clients were facing and the goals they were aiming to achieve, while also enhancing our ability to facilitate the achievement of these goals. Moving forward, we must explore different ways to stay abreast of rapidly emerging technologies, ensure their safety, and provide advice regarding their optimal utilization, thereby allowing their users to master them without the need for compromising adaptations. I am confident that now is the time for the Net One Group to demonstrate its true strength.

Medium- to long-term vision

We have established a “Vision for 2030” that consists of four themes and is centrally focused on the concept of continuity.

Following discussions regarding its medium- to long-term vision, the Net One Group’s Board of Directors established a “Vision for 2030” that is based on the four themes set forth in its overall Vision. Underlying the Vision for 2030 in its entirety is the concept of continuity; the Company is charged with both the mission and responsibility of surviving and continuing to provide value as a public institution that exists for the benefit of society. In accordance with this fundamental idea, please allow me to convey the intentions and purposes behind each of the themes underlying Vision for 2030.

First, the Net One Group aims to become a “leading company” that is recognized and respected by domestic companies in all industries. While we are proud of our status as a leading network company, we also aspire to be a leading company in other fields, including sustainability management focused on non-financial capital. I believe that the power to decide if we are a leading company lies in the hands of others. Undergoing objective evaluations from all possible perspectives, including market and sustainability-related performance metrics, we will fulfill our responsibilities and earn recognition as an exemplary company. Through these efforts, we will establish a reputation as a role model corporation in Japan. I firmly believe this is the pathway forward for the Net One Group.

Second, we aim to create value that facilitates objective evaluation, while continuing to boost added value. This theme incorporates the idea that the very existence of the Net One Group, as well as its capacities for critical assessment and achievement, constitutes added value. Through sustainability

management, we will ensure that all of our employees are able to perform their professional duties with vitality and enthusiasm, while also guaranteeing that our impact on our customers and society at large will be evermore positive.

Third, to facilitate our evolution toward the company I have described, we will establish an “elite group” of professionals. The Net One Group firmly believes that a professional is distinct from an expert; an expert is someone who, due to surrounding circumstances, is the only individual who is capable of performing a task, while a true professional is someone who is able to systematize and pass on intellectual capital, thereby enhancing the overall strength of an organization. Moving forward, the Net One Group will continue to transform itself into a leading company while maintaining teamwork as its cornerstone.

Finally, with regard to the fourth and final theme, which concerns profit structure, we are targeting ongoing growth for the Net One Group. As time progresses, we will establish an appropriate profit structure and build a foundation that will enable us to steadily and independently take all necessary steps forward, thereby transitioning into a new phase of value creation.

By the end of our current Medium-Term Business Plan, we aim to establish five cultural practices that will serve as benchmarks for measuring progress toward achieving our medium- to long-term vision: creating value as a team, relishing challenges, maintaining purpose-driven attitudes, showing mutual support, and confronting risks. These cultural practices are not independent of each other, but are instead inextricably linked. Rather than avoiding risk, we will motivate ourselves to consider how we can minimize risk to support the achievement of our objectives and how we can support each other as members of the same team to facilitate this process. Through these efforts, we will collectively generate new value.

Establishing these new cultural practices will be part of our corporate culture reform efforts, and will serve as the first step toward strengthening our governance. I recognize that the fulfillment of our Vision for 2030 is a critical milestone toward the attainment of our Mission, which I shared when I assumed my position as president of the Company.

Progress achieved during the first year of our Medium-Term Business Plan

We spent the year laying the foundation for our next major leap forward, while systematically promoting personnel strategies and reinforcing our business foundations.

Overall, we are confident that we generated favorable progress during fiscal 2022. We are continuously establishing and improving the foundations for our service strategy, which is a key focus of the growth strategy outlined within our Medium-Term Business Plan. Additionally, we firmly believe that fiscal 2023, the second year of our Medium-Term Business Plan, will be a turning point on the road to our next major leap forward. When listening to casual conversations among our employees, I now commonly hear them talking about services rather than referencing product sales models focused on network equipment.

Our shift toward services is strategically critical to the continuity of our Group. By establishing a business model grounded in recurring revenue, we will ensure our ability to generate stable earnings throughout the year, while conducting personnel planning and development. We also believe in the importance of building ongoing relationships with our customers through services. With this goal in mind, we recognize the critical strategic significance of creating a service lineup that is “standardized to the point at which it can be fully customized,” thereby enabling us to respond to a diverse range of customer needs.

With regard to our personnel strategy, we plan to begin defining the necessary capabilities and drafting staffing plans for the realization of our Vision for 2030, which describes the future position in which we want to be. Afterward, we will identify discrepancies between our current circumstances and our desired future through backcasting and adopt appropriate measures for addressing these discrepancies. Furthermore, by sharing the details of these processes with employees, we will aim to establish a system through which employees can compare the Company’s assessments of their aptitudes and talents with their own ideal visions for themselves and make adjustments accordingly, thereby enhancing employee engagement. As a starting point, we established a new personnel system in fiscal 2022. Employees are the wellspring from which the Net One Group creates value. Therefore, each and every employee is encouraged to chart his or her own career path, hone his or her abilities, and further improve performance through appropriate self-evaluation. Through these efforts, the Net One Group will continue to achieve growth. To facilitate the achievement of this advantageous and self-perpetuating cycle, we will implement comprehensive strategies that cover a wide range of business elements, including compensation, training, and recruitment.

Meanwhile, we are making steady progress toward the reinforcement of our business base. As part of our corporate culture reform efforts, we have been concentrating on activities aimed at driving home our corporate philosophy system in fiscal 2022, and our employees have demonstrated a strong appreciation for this system. In fiscal 2024, the final year of our Medium-Term Business Plan, we aim to develop this appreciation into resonance, thereby leading the Group into a phase within which its employees can take decisive and independent action. In the more distant future, we would like to elevate this resonance to the level of harmonization, thus entering a stage during which employees can effectively influence and motivate those around them.

Our second founding

Pursuing true innovation through the elimination of boundaries and developing the Net One Group into an organization that generates extraordinary breakthroughs

Net One Systems, which started with just ¥200 million in capital and only ten employees, celebrated the 35th anniversary of its founding this year. Currently, we have ¥12.2 billion in capital, more than 2,500 employees, and revenue equivalent to more than six times the amount we reported for 2000, the year we went public. We have been able to continue

operating up until the present thanks to the support of customers, partners, shareholders, our employees and their families, our local communities, and many others.

As we reflect on our history and progress to date, we are now undergoing a second founding, creating a new Net One Group that will facilitate the achievement of further growth moving forward. In May 2023, we launched the “netone valley” innovation center as a new business base and a strategic location through which employees can take on the challenge of creating new value and charting pathways toward a prosperous future. Utilizing netone valley as a starting point, we will embark upon our journey toward the creation of a new future for the Net One Group. The key concept behind these efforts will be the elimination of boundaries. Boundaries can impact both how employees work and the relationships between employees and our stakeholders. We encourage our employees to freely take advantage of all available opportunities to build a new future through their work styles and daily lives. At the same time, we call upon our stakeholders to share ideas that will facilitate our transition toward this future. In this sense, netone valley could be viewed as a giant front porch; just as back in the “good old days,” when people gathered on the front porch, a space neither inside nor outside the home, to talk about all sorts of topics, we will aim to explore a wide range of possibilities together within a relaxed environment that is not constrained by normal business conventions. I firmly believe that true innovation is created at times, and in places, such as these.

The development of netone valley remains incomplete. We plan to continue updating the facility’s equipment and software. Furthermore, we will simultaneously continue to “update” ourselves, refining our capabilities without a moment’s pause. By creating innovation that is nourished by tradition, we will unleash the potential of both people and networks. Furthermore, we will generate further traditions through the innovation thereby achieved. We hope that you are excited about both the innovation we will create moving forward and the prosperous future we aim to achieve, and we humbly request your ongoing support as we pursue these objectives.





Maya Ito

Independent Outside Executive Director
Chairperson of the Board of Directors
Attorney at law

Photo: netone valley's INFORMATION HUB** space

*1. Located within the "netone valley" innovation center, this is a space for gathering information. Its design facilitates chance encounters and encourages personal exploration.

Message from the Chairperson of the Board of Directors

We will facilitate a shift toward proactive management while enhancing both internal and external communication.

Governance reform Management's strong resolve to implement sweeping reforms

In fiscal 2022, the governance structure of Net One Systems underwent major changes, as we transitioned into a company with an audit and supervisory committee and began requiring that six of the nine members of our Board of Directors be independent outside executive directors. We feel that we were able to implement drastic reforms in such a short period of time in part because all members of our management shared a strong sense of urgency regarding the need to implement reforms aimed at preventing recurrence of fraudulent acts and in part because management held a series of dialogues with employees concerning the Company's direction moving forward, which raised awareness regarding the significance of governance reform activities throughout the Company.

The Company has revamped systems and processes associated with its Board of Directors to ensure that the board

is more focused on discussing important issues. We accomplished this feat by delegating authority to the Management Committee and other decision-making bodies to cut down the volume of proposals submitted to the Board of Directors and by beginning to identify discussion items related to important management issues, which complement resolutions and reports reviewed by the board. Furthermore, we shifted the focus of the board's discussions from the promotion of recurrence prevention measures to the future prospects and growth potential of the Net One Group. While maintaining a sound governance framework, we are diligently discussing the adoption of a proactive system of corporate management that will lead us into our next stage of growth. To spur on these discussions, we will ensure proper administration and leadership that will allow each executive director to demonstrate his or her individual expertise during meetings of the Board of Directors and facilitate the exchange of a diverse range of opinions.

Challenges and response measures associated with assessments of effectiveness

Fiscal 2021 challenges	Status of response in fiscal 2022
Enhancement of wide-ranging discussions based on management strategies	We established "visualization" as a priority theme for deliberation and held objective data-based discussions regarding the status of the Group and other issues once every three months. During monthly meetings of the Board of Directors, the Governance and Corporate Culture Advisory Committee reported on the progress of corporate culture reforms and recurrence prevention measures, thereby enhancing subsequent discussions.
Review of agenda items for the Board of Directors meetings	We used our transition into a company with an audit and supervisory committee as an opportunity to delegate approximately 70% of decision-making authority formerly held by the Board of Directors to the Management Committee and other bodies.
Acquisition of time for discussion on important issues through systematic planning of agenda items	We successfully established year-long systematic administration through the formulation of annual agendas at the beginning of the fiscal year. Compared to the previous year (July through March), we lowered the number of agenda items for meetings of the Board of Directors from 165 to 102 (a year-on-year decrease of 38%) and increased the average time spent discussing each agenda item from 13 minutes to 21 minutes.

Enhancement of nomination and remuneration systems Focus on identifying next-generation management talent and revising remuneration policies

Another governance reform we have implemented is the reorganization of the Advisory Committee into the Nomination Advisory Committee and the Remuneration Advisory Committee. As a member of both committees, I am responsible for ensuring that the results of discussions held during meetings of the Board of Directors are reflected through corresponding policies and systems.

With regard to nominations, we have developed a succession plan that prioritizes adherence to the foundations of our compliance and governance systems and formulated to facilitate our transition toward a proactive system of management. Independent outside executive directors are responsible for verifying and evaluating the suitability of candidates for positions in our next generation of management. To ensure the selection of appropriate candidates, we will ensure that we thoroughly understand the skills and characters of each candidate while also providing ample opportunity for independent outside executive directors and candidates to exchange views and opinions.

In terms of compensation, we have introduced a restricted stock compensation system for chief executives with the aim of ensuring that they execute their duties while sharing the same perspectives regarding value that are held by our investors. Furthermore, we are currently establishing a system under which compensation for chief executives will reflect performance indicators unrelated to earnings, such as the degree to which we have raised the share of revenue generated through services and the results of employee awareness surveys.

Japanese society at large is currently facing a scarcity of human resources. Under these circumstances, we must ensure that we maintain a relatively compelling remuneration system if we aim to shift toward proactive system of management. We updated our remuneration system in July 2023, and as time progresses, we intend to continue adjusting this system in an effort to guarantee growth in its appeal moving forward.

Proactive management Support risk management to accelerate our shift toward services

Independent outside executive directors are responsible for balancing, and preventing abuse of, managerial authority. However, we also recognize the important role that outside perspectives fulfill with regard to supporting proactive management. Proactive approaches are always accompanied by risks, some of which are unprecedented. Nevertheless, these risks are an unavoidable reality when it comes to achieving growth.

To facilitate business execution, independent outside executive directors like myself should support uninhibited and enthusiastic idea sharing and challenge acceptance by proactively identifying possible risks and proposing solutions for addressing them. The Company's independent outside

executive directors have a diverse range of expertise and have accumulated extensive experience in the field of crisis response. Furthermore, we have a system in place that allows these executive directors to apply their abundant knowledge and expertise to risk management. As we aim to earn the full trust of our customers through the proactive delivery of services, we will provide the advice necessary to ensure that all needs are addressed and further enhance cooperation with personnel responsible for business execution.

Looking ahead to 2030 The Net One Group's commitment to ensuring appropriate evaluations through effective communication

In accordance with its recently established Vision for 2030, the Net One Group aims to be recognized throughout society as a leader in terms of all corporate activities, including, but not limited to, those in the network field. One of the key issues we must face as we aim to achieve this goal is the promotion of diversity and inclusion. To raise our ratio of female employees, which is one of our materiality-related KPIs, we need to construct an organizational foundation that will allow us to develop a fresh crop of female executive directors. We believe that having women in positions carrying ultimate decision-making responsibility will provide emotional support to our female employees, while also raising their awarenesses of the roles they fulfill with the Company. Furthermore, in a rapidly changing industry where new forces are constantly emerging both in Japan and abroad, we must also appoint foreign nationals in accordance with a global perspective and promote members of the younger generation to positions through which they can lead the ICT industry.

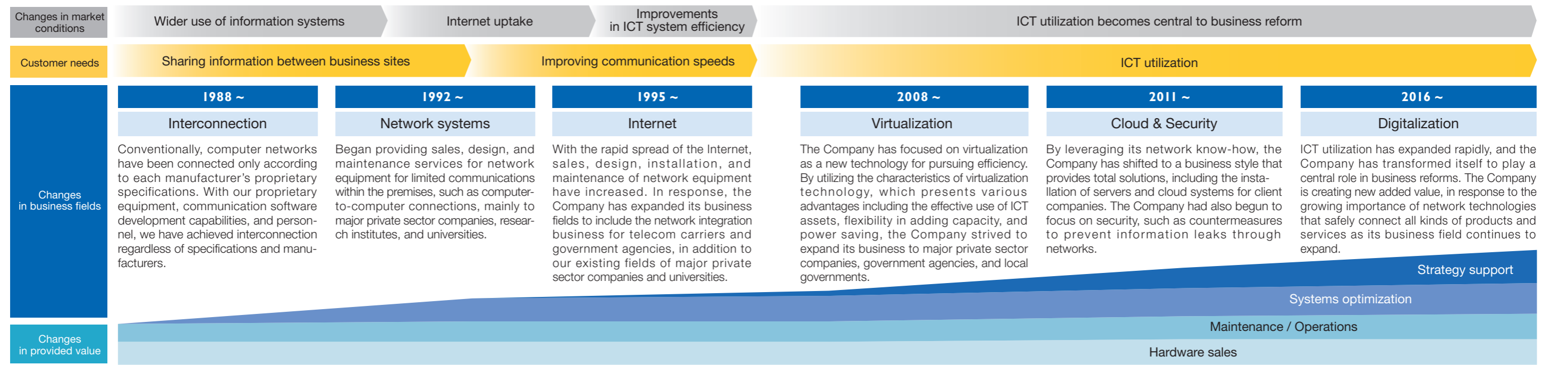
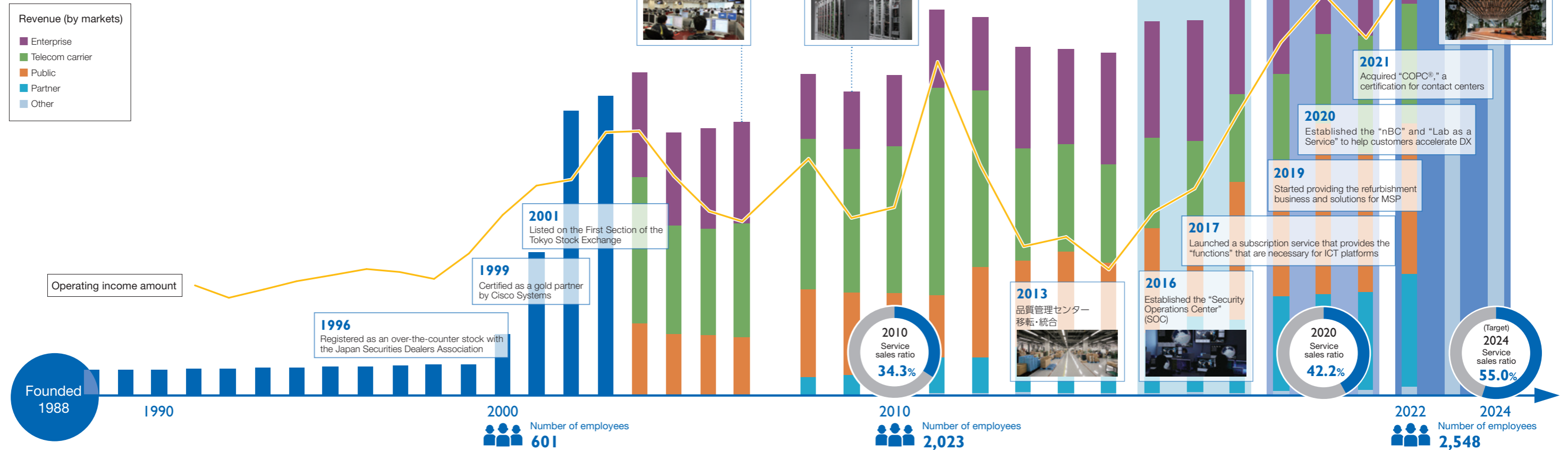
To achieve these objectives, I have personally created opportunities for interaction with employees while simultaneously promoting open dialogue. I sincerely hope that this dialogue will encourage each employee to think about his or her own career and potential and communicate his or her own thoughts and ideas more proactively. Meanwhile, I believe that as we develop more employees with this mindset, we will observe growth in the number of leaders who proactively drive the Net One Group forward, thereby generating new growth for the Company as a whole.

Having expressed steadfast support for our Vision for 2030, all members of our current Board of Directors are in agreement regarding the future direction of the Net One Group and firmly believe in the soundness of the Net One Group's governance structure. However, we cannot convey the importance of governance through routine disclosures of information alone and must ensure that our shareholders and investors understand that our reforms represent much more than mere formality. To convince them of the significance of our reforms, we must continue to communicate as concretely as possible the activities and discussions undertaken by our Board of Directors and all committees. As chairperson of the Board of Directors, I am responsible for proactively ensuring that the Net One Group is recognized as a company that is achieving business development through strong governance.

Corporate History

Net One Systems was established in 1988 as a specialist network installation company, focusing initially on the procurement and sale of routers, switches and other ICT equipment.

Since then, we have continued to grow in response to the evolution of ICT and changing customer needs, using our advanced network technologies as a point of difference, while extending our business reach from networks into all areas of ICT platforms, such as cloud systems, security and IoT.



2022-2024 Current Medium-Term Business Plan
Executing our growth strategy and strengthening our business base, with the aim of realizing our new philosophy system (Shift to services)

2019-2021 Previous Medium-Term Business Plan
Transformation for the next era (Integrated Service Business)

2016-2018 Previous Medium-Term Business Plan
Sustained growth (Cloud and security)

Introduction
Value Creation
Growth Strategy
Management Capital
Governance
Business Segments

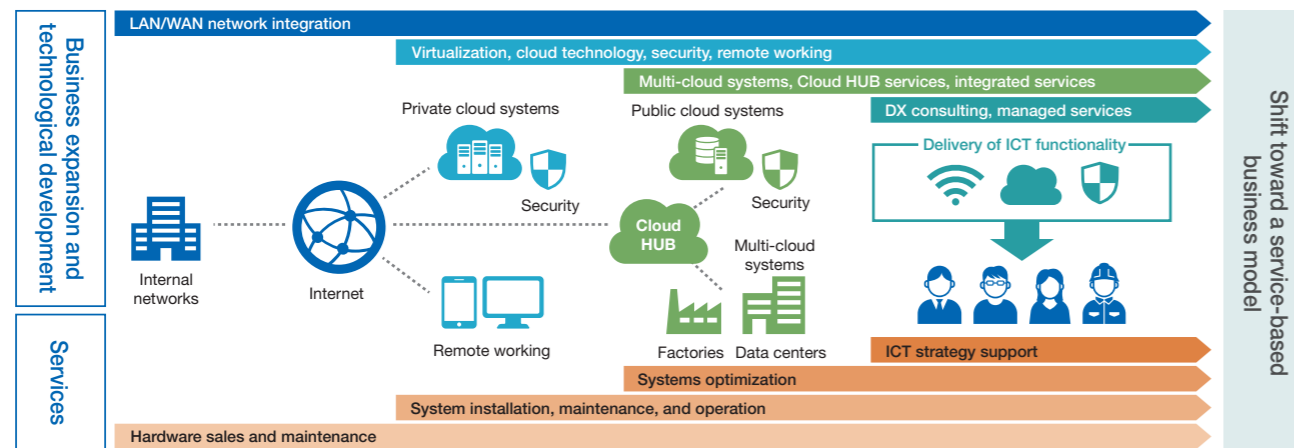
Review of Operations

Concentrating primarily on large-scale companies and government agencies, the Net One Group supports the introduction and ongoing optimization of comprehensive frameworks and systems that enable the transformation of business models and work styles through the use of ICT.

Expansion of our business fields centered on networks

The Net One Group has leveraged its strengths in networks and expanded its business fields in line with the increase in demand for ICT utilization.

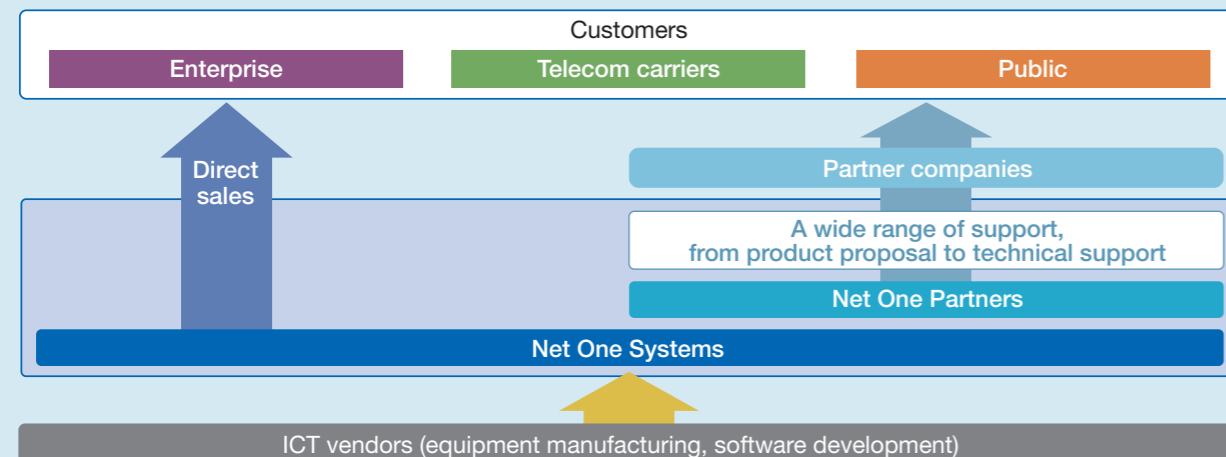
Amid the recent and ongoing shift to multi-cloud systems, networks that securely and effectively link cloud systems have become indispensable. Consequently, the Group has taken on a broader range of responsibilities, including support for cloud systems, cybersecurity initiatives, and general support for ICT platforms utilized in pursuit of digital transformation. We are gradually transitioning toward a business model focused on providing services ranging from proposing grand designs for the installation of next-generation systems to establishing efficient systems that optimally combine a variety of products, as well as services that support the entire lifecycles of systems. Accordingly, the scope of our business continues to expand.



Characteristics of our business segments

The Group's business is broadly divided into four segments based on the industry of the customers they serve. The composition ratio of each segment is well-balanced, at roughly 20% to 30%.

In the enterprise, telecom carrier, and public markets, we provide customers with solutions from system proposals to various services under a direct sales model. In the partner business, we are conducting a resale business that sells products and services through collaboration with system integrators who undertake all-in-one information system outsourcing. In addition to the conventional direct sales model, we also engage in co-creation with telecom carriers and partner companies, and provide support for corporate groups. We are working to acquire a diversified market, by making efficient proposals to customers who are difficult for us to approach directly.



FY2022 Revenue **209.6** billion yen



* Note that the sum of the above percentages does not add up to 100%, due to other business segments that are not included in the reportable segments (the Global business segment, etc.).

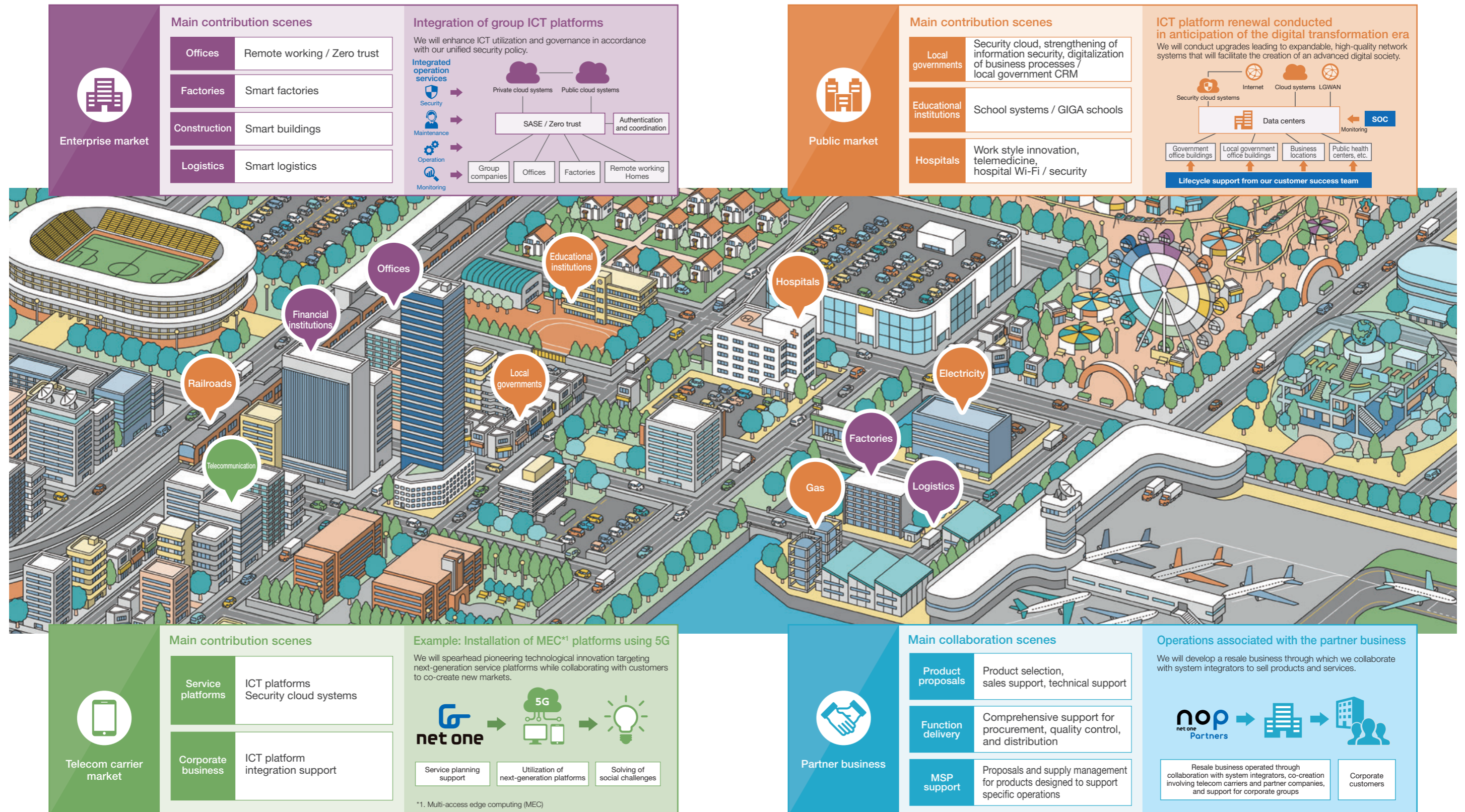
	Key markets / sectors	Strengths and characteristics
Enterprise market	Manufacturing / non-manufacturing / finance <ul style="list-style-type: none"> Cloud systems Security measures Work style innovation Focus areas Smart manufacturing, social infrastructure to realize Society 5.0	<ul style="list-style-type: none"> The enterprise business has built up a high level of trust with customers after many years of providing high-quality network systems. Backed by that trust, we share with customers the Group's knowledge and experience of utilizing ICT. Our approach allows customers to use cloud systems, reinforce security and implement work style innovation in a more flexible and practical way.
Telecom carrier market	Telecom carriers / ISP^{*1} <ul style="list-style-type: none"> Service platforms Corporate business <small>*1. ISP: Internet service providers</small> Focus areas Social infrastructure to realize Society 5.0, digital government, and smart manufacturing	<ul style="list-style-type: none"> Extensive track record in the design and installation of large-scale networks Strong position in multivendor product integration and automated system operation, backed by advanced network design capabilities
Public market	Local governments / education / universities, research centers / social infrastructures / healthcare <ul style="list-style-type: none"> Cloud systems Security measures Campus networks Focus areas Digital government, social infrastructure to realize Society 5.0	<ul style="list-style-type: none"> Consulting services that help customers clearly identify the challenges they face Optimization of the full ICT lifecycle, from design, installation and maintenance to operation, optimization and in-field improvement of ICT platforms
Partner business	System integrators <ul style="list-style-type: none"> Specializes in collaboration with partner companies Network Cutting-edge ICT equipment and related solutions Focus areas Social infrastructure to realize Society 5.0, digital government, and smart manufacturing	<ul style="list-style-type: none"> Handles a wide range of products from overseas Provides quality assurance, technology verification and value-added services such as proposal support and system maintenance

* Revenue for external customers is used in revenue by segment presented on this page and in Chapter 5.

The Societal Prevalence of Net One

The Group's solutions and services are utilized in various places and situations where they support social infrastructure.

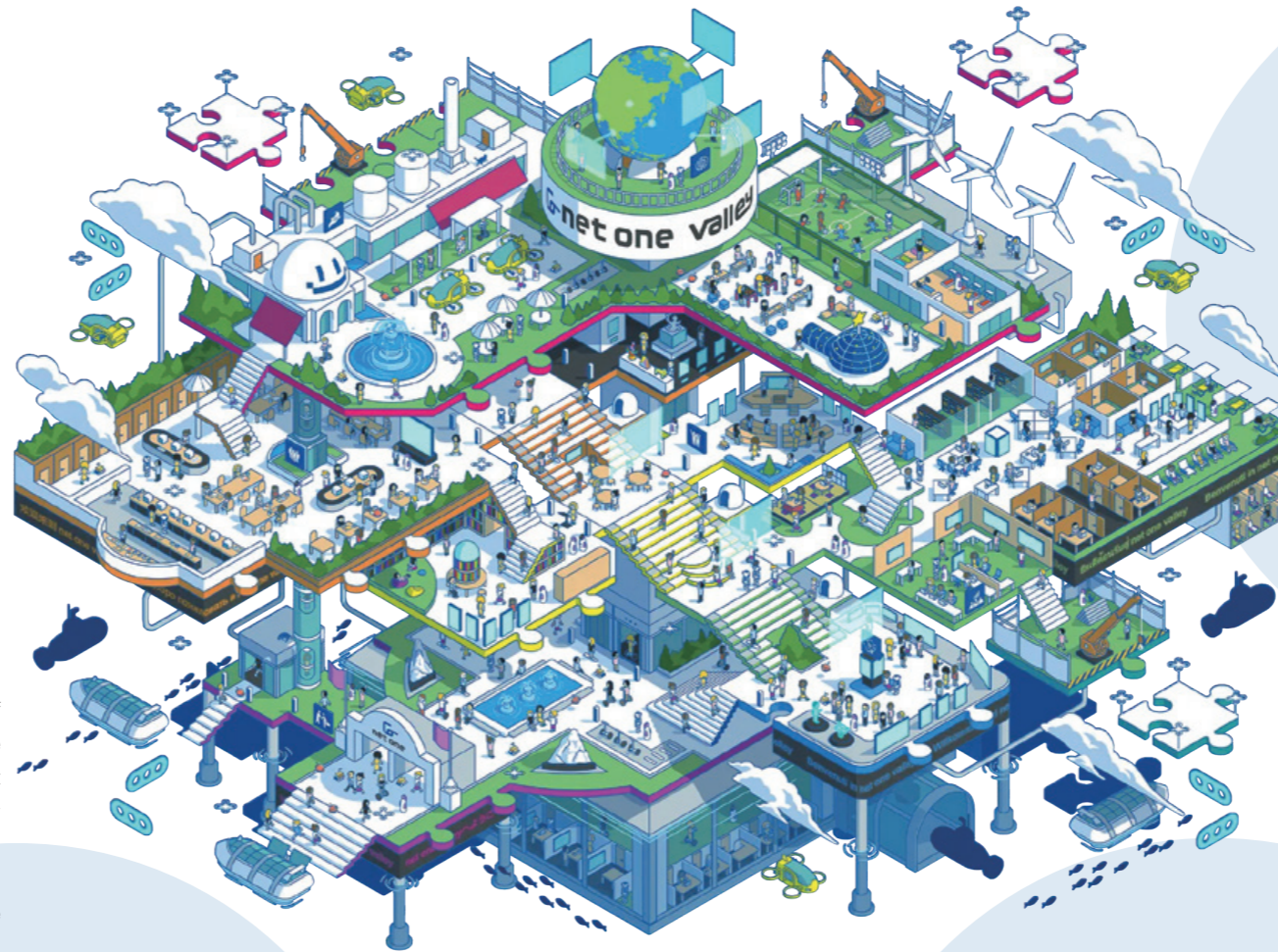
We are working to achieve our materiality of "realizing a safe and secure advanced information society," by leveraging our strengths in network technology to connect society and contribute to ICT utilization.



Establishment of **netone valley**,
 a place for taking on the challenge of creating new value
 and paving the way toward a prosperous future



Given the recent major changes in environments surrounding society, including the emergence of generative AI and operational automation, the importance of value-creating human resources capable of generating innovation has been rising. To continue delivering value to a changing society, the Net One Group must also shift toward a service-based business model and transform work styles by adopting value-creating approaches. Moving forward, we will create a prosperous future through innovation generated via various forms of interpersonal networking, including new professional encounters and diverse collaborative efforts. The “netone valley” innovation center serves as a venue through which these objectives can be accomplished using practical measures.



Solution

Proposing optimal solutions to customers using ICT platforms refined utilizing the reference models generated through our own digital transformation efforts

We adopt and evaluate technologies at netone valley before proposing their use to our clients, thereby accumulating essential expertise. Offering sophisticated security that allows for freedom, convenience, and safety, netone valley also enables us to jointly conduct proof-of-concept experiments along with our partners and clients.



PROJECT ROOM
 A venue for creating new business and services along with our partners and customers

Communication & Collaboration

Encouraging communication and collaboration while fostering an open corporate culture

To facilitate the creation of ideas and innovation, foster a strong corporate culture, and ensure widespread understanding and acceptance of our philosophies, we must create environments in which employees can communicate closely with one another. Through our establishment of netone valley, we have provided a venue that encourages a wide range of employee activities, thereby revitalizing communication and fostering a sense of mutual understanding and organizational unity among our employees.



PARK
 An office space that encourages casual communication

Innovation

Working together to develop scenarios intended to facilitate the resolution of social challenges while accelerating innovation

Through netone valley, visitors can experience a wide variety of cutting-edge technologies and new services. Using this innovation center, we will engage in co-creation along with our customers and partners, creating new value and generating solutions for social challenges using digital technology.



INNOVATION SHOW CASE
 A place where visitors can experience what the Net One brand has to offer through exposure to new services and the latest technological combinations