Q3 FYE Sep-2026

Financial Results Presentation Materials

13 August 2026

Internetworking and Broadband Consulting Co., Ltd. (Securities code: 3920)

Business Overview

What Is IBC?

Specialized in the professional field of "network visualization"
The only company in Japan offering "failure prevention monitoring solutions"
to achieve stable system operation

Field

A high-growth market driven by digitalization and DX

Operation management market
Domestic information security market

Business

Achieving stable operation of social infrastructure IT systems

Provision of proprietary performance monitoring tools
IT operations based on 20 years of monitoring and operational expertise
Provision of information security products

Features

The only company in Japan that centrally monitors IT equipment from 133 companies

Automating monitoring configuration and analysis
Visualizing the operational status of IT systems
Visualizing signs of potential future failures

Mission and Business Overview

Mission

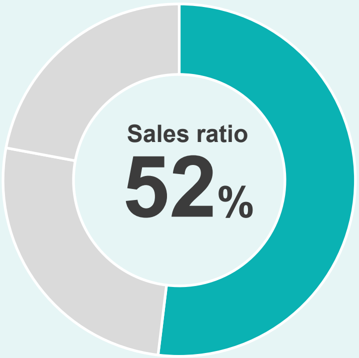
Achieve zero IT failures

Single segment

Software and services-related business

* Full-year results for the fiscal year ended September 2025

License sales

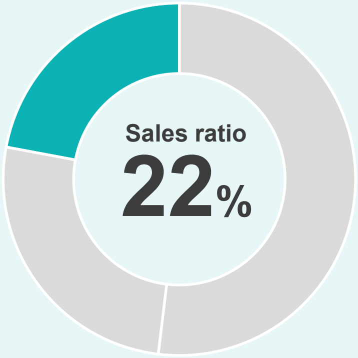


Business Contents	Development and sales of software for centralized monitoring of IT systems and prevention of IT failures
Issues to be solved	Prevent IT system failures before they occur and avoid major losses caused by system downtime and similar issues.

Service provision

Business Contents	IT operation outsourcing, network, security, and cloud construction
Issues to be solved	By having our company design, operate, and propose improvements, the information systems department can focus on its core tasks, and previously person-dependent operations become visible.

Other merchandise



Business Contents	Provision of network, security, and server products
Issues to be solved	By implementing IT systems and security measures optimized for customer environments, security can be enhanced, operational efficiency improved, and costs reduced.

Business Starting Point

Background of the company's founding

- Around 2000, the IT industry was dominated by major vendors who monopolized the market and supported the network infrastructure.
- Each vendor developed and used its own communication rules (protocols) optimized for its own ecosystem.

Challenges

- For operators responsible for social infrastructure and providers of Internet-based services, stable network operation is essential to ensure uninterrupted service.
- To understand and manage the entire complex and intertwined system, it is essential to have highly skilled engineers with extensive experience and knowledge across a wide range of areas, including servers, OS, and network equipment.

Business Starting Point

- **It is an extremely valuable initiative to *visualize*** what is happening inside the network to accurately understand it.
- The visualized information is beneficial not only for end users, but also for **SIers and resellers, and we are confident that it will always be useful for business improvement and cost reduction.**

Product Development That Meets Customer Needs

IT障害をゼロにする IBC

Current

- With the commercialization of the Internet, Internet connections based on the "TCP/IP" communication rules have become a global standard, and all systems and devices are connected via the IP protocol.
- Multi-vendor equipment, cloud, and even hybrid environments where on-premises and cloud coexist have become mainstream.

Challenges

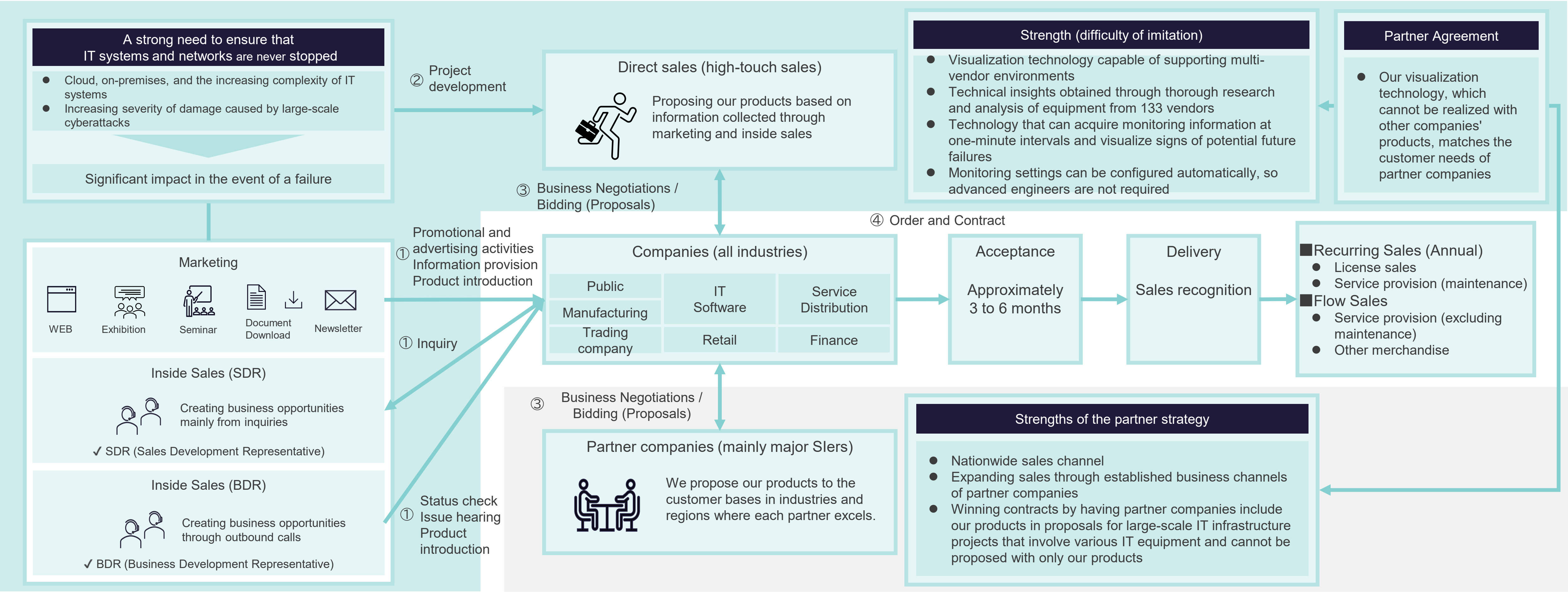
- Because each vendor has its own communication rules, there are significant technical hurdles to building a network environment.
- In a multi-vendor environment where equipment from multiple vendors is mixed, it is difficult to identify failures and problems.
- Few people can accurately understand what is happening inside the network and where the problems are.

Product Development That Meets Customer Needs

- In the increasingly complex multi-vendor environment brought about by the accelerated development of IT technology, **we pursue highly versatile visualization so that it can be widely used by all kinds of companies** and commercialized it.
- Our flagship product, System Answer G3, supports 133 companies and 5,384 types of diverse devices and monitoring items. **It enables automated monitoring configuration in complex multi-vendor environments without requiring advanced technicians, provides a unified overview of the entire system, and visualizes all situations.**

Business Model

- With strong customer demand, sales have expanded through a sales strategy involving both direct sales and partner companies (sales agents).
- License sales (System Answer), our key business driver, generate recurring revenue, producing a stable cash flow.



History

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2002

October 2002
IBC Co., Ltd. established

June 2003
Network monitoring appliance "BTmonitor" released

BT monitor Network Monitoring & Analysis

June 2005
"BTmonitor" becomes an NEC UNIVERGE CERTIFIED product

May 2007
Network monitoring appliance "BTmonitor V2" released

BT monitor V2 Network Monitoring&Analysis

December 2008
Network monitoring appliance "System Answer" released

System Answer

2010

July 2011
Network monitoring software "System Answer G2" released

System Answer G2

September 2015
Listed on the Tokyo Stock Exchange Mothers market

November 2016
Listed on the First Section of the Tokyo Stock Exchange

July 2017
System information management software "System Answer G3" released

System Answer G3

August 2017
Launch of Next-gen MSP services "SAMS (Speedy Action Management Services)"

SAMS

October 2017
Started demonstration experiment of security electronic certification infrastructure service "kusabi"

kusabi

May 2018
Obtained a patent for new PKI technology that is an electronic certification system using the “kusabi” blockchain

2020

September 2020
Launch of multi-tenant compatible product "System Answer G3-XC"

September 2021
Obtained a U.S. patent for an electronic certification system, a new PKI technology utilizing the "kusabi" blockchain

September 2021
Launch of "System Answer G3 Future Prediction Option" to predict the future of your system

November 2021
IIJ Global Solutions begins offering IoT trust services using "kusabi" technology

April 2022
Transitioned to the Tokyo Stock Exchange Standard Market

May 2022
US patent acquired for device provisioning system that realizes OTA by software to eliminate passwords from "Kusabi" IoT devices

June 2023
"System Answer G3 CX Monitoring Option" received the Interop Tokyo 2023 Best of Show Award Jury Special Prize

May 2024
Launched "System Answer G3" performance evaluation service

October 2025
Started providing the multi-cloud and infrastructure configuration management tool, "ITOGUCHI"

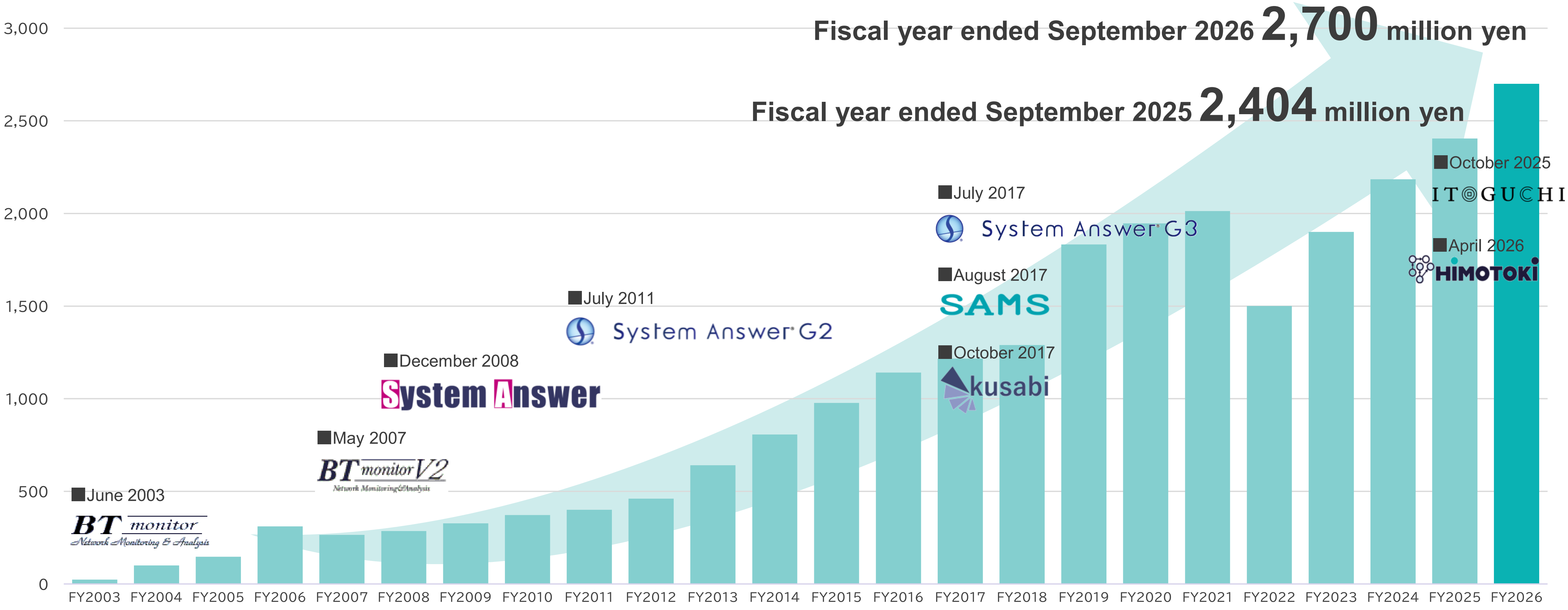
ITOGUCHI

April 2026
Launched the communication quality visualization tool "HIMOTOKI"

HIMOTOKI

Earnings Trends

- Net sales have reached record highs for two consecutive fiscal years since the fiscal year ended September 2024.
- For the fiscal year ending September 2026, we plan record-high sales for the third consecutive year.



Sales Format

- About 40% of sales are direct, and about 60% are through partner companies.
- It has been adopted by over 1,000 companies.
- Partner companies are mainly major vendors. There are many examples of large companies and local governments adopting this system.

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日本最大の証券取引市場を支えるネットワークの安定稼働

System Answer G3
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株式会社 JR東日本情報システム

世界最大級の鉄道事業を支えるシステム安定稼働の取り組み

System Answer G3
情報通信業
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ソニービズネットワークス株式会社

《NUROアクセス》のサービス品質を支える

System Answer G3
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三菱UFJ eスマート証券株式会社

高度な情報分析で証券取引システムの障害ゼロへ！

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金融・保険業

神奈川県教育委員会

能動的な予防保守で県下 169 校のインフラを守る！

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日野市

歴史・産業・自然の街が実現する安心、安全な情報基盤運用

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Fiscal Year Ending September 2026
Third Quarter Results

Highlights

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- In the third quarter, in line with the outlook announced in the previous quarter, net sales were flat year on year, while operating income and net income declined from the same period of the previous year.
- The decrease in profit was mainly due to a change in the revenue mix resulting from the expansion of sales in the solutions business, as well as the concentration of sales of large-scale projects and high-margin products developed in-house in the fourth quarter. Both factors have already been incorporated into the initial plan, and the company expects to achieve its full-year earnings forecast through profit growth in the fourth quarter.
- Orders for in-house developed products remained strong, and both sales and profits progressed generally in line with plan towards achieving the full-year earnings forecast.

	FYE Sep-2025 Q3 Results	FYE Sep-2026 Q3 Results	Year-on-year
Net sales	1,655 million yen	1,679 million yen	+1%
Operating profit	393 million yen	297 million yen	-24%
Net profit	283 million yen	205 million yen	-28%
SG&A expenses	908 million yen	958 million yen	+6%
Recurring net sales	1,129 million yen	1,176 million yen	+4%

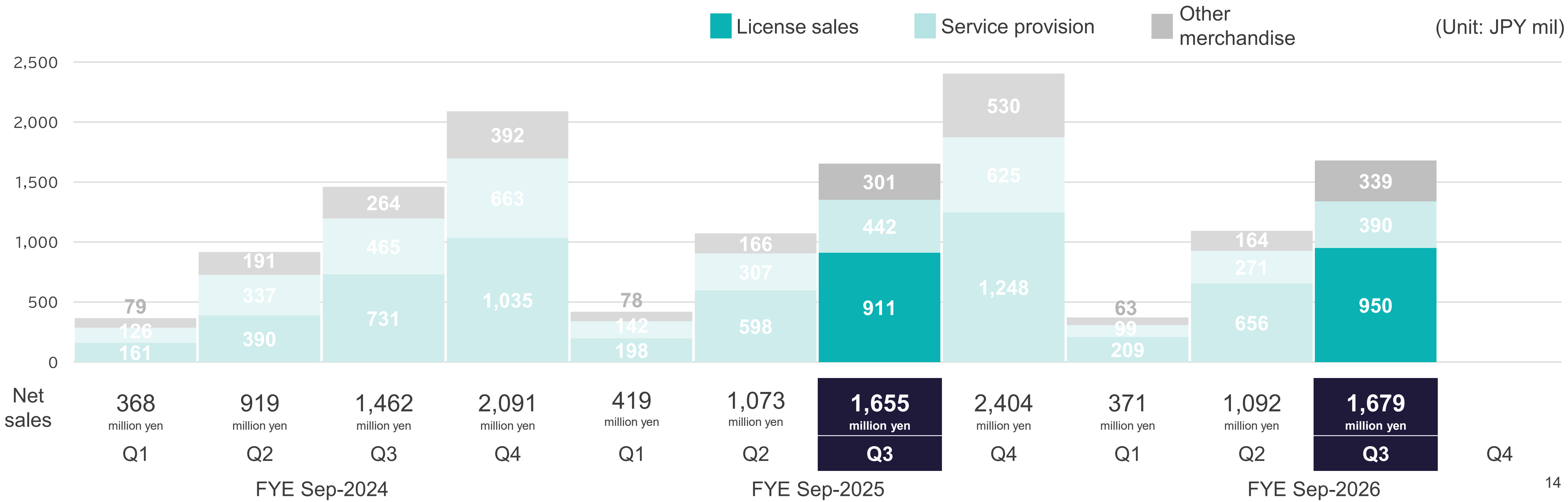
*Numbers are rounded down to the nearest whole number, and percentages are rounded up or down (the same applies below).

Third Quarter Results and Progress

	FYE Sep-2025 Q3 Results	FYE Sep-2026 Q3 Results	FYE Sep-2026 Full-year Earnings Forecast	Full-year Earnings Forecast Progress
Net sales	**1,655** million yen	**1,679** million yen 1% increase from previous period	**2,700** million yen 12% increase from previous period	**62**%
Operating profit	**393** million yen	**297** million yen 24% decrease from previous period	**630** million yen 12% increase from previous period	**47**%
Net profit	**283** million yen	**205** million yen 28% decrease from previous period	**430** million yen 5% increase from previous period	**48**%

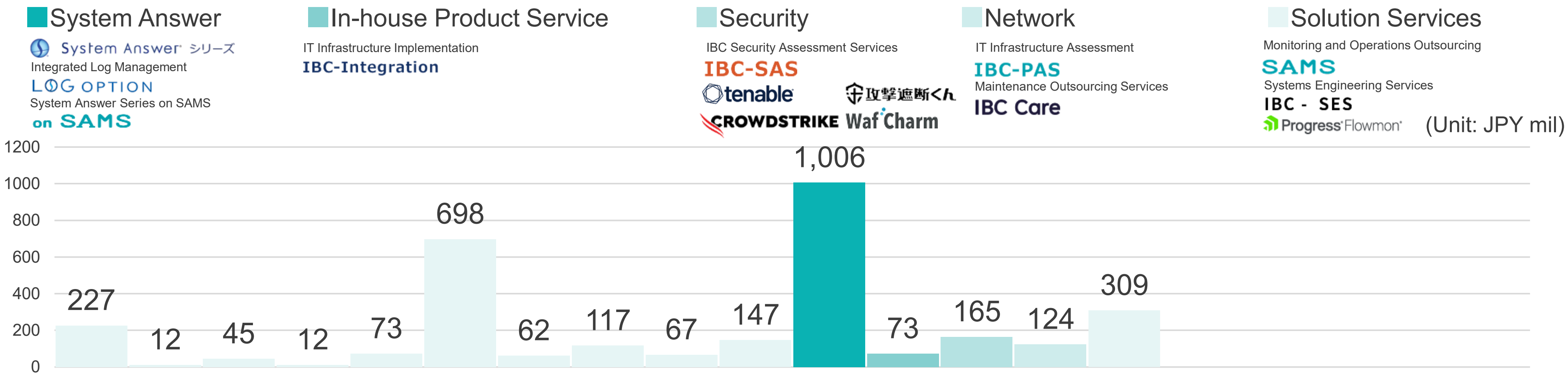
Net Sales

- License sales increased 4% year on year due to continued strong demand for switching from other companies' products, despite sales being concentrated in the fourth quarter.
- In service provision, the increase in new sales remained limited from the previous quarter, resulting in almost flat sales, while recovery from the decline in sales due to the completion of a large-scale project in the previous fiscal year continued.
- Sales of other products remained strong, increasing 13% year on year, supported by growing demand for cyberattack countermeasures.
- **Sales in Q4 are expected to increase significantly due to the concentration of sales of large-scale projects and in-house products, supporting the achievement of the full-year forecast.**



Net Sales by Product Category

- **<u>System Answer, our core product, generated sales of 1,006 million yen, accounting for approximately 60% of total sales, and continued to grow steadily.</u>**
- Solution services generated sales of 309 million yen, **<u>and led overall sales growth through the acquisition of large-scale projects</u>**.
- Sales of security solutions and network solutions increased to 165 million yen and 124 million yen, respectively, **<u>as the company steadily captured demand for corporate security enhancement and IT infrastructure renovation</u>**.



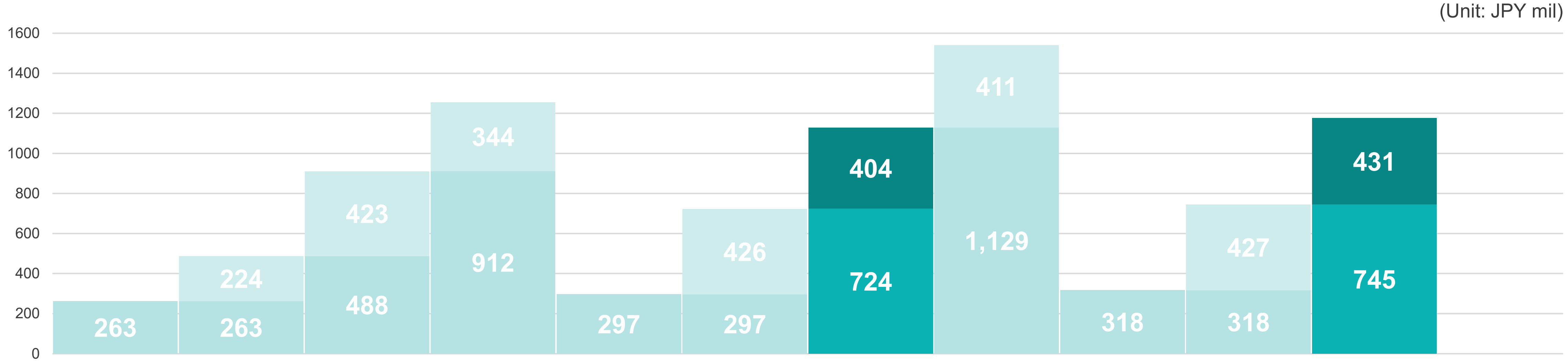
		Q1	Q2	Q3	Q4
In-house Product Business	System Answer	227 million yen	698 million yen	**1,006 million yen**	
	In-house Product Services	12 million yen	62 million yen	**73 million yen**	
Solution Business	Security Solutions	45 million yen	117 million yen	**165 million yen**	
	Network Solutions	12 million yen	67 million yen	**124 million yen**	
	Solution Services	73 million yen	147 million yen	**309 million yen**	

FYE Sep-2026

Recurring Net Sales

- Steady license sales drove performance, and **recurring sales increased 4% compared to the same period last year.**
- Recurring sales have maintained stable contract renewals and **are expected to continue increasing, driven by customers switching from competitors**.

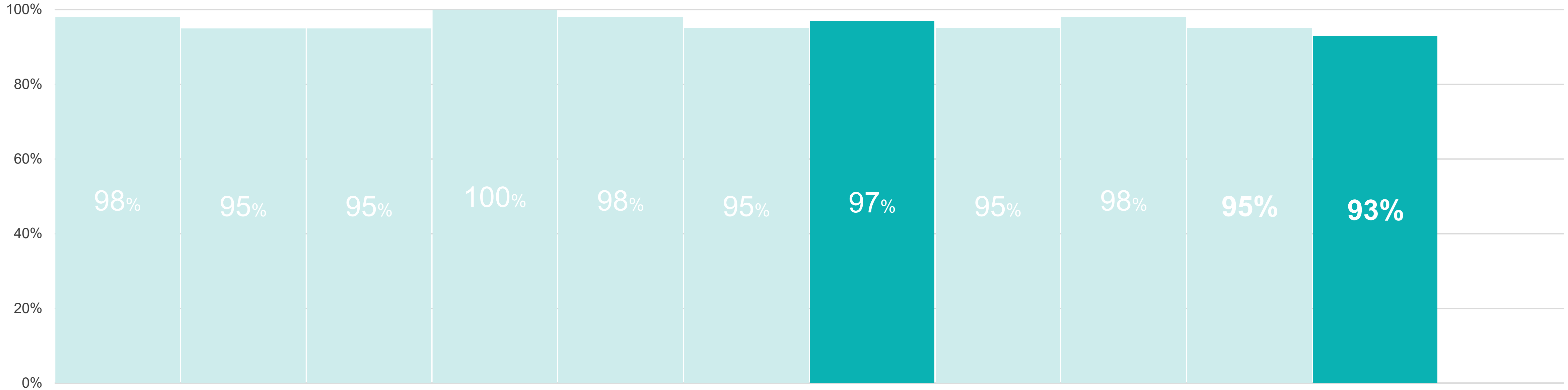
*The main component of recurring sales is the one-year license renewal.



	Q1	Q2	Q3	Q4	Q1	Q2	**Q3**	Q4	Q1	Q2	**Q3**	Q4
	FYE Sep-2024				FYE Sep-2025				FYE Sep-2026			
Recurring net sales	263 million yen	488 million yen	912 million yen	1,256 million yen	297 million yen	724 million yen	**1,129 million yen**	1,540 million yen	318 million yen	745 million yen	**1,176 million yen**	
Quarterly recurring net sales (single-quarter basis)	263 million yen	224 million yen	423 million yen	344 million yen	297 million yen	426 million yen	**404 million yen**	411 million yen	318 million yen	427 million yen	**431 million yen**	
Sales ratio	72%	53%	62%	60%	72%	68%	**69%**	64%	86%	68%	**70%**	
Year-on-year	+17%	+7%	+23%	+28%	+13%	+48%	**+24%**	+23%	+7%	+3%	**+4%**	

System Answer Renewal Rate

- The System Answer renewal rate was 93% in Q3, down 4 percentage points from the same period last year.
- The main factors were certain partner companies transferring their network-related contracts to other providers, and contract expirations resulting from customers' cost-cutting initiatives. There were no cancellations due to service quality or competitiveness.
- The company is currently renewing contracts smoothly and **expects to maintain a contract renewal rate of 95% or higher for the full year**.

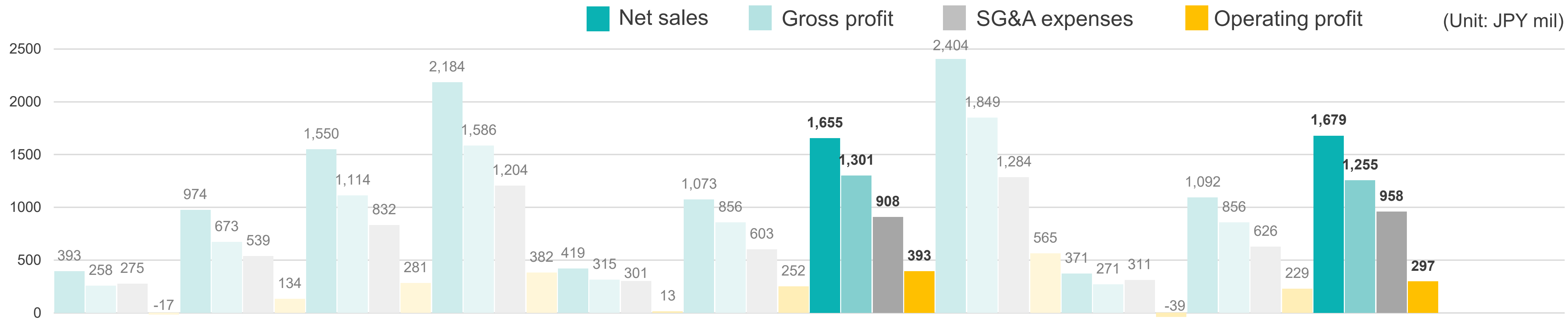


	FYE Sep-2024 Q1	Q2	Q3	Q4	FYE Sep-2025 Q1	Q2	Q3	Q4	FYE Sep-2026 Q1	Q2	Q3	Q4
Renewal rate	98%	95%	95%	100%	98%	95%	97%	95%	98%	95%	93%	
Annual renewal rate	97%				96%				-			

*System Answer contracts are renewed annually except for those concluded through bidding

Operating Profit

- **Revenue mix changed due to sales growth in the solutions business, a strategic focus of the company. Progress in strengthening the strategic portfolio for business expansion.**
- Although the profit margin of the solutions business is relatively low compared to our in-house developed "System Answer" product, it contributes to expanding customer touchpoints and strengthening the business foundation. **Operating margin fluctuation was within the expected range**, and we are continuing to build new revenue pillars following "System Answer".
- **In the fourth quarter, operating profit is expected to increase significantly due to the concentration of sales of large-scale projects and in-house developed products. We expect to achieve the full-year earnings forecast.**



	FYE Sep-2024 (consolidated) Q1	Q2	Q3	Q4	FYE Sep-2025 (non-consolidated) Q1	Q2	Q3	Q4	FYE Sep-2026 (non-consolidated) Q1	Q2	Q3	Q4
Operating profit	-17 million yen	134 million yen	281 million yen	382 million yen	13 million yen	252 million yen	**393 million yen**	565 million yen	-39 million yen	229 million yen	**297 million yen**	
Gross profit margin	66%	69%	72%	73%	75%	80%	**79%**	77%	73%	78%	**75%**	
SG&A ratio	70%	55%	54%	55%	72%	56%	**55%**	53%	84%	57%	**57%**	
Operating profit margin	-	14%	18%	17%	3%	24%	**24%**	24%	-	21%	**18%**	

Breakdown of SG&A Expenses

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- **To expand the business, we have continued to invest in human resources (increasing headcount and raising wages), and personnel expenses increased as planned.** Personnel expenses are expected to continue increasing to a certain extent as wage levels are being revised to attract and retain skilled personnel and address rising prices.
- With regard to other expenses, depreciation increased due to newly recognized asset retirement obligations, but SG&A expenses remained at roughly the same level as in the previous year.

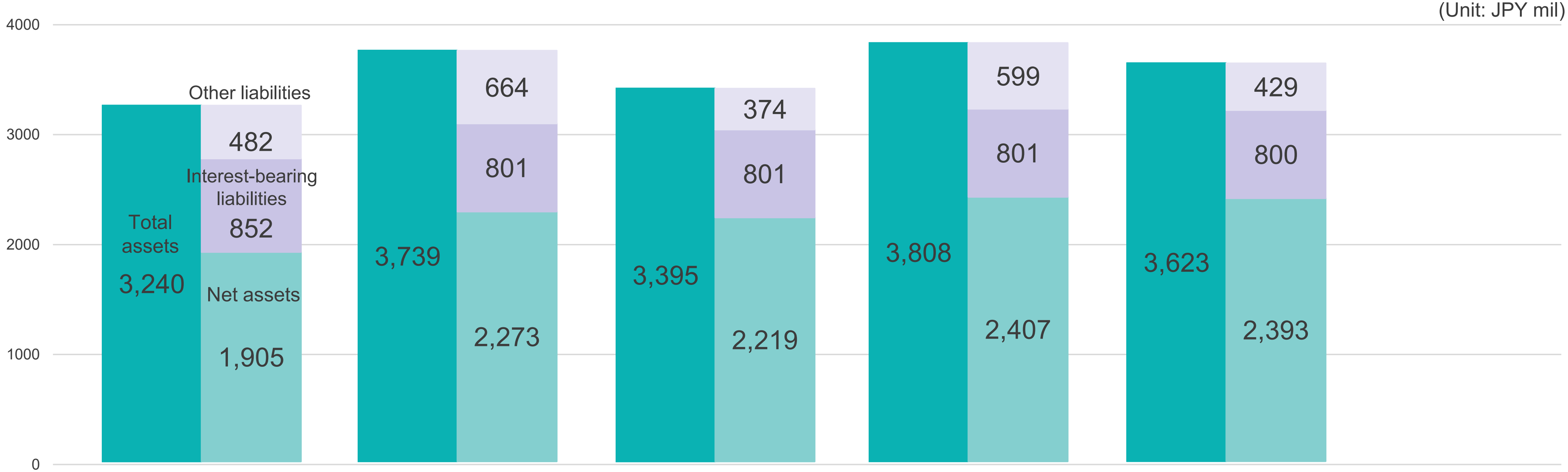
	FYE Sep-2025 Q3	FYE Sep-2026 Q3	Change	Percent change	Point
Personnel expenses*1	611 million yen	657 million yen	+46	+8%	The increase is due to an increase in employees and wage increases. Continued investment in human resources for business expansion.
Outsourcing expenses	40 million yen	37 million yen	-3	-8%	
Depreciation expenses	7 million yen	12 million yen	+5	+71%	Increase due to the recording of asset retirement obligations for the head office building, etc.
In-house system costs, etc.*2	54 million yen	50 million yen	-4	-7%	
Office-related expenses*3	75 million yen	75 million yen	±0	0%	
Customer development-related expenses*4	26 million yen	30 million yen	+4	15%	
Travel and transportation expenses	15 million yen	16 million yen	±1	7%	
Other	77 million yen	77 million yen	±0	0%	
Total	908 million yen	958 million yen	+50	+6%	

*1 Personnel expenses are the total of "Remuneration for directors (and other officers)," "Payroll and allowances," "Employees' bonuses," "Temporary staffing expenses," "Legal welfare expenses," "Welfare expenses," "Hiring expenses," and "Training expenses."
*2 Internal system costs, etc. are the total of internal system costs and rental costs
*3 Office-related expenses are the total of land rent, repair expenses, office supplies expenses, communications expenses, utilities expenses, equipment expenses, and newspapers and books expenses.
*4 Customer development-related expenses are the total of advertising and promotion expenses, entertainment expenses, and membership fees.

Balance Sheet & Equity-to-Asset Ratio (Non-Consolidated)

- Stable cash flow is secured through recurring revenue, **and a sound financial structure is maintained with an equity-to-asset ratio of 66%.**

(Unit: JPY mil)

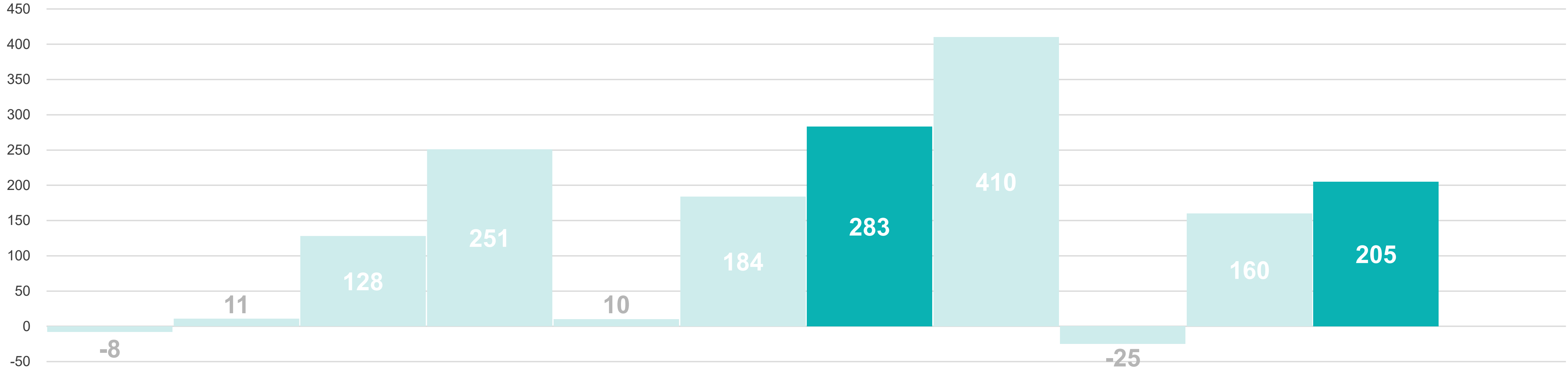


	FYE Sep-2024	FYE Sep-2025	FYE Sep-2026 Q1	FYE Sep-2026 Q2	**FYE Sep-2026 Q3**	FYE Sep-2026 Q4
Equity-to-asset ratio	59%	61%	65%	63%	**66%**	
D/E ratio	0.44x	0.35x	0.36x	0.33x	**0.33x**	
Net DE ratio	-0.56x	-0.70x	-0.69x	-0.69x	**-0.66x**	

Net Profit and EPS

- Net profit decreased by 28% from the same period of the previous year to 205 million yen.
- Although performance was lower than in the same period last year due to a change in the revenue mix resulting from sales growth in the solutions business we are focusing on, as well as upfront SG&A investment for future growth, results generally progressed in line with plan.
- **We expect earnings to improve in the fourth quarter and remain on track to meet our full-year forecasts.**

(Unit: JPY mil)

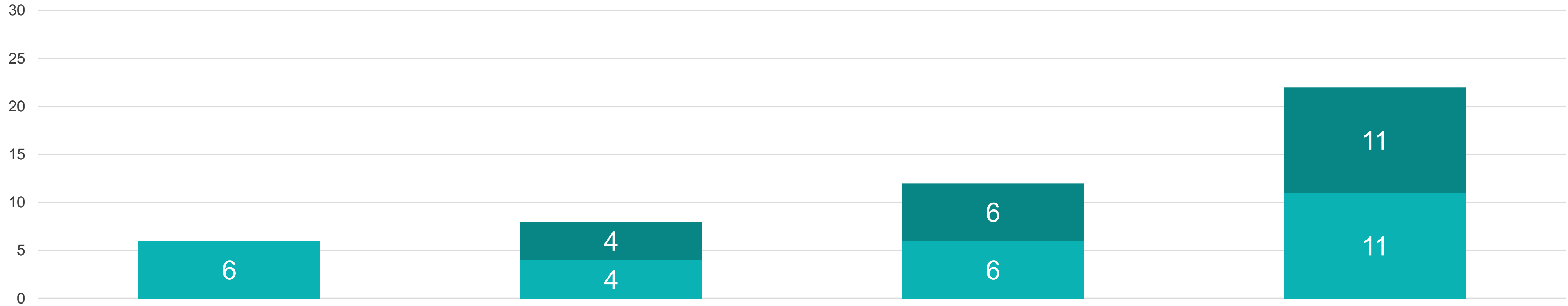


	FYE Sep-2024 Q1	FYE Sep-2024 Q2	FYE Sep-2024 Q3	FYE Sep-2024 Q4	FYE Sep-2025 Q1	FYE Sep-2025 Q2	FYE Sep-2025 Q3	FYE Sep-2025 Q4	FYE Sep-2026 Q1	FYE Sep-2026 Q2	FYE Sep-2026 Q3	FYE Sep-2026 Q4
Net profit	-8 million yen	11 million yen	128 million yen	251 million yen	10 million yen	184 million yen	**283 million yen**	410 million yen	-25 million yen	160 million yen	**205 million yen**	
EPS	-1.46	2.14	23.22	45.50	1.92	32.14	**49.29**	71.41	-4.56	27.86	**35.68**	

Shareholder Returns

- Returning profits to shareholders is our top management priority, and we will implement progressive dividends.
- **The company has decided to pay an interim dividend of 11 yen for the fiscal year ending September 2026 as planned.** There is no change to the planned year-end dividend of 11 yen (22 yen for the year).
- **We aim for stable and continuous profit distribution with a dividend payout ratio of 30%**, taking into account earnings trends.

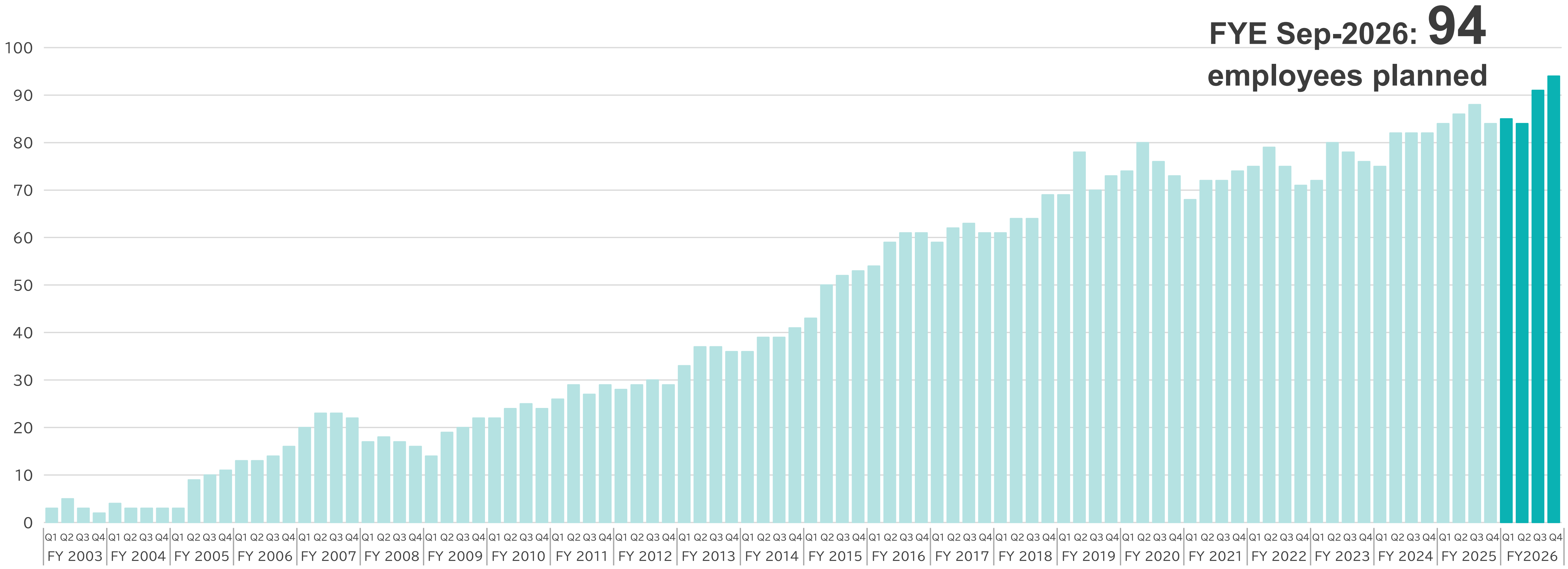
(Unit: yen)



	FYE Sep-2023	FYE Sep-2024	FYE Sep-2025	FYE Sep-2026 plan
Total dividend allocation (Based on resolution)	33 million yen	44 million yen	66 million yen	122 million yen
Dividend amount/share	6 yen	8 yen (interim 4 yen/year-end 4 yen)	12 yen (interim 6 yen/year-end 6 yen)	22 yen (interim 11 yen/year-end 11 yen)
Payout ratio	47.1%	17.6%	16.2%	29.2%

Human Resources Strategy

- In the fiscal year ending September 30, 2026, we plan to hire a total of ten people, mainly in engineering and sales positions, to further accelerate growth.
- **Seven people were hired in the third quarter.** (Of these, 5 were new graduates.)
- We will continue to bolster human resource development. (Level-based training, in-house certification system, support for obtaining national qualifications and AWS/CISCO-related qualifications, etc.)



Approach to Future Growth

Approach to Future Growth

- Although the market for monitoring tools such as simple alive monitoring is saturated, there is strong replacement demand for tools that automate and enhance incident response through the adoption of AI, DX and the cloud shift; overall, the market is expanding and becoming more sophisticated.
- In this context, to drive further growth, **we will achieve average annual sales growth of 115% or more by promoting the retention and expansion of existing customers, winning customers switching from competitors, developing the mid-market, capturing the priority education market (boards of education), and executing M&A; and over the medium term, including M&A, we aim to double sales**.

Key initiatives		
1	Retain and expand existing customers	Set a target System Answer renewal rate of 95% or higher, and promote upselling and cross-selling in line with contract renewals.
2	Promote switching from competitors	Promote our advantages, focusing on customers of competitors with high market share, and encourage switching from other vendors.
3	Develop the mid-market	In addition to expanding our existing footprint with large-scale users, we will drive development of the mid-market. Expand our product lineup for the mid-market and collaborate with partners that are strong in this segment to achieve further sales growth.
4	Capture the education market (boards of education)	Expand add-on business for network upgrades in the boards of education market, leveraging the NEXT GIGA initiative. In collaboration with partners that are strong in the boards of education market, we will promote an approach that leverages the CX Monitoring Option (visualizing response times from user devices to cloud services).
5	Expand the security business	Expand our security-focused solutions business. We will drive proposal activities for customers through the System Answer× security solution, which enables us to leverage our strengths.
6	Execute M&A	To accelerate the growth of the integration business, for which there is strong demand, we will execute M&A of an SE company focused on IT infrastructure integration.

Cash Allocation

- We will use operating cash flow and cash on hand to accelerate business growth through the creation of new products and services and aggressive M&A. While ensuring financial soundness, we will also strive to enhance corporate value, shareholder value, and return on capital.

Operating cash flow Approx. 600 million yen/year	Investment for growth and profit distribution	Shareholder Returns	• Progressive dividend • Maintain stable dividend payments with a target payout ratio of 30%
		Investment for growth	• Expand existing businesses through M&A and other means • Research and development of next-generation products incorporating advanced technologies • Investment in human capital (recruitment, training, improved terms of employment, utilization of diverse human resources, etc.) • Strategic dialogue with investors (improve corporate value, reflect feedback in management)
Cash on hand Approx. 2.4 billion yen		Investment for growth	
	Management foundation	Working capital	• Ordinary funds such as salaries and expenses
		Internal reserves	• Securing a strong financial base to support sustainable growth • Maintain an appropriate level of cash and deposits in anticipation of contingencies While maintaining a sound equity ratio, allocate to growth investments and gradually reduce the ratio of retained earnings.

Initiatives for a Sustainable Society

Reduction in the amount of equipment reduces electricity consumption and contributes to reduction of CO_2 emissions

- By introducing our in-house developed products System Answer and ITOGUCHI, we are able to visualize the overall network performance. (Status of network equipment and server equipment operation, frequency of system usage, load, etc.)
- By reviewing the network configuration, we have eliminated unnecessary equipment and reduced costs, electricity consumption, and CO_2 emissions.

[Case]
The introduction of System Answer has enabled the visualization of network conditions and the consolidation of equipment, resulting in the number of equipment units (switches) decreasing from 60 to 40, a decrease of 20 (a reduction of approximately 35%).

[Expected annual CO_2 emissions reduction]

Equipment	Power consumption (for 1 unit)	Annual electricity consumption (for 1 unit)	Annual electricity consumption (for 20 units)	Annual CO_2 emissions reduction (for 1 unit)	Annual CO_2 emissions reduction (for 20 units)	Converted to annual CO_2 absorption by cedar trees (for 20 units)	Converted to annual electricity consumption of ordinary households (for 20 units)
L2 switch	Approx. 10 to 30 W	Approx. 88 to 263 kWh	Approx. 1,752 to 5,256 kWh	Approx. 37 to 112 kg-CO_2	Approx. 0.74 to 2.22 t-CO_2	Approx. 52 to 158 trees	Approx. 0.4 to 1 household
L3 switch	Approx. 40 to 80 W	Approx. 350 to 700 kWh	Approx. 7,008 to 14,016 kWh	Approx. 149 to 298 kg-CO_2	Approx. 2.96 to 5.92 t-CO_2	Approx. 211 to 423 trees	Approx. 1 to 3 households
Core switch	Approx. 100 to 300 W	Approx. 875 to 2,625 kWh	Approx. 17,520 to 52,560 kWh	Approx. 372 to 1,115 kg-CO_2	Approx. 7.41 to 22.23 t-CO_2	Approx. 529 to 1,588 trees	Approx. 4 to 13 households

*Source of calculation method: Ministry of the Environment's "Manual for Calculation and Reporting of Greenhouse Gas Emissions"
CO_2 emissions (t) = Electricity consumption (kWh) × CO_2 emission coefficient (0.423 kg-CO_2/kWh) ÷ 1,000
*Annual CO_2 absorption by one cedar tree: Approx. 14 kg
*Annual electricity consumption per household: Approx. 4,000 kWh

Reduction of Environmental Impact

Switch to renewable energy and promote paperless operations

- All electricity used at the Company's sites has been switched to renewable energy, which does not emit CO_2.
- As an initiative to achieve both reduction of environmental impact and improvement of operational efficiency, we promoted paperless operations, reducing CO_2 generated in the paper manufacturing, transportation, and disposal processes, and contributing to the protection of forest resources that absorb CO_2 by reducing paper use.
- We have introduced a "Mamoru-kun" (collection box) for confidential document disposal, and the documents put into the box are processed safely without being seen by third parties, and then recycled as paper resources, reducing CO_2 emissions from incineration and contributing to resource circulation.

	Base year	Target	Result
Electricity	Base year (before renewable energy switch) FYE Sep-2023 Annual CO_2 emissions 56.827 t-CO_2	Target: 100% decrease from the base year due to renewable energy switching FYE Sep-2025 Annual CO_2 emissions: 0 t-CO_2	Approx. 56 t CO_2 reduction Target achieved
Paper	Base year (before paperless) FYE Sep-2023 Annual CO_2 emissions 222.1 kg-CO_2	Target: Maintain a 15% decrease from the base year FYE Sep-2025 Annual CO_2 emissions 162.6 kg-CO_2	Approx. 59 kg CO_2 reduction Compared to the base year: 27% decrease

Mamoru-kun / Nihon Purple Co., Ltd.

*Source of calculation method: Ministry of the Environment's "Manual for Calculation and Reporting of Greenhouse Gas Emissions"
Electricity: CO_2 emissions (t) = Electricity consumption (kWh) × CO_2 emission coefficient (0.423 kg-CO_2/kWh) ÷ 1,000
Paper: CO_2 emissions (kg) = ((4 grams/A4 sheet x number of sheets used) ÷ 1,000) x CO_2 emission coefficient (0.24 kg-CO_2/kWh)

Promoting Diversity and Inclusion

Fostering opportunities and a corporate culture where diverse human resources mutually recognize and accept each other

- We invested in AlonAlon, a non-profit organization that operates a Type B Support for Continuous Employment business, and supported projects such as moth orchid cultivation.
- In addition to investing in AlonAlon, we also encourage employees to visit our production sites and help with their work to promote exchanges to create opportunities and a culture where diverse human resources recognize and accept each other.

■ AlonAlon (Futtsu City, Chiba)

This organization operates a Type B Support for Continuous Employment business and hires people with disabilities to grow and sell moth orchids and mangoes.

In fiscal 2023, the national average monthly wage at Type B Support for Continuous Employment businesses was 23,053 yen, which is far from enough for an individual to live independently. Under these circumstances, the guardians of people with disabilities wanted to somehow create a system for the disabled to earn enough income to live a bright life, even if it was not so luxurious. This is the context in which AlonAlon was created with the goal of a monthly income of 100,000 yen for people with disabilities.

At AlonAlon, they stably produce and sell fresh moth orchids and other plants throughout the year under thorough temperature control in greenhouses. Because moth orchids have high, stable unit prices and are often purchased by companies, growing them can function as an employment program in which disabled people can earn a certain profit.

We support this initiative in AlonAlon and buy moth orchids from AlonAlon whenever we use them as gifts in the hope that it will help people with disabilities.

Financial Results FAQs

Financial Results FAQs

Q

The System Answer renewal rate dropped to 93%, but is it competitive?

A

The third-quarter renewal rate on a non-consolidated basis was 93%, while the cumulative rate remained at the target level of 95%. Based on our analysis of the reasons for System Answer cancellations, we have not identified any cases attributable to service quality or product competitiveness. Additionally, we continue to capture replacement demand from competing products, and license sales increased by 4% year on year. Accordingly, we believe that System Answer remains competitive.
We will continue to strive to improve our competitiveness through product enhancements and customer support.

Q

Will the expansion of the solutions business continue to erode profit margins?

A

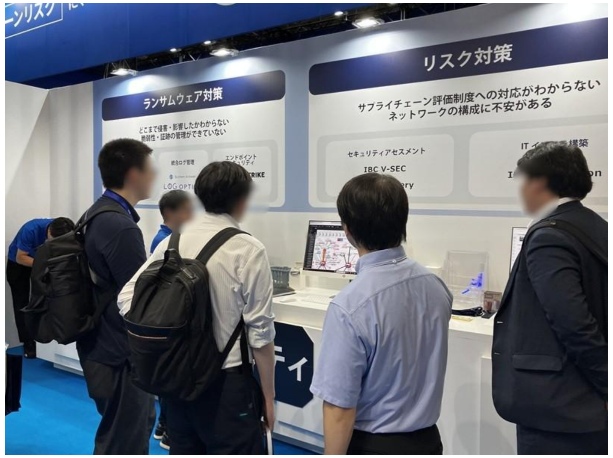
As the profit margin of the solutions business is lower than that of products developed in-house, there are times when the operating profit margin declines in the short term due to changes in the sales mix. However, rather than pursuing short-term profits, we are focusing on expanding the scale of our business and sustainable growth. The solutions business is an important growth driver that expands customer touchpoints and proposal opportunities while creating opportunities to introduce products developed in-house. Therefore, we regard a certain decline in profit margins as a strategic investment in the process of business expansion. On the other hand, we are also continuously promoting the growth of highly profitable products developed in-house, and aim to achieve both sales growth and high profitability in the medium to long term.

Appendix

Strengthening Customer Touchpoints

- By participating in trade shows and large-scale conferences, we will create touchpoints with information systems departments and management, increase awareness of our company and products, and strengthen our presence within the industry, thereby expanding sales channels.

Q1			Q2			Q3			Q4		
October	November	December	January	February	March	April	May	June	July	August	September
IBC DAY 2025			IBC Day in osaka 風は西から	JANOG57 In OSAKA				Interop Tokyo	JANOG58 In MATSUYAMA		



June 10 to 12, 2026 Exhibited at Interop Tokyo 2026

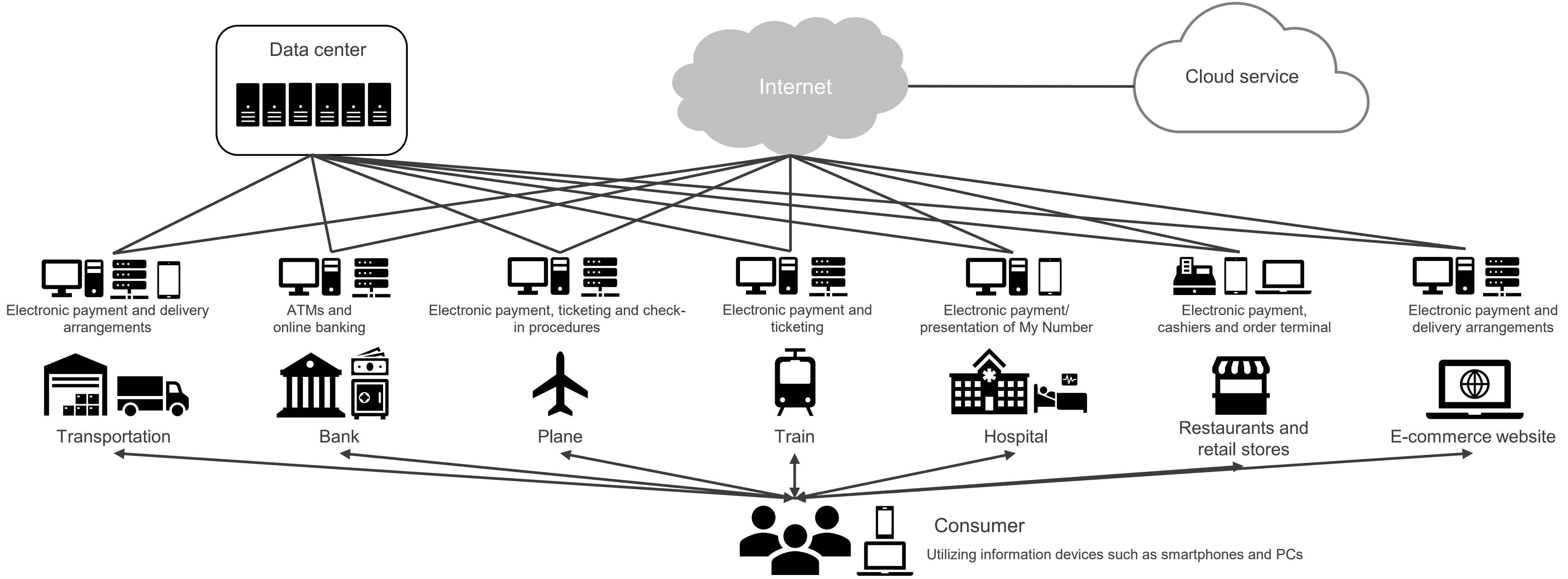
- We exhibited at one of Japan's largest exhibitions, where the latest ICT and networking technologies and solutions come together.
- At the IBC booth, we showcased various solutions aimed at eliminating IT failures, including System Answer G3, an IT infrastructure monitoring product, HIMOTOKI, a solution for visualizing communication quality from the user's perspective, and ITOGUCHI, a multi-cloud and infrastructure configuration management solution.

Social Infrastructure Supported by IT

IT障害をゼロにする IBC

IT is now used in almost everything we need in our daily lives
IT is the computer infrastructure that supports social activities behind the scenes

- IT is essential for businesses to provide services and conduct business, and for consumers to live their lives.

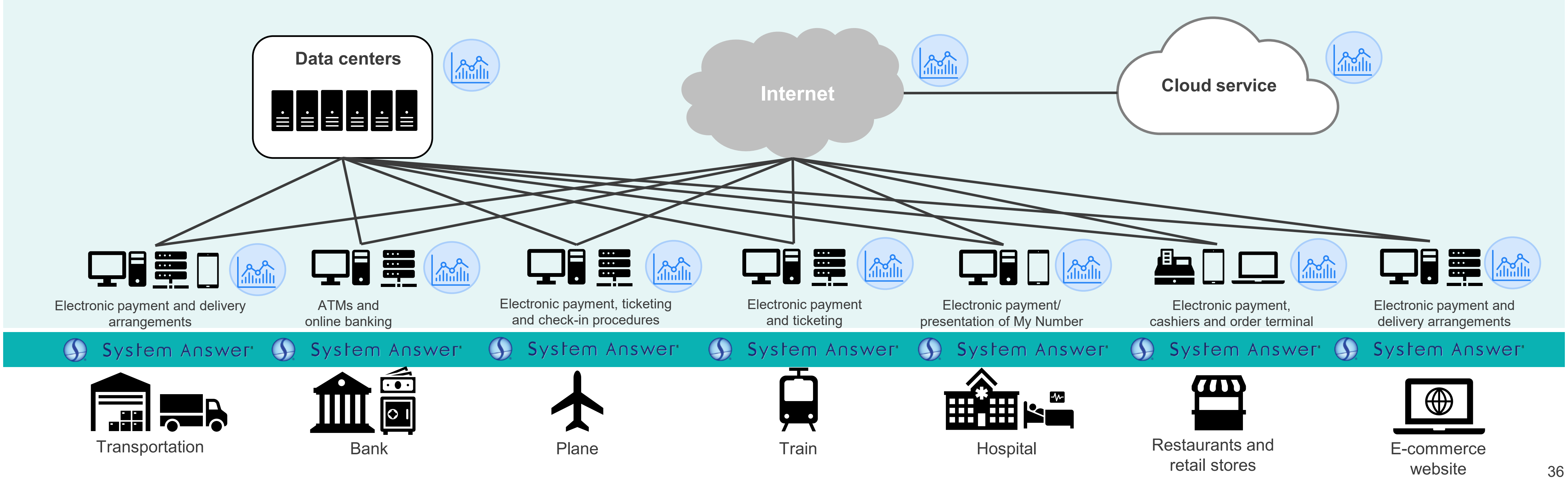


The Need for IT System and Network Monitoring

An IT failure will have a major impact on the lives of many people.
IT systems must always operate normally.

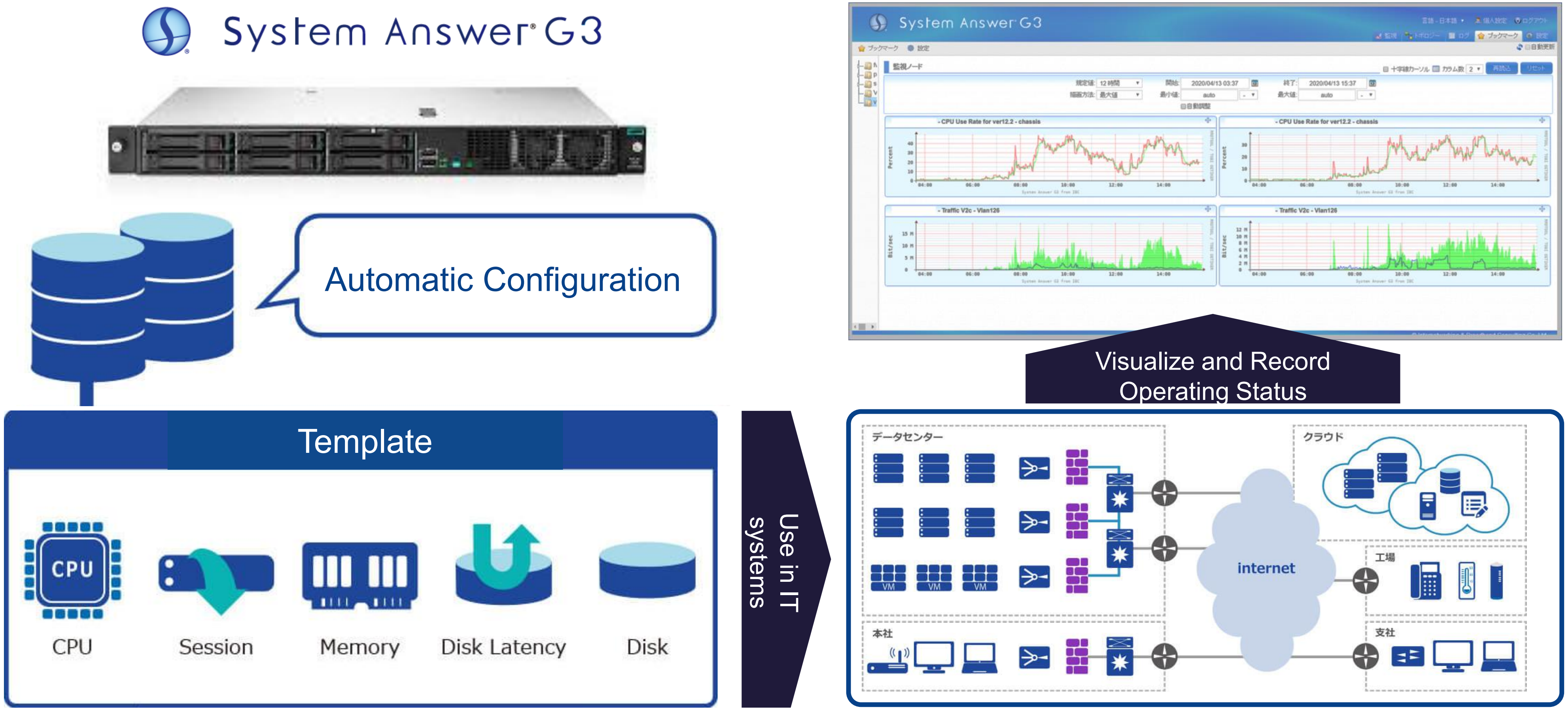
- When an IT failure occurs, it can have an impact such as not being able to withdraw money from banks, not being able to shop at stores, or not being able to use public transportation.
- For society to keep functioning, it is necessary for us to monitor IT systems and networks and keep them operating normally at all times.

➢ **System Answer monitors IT systems and networks, contributing to the stabilization of social infrastructure**



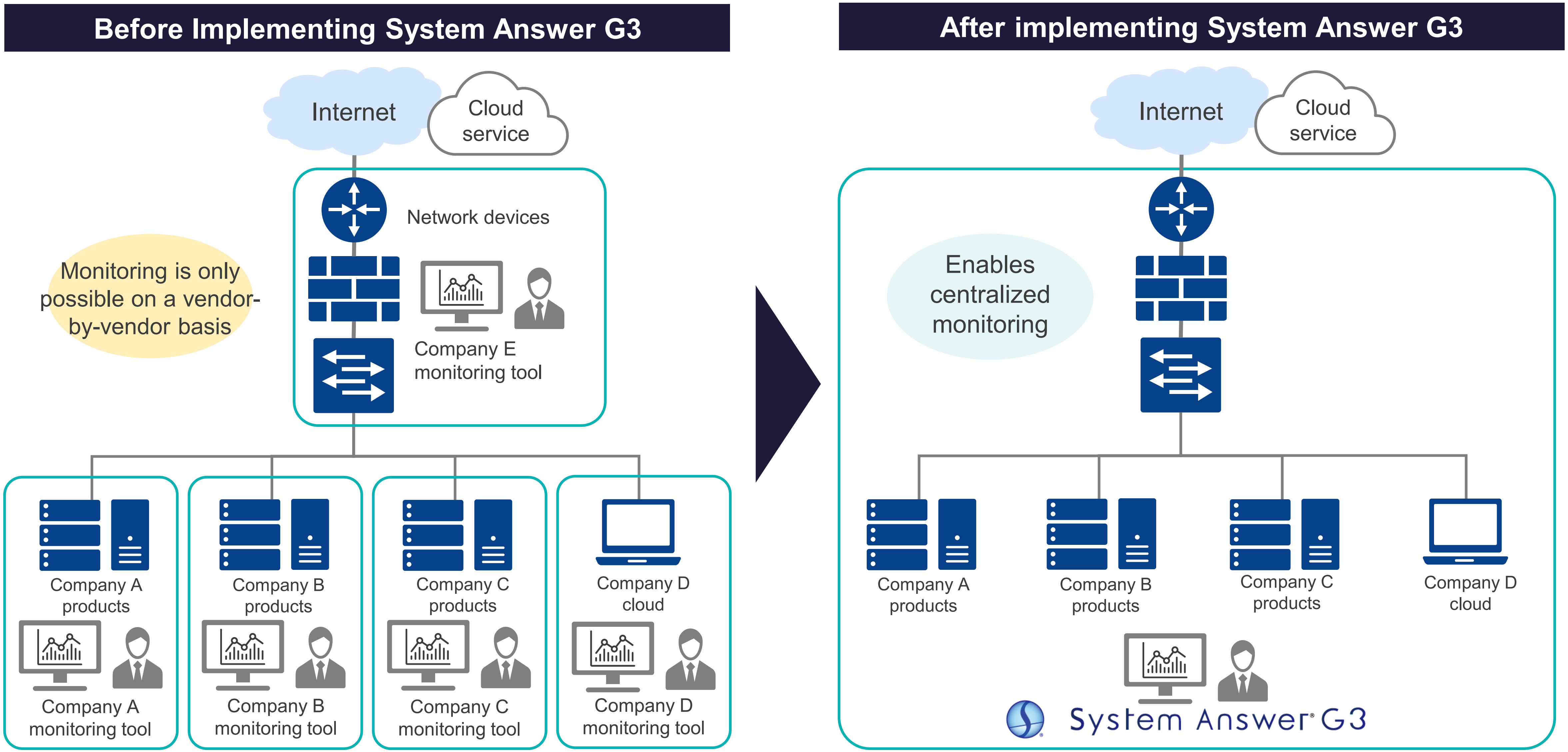
What Is "System Answer G3," Our Flagship Product Developed In-house?

- It is a tool for monitoring whether a company's IT systems and networks are functioning properly.
- By simply connecting System Answer G3 to each device, monitoring settings are configured automatically without the need for advanced technical expertise. (Compatible with 5,384 devices from 133 companies)
- It automatically records the operating status of PCs, servers, network devices, cloud services, and other tools used in daily operations to detect early signs of failures.



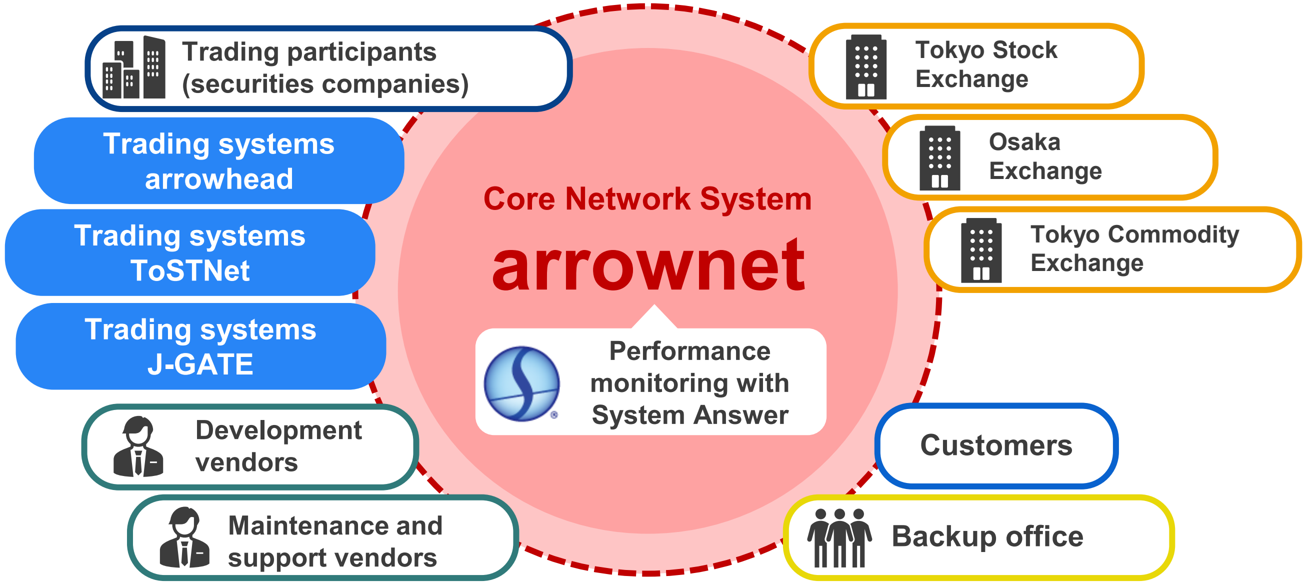
Why Is System Answer G3 Adopted by So Many Companies?

Point 1 Enables an at-a-glance understanding of the status of the entire IT system across multiple vendors on a single screen



Stable Operation of the Network that Supports Japan's Largest Securities Trading Market:
13 years of protecting the JPX Group's core network "arrownet"

System Answer G3 | Finance/Insurance



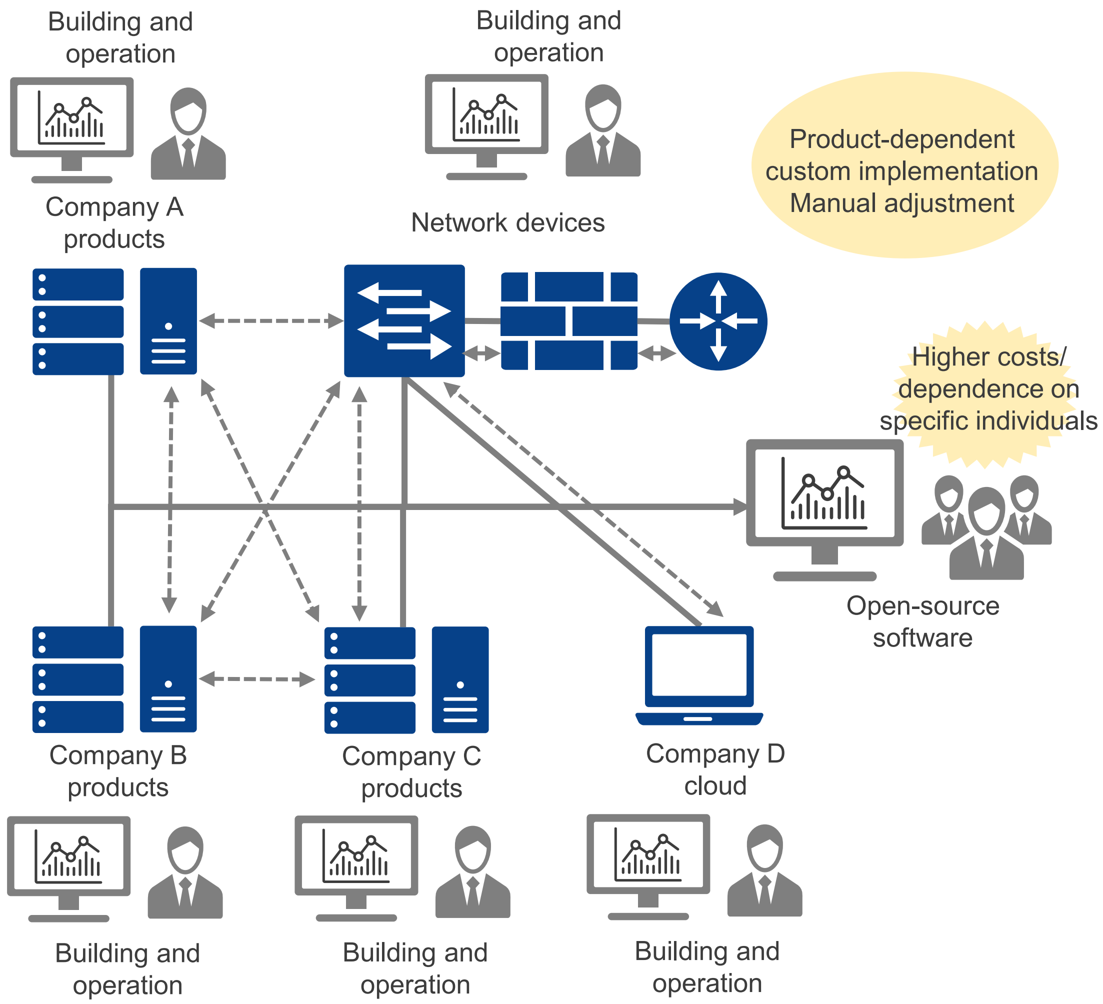
System overview
All communications within the Japan Exchange Group (including the Tokyo Stock Exchange, Osaka Exchange, and Tokyo Commodity Exchange) operate on a network system called arrownet as the core. This includes trading systems such as arrowhead and ToSTNet for physical stock trading, J-GATE for derivatives trading, as well as other clearing systems and information systems. Communication with trading participants and vendors, communication between systems, and connection of monitoring terminals, etc. are also performed through arrownet.

The company's System Answer G3 monitors the hundreds of network-related devices that make up arrownet. Information systems personnel in the IT Development Department of the Tokyo Stock Exchange are in charge of the setup and management of G3. In addition to information systems personnel, dozens of members in the IT Service Department and other operation departments, as well as related vendors, use G3 for daily operations.

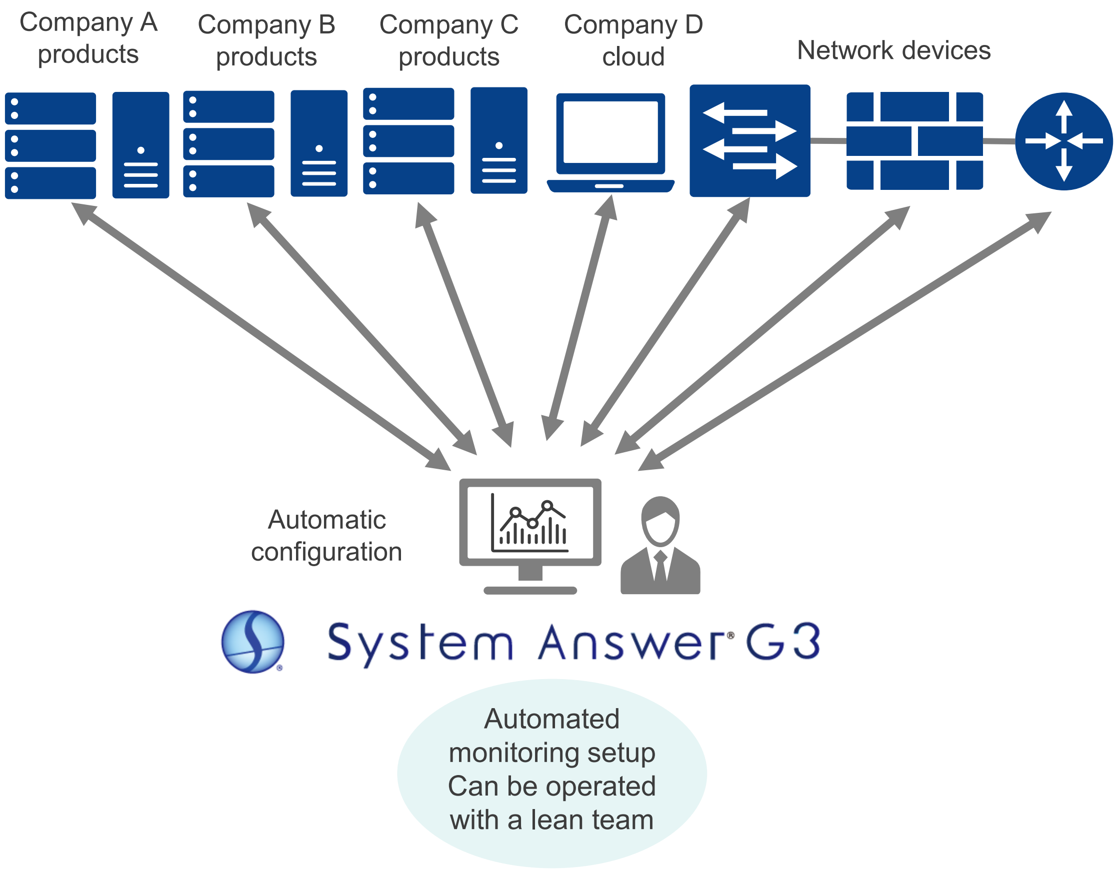
Why Is System Answer G3 Adopted by So Many Companies?

Point 2 No need for highly specialized engineers to build and operate monitoring configurations

Open-source software



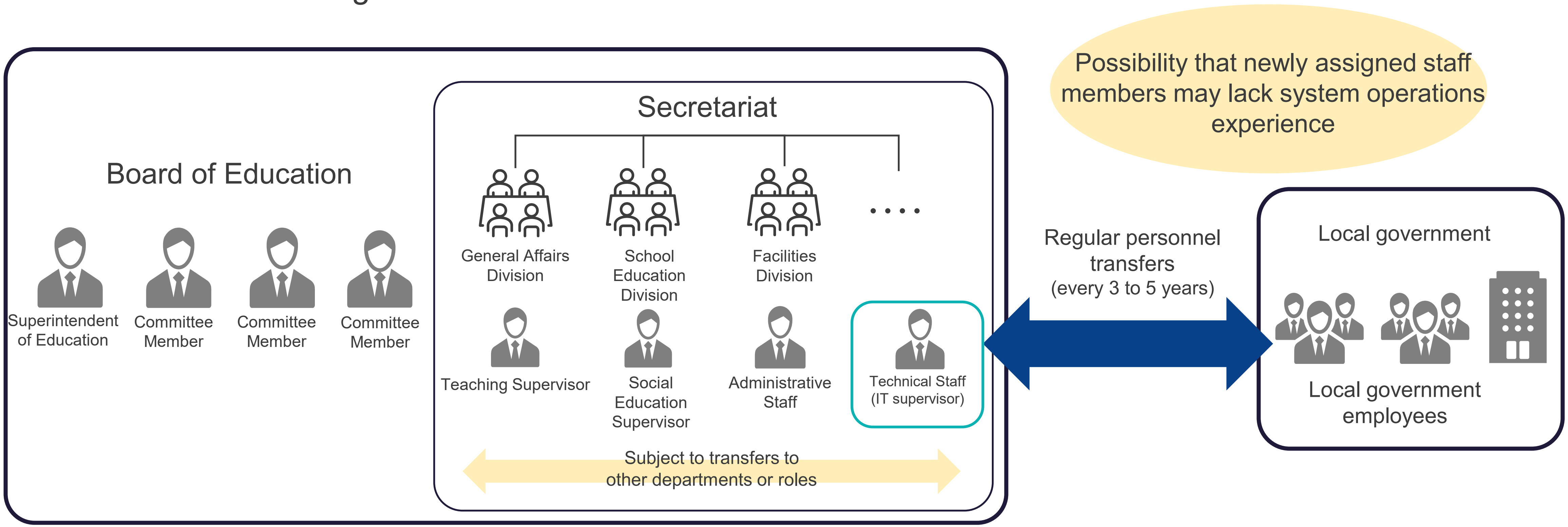
System Answer G3



Examples of Issues Faced by a Board of Education

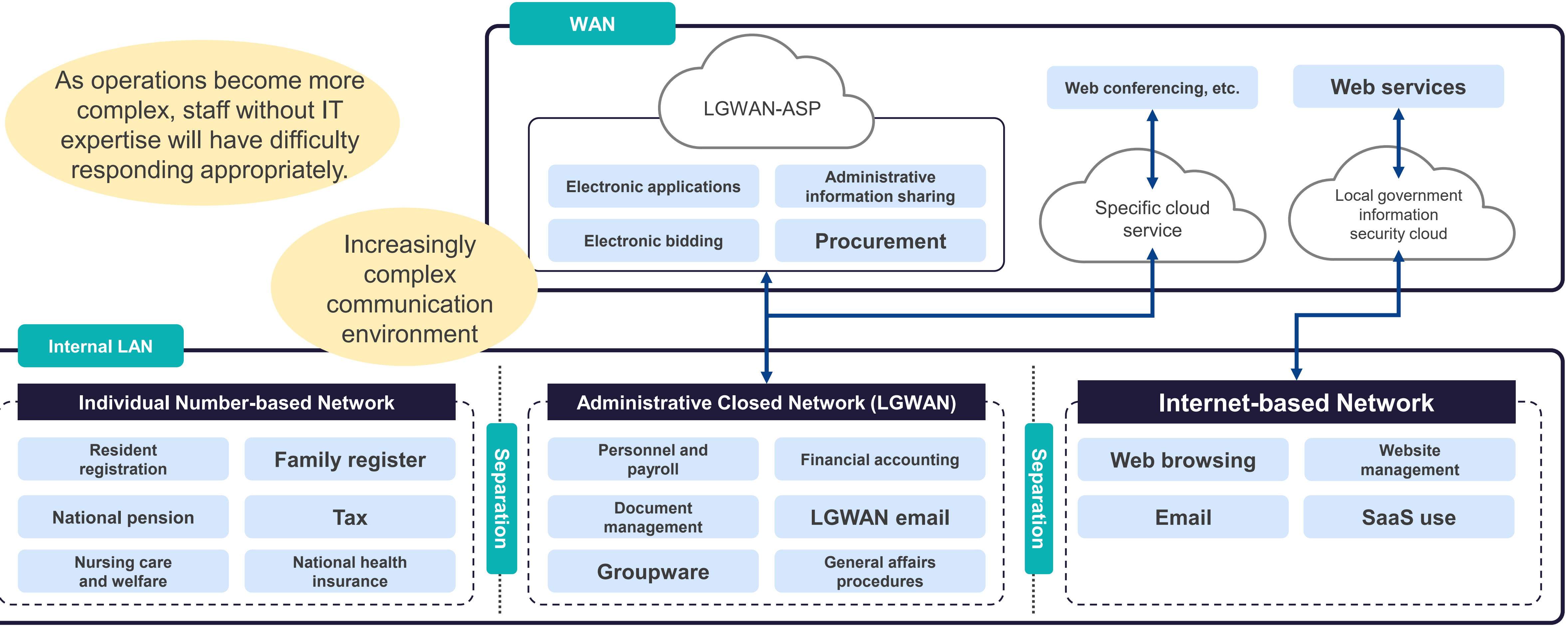
- Because Boards of Education undergo regular personnel changes, there is a risk that IT operations may become difficult if newly assigned staff members lack experience in system operations.

■Board of Education organizational structure



Examples of Challenges in Government Administration

- Amendments to the Local Autonomy Act are driving DX in local governments, resulting in changes to the networks and tools they use. As operations become more complex, there is a risk that staff without IT expertise will have difficulty responding appropriately.

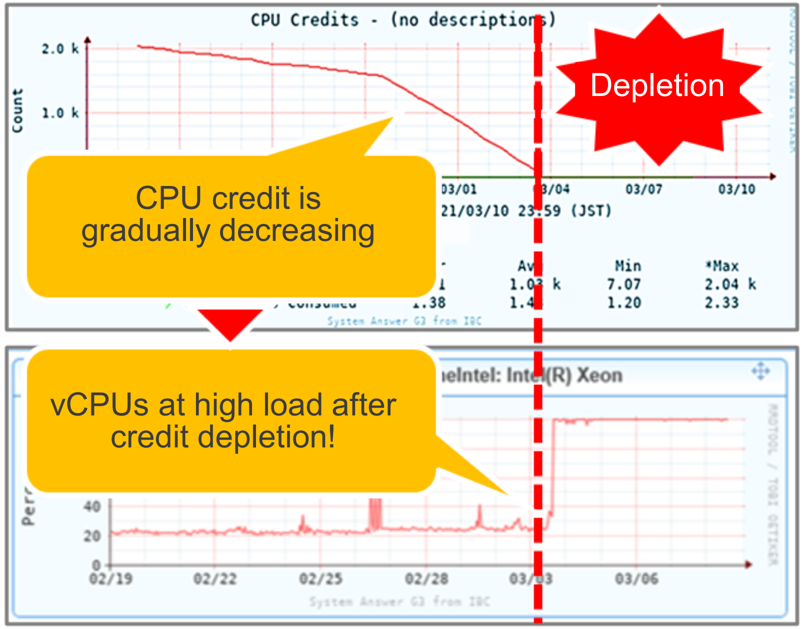


Case Study: Kanagawa Prefectural Board of Education

Protecting the infrastructure of 169 schools in the prefecture through proactive preventive maintenance!
Eliminating dependency on specific individuals: To pass on and maintain a high operational standard for the next five to ten years

System Answer G3

Government, local governments, and public interest corporations



■ Examples of G3 utilization in Azure environments: Detecting a decrease in CPU Credit on Azure Virtual Machines

Azure Virtual Machines has multiple series. In the case of the B-series virtual machine, for example, if the CPU does not use the standard performance of 100%, the credit for the virtual machine instance will accumulate. Once the credit is sufficient, vCPU usage can be increased up to 100% when an application needs high CPU performance. While the system is capable of handling rapid increases in load and is reasonably priced, performance is limited when CPU credit is depleted. Therefore, when CPU credit is about to be depleted, it must be detected quickly to avoid the timing of high-performance requirements coinciding with periods of reduced credit.

Therefore, it is important for stable system operation to monitor not only CPU usage (SNMP monitoring) but also CPU credits (Azure Monitor API monitoring).

By using the trend analysis and predictive capabilities of System Answer G3, users can expect to solve this challenge and leverage Azure more flexibly.

System Answer Adoption in Local Governments

- The adoption rate is 32% among prefectural governments, and 20% among ordinance-designated cities and other municipalities.
- It is used not only by local government operations staff, but also by companies that undertake operations management for local governments.

Prefectures
32%

Government ordinance cities
20%

Reasons for adoption

Japanese UI, intuitive interface, and support from our engineers (by telephone and email).
No specialized knowledge is required for use.

Why Is System Answer G3 Adopted by So Many Companies?

Point 3 High barriers to entry make it difficult for other companies to undertake development and operations comparable to ours

Achieving multi-vendor support

- Identify individual specifications of each vendor's products
- Continuous verification and analysis
- Version upgrades Keeping up with successor models

Significant long-term human resources and development costs

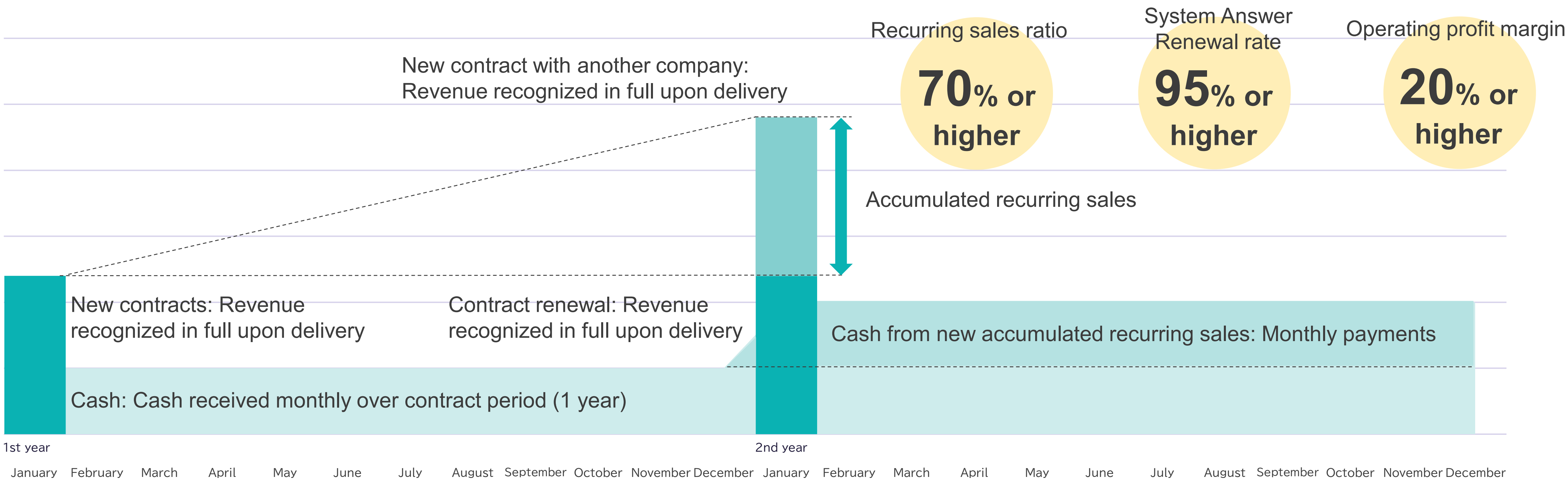
We have established a strong competitive position in the field of general-purpose performance monitoring software for multi-vendor environments, where barriers to entry are high for both existing players and new entrants

As this is a labor-intensive field requiring ongoing support for and validation of each vendor's products, only a limited number of companies actively engage in it, and we have established a niche-leading position in this challenging area

Revenue Structure (Growth Drivers)

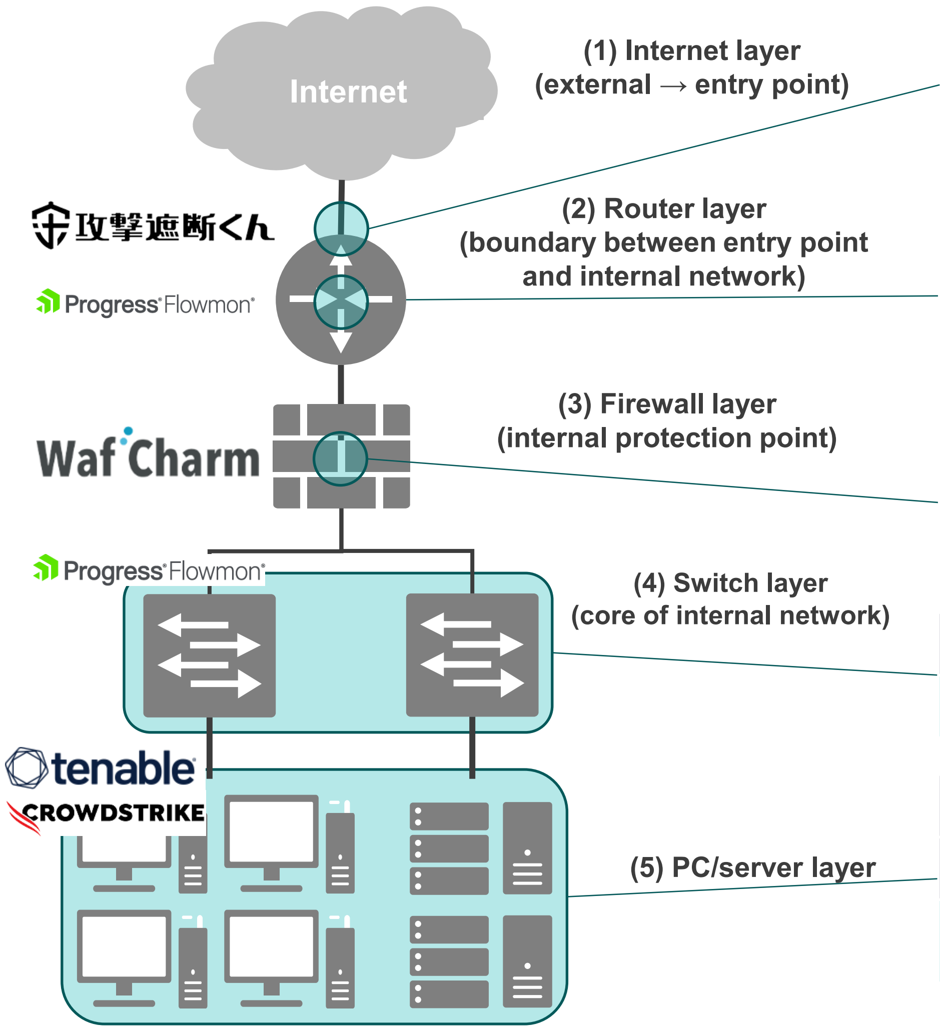
Revenue Structure (Growth Drivers)

- Our revenue structure is supported by a business model that combines stability and high profitability, with a recurring sales ratio of over 70%, a System Answer renewal rate of over 95%, and an operating profit margin of over 20%, ensuring a strong business foundation and a high degree of certainty for future earnings growth.
- Our high profit margin license sales model recognizes revenue for one-year contracts in full upon delivery, while cash is received monthly over the contract period.
- This structure enables cash flow to accumulate steadily and continuously, establishing a revenue engine that generates sustained growth while combining stable earnings with a highly profitable structure.



Synergies with Security Products

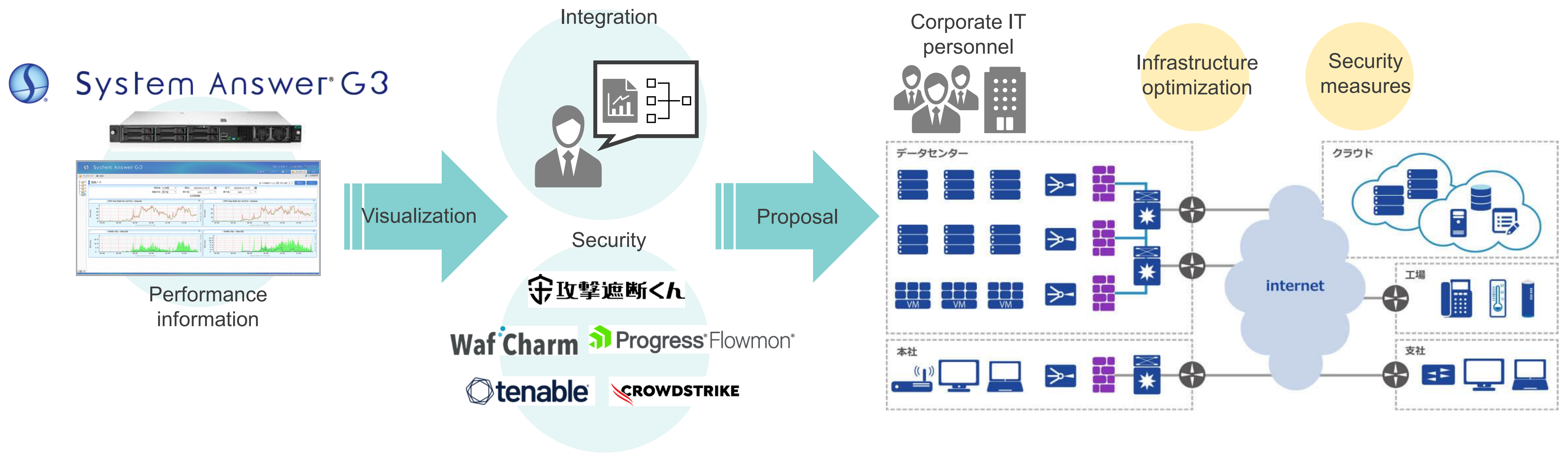
- By combining the server and network performance data collected by System Answer G3 (SA) with logs and detection information from various security products, we can more accurately assess the security situation and make proposals (upselling and cross-selling) for solving challenges faced by many companies.



Shadan-kun	Keeps a log of blocked cyberattacks (SQL injection, XSS, DDoS, etc.)
Synergies with SA	Visualizes whether attacks actually impacted performance
Flowmon	Visualizes latency, congestion, and anomalous traffic through packet flow analysis
Synergies with SA	Quickly determines whether the cause of latency is the device (CPU/memory), bandwidth, or the application
WAF Charm	Automatically classifies and visualizes large volumes of logs, and identifies suspicious access only
Synergies with SA	Determines whether the criteria for checking suspicious communications are the cause of delays and whether they contribute to attack prevention
Flowmon	Visualizes routing latency and congestion between switches
Synergies with SA	Reveals where bottlenecks occur in the internal network
Tenable	Detects inherent software weaknesses (vulnerabilities) and configuration deficiencies
CrowdStrike	Detects suspicious access, malware, and unusual behavior, and stops them instantly
Synergies with SA	Prioritizes remediation of vulnerabilities that are actually associated with load or anomalies, and assesses the real impact of attacks

Synergies with the Integration Business

- Provides a one-stop service for the design, construction, verification, and operation of IT infrastructure, including networks, servers, virtual platforms, and cloud environments.
- In addition to infrastructure optimization based on environment-specific performance characteristics identified with System Answer G3, such as the current configuration, load, and bottlenecks, it enables highly precise design and improvement incorporating security requirements, meaning we can provide highly profitable services through high-value-added proposals.



High-value-added proposals linking security and integration based on performance data from System Answer G3

IBC's Business Mission

Achieve zero IT failures

Disclaimer

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