



April 1, 2025 – March 31, 2026

Supplementary Briefing on Financial Results

ID Holdings Corporation (TSE Prime Market Code: **4709**)
President, Representative Director and Group CEO
Masaki Funakoshi

May 22, 2026

1

Performance Overview for FY2025

2

Mid-term Management Plan
Next 50 Episode III: Jump!!!

Change or Die !

- Efforts to secure new projects and price optimization have delivered results, achieving **five consecutive fiscal periods** of revenue and profit growth!
Gross profit exceeded **10 billion** yen for the first time!

Net Sales **¥39,371 million** (+8.5% YoY)



- ⊕ Application development, cybersecurity and IT infrastructure trended firmly.

Operating Income **¥4,128 million** (+9.2% YoY)

Operating Income Margin **10.5%** (+0.1P YoY)



- ⊖ Returns to employees increased, as did expenses for strategic investment in personnel training and retention.
- ⊕ Net sales rose and gross profit margin improved in application development and other segments.
- ⊕ Decline in amount of amortization of goodwill

* Beginning in FY2025, the service formerly named “software development” is renamed “application development” and the service formerly named “cybersecurity, consulting and training” is split into two services, “cybersecurity” and “consulting and training.” The changes in service names do not entail any change in operational content of the services.

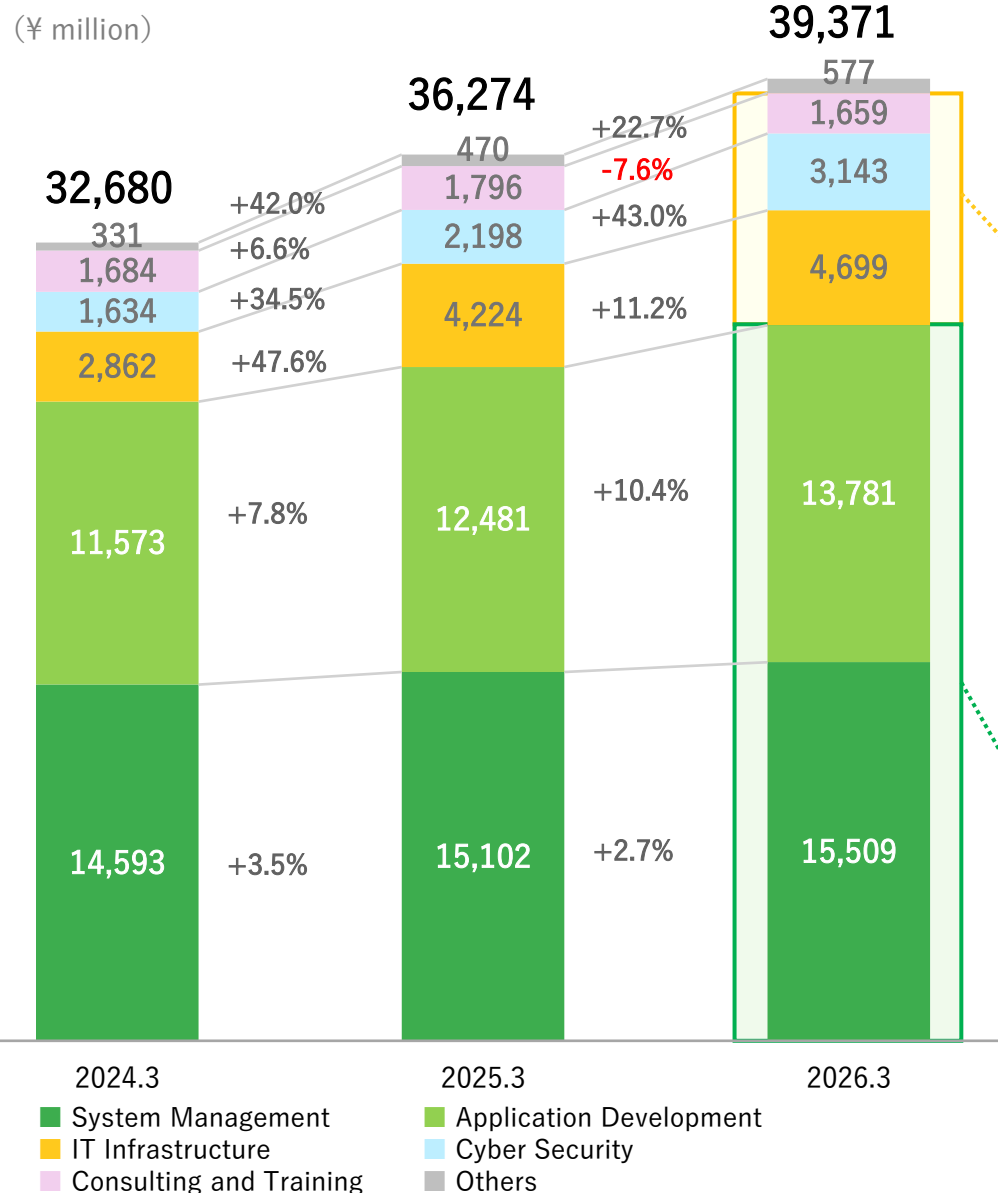
Financial Results (Consolidated)

(¥ million)	2025.3		2026.3		Diff.	YoY
	Results	(% of net sales)	Results	(% of net sales)		
Net sales	36,274	-	39,371	-	3,096	+8.5%
Cost of sales	27,616	76.1%	29,253	74.3%	1,637	+5.9%
Gross profit	8,658	23.9%	10,117	25.7%	1,459	+16.9%
SG&A expenses	4,877	13.4%	5,989	15.2%	1,111	+22.8%
EBITDA ¹	4,390	12.1%	4,518	11.5%	127	+2.9%
Operating income	3,780	10.4%	4,128	10.5%	347	+9.2%
Ordinary income	3,862	10.6%	4,212	10.7%	350	+9.1%
Net income attributable to owners of parent	2,389	6.6%	2,907	7.4%	517	+21.7%
Earnings per share (EPS) (¥)	71.27	-	85.93	-	14.66	-
EPS before amortization of goodwill ² (¥)	82.71	-	91.90	-	9.19	-

Note:

1. EBITDA = Operating income + Depreciation + Amortization of goodwill
2. EPS before amortization of goodwill = (Net income attributable to owners of parent + Amortization of goodwill) ÷ Interim average number of shares
3. On April 1, 2026, the Company conducted a two-for-one split of common shares. Net income per share and EPS before amortization of goodwill are calculated as if the share split had been conducted at the beginning of the previous consolidated fiscal year.

Net Sales by Service



Focus areas
 ¥9,502 million
 (+15.6% YoY)

Consulting and Training (Share of net sales: 4.2%)
 ⊖ Projects with some customers were completed, etc.

Cybersecurity (Share of net sales: 8.0%)
 ⊕ Expanded orders from multiple customers, including public-sector clients, in line with growing demand for cybersecurity measures

IT Infrastructure (Share of net sales: 11.9%)
 ⊕ Expansion of order acceptance from customers in the energy, finance and manufacturing sectors
 ⊕ Expanded transactions through partnerships with major IT vendors

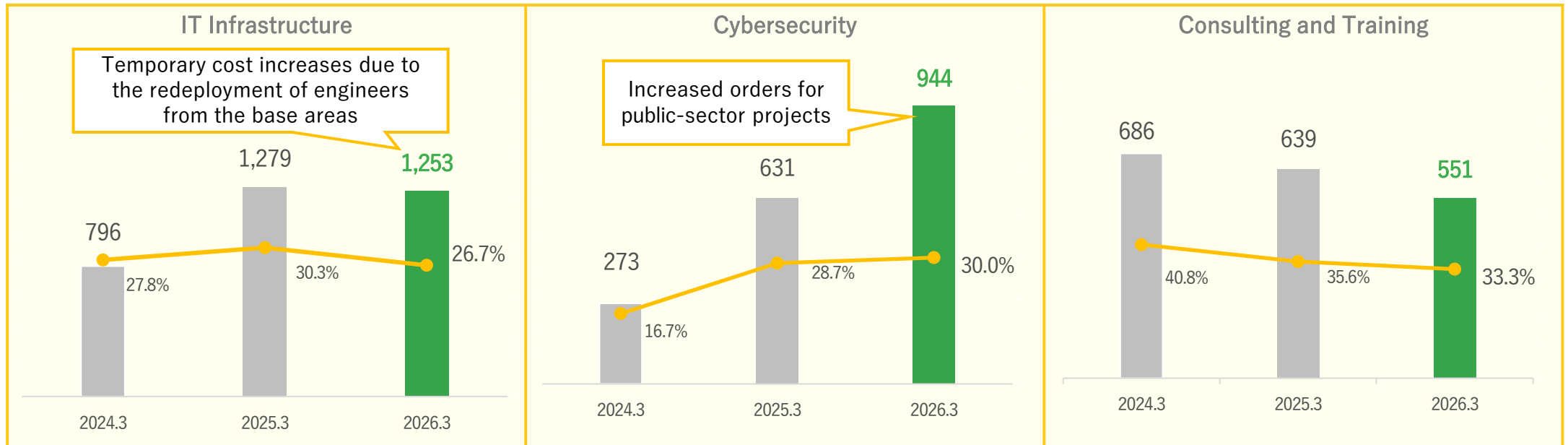
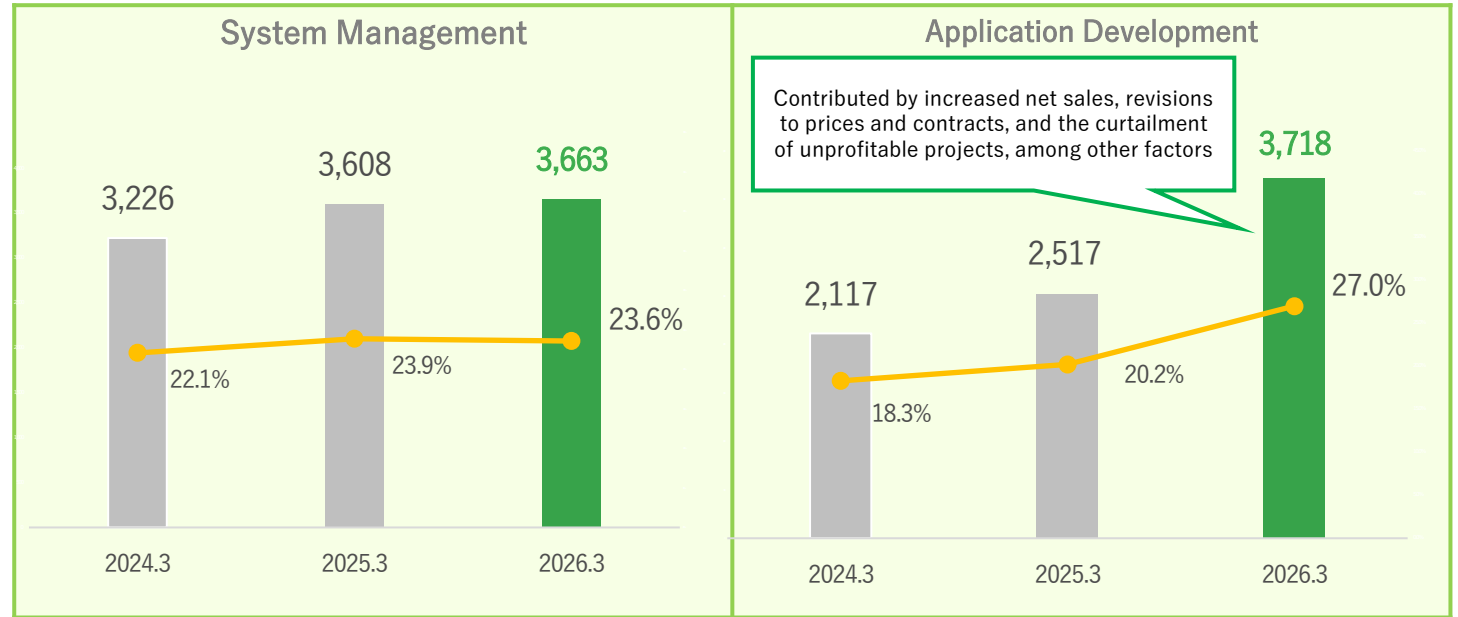
Base areas
 ¥29,290 million
 (+6.2% YoY)

Application Development (Share of net sales: 35.0%)
 ⊕ Acquired new customers through partnerships with major IT vendors
 ⊕ Launch of new projects with existing clients
 ⊕ Expansion of order acceptance from customers in the finance, manufacturing, and energy sectors

System Management (Share of net sales: 39.4%)
 ⊕ Expansion in order acceptance and the start of new projects from finance-related customers and major IT vendors
 ⊕ Revising unit prices for price optimization
 ⊖ Downsizing of some projects and changes in service categories

Change or Die!

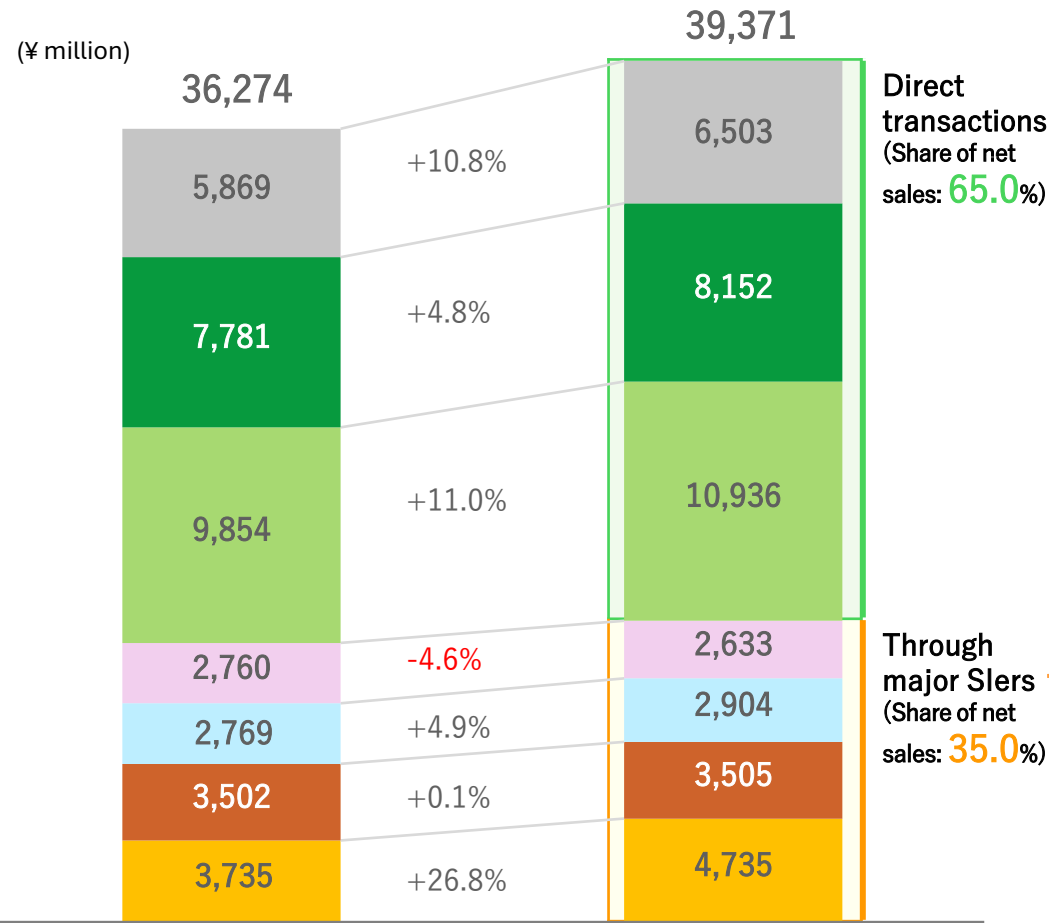
■ Gross profit (¥million)
 — Gross profit margin (%)



Change or Die!

Net Sales by Strategic Alliances

The ID Group secures a stable earnings base by maintaining a balance between direct contracts (about 60%) and projects through major Slers (about 40%).



Major Customers (Non-Finance)
(Share of net sales: 20.7%)

- ⊕ Receipt of orders for new major projects in application development from customers related to manufacturing, energy and transportation
- ⊕ Expansion of orders received for security projects with multiple customers
- ⊕ Receipt of new major IT infrastructure projects from customers related to energy, etc.

Major Customers (Finance)
(Share of net sales: 27.8%)

- ⊕ Receipt of orders for new major projects in application development and IT infrastructure from customers related to insurance
- ⊕ Revising unit prices for price optimization
- ⊕ Expansion of orders received for cloud platform migration and configuration, and vulnerability response projects

Strategic Partners
(Share of net sales: 6.7%)

- ⊖ Exit from projects in system management, etc.

Hitachi Group
(Share of net sales: 7.4%)

- ⊕ Expansion of orders received for security projects from customers related to public office

Kyndryl Japan
(Share of net sales: 8.9%)

- ⊕ Expansion of orders received for security projects from customers related to manufacturing

IBM Group
(Share of net sales: 12.0%)

*Figures in parentheses indicate the share of net sales.

Sub-Category	2025.3	2026.3
MI Digital Services (operational projects)	1,878	1,976 (5.0%)
IBM Japan (development projects)	1,857	2,758 (7.0%)

- ⊕ Expansion of orders for application development projects from customers related to energy and broadcasting, and receipt of new major projects from customers related to transportation, etc.
- ⊕ Expansion of orders for IT infrastructure projects from customers related to energy
- ⊕ Expansion of orders for cybersecurity projects from customers related to public-sector

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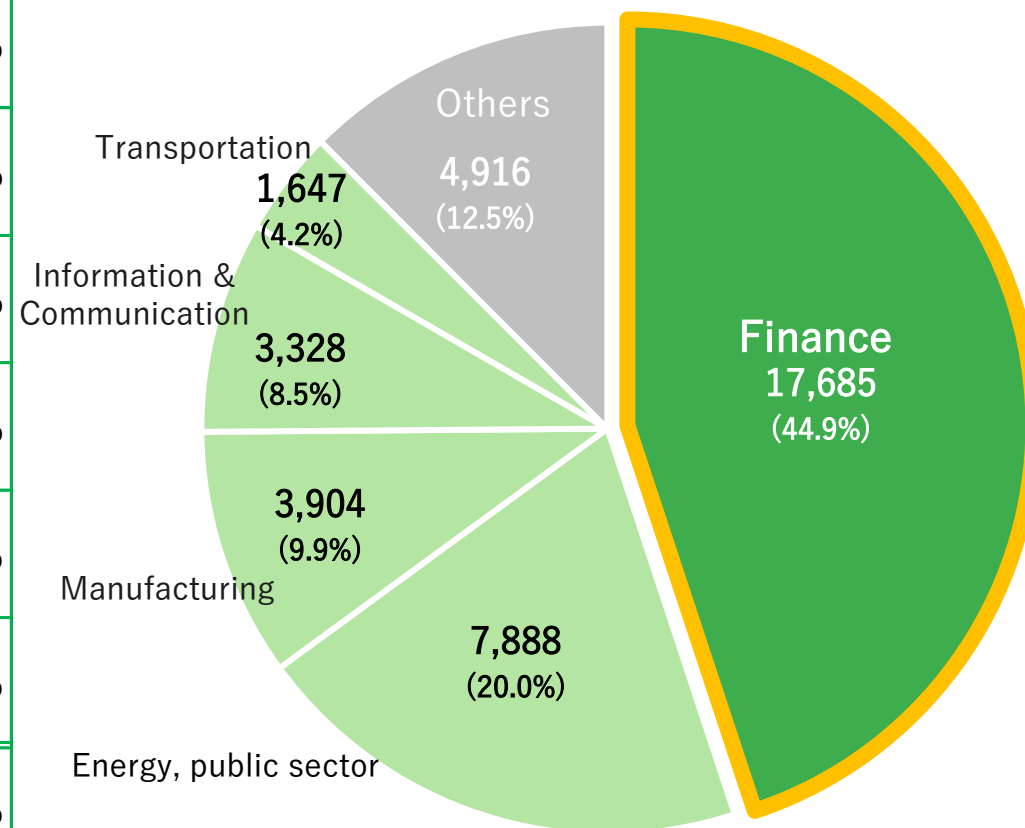
Note: Beginning in the fiscal year under review, accounting categories are changed for some customers. Net sales in the previous fiscal year are calculated based on categories after the change.

Net Sales Composition by End-user Industry

Transactions with the financial sector account for over **40%** of net sales.

(¥ million)	2026.3	(% of net sales)	YoY	
Finance	17,685	44.9%	+1,165	+7.1%
Energy, public sector	7,888	20.0%	+838	+11.9%
Manufacturing	3,904	9.9%	+530	+15.7%
Information & Communication	3,328	8.5%	+438	+15.2%
Transportation	1,647	4.2%	+121	+8.0%
Others*	4,916	12.5%	+1	+0.0%
Total	39,371	100.0%	+3,096	+8.5%

(¥ million)
 Figures in brackets
 indicate % of net sales



*"Media", "Healthcare", "Construction, Real estate", "Wholesale, Retail, Restaurants", etc.
 Note: Accounting categories may be changed according to status of corporate clients. (Net sales in the previous fiscal year are calculated based on categories after the change.)

Operating Income Analysis (YoY)

	2025.3	2026.3		Main Reasons in Changes
(¥ million)	Results	Results	Diff.	
Gross profit	8,658	10,117	+1,459	<ul style="list-style-type: none"> • Increase in net sales +3,096 • Increase in cost of sales +1,637 <ul style="list-style-type: none"> -Subcontract expenses +1,031 -Labor cost +264 -Purchases +221
SG&A expenses	4,877	5,989	+1,111	<ul style="list-style-type: none"> • Increase in personnel cost +867 <ul style="list-style-type: none"> -Advancing returns to employees • Increase in other expenses +243 <ul style="list-style-type: none"> -Increase in strategic investment expenses to train and secure personnel -Decrease in Amortization of goodwill <p style="text-align: right;">etc.</p>
Operating income	3,780	4,128	+347	

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(¥ million)

2025.3

Assets 22,490	Liabilities 8,874
Net assets 13,615	

2026.3

Assets 23,992	Liabilities 8,739
Net assets 15,253	

Main Factors

- Accounts receivable-trade increased +1,420
- Cash and deposits increased +837
- Investment securities decreased - 474
- Decrease due to amortization of goodwill - 201
- Contract assets decreased -200

Main Factors

- Short-term loans payable decreased -800
- Income taxes payable decreased -248
- Provision for bonuses increased +594
- Contract liabilities increased +339

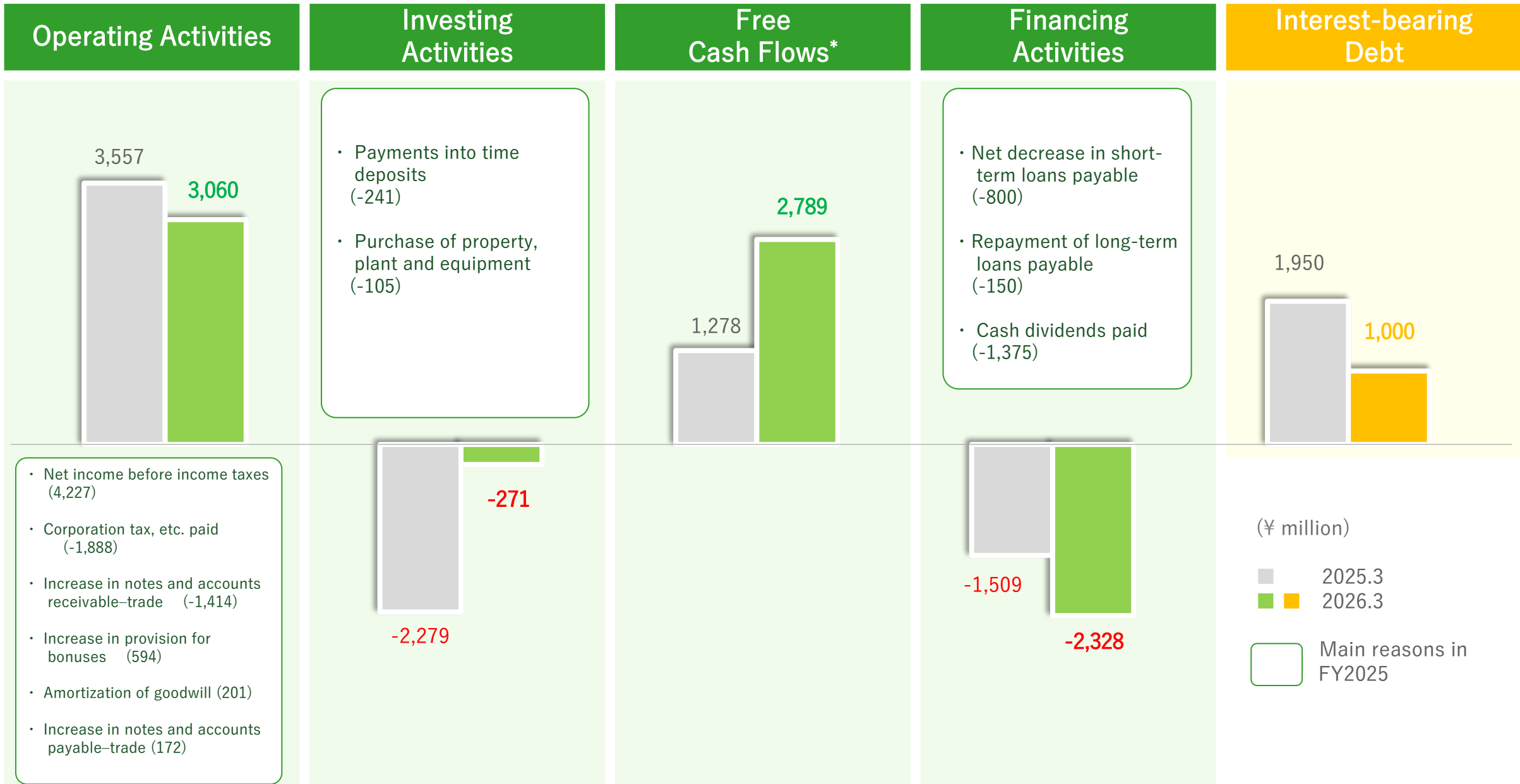
Equity Ratio : **63.3%**

Current Ratio : **203.9%**

Goodwill : **¥273million**

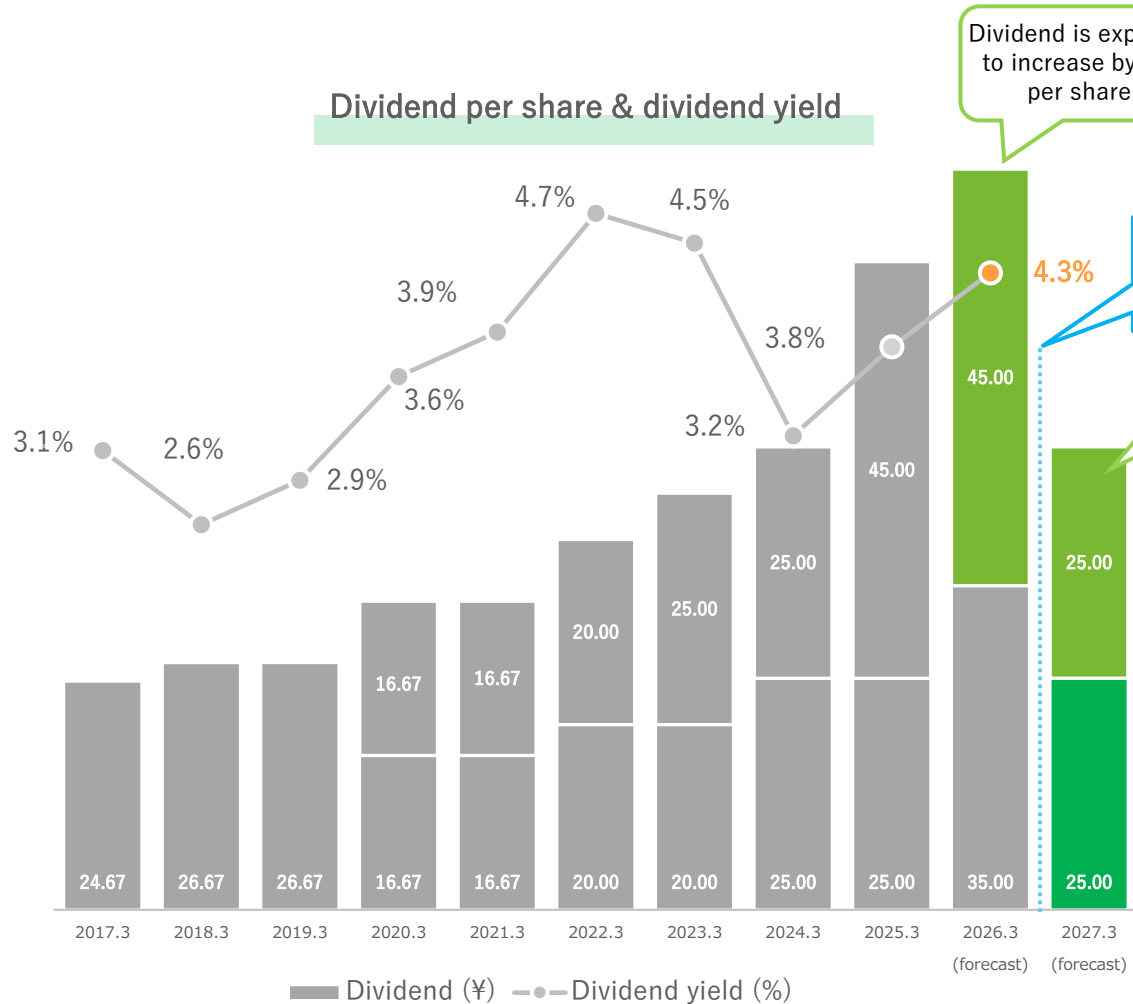
Cash Flows and Interest-bearing Debt

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*Free Cash Flows = Cash Flows from Operating Activities + Cash Flows from Investment Activities

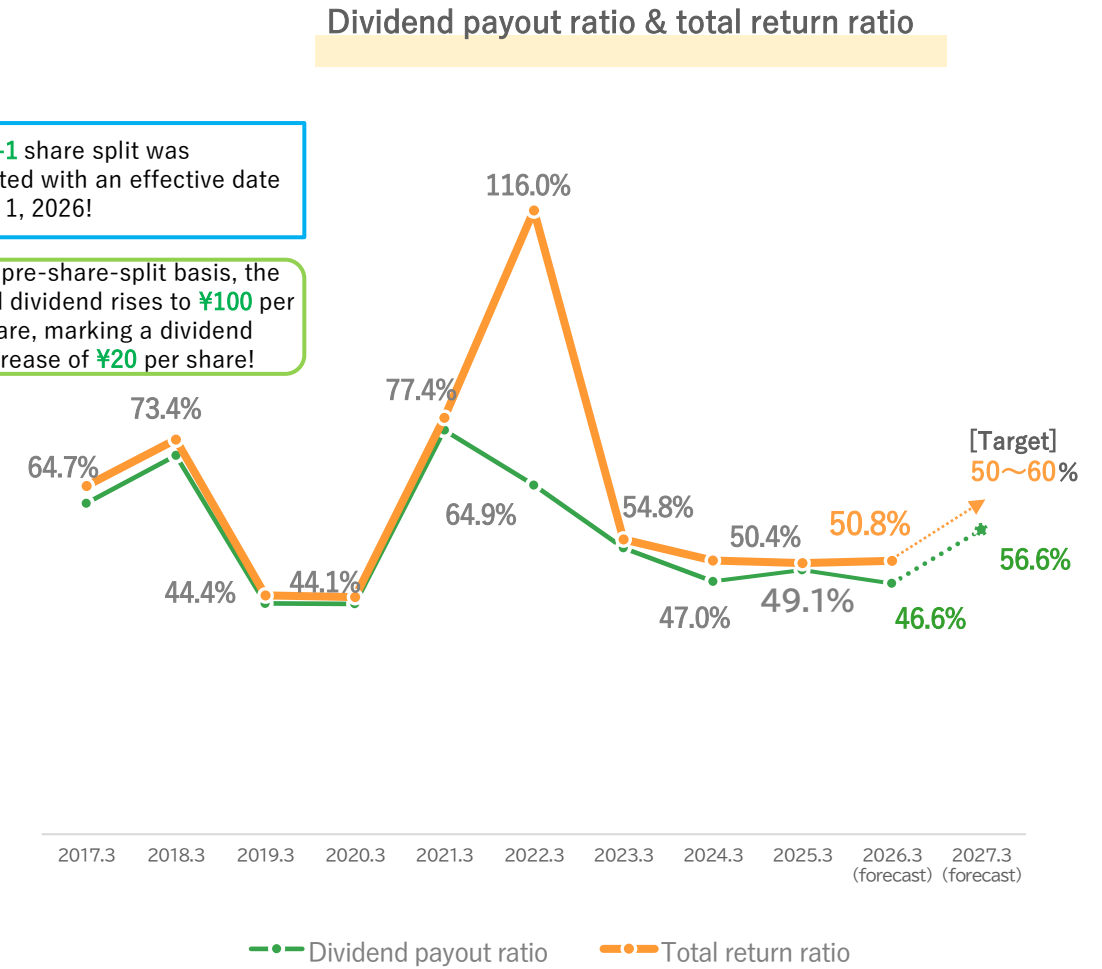
The Company expects to increase the year-end dividend for FY2025 by **¥10** per share.
 This plan supports the Company's target for total return ratio of 50–60%, maintaining a stable dividend.



Dividend is expected to increase by **¥10** per share!

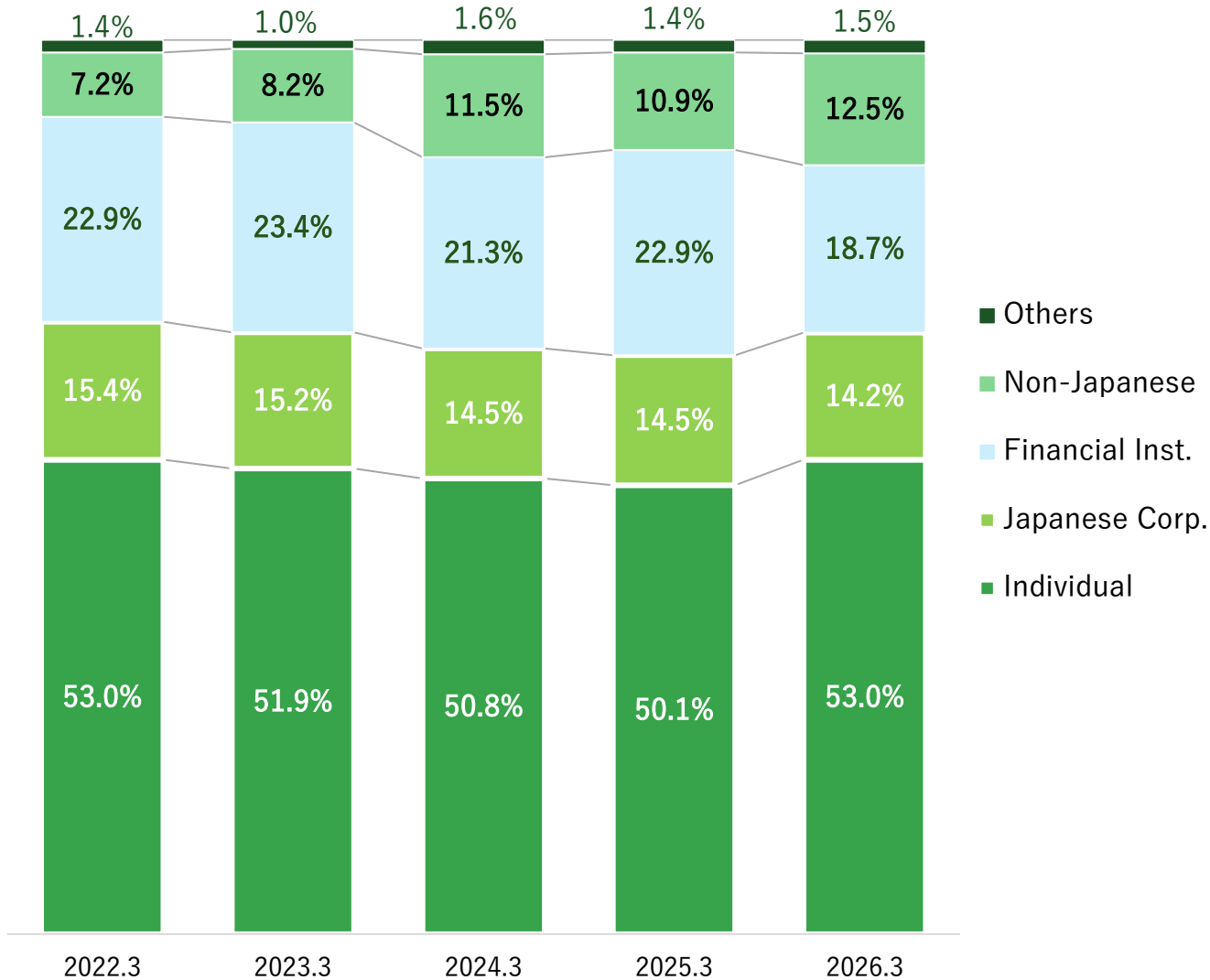
A **2-for-1** share split was conducted with an effective date of April 1, 2026!

On a pre-share-split basis, the annual dividend rises to **¥100** per share, marking a dividend increase of **¥20** per share!



※Total return ratio = (Total dividends + Amount of purchase of treasury stock) ÷ Net income attributable to owners of parent

Shareholding by investor type

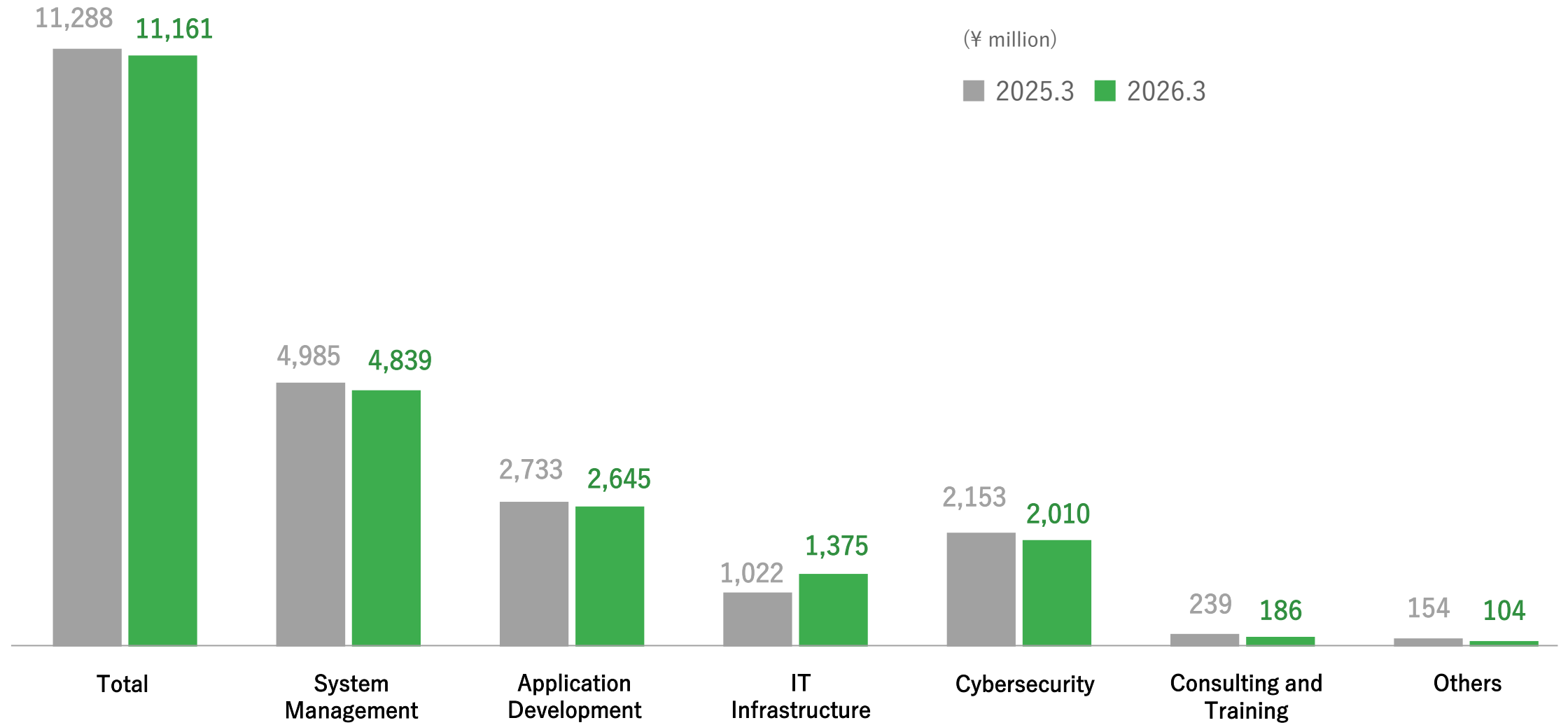


Major shareholders

- ✓ No. of shareholders: 8,625
(+1,402 since March 31, 2025)
- ✓ No. of shareholders with voting rights: 6,818
(+1,060 since March 31, 2025)
- ✓ Treasury stocks (26 thousand shares) are not included when calculating the ratio of shareholdings.

	Major shareholders	% of total shares
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	9.85%
2	A.K. Corporation	9.10%
3	PERSHING-DIV. OF DLJ SECS. CORP.	6.89%
4	ID Employee Ownership Account	5.15%
5	Mizuho Trust & Banking Co., Ltd.	3.25%
6	Custody Bank of Japan, Ltd. (Trust Account)	2.54%
7	TDC SOFT Inc.	2.47%
8	Akemi Funakoshi	1.72%
9	Kaori Marubayashi	1.56%
10	Custody Bank of Japan, Ltd. (Trust Account E)	1.23%

Order Backlog by Service (Cumulative)



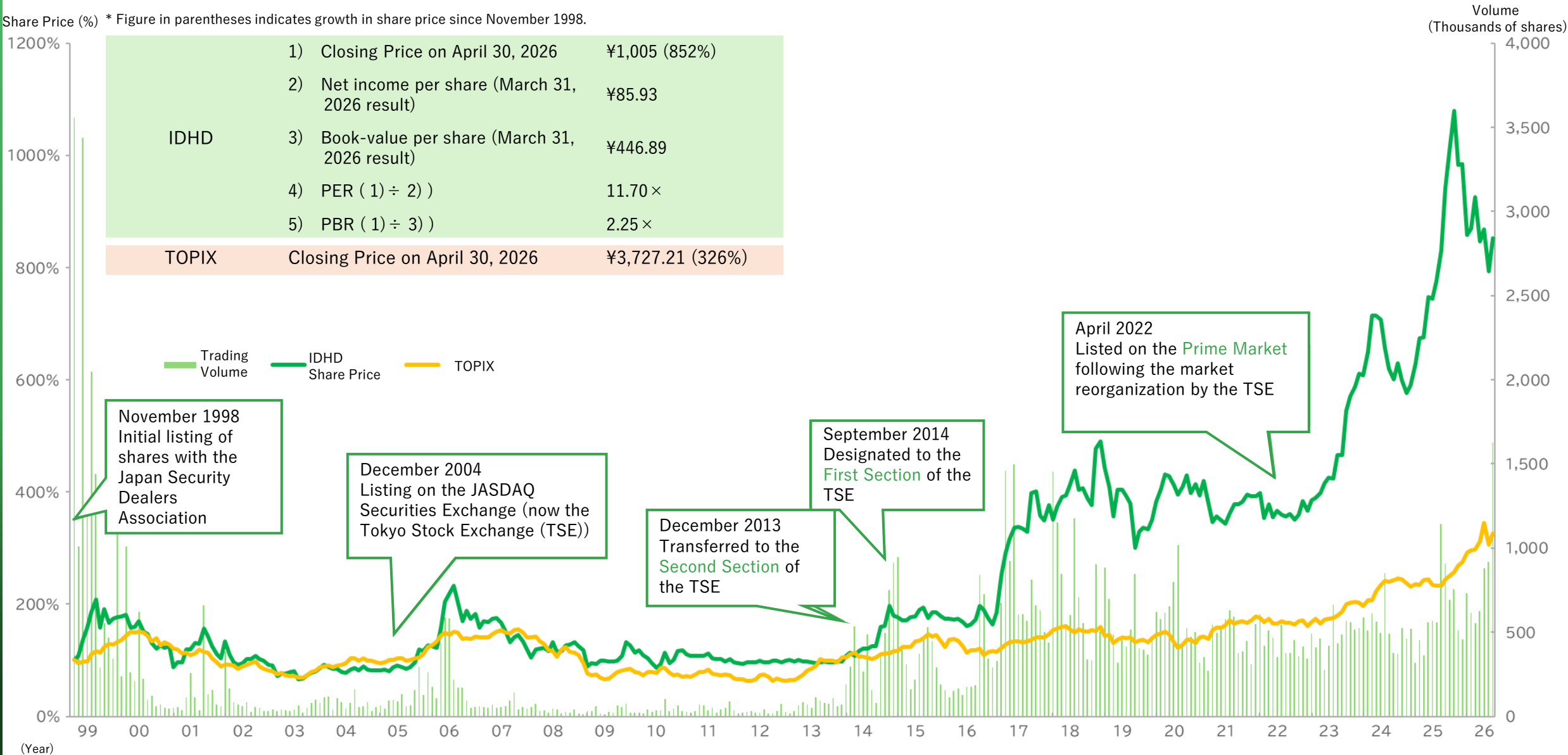
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Trend in Share Price (from November 1998 to April 2026)

Share Price (%) * Figure in parentheses indicates growth in share price since November 1998.

IDHD	1) Closing Price on April 30, 2026	¥1,005 (852%)
	2) Net income per share (March 31, 2026 result)	¥85.93
	3) Book-value per share (March 31, 2026 result)	¥446.89
	4) PER (1) ÷ 2))	11.70 ×
	5) PBR (1) ÷ 3))	2.25 ×
TOPIX	Closing Price on April 30, 2026	¥3,727.21 (326%)

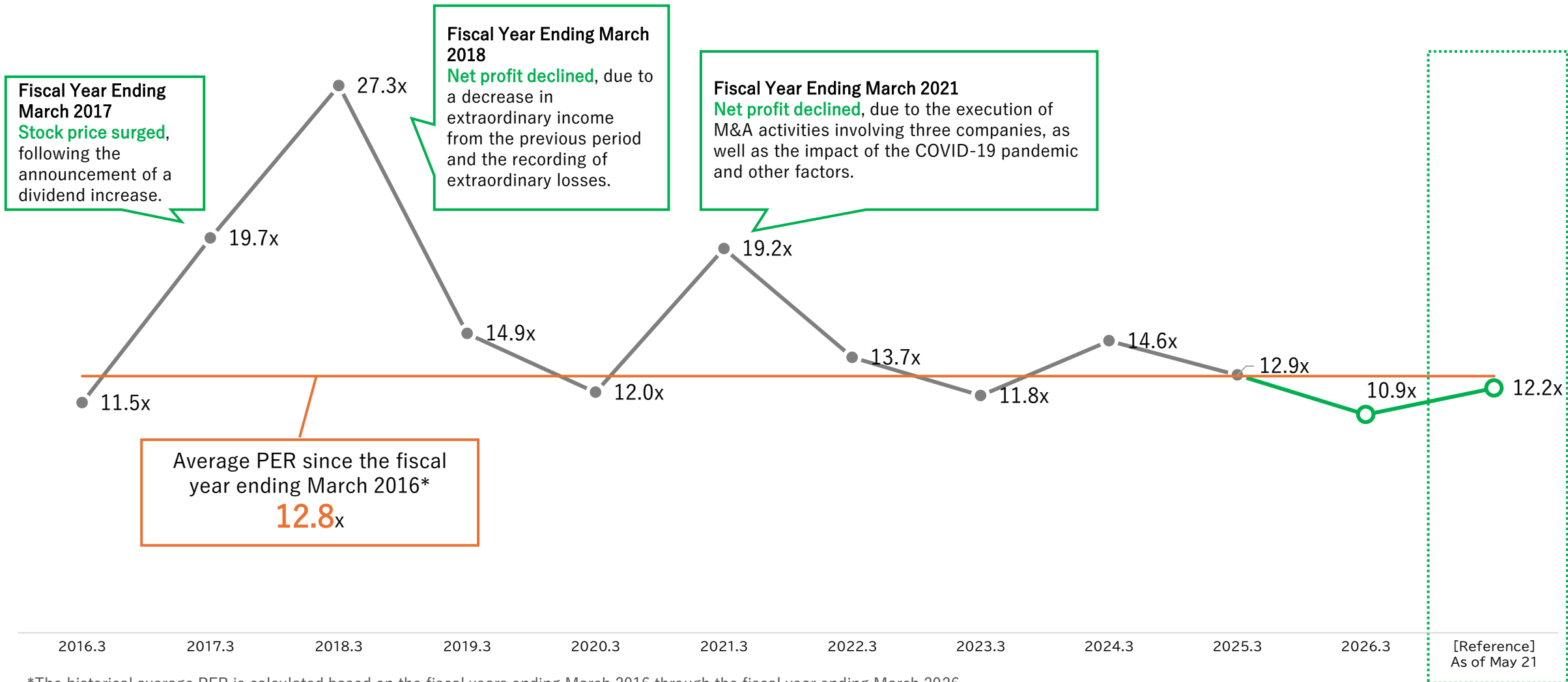
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PER trends

The PER for the fiscal year ending March 2026 temporarily declined due to a drop in the stock price caused by the Anthropic Shock and other factors. However, following an increase in the stock price after the announcement of financial results, it has recently recovered to a level comparable to the historical average*.

Change or Die!

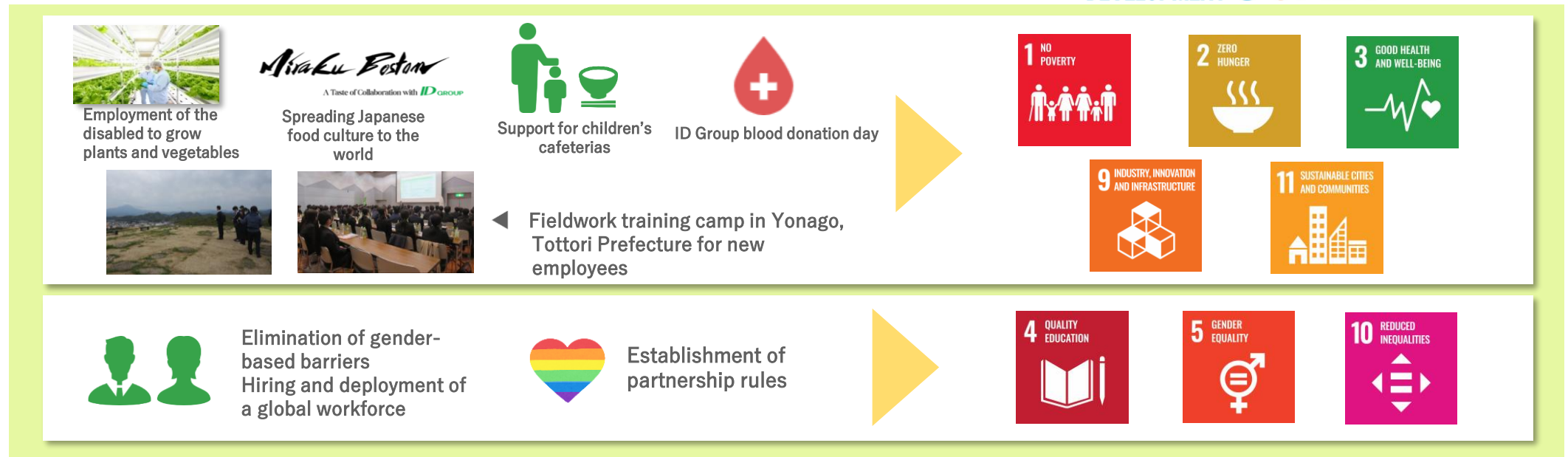


*The historical average PER is calculated based on the fiscal years ending March 2016 through the fiscal year ending March 2026. However, figures for the fiscal years ending March 2017, March 2018, and March 2021, which were affected by special factors, have been excluded.

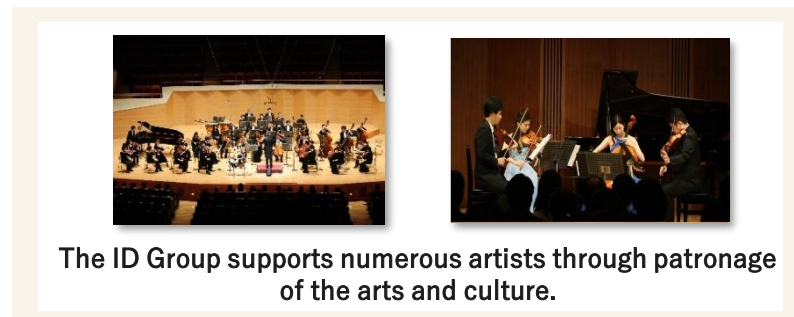
The ID Group contributes to society in a wide variety of ways.

Activities of the ID Group (approx. ¥290 million)

SUSTAINABLE DEVELOPMENT GOALS



Support for culture and the arts



External evaluations



1

Performance Overview for FY2025

2

Mid-term Management Plan
Next 50 Episode III: Jump!!!

Change or Die !

To achieve the medium-term vision, the ID Group is setting **two themes: a shift to a lean, high-profit model** and **a transformation of culture** to support it.

FY2029

Achievement of a lean ID Group with high profit and excellent reputation

Net sales **¥50** billion

Gross profit (margin) **¥15** billion (30%)

Next 50 Episode III: **JUMP!!!**

FY2025 to FY2027

Shift to a high-profit model



Transformation of culture

Net sales **¥44** billion

Gross profit (margin) **¥12.3** billion (28%)

New Theme !

AI transitions from a tool to a labor force. Repetitive work is delegated to AI, enabling people to focus on high-value work domains.

Next 50 Episode II: Ride on Time

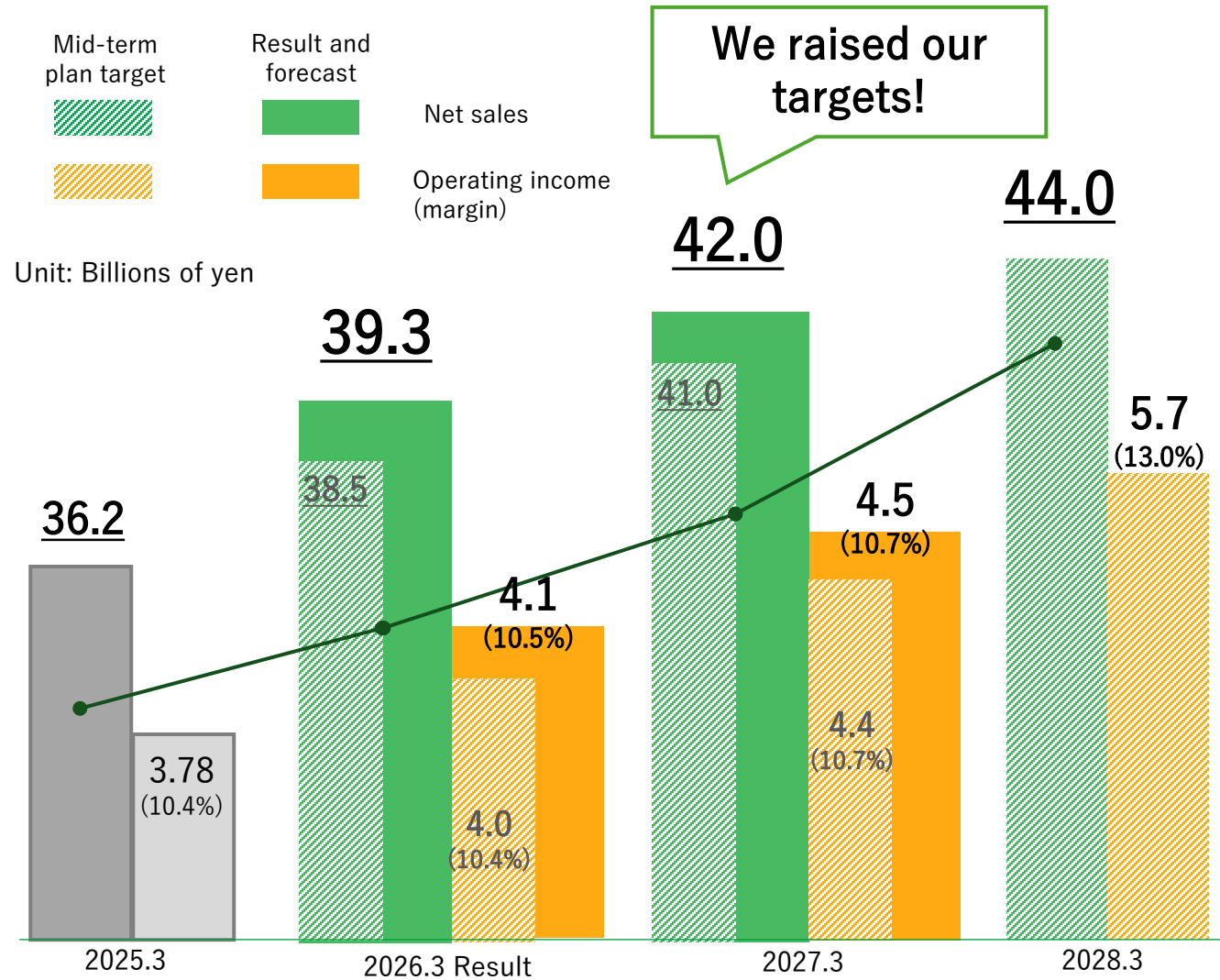
FY2022 to FY2024

Cultivation of a platform for growth in the DX era

Net sales **¥36.2** billion*

Gross profit (margin) **¥8.65** billion (23.9%)*

Advancement of six key strategies including **service portfolio**, establishment of customer contact points and **investment in human capital**

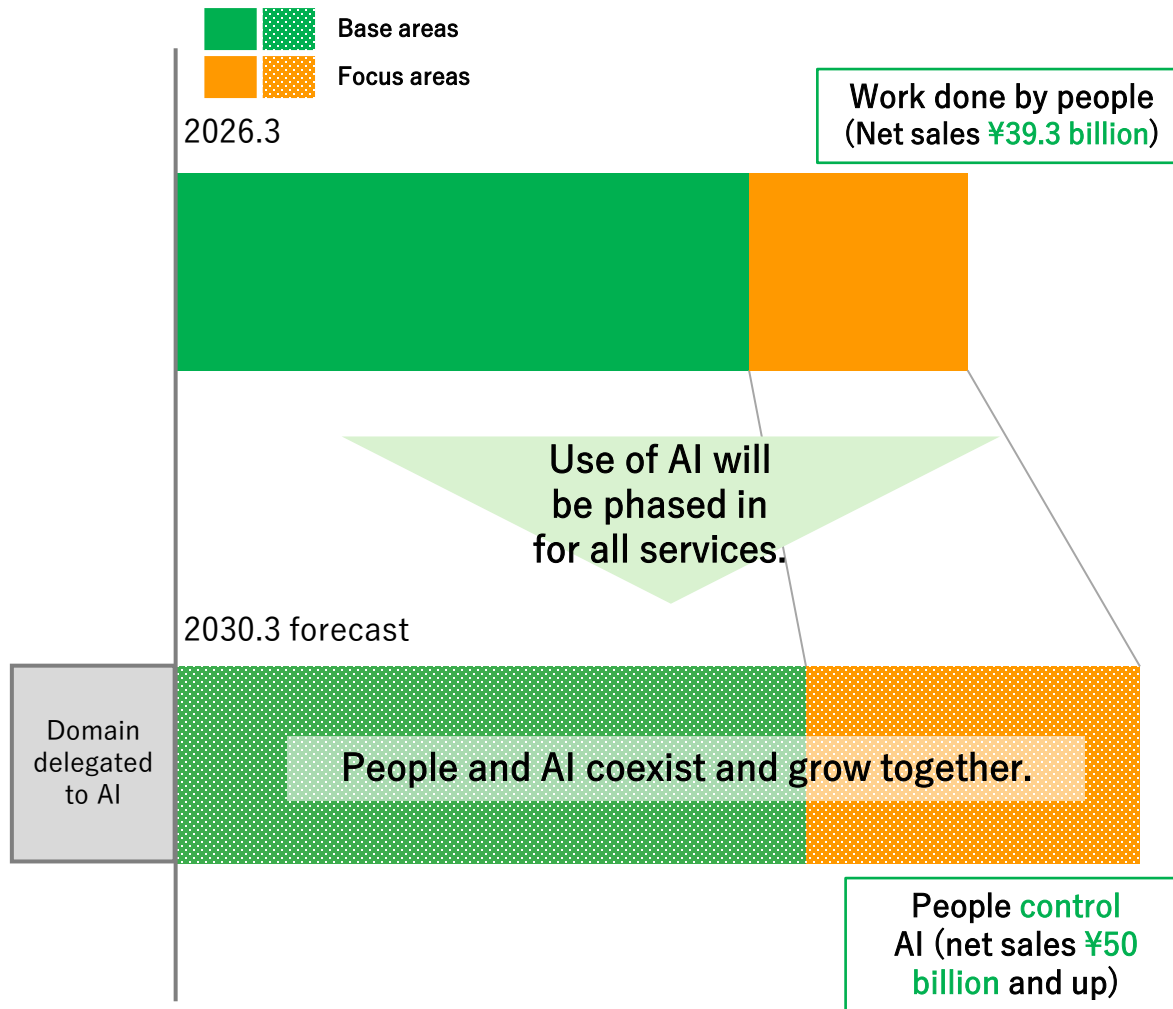


Change or Die!

Business Environment

Going forward, areas of work in which people coexist with AI will expand, leading to the advance of **AI transformation (AX)**. With repetitive work delegated to AI, employees will be assigned exclusively to tasks that require **intellectual judgement**, such as coordinating with customers.

Forecast of trend in composition of net sales



Domains that will not be delegated to AI

Consulting and training	<ul style="list-style-type: none"> Support for customer decision-making based on AI and knowledge of customer operations New duties in AI management (AI auditing, etc.)
Cybersecurity	<ul style="list-style-type: none"> Construction and supervision of systems to detect, analyze and prevent cyberattacks using AI tools, to defend against cybersecurity threats that are automated and intensified using AI
IT infrastructure	<ul style="list-style-type: none"> Introduction of AI into the IT infrastructure environment and upgrading in anticipation of AX AI governance design and incorporation of non-functional requirements
Application development	<ul style="list-style-type: none"> Project management operations (PMO) duties in which workers (labor) manage AI Supervisory roles directing code-writing AI agents guarantee quality and ethical behavior
System management	<ul style="list-style-type: none"> Operation of large-scale and mission-critical systems, such as financial core systems Application of AI and automation to complex systems Shared remote operation in anticipation of increased demand due to personnel shortages

Fields that will be completely transitioned to AI

- Simple programming tasks and testing
- Primary operating responses (monitoring, help desks, etc.)

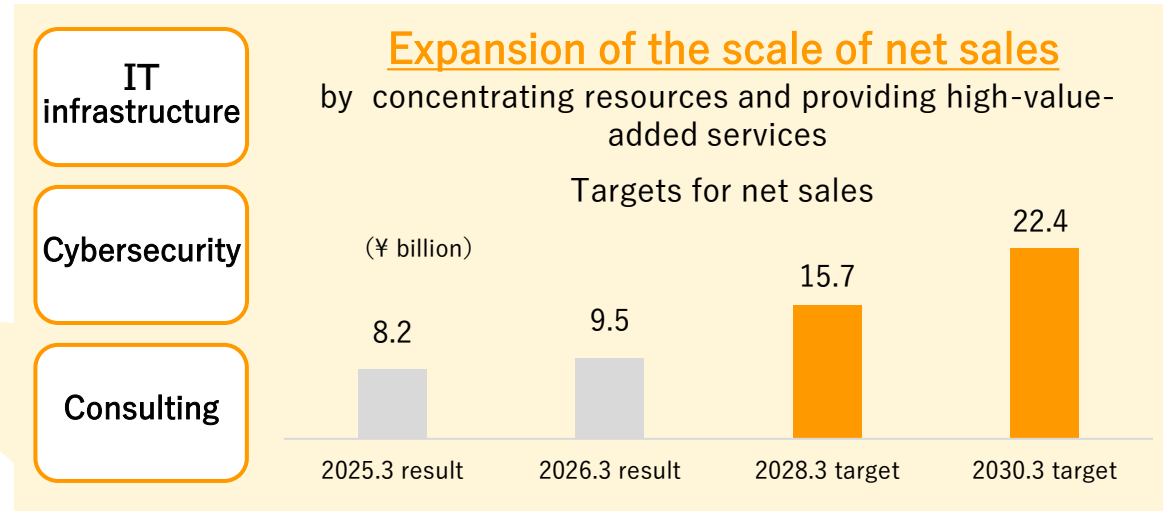
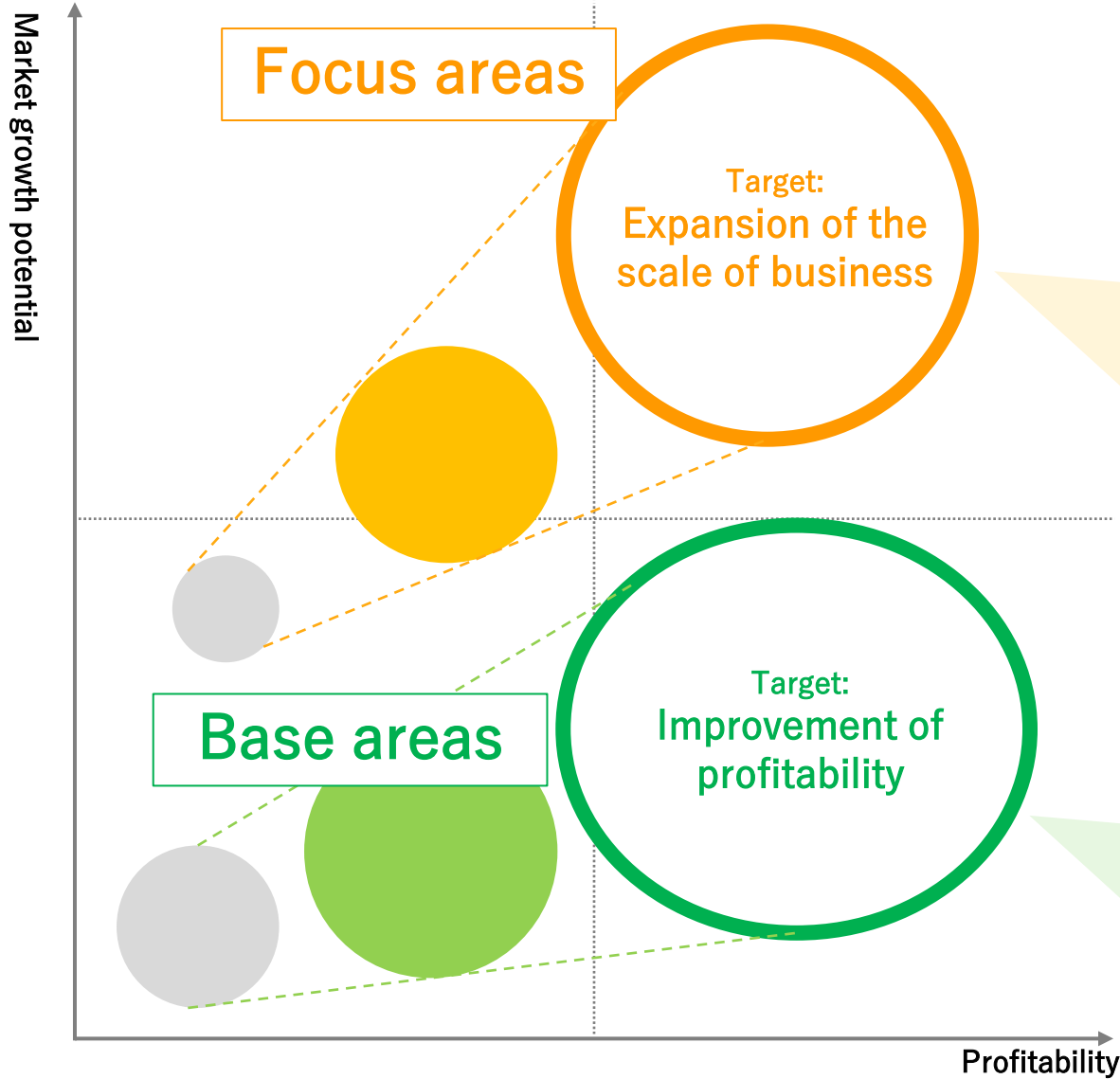
Change or Die!

AI is transforming the business environment. In view of the tailwind this change represents, the ID Group identifies the true drivers of growth as **technological capability, human capability, and organizational strength**, and regards **investment** in their growth as essential.

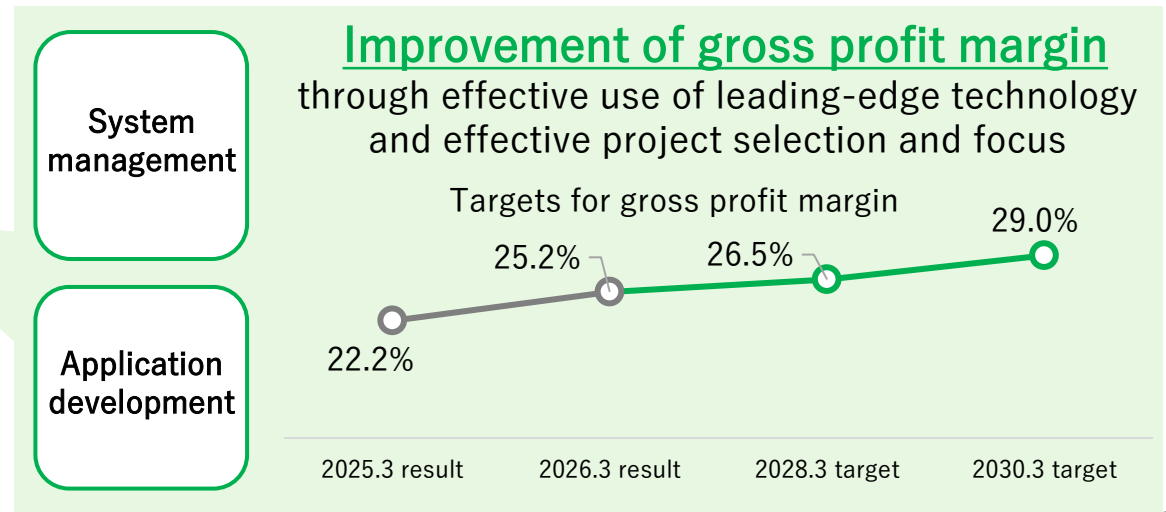
Training of personnel to control AI	Technological capability (AI Skills)	<ul style="list-style-type: none">• In the age of co-creation with AI, employees will learn the technical and service skills to upskill from use of AI to co-creation and control. (Examples: Expansion of Dify training, efforts to acquire ISO42001 certification)• The ID Group will advance training of engineers who can make sophisticated use of container technologies (such as OpenShift), automation solutions (such as ServiceNow), and various AI platforms (such as IBM watsonx/Bob, Hitachi iQ, and LITRON (NTT Data)).
	Human capability (Liberal Arts)	<ul style="list-style-type: none">• Employees will develop profound powers of thinking and imagination in order to control AI effectively in coordination with customers. (Each employee will be provided with an Udemy Business account.)
	Organizational strength (Organizational Skills)	<ul style="list-style-type: none">• The ID Group will foster a corporate culture that frees employees to innovate without fear of failure. The Group is only the 12th corporate group in the world and the 6th in Japan to obtain certification under ISO56001 (the international standard for innovation management systems).• The Group will transform the way it works.

Aiming to **Jump!!!** by growing the scale of business in Focus areas and profitability in Base areas.

Change or Die!



Advancement of **personnel shift through upskilling**



Service Portfolio Strategy: Numerical Targets

Unit: Billions of yen	FY2024 result	FY2025 target	FY2025 result	FY2027 target
Consolidated net sales	36.2	38.5	39.3	44.0
Net sales in Focus areas	<u>8.2</u>	<u>8.7</u>	9.5	15.7
Net sales in Base areas	27.5	29.8	29.2	28.3
Consolidated gross profit margin	23.9%	26.2%	25.7%	28.0%
Gross profit margin in Focus areas	29.7%	28.5%	28.9%	30.6%
Gross profit margin in Base areas	<u>22.2%</u>	<u>25.1%</u>	25.2%	26.5
Shift of personnel from Base areas to Focus areas	-	-	54 people	225 people over 3 years (FY2025 – FY2027)

Change or Die!

Focus areas

Personnel shift

Shifting of personnel from base areas to focus areas

FY2025 Results: 54 people (total)
(+4 against annual target)

Base areas

Strengthening our business-partner strategy

The Group will secure high-value-added, mutually assisting personnel by strengthening certification of core partners and training personnel in mutual assistance.

Unit: people

Year	Total Personnel	Core Partners
2025.3 result	2,000	500
2026.3 result	2,170	972
2028.3 target	2,500	2,000

Educational and training expenses

Expansion of education and training, including upskilling

FY2025 Results: ¥380 million (total)
(Progress rate on full-year target: 88.7%)


Service Portfolio Strategy: R&D Strategy

The ID Group will strive to improve competitiveness by focusing on R&D and implementation to effect progress in existing businesses and create new services.

Investment in R&D: ¥10 billion over three years

Change or Die!

AI




Promotion of application of AI in customers' business areas

- Promotion of AI application in consulting
- Formation of development processes that incorporate AI




VR




Expansion of deployment of ID-VR OP

- Spread of use of next-generation systems
- Proof-of-concept under the customer's environment is complete. Efforts are underway toward full-fledged commercialization and mounting of AI features (Ver. 5).




Patents



Research to expand application of patented technologies

- Acquisition of 6 patents related to blockchain and AI (Patents related to solutions for sharing and managing medical information using blockchain, etc.)
- Advancement of technical research through industry-academic partnerships

Strategy for Investment in Human Capital

The ID Group will strategically strengthen investment in human capital, including return of value to employees, educational and training expenses, recruitment expenses, etc. **¥6 billion** will be invested over three years. Employees will study “IDentity,” the history and philosophy of the ID Group, to make the Group a respected corporate Group that customers choose first.

Improved employee engagement

A company where employees can fulfill their dreams Career awareness

- Providing employees with opportunities that align with their **long-term career visions**
- Support to strengthen employees’ **creativity and ability to change** to achieve their career visions
- **Merit-based** personnel evaluation system and treatment linked to upskill

A self-starting workforce Corporate culture

- A culture of repeatedly applying oneself to problems to obtain results that **exceed expectations**
- An organization with a high degree of **psychological safety**, respecting diversity and **human rights**
- An organization **filled with mutual respect and proud of its work**
- Enhancing **Innovation Management** (Obtaining ISO 56001)

Valuing employee wellbeing Health management

- Reduction of overtime work, improvement in uptake of paid leave
- **Health support** to enable employees to work energetically regardless of workplace
- Expansion of **options for work flexibility** in response to each life event

Amount of Investment in Human Capital (FY 2025 Result)

1.7 billion yen

We are investing in talent development and retention, as well as implementing employee benefits. In addition, we will implement a **5% base pay increase** for the FY2026!

M&A Strategy

Aiming to expand its workforce, technology and license portfolio and customer base, the ID Group will **JUMP!!!** through M&A and capital and business alliances.

Targets of M&A and capital and business alliances

Net sales from operations:
From ¥5 billion

Personnel



Securing personnel for upstream processes

- Consultants
- Project managers

Technology and licenses



Securing technologies for Focus areas

- SaaS and packaged solutions

Customers



Attracting excellent customers

- New customers in existing industries
- Customers in new industries

Change or Die !

Global Strategy

The ID Group seeks to be a true IT strategic partner offering Japanese-quality IT services.

Vision

The Group aims to expand operations, focusing on securing business at overseas bases of Japanese-affiliated companies.



Target

Marketing
Supporting overseas expansion by financial institutions and other major clients

Delivery
Undertaking contracts for overseas projects as a domestic corporate Group

Establishment of a **Global Delivery Center**

Plan

Sharing of technology and resources

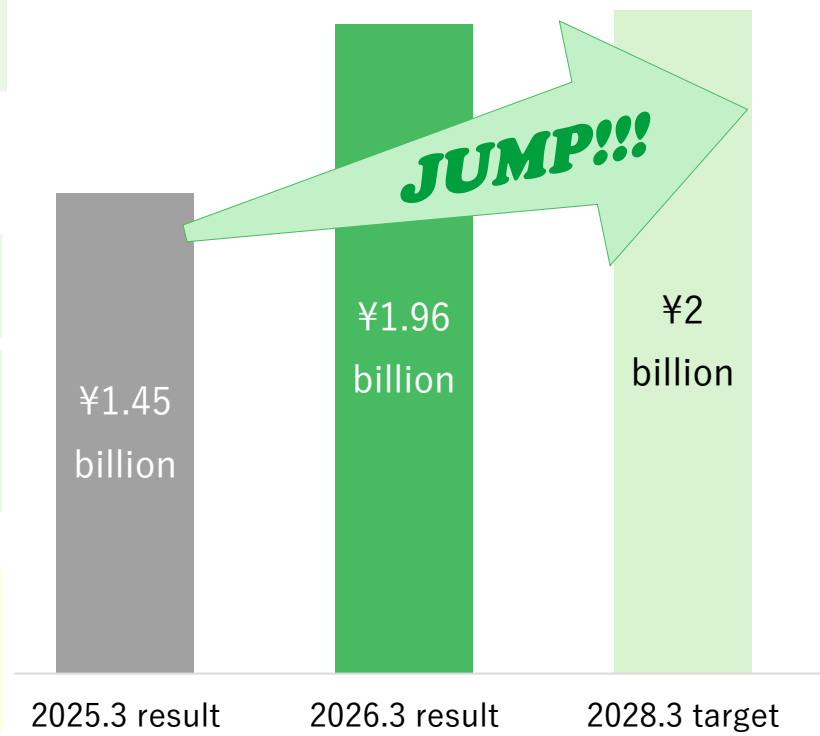
Establishment of a reverse-offshore framework

Sales activities and customer management based on gathering information on market trends and advanced solutions

Promotion

Promoting the appeal of the ID Group through operation of "Miraku Boston" in Boston, MA, USA.

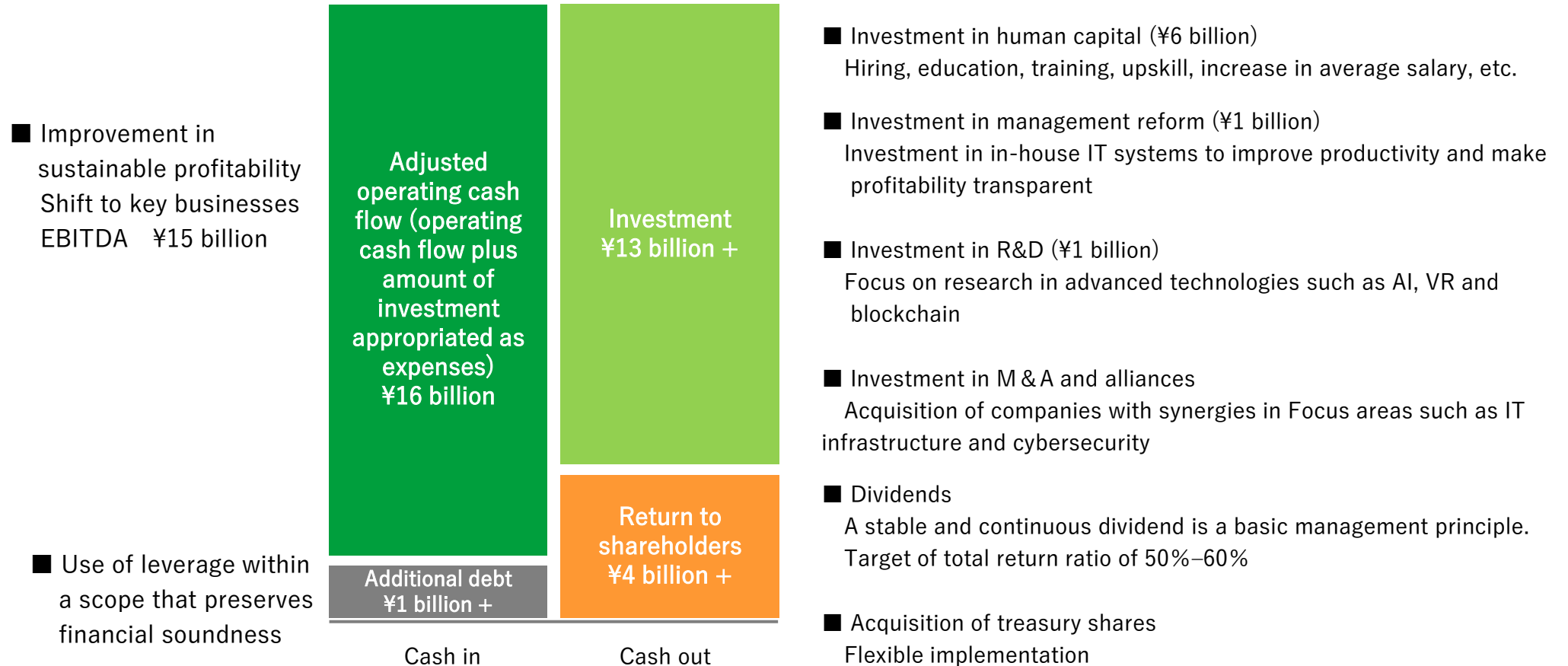
Net-sales target for global strategy



Change or Die!

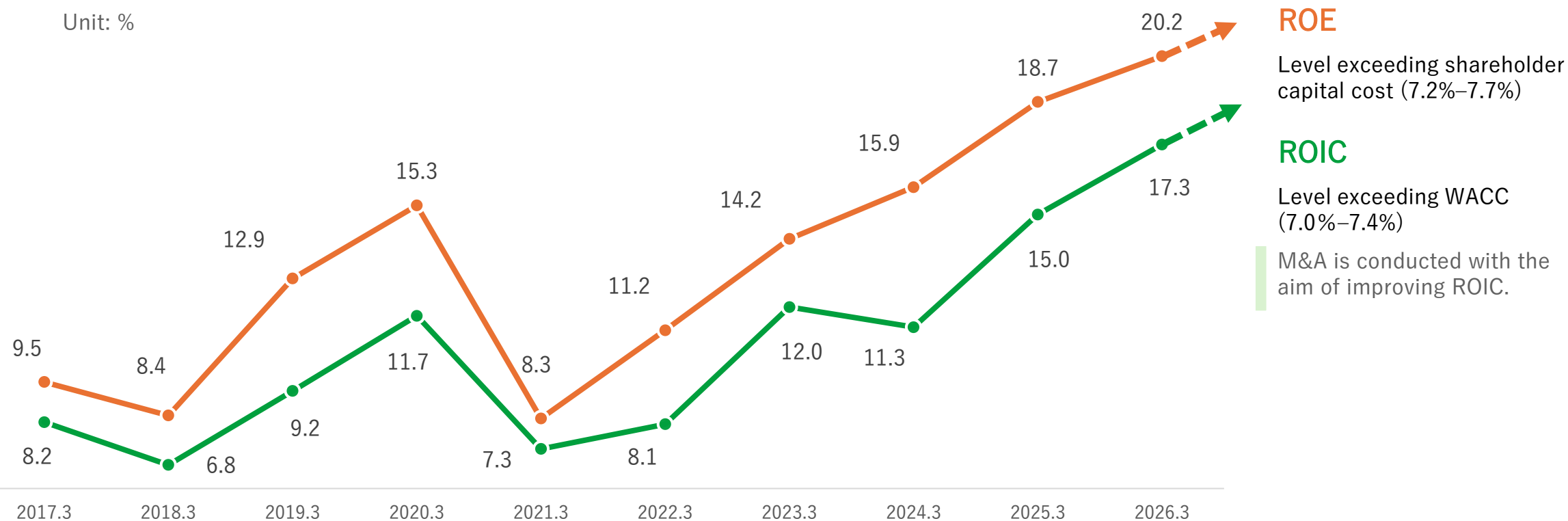
By boosting profitability and applying financial leverage, the ID Group will secure capital, which it will allocate strategically to improve corporate value.

FY2025–FY2027 cumulative period



Over the past 10 years, return on equity (ROE) and return on invested capital (ROIC) have been on an improving trend.

Going forward the Group will, in a sustainable fashion, continue to aim for ROE greater than shareholder capital cost and ROIC greater than weighted average cost of capital (WACC).



■ Return on invested capital (ROIC) = (Operating income – income taxes) ÷ (net assets + interest-bearing debt) × 100

■ Reference calculation of shareholder capital cost and WACC based on Mizuho Securities Co., Ltd. and Mizuho Trust & Banking Co., Ltd.

• Shareholder capital cost (7.2–7.7%) = risk-free rate (about 2.49–2.52%) + beta (0.61–0.88) × market risk premium (6.0–7.62%)

• WACC = interest-bearing debt ÷ (market cap + interest-bearing debt) × (1 – effective tax rate) × debt cost + market cap ÷ (market cap + interest-bearing debt) × shareholder capital cost

Market cap: ¥31.7 billion (as of March 31, 2026, after deduction of treasury stock); debt cost: 0.88%–1.0%; effective tax rate: 30%–31.1%

Forecast of Consolidated Financial Results for FY2026 (YoY)

	2025.3		2026.3				
	(¥ million)	Results	(% of net sales)	Plan	(% of net sales)	Diff.	YoY
Net sales	39,371	-	-	42,000	-	+2,628	+6.7%
EBITDA	4,518	11.5%		4,850	11.5%	+331	+7.3%
Operating income	4,128	10.5%		4,500	10.7%	+371	+9.0%
Ordinary income	4,212	10.7%		4,550	10.8%	+337	+8.0%
Net income attributable to owners of parent	2,907	7.4%		3,000	7.1%	+92	+3.2%
Earnings per Share(EPS)(¥)	85.93	-		88.28	-	+2.35	-
EPS before Amortization of Goodwill(¥)	91.90	-		92.91	-	+1.01	-
Cash flows from operating activities	3,060	-		3,200	-	+139	-

Change or Die !

Disclaimer

This presentation material contains statements and information about future forecasts, including financial projections, strategies and business plans of ID Holdings Corporation.

Forecasts and plans contained in these non-historical information are based on our judgment in accordance with the information available at the time of publication.

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