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Financial Results Materials for the Six Months of the Fiscal Year Ending March 31, 2026

November 6, 2025



Daiwabo Holdings Co., Ltd.

(Stock Code :3107)

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Settlement of Accounts for 2Q of the Fiscal Year Ending March 31, 2026 (Interim Period)

2Q of the Fiscal Year Ending March 31, 2026 (April 1, 2025-September 30, 2025)

Sales growth and sustained profitability expanded operating income to over 20 billion yen for the first time in the first half-period.

The outlook for strong performance in the second half remains positive, with upward revisions to the forecasts

IT infrastructures Distribution Business

- The demand for PC replacements among small and mid-sized companies ahead of the end of Windows 10 support, together with the full-scale delivery of the 2nd phase of the GIGA School Program, drove overall sales and operating income.
- Due to successful cross-selling proposals at PC replacement, iKAZUCHI continues to build performance following 1Q.
- Despite a lower gross profit margin compared to 1Q, profitability was maintained by decreasing the SG&A-to-sales ratio.

Industrial Machinery Business

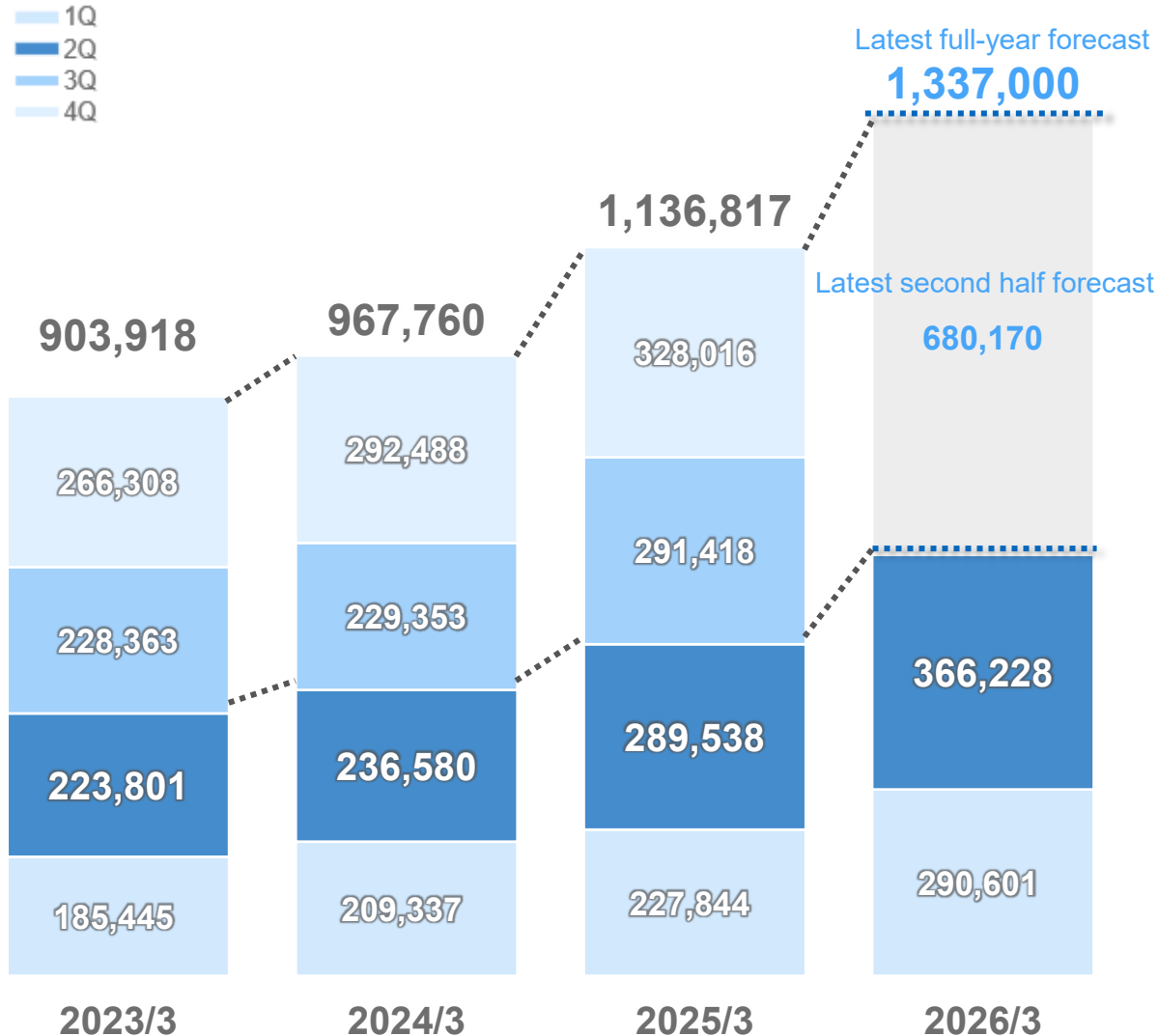
- In machine tools division, domestic orders are recovering, mainly in the mainstay aircraft industry. Enhance inventory and service structure to meet future demand.
- Along with steady servicing sales in both the machine tools and automated machinery divisions, higher unit sales in the automated machinery division contributed to overall results.

Revisions to the forecasts

- In the second half of the fiscal year, IT demand from corporate customers, as well as renewal demand related to the 2nd phase of the GIGA School Program, is expected to remain strong, and performance forecasts have been revised upward accordingly.

Cumulative Net Sales in 2Q for the Fiscal Year Ending March 31, 2026

(Millions of yen)



Net sales **656.83 billion yen**

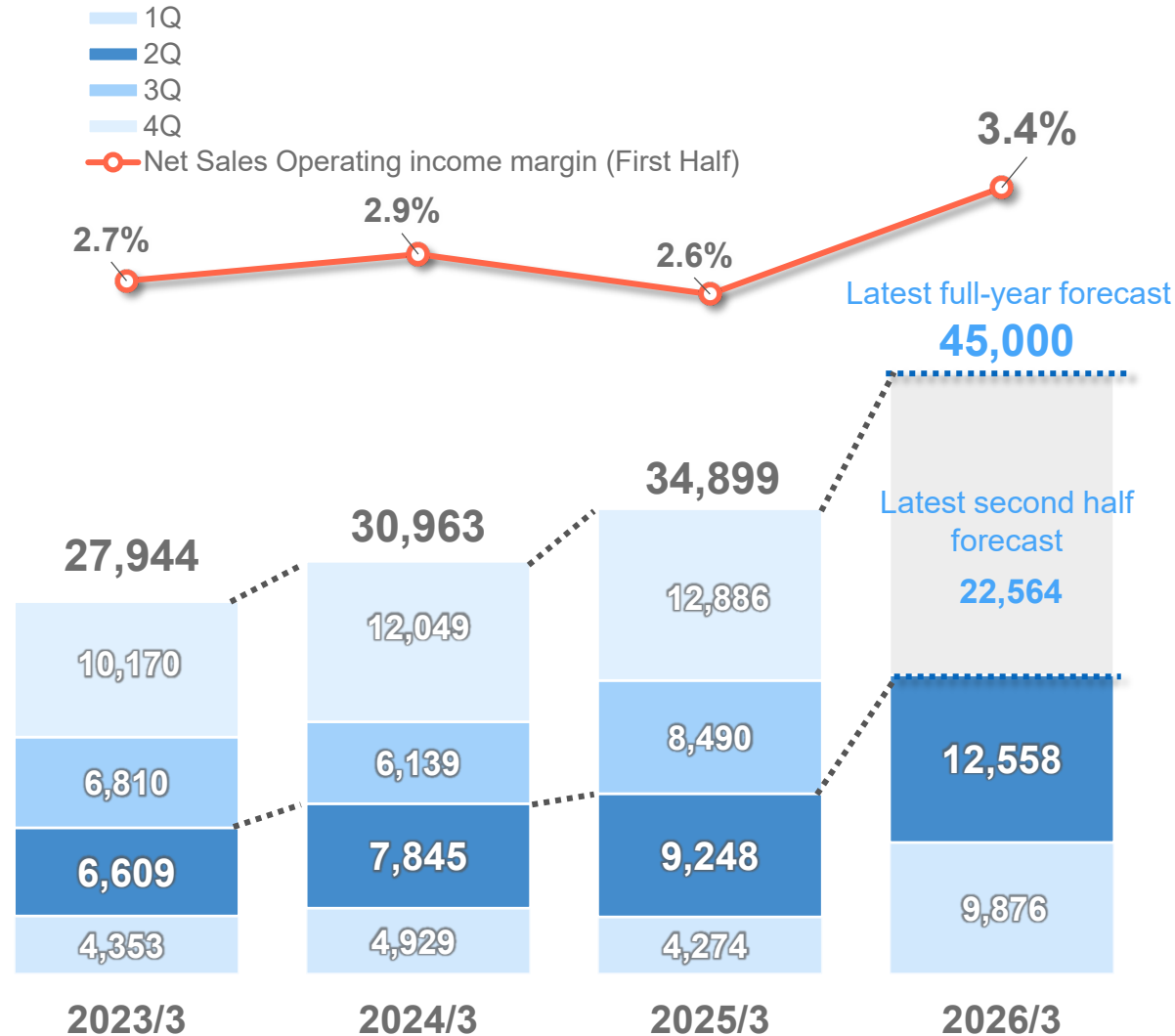
YoY change **+27.0%**

Progress rate full-year base **49.1%**

**Record-high net sales
in the first half**

Cumulative Operating Income in 2Q for the Fiscal Year Ending March 31, 2026

(Millions of yen)



Operating income **22.435 billion yen**

YoY change **+65.9%**

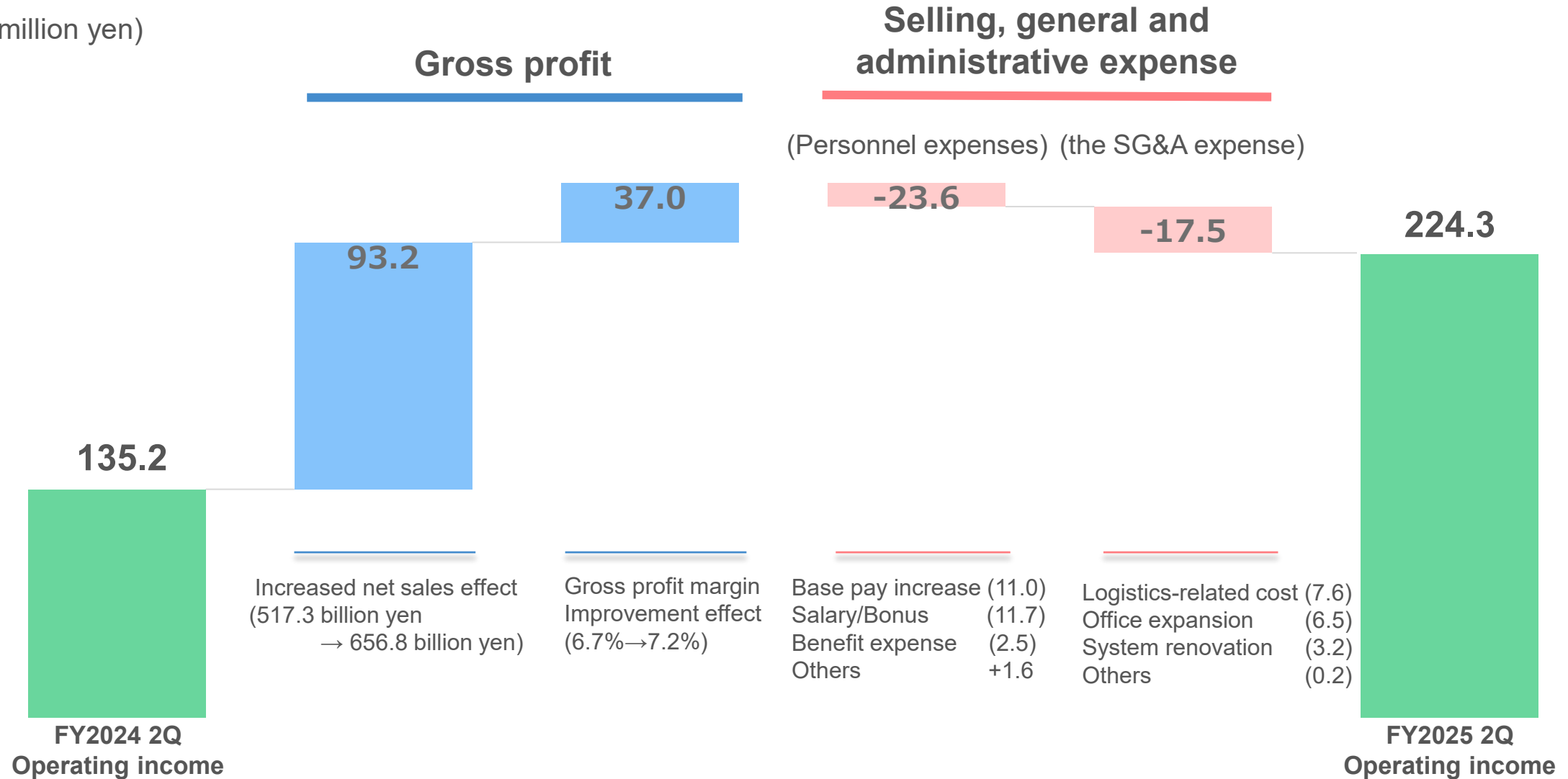
Operating profit margin **3.4%**

Progress rate full-year base **49.9%**

Record-high operating income in the first half

Operating Income Trends (2Q Results)

(100 million yen)



Sales growth and improved gross profit margin exceeded the SG&A expense following 1Q, record-high operating income in the first half.

Consolidated Financial Results of 2Q for the Fiscal Year Ending March 31, 2026

(Millions of yen)	2025/3 2Q	2026/3 2Q	Change	YoY change	After revision Full-year forecast	Progress rate
Net sales	517,383	656,830	+139,447	+27.0%	1,337,000	49.1%
Operating income	13,522	22,435	+8,912	+65.9%	45,000	49.9%
Ordinary income	13,839	22,608	+8,768	+63.4%	45,300	49.9%
Profit attributable to owners of parent	9,474	15,736	+6,262	+66.1%	30,800	51.1%
Earnings per share (yen)	102.52	176.04	+73.52			

(Millions of yen)	2025/3	2025/9	Change	Main reasons for change
Total assets	440,122	454,664	+14,542	Increased goods and products inventory
Net assets	152,310	161,224	+8,913	Increased in retained earnings
Equity capital ratio	34.6%	35.5%		

Performance by Segment in 2Q for the Fiscal Year Ending March 31, 2026

(Millions of yen)		2025/3 2Q	2026/3 2Q	Change	YoY change
Net sales	IT Infrastructure Distribution	511,053	649,692	+138,639	+27.1%
	Industrial machinery	6,329	7,137	+808	+12.8%
	Total	517,383	656,830	+139,447	+27.0%
Operating income	IT Infrastructure Distribution	13,170	21,843	+8,673	+65.9%
	Industrial machinery	348	585	+237	+68.2%
	(Adjustments and eliminations)	4	5	+1	+38.9%
	Total	13,522	22,435	+8,912	+65.9%

Net sales

Both segments posted higher due to strong sales performance.

Operating income

Due to a decline in IT infrastructure distribution business's the SG&A to sales ratio, as well as higher sales and profitable services in industrial machinery business, operating income increased.

Consolidated Balance Sheet of 2Q for the Year Ending March 31, 2026

(P3-4 on Brief of Consolidated Settlement of Account)

(Millions of yen)	2025/3	2025/9	Change		2025/3	2025/9	Change
Current assets	407,778	419,763	+11,985	Current liabilities	267,779	278,668	+10,889
Cash and deposits	55,421	50,008	(5,412)	Notes and accounts payable	228,422	236,515	+8,092
Trade notes and accounts	288,495	274,546	(13,949)	Short-term loans payable	8,904	12,904	+4,000
Goods and products	45,495	71,351	+25,856	Non-current liabilities	20,032	14,772	(5,260)
Tangible fixed assets	11,252	12,214	+962	Long-term debt	11,799	7,532	(4,267)
Intangible assets	4,973	6,002	+1,029	Total liabilities	287,811	293,440	+5,628
Investments and other assets	16,117	16,683	+565	Total net assets	152,310	161,224	+8,913
				Treasury share	(15,088)	(18,469)	(3,380)
Total assets	440,122	454,664	+14,542	Total liabilities and net assets	440,122	454,664	+14,542

Goods and products	45,495	→	71,351	+25,856	Increase in product inventory
Trade notes and accounts	288,495	→	274,546	(13,949)	Recovery of trade receivables for DIS
Notes and accounts payable	228,422	→	236,515	+8,092	Increased DIS trade payables

Consolidated Statement of Operations in 2Q for the Year Ending March 31, 2026

(P5 on Brief of Consolidated Settlement of Account)

(Millions of yen)	2025/3 2Q		2026/3 2Q		Change	YoY Change
	Actual	Rate	Actual	Rate		
Net sales	517,383		656,830		+139,447	+27.0%
Gross profit	34,560	6.7%	47,579	7.2%	+13,019	+37.7%
The SG&A expense	21,038	4.1%	25,144	3.8%	+4,106	+19.5%
Operating income	13,522	2.6%	22,435	3.4%	+8,912	+65.9%
Ordinary income	13,839	2.7%	22,608	3.4%	+8,768	+63.4%
Extraordinary income	-		270		+270	-
Extraordinary losses	1		0 -		(1)	-
Profit attributable to owners of parent	9,474	1.8%	15,736	2.4%	+6,262	+66.1%

Extraordinary income

Gain on liquidation of SUZHOU DAIWA KNITTING AND GARMENT CO.,LTD.

Consolidated Cash Flow Statement in 2Q for the Year Ending March 31, 2026

(Millions of yen)	2025/3 2Q	2026/3 2Q	Change	YoY change
	Actual	Actual		
Cash flows from operating activities	4,871	6,512	+1,641	+33.7%
Cash flows from investing activities	(1,157)	(4,795)	(3,638)	-
Cash flows from financing activities	(10,157)	(8,000)	+2,156	(21.2%)
Cash and cash equivalents at the beginning of FY2025	69,172	55,221	(13,951)	(20.2%)
Cash and cash equivalents at the end of FY2025 2Q	62,976	48,808	(14,167)	(22.5%)

Note) Figures are provisional, pending audit review as of November 6.

Cash flows from operating activities

Decrease in trade receivables and increase in notes and accounts payable, etc.

Cash flows from investing activities

Expenditures for system-building in DIS, etc.

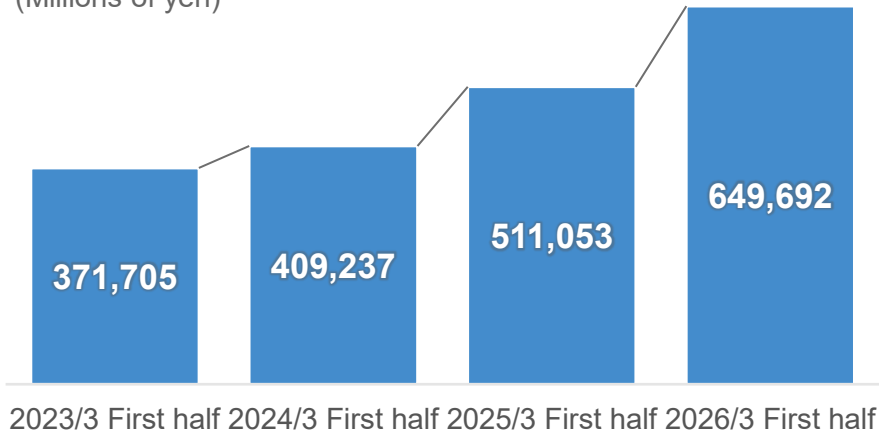
Cash flows from financing activities

Decreased payments for acquisition of treasury shares, etc.

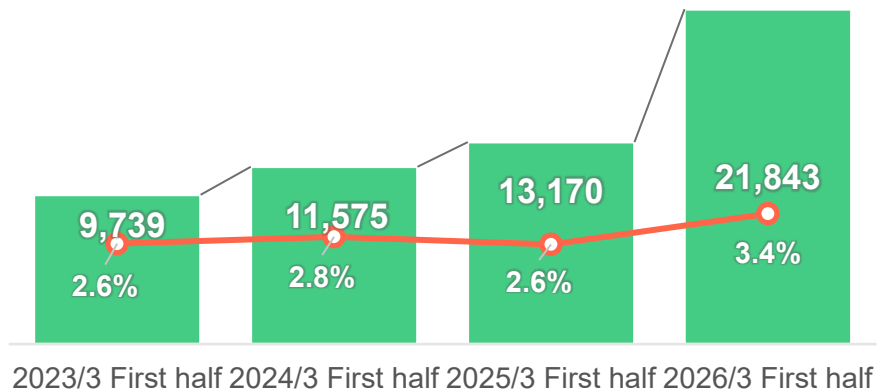
IT Infrastructure Distribution Business

IT Infrastructure Distribution Business

(Millions of yen)



■ Net Sales ■ operating income ■ Operating profit margin



Transaction Volume

(Based on former accounting standard)

Net sales

692.721 billion yen YoY +25.6%

Operating income

21.843 billion yen YoY +65.9%

PC shipments

Approx. 3,112k units YoY +80.7%

Server shipments

Approx. 27k units YoY (3.4%)

iKAZUCHI transaction value

26.149 billion yen YoY +37.2%

Review of Operations

Corporate Market

- For corporates, captured demand for PC replacement by small and med-sized companies toward the end of Windows10 supports with leverage its nationwide network of sales offices
- For the education sector, delivery for the 2nd phase of the GIGA School in 2025 is in earnest. Currently scrutinizing information for next year's bid
- For government agencies and municipalities, the number of med-scale local public projects increased in this first half, from the increase in large-scale IT development projects in the same period of the previous fiscal year.

Consumer Market

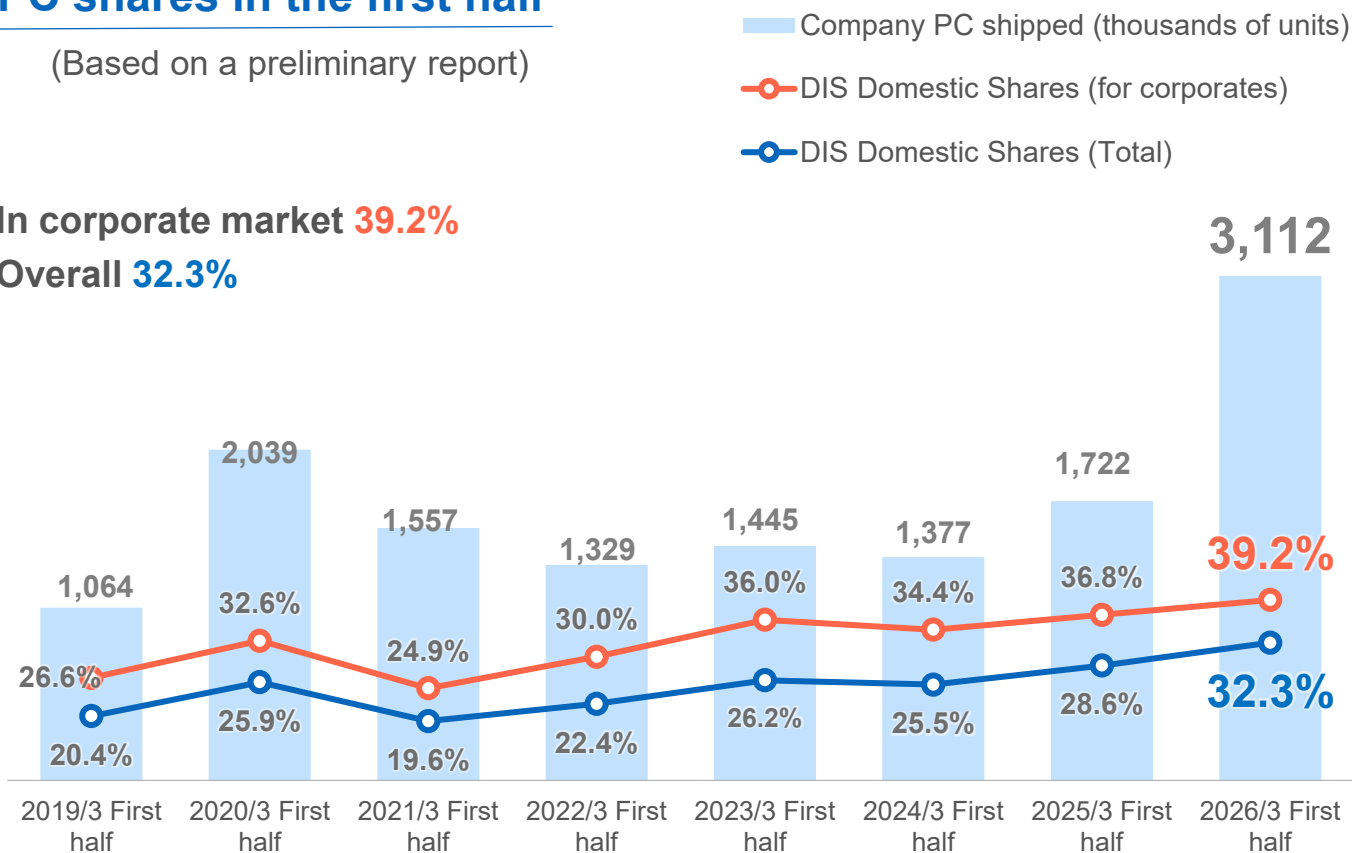
- Following 1Q, sales increased year on year driven by demand for PC replacement toward the termination of Windows support for mass retailers.

Involved in more than **1 in 3 PCs** for domestic market

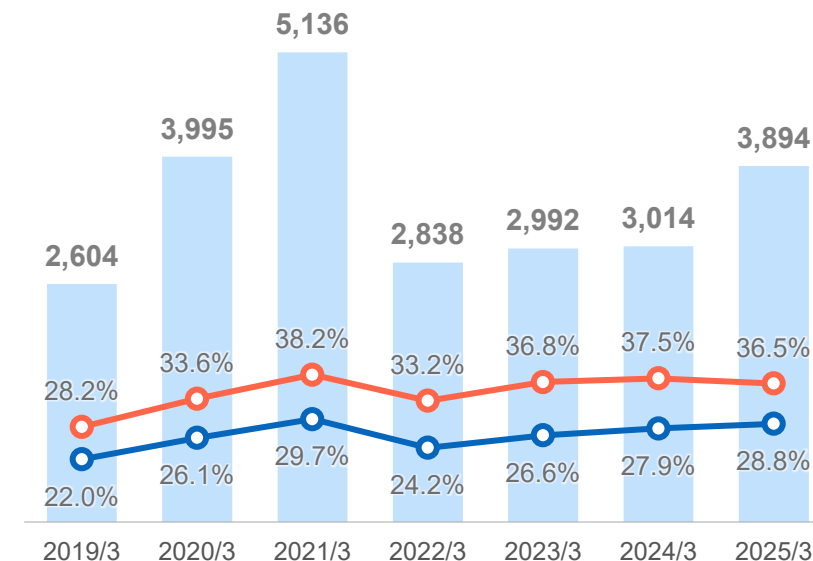
PC shares in the first half

(Based on a preliminary report)

In corporate market **39.2%**
Overall **32.3%**



Trends in PC shares for the full year



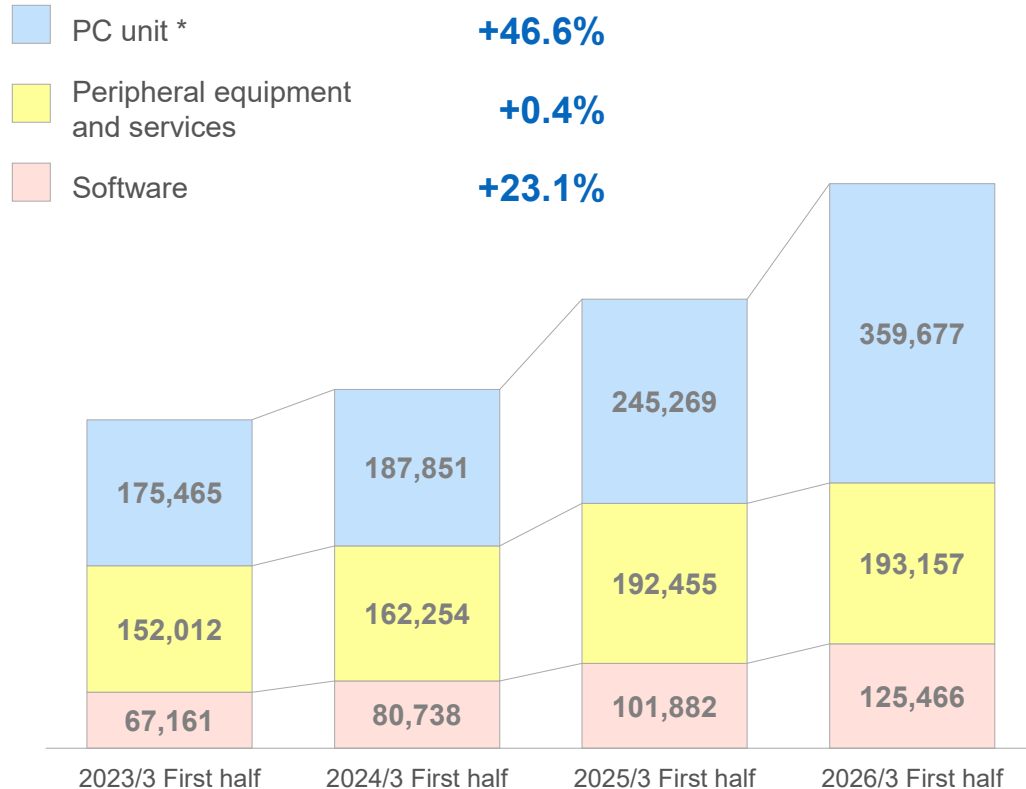
※Calculated from MM Research Institute survey

(As the first half of March 2026 is based on a preliminary report of the research company, the published figures for shares may be changed.)

Results by Product Category

(Millions of yen) <Transaction Volume by Category>

YoY Change



*PC unit = PC, server, tablet, smartphone, etc.

Highlights in 2Q for the year ending March 2026

■ PC unit*

- Transaction volume of PC shipments due to mainly demand for Windows10 EOS (+53.6%) and tablets shipped due to the GIGA School (+77.2%) increased significantly.
- Despite secured server orders mainly for data centers and other IT infrastructure-building projects, sales declined ((4.9%)) due to a pullback of large-scale projects acquired in the same period of the previous fiscal year.

■ Peripheral equipment and services

- Networks ((7.5%)) and self-storage ((16.3%)) decreased due to a pullback of large-scale projects acquired in the same period of the previous fiscal year.
- Services & Supports (+13.0%) equipment, etc. (+6.3%) increased due to increased demand for PC replacement.

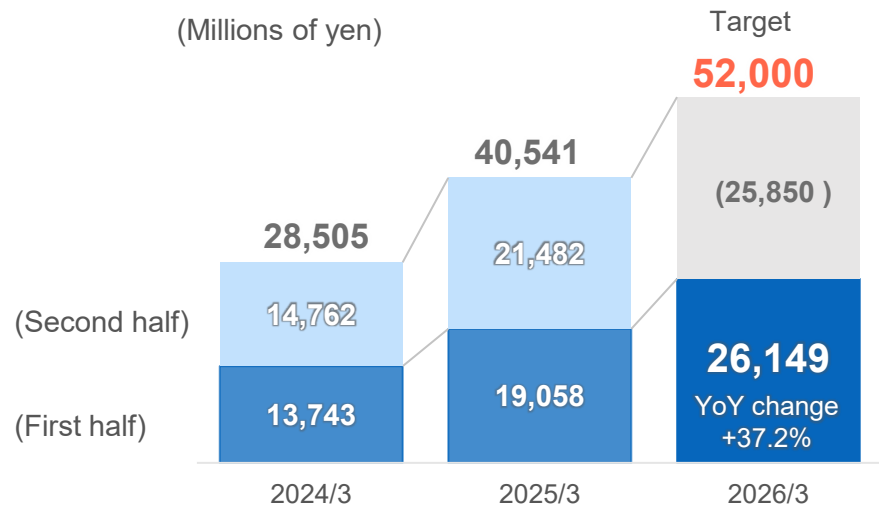
■ Software, etc.

- iKAZUCHI transactions +37.2%
- Sales of cloud services grew thanks to cross-selling of Microsoft365 due to increased PC replacement, as well as software purchasing on the GIGA School.
- Continuously expanded IaaS services (AWS, Azure, etc.)

Transaction volume via iKAZUCHI

Transaction volume using iKAZUCHI

Total sales to sales partners through subscription-managed portal "iKAZUCHI" (included in software category)



Number of vendors and services

136 vendors	143 vendors
258 services	279 services
(as of end Jun 2025)	(as of end Sep 2025)

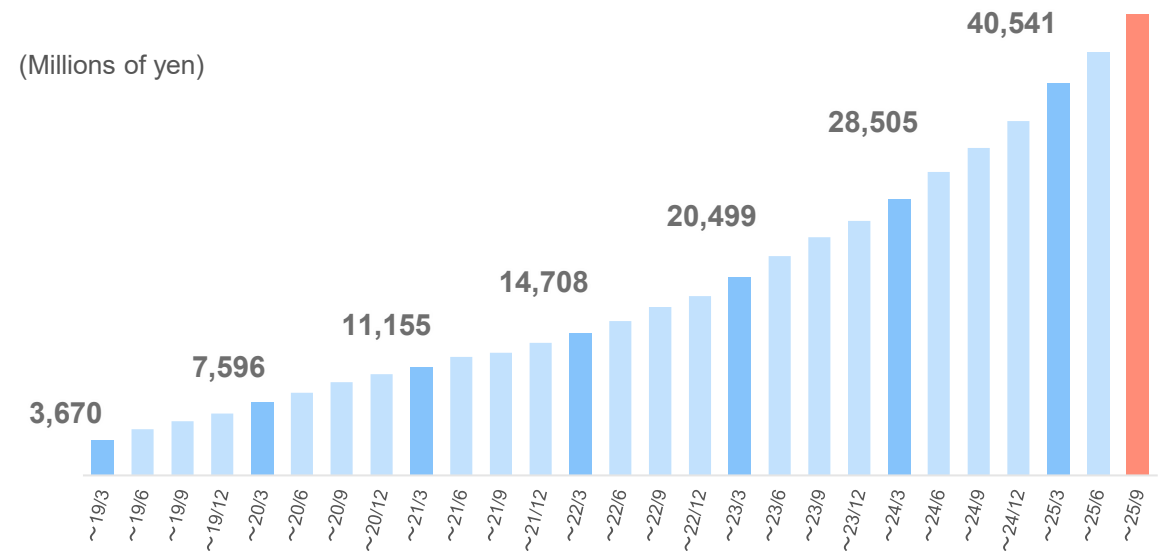
Expanding the Marketplace and Strengthening the "Foundation" of recurring revenue in the subscription business



■iKAZUCHI

Trends in 12-Month Cumulative Transaction Volume (Considering Annual Charges, etc.)

2019/9~2025/9 **CAGR +42.8%** **47,631**

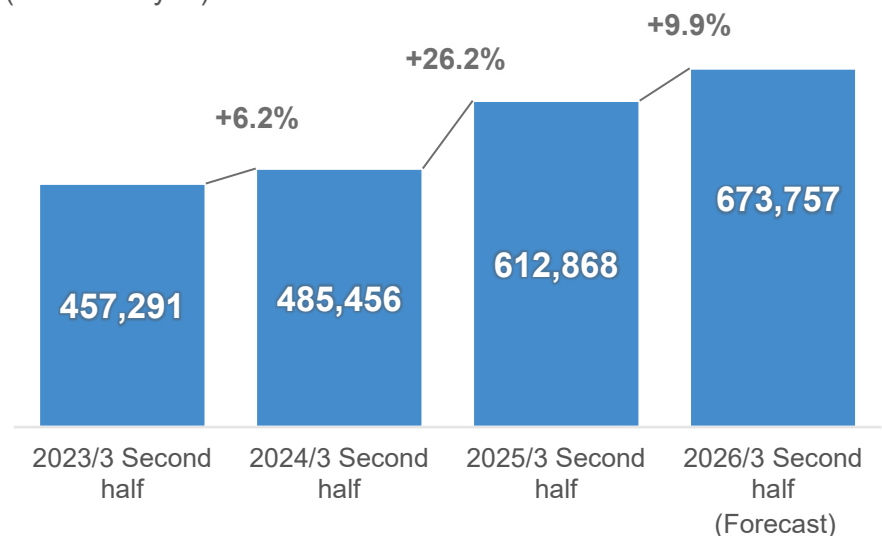


iKAZUCHI growth trajectory

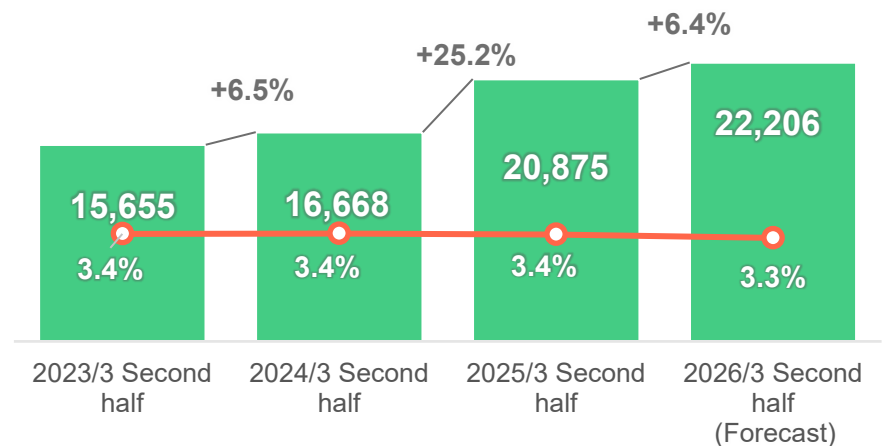
As the high purchasing of the annual payment, steady growth can be confirmed by looking at trends in the cumulative 12 months instead of quarterly.

IT Infrastructure Distribution Business Outlook for the Second Half (Oct. 2025 to Mar. 2026)

(Millions of yen)



■ Net Sales ■ operating income ■ Net Sales Operating income margin



Outlook for the Second Half

■ Demand for Windows10 replacement

After support ends in October, a certain number of demand is expected, particularly among SMEs. 3Q demand is expected to remain relatively high. 4Q is expected to gradually return to normal levels.

■ The GIGA School Program Phase 2

Since number of devices increased more than initially anticipated to be installed through the year, outlook for sales forecast of the group changed from approximately ¥100 billion to approximately ¥140 billion. PC ratio is increasing to 70%, and the number of PC units shipped is expected to increase significantly.

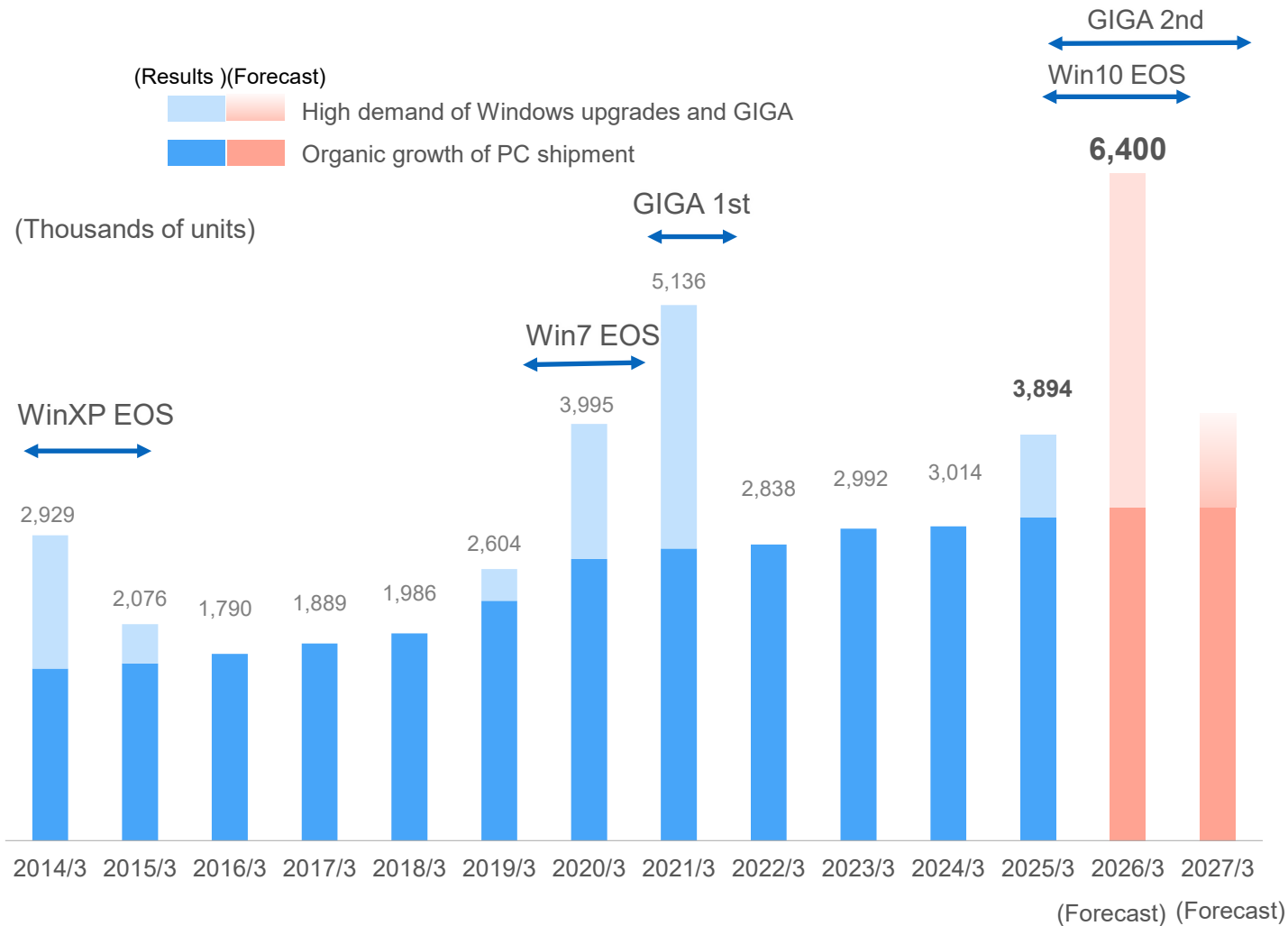
■ Operating income margin

Operating income margin is expected to decline slightly due to the convergence of Windows10 replacement demand and the increase in the ratio of the GIGA School program, strengthen its efforts to secure profits.

Seasonality of IT Infrastructure Distribution Business

Since registrations of sales tend to concentrate on March and September when a great number of companies in Japan close their accounts, we compare the results in the fiscal year under review with the relevant period of the previous fiscal year, not with the preceding quarter

Image of PC Shipments



Termination of Windows10 support

- Demand for PC replacement continued toward the end of Windows10 supports in October. Demand concentrated in the first half.
- 3Q also enjoy relatively strong demand and 4Q gradually return to normal levels

The 2nd phase of GIGA School program

- As nationwide demand of approx. 10million units through FY2024-FY2026, and **approx. 6million units (about 60% of the total*)** is expected to be renewed in this fiscal year. *Revised Company's estimate upward
- Aims to achieve sales of **approximately ¥140 billion** including PC, tablets and related products/services.

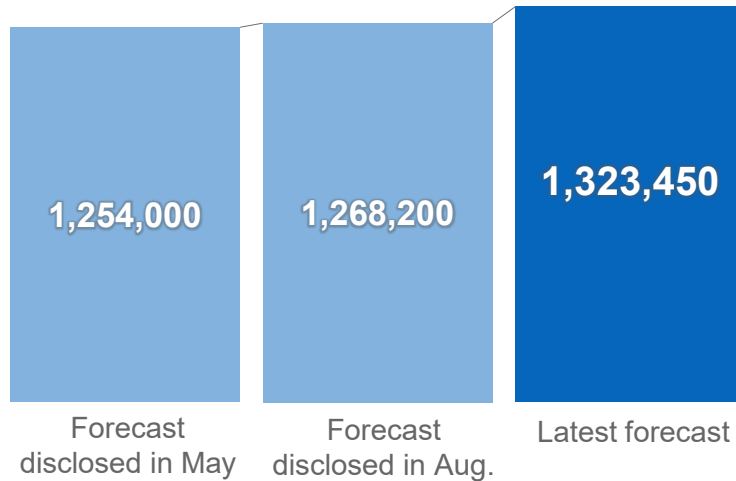
PC Shipments Forecast for FY2026

- Demand for replacement of Windows10 declined by about 0.8 million units from number in FY2025
- Demand of The GIGA School is expected to be around 30% of the total
- Steady and continuous IT demand is expected, including market-penetration of AI PC

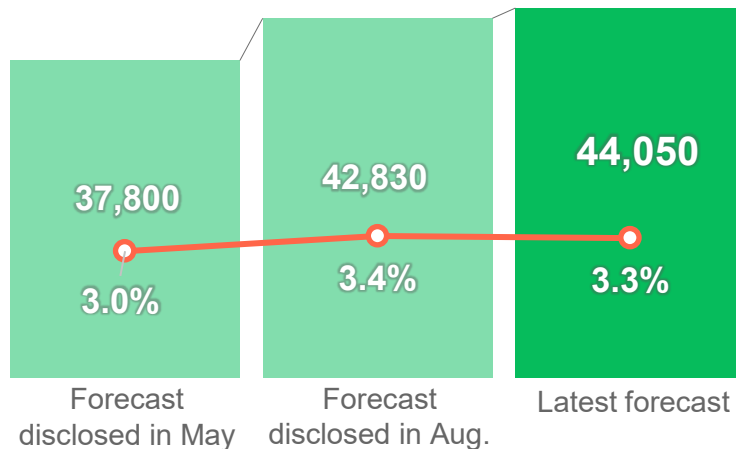
IT Infrastructure Distribution Business - Outlook and Business Strategies

(Millions of yen)

Performance Forecasts in FY2025



■ Net Sales ■ operating income
■ Operating profit margin



Upgrade the position and value in growth areas

- Expand market share in the cloud platform market
- Expand business areas in the SaaS model

Deepen core areas as an industry-leading company

- Expand business areas in the IT device foundation
- Grow the business areas of high value-added products
- Establish a supportive system by dedicated technical teams and boost the capability to make proposals



Partner relationships through driving DX

- Transform business models and improve productivity for enhancing corporate value
- Expand business areas through sales expansion to overseas vendors including cutting-edge technologies

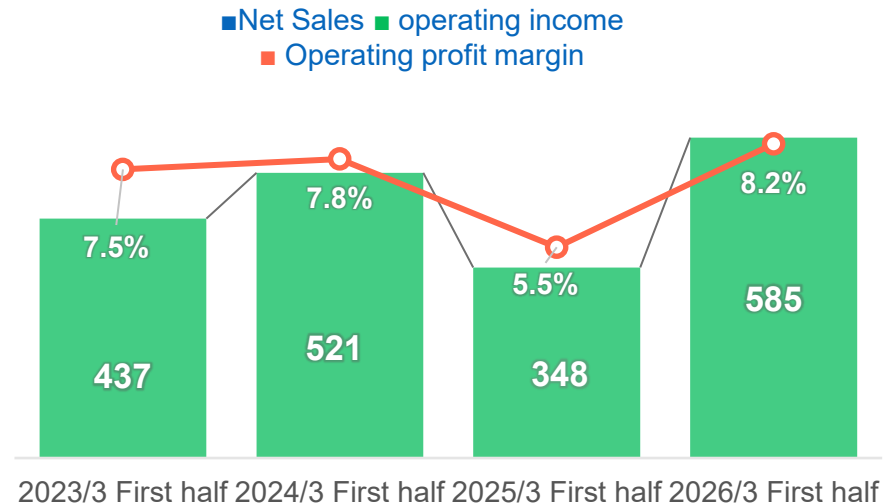
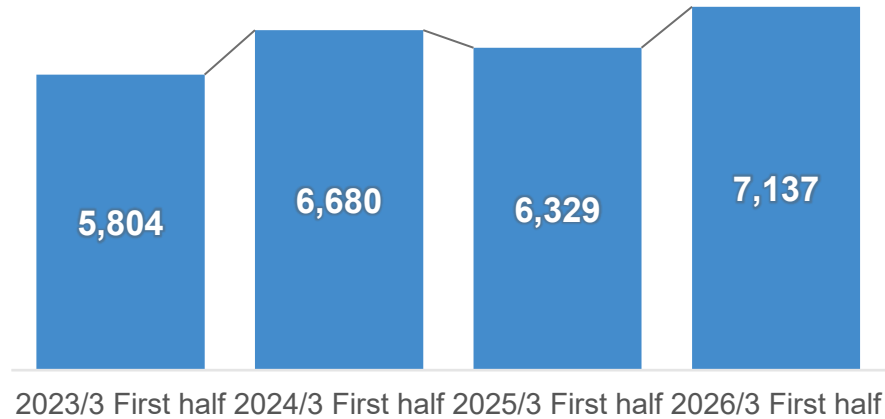
Corporate branding and strategic investment

- Enhance recognition in society, help the industry develop, and contribute to the local communities
- Make investments to strengthen business (Systems, M&A, and business alliances)
- Make investments to optimize the industry (Logistics functions and iKAZUCHI)

Industrial Machinery Business

Industrial Machinery Business

(Millions of yen)



Net sales

7.137 billion yen (YoY +12.8%)

Operating income

585 million yen (YoY +68.2%)

Orders received

6.583 billion yen (YoY +27.1%)

Review of Operations

Machine tools division

- Japan Machine Tool Builders' Association (JMTBA)'s total orders for April to September rose slightly by 5.5% year-on-year, while Company increased significantly by winning orders from the shipbuilding and energy-related industries in addition to its mainstay aircraft industry.
- In addition to recording sales of large-scale shipment in 1Q, capture demand for maintenance and other services
- Enhance the production system for short-term delivery sales, and the service personnel system for overhaul and maintenance demand preparing for recover in the energy and aircraft industry order environment

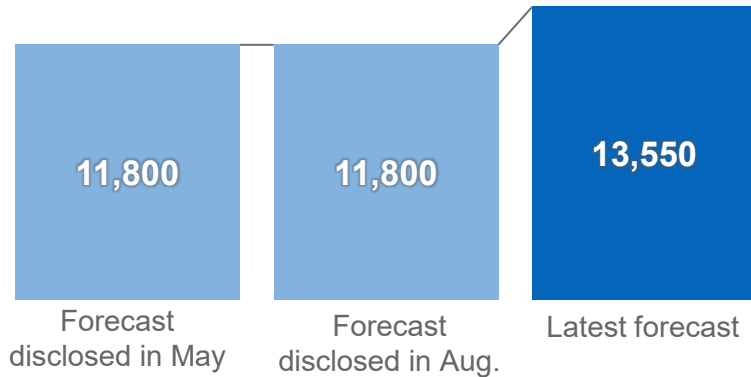
Automatic Machinery Division

- Due to an increase in unit sales in response to the growing need for labor saving for the shortages, sales and operating income increased accordingly.
- Since sales activities were restricted due to system failures at the beginning of the fiscal year, orders decreased 7.6% YoY in the first half. Strengthen sales activities in conjunction with system recovery.

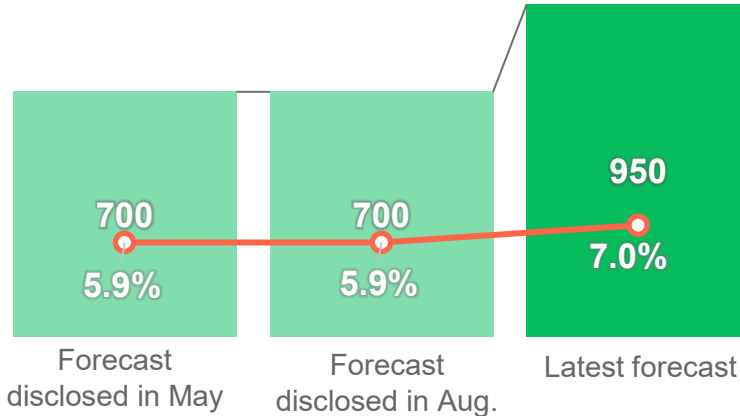
Industrial Machinery Business - Outlook and Business Strategies

(Millions of yen)

Performance Forecasts in FY2025



■ Net Sales ■ operating income
■ Operating profit margin



※Although performance decline is expected in the second half due to the impact of the stagnation of sales activities and restoration work by Ransomware, the forecast has been revised upward considering the conditions in the first half.

Expand business into potential markets for machine tools

- Make proposals for improving production efficiency with machinery equipped with the energy-saving and automation functions
- Implement strategic and planned production by extending Nagaoka Plant
- Aim to expand into new markets by rolling out sales promotions by emphasizing short lead time
- Seek to expand into markets with growth potential for further growth in overseas markets

- Strengthen proposal-based sales activity with an emphasis on the energy and aircraft industries, which are expected to expand.

Capture demand for packaging machine automation in automatic machinery

- Standardizing production through appropriate risk assessment for orders
- Cost improvement through outsourcing
- Step up proposal-based sales activities to the food and confectionery industry



Improve earnings power by strengthening services

- Aim to improve customer satisfaction and expand earnings stably
- Focus on making proposals for overhauling already installed machines
- Enhance technical capabilities through cultivating cooperating companies and upgrading employee skills

Performance Forecasts for the Fiscal Year Ending March 2026

Forecast for the Second Half of the Fiscal Year Ending March 2026 <Upward revision>

(Millions of yen)	2025/3 (Actual)		2026/3						Change 3. – 2.	YoY	YoY Change
			1. Initial forecast (Disclosed on May 14)		2.Revised forecast (Disclosed on August 5)		3.Revised forecast (Disclosed on Nov. 6)				
			Amount	Rate	Amount	Rate	Amount	Rate			
Net sales	619,434		640,000		640,000		680,170		+40,170	+60,735	+9.8%
IT Infrastructure Distribution	612,868		634,400		634,400		673,757		+39,357	+60,888	+9.9%
Industrial machinery	6,565		5,600		5,600		6,412		+812	(153)	(2.3%)
Operating income	21,376	3.5%	21,630	3.4%	21,630	3.4%	22,564	3.3%	+934	+1,187	+5.6%
IT Infrastructure Distribution	20,875	3.4%	21,350	3.4%	21,350	3.4%	22,206	3.3%	+856	+1,330	+6.4%
Industrial machinery	504	7.7%	280	5.0%	280	5.0%	364	5.7%	+84	(139)	(27.7%)
Ordinary income	21,615	3.5%	21,780	3.4%	21,780	3.4%	22,691	3.3%	+911	+1,076	+5.0%
Profit attributable to owners of parent	15,277	2.5%	15,000	2.3%	15,000	2.3%	15,063	2.2%	+63	(214)	(1.4%)
Earnings per share(yen)	-		-		-		169.23		-	-	

Reason for revision

IT demand from corporate customers remained strong and renewal demand from the GIGA School program is expected to continue though in the second half. Performances forecasts for the second half has been revised upward accordingly.

Full-Year Performance Forecast for the Year Ending March 31, 2026 <Upward revision>

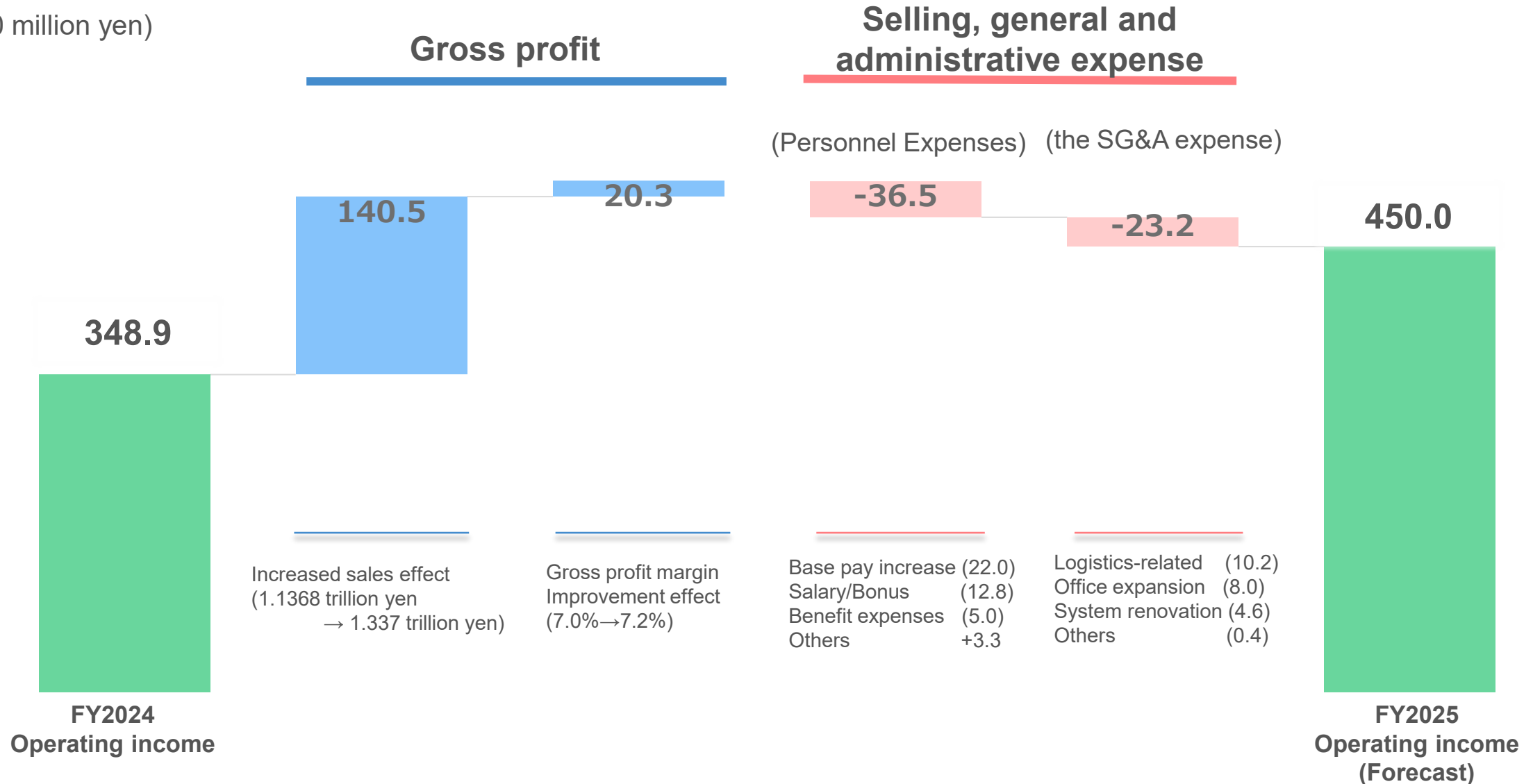
(Millions of yen)	2025/3 (Actual)		2026/3						Change 3. – 2.	YoY	YoY change
			1. Initial forecast (Disclosed on May 14)		2. Revised forecast (Disclosed on August 5)		3. Revised forecast (Disclosed on Nov. 6)				
			Amount	Rate	Amount	Rate	Amount	Rate			
Net sales	1,136,817		1,265,800		1,280,000		1,337,000		+57,000	+200,182	+17.6%
IT Infrastructure Distribution	1,123,922		1,254,000		1,268,200		1,323,450		+55,250	+199,527	+17.8%
Industrial machinery	12,895		11,800		11,800		13,550		+1,750	+654	+5.1%
Operating income	34,899	3.1%	38,500	3.0%	43,530	3.4%	45,000	3.4%	+1,470	+10,100	+28.9%
IT Infrastructure Distribution	34,045	3.0%	37,800	3.0%	42,830	3.4%	44,050	3.3%	+1,220	+10,004	+29.4%
Industrial machinery	852	6.6%	700	5.9%	700	5.9%	950	7.0%	+250	+97	+11.5%
Ordinary income	35,454	3.1%	38,800	3.1%	43,830	3.4%	45,300	3.4%	+1,470	+9,845	+27.8%
Profit attributable to owners of parent	24,751	2.2%	26,700	2.1%	30,100	2.4%	30,800	2.3%	+700	+6,048	+24.4%
Earnings per share(yen)	271.37		297.26		335.73		346.04		+10.31	+74.67	

Reason for revision

Full-year forecasts were revised in line with revisions to second-half forecasts.

Operating income Full year Forecast

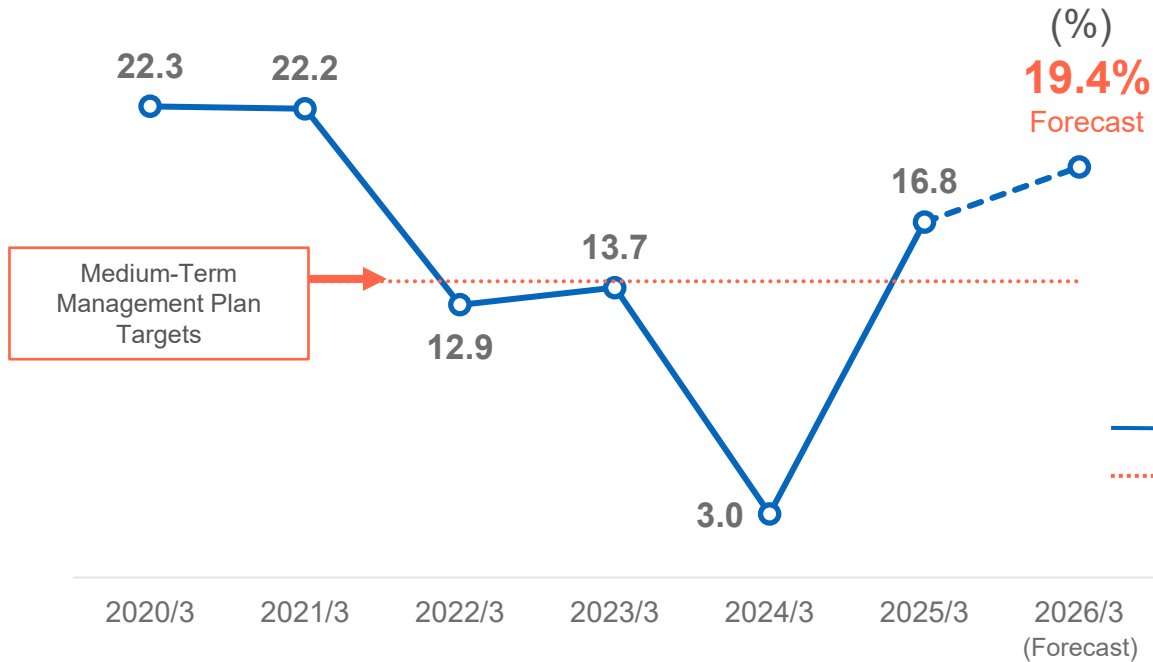
(100 million yen)



Progress of Medium-Term Management Plan <Group management indicators>

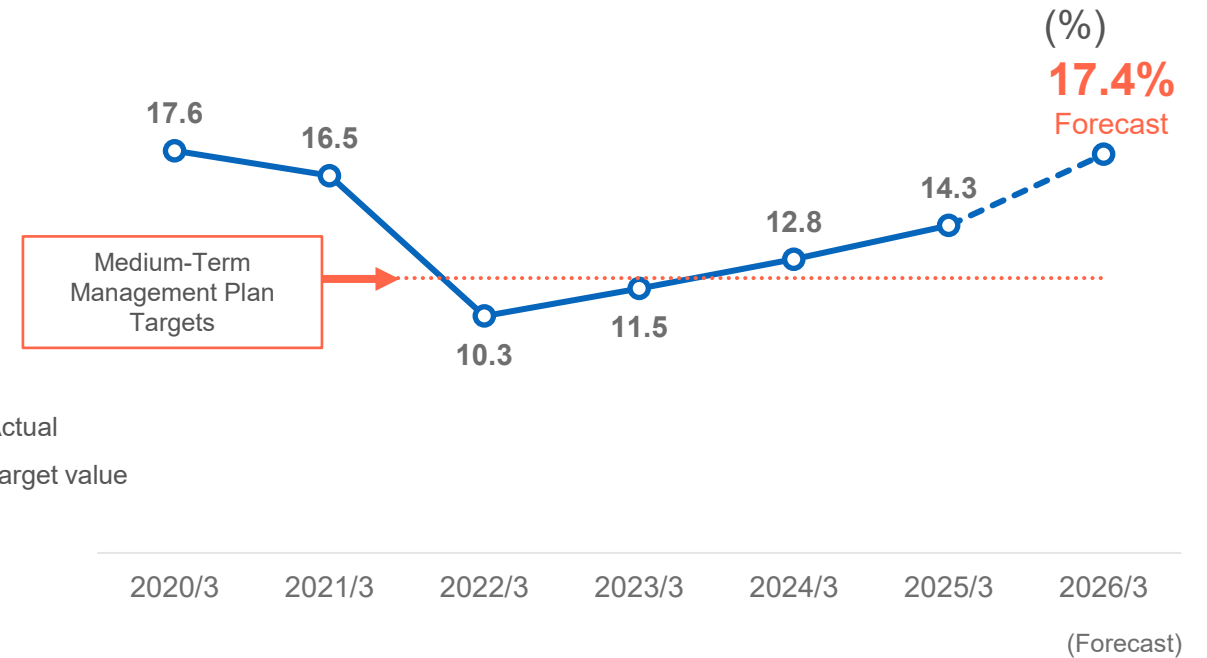
ROE 14% or more

Return on Equity capital
<Returns on Shareholders' equity>



ROIC 12% or more

Return on Invested Capital
※After-tax operating income/(Net assets + interest-bearing liabilities)
<Return on invested capital>



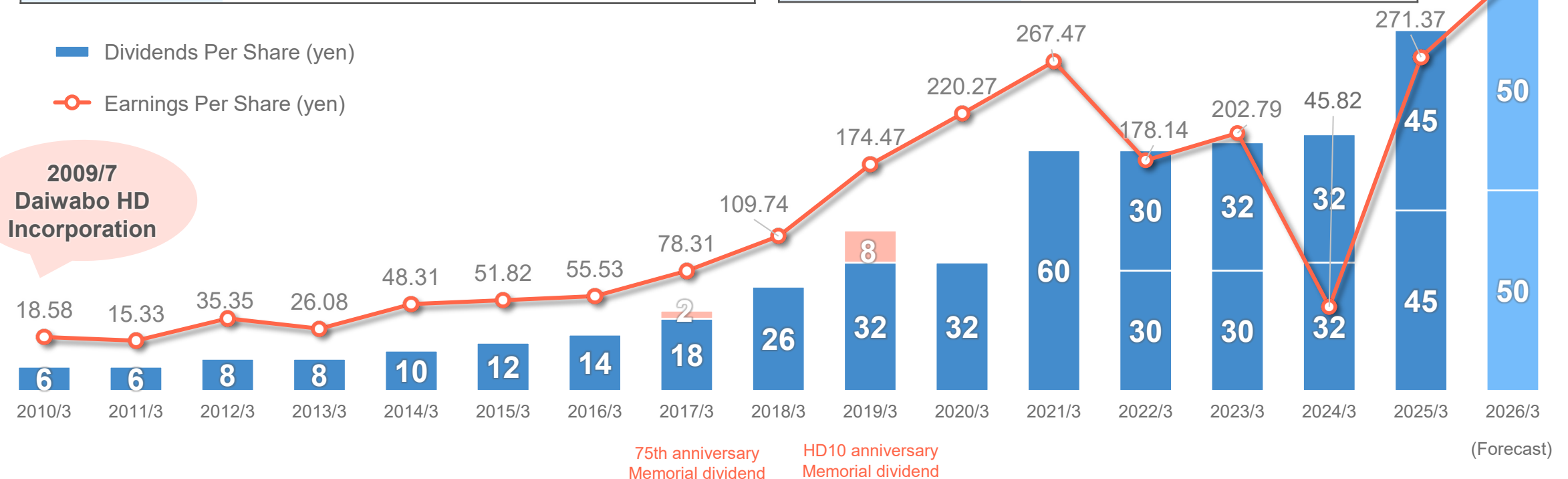
On the back of strong performance forecast meeting the Plan's target level in both ROE and ROIC

Shareholder returns

Shareholder returns Policy

Group Policy	
Dividends	Dividend ratio 30% or more Policy of progressive dividend during the current Medium-Term Management Plan
Acquisition of treasury shares	Aim for total payout ratio of 60% or more Combining flexible acquisition of treasury shares Retirement of Treasury share for 7,877,432 shares (Scheduled on November 28, 2025)

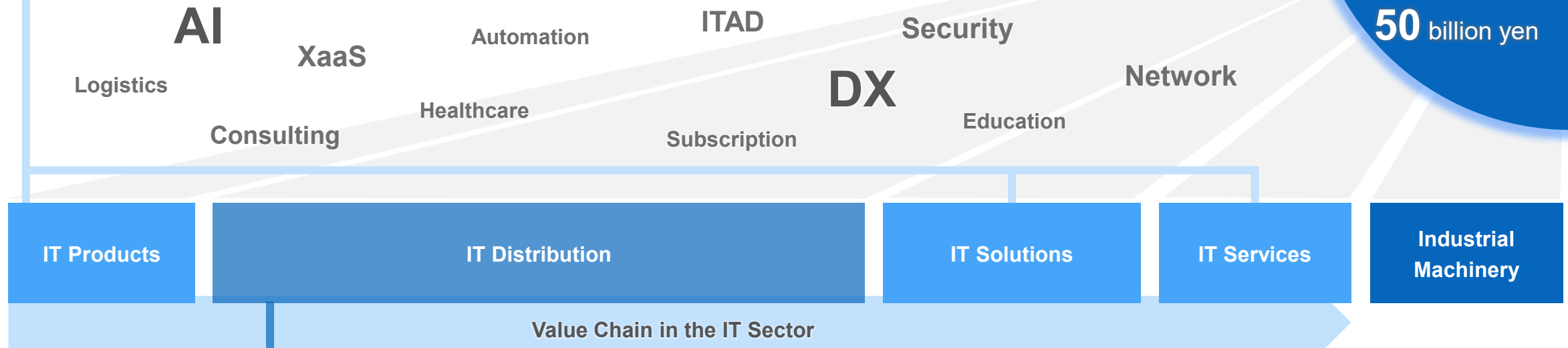
Forecast at the end of March 2026			
	Interim	Term end	Annual
Dividend per share	50 yen	50 yen	100 yen
Acquisition of treasury shares	Up to 8 billion yen (Scheduled for July 1, 2025 to February 27, 2026)		
Dividend ratio	28.9%		
Total payout ratio	54.8%		



The Way the Company Should Be that We Hope to Reach through “2030 VISION”

For new areas, search the peripheral fields of the IT market of which we have knowledge, and advanced technology fields including AI- and DX-related ones

FY2030 target
Consolidated
operating income
50 billion yen



Expand and reinforce functions with a focus on **3S** [Service / Solution / Sustainability] to further strengthen and deepen **core areas**

Achieve sustainable growth by leveraging the merits of a holding company system that enables rapid decision-making and investment

▶▶ We also consider changing the company name toward the embodiment of the way we should be

Reference Materials

- Outline of Medium-Term Management Plan (March 2025 to March 2027)
- Business Overview
- “Transaction Volume” of IT Infrastructure Distribution Business
- Performance Graph

01

Growth under the holding company structure

- Seek entry into new business areas as a holding company
- Operating companies will engage in strengthening and reorganization within their segment

02

Challenge to break the “highest in the past”

- Renew the past highest records in net sales and profits
- The company, organizations, businesses and individuals will aim at their best performance in their respective field

03

Enhancement of stakeholder engagement

- Enhance trusted relationships with and cooperate through mutual understanding with shareholders, business partners, employees, local communities, and others
- Further reinforce the management foundation required by the aspects including human capital, systems, and governance.
- Drive well-being oriented management

Progress of Medium-Term Management Plan <Operations>

Progress of Medium-Term Management Plan

* Revised forecasts for FY2025 and FY2026 of the medium-term management plan
 **Revised upward on Nov 6, 2025

(100 million yen)	FY2024 (Plan)	FY2025 (Plan)	FY2026 (Plan)
Net sales	9,750	10,500	10,000
Operating income	311	350	330
Operating income margin	3.2%	3.3%	3.3%

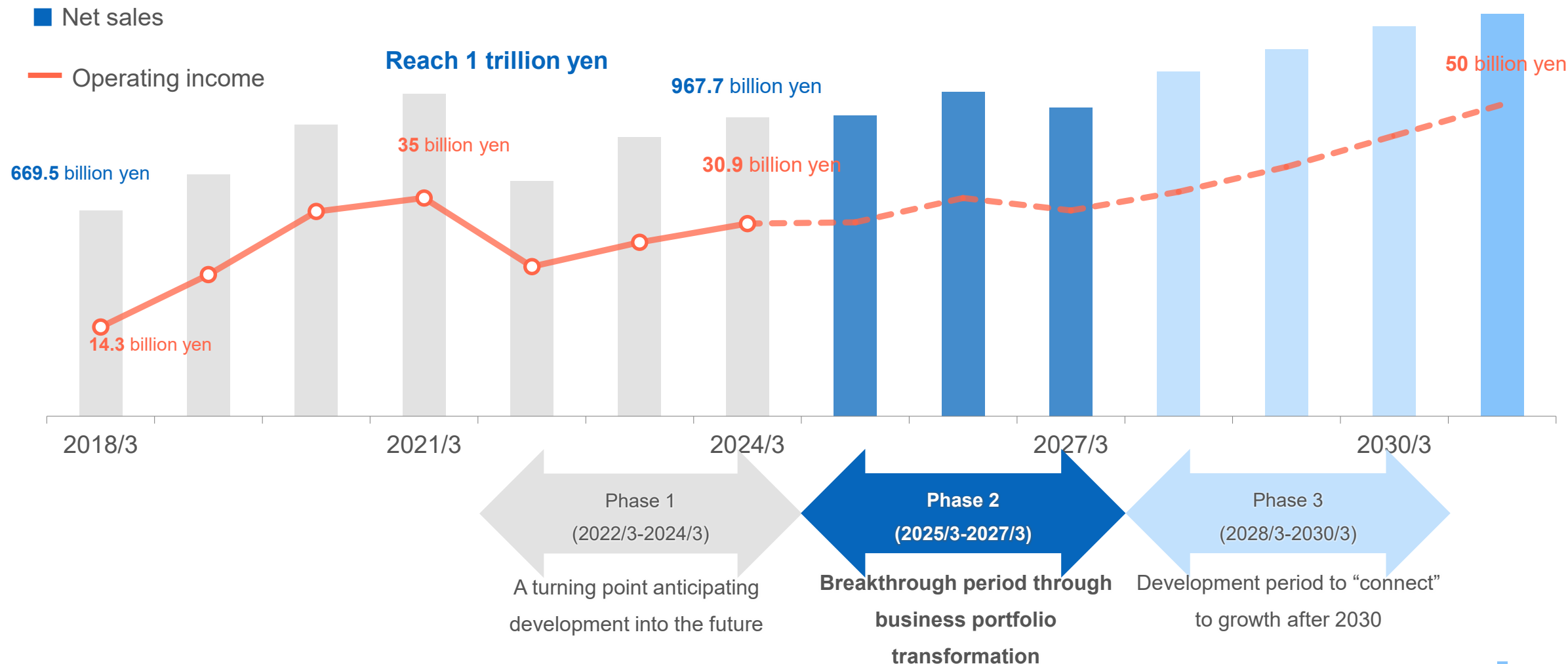


(100 million yen)	FY2024 (Results)	FY2025 (Plan)**	FY2026 (Plan)
Net sales	11,368	13,370	11,400
Operating income	348	450	360
Operating income margin	3.1%	3.4%	3.2%

Future Outlook

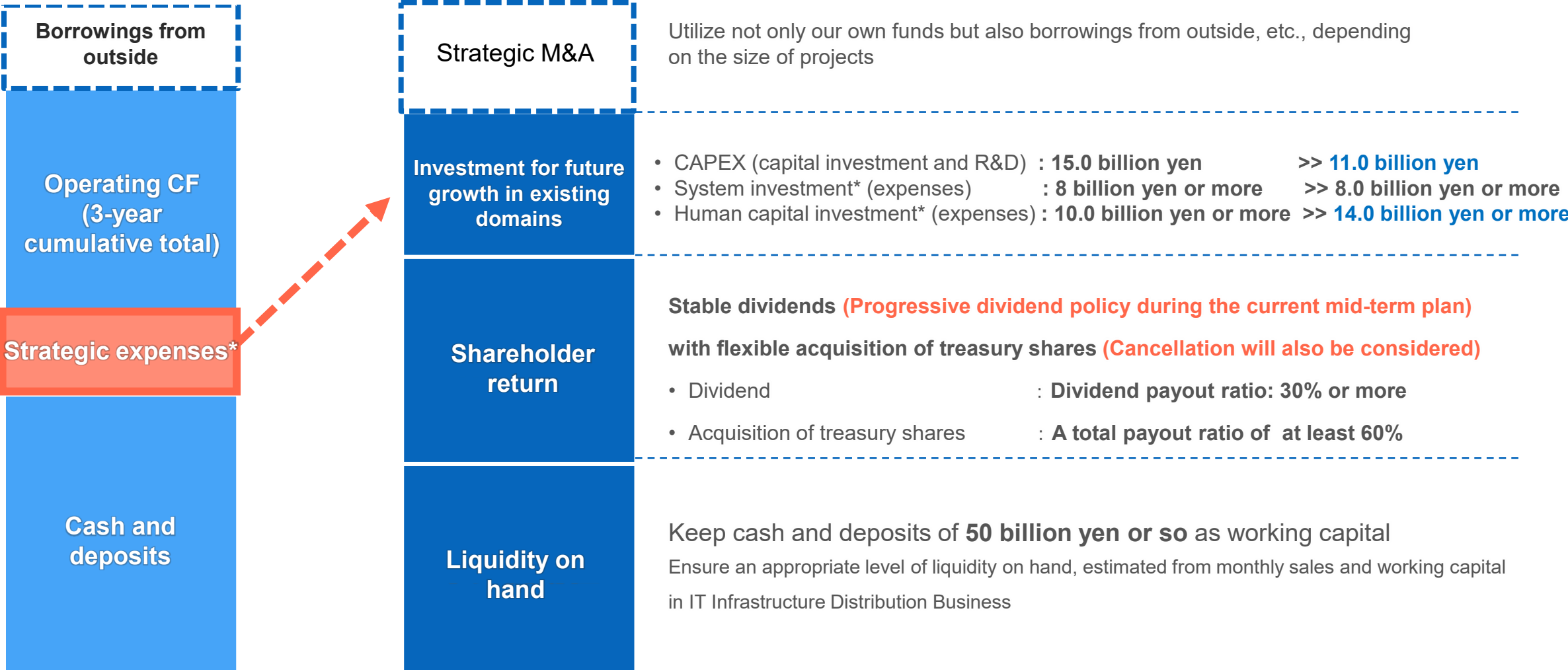
- Underlying demand excluding temporary factors is expected to grow steadily in line with the expansion of IT investment in response to labor shortages.
- Although the number of PC shipped in the marketplace seems to have leveled off, there is room for unit price increases by expansion of AI PC demands and applications.
- Involved in the cloud-related field, which has the highest growth rate, mainly through iKAZUCHI, and are expanding related services.
- Aim to expand business into new areas, considering execution of M&A and improvement profitability

Three crucial years even from the viewpoint of working backward from “2030 VISION”



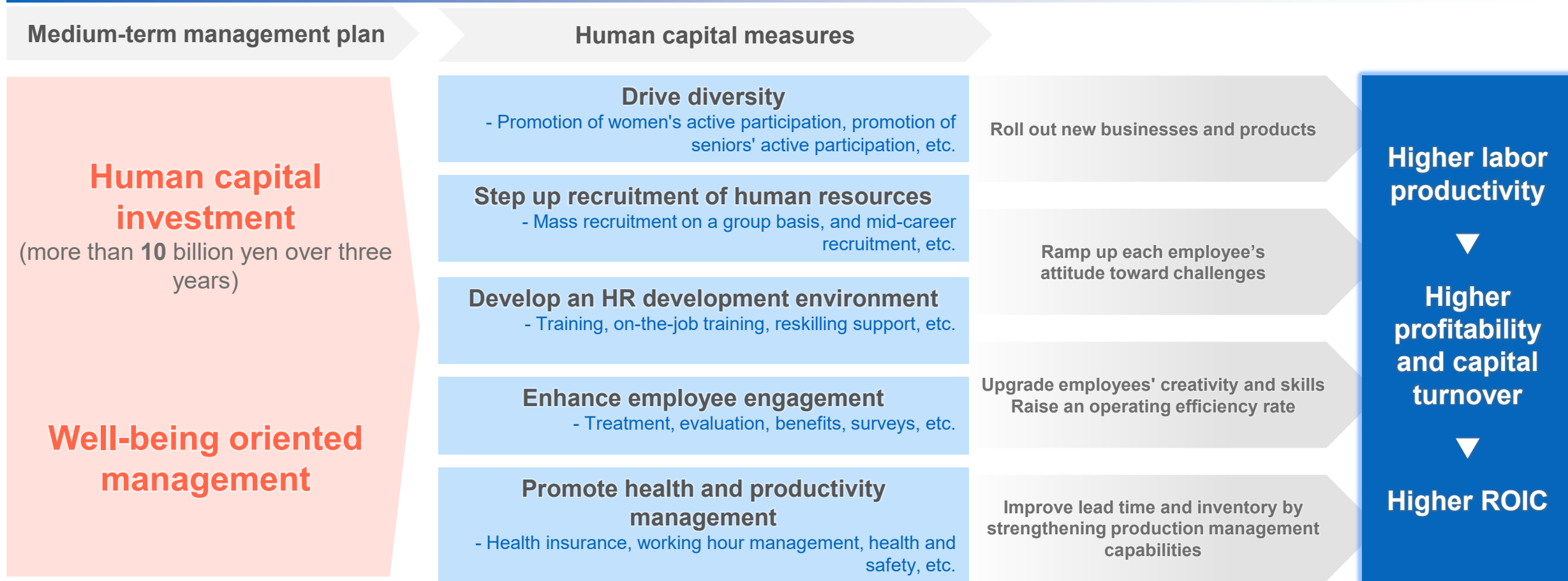
Capital Allocation Policy (FY2024 – FY2026)

Images of capital allocation over a three-year cumulative period



Among the investment for future growth, system investments and human capital investments are regarded as expenses in accounting, out of which an increase from results of 2024/3 is counted in

Sustainability Human Capital Strategy



TOPICS

- Large-scale base pay increase of salaries (including revisions to initial salaries) has been implemented at group companies since 2023
- In addition to substantial base pay increase, invest aggressively in educational and welfare programs in the current fiscal year
- Expand human capital expenditures of 10 billion yen or more to ※14 billion yen or more in the 3 years planned in the medium-term plan
- Certified as the KENKO Investment for Health program 2025 (promoted by METI) by DIS

Labor productivity on a group-wide basis

Target sales per employee : 3-year average +5.7% or more

Plan to push forward with M&A for further growth
Carry out M&A through disciplined investment decisions with business areas and hurdle rates in mind

Business areas

Consider M&A mainly in the following business areas

- AI
- DX
- XaaS
- Subscription
- Network
- Logistics
- ITAD
- Consulting
- Security
- Automation
- Education
- Healthcare



Decision-making on investment and procurement

Make investment decisions on a quantitative basis

Will it exceed cost of capital?

Cost of shareholders' equity: 6.2% to 7.5% WACC: 5.8% to 7.0%

Will it contribute to improving EPS in the long term?

Compare with acquisition of treasury shares

Financial soundness: Maintain Rating A in the long term*

Will it lower capital efficiency?

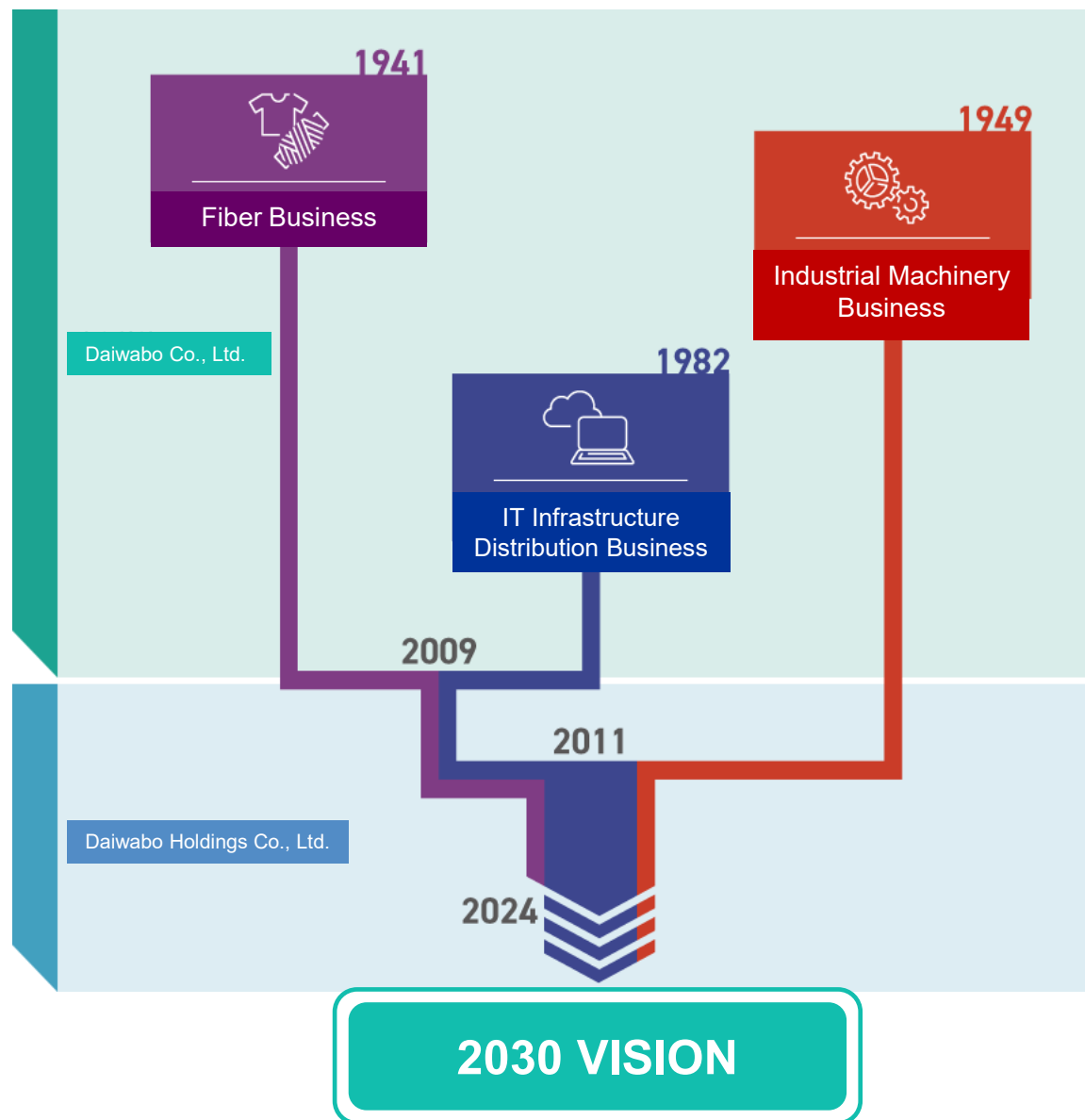
Fund procurement policy

Small projects will be funded by funds on hand, but funds will be procured through borrowings, if necessary

Reference Materials

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Group History

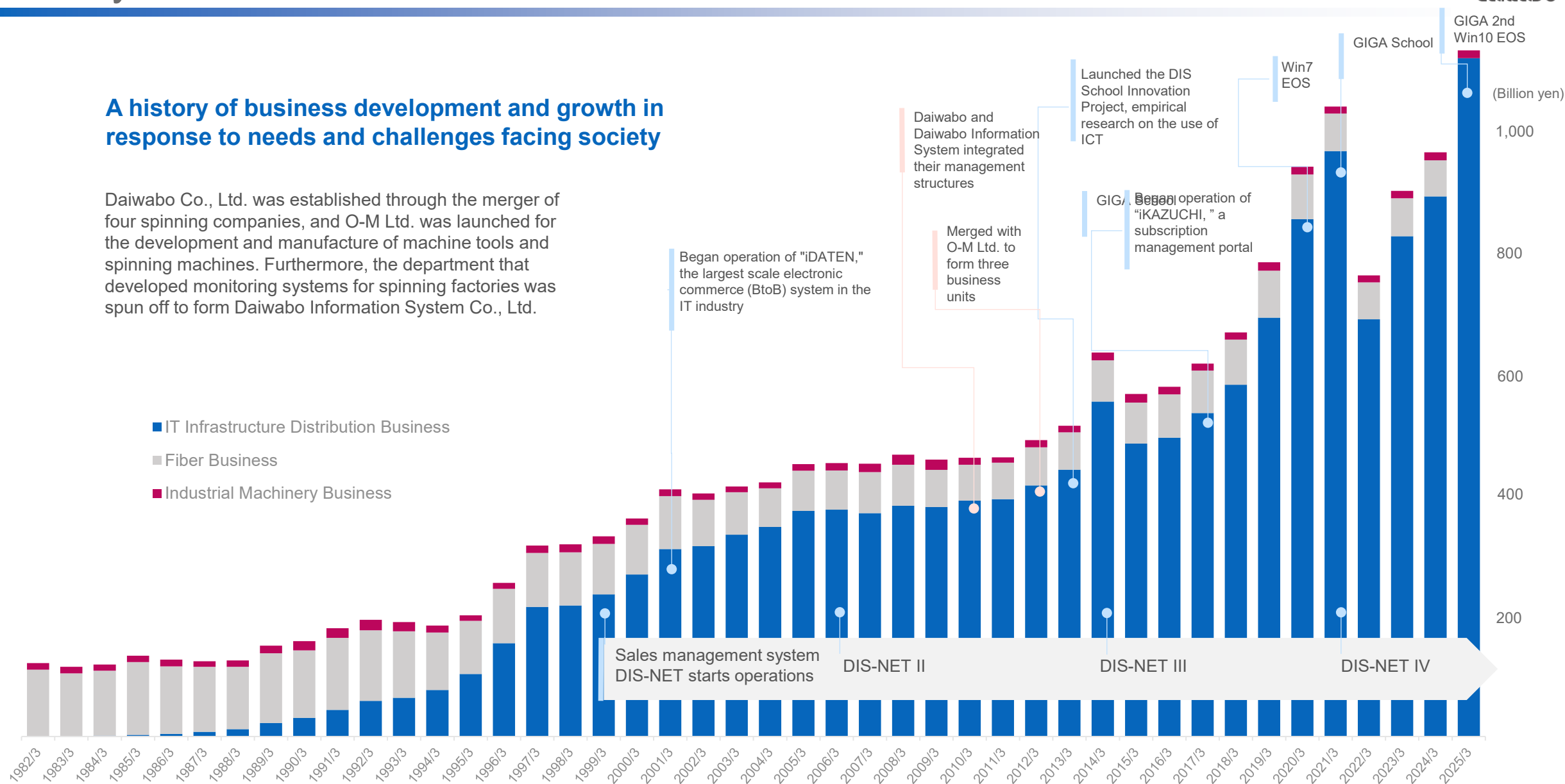


- 1941 Established Daiwabo Co., Ltd.
- 1949 Established Daiwa Machinery Co., Ltd.
- 1960 Merged with Osaka Kikai Seisakusho to form O-M Ltd.
- 1982 Established Daiwabo Information System Co., Ltd.
- 2009 Integrated Daiwabo Co., Ltd. and Daiwabo Information System Co., Ltd.
Company name changed to **Daiwabo Holdings Co., Ltd.**
- 2011 Management Integration with O-M Ltd. to form 3 Business Structure
- 2024 Independence Daiwabo Co., Ltd and “2030 VISION” Released

History of Value Creation

A history of business development and growth in response to needs and challenges facing society

Daiwabo Co., Ltd. was established through the merger of four spinning companies, and O-M Ltd. was launched for the development and manufacture of machine tools and spinning machines. Furthermore, the department that developed monitoring systems for spinning factories was spun off to form Daiwabo Information System Co., Ltd.



History of Daiwabo Information System Co., Ltd.(DIS)

1982 Established DIS

- DIS begins with just 10 employees by leveraging its know-how developed within Daiwabo Co., Ltd. to monitor production sites using PC
- Shifting to sales of PC and other information-related equipment rather than system-development or -sales

1983-1984 Multi-sales bases

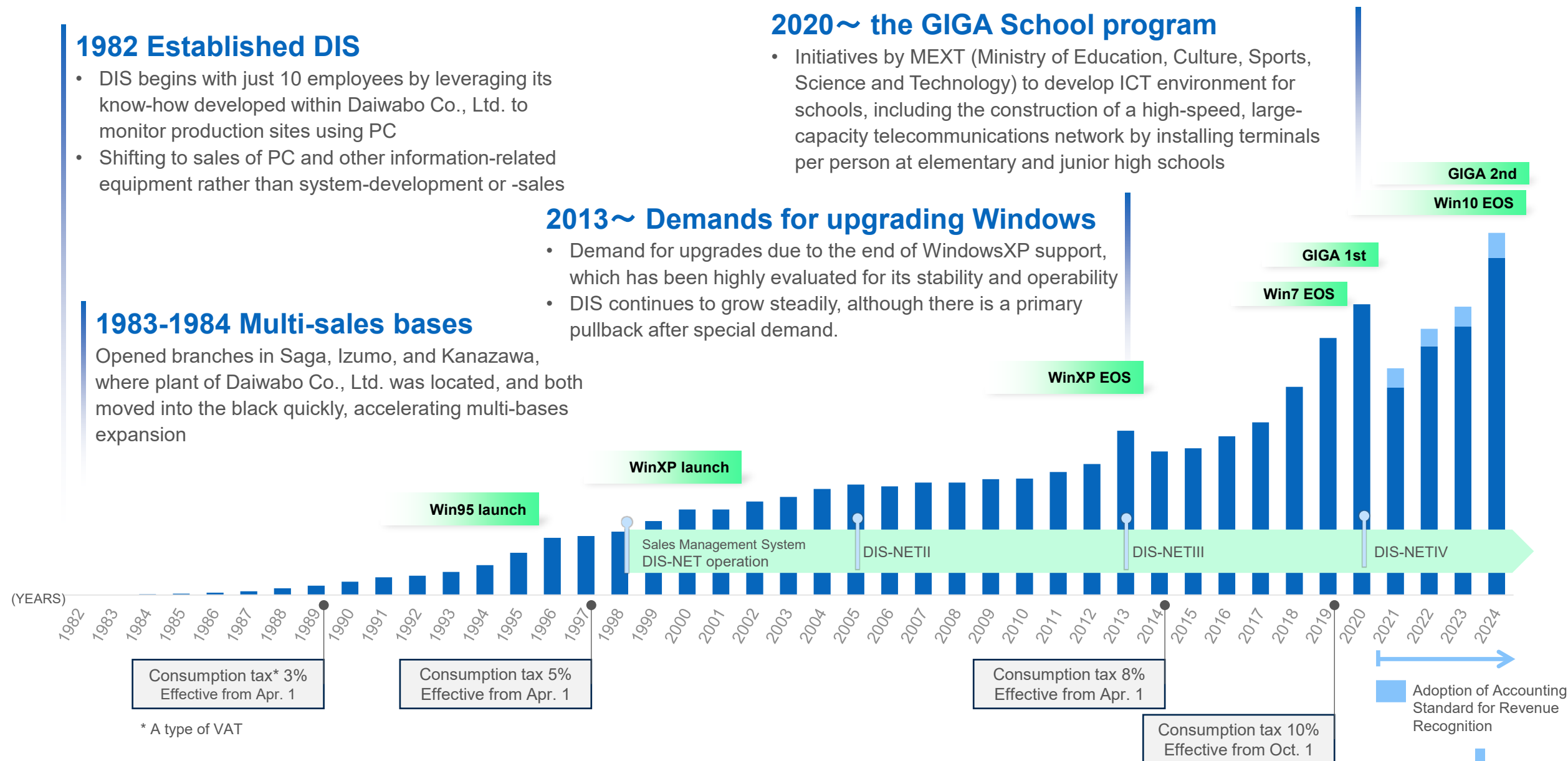
Opened branches in Saga, Izumo, and Kanazawa, where plant of Daiwabo Co., Ltd. was located, and both moved into the black quickly, accelerating multi-bases expansion

2020~ the GIGA School program

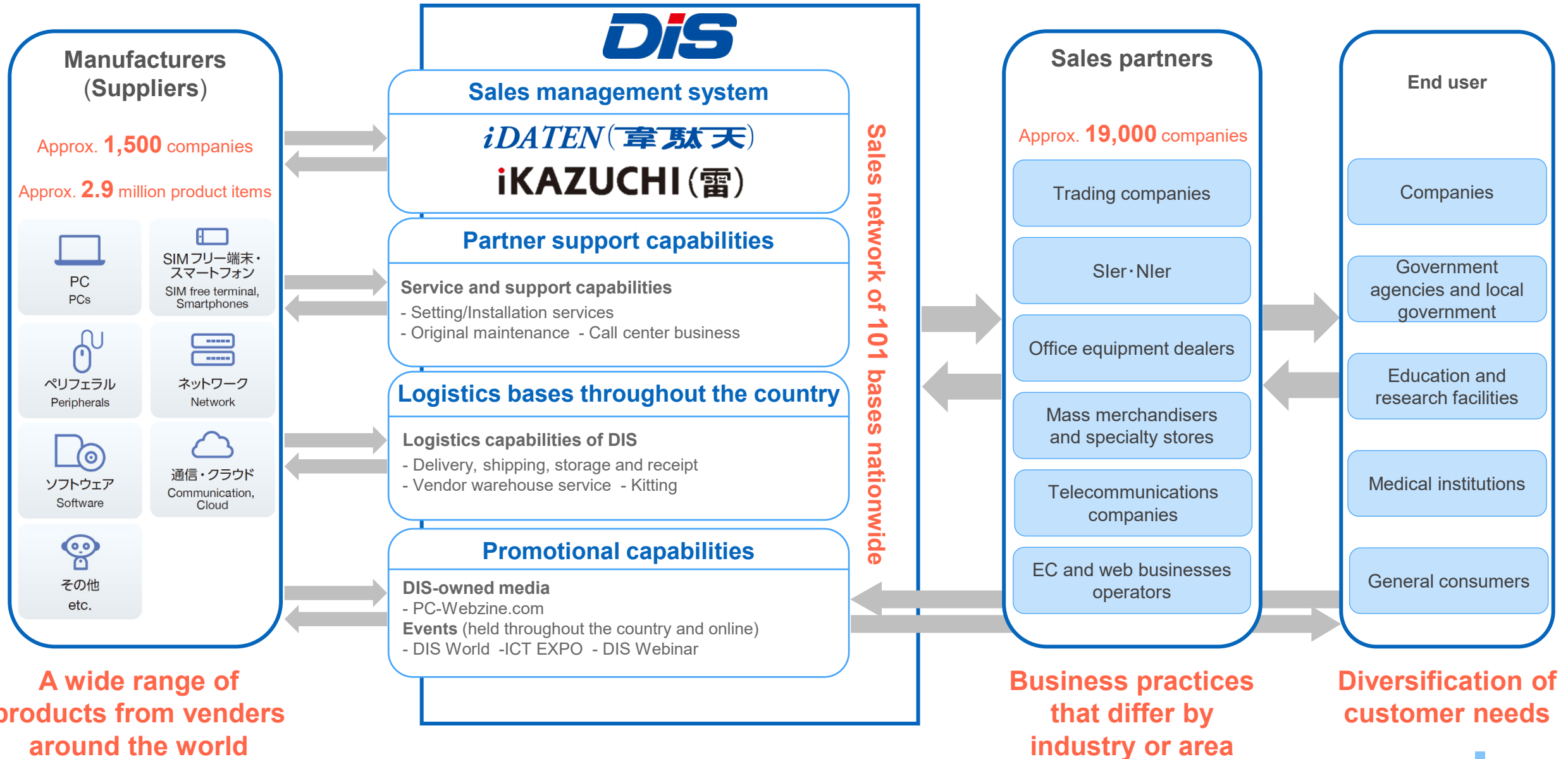
- Initiatives by MEXT (Ministry of Education, Culture, Sports, Science and Technology) to develop ICT environment for schools, including the construction of a high-speed, large-capacity telecommunications network by installing terminals per person at elementary and junior high schools

2013~ Demands for upgrading Windows

- Demand for upgrades due to the end of WindowsXP support, which has been highly evaluated for its stability and operability
- DIS continues to grow steadily, although there is a primary pullback after special demand.



The Business Structure of IT Infrastructure Distribution Business



Role and Added Value of Distributors

Manufacturers (Suppliers)

Approx. 1,500 companies
Approx. 2.9 million product items

Product development
Sales / promotions
Orders / production
Inventory / shipment
Billing / collection

Expand sales channels and improve sales efficiency using DIS's sales network

- Through supply chain management developed over many years, **share demand and needs across the country and reflect them in manufacturers' production plans and promotions**
- By using the logistics center as a warehouse for vendors, **realize shipping combining kitting and combinations with other companies' products in addition to time and cost savings for vendors**
- Collaborate with vendors entering the Japanese market from overseas to **provide sales and distribution networks covering Japan**

Integration / collaboration / agency
DIS
Role of DIS
Integration / collaboration / agency

Sales network of
101 bases
nationwide

Logistics center

Product selection
/ proposal

Identification of
market needs

Kitting

Maintenance and
support

Sales partners

Approx. 19,000 companies

Selection	Setup
Proposal	Delivery
Estimate	Payment
Order	Customer handling

Focus on businesses they specialize in by effectively utilizing DIS functions

- Propose / offer products and information of various vendors **in the best mix**
- From extensive inventory, **deliver quickly to end users nationwide** on behalf of sales partners
- **Provide one-stop technical services** such as pre-shipment kitting, operation, maintenance, and extended warranty
- **Create demand using nationwide bases**, such as holding events and promotions tailored to regional characteristics

Greater Efficiency of Distribution Centers

Kansai Center (Kobe City)



May 2020 Full-scale operation

Warehouse area: 36,342 m²

Kanto Central Center (Yoshimi Town, Saitama Prefecture)



June 2016 Full-scale operation

Warehouse area: 44,753 m²

Robot storage system

→ Greater work efficiency and optimization of space

[Number of robots operating]

Kanto Central: **45**, Kansai: **30**

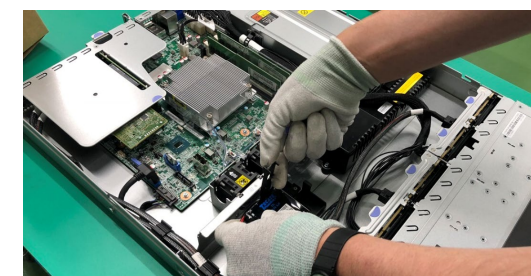
Also equipped with kitting centers

→ Arrival > work > quick handling for shipment

PCs and tablets : **188,000** units a year
Kitting results (2024/3)

Truck booking acceptance system

→ Sharing of incoming and outgoing information and vehicle leveling

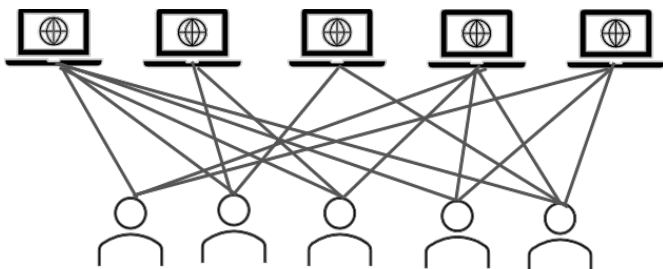


Focus on greater efficiency and improvements in productivity centered on eastern and western mega-centers

iKAZUCHI - A platform for managing subscription contract -

Situation where multiple services are directly used

Labor Management/Design/Development/Online Meeting/Securities etc.



With multiple payment methods available, such as monthly, annual, and pay-as-you-go, managing subscription contracts for each account might be complicated when signing up, renewing, or canceling.

iKAZUCHI is a platform for managing subscription contract

Labor Management / Design / Development / Online Meeting / Securities etc.



Management portals provided to sales partners

iKAZUCHI (雷)

- Centralized management of multiple vendors, subscription services, and user accounts.
- Enable to check the status of the contract on the same screen as the user even when using multiple services.
- Users also enable to check the contract status by themselves.
- Corresponds to various payment cycles such as monthly, annual, and pay-as-you-go

End Users



“The Network Effects” provided by iKAZUCHI

The more services, contracts, and users there are, the more valuable iKAZUCHI becomes.

Large

Number of Subscription services

iKAZUCHI provides

143 Vendors / 279 Services

110,000 or more user companies

139,000 or more contracts

(As of the end of Sep. 2025)

Number of contracts / Number of users

Large

Using iKAZUCHI not only improves convenience for sales partners, but the more users there are, the more valuable it becomes for vendors to list their services on iKAZUCHI . Furthermore, the expansion of the service increases its value to users as well. “The network effect” is a result of the expansion of the network, bringing value to vendors, sales partners, and users alike.

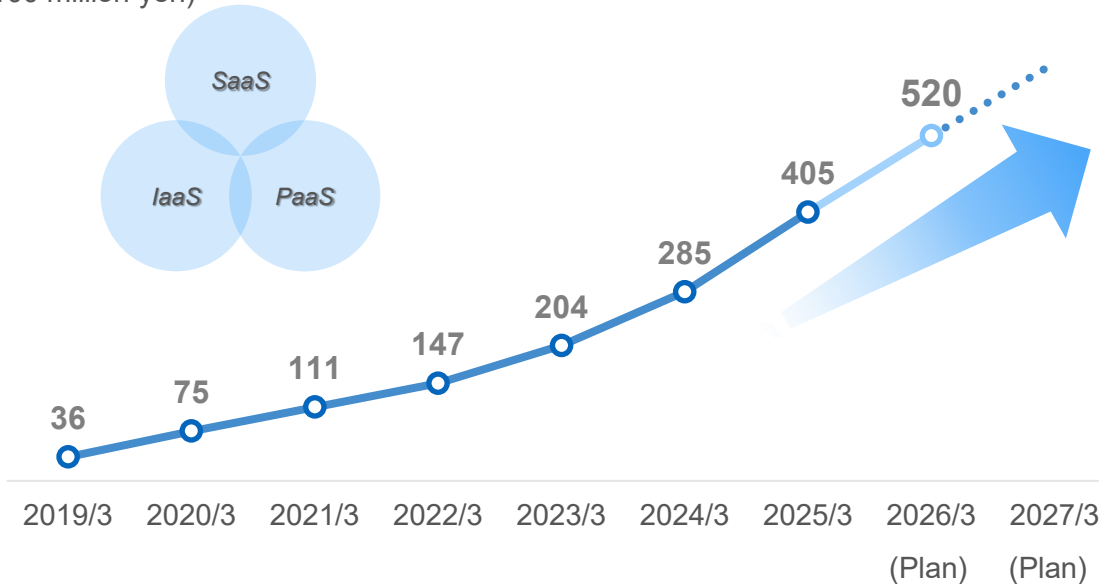
Sales target iKAZUCHI and trends in the number of registered dealers

Transaction volume via iKAZUCHI

Total sales amount to sales partners through subscription-managed portal “iKAZUCHI” (included in software category)

Aim to grow by more than CAGR30% 2024/3~2027/3

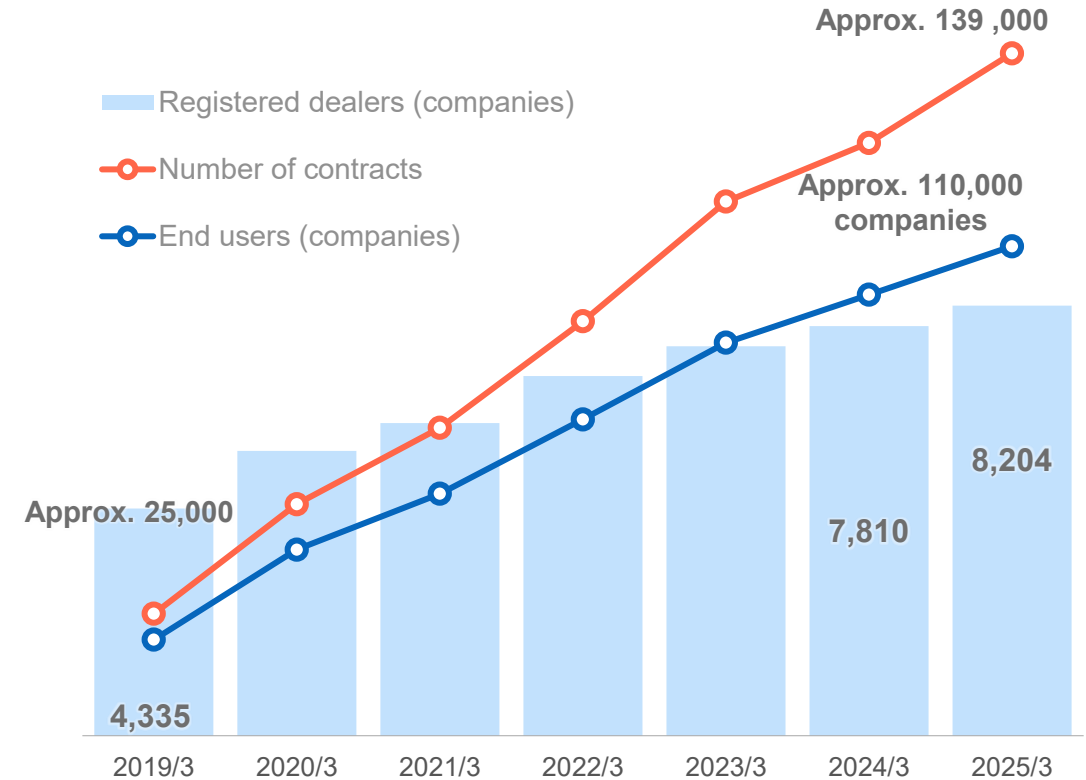
(100 million yen)



Strengthen the “foundation” for recurring revenue by expanding the subscription business market



Changes in the number of registered dealers

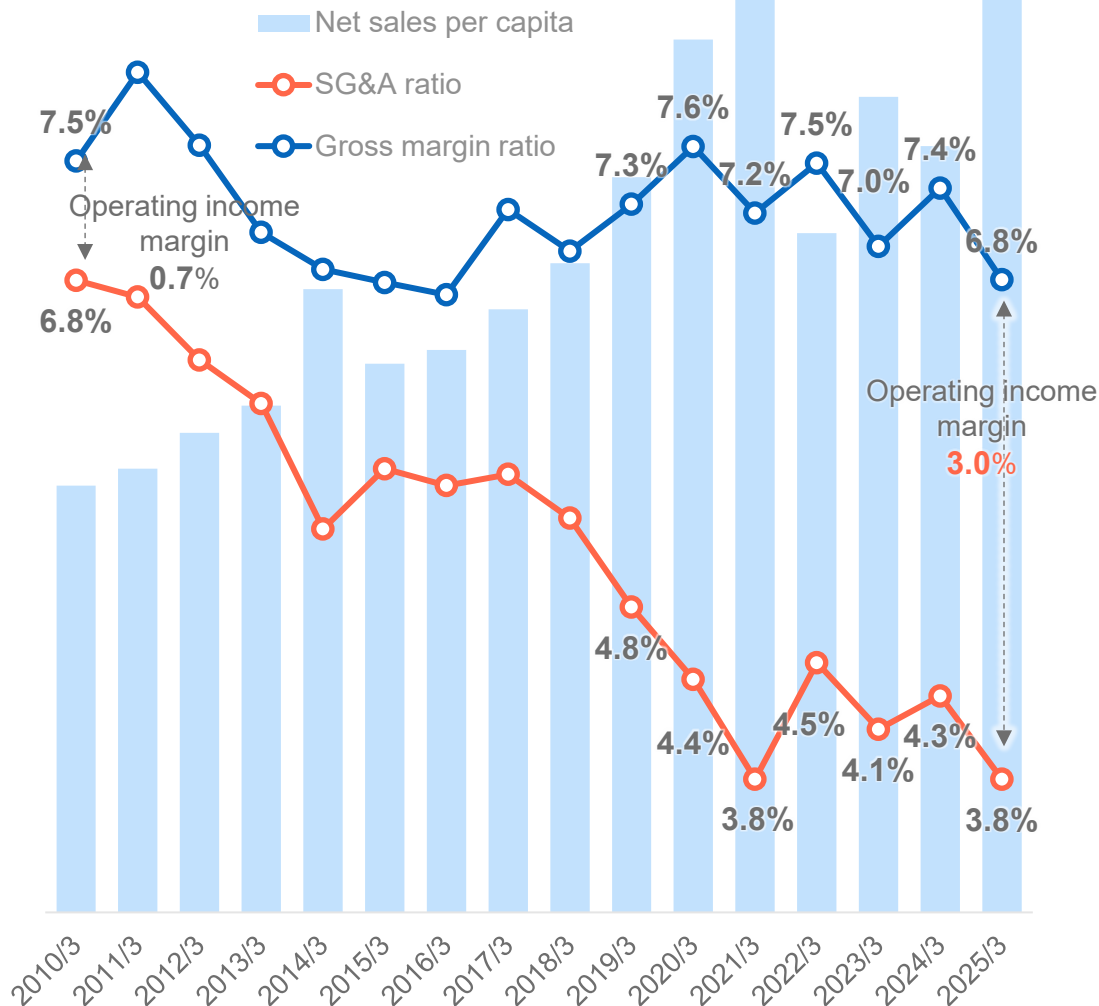


Number of vendors



Sales Efficiency Improvement and Low-Cost Operation

IT Infrastructure Distribution Business Results

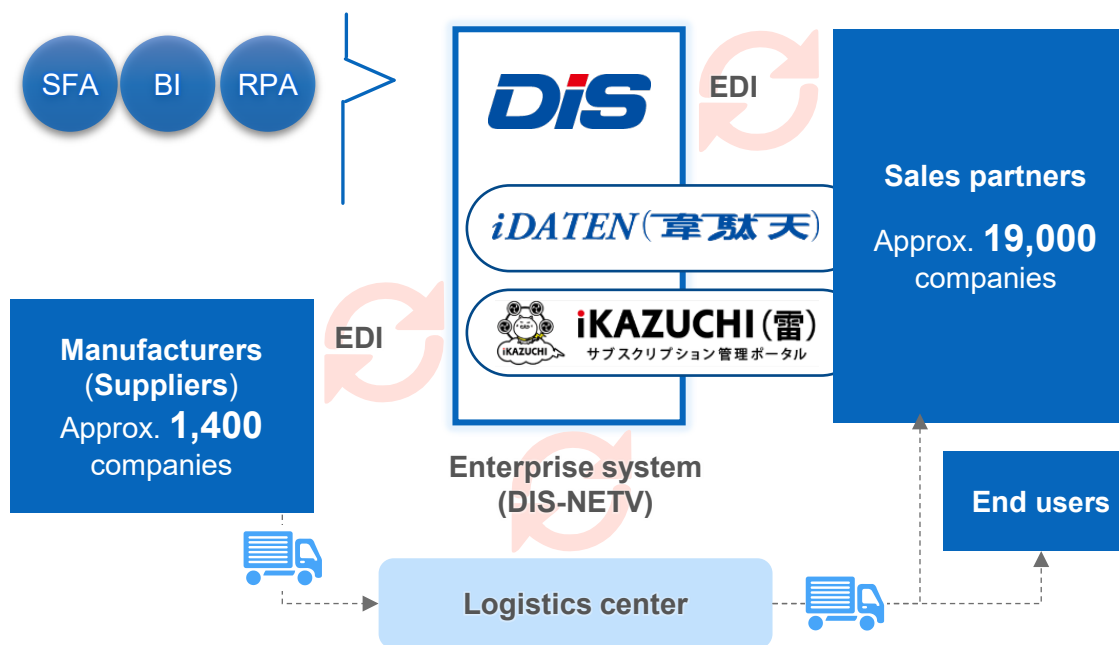


*The above results differ from segment results since consolidation adjustments are not reflected.

Strengthen the system infrastructure that supports net sales of over 1 trillion yen

Implement the following functional enhancement over the three-year period

- Add and reinforce equipment specifications to enhance performance and improve availability
- Migration including the migration of existing systems and modifications of incompatible programs
- Disaster, failure, and security countermeasures; improvement of operations management and enhancement of availability
- Strengthening of connection with internal systems and their automation
- Reinforcement of functions of iDATEN, iKAZUCHI, EDI, etc.



Vertical lathes



- ❑ **No. 1 share in Japan** for both medium- and large-sized lathes (Cumulative shipments exceeded **7,700** units)
- ❑ Highly evaluated as “OM for vertical lathes” in Japan and overseas
- ❑ A machine that is used to cut a workpiece by attaching it to a horizontally rotating table. The table diameter ranges from 800 mm to 6,000 mm, and it can be used in a wide variety of production modes. Highly rigid, highly accurate and easy to operate, it is used as a mother machine in all fields including aircraft and wind power parts
- ❑ The picture on the left shows the “RT-915,” a small general-purpose machine

Turning centers



- ❑ A machine tool specifically used to maintain rolling stock. It contributes to improved railway safety and riding comfort
- ❑ **No.1 share in Japan** for underfloor wheel lathes
- ❑ To start domestic production, we had a licensing agreement with Hegenscheidt, which manufactured the first wheel lathe in the world and has an excellent delivery record around the world. The design, parts and software are all original

Automatic machinery



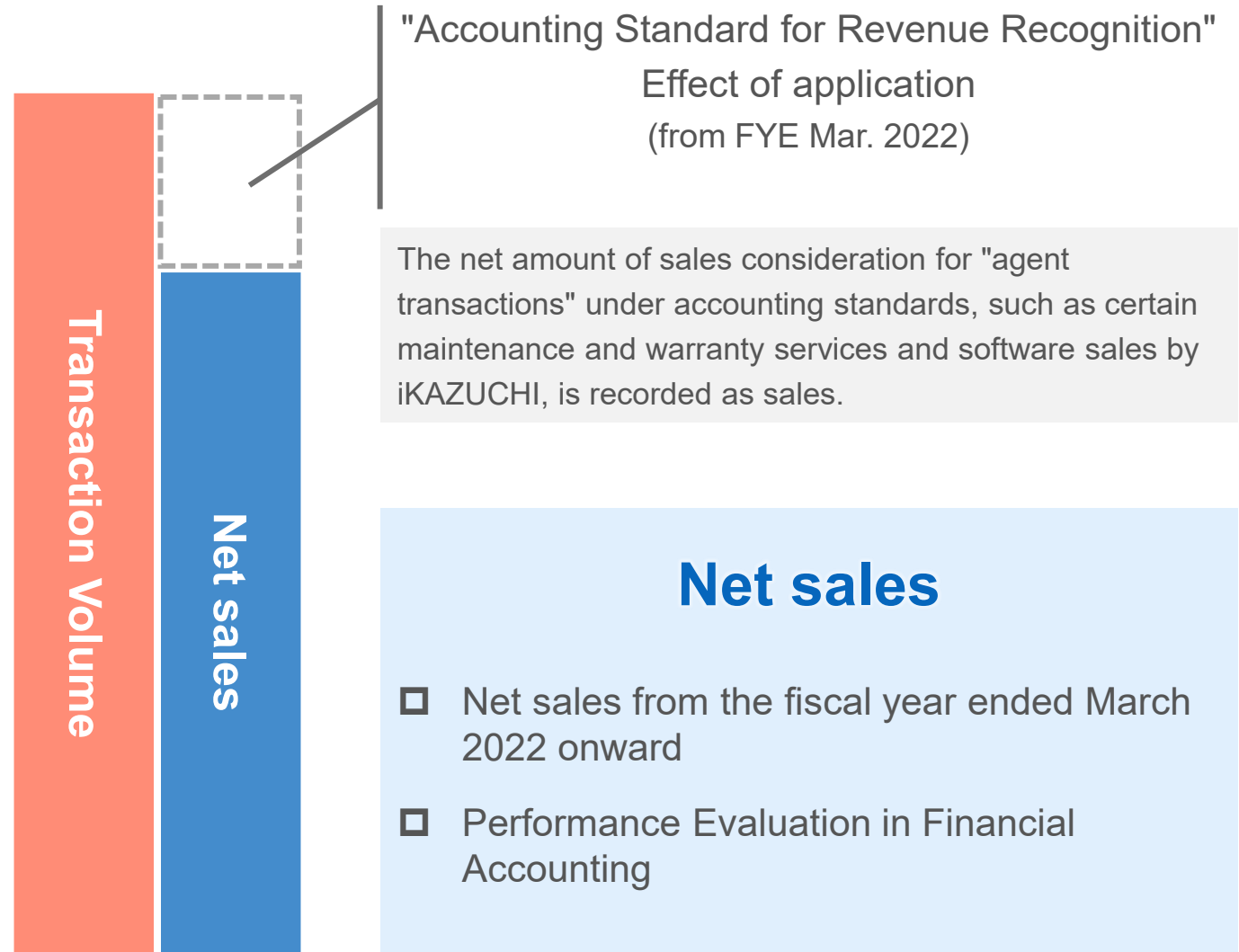
- ❑ We manufacture a wide range of automatic machinery including cartoners (cartoning machine), intermediate packaging machines for stacking and packaging products in film and corrugated cardboard casers (The picture on the left is a horizontal continuous cartoner)
- ❑ The strengths include technologies and creativities that allow us to flexibly respond to the needs of packaging processes in rapidly changing industries such as foods with short life cycles and remarkable diversification and pharmaceuticals with increasingly strict manufacturing standards

Reference Materials

- Outline of Medium-Term Management Plan (March 2025 to March 2027)
- Business Overview
- **“Transaction Volume” of IT Infrastructure Distribution Business**
- Performance Graph

Transaction Volume

- ❑ Calculated on the same basis as sales before the fiscal year ended March 2021
(=Sales before change in accounting standard)
- ❑ Continued use as "transaction value" as it is an important indicator to indicate the scale of transactions
- ❑ Sales evaluation in management accounting



Net sales

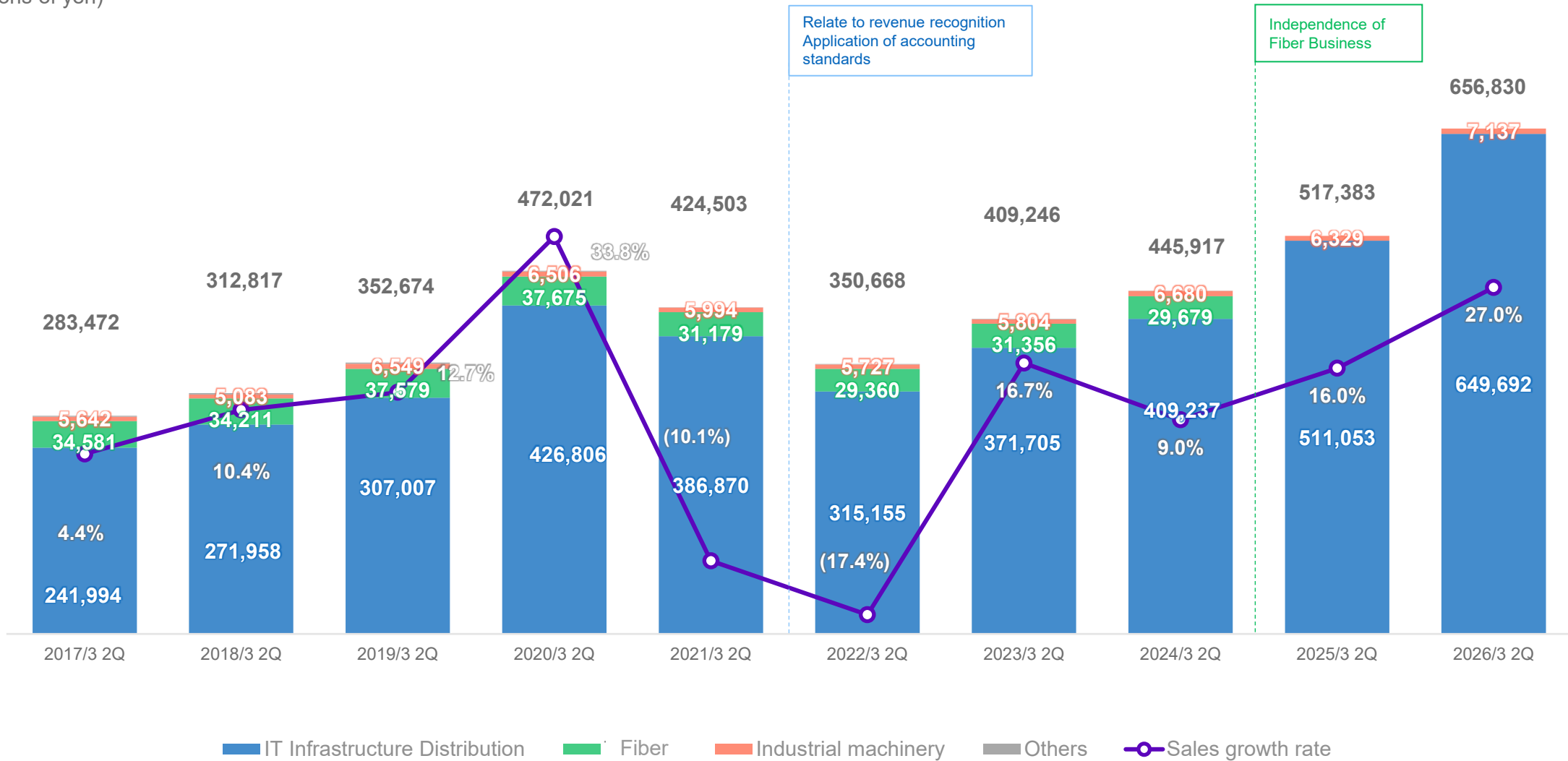
- ❑ Net sales from the fiscal year ended March 2022 onward
- ❑ Performance Evaluation in Financial Accounting

Reference Materials

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- Performance Graph

Consolidated Net Sales (First Half)

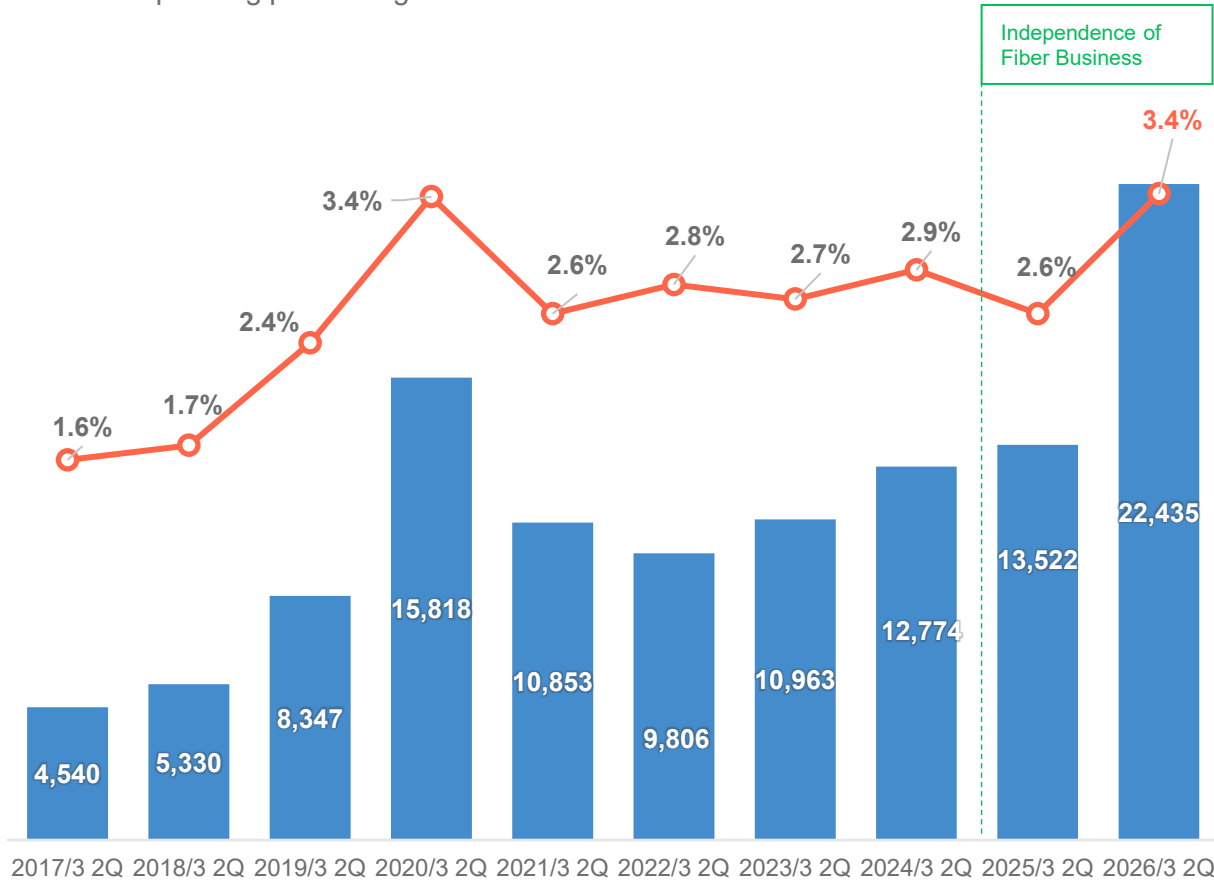
(Millions of yen)



Consolidated Operating income, Ordinary Income and Net Income(First Half)

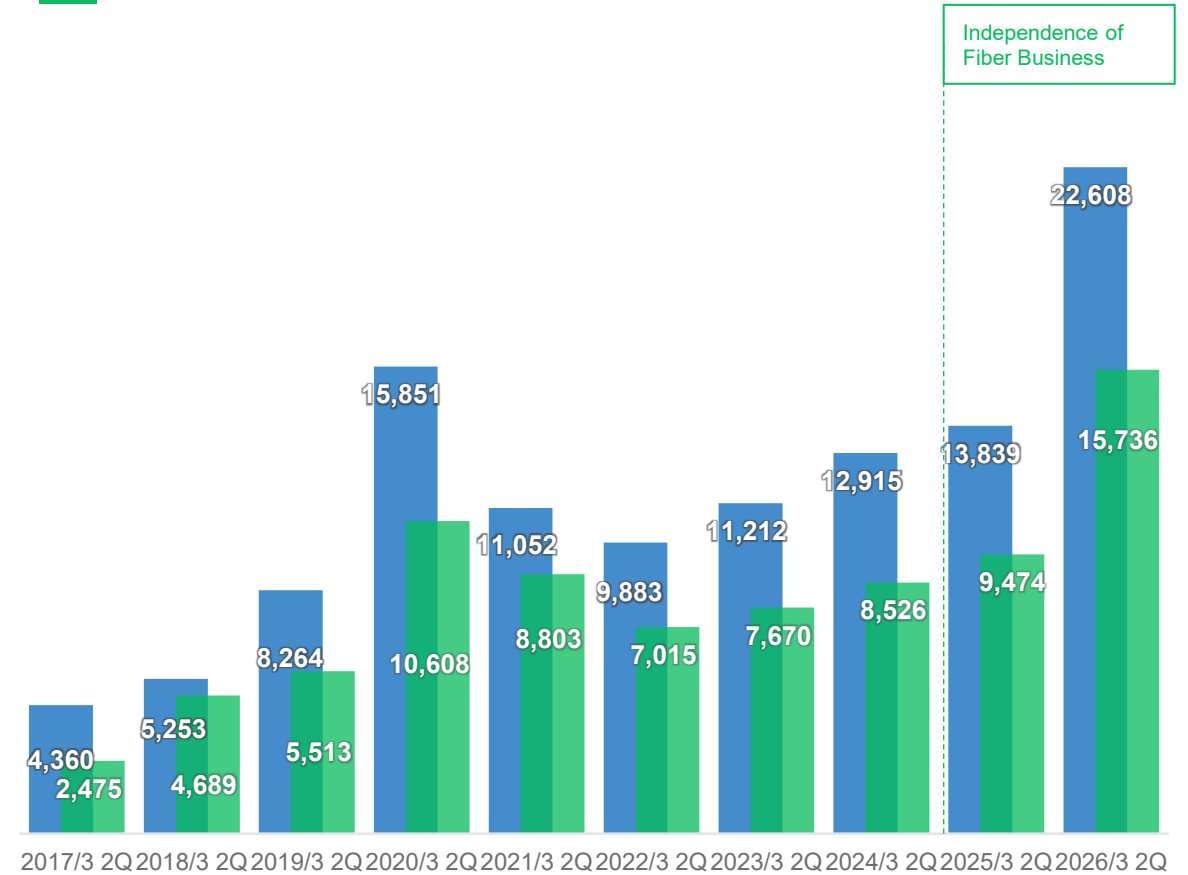
Consolidated operating income (Millions of yen)

Operating income
Operating profit margin

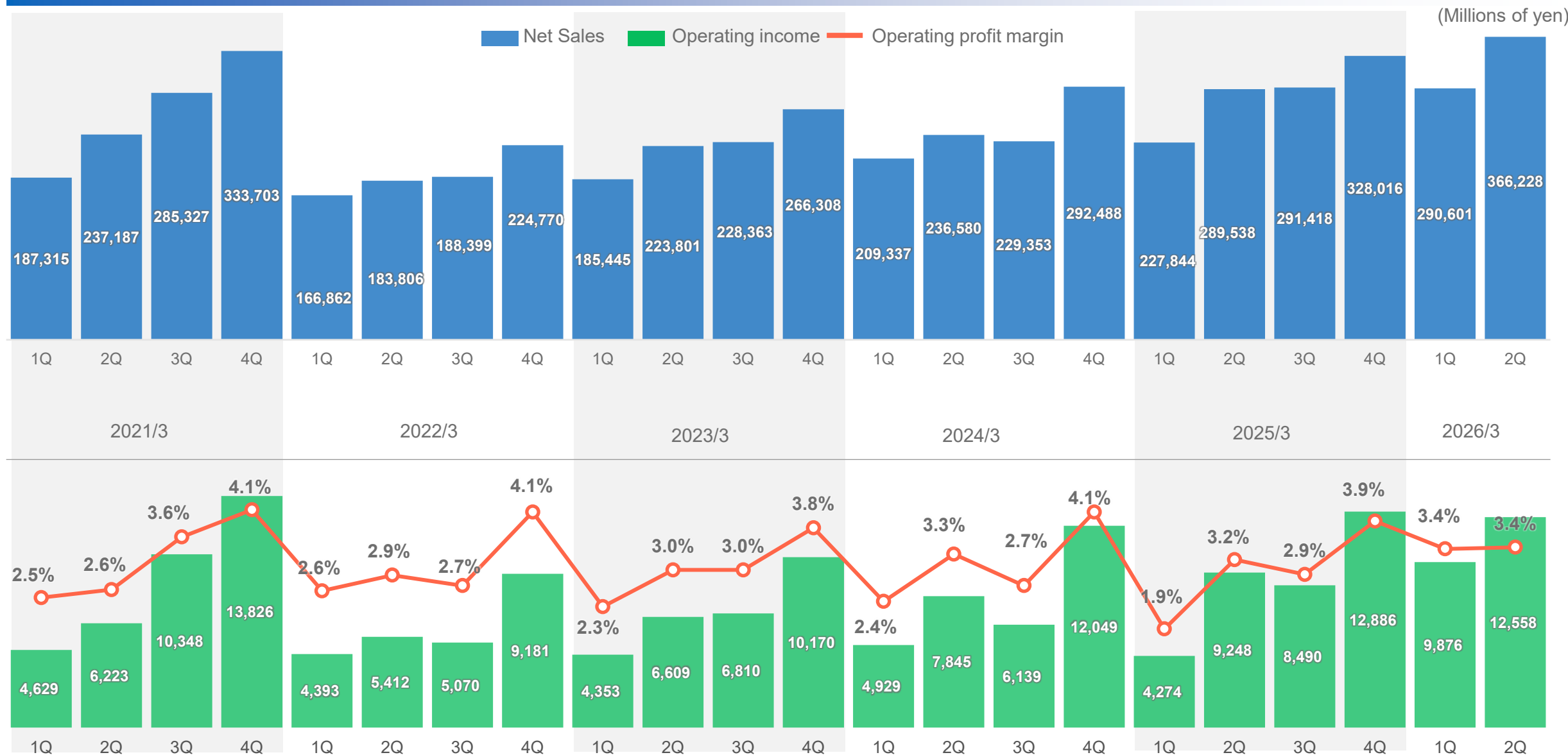


Consolidated ordinary income and Interim Net Income (Millions of yen)

Ordinary income
Net income



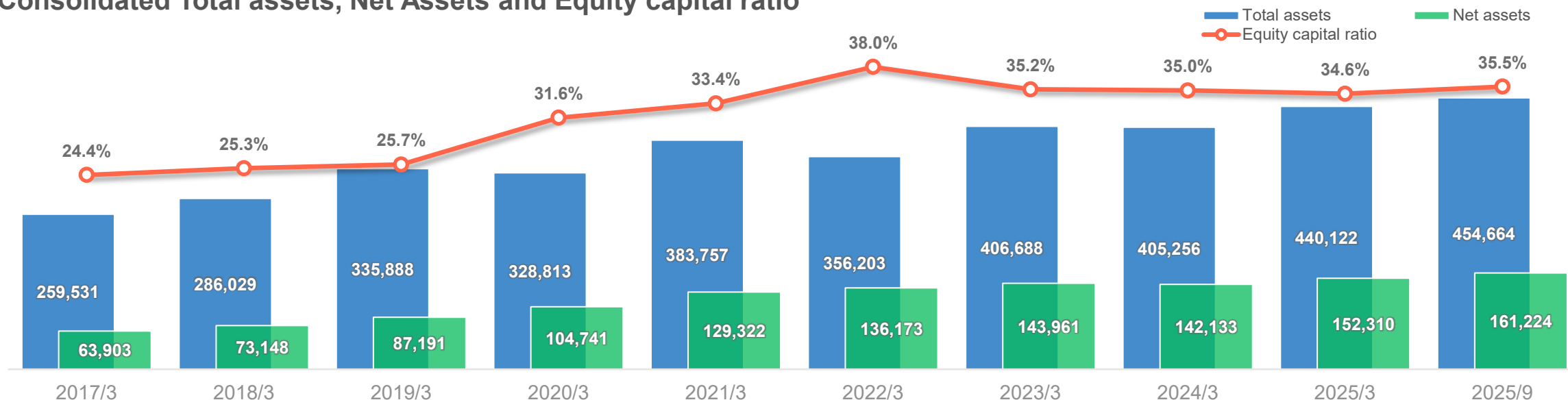
Quarterly performance



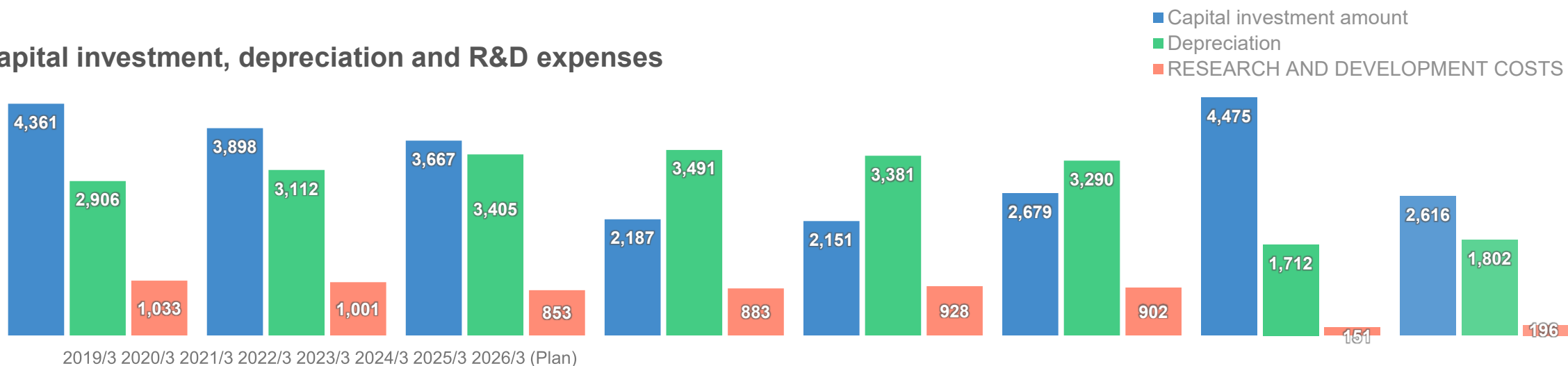
Consolidated Total assets, Net Assets and Equity capital ratio Capital investment, depreciation and R&D expenses (First Half)

(Millions of yen)

Consolidated Total assets, Net Assets and Equity capital ratio

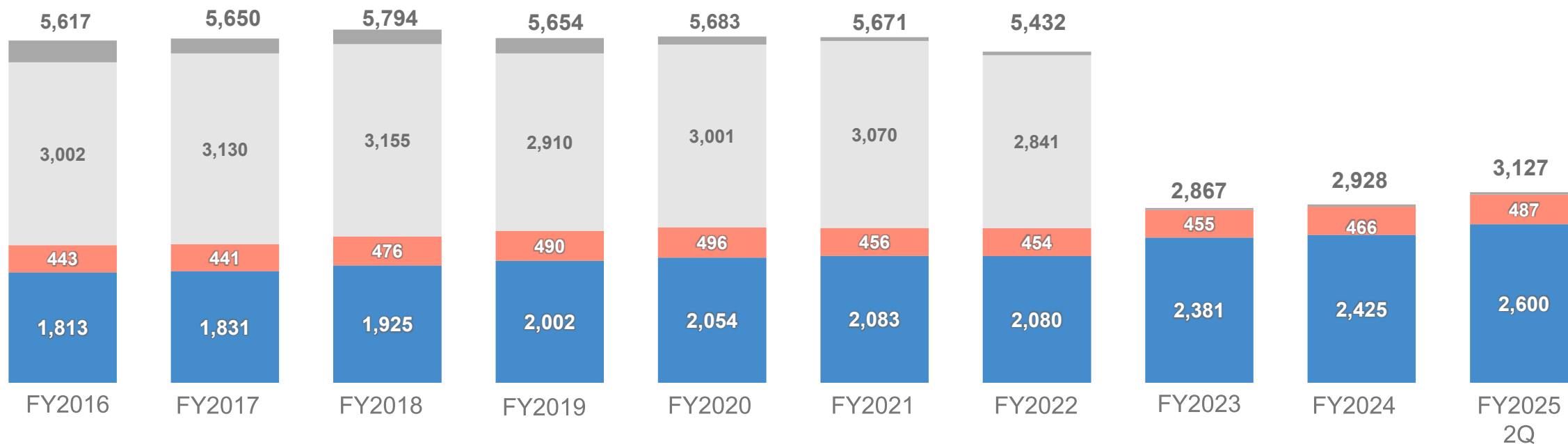


Capital investment, depreciation and R&D expenses



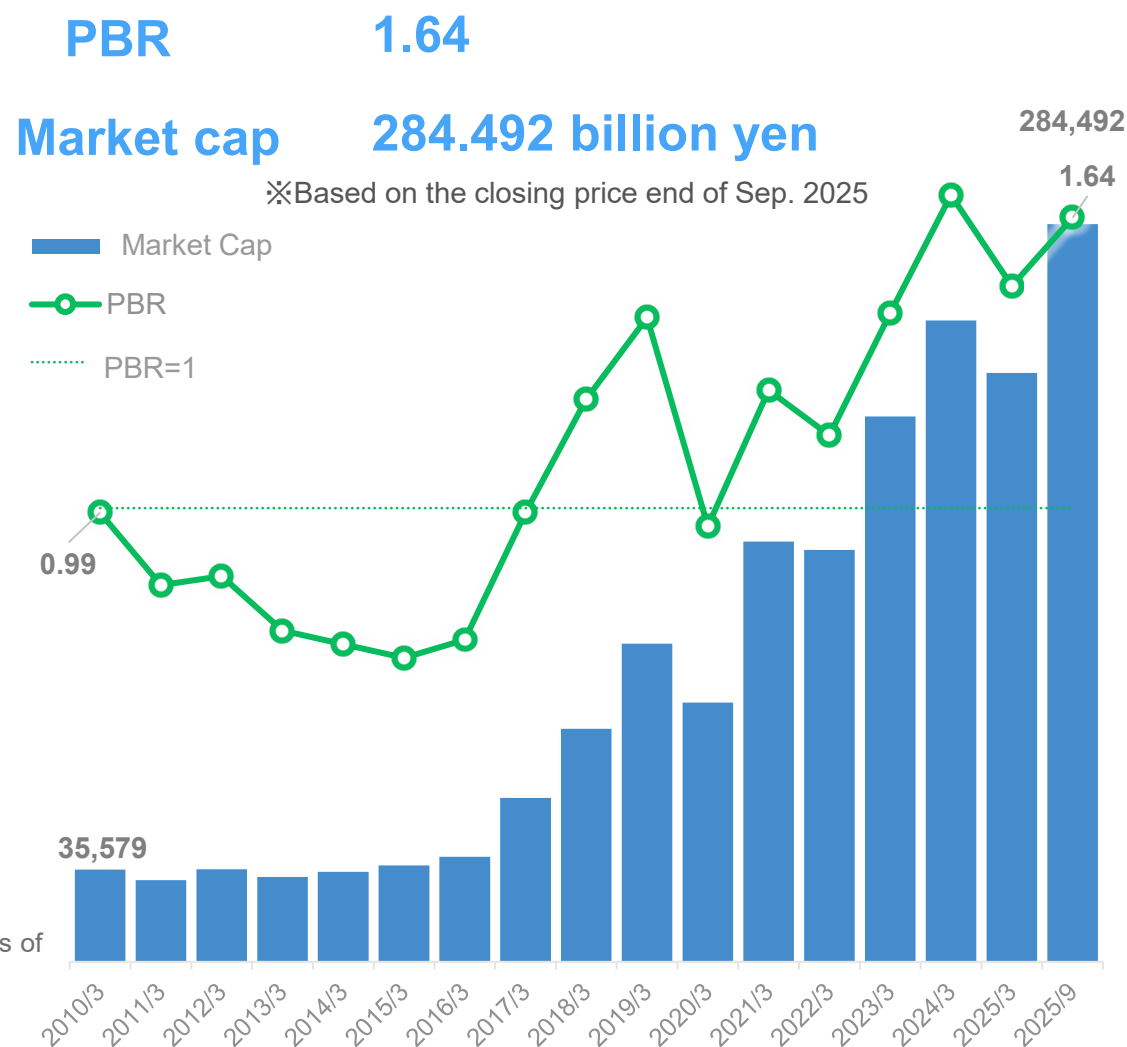
Number of employees by segment

■ IT Infrastructure Distribution ■ Industrial machinery ■ Fiber ■ Others



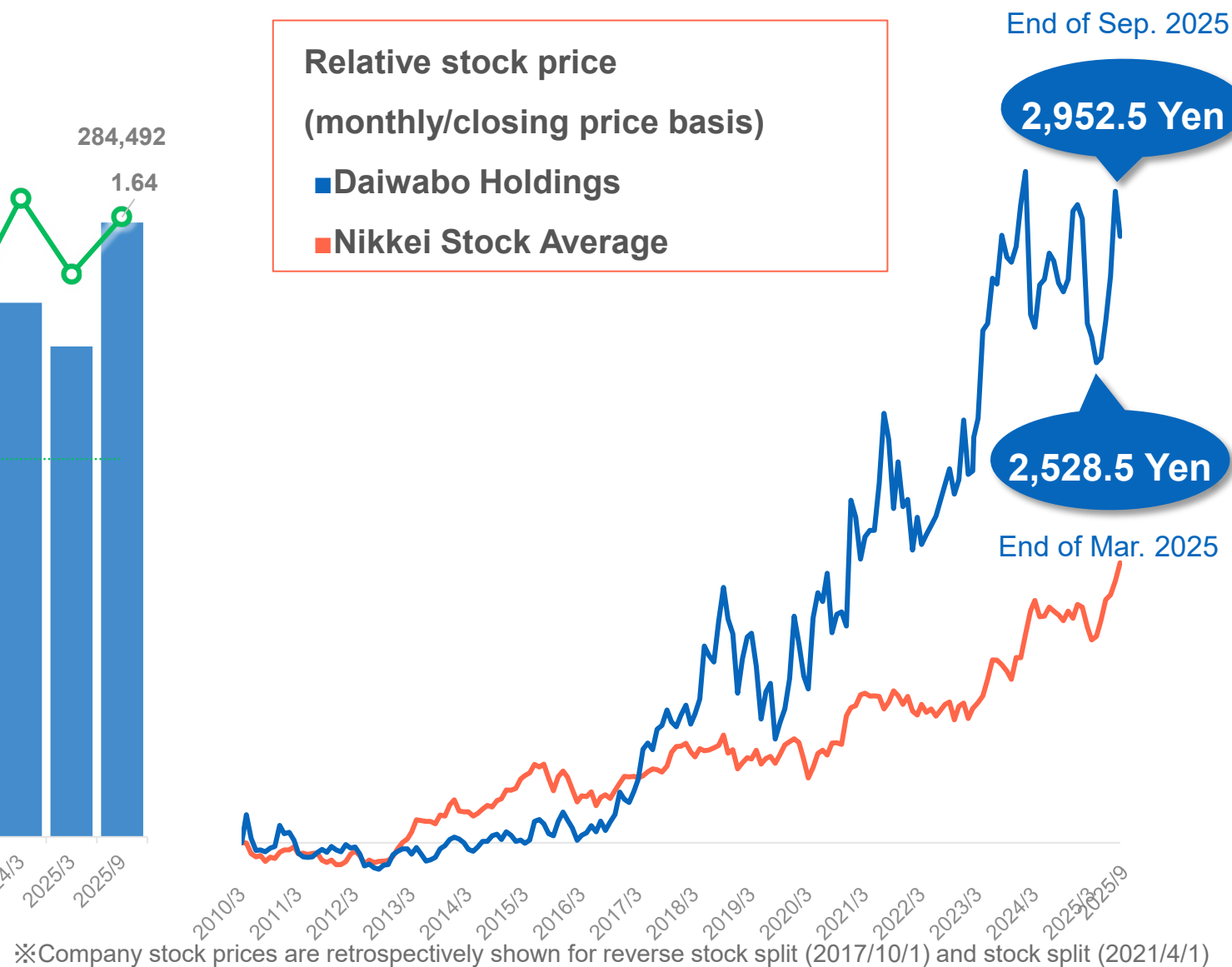
※The number of employees as of the last day of each period.

Stock Price Range



Relative stock price
(monthly/closing price basis)

■ Daiwabo Holdings
■ Nikkei Stock Average



Notice of Publication of Integrated Report 2025



We hereby announce the publication of the Integrated Report 2025 on our website on September 22, 2025.

In the 2025 edition, now on its third year, begins with the Group's "the Way the Company Should Be" (purpose and medium- to long-term vision), and more clearly articulates the value chain. We are also introducing the importance of human capital, the source of value, as we evolve into an "essential corporate."

(The design of cover page contains that intention.)

It would be appreciated to know the Group's efforts for attractiveness, growth-potential, and value creation over the medium to long term through the report.

We will continue to enhance disclosure and deepen dialogue with our stakeholders.



Downloadable QR

About Daiwabo Holdings Co., Ltd.

Head Office	Nakanoshima Festival Tower West, 3-2-4 Nakanoshima, Kita-ku, Osaka 530-0005	
Established	Founded as Daiwa Boseki	April 1, 1941
	Establishment of Daiwabo Holdings Co., Ltd.	July 1, 2009
Consolidated employees	2,928 (as of March 31, 2025)	
Capital	21,696,744,900 yen	
Stock exchange	Listed on the Prime Market of the Tokyo Stock Exchange Stock code 3107/	
	Industry: Wholesale <JPX Nikkei Index 400>	
Business profile	IT Infrastructure Distribution Business	Sales of computers, peripherals and software, and logistics services
	[Core company]  Daiwabo Information System Co., Ltd.	Installation and maintenance of and repair services for computer equipment, etc.
Business profile	Industrial Machinery Business	Manufacture and sales of machine tools, automatic machinery and casting products
	[Core company]  O.M. Ltd.	

*Daiwabo Co., Ltd. became independent on March 27, 2024.
(85% of outstanding shares were transferred to Aspirant Group.)



Daiwabo Holdings Co., Ltd.

<https://www.daiwabo-holdings.com/>



The news

<https://www.daiwabo-holdings.com/ja/news.html>

Daiwabo Group List

<https://www.daiwabo-holdings.com/ja/group.html>

History

<https://www.daiwabo-holdings.com/ja/company/history.html>

[Disclaimer]

The earnings forecasts and other forward-looking statements herein have been prepared based on certain assumptions that Company believes to be reasonable as of the date of publication of this document, and no assurance can be given as to the accuracy thereof. Please be aware that actual results may differ from the content of this document due to a variety of factors in the future. Company disclaims any liability for any damages resulting from the use of this material for any reason.

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