



April 1, 2025 – September 30, 2025

Supplementary Briefing on Financial Results

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

November 20, 2025

1

Performance Overview for Q2

2

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

Net Sales **¥19,472 million** (+12.2% YoY)



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

Operating Income **¥2,018 million** (+16.2% YoY)
Operating Income Margin **10.4%** (+0.4P 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)

Change or Die !

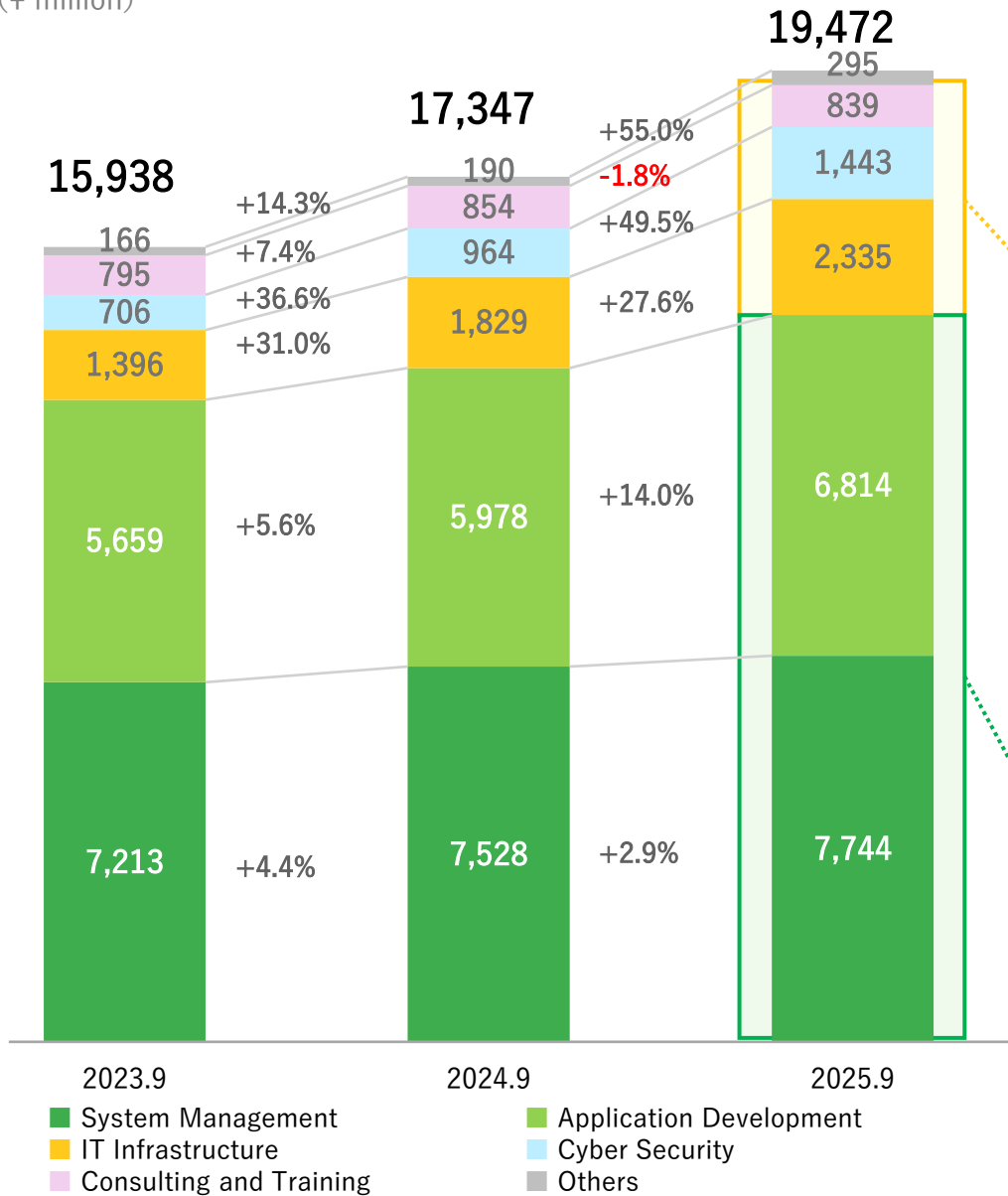
(¥ million)	2024.9		2025.9			
	Results	(% of net sales)	Results	(% of net sales)	Diff.	YoY
Net sales	17,347	-	19,472	-	2,125	+12.2%
Cost of sales	13,186	76.0%	14,423	74.1%	1,237	+9.4%
Gross profit	4,160	24.0%	5,048	25.9%	887	+21.3%
SG&A expenses	2,423	14.0%	3,029	15.6%	606	+25.0%
EBITDA ¹	2,065	11.9%	2,210	11.4%	144	+7.0%
Operating income	1,737	10.0%	2,018	10.4%	281	+16.2%
Ordinary income	1,801	10.4%	2,003	10.3%	201	+11.2%
Net income attributable to owners of parent	1,055	6.1%	1,274	6.5%	218	+20.7%
Earnings per share (EPS) (¥)	63.03	-	75.63	-	12.60	-
EPS before amortization of goodwill ² (¥)	76.29	-	81.62	-	5.33	-

Notes:

- EBITDA = Operating income + Depreciation + Amortization of goodwill
- EPS before amortization of goodwill = (Net income attributable to owners of parent + Amortization of goodwill) ÷ Interim average number of shares

Net Sales by Service

(¥ million)



Focus areas

¥4,617 million
(+26.5% YoY)

Consulting and Training (Share of net sales: 4.3%)
⊖ Projects with some customers were completed, etc.

Cybersecurity (Share of net sales: 7.4%)
⊕ Expanded orders from multiple customers, including public-sector clients, in line with growing demand for cybersecurity measures

IT Infrastructure (Share of net sales: 12.0%)
⊕ Expanded transactions through partnerships with major IT vendors
⊕ Expansion of order acceptance from customers in the finance and energy sectors

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

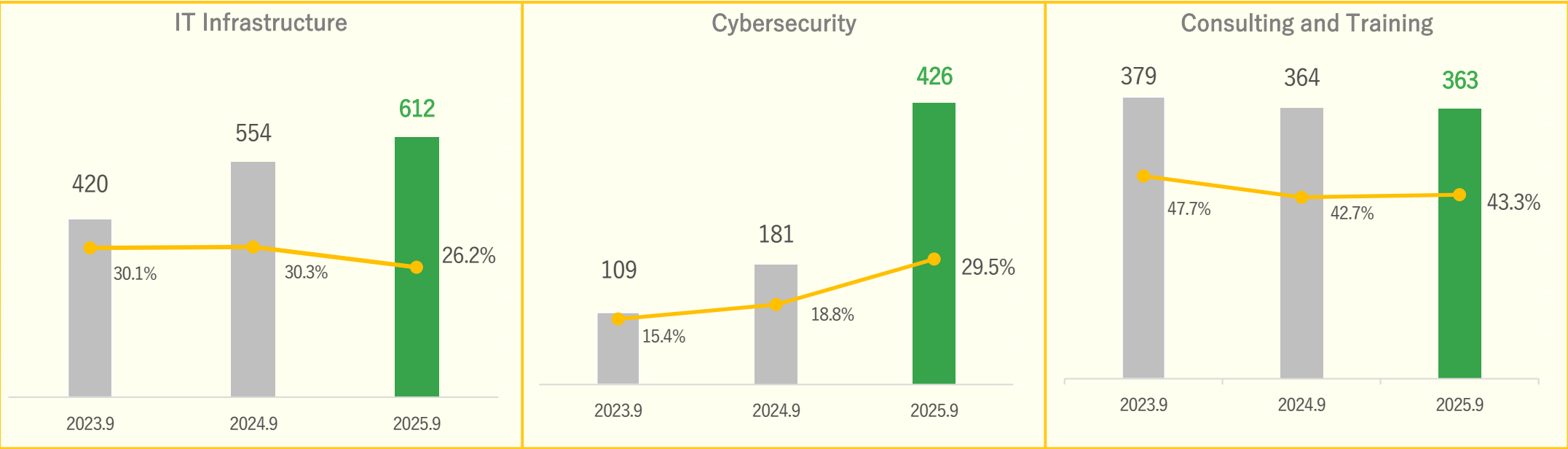
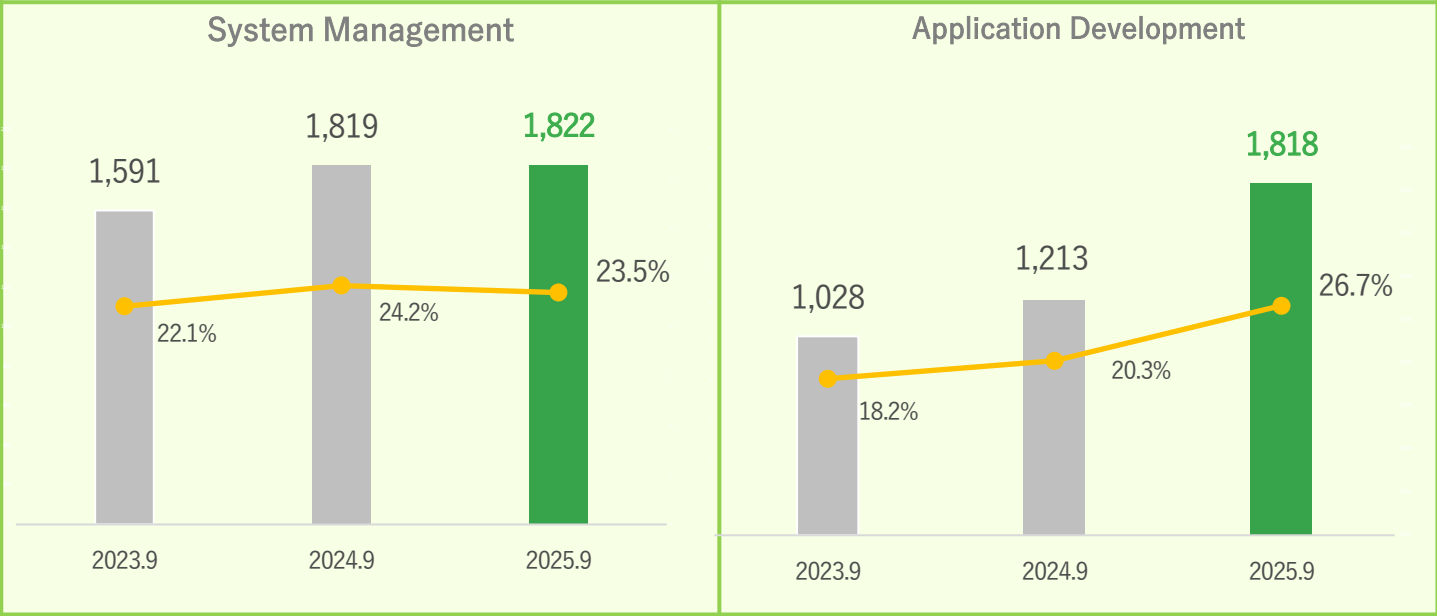
System Management (Share of net sales: 39.8%)
⊕ Expansion in order acceptance from finance-related customers and major IT vendors
⊕ Revising unit prices for price optimization
⊖ Downsizing of some projects

Base areas

¥14,558 million
(+7.8% YoY)

Gross Profit by Service

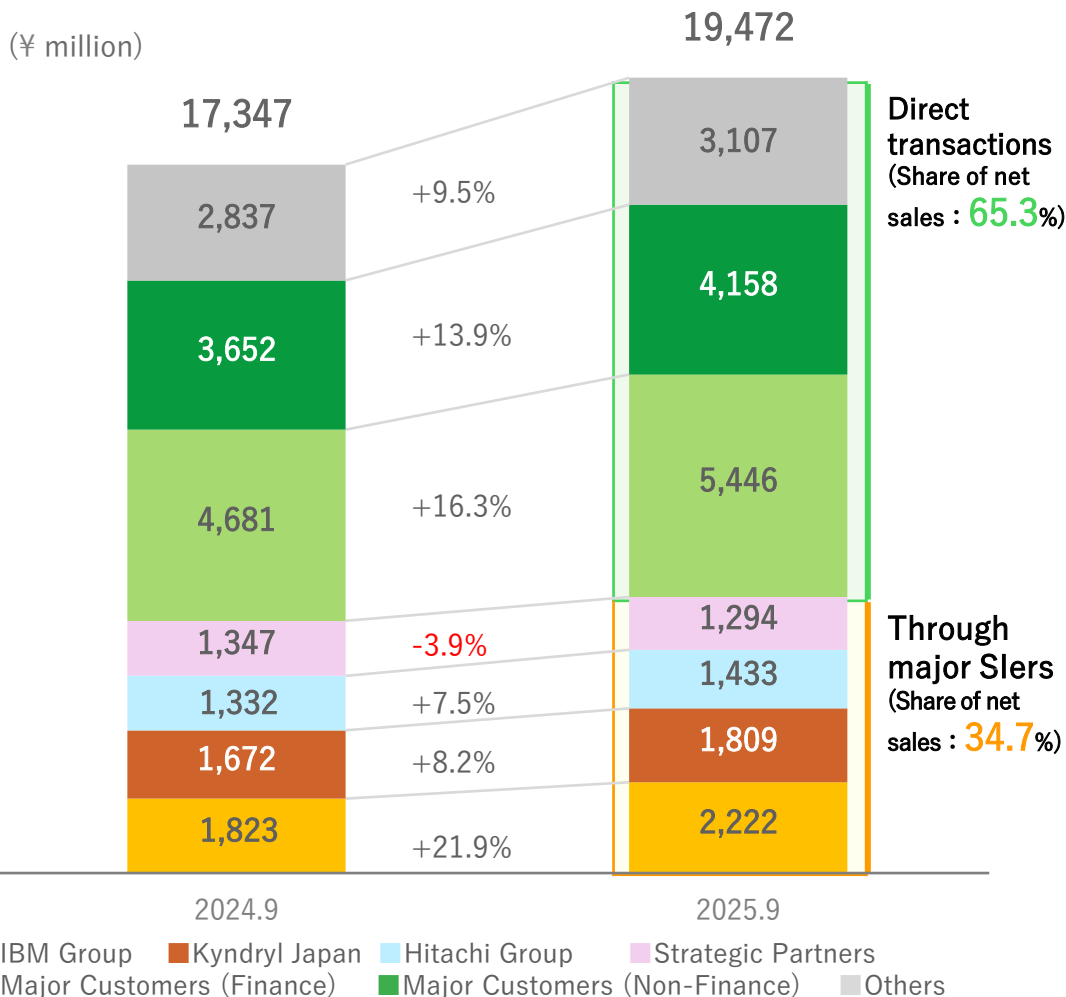
■ Gross profit (¥million)
— Gross profit margin (%)



Change or Die !

Net Sales by Strategic Alliances

The ID Group secures a stable earnings base by maintaining a balance between direct contracts (about 70%) and projects through major Slers (about 30%).



Major Customers (Non-Finance)

(Share of net sales: 21.4%)

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

Major Customers (Finance)

(Share of net sales: 28.0%)

- ⊕ Expansion of orders received for cloud-related configuration and vulnerability-response projects
- ⊕ Receipt of orders for new major projects in application development from customers related to insurance
- ⊕ Expansion of projects through strengthened sales activities

Strategic Partners

(Share of net sales: 6.6%)

- ⊖ Conclusion of projects in application development, etc.

Hitachi Group

(Share of net sales: 7.4%)

- ⊕ Expansion of orders acceptance in application development, IT infrastructure, etc.

Kyndryl Japan

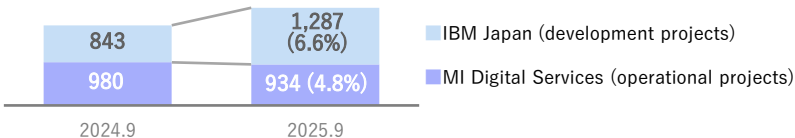
(Share of net sales: 9.3%)

- ⊕ Continuation and expansion of system management and IT infrastructure projects for customers related to finance
- ⊕ Expansion of orders acceptance in security with customers related to manufacturing

IBM Group

(Share of net sales: 11.4%)

- ⊕ Continuing projects in application development and IT infrastructure with customers related to energy
- ⊕ Receipt of new orders for application development projects from customers related to transportation, etc.



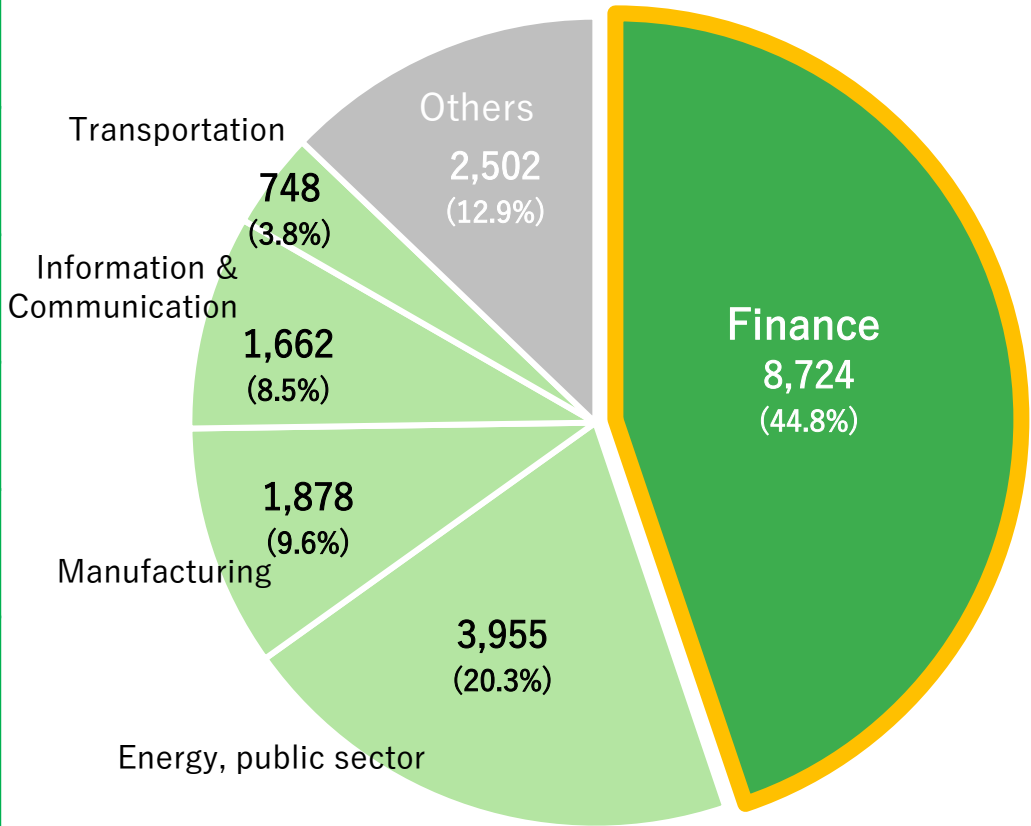
Note: Beginning in the fiscal year under review, accounting categories are changed for some customers. Net sales in the previous fiscal year are calculated based on categories after the change.

Net Sales Composition by End-user Industry

Transactions with the financial sector account for about **50%** of net sales.

(¥ million)	2025.9	(% of net sales)	YoY	
Finance	8,724	44.8%	+775	+9.8%
Energy, public sector	3,955	20.3%	+701	+21.5%
Manufacturing	1,878	9.6%	+229	+13.9%
Information & Communication	1,662	8.5%	+237	+16.6%
Transportation	748	3.8%	-14	-1.9%
Others*	2,502	12.9%	+196	+8.5%
Total	19,472	100.0%	+2,125	+12.2%

(¥ million)
Figures in parentheses
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)

	2024.9	2025.9		Main Reasons in Changes
(¥ million)	Results	Results	Diff.	
Gross profit	4,160	5,048	+887	<div>• Increase in net sales +2,125</div> <div>• Increase in cost of sales +1,237</div> <div>-Subcontract expenses +884</div> <div>-Labor cost +201</div> <div>-Purchases +129</div>
SG&A expenses	2,423	3,029	+606	<div>• Increase in personnel cost +512</div> <div>-Advancing returns to employees</div> <div>• Increase/decrease in other expenses +94</div> <div>-Increase in strategic investment to train and secure personnel</div> <div>-Decrease in amortization of goodwill</div>
Operating income	1,737	2,018	+281	

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(¥ million)

2025.3

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

2025.9

Assets 22,193	Liabilities 7,767
	Net assets 14,425

Main Factors

- Cash and deposits decreased -659
- Accounts receivable –trade increased +210
- Investment securities increased +189

Main Factors

- Interest-bearing debt decreased -1,050

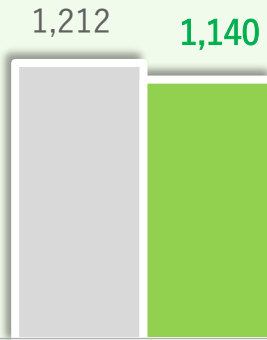
Equity Ratio: **64.7%**

Current Ratio: **204.7%**

Goodwill: **¥374 million**

Cash Flows and Interest-bearing Debt

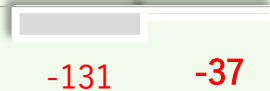
Operating Activities



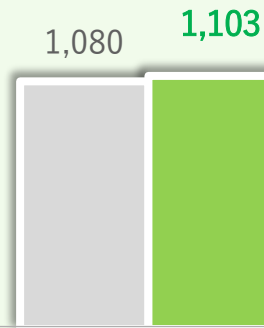
- Net income before income taxes (2,050)
- Increase in provision for bonuses (205)
- Corporation tax, etc. paid (-1,099)

Investing Activities

- Purchase of property, plant and equipment (-65)
- Purchase of investment securities (-57)
- Proceeds from sale of businesses (35)
- Proceeds from other (cancellation of insurance funds, etc.) (41)

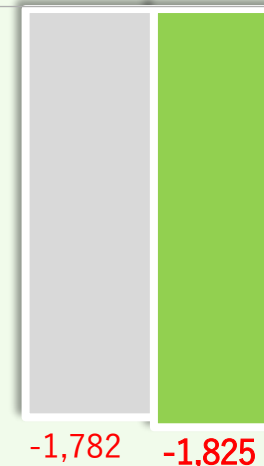


Free Cash Flows*

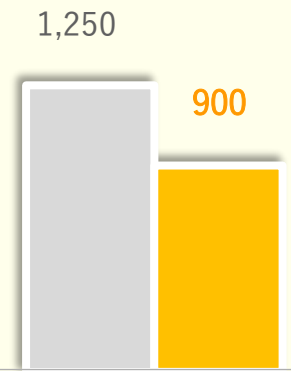


Financing Activities

- Net decrease in short-term loans payable (-950)
- Cash dividends paid (-772)
- Repayment of long-term loans payable (-100)



Interest-bearing Debt



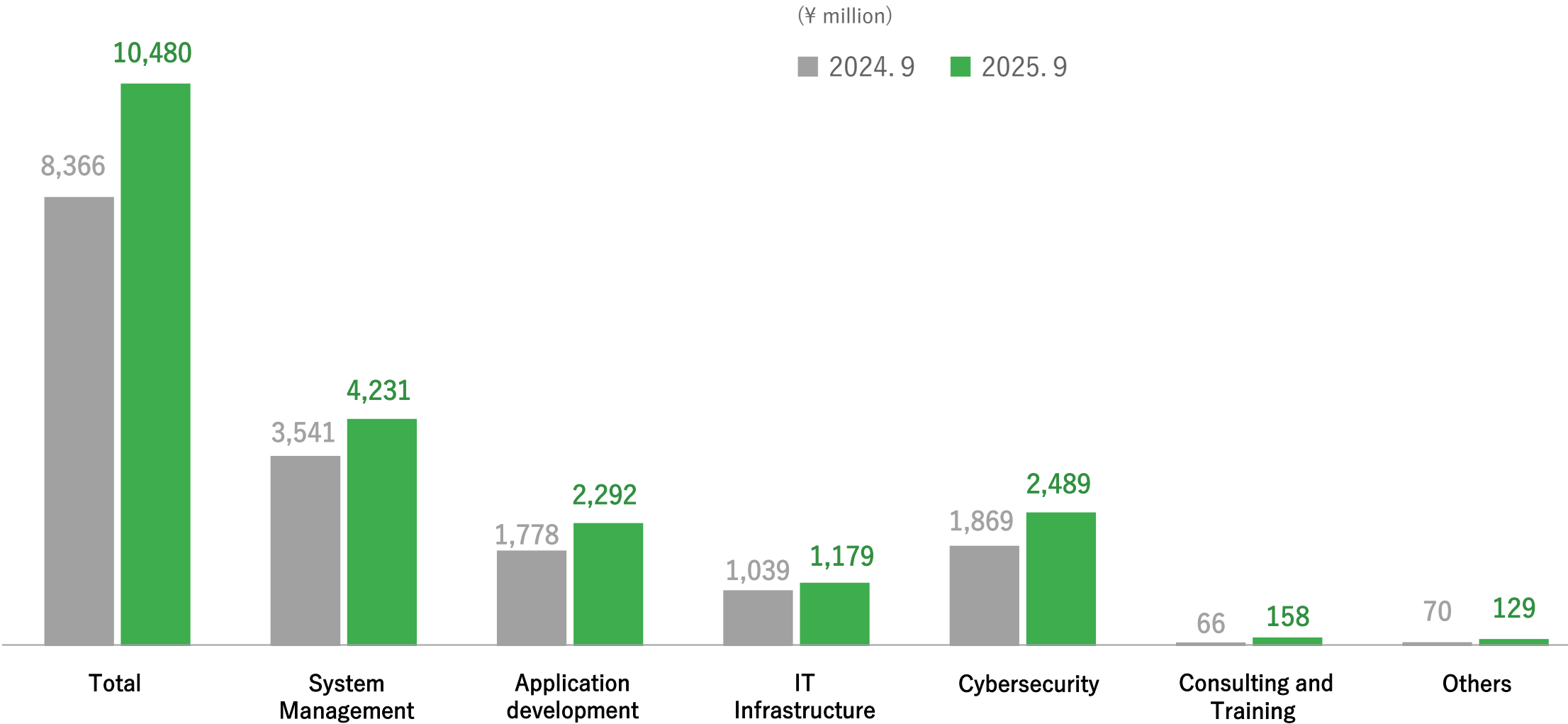
(¥ million)

■ 2024.9
■ 2025.9

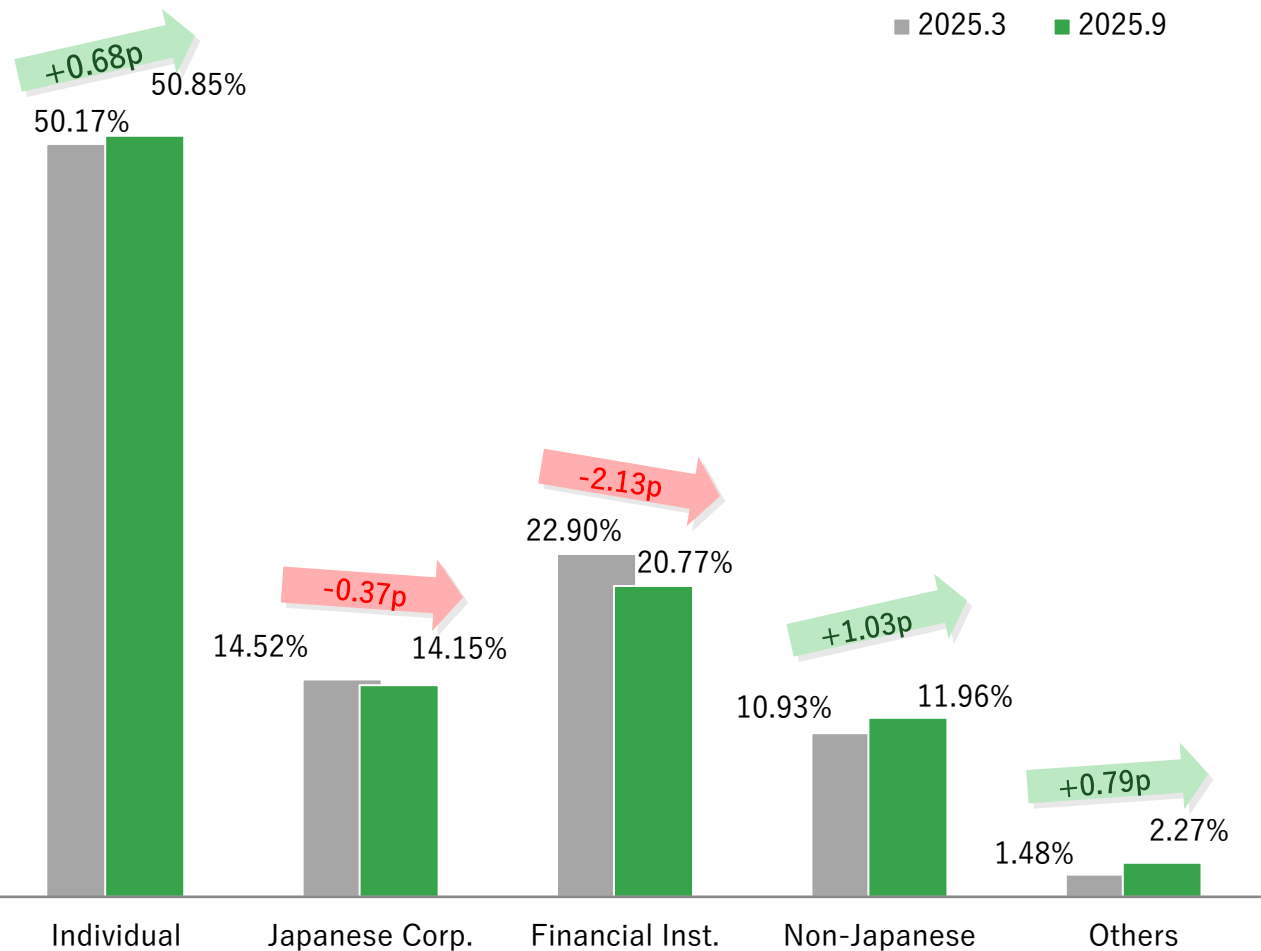
□ Main reasons in Q2 (FY2025)

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

Order Backlog by Service (Cumulative)



Shareholding by investor type



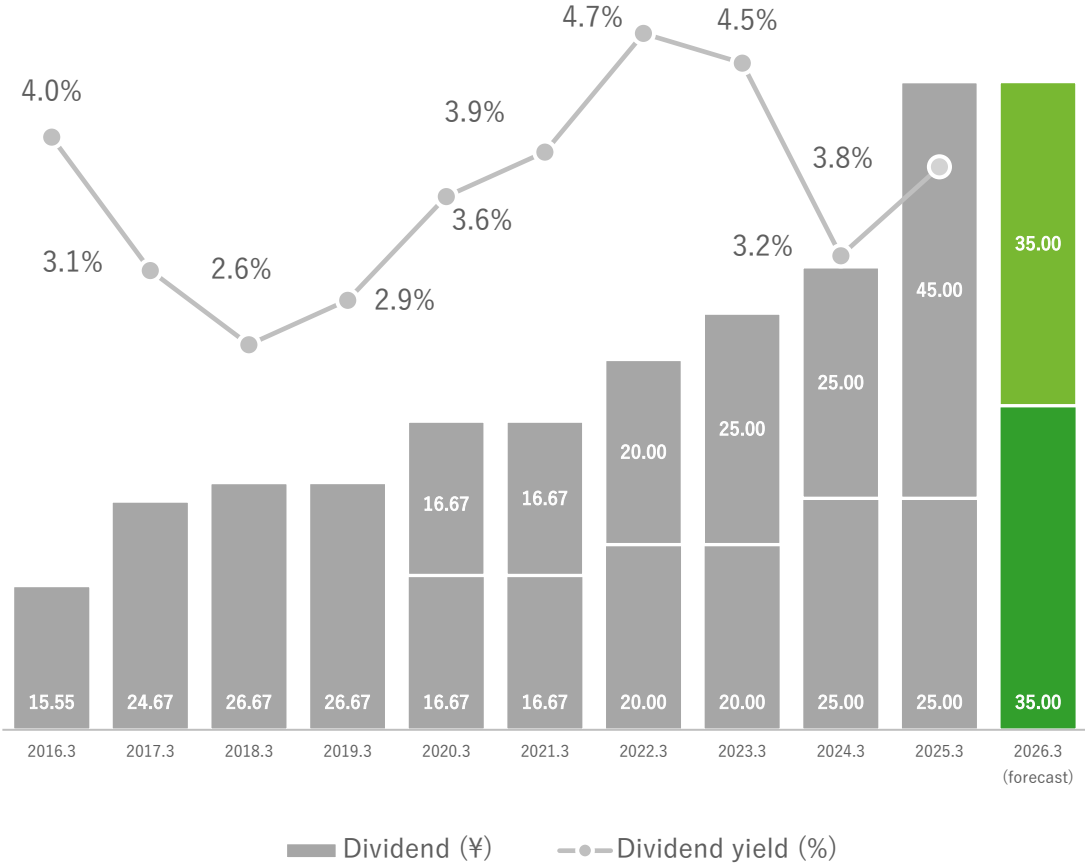
Major shareholders

- ✓ No. of shareholders: 7,435
(+212 since March 31, 2025)
- ✓ No. of shareholders with voting rights: 5,875
(+117 since March 31, 2025)
- ✓ Treasury stocks (25 thousand shares) are not included when calculating the ratio of shareholdings.

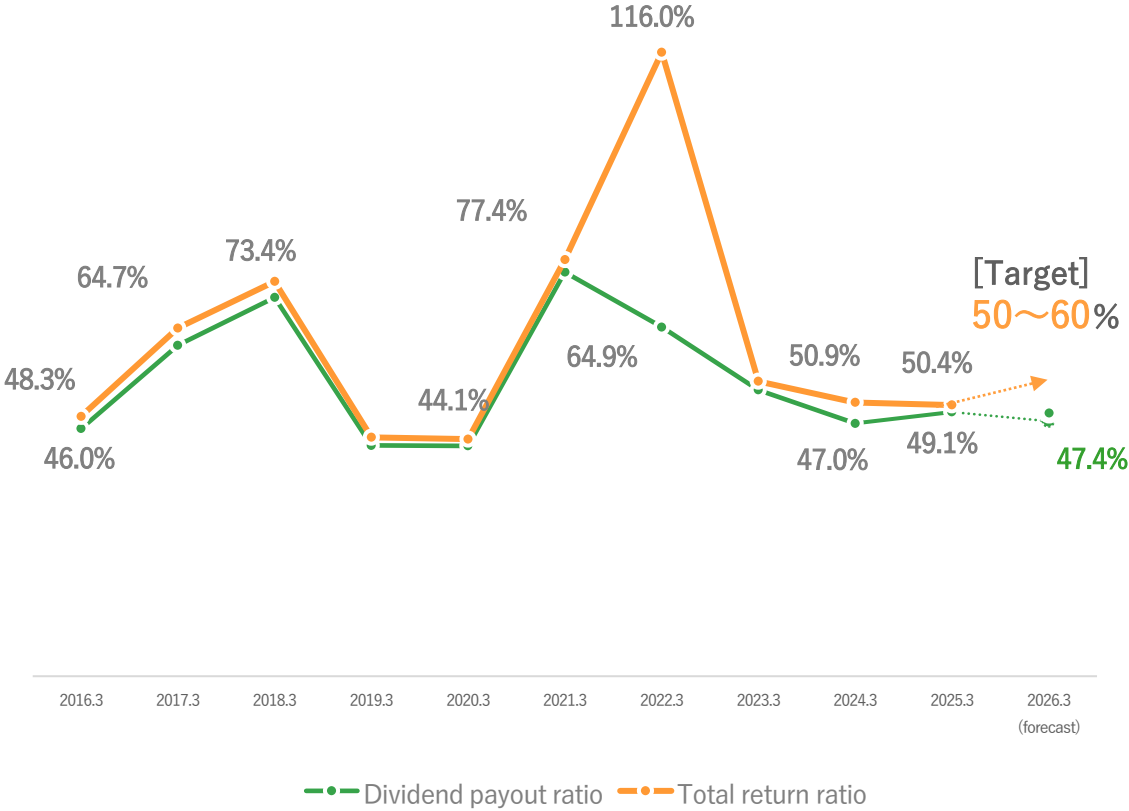
	Major shareholders	% of total shares
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	10.90%
2	A.K.Corporation	9.10%
3	PERSHING-DIV. OF DLJ SECS. CORP.	6.88%
4	ID Employee Ownership Account	5.12%
5	Custody Bank of Japan, Ltd. (Trust Account)	3.38%
6	Mizuho Trust & Banking Co., Ltd.	3.25%
7	TDC SOFT Inc.	2.47%
8	Akemi Funakoshi	1.72%
9	Kaori Marubayashi	1.56%
10	Custody Bank of Japan, Ltd. (Trust Account E)	1.33%

In FY2025 the Company distributed an interim dividend of ¥35 per share. The Company further expects to distribute a year-end dividend of ¥35 per share.

Dividend per share & dividend yield



Dividend payout ratio & total return ratio



Stock Price (Month-End Closing) and Trading Volume Trends of IDHD

Indicators related to share price¹ (as of October 31, 2025)

Price Earnings
Ratio (PER)

14.2x

Price Book-value Ratio
(PBR)

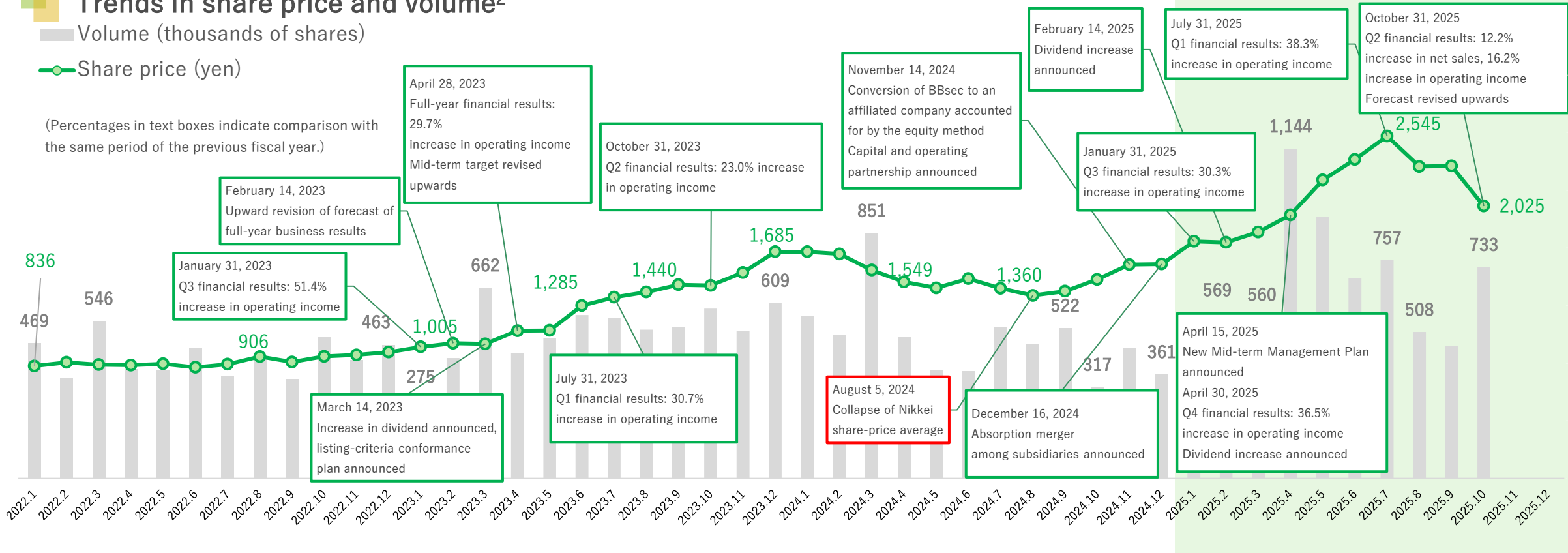
2.5x

Trends in share price and volume²

Volume (thousands of shares)

Share price (yen)

(Percentages in text boxes indicate comparison with the same period of the previous fiscal year.)



1 PER and PBR are calculated based on net income per share as of March 2025, net assets per share as of March 2025 and the closing share price on October 31, 2025.

2 Volume is a monthly cumulative figure. Share price is the closing price on the last day of each month.

1

Performance Overview for Q2

2

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

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

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

FY2025 to FY2027



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 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%)*

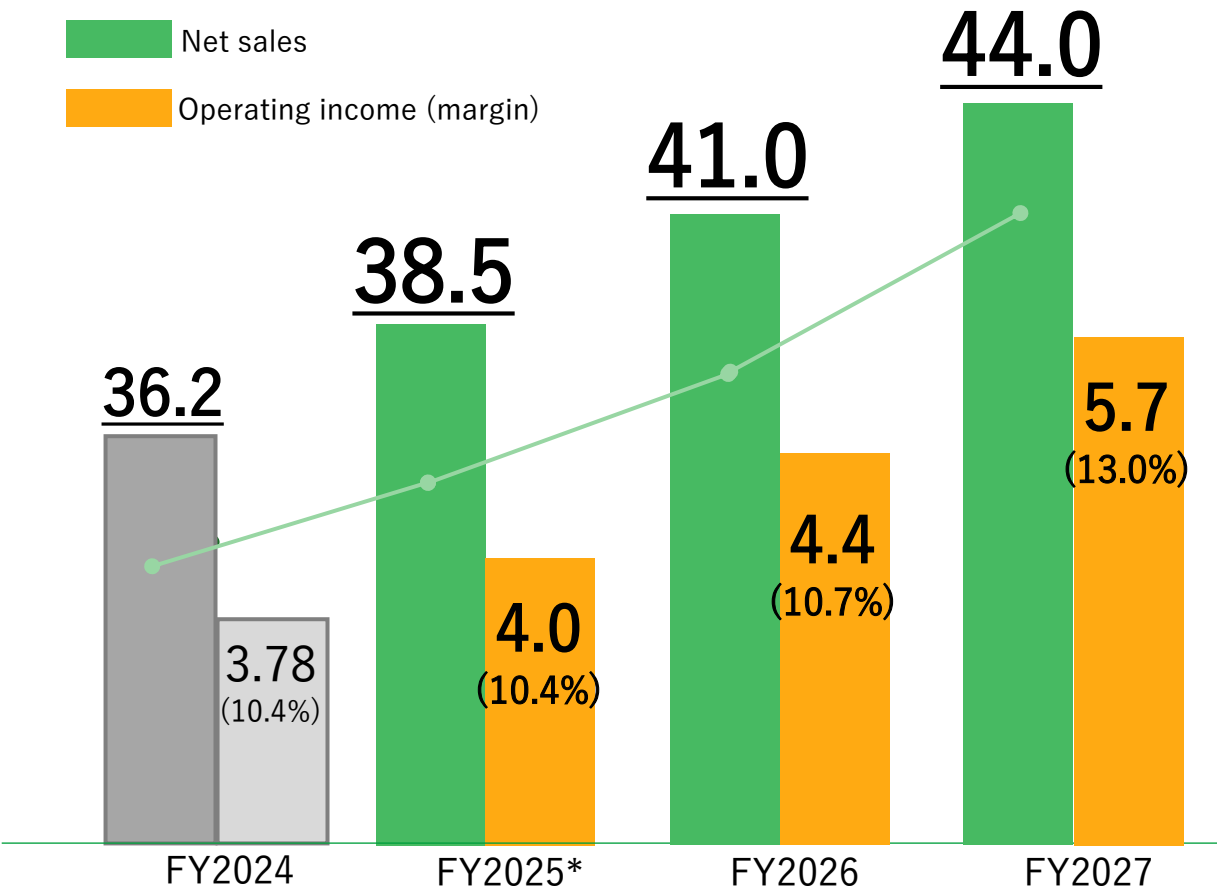
Net sales **¥44** billion
Gross profit (margin) **¥12.3** billion (28%)

60th anniversary of foundation

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

Targets for Net Sales and Operating Income

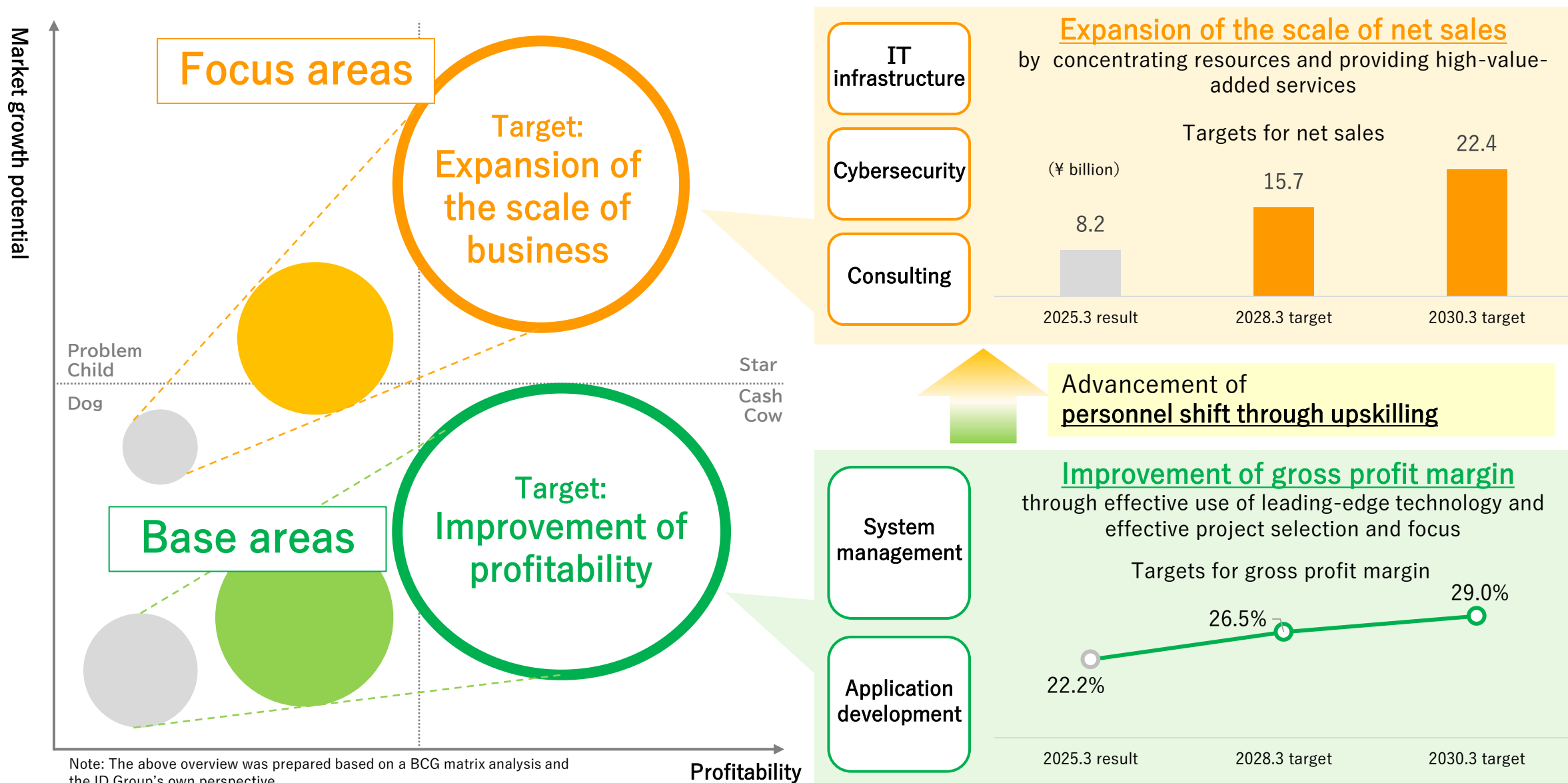
Unit: Billions of yen



* On October 31, 2025, we announced the “Notice Regarding Revision of Forecast of the Full-year Consolidated Business Results,” revising upward our net sales and profit forecasts for FY2025.
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1. Service Portfolio Strategy: Overview

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



Note: The above overview was prepared based on a BCG matrix analysis and the ID Group's own perspective.

1. Service Portfolio Strategy: Numerical Targets

Unit: Billions of yen	FY2024	FY2025 H1	FY2025 target	FY2026 target	FY2027 target
Consolidated net sales	36.2	19.4	38.5	41.0	44.0
Net sales in Focus areas	8.2	4.6	8.7	11.6	15.7
Net sales in Base areas	27.5	14.5	29.8	29.4	28.3
Consolidated gross profit margin	23.9%	25.9%	26.2%	26.4%	28.0%
Gross profit margin in Focus areas	29.7%	30.4%	28.5%	28.8%	30.6%
Gross profit margin in Base areas	22.2%	25.0%	25.1%	25.5%	26.5%
Shift of personnel from Base areas to Focus areas (3-year cumulative)	—	16 people	225 people (100 people from application development and 125 people from system management)		

Personnel shift

Shifting of personnel from Base areas to Focus areas



FY2025
H1 results: 16 people
(Full-year target: 50 people;
progress rate: 32.0%)

Educational and training expenses

Expansion of education and training, including upskilling



FY2025
H1 results: ¥210 million
(Progress rate on full-year target: 49.3%)

Formation of in-house systems

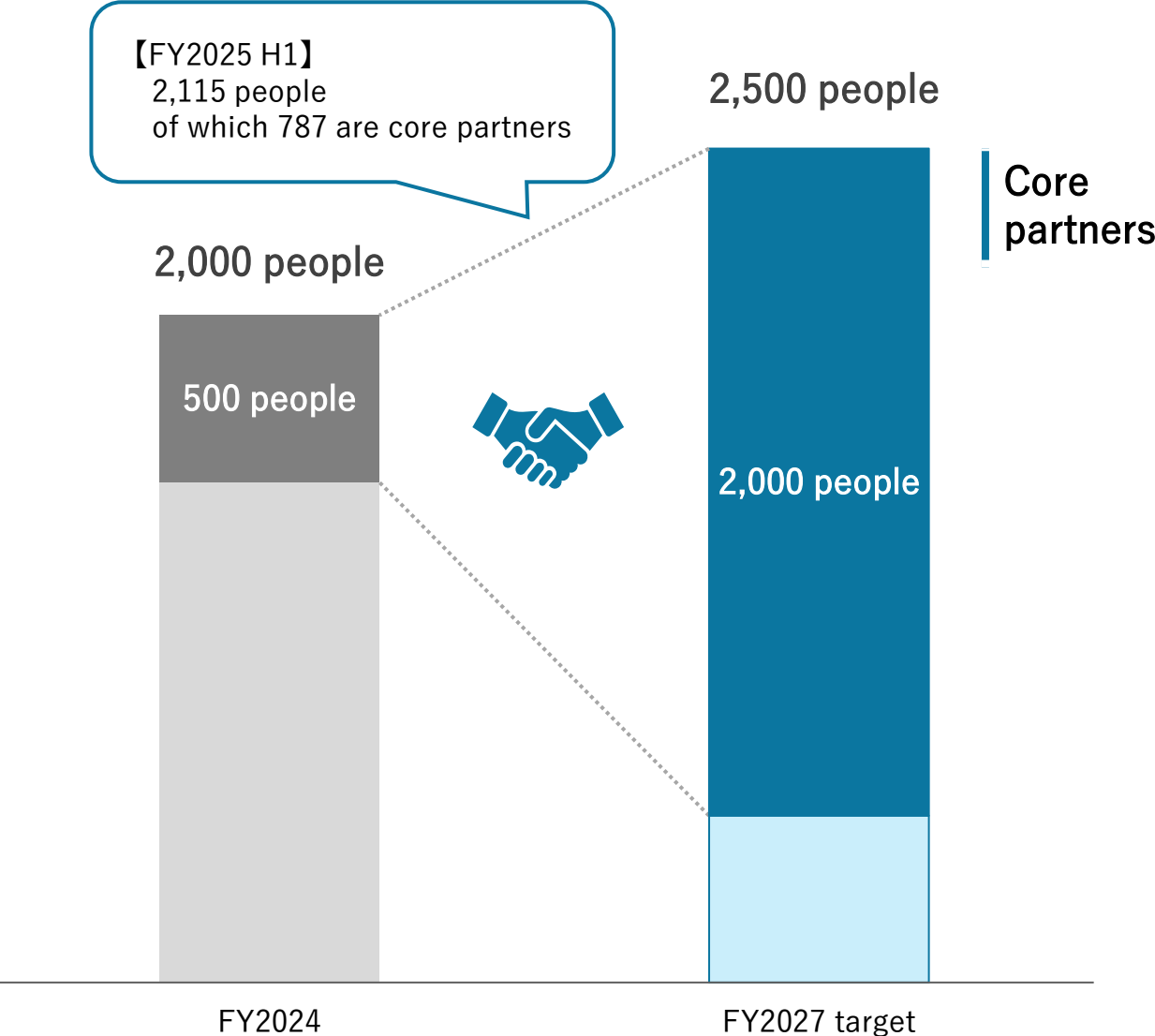
Implementation of measures to foment innovation



- ISO42001
(Management systems related to AI)
- ISO56001
(Innovation management systems)

1. Service Portfolio Strategy: Human Resources: Business Partners

■ Securing of high-value-added personnel by strengthening certification of core partners and training personnel for mutual assistance



Strengthening Partnerships

- ✓ Early strategic securing of partners through enhanced information gathering and management
- ✓ Development of co-creation partners for new business ventures

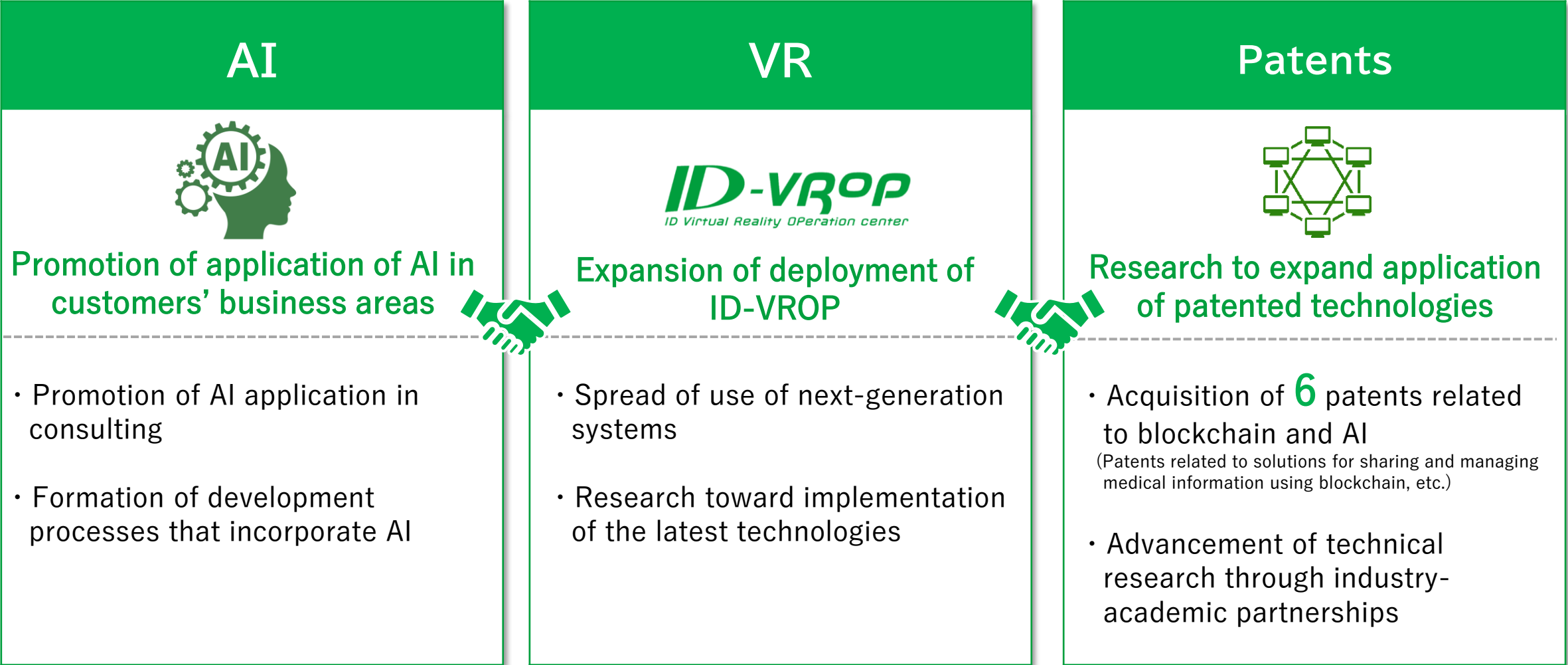
Enhancing Governance

- ✓ Promoting sound transactions and partners' health management through strengthened project management

1. 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: **¥1 billion** over three years



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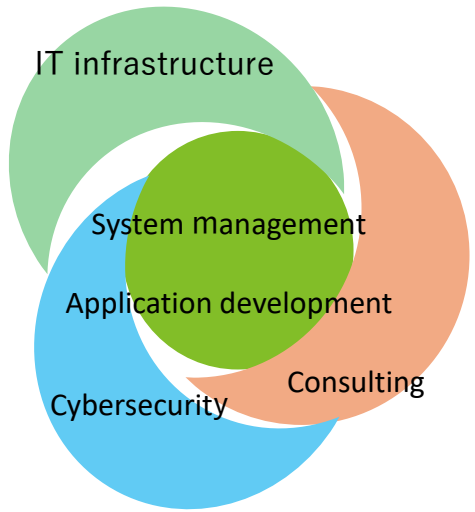
2. Establishment of Customer Contact Points

The ID Group will **JUMP!!!** by taking a proactive and cross-cutting approach, establishing new marketing and business functions.

Marketing activities of the ID Group

Establishment of new marketing and business functions

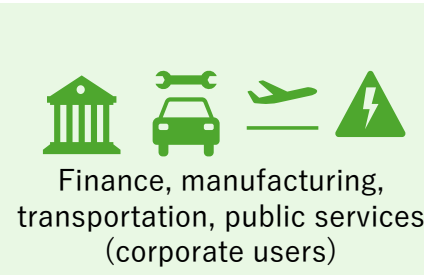
1) Tabling customer-focused proposals



2) Tabling solution-focused proposals

Main targets of the ID Group

Existing and large-scale customers



From relationships built in Base areas, the ID Group aims to:

- Secure major projects based on **DevSecOps**
- Become customers' medium-to-long term **strategic IT partner**



Through major system integrators, the ID Group aims to:

- Leverage customer solutions to expand order acceptance
- **Cross-apply to other companies in the same field** expertise accumulated by working with existing customers

New customers



Leveraging **proposals focused on Focus areas**, the Group aims to expand orders received for system management and application development.

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2. Marketing Direction by Customer Industry

Starting with security and consulting, the Group aims to expand operations with customers into service domains in which they do not yet participate while deepening its engagement in existing domains.

↗ Expansion → Holding ↘ Contraction

Category Share of net sales	Industry Share of net sales	Customer	Focus areas		Base areas	
			Security and consulting	IT infrastructure	Application development	System management
10 companies with direct contracts 43%	Manufacturing 3.7%	Company A	↗	↗	↗	→
			Expansion in security, consulting, IT infrastructure and application development			
	Transportation 2.1%	Company B	↗	↗	↗	→
			Expansion in security, consulting, IT infrastructure and application development			
	Finance 27.1%	Companies: C, D, E, F, G and H	↗	↘	→	→
			Despite wrap-up of major projects with some customers, the Group is aiming for expansion, focusing on security and consulting.			
5 strategic partners 32%	Operating vendors 14.8%	Company K, Company L	↗	↗	—	↗
			↗	↗	→	→
	Development vendors 17.4%	Companies: M, N and O	Despite wrap-up of major projects with some customers, the Group is aiming for expansion, focusing on security, consulting and IT infrastructure.			

Note: Share of net sales is as of the end of FY2024.

3. Strategy for Investment in Human Capital

The ID Group will **JUMP!!!** to become a corporate Group where a professional workforce plays an active role.

Investment in human capital:

¥6 billion over three years

(Including recruitment expenses, educational and training expenses, pay rises, etc.)

Change or Die !



4. 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

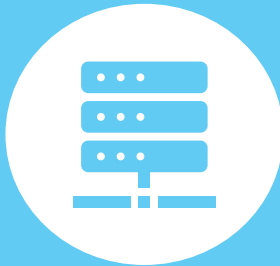
Personnel



Securing personnel for upstream processes

- Consultants
- Project managers

Technology and licenses



Securing technologies for Focus areas

- SaaS and packaged solutions
- Network-related solutions
- Cybersecurity and IT infrastructure areas

Customers



Attracting excellent customers

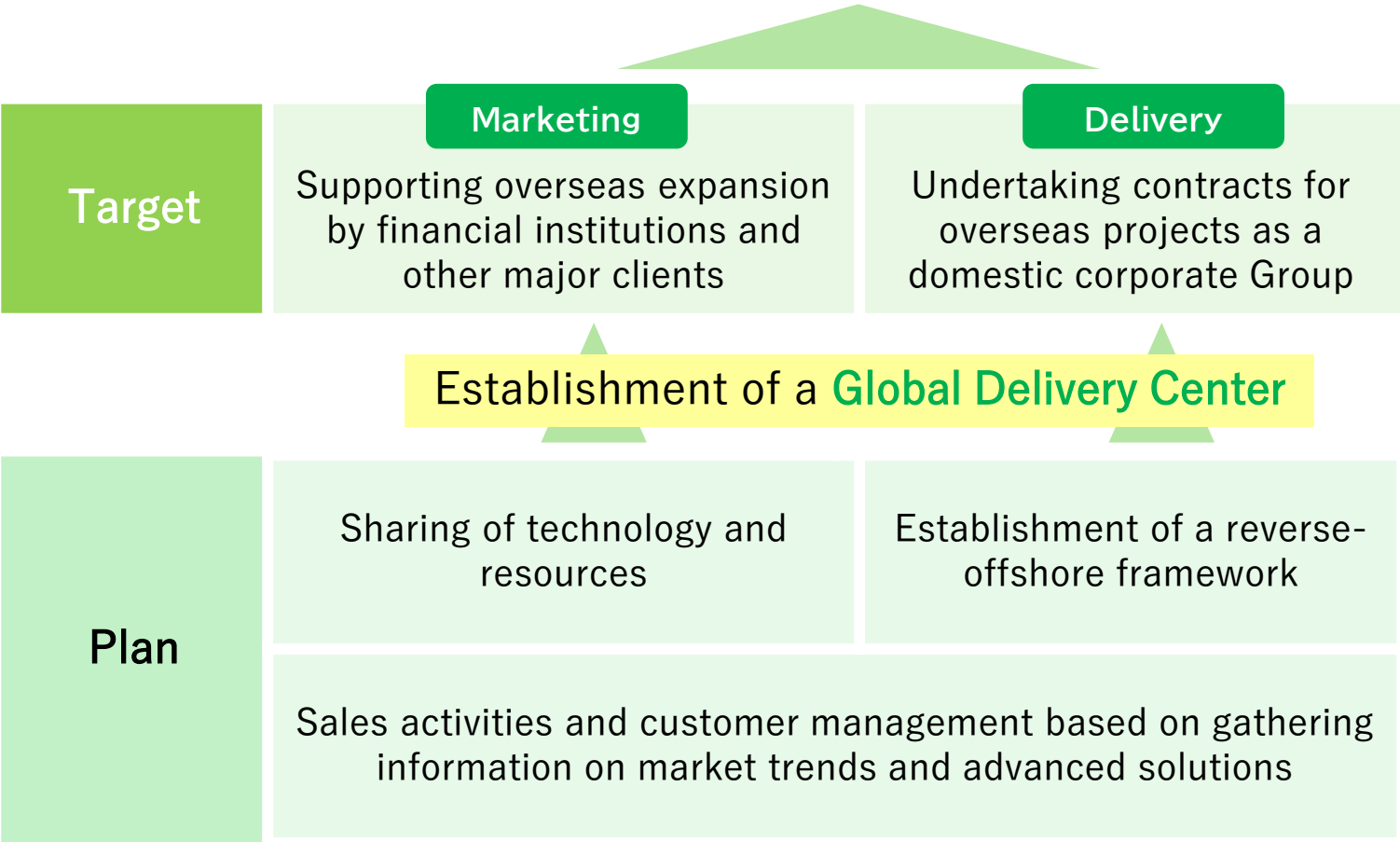
- New customers in existing industries
- Customers in new industries

5. Global Strategy

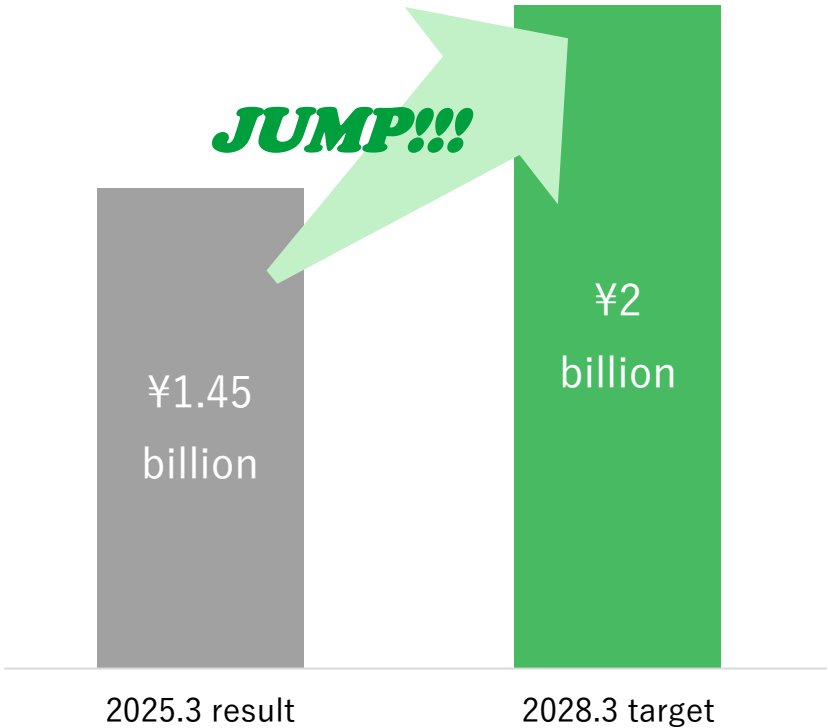
The ID Group seeks to be a true IT strategic partner offering Japanese-quality IT services.

Vision

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



Net-sales target for global strategy



Change or Die !

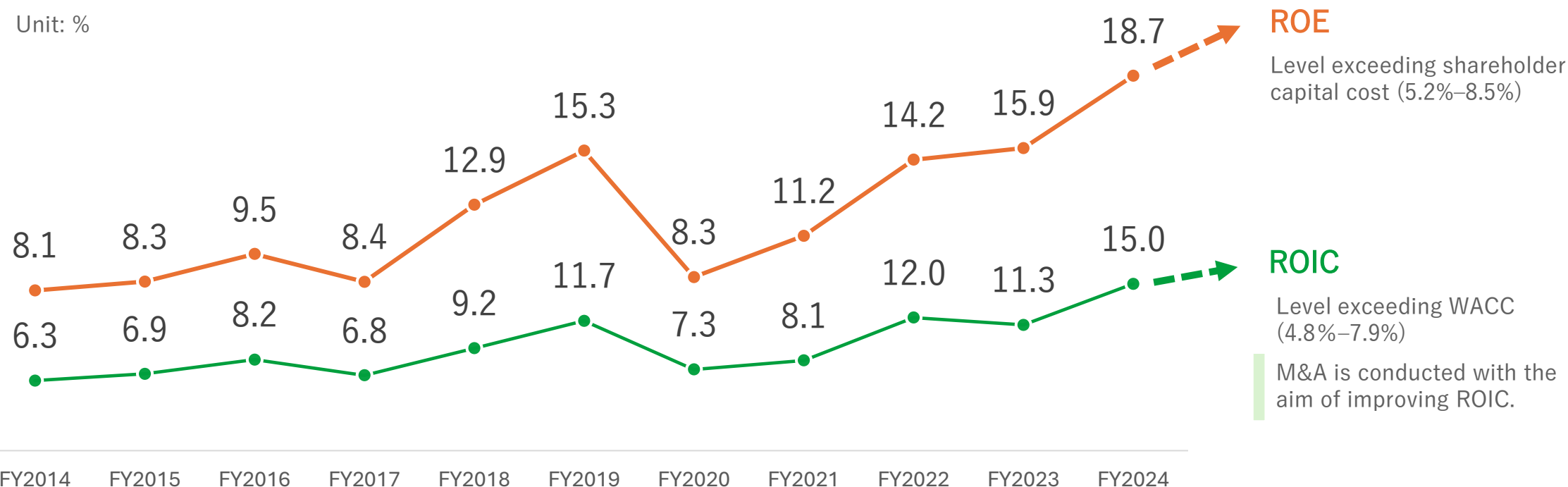
6. Management That is Mindful of Capital Cost and Share Price (ROE and ROIC)

- 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).**

Trends in ROE and ROIC

Unit: %



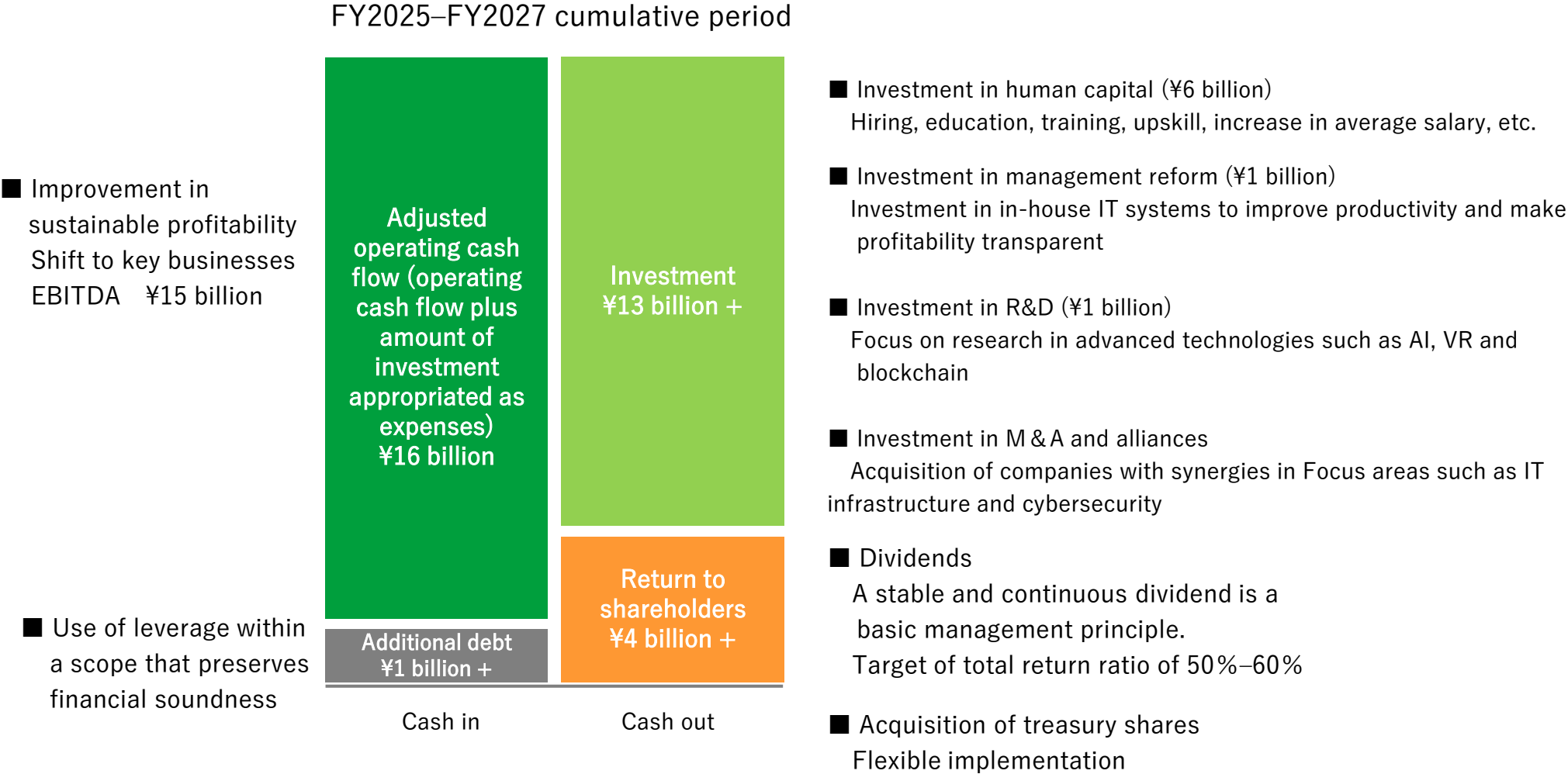
■ Return on invested capital (ROIC) = (Operating income – income taxes) ÷ (net assets + interest-bearing debt) × 100

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







- Shareholder capital cost (5.2–8.5%) = risk-free rate (about 1.55%) + beta (0.6–0.95) × market risk premium (6.0–7.37%)
 - 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: ¥31.5 billion (as of March 31, 2025, after deduction of treasury stock); debt cost: 0.4%–0.49%; effective tax rate: 30%–38%

6. Management That is Mindful of Capital Cost and Share Price (Cash Flow Allocation)

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



Key Numerical Targets of Current Mid-term Management Plan

	FY2024	FY2025	FY2026	FY2027		FY2029
Net sales	¥36.2 billion	¥38.5 billion	¥41 billion	¥44 billion		¥50 billion
Gross profit	¥8.65 billion	¥10.1 billion	¥10.8 billion	¥12.3 billion		¥15 billion
Gross profit margin	23.9%	26.2%	26.4%	28.0%		30.0%
Operating income	¥3.78 billion	¥4.0 billion	¥4.4 billion	¥5.7 billion		¥8 billion
Operating income margin	10.4%	10.4%	10.7%	13.0%		16.0%
Total return ratio	50.4%	50–60%				50–60%

Note: The figures in this table do not include amounts from inorganic growth by M&A.
The forecasts in these materials are prepared using information available at the time of publication.
Actual business results may differ from these forecasts as a result of a wide range of factors.

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Revision of Forecast of Consolidated Financial Results for FY2025

	2026.3 (Announced April 30, 2025*)		2026.3 (Announced October 31, 2025)			
(¥ million)	Plan	(% of net sales)	Plan	(% of net sales)	Diff.	YoY
Net sales	38,500	-	39,000	-	+500	+1.3%
EBITDA	4,440	11.5%	4,540	11.6%	+100	+2.3%
Operating income	4,000	10.4%	4,100	10.5%	+100	+2.5%
Ordinary income	4,010	10.4%	4,080	10.5%	+70	+1.7%
Net income attributable to owners of parent	2,410	6.3%	2,500	6.4%	+90	+3.7%
Earnings per Share(EPS)(¥)	143.27	-	147.80	-	-	-
EPS before Amortization of Goodwill(¥)	155.27	-	159.74	-	-	-
Cash flows from operating activities	3,340	-	3,355	-	+14	-

Note: Earnings Per Share (EPS) and EPS before Amortization of Goodwill are based on the figures announced on July 31, 2025 (in the Q1 financial results release).

Forecast of Consolidated Financial Results for FY2025 (YoY)

	2025.3		2026.3 (Announced October 31, 2025)			
(¥ million)	Results	(% of net sales)	Plan	(% of net sales)	Diff.	YoY
Net sales	36,274	-	39,000	-	+2,725	+7.5%
EBITDA	4,390	12.1%	4,540	11.6%	+149	+3.4%
Operating income	3,780	10.4%	4,100	10.5%	+319	+8.4%
Ordinary income	3,862	10.6%	4,080	10.5%	+217	+5.6%
Net income attributable to owners of parent	2,389	6.6%	2,500	6.4%	+110	+4.6%
Earnings per Share(EPS)(¥)	142.54	-	147.80	-	+5.26	-
EPS before Amortization of Goodwill(¥)	165.43	-	159.74	-	-5.69	-
Cash flows from operating activities	3,557	-	3,355	-	-202	-

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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