



Q2 FYE Sep-2025

# Financial Results Presentation Materials

13 May 2025

Internetworking & Broadband Consulting Co., Ltd.

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Securities code: 3920

# Fiscal Year Ending September 2025 Second Quarter Results

## ● Second Quarter Highlights



- Sales increased by 10% compared to the same period last year, setting a new record for the second quarter.
- Operating income increased by 87% compared to the same period last year, and net profit increased by 1,458% compared to the same period last year, both showing significant growth.
- SG&A expenses are progressing within plan.
- Recurring sales increased by 48% compared to the same period last year, achieving high growth.
- The system answer update rate for in-house developed products remained at 95% compared to the same period last year.

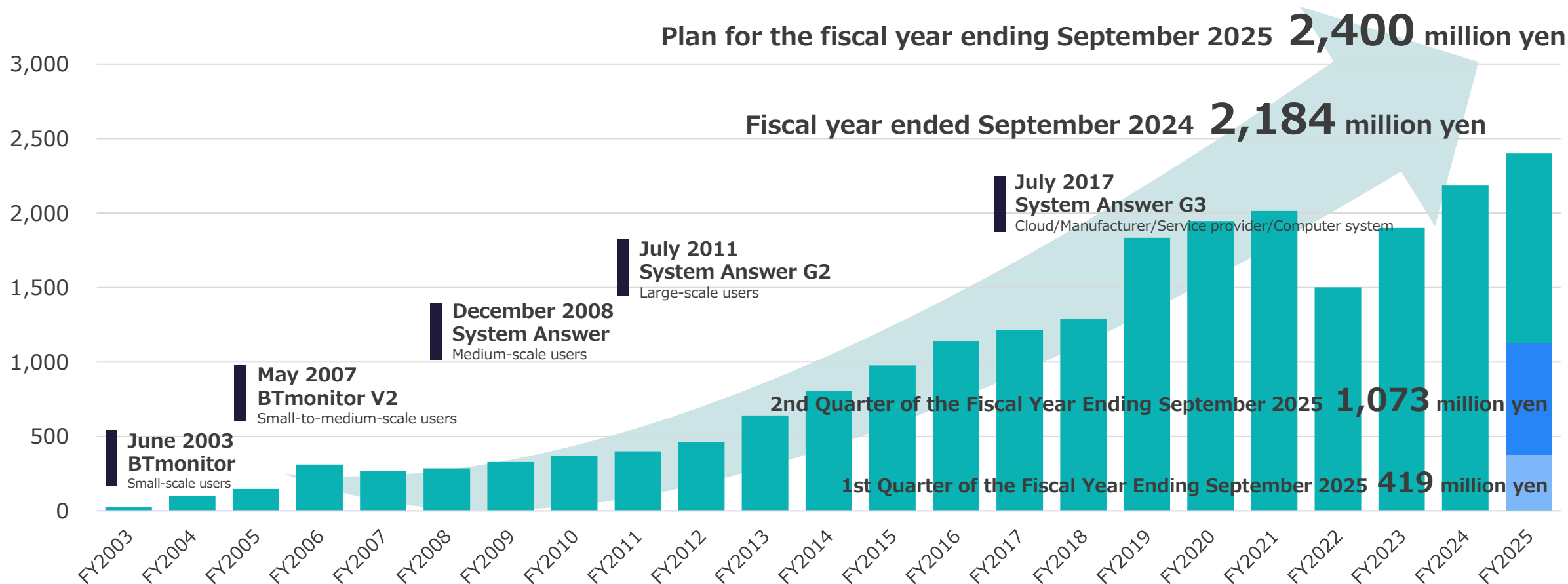
\*Year-on-year comparisons  
are calculated on a  
consolidated basis

Sales	Operating Income	Net Profit
<b>1,073 million yen</b> Increased by 10% compared to the same period last year	<b>252 million yen</b> Increased by 87% compared to the same period last year	<b>184 million yen</b> Increased by 1,458% compared to the same period last year
SG&A Expenses	Recurring Sales	System Answer Update Rate
<b>603 million yen</b> Increased by 12% compared to the same period last year	<b>724 million yen</b> Increased by 48% compared to the same period last year	<b>95%</b> Unchanged from the same period last year

# Earnings Trends



- The company has continued to grow steadily since its founding.
- Sales for the fiscal year ended in September 2024 were at an all-time high. Further expansion is planned for the fiscal year ending in September 2025.



## ● Second Quarter Results



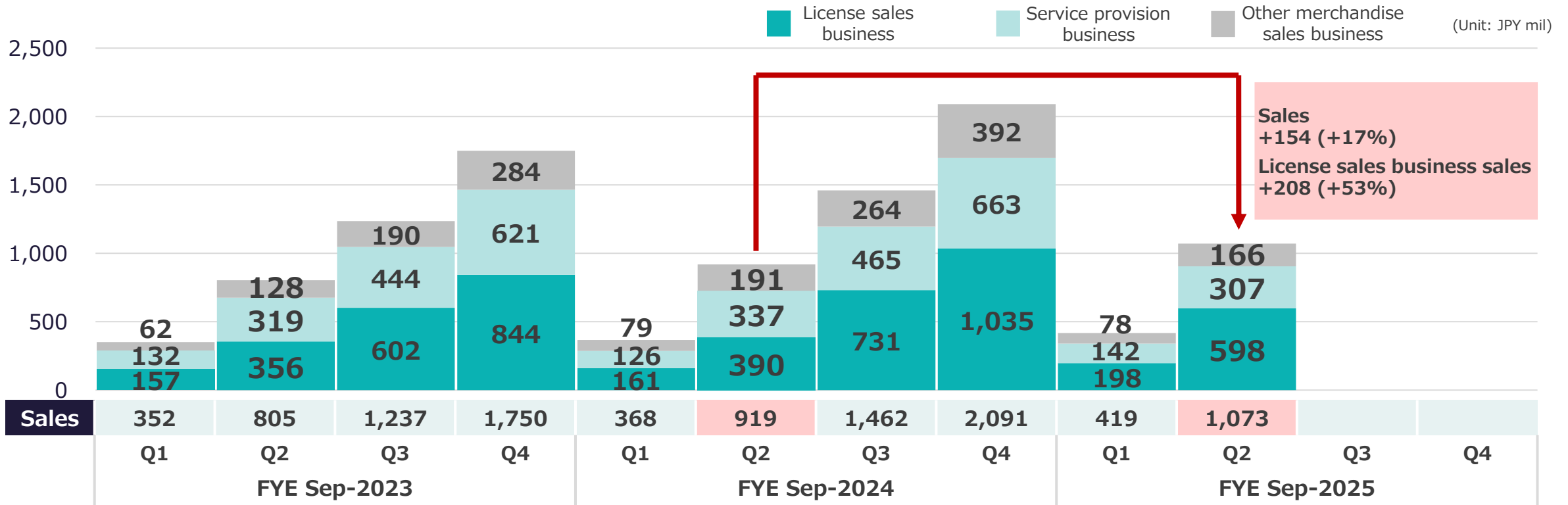
(Unit: JPY mil)

	FYE Sep-2024 Q2 Results	FYE Sep-2025 Q2 Results	FYE Sep-2025 Full-year Earnings Forecast	Progress
Sales	974	1,073 <small>Increased by 10% compared to the same period last year</small>	2,400 <small>10% increase from previous period</small>	45%
Operating Income	134	252 <small>Increased by 87% compared to the same period last year</small>	450 <small>18% increase from previous period</small>	56%
Net Profit	11	184 <small>Increased by 1,458% compared to the same period last year</small>	358 <small>42% increase from previous period</small>	52%

# ● Sales up to End of Second Quarter (Non-consolidated)



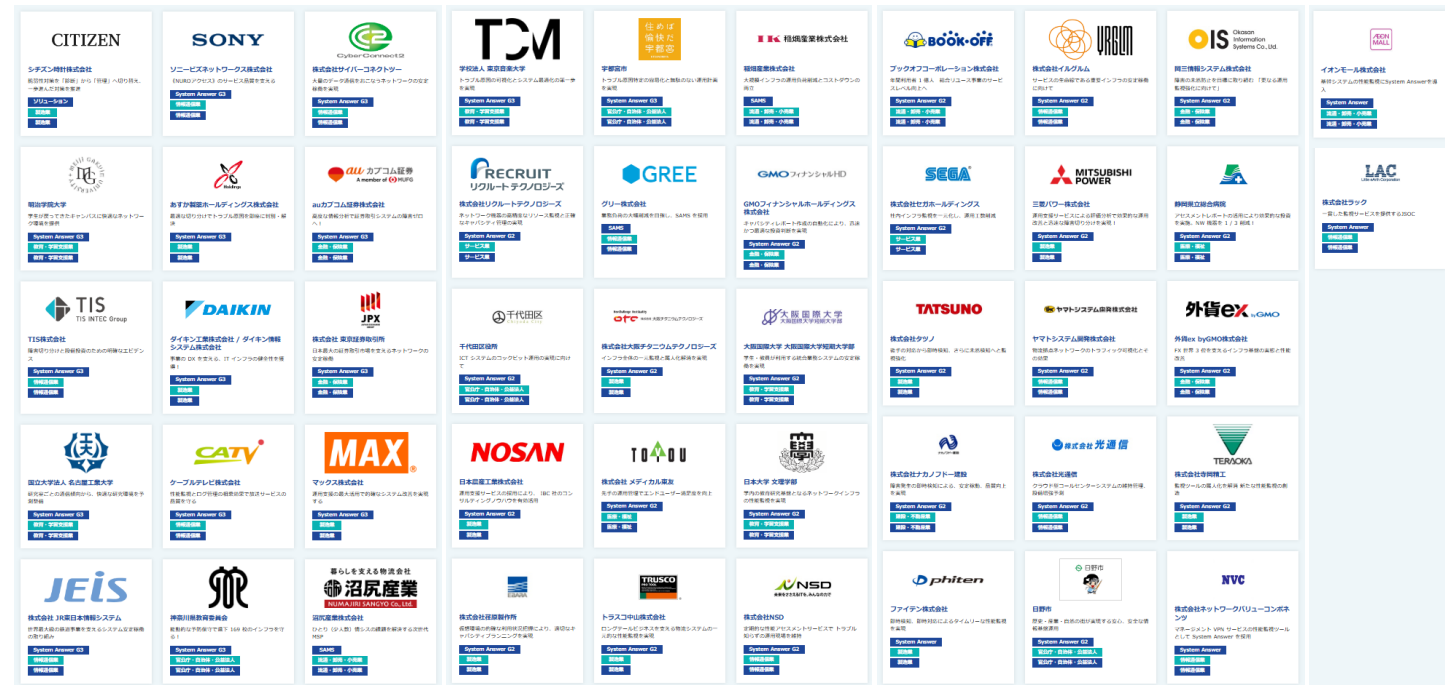
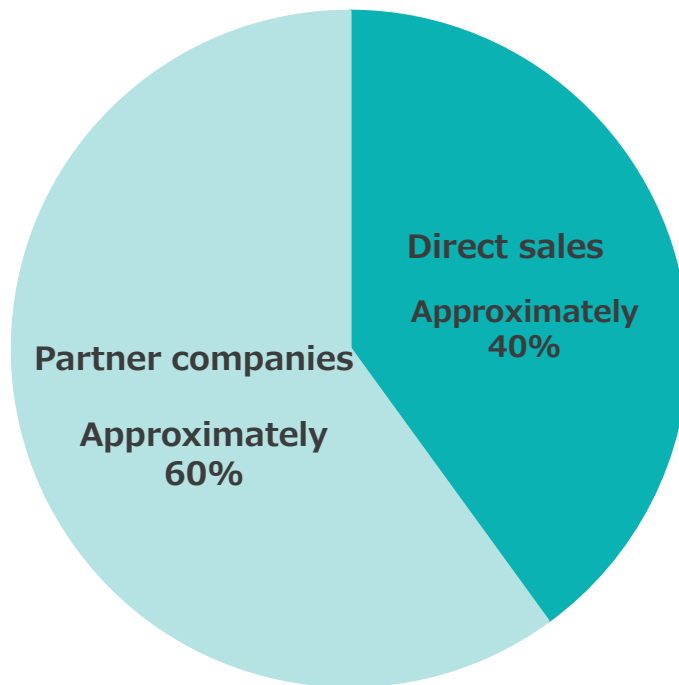
- Sales in our main license sales business increased significantly by 53% year-on-year as a result of strengthening support for existing customers and partner business.
- Service provision business and other merchandise sales business saw a decrease compared to the same period last year, but remained at the same level as previous years.



# Sales Format



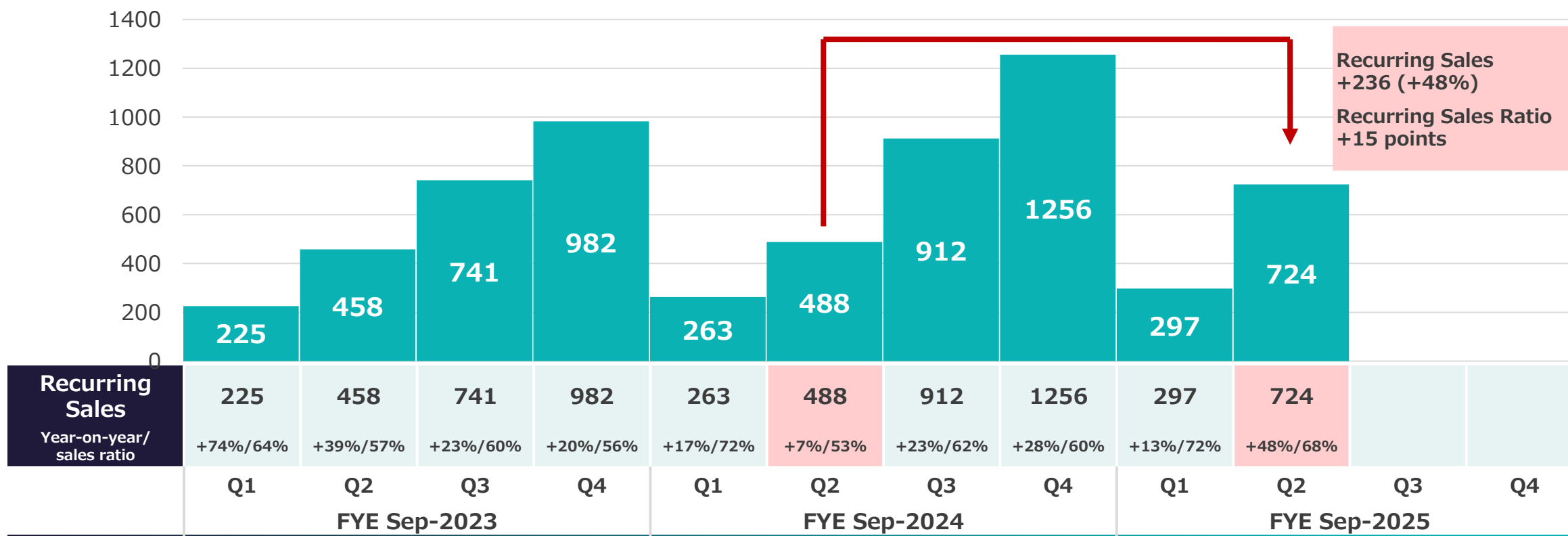
- Approximately 40% of sales are direct sales and approximately 60% are sales through partner companies.
- It has been adopted by over 1,000 companies.
- Partner companies are primarily major vendors. There are many examples of large companies and local governments adopting this system.



## ● Recurring Sales up to End of Second Quarter (Non-consolidated)

- Recurring sales increased by 48% compared to the same period last year.
- The recurring sales ratio increased by 15 points compared to the same period last year, maintaining a stable earnings structure.

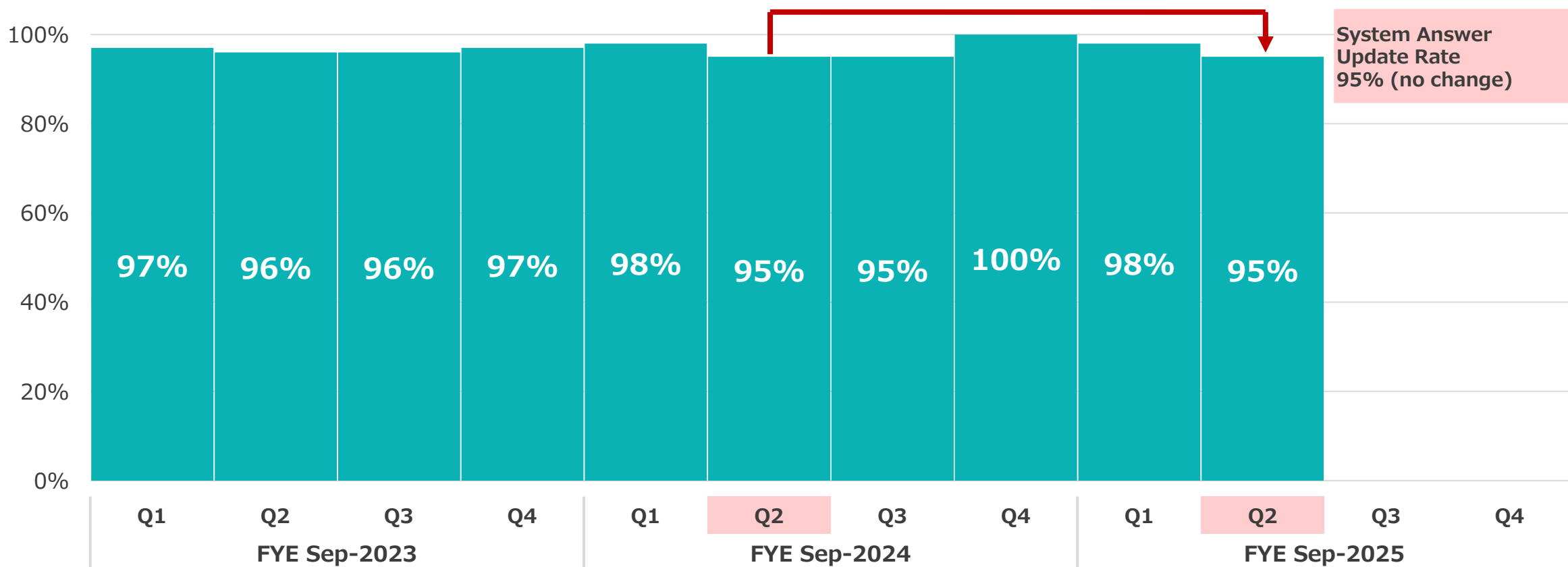
\*The main component of recurring sales is the one-year license renewal.



## ● Second Quarter System Answer Update Rate



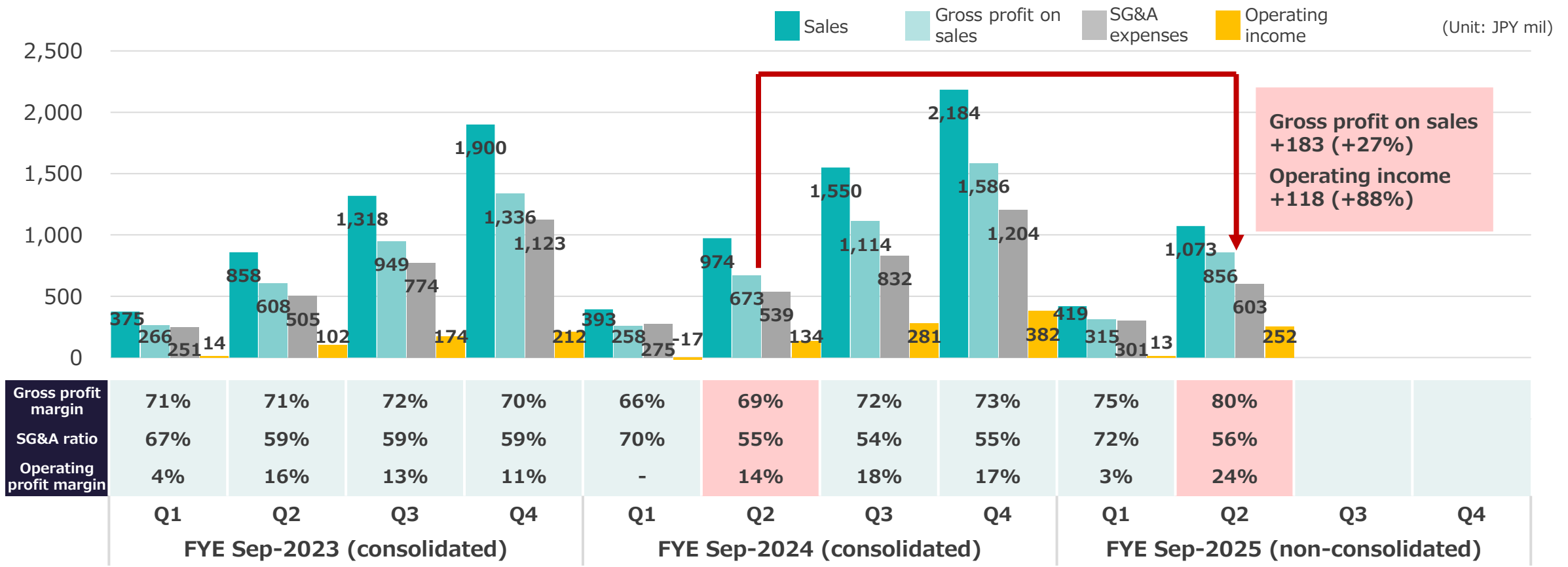
- The system answer update rate\* for in-house developed products remained at 95% compared to the same period last year.
- We are seeing stable long-term profits.



# ● Operating Income up to End of Second Quarter



- Sales increased and gross profit margin improved, resulting in a significant increase in gross profit compared to the previous fiscal year.
- The operating profit margin was 24%, significantly exceeding the 11.7%\* margin of the information and communications industry.



# ● Breakdown of SG&A Expenses up to End of Second Quarter (Non-consolidated)

- The increase in SG&A expenses is due to labor costs.
- Due to investment in human resources for new growth, labor costs increased by 27% compared to the same period last year.

(Unit: JPY mil)

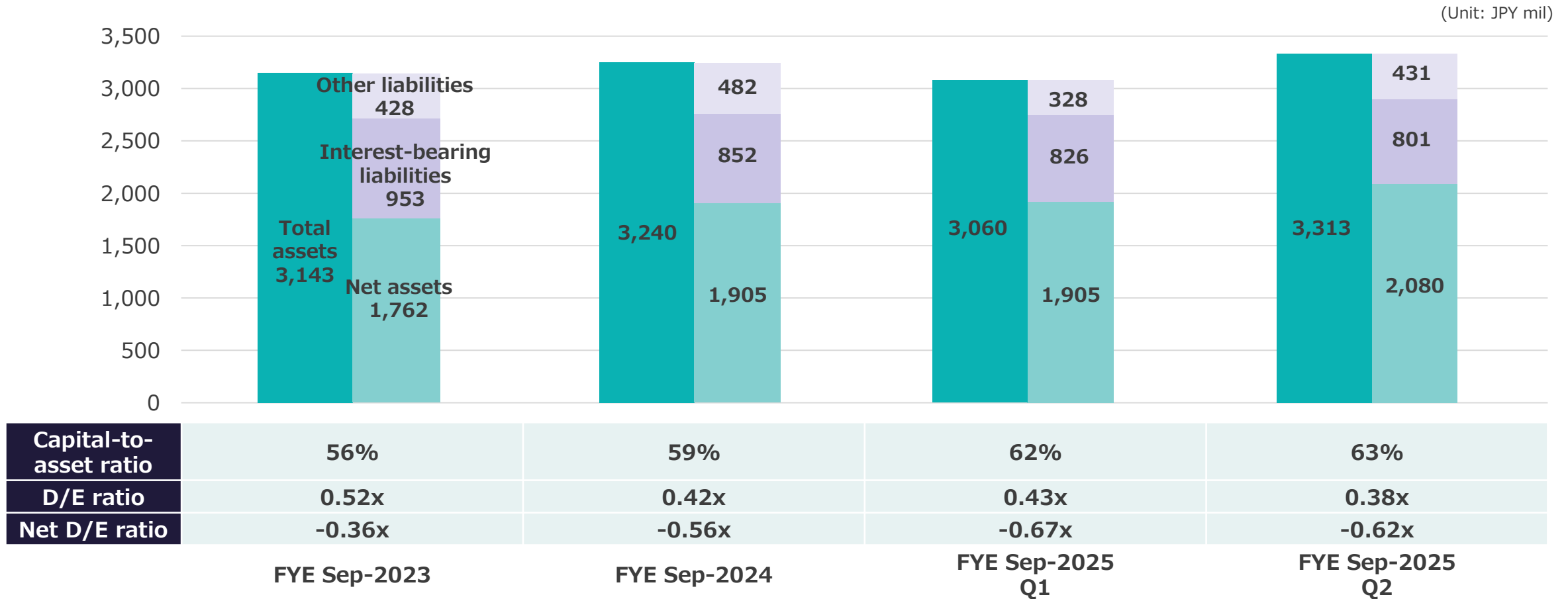
	FYE Sep-2024 Q2	FYE Sep-2025 Q2	Change	Percent change	Point
Labor costs <sup>*1</sup>	320	407	+87	+27%	The increase is due to an increase in employees and wage increases. We continue to invest in human resources to expand our business.
Outsourcing expenses	32	26	-6	-18%	
Depreciation	20	4	-16	-20%	Part of the costs of business acquisition and relocation of the West Branch has been amortized.
In-house system costs, etc. <sup>*2</sup>	31	37	+6	+19%	
Office-related expenses <sup>*3</sup>	45	50	+5	+11%	
Customer development related expenses <sup>*4</sup>	15	13	-2	-14%	
Travel and transportation expenses	8	10	+2	+25%	
Other	48	53	+5	+10%	
<b>Total</b>	<b>523</b>	<b>603</b>	<b>+80</b>	<b>+15%</b>	

<sup>\*1</sup> Labor costs are the total of executive compensation, salaries and allowances, employee bonuses, temporary staff costs, statutory welfare costs, welfare costs, recruitment costs, and training costs.  
<sup>\*2</sup> Internal system costs, etc. are the total of internal system costs and rental costs  
<sup>\*3</sup> Office-related expenses are the total of land rent, repair expenses, office supplies expenses, communications expenses, utilities expenses, equipment expenses, and newspapers and books expenses.  
<sup>\*4</sup> Customer development-related expenses are the total of advertising and promotion expenses, entertainment expenses, and membership fees.

# ● Balance Sheet and Capital Adequacy Ratio (Non-consolidated)



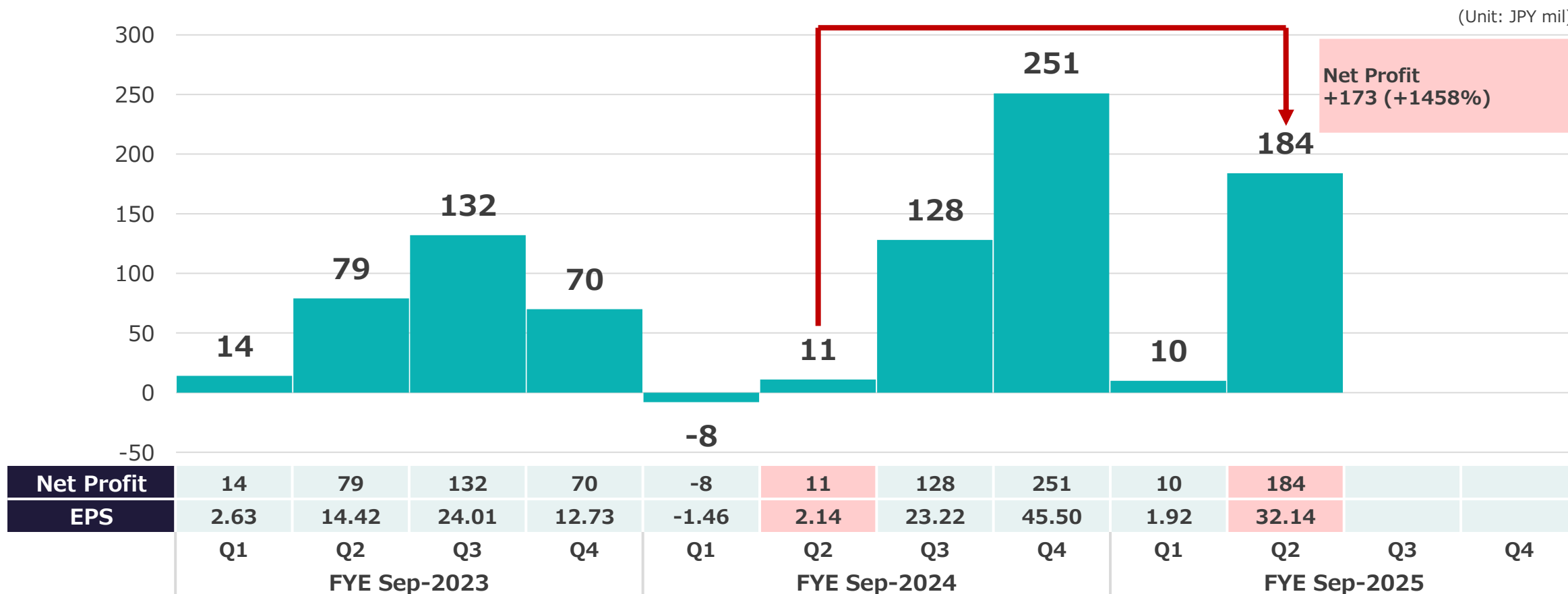
- The capital-to-asset ratio is gradually increasing due to the continued accumulation of profits and the reduction of interest-bearing liabilities.
- Our financial position remains sound.



# ● Net Profit and EPS up to End of Second Quarter



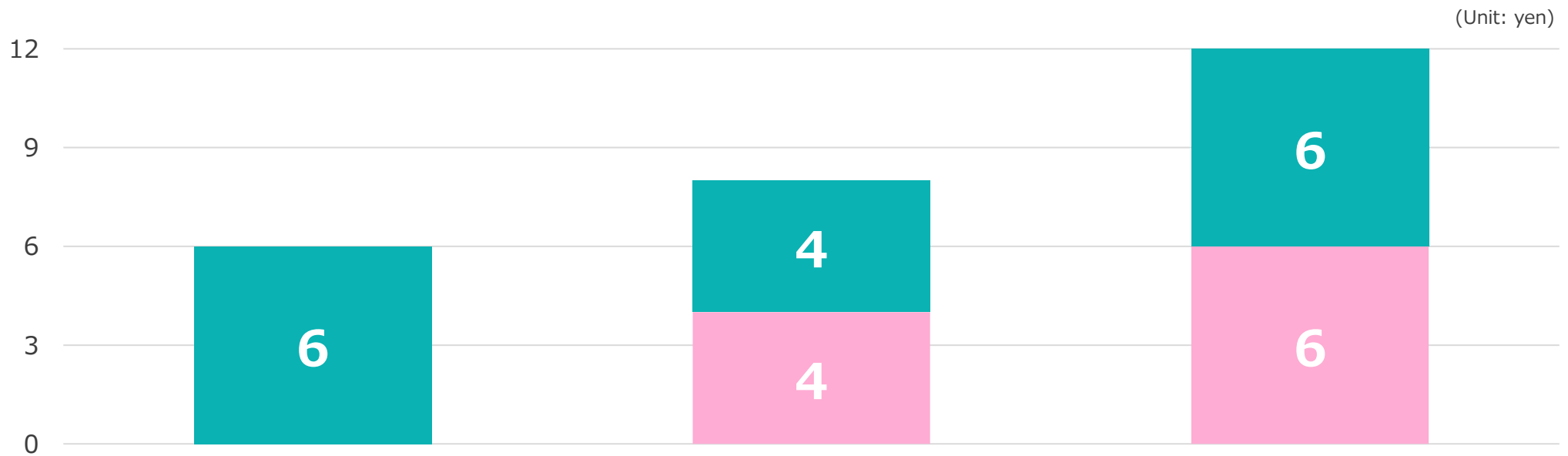
- Due to increased sales and improved gross profit margin, net profit increased significantly by 1,458% compared to the same period last year.



## ● Shareholder Returns



- The company will pay progressive dividends, and has decided to pay an interim dividend of 6 yen for the fiscal year ending September 2025 as planned.
- There is no change to the planned year-end dividend of 6 yen (12 yen for the year).



	FYE Sep-2023	FYE Sep-2024	Full-year plan for the FYE Sep-2025
Total dividend allocation (Based on resolution)	33 million yen	44 million yen	66 million yen
Dividend amount/share	6 yen	8 yen (interim 4 yen/year-end 4 yen)	12 yen (interim 6 yen/year-end 6 yen)

# Human Resources Strategy



- Expand human capital, with plan to add nine employees in FYE Sep-2025.
- Increase staff, mainly in technical positions.
- Bolster human resource development. (In-house certification system, support for obtaining national qualifications and AWS/CISCO-related qualifications, etc.)



## ● Market Size



- The overall market has been continuously expanding due to IT investments driven by digitalization and DX promotion
- High potential for further growth

**Domestic IT market**  
**26.6412 trillion yen**

2025 forecast / CAGR (2023-2028): 6.3%

License sales business  
**Operation management market**  
**189.4 billion yen**

2023 forecast / CAGR (2023-2027): 10.6%

Service provision business and other merchandise  
sales business

**Domestic information security market**  
**1.5852 trillion yen**

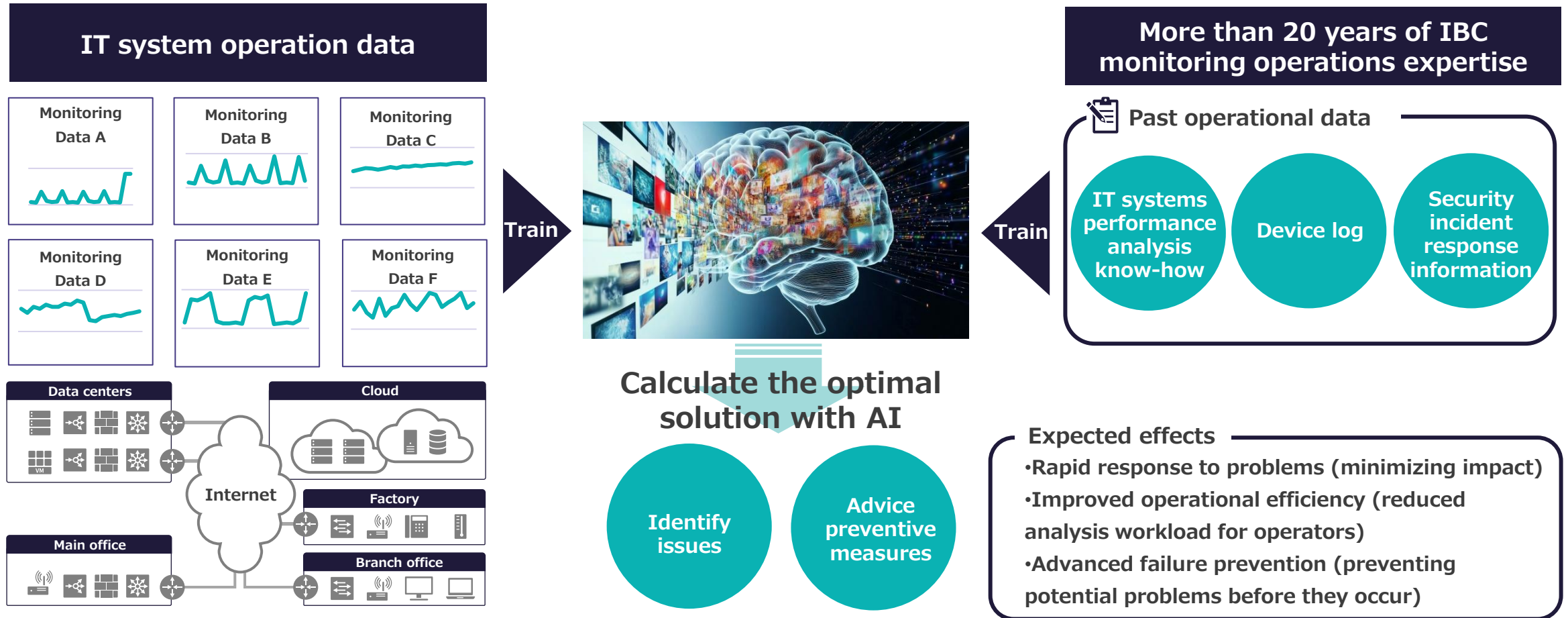
2023 forecast / CAGR (2023-2024): 8.0%

**IBC**  
**Sales 2.4 billion yen**  
Forecast for FYE Sep-2025: 10.0%  
increase from the previous year

# Q2 FYE Sep-2025 Topics

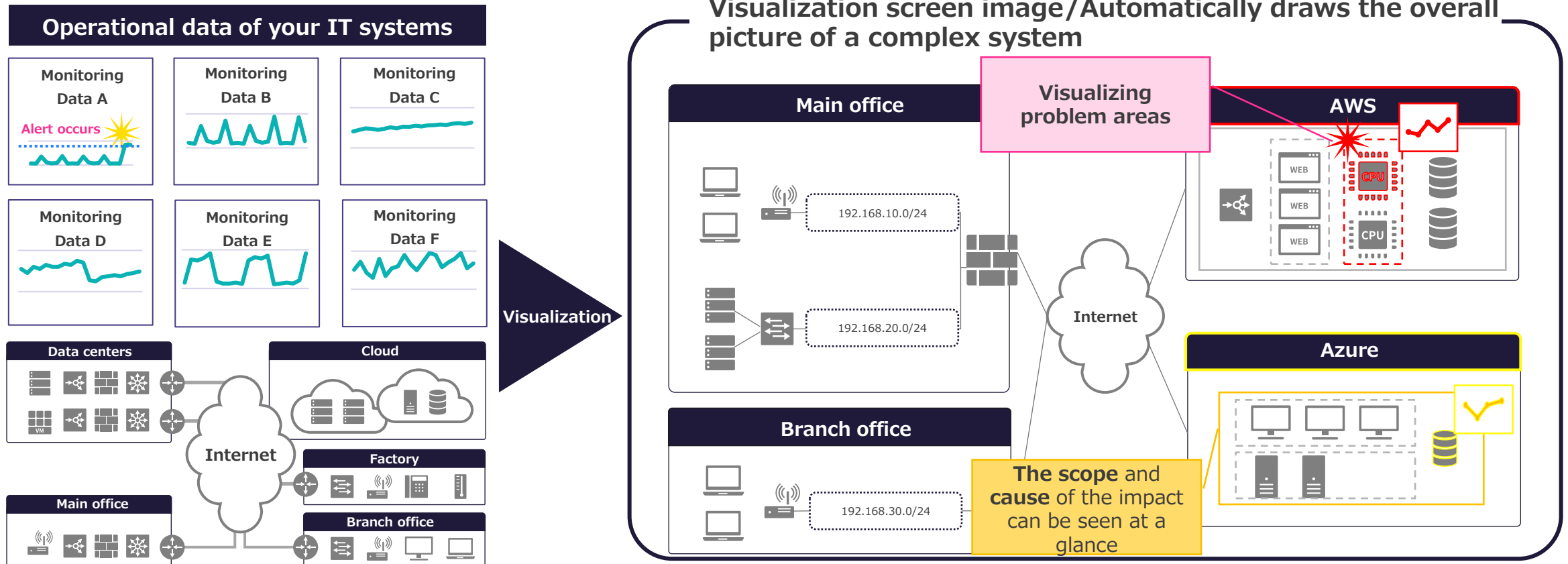
# ● Development of New Functions (AI Technology)

- Utilizing over 20 years of know-how, we use AI technology to calculate optimal solutions.
- Achieve efficient problem solving.



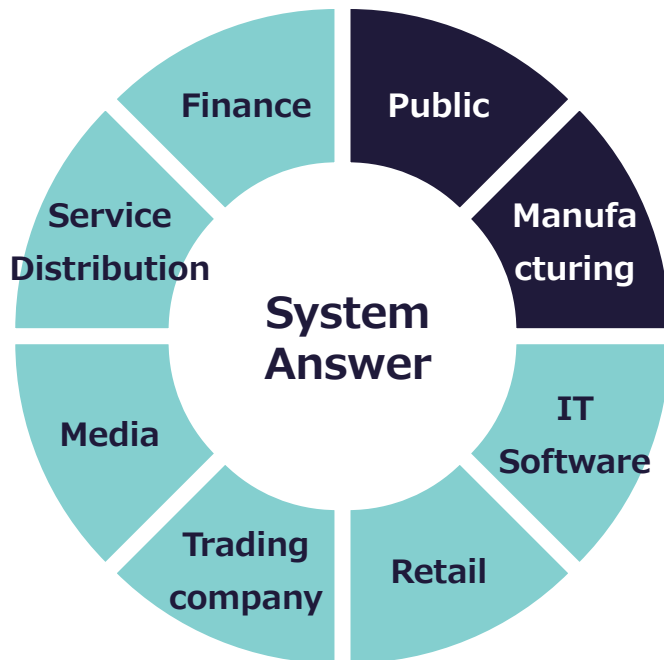
# Development of New Features (Multi-cloud)

- Visualize multi-cloud (combined use of Microsoft Azure, Amazon Web Services, Google Cloud Platform, etc.).
- It helps you grasp the overall picture of complex systems at a glance and improves business efficiency.



# ● Approaching Growing Markets

- Our products are in demand across all industries.
- We aim to expand sales and increase market shares in growing markets.



## Public

### Education

The digitalization of school affairs and learning has progressed through the "GIGA School Initiative."

The Ministry of Education, Culture, Sports, Science and Technology also recommends the "Network Assessment Promotion Project."

## Public

### Local government

Digital transformation of local governments under the Act Partially Amending the Local Autonomy Act. Municipal government networks are undergoing rapid change, with the need to optimize data sharing between the national and local governments.

## Manufacturing

### Manufacturing

The Ministry of Economy, Trade and Industry has published the "Smart Factory Roadmap" and is actively promoting this initiative.

Digital transformation is progressing rapidly in manufacturing sites.



- 
- Illustration showing three people (two men and one woman) sitting at a table, each using a laptop. The background is light blue. Text overlays include:
- 自治体の安全で快適なネットワーク管理 (Safe and comfortable network management for municipalities)
  - もう悩まない!! (No more worries!!)
  - 決定版!! (The definitive edition!!)
- At the bottom right, there is a dark blue button with the text: ⑤ お問い合わせはこちら (Contact us here).



## ● Exhibited at JANOG55 Meeting in KYOTO



- We exhibited at the JANOG55 Meeting held in Kyoto for three days from January 22nd to 24th, 2025.  
\*JANOG55 Meeting is one of Japan's largest conference events regarding networks, servers, and IT infrastructure.
- Number of visitors: 3,832. Network engineers and operators in Japan gather to share the latest technological trends and use cases.
- We had in-depth discussions about the issues that visitors were facing at this event, and will use the knowledge gained here to improve our future product development and services.



## ● CSR Activities Visit to NPO AlonAlon

- As part of our CSR activities, in March 2025, 6 employees visited AlonAlon, an NPO that runs a Type B business that provides support for continuing employment in Futtsu City, Chiba Prefecture.

### ■ Support activities

We assisted in the process of acclimatizing the sprouted seedlings to sunlight and temperature in the paddy rice seedling cultivation project (rice seedling cultivation for the 2025 harvest has been commissioned by the Futtsu City's agricultural cooperative association), which was started as a new challenge for AlonAlon.



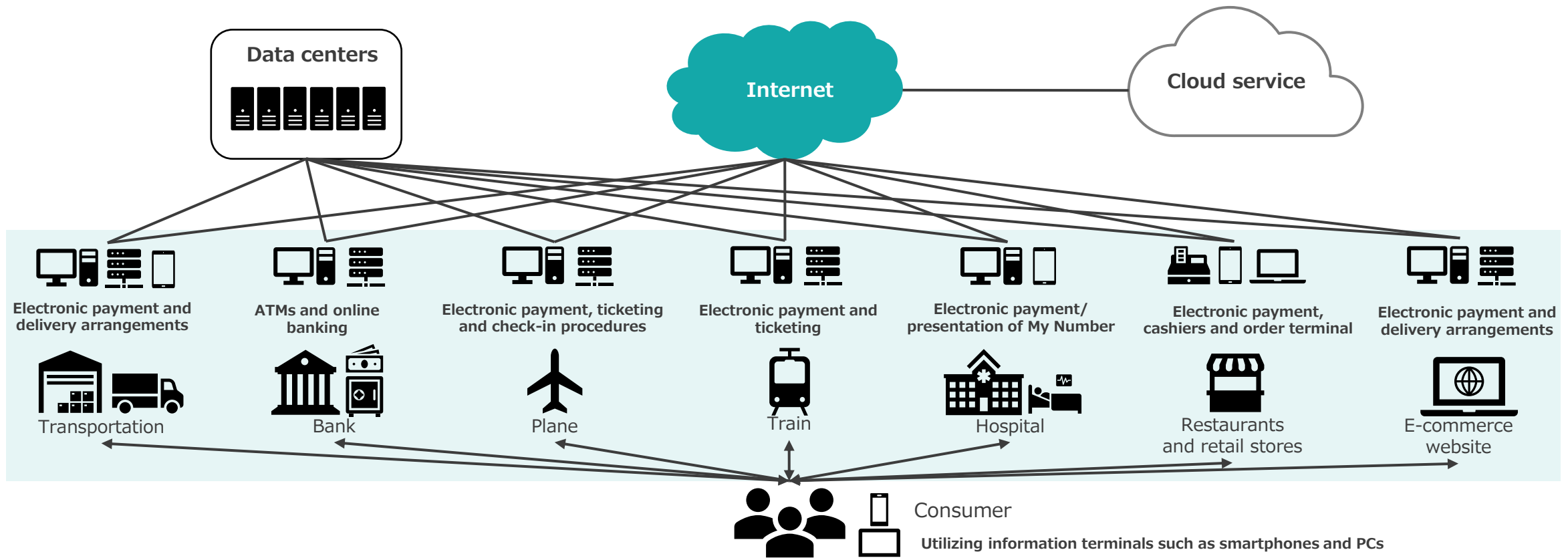
- Through these activities, each employee will develop kindness and consideration for others, while contributing to the realization of a sustainable society.

# Appendix

# ● Social Infrastructure Supported by IT

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

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

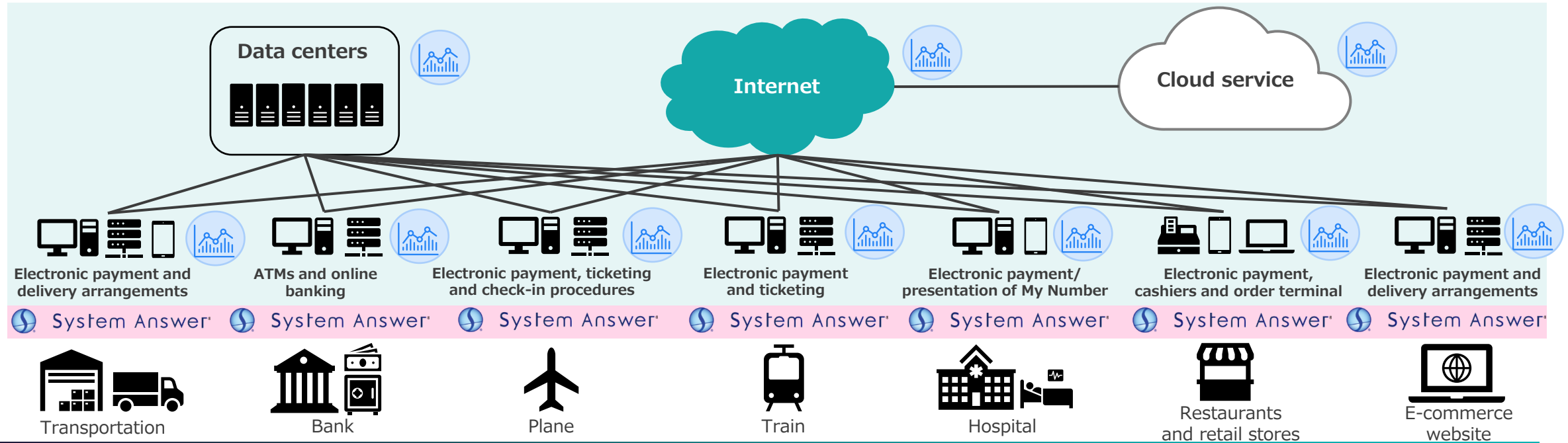


# ● The Need for IT System and Network Monitoring

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

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

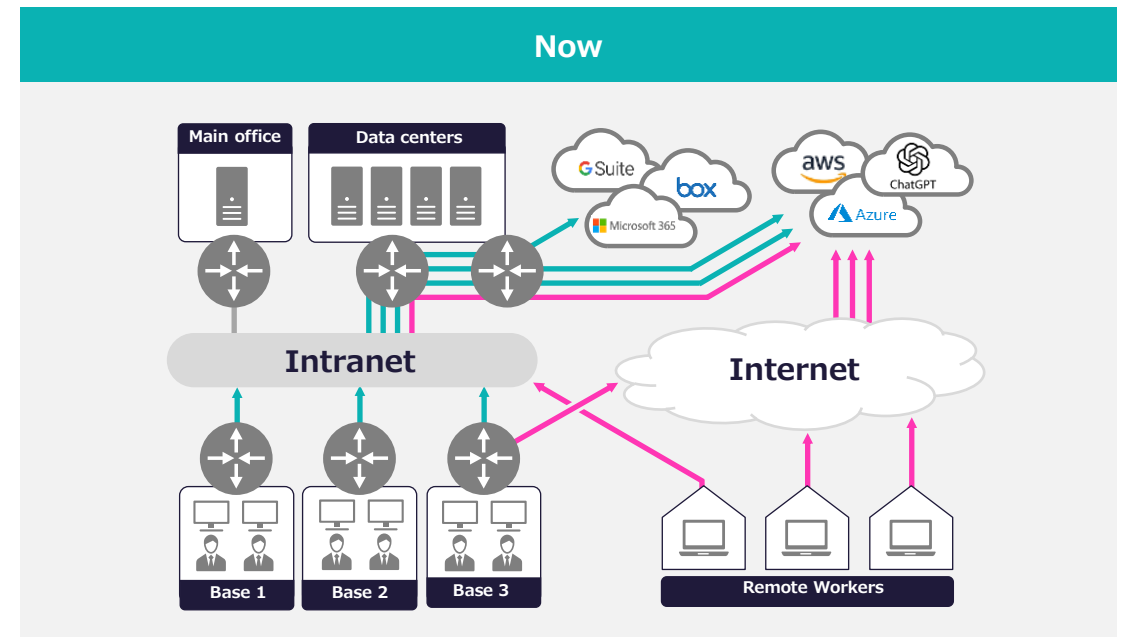
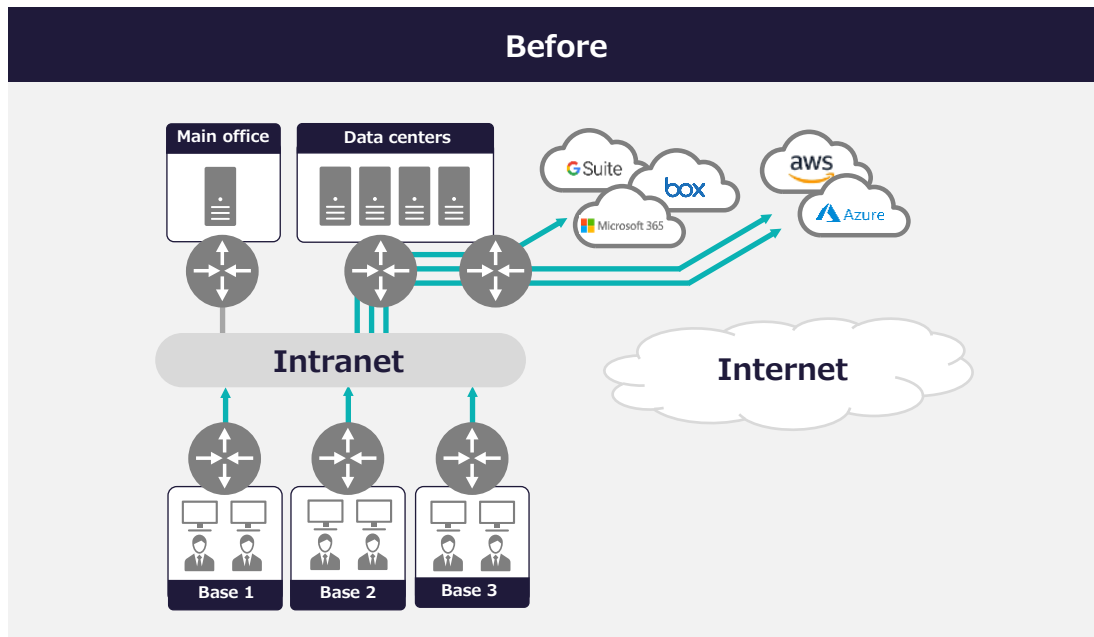
➤ **System Answer monitors IT systems and networks, contributing to the stabilization of social infrastructure**



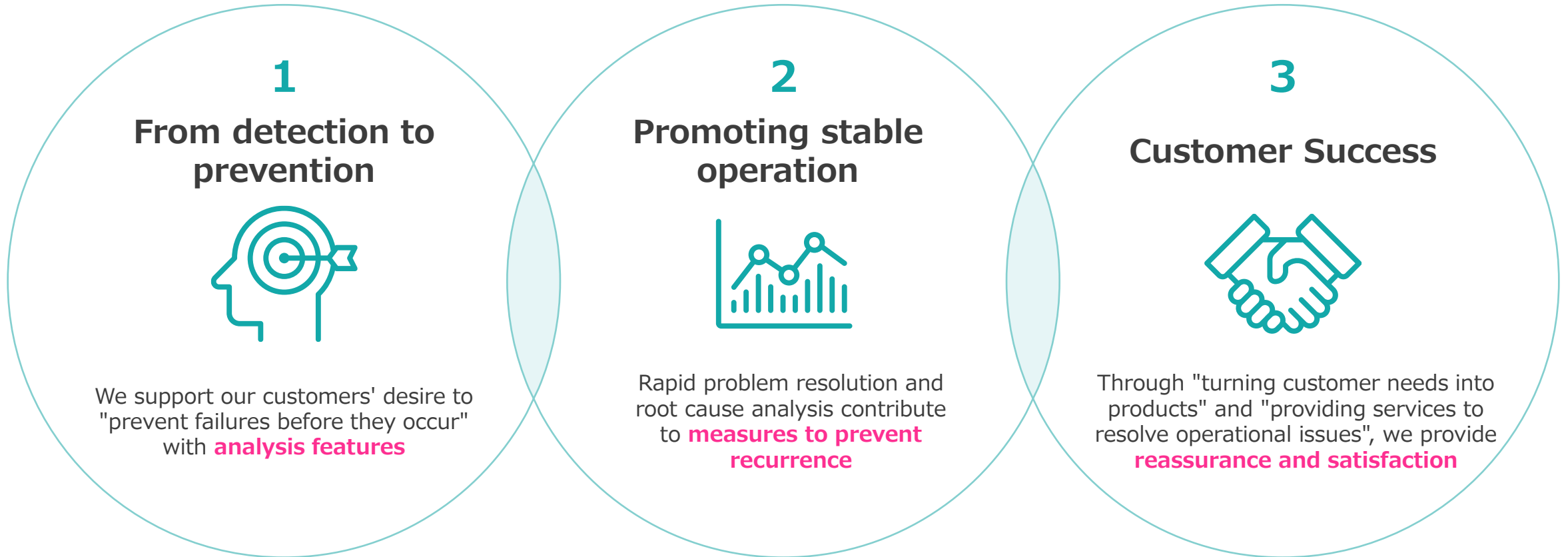
# Changes in the Environment Surrounding IT Systems

Since the COVID-19 pandemic, work styles and in-company communication methods have changed, and the corporate network environment has changed dramatically

- Network traffic is rapidly increasing due to increasing digitalization, data utilization, teleworking, and the spread of AI.
- For stable network operation, it is essential to monitor traffic volume on a daily basis and understand whether the network bandwidth is being strained and whether users are able to use the network without stress.



# ● System Answer G3: Three Advantages



A typical monitoring system **detects** the occurrence of an abnormality. Their role is to investigate and analyze the causes of problems and respond quickly to them. System Answer automatically analyzes the information obtained from monitoring. This enables it to make **predictions** and implement functions to **prevent** possible future failures.

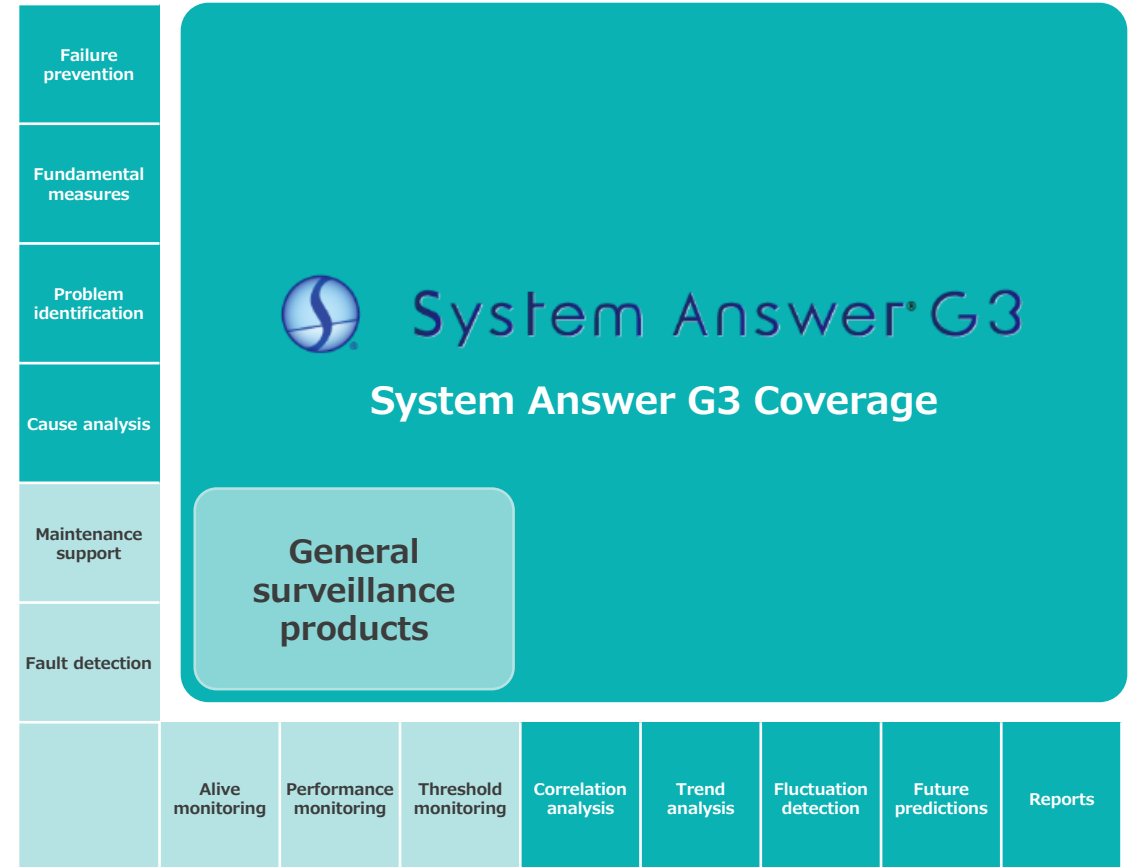
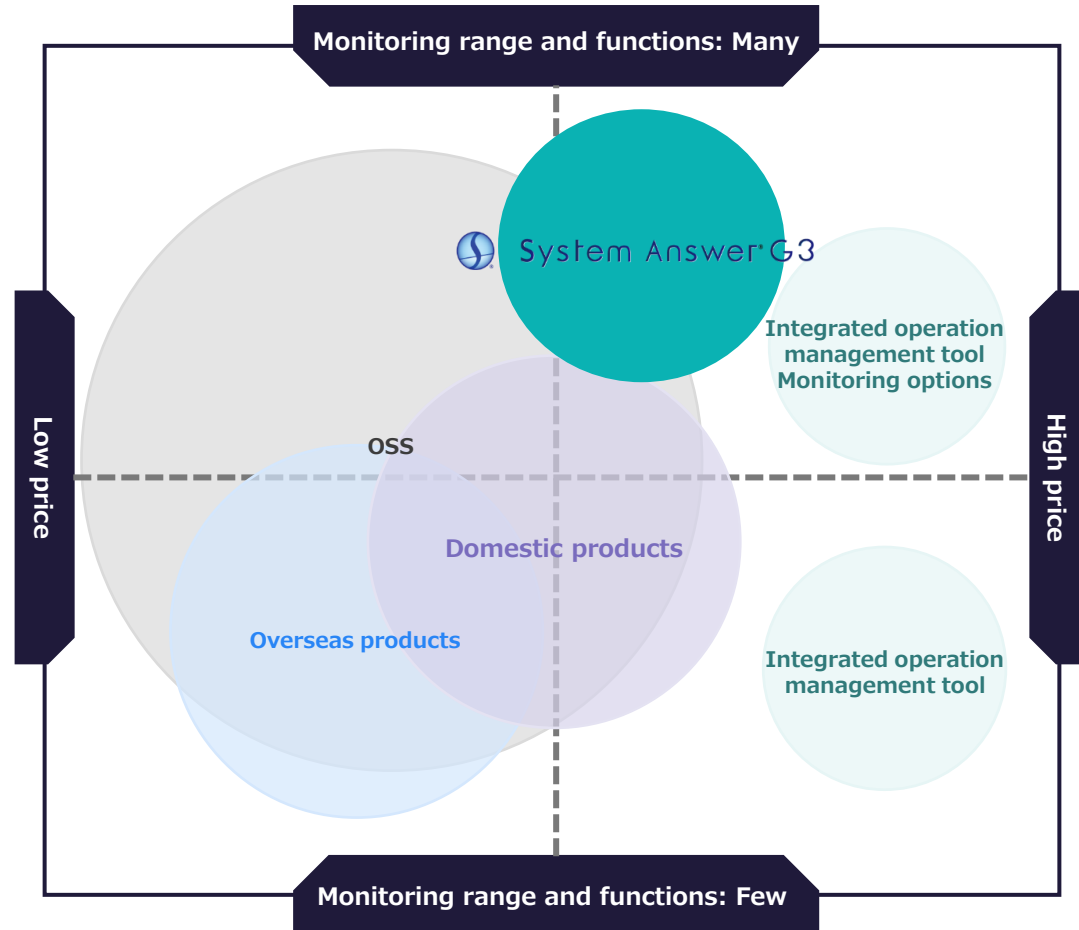
System Answer is equipped with a function called **Troubleshooting Assistant** that functions as a performance analysis know-how that IBC has accumulated over 20 years. This supports customers' fault recovery responses. Also, by utilizing **Dynamic Bookmarks (Correlation Analysis)**, you can identify potential failure risks and take measures early on.

It is our pride and joy to develop products that are **truly helpful** for those who use them. We will **actively support the use of** System Answer. In addition, we also provide one-stop value-added services to resolve our customers' system operation issues. Through services that are tailored to our customers, we support their "successful" system operation.

# ● System Answer G3's Position in the Market

In addition to various analyses, it is also possible to perform everything from preventing failures to making predictions

The only product in Japan that can visualize multi-clouds, etc.



# ● In-house Product Development



Capable of centralized monitoring of infrastructure environments that evolve and become more complex with the times  
Not only does it "visualize" the operating status, but it also contributes to "failure prevention" through its analysis function

- Various monitoring methods -

SNMP monitoring

Response monitoring

App monitoring

Status monitoring

Startup monitoring

Script monitoring

API monitoring

VMware monitoring

WMI monitoring

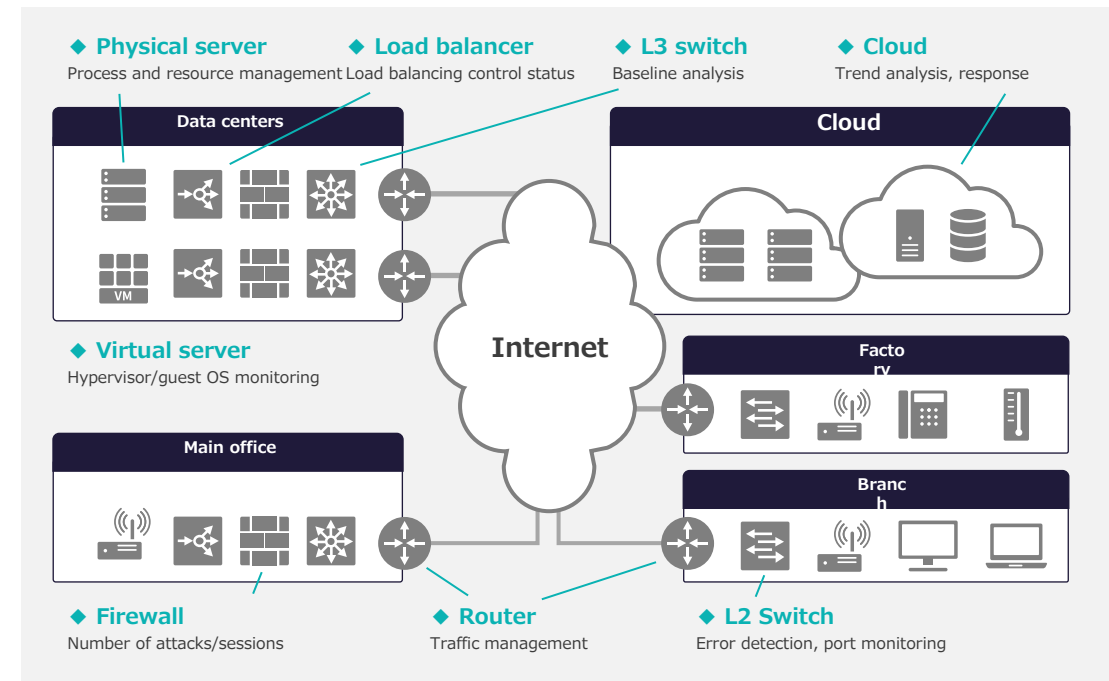
Cloud monitoring

Web scenario monitoring

IPMI monitoring

- Flexible notification integration -

servicenow™



System Answer® G3

Available  
format

Software

Appliance

Cloud

# Monitoring Range



Supports 133 vendors as standard, covering approximately 90% of domestic vendors  
Template function makes it easy to obtain detailed information



## Switches/Routers

APRESIA Systems  
Alaxala  
Alcatel Lucent  
Allied Telesis  
Cisco Systems  
Fujitsu  
Hp  
Juniper Networks



## Load balancer

A10 Networks  
Citrix  
Fujitsu  
F5 Networks  
Nortel



## Firewall

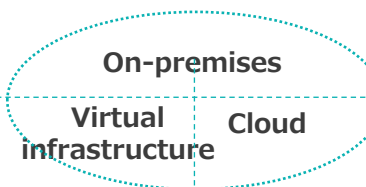
CheckPoint  
Cisco Systems  
Fortinet  
Juniper Networks  
Palo Alto Networks  
MacAfee



## Wireless AP

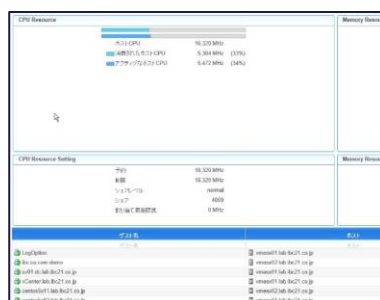
Aruba Networks  
Cisco Systems  
GoNet Systems  
ICOM  
Rucks Wireless  
Symbol

The Vsphere API information template function makes it easy to obtain detailed information on **virtual infrastructure environment**.

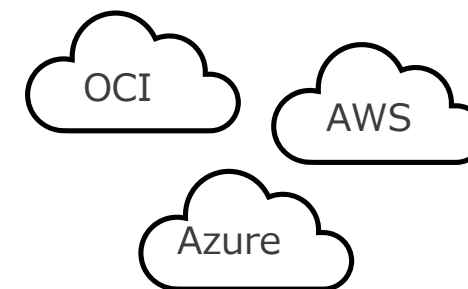
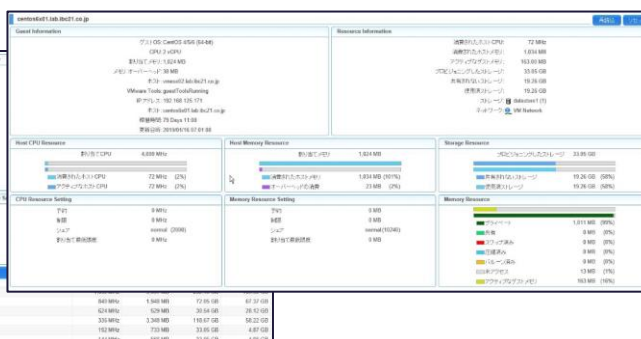


The cloud infrastructure API information template function makes it easy to obtain detailed information on **cloud environment**.

[Cluster/Host Information]



[Guest OS information]



Monitoring item example (AWS)

[EC2]



CPU Utilization  
Disk IO Count  
Network IO Size  
Status Check Failed

[EBS]



# Monitoring Interval and Future Prediction

Data are monitored and acquired at 1-minute intervals and stored uncompressed for up to 5 years

The world's first feature capable of predicting future failures

Why is it necessary to obtain information at 1-minute intervals?



## Detect changes every minute

It is possible to notice events that cannot be detected at 5- or 10-minute intervals.



## Realization of highly accurate analysis such as future predictions

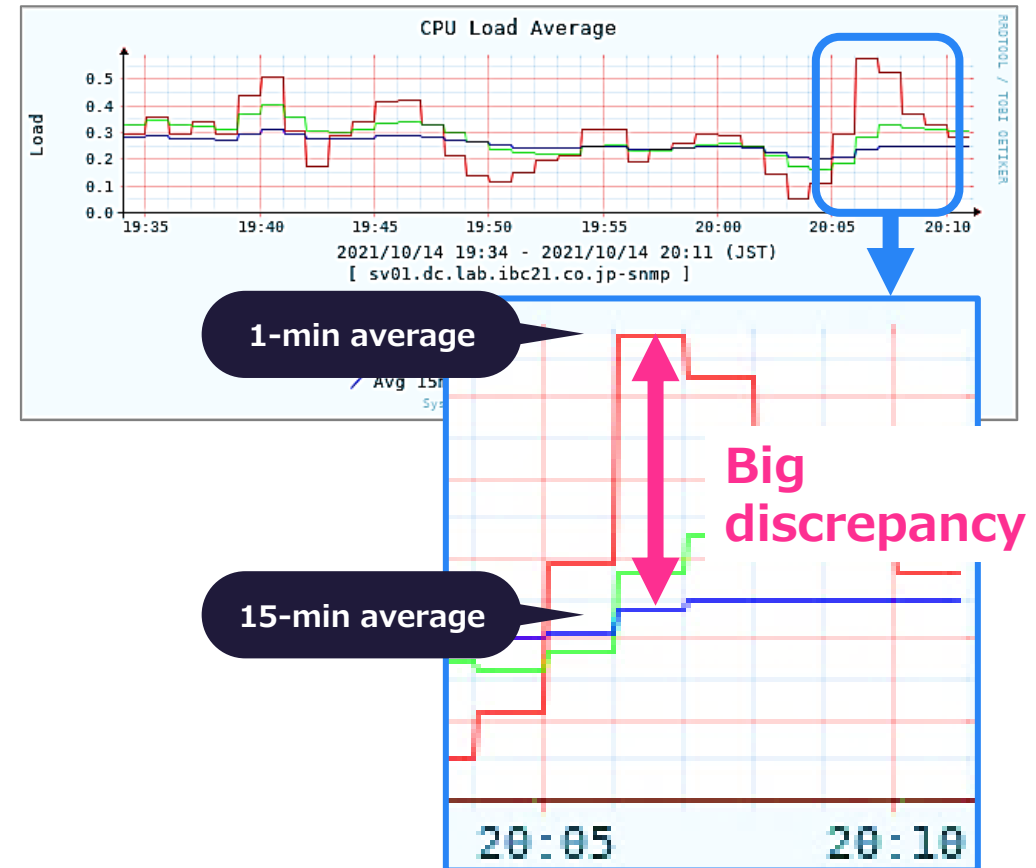
By conducting analysis based on detailed past data, highly accurate analysis can be performed, leading to preventive maintenance and early detection of problems.

Why is it necessary to store data for 5 years in an uncompressed format?



## Accurately understand long-term trends

Tools and services in which past data are aggregated and rounded or those that delete data after a certain period of time are unsuitable for long-term analysis.



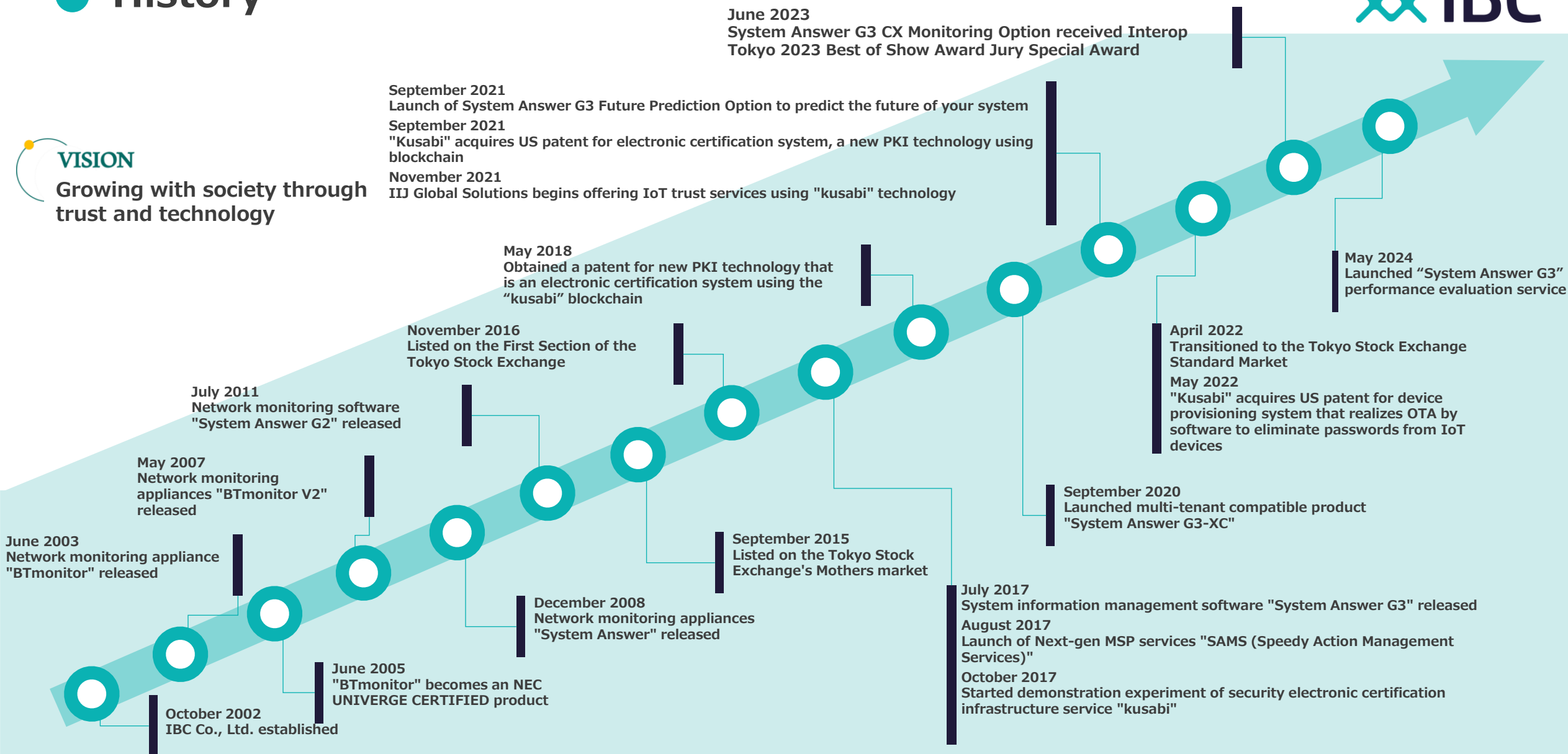
# About Us

# History



## VISION

Growing with society through trust and technology



1

## License sales business

Development of software for operating, diagnosing and preventing IT

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2

## Service provision business

A service in which we carry out IT operations on behalf of our customers

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3

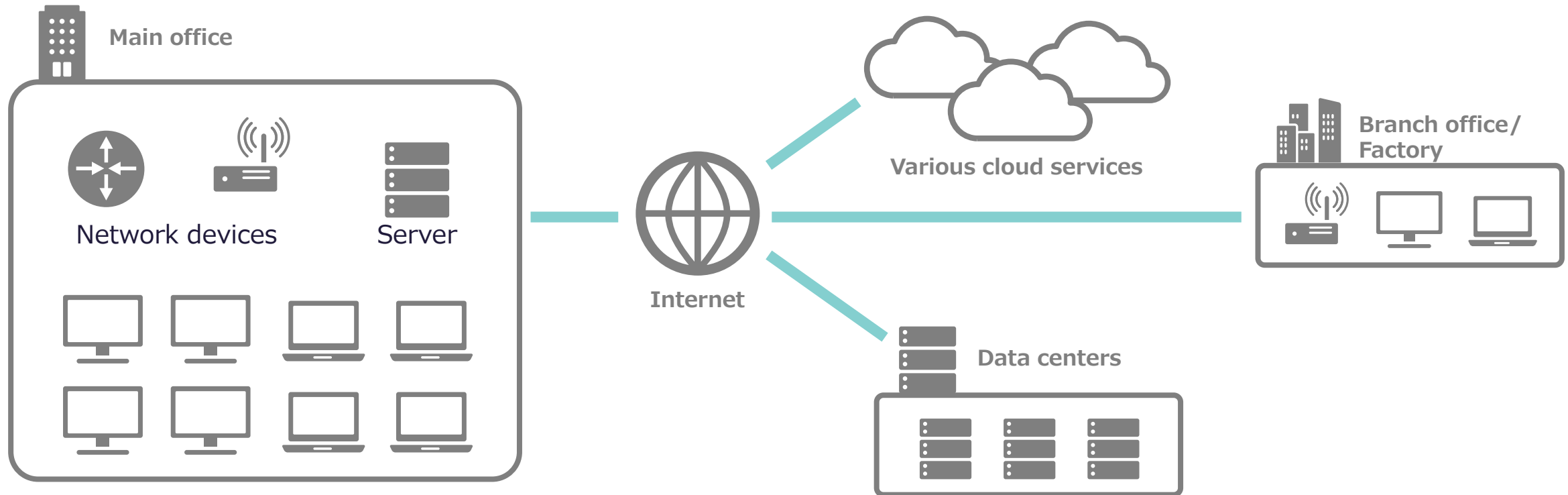
## Other merchandise sales business

Services for building safe and secure networks, security, and clouds

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# ● License Sales Business

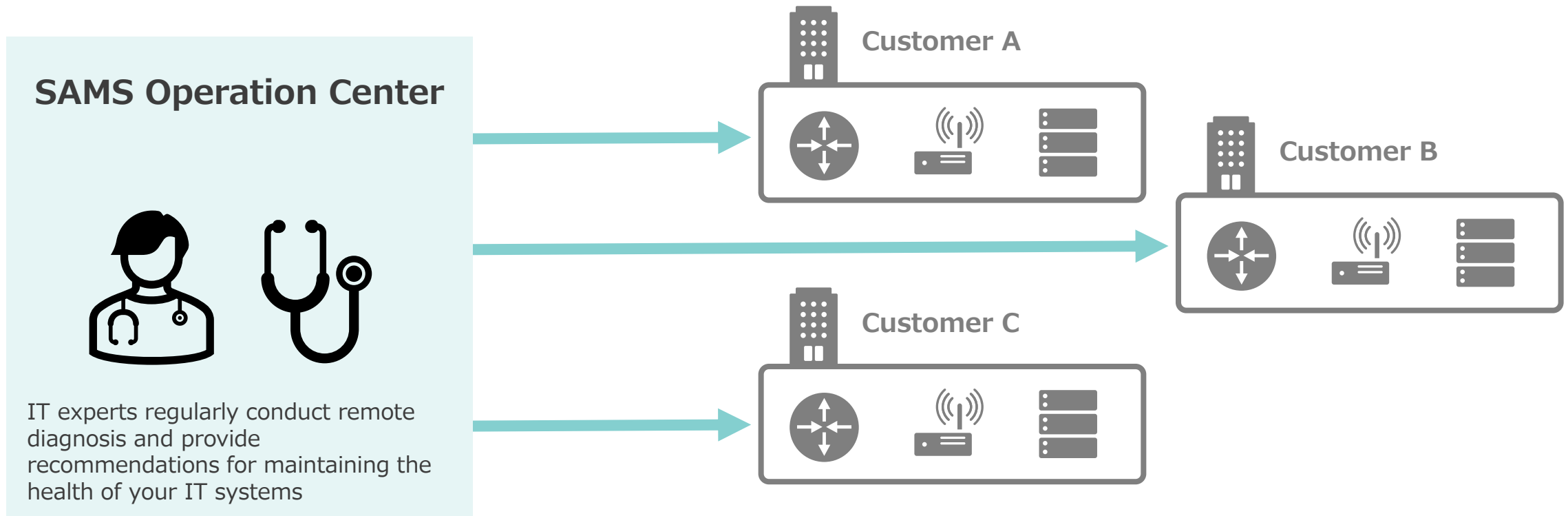
"System Answer G3" is an internally developed IT operation management software that centrally monitors the status of your IT environment (servers, networks, and clouds)



## ● Service Provision Business

Operation management service in which IBC carries out the IT operations on behalf of the customers

"SAMS ( Speedy Action Management Services)"



## ● Other merchandise sales business

Proposal for an optimal system (network construction, security measures, and cloud migration) made by experts who are familiar with the health of your IT system, and provision of such a system



- Highly responsive network
- Safe and secure security measures
- Cost-optimized cloud utilization

➤ Sales of various system equipment and software associated with solution services

IBC's Business Mission

**Achieve zero IT failures**



# ● Disclaimer



[Disclaimer and Caution Regarding Forward-Looking Statements]

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