Presentation Material for Consolidated Financial Results for 1Q-3Q25

(April 1, 2025 to December 31, 2025)

Internet Initiative Japan

Internet Initiative Japan Inc. (IIJ)

The Prime Market of the Tokyo Stock Exchange (Ticker symbol: 3774)

February 6, 2026

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Outline

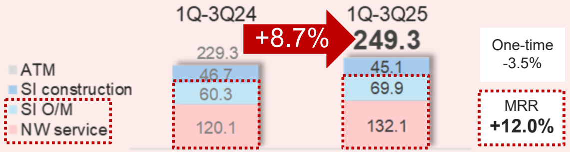
- FY25 stands for a fiscal year from Apr. 1, 2025 to Mar. 31, 2026, 1Q25 stands for 1st quarter of FY25 (Apr. 1, 2025 to Jun. 30, 2025), 1Q-3Q25 stands for 9 months of FY25 (Apr. 1, 2025 to Dec. 31, 2025), and others alike
- Abbreviation: NW for network, SI for systems integration, DC for data center, HD for holdings, PF for platform, ¥ (JPY) bn for JPY billion, O/M for systems operation and maintenance

Ⅰ. Financial Summary

Unit: JPY/¥ billion (bn), +%, YoY = Year over year comparison
Net Profit is "Profit for the period attributable to owners of the parent"

Accumulating demand enabled by SWOT-aligned strengths Business expanding into a high-growth phase
Steadily securing large-scale NW construction Service Integration projects, stepping into a further expansion phase to execute multiple over ¥10 bn projects
(Secured approx. ¥16.0 bn in 2Q. Pipeline execution underway)

Total Revenue

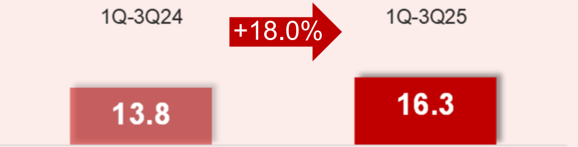


- One-time revenue: Reflecting the absence of last year's single large-scale project revenue of approx. ¥5.0 bn
- Monthly Recurring Revenue (MRR): NW service +10.0%, of which IP +8.5%, Security +14.1%, SI O/M +15.9% contributed by large-scale projects & accumulation
- SI orders: Construction: +28.6%, O/M +20.3%

Operating Profit

- Strong initial-phase SI construction demand & broad inflationary cost increases continue
- No cost reimbursement related to mobile interconnectivity charge in 3Q (prior years occurrence)
- Revenue exceeded expectation, but operating profit was below it
- A policy to revise service prices annually for each offering, considering market prices and cost conditions

Net Profit



- Net profit was in line with expectation, mainly supported by financial income
- FCF +¥20.9 bn YoY, Net CF +¥18.7 bn YoY
- Dividend outlook: +11.4%, with a target payout ratio of 30%

FCF = Operating CF + Investing CF

Advancement of Growth Strategy

Business Environment

- Changes & expansion of corporate NW/system
- Continuous expansion of Internet traffic
- Expansion of IT department coverage areas & the digitalization of business units

- Rising cybersecurity threats
- Growing importance of NW/system operations
- Shortage of professional NW/system engineer

- Progress in AI utilization
- Increasing demand for DC & operation
- Expansion of data utilization

- Expansion of foreign cloud & SaaS providers
- Consolidation, and shift toward service-based model among domestic SIers

IIJ Group's Competitive Advantages

- Operation of Japan's one of the largest Internet backbone & NW/system, common cost model
- Internet security capability
- Construction & operation of own DCs

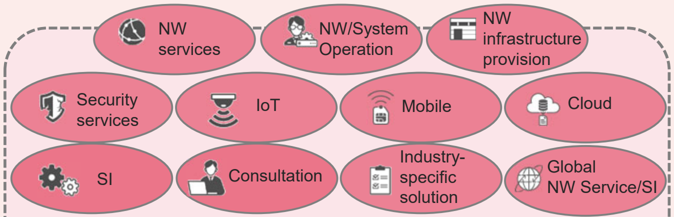
- 16,000 customers, primarily large corporations
- Stable, long-standing recurring revenue transaction

- Over 2,000 highly skilled Internet-related NW engineers
- Highly reliable operation capabilities

- Diverse in-house developed NW services
- Providing managed services that integrate SI & third-party solutions
- A consultative, proposal-based sales team

A Business Model Under Ongoing Expansion

Shifting from SI & individual service/product delivery to an integrated service offering



NW & system infrastructure operations as our business and technology foundation

Capturing Business Opportunities by Service Integration
Larger MRR and Deeper Transactions

Trend in Large-Scale Deal Value

Expansion of Target Domains

Current		Expanding to
IT department	▶	Business department
Internet (external)		Intra/Inter Enterprise NW/Systems

Areas for Further Functional Expansion

Cybersecurity measures	IT system outsourcing
AI solution	Data circulation

- Service Integration: Provide in-house developed NW services with SI, Greater opportunities & proposal areas along with internal large-scale NW renewals, etc. Large-scale projects are defined as those exceeding JPY1.0 bn in total contract value

Ⅱ - 1. Consolidated Financial Results

Unit: ¥ (JPY) billion
YoY = Year over year comparison

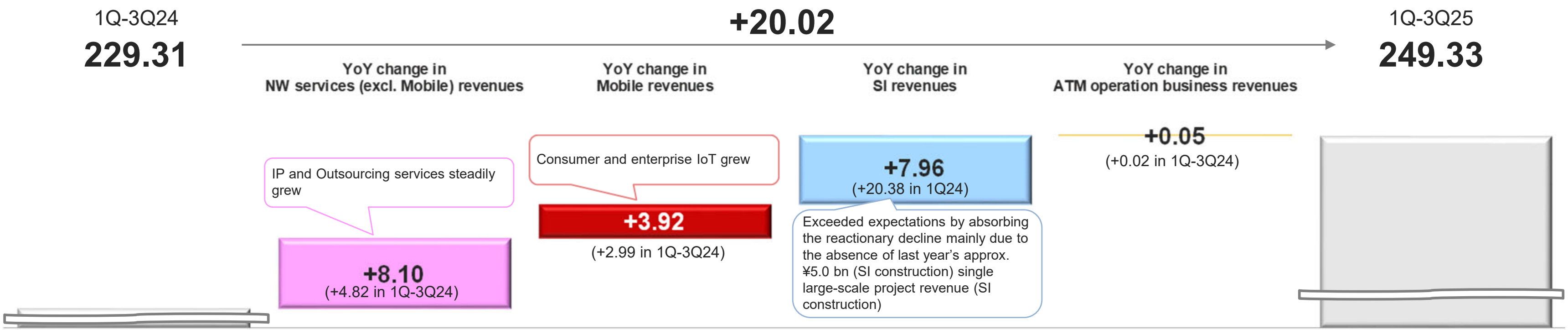
	1Q-3Q25 Results (Apr. 2025 - Dec. 2025)	% of revenue	1Q-3Q24 Results (Apr. 2024 - Dec. 2024)	% of revenue	YoY		FY25 Targets (Announced in May 2025) (Apr. 2025 - Mar. 2026)	% of revenue	YoY
Revenues	249.33		229.31		+8.7%	+20.02	340.0		+7.3%
Cost of Revenues	195.13	78.3%	180.38	78.7%	+8.2%	+14.74	263.0	77.4%	+5.9%
Gross Profit	54.21	21.7%	48.93	21.3%	+10.8%	+5.28	77.0	22.6%	+12.6%
SG&A etc.	29.79	11.9%	28.22	12.3%	+5.6%	+1.57	40.5	11.9%	+5.7%
Operating Profit	24.41	9.8%	20.71	9.0%	+17.9%	+3.71	36.5	10.7%	+21.2%
Profit before tax	24.63	9.9%	20.59	9.0%	+19.6%	+4.04	33.7	9.9%	+15.5%
Net Profit Profit for the period attributable to owners of the parent	16.27	6.5%	13.79	6.0%	+18.0%	+2.49	23.0	6.8%	+15.4%

- SG&A etc. represents the sum of SG&A, which includes R&D expenses, and other income/expenses

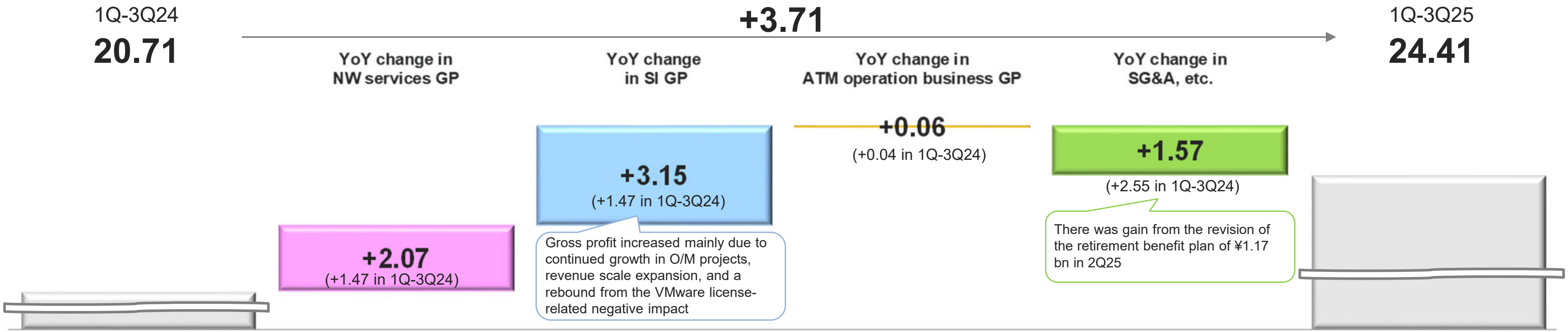
Ⅱ - 2. Year over Year Analysis

Unit: ¥ (JPY) billion (bn)
GP = Gross Profit
O/M = Operation and Maintenance
YoY = Year over year comparison

Revenues



Operating Profit



- NW services (excl. Mobile) revenues are calculated by deducting the below mentioned Mobile services revenues from total NW services revenues. The revenues include non-mobile consumer revenue which is a small amount
- Mobile services revenues include IIJ Mobile Services (including MVNE) and IIJmio (consumer mobile)
- NW services gross profit consists of gross profit related to NW revenues (excl. Mobile) and Mobile revenues (The two services have costs in common and cannot be broken down in accounting terms)
- SG&A, etc. in this slide represents the sum of SG&A, which includes R&D expenses, and other income/expenses

Ⅱ - 3. Revenues

Unit: ¥ (JPY) million
[ ], YoY = Year over year comparison

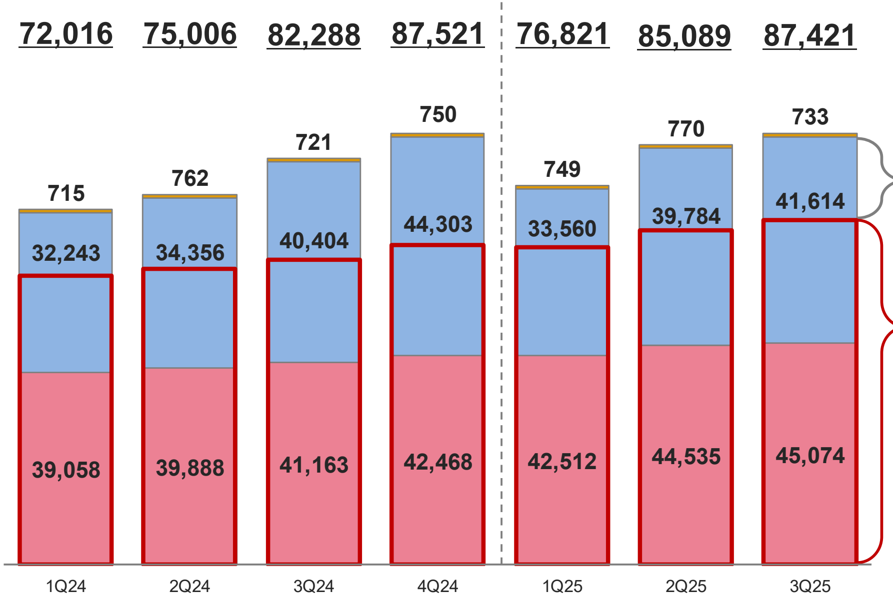
Network (NW) Services – Internet Connectivity Services (Enterprise), Internet Connectivity Services (Consumer), Outsourcing Service, WAN Service

Systems Integration (SI) – Systems Construction (including equipment sales), Systems Operation and Maintenance

ATM Operation Business

1Q-3Q24: 229,310 [+14.0%]
FY24: 316,831 [+14.8%]

1Q-3Q25: 249,331 [+8.7%]



One-time revenue
1Q-3Q25: ¥45.10 bn, -3.5% YoY (+39.3% YoY in 1Q-3Q24)
1Q-3Q24 includes a large-scale project for Chiba city (approx. ¥5.0 bn)
18.1% of 1Q-3Q25 total revenue

Recurring revenue
1Q-3Q25: ¥201.98 bn, +12.0% YoY (+9.1% YoY in 1Q-3Q24)
81.0% of 1Q-3Q25 total revenue

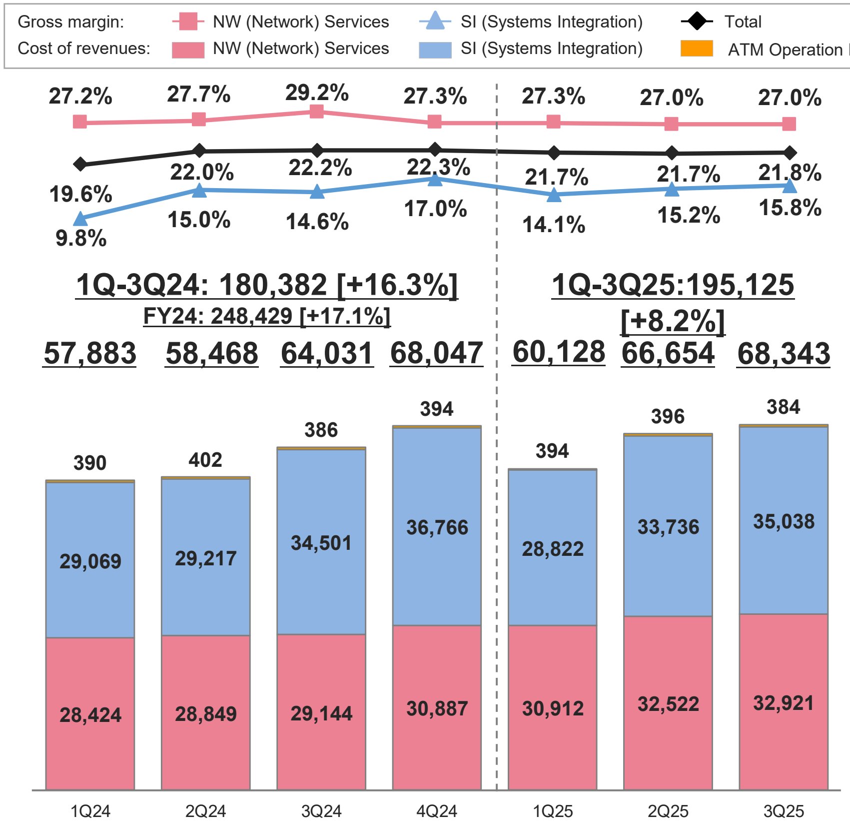
NW Services revenue (excluding Mobile Services)
1Q-3Q25: ¥91.08 bn, +9.8% YoY (+6.2% YoY in 1Q-3Q24)

Mobile Services revenue
1Q-3Q25: ¥41.04 bn, +10.5% YoY (+8.8%YoY in 1Q-3Q24)

- One-time revenue, systems construction revenues which include equipment sales, is mainly recognized when systems and/or equipment are delivered and accepted by customers (Some revenues on a percentage-of-progress basis based on cost progression)
- Recurring revenue represents the following revenues: Internet Connectivity Services (Enterprise), Internet Connectivity Services (Consumer), Outsourcing Services, WAN Services, and Systems Operation and Maintenance
- Mobile services revenues include IIJ Mobile Services (including MVNE) and IIJmio (consumer mobile)

Ⅱ - 4. Cost of Revenues & Gross Profit Ratio

Unit: ¥ (JPY) million
[ ] , YoY = Year over year comparison
QoQ = Quarter over quarter comparison



◆ Total gross profit

- 1Q-3Q25: ¥54.21 bn, Gross margin 21.7% +¥5.28 bn, +10.8%YoY

◆ Gross profit for NW services

- 1Q-3Q25: ¥35.77 bn, Gross Margin 27.1% +¥2.07 bn, +6.2% YoY
  - There was no one-time cost reimbursement in 3Q25 related to mobile interconnectivity charge that had occurred in prior years
  - At the beginning of 3Q24, price revision for certain NW services was implemented. At the beginning of 1Q26, price revisions for certain NW services are scheduled to be implemented
  - Fixed-type costs such as NW operation, outsourcing, and personnel-related costs have been on an upward trend

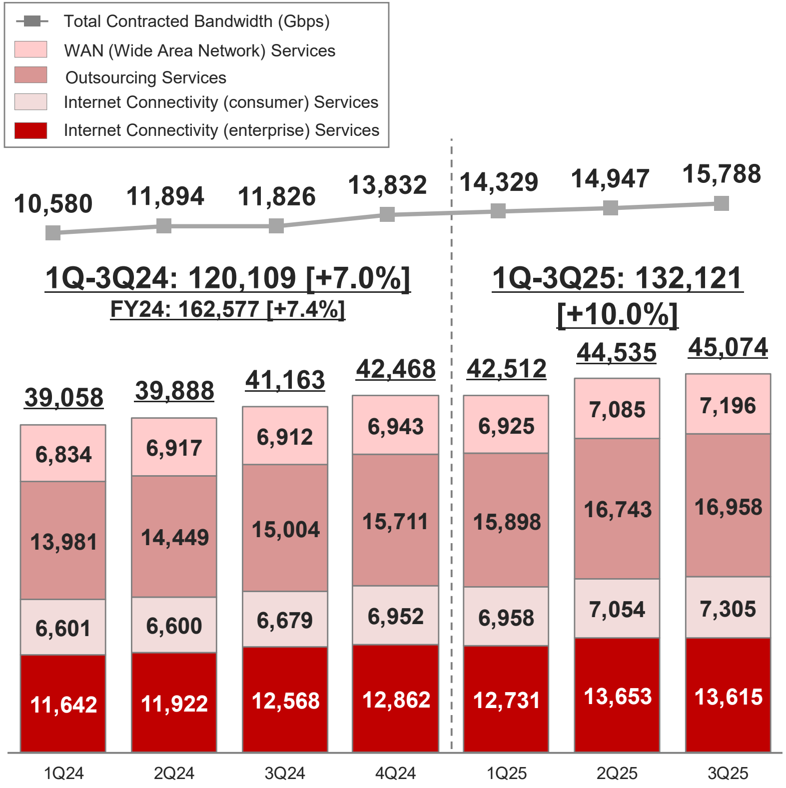
◆ Gross profit for SI

- 1Q-3Q25: ¥17.36 bn, Gross Margin 15.1% +¥3.15 bn, +22.1% YoY
  - Gross margin improved YoY, mainly due to the accumulation of O/M projects and the rebound effect from the VMware license-related negative profit impact (approx. ¥1.2 billion) in 1Q-3Q24
  - Excluding the rebound effect from the VMware license-related negative profit impact, the gross margin improved by 0.7 points YoY

- 3Q24 NW Services gross margin include one-time cost reimbursement related to the mobile data interconnectivity charge
- 4Q24 SI gross margin improved QoQ to seasonal revenue growth and economies of scale
- VMware license-related profit impact on NW Services: FY24 ¥-0.1 bn (1Q: approx. -¥0.3 bn, 2Q: approx. -¥0.3 bn, 3Q: approx. +¥0.2 bn, 4Q: approx. +¥0.3 bn)
- VMware license-related profit impact on SI: FY24 ¥-1.4 bn (1Q: approx. -¥0.9 bn, including approx. -¥0.7 bn of one-time cost due to provisions, 2Q: approx. -¥0.1 bn, 3Q: approx. -¥0.2 bn, 4Q: approx. -¥0.2 bn)

Ⅱ- 5. Network (NW) Services (1) Revenues

Unit: ¥ (JPY) million
[ ] , YoY = Year over year comparison
QoQ = Quarter over quarter comparison



◆Internet Connectivity (enterprise) Services

- ➢ 1Q-3Q25: ¥40.00 bn, +10.7% YoY (+8.7% YoY in 1Q-3Q24)
  - Of which, IP Service: ¥13.90 bn, +8.5% YoY (+7.3% YoY in 1Q-3Q24)
  - Of which, Enterprise mobile: ¥13.39 bn, +18.9% YoY (+12.1% YoY in 1Q-3Q24)
    - ✓ 2Q25 enterprise mobile revenue included a contribution of approx. ¥0.4 bn from device sales
  - Of which, MVNE: ¥8.91 bn, +4.9% YoY (+7.9% YoY in 1Q-3Q24)

◆ Internet Connectivity (consumer) Services

- ➢ 1Q-3Q25: ¥21.32 bn, +7.2% YoY (+6.3% YoY in 1Q-3Q24)
  - Of which, consumer mobile (IIJmio): ¥18.74 bn, +7.9% YoY (+7.1% YoY in 1Q-3Q24)

◆ Outsourcing Services

- ➢ 1Q-3Q25: ¥49.60 bn, +14.2% YoY (+11.0% YoY in 1Q-3Q24)
  - Of which, security: ¥30.15 bn, +14.1% YoY (+16.3% YoY in 1Q-3Q24)

◆ WAN Services

- ➢ 1Q-3Q25: ¥21.21 bn, +2.6% YoY (-2.6% YoY in 1Q-3Q24)

Enhancing existing services and introducing new offerings to drive NW service revenue growth this fiscal year

New: IIJ Security Doctor, IIJ Cloud Exchange Service for Prisma Access and more

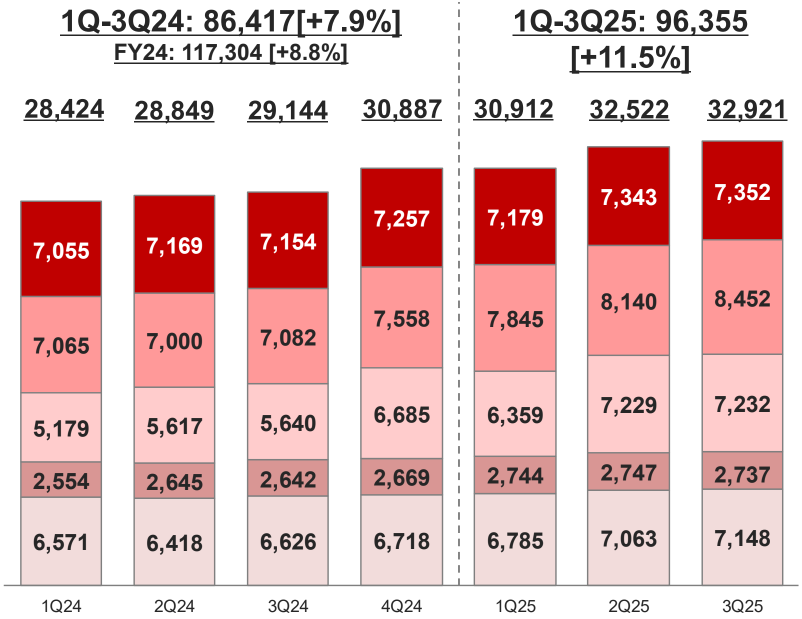
Enhancement: IIJ IoT Service, IIJ Flex Mobility Service/ZNTA、IIJ Secure End Service and more

- Total contracted bandwidth is calculated by multiplying number of contracts by contracted bandwidths for IP service and broadband services respectively which are both under Internet connectivity services for enterprise
- Total contracted bandwidth in 4Q24 significantly increased, driven by multiple customers adding or newly acquiring over 100Gbps
- IP (Internet Protocol) Service is bandwidth guaranteed dedicated Internet connectivity services for enterprises. Contracts are based on bandwidth and enterprises use the service for their core and main Internet connectivity
- Enterprise mobile primarily refer to direct offerings for IoT and similar usages
- MVNE (sales of service to other MVNOs) refers to IIJ Mobile MVNO Platform Service
- 3Q24 consumer mobile (IIJmio) include approx. ¥0.18 bn of sales netting due to campaign expenses in 3Q23 for fiber optic internet service, which was confirmed after one-year usage

Ⅱ - 5. Network (NW) Services (2) Cost of Revenues

Unit: ¥ (JPY) million
[ ], YoY = Year over year comparison

- Circuit-related costs (Internet backbone, WAN lines, etc.)
- Outsourcing-related costs (mobile infrastructure related costs such as interconnectivity charge and voice communication services, outsourcing personnel costs, etc.)
- Others
- Personnel-related costs (NW services related engineers' personnel cost)
- Network operation-related costs (depreciation cost for network equipment, DC leasing costs, etc.)



- ➢ 1Q-3Q25 Circuit-related costs remained stable
  - Internet backbone circuit cost remains stable by leveraging scale merit with one of the largest Internet backbone networks
  - QoQ increase in line with WAN service revenue
- ➢ 1Q-3Q25 Outsourcing-related costs remained stable
  - In 3Q25, there was no one-time cost reimbursement related to the finalization of FY24 mobile data interconnectivity charge
  - Outsourcing personnel cost increased at the beginning of fiscal year
- ➢ 1Q-3Q25 Others were on a continuous increasing trend
  - License fees such as SASE increased along with related revenue growth
  - Increased mobile device purchasing costs: approx. +¥1.9 bn YoY (1Q25: approx. +¥0.3 bn YoY, 2Q25: approx. +¥1.0 bn YoY, 3Q25: approx. +¥0.6 bn YoY)
- ➢ 1Q-3Q25 Personnel-related costs increased at the beginning of fiscal year due to revision of salary table and others, progressed as expected
- ➢ 1Q-3Q25 Network operation-related costs continued to increase along with facility expansions
  - Increases in depreciation costs were mainly due to MVNO infrastructure replacement and others by approx. +¥0.8 bn YoY

- Outsourcing costs: 3Q24 Outsourcing-related costs include one-time cost reimbursement based on the difference between future cost method figures and actual figures regarding FY23 usage, which was similar in volume to that recorded in 3Q23
- FY24 Others cost was impacted by the VMware licenses (approx. +¥1.0 bn YoY) and enhancement of mobile procurement for 4Q promotional season (approx. +¥0.5 bn YoY)

Ⅱ - 5. Network (NW) Services (3) Security and Mobile/IoT

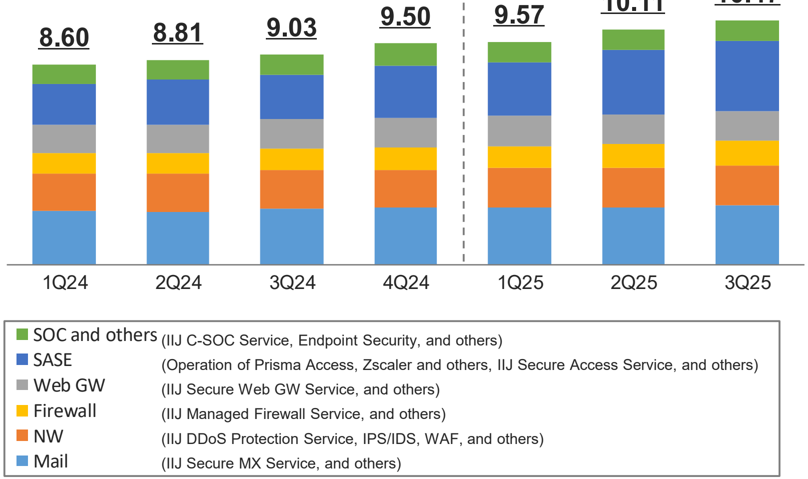
Unit: ¥ (JPY) billion
[ ] , YoY = Year over year comparison
QoQ = Quarter over quarter comparison

Security Business

◆ Ongoing strong demand drives stable growth in security services (MRR)

1Q-3Q24: 26.44 [+16.3%]
FY24: 35.94 [+16.2%]

1Q-3Q25: 30.15 [+14.1%]



◆ Strong corporate interest in cybersecurity measures

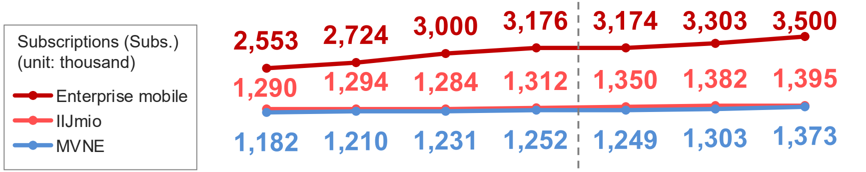
- The number of companies participating in security-related service workshops increased 1.5 times YoY
- "IIJ Security Doctor" (launched in Nov. 2025), in which IIJ security experts provide comprehensive support for customers' security measures and operations, is seeing growing demand and is expected to expand into the security assessment and consulting business

・Security services (monthly recurring revenue) is recognized as Outsourcing services revenue

Mobile/IoT Business

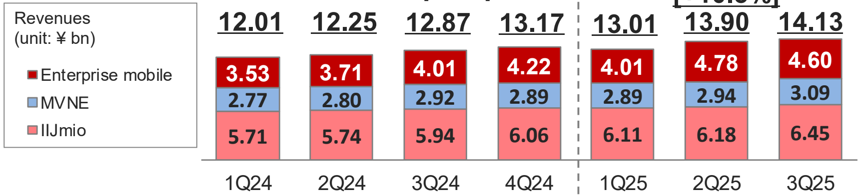
◆ Steady growth in both revenue and subscription across all segments

Enterprise	Continuous demand to connect devices such as IoT devices, taxi cab tablets, security cameras, dashboard cameras
Consumer	• Subscription continued to increase, supported by plan revisions in Mar. 2025 and JAL Mobile launched in Apr. 2025 • eSIM subscriptions increased strongly to over 200,000 (3Q25-end) • Awarded No.1 overall satisfaction for two consecutive years (Oricon customer satisfaction survey in the "low-cost smartphone" category)
MVNE	Steady growth in new MVNO clients is driving an increase in customers and subscriptions



1Q-3Q24: 37.13 [+8.8%]
FY24: 50.30 [+9.0%]

1Q-3Q25: 41.04 [+10.5%]



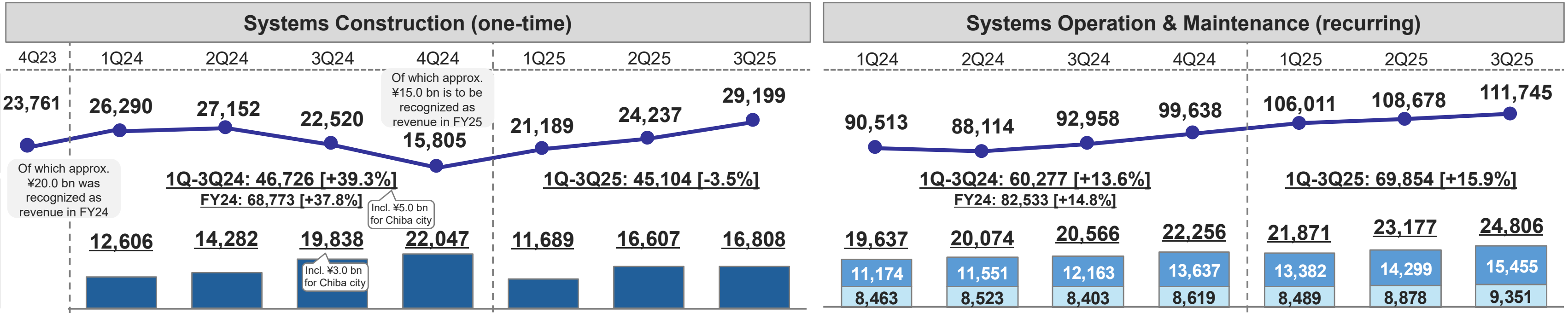
	1Q24-end	2Q24-end	3Q24-end	4Q24-end	1Q25-end	2Q25-end	3Q25-end
Number of MVNE clients (unit: companies)	195	197	200	201	202	205	207
IIJmio GigaPlans Subs. (unit: thousand)	1,069	1,084	1,085	1,124	1,175	1,216	1,238

- Enterprise Mobile and MVNE refer to direct service offerings for IoT and other device connectivity use cases and IIJ Mobile MVNO Platform Services provided to other MVNO operators, respectively.
- 2Q25 enterprise mobile revenue included a contribution of approx. ¥0.4 bn from device sales

Ⅱ - 6. Systems Integration (SI) (1) Revenues

Unit: ¥ (JPY) million
[ ], YoY = Year over year comparison
QoQ = Quarter over quarter comparison

- Systems Construction revenues (including equipment sales)
- Systems operation & maintenance revenues for on-premise system
- Cloud revenues such as private cloud which are recognized as systems operation & maintenance revenues



Orders received — Systems Construction (one-time)

1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
15,135 (incl. ¥1.0 bn of a certain large project)	15,144 (incl. ¥2.0 bn of certain large projects)	15,206	15,332 (incl.¥1.0 bn of certain large projects)	17,073	19,655 (incl.¥1.0 bn of certain large projects)	21,770 (incl.¥4.5 bn of certain large projects)
1Q-3Q24: 45,485 [+4.8%] FY24: 60,817 [+1.6%]				1Q-3Q25: 58,498 [+28.6%]		

Orders received — Systems Operation & Maintenance (recurring)

1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
25,018 (incl. ¥1.0 bn of a certain large project)	17,675	25,410 (incl. ¥2.0 bn of certain large projects)	28,936 (incl. ¥3.0 bn of certain large projects)	28,244	25,844	27,873
1Q-3Q24 : 68,103 [+5.6%] FY24 : 97,039 [+10.2%]				1Q-3Q25 : 81,961 [+20.3%]		

- Favorable demand situation: strong demand to construct core NW/system from all industries
- Consistently secured large-scale Service Integration projects from 3Q25 onward
  *The project volume includes both SI and network services
  - Core system replacement for a security company (Approx. ¥1.0 bn, 2 yrs)
  - IT infrastructure renewal for a life insurance company (Approx. ¥2.0 bn, 2 yrs)
  - Office IT platform implementation for a construction company (Over ¥6.0 bn, 3 yrs) expect all of the revenue to be recognized as NW services
  - Security enhancement for a manufacturing company (Approx. ¥2.0 bn, 5 yrs)

- Continued strong revenue growth including the start of SI O/M for large-scale projects. YoY growth rates rising each quarter

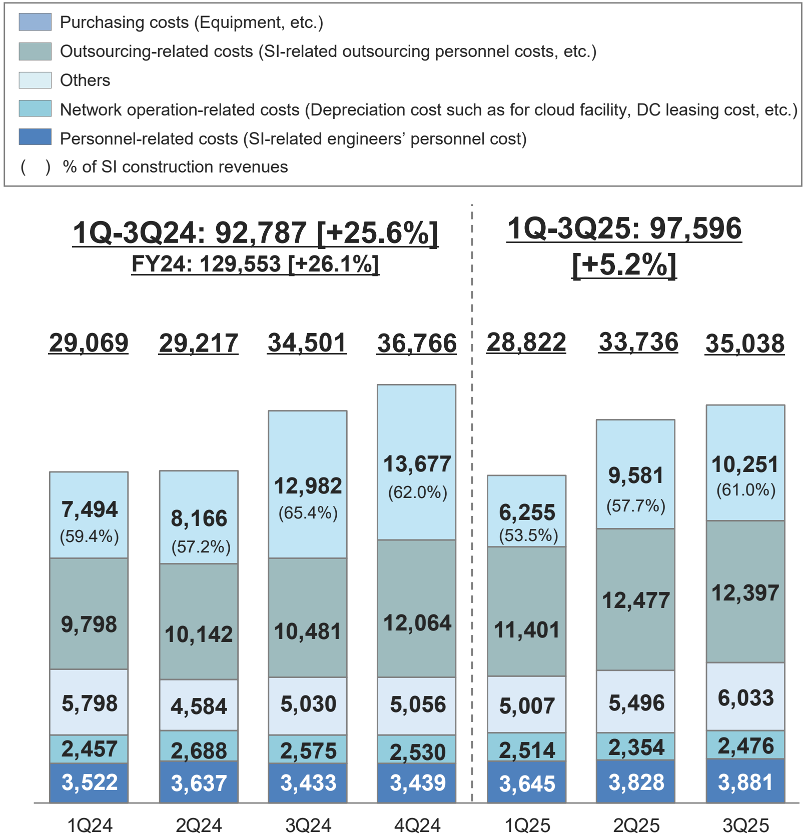
Cloud Service Revenue (recurring) Unit: JPY bn

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Private Cloud Own service, multi-cloud, etc.	7.1	6.9	6.9	7.0	6.9	7.3	7.8
Raptor FX system services for financial institutions	1.1	1.5	1.3	1.4	1.3	1.4	1.4
Others Own public cloud, overseas cloud, etc.	0.9	0.8	0.8	0.8	0.8	0.8	0.8
Total	**9.1**	**9.1**	**9.0**	**9.2**	**9.1**	**9.4**	**9.9**

- Breakdown of 1Q-3Q25 cloud revenue
  - ✓ 94.0% Systems O/M
  - ✓ 6.0% Outsourcing service
- FY24 cloud service revenue was impacted by a certain multi-cloud project: 1Q24 revenue included +¥0.3 bn of one-time due to the termination of the transaction, 2Q, 3Q, and 4Q24 MRR decreased by approx. -¥0.6 bn/Q

Ⅱ - 6. Systems Integration (SI) (2) Cost of Revenues

Unit: ¥ (JPY) million
[ ] , YoY = Year over year comparison



- 1Q-3Q25 Purchasing & outsourcing-related costs are linked to the size of project and revenue to a certain degree in principle
- 1Q-3Q25 Others include license purchasing costs and others
- No significant change in 1Q-3Q25 Network operation-related costs on a quarterly basis
- 1Q-3Q25 Personnel-related costs increased at the beginning of fiscal year due to revision of salary table and others, progressed as expected

Number of SI-related outsourcing personnel (unit: personnel)

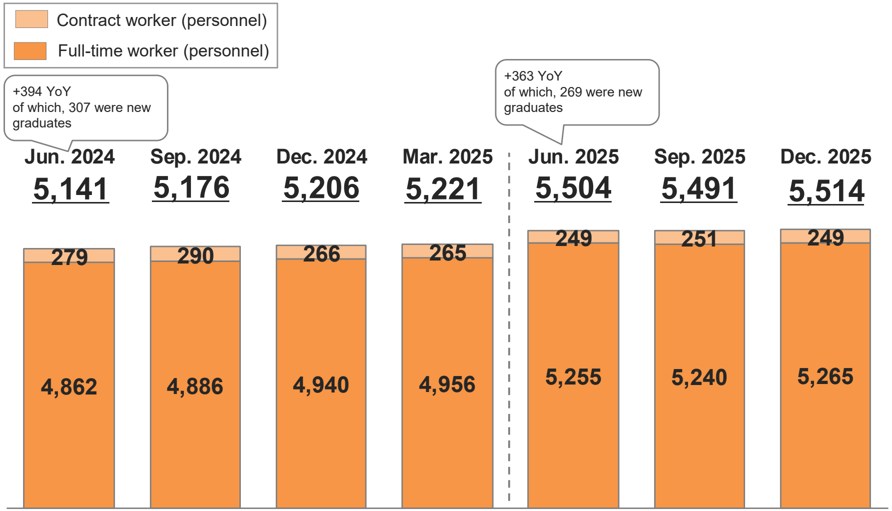
1Q24-end	2Q24-end	3Q24-end	4Q24-end	1Q25-end	2Q25-end	3Q25-end
1,513	1,525	1,510	1,596	1,578	1,603	1,607

- Due to many ongoing projects including ones before order-received, the number of outsourcing personnel has been at a high level

- Regarding Others, the revenue-linked multi-cloud license cost decreased as expected along with the termination of a large client's transaction at the end of 1Q24. FY24 cost impact related to VMware license was approx. +¥2.6 bn YoY (including a one-time cost due to provisions of approx. ¥0.7 bn in 1Q24, resulting in a YoY increase of ¥1.2 bn for the quarter)

Ⅱ- 7. Human Capital Disclosure

Number of Employees (consolidated basis)



- Personnel adjustments were made at an overseas subsidiary in 2Q25

Personnel-related Costs & Expenses (consolidated basis)

Unit: ¥ (JPY) million

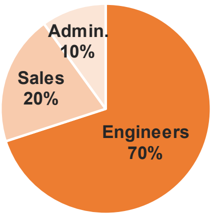
	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Consolidated personnel-related costs & expenses (YoY)	10,333 (+10.4%)	10,665 (+15.3%)	10,299 (+9.4%)	10,341 (+7.5%)	11,049 (+6.9%)	11,305 *2 (+6.0%)	11,278 (+9.5%)
	1Q-3Q24: 31,296 (+11.7%) *1 FY24: 41,638 (+10.6%)				1Q-3Q25: 33,632 (+7.5%)		
% of revenue	14.3%	14.2%	12.5%	11.8%	14.4%	13.3%	12.9%

(*1) In 1H24, there was a one-time payment to address inflation. As a result, the YoY growth rate of personnel-related expenses in 1Q-3Q25 slightly declined

(*2) Gain on the revision of the retirement benefit plan was not included

- FY25
  - Number of employees to increase by approx. 440 personnel, including 269 new graduates
  - Average annual salary increased by approx. 6.0%, including the compensation revision, in Apr. 2025 (IIJ)
    - ✓ Compensation revisions in the past: Apr. 2019, Apr. 2023
    - ✓ The same level of revision (IIJ) is planned for Apr. 2026

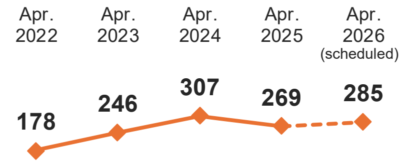
Breakdown of Employees



Number of New Graduates

(consolidated basis)

Unit: personnel



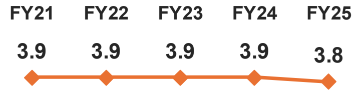
Ratio of Female Managers (IIJ)

- Achieved FY24 and FY27 targets a year in advance
  - Initial targets: FY24 over 6%, FY27 over 8%

Apr. 2022	Apr. 2023	Apr. 2024	Apr. 2025
5.7%	6.3%	7.5%	8.4%

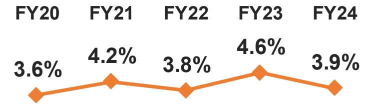
Employee Survey (IIJ)

- FY25 employee survey indicates high overall satisfaction level: 3.8 (out of 5)



Turnover Rates (IIJ)

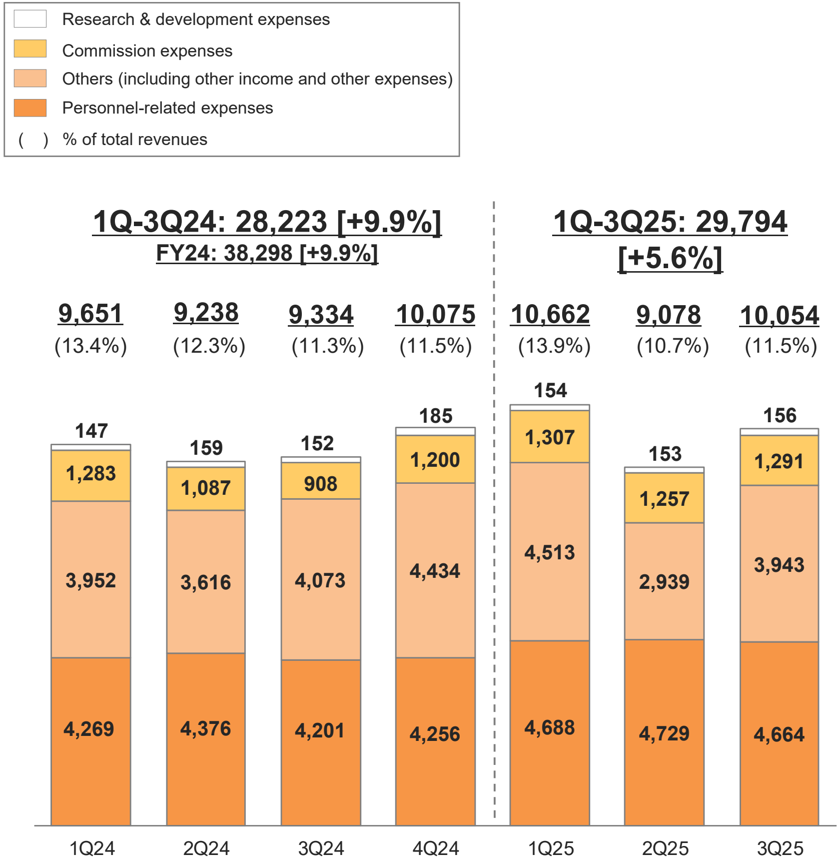
- Lower than the industry average turnover



- The Employee Survey(IIJ) is an annual engagement survey (approx. 50 questions), and each item is rated on a five-point scale: 1 (disagree), 2 (somewhat disagree), 3 (neutral), 4 (somewhat agree), and 5 (agree). The "Overall Satisfaction" is the result of a question, "I am satisfied overall."
- The turnover rate of IIJ is calculated by dividing leavers for the fiscal year by the number of full-time employees at the beginning of that fiscal year. The industry average turnover rate of approx. 10% is announced by the Ministry of Health, Labor, and Welfare

Ⅱ - 8. SG&A, etc.

Unit: ¥ (JPY) million
[ ] , YoY = Year over year comparison
QoQ = Quarter over quarter comparison

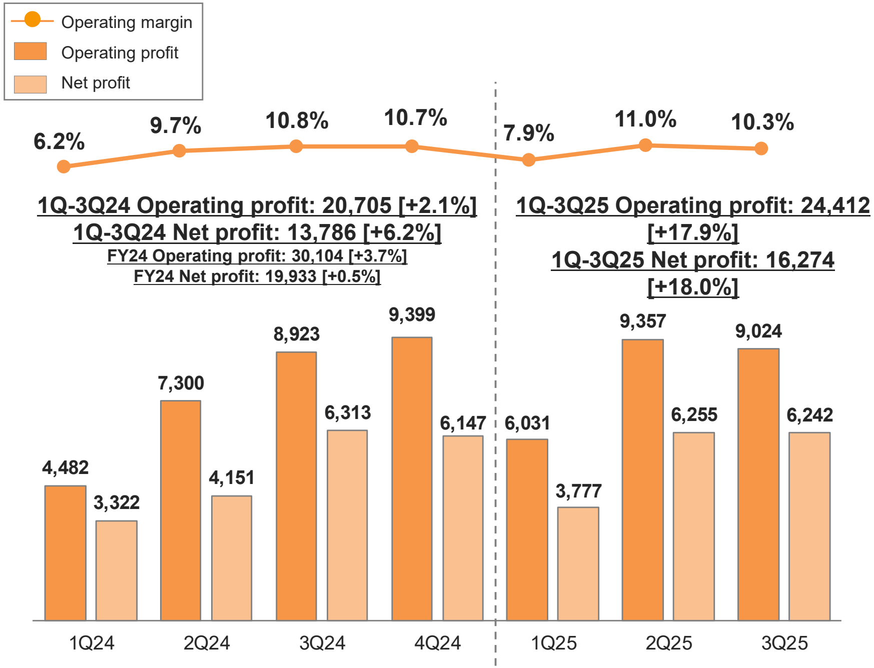


- Above figures are SG&A expenses plus other income and other expenses
- 1Q personnel-related and others expenses increase mainly due to an increase in training and human capital development expenses along with the entry of new graduates. Such expenses decrease in 2Q QoQ as expenses for new graduate engineers are recorded as cost of revenues from 2Q

- SG&As progressed as expected
- 1Q-3Q25 Research & development expenses are mainly personnel expenses of research institute division. No major changes
- 1Q-3Q25 Commission expenses are mainly recruitment expenses and credit card fees for consumers
- 1Q-3Q25 Others are increasing mainly because of increases in advertisement and activity-related expenses such as travel expenses.
  1Q training expenses also increased temporarily due to new graduate hire
  - 2Q25 Other income included a one-time gain of ¥1.17 bn from the revision of retirement benefit plans (IIJ)
- 1Q-3Q25 Personnel-related expenses (salary, employee benefits, etc.) increased as expected, mainly due to the compensation revision and hiring of new graduate at the beginning of FY25

Unit: ¥ (JPY) million

Ⅱ - 9. Profit



1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	
719	(1,294)	722	(653)	(186)	173	615	Finance income (expense), net
(162)	71	(173)	(150)	(108)	(118)	(157)	Share of profit (loss) of investments accounted for using equity method
(1,654)	(1,915)	(3,092)	(2,419)	(1,928)	(3,091)	(3,173)	Income tax expense
63	11	67	30	32	66	67	Profit (loss) for the period attributable to non-controlling interests

- Under IFRS, equity securities are measured at fair value through OCI (Other Comprehensive Income) while funds are measured through profit or loss
- Net profit shows "Profit for the period attributable to owners of the parent"

◆ **1Q-3Q25 Operating profit : ¥24.41 bn, +17.9% YoY**

- Operating profit was below expectations as strong SI demand and broad inflationary cost increases continue
- There was a one-time gain from the revision of retirement benefit plan of ¥1.17 bn in 2Q25

◆ **1Q-3Q25 Profit before tax: ¥24.63 bn, +19.6% YoY**

- Interest expense: ¥1,002 million (1Q-3Q24: ¥738 million)
- Foreign exchange gain(loss) and valuation gain(loss) on funds
  Due to foreign exchange rate, profit or loss quarterly fluctuate, 1Q-3Q25 was within our expectations

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Exchange rate at the end of Q (per USD)	161.07	142.73	158.18	149.52	144.81	148.88	156.56
Foreign exchange gain(loss)	+196	(249)	+196	(97)	(67)	(7)	+24
Valuation gain(loss) on funds, etc.*	+585	(863)	+790	(311)	(14)	+446	+883

*Foreign exchange impacts were also included as lots of assets are dominated in USD

- Share of gain(loss) of investments accounted for using equity method:
  -¥383 million (1Q-3Q24: -¥264 million)
  - ✓ DeCurret-related gain(loss) : IIJ ownership from Sep. 2024: 34.8%

1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	FY25 plan
(182)	+25	(177)	(219)	(174)	(182)	(205)	(700)

2Q24 included gain of ¥209 million on change in equity interest due to DeCurret HD's capital increase in Sep. 2024

  - ✓ Please refer to page 25 of this presentation for the recent business developments of DeCurret DCJPY*
    *DCJPY: A digital currency that tokenizes bank deposit on the blockchain. Also called tokenized deposits, they can be minted, transferred, and burned on the DCJPY Network
  - ✓ Considering the social adoption timeline for tokenized deposits, the expected timing for monthly profitability has been pushed back to from the second half of FY26 and is under review

◆ **1Q-3Q25 Net profit: ¥16.27 bn, +18.0% YoY**

- Net profit was in line with expectations, mainly supported by financial income

Ⅱ- 10. Consolidated Statements of Financial Position (Summary)

Unit: ¥ (JPY) million

	Mar. 31, 2025	Dec. 31, 2025	Changes		Mar. 31, 2025	Dec. 31, 2025	Changes
Cash & cash equivalents	32,534	**40,603**	+8,069	**Trade & other payables**	30,238	**29,557**	(681)
Trade receivables	56,361	**50,928**	(5,433)	**Borrowings (current & non-current)**	33,616	**35,570**	+1,954
Inventories	4,681	**5,471**	+790	**Contract liabilities & Deferred income (current & non-current)**	26,043	**37,791**	+11,748
Prepaid expenses (current & non-current)	56,930	**69,047**	+12,117	**Income taxes payable**	5,205	**3,926**	(1,279)
Tangible assets	33,771	**40,092**	+6,321	**Retirement benefit liabilities**	4,849	**1,002**	(3,847)
Right-of-use assets	45,756	**41,366**	(4,390)	**Other financial liabilities (current & non-current)**	58,578	**63,627**	+5,049
Of which, operating leases (rent of office, data center etc.)	28,958	**23,188**	(5,770)	Of which, operating leases (rent of office, data center etc.)	29,714	23,927	(5,787)
Of which, finance leases (network equipment etc.)	16,798	**18,178**	+1,380	Of which, finance leases (network equipment etc.)	19,172	21,259	+2,087
Goodwill & intangible assets	31,328	**33,004**	+1,676	**Others**	11,820	**11,374**	(446)
Investments accounted for using the equity method	6,639	**6,192**	(447)	**Total liabilities:**	**170,349**	**182,847**	+12,498
Investment securities (Equity)	15,823	**15,193**	(630)	**Share capital**	25,577	**25,663**	+86
Other investments	10,711	**12,175**	+1,464	**Share premium**	35,865	**35,749**	(116)
Others	17,901	**21,992**	+4,091	**Retained earnings**	79,885	**90,174**	+10,289
				Other components of equity	11,266	**11,976**	+710
				Treasury shares	(11,910)	**(11,755)**	+155
				Total equity attributable to owners of the parent:	**140,683**	**151,807**	+11,124
				Non-controlling interests	**1,403**	**1,409**	+6
Total assets:	**312,435**	**336,063**	+23,628	**Total liabilities and equity:**	**312,435**	**336,063**	+23,628

- Prepaid expenses increased mainly due to increases in projects for clients, license fee and maintenance for facility, etc., Expected to be recovered gradually over multiple years
- Tangible assets increased mainly due to investment in data centers
- Ratio of total equity attributable to owners of the parent: 45.0% as of Mar. 31, 2025, 45.2% as of Dec. 31, 2025

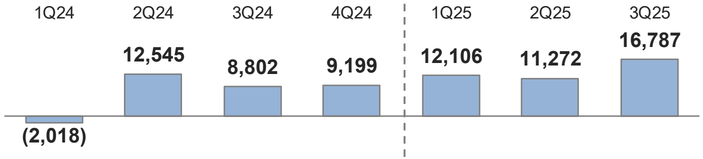
Ⅱ - 11. Consolidated Cash Flows

Unit: ¥ (JPY) million
YoY = Year over year comparison

Operating Activities

1Q-3Q24: 19,329
FY24: 28,528

1Q-3Q25: 40,165

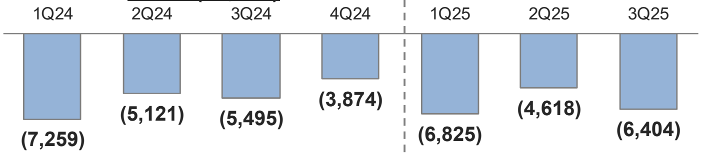


	1Q-3Q25 Major Breakdown	YoY Change
Profit before tax	24,631	+4,043
Depreciation and amortization	24,417	+1,137
Changes in operating assets & liabilities	181	+17,303
Of which, decrease (increase) in prepaid expenses (recovering prepaid expenses)	(11,582)	+5,826
Income taxes paid	(9,591)	(191)

Investing Activities

1Q-3Q24: (17,875)
FY24: (21,749)

1Q-3Q25: (17,847)

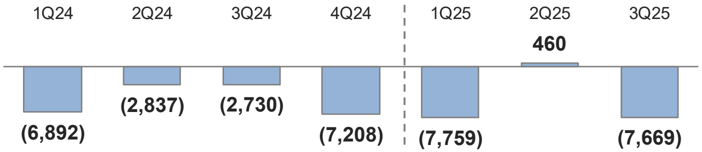


	1Q-3Q25 Major Breakdown	YoY Change
Purchase of tangible assets	(14,422)	(4,711)
Of which, data center-related	(7,274)	(3,008)
Purchase of intangible assets such as software	(5,958)	+309

Financing Activities

1Q-3Q24: (12,459)
FY24: (19,667)

1Q-3Q25：(14,968)

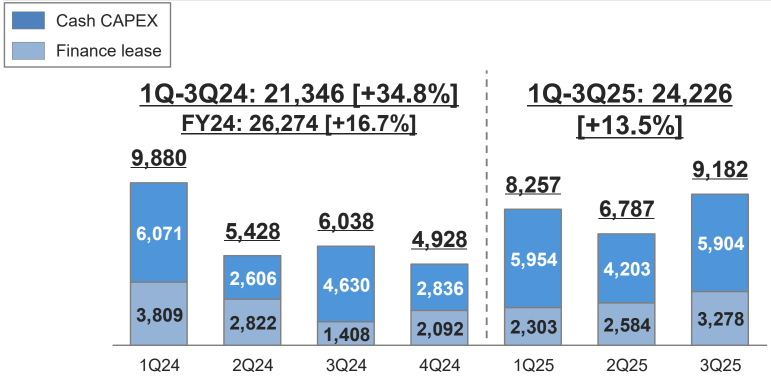


	1Q-3Q25 Major Breakdown	YoY Change
Proceeds from other financial liabilities	8,273	+503
Payment of operating/finance leases and other financial liabilities	(18,508)	(1,006)
Short-term borrowings	2,000	(5,000)
Dividends paid	(6,553)	(419)

Ⅱ - 12. Other Financial Data

Unit: ¥ (JPY) million
[ ] , YoY = Year over year comparison

CAPEX

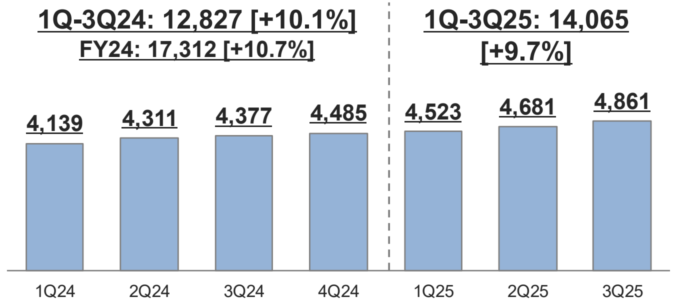


➢ Major breakdown of CAPEX (Unit: ¥ bn)

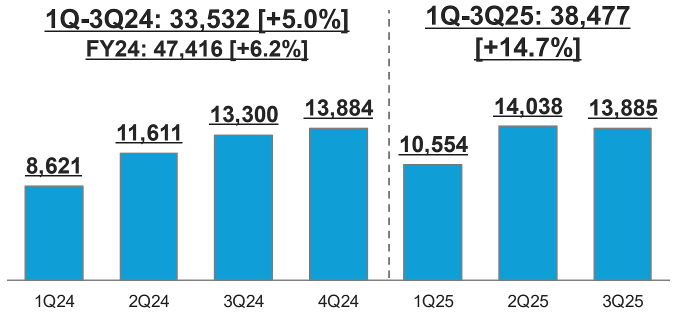
	1Q-3Q24	1Q-3Q25	Notes
Ordinal CAPEX (NW equipment & server, etc.)	9.3	11.2	Sustained investment
Shiroi data center-related	0.7	6.1	Individual investment for anticipated demand
Matsue data center-related	3.7	2.0	
Customer-related	4.5	2.4	Investment for each project
Renewal of Full-MVNO 5G infrastructure	2.3	2.3	Ad-hoc investment
Renewal of FX SaaS service facility	0.5	0.2	Ad-hoc investment

➢ FY25 CAPEX plan: approx. ¥30.0 bn
- Of which, approx. ¥8.5 bn is for Shiroi data center's 3rd site construction
- Progressing within expectation

CAPEX-related depreciation and amortization



Adjusted EBITDA



- Total amount of capital expenditure is the amounts of acquisition of tangible and intangible assets by cash and entering into finance leases for the fiscal year, excluding duplication due to sale and leaseback transactions and acquisition of assets that do not have the nature of investment, such as purchase of small-amount equipment.
- CAPEX-related depreciation and amortization is calculated by excluding depreciation and amortization of assets that do not have the nature of capital investment, such as right-of-use assets related to operating leases, small-amount equipment and customer relationship.
- Adjusted EBITDA is calculated by adding operating profit and CAPEX-related depreciation and amortization.

Ⅲ. Accumulation of large-scale projects as a new norm by Service Integration model

◆Along with accumulation of large-scale projects & progress in revenue recognition, MRR is gradually increasing

Revenue recognitions of large-scale projects	1H23	2H23	1H24	2H24	1H25	3Q25 (3 months)
One-time	**Approx. ¥0.4 bn**	**Approx. ¥5.0 bn**	**Approx. ¥2.3 bn**	**Approx. ¥7.7 bn**	**Approx. ¥2.8 bn**	**Approx. ¥5.7 bn**
Monthly recurring	**Approx. ¥1.4 bn**	**Approx. ¥1.7 bn**	**Approx. ¥2.3 bn**	**Approx. ¥4.5 bn**	**Approx. ¥6.6 bn**	**Approx. ¥5.9 bn**

Revenue recognition category
- NW service
- SI

1H23

- Educational information network for Chiba city
  ¥12.3 bn, 5 yrs
  NW service, SI construction, SI O/M
- Next generation research platform for a private university
  ¥1.0 bn, 5 yrs
  SI construction, SI O/M
- Integrated operation system for a public sector organization
  ¥3.0 bn, 5 yrs
  NW service, SI construction, SI O/M
- Enhancement of security for a carrier
  ¥1.5 bn, 5 yrs
  SI construction, SI O/M
- Next generation NW renewal for a system integrator
  ¥1.0 bn, 5 yrs
  NW service

2H23

- Construction & operation for service infrastructure for an enterprise
  ¥4.0 bn, 5 yrs
  NW service, SI construction, SI O/M
- Large-scale IT infrastructure installment project
  ¥1.0 bn
  SI construction
- Large-scale NW renewal for a manufacturer
  ¥3.0 bn, 5 yrs
  SI construction
- Large-scale NW renewal for a prominent financial institution
  ¥4.0 bn, 8 yrs
  NW service, SI construction, SI O/M
- Large-scale server construction for AI infrastructure
  ¥3.0 bn, 3 yrs
  SI construction, SI O/M

1H24

- The first project of the new shared banking system platform for regional banks
  ¥6.0 bn, 8 yrs
  NW service
  Revenue recognition from 3Q24
- Security enhancement for a manufacturer
  ¥1.0 bn, 3 yrs
  NW service
  Revenue recognition from 2Q24
- Sales system renewal for a service provider
  ¥2.0 bn, 2 yrs
  NW service, SI O/M
  Revenue recognition from 2Q24
- Remote access implementation for a manufacturer
  ¥3.0 bn, 5 yrs
  NW service
  Revenue recognition from 3Q24
- Remote work environment development for a public sector organization
  ¥1.0 bn
  SI construction
  Revenue recognition from 2Q24
- Research platform renewal for a private educational institution
  ¥2.0 bn, 4 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 3Q24
- Office IT Installation for a public sector organization
  ¥1.0 bn, 3 yrs
  NW service
  Revenue recognition from 2Q24
- Information infrastructure system for a public sector organization
  ¥3.0 bn, 4 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 3Q24

2H24

- NW infrastructure renewal for a real estate company
  ¥3.0 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 1Q25
- Remote access environment for a construction company
  ¥2.0 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 2Q25
- Business operation environment for a public institution
  ¥2.0 bn, 3 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 3Q25
- ICT infrastructure for a public institution
  ¥3.0 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 4Q24
- The second project of the new shared banking system platform for regional banks
  ¥11.0 bn, 8 yrs
  NW service, SI O/M
  Revenue recognition from 4Q24
- Introduction of a service system for a public institution
  ¥1.0 bn, 5 yrs
  SI construction, SI O/M
  Revenue recognition from 4Q24
- System infrastructure construction for a public institution
  ¥4.0 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 3Q24

1H25

- GIGA School infrastructure renewal for Ehime Prefecture
  ¥1.0 bn, 6 yrs
  SI construction, SI O/M
  Revenue to be recognized from 2Q26
- Sales system renewal for a service provider
  ¥1.0 bn
  SI construction
  Revenue to be recognized from 4Q25
- NW system construction & operation for a public sector institution
  ¥16.0 bn, 18 yrs
  NW service, SI construction, SI O/M
  Revenue to be recognized from FY29
- Email infrastructure operations for ISP
  ¥1.5 bn, 2 yrs
  NW service, SI construction, SI O/M
  Revenue to be recognized from 4Q25
- Security enhancement for a financial institution
  ¥1.0 bn, 5 yrs
  NW service
  Revenue recognition from 2Q25
- Global NW for a Japanese megabank
  ¥5.5 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 2Q25
- Infrastructure for education service
  ¥1.0 bn, 5 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 1Q25
- Business operation environment for a public institution
  ¥1.0 bn, 3 yrs
  NW service, SI construction, SI O/M
  Revenue recognition from 2Q25

New Wins

- Security enhancement for a manufacturing company
  ¥2.0 bn, 5 yrs
  SI construction, SI O/M
  Revenue to be recognized from 4Q25
- Office IT platform implementation for a construction company
  ¥6.0 bn, 3 yrs
  NW service
  Revenue to be recognized from 4Q25
- IT infrastructure renewal for a life insurance company
  ¥2.0 bn, 2 yrs
  NW service, SI construction, SI O/M
  Revenue to be recognized from 3Q25
- Core system replacement for a security company
  ¥1.0 bn, 2 yrs
  NW service, SI construction, SI O/M
  Revenue to be recognized from 4Q25

- For details, please refer to "Timing of revenue recognition for large-scale complex flagship projects" in the past financial results presentation materials
- Recorded revenues of acquired large-scale projects since FY22

Appendix

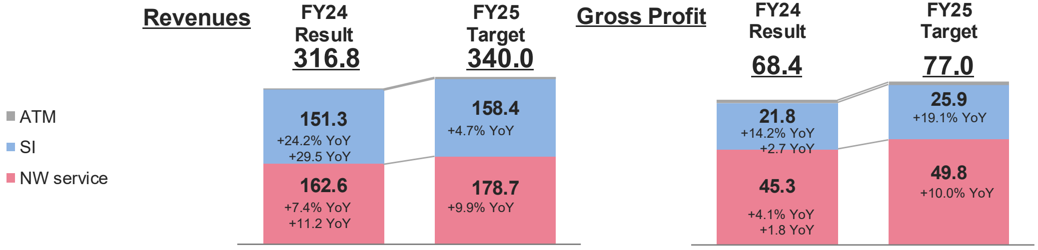
FY25 Financial Targets

Unchanged from May 2025

Unit: ¥ (JPY) billion (bn)
GP = Gross Profit

	FY25 Targets			
	% of total reveue 1H25 (Apr. 1, 2025 - Sep. 30, 2025)	YoY	*% of total reveue* FY25 (Apr. 1, 2025 - Mar. 31, 2026)	YoY
Total Revenue	158.0	+7.5%	340.0	+7.3%
Gross Profit	*22.1%* 34.9	+13.8%	*22.6%* 77.0	+12.6%
SG&A etc.	*12.3%* 19.4	+2.7%	*11.9%* 40.5	+5.7%
Operating Profit	*9.8%* 15.5	+31.6%	*10.7%* 36.5	+21.2%
Shares of profit(loss) of investments accounted for using equity method investee	(0.2)	-	(0.5)	-
Profit before tax	*8.8%* 13.9	+25.0%	*9.9%* 33.7	+15.5%
Net Profit (Profit for the period attributable to owners of the parent)	*5.9%* 9.4	+25.8%	*6.8%* 23.0	+15.4%
Dividend per share	¥19.50	+¥2.00	¥39.00	+¥4.00

Premise and Assumption



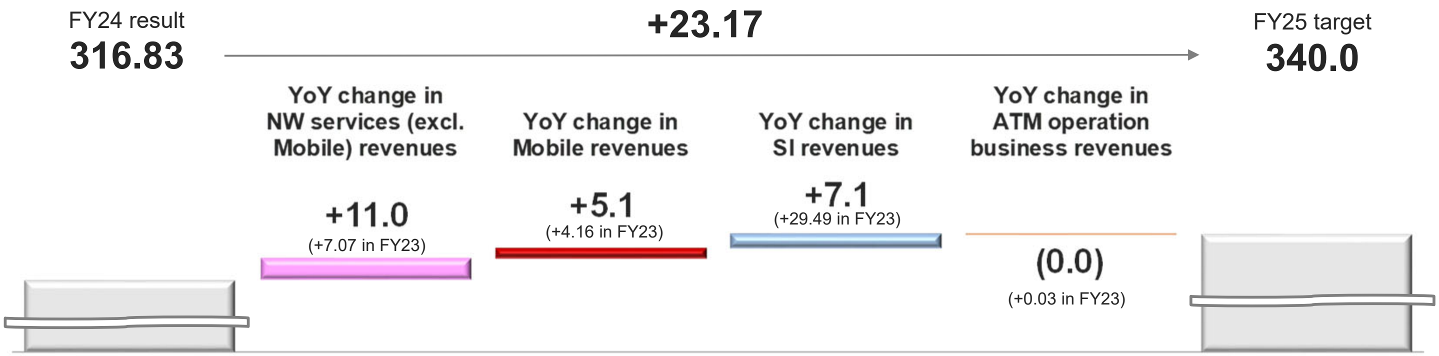
- **NW Services**
  - Revenue to grow through enhancement on service function & sales promotion. Expect monthly recurring revenues of large-scale Service Integration projects to increase (an incremental impact of approx. ¥1.7 bn compared to FY24)
  - Rebound from FY24 VMware license negative profit impact: 1H24 approx. -¥0.6 bn, FY24 approx. -¥0.1 bn
  - No consideration on mobile data interconnectivity reimbursement
- **SI**
  - Continue to meet demand for NW renewal etc.
  - SI construction revenue target has been set by considering approx. ¥5.0 bn for Chiba city project, which was recognized in FY24, and others
  - Gross margin to improve by the accumulation of operation projects and rebound from VMware license negative profit impact (1H24: approx. -¥1.0 bn, FY24: approx. -¥1.4 bn)
- **SG&A**
  - SG&A, etc. to increase along with the expansion of business scale & increase in the number of employees
  - Average annual salary increase rate: approx. 6% (IIJ, it had been around 3.5%~4.0%)
  - The reversal of over ¥1.0 bn provisions for IIJ's retirement benefits due to the revision of the retirement benefit plan which is now more centered around defined contribution plan (expected in 2Q25)
- **Non-operating income & expenses**
  - Shares of profit (loss) of investments accounted for using equity method investee: approx. ¥0.5 bn loss, of which DeCurret HD, approx. ¥0.7 bn loss
  - Assume financial expenses incl. interests, foreign exchange losses etc. (Assumed exchange rate: ¥140/USD)
- **Others**
  - CAPEX: approx. ¥30.0 bn, of which, approx. ¥8.5 bn is for Shiroi DC's 3rd site, spending over multiple yrs
  - Start constructing Shiroi DC's 3rd site from June 2025, expected to accommodate approx. 7 yrs of IIJ service demand
  - Number of employees (consolidated basis) to increase by approx. 440 personnel, of which, 269 are new graduates

Year over Year Analysis

Unchanged from May 2025

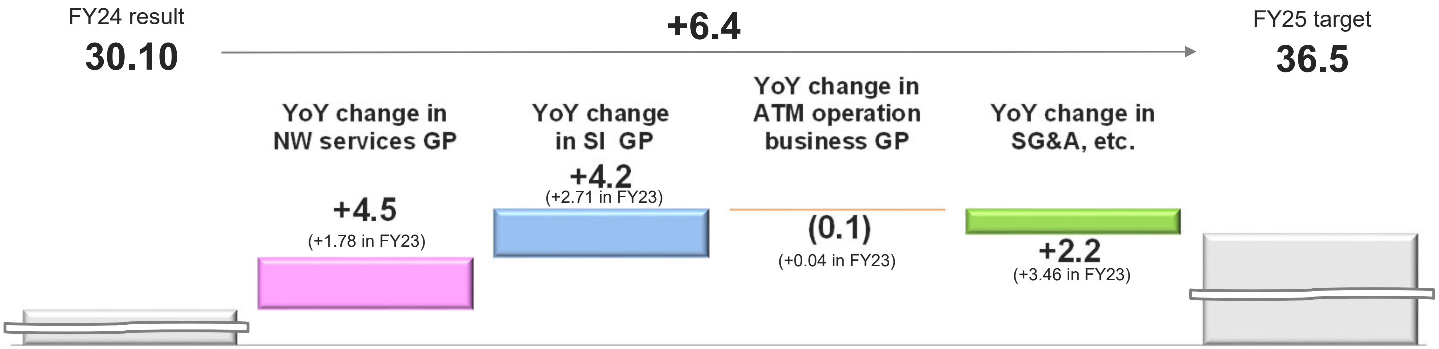
Unit: ¥ (JPY) billion (bn)
GP = Gross Profit

Revenues



- NW services (excl. Mobile) revenues are calculated by deducting the below mentioned Mobile services revenues from total NW services revenues. The revenues include non-mobile consumer revenue which is a small amount
- Mobile services revenues include IIJ Mobile Services (including MVNE) and IIJmio (consumer mobile)

Operating Profit



- NW services gross profit consists of gross profit related to NW revenues (excl. Mobile) and Mobile revenues (The two services have costs in common and cannot be broken down in accounting terms)
- SG&A, etc. in this slide represents the sum of SG&A, which includes R&D expenses, and other income/expenses

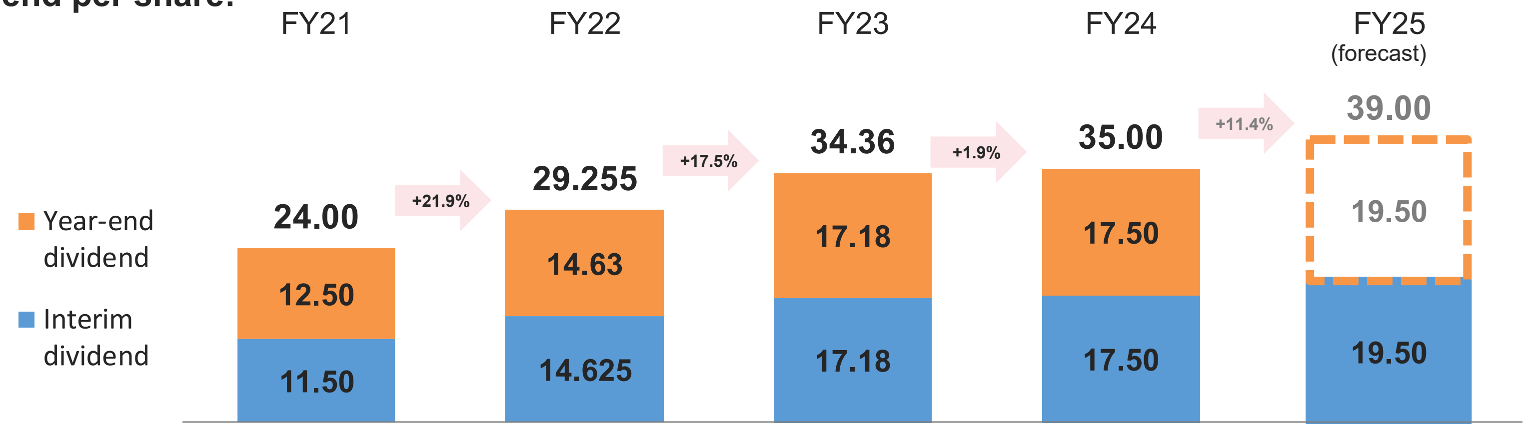
FY25 Dividend Forecast

Unchanged from May 2025

Unit: JPY (¥)

- **Basic shareholders' return policy:**
  Continuous and stable dividend payment while considering the need to have retained earnings for the enhancement of financial position, mid-to-long term business expansion and future investment

- **Dividend per share:**



Payout ratio	27.7%	28.0%	30.7%	31.1%	30.0%

Stock split Jan. 2021

Stock split Oct. 2022

Share buyback and cancellation May. 2023

FY23 total payout ratio: 82.4%

- Dividend per share is written on the post-stock-split basis
- FY21 payout ratio: adjusted payout ratio is around 30% which is calculated by deducting temporary and non-cash transaction such as valuation on funds and impairment loss
- FY22 payout ratio takes the retrospective application of IAS 12 "Income Taxes" into consideration
- FY23 payout ratio takes the share buyback with cancellation which took place in May 2023 into consideration

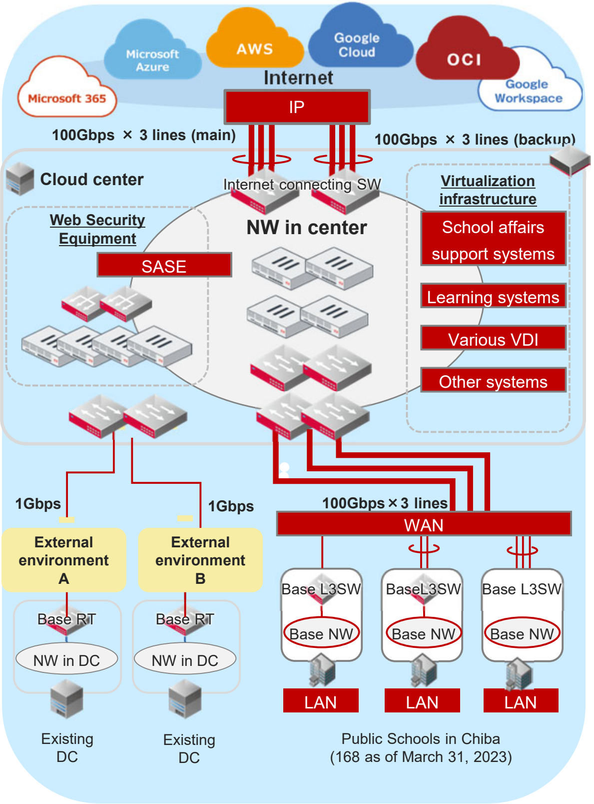
Appendix

Typical Transitions of Service Integration Projects

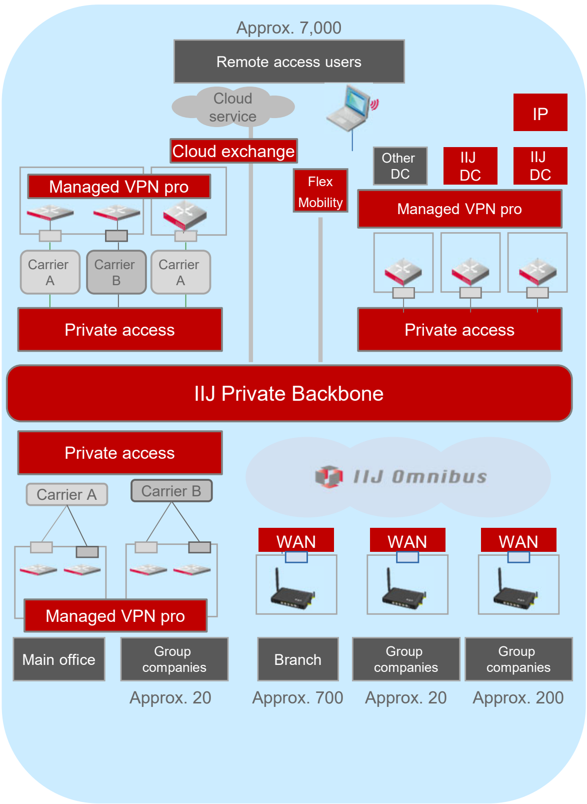
Other IIJ-original offerings

Network Services System Integration

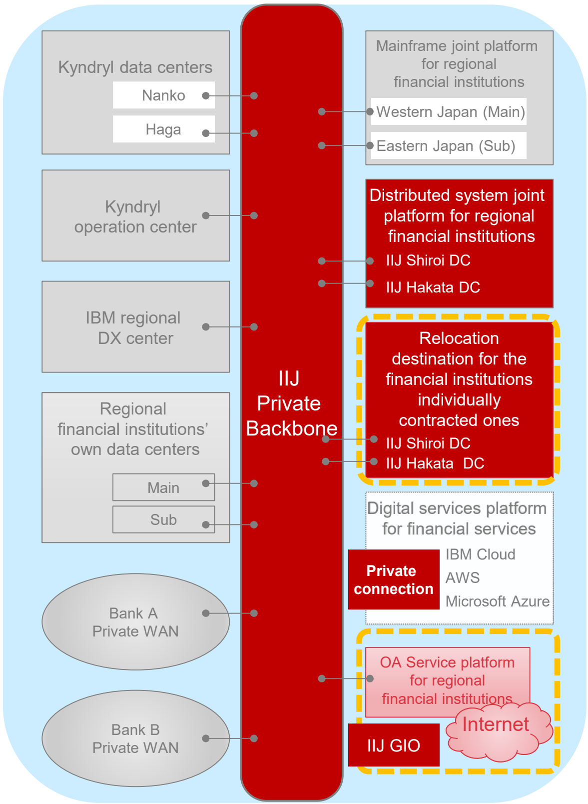
Educational Information NW for Chiba city



Total NW project for a prominent company group



Shared Banking System Platform



Appendix NTT Docomo's Mobile data interconnectivity charge (Mbps Unit charge, monthly)

Fiscal Year	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
New							To be announced in Mar. 2026		
New – Announced in Mar. 2025						¥10,874 -15.5% YoY	¥10,383 -4.5% YoY	¥9,052 -12.8% YoY	
Fixed	¥37,280 -12.7% YoY	¥27,024 -27.5% YoY	¥19,979 -26.1% YoY	¥15,042 -24.7% YoY	**Fixed in Dec. 2025** Fixed as previously proposed by the future cost method. No one-time cost reimbursement ¥12,862 -14.5% YoY	To be fixed in Dec. 2026			
Old – Announced in Mar. 2024					¥12,862 -14.5% YoY	¥10,874 -15.5% YoY	¥10,708 -1.5% YoY		
Old – Announced in Mar. 2023				¥15,644 -21.7% YoY	¥13,084 -16.4% YoY	¥11,255 -14.0% YoY			
Old – Announced in Mar. 2022			¥20,327 -24.8% YoY	¥15,697 -22.8% YoY	¥13,207 -15.9% YoY				
Old – Announced in Apr. 2021		¥28,385 -23.9% YoY	¥22,190 -21.8% YoY	¥18,014 -18.8% YoY					
Old – Announced in Mar. 2020	¥41,436 -3.0% YoY	¥33,211 -19.8% YoY	¥27,924 -15.9% YoY						

- Under the future cost method, MNOs are to disclose the charges for next three yrs based on their prediction about cost etc. Its calculation is (Data communication cost + profit) /demand
- The charge disclosed based on the future cost method is to be finalized based on MNOs actual cost results etc.
- The YoY (Year over Year) decrease percentage written under each charge is compared with the previous year charge
- The charge is public information disclosed in NTT Docomo's service terms and conditions document uploaded on NTT Docomo's website (only available in Japanese) https://www.docomo.ne.jp/binary/pdf/corporate/disclosure/mvno/business/oroshi.pdf

Appendix Mobile service for consumers “IIJmio GigaPlans”

Tax included

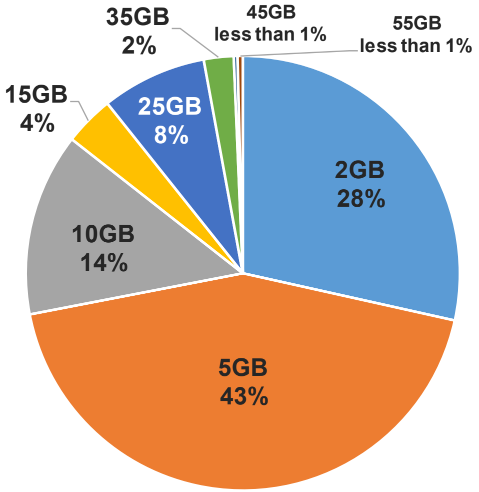
Price list for “IIJmio GigaPlans”

- The price list was updated in Mar. 2025. The 15GB plan is going to revised in Mar. 2026.

2GB	With voice	¥850
	Data-only	¥740
5GB	With voice	From ¥990 to ¥950
	Data-only	From ¥900 to ¥860
10GB	With voice	From ¥1,500 to ¥1,400
	Data-only	From ¥1,400 to ¥1,300
15GB	With voice	From ¥1,800 to **¥1,600** *applicable from Mar. 2026
	Data-only	From ¥1,730 to **¥1,530** *applicable from Mar. 2026
From 20GB to 25GB	With voice	¥2,000
	Data-only	¥1,950
From 30GB to 35GB	With voice	From ¥2,700 to ¥2,400
	Data-only	From ¥2,640 to ¥2,340
From 40GB to 45GB	With voice	¥3,300
	Data-only	¥3,240
From 50GB to 55GB	With voice	¥3,900
	Data-only	¥3,840

GigaPlans: by data plans

As of Dec. 31, 2025



- Shift from low bundled to mid-to high bundled plans

	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025	Dec. 31, 2025
2GB	33%	30%	29%	28%
5GB	44%	44%	44%	43%
10GB	11%	13%	13%	14%
15GB	4%	3%	3%	4%
25GB	7%	8%	8%	8%

- As of Dec. 31, 2025, 83% of IIJmio GigaPlans were with voice plan

Appendix

DeCurret and Digital Currency Business

DCJPY: A digital currency that tokenizes bank deposit on the blockchain. Also called tokenized deposits, they can be minted, transferred, and burned on the DCJPY Network

Company Profile

DeCurret Holdings
(IIJ's equity method investee)

100% ownership

DeCurret DCP

Shareholders (43 companies)

- IIJ (shareholding ratio: 34.8%), financial institutions (banks, securities, and insurance), telecom carriers, IT service providers, logistics and transportation companies, retailers, real estate firms, energy and infrastructure providers, advertising agencies, security service companies, and general trading companies, etc.

Management

- President and Representative Director: Mr. Murabayashi (IIJ's VP)
- Outside directors: from IIJ, SBI Holdings, JAPAN POST BANK, KDDI, MUFG Bank, NTT

Impact on IIJ's financials

- DeCurret-related shares of loss of investments accounted for using equity method investee: FY24 JPY553 million, FY25 plan: approx. JPY0.7 billion

Business

- Digital currency business (Electronic Payment Services Operators)

Digital Currency Forum

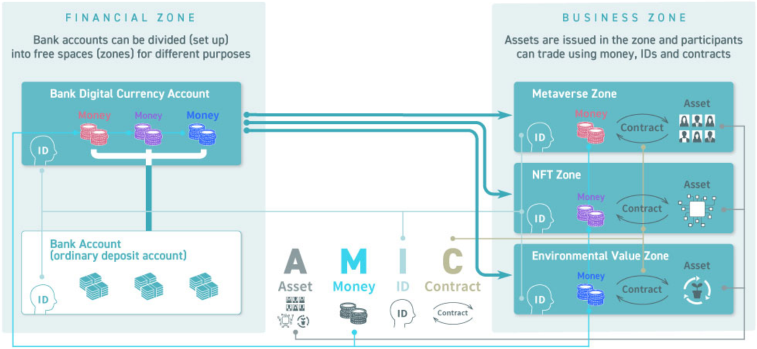
- DeCurret DCP serves as the secretariat and examines use cases for digital currencies
- Number of members:
  128 including enterprises and local governments (Jan. 2026)
- Observers: Financial Services Agency (FSA), Ministry of Internal Affairs and Communications (MIC), Ministry of Finance (MOF), Ministry of Economy, Trade and Industry (METI), Bank of Japan (BOJ)
- Senior advisor: Mr. Endo (former Commissioner of FSA)

Use Cases of DCJPY

Partners	Overview
GMO Aozora Net Bank, IIJ	Started digitalizing environmental value and DCJPY settlements
Japan Post Bank	Planning to launch tokenized deposits in FY26
SBI Shinsei Bank, Partior	Agreed to study FX transactions using tokenized deposits
Shinoken Group, Japan Post Bank	Started PoC to automate rent payments and realize higher efficiency using Japan Post Bank's DCJPY
Transaction Media Networks	Started collaboration to develop DCJPY-based services for distributers
Mirai, Futurism, Artemis Hokkaido, GovTech Bibai	Advancing a DCJPY PoC for a regional creator economy
SBI Security, Daiwa Securities, SBI Shinksei Bank, BOOSTRY, Osaka Digital Exchange	Began joint study on real-time settlement for security tokens using DCJPY
Kyushu FG, Higo Bank, Kagoshima Bank	The first among regional banks to start joint study of DCJPY adoption

DCJPY Network

Financial Zone (FZ)	Business Zone (BZ)
Banks: Minting & transferring digital currency, etc.	Enterprises & government agencies, etc.: Implementing the use case



	Tokenized Bank Deposits	Electronic payment instrument (Stable Coins)	
	DCJPY	Type I	Type III: specific trust beneficiary right (money trust)
Legal framework	Banking Act	Payment Services Act	
Underlying asset	Bank deposits	Preservation through deposit, etc.	Trust assets (deposits, etc.)
Issuers	Banks	Type II funds transfer service providers	Trust banks & trust companies
Features	• There is no upper limit on transfer amounts • Treatment equivalent to bank deposits (covered by the deposit insurance system, etc.) • Along with the expansion of BZ, use cases for digital currency are to also expand	• There is an upper limit on transfer amounts (Type II funds transfer service providers: JPY1 million maximum per transaction)	• Trust banks have no upper limit on transfer amounts, while trust companies have some restrictions

【Reference】
Presentation material for company profile

P. 26 ~ P. 42

Company Profile

IIJ has been taking initiatives in Internet Infrastructure field in Japan

Established	December 1992 (The first established full-scale ISP in Japan)
Number of Employees	5,514 (approx. 70% engineers)
Large Shareholders	NTT Group, KDDI, ITOCHU Techno-Solutions (CTC), Koichi Suzuki

Approx. 80% recurring revenue
Stable and Scalable Business Foundation

◆ The first established full-scale ISP (Internet Service Provider) in Japan

- ✓ Introduce many in-house developed Internet-related network services
- ✓ Highly skilled IP (Internet Protocol) engineers from the inception
- ✓ Operate one of the largest Internet backbone networks in Japan

◆ Well recognized "IIJ" brand among Japanese blue-chip companies' IT division

- ✓ Differentiate by reliability and quality of network and systems operation
- ✓ Long-term (approx. 30 yrs) client relationship since the establishment of IIJ

◆ Development of innovative Internet-related services

- ✓ Differentiate by continuous network service developments and business investments
- ✓ Focus on Cloud, mobile, security, solutions related to Big Data, IoT and data governance
- ✓ Always ahead of telecom carriers and systems integrators (SIers) with regards to services development and operation

- Number of employees (consolidated basis) is as of Dec. 31, 2025, and Large shareholders is as of Sep. 30, 2025

Management structure (As of June 30, 2025)

Ratio of female directors and auditors 20.0%

Ratio of outside directors 46.7%

Company Profile

Board of Directors (11 members)

Koichi Suzuki
Representative Director, Chairman, Executive Officer, Co-CEO

Yasuhiko Taniwaki
Representative Director, President, Executive Officer, Co-CEO & COO

Satoshi Murabayashi
Vice President
Executive Officer

Koichi Kitamura
Vice President
Executive Officer

Akihisa Watai
Vice President
Executive Officer
CFO

Junichi Shimagami
Vice President
Executive Officer
CTO

Outside Directors (45.5%, 5 out of 11)

Takashi Tsukamoto (since 2017)
Former Chairman of Mizuho Financial Group, Inc.
Former President and CEO of Mizuho Bank, Ltd.
Independent

Kazuo Tsukuda (since 2020)
Former Chairman and Representative Director of Mitsubishi Heavy Industries, Ltd.
Independent

Yoichiro Iwama (since 2021)
Former President and Representative Director of Tokio Marine Asset Management Co., Ltd.
Independent

Atsushi Okamoto (since 2022)
Former President and CEO of Iwanami Shoten, Publishers
Independent

Kaori Tonosu (since 2022)
Former Board Member of Deloitte Touche Tohmatsu LLC
Independent
Female

Board of Company Auditors (4 members)

Masayoshi Tobita

Masako Tanaka
Female

Outside Auditors

Takashi Michishita
Attorney at law

Kumiko Aso
CPA
Female

About President Taniwaki (Since Apr. 2025)

- Joined MIC in 1984 and led major telecom reforms including NTT's restructuring and mobile policy initiatives. Served as Vice-Minister for Policy Coordination in 2019, promoting lower mobile charges. Joined IIJ in 2022 as Executive VP, driving growth in cybersecurity and digital transformation.

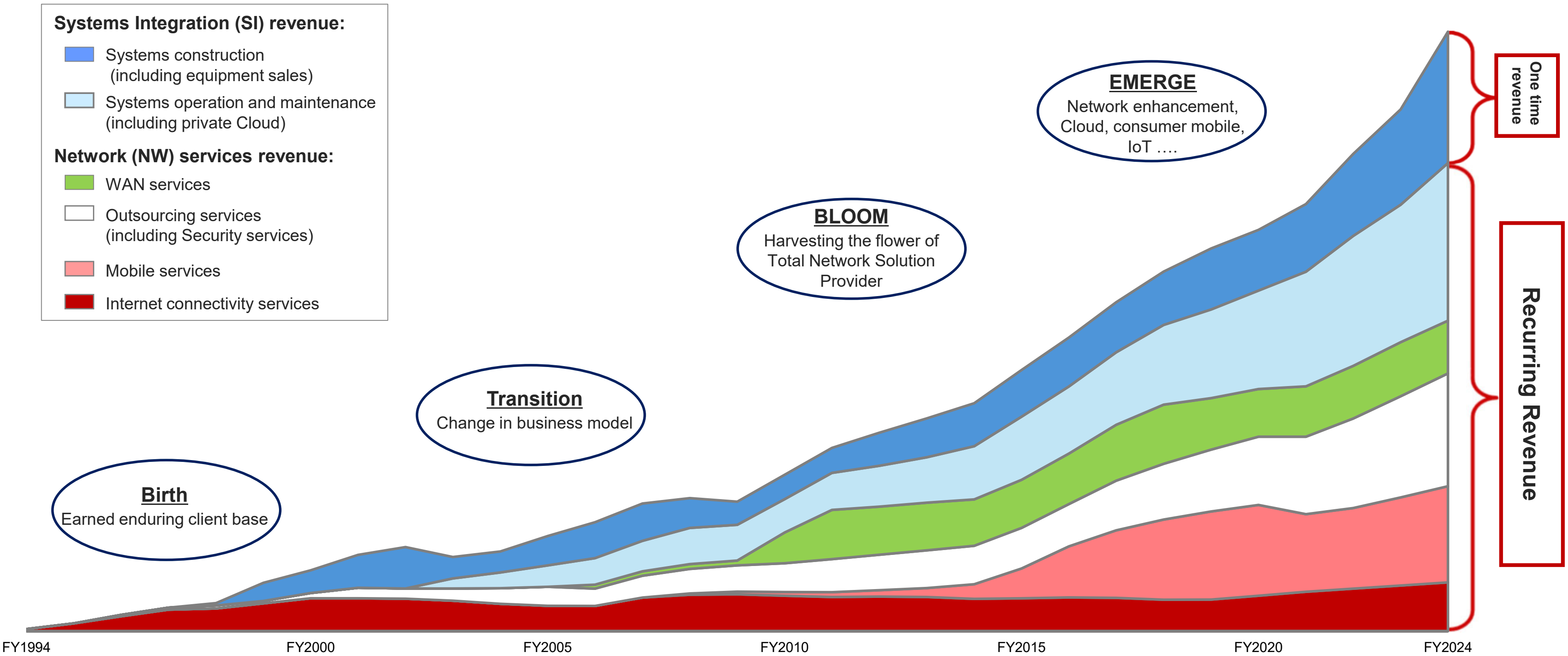
Director Compensation

- Performance based compensation for an annual and the Mid-term Plan have been implemented since 2024. Directors are evaluated based on business performance such as revenue, operating profit, and performance of assigned business area, engagement such as employee satisfaction, ROE target of 19% in FY26, achievement/progress of sustainability and other targets

IIJ's Business Philosophy

- **To develop network infrastructure through technological innovation**
  We are committed to the ongoing pursuit of initiatives in the field of Internet technology to open the future of the digital society through new value created by ever faster networks and computing.
- **To provide solutions (IT services) that supports a networked society**
  We continuously develop and introduce highly reliable and value-added IT services that anticipate changes taking place around the world, to support the use of networks by society and individuals.
- **To provide meaningful opportunities for growth to our employees**
  (a place where human resources with diversified talents and values can play an active role)
  We aim to offer meaningful working opportunities for growth through business, in which our staff can take a proactive approach to technical innovation and social contribution and actively demonstrate their abilities with pride and a sense of satisfaction. We aspire to be a company where employees are never satisfied with the status quo, and are always thinking about the future world, contributing to social development, and achieving personal growth through work that has value for society.

From ISP to Total Network Solution Provider



Increase in number of ISPs in Japan
IIJ launched Internet connectivity services in 1993 (NTT in 1996)

Price war and market consolidation for ISPs in Japan
IIJ shifted its focus to large corporates, survived the tough competition, and established market position

Gradual cloud migration
Launched Cloud services in 2009

Birth of the Low-Cost SIM Market
Launched consumer mobile services in 2012

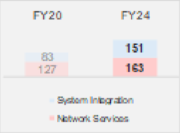
DX triggered by the Pandemic
Rapid Expansion in Demand for Remote Access Services, etc.

Advancement of DX in post-pandemic era
Shift to Network-Centric Architectures

Network Engineering Capabilities as Our Core Value - Business Model -

Company Profile

Revenue (¥ bn)



Client Base

Private Sectors in Japan
- ICT
- Finance
- Services
- Construction
- Retail
- Manufacturing

Public Sectors in Japan
- Central government agencies
- Local governments
- Educational institutions

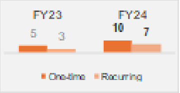
Top MVNO by market share
- Over 30%*
- Over 200 MVNE clients

*MM Research Institute, as of Mar. 31, 2025

Overseas Business
- Supporting Japanese companies operating overseas
- Developing IIJ's local businesses in ASEAN

- Approx. 16,000 clients
- Longstanding client relationships
- High penetration to top tier 10 companies each industry
- Continue to meet Internet-related demands
- Exceptionally low churn
- Advancing large-account strategy

Large-scale projects revenue (¥ bn)



Transactions and Projects Trends

- **Large-scale projects** Network replacement
- **Strong Demands from Finance and Public sectors**
- **IoT-related Projects to Increase**
- **Full-outsourcing Needs to Prevail**

Service Elements

Internet/Network		Security		Cloud		MVNO		IoT	
Dedicated Internet connectivity	Broadband connectivity	SOC	Secure web gateway	File servers	Virtualization platform	Private network SIM	Mobile router	LoRa WAN	Agriculture IoT
Cloud network optimization	Proprietary router	Mail security	Managed firewall	Backup servers	Multi-cloud	5G	eSIM	Paddy field management	Smart meter
Wireless LAN	WAN	Zero Trust	SASE	Data integration platform	Dedicated cloud connectivity	Mult-carrier	IMSI	Factory automation	Transportati on data log

System Integration
- Consultation
- Operation and maintenance

Professional Services
- Cloud integration
- IT consulting
- Full-outsourcing of IT operation

- Provide total solution as one suite
- Large-scale Service Integration projects increasing
- SI to enhance network service business development

Over 2,000 talented network engineers

Network equipment

Proven operational excellence in network services

In-house development of a wide range of network services

Backoffice system

Support desk

One of the largest Internet backbone networks in Japan

Data Centers

Servers

- Network availability; 99.9999%
- Fully redundant configuration through multicarrier architecture, etc.
- Low HR turnover rate: 3-4%
- Established service brand in Japan

Network Engineering Capabilities

Extensive Service Lineups

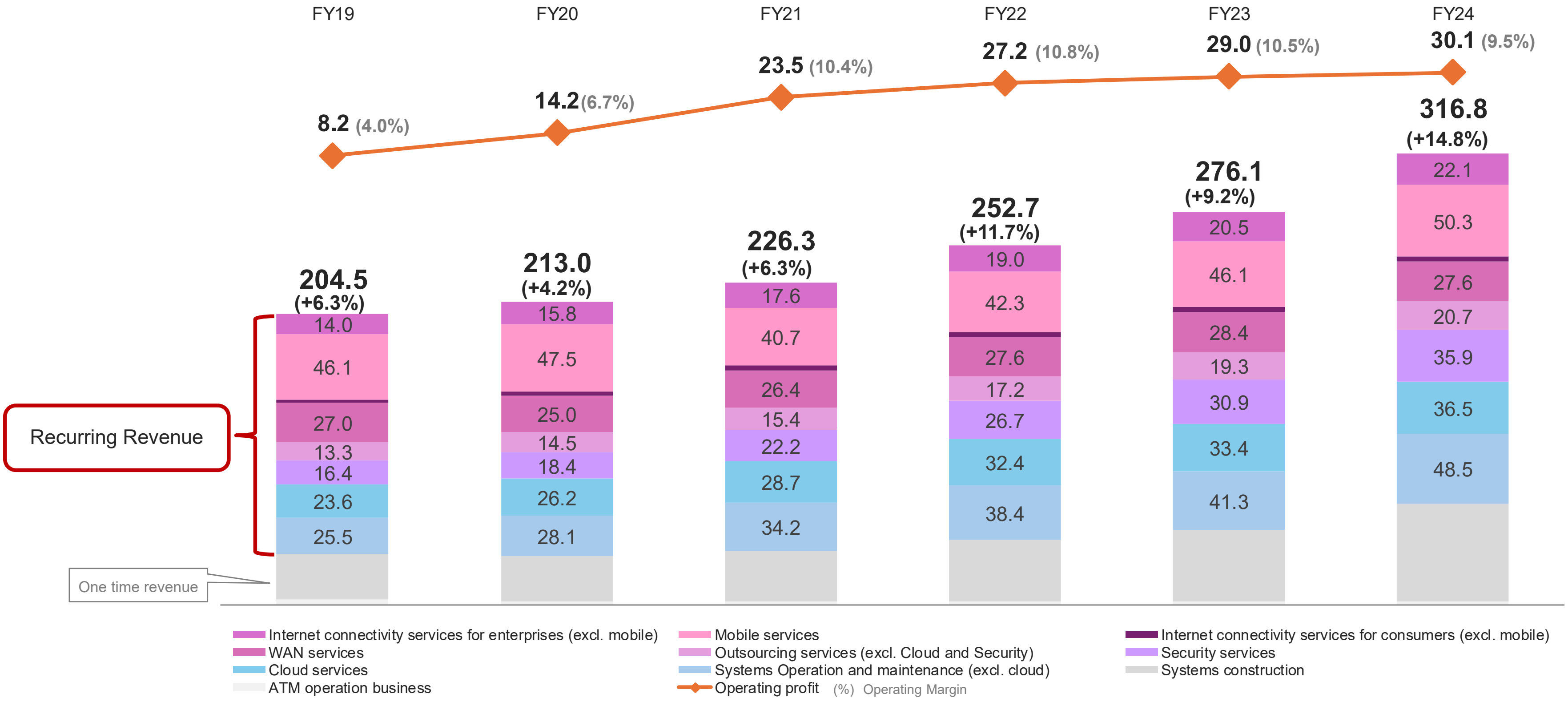
Unit: ¥ (JPY) billion (bn)

Segment	Revenue category	FY24 revenue	YoY growth	Cost Structure	Gross Margin	About	Business situation, growth drivers and outlook	Revenue type
Network services	**Internet connectivity services for enterprise**	48.99	+9.5%	Mostly common costs	27.8%	**IP** (Internet Protocol): 17.32, +8.3% • IIJ's flagship service since the inception • Highly reliable dedicated connectivity services with multi-carrier redundancy • Bandwidth-based contracts driving scalable revenue growth **Mobile**: 26.86 Enterprise mobile: 15.48, +13.5% – Provide data connectivity for mainly IoT usages MVNE: 11.38, +7.9% – Provide mobile services for other MVNOs (Others) Broadband Internet services, etc.	**IP** • Matured market (hard to entry) • Very low churn rate, loyal clients for over 30 years • Expect Internet traffic volume to continuously increase along with cloud penetration, CDN, SaaS, DX, etc.	Recurring revenue 77%
Network services	**Internet connectivity services for consumers**	26.83	+6.1%	Mostly common costs	27.8%	**Mobile**: 23.44, +6.7% • Provide SIM with monthly data limits (voice as option) (Others) Broadband Internet services and email services for households, etc.	**Mobile** • Unified mobile infrastructure for enterprise, MVNE and consumer Traffic management strategy • Current infrastructure provisioning based on peak consumer traffic patterns. Peak demand concentrated during commuting hours and lunchtime • Leading market share in Japan's consumer MVNO segment	Recurring revenue 77%
Network services	**Outsourcing**	59.15	+11.7%	Mostly common costs	27.8%	Various in-house developed Internet-related service line-ups **Security**: 35.94, +16.2% • Managed security services, Security Operation Center services and so many more (Others) NW monitoring, VPN services, public cloud services, and many more	• Have been developing services based on the Zero Trust concept • Drive enterprise growth through cross-selling • Ongoing service development is key • Security demand is expected to remain strong	Recurring revenue 77%
Network services	**WAN** (Wide Area Network)	27.61	-2.7%	Mostly common costs	27.8%	• Traditional method of connecting multiple sites via intranet and closed networks • Direct procurement of dedicated WAN lines	• Stable market • Positioned as a cross-selling element	Recurring revenue 77%
SI	**Operation and Maintenance**	82.53	+14.8%	Cost plus	14.4%	**On-premise Systems**: 48.53, +17.4% • Operation and maintenance of deployed systems **Private Cloud, etc.**: 34.01, +11.1% • Promote cloud migration with robust, reliable and value-driven capabilities	• Strong mid-to-long business opportunity driven by cloud migration of internal IT systems • Revenue expected to grow steadily as construction projects accumulate	Recurring revenue 77%
SI	**Construction** (including equipment sales)	68.77	+37.8%	Cost plus	14.4%	• Primarily network integration projects, including server setup	• Securing large-scale projects as Japanese enterprises shift to network-based systems requiring integrated network functions	One time revenue

Recurring Revenue Accumulation & Expansion of Economies of Scale

Unit: ¥ (JPY) billion (bn)
% = Year over year change

Company Profile



- WAN revenue decreased year over year in FY19 and FY20 mainly due to certain large customers' migration to our mobile services (cheaper than WAN to connect multiple sites)
- During FY20, ATM operation business was impacted by the COVID-19 pandemic due for example to the store closure and smaller number of users coming to stores
- Mobile revenue decreased year over year in FY21 due to ARPU decrease for consumers and change in unit charge for MVNE clients
- Systems construction and systems operation & maintenance revenue increase for FY21 includes PTC revenue which became IIJ's consolidated subsidiary from Apr. 2021
- FY24 Operating margin includes the significant increase of VMware licenses

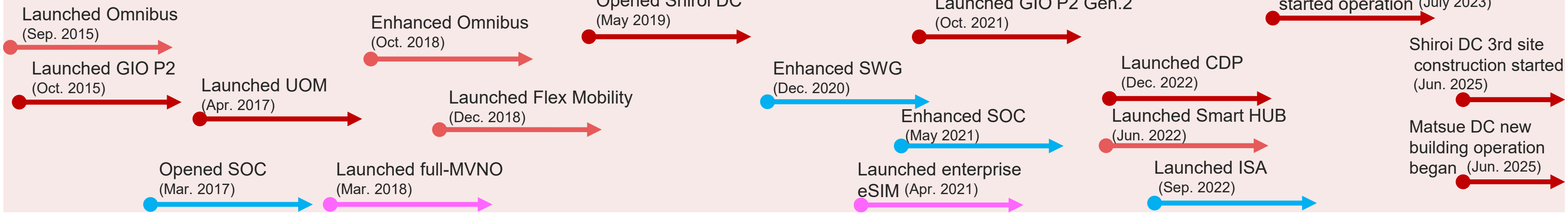
Financial Performance

Company Profile

Unit: ¥ (JPY) billion (bn)

		FY20	FY21	FY22	FY23	FY24
Total Revenue		**213.0**	**226.3**	**252.7**	**276.1**	**316.8**
	YoY	*+4.2%*	*+6.3%*	*+11.7%*	*+9.2%*	*+14.8%*
NW services		126.8	128.2	138.9	151.3	162.6
	YoY	*+4.0%*	*+1.1%*	*+8.4%*	*+8.9%*	*+7.4%*
NW services (excl. Mobile services)		79.3	87.5	96.6	105.2	112.3
	YoY	*+4.5%*	*+10.3%*	*+10.5%*	*+8.9%*	*+6.7%*
Mobile services		47.5	40.7	42.3	46.1	50.3
	YoY	*+3.1%*	*(14.3%)*	*+3.8%*	*+9.1%*	*+9.0%*
SI		83.3	95.3	110.9	121.8	151.3
	YoY	*+6.2%*	*+14.5%*	*+16.4%*	*+9.8%*	*+24.2%*
Operating Profit		**14.2**	**23.5**	**27.2**	**29.0**	**30.1**
	YoY	*+73.2%*	*+65.3%*	*+15.6%*	*+6.6%*	*+3.7%*
Operating Margin		**6.7%**	**10.4%**	**10.8%**	**10.5%**	**9.5%**
Net Profit		**9.7**	**15.7**	**18.9**	**19.8**	**19.9**
	YoY	*+142.4%*	*+61.4%*	*+20.3%*	*+5.2%*	*+0.5%*
ROE		**11.5%**	**16.2%**	**17.0%**	**16.3%**	**15.0%**
NW service gross margin		**21.4%**	**27.8%**	**27.5%**	**28.7%**	**27.8%**
SI gross margin		**14.5%**	**15.7%**	**16.7%**	**15.6%**	**14.4%**
CAPEX		**15.2**	**16.1**	**20.8**	**22.5**	**26.3**
NW services, etc.		8.8	9.0	9.7	12.9	15.0
Shiroi, Matsue DCs		1.7	1.6	5.6	5.7	4.7
Cloud		2.7	2.3	2.0	1.5	2.0
SI, others		2.0	3.2	3.5	2.4	4.6

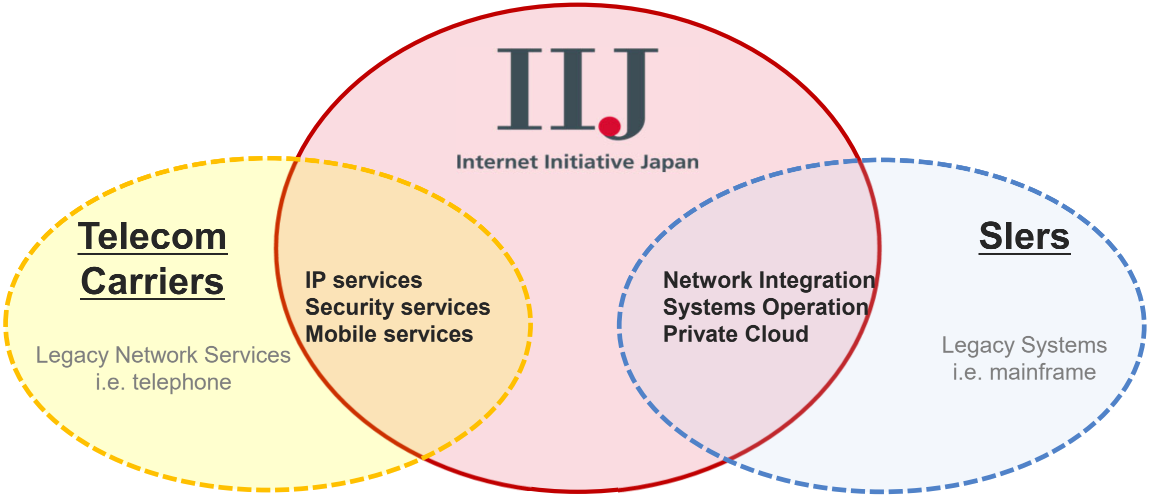
Various Network Services Asset



Competitive Advantages

Against telecom carriers, IIJ
- Has highly skilled IP (Internet Protocol) engineers
- Is faster to move than bureaucratic organizations
- Focuses on blue-chip companies' IT needs with SI

Against systems integrators (SIers), IIJ
- Operates one of the largest Internet backbone (SIers do not)
- Has NW services asset and development capability (SIers do not)
- Focuses on Internet-related open type systems



IIJ deals with newer systems and growing IT market
(Not involved in heavy and legacy systems)

Service & Solution Development Capability

Initiate the market by continuously developing innovative various network-related services & solution in-house

Smart meter
Big data
AI
Zero trust
Multi Profile SIM
Overseas SI
Overseas cloud service
SOC
SASE
Security Training
FX
Smart Mobile
SACM solution
5G
Edge Data Center
Application development
IPTV Platform
SDN
IoT
LTE
IIJ GIO P2 Gen.2
Smart Hub
PtoP
Container type DC
IIJ GIO
High-Res Streaming
Full-MVNO
Data Governance
STRIGHT
NW System construction
RFID
Internet LAN
Large capacity delivery
MtoM
iBPS
NW System operation
Internet VPN
DDoS
Web Gateway
LaIT
Global WAN
ISP in U.S.
SMX
Managed service
Data center
SMF
WAN
Anti-spam
Global backbone
Multi Cloud
Asia backbone
SEIL (rooter)
CDN
IIJmio
IIJmobile
MVNO (consumer)
MVNE
Firewall
IP multicast
Contents create/delivery
IPv6
Wide Area LAN
Internet connection
Web hosting
IIJ 4U
SLA
IX
Dial up

First in Japan
First in the world

1992
2000
2010
2024

Internet Initiative Japan
IIJ America
Engineering
Net Chart Japan
TRINITY
IIJ Global
IIJ Europe
Protech
JOCDN
DeCurret
PTC
Trust Networks

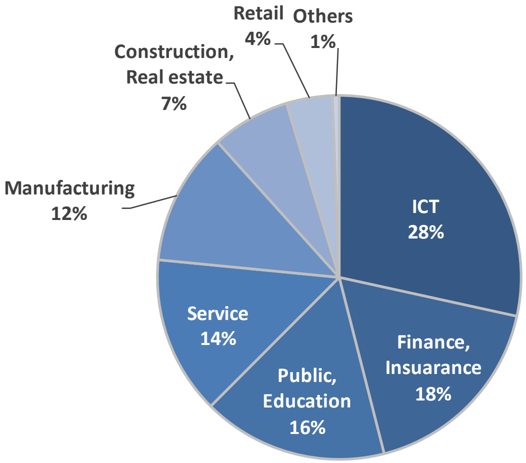
IIJ Group

Excellent Customer Base

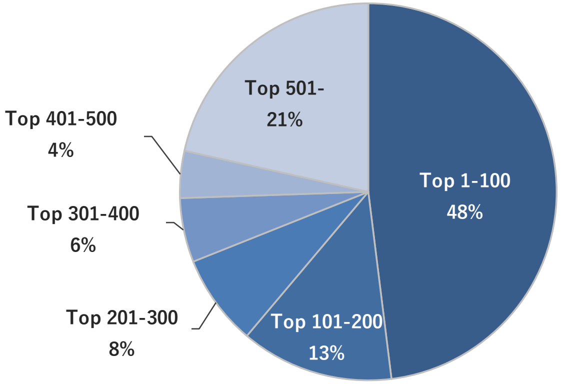
- **Number of IIJ Group's clients: approx. 16,000 as of March 31, 2025**
- **Through reliable operation, continuous use of Internet connectivity services since the inception of IIJ**
- **Our reliable infrastructure operation and cross-sell strategy have led to low churn rate**

Cover Most of Top Revenue Companies

Client Distribution by Industry



Client Distribution by Revenue Volume



- Top ten firms in each industry taken from annual revenues are selected by IIJ based on the Yahoo! Japan Finance website (finance/sales/whole market/daily)
- The service penetration and the revenue distributions are based on IIJ's FY24

Mid-term Plan (FY24 ~ FY26)

Consolidated base
Net Profit is "Profit for the period attributable to owners of the parent"
"times" are calculated by comparing FY26/FY26-end to FY23/FY23-end
The figures below are all assumed targets

Company Profile

Accelerate business scale expansion toward the Mid-to-long Term Vision by advancing the business structure transformation in FY23
Revenue growth led by integration and profit growth through economies of scale as a NW service operator

Total Revenue	Operating Profit	Net Profit	ROE	Human Capital
FY23 ¥276.1 bn → 1.4 times → FY26 ¥380.0 bn	FY23 ¥29.0 bn → 1.6 times → FY26 ¥46.0 bn	FY23 ¥19.8 bn → 1.5 times → FY26 over ¥30.0 bn	FY23 16.3% → +2.7 pt. → FY26 19%	FY23-end 4,803 → 1.3 times → FY26-end around 6,100

Further enhancement of the existing core business area

SI as Revenue driver

- Accelerate revenue growth by rolling out NW construction/renewal projects to various industry, enhancing account sales & PM, expanding human resource
- Enhance SI project management

NW service as Profit driver

- Accelerate NW service accumulation through Service Integration
- Demonstrate the strength of stable NW operation in the DX era

Promotion of large transactions & clients

- Comprehensive outsourcing of client's NW and open systems
- Add large volume revenue to the multi-industry recurring revenue base
- Stable additional profit source for the future

Further enhancement of service development & operation

- Focus on strengthening cyber-security service development
- Respond to DX progress with DWP lineup
- Develop services that would be PF for AI, data lake, etc.

Enhancement of Service Control

- Higher efficiency for service development & operation by new technology such as AI
- Implement appropriate pricing in response to inflation & cost increase

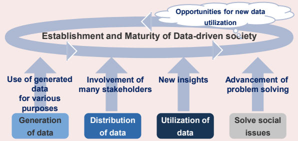
Continuous expansion of NW infrastructure Pursuit of differentiation

- Construct the third site of Shiroi DC for long-term growth
- Deploy full-MVNO 5G SA

Creation of new growth area

Initiatives for Data-driven society

- Operate data utilization business, generate meaningful data, data distribution mechanisms & operations, etc.
  ➡ Study & create business models in conjunction with the existing infrastructure & services



Achieve the spread of Digital Currency in Japan

(Equity method investee: DeCurret)

- First in Japan to issue commercial digital currency as a practical case (scheduled in Jul. 2024)
  - ✓ Digitalized token of environmental value transaction
- Within FY26, anticipate loss to shrink & become profitable on a monthly basis
- Executing STO(*) of digital currency, invoice chain(*), web3/NFT(*) & other practical projects

(*) STO (Security Token Offering): securities issued using electronic means such as blockchain, replacing traditional mechanism of stocks and bonds
(*) Invoice chain: concept of industry standard systems for corporate intercompany reimbursement
(*) NFT(Non-Fungible Token): Token issued on the blockchain that can prove uniqueness and cannot be replaced

Enhancement of business foundation

Thorough expansion of Human Capital

- Continuous expansion of human resources
- Develop next-generation human resources for long term growth
- Maintain & enhance top-tier engineering capabilities & expand that to multiple layer

Enhancement of cash control

- Appropriate management of increasing SI-related working capital
- Investment allocation Shiroi DC & growth areas
- Increase payout ratio when the Mid-to-long Term Vision is realized

Maintain & improve Sustainability /Governance

- Strengthen governance in line with growth
- Contribute to the productivity of future society through continuous stable NW operation
- Introduce a new executive compensation scheme linked to the new Mid-term Plan

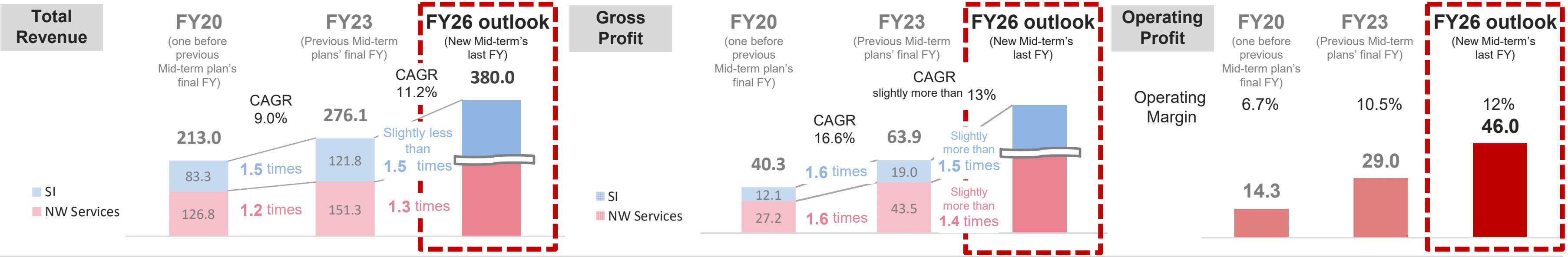
Complement growth through M&As

- Pursuit M&A opportunities as a supplemental means of expanding domestic resources & technology
- Leverage residual borrowing capability (up to ¥70.0 bn is envisioned image)

Mid-term Plan's Financial Outlook

Unit: ¥ (JPY) billion

Breakdown image of financial outlook



Capital allocation (FY24-FY26, 3 yrs in total)

Cash in

Cash generated from business
approx. ¥134.0 bn(*)

(*) post-tax, pre-depreciation

Debt
Up to approx. ¥65.0 bn

Cash out

Investment: approx. ¥90.0 bn

- **Ordinal NW infrastructure, etc. approx. ¥51.0 bn** — Stable with economies of scale
- **Shiroi DC 3rd Site construction approx. ¥30.0 bn** — Mainly for own services
- Strategic investment for new growth areas

Along with an increase in large complex project **Increase in working capital and lease obligation**	Approx. **¥13.0 bn**
Payout ratio 30% **Dividend**	Approx. **¥24.0 bn**
Scheduled repayment of long term borrowing	Approx. **¥1.5 bn**
M&As	up to **¥70.0 bn**

Overview

Shiroi DC 3rd site construction	◆ Start the construction within the new Mid-term plan period, but the schedule is undetermined • First site: CAPEX approx. ¥8.3 bn, No. of racks: approx. 700, started operating from May 2019 • Second site: CAPEX approx. ¥12.8 bn (plan), No. of racks: approx. 1,100, started operating from Jul. 2023
Strategic Investment	◆ Specific investment details have not fixed and will be discussed going forward
Increase in working capital & lease obligations	◆ Increase in work in process, prepayments, etc. due to an increase in large scale multi-year SI projects • The impact of increased working capital should gradually be reduced due to the constant revenue recognition of large scale projects
M&As	◆ M&As to be conducted in sequence with borrowing capacity • Maintain debt/equity ratio & financial discipline, Up to ¥70.0 bn of additional debt could be implemented for M&As

Mid-to-long Term Vision

The figures mentioned below are all assumed status and image

Previous Mid-term (FY21-FY23)

Established profit base by enterprise recurring revenue growth

- Enhancement of NW infrastructure & service lineup
- Profit expansion through economies of scale by recurring revenue accumulation
- Increase in large scale projects through NW renewals, etc.
- Cloud, security & IoT demands
- Started expansion of overseas business, including M&As
- Expansion of human resources
- Initiatives for digital currency and other new business areas

Mid-term (FY24-FY26)

Accelerate business expansion by focusing on the existing core areas
Pursue business scale for long term growth

- Further enhancement of the existing core business areas
- Creation of new growth areas
- Enhancement of business foundation

Execute actions early to realize revenue volume of ¥500 bn

Mid-to-long Term Vision

Total revenue around ¥500.0 bn
Operating Margin 12% ~ 15%

- **Strongest focus on the core areas as NW operator & IT provider**
  Positioned as one of the leading IT providers in Japan
  Reliable NW operation & service as differentiator
  Enlarge SI business driven by Service Integration
  Expand large customer base to realize business scale
- **Provide NW platforms which support the NW society**
  Create optimal NW & security platforms for the spread of AI & the advent of data-driven society, etc.
- **Maintain and develop IIJ corporate culture as a challenger**
  Unchanged since the inception, diverse employees take on new challenges autonomously

Beyond 5,000

*5,000 is derived from the Japanese unit of ¥5,000 oku (oku = one hundred million) which is ¥500 bn

Deliver added value as an IT full outsourcer for infrastructure operation to support realization of NW society

- Develop integrated PF to enable processing various types of data, together with security & high performance. IIJ to become a full outsourced IT providers equipped with DC (including edge computing) & cloud resources, including wired and wireless NWs
- Achieve high profit margins by managing large customers' NW & IT domains as fully outsource
- Leadership including M&As amidst a changing industry landscape
- Become leading IT service provider by leveraging domestic knowledge & SWOT in ASEAN

Targets (consolidated)	FY23 result	FY26 target	Mid-to-long Term Vision
Total Revenue	¥276.1 bn	¥380.0 bn	¥500.0 bn
Operating Margin	10.5%	12%	12% ~ 15%
Payout ratio		30%	30% ~ 40%

Payout ratio to gradually increase along with an increase in business scale

Enterprise internal NW & systems in Japan becoming to change

30 yrs ago

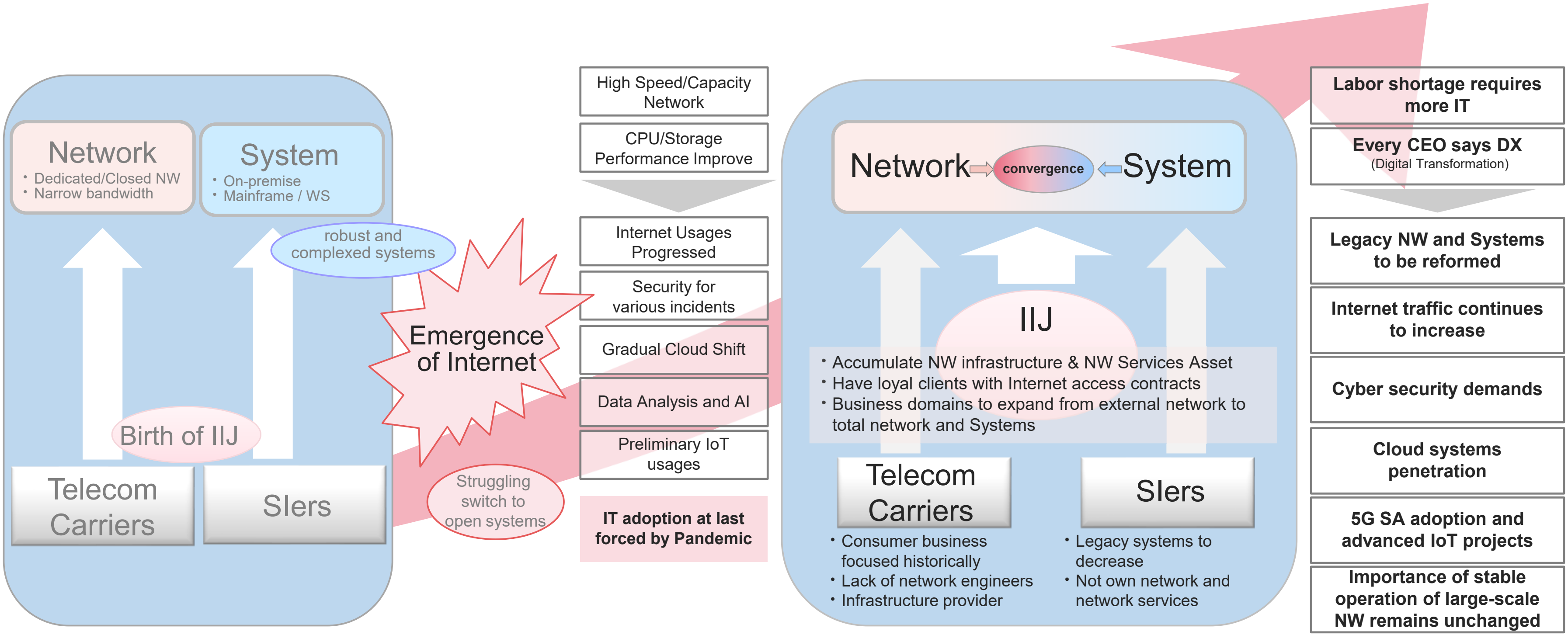
IIJ covered external NW with Internet
Carriers & SIers covered internal NW & systems

Stick to legacy NW systems

Nowadays

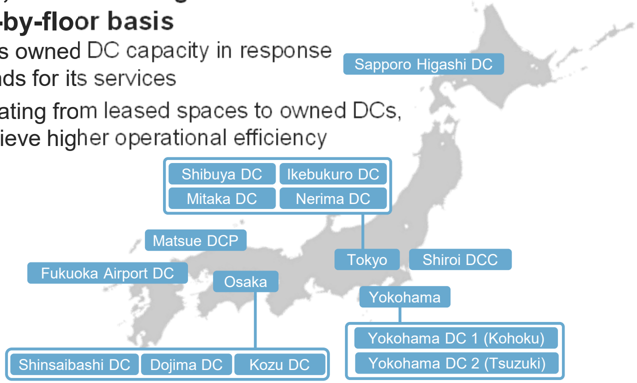
IIJ's opportunities rise to cover entire NW & system utilizing various NW functions

Finally systems & NW began to change in Japan after the COVID-19



Data Centers (DCs)

- **IIJ operates 13 DCs in Japan, 2 of which are owned by IIJ (as of Feb. 2026), the remaining facilities are leased from DC owners on floor-by-floor basis**
  - IIJ is expanding its owned DC capacity in response to growing demands for its services
  - By gradually migrating from leased spaces to owned DCs, IIJ expects to achieve higher operational efficiency



Initiatives for Environment

Measures	TCFD Targets			
Usage of renewable energy	To increase the renewable energy usage rate of DCs (Scope 1 and 2) to 85% in FY2030			
	Results	FY22: 46.1%	FY23: 50%	FY24: 55%
Improvement of energy conservation	To keep the PUE of the DC at or below the industry's highest level (1.4) until FY2030 through continuous technological innovation			
	Results	FY22	FY23	FY24
	Matsue DC	1.33	1.33	1.34
	Shiroi DC	1.31	1.36	1.32

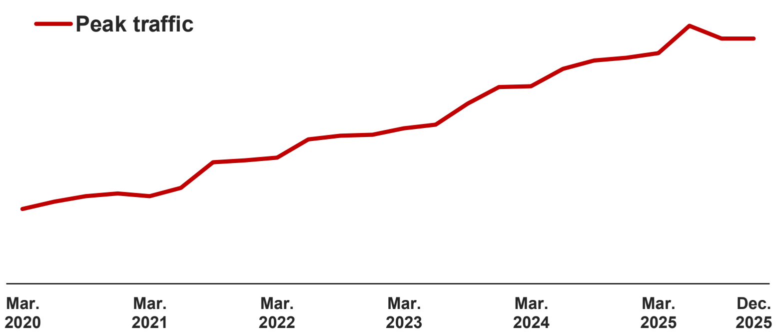
- PUE(Power Usage Effectiveness) is a metric that shows how efficiently electricity is used at a data center. The closer to 1.0 is considered to be good
- TCFD: Task Force on Climate-related Financial Disclosures
- Scope 1 and 2 (Greenhouse gas emissions by a company): Direct emissions from the use of fuels and industrial processes at the company and indirect emissions from the use of electricity and heat purchased by the company (as defined by the GHG Protocol)

2 DCs owned by IIJ

	Matsue DCP (opened in Apr. 2011)	Shiroi DCC (opened in May 2019)
Objective	• As the main purpose, accommodating IIJ's own service facilities such as Cloud, Network, and Security • Dedicated containers can also be accommodated	
Features	• First in Japan to deploy outside-air cooling container units developed by IIJ • Scalable container-based design enables flexible capacity expansion based on demand • On-site solar panels utilized to generate renewable energy • Adopt container-type DC modules and system modules developed by IIJ • Contribute to carbon neutrality through the use of renewable energy	• Adopt latest energy-saving method including outside-air cooling method • More flexible and low-cost capacity expansion through system module method • Shifting peak of air conditioning power by utilizing lithium-ion storage batteries • Utilize on-site solar power panels • Direct procurement of non-fossil fuel certificates toward the supply of electricity with environmental values
Land	Approx. 16,000m^2	Approx. 40,000m^2
Capacity	Approx. 500 racks	Approx. 1,800 racks
Number of installed racks	• 1st site: IT Module approx. 100 racks (opened in Apr. 2011), System Module approx. 300 racks (opened in Jun. 2025) • 2nd site: approx. 300 racks (opened in Nov. 2013)	• 1st site: approx. 700 racks (opened in May 2019) • 2nd site: approx. 1,100 racks (opened in Jul. 2023)
Plan	• Construction of new system module ✓ Construction from Jun. 2024 ✓ Started operation from Jun. 2025 ✓ Construction area: approx. 2,000m^2 ✓ Approx. 300 racks ✓ CAPEX: over ¥5.0 bn (to be partially covered with subsidy)	• 2nd site is to be fully occupied around FY26 by IIJ's own service facilities and collocation • 3rd site construction ✓ Expected CAPEX: approx.¥30.0 bn ✓ Started constructing from Jun. 2025 ✓ Scheduled operation from FY2026 ✓ Construction area: approx. 5,400m^2 ✓ Approx. 1,000 racks

Market Environment & Growth Forecast, etc.

Historical traffic data of major domestic IX



- Source: INTERNET MULTIFEED CO., IX = Internet Exchange

SIM type MVNO market share in Japan

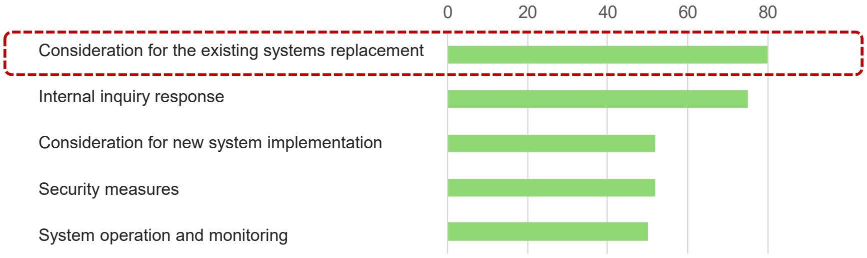
◆ **Maintain top share in the domestic SIM-type MVNO market**

	Mar. 31, 2024		Mar. 31, 2025		Sep. 30, 2025	
1st	**IIJ**	**21.6%**	**IIJ**	**23.3%**	**IIJ**	**24.2%**
2nd	NTT DOCOMO	9.7%	Optage	8.1%	Optage	8.1%
3rd	Optage	8.7%	NTT DOCOMO	7.1%	NTT DOCOMO	6.4%
4th	Fujitsu	5.6%	NTT DOCOMO Business	4.9%	NTT DOCOMO Business	5.1%
5th	Aeon Retail	4.7%	Fujitsu	4.6%	Fujitsu	4.5%

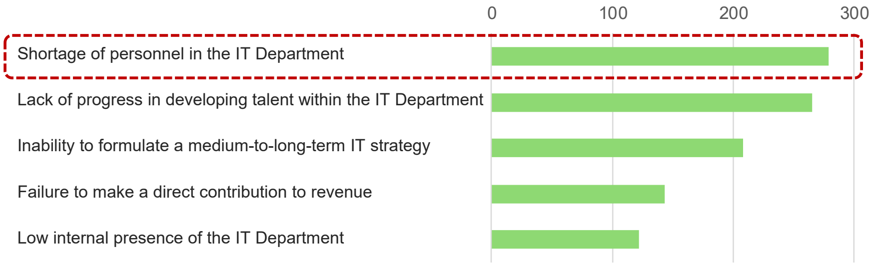
- Source: The Ministry of Internal Affairs and Communications
- NTT DOCOMO's figures as of Mar. 31, 2024 was formerly NTT Resonant's one
- NTT DOCOMO Business figures as of March 31, 2025 are based on NTT Communications prior to the name change

Nationwide survey on IT department 2025

◆ **Operation where IT department spends the most time**



◆ **Challenges for IT department**



- Source: Internet Initiative Japan "Nationwide survey on IT department 2025," Questionnaire conducted by IIJ since 2021 targeting IT departments of companies, etc.

Internet Initiative Japan

The internet started in Japan in 1992, along with IIJ. Since that time, the IIJ Group has been building the infrastructure for a networked society, and with our technical expertise, we have continued to support its development. We have also continued to evolve our vision for the future and innovate to make it a reality. As an internet pioneer, IIJ has blazed the trail so that others could realize the full potential of a networked society, and that will never change. The middle "I" in "IIJ" stands for "initiative," and IIJ alway starts with the future.