

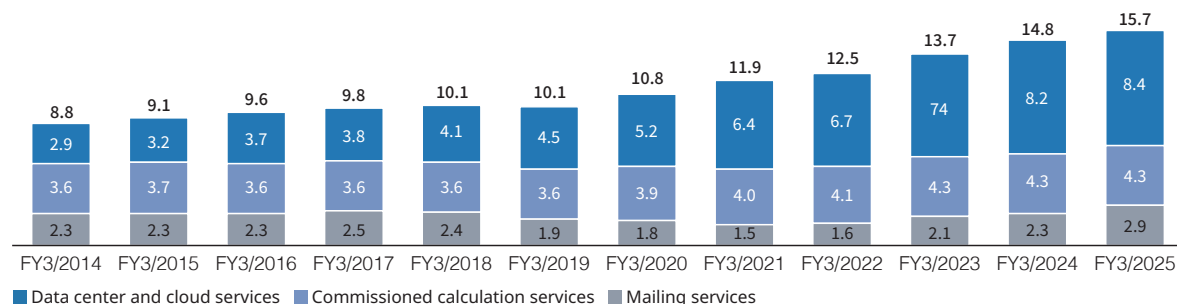


Business Overview

Information Processing Services

Managing, processing, and handling of customer systems and data, including data center and cloud services; commissioned calculation and settlement processing for service stations; printing, mailing, and business process outsourcing (BPO); call center operations; etc.

Change in net sales by service (Billions of yen)



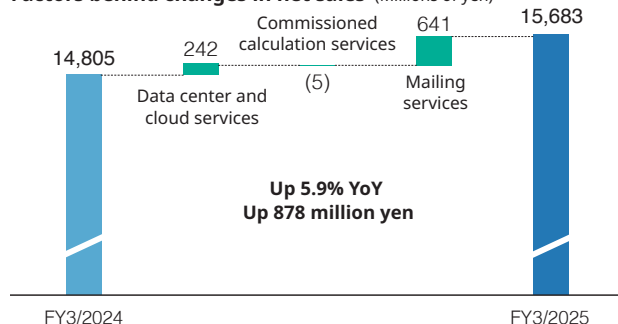
Overview of the fiscal year ended March 2025

In the fiscal year ended 2025, there continued to be use of data centers by customers and needs for the shift of systems and software to cloud services. Sales in our data center and cloud service businesses remained steady as a result. Additionally, for commissioned calculation services for the energy industry, which I-NET has been engaged in since it was founded, we have secured a certain level of market share amid a declining number of service stations. Furthermore, there was growth in the orders we received for PROPANET, our smart meter sales management systems for propane gas distributors. For mailing services, in addition to our successful acquisition of large contracts, the expansion of our services resulting from the transfer

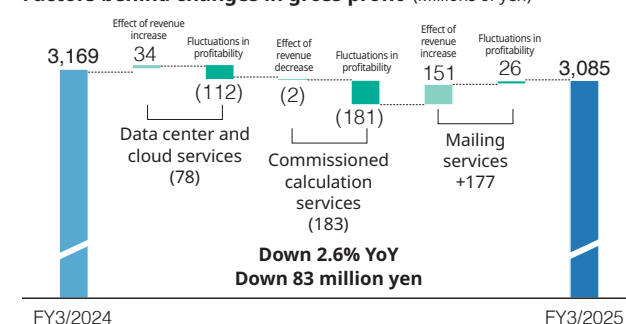
of a business from another company helped increase our revenue. Net sales of information processing services in the fiscal year ended March 2025 increased by 5.9% year-on-year (YoY) to 15,683 million yen.

On the other hand, we experienced a rise in costs due largely to higher license prices for software used in cloud services and to an increase in our amortization burden resulting from renewal investment in data center equipment and additional investment in in-house development systems for service stations. As we pushed forward with the revision of selling prices and enhancement and revision of services, our profit levels are currently on a recovery trend. Nevertheless, gross profit for the full fiscal year decreased by 2.6% YoY to 3,085 million yen.

Factors behind changes in net sales (Millions of yen)



Factors behind changes in gross profit (Millions of yen)

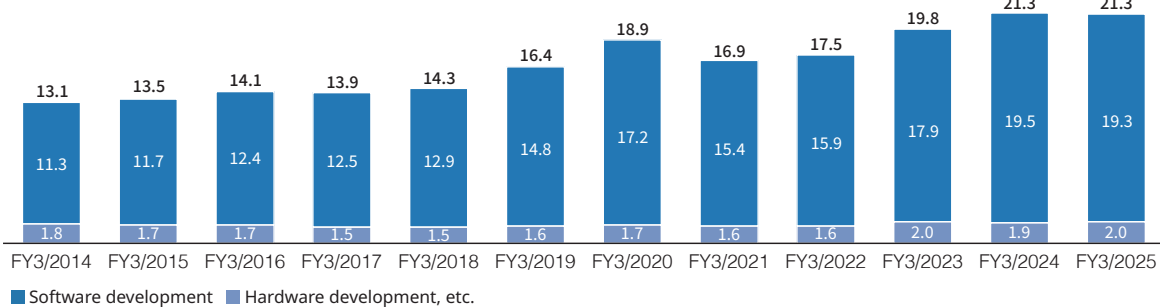


Business Overview

System Development Services

We respond flexibly to different requests from customers across a variety of industries and business types, offering not only system and application development but also services ranging from definition of requirements and design to development and operations, all tailored to customer needs. With expertise gained from our extensive experience, we provide our customers with optimal proposals.

Change in net sales by service (Billions of yen)

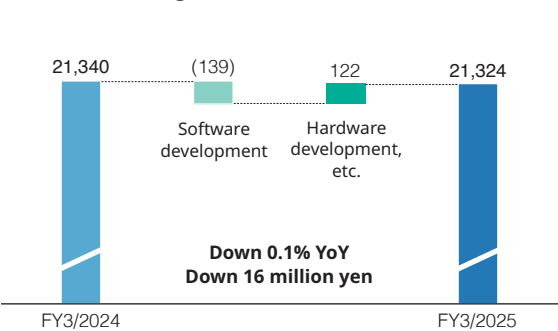


Overview of the fiscal year ended March 2025

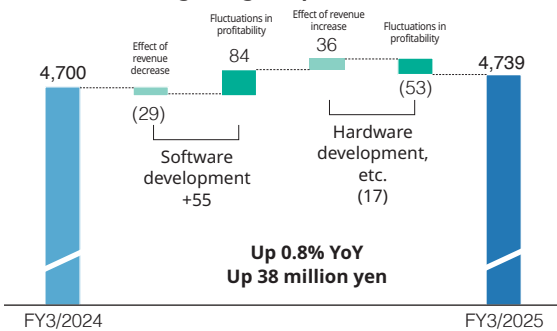
The fiscal year ended March 2025 saw a decrease in system development projects for energy industries, the Group's main customers, as well as for distribution industries. On the other hand, growth in orders received for development projects for the finance, manufacturing, space, and defense industries, plus the favorable business performance of two Group companies, resulted in net sales remaining on par with those of the previous fiscal year at 21,324 million yen, a decrease of 0.1% YoY.

In the first half of the fiscal year ended March 2025, although our profit margin fell due in part to the occurrence of delays with certain development projects, we strived to reduce costs and reinforce project management, resulting in an increase in gross profit for the full fiscal year by 0.8% YoY to 4,739 million yen.

Factors behind changes in net sales (Millions of yen)



Factors behind changes in gross profit (Millions of yen)





Topics

Conclusion of a comprehensive business alliance agreement with All Nippon Airways Trading Co., Ltd. to build satellite supply chain in the space industry

I-NET and All Nippon Airways Trading Co., Ltd. (ANA Trading) concluded a comprehensive business alliance agreement in the space industry sector in February 2025. Together, we aim to contribute to the further development of Japan's space industry by mutually leveraging our respective company's management resources, including each other's technological capabilities and networks. The cornerstone of this alliance will involve enhancing the supply chain in the satellite industry. Specifically, I-NET will combine our expertise in developing and operating manned and unmanned spacecraft with ANA Trading's aerospace industry supply chain and trading company functions to enable the joint development of commercial off-the-shelf (COTS) products which are competitive in terms of quality, price, and delivery times. We will also deliver products to satellite operators in countries across Asia and are envisioning future expansion into modular satellites. We additionally plan to establish an e-commerce site that publicly shares COTS product test data and will support the streamlining of satellite development by leveraging AI to propose optimal component configurations. This will enable operators to procure parts quickly while keeping costs down.

At present, much space-related hardware is reliant on products from overseas, which presents challenges in terms of price. Both I-NET and ANA Trading are committed to changing this situation by promoting the market entry of companies from non-space industry sectors while advancing the creation of new mechanisms. Together, we will aim to realize space industry innovation originating from Japan through a comprehensive alliance encompassing from manufacturing through to distribution.



Establishment of the "inet annex Data Center" within facilities of NTT East, Inc., which will operate in conjunction with our in-house data centers, to cater to growing demand

I-NET has consistently provided data center and cloud services to customers across various industries and business categories since we first established an in-house data center in Yokohama City, Kanagawa Prefecture, in 1997. We currently possess in-house data centers in four buildings at two locations in Japan. However, demand for data center usage has increased in recent years, resulting in consistently high utilization rates. For this reason, we decided to open the inet annex Data Center (inet annex) in January 2026, which is set to operate in conjunction with our in-house data centers from within facilities of NTT East in Yokohama City, Kanagawa Prefecture.

Main features of inet annex

1. Housing services starting from a single server rack

Housing services compatible with server configurations from a single server rack to 100 racks available to flexibly cater to customer requirements, including for various housing rack specifications and layouts

2. Directly connected to our in-house data centers at two locations, inet north® and inet east®, to enable mutual connections between operators

High reliability and security ensured due to the connection of data centers via redundant paths

3. Facility specifications offering robust disaster resilience

The building features earthquake-resistant construction capable of withstanding earthquakes up to seismic intensity 6 upper. The location presents low tsunami risk based on hazard maps and is equipped with uninterruptible power supply (UPS) systems designed to allow provision of sufficient power capacity for each floor, thereby realizing advanced survivability

4. Peace-of-mind support

Support from specialized technical staff stationed on-site available 24 hours a day, 365 days a year