Corporate Overview of Internet Initiative Japan (IIJ)

Internet Initiative Japan Inc. (IIJ)

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

September and October 2026

Outline

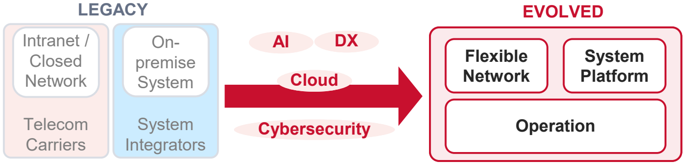
- FY26 (FY2026) stands for a fiscal year ending March 31, 2027. Others alike
- Abbreviation: NW stands for network, SI stands for systems integration, SI O/M stands for systems operation and maintenance, DC stands for data center, ¥(JPY) bn stands for JPY billion, HD stands for holdings, and PF stands for platform.

We changed our accounting principles from the Generally Accepted Accounting Principles in the U.S. ("U.S. GAAP") to the International Financial Reporting Standards (IFRS) from the filing of FY2018 annual report "Yuka-shoken-houkokusho" which was filed on June 28, 2019. Because reporting period of foreign consolidated subsidiaries under IFRS is different from that of under U.S. GAAP, some figures disclosed in the past are different.

Top Management Message

Updates

1 Entering a Major Growth Phase



LEGACY

Intranet / Closed Network

Telecom Carriers

On-premise System

System Integrators

AI

DX

Cloud

Cybersecurity

EVOLVED

Flexible Network

System Platform

Operation

- Structural changes in networks and systems finally occurring among Japanese institutions
- Capturing strong network reconstruction demand as SI, leading to recurring revenues accumulation of Network services and system operation after completion of construction

2 Positioned to Capture AI-driven Opportunities

EXTERNAL VALUE

AI Guardrail type Service Offering

AI-related Platform Demand

Network Services

Network Operation

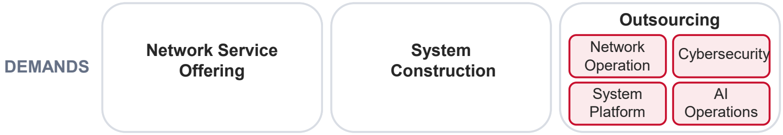
System Construction & Operation

INTERNAL VALUE

DRASTIC PRODUCTIVITY IMPROVEMENT

- Not disrupted by AI, with its focus on network construction rather than application development
- AI-driven development and operations overcome business growth bottlenecks such as engineering resource constraint
- Targeting approx. 30% of company operations to be AI-enabled by the end of FY29

3 Strong Differentiation through Network and System Operation Expertise



DEMANDS

Network Service Offering

System Construction

Outsourcing

Network Operation

Cybersecurity

System Platform

AI Operations

- Japanese institutions' strong demand for stable operations
- Japan's population situation to create huge IT outsourcing demand
- Stable operation is a key differentiator from foreign players such as hyperscalers

4 Profitability Improvement by Scale-merit along with Revenue Growth

◆ Approx. 80% recurring revenue

◆ Operating one of Japan's largest networks with a largely common and fixed type cost structure

◆ Common costs rise mainly by inflation and preparing Network Service price revision

◆ Currently very strong SI, relatively low-margin, leading accumulation of recurring revenue

Business Progress

Updates

Advancing Final-year Execution of the Current Mid-term Plan while Shaping the Next Three-year Growth Plan

(Announcement planned in May 2027)

Business Direction

- Core strengths and business structure remain unchanged. Growth to accelerate through business area expansion and service value enhancement
- Targeting consolidated revenue of over ¥500.0 bn in FY29, with greater operating leverage and profit scalability
- Expanding business model and strengthening operating foundations in each area to support long-term growth

Further Enhancing the Value through our Offering Approach(*1)

NW Service/Solution

- Ongoing development of next-generation core integrated security services. As the core DXP(*2) strategy solution, launch planned in 4Q26
- Security services expanding to become comprehensive cyber security business by including assessment and consulting-based security solutions
- Expanding vertical platforms and solutions, such as financial authentication by leveraging NW Infrastructure
- Strengthening IoT competitiveness through DOCOMO/KDDI multi-carrier. Expanding bandwidth in line with growing subscriptions
- Sustained growth in monthly recurring revenue through our in-house developed NW service model, enabling timely feature enhancements and value-added offerings to meet evolving customer needs
- Preparing pricing policy for NW service price revisions from the start of 1Q27

Integration

- Differentiating through Service Integration strategy amid strong demand for internal and external NW infrastructure renewal and operations, leading to larger customer engagements
- SI demand for zero-trust and AI/GPU system infrastructure is increasing on top of existing demand
- Advancing SIO(*3) for enterprise IT infrastructure operations outsourcing that is becoming complicated and advanced. Focusing on securing flagship projects
- Strategically partnering for new technologies. As one example, investing in and partnering with the U.S. video analytics AI developer AGI7. Promoting Physical AI solutions in Japan

NW/System Infrastructure

- Expanding Internet backbone and system infrastructure to meet growing demand
- Advancing an internal project to modernize our service delivery platforms
- Shiroi DC 3rd site on track for FY26-end completion. Developing both centralized and edge DC infrastructure
- Optimizing procurement through advance hardware purchasing and price pass-through
- Moving Watt-Bit collaboration(*4) from proof-of-concept to practical deployment

Strengthening Capabilities through Practical Use of AI

- Further enhancing existing business areas by providing AI operations capabilities and services, including management and governance
- Addressing human capital bottlenecks through AI-driven development and operations. Targeting approx. 30% of company-wide operations to be AI-enabled by the end of FY29

Strengthening the Corporate Foundation

Bringing Together Group Companies' Capabilities

IIJ Engineering	Improving productivity by consolidating back-office functions and leveraging AI
IIJ Protech	Providing IT outsourcing operations engineers
DCP(*5)	Advancing next-generation settlement services using tokenized deposits DCJPY. Collaboration with financial institutions and general enterprises

Reinforcing our corporate foundation through next-generation talent development, operational resilience, and SSBJ readiness, etc.

New Business Initiatives

Healthcare	Expanding a multi-professional collaboration platform for healthcare and local governments
Security Governance	Promoting "STRIGHT" (*7), a website cookie consent management tool, with the goal of becoming an industry standard

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*1: Offering approach: An approach that starts with solving customer issues by combining NW, security, cloud, operations, AI and other capabilities into reproducible solutions, then channels the resulting know-how into enhancing the features and competitiveness of our own in-house developed services

*2: DXP: Abbreviation for DX Platform. Integrates network, security, multi-cloud and other capabilities to support enterprise DX initiatives

*3: SIO: Abbreviation for Strategic IT Outsourcing. It's a service through which IIJ manages customers' IT infrastructure operations so that clients' IT teams can shift their resources to strategic priorities

*4: Watt-Bit: An initiative aimed at enabling efficient AI processing through distributed DCs by optimizing the integration of power and telecommunications infrastructure

*5: Equity-method affiliate DeCurret Holdings, Inc. changed its trade name to DCP Co., Ltd. on July 1, 2026

*6: SSBJ: Japan's sustainability disclosure standards based on ISSB standards

*7: STRIGHT: Helps organizations obtain and manage user consent while balancing privacy compliance and website user experience

Advancement of Growth Strategy

Updates

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 engineers

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

- Growth 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 NI & third-party solutions
- A consultative, proposal-based sales team

A Business Model Under Ongoing Expansion

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

NW services
NW/System Operation
NW infrastructure provision

Security services
IoT
Mobile
Cloud

Network Integration
Consulting
Industry-specific solution
Global NW Service/SI

Network and system infrastructure operations as our business and technology foundation

Capturing Business Opportunities by Service Integration

Larger MRR and Deeper Transactions

Trend in total contract value of secured large-scale projects (¥ bn)

Expansion of Target Domains

IT department
Internet (external)

Business department
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

1 Network Evolution Drives Our Business Demands

Updates

30 years ago

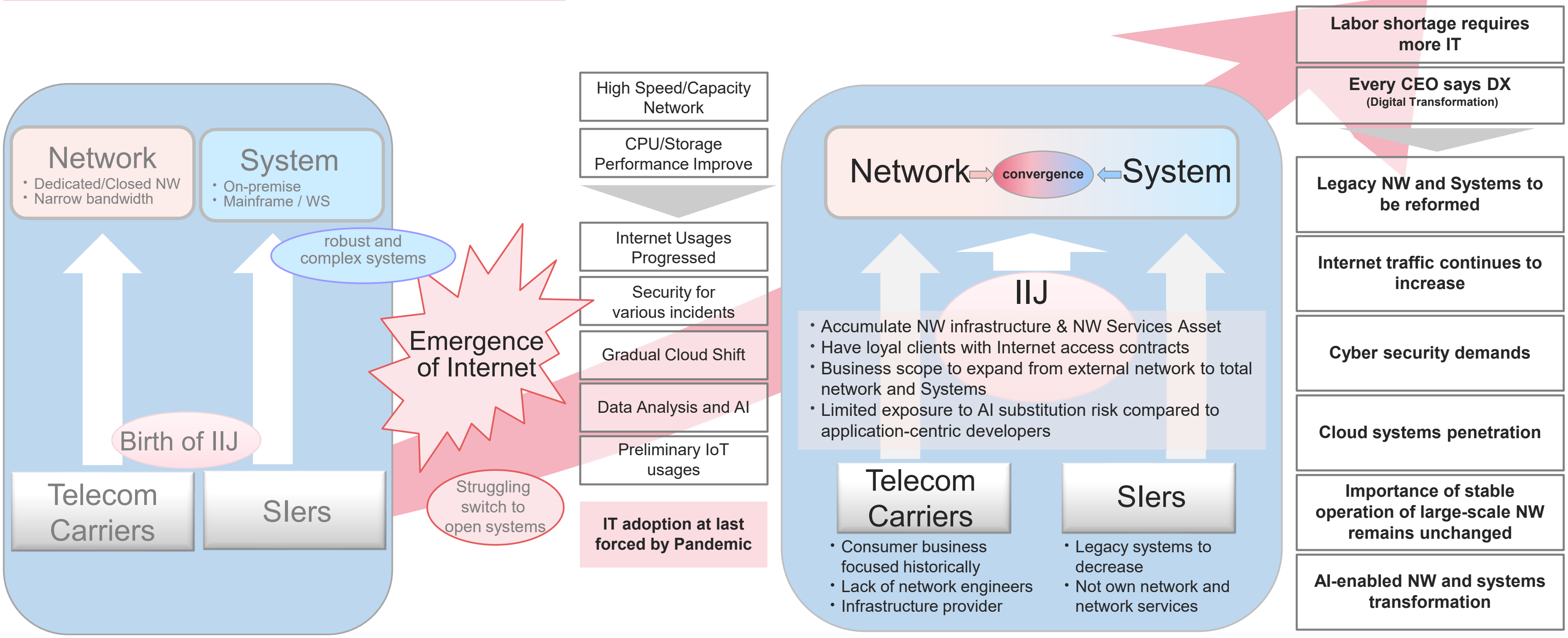
IIJ: external network with Internet
Carriers & SIers: internal network & systems

Stick to legacy network & systems

Nowadays

IIJ's growth opportunities
full network & system coverage with various network functions

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



Network
- Dedicated/Closed NW
- Narrow bandwidth

System
- On-premise
- Mainframe / WS

robust and complex systems

Birth of IIJ

Telecom Carriers

SIers

Emergence of Internet

Struggling switch to open systems

High Speed/Capacity Network

CPU/Storage Performance Improve

Internet Usages Progressed

Security for various incidents

Gradual Cloud Shift

Data Analysis and AI

Preliminary IoT usages

IT adoption at last forced by Pandemic

Network ⇨ convergence ⇦ System

IIJ
- Accumulate NW infrastructure & NW Services Asset
- Have loyal clients with Internet access contracts
- Business scope to expand from external network to total network and Systems
- Limited exposure to AI substitution risk compared to application-centric developers

Telecom Carriers
- Consumer business focused historically
- Lack of network engineers
- Infrastructure provider

SIers
- Legacy systems to decrease
- Not own network and network services

Labor shortage requires more IT

Every CEO says DX
(Digital Transformation)

Legacy NW and Systems to be reformed

Internet traffic continues to increase

Cyber security demands

Cloud systems penetration

Importance of stable operation of large-scale NW remains unchanged

AI-enabled NW and systems transformation

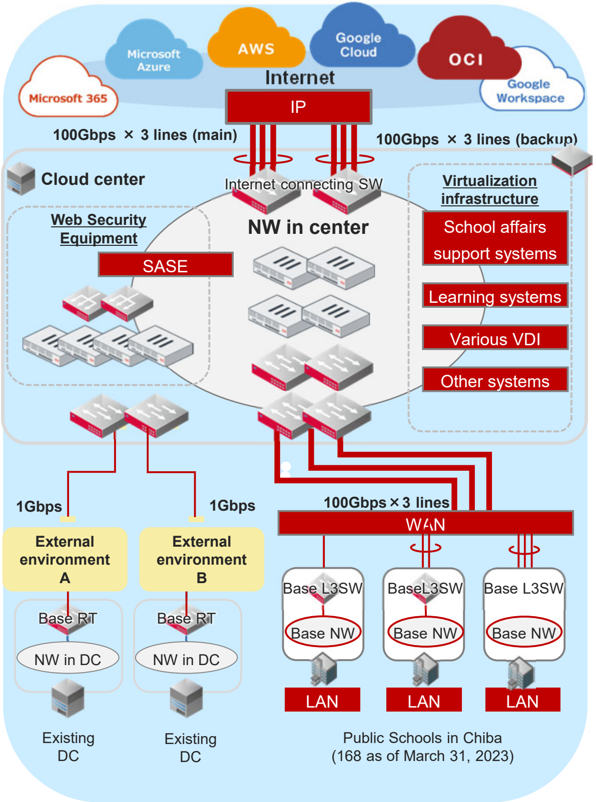
1 Driving Scalable Growth through Service Integration Model

Other IIJ-original offerings

Updates

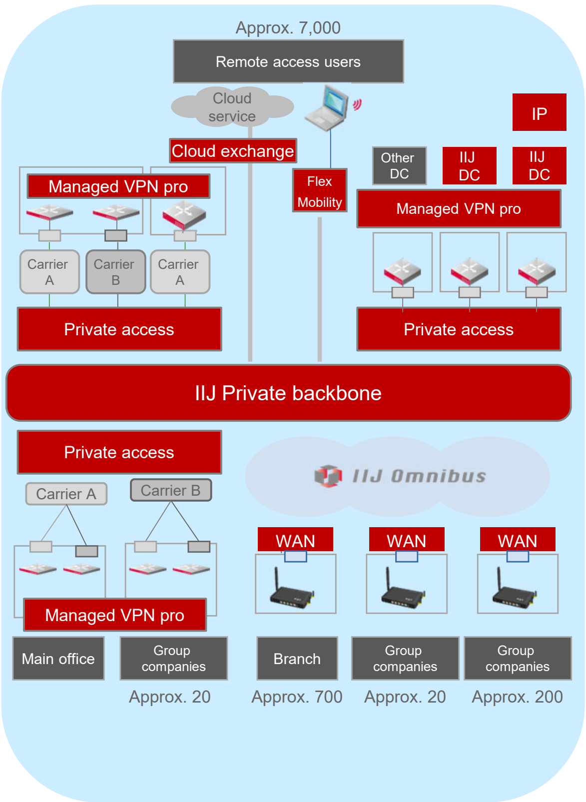
◆ **Typical transactions of Service Integration projects** 🟥 **Network Services** 🟦 **Network Integration**

Educational Information NW for Chiba city



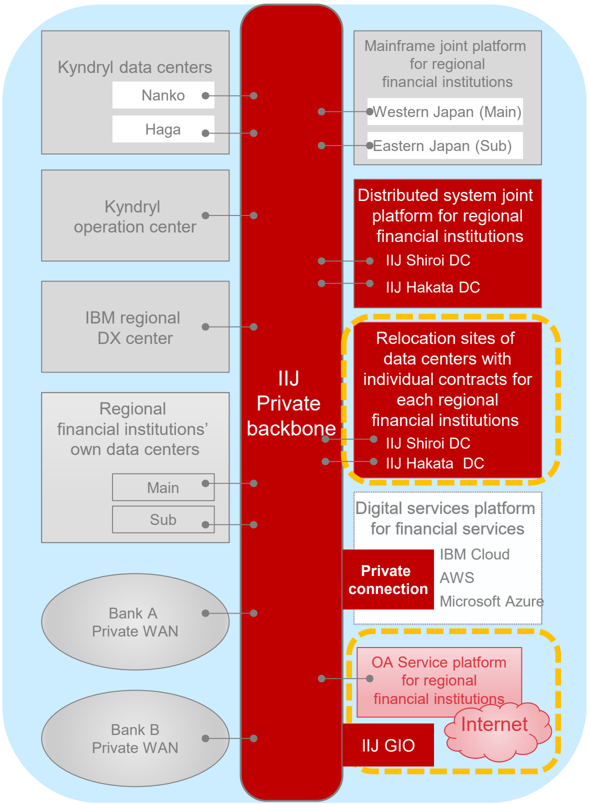
Microsoft 365
Microsoft Azure
AWS
Google Cloud
OCI
Google Workspace
Internet
IP
100Gbps × 3 lines (main)
100Gbps × 3 lines (backup)
Cloud center
Internet connecting SW
Virtualization infrastructure
Web Security Equipment
SASE
NW in center
School affairs support systems
Learning systems
Various VDI
Other systems
1Gbps
1Gbps
100Gbps × 3 lines
WAN
External environment A
External environment B
Base RT
NW in DC
Existing DC
Base RT
NW in DC
Existing DC
Base L3SW
Base NW
LAN
BaseL3SW
Base NW
LAN
Base L3SW
Base NW
LAN
Public Schools in Chiba
(168 as of March 31, 2023)

Total NW project for a prominent company group



Approx. 7,000
Remote access users
Cloud service
Cloud exchange
Flex Mobility
IP
Other DC
IIJ DC
IIJ DC
Managed VPN pro
Carrier A
Carrier B
Carrier A
Private access
Managed VPN pro
Private access
IIJ Private backbone
Private access
Carrier A
Carrier B
Managed VPN pro
IIJ Omnibus
WAN
WAN
WAN
Main office
Group companies
Approx. 20
Branch
Approx. 700
Group companies
Approx. 20
Group companies
Approx. 200

Shared Banking System Platform



Kyndryl data centers
Nanko
Haga
Kyndryl operation center
IBM regional DX center
Regional financial institutions' own data centers
Main
Sub
Bank A Private WAN
Bank B Private WAN
IIJ Private backbone
Mainframe joint platform for regional financial institutions
Western Japan (Main)
Eastern Japan (Sub)
Distributed system joint platform for regional financial institutions
IIJ Shiroi DC
IIJ Hakata DC
Relocation sites of data centers with individual contracts for each regional financial institutions
IIJ Shiroi DC
IIJ Hakata DC
Digital services platform for financial services
Private connection
IBM Cloud
AWS
Microsoft Azure
OA Service platform for regional financial institutions
Internet
IIJ GIO

1 Recent Track Record of Large-scale Projects

Updates

Revenue recognition category
🟥 NW service
🟦 SI

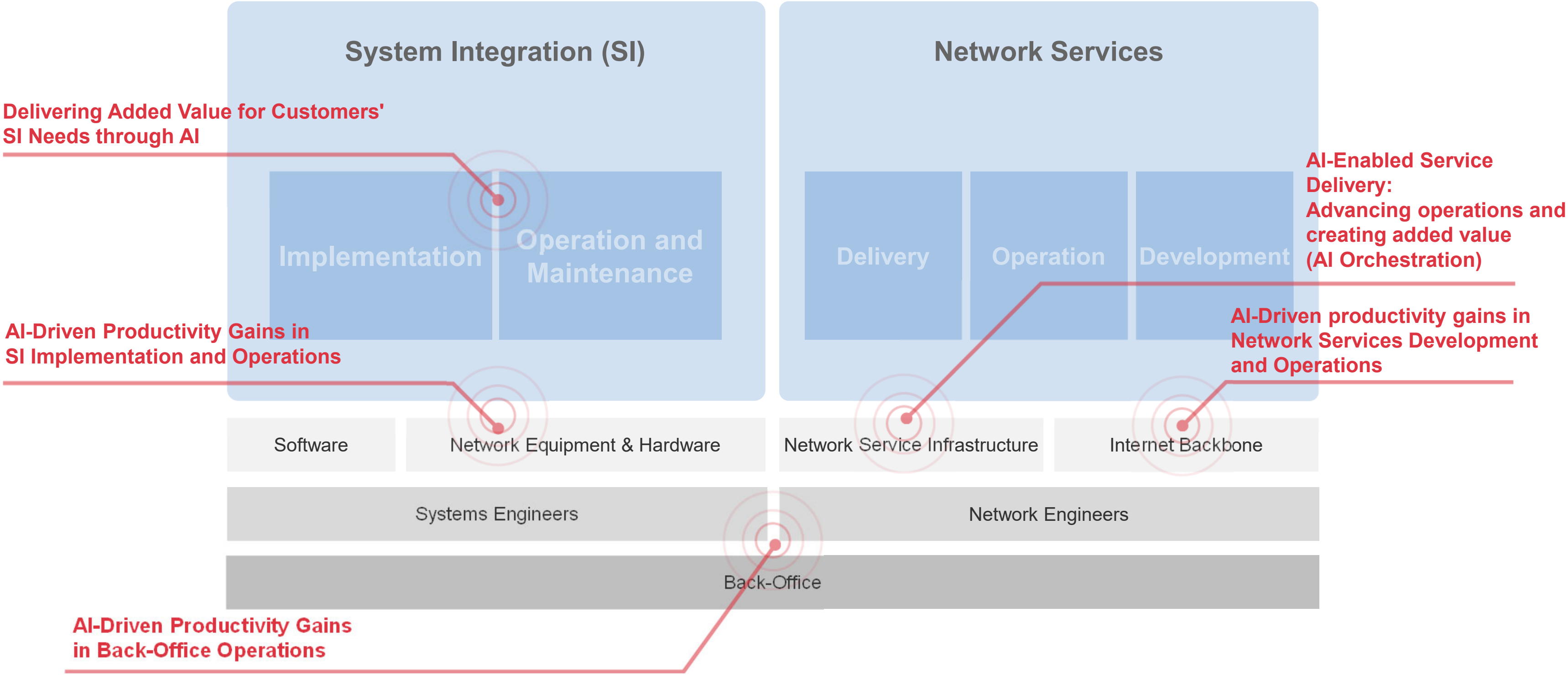
1H23	2H23	1H24	2H24	1H25	2H25
					NW system construction & O/M for public institution **¥1.5 bn, 6 yrs** SI Construction, O/M Revenue recognition from 3Q26
					System construction for government agency **¥1.0 bn, 3 yrs** SI Construction, SI O/M Revenue recognition from 4Q26
					Security enhancement for manufacturer **¥1.0 bn, 3 yrs** SI O/M Revenue recognition from 4Q25
		The first project of the new shared banking system platform for regional banks **¥6.0 bn, 8 yrs** NW service Revenue recognition from 3Q24		GIGA School infrastructure renewal for Ehime Prefecture **¥1.0 bn, 6 yrs** SI construction, SI O/M Revenue recognition from 2Q26	Virtualization platform construction & O/M for public institution **¥1.0 bn, 6 yrs** NW service, SI Construction, SI O/M Revenue recognition from 3Q26
		Security enhancement for manufacturer **¥1.0 bn, 3 yrs** NW service Revenue recognition from 2Q24	NW infrastructure renewal for real estate company **¥3.0 bn, 5 yrs** SI construction, SI O/M Revenue recognition from 1Q25	Sales system renewal for service provider **¥1.0 bn** SI construction Revenue recognition from 4Q25	NW system construction & O/M for public sector institution (additional) **¥2.5 bn, 18 yrs** NW Service, SI Construction, SI O/M Revenue recognition from FY29
		Sales system renewal for service provider **¥2.0 bn, 2 yrs** NW service, SI O/M Revenue recognition from 2Q24	Remote access environment for construction company **¥2.0 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 2Q25	NW system construction & O/M for public sector institution **¥16.0 bn, 18 yrs** NW service, SI construction, SI O/M Revenue recognition from FY29	NW Infrastructure construction & O/M for public Institution **¥4.0 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q26
Educational information network for Chiba city **¥12.3 bn, 5 yrs** NW service, SI construction, SI O/M	Construction & operation for service infrastructure for enterprise **¥4.0 bn, 5 yrs** NW service, SI construction, SI O/M	Remote access implementation for manufacturer **¥3.0 bn, 5 yrs** NW service Revenue recognition from 3Q24	Business operation environment for public institution **¥2.0 bn, 3 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q25	Email infrastructure operations for ISP **¥1.5 bn, 2 yrs** NW service, SI construction, SI O/M Revenue recognition from 4Q25	GPU infrastructure construction (PTC) **¥12.0 bn, 5 yrs** SI construction, SI O/M Revenue recognized from 2Q26
Next generation research platform for private university **¥1.0 bn, 5 yrs** SI construction, SI O/M	Large-scale IT infrastructure installment project **¥1.0 bn** SI construction	Remote work environment development for public sector organization **¥1.0 bn** SI construction Revenue recognition from 2Q24	ICT infrastructure for public institution **¥3.0 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 4Q24	Security enhancement for financial institution **¥1.0 bn, 5 yrs** NW service Revenue recognition from 2Q25	Security enhancement for manufacturer **¥2.0 bn, 5 yrs** SI construction, SI O/M Revenue recognition from 4Q25
Integrated operation system for public sector organization **¥3.0 bn, 5 yrs** NW service, SI construction, SI O/M	Large-scale NW renewal for manufacturer **¥3.0 bn, 5 yrs** SI construction	Research platform renewal for private educational institution **¥2.0 bn, 4 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q24	The second project of the new shared banking system platform for regional banks **¥11.0 bn, 8 yrs** NW service, SI construction, SI O/M Revenue recognition from 4Q24	Global NW for Japanese megabank **¥5.5 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 2Q25	Office IT platform implementation for a construction company **¥6.0 bn, 3 yrs** NW service Revenue recognition from 4Q25
Enhancement of security for telecom carrier **¥1.5 bn, 5 yrs** SI construction, SI O/M	Large-scale NW renewal for prominent financial institution **¥4.0 bn, 8 yrs** NW service, SI construction, SI O/M	Office IT Installation for public sector organization **¥1.0 bn, 3 yrs** NW service Revenue recognition from 2Q24	Introduction of a service system for a public institution **¥1.0 bn, 5 yrs** SI construction, SI O/M Revenue recognition from 4Q24	Infrastructure for education service **¥1.0 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 1Q25	IT infrastructure renewal for life insurance company **¥2.0 bn, 2 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q25
Next generation NW renewal for system integrator **¥1.0 bn, 5 yrs** NW service	Large-scale server construction for AI infrastructure **¥3.0 bn, 3 yrs** SI construction, SI O/M	Information infrastructure system for public sector organization **¥3.0 bn, 4 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q24	System infrastructure construction for a public institution **¥4.0 bn, 5 yrs** NW service, SI construction, SI O/M Revenue recognition from 3Q24	Business operation environment for public institution **¥1.0 bn, 3 yrs** NW service, SI construction, SI O/M Revenue recognition from 2Q25	Core system replacement for security company **¥1.0 bn, 2 yrs** NW service, SI construction, SI O/M Revenue recognition from 4Q25

- Service Integration: System integration incorporating our in-house developed network service portfolio. With large-scale network renewals within customers' organizations, business opportunities and proposal scope have expanded significantly. 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 winning large-scale projects amount over ¥1.0 bn

2 Advancing IIJ's Offering Model with AI

As a network services provider, IIJ aims to create added value through AI-native service offerings and capture the transformative benefits of AI

Preparing pricing policy for NW service price revisions from the start of 1Q27



Delivering Added Value for Customers' SI Needs through AI

AI-Enabled Service Delivery: Advancing operations and creating added value (AI Orchestration)

AI-Driven Productivity Gains in SI Implementation and Operations

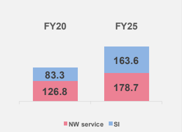
AI-Driven productivity gains in Network Services Development and Operations

AI-Driven Productivity Gains in Back-Office Operations

3 Network Engineering Capabilities as Our Core Value - Business Model -

Updates

Revenue (¥ bn)



Client Base

All Private Sectors in Japan

- ICT
- Finance
- Services
- Construction
- Retail
- Manufacturing, etc.

Public Sectors in Japan

- Central government agencies
- Local governments
- Educational institutions

Top MVNO by market share

- Over 30%*
- Over 200 MVNE clients

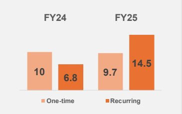
*MM Research Institute, as of Mar. 31, 2025

Overseas Business

- Supporting Japanese companies operating overseas
- Developing IIJ's local businesses in ASEAN
- Approx. 13% of FY25 total revenue

- 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

Large-scale IT outsourcing Needs to Prevail

Service Elements

Internet/Network

- Dedicated Internet connectivity
- Broadband connectivity
- Cloud network optimization
- Proprietary router
- Wireless LAN
- WAN

Security

- SOC
- Secure web gateway
- Mail security
- Managed firewall
- Zero Trust
- SASE

Cloud

- File servers
- Virtualization platform
- Backup servers
- Multi-cloud
- Data integration platform
- Dedicated cloud connectivity

MVNO

- Private network SIM
- Mobile router
- 5G
- eSIM
- Multi-carrier
- IMSI

IoT

- LoRa WAN
- Agriculture IoT
- Paddy field management
- Smart meter
- Factory automation
- Transportation data log

Network 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 Engineering Capabilities

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

4 Profitability to Improve with Business Scale Expansion

Updates

Perspective	Our Initiatives
Ongoing	➢ Pursue large-scale Service Integration projects as many as possible to steadily accumulate MRR ➢ Enhance existing network services features to strengthen cross-selling and accelerate MRR growth ➢ Restructured the sales organization to focus on MRR accumulation, especially in the small to medium enterprises segment ➢ Continuously adjust pricing of network services on per-service basis, considering market prices and cost condition • At the beginning of 3Q24, price revisions for a range of NW services were implemented • At the beginning of 1Q26, price revisions for partial NW services were implemented It is expected to add slightly less than ¥0.8 bn in revenue in FY26 • Currently preparing pricing policy for NW service price revisions from the start of 1Q27
Middle-term	➢ Advance the current network services strategy to enhance economies of scale and expand service offerings continuously by launching new value-added services ➢ Further strengthen cybersecurity capabilities ➢ Leverage our own network infrastructure to deliver industry-optimized platforms ➢ Large-scale IT outsourcing transactions enhance our value proposition ➢ Should absorb inflation-driven cost increases in the ordinary course of business operation, and benefit from further economies of scale ➢ Accelerate our strategy with AI: Capture maximum benefits as a network services provider • Apply AI to our NW system platform and create added value for our customers over the medium-to-long term • Improve productivity through company-wide AI adoption to ease human-capital bottlenecks • Provide AI platform solutions for customers through SI implementation and operations

Outline

Company Profile

MSCI's ESG rating: AA
(as of Mar. 2026)

About IIJ

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	5,818 (approx. 70% engineers)
Large Shareholders	NTT Group, KDDI, Oasis Management Company, ITOCHU Techno-Solutions (CTC), Koichi Suzuki (Founder)

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**

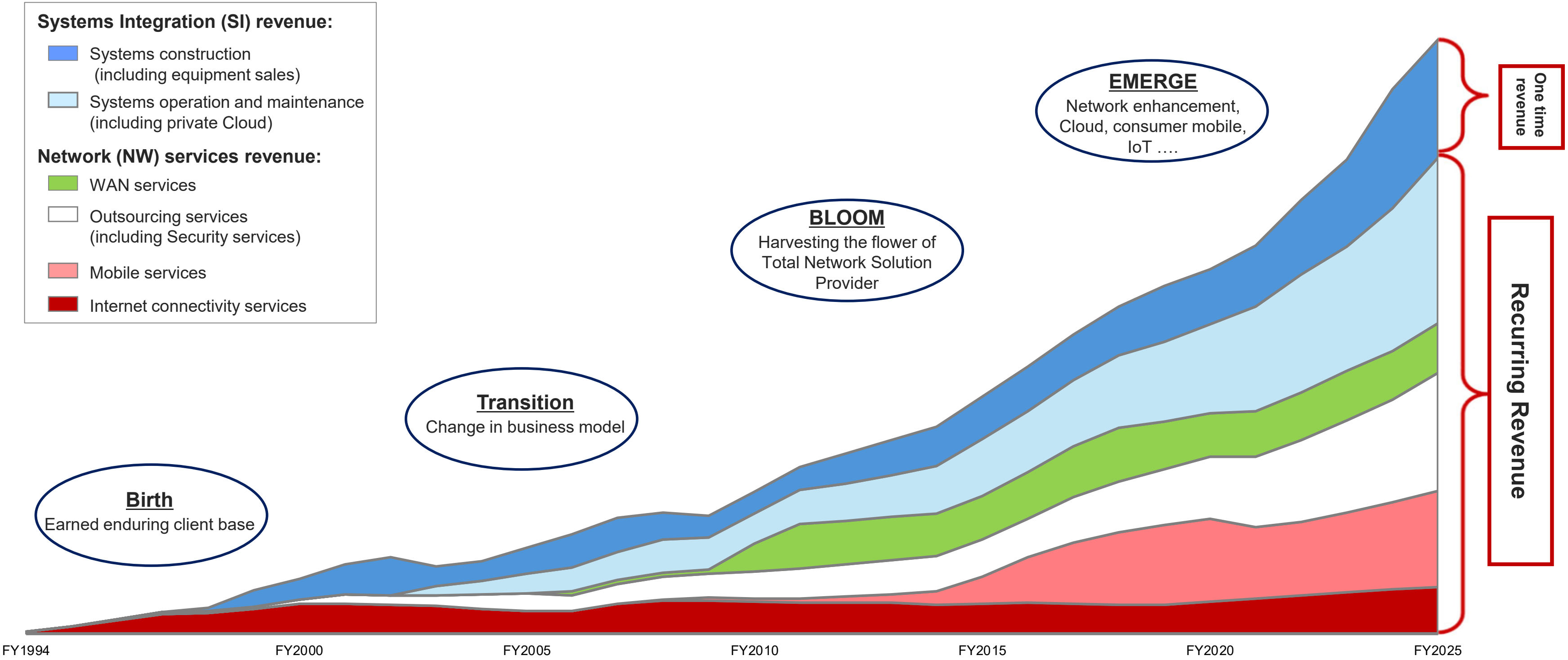
- ✓ Differentiate by reliability and quality of network and systems operation
- ✓ Long-term (approx. 30 yrs) client relationship since the establishment of IIJ

◆ **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 June 30, 2026
- Large shareholders are as of Mar. 31, 2026. Based on filings by Oasis Management Company, its ownership is 9.07% as of June 24, 2026.

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

Total Network Solution Provider with Extensive Service Lineup

Unit: ¥ (JPY) billion (bn)

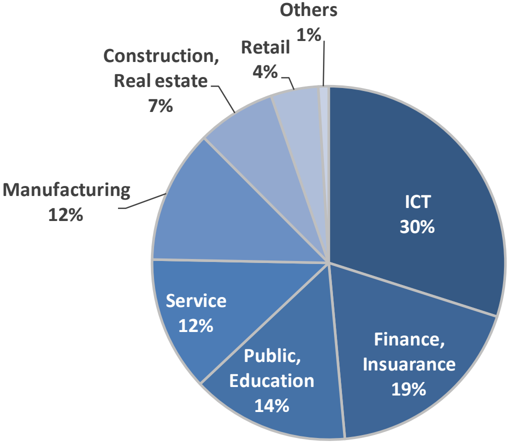
Revenue category		FY25 revenue	YoY growth	Cost Structure	Gross Margin	About	Business situation, growth drivers and outlook	
Network services	**Internet connectivity services for enterprise**	**53.89**	**+10.0%**	**Mostly common costs**	**27.1%**	IP (Internet Protocol) **18.64** **+7.6%** - IIJ's flagship service since the inception - Highly reliable dedicated connectivity services with multi-carrier redundancy - Bandwidth-based contracts driving scalable revenue growth Mobile **30.17** Enterprise mobile **18.20** **+17.6%** Provide data connectivity for mainly IoT usages MVNE **11.98** **+5.2%** 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. 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** **80%**
	Internet connectivity services for consumers	**28.67**	**+6.9%**			Mobile **25.28** **+7.9%** - Provide SIM with monthly data limits (voice as option) (Others) Broadband Internet services and email services for households, etc.		
	Outsourcing	**67.62**	**+14.3%**			Various in-house developed Internet-related service line-ups Security **40.91** **+13.8%** - 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	
	WAN (Wide Area Network)	**28.55**	**+3.4%**			- 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	
SI	**Operation and Maintenance**	**95.77**	**+16.0%**	**Cost plus**	**16.1%**	On-premise Systems **58.87** **+21.3%** - Operation and maintenance of deployed systems Private Cloud, etc. **36.90** **+8.5%** - 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	
	Construction (including equipment sales)	**67.87**	**-1.3%**			- 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

Extensive Client Base

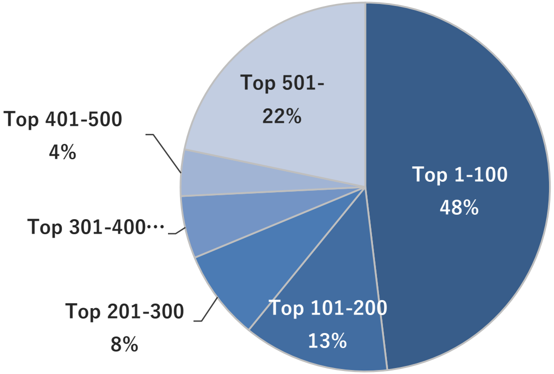
- Number of IIJ Group’s clients: approx. 16,000 as of March 31, 2026
- Through reliable operation, continuous use of Internet connectivity services since the inception of IIJ
- Our reliable infrastructure operation and cross-sell strategy have led to low churn rate

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 FY25

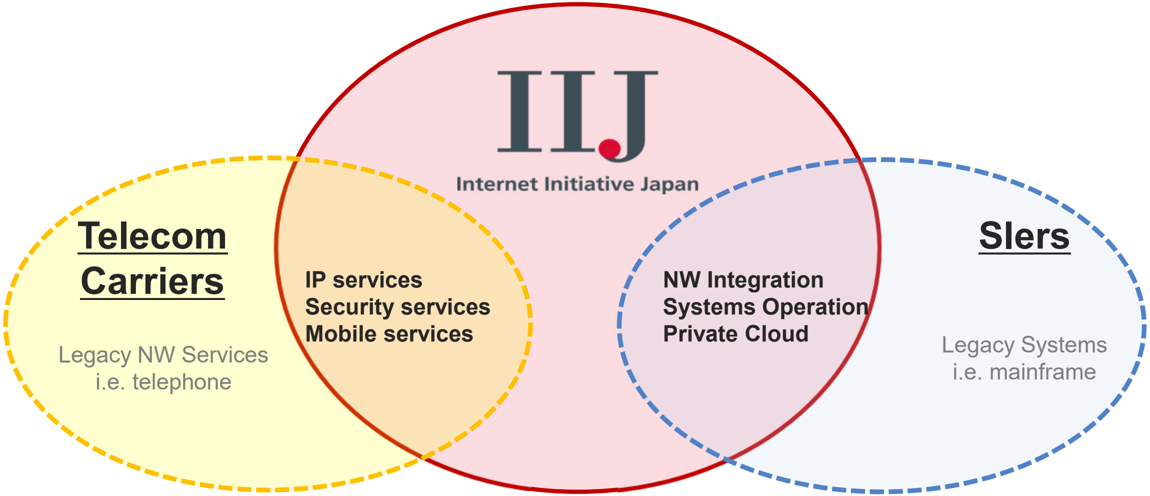
Competitive Advantages

Differentiation from telecom carriers

- Deep expertise in IP (Internet Protocol) technologies
- Fast and flexible operations
- Strong focus on blue-chip clients through tailored SI

Differentiation from systems integrators (SIers)

- Operates one of Japan's largest Internet backbones
- Owns and develops network service platforms
- Specializes in open, internet-centric systems



IIJ
Internet Initiative Japan

Telecom Carriers

Legacy NW Services
i.e. telephone

IP services
Security services
Mobile services

NW Integration
Systems Operation
Private Cloud

SIers

Legacy Systems
i.e. mainframe

IIJ focuses on modern IT ~specializing in scalable, next generation systems ~
(Not involved in legacy – heavy systems)

Management structure (Planned as of June 30, 2026)

Ratio of female directors and auditors 28.6%

Ratio of outside directors 50.0%

About IIJ

Board of Directors (10 members)

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

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

Koichi Kitamura
Vice President
Executive Officer

Akihisa Watai
Vice President
Executive Officer
CFO

Junichi Shimagami
Vice President
Executive Officer
CTO

Outside Directors (50.0%, 5 out of 10)

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

Shio Harada
Attorney at law
Female

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

◆ Revamped the director compensation system in FY24. Restricted stock-based compensation is linked to both annual performance and the Mid-term Plan. With regard to Mid-term Plan-linked compensation, the directors are evaluated mainly based on financial performance (revenue, operating profit, and segment performance overseen by each director), engagement metrics (including employee satisfaction), ROE (19%), sustainability 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**

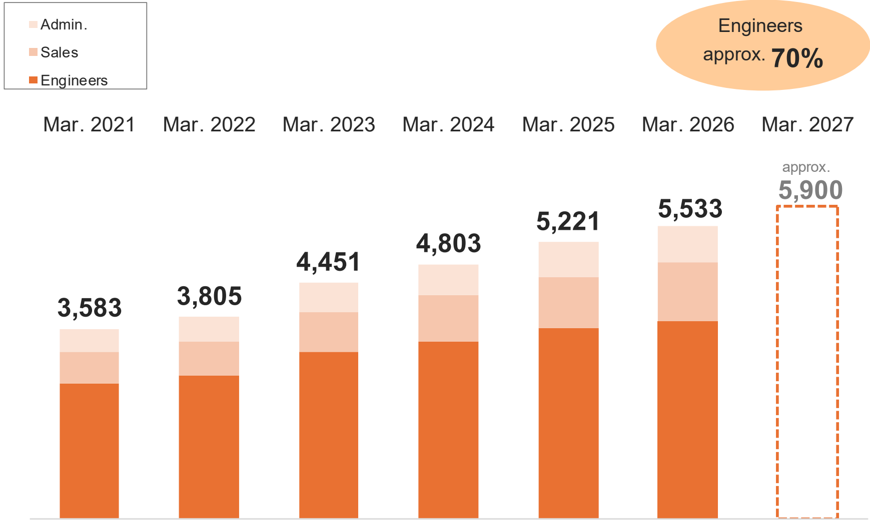
We continuously develop and introduce highly reliable and value-added IT services that anticipate changes taking place around the world, to support the use of networks by society and individuals.

◆ **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.

Human Capital

Total Number of Employees (consolidated)

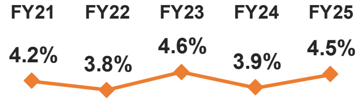


Average age
37.5

Average Yearly Salary
JPY**7,472** thousand

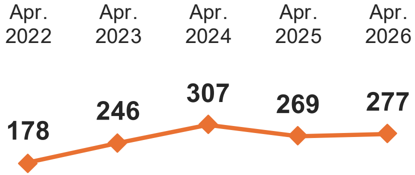
Ratio of female recruitment
26.2% (FY25)

Turnover Rate (IIJ)



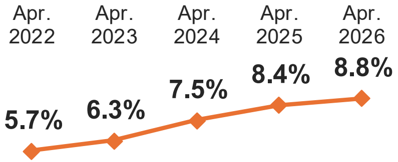
Low employee turnover driven by diverse experiences and high employee satisfaction

Number of New Graduates (consolidated)



Continuously hire and train new graduates who are drawn to IIJ as Japan’s first full-scale ISP

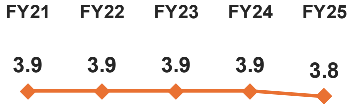
Female Managers Ratio (IIJ)



Achieved FY24 and FY27 targes a year in advance

(Initial targets: FY24 over 6%, FY27 over 8%)

Employee Satisfaction (IIJ)



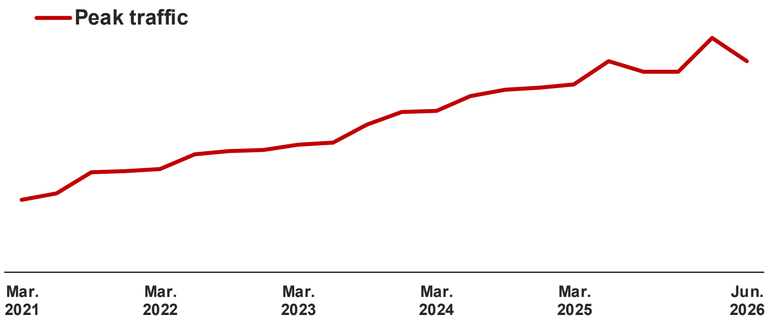
Employee survey indicates high overall satisfaction level

(out of 5)

- We added 62 personnel through PTC consolidation (Apr. 2021)
- Average age and average yearly salary are as of Mar. 31, 2026.
- Female manager ratio is IIJ (non-consolidated basis), Turnover rate of is IIJ (non-consolidated basis) and 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
- Employee satisfaction is according to the Employee Survey which is an annual engagement survey (approximately 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."

Market Environment

Historical traffic data of major domestic IX



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

SIM type MVNO market share in Japan

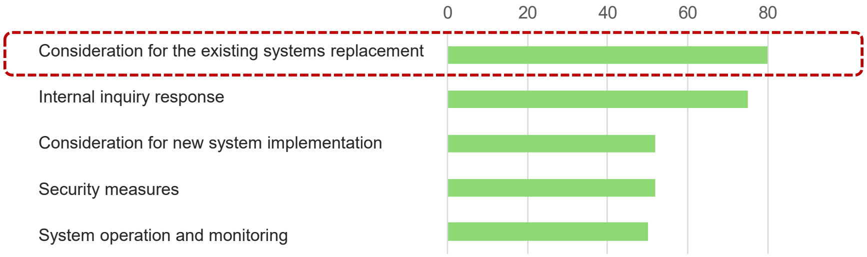
◆ **Maintain top share in the domestic SIM-type MVNO market**

	Mar. 31, 2024		Mar. 31, 2025		Mar. 31, 2026	
1st	**IIJ**	**21.8%**	**IIJ**	**24.5%**	**IIJ**	**24.9%**
2nd	NTT DOCOMO	9.8%	Optage	8.6%	Optage	8.2%
3rd	Optage	8.8%	NTT DOCOMO	7.5%	NTT DOCOMO	5.6%
4th	Fujitsu	5.6%	NTT DOCOMO Business	5.2%	NTT DOCOMO Business	4.8%
5th	Aeon Retail	4.7%	Aeon Retail	4.7%	Japan Communications	4.8%

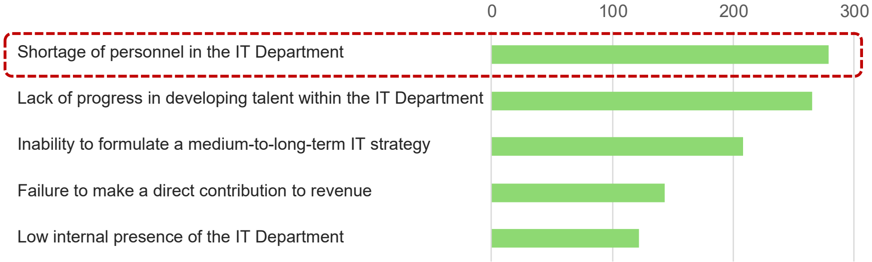
- Source: The Ministry of Internal Affairs and Communications
- NTT DOCOMO refers to NTT Resonant in periods prior to the merger
- NTT DOCOMO Business refers to NTT Communications in periods prior to the company name change

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.

Financial Information

Internet Initiative Japan Inc. (IIJ)

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

August 2026

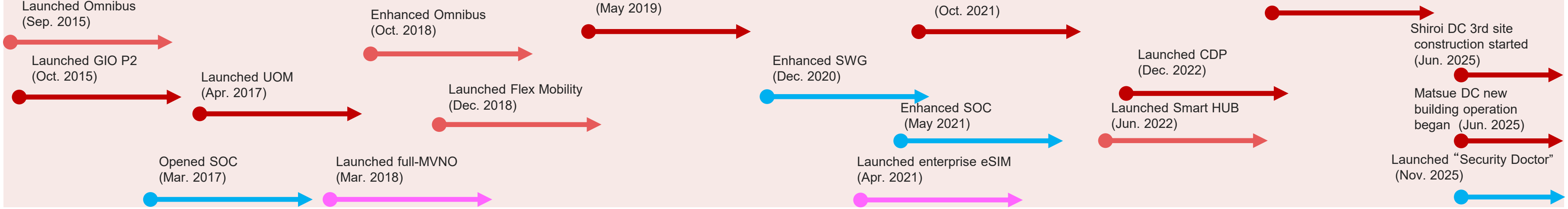
Outline

Financial Performance

Unit: ¥ (JPY) billion (bn)

		FY21	FY22	FY23	FY24	FY25
Total Revenue		**226.3**	**252.7**	**276.1**	**316.8**	**345.4**
	YoY	*+6.3%*	*+11.7%*	*+9.2%*	*+14.8%*	*+9.0%*
NW services		128.2	138.9	151.3	162.6	178.7
	YoY	*+1.1%*	*+8.4%*	*+8.9%*	*+7.4%*	*+9.9%*
NW services (excl. Mobile services)		87.5	96.6	105.2	112.3	123.3
	YoY	*+10.3%*	*+10.5%*	*+8.9%*	*+6.7%*	*+9.8%*
Mobile services		40.7	42.3	46.1	50.3	55.5
	YoY	*(14.3%)*	*+3.8%*	*+9.1%*	*+9.0%*	*+10.3%*
SI		95.3	110.9	121.8	151.3	163.6
	YoY	*+14.5%*	*+16.4%*	*+9.8%*	*+24.2%*	*+8.2%*
Operating Profit		**23.5**	**27.2**	**29.0**	**30.1**	**34.8**
	YoY	*+65.3%*	*+15.6%*	*+6.6%*	*+3.7%*	*+15.7%*
Operating Margin		**10.4%**	**10.8%**	**10.5%**	**9.5%**	**10.1%**
Net Profit		**15.7**	**18.9**	**19.8**	**19.9**	**24.2**
	YoY	*+61.4%*	*+20.3%*	*+5.2%*	*+0.5%*	*+21.3%*
ROE		**16.2%**	**17.0%**	**16.3%**	**15.0%**	**16.2%**
NW service gross margin		**27.8%**	**27.5%**	**28.7%**	**27.8%**	**27.1%**
SI gross margin		**15.7%**	**16.7%**	**15.6%**	**14.4%**	**16.1%**
CAPEX		**16.1**	**20.8**	**22.5**	**26.3**	**32.2**
NW services, etc.		9.0	9.7	12.9	15.0	13.6
Shiroi, Matsue DCs		1.6	5.6	5.7	4.7	11.6
Cloud		2.3	2.0	1.5	2.0	3.4
SI, others		3.2	3.5	2.4	4.6	3.6

Various Network Services Asset



Launched Omnibus (Sep. 2015)

Launched GIO P2 (Oct. 2015)

Launched UOM (Apr. 2017)

Opened SOC (Mar. 2017)

Launched full-MVNO (Mar. 2018)

Enhanced Omnibus (Oct. 2018)

Launched Flex Mobility (Dec. 2018)

Opened Shiroi DC (May 2019)

Enhanced SWG (Dec. 2020)

Launched enterprise eSIM (Apr. 2021)

Enhanced SOC (May 2021)

Launched GIO P2 Gen.2 (Oct. 2021)

Launched Smart HUB (Jun. 2022)

Launched CDP (Dec. 2022)

Shiroi DC 2nd site started operation (Jul. 2023)

Shiroi DC 3rd site construction started (Jun. 2025)

Matsue DC new building operation began (Jun. 2025)

Launched “Security Doctor” (Nov. 2025)

1Q26 Summary

Unit: ¥ (JPY) billion
YoY = Year over year comparison
Net Profit is “Profit for the period attributable to owners of the parent”

Strong Domestic and Overseas Demand Drives 1Q Revenue Above Plan, Profit on Track

Seeing Continued Solid Demand while Developing Growth Initiatives toward the Next Mid-term Plan

Revenue

Operating Profit

Net Profit

1Q Business Status

	1Q Revenue	YoY
NW Services (excluding Mobile)	**¥31.63 bn**	**+7.2%**
・IP	¥4.73 bn	+3.6%
・Outsourcing	¥17.73 bn	+11.5%
Mobile/IoT	**¥14.47 bn**	**+11.3%**
・Enterprise	¥4.62 bn	+15.1%
・MVNE	¥3.19 bn	+10.4%
・Consumer	¥6.67 bn	+9.1%
SI	**¥50.74 bn**	**+51.2%**
・Construction	¥24.19 bn	+106.9%
・O&M	¥26.55 bn	+21.4%
SG&A etc.	**¥11.38 bn**	**+6.8%**

◆ Moderate 1Q growth in monthly recurring revenue, reflecting seasonal factors at the start of the new fiscal year

◆ Continuously expanding service line-ups and enhancing functionality. Plan to launch SCS Evaluation System support solution(*1)

◆ Ongoing development of next-generation core integrated security services. Launch planned in 4Q26

◆ Strong enterprise IoT demand continued to drive growth

◆ Strong mobile revenue and subscriptions, while gross profit declined QoQ and YoY mainly due to the year-on-year change in mobile data interconnectivity unit charge and higher device marketing costs

◆ Order trends

	Order-received		Order-backlog	
Construction	¥40.21 bn	+135.5%	¥47.96 bn	+126.3%
O&M	¥31.17 bn	+10.4%	¥131.59 bn	+24.1%

◆ Large-scale projects(*2)

	Projects			
1Q Order-received	EC infrastructure construction (¥6.0 bn, by PTC)	Mobile device procurement (¥1.7 bn)	NW construction and operation for a public institution (¥1.5 bn, 5 yrs)	Large-scale GPU infrastructure construction (¥12.0 bn, 5 yrs, by PTC)
1Q revenue				

◆ Human capital-related: 277 new graduates joined in Apr. 2026 (269 in Apr. 2025), Average annual salary increased by approx. 6% (IIJ)(*3)

◆ DCP (*4) : To promote adoption of tokenized deposits DCJPY(*5), expanding collaboration with financial institutions and corporates. Following the planned FY26 DCJPY issuance by Japan Post Bank, advancing payment commercialization with Hokuriku Bank targeting FY27

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*1: Plan to launch a support solution for compliance with METI’s Supply Chain Security Evaluation System *2: Large-scale projects are defined as those with total contract value exceeding ¥1.0 bn. The value includes NW Services *3: Includes the revision of the salary table
*4: Equity-method affiliate DeCurret Holdings, Inc. changed its trade name to DCP Co., Ltd. on July 1, 2026 *5: A digital currency that tokenizes bank deposit on the blockchain

Consolidated Financial Results

Unit: ¥ (JPY) billion
YoY = Year over year comparison
Net profit is Profit for the period attributable to owners of the parent

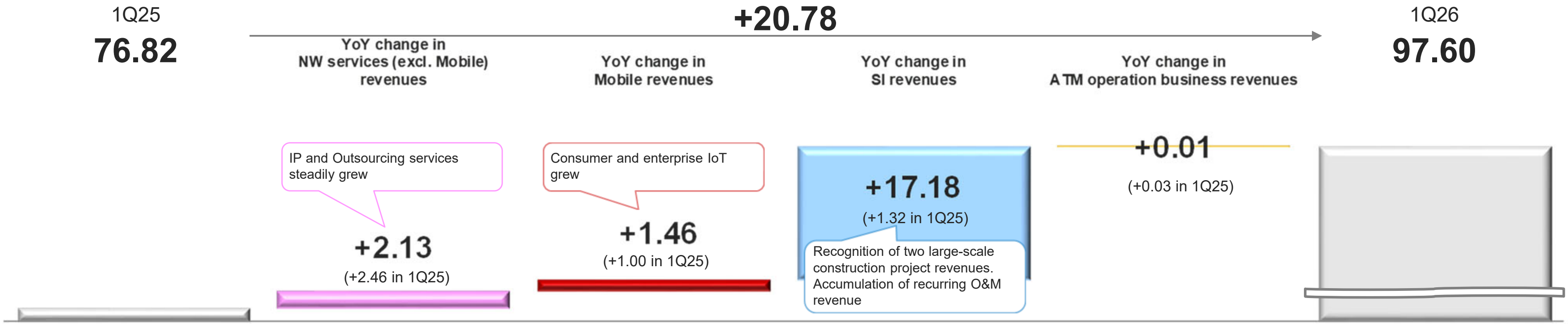
	% of revenue 1Q26 Results Apr. 2026 - Jun. 2026	% of revenue 1Q25 Results Apr. 2025 - Jun. 2025	YoY		% of revenue 1H26 Forecast (Announced in May 2026) Apr. 2026 - Sep. 2026	YoY	% of revenue FY26 Forecast (Announced in May 2026) Apr. 2026 - Mar. 2027	YoY
Revenues	97.60	76.82	+27.1%	+20.78	180.0	+11.2%	385.0	+11.5%
Cost of Revenues	81.6% 79.63	78.3% 60.13	+32.4%	+19.51	78.3% 141.0	+11.2%	77.7% 299.3	+11.2%
Gross Profit	18.4% 17.97	21.7% 16.69	+7.7%	+1.28	21.7% 39.1	+11.2%	22.3% 85.7	+12.5%
SG&A etc.	11.7% 11.38	13.9% 10.66	+6.8%	+0.72	13.2% 23.7	+20.1%	12.3% 47.2	+14.2%
Operating Profit	6.7% 6.59	7.9% 6.03	+9.2%	+0.56	8.5% 15.4	(0.2%)	10.0% 38.5	+10.5%
Profit before tax	6.9% 6.71	7.5% 5.74	+17.0%	+0.98	7.8% 14.1	(7.3%)	9.6% 37.0	+5.0%
Net Profit	4.5% 4.40	4.9% 3.78	+16.4%	+0.62	5.3% 9.6	(4.8%)	6.5% 25.0	+3.4%

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

Year over Year Analysis

Unit: ¥ (JPY) billion (bn)
GP = Gross Profit
YoY = Year over year comparison

Revenues



1Q25
76.82

+20.78

1Q26
97.60

YoY change in NW services (excl. Mobile) revenues

IP and Outsourcing services steadily grew

+2.13
(+2.46 in 1Q25)

YoY change in Mobile revenues

Consumer and enterprise IoT grew

+1.46
(+1.00 in 1Q25)

YoY change in SI revenues

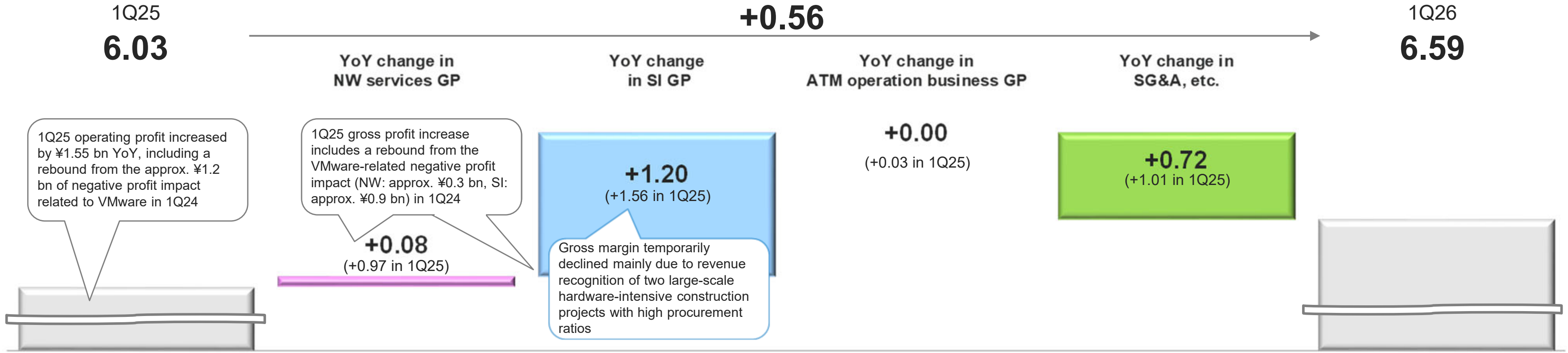
+17.18
(+1.32 in 1Q25)

Recognition of two large-scale construction project revenues. Accumulation of recurring O&M revenue

YoY change in ATM operation business revenues

+0.01
(+0.03 in 1Q25)

Operating Profit



1Q25
6.03

+0.56

1Q26
6.59

1Q25 operating profit increased by ¥1.55 bn YoY, including a rebound from the approx. ¥1.2 bn of negative profit impact related to VMware in 1Q24

YoY change in NW services GP

1Q25 gross profit increase includes a rebound from the VMware-related negative profit impact (NW: approx. ¥0.3 bn, SI: approx. ¥0.9 bn) in 1Q24

+0.08
(+0.97 in 1Q25)

YoY change in SI GP

+1.20
(+1.56 in 1Q25)

Gross margin temporarily declined mainly due to revenue recognition of two large-scale hardware-intensive construction projects with high procurement ratios

YoY change in ATM operation business GP

+0.00
(+0.03 in 1Q25)

YoY change in SG&A, etc.

+0.72
(+1.01 in 1Q25)

- 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
- 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

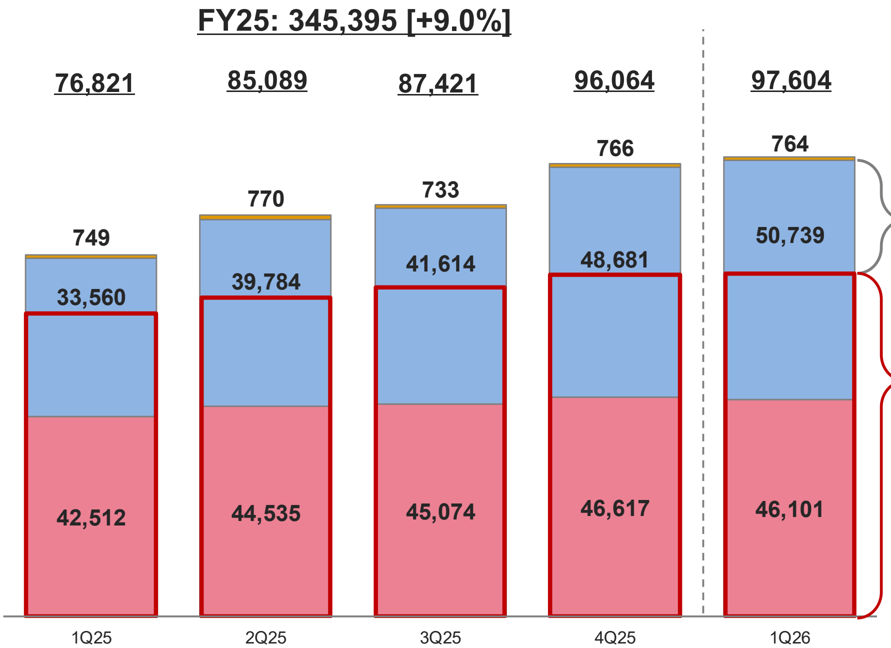
Revenues

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



One-time revenue

1Q26: ¥24.19 bn, +106.9%YoY (-7.3%YoY in 1Q25)

- Revenue recognition of two large-scale projects
  - ✓ EC infrastructure construction: ¥6.0 bn
  - ✓ Mobile device procurement for a financial institution: ¥1.7 bn
- Construction revenue growth would have been +41.5%YoY excluding these two projects

24.8% of 1Q26 total revenue

Recurring revenue

1Q26: ¥72.65 bn, +12.8%YoY (+9.7%YoY in 1Q25)

74.4% of 1Q26 total revenue

NW Services revenue (excluding Mobile Services)

1Q26: ¥31.63 bn, +7.2%YoY (+9.1%YoY in 1Q25)

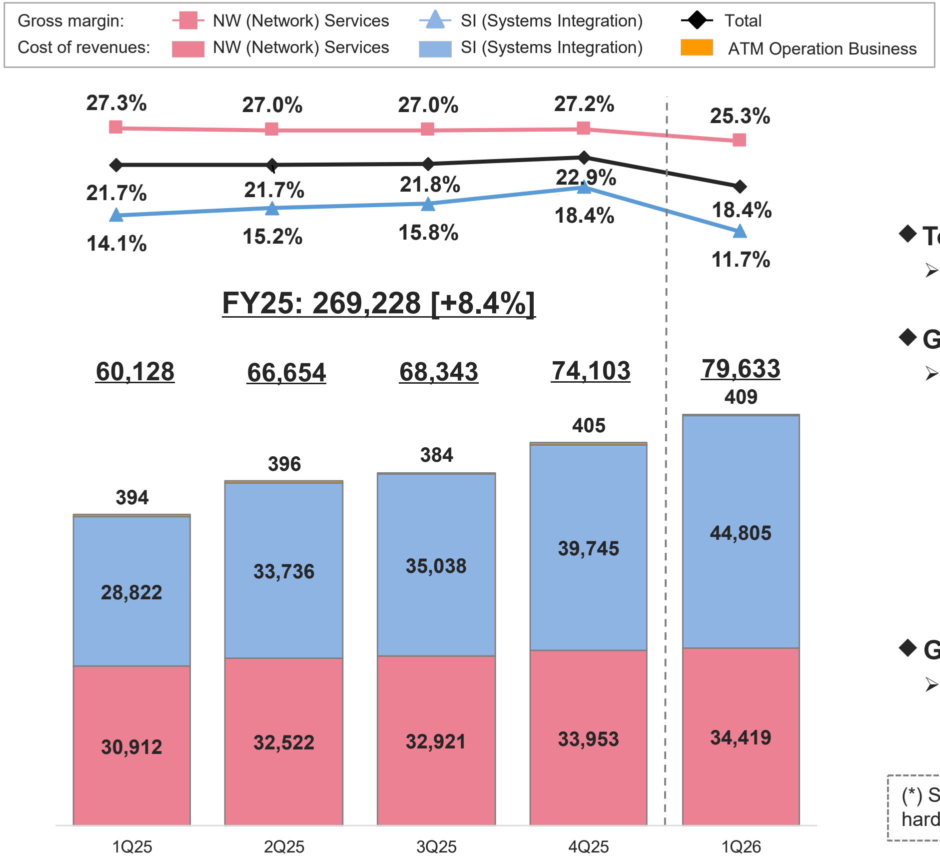
Mobile Services revenue

1Q26: ¥14.47 bn, +11.3%YoY (+8.3%YoY in 1Q25)

- 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)

Cost of Revenues & Gross Margin

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



◆ Total gross profit

- ➢ 1Q26: ¥17.97 bn, Gross Margin 18.4% +¥1.28 bn, +7.7%YoY

◆ Gross profit for NW services

- ➢ 1Q26: ¥11.68 bn, Gross Margin 25.3% +¥0.08 bn, +0.7%YoY
  - Fixed-type costs such as maintenance fee, outsourcing and personnel-related costs have been increasing slightly, reflecting seasonal factors at the start of the new fiscal year
  - Mobile gross profit declined QoQ and YoY mainly due to increased device procurement costs and the year-on-year change in mobile data interconnectivity unit charge
  - Preparing pricing policy for NW service price revisions from the start of 1Q27

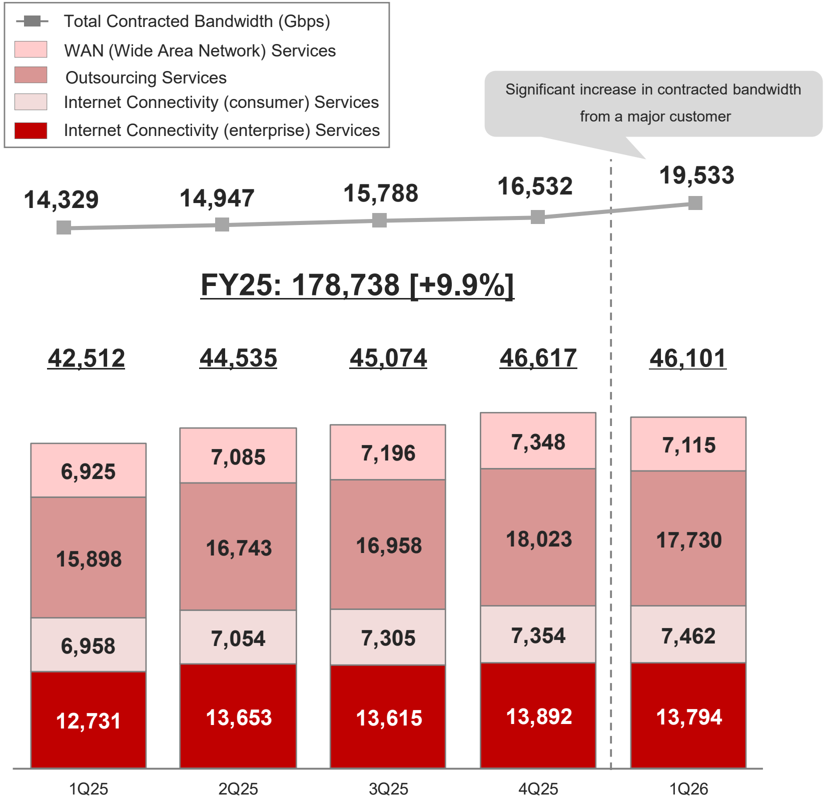
◆ Gross profit for SI

- ➢ 1Q26: ¥5.93 bn, Gross Margin 11.7% +¥1.20 bn, +25.2%YoY
  - Gross margin temporarily declined due to revenue recognition of two large-scale hardware-intensive projects(*)

(*) SI gross profit is generated from both hardware and labor portions. The procurement-based hardware portion generally tends to have a lower margin than the labor portion.

Network (NW) Services (1) Revenues

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



No significant change in the revenue level, as 1Q is the start of the new fiscal year

◆Internet Connectivity (enterprise) Services

- ➢ 1Q26: ¥13.79 bn, +8.3%YoY (+9.4%YoY in 1Q25)(*)
  - Of which, IP Service: ¥4.73 bn, +3.6%YoY (+9.5%YoY in 1Q25)
  - Of which, Enterprise mobile: ¥4.62 bn, +15.1%YoY (+13.6%YoY in 1Q25)
  - Of which, MVNE: ¥3.19 bn, +10.4%YoY (+4.2%YoY in 1Q25)

◆ Internet Connectivity (consumer) Services

- ➢ 1Q26: ¥7.46 bn, +7.2%YoY (+5.4%YoY in 1Q25)
  - Of which, consumer mobile (IIJmio): ¥6.67 bn, +9.1%YoY (+7.0%YoY in 1Q25)

◆ Outsourcing Services

- ➢ 1Q26: ¥17.73 bn, +11.5%YoY (+13.7%YoY in 1Q25) (*)
  - Of which, security: ¥10.75 bn, +12.4%YoY (+11.2%YoY in 1Q25)

◆ WAN Services

- ➢ 1Q26: ¥7.12 bn, +2.7%YoY (+1.3%YoY in 1Q25)

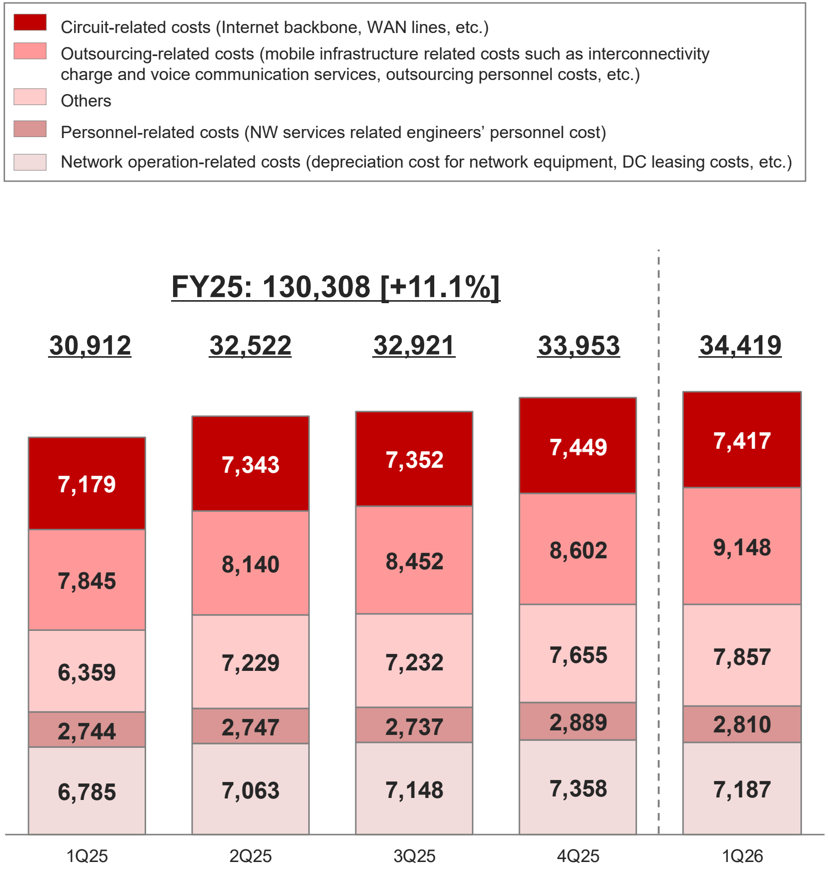
(*) 1Q25 YoY growth rate was positively impacted by the price revision on certain NW services implemented in Oct. 2024

- 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
- 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 refers to direct offerings for IoT and similar usages
- MVNE (sales of service to other MVNOs) refers to IIJ Mobile MVNO Platform Service
- 2Q25 enterprise mobile revenue included a one-time contribution of approx. ¥0.4 bn from device sales

Network (NW) Services (2) Cost of Revenues

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

Financial Information



- 1Q26 Circuit-related costs: ¥7.42 bn, +3.3%YoY (+1.8%YoY in 1Q25)
  - Internet backbone circuit cost remains stable by leveraging scale merit with one of the largest Internet backbone networks
  - Fluctuates in line with WAN service revenue
- 1Q26 Outsourcing-related costs: ¥9.15 bn, +16.6%YoY (+11.0%YoY in 1Q25)
  - Mobile data connectivity and voice-related costs continued to rise, in line with growth in mobile subscriber acquisitions
- 1Q26 Others: ¥7.86 bn, +23.6%YoY (+22.8%YoY in 1Q25)
  - License fees such as SASE increased along with related revenue growth
  - Increased mobile device purchasing costs: approx. +¥0.5 bn YoY (1Q25: approx. +¥0.3 bn YoY, 2Q25: approx. +¥1.0 bn YoY, 3Q25: approx. +¥0.6 bn YoY, 4Q25: approx.+¥0.2 bn YoY)
- 1Q26 Personnel-related costs: ¥2.81 bn, +2.4%YoY (+7.4%YoY in 1Q25)
  - Increased mainly due to increased headcount and the revision of salary table at the beginning of the fiscal year
- 1Q26 Network operation-related costs: ¥7.19 bn, +5.9%YoY (+3.3%YoY in 1Q25)
  - Depreciation costs remained roughly flat

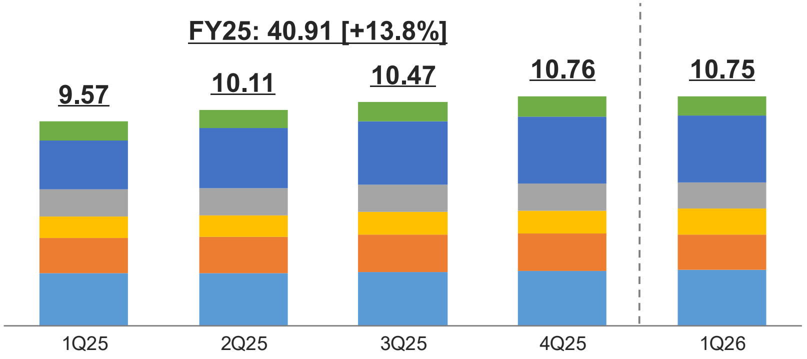
Network (NW) Services (3) Security and Mobile/IoT

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

Financial Information

Security Business

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



🟩	SOC and others	(IIJ C-SOC Service, Endpoint Security, and others)
🟦	SASE	(Operation of Prisma Access, Zscaler and others, IIJ Secure Access Service, and others)
⬜	Web GW	(IIJ Secure Web GW Service, and others)
🟨	Firewall	(IIJ Managed Firewall Service, and others)
🟧	NW	(IIJ DDoS Protection Service, IPS/IDS, WAF, and others)
🟦	Mail	(IIJ Secure MX Service, and others)

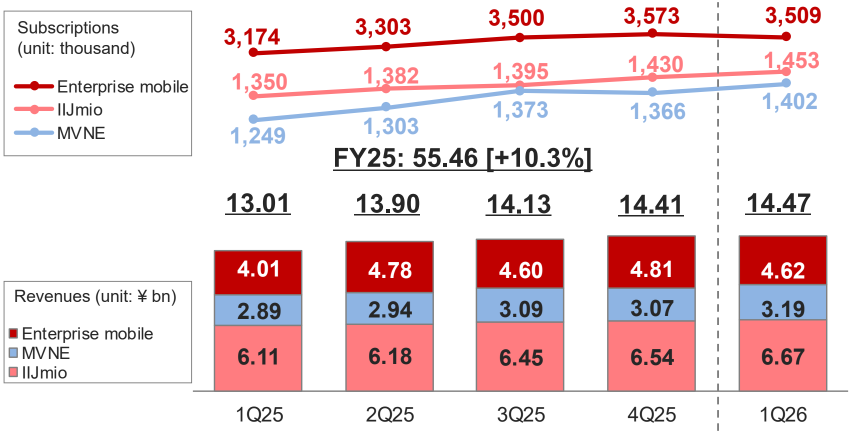
◆ **Growing Demand for Cybersecurity**

- Strong demand for “IIJ Security Doctor,” launched in Nov. 2025, which supports customers' security operations and strategy development through IIJ's cybersecurity experts; business scope is expanding into security assessments and consulting services.
- Plan to launch “IIJ SCS Assessment Solution” to support compliance with the METI-led Supply Chain Security Assessment Program
- Developing next-generation core integrated security services. Launch planned in 4Q26

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

Mobile/IoT Business

Enterprise	• Continuous demand to connect devices such as IoT devices, taxi tablets, security cameras, dashboard cameras • SoftSIM multi-carrier support launched (Apr. 2026), expanding opportunities in the corporate IoT market • 1Q revenue and subscription declined QoQ due to the contract cancellation of a specific customer engaged in the inbound tourists business
Consumer	• Launched an unlimited-data prepaid SIM service for inbound tourists to Japan through Bic Camera in June 2026
MVNE	• Steady growth in new MVNO clients is driving an increase in customers and subscriptions



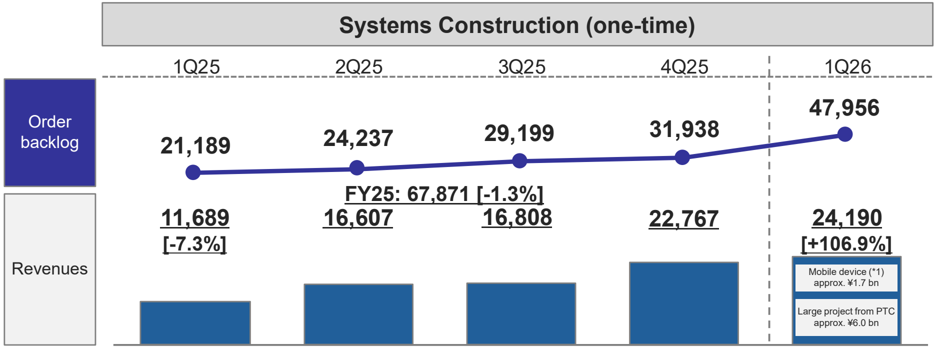
	1Q25-end	2Q25-end	3Q25-end	4Q25-end	1Q26-end
Number of MVNE clients (unit: companies)	202	205	207	212	211

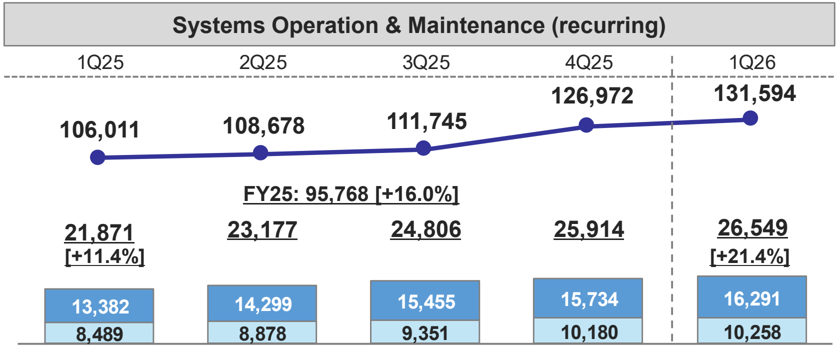
- Approx. ¥1.5 bn of enterprise mobile device revenue originally expected as NW Service revenue was recognized in SI construction (1Q26, ¥1.7 bn)
- Enterprise Mobile and MVNE refer to direct service offerings for IoT and other device connectivity use cases and IIJ Mobile MVNO Platform Services provided to other MVNO operators, respectively.
- 2Q25 enterprise mobile revenue included a contribution of approx. ¥0.4 bn from device sales

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





Systems Construction (one-time)

	1Q25	2Q25	3Q25	4Q25	1Q26
Orders received	17,073	19,655 (incl. ¥1.0 bn of certain large projects)	21,770 (incl. ¥4.5 bn of certain large projects)	25,506 (incl. ¥3.0 bn of certain large projects)	40,208 (incl. ¥18.0 bn of 3 large projects)
	FY25: 84,004 [+38.1%]				

Systems Operation & Maintenance (recurring)

	1Q25	2Q25	3Q25	4Q25	1Q26
Orders received	28,244	25,844	27,873	41,141 (incl. ¥1.0 bn of certain large projects)	31,171 (incl. ¥3.0 bn of 2 certain large projects)
	FY25: 123,102 [+26.9%]				

- ➢ Favorable demand situation: strong demand to construct core NW/system from all industries
- ➢ Large-scale projects(*2) acquired from 1Q26 onward
  - NW construction & operation for a public institution (¥1.5 bn, 5 yrs, mostly NW services)
  - Acquired system infrastructure demand such as constructing GPU infrastructure in Singapore through a subsidiary PTC
    - ✓ GPU infrastructure construction ¥12.0 bn (construction: ¥10.0 bn, O&M: ¥2.0 bn), 5 yrs, Plan to recognize certain revenue in 2Q26
      - ➢ Several other projects such as GPU infrastructure also under discussion
    - ✓ EC infrastructure construction ¥6.0 bn, order received and revenue were recognized in 1Q26

- ➢ Continued strong revenue growth including the start of O&M for large-scale projects

Cloud Service Revenue (recurring)

Unit: JPY bn

	1Q25	2Q25	3Q25	4Q25	1Q26
Private Cloud Own service, multi-cloud, etc.	6.9	7.3	7.8	8.2	8.6
Raptor FX system services for financial institutions	1.3	1.4	1.4	1.8	1.5
Others Own public cloud, overseas cloud, etc.	0.8	0.8	0.8	0.8	0.8
Total	**9.1**	**9.4**	**9.9**	**10.7**	**10.8**

- Breakdown of 1Q26 cloud revenue: 94.9% O&M, 5.1% Outsourcing services

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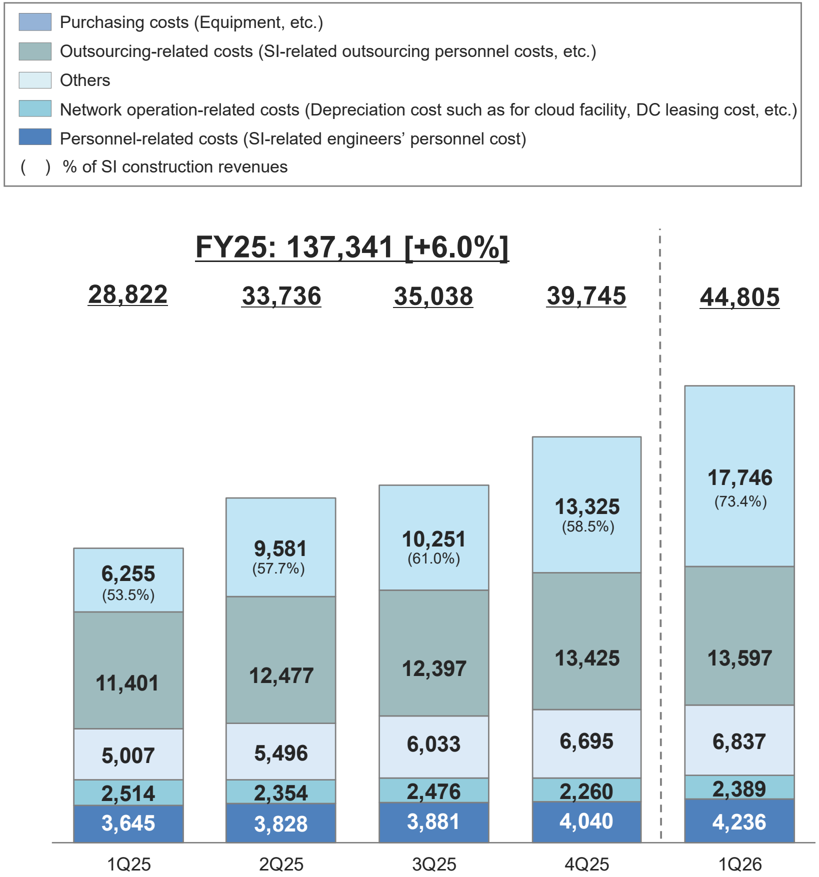
*1: Approx. ¥1.5 bn of enterprise mobile device revenue which was originally expected as NW Service revenue was recognized in SI construction (1Q26, ¥1.7 bn)

*2: Large-scale projects are defined as those exceeding ¥1.0 bn in total contract value. The value includes NW services revenue

Systems Integration (SI) (2) Cost of Revenues

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



- ➢ 1Q26 Purchasing costs: ¥17.75 bn, +183.7%YoY (-16.5%YoY in 1Q25)
  - Higher procurement ratio in 1Q26 due to growth in hardware-intensive construction projects
- ➢ 1Q26 Outsourcing-related costs: ¥13.60 bn, +19.3%YoY (+16.4%YoY in 1Q25)
  - Linked to the size of project and revenue to a certain degree
- ➢ 1Q26 Others: ¥6.84 bn, +36.5%YoY (-13.6%YoY in 1Q25)
  - Include license purchasing costs and others
- ➢ 1Q26 Network operation-related costs: ¥2.39 bn, -5.0%YoY (+2.3%YoY in 1Q25)
  - No significant change on a quarterly basis
- ➢ 1Q26 Personnel-related costs: ¥4.24 bn, +16.2%YoY (+3.5%YoY in 1Q25)
  - Increased mainly due to increased headcount and the revision of salary table at the beginning of the fiscal year

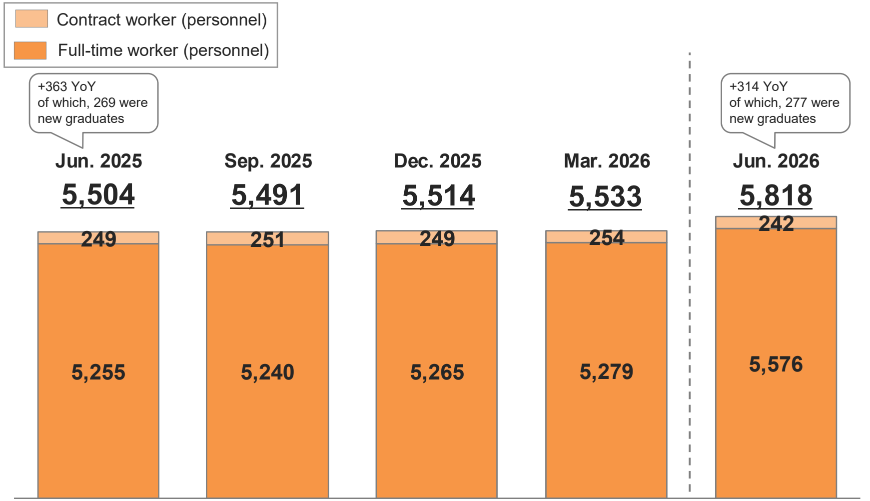
Number of SI-related outsourcing personnel (unit: personnel)

1Q25-end	2Q25-end	3Q25-end	4Q25-end	1Q26-end
1,578	1,603	1,607	1,633	1,557

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

Human Capital Disclosure

Number of Employees (consolidated basis)



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

Personnel-related Costs & Expenses (consolidated basis)

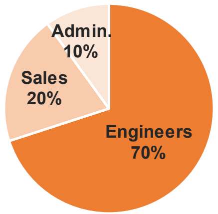
Unit: ¥ (JPY) million

	1Q25	2Q25	3Q25	4Q25	1Q26
Consolidated personnel-related costs & expenses (YoY)	11,049 (+6.9%)	11,305(*) (+6.0%)	11,278 (+9.5%)	12,133 (+17.3%)	12,354 (+11.8%)
	FY25: 45,765 (+9.9%)				
% of revenue	14.4%	13.3%	12.9%	12.6%	12.7%

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

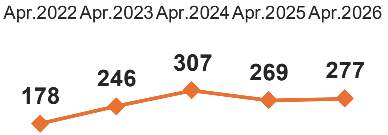
- FY26
  - Number of employees to increase by approx. 400 personnel, including 277 new graduates
  - Average annual salary increased by approx. 6%, including the salary table revision, in Apr. 2026 (IIJ)

Breakdown of Employees



Number of New Graduates

(consolidated basis)
Unit: personnel



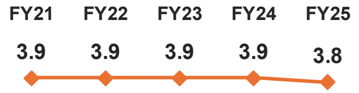
Ratio of Female Managers (IIJ)

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

Apr. 2023	Apr. 2024	Apr. 2025	Apr. 2026
6.3%	7.5%	8.4%	8.8%

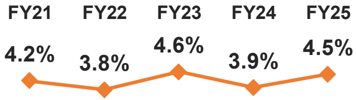
Employee Survey (IIJ)

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



Turnover Rates (IIJ)

- Lower than the industry average turnover(*)



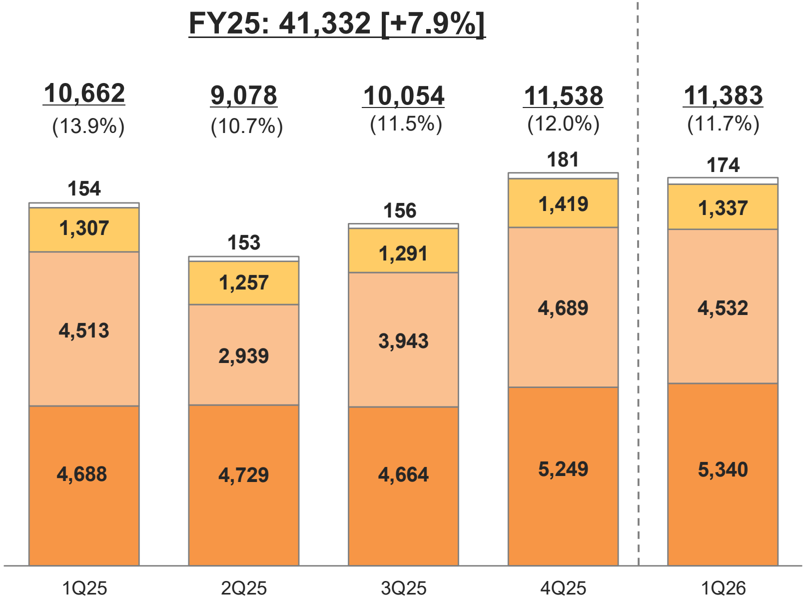
- The Employee Survey(IIJ) is an annual engagement survey (approx. 50 questions), and each item is rated on a five-point scale: 1 (disagree), 2 (somewhat disagree), 3 (neutral), 4 (somewhat agree), and 5 (agree). The "Overall Satisfaction" is the result of a question, "I am satisfied overall."“
- The 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

SG&A, etc.

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

Financial Information

- ☐ Research & development expenses
- 🟨 Commission expenses
- ▨ Others (including other income and other expenses)
- 🟧 Personnel-related expenses
- ( ) % of total revenues

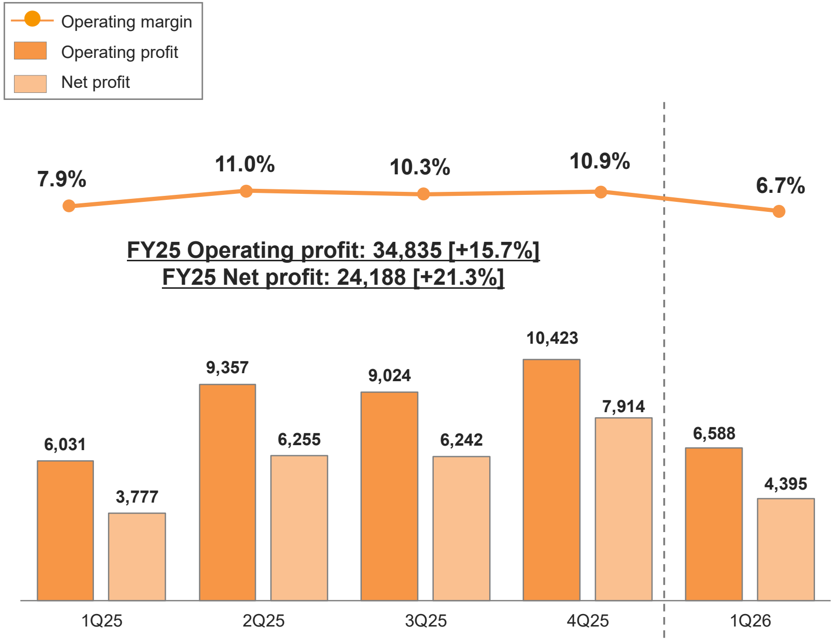


- ➢ 1Q26 Research & development expenses: ¥0.17 bn,+13.0%YoY (+4.8%YoY in 1Q25)
  - Mainly personnel expenses of research institute division. No major changes
- ➢ 1Q26 Commission expenses: ¥1.34 bn, +2.3%YoY (+1.9%YoY in 1Q25)
  - Mainly recruitment expenses and credit card fees for consumers
- ➢ 1Q26 Others: ¥4.53 bn,+0.4%YoY (+14.2%YoY in 1Q25)
  - 1Q training expenses increased temporarily due to new graduate hire
- ➢ 1Q26 Personnel-related expenses (salary, employee benefits, etc.) : ¥5.34 bn,+13.9%YoY (+9.8%YoY in 1Q25)
  - Upward trend, mainly due to the salary table revision and hiring of new graduate at the beginning of new fiscal year

- Above figures are SG&A expenses plus other income and other expenses
- 1Q personnel-related and other 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
- 2Q25 other income included a one-time gain of ¥1.17 bn from the revision of retirement benefit plans (IIJ)
- 4Q25 personnel-related expenses increased QoQ mainly due to year-end bonuses

Profit

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



FY25 Operating profit: 34,835 [+15.7%]
FY25 Net profit: 24,188 [+21.3%]

◆ **1Q26 Operating profit: ¥6.59 bn, +9.2%YoY**

◆ **1Q26 Profit before tax: ¥6.71 bn, +17.0%YoY**

- Interest expense: ¥380 million (1Q25: ¥327 million)
- Foreign exchange gain(loss) and valuation gain(loss) on funds
  - Quarterly gain(loss) are affected by foreign exchange fluctuations (FY26 business plan assumption: ¥155/USD)

	1Q25	2Q25	3Q25	4Q25	1Q26
Exchange rate at the end of Q (per USD)	144.81	148.88	156.56	159.88	162.39
Foreign exchange gain(loss)	(67)	(7)	+24	+95	(82)(*1)
Valuation gain(loss) on funds, etc.(*2)	(14)	+446	+883	+445	+426

*1:Temporary foreign exchange loss associated with SI trade payables
*2: Foreign exchange impacts were also included as lots of assets are denominated in USD

- Share of gain(loss) of investments accounted for using equity method: -¥209 million (1Q25: -¥108 million) FY26 forecast: approx. -¥1.3 bn
  - DCP*-related loss: IIJ ownership: 34.8%

1Q25	2Q25	3Q25	4Q25	1Q26
(174)	(182)	(205)	(255)	(282)

◆ **1Q26 Net profit: ¥4.40 bn, +16.4%YoY**

1Q25	2Q25	3Q25	4Q25	1Q26	
(186)	173	615	279	333	Finance income (expense), net
(108)	(118)	(157)	(91)	(209)	Share of profit (loss) of investments accounted for using equity method
(1,928)	(3,091)	(3,173)	(2,642)	(2,266)	Income tax expense
32	66	67	55	51	Profit (loss) for the period attributable to non-controlling interests

- Net profit shows “Profit for the period attributable to owners of the parent”
- Under IFRS, equity securities are measured at fair value through OCI (Other Comprehensive Income) while funds are measured through profit or loss
- Equity-method affiliate DeCurret Holdings, Inc. changed its trade name to DCP Co., Ltd. on July 1, 2026

Consolidated Statements of Financial Position (Summary)

Unit: ¥ (JPY) million

Unit: ¥ (JPY) million

	Mar. 31, 2026	June 30, 2026	Changes
Cash & cash equivalents	38,395	**34,186**	(4,209)
Trade receivables	62,084	**59,344**	(2,740)
Inventories	7,132	**11,848**	+4,716
Prepaid expenses (current & non-current)	71,858	**83,475**	+11,617
Tangible assets	45,114	**49,819**	+4,705
Right-of-use assets	39,110	**37,364**	(1,746)
Of which, operating leases (rent of office, data center etc.)	22,367	**21,195**	(1,172)
Of which, finance leases (network equipment etc.)	16,743	**16,169**	(574)
Goodwill & intangible assets	33,428	**34,181**	+753
Investments accounted for using the equity method	6,293	**5,818**	(475)
Investment securities (Equity)	12,106	**14,596**	+2,490
Other investments	12,691	**13,482**	+791
Others	18,722	**19,645**	+923
Total assets:	**346,933**	**363,758**	+16,825

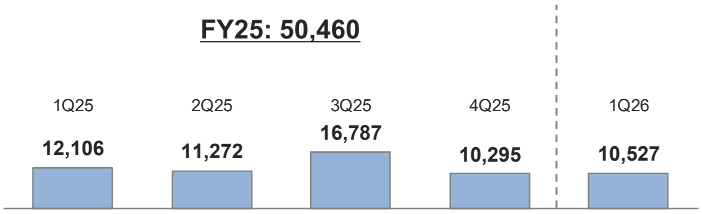
	Mar. 31, 2026	June 30, 2026	Changes
Trade & other payables	34,478	**43,360**	+8,882
Borrowings (current & non-current)	35,570	**35,570**	-
Contract liabilities & Deferred income (current & non-current)	39,120	**47,055**	+7,935
Income taxes payable	5,119	**2,466**	(2,653)
Retirement benefit liabilities	1,013	**1,016**	+3
Other financial liabilities (current & non-current)	60,660	**60,508**	(152)
Of which, operating leases (rent of office, data center etc.)	23,122	21,965	(1,157)
Of which, finance leases (network equipment etc.)	19,896	19,198	(698)
Others	11,502	**11,311**	(191)
Total liabilities:	**187,462**	**201,286**	+13,824
Share capital	25,663	**25,671**	+8
Share premium	35,930	**35,860**	(70)
Retained earnings	98,163	**99,101**	+938
Other components of equity	10,006	**11,939**	+1,933
Treasury shares	(11,755)	**(11,626)**	+129
Total equity attributable to owners of the parent:	**158,007**	**160,945**	+2,938
Non-controlling interests	**1,464**	**1,527**	+63
Total liabilities and equity:	**346,933**	**363,758**	+16,825

- Increase in prepaid expenses, mainly related to customer projects, licenses, and maintenance contracts; costs to be recovered over multiple years
- Increase in property, plant and equipment, primarily driven by data center investments
- Equity attributable to owners of the parent ratio: 45.5% (Mar. 31, 2026), 44.2% (Jun. 30, 2026)

Consolidated Cash Flows

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

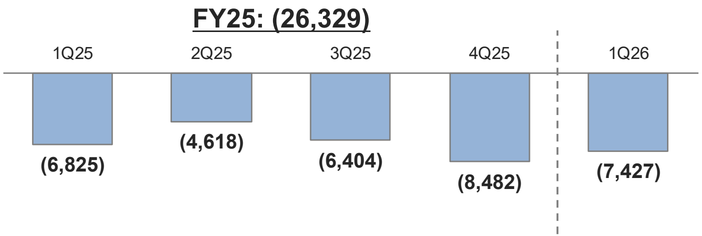
Operating Activities



FY25: 50,460

	1Q26 Major Breakdown	YoY Change
Profit before tax	6,712	+975
Depreciation and amortization	8,167	+204
Changes in operating assets & liabilities	542	(2,410)
Of which, decrease (increase) in prepaid expenses	(11,519)	(5,999)
Income taxes paid	(4,923)	+120

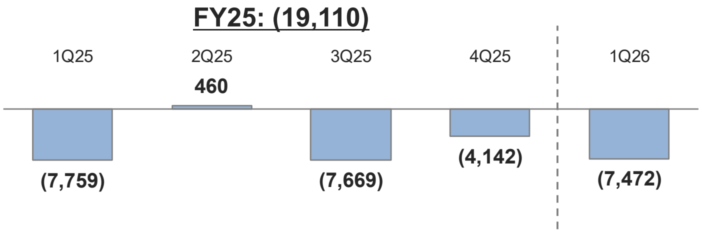
Investing Activities



FY25: (26,329)

	1Q26 Major Breakdown	YoY Change
Purchase of tangible assets	(7,786)	(3,316)
Of which, data center-related	(2,001)	(74)
Purchase of intangible assets such as software	(2,063)	+395

Financing Activities



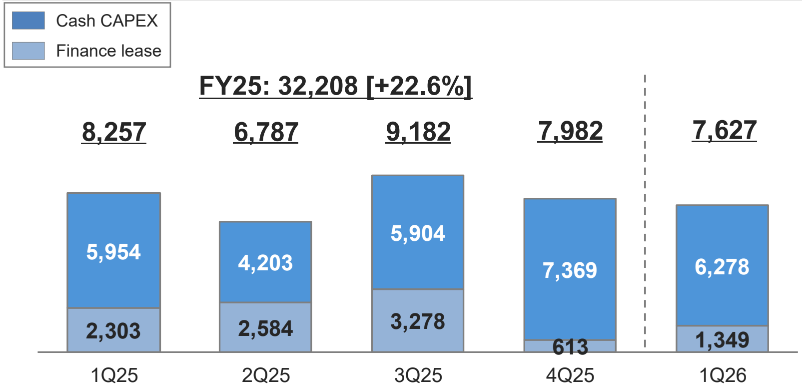
FY25: (19,110)

	1Q26 Major Breakdown	YoY Change
Proceeds from other financial liabilities	2,431	+1,440
Payment of operating/finance leases and other financial liabilities	(6,458)	(882)
Dividends paid	(3,457)	(361)

Other Financial Data

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

CAPEX



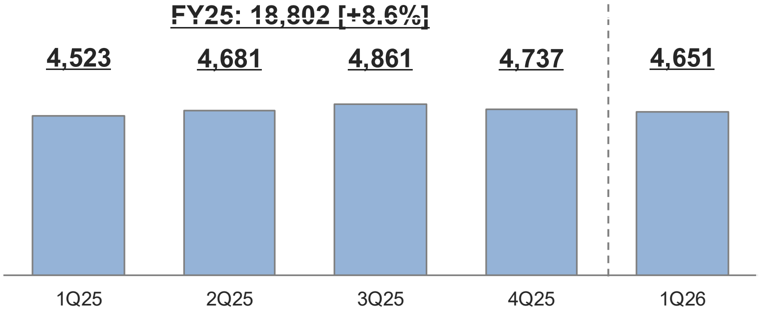
➢ Major breakdown of CAPEX (Unit: ¥ bn)

	1Q25	1Q26	Notes
Ordinal CAPEX (NW equipment & server, etc.)	4.3	4.5	Sustained investment
Shiroi data center-related (Of which 3rd site)	0.2	4.1	Individual investment for anticipated demand
Matsue data center-related	1.8	(2.1)*	
Customer-related	1.0	0.3	Investment for each project
Renewal of Full-MVNO 5G infrastructure	0.9	0.6	Ad-hoc investment
Renewal of FX SaaS service facility	0.1	0.2	Ad-hoc investment

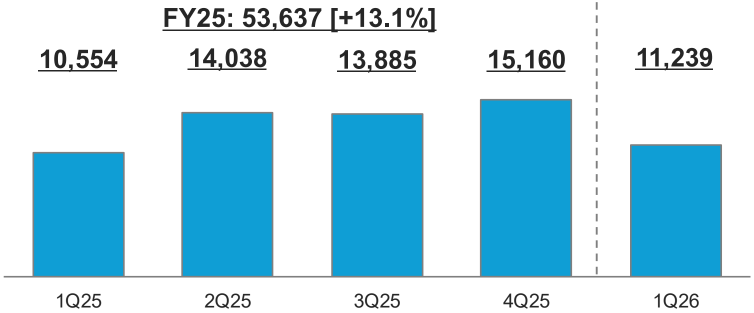
*Approx. ¥2.2 bn of subsidy income for Matsue DC

➢ FY26 CAPEX plan: approx. ¥38.0 bn
- Of which, approx. ¥18.0 bn is for Shiroi data center 3rd site construction
- Cumulative total CAPEX for Shiroi DC 3rd site of approx. ¥27.0 bn expected, progressing within the Mid-term Plan assumptions

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

FY26 Financial Targets (Remain unchanged from May 2026)

Unit: ¥ (JPY) billion (bn)

	FY26 Forecast			
	% of total reveue 1H26 (Apr. 1, 2026 - Sep. 30, 2026)	YoY	*% of total reveue* FY26 (Apr. 1, 2026 - Mar. 31, 2027)	YoY
Total Revenue	180.0	+11.2%	385.0	+11.5%
Gross Profit	*21.7%* 39.1	+11.2%	*22.3%* 85.7	+12.5%
SG&A etc.	*13.2%* 23.7	+20.1%	*12.3%* 47.2	+14.2%
Operating Profit	*8.5%* 15.4	(0.2%)	*10.0%* 38.5	+10.5%
Shares of profit(loss) of investments	(0.7)	-	(1.3)	-
Profit before tax	*7.8%* 14.1	(7.3%)	*9.6%* 37.0	+5.0%
Net Profit (Profit for the period attributable to	*5.3%* 9.6	(4.8%)	*6.5%* 25.0	+3.4%
Dividend per share	¥21.50	+¥2.00	¥43.00	+¥4.00

Breakdown

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

Approx. ¥1.5 bn of enterprise mobile device revenue originally expected as NW Service revenue was recognized in SI construction (1Q26, ¥1.7 bn)

Gross margin
SI: approx. 17%
NW service: approx. 27%

Business Plan Assumptions

◆ NW Services

- Continued accumulation of NW services through new service development and enhancement of existing offerings
- Expect increasing demand driven by cybersecurity needs and industry- and domain-optimized platforms
- Price revision for partial services (Apr. 2026) to add slightly less than ¥0.8 bn in revenue in a year
- No consideration on mobile data interconnectivity reimbursement, same as FY25
- Approx. ¥1.5 bn of enterprise mobile device revenue will be recognized in 1Q26
- Gross margin expected to be almost at the same level as FY25

◆ SI

- Plan to recognize revenue from SI order backlog and new order acquisition
- Strong demand environment expected to support continued acquisition of large-scale projects
- Gross margin expected to improve slightly compared to FY25, driven by continued growth in recurring O/M revenue and scale merits

◆ Costs and SG&A

- Increases in line with business growth, including headcount increase, as well as due to inflation; annual salary increase rate of approx. 6% (including revision of salary table)
- Reversal impact of a one-time gain (¥1.17 bn) from the revision of retirement benefit plans in 2Q25, leading to a slight YoY decrease in 1H26 profit outlook

◆ Other

- Non-operating income/expenses: Assuming exchange rate ¥155/USD, expect foreign exchange losses
- Equity method income/loss is assumed to be -¥1.3 bn (including DeCurret(*): JPY -¥1.5 bn)
- CAPEX: Approx. ¥38.0 bn

Shiroi DC 3rd site: CAPEX outlook

FY24	FY25	FY26 (forecast)	Cumulative (forecast)
Approx. ¥0.3 bn	Approx. ¥8.5 bn	Approx. ¥18.0 bn	Approx. ¥27.0 bn

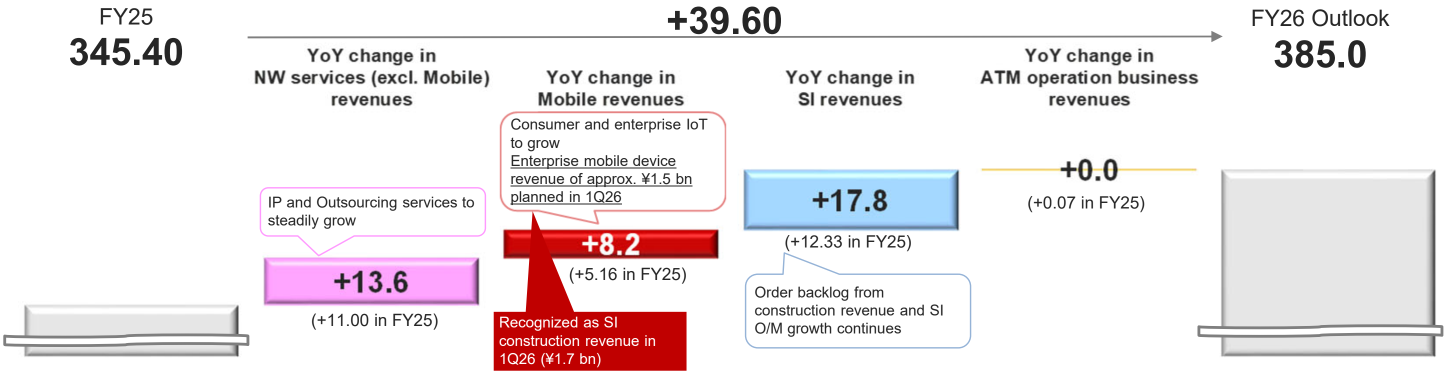
- Net increase in consolidated employees: Approx. +400 (including 277 new graduates)

* Equity-method affiliate DeCurret Holdings, Inc. changed its trade name to DCP Co., Ltd. on July 1, 2026

Year over Year Analysis

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

Revenues



IP and Outsourcing services to steadily grow

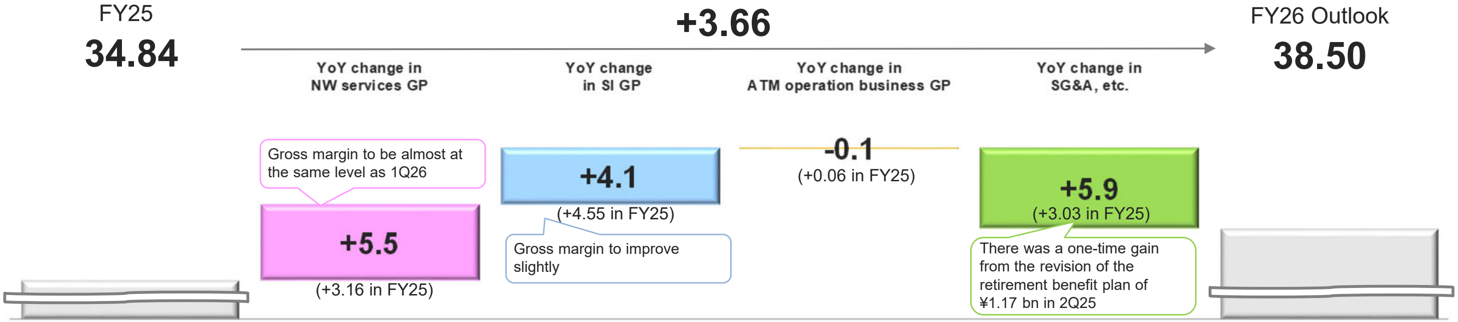
Consumer and enterprise IoT to grow
Enterprise mobile device revenue of approx. ¥1.5 bn planned in 1Q26

Recognized as SI construction revenue in 1Q26 (¥1.7 bn)

Order backlog from construction revenue and SI O/M growth continues

- 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



Gross margin to be almost at the same level as 1Q26

Gross margin to improve slightly

There was a one-time gain from the revision of the retirement benefit plan of ¥1.17 bn in 2Q25

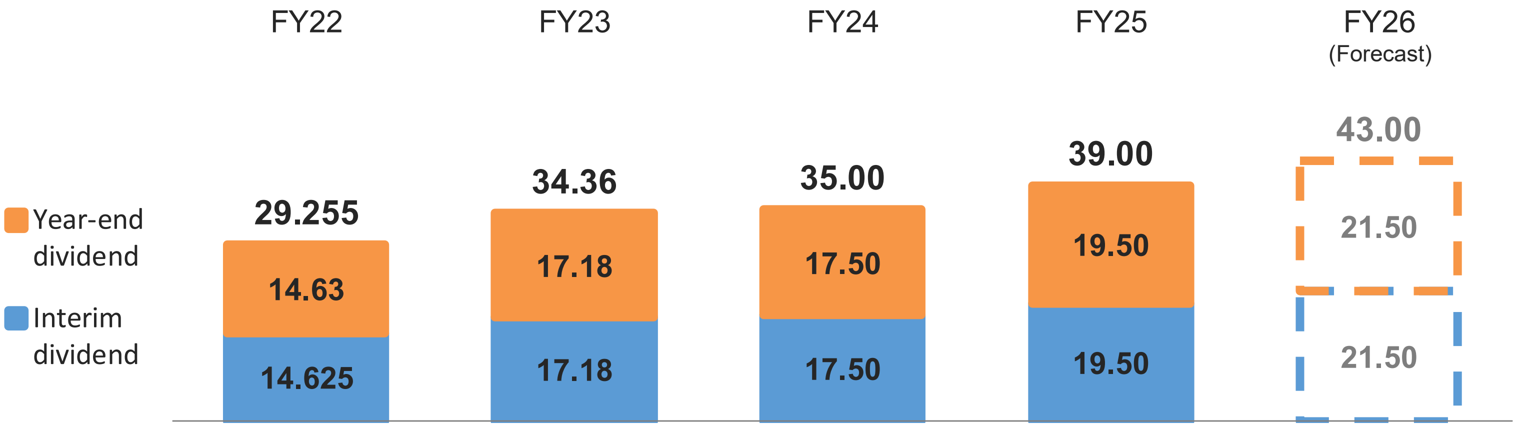
- NW services gross profit consists of gross profit related to NW revenues (excl. Mobile) and Mobile revenues (The two services have costs in common and cannot be broken down in accounting terms)
- SG&A, etc. in this slide represents the sum of SG&A, which includes R&D expenses, and other income/expenses

Shareholders’ Return

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	28.0%	30.7%	31.1%	28.6%	30.5%

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
- 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

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

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 FY26 forecast ¥385.0 bn
FY23 ¥276.1 bn → 1.4 times → FY26 ¥380.0 bn

Operating Profit FY26 forecast ¥38.5 bn
FY23 ¥29.0 bn → 1.6 times → FY26 ¥46.0 bn

Net Profit FY26 forecast ¥25.0 bn
FY23 ¥19.8 bn → 1.5 times → FY26 over ¥30.0 bn

ROE FY26 forecast 15.8%
FY23 16.3% → +2.7 pt. → FY26 19%

Human Capital FY26 forecast around 5,930
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

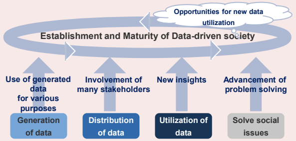
Continuous expansion of NW infrastructure Pursuit of differentiation

- 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

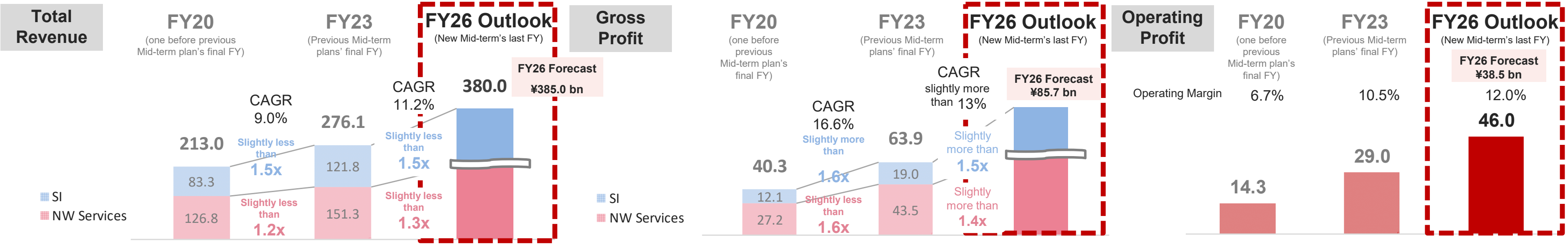
Complement growth through M&As

- 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

Profit level trending below expectations

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

Execution progressing as planned

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

Pipeline exists, but M&A execution remains uncertain

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 scopes 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 forecast	Initial Mid-Term Plan targets for FY26	
Total Revenue	¥276.1 bn	¥385.0 bn	¥380.0 bn	¥500.0 bn
Operating Margin	10.5%	10.0%	12%	12% ~ 15%
Payout ratio		30.5%	30%	30% ~ 40%

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

Supplemental Business Information

Detailed Business Overview

Internet Initiative Japan Inc. (IIJ)

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

August 2026

Outline

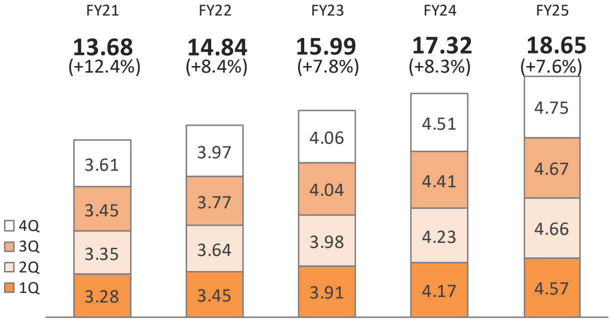
Enterprise Network Services

IIJ’s enterprise network services’ business model: Cost doesn’t have to increase at the same pace as the revenue: economies of scale

IP service (Internet Protocol)

- ◆ IP Service is a bandwidth guaranteed dedicated Internet connectivity service for enterprises
- ◆ Service contracts are based on bandwidth. Minimum contract period is 1 year
- ◆ The revenue is 100% recognized in Internet connectivity services (Enterprise)
- ◆ Very low churn rate. Contracts are renewed every year, generally speaking
- ◆ IIJ has very high and stable market share among Japanese blue-chip
  - ➢ Difficult to newly enter the market because one will need customer base and engineers to operate Internet
    - IIJ’s IP services clients include general Japanese enterprise as well as NW operators such as consumer ISPs and cable TV operators

IP Service Revenue (unit: ¥ billion)



Business model

Cost

- ◆ IIJ purchases fiber from carriers
  - ➢ As one of the largest independent ISPs, IIJ has strong bargaining power
  - ➢ IIJ expands its Internet backbone continuously
- ◆ IIJ owns NW equipment that are needed for Internet backbone and NW service facility
  - ➢ NW operation cost which is many depreciation amortization costs for NW equipment is stable due to the technological innovation of servers and other NW equipment
    - In other words, ¥1 million server today is higher spec compared to the ¥1 million server a year ago

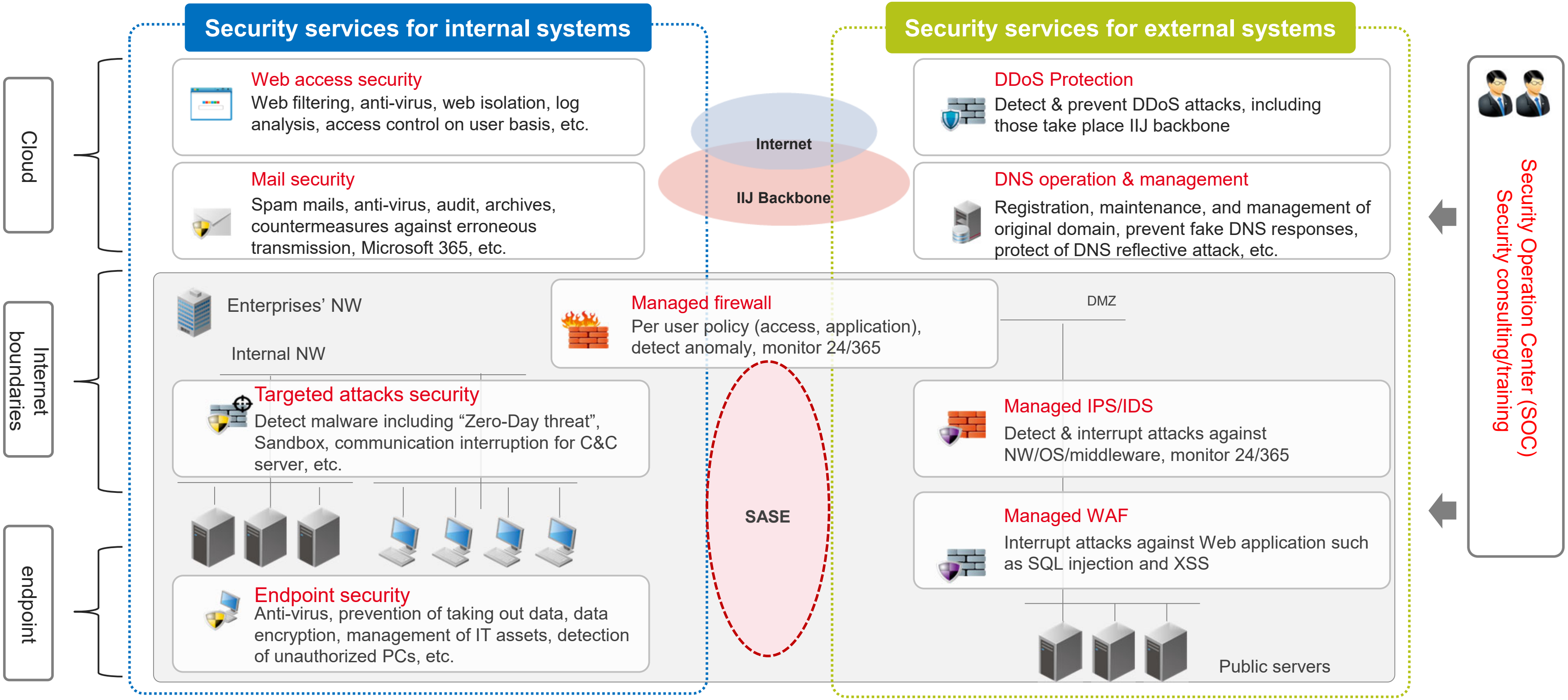
Revenue

- ◆ Enterprise NW service revenues such as IP services and Outsourcing services are to continuously increase while their costs remain relatively stable
- ◆ By that, IIJ can enjoy an economy of scale with strong revenue accumulation which leads to gross profit expansion
- ◆ In other words, the costs for enterprise NW services do not have to increase at the same pace the revenue growth

Security Business (1)

Supplemental Business Information

- Provide a wide range of security services over network
- Information analysis platform utilizing information and expertise only available to ISPs



Security services for internal systems

Web access security
Web filtering, anti-virus, web isolation, log analysis, access control on user basis, etc.

Mail security
Spam mails, anti-virus, audit, archives, countermeasures against erroneous transmission, Microsoft 365, etc.

Targeted attacks security
Detect malware including "Zero-Day threat", Sandbox, communication interruption for C&C server, etc.

Endpoint security
Anti-virus, prevention of taking out data, data encryption, management of IT assets, detection of unauthorized PCs, etc.

Managed firewall
Per user policy (access, application), detect anomaly, monitor 24/365

Security services for external systems

DDoS Protection
Detect & prevent DDoS attacks, including those take place IIJ backbone

DNS operation & management
Registration, maintenance, and management of original domain, prevent fake DNS responses, protect of DNS reflective attack, etc.

Managed IPS/IDS
Detect & interrupt attacks against NW/OS/middleware, monitor 24/365

Managed WAF
Interrupt attacks against Web application such as SQL injection and XSS

Security Operation Center (SOC)
Security consulting/training

- SASE (Secure Access Service Edge) is a concept to shift controls of NW and security on the route to Cloud services to enable secure access from any points, instead of the conventional centralized management through headquarters or data centers.

Security Business (2)

➢ Many initiatives taken by IIJ for security

1994	Started providing firewall services (first in Japan)
1999	Started providing fully-managed firewall services (first in Japan)
2004	Started providing spam mail filtering (first in Japan)
2005	Added sender domain authorization technology/spam mail protection (first in Japan), Started providing IIJ DDoS Protection Services
2006	Started providing IIJ Managed IPS Service and **IIJ Secure MX Service (SMX)**
2009	**Started providing IIJ Secure Web Gateway Service (SWG)**
2015	Added sandbox option (function to detect behaviors as a countermeasure against targeted attacks)
2016	Constructed information analysis platform (constructed platform to analyze log data within our backbone to realize early detection and countermeasures against increasingly sophisticated threats)
2017	**Started providing DDoS Protection Service (terabit-compatible), Opened new Security Operation Center (SOC) and started providing C-SOC Service**
2018	**IIJ Security engineers provided trainings at an international security conference “Black Hat USA 2018” (first as Japanese)**
2018	Started providing IIJ Secure Endpoint Security Service
2019	Started providing IIJ Managed WAF Security Service (public web system vulnerability countermeasures)
2021	Started providing IIJ CSPM Solution (Cloud Security Posture Management which means cloud security management)
2021	**Opened IIJ Security Training School (launched business for IT division personnel assigned for security to become specialists)**
2022	**Started providing IIJ Secure Access Service (in-house developed SASE service)**
2023	IIJ Security Business division director was appointed as Kanto Regional Police Bureau’s cyber security advisor
2025	Started proving IIJ Security Doctor in which IIJ security experts provide comprehensive support for customers’ security measures & operations

Certification of multiple international standards

Feb. 2020 Mail, Web Security Services
Apr. 2020 IIJ Managed IPS/IDS Services
Mar. 2021 DDoS Protection Service, IIJ Managed WAF

Continued afterwards

Security Business (3)

IIJ Secure MX Service (SMX)

- Cloud-based integrated mail security service (launched in Sep. 2006)
- Differentiating by in-house developed filtering, providing support in Japanese, update, etc.
    - Minimize mail threats with multi filtering, able to store unlimited mail data in DCs located in Japan, prevent accidental transmission/information leak with the system
- Competitors withdrawing from the market

Cloud based mail security market

Share No.1

＜Source＞ITR “ITR Market View: Cyber Security counter market 2023”

IIJ Secure Web Gateway Service (SWG)

- Cloud-based integrated web security service (launched in Mar. 2009)
- Differentiating by in-housed developed engines, etc. to block and isolate web functions, etc.
- SWG clients include Sumitomo Life Insurance, Fuji TV, Mitsubishi Chemical, Meiji Gakuin University, and Morinaga

10 consecutive years

＜Source＞ITR “ITR Market View: Cyber Security counter market 2023”

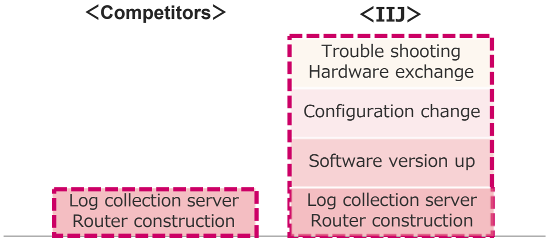
IIJ DDoS (Distributed Denial of Service) Protection Service

- Comprehensive service to protect enterprise NW system from DDoS attacks (launched in Oct. 2005)
- Service model requires NW backbone to offer
    - Realize reliable web services by avoiding overloaded NW and server triggered by huge traffic
    - 24/365 operation by security engineers who have expertise obtained through ISP business
    - Automatically detect and prevent DDoS attacks
    - Internet access line are also within service coverage
    - Global coverage to prevent terabit level large-scale attack (Jan. 2017)
- High penetration rate toward large financial institutions

IIJ C-SOC (Security Operation Center) Service

- Comprehensive security incident response service provided by IIJ security engineers
- Operational SOC service unique to ISPs: visualize invisible threats by applying IIJ’s unique intelligence, execute initial response, etc.
- Individual service operation and monitoring including other managed services
- Relatively expensive service

Coverage comparison

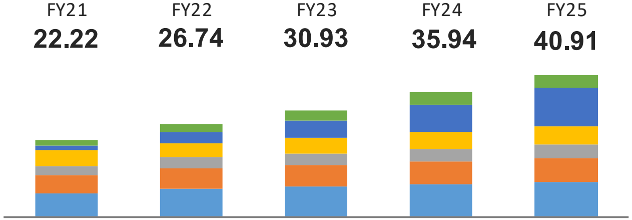


Security Business (4)

Unit: ¥ (JPY) billion

Security Service (monthly recurring revenue)

◆ **Revenue strongly increasing along with continuous strong demands**



◆ **Total security business volume also growing**

- ➢ Security projects outside the scope of IIJ security services are handled through SI

Total security business volume (Service + SI)	FY21	FY22	FY23	FY24	FY25
	25.4	31.3	34.8	41.6	48.4

◆ **Strong demand for "IIJ C-SOC Service"**
Greater opportunity to integrate it as part of large NW renewal projects

- ➢ IIJ's competitive advantages:
  - Collaborate with various in-house devolved managed type gateway security services
  - Wide monitoring scope including EDR & SASE
  - Apply abundant traffic log data to develop IIJ's unique intelligence as well as detect threats

◆ **Collaborate with Uzbektelecom on security service development**

- ➢ Uzbektelecom plans to launch its own NW security service in Uzbekistan and Central Asia, collaborating with "IIJ Safous Service"

◆ **Continued to enhance service line-ups and functions**

- ➢ "IIJ Safous Service" was awarded "Global InfoSec Awards" and "Cybersecurity Excellence Awards" at RSA Conference 2024 in May 2024 (7 awards in total)
- ➢ First in the Asia-Pacific to be certified as Palo Alto Networks Partner for SP Interconnect, providing Internet connection between Prisma Access and IIJ Backbone (Apr. 2024)

Mail Security

- ➢ Full outsource of mail system, countermeasures for spam mail, etc.
  - Number of e-mail services' accounts for enterprise exceeded 10 million in Jul. 2024
- ➢ IIJ Secure MX Service (SMX)
  - Cloud-based integrated mail security service (launched in Sep. 2006)
  - Differentiating by in-house developed multi-filtering, providing support in Japanese and upgrades
  - Minimize mail threats with multi-filtering, able to store unlimited mail date in DCs located in Japan, prevent accidental transmission/information leak with the system

NW Security

- ➢ IIJ DDoS Protection Service
  - Comprehensive service to protect enterprise network system from DDoS attacks (launched in Oct. 2005)
  - Service model unique to NW operators
  - Realize reliable web services by avoiding overloaded network and server triggered by huge traffic, global coverage to prevent terabit level large-scale attack (launched in Jan. 2017)
- ➢ IPS/IDS, WAF, etc.

FW (Firewall)

- ➢ Outsource of firewall operation, detection system for anomaly, etc. (launched in Oct. 2006)

Web GW

- ➢ Full outsource of web security, URL filtering,
- ➢ IIJ Secure Web GW Service (SWG)
  - Cloud-based integrated web security service (launched in Mar. 2009)
  - Differentiating by in-housed developed engines etc. to block and isolate web functions, etc.

SASE

- ➢ Operation of Prisma Access, Zscaler etc.
  - Highly regarded as a top-class SASE implementation & operation vendor
  - From a vendor neutral position, provide all-in-one support ranging from solution selection, design, construction, implementation to operation
- ➢ IIJ Secure Access Service "ISA"
  - In-house developed SASE service (launched in Sep. 2022)
  - Differentiating by high compatibility with other IIJ security services, small start & low-price range
  - Continue to enhance the service, in the middle of setting up

SOC and others

- ➢ IIJ C-SOC Service
  - Launched in Oct. 2018
  - Operational SOC service unique to ISPs: visualize invisible threats by applying IIJ's unique intelligence, execute initial response as well as notification etc.
  - Continuously expanding functions including recently launched "Premium" in May 2021 which offers primary responses against attacks
- ➢ Endpoint Security, etc.

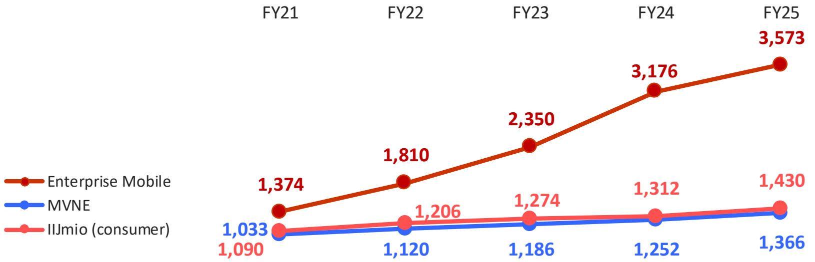
- Security Service Revenue (recurring) is 100% recognized in Outsourcing
- SASE (Secure Access Service Edge) is a concept to shift controls of NW and security on the route to Cloud services to enable secure access from any points, instead of the conventional centralized management through headquarters or data centers. This concept is gaining popularity along with Cloud migration of enterprise operation systems, prevalence of flexible workstyle including teleworking.
- SOC (Security Operation Center): organization providing advices and actions regarding cyber attacks by constantly monitoring log data such as NW and device to detect and analyze cyber attacks

Mobile Business (1)

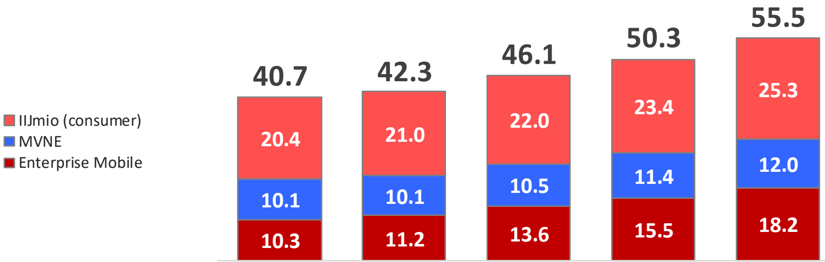
Unit: ¥ (JPY) billion (bn)
%, YoY = Year over year comparison
QoQ = Quarter over quarter comparison

- ➢ **Accumulate enterprise IoT traffic by leveraging the blue-chip client base, various NW services & SI function - higher utilization of the mobile infrastructure**
- ➢ **Consumer subscription contributing to expand the infrastructure**

Mobile Subscription



Mobile Revenue



Number of MVNE clients	170	181	192	201	212

- Enterprise mobile primarily refer to direct offerings for IoT and similar usages such as connecting security cameras and other devices.
- MVNE (sales of service to other MVNOs) refers to IIJ Mobile MVNO Platform Service. The clients include Aeon retail and Mercari
- FY21 IIJmio revenue decreased YoY due to the launch of significantly lower-priced GigaPlans

IIJ's mobile business model

◆ Revenue

- ➢ Consumer mobile revenue is calculated as the number of subscriptions multiplied by ARPU.
- ➢ Sales of headsets are also recognized as consumer revenue. IIJ is recognized as an MVNO with a strong lineup of smart phones.
- ➢ Enterprise mobile revenue is expected to grow with IoT/M2M traffic. Since IoT devices typically require minimal data, per-device revenue tends to be low.

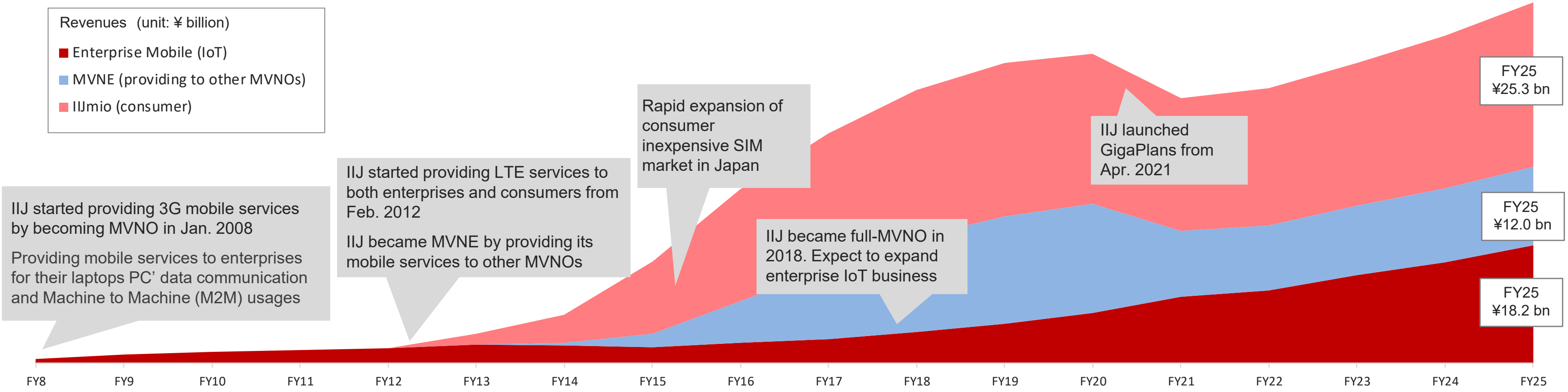
◆ Cost

- ➢ All IIJ mobile services are provided through a unified mobile infrastructure.
- ➢ IIJ purchases mobile bandwidth primarily from Docomo and, to a lesser extent, KDDI. These costs are recorded as "outsourcing" under network service expenses.
- ➢ Voice services are purchased on a per-usage basis, so there is no economy of scale benefit for voice.
- ➢ Sales commissions (SG&A) are paid to sales partners such as BICCAMERA INC.

◆ Profit

- ➢ Profitability is expected to improve by increasing infrastructure utilization through the aggregation of consumer and enterprise traffic.
- ➢ Consumer and enterprise traffic patterns differ:
    - Consumers: Peak usage occurs during commuting hours and lunch breaks. Outside these times, most access the Internet via home or office Wi-Fi.
    - Enterprise: No clear peak usage; traffic is generated by mobile dongles and IoT devices operating 24/7

Mobile Business (2)



IIJ started providing 3G mobile services by becoming MVNO in Jan. 2008

Providing mobile services to enterprises for their laptops PC' data communication and Machine to Machine (M2M) usages

IIJ started providing LTE services to both enterprises and consumers from Feb. 2012

IIJ became MVNE by providing its mobile services to other MVNOs

Rapid expansion of consumer inexpensive SIM market in Japan

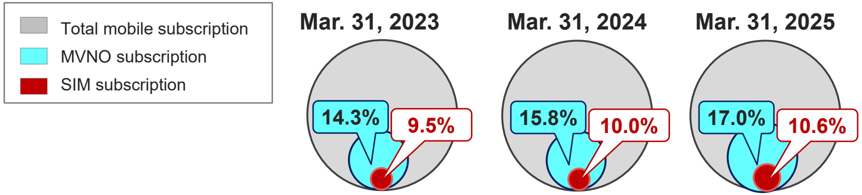
IIJ became full-MVNO in 2018. Expect to expand enterprise IoT business

IIJ launched GigaPlans from Apr. 2021

Sales Channel of Consumer Mobile

1. Direct sales through IIJ's website
2. Sales partners include BICCAMERA INC. one of the largest retailers in Japan, and Japan Airlines. IIJ pays sales commission expenses to sales partners
3. MVNE "IIJ Mobile Platform Service" IIJ provides mobile services to other MVNOs. Most of the MVNE clients are Japanese cable TV operators who already have direct relationship with consumers. Largest MVNE client is one of the largest Japanese retailers

Consumer inexpensive SIM market in Japan



- Source: the Ministry of Internal Affairs and Communications (MIC)

SIM type MVNO market share in Japan

	Sep. 30, 2024		Mar. 31, 2025	
1st	**IIJ**	**29.0%**	**IIJ**	**31.5%**
2nd	NTT Docomo	11.0%	Optage (mineo)	9.9%
3rd	Optage (mineo)	10.0%	NTT Docomo	8.7%
4th	JCOM	5.7%	JCOM	5.8%
5th	AEON Retail	5.7%	AEON Retail	5.6%

- Source: MM Research Institute https://www.itmedia.co.jp/mobile/articles/2507/03/news095.html
- Aeon Mobile (AEON Retail) is using IIJ's MVNE platform service

Mobile Business (3)

Including tax

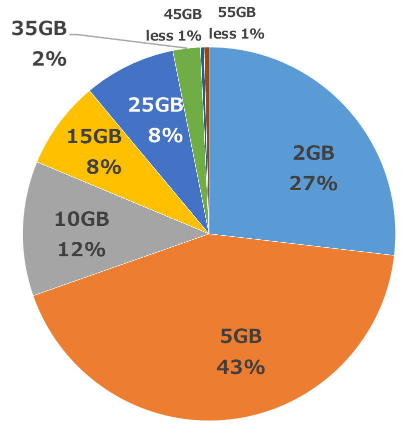
Price list for “IIJmio GigaPlans”

- The price list was updated in Mar. 2025. The 15GB plan was 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** *from Mar. 2026
	Data-only	From ¥1,730 to **¥1,530** *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 Jun. 30, 2026



Shift from low bundled to mid-to high bundled plans

	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025	Dec. 31, 2025	Mar. 31, 2026	Jun. 30, 2026
2GB	33%	30%	29%	28%	28%	27%
5GB	44%	44%	44%	43%	43%	43%
10GB	11%	13%	13%	14%	13%	12%
15GB	4%	3%	3%	4%	6%	8%
25GB	7%	8%	8%	8%	8%	8%

- As of Jun. 30, 2026, 83% of IIJmio GigaPlans were with voice plan

Mobile Business (4)

◆ NTT Docomo’s Mobile data interconnectivity charge (Mbps unit charge･monthly)

Fiscal Year	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
New						Announced in Mar. 2026 ¥10,931 +0.5% YoY	¥10,104 -7.6% YoY	¥9,488 -6.1% YoY
Fixed	¥27,024 -27.5% YoY	¥19,979 -26.1% YoY	¥15,042 -24.7% YoY	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. 2025 ¥10,874 -15.5% YoY	¥10,383 -4.5% YoY	¥9,052 -12.8% YoY	
				Announced in Mar. 2024 ¥12,862 -14.5% YoY	¥10,874 -15.5% YoY	¥10,708 -1.5% YoY		
			Announced in Mar. 2023 ¥15,644 -21.7% YoY	¥13,084 -16.4% YoY	¥11,255 -14.0% YoY			
		Announced in Apr. 2022 ¥20,327 -24.8% YoY	¥15,697 -22.8% YoY	¥13,207 -15.9% YoY				
	Announced in Mar. 2021 ¥28,385 -23.9% YoY	¥22,190 -21.8% YoY	¥18,014 -18.8% 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

Mobile Business (5)

- **Most of current enterprise mobile solution are simple usage such as connecting NW and surveillance cameras, etc.**

Accumulating various enterprise mobile solutions

Network Cameras

- Store marketing cameras
- Security cameras for apartment complexes, etc.
- Surveillance cameras for material storage sites, etc.
- Security cameras
- River water level remote monitoring

Office IT

- iPads and tablets
- Remote work (teleconferencing)
- Business / IP transceivers
- Store visitor management systems
- Built-in SIMs for PCs

B-to-C

- Karaoke communications
- Child monitoring devices
- Networking between devices at game arcades
- Currency exchange machines for foreign visitors to Japan
- Cashless payment terminals

Transportation

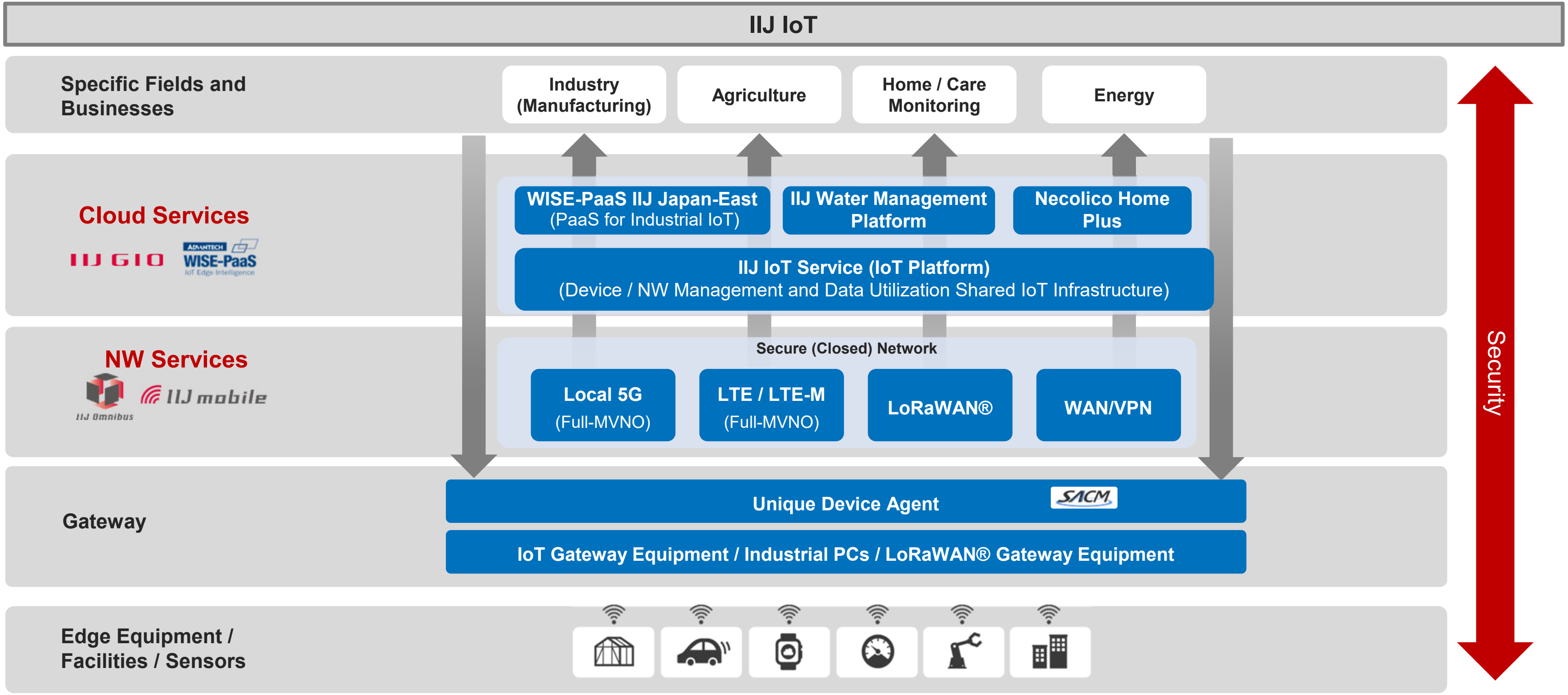
- Dashcams
- Taxi dispatching
- Bus locational information
- Remote key locking and unlocking

Corporate Activities / Other

- Structural health monitoring terminals
- Plant equipment management
- Natural disaster observational data collection
- Vending machines
- Rice paddy water management
- Shrimp cultivation
- Mobile sales offices
- Digital signage

IoT Business (1)

Combining IIJ's existing service lineups and SI to build IoT systems



IIJ IoT

Specific Fields and Businesses

- Industry (Manufacturing)
- Agriculture
- Home / Care Monitoring
- Energy

Cloud Services

- WISE-PaaS IIJ Japan-East (PaaS for Industrial IoT)
- IIJ Water Management Platform
- Necolico Home Plus
- IIJ IoT Service (IoT Platform) (Device / NW Management and Data Utilization Shared IoT Infrastructure)

NW Services

Secure (Closed) Network

- Local 5G (Full-MVNO)
- LTE / LTE-M (Full-MVNO)
- LoRaWAN®
- WAN/VPN

Gateway

- Unique Device Agent
- IoT Gateway Equipment / Industrial PCs / LoRaWAN® Gateway Equipment

Edge Equipment / Facilities / Sensors

IoT Business (2)

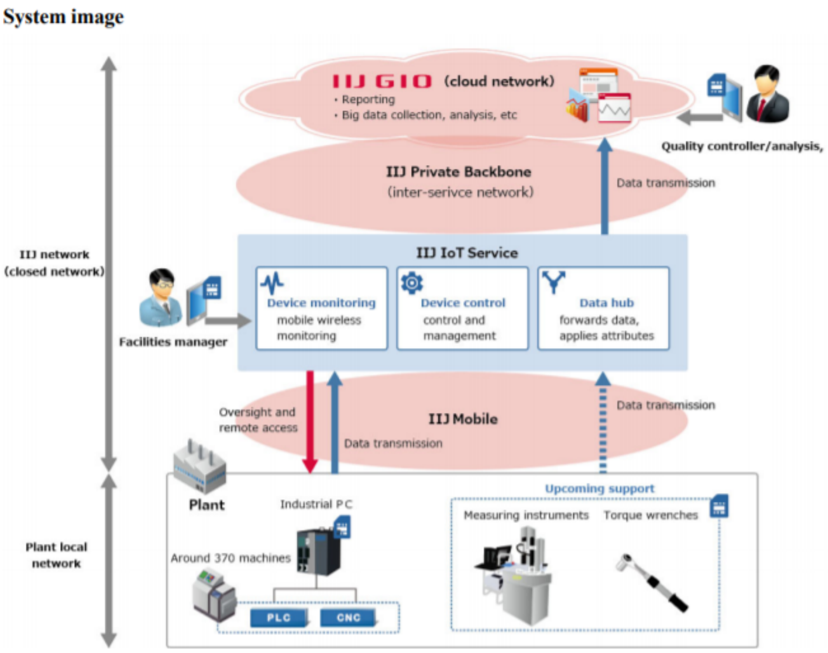
IIJ's IoT projects

Industrial machinery manufacturers	Shift from reactive post-sales maintenance model to proactive field services (making predictions based on data)
Car accessory manufacturers	Expansion of service businesses by acquiring data through the networking of products and establishing software technology development organizations to develop services that use that data
Measuring instrument manufacturers	Expansion of services to streamline & improve the accuracy of recording tasks by going beyond just "measuring" things & providing linking data customers measure with their business systems
Automotive manufacturers	Improved efficiency of equipment management to cover personnel shortages, analyzing the expertise of skilled workers in maintaining operating capacity and implementing traceability to ensure quality
Trading companies (agriculture)	Shift from the sales of pesticides & chemical fertilizers to the provision of pesticide spraying technologies that reduce the amount used, & the development of cutting-edge agricultural technologies

Advanced IoT usage: factory IoT

◆ **IIJ provides IoT system for Toyota Motor Hokkaido**

- Providing a one-stop solution by offering mobile and Cloud services from data collection via closed mobile network to creation of a cloud platform for visualizing and analyzing the collected data.



IoT Business (3) New JV with SONY for soil moisture sensing business

Company Overview

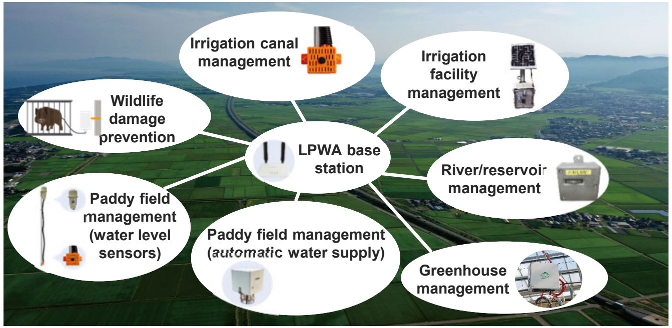
Company Name	Sensiphia, Inc.
Shareholders	IIJ: 85%, Sony Semiconductor Solutions Corporation (“Sony”) : 11%, Other: 4%
Capital, etc.	¥559 million
Establishment	February 20, 2026
Representative	Representative Director, President & CEO: Toru Saito (Former Deputy Division Director, IoT Business Division, Network Services Business Unit, IIJ)
Business Overview	Development, sales, and support of moisture sensors and agricultural support services using soil moisture sensing technology

Background of Establishment / Business Development

- IIJ provides smart agriculture solutions that integrate communication infrastructure, sensor devices, and data management as part of its IoT business since 2019. By combining these with Sony’s technological expertise in sensor development, Sensiphia is to develop and offer products and services that enhance operational quality and efficiency in agricultural field
- As a data-driven agricultural support service leveraging sensor data, Sensiphia is to provide comprehensive support for irrigation optimization, efficient water usage, and yield improvement
- Sensiphia will initially focus on the domestic facility cultivation market, with medium- to long-term expansion plan into overseas facility cultivation and open-field agriculture

IIJ’s Strengths

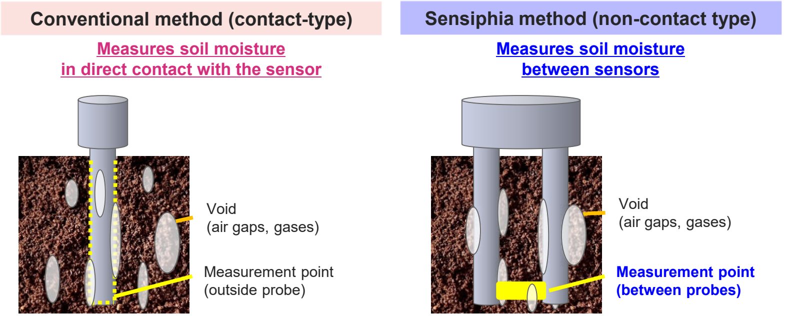
- Extensive know-how in developing IoT businesses in the agriculture sector, built through collaboration with local governments nationwide in deploying communication infrastructure for agricultural areas
- Capability to build and operate wide-area communication infrastructure, including support for regions with poor mobile network coverage



*LPWA (Low Power, Wide Area): A wireless communication technology optimized for IoT/M2M applications, characterized by low power consumption and long-range connectivity.

Sony’s Strengths

- Unique sensor technology that is less affected by soil conditions
- Conventional methods measure soil moisture in direct contact with the sensor and are therefore affected by soil voids, whereas the Sensiphia method measures soil moisture between sensors using RF signals, enabling stable soil moisture measurement.



Conventional method (contact-type)

Measures soil moisture in direct contact with the sensor

Sensiphia method (non-contact type)

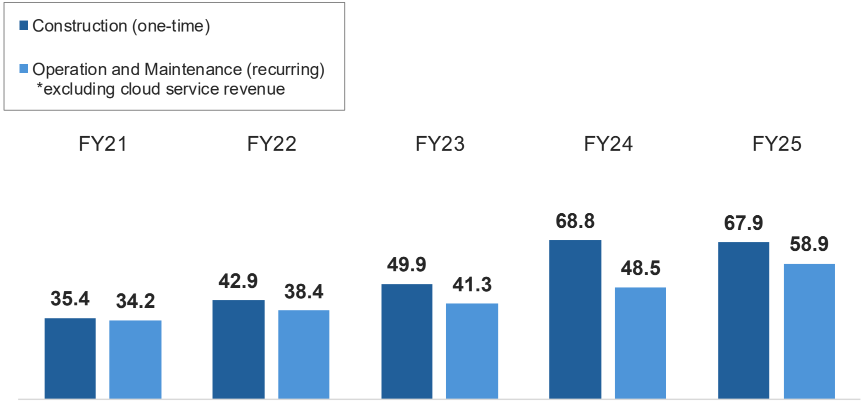
Measures soil moisture between sensors

*RF (Radio Frequency) signals: A high-frequency electromagnetic wave (radio wave) or electrical signal used for wireless communication and data transmission.

System Integration（SI）

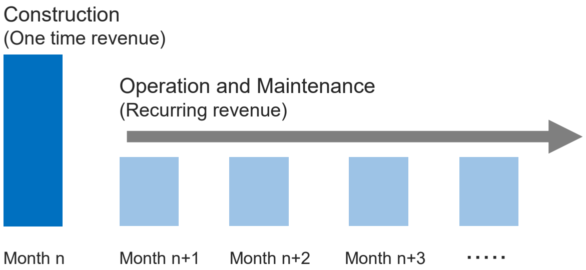
Unit: ¥ (JPY) billion (bn)

SI Revenue



- FY24 construction revenue includes approx. ¥5.0 bn of single large-scale project revenue for Chiba city

Image of revenue recognition



Overview of IIJ's SI Projects

Typical projects

Small-to-medium server construction projects
(building Internet gateway, etc.)
main cost: hardware

Network renewal projects
(upgrading corporate and/or municipal network infrastructure, etc.)

Short lead-time
Typically 1-6 months from order received to revenue recognition

Small revenue size
Revenue volume between few million to tens of millions (JPY)

New Trends
Replacement of conventional closed internal systems to Internet/cloud-related architecture
(details in page 3~5 of this presentation)

Complete enterprise network replacement projects
Involving large number of system engineers and outsourcing personnel

Recurring Revenue Included
Once construction is complete, recurring revenue opportunities arise from NW services and O/M

Longer lead-time and multi-year contract
1 year from order received to revenue recognition. Large-scale projects usually span 3 to 5 years under multi-year contracts

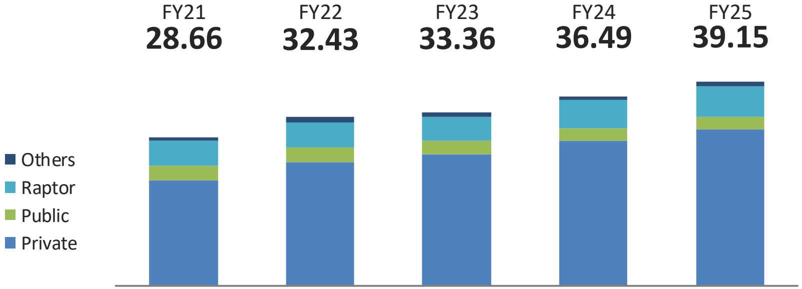
Large revenue size
We define large-scale projects as revenue volume over JPY1 billion

Cloud Services

Unit: ¥ (JPY) billion (bn)

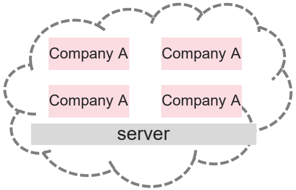
- **Cloud service as one of the cross-selling elements**
- **Promoting cloud shift of the current blue-chip Japanese clients**

Cloud Service Revenue

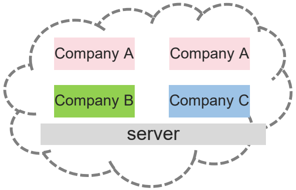


- Private cloud includes the followings: IIJ GIO Infrastructure P2 Gen.2 (launched in Oct. 2021) which is a next generation IaaS enabling easy Cloud migration from on-premise. It is highly transitional VMware base hosted private cloud. IIJ Unified Operation Management Service (UOM) (launched in Apr. 2017) which is management and operation cover wide range from cloud to on-premise, Improve efficiency with automated incident management etc. Multi-cloud, etc.
- Raptor is an in-house SaaS-based FX platform for online brokers, used by firms like Nomura, Sony Bank, and LINE Securities. The latest version, launched in Sep. 2023, offers a cloud-native design with enhanced scalability, performance, and security.
- Others include overseas cloud services provided by IIJ's global subsidiaries.

Private cloud
(dedicated to one company)



Public cloud
(multi-tenant cloud)



Cloud Market in Japan

Slow cloud shift

The majority of corporate systems in Japan remain on-premise

Multi-cloud strategies

Avoid vendor lock-in while optimizing performance, cost, and resilience

Some advanced cases

Companies with strong CTO or CIO leadership tends to adopt a cloud-first approach

IIJ's Competitive Advantages

Established blue-chip client base

IIJ already has good relationship with IT departments of Japanese blue-chip corporations

Cloud as a new opportunity

Japanese blue-chip corporations' internal systems have long been operated by legacy SIers

Flexible Network Solutions

Enabling multiple ways to connect to the cloud

Hands-on salesforce

An experienced, client-focused sales team guide clients through every step of the cloud journey

Multi-cloud strategy

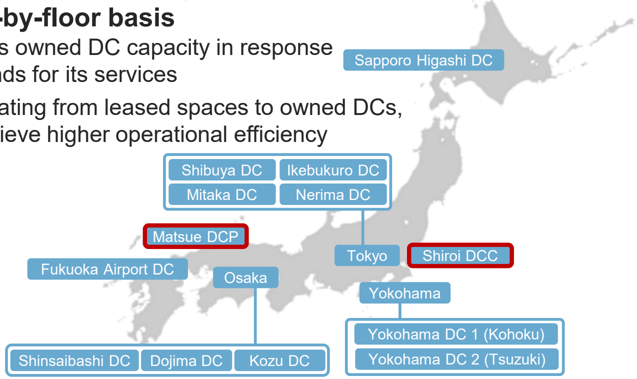
◆ **Japanese enterprises avoid relying on single cloud service vendor and prefer multi-cloud systems**

- Multi-cloud demands are generating demands for "IIJ Cloud Exchange Services" (revenue recognized in NW Services) which provide private connectivity to third vendor Cloud services such as AWS (Amazon), Microsoft, and Google
- IIJ provides operation and management services to effectively monitor an entire IT systems through IIJ UOM Service which covers IIJ's cloud services, other cloud vendors' cloud services and on-premise systems
- "IIJ GIO Infrastructure P2 Gen.2," was launched in Oct. 2021 to promote full-scale cloud shift of enterprise systems

Data Centers (DCs)

◆ **IIJ operates 13 DCs in Japan, 2 of which are owned by IIJ (as of Aug. 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 FY30			
	Results	FY23: 50%	FY24: 55%	FY25: 65%
Improvement of energy conservation	To keep the PUE of the DC at or below the industry's highest level (1.4) until FY30 through continuous technological innovation			
	Results	FY23	FY24	FY25
	Matsue DCP	1.33	1.34	1.38
	Shiroi DCC	1.36	1.32	1.31

- 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. A PUE of 1.4 or below is generally considered best-in-class in the industry.
- 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

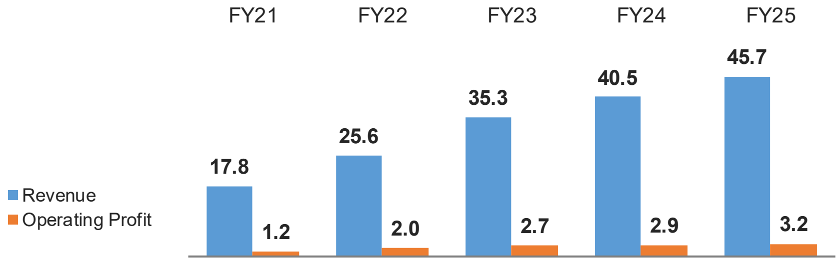
	Matsue DCP (opened in Apr. 2011)	Shiroi DCC (opened in May 2019)
Objective	Used as facilities to accommodate in-house service infrastructure (cloud, network, security, etc.)	
Location	Matsue City, Shimane Prefecture	Shiroi City, Chiba Prefecture
Features	• Container-type DC modules and system modules developed by IIJ • First deployment in Japan of IIJ's external air-cooling container unit • Modular container-based design enables phased expansion in line with demand • Renewable energy generated via on-site large-scale solar panels • Dedicated containers for individual customers also available	• Energy-efficient technologies including external air cooling • System module approach allows flexible and low-cost capacity expansion • Use of lithium-ion batteries to reduce peak power demand during summer • Renewable energy generation via on-site solar panels • Direct procurement of non-fossil certificates to supply effectively renewable energy • Supports diversified colocation needs
Land	Approx. 16,000m^2	Approx. 40,000m^2
Capacity	Approx. 700 racks • Site 1 ✓ IT module: approx. 100 racks (since Apr. 2011) ✓ System module: approx. 300 racks (since Jun. 2025) • Site 2 ✓ Approx. 300 racks (since Nov. 2013)	Approx. 1,800 racks • 1st site: approx. 700 racks (since May 2019) • 2nd site: approx. 1,100 racks (since Jul. 2023)
Recent Developments	• System module building started operations (Jun. 2025)	• 2nd site is to be fully occupied around FY26 by IIJ's own service facilities and collocation • 3rd site construction ✓ Expected CAPEX: approx.¥27.0 bn ✓ Started constructing from Jun. 2025 ✓ Scheduled operation from FY26 ✓ Construction area: approx. 5,400m^2 ✓ Approx. 1,000 racks

Overseas Business

Unit: ¥ (JPY) billion (bn)

◆ **IIJ started expanding overseas business around FY11 to strengthen relationship with Japanese clients**

Financial Performance



- Overseas business is mostly recognized as SI revenue
- PTC, a Singaporean system integrator, became a wholly owned subsidiary of IIJ on April 1, 2021.

Overseas Projects

- ◆ IIJ has exported its container-type data centers to the Republic of Laos, Uzbekistan and other emerging countries to support the development of IT infrastructures
- ◆ Through “Crossborder Co-DataBiz Platform,” IIJ and Murata Manufacturing provide end-to-end IoT services for Japanese companies expanding into Southeast Asia, including traffic counter systems, vehicle type classification, and AI-based road damage detection
- ◆ IIJ has conducted an IoT-based shrimp farming project in Thailand to optimize water quality and improve aquaculture productivity

Overseas Offices

Europe
London,
Dusseldorf

Asia
Shanghai, Hong Kong, Wuxi,
Bangkok, Hanoi, Ho Chi Minh,
Singapore, Jakarta,
Petaling Jaya (Malaysia)

America
New York,
Los Angeles,
San Jose

Initiatives in ASEAN

◆ While the IT markets in the U.S. and Europe are relatively matured, those in show strong growth potential. IIJ has established joint ventures with local carriers in ASEAN regions, primally to provide cloud services:

  - with Biznet Networks in Indonesia (Mar. 2015)
  - with T.C.C. Technology Co., Ltd, in Thailand (Feb. 2016)
  - with FTP Telecom Partner in Vietnam (Nov. 2016)

◆ IIJ acquired Singapore-based SIer PTC in April 2021. PTC serves blue-chip clients with high-quality server and storage solutions. PTC was named NVIDIA’s first DGX-Ready Managed Services partner in Asia Pacific, supporting AI infrastructure deployment across Southeast Asia including Thailand and Singapore

DeCurret and Digital Currency Business

Supplemental Business Information

Company Profile

DCP Co., Ltd. (DeCurret Holdings changed its name effective on July 1, 2026)

Business

- Digital currency business (Electronic Payment Services Provider)
- Growing number of commercialization projects driven by continued market adoption of tokenized deposit concepts
- FY26 costs are expected to increase, mainly due to higher development expenses associated with the expansion of the Financial Zone
- DCP related shares of loss based on ownership ratio : FY25 ¥0.8 bn, FY26 estimated: approx. JPY1.5 billion

Digital Currency Forum

- DCP serves as the secretariat and examines use cases for digital currencies
- Number of members:
  over 100 including enterprises and local governments
- 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)
- Chairperson: Hiromi Yamaoka (former Director-General, Payment and Settlement Systems Dept., BOJ)
- Senior advisor: Toshihide Endo (former Commissioner of FSA)

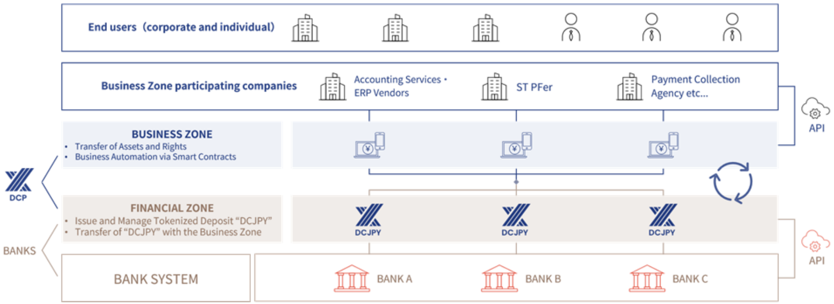
Shareholders (42 companies)

- 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.

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
Kyushu FG, Higo Bank, Kagoshima Bank	The first among regional banks to start joint study of DCJPY adoption
GAMBA OSAKA	Launch Proof-of-Concept for “Value-Circulating Fan Community” Utilizing Blockchain Technology
Fast Accounting, GMO Aozora Net Bank, IIJ	Conducted a PoC for automating corporate invoice payments.
JAPAN ASSOCIATION OF CHAIN DRUG STORES	Exploring the use of digital currencies
Visual Voice	Commenced a PoC experiment aimed at building a new community service utilizing digital currency technology and blockchain
SBI Security, Daiwa Securities, SBI Shinsei Bank, BOOSTRY, Osaka Digital Exchange	Completed the First Field Test for Security Token Payments Using Tokenized Deposits in Japan
Hokuriku Bank	Basic agreement signed for commercialization of DCJPY-based payment business

Tokenized Deposit Platform DCP



	Tokenized Deposits	Electronic Payment Instrument (Stable Coins)		
	DCJPY	Type Ⅰ	Type Ⅲ:specific trust beneficiary right (money trust)	Type Ⅳ
Governing and Related Laws	Banking Act, Deposit Insurance Act, etc.	Payment Services Act		
Legal Nature	Deposit claims	Assets Denominated in Currency (Claims Against the Issuer)	Trust Beneficiary Rights (Specified Trust Beneficiary Rights)	• Beneficial Interest in a Trust Under Foreign Law • Items specified individually by the Commissioner of the Financial Services Agency (None designated at this time)
Backing for Value	Bank deposits themselves (not underlying asset)	Charge Balance (Performance Bond)	Specified Trust Beneficiary Rights *2	(To be determined on a case-by-case basis)
Issuers	Banks	Money Transfer Service Provider*1	Trust banks, etc., and certain 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 a maximum transfer amount (e.g., for Type II money transfer operators, 1 million yen per transaction) *1	Trust banks have no maximum transfer limit, while trust companies have some restrictions.	• Trust Beneficiary Rights Under Foreign Laws • Items individually designated by the Commissioner of the Financial Services Agency as equivalent to Type Ⅰ through Ⅲ (none designated at this time)

*1: (Issuers and Characteristics of Type Ⅰ): Under the law, issuers of Type Ⅰ electronic payment instruments are “banks, etc., or money transfer operators.” However, since the requirements for issuance by banks have not yet been established, money transfer operators are expected to handle issuance for the time being. Furthermore, when issued by a Type Ⅰ money transfer operator, there is no upper limit on the amount per transaction (the limit is 1 million yen per transaction for Type Ⅱ).

*2: (Backing for Issue Type Ⅲ): “Specified Trust Beneficiary Rights” is the name of the instrument itself, and the underlying assets are trust assets (deposits, savings, etc.). The year 2025 amendment to the Funds Settlement Act (effective June 2026) allows for greater flexibility in the management and operation of underlying assets (such as government bonds).

CDN Business through JOCDN

Supplemental Business Information

◆ **IIJ established a CDN (Content Delivery Network) company with major Japanese broadcasters to meet growing demand for Internet content distribution, entering a market long dominated by Akamai Technologies**

Company Profile

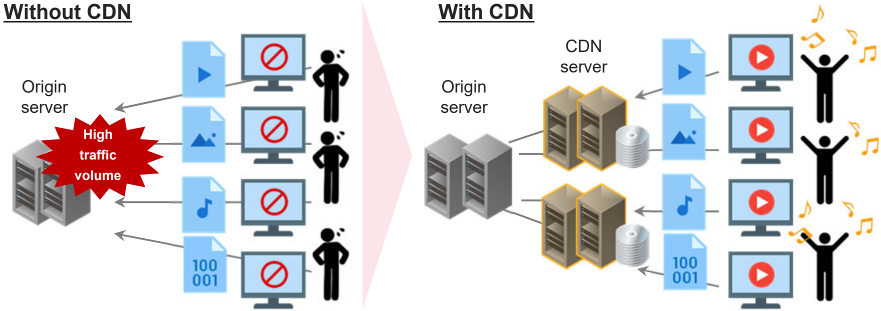
Name	JOCDN Inc. (IIJ's equity method investee)
Business	• Provide video streaming platform services domestically • Construct and operate broadcasting systems
Established	December 1, 2016
Shareholders	IIJ (largest shareholder with 16.8%), Nippon TV, TV Asahi, TBS, TV Tokyo, Fuji TV, WOWOW (Prominent satellite broadcaster in Japan), NHK (Japan's only public broadcaster) and non-Tokyo local broadcasters
Directors	Chairman: Koichi Suzuki (IIJ CEO) President: Naoshi Yoneyama (IIJ CIO)
Service Achievements	• Video streaming services for broadcasters • Video streaming services for broadcasters' affiliates • Live streaming for major sports events • Live game streaming • Website distribution via CDN

CDN Services

CDN allows for an optimized content delivery via cache servers between users and origin systems

Benefits of CDN:

- For users: faster network response and quicker downloads
- For enterprises: prevents excessive traffic from concentrating on the origin server



JOCDN's Strengths

Ensuring broadcast-level quality through fully in-house infrastructure

Advanced network architecture leveraging ISP expertise

Flexible and fast service support powered by Japan-based engineers

Infrastructure setup optimized for the nature of the content being delivered

ATM Operation Business

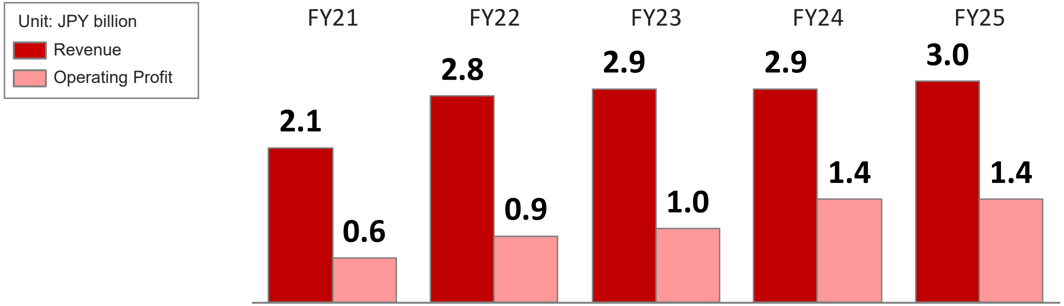
Business Model

- Similar to “Seven Bank” model
- Placing ATMs in pachinko parlors in Japan
  - After long discussion, started to place in Kanto, Kansai, Kyushu and Tokai areas
  - 7,665 pachinko parlors in Japan as of Dec. 31, 2022 (Source: National Police Agency)
- Receive commission for each withdrawal transaction

Trust Networks Inc.

- In charge of ATM operation business
- IIJ’s ownership: 80.6%
- Established in 2007
- Number of employees: about 10 personnel

Revenue and Operating Profit



- ATM (Automated Teller Machine)

- FY20 revenue significantly decreased from FY19 as the stores we had placed ATMs were closed temporally and fewer customers visited due to the COVID-19 pandemic and stay-at-home-order/request

IIJ
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.