

April 15, 2024

To: All Concerned Stakeholders

Company : ID Holdings Corporation
 Representative : Masaki Funakoshi, President,
 Representative Director and Group CEO
 (Securities Code: 4709; TSE Prime)
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Notice of Revision to Forecast of Consolidated Results for FY2023, Forecast of Consolidated Results for FY2024, and Dividend Forecast (Commemorative Dividend)

At the meeting of the Board of Directors held on April 15, 2024, ID Holdings Corporation (hereinafter “the Company”) resolved to revise its forecast of consolidated results for FY2023 (April 1, 2023 to March 31, 2024) announced on April 28, 2023.

The company also passed the following resolutions regarding the forecast of consolidated results for FY2024 and the dividend forecast.

1. Revision to forecast values of consolidated results for FY2023 (April 1, 2023 to March 31, 2024)

(1) Details of revision

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previously announced forecast (A)	(¥ million) 32,800	(¥ million) 2,630	(¥ million) 2,650	(¥ million) 1,520	(¥) 91.03
Revised forecast (B)	32,640	2,650	2,750	1,660	99.50
Amount of increase/decrease (B-A)	-160	20	100	140	-
Rate of increase/decrease (%)	-0.5	0.8	3.8	9.2	-
(Reference) Previous fiscal year results (FY2022)	31,101	2,424	2,504	1,402	84.54

(2) Reason for revision

In regard to the outlook for consolidated results for FY2023, we expect net sales to generally be in line with the initial forecast due to strong performance in system management, IT infrastructure, and cybersecurity consulting and education. In regard to income, although the Company made progress in measures such as returning profits to employees, we expect operating income, ordinary income, and net income attributable to owners of parent to exceed the initial forecast due to the expansion of high-margin DX-related businesses and an increase in foreign exchange gains caused by the impact of the weaker yen.

We expect net sales, operating income, ordinary income, and net income attributable to owners of parent to increase for the third consecutive fiscal year, and we expect all of these items to reach record highs.

2. Forecast of consolidated results for FY2024 (April 1, 2024 to March 31, 2025)

(1) Details of forecast of results

(% indicates YoY changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full-year	35,000	7.2	3,000	13.2	3,000	9.1	1,750	5.4	104.36

(2) Reason

In the information services industry to which the ID Group belongs, IT investment needs related to digital transformation (DX) aimed at creating and transforming new business models are robust and are expected to remain strong.

Amidst these circumstances and under our Medium-term Management Plan "Next 50 Episode II: Ride on Time," the Group will work to strengthen support for DX promotion at client companies and expand new business by enriching our own solutions. Furthermore, the Group will strategically allocate human resources to the high-margin advanced operations and IT infrastructure areas which are strengths of the Group and further strengthen collaboration with business partners, with the aim of further improving profitability.

Based on the above, we expect the Group's business performance to remain strong going forward.

3. Forecast for dividend of FY2024 (55th anniversary commemorative dividend)

(1) Details of dividends forecast

	Dividend per share		
	End of second quarter	End of fiscal period	Total
Forecast for FY2024	¥25.00 (ordinary dividend ¥25.00)	¥30.00 (ordinary dividend ¥25.00) (commemorative dividend ¥5.0)	¥55.00 (ordinary dividend ¥50.00) (commemorative dividend ¥5.0)
(Reference) Forecast for FY2023	¥25.00 (results)	¥25.00	¥50.00

(2) Reason

The Company recognizes the return of profits to shareholders as an important management issues. As such, the Company's basic policy is to strive to secure a strong management foundation, generate stable profits, and

improve return on equity, and to continue to distribute profits as appropriate based on business performance. Furthermore, under this policy, during the period of the current Medium-term Management Plan (from FY2022 to FY2024), in addition to dividends, we will aim to increase the total return ratio of return to shareholders by 50% to 60%, including share buybacks.

The Company will celebrate its 55th anniversary on October 20, 2024. We would like to express our sincere gratitude to all our shareholders and other related parties for their continued support.

To express our gratitude to our shareholders, the Company has decided to pay a commemorative dividend of 5 yen per share as a year-end dividend for FY2024.

As a result, the forecast for the annual dividend per share for FY2024 will be 55 yen, composed of an ordinary dividend of 50 yen and a commemorative dividend of 5 yen. The year-end dividend for FY2024 is scheduled to be discussed at the Company's Annual General Meeting of Shareholders planned for late June 2025.

Please refer to the attached document for details.

*The above forecasts were created based on information available as of the date of publication of this document. The actual results, etc., may differ from the forecasts due to various factors in the future.

DISCLAIMER

This English translation is only for reference purpose. When there are any discrepancies between original Japanese version and English translation version, the original Japanese version always prevails.

Revision to forecast of financial results for FY2023

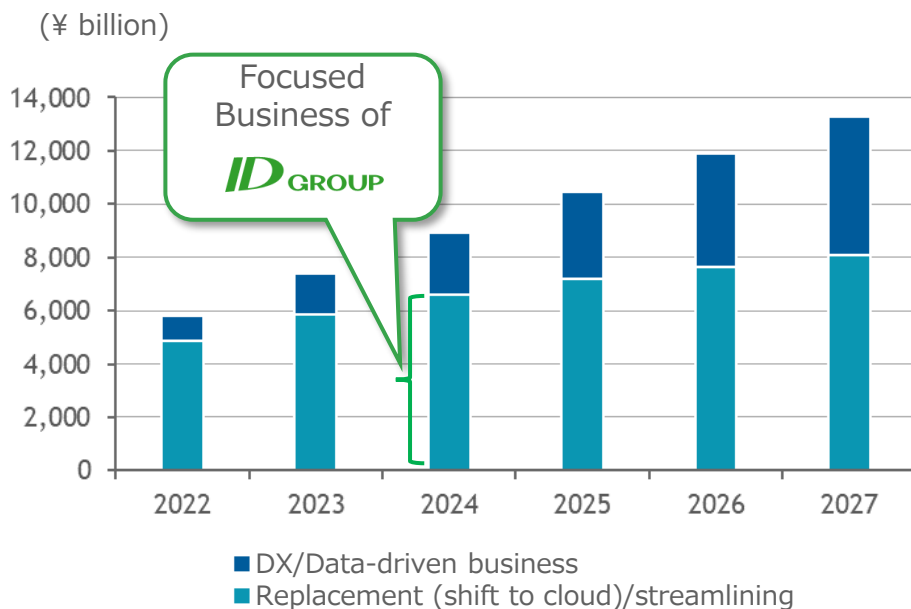
Unit: ¥ million	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (unit: ¥)
Previously announced forecast (A)	32,800	2,630	2,650	1,520	91.03
Revised forecast (B)	32,640	2,650	2,750	1,660	99.50
Amount of increase/decrease (B-A)	-160	20	100	140	—
Rate of increase/decrease (%)	-0.5	0.8	3.8	9.2	—
FY 2023 (C)	31,101	2,424	2,504	1,402	84.54
Amount of increase/decrease (B-C)	1,539	226	246	258	—
Rate of increase/decrease (%)	4.9	9.3	9.8	18.4	—

Change or Die!

Expansion in the cloud-computing and data-center markets is expected to drive a rise in demand for system management and IT infrastructure.

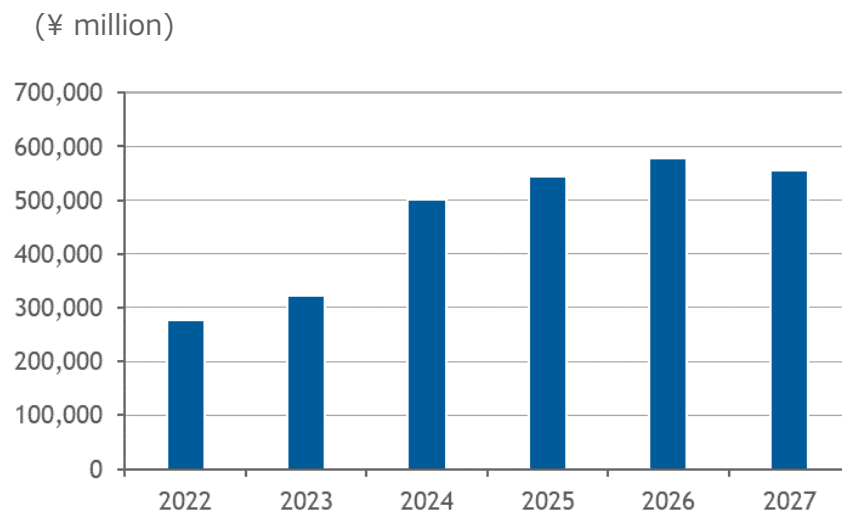
Forecast of sales in the cloud-computing market in Japan¹

CAGR for the period 2022–2027 is trending at 17.9%



Forecast of investment in construction of data centers in Japan²

Investment in excess of ¥500 billion per year will continue from 2024



Reference:

1 "Forecast of cloud computing market in Japan," June 27, 2023, IDC Japan <https://www.idc.com/getdoc.jsp?containerId=prJPJ50993923>

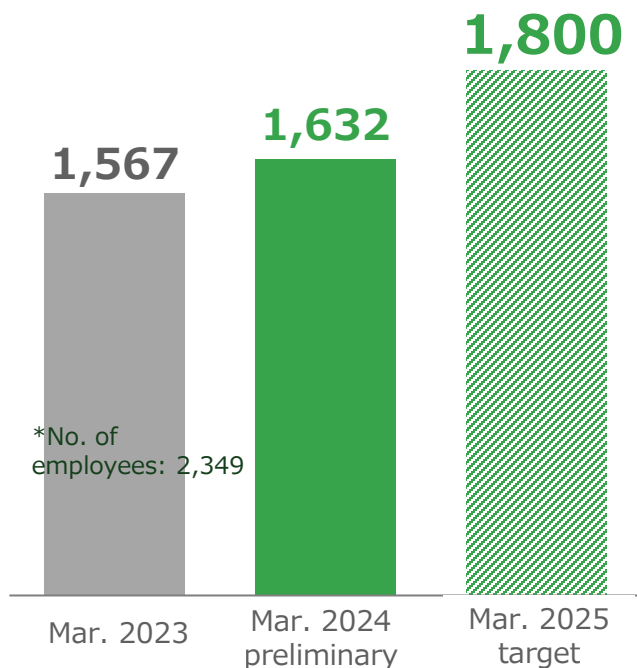
2 "Forecast of investment in construction of data centers in Japan," August 22, 2023, IDC Japan

<https://www.idc.com/getdoc.jsp?containerId=prJPJ51165523>

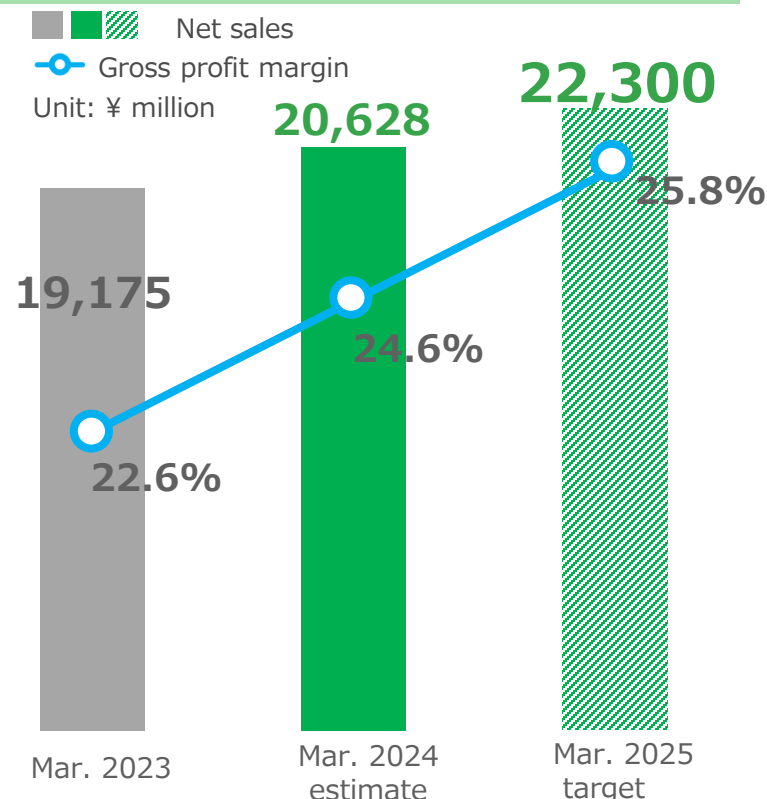
Aim to increase income by concentrating management resources on advanced operations/IT infrastructure field with high profit margin.

- Point 1** Strategic allocation of trained DX human resources in the advanced operations/IT infrastructure field
- Point 2** Expand transactions by strengthening collaboration with business partners

DX related: Change in number of technicians



Expanding income in advanced operations/IT infrastructure field



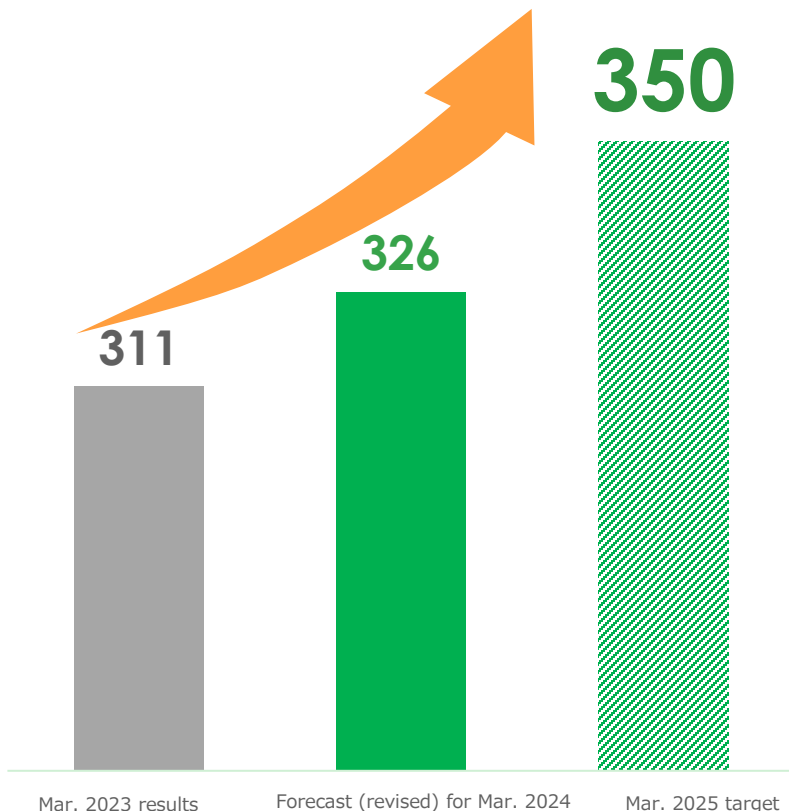
Notes) 1: The "advanced operations/IT infrastructure field" refers to system operations, IT infrastructure development, and security solutions that utilize IT technologies such as AI, automation, multi-cloud, and containers, as well as the supporting consulting and human resources training businesses.
 2: The estimate for FY2023 is calculated based on the forecast (revised) for consolidated results for FY2023 multiplied by the sales composition ratio of the "advanced operations/IT infrastructure field" as of December 2023.

■ We aim for net sales of **¥35** billion and operating income of **¥3** billion by focusing on advanced operations/IT infrastructure field and strengthening collaboration with business partners.

(unit: ¥100 million)

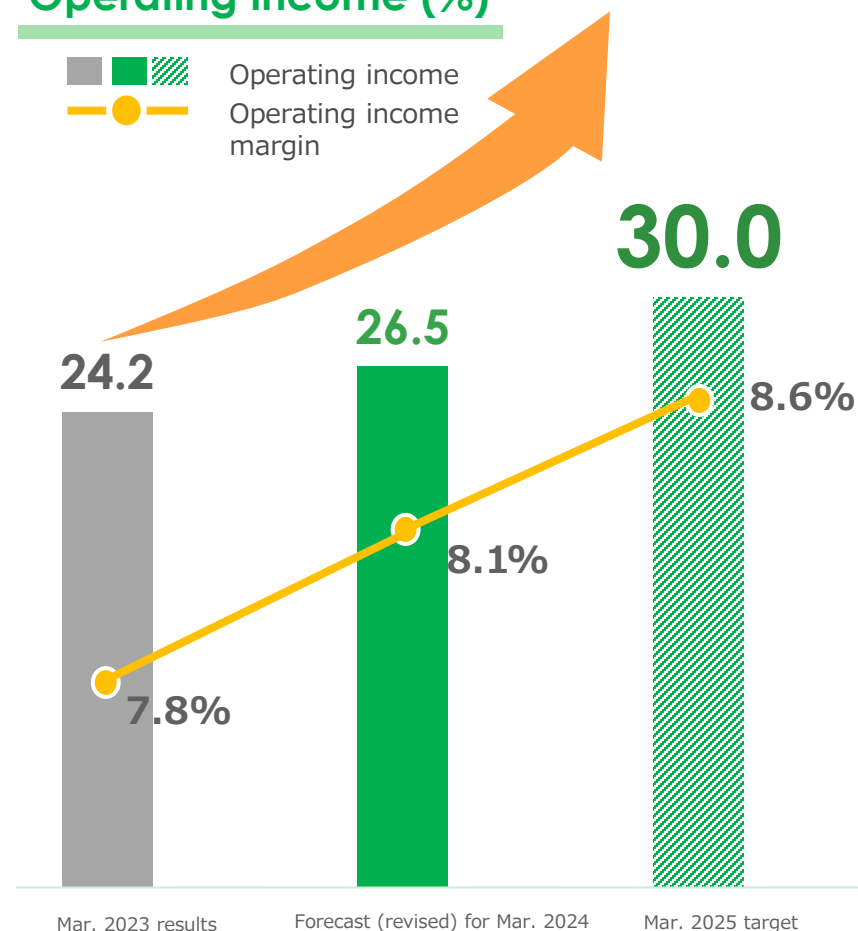
Net sales

■ ■ ■ Net sales



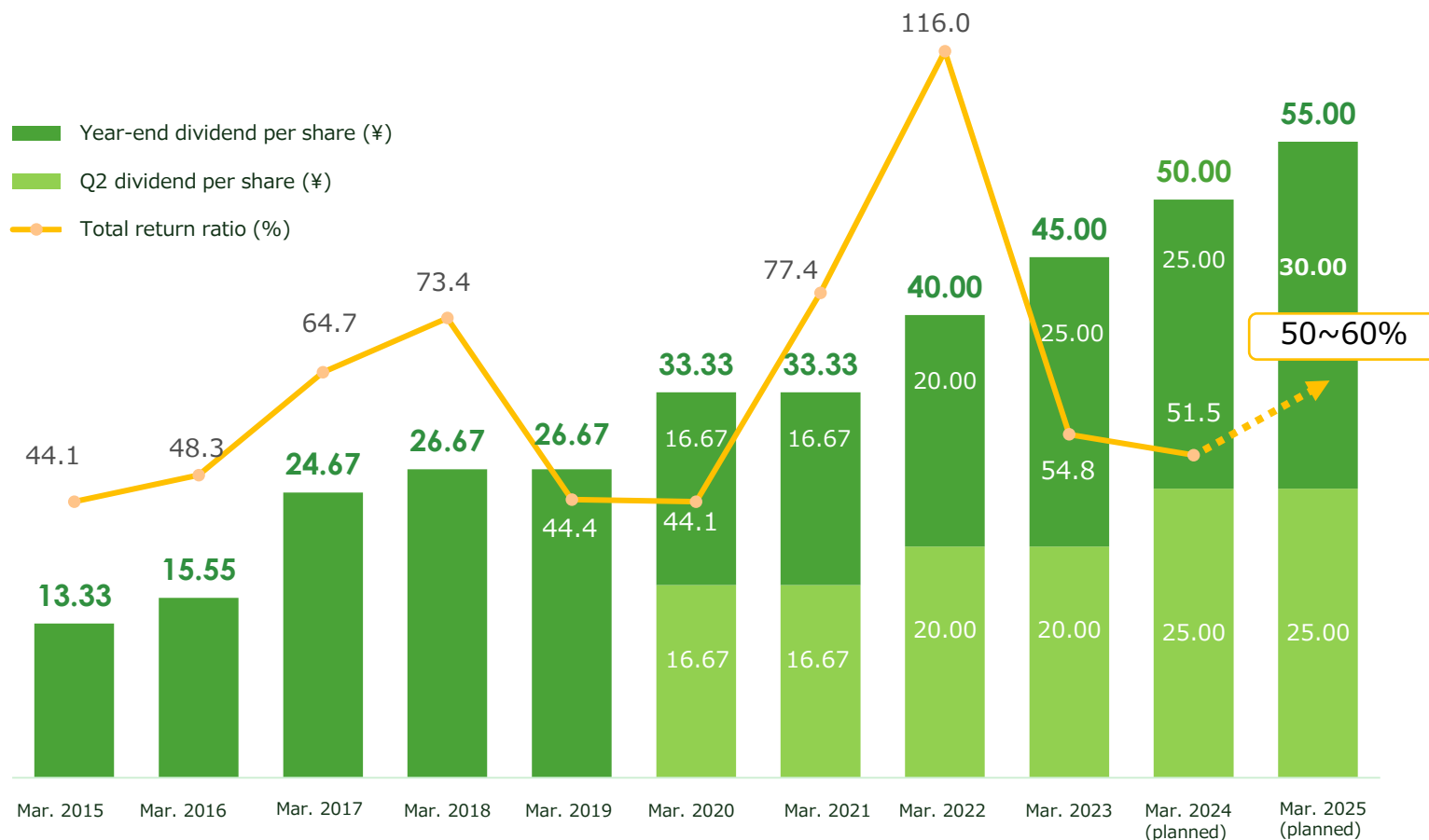
Operating income (%)

■ ■ ■ Operating income
—●— Operating income margin



Change or Die!

The Company will pay a commemorative dividend to celebrate our 55th anniversary, and we plan for an annual dividend per share of **55** yen for FY2024.



- Notes) 1. We conducted stock splits at a ratio of 1.5 shares for each share of common stock, with effective dates of January 1, 2017 and July 1, 2021.
 2. We adjusted dividends per share in conjunction with the stock splits.
 3. Total payout ratio = (Total amount of dividends + Amount of treasury stock acquisition) / Net income attributable to owners of parent

Dividends have increased by more than 4 times since FY2014!

Dividends increased 8 times* and divided 2 times since FY2024.

*includes planned increases