Q3 FY02/26 Financial Summary

Translation

Contents

1. **Q3 FY02/26 Summary**

   a. Revision to Consolidated Earnings Forecast

2. **Q3 FY02/26 Key Topics**

3. **Q3 FY02/26 Financial Summary**

4. **Anticipated Q&A**

5. **Supplementary Data**

6. **Company Overview**

7. **Business Overview**

1. Q3 FY02/26 Summary

Executive Summary

▶ **Net sales and profit margins improved in Q3**

- Benefiting from the positive impact of yen depreciation, profit margins below the operating profit margin improved. This was due to factors including the non-occurrence of some planned SG&A expenses, the postponement of their timing, and the offsetting of advertising expenses by the recognition of the Marketing Funds[1] .

- Net sales increased quarter-on-quarter across all segments (CI, MSP, Resale) and showed steady year-on-year growth.

▶ **Full-Year Consolidated Earnings Forecast for FY 02/2026 Revised Upward** [2]

- Given the robust business environment, we now **expect results to significantly exceed the consolidated forecast**, leading to an upward revision of the full-year consolidated earnings forecast.

▶ **Planned share buyback**

- Plans to **acquire up to 300,000 shares (up to 700 million yen) of treasury stock** to increase shareholder value.
  *Acquired 222,000 shares (approx. 500 million yen) of treasury stock in April 2025.

- Additionally, we plan to acquire shares of our company held by NTT DATA Corporation (260,000 shares) as treasury stock.
  *Regardless of the existence of a capital relationship, we will continue our business alliance and maintain and develop our partnership. There is no change to this policy.

*1. Incentives provided by AWS and Google Cloud to sales partners under certain conditions.
*2. Please refer to the "Notice Regarding Revision of Full-Year Consolidated Earnings Forecast" announced on January 14, 2026.

Revision to FY02/26 Consolidated Earnings Forecast

Although we revised our earnings forecast downward in the previous quarter, this quarter saw **increased net sales due to yen depreciation, along with a decrease in SG&A expenses, resulting in performance significantly** exceeding the level projected after the previous revision. We are now revising our full-year consolidated earnings forecast upward.

	Previously Announced Forecast [1]				Revised Forecast [2]		
(Unit: million yen)	Announced on April 14, 2025	Percentage of Net Sales	Revised on October 15, 2025	Percentage	Forecast	Percentage of Net Sales	Change from Previous Forecast (Comparison to 2025/10/15 Revision)
Net sales[3]	40,841	100.0%	38,393	100.0%	39,569	100.0%	**103.1%**
Gross profit	4,617	11.3%	3,499	9.1%	3,576	9.0%	**102.2%**
Operating profit	1,140	2.8%	392	1.0%	551	1.4%	**140.5%**
Ordinary profit	1,171	2.9%	488	1.3%	665	1.7%	**136.3%**
Profit attributable to owners of parent	848	2.1%	- 877	- 2.3%	- 705	- 1.8%	**- %**

* 1. Please refer to the "Financial Results for the Fiscal Year Ended February 2025" announced on April 14, 2025, and the "Notice Regarding the Recording of Extraordinary Losses Due to the Lump-Sum Amortization of Goodwill, Revision of Full-Year Consolidated Earnings Forecasts, and Reduction of Executive Compensation" announced on October 15, 2025.
* 2. Please refer to the "Notice Regarding Revision of Full-Year Consolidated Earnings Forecast" announced on January 14, 2026.
* 3. Since our business is in a single segment (cloud business), we do not disclose segment earnings forecasts. To calculate the Resales sales forecast, we initially utilized an assumed exchange rate rounded to 152.75 yen per US dollar, consistent with the average for FY02/25. This was revised to the actual average exchange rate for the current fiscal year of 146.2 yen per dollar in October 2025 revision, and further revised to the actual average exchange rate for Q3 of 153.2 yen per dollar in this revision.

Financial Highlights

Business progressed steadily at both Serverworks and G-gen, aided by the favorable impact of yen depreciation.

As a result, **net sales increased year-on-year**, with **G-gen achieving particularly strong growth of +52%**

		Net sales (cumulative)	YoY	Operating profit (cumulative)	YoY
Consolidated	Serverworks	**29,069 million yen**	**+11.0%**	**363 million yen**	**- 55.9%**
Non-consolidated	Serverworks	23,198 million yen	+8.5%	726 million yen	- 21.8%
	Consolidated subsidiary G-gen * G-gen and Topgate merged in July 2024.	5,585 million yen	+52.0%	- 292 million yen	-221 million yen* * Change amount is shown because the previous period's figure was negative.
	Consolidated subsidiary Serverworks Smart Operations * Established in March 2025.	106 million yen	- %	- 11 million yen	- %

Cumulative Third Quarter/Quarterly Trends

	Third Quarter Cumulative				Quarterly Trends for FY02/26				
	FY02/25 Q3	FY02/26 Q3	YoY	Revised Forecast Progress Rate	Q 1	Q 2	Q 3	Q 4	Compared to the previous quarter
Consolidated net sales	26,196	**29,069**	+11.0%	73.5%	9,219	9,516	**10,333**		+8.6%
Serverworks	21,375	**23,198**	+8.5%		7,398	7,629	**8,160**		+7.0%
Ggen	3,871	**5,885**	+52.0%		1,820	1,887	**2,172**		+15.1%
Gross profit	3,028	**2,613**	-13.7%	73.1%	925	672	**1,016**		+51.2%
Gross profit margin	*11.6%*	*8.5%*	*-3.1pt*		*10.0%*	*7.1%*	*9.8%*		
Operating profit	824	**363**	-55.9%	66.0%	199	-109	**273**		—%
Operating profit margin	*3.1%*	*1.3%*	*-1.9pt*		*2.2%*	*-1.1%*	*2.6%*		
Interim profit (loss) attributable to owners of parent	505	**-506**	-%	—%	113	-1,017	**396**		—%
Interim profit margin attributable to owners of parent	*1.9%*	*-1.7%*	*-3.7pt*		*1.2%*	*-10.7%*	*3.8%*		

2. Q3 FY02/26 Key Topics

* Includes recent topics that occurred after the Q3 closing date.

Key Topic 1

Forming a Partnership with CrowdStrike, Making a Full-Scale Entry into AI-Powered Cybersecurity

▶ **Addressing current cybersecurity challenges**

• Commencing Sales of Various Licensed Products on the CrowdStrike Falcon® Platform

▶ **Enables real-time threat detection and rapid response through advanced AI and machine learning**

• The Falcon platform employs AI-powered protection, enabling enhanced defense against current cyberattacks

• It is essential for protecting customers' cloud-enabled IT environments from increasingly sophisticated cyberattacks. By providing security services spanning from endpoints to cloud environments, we help create an environment where customers can focus on business growth with confidence.

CROWDSTRIKE

What is CrowdStrike Falcon®?

Delivered as an integrated platform, CrowdStrike Falcon® provides real-time, AI-native protection from a single lightweight agent across endpoints, cloud, identity, and data

Built in the cloud and powered by AI, Falcon delivers visibility from code to cloud, helps prioritize risks, and enables rapid detection and response to stop breaches.

Key Topic 2

Reached a basic agreement with Waseda University to establish a university-wide unified AWS procurement model, aiming to reduce usage costs and simplify procedures

▶ **Background leading to the agreement**

- The utilization of public cloud services, primarily AWS, as a research infrastructure is rapidly expanding. However, implementation often occurs individually at the laboratory level, making it difficult to grasp university-wide usage patterns. Inefficiencies in management and operation remain a challenge.

▶ **Creating an environment where researchers can focus on more creative activities**

- Plans are underway to establish a university-wide usage framework centered around an organization overseeing cloud usage (CCoE*).

- Serverworks has been selected as the AWS domain support partner to realize this plan, centrally providing AWS accounts. Serverworks will provide comprehensive advisory services on usage cost optimization, security, and governance to actively support CCoE operations.

Serverworks and Waseda University reached a basic agreement to establish a university-wide unified AWS procurement model

Leading Model Cases in Japanese Universities: Advancing Research DX

* CCoE: A specialized organization that optimizes cloud usage across the entire organization and promotes cross-functional initiatives such as strengthening governance and developing talent.

10

Key Topic 3

Both Serverworks and G-gen Accelerate Security and Generative AI Case Studies and Service Offerings

Security Domain		AI Domain	
Serverworks	G-gen	Serverworks	G-gen

Security Domain — Serverworks

Services

Strengthening business partnership with Link Corporation for credit card security measures

Serverworks

PCI DSS Ready Cloud

Security Domain — G-gen

Services

Google Security Operations (SecOps) Service Launch

Detect/Investigate/Respond to cybersecurity threats more effectively

セキュリティ運用プラットフォーム
Google Security Operations
SecOps
提供開始

AI Domain — Serverworks

Services

Trial Implementation of AWS Generative AI "Amazon Q Business" on our customer portal

Case Studies

Daimaru Matsuzakaya Department Stores

Automatically summarizes customer interactions in contact centers using generative AI. Reduces operator workload and contributes to improved response rates

AI Domain — G-gen

Case Studies

Aerosense

Accelerating disaster response with drones × Vertex AI
Image analysis time reduced from days to hours

11

Key Topic 4

G-gen members have achieved outstanding results in "Google Cloud Partner All-stars 2025," "Google Cloud Partner All Certification Holders 2025" and "Google Cloud Partner Top Engineer 2026"

Google Cloud Partner All-stars 2025

This award recognizes individuals who have made exceptional contributions to the Google Cloud business.
Annually recognizes outstanding individuals globally as Partner All-stars in each category.

5
members

Google Cloud Partner Top Engineer 2026

This program recognizes outstanding engineers with high technical proficiency who belong to partner companies.

30
members

Google Cloud Partner All Certification Holders 2025

A recognition program for partner engineers who hold all Google Cloud certifications including cloud architecture, data analytics, AI/ML, security, application development

19
members

Key Topic 5

Generative AI Strategy Announcements Dominate AWS Worldwide Conference "AWS re:Invent 2025"

▶ **Our Summary: AWS re:Invent 2025**

AWS's Generative AI strategy is characterized by an all-encompassing, full-stack approach. This includes the development of proprietary AI agents, the launch of the "Amazon Bedrock AgentCore" execution framework, and the development of custom chips.

By positioning itself as a versatile IaaS that supports everyone from large enterprises to major LLM vendors, AWS has once again demonstrated the critical value of infrastructure that allows organizations to maintain full control over their proprietary data.

To achieve true productivity gains and address labor shortages, embracing "Agentic AI*", where AI acts autonomously, is essential. However, realizing this vision requires more than just tool implementation; it demands a fundamental transformation of organizational structures and processes, including redefining Japanese-style consensus-building approaches, authority structures, and clarifying responsibility when AI fails. Simply adopting American approaches has its limits; the key to success lies in top management taking the lead and committing to the effort.

* Agentic AI: A goal-driven software entity granted the right to act on behalf of an organization, enabling it to take autonomous decisions and execute actions. Generally, agentic AI is considered a broader concept encompassing AI agents, capable of autonomously performing a wider range of tasks.

What is AWS re:Invent 2025?

AWS Conference held annually in Las Vegas since 2012, taking place December 1–5, 2025.

While it shifted to a fully online format in 2020 due to the COVID-19 pandemic, it has been a hybrid event combining online and in-person attendance since 2021.

It is recognized as a major IT industry event, attracting a total of 60,000 participants, including approximately 1,900 from Japan.

13

3. Q3 FY02/26 Financial Summary

Net Sales -Consolidated and by Company

Consolidated net sales reached **a record high (surpassing 10 billion yen in a quarter for the first time)**
G-gen also saw significant growth from the previous quarter, increasing by **+16%** YoY and **+9%** QoQ

(Unit: million yen)
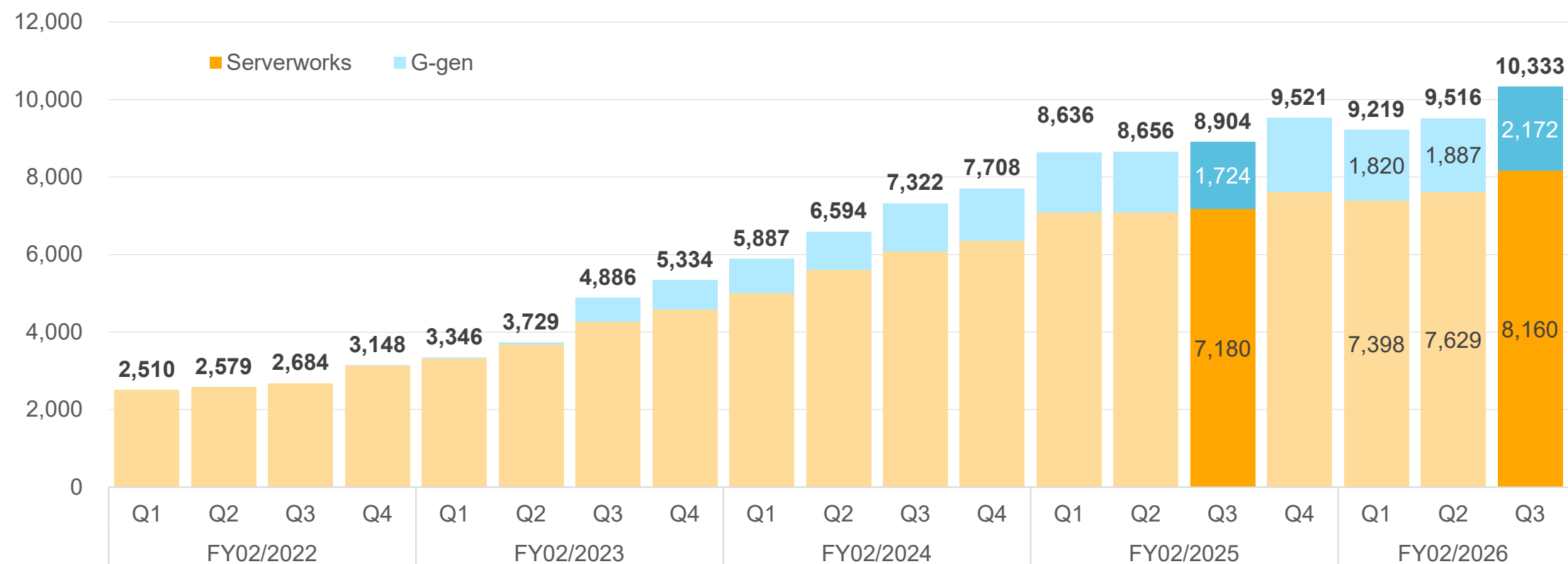
* The figures for each company have been adjusted to reflect the consolidation of internal transactions.
* G-gen and TOPGATE merged as of July 1, 2024.

Percentage of Recurring Business

(1) **Cloud Integration**

(2) **AWS Billing Services (Resale)**

(3) **Operation and Monitoring Services (MSP)**

One-time Business | Recurring Business

(Unit: million yen)

Legend: One-time revenue businesses | Recurring-revenue businesses | Share of recurring-revenue businesses
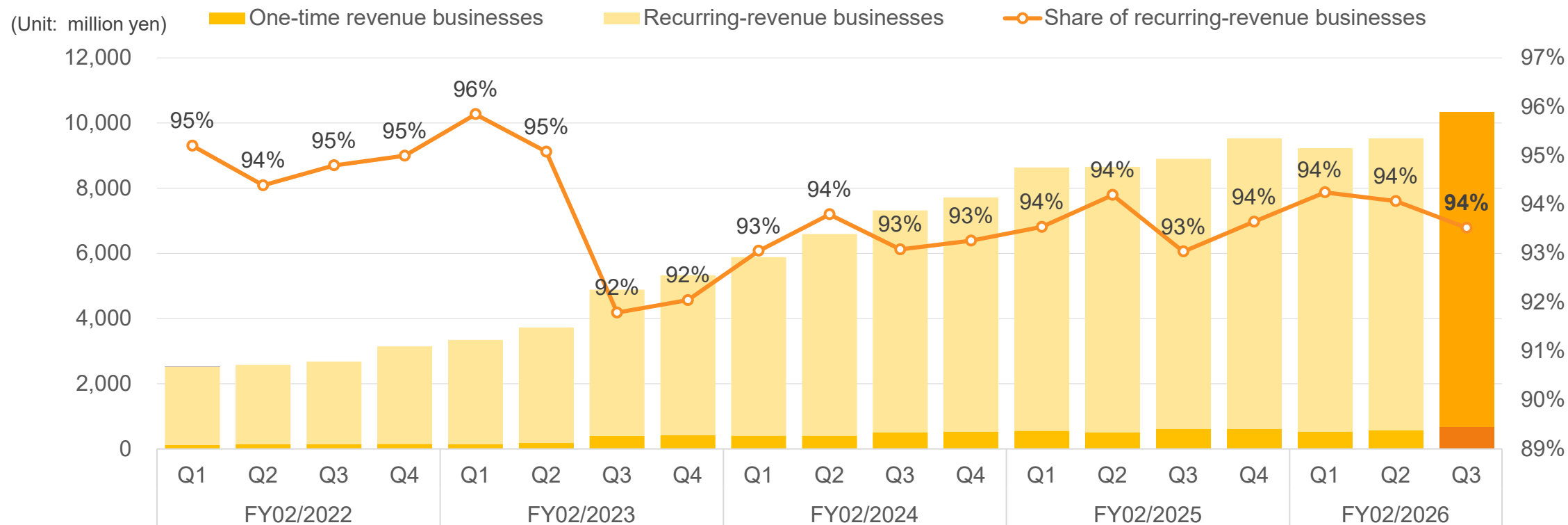
*One-time sales from Cloud Integration, where sales are recorded at the time of customer acceptance are recorded under One-time revenue businesses. Recurring sales from AWS monthly usage fees, monthly charges for proprietary services such as Cloud Automator, licensing fees for continued use of third-party software services, and MSP usage fees and maintenance fees for AWS server monitoring and backup services (all of which entail continued AWS usage by companies) are recorded as Recurring-revenue businesses.

16

By Product and Service Segment　- composition of each company -

Serverworks achieved record-high sales across all service categories
Despite some unprofitable projects, **G-gen saw a recovery in cloud integration sales**.

Serverworks ☐　CGgen

(Unit: million yen)

Cloud Integration

	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total	556	501	615	598	525	554	**661**
G-gen	339	284	352	317	253	222	**321**
Serverworks	217	216	263	280	272	331	**339**
	FY02/2025				FY02/2026		

Resale

	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total	7,673	7,735	7,865	8,492	8,276	8,521	**9,222**
G-gen	1,175	1,241	1,339	1,548	1,533	1,628	**1,816**
Serverworks	6,498	6,496	6,525	6,944	6,743	6,893	**7,406**
	FY02/2025				FY02/2026		

MSP

	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total	404	418	419	423	412	430	**441**
G-gen	26	32	28	37	29	26	**26**
Serverworks	377	385	390	385	382	404	**414**
	FY02/2025				FY02/2026		

17

Cloud Integration (Serverworks, non-consolidated) - Trends in Key Metrics -

Currently maintaining steady growth by focusing on **increasing the number of projects**
*(Repost) The surge in project unit prices in Q1 was due to a one-off high-priced project

Number of projects and average project price
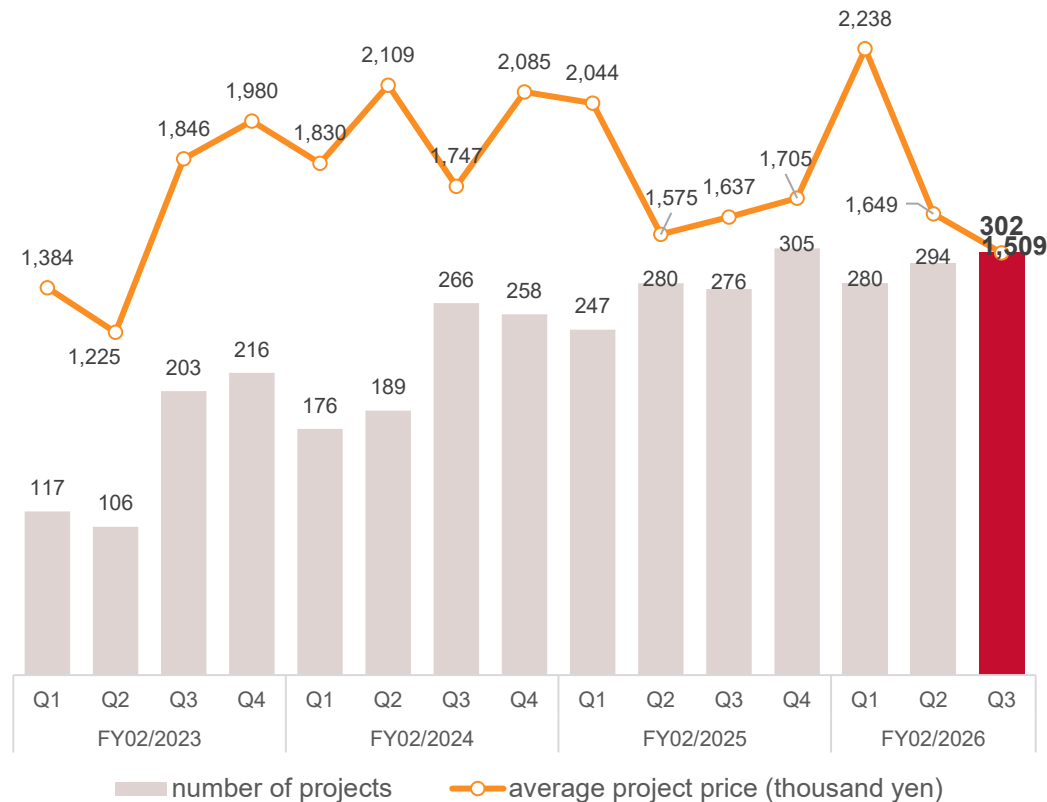
Number of customer companies and average number of projects per company

number of projects — average project price (thousand yen)

number of customer companies — average number of projects per company

18
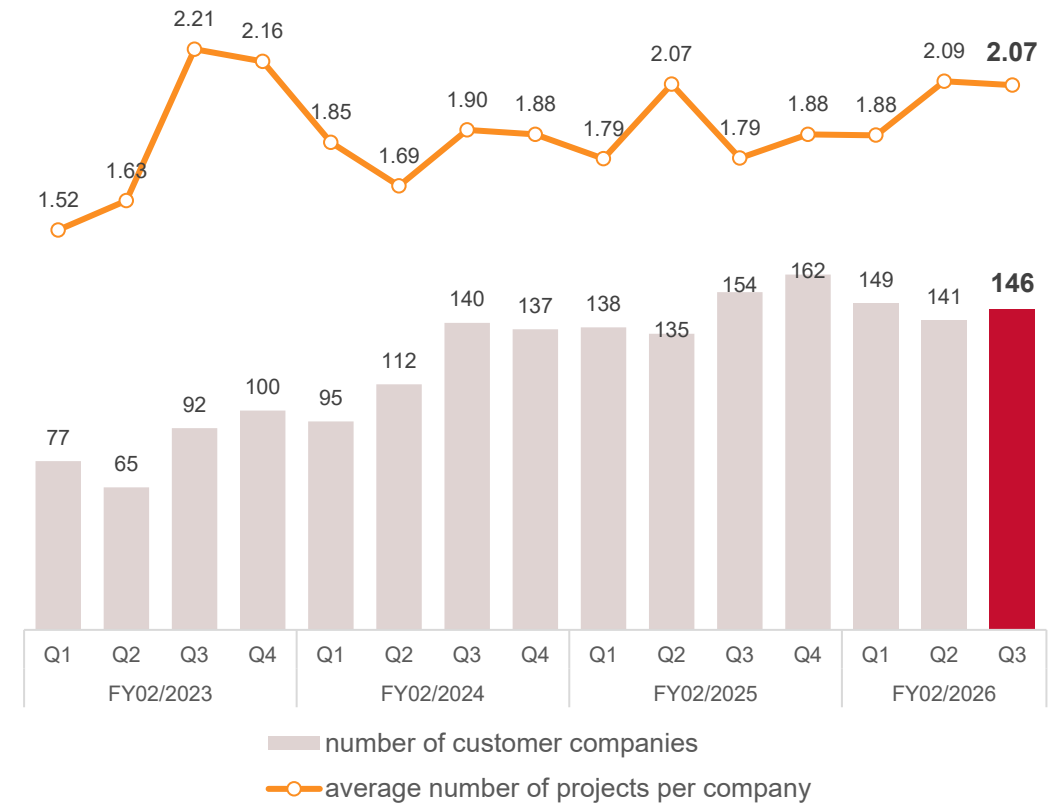
* In accordance with the application of the new revenue recognition standard, we have changed the method of recognizing revenue based on the degree of completion of performance obligations from FY02/23, but this metric is calculated based on the completion basis (old standard).

Resale - Number of AWS Accounts and ARPU -

Steady increase in the number of accounts as cloud technology and services are being utilized in various fields
With the increase in customer AWS usage fees, **high ARPU maintained while proposing appropriate cost optimization (reduction) measures.**

Number of AWS accounts [1]	ARPU [2]
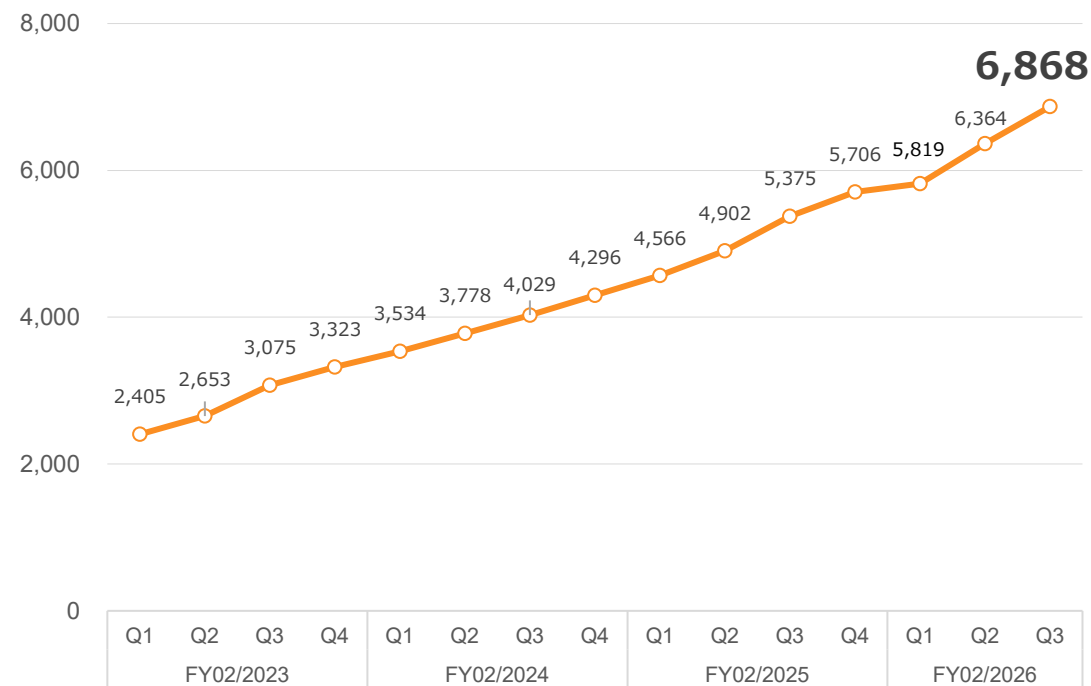
AWS usage fees for the quarter divided by <u>the total number of customers </u>for the quarter

(Unit: # of account)

(Unit: K USD)
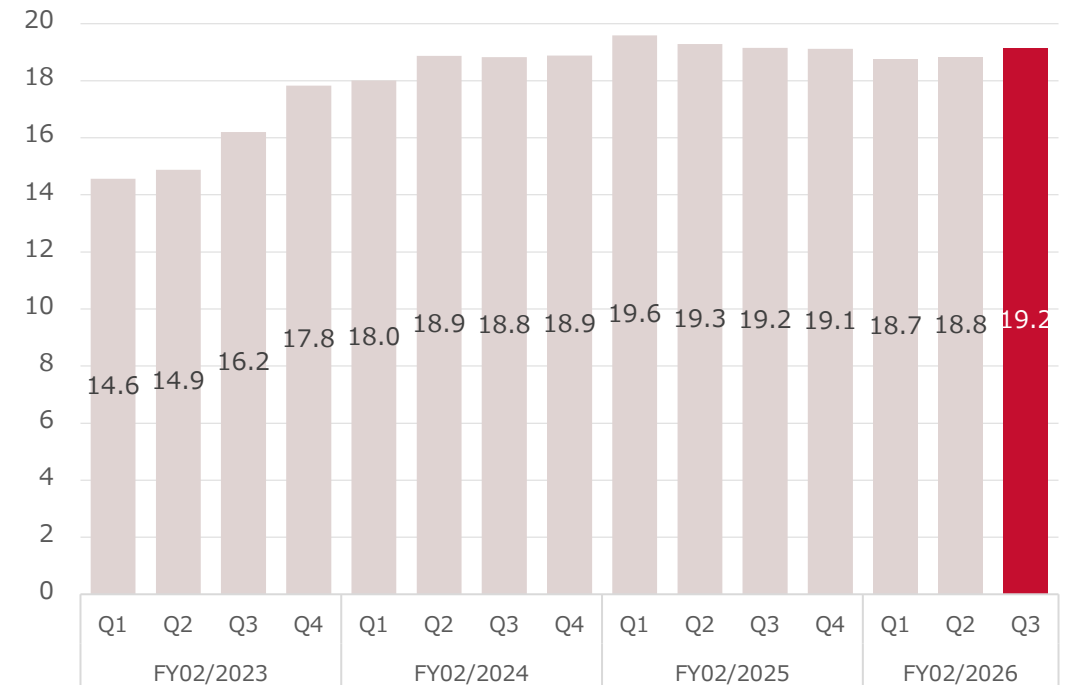
*1 The number of accounts includes all startup/discount plans as well as advanced plans.
*2 Excluding Reserved Instances and Savings Plans

19

AWS Usage Fee Trend (USD Basis)

As the most important metric for capturing the reality of resale growth, AWS usage fees in US dollars are steadily increasing. Despite large cancellations, the fact that **usage fees in USD, unaffected by exchange rates, are growing** indicates that business activities themselves are progressing smoothly.

(Unit: K.USD)

■ Total AWS usage fees ■ Total for RI and SPs

	FY02/2022				FY02/2023				FY02/2024				FY02/2025				FY02/2026		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
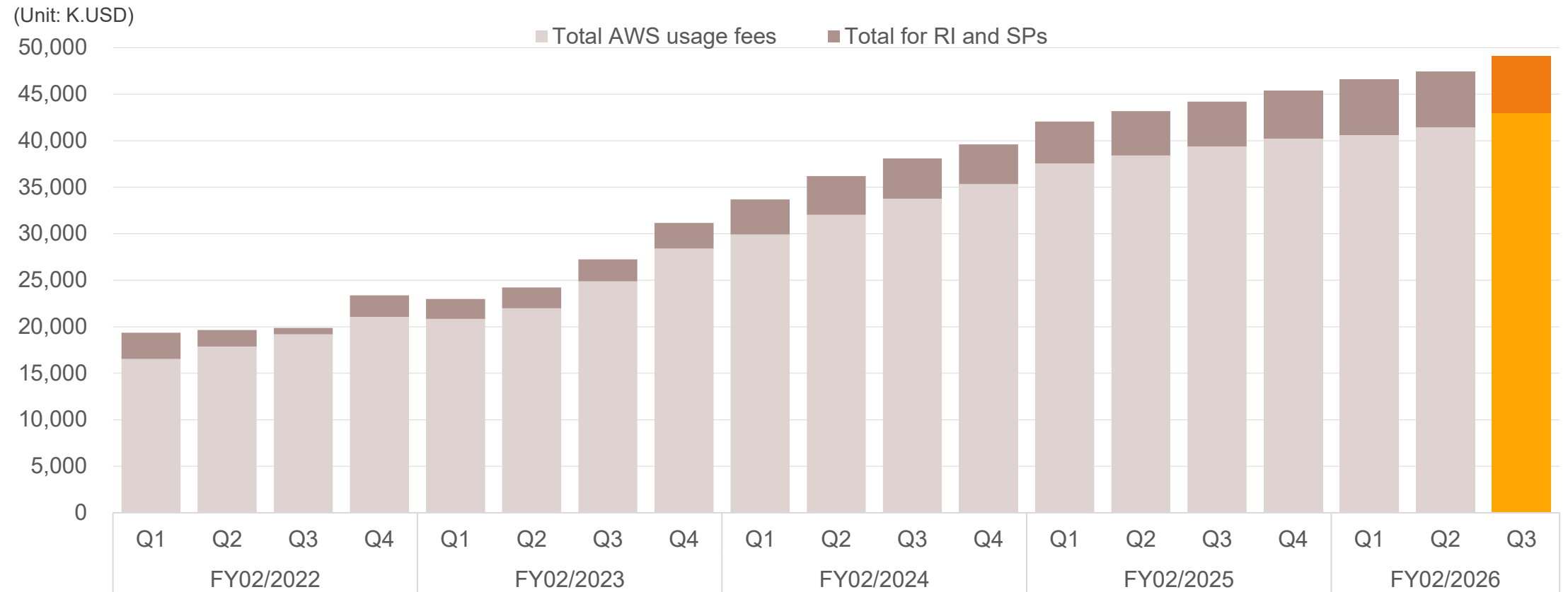
* Reserved Instances (RIs) and Savings Plans (SPs) are AWS services under which substantial discounts are offered to customers who pay a fixed reservation fee and commit to AWS usage for a certain period.
* For Ris and SPs, we had recognized revenue at the time of purchase until FY02/22, but changed the method to recognize revenue over the applicable period in FY02/23.

Exchange Rate Trends

At the time of the previous revision, the average exchange rate forecast for the current fiscal year was revised to 146.2 yen, and it has been further revised to 153.2 yen this time.

Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Ave **135.80**	Ave **144.06**	Ave **148.73**	Ave **146.70**	Ave **155.03**	Ave **152.83**	Ave **149.10**	Ave **154.07**	Ave **145.34**	Ave **147.03**	Ave **153.20**

(Unit: yen)
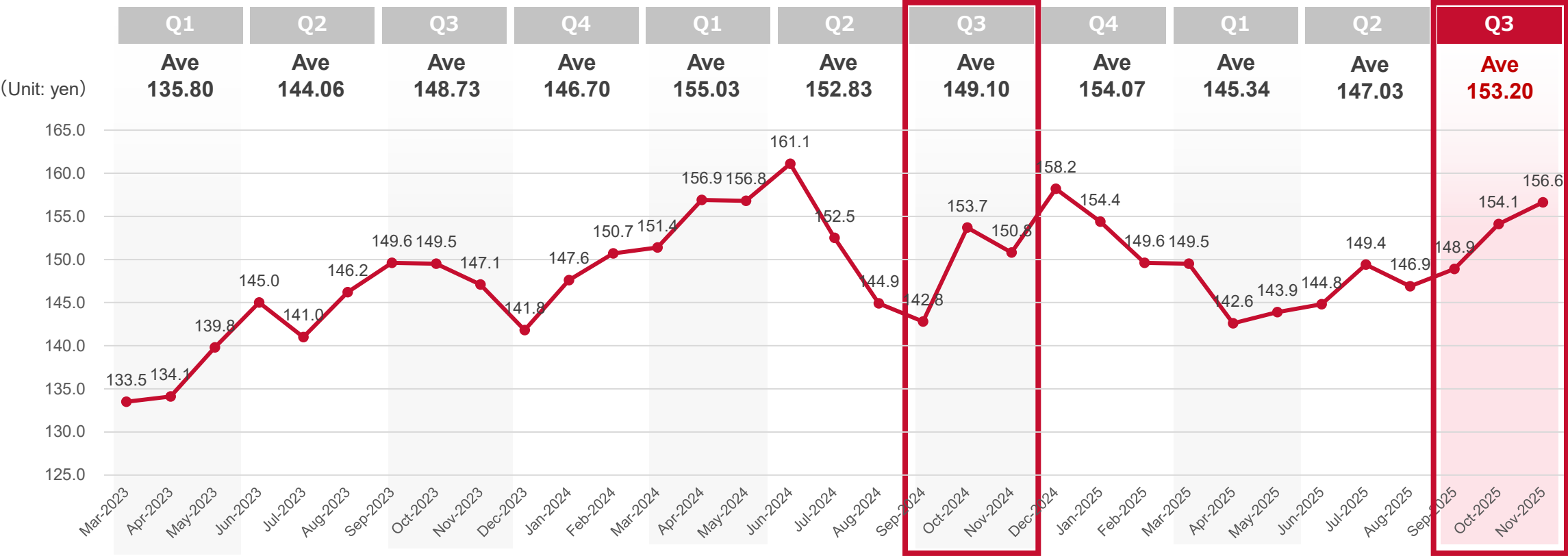
* The exchange rate used for resale sales is initially set at 152.75 yen per US dollar, consistent with the average for FY02/25. This was revised to the actual average exchange rate for the current fiscal year of 146.2 yen per dollar in October 2025 revision, and further revised to the actual average exchange rate for Q3 of 153.2 yen per dollar in this revision.

Operating Profit, Operating Profit Margin

In addition to the positive impact of yen depreciation, **margins at and below the operating level improved**
due to the absence or deferral of planned SG&A expenses, as well as the offsetting of advertising costs through incentives.

(Unit: million yen)

Legend: Operating profit — Operating margin

	FY02/2022				FY02/2023				FY02/2024				FY02/2025				FY02/2026		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Operating profit	171	193	160	113	148	166	154	62	165	237	318	177	443	159	221	247	199	-109	273
Operating margin	6.8%	7.5%	6.0%	3.6%	4.4%	5.0%	3.2%	1.2%	2.8%	3.6%	4.3%	2.3%	5.1%	1.8%	2.5%	2.6%	2.2%	-1.1%	2.6%

22
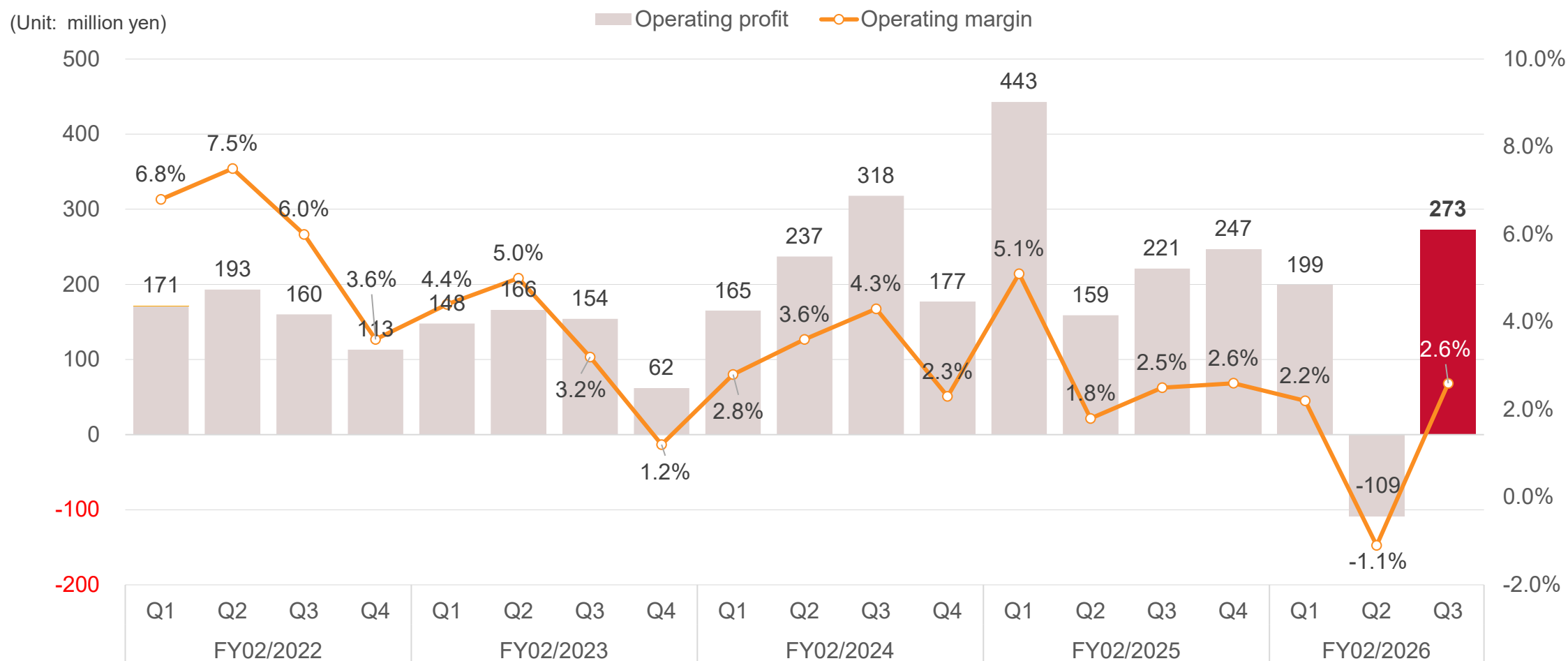
Analysis of Factors Affecting Operating Profit YoY

The impact of exchange rates (yen appreciation) in Q1 and unprofitable projects resulted in a negative impact of approximately -600 million yen as of Q2.

While actively investing in growth, **operating profit improved to a decrease of 460 million yen YoY**.

Operating profit | YOY

-460 million yen

(Unit: million yen)

breakdown

Resale	: +2,746
Cloud Integration	: +67
MSP	: +42
Others	: +16

Resale purchases, etc.: +2,868
Allowance for Order Losses: +121

breakdown

Personnel expenses	: +79
Outsourcing expenses	: -35
Communication expenses	: +10
Travelling expenses	: +16
Advertising expenses	: -8
Goodwill amortization	: -28
Others	: +11

breakdown

Outsourcing expenses	: -122
Communication expenses	: +42
Rents	: +10
Depreciation expenses	: +11
Transfer to other account	: -43
Others	: +6

4000
3500
3000
2500
2000
1500
1000
500
0

824 — Operating profit

2,873 — Net sales

394 — Labor expenses

-95 — Manufacturing expenses

2,990 — Cost of sales

45 — Selling, general and administrative expenses

363 — Operating profit

Cost of sales

Selling, general and administrative expenses

Previous year
Q3 FY02/2025

Q3 FY02/2026

23

Consolidated Balance Sheet (Summary)

Increase in "current assets" due to increases in accounts receivable and contract assets, etc., and increase in "current liabilities" due to increases in short-term borrowings and accounts payable, etc. Decrease in "fixed assets" due to lump-sum amortization of goodwill, etc. Decrease in "net assets" due to the acquisition of treasury stock and decrease in retained earnings, etc.

(Unit: million yen)

Balance Sheet	FY02/25 Results (Consolidated)	Q3 FY02/26 Results (Consolidated)	Change
Current assets	15,222	16,324	1,102
Fixed assets	5,271	4,923	- 347
Property, plant and equipment	111	107	- 3
Intangible assets	888	137	- 750
Investments and other assets	4,272	4,678	406
Total assets	20,493	21,248	754
Total liabilities	9,033	10,566	1,533
Current liabilities	8,709	10,015	1,306
Non-current liabilities	324	550	226
Total net assets	11,460	10,682	- 778
Total shareholders' equity	10,183	9,226	- 957
Accumulated other comprehensive income	1,277	1,455	178
Non controlling interest	—	—	—
Total liabilities and net assets	20,493	21,248	754

4. Anticipated Q&A

Key Questions Concerning Q3 FY02/26

Category	Key anticipated questions	Response
(Referring to slide 5) **Revision to FY02/26 Consolidated Earnings Forecast**	What are the factors behind the revision to the earnings forecast?	In the previous quarter, we revised our earnings forecast due to factors such as the impact of unprofitable projects in the Cloud Integration business. For the third quarter, **the actual exchange rate was 153.2 yen, approximately 7 yen weaker** than the 146.2 yen rate incorporated into the previous forecast. This resulted in **increased sales revenue,** contributing to **an increase of approximately 77 million yen on a gross profit basis**. Additionally, SG&A expenses **decreased by approximately 81 million yen**. This decrease was due to **the non-occurrence of some planned expenses, the postponement of the timing of certain expenses, and the offsetting of advertising expenses by the recognition of the marketing fund**[1]. As a result, we have revised our earnings forecast.
(Referring to slide 17) **By Product and Service Segment - composition of each company -**	What is the current status of the unprofitable projects?	**Although both** unprofitable projects at Serverworks and G-gen **are moving toward resolution**, the **situation** remains **unpredictable.** As the possibility of unprofitable large-scale projects cannot be entirely ruled out going forward, we will strengthen our capabilities by introducing operational systems to improve the accuracy of estimated workloads and by conducting additional hiring.
(Referring to slide 27) **YoY Comparison for Key Items**	What is the latest update of the extraordinary loss project?	First, since the full amount was already recorded as an extraordinary loss in the previous quarter, **there will be no additional negative impact going forward.** We are currently in **ongoing discussions with the customer**. Should **usage fees be reduced or recovered, we will recognize this as extraordinary income**. For the current third quarter, we have also recorded extraordinary income of 37 million yen due to a reduction.

* Incentives provided by AWS or Google Cloud to sales partners under certain conditions.

YoY Comparison for Key Items

(Unit: million yen)

	Q3 FY02/25	Q3 FY02/26	YoY	Notes on YoY changes
Net sales	**26,196**	**29,069**	+11.0%	• Impact of yen appreciation (average of approx. 4.2 yen appreciation from Q1 to Q3) resulted in a negative impact of approximately 734 million yen. *AWS usage fees on a USD basis continued to increase. • (Disclosed) large-scale contract cancellations partially impacted sales growth rate • Delivery delays for unprofitable G-gen projects resulted in 59 million yen in sales being deferred to the next fiscal year
Gross profit	**3,028**	**2,613**	-13.7%	• Impact of yen appreciation: approx. -73 million yen • Increased costs of 366 million yen for G-gen's unprofitable projects (combined with decreased sales, resulting in a total decrease of 426 million yen)
Gross profit margin	*11.6%*	*8.5%*	*-3.1pt*	• Increased costs for unprofitable projects at Severworks: 171 million yen
Operating profit	**824**	**363**	-55.9%	
Operating profit margin	*3.1%*	*1.3%*	*-1.9pt*	• Impact of decrease in gross profit (approx. 415 million yen decrease YoY)
Ordinary profit	**849**	**485**	-42.9%	*Segment profit similarly affected
Ordinary profit margin	*3.2%*	*1.7%*	*-1.6pt*	
Interim profit (loss) attributable to owners of parent	**505**	**-506**	—	• Impairment loss on goodwill related to G-gen 742 million yen • Extraordinary loss related to a specific customer 61 million yen
Interim profit margin attributable to owners of parent	*1.9%*	*-1.7%*	*-3.7pt*	• Reversal of deferred tax assets: 143 million yen

5. Supplementary Data

Customer Lifetime Value (LTV)

Existing clients that have signed contracts with us tend to increase their total sales over the years

We will aim to maximize LTV through resale expansion, the most important area

(Unit: million yen)

*Cloud Integration, Resale, and MSP combined

29
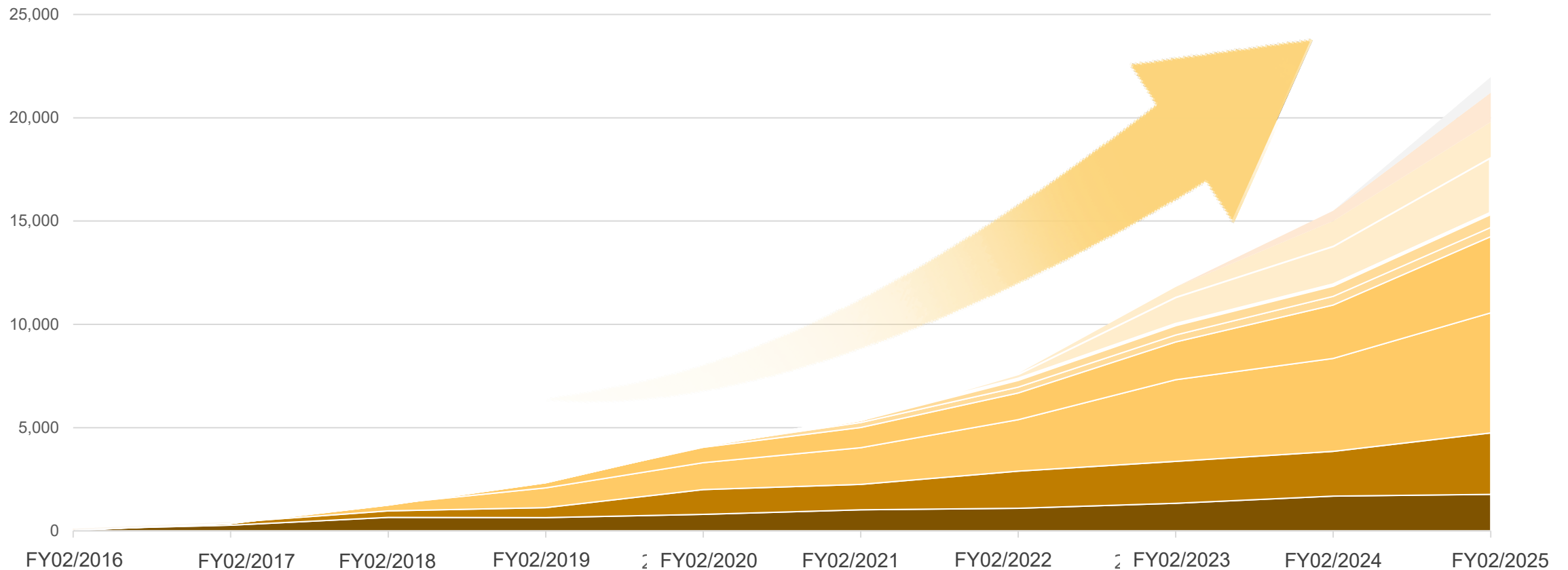
* The cumulative total sales amount from FY02/2016
* Revenues prior to FY02/2017 are an approximate total of AWS resale revenues recalculated into a gross amount based on the most recent results.

Group Headcount Trends*1

Continue to actively recruit highly skilled personnel, especially cloud engineers
We plan to maintain our proactive investment in recruitment to achieve our medium-term management objectives for the next fiscal year and beyond.

Total

(Unit: persons) ■ Number of actual personnel ⬛ plan

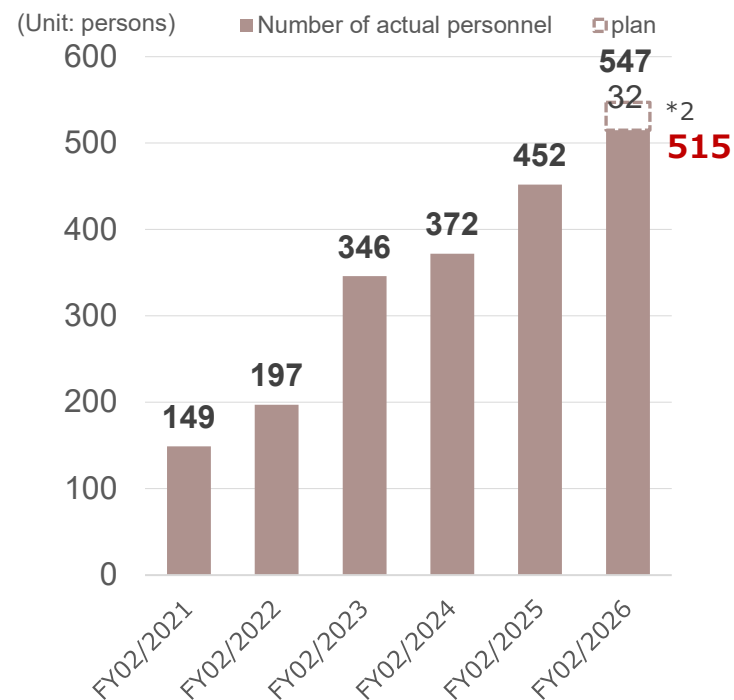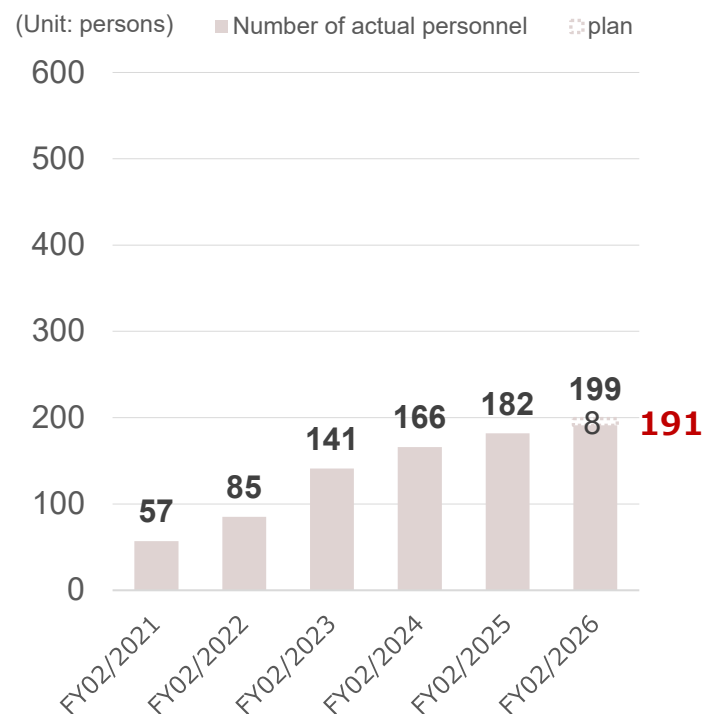| FY02/2021	FY02/2022	FY02/2023	FY02/2024	FY02/2025	FY02/2026
149	197	346	372	452	547 (32) **515** *2

Sales, general, and admin
(excluding engineers)

(Unit: persons) ■ Number of actual personnel ⬛ plan

FY02/2021	FY02/2022	FY02/2023	FY02/2024	FY02/2025	FY02/2026
57	85	141	166	182	199 (8) **191**

Manufacturing

(Unit: persons) ■ Number of actual personnel ⬛ plan

FY02/2021	FY02/2022	FY02/2023	FY02/2024	FY02/2025	FY02/2026
92	112	205	206 (16) *3	270 (26)	348 (24) **324** (27)
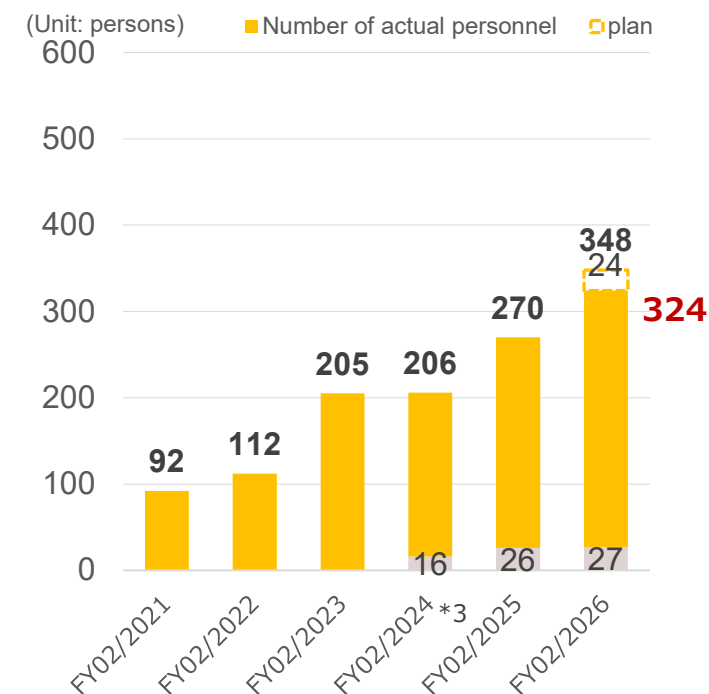
*1. The number of employees includes the number of temporary (part-time) employees and does not include directors.
*2. The initial forecast does not account for employee departures. Therefore, the figure of 452 employees at the end of the previous period plus the planned 107 hires for this period equals 559 employees. However, the number of employees in the forecast disclosed at the end of each quarter will fluctuate due to actual departures occurring.
*3 From FY 02/2024, the in-house SEs and engineers who provide training have been changed to the SG&A department.

Promoting AWS Certifications for Engineers

Mid-career engineers hired without prior AWS experience also obtain AWS certifications early on.
The cumulative number of AWS certifications obtained exceeds 1,500, **achieving the SCA goal of 1,500 certifications over four years one year ahead of schedule.**

Number of engineers

■ SG&A ■ Manufacturing

(Unit: persons)

	FY02/2021	FY02/2022	FY02/2023	FY02/2024	FY02/2025	FY02/2026
Manufacturing	92	110	139	141	179	206
SG&A				16 *2	26	27

Number of AWS certifications earned *1

(Unit: number of certifications)

SCA Goal 1,500

	FY02/2021	FY02/2022	FY02/2023	FY02/2024	FY02/2025	FY02/2026
Certifications	437	609	763	916	1,288	1,548
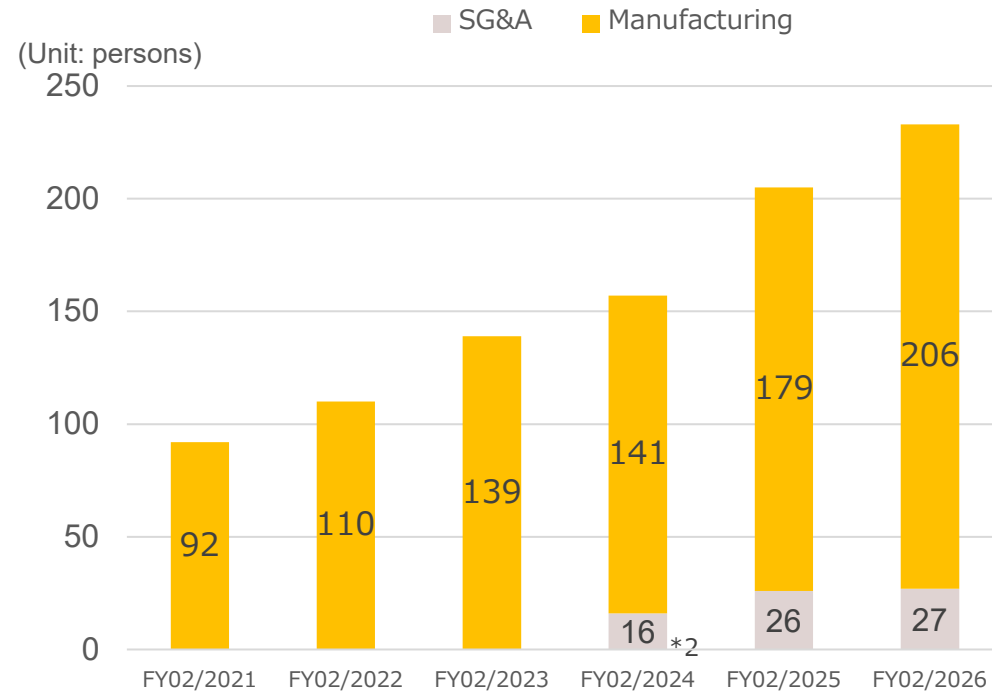
*1 Cumulative number
*2 From FY02/24, the in-house SEs and engineers who provide training have been changed to the SG&A department.

31

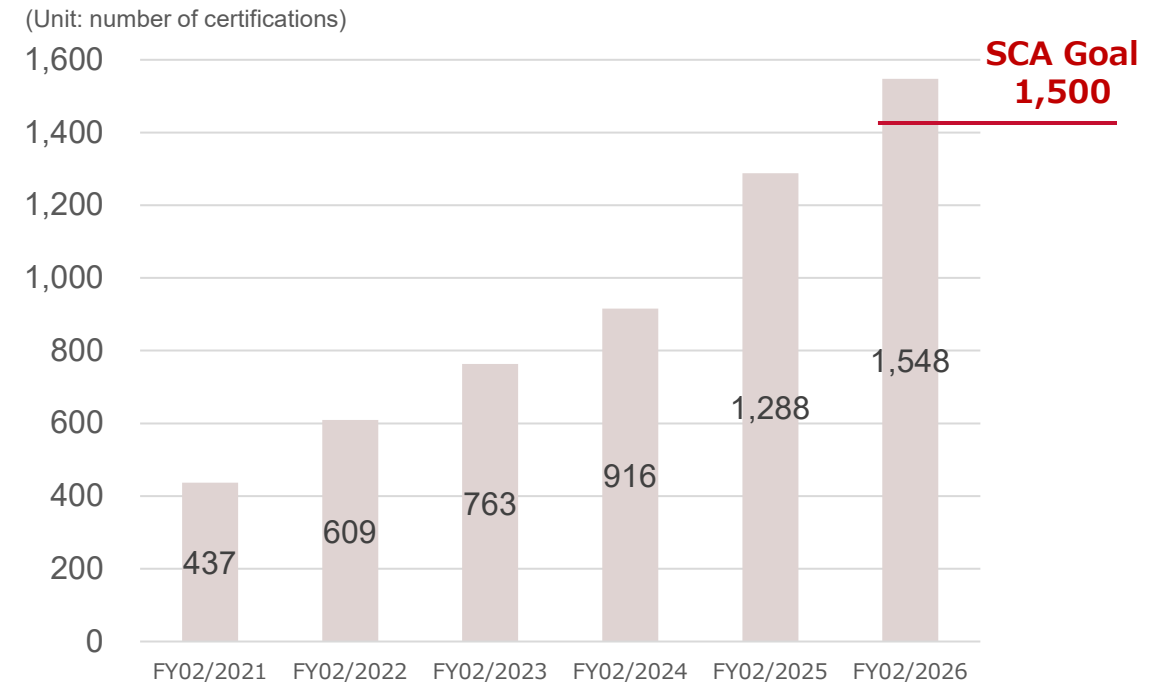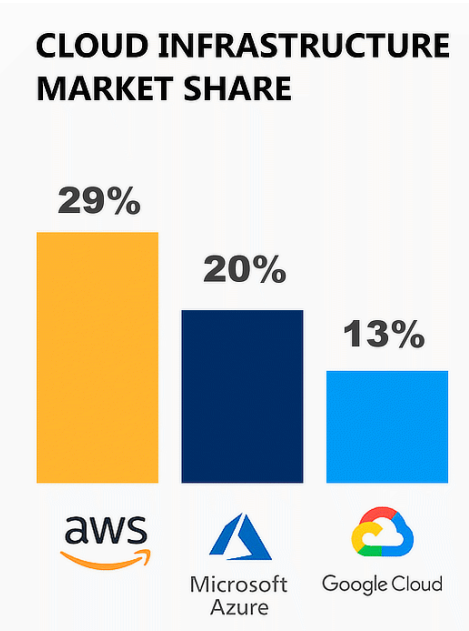# Reference Materials – Market Environment

Q3 2025, Synergy Research Findings
Cloud infrastructure market grows 28% YoY, GenAI Solidifies Return to Growth Path

- Synergy Research Group's Q3 2025 cloud infrastructure market survey results shows the cloud infrastructure market grew 28% year-over-year in Q3, reaching a global market size of $106.9 billion (approximately 16.57 trillion yen at 155 yen/USD).

- The cloud infrastructure market saw its YoY growth rate drop to 19% in 2023, but has returned to a growth path driven by GenAI.

- The worldwide market share for the top three cloud providers were: AWS at 29%, Microsoft Azure at 20%, and Google Cloud at 13%.

Cloud Infrastructure Services Market Growth
(IaaS, PaaS, Hosted Private Cloud)

Growth Rate
Adjusted to reflect constant currencies

Worldwide Market Size

Source: Synergy Research Group

CLOUD INFRASTRUCTURE MARKET SHARE

29% 20% 13%

aws Microsoft Azure Google Cloud
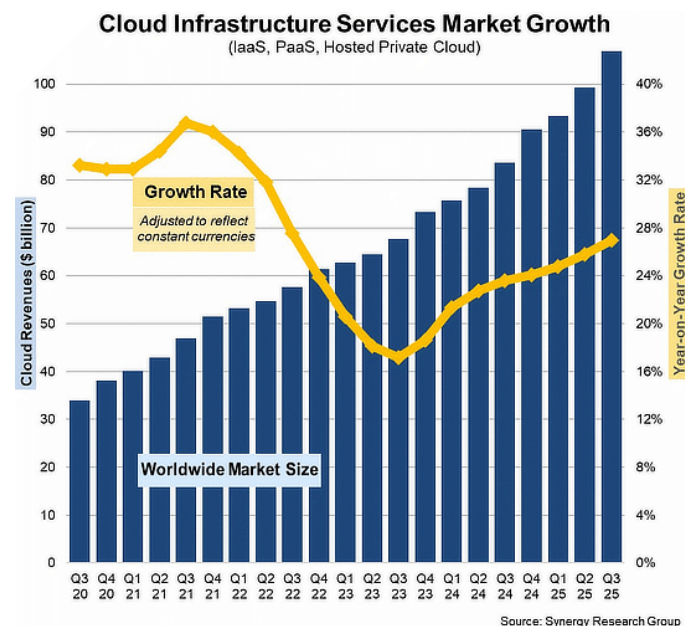
*source : https://www.publickey1.jp/blog/25/aws3029google1320253synergy_research.html

32

[Repost] Status of IR Activities

We are considering initiatives to increase IR meetings with institutional investors and IR initiatives targeting individual investors.
We are also exploring improvements to our IR website to make information easier to navigate and access.

FY02/25

◎ **Financial results briefings**

Held four briefings for institutional and individual investors.

◎ **Institutional investor IR meetings**

Held 94 meetings in FY02/25.

◎ **New institutional investor IR meetings**

Held six meetings in FY02/25.

◎ **Analyst meetings**

Held eight meetings in FY02/25.

◎ **Use of external media and platforms**

Utilized channels such as Shared Research, Toyo Keizai (Japan Company Handbook), logmi Finance, QA Station, and others.

FY02/26

◎ **Disclosed Medium-Term Management Policy**

Held briefings on our Medium-Term Management Policy on April 14 (financial results briefing) and May 28 (General Meeting of Shareholders). Considering enhancing communication with both institutional and individual investors.

◎ **Accelerating information disclosure**

Held online financial results briefing two hours after earnings release, shortening the previous timeline by two to three business days. Published transcript and video one business day after the briefing, three business days earlier than before.

◎ **IR organization**

One full-time IR staff member and one dual-role IR staff member are assigned directly under the CFO.

◎ **Strengthening information disclosure**

Considering improvements to our IR website to make information easier to navigate and access.

Key Topics Discussed in IR Meetings

Category	Question	Response
Forecast	Reasons for changes to exchange rate assumptions used in earnings forecast	Previously, we used the median of exchange rate forecasts from analysts at financial institutions and disclosed foreign exchange sensitivity as supplementary information. **We have since adopted the average exchange rate for the previous fiscal year to enable a YoY comparison that excludes the impact of exchange rate fluctuations**.
Forecast	Details on contract cancellation	The impact on this fiscal year's earnings **gradually emerged from Q1**, and **we expect a full-year negative impact of about 1.5 billion yen on net sales**. **This case is highly irregular**—not due to a termination of AWS usage by the customer or any issue with our company, but because the customer switched from our contract to a direct agreement with AWS.
(New) Unprofitable Projects	Regarding the unprofitable projects that occurred in Q2	**Unprofitable projects occurred for both Serverworks and G-gen.** For G-gen, the project where we provisioned for order losses in Q2 of the fiscal year ending February 2025 has seen further increases in man-hours. The completion date has been extended from December 2025 to June 2026 (planned). Regarding Serverworks, this unprofitable project is a large-scale case arising amid growing corporate cloud investments. **While both projects are moving toward resolution, the situation remains unpredictable.** Given that the possibility of unprofitable large-scale projects cannot be entirely ruled out going forward, **we will strengthen our capabilities by introducing operational systems to improve the accuracy of estimated workloads and by conducting additional hiring.**
(New) Mid-Term Management Policy	Impact of Unprofitable Projects on the Mid-Term Plan	The unprofitable projects stem from specific cases, and since the majority of the losses have been provisioned as order losses in Q2 of the current fiscal year, we **believe the direct impact on the medium-term management policy for the next fiscal year and beyond will be limited**. Furthermore**, the lump-sum amortization of goodwill conducted concurrently will eliminate an annual expense of 100 million yen from the next fiscal year onward**, which is a positive factor for the mid-term plan. For these reasons, **we currently plan to maintain the mid-term management policy unchanged.**

6 . Company Overview

Make the world more productive with the Cloud

You can use computers to your advantage, no matter where
you are and without the necessity of ownership.

We are committed to further spreading this idea of the "cloud."

Through cloud computing, we aim to create a society that helps
more companies enhance their competitive edge and makes
everyone who works there feel that
 "this is a better place to work."

We would like to share this vision with you.

Serverworks Group

Serverworks Group establishes comprehensive support structure for cloud business

Key Solutions

Serverworks

Serverworks Group strongly supports clouds utilization
in any business through three main solutions

| 1 Cloud Integration | 2 Billing Services (Resale) | 3 Operation and Monitoring Services (MSP) |

Cloud implementation and migration support application development

Value-added service
not included in the direct contract
(AWS, Google Cloud)

Cloud utilization and operation support
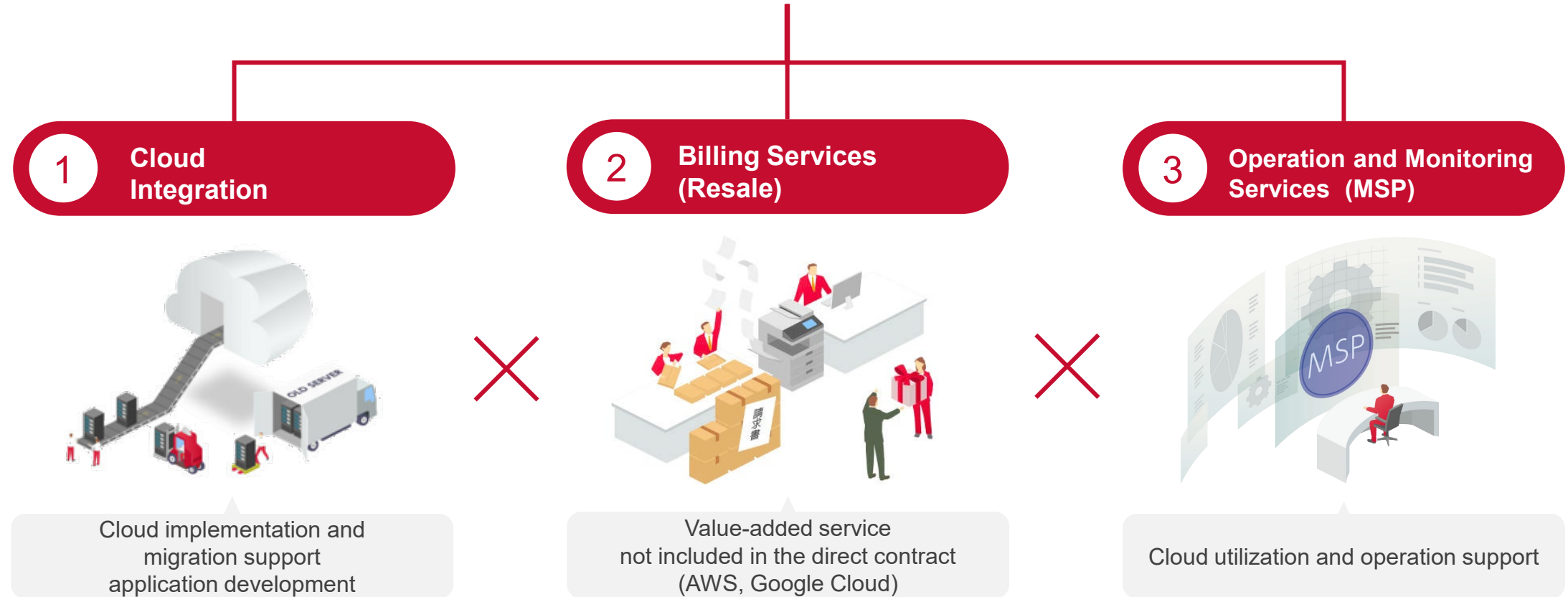
Net Sales over the past 10 years

Steadily increasing net sales with the increase in demand due to the expansion of the cloud market and the expansion and growth of the group organization through M&A and establishment of JVs

(unit: million yen)

Fiscal Year	Net Sales
FY02/2016	1,536
FY02/2017	2,295
FY02/2018	3,066
FY02/2019	4,477
FY02/2020	6,811
FY02/2021	8,029
FY02/2022	10,920
FY02/2023	17,295
FY02/2024	27,510
FY02/2025	35,717
FY02/2026 *	39,569

Results — FY02/2016 through FY02/2025

Forecast — FY02/2026
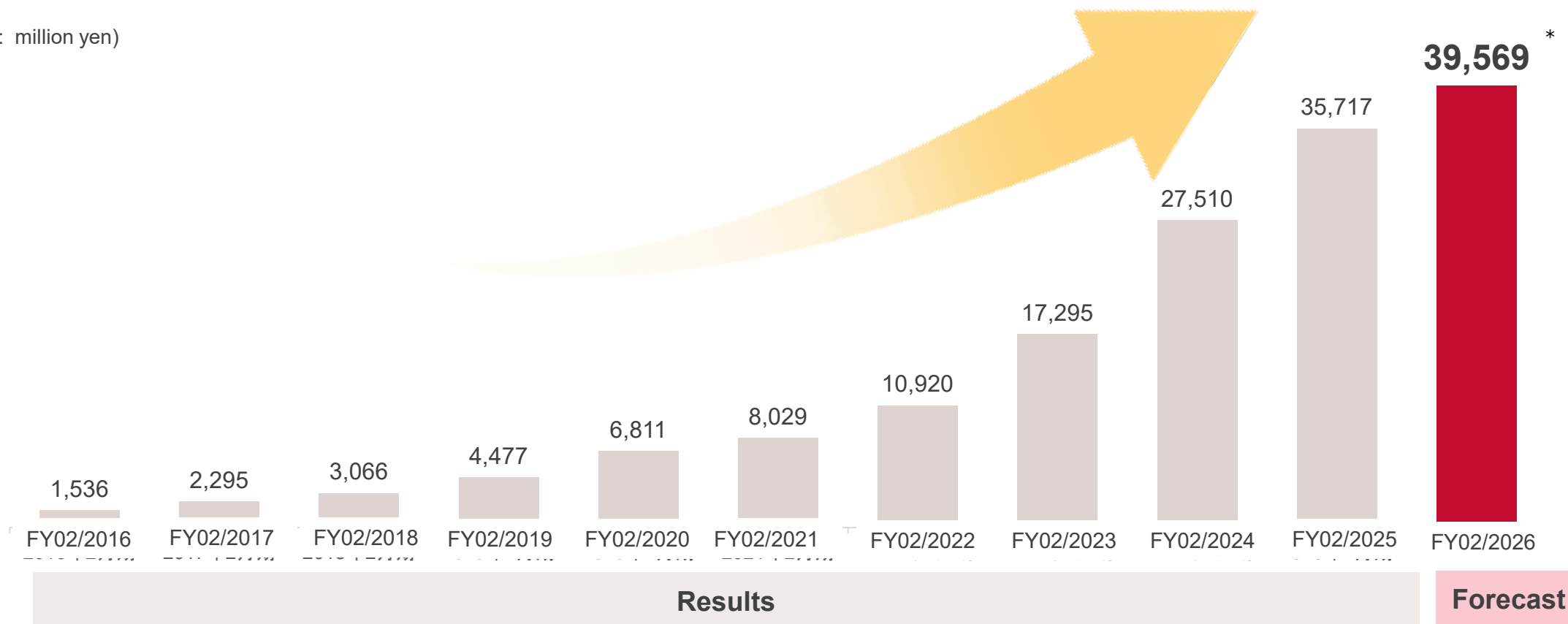
*Please refer to the "Financial Results for the Fiscal Year Ended February 28, 2025" on April 14, 2025, the "Notice Regarding the Recognition of Extraordinary Losses Due to Lump-Sum Amortization of Goodwill, Revision of Full-Year Consolidated Earnings Forecast, and Reduction of Executive Compensation" on October 15, 2025, and the "Notice Regarding Revision of Full-Year Consolidated Earnings Forecast" announced on January 14, 2026.

Management Team

Directors

President & CEO
Ryo Oishi

Oishi graduated from Tohoku University, where he majored in economics. He joined Marubeni Corporation, which is one of the biggest general trading companies. He was involved in the establishment of a subsidiary related to communication networks, as well as the planning of internet business and sales.
In February 2000, he founded Serverworks. After he started AWS business in 2009, Oishi became one of Japan's first "cloud evangelists," and he has continued to encourage Japan's use of cloud computing.

Senior Vice President
Takashi Hashiba

Hashiba graduated from Tokyo University of Agriculture, where he majored in agriculture. He joined a wholesale food processing company, working in a sales role.
After joining our company in April 2006, he became head of the sales and technical department and took part in numerous system installations. After the AWS business began, he continued working on numerous projects, contributing substantially to the company's expansion. He became senior VP in October 2013.

Audit and Supervisory Committee Members (Outside Directors)

Full-time
Mikiya Inoue

After graduating from Keio University, where he majored in engineering, Inoue joined Marubeni Corporation. He worked primarily in the information and communication industry, engaging in a wide range of projects. These included time-sharing services, international VAN services, mobile communications services, packet switching networks, communications networks for the distribution industry, optical submarine cables, data centers, and ISPs. He also took part in related M&A projects. He has lived in London and Bangkok. He joined our company as outside auditor in May 2018. He became an outside director in May 2021.

Yuko Tanaka

Tanaka graduated from The University of Tokyo, where she majored in law. After working for Toyota Motor Corporation, A.T. Kearney, and Jupiter Shop Channel, she joined CrowdWorks, Inc. as an Executive Officer in 2014. Experienced IPO, and as General Manager, Corporate Planning Office, she was responsible for mid- to long-term strategy, budgeting, business management, financial accounting, public relations, IR, and M&A. Appointed as Director in 2019. She became independent in 2022 and currently serves as Representative Director at Yukott Inc. and as an outside director at Spacemarket, Inc. and Batonz Co., Ltd. She joined our company as outside director in May 2021.

Hikari Fujimoto

Fujimoto graduated from Keio University, where she majored in economics, before joining Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC). She engaged in accounting audit work and stock listing support services. She struck out on her own in 2011, establishing Hikari Fujimoto Certified Public Accountant Office (current Hikari Fujimoto Certified Public Accountant and Tax Accounting Office) in 2013. She provides stock listing support, support for the establishment of internal controls, M&A support, and accounting tax advisory services for venture companies. Currently, she is an auditor for several companies. She joined our company as outside director in May 2021.

40

About Serverworks

Founded	February 21, 2000
Capital	3,288,700,808 yen (as of November 30, 2025)
Number of Employees	Non-consolidated: 366 (as of November 30, 2025) Consolidated : 515 (as of November 30, 2025)
Business Domain	Cloud integrator specializing in AWS
Management	Ryo Oishi CEO Takashi Hashiba Senior Vice President Mikiya Inoue Outside Director who is Audit and Supervisory Committee Member (Full-time) Yuko Tanaka Outside Director who is Audit and Supervisory Committee Member Hikari Fujimoto Outside Director who is Audit and Supervisory Committee Member
Certification	• AWS Premier Tier Service Partner • AWS Migration Competency • AWS Digital Workplace Competency • AWS Managed Service Provider Program • AWS Well-Architected Partner Program • ISO / IEC 27001 (JIS Q 27001)
Major Shareholders	Board members TerraSky Co., Ltd., NTT DATA Corporation NTT DOCOMO BUSINESS, Inc. (former NTT Communications Corporation)

Main Locations
Tokyo, Osaka, Sendai, Niigata, Fukuoka

aws PARTNER Premier Tier Services

JPX STANDARD

SGS ISO/IEC 27001 ISMS-AC ISMS ISR021

Head office

7. Business Overview

Business Model

Serverworks has been an AWS specialist since the dawn of cloud computing in Japan.

We provide a full range of services, from AWS implementation to utilization and operation.

Today, as Serverworks Group, we provide strong support for the use of the cloud in all types of businesses through three main solutions

2 **Billing Services (Resale)** — Basic Contract (Recurring Business)

1 **Cloud Integration** **3** **Operation and Monitoring Services (MSP)**

Proposal & Design	Implementation & Migration Support	System Operation & Monitoring	Round-the-Clock Support	Incident Response

1. One-Time Business | **2. Recurring Business**
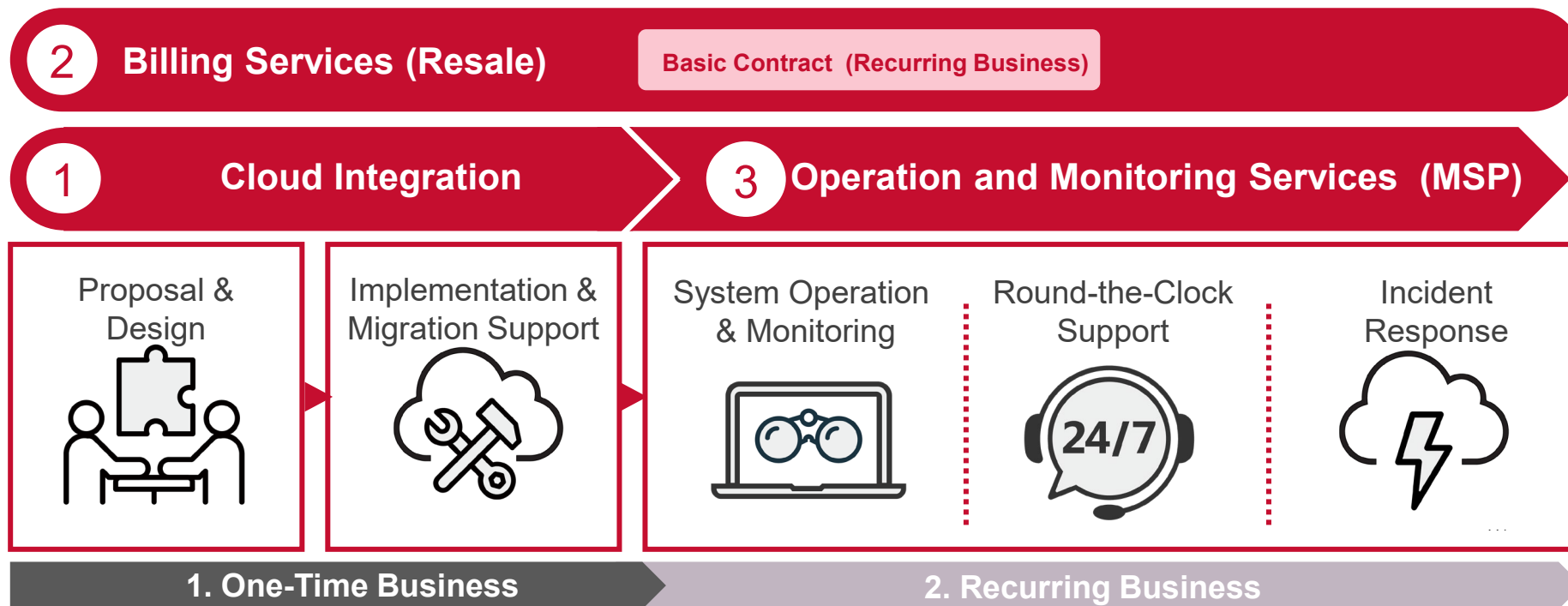
1 Cloud Integration

Business Overview

① Cloud Integration

We provide AWS planning, design, construction, and implementation support **promptly in accordance with customer requirements and environments**

Features of Serverworks' AWS Implementation and Migration Services

▶ **Extensive project experience with more than 10,000 projects**

Serverworks began providing cloud implementation support in 2008 and has been continuously certified as an AWS Premier Tier Service Partner, the highest tier of the AWS Partner Network (APN), since 2014.

▶ **Be proactive and make suggestions even if they are unprecedented.**

We value the attitude of being close to our customers, so we try to make positive proposals even for unprecedented consultations.

Case Studies
*We provide estimates in advance based on individual requests.

Customer support Building environments

Migrate on-premise environments to servers

Building environments for **financial institutions** and **payment systemsA**

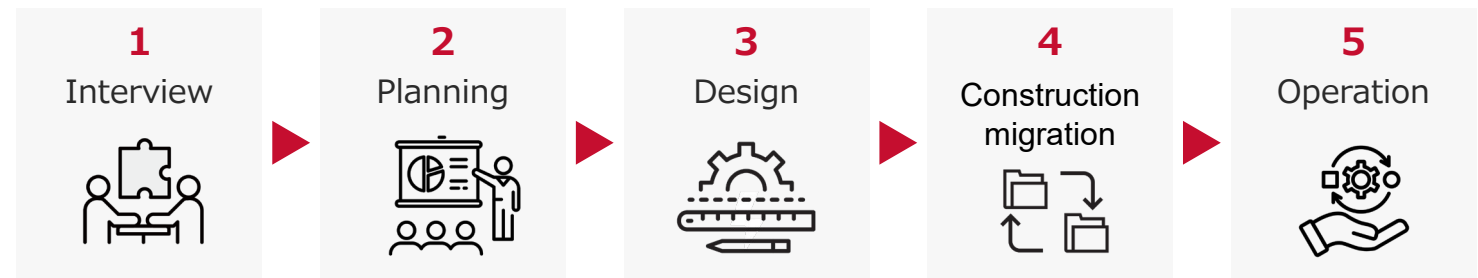**Provide in-house production support** for AWS utilization

Basic Implementation Flow

▶ **System capable of providing support from design to operation**

We assess the customer's current situation and their goals for AWS migration. Then, we quickly develop an overall plan and implement the project

1 Interview	2 Planning	3 Design	4 Construction migration	5 Operation

Business Overview

Providing AWS training and in-house development support

Accelerate in-house development by incorporating generative AI into training programs

1
Get an overview
- Confirm the purpose of the tool
- Confirm if it can be a good solution to the problem

2
Tutorial
- Get an overview of how to use it
- Check how it works
- Gain a deeper understanding of concepts

+ Reinforce necessary knowledge

3
Test use
- Use in a practical manner
- Confirm concerns regarding practical use
- Understand detailed specifications

+ Reinforce necessary knowledge

4
Deployment in practical operations
- Practical use for problem solving

+ Reinforce necessary knowledge

5
Developmental utilization
- Apply to other issues

+ Reinforce necessary knowledge

AWS official training

Serverworks hands-on training

Agile development support

RFP challenge

Support from a customer success manager

46

Business Overview

We support AWS adoption through a collaborative, hands-on approach.

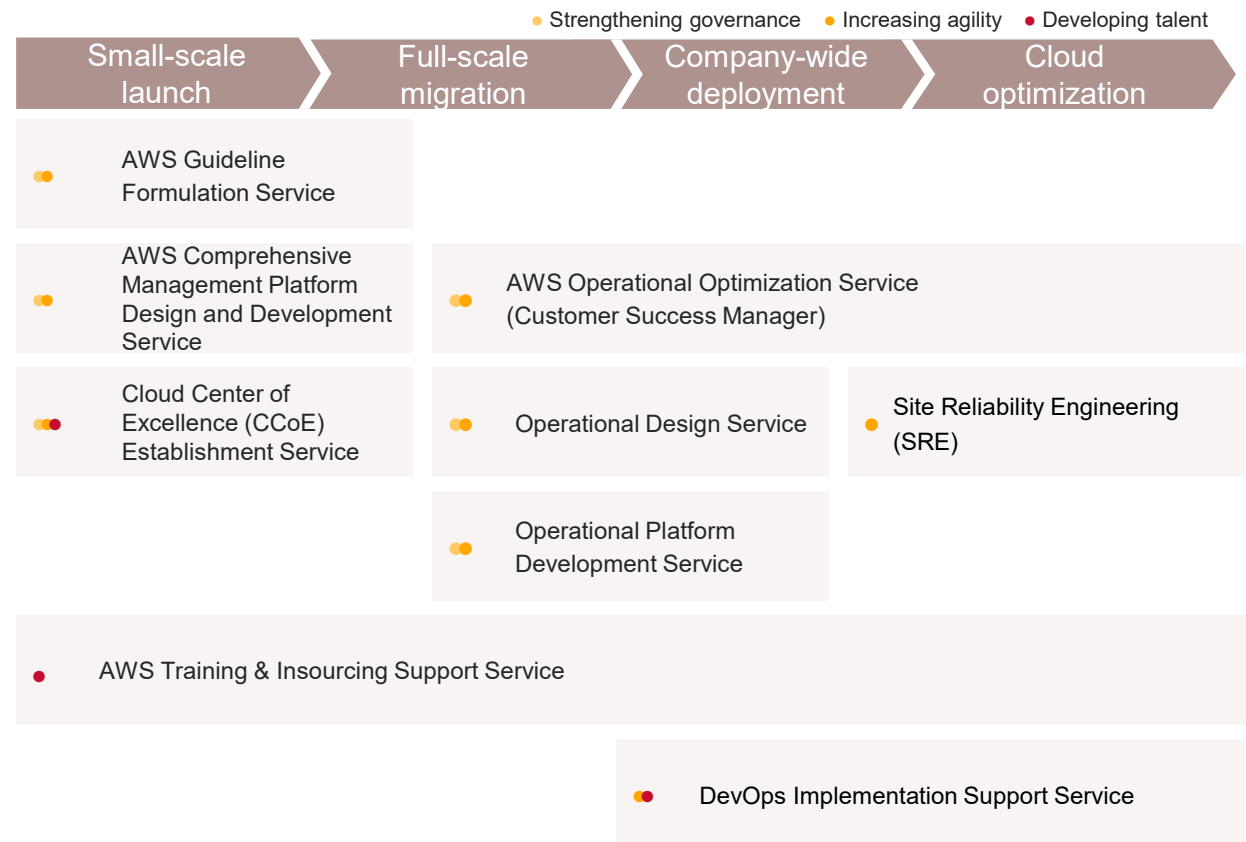**Our "Cloud Sherpa" solution provides comprehensive support for internal digital transformation (DX).**

Strengths of Cloud Sherpa

▶ What is Cloud Sherpa?

Cloud Sherpa is a service offered by Serverworks, developed under a strategic collaboration agreement with AWS. It leverages the shared expertise of both companies.

Cloud Sherpa

Technical capability	Solutions capability	Broad expertise	Access to the latest information

AWS expertise

Customers

Overview of Cloud Sherpa

● Strengthening governance　● Increasing agility　● Developing talent

Small-scale launch	Full-scale migration	Company-wide deployment	Cloud optimization

●● AWS Guideline Formulation Service

●● AWS Comprehensive Management Platform Design and Development Service

●● AWS Operational Optimization Service (Customer Success Manager)

●●● Cloud Center of Excellence (CCoE) Establishment Service

●● Operational Design Service

● Site Reliability Engineering (SRE)

●● Operational Platform Development Service

● AWS Training & Insourcing Support Service

●● DevOps Implementation Support Service

47

2 **Billing Services (Resale)**

Business Overview

Providing a billing service that enables more convenient and secure use of AWS

In addition to technical support, we also provide operational automation tools, property insurance, and other services.

Advanced Plan delivers our unique value added on AWS.

▶ **What is AWS Advanced?**

With only a billing agent fee of 10% of the AWS usage fee, this plan allows you to take advantage of the AWS operation automation tool, Cloud Automator. We also provide indemnity insurance in case of emergency, personalized support by our engineers, and various operation services, in addition to basic support.

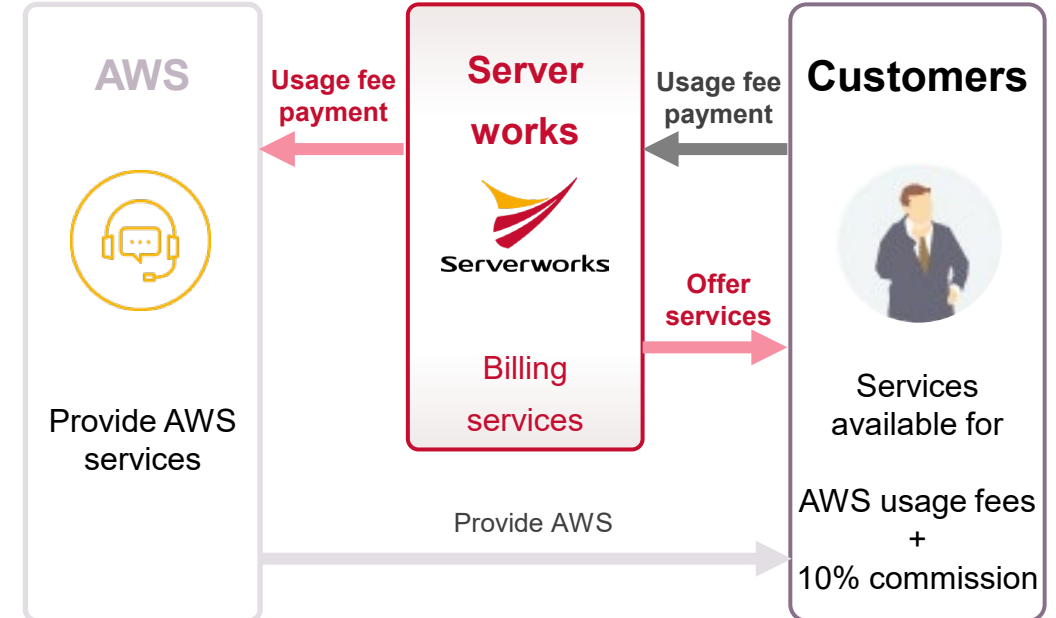| AWS Advanced Plan	
Technical Support	Cloud Automator
Invoicing in Japanese Yen	Migration and Operations Services *paid option
Customer Portal	Damage Insurance

Serverworks contracts with AWS for enterprise support.

AWS

Provide AWS services

Usage fee payment →

Server works

Serverworks

Billing services

← Usage fee payment

Customers

Services available for

AWS usage fees + 10% commission

Offer services →

Provide AWS

49

Business Overview

Available with advanced service agreement

Customer successes of Cloud Automator, operational optimization service

Cloud Automator automates AWS operations

dip

DIP Corporation

Achieved **30%** AWS cost reduction target for half a year in three months, and **50% monthly** in six months

Feedback PICK UP

Cloud Automator is also utilized to improve AWS operational efficiency, which leads to continuous and total efficiency and cost reduction.

近鉄不動産

Kintetsu Real Estate Co., Ltd.

Intuitive and easy-to-use

No need for knowledge of AWS or programming

Feedback PICK UP

We have found it to be a very easy-to-use and convenient tool, with backups and other functions available in addition to instant launch and stop.

3 Operation and Monitoring Services (MSP)

Business Overview

Round-the-clock operation and monitoring of systems built on AWS

Long-term support on how to operate and utilize AWS to evolve your business

Reduce operational burden and maximize AWS benefits

▶ **What is AWS Operation Agency and Monitoring Service?**

This reduces the burden of using and operating AWS and maximizes the benefits of using AWS without the time and effort of accumulating operational know-how in-house.

What our AWS operation and monitoring services can do

System Operation & Monitoring	Round-the-Clock Support	Troubleshooting

AWS operation and monitoring services

For example, do you have any of these problems?

Sudden troubles	Long-term consultation
Late at night, an unexpected server error	Consultation on future AWS operations and further utilization

MSP support center **assists in troubleshooting**	The team in charge of the project offers **user-friendly suggestions and solutions**

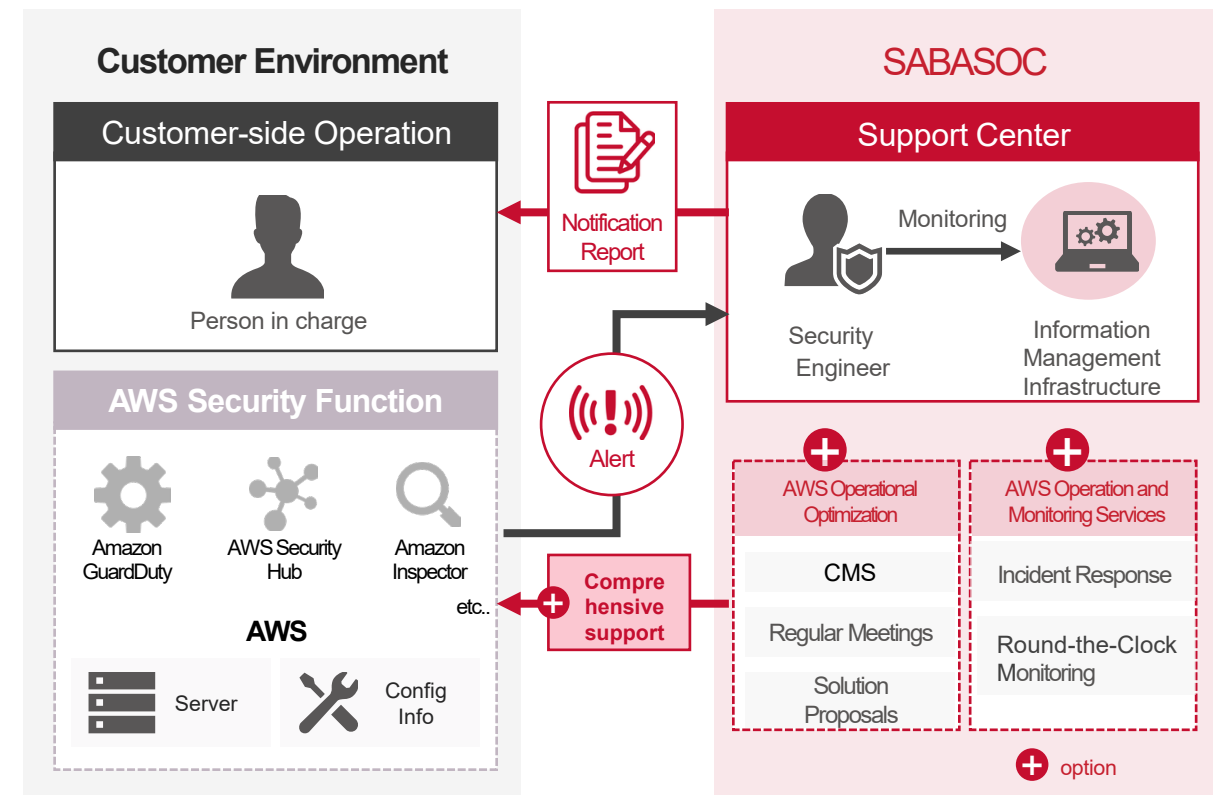| AWS Technical Support	AWS Operation Optimization Service
Round-the-Clock AWS Operation Services	Wide-range of Support for AWS Utilization

52

Secure, cost-effective, and fast

Managed Security Service "SABASOC"

▶ What is SABASOC?

It is a managed security service for AWS infrastructure provided by an AWS-specialized vendor. Leveraging AWS's latest security technologies and generative AI, it delivers automated, high-precision security responses quickly.

Security-related alerts are monitored by a support center, which immediately notifies you of critical incidents. In addition to analyzing the content of alerts issued by AWS and evaluating their risks, we also propose appropriate countermeasures.

Even users without specialized knowledge can fully utilize AWS's security features. Minimize operational burden and focus on strategic business activities.

Customer Environment

Customer-side Operation

Person in charge

Notification Report

AWS Security Function

Amazon GuardDuty

AWS Security Hub

Amazon Inspector

etc..

AWS

Server

Config Info

Alert

Comprehensive support

SABASOC

Support Center

Monitoring

Security Engineer

Information Management Infrastructure

AWS Operational Optimization

CMS

Regular Meetings

Solution Proposals

AWS Operation and Monitoring Services

Incident Response

Round-the-Clock Monitoring

➕ option

Alerts generated in customer environment are monitored by the SABASOC support center

53

Forward-Looking Statements

The materials and information provided in this document include so-called "forward-looking statements." These are based on current expectations, projections, and risk assumptions, and include uncertainties that could cause actual results to differ from expectations.

Risks and uncertainties include general industry and market conditions, as well as general domestic and international economic conditions, such as interest rate and currency exchange fluctuations.

The Company is not obligated to update or modify these forward-looking statements, even in the event of new information and/or future events that could affect results.

54