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April 14, 2026

## Consolidated Financial Results for the Fiscal Year Ended February 28, 2026 (Under Japanese GAAP)



Company name: Serverworks Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 4434

URL: <https://www.serverworks.co.jp/>

Representative: Ryo Oishi

Representative Director, President

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Back office executive officer

Telephone: +81-3 (5579) 8029

Scheduled date of annual general meeting of shareholders: May 26, 2026

Scheduled date to commence dividend payments: May 12, 2026

Scheduled date to file annual securities report: May 25, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2026	40,006	12.0	625	(41.7)	766	(28.1)	(600)	-
February 28, 2025	35,717	29.8	1,072	19.5	1,066	3.2	677	6.1

Note: Comprehensive income For the fiscal year ended February 28, 2026: ¥ (658) million [ -%]  
For the fiscal year ended February 28, 2025: ¥ 897 million [ (7.6)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended February 28, 2026	Yen (78.33)	Yen -	% (5.7)	% 3.8	% 1.6
February 28, 2025	86.21	85.24	6.1	5.5	3.0

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended February 28, 2026: ¥ (44) million

For the fiscal year ended February 28, 2025: ¥ (143) million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of February 28, 2026	Millions of yen 20,258	Millions of yen 9,735	% 48.0	Yen 1,312.02
February 28, 2025	20,493	11,460	55.9	1,453.68

Reference: Equity

As of February 28, 2026: ¥ 9,726 million

As of February 28, 2025: ¥ 11,460 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended February 28, 2026	Millions of yen 765	Millions of yen 156	Millions of yen (398)	Millions of yen 6,645
February 28, 2025	906	(1,453)	(227)	6,041

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 28, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended February 28, 2026	-	0.00	-	25.00	25.00	185	-	1.8
Fiscal year ending February 28, 2027 (Forecast)	-	15.00	-	15.00	30.00		25.4	

Note: Breakdown of the year-end dividend for the fiscal year ended February 28, 2026 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated financial result forecasts for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	47,184	17.9	1,310	109.5	1,398	82.5	904	-	117.88

### \* Notes

(1) Significant changes in the scope of consolidation during the period:

Yes

Newly included:	1	companies(	)
Excluded:	-	companies(	)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: Yes
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2026	7,936,261 shares
As of February 28, 2025	7,884,375 shares

(ii) Number of treasury shares at the end of the period

As of February 28, 2026	522,667 shares
As of February 28, 2025	618 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended February 28, 2026	7,672,260 shares
Fiscal Year ended February 28, 2025	7,856,768 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

# Consolidated Financial Statements and Primary Notes

## Consolidated Balance Sheet

(Thousands of yen)

	As of February 28, 2025	As of February 28, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	6,051,973	6,655,493
Trade receivables and contract asset	5,179,439	5,769,678
Securities	590,451	-
Advance payments to suppliers	3,151,105	2,836,304
Income taxes refund receivable	11,573	262
Other	239,681	310,348
Allowance for doubtful accounts	(1,787)	(5,017)
Total current assets	15,222,436	15,567,069
Non-current assets		
Property, plant and equipment		
Buildings	124,804	194,613
Accumulated depreciation	(52,519)	(65,753)
Buildings, net	72,285	128,860
Tools, furniture and fixtures	75,350	77,052
Accumulated depreciation	(36,590)	(41,563)
Tools, furniture and fixtures, net	38,759	35,488
Total property, plant and equipment	111,045	164,349
Intangible assets		
Goodwill	797,330	-
Software	78,740	105,421
Software in progress	9,138	101,840
Trademark right	2,836	2,111
Other	75	75
Total intangible assets	888,121	209,449
Investments and other assets		
Investment securities	3,806,775	4,000,400
Shares of subsidiaries and associates	318,965	174,689
Distressed receivables	466	1,001
Deferred tax assets	50,370	-
Other	96,071	142,988
Allowance for doubtful accounts	(466)	(1,001)
Total investments and other assets	4,272,183	4,318,079
Total non-current assets	5,271,350	4,691,877
Total assets	20,493,787	20,258,946

(Thousands of yen)

	As of February 28, 2025	As of February 28, 2026
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	5,153,028	5,907,845
Short-term borrowings	-	720,000
Contract liabilities	2,555,073	2,087,838
Income taxes payable	196,187	228,683
Asset retirement obligations	-	2,650
Provision for bonuses	283,119	331,759
Provision for bonuses for directors (and other officers)	5,920	-
Provision for loss on orders received	85,698	220,034
Other	430,146	511,594
Total current liabilities	8,709,173	10,010,406
Non-current liabilities		
Deferred tax liabilities	309,875	429,940
Asset retirement obligations	14,310	83,394
Total non-current liabilities	324,185	513,335
<b>Total liabilities</b>	<b>9,033,359</b>	<b>10,523,742</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,270,337	3,291,121
Capital surplus	3,154,660	3,175,444
Retained earnings	3,760,938	3,159,981
Treasury shares	(2,724)	(1,119,651)
Total shareholders' equity	10,183,211	8,506,895
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,279,039	1,219,898
Deferred gains or losses on hedges	(1,822)	-
Total accumulated other comprehensive income	1,277,216	1,219,898
Share acquisition rights	-	8,409
<b>Total net assets</b>	<b>11,460,428</b>	<b>9,735,204</b>
<b>Total liabilities and net assets</b>	<b>20,493,787</b>	<b>20,258,946</b>

## Consolidated Statements of Income and Comprehensive Income

## Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Net sales	35,717,021	40,006,534
Cost of sales	31,612,857	36,362,176
Gross profit	4,104,164	3,644,357
Selling, general and administrative expenses	3,032,088	3,019,095
Operating profit	1,072,076	625,262
Non-operating income		
Interest income	116,431	98,054
Dividend income	32,900	43,012
Foreign exchange gains	-	24,250
Commission income	77,030	102,410
Subsidy income	-	24,000
Other	3,116	3,955
Total non-operating income	229,478	295,682
Non-operating expenses		
Interest expenses	501	2,597
Share of loss of entities accounted for using equity method	143,409	44,928
Loss on investments in investment partnerships	55,069	78,549
Foreign exchange losses	32,657	-
Other	3,675	28,701
Total non-operating expenses	235,314	154,776
Ordinary profit	1,066,240	766,168
Extraordinary income		
Gain on sale of investment securities	-	6,764
Non-recurring income	-	38,614
Total extraordinary income	-	45,378
Extraordinary losses		
Loss on retirement of non-current assets	3,421	674
Loss on valuation of investment securities	94,102	21,923
Amortization of goodwill	-	742,966
Non-recurring loss	-	101,311
Total extraordinary losses	97,523	866,875
Profit (loss) before income taxes	968,717	(55,328)
Income taxes - current	353,633	373,143
Income taxes - deferred	(83,928)	172,484
Total income taxes	269,705	545,628
Profit (loss)	699,012	(600,957)
Profit attributable to non-controlling interests	21,680	-
Profit (loss) attributable to owners of parent	677,331	(600,957)

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Profit (loss)	699,012	(600,957)
Other comprehensive income		
Valuation difference on available-for-sale securities	200,502	(59,140)
Deferred gains or losses on hedges	(1,822)	1,822
Total other comprehensive income	198,680	(57,317)
Comprehensive income	897,692	(658,275)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	876,012	(658,275)
Comprehensive income attributable to non-controlling interests	21,680	-

Consolidated Statement of Changes in Equity  
For the fiscal year ended February 28, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,255,144	3,245,870	3,083,606	(2,724)	9,581,896
Changes during period					
Issuance of new shares	15,193	15,193			30,386
Profit (loss) attributable to owners of parent			677,331		677,331
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries		450,020			450,020
Merger of consolidated subsidiaries - non-controlling interests		28,584			28,584
Additional purchase of shares of consolidated subsidiaries		(585,007)			(585,007)
Net changes in items other than shareholders' equity					
Total changes during period	15,193	(91,209)	677,331	-	601,315
Balance at end of period	3,270,337	3,154,660	3,760,938	(2,724)	10,183,211

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	1,078,536	-	1,078,536	6,904	10,667,336
Changes during period					
Issuance of new shares					30,386
Profit (loss) attributable to owners of parent					677,331
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries					450,020
Merger of consolidated subsidiaries - non-controlling interests				(28,584)	-
Additional purchase of shares of consolidated subsidiaries					(585,007)
Net changes in items other than shareholders' equity	200,502	(1,822)	198,680	21,680	220,360

Total changes during period	200,502	(1,822)	198,680	(6,904)	793,091
Balance at end of period	1,279,039	(1,822)	1,277,216	-	11,460,428

For the fiscal year ended February 28, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,270,337	3,154,660	3,760,938	(2,724)	10,183,211
Changes during period					
Issuance of new shares	20,783	20,783			41,567
Profit (loss) attributable to owners of parent			(600,957)		(600,957)
Purchase of treasury shares				(1,116,926)	(1,116,926)
Net changes in items other than shareholders' equity					
Total changes during period	20,783	20,783	(600,957)	(1,116,926)	(1,676,315)
Balance at end of period	3,291,121	3,175,444	3,159,981	(1,119,651)	8,506,895

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	1,279,039	(1,822)	1,277,216	-	11,460,428
Changes during period					
Issuance of new shares					41,567
Profit (loss) attributable to owners of parent					(600,957)
Purchase of treasury shares					(1,116,926)
Net changes in items other than shareholders' equity	(59,140)	1,822	(57,317)	8,409	(48,908)
Total changes during period	(59,140)	1,822	(57,317)	8,409	(1,725,224)
Balance at end of period	1,219,898	-	1,219,898	8,409	9,735,204

## Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	968,717	(55,328)
Depreciation	69,814	97,633
Amortization of goodwill	109,048	797,330
Share-based payment expenses	17,808	30,332
Increase (decrease) in allowance for doubtful accounts	1,193	3,765
Increase (decrease) in provision for bonuses	(12,439)	48,640
Increase (decrease) in provision for loss on orders received	75,473	134,335
Interest and dividend income	(149,331)	(141,067)
Interest expenses	501	2,597
Foreign exchange losses (gains)	64,607	(79,417)
Share of loss (profit) of entities accounted for using equity method	143,409	44,928
Loss (gain) on investments in investment partnerships	55,069	78,549
Decrease (increase) in accounts receivable - trade, and contract assets	(940,512)	(590,495)
Decrease (increase) in advance payments to suppliers	(927,659)	314,800
Increase (decrease) in trade payables	1,070,777	754,817
Loss (gain) on sale of investment securities	-	(6,764)
Increase (decrease) in provision for bonuses for directors (and other officers)	(16,197)	(5,920)
Allowance officer retirement special service money increase and decrease	(34,000)	-
Loss (gain) on valuation of investment securities	94,102	21,923
Loss on retirement of non-current assets	3,421	674
Subsidy income	-	(24,000)
Commission for purchase of treasury shares	-	11,168
Increase (decrease) in accounts payable - other	(13,009)	(28,116)
Decrease (increase) in distressed receivables	(466)	(535)
Increase (decrease) in contract liabilities	726,968	(467,234)
Share issuance costs	2,834	1,429
Other, net	(107,552)	(6,800)
Subtotal	1,202,580	937,245
Interest and dividends received	149,331	141,067
Interest paid	(501)	(2,597)
Subsidies received	-	24,000
Income taxes paid	(444,816)	(345,474)
Income taxes refund	-	11,573
Net cash provided by (used in) operating activities	906,594	765,814

(Thousands of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
<b>Cash flows from investing activities</b>		
Purchase of securities	(598,520)	-
Proceeds from redemption of securities	-	598,520
Purchase of property, plant and equipment	(70,247)	(10,063)
Purchase of intangible assets	(44,096)	(150,417)
Proceeds from sale of intangible assets	5,000	-
Purchase of investment securities	(423,466)	(374,517)
Proceeds from sale of investment securities	-	21,178
Payments for asset retirement obligations	-	(5,760)
Purchase of shares of subsidiaries and associates	(300,600)	-
Proceeds from sale of shares of subsidiaries and associates	-	98,727
Proceeds from distributions from investment partnerships	-	7,725
Purchase of golf club membership	-	(14,400)
Other, net	(21,450)	(14,084)
Net cash provided by (used in) investing activities	(1,453,379)	156,907
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	-	720,000
Repayments of short-term borrowings	(100,000)	-
Proceeds from issuance of shares	7,734	9,314
Proceeds from share issuance to non-controlling shareholders	450,020	-
Purchase of treasury shares	-	(1,128,094)
Proceeds from issuance of share acquisition rights	-	160
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(585,007)	-
Net cash provided by (used in) financing activities	(227,252)	(398,620)
Effect of exchange rate change on cash and cash equivalents	(64,607)	79,417
Net increase (decrease) in cash and cash equivalents	(838,646)	603,519
Cash and cash equivalents at beginning of period	6,880,619	6,041,973
Cash and cash equivalents at end of period	6,041,973	6,645,493