

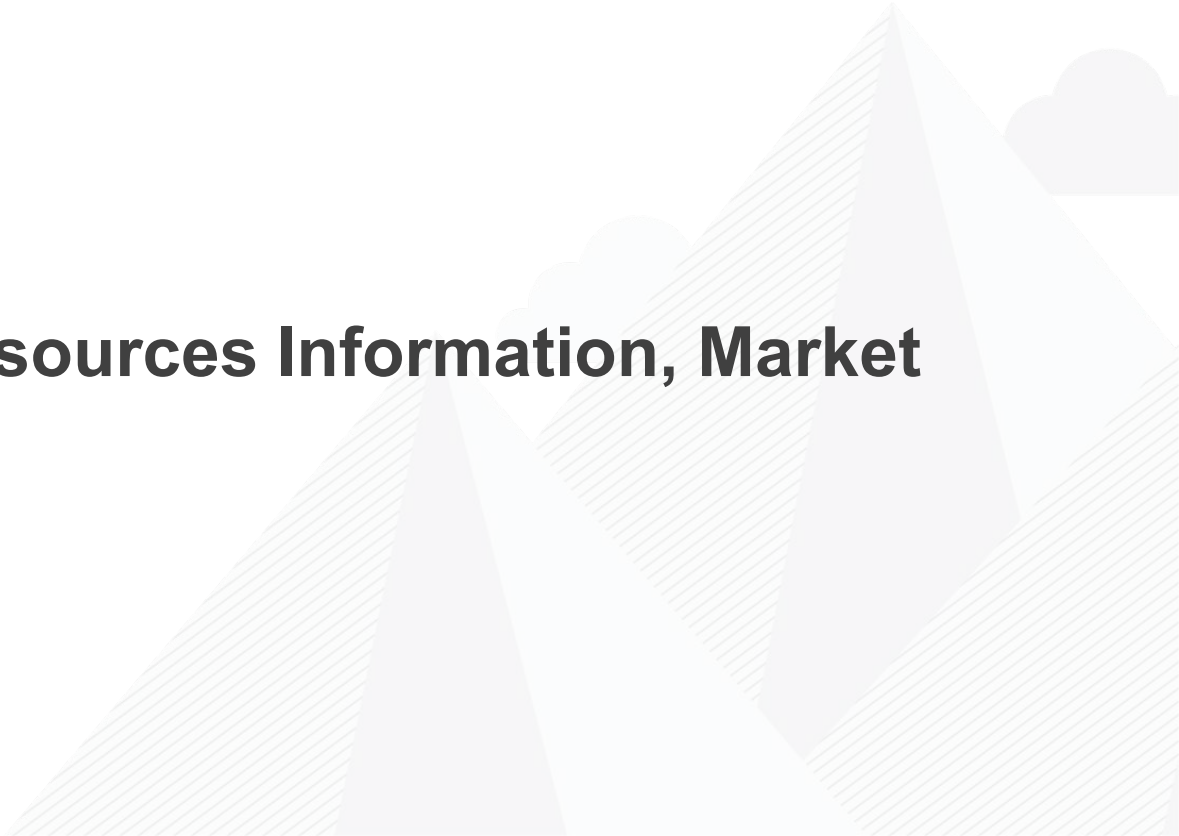
FY02/26 Financial Summary

Translation

Note :This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Contents

1. **FY02/26 Summary**
 2. **FY02/26 Key Topics**
 3. **FY02/26 Financial Summary**
 4. **Anticipated Q&A**
 5. **FY02/27 Performance Outlook**
 6. **Supplementary Data (Human Resources Information, Market Environment, IR Activities)**
 7. **Company Overview**
 8. **Business Overview**
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1. FY02/26 Summary

Executive Summary

- ▶ **FY02/26 results: profit declines due to one-time factors, but revenue remains steady**
 - Although profit temporarily declined due to a combination of one-time factors, **demand in the cloud market remains robust and our business foundation is stable**
 - For FY02/27, **we expect to quickly return to a path of profit growth as these one-time factors subside.**
- ▶ **Mid-term management policy: year 1 review and outlook for year 2**
 - Year 1: Performance targets were not met due to one-time factors. However, **project acquisition accelerated as a result of the strategic partnership (SCA) with AWS**
 - Year 2: **Prioritizing the acquisition of market share (resale share) to maximize future AI revenue** over short-term profits
 - For details, please refer to the “Notice Regarding Updates to Numerical Targets in the Mid-Term Management Policy” announced on April 14, 2026
- ▶ **Shareholder returns: improving capital efficiency and promoting continuous profit distribution**
 - **Completed the repurchase of a total of 522,000 shares (approx. 1,116 million yen) of treasury stock** in two tranches in April 2025 and January 2026, thereby strongly driving an increase in earnings per share (EPS) and an improvement in return on equity (ROE)
 - **Announced our first dividend policy** in October 2025 and **began direct shareholder returns**; the next dividend forecast FY02/27 is expected to be an increase.
 - For details, please refer to the “Notice Regarding the Distribution of Retained Earnings and the Next Dividend Forecast (Increase)” published on April 14, 2026

FY02/26 Financial Highlights

Capitalizing on robust demand in the cloud market, **both Serverworks (AWS) and G-gen (Google Cloud) posted solid net sales**. While **profits declined** YoY due to a combination of one-time factors, FY02/27 is **expected to return to normal as these factors subside**.

	Net sales (cumulative)	YoY	Operating profit (cumulative)	YoY
Consolidated				
 Serverworks	40,006 million yen	+12.0%	625 million yen	- 41.7%
 Serverworks	31,683 million yen	+9.3%	937 million yen	- 17.1%
Non-consolidated				
Consolidated subsidiary				
 Ggen	8,337 million yen	+44.3%	- 239 million yen	- 282 million yen*
* G-gen and Topgate merged in July 2024.				
Consolidated subsidiary				
 Smart Operations	175 million yen	- %	- 13 million yen	- %
* Established in March 2025.				

FY02/26 Consolidated Earnings: Comparison with the Forecast



After a downward revision in Q2 due to one-time factors, the company announced an upward revision in Q3 against the backdrop of a favorable business environment. For the full-year results, the positive impact of the weak yen continued, and the final results exceeded the upward revision made in Q3

(Unit: million yen)	Forecast ^{*1}			FY02/26	
	Announced on April 14, 2025	Revised on October 15, 2025	Revised on January 14, 2026	Results (Consolidated)	Percentage achieved (vs. revised forecast released on January 14)
Net sales^{*2}	40,841	38,393	39,569	40,006	101.1%
Gross profit	4,617	3,499	3,576	3,644	101.9%
Gross profit margin	11.3%	9.1%	9.0%	9.1%	+0.1%
Operating profit	1,140	392	551	625	113.4%
Operating profit margin	2.8%	1.0%	1.4%	1.6%	+0.2%
Ordinary profit	1,171	488	665	766	115.1%
Ordinary profit margin	2.9%	1.3%	1.7%	1.9%	+0.2%
Profit attributable to owners of parent	848	-877	-705	-600	+105 million yen
Profit attributable to owners of parent margin	2.1%	-2.3%	-1.8%	-1.5%	+0.3%

* 1. Please refer to the "Financial Results for the Fiscal Year Ended February 2025" announced on April 14, 2025, 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, and 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 January 2026 revision.

Cumulative Full-year/Quarterly Trends

(Unit: million yen)	Cumulative Full-year				Quarterly Trends for FY02/26				
	FY02/25 Q4	FY02/26 Q4	YoY	Revised Forecast Progress Rate	Q 1	Q 2	Q 3	Q 4	Compared to the previous quarter
Consolidated net sales	35,717	40,006	+12.0%	101.1%	9,219	9,516	10,333	10,936	+5.8%
 Serverworks	28,987	31,687	+9.3%		7,398	7,629	8,160	8,486	+4.0%
 Ggen	5,776	8,337	+44.3%		1,820	1,887	2,172	2,450	+12.8%
Gross profit	4,104	3,644	-11.2%	101.9%	925	672	1,016	1,030	+1.4%
Gross profit margin	11.5%	9.1%	-2.4pt		10.0%	7.1%	9.8%	9.4%	
Operating profit	1,072	625	-41.7%	113.4%	199	-109	273	261	-4.4%
Operating profit margin	3.0%	1.6%	-1.4pt		2.2%	-1.1%	2.6%	2.4%	
Profit (loss) attributable to owners of parent	677	-600	—%	—%	113	-1,017	396	-94	—
Profit margin attributable to owners of parent	1.9%	-1.5%	-3.4pt		1.2%	-10.7%	3.8%	-0.9%	

FY02/26 Key Financial Metrics: Comparison with FY02/25

(Unit: million yen)

	FY02/25	FY02/26	YoY change	Comments about difference from FY02/25 (full-year)
Net sales	35,717	40,006	+12.0%	<ul style="list-style-type: none"> Large-scale contract cancellations (previously disclosed) partially impacted net sales growth A portion of revenue (42 million yen) was deferred to the next fiscal year due to delivery delays on unprofitable G-gen projects (Note) The impact of yen appreciation (an average of about 2.5 yen from Q1 to Q4) resulted in a shortfall of approximately 595 million yen compared to the plan *AWS usage fees on a U.S. dollar basis continued to trend upward
Gross profit	4,104	3,644	-11.2%	<ul style="list-style-type: none"> Increase in costs for unprofitable projects at G-gen: 441 million yen (combined with a decrease in sales, resulting in a total loss of 484 million yen) Increase in costs for unprofitable projects at SWX: 215 million yen (Note) Impact of yen appreciation: approximately 58 million yen below plan
Gross profit margin	11.5%	9.1%	-2.4pt	
Operating profit	1,072	625	-41.7%	
Operating profit margin	3.0%	1.6%	-1.4pt	<ul style="list-style-type: none"> Impact of the decrease in gross profit (approximately -459 million yen compared to the previous year) *Segment profit was similarly affected
Ordinary profit	1,066	766	-28.2%	
Ordinary profit margin	3.0%	1.9%	-1.1pt	
Profit (loss) attributable to owners of parent	677	-600	—	<ul style="list-style-type: none"> Lump-sum write-off of goodwill related to G-gen: 742 million yen Extraordinary loss related to a specific customer: 62 million yen Reversal of deferred tax assets: 143 million yen
Profit margin attributable to owners of parent	1.9%	-1.5%	-3.4pt	

2. FY02/26 Key Topics

* Includes recent topics that occurred after the after the closing date of the relevant period

Key Topic 1

Signed a reseller agreement with Anthropic in February 2026

Began offering the high-performance AI model "Claude" through AWS's generative AI service "Amazon Bedrock"

Value of this Agreement

Stable License Provision Through Official Channels

- By providing Claude through official channels, we mitigate the risk of license violations and enable long-term, stable usage

Rapid implementation of "Claude in Bedrock, powered by Anthropic"

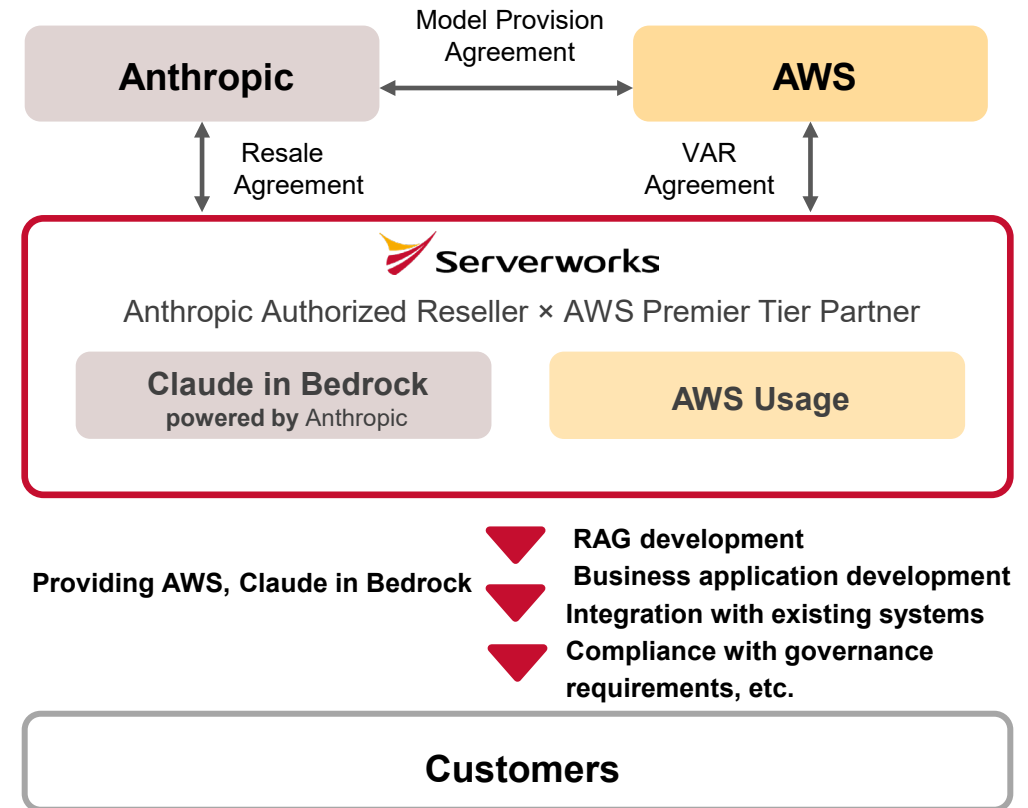
- Leveraging Amazon Bedrock, a fully managed service provided by AWS, to provide rapid support from infrastructure setup to application development

Enterprise-Level Governance Support

- We provide a highly transparent operational framework. By visualizing usage and implementing access controls, we prevent shadow IT and ensure compliance

Impact of this Agreement on Financial Performance

- With Claude added to AWS's resale services, further growth in resale revenue is expected



Key Topics 2

Achieved "AWS AI Competency (Generative AI Category)" certification in the AWS Partner Program

Additionally, approximately 70% of G-gen (Google Cloud) projects involve AI (Gemini), indicating that AI is accelerating demand for cloud services

What is the AWS AI Competency?

- **AWS certifies partners as having the advanced expertise** to address challenges companies face when utilizing AI and to implement full-scale AI systems that generate real business value within organizations
- Obtaining this certification **proves that we are at a global level in terms of our ability** to implement generative AI into actual business operations and **deliver results**
- While many companies remain at the "proof of concept (PoC)" stage, **we possess the expertise to integrate AI into actual operations and generate ROI**, which will serve as a powerful engine to drive future AI-related revenue

Our Strengths

Four Core Competencies to "Ensure We Are Not Displaced"

Data

Proven track record in building enterprise-grade data infrastructure using Databricks, Gemini Enterprise, and other solutions

Development Capabilities

Practical in-house development know-how, such as replacing our own SaaS with AI (e.g., Amazon Connect × AI)

Implementation Capabilities

Design capabilities that maximize Bedrock's performance through a direct partnership with Anthropic

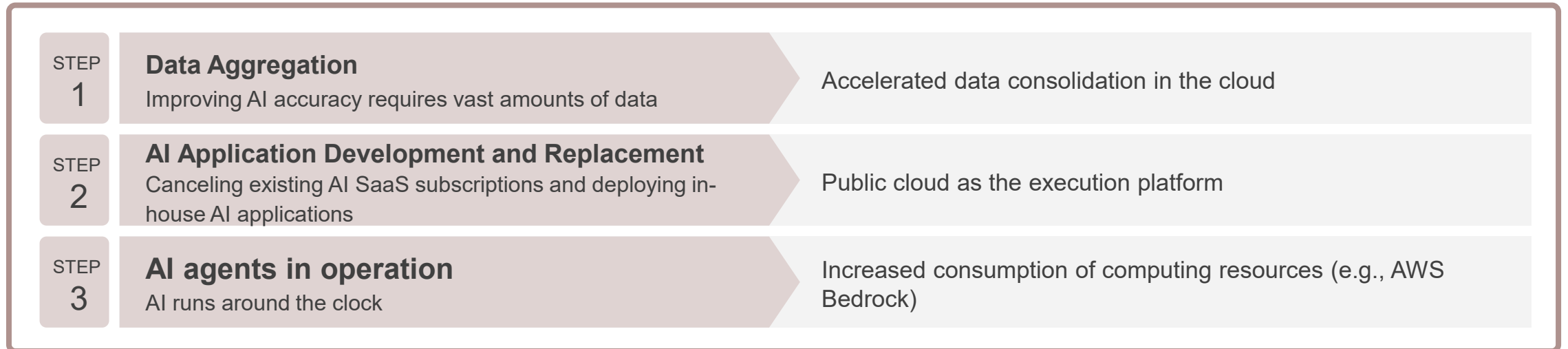
Security

24/7/365 operational monitoring. We provide the "robust security foundation" essential for AI utilization

(Supplementary Information) The Impact of AI on Our Business

With approximately 70% of G-gen's projects already involving AI, SWX has also secured a strategic asset in the form of a reseller agreement with Anthropic

We recognize that AI is not a threat of replacement for our group, but rather a powerful growth driver that accelerates cloud consumption



The widespread adoption of AI accelerates corporate cloud consumption

AI is not a threat of replacement, but a powerful growth driver

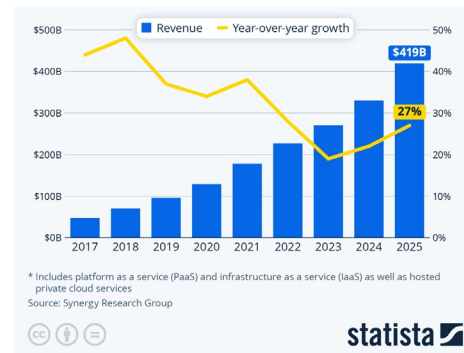
(Supplementary Information) The Relationship Between the Spread of AI and Cloud and SaaS

The cloud market is set to regain momentum as the proliferation of generative AI strongly drives demand for cloud infrastructure

Cloud Sector

Cloud infrastructure service revenue is projected to reach \$419 billion in 2025

Although the growth rate fell below 20% in 2023, it has rebounded to 27% due to the adoption of generative AI and the resulting demand. Analysts state that "generative AI has put the cloud market into overdrive."



● Flexibility of Computing Resources

It is more cost-effective to use GPUs and other resources required for AI training and inference in the cloud only when needed

● Integration of AI Services

The use of AI platforms provided by various cloud vendors is becoming standard

● Data Accumulation

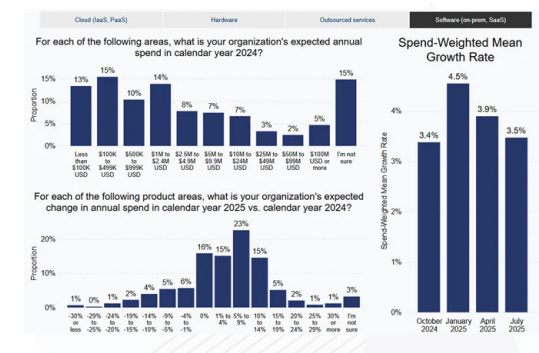
Big data needed to improve AI accuracy already exists in the cloud and is processed as-is

* Source: <https://www.statista.com/chart/34022/cloud-infrastructure-service-revenues/>

SaaS Sector

Slowing SaaS Growth Due to Increased AI Investment: A Sign of Things to Come, or Just a Blip?

Growth in corporate software budgets has slowed to 3.5%, and the projected increase in the number of accounts is expected to remain at 2.2%. As automation by AI agents advances, the number of "human" employees is decreasing, resulting in a downward trend in the number of license agreements



● AI deflation

AI-driven efficiency leads to a decrease in the number of accounts, resulting in lower revenue

● Budget cannibalization

Budgets for existing SaaS solutions are being cut to pay for AI infrastructure

● Platform Consolidation

Services are consolidated into massive platforms that integrate AI capabilities, rendering individual SaaS solutions unnecessary

* Source: <https://research.etr.ai/etr-data-drop/saas-growth-slows-as-ai-spend-rises-signal-or-head-fake>

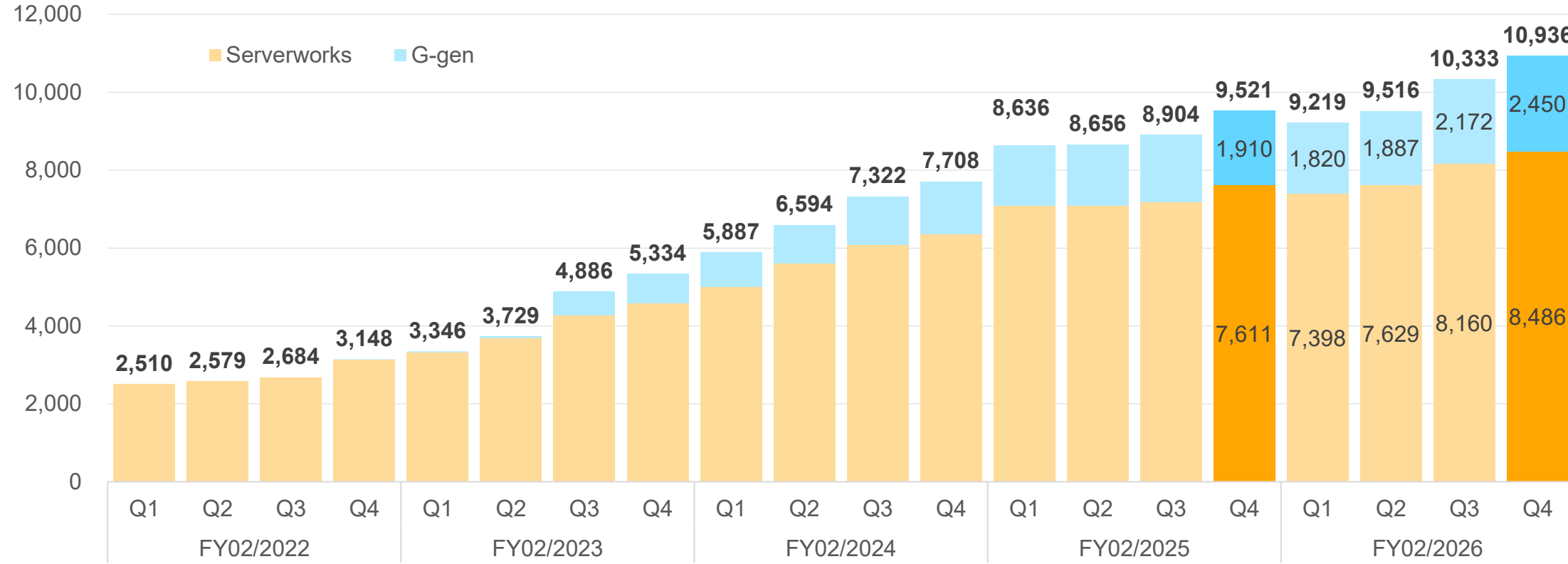
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3. FY02/26 Financial Summary

Net Sales -Consolidated and by Company

Both Serverworks and G-gen are growing steadily, with consolidated revenue reaching a record high
 In particular, **G-gen achieved a significant 28% YoY increase, fueled by a growing number of Gemini-related AI projects**

(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

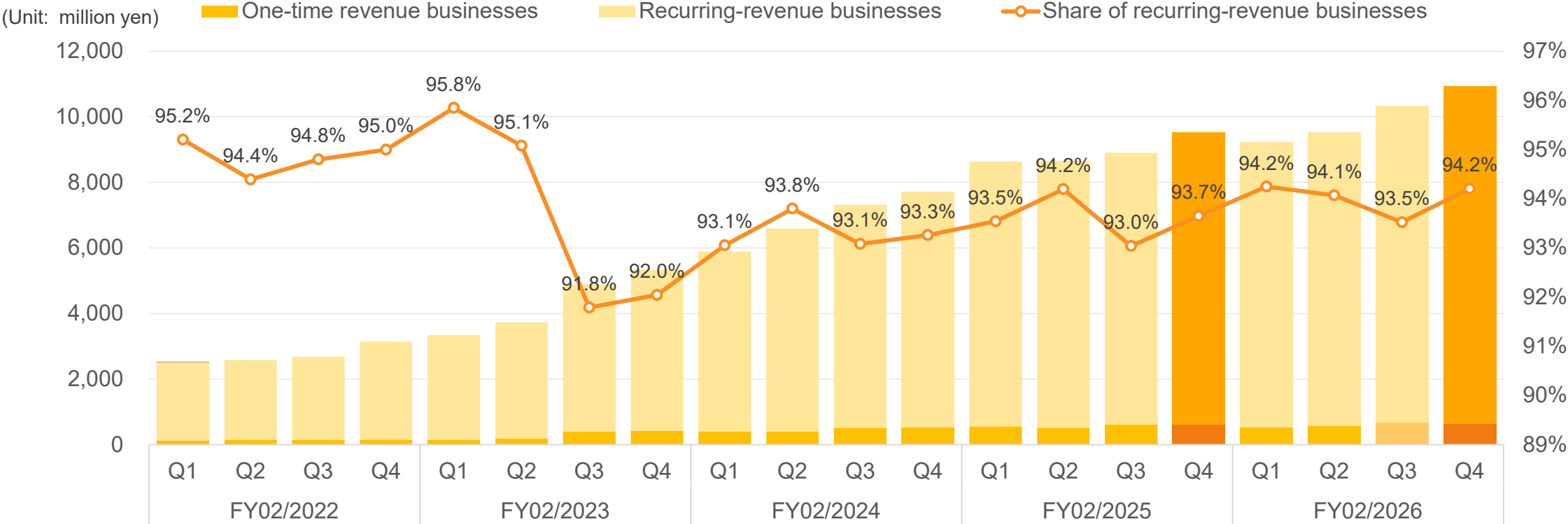
One-time Business

Recurring Business

1 Cloud Integration

2 AWS Billing Services (Resale)

3 Operation and Monitoring Services (MSP)



*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.

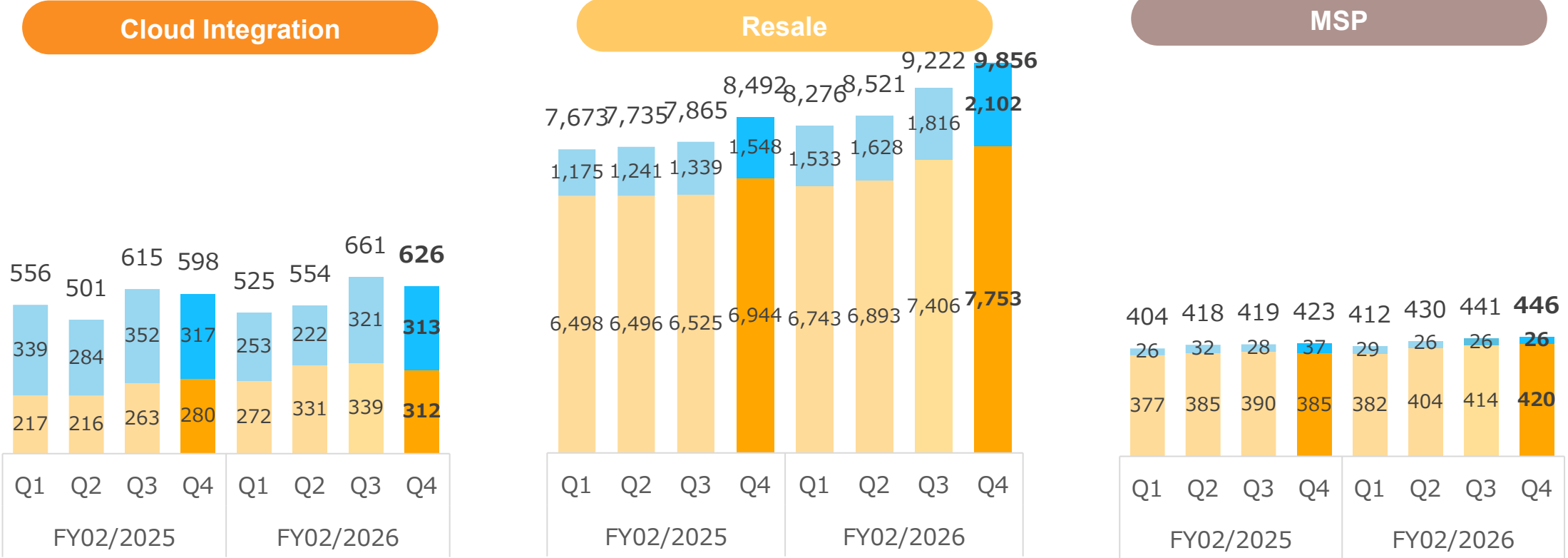
By Product and Service Segment - composition of each company -

Although Cloud Integration saw a decrease compared to the previous quarter, it maintained **quarterly revenue in the 600 million yen range and continued to perform steadily**

Additionally, G-gen gained 250 new clients, and both **Serverworks and G-gen achieved record-high resale revenue**



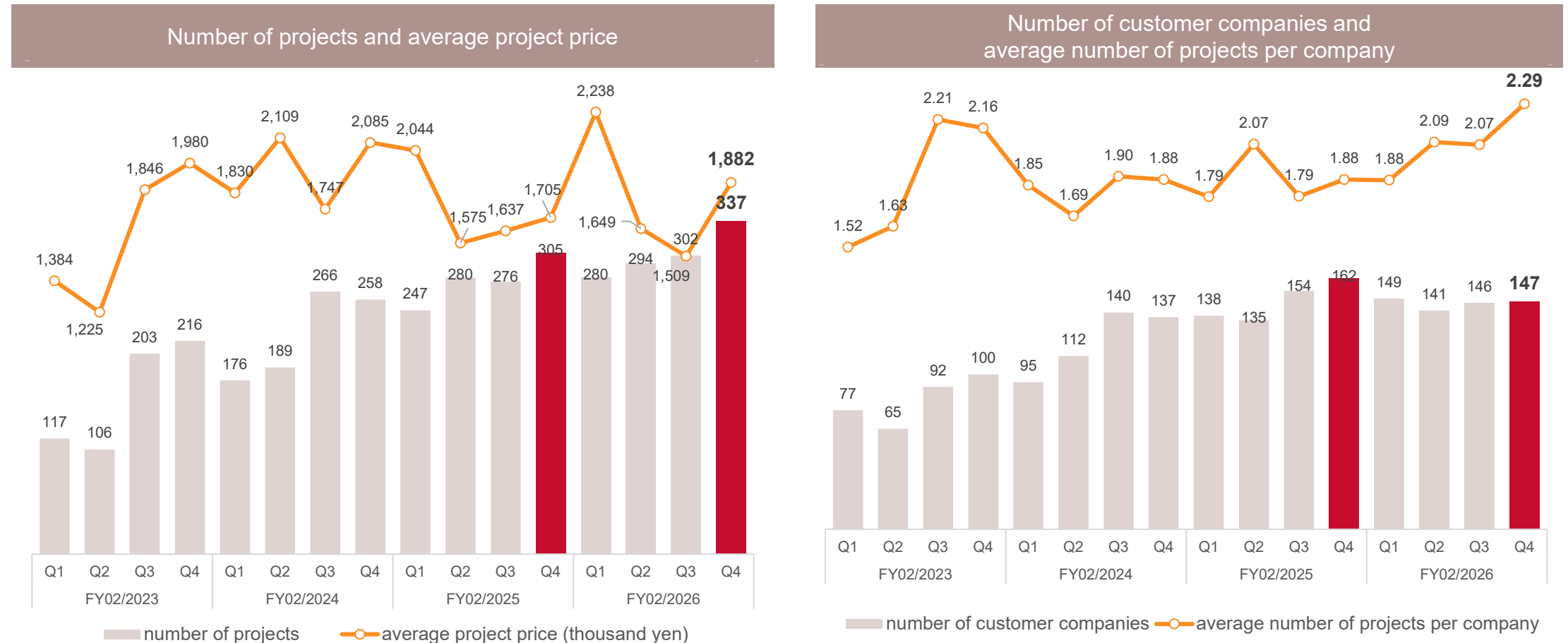
(Unit: million yen)



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



* 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).

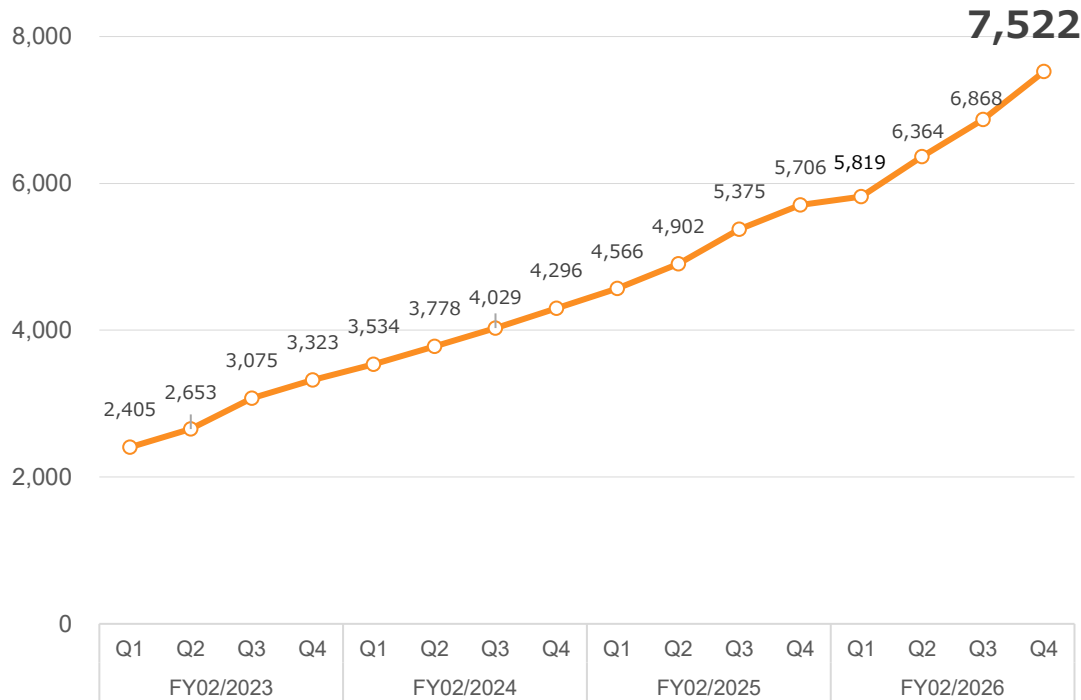
Resale - Number of AWS Accounts and ARPU -

Driven by the Strategic Collaboration Agreement (SCA) with AWS, we have **successfully secured large-scale projects, leading to a steady increase in account numbers.**

Furthermore, while proposing appropriate cost optimizations, we have **maintained a high ARPU by winning new major contracts**

Number of AWS accounts * 1

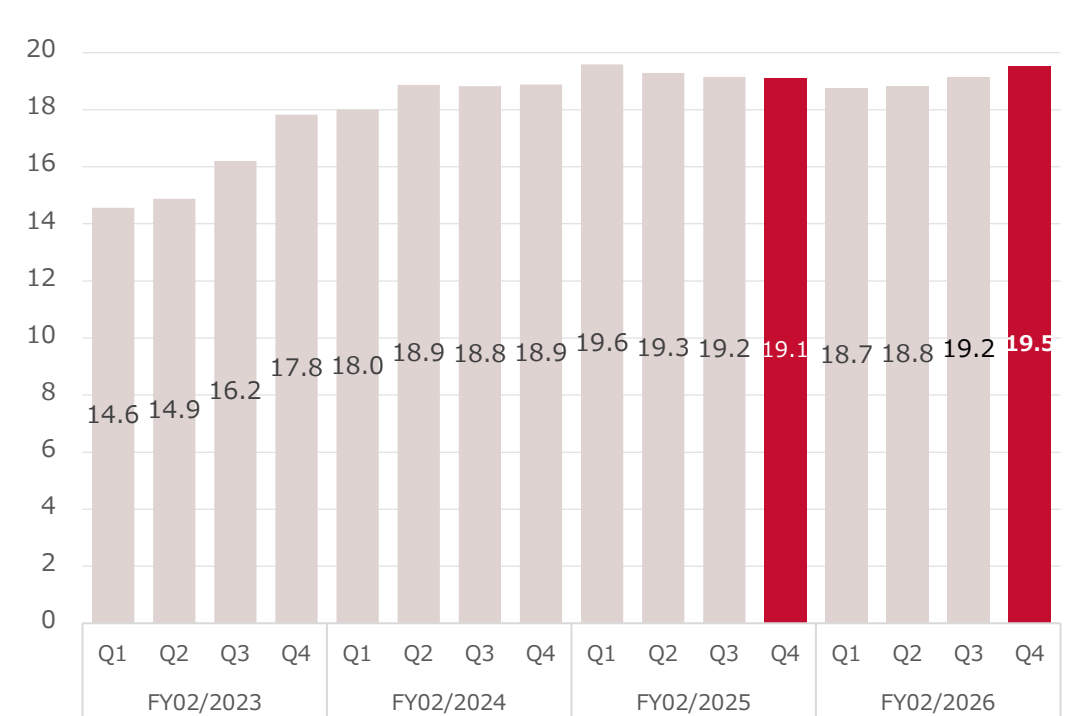
(Unit: # of account)



ARPU * 2

AWS usage fees for the quarter divided by the total number of customers for the quarter

(Unit: K USD)

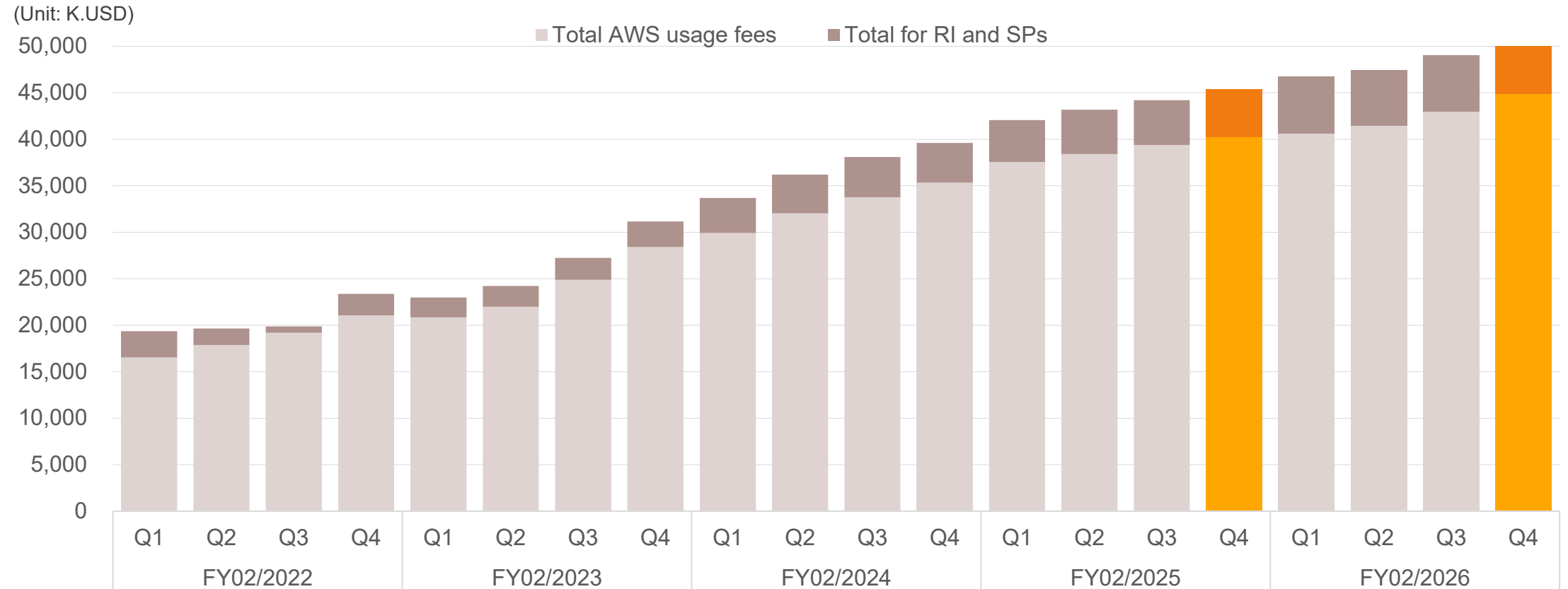


*1 The number of accounts includes all startup/discount plans as well as advanced plans.

*2 Excluding Reserved Instances and Savings Plans

AWS Usage Fee Trend (USD Basis)

As the most critical metric for tracking resale growth, **AWS usage fees in USD are showing steady growth.** Despite significant cancellations at FY-start, the fact that **USD-based usage fees -unaffected by exchange rate fluctuations- continue to grow** indicates that our core business activities are progressing smoothly.

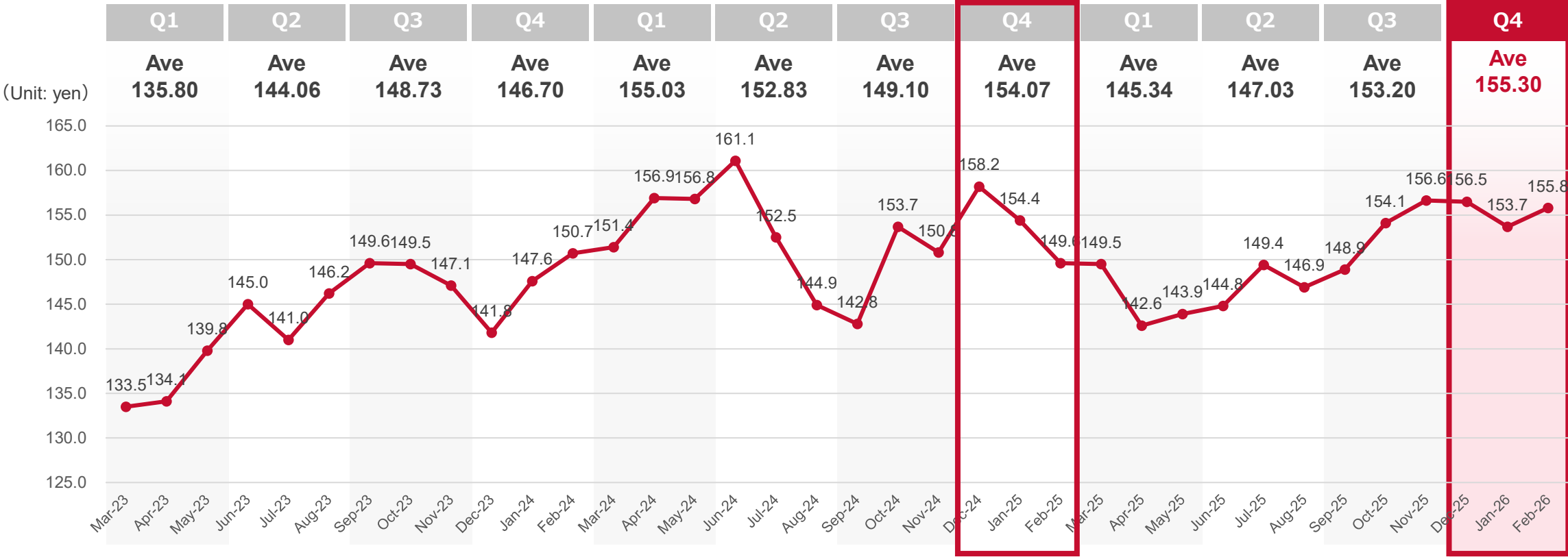


* Reserved Instances (RIs) and Savings Plans (SPs) are AWS services under which substantial discounts are offered to customers who pay a fixed reservation fee and commit to AWS usage for a certain period.

* 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

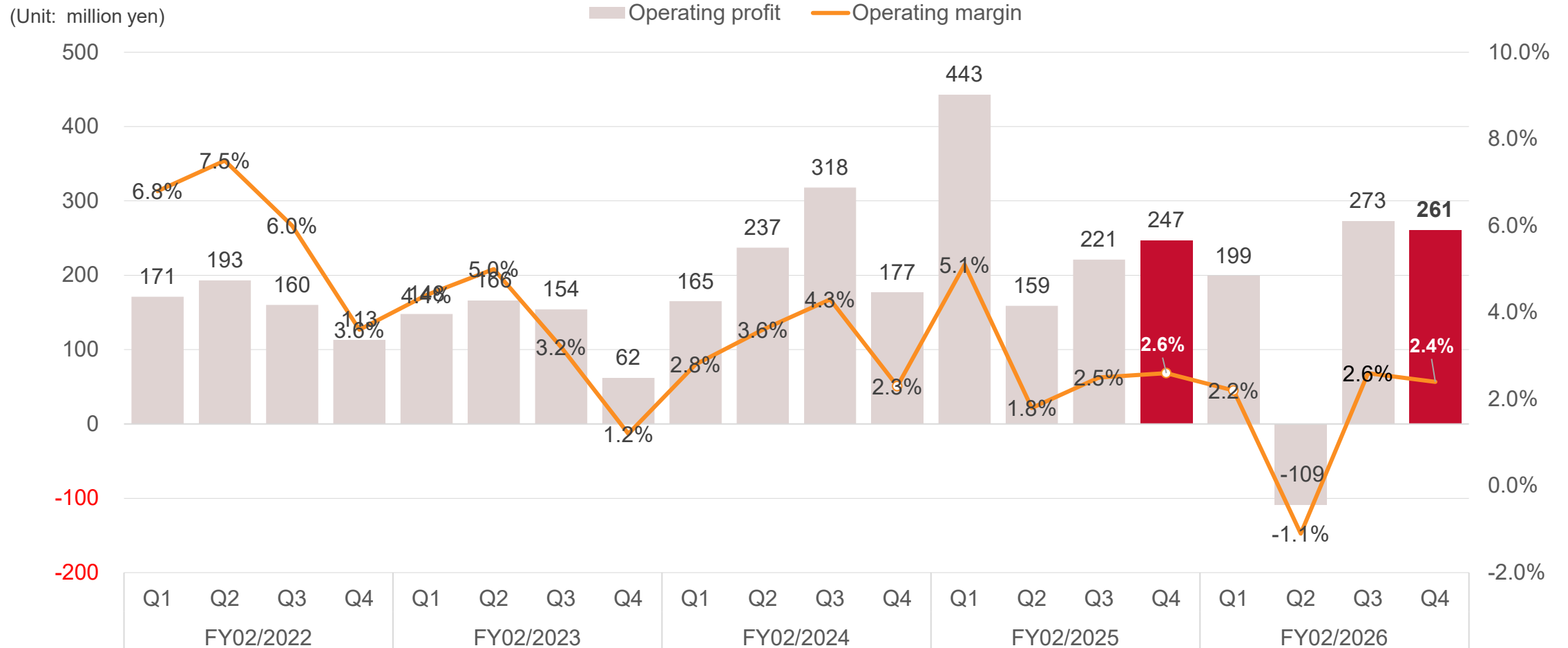
After a period of Yen appreciation in Q1 and Q2 driven by U.S. tariff policies, the trend has reversed, with the Yen continuing to weaken. As a result, **the exchange rate outlook remains highly uncertain.**



* 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.

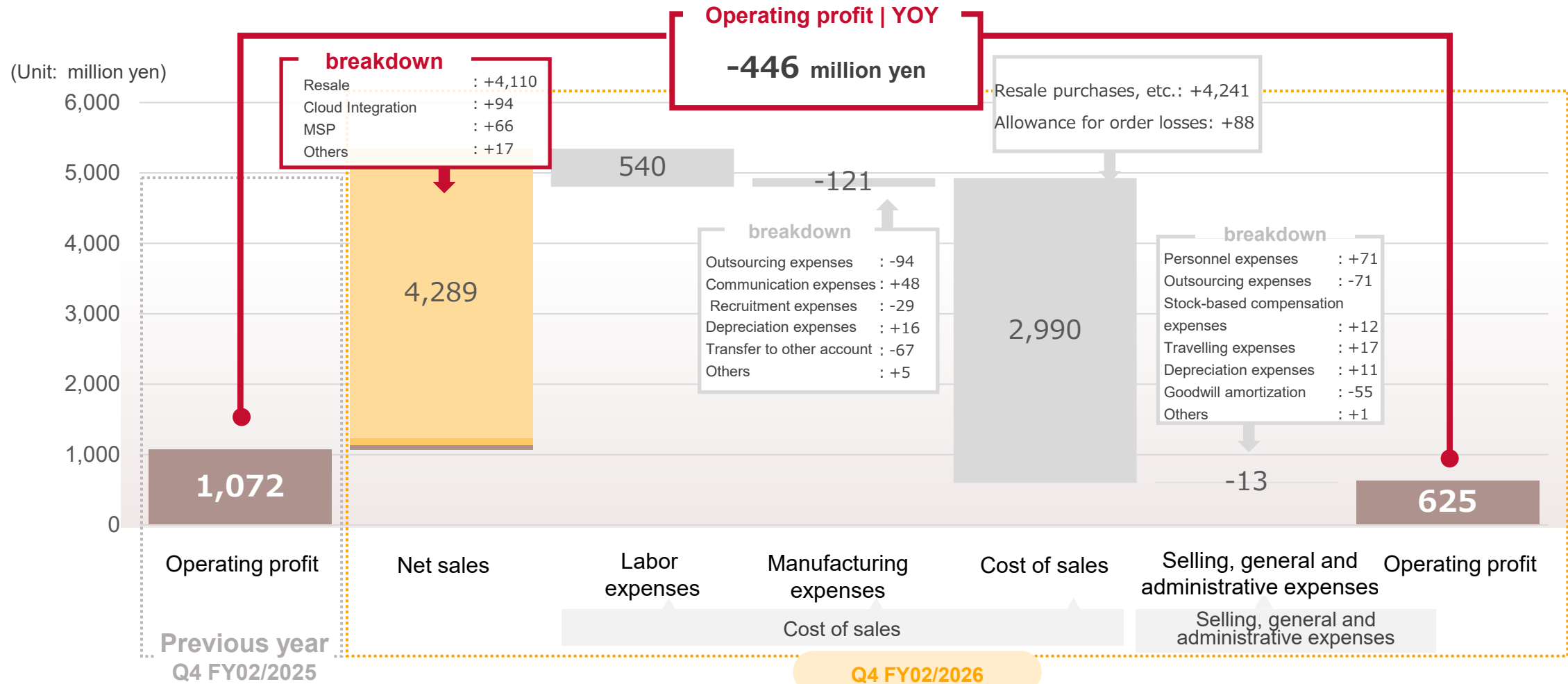
Operating Profit, Operating Profit Margin

Operating profit decreased QoQ due to **advertising expenses for major marketing events in Q4**, as in previous years. However, driven by expanding marginal profit from revenue growth and the optimization of SG&A expenses, **our business is evolving into a robust profit structure that is resilient to seasonal fluctuations.**



Analysis of Factors Affecting Operating Profit YoY

While operating profit in Q2 saw a negative impact of approximately 600 million yen YoY due to the stronger Yen and unprofitable projects, the situation has turned around. Driven by a weakening Yen and a favorable business environment, we narrowed the gap to -446 million yen, all while maintaining aggressive investments for future growth



Consolidated Balance Sheet (Summary)

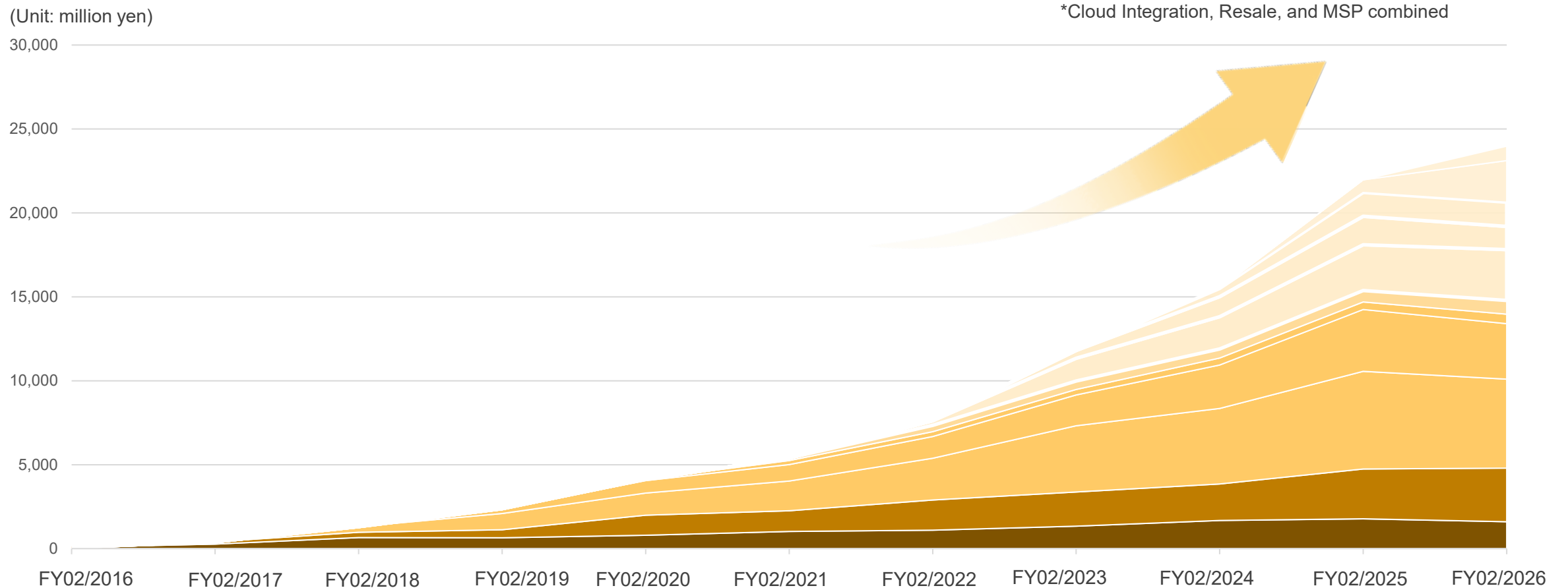
Increase in “current assets” due to increases in accounts receivable and contract assets, etc., and increase in “current liabilities” due to increases in short-term borrowings and accounts payable, etc. Decrease in “fixed assets” due to lump-sum amortization of goodwill, etc. Decrease in “net assets”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

(Unit: million yen)

Balance Sheet	FY02/25 Results (Consolidated)	FY02/26 Results (Consolidated)	Change
Current assets	15,222	15,567	344
Fixed assets	5,271	4,691	- 579
Property, plant and equipment	111	164	53
Intangible assets	888	209	- 678
Investments and other assets	4,272	4,318	45
Total assets	20,493	20,258	- 234
Total liabilities	9,033	10,523	1,490
Current liabilities	8,709	10,010	1,301
Non-current liabilities	324	513	189
Total net assets	11,460	9,735	- 1,725
Total shareholders' equity	10,183	8,506	- 1,676
Accumulated other comprehensive income	1,277	1,219	- 57
Non controlling interest	—	—	—
Total liabilities and net assets	20,493	20,258	- 234

Customer Lifetime Value (LTV)

While LTV decreased temporarily due to the major contract cancellations announced at FY-start, the underlying trend remains intact: total revenue continues to grow in tandem with the length of our client relationships, excluding these one-time impacts



* 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.

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4. Anticipated Q&A

Anticipated Q&A for FY02/26

Category	Anticipated questions	Answers
Impact of AI on Our Business (Referring to slide 12)	Please explain the impact of AI on your business.	We believe the rapid expansion of AI is not a displacement risk (threat) but a powerful growth driver that will trigger non-linear increases in cloud consumption . Supporting this view, approximately 70% of G-gen's current projects are already Gemini/AI-related . This serves as a leading indicator, signaling an upcoming acceleration in AI-driven cloud demand across the entire Group .
By Product and Service Segment - composition of each company - (Referring to slide 17, 22)	(Follow-up Question) What is the current status of the unprofitable projects?	Regarding the unprofitable projects at Serverworks and G-gen: the Serverworks project is nearing completion, while the G-gen project is scheduled to conclude around autumn 2026. While both projects are nearing resolution, we continue to monitor the situation closely . Since loss provisions have already been recognized, the impact on the next fiscal year's results will be negligible . To mitigate future risks in large-scale projects, we are strengthening our internal framework by implementing new business systems and increasing headcount to improve the accuracy of our man-hour estimations
Resale - Number of AWS Accounts and ARPU – (Referring to slide 19)	What factors are driving the significant growth in account numbers and ARPU (for Serverworks)?	This growth is primarily driven by the Strategic Collaboration Agreement (SCA) with AWS, which has accelerated our acquisition of large-scale projects . Consequently, Cloud Integration - a leading indicator for resale revenue - performed strongly in Q2 and Q3 . Additionally, in Q4, there was a relatively lower volume of Reserved Instance (RI) purchases (which typically lower unit prices in the short term), further contributing to the ARPU increase.
Customer Lifetime Value (LTV) ((Referring to slide 25)	Why did LTV decrease from FY2025 to FY2026?	This is a temporary impact resulting from the large-scale cancellations announced at the beginning of FY02/26 . The underlying trend remains unchanged: cumulative revenue continues to grow as business relationships lengthen . Looking at the overall trajectory, the growth trend remains intact, and We view this as a non-critical issue with no impact on our long-term growth trajectory.

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5. FY02/27 Performance Outlook

FY02/27 Consolidated Earnings Forecast*1

In the second year of our Mid-term Business Plan*2, our core strategy remains unchanged, centered on the **Strategic Collaboration Agreement (SCA) with AWS** and its three strategic pillars: **AI, Security, and Global Expansion**. However, we are now placing the highest priority on expanding our market footprint (resale share) to maximize future AI-driven revenue.

(Unit: million yen)

	FY02/26	FY02/27	
	Results	Forecast	YoY change
Net sales *3	40,006	47,184	117.9%
Gross profit	3,644	4,832	132.6%
Gross profit margin	9.1%	10.2%	+ 1.1%
Operating profit	625	1,310	209.5%
Operating profit margin	1.6%	2.8%	+ 1.2%
Ordinary profit	766	1,398	182.5%
Ordinary profit margin	1.9%	3.0%	+ 1.1%
Profit attributable to owners of parent	-600	904	—%
Profit margin attributable to owners of parent	-1.5%	1.9%	+ 3.4%

*1. Please refer for the full-year consolidated earnings forecast included in our Consolidated Financial Results for the Year Ended February 28, 2026, released on April 14, 2026.

*2. Please refer to the "Notice Regarding Updates to Numerical Targets in the Mid-Term Management Policy" announced on April 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 have utilized an assumed exchange rate rounded to 150.22 yen per US dollar, consistent with the average for FY02/26.

Analysis of Differences between New and Old Mid-Term Management Policies

To unify management metrics, we have updated the Mid-term targets to align with our FY27 guidance (where the guidance now serves as the new Mid-term performance goal). While gross profit margin will strategically decrease, we will maintain ordinary profit at levels consistent with the previous plan. (Under identical exchange rate conditions, this actually represents an improvement in performance compared to the original plan)

(Unit: million yen)	① Former Mid-Term Plan FY27 (Year 2)	② New Mid-Term Plan FY27 Guidance	③ (Ref.) Assuming the same exchange rate as in the former Mid-Term Plan	Comments
Exchange Rate	152.75 yen	150.22 yen (-2.53 compared to ①)	152.75 yen (±0 compared to ①)	<ul style="list-style-type: none"> Exchange rate sensitivity (1 yen) Net sales 278 million yen/year Profit 26 million yen/year
Net sales	47,349	47,184 (-165)	47,889 (+539)	<ul style="list-style-type: none"> The decline in sales in the new mid-term plan ② is due to differences in exchange rate assumptions; if the exchange rate were set to the same level as in the previous mid-term plan, sales would increase
Gross Profit	5,359	4,832 (-527)	4,898 (-461)	<ul style="list-style-type: none"> The decline in gross profit margin in the new med-term plan (②, ③) is due to a change in strategic policy prioritizing resale acquisition
Gross Profit Margin	11.3%	10.2%	10.2%	
Operating Profit	1,372	1,310 (-62)	1,376 (+4)	<ul style="list-style-type: none"> Despite a decrease in gross profit under the new mid-term plan (②), ordinary profit remained at the same level as under the previous mid-term plan by controlling SG&A expenses
Operating Profit Margin	2.9%	2.8%	2.9%	
Ordinary Profit	1,422	1,398 (-24)	1,464 (+42)	<ul style="list-style-type: none"> Cost reduction due to the elimination of the impact of goodwill (SG&A) of approximately 108 million yen/year Cost reductions achieved through the appropriate allocation of SG&A expenses, including the use of AI
Operating Profit Margin	3.0%	3.0%	3.1%	

Anticipated Q&A Regarding Guidance and the New Mid-Term Management Policy

Category	Anticipated questions	Answers
Exchange Rates	What exchange rate assumptions did you apply when formulating your FY27 guidance?	Until FY02/2025, we applied the median exchange rate forecast among leading financial analysts. Beginning with FY02/26, we shifted to using the average exchange rate from the previous fiscal year – a method we continue to apply for the current fiscal year (FY02/27). This change ensures currency fluctuations will not distort our YoY performance comparisons . Admittedly, since comparing the guidance with the previous mid-term plan is difficult due to differences in exchange rates, we have included a calculation based on the same exchange rates as the previous mid-term plan on the previous page for reference . That said, our projections do not account for impact from future change in foreign exchange rates. Consequently, we request our stakeholders remain aware of the risk of potential impact from foreign exchange rate fluctuations.
Significant Increase in Operating Profit	What is the reason for the significant increase in operating profit of over 200%?	The operating profit FY02/26 (625 million yen) includes a one-time loss of approximately 700 million yen due to unprofitable projects and other factors. However, since the loss provision has already been recognized and will have no impact on FY02/27 , we maintain high confidence in the achievability of our 1,310 million yen operating profit target.
Impact of AI on Business Performance	To what extent has the impact of AI on business performance been factored in?	In our guidance for FY02/27, we have estimated the direct revenue upside from AI extremely conservatively and have not factored in any significant contribution to earnings at this time. On the other hand, regarding the optimization and control of SG&A expenses through the use of AI , we have factored in a certain degree of efficiency gains and have calculated our projections by reducing our conventional SG&A expense plan accordingly.
Resale Strategy	In the new mid-term management policy, while net sales and ordinary profit targets remain largely unchanged, what is the reason behind the downward revision of gross profit?	This revision does not reflect a fundamental deterioration in profitability but rather stems from strategic investments to expand market share in anticipation of the AI era (a policy prioritizing the acquisition of a "customer base" to maximize future AI revenue) . It is the result of our policy to flexibly implement strategic pricing (such as discounts) in the resale sector to secure accounts ahead of competitors , thereby maximizing future LTV (Lifetime Value).

6. Supplementary Data

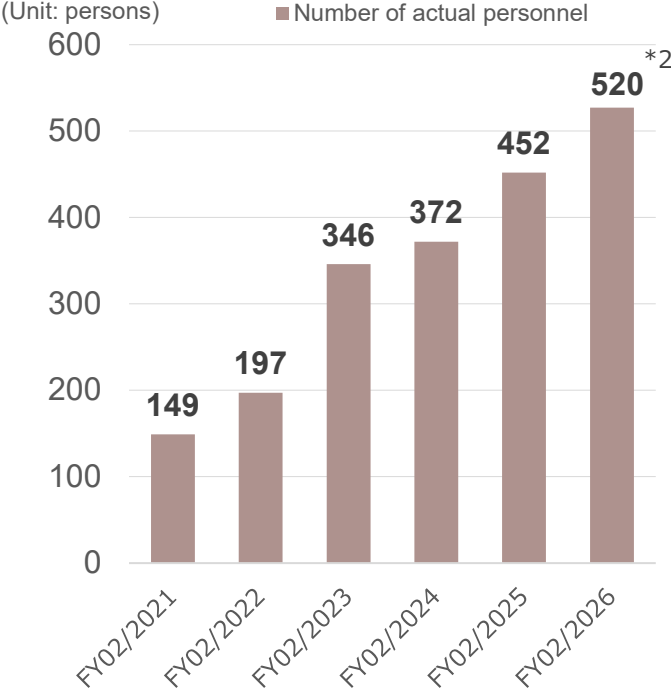
The background features a series of parallel diagonal stripes in a light gray color, running from the top-left towards the bottom-right. Overlaid on these stripes are several overlapping circles of varying sizes. Some of these circles are filled with a fine, light gray hatching pattern, while others are plain white. The overall aesthetic is clean and modern.

Group Headcount Trends*1

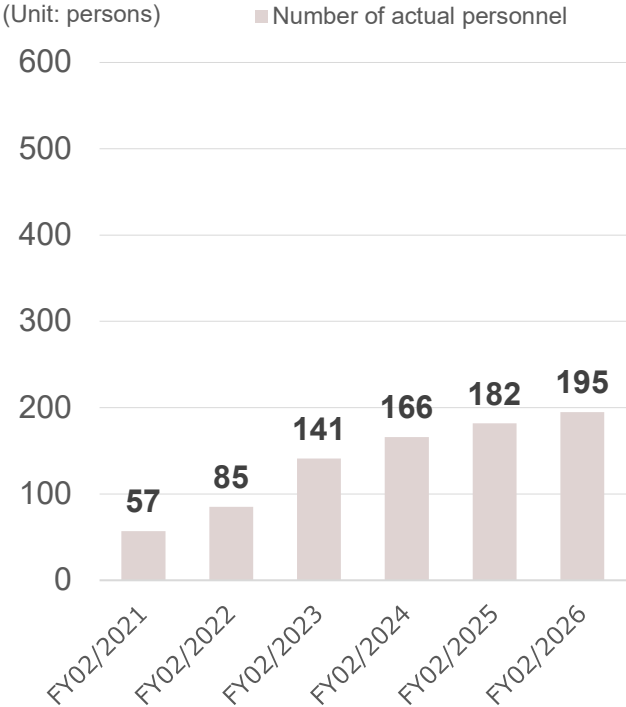
Expanding new graduate hiring for April 2026 to approximately twice the previous level to strategically secure the cloud-native generation that will form the core of our future

We will curb hiring in areas where AI can be used as a substitute and focus our hiring efforts on fields that require advanced specialized knowledge

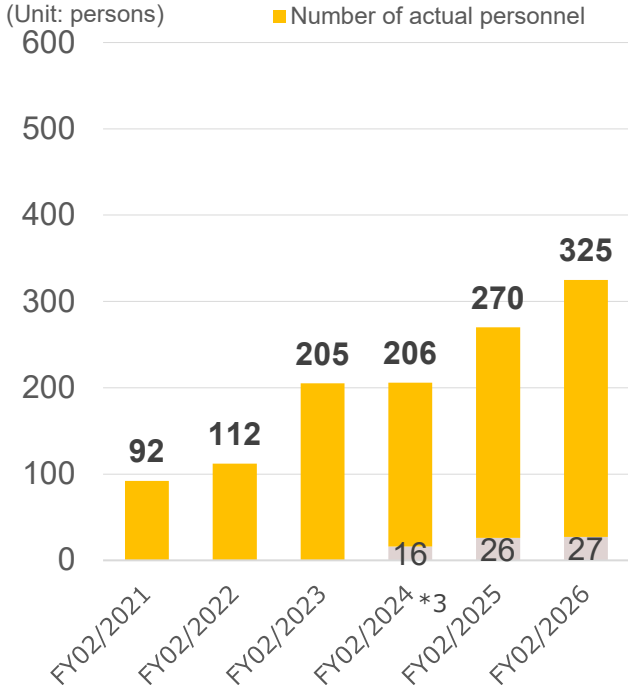
Total



Sales, general, and admin (excluding engineers)



Manufacturing



*1. The number of employees includes the number of temporary (part-time) employees and does not include directors.

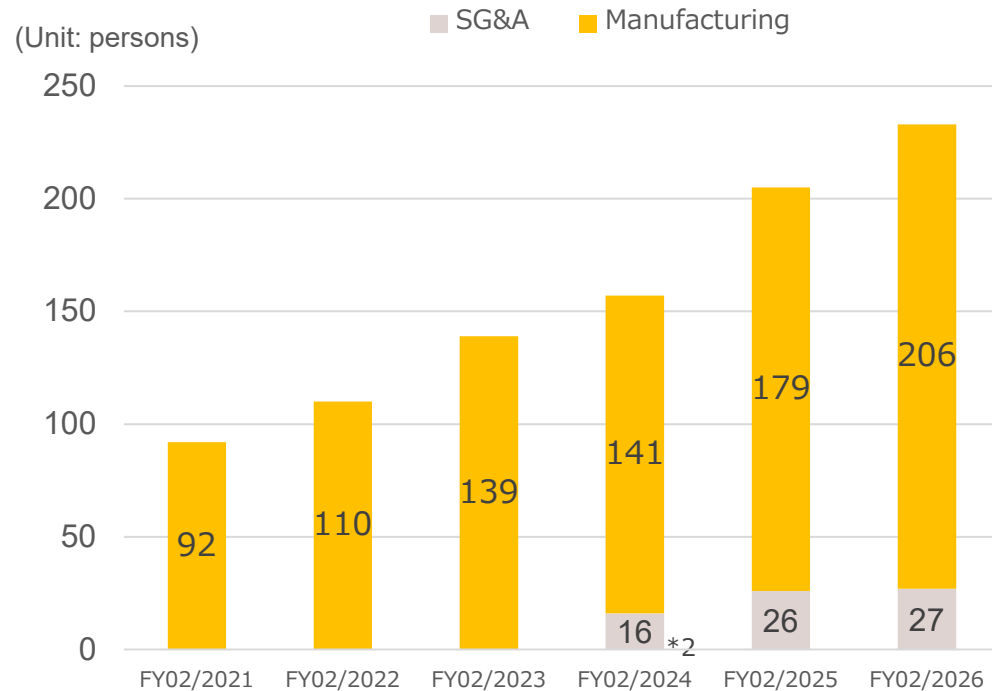
*2. The initial forecast does not account for employee departures. Therefore, the figure of 452 employees at the end of the previous period plus the planned 107 hires for this period equals 559 employees. However, the number of employees in the forecast disclosed at the end of each quarter will fluctuate 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.

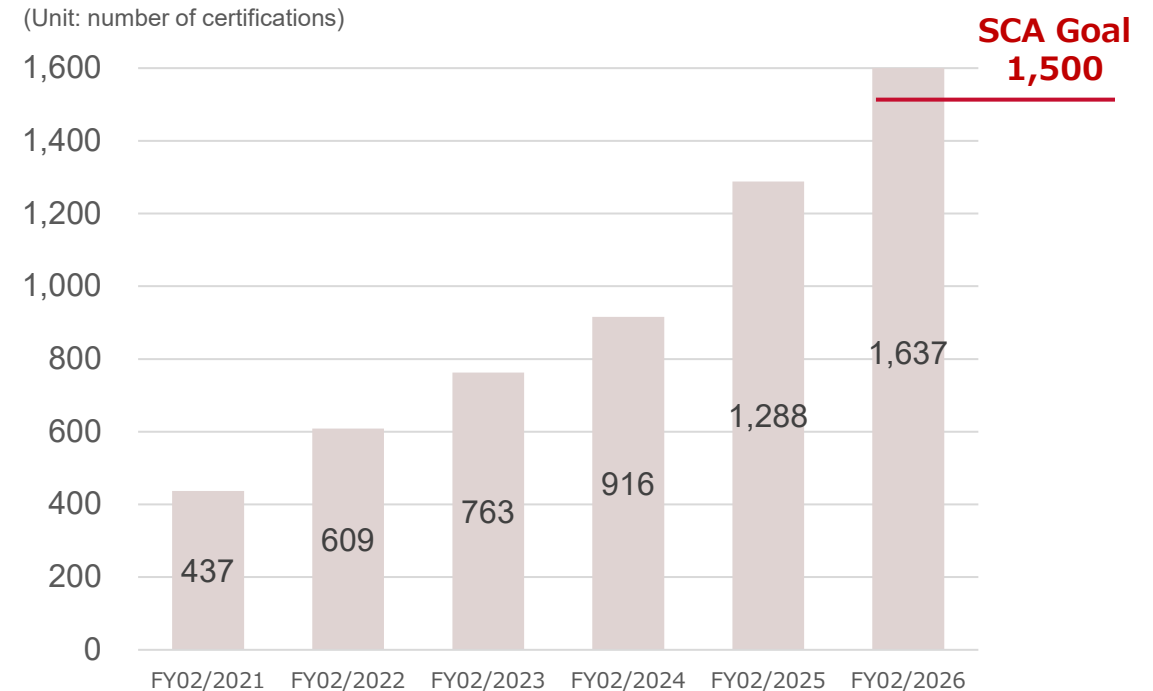
Promoting AWS Certifications for Engineers

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



Number of AWS certifications earned *1



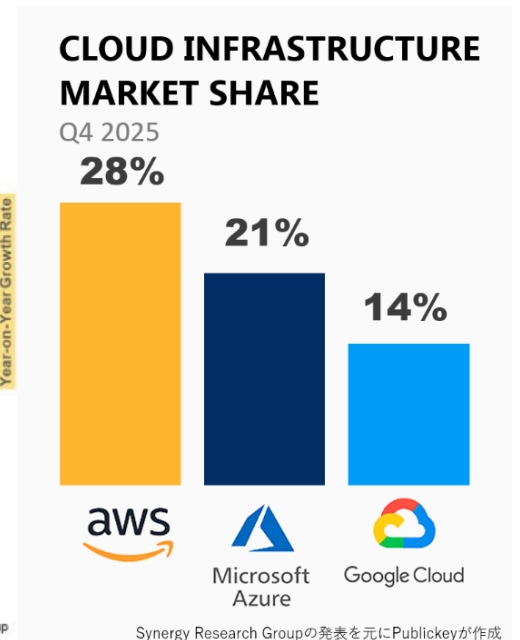
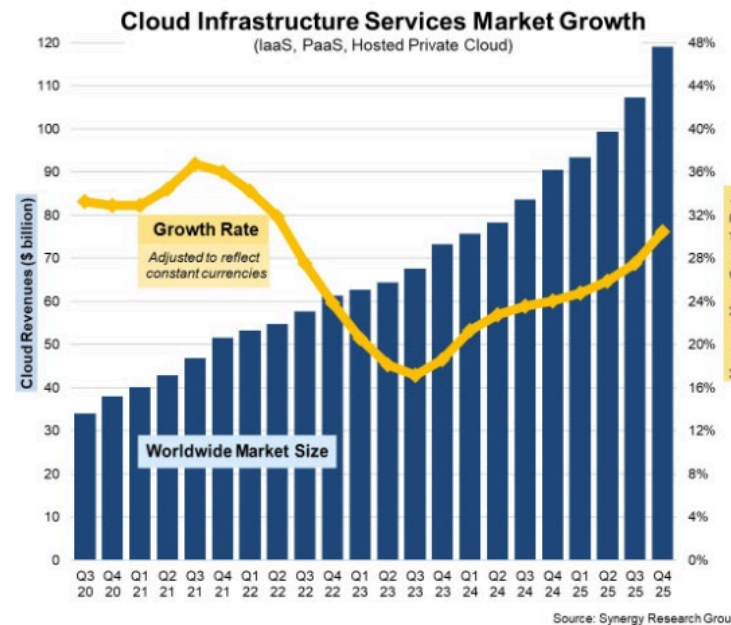
*1 Cumulative number

*2 From FY02/24, the in-house SEs and engineers who provide training have been changed to the SG&A department.

Market Environment

Synergy Research's Q4 2025 report indicates **the cloud infrastructure market grew by 30% compared to a year ago**
Return to a rapid growth trajectory, driven by the AI boom

- The cloud infrastructure market grew by 30% in Q4 2025 compared to a year ago, returning to a rapid growth trajectory driven by the AI boom
- AWS maintains its top position with a 28% market share, while Microsoft Azure and Google Cloud are also expanding rapidly
- Attention is focused on how the substantial investments driven by the AI boom will impact the market shares of these three companies



*source : : https://www.publickey1.jp/blog/26/aws28azuregoogle_cloud20254synergy_research.html

Status of IR Activities

We are considering initiatives to increase IR meetings with institutional investors and IR initiatives targeting individual investors. Starting in April 2026, we assign one dedicated IR representative to serve individual investors

FY02/26

- **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.

- **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.

7 . Company Overview

The background features a series of overlapping circles with a diagonal line pattern, and several wide, light gray diagonal stripes that create a sense of movement and depth.

VISION

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.”

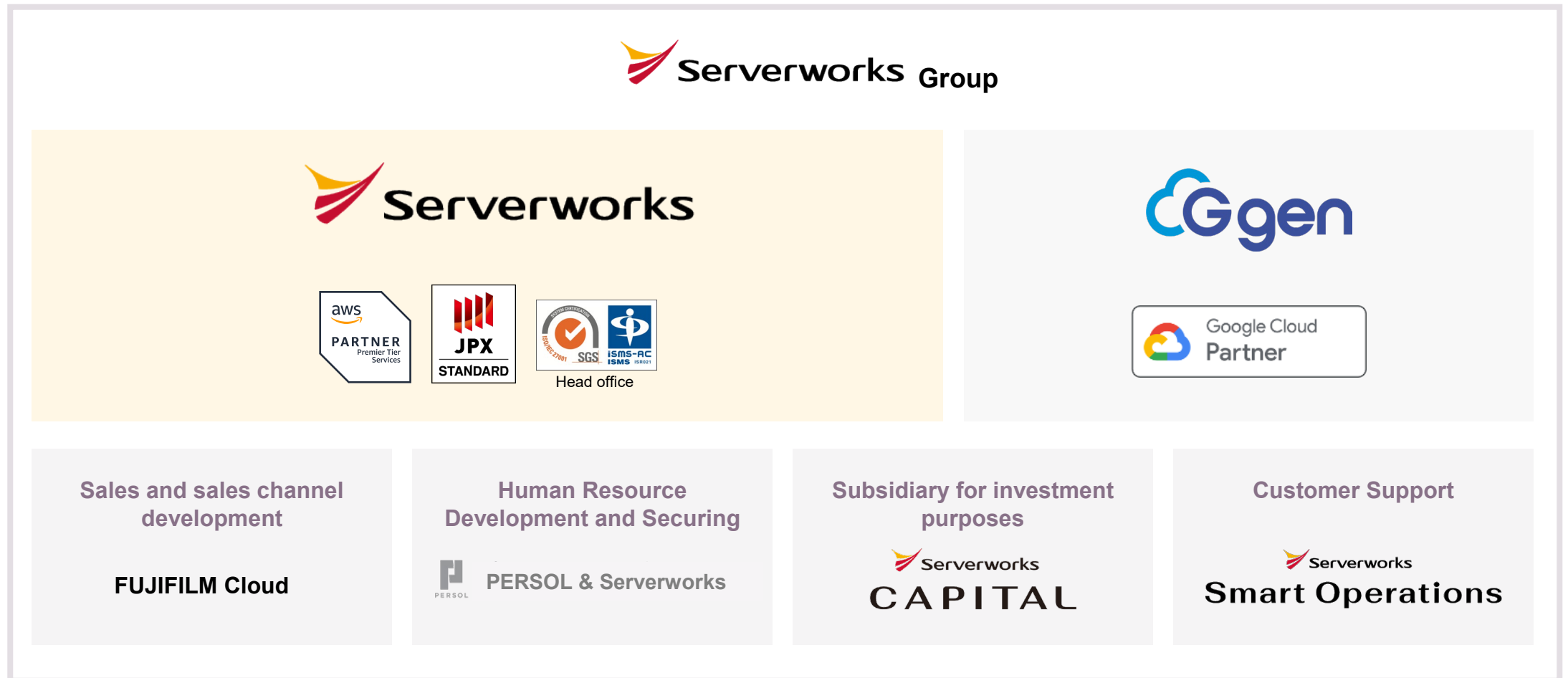
Through cloud computing, we aim to create a society that helps more companies enhance their competitive edge and makes everyone who works there feel that “this is a better place to work.”

We would like to share this vision with you.



Serverworks Group

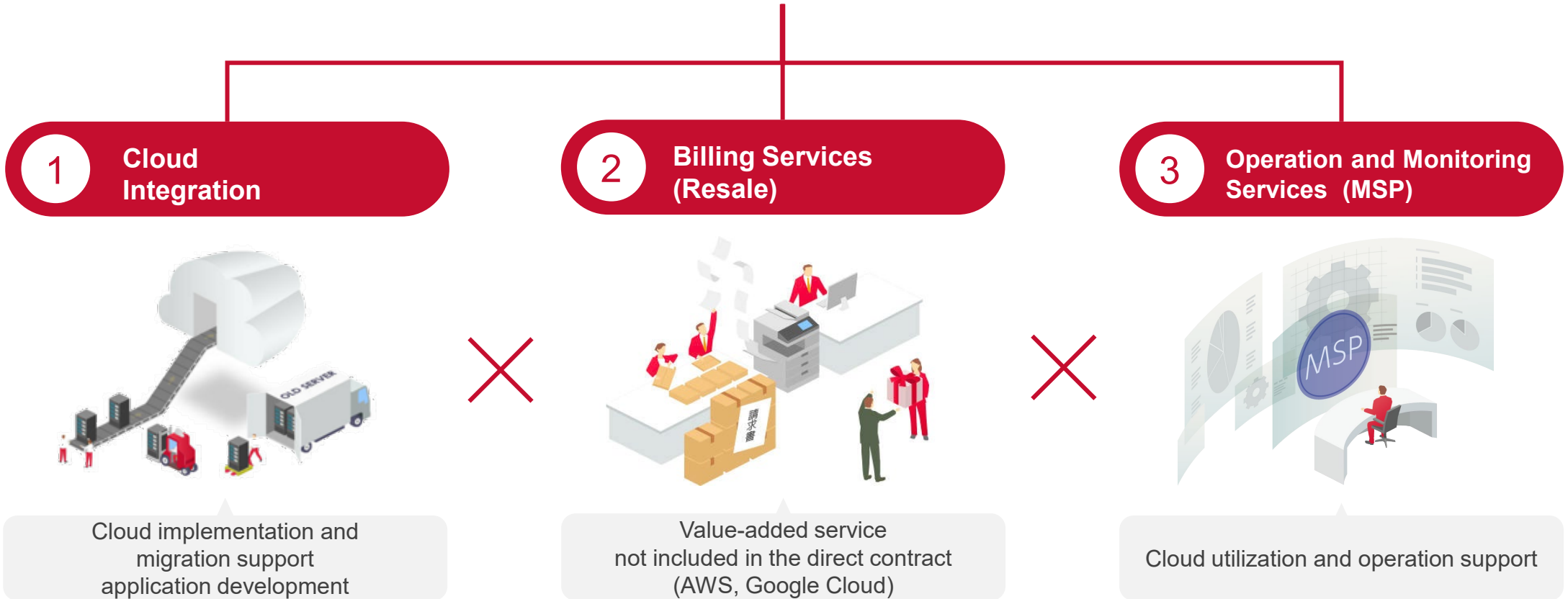
Serverworks Group establishes comprehensive support structure for cloud business



Key Solutions



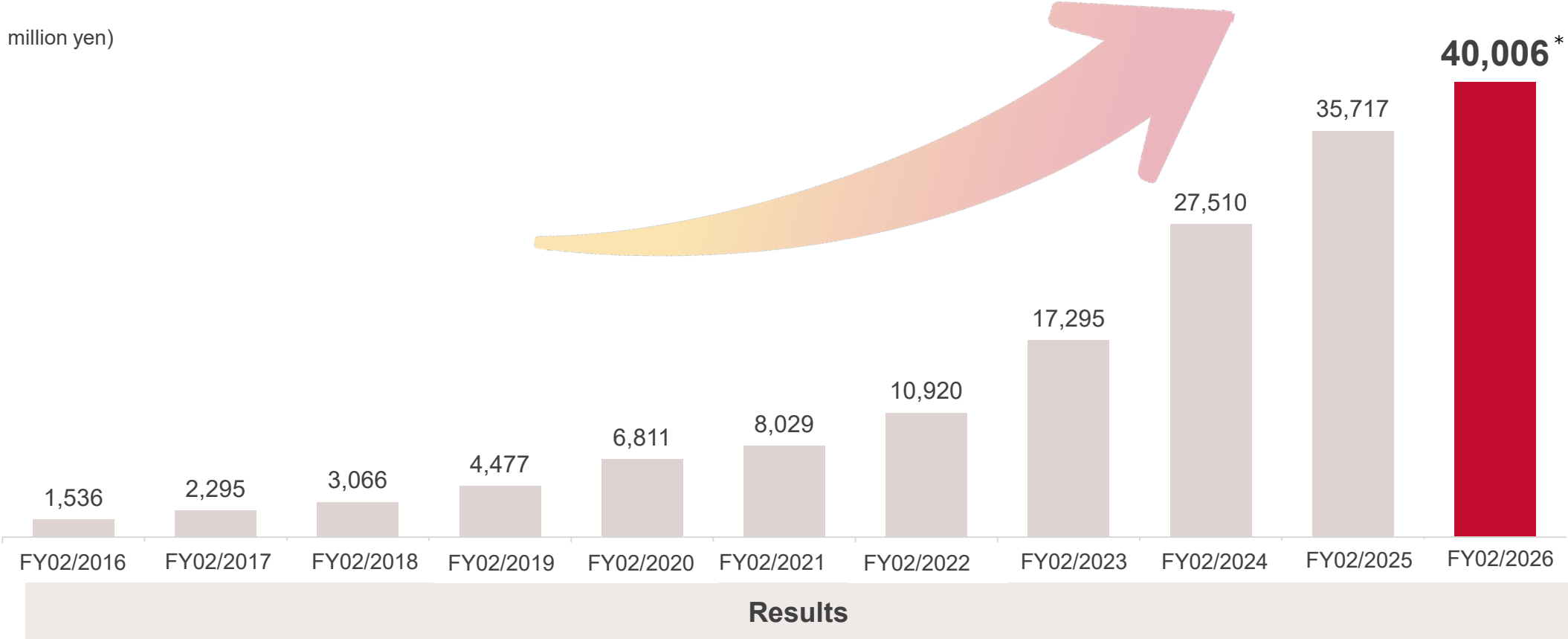
Serverworks Group strongly supports clouds utilization in any business through three main solutions



Net sales over the past 11 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)



*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.

About Serverworks

Founded	February 21, 2000
Capital	3,291,121,808 yen (as of February 28, 2026)
Number of Employees	Non-consolidated: 367 (as of February 28, 2026) Consolidated : 520 (as of February 28, 2026)
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	<ul style="list-style-type: none"> • AWS Premier Tier Service Partner • AWS AI Competency (Generative AI Category) • 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 DOCOMO BUSINESS, Inc. (former NTT Communications Corporation)



Head office

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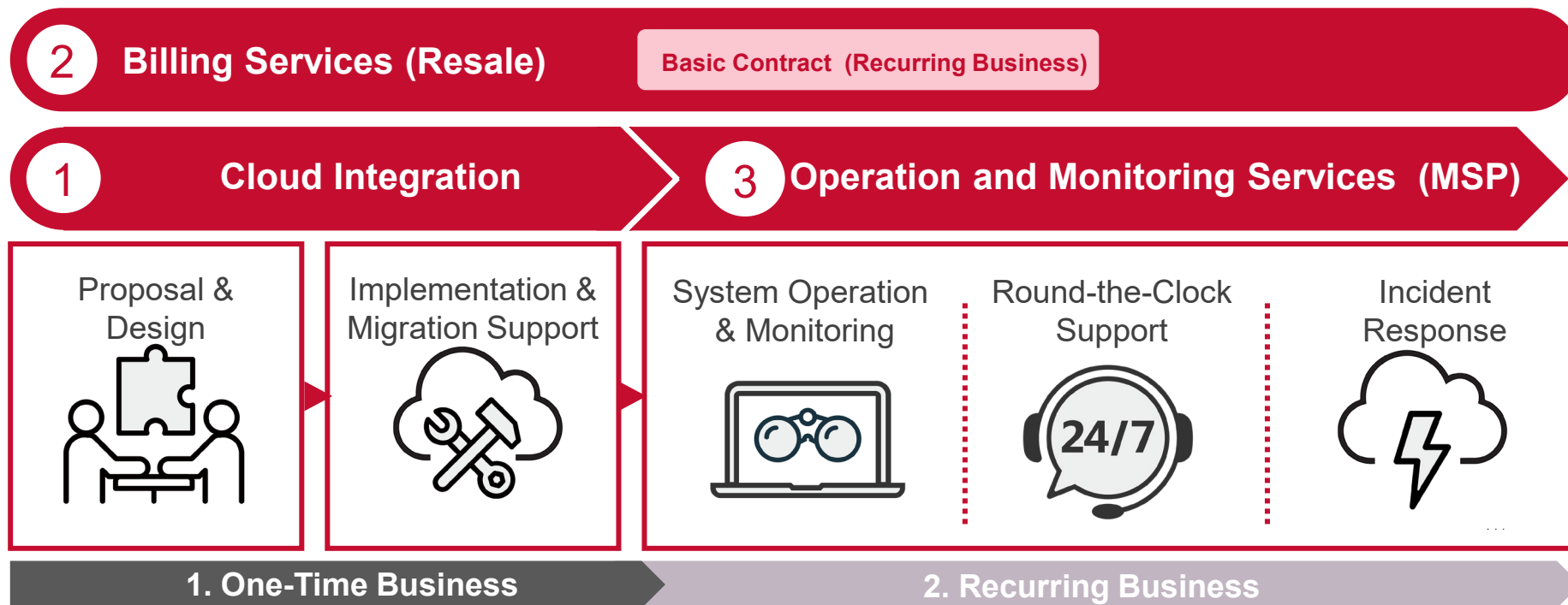
8. Business Overview

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



The background features several overlapping circles with a diagonal hatching pattern. A large, light gray diagonal stripe runs from the bottom left towards the top right, crossing through the circles. The overall aesthetic is clean and modern.

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

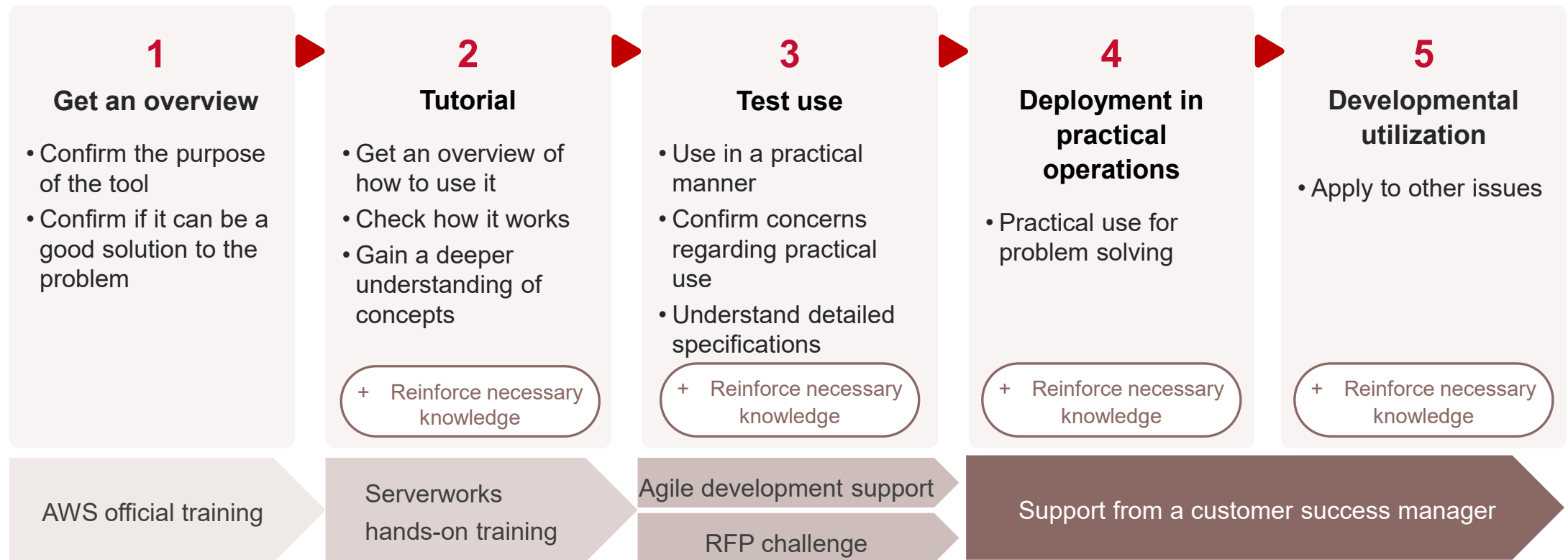


Business Overview

1 Cloud Integration – Generative AI Utilization, In-house Development Support

Providing AWS training and in-house development support

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



Business Overview

1 Cloud Integration – Cloud Sherpa

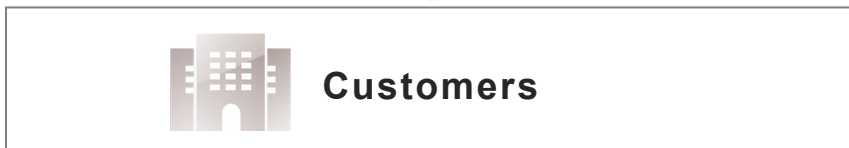
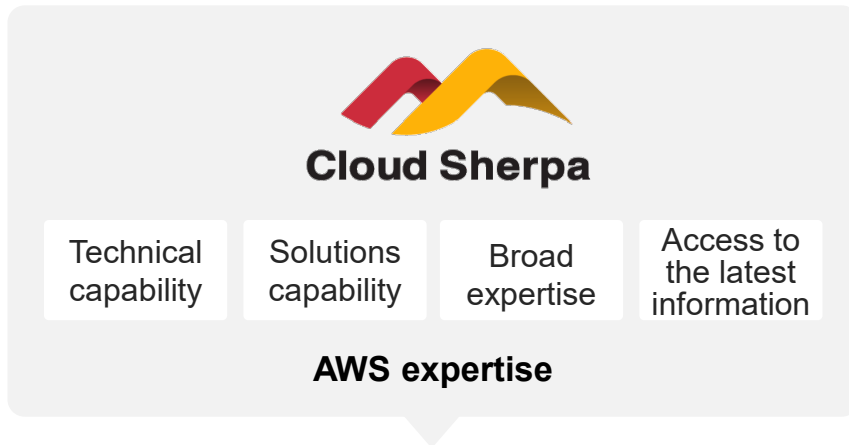
We support AWS adoption through a collaborative, hands-on approach.

Our “Cloud Sherpa” solution provides comprehensive support for internal digital transformation (DX).

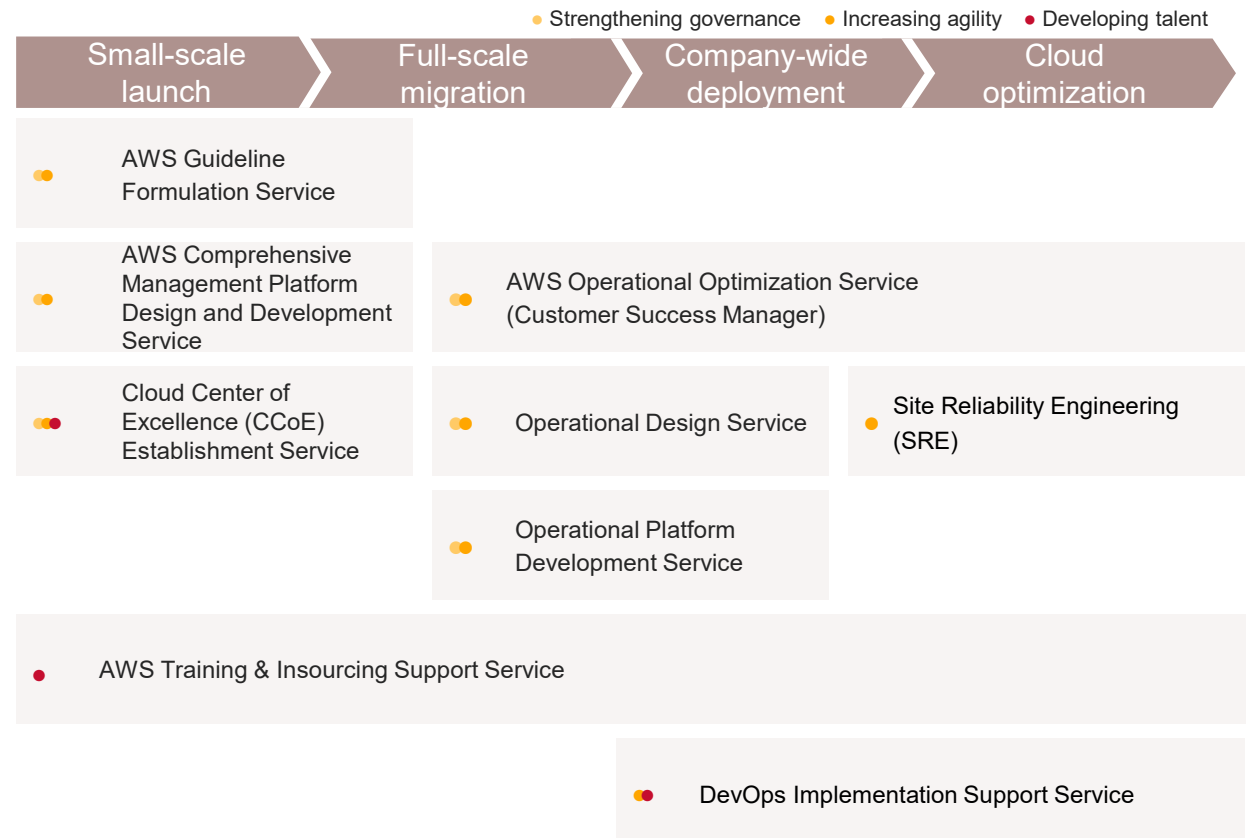
Strengths of Cloud Sherpa

► 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.



Overview of Cloud Sherpa



2 Billing Services (Resale)

Business Overview

2 Billing Services (Resale)

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.

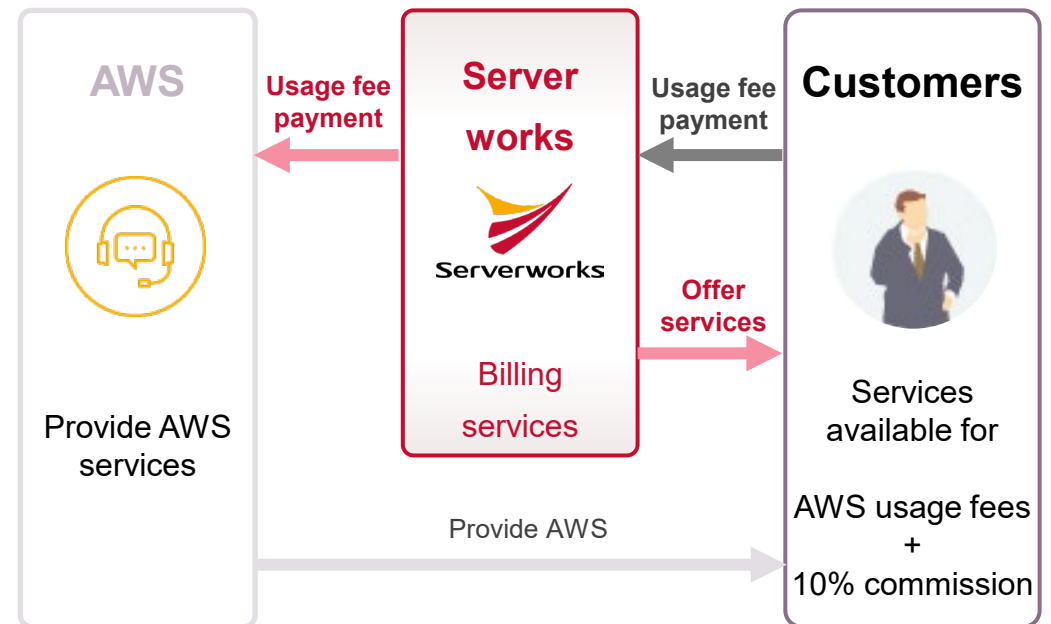
► What is AWS Advanced?

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.



Business Overview

2 Billing Services (Resale)

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

3 Operation and Monitoring Services (MSP)

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?

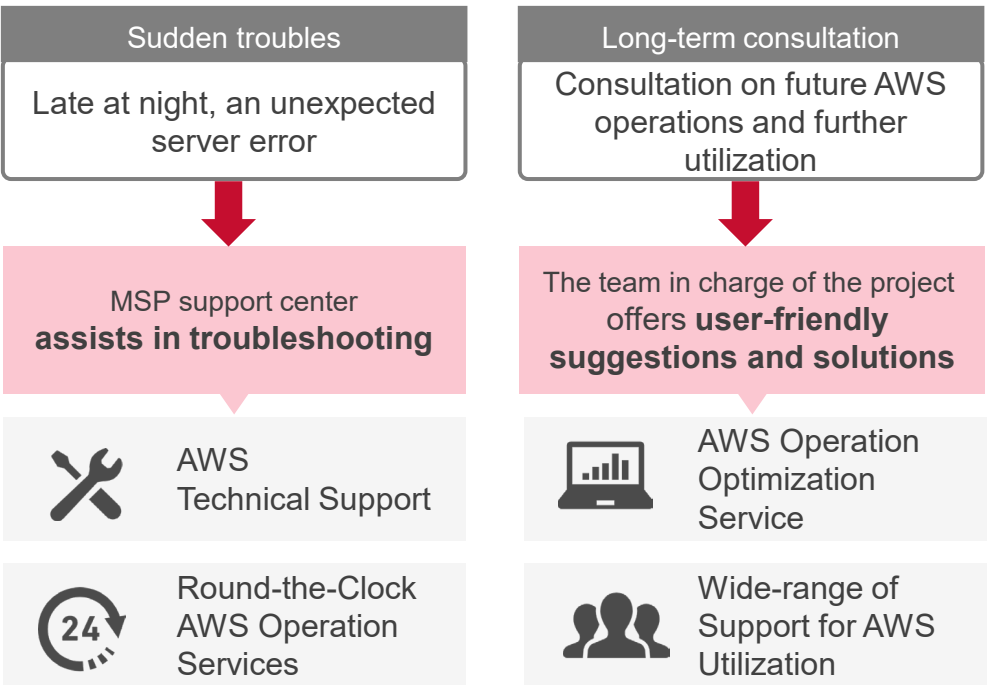
This reduces the burden of using and operating AWS and maximizes the benefits of using AWS without the time and effort of accumulating operational know-how in-house.

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?



Business Overview

3 Operation and Monitoring Services (MSP) - SABASOC

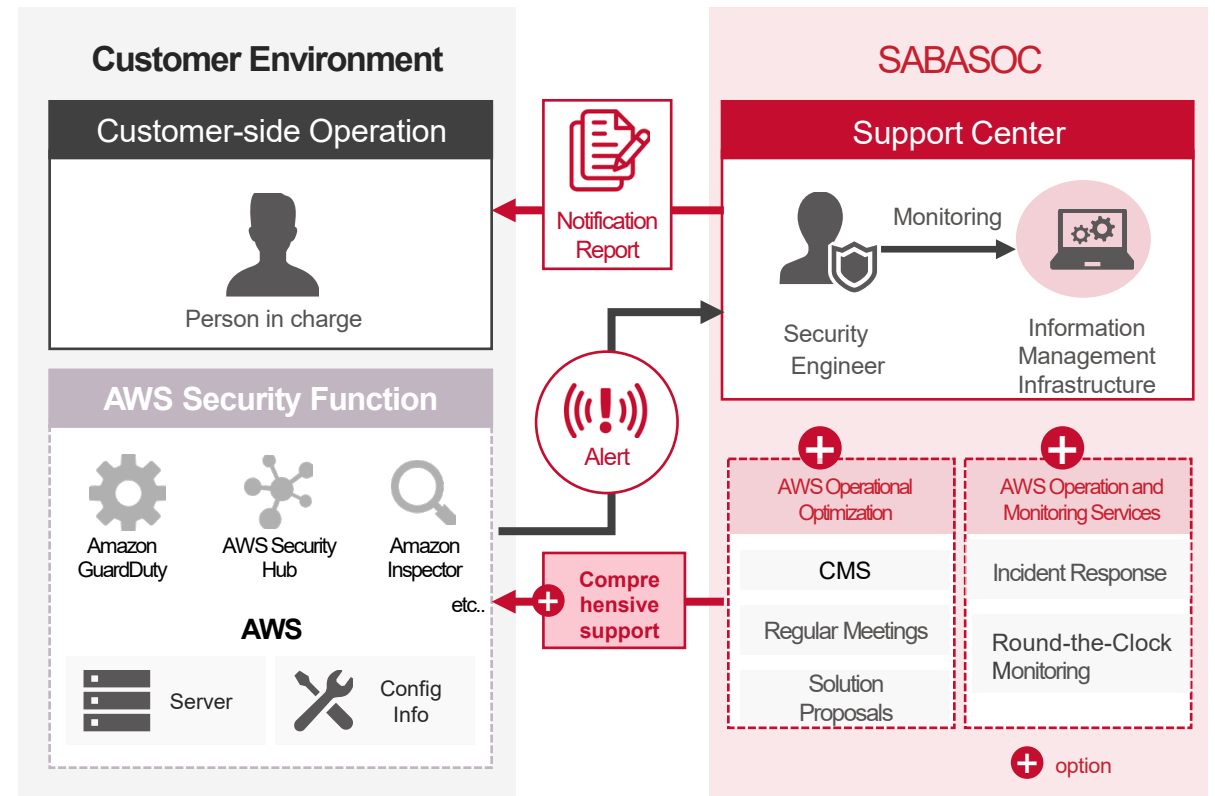
Secure, cost-effective, and fast
Managed Security Service "SABASOC"

► 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.



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

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.

**Make the world
more productive
with the Cloud**

