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July 15, 2026

Consolidated Financial Results for the Three Months Ended May 31, 2026 (Under Japanese GAAP)



Company name: Serverworks Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 4434

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

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

Representative Director, President

Back office executive officer

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

1. Consolidated financial results for the three months ended May 31, 2026 (from March 1, 2026 to May 31, 2026)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended May 31, 2026	11,933	29.4	398	99.6	391	92.0	324	185.1
May 31, 2025	9,219	6.8	199	(55.0)	204	(49.7)	113	(59.0)

Note: Comprehensive income For the three months ended May 31, 2026: ¥ 522 million [33.1%]
For the three months ended May 31, 2025: ¥ 392 million [17.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2026	43.81	43.65
May 31, 2025	14.70	14.58

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of May 31, 2026	21,895	10,085	46.0
February 28, 2026	20,258	9,735	48.0

Reference: Equity

As of May 31, 2026: ¥ 10,064 million

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

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2026	-	0.00	-	25.00	25.00
Fiscal year ending February 28, 2027	-				
Fiscal year ending February 28, 2027 (Forecast)		15.00	-	15.00	30.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the first quarter dividend for the fiscal year ending February 28, 2027 :

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

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

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

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

(4) Number of issued shares (common shares)

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

As of May 31, 2026	7,938,261 shares
As of February 28, 2026	7,936,261 shares

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

As of May 31, 2026	522,667 shares
As of February 28, 2026	522,667 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2026	7,414,811 shares
Three months ended May 31, 2025	7,750,914 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of February 28, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	6,655,493	5,863,225
Accounts receivable - trade, and contract assets	5,769,678	6,101,205
Securities	-	638,204
Advance payments to suppliers	2,836,304	3,695,978
Other	310,610	325,991
Allowance for doubtful accounts	(5,017)	(9,118)
Total current assets	15,567,069	16,615,488
Non-current assets		
Property, plant and equipment	164,349	158,491
Intangible assets	209,449	347,034
Investments and other assets		
Investment securities	4,000,400	4,416,375
Shares of subsidiaries and associates	174,689	230,796
Distressed receivables	1,001	12,824
Other	142,988	126,849
Allowance for doubtful accounts	(1,001)	(12,824)
Total investments and other assets	4,318,079	4,774,021
Total non-current assets	4,691,877	5,279,548
Total assets	20,258,946	21,895,036

(Thousands of yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	5,907,845	6,549,928
Short-term borrowings	720,000	600,000
Contract liabilities	2,087,838	2,771,945
Income taxes payable	228,683	79,050
Asset retirement obligations	2,650	2,650
Provision for bonuses	331,759	133,774
Provision for loss on orders received	220,034	144,875
Other	511,594	924,361
Total current liabilities	10,010,406	11,206,584
Non-current liabilities		
Deferred tax liabilities	429,940	519,057
Asset retirement obligations	83,394	83,693
Total non-current liabilities	513,335	602,751
Total liabilities	10,523,742	11,809,336
Net assets		
Shareholders' equity		
Share capital	3,291,121	3,291,484
Capital surplus	3,175,444	3,175,807
Retained earnings	3,159,981	3,299,513
Treasury shares	(1,119,651)	(1,119,651)
Total shareholders' equity	8,506,895	8,647,154
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,219,898	1,420,917
Deferred gains or losses on hedges	-	(3,155)
Total accumulated other comprehensive income	1,219,898	1,417,761
Share acquisition rights	8,409	20,784
Total net assets	9,735,204	10,085,699
Total liabilities and net assets	20,258,946	21,895,036

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended May 31,2026

(Thousands of yen)

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Net sales	9,219,480	11,933,501
Cost of sales	8,294,394	10,713,436
Gross profit	925,085	1,220,065
Selling, general and administrative expenses	725,510	821,773
Operating profit	199,575	398,291
Non-operating income		
Interest income	5,849	6,314
Dividend income	23,392	27,054
Share of profit of entities accounted for using equity method	-	3,886
Foreign exchange gains	9,784	-
Subsidy income	24,000	825
Other	60	434
Total non-operating income	63,087	38,515
Non-operating expenses		
Interest expenses	-	1,980
Share of loss of entities accounted for using equity method	24,617	-
Loss on investments in investment partnerships	21,292	17,189
Compensation payments	-	14,330
Foreign exchange losses	-	10,001
Other	12,745	1,707
Total non-operating expenses	58,656	45,207
Ordinary profit	204,006	391,599
Extraordinary losses		
Loss on valuation of investment securities	1,944	2,324
Total extraordinary losses	1,944	2,324
Profit before income taxes	202,062	389,275
Income taxes	88,116	64,452
Profit	113,946	324,822
Profit attributable to owners of parent	113,946	324,822

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended May 31, 2026

(Thousands of yen)

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Profit	113,946	324,822
Other comprehensive income		
Valuation difference on available-for-sale securities	266,107	201,018
Deferred gains or losses on hedges	12,532	(3,155)
Total other comprehensive income	278,639	197,862
Comprehensive income	392,586	522,685
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	392,586	522,685