



Summary of Consolidated Financial Results for the Fiscal Year Ended August 31, 2026 [Japanese GAAP]

October 15, 2026

Company name: SERAKU Co., Ltd. Listing: Tokyo Stock Exchange (Standard Market)
 Stock code: 6199 URL <http://www.seraku.co.jp>
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 Scheduled date of Annual General Meeting of Shareholders: November 27, 2026
 Scheduled date of payment of dividend: November 30, 2026
 Scheduled date of filing of Annual Securities Report: November 26, 2026
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended August 31, 2026 (Sep. 1, 2025 to Aug. 31, 2026)

(1) Consolidated results of operations

(Percentages represent 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 Aug. 31, 2026	25,517	3.0	2,864	12.3	2,924	12.5	1,854	8.5
Fiscal year ended Aug. 31, 2025	24,776	11.5	2,550	12.2	2,599	12.1	1,709	8.5

Note: Comprehensive income (millions of yen) Fiscal year ended Aug. 31, 2026 1,856 (up 8.5%)
 Fiscal year ended Aug. 31, 2025 1,711 (up 8.7%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Aug. 31, 2026	140.46	140.31	19.5	21.0	11.2
Fiscal year ended Aug. 31, 2025	127.16	126.89	20.6	20.5	10.3

Reference: Equity in earnings of affiliates (millions of yen) Fiscal year ended Aug. 31, 2026 —
 Fiscal year ended Aug. 31, 2025 —

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Aug. 31, 2026	14,573	10,152	69.5	781.56
As of Aug. 31, 2025	13,324	8,902	66.6	668.83

Reference: Shareholders' equity (millions of yen) As of Aug. 31, 2026 10,123 As of Aug. 31, 2025 8,870

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Aug. 31, 2026	1,808	(200)	(640)	8,579
Fiscal year ended Aug. 31, 2025	2,053	(650)	(634)	7,612

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	Q1-end	Q2-end	Q3-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Aug. 31, 2025	—	0.00	—	13.20	13.20	176	10.4	2.1
Fiscal year ended Aug. 31, 2026	—	0.00	—	17.40	17.40	227	12.4	2.4
Fiscal year ending Aug. 31, 2027 (forecast)	—	0.00	—	22.90	22.90		15.0	

3. Consolidated Earnings Forecast for the Fiscal Year Ending August 31, 2027 (Sep. 1, 2026 to Aug. 31, 2027)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	13,400	7.3	1,150	(4.3)	1,170	(5.5)	730	2.9	59.44
Full year	28,300	10.9	3,010	5.1	3,060	4.6	1,980	6.8	152.85

* Notes

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

Newly added: - Excluded: -

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares issued (common shares)

1) Number of shares issued as of the end of the period (including treasury shares)

As of Aug. 31, 2026	13,560,000 shares	As of Aug. 31, 2025	13,680,900 shares
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2) Number of treasury shares as of the end of the period

As of Aug. 31, 2026	606,405 shares	As of Aug. 31, 2025	417,970 shares
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3) Average number of shares during the period

Fiscal year ended Aug. 31, 2026	13,203,252 shares	Fiscal year ended Aug. 31, 2025	13,445,150 shares
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Note: Both “Number of treasury shares as of the end of the period” and the number of treasury shares that are to be subtracted when calculating “Average number of shares during the period,” contain the shares issued by Seraku and held by its Employee Stock Ownership Plan (ESOP) trust account.

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended August 31, 2026 (Sep. 1, 2025 to Aug. 31, 2026)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Aug. 31, 2026	20,752	1.3	1,868	3.8	3,058	40.9	2,183	55.3
Fiscal year ended Aug. 31, 2025	20,485	8.0	1,798	8.7	2,171	11.6	1,406	5.9

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Aug. 31, 2026	165.88	165.70
Fiscal year ended Aug. 31, 2025	104.60	104.38

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Aug. 31, 2026	13,376	9,741	72.6	749.77
As of Aug. 31, 2025	12,226	8,157	66.5	612.65

Reference: Shareholders' equity (millions of yen) As of Aug. 31, 2026 9,712 As of Aug. 31, 2025 8,125

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Explanation of appropriate use of earnings forecasts and other special items

Forecasts of future performance in these materials are based on assumptions judged to be reasonable and information available to the management of Seraku at the time these materials were prepared and do not represent guarantees of future performance. Actual results may differ materially from these forecasts for various reasons. For a discussion of the assumptions and other factors considered by Seraku in preparing the above projections, please refer to page 5 of the attachments, “1. Overview of Results of Operations, (4) Outlook.”

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1. Overview of Results of Operations

(1) Results of Operations

During the fiscal year ended August 31, 2026, the Japanese economy saw continued uncertainty in overseas economies due to the growing uncertainty surrounding the US trade policy. High uncertainty still continued as a result of unstable exchange rates and volatile resource prices, among others, in addition to the prolonged geopolitical risks concerning Ukraine and the Middle East. As the demand for AI globally expanded, there were also situations where semiconductor supply and demand became tight. The domestic economy, on the other hand, maintained a moderate recovery trend, partly because both increased corporate earnings and wage hikes in wider sectors helped improve income conditions, and also because inbound demand remained firm and capital expenditures increased. We also observed some changes in the financial environment as the Bank of Japan was moving away from the accommodative monetary policy amid long-term interest rates trending upward. Under such an economic environment, we need to pay close attention to trends of the US trade policy and price trends, uncertain overseas economies, and trends in monetary policies, in considering the future outlook.

In Japan's IT sector, which is the primary business field where the Group provides its services, IT/DX-related investments aimed at improving business efficiency and strengthening competitiveness continued to show a steady growth, in line with the rapid progress and broader use of digital technologies, including generative AI. Corporate AI investments are on the rise and strategic alliances between major SIers and overseas AI companies are also taking place one after another. In particular, the demand for cloud-enabled system integration and system operation/maintenance services is growing, as the optimal IT infrastructure forms an important base to support management strategy. AI platformers such as those in the US are also expanding to adopt the FDE (Forward Deployed Engineer) model, transforming the very form in which AI solutions are provided. Similar changes can be observed in the Japanese market as well. Additionally, while Japanese companies are increasingly adopting generative AI, its integration into internal business processes is still limited to only a fraction of them. Their future challenges are moving beyond the mere adoption of AI tools to AI-driven business processes reengineering (BPR).

In such a business environment, the Seraku Group has regarded the development of its in-house engineers' AI implementation skills and the strengthening of its solution delivery system through the IT personnel platform as key growth indicators while seeking to provide a wide range of IT services by building a flexible and stable resource structure through enhanced alignment with our business partners. The Group aims at being a company that supports its client companies' business transformations through delivering value in the field of AI-driven business process reengineering (BPR) and the information security domain, in addition to providing IT personnel. In addition, our dedicated AI team is initiating AI-driven internal operations and the launch of an AI solutions business for customers by leveraging the Group's AI and IoT development capabilities. In this way, we are promoting transformation into an AI solution company with a highly profitable structure.

As a result, net sales at the Group increased 3.0% year on year, to 25,517,638 thousand yen, operating profit rose 12.3% year on year, to 2,864,551 thousand yen, and ordinary profit climbed 12.5% year on year, to 2,924,113 thousand yen. Profit attributable to owners of parent increased 8.5% year on year, to 1,854,501 thousand yen.

Results by business segment were as follows.

1) Digital Integration

In the Digital Integration business, we consistently undertake the construction, operation, and maintenance of various IT systems in the SI (System Integration) area. In addition, we promote initiatives for building a structure to provide more efficient and advanced services by utilizing AI technologies, including generative AI.

In the DX (Digital Transformation) area, we help companies to introduce, operate, and fully deploy cloud solutions that center around Salesforce, a customer and sales management system and COMPANY, which is an integrated personnel affairs system. We also promote the business use of AI in client companies through NewtonX, a generative AI utilization platform for corporate clients. Our IoT Cloud Support Center provides 24x7 operations of cloud infrastructures and IoT services.

As initiatives cross-cutting both areas of SI and DX, we have also begun developing and providing FDE-centered AI solutions. These solutions visualize and redesign business processes by engaging with customers' sites and providing integrated support that extends to the implementation and utilization of AI. We aim to create new added value that goes beyond conventional system development and cloud implementation.

Looking at the fiscal year under review, we took steps to further expand transactions against the backdrop of solid demand for IT investments in the construction and operation of IT systems, the adoption of cloud platforms, and the implementation of 24x7 managed services. Also, in the areas of Salesforce and COMPANY, we put forward proposals that reinforced consulting

functions concerning projects on sales/business process reforms as well as personnel affairs, seeking to make our services higher value-added. We also worked to win more prime projects and focused on account management to reinforce our relationships with existing customers.

As a result, net sales in this segment came to 24,621,239 thousand yen, up 3.1% year on year. Segment profit was 2,881,833 thousand yen, up 10.3% year on year.

2) Midori Cloud

Starting with the social implementation of cutting-edge technologies, including AI and IoT, the Seraku Group provides platform services, Midori Cloud and Farm Cloud, to support the DX of agriculture, livestock, and fisheries as one of its application sectors. The Midori Cloud business provides, in addition to these platform services, solution services to solve individual issues, particularly those faced in primary industrial sectors.

In particular, the core technology (technology that instantly determines a wide variety of large volumes of shipments and secures traceability) acquired through the development of Midori Cloud Rakuraku Shukka realizes labor saving and paperless operations in logistics and inventory management, and can be applied to a wide range of industrial sectors beyond fruit and vegetable distribution that face challenges such as a declining working population and logistical constraints. The Seraku Group positions the Midori Cloud business as one that creates new markets, expanding areas by applying these technologies to other industrial sectors, and as a growth foundation that goes beyond mere agricultural DX support. In addition, based on our technological assets in AI and smart technology, cultivated through such research and development, and a dedicated AI team, the Midori Cloud business is responsible for Group-wide AI service development in both existing and new businesses.

In the fiscal year under review, we spared no effort to increase orders for solution services. We also make upfront investments for the sales expansion of Midori Cloud Rakuraku Shukka, a software-based solution released in March 2023, to help companies engaging in the distribution of vegetables, fruits, flowers, and rice adopt digital technologies that use bar codes, cloud systems, etc. Net sales, on the other hand, fell compared to the same period last year due to a reactionary effect of some large-scale projects recognized in the previous fiscal year. With many farmers and shipping authorities facing the same issue with respect to the collection and shipping operation of agricultural products, we will work to increase the number of our products used and that of shipping sites using our product at existing customers, besides promoting the service with a focus on JA and agricultural production corporations nationwide.

As a result, net sales in this segment amounted to 239,297 thousand yen, up 1.8% year on year. The segment loss was 95,921 thousand yen (segment loss of 118,810 thousand yen in the previous year).

3) Mechanical Design and Engineering

In the Mechanical Design and Engineering business, SERAKU Business Solutions, a consolidated subsidiary, provides 3D CAD technologies and technologies for the quality control of experiments and performance tests, as well as those for communications system construction and telecommunications.

In the fiscal year under review, sales remained strong, attributable to stable utilization rates and efforts to win projects in new technological fields. As we anticipate the further acquisition of projects in each field, we will strive to increase engineers' added value through training that aims at business scale and geographic expansion.

As a result, net sales in this segment came to 799,891 thousand yen, up 1.7% year on year. Segment profit was 59,439 thousand yen, up 60.6% year on year.

(2) Financial Position

Assets

Total assets increased by 1,248,865 thousand yen from the end of the previous fiscal year to 14,573,202 thousand yen as of the end of the current fiscal year. This was mainly due to increases of 868,911 thousand yen in cash and deposits, 137,312 thousand yen in buildings, 136,900 thousand yen in accounts receivable - trade and contract assets, and 79,642 thousand yen in current assets (other), partially offset by decreases of 27,954 thousand yen in work in process, 25,723 thousand yen in goodwill, and 19,123 thousand yen in leasehold and guarantee deposits.

Liabilities

Total liabilities decreased by 1,174 thousand yen from the end of the previous fiscal year to 4,420,388 thousand yen. This was attributable largely to increases of 198,538 thousand yen in income taxes payable, 56,974 thousand yen in provision for bonuses, and 44,574 thousand yen in accounts payable - trade, partially offset by decreases of 127,192 thousand yen in accounts payable - other, 72,394 thousand yen in other current liabilities, and 52,268 thousand yen in accrued consumption taxes.

Net assets

Total net assets increased by 1,250,039 thousand yen from the end of the previous fiscal year to 10,152,813 thousand yen. This increase was attributable chiefly to increases of 1,474,861 thousand yen in retained earnings and 245,692 thousand yen in treasury shares, among other factors.

(3) Cash Flows

Cash and cash equivalents ("net cash") at the end of the current fiscal year amounted to 8,579,748 thousand yen.

Cash flow in each section of the cash flow statement in the current fiscal year and the main factors are as follows.

Cash flows from operating activities

Net cash provided by operating activities totaled 1,808,392 thousand yen.

Cash used for income taxes paid of 953,716 thousand yen, an increase in trade receivables of 136,900 thousand yen, an increase in provision for bonuses of 56,974 thousand yen, among other factors, were offset by cash provided by profit before income taxes of 2,957,613 thousand yen, an increase in inventories of 45,378 thousand yen, an increase in trade payables of 44,574 thousand yen, and an increase in provision for share awards of 7,646 thousand yen, among other factors.

Cash flows from investing activities

Net cash used in investing activities totaled 200,680 thousand yen.

Cash was used for the purchase of property, plant and equipment of 196,322 thousand yen, purchase of insurance funds of 79,642 thousand yen, and payments of leasehold and guarantee deposits of 74,800 thousand yen.

Cash flows from financing activities

Net cash used in financial activities totaled 640,095 thousand yen.

Cash was used mainly for the purchase of treasury shares of 450,128 thousand yen, dividends paid of 176,322 thousand yen, and repayments of long-term borrowings of 27,798 thousand yen.

Reference: Trends in cash flow indicators

	FY8/23	FY8/24	FY8/25	FY8/26
Equity ratio (%)	61.0	64.2	66.6	69.5
Market value-based equity ratio (%)	162.8	158.4	164.0	124.4
Interest-bearing debt to cash flow ratio (year)	0.1	0.1	0.0	—
Interest coverage ratio (time)	1,028.9	1,599.1	4,829.0	14,852.5

Equity ratio: Shareholders' equity / Total assets

Market value-based equity ratio: Market capitalization / Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

Notes: 1. Cash flows are calculated using the figures for operating cash flows in the consolidated statement of cash flows.

2. Interest-bearing debt includes all debts on the consolidated balance sheet that incur interest.

(4) Outlook

Looking ahead, we anticipate sustained uncertainty surrounding the global economy, such as trends in the US trade policy, prolonged geopolitical risks in Ukraine and the Middle East, and fluctuations in exchange rates and resource prices. The growing demand for AI can globally continue to tighten semiconductor supply and demand. While Japan anticipates the improvement of income conditions due to increased corporate earnings and wage increase, its economic outlook still remains uncertain, affected by price trends, the Bank of Japan's shift of its monetary policy, and rising long-term interest rates among others.

In the area of the IT sector, IT/DX-related investments continue to increase for efficient business operations and stronger competitiveness as digital technologies advance, including generative AI. The demand for cloud-enabled system integration and system operation/maintenance services is expected to remain strong. As the format of providing AI solutions itself is changing, we believe that the demand for business process reengineering (BPR) will further grow, beyond the mere adoption of AI tools. In such an environment, the Group develops human capital capable of project management (PM) as well as engineers who can implement AI on site, while strengthening the alignment with our business partners and focusing on the expansion of the system to deliver solutions through the IT personnel platform. In addition, we promote efforts to turn ourselves into an AI solution company with a highly profitable structure by realizing value provision in the domain of information security and winning prime projects through AI-driven business process reengineering (BPR). Thus, we will improve both profitability and skills of our engineers, in order to realize further corporate growth.

Considering the above, we forecast net sales of 28,300,000 thousand yen, an operating profit of 3,010,000 thousand yen, an ordinary profit of 3,060,000 thousand yen and a profit attributable to owners of parent of 1,980,000 thousand yen.

This forecast is based on information available at the time this report was released. Actual results may differ for a variety of reasons.

2. Basic Approach to the Selection of Accounting Standards

The Seraku Group currently prepares consolidated financial statements using Generally Accepted Accounting Principles in Japan to permit comparisons with prior years and with the financial data of other companies. We will take suitable actions with regard to the application of International Financial Reporting Standards (IFRS) by considering the situation in Japan and overseas.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	FY8/25 (As of Aug. 31, 2025)	FY8/26 (As of Aug. 31, 2026)
Assets		
Current assets		
Cash and deposits	7,765,946	8,634,858
Accounts receivable - trade and contract assets	2,835,099	2,972,000
Work in process	38,026	10,071
Raw materials	57,629	40,204
Other	216,664	214,363
Allowance for doubtful accounts	(2,239)	(2,118)
Total current assets	10,911,126	11,869,379
Non-current assets		
Property, plant and equipment		
Buildings, net	218,201	355,513
Tools, furniture and fixtures, net	45,822	41,149
Land	613,061	613,061
Other	2,015	12,129
Total property, plant and equipment	879,100	1,021,854
Intangible assets		
Goodwill	99,103	73,379
Software	121	40
Other	1,807	1,807
Total intangible assets	101,032	75,227
Investments and other assets		
Investment securities	3,496	3,496
Deferred tax assets	536,015	575,649
Leasehold and guarantee deposits	337,449	318,325
Insurance funds	546,696	626,339
Other	13,532	87,043
Allowance for doubtful accounts	(4,113)	(4,113)
Total investments and other assets	1,433,077	1,606,740
Total non-current assets	2,413,210	2,703,822
Total assets	13,324,336	14,573,202

(Thousands of yen)

	FY8/25 (As of Aug. 31, 2025)	FY8/26 (As of Aug. 31, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	332,631	377,206
Current portion of long-term borrowings	27,798	—
Accounts payable - other	1,484,676	1,357,483
Income taxes payable	543,327	741,866
Accrued consumption taxes	384,360	332,091
Provision for bonuses	1,157,787	1,214,762
Provision for loss on order received	1,539	—
Other	350,961	278,567
Total current liabilities	4,283,083	4,301,977
Non-current liabilities		
Retirement benefit liability	79,720	66,368
Provision for share awards	55,525	47,058
Other	3,233	4,983
Total non-current liabilities	138,479	118,410
Total liabilities	4,421,562	4,420,388
Net assets		
Shareholders' equity		
Share capital	312,433	323,356
Capital surplus	224,583	235,506
Retained earnings	8,912,336	10,387,197
Treasury shares	(582,678)	(828,371)
Total shareholders' equity	8,866,675	10,117,690
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	4,027	6,283
Total accumulated other comprehensive income	4,027	6,283
Share acquisition rights	32,072	28,840
Total net assets	8,902,774	10,152,813
Total liabilities and net assets	13,324,336	14,573,202

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)	FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)
Net sales	24,776,494	25,517,638
Cost of sales	18,320,293	18,576,269
Gross profit	6,456,200	6,941,369
SG&A expense	3,905,507	4,076,817
Operating profit	2,550,693	2,864,551
Non-operating income		
Interest and dividend income	9,384	20,369
Grant income	—	2,902
Rental income from real estate	1,682	5,958
Surrender value of insurance policies	5,216	3,780
Subsidy income	32,798	25,324
Other	2,052	2,534
Total non-operating income	51,134	60,870
Non-operating expenses		
Interest expenses	425	121
Commission fee	2,358	1,186
Other	7	—
Total non-operating expenses	2,791	1,308
Ordinary profit	2,599,037	2,924,113
Extraordinary income		
Gain on reversal of share acquisition rights	2,262	1,074
Gain on sale of non-current assets	—	425
Gain on sale of investment securities	—	31,999
Total extraordinary income	2,262	33,500
Extraordinary losses		
Loss on retirement of non-current assets	215	0
Total extraordinary losses	215	0
Profit before income taxes	2,601,084	2,957,613
Income taxes-current	895,789	1,143,741
Income taxes-deferred	(4,394)	(40,629)
Total income taxes	891,395	1,103,112
Profit	1,709,688	1,854,501
Profit attributable to owners of parent	1,709,688	1,854,501

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)	FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)
Profit	1,709,688	1,854,501
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	1,552	2,256
Total other comprehensive income	1,552	2,256
Comprehensive income	1,711,241	1,856,758
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,711,241	1,856,758

(3) Consolidated Statement of Changes in Equity
FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	311,269	309,835	7,482,934	(374,518)	7,729,520
Changes during period					
Issuance of new shares	1,164	1,164			2,328
Dividends of surplus			(175,727)		(175,727)
Profit attributable to owners of parent			1,709,688		1,709,688
Purchase of treasury shares				(399,135)	(399,135)
Disposal of treasury shares		23,700		(23,700)	—
Cancellation of treasury shares		(214,675)		214,675	—
Transfer from retained earnings to capital surplus		104,558	(104,558)		—
Net changes in items other than shareholders' equity					
Total changes during period	1,164	(85,252)	1,429,402	(208,160)	1,137,154
Balance at end of period	312,433	224,583	8,912,336	(582,678)	8,866,675

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	—	2,474	2,474	30,619	7,762,614
Changes during period					
Issuance of new shares				(460)	1,868
Dividends of surplus					(175,727)
Profit attributable to owners of parent					1,709,688
Purchase of treasury shares					(399,135)
Disposal of treasury shares					—
Cancellation of treasury shares					—
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity		1,552	1,552	1,912	3,465
Total changes during period		1,552	1,552	1,452	1,140,159
Balance at end of period	—	4,027	4,027	32,072	8,902,774

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	312,433	224,583	8,912,336	(582,678)	8,866,675
Changes during period					
Issuance of new shares	10,923	10,923			21,846
Dividends of surplus			(176,390)		(176,390)
Profit attributable to owners of parent			1,854,501		1,854,501
Purchase of treasury shares				(448,942)	(448,942)
Disposal of treasury shares					—
Cancellation of treasury shares		(203,250)		203,250	—
Transfer from retained earnings to capital surplus		203,250	(203,250)		—
Net changes in items other than shareholders' equity					
Total changes during period	10,923	10,923	1,474,861	(245,692)	1,251,015
Balance at end of period	323,356	235,506	10,387,197	(828,371)	10,117,690

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	—	4,027	4,027	32,072	8,902,774
Changes during period					
Issuance of new shares				(2,157)	19,688
Dividends of surplus					(176,390)
Profit attributable to owners of parent					1,854,501
Purchase of treasury shares					(448,942)
Disposal of treasury shares					—
Cancellation of treasury shares					—
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity		2,256	2,256	(1,074)	1,181
Total changes during period		2,256	2,256	(3,231)	1,250,039
Balance at end of period	—	6,283	6,283	28,840	10,152,813

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)	FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)
Cash flows from operating activities		
Profit before income taxes	2,601,084	2,957,613
Depreciation	53,040	62,683
Amortization of goodwill	25,723	25,723
Increase (decrease) in provision for share awards	55,525	(8,466)
Increase (decrease) in allowance for doubtful accounts	4,496	(121)
Increase (decrease) in provision for bonuses	(57,313)	56,974
Increase (decrease) in retirement benefit liability	(9,424)	(10,099)
Interest and dividend income	(9,384)	(20,369)
Subsidy income	(32,798)	(25,324)
Grant income	—	(2,902)
Commission fee	2,358	1,186
Gain on reversal of share acquisition rights	(2,262)	(1,074)
Interest expenses	425	121
Loss on retirement of non-current assets	215	0
Loss (gain) on sale of investment securities	—	(31,999)
Decrease (increase) in trade receivables	(98,324)	(136,900)
Decrease (increase) in inventories	170,497	45,378
Decrease (increase) in prepaid expenses	(33,258)	(7,646)
Increase (decrease) in trade payables	70,267	44,574
Increase (decrease) in accounts payable - other	12,631	(125,468)
Increase (decrease) in accrued consumption taxes	(864)	(52,268)
Other	53,829	(70,374)
Subtotal	2,806,465	2,716,532
Interest and dividends received	7,947	17,451
Interest paid	(337)	(102)
Proceeds from subsidy income	—	2,902
Subsidies received	32,798	25,324
Income taxes paid	(793,427)	(953,716)
Net cash provided by (used in) operating activities	2,053,446	1,808,392
Cash flows from investing activities		
Payments into time deposits	(4,011)	(2,817)
Proceeds from withdrawal of time deposits	2,800	101,521
Purchase of property, plant and equipment	(551,831)	(196,322)
Payments of leasehold and guarantee deposits	(17,701)	(1,490)
Proceeds from sale of property, plant and equipment	—	782
Proceeds from refund of leasehold and guarantee deposits	1,404	10,348
Payments for long-term prepaid expenses	—	(74,800)
Proceeds from sale of investment securities	—	32,000
Purchase of insurance funds	(81,413)	(79,642)
Other	—	9,738
Net cash provided by (used in) investing activities	(650,754)	(200,680)
Cash flows from financing activities		
Repayments of long-term borrowings	(57,104)	(27,798)
Repayments of lease obligations	(706)	(2,300)
Purchase of treasury shares	(401,493)	(450,128)
Dividends paid	(175,680)	(176,322)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	1,868	19,688
Other	(1,532)	(3,233)
Net cash provided by (used in) financing activities	(634,647)	(640,095)
Net increase (decrease) in cash and cash equivalents	768,044	967,616
Cash and cash equivalents at beginning of period	6,844,087	7,612,132
Cash and cash equivalents at end of period	7,612,132	8,579,748

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Accounting Policies

Segment and Other Information

Segment information

1. Overview of reportable segments

Segments used for financial reporting are the Seraku Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

2. Calculation methods for net sales, profit/loss, assets, liabilities and other items for each reportable segment

The accounting methods applied to the reported business segments are consistent with those adopted for the preparation of the consolidated financial statements. Segment profit is presented on an operating profit basis.

3. Information related to net sales, profit/loss, assets, liabilities and other items in reportable segments

FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

(Thousands of yen)

	Reportable segment				Adjustment (Note 1)	Amount in the consolidated financial statements (Note 2)
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Net sales						
Sales to external customers	23,881,016	235,062	660,416	24,776,494	—	24,776,494
Inter-segment sales and transfers	—	—	125,774	125,774	(125,774)	—
Total	23,881,016	235,062	786,190	24,902,269	(125,774)	24,776,494
Segment profit (loss)	2,611,933	(118,810)	37,018	2,530,140	20,553	2,550,693
Segment assets	2,892,463	63,089	344,634	3,300,187	10,024,148	13,324,336
Other items						
Amortization of goodwill	25,723	—	—	25,723	—	25,723
Depreciation	52,046	654	339	53,040	—	53,040
Increase in property, plant and equipment, and intangible assets	—	—	—	—	677,144	677,144

Notes: 1. The adjustment to segment profit (loss) of 20,553 thousand yen represents the inter-segment transaction elimination.

2. Segment profit (loss) is adjusted with the operating profit shown on the consolidated statement of income.

3. The adjustment of 10,024,148 thousand yen to segment assets includes corporate assets that are not allocated to reportable segments.

4. Corporate assets are not allocated to specific reportable segments, but corporate costs and other expenses associated with these assets are allocated to specific reportable segments using reasonable standards.

5. The 677,144 thousand yen adjustment to increase in property, plant and equipment and intangible assets includes a purchase price of 613,061 thousand yen for the planned construction site of Vital Village (a training facility) in the Seisho area of Kanagawa Prefecture.

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

(Thousands of yen)

	Reportable segment				Adjustment (Note 1)	Amount in the consolidated financial statements (Note 2)
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Net sales						
Sales to external customers	24,620,634	239,297	657,706	25,517,638	—	25,517,638
Inter-segment sales and transfers	604	—	142,185	142,789	(142,789)	—
Total	24,621,239	239,297	799,891	25,660,428	(142,789)	25,517,638
Segment profit (loss)	2,881,833	(95,921)	59,439	2,845,351	19,200	2,864,551
Segment assets	2,975,350	51,476	289,829	3,316,655	11,256,546	14,573,202
Other items						
Amortization of goodwill	25,723	—	—	25,723	—	25,723
Depreciation	61,792	643	246	62,683	—	62,683
Increase in property, plant and equipment, and intangible assets	—	—	—	—	218,804	218,804

Notes: 1. The adjustment to segment profit (loss) of 19,200 thousand yen represents the inter-segment transaction elimination.

2. Segment profit (loss) is adjusted with the operating profit shown on the consolidated statement of income.

3. The adjustment of 11,256,546 thousand yen to segment assets includes corporate assets that are not allocated to reportable segments.

4. Corporate assets are not allocated to specific reportable segments, but corporate costs and other expenses associated with these assets are allocated to specific reportable segments using reasonable standards.

5. The 218,804 thousand yen adjustment to increase in property, plant and equipment and intangible assets includes renovation work of 183,252 thousand yen for a training facility Vital Village in the Seisho area of Kanagawa Prefecture.

Related information

FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

1. Information for each product and service

Information for each product and service is omitted as similar information is disclosed in the segment information.

2. Information for each region

(1) Net sales

Information about net sales is omitted as sales to external customers in Japan exceed 90% of the net sales on the consolidated statement of income.

(2) Property, plant and equipment

Not applicable as we have no property, plant and equipment outside of Japan.

3. Information for each major customer

Not applicable because, of sales to external customers, we have no customer who accounts for over 10% of the net sales on the consolidated statement of income.

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

1. Information for each product and service

Information for each product and service is omitted as similar information is disclosed in the segment information.

2. Information for each region

(1) Net sales

Information about net sales is omitted as sales to external customers in Japan exceed 90% of the net sales on the consolidated statement of income.

(2) Property, plant and equipment

Not applicable as we have no property, plant and equipment outside of Japan.

3. Information for each major customer

Not applicable because, of sales to external customers, we have no customer who accounts for over 10% of the net sales on the consolidated statement of income.

Information about impairment losses on non-current assets by reportable segment

FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

Not applicable.

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

Not applicable.

Information concerning amortization and unamortized balance of goodwill by reportable segment

FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

(Thousands of yen)

	Reportable segment				Adjustment	Amount in the consolidated financial statements
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Amortization during period	25,723	—	—	25,723	—	25,723
Balance at end of period	99,103	—	—	99,103	—	99,103

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

(Thousands of yen)

	Reportable segment				Adjustment	Amount in the consolidated financial statements
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Amortization during period	25,723	—	—	25,723	—	25,723
Balance at end of period	73,379	—	—	73,379	—	73,379

Information concerning gain on bargain purchase by reportable segment

FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)

Not applicable.

FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)

Not applicable.

Per Share Information

	FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)	FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)
Net assets per share	668.83 yen	781.56 yen
Net income per share	127.16 yen	140.46 yen
Diluted net income per share	126.89 yen	140.31 yen

Notes: 1. The basis of calculating the net income per share and diluted net income per share is as follows:

	FY8/25 (Sep. 1, 2024 – Aug. 31, 2025)	FY8/26 (Sep. 1, 2025 – Aug. 31, 2026)
Net income per share		
Profit attributable to owners of parent (Thousands of yen)	1,709,688	1,854,501
Amounts not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent applicable to common shares (Thousands of yen)	1,709,688	1,854,501
Average number of common shares outstanding during the period (Shares)	13,445,150	13,203,252
Diluted net income per share		
Adjustment to profit attributable to owners of parent (Thousands of yen)	—	—
Increase in the number of common shares (Shares)	28,086	13,944
[of which share acquisition rights (Shares)]	(28,086)	(13,944)
Summary of potential stock not included in the calculation of diluted net income per share since there was no dilutive effect	Five types of share acquisition rights (Number of share acquisition rights: 3,775)	Five types of share acquisition rights (Number of share acquisition rights: 3,607)

2. Following the introduction of the Japanese Employee Stock Ownership Plan (J-ESOP) in the 38th fiscal year, the Group's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets are treated as treasury shares. Accordingly, they are included in "Number of treasury shares as of the end of the period" (common shares) and the number of treasury shares that are to be subtracted when calculating "Average number of shares during the period" (common shares), so as to calculate net assets per share and net income (loss) per share.

Material Subsequent Events

4. Additional Information

Sales Results

(Thousands of yen)

-	Previous fiscal year		Fiscal year under review		Year-on-year change (%)
	Net sales	Ratio to net sales (%)	Net sales	Ratio to net sales (%)	
System Integration	16,382,120	66.1	16,894,590	66.2	3.1
Digital Transformation	7,498,895	30.3	7,726,043	30.3	3.0
Midori Cloud	235,062	0.9	239,297	0.9	1.8
Mechanical Design and Engineering	660,416	2.7	657,706	2.6	(0.4)
Total	24,776,494	100.0	25,517,638	100.0	3.0