



**Serverworks**

Q3 FY02/24 Financial Summary

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# 1. Q3 FY02/24 Summary



# Forecast of Consolidated Financial Results

Serverworks Group

FY02/24 -Consolidated- Forecast of financial Results (announced on October 13, 2023)\*1

Three main companies in the group, Serverworks, G-gen, and TOPGATE, have significantly outperformed initial expectations and continue to work on aggressive business development and implementation of management strategies, including the "Strategic Collaboration Agreements with AWS," to achieve sustainable growth and increase corporate value in the medium to long term.

(Unit: million yen)	FY02/23		FY02/24		
	Results	Composition (%)	Forecasts	Composition (%)	% of the Previous Year
Net sales *2	17,295	100.0%	25,495	100.0%	<b>147.4%</b>
Gross profit	2,299	13.3%	3,305	13.0%	<b>143.8%</b>
Operating profit	552	3.2%	536	2.1%	<b>97.1%</b>
Ordinary profit	624	3.6%	595	2.3%	<b>95.4%</b>
Profit attributable to owners of parent	453	2.6%	354	1.4%	<b>78.1%</b>

\*1. On October 13, 2023, we revised the full-year earnings forecast announced on April 14, 2023 in the "Consolidated Financial Results for the Year Ended February 28, 2023". For details, please refer to the "Notice Concerning Revision of Full-Year Earnings Forecast" released on October 13, 2023.

\*2. Since our business is in a single segment (cloud business), we do not disclose the segment earnings forecasts.

For the forecast figures of AWS Resale as percentage of net sales, we adopted an exchange rate of 142 yen to the dollar at the time of the October 13, 2023 revision.

# Financial Highlights

## Q3 FY02/24 - Consolidated

Due to the continued positive impact of the exchange rate (depreciation of the yen), strategic collaboration agreements with AWS, **and steady growth of two subsidiaries, consolidated net sales and all profit levels significantly exceeded those of the previous fiscal year** (as of 3Q, they exceeded those of the previous fiscal year).

**Achieved full-year profit target** as of 3Q, and plans to invest for further growth in 4Q, including securing and expanding human capital.

### Serverworks Consolidated

**Net sales**

19,802 million yen 165.5% YoY

**Operating profit**

719 million yen 147.0% YoY

 **Serverworks**

(Non-consolidated)  
Serverworks Co., Ltd.

**Net Sales**

16,721 million yen (148.2% YoY)

**Operating profit**

731 million yen (103.7% YoY)

 **Ggen**

(Consolidated subsidiary)  
G-gen Co., Ltd.

**Net Sales**

1,142 million yen (1522.9% YoY)

**Operating loss**

- 27 million yen (-% YoY)

 **TOPGATE**

(Consolidated subsidiary)  
TOPGATE Inc.

**Net Sales**

1,984 million yen (-% YoY)

**Operating profit**

95 million yen (-% YoY)

 **Sky365**

(Equity-method affiliate)  
Sky365 Inc.

Equity in losses of affiliated companies of 0.3 million yen was recorded.

\* Since Topgate has consolidated its income statement from Q3 FY02/23, year-on-year comparisons are omitted for the sake of validity of comparative information.

# Financial Highlights

Serverworks Group

Q3 FY02/24 - Consolidated \*Year-on-Year Comparison of Major Accounts

(Unit: million yen)	Q3 FY02/23		Q3 FY02/24			
	Results (Consolidated)	Composition (%)	Results (Non-consolidated)	Results (Consolidated)	Composition (%)	% of the Previous Year
Net sales	11,961	100.0%	16,721	19,802	100.0%	<b>165.5%</b>
Gross profit	1,696	14.2%	2,031	2,581	13.0%	<b>152.2%</b>
Operating profit	489	4.1%	731	719	3.6%	<b>147.0%</b>
Ordinary profit	565	4.7%	854	819	4.1%	<b>144.9%</b>
Profit	349	2.9%	527	492	2.5%	<b>140.7%</b>
Profit attributable to owners of parent	433	3.6%	—	506	2.6%	<b>116.9%</b>
EBITDA	570		778	854		

# Financial Highlights

Q3 FY02/24 - Consolidated \*Percentage of progress toward full-year forecast

(Unit: million yen)	FY02/24 (full-year)		FY02/24 (3Q)		Rate of Progress
	Forecast (Consolidated)	Composition (%)	Results (Consolidated)	Composition (%)	
Net sales	25,495	100.0%	19,802	100.0%	<b>77.7%</b>
Gross profit	3,305	13.0%	2,581	13.0%	<b>78.1%</b>
Operating profit	536	2.1%	719	3.6%	<b>134.1%</b>
Ordinary profit	595	2.3%	819	4.1%	<b>137.7%</b>
Profit attributable to owners of parent	354	1.4%	506	2.6%	<b>142.7%</b>

## 2. Q3 FY02/24 Key Topics

\*Includes the latest topics that occurred after the closing date of the relevant period.



## Released “Cloud Sherpa”,

a solution that provides strong support for internal DX



Cloud Sherpa,  
your companion partner  
in the cloud era



AWS review and design, etc.

High-quality technical assistance on a long-term basis

 **Governance  
Enhancement**

 **Agility  
Improvement**

 **Human Resource  
Development**

**Solutions that can solve your company's problems**

Sherpa is a mountaineering term meaning a guide who helps climbers reach the top of a mountain. As experienced DX Sherpas, we will accompany you to the summit of your destination.

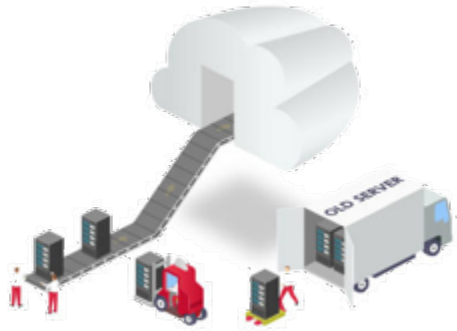
## G-gen and Topgate Employees Receive Awards in Google Cloud Partner All-stars 2023 and Google Cloud Partner Top Engineer 2024

Google Cloud Partner All-stars is a program that recognizes outstanding individuals from Google Cloud partners, Google Cloud Partner Top Engineer is a program that recognizes engineers in partner companies. Our employees were selected and honored in both programs.

 <b>4</b> people	<b>Google Cloud Partner All-stars 2023</b> 	 <b>4</b> people
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<b>9</b> people (one of them is the Rookie of the Year.)	<b>Google Cloud Partner Top Engineer 2024</b> 	<b>7</b> people
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### 3. Q3 FY02/24 Financial Summary



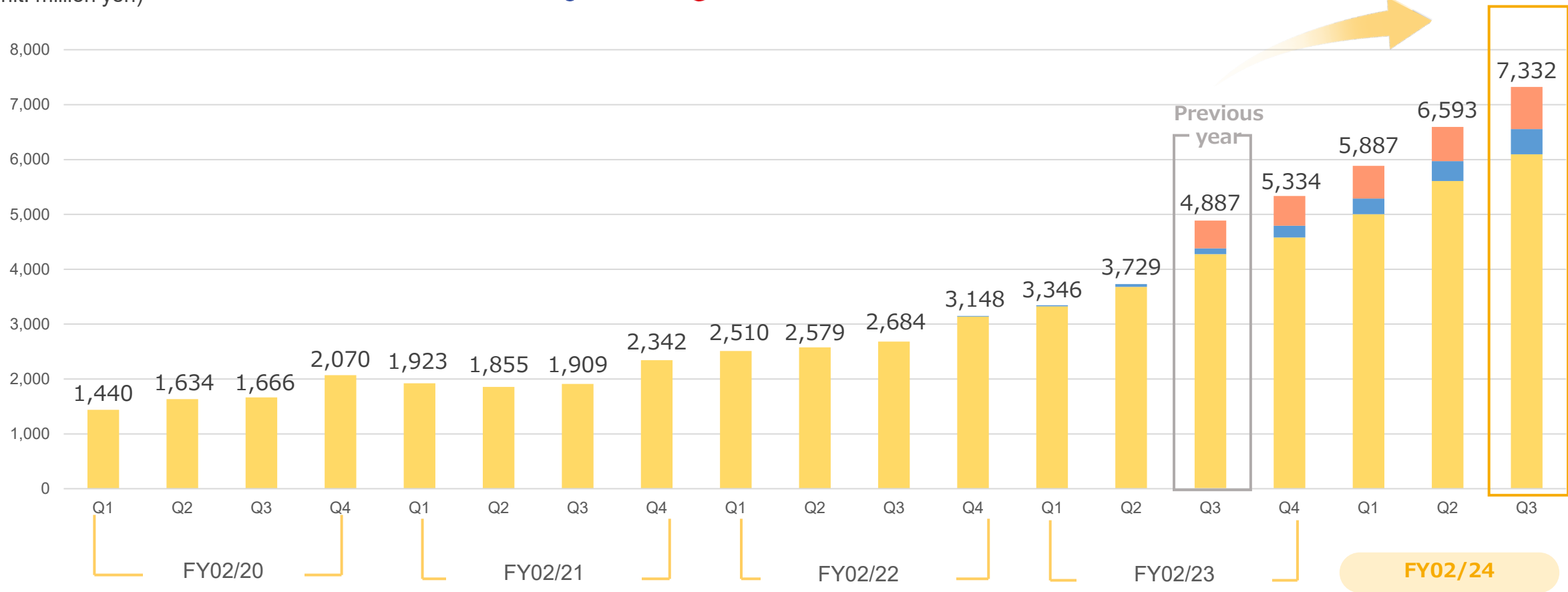
# Net Sales – Consolidated -

Due to the continued positive impact of the exchange rate (depreciation of the yen), strategic collaboration with AWS, and steady growth of two subsidiaries,

**Net Sales reached a new high for the 12th consecutive quarter and grew at a very high rate of +49% YoY.**

Growth rate:  
**+49%**

(Unit: million yen)  Serverworks  CGgen  TOPGATE



\* The figures for each company have been adjusted to reflect the consolidation of internal transactions.

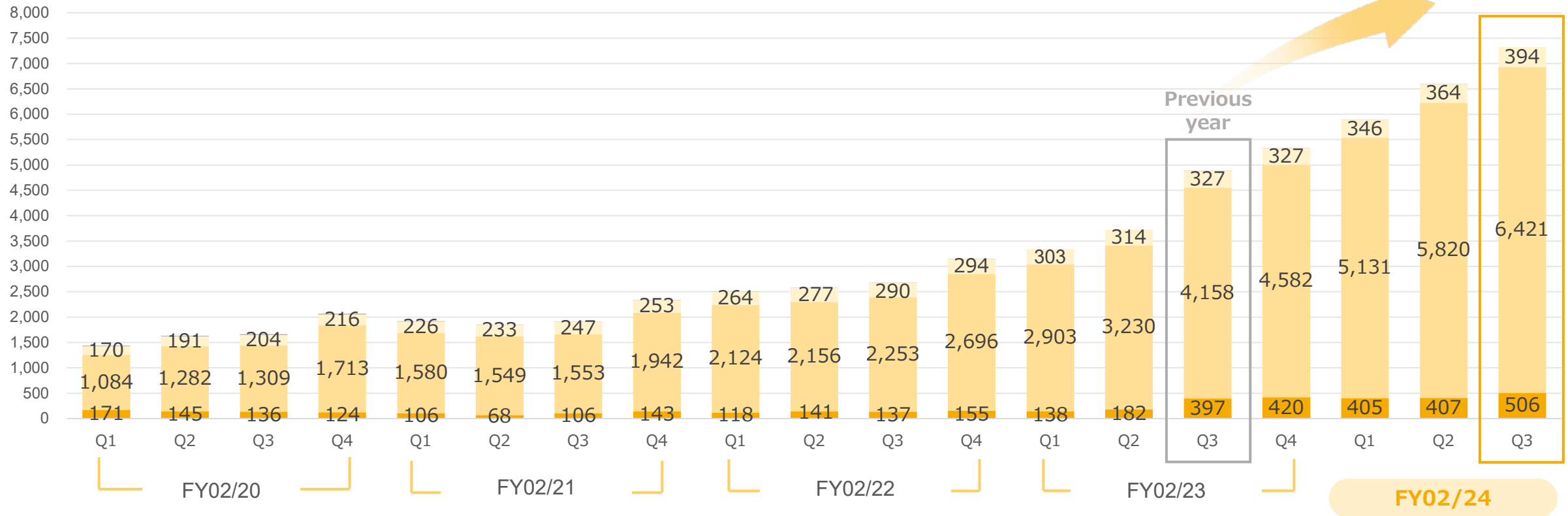
# Net Sales - by Product and Service Segment -

All services continue to grow steadily, rising significantly year on year.



(Unit: million yen)

■ Cloud integration
 ■ Resale (\*)
 ■ MSP
 ■ Others



\* For AWS Resale, total amount of usage fees are recorded as net sales, due to the nature of transactions.

# By Product and Service Segment

- Net Sales Year-on-Year Comparison -

Significantly higher results than in the previous year  
in main product and service segments

Serverworks Group



(Unit: million yen)

	Q3 FY02/23 Results (Consolidated)	Composition	Q3 FY02/24 Results (Consolidated)	Composition	% of the Previous Year
Cloud Integration	719	6.0%	1,319	6.7%	<b>183.4%</b>
Resale	10,292	86.0%	17,372	87.7%	<b>168.8%</b>
MSP (Managed Service Provider)	945	7.9%	1,104	5.6%	<b>116.9%</b>
Others	4	0.0%	5	0.0%	<b>118.5%</b>
Total	11,961	100.0%	19,802	100.0%	<b>165.5%</b>

# By Product and Service Segment

- composition of each company -

All companies steadily accumulated resale sales, a stock business.

Serverworks Group



Q3 FY02/23 Cumulative Net Sales by Service

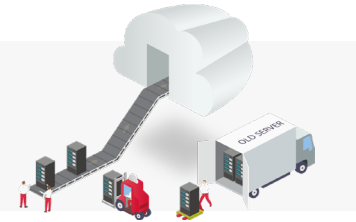
(Unit: million yen)

	Serverworks	G-gen	TOPGATE
Cloud integration	561	122	636
Resale	15,139	986	1,248
MSP (Managed Service Provider)	1,006	1	98
Other	2	0	3
<b>Total</b>	<b>16,708</b>	<b>1,109</b>	<b>1,985</b>

\* The figures for each company have been adjusted to reflect the consolidation of internal transactions.

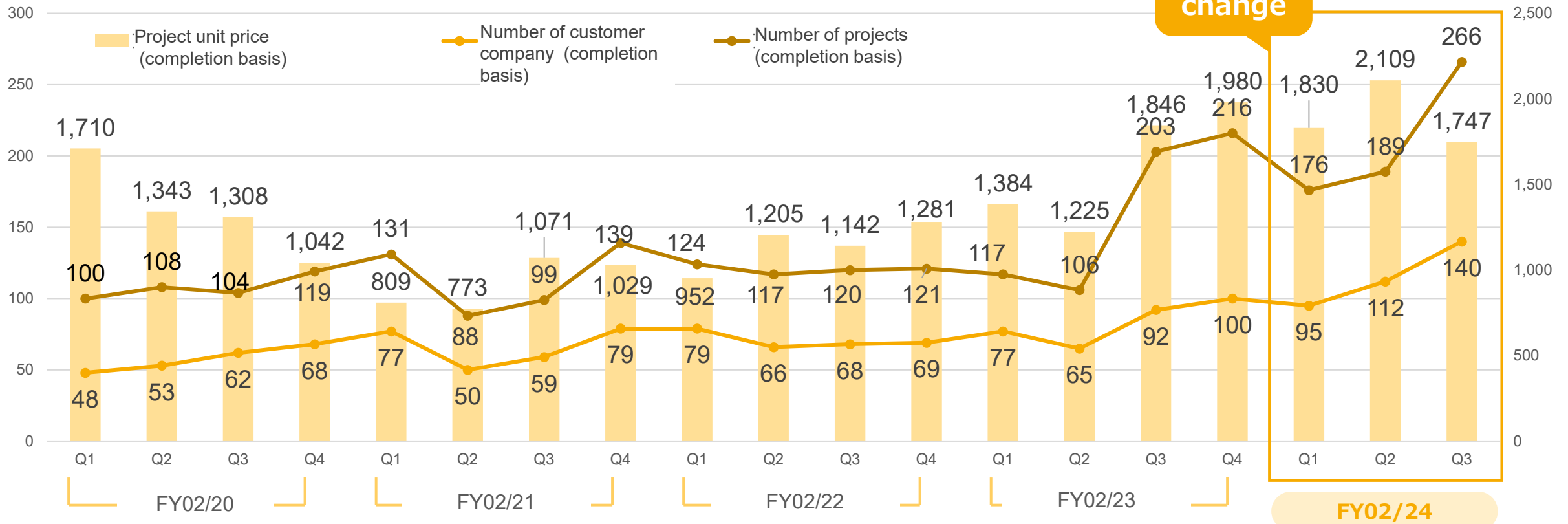
# Cloud Integration - Changes in Each Indicator -

Steady growth of group companies led to steady growth in each indicator.



Project unit price (thousand yen)

# of customers (companies) / # of projects



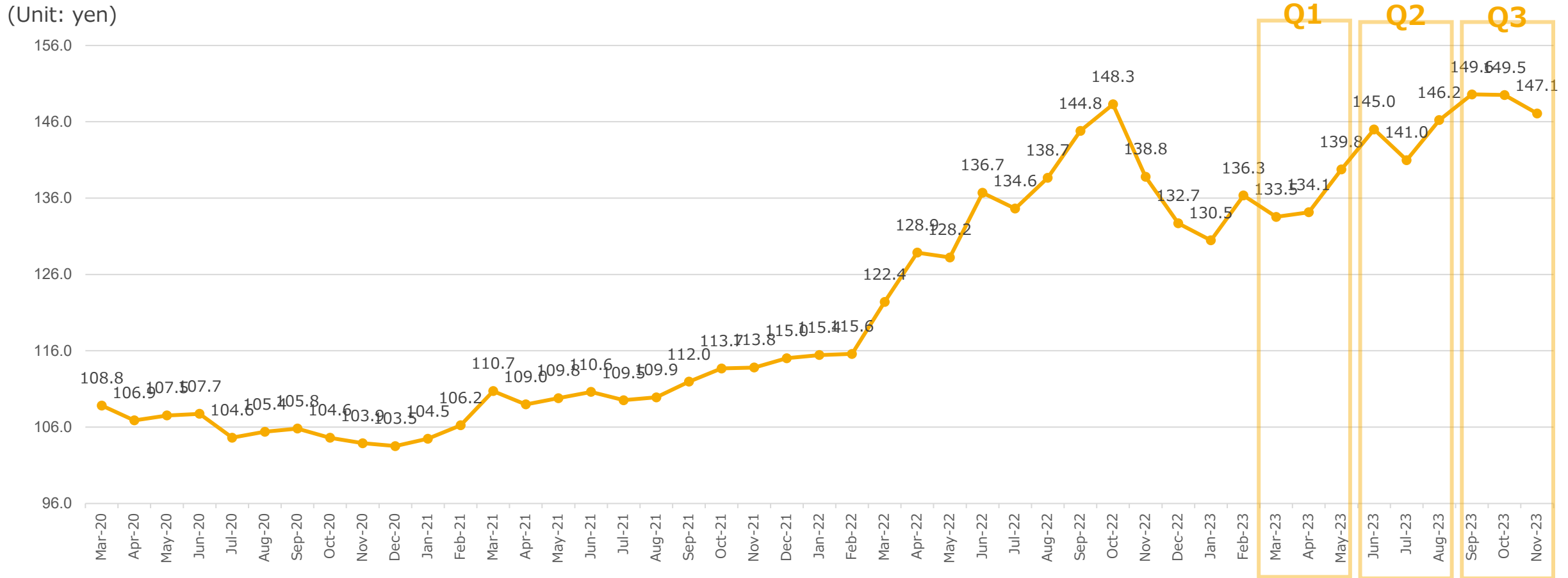
\*In accordance with the application of the new revenue recognition standard, we have changed the method of recognizing revenue based on the degree of completion of performance obligations from FY02/23, but this indicator is calculated based on the completion basis (old standard).



# Resale - Exchange Rates Trends -

**Continued yen depreciation contributed to higher sales and profits.**

Even if sales increase or decrease due to exchange rate fluctuations, profit margins are unaffected because the purchase amount also increases or decreases in the same manner.

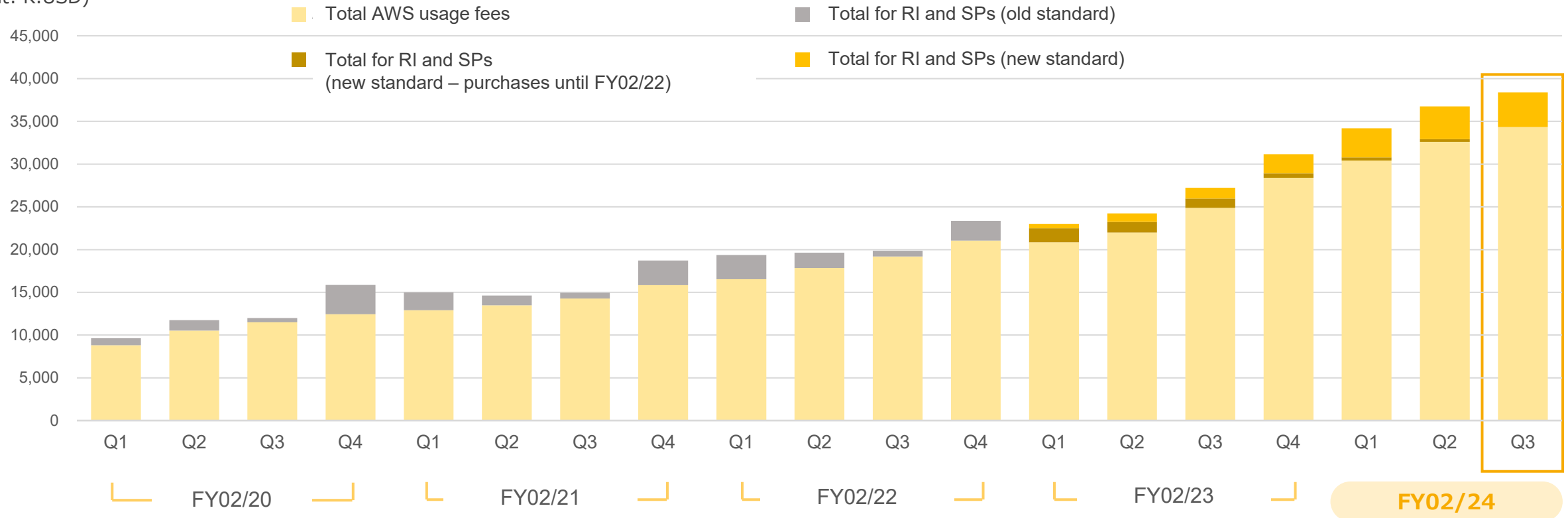




Due to progress with AWS adoption and customer usage, **steady organic growth maintained.**

Reserved Instances (RI)\* and Saving Plans (SP)\* had certain purchases as in previous years.  
A new revenue recognition standard has been applied since FY02/23, which requires revenue to be recognized over a "discounted period."

(Unit: K.USD)



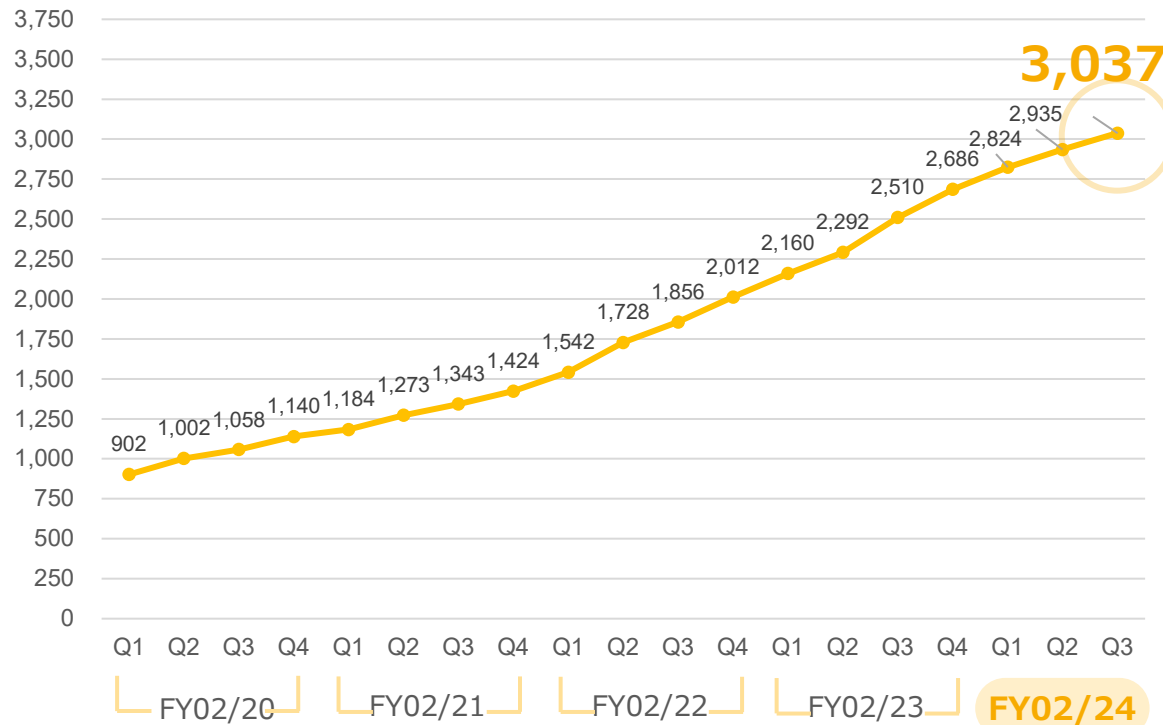
\*RI and SPs are AWS services under which substantial discounts are offered to customers who pay a fixed reservation fee and commit to AWS usage for a certain period.  
 \*For RI and SPs, we had recognized revenue at the time of purchase until FY02/22, but changed the method to recognize revenue over the applicable period in FY02/23.



## Steady increase in both number of accounts and ARPU

### Number of AWS accounts

(Unit: # of account)

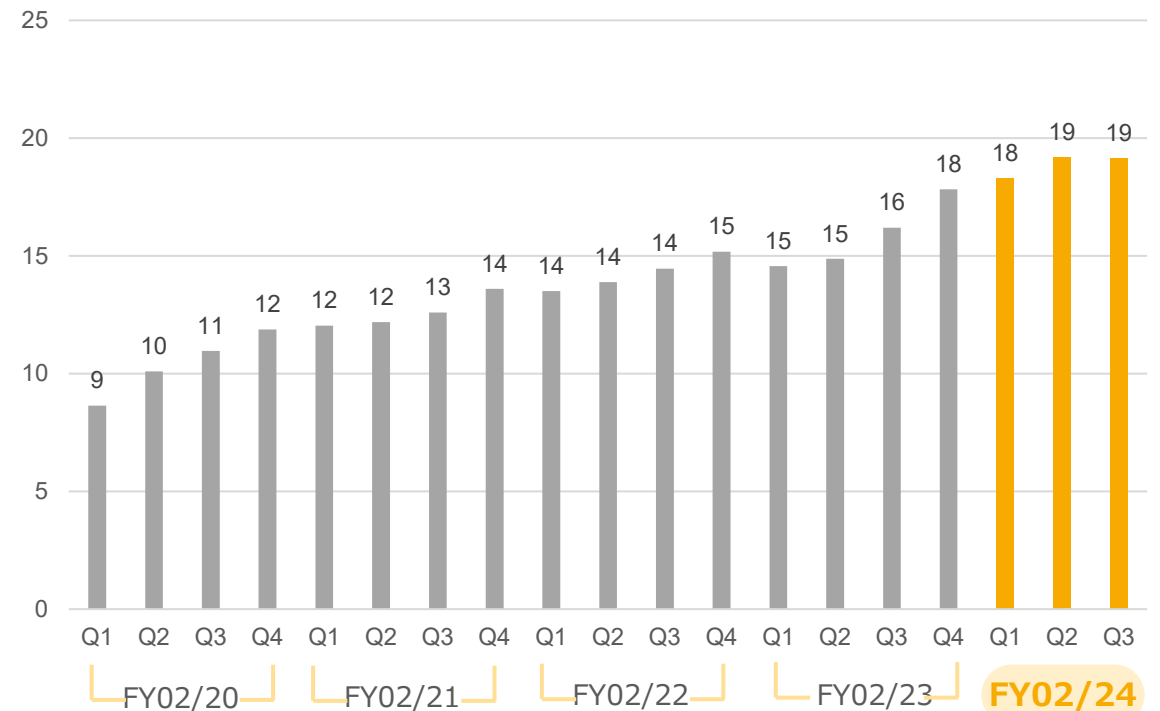


### ARPU\*

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

(Unit: K USD)

\* Excluding Reserved Instances and Savings Plans

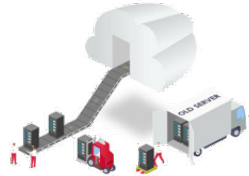


# Percentage of Recurring Business

## One-time Business

1

Cloud Integration



## Recurring Business

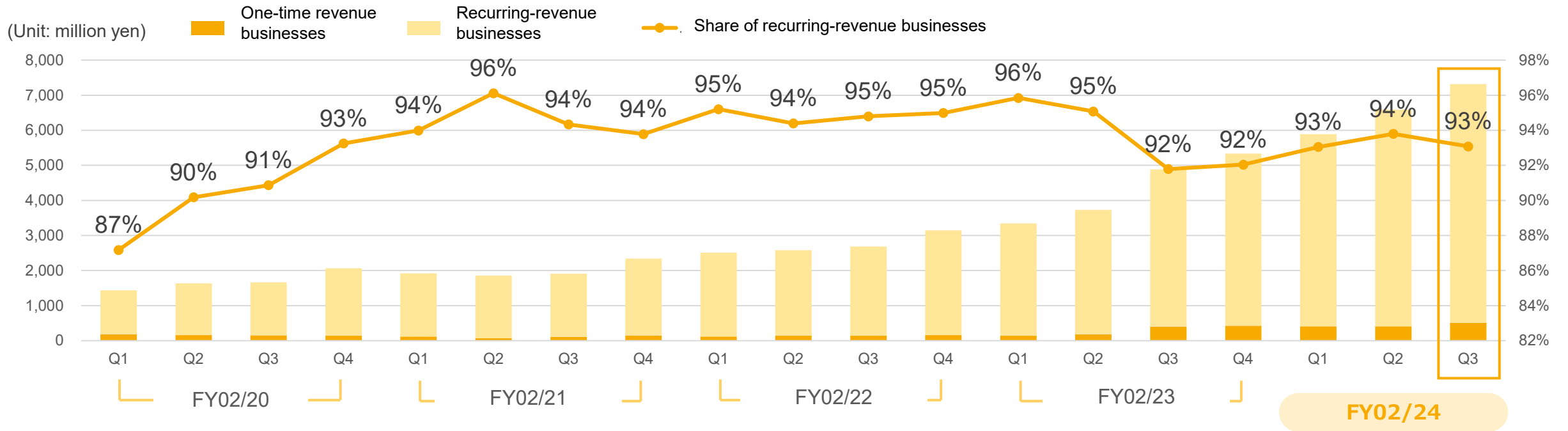
2

AWS Billing Services (Resale)



3

Operation and Monitoring Services (MSP)



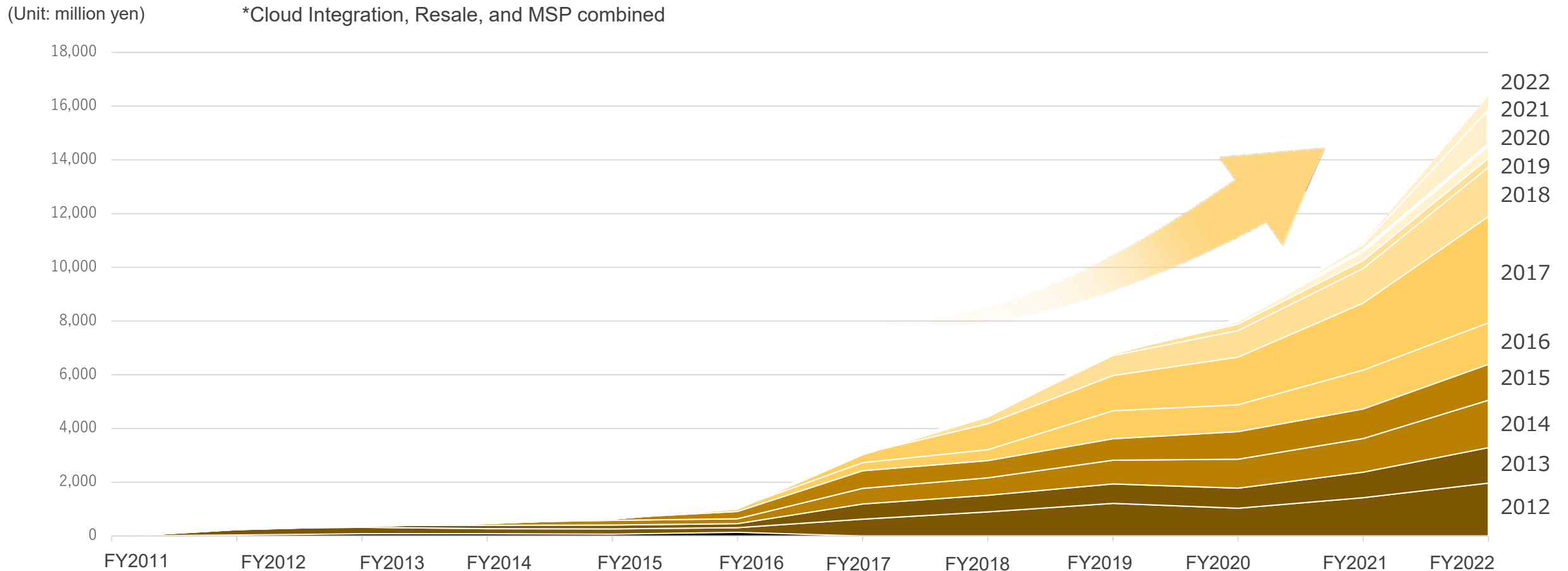
One-time sales from Cloud Integration, where sales are recorded at the time of customer acceptance are recorded under One-time revenue businesses. Recurring sales from AWS monthly usage fees, monthly charges for proprietary services such as Cloud Automator, licensing fees for continued use of third-party 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

# Customer Lifetime Value (LTV)

Serverworks



Customers who have contracted with us increase their total purchase amount each year.

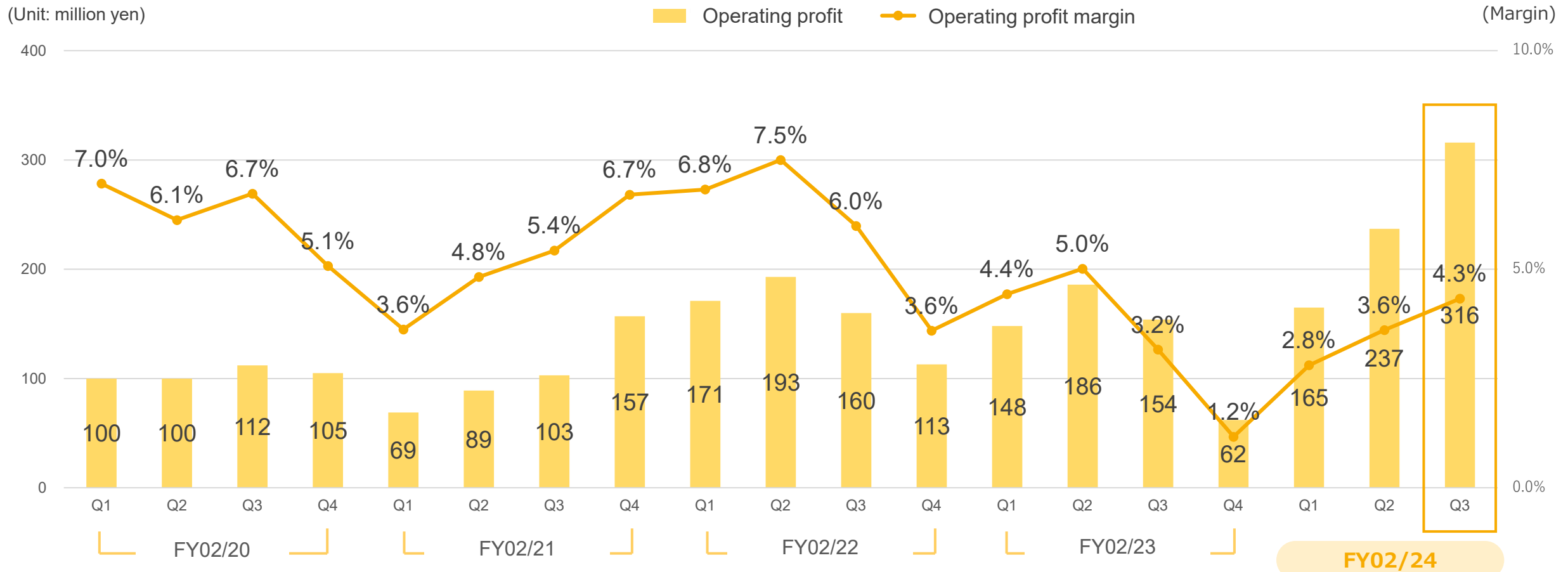


\* Revenues prior to the fiscal year ended February 29, 2017 are an approximate total of AWS resale revenues recalculated into a gross amount based on the most recent results.

# Operating Profit, Operating Profit Margin

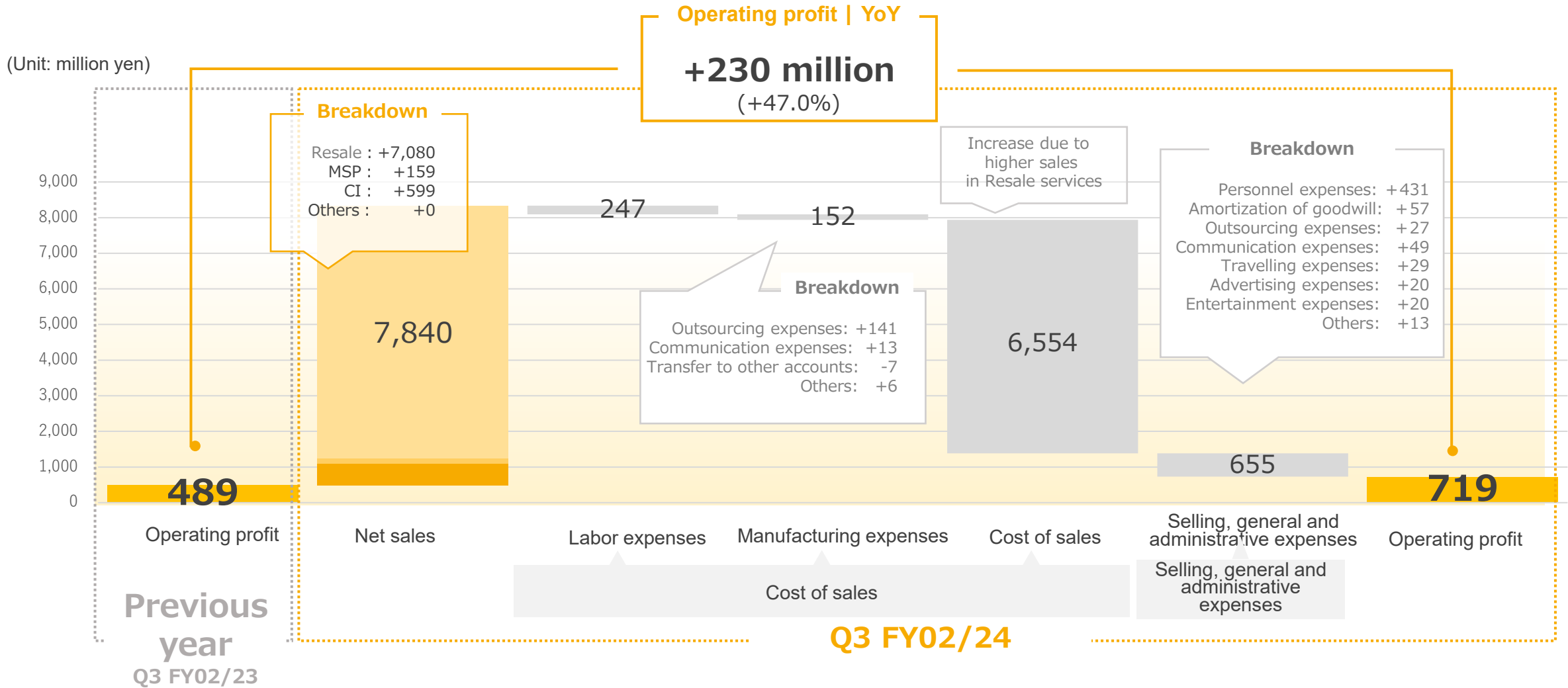
Serverworks Group

**Operating profit is on an improving trend** due to growth of subsidiaries and cost control, but we will **continue to invest aggressively in costs that will contribute to future growth**, such as recruitment enhancement costs and costs related to the strategic collaboration with AWS.



# Analysis of Factors Affecting Operating Profit YoY

While investing in labor/personnel and outsourcing expenses, which are costs for growth, such as strengthening recruitment, etc, **Operating income increased 47% YoY**



# Financial Condition: Balance Sheet (Summary)

Serverworks Group

In addition to **increase in “Current assets”** due to increase in “cash and deposits” and “accounts receivable”, **increase in “Current liabilities”** due to increase in “accounts payable” and “contract liabilities”, and **increase in “Fixed assets”, “Fixed liabilities”, and “Accumulated other comprehensive income”** due to higher valuation of investment securities, **Retained earnings also steadily accumulated.**

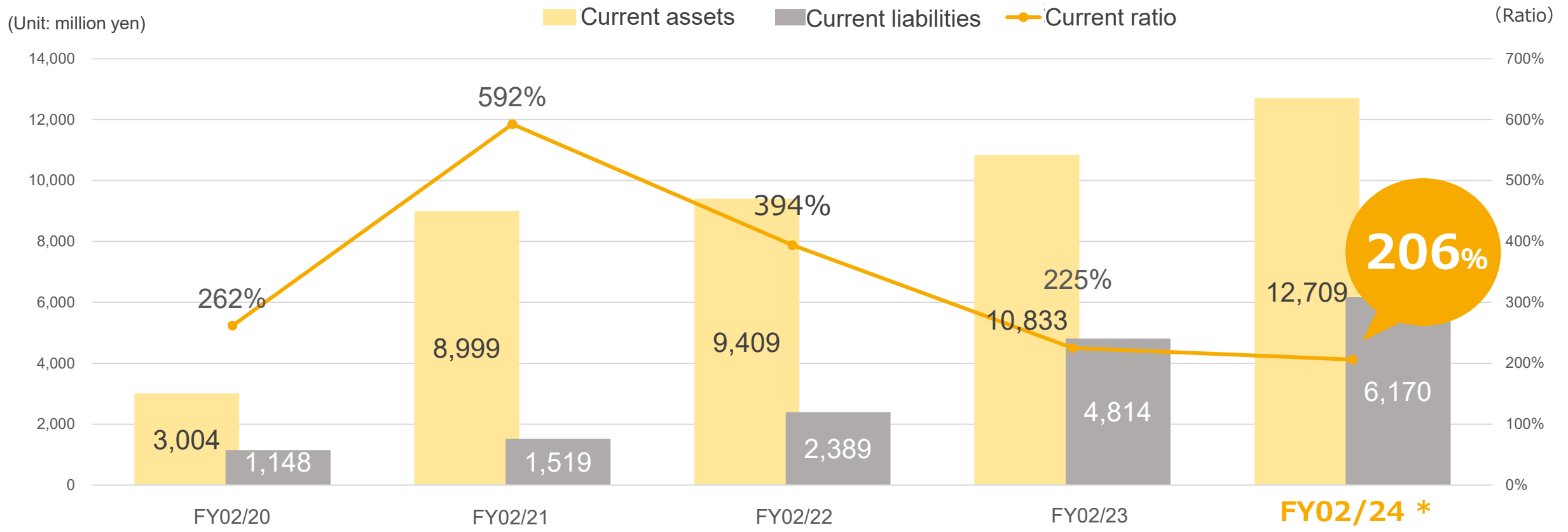
Balance Sheet	Q3 FY02/23 Results (Consolidated)	Q3 FY02/24 Results (Consolidated)	Change
Current assets	10,833	12,709	1,875
Fixed assets	3,910	4,439	528
Property, plant and equipment	58	55	- 3
Intangible assets	1,163	1,055	- 108
Investments and other assets	2,688	3,328	640
<b>Total assets</b>	<b>14,743</b>	<b>17,148</b>	<b>2,404</b>
Total liabilities	5,060	6,584	1,523
Current liabilities	4,814	6,170	1,356
Non-current liabilities	245	413	167
Total net assets	9,683	10,564	880
Total shareholders' equity	8,931	9,445	514
Accumulated other comprehensive income	732	1,112	380
Non controlling interest	20	6	- 13
<b>Total liabilities and net assets</b>	<b>14,743</b>	<b>17,148</b>	<b>2,404</b>

(Unit: million yen)



# Current Ratio

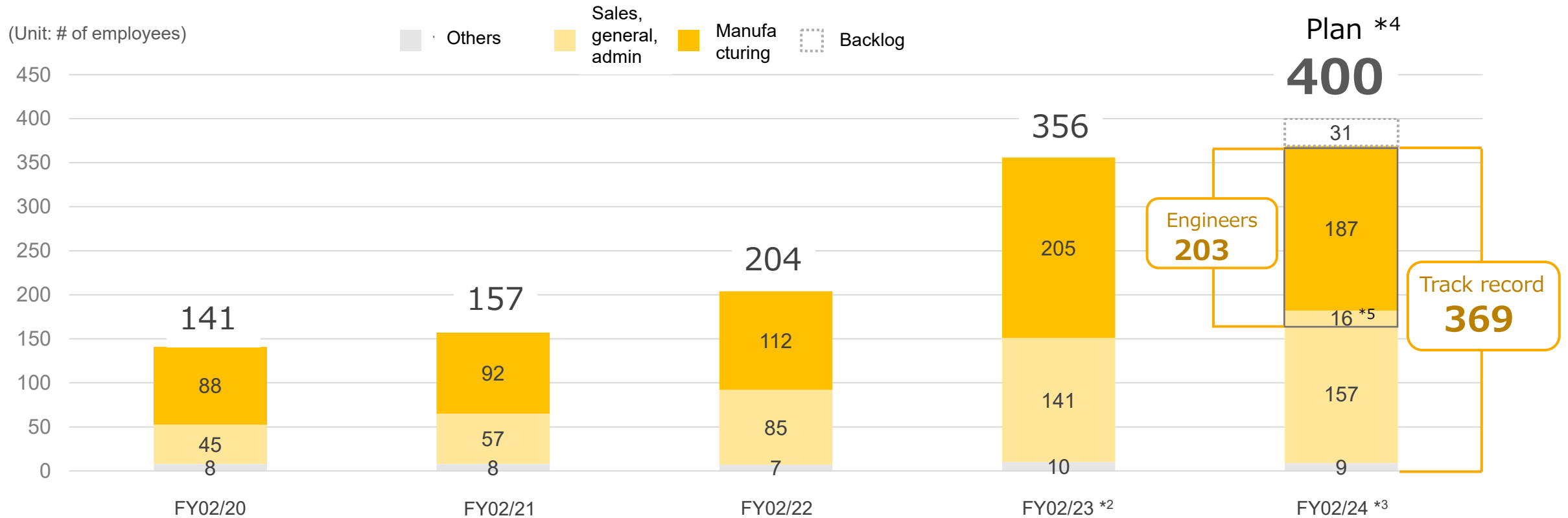
## Good on-hand liquidity with a current ratio of 206



\*For FY 02/24, these figures are for the period from March to November 2023.

# Group Headcount Trends<sup>1</sup>

While **changing the recruitment plan of the subsidiary** to make the subsidiary profitable, continue active recruitment of highly skilled human resources, especially cloud engineers. **Steady increase in new hires.**



\*1. The number of employees includes the number of temporary (part-time) employees.

\*2. Both manufacturing and SG&A staff increased significantly as a result of TOPGATE becoming a consolidated subsidiary.

\*3. Figures for FY02/24 are for the period from March to November 2023.

\*4. Previously, the "planned" number of employees at the end of the current fiscal year was disclosed. From this disclosure, the "planned" number of employees at the end of this fiscal year is the number obtained by adding the "planned number of employees to be hired by the end of the fiscal year" to the "actual number of employees".

\*5. From FY 02/24, the in-house SEs and engineers who provide training have been changed to the SG&A department. As a result, the number of employees in the manufacturing division decreased and the number of employees in the sales administration division increased.



## 4-1. Serverworks

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### TOPICS – 01

AWS migration of a wide range of systems  
supporting the financial business

Developed rules for cloud utilization compliant with FISC,  
**Established secure cloud common infrastructure**

Case Study:

**THE NISHI-NIPPON CITY BANK, LTD.**



ココロがある。コタエがある。  
**西日本シティ銀行**

- The utilization of IaaS was considered in conjunction with the reconstruction of the head office building, and the decision was made to use AWS, which has an extensive track record of implementation at financial institutions.
- Since it is essential to establish strict rules, including guidelines for cloud utilization in compliance with FISC safety standards, Serverworks, with its extensive experience in introducing cloud services to financial institutions, was requested to provide support.
- Experienced consultants were assigned to advise on a structure that would meet the requirements of each department while ensuring control. With additional suggestions, resulted in outcomes that exceeded expectations.
- Will continue to add the latest AWS services and expand the scope of cloud use within the bank.

### TOPICS – 02

Built an integrated account management  
infrastructure with AWS Organizations  
to prepare for control risks in AWS environment,  
**Strengthen governance and optimize costs**

Case Study: **Osaka Metro Co., Ltd.**



- One of Osaka Metro's growth strategies is to combine existing transportation services with various services such as shopping and dining, with the aim of further developing Osaka and improving the lives of consumers.
- Therefore, the company is using multiple cloud services, including AWS. The company faced challenges in managing its ever-increasing AWS environment and was at risk of losing control, so it established guidelines and introduced a system to manage AWS accounts in an integrated manner.
- Integrated account management provides uptime visibility, greatly enhanced governance, and cost optimization was also achieved by consolidating monitoring and backups.

# Solid Track Record

Serverworks



Our track record spans 18,800 projects for more than 1,240 companies,  
mainly large companies (as of November 30, 2023)

common infrastructure	call center	operational support	individual system
	 みずほ銀行		 あしたがつてきに!

# Promoting AWS Certifications for Engineers

Serverworks

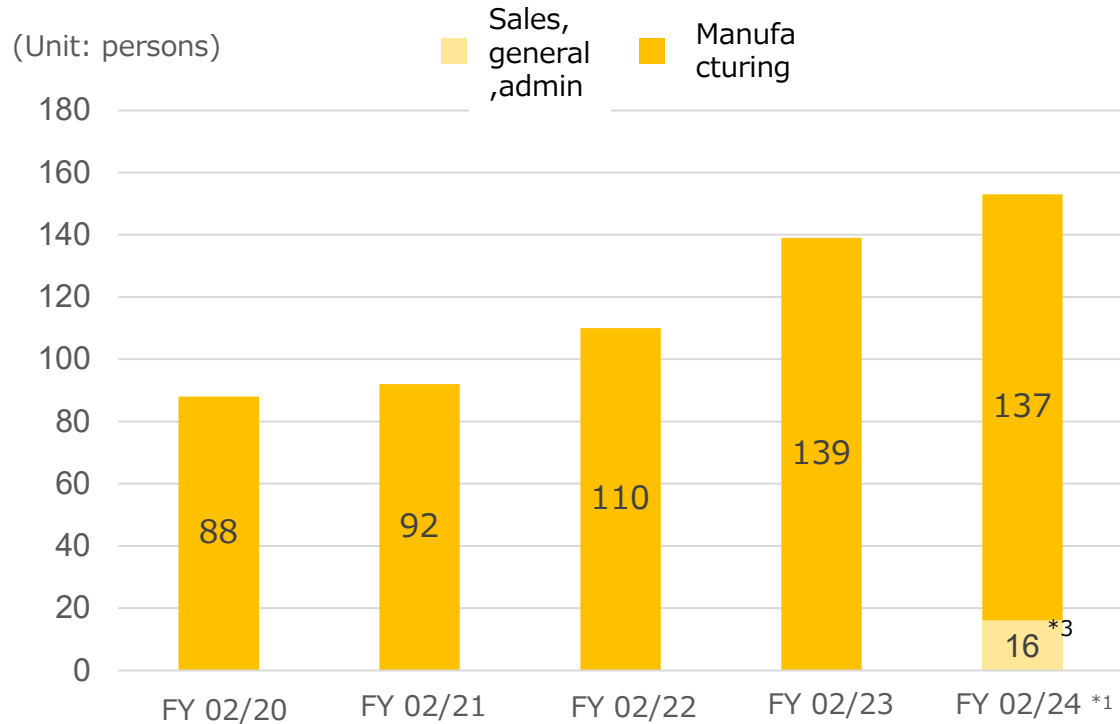


Mid-career engineers with no AWS experience also obtain AWS certification early.

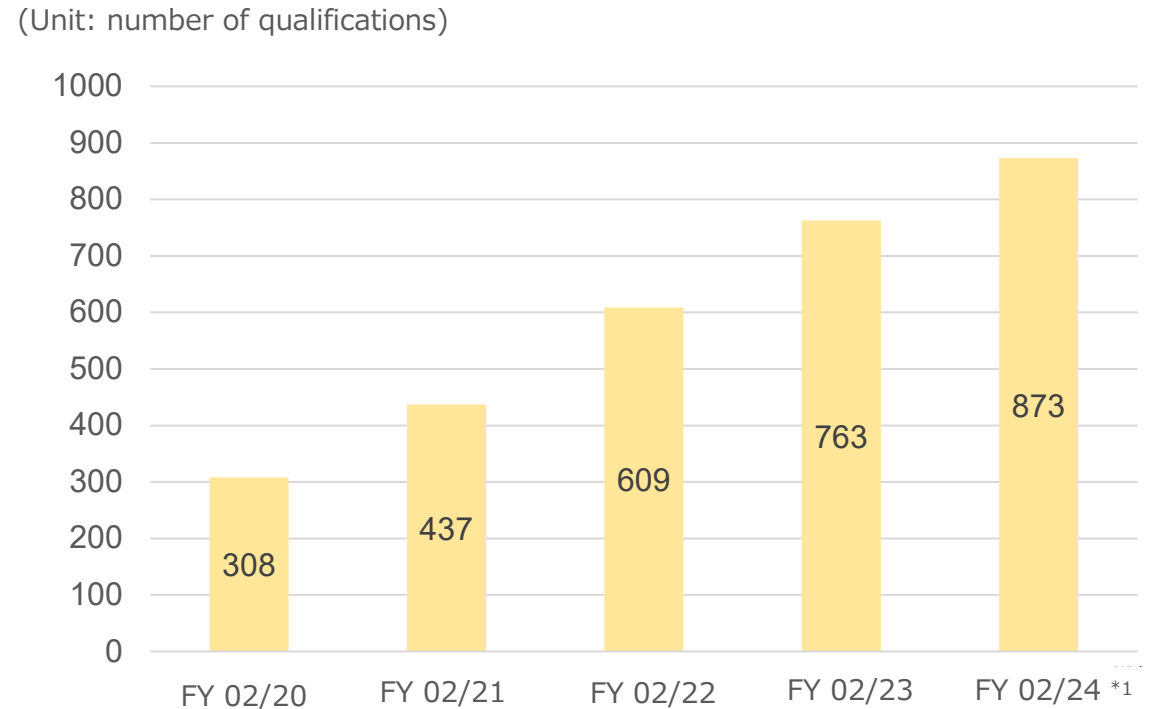


## Over 800 AWS certifications

### Number of engineers



### Number of AWS certifications earned \*2



\*1 Figures for FY02/24 are for the period from March to November 2023.

\*2 Cumulative number.

\*3 From FY 02/24, the in-house SEs and engineers who provide training have been changed to the SG&A department.

# Increase in the Number of AWS Certifications in a Greater Difficulty Level

Due to an increase in the number of employees obtaining AWS certifications at higher levels of difficulty, **engineers can work in more specialized fields.**

(Unit: number of qualifications)	FY 02/23	FY 02/24	Comparison	Qualification Level Description
Fundamental	97	129	<b>133%</b>	<b>Six months of fundamental</b> AWS cloud and industry knowledge
Associate	283	317	<b>112%</b>	<b>One year</b> of experience solving problems and implementing solutions using the AWS cloud
Professional	133	155	<b>117%</b>	<b>Two</b> years of experience designing, operating, and troubleshooting solutions using the AWS Cloud
Expertise	250	272	<b>108%</b>	Technical AWS Cloud experience in the Specialty domain as specified in the exam guide

\* Figures for FY02/24 are for the period from March to November 2023.  
 \* Cumulative number.



## 4-2. Group Companies

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## TOPICS – 01

### G-gen achieved Cloud Migration Specialization in the Google Cloud Partner Advantage Program

2023.11.14



- The Cloud Migration Specialization in the Google Cloud Partner Advantage program recognizes companies that can support a seamless migration to Google Cloud, from the creation of the underlying architecture to the actual migration operations.
- Achieving Cloud Migration Specialization signifies that G-gen holds high level of expertise and extensive experience in Successfully migrating on-premise to the Cloud.

## TOPICS – 02

### Migration of in-house developed system to Google Cloud Reduced time and effort required for server operation **Visualization of usage status is realized**

Case Study: SPer Co., Ltd.



- Sper Co., Ltd, a provider of POS and ordering systems for inns and hotels, has been providing users with access to Sper's internal servers via VPN. 24/7/365 stable service was a challenge.
- Migrating in-house software to Google Cloud to stabilize service delivery, increase visibility, and improve the work environment.
- The company is considering the development of a Web application as a future development. The goal is to create an environment where installation work on client terminals is not required and can be immediately restored if something goes wrong.

# Number of Projects and Qualified Engineers

G-gen

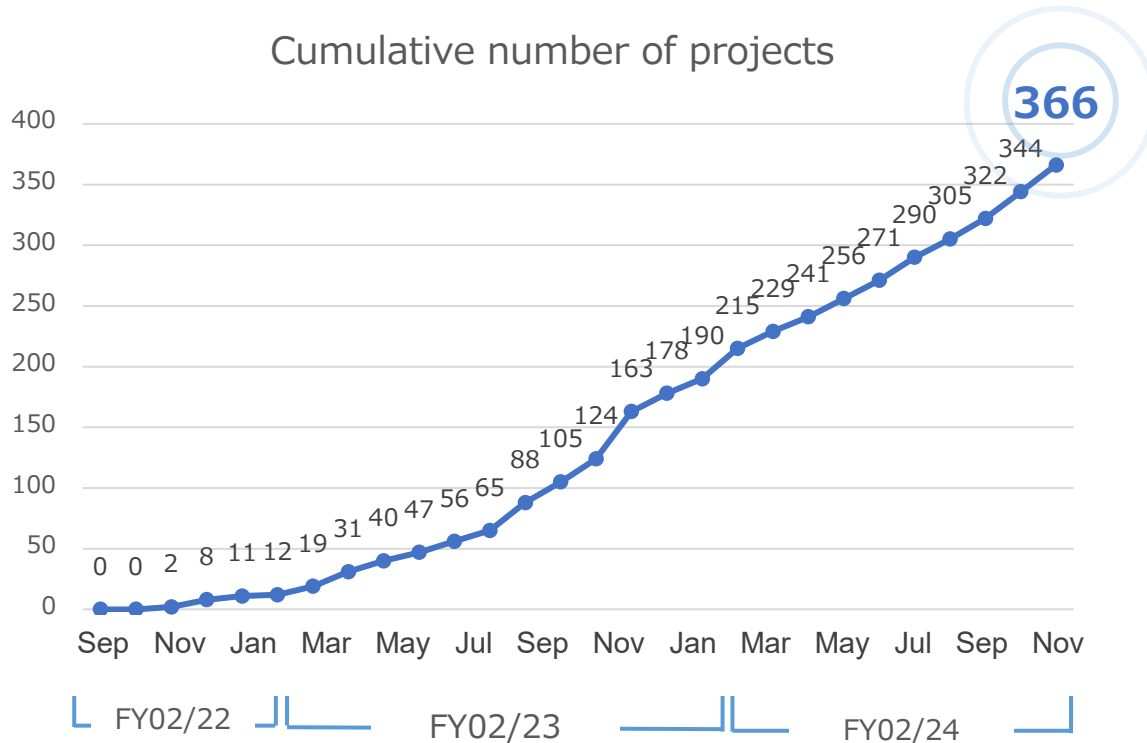


From the start of operations in 2021

**Steady increase in the number of projects, mainly for resale**

**Steady hiring, and a rapid increase in the number of qualified engineers**

Number of projects (G-gen)  
Number of projects from the start of operations



Number of Google Cloud awards received

	2022	2023
Partner Top Engineer	1	9
Partner All-stars	0	4
Google Cloud Champion Innovator	2	3

## TOPICS – 01

Material Request Operation Management of the portal site for university entrance examinations System renewal **reduces work costs by 75%**

Case Study: **Obunsha Co., Ltd.**



- Operates a portal site for university entrance examinations, "Passnavi", known as one of the largest examination portal sites in Japan.
- the existing "Passnavi" has a problem that batch registration of materials takes time, so renewal is being considered.
- Based on TOPGATE's proposal, implementation of batch key records function, reorganization of system functions and optimization of notification content were realized
- Batch registration work, which used to take one business day, has been reduced to two hours, cutting work costs by 75%. Significantly improved operational efficiency

## TOPICS – 02

Migrating In-Service Business Media **from On-Premise to the Cloud**  
Leveraging the Strengths of Google Cloud for Data

Case Study: **PIVOT Inc.**



- PIVOT is a business media company based on video programming, and from the launch of its iOS app in March 2022, it has been deploying its services on hosts servers in a data center in Japan.
- Migration to the cloud considered due to on-premise issues such as service access beyond expectations, concerns about single failure of one physical server, and the need for patch operations and maintenance support for vulnerabilities.
- TOPGATE proposes Google Cloud for its "security", "cost advantage", and "future potential".
- Gain a competitive advantage by leveraging Google Cloud's strength in the domain of data analytics and utilizing data from high-quality content.

Steady growth in other services

## TOPGATE Major Business Records

For more information, visit our website.

Service delivery  
examples of customers





# Making 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.”

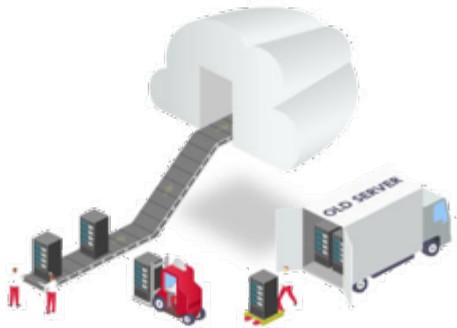
Through cloud computing, we aim to create a society that helps more  
companies enhance their competitive edge and makes everyone who  
works there feel that

**“This is a better place to work.”**

We would like to share this vision with you.

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

### 1 Cloud Integration



AWS implementation and migration support



### 2 AWS Billing Services (Resale)



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



### 3 Operation and Monitoring Services (MSP)



AWS utilization and operation support



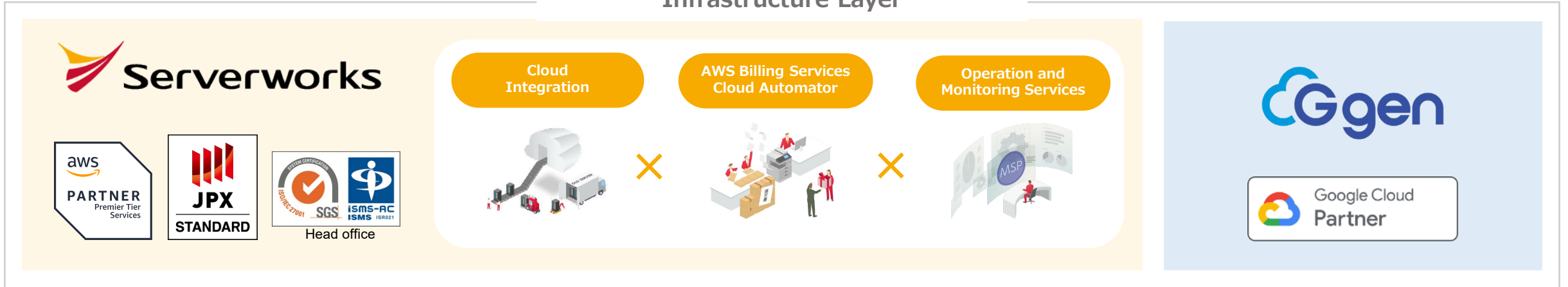
2021: Established G-gen to develop Google Cloud business

2022: Acquired TOPGATE, which has strength in application development

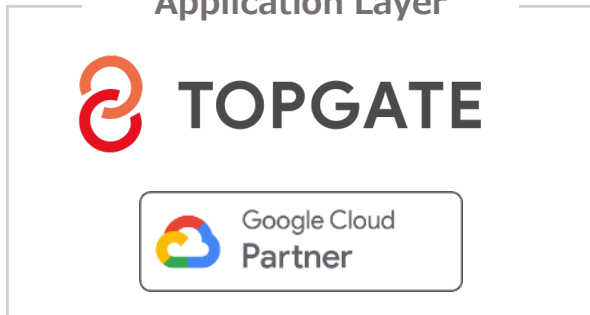
## Serverworks Group Established Comprehensive Support Structure for AWS and Google Cloud



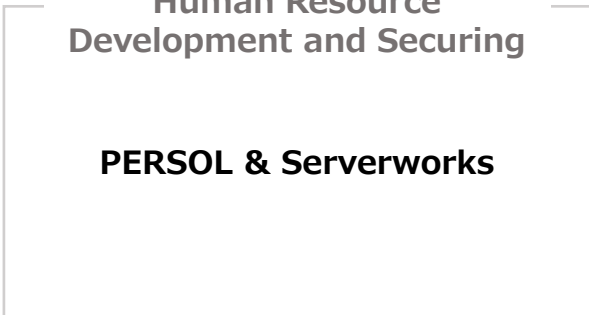
### Infrastructure Layer



### Application Layer



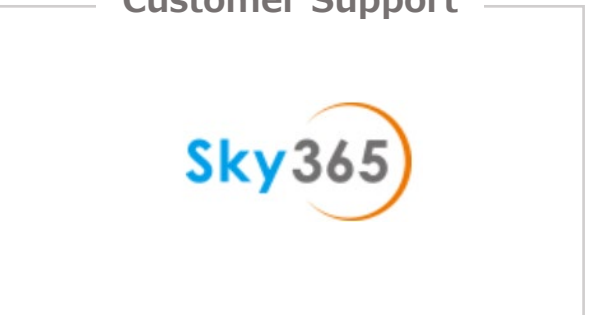
### Human Resource Development and Securing



### Subsidiary for investment purposes



### Customer Support

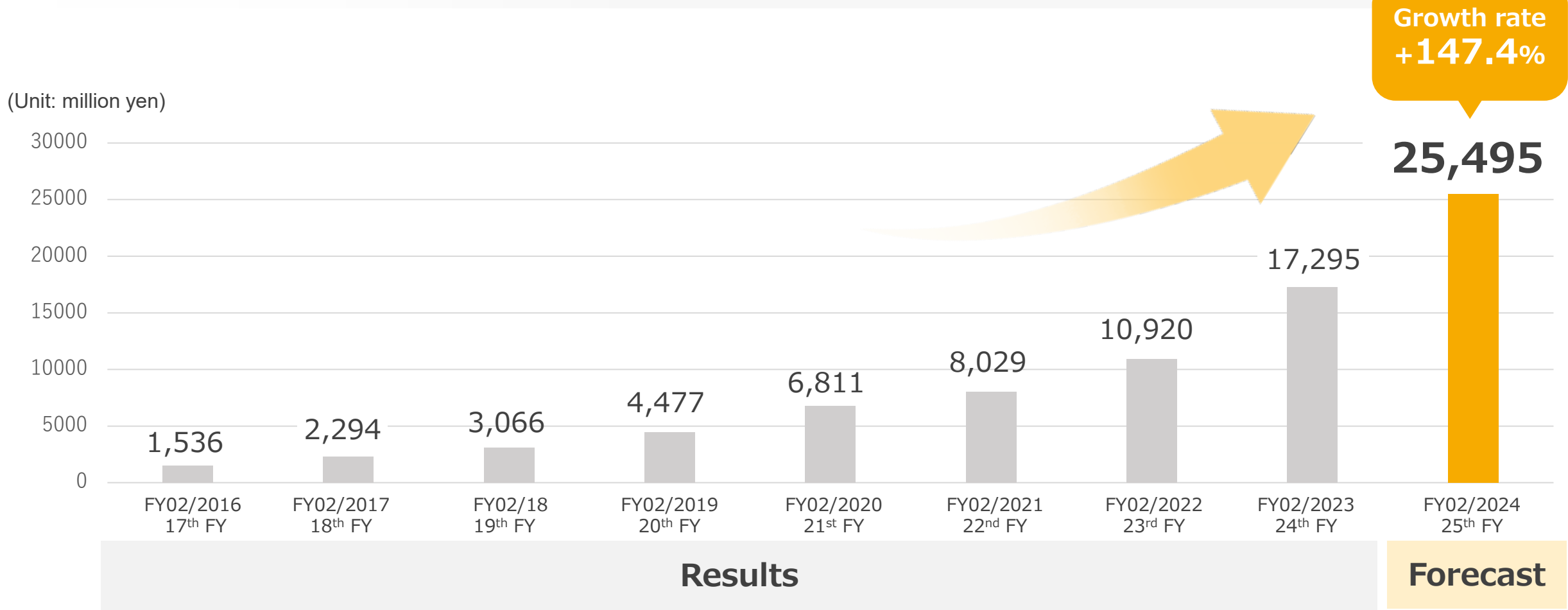


# Company Overview

Net Sales over the Past Eight Years

Serverworks Group

Steadily increasing net sales and maintaining high growth rate, with the expanding cloud market and organizational expansion



Founded	February 21, 2000														
Capital	3,253,036,659 yen (as of November 30, 2023)														
Number of Employees	Non-consolidated: 257 (as of November 30, 2023) Consolidated: 369 (as of November 30, 2023)														
Business Domain	Cloud integrator specializing in AWS														
Management	<table border="0"> <tr> <td>Ryo Oishi</td> <td>CEO</td> </tr> <tr> <td>Takashi Hashiba</td> <td>Senior Vice President</td> </tr> <tr> <td>Hiroyuki Oshio</td> <td>Senior Vice President</td> </tr> <tr> <td>Mikiya Inoue</td> <td>Outside Director who is Audit and Supervisory Committee Member (Full-time)</td> </tr> <tr> <td>Yuko Tanaka</td> <td>Outside Director who is Audit and Supervisory Committee Member</td> </tr> <tr> <td>Ichiro Terashima</td> <td>Outside Director who is Audit and Supervisory Committee Member</td> </tr> <tr> <td>Hikari Fujimoto</td> <td>Outside Director who is Audit and Supervisory Committee Member</td> </tr> </table>	Ryo Oishi	CEO	Takashi Hashiba	Senior Vice President	Hiroyuki Oshio	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	Ichiro Terashima	Outside Director who is Audit and Supervisory Committee Member	Hikari Fujimoto	Outside Director who is Audit and Supervisory Committee Member
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Ichiro Terashima	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"> <li>• AWS Premier Tier Service Partner</li> <li>• AWS Migration Competency</li> <li>• AWS Digital Workplace Competency</li> <li>• AWS Managed Service Provider Program</li> <li>• AWS Well-Architected Partner Program</li> <li>• ISO / IEC 27001 (JIS Q 27001)</li> </ul>														
Major Shareholders	Board members TerraSky Co., Ltd. NTT Communications Corporation NTT DATA Corporation														

**Main Locations**  
 Tokyo (head office),  
 Osaka, Sendai, Fukuoka



# Management Team

## Directors



### Ryo Oishi, President & CEO

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.

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### Takashi Hashiba, Senior VP

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.

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### Hiroyuki Oshio, Senior VP

Upon graduation from Kobe University, where he majored in economics, Oshio joined Marubeni Corporation. He engaged in planning and installation of internet-enabled systems.

Then, he joined a software venture company and became SVP at an overseas subsidiary, as well as general manager of marketing. Upon joining our company in October 2013, he served as the head of business development and led the administrative department. Oshio became senior VP in August 2014.

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## Management Team

### Audit and Supervisory Committee Members (Outside Directors )



## Mikiya Inoue

Full-time

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.



## Ichiro Terajima

Upon his graduation from The University of Tokyo, where he majored in engineering, Terajima joined Sekisui Chemical Co., Ltd. He also studied at MIT and established an in-company AI venture, experiencing a wide variety of business roles. He became general manager of the Information Systems Dept. and served as a chief of the information systems group. He joined TERRANET as a company representative. Terajima joined our company as outside director in November 2017.

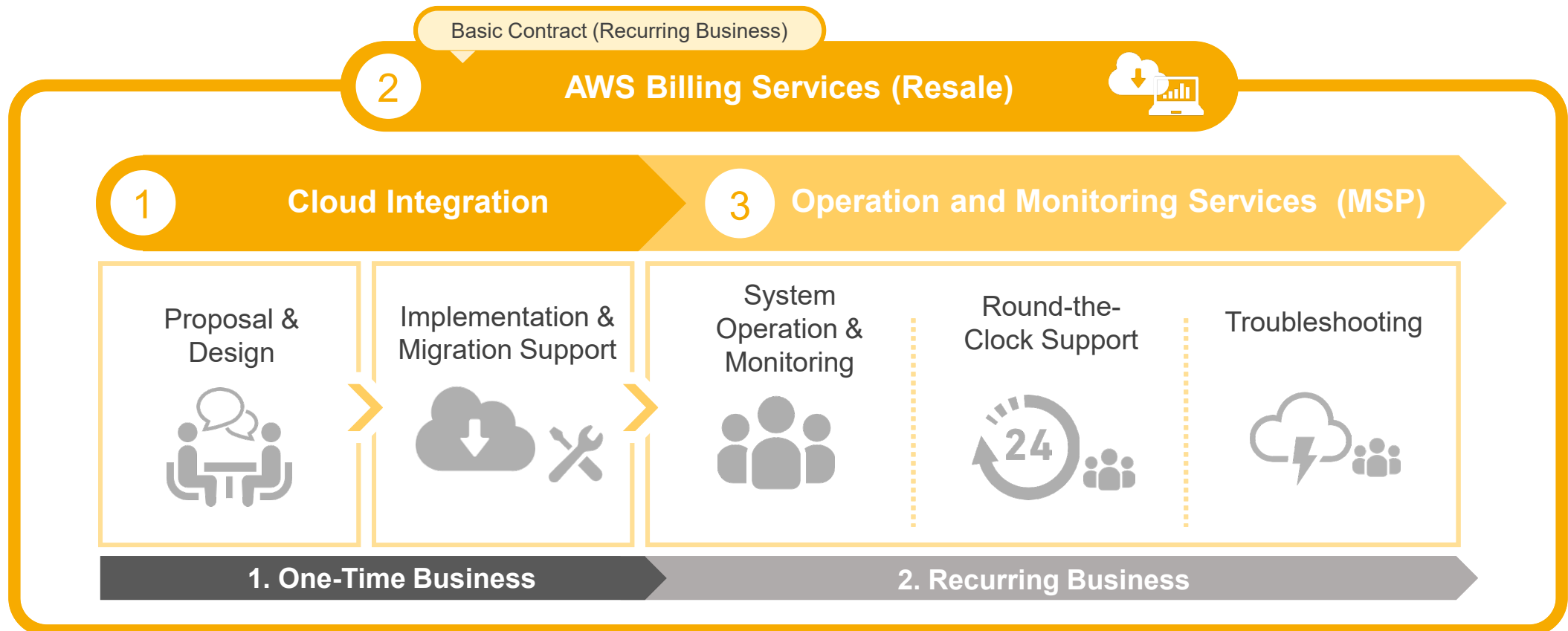


## Hikari Fujimoto

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.

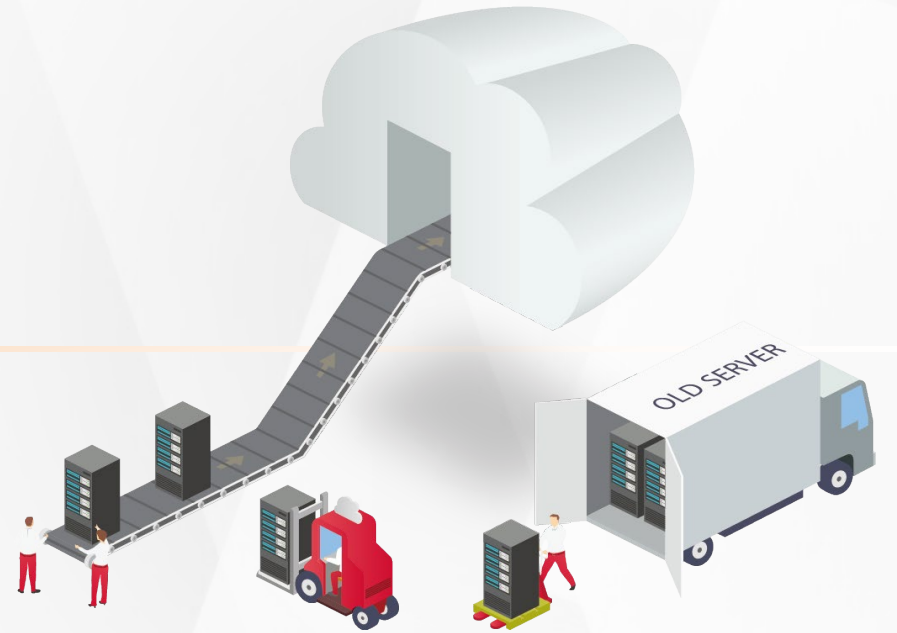


Serverworks has been an **AWS specialist** since the dawn of cloud computing in Japan. We provide a full range of services, from **AWS implementation** to utilization and operation.



# 1 Cloud Integration

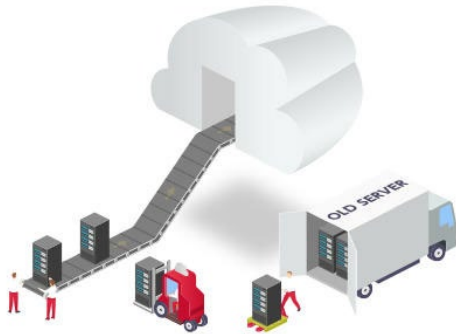
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We provide AWS planning, design, construction, and implementation support promptly in accordance with customer requirements and environments.

### 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



**Customer support**  
Create an environment



**Migrate on-premise environments** to servers



Establish environments for **financial institutions and payment systems**



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

Note: We provide up-front estimates tailored to each request.

### 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.



## 2 AWS Billing Services (Resale)

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# Business Overview 2 AWS 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.



#### ► About “AWS Advanced”

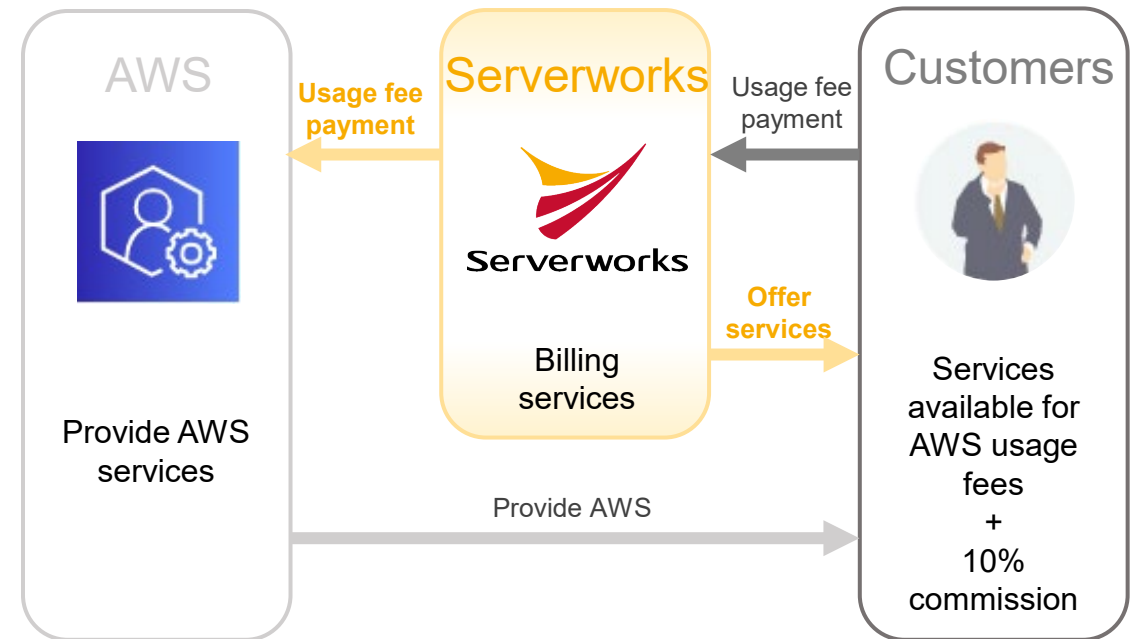
With only a billing agent fee of 10% of the AWS usage fee, this plan allows you to take advantage of the AWS operation automation tool, Cloud Automator. We also provide indemnity insurance in case of emergency, personalized support by our engineers, and various operation services, in addition to basic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

### AWS Advanced Plan

Technical Support	Cloud Automator
Invoicing in Japanese Yen	Migration and Operations Services*
Customer Portal	damage insurance

\*Paid option

Serverworks contracts with AWS for enterprise support.



Available with  
advanced service  
agreement

### Customer successes of Cloud Automator, operational optimization service



Cloud Automator automates  
AWS operations

#### 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.

The logo for DIP Corporation, consisting of the lowercase letters "dip" in a bold, black, sans-serif font.

#### 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.

The logo for Kintetsu Real Estate Co., Ltd., featuring a blue circular icon with a white stylized 'K' and the Japanese text "近鉄不動産" in blue.

### 3 Operation and Monitoring Services (MSP)

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

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

### Reduce operational burden and maximize AWS benefits



#### ► What is "AWS Operation Agency and Monitoring Service"?

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

#### What our AWS operation and monitoring services can do

System Operation & Monitoring



Round-the-Clock Support



Troubleshooting



### AWS operation and monitoring services



For example, do you have any of these problems?

Sudden troubles  
Late at night, an unexpected server error

Long-term consultation  
Consultation on future AWS operations and further utilization

MSP support center assists in troubleshooting

The team in charge of the project offers user-friendly suggestions and solutions



AWS Technical Support



AWS Operation Optimization Service



Round-the-Clock AWS Operation Services

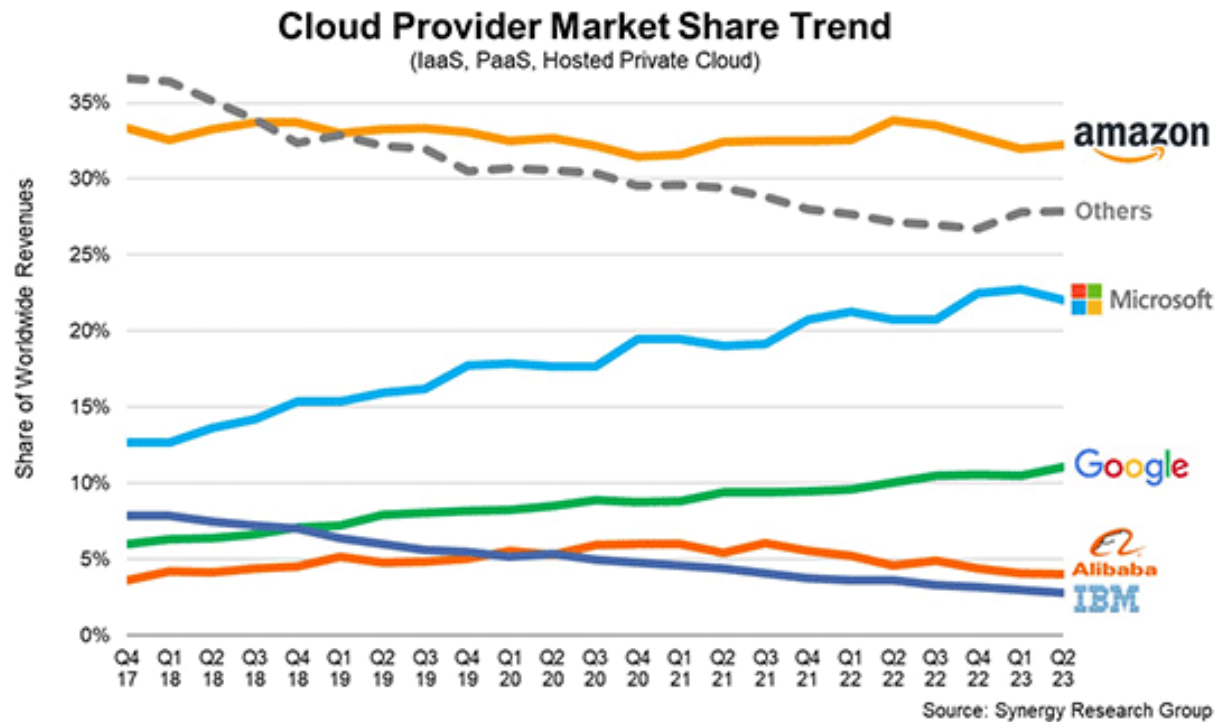


Wide-range of Support for AWS utilization



# Market Environment

In the global cloud infrastructure services market in Q3 2023, **Microsoft's market share increased 2% in the last three months**



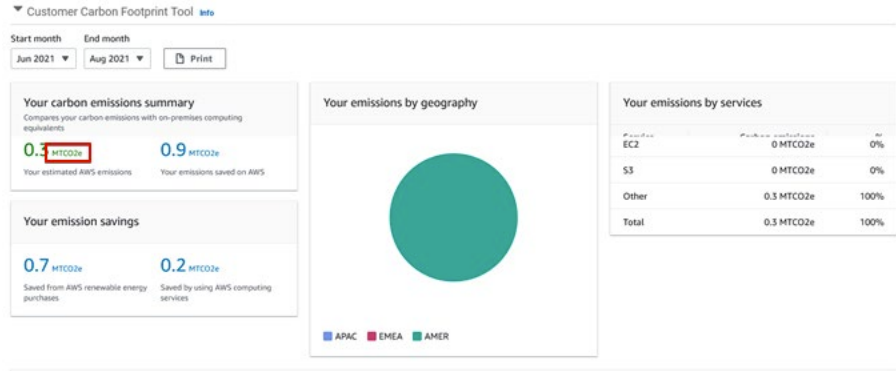
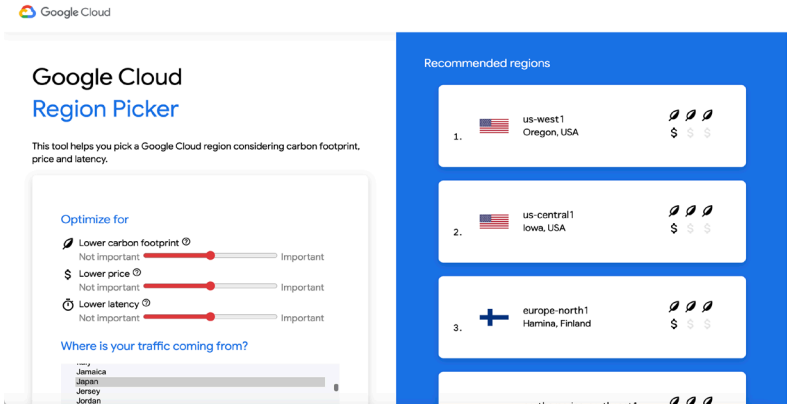
Data from Synergy Research Group shows in the global cloud infrastructure services market in Q3 2023, AWS controlled 32% to 34% of the total market, followed by Microsoft Azure at 23% and Google Cloud at 11%. These three companies maintain a dominant market share compared to other companies.

Source: [https://www.publickey1.jp/blog/23/awsgoogle\\_cloud20232synergy\\_researchcanalys.html](https://www.publickey1.jp/blog/23/awsgoogle_cloud20232synergy_researchcanalys.html)



# Reference - Carbon Emissions Measurement Tool for Each Cloud Service



Cloud Service	AWS	Google Cloud
Tool	Customer Carbon Footprint Tool	Google Cloud Region Picker
Feature	<p>As a performance against sustainability goals, <b>measure estimated carbon</b></p> <ol style="list-style-type: none"> <li>Using AWS reduces emissions, comparing to on-premise.</li> <li>CO2 emissions on a monthly, quarterly, and annual basis.</li> <li>Measure the projected change in annual CO2 emissions based on AWS usage within the account.</li> </ol>	<p><b>Google Cloud region can be selected taking variables like price, latency, and sustainability into account.</b></p> <ol style="list-style-type: none"> <li>Identify regions with particularly low carbon impact.</li> <li>Indicate the usage rate of carbon-free energy and the carbon intensity index of the power grid.</li> </ol>
Feature	 <p>The screenshot shows the 'Customer Carbon Footprint Tool' interface. It includes a date range selector (Jun 2021 to Aug 2021), a 'Print' button, and three main sections: 'Your carbon emissions summary' (comparing on-premises vs AWS emissions), 'Your emissions by geography' (a pie chart showing APAC, EMEA, and AMER), and 'Your emissions by services' (a table showing EC2, S3, and Other services).</p>	 <p>The screenshot shows the 'Google Cloud Region Picker' interface. It features optimization sliders for 'Lower carbon footprint', 'Lower price', and 'Lower latency', each with a 'Not important' to 'Important' scale. Below the sliders is a 'Where is your traffic coming from?' section with a bar chart. On the right, a 'Recommended regions' list shows three options: 1. us-west1 (Oregon, USA), 2. us-central1 (Iowa, USA), and 3. europe-north1 (Hamina, Finland), each with a carbon footprint and cost indicator.</p>

# 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.



Serverworks