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## Flash Report for the Fiscal Year Ended May 31, 2026 [under Japanese GAAP] (Non-consolidated)

June 25, 2026

Company Name Oracle Corporation Japan Listed Stock Exchange: TSE Standard  
 Securities code: 4716 URL: <http://www.oracle.com/jp/corporate/investor-relations/index.html>  
 Representative & Contact Personnel Telephone: 03-6834-6666  
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 Schedule for general shareholders meeting: August 25, 2026  
 Scheduled date to commence dividends payment: August 10, 2026  
 Schedule for annual security report: August 21, 2026  
 Preparation of supplementary materials on quarterly financial results: Yes  
 Holding of quarterly financial results conference: Yes (for analysts and institutional investors)

(Amounts of less than 1 million yen are rounded down)

## 1. Financial results for this term (from June 1, 2025 to May 31, 2026)

## (1) Operating result (Percentages indicate year-on-year changes)

	Net Sales		Operating profit		Ordinary profit		Profit for the year	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
May 2026	285,073	8.2	89,795	3.4	91,373	4.5	63,537	4.6
May 2025	263,510	7.8	86,832	8.8	87,454	8.9	60,725	9.2

	Basic earnings per share		Diluted earnings per share		ROE	ROA	Operating profit margin
	Yen	Sen	Yen	Sen	%	%	%
May 2026	495	97	495	94	34.5	26.7	31.5
May 2025	473	98	473	91	34.2	26.6	33.0

(Reference) Equity in earnings (losses) of affiliates May 2026: - Million Yen (May 2025: - Million Yen)

## (2) Financial Position

	Total Assets	Net Assets	Ratio of shareholders' equity	Net assets per share	
	Million Yen	Million Yen	%	Yen	Sen
May 2026	368,416	204,728	55.6	1,597	24
May 2025	316,403	163,681	51.7	1,278	26

(Reference) Shareholders' equity May 2026: 204,697 Million Yen (May 2025: 163,639 Million Yen)

## (3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million Yen	Million Yen	Million Yen	Million Yen
May 2026	74,707	-32,129	-24,331	84,968
May 2025	66,599	-1,956	-89,964	66,616

## 2. Dividends

	Dividend per share										Total amount of dividends	Dividends payout ratio	Dividend Ratio to shareholders' equity
	1 <sup>st</sup> Quarter end		2 <sup>nd</sup> Quarter end		3 <sup>rd</sup> Quarter end		Fiscal Year End		Total				
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Million Yen	%	%
May 2025	-		0	00	-		190	00	190	00	24,375	40.1	13.7
May 2026	-		0	00	-		858	00	858	00	110,080	173.0	59.7
May 2027 (Forecast)	-		-		-		-		-			-	

(Note1) Change in Dividend Forecast for the year ended May 31, 2026: Yes

(Note2) Breakdown of Dividends for May 2026: a normal dividend of 198 yen, a special dividend of 660 yen and year-end total dividend is 858 yen

(Note3) Year-end dividend for the year ending May 31, 2027 has yet to be determined.

## 3. Forecast for the May 2027 term (from June 1, 2026 to May 31, 2027)

(% of change from previous year)

	Net Sales	Basic Earnings per Share
	%	Yen
Entire term	6.0~10.0	525.00~540.00

(Note1) Company uses ranges of values for the forecast. Please refer to Future Outlook, on page 6.

(Note2) Estimation of effective tax rate is 31.6%

## 4. Other information

## (1) 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 reasons other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatements: None

## (2) The number of shares outstanding (common stock) at the end of period (including treasury shares)

(i) The number of shares outstanding	As of May 31, 2026	128,312,571	shares
	As of May 31, 2025	128,304,471	shares
(ii) The number of treasury stock	As of May 31, 2026	155,629	shares
	As of May 31, 2025	287,443	shares
(iii) The number of average shares outstanding (cumulative, non-consolidated, year to date)	As of May 31, 2026	128,106,402	shares
	As of May 31, 2025	128,117,545	shares

(Note) The Company's stock held by Board Incentive Plan Trust and Employee Stock Ownership Plan Trust is included in the number of treasury stock.

The treasury shares which remain in the BIP trust and the ESOP trust are included in the treasury stock to be deducted in the calculation of the number of average shares outstanding during the term.

## Caution1:

This flash report is not subject to audit.

## Caution2:

These forward-looking statements are subject to risks, uncertainties and assumptions about our business that could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements.

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## 1. Overview of the Management Operations' Results, etc.

### (1) Overview of the Management Operations' Results in the Current Financial Year

#### Overview

During the fiscal year under review (from June 1, 2025 to May 31, 2026, hereinafter referred to as “this year”), the Japanese information services industry in which the Company operates experienced steady investments in cloud services, with IT investments aimed at corporate growth and boosting competitiveness, improving efficiency through the use of variable digital data, building the IT environment to realize sustainable human-capital management, and strengthening touchpoints with end users.

Under these circumstances, the Company has continued its value proposition for realizing Customers' innovation, for their business transformation, and for supporting their firm growth through the use of new technologies, including a broad range of integrated cloud services and enterprise AI with the highest levels of security, performance, and efficiency.

In addition, a customer-led user group, Japan OATUG (Oracle Applications and Technology Users Group), provides an ongoing forum for interaction among member companies, sharing use cases of our products, and hosting seminars and other events. As these activities have become more active, both the number of registered companies and the number of members have continued to increase. We support Japan OATUG's activities, led primarily by our executive management as well as our product, development, and services organizations, and position these efforts as initiatives that help promote understanding of our product value through the sharing and expansion of use cases and the accumulation of implementation and utilization know-how.

As a result of these initiatives, the Company recorded net sales of 285,073 million yen (up 8.2% year over year), operating profit of 89,795 million yen (up 3.4%), ordinary profit of 91,373 million yen (up 4.5%), and profit for the year of 63,537 million yen (up 4.6%). Net sales and all profit items reached record highs for the fiscal year under review.

#### Go to Market Strategy (FY2026)

##### Mission Statement

The Company aims to achieve further growth by helping customers migrate their mission-critical systems to the cloud and realize greater value through data utilization. Its mission is to help people see data in new ways, discover insights, and unlock endless possibilities.

By continuing to evolve our own capabilities and supporting the transformation of our customers, we aim to contribute to the sustainable development of society.

##### Our Strength

The Company aims to drive further business growth by strengthening customer trust while supporting customers' migration of core systems to the cloud and enabling active data utilization.

We have modernized and digitalized our own business processes using our technologies, achieving strong results internally. By accelerating the deployment and adoption of these technologies for customers, we support their growth and business innovation.

The Company offers a comprehensive product portfolio spanning platforms, applications, and hardware, deployable across both cloud and on-premises environments. Oracle Cloud, the core of the Company's business, is built on system architecture and technologies consistent with our licensed software products, enabling seamless integration and bidirectional migration between on-premises systems and Oracle Cloud.

##### Key Initiatives

By advancing data-driven approaches, we will further expand the delivery of cloud-based services that maximize the value of information, as well as a broad range of supporting services that enable customers to effectively adopt and use these cloud services. Through these efforts, we will contribute to Japanese society.

Recognizing the importance of modernizing legacy systems and anticipating future technological evolution in the Japanese market, we will continue to evolve as a company that drives customer business innovation by providing extensive, integrated cloud services and leveraging new technologies, including enterprise generative AI, while maintaining top-tier security, performance, and efficiency.

We established two policies for the key initiatives launched in FY24:

1. The delivery of cloud services optimized for the Japanese market.
2. The acceleration of AI adoption.

Now, in the third year (FY26), we will continue to strengthen and expand these initiatives to support the

evolution of Japanese companies' core systems and create new value.

1. By leveraging the Oracle Cloud Infrastructure (OCI) offerings, we will further expand the modernization of customers' mission-critical systems and the adoption of generative AI. We will enhance our offerings, including GPU environments that enable rapid, cost-effective development of large-scale AI models; generative AI and AI agent services that securely use customer data and AI-ready data platforms.
2. By leveraging Oracle Cloud Infrastructure (OCI), certified as Japan's Government Cloud, to support the nationwide digitization of local government systems and improve operational efficiency through generative AI, we aim to contribute to the Japanese government's Government Cloud initiative.
3. By offering "Oracle Alloy," we will enable the deployment of the first Sovereign Cloud delivered by Japanese companies (our partners). We will accelerate the availability of sovereign cloud and sovereign AI capabilities that mitigate geopolitical and economic security risks while meeting data sovereignty and operational sovereignty requirements.
4. By continuously delivering innovative solutions to optimize IT cost structures and enable the use of generative AI, while providing hybrid cloud environments spanning on-premise and cloud, as well as multicloud environments with other hyperscalers, we support customers in deploying and operating cloud-based mission-critical systems.
5. By delivering Cloud Applications with built-in AI, we help customers transform their lifecycle cost structures, benefit from continuously advancing AI capabilities, and respond effectively to change. Customers can realize the value of the latest AI through quarterly version upgrades and access to tools for developing their own custom AI agents.
6. To implement the above measures, the Company will continue to strengthen the collaboration with our partners.

In addition, we will contribute to customers' businesses through cross-functional collaboration and providing optimal Oracle solutions to customers across range of industries.

(Glossary)

- GPU: A Graphics Processing Unit, which is an image processing unit that performs the computational processing necessary to depict images. With its high parallel computing capacity, it can instantly process huge amounts of data, making it suitable for big data processing, AI development, and other applications.

#### Business status in the 4th Quarter of the fiscal year (from March 1, 2026 to May 31, 2026)

[Cloud and Software]

In cloud and software, the Company has developed its strength of products and services to support its Customers under our strategy stated above.

Regarding cloud, we continued to focus on facilitating existing customers' upgrades to the Oracle Fusion Applications (a lift and shift from on-premises to the cloud) to further accelerate a shift to the cloud. We also worked proactively to acquire new customers.

Regarding "Oracle Cloud Infrastructure (OCI)", there is a lot of demands from customers who prioritize factors such as performance, security and cost-effectiveness. These demands have led to the usage of our Tokyo and Osaka region data centers. There are continuously effort to expand its Cloud data centers.

We have been registered for the ISMAP (Information system Security Management and Assessment Program) as a Government Cloud supplier with OCI.

Furthermore, our OCI is selected as Cloud service for government cloud development at the Digital Agency, and prospective benefits amid a push for the Central and Local governments' digitalization include an acceleration and increase in investment, larger projects, and further stimulation of demand over the mid to long term.

The Company has a website that provides information on OCI for governments and local governments (in Japanese only). <https://www.oracle.com/jp/cloud/government/>

NetSuite for SME market remained brisk performance in adding new customers who adopted Cloud ERP.

In our software license business, there is a vigorous demand for to break away from legacy systems and move toward to standardize and open systems. In addition, IT investment remains strong, not only cost reduction, but also renewing flexible IT infrastructure for digital innovation and growing their business.

In terms of Partner business side, we are expanding our cooperative ties of alliance and keep on expanding our Cloud partnerships, while creating new demands on SME market segment.

Also, we have been keeping the high renewal rate for software support contracts and a strong attach rate for software license.

[Hardware]

In the Hardware segment, the Company released the latest generation of Oracle Exadata platform, “Oracle Exadata X11M” in January 2025.

Starting at the same price as the previous generation, Exadata X11M which is optimized for the latest generation AMD EPYC™ processors, delivers significant performance improvements across AI, analytics, and online transaction processing (OLTP). Combining intelligent power management with the ability to run mission-critical workloads faster and on fewer systems helps customers achieve their energy efficiency and sustainability goals.

Exadata removes storage bottlenecks and dramatically increase performance for the most demanding workloads, such as Online Transaction Processing (OLTP), analytics, IoT, fraud detection, and high-frequency trading.

Exadata X11M’s performance increased across all workloads, with much faster vector search for AI, much faster IOPS and shorter latencies for transaction processing, and much faster data scans and query throughput for analytics.

[Services]

In the Services segment, the number of composite projects from Consulting Services, who takes advantage of the Company’s comprehensive product and service portfolio, has increased steadily. Examples include projects for platform transition from the on-premise environment to the OCI (Oracle Cloud Infrastructure) environment and projects for linkage with Cloud Applications.

Net Sales breakdown by business segments (Year to Date)

Item	May 2025		May 2026		
	Amount	Comp.	Amount	Comp.	Variance
	Million Yen	%	Million Yen	%	%
Cloud	61,962	23.5	83,184	29.2	34.3
Software license	48,630	18.5	47,618	16.7	-2.1
Software support	112,438	42.7	113,678	39.9	1.1
Software	161,068	61.1	161,297	56.6	0.1
Cloud and software	223,030	84.6	244,481	85.8	9.6
Hardware	15,590	5.9	15,048	5.3	-3.5
Services	24,890	9.4	25,543	9.0	2.6
Total	263,510	100.0	285,073	100.0	8.2

(Notes): 1. Amounts are rounded down. Composition ratios and year-on-year changes (percentage of change year-on-year) are rounded to the nearest whole number.

2. Previously, the Company presented revenue arising from contracts with customers was presented by dividing the reportable segment “Cloud & License” into “Cloud Services & License Support” and “Cloud Licenses & On-Premises Licenses”. Furthermore, “Cloud Services & License Support” consisted of “Cloud Services” and “License Support”. Effective from the current fiscal year, due to changes in the Company’s performance management classifications, the breakdown of revenues has been revised. Consequently, the revenue breakdown of the reportable segment “Cloud and software” is now presented as “Cloud” and “Software”. “Software” consists of “Software License” and “Software Support”. The breakdown of revenue arising from contracts with customers for the previous fiscal year has been restated using the revised classification method.

3. Effective from the current fiscal year, the name of the reportable segment previously designated as “Cloud & License” has been changed to “Cloud and software”, and the name of the reportable segment previously designated as “Hardware systems” has been changed to “Hardware”. This change involves only the renaming of the reportable segments and has no impact on the segment information. Segment information for the previous fiscal year is also presented under the revised segment names.

(2) Overview of the Financial Position in the Current Financial Year

Current assets at the end of the current fiscal year were 326,509 million yen (up by 122,647 million yen from the previous fiscal year end). Non-current assets at the end of the current fiscal year were 41,907 million yen (down by 70,634 million yen from the previous fiscal year end).

This was mainly due to the reclassification of loans receivable from subsidiaries and associates, representing a loan to the parent company, Oracle Japan Holding Inc., from non-current assets to current assets, as the loan (72,000 million yen) is scheduled to mature in December 2026. In addition, while a short-term loan receivable from the same company amounting to 110,000 million yen was repaid in February 2026, a new loan of 140,000 million yen with a 10-month term commencing in February 2026 was extended. As a result, short-term loans receivable from subsidiaries and associates increased.

Liabilities were 163,687 million yen (up by 10,965 million yen from the previous fiscal year end). Net assets totaled 204,728 million yen (up by 41,047 million yen from the previous fiscal year end).

As a result, the equity ratio was 55.6% (up 3.9 percentage points from the previous fiscal year end).

(3) Overview of Cash flows in the Current Financial Year

(Cash flows from operating activities)

Cash generated from operating activities was 74,707 million yen (up by 8,107 million yen year on year). This was mainly the result of cash inflows from Profit for the year before income tax (91,376 million yen), an increase in accounts payable-trade (2,300 million yen), an increase in accounts payable-other (2,662 million yen), and an increase in contract liabilities (2,868 million yen), while cash outflows included income taxes paid (28,011 million yen).

(Cash flows from investing activities)

Cash used for investing activities was 32,129 million yen (up by 30,173 million yen year on year). This was mainly due to proceeds from the collection of short-term loans receivable from the parent company, Oracle Japan Holding Inc. (110,000 million yen), while cash outflows included loan advances to the same company with a 10-month term commencing in February 2026 (140,000 million yen).

(Cash flows from financing activities)

Cash used for financing activities was 24,331 million yen (down by 65,632 million yen year on year). This was mainly due to a decrease in dividends paid (190 yen per share; 24,378 million yen) compared with the previous fiscal year (674 yen per share, including a special dividend of 500 yen per share).

As a result of the above, cash and cash equivalents at the end of the current fiscal year increased by 18,351 million yen from the end of the previous fiscal year to 84,968 million yen.

## (4) Future Outlook (FY2027)

Mission Statement

The Company aims to achieve further growth by helping customers migrate their mission-critical systems to the cloud and realize greater value through data utilization. Its mission is to help people see data in new ways, discover insights, and unlock endless possibilities.

By continuing to evolve our own capabilities and supporting the transformation of our customers, we aim to contribute to the sustainable development of society.

Our Strength

The Company aims to achieve further growth by helping customers accelerate the migration of mission-critical systems to the cloud and realize business value through greater utilization of data. As a technology company, Oracle leverages the experience and expertise gained from advancing its own business processes and data-driven operations through the use of its technologies, and applies these insights to help build the foundation for growth and innovation among enterprises in Japan.

The Company maintains a comprehensive product portfolio spanning infrastructure, databases, and applications across both cloud and on-premises environments. In particular, its database products have been widely adopted for mission-critical workloads that require high levels of security, availability, and performance.

One of the Company's key strengths is its ability to provide an integrated technology stack consisting of cloud infrastructure, databases, and applications that serve as the foundation for AI adoption, supported by a technology platform characterized by high reliability and security.

Key Initiatives

Over the past three years, the Company has pursued two key strategic priorities: “to provide the Japan-focused cloud”, and “to promote AI for customers”. Through these initiatives, the Company has supported the growth and competitiveness of customers in Japan.

For the fiscal year ending May 31, 2027, the Company has adopted “AI Changes Everything — Empowering Japan with AI. Accelerating with Trust” as its strategic theme. Under this theme, the Company will address both the value-creation opportunities presented by AI and the increasing requirements for data protection and security.

AI is becoming increasingly important for organizations seeking to improve productivity and strengthen competitiveness. Leveraging its comprehensive capabilities across infrastructure, databases, and applications, the Company will continue to help customers securely and effectively leverage AI in response to growing demand for AI adoption.

Specifically, the Company will strengthen the delivery of integrated AI solutions built on Oracle AI Database and Oracle Cloud Infrastructure (OCI), including Oracle Fusion Applications, Oracle NetSuite, and industry-specific applications. At the same time, the Company will further enhance its data management, security, and governance capabilities to help customers securely and effectively leverage their mission-critical operations and data.

In addition, the Company will expand the deployment of sovereign cloud offerings delivered by Japanese partners leveraging Oracle Alloy. The Company will promote the delivery of Sovereign Cloud and Sovereign AI solutions designed to address geopolitical and economic security risks, while meeting growing requirements for data sovereignty and operational sovereignty.

Through its “One Oracle” strategy, the Company will leverage its comprehensive capabilities across infrastructure, databases, and applications to help customers improve productivity and strengthen competitiveness, while pursuing sustainable growth and enhancing corporate value.

In addition, through collaboration across organizations, the Company will deliver tailored Oracle solutions that address the specific needs of customers across industries and contribute to their business success.

The Company uses a range of values for the forecast for the next fiscal year. The Company is carefully examining the effects on its further business and it will announce that the forecast may change by various reason.

(% of change from previous year)

	Net Sales	Basic Earnings per Share	Estimation of effective tax rate
	%	Yen	%
Entire term	6.0~10.0	525.00~540.00	31.6

**Cautious Statements for the forecast**

Forecasts and other statements in this document that are not historical facts are made by the Company based on the information available to it and assumptions that it considered reasonable at the time of publication of this document. The Company does not guarantee to achieve them. A number of factors could cause actual results to differ materially from forward-looking statements.

**2. Basic Policies Concerning Selection of Accounting Standards**

In the preparation of non-consolidated financial results, the company has adopted Japanese GAAP. The Company has an internal control to comply with accounting rules appropriately and continues to monitor the regulation of the application of IFRS in Japan.

### 3. Financial Statements

#### (1) Balance Sheet

(Unit : Million yen)

Description	Previous term end (as of May 31, 2025)	Current term end (as of May 31, 2026)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	66,616	84,968
Accounts receivable-trade	22,573	22,576
Advance payments to suppliers	1,482	1,083
Prepaid expenses	73	86
Short-term loans receivable from subsidiaries and associates	110,000	212,000
Other	3,134	5,814
Allowance for doubtful accounts	-20	-20
<b>Total current assets</b>	<b>203,861</b>	<b>326,509</b>
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings	19,071	19,120
Accumulated depreciation	-12,813	-13,239
Buildings, net	6,257	5,881
Tools, furniture and fixtures	6,179	8,263
Accumulated depreciation	-3,674	-4,301
Tools, furniture and fixtures, net	2,505	3,962
Land	26,057	26,057
Total property, plant and equipment	34,820	35,900
Intangible assets		
Software	0	0
Total intangible assets	0	0
Investments and other assets		
Investment securities	36	36
Deferred tax assets	2,956	3,873
Long-term loans receivable from subsidiaries and associates	72,000	-
Other	2,728	2,096
Total investments and other assets	77,721	6,006
<b>Total non-current assets</b>	<b>112,542</b>	<b>41,907</b>
<b>Total assets</b>	<b>316,403</b>	<b>368,416</b>

(Unit : Million yen)

Description	Previous term end (as of May 31, 2025)	Current term end (as of May 31, 2026)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	13,386	15,686
Accounts payable-other	5,753	8,693
Income taxes payable	15,305	16,097
Contract liabilities	109,299	112,168
Deposits received	832	916
Provision for bonuses	1,910	2,115
Provision for bonuses for directors (and other officers)	24	21
Provision for product warranties	37	18
Provision for share awards	1,232	1,165
Other	4,939	6,802
<b>Total current liabilities</b>	<b>152,722</b>	<b>163,687</b>
<b>Total liabilities</b>	<b>152,722</b>	<b>163,687</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	25,225	25,253
Capital surplus		
Legal capital surplus	8,576	8,604
Total capital surplus	8,576	8,604
Retained earnings		
Other retained earnings		
Retained earnings brought forward	133,737	172,899
Total retained earnings	133,737	172,899
Treasury shares	-3,900	-2,061
<b>Total shareholders' equity</b>	<b>163,639</b>	<b>204,697</b>
<b>Share acquisition rights</b>	<b>42</b>	<b>31</b>
<b>Total net assets</b>	<b>163,681</b>	<b>204,728</b>
<b>Total liabilities and net assets</b>	<b>316,403</b>	<b>368,416</b>

## (2) Statement of Income

(Unit : Million yen)

Description	Previous term (From June 1, 2024 to May 31, 2025)	Current term (From June 1, 2025 to May 31, 2026 )
<b>Net sales</b>	<b>263,510</b>	<b>285,073</b>
Cost of sales	142,123	156,738
<b>Gross profit</b>	<b>121,387</b>	<b>128,335</b>
Selling, general and administrative expenses	34,555	38,539
<b>Operating profit</b>	<b>86,832</b>	<b>89,795</b>
Non-operating income		
Interest income	502	1,096
Foreign exchange gains	37	254
Other	82	227
Total non-operating income	622	1,578
Non-operating expenses		
Other	0	0
Total non-operating expenses	0	0
<b>Ordinary profit</b>	<b>87,454</b>	<b>91,373</b>
Extraordinary income		
Gain on reversal of share acquisition rights	2	2
Total extraordinary income	2	2
<b>Profit for the year before income tax</b>	<b>87,457</b>	<b>91,376</b>
Income taxes-current	26,884	28,756
Income taxes-deferred	-153	-916
<b>Total income taxes</b>	<b>26,731</b>	<b>27,839</b>
<b>Profit for the year</b>	<b>60,725</b>	<b>63,537</b>

## (3) Statement of changes in shareholders' equity

Previous term end (From June 1, 2024 to May 31, 2025)

(Unit : Million yen)

	Shareholders' equity				
	Share capital	Capital surplus		Retained earnings	
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of period	25,175	8,526	8,526	159,472	159,472
Changes during period					
Issuance of new shares - exercise of share acquisition rights	49	49	49		
Dividends of surplus				-86,460	-86,460
Profit for the year				60,725	60,725
Purchase of treasury shares					
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	49	49	49	-25,734	-25,734
Balances at end of period	25,225	8,576	8,576	133,737	133,737

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at the beginning of period	-1,438	191,735	59	191,795
Changes during period				
Issuance of new shares - exercise of share acquisition rights		99		99
Dividends of surplus		-86,460		-86,460
Profit for the year		60,725		60,725
Purchase of treasury shares	-3,578	-3,578		-3,578
Disposal of treasury shares	1,117	1,117		1,117
Net changes in items other than shareholders' equity			-17	-17
Total changes during period	-2,461	-28,096	-17	-28,114
Balances at end of period	-3,900	163,639	42	163,681

Current term end (From June 1, 2025 to May 31, 2026 )

(Unit : Million yen)

	Shareholders' equity				
	Share capital	Capital surplus		Retained earnings	
		Legal capital surplus	Total Capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of period	25,225	8,576	8,576	133,737	133,737
Changes during period					
Issuance of new shares - exercise of share acquisition rights	28	28	28		
Dividends of surplus				-24,375	-24,375
Profit for the year				63,537	63,537
Purchase of treasury shares					
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	28	28	28	39,162	39,162
Balances at end of period	25,253	8,604	8,604	172,899	172,899

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at the beginning of period	-3,900	163,639	42	163,681
Changes during period				
Issuance of new shares - exercise of share acquisition rights		56		56
Dividends of surplus		-24,375		-24,375
Profit for the year		63,537		63,537
Purchase of treasury shares	-2	-2		-2
Disposal of treasury shares	1,841	1,841		1,841
Net changes in items other than shareholders' equity			-10	-10
Total changes during period	1,839	41,058	-10	41,047
Balances at end of period	-2,061	204,697	31	204,728

## (4) Statement of Cash Flows

(Unit : Million yen)

	Previous term (From June 1, 2024 to May 31, 2025)	Current term (From June 1, 2025 to May 31, 2026)
Cash flows from operating activities		
Profit for the year before income tax	87,457	91,376
Depreciation	1,259	1,322
Increase (decrease) in provision for bonuses	154	205
Increase (decrease) in provision for bonuses for directors (and other officers)	-1	-3
Increase (decrease) in provision for product warranties	1	-18
Increase (decrease) in provision for share awards	500	-67
Foreign exchange losses (gains)	-33	-105
Interest and dividends income	-504	-1,164
Loss (gain) on sale and retirement of non-current assets	0	0
Decrease (increase) in trade receivables	-1,371	-2
Decrease (increase) in advance payments to suppliers	1,428	399
Decrease (increase) in accounts receivable-other	122	-1,370
Decrease (increase) in other current assets	4	-741
Increase (decrease) in trade payables	767	2,300
Increase (decrease) in accounts payable-other	847	2,662
Increase (decrease) in accrued consumption taxes	-819	891
Increase (decrease) in contract liabilities	710	2,868
Increase (decrease) in other current liabilities	1,893	1,103
Other, net	634	2,470
Subtotal	93,050	102,124
Interest and dividends received	1	593
Income taxes paid	-26,453	-28,011
Net cash provided by (used in) operating activities	66,599	74,707
Cash flows from investing activities		
Purchase of property, plant and equipment	-1,964	-2,135
Proceeds from sale of property, plant and equipment	3	5
Loan advances to subsidiaries and associates	—	-140,000
Collection of loans receivable from subsidiaries and associates	—	110,000
Payments of guarantee deposits	—	-0
Proceeds from refund of guarantee deposits	3	0
Net cash provided by (used in) investing activities	-1,956	-32,129
Cash flows from financing activities		
Proceeds from issuance of shares	85	49
Purchase of treasury shares	-3,578	-2
Dividends paid	-86,470	-24,378
Net cash provided by (used in) financing activities	-89,964	-24,331
Effect of exchange rate change on cash and cash equivalents	33	105
Net Increase/(Decrease) in cash and cash equivalents	-25,287	18,351
Cash and cash equivalents at beginning of period	91,904	66,616
Cash and cash equivalents at end of period	66,616	84,968

(5) Notes to Financial Statements  
(Notes to Going Concern): Not Applicable

(Segment Information)

**1. Segment sales, segment income (loss), segment assets and other items for reportable segments**

**Previous term (from June 1, 2024 to May 31, 2025)**

(Unit: Million Yen)

	Reportable segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and software	Hardware	Services	Total		
Sales						
External customers	223,030	15,590	24,890	263,510	—	263,510
Intersegment net sales or transfer	—	—	—	—	—	—
Total	223,030	15,590	24,890	263,510	—	263,510
Operating profit (loss)	85,673	569	5,844	92,087	-5,255	86,832
Other item						
Depreciation (Note) 3	913	85	127	1,126	132	1,259

- (Notes):
1. Segment profit adjustment of minus 5,255 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.
  2. Segment profit is reconciled to operating profit in the statement of income.
  3. Depreciation included in the "Adjustment" category primarily relates to administrative departments that do not belong to any reportable segment.
  4. Information on assets by segment is not disclosed because such information is not allocated to each segment by the chief operating decision maker for management decision-making purposes.

**Current term (from June 1, 2025 to May 31, 2026)**

(Unit: Million Yen)

	Reportable segments				Adjustment (Note) 1	Amount on Statement of Income (Note) 2
	Cloud and software	Hardware	Services	Total		
Sales						
External customers	244,481	15,048	25,543	285,073	—	285,073
Intersegment net sales or transfer	—	—	—	—	—	—
Total	244,481	15,048	25,543	285,073	—	285,073
Operating profit (loss)	93,145	547	5,281	98,975	-9,179	89,795
Other item						
Depreciation (Note) 3	1,068	48	105	1,222	99	1,322

- (Notes):
1. Segment profit adjustment of minus 9,179 million yen is a Company-wide expense, which primarily relates to administration departments that do not belong to any reported segment.
  2. Segment profit is reconciled to operating profit in the statement of income.
  3. Depreciation included in the "Adjustment" category primarily relates to administrative departments that do not belong to any reportable segment.
  4. Information on assets by segment is not disclosed because such information is not allocated to each segment by the chief operating decision maker for management decision-making purposes.

**2. Changes in Reportable Segments**

(Change in Segment Names)

Effective from the current fiscal year, the name of the reportable segment previously designated as "Cloud & License" has been changed to "Cloud and software", and the name of the reportable segment previously designated as "Hardware Systems" has been changed to "Hardware". These changes relate solely to the names of the reportable segments and have no impact on segment information.

Segment information for the previous fiscal year is also presented under the revised segment names.

## (Per Share Data)

(Unit: Yen)

Items	Previous term (From June 1, 2024 to May 31, 2025)	Current term (From June 1, 2025 to May 31, 2026 )
Net assets per share	1,278.26	1,597.24
Basic earnings per share	473.98	495.97
Diluted earnings per share	473.91	495.94

(Notes) The basis of calculation for basic earnings per share and diluted earnings per share is as shown below.

	Previous term (From June 1, 2024 to May 31, 2025 )	Current term (From June 1, 2025 to May 31, 2026 )
Basic earnings per share		
Profit for the year (millions of yen)	60,725	63,537
Amounts not attributable to owners of common stock (millions of yen)	—	—
Profit attributable to common stock (millions of yen)	60,725	63,537
Weighted-average number of shares outstanding (shares)	128,117,545	128,106,402
Diluted earnings per share		
Adjustment to profit (millions of yen)	—	—
Increase in common shares (shares)	18,921	9,297
of which share acquisition rights (shares)	(18,921)	(9,297)
Details of shares not included in calculation of diluted earnings per share due to non-dilative effect	—	—

(Note) The Company has introduced the Board Incentive Plan (BIP) Trust and the Employee Stock Ownership Plan (ESOP) Trust.

The Company's shares remaining in the BIP Trust and the ESOP Trust, which are recorded as treasury shares under shareholders' equity, are included in treasury shares deducted in the calculation of the weighted-average number of shares outstanding for the purpose of calculating basic earnings per share and diluted earnings per share (18,286 shares held by the BIP Trust and 171,590 shares held by the ESOP Trust for the current fiscal year; 14,907 shares held by the BIP Trust and 152,316 shares held by the ESOP Trust for the previous fiscal year).

The Company's shares held by the trust accounts are included in treasury shares deducted from the total number of shares issued and outstanding at the fiscal year-end for the purpose of calculating net assets per share (13,197 shares held by the BIP Trust and 128,409 shares held by the ESOP Trust for the current fiscal year; 26,869 shares held by the BIP Trust and 246,751 shares held by the ESOP Trust for the previous fiscal year).

(Notes to subsequent events)

Not Applicable