

SB Technology Corp.

Security Code : 4726

Main speaker



Senior Executive Vice President & CSO

Mitsuhiro Sato



Vice President &

Senior Director of Corporate Planning Division

Tetsuya Shimizu

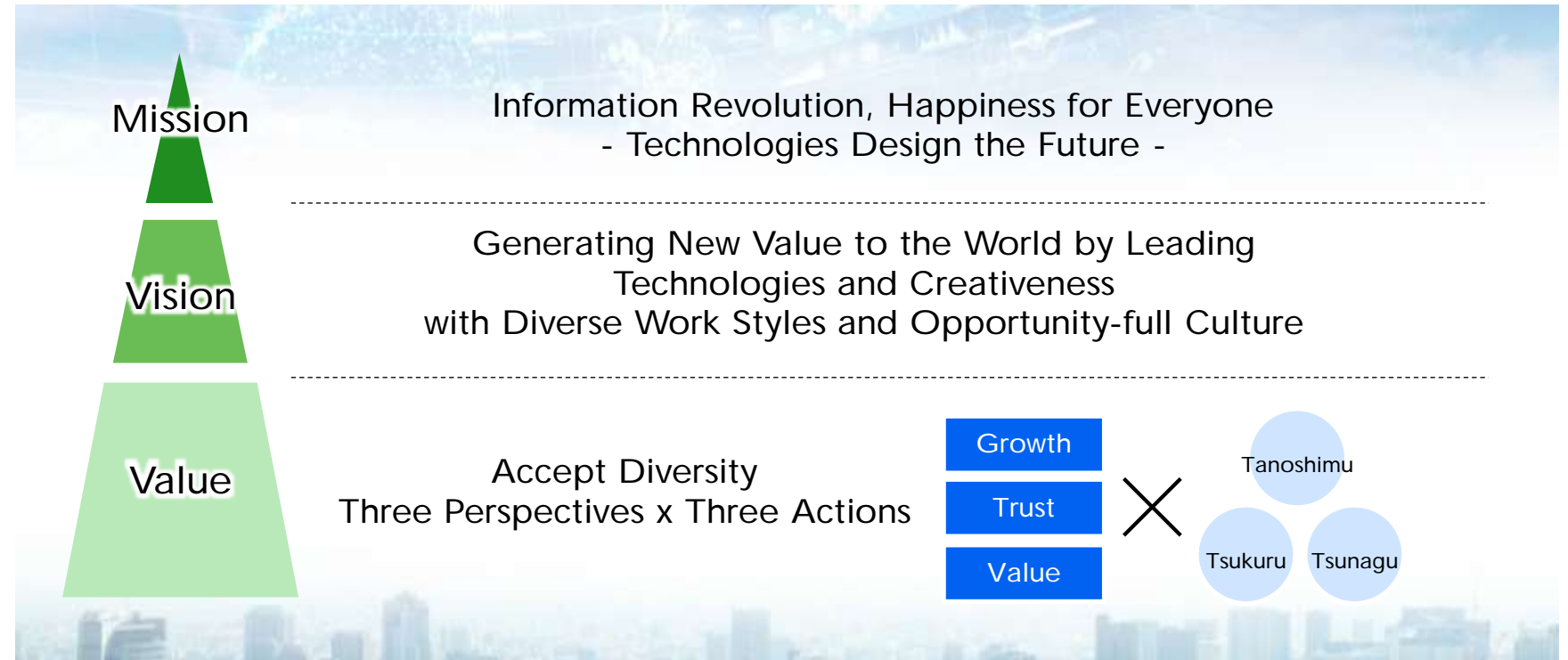


Special Assistant to the President

Masaaki Okazaki



President & CEO
Shinichi Ata



Since its foundation, the SoftBank Group has always sought to contribute to people and society through the Information Revolution.

SB Technology is committed to becoming the best partner of corporations through the provision of ICT services with its cloud technologies as the core.

Corporate Philosophy

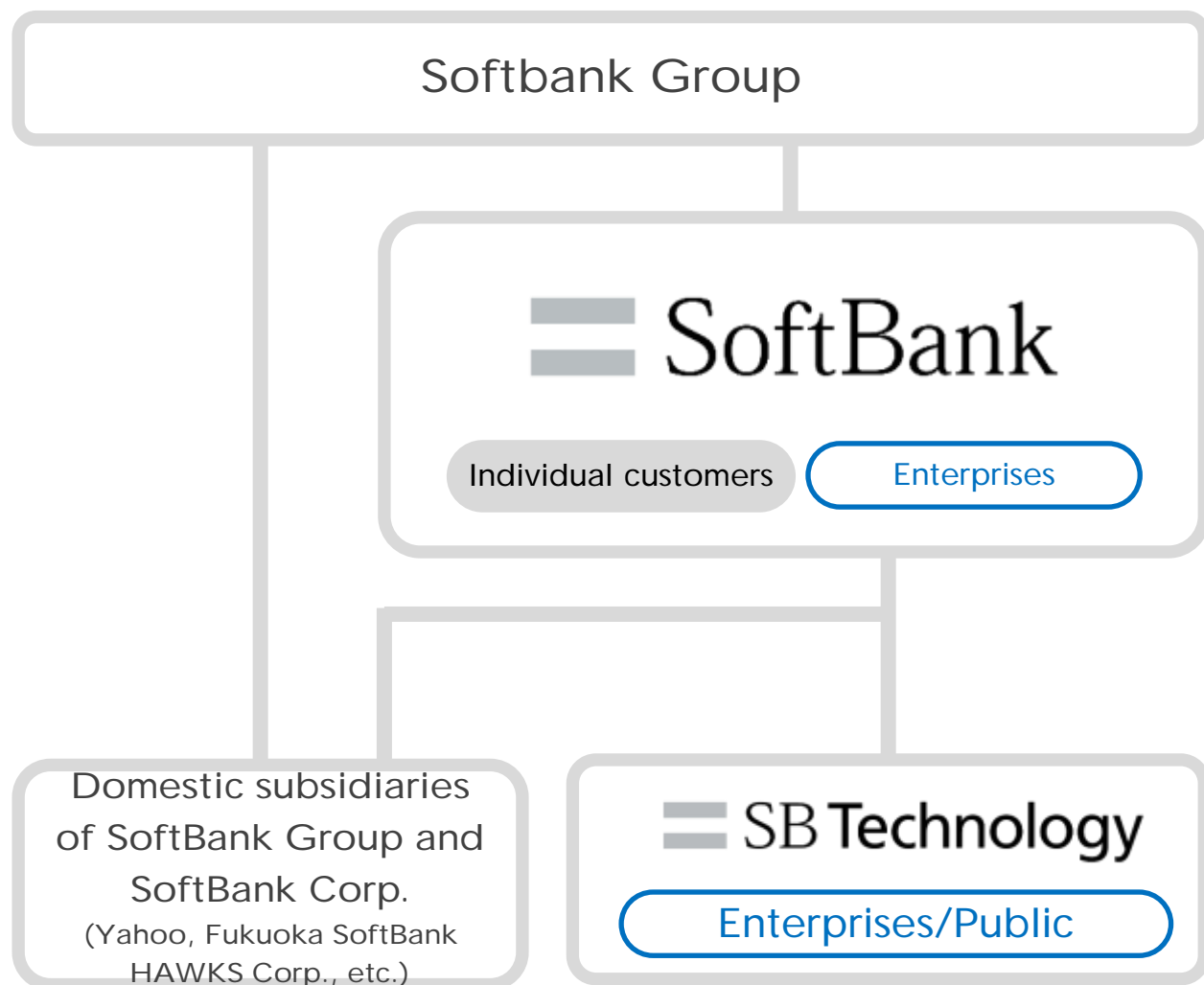
Information Revolution — Happiness for Everyone

~Technologies Design the Future~



The SBT Group aims to achieve the Sustainable Development Goals (SDGs) by providing ICT services.





- Sublimation of know-how to our own services
- Jointly proposed by SoftBank Corp. and us to Enterprises

Accumulation of know-how
→Strengths

Expansion to enterprises and
government customers

Know-how gained as a leading-edge
example

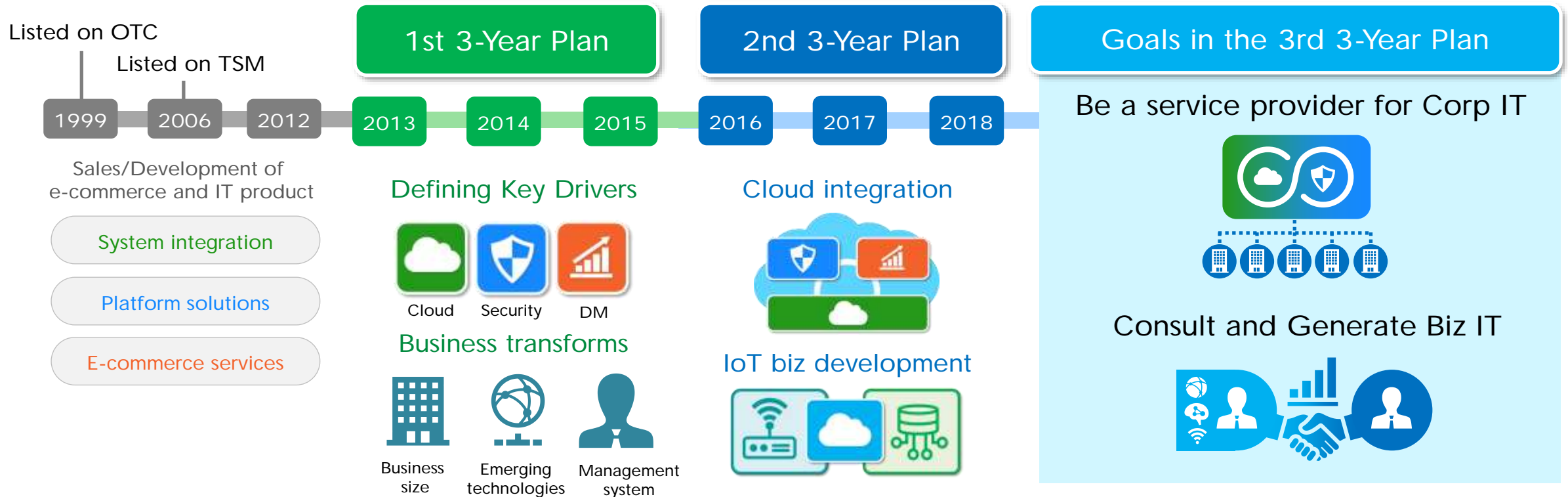
Cloud development and operation
of domestic group companies

Long-term targets and Positioning of the New 3-Year Plan

Long-term goal

Enhance the competitiveness of Japanese companies
Becoming a Cloud Consulting & Service Company

- Cloud & Security No.1
- Creating Global Business with Customers through Advanced Technologies and Creativity



Be a Cloud Consulting & Service Company that Enhances the Competitiveness of Japanese Companies, Centered on Cloud and Security Technologies

Key Drivers



Business IT Solutions

Cloud business
(for business divisions)

- Digitization of application services entrusted by MAFF
- Supporting the establishment of a platform infrastructure for "Smart City Platform" established by SoftBank



Corporate IT Solutions

Cloud business
(for company-wide and administrative divisions)

- Migrate From on-premises to cloud for your internal system
- Monitoring the security operation of customer systems
- Certificate business to ensure the authenticity of information



Technical solutions

- Support for system development and operation of on-premises environments
- Manage vendors on behalf of customers to support efficient development systems



EC Solutions

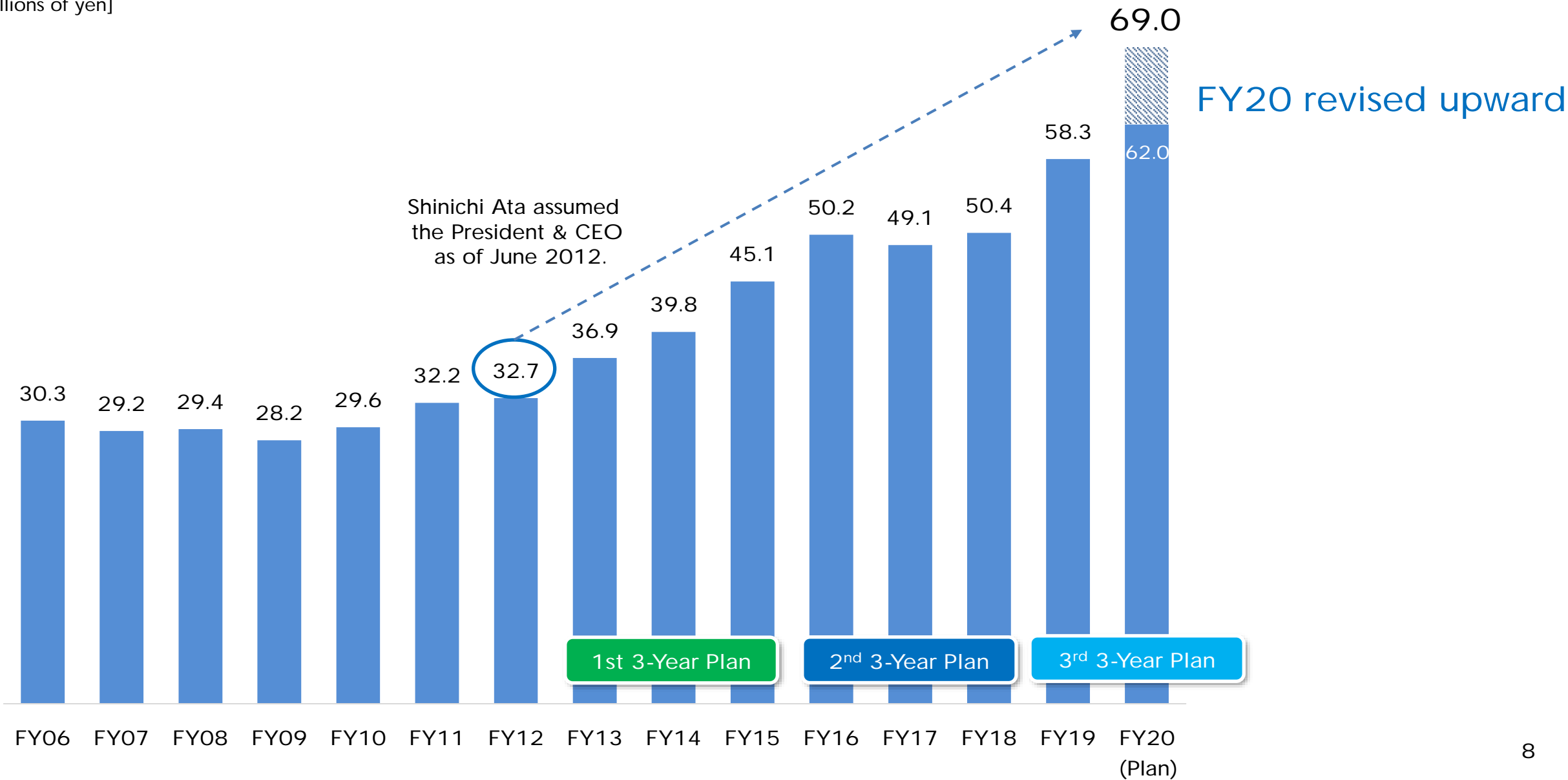
- Customers' security sales websites and other e-commerce site management agency services
- E-commerce sales of font licenses

Net Sales

※ It is translated by AI

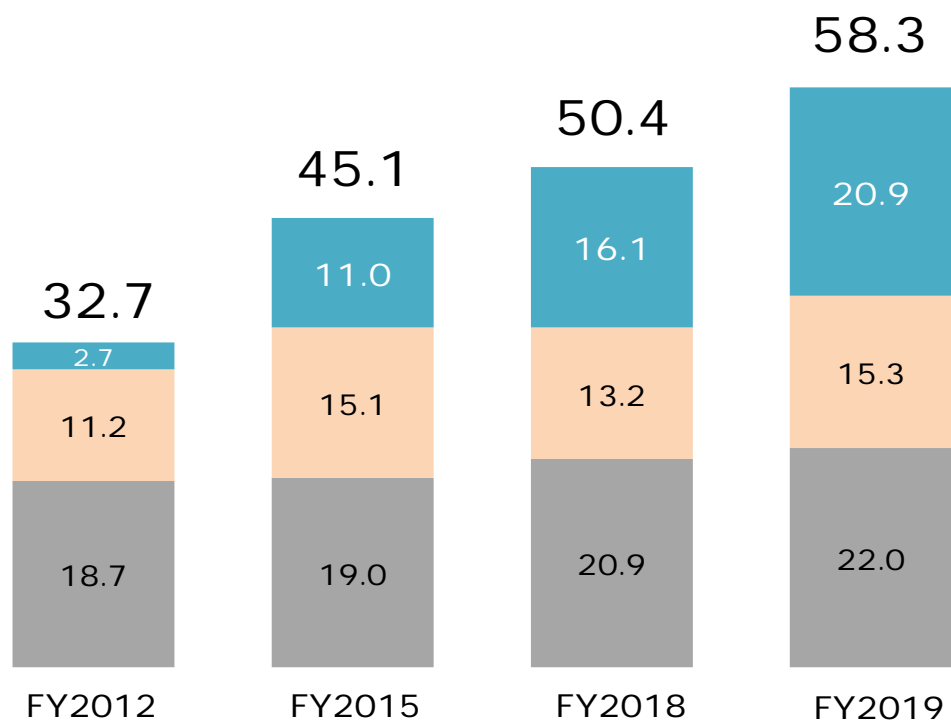
SB Technology

[Billions of yen]



Transition of Business Portfolio

By Segment:
Steady Growth in Focused Businesses

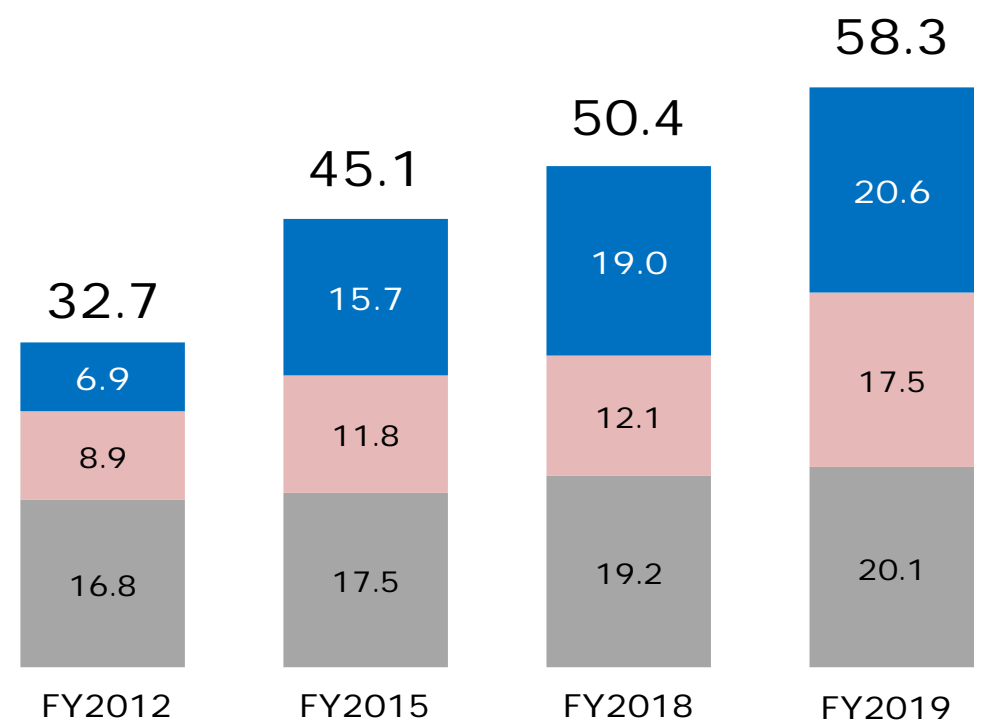


※1
Core businesses
• BIT
• CIT

※2
TIS

EC

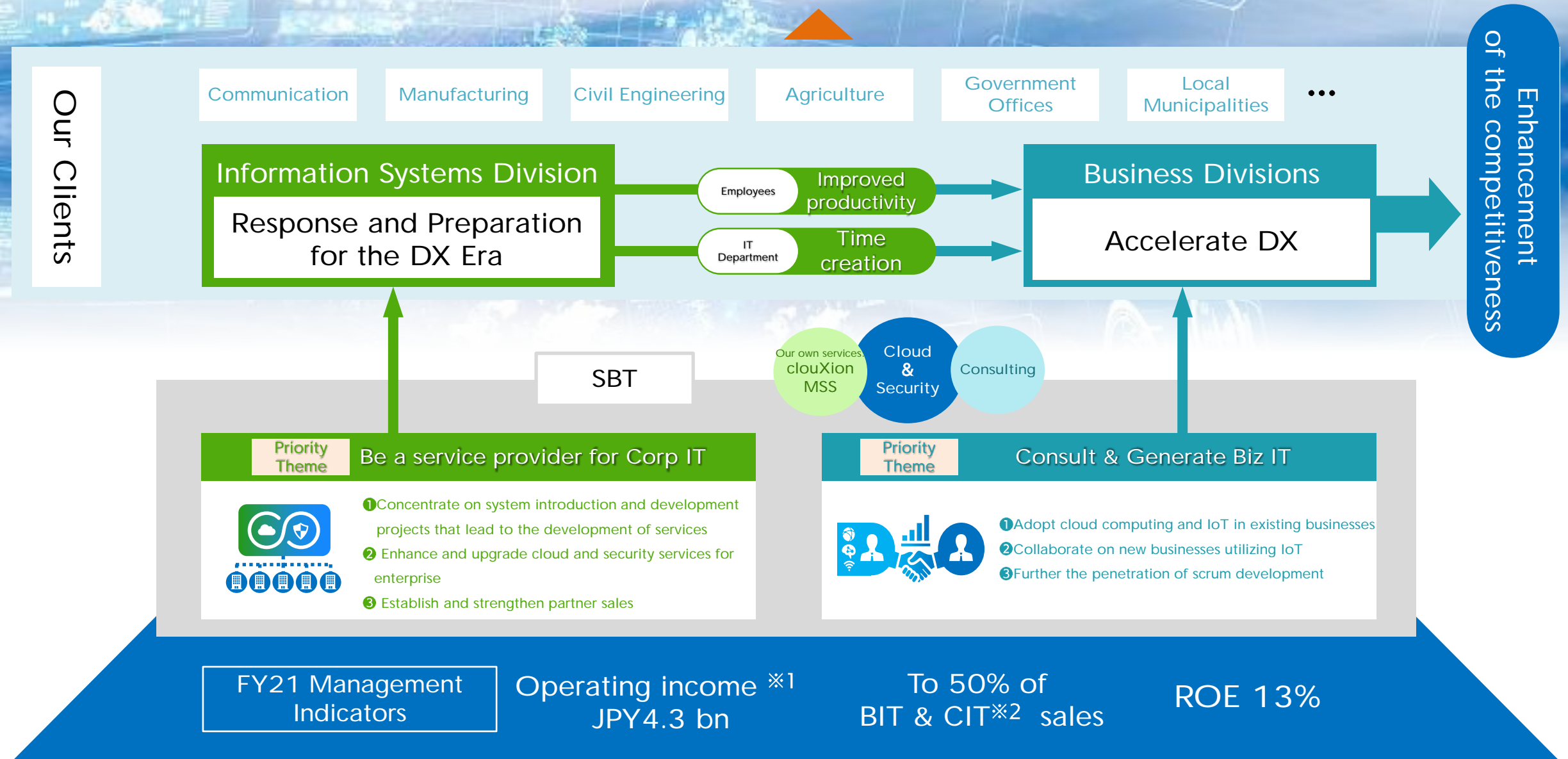
By customer:
Focused Business mainly on Enterprise/Public sector



Enterprises/Public
SB Group
Individuals

SBT's Aims for the Future

Realizing an Information-Rich Society



※ 1) CAGR 20% starting from FY2018 consolidated operating income of JPY2.5 bn

※ 2) Business IT Solutions (BIT) and Corporate IT Solutions (CIT) as a percentage of FY2021 sales

Information Revolution — Happiness for everyone

~Technologies Design the Future~

 **SB Technology**

Financial Data

	2016-Mar	2017-Mar	2018-Mar	2019-Mar	2020-Mar
Net sales(Millions of Yen)	45,163	50,225	49,140	50,430	58,324
Operating profit(Millions of Yen)	2,308	2,241	2,176	2,513	3,035
Ordinary profit(Millions of Yen)	2,230	2,286	2,399	2,291	3,033
Comprehensive income attributable to owners of parent(Millions of Yen)	1,405	1,598	1,556	1,386	1,856
Total assets ^{※1} (Millions of Yen)	25,974	26,807	26,171	27,492	32,486
Net assets(Millions of Yen)	11,726	13,015	14,532	15,857	17,617
Net worth(Millions of Yen)	11,188	12,566	13,723	14,820	16,410
Shareholders' equity(Millions of Yen)	11,136	12,547	13,714	14,829	16,425
Cash flows from operating activities(Millions of Yen)	1,425	2,168	3,077	2,784	3,329
Cash flows from investing activities(Millions of Yen)	△361	△959	△997	△1,092	△1,753
Cash flows from financing activities(Millions of Yen)	△1,128	△751	△548	△567	△477
Cash and cash equivalents at end of year(Millions of Yen)	5,616	6,075	7,606	8,728	9,826
Operating income margin(%)	5.1	4.5	4.4	5.0	5.2
Net income margin(%)	3.1	3.2	3.2	2.7	3.2
Return On Assets(ROA) (%)	9.3	8.7	9.1	8.5	10.1
Return On Equity(ROE) (%)	13.1	13.5	11.8	9.7	11.9
Capital adequacy ratio(%)	43.1	46.9	52.4	53.9	50.5
Net income per share ^{※2} (Yen)	72.37	82.16	79.09	70.23	92.56
Net assets per share ^{※2} (Yen)	579.94	638.79	693.64	747.03	813.94
Dividend per share ^{※2} (Yen)	15	15	15	20	30
Payout ratio(%)	20.7	18.3	19.0	28.5	32.4

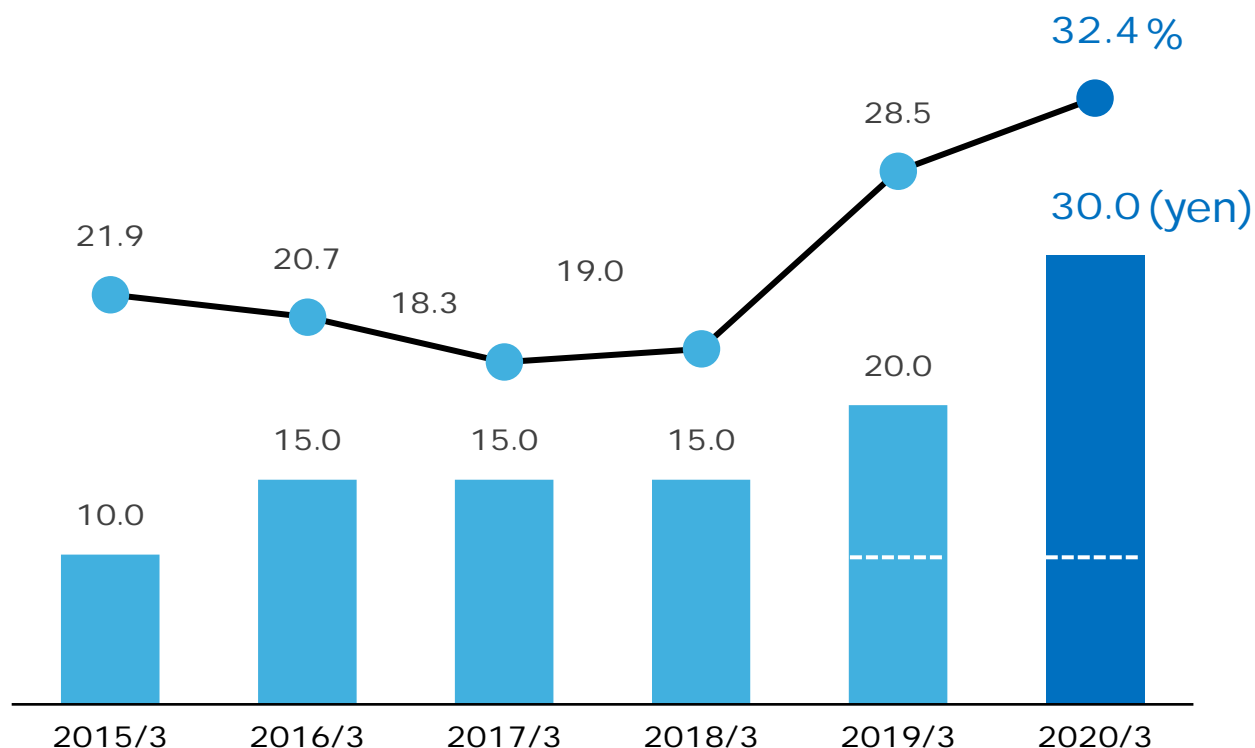
※1 "Partial Amendment to Accounting Standard for Tax Effect Accounting" has been applied from the beginning of the 1Q of FY3/2018.

※2 The Company conducted the 2-for-1 share split of the June 1, 2017., and adjusts the previous dividend.

Dividend Policy

Providing benefits to shareholders is one of the highest priorities of SB Technology. The goal is to achieve sustained growth in corporate value while making business operations even more powerful. Dividends are the primary method for distributing earnings to shareholders. The policy is **to pay a steady and consistent dividend** that takes into account consolidated performance in each fiscal year, investment plans, liquidity and other applicable factors.

Dividend per share/ Dividend payout ratio*



*The Company conducted the 2-for-1 share split of the June 1, 2017., and adjusts the previous dividend.

Status of Stock repurchase

(share)

	First half Treasury stocks	Increased Treasury stocks	Year-end Treasury stocks
2016/3	961,890	88,600	1,050,490
2017/3	1,050,490	131	1,050,621
2018/3	1,050,621	1,250,621	2,301,242
2019/3	2,301,242	200,037	2,501,279
2020/3	2,501,279	143	2,501,422

*The Company conducted the 2-for-1 share split of the Company's common stock on June 1, 2017.

Be a service provider for Corp IT (Priority Theme ①)

Monthly charge
Strengthening service models

- Improvement of time and time until service launch
- Strengthen partner sales

Example: Responding to Remote work Demand

clouXion

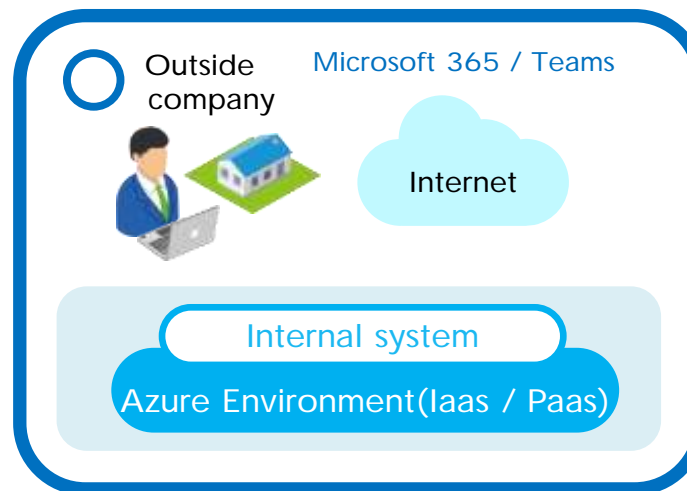


Managed
Security Service

Traditional Systems and
Working Styles

New workstyle
using the cloud

Response after corona
Further Remote working
Establishment



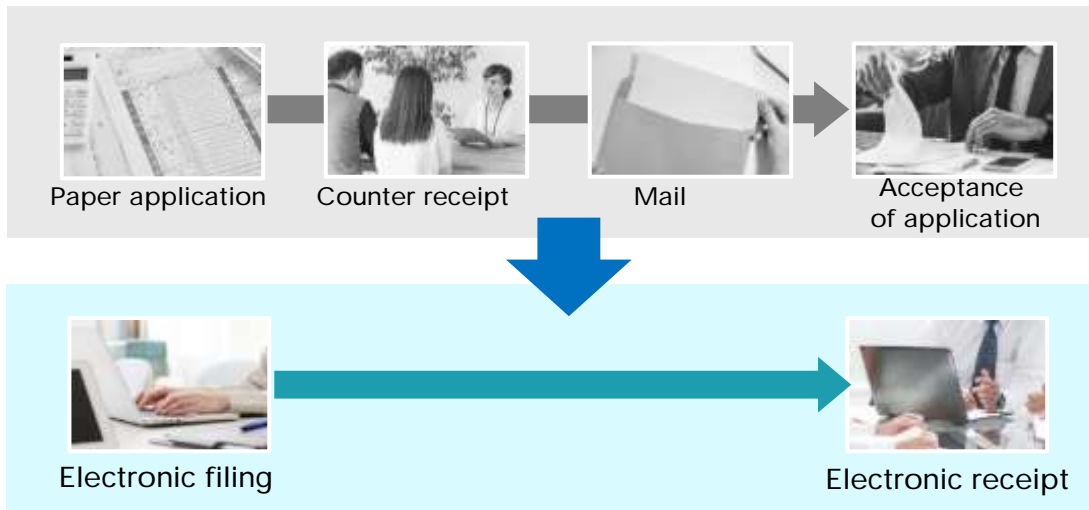
Consult & Generate Biz IT (Priority Theme ②)

Create a business model
with our customers on a digital basis

- Developing services for customers' end users
- Provision of platforms for key industries

Example: E-Application Service for Farmers (MAFF ⇔ Agricultural Workers)

Putting Paper Procedures Online



2 applications began to be accepted in April 2020.

since FY2020 the post-coronavirus era
Acceleration of digital governance

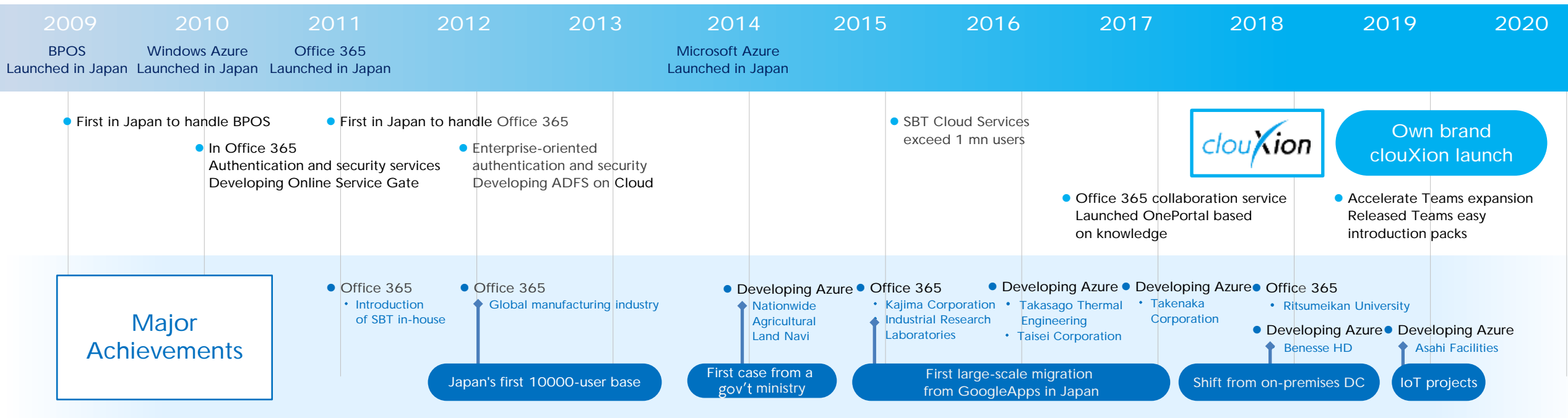


- Remote work promotion
- Reassessment of paper-and stamp-centric business practices
- Online medical care and education

Strengthen support for accelerating
digitalization

Microsoft Cloud Business Strengths

- ✓ **The Longest History of Initiatives in Japan** SBT launched its Microsoft Cloud Business in 2009, when the cloud was in its infancy. We are No.1 in the number of companies that have introduced Teams in Japan.
- ✓ **A Top-Class Track Record** From Microsoft 365 deployment for entire companies to development in Azure environments for business divisions, with a focus on leading companies, SBT's track record is top-class.
- ✓ **A Wealth of Unique Solutions** SBT has developed numerous cloud utilization solutions based on our knowledge base and feedback from our end users, and is No.1 in sales of services using Azure.



Cloud Implementation Successes
(as of end of September 2020)

Category	Count
Cloud SI Implementation	393 companies
ClouXion Implementation	706 companies

Microsoft Cloud Competencies

Certification to recognize the performance of a partner that sells and deploys cloud services

SBT claimed The GOLD Prize in 4 areas

- Gold • Cloud Platform
- Gold • Cloud Productivity
- Gold • Enterprise Mobility Management
- Silver • S&M Cloud Solutions

Microsoft Partner of the Year

8-time award winner; Awarded for seven consecutive years since 2014

Japan's first quadruple crown

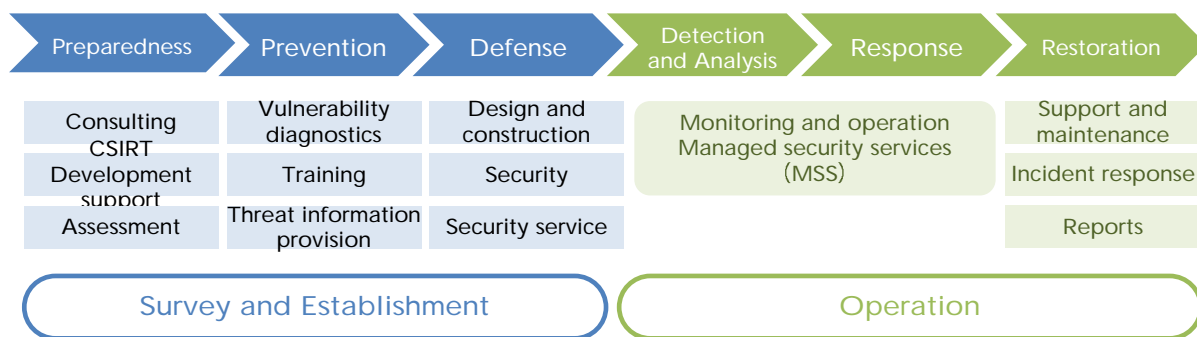
Why Our Clients Choose SBT

A long-standing record of security and early efforts toward cloud security

Since the beginning of 2000, we have focused on the security business, and have been the first to work towards the realization of optimal security for the cloud, making use of our top-class domestic cloud adoption record and expertise.

Total solutions from the introduction of security to operation

We use our extensive experience and know-how as an integrator familiar with the cloud to provide total security solutions, from planning to operation.



In-house SOC^{*}s with full global support

We operate multiple SOC^{*}s in Japan and abroad, and our security specialists monitor your security risks 24 hours a day, 365 days a year. Our services were recognized as conforming to "Information Security Service Standards" stipulated by METI.

An impressive implementation track record, primarily among leading companies and local governments

- Detect massive quantities of alerts
SOC support for major telecom carriers
- Local government information security cloud
Provision of NOCs and SOC^s to 4 prefectures and 121 municipalities
- Security Support Across a Wide Range of Sectors**, including manufacturing and construction

Numerous external security awards received

Microsoft	Security and Compliance award	2018
Imperva, Inc.	Top Growth Partner Award	2017
Japan Network Security Association	JNSA Prize special award	2017
McAfee	Partner Award 2016 2 category award	2016

Third Quarter of the Fiscal Year Ending March 31, 2021

Results of Operations

January 28, 2021

SB Technology Corp.

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Financial Results

 SB Technology

- Vendor management projects for SoftBank Corp. and newly consolidated subsidiaries drive sales growth.
- Costs increased due to personnel expenses and prior investments due to increase in employees.
- Secured an increase in operating income despite a delay in orders and acceptance inspections in the enterprises area as well as weakness in some subsidiary businesses.

[Millions of Yen]	(Profit margin)	FY20Q3	FY19Q3	Change	Change %
Net sales	Record High	17,197	14,074	+3,123	+22.2%
Operating income	Record High	876 (5.1%)	813 (5.8%)	+62 (▲0.7pt)	+7.7%
Ordinary income	Record High	884 (5.1%)	820 (5.8%)	+64 (▲0.7pt)	+7.8%
Profit attributable to owners of parent Net profit	Record High	586 (3.4%)	526 (3.7%)	+59 (▲0.3pt)	+11.4%

- Achieved record-high figures for each indicator
- Made steady progress compared to the initial earnings forecast

[Millions of Yen]	(Profit margin)	FY20Q3	FY19Q3	Change	Change %	Forecast	Progress %
Net sales		49,062	40,916	+8,146	+19.9%	62,000	79.1%
Operating income		2,473	2,154	+318	+14.8%	3,600	68.7%
		(5.0%)	(5.3%)	(▲0.3pt)		(5.8%)	
Ordinary income		2,461	2,162	+298	+13.8%	3,600	68.4%
		(5.0%)	(5.3%)	(▲0.3pt)		(5.8%)	
Profit attributable to owners of parent Net profit		1,479	1,326	+152	+11.5%	2,100	70.4%
		(3.0%)	(3.2%)	(▲0.2pt)		(3.4%)	

Net sales

Marginal income

[Billions of yen]
(Profit margin)



- Corporate DX investment remains strong, with BIT growth of about 1.5x YoY
- TS is on track to exceed initial sales forecasts

Business IT (BIT) : Increase in both sales and profits

- Expansion of development of cloud computing for business divisions of SoftBank Corp.
- Revenues increased due to electronic application platform of the MAFF* and the Ministry of Health, Labor and Welfare O-NET project, etc.

Corporate IT (CIT) : Increase in both sales and profits

- Revenues increased due to growth in building Zero-trust security and public operation projects, despite a contraction in large-scale system development for the SB Group compared to the previous fiscal year.

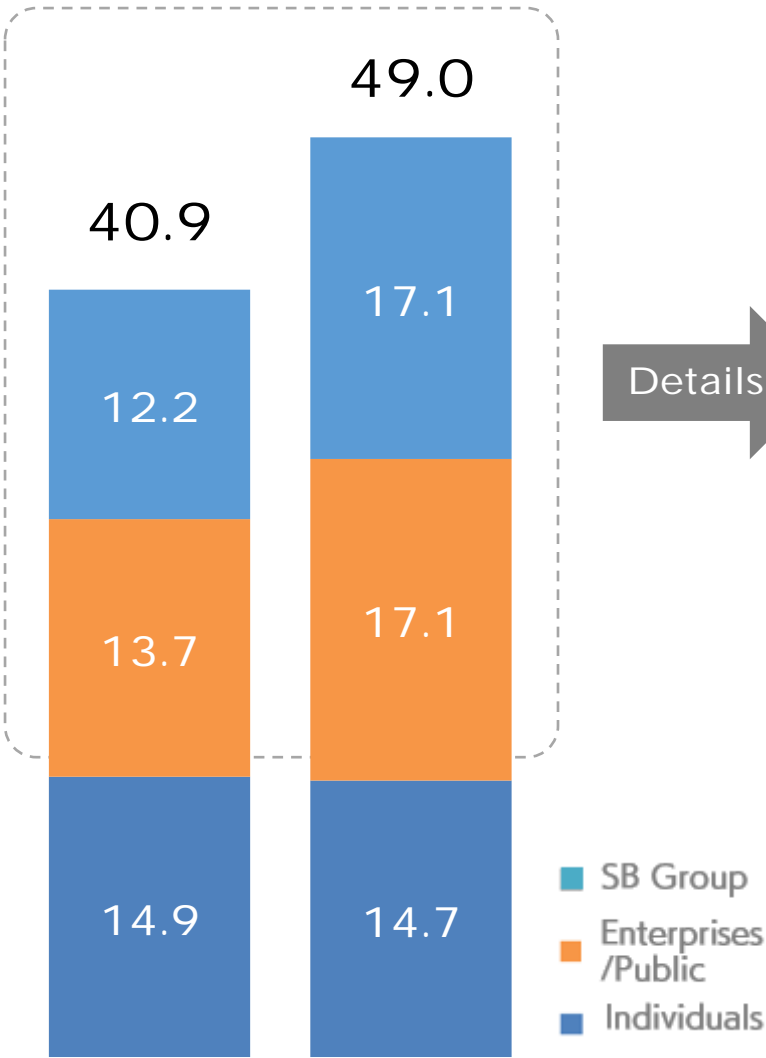
Technical (TS) : Increase in both sales and profits

- Significant growth over initial forecasts due to expansion of vendor management projects for SoftBank Corp. and consolidation of DENEN Co. Ltd.

EC : Lower sales, but higher operating income

- Revenues and profits declined in the Norton Store Business as initially expected.
- Expansion of the font business contributed to higher profitability.

By customer type



Details

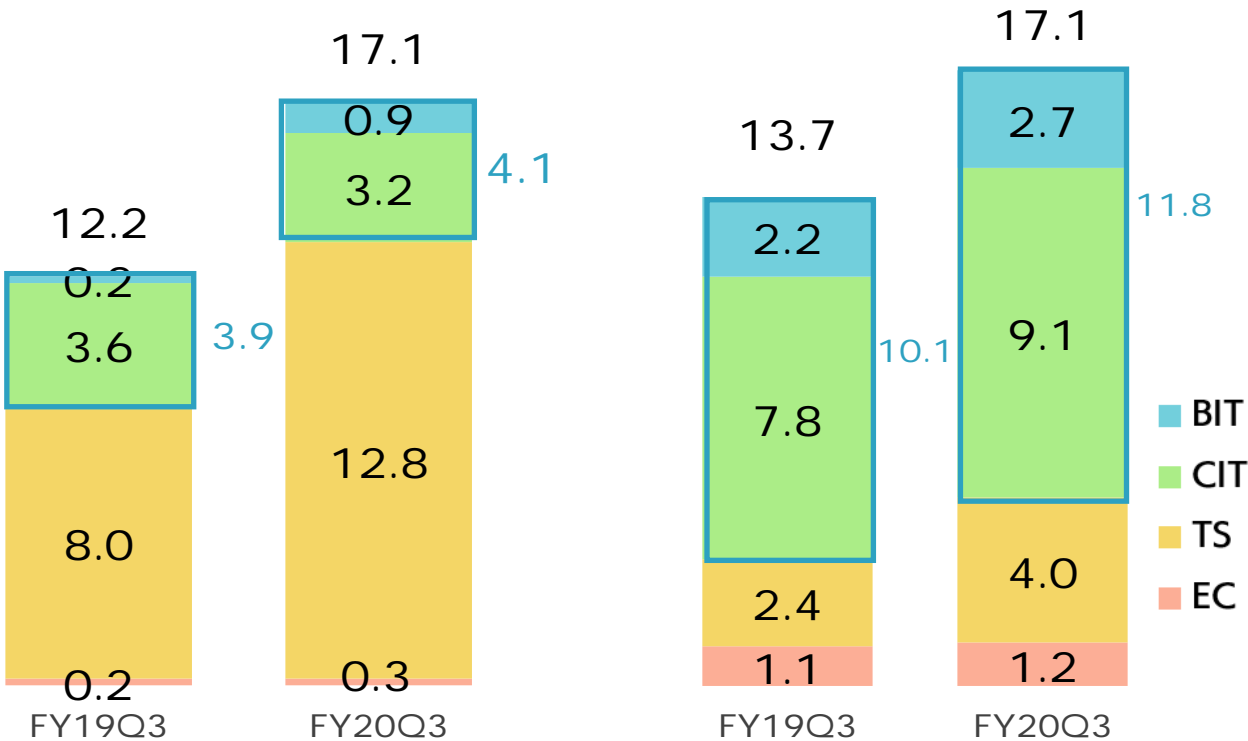
Customer type × Solution category

SB Group

BIT: System development for business divisions and IoT support
CIT: Completion of development of large-scale cloud systems
TS: Vendor management projects led

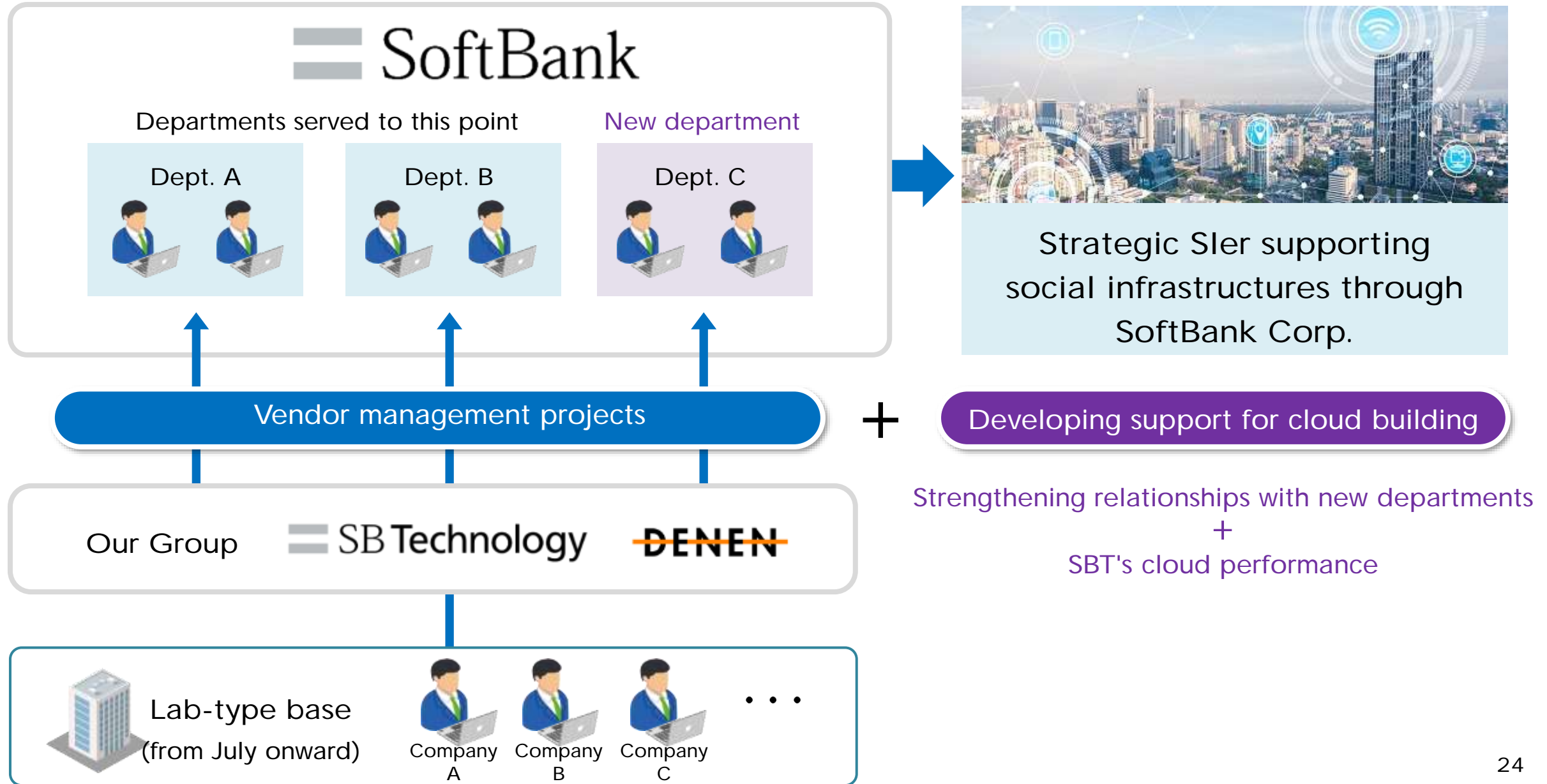
Enterprises/Public

BIT: Electronic application platform development & O-NET project performed strongly
CIT: Increased Cloud operations and security
Increased sales of our own services (clouXion & MSS)
TS: Newly added subsidiary contributed to increase in sales



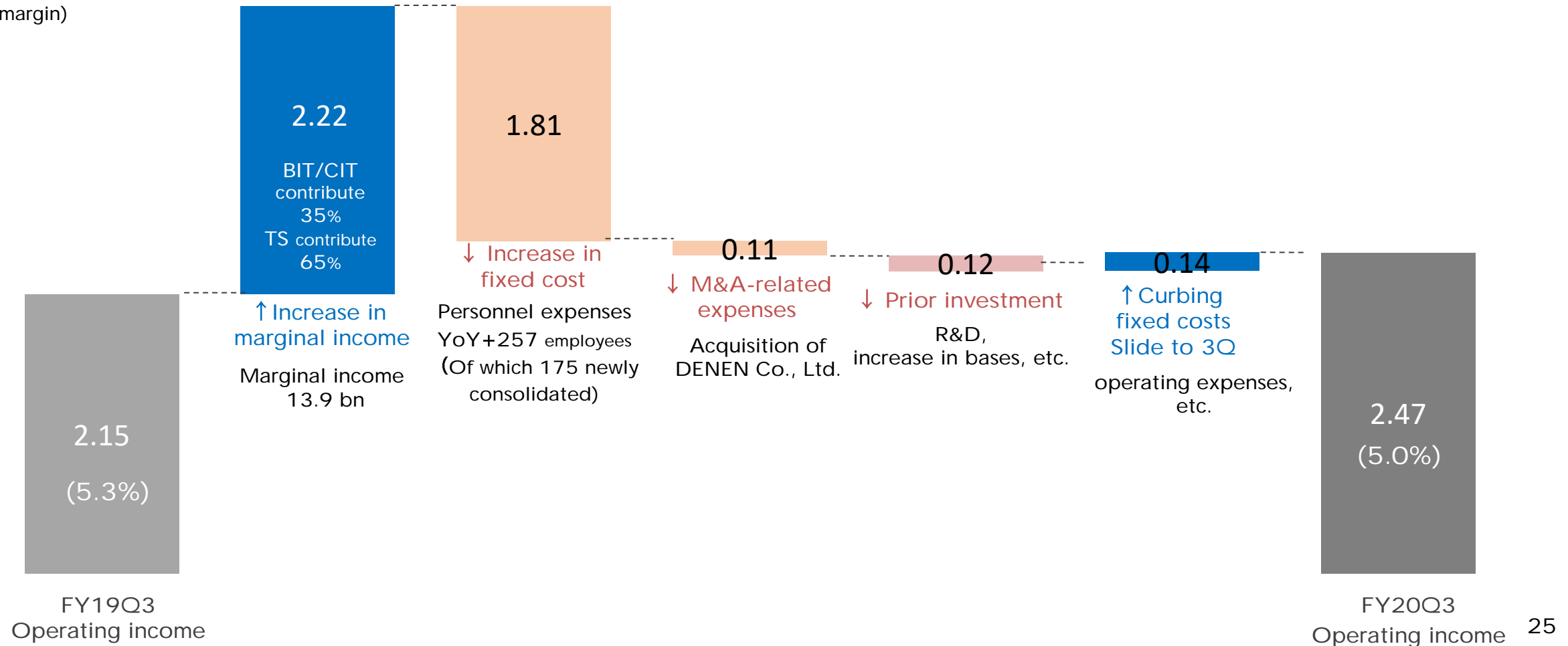
※ All Solution Segments for Individual Customers are EC.

Expansion and Development of Vendor Management Projects for SoftBank Corp.



- Increase in costs due to personnel expenses, prior investment and M&A-related expenses, partially restrained expenses due to remote working.
- Operating income increased due to growth in marginal income, particularly in BIT/CIT/TS.

[Billions of yen]
(Profit margin)



Prospects for FY20/IT Investment Trends (by Customer Segment)

Although the third wave of COVID-19 has had an impact on the enterprise segment, digitalization has accelerated by cloudification, zero trust security, promotion of DX, etc.

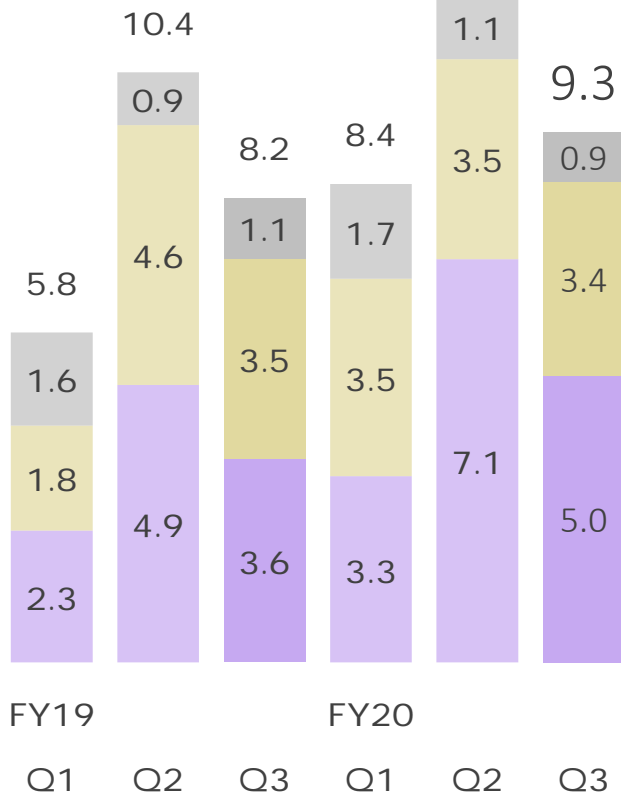
Customer Segment	SoftBank group	Enterprises	Public
Tailwind	Increased inquiries for cloud development Increased in zero trust security inquiries	Accelerated DX (in response to new norms) Increased in zero trust security inquiries Accelerated collaboration in areas of cooperation	Promotion of digital government
Risk	-	Delay in some projects and sliding to next term	Securing resources

Orders Received

Q3 Record High

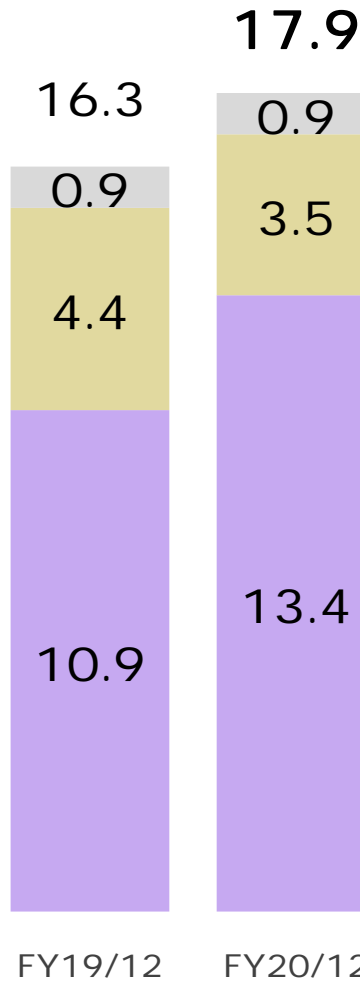
FY19 Q3
24.3bn

FY20 Q3
29.4bn
(21.1%up)



Orders Backlog

Record high Level



Non-consolidated order backlog

(YoY) **9.3% UP**

Flow
License/HW
Development
Stock
Operation/Services

Orders Received

【 Flow / development 】

- BIT orders grew by approx. 30% YoY due to cloud development for SoftBank Corp. and IoT construction for enterprises.

【 Stock 】

- Sales of TS increased for vendor management projects. Completed portion of management standardization included in stock.
- CIT : Our own services performed strongly.

Orders Backlog

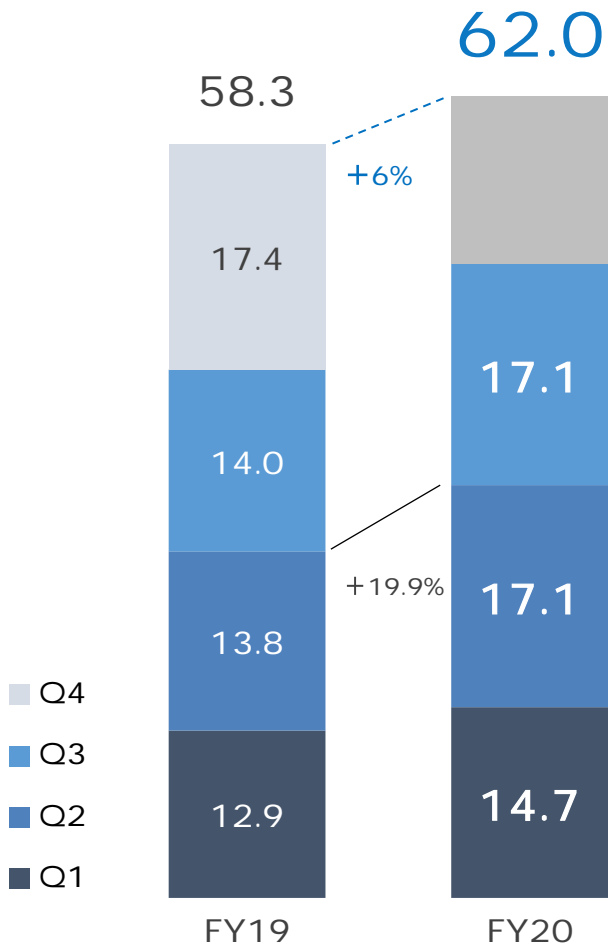
【 Flow / development 】

- Flow (development) decreased the completed management standardization of vendor management projects were included in the stock.

【 Stock 】

- Order backlog for TS increased due to management standardization of vendor management projects.
- Order backlog for CIT increased due to public investment projects.

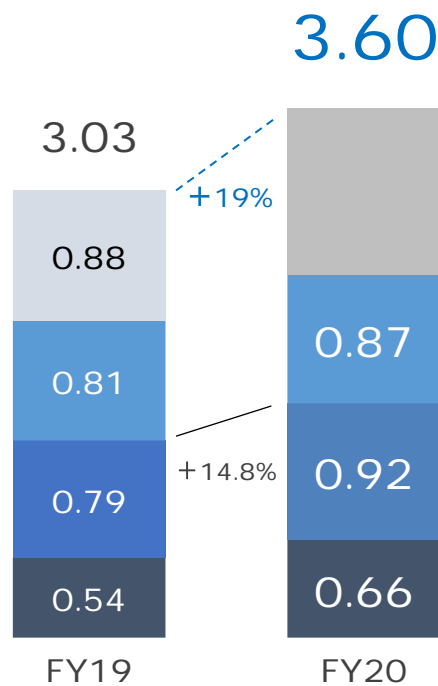
Forecasts remain
unchanged



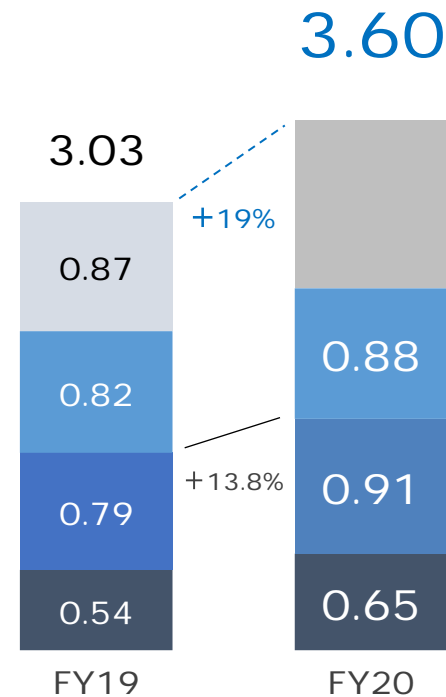
Net Sales

[Billions of yen]

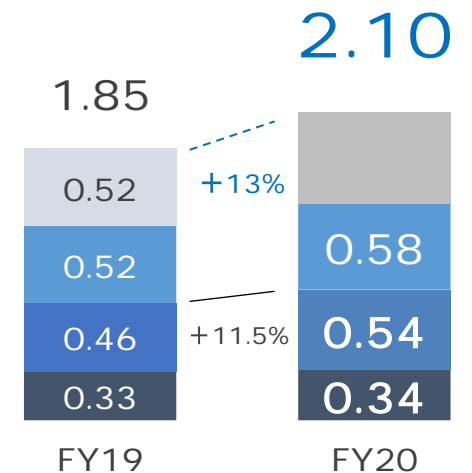
- Sales trended higher than expected, partly due to effects of consolidation with DENEN Co. Ltd.
- Order backlog is also accumulating at record-high levels, and operating income of 3.6 billion is within sight
- Examining unprofitable projects and the risk of acceptance delays due to the impact of COVID-19, as well as the business progress of subsidiaries



Operating income



Ordinary income



Net income

(Profit attributable to owners of parent)

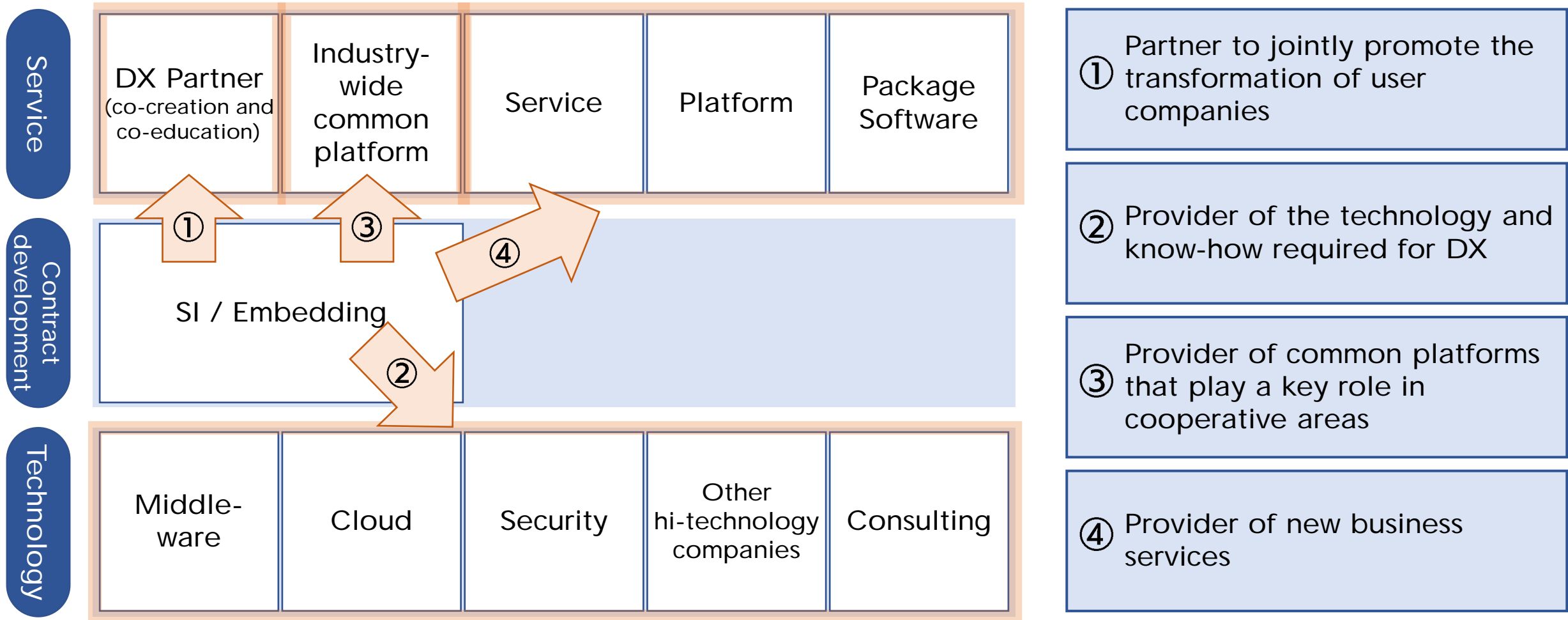
Toward the Realization of Our Medium-Term Plan

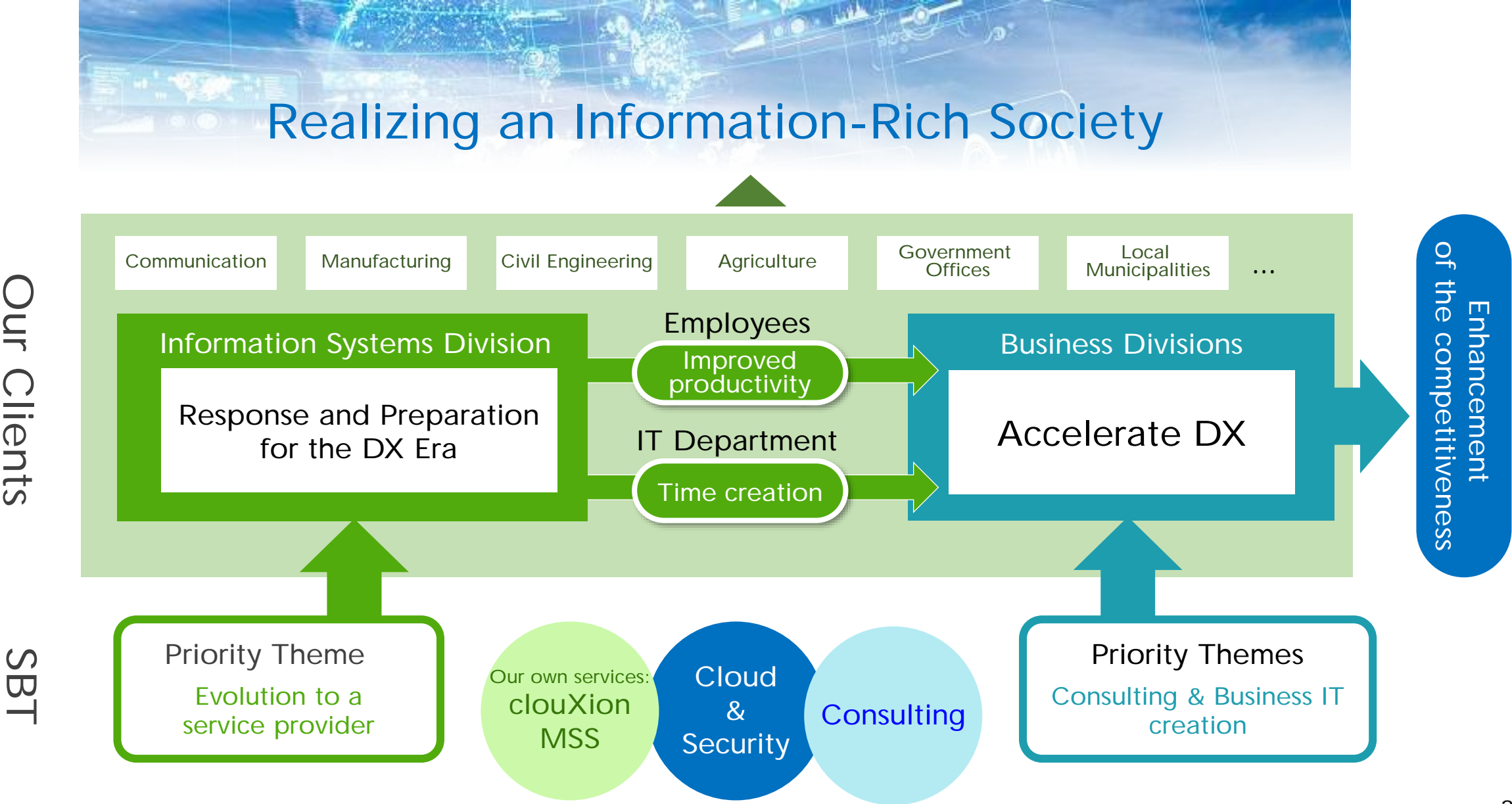
Tertiary Medium-Term Management Plan
(FY19 - FY21)

 SB Technology

Reference> METI DX Report 2 – Vendor's Target Direction –

- We must become a co-creative partner that promotes DX in an integrated manner with our user companies.
- We expect to become a provider of new business services that propose new value to society based on the strength of IT.





For the construction industry

① Partner to jointly promote the transformation of user companies

③ Common platform providers that play a key role in the area of cooperation

Promoting DX through a service that solves common issues for contractors, subcontractors, and others in the construction industry



Conventional common issues

Prime contractor

- Building a server in a workshop (risk of losing data in the event of a disaster)
- Managing users is complicated

Cooperating companies

- Managing IDs/passwords for every site



Solved using Con-Bridge

Prime contractor

- Cloud usage and data both are securely preserved
- Centralized ID Management with integrated authentication

Cooperating companies

- Access information from multiple workstations with a single ID



Integrated ID management and server cloudification
External service linkage (planned)

Enhancing local government security by providing the next-generation local government information security cloud in a service-based manner



Conventional issues

- Since each service must be constructed separately, they take time to introduce, and are expensive.
- Specifications must be created to match the equipment.
- End of support for equipment and disposal at the time of replacement are issues



Solved using the service

- Reduced the time and cost of service use
- MIC's mandatory requirements are met, shortening the time required to create specifications.
- No cost required when replacing because the local government does not have assets

Municipal Information Security
Cloud Service

Provides the following as a single service:
Internet Connectivity / Security / Access Line

Helping customers to promote DX in response to on-site issues such as labor shortages and contactless operations

Conventional issues

- A need to physically visit the site
- Visiting problematic due to the COVID-19 pandemic, but phone calls take time
- Unable to confirm that work has been done correctly



Solved using HoloLens 2 (smart glasses)

- Skilled craftsmen instruct on-site workers through video sharing of on-site conditions
- On-site workers carry out operations according to the instructions of skilled workers.
- Can be used for operational verification and educational materials with the Teams recording function



Implementation Support for
Microsoft HoloLens 2

Initial setup support / Operating procedure training
Inquiry support / Device management support

Zero trust security that supports remote work

① Partner to jointly promote the transformation of user companies

② Providers of the technology and know-how required for DX

Short-term implementation of security measures required in the new normal era



Conventional issues

- Conventional security measures are insufficient due to the establishment of telecommuting as the new standard
- Insufficient knowledge on Zero Trust Security
- A need for early action to deal with sudden changes in work styles



Solved using this pack

- Reduces the burden on IT personnel in terms of defining requirements and design phases
- Can be built in as little as one month, usually taking about six months.
- Packaging realizes countermeasures in a way that minimizes costs

Zero Trust Security Starter Pack

Our best practices based on
our extensive implementation experience

Monitoring communications / Managing terminals / Authentication & certification

Initiatives for Sustainability

Corporate Philosophy

Information Revolution — Happiness for Everyone

~Technologies Design the Future~



The SBT Group aims to achieve the Sustainable Development Goals (SDGs) by providing ICT services.

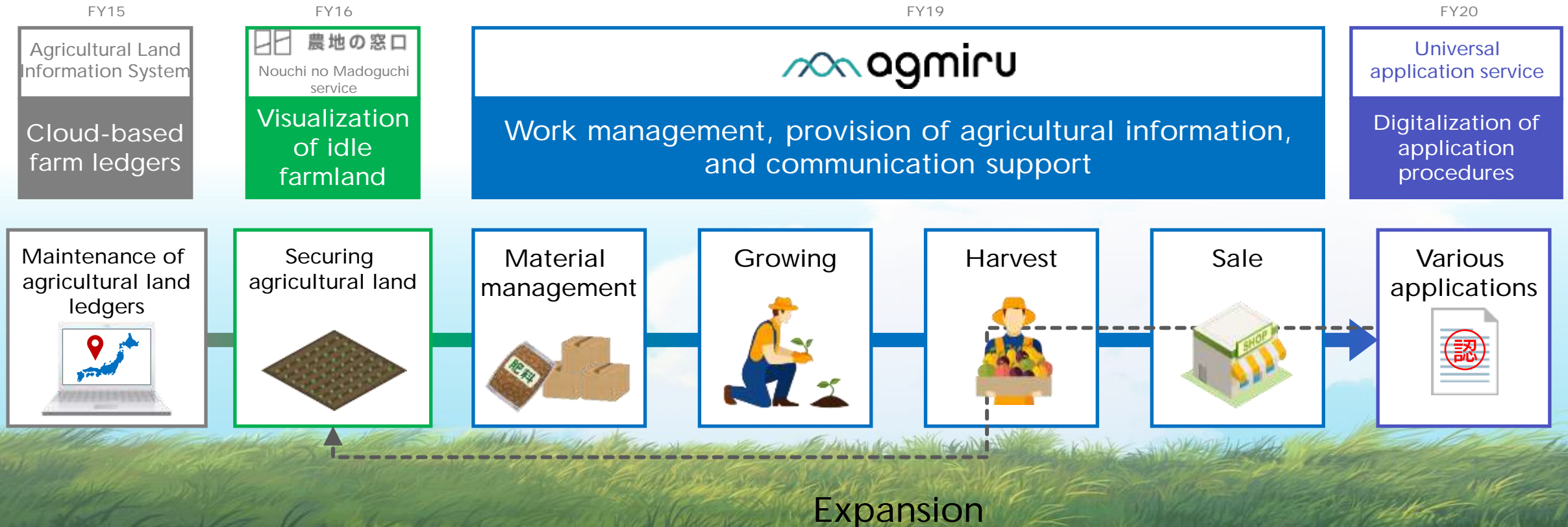


Addressing Agricultural Issues

Utilizing ICT and data to improve agricultural sustainability



In coordination with related organizations and the SBT Group, we aim to solve agricultural issues through ICT services.



Social Infrastructure Initiatives

Supporting the creation of a resilient social infrastructure in an age when cyber attacks directly affect people's lives and businesses



We provide a variety of solutions to prepare for the expanding threat of cyber attacks.

Cyber Resilience

Local Government Information Security Cloud

Security measures against cyber attacks
Achieving efficiency and convenience for local governments

Zero Trust Security

Security measures irrespective of location in response to the new normal era

Managed Security Service

Monitoring/operation by security experts 24 hours a day, 365 days a year

Resilient Communities

Leading Companies • Government Offices



1. Operating income ※¹ JPY4.3 bn
2. To 50% of BIT & CIT※² sales
3. ROE 13%

※ 1) CAGR 20% starting from FY2018 consolidated operating income of JPY2.5 bn

※ 2) Business IT Solutions (BIT) and Corporate IT Solutions (CIT) as a percentage of FY2021 sales

Information Revolution — Happiness for everyone

~Technologies Design the Future~

 **SB Technology**

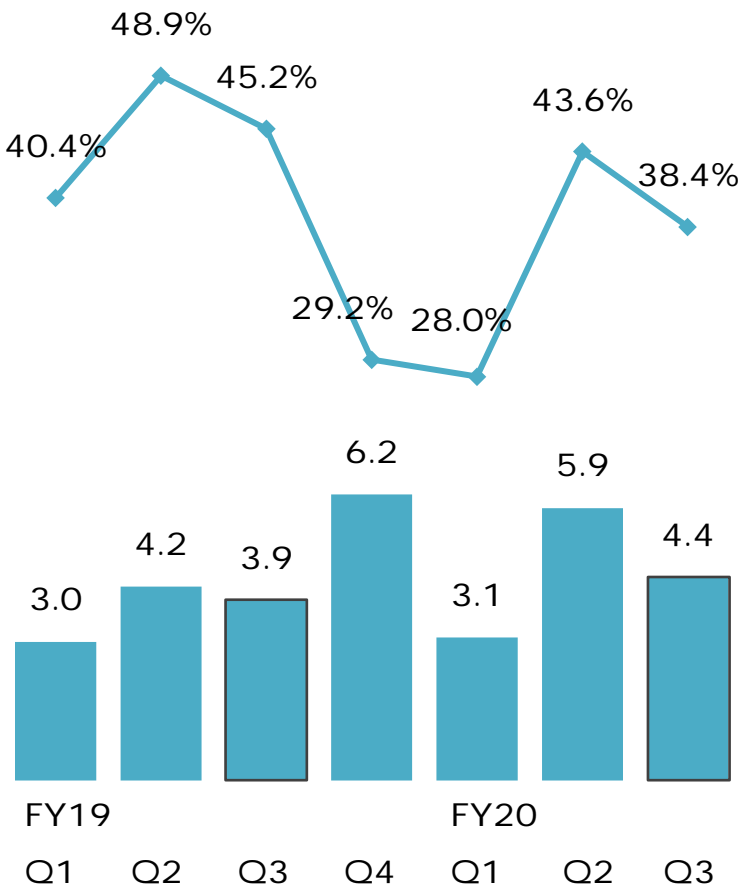
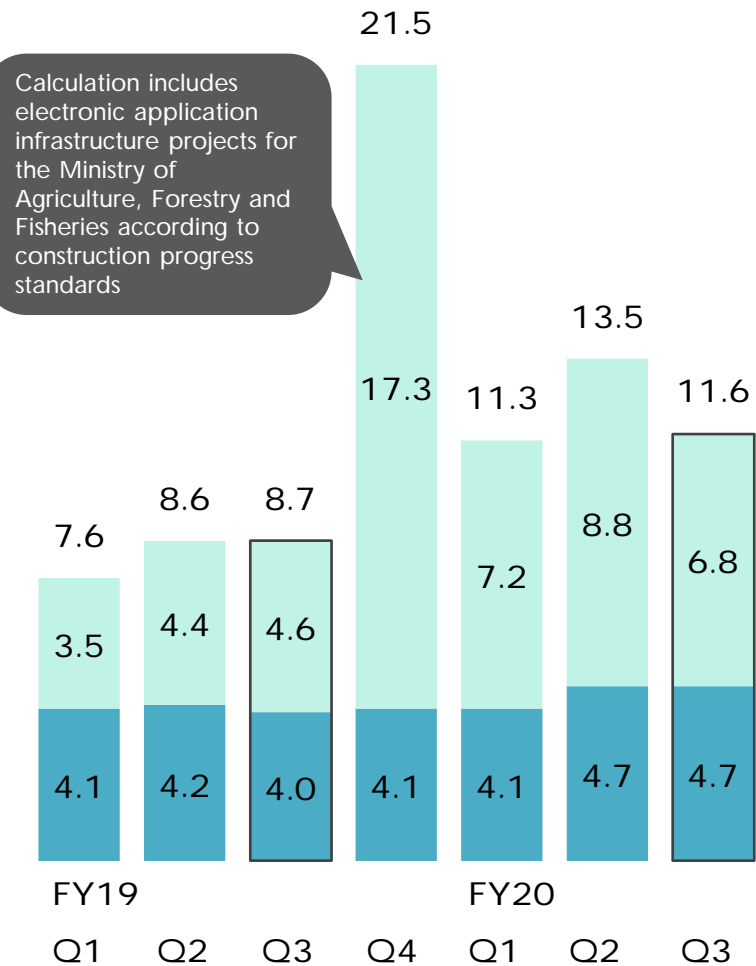
Overview of each solution

 SB Technology

Net sales

Marginal income

■ Stock ■ Flow



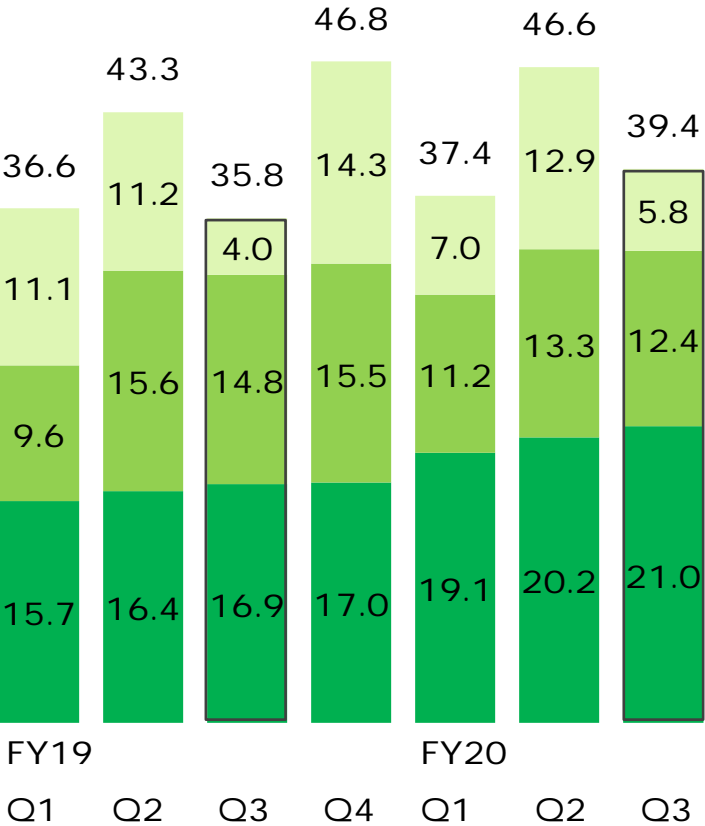
Cloud business solutions for business units

Main customers: Global manufacturing, construction and agriculture

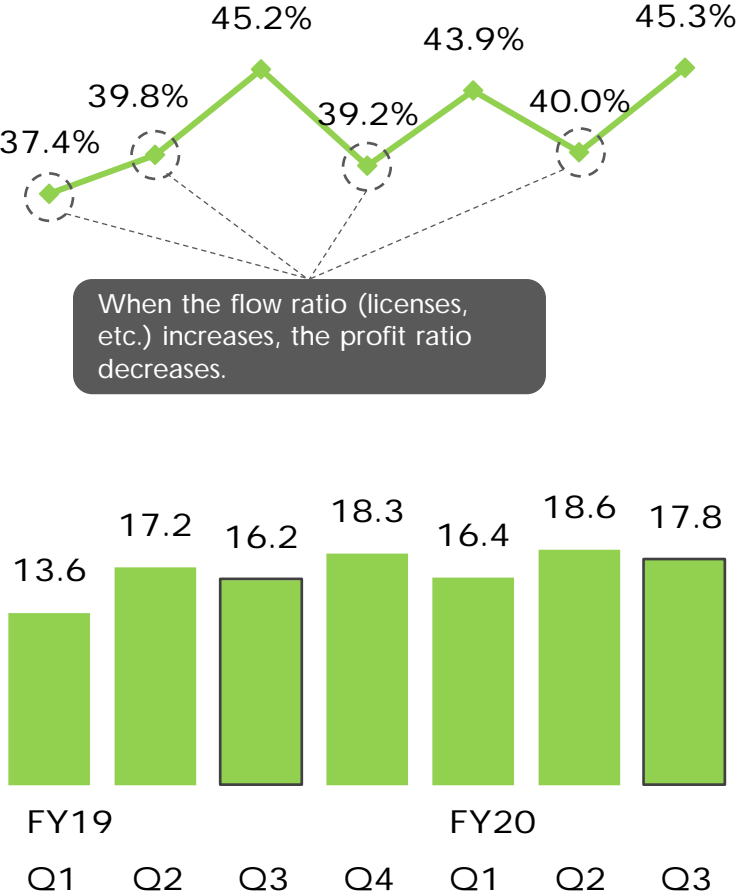
Consists primarily of customer service development, development/provision of industry-specific services, collaboration and PoC (proof of concept), etc.

FLOW	Expansion of systems development for business divisions at SoftBank Corp. IoT system development for the manufacturing industry, and energy-saving IoT projects for the construction industry
Stock	Successful implementation of the Ministry of Agriculture, Forestry and Fisheries electronic application infrastructure project and the O-NET project for the Ministry of Health, Labor and Welfare

Net sales



Marginal income



Company-wide and administrative cloud business solutions

Main customers: Corporations, municipalities, independent admin. institutions, Softbank Corp.

Consists primarily of solutions employing Microsoft's Microsoft 365 (SaaS) and Azure (PaaS), cyber-attack countermeasures, and own services such as clouXion and managed security services (security operation monitoring).

FLOW

Corporate and public sector sales increased steadily, despite a reactionary decline in cloud adoption/development following large-scale development for the SB Group.

In terms of security, support for zero trust security measures increased for groups and corporations.

Stock

Steadily advanced the cycle from development and construction to operation, and cloud and security operations increased.

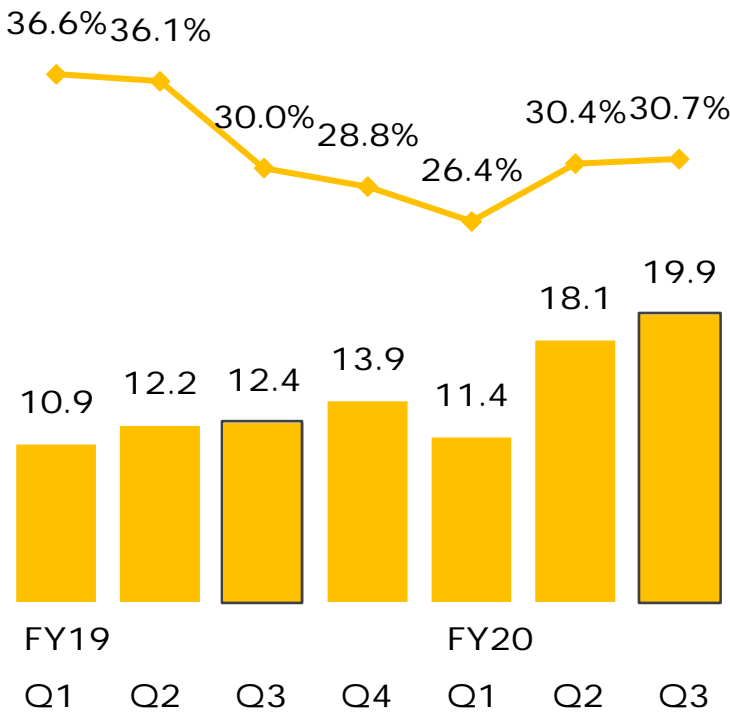
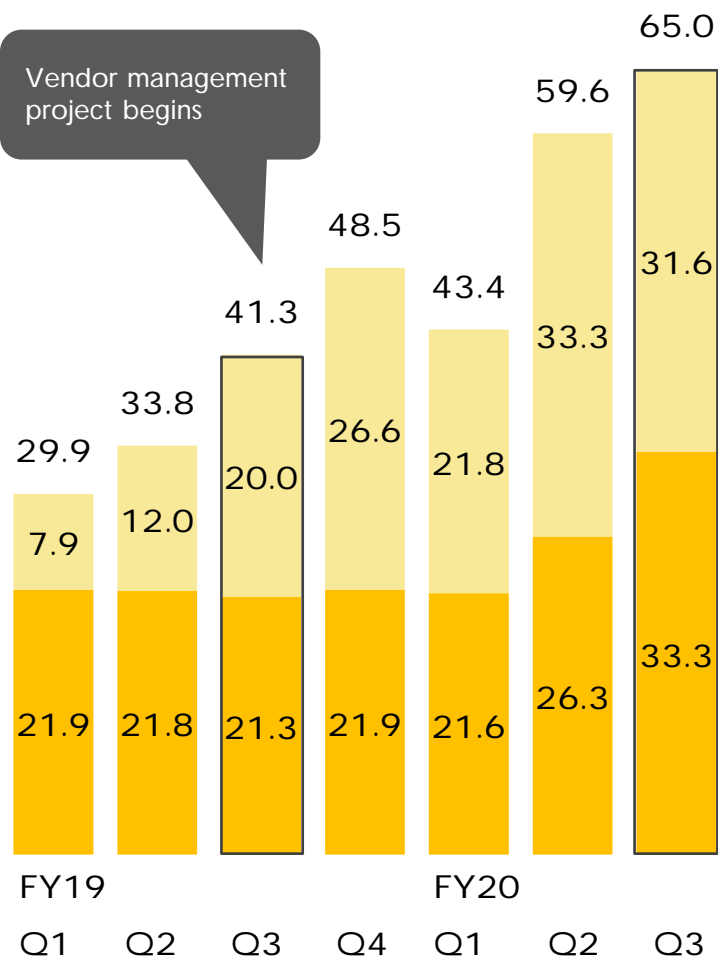
Our own services(*) also remained steady.

*clouXion, Managed Security Service

Net sales

Marginal income

Flow Stock



Construction, operation and maintenance of on-premises systems (including private cloud)

Main customers : SoftBank Companies

Consists primarily of building, operating, and maintaining clients' on-premises and private cloud systems; also proposing future migration to the public cloud.

Flow

Newly added DENEN Co. Ltd. contributed to increase in sales and marginal profit

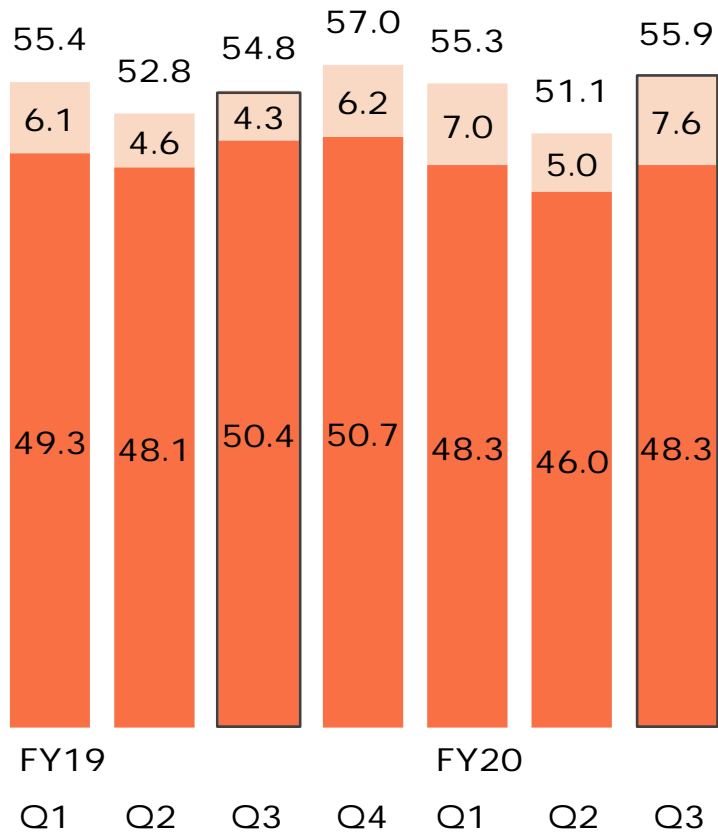
Expansion of vendor management projects for SoftBank Corp.

Stock

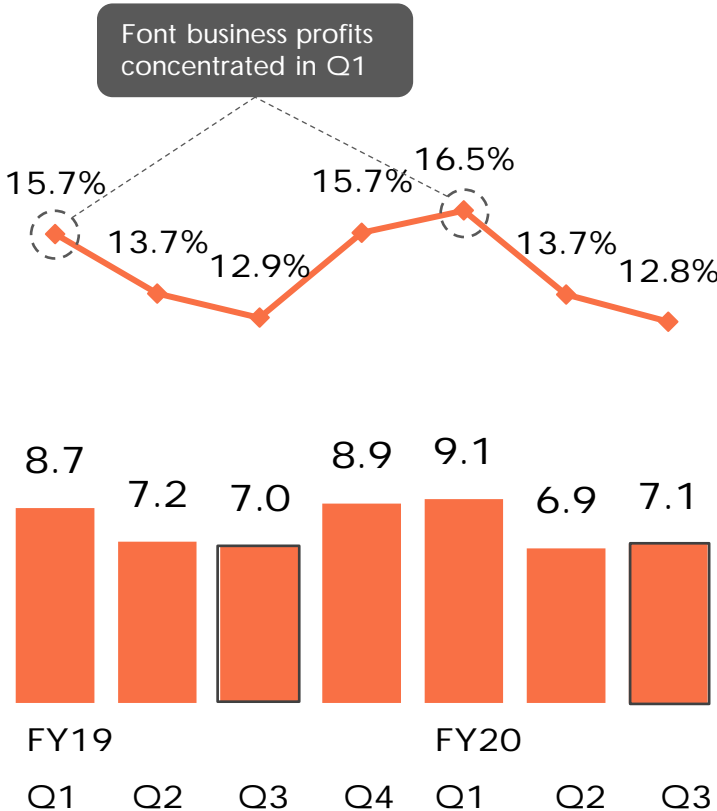
Unified management methods for vendor management projects and improved efficiency contributed to an increase in stock

Net sales

Font, etc Norton store



Marginal income



EC site management and font license sales

Main customers: Consumer

Consists primarily of EC management, EC site-building and operation. Font businesses include the planning, development, and sales of fonts (typefaces) and related software.

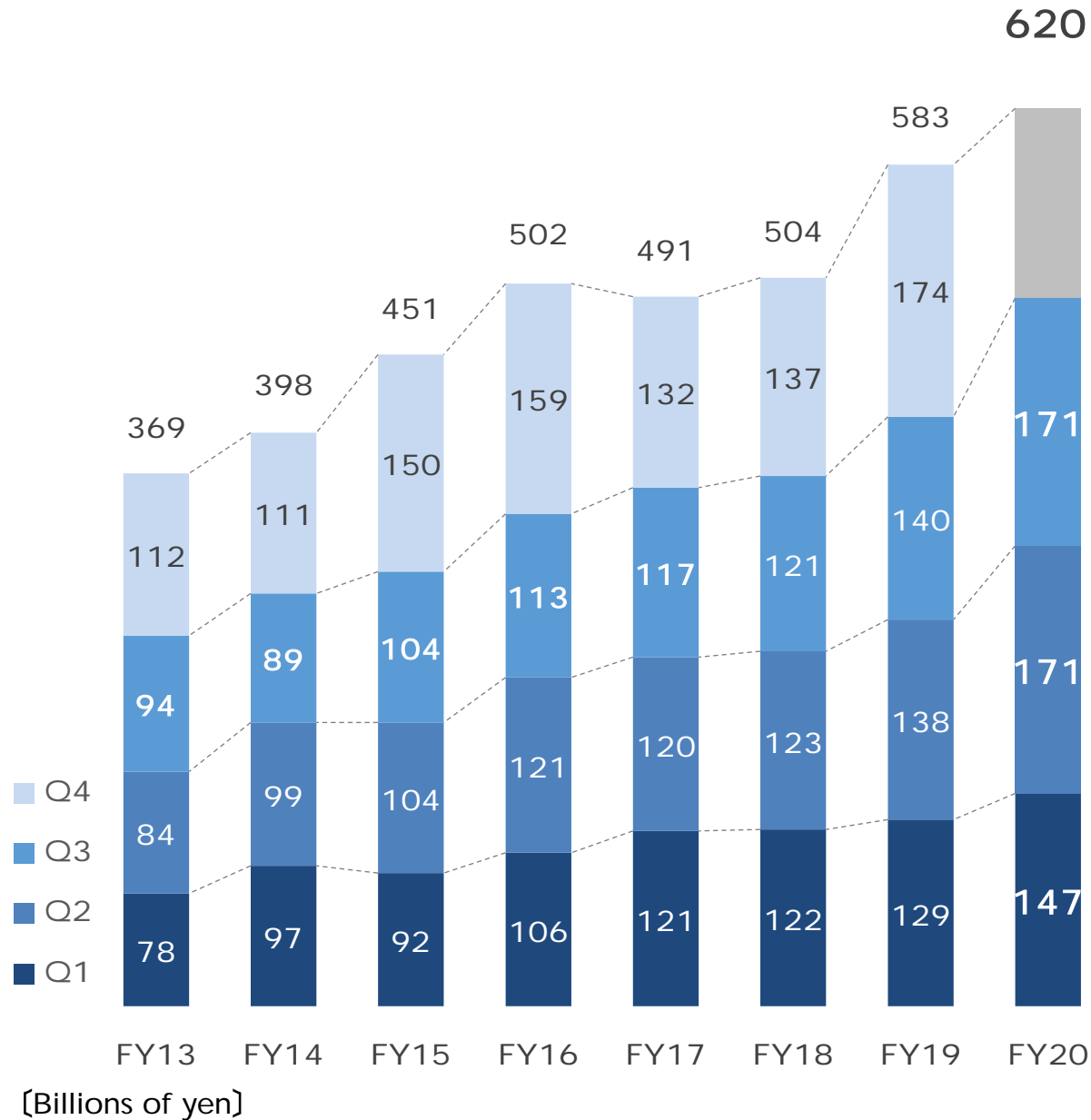
Norton Store's management agency services saw higher sales but lower profits due to peaking out and changes in the invoicing rate

On the other hand, the Font Business performed well, contributing to an increase in profits

Numerical data

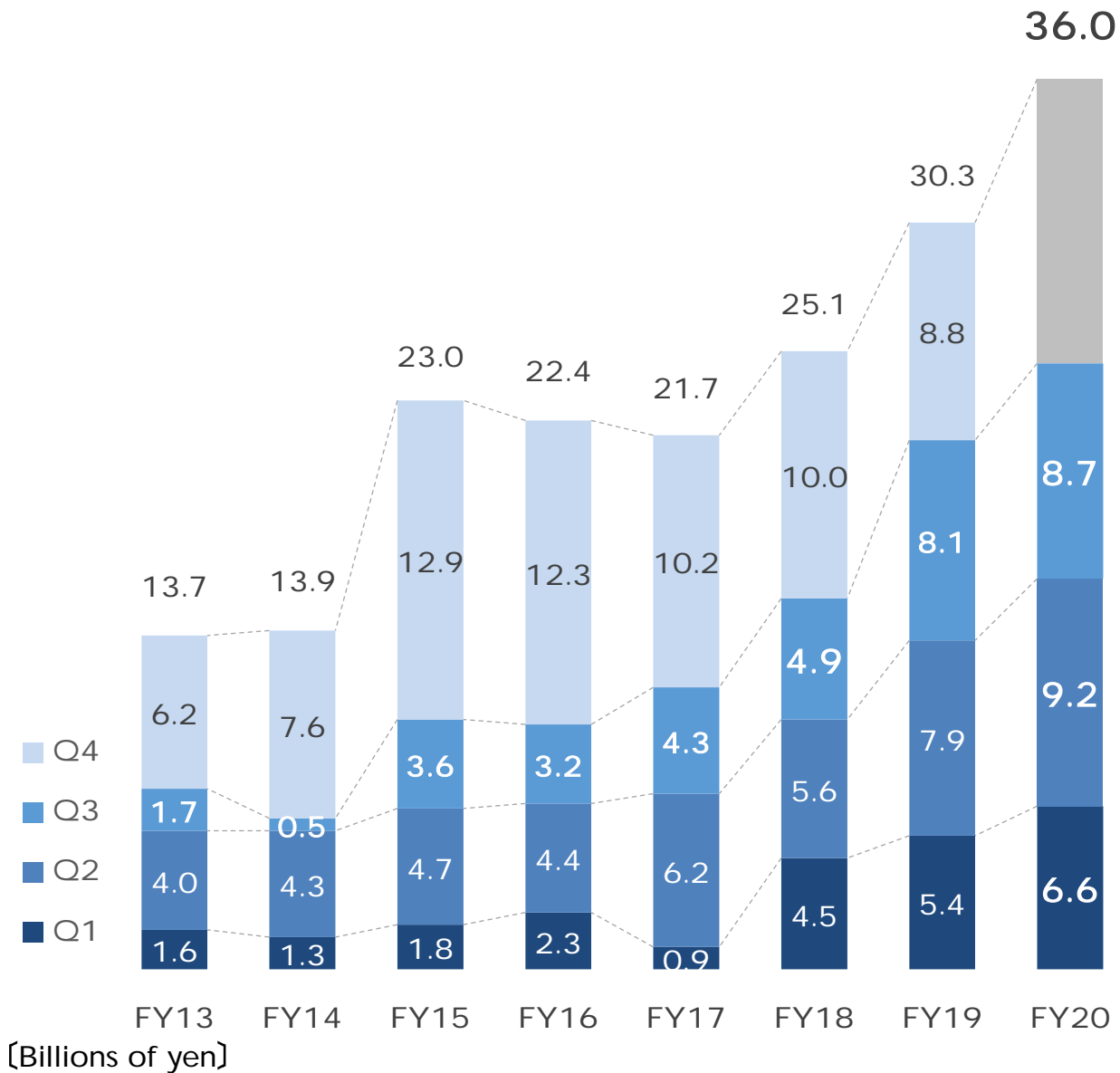
 SB Technology

〔Millions of yen〕	End of December, 2019	End of March, 2020	End of December, 2020	Since end of previous term	YoY
Current assets	21,283	24,350	25,225	875	3,942
Cash and deposits	9,631	9,826	9,882	55	251
Accounts receivable and other receivables	9,356	12,714	12,624	△ 90	3,267
Fixed assets	7,822	8,135	9,222	1,086	1,399
Tangible fixed assets	1,565	1,488	1,641	153	76
Intangible fixed assets	3,015	3,049	4,358	1,309	1,344
Investments and other assets	3,241	3,597	3,220	△ 377	△ 20
Total assets	29,105	32,486	34,447	1,960	5,341
Current liabilities	10,689	13,528	13,354	△ 174	2,664
Long-term liabilities	1,375	1,340	2,542	1,202	1,168
Net assets	17,040	17,617	18,550	932	1,509



Q3 Cumulative Net sales
(YoY) **19.9%_{up}**

Q3 Net sales
(YoY) **22.2%_{up}**



Medium-Term Management Plan
Target: 20% Operating Income Growth

Q3 Cumulative Operating income

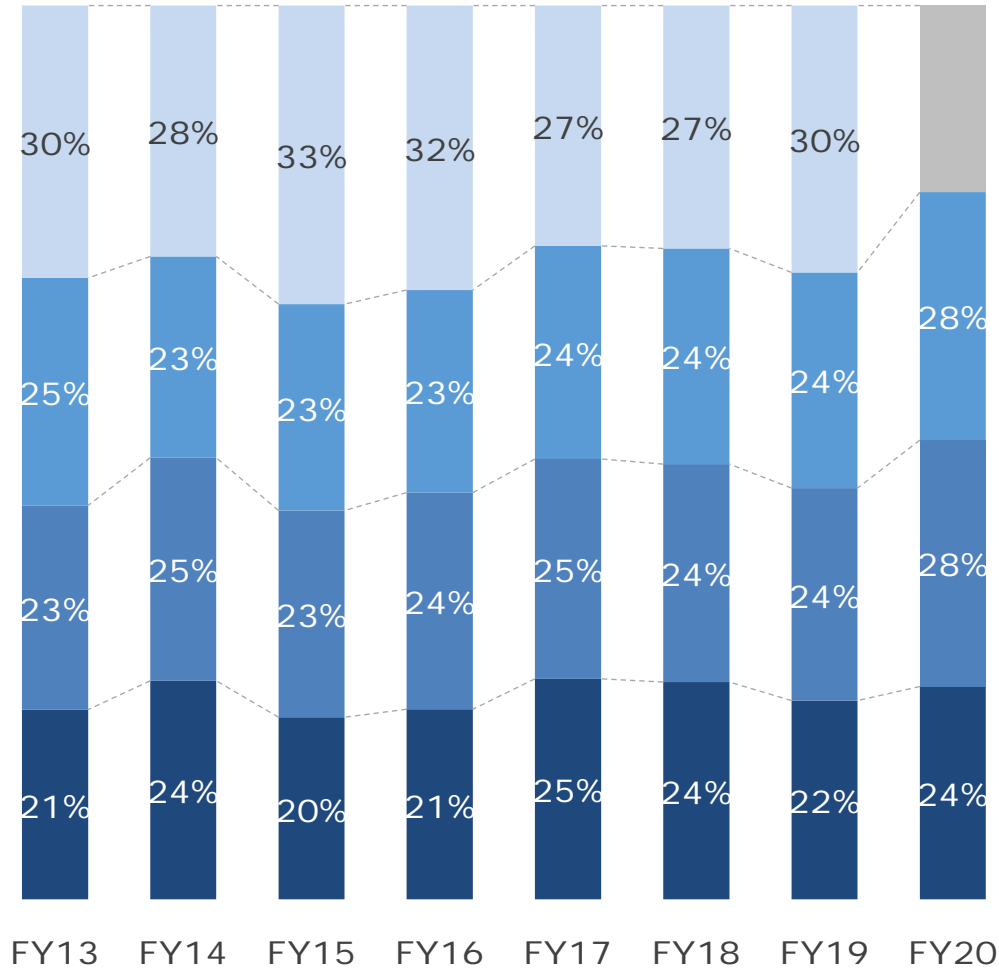
(YoY) **14.8% up**

Q3 Operating income

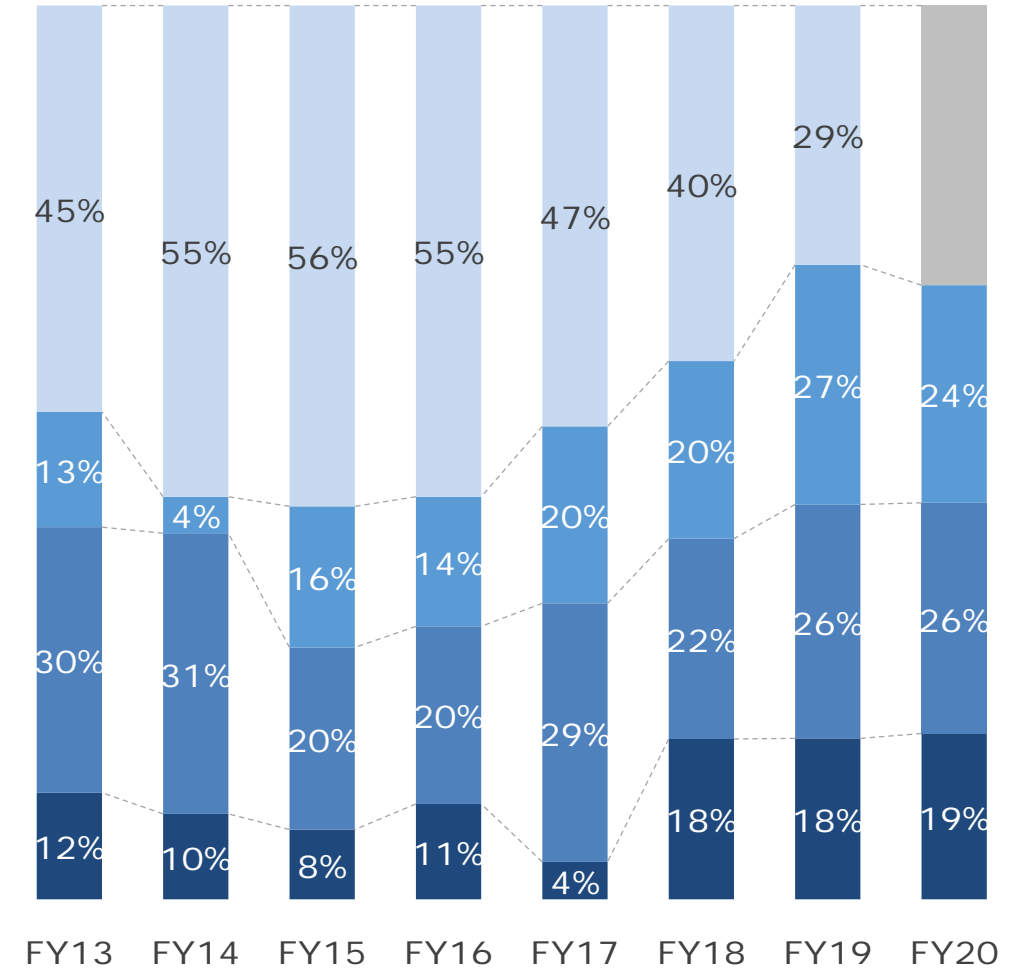
(YoY) **7.7% up**

Net sales

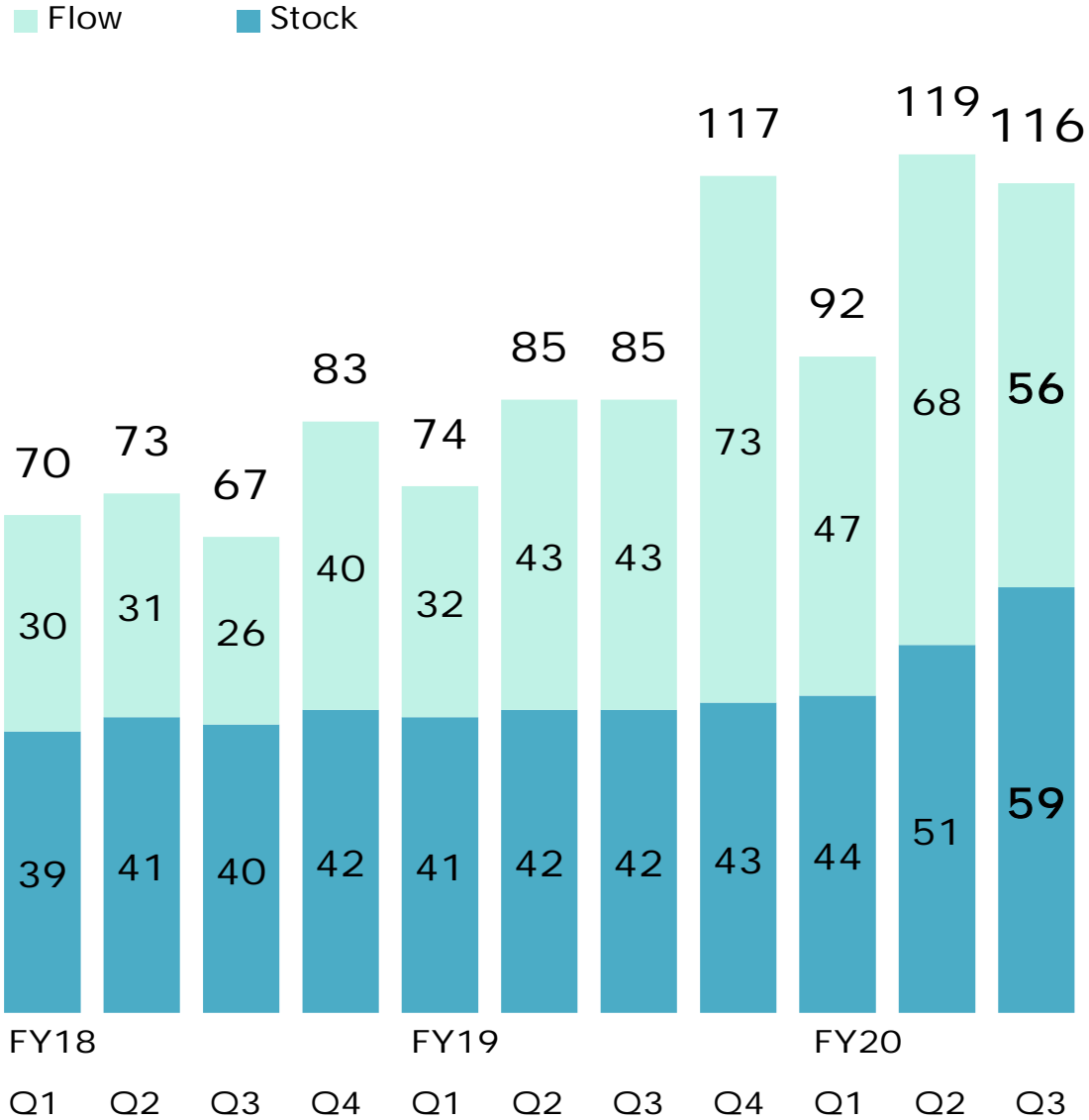
Q4 Q3 Q2 Q1



Operating income



[Billions of yen]



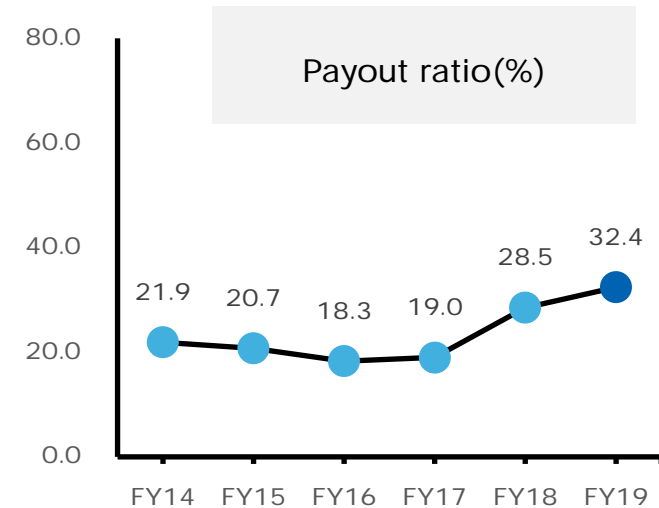
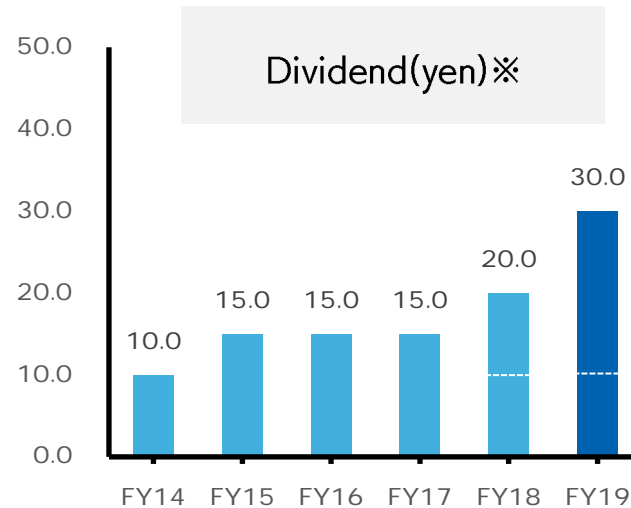
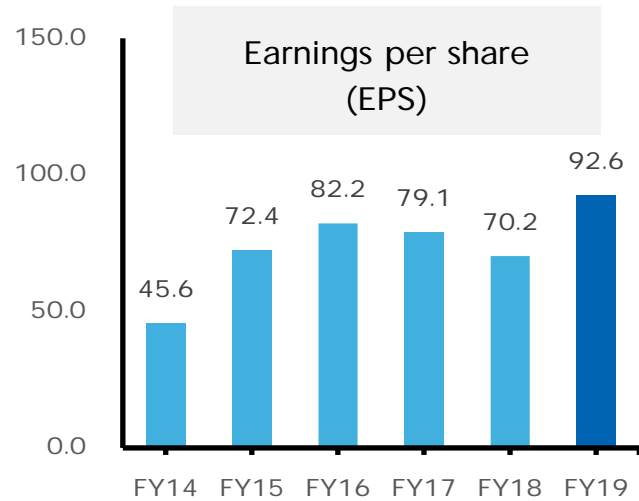
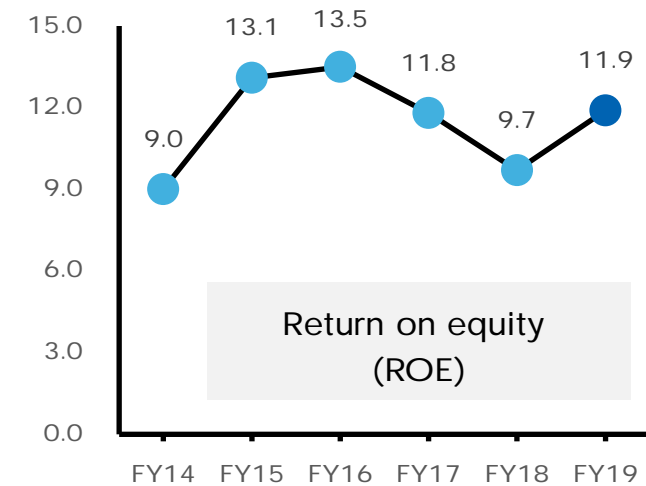
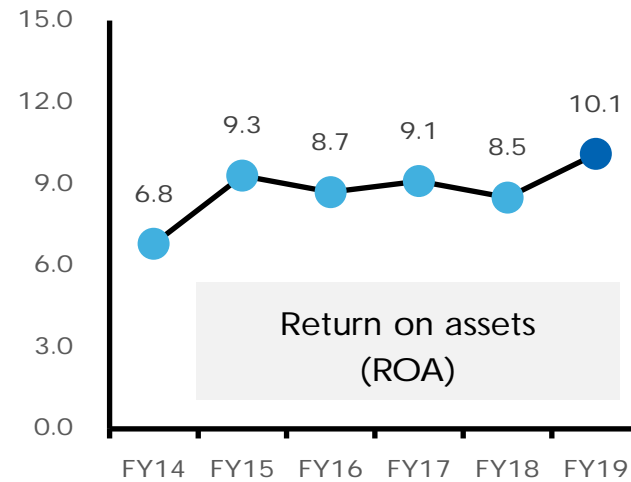
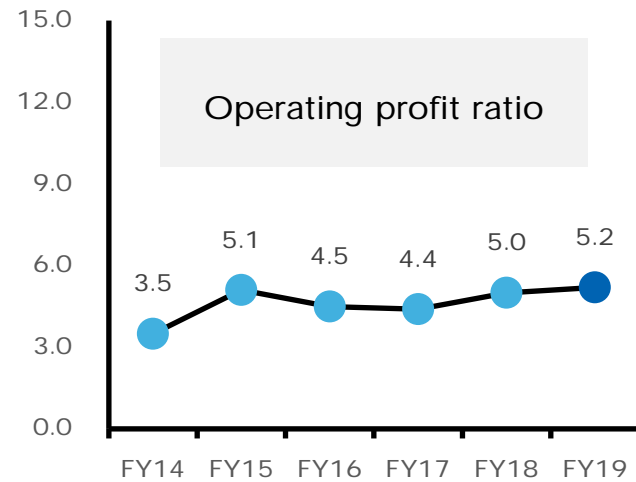
Q3 Cumulative Stock sales
(YoY) **28.6bn_{up}**

Q3 Stock sales
(YoY) **16.7bn_{up}**

(Millions of yen)		FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2	FY20Q3	FY19Q3 Cumulative	FY20Q3 Cumulative	YoY	
												Change	Change%
Total	Sale	12,969	13,872	14,074	17,408	58,324	14,759	17,105	17,197	40,916	49,062	+8,146	+19.9%
	Marginal income	3,642	4,095	3,964	4,759	16,461	4,017	4,969	4,940	11,702	13,927	+2,224	+19.0%
	Profit ratio	28.1%	29.5%	28.2%	27.3%	27.7%	27.2%	29.1%	28.7%	28.6%	28.4%	▲0.2pt	-
BIT solution	Sale	764	868	872	2,155	4,660	1,135	1,358	1,161	2,505	3,655	+1,150	+45.9%
	Marginal income	309	424	394	629	1,757	318	592	446	1,127	1,356	+228	+20.3%
	Profit ratio	40.4%	48.9%	45.2%	29.2%	37.7%	28.0%	43.6%	38.4%	45.0%	37.1%	▲7.9pt	-
CIT Solutions	Sale	3,664	4,333	3,582	4,689	16,629	3,743	4,664	3,940	11,580	12,348	+767	+6.6%
	Marginal income	1,369	1,726	1,620	1,835	6,552	1,643	1,866	1,786	4,716	5,296	+579	+12.3%
	Profit ratio	37.4%	39.8%	45.2%	39.2%	40.3%	43.9%	40.0%	45.3%	40.7%	42.9%	+2.2pt	-
TS Solutions	Sale	2,991	3,387	4,137	4,855	15,371	4,346	5,969	6,500	10,516	16,817	+6,300	+59.9%
	Marginal income	1,093	1,221	1,242	1,398	4,953	1,145	1,811	1,993	3,557	4,951	+1,393	+39.2%
	Profit ratio	36.6%	36.1%	30.0%	28.8%	32.2%	26.4%	30.4%	30.7%	33.8%	29.4%	▲4.4pt	-
EC Solutions	Sale	5,548	5,283	5,482	5,708	22,022	5,533	5,112	5,595	16,313	16,241	▲72	▲0.4%
	Marginal income	870	723	706	897	3,198	910	698	713	2,300	2,322	+21	+1.0%
	Profit ratio	15.7%	13.7%	12.9%	15.7%	14.5%	16.5%	13.7%	12.8%	14.1%	14.3%	+0.2pt	-
Total of core businesses (BIT+CIT)	Sale	4,429	5,201	4,454	6,844	21,149	4,878	6,022	5,101	14,085	16,003	+1,917	+13.6%
	Marginal income	1,678	2,150	2,014	2,464	8,315	1,961	2,459	2,233	5,844	6,653	+808	+13.8%
	Profit ratio	37.9%	41.4%	45.2%	36.0%	39.3%	40.2%	40.8%	43.8%	41.5%	41.6%	+0.1pt	-
	Component ratio	34.1%	37.5%	31.7%	39.3%	36.5%	33.1%	35.2%	29.7%	34.4%	32.6%	▲1.8pt	-

(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2	FY20Q3	FY19Q3 Cumulative	FY20Q3 Cumulative	YoY	
											Change	Change%
Sale	12,969	13,872	14,074	17,408	58,324	14,759	17,105	17,197	40,916	49,062	+8,146	+19.9%
BIT Solutions	764	868	872	2,155	4,660	1,135	1,358	1,161	2,505	3,655	+1,150	+45.9%
CIT Solutions	3,664	4,333	3,582	4,689	16,269	3,743	4,664	3,940	11,580	12,348	+767	+6.6%
Technical solutions	2,991	3,387	4,137	4,855	15,371	4,346	5,969	6,500	10,516	16,817	+6,300	+59.9%
EC Solutions	5,548	5,283	5,482	5,708	22,022	5,533	5,112	5,595	16,313	16,241	▲72	▲0.4%
Cost of sales	10,873	11,479	11,647	14,897	48,897	12,326	14,317	14,477	34,000	41,121	+7,120	+20.9%
Gross profit	2,096	2,392	2,427	2,511	9,426	2,433	2,787	2,720	6,915	7,940	+1,025	+14.8%
SG&A expenses	1,550	1,597	1,613	1,630	6,391	1,766	1,857	1,843	4,760	5,467	+707	+14.9%
Operating income	546	794	813	880	3,035	666	929	876	2,154	2,472	+317	+14.8%
Other Income and Expenses	▲0	1	6	▲9	▲2	▲8	▲11	8	7	▲11	▲19	-
Ordinary income	545	796	820	871	3,033	658	918	884	2,162	2,461	+298	+13.8%
Extraordinary gain/loss	0	▲14	2	▲46	▲58	▲5	▲44	49	▲12	0	+12	-
Net profit attributable to owners of parent	330	469	526	529	1,856	348	543	586	1,326	1,479	+152	+11.5%
Marginal income	3,642	4,095	3,964	4,759	16,461	4,017	4,969	4,940	11,702	13,927	+2,224	+19.0%
Fixed cost	3,096	3,300	3,150	3,877	13,425	3,350	4,040	4,063	9,547	11,454	+1,906	+20.0%
Non-consolidated order backlog	12,715	15,712	16,393	16,392	16,392	16,537	18,204	17,910	16,393	17,910	+1,516	+9.3%

(※) Amounts for the same period of the previous fiscal year for each solution segment are calculated in accordance with the current booking method.



(※) The Company conducted a 2-for-1 stock split of common stock on June 1, 2017, and the amount of dividends paid prior to the split has been adjusted.

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 **SB Technology**