※ It is translated by AI

Management Policy

SB Technology

Disclaimer:
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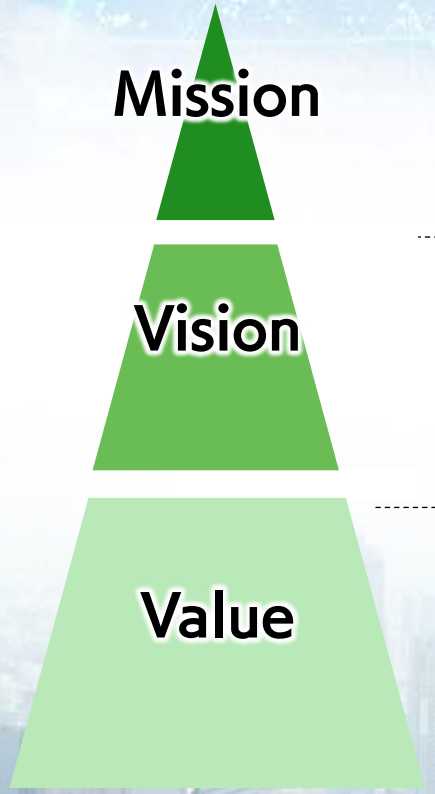
Management Philosophy



Information Revolution, Happiness for everyone

- Technologies Design the Future -

Generating New Value to the World by Leading Technologies and Creativeness with Diverse Work Styles and Opportunity-full Culture

With 3 Perspectives×3 Actions
Accept Diversity

Growth
Trust
Value

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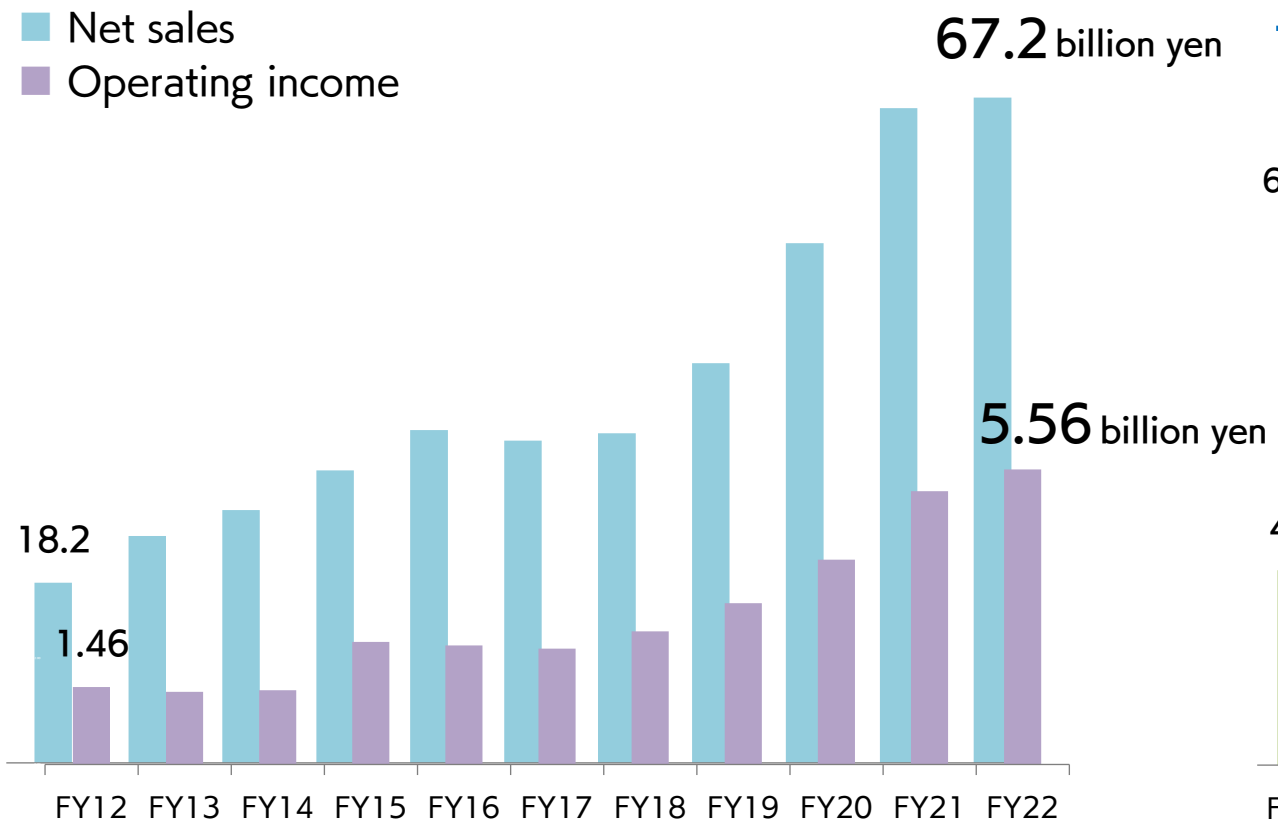
Tanoshimu
Tsukuru
Tsunagu

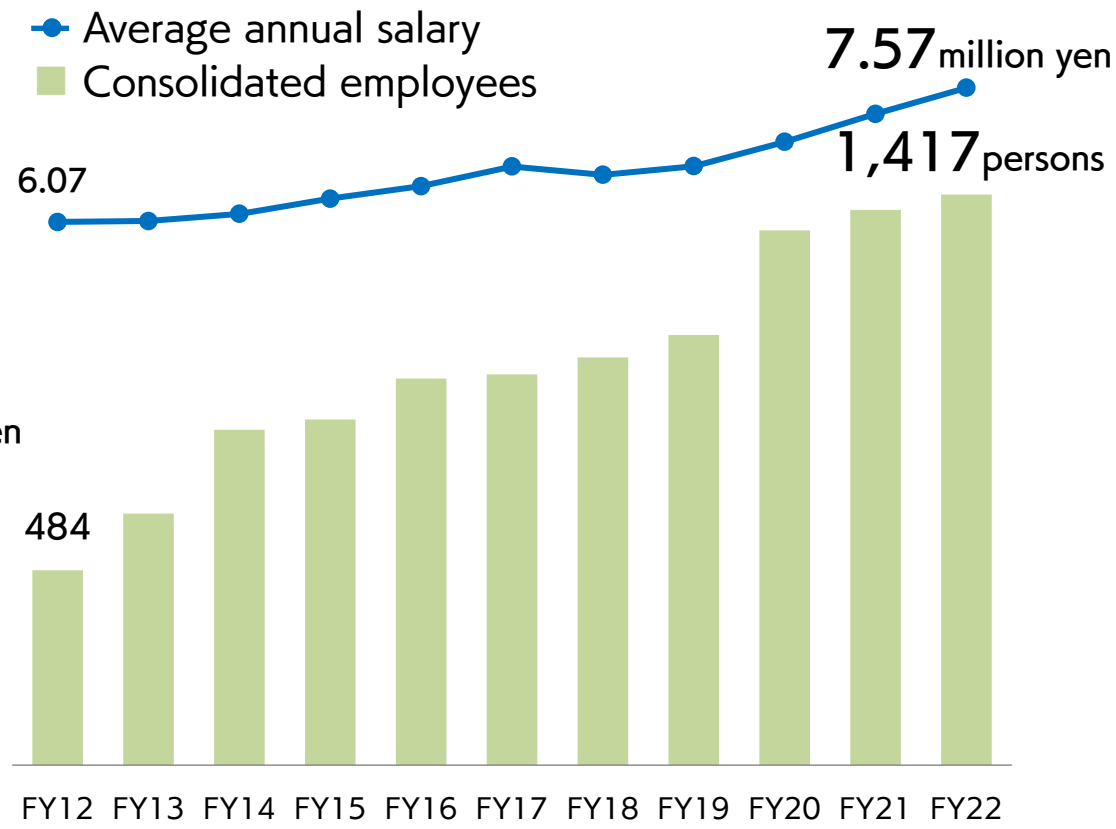
SUSTAINABLE DEVELOPMENT GOALS

Looking Back from Representative's Appointment to the Present

Net sales※1 / Operating income



Consolidated employees / Average annual salary※2



**Set a target as "Significant growth" at the time of appointment as representative,
achieve significant growth in both sales and operating income.
While increasing the number of employees, the average annual income of employees also increased significantly**

※1:Unaudited reference values to which the "Accounting Standard for Revenue Recognition" has been applied from the past　*2：SB Technology Non-consolidated

Changes in the Business Environment

COVID-19 Spread of infectious diseases (December, 2019～2020)	With COVID-19 (2020～2022)	After COVID-19 (2023～)
Economic instability	**Searching for a sustainable society without contact**	**Rapid economic recovery and the manifestation of labor shortages**
Shrinking customer businesses during the coronavirus pandemic /Decreasing productivity due to underdevelopment of telework environment, etc.	Widespread use of telework environments Promoting digitization of government offices	To improve the productivity, IT investment for data utilization and labor saving

Significant advances in digitalization of enterprises and government offices in the event of corona disaster
The future trend is how to utilize digitized data in a secure manner

The Fourth Medium-Term Management Plan

Realization of an affluent information society

Strengthen competitiveness of customers

Key themes of the Fourth Medium-term management plan

Security and Operation
(The force of pushing up)

Data utilization
(The force of pulling up)

Consultation and IT education
(The force of moving ahead)

1, Issues to Be Addressed (Security and Operation -The force of pushing up-)

Security and Operation
(The force of pushing up)

Providing security and operation services to support customers' DX

Services provided by SB technology

Managed Security Service

Normal time (Planned)

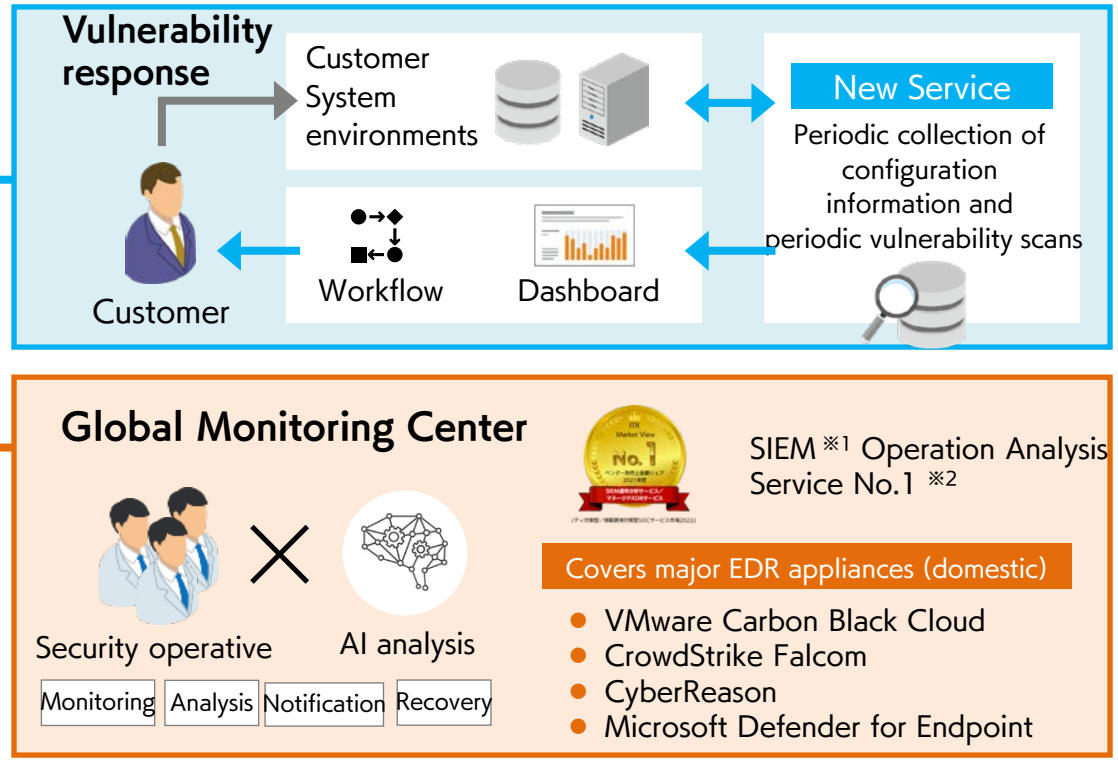
- Understanding IT assets and managing vulnerability
- Defective cloud configuration detection and Risk report

Crisis detection

- Security log collection and correlation-based attack analysis
  Security monitoring 24 hours a day, 365 days a year

Investigation and restoration support

- Response to failure/attack detection
  Support from "Initial" to "Restoration"



※1 Abbreviation for Security Information and Event Management, a product that centrally manages and analyzes IT device logs and detects threats.
※2 Source : ITR "ITR MarketView : Endpoint-security-type/information-leak-proof SOC service2022"

Established a security service provision system that can support the threat of increasingly sophisticated and complex cyber attacks from normal times to emergencies

2, Issues to Be Addressed (Data Utilization -The force of pulling up-)

Data utilization
(The force of pulling up-)

Promotion of
a co-generation DX
that utilizes datasets
to realize customers'
transformations

Secure infrastructure

Data utilization

ChatGPT
(Generic Data)

+

Customer company
Unique information
assets

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Supporting by SB Technology's technological capabilities and achievements

Sophistication of
data utilization

Strengthen competitiveness of customers

Microsoft
Solutions Partner
Microsoft Cloud

Microsoft Solutions Partner
Approved in all six fields
(As of June 2023, only one in Japan)

- Business Applications
- Digital & App Innovation (Azure)
- Modern Work
- Data & AI (Azure)
- Infrastructure (Azure)
- Security

Contribute to strengthening customer competitiveness by promoting the use of data by combining ChatGPT general-purpose data with customer-company-specific information assets

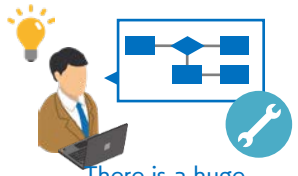
3, Issues to Be Addressed (Consultation and IT Education –The force of moving ahead-)

Consultation and IT education
(The force of moving ahead)

Promotion of a co-generation DX that utilizes datasets to realize customers' transformations

DX support for the Ministry of Agriculture, Forestry and Fisheries

About 3000 procedures were digitized by the staff themselves



There is a huge volume of conventional application materials…

Can be applied by PC and smartphones

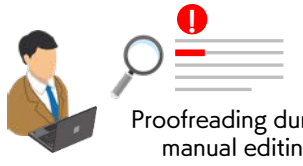
Provide IT platform and
Provide training for electronic applications to staff

Next development

Incorporating various services is expected to improve operational efficiency

1, DX to be advanced

Promoting the use of ChatGPT in Central Government Ministries and Agencies



Proofreading during manual editing

2, Horizontal development of examples

Development of Electronic Application in Local Governments

Support the promotion of DX for staff

- **Consulting**
- **IT education service**

Providing consulting services and IT training services for upgrading DX and promoting DX in Local Governments based on support provided by the Ministry of Agriculture, Forestry and Fisheries

1. Operating income JPY 8 billion

2. Operating Income 9% range

3. Cloud Security & Services
   Net sales over JPY 50 billion

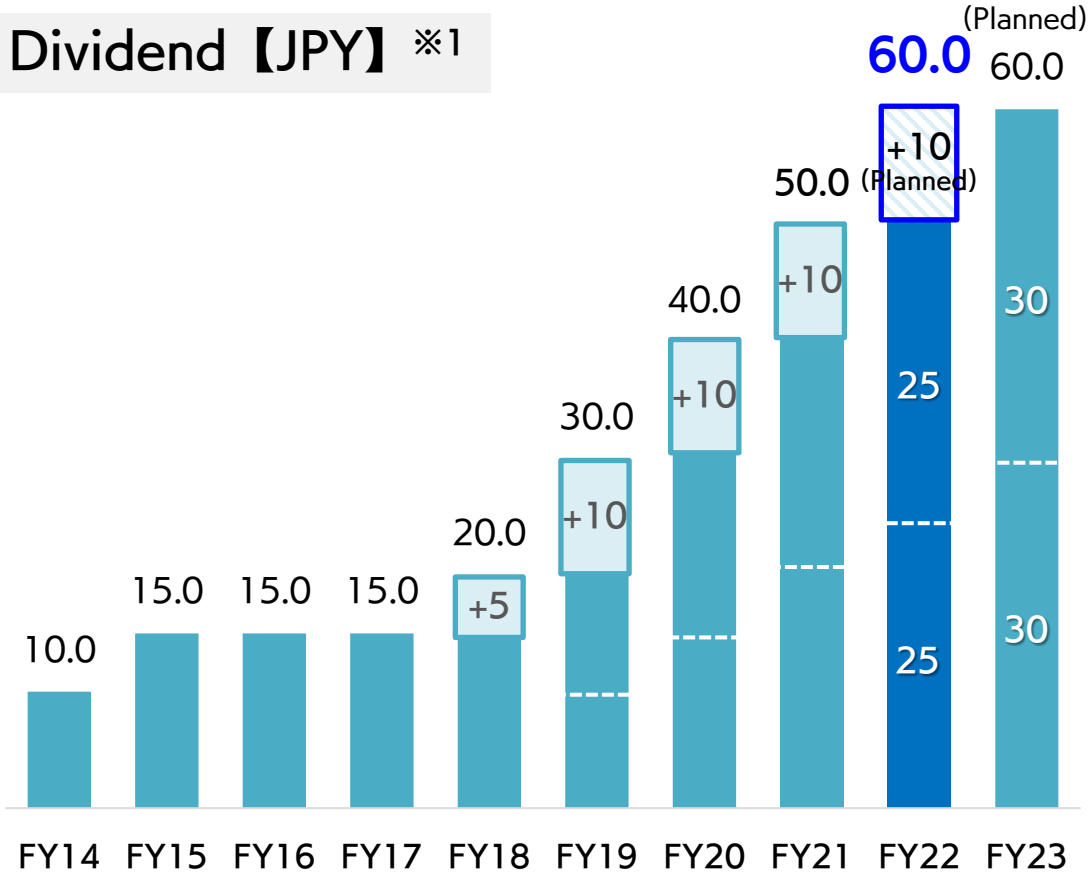
Shareholder Return

Based on stable and continuous dividends, while comprehensively taking into account the consolidated results of operations, investment plans, and the status of cash on hand each fiscal year, the Company's policy is to consider the acquisition and retirement of treasury stock as necessary, while taking into account trends in stock prices and financial conditions.

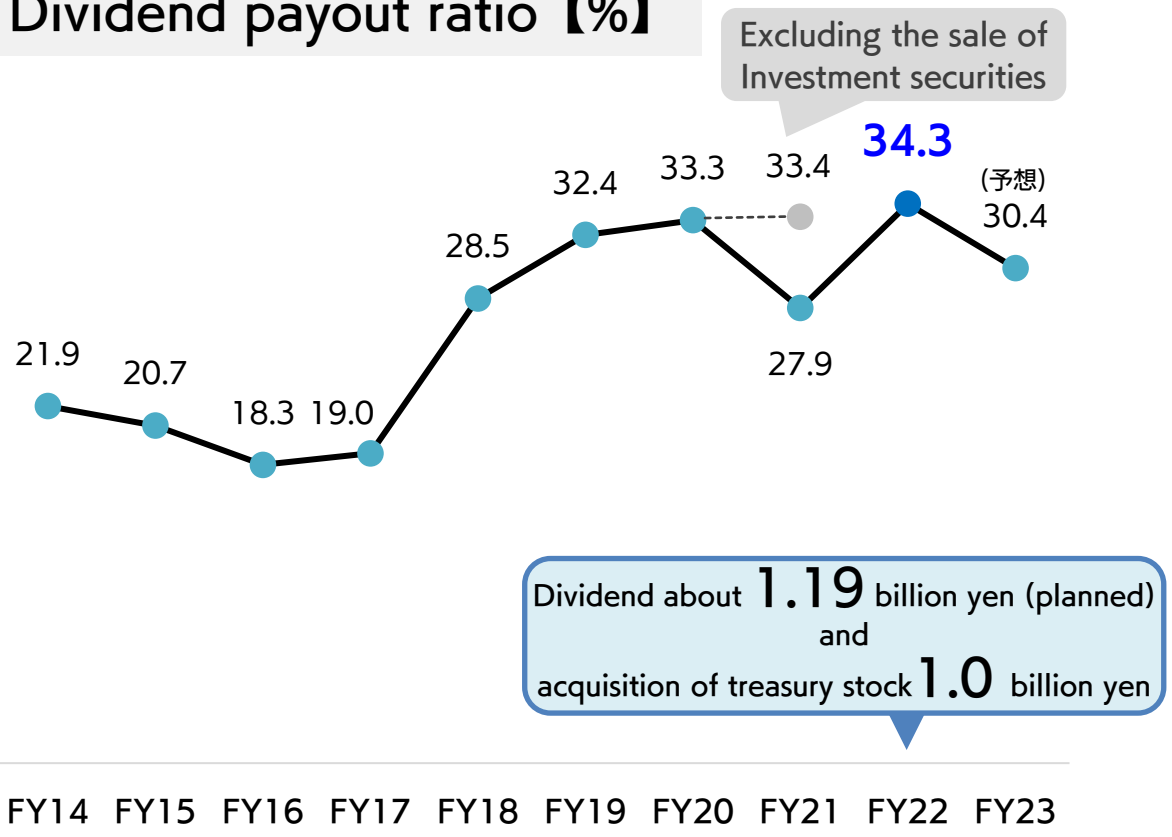
Excluding the impact of the sale of investment securities that occurred in the previous fiscal year (approximately 600 million yen), net income will increase.

As a means of increasing shareholder returns, to increase year-end dividends by ¥10 (Planned)

Dividend【JPY】※1



Dividend payout ratio【%】



※1： As of June 1, 2017, we conducted a stock split at a ratio of 2 shares per common stock to adjust the dividend amount.

No.1 IT service company in Cloud & Security

SB Technology