

Earnings Results for the Six Months Ended September 30, 2019

October 29, 2019

SB Technology Corp.

Security Code : 4726

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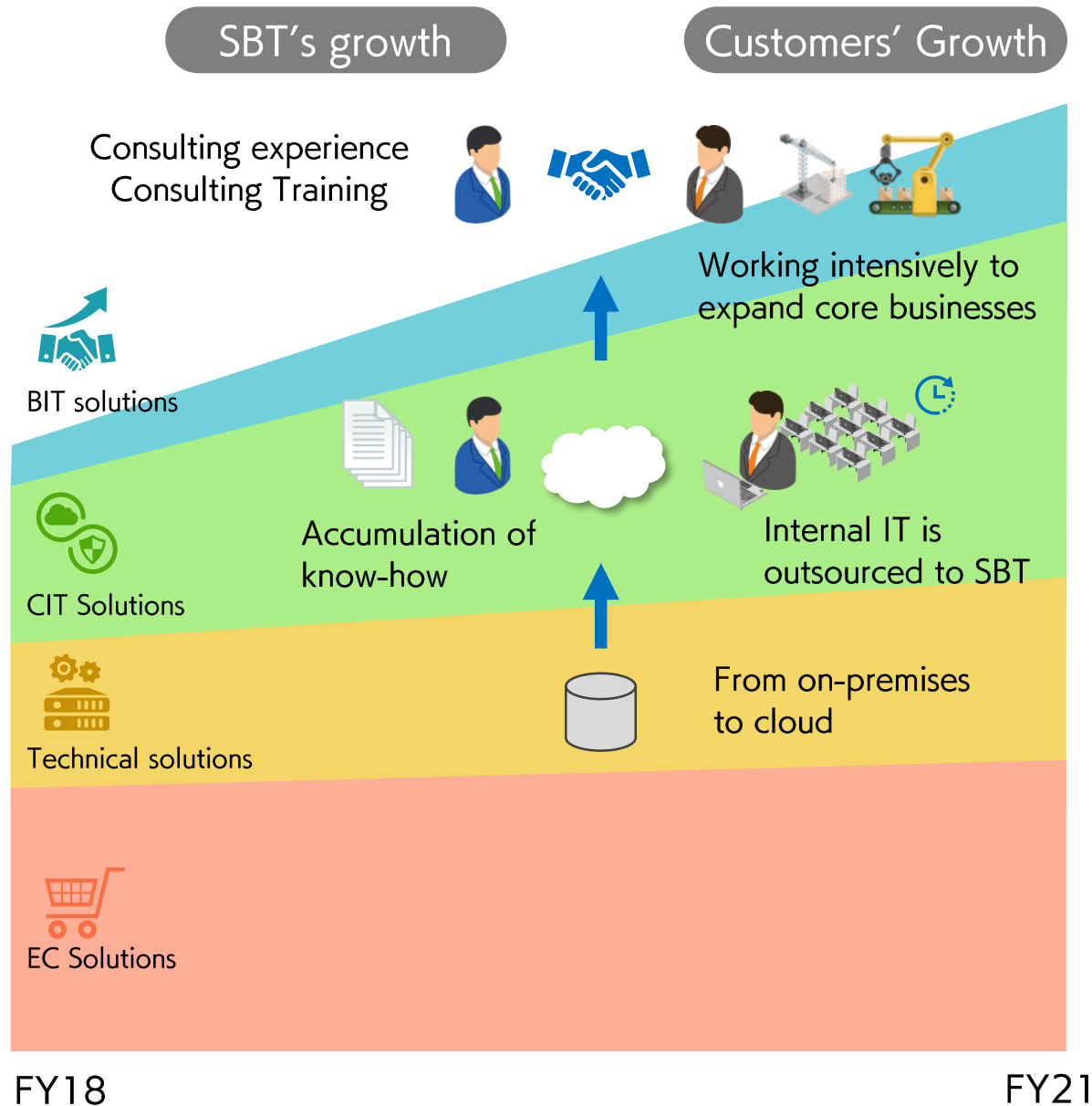
 SoftBank Technology



 **SB Technology**

October 1, 2019 ~

Growth Strategy of the Third Medium-Term Business Plan



Business IT Solutions

Cloud business
(for business divisions)

- Consulting services
- DX Solutions
- AI, IoT Solutions, etc.



Corporate IT Solutions

Cloud business
(for IT system divisions)

- Cloud Integration
- Business efficiency services
- Cloud security services
- Security operation monitoring services
- E-authentication solutions, etc.



Technical solutions

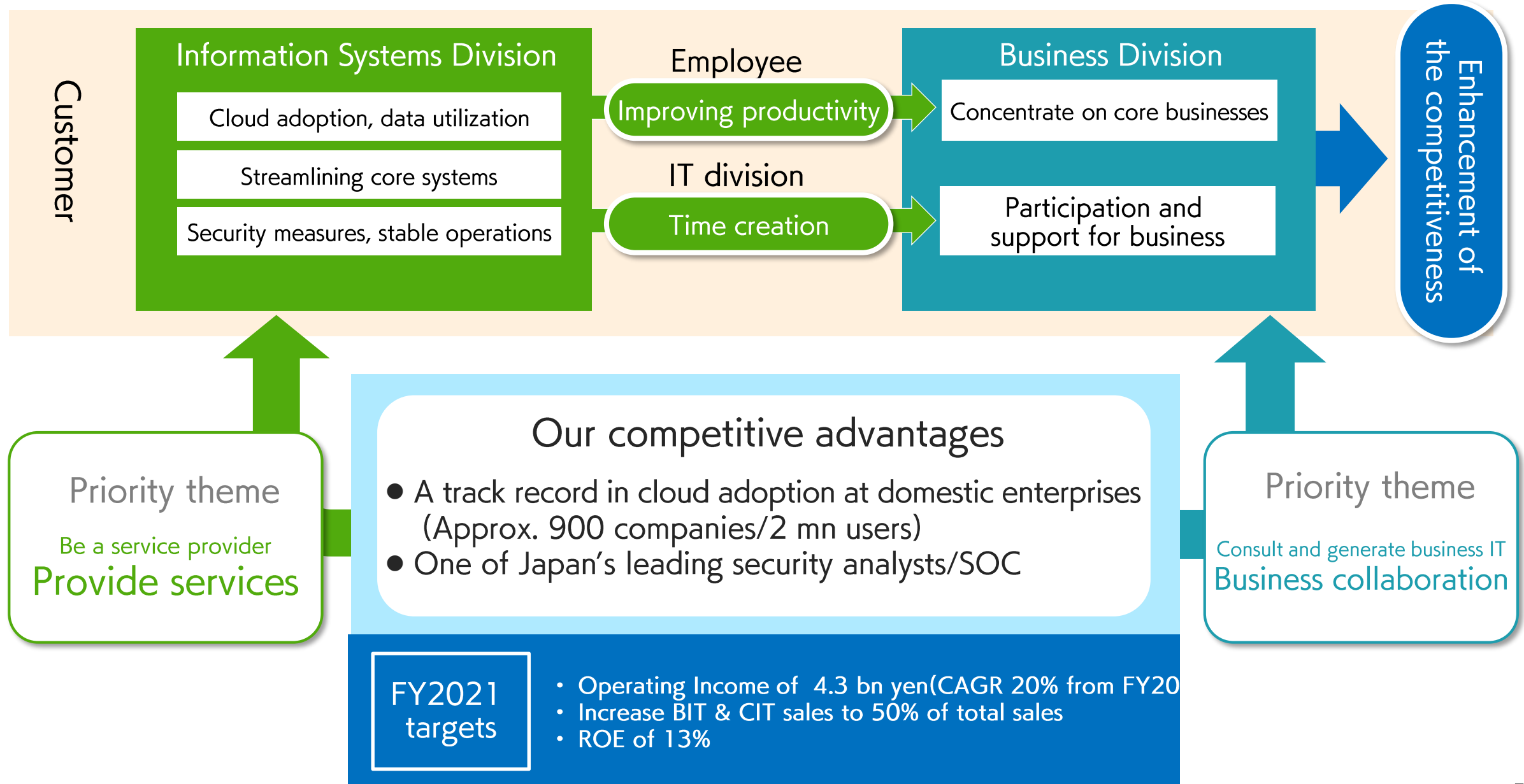
- Development and operation of on-premises (including private cloud computing)
- Equipment sales, construction, operation and maintenance services
- Sales and embedded developments of Linux/OSS related products, etc.



EC Solutions

- Operation of e-commerce sites as agent
- Online sales of font licenses, etc.

Outline of the third medium-term plan



Synergy with SoftBank Corp. (parent company)

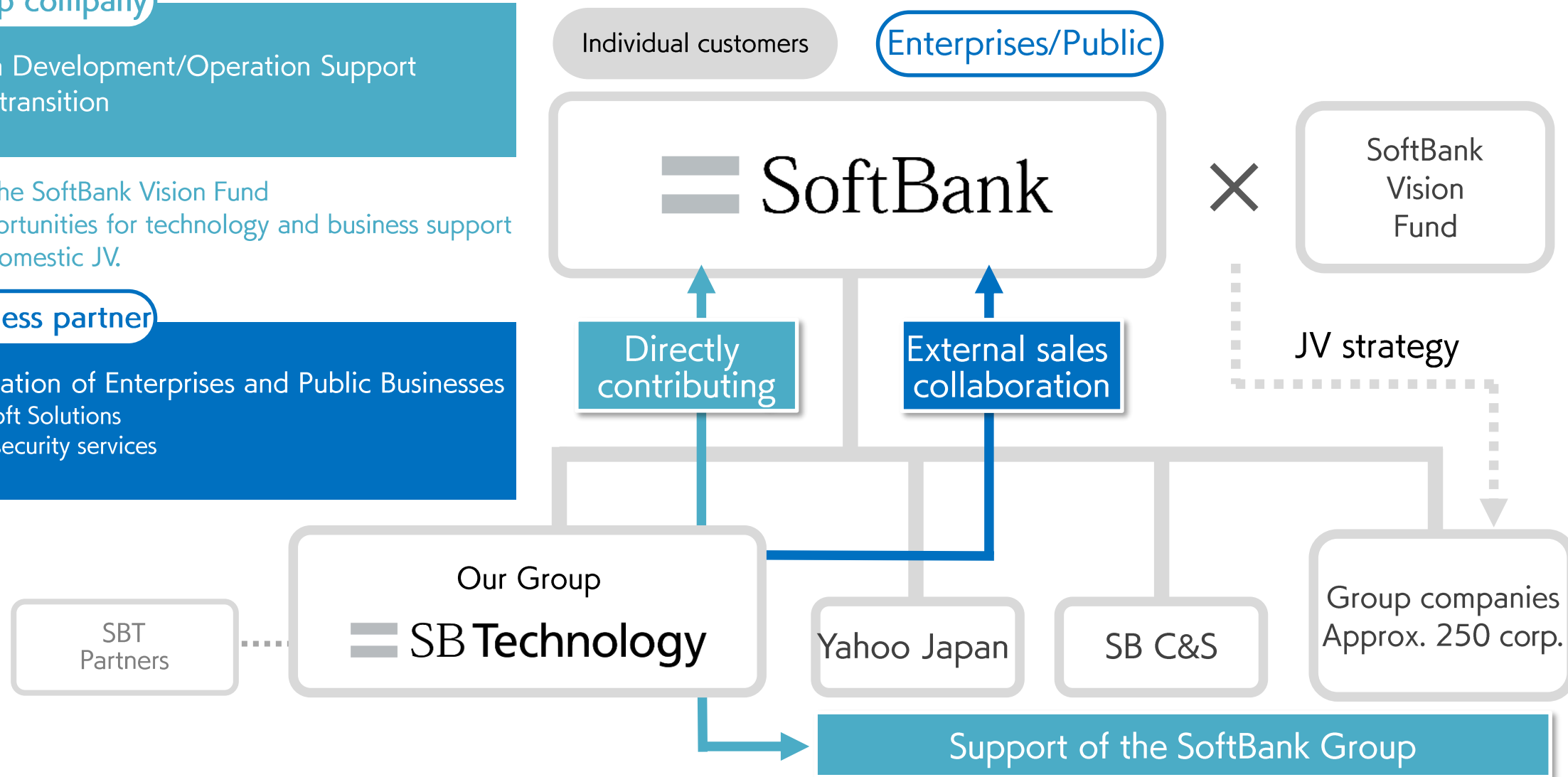
As a group company

- System Development/Operation Support
- Azure transition

⊕ For the SoftBank Vision Fund
Opportunities for technology and business support for domestic JV.

As a business partner

- Collaboration of Enterprises and Public Businesses
- Microsoft Solutions
 - Cloud security services



※ Our parent companies are SoftBank Group Corp., SoftBank Group Japan Corp. and SoftBank Corp. SoftBank Corp. owns our shares directly (54.1%/as of the end of March 2019). SoftBank Group Corp. and SoftBank Group Japan Corp. are the parent companies of SoftBank Corp. and indirectly own our shares.

Financial Results

SB Technology

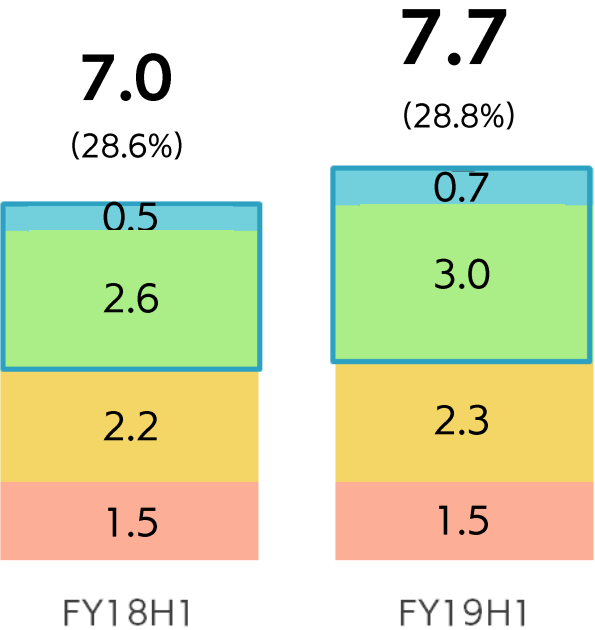
- Net sales grew as planned, and operating income reached a record high despite an increase in fixed costs
- Ordinary income increased 1.7 times due to the recording of a temporary non-operating loss in the previous fiscal year.

(Millions of Yen)	(Profit margin)	FY19H1	FY18H1	Change	Change %
Net sales		26,841	24,561	+2,280	+9.3%
Marginal profit		7,738 (28.8%)	7,013 (28.6%)	+725 (+0.2pt)	+10.3%
Fixed cost		6,397	5,999	+398	+6.6%
Operating income		1,341 (5.0%)	1,014 (4.1%)	+326 (+0.9pt)	+32.2%
Ordinary income		1,341 (5.0%)	778 (3.2%)	+562 (+1.8pt)	+72.2%
Profit attributable to owners of parent Net profit		799 (3.0%)	487 (2.0%)	+312 (+1.0pt)	+64.1%

Sale



Marginal profit

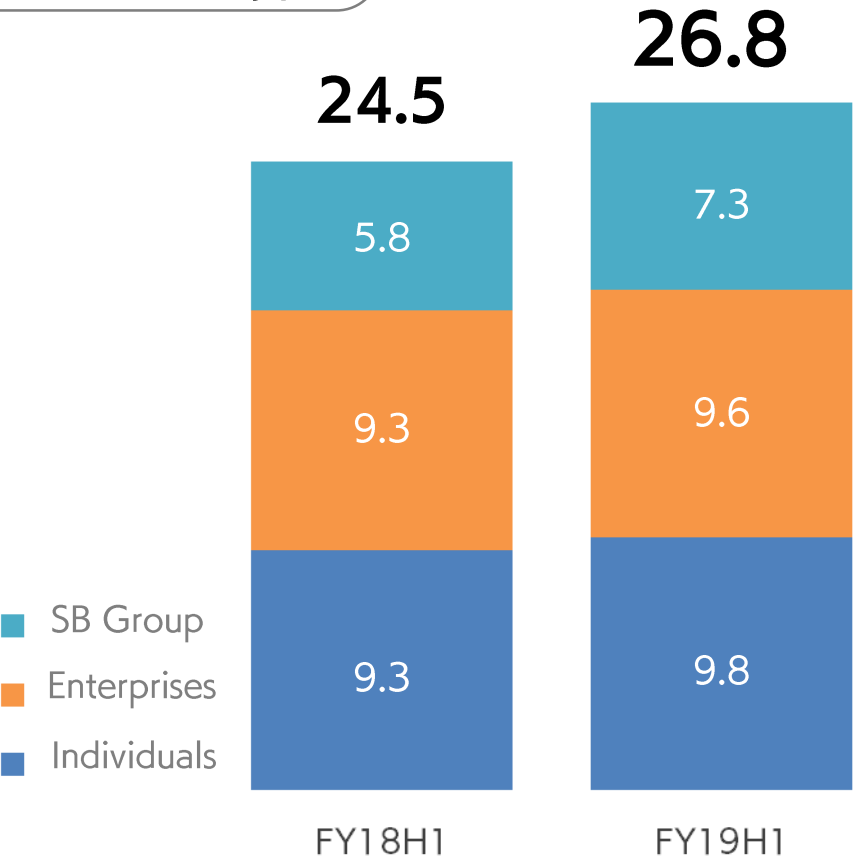


(Billions of yen)
(Profit margin)

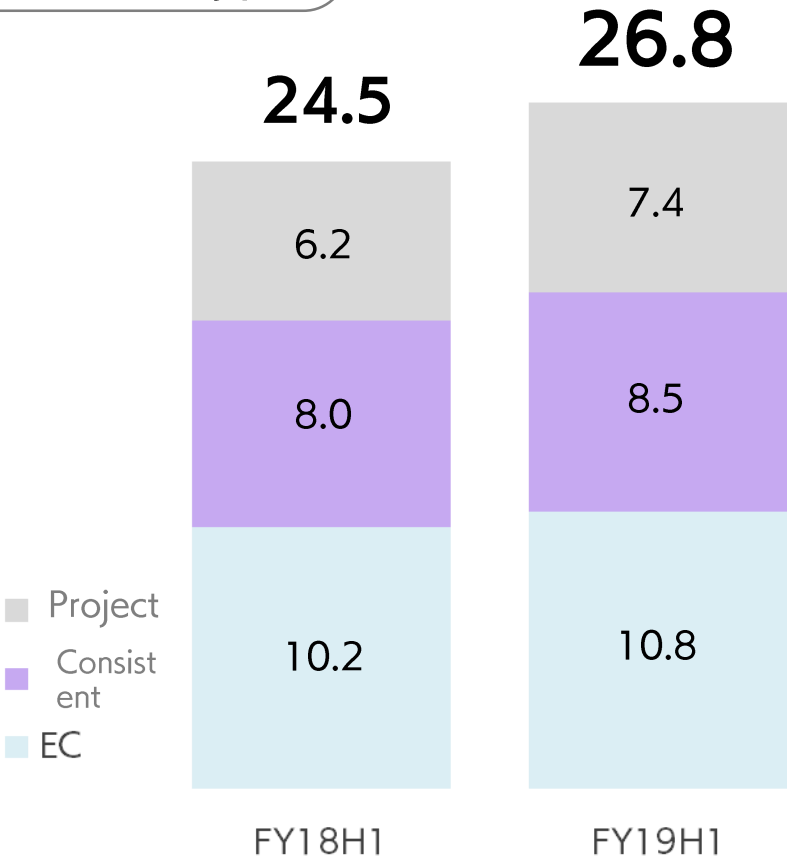
Business IT	Growth in data platform development projects, declining web analysis solutions
Corporate IT	Growth in Microsoft-related solutions, security-related solutions, and proprietary services
Technical	Steady performance in system development and operation BPO
EC	Symantec store management agency business remained strong

(Billions of yen)

By customer type



By business type



SB Group	Strong demand for systems development projects utilizing Azure and BPO operations
Enterprises/Public	CIT (cloud) for the construction industry, CIT (security)and BIT for the manufacturing industry performed well
By business type	Flow: Growth in cloud migration and security measures, stock: Growth in SB Group IT operations

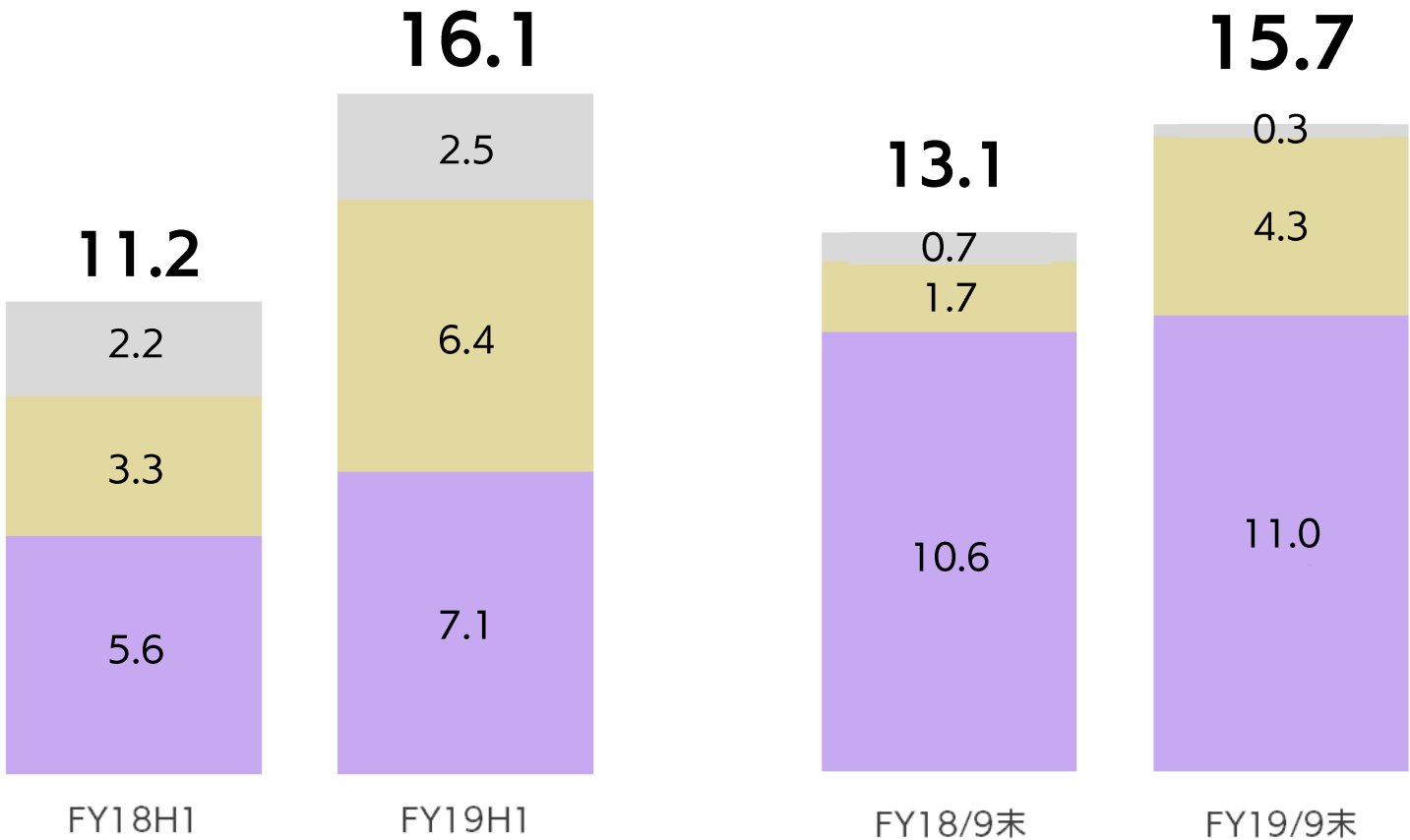
[Non-Consolidated] Orders Received/Order Backlog (Excluding EC Services)

Orders received

Order Backlog

(Billions of yen)

Project	Licensing/HW
	Development
Consistent	Operations & services



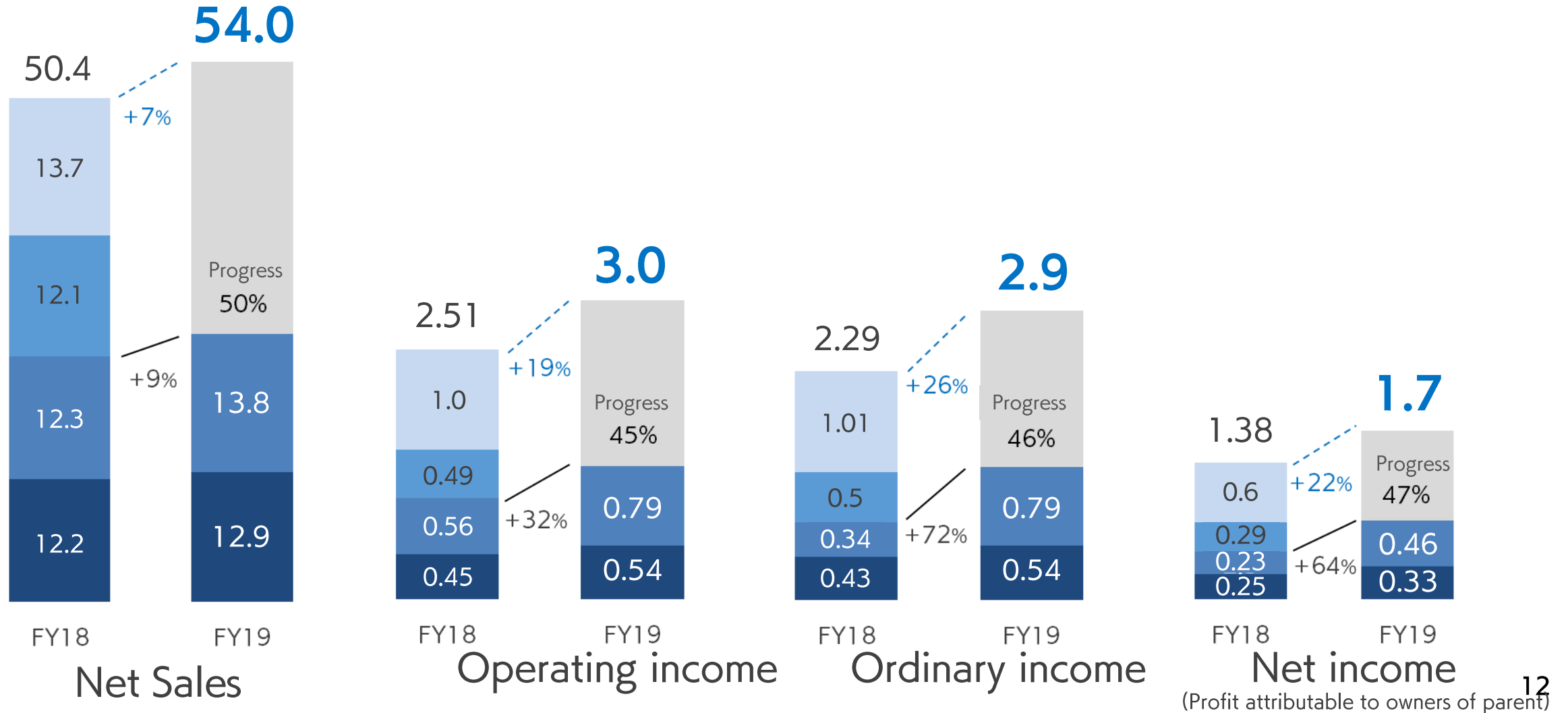
Non-consolidated
order backlog
YoY Up 19.4%

Development	Increased due to large-scale projects by central government agencies and IT support projects for SB group companies
Operation and services	Orders received for large-scale cloud operation projects in the public sector, resulting in an increase in the backlog of stock orders for multiple years

- Progress in 1H as planned
- Continuing to Promote Priority Themes in the Medium-Term Plan to Achieve the Full-Year Plan

(Billions of yen)

■ Q1 ■ Q2 ■ Q3 ■ Q4

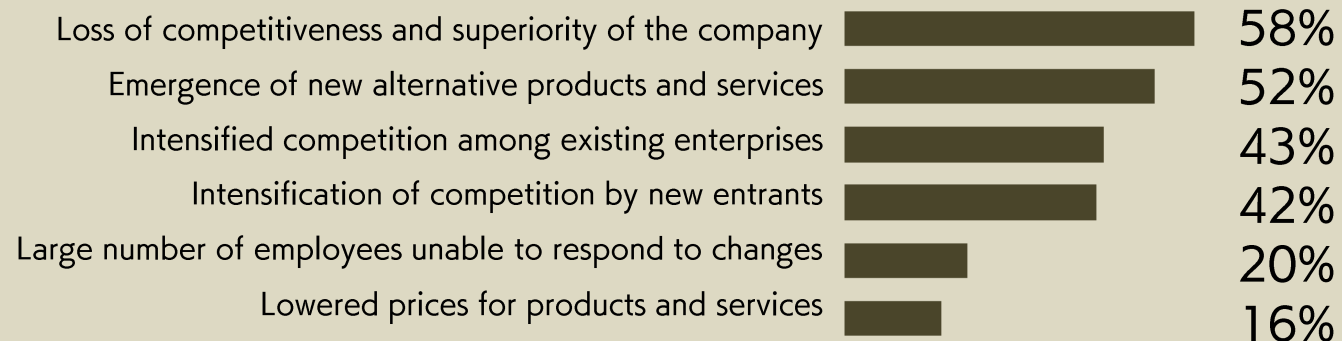


Progress of the Medium-Term Management Plan

 SB Technology

Market Trends (Status of Digital Transformation)

[Customer Interest/Issues] Effects on the Company of Digital Technology Spread Shortage of IT personnel



2017

2025

Approx.
170 k people

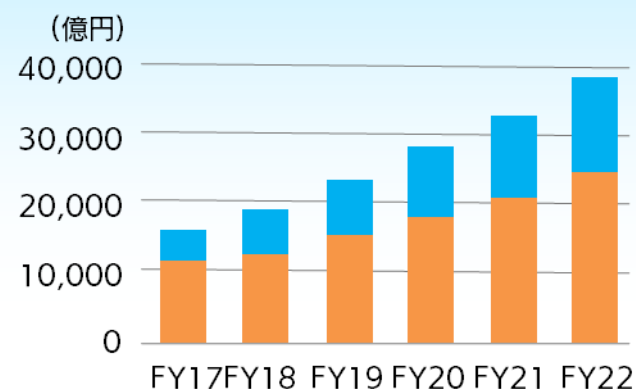
Approx.
430 k people

Cloud First Strategy
Corporate IT investment is active at present.

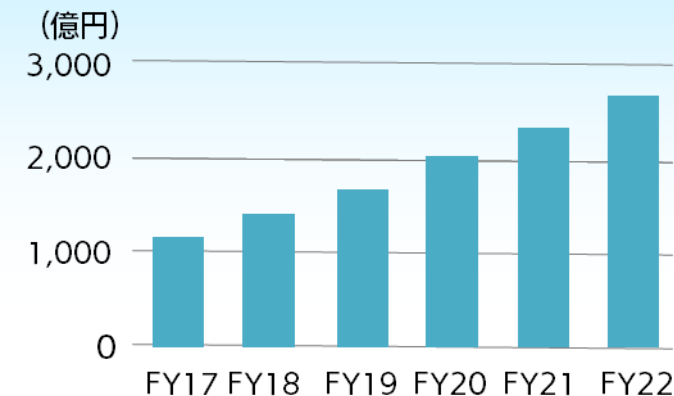
To increase user productivity,
Increased use of cloud security services

Domestic market forecast of cloud services

Public Private



Forecast of Domestic Market Size
for Managed Cloud Security Services





2019 Partner of the Year Finalist
Internet of Things Award



Worldwide | Only Japanese company chosen in the IoT Sector

2019 Partner of the Year finalists (Internet of Things Award)

~ Developing IoT Core Connect, recognized for the Provision of Services to Customers in the Construction/Manufacturing Industry ~

Domestic | Awarded for 6 consecutive years

Microsoft Partner of the Year 2019

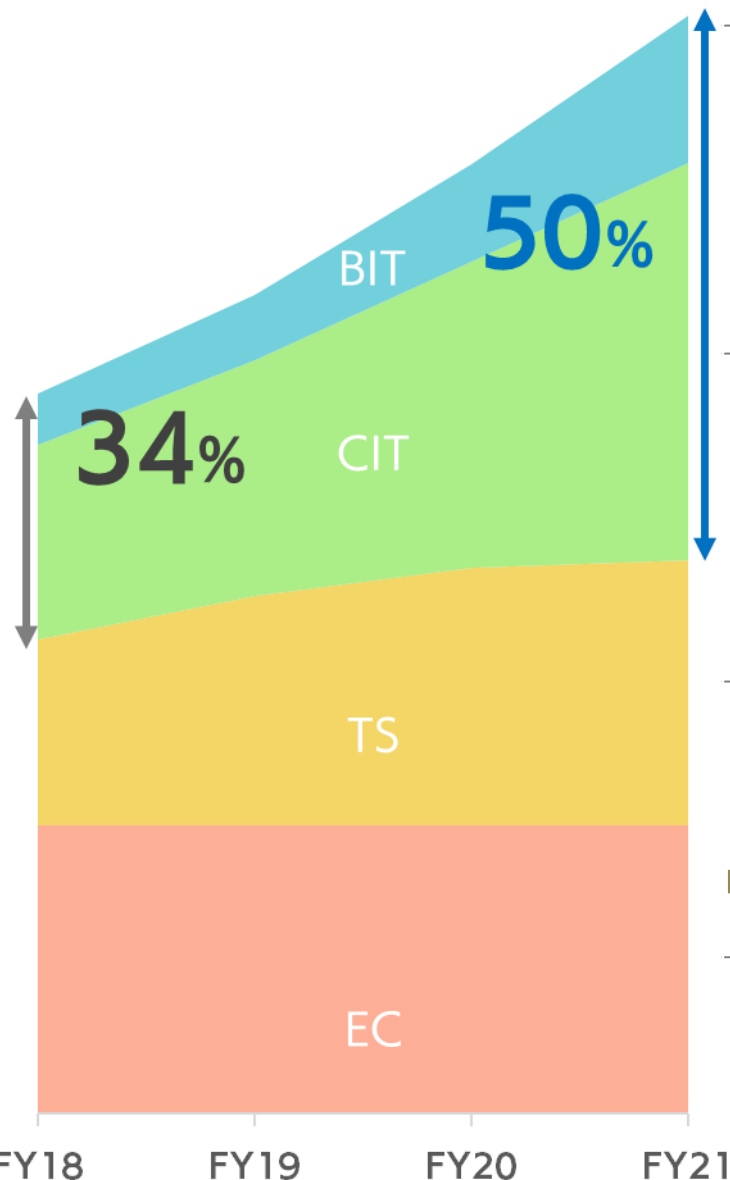
~ Recognized for the Introduction of Cloud IoT Systems Based on Microsoft Azure ~

Company | Work style reforms utilizing Office 365/Teams/Azure

- Participated in Telework Days 2019 as a special cooperation group
- Selected as a Telework Declaration Company by the Ministry of Health, Labour and Welfare as part of its initiative to promote telework

Focus on Microsoft Azure in Public Cloud

Shares of Net Sales



	Segmented	Customer	For what	KSF Key Success Factor
Development area Cloud	Business IT Solutions (BIT) IT support for business operations	<ul style="list-style-type: none"> Enterprises Public SoftBank group companies Target: Business divisions	<ul style="list-style-type: none"> Services for the industry Customer service development 	Creation of Customer Collaboration Alliance
Growth area Cloud	Corporate IT Solution (CIT) Support for in-house IT	<ul style="list-style-type: none"> Enterprises Public SoftBank group companies Target: Information Systems Division	<ul style="list-style-type: none"> Cloud Utilization Services Managed Security Services Package SI 	Sales Partner
Stable base (Opportunity to propose cloud services)	Technical Solutions (TS) On-premise IT support (including private cloud)	Primarily SoftBank group companies	Development and operation BPO (Proposal for cloud adoption)	-
Stable base	EC Solutions (EC) EC Management Agency Services	Primarily individuals	EC Management Agency Services	-



CIT

According to the plan

Policy

Strengthen support for security, especially in the global manufacturing industry

Topics

Received an order for support for security measures from a major manufacturing company.



BIT

According to the plan

Policy

Create IoT cases using IoT Core Connect

Cases

TOSEI Co., Ltd.
Started development of IoT services for laundromats

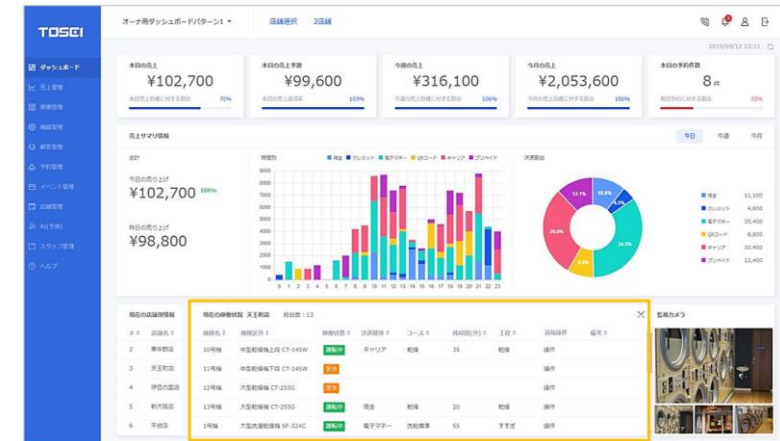


Image of "TOSEI Cloud" services



CIT

According to the plan

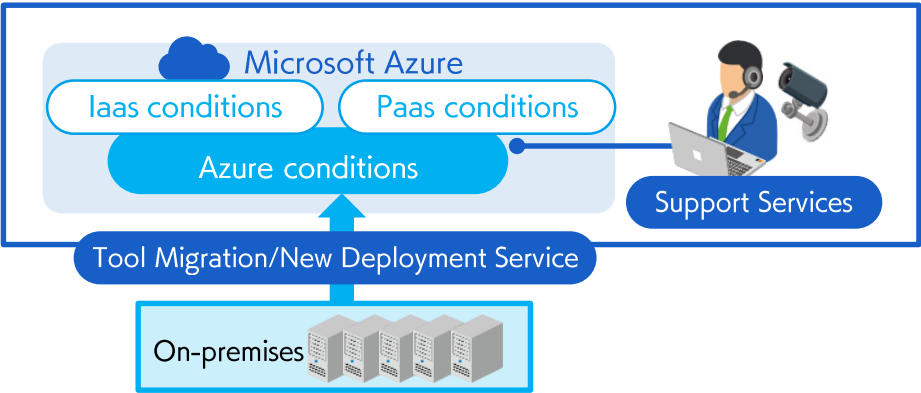
Policy

Provide support primarily for super general contractors with their cloud utilization and workstyle reforms

Cases

Takasago Thermal Engineering Co., Ltd.
Move support-terminated Windows Server to Azure

Cloud Migration Suite (※)



BIT

According to the plan

Policy

Collaborative Innovation through the Introduction of IoT Services

Cases

Asahi Facilities Co., Ltd.
Developed building information platforms in Microsoft Azure

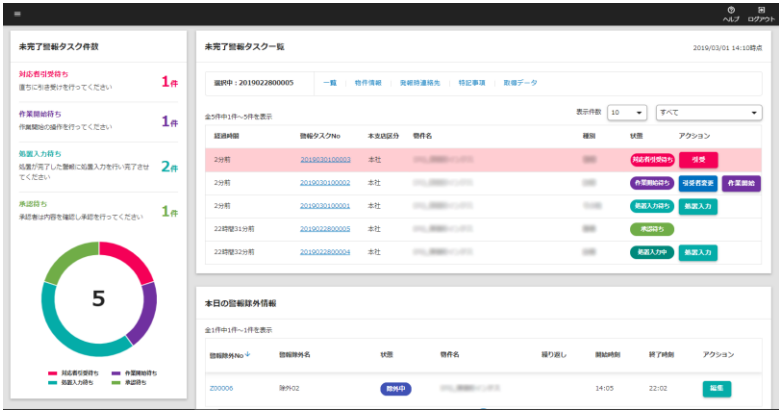


Image: Remote Management System

Progress: Target customers (agriculture)



BIT

Steady progress

Policy

Support DX Strategies promoted by the Ministry of Agriculture, Forestry and Fisheries

Cases

Orders received for phase 1 of a project to build shared application platforms



Paper application



Receipt at the point of contact



Mailing



Acceptance of an application



Electronic application

About 2.5 k types in the future
Electronic application



Electronic acceptance



BIT

According to the plan

Policy

Promote the expansion of agricultural platforms

Cases

New Agricultural Platform Service Beta Released



As a group company

Steady progress

- System Development/Operation Support
- Azure migration, security/SOC(*) support

※ SOC: Organization and structure for detecting and analyzing cyber attacks at Security Operations Centers
24 hours a day, 365 days a year

Policy

Expansion of IT support areas

Topics

- Introduced Azure and increased cloud systems
- Increasing support for security measures
- Increase in orders for system development and operation support

According to the plan

As a business partner

- Collaboration of Corporate and Public Businesses
 - Microsoft solutions
 - Cloud security services

Policy

Strengthening of clouXion and IoT-related collaboration

Topics

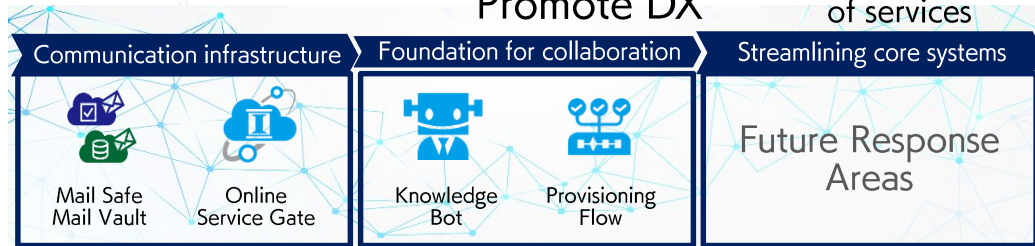
- IoT Core Connect, the Microsoft Azure-based platform, was adopted for a turbo blowers monitoring service
- Linked to SoftBank's UniTalk cloud voice service, which expands Microsoft Teams's voice functions

Progress: Unique services



According to the plan

Supporting Companies to Promote DX ※ Examples of services

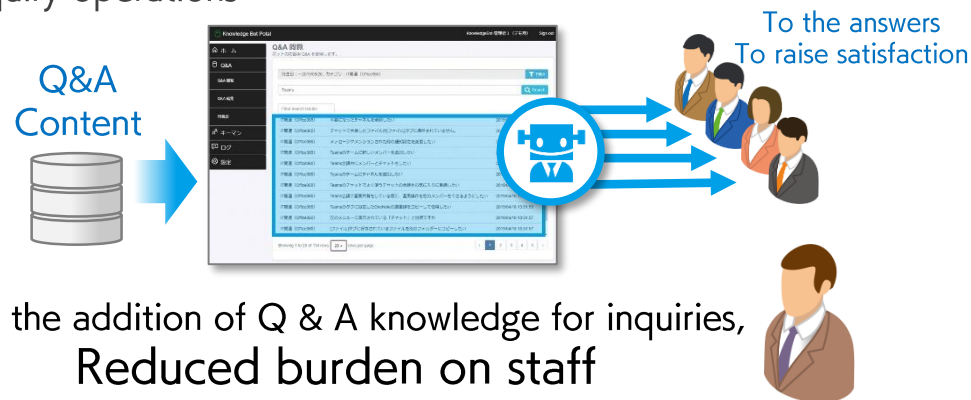


Sales +32% (YoY)

Topics

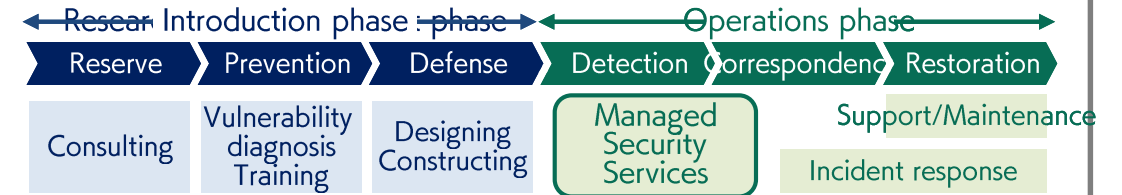
Expansion of Knowledge Bot options

Began providing Office 365 Q&A content that streamlines inquiry operations



Managed Security Service

According to the plan

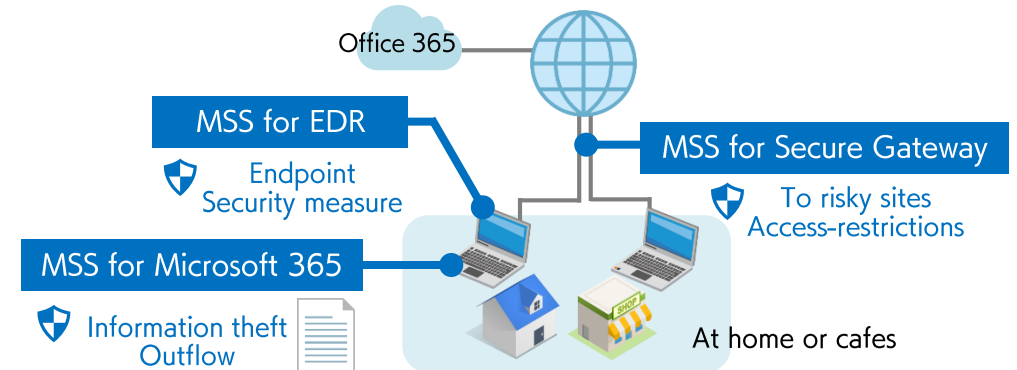


Sales: +83% (YoY)

Topics

Expanding Services to Support Work Style Reform

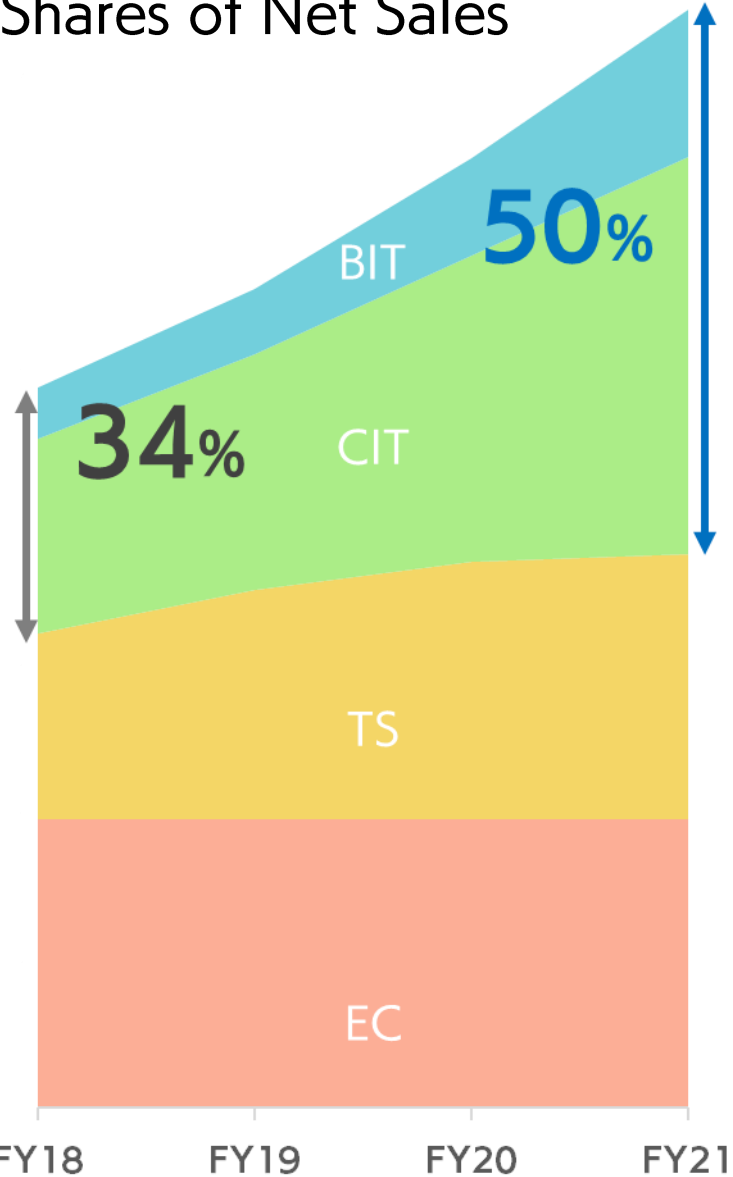
Comprehensive coverage of security priority items required for expanding telework

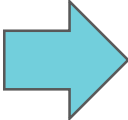


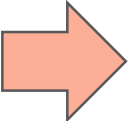


Aiming for Consolidated Operating Income
of JPY4.3 bn in FY2021

[Top Focus]
Global manufacturing, construction and agriculture

Shares of Net Sales



	Segmented	Customer	Progress of the strategy
Areas of development	Business IT Solutions (BIT)	<ul style="list-style-type: none">EnterprisesPublicSoftBank group companies	 Planting
Cloud	IT support for business operations	Target: Business divisions	
Growth area	Corporate IT Solution (CIT)	<ul style="list-style-type: none">EnterprisesPublicSoftBank group companies	 Growth in line with plan
Cloud	Support for in-house IT	Target: Information Systems Division	
Stable base	Technical Solutions (TS)	Primarily SoftBank group companies	 Growth in line with plan
(Opportunity to propose cloud services)	On-premise IT support (including private cloud)		
Stable base	EC Solutions (EC)	Primarily individuals	 Solid performance
EC Management Agency Services			

Information Revolution — Happiness for everyone

~Technologies Design the Future~

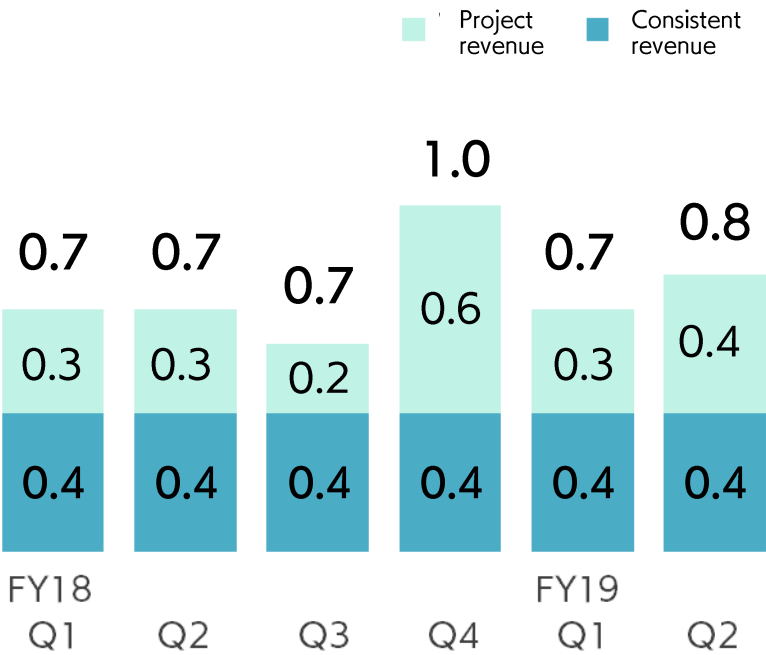
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Overview of each solution

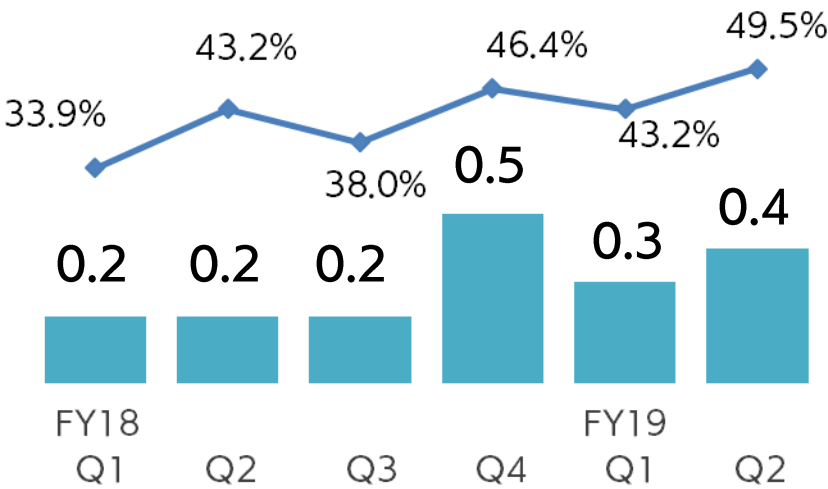
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(Billions of yen)

Net sales



Marginal profit



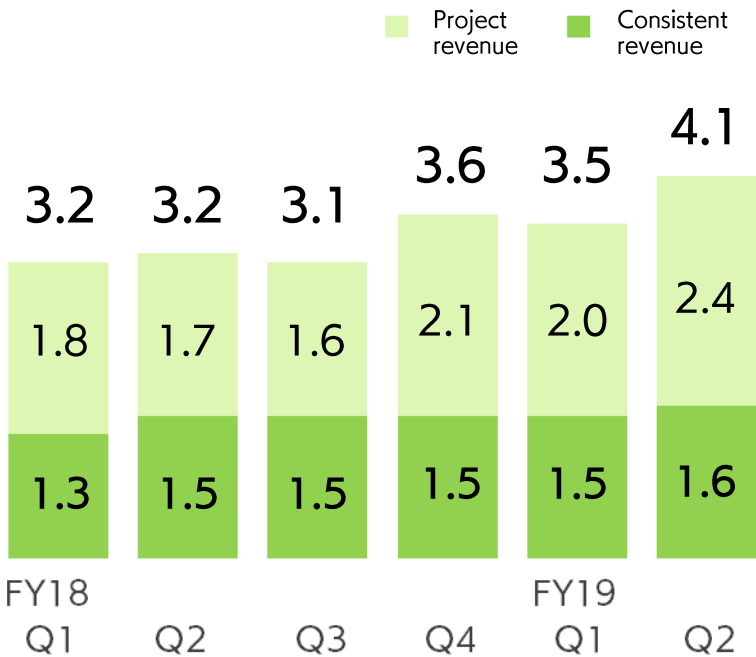
Business IT Solutions

Cloud business for business divisions
Main Customers: Corporate/Public

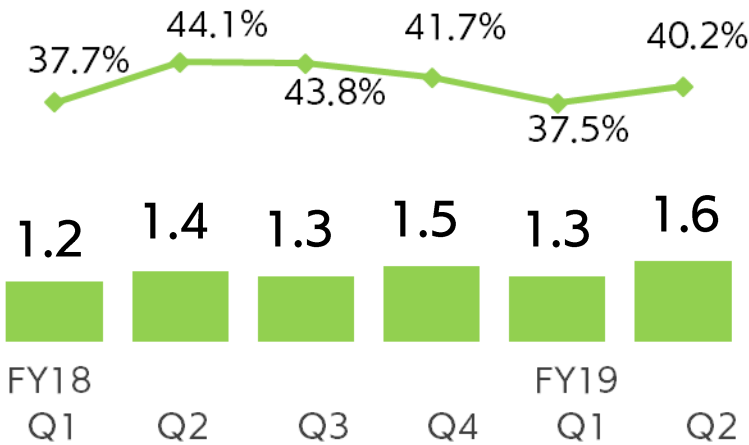
Increase in data platform construction projects for manufacturers and cloud development projects for central government ministries and agencies, and a contraction in web site analysis solutions for EC businesses.

(Billions of yen)

Net sales



Marginal profit



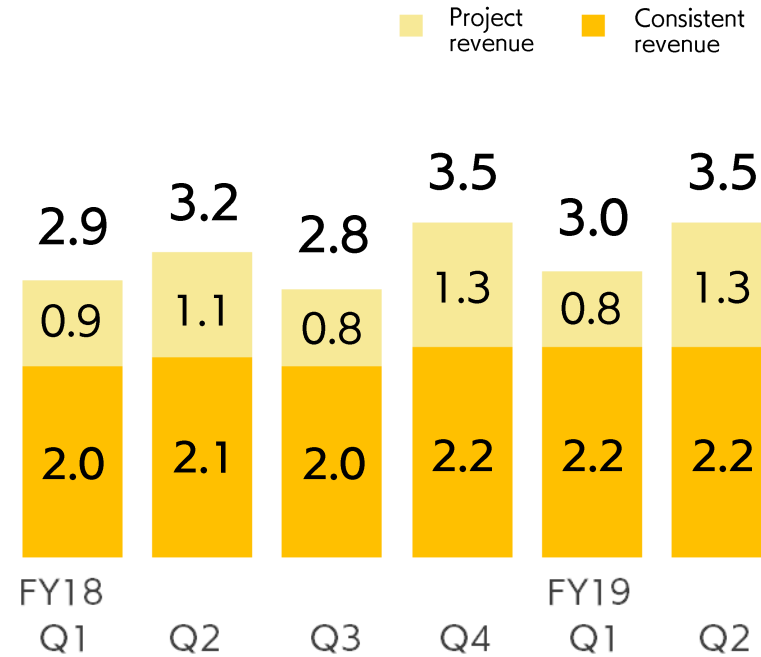
Corporate IT Solutions

Cloud business for corporate and administrative departments
Main Customers: Corporate/Public

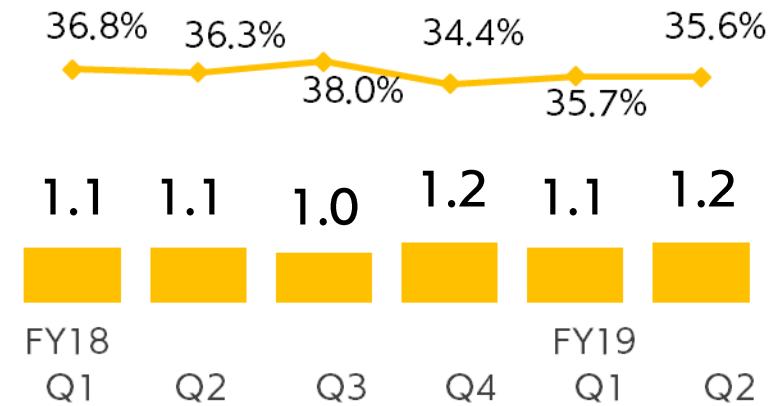
Security-related solutions performed strongly, particularly in manufacturing. Sales and profits rose on growth in our own services, including Microsoft Solutions and clouXion Managed Security Services.

(Billions of yen)

Net sales



Marginal profit



Technical solutions

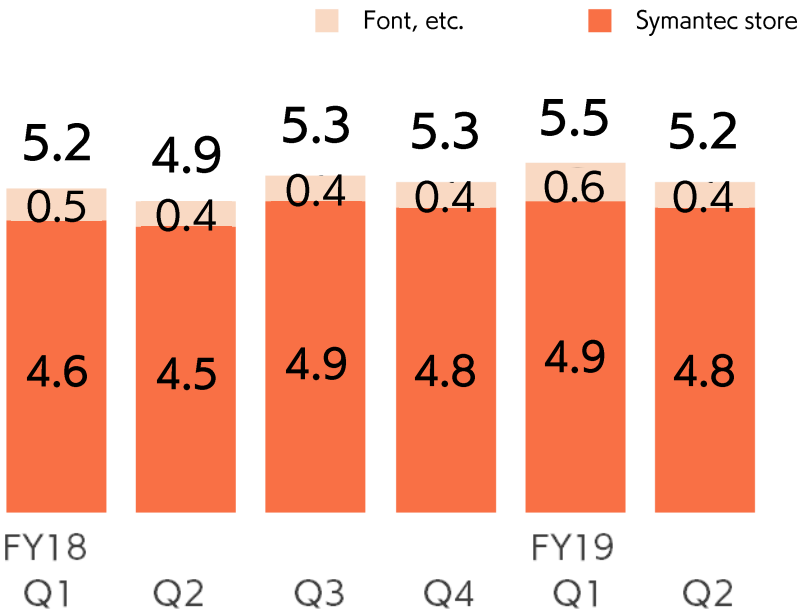
Construction, operation and maintenance of on-premises systems
Major Customers: SoftBank Group Companies

Projects for development and operation services for the SoftBank Group remained solid.

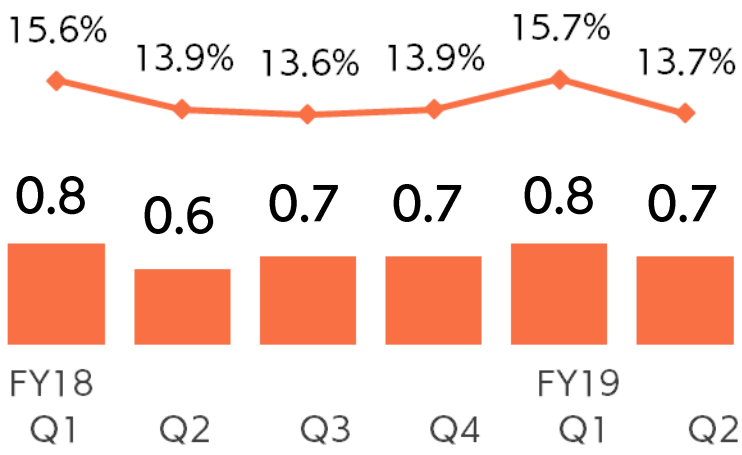
(Billions of yen)

Net sales

※ECソリューションはビジネスモデルの特性上、フロー/ストックで分類しておりません。



Marginal profit



EC Solutions

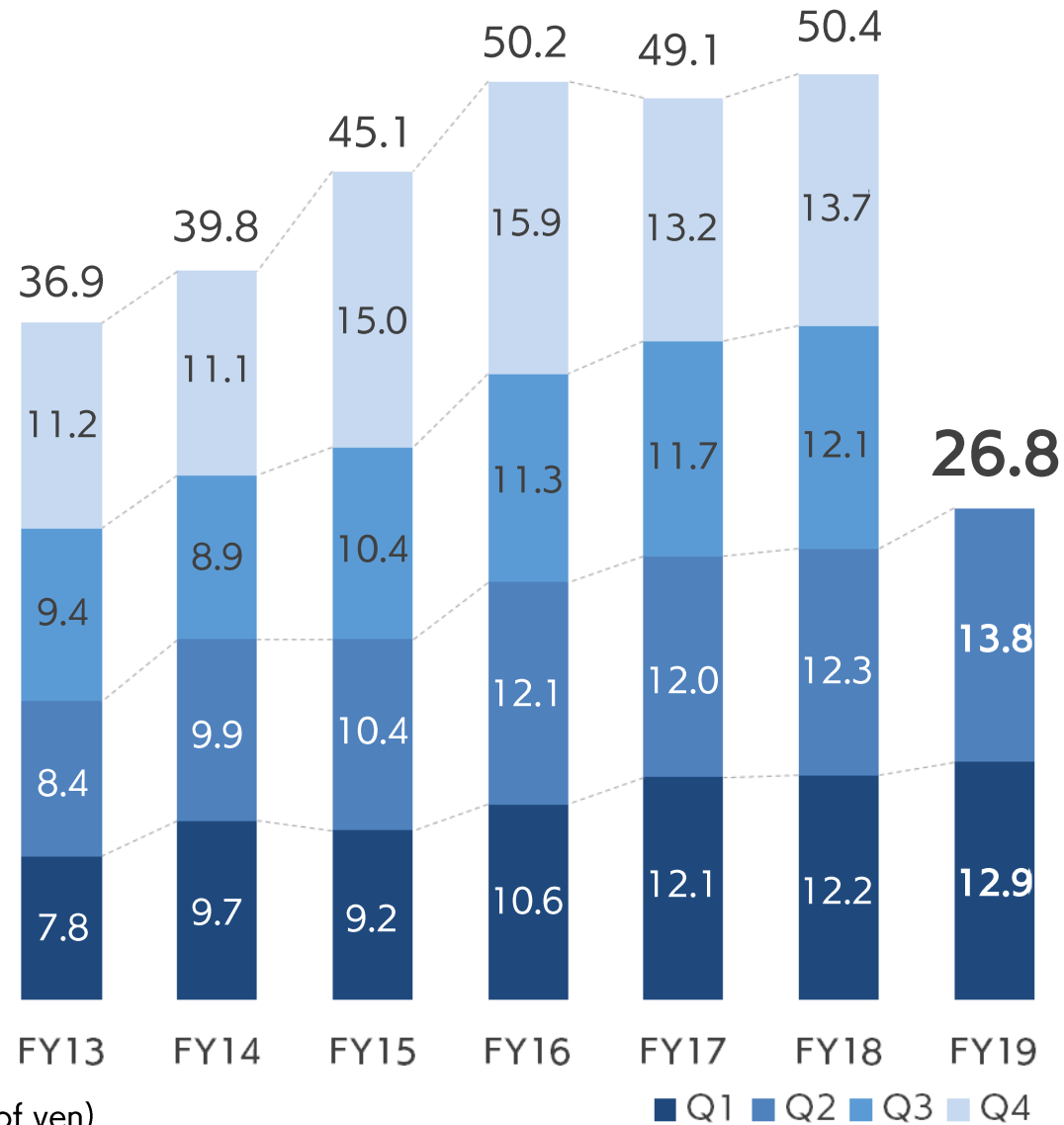
EC site management agency/Font license sales
Main customers: Individuals

Following on from Q1, Symantec store management agency business remained strong.

Numerical data

 SB Technology

(Millions of Yen)	(Profit margin)	FY19Q2	FY18Q2	Change	Change %
Net sales		13,872	12,303	+1,569	+12.8%
Marginal profit		4,095 (29.5%)	3,607 (29.3%)	+488 (+0.2pt)	+13.5%
Fixed cost		3,300	3,043	+257	+8.5%
Operating income		794 (5.7%)	563 (4.6%)	+230 (+1.1pt)	+41.0%
Ordinary income		796 (5.7%)	347 (2.8%)	+449 (+2.9pt)	+129.6%
Profit attributable to owners of parent Net profit		469 (3.4%)	231 (1.9%)	+237 (+1.5pt)	+102.9%

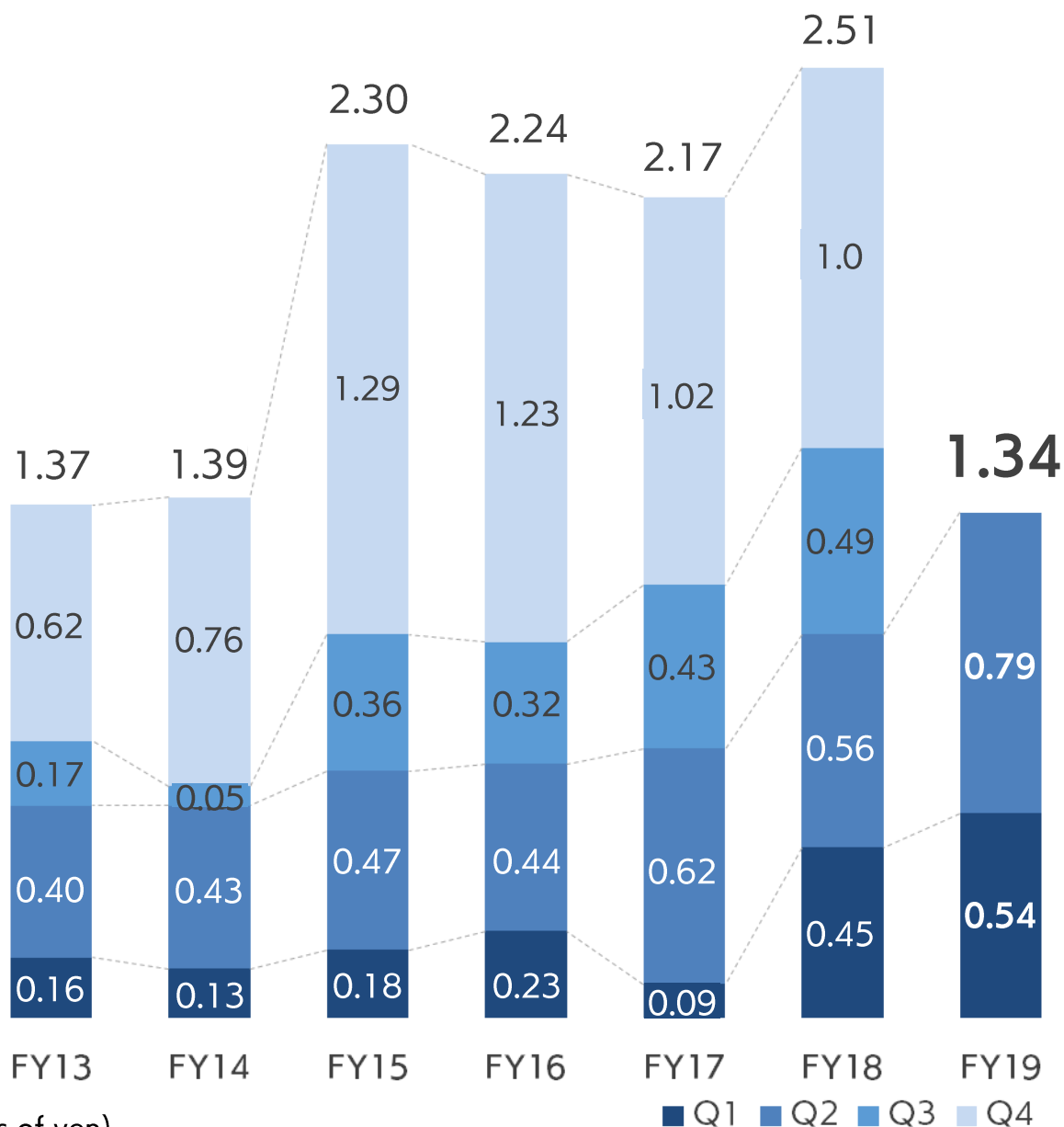


Q2 sales (YoY)
Increase of 12.8%

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

1H Operating Income (YoY)
Increase of 32.2%

Q2 Operating Income (YoY)
Increase of 41.0%



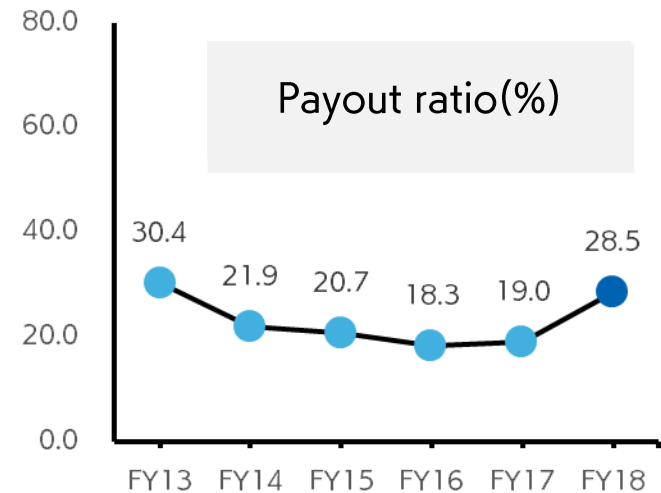
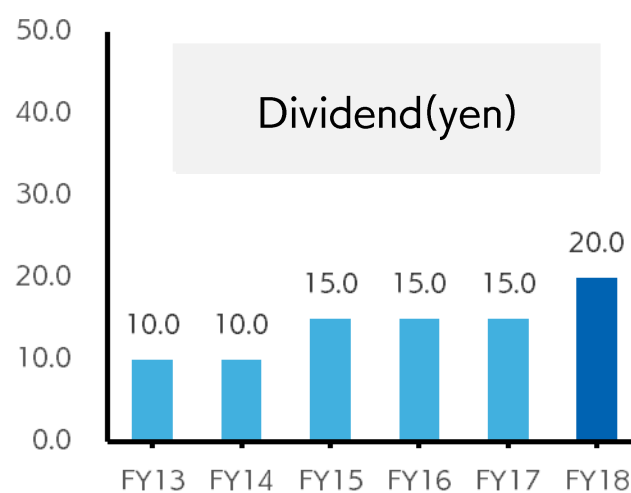
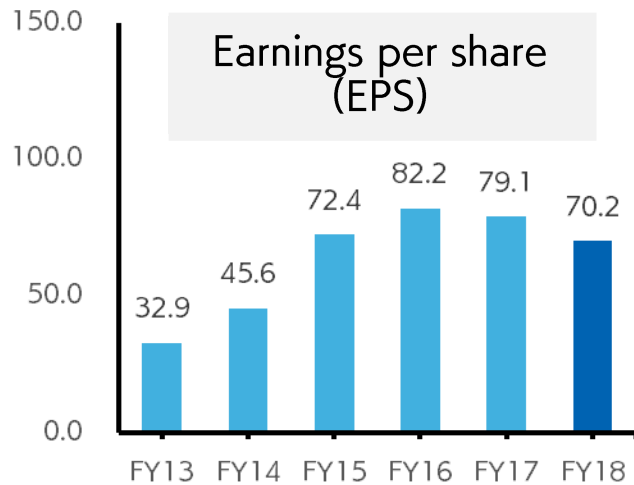
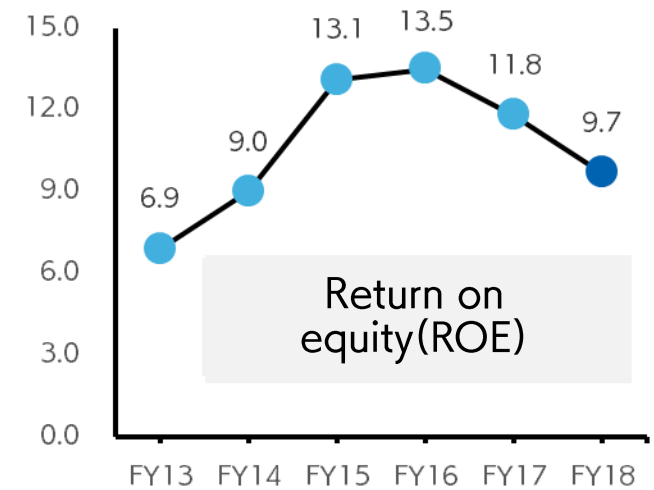
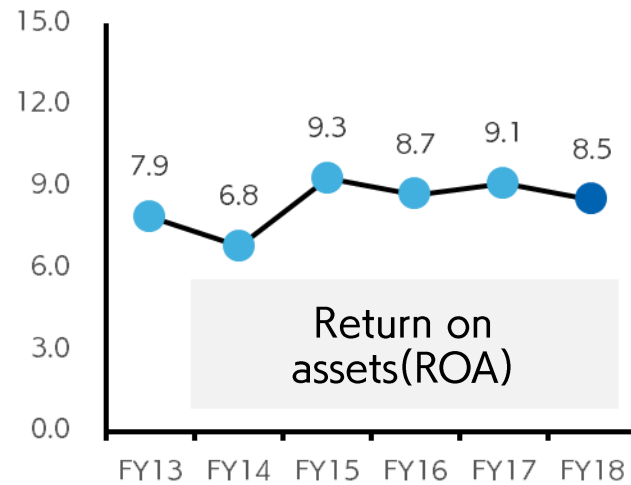
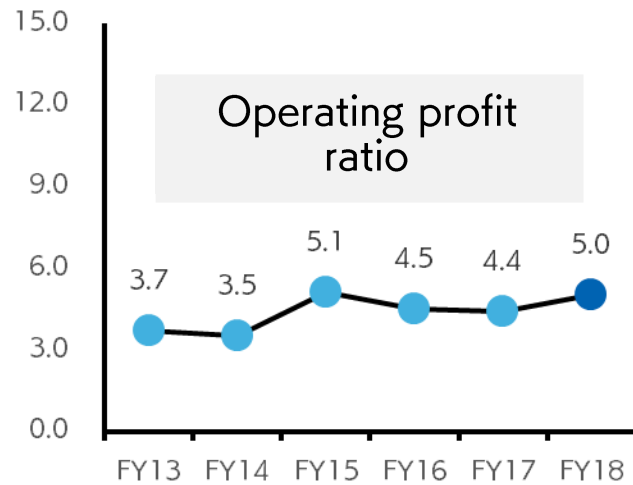
Consolidated Results (Millions of yen)	FY18H1	FY19H1
Sale	24,561	26,841
BIT solution	1,557	1,654
CIT Solutions	6,502	7,750
Technical solutions	6,263	6,605
EC Solutions	10,237	10,831
Cost of sales	20,545	22,353
Gross profit	4,015	4,488
SG&A expenses	3,001	3,147
Operating income	1,014	1,341
Other Income and Expenses	▲235	0
Ordinary income	778	1,341
Extraordinary gain/loss	23	▲14
Net profit attributable to owners of parent	487	799
Marginal profit	7,013	7,738
Fixed cost	5,999	6,397

YoY	
Change	Change %
+2,280	+9.3%
+96	+6.2%
+1,247	+19.2%
+342	+5.5%
+593	+5.8%
+1,807	+8.8%
+472	+11.8%
+145	+4.9%
+326	+32.2%
+236	-
+562	+72.2%
▲37	-
+312	+64.1%
+725	+10.3%
+398	+6.6%

Consolidated Results (Millions of yen)	FY18Q1	FY18Q2	FY18Q3	FY18Q4	FY18	FY19Q1	FY19Q2
Sale	12,258	12,303	12,162	13,706	50,430	12,969	13,872
BIT solution	768	789	743	1,091	3,393	767	886
CIT Solutions	3,255	3,246	3,186	3,680	13,369	3,568	4,181
Technical solutions	2,992	3,270	2,854	3,556	12,674	3,085	3,520
EC Solutions	5,241	4,995	5,377	5,377	20,993	5,548	5,283
Cost of sales	10,323	10,222	10,149	11,277	41,973	10,873	11,479
Gross profit	1,935	2,080	2,012	2,428	8,457	2,096	2,392
SG&A expenses	1,485	1,516	1,513	1,427	5,943	1,550	1,597
Operating income	450	563	499	1,000	2,513	546	794
Other Income and Expenses	▲18	▲216	1	11	▲222	▲0	1
Ordinary income	431	347	500	1,011	2,291	545	796
Extraordinary gain/loss	0	23	▲3	▲55	▲35	0	▲14
Net profit attributable to owners of parent	256	231	293	605	1,386	330	469
Marginal profit	3,406	3,607	3,495	4,012	14,521	3,642	4,095
Fixed cost	2,955	3,043	2,996	3,011	12,008	3,096	3,300

(Millions of yen)		FY18Q1	FY18Q2	FY18Q3	FY18Q4	FY18	FY19Q1	FY19Q2	FY18H1	FY19H1	YoY	
											Change	Change%
Total	Sale	12,258	12,303	12,162	13,706	50,430	12,969	13,872	24,561	26,841	+2,280	+9.3%
	Marginal profit	3,406	3,607	3,495	4,012	14,521	3,642	4,095	7,013	7,738	+725	+10.3%
	Profit ratio	27.8%	29.3%	28.7%	29.3%	28.8%	28.1%	29.5%	28.6%	28.8%	+0.2pt	-
BIT solution	Sale	768	789	743	1,091	3,393	767	886	1,557	1,654	+96	+6.2%
	Marginal profit	260	294	282	506	1,343	331	438	554	770	+216	+38.9%
	Profit ratio	33.9%	37.3%	38.0%	46.4%	39.6%	43.2%	49.5%	35.6%	46.6%	+11.0pt	-
CIT Solutions	Sale	3,255	3,246	3,186	3,680	13,369	3,568	4,181	6,502	7,750	+1,247	+19.2%
	Marginal profit	1,226	1,430	1,396	1,533	5,585	1,339	1,681	2,656	3,020	+364	+13.7%
	Profit ratio	37.7%	44.1%	43.8%	41.7%	41.8%	37.5%	40.2%	40.9%	39.0%	▲1.9pt	-
TS Solutions	Sale	2,992	3,270	2,854	3,556	12,674	3,085	3,520	6,263	6,605	+342	+5.5%
	Marginal profit	1,102	1,187	1,085	1,225	4,600	1,101	1,252	2,289	2,353	+63	+2.8%
	Profit ratio	36.8%	36.3%	38.0%	34.4%	36.3%	35.7%	35.6%	36.6%	35.6%	▲1.0pt	-
EC Solutions	Sale	5,241	4,995	5,377	5,377	20,993	5,548	5,283	10,237	10,831	+593	+5.8%
	Marginal profit	817	695	731	747	2,992	870	723	1,512	1,593	+80	+5.4%
	Profit ratio	15.6%	13.9%	13.6%	13.9%	14.3%	15.7%	13.7%	14.8%	14.7%	▲0.1pt	-
Total of core businesses (BIT+CIT)	Sale	4,024	4,036	3,930	4,772	16,762	4,335	5,068	8,060	9,404	+1,344	+16.7%
	Marginal profit	1,486	1,724	1,678	2,039	6,929	1,671	2,120	3,211	3,791	+580	+18.1%
	Profit ratio	36.9%	42.7%	42.7%	42.7%	41.3%	38.6%	41.8%	39.8%	40.3%	+0.5pt	35

(Millions of yen)	End of September, 2018	End of March, 2019	End of September, 2019	YoY	YoY
Current assets	17,822	20,008	20,089	81	2,266
Cash and deposits	7,899	8,728	9,271	542	1,372
Accounts receivable and other receivables	8,106	10,011	9,029	△ 982	922
Fixed assets	7,718	7,484	7,879	394	160
Tangible fixed assets	1,346	1,220	1,279	58	△ 67
Intangible fixed assets	3,181	3,068	3,070	2	△ 110
Investments and other assets	3,190	3,194	3,529	334	338
Total assets	25,540	27,492	27,968	475	2,427
Current liabilities	9,452	10,212	10,067	△ 145	614
Long-term liabilities	1,329	1,422	1,320	△ 101	△ 9
Net assets	14,758	15,857	16,580	723	1,822



(*) 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.

Corporate Information

 SB Technology

Management philosophy

Mission

Information Revolution - Happiness for everyone

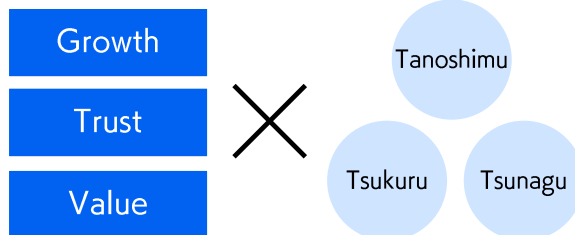
~ Technologies Design the Future ~

Vision

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

Value

Accept Diversity
Three Perspectives x Three Actions



Corporate Data

(As of March 31, 2019)

Trade Name	SB Technology Corp. (*)
Address	27-30, Shinjuku 6-chome, Shinjuku-ku, Tokyo
Description of Businesses	ICT services business
Establishment	October 16, 1990
Common stock	JPY 995 mn
Number of employees	1,012 (consolidated)

(*) The company name was changed to SB Technology Corporation as of October 1, 2019.

Officers

(As of June. 17, 2019)

Board of Directors and Corporate Auditors

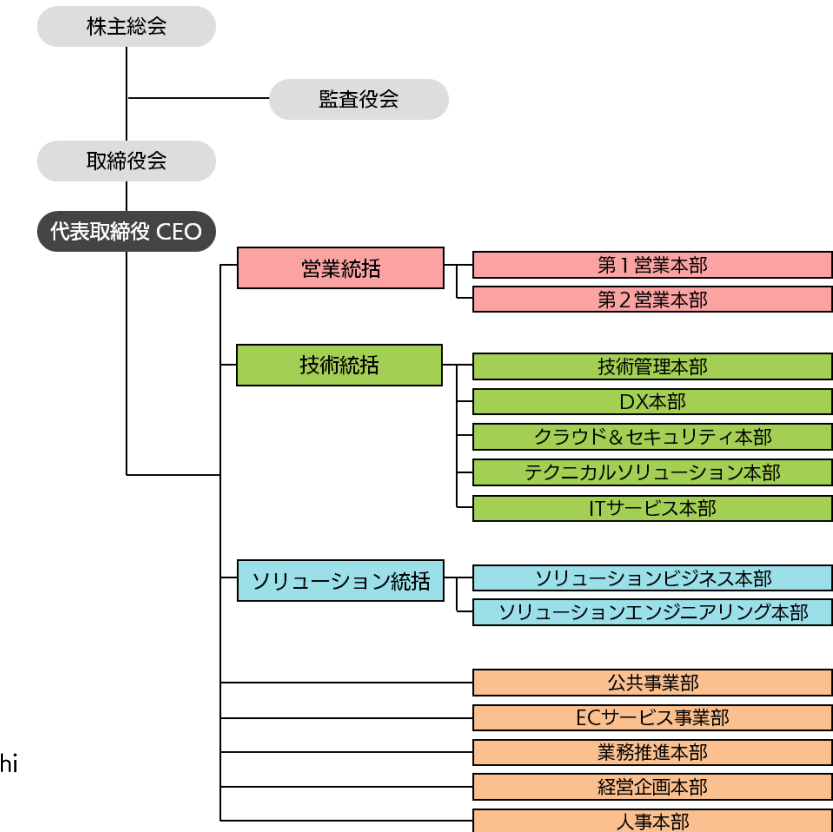
Representative Director	Shinichi Ata	Chairman of Audit & Supervisory Board	Mitsumasa Ueno
Director	Mitsuhiro Sato		
Director	Yukimasa Goto		
Director	Akira Kitamura	Audit & Supervisory Board Member	Haruhiko Hirose
Director	Takashi Kodama		
Director	Kimihiko Kaneko	Audit & Supervisory Board Member	Michiaki Nakano
External Member of the Board	Shigeo Suzuki		
External Member of the Board	Yoshie Munakata	Audit & Supervisory Board Member	Naito Takashi

Executive Officers

President & CEO	Shinichi Ata
Senior Executive Vice President	Mitsuhiro Sato
Executive Vice President	Yukimasa Goto
Senior Vice President	Akira Kitamura
Senior Vice President	Takashi Kodama
Vice President	Seiichi Masaoka
Vice President	Tetsuya Shimizu .

Organizational Chart

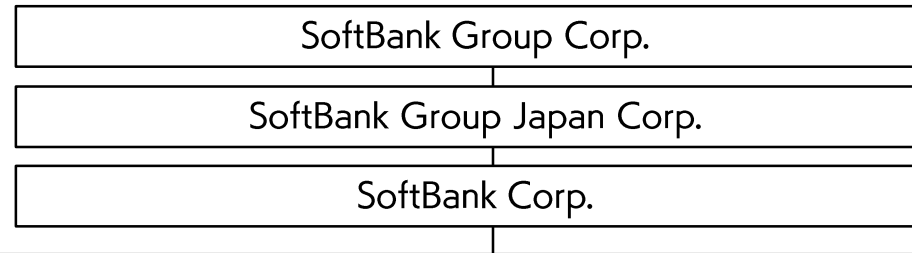
(As of April 1, 2019)



Certification and accreditation

(As of April 1, 2019)





SB Technology



M-SOLUTIONS, Inc.

System design, development and operation services, mobile apps and mobile video distribution services



Fontworks

FONTWORKS Incorporated

Planning, development and sales of digital fonts, software development, technical services, and OEM



KAN

Kan Corporation

IT literacy education support, web marketing and consulting, and analytical tools



cybertrust

CyberTrust Japan Co., Ltd.

IoT Business, OSS/Linux Business, Certification/Security Business



ASORA Tech Corp.

Providing ICT-based solutions and comprehensive ICT services in agriculture



REDEN Corp.

Provision of ICT services to support the revitalization of the agricultural growth cycle, such as the utilization of agricultural land information and agricultural management support services using the Internet

No. 1 track record
in cloud implementation
for enterprises and public offices

SB Technology Corp.

ICT services



Business IT Solutions

Cloud business
(for business divisions)

- Consulting service
- DX Solutions
- AI, IoT Solutions, etc.



Corporate IT Solutions

Cloud business
(for company-wide and administrative divisions)

- Cloud Integration
- Business efficiency services
- Cloud security services
- Security operations monitoring service
- E-authentication solutions, etc.



Technical solutions

- Support for development and operation of on-premises (including private cloud computing)
- Equipment sales, construction, operation and maintenance services
- Sales and embedded developments of Linux/OSS related products, etc.



EC Solutions

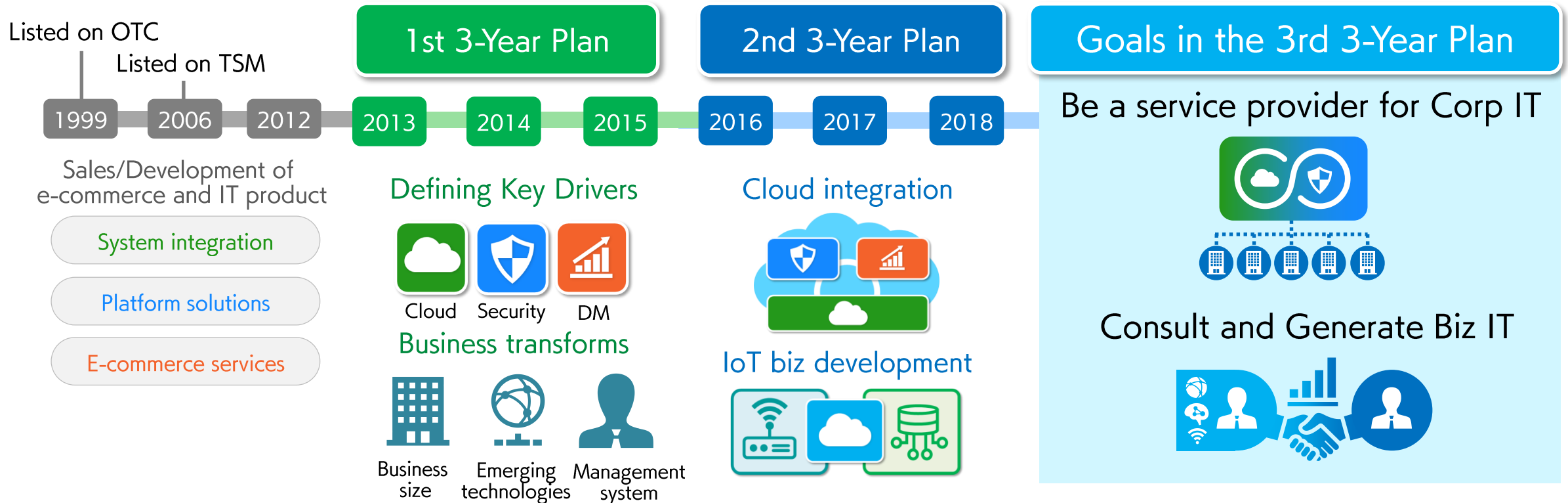
- EC site management agency
- E-commerce sales of font licenses, etc.

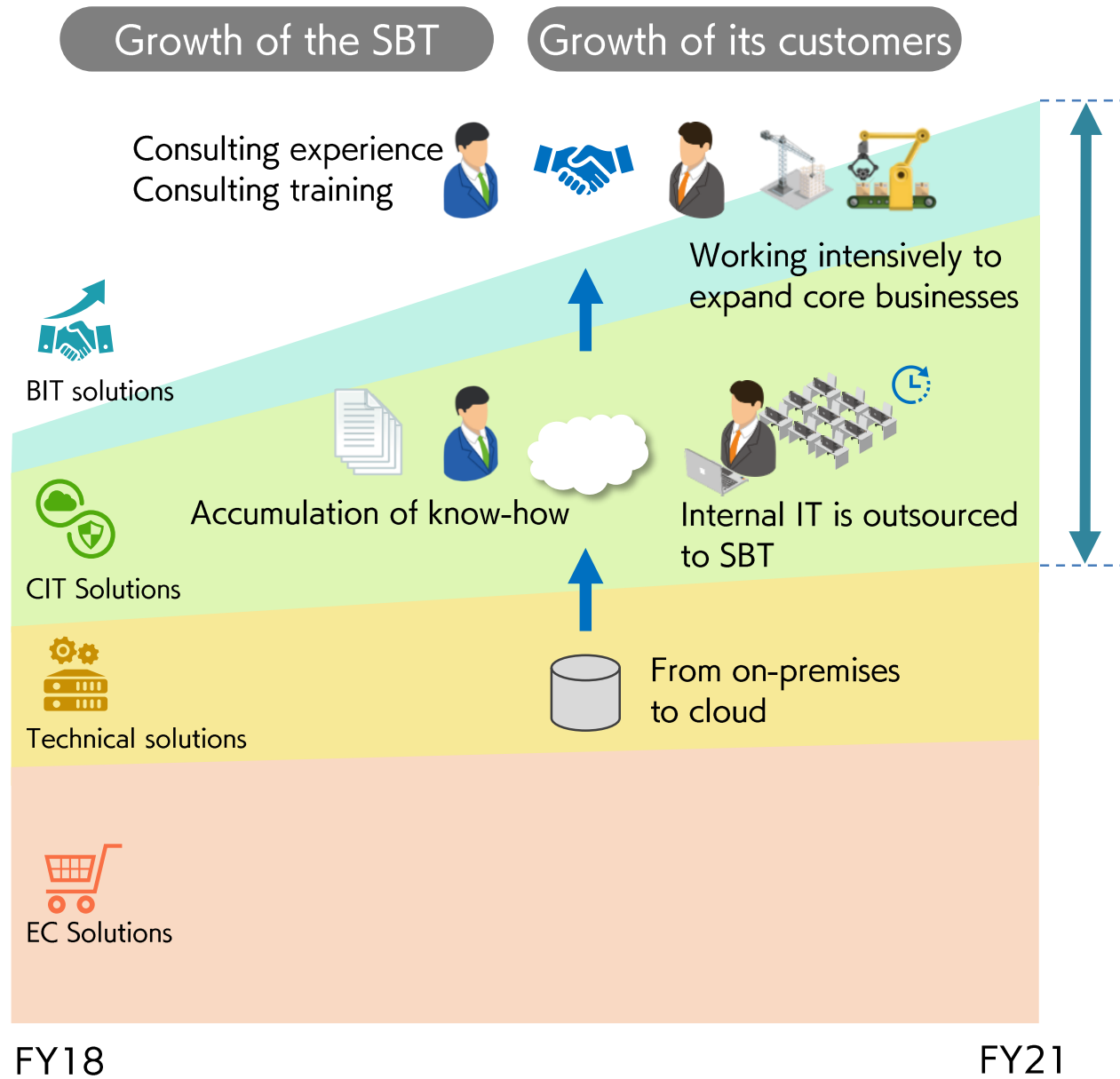
Long-term targets and Positioning of the New 3-Year Plan

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





Shares of Sales 50%



Business IT (BIT)

- Collaborative Innovation with Business Divisions
- Strengthen competitiveness by leveraging advanced technologies
- Support of globalization

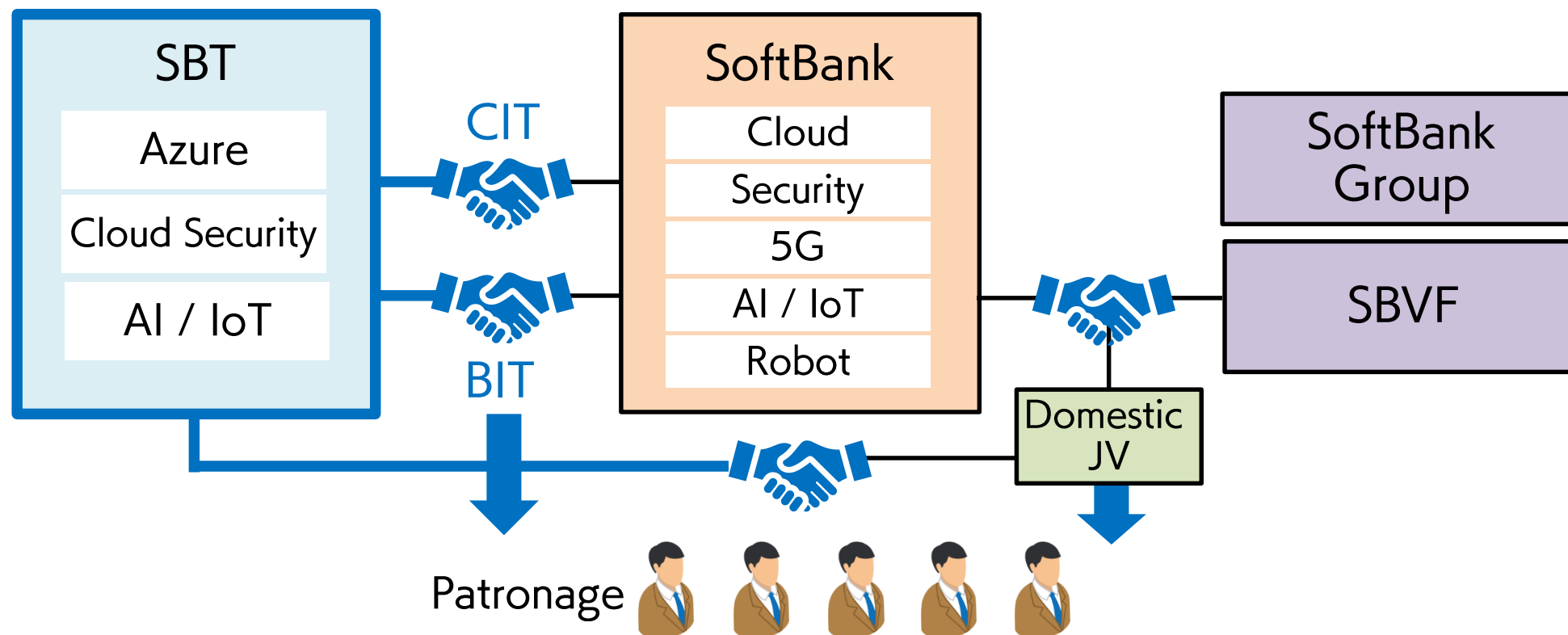


Corporate IT (CIT)

- Create time for customer IT departments
- Promoting cloud computing and work style reform
- Collaboration with sales partners

● The theme is the creation of domestic business synergies

- ✓ Cooperation between SBT's focus on technology and SoftBank's business domains
- ✓ Opportunities for SoftBank Vision Fund (SBVF) to provide technical and business support for domestic joint venture businesses



Awards received



Microsoft partners
Winning of the Year 2019



Microsoft partners
Winner of the Year 2018



2018 Titan Award
Award Award in the APAC Category



Microsoft MVP
Microsoft Azure category award
(2017) * Individual receipt of engineers



Microsoft Japan's partners
Received the 2017 of the Year Award



Microsoft Japan's partners
The Year 2016: Japan's top 3 winners



2016 Microsoft
Winning the Worldwide Partner Award
4 Prize



The Microsoft 2019 Partner of the Year Awards
"Internet of Things Partner of the Year" finalists



7th Japan HR Challenge Award
Winning the Excellence Award
in the Recruiting Division
(2018)



Imperva, Inc.
Top Growth Partner Award Award



McAfee
Received Partner Award 2016 2 category award



Japan Network Security Association
JNSA Prize special award



27th Nikkei New Office Award
Office Security Award

GOOD DESIGN AWARD 2018

To the next generation of Web Browser text layout
The activities of the study group were awarded
the Good Design Award.
SBT contributes through the provision of "FONTPLUS"
(2018)



Sitecore MVP Award
Received the highest number of 5
in Japan
for 2 consecutive years
(2018)



Sitecore MVP Award
Received the highest 5 awards
in Japan (2017)



Sitecore MVP Award
Awarded (2016)

FY21 Management Indicators

- Operating Income JPY4.3 bn
(CAGR 20% based on FY2018/JPY25 bn)
- Increase BIT & CIT sales to 50% of total sales
- ROE 13%

Priority Theme

Be a Service Provider for Corp IT



Consult and Generate Business IT



SBT in Figures

SBT consolidated
Number of
Employees

1,012

Reduce overtime work by improving productivity

42 hours → 25 hours
FY2015 FY2018

SBT non-consolidated
technical employees
Percentage of PMP
holders (International Project Management Certification)

23%

(consolidated basis)
2,019th New Graduate

42

Average age
37.9
years of age

As of March 31, 2019

Significant employee growth is the driving force behind SBT's growth

We are working to raise the skills and productivity of our employees as a whole.



On/Off Switching (sharp)

- Flex without Core Time System
- Leave of Complete PJ



Shifted to a flex-time system for all employees, Premium Friday is also under management.



Be based on the Act on Promotion of Women's Participation and Advancement in the Workplace Acquisition of the highest rank of "Eruboshi" certification



Support for Growth (Securing and Maintaining Excellent Human Resources)

- Skill Program for New Employees Grades
- Support for obtaining certification

Percentage of Employees
Taking Leave for Skill Development

FY2018

Total number of days acquired: 314 days
Number of persons acquired: 136



ICT Utilization (Reduction and Creation of Time)

- Cross-organizational information sharing
- Web conferencing, mobile usage

On the initiative of employees
Telework is also realized

Materials to be Considered

1. Due to a review of service classifications for some solutions, the amounts of sales and marginal profit before the previous fiscal year for each service classification have been calculated in accordance with the current method of recording.
2. The figures shown in the various graphs in this document may differ from the figures in the various graphs due to the relationship between the fractional processing and the figures in the financial results report.
3. "Partial Amendment to Accounting Standard for Tax Effect Accounting" has been applied from the beginning of the 1Q of FY3/2018.

Disclaimer

Statements made in this presentation with respect to plans, estimates and other statements that are not historical facts are forward-looking statements based on information available at the time the presentation was prepared and involve various risks and uncertainties. Actual results may differ materially from these forecasts due to a variety of factors, including changes in the business environment.

The purpose of this document is to provide information on the Group's performance and business progress, and is not to solicit the purchase or sale of shares in us or any of our Group companies.

Information Revolution — Happiness for everyone

~Technologies Design the Future~

 **SB Technology**