First Quarter of the Fiscal Year Ending March 31, 2021

Results of Operations

July 28, 2020 SB Technology Corp. Security Code : 4726



1. Financial Results		P.	3
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2. Toward the Realization of Our Medium-Term Plan ••••••• P. 10

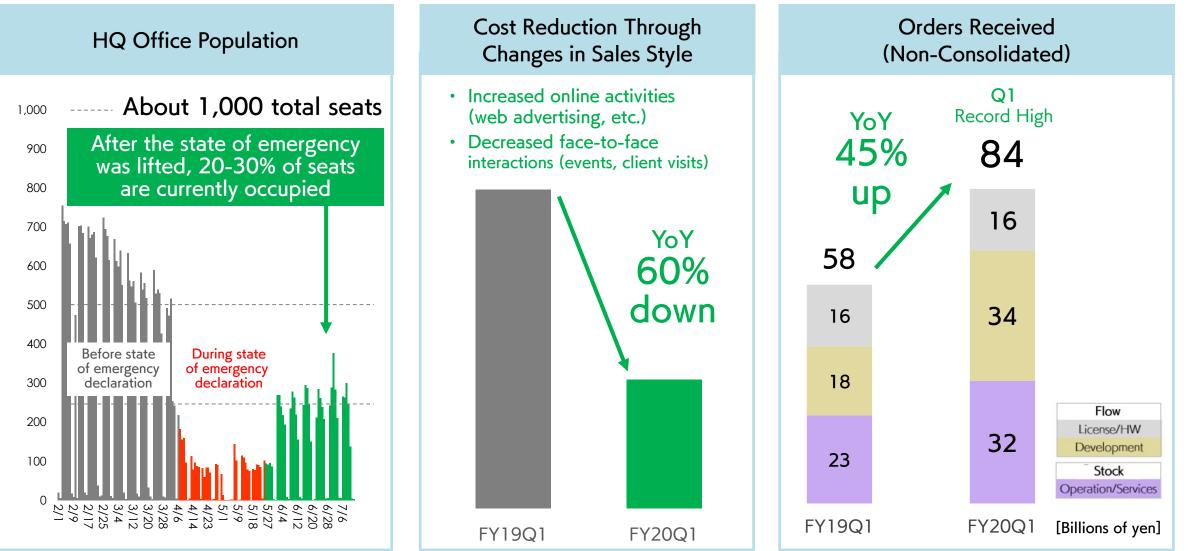
3. Overview of each solution	•••••	P. 19
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4. Numerical data P. 24

5. Corporate Information

Our Response to the COVID-19 Pandemic

Making full use of our experience and know-how in telecommuting and more, we have cultivated a work style to quickly respond to the "new normal."



Financial Results



Consolidated P/L

- Revenue increased due to steady performance, centered on projects cultivated in Q4 of the previous fiscal year.
- Operating income grew due to increased BIT/CIT and control of activity expenses (transportation expenses, entertainment expenses, etc.).

[/\	Nillions of Yen]	(Profit margin)	FY20Q1	FY19Q1	Change	Change %	Forecast	Progress %	
	Net sales	Record High	14,759	12,969	+1,789	+13.8%	62,000	23.8%	
			666	546	+120		3,600	18.5%	
	Operating i	Record High	(4.5%)	(4.2%)	(+0.3pt)	+22.1%	(5.8%)		
	Ordinary in	como	658	545	+113	+20.7%	3,600	18.3%	
	Ordinary in	Record High	(4.5%)	(4.2%)	(+0.3pt)	T 20.7 /0	(5.8%)	10.370	
	Profit attribut owners of par		_※ 348	330	+18	+5.5%	2,100	16.6%	
profit	Record High	(2.4%)	(2.5%)	(▲0.1pt)	+ J.J /0	(3.4%)	10.070		

X JPY 110 mn for acquisition of Denen Co., Ltd. (advisory expenses, etc.) included in consolidated SG&A expenses is not deductible for income tax purposes.

By Solution Category

FY2020 Q1

Net sales [Billions of yen] (Profit margin) 14.7 1.1 12.9 0.7 3.6 4.8 3.6 4.4 4.3 2.9 5.5 5.5 FY19Q1 FY20Q1 FYIYQI

Marginal	income
3.6 (28.1%)	4.0 (27.5%) 0.3
0.3 1.3 1.6	1.6 1.9
1.0	1.1
0.8	0.9
FY19Q1	FY20Q1

FY19Q1 FY20Q1

● BIT+CIT composition ratio 34.1% ⇒ 32.7%

* As part of the strengthening of the FY2020 system, TS ratio is on the rise and expected to improve significantly from FY2021.

• BIT and CIT contributed to higher profits

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

- Sales increased as a result of steady growth in IoT system development projects for global manufacturers, as well as electronic application platform development projects for the MAFF(%), continuing from the previous fiscal year.
- Profit margin decreased due to the cost increase of PoC and public projects.

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

- Large-scale cloud development projects and license sales for SB Group companies declined YoY, but security, electronic certification, and our own services expanded.
- Net sales were flat and profit margins improved.

Technical (TS) : Increase in both sales and profits

• Increased due to vendor management projects for SoftBank Corp.

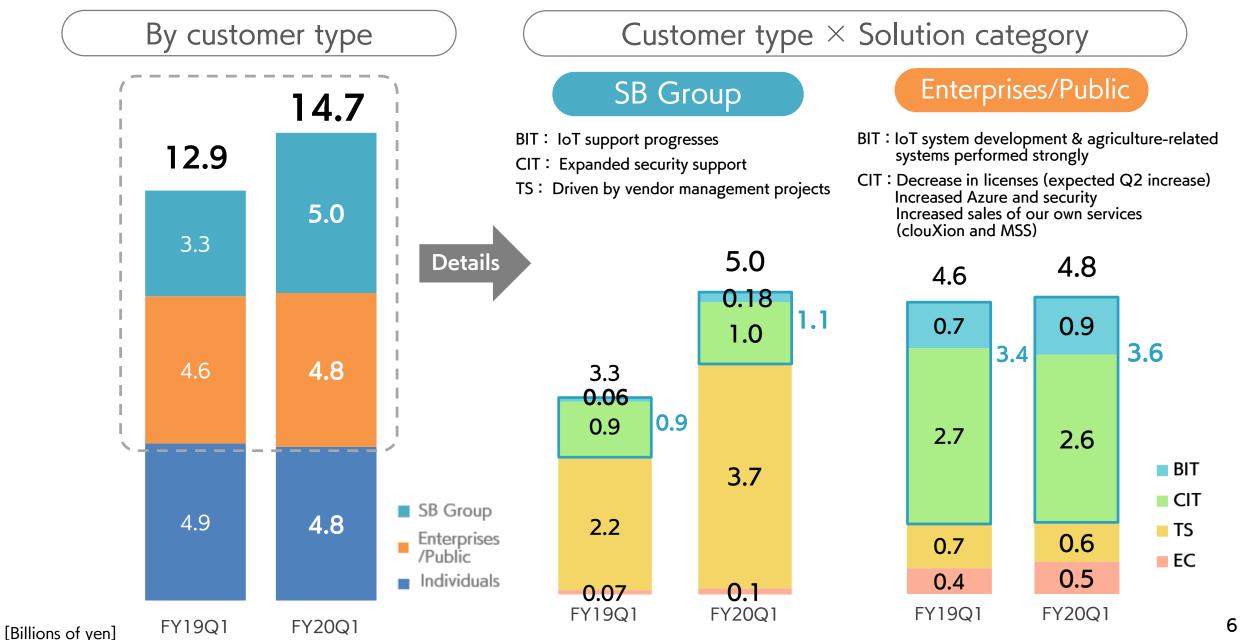
EC : Lower Sales and higher operating income

• In our Norton Store business, although profit margins declined due to a change in the invoice rate, expansion of font business contributed to profit growth.

*MAFF • • • Ministry of Agriculture, Forestry, and Fisheries

Sales by Customer Type

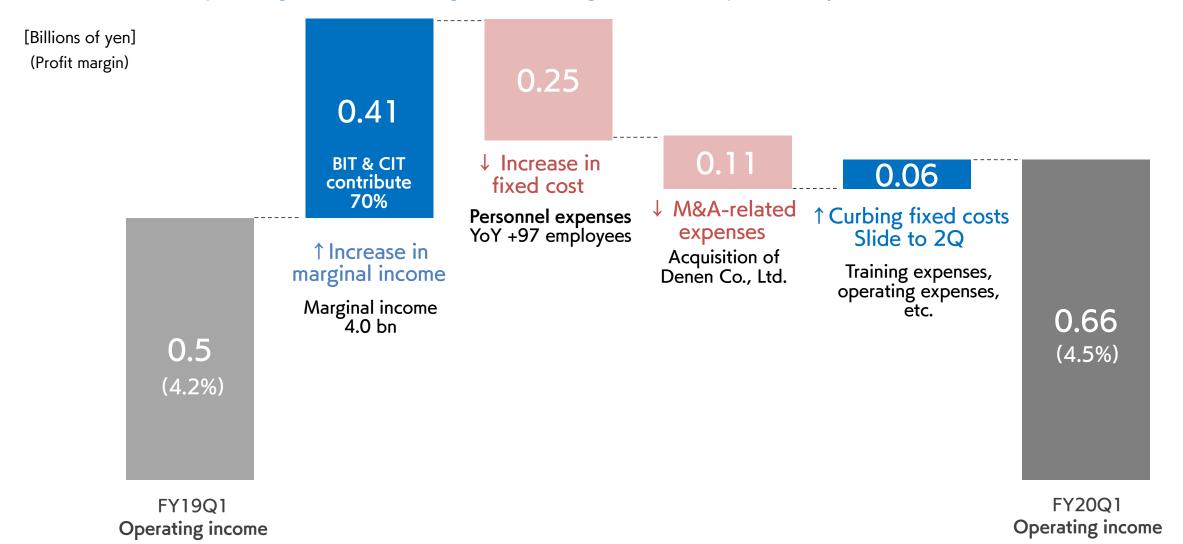
FY2020 Q1



* All Solution Segments for Individual Customers are EC.

Operating Income

- Increased personnel expenses and M&A-related expenses due to increased number of employees and base pay raises, with expenses partially limited through telecommuting.
- Increased operating income due to growth in marginal income, particularly in BIT/CIT.



7

FY2020 Q1

FY2020 Forecast

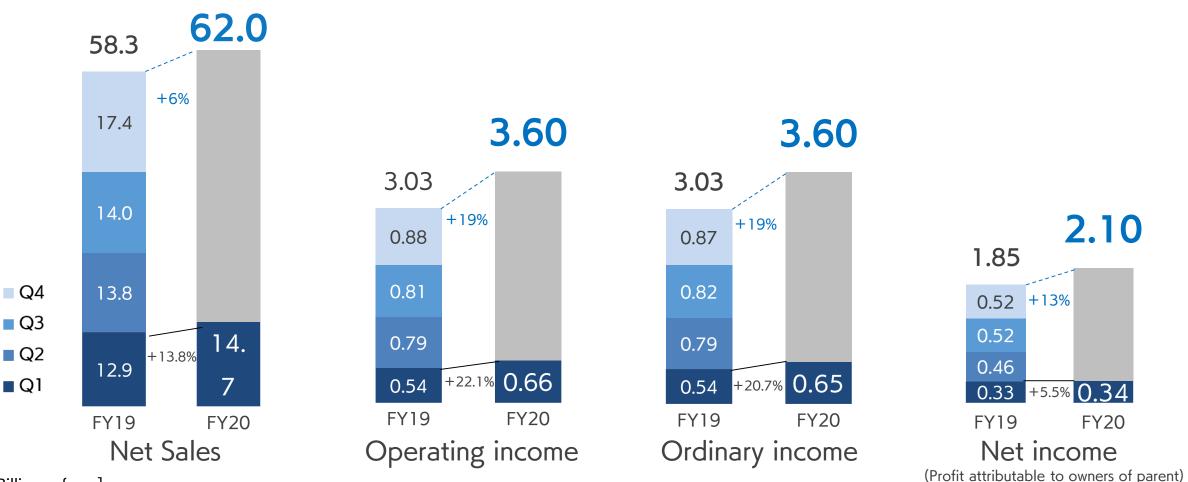
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| FY2020 Q1

• Forecasts remain unchanged:

Urgent response to the COVID-19 pandemic and demand for IT investment for strategic DX is expected to be strong

 Q2 operating income is expected to remain unchanged from FY19Q2: Focus will be on activities targeting large-scale projects in the BIT area in the second half and for FY2021 and beyond.
 → Aggressive implementation of pre-sales activities, proof of concepts, service development, system reinforcement, etc.



8

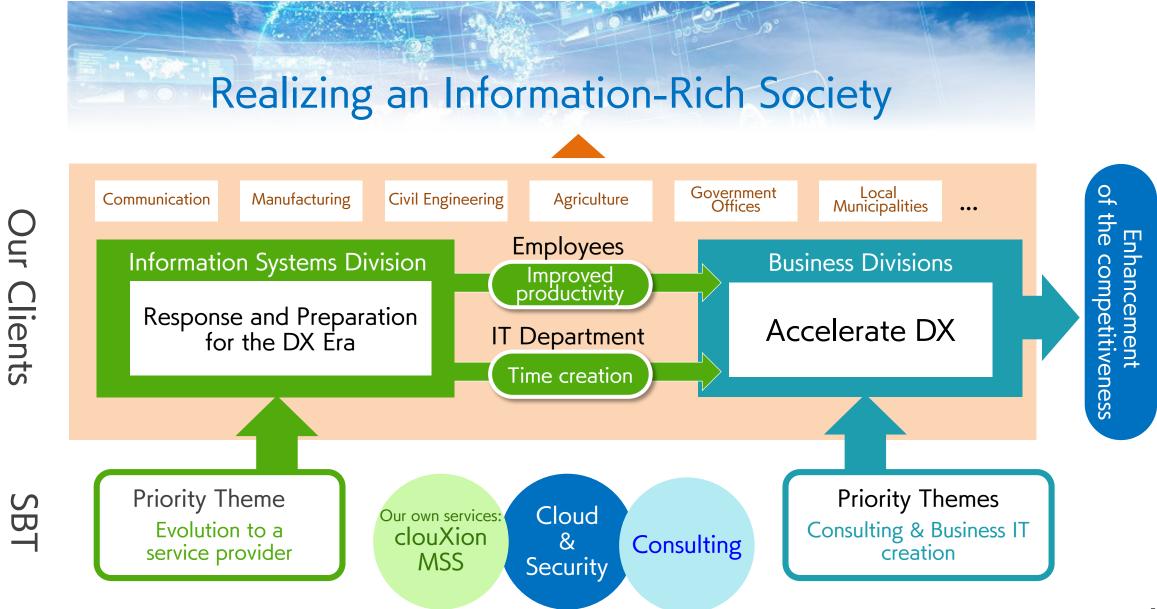
[Non-Consolidated] Orders Received/Order Backlog (Excluding EC Services) FY2020 Q1

Orders Received Orders Backlog			\supset		Non-consolidated order backlog		
Record Figh		Record Hig 16.5		(YoY) 30.1% UP			
				1.4			【 Flow / Development 】 - Solutions: Steady BIT orders, strong TS orders
		1.6	12.7	3.5		Orders	- By customer: Within the SB Group, vendor management projects increased YoY. In the corporate and public sectors, IoT
	5.8		1.2			Received	development projects in the manufacturing industry increased. [Stock]
	1.6	3.4	1.8				 Solutions: Driven by BIT and CIT Cloud operations trended steadily, along with strong performance from our own services
	1.8		9.6	11.6		Ordora	【 Flow / Development 】 - Vendor management for SoftBank Corp.(TS) - Increase in manufacturing (BIT)
	2.3	3.2			Flow License/HW Development Stock Operation/Services	Orders Backlog	 Stock] CIT increased due to public investment projects, etc. Sales of our own services such as clouXion and MSS increased steadily.
[Billions c	FY19Q1 f yen]	FY20Q1	FY19Q1	FY20Q1			9

Toward the Realization of Our Medium-Term Plan

Tertiary Medium-Term Management Plan (FY19 - FY21)

SBT's Aims for the Future



Third Medium-Term Management Plan: FY2020 to FY2022

FY2020/IT Spending Outlook (by Client Segment)

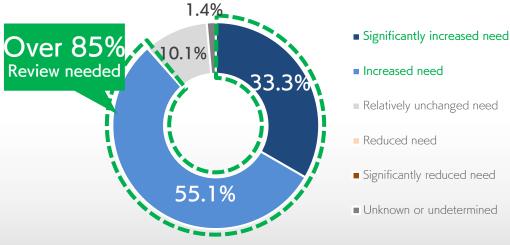
Despite budget cutbacks necessitated by the impact of COVID-19 and other factors, as well as project slides with some clients,

digitalization has accelerated through the development of telecommuting environments, cloud computing, DX promotion, etc.

Customer Segment	SB Group	Enterprises	Public	Individual(EC)
UP side	Vendor management projects increase	Spread of telework and security measures Accelerated DX (addressing the new normal)	Promotion of digital governance ※ In Q2, costs will prevail due to increased preparations for bidding, streamlining systems to handle large-scale projects, etc.	
DOWN side	Budget reduction at some companies	Sliding of some projects		Signs of peaking out Adjusted invoice rate (wholesale price)

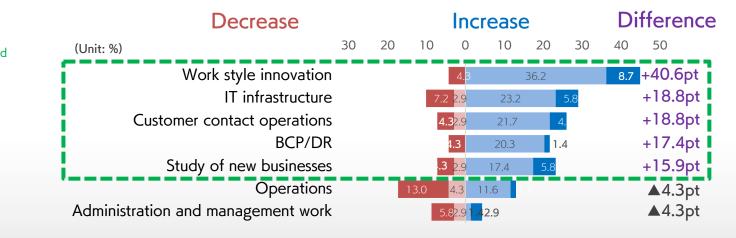
COVID-19 Pandemic: The Situation

A need to review IT and digital-based business models and explore new business projects



Source: Prepared by us from the Nomura Research Institute's "CIO Survey on the Impact of the Novel Coronavirus"

Prospects for Increase/Decrease in IT and Digital Investment (by Field)



[Survey Period/Target/Number of Valid Respondents] May 9-19, 2020/CIO/69 domestic companies Sales in FY2019: 100 bn to 300 bn (7 companies), 300 bn to 600 bn (17 companies), 600 bn to 1 tn (11 companies), 1 tn or more (34 companies)

Cloud First Strategy

SBT supports response to the new normal



Evolution to being a service provider

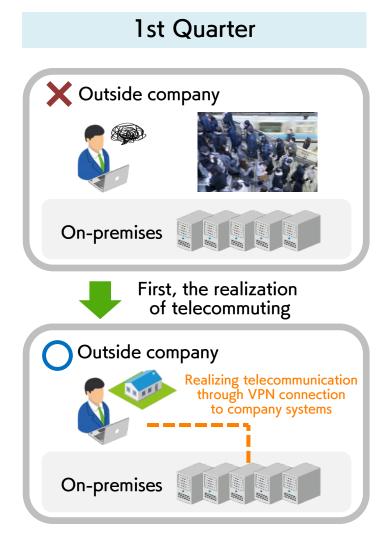


- Support for work style reform
- Security measures

- Promoting digital governance
- Collaborative business creation with our customers

Responding to the New Normal

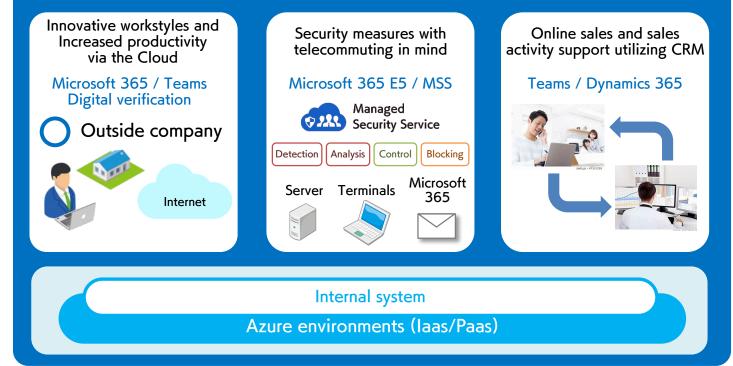
From the realization of telecommuting to support for work style reforms and sales activities suited for the post-COVID age



2nd Quarter Onward

Capturing demand by strengthening existing service features and developing new services

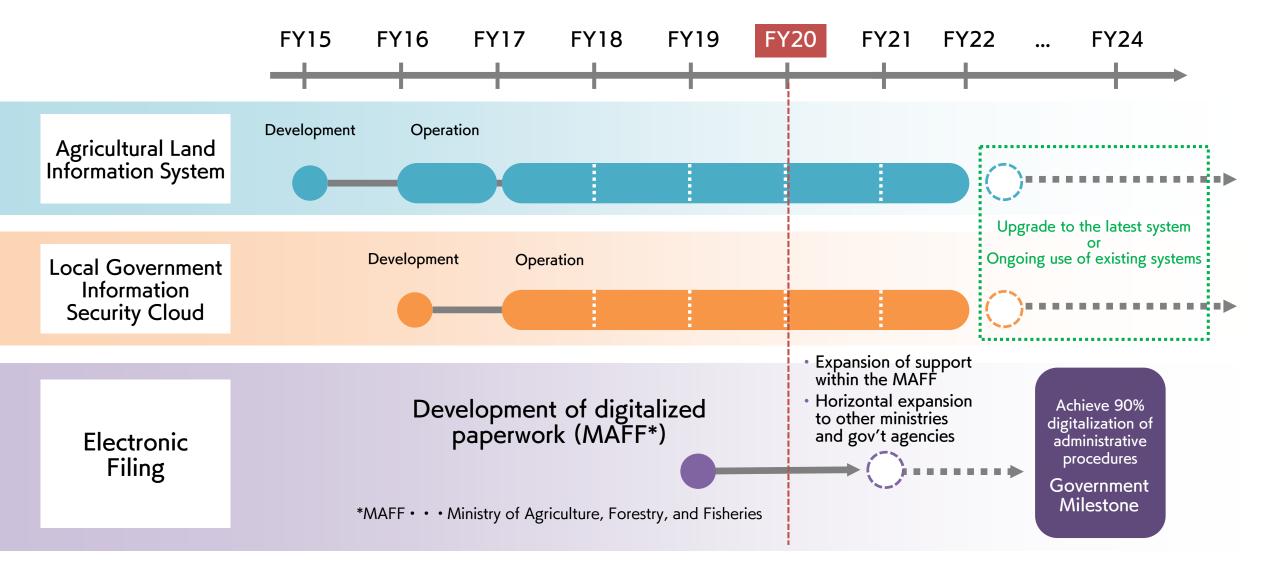
Support for working styles in the new normal



Supporting the Realization of Digital Governance

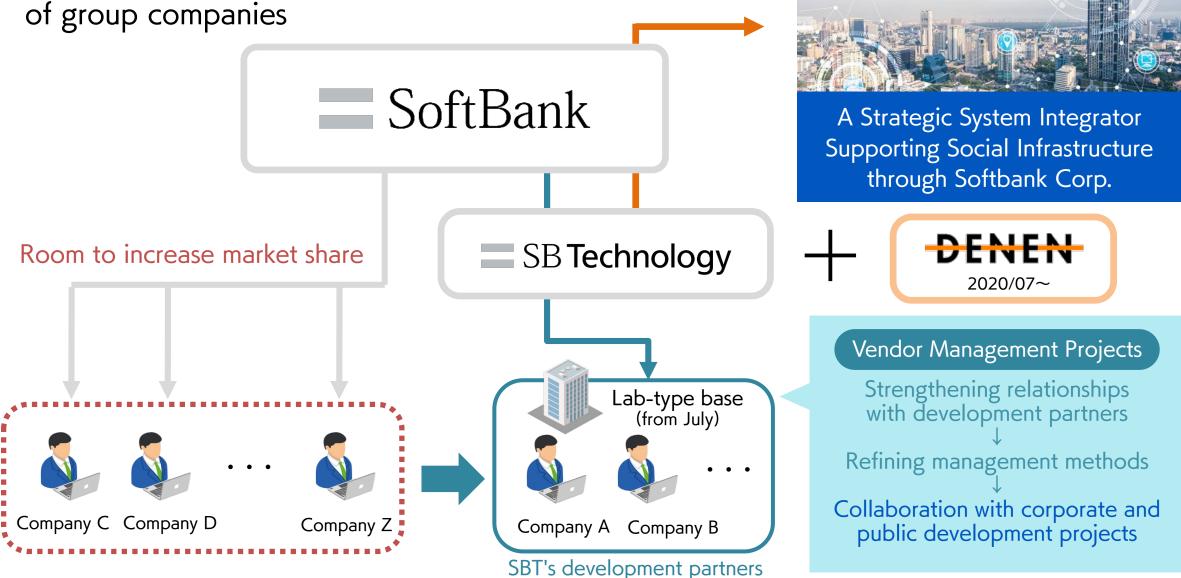
In order to support government digitization,

Q2 will be a period for strengthening our systems and preparing proposals.



Cooperation with SoftBank Corp. (Parent Company) and Strengthening of Development Systems

Strengthening support for core businesses of group companies



FY21 Management Indicators

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

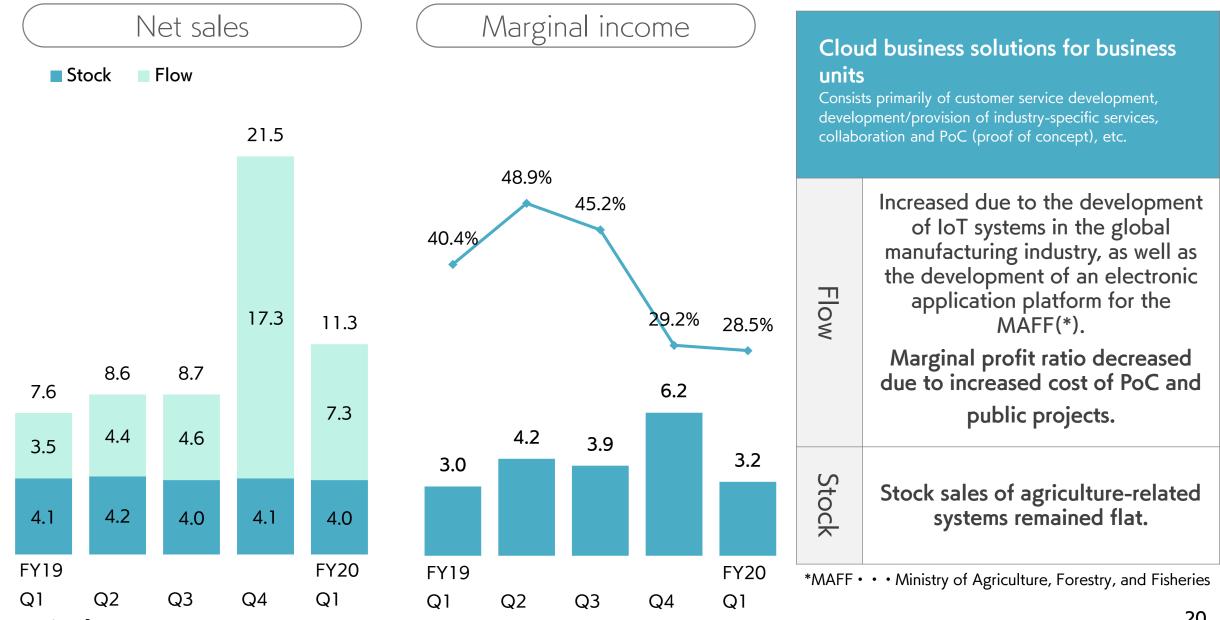
※ 1) CAGR 20% starting from FY2018 consolidated operating income of JPY2.5 bn
※ 2) Business IT Solutions (BIT) and Corporate IT Solutions (CIT) as a percentage of FY2021 sales

Information Revolution — Happiness for everyone ~Technologies Design the Future~

Overview of each solution

Business IT Solutions (BIT)

FY2020 Q1



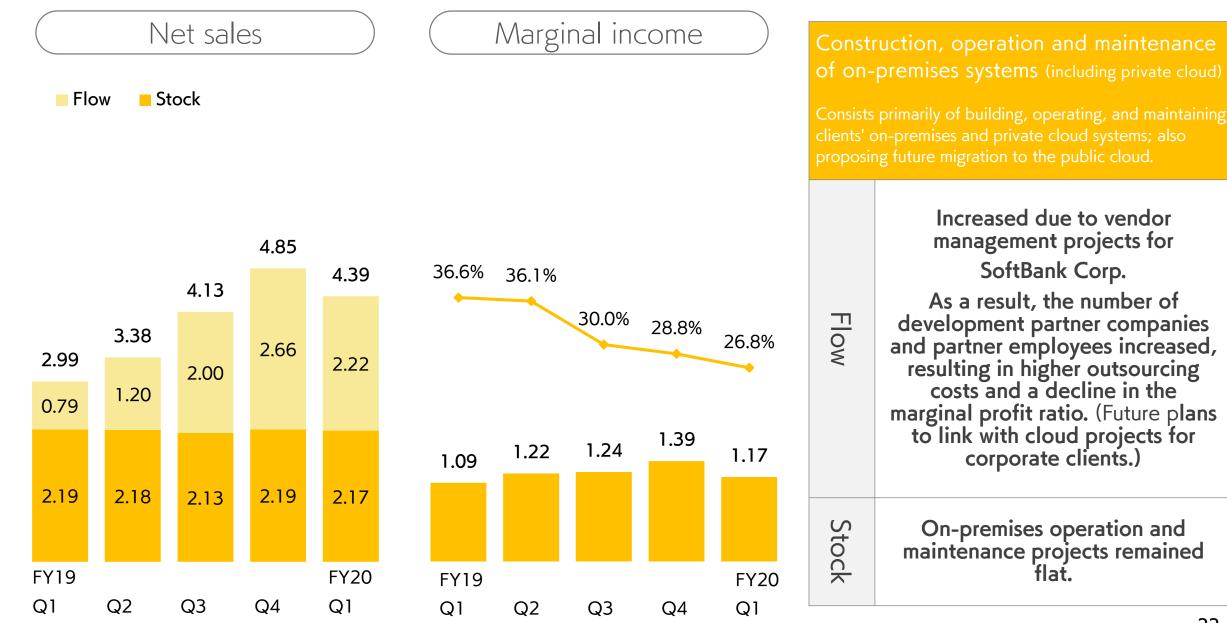
Corporate IT Solutions (CIT)

FY2020 Q1



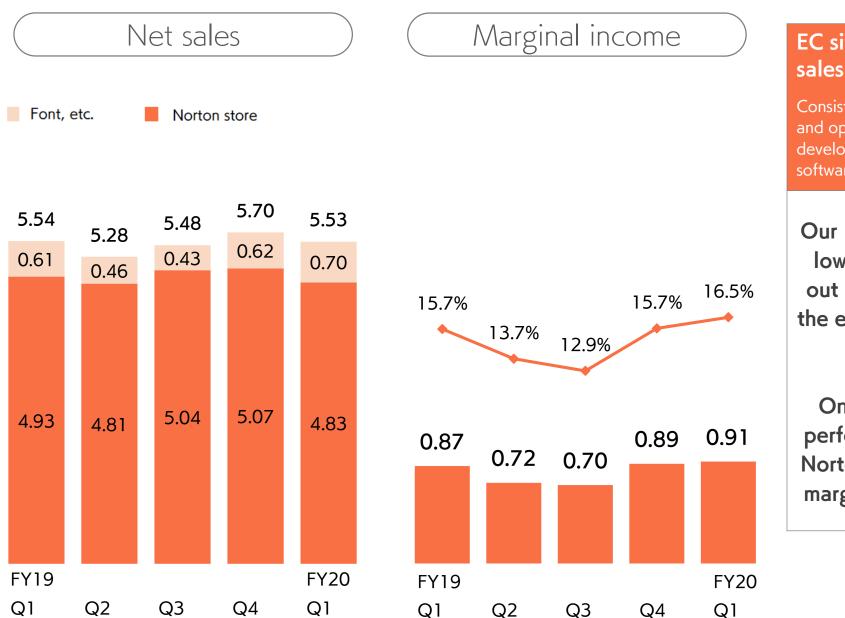
Technical Solutions (TS)

FY2020 Q1



EC Solutions

FY2020 Q1



EC site management and font license sales

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

Our Norton Store operation business saw lower sales and profits due to peaking out and changes in the invoice rate, but the extent of the decline was offset by an increase in telecommuting.

On the other hand, our Font Business performed well, offsetting the decline in Norton Store profits, and improving both marginal profit and marginal profit ratio.

[Billions of yen] * EC Solutions is not classified by Flow/Stock due to the nature of its business models.

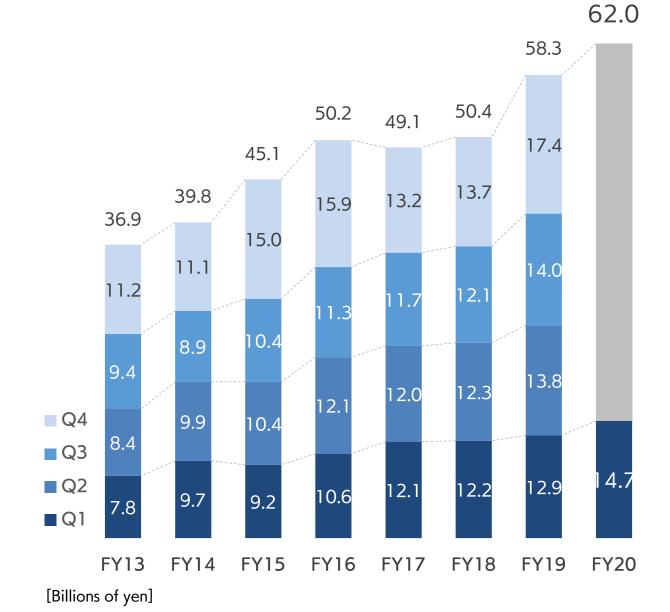
Numerical data



[Millions of yen]	End of June, 2019	End of March, 2020	End of June, 2020	Since end of previous term	YoY
Current assets	19,492	24,350	22,042	△ 2,308	2,549
Cash and deposits	9,756	9,826	9,298	△ 527	△ 457
Accounts receivable and other receivables	7,706	12,714	10,032	∆ 2,681	2,326
Fixed assets	7,417	8,135	8,120	△ 15	702
Tangible fixed assets	1,211	1,488	1,672	184	461
Intangible fixed assets	3,071	3,049	3,221	171	150
Investments and other assets	3,134	3,597	3,225	∆ 372	90
Total assets	26,910	32,486	30,162	△ 2,323	3,251
Current liabilities	9,621	13,528	11,420	△ 2,107	1,799
Long-term liabilities	1,342	1 <i>,</i> 340	1,138	∆ 202	△204
Net assets	15,946	17,617	17,603	△ 14	1,656

Net sales

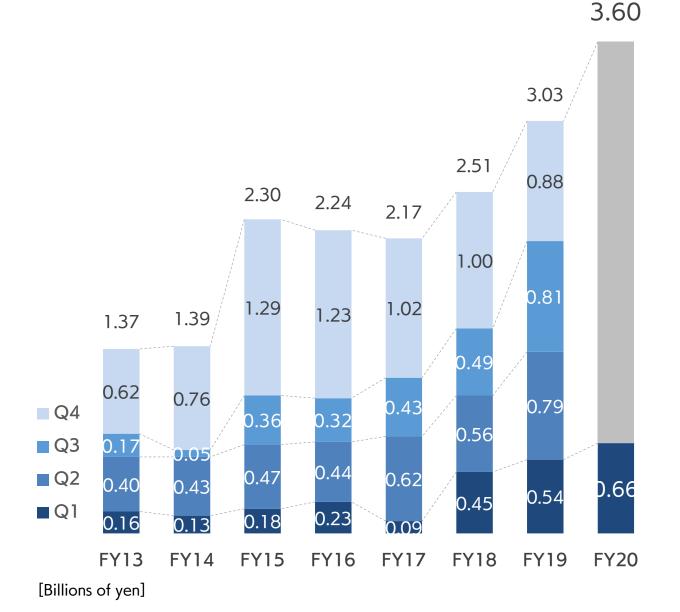




1Q Net sales (YoY) **13.8%**up

26





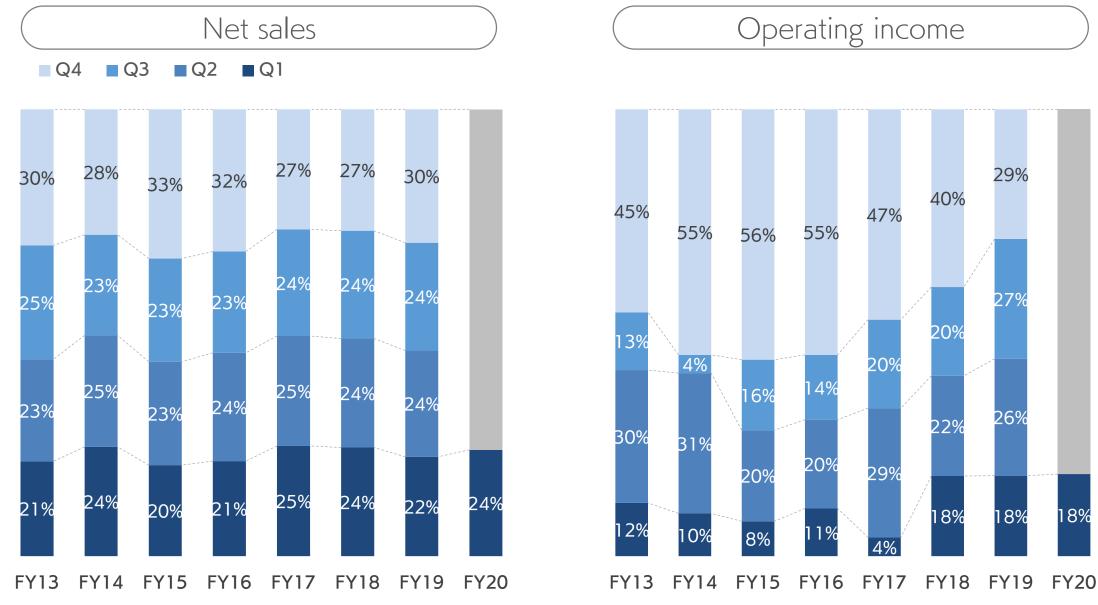
Medium-Term Management Plan Target: 20% Operating Income Growth

1Q Operating income (YoY) **22.1%** up

27

Quarterly composition ratio

FY2020 Q1





1Q stock sales (YoY) **O.3bn**up

FY2020 Q1

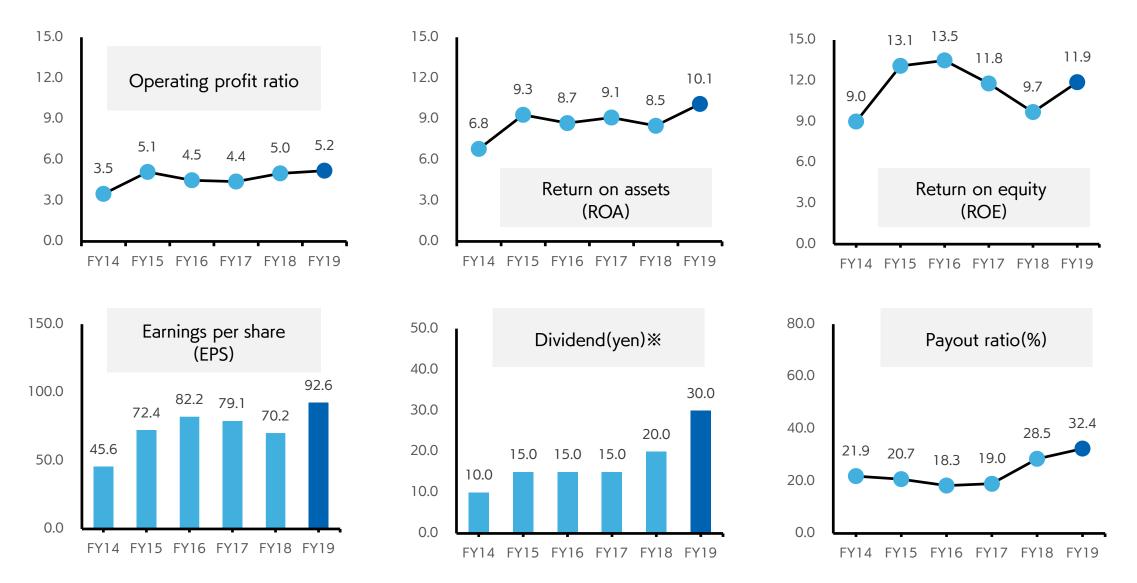
								Yc	γY
	(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	Change	Change%
S	ale	12,969	13,872	14,074	17,408	58,324	14,759	+1,789	+13.8%
	BIT Solutions	764	868	872	2,155	4,661	1,132	+367	+48.1%
	CIT Solutions	3,664	4,333	3,582	4,689	16,268	3,695	+31	+0.8%
	Technical solutions	2,991	3,387	4,137	4,855	15,371	4,398	+1,406	+47.0%
	EC Solutions	5,548	5,283	5,482	5,708	22,022	5,533	▲15	▲0.3%
С	ost of sales	10,873	11,479	11,647	14,897	48,897	12,326	+1,452	+13.4%
G	ross profit	2,096	2,392	2,427	2,511	9,426	2,433	+337	+16.1%
S	G&A expenses	1,550	1,597	1,613	1,630	6,391	1,766	+216	+14.0%
С	perating income	546	794	813	880	3,035	666	+120	+22.1%
С	ther Income and Expenses	▲0	1	6	▲9	▲2	▲8	▲7	-
С	rdinary income	545	796	820	871	3,033	658	+113	+20.7%
E	xtraordinary gain/loss	0	▲14	2	▲46	▲58	▲ 5	▲5	-
	et profit attributable to owners of arent	330	469	526	529	1,856	348	+18	+5.5%
N	Narginal income	3,642	4,095	3,964	4,758	16,461	4,061	+418	+11.5%
F	ixed cost	3,096	3,300	3,150	3,877	13,425	3,394	+297	+9.6%
N	on-consolidated order backlog	12,715	15,712	16,393	16,392	16,392	16,537	+3,822	+30.1%

								Yo	Y
	(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	Change	Change%
	Sale	12,969	13,872	14,074	17,407	58,324	14,759	+1,789	+13.8%
Total	Marginal income	3,642	4,095	3,964	4,758	16,461	4,061	+418	+11.5%
	Profit ratio	28.1%	29.5%	28.2%	27.3%	28.2%	27.5%	▲ 0.6pt	-
	Sale	764	868	872	2,155	4,661	1,132	+367	+48.1%
BIT solution	Marginal income	309	424	394	629	1,757	322	+13	+4.3%
	Profit ratio	40.4%	48.9%	45.2%	29.2%	37.7%	28.5%	▲ 11.9pt	-
	Sale	3,664	4,333	3,582	4,689	16,269	3,695	+31	+0.8%
CIT Solutions	Marginal income	1 <i>,</i> 369	1,726	1,620	1,835	6,552	1,648	+278	+20.3%
	Profit ratio	37.4%	39.8%	45.2%	39.1%	40.3%	44.6%	+7.2pt	-
	Sale	2,991	3,387	4,137	4,855	15,371	4,398	+1,406	+47.0%
TS Solutions	Marginal income	1,093	1,221	1,242	1,396	4,953	1,179	+86	+7.9%
	Profit ratio	36.6%	36.1%	30.0%	28.8%	32.2%	26.8%	▲ 9.8pt	-
	Sale	5,548	5,283	5,482	5,708	22,022	5,533	▲15	▲0.3%
EC Solutions	Marginal income	870	723	706	897	3,198	911	+41	+4.7%
	Profit ratio	15.7%	13.7%	12.9%	15.7%	14.5%	16.5%	+0.8pt	-
Total of core businesses (BIT+CIT)	Sale	4,429	5,201	4,454	6,843	20,930	4,828	+399	+9.0%
	Marginal income	1 <i>,</i> 678	2,150	2,014	2,464	8,309	1,970	+291	+17.4%
	Profit ratio	37.9%	41.4%	45.2%	36.0%	39.7%	40.8%	+2.9pt	-
	Component ratio	34.1%	37.5%	31.7%	39.3%	35.9%	32.7%	▲1.4pt	-

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

Key Management Indicators

FY2020 Q1



(※) 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

Corporate Data

Management philosophy

Mission

Information Revolution, Happiness for everyone

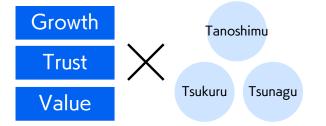
- Technologies Design the Future -

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



Vice President

Corporate Da	ta	(As of Mar	ch 31, 2020)	Organizatio	nal Chart	(As of April 1, 2020)
Trade Name	SB Technology	Corp. (*)				
Address	27-30, Shinjuku Tokyo	ı 6-chome, Shinj	uku-ku,	General Meeting of Shareholders		
Description of Businesses	ICT services bus	siness			Audit & Supervisory Board	
Establishment	October 16, 19	90			board	
Common stock	JPY 1,176 mn			Board of Director	rs	
Number of employees	1,068 (consolic	lated)		President & CEC		
(*) The company name was o	changed to SB Technology	Corporation as of Octo	ber 1, 2019.		_	
Officers		(As of Jun	e 26, 2020)		Group Business Unit	Division #1 Division #2
Board of Directo	rs and Corporat	e Auditors			Enterprise Business & Public Sector Unit	Enterprise #1 Enterprise #2
Representative Director CEO	Shinichi Ata	Chairman of Audit &	Mitsumasa			Public Sector
Director CSO	Mitsuhiro Sato	Supervisory Board	Ueno		Solution & Service Unit	Solution
Director	Akira Kitamura	Audit &	Haruhiko		Solution & Service Onit	Service
Director	Takashi Kodama	Supervisory Board Member	Hirose			EC Services
Director	Masaki Watanabe	Audit &				Corporate Planning
Director	Kimihiko Kaneko	Supervisory	Michiaki Nakano			Human Resource
External Member of the Board	Shigeo Suzuki	Board Member	INAKAIIO			Tullal Resource
External Member of the Board	Yoshie Munakata	Audit & Supervisory Board Member	Naito Takashi			
Executive Officer	ſS					
President & CEO		Shinichi Ata		Certificatio	on and accreditatio	n (As of April 1, 2020)
Senior Executive Vice	President & CSO	Mitsuhiro Sato				
Executive Vice President Aki		Akira Kitamura			JUSE	+++
Executive Vice Presid		Takashi Kodama		25116	🚮 💁 🥖	
Executive Vice Presid	ent	Masaki Watanabe	e	(2)	ISMS Registration	The
Vice President CCO		Seiichi Masaoka		10820357		躍していな

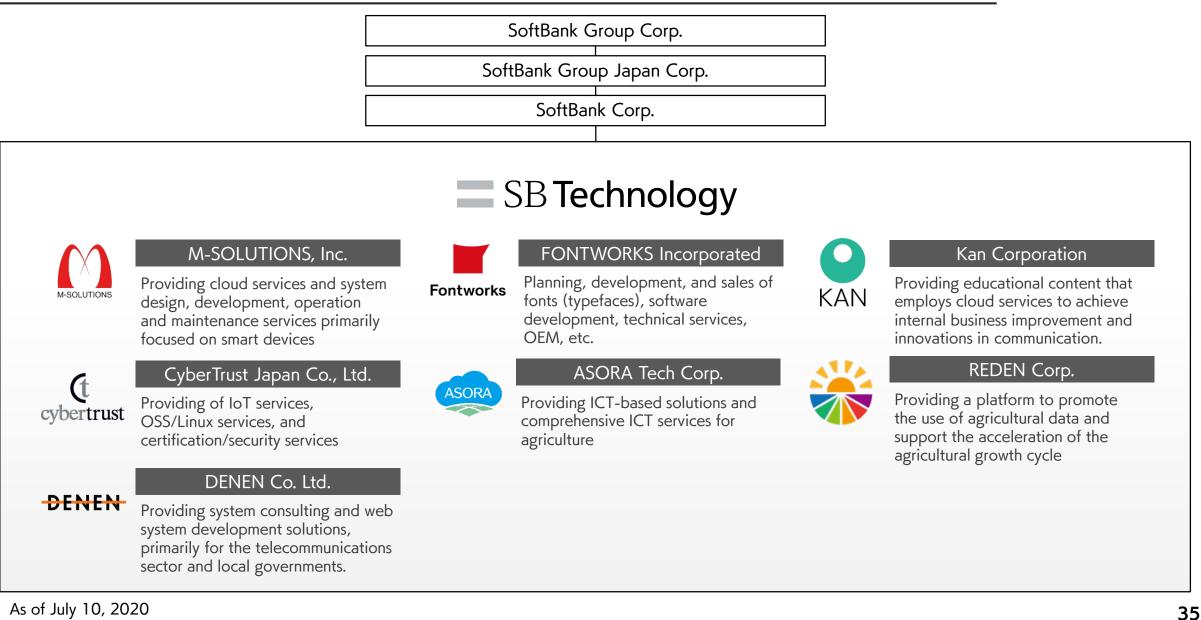
Tetsuya Shimizu

ISMS認証・登録範囲 本社/汐留/仙台/名古屋/大阪/福岡

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34

グループストラクチャー



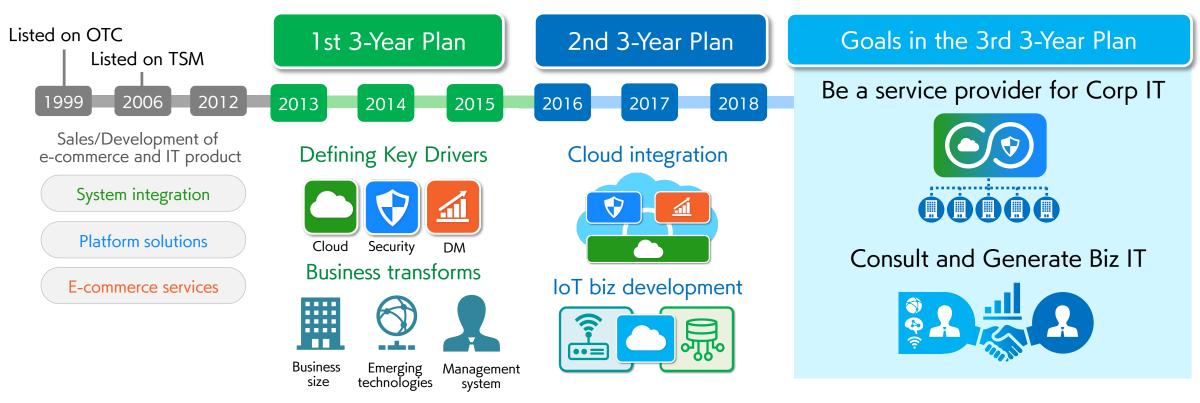
SB Technology

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

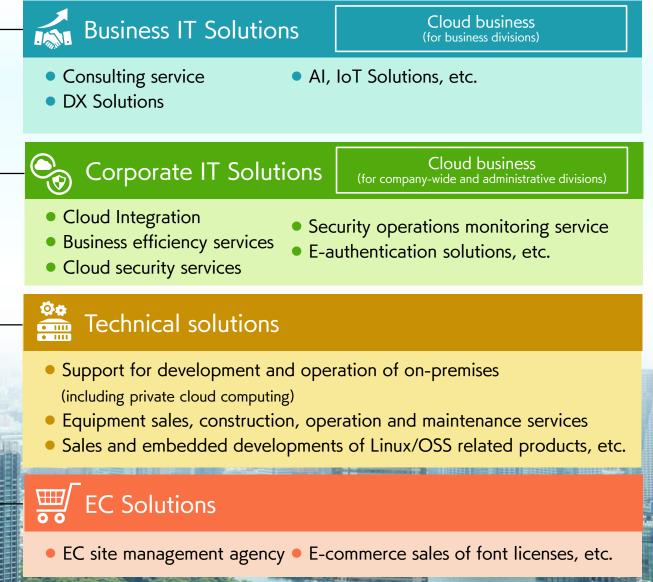


No. 1 track record in cloud implementation for enterprises and public offices

SB Technology Corp.

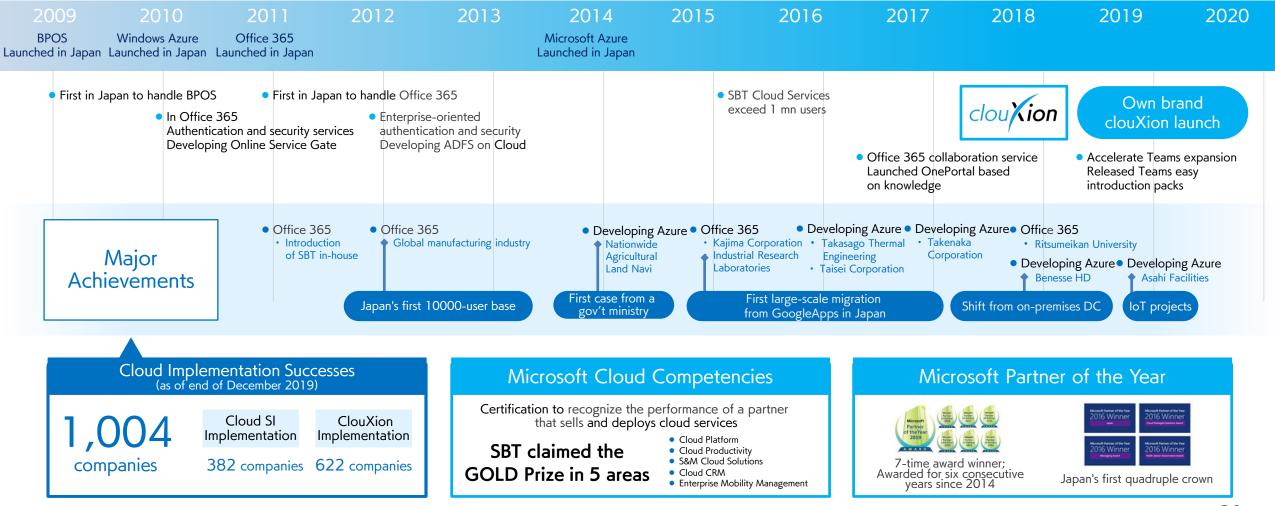
ICT services





Microsoft Cloud Business Strengths

A Long History of Initiatives SBT launched its Microsoft Cloud Business in 2009, when the cloud was in its infancy, and has accumulated vast knowledge through long-term initiatives.
 A Top-Class Track Record We have a top-class track record of introducing this system in Japan, from Microsoft 365 to Azure environments, with a focus on leading companies.
 A Wealth of Unique Solutions We provide various cloud utilization solutions developed as our own brands based on our knowledge base and feedback from our end users.



SBT Group Solutions for Teleworking

SB Technology

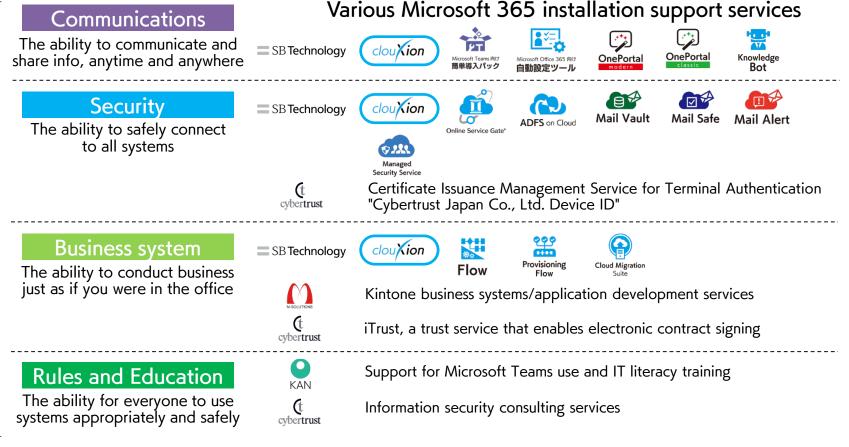
From the Realization of Telecommuting to Support for "New Normal" Working Styles With the spread of the COVID-19 pandemic, more and more companies have introduced telecommuting, and it is becoming an increasingly well-established way of working.

A set of guidelines issued by the Ministry of Internal Affairs and Communications recommends that telecommuting should be implemented in such a way that it "strikes a balance between rules, people, and technology."

As such, it is necessary for us not simply to introduce systems, but also prepare information sharing methods, build systems that can be used safely, establish rules and guidelines, and promote education regarding these systems.

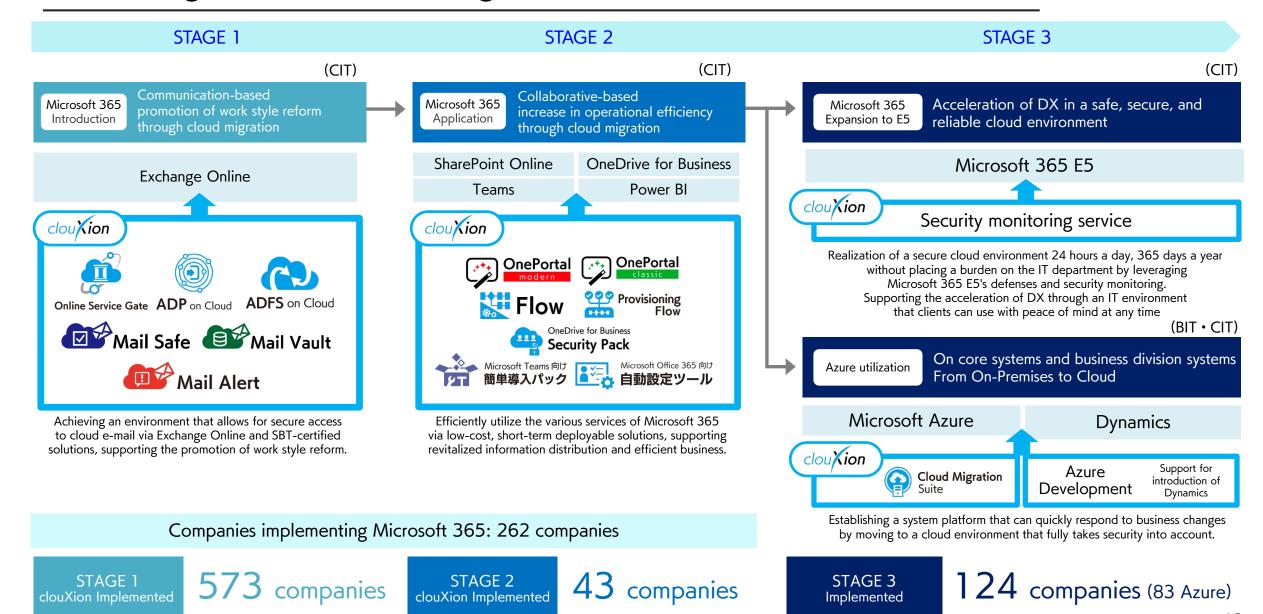
The SBT Group provides the solutions needed for companies to realize telecommuting and "new normal" work styles in the post-COVID age. ※ Telework Security Guidelines (Link) (MPHPT)





Cloud Migration Scenario Using Own Solutions (BIT/CIT)

SB Technology



* Introduction as of the end of January 2020

Awards received

SB Technology



• Collaboration and Content Partner of the Year Finalist (2017)

"Internet of Things Partner of the Year" finalists

• Country Partner of the Year Award, Cloud Packaged Solutions, Messaging, Public Sector-Government Award (2016)





Most Valuable Professional

Sitecore

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

Sitecore MVP Award Awarded (2016)

Employees and Working Styles



SBT consolidated Number of Employees

1,068

Reduce overtime work by improving productivity

42 hours

23 hours

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 SystemLeave 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

FY2019 Total number of days acquired: 347 days

Number of persons acquired: 154

ICT Utilization (Reduction and Creation of Time)

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

On the initiative of employees Telework is also realized

SBT non-consolidated technical employees Percentage of PMP holders

24%

(International Project Management Certification)

(consolidated basis) 2020th New Graduate 45



As of March 31, 2020

Materials to be Considered

- 1. Due to a review of solution classifications for some solutions, the amounts of sales and marginal income 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.

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.

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