

Second Quarter of the Fiscal Year Ending March 31, 2021

Results of Operations

October 28, 2020

SB Technology Corp.

Security Code : 4726

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Financial Results

 SB Technology

- Total sales of BIT & CIT, a core business, increased to over JPY 10 bn over six months.
- Operating income increased due to a vendor management project for SoftBank Corp. and cost containment through remote work.

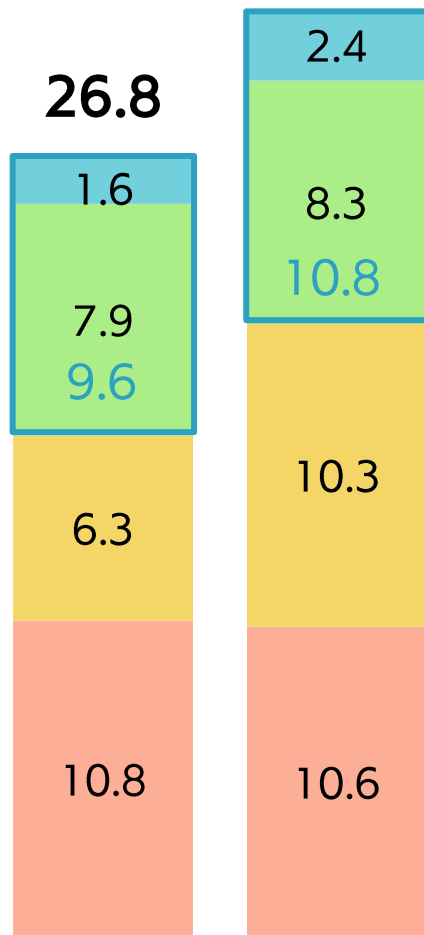
[Millions of Yen]	(Profit margin)	FY20H1	FY19H1	Change	Change %	Forecast	Progress %
Net sales	Record High	31,864	26,841	+5,022	+18.7%	62,000	51.4%
Operating income	Record High	1,596 (5.0%)	1,341 (5.0%)	+255 (+0.0pt)	+19.0%	3,600 (5.8%)	44.3%
Ordinary income	Record High	1,576 (4.9%)	1,341 (5.0%)	+234 (▲0.1pt)	+17.5%	3,600 (5.8%)	43.8%
Profit attributable to owners of parent Net profit	Record High	※ 892 (2.8%)	799 (3.0%)	+93 (▲0.2pt)	+11.6%	2,100 (3.4%)	42.5%

※ JPY110 mn for acquisition of DENEN Co. Ltd. (advisory expenses, etc.) included in consolidated SG&A expenses is not deductible for income tax purposes.

Net sales

[Billions of yen]
(Profit margin)

31.8

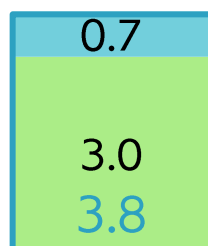


FY19H1

FY20H1

Marginal income

7.7
(28.8%)



FY19H1

FY20H1

BIT+CIT composition ratio 35.9% \Rightarrow 34.0%

※ In FY20, the ratio of TSs is on the rise due to strengthening of systems and consolidation of DENEN Co. Ltd. (planned to be improved from FY21)

BIT/TS is on track to exceed initial sales forecasts

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

- Expansion of IoT systems for the global manufacturing industry, the electronic application platform of the MAFF*, and development of cloud computing for business divisions of SoftBank Corp.

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

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

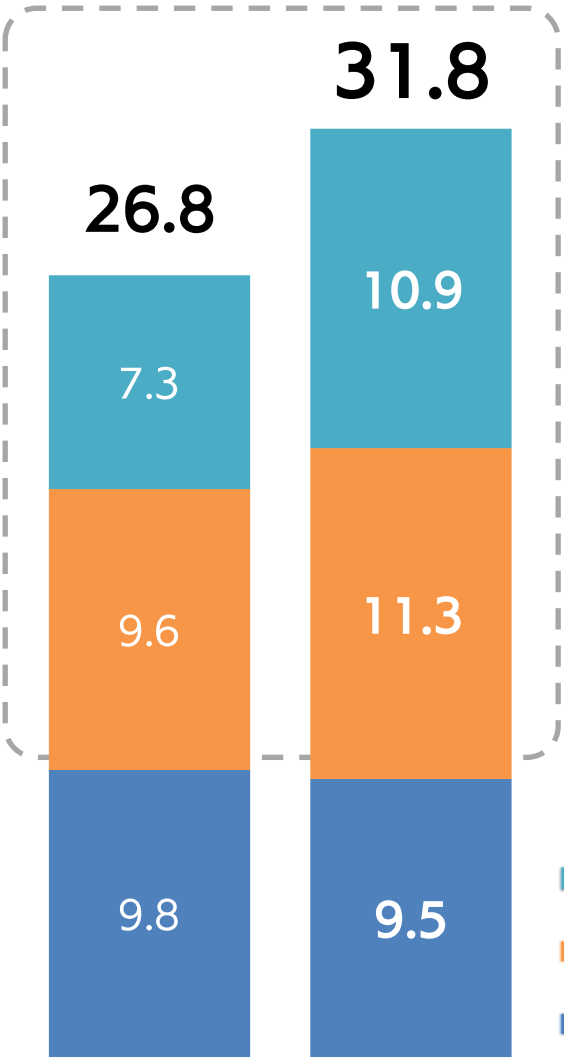
Technical (TS) : Increase in both sales and profits

- 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.

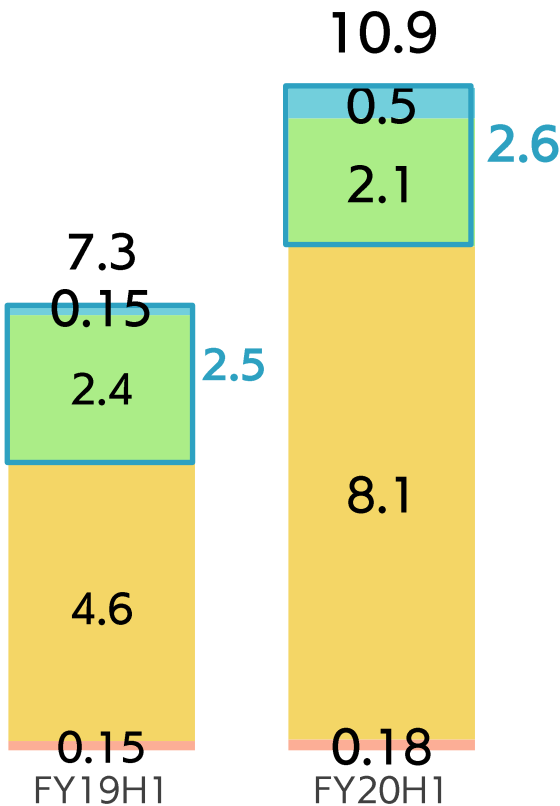
By customer type



Customer type × Solution category

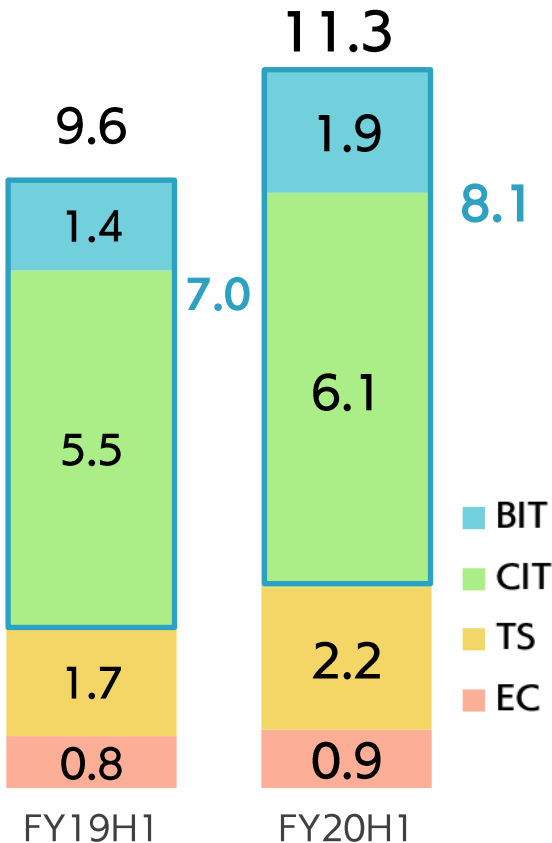
SB Group

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



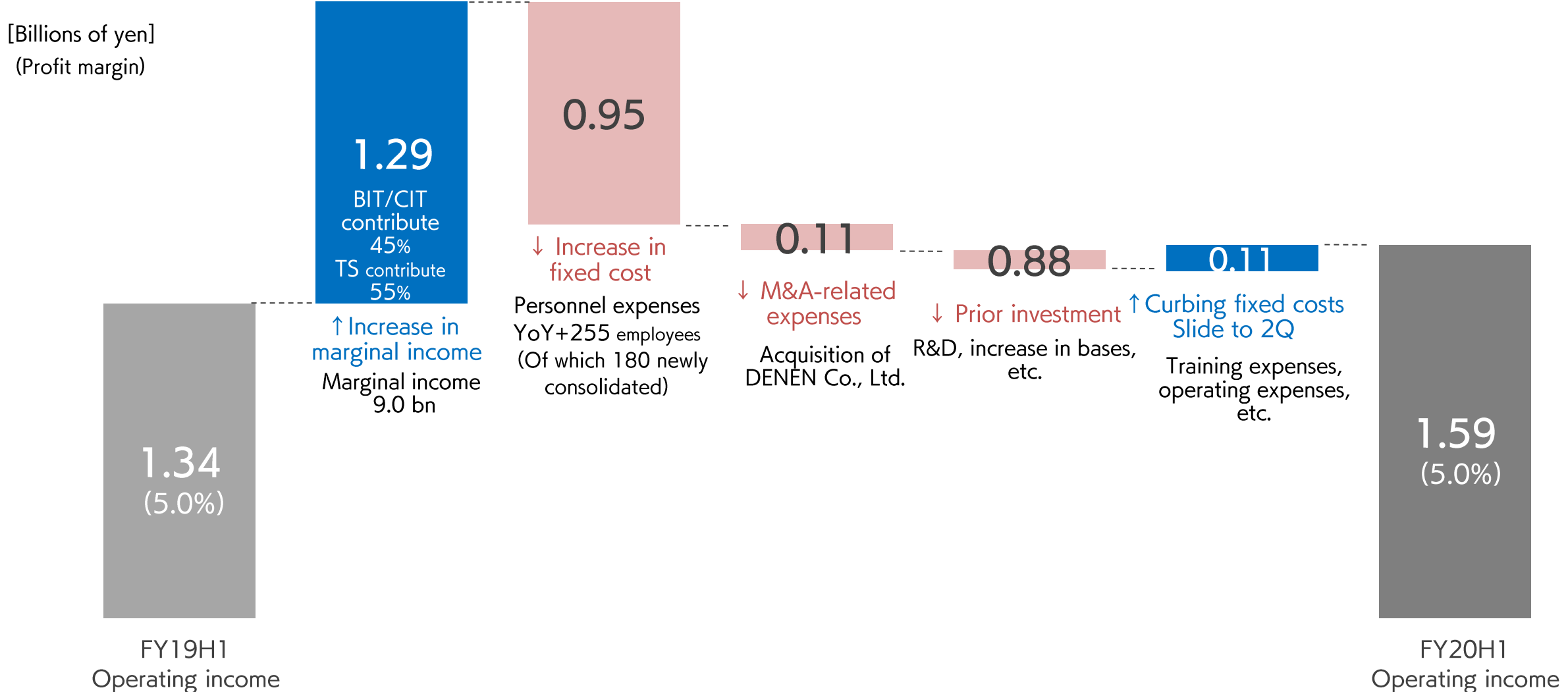
Enterprises/Public

BIT: IoT system development & electronic application platform development projects performed strongly
CIT: Increased Cloud operations and security
Increased sales of our own services (clouXion and MSS)



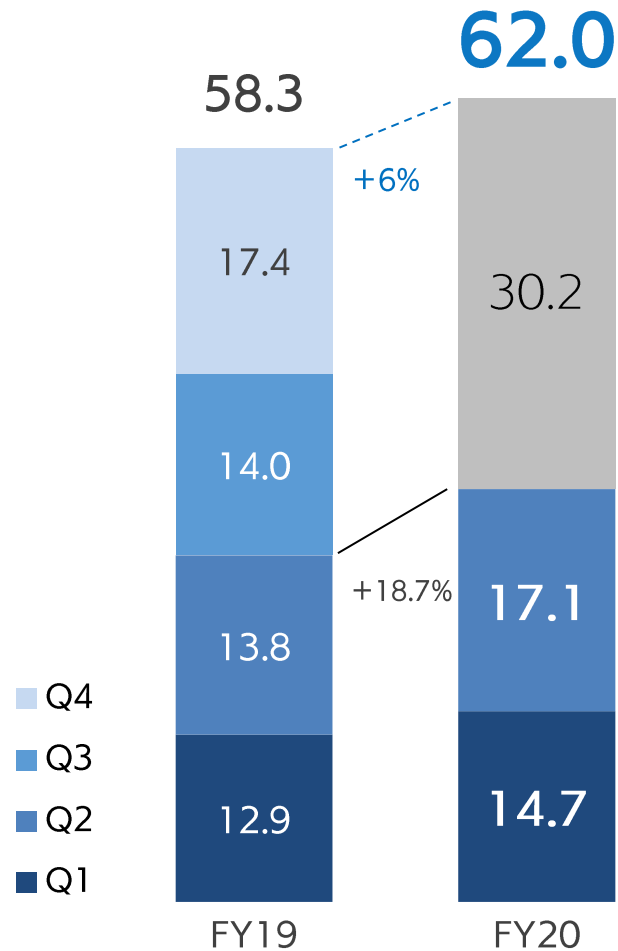
※ All Solution Segments for Individual Customers are EC.

- Increased personnel expenses and M&A-related expenses due to increased number of employees and base pay raises, partially restrained expenses due to remote working.
- Operating income increased due to growth in marginal income, particularly in BIT/CIT/TS.



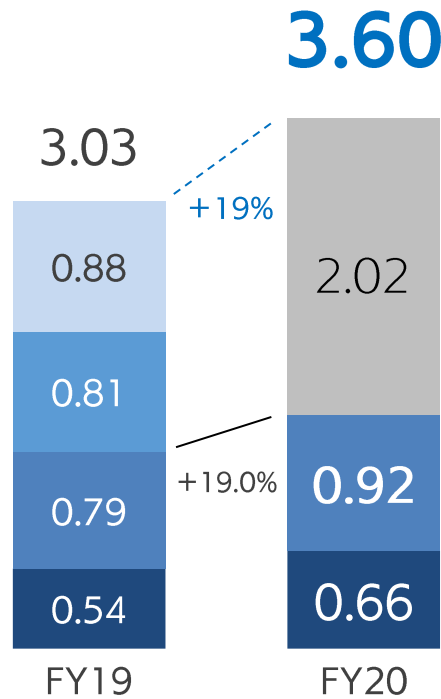
Forecasts remain
unchanged

- Strong IT investment expected in response to new norms, together with promotion of strategic DX
- Sales trended higher than expected, partly due to the consolidation effect of DENEN Co. Ltd.
- For second half, focus on activities in anticipation of BIT-related area expansion from FY21 onward

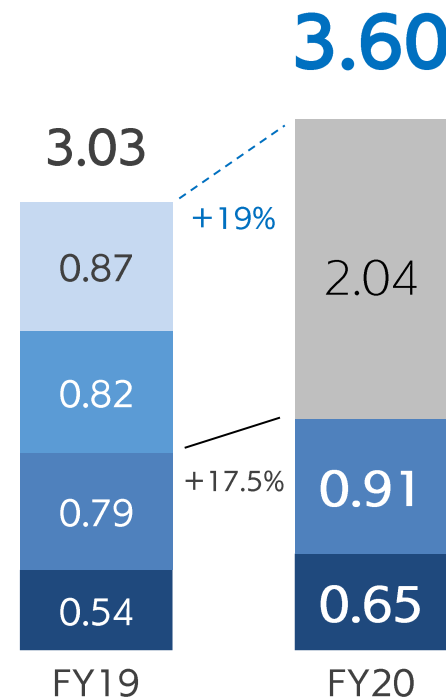


Net Sales

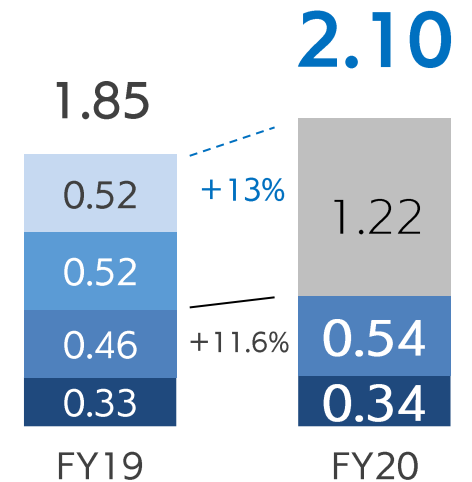
[Billions of yen]



Operating income



Ordinary income



Net income

(Profit attributable to owners of parent)

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

Orders Received

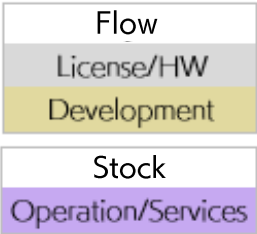
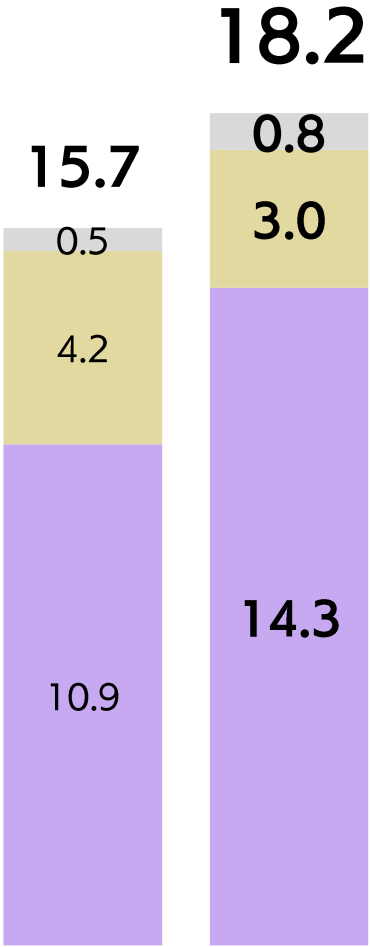
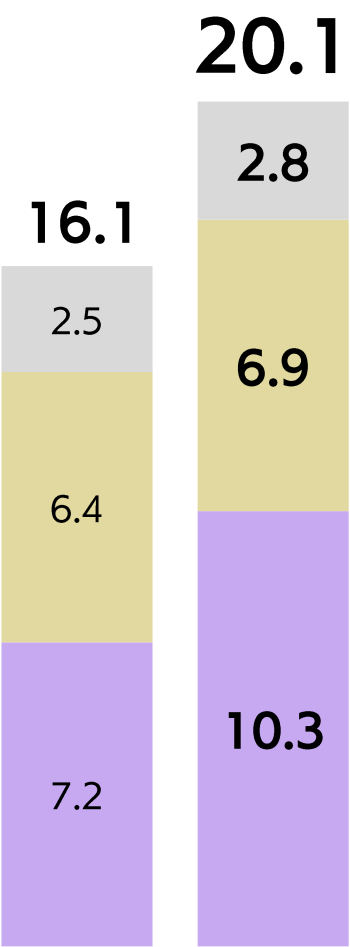
Orders Backlog

Non-consolidated order backlog

(YoY) 15.9%UP

Q1
Record High

Record High



Orders Received

【 Flow / development 】

- By solutions: strong TS orders
- By customer: For SoftBank Corp., the number of vendor management projects increased YoY. Public projects decreased due to focus on activities for the second half of the fiscal year.

【 Stock 】

- By solutions: Sales of TS increased for vendor management projects. Completed portion of management standardization included in stock. CIT: Public operation projects and our own services performed strongly.

Orders Backlog

【 Flow / development 】

- Flow (development) decreased due to the ongoing progress of electronic application projects and the completed management standardization of vendor management projects were included in the stock.

【 Stock 】

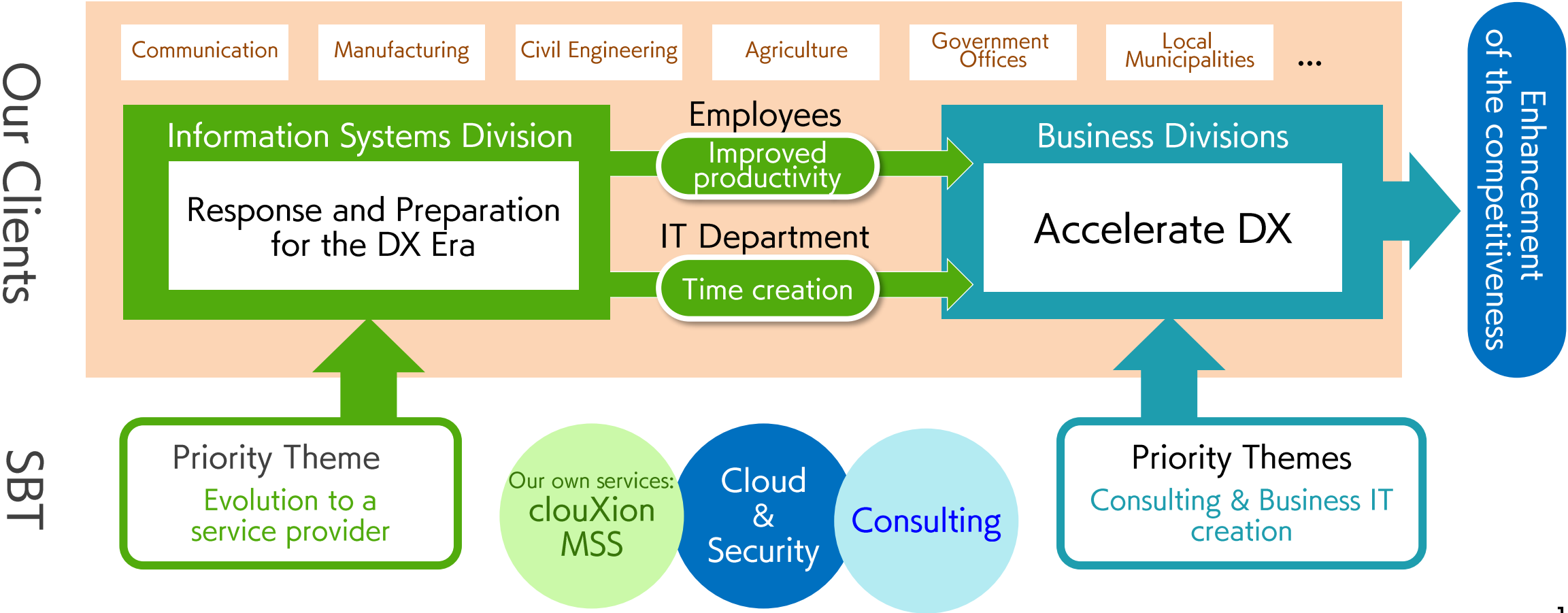
- CIT increased due to public investment projects, sales of our own services, etc.
- TS increased due to management standardization of vendor management projects.

Toward the Realization of Our Medium-Term Plan

Tertiary Medium-Term Management Plan
(FY19 - FY21)

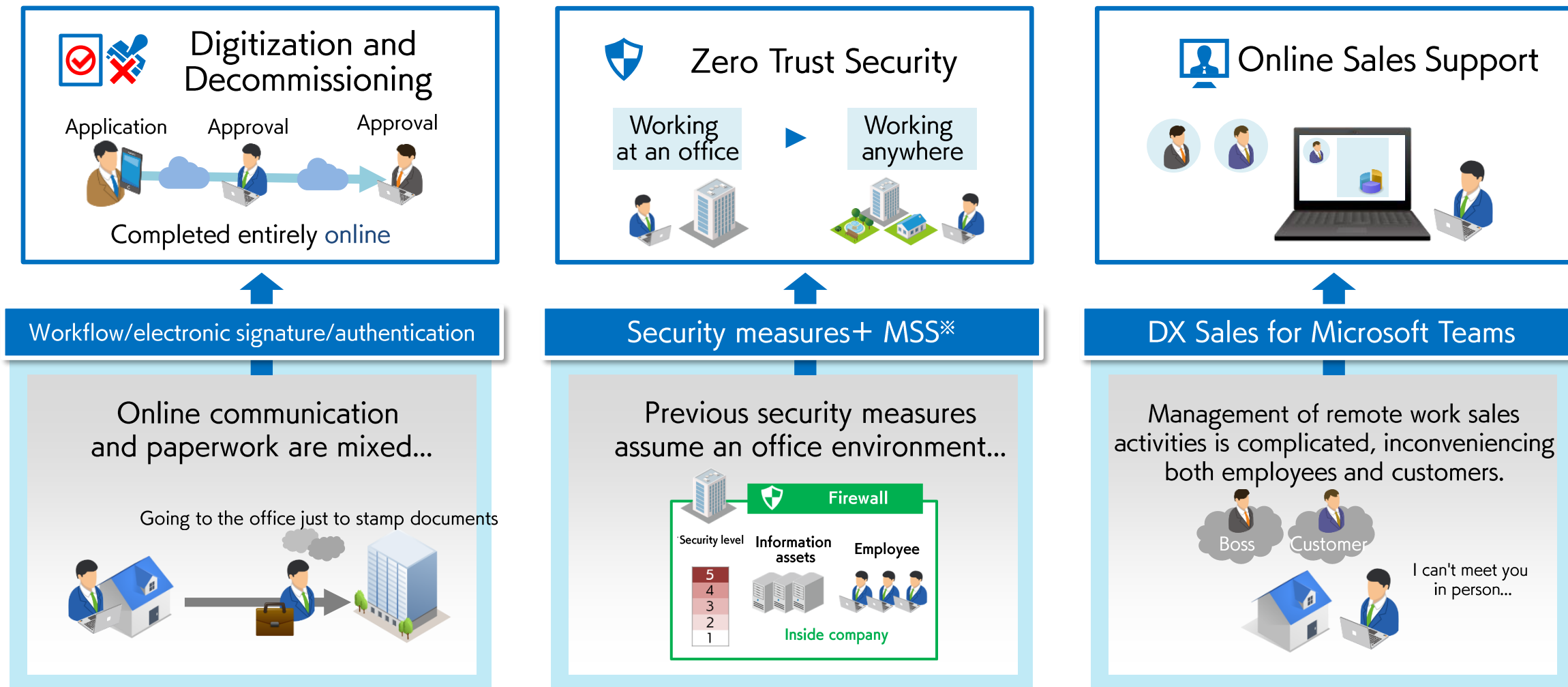
 SB Technology

Realizing an Information-Rich Society



Changes in Customer Issues

Acceleration of "Essential DX" in the New Normal Age



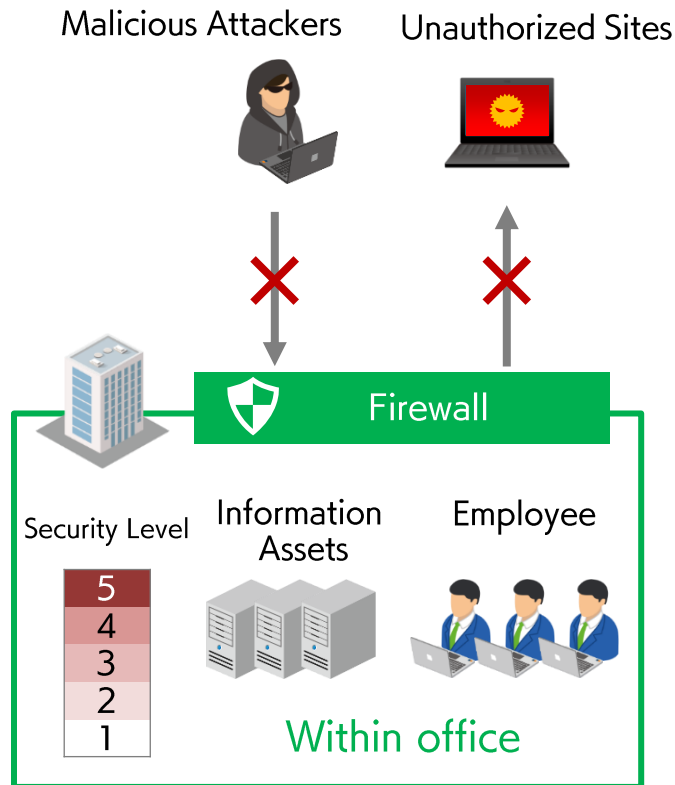
※Managed security service

Zero Trust Security

Toward Security Measures Tailored to the New Normal and Cloud Age

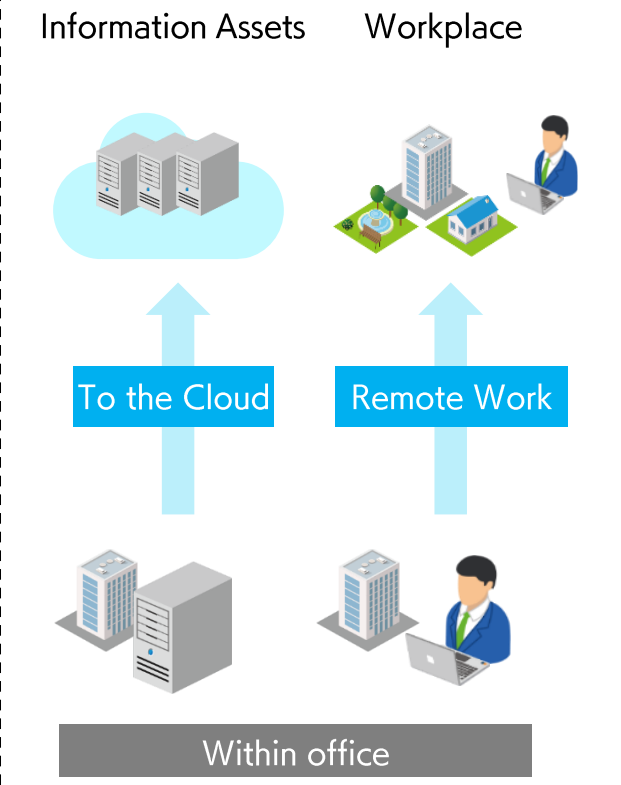
Traditional Security (Border Type)

It is important to keep the company safe and trustworthy.



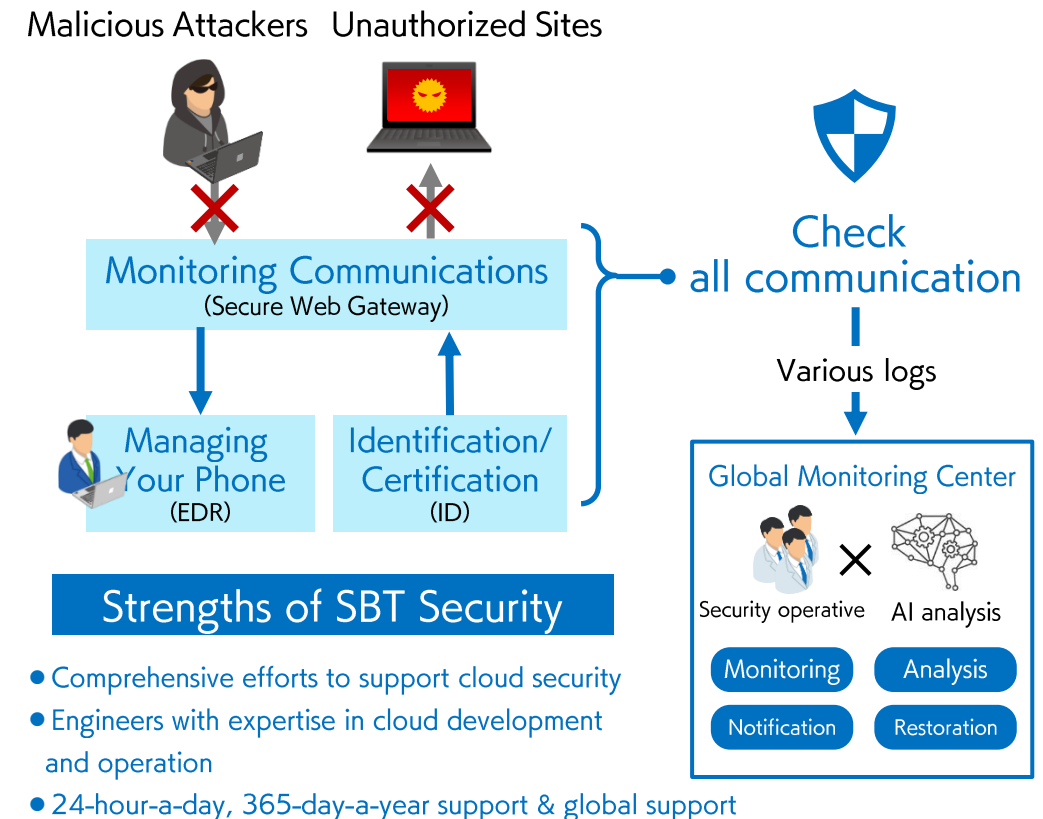
New Normal Age

Sudden changes in work style due to the COVID-19 pandemic



Zero Trust Security

The security model assumes that there is no secure location



Support for DX in Manufacturing and Construction

Providing Cloud/Security/IoT Technologies to Meet Growing a Need for Non-Contact

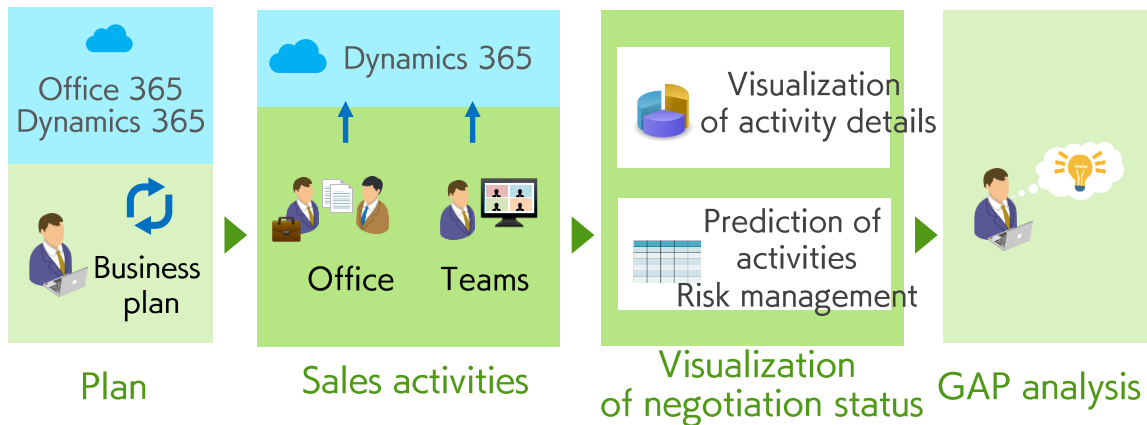
Primarily for business divisions
in the manufacturing industry:

New service

DX Sales for Microsoft Teams

- Supporting more efficient sales operations through remote work
- Allows for visualization of operational sales status to identify risks at an early stage

DX Sales for Microsoft Teams



For the business sector
in the construction industry:

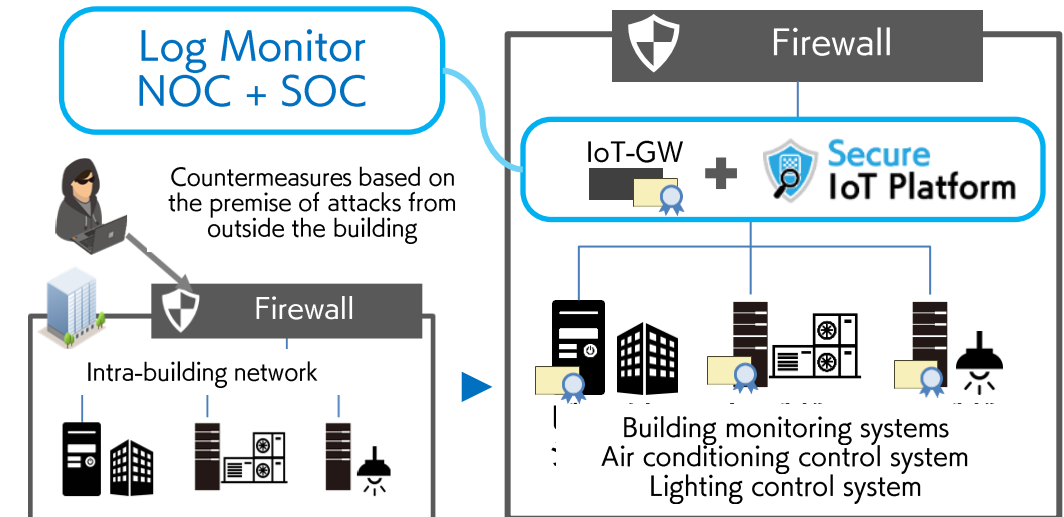
New service

Smart Secure Service



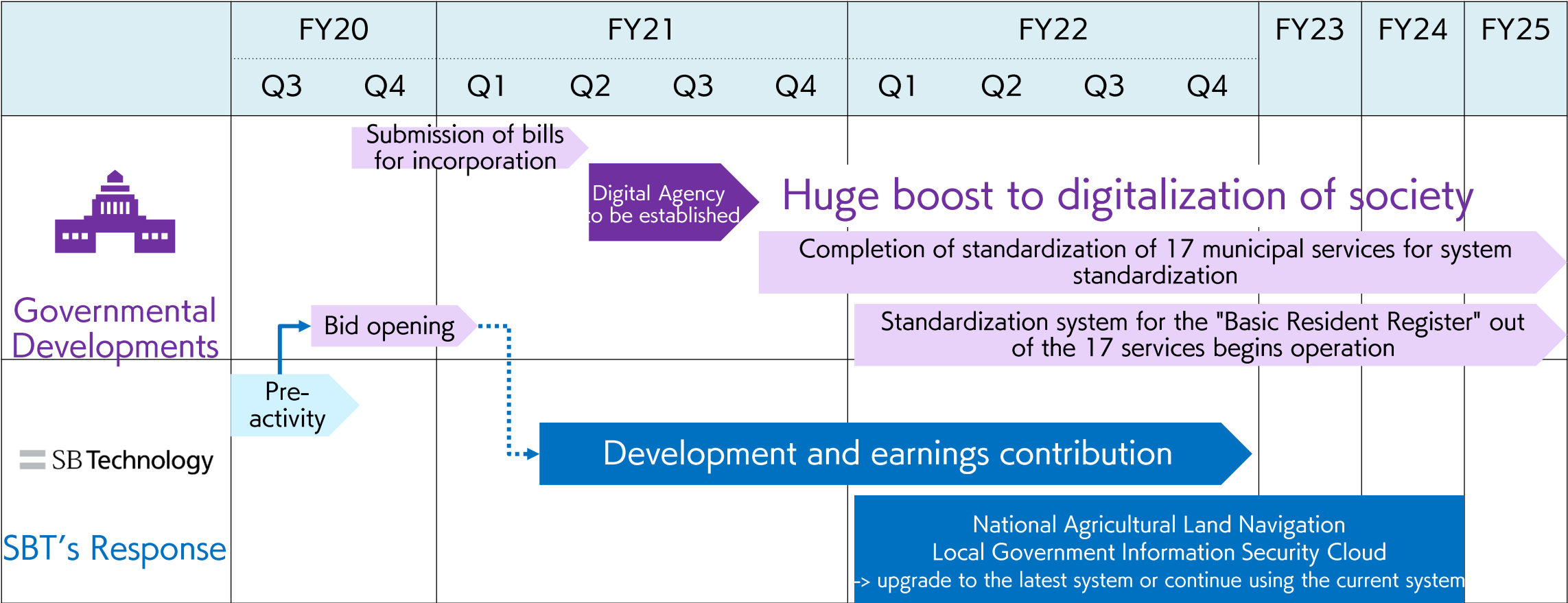
- Security measures and threat monitoring from inside and outside next-generation buildings
- Guaranteed authenticity of IoT equipment through distribution and management of device certificates

Smart Secure Service



Support for the Realization of Digital Governance

- Conducted activities aimed at opening bids in early spring, mainly contributing to earnings from FY21 onward.
- From a medium- to long-term perspective, the Japanese government's establishment of a Digital Agency will be a huge tailwind for SBT.



Synergy with SOFTBANK (Parent Company)

Individual customers

Corporate/Public

Targets under the Third Medium-Term Plan

5G/IoT or security
Concretization of Co-creation in Areas

Targets under the Third Medium-Term Plan
Leading partners in the IT field

Progress so far:



- Expansion of vendor management projects (Expansion of partner companies)

~~DENEN~~

- Made Denen Co, Ltd., a subsidiary



- New development base (Tennozu)

SoftBank

Customer contact system



Communications infrastructure technology



Internal IT domain

SB Technology partners

Our group

SB Technology ~~DENEN~~

Progress so far:

Supporting the establishment of a platform foundation for the "Smart City Platform" to be built by SOFTBANK CORP.

Monitoring of devices using:



- Elevator congestion states
- Availability of toilets
- Face recognition of employees, etc.

Tertiary Mid-term Management Plan Progress

Goal

Be a service provider for Corp IT

To enterprise Microsoft users:
Contributing the Most to Digitalization with Cloud & Security

#1 in Teams-related Services

#1 in Zero Trust Security

Progress

For enterprise:

#1 in the number of companies implementing Teams
#1 in Azure services sold

Own, corporate, public, and SB groups

Achievements of Zero Trust Security Implementation

Consult & generate Biz IT (Corporate Sphere)

Customers are using the industry-specific platforms we provide

For the construction industry

For manufacturers

Consult & generate Biz IT (Public Sphere)

We are supporting the promotion of digital governance

Launch of new services for business divisions

- Online sales support services
 - IoT security services for buildings
-
- Electronic application infrastructure (Ministry of Agriculture, Forestry and Fisheries)
 - Agricultural Land Information System (ALIS)
 - General-purpose portal (MHLW)
 - Information SC* (local government)

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

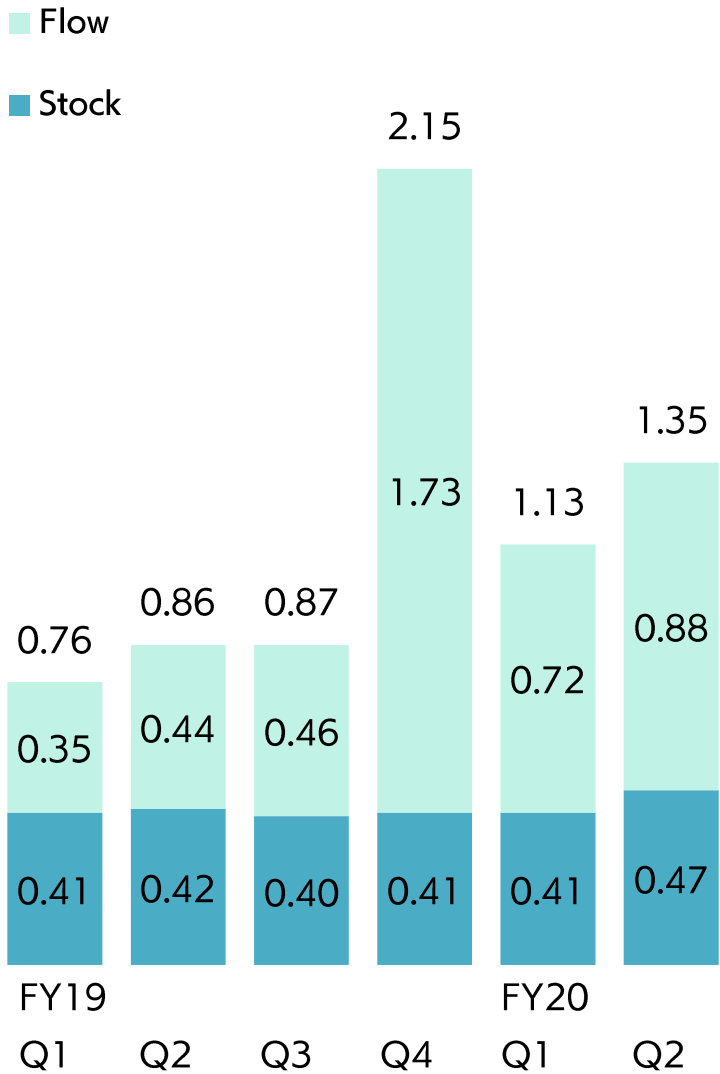
~Technologies Design the Future~

 **SB Technology**

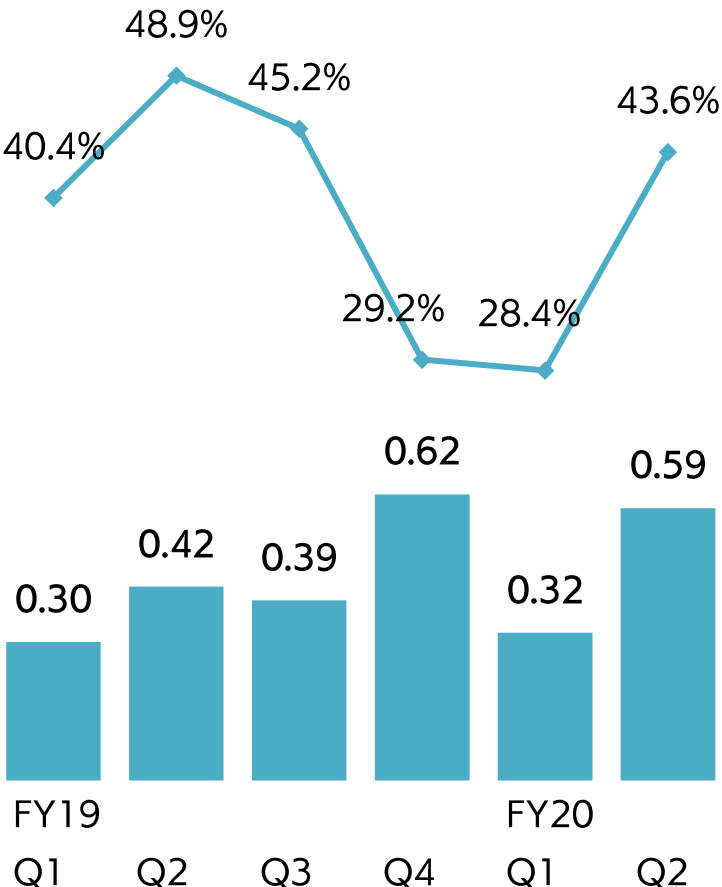
Overview of each solution

SB Technology

Net sales



Marginal income



Cloud business solutions for business units

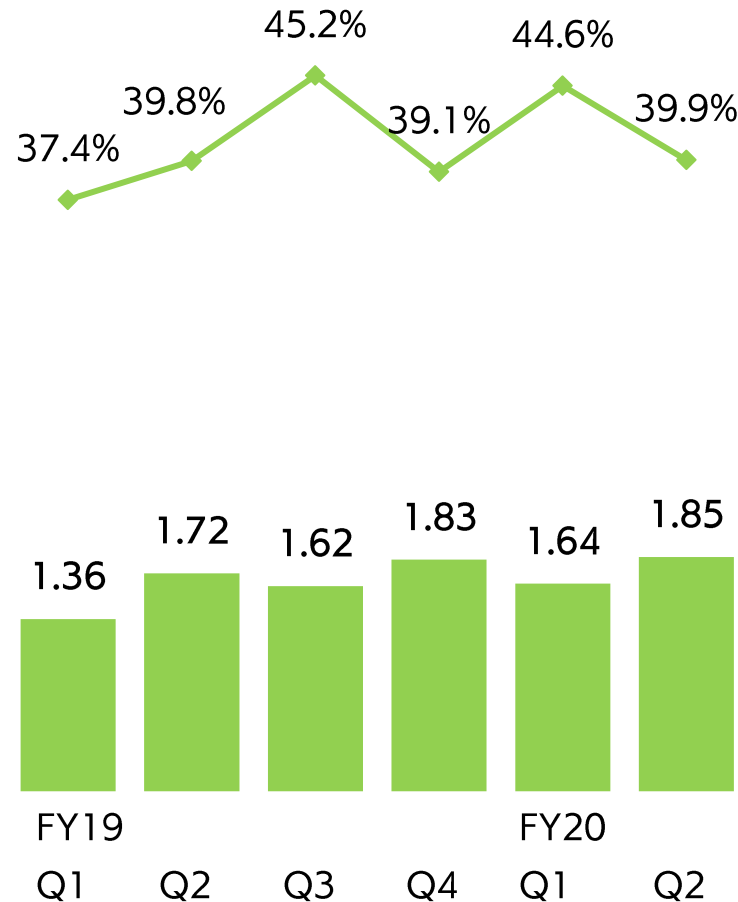
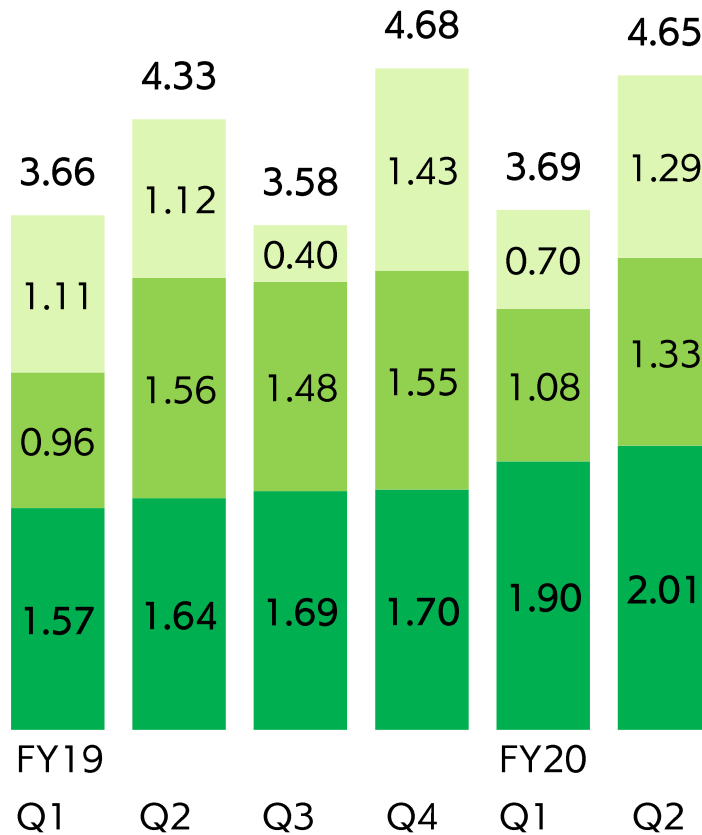
Consists primarily of customer service development, development/provision of industry-specific services, collaboration and PoC (proof of concept), etc.

Flow	Expansion of system development for business divisions at SoftBank
	Construction of the MHLW's general-purpose portal site to strengthen cooperation with local governments, along with steady trends in electronic application base projects for the Ministry of Agriculture, Forestry and Fisheries
Stock	Began partial operation of the Ministry of Agriculture, Forestry and Fisheries electronic application infrastructure project, as well as the Ministry of Health, Labor and Welfare's O-NET project

Net sales

Marginal income

Flow		Stock
■ Licences, etc.	■ Development	■ Operation / Services



Company-wide and administrative cloud business solutions

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).

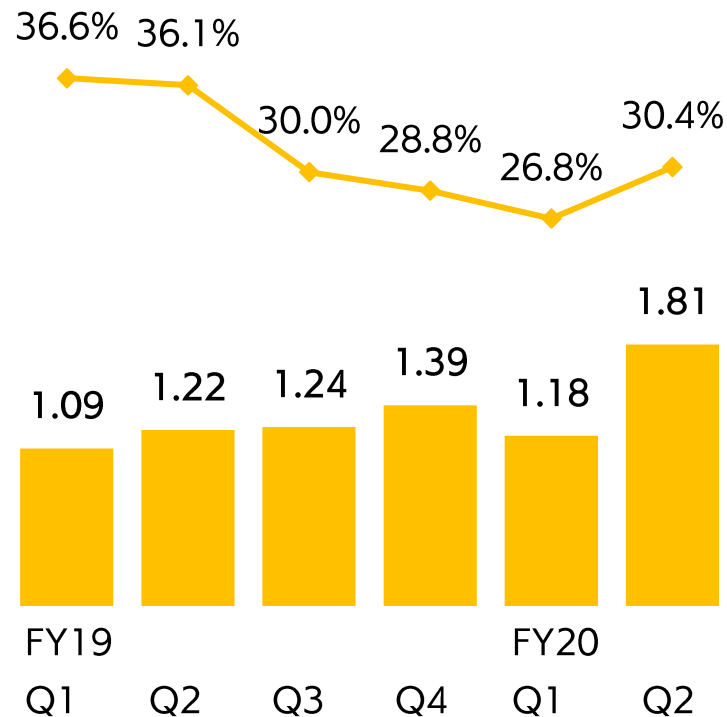
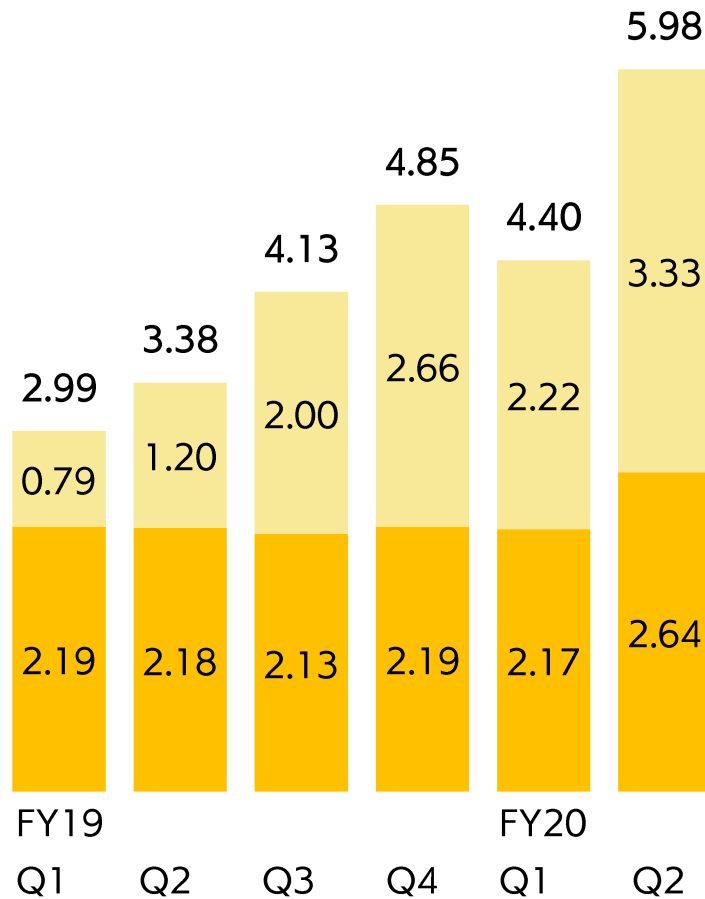
Flow	<p>Majority of cloud systems for SB groups saw a reduction in development</p> <p>Steady growth in security-related support and Azure projects</p>
Stock	<p>Began cloud operations for the SB Group in addition to public employees</p> <p>Our own services(*) also performed well</p>

*clouXion、Managed Security Service

Net sales

Marginal income

■ Flow ■ Stock



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

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

Flow

Revenue increased due to continued vendor management projects for SoftBank

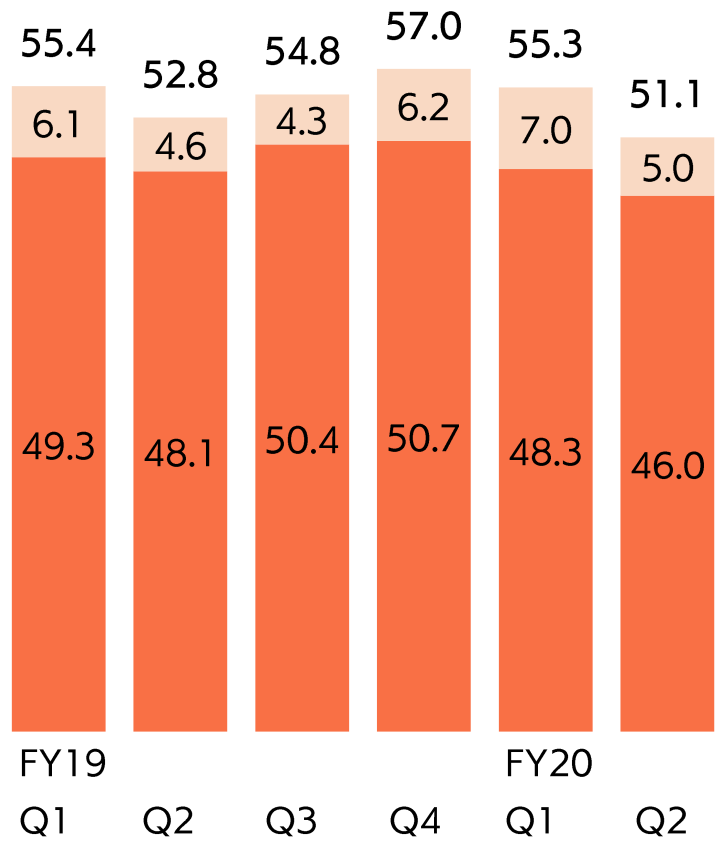
Newly added subsidiary DENEN Co., Ltd. also contributed to an increase in sales and marginal profit

Stock

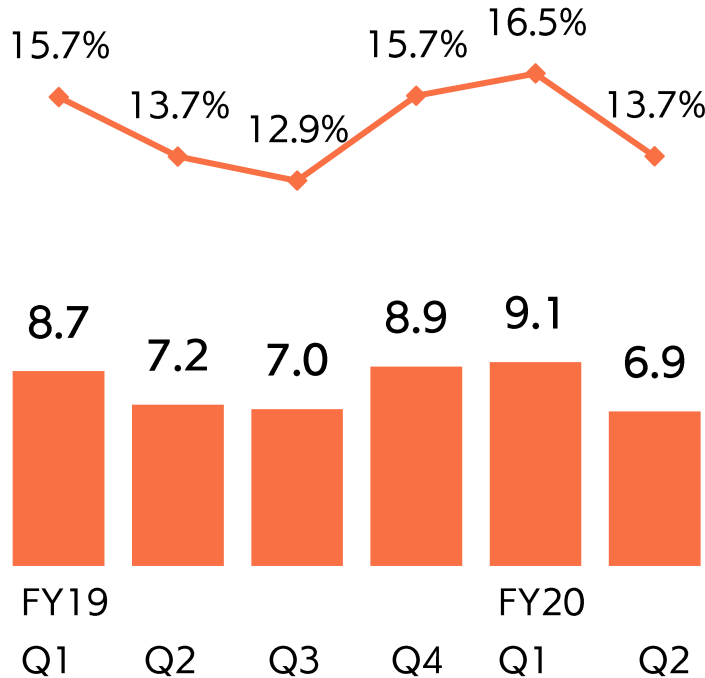
Unification of management methods for vendor management projects and promotion of efficiency contributed to an increase in stock

Net sales

Font, etc. Norton store



Marginal income



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

On the other hand, our Font Business performed well

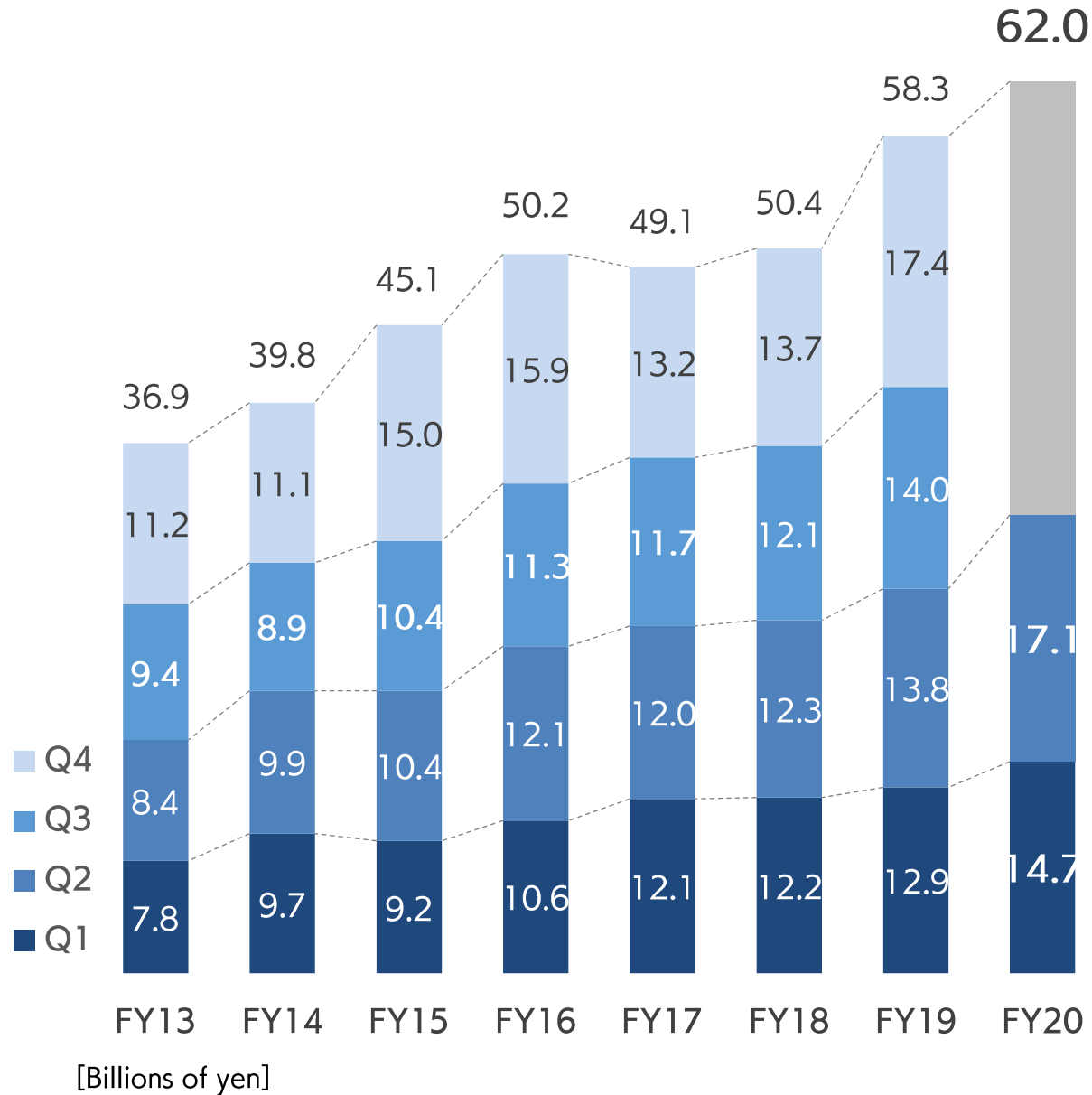
Numerical data

 SB Technology

- Vendor management projects in the TS area and new consolidated subsidiaries led to increased upside beyond the initial sales forecast
- BIT and CIT also remained strong, with an increase in both sales and profits helped by curbing costs and other factors

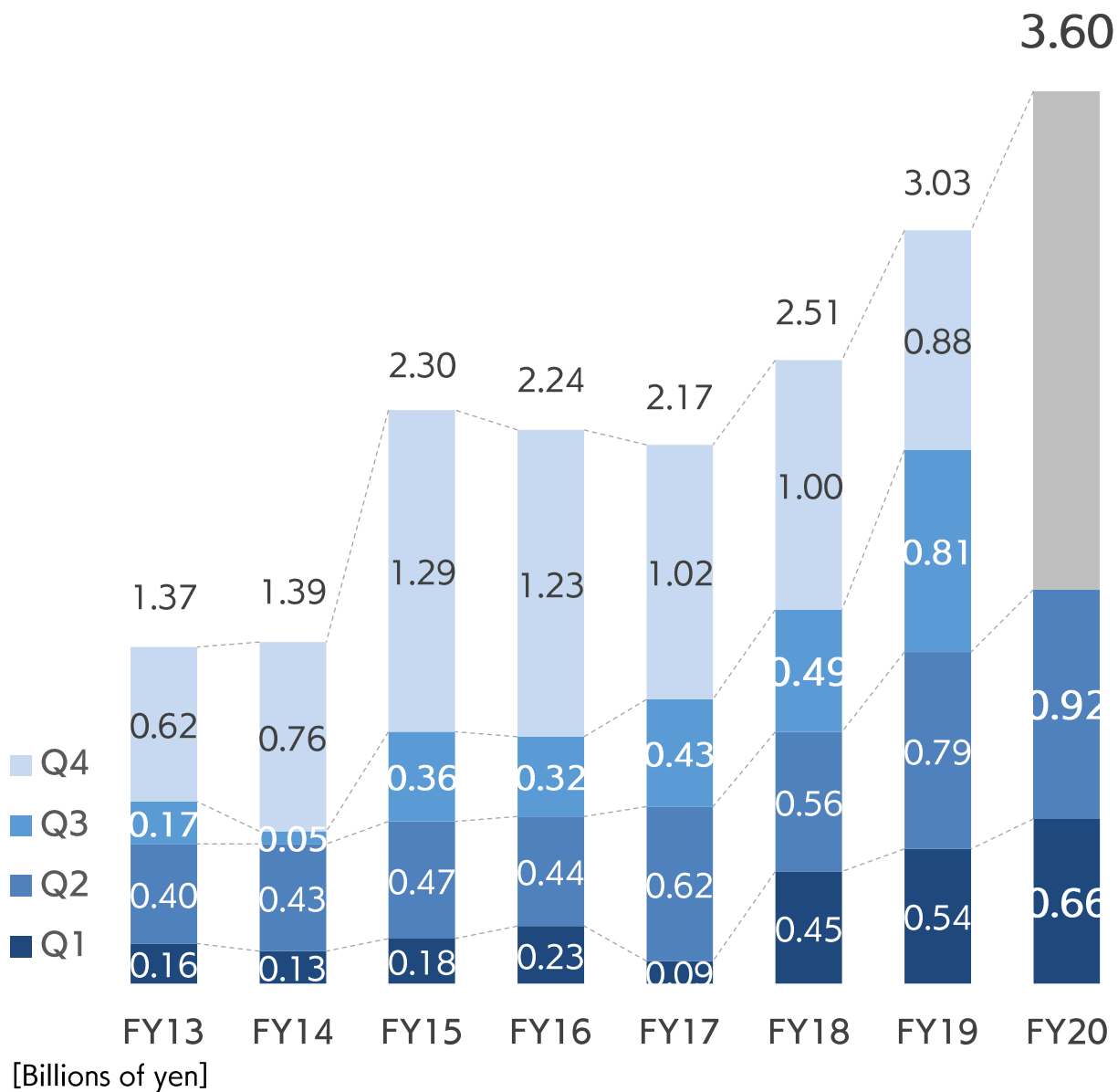
[Millions of Yen]	(Profit margin)	FY20Q2	FY19Q2	Change	Change %
Net sales		17,105	13,872	+3,232	+23.3%
Operating income		929 (5.4%)	794 (5.7%)	+134 (▲0.3pt)	+16.9%
Ordinary income		918 (5.4%)	796 (5.7%)	+121 (▲0.3pt)	+15.2%
Profit attributable to owners of parent Net profit		543 (3.2%)	469 (3.4%)	+74 (▲0.2pt)	+15.9%

[Millions of yen]	End of September, 2019	End of March, 2020	End of September, 2020	Since end of previous term	YoY
Current assets	20,089	24,350	24,342	△ 7	4,253
Cash and deposits	9,271	9,826	9,162	△ 663	△ 109
Accounts receivable and other receivables	9,029	12,714	12,648	△ 65	3,619
Fixed assets	7,879	8,135	9,551	1,415	1,672
Tangible fixed assets	1,279	1,488	1,690	201	410
Intangible fixed assets	3,070	3,049	4,361	1,311	1,290
Investments and other assets	3,529	3,597	3,500	△ 97	△ 28
Total assets	27,968	32,486	33,894	1,408	5,926
Current liabilities	10,067	13,528	13,018	△ 510	2,951
Long-term liabilities	1,320	1,340	2,666	1,326	1,346
Net assets	16,580	17,617	18,209	592	1,628



H1 Net sales
(YoY) **18.7%_{up}**

Q2 Net sales
(YoY) **23.3%_{up}**



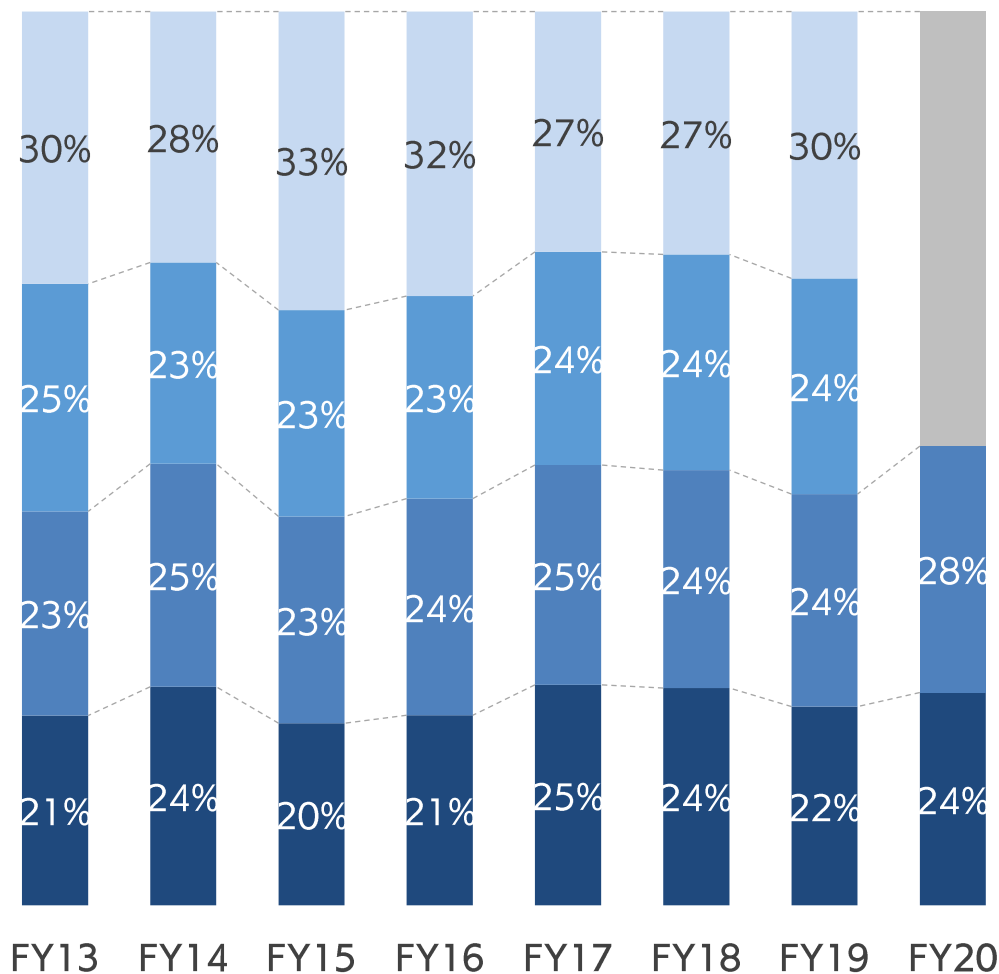
Medium-Term Management Plan
Target: 20% Operating Income Growth

H1 Operating income
(YoY) **19.0%_{up}**

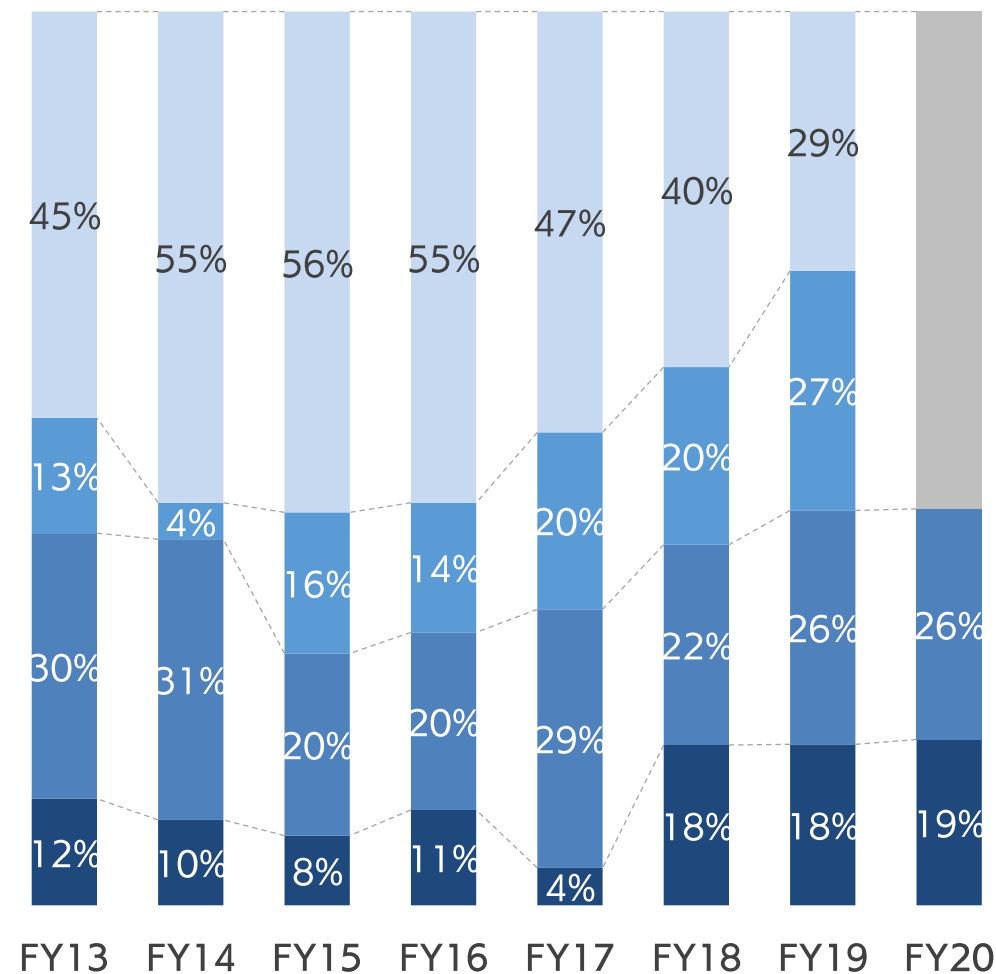
Q2 Operating income
(YoY) **16.9%_{up}**

Net sales

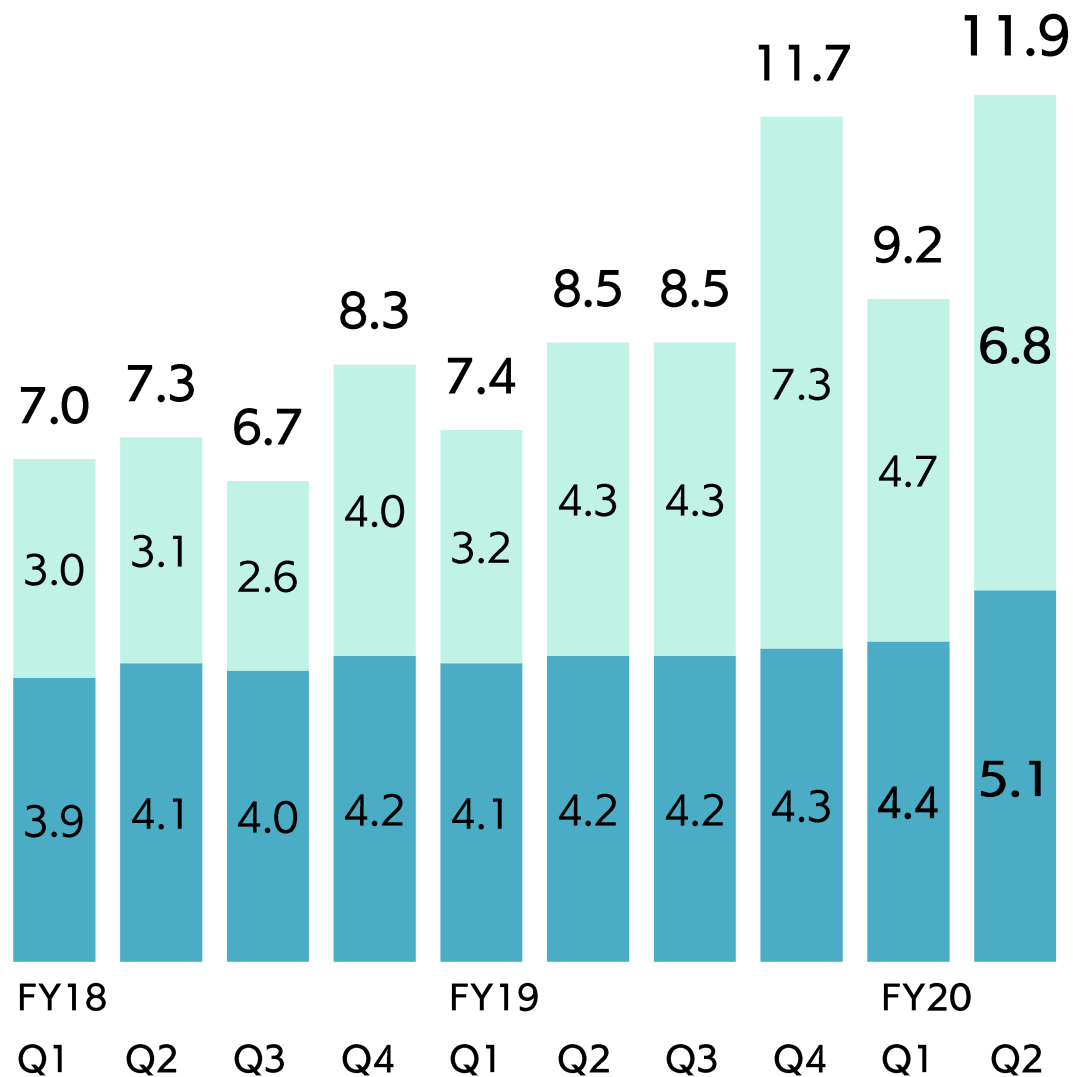
■ Q4 ■ Q3 ■ Q2 ■ Q1



Operating income



Flow Stock



[Billions of yen]

H1 stock sales
(YoY) **1.19bn_{up}**

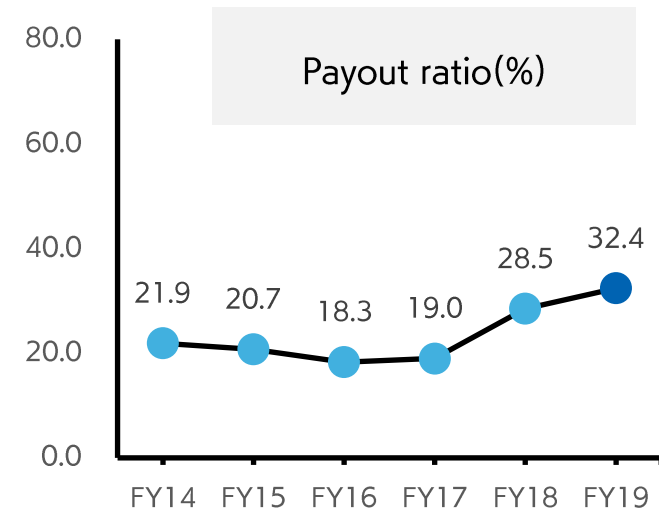
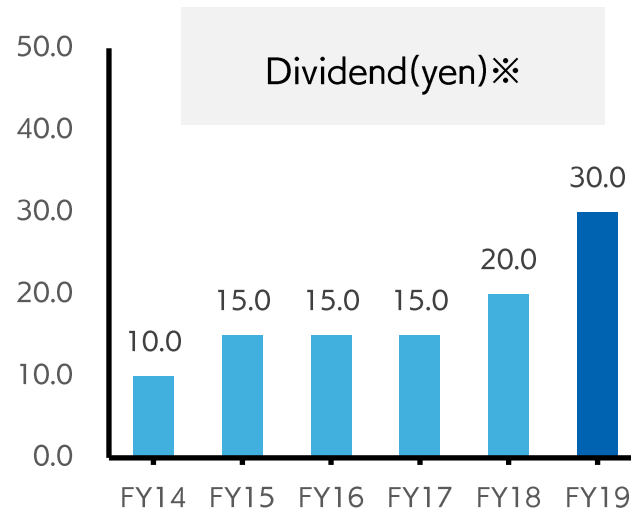
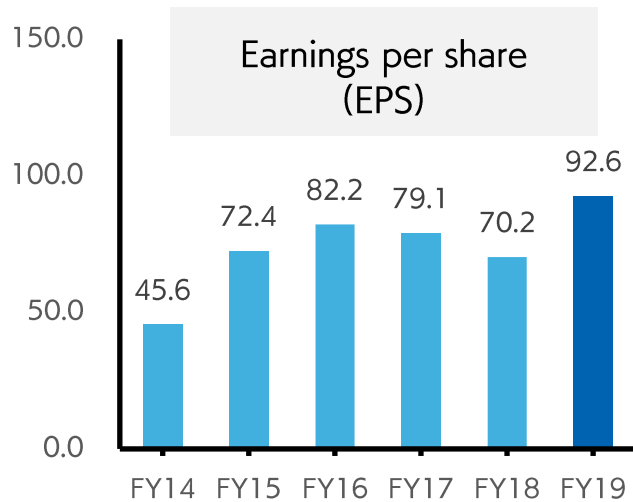
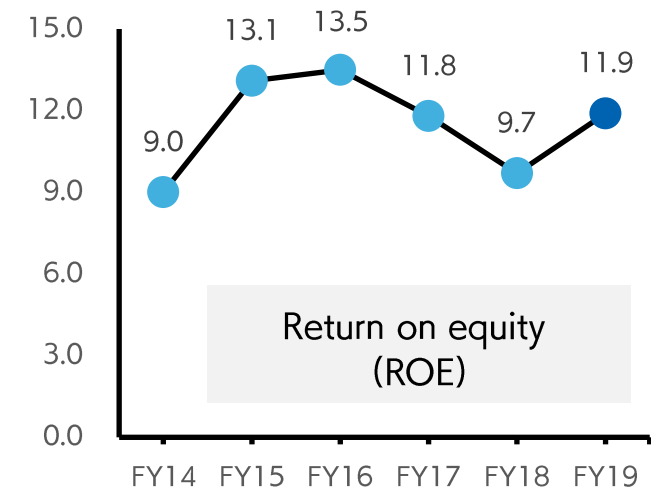
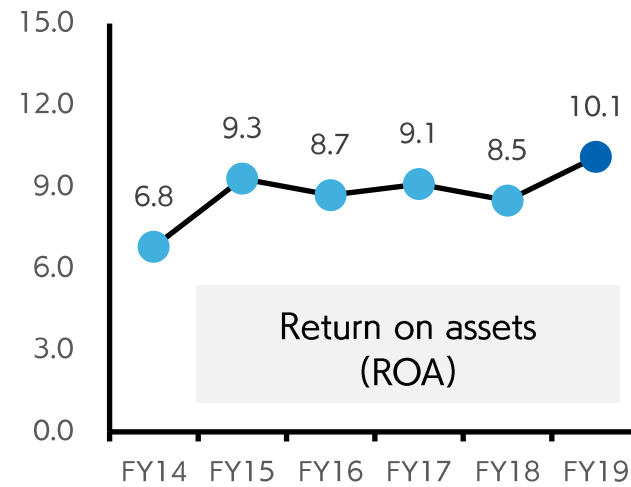
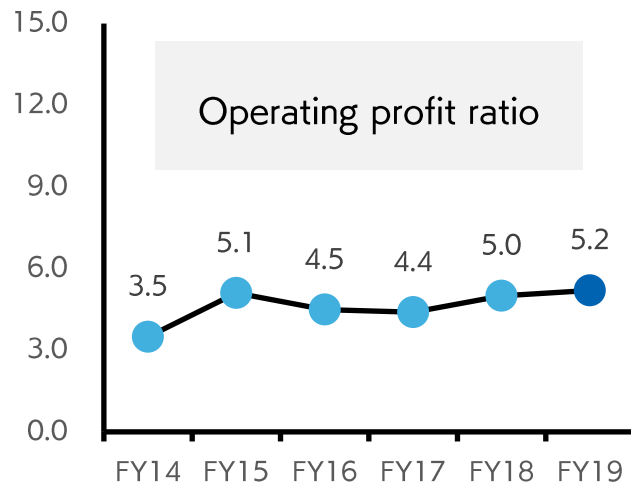
Q2 stock sales
(YoY) **0.87bn_{up}**

		(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2
Total	Sale		12,969	13,872	14,074	17,408	58,324	14,759	17,105
	Marginal income		3,642	4,095	3,964	4,758	16,461	4,061	4,969
	Profit ratio		28.1%	29.5%	28.2%	27.3%	28.2%	27.5%	29.1%
BIT solution	Sale		764	868	872	2,155	4,661	1,132	1,358
	Marginal income		309	424	394	629	1,757	322	592
	Profit ratio		40.4%	48.9%	45.2%	29.2%	37.7%	28.4%	43.6%
CIT Solutions	Sale		3,664	4,333	3,582	4,689	16,269	3,693	4,653
	Marginal income		1,369	1,726	1,620	1,835	6,552	1,647	1,858
	Profit ratio		37.4%	39.8%	45.2%	39.1%	40.3%	44.6%	39.9%
TS Solutions	Sale		2,991	3,387	4,137	4,855	15,371	4,400	5,981
	Marginal income		1,093	1,221	1,242	1,396	4,953	1,180	1,819
	Profit ratio		36.6%	36.1%	30.0%	28.8%	32.2%	26.8%	30.4%
EC Solutions	Sale		5,548	5,283	5,482	5,708	22,022	5,533	5,112
	Marginal income		870	723	706	897	3,198	911	698
	Profit ratio		15.7%	13.7%	12.9%	15.7%	14.5%	16.5%	13.7%
Total of core businesses (BIT+CIT)	Sale		4,429	5,201	4,454	6,844	20,930	4,825	6,011
	Marginal income		1,678	2,150	2,014	2,464	8,309	1,969	2,451
	Profit ratio		37.9%	41.4%	45.2%	36.0%	39.7%	40.8%	40.8%
	Component ratio		34.1%	37.5%	31.7%	39.3%	35.9%	32.7%	35.1%

		YoY	
FY19H1	FY20H1	Change	Change%
26,841	31,864	+5,022	+18.7%
7,738	9,031	+1,292	+16.7%
28.8%	28.3%	▲0.5pt	-
1,633	2,490	+857	+52.5%
733	914	+180	+24.6%
44.9%	36.7%	▲8.2pt	-
7,997	8,346	+349	+4.4%
3,096	3,505	+409	+13.2%
38.7%	42.0%	+3.3pt	-
6,379	10,381	+4,002	+62.7%
2,314	3,000	+685	+29.6%
36.3%	28.9%	▲7.4pt	-
10,831	10,646	▲185	▲1.7%
1,593	1,610	+16	+1.0%
14.7%	15.1%	+0.4pt	-
9,630	10,837	+1,206	+12.5%
3,829	4,420	+590	+15.4%
39.8%	40.8%	+1.0pt	-
35.9%	34.0%	▲1.9pt	-

(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2	FY19H1	FY20H1	YoY	
										Change	Change%
Sale	12,969	13,872	14,074	17,408	58,324	14,759	17,105	26,841	31,864	+5,022	+18.7%
BIT Solutions	764	868	872	2,155	4,661	1,132	1,358	1,633	2,490	+857	+52.5%
CIT Solutions	3,664	4,333	3,582	4,689	16,269	3,693	4,653	7,997	8,346	+349	+4.4%
Technical solutions	2,991	3,387	4,137	4,855	15,371	4,400	5,981	6,379	10,381	+4,002	+62.7%
EC Solutions	5,548	5,283	5,482	5,708	22,022	5,533	5,112	10,831	10,646	▲185	▲1.7%
Cost of sales	10,873	11,479	11,647	14,897	48,897	12,326	14,317	22,353	26,643	+4,290	+19.2%
Gross profit	2,096	2,392	2,427	2,511	9,426	2,433	2,787	4,488	5,220	+732	+16.3%
SG&A expenses	1,550	1,597	1,613	1,630	6,391	1,766	1,857	3,147	3,624	+476	+15.1%
Operating income	546	794	813	880	3,035	666	929	1,341	1,596	+255	+19.0%
Other Income and Expenses	▲0	1	6	▲9	▲2	▲8	▲11	0	▲20	▲20	-
Ordinary income	545	796	820	871	3,033	658	918	1,341	1,576	+234	+17.5%
Extraordinary gain/loss	0	▲14	2	▲46	▲58	▲5	▲44	▲14	▲49	▲35	-
Net profit attributable to owners of parent	330	469	526	529	1,856	348	543	799	892	+93	+11.6%
Marginal income	3,642	4,095	3,964	4,758	16,461	4,061	4,969	7,738	9,031	+1,292	+16.7%
Fixed cost	3,096	3,300	3,150	3,877	13,425	3,394	4,040	6,397	7,434	+1,037	+16.2%
Non-consolidated order backlog	12,715	15,712	16,393	16,392	16,392	16,537	18,204	15,712	18,204	+2,491	+15.9%

(※) 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.

Corporate Information

 SB Technology

Management philosophy

Mission

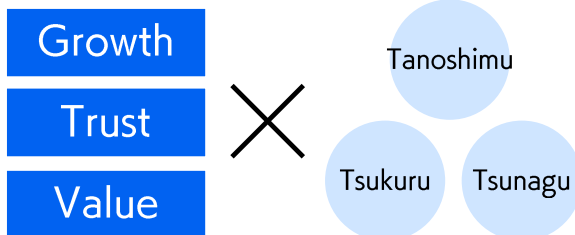
Information Revolution, Happiness for everyone
- Technologies Design the Future -

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, 2020)

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 1,176 mn
Number of employees	1,068 (consolidated)

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

Officers

(As of June 26, 2020)

Board of Directors and Corporate Auditors

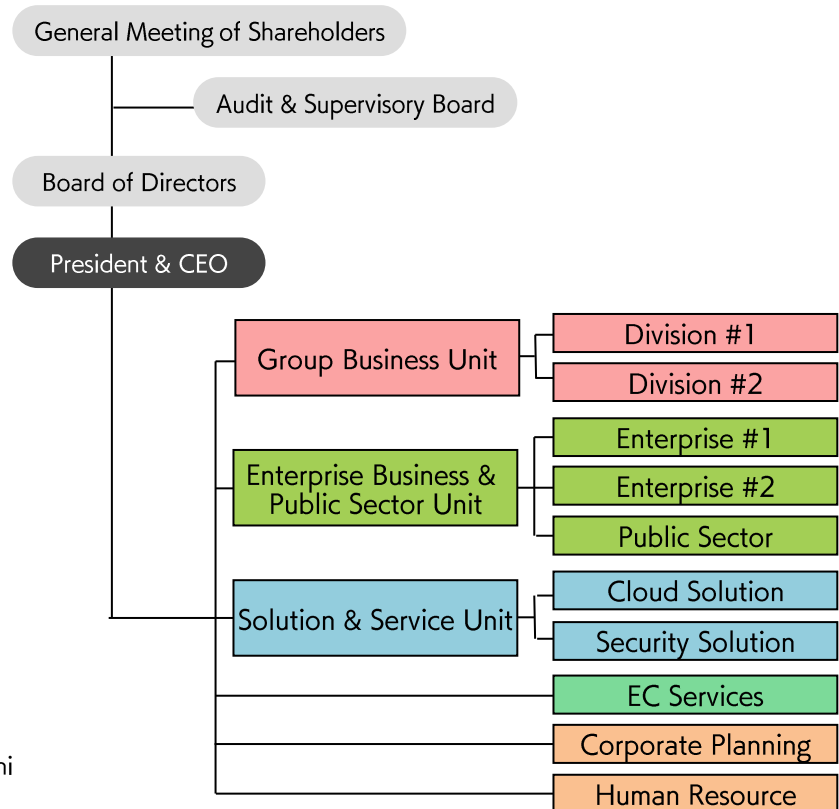
Representative Director CEO	Shinichi Ata	Chairman of Audit & Supervisory Board	Mitsumasa Ueno
Director CSO	Mitsuhiro Sato		
Director	Akira Kitamura	Audit & Supervisory Board Member	Haruhiko Hirose
Director	Takashi Kodama		
Director	Masaki Watanabe	Audit & Supervisory Board Member	Michiaki Nakano
Director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

Executive Officers

President & CEO	Shinichi Ata
Senior Executive Vice President & CSO	Mitsuhiro Sato
Executive Vice President	Akira Kitamura
Executive Vice President & CIO	Takashi Kodama
Executive Vice President	Masaki Watanabe
Vice President CCO	Seiichi Masaoka
Vice President	Tetsuya Shimizu

Organizational Chart

(As of October 1, 2020)



Certification and accreditation

(As of April 1, 2020)



ISMS認証・登録範囲
本社/汐留/仙台/名古屋/大阪/福岡

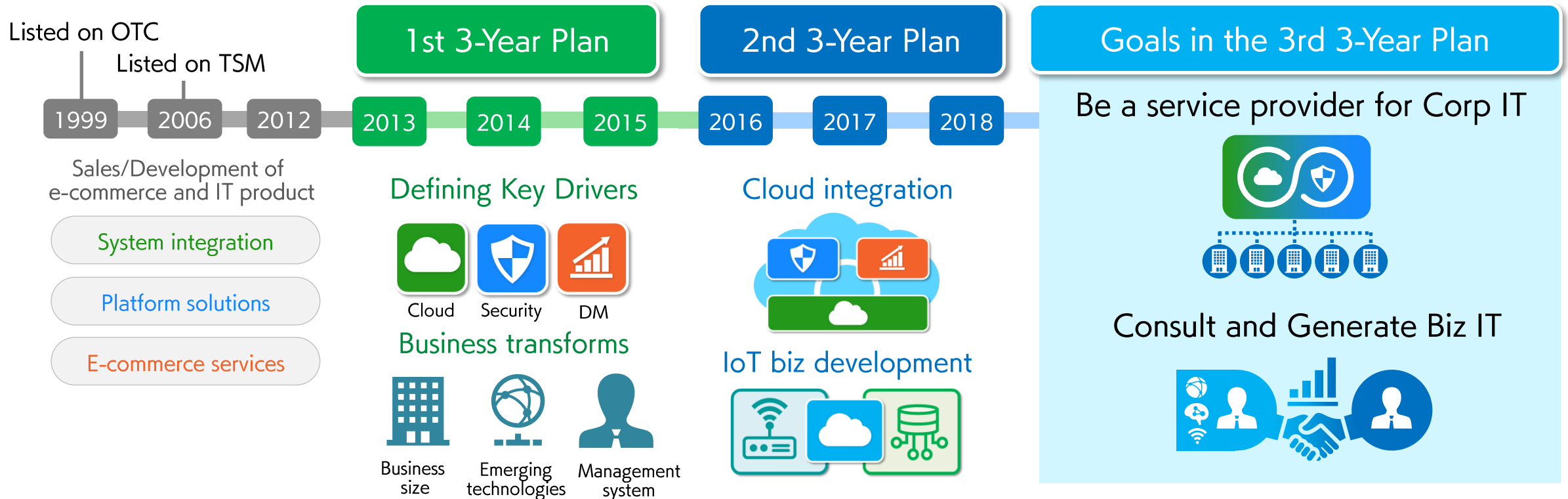
えるぼし

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



ICT Service Business

Utilizing advanced technologies such as cloud computing, security, IoT, and AI to contribute to the digital transformation of client companies, and to the creation of new businesses



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.



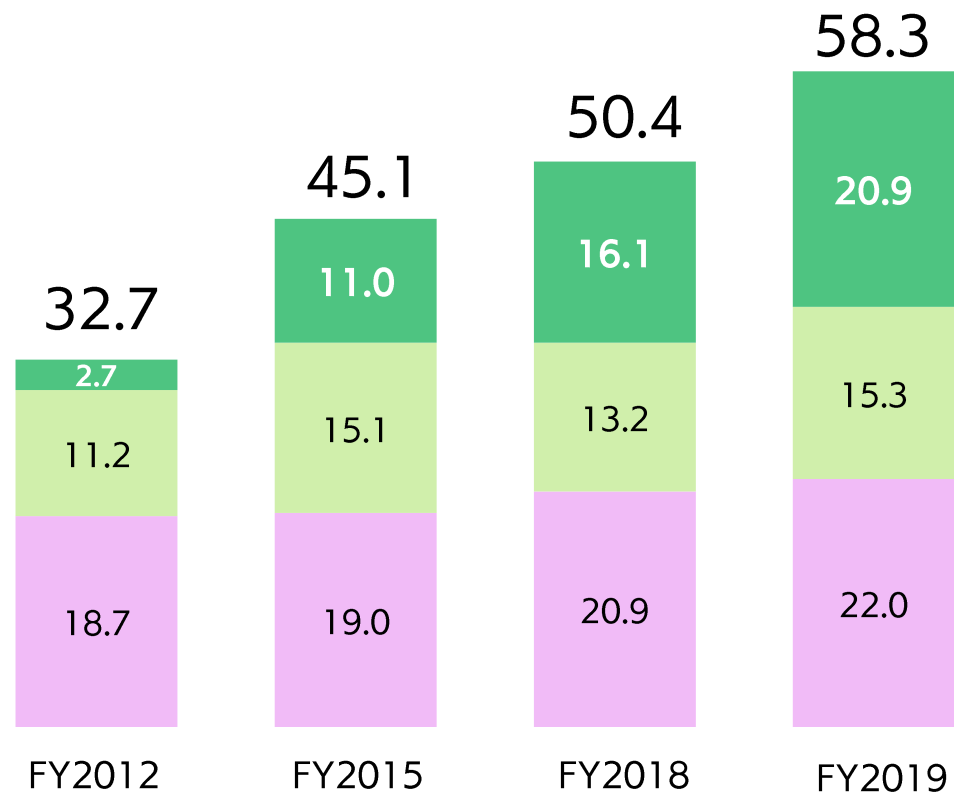
EC Solutions

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

Transition of Business Portfolio

SB Technology

By Segment:
Steady Growth in Focused Businesses



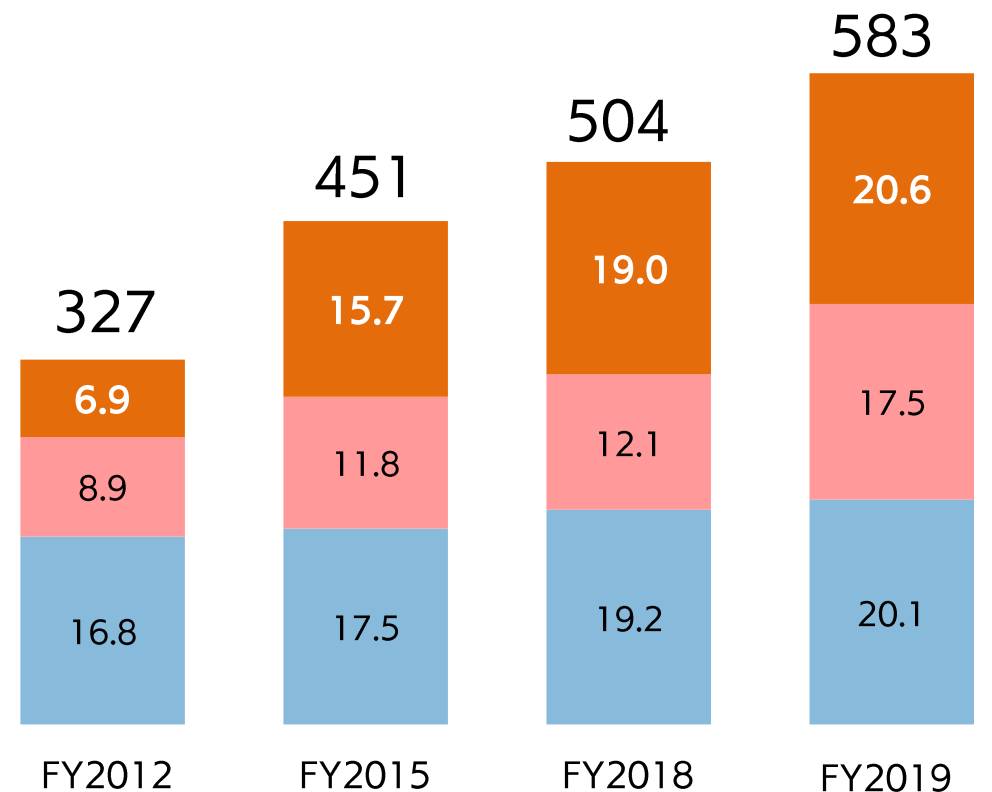
Core businesses^{※1}
• BIT
• CIT

TIS^{※2}

EC

[Billions of yen]

By customer:
Focused Business mainly on Enterprise/Public sector



Enterprises/Public

SB Group

Individuals

※1) Segment until FY2018 : Cloud solutions, Security solutions, Data Analytics
※2) Segment until FY2018 : System integration, IT infrastructure solutions

SBT by the Numbers

*Items not marked as “consolidated” are statistics for SBT alone.

Employees

SBT consolidated
Number of
Employees

1,307

(As of September 2020)

2020th
New Graduate

45

(consolidated basis)

Average age

37.4

years of age

Working Style

Reduction of overtime by improving productivity

42 hours → 23 hours
FY2015 FY2019

Percentage of paid leave
taken per employee

73%

Percentage of employees
commuting to main office

25%

(July-September 2020)

Growth Support

Use of Skill Development Leave (FY2019)

Number of employees
who have acquired

154

Total days acquired

347

Internal and external training participants
Total FY17-19

1,300

Technical Personnel

Ratio of job
types

7 : 2 : 1

(Technology) (Sales) (Management)

Percentage of SBT
technical personnel
with
PMP(*) certification

24%

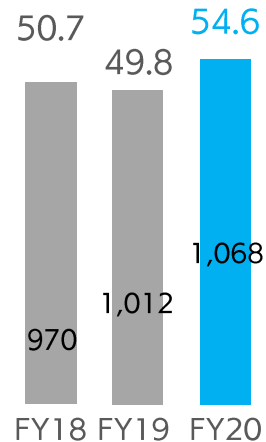
Development
partners

2,000

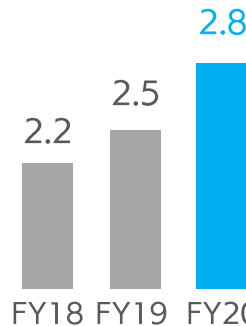
(As of September 2020)

Index per Employee

Net sales

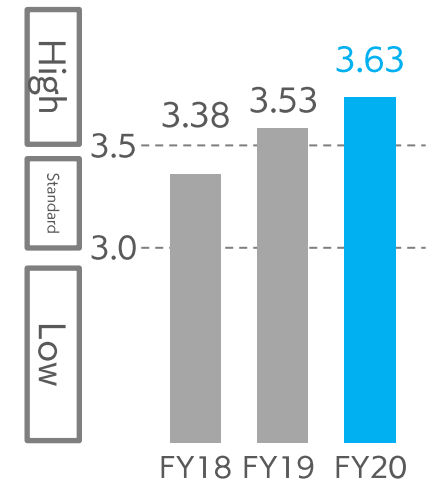


Operating income



(consolidated, millions of yen)

Comprehensive Employee Satisfaction (5-Level Evaluation)



The number one
indicator valued by our
employees is a feeling
that they are doing
meaningful work.

On the survey,
categories related to
meaning and value of
work are consistently
rated high year after
year.

Awards received

Cloud

Microsoft Partner of the Year 7 consecutive years

- Internet of Things (IoT) Award, Automotive Award (2020)
- Internet of Things (IoT) Award (2019)
- Security and Compliance Award (2018)
- Cloud Productivity Award (2017)
- Messaging Award, Public Sector Award, Cloud Platform Award (System Integrator) (2016)
- Cloud Platform Competency Award(System Integrator) Identity and Access Competency Award (2015)
- Identity and Access Competency Award (2014)
- Cloud Partner Award (2012)



Microsoft Worldwide Partner Award 4 Prize

- 2020 Microsoft Country Partner of the Year
- The Microsoft 2019 Partner of the Year Awards "Internet of Things Partner of the Year" finalists
- Collaboration and Content Partner of the Year Finalist (2017)
- Country Partner of the Year Award, Cloud Packaged Solutions, Messaging, Public Sector-Government Award (2016)



Security



Imperva, Inc.
Top Growth Partner Award Award



Japan Network Security Association
JNSA Prize special award (2017)



McAfee
Received Partner Award 2016
2 category award



27th Nikkei New Office Award
Office Security Award (2014)



Others



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



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)



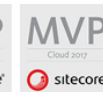
Sitecore MVP Award
Received 3 in the technology
category(2020)



Sitecore MVP Award
Received 4 in the technology
category(2019)



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

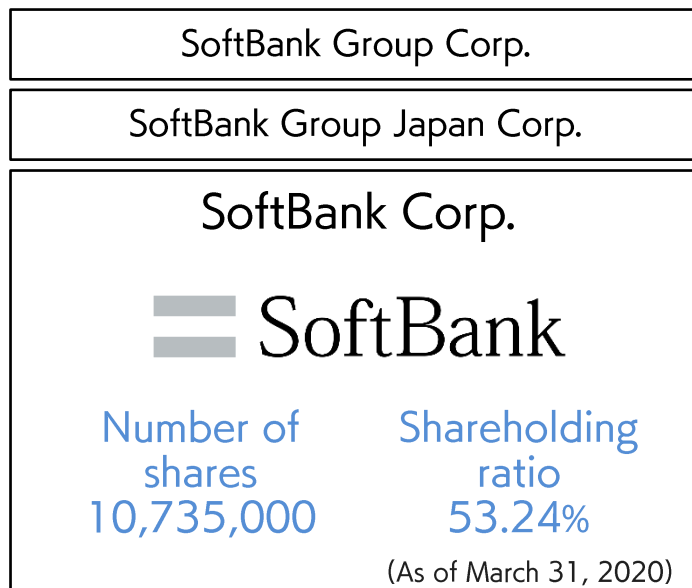


Sitecore MVP Award
Received the highest 5 awards
in Japan (2017)



Sitecore MVP Award
Awarded (2016)

Group structure



Group Companies



M-SOLUTIONS, Inc.

Providing cloud services and system design, development, operation and maintenance services primarily focused on smart devices

Representatives : Manabu Uekusa
Shareholding ratio : 100%
Number of employees : 52



Fontworks

FONTWORKS Incorporated

Planning, development, and sales of fonts (typefaces), software development, technical services, OEM, etc.

Representatives : Ai Harada
Shareholding ratio : 100%
Number of employees : 46



Kan Corporation

Providing educational content that employs cloud services to achieve internal business improvement and innovations in communication.

Representatives : Mitsuhiro Sato
Shareholding ratio : 100%
Number of employees : 8



CyberTrust Japan Co., Ltd.

Providing of IoT services, OSS/Linux services, and certification/security services

Representatives : Yasutoshi Magara
Shareholding ratio : 71.92%
Number of employees : 211



REDEN Corp.

Providing a platform to promote the use of agricultural data and support the acceleration of the agricultural growth cycle

Representatives : Ikuma Uehara
Shareholding ratio : 82.57%
Number of employees : 4



DENEN Co. Ltd.

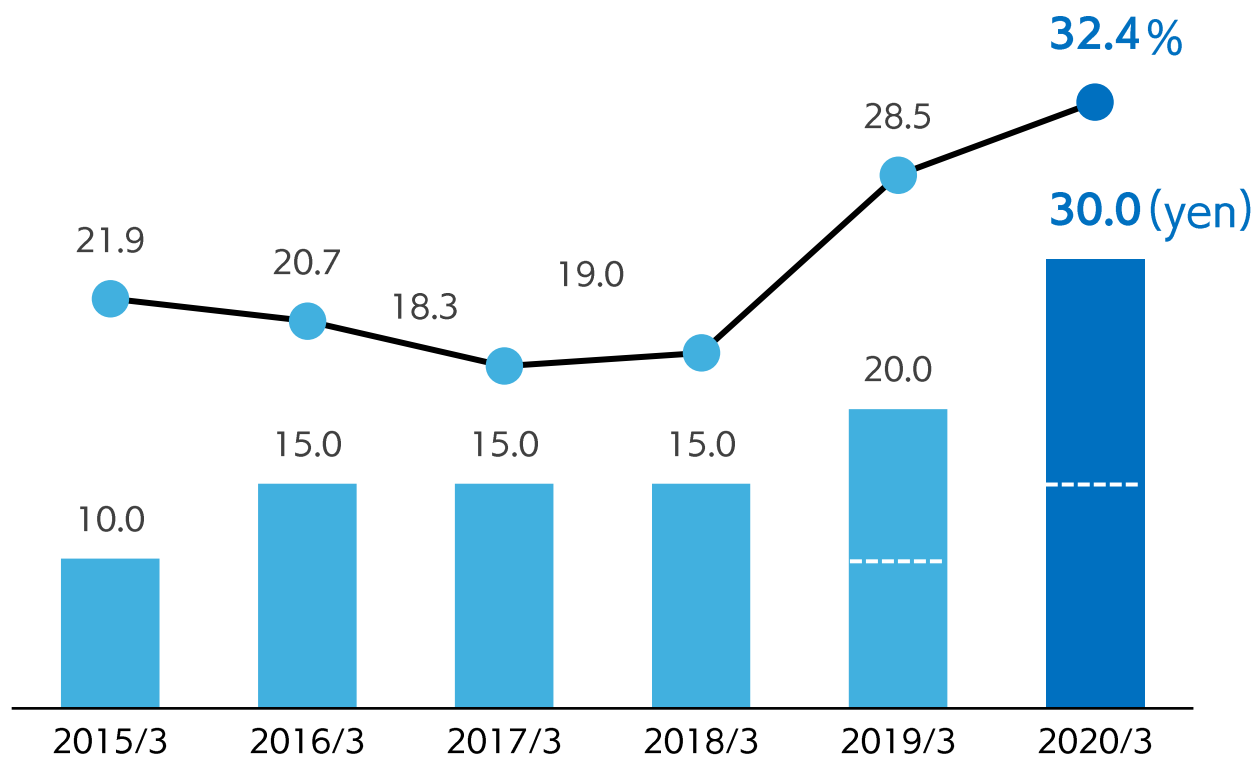
Providing system consulting and web system development solutions, primarily for the telecommunications sector and local governments.

Representatives : Toshio Kato
Shareholding ratio : 100%
Number of employees : 113

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.

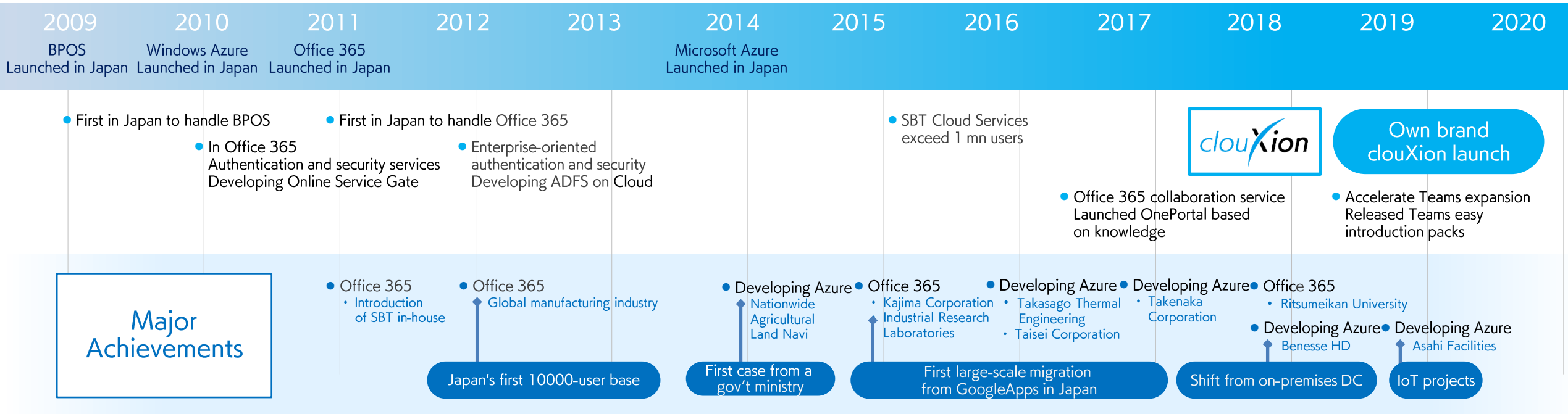
Status of Stock repurchase

	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.

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	1,099 companies
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

(as of August 2020)

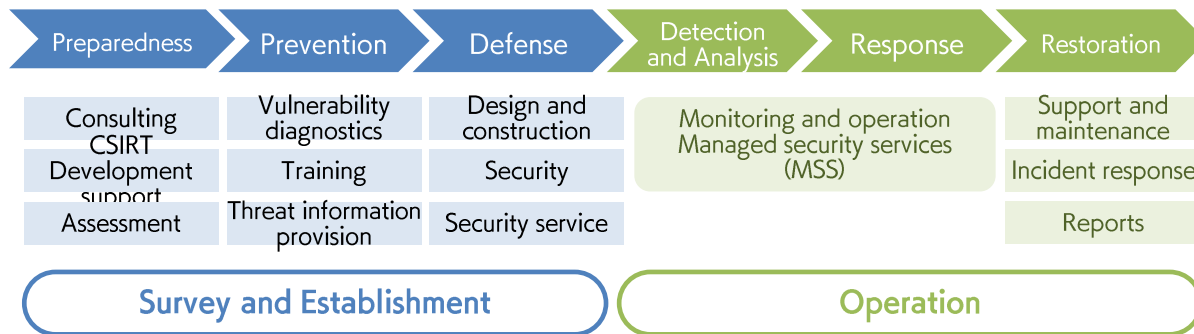
Why Our Clients Choose SBT

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