

Fiscal Year Ended March 31, 2021 (FY2020)

Results of Operations

April 27, 2021

SB Technology Corp.

Security Code : 4726

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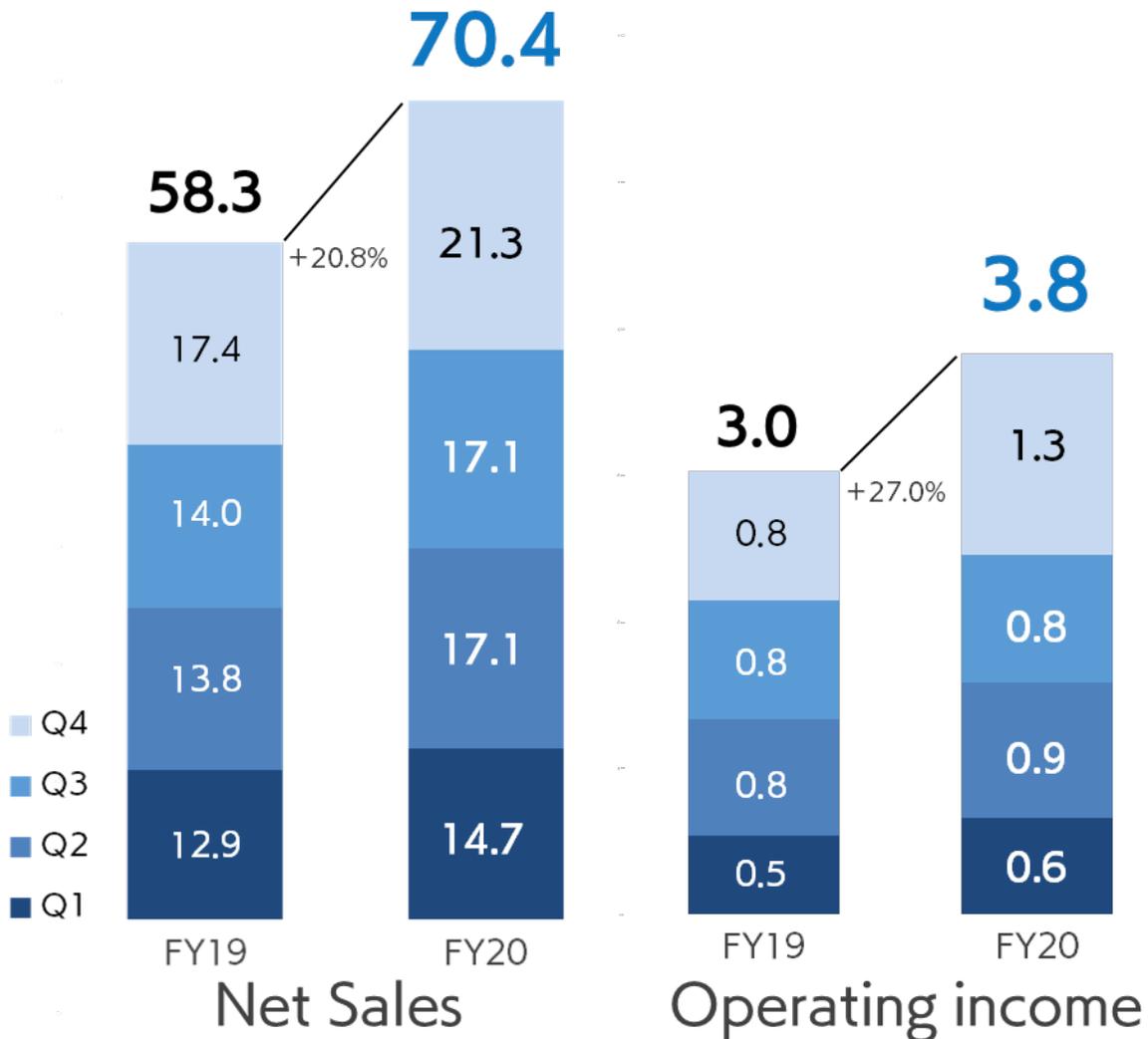
Financial Results

SB Technology

- Strong sales to Enterprise/Public and SB groups, supported by New Normal, record-high Net Sales and earnings.

[Billions of yen]	(Profit margin)	FY20	FY19	Change	Change %	'21/2/22 corrected Forecast	Progress %
Net sales		70.4	58.3	+12.1	+20.8%	69.0	102.1%
Operating income		3.8 (5.5%)	3.0 (5.2%)	+0.8 (+0.3pt)	+27.0%	3.7 (5.4%)	104.2%
Ordinary income		3.9 (5.7%)	3.0 (5.2%)	+0.9 (+0.5pt)	+31.3%	3.7 (5.4%)	107.6%
Profit attributable to owners of parent Net profit		2.4 (3.4%)	1.8 (3.2%)	+0.5 (+0.2pt)	+30.8%	2.1 (3.0%)	115.6%

[Billions of yen]

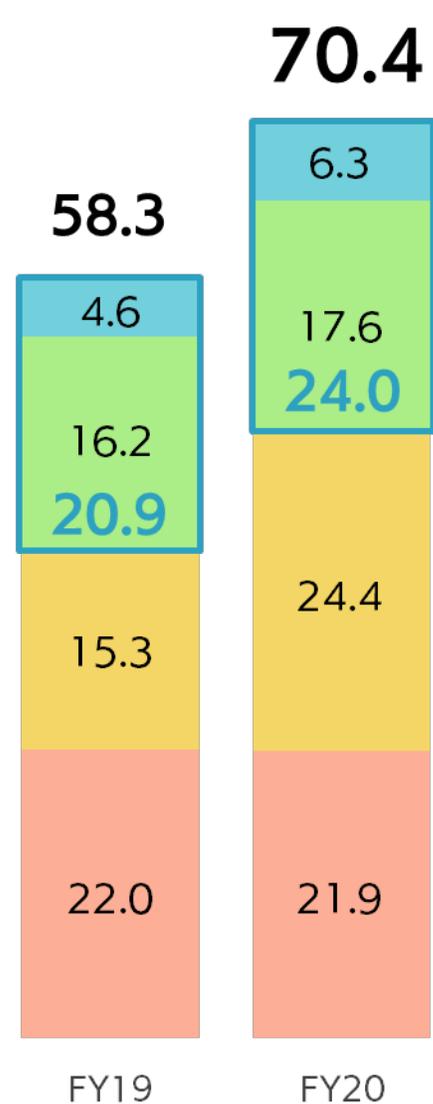


Major Increase Factors of YoY

- Increase in demand for new-normal responses (increase in sales and profits in each quarter)**
 Steady progress in DXs and cloud and Zero trust security projects.
- Vendor Management Projects (Higher Sales and Profits in the First Half)**
 Integrate project and IT vendor controls as prime vendors in the IT domain from FY19Q3 to SoftBank Corp.
- Newly consolidated DENEN Co. Ltd. (increased sales and profits at Q2-Q4)**
 Approx. ¥800 million/Q increase in sales over FY20Q2.
- Sales of Electronic Application Infrastructure Projects for MAFF (Q1-Q3 sales up)**
 Recognized by the percentage-of-completion method from FY19Q4.
- Upfront investment in electronic application platform (profit increase in Q4)**
 Expenses of about 300 million yen were recorded in FY19Q4 for upfront expenditures.

Net sales

Marginal income



- **TS grew by more than +50% on YoY**
- **Steady growth in BIT&CIT due to customers' DX promotion**

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

- Expansion of development of cloud computing for business divisions of SoftBank Corp.
- Higher sales due to the operation of Japanese O-NET and the development of the IoT infrastructure

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

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

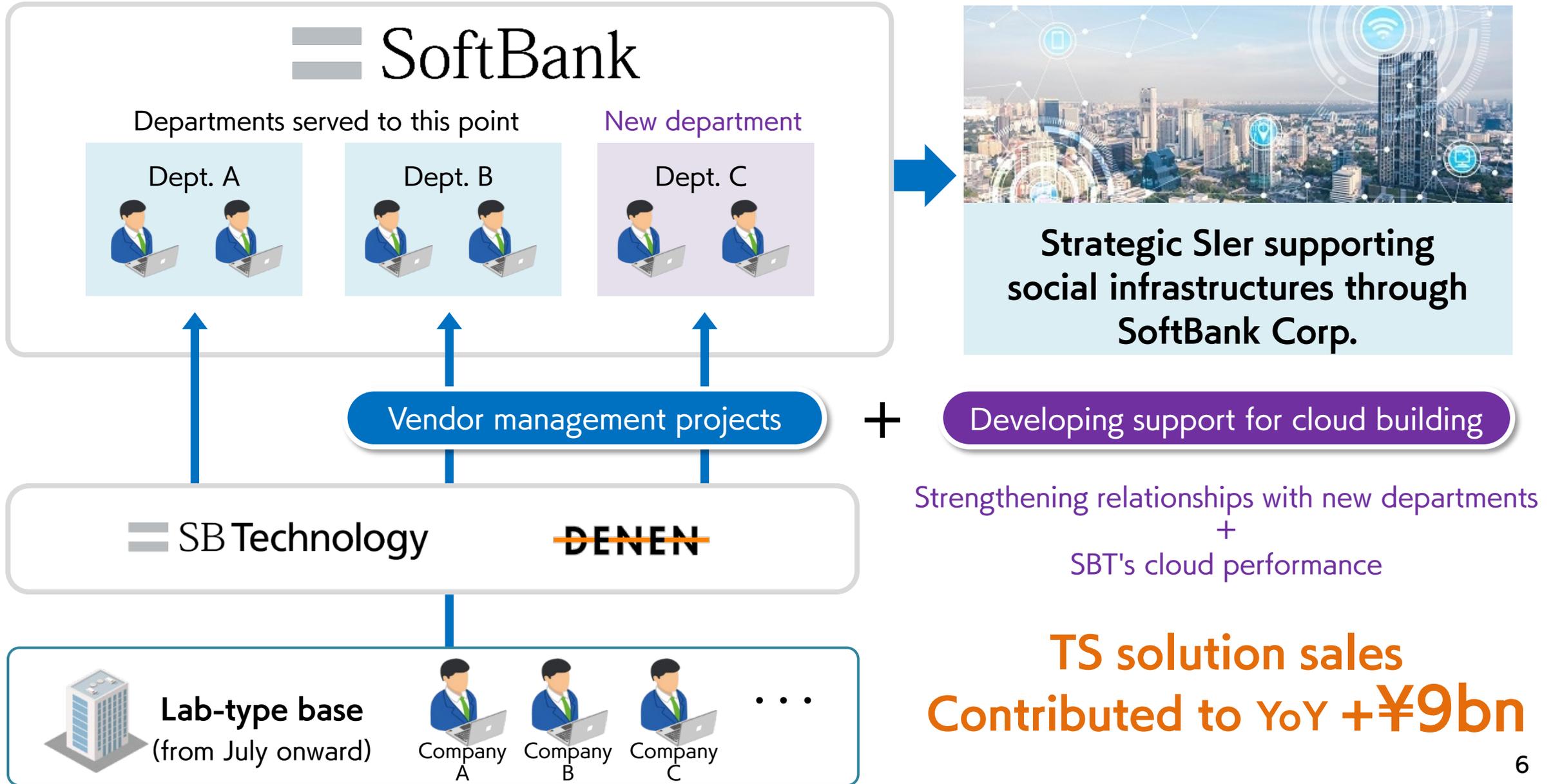
Technical (TS) : Increase in both sales and profits

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

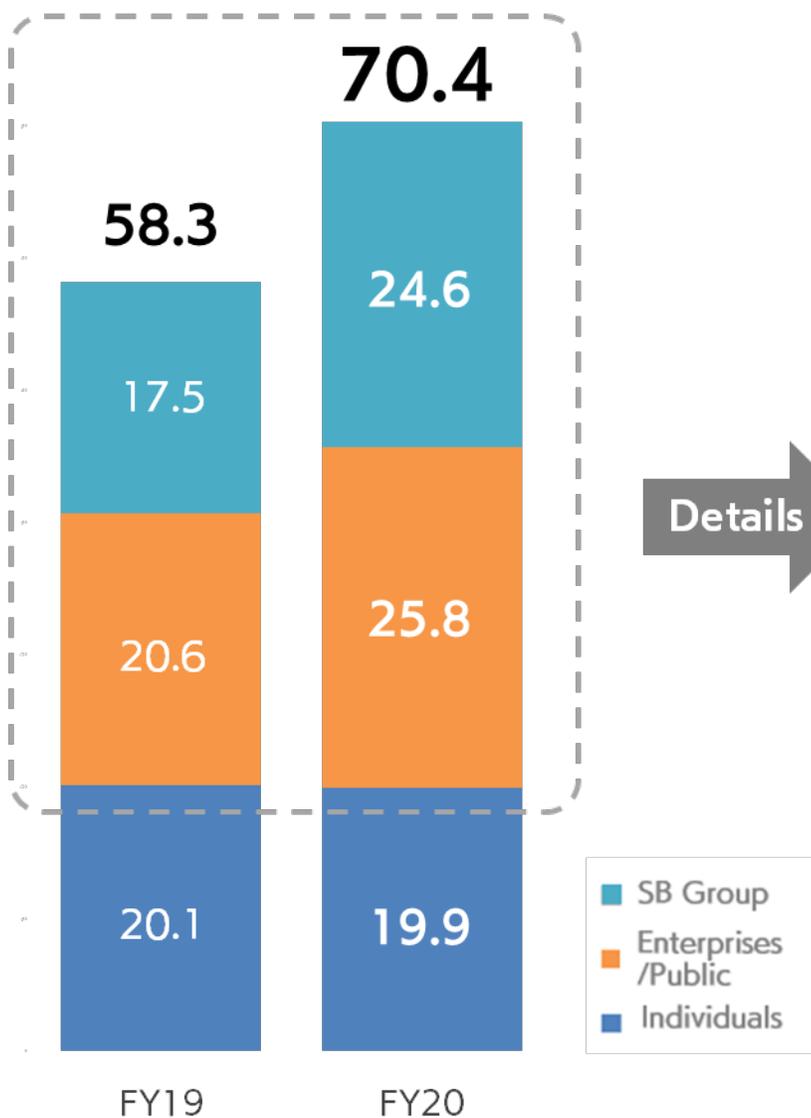
EC : Flat

- Generally steady

Vendor Management Projects for SoftBank Corp. and DENEN Co. Ltd. Drive TS Results



By customer type



Details

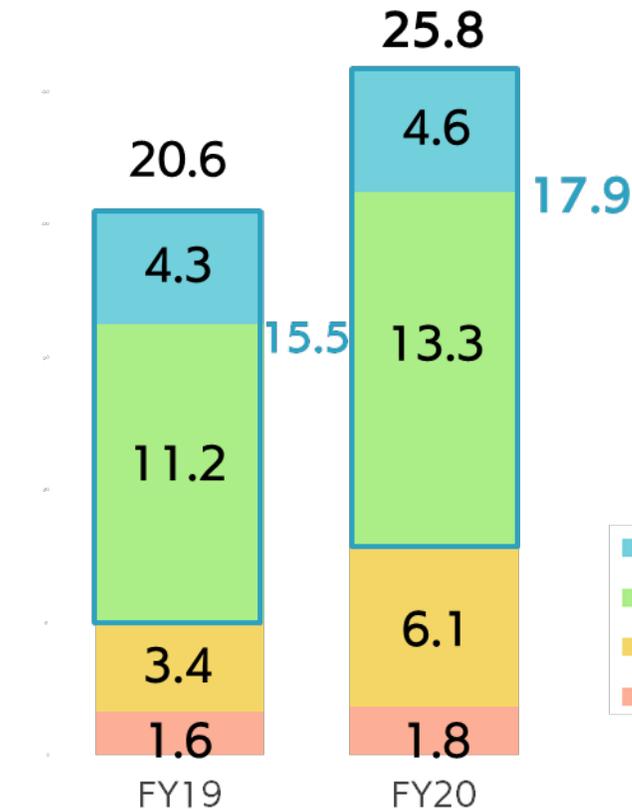
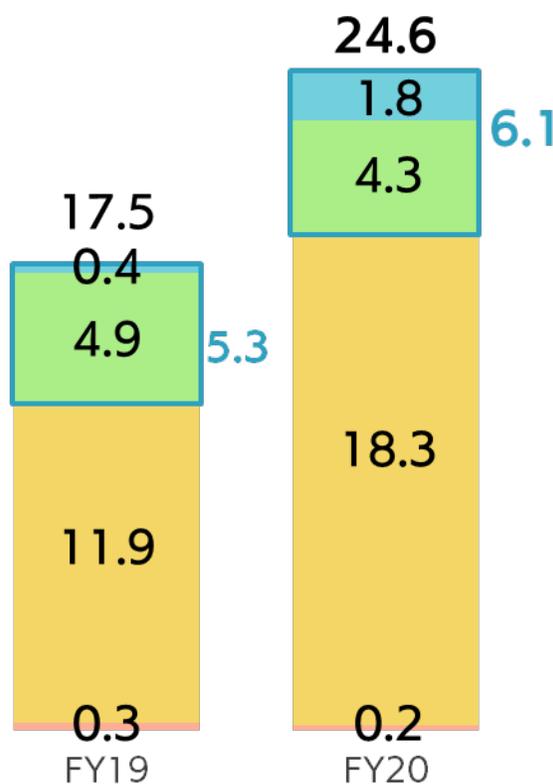
Customer type × Solution category

SB Group

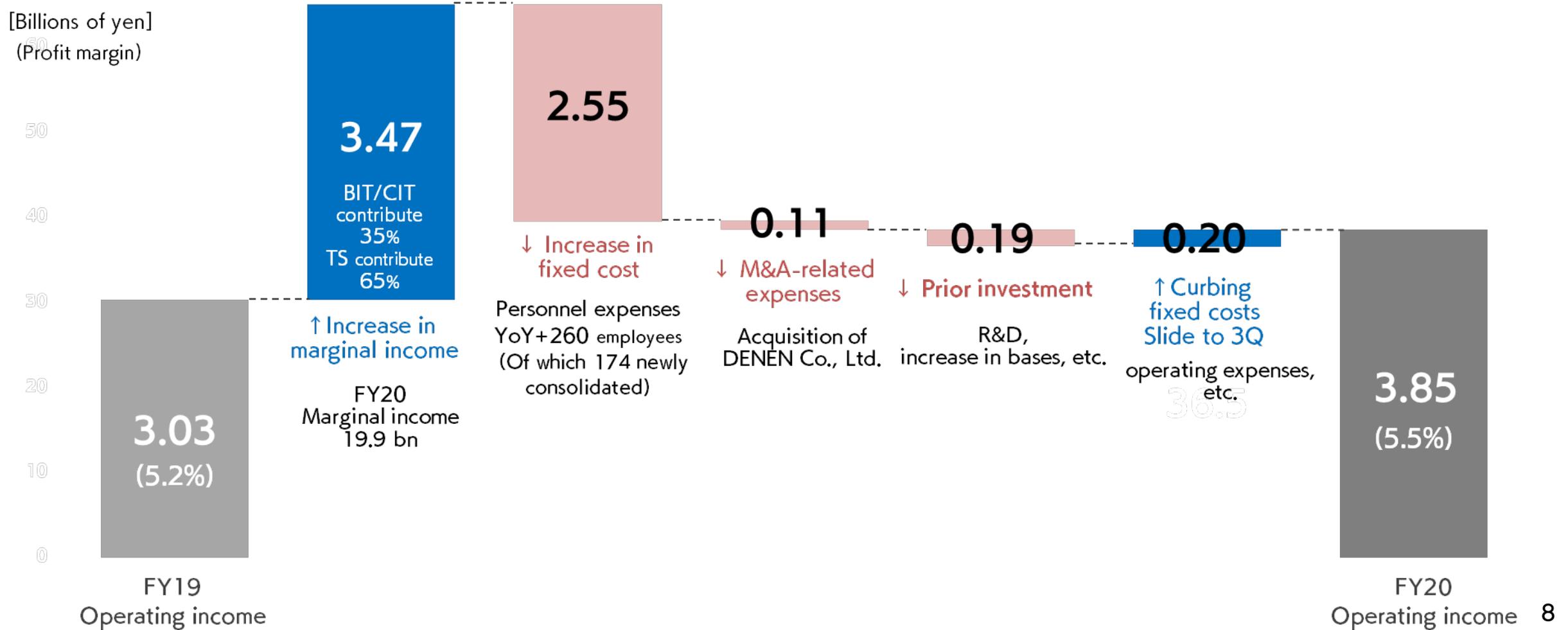
- BIT: System development for business divisions and IoT support
- CIT: Completion of development of large-scale cloud systems, Increase in security construction projects, etc.
- TS: Vendor management projects led

Enterprises/Public

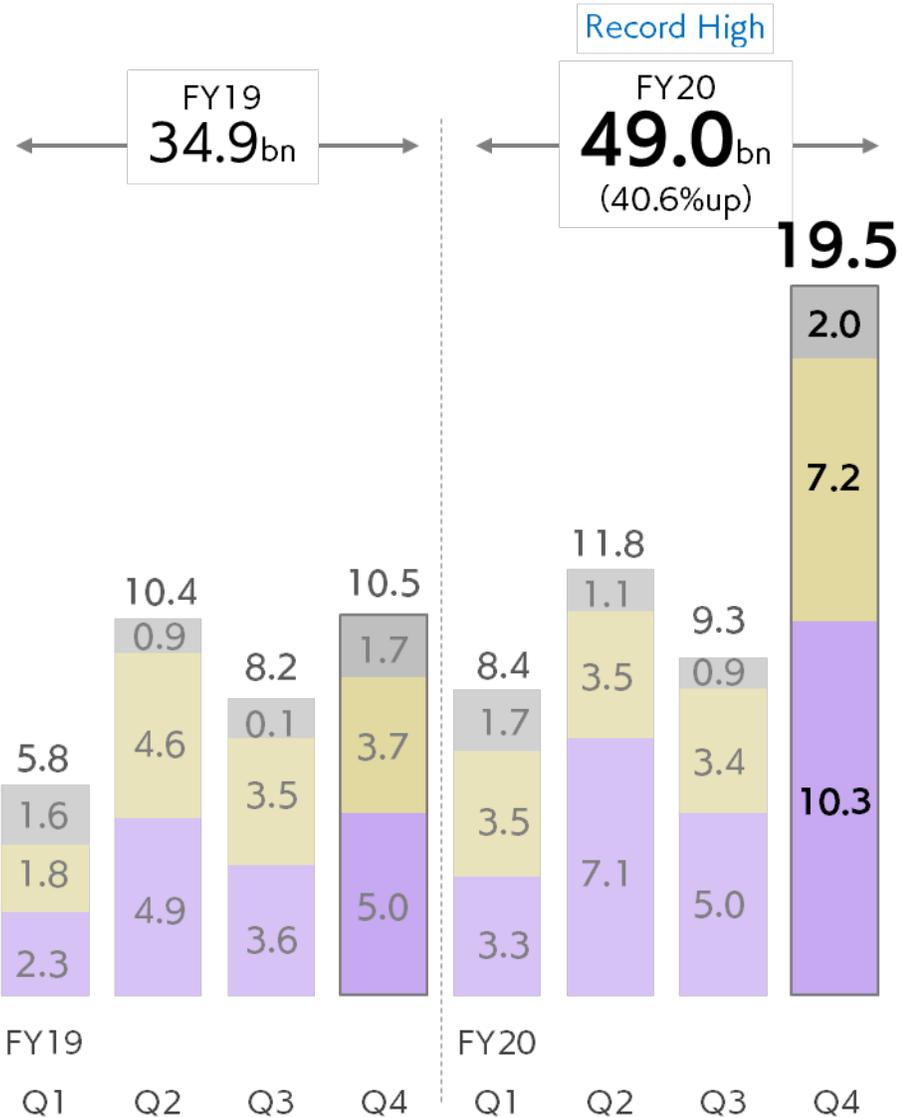
- BIT: Develop IoT infrastructure and expand Japanese version of O-NET operation
- CIT: Increased Cloud operations and security Increased sales of our own services(clouXion & MSS)
- TS: Increased due to DENEN Co. Ltd.'s consolidation effects



- Steady growth in respective solutions led to YoY +20% increase in marginal income
- Profit increased by 8 billion and the operating income margin improved, reflecting upfront investments in personnel enhancement and M&A, etc.



Orders Received



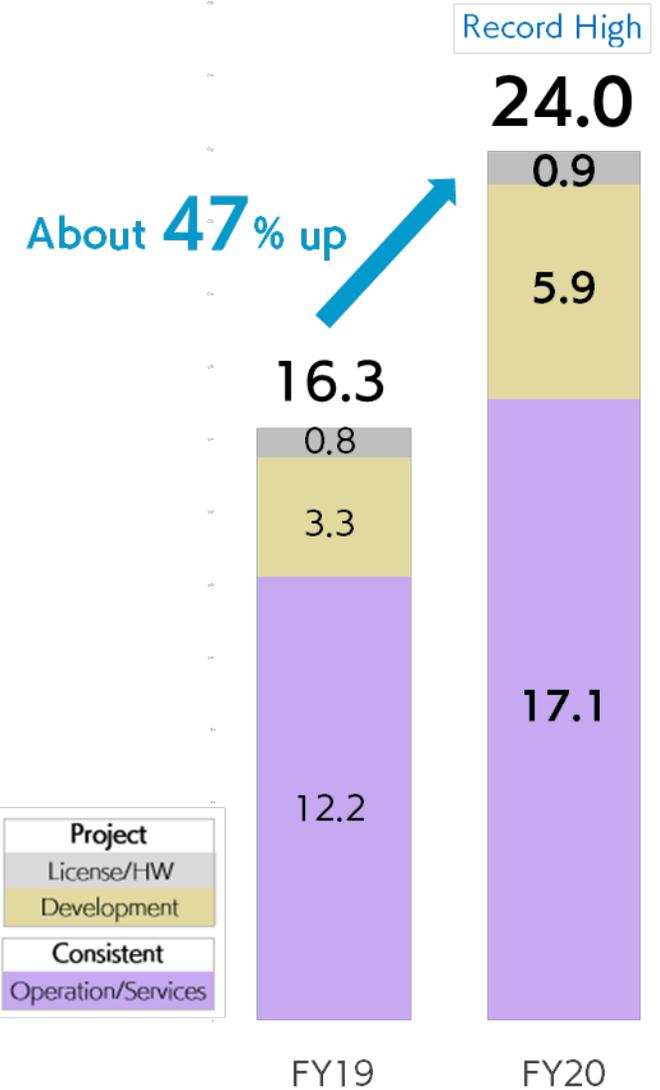
(YoY) about **¥14bn up**

Principal reason

Growth in public projects
(YoY) about **¥5bn up**

Growth in vendor management projects
(YoY) about **¥4bn up**

Orders Backlog

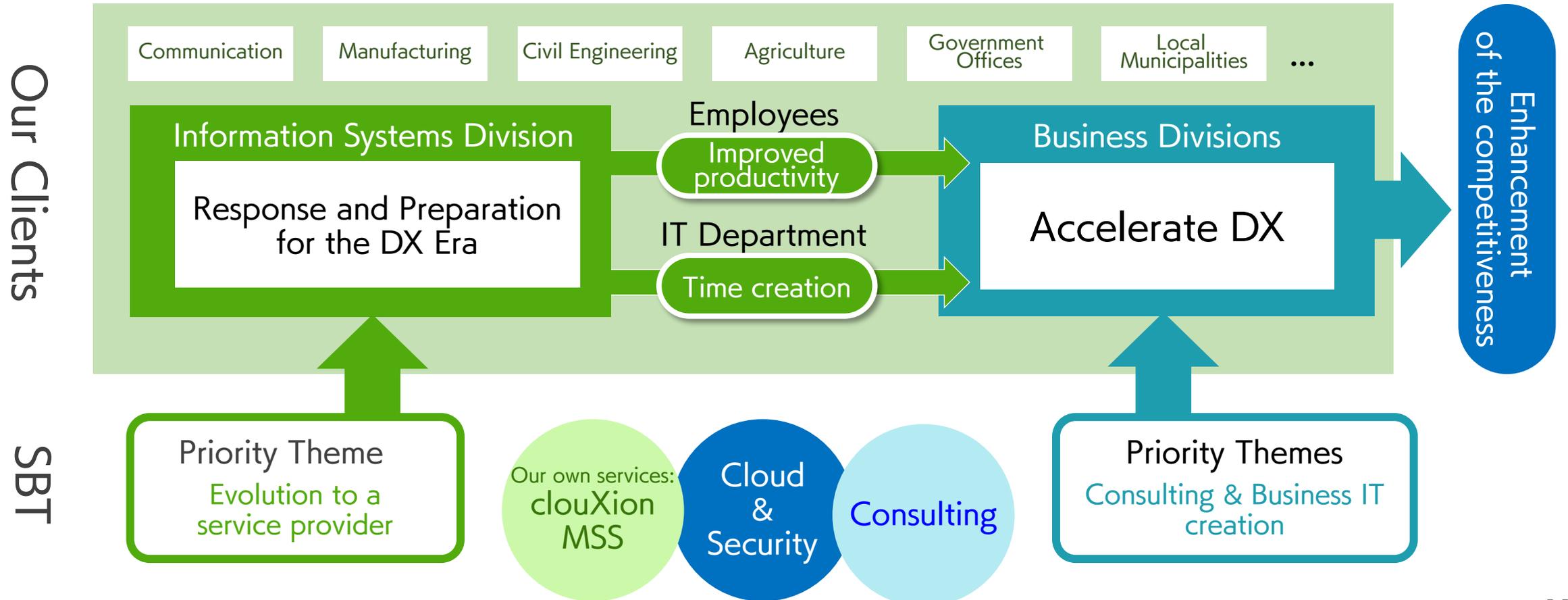


Toward the Realization of Our Medium-Term Plan

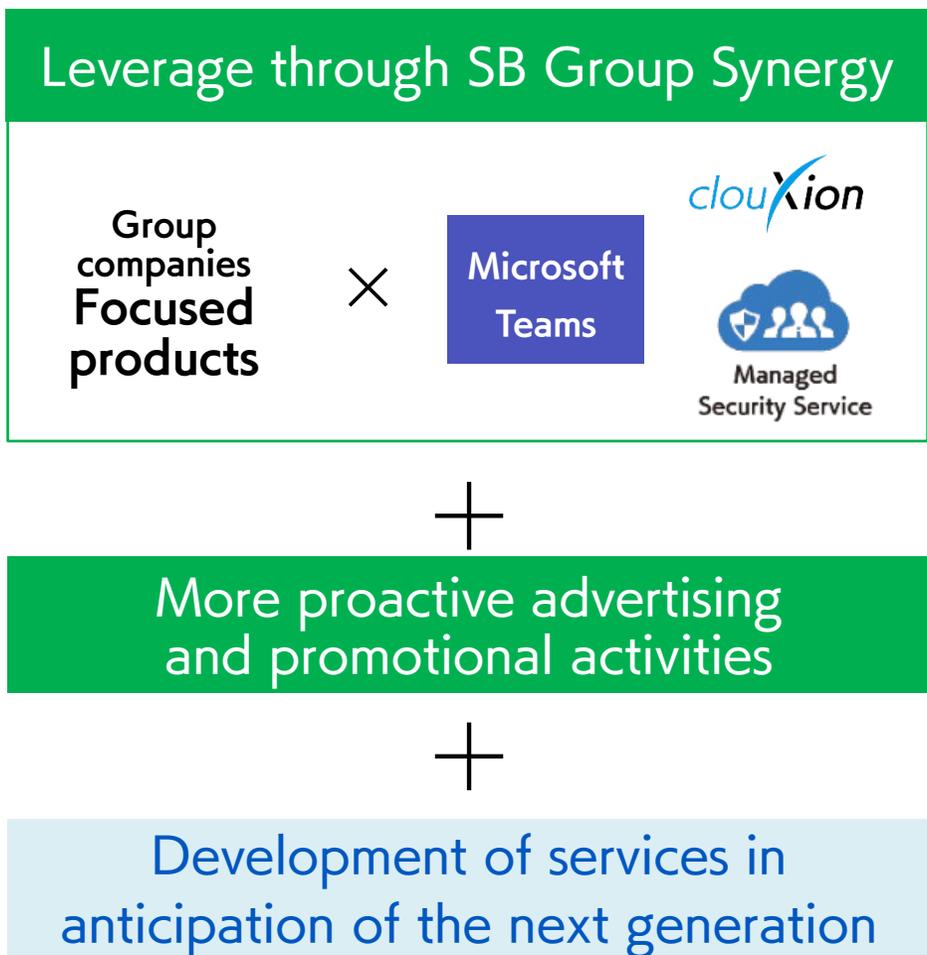
Tertiary Medium-Term Management Plan
(FY19 - FY21)

SB Technology

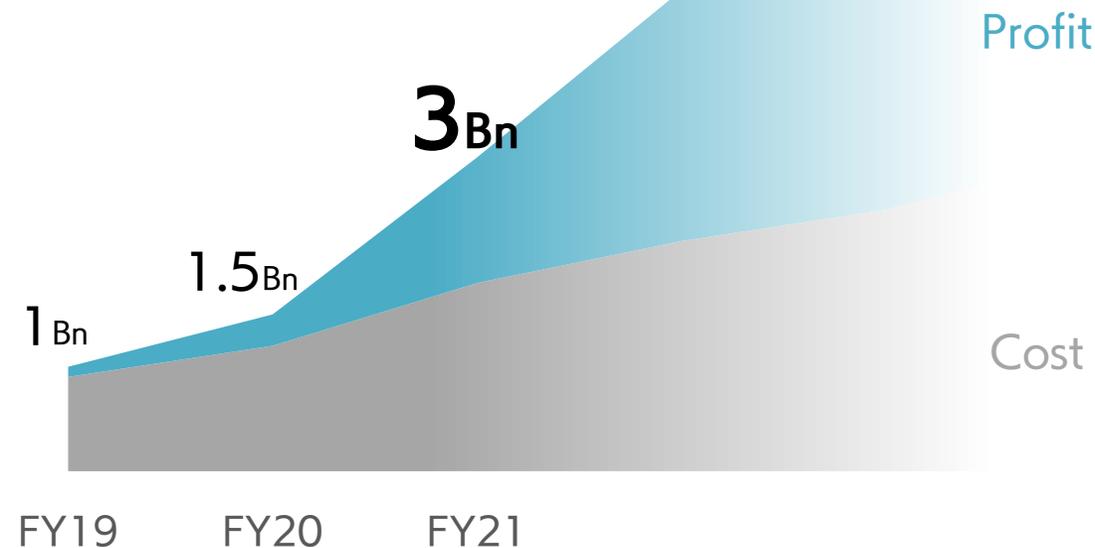
Realizing an Information-Rich Society



「Be a service provider for Corp IT」 Focal Point

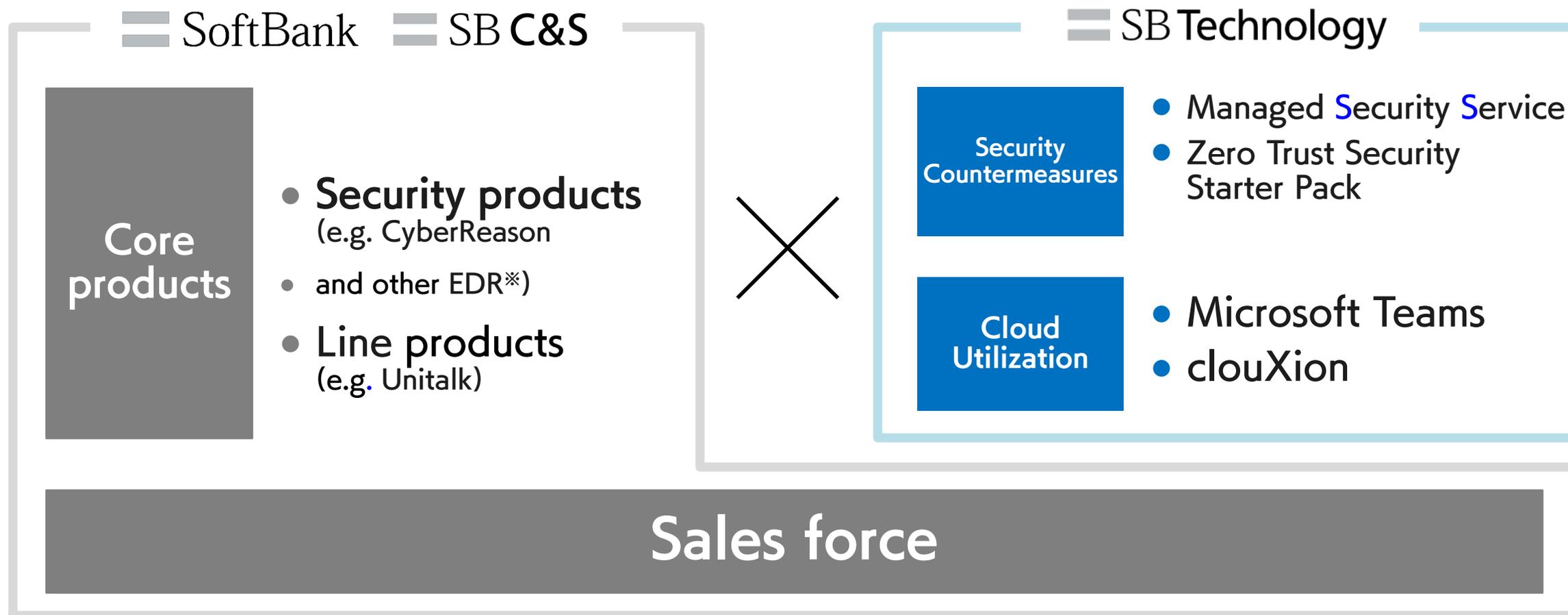


Stock sales for services doubled YoY to 3 billion JPY



Leverage through SB Group Synergy (Strengthen Service Sales)

Focus on expanding sales of services by maximizing mutual strengths

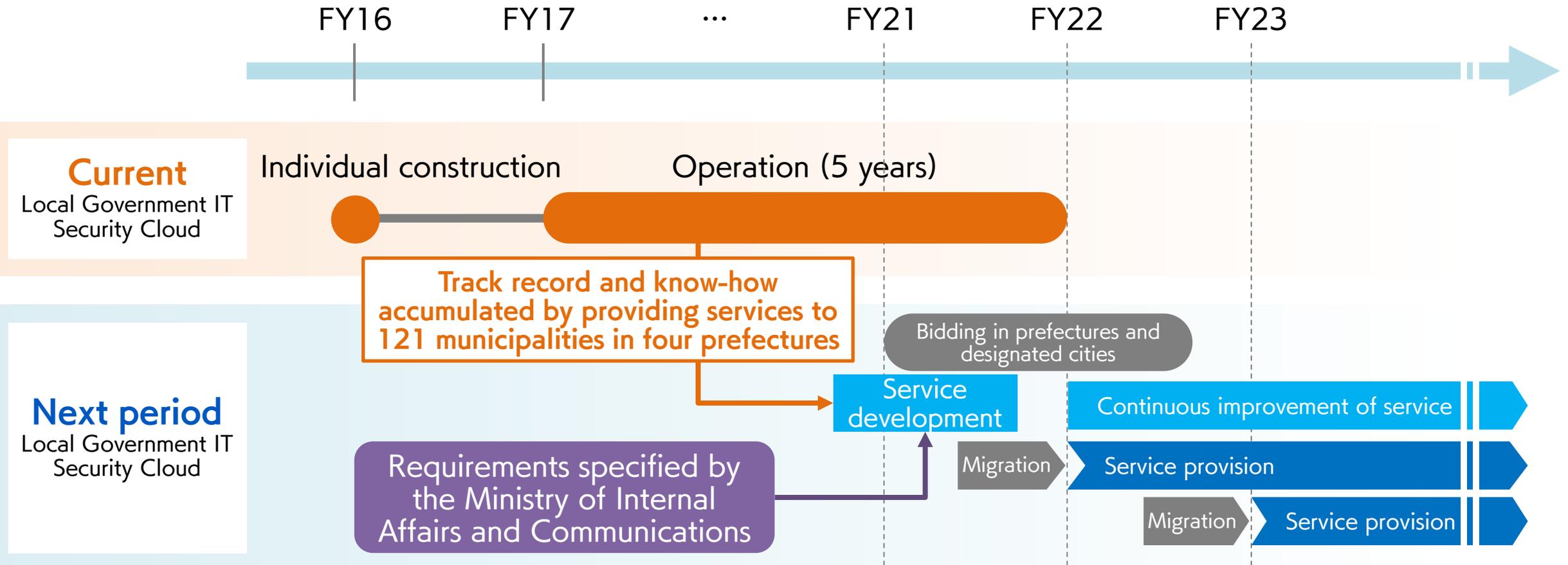


※ EDR: abbreviation for “Endpoint Detection and Response”.

A collective term for software that monitors the operation and operation of endpoints connected to networks, such as PCs and smartphones, and deals with cyber attacks.

Shift from individual construction to "service type"

Development of local government information security cloud services



「Consult and Generate Biz IT」 Focal Point

Consulting for the realization of DX

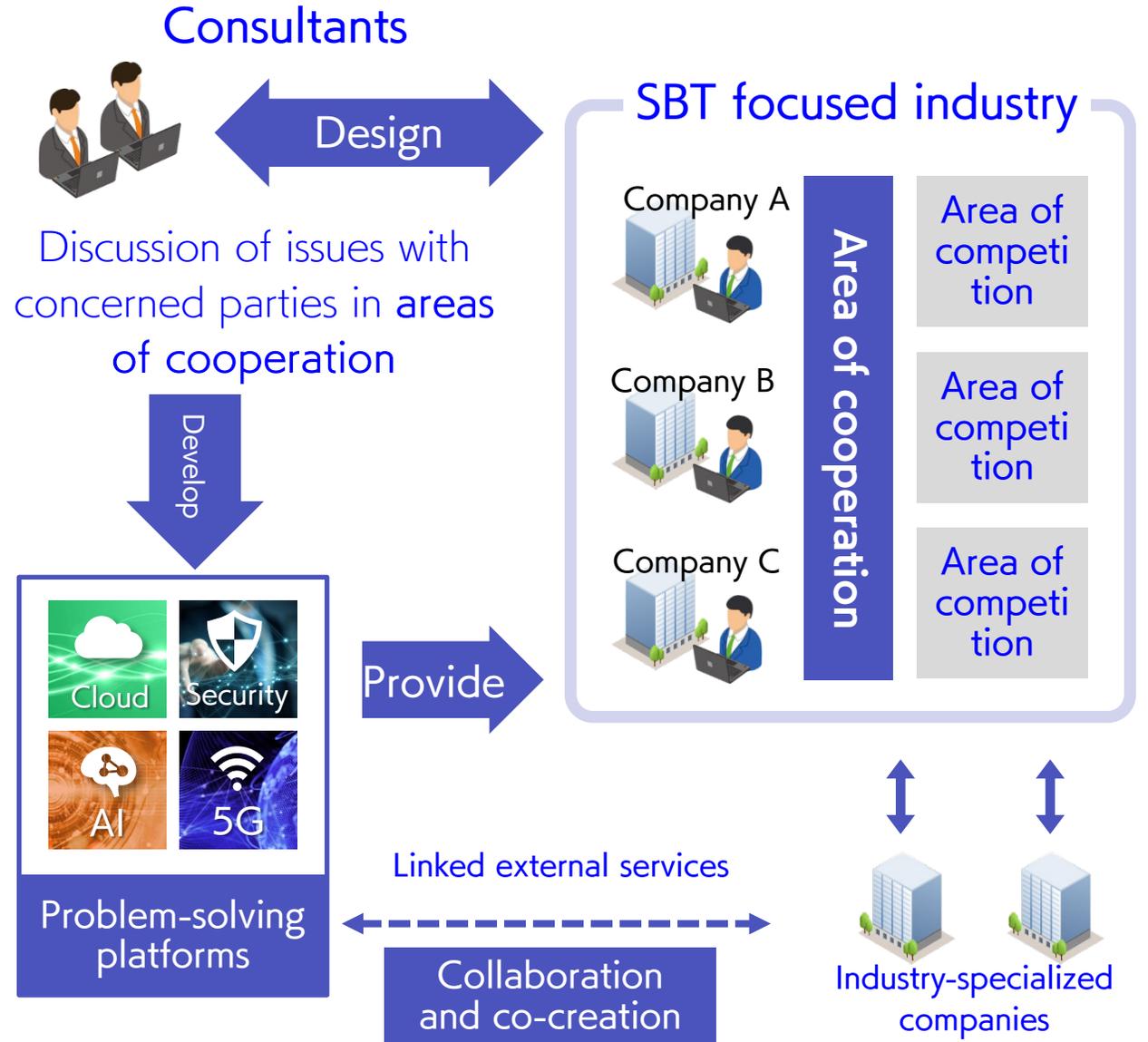
- Partners that work together to promote transformation
- Provider of technology and know-how necessary for DX

➔ ① **Consultant training/recruiting, R&D**

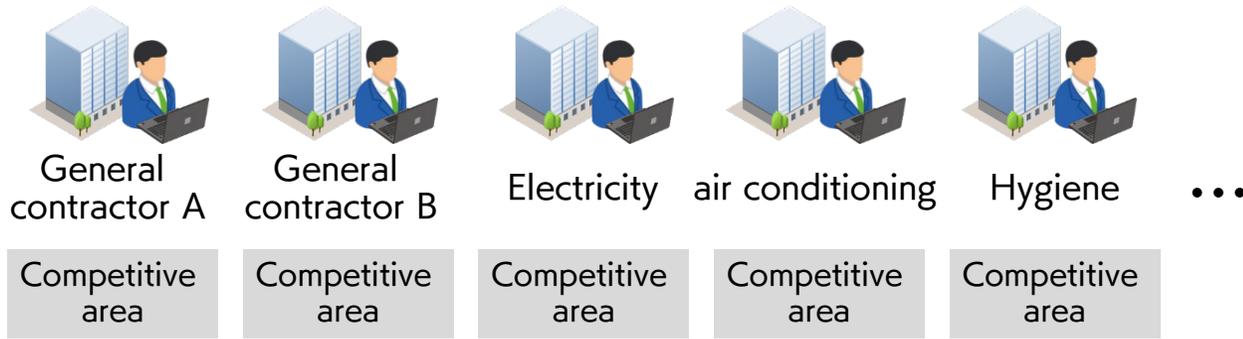
Co-creation with customers

- Provision of a common platform in areas of cooperation
- Provider of new businesses and services

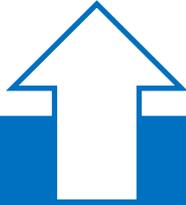
➔ ② **Service provision, alliances**



Capturing Con-Bridge Shares and Strengthening External Collaboration



Promotion of DX in the construction industry



Coordinated domain

Con-Bridge

- ID management
- File sharing
 - Communication
 - Field work support



Trial scheduled from Q1



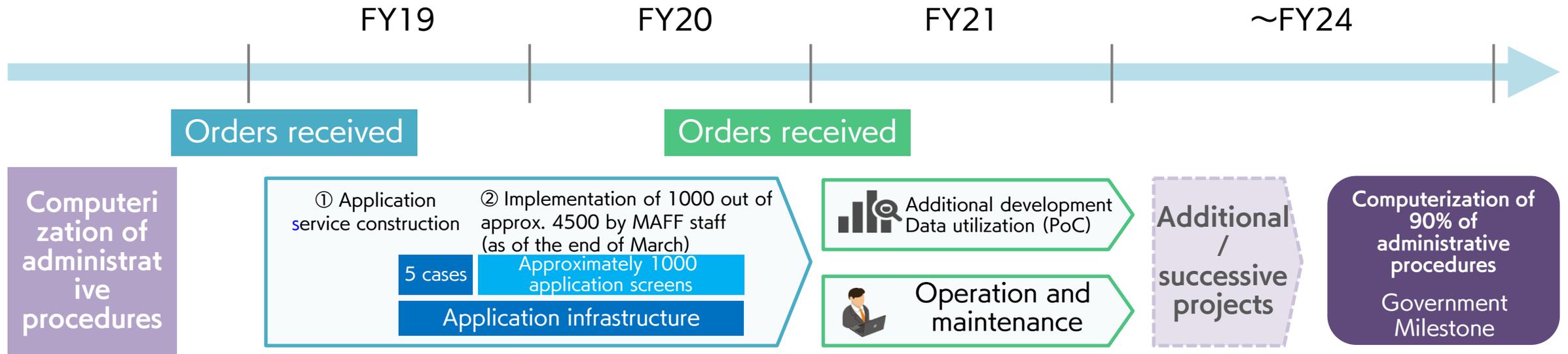
Construction-related service companies

- Project management
- Process and drawing management
- Document creation and management
- Construction photo management, etc.

Promotion of external service cooperation

Toward the Realization of Digital Government (1/2 Paper → Digital)

Contributing to digitalization of administrative procedures by promoting DX at MAFF



① SBT engineers develop application infrastructure and digital applications



② Build an environment in which staff can implement digital applications themselves

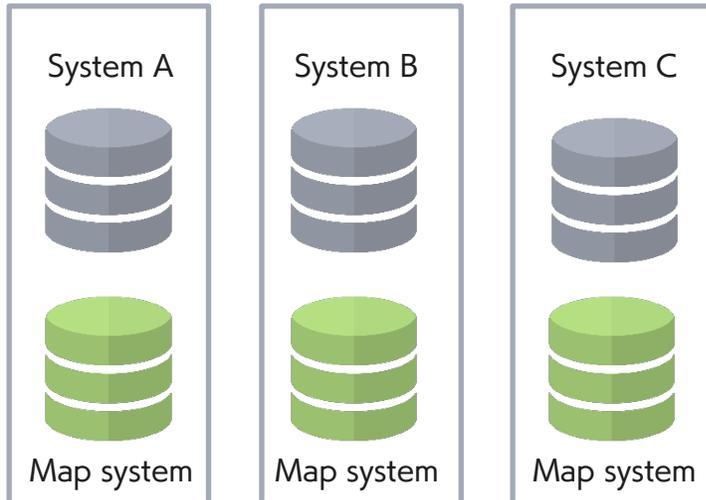


Development of a common infrastructure for geographic information
(Commonly known as digital maps)

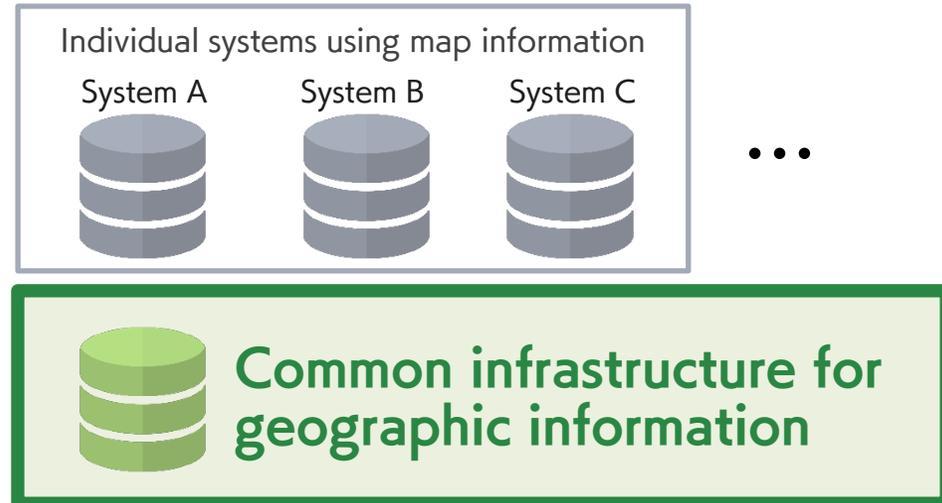
Integrate scattered map data

- Integrated visualization of information across multiple systems (improved convenience)
- Reduction of similar confirmation tasks (improved efficiency)

Up to now: Individual map systems



Future: Common Mapping System

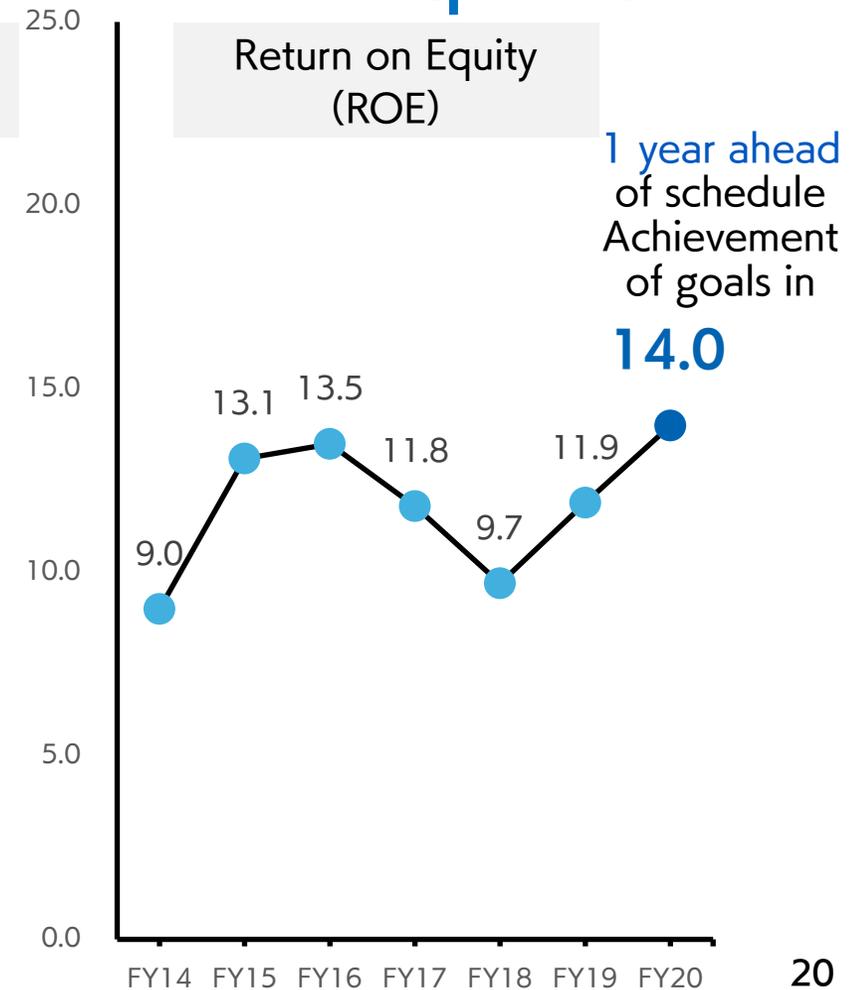
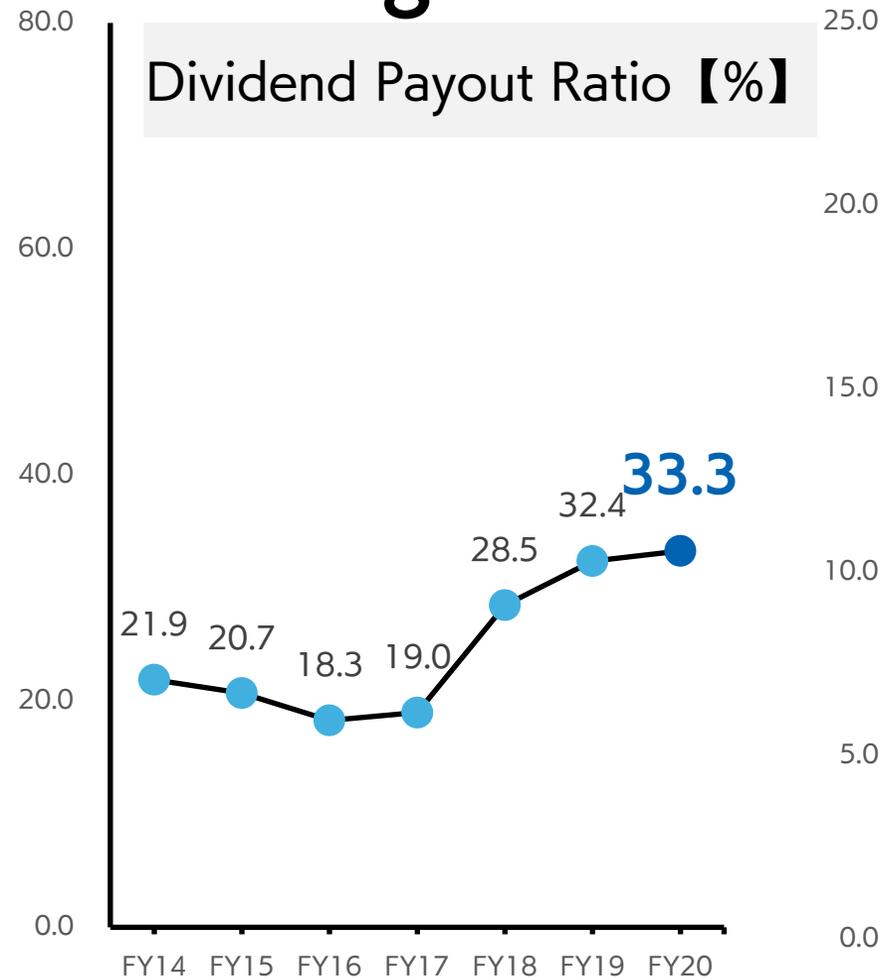
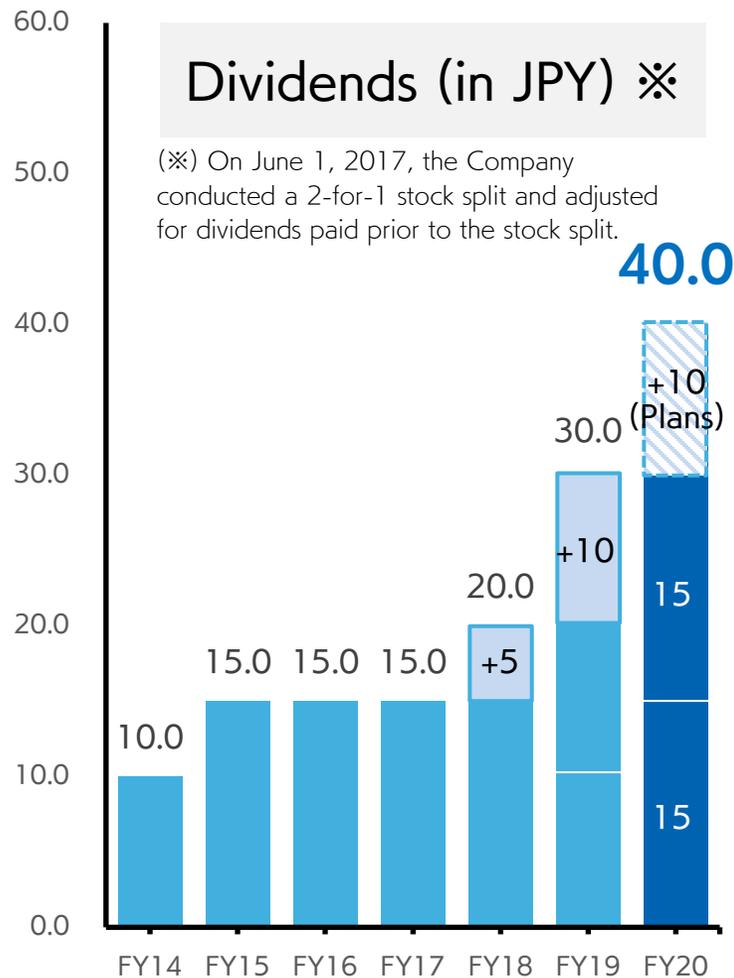


Shareholder Returns / Business Forecast

Shareholder Returns

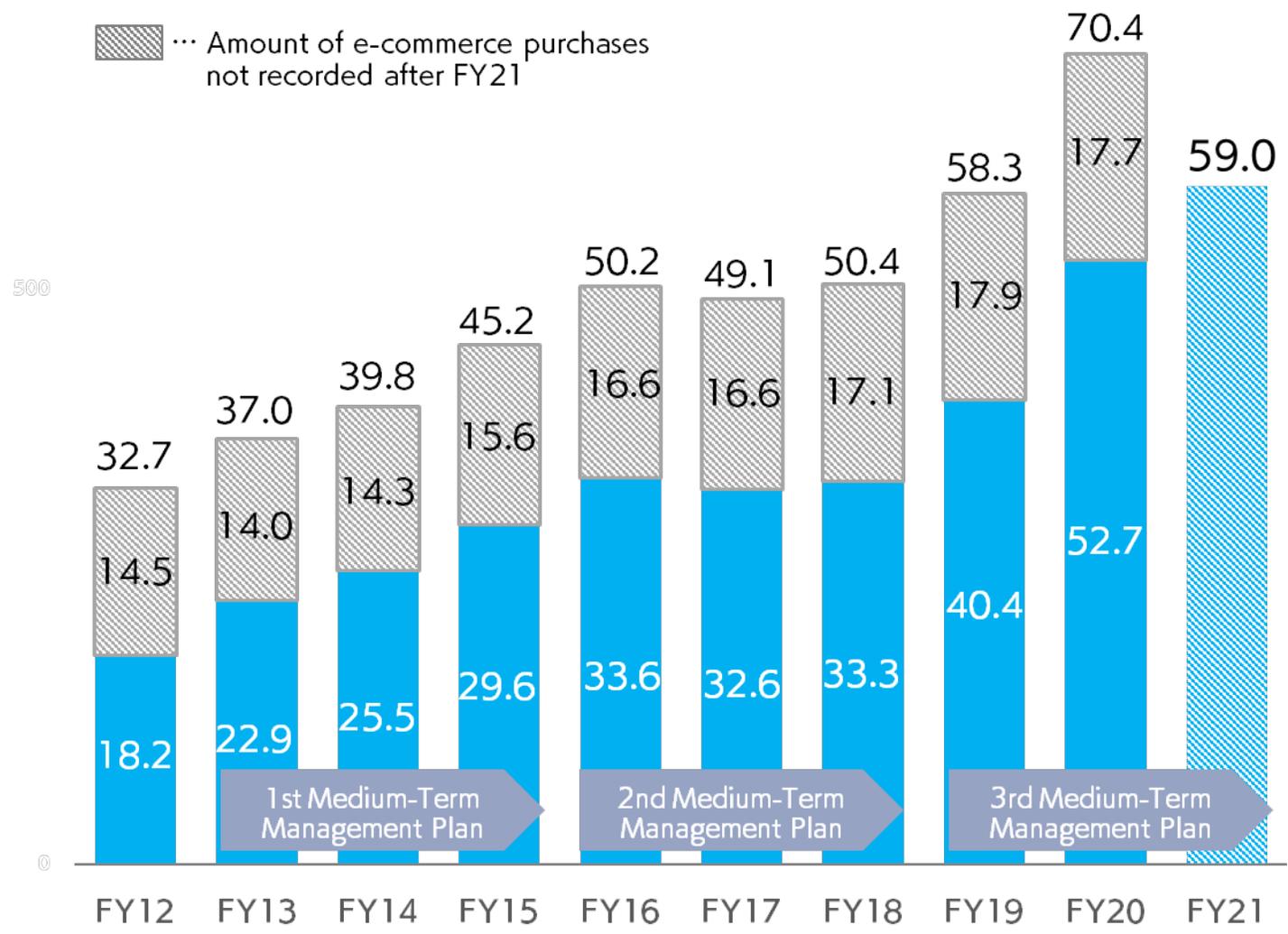
Achieved net income of ¥2.42 billion (YoY+30.8%) in fiscal 2021

Increase year-end dividend by **¥10** as an expansion of shareholder returns through dividend increases(plans)



[For Reference] Changes in Consolidated Net Sales under Accounting Standard for Revenue Recognition

※Unaudited reference values taking into account only GAAP transition difference from the old standard (net amount of EC sales).



- Adoption of a new accounting standard for revenue recognition primarily affected EC solutions.
- Primarily with enterprise, public works, and SB Group businesses, there was no change in sales.

FY2021 Forecast (Adopted accounting standard for revenue recognition)

- Strong demand in the post-COVID new normal era is expected to continue, and sales and profits are expected to increase.
- Costs expected to increase due to strengthened hiring, additional proposals for large-scale projects (increased pre-man-hours), proactive advertising and sales promotion activities, and service development.

[Billions of yen]	(Profit margin)	FY21	FY20 [※]	Change	Change %
Net sales		59.0	52.7	+6.3	+11.9%
Operating income		4.3 (7.3%)	3.8 (7.3%)	+4.5 (0.0pt)	+11.5%
Ordinary income		4.3 (7.3%)	3.9 (7.6%)	+3.2 (▲0.3pt)	+8.0%
Profit attributable to owners of parent Net profit		2.6 (4.4%)	2.4 (4.6%)	+1.7 (▲0.2pt)	+7.1%

※Unaudited reference value considering only the main basis difference from the old standard (net presentation of EC sales).

FY21 Management Indicators

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~

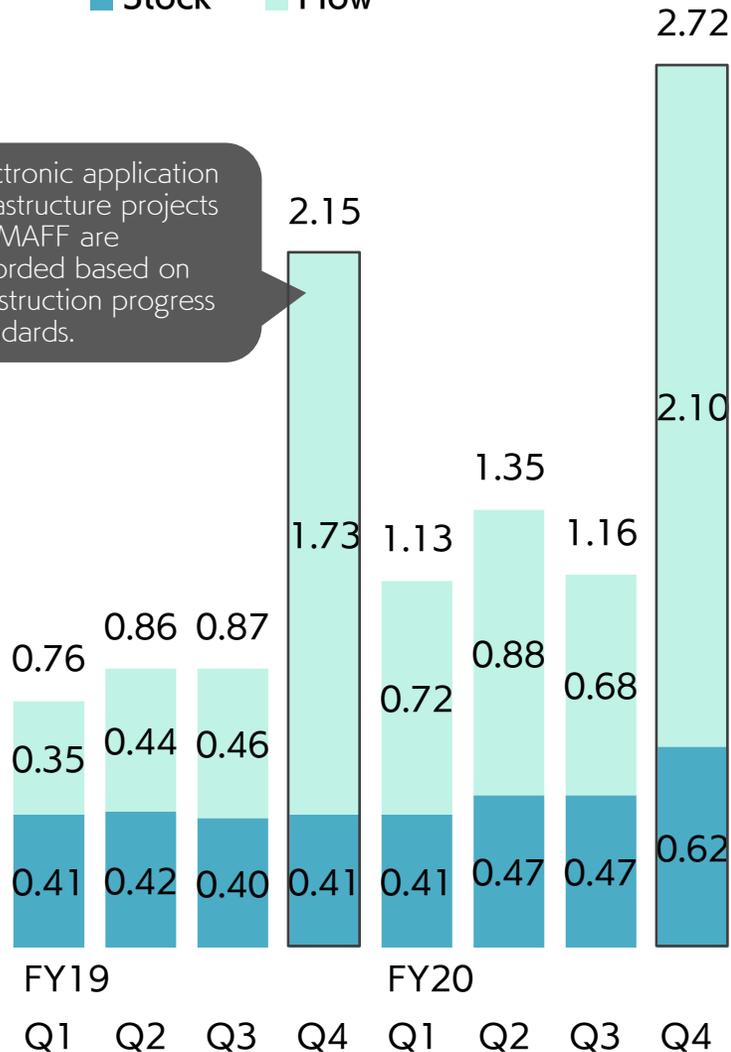
 **SB Technology**

Overview of each solution

SB Technology

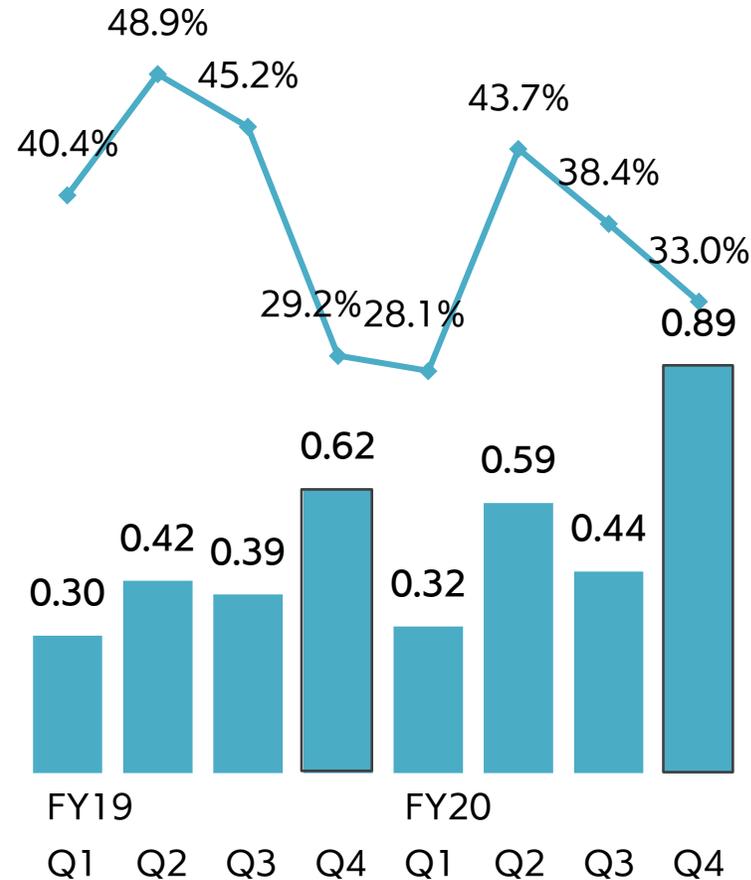
Net sales

■ Stock ■ Flow



Electronic application infrastructure projects for MAFF are recorded based on construction progress standards.

Marginal income



Cloud business solutions for business units

Main customers: Global manufacturing, construction and agriculture

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

Flow	<p>YoY approx. +0.4Bn (+21%)</p> <p>Steady performance in MAFF-related projects</p> <p>In addition, sales increased due to the website renovation project at SoftBank Corp. and IoT system development for Enterprise clients.</p> <p>Profit margin declined QoQ due to mix of low-margin projects such as PoC, etc.</p>
Stock	<p>In addition to the nationwide agricultural land navigation system for MAFF, universal applications, a Japanese version of O-NET for the Ministry of Health, Labor and Welfare and operation projects for the SB Group were added.</p>

Net sales

Marginal income

Company-wide and administrative cloud business solutions

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

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

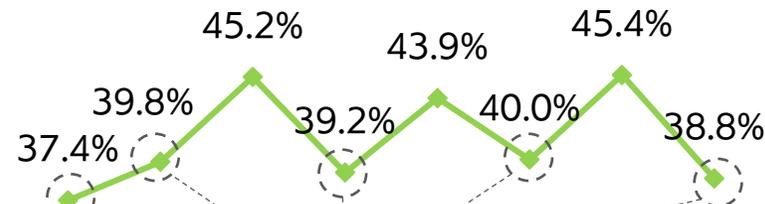
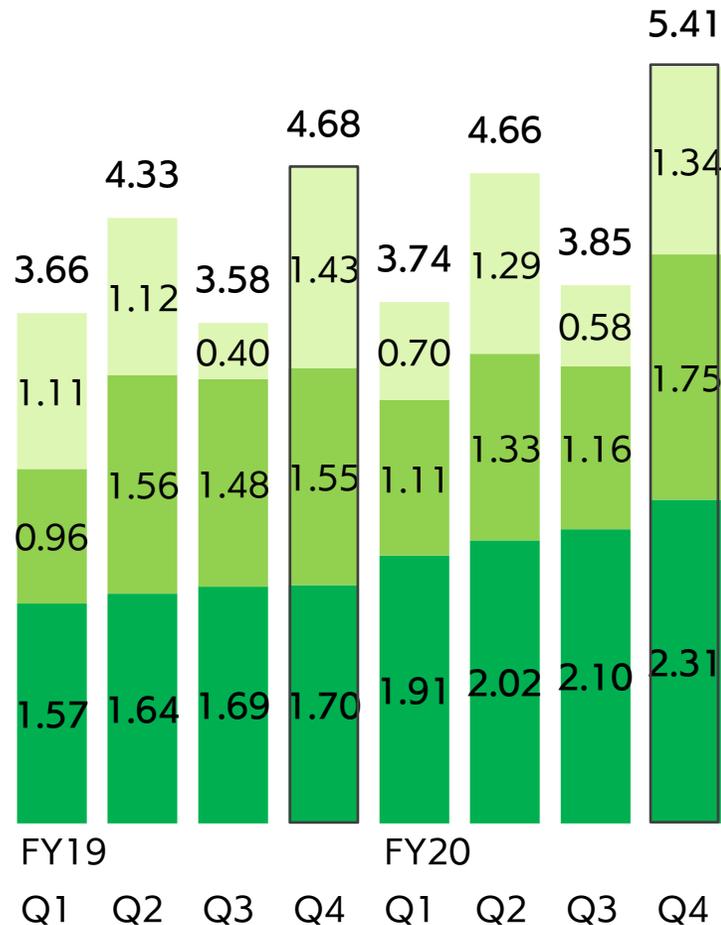
Flow	Deployment and development of Enterprise and public cloud services was strong.
	Increased support for Zero Trust Security measures for Group and Enterprise clients
Stock	YoY approx. +0.5Bn (+36%) In addition to SBT's own services, public-sector Microsoft solution operations increased.

*clouXion, Managed Security Service

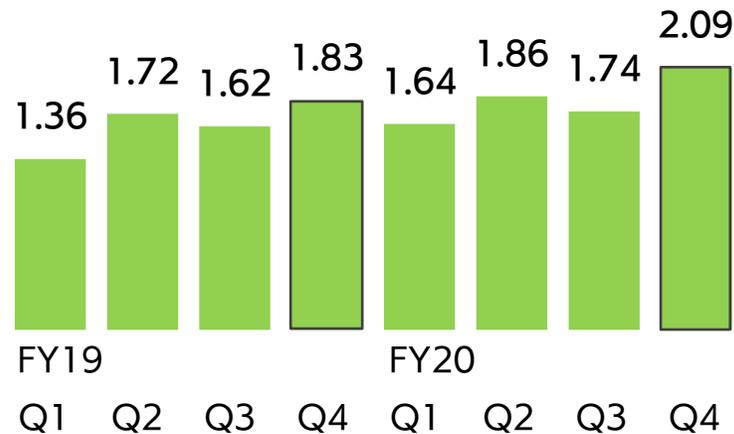
Flow

Stock

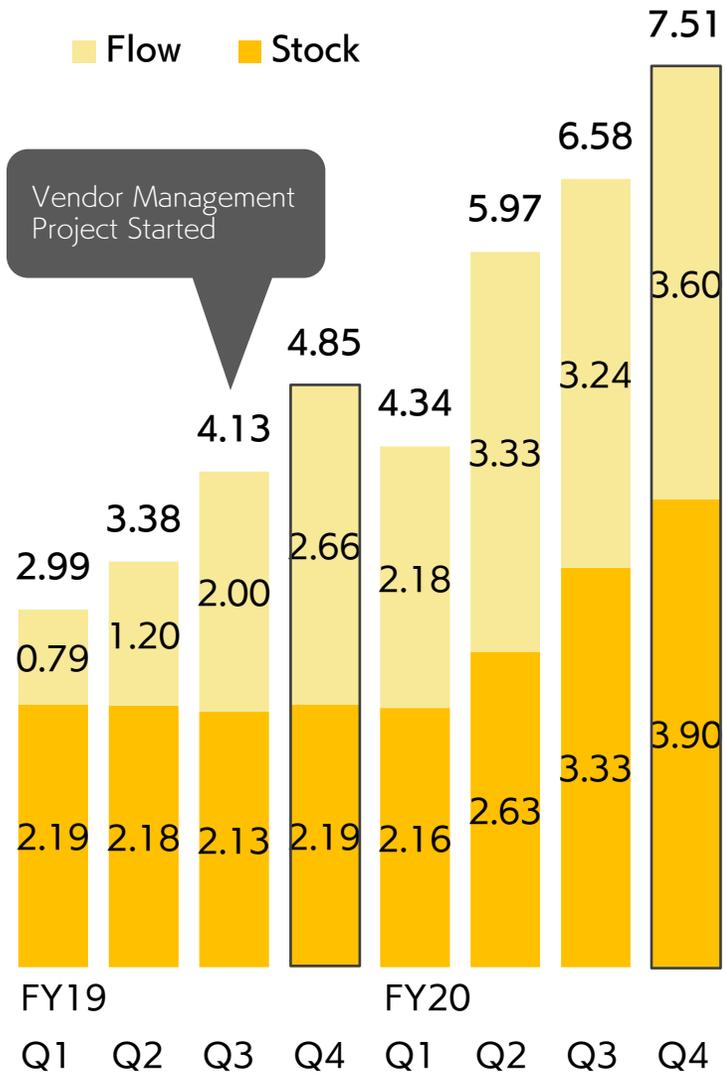
Development Licences, etc Operation / Services



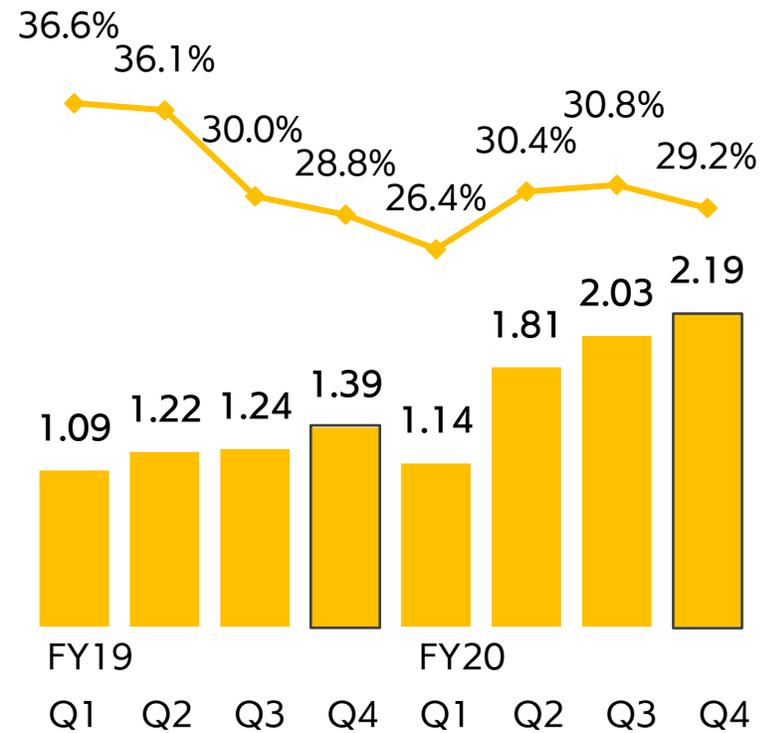
Increased Flow (licensing, etc.) results in lower margins



Net sales



Marginal income



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

Main customers : SoftBank Companies

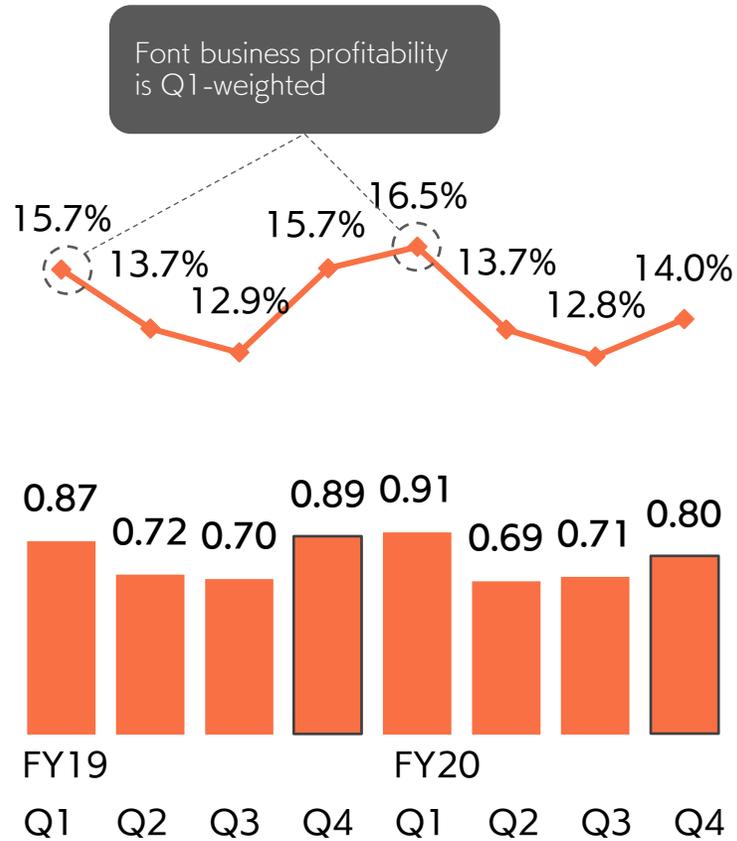
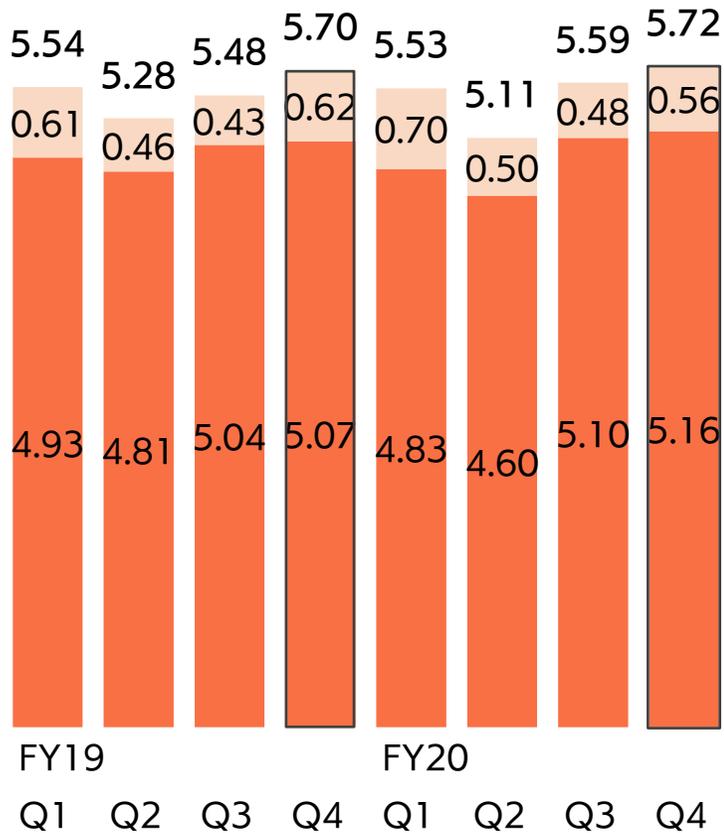
Consists primarily of building, operating, and maintaining clients' on-premises and private cloud systems; also proposing future migration to the public cloud.

Category	Description
Flow	<p>Our new subsidiary DENEN Co., Ltd. contributed to increased sales and marginal income</p> <p>Expansion of vendor management projects for SoftBank Corp.</p>
Stock	<p>YoY approx. +1.7Bn (+78%)</p> <p>Increased due to progress in standardization of vendor management projects</p>

Net sales

Marginal income

Font, etc Norton store



EC site management and font license sales

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

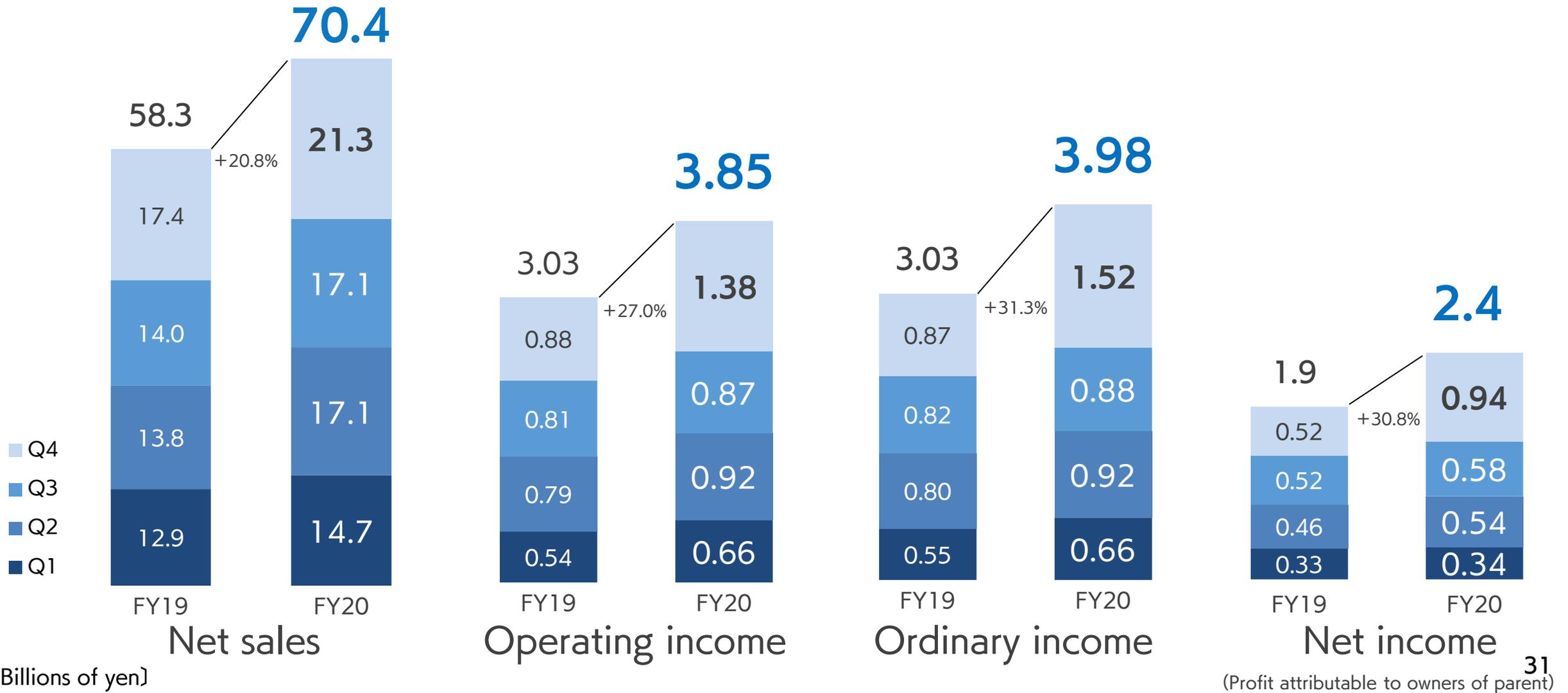
FY19Q4 saw special demand for high-margin font business

Operating agency services for Norton Store performed well due to demand for stay-at-home lifestyles, but profits declined YoY due to revision of contracts with business partners

Numerical data

 SB Technology

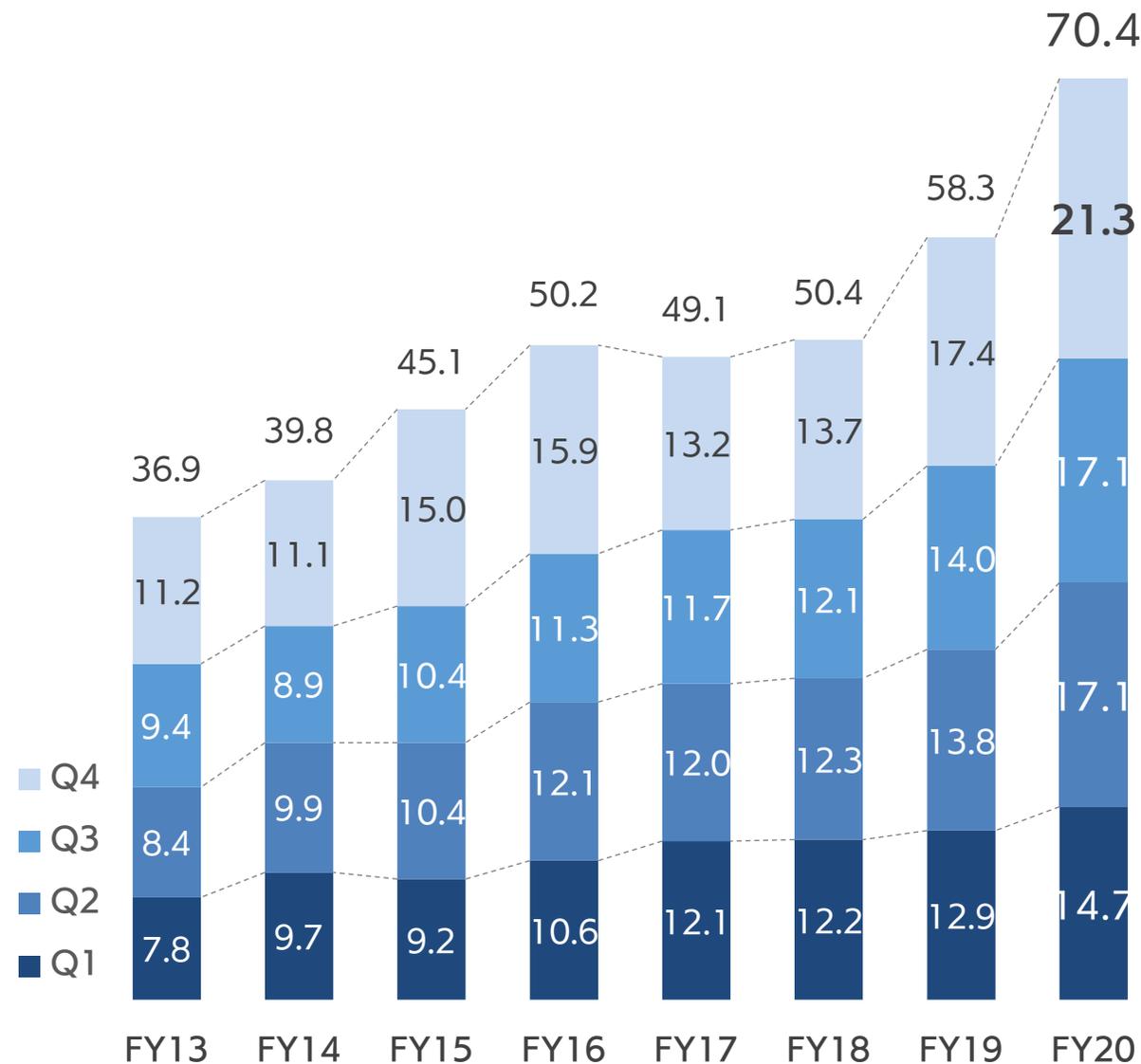
- Higher sales in Q4 due to growth in vendor management projects and coordination with new subsidiary DENEN Co., Ltd.
- Higher Q4 profit attributable to growth in cloud and security projects, achieving record-high operating income



- Sales grew due to coordination with new subsidiary DENEN Co., Ltd. and an increase in projects developed for SoftBank Corp.
- Achieved a significant increase in profits, partly due to the recording of significant upfront investment costs in the previous term

(Millions of yen)	(Profit margin)	FY20Q4	FY19Q4	Change	Change %
Net sales		Record High 21,388	17,408	+3,980	+22.9%
Operating income		Record High 1,382 (6.5%)	880 (5.1%)	+501 (+1.4pt)	+56.9%
Ordinary income		Record High 1,520 (7.1%)	871 (5.0%)	+649 (+2.1pt)	+74.5%
Profit attributable to owners of parent Net profit		Record High 949 (4.4%)	529 (3.0%)	+419 (+1.4pt)	+79.1%

(Millions of yen)	End of March, 2020	End of March, 2021	Since end of previous term
Current assets	24,350	29,135	4,785
Cash and deposits	9,826	9,722	△ 104
Accounts receivable and other receivables	12,714	17,428	4,714
Fixed assets	8,135	9,661	1,525
Tangible fixed assets	1,488	1,659	171
Intangible fixed assets	3,049	4,514	1,464
Investments and other assets	3,597	3,487	△ 110
Total assets	32,486	38,798	6,312
Current liabilities	13,528	16,907	3,378
Long-term liabilities	1,340	2,313	972
Net assets	17,617	19,577	1,960

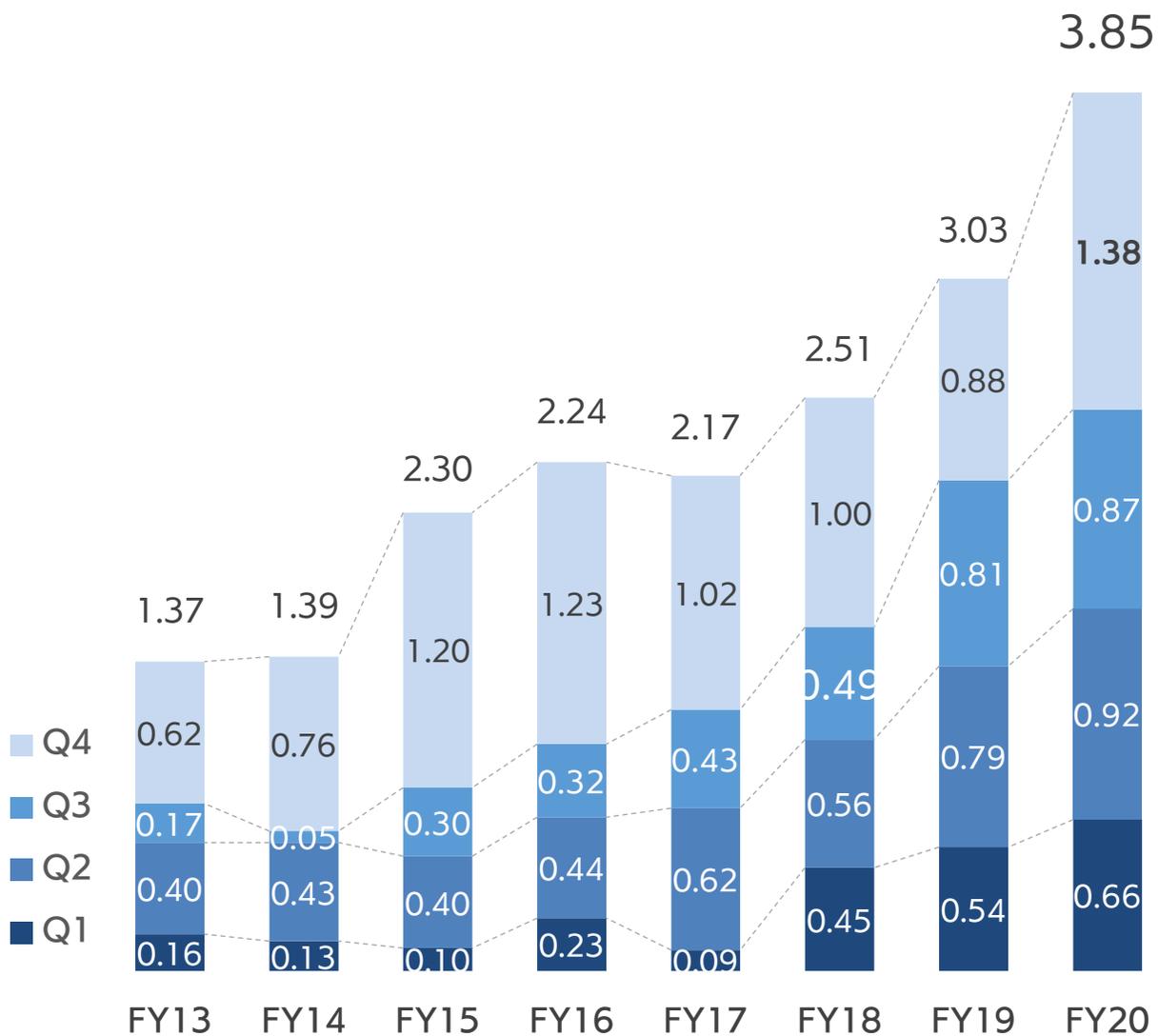


4Q total Net sales (YoY)

20.8% UP

Q4 Net sales (YoY)

22.9% UP



Medium-term plan target operating income CAGR 20% growth
 (FY18 Starting from consolidated operating income of 2.5Bn)

4Q total Operating income

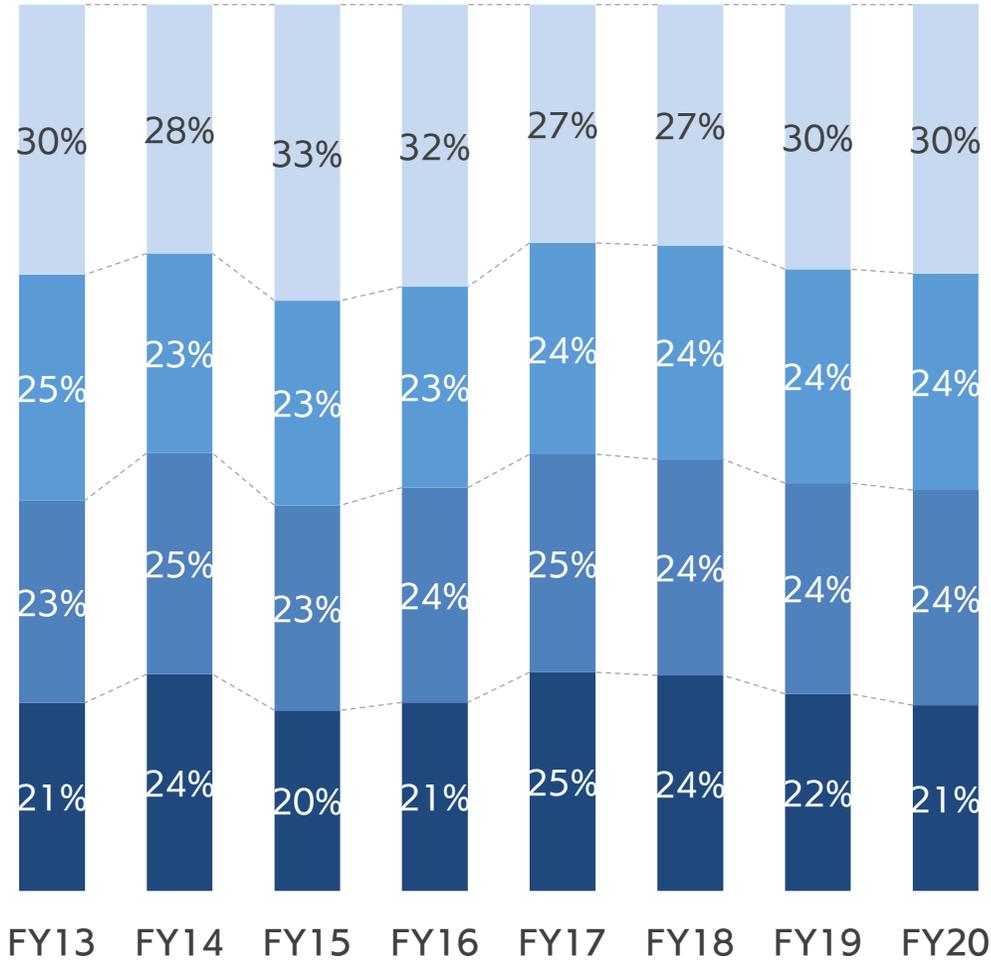
(YoY) 27.0% UP

4Q Operating income

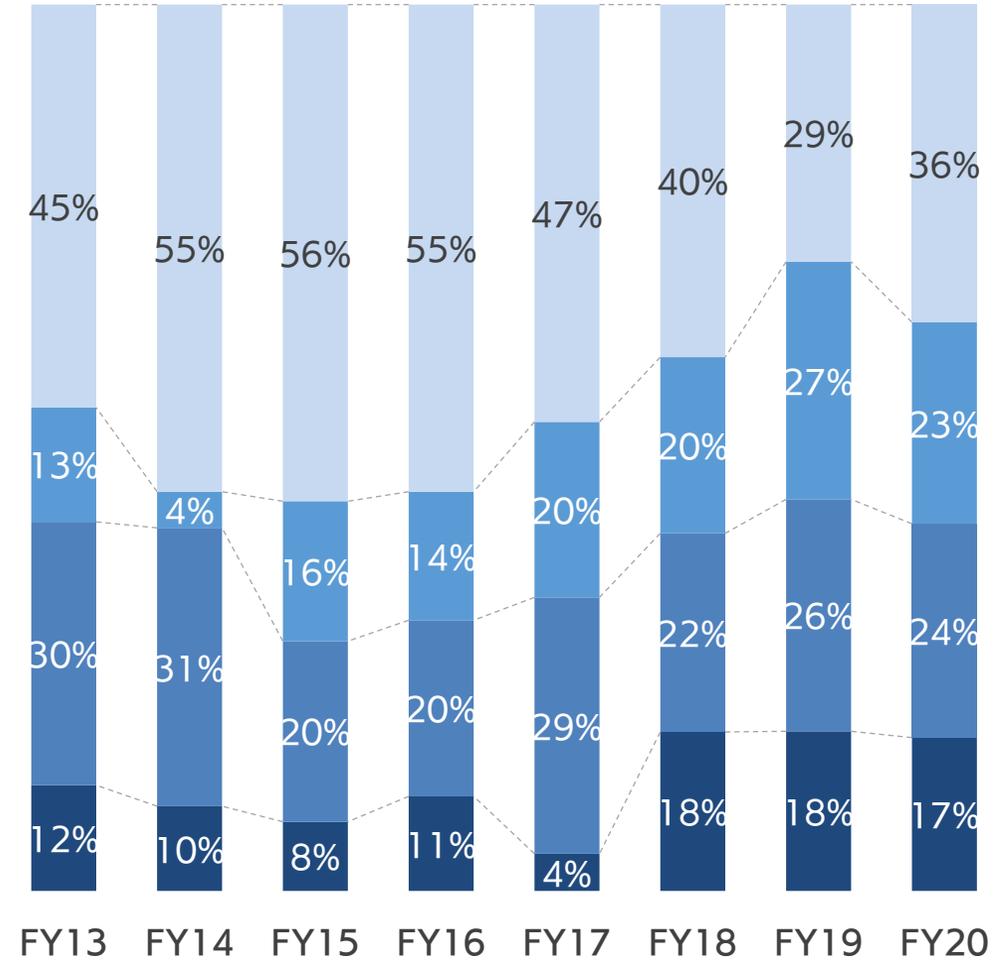
(YoY) 56.9% UP

Net sales

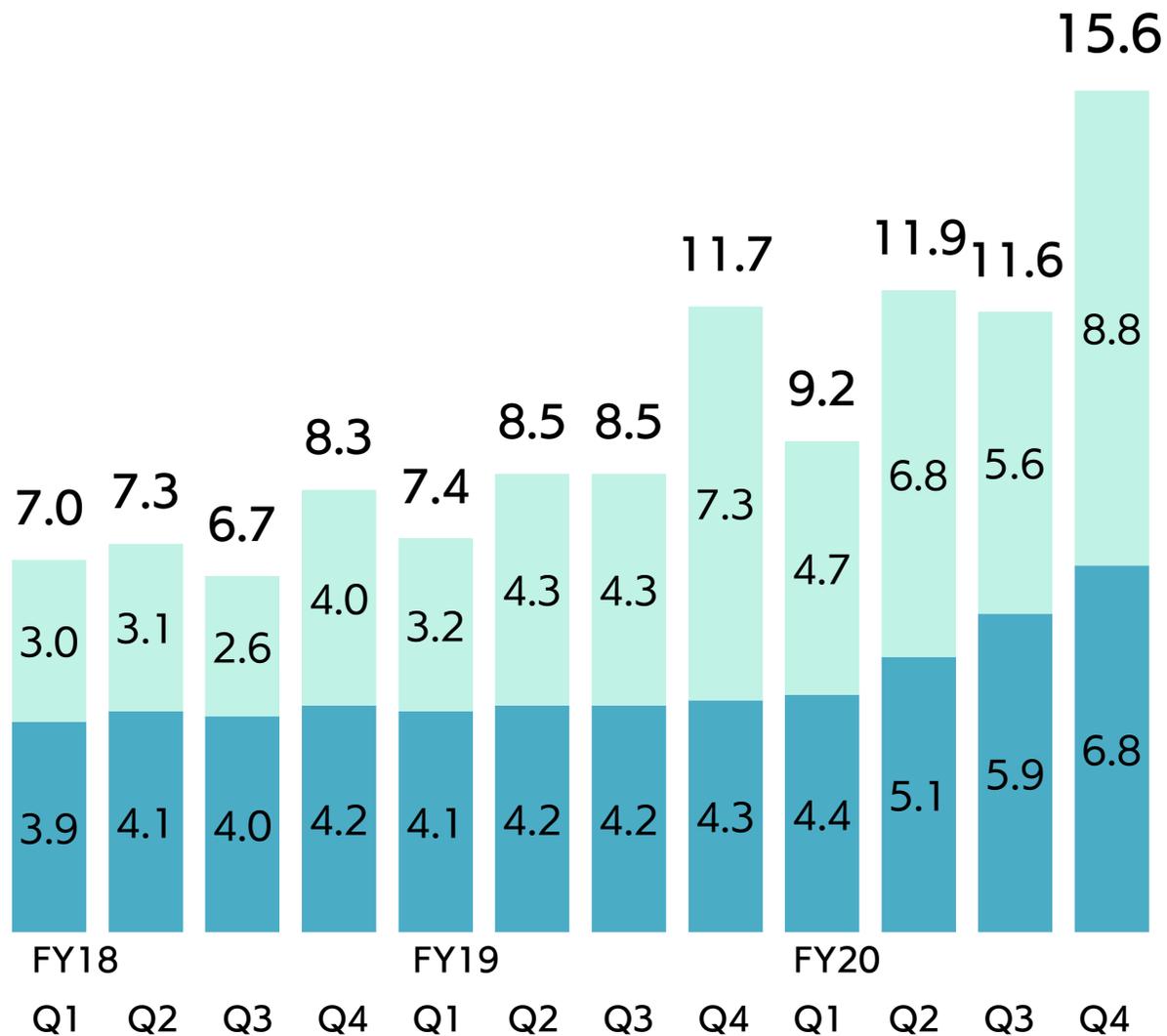
■ Q4 ■ Q3 ■ Q2 ■ Q1



Operating income



Flow Stock



4Q total Stock sales (YoY)

54.1 Bn_{UP}

4Q Stock sales (YoY)

25.3 Bn_{UP}

		(Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2	FY20Q3	FY20Q4	FY20	YoY	
													Change	Change %
Total	Sale		12,969	13,872	14,074	17,408	58,324	14,759	17,105	17,197	21,388	70,451	+12,126	+20.8%
	Marginal income		3,642	4,095	3,964	4,758	16,461	4,017	4,969	4,940	5,999	19,926	+3,465	+21.0%
	Profit ratio		28.1%	29.5%	28.2%	27.3%	28.2%	27.2%	29.1%	28.7%	28.0%	28.3%	+0.1pt	-
BIT solution	Sale		764	868	872	2,154	4,659	1,137	1,358	1,161	2,728	6,386	+1,727	+37.1%
	Marginal income		309	424	394	628	1,756	320	593	446	899	2,259	+502	+28.6%
	Profit ratio		40.4%	48.9%	45.2%	29.2%	37.7%	28.1%	43.7%	38.4%	33.0%	35.4%	▲2.3pt	-
CIT Solutions	Sale		3,664	4,333	3,582	4,690	16,270	3,740	4,660	3,854	5,417	17,672	+1,401	+8.6%
	Marginal income		1,369	1,726	1,620	1,836	6,553	1,641	1,863	1,749	2,099	7,353	+800	+12.2%
	Profit ratio		37.4%	39.8%	45.2%	39.2%	40.3%	43.9%	40.0%	45.4%	38.8%	41.6%	+1.3pt	-
TS Solutions	Sale		2,991	3,387	4,137	4,855	15,371	4,348	5,973	6,586	7,517	24,425	+9,053	+58.9%
	Marginal income		1,093	1,221	1,242	1,396	4,953	1,145	1,814	2,031	2,197	7,189	+2,235	+45.1%
	Profit ratio		36.6%	36.1%	30.0%	28.8%	32.2%	26.4%	30.4%	30.8%	29.2%	29.4%	▲2.8pt	-
EC Solutions	Sale		5,548	5,283	5,482	5,708	22,022	5,533	5,112	5,595	5,725	21,966	▲55	▲0.3%
	Marginal income		870	723	706	897	3,198	910	698	713	802	3,124	▲73	▲2.3%
	Profit ratio		15.7%	13.7%	12.9%	15.7%	14.5%	16.5%	13.7%	12.8%	14.0%	14.2%	▲0.3pt	-
Total of core businesses (BIT+CIT)	Sale		4,429	5,201	4,454	6,844	20,930	4,877	6,018	5,016	8,145	24,059	+3,128	+14.9%
	Marginal income		1,678	2,150	2,014	2,465	8,309	1,961	2,456	2,195	2,999	9,613	+1,303	+15.7%
	Profit ratio		37.9%	41.4%	45.2%	36.0%	39.7%	40.2%	40.8%	43.8%	36.8%	40.0%	+0.3pt	-
	Component ratio		34.1%	37.5%	31.7%	39.3%	35.9%	33.0%	35.2%	29.2%	38.1%	34.1%	▲1.8pt	-

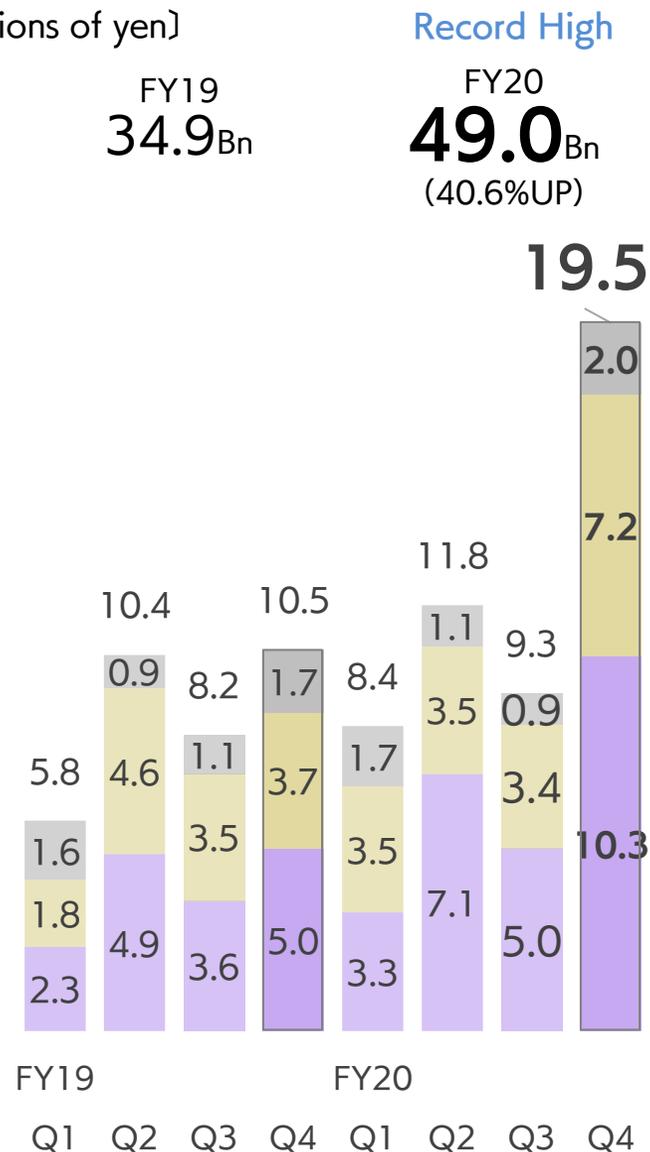
※Solution classifications were reviewed for certain projects and are calculated in accordance with the current accounting method.

Consolidated business results (Millions of yen)	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY19	FY20Q1	FY20Q2	FY20Q3	FY20Q4	FY20	YoY	
											Change	Change %
Sale	12,969	13,872	14,074	17,408	58,324	14,759	17,105	17,197	21,388	70,451	+12,126	+20.8%
BIT Solutions	764	868	872	2,154	4,659	1,137	1,358	1,161	2,728	6,386	+1,727	+37.1%
CIT Solutions	3,664	4,333	3,582	4,690	16,270	3,740	4,660	3,854	5,417	17,672	+1,401	+8.6%
Technical solutions	2,991	3,387	4,137	4,855	15,371	4,348	5,973	6,586	7,517	24,425	+9,053	+58.9%
EC Solutions	5,548	5,283	5,482	5,708	22,022	5,533	5,112	5,595	5,725	21,966	▲55	▲0.3%
Cost of sales	10,873	11,479	11,647	14,897	48,897	12,326	14,317	14,477	17,946	59,068	+10,170	+20.8%
Gross profit	2,096	2,392	2,427	2,511	9,426	2,433	2,787	2,720	3,442	11,383	+1,956	+20.7%
SG&A expenses	1,550	1,597	1,613	1,630	6,391	1,766	1,857	1,843	2,059	7,527	+1,136	+17.8%
Operating income	546	794	813	880	3,035	666	929	876	1,382	3,855	+819	+27.0%
Other Income and Expenses	0	1	6	▲9	▲2	▲8	▲11	8	137	125	+128	-
Ordinary income	545	796	820	871	3,033	658	918	884	1,520	3,981	+948	+31.3%
Extraordinary gain/loss	0	▲14	2	▲46	▲58	▲5	▲44	49	▲100	▲100	▲41	-
Net profit attributable to owners of parent	330	469	526	529	1,856	348	543	586	949	2,428	+572	+30.8%
Marginal income	3,642	4,095	3,964	4,758	16,461	4,017	4,969	4,940	5,999	19,926	+3,465	+21.0%
Fixed cost	3,096	3,300	3,150	3,877	13,425	3,350	4,040	4,063	4,616	16,071	+2,645	+19.6%
Non-consolidated order backlog	12,715	15,712	16,393	16,392	16,392	16,537	18,204	17,910	24,076	24,076	+7,684	+46.9%

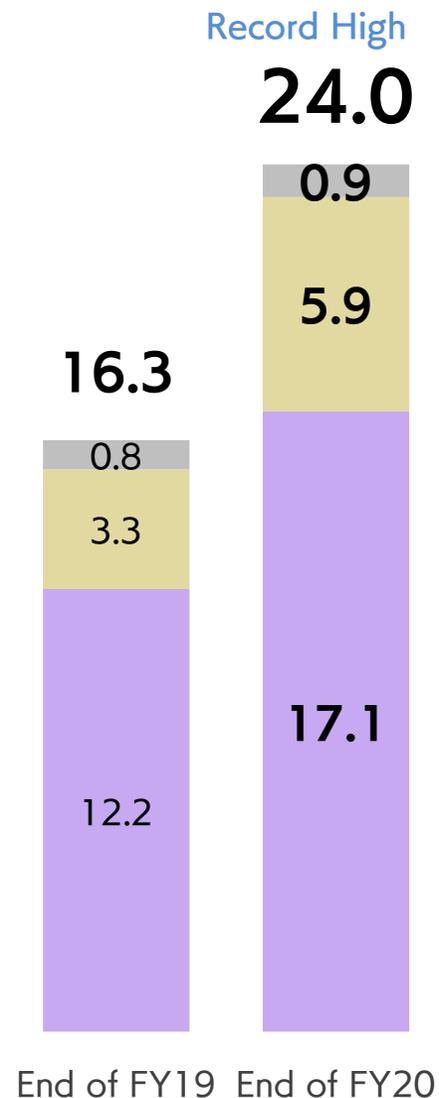
※Solution classifications were reviewed for certain projects and are calculated in accordance with the current accounting method.

Changes in orders received

[Billions of yen]



Order Backlog

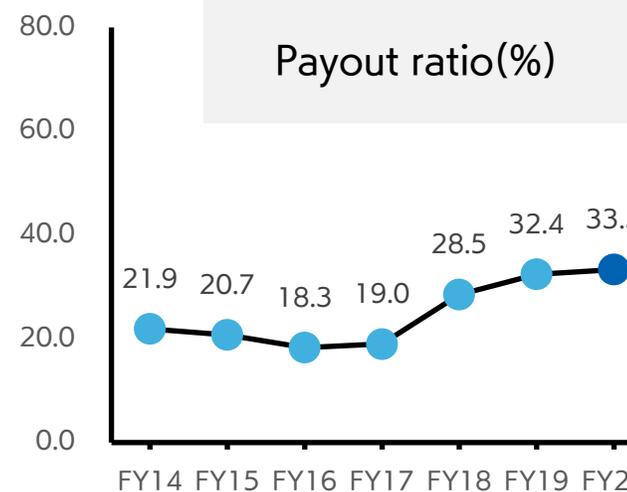
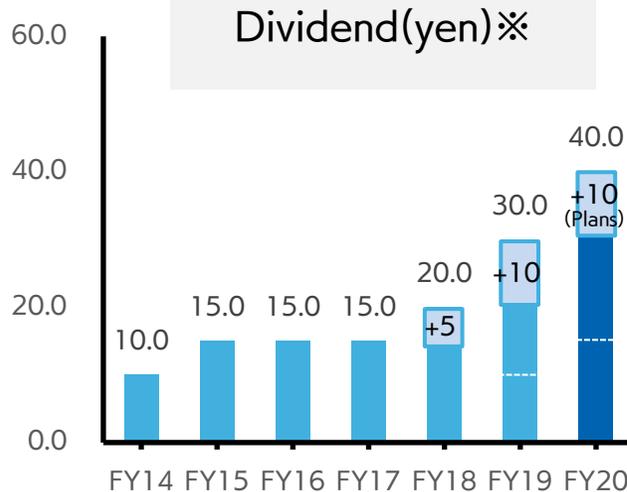
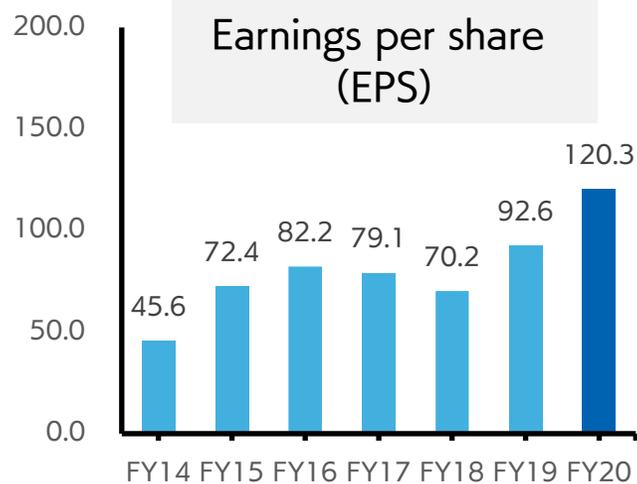
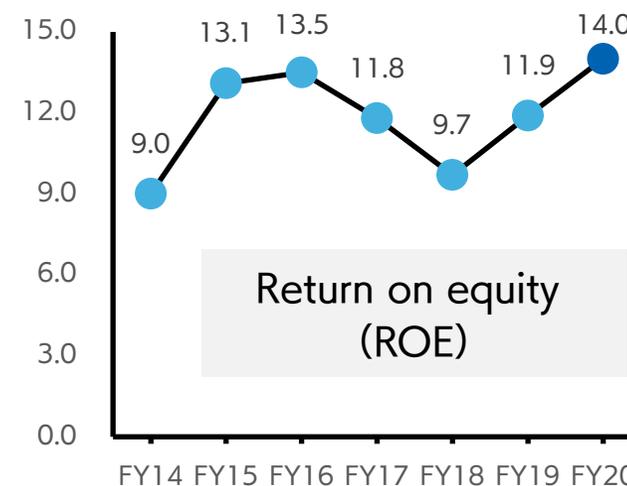
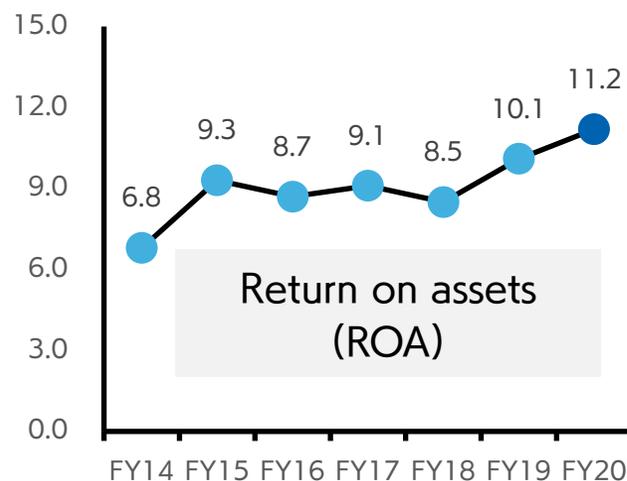
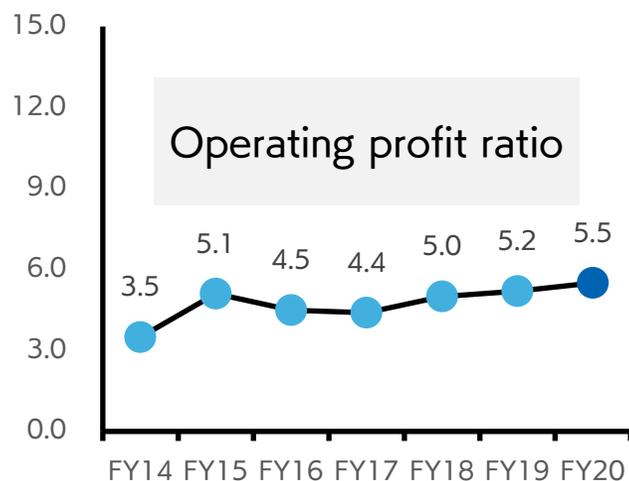


Flow	
license, etc	
Development	
Stock	
Operation / Services	

Single order balance (YoY basis)

46.9% UP

Orders Received	<p>【Flow / Development】</p> <ul style="list-style-type: none"> • Bit orders doubled YoY due to the development of electronic applications and digital map services for MAFF, as well as cloud development for SoftBank Corp. <p>【Stock】</p> <ul style="list-style-type: none"> • Significant growth due to TS vendor management projects • BIT increased YoY by 2.5x due to electronic application projects • CIT, SBT's own service trends steadily
	<p>【Flow / Development】</p> <ul style="list-style-type: none"> • Development increased significantly due to electronic applications and digital maps for MAFF <p>【Stock】</p> <ul style="list-style-type: none"> • Bit orders remained high due to electronic application projects. • Remaining orders for CIT increased due to public operation projects • TS order backlog increased due to vendor management projects



(※) 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

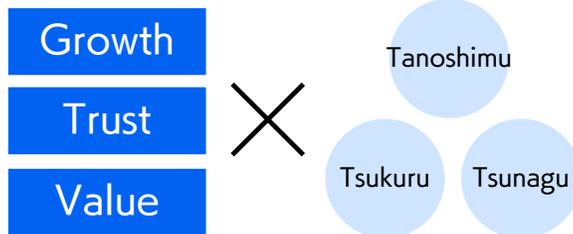
Information Revolution, Happiness for everyone
- Technologies Design the Future -

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, 2021)

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 1,235 mn
Number of employees	1,328 (consolidated)

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

Board of Directors

(As of April 1, 2021)

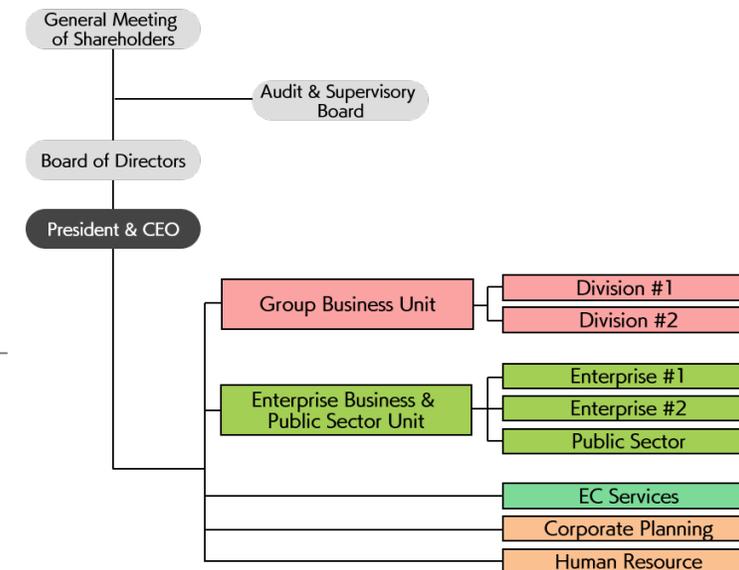
Member of the Board		Audit & Supervisory Board Member	
Representative Director President & CEO	Shinichi Ata	Chairman of Audit & Supervisory Board	Mitsumasa Ueno
Member of the Board CSO	Mitsuhiro Sato	Audit & Supervisory Board Member	Haruhiko Hirose
Member of the Board	Akira Kitamura	Audit & Supervisory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

Vice President

Chief Executive Officer	Shinichi Ata
Vice President Executive Officer CSO	Mitsuhiro Sato
Executive Vice President CFO	Masaaki Okazaki
Executive Vice President & CIO	Akira Kitamura
Executive Vice President	Masaki Watanabe
Senior Vice President CCO	Seiichi Masaoka
Vice President	Takashi Kodama
Vice President	Tetsuya Shimizu
Vice President	Makoto Aoki
Vice President	Takuya Miyazawa

Organization chart

(As of April 1, 2021)



Certification and accreditation

(As of April 1, 2021)



ISMSCertification • Scope of Certification
Head office/Shibadaimon/Tennozu
Nagoya/Osaka/Fukuoka

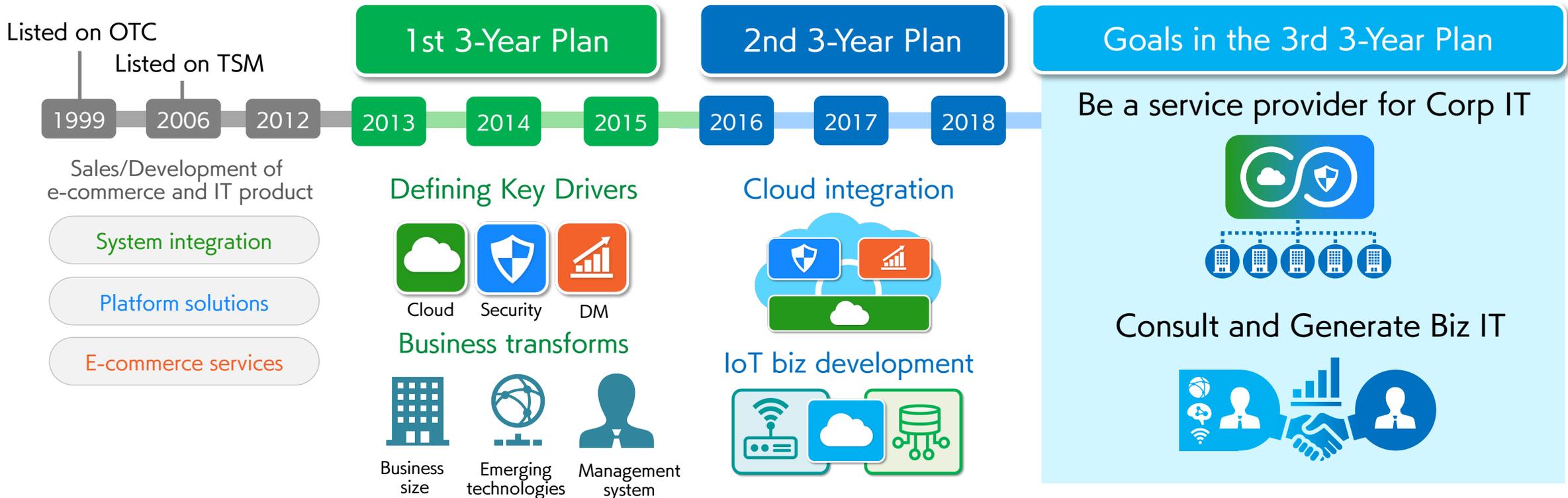
Eruboshi

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

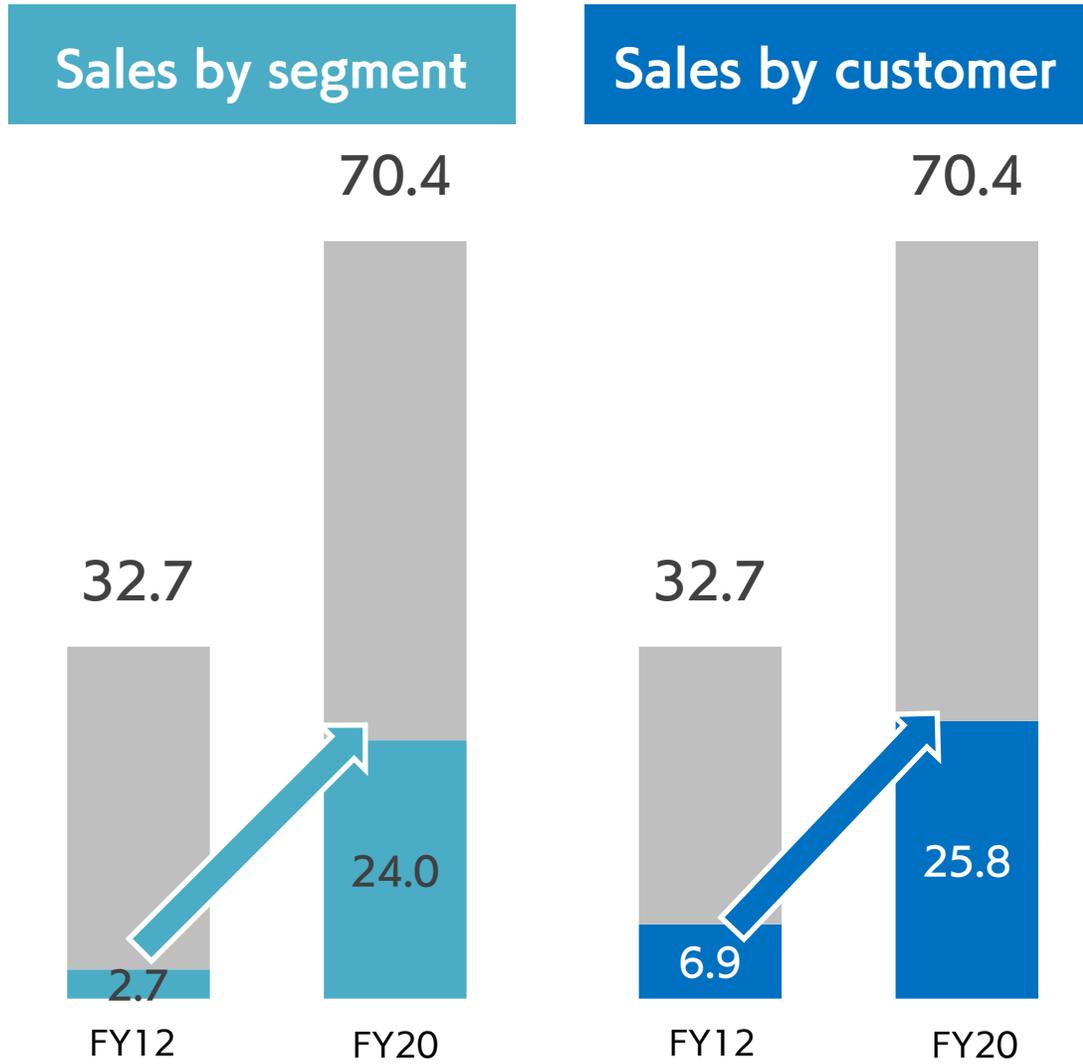
Long-term goal

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



Transition of Business Portfolio



Grow by expanding core businesses for major Enterprise clients, national government agencies, and local governments

[Billions of yen]

Core businesses ※1 Other

Corporate / Public Other

※ 1) Segment name up to 2018 : Cloud solutions, security solutions, data analytics

SB Technology by Numbers

*Items not marked as "consolidated" are statistics for SBT alone.  SB Technology

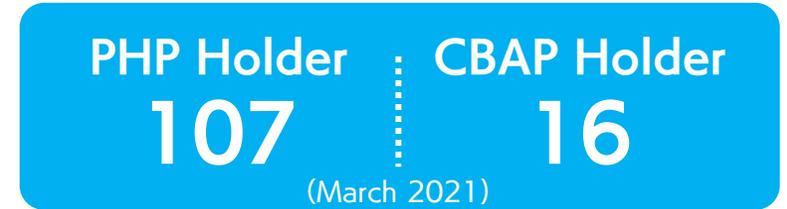
Employees



Working Style



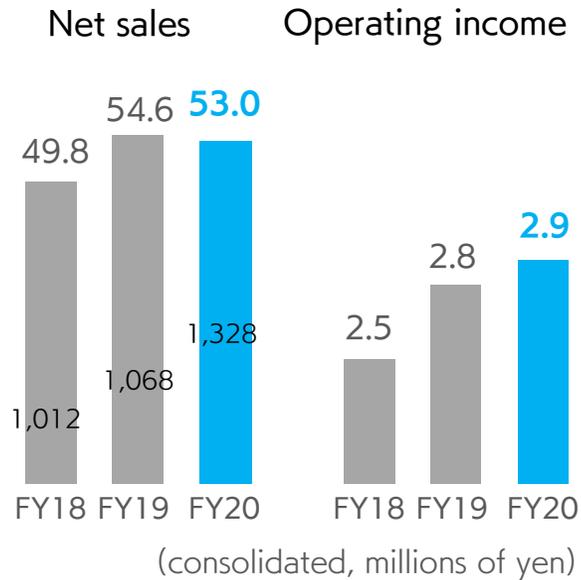
Growth Support



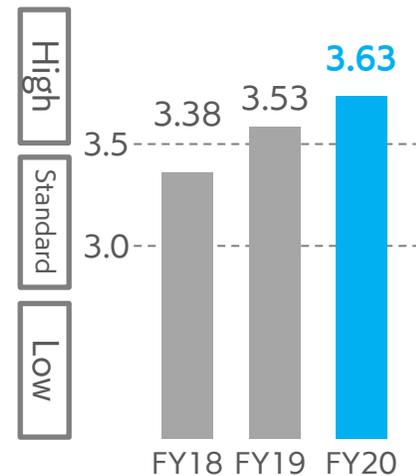
Technical Personnel



Index per Employee



Comprehensive Employee Satisfaction (5-Level Evaluation)



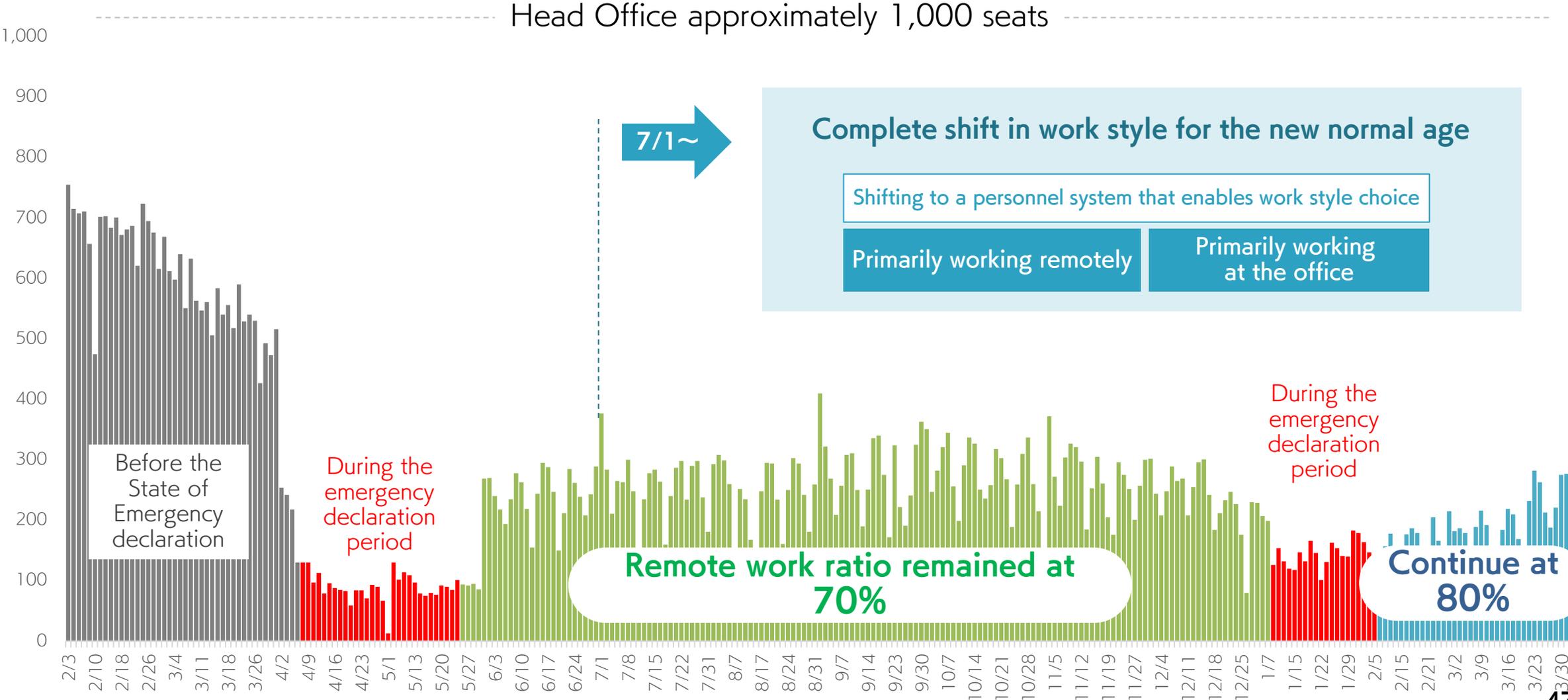
PMP (Project Management Professional)
An international standard qualification for project management that requires broad knowledge and practical experience as a project manager. Twenty-two percent of SBT technical employees possess this certification.

CBAP (Certified Business Analysis Professional)
Qualification exams that authorize experienced business analysis practitioners with more than five years of experience.

One of the most important indicators for our employees is the sense that their work is rewarding. Every year, each index in the survey related to rewarding work is rated high.

Remote Work Status

Implementing business activities while continuing remote work through the use of Teams



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 (2017)



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)



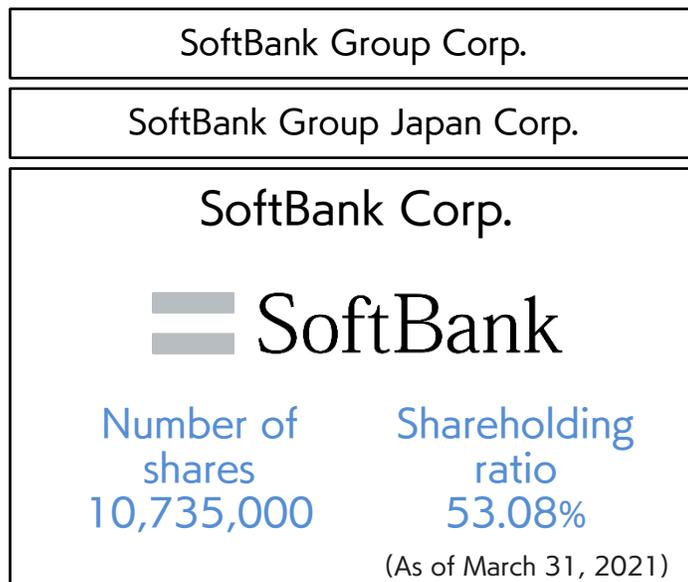
Sitecore MVP Award
Received the highest number of
5 in Japan for 2 consecutive years
(2018)



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



Sitecore MVP Award
Awarded (2016)



Group 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 Incorporated

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

Representatives : Ai Harada
Shareholding ratio : 100%
Number of employees代表者 : 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



I/O SYSTEM INTEGRATION CO., LTD

Development, sales and maintenance of information processing systems

Representatives : Masayuki Sekiguchi
Shareholding ratio : 100%
Number of employees : 25

Initiatives for Sustainability

Corporate Philosophy

Information Revolution — Happiness for Everyone

~Technologies Design the Future~

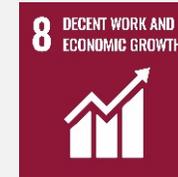


The SBT Group aims to achieve the Sustainable Development Goals (SDGs) by providing ICT services.



Initiatives for Social Infrastructure

Contributing to the development of society and industry and creating new value by promoting DX



Providing solutions for transforming businesses through the cloud and cutting-edge technologies

Corporate Digitalization

Microsoft Azure
Microsoft 365 × *clouXion*

Improving efficiency and productivity by promoting new work styles suited for the post-COVID “new normal” era and promoting digitalization of tasks



Location-independent communication infrastructure



Computerization of contracts and applications both internally and externally



Implementation of online meetings, recruitment, and training



Shift to online announcement of financial statements and shareholder general meetings

Industrial Digitalization



Integrated management of items and data needed to utilize IoT
Contributing to enhanced competitiveness by co-creating new businesses through DX



【Manufacturing Industry】
Remote monitoring of equipment and service renovation



【Manufacturing industry】
Development of a coin laundromat platform



【Construction industry】
Automation of building management in the construction industry

Social Infrastructure Initiatives

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



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

Cyber Resilience

Local Government Information Security Cloud

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

Zero Trust Security

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

Managed Security Service

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

Resilient Communities

Leading Companies • Government Offices



Corporate Information

 SB Technology

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

Customers: Global manufacturing, construction and agriculture

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



Technical Solutions

Customers : SoftBank Companies

- System development and operational support for non-cloud environments
- Support for client companies' development systems (managerial agency for developers), etc.



Corporate IT Solutions

Customers: Corporations, municipalities, independent admin. institutions, Softbank Corp.

- Cloud migration of in-house systems such as e-mail
- Security operation monitoring of customer systems, etc.



EC Solutions

Customers: Consumer

- EC site management agency for sales of security software, etc.
- EC sales of font licenses, etc.



Top-class domestic implementation track record, and technical capacity recognized by Microsoft

Performance

Started cloud business in 2009, when the cloud was still in its infancy

Numerous implementation successes with leading companies
(Construction/manufacturing industry, education sector, etc.)

Cloud Implementation Successes

1,119
companies

Cloud SI
Implementati
on
413
companies

ClouXion
Implementati
on
706
companies

(as of end of September 2020)

Certification

Accreditation to prove the performance of partners dealing with cloud solutions

Claimed
The GOLD Prize in 5 areas

Microsoft Cloud Performance Competencies

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

Evaluation

Award for implementation track record and advanced initiatives for global partners

Awarded for seven consecutive years

Microsoft Partner of the Year



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



Japan's first quadruple crown

 Fusion of knowledge and know-how accumulated through providing cloud and security solutions

Performance

Track record of implementation success in security monitoring

- Major communications carrier
- Local government information security cloud
- Manufacturing/construction industries, etc.



Utilization of Knowledge

Unique AI modeled on analyst experience and knowledge

Able to analyze as many as 10 billion event logs and alerts per day on a proprietary log analysis base built on the cloud



Accolades

Implementation track record and technical efforts recognized by Microsoft, security product manufacturers, etc.

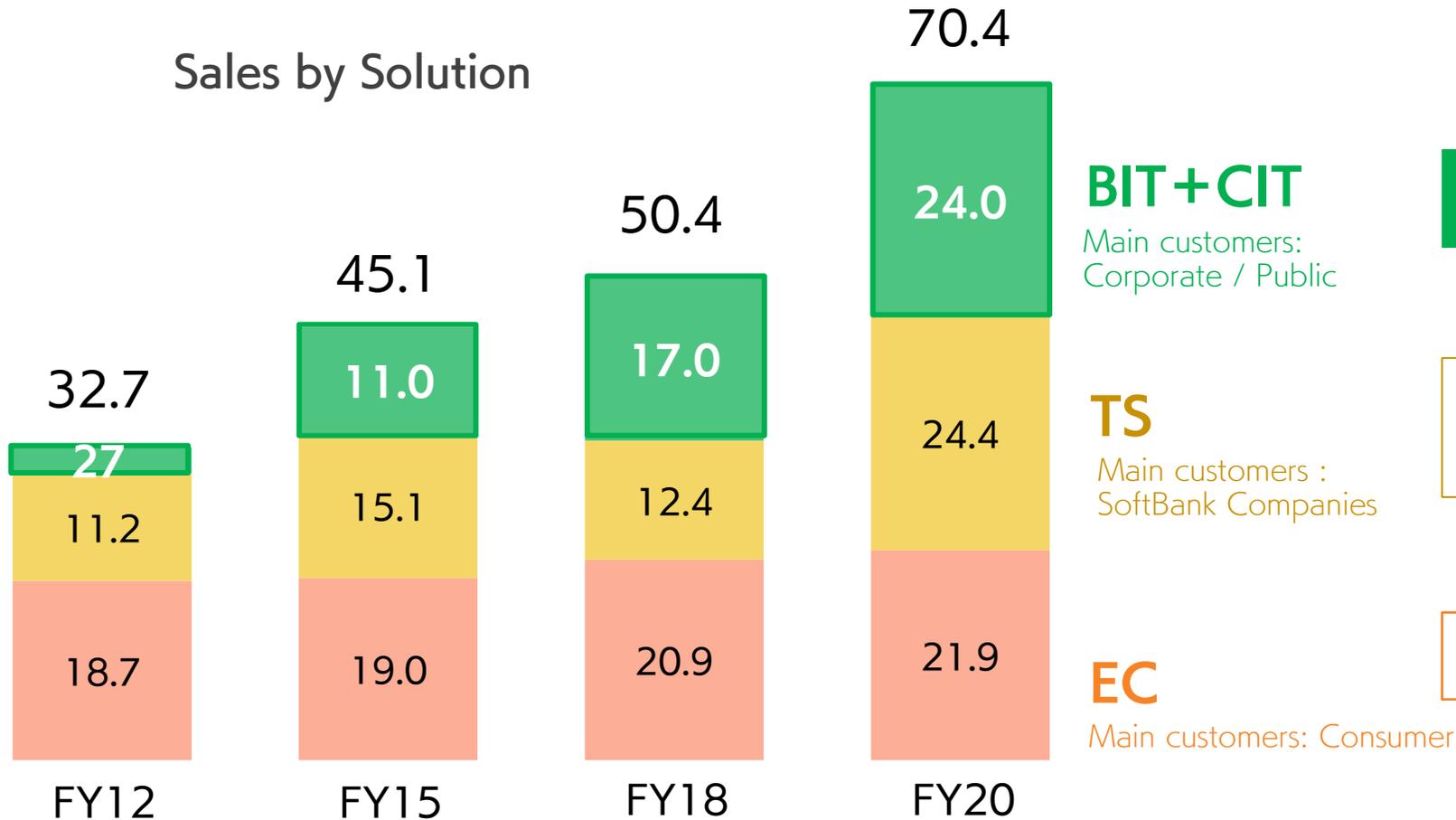
Received numerous external awards



Stable Foundation and Growth Areas

With EC and TS as a stable earnings base, our policy is to significantly expand the growth areas of BIT and CIT

Sales by Solution



Growth area

Stable foundation
+ expansion into growth areas

Stable foundation

BIT+CIT
Main customers:
Corporate / Public

TS
Main customers :
SoftBank Companies

EC
Main customers: Consumer

External Environment Changes caused by the COVID-19 Pandemic

Shift from in-house to remote work

Place to work

Commute to and work at the office
Equipment stored at office with no issue



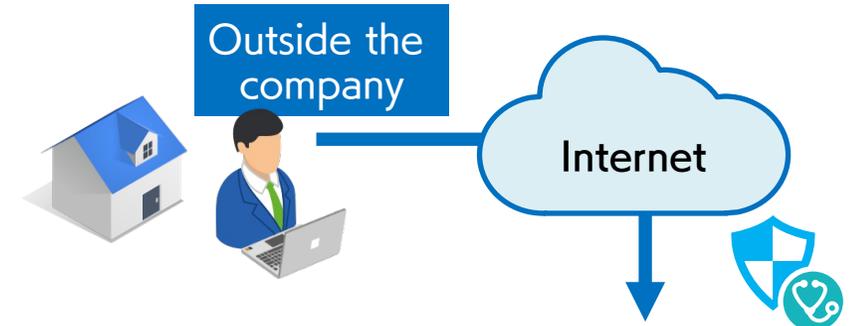
Information assets

On premises
(Equipment owned in-house)



Remote work outside the company
A need for systems to be usable outside the office

Microsoft 365 / Teams



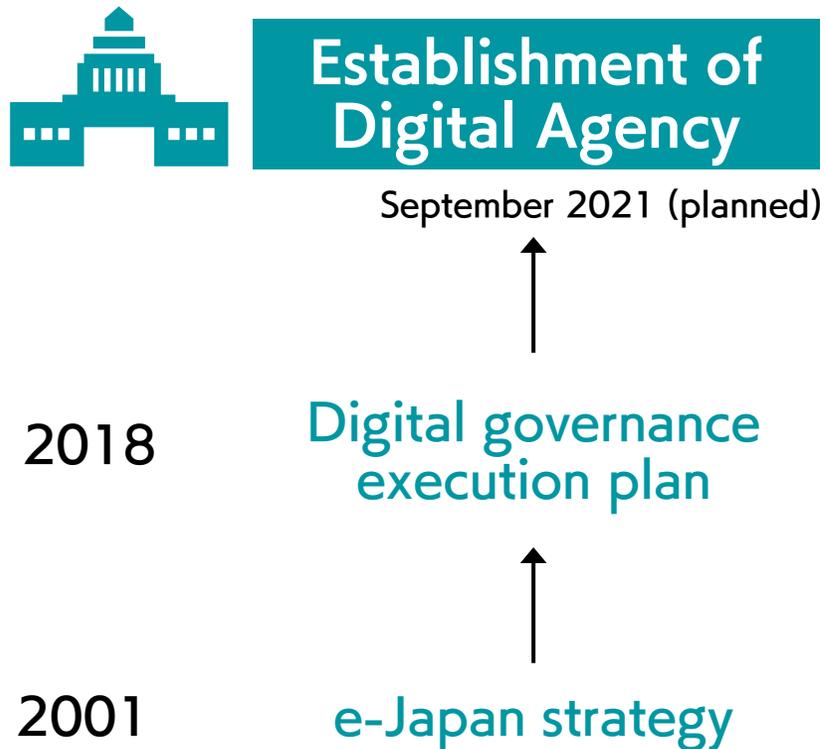
office system A

office system B

...

Cloud environment
(Equipment owned externally)

Digital agencies promote digitalization across ministries and agencies



Main tasks undertaken by the Digital Agency

Promotion of digitalization by national and local governments

- Standardization and coordination of national and local government systems, etc.
- Promoting popularization of Individual Number (My Number) cards
- Online administrative procedures
- Relaxed regulations of online medical examinations and digital education

Consider the use of cloud services as the first candidate

(*The Cloud-by-Default Principle)

※ Clarified in the "Basic Policy on the Use of Cloud Services in Government Information Systems" announced by the government in June 2018

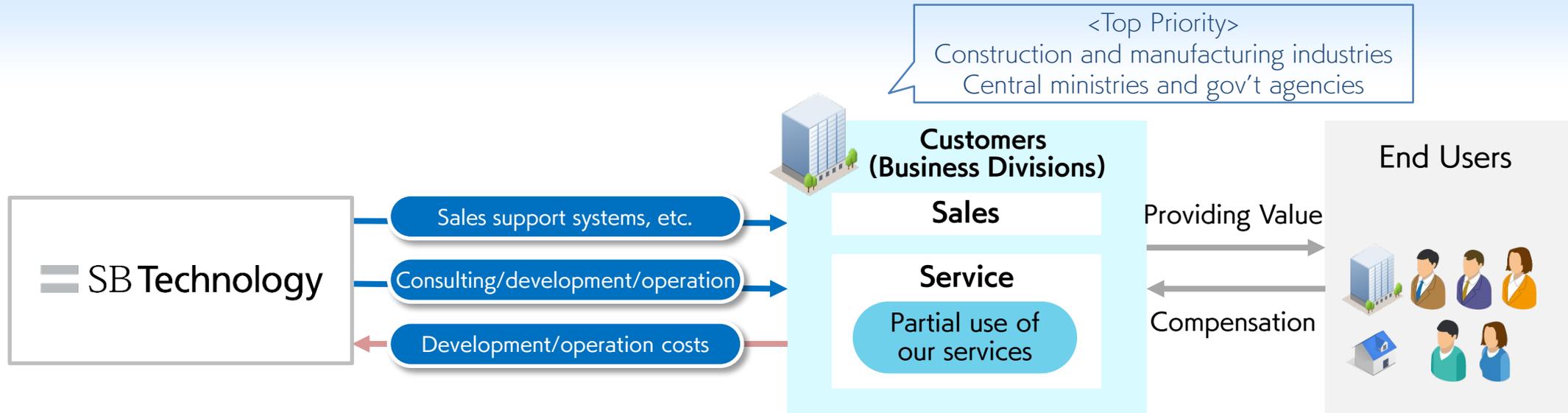
Introducing Business IT Solutions



Business IT Solutions

Customers: Global manufacturing,
construction and agriculture

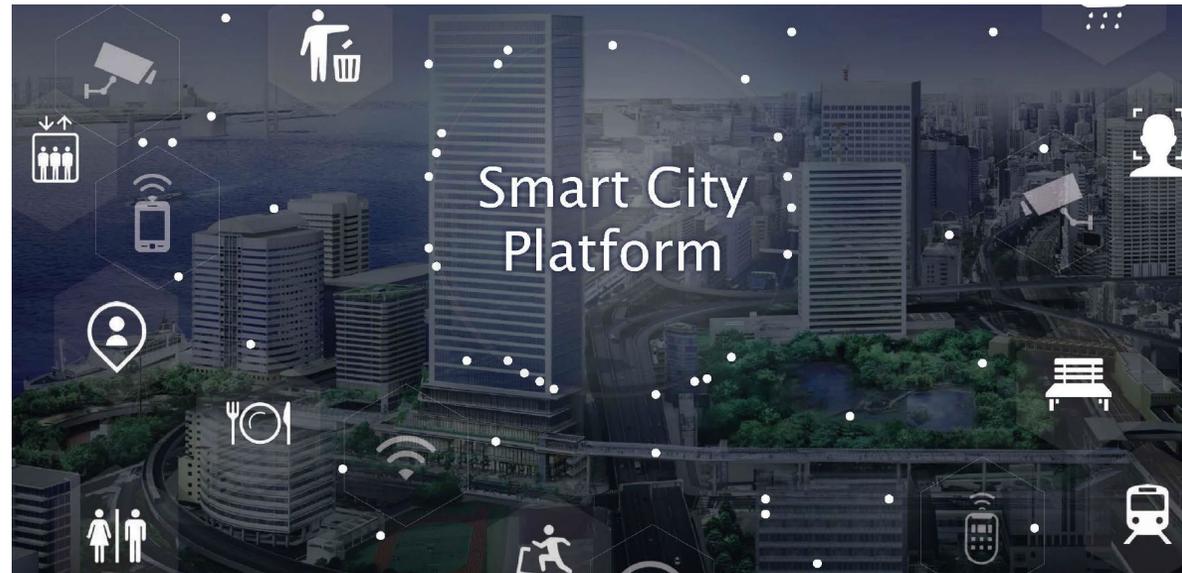
- Consulting service
- DX, AI, IoT Solutions, etc.



➤ Models we hope to achieve in the third medium-term plan



Examples of Smart City Platform building



Development

- Supporting the development of platform infrastructure
- Support for developing Azure infrastructure

Management / Operation

- Monitoring response (Alert detection)
- Primary response/isolation
- SBT development operations, etc.

Services Introduced

- Cloud development
- IoT Core Connect

Customer Overview

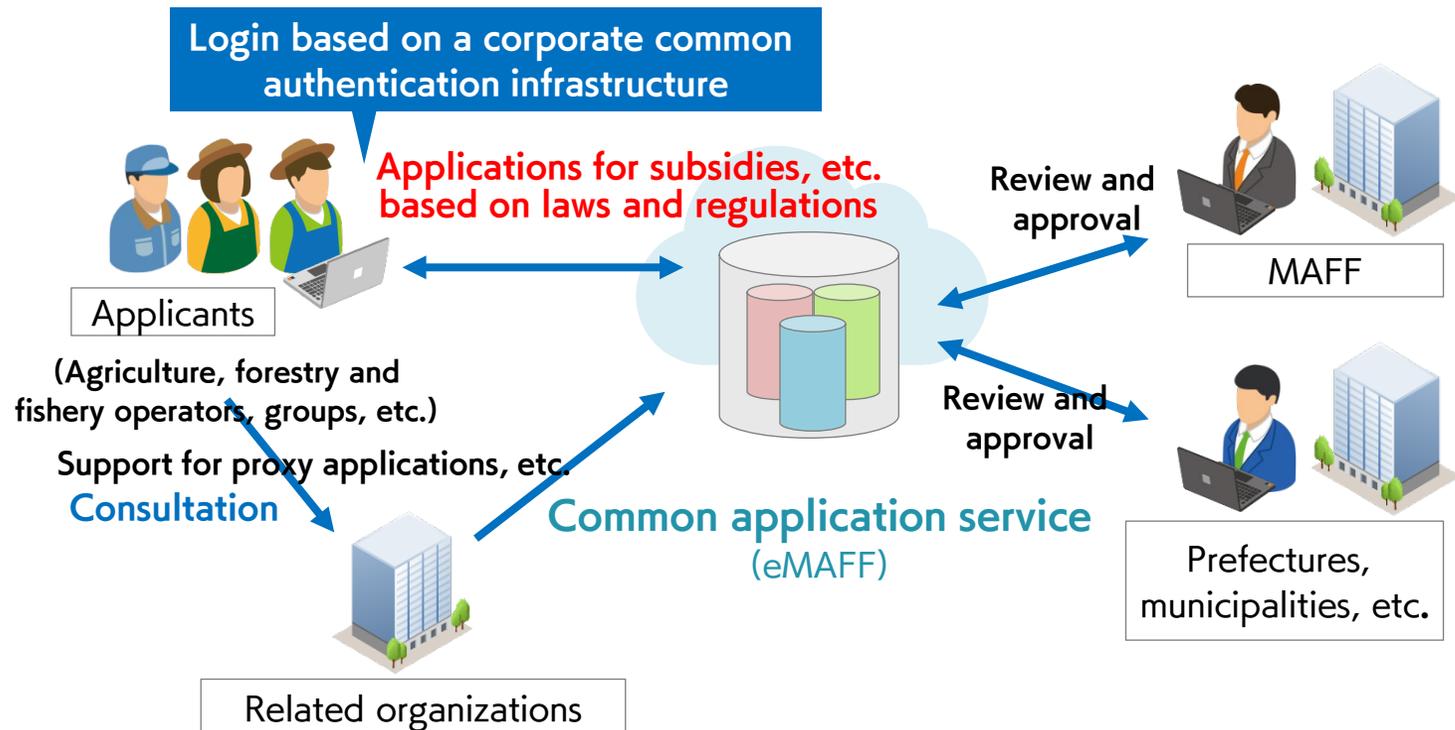
Customer	SoftBank Corp.
Field	Information & communication

Case Outline

- Supporting the establishment of a platform infrastructure for the "Smart City Platform" established by SoftBank
- Adopting "IoT Core Connect" as part of device-intelligence gathering measures
- Detection and isolation of alerts coming from Smart City Platform at the SBT Monitoring Center

Example of digital government

MAFF* Common application service (eMAFF)



* Diagram created based on a press release by the Ministry of Agriculture, Forestry and Fisheries

Services Introduced

- Cloud development (system for the people)

Customer Overview

Customer	MAFF
Field	Central government ministries

Case Outline

- Contributing to the promotion of "From Paper to Digital" by making full use of cloud and security Knowledge
- Development of a system that allows for electronic applications for subsidies and grants to be made according to laws and regulations under the jurisdiction of the Ministry of Agriculture, Forestry and Fisheries,

* Ministry of Agriculture, Forestry and Fisheries

Example of a common industry-targeted service (for the construction industry)

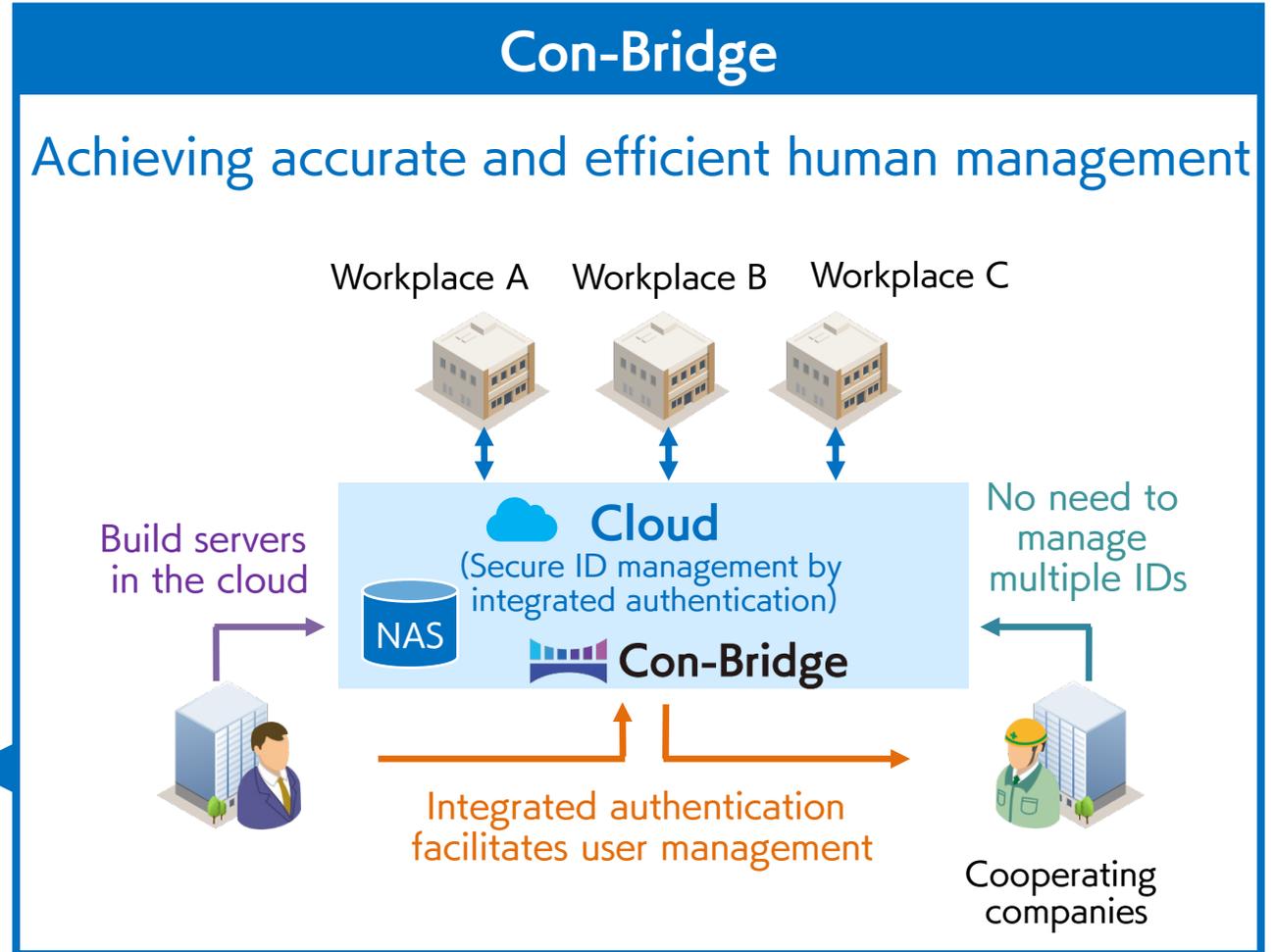
Common challenges of the past

Prime contractor	<ul style="list-style-type: none">● A need to build a physical server in the workshop● Risk of losing data in the event of a disaster● Managing users is complicated
Cooperating companies	<ul style="list-style-type: none">● IDs/passwords must be managed for every site



Solved with Con-Bridge

Prime contractor	<ul style="list-style-type: none">● Build servers in the cloud● Securely preserve data● Centralized ID management with integrated authentication
Cooperating companies	<ul style="list-style-type: none">● Access to information from multiple workstations with one ID



Introducing Corporate IT Solutions

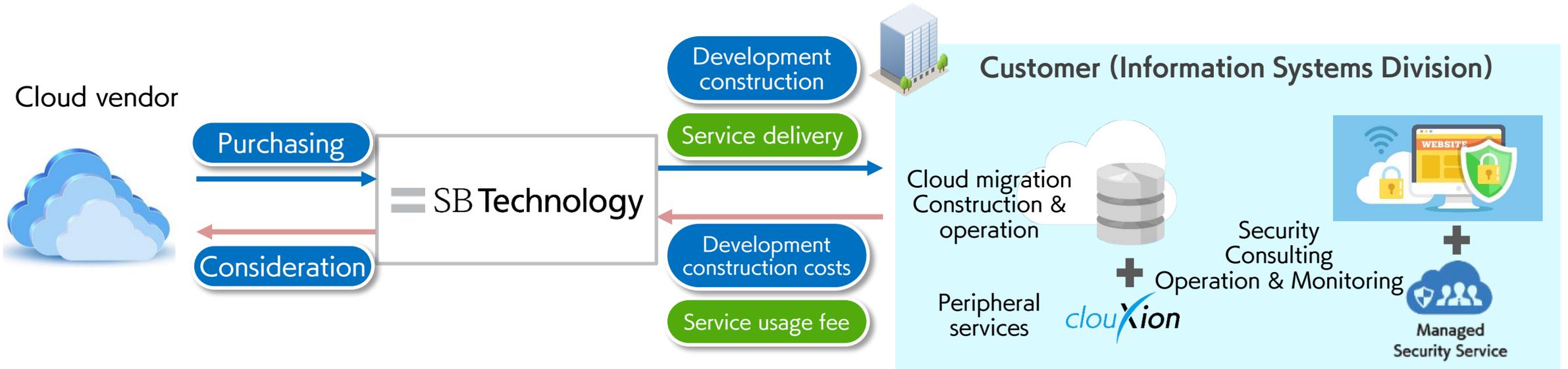


Corporate IT Solutions

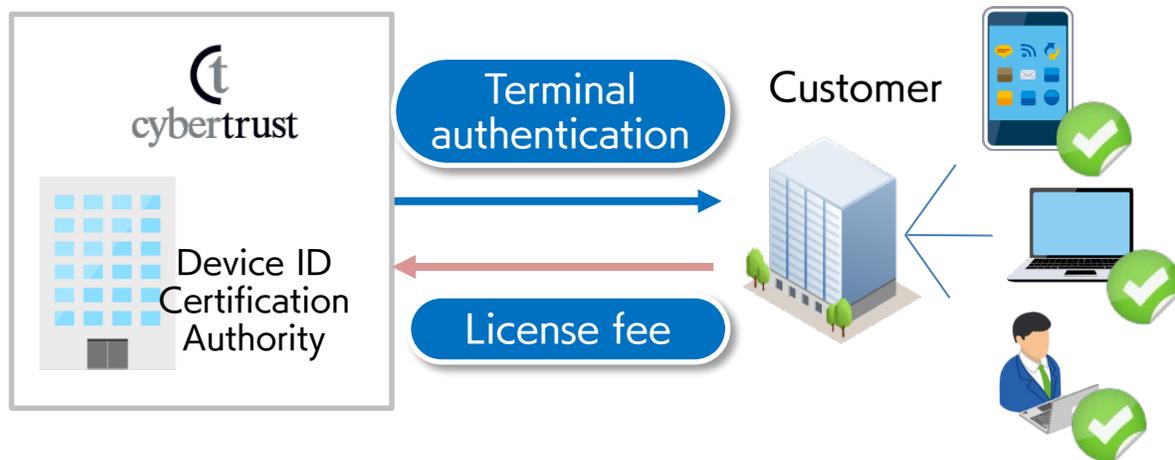
Customers: Corporations, municipalities,
independent admin. institutions, Softbank Corp

- Cloud migration of in-house systems such as e-mail
- Security operation monitoring of customer systems, etc.

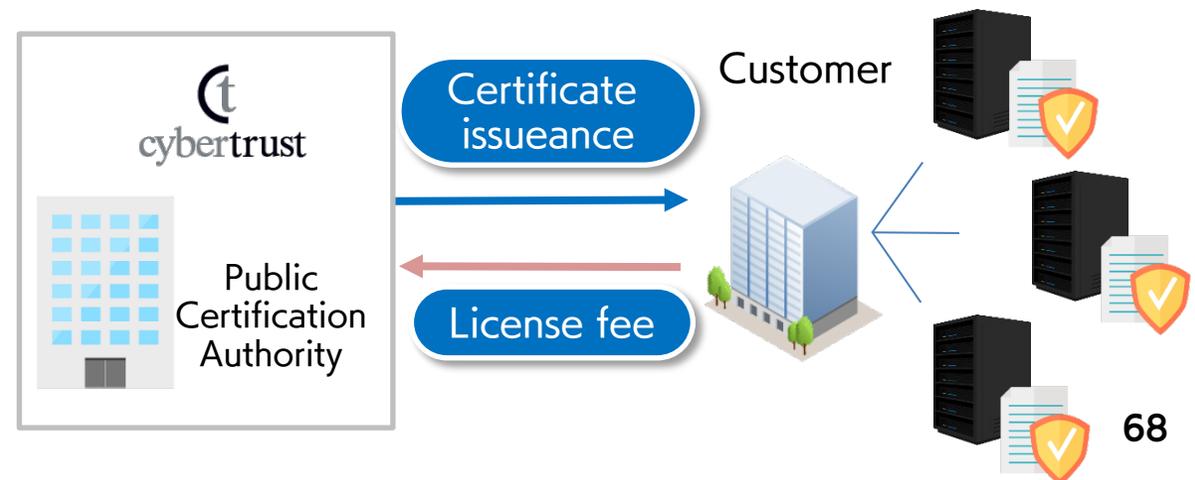
CIT's Business Model



Number of devices x Device ID cost

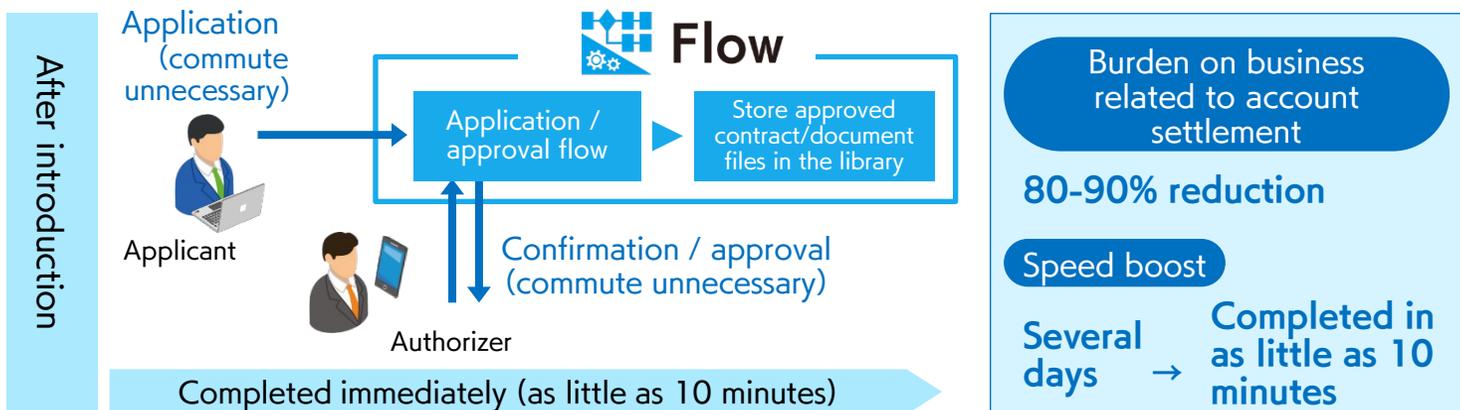
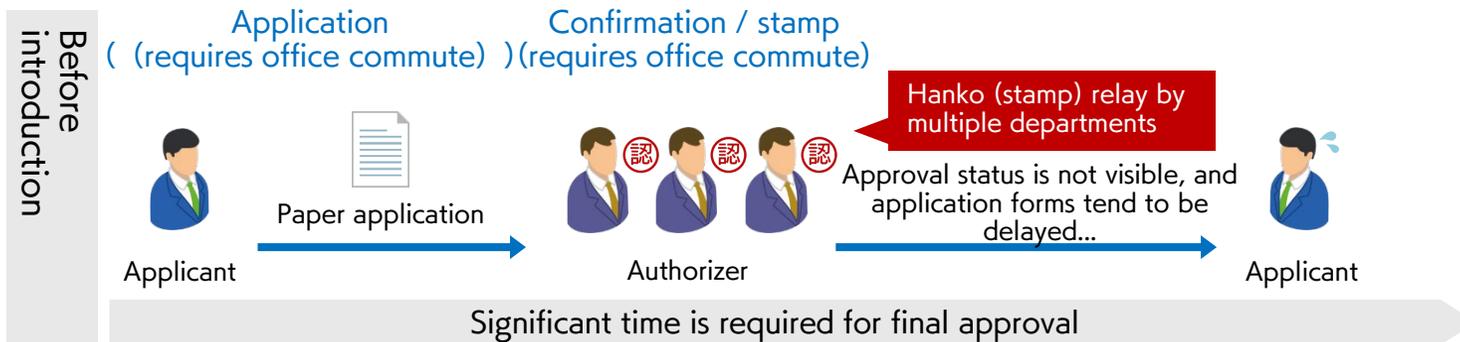


Number of servers (number of domains) x Certificate cost



Case study of Flow

Through the introduction of Flow, a workflow service based on SharePoint Online, application and work approval previously handled through paper documents—requiring a long time and high cost to complete—was transformed to an efficient digital system. Applications which formerly took multiple days to process can now be completed in 10 minutes at the shortest.



Services Introduced

- Flow

Customer Overview

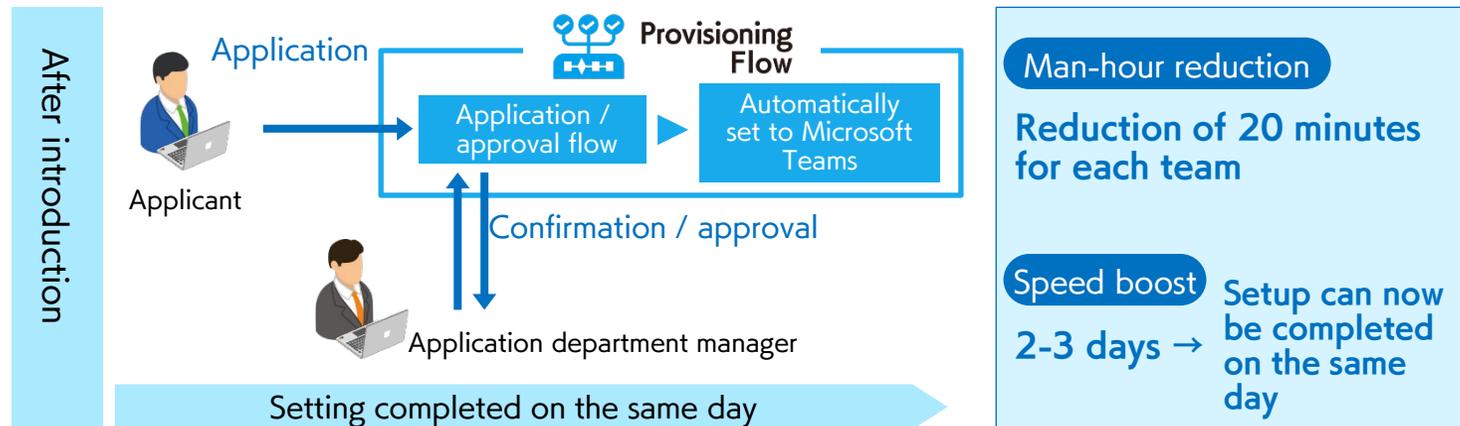
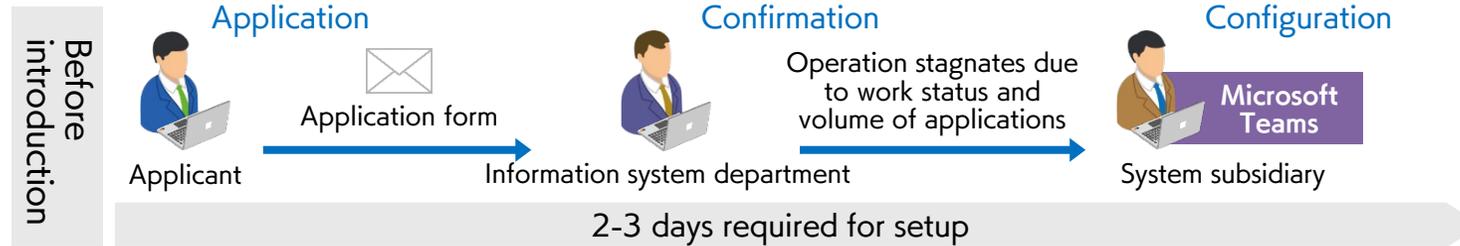
Customer	Onward Kashiya Co., Ltd.
Field	Retail / service industry

Case Outline

- Flow introduced for approximately 4000 accounts, including some group companies
- Applications that formerly required multiple days can now be processed in as little as 10 minutes, with the workload associated with application and adjudication processing reduced by 8-9%
- Approval can now be processed via smartphone, removing the need for a physical commute to the office

Case study of Provisioning Flow

Introduced Provisioning Flow, a SharePoint based cloud service, to solve Microsoft Teams operational issues. Built an application workflow and significantly reduced the time it takes to create a team.



Services Introduced

- Provisioning Flow

Customer Overview

Customer	Asahi Group Holdings, Ltd.
Field	Manufacturing industry

Case Outline

- Introduced "Provisioning Flow" and "Easy-to-install Pack for Microsoft Teams" to streamline operations such as creating Microsoft Teams teams
- Shortened the period from application to team creation is from two to three days to within a single day.
- Eliminated manual input and transcription errors through automation

Security Services to Support Remote Work

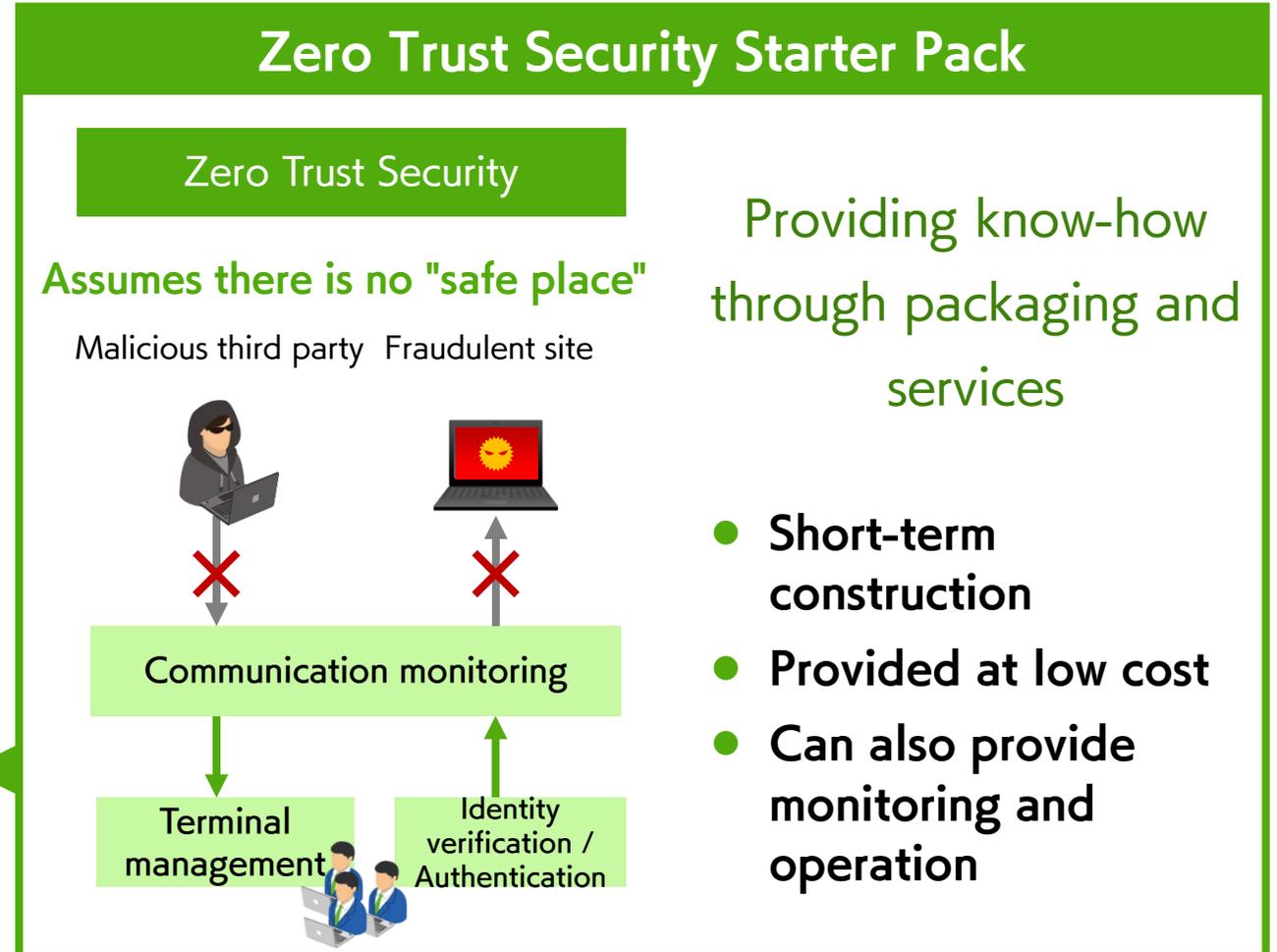
Common problems of the conventional approach

- Conventional security measures are not sufficient to support a full shift to remote work
- An overall lack of knowledge regarding Zero Trust Security
- Swift countermeasures are required to handle a sudden change in work style



Solutions Provided by the Starter Pack

- Reduced burden on IT personnel in requirements definition and design phases
- Setup that usually takes about 6 months can be implemented in a minimum of 1 month.
- Packaging realizes security measures at a reduced cost



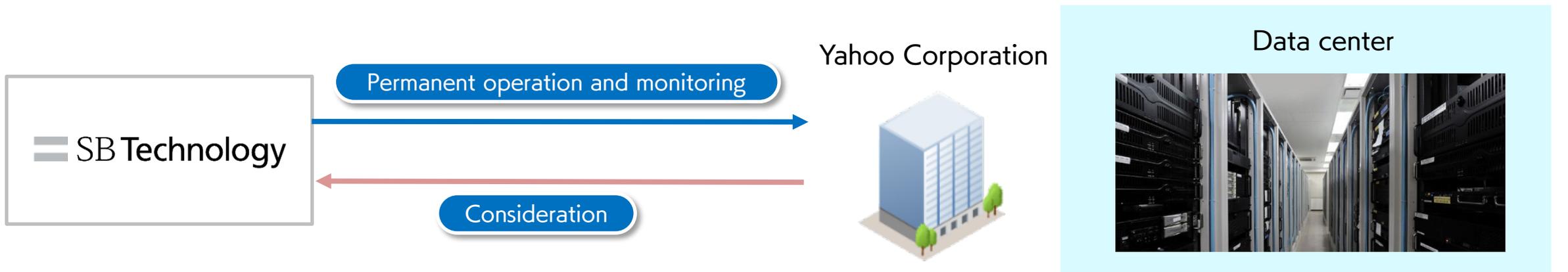
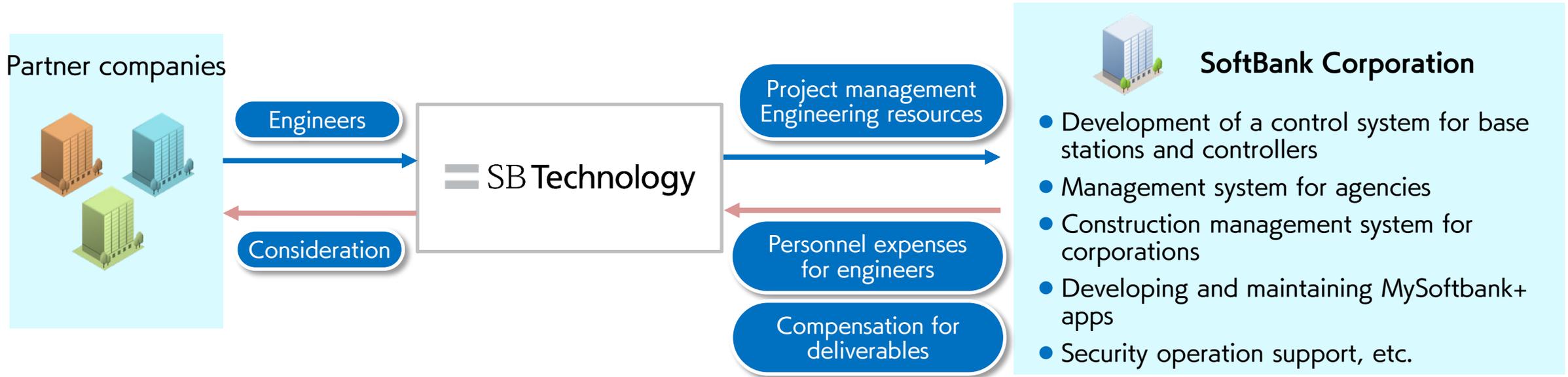
Introduction of Technical Solutions



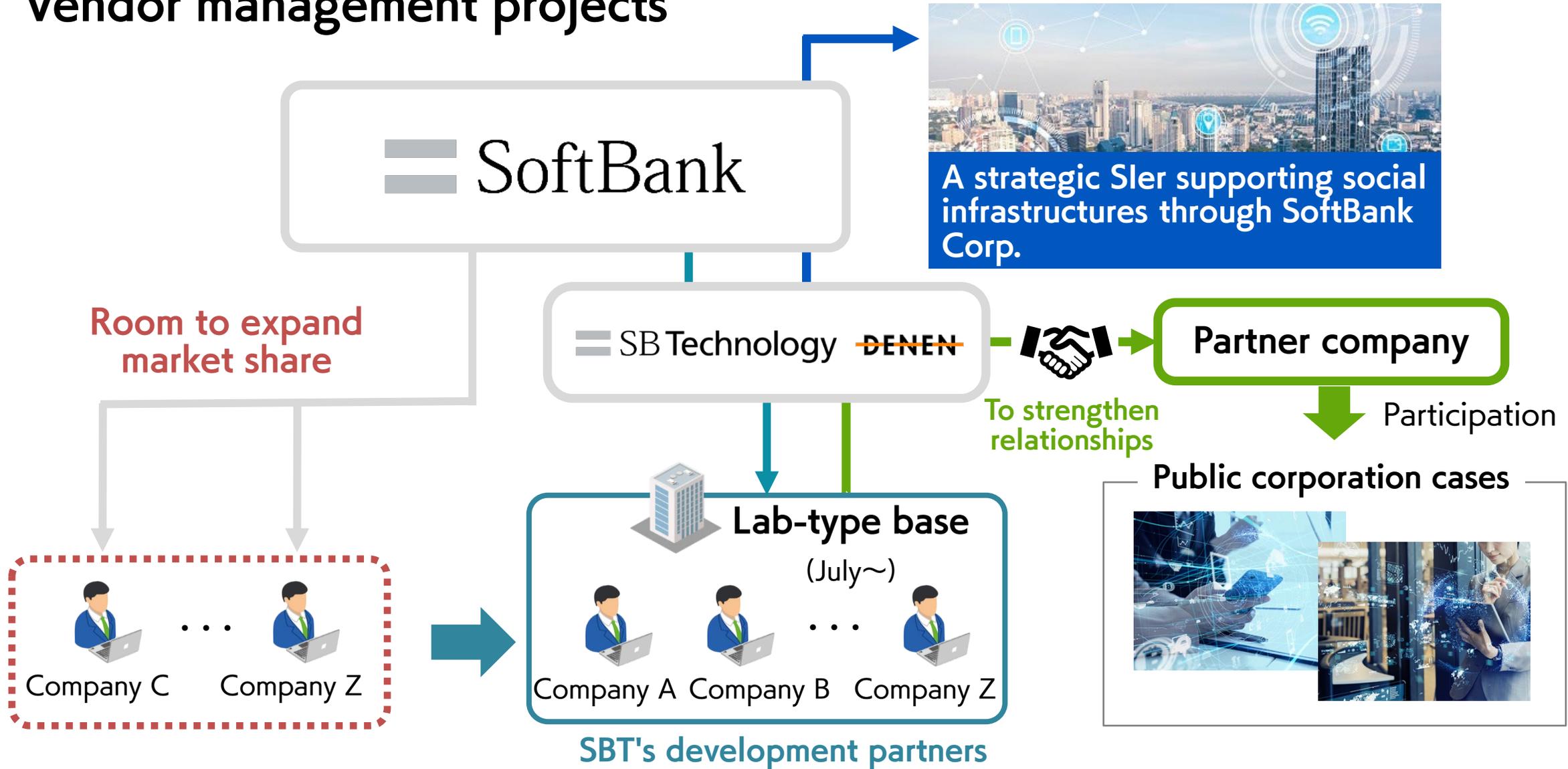
Technical Solutions

Customers : SoftBank Companies

- Support for system development and operation of non-cloud environments
- Support for client companies' development systems (management agency for developers), etc.



Vendor management projects



Introduction of EC Solution



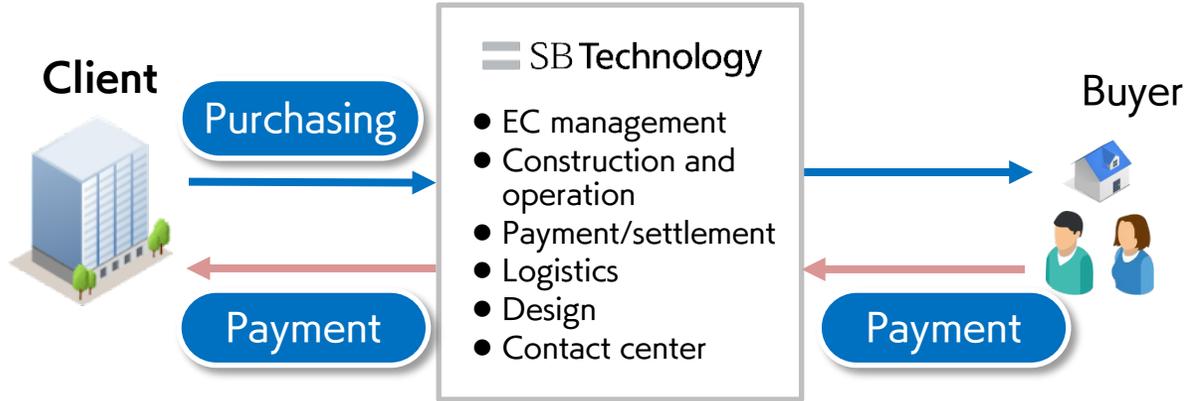
EC Solutions

Customers: Consumer

- EC site management agency for sales of security software, etc.
- e.g. EC sales of font licenses

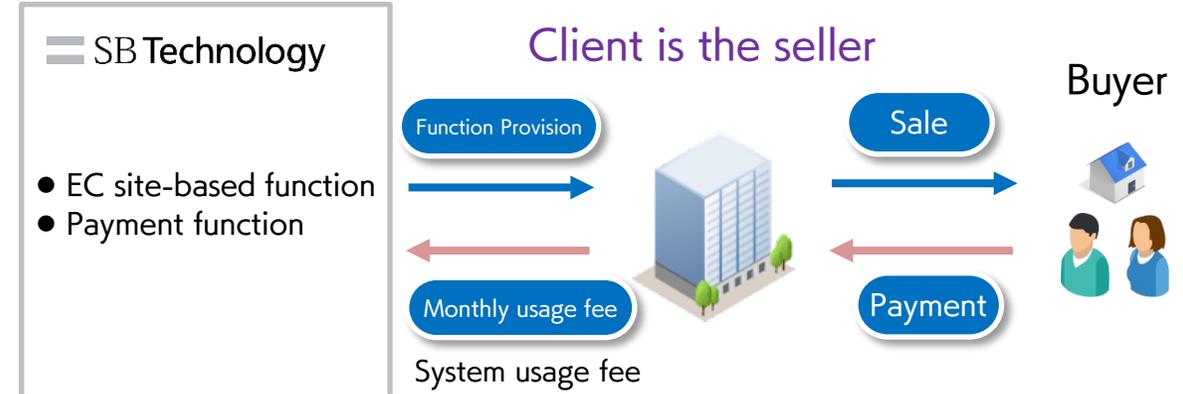
EC Site Distribution Agent Model Operated with profit margins from purchase and sale

SBT is the primary seller



EC platform type

Providing services necessary for EC sales

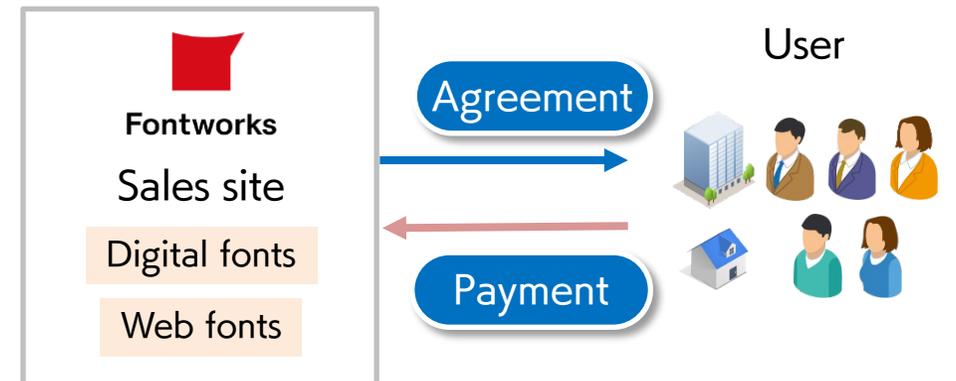


EC Site Subcontractor Model Operated with payment for services

Client is the primary seller



Year × License number type



The logo for LETS features a red stylized 'X' icon to the left of the word 'LETS' in a bold, black, sans-serif font.

LETS (Leading Edge Type Solution) is a yearly flat-rate font delivery service. Customers gain access to world-class fonts including Fontworks Inc.'s Chikushi typeface, Monotype, Showa typography, Iwata, Motoya, YOON, and square fonts on an annual subscription basis.

The logo for mojimo consists of a square frame containing the word 'mojimo' in a lowercase, sans-serif font. Above the frame is a horizontal bar with a color gradient from orange to blue.

The concept of **「mojimo」** is “just the right letters, just the right prices”, and we have realized the perfect typeface and optimal prices for each particular use. Depending on the pack, you can use it through a fixed annual plan or a purchase-out contract. Apps that can use fonts in iPad and iPhone are also popular.

The logo for FONTPLUS features a stylized 'F' icon to the left of the words 'FONTPLUS' in a bold, black, sans-serif font.

「FONTPLUS」 is a web-based font service that lets you use a variety of professional-oriented fonts. With a wide selection of fonts from Japan and abroad, the speed of displaying websites is increased by dynamic subset technology that takes out only the characters necessary for content. We will introduce an unprecedented experience to online communication.

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.

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.

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