

※ It is translated by AI

Third Quarter of Fiscal Year Ending March 31,
2024 (FY2023)

Results of Operations

January 31, 2024

SB Technology Corp.

Security Code : 4726

<https://www.softbanktech.co.jp/en/>

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Financial Results

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FY23Q3
Financial
Results

Sales decreased due to restrained investment in Telecommunication and the deconsolidation of Fontworks, Inc.
SG&A expenses increased due to increased hiring, but profit margin improved.

Orders
Received

Q3 orders received fell by -¥2.1 billion year on year, mainly due to the impact of the Telecommunication, **but the order backlog at the end of December was a record high of ¥26.6 billion.**

FY23
Forecast

By the impact of revised earnings forecasts for Cybertrust Japan Co., Ltd.
and the transfer of Fontworks, Inc. shares
Revised Sales -1 billion yen/Operating income -0.3 billion yen
/Net income +0.1 billion yen

Consolidated P/L (Apr–Dec Cumulative)

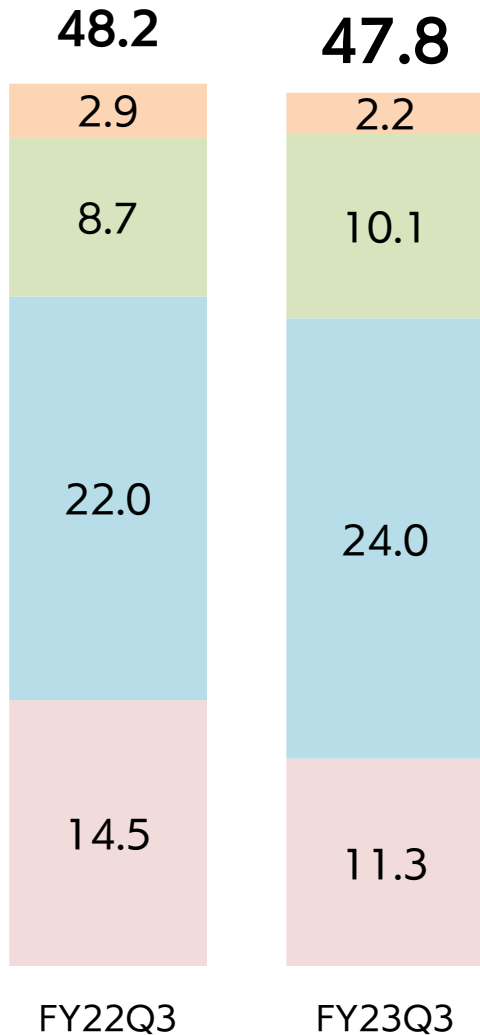
| FY2023 Q3

- Sales decreased due to restrained investment in Telecommunication and the exclusion of Fontworks, Inc. from consolidation. Profitability improved and operating income increased.
- Increase of ¥5 billion in Net profit due to costs and gains associated with the transfer of Fontworks, Inc.'s stocks, etc.

[Millions of yen] (Profit margin)	FY23Q3	FY22Q3	Change	Change %
Net sales	47,839	48,231	▲391	▲0.8%
Operating income	3,607 (7.5%)	3,541 (7.3%)	+66	+1.9%
Ordinary income	3,453 (7.2%)	3,489 (7.2%)	▲35	▲1.0%
Profit attributable to owners of parent Net profit	Record High 7,166 (15.0%)	2,108 (4.4%)	+5,057	+239.9%
EBITDA ※	4,862	4,778	+84	+1.8%

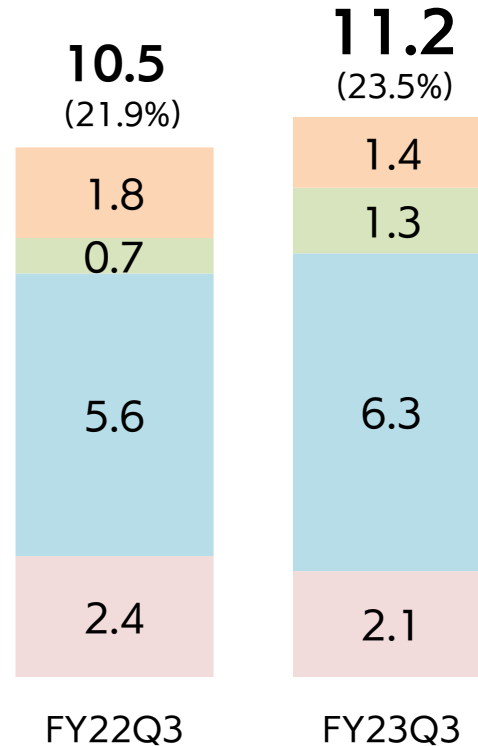
*EBITDA=Operating income+Amortization of goodwill+Depreciation

Net sales



Gross profit

(Billions of yen)
(Profit margin)



Consumer : Decrease in both sales and profits

- Impact of the change in the contract with NortonLifeLock Co., Ltd. and the exclusion of Fontworks, Inc. from consolidation

Public Sector : Increase in both sales and profits

- Steady growth in DX strategic projects established by the Ministry of Agriculture, Forestry and Fisheries
- Profits increased due to increased operation of Local Government Information SC.*1, etc

Enterprise : Increase in both sales and profits

- Cloud projects for focus customers remained solid.
- MSS*2 sales continue to grow with YoY1.5 times

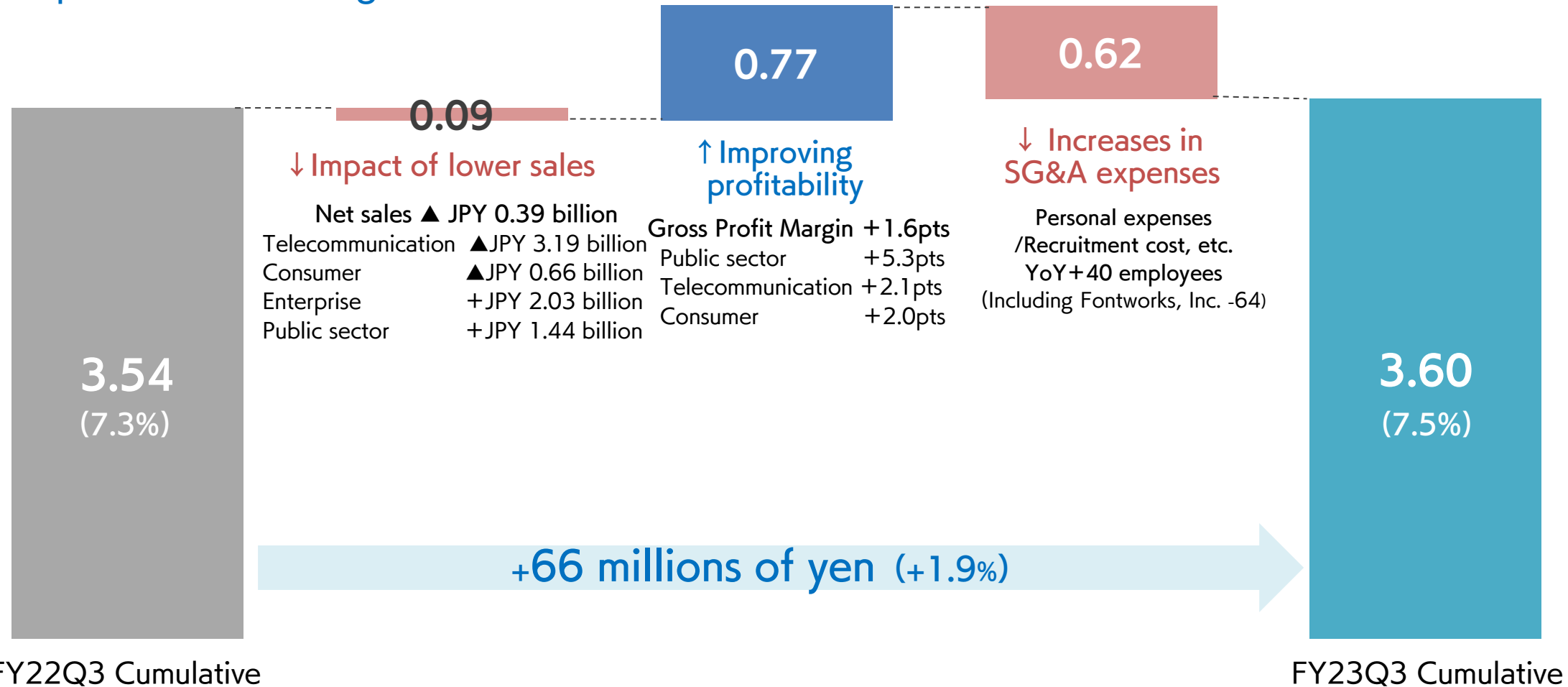
Telecommunication : Decrease in both sales and profits

- Although sales and profits decreased due to a decrease in vendor management projects and the impact of restrained investment, the profit margin improved due to the streamlining of system development and a change in the sales composition ratio.

*1 : Abbreviation for Security Cloud

*2 : Abbreviation for Managed Security Service

- Gross profit margin up 1.6 percentage points due to continued improvement in profitability despite lower sales of Telecommunication and Consumer
- Reinforcement of resources, such as recruitment, led to an increase in sales pipe costs, and an increase of 104 personnel, excluding Fontworks, Inc.

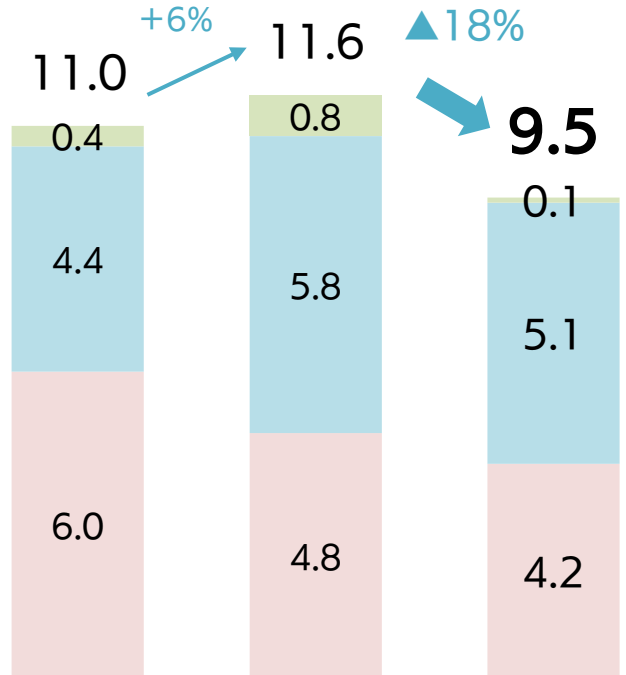


FY22Q3 Cumulative
[Billions of yen] (Profit margin)

FY23Q3 Cumulative

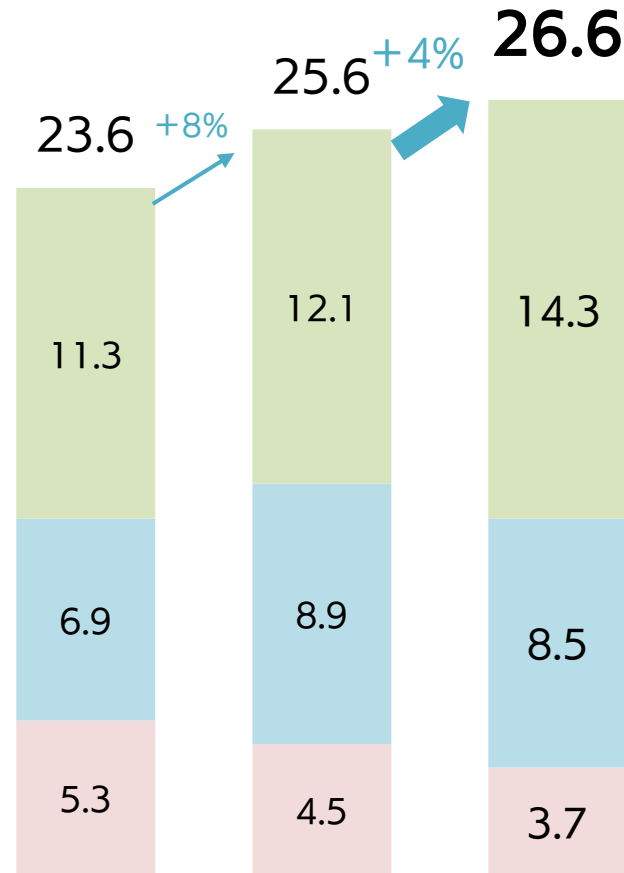
Orders received

- Public Sector
- Enterprise
- Telecommunication



[Billions of yen]

Order Backlog



FY21Q3 FY22Q3 FY23Q3

Single order balance
(YoY basis)

JPY **1.0** billions UP

FY23Q3 Main orders

- Enterprise: Sales of thin, large-scale licenses dissipated (approx. ¥0.8 billion), and cloud construction projects increased
- Telecommunication : Reduction in both "Steady development of internal systems" and "Vendor management projects"
- Approximately 50% of the order backlog is expected to generate sales in FY23

FY23 Full-year Earnings Forecasts

| FY2023 Q3

Downward revision of Earnings Forecasts

- Revision of Net sales of -¥1 billion and Operating income of -¥0.3 billion due to revision of earnings forecast of subsidiary Cybertrust Japan Co., Ltd.
- Net profit: +¥0.1 billion due to the effect of transfer of Fontworks, Inc. stocks, etc.

[Millions of yen] (Profit margin)	FY23 earnings forecast ('23/7/19 revision)	FY23 earnings forecast (Revised this time)	Change	FY22	YoY	
					Change	Change %
Net sales	68,000	67,000	▲1,000	67,227	▲227	▲0.3%
Telecommunication	16,300	16,050	▲250	19,575	▲3,525	▲18.0%
Enterprise	35,400	34,400	▲1,000	30,356	+4,043	+13.3%
Public Sector	14,000	14,000	0	13,224	+775	+5.9%
Consumer	2,300	2,550	+250	4,070	▲1,521	▲37.4%
Operating income	5,900 (8.7%)	5,600 (8.4%)	▲300	5,557 (8.3%)	+43	+0.8%
Ordinary income	5,750 (8.5%)	5,450 (8.1%)	▲300	5,499 (8.2%)	▲49	▲0.9%
Profit attributable to owners of parent Net profit	8,200 (12.1%)	8,300 (12.4%)	+100	3,497 (5.2%)	+4,803	+137.3%

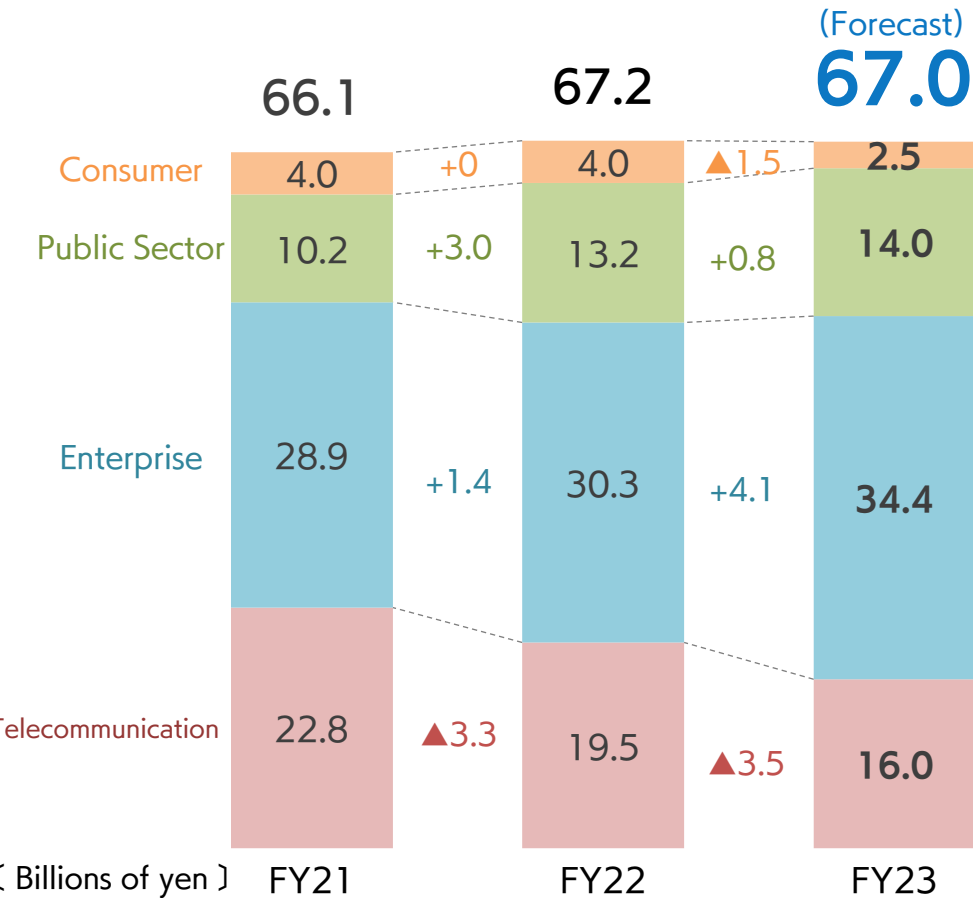
* Fontworks Inc. is not subject to consolidation after Q3

Progress of Medium-Term Management Plan

4th Medium-Term Management Plan
(FY22 - FY24)

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Transition of Net sales



Consumer

- Transfer of stock of Fontworks, Inc. for "Focus on cloud & security"

Public Sector

- Expansion of business in the application/map domain centered on the Ministry of Agriculture, Forestry and Fisheries, and acquisition of Digital Agency projects
- In Local Government businesses as well, Information SC expanded from 4 prefectures to 12 prefectures and the opportunity expanded.

Enterprise

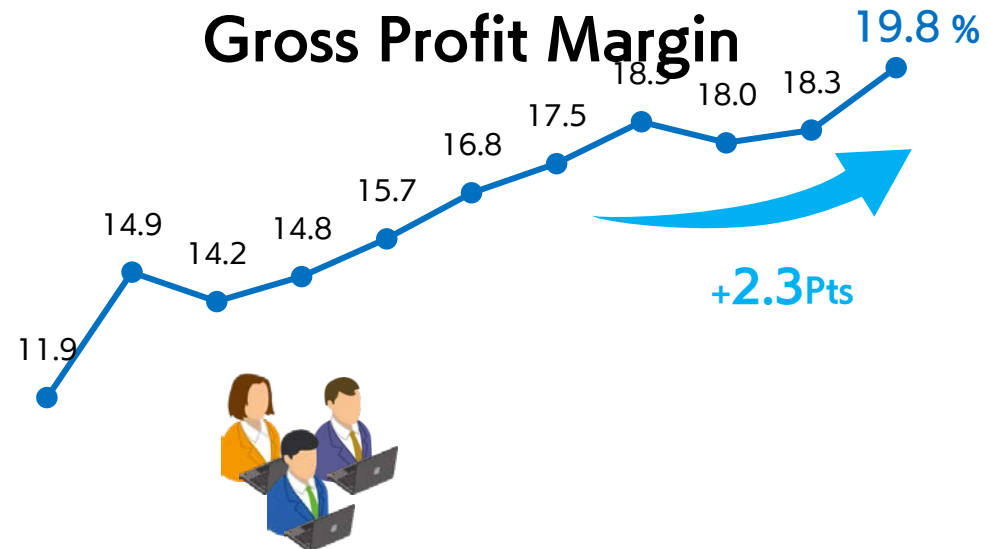
- Significant sales growth due to "focus on cloud & security"
- MSS, our in-house service, continued to grow by 1.5 times year-on-year and grew steadily

Telecommunication

- Ratio of parent company business declined due to return of vendor management projects/restraint of investment
- Shift to a structure that can generate steady profits through cost controls

**Implement measures in each market in order to "grow significantly" in the future.
As a result, the business portfolio has changed significantly in three years,
and Public Sector and Enterprise have expanded.**

Transition of Gross Profit Margin

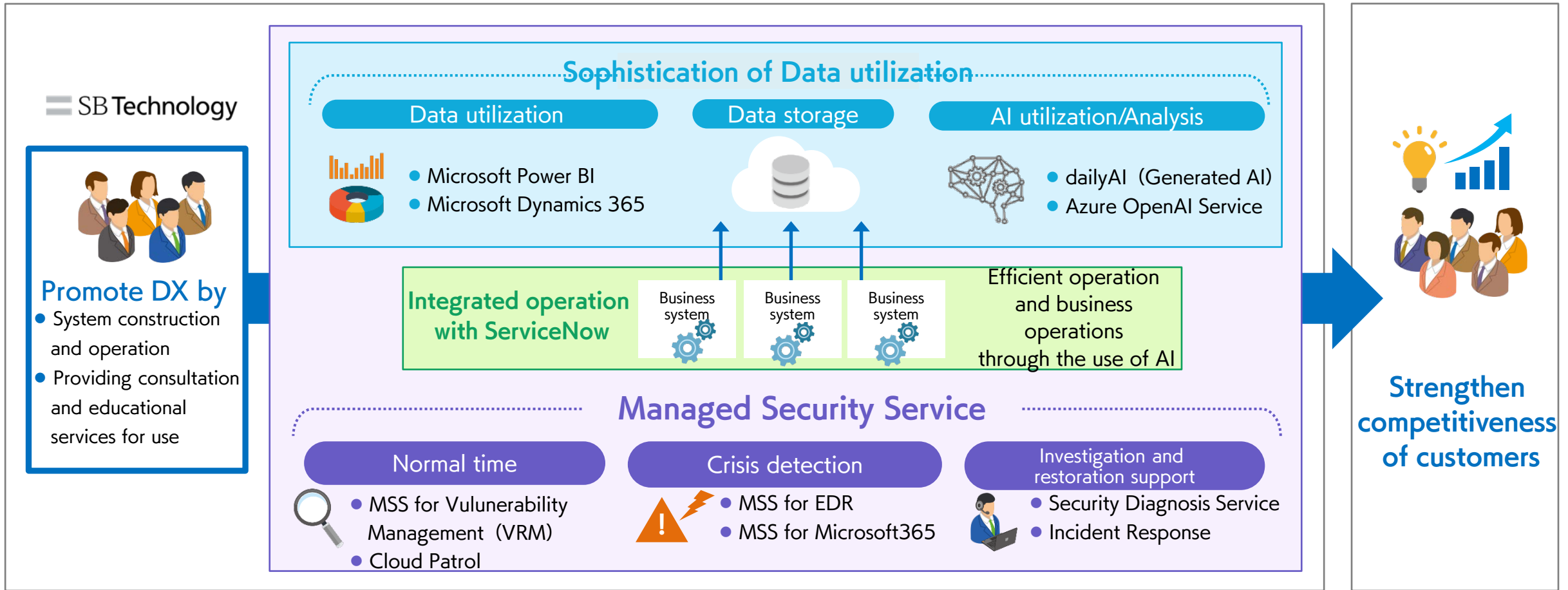


Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
FY21				FY22				FY23		

Business Trends of Telecommunication

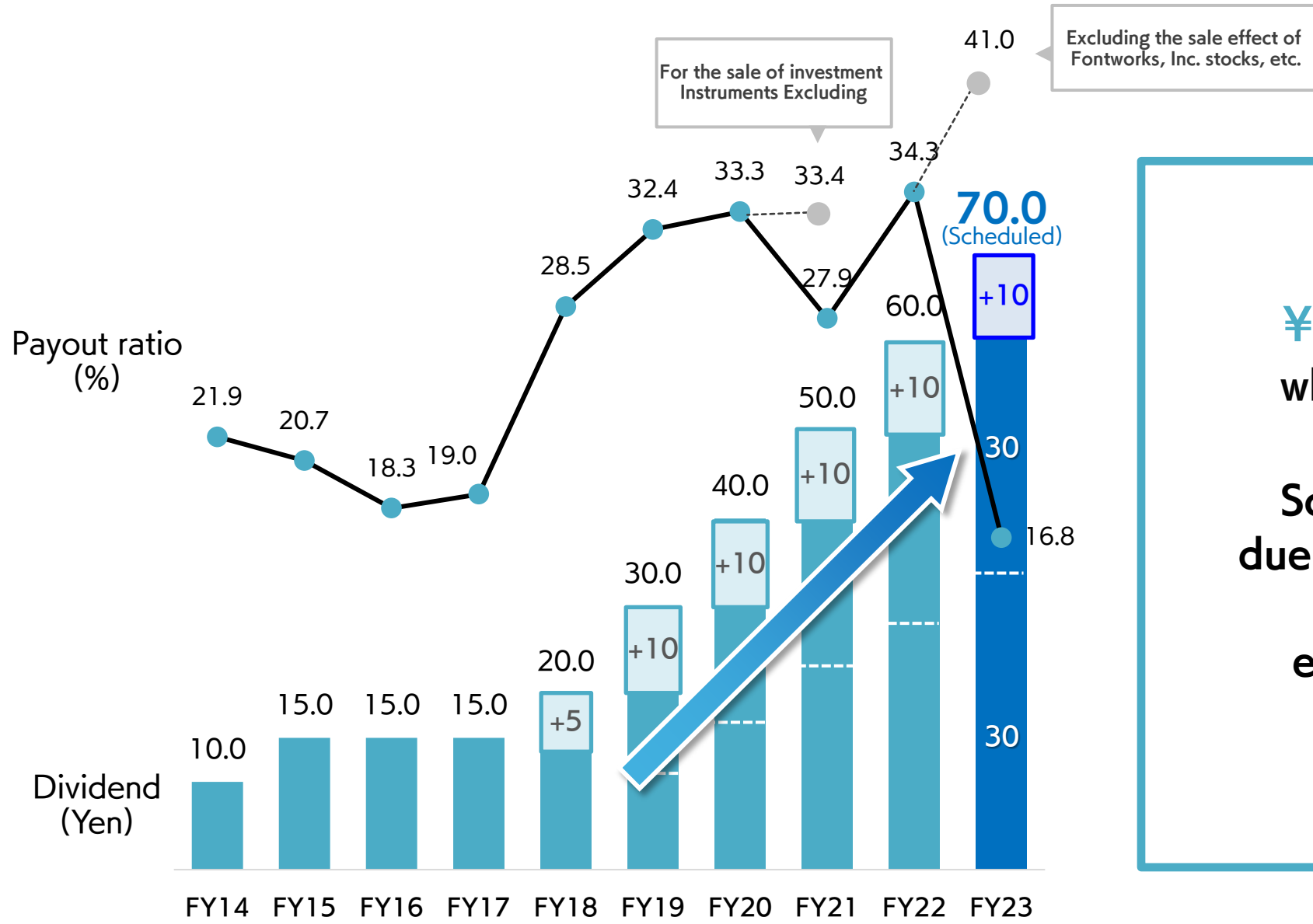
FY23	Investment Trends	Capital investment decreased from the previous fiscal year due to a deterrent trend.
	Key Points	Improve profit margin by controlling cost of sales because it is difficult to increase sales due to the impact of deterring investment
↓		
FY24	Investment Trends	Assume FY23 equivalent level
	Key Points	Growth was achieved by improving the profit margin through cost control and strengthening proposal activities for the corporate business, which is a growth area of SoftBank Corp.

Cost control initiatives achieved steady results and profit margin improved
In the next fiscal year, we will increase activities to acquire projects in growth areas and create projects.



To become a partner to promote customer DX through the consistent use of data in a secure environment

Shareholder Returns



Annual dividend of ¥70 per share (planned) which is up ¥10 in FY23 Q4

Scheduled to increase ¥10 due to expected steady growth in operating profit even after the uncoupling of Fontwork, Inc.

(※) On June 1, 2017, the Company conducted a 2-for-1 stock split and adjusted for dividends paid prior to the stock split.
 FY23's dividend payout ratio is forecast based on performance forecasts

Information Revolution - Happiness for everyone

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Appendix

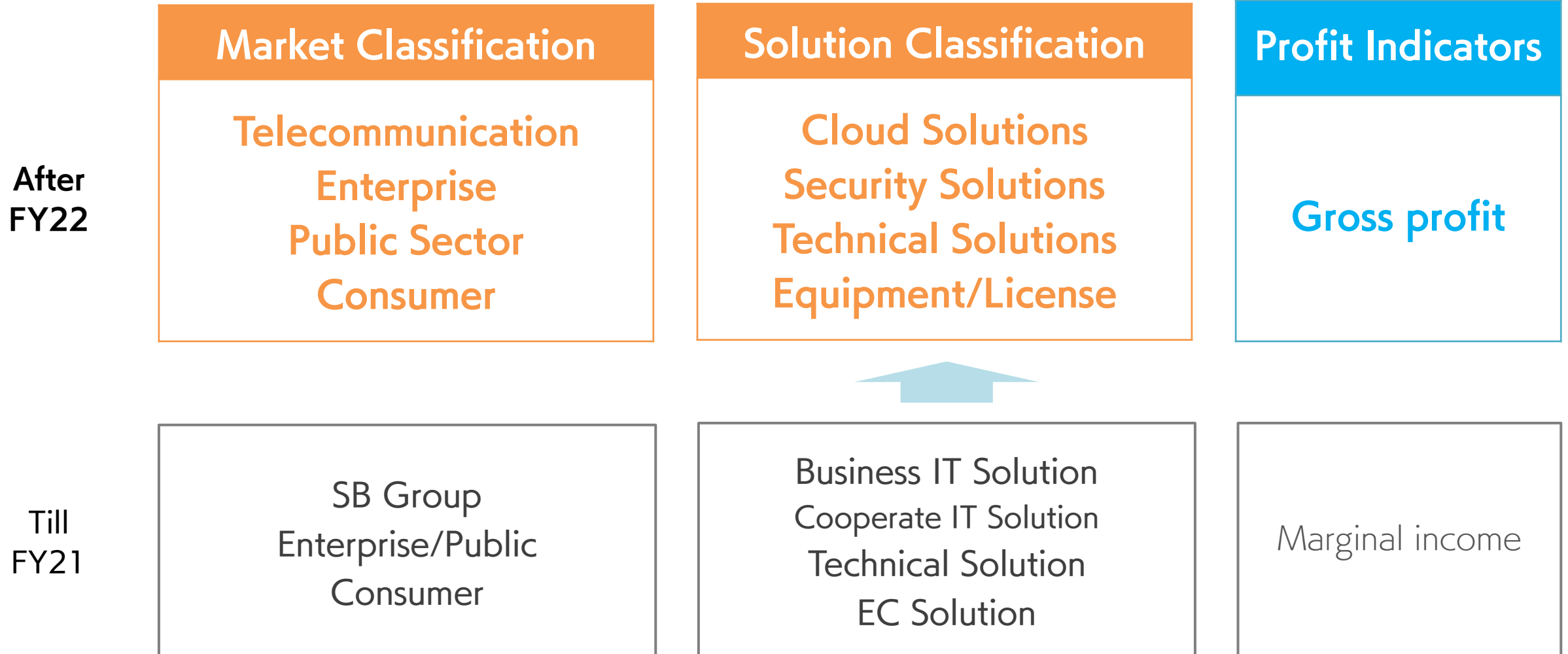
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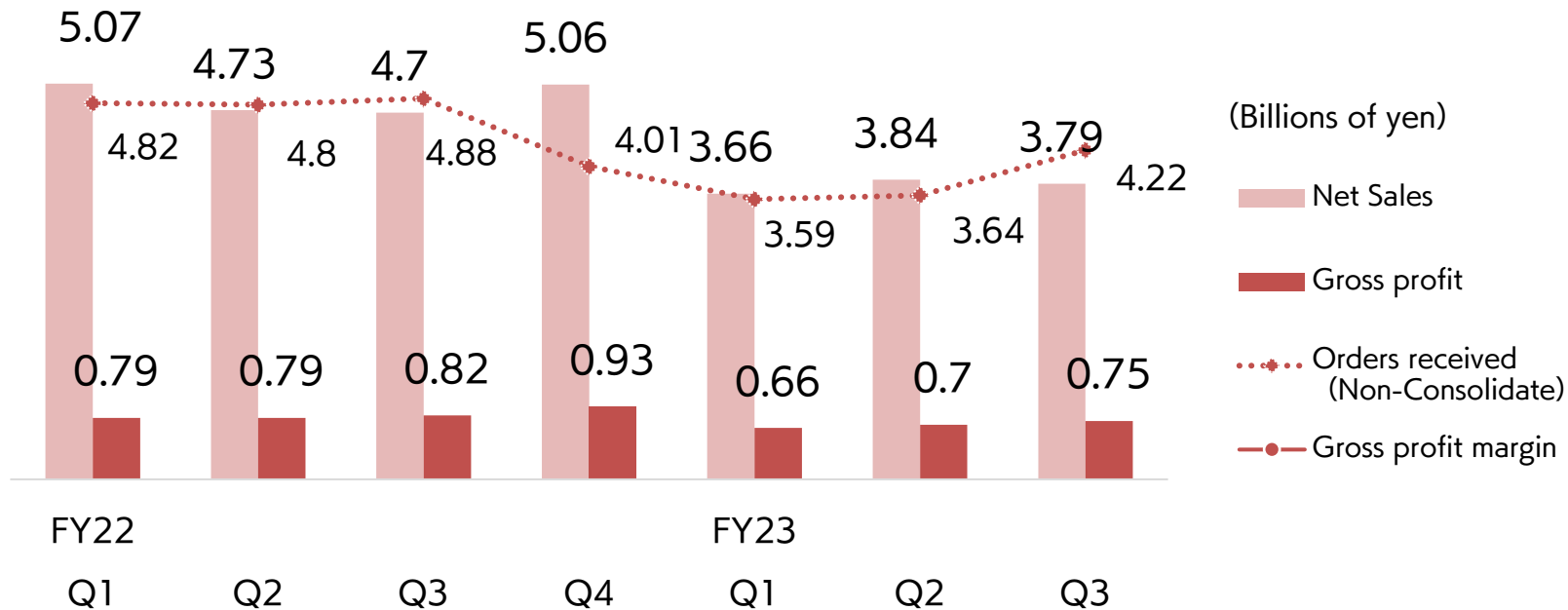
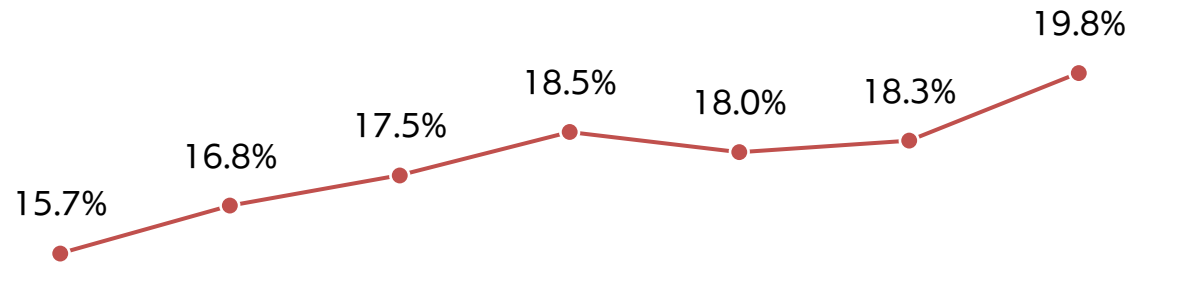
- Sales decreased due to restraint of investment in the Telecommunication domain, return of vendor management projects, and deconsolidation of Fontwork, Inc.
- Operating income increased by ¥53 million due to growth in Enterprise and Public Sector

[Millions of yen] (Profit margin)	FY23Q3	FY22Q3	Change	Change %
Net sales	15,633	16,524	▲891	▲5.4%
Operating income	1,324 (8.5%)	1,271 (7.7%)	+53	+4.2%
Ordinary income	1,271 (8.1%)	1,266 (7.7%)	+4	+0.4%
Profit attributable to owners of parent Net profit	Record High 893 (5.7%)	762 (4.6%)	+131	+17.2%
EBITDA ※	1,705	1,685	+20	+1.2%

*EBITDA=Operating income+Amortization of goodwill+Depreciation

From this fiscal year, we have changed the following to make it easier to understand how our business portfolio is transformed and how our business performance is compared to the external environment and other companies.





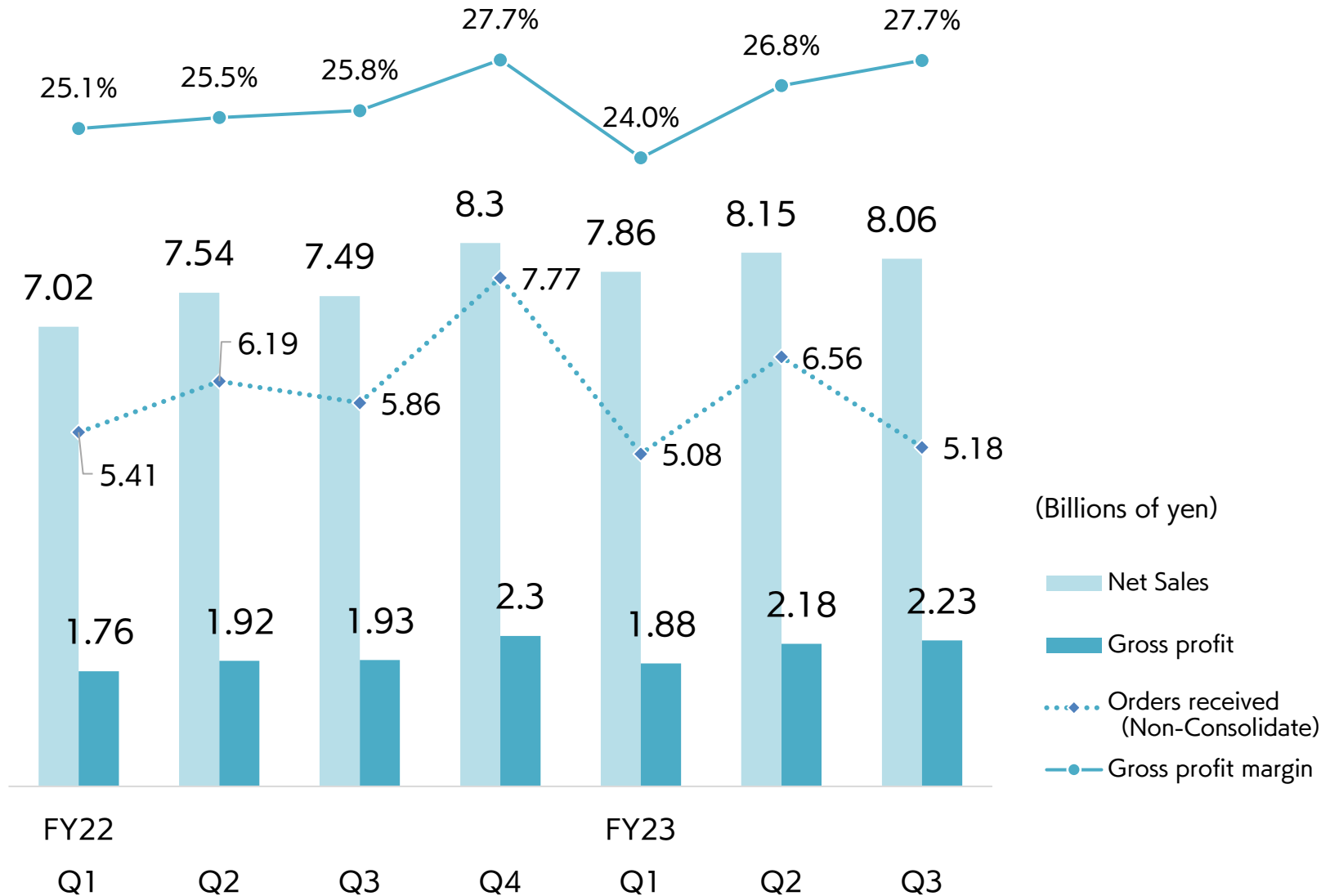
Telecommunication (QoQ)

Orders received (Non-Consolidated)

- Reduction in steady development of internal systems and vendor management projects

Net sales/Gross profit

- Sales decreased due to vendor management projects and investment restraints.
- Improved profitability due to progress in streamlining system development, etc.



Enterprise (QoQ)

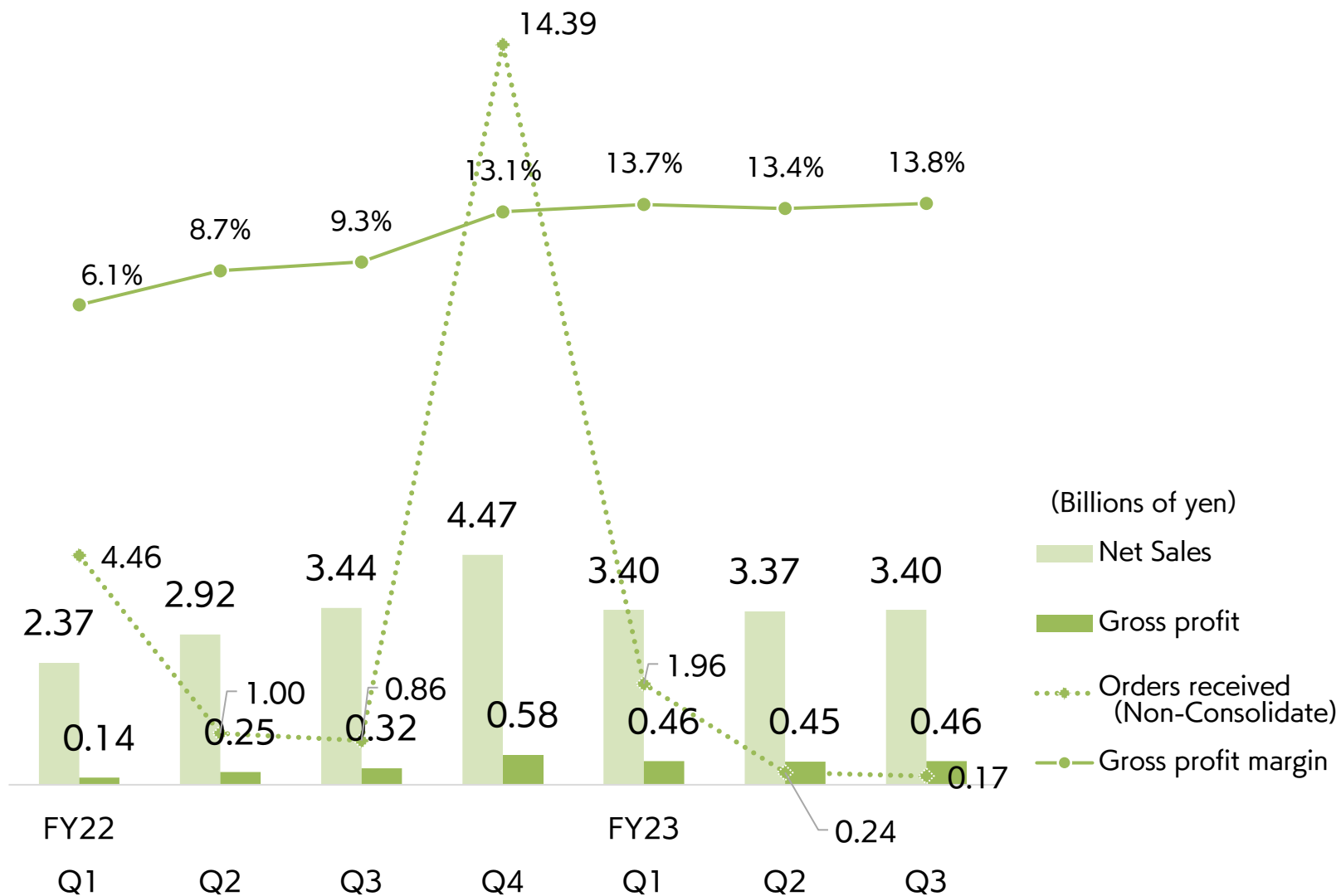
Orders received (Non-Consolidated)

- Slight sales of large-scale licenses dissipated, and cloud construction projects increased

Net sales/Gross profit

- Improved profitability of cloud development projects mainly for focus customers due to improved quality control
- MSS※ sales are steadily growing at about 1.5 times YoY.

※ Acronym for Managed Security Service



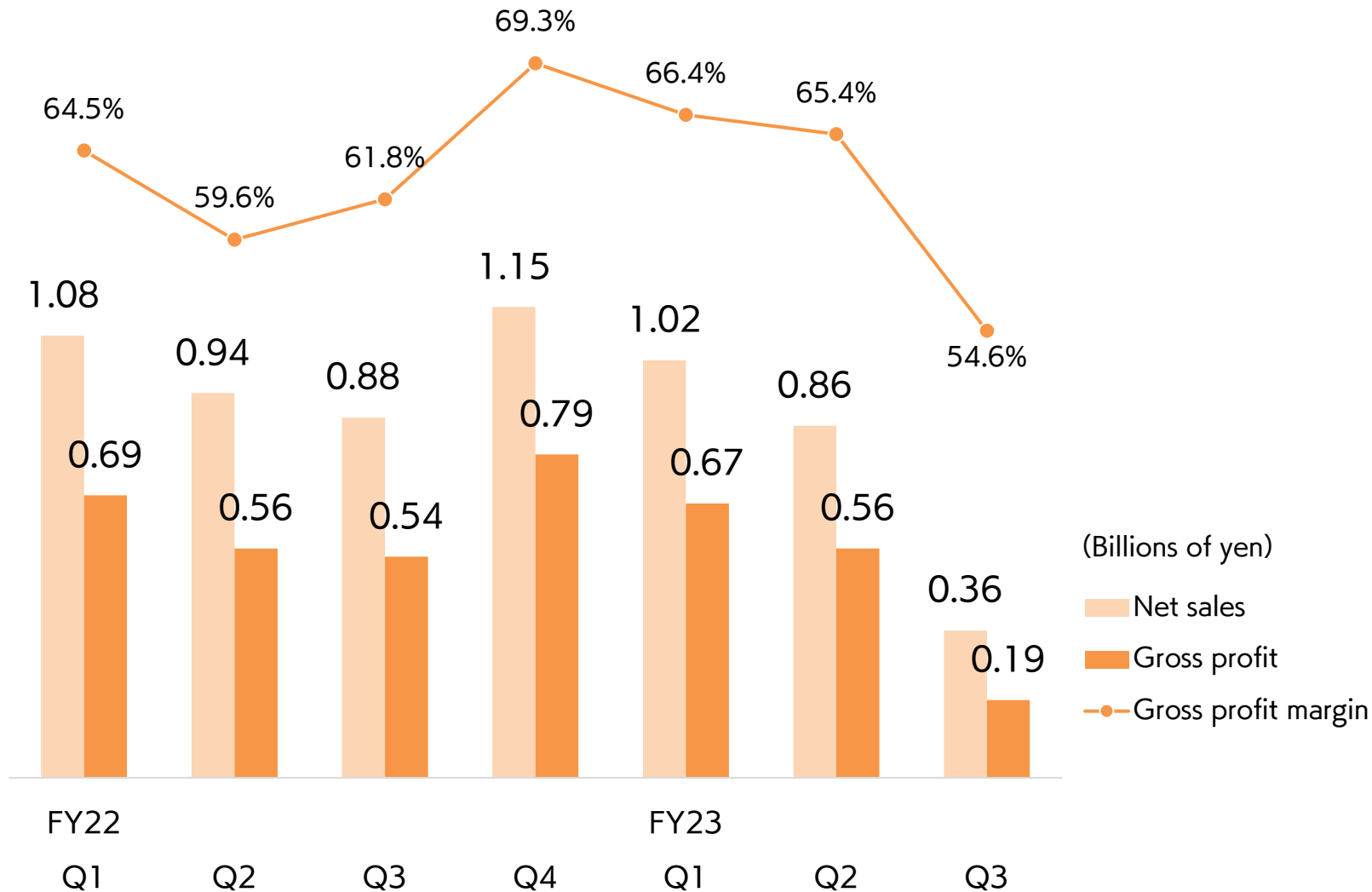
Public Sector (QoQ)

Orders received (Non-Consolidated)

- Focus on activities to obtain the next fiscal year budget

Net sales/Gross profit

- Although the number of DX strategic projects proposed by the Ministry of Agriculture, Forestry and Fisheries will increase, sales will decrease due to the transition to the operation phase of Local Government Information SC※.
- Increased profits due to increased operation of Local Government Information SC and Ministry of Agriculture, Forestry and Fisheries DX strategic projects



Consumer (QoQ)

Net sales/Gross profit

- Decrease in sales and earnings due to the impact of Norton Store's contract changes and the deconsolidation of Fontwork, Inc. from Q3

		FY22Q1	FY22Q2	FY22Q3	FY22Q4	FY22	FY23Q1	FY23Q2	FY23Q3	QoQ	
										Change	Change %
Consolidated performance (Millions of yen)	Net sales	15,560	16,145	16,524	18,996	67,227	15,958	16,247	15,633	▲891	▲5.4%
	Gross profit	3,405	3,538	3,625	4,625	15,194	3,693	3,904	3,655	+29	+0.8%
	Profit margin	21.9%	21.9%	21.9%	24.3%	22.6%	23.1%	24.0%	23.4%	+1.5pt	-
Telecommunication	Net sales	5,079	4,731	4,701	5,062	19,575	3,669	3,846	3,797	▲904	▲19.2%
	Gross profit	797	794	821	935	3,348	660	702	752	▲69	▲8.4%
	Profit margin	15.7%	16.8%	17.5%	18.5%	17.1%	18.0%	18.3%	19.8%	+2.3pt	-
Enterprise	Net sales	7,021	7,540	7,493	8,300	30,356	7,862	8,158	8,066	+572	+7.6%
	Gross profit	1,764	1,925	1,933	2,302	7,926	1,887	2,183	2,236	+302	+15.6%
	Profit margin	25.1%	25.5%	25.8%	27.7%	26.1%	24.0%	26.8%	27.7%	+1.9pt	-
Public Sector	Net sales	2,374	2,927	3,442	4,478	13,224	3,403	3,376	3,407	▲35	▲1.0%
	Gross profit	145	254	321	587	1,309	465	451	468	+146	+45.7%
	Profit margin	6.1%	8.7%	9.3%	13.1%	9.9%	13.7%	13.4%	13.8%	+4.5pt	-
Consumer/License	Net sales	1,084	946	886	1,153	4,070	1,023	867	361	▲525	▲59.3%
	Gross profit	699	563	547	799	2,610	679	566	197	▲350	▲64.0%
	Profit margin	64.5%	59.6%	61.8%	69.3%	64.1%	66.4%	65.4%	54.6%	▲7.2pt	-

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

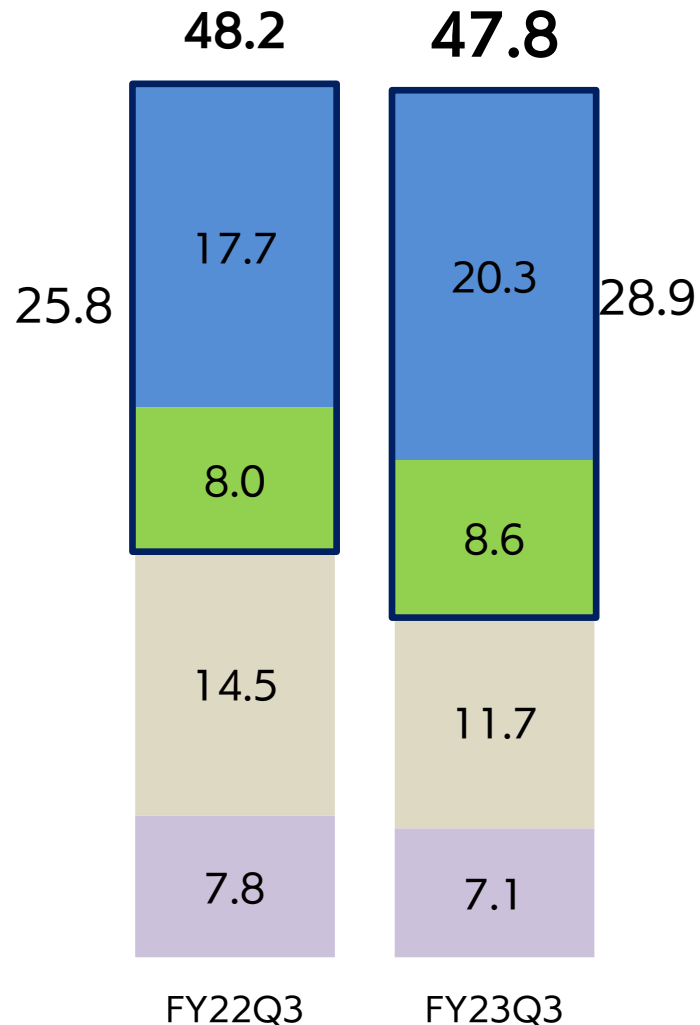
Consolidated performance (Millions of yen)	FY22Q1	FY22Q2	FY22Q3	FY22Q4	FY22	FY23Q1	FY23Q2	FY23Q3	QoQ	
									Change	Change %
Net sales	15,560	16,145	16,524	18,996	67,227	15,958	16,247	15,633	▲891	▲5.4%
Telecommunication	5,079	4,731	4,701	5,062	19,575	3,669	3,846	3,797	▲904	▲19.2%
Enterprise	7,021	7,540	7,493	8,300	30,356	7,862	8,158	8,066	+572	+7.6%
Public Sector	2,374	2,927	3,442	4,478	13,224	3,403	3,376	3,407	▲35	▲1.0%
Consumer /License	1,084	946	886	1,153	4,070	1,023	867	361	▲525	▲59.3%
Cost of sales	12,154	12,607	12,899	14,370	52,032	12,265	12,343	11,978	▲921	▲7.1%
Gross profit	3,405	3,538	3,625	4,625	15,194	3,693	3,904	3,655	+29	+0.8%
SG&A expenses	2,320	2,353	2,354	2,609	9,637	2,636	2,678	2,330	▲23	▲1.0%
Operating income	1,085	1,184	1,271	2,015	5,557	1,057	1,225	1,324	+53	+4.2%
Other Income and Expenses	▲15	▲32	▲4	▲5	▲58	▲2	▲98	▲53	▲48	-
Ordinary income	1,070	1,152	1,266	2,009	5,499	1,054	1,127	1,271	+4	+0.4%
Extraordinary gain/loss	7	23	3	▲77	▲42	▲133	6,594	84	+81	-
Net profit attributable to owners of parent	646	699	762	1,388	3,497	505	5,767	893	+131	+17.2%
EBITA	1,494	1,599	1,685	2,438	7,217	1,505	1,651	1,705	+20	+1.2%
Non-Consolidated Order Backlog	29,602	27,921	25,641	35,939	35,939	33,388	30,375	26,654	+2,454	+4.0%

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

Net sales

Gross profit

(Billions of yen)
(Profit margin)



Cloud Solutions : Increase in both sales and profits

- Digital maps and common applications for the Ministry of Agriculture, Forestry and Fisheries increased.
- Increase cloud development for Enterprise-focused customers

Security Solutions : Increase in both sales and profits

- Sales of Enterprise MSS※ were strong.

Technical Solutions : Decrease in both sales and profits

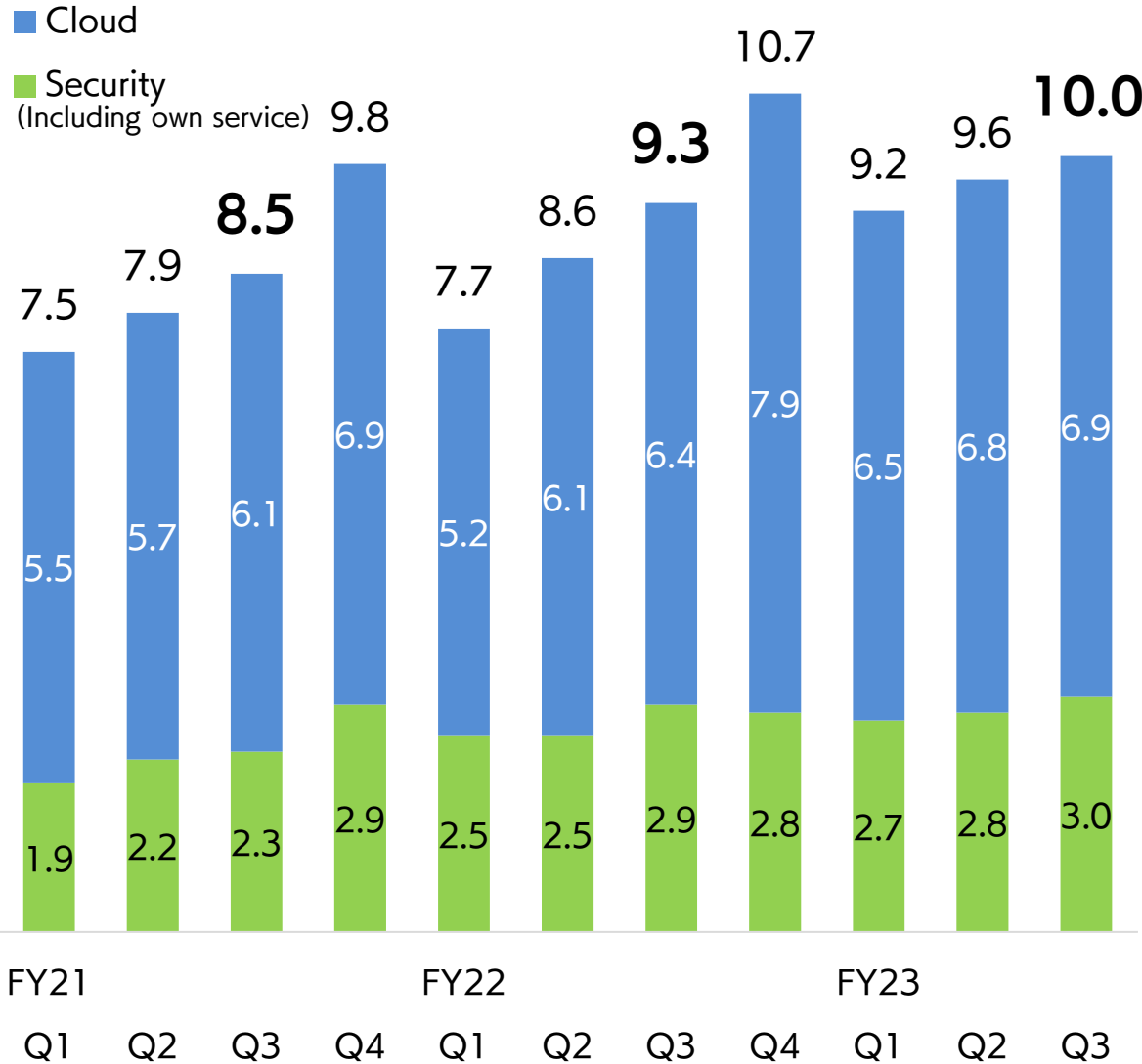
- Due to a decrease in vendor management projects and restrained investment. Despite lower sales, profitability steadily improved due to progress in efficiency improvement

Equipment/License : Decrease in both sales and profits

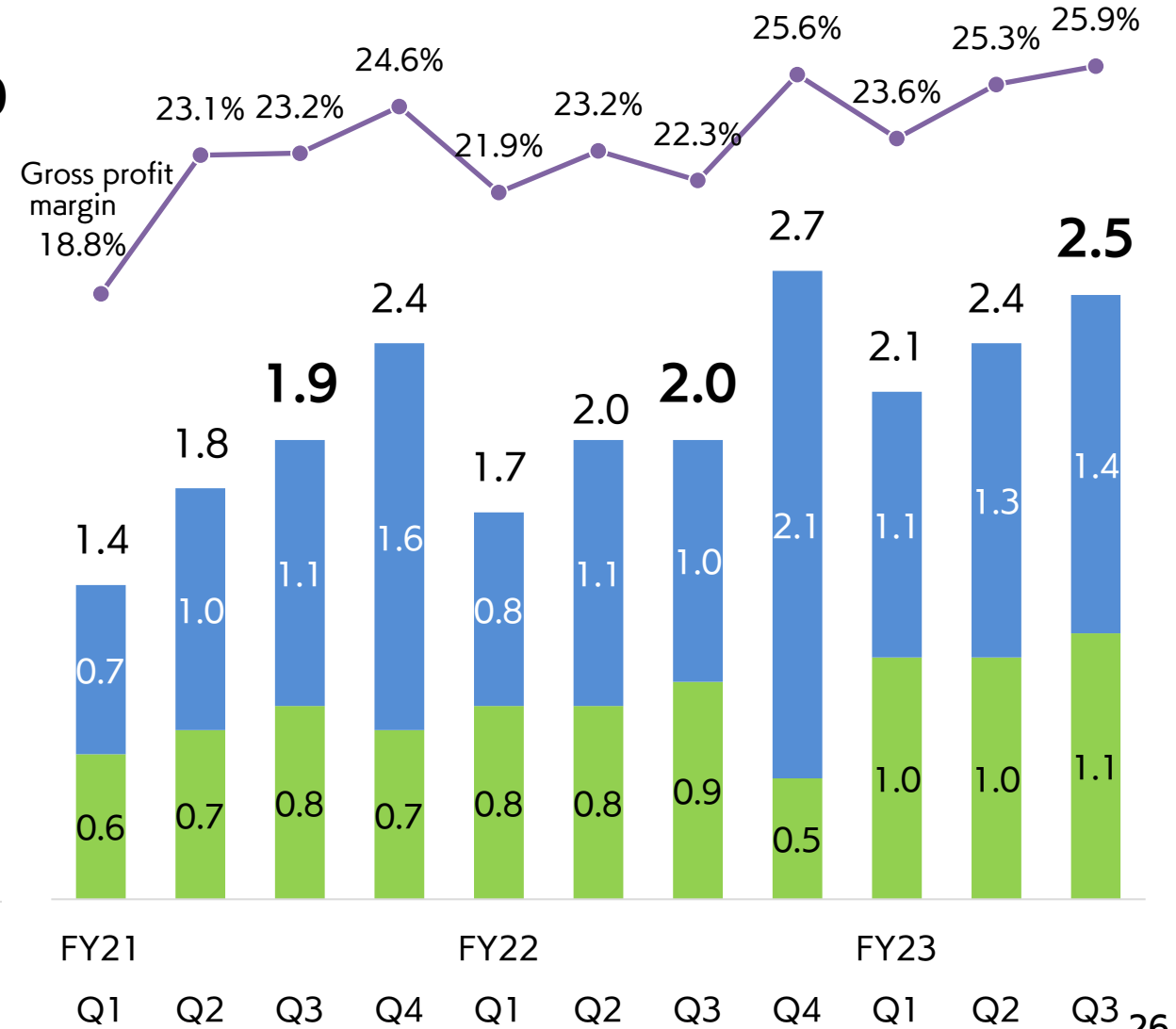
- Sales and profits decreased due to the deconsolidation of Fontwork, Inc. and the selection of licensing sales projects.

※ Acronym for Managed Security Service

Net sales



Gross profit

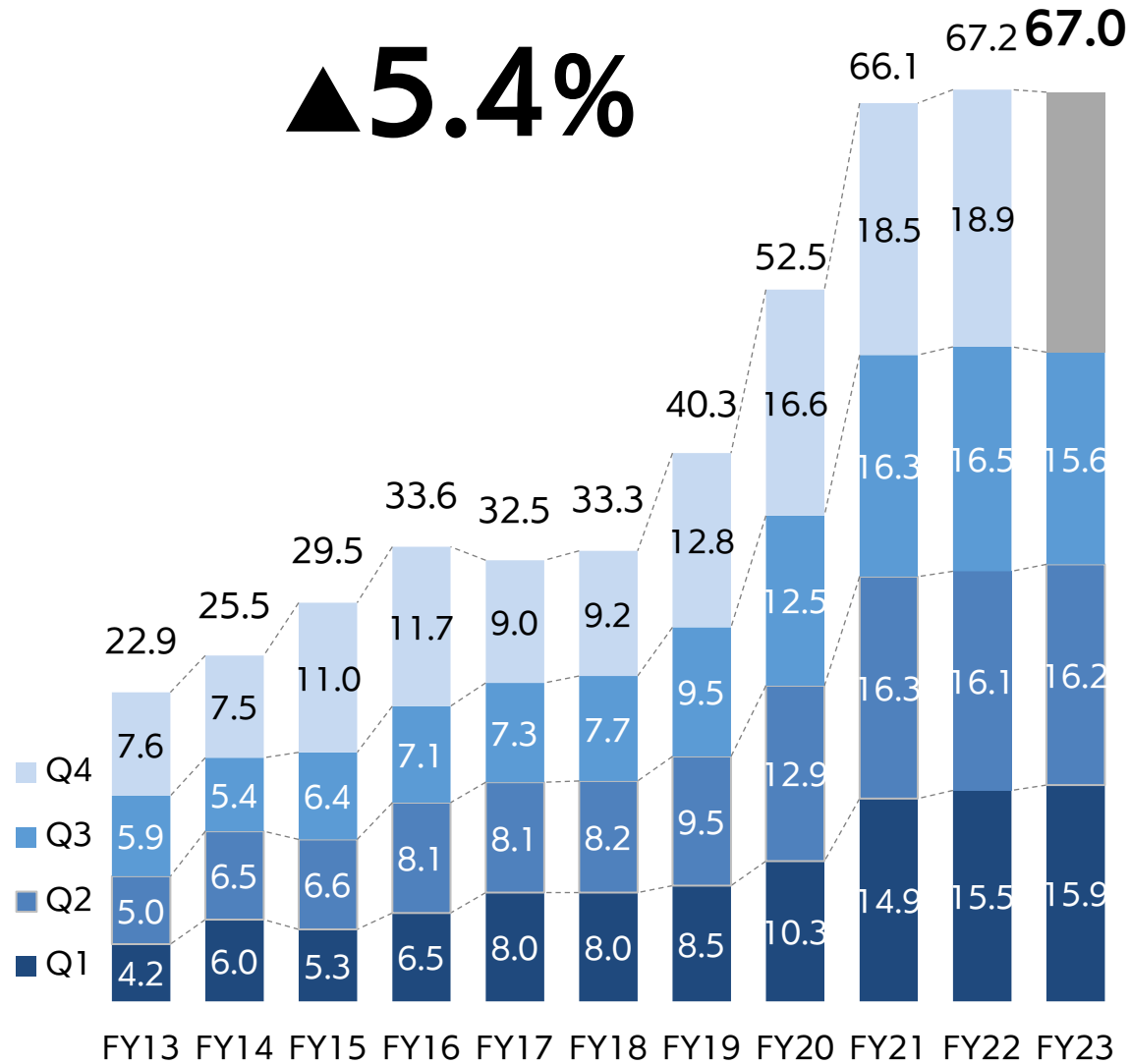


		FY22Q1	FY22Q2	FY22Q3	FY22Q4	FY22	FY23Q1	FY23Q2	FY23Q3	QoQ	
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	Gross profit	3,405	3,538	3,625	4,625	15,194	3,693	3,904	3,655	+29	+0.8%
	Profit margin	21.9%	21.9%	21.9%	24.3%	22.6%	23.1%	24.0%	23.4%	+1.4pt	-
Cloud Solutions	Net sales	5,225	6,140	6,427	7,928	25,722	6,536	6,824	6,972	+545	+8.5%
	Gross profit	825	1,147	1,099	2,195	5,268	1,187	1,381	1,440	+340	+31.0%
	Profit margin	15.8%	18.7%	17.1%	27.7%	20.5%	18.2%	20.3%	20.7%	+3.6pt	-
Security Solutions	Net sales	2,566	2,551	2,903	2,818	10,840	2,758	2,853	3,027	+124	+4.3%
	Gross profit	883	870	981	555	3,290	1,007	1,065	1,144	+163	+16.6%
	Profit margin	34.4%	34.1%	33.8%	19.7%	30.4%	36.5%	37.3%	37.8%	+4.0pt	-
Technical Solutions	Net sales	5,093	4,773	4,675	5,134	19,677	3,816	3,966	3,936	▲739	▲15.8%
	Gross profit	822	830	854	968	3,475	694	729	772	▲81	▲9.5%
	Profit margin	16.1%	17.4%	18.3%	18.9%	17.7%	18.2%	18.4%	19.6%	+1.3pt	-
Equipment/License	Net sales	2,674	2,679	2,518	3,114	10,987	2,847	2,603	1,696	▲821	▲32.6%
	Gross profit	874	689	690	907	3,160	804	727	297	▲393	▲56.9%
	Profit margin	32.7%	25.7%	27.4%	29.1%	28.8%	28.3%	28.0%	17.5%	▲9.9pt	-
Management Indicators ^{※1} Total	Net sales	7,792	8,692	9,330	10,747	36,562	9,294	9,677	10,000	+669	+7.2%
	Gross profit	1,709	2,018	2,081	2,750	8,558	2,194	2,447	2,585	+504	+24.2%
	Profit margin	21.9%	23.2%	22.3%	25.6%	23.4%	23.6%	25.3%	25.9%	+3.6pt	-

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

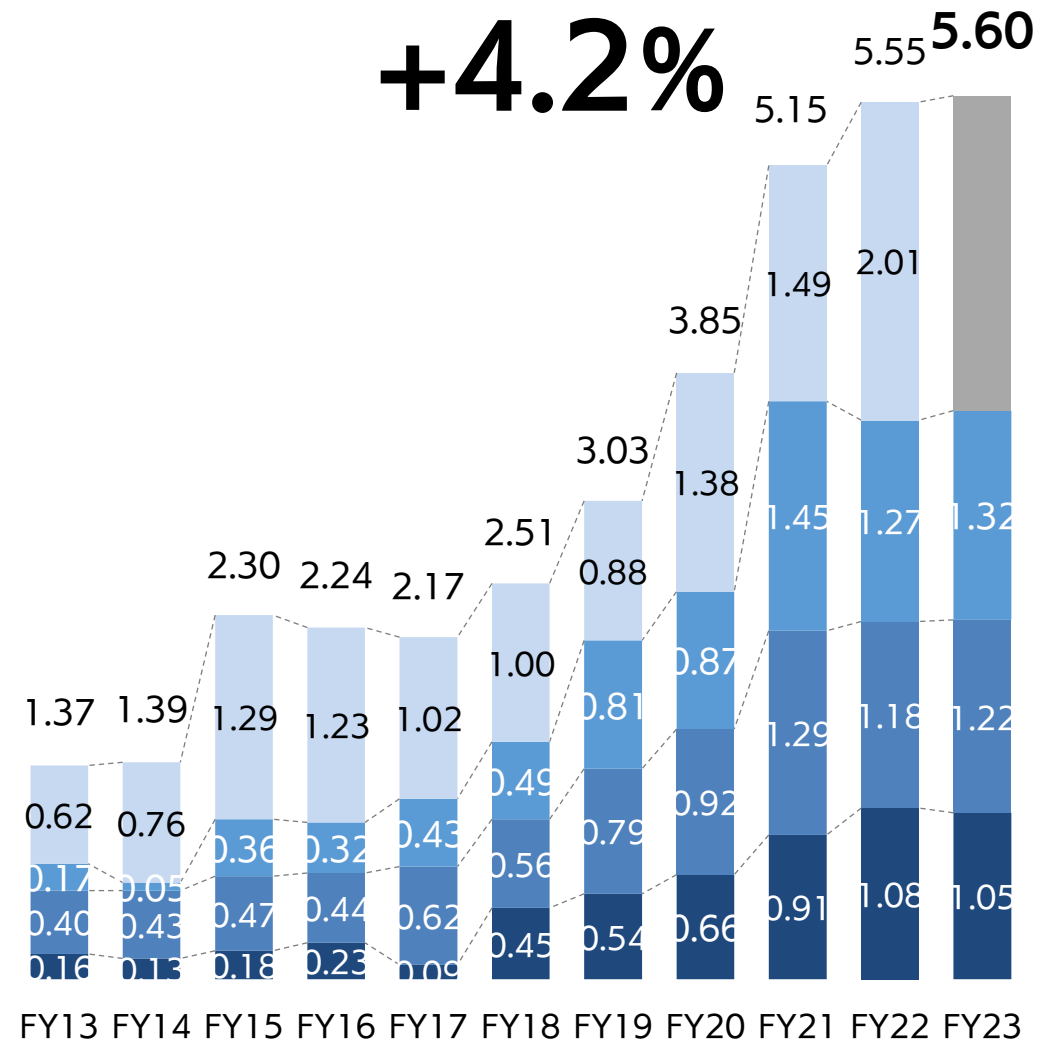
FY23Q3 Net sales (QoQ)

▲5.4%



FY23Q3 Operating income (QoQ)

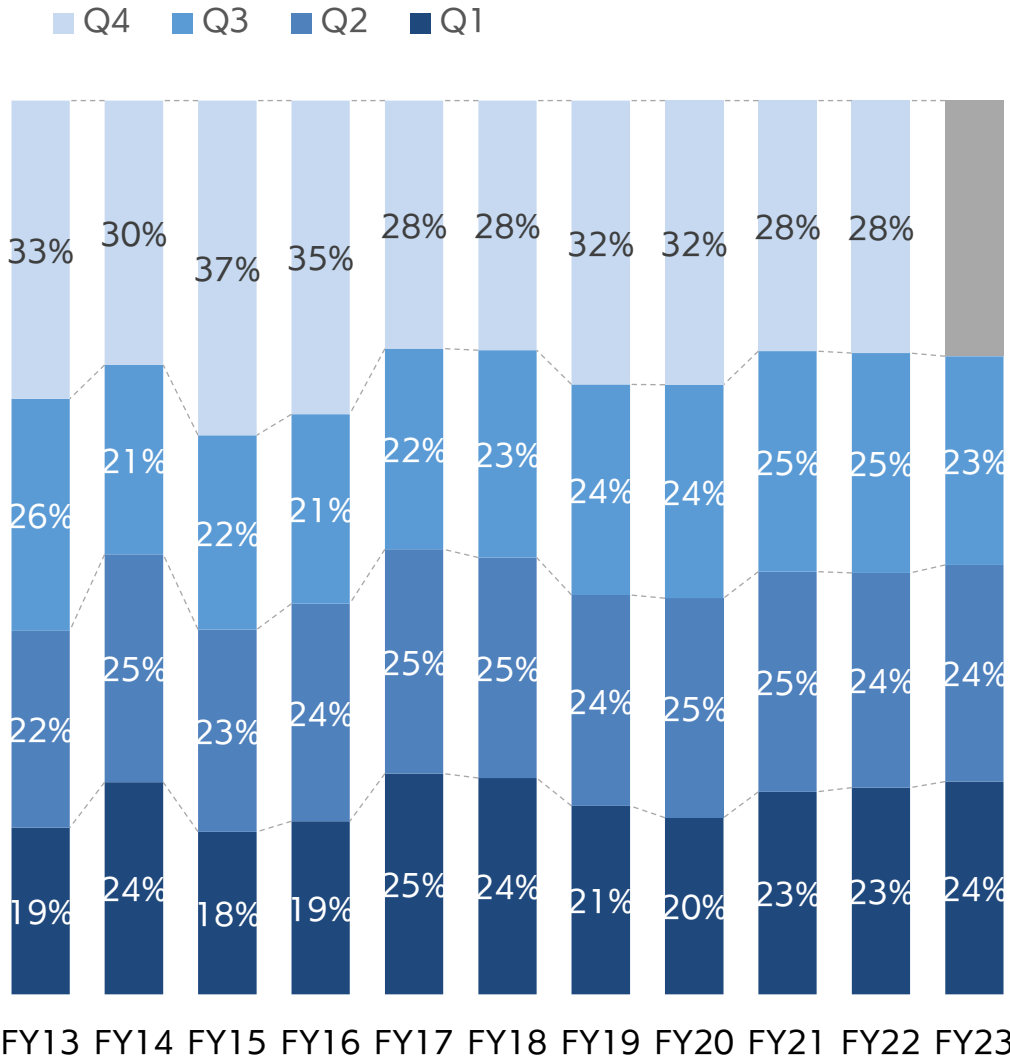
+4.2%



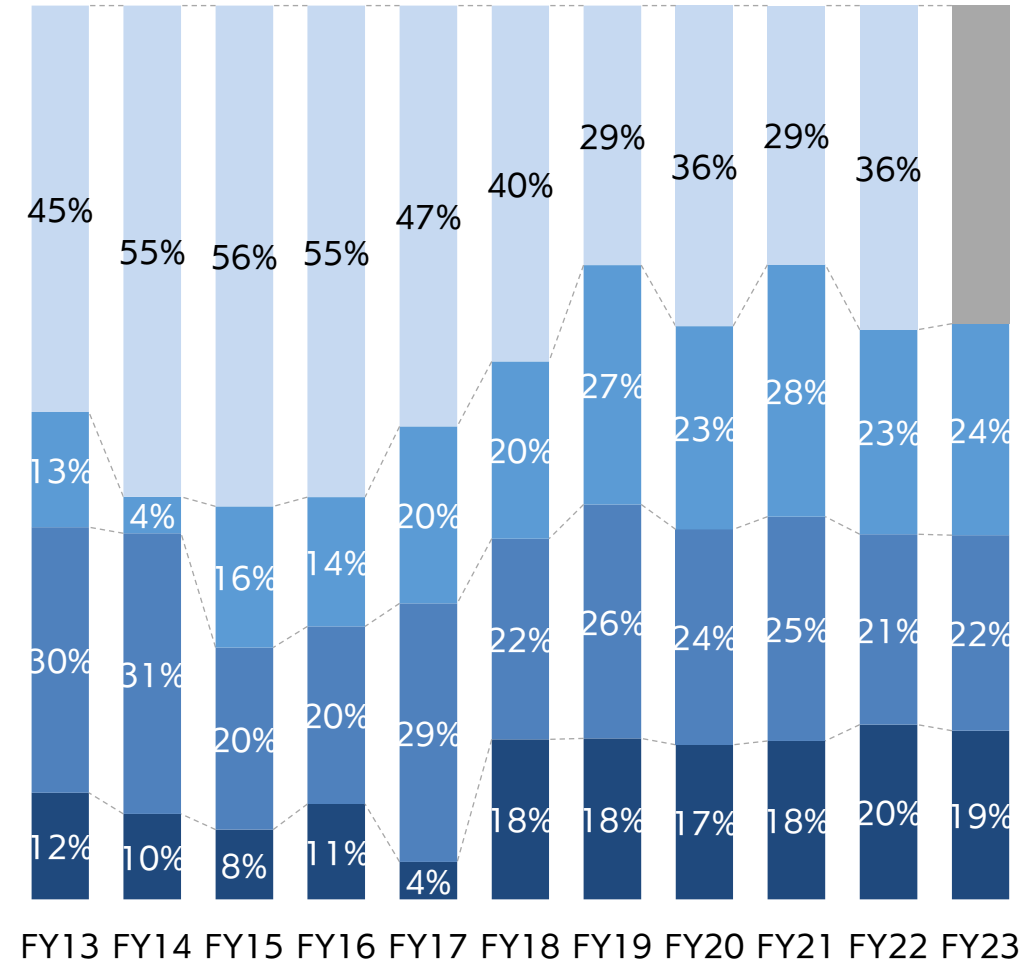
※The Company has adopted the "Accounting Standard for Revenue Recognition" (the new revenue recognition standard) from FY21 Q1. Net sales

[Billions of yen] before FY20 are based on historical net sales figures for the Norton business, which is the main impact.

Net sales



Operating income



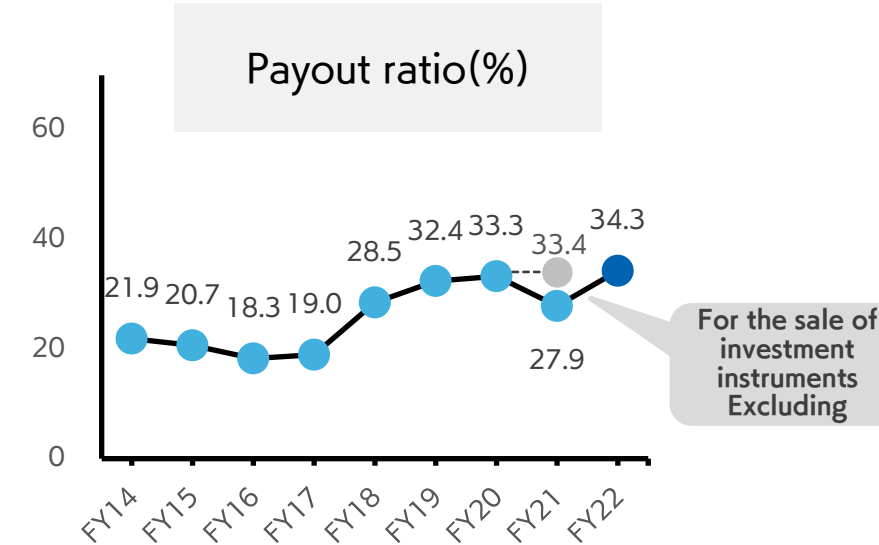
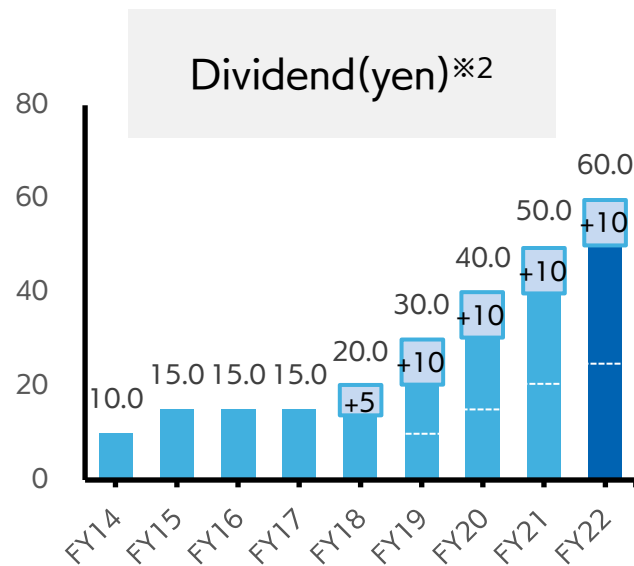
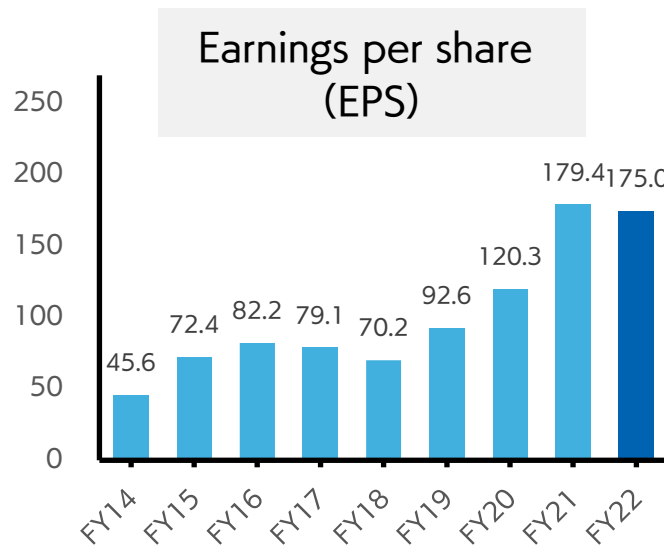
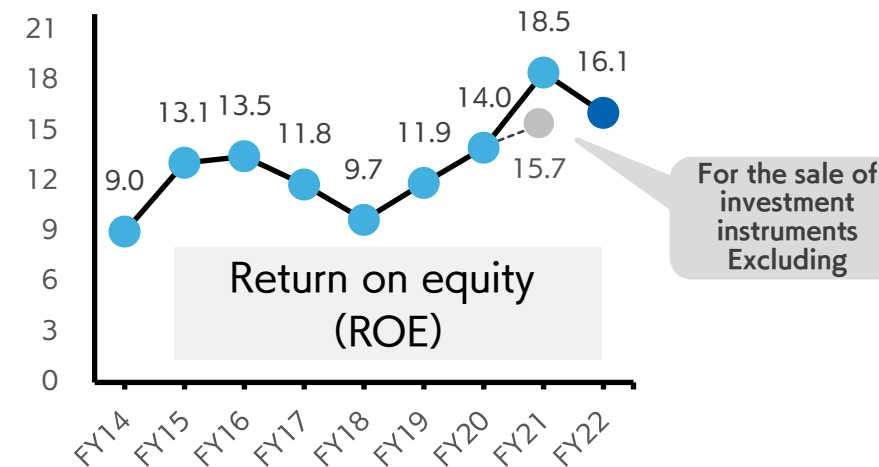
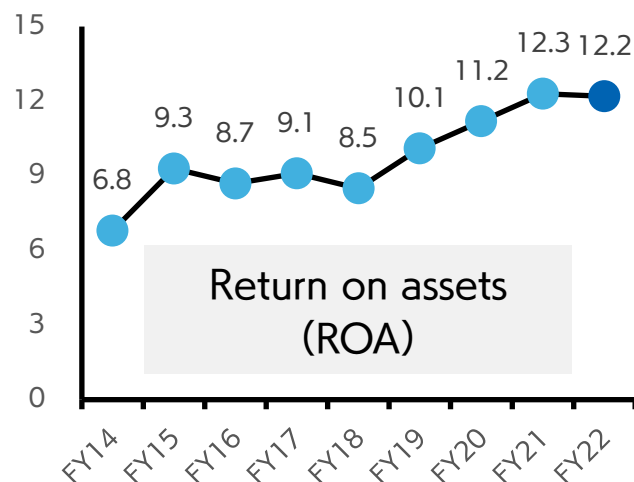
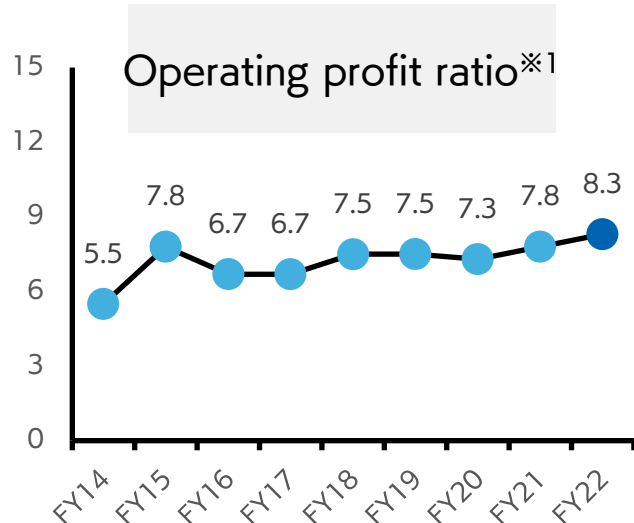
[Billions of yen]

※The Company has adopted the "Accounting Standard for Revenue Recognition" (the new revenue recognition standard) from FY21 Q1. Net sales before FY20 are based on historical net sales figures for the Norton business, which is the main impact.

Consolidated Balance Sheet

| FY2023 Q3

(Millions of yen)	End of September, 2022	End of March, 2023	End of December, 2023	Since end of previous term	QoQ
Current assets	31,623	35,622	38,969	3,346	7,345
Cash and deposits	8,903	8,221	12,857	4,635	3,953
Accounts receivable and other receivables	19,071	24,133	20,027	△ 4,106	955
Fixed assets	9,491	9,842	9,759	△ 82	268
Tangible fixed assets	1,969	1,681	1,330	△ 350	△ 638
Intangible fixed assets	4,305	4,120	3,504	△ 615	△ 800
Investments and other assets	3,216	4,040	4,924	883	1,708
Total assets	41,116	45,466	48,729	3,263	7,612
Current liabilities	15,851	18,590	16,112	△ 2,477	261
Long-term liabilities	1,617	1,708	1,226	△ 481	△ 390
Net assets	23,647	25,167	31,389	6,222	7,742



※1 : The Company has adopted the "Accounting Standard for Revenue Recognition" (the new revenue recognition standard) from FY21Q1.

Operating profit margin when net sales of NortonLifeLock, which is the main impact, are displayed from the past

※2 : 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

Corporate Data

(As of March 31, 2023)

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 1,270 mn
Number of employees	Consolidated 1,417 (Non-consolidated 918)

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



ISMS Certified Organizations:
Headquarters, Shibadaimon, Tennozu,
Osaka, Nagoya, Fukuoka, Toyama

Management philosophy

Mission

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

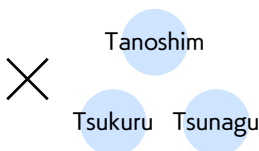
Vision

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

Value

Three Actions
×
Accept Diversity
Three Perspectives

Growth
Trust
Value



Officers

(As of June 19, 2023)

Board of Directors

Representative Director CEO	Shinichi Ata
Director CSO	Mitsuhiro Sato
Director CFO	Masaaki Okazaki
Director	Kunihiro Fujinaga
External Member of the Board	Shigeo Suzuki
External Member of the Board	Yoshie Munakata
External Member of the Board	Yukari Tominaga
External Member of the Board	Yuka Miyagawa
External Member of the Board	Madoka Sawa

Executive Officers

President & CEO	Shinichi Ata
Senior Executive Vice President & CSO	Mitsuhiro Sato
Executive Vice President & CFO	Masaaki Okazaki
Executive Vice President	Akira Kitamura
Executive Vice President & CIO	Masaki Watanabe
Vice President CCO	Seiichi Masaoka
Vice President	Makoto Aoki
Vice President	Takuya Miyazawa
Vice President CDO	Kengo Kanazawa
Vice President CMO	Ikuma Uehara

Auditors

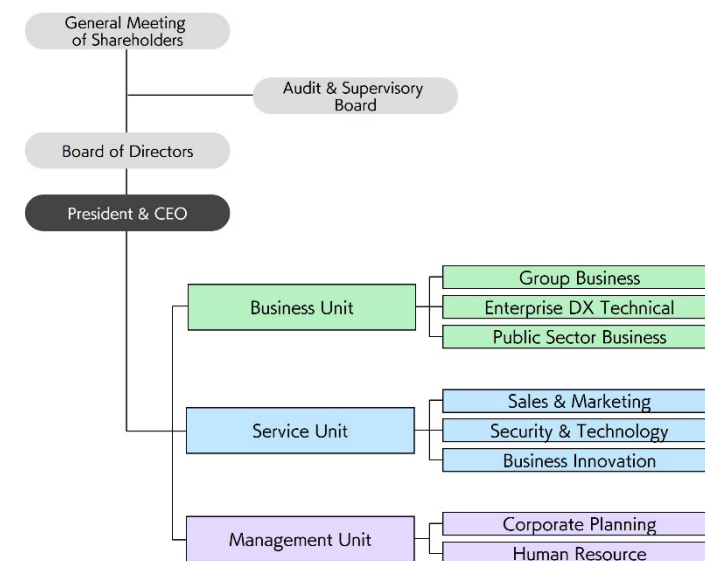
Chairman of Audit & Supervisory Board	Mitsumasa Ueno
Audit & Supervisory Board	Haruhiko Hirose
Audit & Supervisory Board	Michiaki Nakano
Audit & Supervisory Board	Takashi Naito

The official title in English is as follows:

CEO:	Chief Executive Officer
CSO:	Chief Strategy Officer
CFO:	Chief Financial Officer
CIO:	Chief Information Officer
CCO:	Chief Compliance Officer
CDO:	Chief DX Officer
CMO:	Chief Marketing Officer

Organization chart

(As of April 1, 2023)



Certification and accreditation

(As of August 31, 2023)



えるぼし



くるみん



令和4年度
「テレワーク先駆者百選」



健康経営優良法人2023



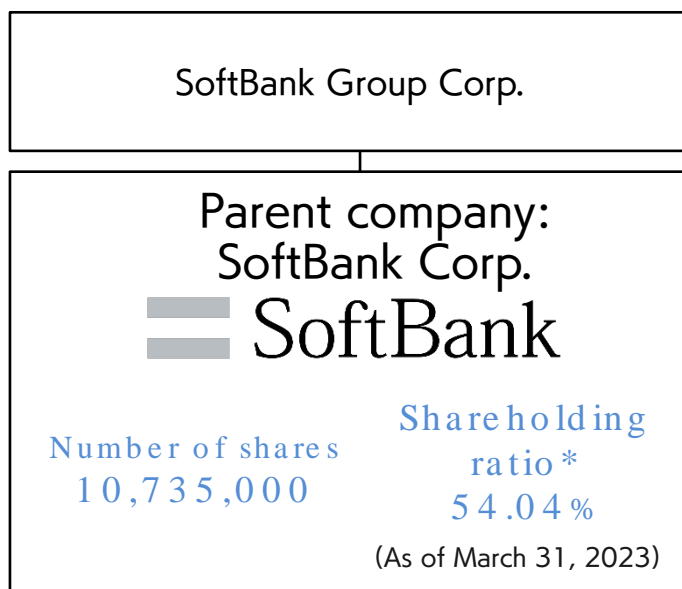
DX認定



FTSE Blossom Japan
Index Series



2022 - 2023年度選定



Group Companies (従業員数は2023年3月31日時点、 Representative as of June 30, 2023)

	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 : 56
	Kan Corporation	Providing educational content that employs cloud services to achieve internal business improvement and innovations in communication.	Representatives : Saori Aoki Shareholding ratio : 100% Number of employees : 10
	CyberTrust Japan Co., Ltd.	Providing of IoT services, OSS/Linux services, and certification/security services	Representatives : Yuji Kitamura Shareholding ratio : 58.01% Number of employees : 225
	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 : 2
	DENEN Co. Ltd.	Providing system consulting and web system development solutions, primarily for the telecommunications sector and local governments.	Representatives : Kiminori Konaka Shareholding ratio : 100% Number of employees : 76
	I/O SYSTEM INTEGRATION CO., LTD	Development, sales and maintenance of information processing systems	Representatives : Masayuki Sekiguchi Shareholding ratio : 100% Number of employees : 27

With Cloud and Security
Support customer DX

ICT Service Business

Telecommunication

- Construction, operation and maintenance of on-premises systems (including private cloud)
- Cloud consulting/Migration assistance/Construction/Operation
- Security monitoring operation service, etc

Enterprise

- Cloud consulting/Migration assistance/Construction/Operation/IT education service, AI/IoT/DX Solution
- Security consulting/Introduction support/Monitoring operation service, Electronic authentication solution, etc

Public Sector

- Cloud migration assistance/Construction/Operation/IT education service, AI/IoT/DX Solution
- Security consulting/Introduction support/Monitoring operation service, etc

Consumer

- EC site operation Substitute such as Norton Store, etc



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

We started the cloud business in 2009, when cloud services began to become popular, and have been introducing and operating cloud solutions, including the introduction of Microsoft 365 and support for construction in Microsoft Azure environments, mainly for enterprise companies. Based on this cloud solution, we provide a wide range of DX support that meets our customers' challenges, such as using even more data and cultivating and creating DX human resources.

Performance

With a track record of deploying cloud solutions of more than 1000 companies, the company has accumulated a wealth of development results and expertise. Support is provided for various industries, including the manufacturing and construction industries.

Introduced to a large number of major companies, including construction, manufacturing, and educational institutions



External evaluation

Received an award given by Microsoft Japan to its partners for ten consecutive years. In 2023, we won "Defend against threats with SIEM plus XDR" in the security-related field.

Microsoft Japan Partner of the Year



Awarded for ten consecutive years since 2014

Microsoft Worldwide Partner Award



Japan's first quadruple crown

Service

clouXion is our cloud solution brand for utilizing Microsoft 365. It was born for the concrete problem solution of "work style reform".

clouXion
clouXion installation result
914 companies

As of August, 2023



Provide total solutions for information security

As a countermeasure against sophisticated and diverse cyber-attacks, we provide a wide range of one-stop services to support customers' critical information-asset protection and business continuity, from security introduction support to managed security services (MSS) to monitor the operation of security systems, to support the construction of CSIRT※1 by experienced specialists and consulting to support comprehensive corporate security.

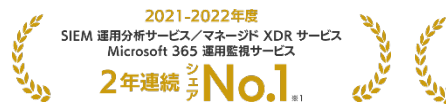
Performance

We provide MSS to more than a few hundred enterprise customers. For local governments, 405 municipalities in 12 prefectures are provided with the construction, operation, and the providing MSS of the "Local Government Information Security Cloud," which is promoted by the Ministry of Internal Affairs.

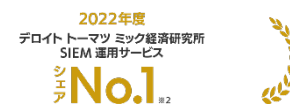


External evaluation

SBT's security services are used by many companies and organizations. We are ranked No. 1 in terms of sales in various domestic market surveys.



Ranked No.1 share of sales by vendor in "Microsoft 365 Operation Monitoring Service" and "SIEM Operation Analysis Service/Managed XDR Service" markets※2



Ranked No.1 share of sales in "SIEM Operation Service" market※3

Service

The Security Monitoring Centre provides MSS for professional security analysts to monitor customer-environment security systems and networks 24 hours a day, 365 days a year, to protect against cyber-attacks and unauthorized accessibility.



Security Monitoring Centre

* 1 Abbreviation for "Computer Security Incident Response Team" and refers to a team that responds when an incident occurs, such as malware transmission or intrusion.

* 2 : Source: ITR"ITR Market View: Endpoint-security/information-leakage SOC Services Marketing 2022" FY2021)

* 3 : Source: Deloitte Tohmatsu MIC Research Institute Co., Ltd. "Managed Security Services Market Status and Forecast 2023 Edition" (Published in June ,2023) <https://mic-r.co.jp/mr/02800>

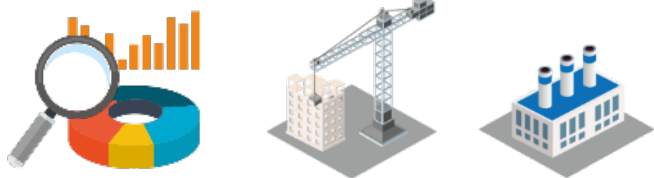


One-Stop Support for Utilization of Data and AI through Cloud Infrastructure

Starting businesses in the data domain in 2014, we will provide solutions in the cloud infrastructure, from the construction of data platforms to analysis/visualization using BI tools and AI utilization. We can provide a wide range of support, from installation support to in-house production and operation support after introduction, in a one-stop manner. We contribute to DX of our customers through consulting by data scientists.

Strengths

We are strong in providing support in cloud infrastructure using Azure, such as Azure Machine Learning, Microsoft Power BI. Especially in the manufacturing industry, we support our customers' businesses based on data, such as the construction of systems and predictive models using machine learning.



External evaluation

Power Apps & BI was awarded to Microsoft Japan Partner of the Year 2021 for assessment in the data-domain. In 2023, the company was awarded the Top Engineer Award for its achievements in solving problems in Dynamics 365 and Power Platform.



Service

Develop core-technology to improve the accuracy of answers to generated AI through internal use and demonstration with customers. We have released dailyAI, a generation AI service that incorporates this technique into our services and can be used in daily operations. As a generator AI servicing that combines the functions required for all business-scenes, it contributes to the improvement of customer productivity.

daily AI



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

The SBT Group aims to realize a sustainable society.
We will work to solve various social issues through our business and corporate activities.

Basic Policy



By creating innovation through the provision of ICT services, We will contribute to the creation of value for our customers.



Do not forget the challenge of growth to meet shareholder expectations, We will disclose transparent and fair information.



Employees' fulfillment, pride, and individuality are utilized, Equal and diverse, regardless of gender, age, nationality, etc. We will make the environment rich and challenging.



Prevent all forms of corruption, including corruption and bribery, Build fair business relationships with business partners



To the reduction of greenhouse gas emissions in response to climate change Improving energy efficiency and reducing the use of water and other resources. Efforts will be made for efficiency and biodiversity



Fostering the next generation and enhancing information security, Through disaster countermeasures and reconstruction assistance, Contribute to the realization of a rich information-oriented society



We comply with international norms, laws and regulations, Conduct honest business activities.



2023/12/13 ITR survey report acquired No. 1 for the second consecutive year in two SOC servicing sectors



In the "ITR Market View: Endpoint/Security Measures/Information Leak Prevention SOC Service Market 2023" issued by ITR Co., Ltd. (ITR) on November 21, 2023, the Company was ranked No. 1 in the sales amount shares by vendor in the two fields of "SIEM Operation Analysis Service/Managed XDR Service Market" and "Microsoft 365 Operation Monitoring Service Market" in fiscal 2022, marking the second consecutive year of No. 1 share in the market. In addition, we ranked second in the domestic market for ID control security operation monitoring services. This market grew rapidly by 226% compared to the previous fiscal year. From ITR, "the performance of the servicing is increasing due to the positive deployment of security-monitoring personnel, etc.

2024/01/12 Notification of support for the 2024 (6th year of Reiwa) Noto Peninsula Earthquake



In order to support the victims of the 2024 Noto Peninsula Earthquake that occurred on January 1, 2024, and to contribute to the reconstruction of the disaster-stricken areas, we donated 10 million yen through the Central Community Chest of Social Welfare Corporation. We would like to express our heartfelt sympathy to all those affected by the 2024 Noto Peninsula Earthquake, and We sincerely pray for the souls of those who lost their lives. We would also like to express our deepest respect to those who are making efforts in relief and recovery activities, and sincerely pray for the earliest possible recovery of the affected areas.

2024/01/15 [Case Study]Kao Corporation adopts "Web accessibility consulting service"



The Kao Group, which has as many as 700 sites globally, has adopted the Web Accessibility Consultation Service, which is offered by qualified personnel. In order to reduce the burden of answering operations by increasing inquiries from Web site-related personnel and to realize Web sites that are easy for anyone to use, consultation by qualified personnel of the Accessibility Testing Engineer Examination of SBT was conducted. This has helped to reduce inquiry response times equivalent to about 50 hours per month and to raise awareness and expertise regarding the accessibility of Web production personnel.

2024/01/25 Launched CentOS Extension Package, a security measure after CentOS is maintained



On January 25, 2024, we began providing CentOS Extension Packages, a modified package that provides security-related measures for organizations that use CentOS Linux (hereinafter referred to as CentOS) 6, 7, 8) at NOZ SHOP, a SBT own EC website.

This service allows CentOS security packages provided by Cybertrust Japan Co., Ltd., a SBT subsidiary that develops LinuxOS, to be used within a contract interval of at least three months to meet customer needs. For CentOS 6, 8 that have already been maintained by the community and CentOS 7 that will be terminated, a security package is provided for four years from the end date of each.

2024/01/25 Notification of NOZ SHOP Open



On January 25, 2024, we opened NOZ SHOP online shop, which handles services centering on solutions for corporations.

NOZ SHOP is a EC website related to NOZ, a comprehensive brand of in-house services. In the future, we will expand our lineup of solutions as needed.

Online shop "NOZ SHOP"

URL : <https://noz-shop.jp/>

SB Technology by Numbers

*Items not marked as "consolidated" are statistics for SBT alone
 *Items that are not included in this report are as of the end of March 2023.



Employees

SBT consolidated Number of Employees **1,417**

2023rd New Graduate **76**
 (consolidated basis)

Average age **38.4**

Working Style

Reduction of overtime by improving productivity
42 hours → **27 hours**
 FY2015 FY2022

Percentage of paid leave taken per employee **70%**
 (FY2022)

Remote working rate **60%**
 (FY22H2 achievements)

Growth Support

Use of Skill Development Leave (FY2022)
 Number of employees who have acquired **242** Total days acquired **536**

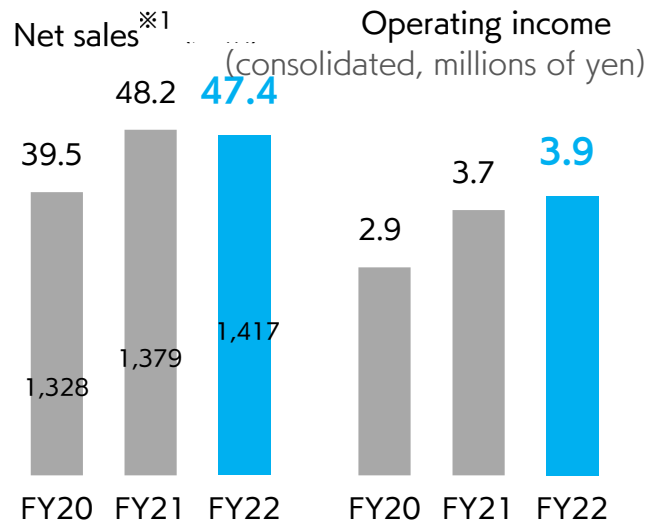
PMP Holder **155** CBAP Holder **52**

Technical Personnel

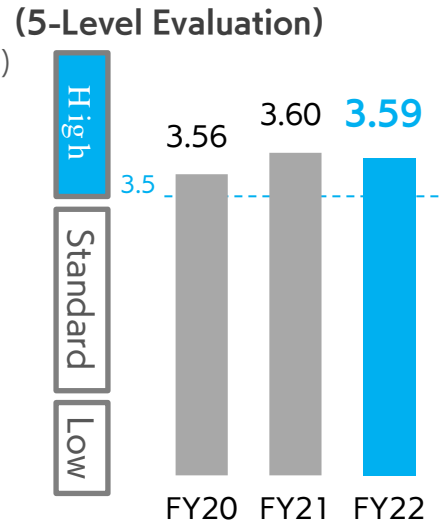
Ratio of job types **7 : 2 : 1**
 (Technology) (Sales) (Management)

Development partners **2,800**

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 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.

*1 The Company has adopted the "Accounting Standard for Revenue Recognition" (the new revenue recognition standard) from FY21 Q1. Net sales before FY20 are based on historical net sales figures for the Norton business, which is the main impact.

Materials to be Considered

1. 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.
2. The Company has adopted the "Accounting Standard for Revenue Recognition" (the new revenue recognition standard) from the previous consolidated fiscal year. Net sales before March, 2021 are stated unaudited reference value based on historical net sales figures for the Norton business, which is the main impact.

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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- Technologies Design the Future -

 SB Technology

<https://www.softbanktech.co.jp/en/>