

*It is translated  
by AI.*

# Earnings Results for the Six Months Ended September 30, 2019

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October 29, 2019

SB Technology Corp.

Security Code : 4726

|  |       |     |
|--|-------|-----|
| 1. Financial results                       | ..... | P 6 |
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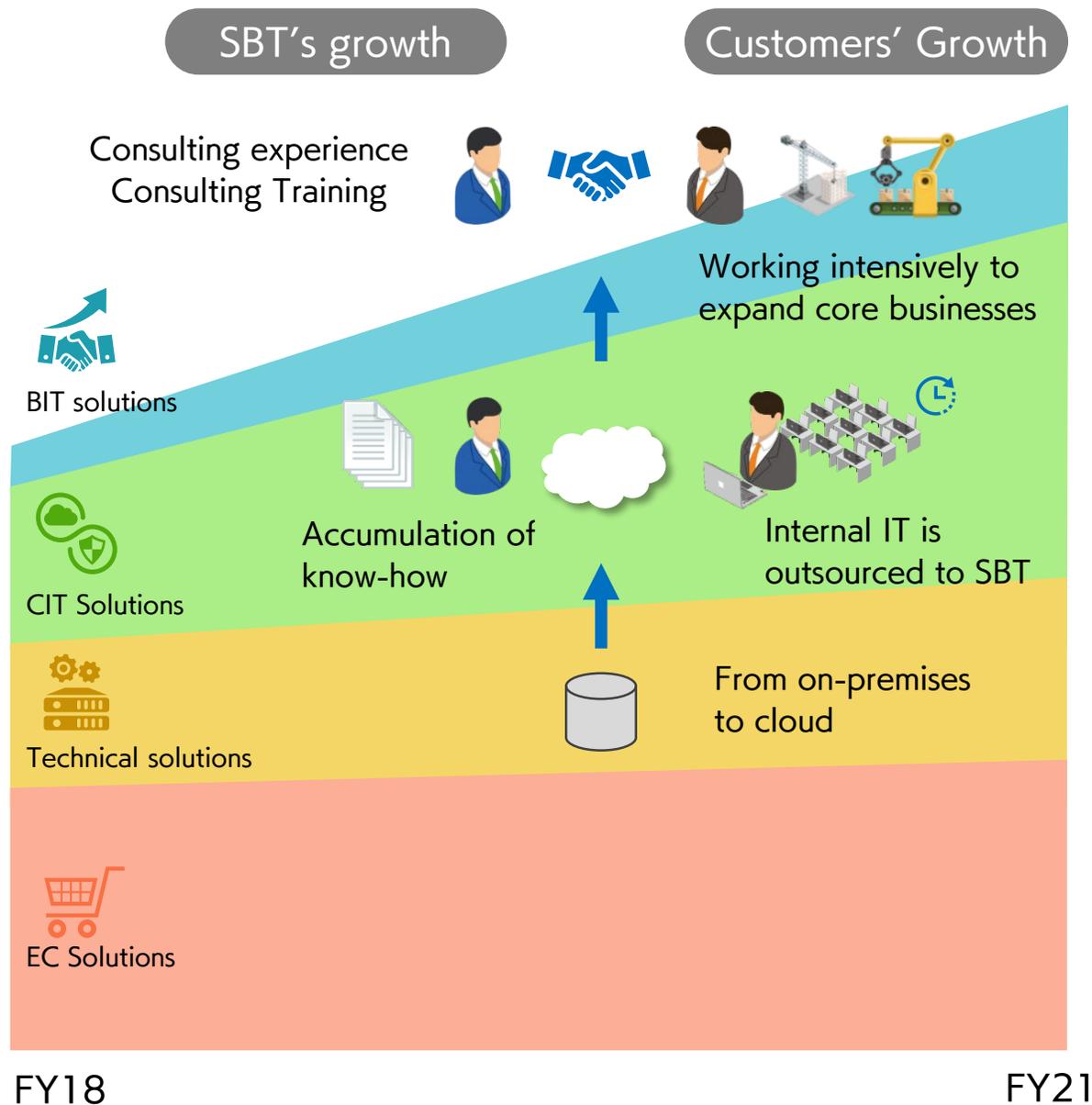
 SoftBank Technology



 **SB Technology**

October 1, 2019 ~

# Growth Strategy of the Third Medium-Term Business Plan



 **Business IT Solutions** Cloud business  
(for business divisions)

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

 **Corporate IT Solutions** Cloud business  
(for IT system divisions)

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

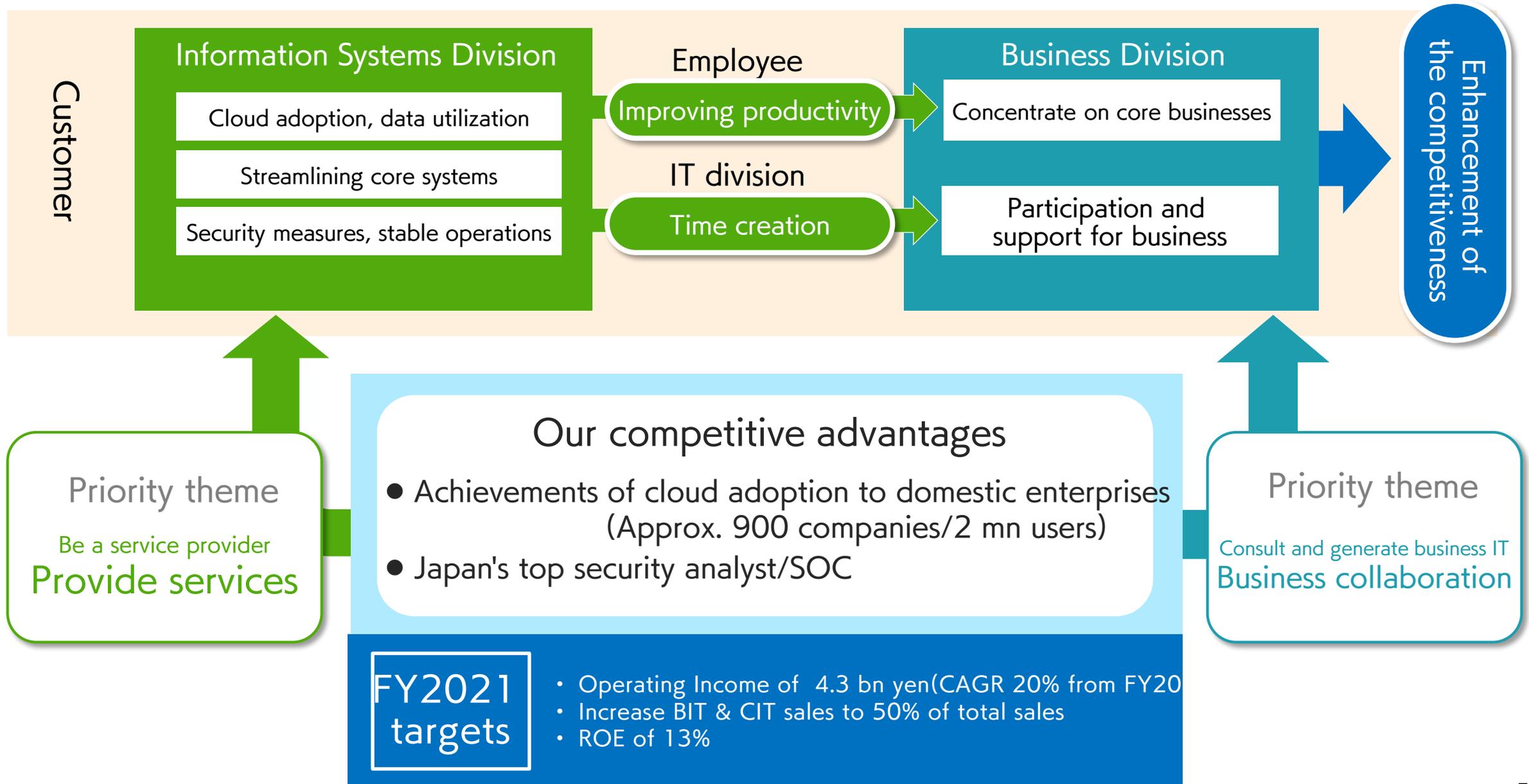
 **Technical solutions**

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

 **EC Solutions**

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

# Outline of the third medium-term plan



# Synergy with SoftBank Corp. (parent company)

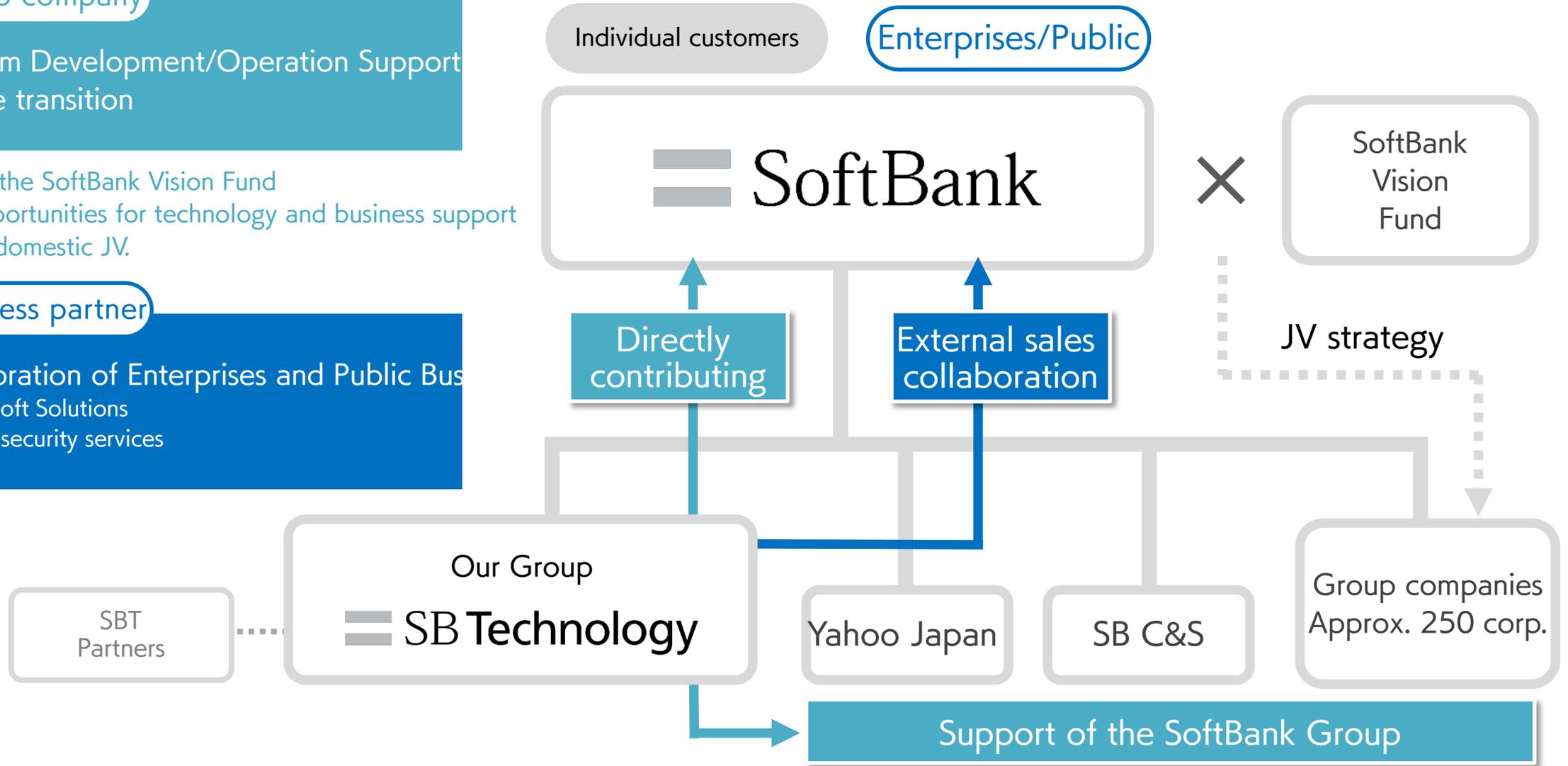
## As a group company

- System Development/Operation Support
- Azure transition

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

## As a business partner

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



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

# Financial Results

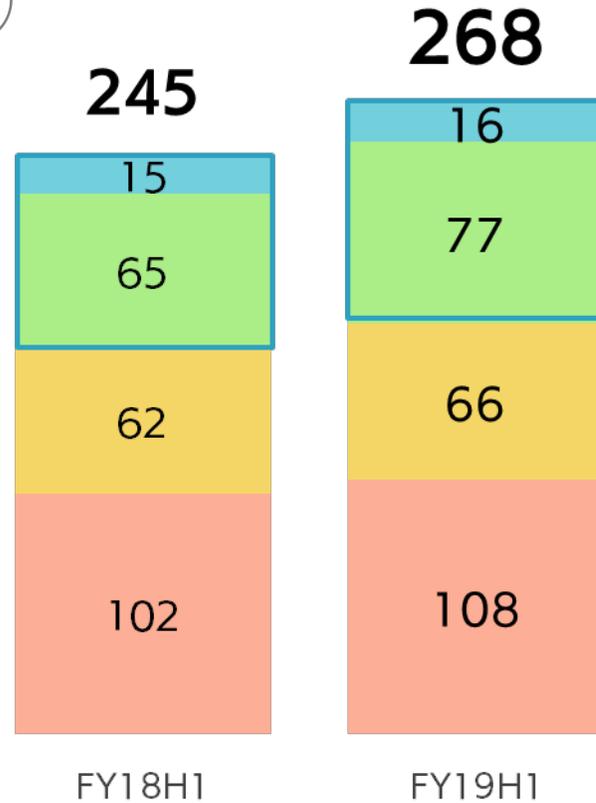
SB Technology

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

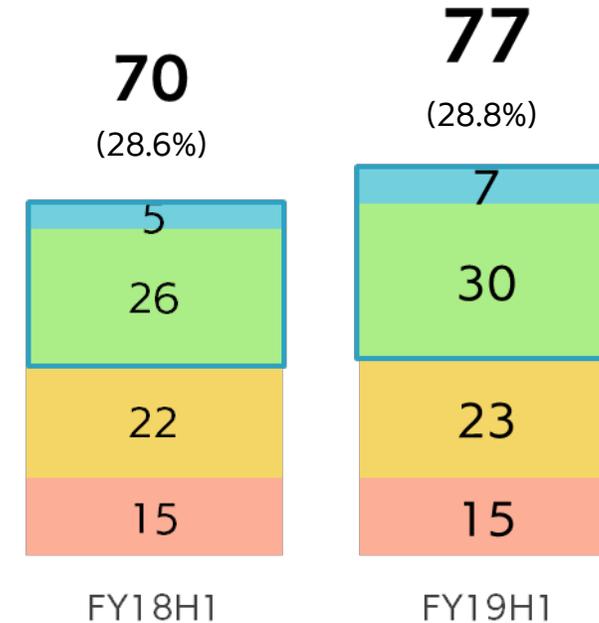
| (Millions of Yen)                                  | (Profit margin) | FY19H1           | FY18H1           | Change           | Change % |
|--|-----------------|------------------|------------------|------------------|----------|
| Net sales  |                 | 26,841           | 24,561          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

(100 Million yen)  
(Profit margin)

## Sale



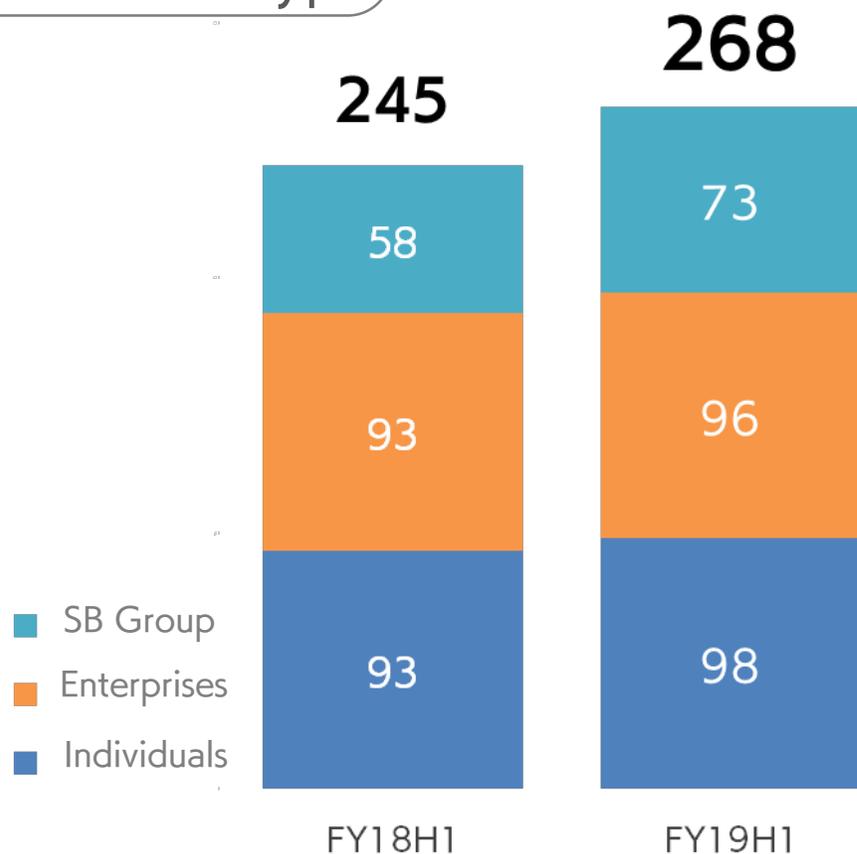
## Marginal profit



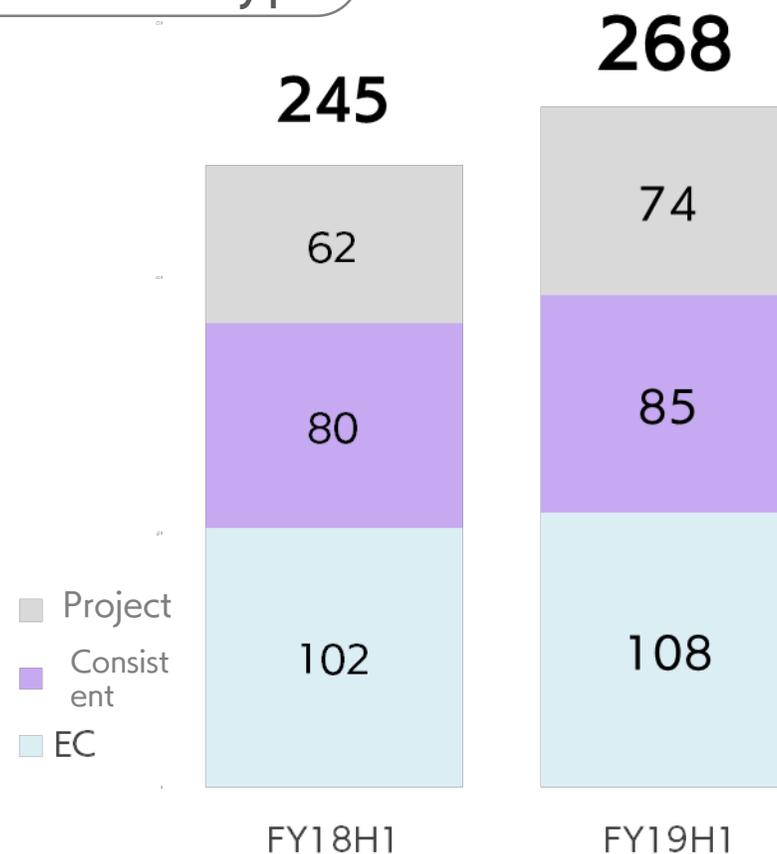
|              |   |
|--------------|---|
| Business IT  | Growth in data platform development projects, declining web analysis solutions              |
| Corporate IT | Growth in Microsoft-related solutions, security-related solutions, and proprietary services |
| Technical    | Steady performance in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

(100 Million yen)

By customer type



By business type



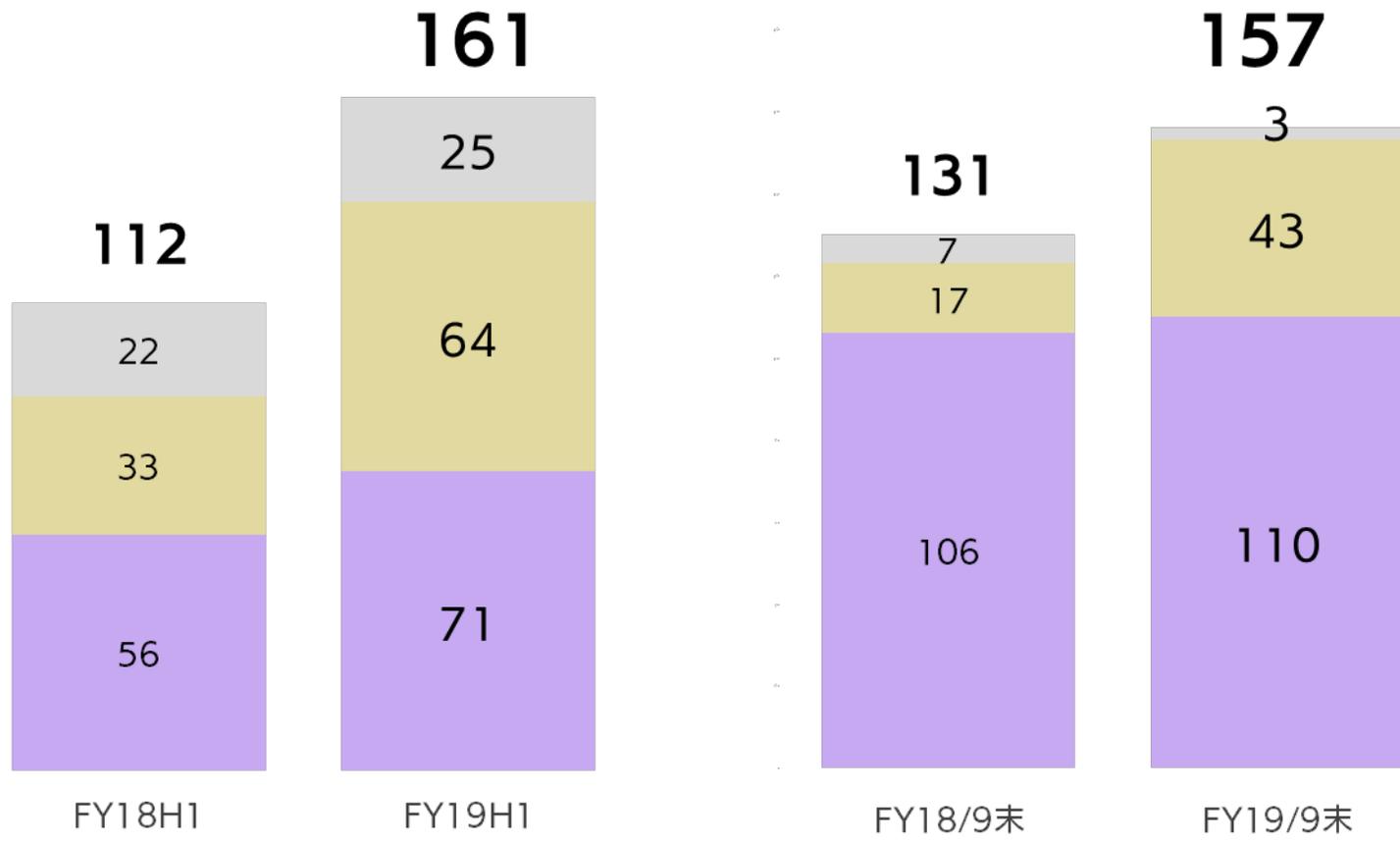
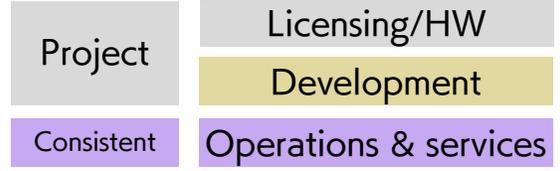
|                           |   |
|---------------------------|---|
| <b>SB Group</b>           | Strong demand for systems development projects utilizing Azure and BPO operations                               |
| <b>Enterprises/Public</b> | CIT (cloud) for the construction industry, CIT (security) and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

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

(100 Million yen)

Orders received

Order Backlog



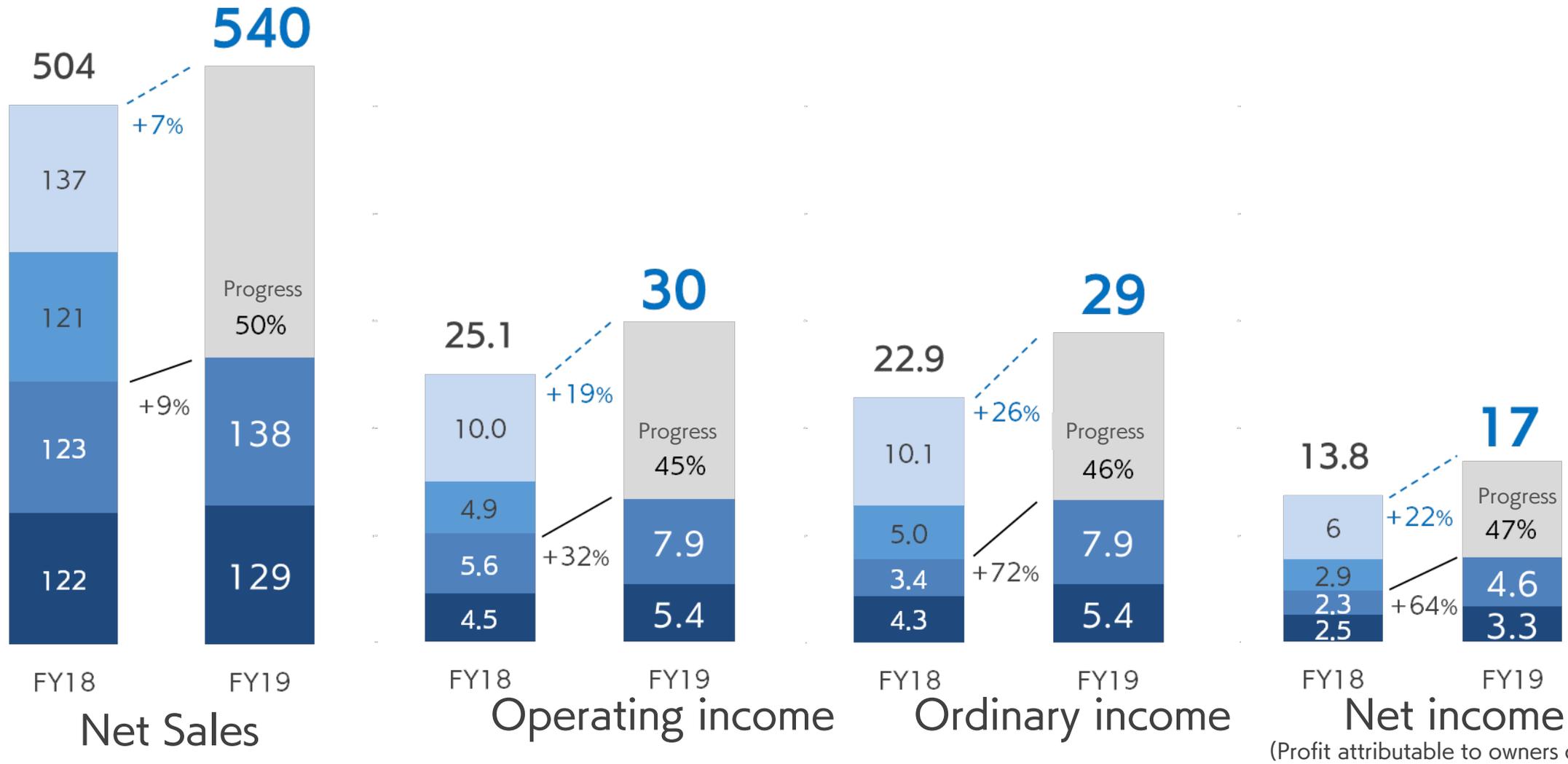
Non-consolidated  
order backlog  
YoY Up 19.4%

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

(100 Million yen)

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

■ Q1 ■ Q2 ■ Q3 ■ Q4

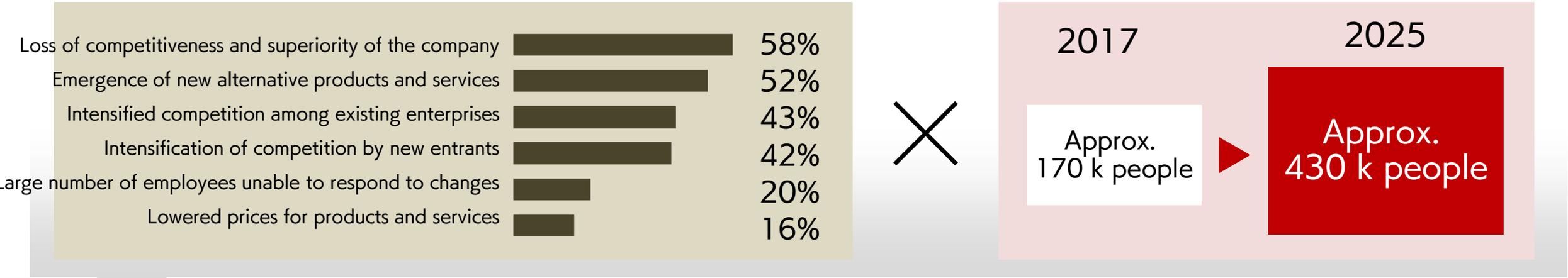


# Progress of the Medium-Term Management Plan

SB Technology

# Market Trends (Status of Digital Transformation)

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



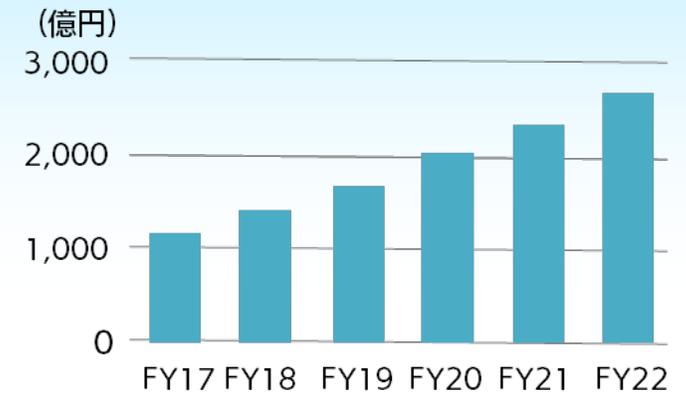
**Cloud First Strategy**  
Corporate IT investment is active at present.

To increase user productivity,  
Increased use of cloud security services

Domestic market forecast of cloud services



Managed Cloud Security  
Forecast of Domestic Market Size for Services





2019 Partner of the Year Finalist  
Internet of Things Award



Worldwide | Only chosen by IoT sector and Japanese companies

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

~ Developing IoT Core Connect and Evaluating the Provision of Services to Customers in the Construction/Manufacturing Industry-

Domestic | Awarded for 6 consecutive years

Microsoft Partner of the Year 2019

~ Evaluating the Introduction of Cloud IoT Systems Based on Microsoft Azure ~

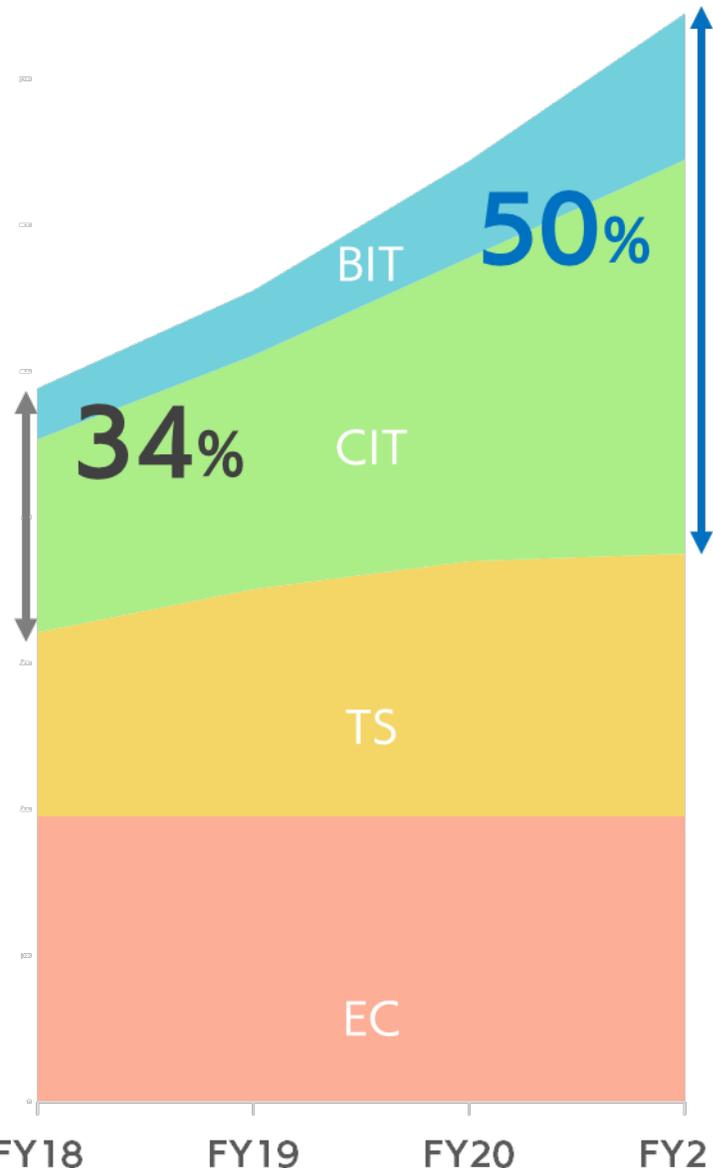
Company | Work style reforms utilizing Office 365/Teams/Azure

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

# Strategies for the Third Medium-Term Business Plan

[Top Focus]  
Global manufacturing, construction and agriculture

## Shares of Net Sales



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



According to the plan

**Policy** Especially in the global manufacturing industry  
Strengthen support for security

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



According to the plan

**Policy** By using IoT Core Connect  
Creation of IoT cases

**Cases** TOSEI Co., Ltd.  
Started development of IoT services for laundry coins

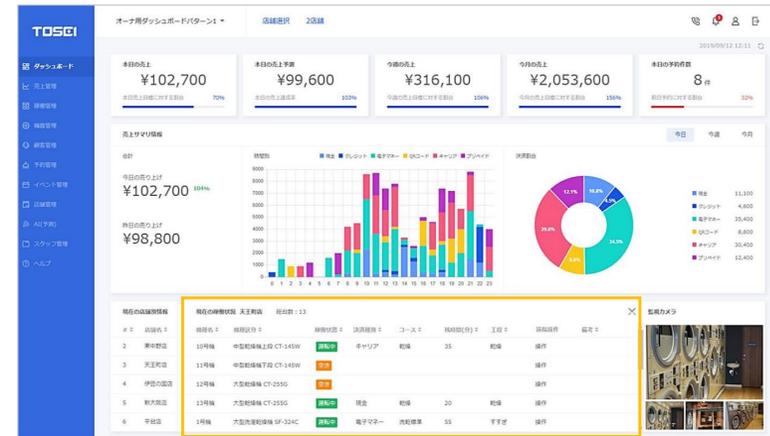


Image of "TOSEI Cloud" services

# Progress: Customers (Construction)



**CIT**

According to the plan

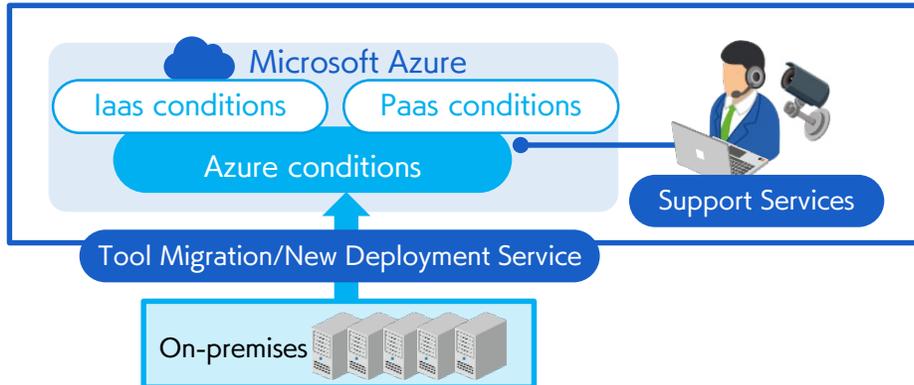
**Policy**

Especially in super general contractors  
Support for cloud utilization  
and work style reforms

**Cases**

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

Cloud Migration Suite (※)



Providing Azure environments to companies and departments that use Microsoft Azure with safe and secure SBT recommendations



**BIT**

According to the plan

**Policy**

Collaborative Innovation  
through the Introduction of IoT Services

**Cases**

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

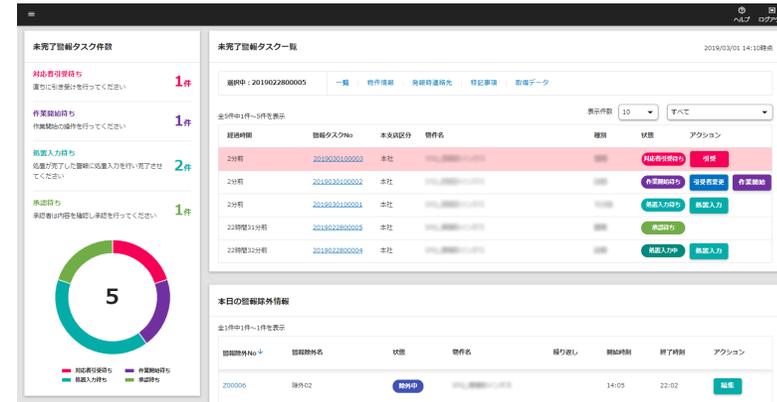


Image: Remote Management System

# Progress: Target customers (agriculture)



BIT

Steady progress

## Policy

Be announced by the Ministry of Agriculture, Forestry and Fisheries  
Supporting DX Strategies

## Topics

Orders received for Ph1 to build shared application platforms



Paper application



Receipt at the point of contact



Mailing



Acceptance of an application



Electronic application

About 2.5 k types in the future  
Electronic application



Electronic acceptance



BIT

According to the plan

## Policy

On agricultural platforms  
We promote the expansion.

## Topics

New Agricultural Platform Service Beta Released



Steady progress

As a group company

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

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

Policy

Expansion of IT support areas

Topics

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

According to the plan

As a business partner

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

Policy

Strengthening of clouXion and IoT-related collaboration

Topics

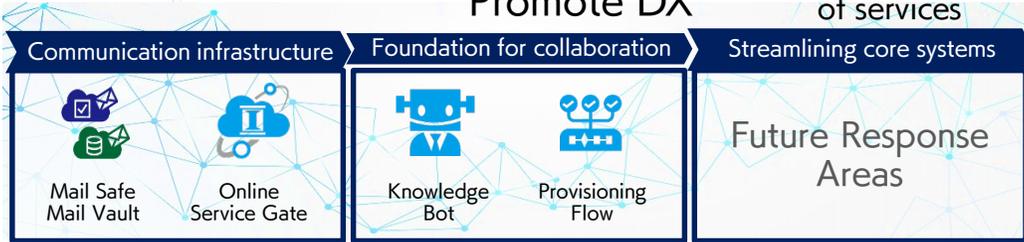
- Adopted for remote monitoring services of IoT Core Connect and Turbo Blower based on Microsoft Azure
- Linked to SoftBank's UniTalk cloud voice service, which expands Microsoft Teams's voice functions

# Progress: Unique services

According to the plan



Supporting Companies to Promote DX ※ Examples of services



Sales +32% (YoY)

## Topics

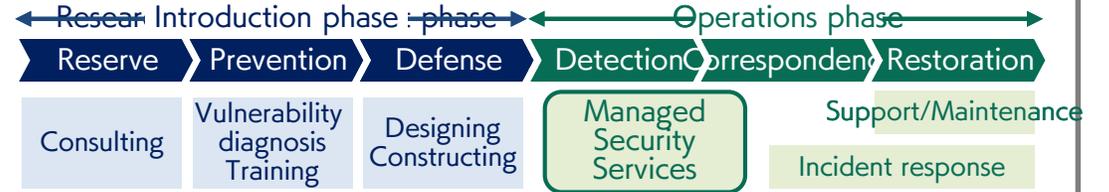
Expansion of Knowledge Bot options

Began providing Office 365 Q & A contents that streamline inquiry operations



With the addition of Q & A knowledge for inquiries, Reduced burden on staff

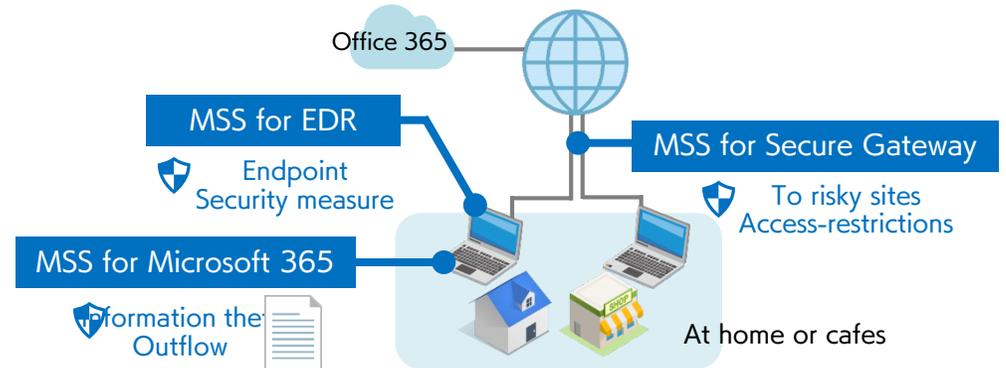
According to the plan



Sales: +83% (YoY)

## Topics

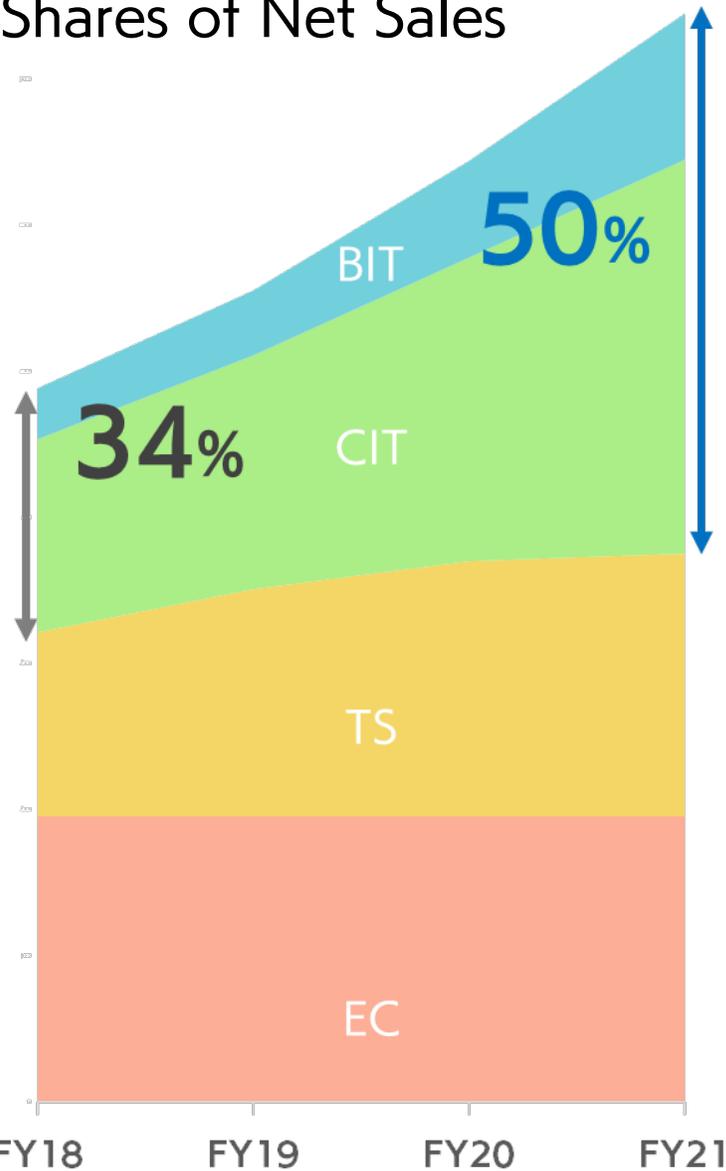
Expanding Services to Support Work Style Reform  
Expansion and Comprehensive coverage of security priority items required for telework



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

[Top Focus]  
Global manufacturing, construction and agriculture

Shares of Net Sales



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

Information Revolution — Happiness for everyone

~Technologies Design the Future~

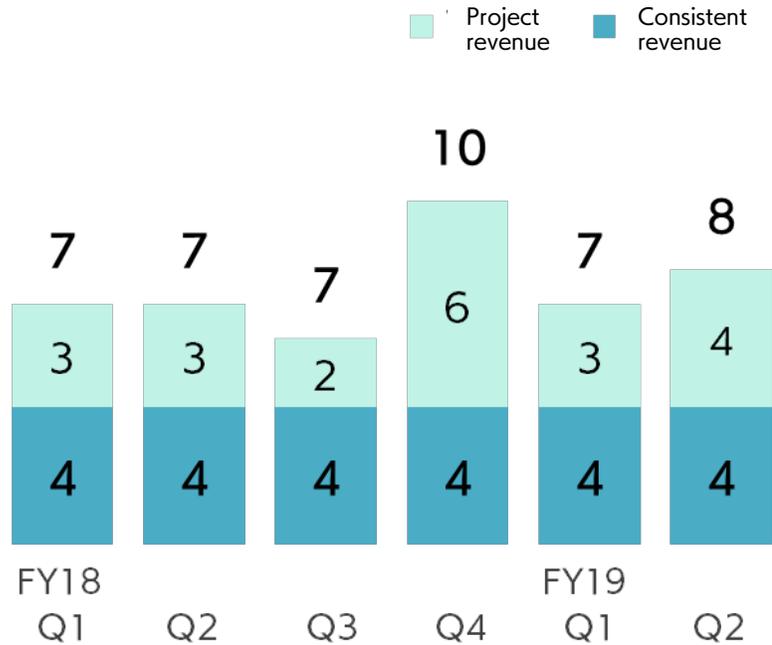
 **SB Technology**

# Overview of each solution

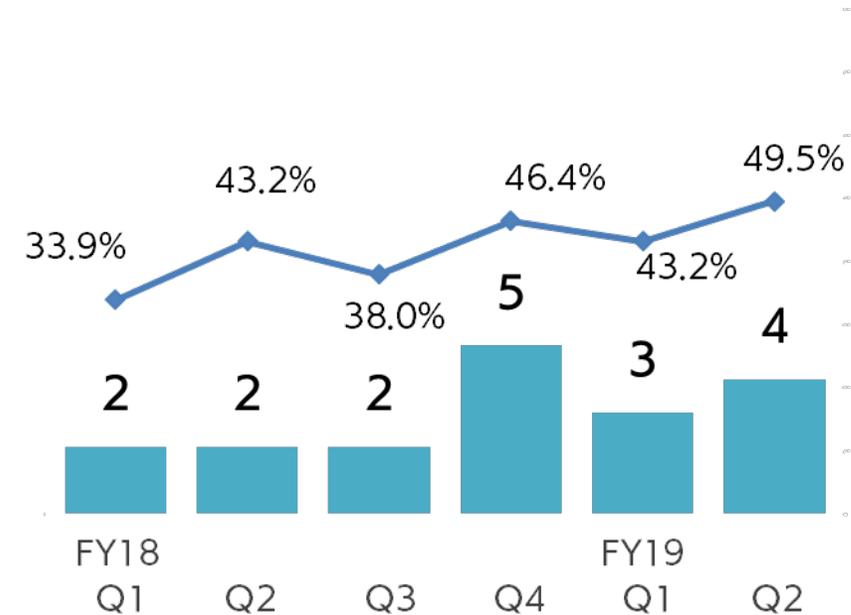
— SB Technology

(100 Million yen)

## Net sales



## Marginal profit



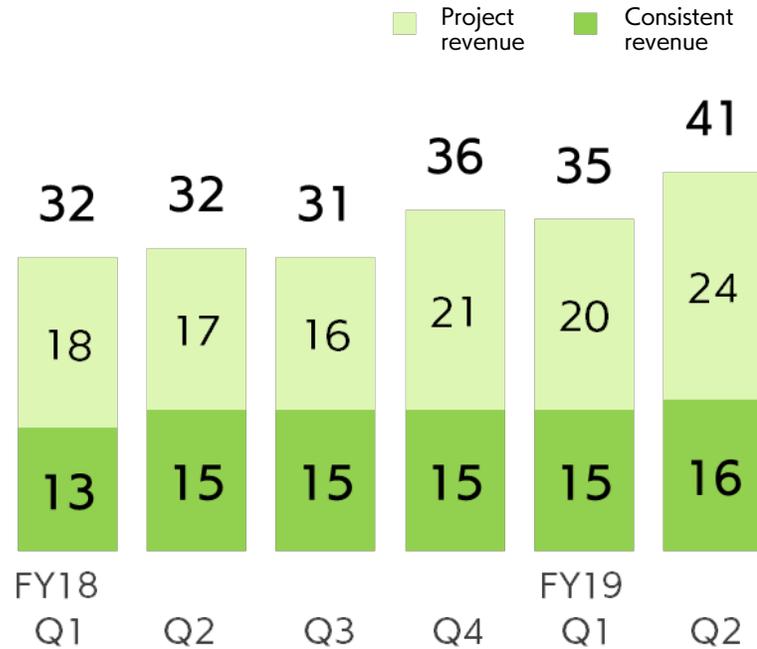
### Business IT Solutions

Cloud business for business divisions  
Main Customers: Corporate/Public

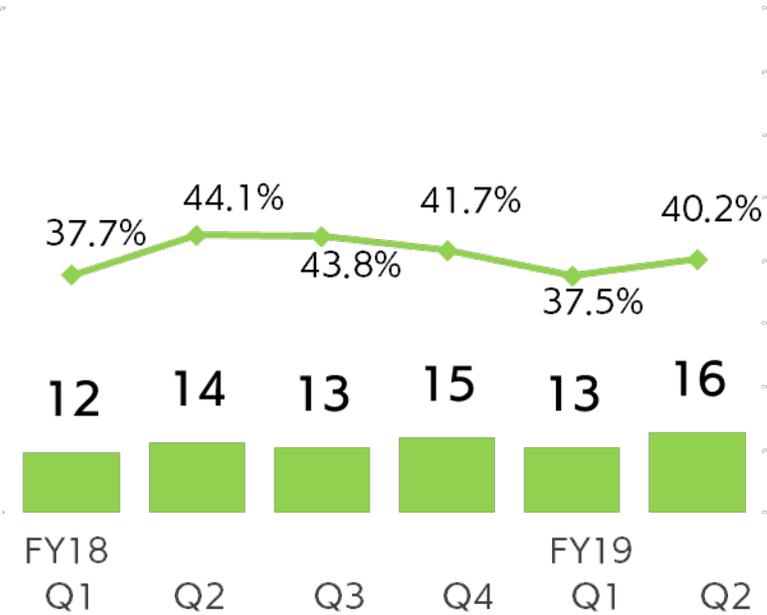
Increase in data platform construction projects for manufacturers and cloud development projects for central government ministries and agencies, and shrink in web site analysis solutions for EC businesses.

(100 Million yen)

## Net sales



## Marginal profit



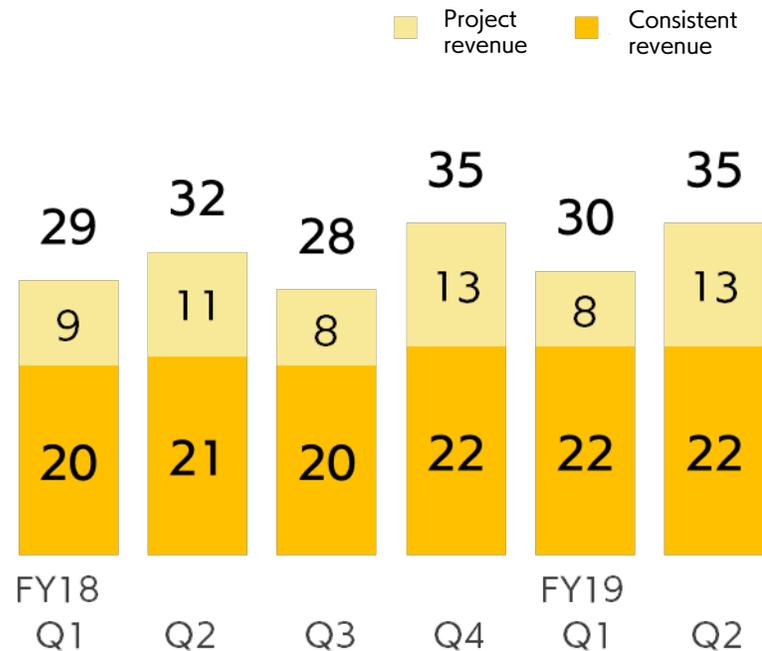
## Corporate IT Solutions

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

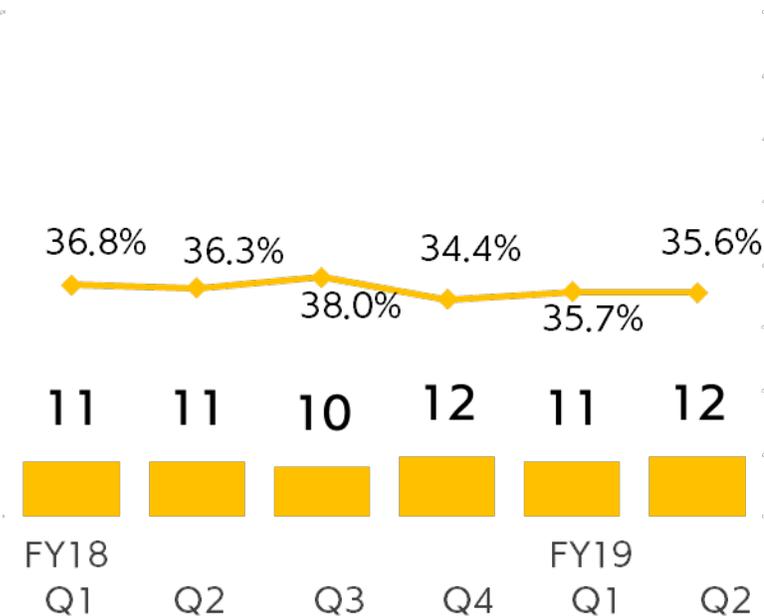
Security-related solutions performed strongly, particularly in manufacturing. Sales and profits rose on growth in our own services, including Microsoft Solutions and clouXion Managed Security Services.

(100 Million yen)

## Net sales



## Marginal profit



## Technical solutions

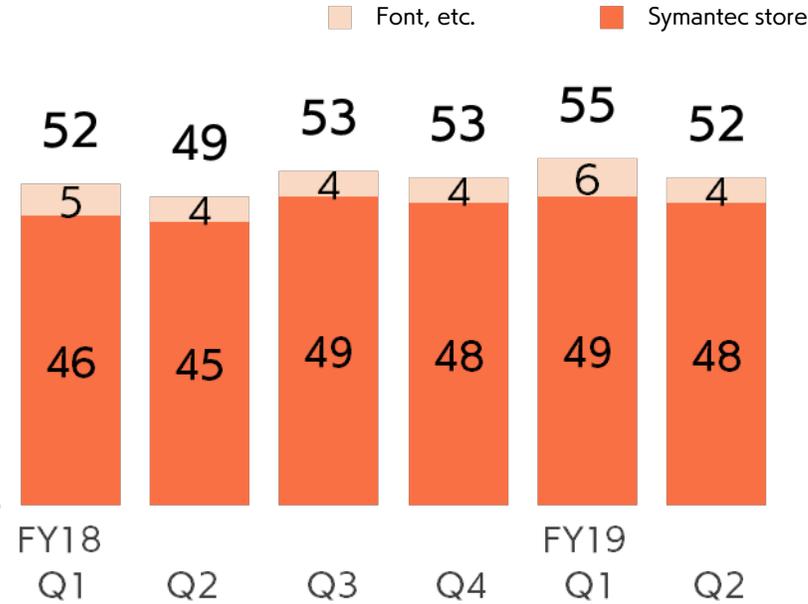
Construction, operation and maintenance of on-premises systems  
Major Customers: SoftBank Group Companies

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

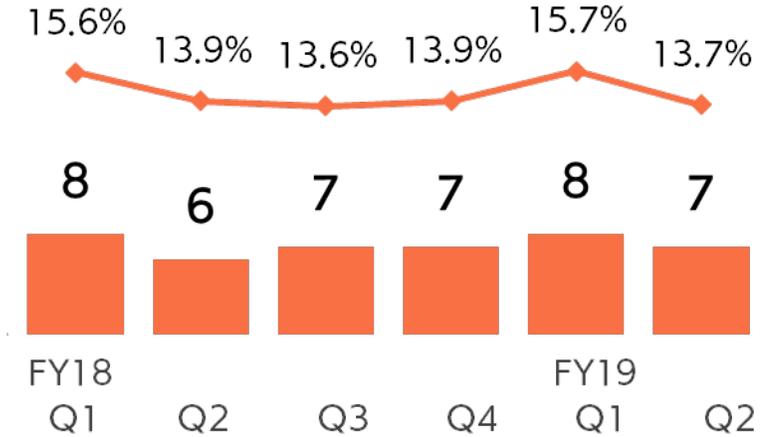
(100 Million yen)

## Net sales

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



## Marginal profit



### EC Solutions

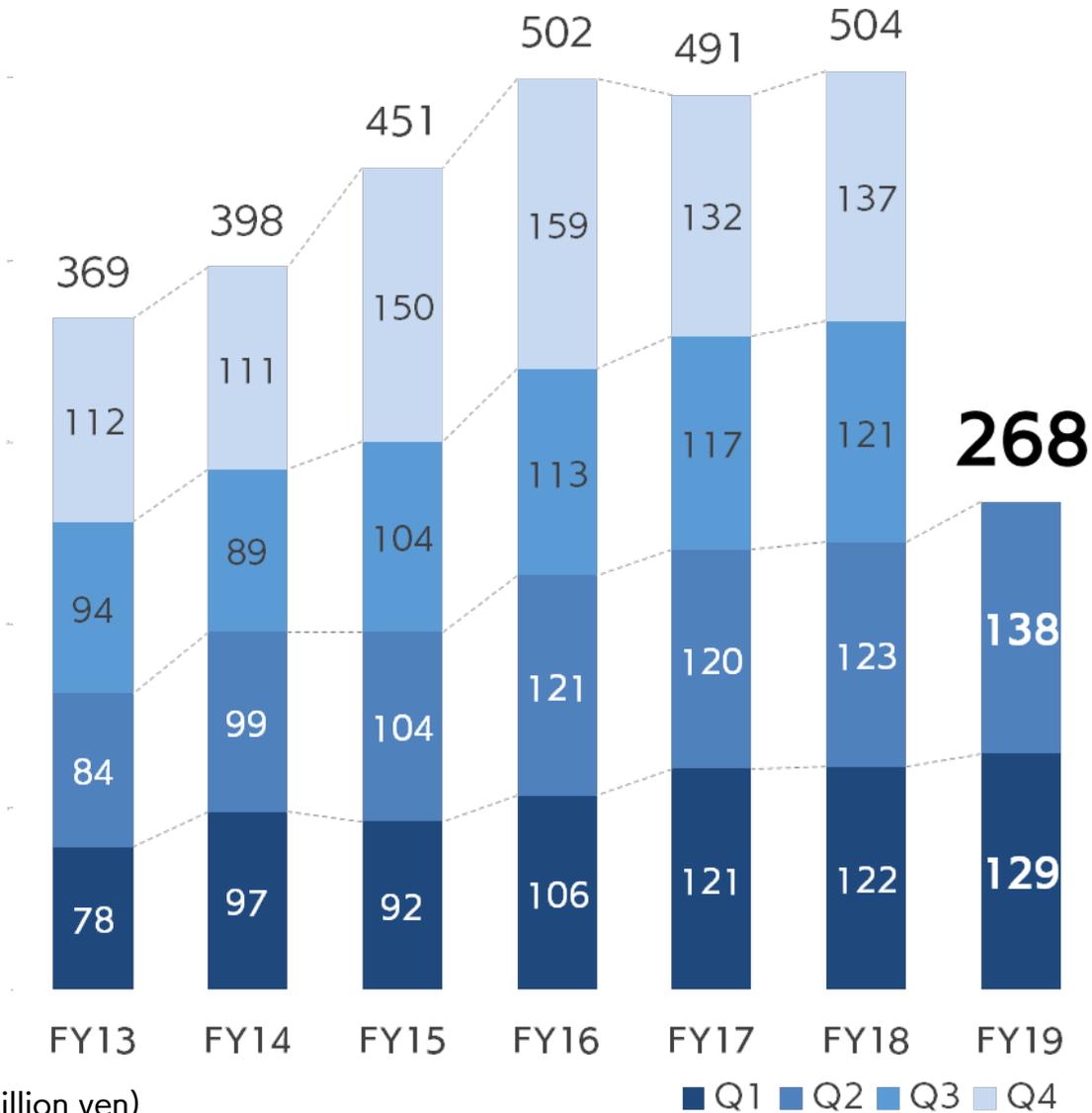
EC site management agency/Font license sales  
Main customers: Individuals

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

# Numerical data

SB Technology

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

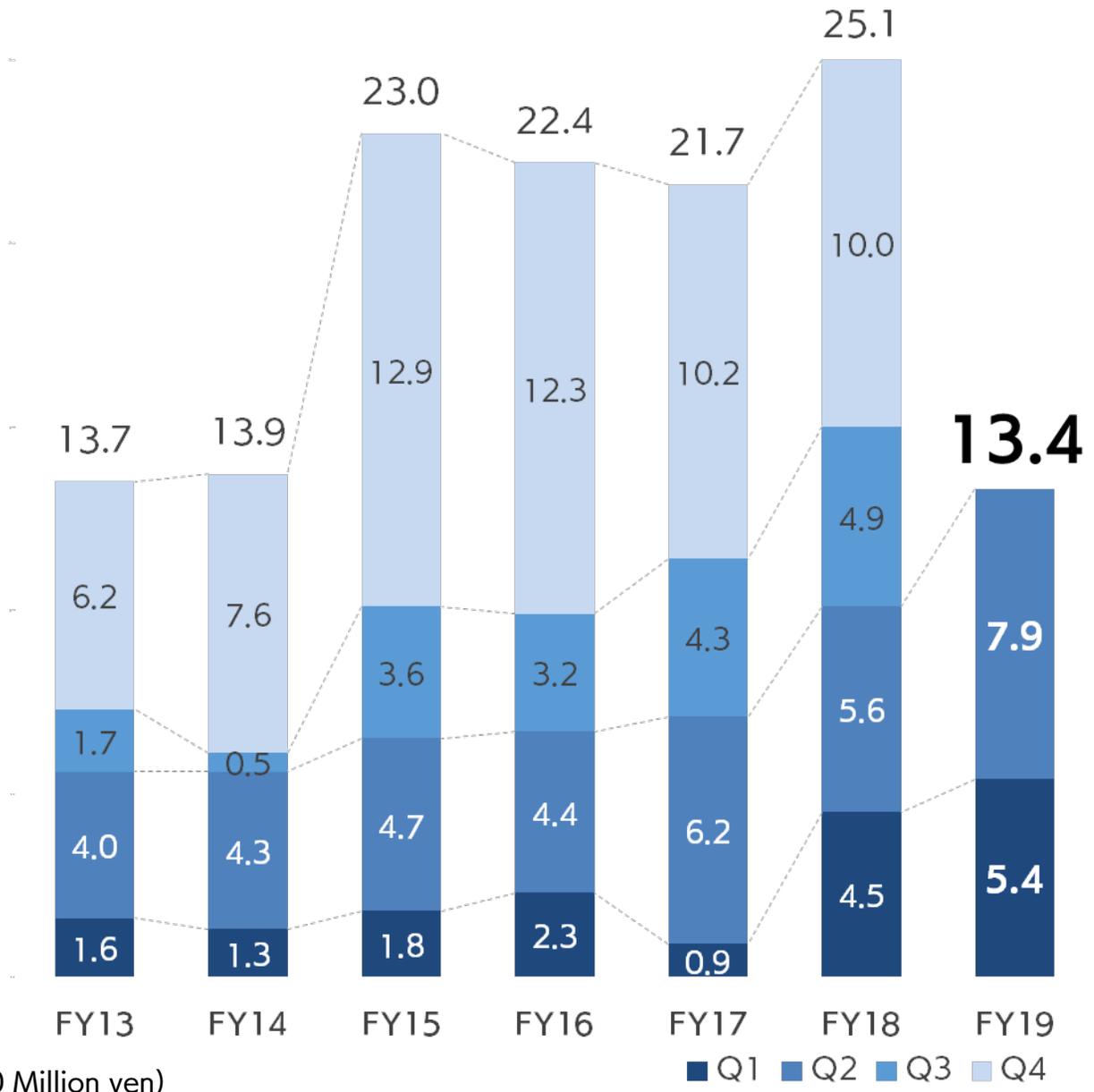


Q2 sales (YoY)  
Increase of 12.8%

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

1 H Operating Income (YoY)  
Increase of 32.2%

Q2 Operating Income (YoY)  
Increase of 41.0%



(100 Million yen)

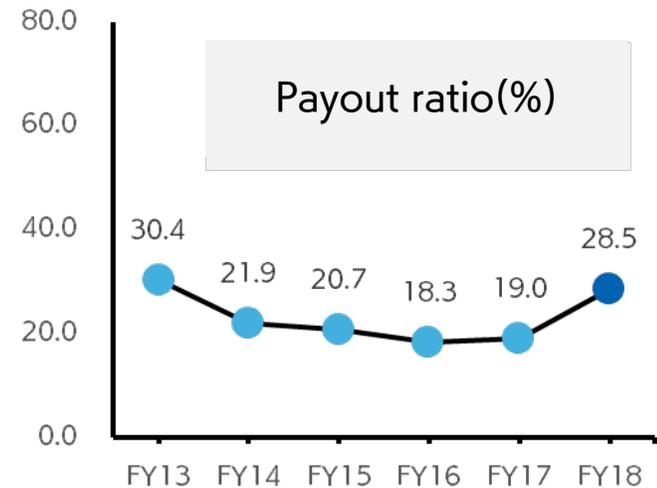
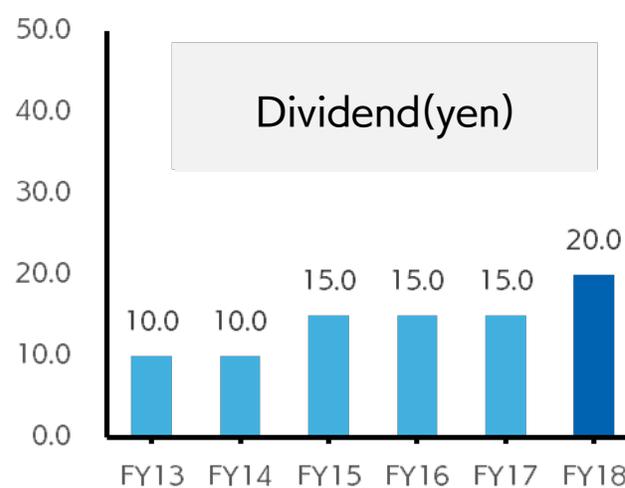
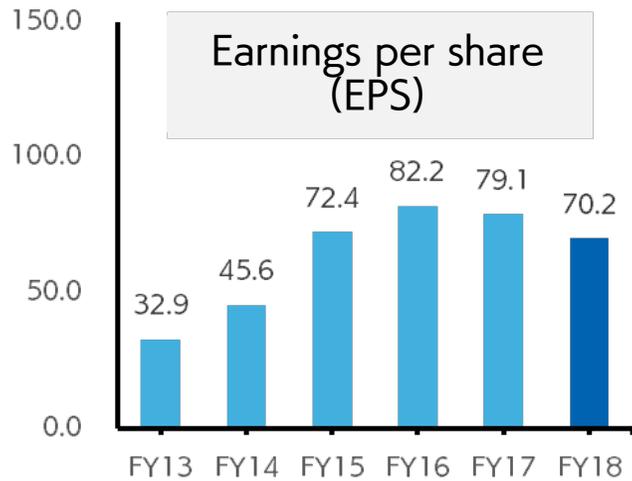
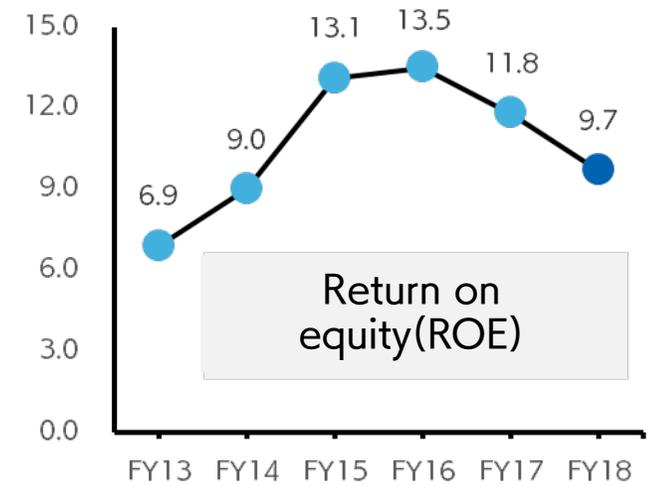
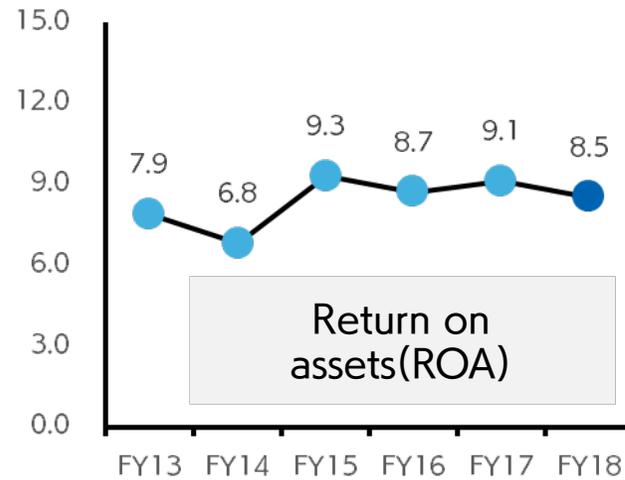
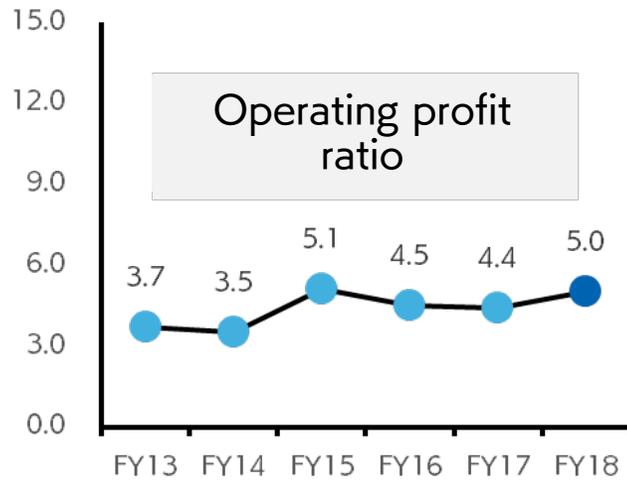
| Consolidated Results (Millions of yen)      | FY18H1 | FY19H1 |
|---|--------|--------|
| Sale  | 24,561 | 26,841 |
| BIT solution                                | 1,557  | 1,654  |
| CIT Solutions                               | 6,502  | 7,750  |
| Technical solutions                         | 6,263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

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

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

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

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



(\* ) The Company conducted a 2-for-1 stock split of common stock on June 1, 2017, and the amount of dividends paid prior to the split has been adjusted.

# Corporate Information

 SB Technology

## Management philosophy

### Mission

Information Revolution - Happiness for everyone

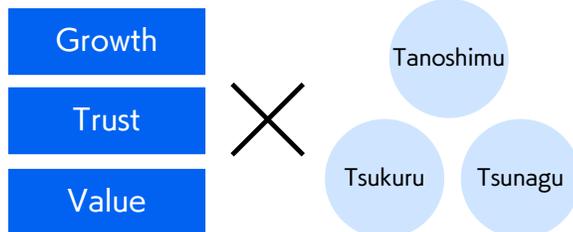
~ Technologies Design the Future ~

### Vision

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

### Value

Accept Diversity  
Three Perspectives x Three Actions



## Corporate Data

(As of March 31, 2019)

|                           |   |
|---------------------------|---|
| Trade Name                | SB Technology Corp. (*)                     |
| Address                   | 27-30, Shinjuku 6-chome, Shinjuku-ku, Tokyo |
| Description of Businesses | ICT services business                       |
| Establishment             | October 16, 1990                            |
| Common stock              | JPY995 mn                                   |
| Number of employees       | 1,012 (consolidated)                        |

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

## Officers

(As of June. 17, 2019)

### Board of Directors and Corporate Auditors

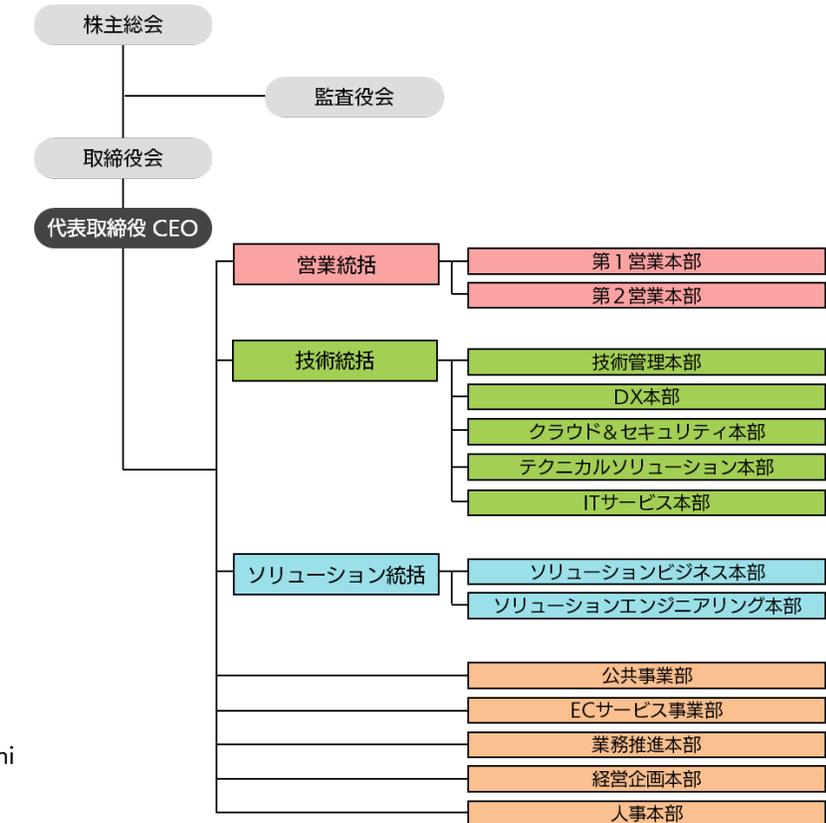
|                              |                 |                                       |                 |
|------------------------------|-----------------|---------------------------------------|-----------------|
| Representative Director      | Shinichi Ata    | Chairman of Audit & Supervisory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

### Executive Officers

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

## Organizational Chart

(As of April 1, 2019)

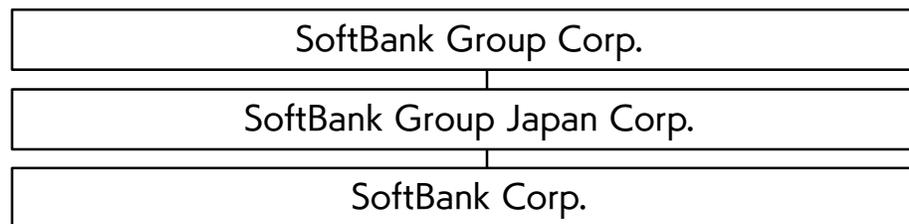


## Certification and accreditation

(As of April 1, 2019)



Scope of ISMS and Registration  
Head Office/Shiodome/Sendai/Nagoya/Osaka/Fukuoka



## SB Technology



### M-SOLUTIONS, Inc.

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



### Fontworks

### FONTWORKS Incorporated

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



### KAN

### Kan Corporation

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



### cybertrust

### CyberTrust Japan Co., Ltd.

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



### ASORA Tech Corp.

Providing ICT-based solutions and comprehensive ICT services in agriculture



### REDEN Corp.

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

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

SB Technology Corp.

ICT services



## Business IT Solutions

Cloud business  
(for business divisions)

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



## Corporate IT Solutions

Cloud business  
(for company-wide and administrative divisions)

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



## Technical solutions

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



## EC Solutions

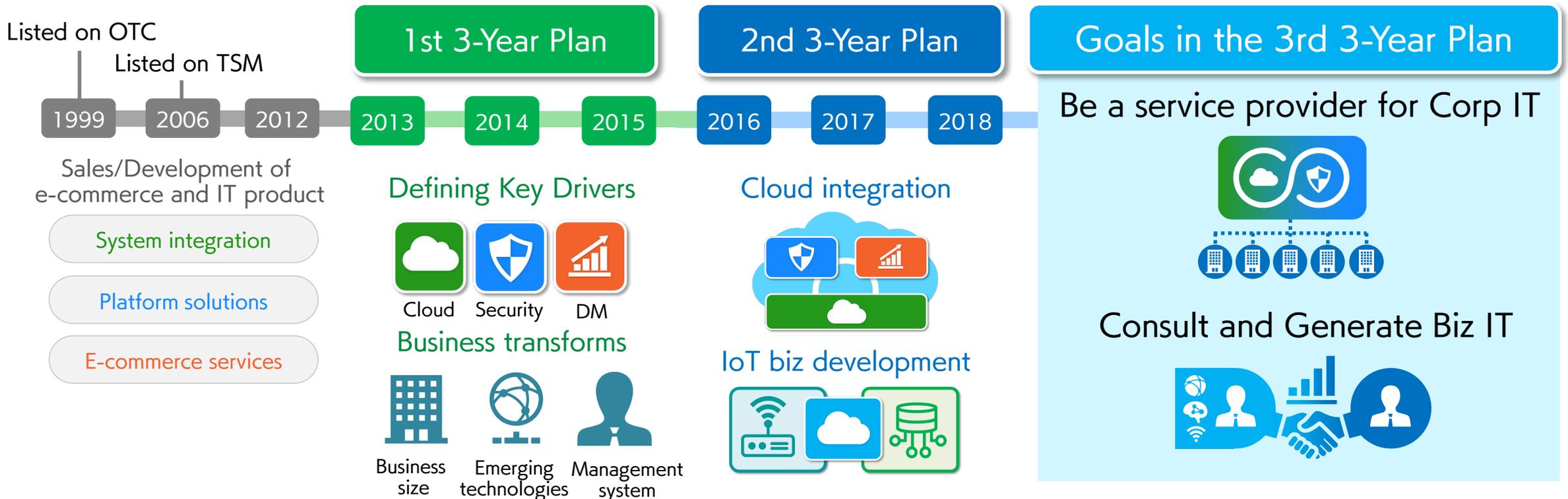
- EC site management agency
- E-commerce sales of font licenses, etc.

## With long-term targets Positioning of the New 3-Year Plan

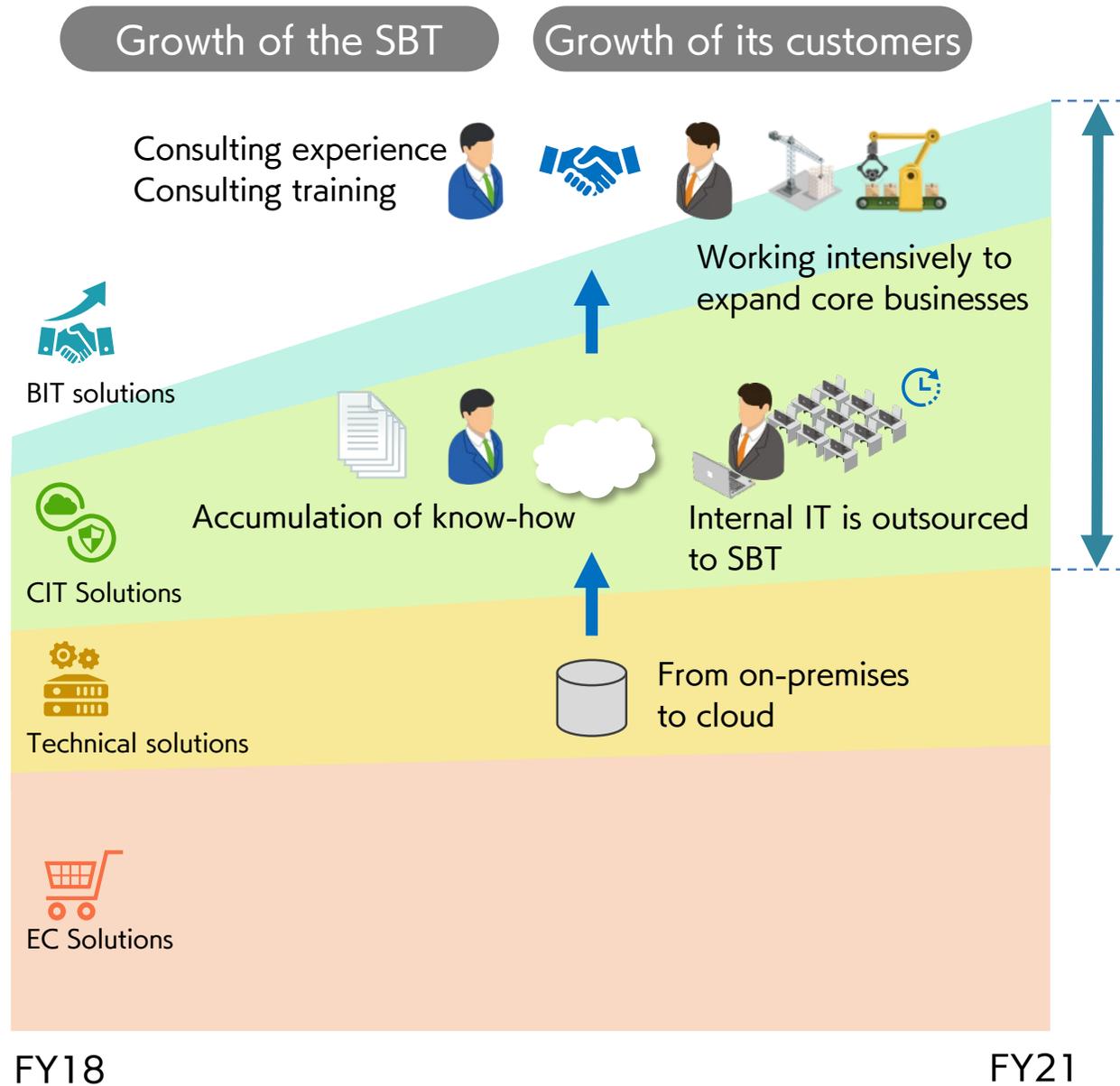
Long-term goal

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



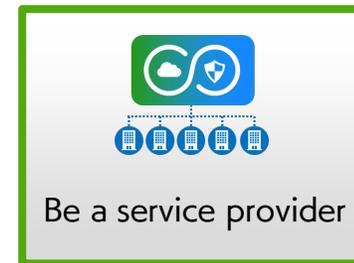
# Growth of Cloud Business (BIT and CIT) Focused on the Third Medium-Term Management Strategy



## Shares of Sales 50%



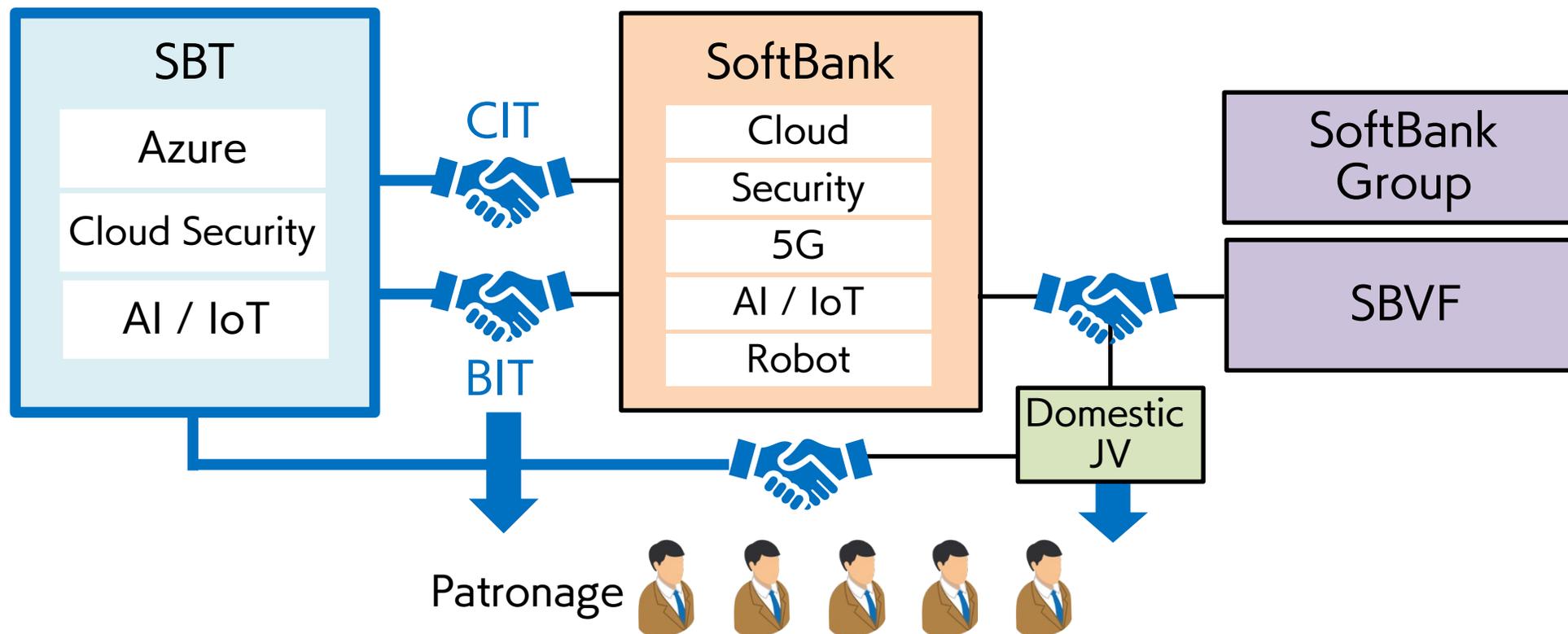
- Business IT (BIT)**
- Collaborative Innovation with Business Divisions
  - Strengthen competitiveness by leveraging advanced technologies
  - Support of globalization



- Corporate IT (CIT)**
- Create time for customer IT departments
  - Promoting cloud computing and work style reform
  - Collaboration with sales partners

## ● The theme is the creation of domestic business synergies

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





Microsoft partners  
Winning of the Year 2019



Microsoft partners  
Winner of the Year 2018



2018 Titan Award  
Award in the APAC Category



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



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



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



2016 Microsoft  
Winning the Worldwide Partner Award  
4 Prize



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



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



Imperva, Inc.  
Top Growth Partner Award



McAfee  
Received Partner Award 2016 2 category award



Japan Network Security Association  
JNSA Prize special award



27th Nikkei New Office Award  
Office Security Award



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



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



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



Sitecore MVP Award  
Awarded (2016)

## FY21 Management Indicators

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

## Priority theme

Be a Service Provider for Corp IT



Consult and Generate Business IT



## SBT in Figures

SBT consolidated  
Number of  
Employees **1,012**

Reduce overtime work by improving productivity

**42 hours** → **25 hours**  
FY2015 FY2018

SBT non-consolidated  
technical employees  
Percentage of PMP  
holders **23%**  
(International Project Management Certification)

(consolidated basis)  
2,019th New Graduate  
**42**

Average age  
**37.9**  
years of age

As of March 31, 2019

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

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



### On/Off Switching (sharp)

- Flex without Core Time System
- Leave of Complete PJ



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



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



### Support for Growth (Securing and Maintaining Excellent Human Resources)

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

Percentage of Employees  
Taking Leave for Skill Development  
FY2018

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



### ICT Utilization (Reduction and Creation of Time)

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

On the initiative of employees  
Telework is also realized

# Materials to be Considered

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

## Disclaimer

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

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*\*It is translated by AI.*

Information Revolution — Happiness for everyone

~Technologies Design the Future~

 **SB Technology**