



Serverworks

FY02/2022 Financial Summary

Serverworks Co., Ltd. (Securities code: 4434)

Topics

Q4 FY02/22 Topics

□ Launched “PCI DSS AWS Users Consortium Japan,” a consortium to disseminate PCI DSS Compliance Knowledge using AWS, jointly by 5 companies.

- Launched “PCI DSS AWS Users Consortium Japan (Abbrev. PCI DSS AUC Japan)” jointly with the Bank of the Ryukyus, fjconsulting, INC., GRCS Inc., and LINK, INC. to disseminate information to AWS and PCI DSS users on knowledge that comply with PCI Data Security Standards using AWS.

□ Listed among “Best Companies to Work For in 2022” continuously for 5 years.
Launched "Cloud Work Style," in which employees themselves choose their own work environment.

- Selected as one of the “ Best Companies to Work for“ in the 2022 edition by Great Place to Work^(R) Institute Japan for five consecutive years.
- The "Cloud Work Style" system allows employees to choose the most productive working environment in terms of location, tools, and environment for work.

Q4 FY02/22 Topics

□ Revised full-year earnings forecast for the FY02/2022 (disclosed on Feb 18)

- Disclosed that operating profit, ordinary profit, and profit are expected to exceed the previous forecast due to an improved order environment resulting from the recovery from the impact of the Covid-19 pandemic, increased AWS usage by customers, and the favorable impact of foreign exchange rates.

Disclosed on Mar 31

□ Loan of MBO funds in connection with the consideration of a capital and business alliance with Topgate, Inc.

- In considering a capital and business alliance with TOPGATE, Inc. (Head office: Bunkyo-ku, Tokyo; Representative Director: Takashi Nishiumi), which is engaged in system and application development, seminars, training, consulting, and other businesses utilizing Google Cloud, Serverworks decided to provide a loan of 350 million yen, which is subject to the preservation of a pledge on its 98.6% stake in the company.
- Plan to continue negotiations for a capital and business alliance with the company.

Earnings Forecast

Non-Consolidated Earnings Forecast for FY02/22 (Disclosed on Feb 18, 2022) ¹

Disclosed that full year net sales are expected to increase significantly, and each measure of profit to **exceed the previous earnings forecast by a wide margin**, due to the favorable impact of foreign exchange rates and improvement in the ordering environment as a result of the recovery from the COVID-19 pandemic.

(Unit: million yen)

	FY02/21 Results	Composition (%)	FY02/22 Forecasts (increase from the previous forecast)	Composition (%)	% of previous year
Net Sales ²	8,029	100.0	10,766 (+568)	100.0	134.1
Gross profit	1,224	15.3	1,741 (+101)	16.2	142.2
Operating profit	419	5.2	645 (+155)	6.0	153.9
Ordinary profit	410	5.1	654 (+139)	6.1	159.5
Profit	482 ³	6.0	454 (+98)	4.2	94.2

1. There is no change in the earnings forecast disclosed in "Notice of Revision of Earnings Forecast" on Feb 18, 2022.

2. Since our business is in the single segment of the cloud business, we do not disclose the earnings forecast for each segment. For the forecast figures of AWS Resale as percentage of net sales, we have adopted 107 yen per dollar.

3. Profit for FY 02/21 includes an extraordinary gain of 246 million yen from the sale of investment securities.

Consolidated Earnings Forecast for FY02/22 (Disclosed on Feb 18, 2022) ¹

Shifted to consolidated financial statements from Q2 FY02/22 due to the establishment of G-gen as a subsidiary. Figures include the earnings forecasts of G-gen, which will be consolidated, and Sky 365, which is an equity method affiliate.

(Unit: million yen)

	FY02/21 Results (Non-consolidated)	Composition (%)	FY02/22 Forecasts (Consolidated) (increase from the previous forecast)	Composition (%)	% of previous year
Net Sales ²	8,029	100.0	10,779 (+566)	100.0	134.3
Gross profit	1,224	15.3	1,732 (+110)	16.1	141.5
Operating profit	419	5.2	604 (+184)	5.6	144.2
Ordinary profit	410	5.1	616 (+172)	5.7	150.2
Profit and Profit attributable to owners of the parent	482 ³	6.0	438 (+118)	4.1	90.9

1. There is no change in the earnings forecast disclosed in "Notice of Revision of Earnings Forecast" on Feb 18, 2022.

2. Since our business is in the single segment of the cloud business, we do not disclose the earnings forecast for each segment. For the forecast figures of AWS Resale as percentage of net sales, we have adopted 107 yen per dollar.

3. Profit for FY 02/21 includes an extraordinary gain of 246 million yen from the sale of investment securities.

Financial Results

Summary of Group Financial Results for FY02/22



(Consolidated)

Business grew substantially due to the favorable impact of foreign exchange rates and the improved order environment as a result of the recovery from the COVID-19 pandemic, **resulting in a significant increase over the previous fiscal year.**

	(million yen)
Net sales	10,920
	(136.0% of the previous year)
Operating profit	638
	(152.1% of the previous year)

(Non-consolidated)
Serverworks Co., Ltd.



Net sales 10,910 million yen
(135.9% of year-earlier level)

Operating profit 676 million yen
(161.2% of year-earlier level)

(Consolidated subsidiaries)
G-gen Co., Ltd.



Net sales 9.9 million yen
(-% of year-earlier level)

Operating profit -40 million yen
(-% of year-earlier level)

(Equity method affiliate)
Sky365 Co., Ltd.



Equity in earnings of affiliates of 6.0 million was recorded.

Earnings Results for Full-Year FY02/22 (Consolidated) -YoY

(Unit: million yen)

	FY02/21 results	Composition (%)	FY02/22 results (Non- Consolidated)	FY02/22 results (Consolidated)	Composition (%)	% of the previous year
Net Sales ²	8,029	100.0	10,910	10,920	100.0	136.0
Gross profit	1,224	15.3	1,752	1,746	16.0	142.6
Operating profit	419	5.2	676	638	5.8	152.1
Ordinary profit	410	5.1	689	653	6.0	159.2
Profit	482 [*]	6.0	458	421	3.9	87.5
Profit attributable to owners of the parent	—	—	—	442	4.1	—
EBITDA	468		740	702		

* Profit for FY 02/21 includes an extraordinary gain of 246 million yen from the sale of investment securities.

Earnings Results for Full-Year FY02/22 (Consolidated)

-Comparison with Earnings Forecast Disclosed on Feb 18, 2022

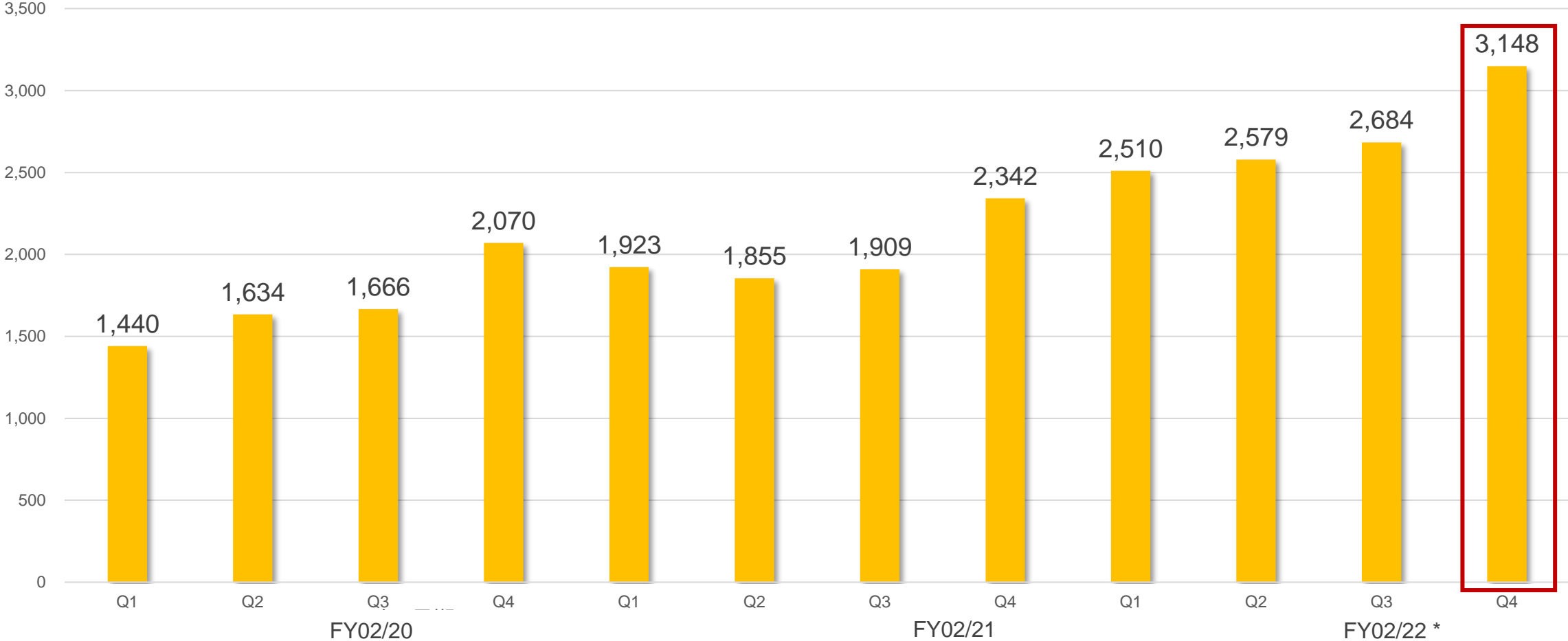
(Unit: million yen)

	FY02/22 Forecasts	Composition (%)	FY02/22 results	Composition (%)	% of Earnings Forecast
Net Sales	10,779	100.0	10,920	100.0	101.3
Gross profit	1,732	16.1	1,746	16.0	100.8
Operating profit	604	5.6	638	5.8	105.6
Ordinary profit	616	5.7	653	6.0	106.0
Profit attributable to owners of parent	438	4.1	442	4.1	101.0

Quarterly Net Sales

The growth rate was extremely high, + 34% compared to the same quarter of the previous year and + 17% compared to the previous quarter.

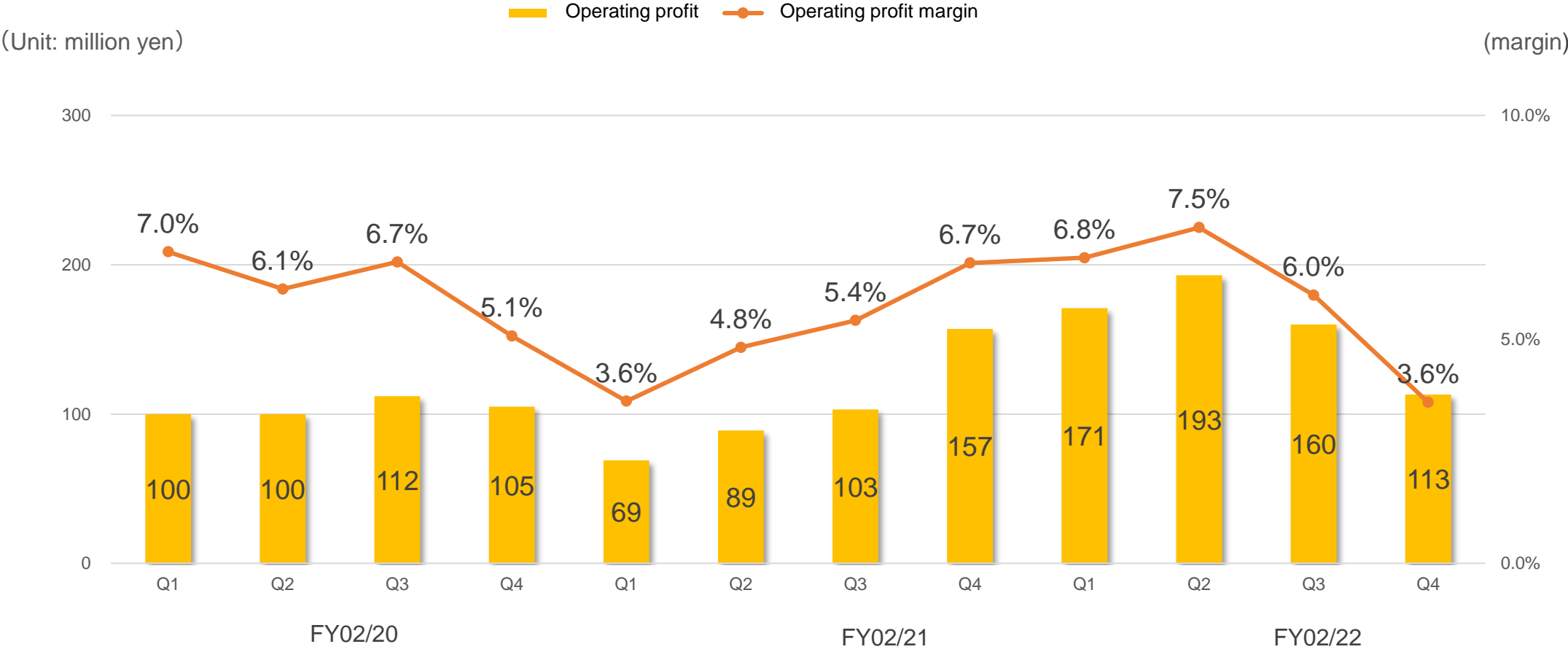
(Unit: million yen)



* Non-consolidated net sales indicated until Q1 FY02/22.

Operating Profit, Operating Profit margin

The downward trend in the operating profit margin is **the effect of investment that contributes to future growth**, such as strengthening recruitment in response to the improvement in the ordering environment, and is not a problem such as changes in the profit structure of the project (deterioration of profitability).



FY02/22 Net Sales by Product/Service Segment

Net sales of main products/service segments* increased from the same quarter of the previous year.

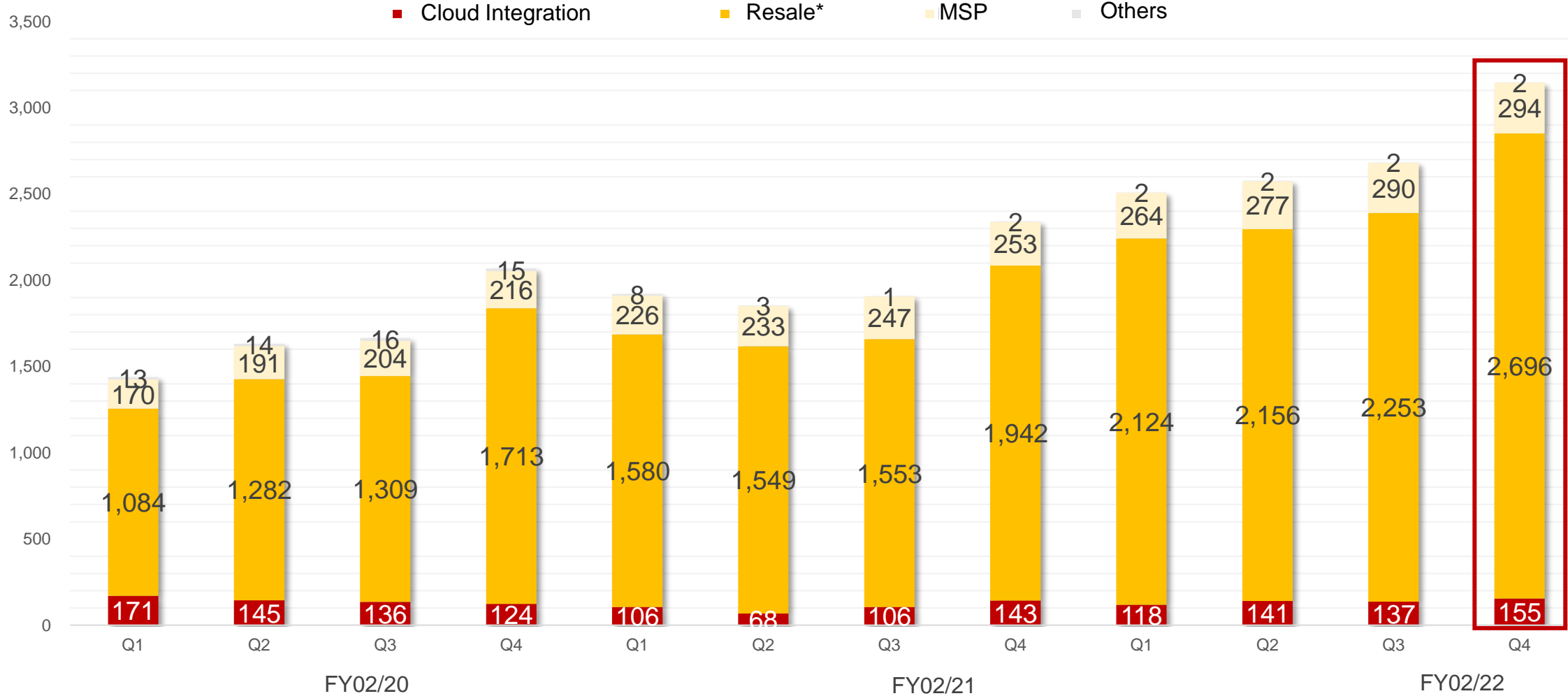
(Unit: million yen)

	FY02/21 Results	Composition (%)	FY02/22 Results (Consolidated)	Composition (%)	% of the previous year
Cloud Integration	425	5.3	552	5.1	129.9
Resale	6,626	82.5	9,231	84.5	139.3
MSP/ SRE (Managed Service Provider)	961	12.0	1,127	10.3	117.3
Other	16	0.2	9	0.1	61.3
Total	8,029	100.0	10,920	100.0	136.0

*Each service is explained in detail on page 39.

Quarterly Net Sales by Product/Service Segment

(Unit: million yen)



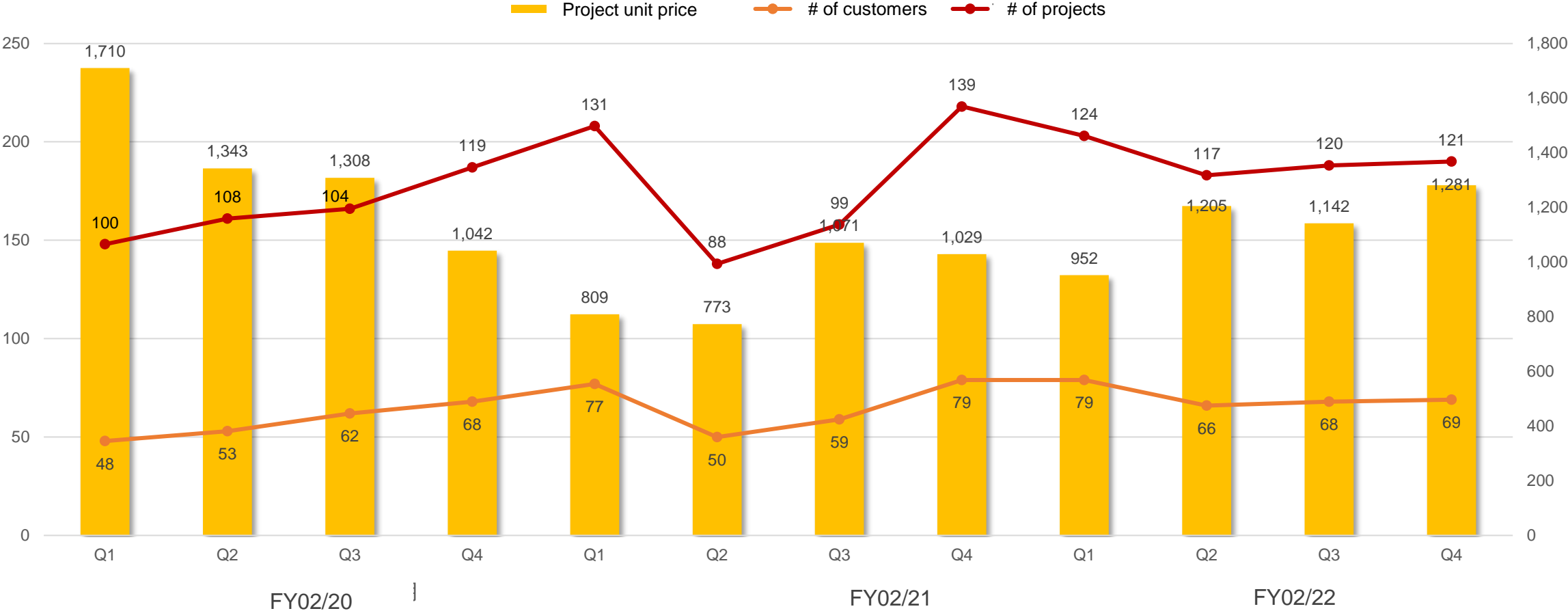
*Due to the nature of AWS Resale transactions, total usage fees are recorded as net sales.

Cloud Integration: The Trend of Each Index

Against the backdrop of continued strong demand, each index remained steady.

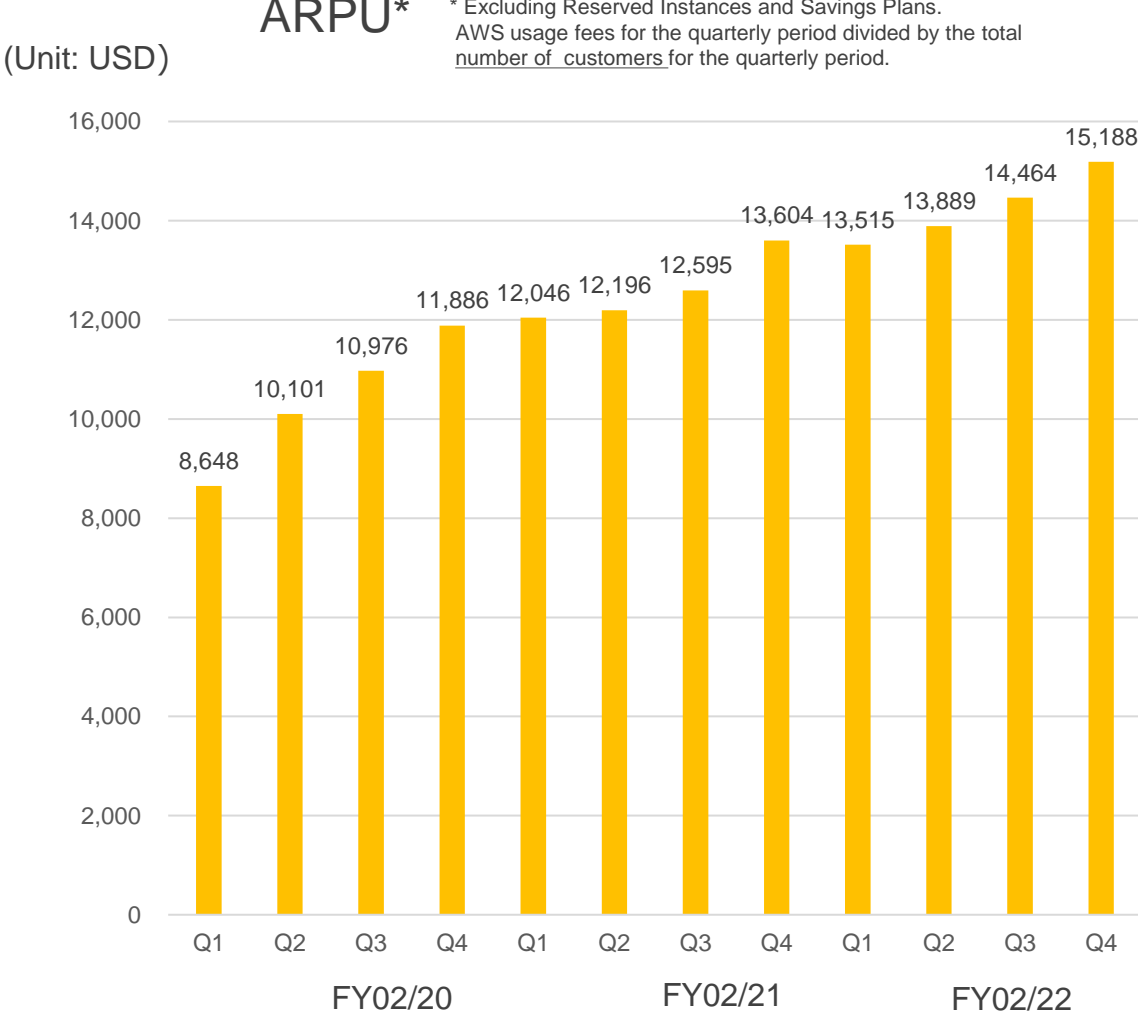
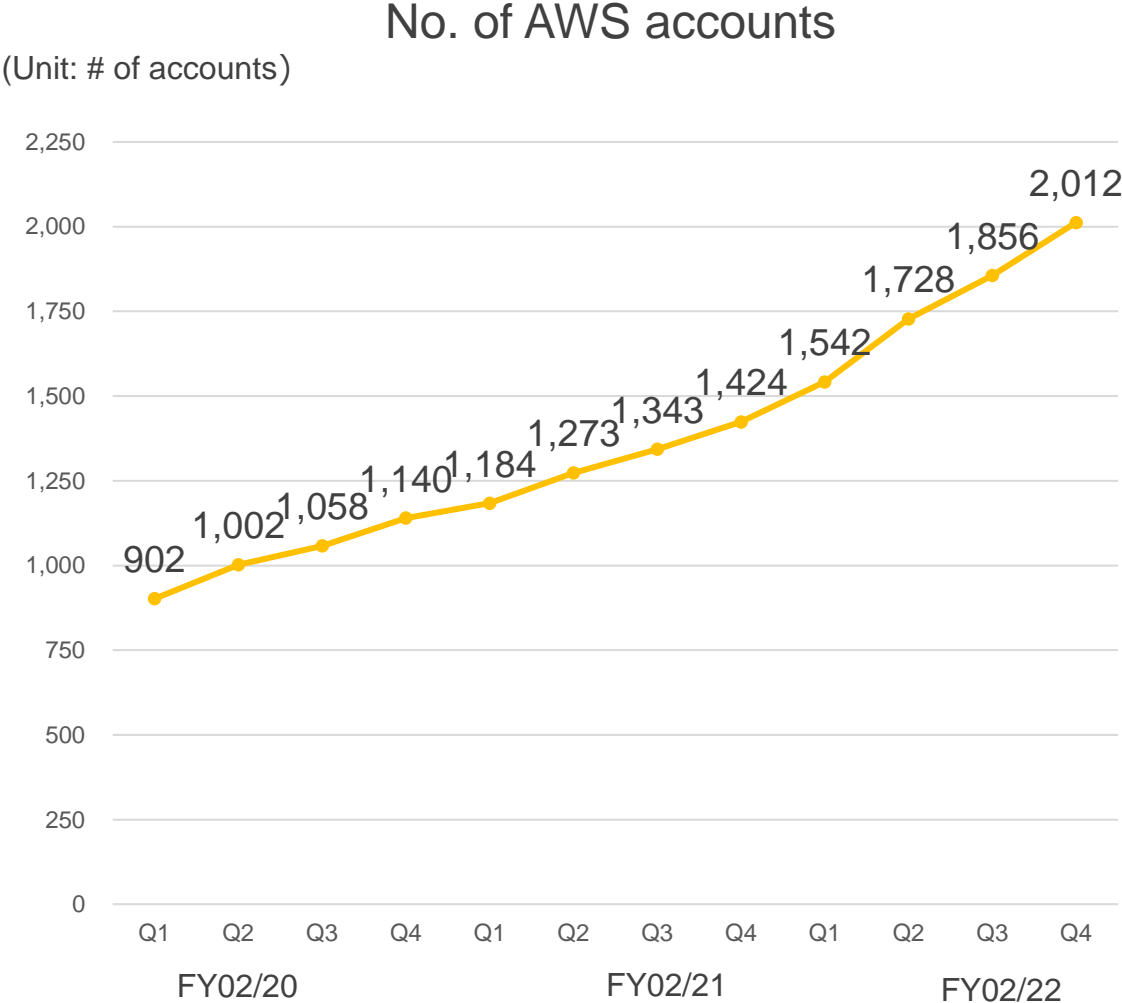
of customers (companies) / # of projects

Project unit price
(thousands of yen)



Resale: Number of AWS Accounts, ARPU

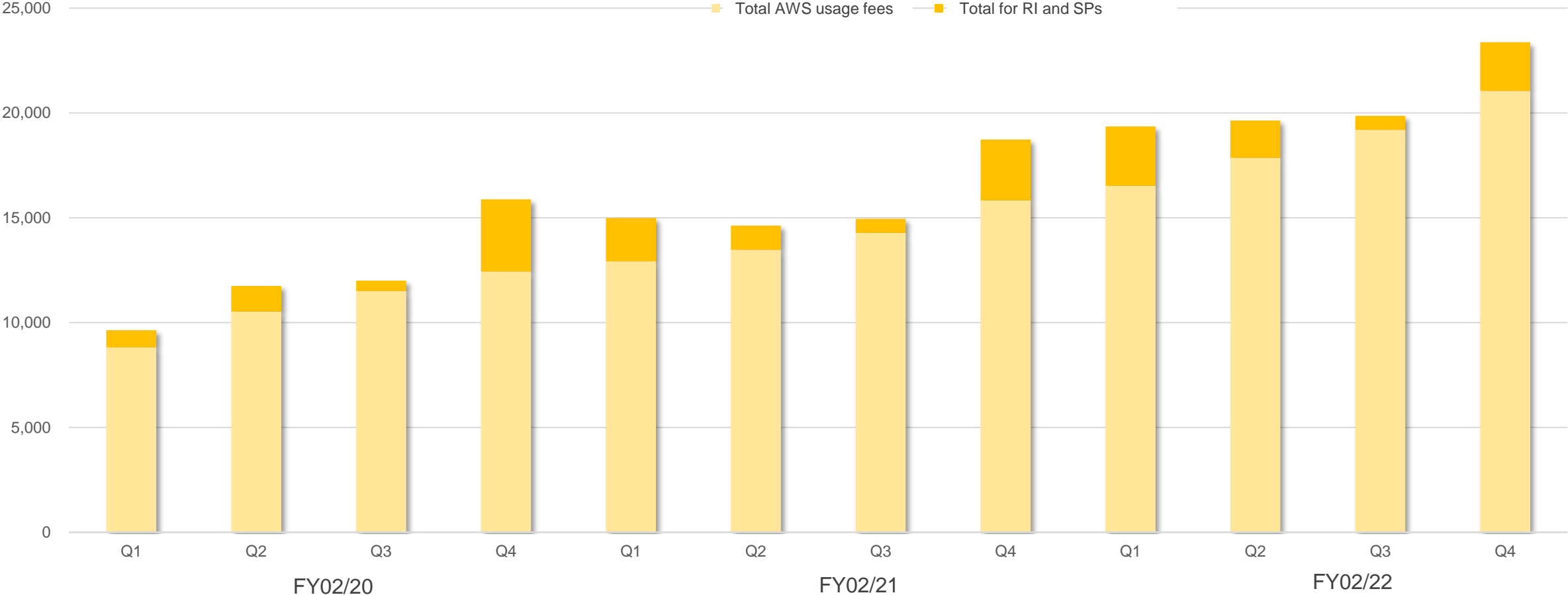
Number of AWS Accounts and ARPU increased steadily.



Resale: AWS Usage Fees, Reserved Instances, Saving Plans

Regular AWS usage fees maintained **steady organic growth**.
Reserved Instances (RI)* and Saving Plans (SPs)* had a certain amount of purchases, as in previous years.

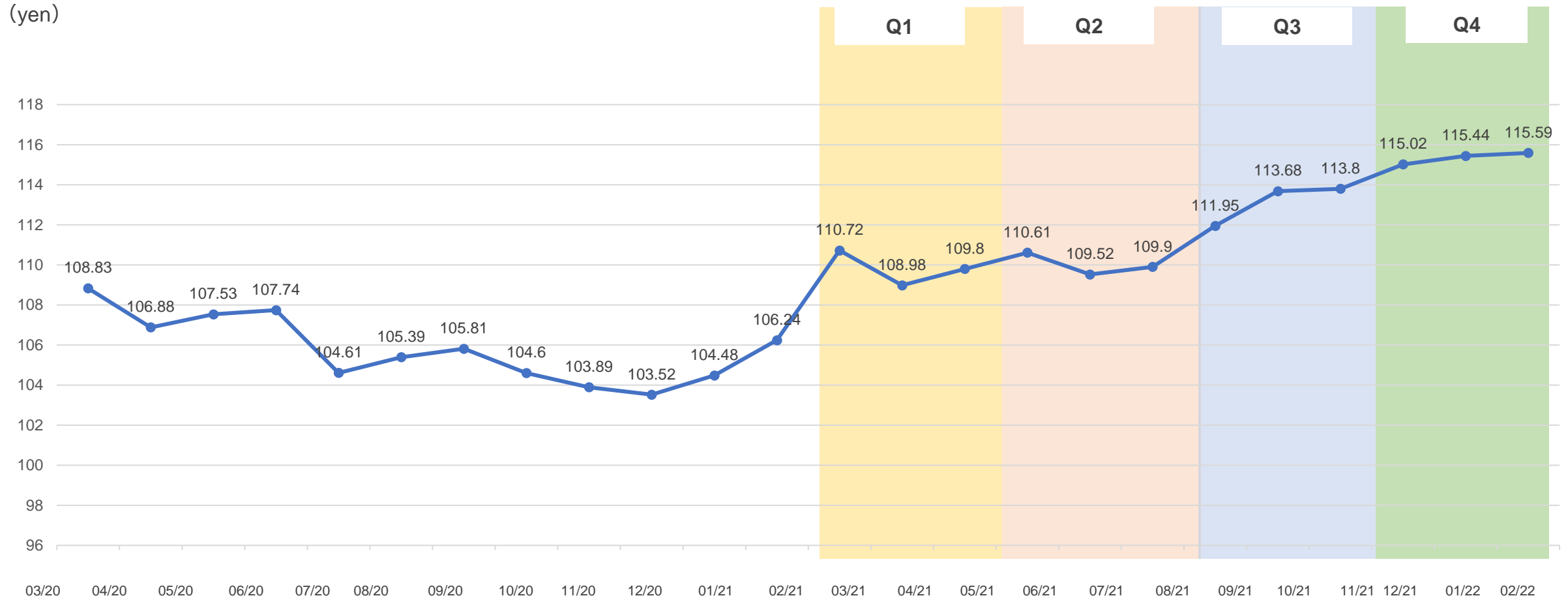
(Unit: thousands of dollars)



*AWS service under which substantial discounts are offered to customers who pay a fixed reservation fee and commit to AWS usage for a certain period

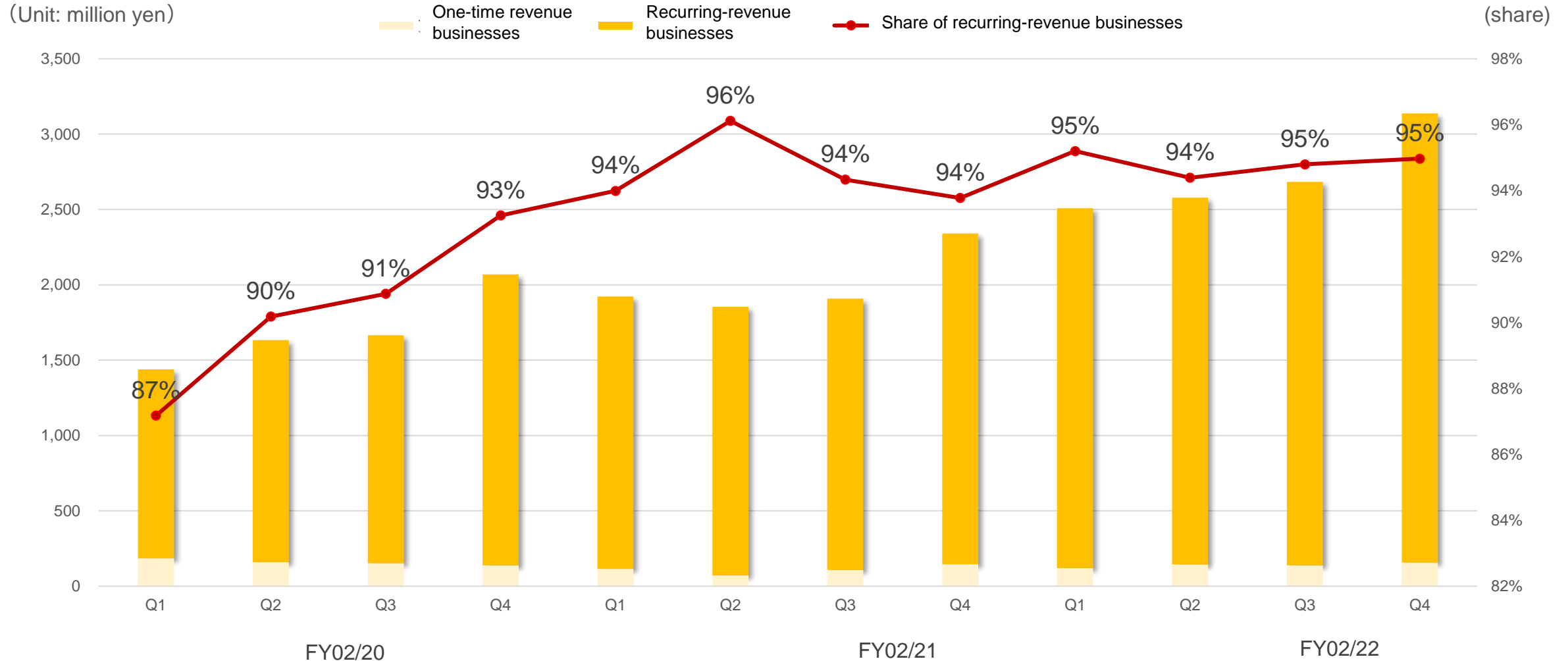
Resale: Exchange Rate Trend*

Continued depreciation of the yen contributed to higher **sales and profits**.
Even if sales increase or decrease due to foreign exchange rates, there is no impact on profit margins because the purchase amount also increases or decreases in the same manner.



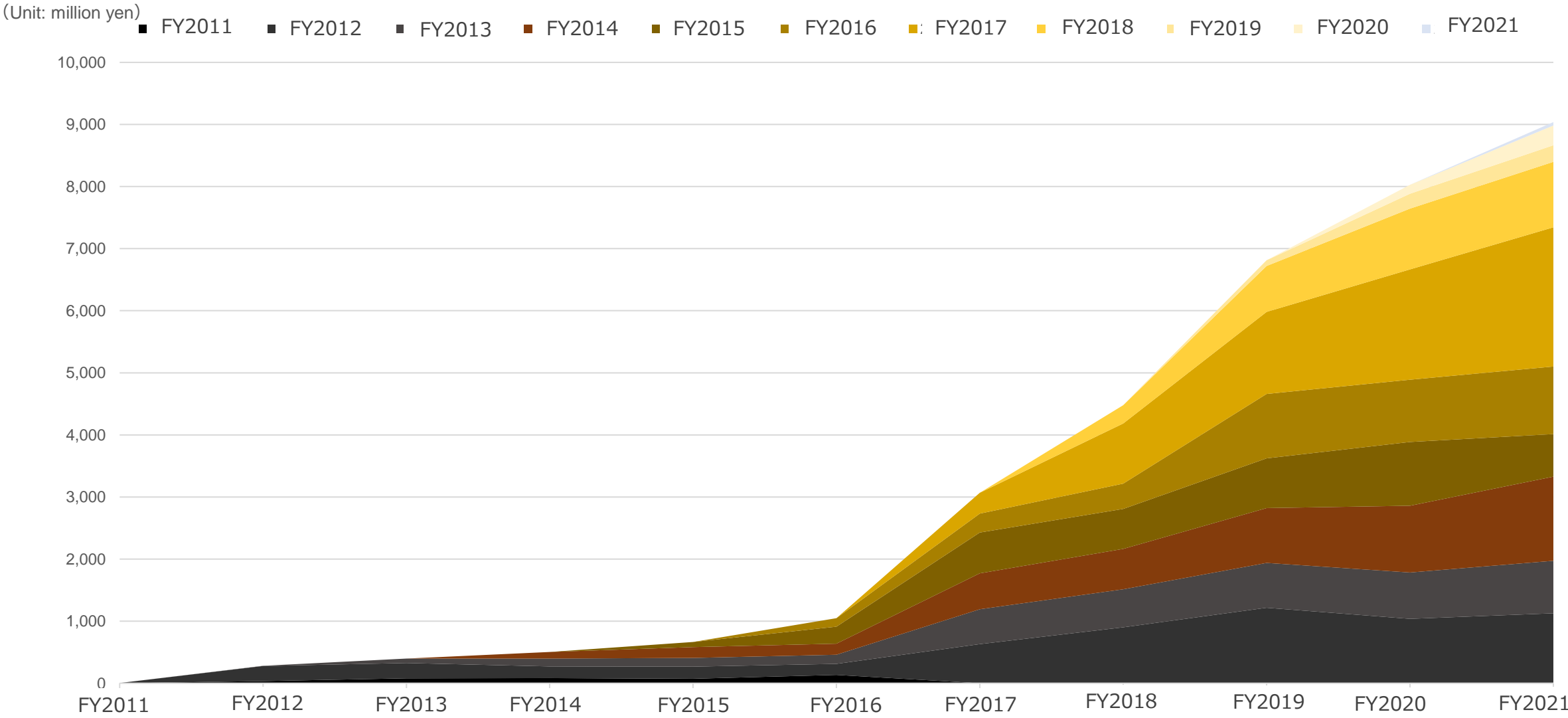
* Mizuho Bank official market price: end of month TTM rate

Stock Business* Ratio Trend



* One-time sales from Cloud Integration, where sales are recorded at the time of customer acceptance positioned as one-time revenue are recorded as One-time revenue businesses. Recurring sales from AWS monthly usage fees, monthly charges for proprietary services such as Cloud Automator, licensing fees for continued use of third-party software services, and MSP usage fees and maintenance fees for AWS server monitoring and backup services (all of which entail continued AWS usage by companies) are recorded as Recurring-revenue businesses.

Lifetime Value

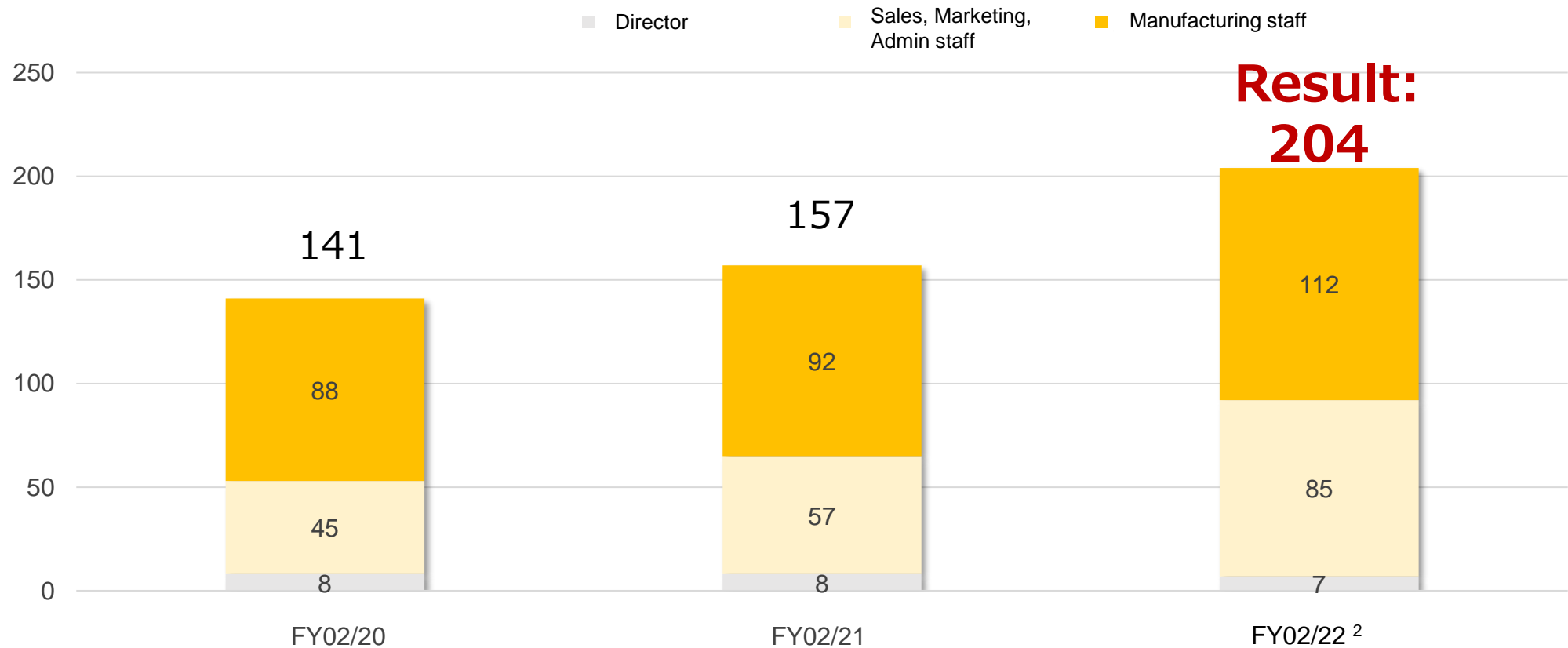


Sales revenue before FY2017 is estimated based on re-calculated AWS resale revenue using recent results.

Trend in Number of Employees ¹

Strengthen active recruitment of highly skilled human resources, especially cloud engineers.

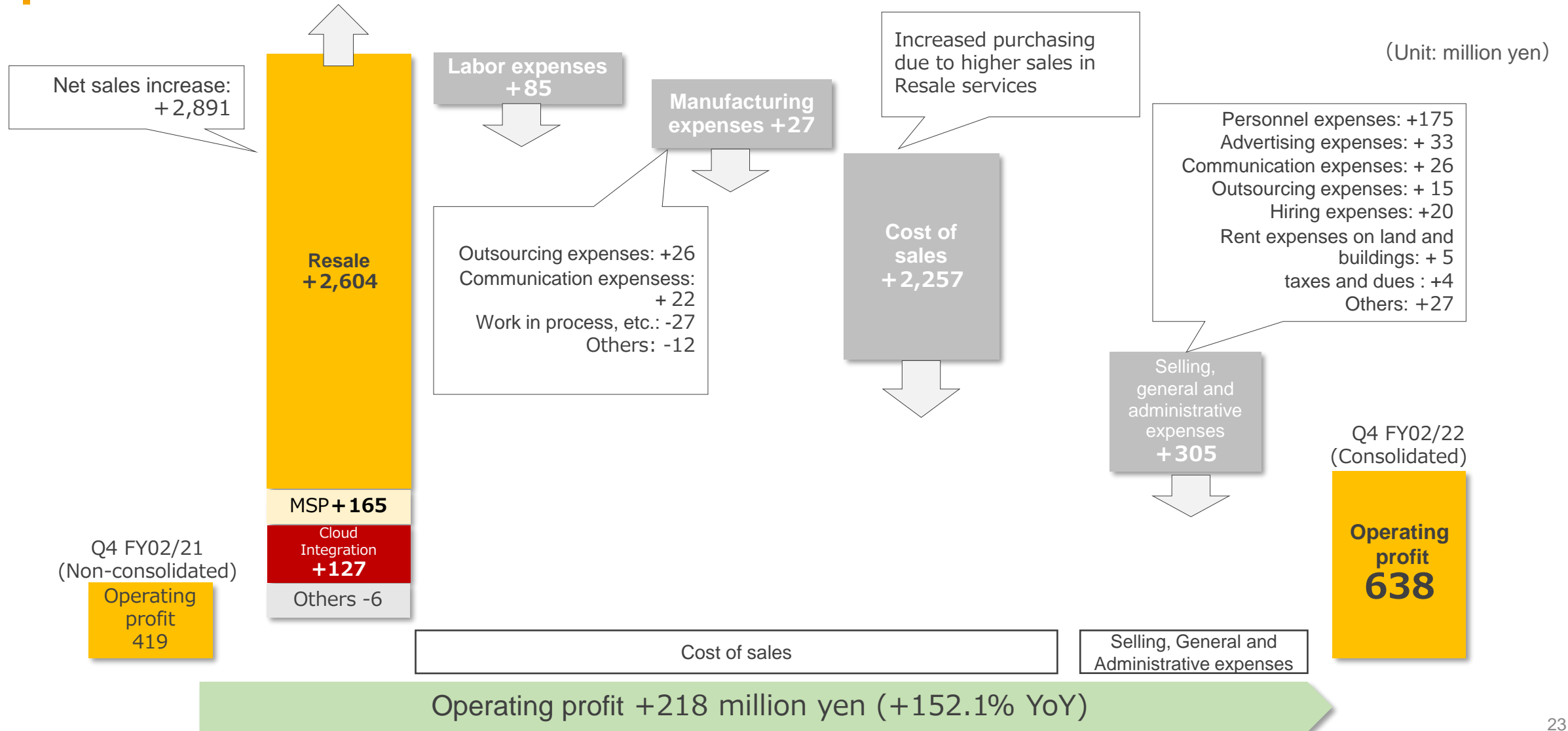
(Unit: employees)



1. The number of employees includes the number of temporary (part-time) employees.
2. Ten new graduates are counted in our sales and administration department in Q1 FY02/22.

FY02/22 Analysis of Factors Affecting Operating Profit

The increase in net sales offset increased expenses such as the cost of sales due to higher sales in resale services and personnel expenses and outsourcing expenses associated with hiring. Operating profit increased significantly, up 100% YoY.



FY02/22 Financial Condition: Balance Sheet (Summary)

In addition to the increase in non-current assets due to the acquisition of investment securities, non-current liabilities and accumulated other comprehensive income decreased due to the revaluation of investment securities. Retained earnings also increased steadily and shareholders' equity increased.

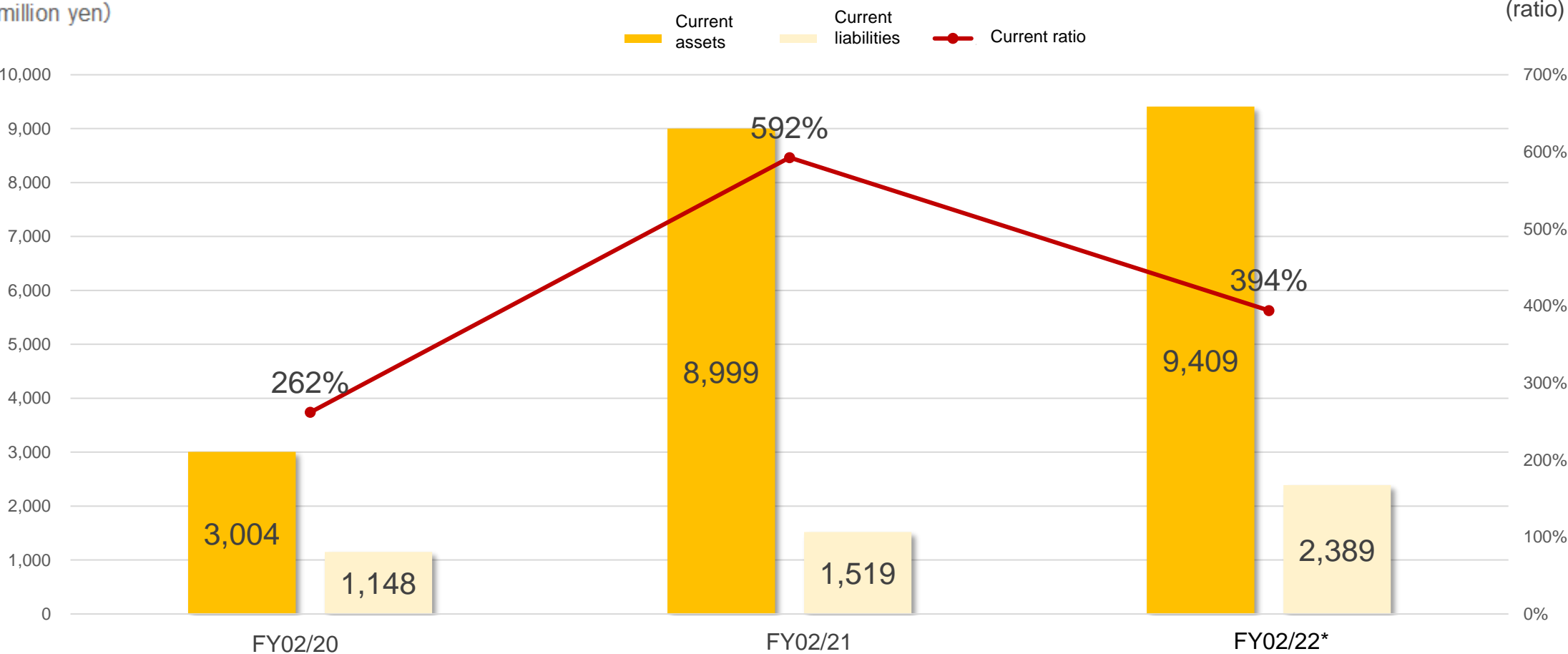
(Unit: million yen)

	FY02/21 Results	FY02/22 Results (Consolidated)	Increase/decrease
Current assets	8,999	9,409	410
Non-current assets	1,718	2,263	545
Property, plant and equipment	72	63	-9
Intangible assets	112	115	2
Investments and other assets	1,532	2,084	551
Total assets	10,717	11,673	955
Total liabilities	1,862	2,584	721
Current liabilities	1,519	2,389	870
Non-current liabilities	342	194	-148
Total net assets	8,855	9,088	233
Total shareholders' equity	7,984	8,490	505
Accumulated other comprehensive income	871	544	-326
Non controlling interests	0	53	53
Total liabilities and net assets	10,717	11,673	955

Current Ratio

Liquidity on hand is in a good shape with the current ratio of 394%.

(Unit: million yen)



Consolidated Earnings Forecast for FY02/23 (Disclosed on Apr 14, 2022)¹

Shifted to consolidated financial statements from Q2 FY02/22 due to the establishment of G-gen as a subsidiary.

G-gen to be consolidated has just started up its business, and personnel and other costs are expected to be incurred upfront.

(Unit: million yen)

	FY02/22 results	Composition (%)	FY02/23 Forecasts (Consolidated)	Composition (%)	% of previous year
Net Sales ²	10,920	100.0	13,485	100.0	123.5
Gross profit	1,746	16.0	1,951	14.5	111.8
Operating profit	638	5.8	429	3.2	67.2
Ordinary profit	653	6.0	453	3.4	69.5
Profit attributable to owners of the parent	442	4.1	373	2.8	84.4

1. There is no change to the full-year earnings forecast disclosed on April 15, 2022 in the "Consolidated Financial Results for the Fiscal Year Ended February 28, 2022".

2. Although we do not disclose earnings forecasts by segment because our business is in the single segment of cloud business, we adopt 113 yen per dollar for the forecast figures of AWS Resale as percentage of net sales.

Company Profile

Company Profile

*as of 2/28/2022

Company Name	Serverworks Co., Ltd.
Business Domain	System Planning/Development/Operation utilizing Cloud Computing
Founded	February, 2000
Capital	3,218,069,715 yen
Head Office	Agebacho 1-21, Shinjuku-ku, Tokyo, Japan
Office	Tokyo office ANNEX, Osaka, Fukuoka, Sendai
Number of Employees	189 (excluding employees seconded to subsidiary)
Management	Ryo Oishi CEO Takashi Hashiba Senior Vice President Hiroyuki Oshio Senior Vice President Mikiya Inoue Outside Director who is Audit and Supervisory Committee Member (Full-time) Yuko Tanaka Outside Director who is Audit and Supervisory Committee Member Ichiro Terajima Outside Director who is Audit and Supervisory Committee Member Hikari Fujimoto Outside Director who is Audit and Supervisory Committee Member
Affiliated company	G-gen Co., Ltd. Sky365 Co., Ltd.
Major Shareholders	Board members, TerraSky Co., Ltd., NTT Communications Corporation, NTT DATA Corporation
Certification	APN Premier Consulting Partner AWS Migration Competency AWS Digital Workplace Competency AWS Managed Service Provider Program AWS Well-Architected Partner Program ISO /IEC 27001 (JIS Q 27001)

Management Introduction: Directors



President & CEO

Ryo Oishi

Oishi graduated from Tohoku University, majored in Economics, and joined Marubeni Corporation, which is one of the biggest “Sogo-Shosha”. He engaged in establishing communication network related subsidiary as well as planning internet related business and sales. In February 2000, he founded the company. After he started AWS business in 2009, Oishi became one of the first Cloud Evangelists in Japan and continue to evangelize Japanese market to use Cloud.



Senior VP

Takashi Hashiba

Hashiba graduated from Tokyo University of Agriculture, majored in Agriculture, and joined wholesale process food company, experiencing sales role. After joining our company in April 2006, he became head of sales and technical department and engaged in a large number of system installations. After starting AWS business, he continued engaging in numerous projects as well and provide huge contribute to expand our business. He became Senior VP in October 2013.



Senior VP

Hiroyuki Oshio

Oshio graduated from Kobe University, majored in Economics, and joined Marubeni Corporation. He engaged in planning and installation of Internet enabled systems. Then, he joined software venture company and became SVP at subsidiary company in abroad as well as General Manager of Marketing. After joined our company in October 2013, he served as a head of Business Development as well as back office team. Oshio became Senior VP in August 2014.

Management Introduction:

Audit and Supervisory Committee Members (Outside Directors)



Mikiya Inoue Full-time

Inoue graduated from Keio University, majored in Engineering, and joined Marubeni Corporation. He worked primarily in the information and communication industry, engaged in a wide range of projects such as time sharing services, international VAN services, mobile communications services, packet switching networks, communications networks for the distribution industry, optical submarine cables, data centers, and ISPs, as well as participating in related M&A projects. He also experienced residence in London and Bangkok. Inoue joined our company as Outside Auditor in May 2018. He became Outside Director in May 2021.



Yuko Tanaka

Tanaka graduated from Tokyo University, majored in Law, and joined Toyota Motor Corporation. She joined A.T. Kearney in 2003, engaged in a wide range of consulting projects for major companies, including company-wide strategies, business strategies, new business development, organizational restructuring, cost reduction, and due diligence. Currently, she concurrently assumes the positions of Director at CrowdWorks, Inc. and Outside Director of Audit and Supervisory Committee Members at Spacemarket, Inc. Tanaka joined our company as Outside Director in May 2021.



Ichiro Terajima

Terajima graduated from Tokyo University, majored in Engineering, and joined Sekisui Chemical Co., Ltd. He also studied at MIT and established AI venture company inside of the company, experienced wide variety of business roles. He became General Manager of Information Systems Dept. and served as a Chief of Information system group. He Joined TERRANET as a company representative. Terajima joined our company as Outside Director in November 2017.



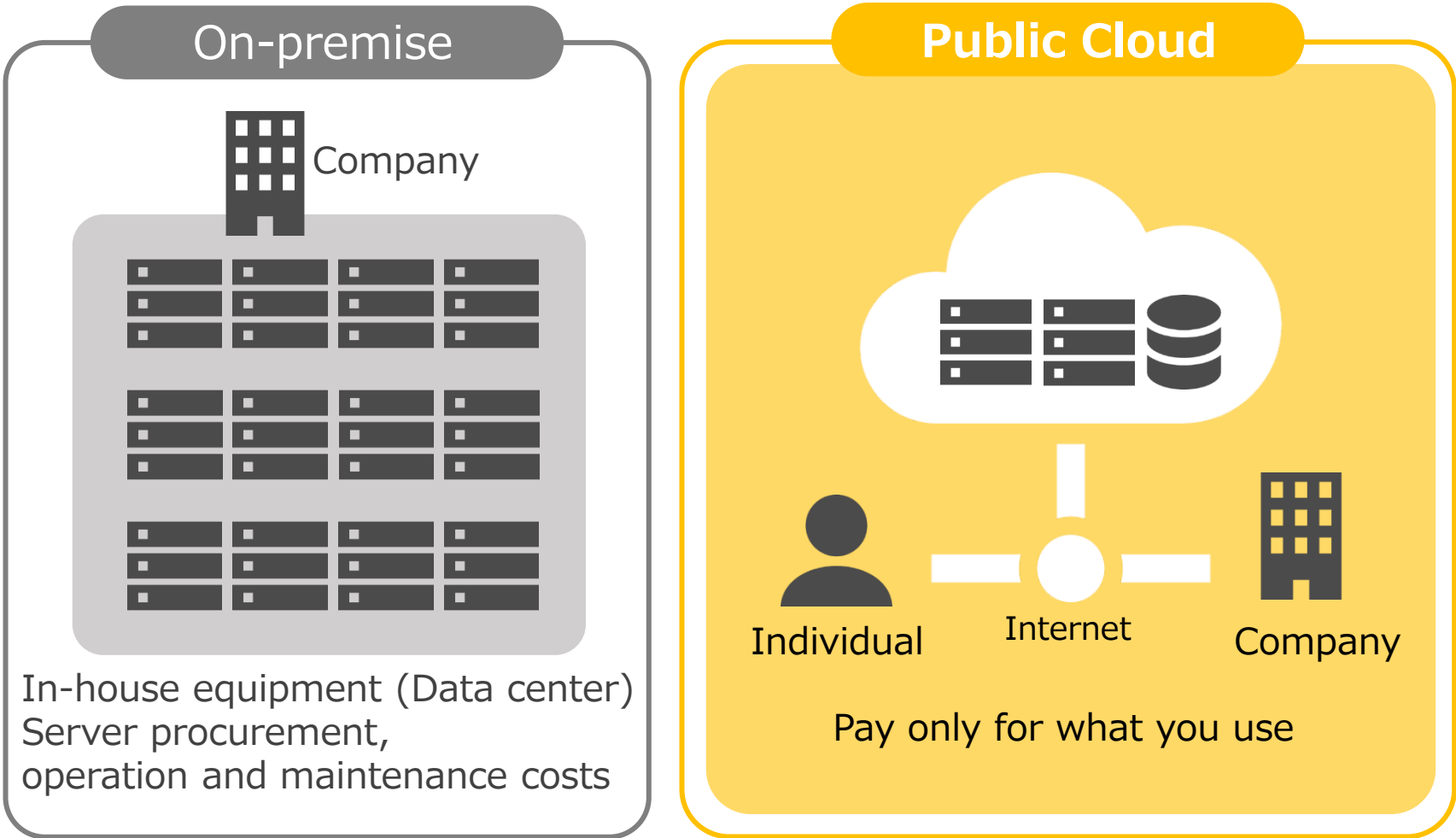
Hikari Fujimoto

Fujimoto graduated from Keio University, majored in Economics, and joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC). She engaged in accounting audit work and stock listing support services. She opened independently in 2011 and established Hikari Fujimoto Certified Public Accountant Office (current Hikari Fujimoto Certified Public Accountant and Tax Accounting Office) in 2013. She engages in stock listing support, support for the establishment of internal controls, M&A support, and accounting tax advisory for venture companies. Currently, she is an auditor for several companies. She joined our company as Outside Director in May 2021.

About Amazon Web Services(AWS)

Market environment : About Public Cloud

A method of using software/Database/Server storage and other functions as a service via internet



Market environment : Public Cloud Classification



SaaS : Software as a Service

Provide **software package** via internet

Example

Salesforce, Kaonavi,
TeamSpirit, sansan etc...



IaaS : Infrastructure as a Service

Provide **hardware and ICT infrastructure** via internet

Example

AWS, Microsoft Azure

Market Environment: AWS Continues to Lead

Selected as a “Leader”, the world’s most visionary and excellent execution ability company, for 10th consecutive year at Gartner’s Magic Quadrant for Cloud Infrastructure and Platform Services

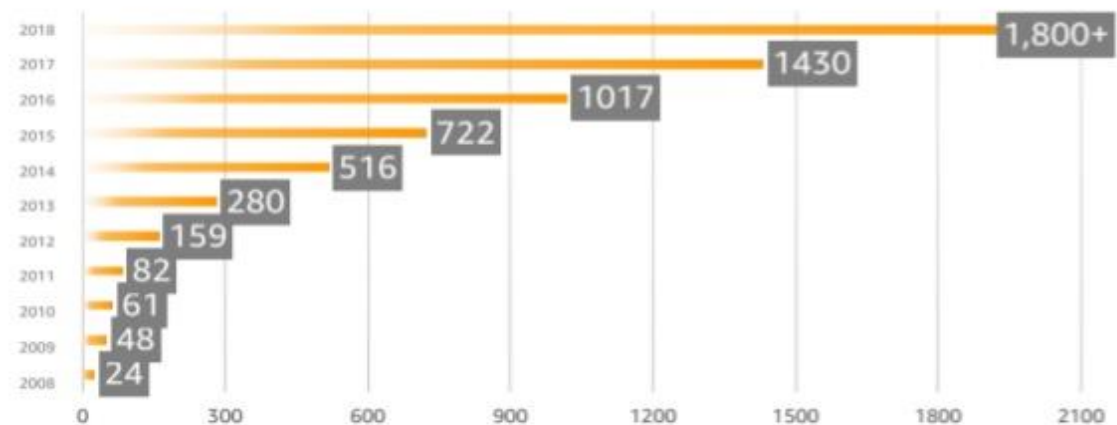
Figure 1. Magic Quadrant for Cloud Infrastructure and Platform Services



A leader in the cloud computing world with largest market share. Based on the customers feedback, the company continues to provide new services and functional improvements one after another.

AWS' Pace of Innovation

90%+ of those new features were a direct result of feedback from our customers and invent on behalf of customers



Source: https://aws.amazon.com/jp/blogs/news/aws-named-as-a-cloud-leader-for-the-10th-consecutive-year-in-gartners-infrastructure-platform-services-magic-quadrant/?nc1=b_rp

Source: <https://www.slideshare.net/AmazonWebServices/awesome-day-2019-keynote>

Market Environment: AWS Market Share

AWS still maintains its leadership position
in the global cloud market share in 2020.

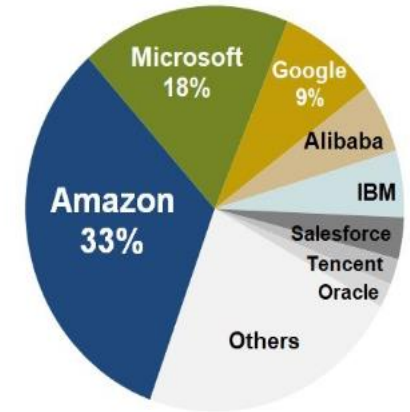
Table 1. Worldwide IaaS Public Cloud Services Market Share, 2018-2019 (Millions of U.S. Dollars)

Company	2019 Revenue	2019 Market Share (%)	2018 Revenue	2018 Market Share (%)	2018-2019 Growth (%)
Amazon	19,990.4	45.0	15,495.0	47.9	29.0
Microsoft	7,949.6	17.9	5,037.8	15.6	57.8
Alibaba	4,060.0	9.1	2,499.3	7.7	62.4
Google	2,365.5	5.3	1,313.8	4.1	80.1
Tencent	1,232.9	2.8	611.8	1.9	101.5
Others	8,858	19.9	7,425	22.9	19.3
Total	44,456.6	100.0	32,382.2	100.0	37.3

Source: Gartner (August 2020)

Source: <https://www.gartner.com/en/newsroom/press-releases/2020-08-10-gartner-says-worldwide-iaas-public-cloud-services-market-grew-37-point-3-percent-in-2019>

Cloud Infrastructure Services Market
(IaaS, PaaS, Hosted Private Cloud)



Market Share Q2 2020

Source: Synergy Research Group

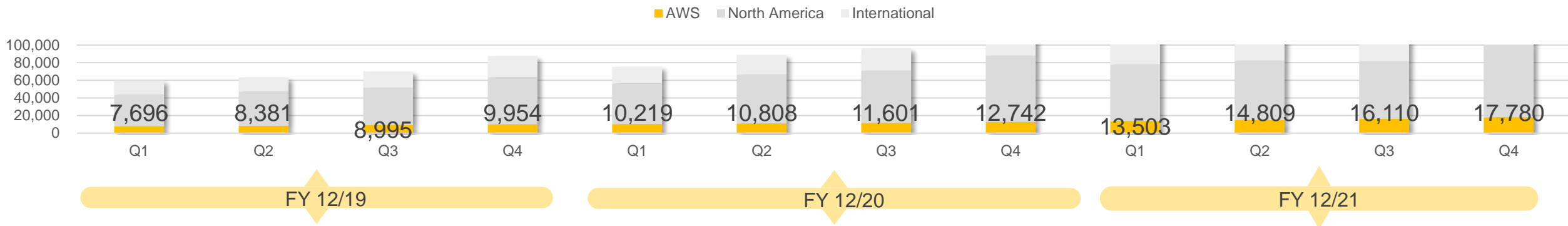
Source: <https://www.srgresearch.com/articles/quarterly-cloud-spending-blows-past-30b-incremental-growth-continues-rise>

Market Environment: AWS Growth and Profitability

AWS continues to grow sustainably. **Operating profit is about 74% of Amazon's total operating profit.**

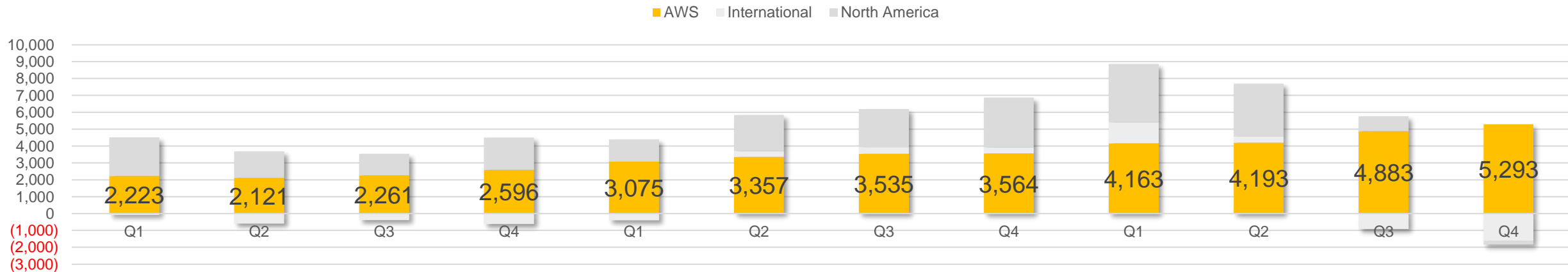
Net Sales

(million dollars)



Operating Profit

(million dollars)

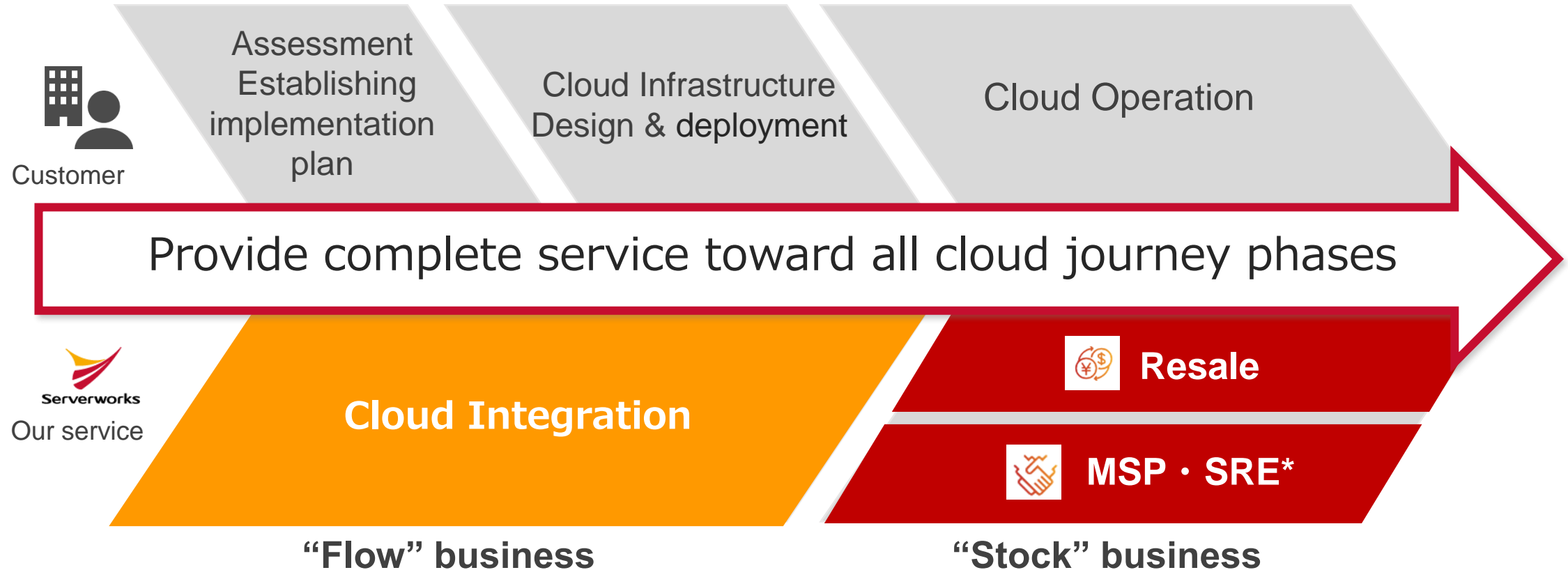


Source: <https://ir.aboutamazon.com/quarterly-results>

Our Business Model

Business Model

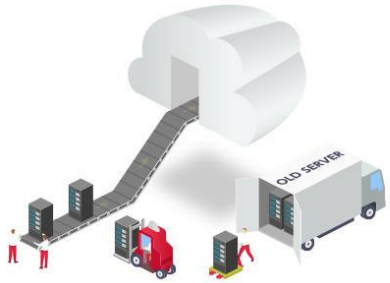
Provide complete services for cloud journey, from **Cloud strategy consultation** to **actual deployment and migration** as well as **post-migration operating services**.



*SRE: Site Reliability Engineering. A concept advocated by Google Inc. in 2003 to operate an expanding large-scale IT system. The mission is to improve performance, availability, elasticity, security, etc. in order to secure the reliability of the IT system and build a system that can be continuously improved by introducing various tools and strengthening collaboration with customers.

Core Service Overview

Providing variety of services around AWS.



Cloud Integration

Providing service to create Cloud migration strategy for migrating the system, which has been managed in on-premise environment, to cloud environment, as well as Infrastructure design, Establishment/deployment support services. We provide optimum design for customers from setting business objectives using Cloud, to actual migration, operation planning after cloud implementation.



Resale

We are reselling AWS centered cloud services to our customers as a solution which we add our unique values.

Especially, we develop and provide our unique application, “Cloud Automator”, a service that automates AWS operations, to our customers. By combining these solutions with AWS, we maximize the benefit of AWS to our customers.

MSP (Managed Service Provider) · SRE

We provide 24x7 operation services, such as system performance monitoring, failure monitoring, recovery operation in the event of a failure, back-up operation for quick recovery from the failure, and security patches application for AWS infrastructure to middleware level.

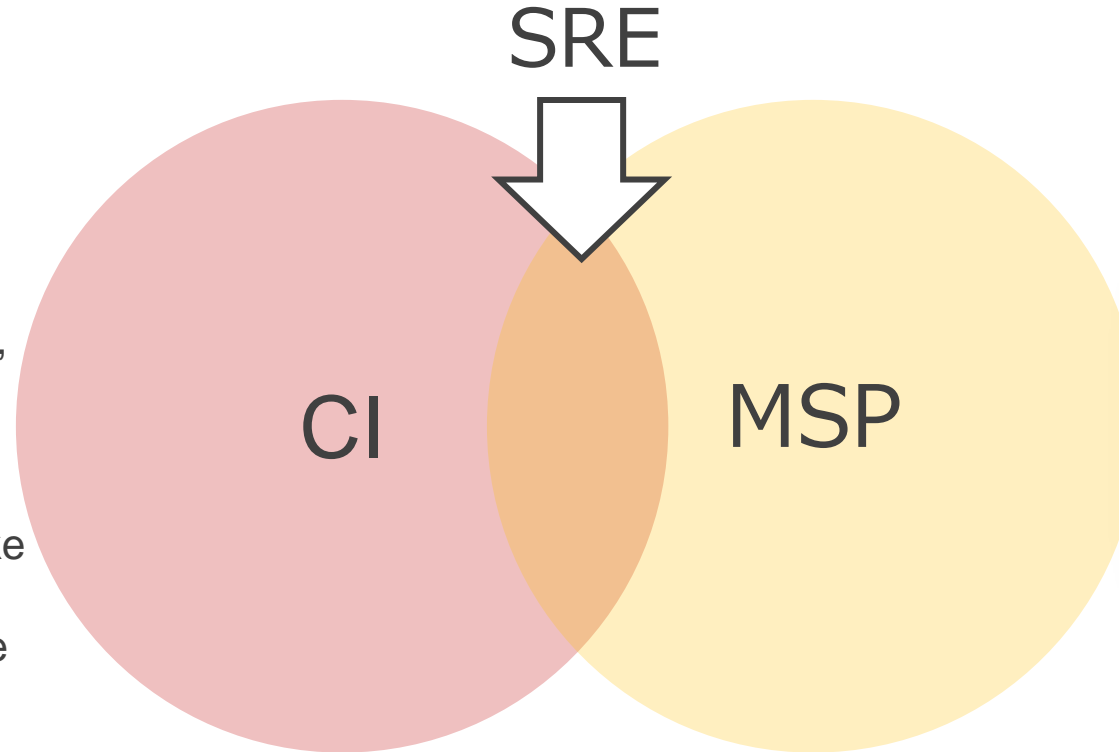


Difference between SRE and Conventional MSP

For specific large customers, we **set up a dedicated team** to support customer needs which cannot be handled by the standard MSP service and **provide service from system construction to operation and maintenance.**

Cloud Integration

- Mainly provide support for migrating from on-premise environments to the Cloud, regardless of new/existing customers.
- After completing the cloud migration, our MSP will take after the customer, when customer ask us to provide operation/maintenance services.



MSP

The standard operation service specialized for the Cloud environment, which we have been providing to customers.

Business Model Diagram



Our Strength

Unique Strengths **1** AWS Certified Top Tier Partner

- **AWS Premier Tier Service Partner**
- **Top-ranked partner** certified among over 20,000 AWS partners
- 126 partners certified worldwide, only **12*** in Japan
- Serverworks has retained certification **continuously since 2014**



* As of March 2022

Unique Strengths **2** Advanced Technical Capabilities

* Number of certification holders as of Feb 28, 2022

Employing many highly skilled engineers with advanced expertise backed by AWS certifications.

72 - Solution Architect Professional

40 - DevOps Engineer Professional

115 - Solution Architect Associate

65 - Developer Associate

70 - SysOps Associate

48 - Security Specialty

12 - Big Data Specialty

34 - Advanced Networking Specialty

13 - Machine Learning Specialty

19 - Alexa Skill Builder Specialty

26 - Database Specialty

17 - Data Analytics Specialty

Unique Strengths **2** Advanced Technical Capabilities

Receive various certifications from AWS for our high technical skills and our achievement in specific fields.

AWS Managed Service (MSP) Partner

The partner who can provide total AWS cloud services from planning/designing to actual building/migrating as well as operation and optimization as a business solution to customers. Since we have received MSP partner certification in 2014 as a 1st partner in Japan, we have been **continuously receiving the certification**, meeting strict auditing standards released in 2019.

AWS Migration Delivery Partner

The partner who can **assist customers at each stage of migrating existing applications to AWS** and provide staff, tools and education as part of **professional services**.

AWS Digital Workplace Competency

A technical certification program for AWS partners with proficient technology and a proven track record of **leading customers successful** in specialized solution areas. Awarded to partners who have expertise in AWS desktop and application streaming solution projects and have a track record of providing those solutions to customers. We are **the 1st partner in Japan** to achieve completion of the program.

AWS Well-Architected Partner Program

The partner who can appropriately evaluate customer's AWS architecture **by actively using AWS Well-Architected framework** backed by in-depth knowledge related to AWS implementation support as well as numerous actual project experiences.

Unique Strengths ③ Solid Track Record

Track record of over 12,600 projects for over 1000 companies*, mainly medium-sized and large companies.

KOKUYO



J.フロントリテイリング

MIZUHO

みずほ銀行

AGC

pal*system

Eat Well, Live Well.



BELSYSTEM24

CLAVIS
Company

近鉄不動産

Funai Soken Holdings
人・企業・社会の未来を創る

Hitz 日立造船株式会社
Hitachi Zosen

intage
THE INTELLIGENCE PROVIDER

IDOM Inc.

jutec

NTT SMILE ENERGY

Lancers

Marubeni

あしたがつてきに!
東邦ガス

NIKKO CHEMICALS

JAM STUDIO
音楽する楽しさを伝えるオンライン音楽スタジオ

ひととき、輝く
TOKYU SPORTS
OASIS

TAKAMIYA

YOKOGAWA

snow peak
outdoor lifestyle creator since 1958

集英社

MEINAN
Meinan Consulting Network
税理士法人名南経営

YAMAHA

NEVER SAY NEVER
ロート製薬

アデランス

漢検

久原
久原本家

ベルーナ

TV TOKYO COM

unicharm

琉球銀行

ワールドホールディングス

*as of the end of Feb 2022

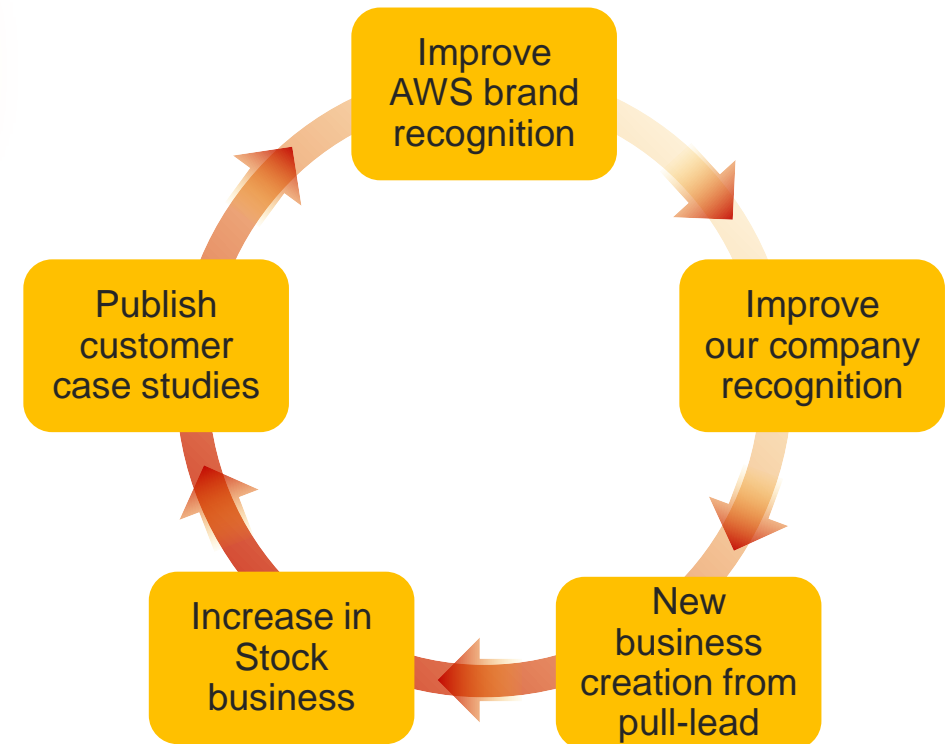
Unique Strengths **4** Front Runner advantage

Maintaining and expanding the growth cycle of increasing stock businesses by leveraging our name recognition in the AWS industry as a leading company.

A virtuous cycle has been created in which **our business growth is further accelerated** by cooperation with AWS.

As AWS, led by a powerful Amazon brand, has grown by **40+%** compared to last year, **our company recognition** as the highest ranked AWS partner **has been continuously improving** as well. This situation leads to create pull-lead^(*) for receiving AWS implementation support project orders and leading to grow our stock businesses.

We publish more than 10 of these cases annually and this creates virtuous cycle that further raises AWS visibility in the enterprise market.



* The situation that customers are coming to us, instead of aggressively reaching out to customers from us

Unique Strengths **5** Our Original Service “Cloud Automator”

Based on our depth knowledge in AWS constructions and operations, we develop original AWS operation automation service and provide it to our customers.

Contribute to **both low-cost & high-quality operations** and increase in **Cloud Integration project orders**.



Feature 1

(Job Automation feature)

Automate AWS Operation



Automate AWS essential operations such as back-up, Instance start/stop, etc...

Feature 2

(Configuration review feature)

Automatic AWS Config check



Periodically review AWS resources to check whether it is configured based on designated rules

Unique Strengths **5** Our Original Service “Cloud Automator” Examples:

AGC

We have a track record of evolving services and specifications in response to changes in AWS as well as user demands. We transfer our know-how and experiences to internal resources

IDOM Inc.

Implement Cloud Automator for addressing automation, standardization, simplification, efficiency, and risk elimination of AWS operations

Marubeni

To improve IT governance, we decided for full adoption of AWS
By combination of using Cloud Automator, it enables to achieve both operation automation and operation efficiency at the same time

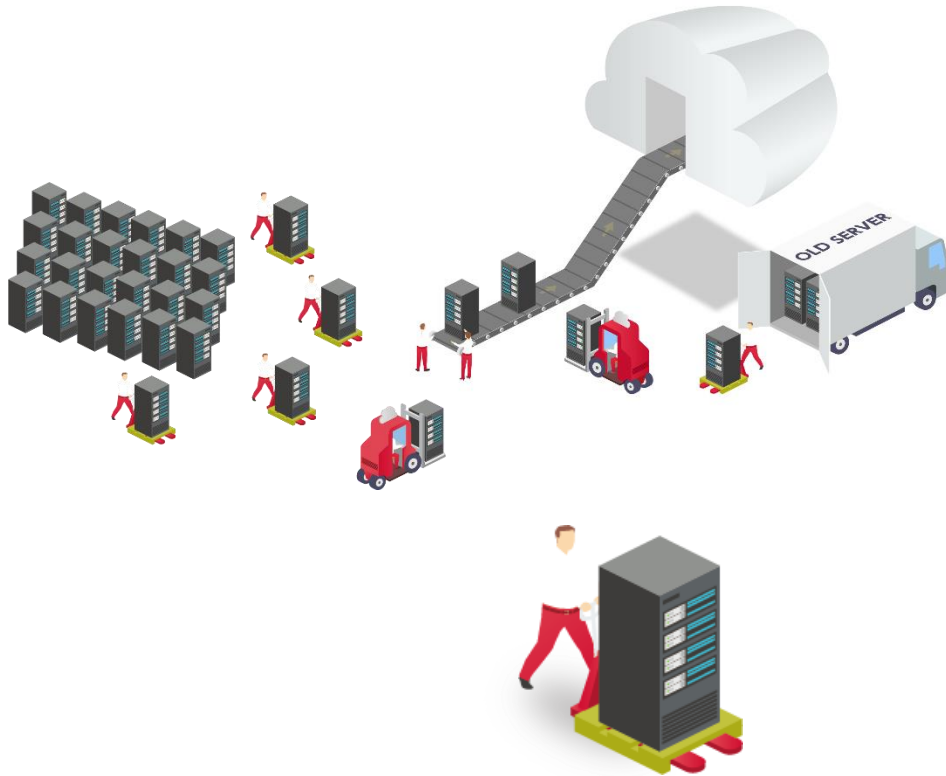
YOKOGAWA 

Optimizes costs by automatically switching to the DR site by automatically launches instances, only when needed, by using Cloud Automator

Growth Strategy

Growth Strategy: Winning Large Migration Projects

In Japanese market, more than half of the companies still do not use Cloud. We will continue to accelerate growth by acquiring large-scale cloud migration projects that have not yet been cultivated.



An advisor who has a track record of implementing AWS in the financial field will identify the issues and clarify the items and while providing practical cooperation as necessary, advisor will support the customers to make sure to enjoy the benefits, such as speeding up the businesses as well as mitigation of IT system operation load, based on implementing public cloud.

Growth Strategy: Support to Establish New Normal Work Style



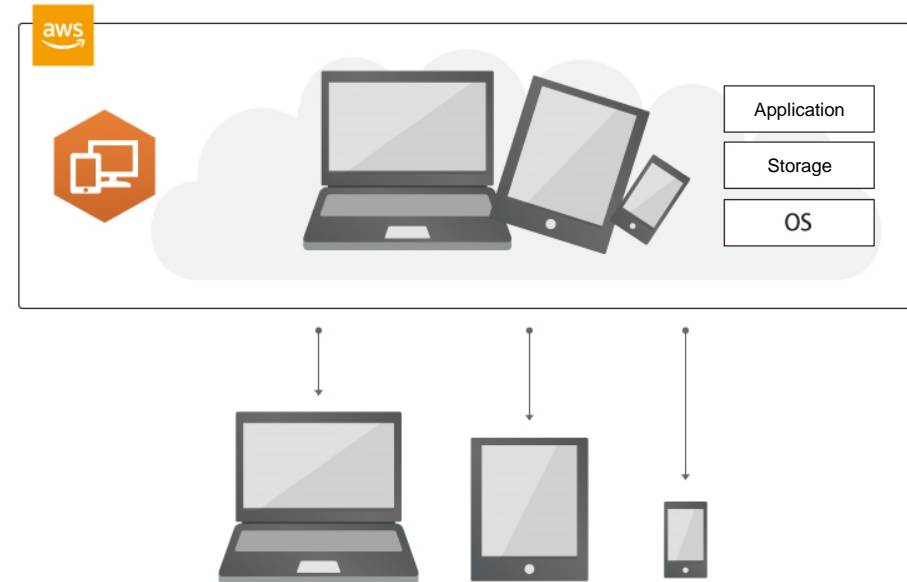
Leverage Amazon WorkSpaces, build company-wide telework environment in just 3 weeks



NTT Smile Energy Inc. Has built a company-wide telework environment in just three weeks by utilizing AWS Client VPN and Amazon WorkSpaces. In addition, the company implemented Amazon Connect to improve call center operations and transformed it to cloud based call center. Operators involved in telephone support operations can now work telework basis.



Implement more than 1,000 Amazon WorkSpaces for expanding telework environment



To expand the telework environment at Yokogawa Electric Corporation, we supported to build 1,400 Amazon WorkSpaces environment. Detailed design started in mid-March 2020, and 1,000 units were built by beginning of April, which was less than a month. After that, gradually built and supported the implementation and 1,400 Amazon WorkSpaces environment were established by mid-May.

Growth Strategy: Provide New Services Using Cloud

pal*system

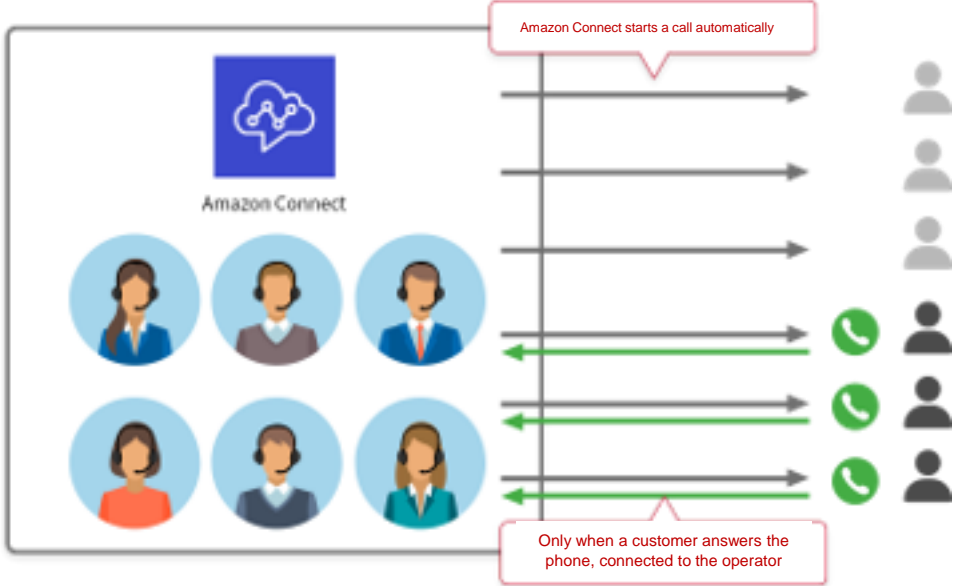
Build an automatic telephone order dialing system using IVR (Interactive voice response) provided by Amazon Connect



Built an automatic telephone order dialing system utilizing Amazon Connect for Pal System Co-op Federation. It greatly contributed to automate the response to support sudden increase of the order calls due to the request to refrain from going out caused by COVID-19 spread.

SHINSEI BANK

A trial is in progress to automate existing outbound call operations with Amazon Connect



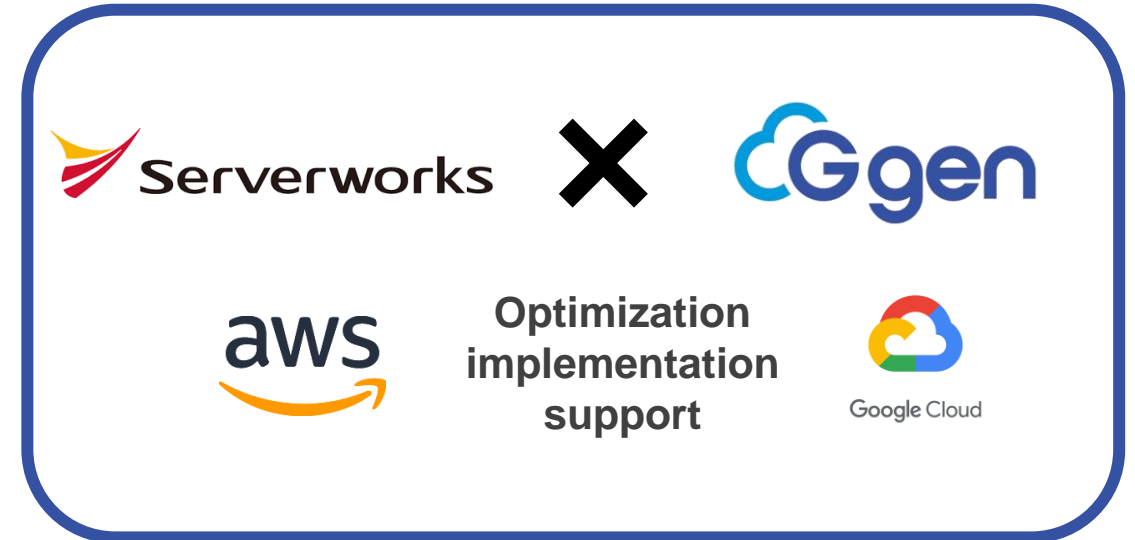
A trial of Amazon Connect is in progress to improve number of outbound calls and dialogs. Enabled to reduce the routine burden on operators and create a follow-up system for customers.

Growth Strategy: Full-Scale Entry into Google Cloud

Realizes a new generation of IT systems using Google Cloud by providing the lowest-priced Google Cloud resale service and a strong collaboration with Serverworks.



- In cooperation with Bospin Global, Asia's No.1 Google Cloud Partner, we have started business as **a Premier Partner, the highest-level partner.**
- **At 5.0% off**, we offer the lowest price level in the domestic market.



- As cloud services diversify, there have been cases where **Google Cloud is used in the SaaS/PaaS layer.**
- Collaborating with Serverworks, an AWS specialist, to provide overall design and configuration guidelines to realize **a next generation cloud environment** that encompasses AWS and GCP.

Caution for forward-looking statements

The materials and information provided in this announcement include so-called “forward-looking statements”. These are based on current expectations, projections and risky assumptions, and include uncertainties that could result in different result from these statements.

These risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations.

In the future, even if there is a new information and/or a future event, we are not obligated to update or modify the “forecast information” including in this announcement.



Serverworks