

Results for the 2nd Quarter of 38th business period (Fiscal Year Ending March 31, 2022)



November 19, 2021

TECHMATRIX CORPORATION (code : 3762)



- ◆ The Company voluntarily adopted the International Financial Reporting Standards (IFRS) for its consolidated financial statements in its securities report for the fiscal year ended March 31, 2021.
- ◆ In principle, all business results described in this document are presented on the IFRS. However, business results for the fiscal year ended March 31, 2019 (the 36th fiscal year) and earlier, the information is presented in accordance with Japanese GAAP.



- 1. Business Highlights for the 2nd Quarter
38th business period(Consolidated)**
- 2. Topics of Business activities**
- 3. Medium-Term Management Plan “BEYOND
THE NEW NORMAL”**
- 4. Business Models**
- 5. Market Conditions for our business**



1. Business Highlights for the 2nd Quarter 38th business period(Consolidated)



Business Highlights (Consolidated)

- ◆ The highest consolidated revenue.
- ◆ Operating profit declined.
 - Negative repercussions from the unexpected decrease in sales promotion expenses (SG & A expenses) due to the inactivation of promotion activities caused by pandemic of COVID-19 in the previous year.
 - Increase in personnel expenses (SG & A expenses) such as salary allowances due to an increase in the number of employees.

(¥million)	Q2 of FY 03/21	Q2 of FY 03/22	Change in amount	Rate of Change (%)
Revenue	14,639	16,146	+1,507	+10.3%
Operating profit	1,661	1,601	△60	△3.6%
Profit before tax	1,658	1,599	△59	△3.6%
Profit attributable to owners of parent	1,099	1,045	△53	△4.9%



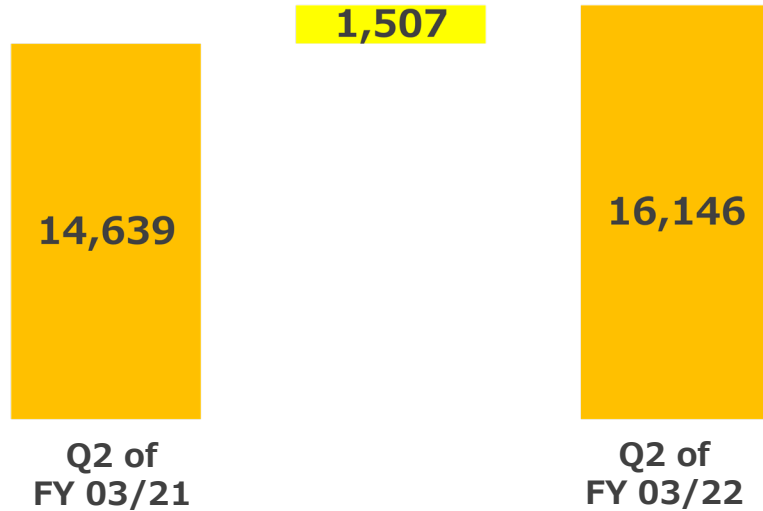
- ◆ Revenue and profits exceeded the original forecast.
 - Information Infrastructure Business overachieved the internal targets. Overcame the negative repercussions from the special demands, and booking exceeded the previous year's results. As a result, revenue and profits also exceeded the internal targets. Inquiries about cloud-based products are more than expected.
 - Results of Application Service Business vary greatly between subsegments. Compared with the original forecast, slowness of booking in CRM field negatively impacted than expected.

(¥million)	Q2 forecast of FY 03/21	Q2 of FY 03/22	Change in amount	Rate of Change (%)
Revenue	15,500	16,146	+645	+4.2%
Operating profit	1,550	1,601	+ 51	+3.3%
Profit before tax	1,550	1,599	+ 49	+3.2%
Profit attributable to owners of parent	1,025	1,045	+ 20	+2.0%



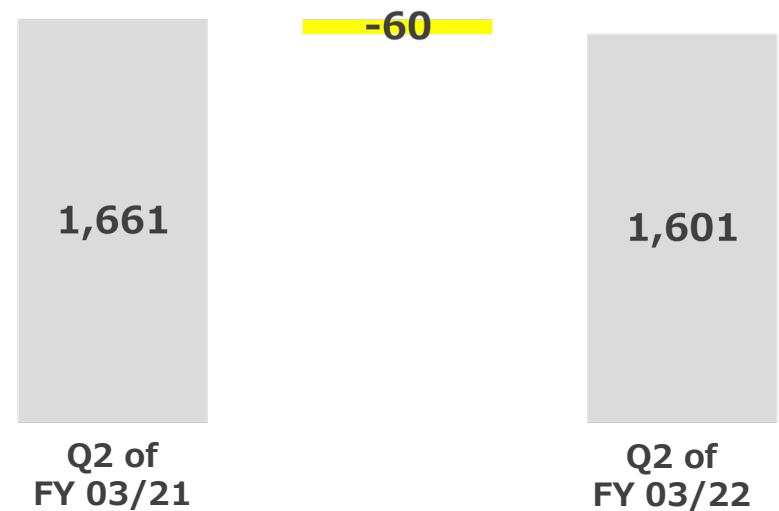
Revenue

¥million



Operating profit

¥million

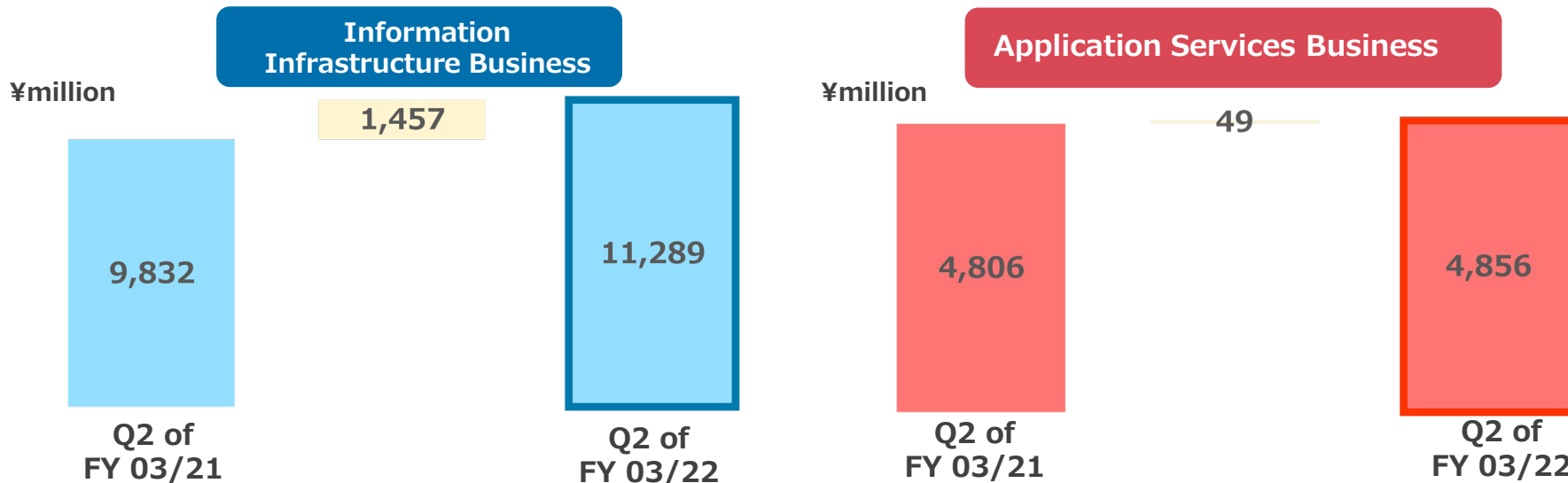


(¥million)	Q2 of FY 03/21	Q2 of FY 03/22	Change in amount	Rate of Change (%)
Revenue	14,639	16,146	+1,507	+10.3%
Operating profit	1,661	1,601	△60	△3.6%



Revenue by Segment (Consolidated 2Q)

- ◆ Information Infrastructure Business : The highest consolidated revenue. Increasing inquiries for cloud-based security products such as SASE. In addition, increased booking and revenue for TechMatrix Premium Support (TPS), which is TMX's integrated security monitoring services.
- ◆ Application Services Business : The highest consolidated revenue. Sales in the CRM field decreased due to the negative repercussions from special demands (version-up to the latest generation of the product) and booking is still slower than last year. Sales in the medical field remained steady and in good share. In the software quality assurance field, recovered from 1st half of last fiscal year. In the business solution field, booking and revenue are on track to achieve the internal targets.

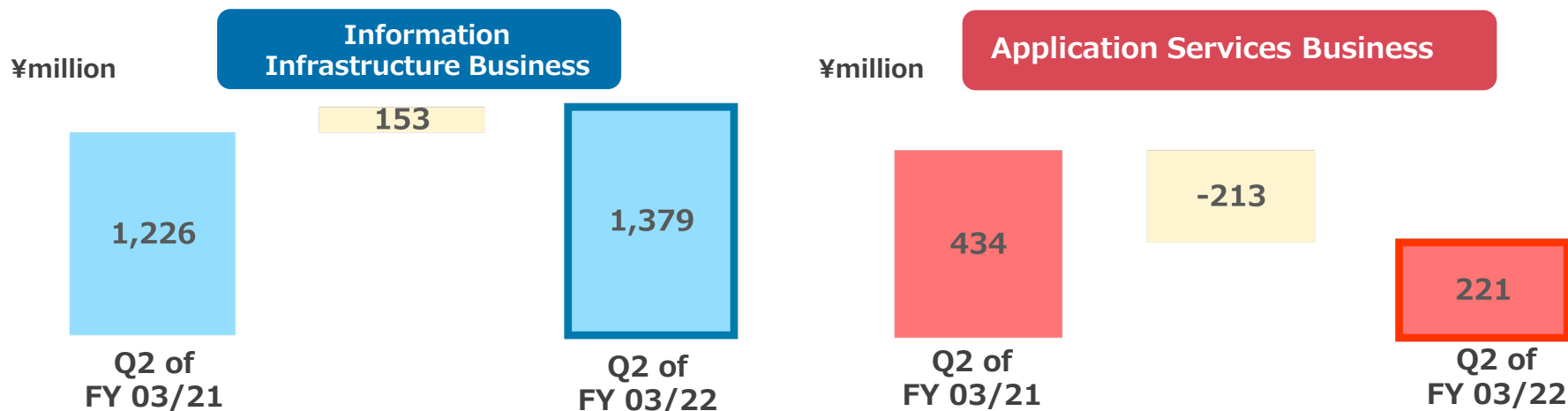


(¥million)	Q2 of FY 03/21	Q2 of FY 03/22	Change in amount	Rate of Change (%)
Information Infrastructure Business	9,832	11,289	+1,457	+14.8%
Application Services Business	4,806	4,856	+49	+1.0%



Operating profit by Segment (Consolidated 2Q)

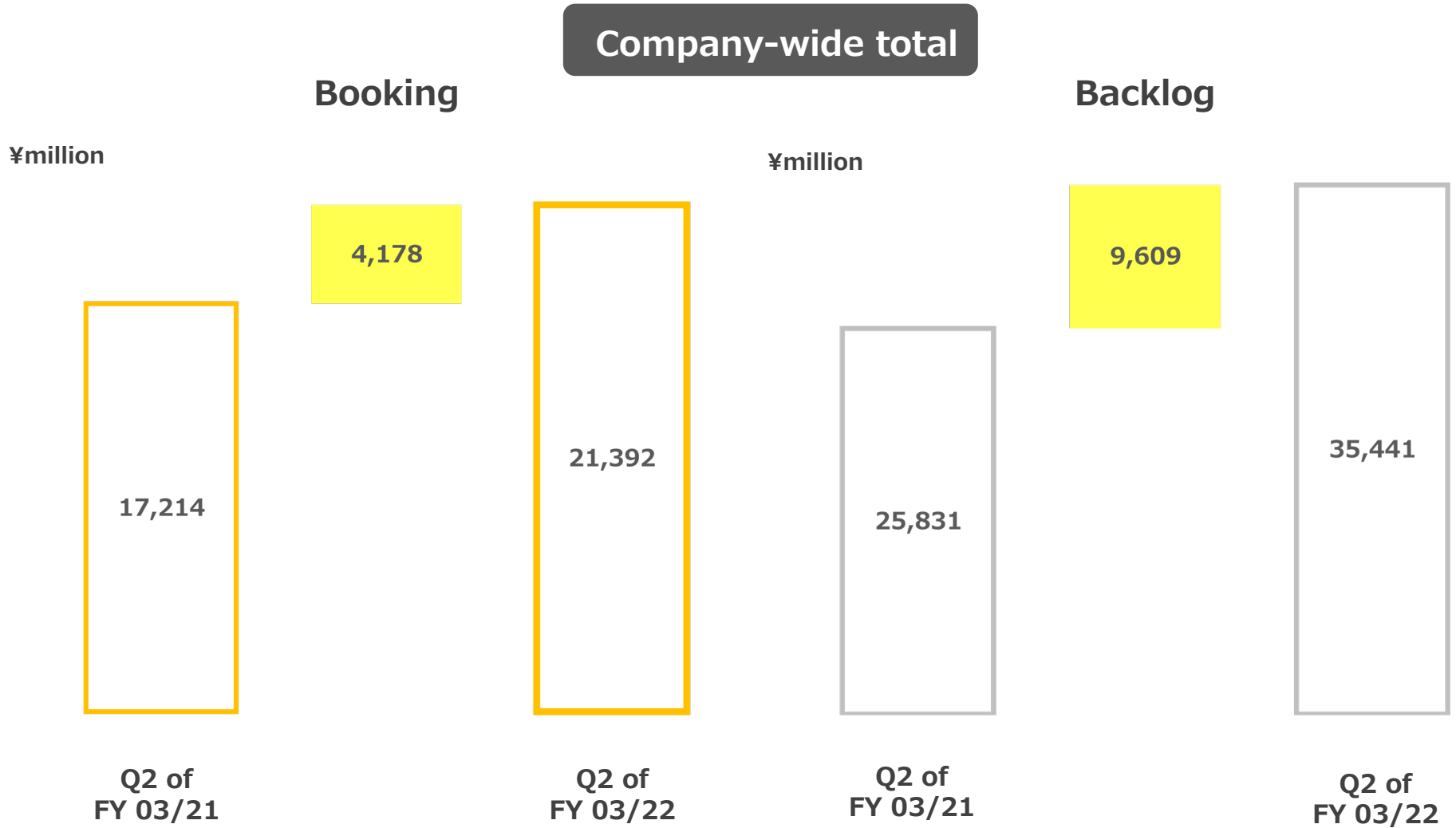
- ◆ Information Infrastructure Business : The highest consolidated revenue.
 - Operating margin is slightly affected by growing size of the deals, however, actual amount of profits is growing steadily. Subscription licenses contributed to stable profits.
- ◆ Application Services Business : Operating profit declined.
 - Due to the negative repercussions from special demands (version-up to the latest generation of the product) until last year in the CRM field and making aggressive investments into EdTech business. In the CRM field, each level of profit is affected due to the continuous delay of bookings. In the business solution field, One unprofitable project has a slight impact on operating income. Recognized operating losses of one consolidated subsidiary.



(¥million)	Q2 of FY 03/21	Q2 of FY 03/22	Change in amount	Rate of Change (%)
Information Infrastructure Business	1,226	1,379	+153	+12.5%
Application Services Business	434	221	△213	△49.1%



- ◆ Booking and backlog were in good shape. Especially, Information structure business was strong.

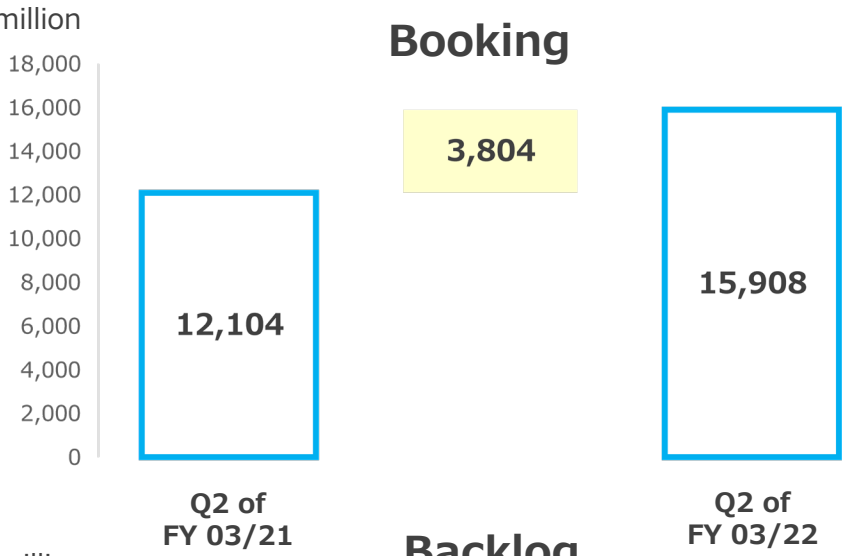




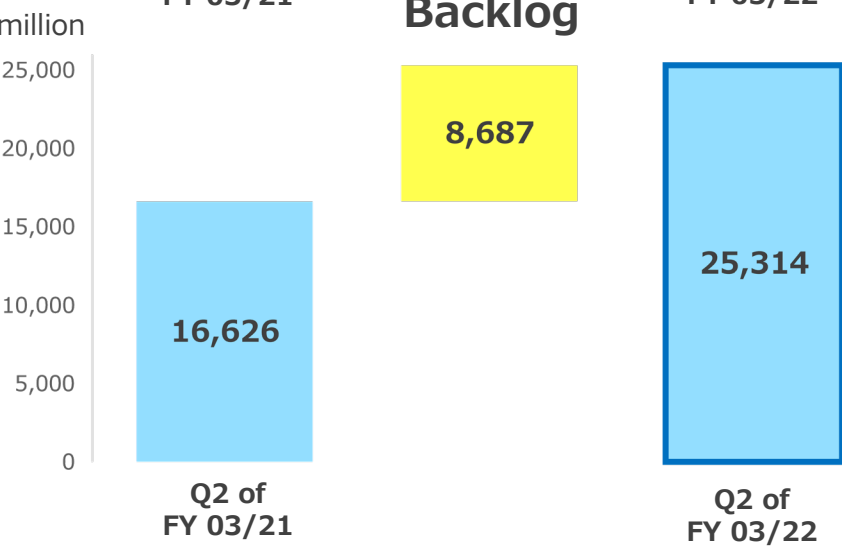
Booking and Backlog by Segment

Information Infrastructure Business

Booking

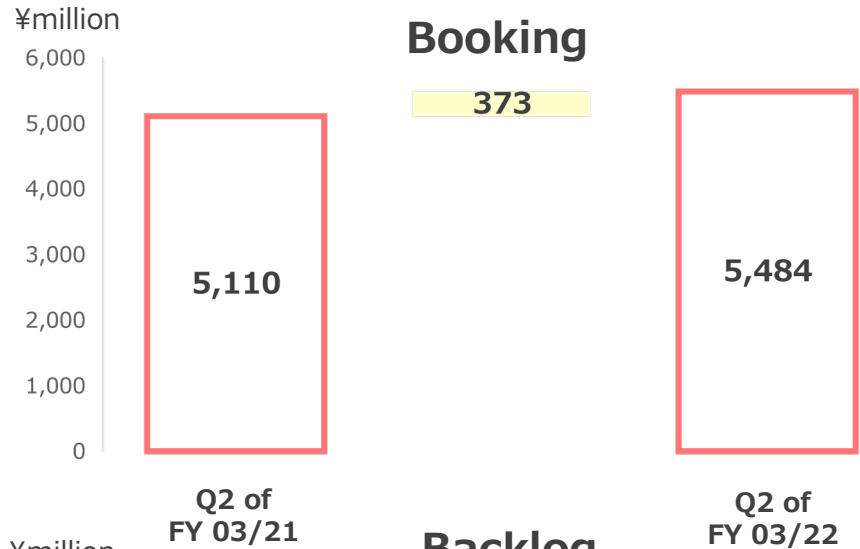


Backlog

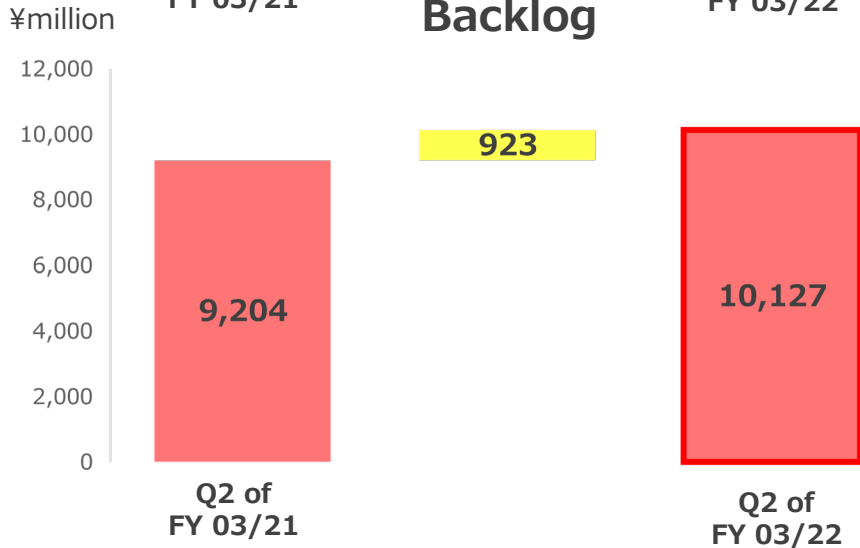


Application Services Business

Booking



Backlog





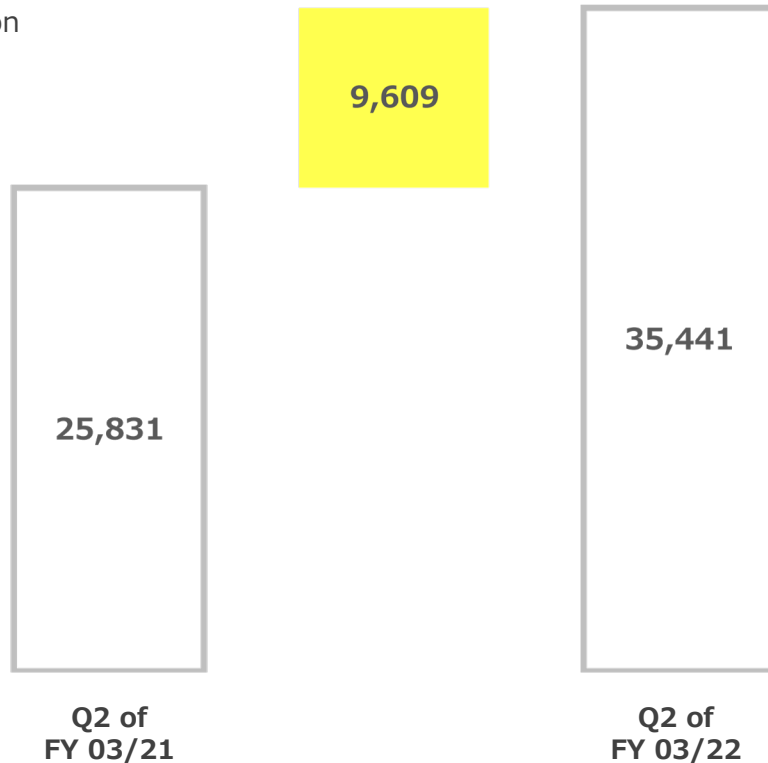
Backlog (Non-consolidated)

- ◆ Consolidated and non-consolidated (TechMatrix only) backlogs are as follows.

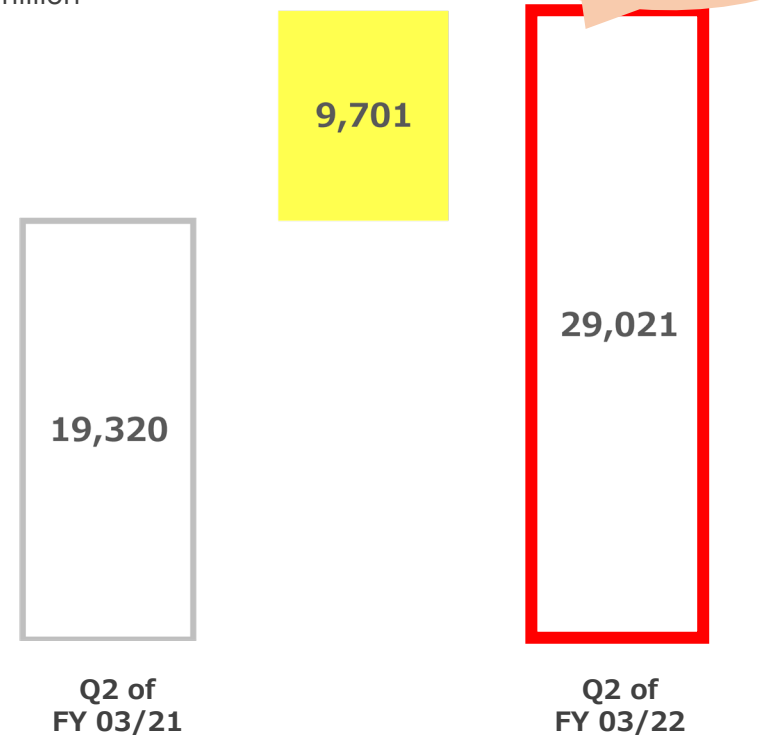
Backlog (Consolidated)

Backlog (Non-consolidated)

¥million



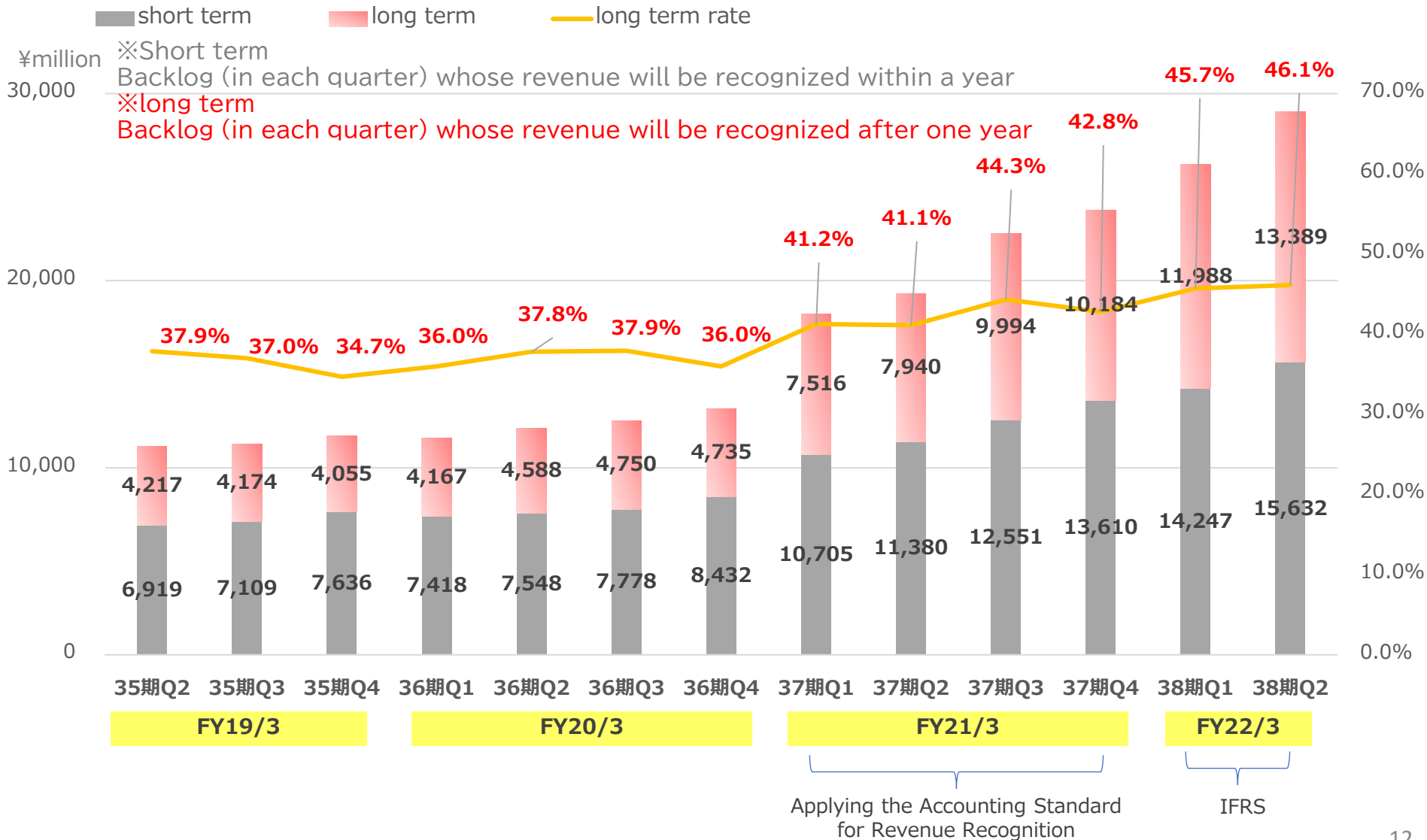
¥million





Backlog (Non-consolidated)

◆ Non-consolidated backlog (for only TechMatrix) are as follows.





Weather chart by Segment (Based on revenue)

◆◆ Information Infrastructure Business		Year on year
Load balancers (BIG-IP, EDGE)	<ul style="list-style-type: none"> • Negative repercussions from the special demands related to remote access security in Q1 last year. 	
Next-Generation Firewall / SASE / SOAR (Palo Alto)	<ul style="list-style-type: none"> • Increased sales bookings and growing size of the deals for cloud-based security products (SASE). 	
Antivirus / Intrusion prevention Appliances / Security Information and Event Management(SIEM) / Web security	<ul style="list-style-type: none"> • Increased sales bookings for cloud-based security products and Web gateway security products. 	
Personal authentication systems / Forensic products / Storage products	<ul style="list-style-type: none"> • Sales of personal authentication systems declined due to negative repercussions from the special demands related to remote access security in Q1 last year. • Sales for storage products are growing, reflecting the increasing demands for storage capacity for digital contents. 	
Security-related operation and monitoring services	<ul style="list-style-type: none"> • New contracts and inquiries for TPS increased, which was stimulated by increasing demands for cloud-based security products. Deal size is growing. 	
AI-driven threat protection/Endpoint detection and response/others	<ul style="list-style-type: none"> • Sales for Cyber Hygiene product and Mail security product increased. 	
CROSS HEAD & Okinawa Cross Head	<ul style="list-style-type: none"> • CROSS HEAD : Sales were about the same as the previous year. Improvement on the pace of acquiring new projects is the most critical issue for the time being. • Okinawa Cross Head : Negative repercussions from the special demands related to remote access security in Q1 last year, but, improved profitability, which is attributed to cost controls and increased sales of high-margin products and services. 	
◆ Application Services Business		Year on year
Business Solution field (Including CASAREAL and IDAY)	<ul style="list-style-type: none"> • Sales and booking progressed following company's plan. • One unprofitable project affected profit. 	
Software Quality Assurance field	<ul style="list-style-type: none"> • Recovery from tough situation caused by pandemic of COVID-19 in 1st half last year. Launch of Testing Support and Verification Services. • Increased sales of subscription licenses. 	
Medical field (NOBORI, Ichigo, A-Line)	<ul style="list-style-type: none"> • NOBORI : Increase in number of new contracts, renew and replace for Cloud PACS. • A-Line : Recorded operating loss (unavoidable in the nature of recurring revenue business at the early stage) . 	
CRM field	<ul style="list-style-type: none"> • Negative repercussions from special demands (version-up to the latest generation of the product) and sales and operating income were below planned and previous year results. Acquiring new projects is challenges for the future. 	



+10% and over



+5% ~ +10%



within ±5%



within Δ10%

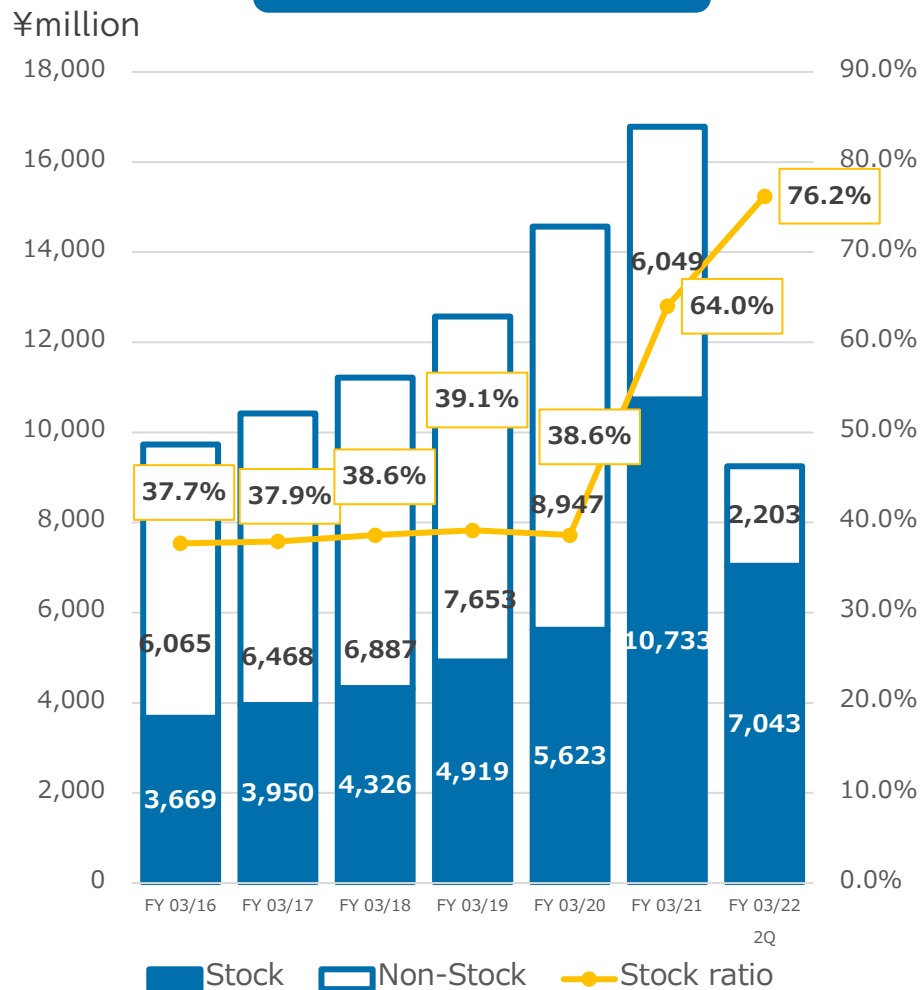


under Δ10%

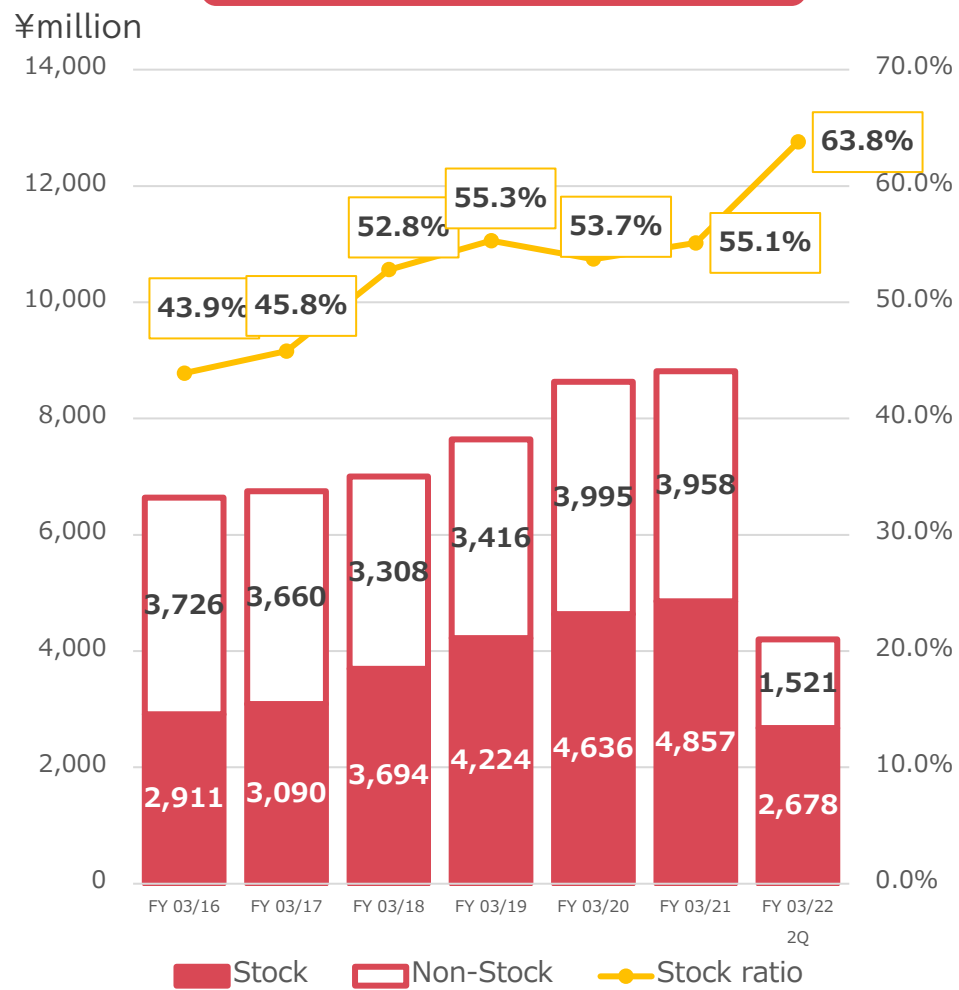


Stock type sales (Recurring revenue) ratio of TECHMATRIX and NOBORI

Information Infrastructure Business



Application Services Business



* A part of revenue used to be recognized as Non-Stock revenue (e.g. 1st-year maintenance included in the products and subscriptions) were recognized as Stock revenue as a result of applying the New Account

* Stock ratio went up because a part of revenue used to be recognized as Non-Stock revenue (e.g. subscriptions for testing tools) were recognized as Stock revenue as a result of applying the Accounting Standard for Revenue Recognition and cloud business continues to grow.



Consolidated Statement of Financial Position

- ◆ “Advance payments” included in Other current assets and “Advance received” included in Other of Current liabilities were increased as a result of applying the New Accounting Standard for Revenue Recognition.

(¥million)

	FY 03/21	FY 03/22 2Q		FY 03/21	FY 03/22 2Q
Total current assets	31,169	33,318	Total current liabilities	18,902	21,069
Cash and cash equivalents	14,634	14,208	Trade and other payables	1,369	1,236
Trade and other receivables	3,915	3,299	Borrowings	699	595
Other current assets	12,620	15,811	Other current liabilities	16,833	19,237
Total non-current assets	8,826	9,208	Total non-current liabilities	4,739	4,499
Property, plant and equipment	4,289	4,254	Borrowings	700	600
Goodwill	164	164	Other non-current liabilities	4,039	3,899
Intangible assets	1,473	1,537	Total liabilities	23,641	25,569
Other non-current assets	2,898	3,251	Share capital and Capital surplus	5,918	5,918
Total assets	39,996	42,527	Treasury shares	△1,011	△1,011
			Retained earnings	9,450	10,020
			Other components of equity	487	458
			Total equity attributable to owners of parent	14,844	15,384
			Non-controlling interests	1,509	1,572
			Total equity	16,354	16,957
			Total liabilities and equity	39,996	42,527



< Consolidated and Segment Forecasts > * IFRS standard

FY03/22 (earning forecast)	Net Sales (Sales revenue) ¥million	Operating income ¥million
Information Infrastructure Business	23,000	3,000
Application Service Business	10,000	700
合計	33,000	3,700

◆ Information Infrastructure Business :

- Assumption of continued strong demand in cyber security-related markets
- Demand for cloud-based cybersecurity products is growing, while on-premise products are also expected to grow steadily.
- Although special demand for remote access-related products was generated in the previous fiscal year, such special demand is not expected in the current fiscal year.

◆ Application Service Business :

- Plans to aggressively invest into rapid expansion of the education business and the strategic expansion of overseas business in the CRM field
- Plans to shift from perpetual license model to subscription license model for some products
- PHR services and AI-related businesses in the healthcare sector are expected to contribute to earnings over time.
- In Business Solutions, Software Quality Assurance, and CRM, decision making at customers still tends to be delayed.
- The demand for version upgrades that occurred in the CRM field over the past two years no longer exists.

◆ Common :

- We plan to actively participate in various exhibitions and events, which we refrained from participating in during the first quarter of last year. Net sales (sales revenue) and operating income/loss of consolidated subsidiaries that were not consolidated in the previous fiscal year are added.



2. Topics of business activities



Attention to "Appgate SDP" security-related products to compensate for VPNs' weaknesses

<Cyber attacks on VPN devices spike>

- Due to the rapid spread of telework, several security incidents related to the leakage of authentication information for VPN occurred (Virtual Private Network) used for remote access in the country.

Point ! ➡ building "Strong network security" with Zero-Trust Network Access Model
 ⇒ "Don't trust the user, the device, or network"

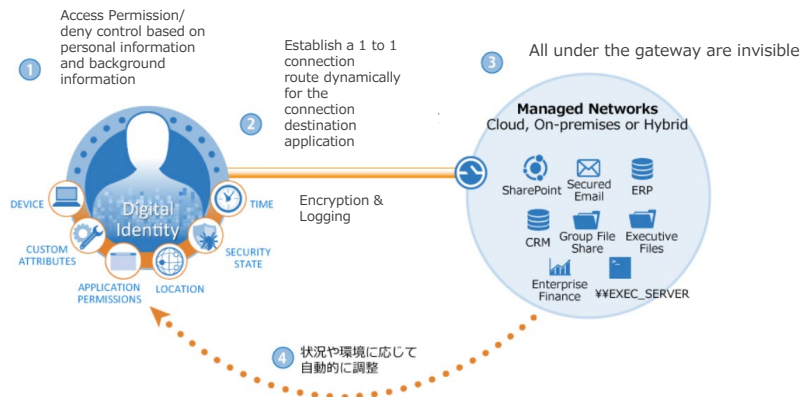
VPN Weakness : Trust what comes in network access and connected to the housing.

→After that , be attacked.

Authentication is performed only once. After that, can access the network freely. Blindly trust something like an IP address. Gives permission.

→Appgate SDP can solve above problems

Appgate SDP functional overview



- SDP has multi-step and varied authentication

Authenticate with many factors, such as the right user, the location, device , device setting , the right access time zone, and others, and allow only those who can now access the application.

- ✓ From the standpoint of protecting corporate data from eavesdropping, hacker traversal, virus infection, etc. and making it available securely, even if the inside is infected.



Rising demand for cloud security

<Significant of unified security policy>

- Rising demands for remote access from home and unified security policy applied to many offices spread across the globe.

Point ! 📍 Providing security services independent of location, device...etc.

SASE : Secure Access Service Edge(SASE) is a cloud service which provides **network and network security within a single framework.**

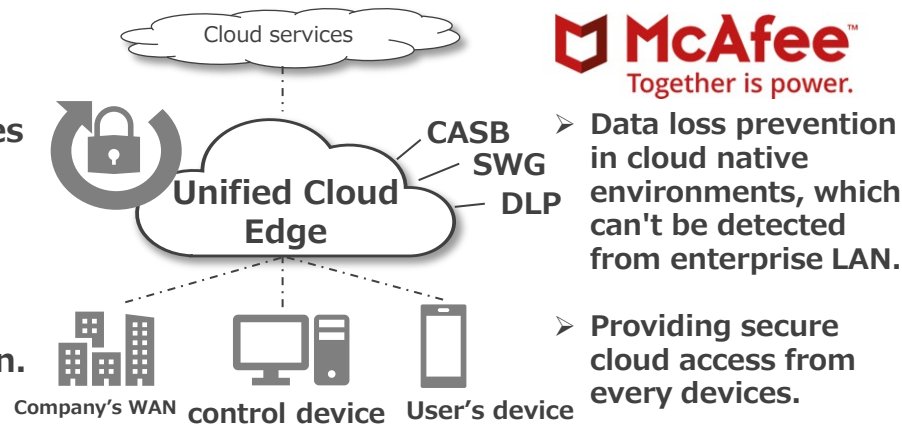
Palo Alto Networks Prisma Access

~ Providing functions of next generation fire wall on cloud~



McAfee MVISION Unified Cloud Edge

~Provides consistent data and threat protection controls from device to cloud~



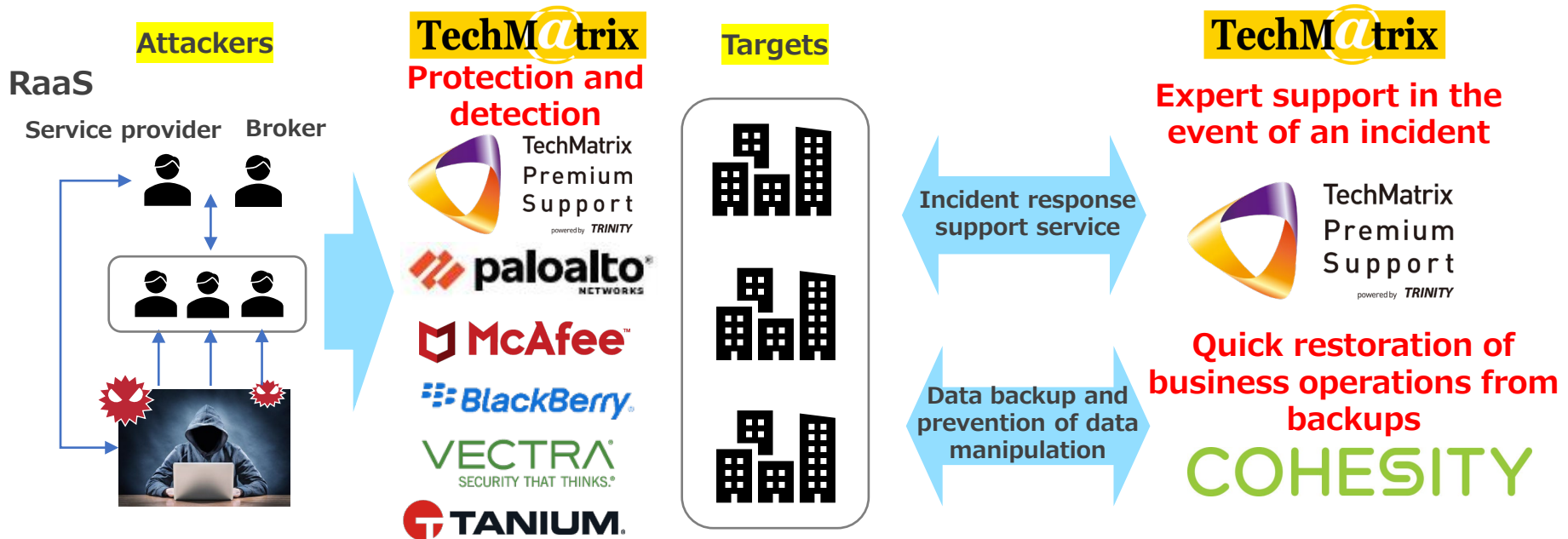


Proliferation of Ransomware Attacks and its Countermeasures

<Japanese companies suffer from the second largest damage by ransomware in the world in terms of monetary value>

- **RaaS (Ransomware-as-a-Service)**, an ecosystem for producing ransomware and collecting ransoms in an organized manner was established
- Attack patterns that exploit vulnerabilities in supply chains and overseas locations rapidly expanded

<Examples of TechMatrix solutions>





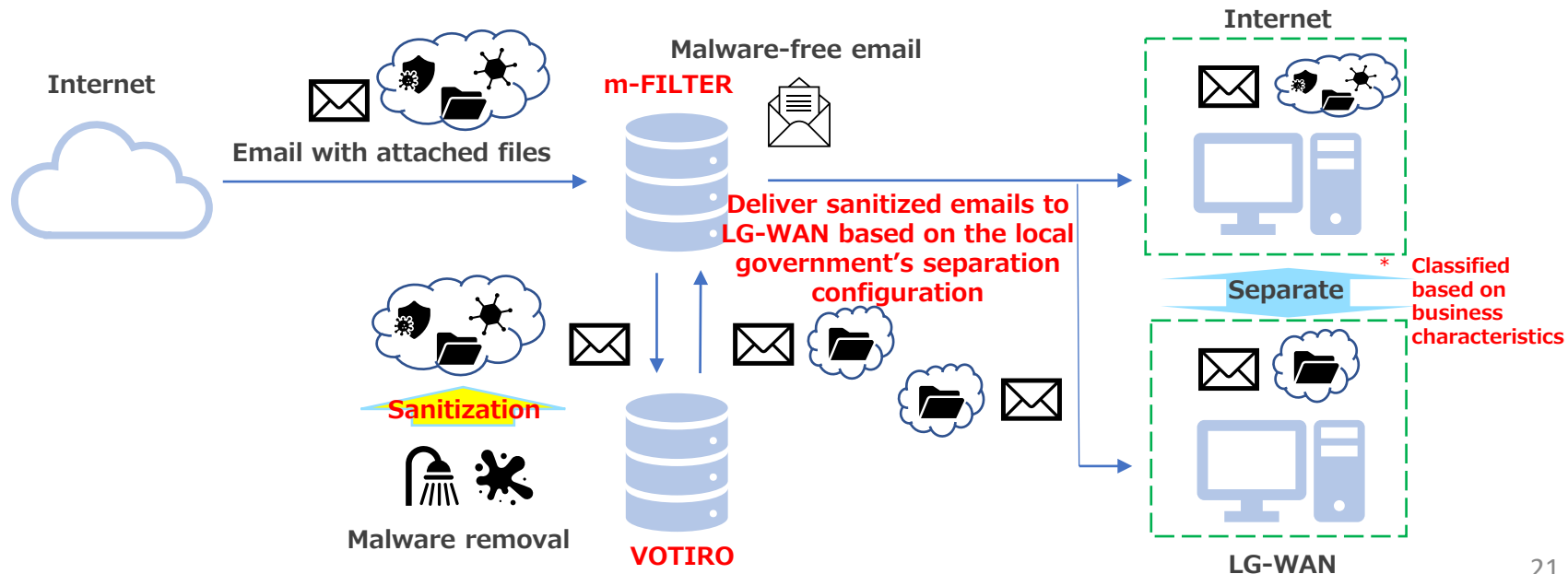
Integration between "Votiro" and Email Security Products from Digital Arts Inc.

<Guideline for Information Security Policies of Local Governments>

- For files attached to emails, it is required to **"disassemble the file first, remove risk factors, and then reconstruct the file and restore it in the same file format as that before disassembly."**

"Votiro Disarmer," a file sanitization solution for which TMX is a distributor, links with **"m-FILTER,"** an email security product from Digital Arts Inc.

<Outline of Votiro Disarmer for m-FILTER solution>





38,498,000

The number of **patients** who stored medical images in NOBORI

231,269,000

The number of **inspections** stored in NOBORI

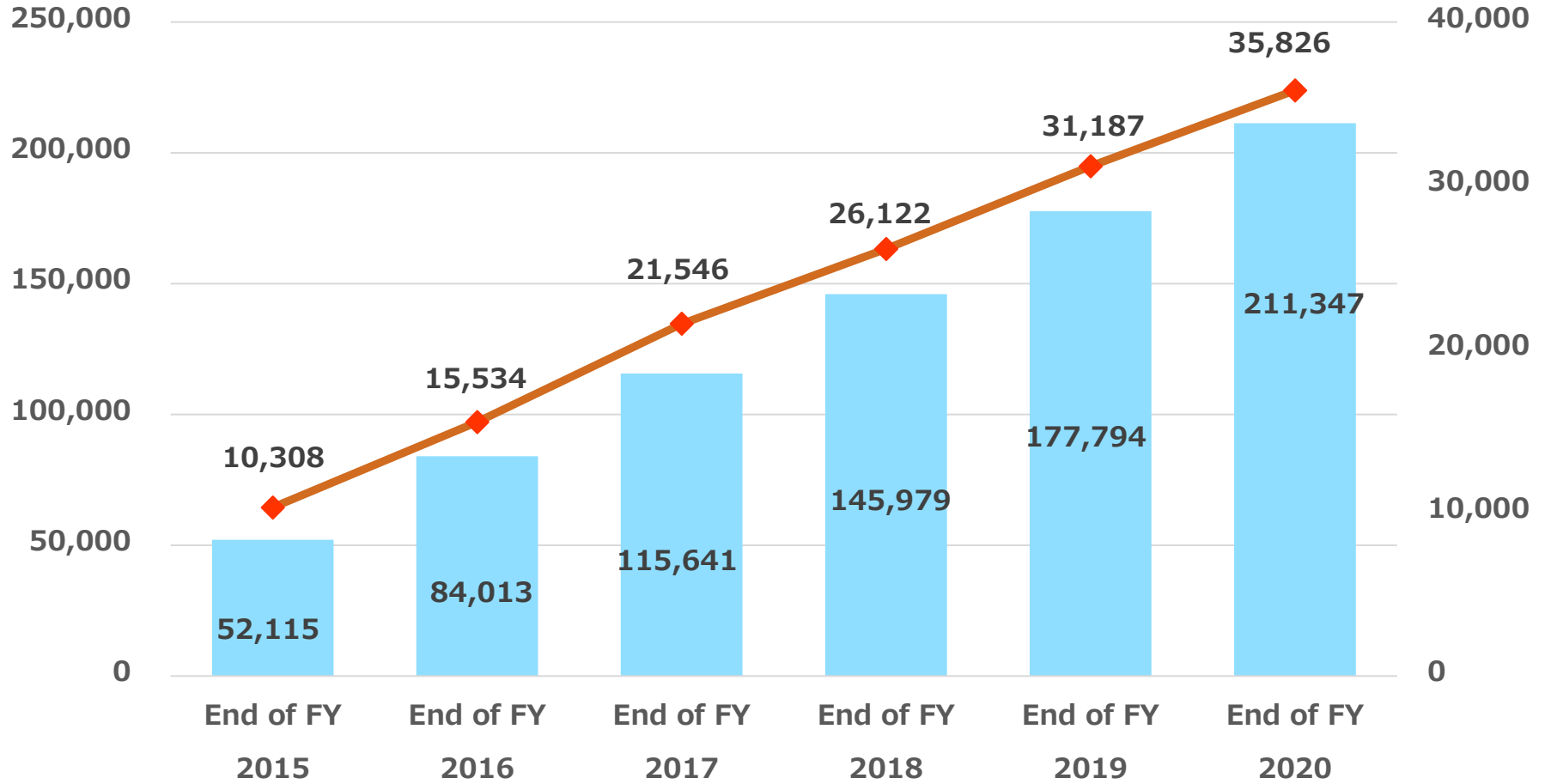
(September 30, 2021)



Data stored in NOBORI

(Numbers of inspections : thousand)

(Numbers of patients : thousand)





■ The numbers of inspections stored in NOBORI (left vertical axis) ◆ The numbers of patients stored in NOBORI (right vertical axis)



<Acceleration of CRM Business in ASEAN / Capital and Business Alliance with WISESIGHT (THAILAND) CO., LTD.>

WISESIGHT (THAILAND) CO., LTD: Established in 2016

- Provides the No.1 social data analysis cloud service in Thailand

- Points !**   In the ASEAN region, corporate activities are heavily influenced by social media penetration and the power of word-of-mouth and postings on social media.
- The use of such services in the marketing and customer care departments is attracting attention.

Business expansion in Thailand/ASEAN



WISESIGHT

- Promote sales of TechMatrix's products and services through Wisesight
- Strengthen the integration of products between Wisesight and TechMatrix and its commercialization
- Develop new products by leveraging synergies



<Launch of Testing Support and Verification Services>

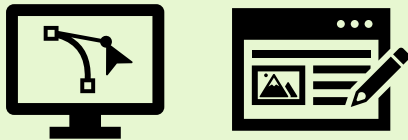
➤ Current situation of software developers

Safety verification: With the penetration of IoT and the advancement of DX, the importance of testing and the demand for services to ensure software safety are increasing more than ever.

Speed: In a world where software development is no longer a special task, speedy software development is required.

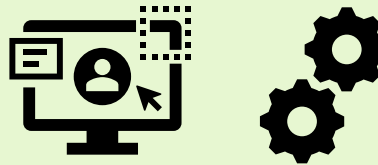
Launched testing support and verification services by leveraging our experience in selling tools to various industries and our network of highly specialized alliance partners

Functional testing automation support and undertaking



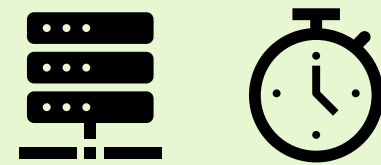
- Plan and implement functional and regression testing
- Support for in-house operations by users in the future

API testing automation support and undertaking



- Support functional and regression testing related to API development and usage
- Support for in-house operations by users in the future

Load testing automation support and undertaking



- Support overall load testing, from planning to implementation and reporting
- Support users who lack sufficient know-how and resources



< Successful track records of "tsumugino" >

➤ Activity records for the Q2

- : Continue to actively pursue the go-to-market strategy
 - Acquired new customers such as an elementary school affiliated with a national university
- : Certified as Google for Education Build Partner
- : Certified by ASPIC based on its "Information Disclosure Certification Systems for Safety and Reliability of Cloud Services"



tsumugino

tsumugino : Creating a new learning approach + innovation

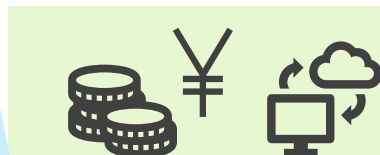
➤ School communication platform + school affairs support system on the cloud

Reducing the burden on teachers and staff



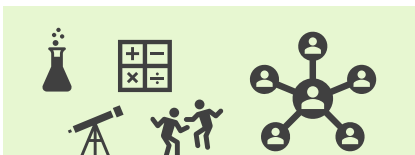
Centralized management of various information
 Teachers and staff can easily share and send information
 → **Rich features for teaching and school affairs**

Reducing investment costs



No need to purchase equipment
 Apply latest cyber security technologies
 → **Monthly paid cloud service**

A system in which children play a leading role



Record of children's daily activities (and feedback from teachers and staff)
 → **Accumulate learning history**

Excellent UI/UX



Sophisticated design/Operability ©
 Multi-device support
 → **Easy communication**



Date	Contents
April	CASAREAL,Inc., participated in the business partner program of LPI Japan.
	Deployed our cloud service "tsumugino" for HORIIGAKUEN(Yokohama Soei Junior & High School).
	Commenced the provision of solution for building software development infrastructure. ~Support for building CI/CD, configuration management and cloud infrastructure~
	Deployed our cloud service "tsumugino" for Nitobebunkagakuen (Junior & High School).
	Commenced the provision of test case management cloud service "TestRail Cloud".
May	Announcement of New mid-term management plan "BEYOND THE NEW NORMAL"
	CROSS HEAD will start providing a migration service to cybozu office cloud from late August.
	Provision of pre-built integration between CRM system "FastHelp5"(TechMatrix) and voice analysis AI phone "MiiTel" (RevComm Inc.) .



Date	Contents
June	Received "Best Distributor of the Year" from McAfee, LCC.
	<p>NOBORI started providing the integration between PHR application (NOBORI) and "Check of head health"※ (MILLENNIA Corporation).</p> <p>※Since it is difficult to translate accurately, we are translating it at our own discretion. This service is provided based on MILLENNIA Corporation's exclusive licensing agreement for MCI Screening test. "MCI" is Mild Cognitive Impairment.</p>
	Development Bank of Japan deployed "FINCAD CVA measurement service" provided by TechMatrix.
	CROSS HEAD commenced the provision of plug-in that links the workflow function of Cybozu Garoon with kintone.
	<p>Commenced the provision of "Cognito Platform" from Vectra AI, Inc.</p> <p>- It is a next generation AI security to realize visualization of threats hidden in networks and early detection using AI -</p>



Month	Contents
Jul.	Okinawa Cross Head Co., Ltd. launched Remote Browser powered by Ericom Shield Cloud.
	Began providing software testing support and verification services – supporting various types of testings such as functional testing, API testing, and load testing
	Received Channel Services Delivery Excellence Award from Dell Technologies
	Commenced the provision of “Jtest 2021.1,” a Java-enabled testing automation tool
	TechMatrix received certification as a Google for Education Build partner.
	The latest Version 9.5 of “Ranorex Japanese version,” a UI testing automation tool with powerful object recognition capabilities, became available.
	Started providing integration of “Votiro,” a file sanitization solution, with “m-FILTER,” an email security product, which can sanitize email attachments and fully comply with local government guidelines
	Entered into a capital and business alliance with WISESIGHT (THAILAND) CO., LTD., the largest social data analysis cloud provider in Thailand, to accelerate the expansion of CRM solution business in the ASEAN region



Month	Contents
Aug.	Commenced the provision of the Japanese version of "Understand 6," a high-speed source code analysis tool
	CROSS HEAD began offering the "Cybozu Office Cloud Migration Pack," which remotely supports migration to the cloud version of the Cybozu Office.
	Sumitomo Mitsui Construction Co., Ltd. introduced "DataProtect" of Cohesity.
Sept.	Okinawa Cross Head Co., Ltd. launched "STEC on Chromebook," a one-stop service that supports both software and hardware in remote work environment
	AppgateSDP that realizes zero trust network access – a VPN replacement campaign and a campaign targeting boards of education
	Started providing integration of "FastHelp5," a CRM system for call centers, with "BlueBean," a cloud-based PBX/CTI system from SOFTSU Co., Ltd.



3. Medium-Term Management Plan “BEYOND THE NEW NORMAL”



We continue business strategy of TMX 3.0

- **Strategic and accelerated promotion of cloud-related businesses**
- **Pursuit of security and safety**



TMX3.0 business strategy continues

- Promote strategy and acceleration of Cloud-related business
- Pursuit of security and safety

		Topic
Content strategy	1	Expanding portfolio of products and services
	2	Accelerated <u>servicization</u> (increasing service ratio)
	3	Utilization of data(Including use of AI)
External strategy	4	Diverse alliances•M&A (Expansion of existing business , Creation of new business)
	5	Expanding business in the overseas market
Internal strategy	6	Creation of synergies by strengthening group collaboration
	7	Human resource development/Organizational development (Including promotion of diversity)



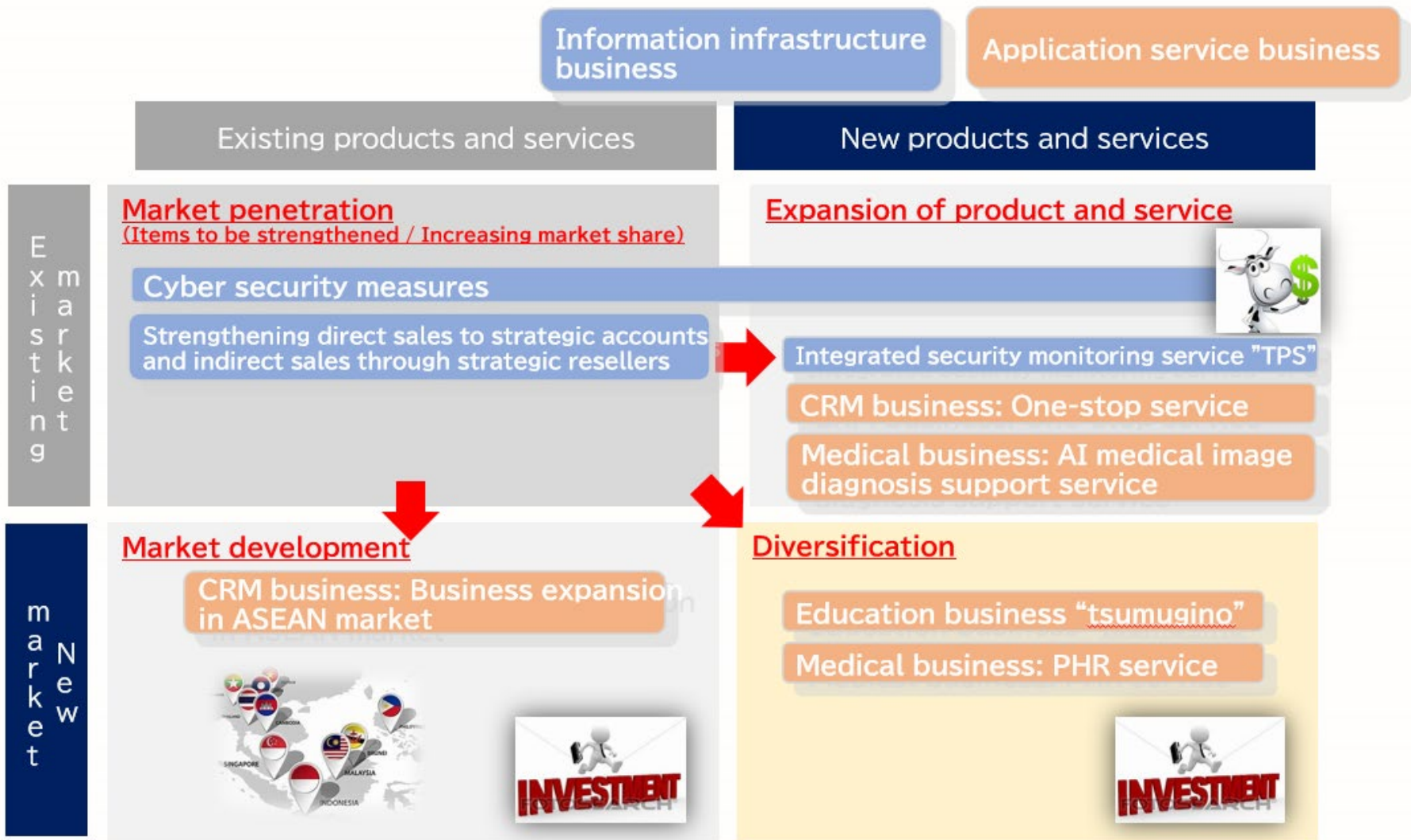
Key basic strategy

Information infrastructure business

- Expanding portfolio of products and services
- Strengthening direct sales to strategic accounts and indirect sales through strategic resellers
- Matrix management of Product-oriented organization and Account-oriented organization
- Strengthening expertise , Visualization of technological capabilities (Visualization of maintenance support , Proactive delivery of technical information , etc.)
- Expand sales of Integrated monitoring security services(TPS)
- Expansion of remote services to be provided by a centralized operation center (Pursuit of added value)
- Aggressive transition to Subscription business model(Strengthening stock businesses)

Application service business

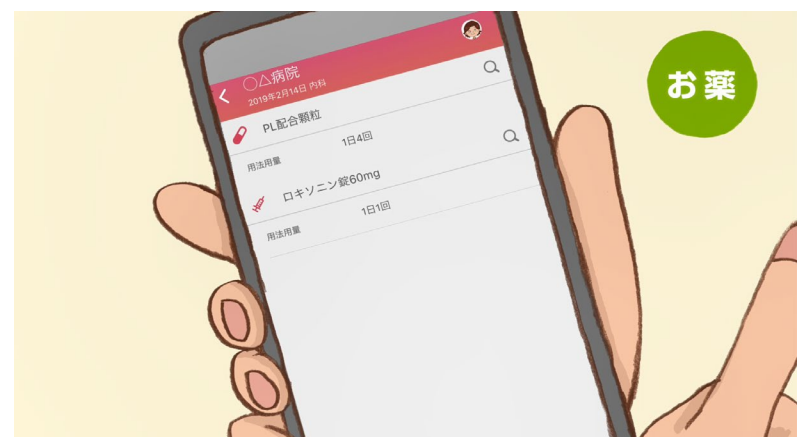
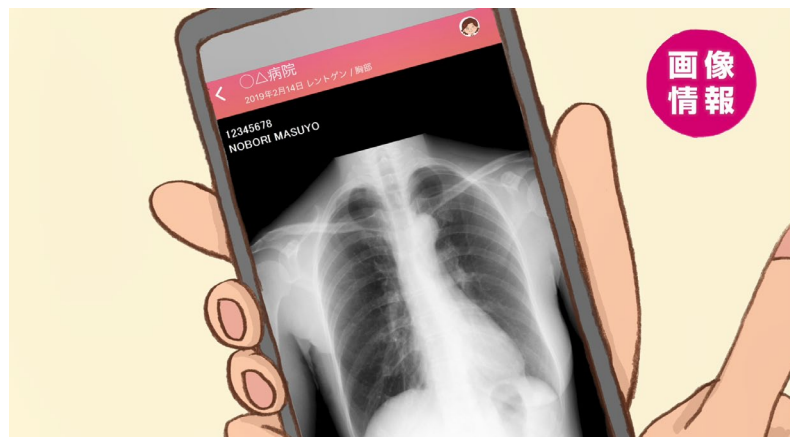
- Active investment into rapid expansion of education business
- Acceleration of AI Medical diagnosis support service business
- Expansion of PHR service
- Formation of alliances and groups with other vendors for One-stop CRM service
- Accelerate global expansion(ASESAN)
- Product/Service development using AI technologies
- Portfolio expansion (Original development of software development platform solution, etc.)
- Third-party testing with tools/Entry into the verification market
- Development and provision of BI solution for some specific vertical markets





NOBORI

PHR (Personal Health Record) service for individuals (for patients)



TechMatrix Premium Support powered by TRINITY

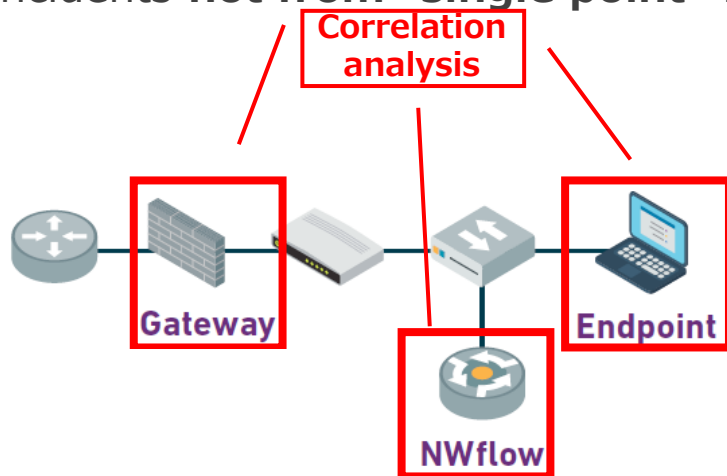
Integrated security monitoring service using correlation analysis rules created based on hundreds of threat scenario patterns originally developed by TechMatrix

※TRINITY is TechMatrix's original service to undertake operations and monitoring for ICT infrastructure.

■ Issues of conventional single device monitoring

- 1) Conventional single monitoring results in a **“point” analysis** of events.
- 2) If **the person in charge of operation** and **the monitoring vendor are different for each product**, the investigation, Information sharing, and **primary response are delayed**.
- 3) Because encrypted communication is increasing and sophisticated attack techniques are prevailing, **communication difficult to be monitored and analyzed is increasing**.

■ Our comprehensive integrated security monitoring service detects cyber security incidents **not from “single point” but from “multiple points”**



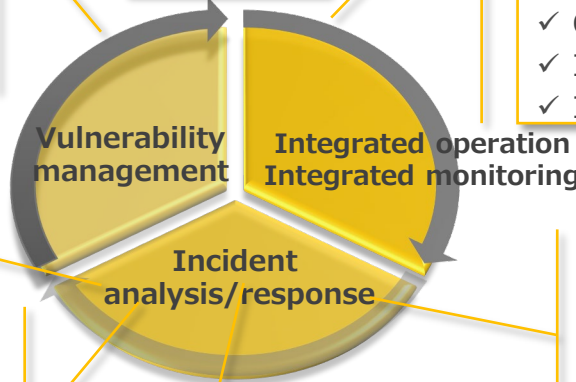
「TechMatrix Premium Support powered by TRINITY」, **our comprehensive integrated security monitoring service** analyzes correlation using data captured at the gateways, at the end-points and from network flows (not from “single point” but from “multiple points”) within the enterprise network, which can detect a variety of security incidents and strengthen the cyber security platform to be able to protect enterprises from unknown malware.



TechMatrix Premium Support powered by TRINITY

Providing various services that serve as a security operation platform based on the integrated monitoring service

TechMatrix Premium Support powered by TRINITY



TPS Integrated supervision service

- ✓ Provision of network flow monitoring without charge
- ✓ Correlation analysis of multiple security products
- ✓ One-stop device operation
- ✓ Includes cyber security insurance
- ✓ Innovative pricing plan

TPS Vulnerability diagnosis service

The monitoring center intermittently conducts vulnerability diagnosis and manages the results. Used for handling monitoring analysis as well as performing necessary device tuning.

Malware analysis

Incident response service (Urgent response)

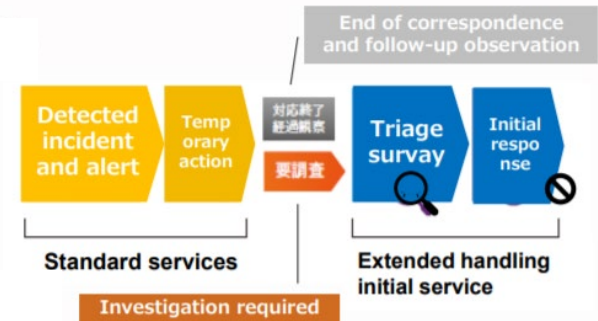
Providing response and investigation (including forensics) for security incidents and accidents even without TPS contract.

Second opinion

Suggest a second opinion on the results of the infringement investigation

Extended handling initial service

Utilizing EDR products to handle initial response (Managed EDR)





TechMatrix Incident response service

Experts assist investigation and response in the event of a security incident

When an incident such as malware infection occurs, it is essential to investigate and respond to it by an expert. This service is provided by TechMatrix’s security experts. We support investigation and recovery in addition to the conventional initial response immediately after an incident occurs.

Infected with malware.



Leading the situation to normal state through expert's investigation and response.



Suspicious network communication is occurring.

Opened a suspicious email.



Pointed out by a third party.

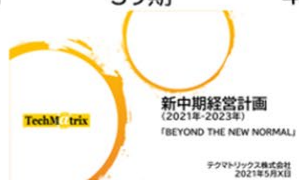
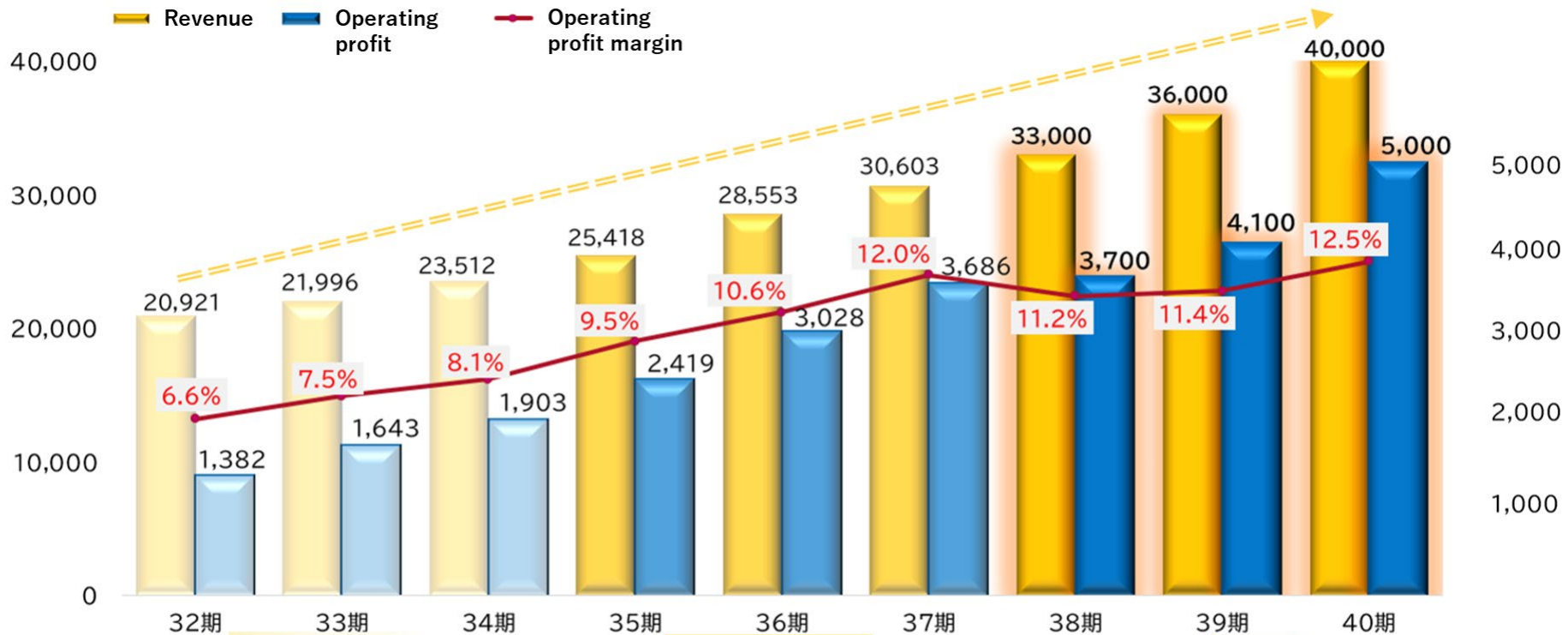
For security incidents, it is important to investigate the cause and respond promptly, in addition to suppressing the outbreak. Monitoring Center team and Security Lab. team in TechMatrix provide support services ranging from the initial response immediately after the accident, infringement investigation, to settlement of the situation.

Service flow and overview



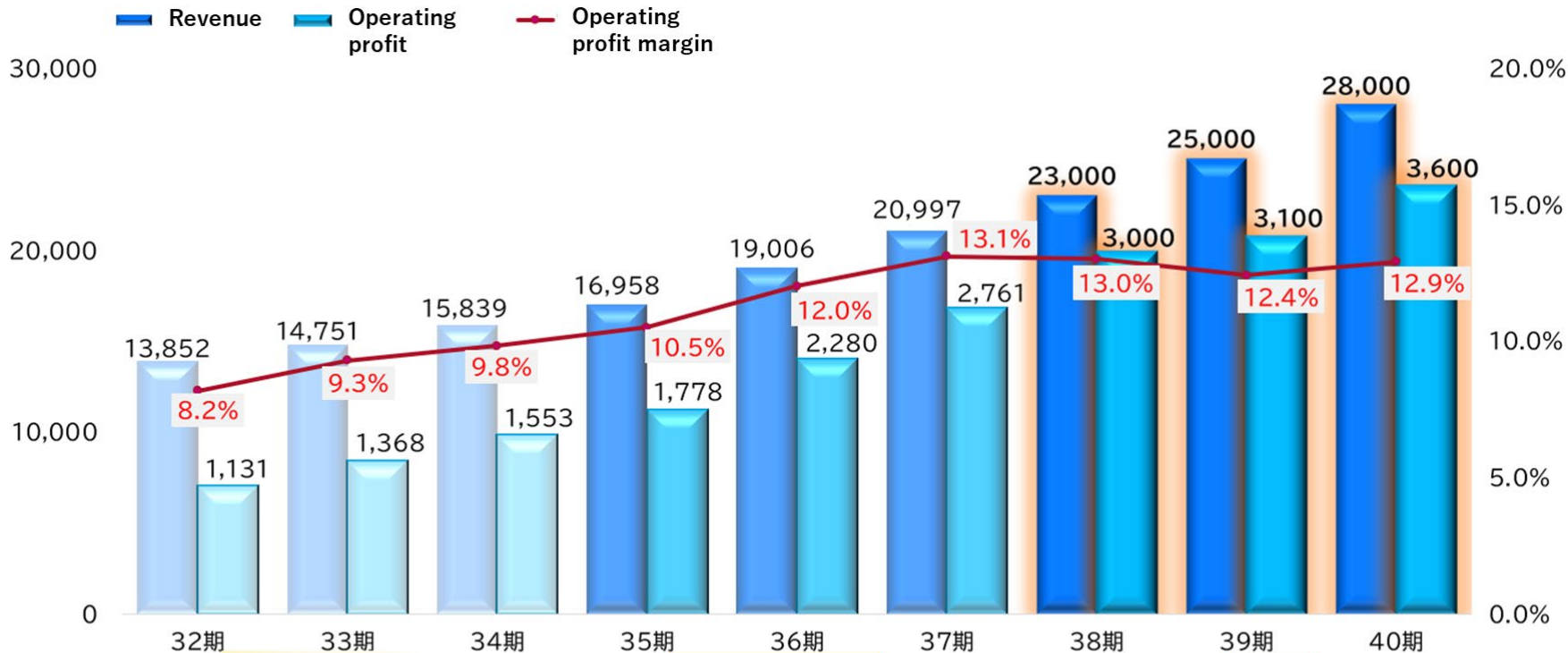


Both revenue and operating profit continue to grow



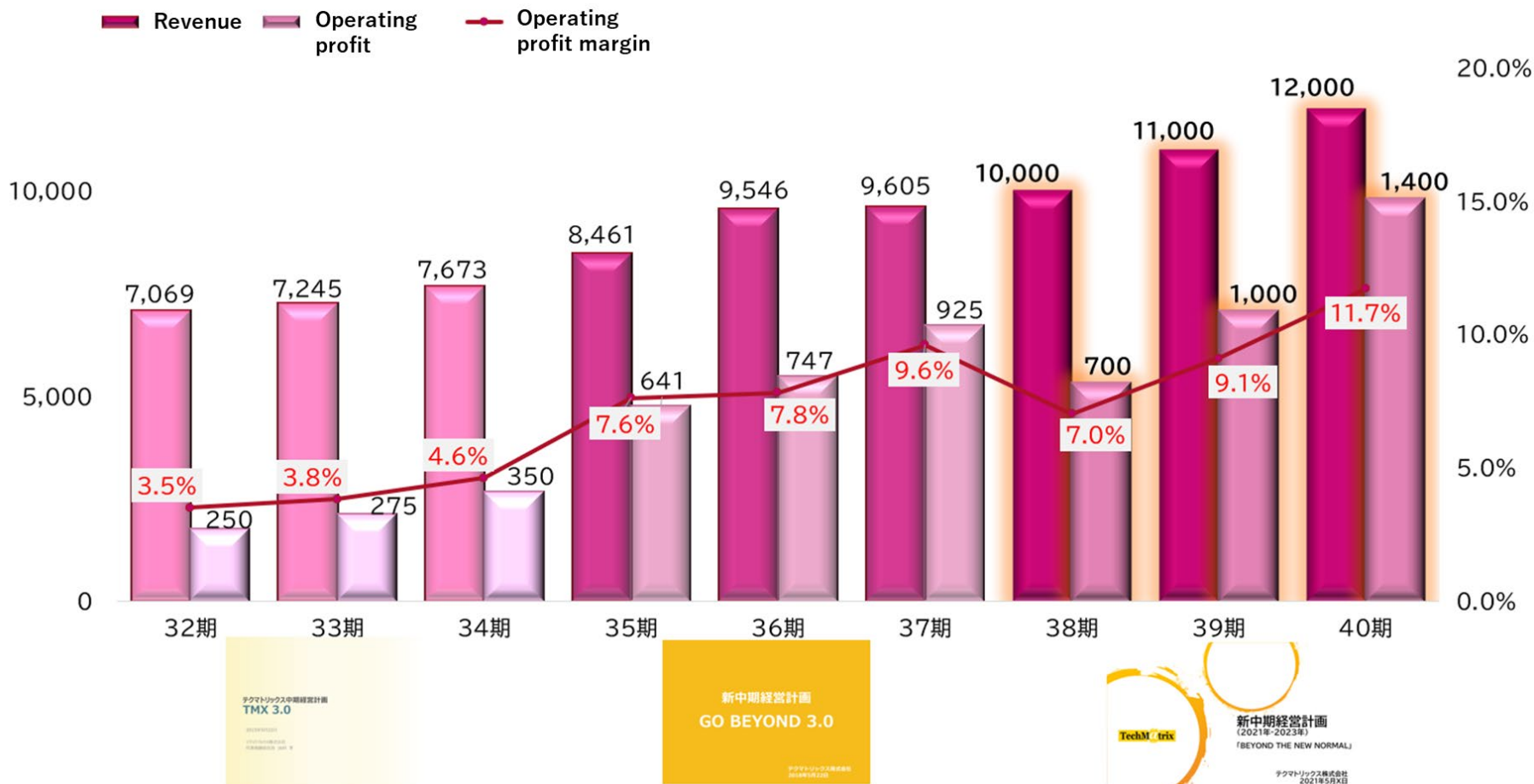


Building a stable earnings base and adapting to the cloud-native era





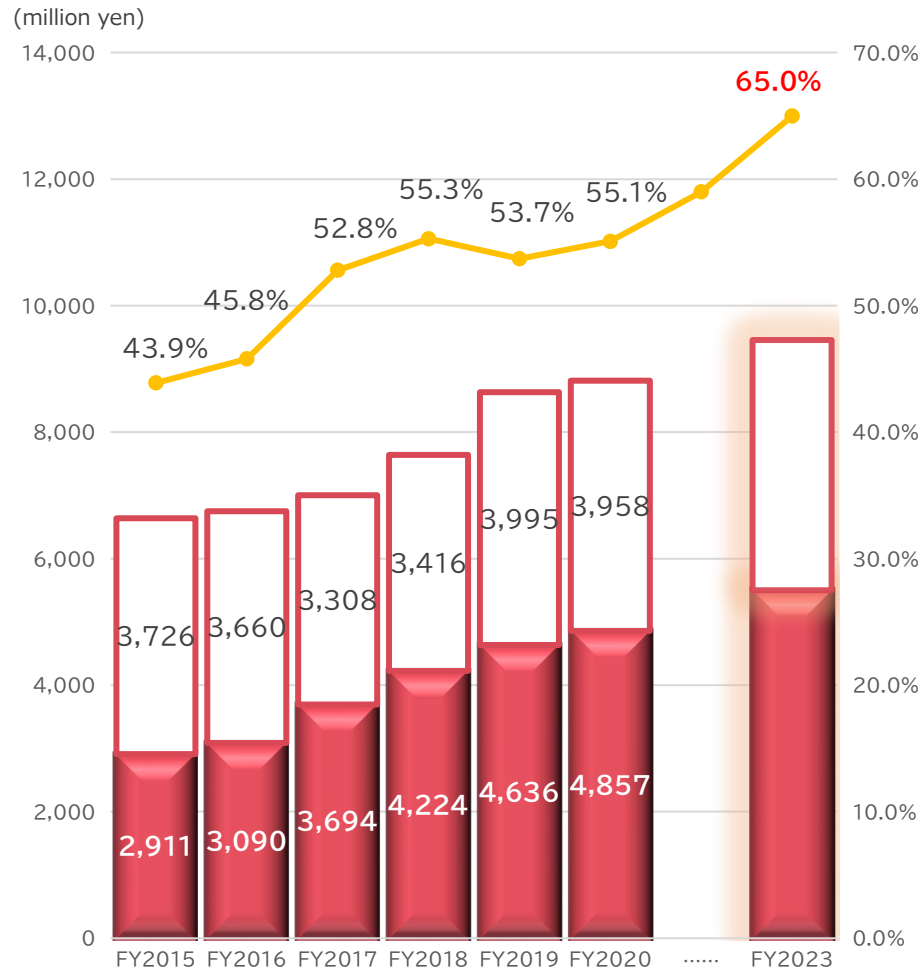
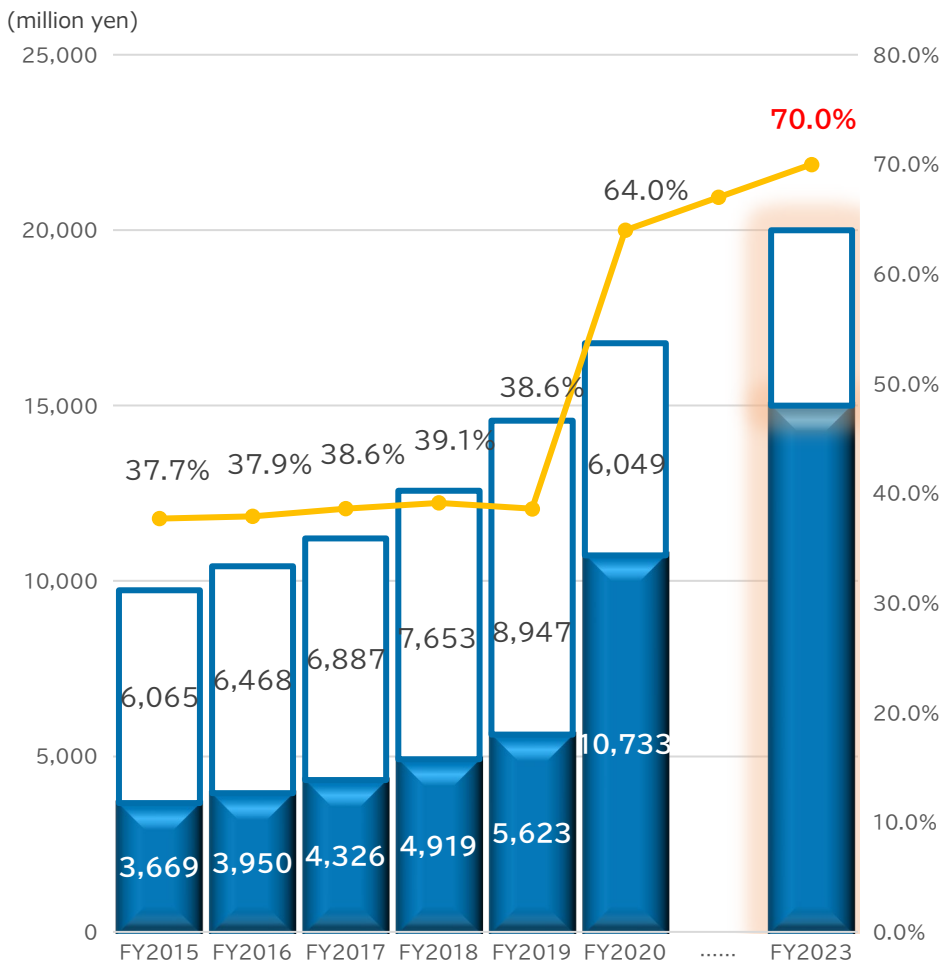
Balance between investment and growth





Information infrastructure

Application service



Stock Non stock Stock ratio

Stock Non stock Stock ratio



より良い未来を創造する ITのプロフェッショナル集団





4. Business Models



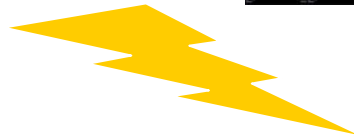
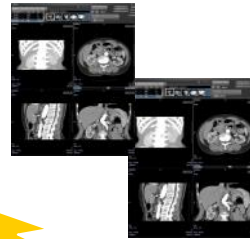
Point!

A cloud service for healthcare information "NOBORI". We store, share and utilize valuable medical information securely in a cloud environment.

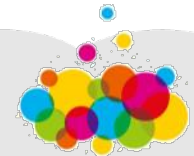
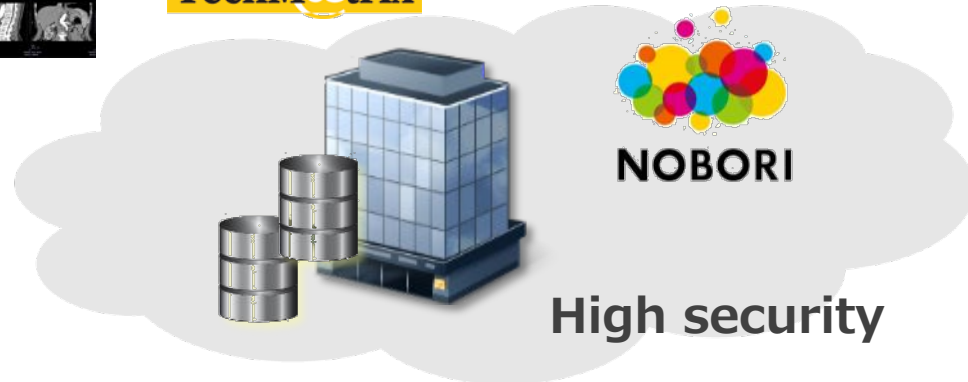
Free initial investment !

No space required !

No engineer required !



NOBORI CUBE



NOBORI

High security

- We started to provide NOBORI in Cloud PACS market so quickly. Medical Institutions can deploy NOBORI at a low price and in a short period of time.
- The number of medical facilities using NOBORI has been increasing by introduction to large-scale hospitals and through strong partnership.
- We provide a platform for other healthcare services "NOBORI PAL".

Point!

Enhancing the competitiveness of customers' businesses by CRM system.

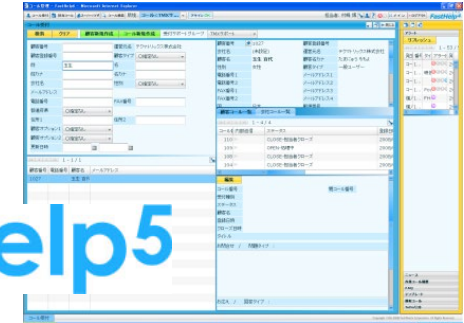
- Contacts about products
- Contacts after purchase



Products



FastHelp5



Unified management of purchase histories and the past Q&A's

Quick search !



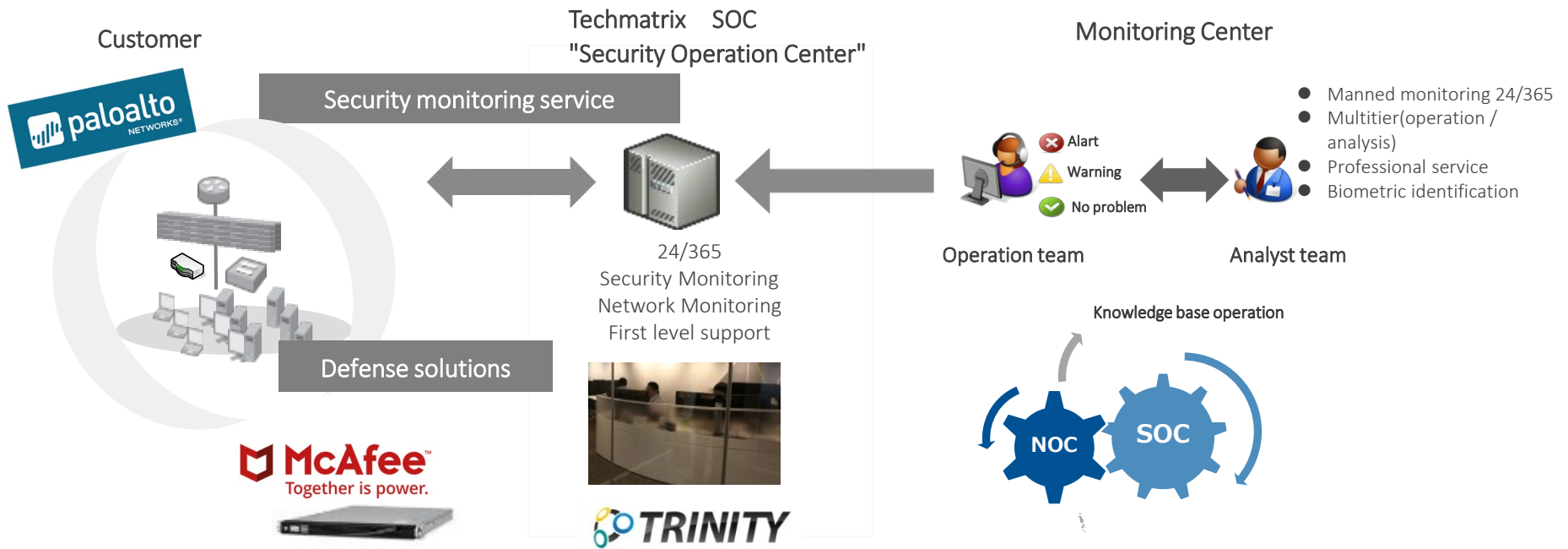
Quick response to the customers' Inquiries !



Improvement of customer satisfaction !



Point! One-stop solution from Techmatrix.



One-stop solution

One-stop solution for system design, integration, maintenance, operation and monitoring services.

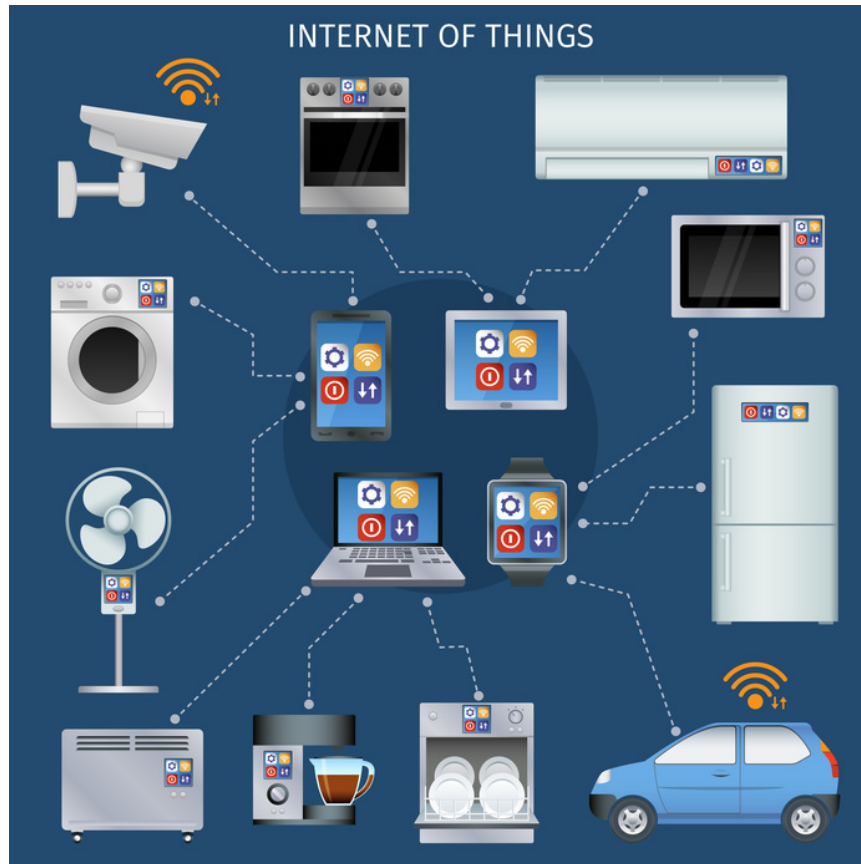
Professional service with expert knowledges

Techmatrix provides security monitoring services based on its in-depth knowledge on the products it delivers, although other security vendors provide basic services for a wide variety of products.



Point!

Every internet-connected device can be a target for cyber-attacks in the IoT era.



- ▶ Solution for test, systems design and version control system
- ▶ Integration of infrastructure, training and operation support for development process
- ▶ Support for substantive improvement of software quality and productivity enhancement

Improve quality of embedded software
Comply with functional safety standards



Structural analysis

Visualization of Software architecture by source code analysis

Architecture analysis

Code structure analysis

dependency analysis

Refactoring support

Code analysis · Unit test

Early detection of problems

Bug detection

Maintainability of code

Unit test support

coverage measurement and analysis

Functional test

UI test automation
API testing and virtualization

UI test

Load test

API test

Service virtualization

Software development infrastructure

Provide the foundation for rapid deployment and project management

Test management

Configuration management

CI/CD

Project management

Open source software management

Visualization of risks arising out of the use of OSS

To detect OSS license in use

Vulnerability detection



Structural analysis

- Architecture analysis tool **Lattix**
- Source code analysis tool **Understand**

Code analysis · Unit test

- Compatible with C/C++/Java/.NET Automated test tool
Parasoft C++test
Parasoft Jtest
Parasoft dotTEST
- Compatible with C/C++ Automated error detection tool
Parasoft Insure++

Functional test

- Automated tool for UI test
Ranorex
- Automated tool for API test
Parasoft SOAtest
- Service virtualization tool
Parasoft Virtualize

Software development infrastructure

- For CI/CD
CloudBees Jenkins
- Redmine plug-ins to extend functionalities for PM/PL
Lychee Redmine
- Test case management tool
TestRail

Open source software management

- To detect OSS licenses in use, vulnerability and risks arising out of the use of OSS
FOSSID

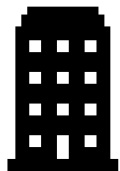
SOLUTION



Point!

Provision of risk management systems for financial institutions who manage financial assets so that they can maintain financial strength.

Financial assets of individuals and companies



financial institutions
(institutional investors)

- Bank
- Trust Bank
- Shinkin bank
- Life insurance company
- Non-life insurance company
- Securities
- FX trading
- Mutual aid association
- . . .

Investment products

- Bond
- Stock
- Investment trust
- Forward exchange
- Derivatives
- Loan deposit . . .

- Market risk
- Credit risk
- Price fluctuation risk
- Foreign currency risk



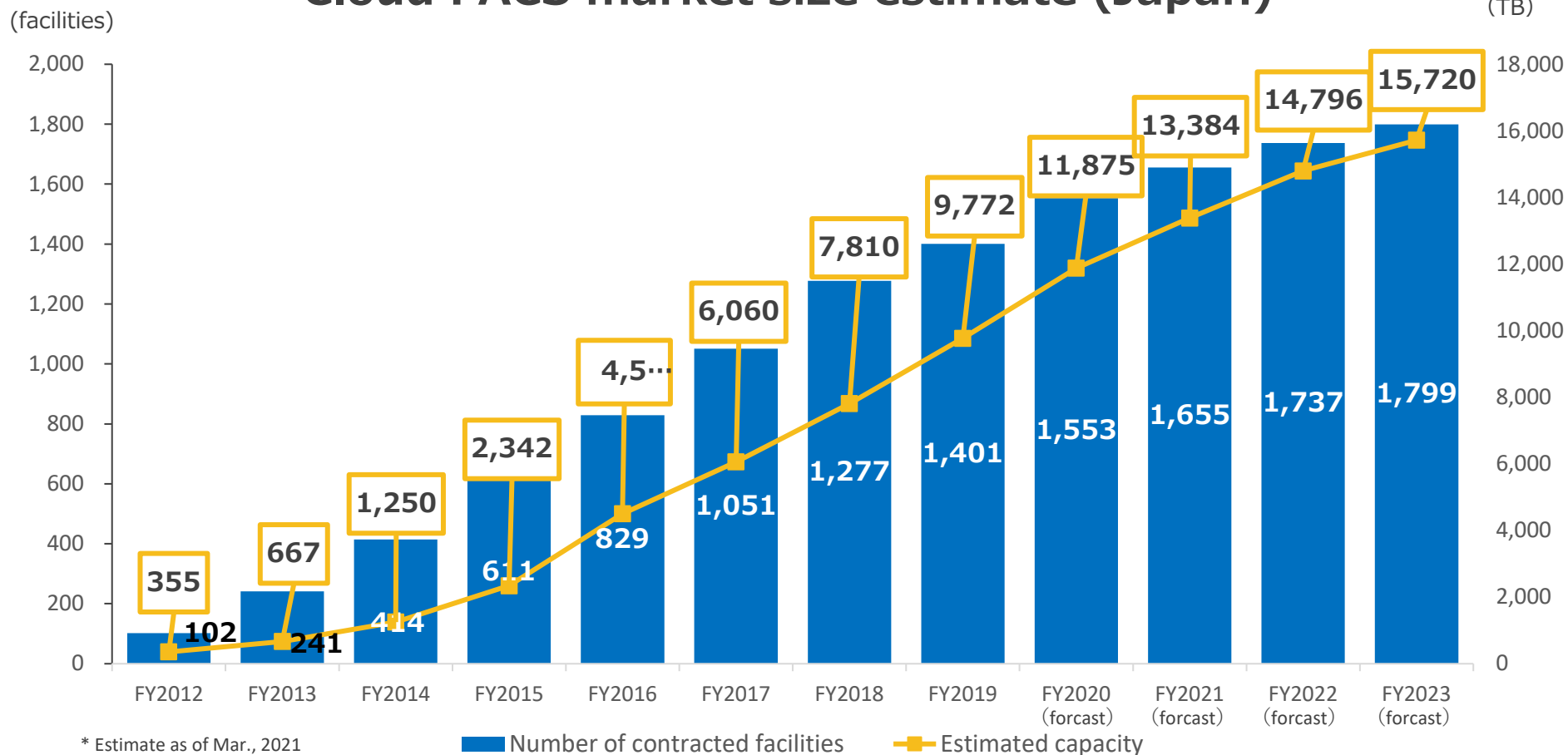
We measure various risks of financial assets (portfolio) using these systems.



5. Market Conditions for our business



Cloud PACS market size estimate (Japan)



◆ Number of contracted facilities using cloud PACS was forecasted to be 1,553 as of the end of FY2020 in Japan. The number of facilities have steadily increased.

* Source: Yano Research Institute Ltd., "Medical Imaging Systems and PACS Markets 2021" (Mar.,2021)



Type of PACS Cloud

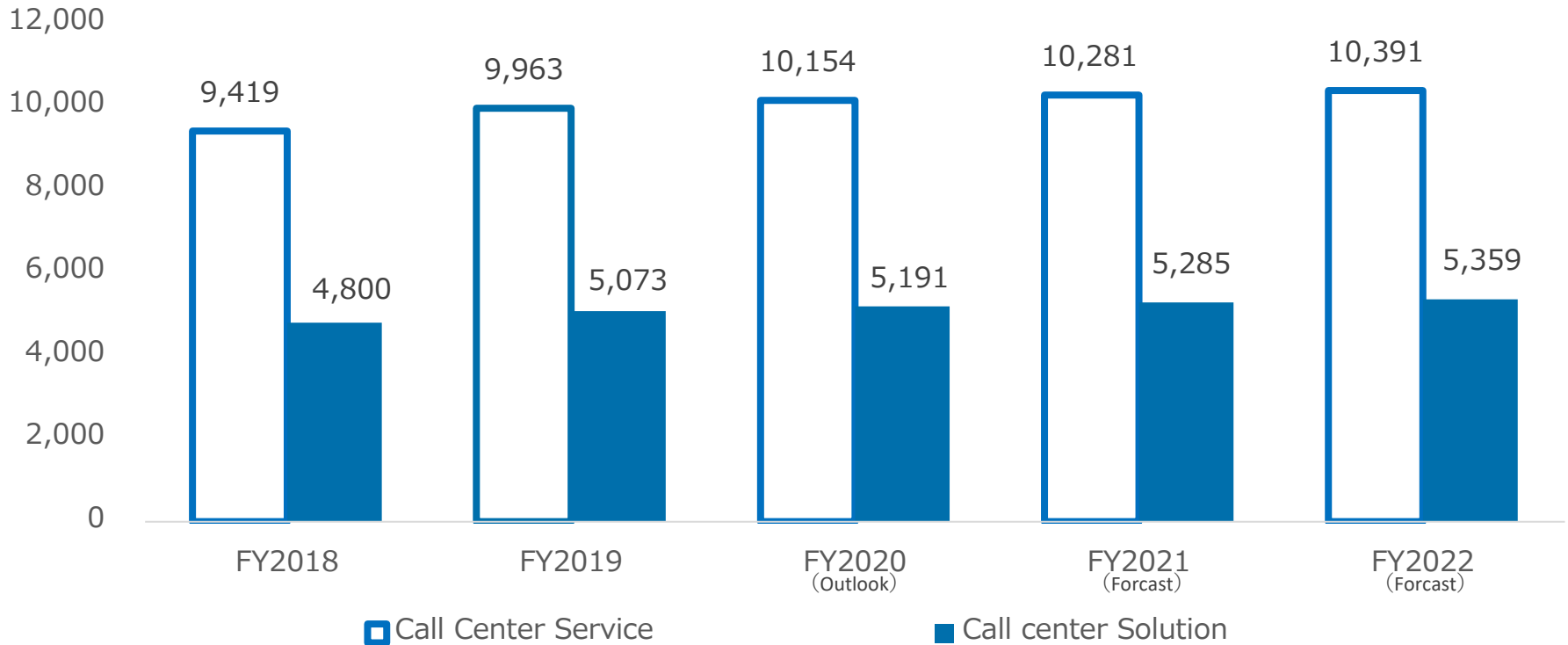
Cloud type	Brief summary	Feature	Configuration image	NOBORI
TYPE 1	Store both short term and long term data in a in-house server + data center (dual storage for all data)	Data back up in a data center Additional costs		—
TYPE 2	Store short term data in on-premise servers + long term data in a data center	Frequently used data in a hospital Additional costs		—
TYPE 3	All data in data center without in-house server (only cash in NOBORI appliance)	No additional costs and lower price range		

◆Techmatrix is ahead in the healthcare cloud business with "NOBORI" which is installable at a low price and in short term.



Transition and Forecast of Domestic Call Center Service / Solution Market Size

(Unit:Hundred Million Yen)



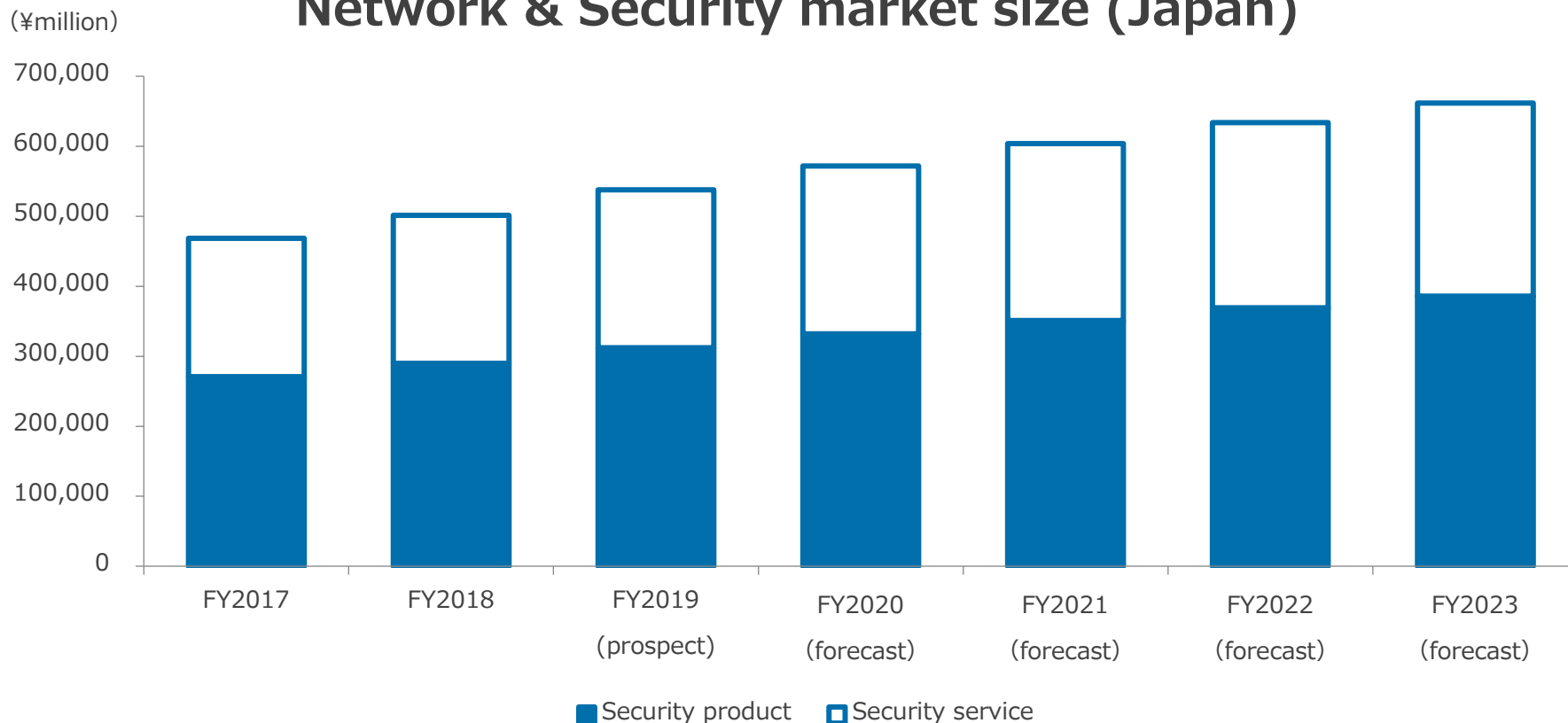
*Service provider's sales revenues. Estimate as of September., 2020

- ◆The domestic call center service market in FY2019 rose by 5.8% from the preceding fiscal year to attain 996,300 million yen, based on the sales revenues at call center service providers.
- ◆The domestic contact center solution market in FY2019 rose by 5.7% from the previous fiscal year to attain 507,300 million yen (based on the sales revenues at the businesses).

* Source: Yano Research Institute Ltd., " Call Center Service & Contact Center Solution Markets in Japan: Key Research Findings 2020"



Network & Security market size (Japan)



◆ Forecasted Networks Security business market in Japan expanding from ¥468.7 billion in FY2017 to ¥661.7 billion in FY2023.

◆ High growth rate on average at 5.7% has been forecasted.

* 出所 : 「2019 Network security business research stars (market edition) 」
by Fuji Chimera Research Institute, Inc.



<Handling of this material>

Description of future prospect contained in this material, etc. is based on current information.

It may fluctuate due to Macroeconomic trends, Market environment, Our related industry trends, Other internal · external factors, etc.

Therefore, there are risks and certainty that actual performance may differ from the descriptions of future prospect, etc.

<Contact>

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