



# Results for the 36<sup>th</sup> business period

(Fiscal Year Ending March 31, 2020)

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**TECHMATRIX CORPORATION**

- 1. Business Highlights for the 36th business period (Consolidated)**
- 2. Topics of Business activities**
- 3. Medium-Term Management Plan "GO BEYOND 3.0"**
- 4. Business Models**
- 5. Market Conditions for our business**

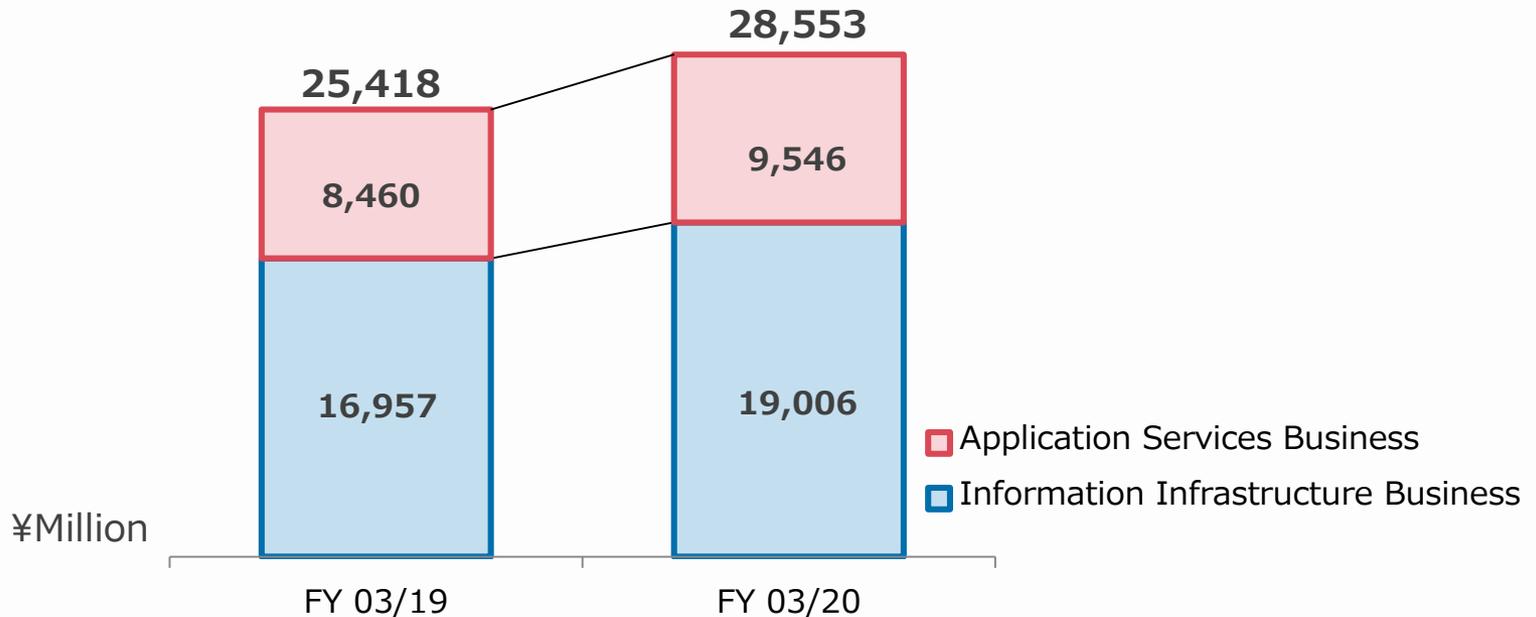
# 1. Business Highlights for 36th business period (Consolidated)

# Business Highlights (Consolidated)

- ◆ The highest consolidated net sales, operating income, ordinary income and profit attributable to owners of the parent.

	FY 03/19 (¥Million)	FY 03/20 (¥Million)	Change in amount (¥Million)	Rate of Change (%)
Net sales	25,418	28,553	+3,134	+12.3%
Operating income	2,418	3,028	+69	+25.2%
Ordinary income	2,352	3,018	+666	+28.3%
Profit attributable to owners of the parent	1,470	1,863	+392	+26.7%

# Net sales by Segment

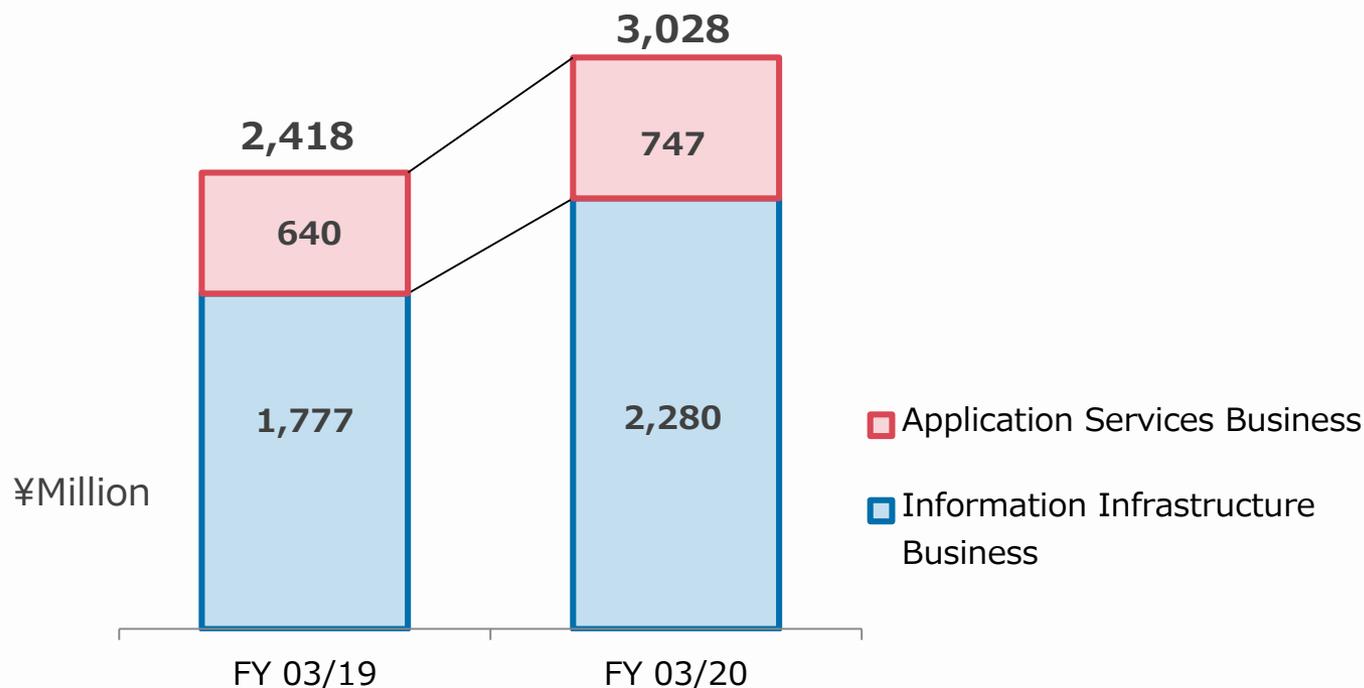


	FY 03/19 (¥Million)	FY 03/20 (¥Million)	Change in amount (¥Million)	Rate of Change (%)
Information Infrastructure Business	16,957	19,006	+2,049	+12.1%
Application Services Business	8,460	9,546	+1,085	+12.8%

◆ Information Infrastructure Business: The highest consolidated net sales. Strong performance in next-generation firewalls, intrusion prevention appliances, web security products and next-generation mail security products. Booking of personal authentication systems increased towards the end of fiscal year.

◆ Application Services Business: The highest consolidated net sales due to solid businesses for Medical, CRM and Software Quality Assurance field. Received orders for large projects in the CRM field.

# Operating income by Segment



	FY 03/19 (¥Million)	FY 03/20 (¥Million)	Change in amount (¥Million)	Rate of Change (%)
Information Infrastructure Business	1,777	2,280	+52	+28.3%
Application Services Business	640	747	+106	+16.6%

◆ Information Infrastructure Business and Application Services Business: The highest consolidated operating income.

# Weather chart by Segment

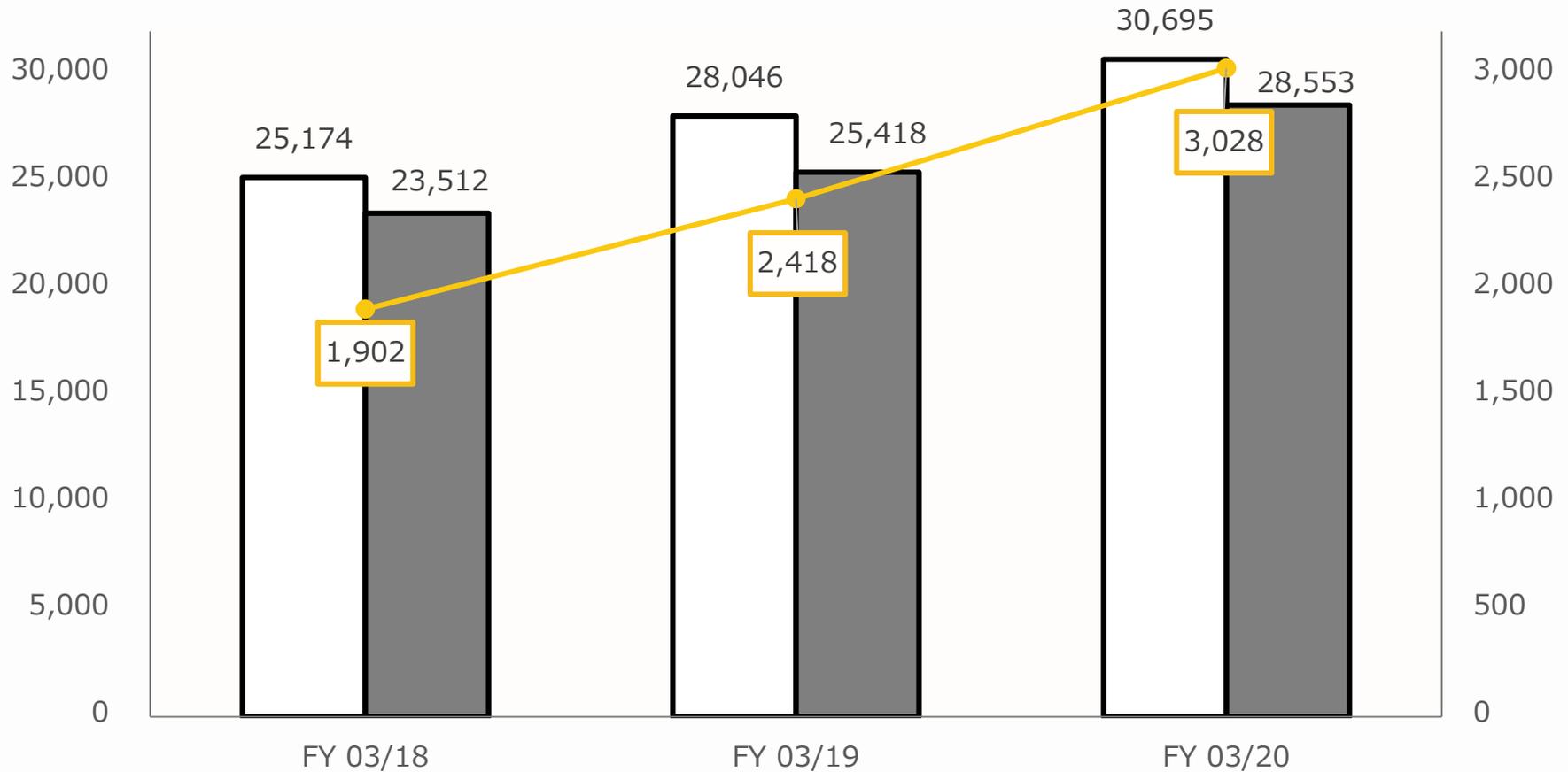
◆ Information Infrastructure Business	Year on year
Load balancers (BIG-IP, EDGE)	
Next-Generation Firewalls (PaloAlto, Traps)	
Antivirus / Intrusion prevention Appliances / Security Information and Event Management(SIEM) / Web security	
Personal authentication systems / Forensic products / Storage products	
Security-related operation and monitoring services	
AI-driven threat protection/Endpoint detection and response/others	
CROSS HEAD & Okinawa Cross Head	
◆ Application Services Business	Year on year
Business Solution field (Including CASAREAL)	
Software Quality Assurance field	
Medical field (Including Ichigo)	
CRM field	

+10% and over  
 +5% ~ +10%  
 within ±5%  
 within Δ10%  
 under Δ10%

# Booking and Net sales / Operating income

Booking and Net sales  
(¥Million)

Operating income  
(¥Million)

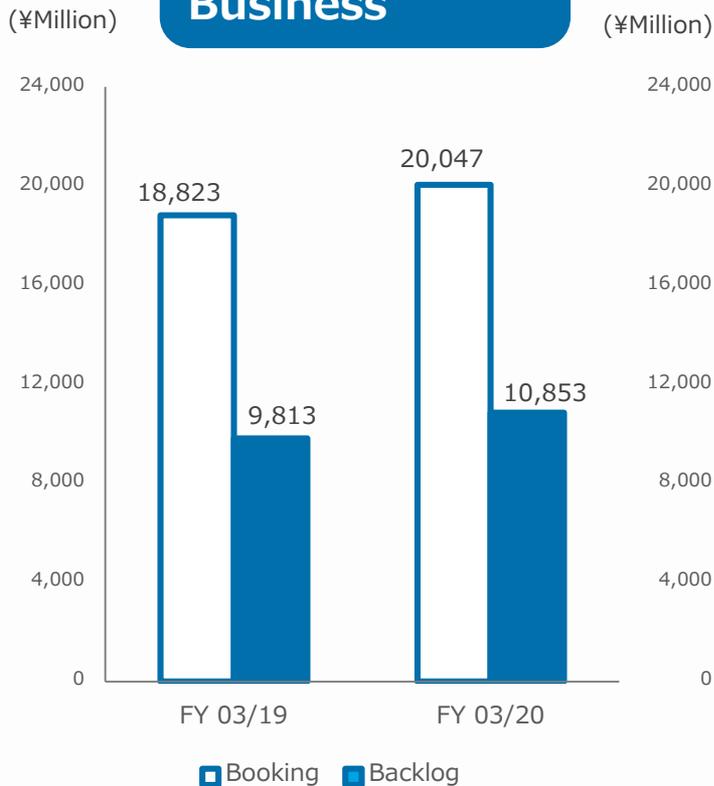


Booking Net sales Operating income

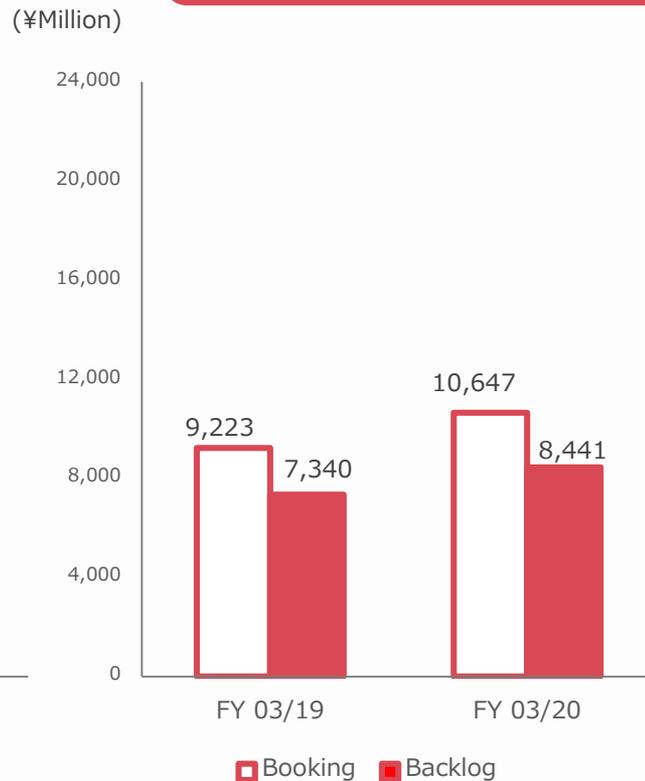
# Booking and Backlog

- ◆ Information Infrastructure Business: Booking were in good shape (6.5%UP) . Backlog increased (10.6%UP).
- ◆ Application Services Business: Booking were in good shape (15.4%UP).Backlog increased (15.0%UP).

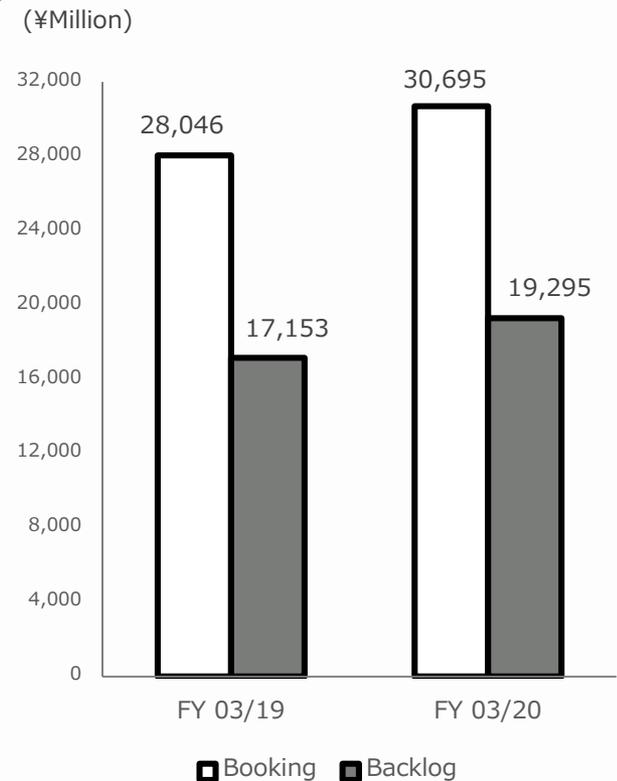
## Information Infrastructure Business



## Application Services Business

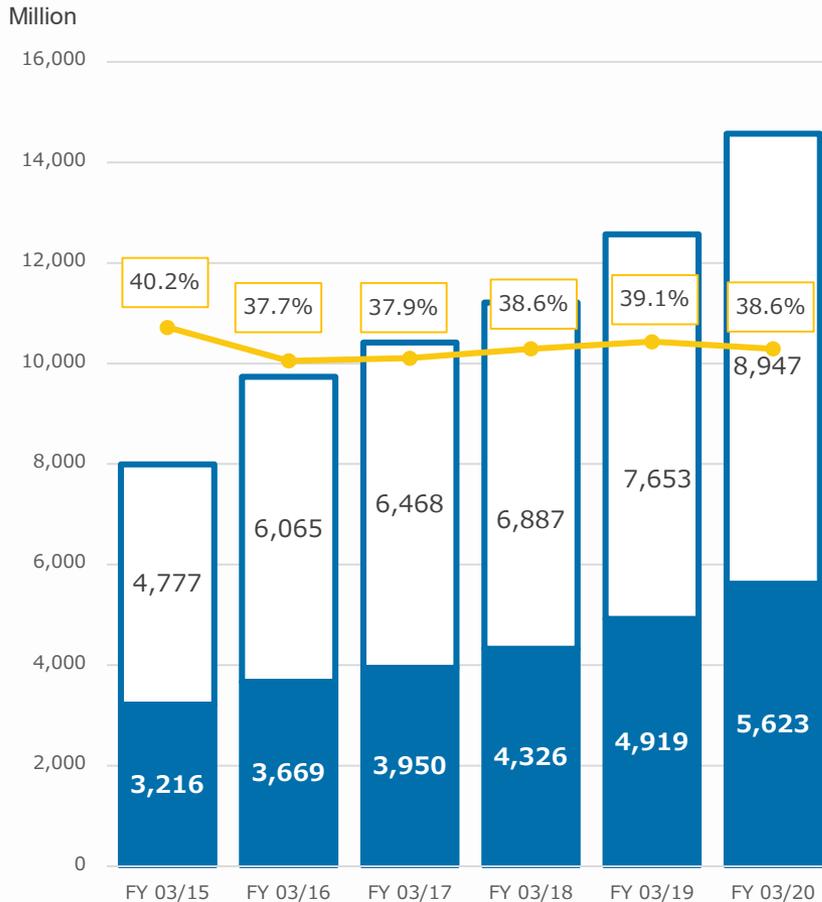


## total



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

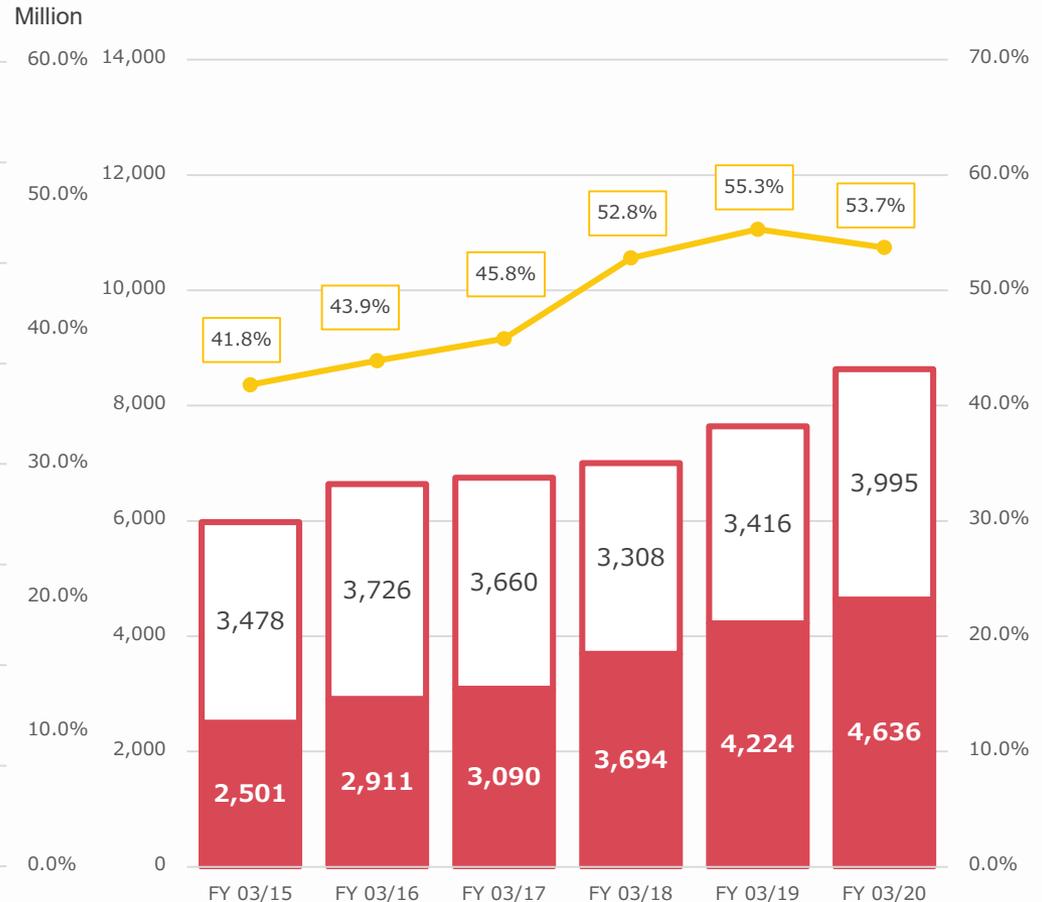
## Information Infrastructure Business



■ Stock    □ Non-Stock    ● Stock ratio

\* Information Infrastructure Business: Stock ratio was healthy

## Application Services Business



■ Stock    □ Non-Stock    ● Stock ratio

\* Application Services Business: Stock ratio went up due to the growth of cloud businesses. Stock ratio temporary went down due to more customization demands (flow) at CRM field in FY03/20.

# Balance sheet

- ◆ Cash and deposits increased due to issuance of stock acquisition rights with exercise price amendment provision to a third party clause issued in July 2018 (100% of the number of allotment was completed in June 2019). (¥Million)

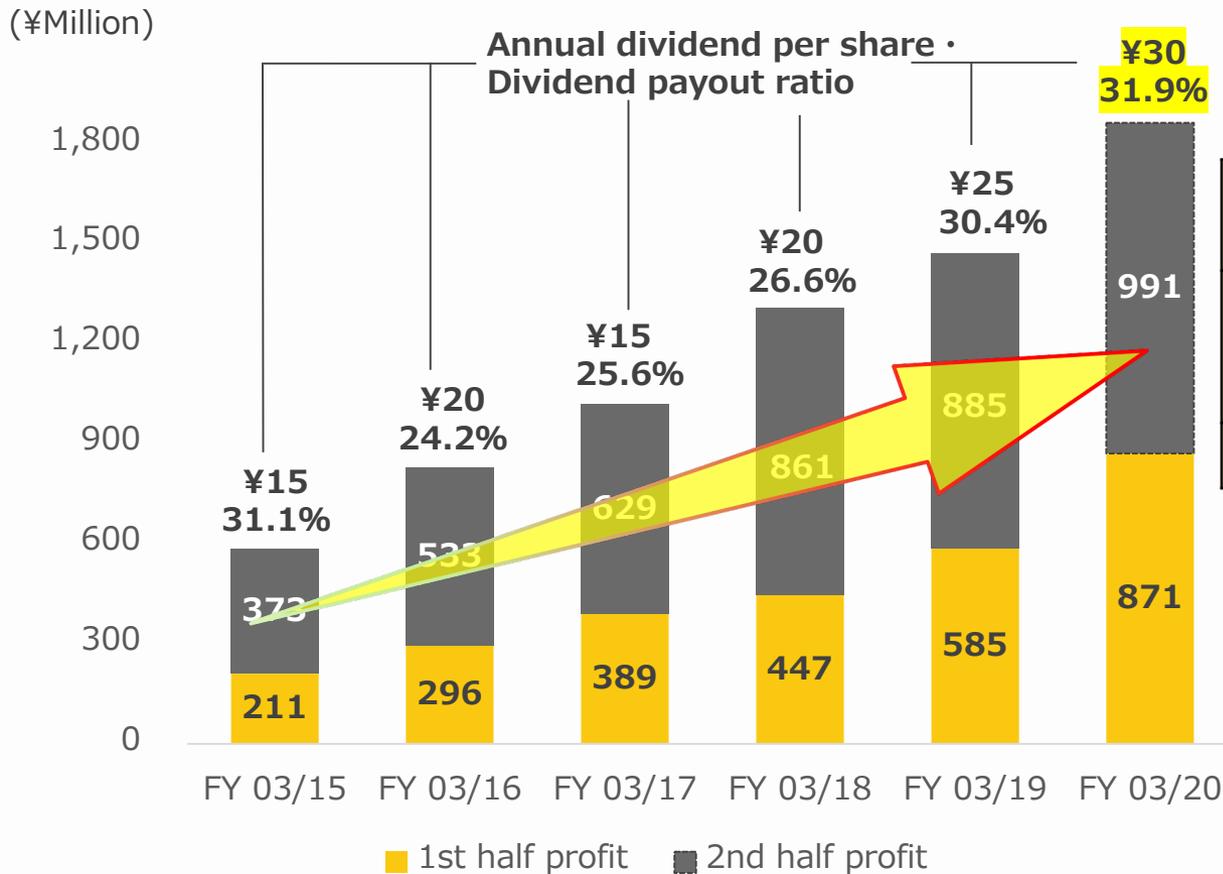
	FY 03/19	FY 03/20		FY 03/19	FY 03/20
<b>Current assets</b>	<b>21,194</b>	<b>24,367</b>	<b>Current liabilities</b>	<b>10,410</b>	<b>11,908</b>
Cash and deposits	11,802	13,396	Accounts payable-trade	1,214	1,450
Notes and accounts receivable-trade	4,787	5,683	Short-term loans payable	450	450
Other	4,603	5,287	Current portion of long-term loans payable	300	250
<b>Noncurrent assets</b>	<b>4,539</b>	<b>5,256</b>	Other	8,445	9,758
Property, plant and equipment	1,194	1,318	<b>Noncurrent liabilities</b>	<b>2,948</b>	<b>2,666</b>
Goodwill	3	-	Long-term loans payable	1,150	900
Other	1,225	1,373	Other	1,798	1,809
Investments and other assets	2,116	2,565	<b>Total liabilities</b>	<b>13,358</b>	<b>14,618</b>
<b>Current assets</b>	<b>25,733</b>	<b>29,623</b>	Shareholders' equity	11,128	13,651
			Total accumulated other comprehensive income	△3	6
			<b>Total net assets</b>	<b>12,374</b>	<b>15,005</b>
			<b>Total liabilities and net assets</b>	<b>25,733</b>	<b>29,623</b>

\* Equity ratio  
 FY 03/19 43.2%  
 FY 03/20 46.1%

# Dividend

- ◆ Sales seasonality was leveled, due to the growth of cloud businesses as an integral part of the company's efforts to aggressively change its business model. As a result, we decided to pay out an interim dividend for the first time because the percentage of net profit recorded in the 1st half increased, compared with the projected full-year net profit.
- ◆ We decided to pay a term-end dividend of ¥18.0. As a result, annual dividend is ¥30.0 per share.

## Profit trend



## FY 03/20 dividend

(¥yen)

	Interim dividend	a term-end dividend
Forecast (05/19)	—	27.0
Revised Forecast (10/19)	12.0	15.0
Actual	12.0	18.0

\* A term-end dividend paid on June 9

### <Dividend Policy>

- Consider balance with internal reserve.
- The company's guideline for dividend payout ratio (on a full-year basis) is more than 20%.

※Profit attributable to owners of the parent

## 2. Topics of Business activities

# Products and services in Information Infrastructure Business



# Products and services in Information Infrastructure Business



a Hewlett Packard  
Enterprise company

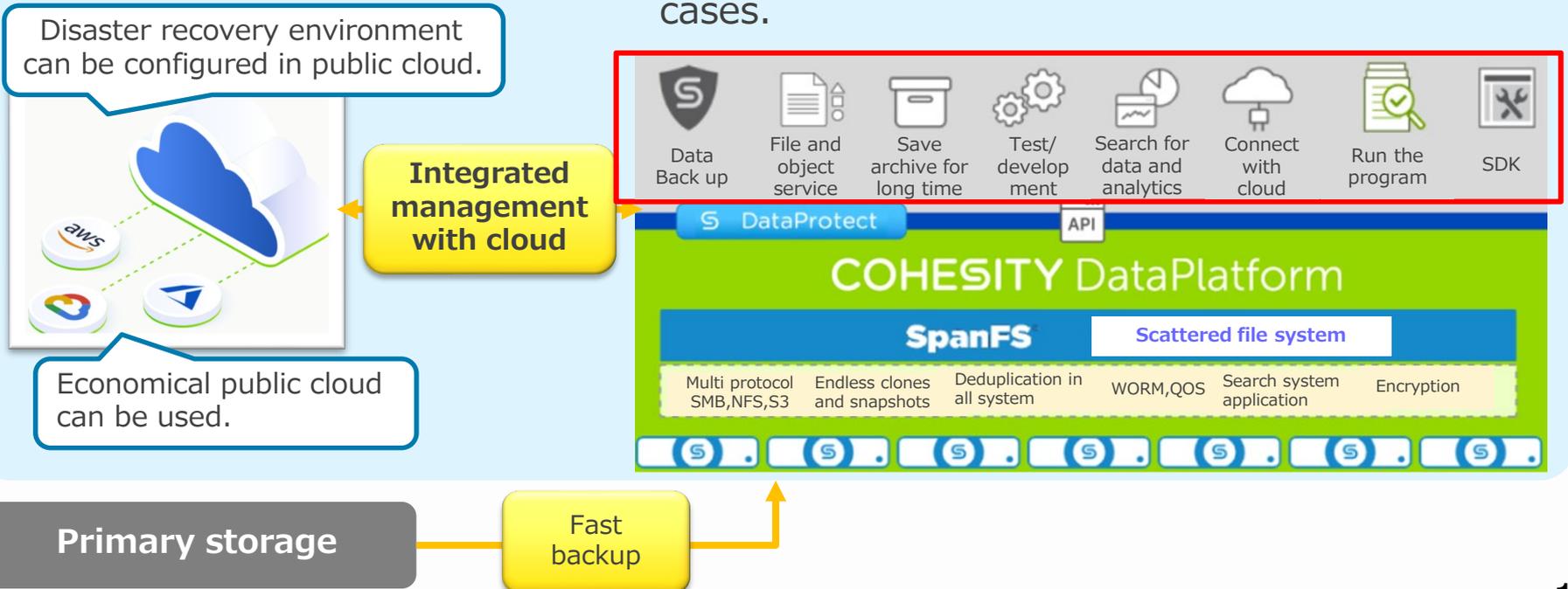


Hyper-converged secondary storage **"Cohesity"** can transparently manage storage volume between on-premises and public cloud.

**Cost reduction can be achieved** by integrated management of various back-up environments. **Effective data utilization can be realized** by data aggregation and a proper positioning of increasing amounts of data used for AI and generated by IoT.

## Secondary storage

All-in-one platform applicable to various use cases.



## Forescout Technologies, Inc. Forescout Platform visualizes / secures IT, IoT and OT devices without any Software Agents\*.

\* Software Agent : A Software Agent is a computer program embedded in the end-devices that reacts to its environment and runs without continuous direct supervision to perform some functions on behalf of an end user or another program.

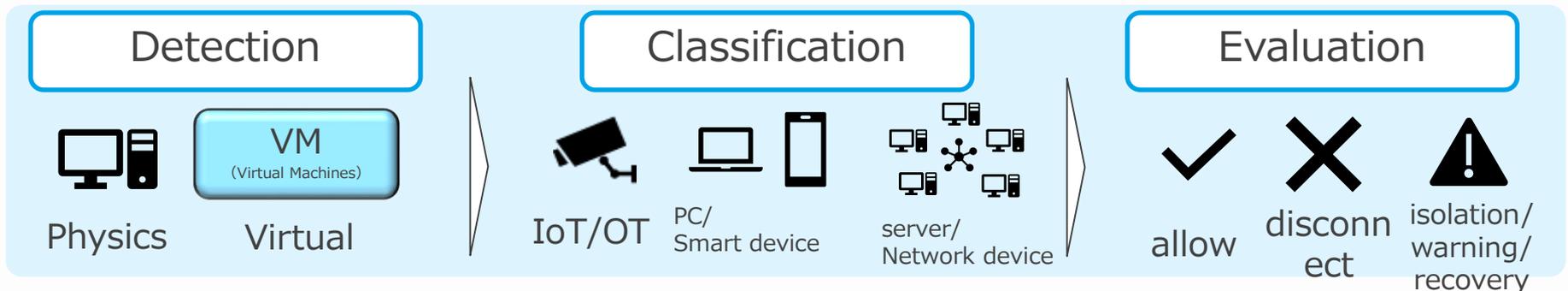
**NOW: Multi Devices including IoT/OT devices are interconnected.**

⇒ Headache: Cyber attacks targeting to IoT/OT devices increased.

**Point !** 🖱️ Required to grasp all connected devices correctly and limit the targets for cyber attacks.



- Visualization of devices and the status without any Software Agents
- Check the collected data with security policy



**Automatically and forcibly disconnect from network when non-conforming device is detected**

Focus on solutions for work-from-home / telework demands in TMX group.

## TechMatrix

Palo Alto Networks  
Prisma Access+  
Global Protect



F5 BIG-IP  
Access Policy Manager



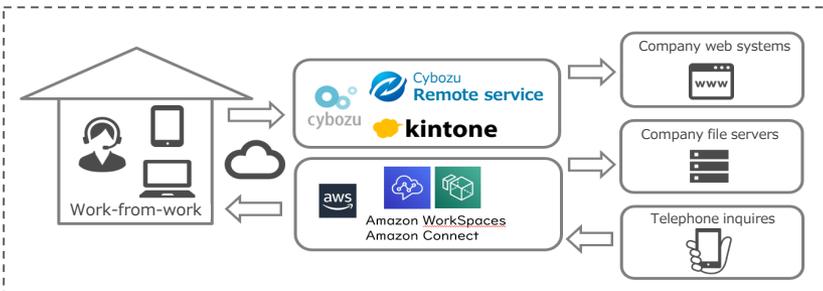
RSA SecurID



## TechMatrix group's solutions applicable to this category



Cross Head Co.,Ltd.



Cross Head Co.,Ltd. started to promote work-from-home solution. (March17,2020 press release)



Okinawa Cross Head Co.,Ltd.



Repli

NAS (Network Attached Storage) accessible from anywhere for the purpose of telework and BCP.



Remote desk top solution

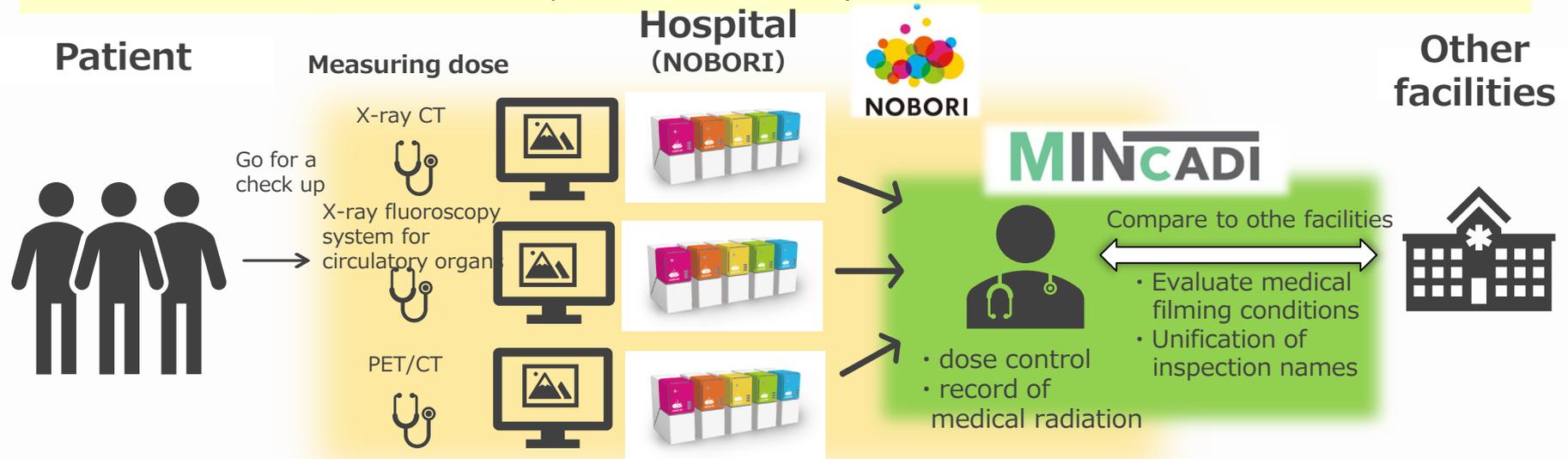
## NOBORI

### “MINCADI” added to “NOBORI PAL”

\*MINCADI : Provided by A-Line Co., Ltd. It is solution to optimize and control medical radiation dose per patient, medical filming conditions for each inspection by automatically getting information from medical images and inspection equipment such as CT.

### <Medical radiation dose control in medical field>

**Point !** Being obligated to record and manage medical radiation dose from next April. (Target; X-ray CT, X-ray fluoroscopy system for circulatory organs, PET/CT, SPECT/CT and Radioisotope for medical treatment)



### ■ Merit of “NOBORI” users

Can easily start using this solution by paying only a monthly fee without any new equipment or any additional installation fee

**31,187,000**

The number of patients who stored medical images in NOBORI

**177,794,000**

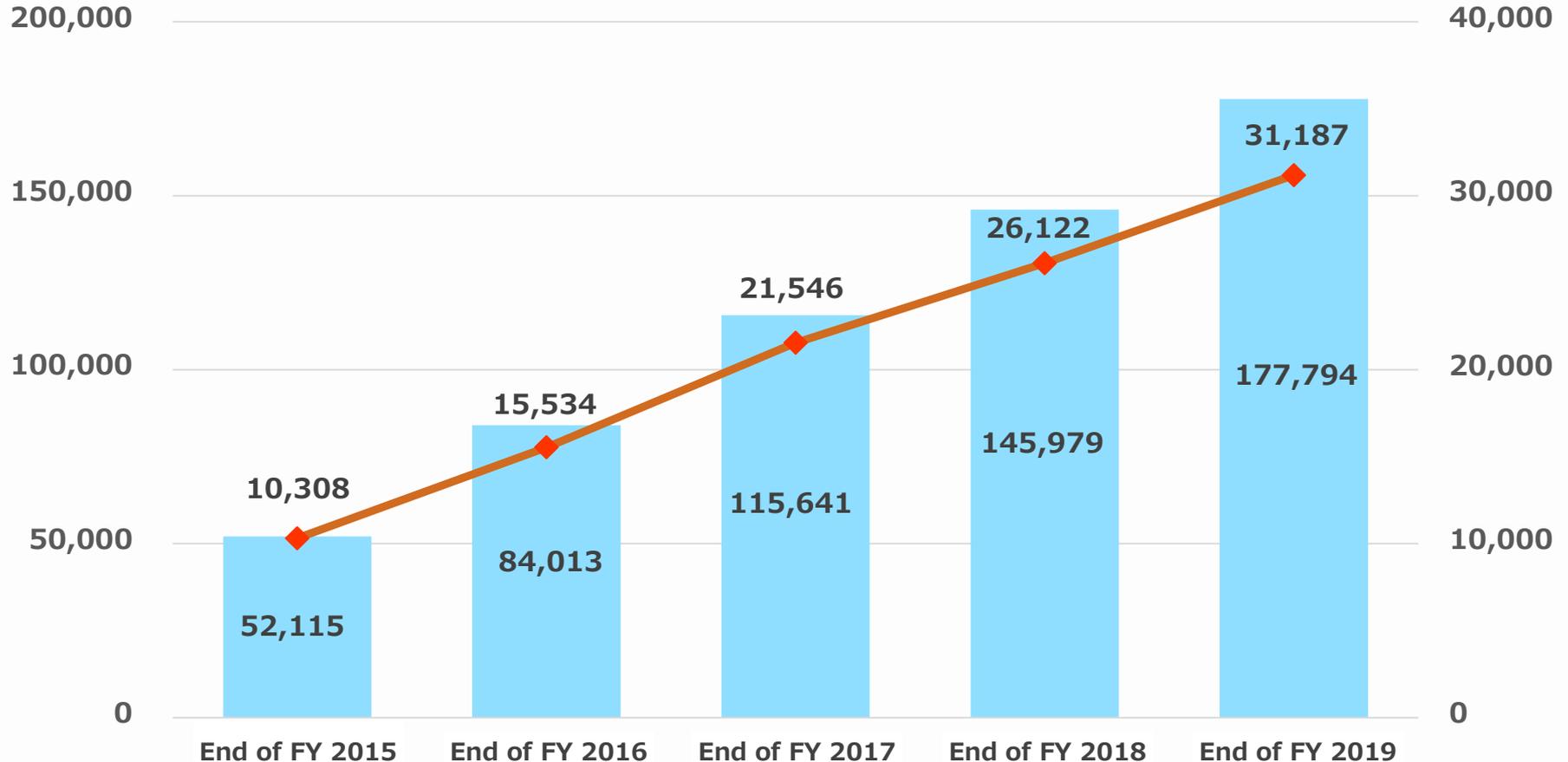
The number of inspections stored in NOBORI

(March 31 , 2020)

## Data stored in NOBORI

(Numbers of inspections : thousand)

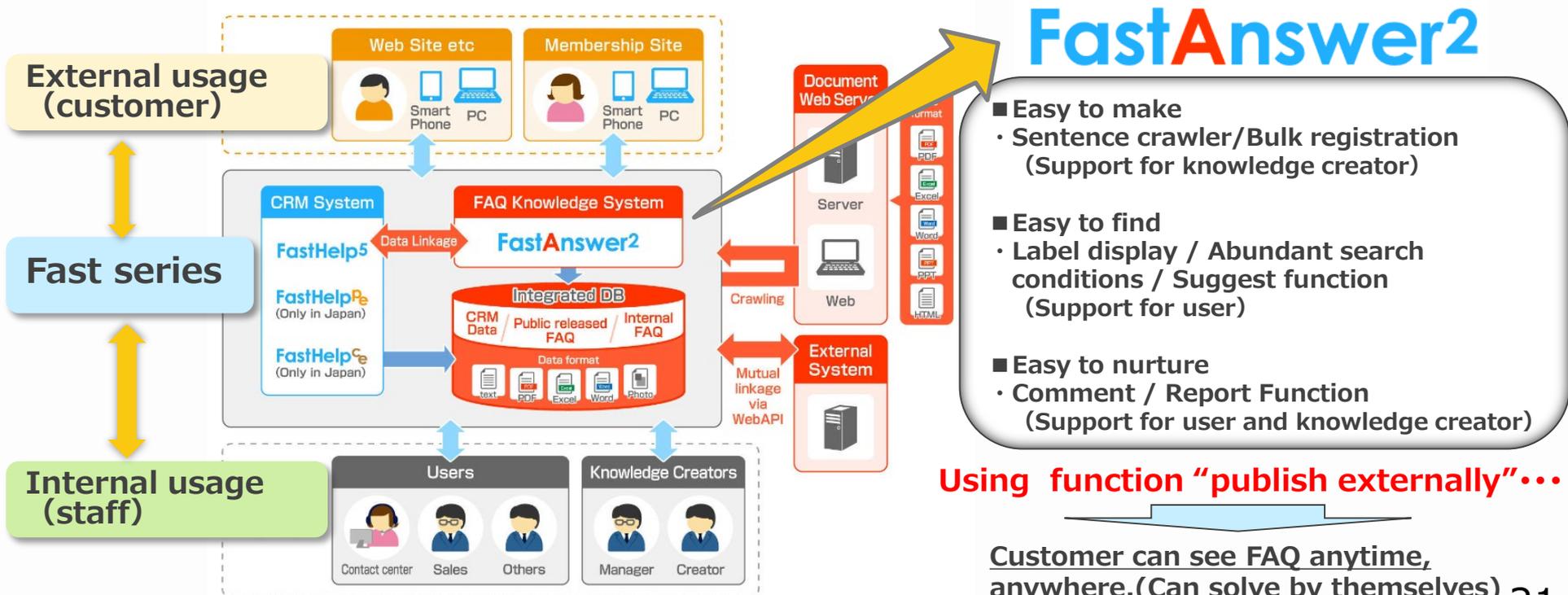
(Numbers of patients : thousand)



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

## Bookings were increased for “FastAnswer2” (FAQ knowledge-system to be used in contact centers)

- **FAQ** is a collection of frequently asked questions / expected questions and answers to those questions.
- ⇒ “FastAnswer2” is applicable to both external FAQ (Customer FAQ) and internal FAQ (Internal operators can refer to FAQ as well as knowledge such as product information and various internal documents when dealing with questions from customers.).

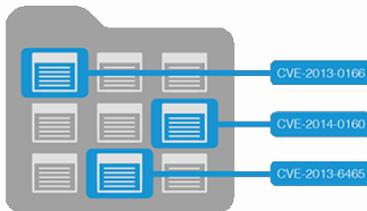


Started a new product and updated existing products in Q4 of FY03/20 to meet the demands for efficiency and quality improvement of software development.

**New!** 📌 FOSS ID社 - VulnSnippet Finder  
**Detect OSS security vulnerability accurately and swiftly compared to traditional security scanning.**

## New Product

**FOSSID**  
*VulnSnippet Finder*



Existing technology

Check the embedded OSS component with **public repositories.**

## VulnSnippet Finder

Check the embedded OSS lines of code with **FOSSID knowledge base.**

## Updated Products

**PARASOFT.**  
*dotTEST*

- Static analysis is compliance with PCI DSS requirements.

**PARASOFT.**  
*C++test*

- Can effectively assist embedded software development in automotive industry in compliance with Modern C++.

**PARASOFT.**  
*SOAtest / Virtualize*

- Added the features that analyzes the dependency arising out of the source code modification and report the list of API test required to be re-executed.

**CASAREAL, inc. commenced the provision of a new service “Apple Professional Learning Basic Instructor Service” for teachers.**

## What is “Apple Professional Learning Basic Instructor Service” ?

⇒ Providing knowledge about Apple products and training for teachers to bring such knowledge into school curriculums. (only provided by organizations certified by Apple)

**Point !** Japanese new education guideline requires teachers to teach programming skills at elementary school, junior high school and high school.

### CASAREAL, inc. can support ...

- ◆ Acquisition of Apple device and application skills for teachers
- ◆ Learning, teaching, implementation and management goals

Supporting the creation of an environment where children can learn about the fun of programming.

For inexperienced people



Lecture by instructor dispatch · Hands-on training

For experienced people

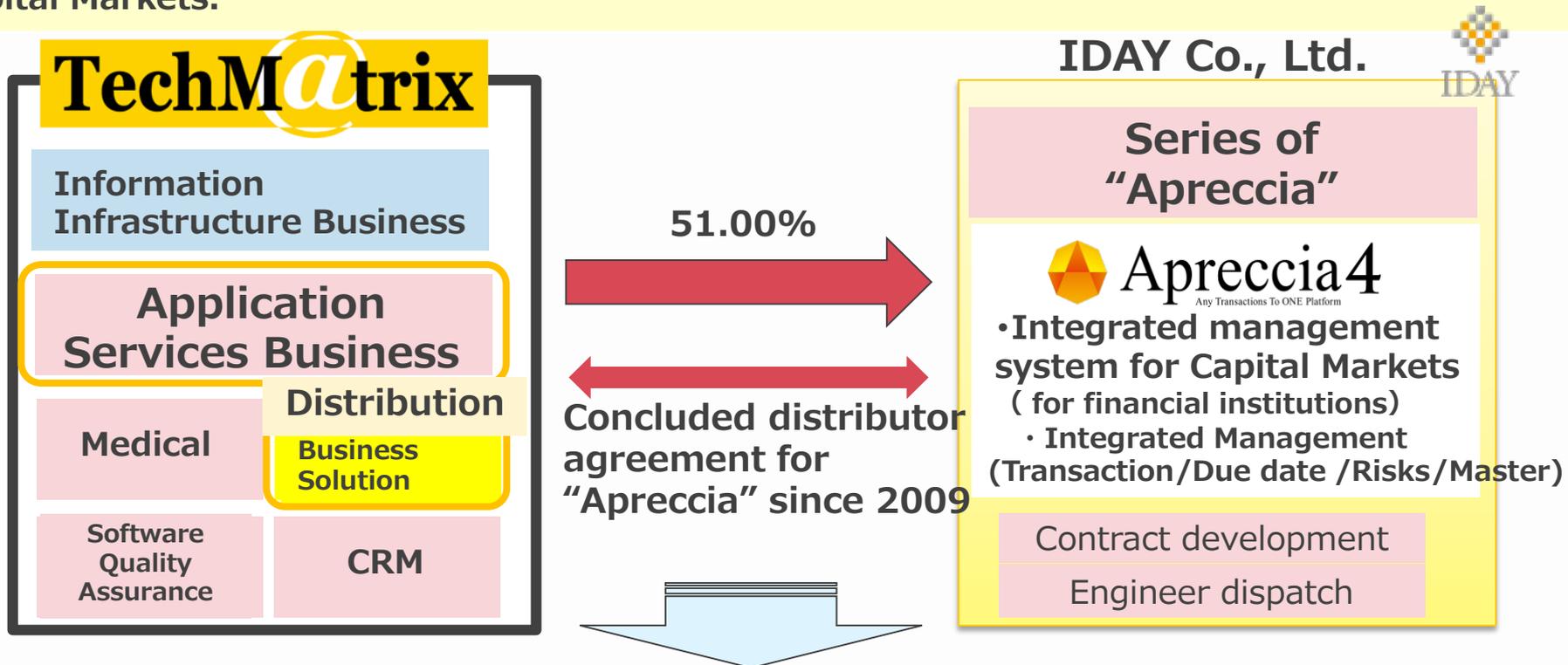


Lecture to develop iOS applications for experienced teachers

## Business and capital alliance with Information Design Architecture Yamazaki Co., Ltd. in the field of Capital markets for financial institutions.

### Information Design Architecture Yamazaki Co., Ltd. :

Strong in system planning and design in areas where financial engineering and information technology overlap. Main business is "Apreccia" which is integrated management system for Capital Markets.



Enhancing service promotion in financial field(Business Solution field)

Date	Contents
<b>Apr.</b>	Business alliance between NOBORI Ltd. and Nihon Medi-Physics Co., Ltd.
	Capital and business alliance between NOBORI Ltd. and A-Line Co., Ltd.
	Okinawa Cross Head Co.,Ltd. started a new cloud solution service that realizes Internet isolation that allows safe use of the Internet.
	Started offering integrated support & security services 『TechMatrix Premium Support powered by TRINITY』 from July 2019.
	Conducted demonstration experiments to improve accuracy of RM credit rating using AI with Risk Monster.com .
	Acquired exclusive distributorship rights for the test management tool "TestRail".
	Selected as the Noteworthy IT Strategy Companies2019 (2 consecutive years) .
<b>May</b>	Cross Head Co.Ltd. Acquired APN Advanced Consulting Partner certification.
	Started providing solutions to improve contact center productivity with AI. (Integration of voice recognition / automatic summarization with CRM system)
<b>Jun.</b>	Okinawa Cross Head Co.,Ltd started joint verification of the possibility of inter-regional data center collaboration with JR Kyushu System Solutions Co., Ltd.
	CASAREAL, inc. signed training partner agreement with JetBrains.

Date	Contents
Jul.	Commenced the provision of series of "Cohesity C4000" (Enterprise secondary storage) .
	Cross Head Co.,Ltd. started a new total support service for utilizing RPA.
	Commenced the provision of series of "Votiro Disarmer" (Sanitization solutions) .
	Expanded integrated support & security services 『TechMatrix Premium Support powered by TRINITY』 by adding incident response support services.
Aug.	CASAREAL, inc. commenced the provision of a new service "Apple Professional Learning Basic Instructor Service" for teachers.
	Cross Head Co.,Ltd. commenced the provision of a new plug in product, which can connect "Amazon Connect" with "kintone" for improving productivity and satisfaction of customer service.
Sep.	Commenced the provision of "Jtest 10.4.2" for Java test automation tool.
Oct.	Commenced the provision of "RTPatch",which is binary diff update tool.
	Okinawa Cross Head Co.,Ltd. started IT service for incubation facilities("Naha City IT Souzoukan") with OCC Co., Ltd.

# Topics of Business activities

Date	Contents
Oct.	Commenced the provision of "Ranorex 9.1.2"(Japanese Ver.) for automation UI test tool.
	Cross Head Co.,Ltd. commenced the provision of integration service between "CYBERCHAT" (a product of CyberSolutions Inc.) and "Garoon" and "kintone" (products of Cybozu, Inc.) .
Nov.	TECHMATRIX CORPORATION collaborated with McAfee, LLC at EDR field.
	Okinawa Cross Head Co.,Ltd. started providing "nas2cloud Combo" for "DocuWorks 9" (a product of Fuji Xerox Co., Ltd.) .
	Okinawa Cross Head Co.,Ltd. commenced the provision of new model of file server product "nas2cloud Combo" accompanied by damage insurance.
	Business and capital alliance with Information Design Architecture Yamazaki Co., Ltd. in the field of Capital markets for financial institutions.
Dec.	Commenced the provision of "Forescout Platform" ,which is product of Forescout Technologies, Inc.
Jan.	Linked FastHelp5 and Quick Summary (AI automatic summarization and classification).
	Commenced the provision of "SOAtest/Virtualize 9.10.8" for realization automation API test tool and virtualization API test environment with only one the tool.
	Commenced the provision of "FINCAD Analytics Suite 2020" for evaluation and analysis financial products.

日付	内容
Feb.	Commenced the provision of "C++test 10.4.3" for C language / C++language
	Cross Head Co.,Ltd. revised to monthly fixed rate system "Advance Persistent Threat mail training service (cloud service)".
	Commenced the provision of "dotTEST 10.4.3" for C# / VB.NET dynamic analysis / static analysis tool.
	Cross Head Co.,Ltd. conducted the transfer to promotion AWS.
Mar.	Commenced the provision of "Vuln Snippet Finder" for totally new OSS security vulnerability detection tool (a product of FOSSID AB).
	Cross Head Co.,Ltd. started to promote work-from-home solution.
	Started joint verification of usage of "FastHelp Ce" for a citizen feedback and survey for local government system collaboration with Mito City.
	Linked the series of "Fast" and AI voice recognition solution (a product of Advanced Media, inc.).
	Okinawa Cross Head Co.,Ltd. started providing remotework file server "OCH POWER Repli" for Small and Medium Enterprises.
	NOBORI Ltd. supported remote image diagnosis for the symptoms of COVID-19 by St. Marianna University School of Medicine Hospital for free of charge.

# 3. Medium-Term Management Plan "GO BEYOND 3.0"

We continue business strategy of TMX 3.0

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

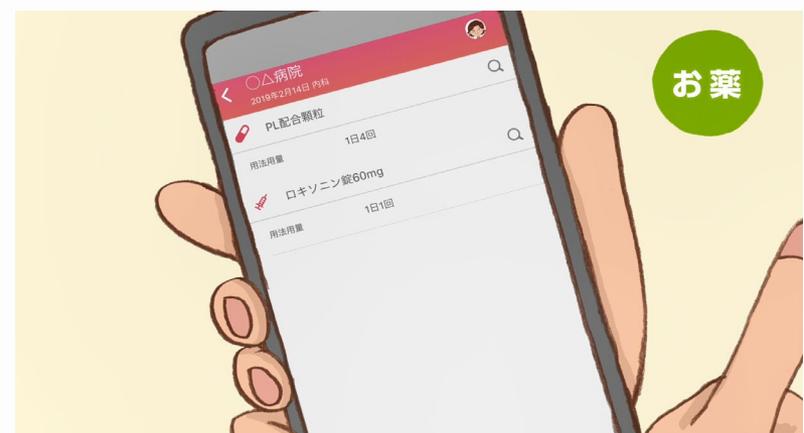
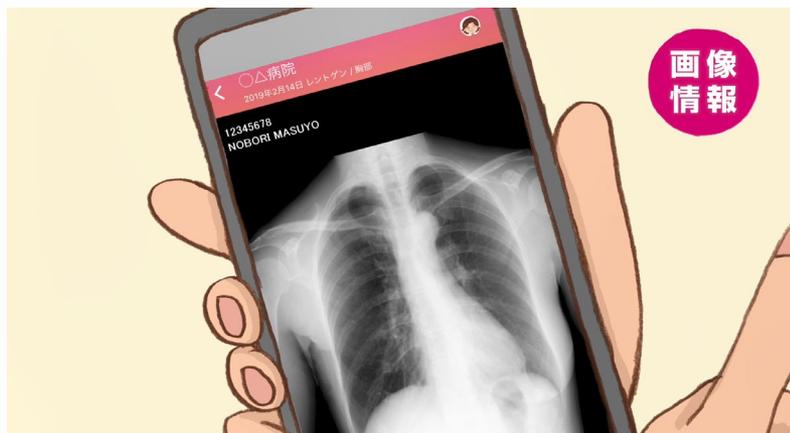
- 1 Diversification of business operating structure (conclusion of a business/capital alliance, cooperation with universities and research institutions, open innovation)
- 2 Accelerated servicization (in the whole areas)
- 3 Utilization of data (including usage of AI)
- 4 Enter B2C businesses
- 5 Rapid expansion of businesses in overseas markets (next step out of market research phase)
- 6 Strengthen business management foundation (cross-group/effective utilization of human resources and technology, new value created by combination of expertise accumulated in each filed, investment in human resources and development of next-generation management, Recruitment/human resource development/evaluation/retention based on corporate philosophy)
- 7 M&A (including usage of treasury stocks)

項目	35期	36期	37期	内容
1) Diversification of business operating structure (conclusion of a business/capital alliance, cooperation with universities and research institutions, open innovation)	○	○		<ul style="list-style-type: none"> <li>• Invested in AI and FinTech funds to accelerate the business alliance with startup companies.</li> <li>• Business alliance between NOBORI Ltd. and Nihon Medi-Physics Co., Ltd.</li> <li>• Capital and business alliance between NOBORI Ltd. and A-Line Co., Ltd.</li> <li>• Business and capital alliance with Information Design Architecture Yamazaki Co., Ltd. in the field of Capital markets for financial institutions.</li> </ul>
2) Accelerated servicization (in the whole areas)	○	○		<ul style="list-style-type: none"> <li>• Started offering an integrated support &amp; managed security service 『TechMatrix Premium Support powered by TRINITY』 .</li> </ul>
3) Utilization of data (including usage of AI)	○	○		<ul style="list-style-type: none"> <li>• In the Software Quality Assurance field, progressed the research and development for quality evaluation of machine learning system.</li> <li>• In the Medical field, promoted the joint development of AI-based medical imaging diagnosis system in collaboration with AI startups and innovate hospitals.</li> <li>• In the CRM field, progressed the integration between our CRM system and various AI solutions.</li> </ul>

項目	35 期	36 期	37 期	内容
4) Enter B2C businesses	○	○		<ul style="list-style-type: none"> <li>NOBORI Ltd. accelerated software development for PHR (Personal Health Record) service and more innovative hospitals participated in the experimental PHR project.</li> </ul>
5) Rapid expansion of businesses in overseas markets (next step out of market research phase)	○	△		<ul style="list-style-type: none"> <li>Added new employees at the representative office in Bangkok, Thailand to expand business in the CRM in ASEAN Market.</li> </ul>
6) Strengthen business management foundation (cross-group/effective utilization of human resources and technology, new value created by combination of expertise accumulated in each filed, investment in human resources and development of next-generation management, Recruitment/human resource development/evaluation/retention based on corporate philosophy)	△	△		<ul style="list-style-type: none"> <li>Partially renewed the HR system. Aggressively invest in human capital to develop the next-generation talents who have cross-border knowledge and experience in TechMatrix group.</li> <li>Collaborate with CASAREAL, inc., to transfer cloud-native technology skills to Information Infrastructure field.</li> </ul>
7) M&A (including usage of treasury stocks)	△	△		<ul style="list-style-type: none"> <li>Completed to issuance of stock acquisition rights with exercise price adjustment provision to a third party to aggressively pursue the future M&amp;A transactions. (The total cost of raise capital is about 4.4 billion yen.)</li> </ul>

## NOBORI

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



## TechMatrix Premium Support powered by TRINITY

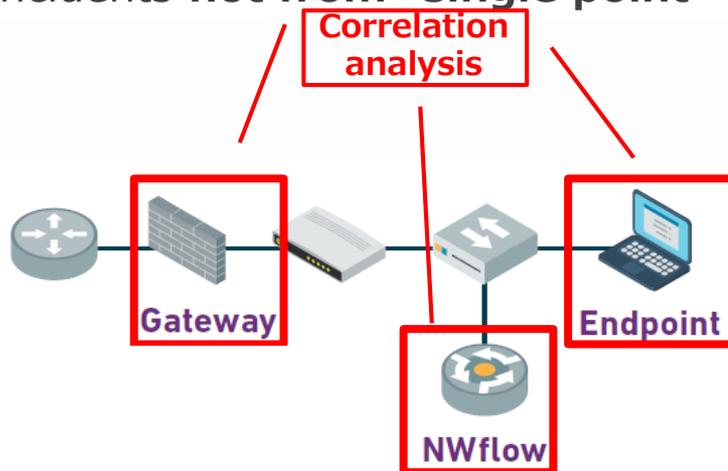
Integrated security monitoring service using correlation analysis rules created based on hundreds of threat scenario patterns originally developed by TechMatrix

※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”**

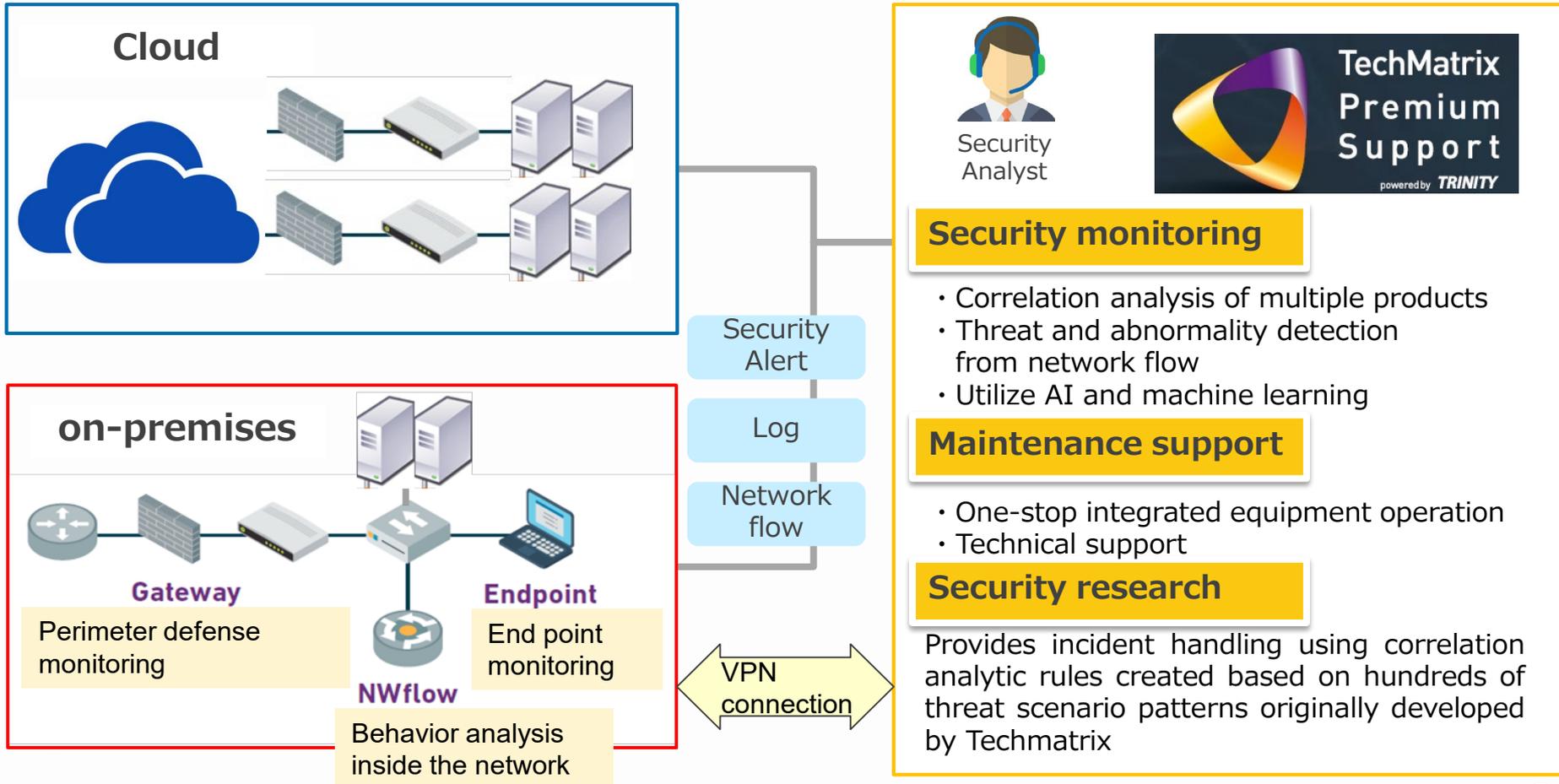


「TechMatrix Premium Support powered by TRINITY」, **our comprehensive integrated security monitoring service** analyzes correlation using data captured at the gateways, at the end-points and from network flows (not from “single point” but from “multiple points”) within the enterprise network, which can 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

Provides "comprehensive threat detection and visualization" and "security operation efficiency". We will strengthen the cyber security platform to be able to protect enterprises from unknown malware.

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

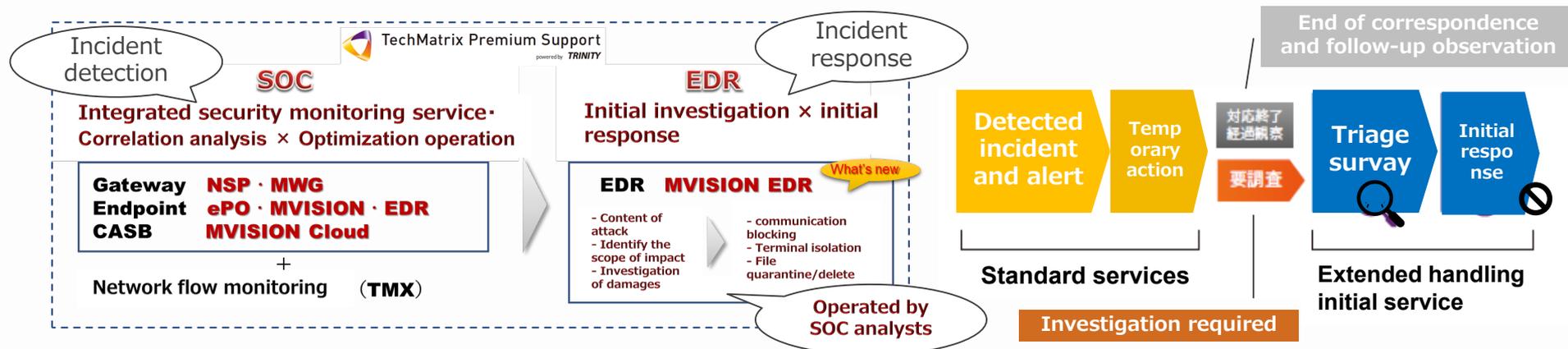


## TechMatrix Premium Support powered by TRINITY

Collaborated with McAfee in area of EDR

~Expanded incident response service by adding the use of “McAfee MVISION EDR”

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



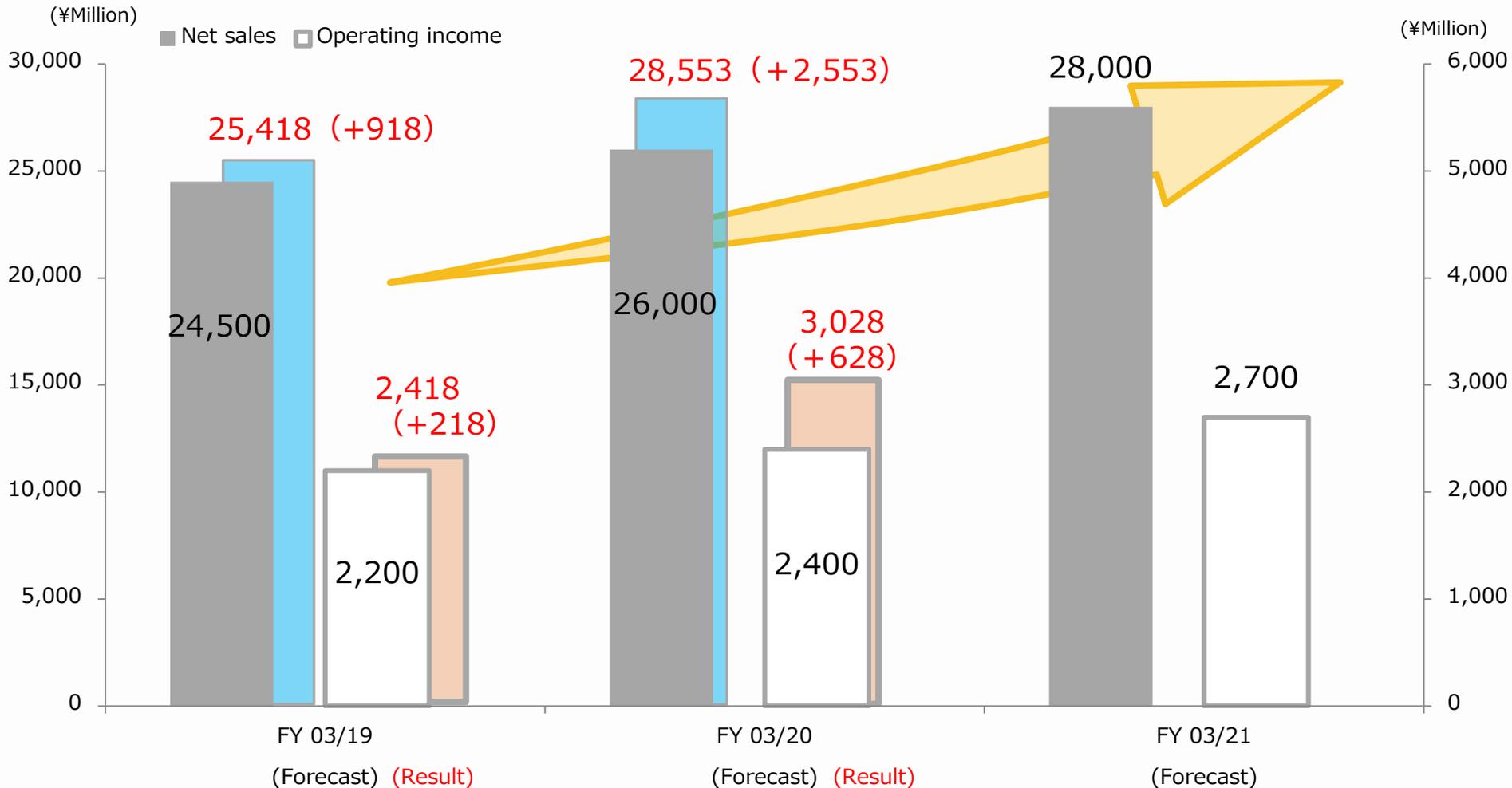
**Point !** Security analysts proactively operate MVISION EDR from Security Operation Center(SOC) to conduct initial survey and initial response, which strengthens the foundation of security operations.

### 【Overview】

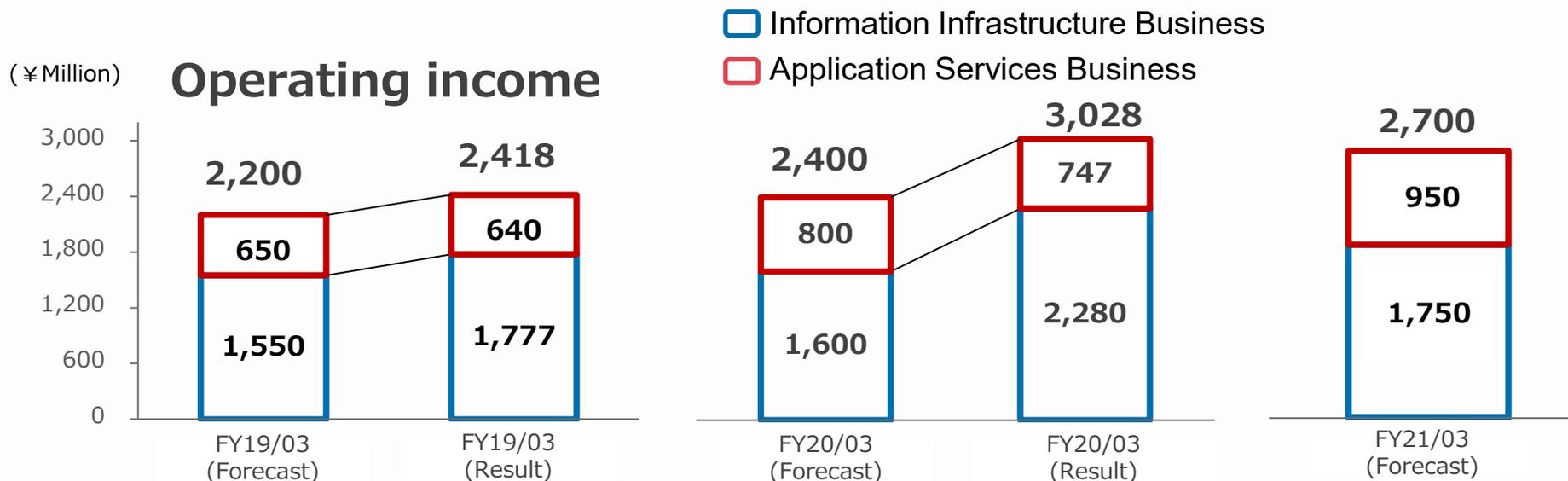
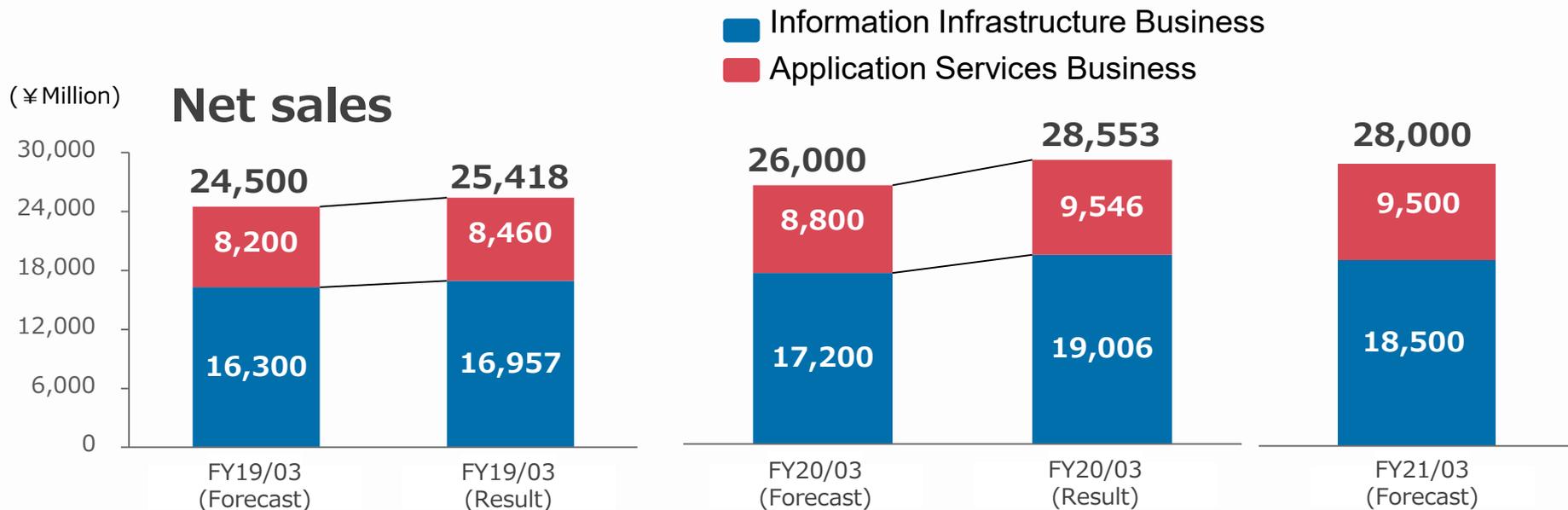
- Collecting each event alert through integrated security monitoring.
- Correlate each event alert detected by MVISION EDR.
- Based on analysis, security analysts proactively operate MVISION EDR from Security Operation Center(SOC) before notifying the clients of an incident.

# Planned value of GO BEYOND 3.0

## Increased net sales and operating income continuously



# Planned value of GO BEYOND 3.0



# Change of well-balanced business

## Information Infrastructure Business

	FY 03/19 – FY 03/21 (forecast)
Net sales CAGR(%)	5.3
Operating income CAGR(%)	4.1
FY 03/21(forecast)	
Operating income to net sales(%)	9.5
FY 03/20(result)	(11.9)
FY 03/19(result)	(10.5)
FY 03/18(result)	( 9.8)

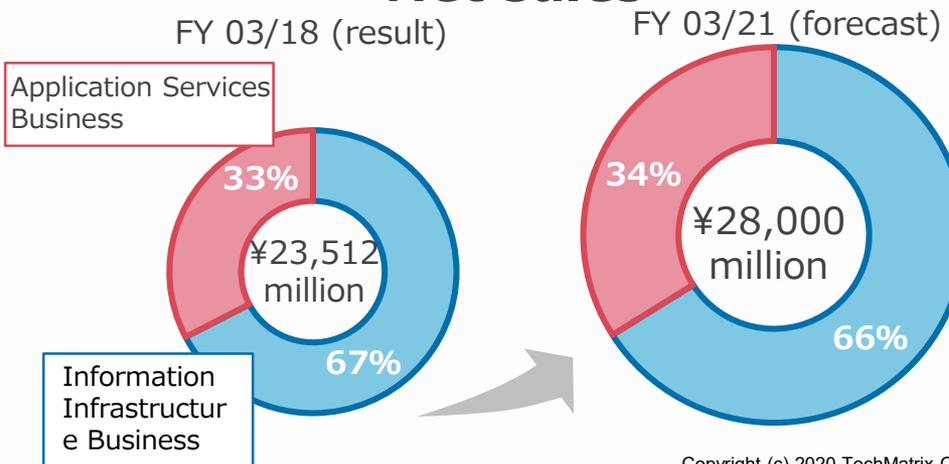
## Application Services Business

	FY 03/19 – FY 03/21 (forecast)
Net sales CAGR(%)	7.4
Operating income CAGR(%)	39.6
FY 03/21(forecast)	
Operating income to net sales(%)	10.0
FY 03/20(result)	(7.8)
FY 03/19(result)	(7.6)
FY 03/18(result)	(4.5)

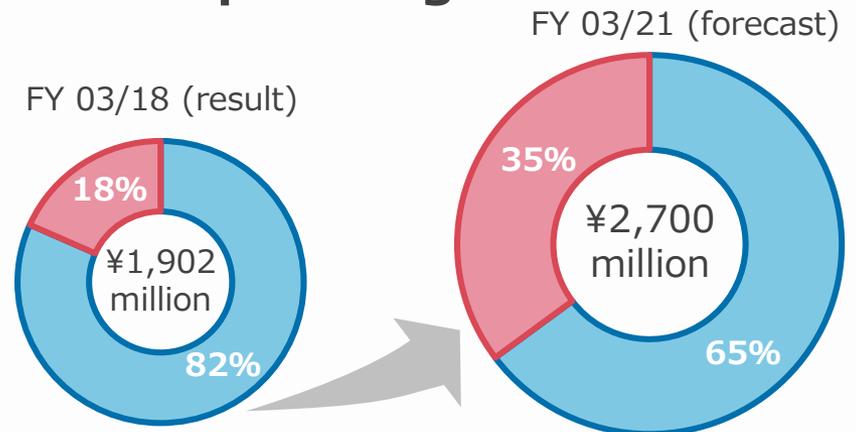
※We put more efforts to build high-value-added services by ourselves so that we can aggressively change business structure and differentiate our businesses.

※Profit will increase due to the growth of cloud businesses.

### Net sales



### Operating income





# The IT professional group who creates a better future



# 4. Business Models

**Point!**

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

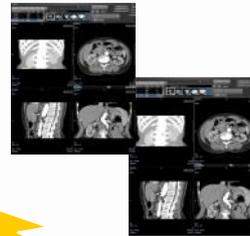
**Free initial investment !**

**No space required !**

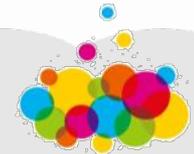
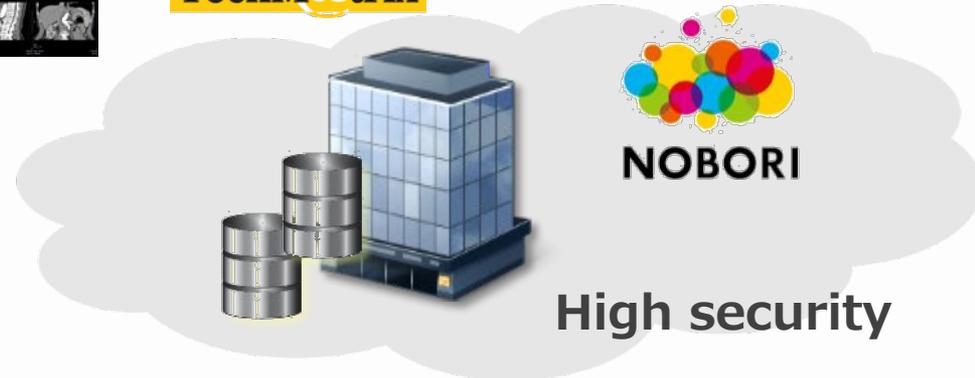
**No engineer required !**



**NOBORI CUBE**



**TechMatrix**



**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 !

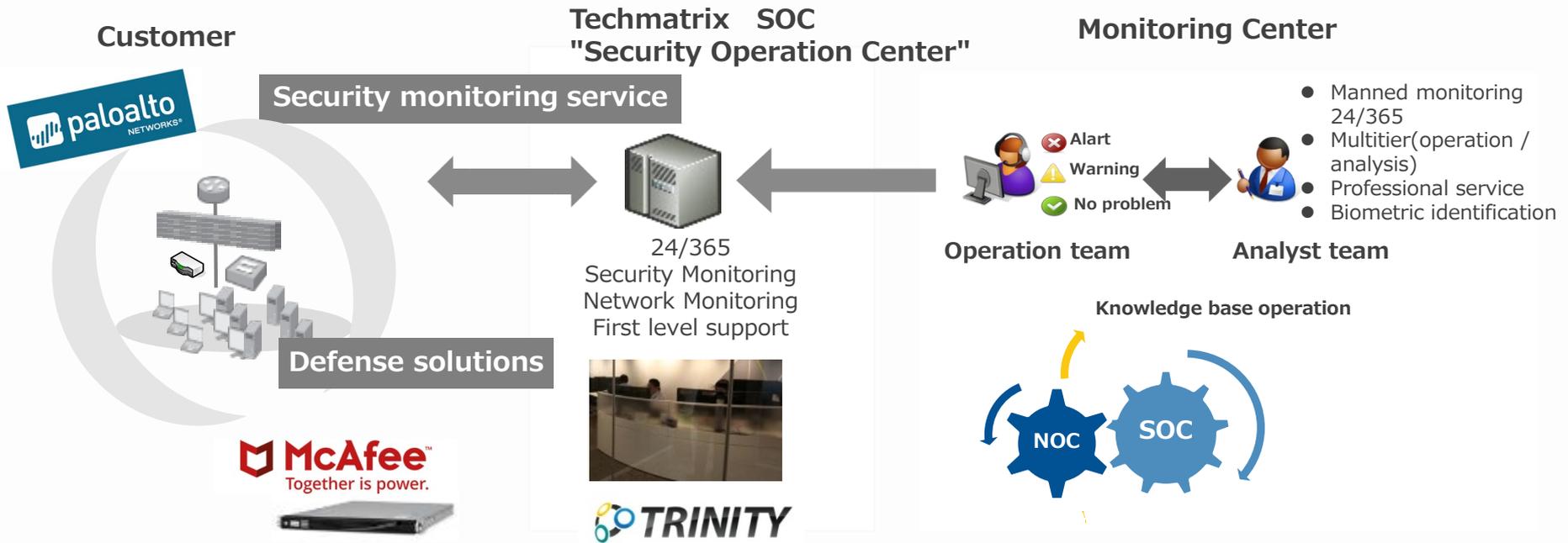


Quick response to the customers' Inquiries !



Improvement of customer satisfaction !

**Point!** One-stop solution from Techmatrix.



## One-stop solution

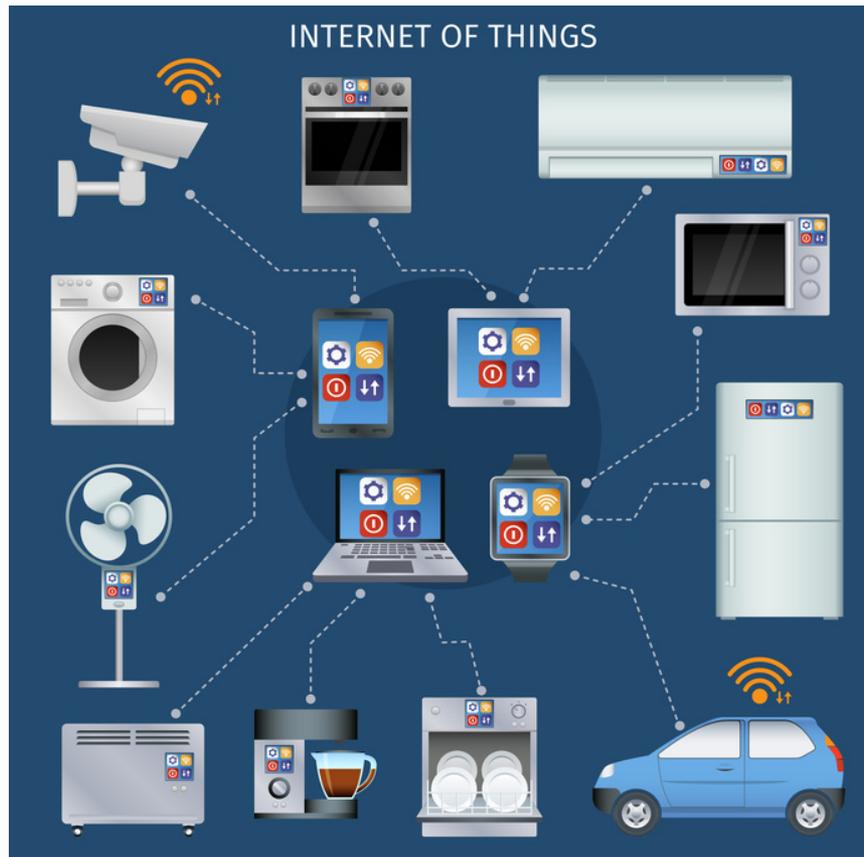
One-stop solution for system design, integration, maintenance, operation and monitoring services.

## 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!**

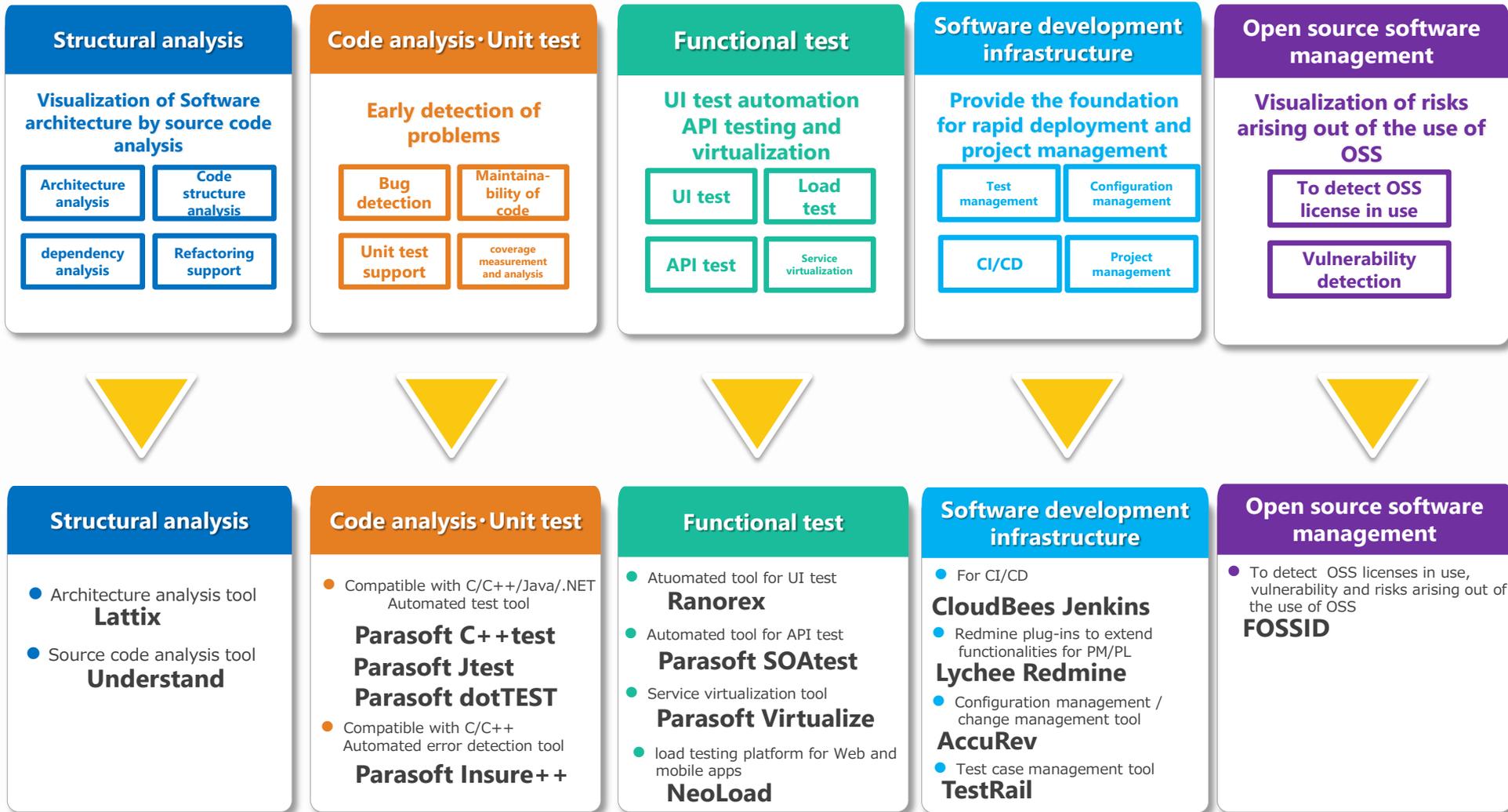
Every internet-connected device can be a target for cyber-attacks in the IoT era.



- ▶ 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**

# Software Quality Assurance field



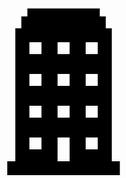
# SOLUTION

# Financial field

**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 . . .

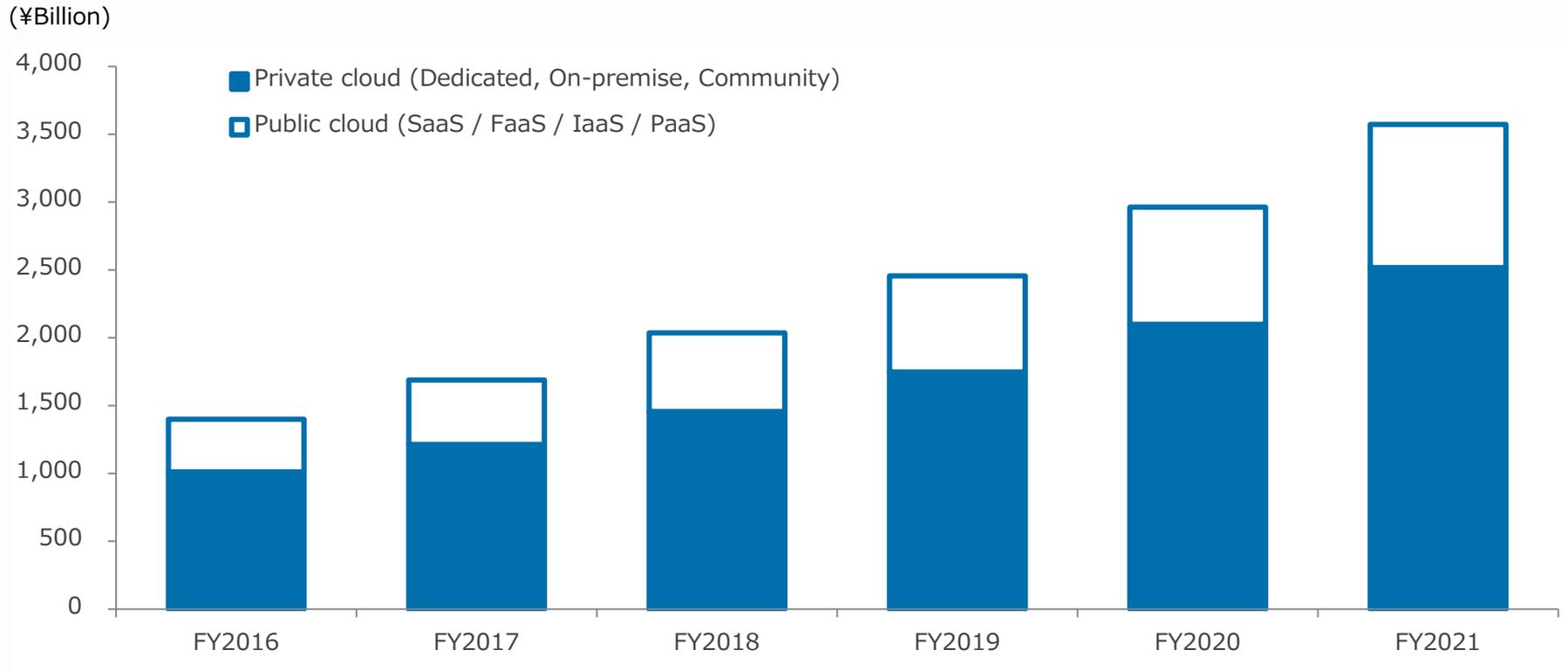
- Market risk
- Credit risk
- Price fluctuation risk
- Foreign currency risk



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

# 5. Market Conditions for our business

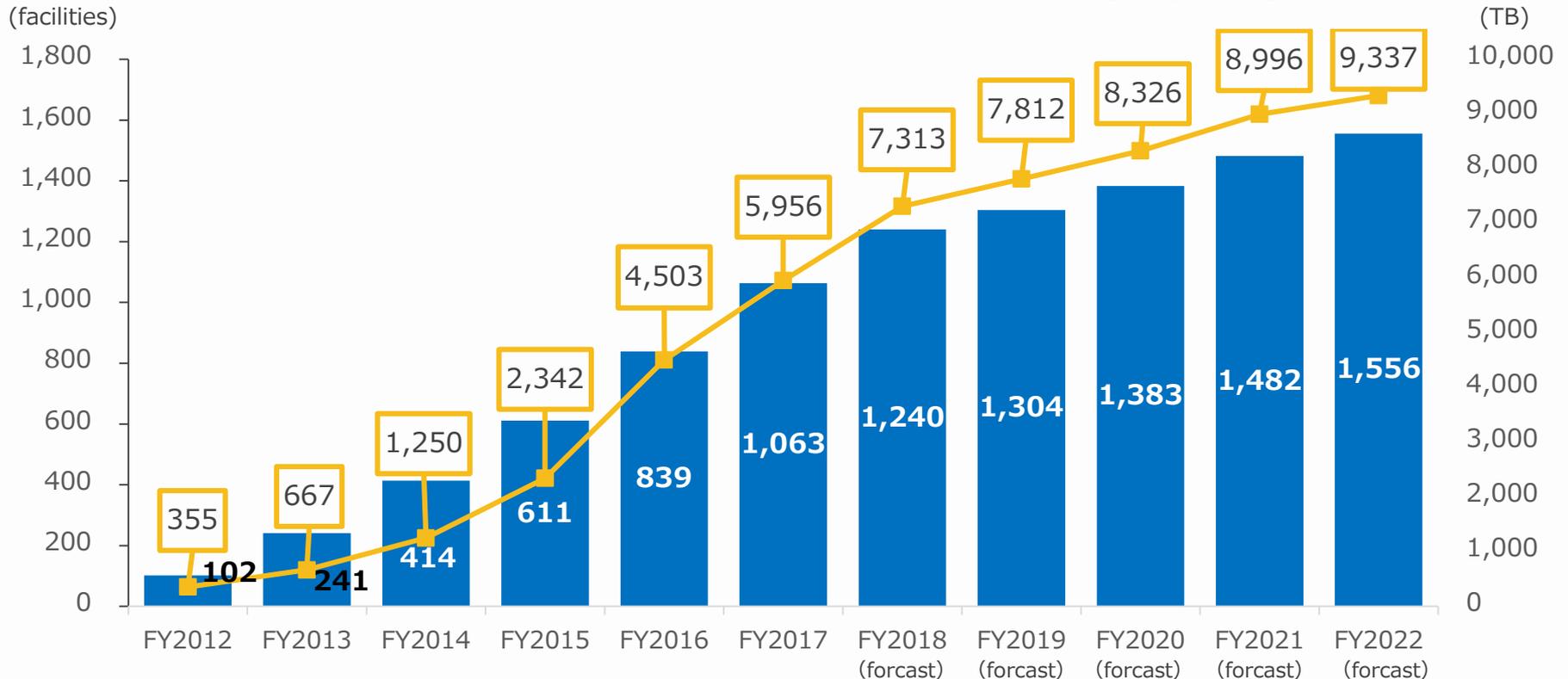
## Market Conditions for our business



◆ Domestic cloud market size was ¥1,400.3 billion in 2016 (38.5% up year on year) and it expand to ¥3,571.3 billion in FY2021.

\* Reference : Cloud business market report 2017 (27,Dec,2017) by MM Research Institute

## Cloud PACS market size estimate (Japan)



\* Estimate as of Jan, 2019

■ Number of contracted facilities

—■ Estimated capacity

- ◆ Number of contracted facilities using cloud PACS was forecasted to be 1,304 as of the end of FY2019 in Japan.
- ◆ NOBORI has successfully contracted with about 950 facilities as of the end of FY2018.

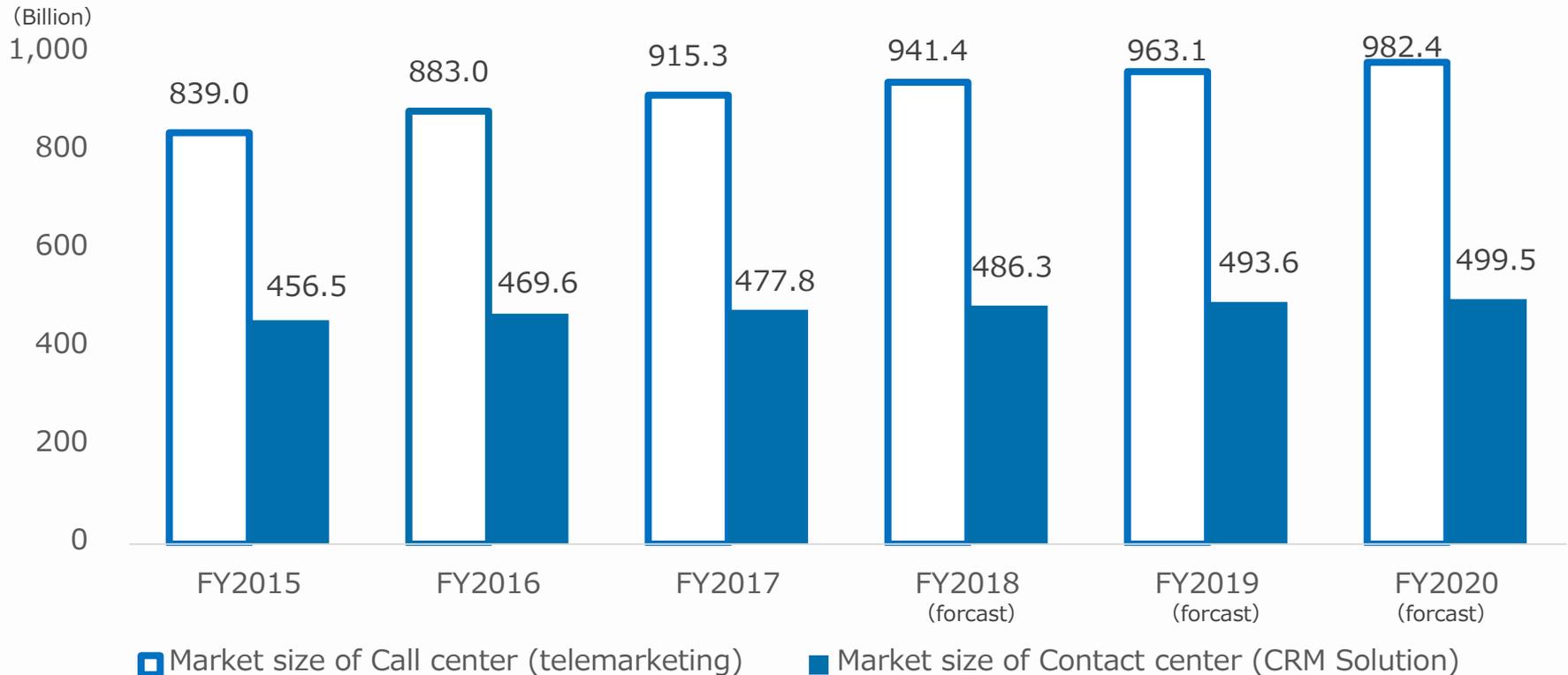
\* Reference : 矢野経済研究所「2018年版医用画像システム (PACS) ・ 関連機器市場の展望と戦略」 (2019年1月)

## Type of PACS Cloud

Cloud type	Brief summary	Feature	Configuration image	NOBOR I
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.

## CRM software market size (Japan)



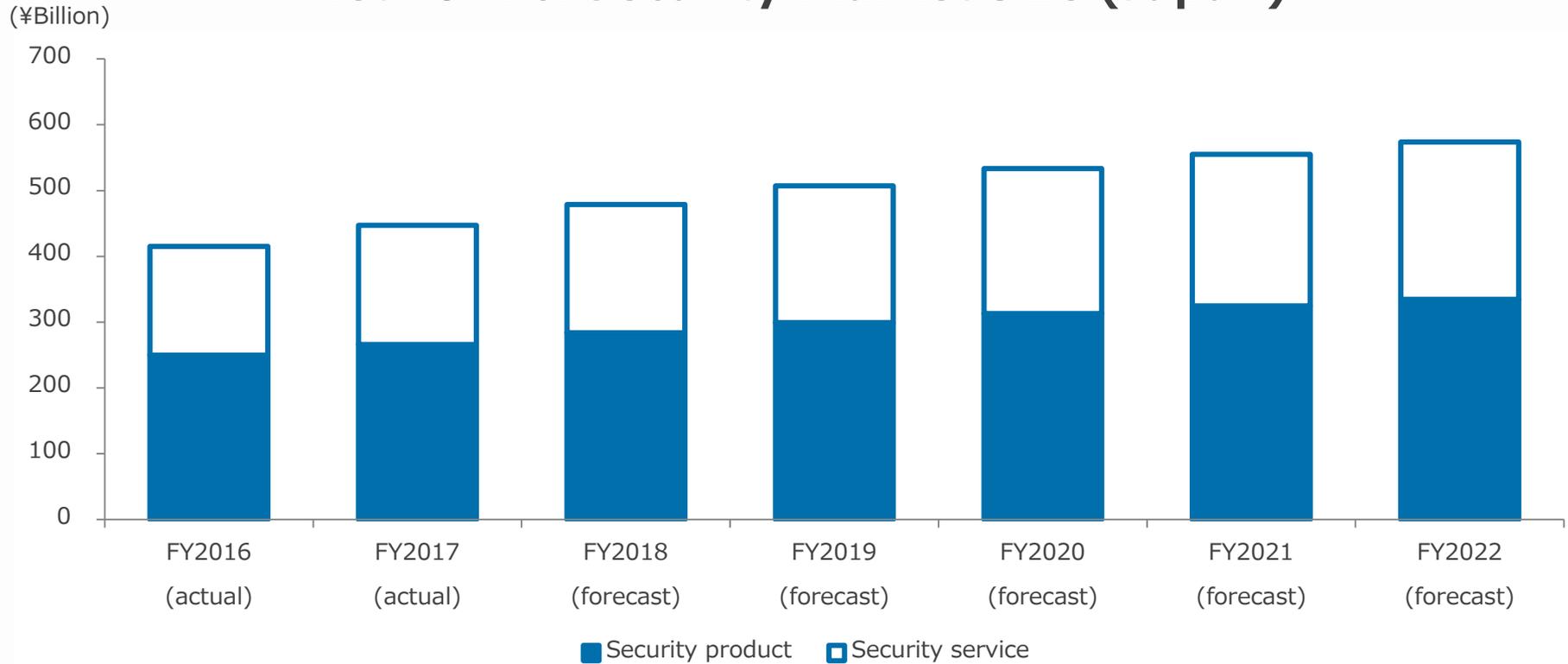
\*Service provider's sales. Estimate as of Oct, 2018

◆Market size of Call center (telemarketing) is forecasted to grow at average rate of 3.2% each year from FY2015 to FY2020 and to ¥982.4 billion as of FY2020.

◆Market size of Contact center (CRM Solution) is forecasted to grow at average rate of 1.8% each year from FY2015 to FY2020 and to ¥499.5 billion as of FY2020.

\* Reference : 矢野経済研究所「コールセンターサービス市場/コンタクトセンターソリューション市場の調査 (2018年)」

## Network & Security market size (Japan)



- ◆ Forecasted Networks Security business market in Japan expanding from ¥447.1 billion in FY2017 to ¥573.5 billion in FY2022.
- ◆ High growth rate on average at 5.1% has been forecasted.

\* Reference : Network Security business report 2018 by Fuji Chimera Research Institute











## **TechMatrix Corporation**

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