



Results of Operations

for the Second Quarter
of the Fiscal Year Ending October 31, 2022

Tobila Systems Inc.
(Tokyo Stock Exchange Prime Section 4441)





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1

Business Overview

We open the door to a better future for our lives and the world

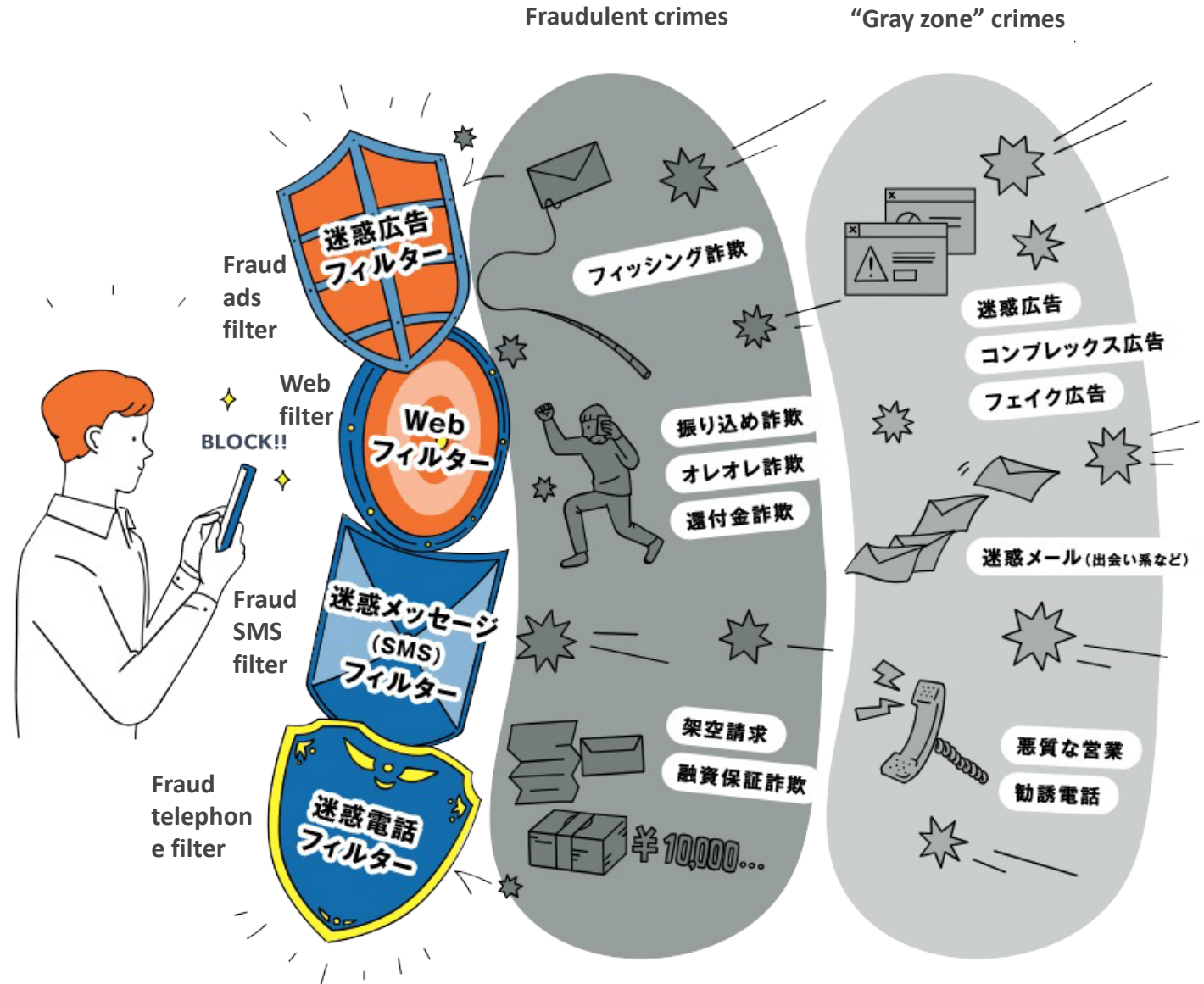
Using technologies for the challenge of solving social issues

We are constantly changing without any fear of failure and challenging conventional thinking to realize a better future which we dream of.

We will be a source of products that help solve social issues and have benefits for people. We will also pursue appropriate earnings for steady growth as we expand and upgrade our operations.

We believe that maintaining an environment where we can live in peace with our loved ones will lead directly to our growth and a better life for people worldwide.

- 2010**
Tobila Systems President Atsushi Akita started developing a fraudulent telephone call filter after his grandfather was the victim of a telephone call scam
- June 2011**
Started sales of TobilaPhone, a fraudulent call filtering service that aims to solve social problems of telephone scams
- March 2015**
Signed a memorandum with the National Police Agency concerning telephone scams in order to establish a system for receiving information
- March 2016**
Started offering the fraudulent call filtering service as an option for all three of Japan's major telephone companies
- June 2021**
Launched several services to help solve social problems other than telephone scams

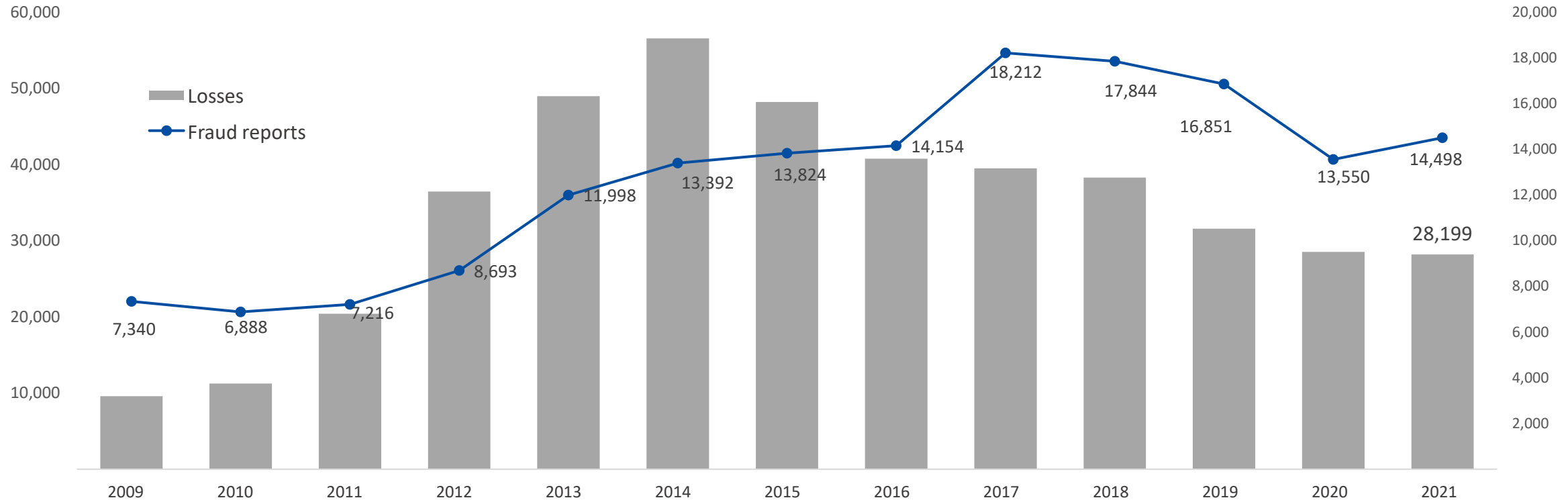


The Reason for Our Dedication to Helping Solve Social Issues

- Losses in Japan caused by special fraud, including “gray zone” crimes, total about ¥4 trillion*.
- In 2021, special fraud remained a serious problem with 14,498 fraud reports and losses of ¥28.2 billion.
- Telephone calls account for about 90% of this fraud. This is why we are dedicated to business activities that prevent damages involving this weakness of people linked to their behavior.

Unit: Millions of yen

Number of special fraud reports and losses

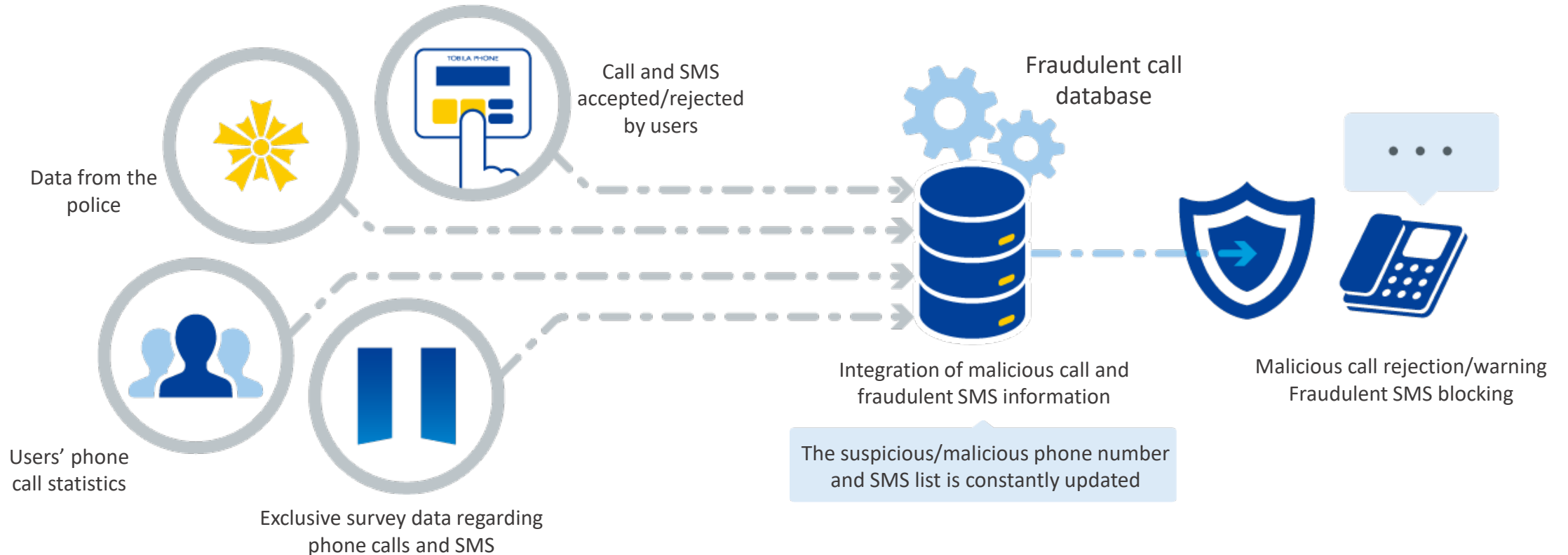


Source: Identification and Control of Special Fraud in 2021 (Finalized figures), National Police Agency; Identification and Control of Special Fraud in 2021

*White Paper on Consumer Affairs 2020, Consumer Affairs Agency (95% confidence; ¥3.5-¥4 trillion estimate)

Tobila Systems' Strengths

- A service to shut out fraudulent phone calls and SMS by using database technology that creates a list of malicious phone numbers to block.
- Some of the blocked phone numbers are numbers that were actually used for criminal activity according to the police. This is a key strength of Tobila Systems.
- The volume of data increases along with the number of users, resulting in a cyclical system for the constant improvement of phone call and SMS blocking accuracy.

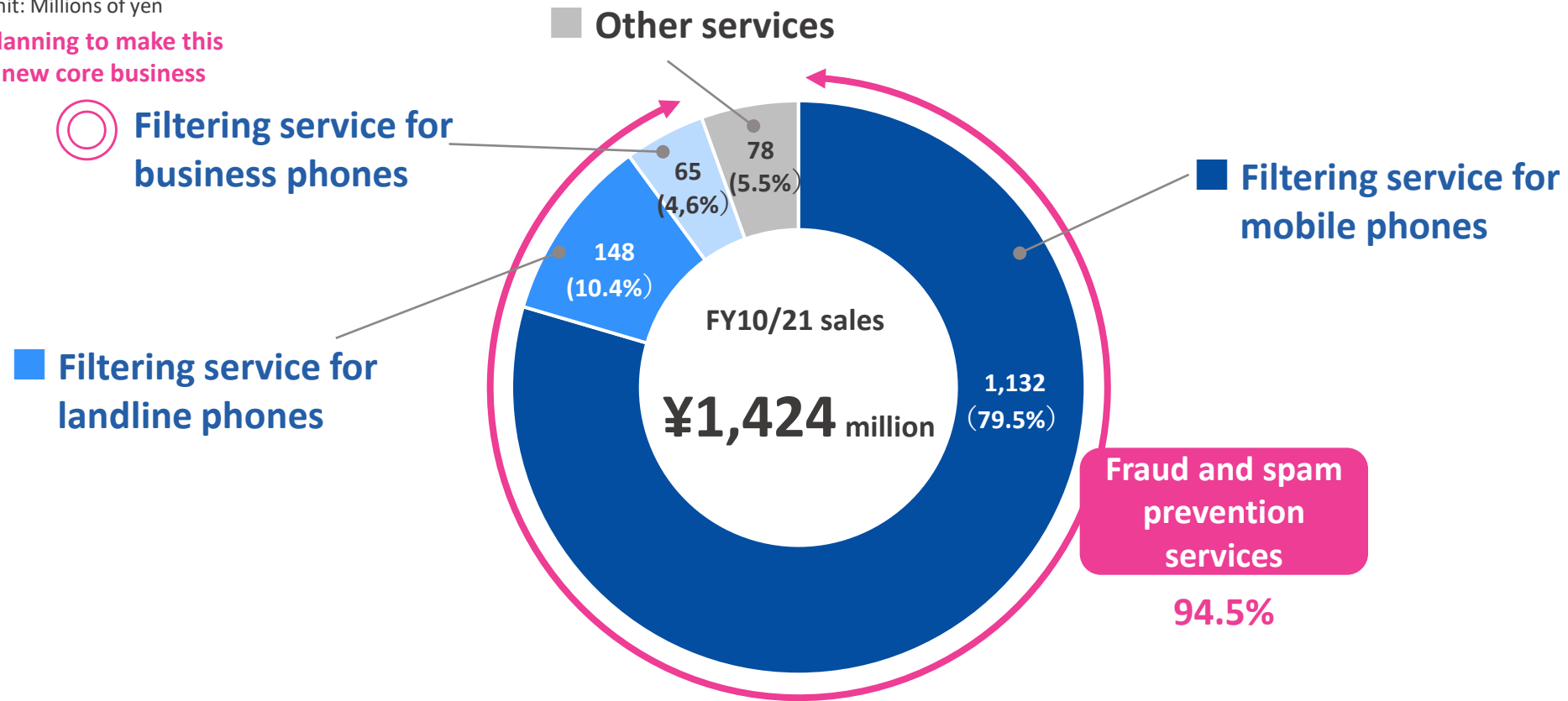


Business Segments

- In the core fraud and spam prevention services, filtering services for mobile phones are about 80% of sales.
- Consistent earnings of mobile phone services are used to fund expenditures in the rapidly growing filtering services for business phone category.

Unit: Millions of yen

Planning to make this a new core business



Outline of Services

- For all-inclusive protection, the fraud and spam prevention services has three categories of services: mobile phones, landline phones and business phones.

Mobile phone products



- Provided mainly as a mobile carrier app
- Blocks fraudulent phone calls and SMS.
- Blocks uncomfortable ads.

Landline phone products



ケーブルプラス電話

Launched from February 16, 2022

- Sold as an external or built-in unit and as function incorporated into a carrier's network infrastructure
- Blocks unnecessary sales calls and fraudulent calls.

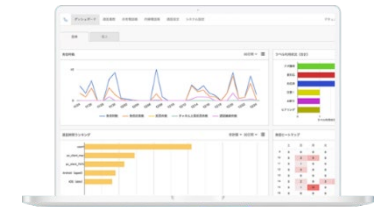
Business phone products



TobilaPhone Biz



TobilaPhone Cloud



Talk Book

Launched from January 12, 2022

- Services for corporations
- Provided TobilaPhone Biz, TobilaPhone Cloud and Talk Book

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**2Q FY10/22
Highlights**

2Q Net sales

¥447 million

(Up 24.8% YoY)

Quarterly sales reached a record high

Sales by the fraud and spam prevention services segment

- Mobile phone services **¥331 million (up 17.7% YoY)**
- Landline phone services **¥51 million (up 36.4% YoY)**
- Business phone services **¥48 million (up 185.9% YoY)**

Mobile phone products

At KDDI, there was a big increase in users eligible for using the fraudulent message blocking function. The number of potential new users increased by about **four** times.

Landline phone products

Landline sales increased **36.4%** because of a large order from a municipal government for an external attachment, resulting.

Business phone products

Sales growth of **TobilaPhone Biz** are increasing rapidly due to registration as a product sold by NTT East/NTT West, resulting in the start of sales at NTT East/NTT West sales agents.

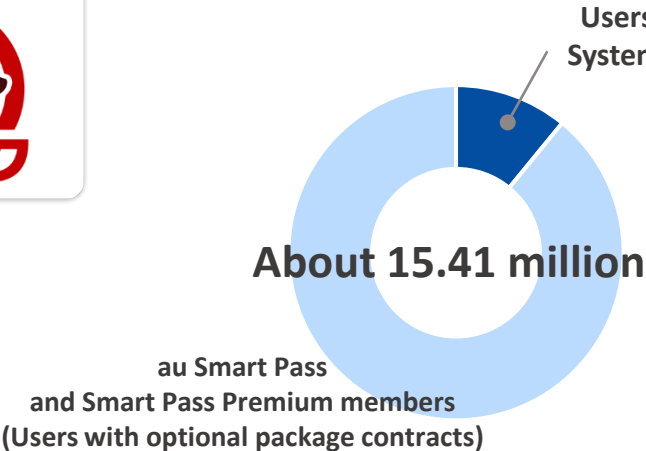
More eligible users for the fraudulent message blocking function

- Since March 24, the customers of MVNO of au, UQ mobile, povo have been able to use KDDI's fraudulent message blocking function (a service that blocks fraudulent SMS) at no extra cost. This raised the number of potential users of this blocking service by about four times.

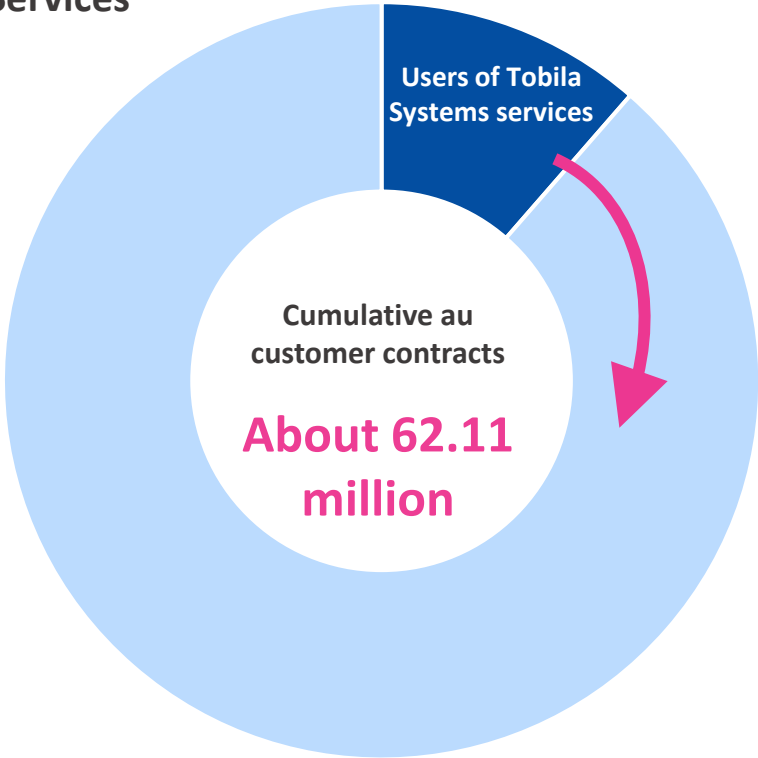
Mobile phone products



Potential Users at KDDI of Tobila Systems Services



Number of potential users increased by **about four times**



Source: Cumulative au customer contracts, au Smart Pass + au Smart Pass Premium members are excerpts from KDDI FY3/22 financial data (https://www.kddi.com/extlib/files/corporate/ir/library/presentation/2022/pdf/kddi_220513_data_P9qPtC.pdf)

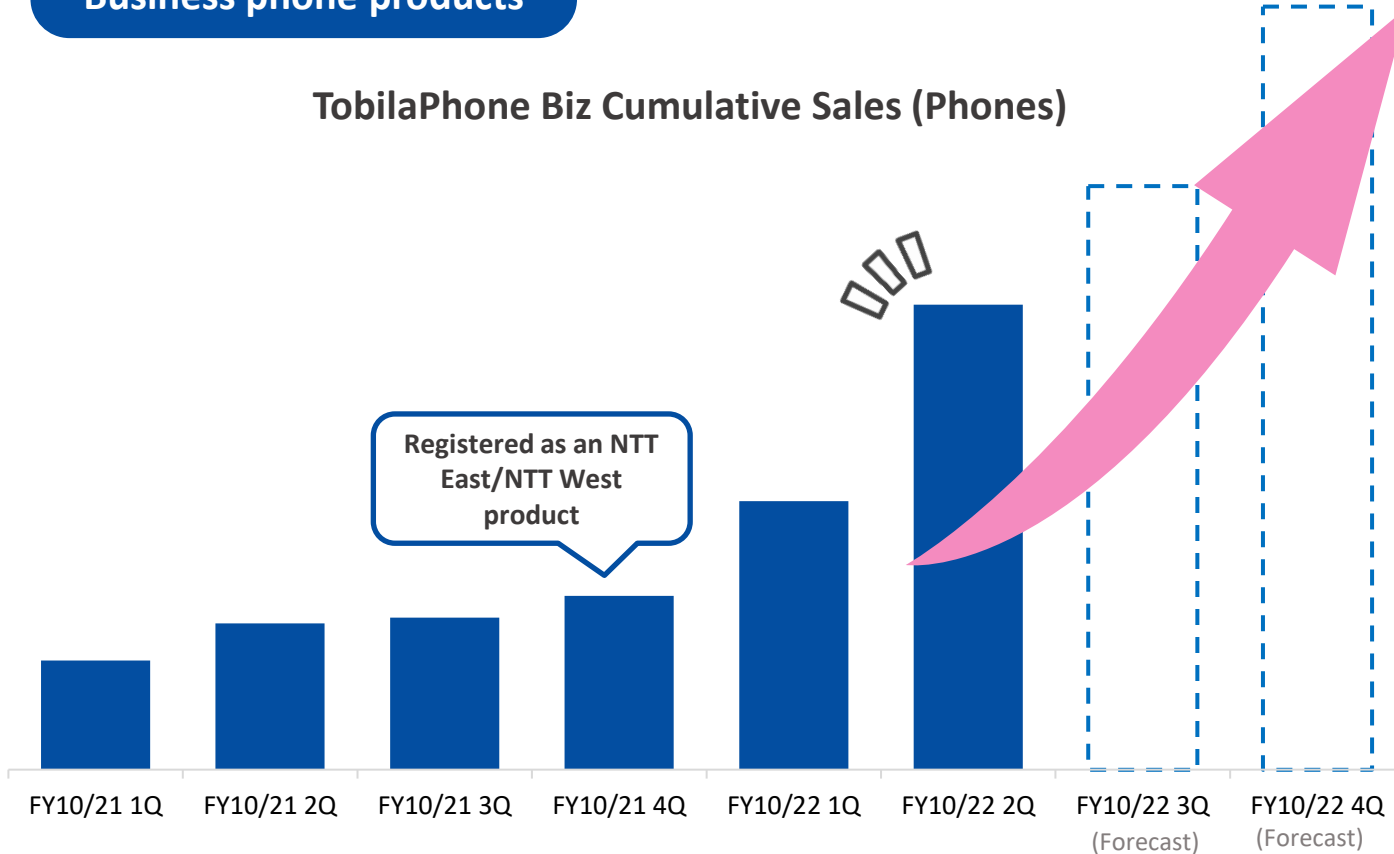
*KDDI news release "Provision of Malicious Message Blocking Function for au/UQmobile/povo" (<https://news.kddi.com/kddi/corporate/newsrelease/2022/03/16/5928.html>)

TobilaPhone Biz sales are expected to increase even faster

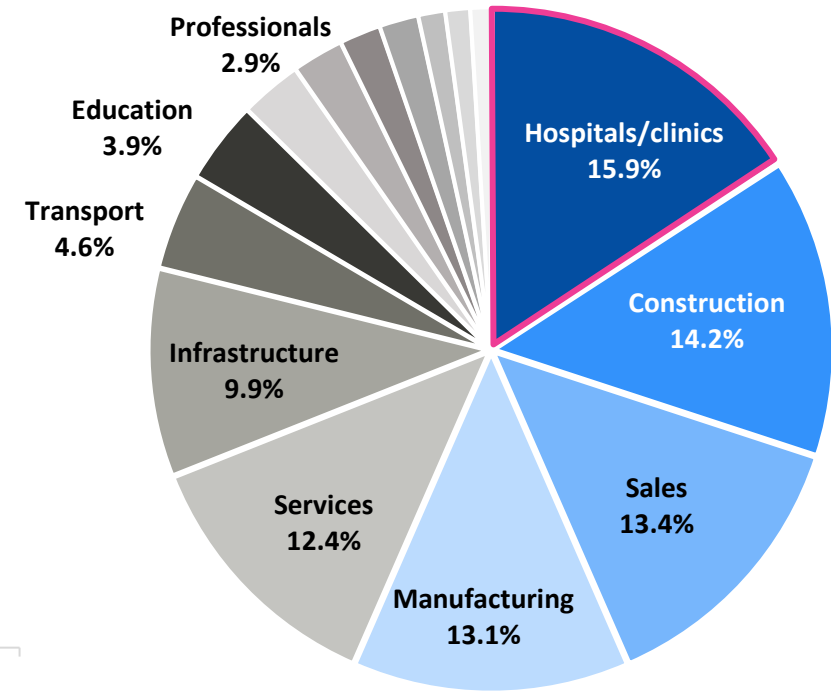
- Pace of order growth increased after registration as a product sold by NTT East/NTT West. TobilaPhone Biz is used by companies in all types of industries.
- Direct sales by NTT East/NTT West and all-in-one printer sales agents and medical equipment dealers will also start selling TobilaPhone Biz. Forecast more sales growth.

Business phone products

TobilaPhone Biz Cumulative Sales (Phones)



Industries of TobilaPhone Biz Users



*Industries of users are as of June 7, 2022 and based on Tobila Systems data.

TobilaPhone Cloud receives a ITreview Grid Award 2022 Spring award

- TobilaPhone Cloud received a Leader Award, the highest ranking recognition, in the PBX, IVR (interactive voice response) and IP phone categories of the ITreview Grid Award 2022 Spring held by ITcrowd Corp.

Business phone products



Praise from TobilaPhone Cloud users

ITreview ★★★★★

How did TobilaPhone Cloud solve problems and what are the benefits?

Moving extension numbers to the cloud allows setting up an order for receiving calls. Our sales team can answer calls directly. When assistance is needed, another team member can take over the call. This cut the lost call ratio from about 40% to about 10%.

Industry: Communications/Internet Job: Other specialist Employees: 100-299

ITreview ★★★★★

How did TobilaPhone Cloud solve problems and what are the benefits?

There were communication problems with people working at home. We were able to create a cloud PBX with a simple start-up process and low expenses for people to start using this service and for operating the service. TobilaPhone Cloud has definitely improved our internal and external communications.

Industry: Software/System integration Job: Management/Planning Employees: 50-99

ITreview ★★★★★

Why do you recommend the use of TobilaPhone Cloud?

Only a small investment is needed to start using this service, it can be used with our employees' own phones, and it has outstanding functions. These strengths make TobilaPhone Cloud ideal for raising efficiency when working at home or a satellite office and for workplaces where salespeople are often out of the office.

Industry: Hospitals/clinics Job: Accounting Employees: 1-19

2

**2Q FY10/22
Financial Results**

2Q FY10/22 Financial Summary

- A big YoY increase of 24.8% in 2Q sales to a quarterly record high.
- Operating profit was down 10.4% mainly because of goodwill amortization. EBITDA continued to climb, increasing 3.7% YoY.

Unit: Millions of yen

	Q2 FY10/22 Results	1Q FY10/22		2Q FY10/21	
		Results	QoQ	Results	YoY
Net sales	447	391	114.1%	358	124.8%
EBITDA	183	168	108.6%	176	103.7%
Operating profit	145	134	108.3%	162	89.6%
Ordinary profit	145	126	114.6%	163	89.0%
Profit	95	62	152.7%	112	84.4%

Note: EBITA = Operating profit + Depreciation + Goodwill amortization

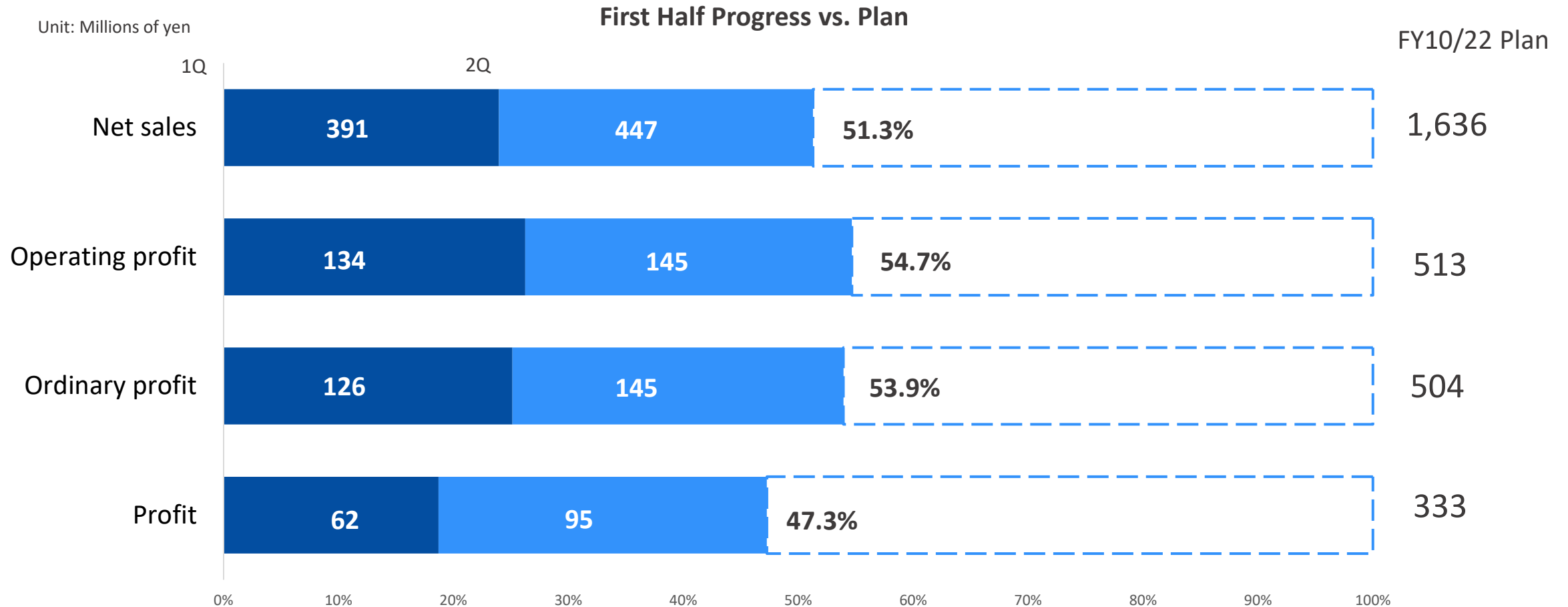
1H Vs. FY10/22 Plan

- First half sales, operating profit, ordinary profit and profit all exceeded the plan.

Unit: Millions of yen	1H FY10/22 Results			1H FY10/22 Plan	
	1Q	2Q	Total	1H Plan	Vs. Plan
Net sales	391	447	838	786	106.7%
Operating profit	134	145	280	228	122.5%
Ordinary profit	126	145	271	220	123.3%
Profit	62	95	157	146	107.3%

First Half Performance vs. the FY10/22 Forecasts

- First half sales and earnings at all levels were consistent with the FY10/22 plan (see page 18).
- No change in the FY10/22 plan because of planned investments for growth and substantial expenditures for recruiting activities and R&D.

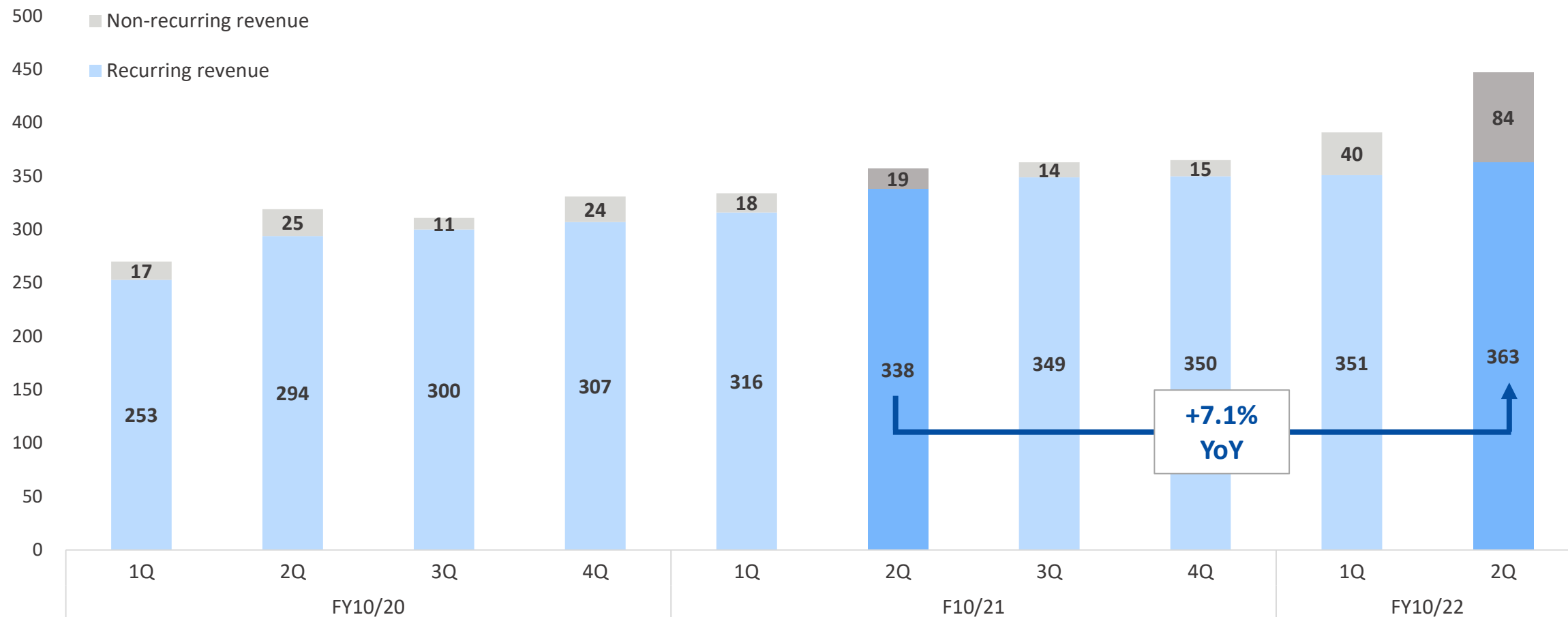


*The first half is usually 44% to 48% of the FY plan because Tobil Systems uses a recurring revenue business model.

Quarterly Sales (Recurring Revenue and Non-recurring Revenue)

- Recurring revenue increased 7.1% YoY to a new all-time high.
- Sales from one-time transactions are primarily due to sales of 280blocker, TobilaPhone units and TobilaPhone Biz units.

Unit: Millions of yen



Sales Composition

- Mobile phones: Up 28.3% YoY because of increased use of Tobilas Systems services by KDDI and higher 280blocker sales
- Landline phones: A one-time big contribution to sales from a large order from a municipal government for a external attachment.
- Business phones: Big YoY increase of 185.9% because of registration as a product sold by NTT East/NTT West

Unit: Millions of yen

	2Q FY10/22 Result	1Q FY10/22		2Q FY10/21	
		Results	QoQ	Results	YoY
Fraud and spam prevention services	430	377	114.2%	355	128.3%
Mobile phone services	331	311	106.2%	281	117.7%
Landline phone services	51	34	149.1%	37	136.4%
Business phone services	48	31	155.9%	17	285.9%
Other services	16	14	110.3%	22	72.5%

Major Contract Formats for Mobile Phone Filtering Services

- Tobilas Systems filtering services are included in the optional packages of major carriers; there are three types of contract formats.
- Focusing on raising the accuracy of the Tobilas Systems app to enable sales through major carriers.

Fixed payment

This fixed payment format generates sales that are not affected by changes in the number of contracts or monthly users.

Fixed payment
(Subscription contract)

- Service provided for a fixed monthly fee
- Steady sales because changes in the number of contracts or monthly users does not change sales

No. of contractors × Unit price

Sales are linked to the number of optional package contracts that permit the use of Tobilas Systems services.

No. of contractors × Unit price

- The number of people with an optional package contract is decreasing as more people switch to low-cost smartphones.
- The number of users of Tobilas Systems services is increasing.

Monthly active users × Unit price

Sales are linked to monthly users of Tobilas Systems services

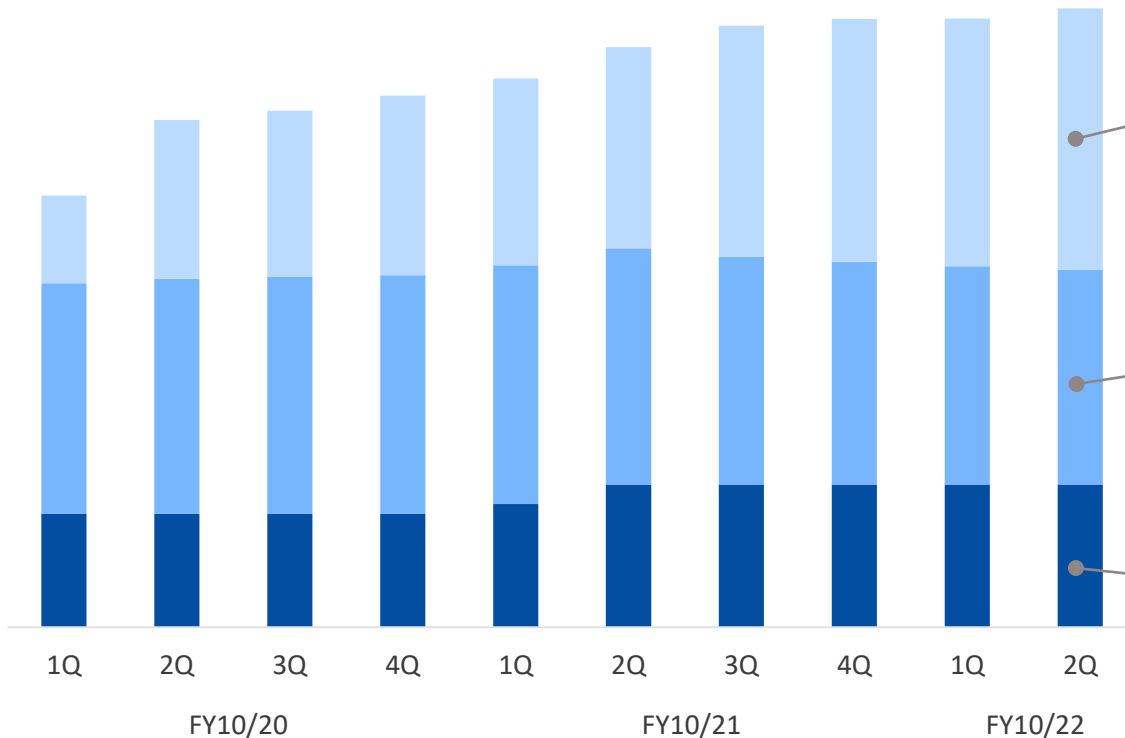
Monthly active users × Unit price

- This contract format is contributing to sales growth because the growth in the number of monthly users of Tobilas Systems services.

Composition of Major Contract Formats for Mobile Phone Filtering Services

- Monthly users are increasing for all major contract formats. Ties with low-cost smartphone operators are slowly expanding.
- For monthly active users x unit price contracts, sales are increasing with growth in the number of monthly users.
- For the number of contracts x unit price format, sales are declining as people shift to low-cost smartphones and other inexpensive service plans.

Quarterly sales composition of major contract formats



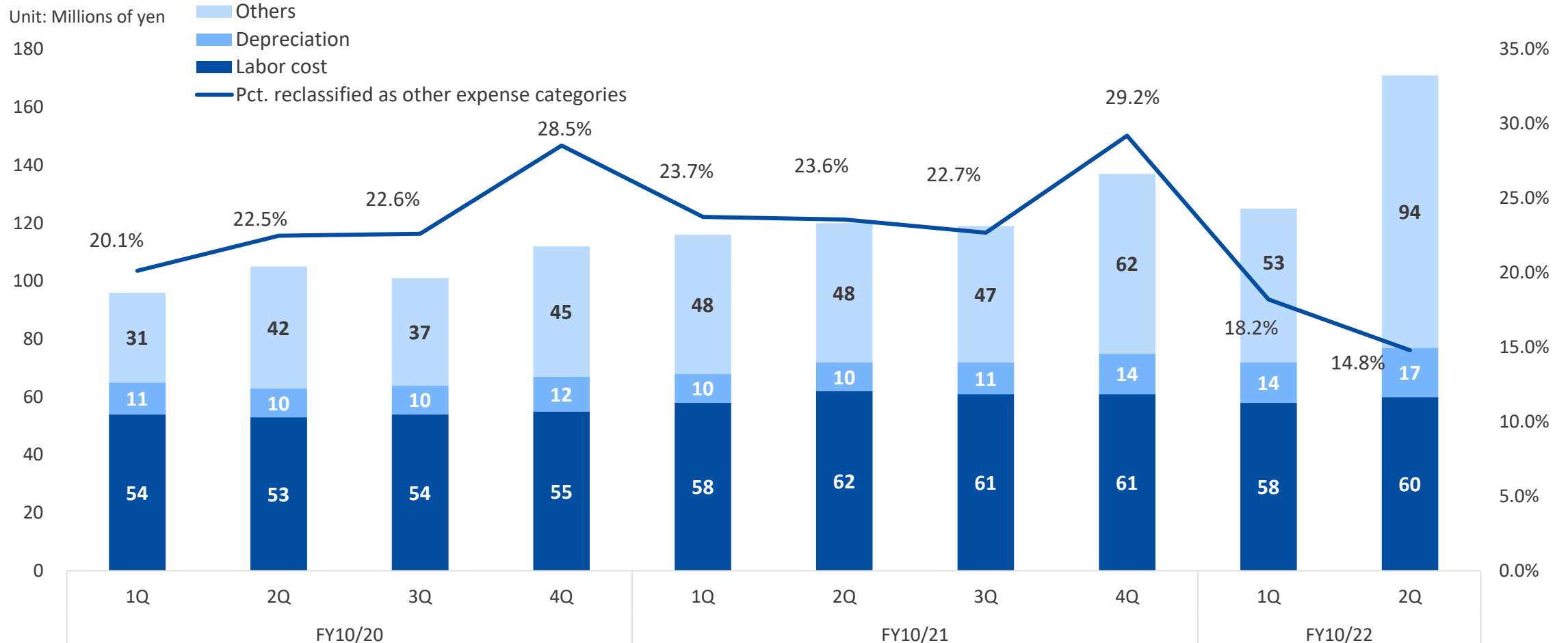
Performance vs. Prior Quarter

Difference between 1Q FY10/22 and 2Q FY10/22

● Monthly active users × Unit price	
Sales:	105.5%
Monthly active users:	107.4%
● No. of contractors × Unit price	
Sales:	98.4%
Monthly active users:	105.5%
● Fixed payment (subscription contract)	
Sales:	100.0%
Monthly active users:	103.2%

Cost of Sales

- Other increased significantly mainly because of a big one-time increase in sales of TobilaPhone and TobilaPhone Biz hardware.
- Labor cost and depreciation have been controlled generally as planned.



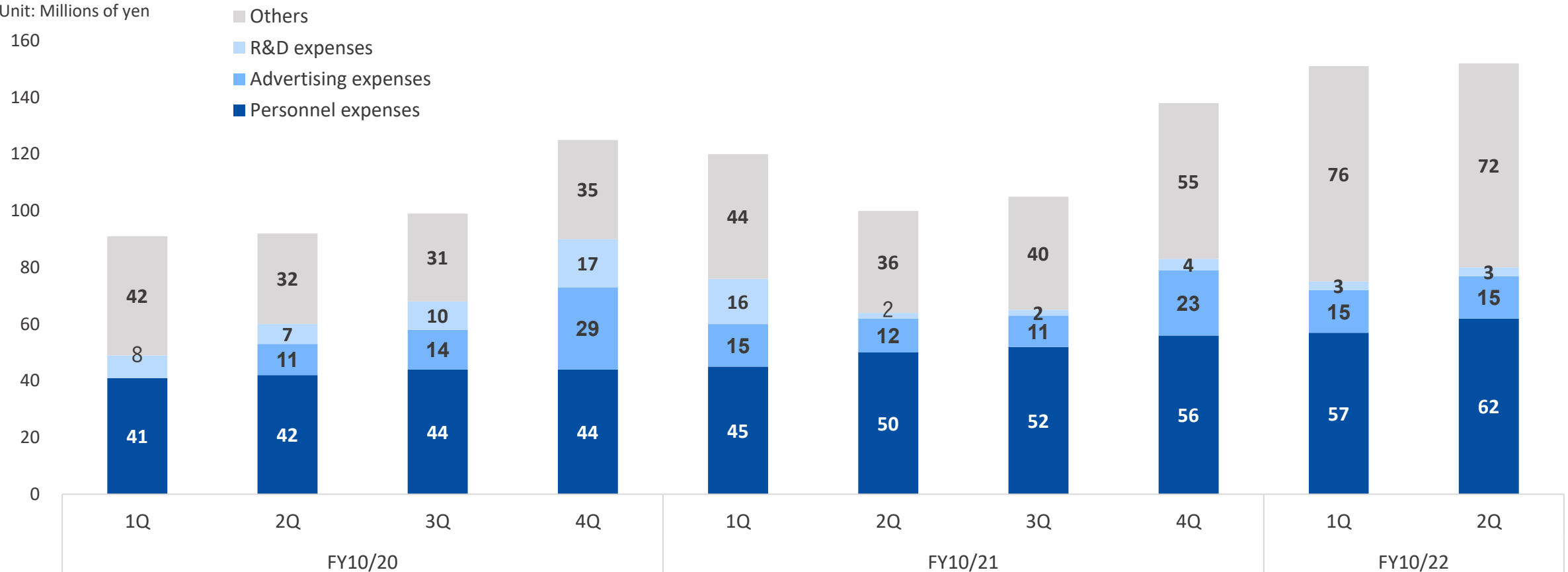
* Pct. reclassified as other expense categories is the percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees

* The sum of labor cost, depreciation and others does not match the total cost of sales on the income statement because these figures are before adjustments for reclassified expenses and work in process transfers

SG&A Expenses

- Personnel expenses and advertising expenses have been controlled generally as planned. Plan to hire more people in the second half to support growth.
- R&D expenses are expected to increase because the majority of these expenditures are planned for the second half.
- Others includes goodwill amortization and other items.

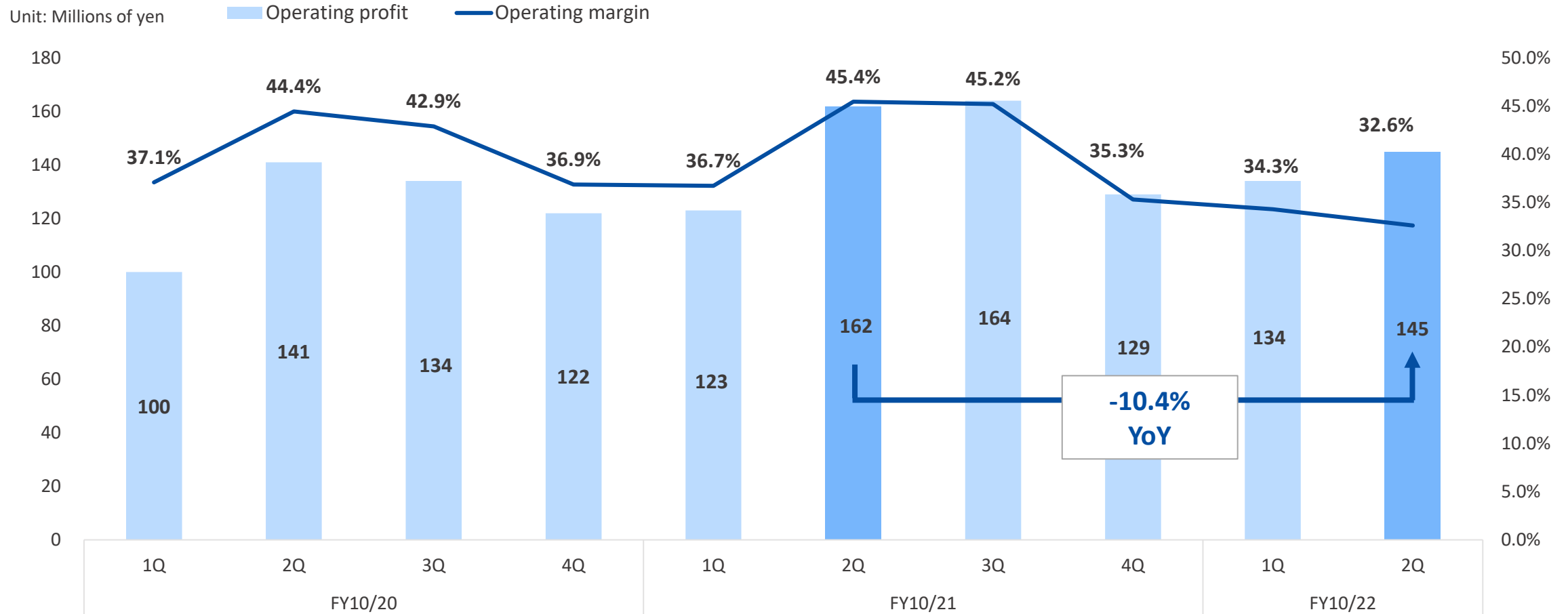
Unit: Millions of yen



*"Others" tends to be larger in 1Q due to stock-related expenses for shareholders' meetings, etc.

Operating Profit

- Operating profit and operating margin were down YoY but as expected due to the planned decline in FY10/22 earnings.
- Investments required for growth will continue.



Unit: Millions of yen	2Q FY10/22 Results	1Q FY10/22		2Q FY10/21	
		Results	QoQ	Results	YoY
Cost of sales	147	103	142.0%	92	158.8%
Labor cost	60	58	104.0%	62	97.7%
Depreciation	17	14	123.4%	10	162.1%
Others	94	53	176.8%	48	195.3%
Pct. of cost of sales classified as R&D expenses and assets*	14.8%	18.2%	81.4%	23.6%	62.9%
SG&A expenses	154	153	100.3%	102	150.1%
Personnel expenses	62	57	108.8%	50	123.4%
Advertising expenses	15	15	99.1%	12	128.2%
R&D expenses	3	3	94.5%	2	116.2%
Others	72	76	94.5%	36	196.8%

*The percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees

FY10/22 Forecast

- No change in the FY10/22 forecast because of planned second half recruiting and R&D expenditures as investments for growth continue.

Unit: Millions of yen

		FY10/20	FY10/21	FY10/22	YoY change
Financial indicators	Net sales	1,234	1,424	1,636	114.8%
	Operating profit	498	579	513	88.5%
	Ordinary profit	471	577	504	87.2%
	Profit	322	386	333	86.3%
Profitability indicators	Operating margin	40.4%	40.7%	31.4%	-
	ROE*	27.5%	27.2%	22.4%	-
Financial soundness	Equity ratio	81.7%	68.6%	63.7%	-

*ROE is calculated by using average shareholders' equity in each fiscal year.

Balance Sheet

	2Q FY10/22	FY10/21	Change
Unit: Millions of yen			
Current assets	1,578	1,389	189
Cash and deposits	1,277	1,145	132
Trade receivables	220	181	38
Other	80	61	18
Non-current assets	846	780	65
Property, plant and equipment	67	49	18
Intangible assets	491	509	-18
Investments and other assets	287	221	65
Total assets	2,425	2,170	255
Liabilities	879	681	198
Current liabilities	609	385	223
Non-current liabilities	270	295	-25
Net assets	1,545	1,489	56
Equity ratio	63.7%	68.6%	-4.9pt

FY10/22 Financial Status: Quarterly Results

Unit: Millions of yen	FY10/20				FY10/21				FY10/22	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net sales	270	319	312	331	335	358	364	366	391	447
Fraud and spam prevention services	244	295	290	312	316	335	344	349	377	430
Other services	26	23	22	19	19	22	19	17	14	16
Cost of sales	77	82	78	83	89	92	92	97	103	147
Labor cost	54	53	54	55	58	62	61	61	58	60
Depreciation	11	10	10	12	10	10	11	14	14	17
Others	31	42	37	45	48	48	47	62	53	94
Pct. of cost of sales classified as R&D expenses and assets*	20.1%	22.5%	22.6%	28.5%	23.7%	23.6%	22.7%	29.2%	18.2%	14.8%
SG&A expenses	93	94	99	126	122	102	106	139	153	154
Personnel expenses	41	42	44	44	45	50	52	56	57	62
Advertising expenses	0	11	14	29	15	12	11	23	15	15
R&D expenses	8	7	10	17	16	2	2	4	3	3
Others	42	32	31	35	44	36	40	55	76	72

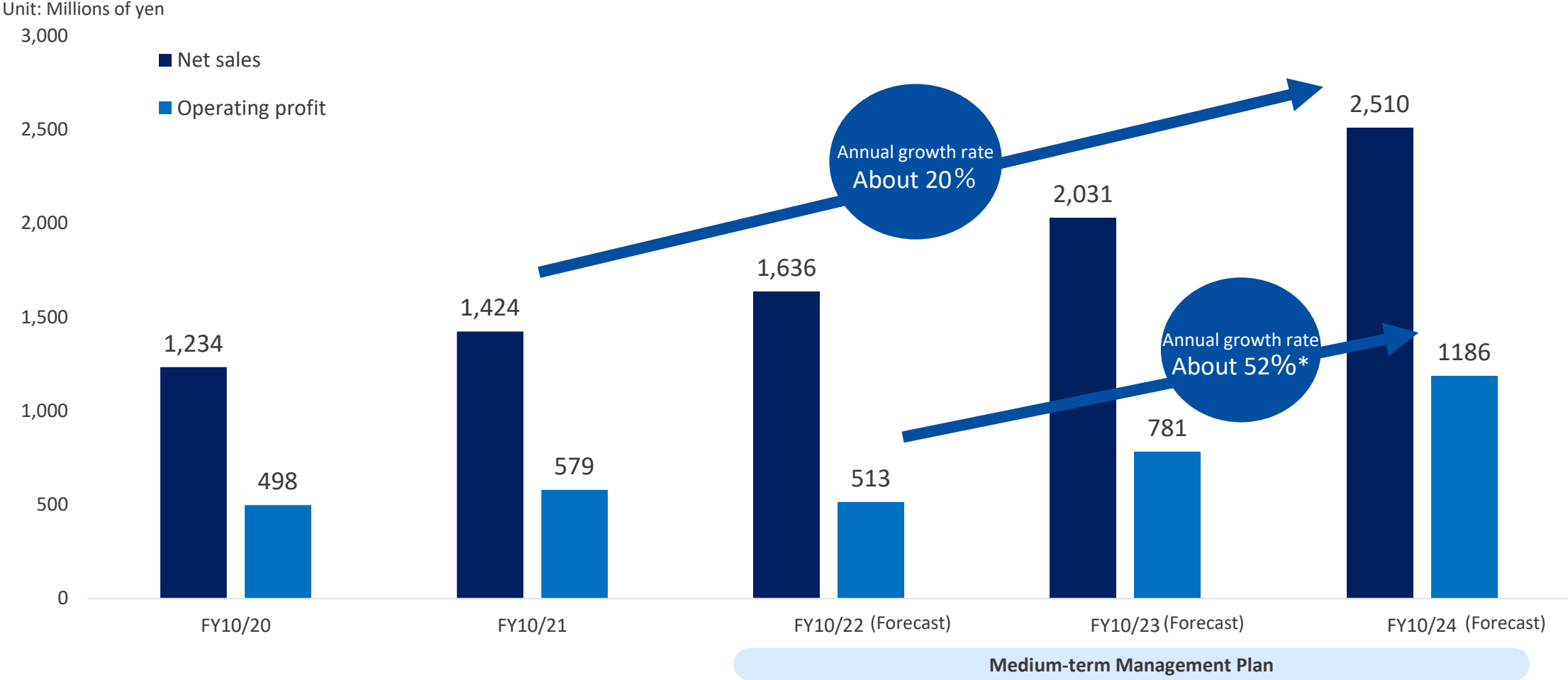
*The percentage of the cost of sales included in R&D expenses and assets due mainly to the characteristics of work performed by employees

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Medium-term Management Plan Progress

Medium-term Management Plan

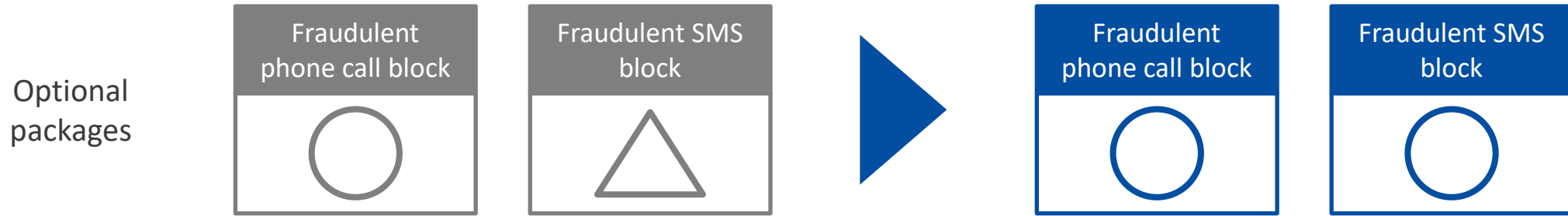
- Aiming for rapid growth: avg. annual sales growth of about 20% and avg. annual operating profit growth of about 52%
- In FY10/22, the plan’s first year, first half performance was generally in line with the plan.



Priorities for FY10/22

Filtering Services for Mobile Phones

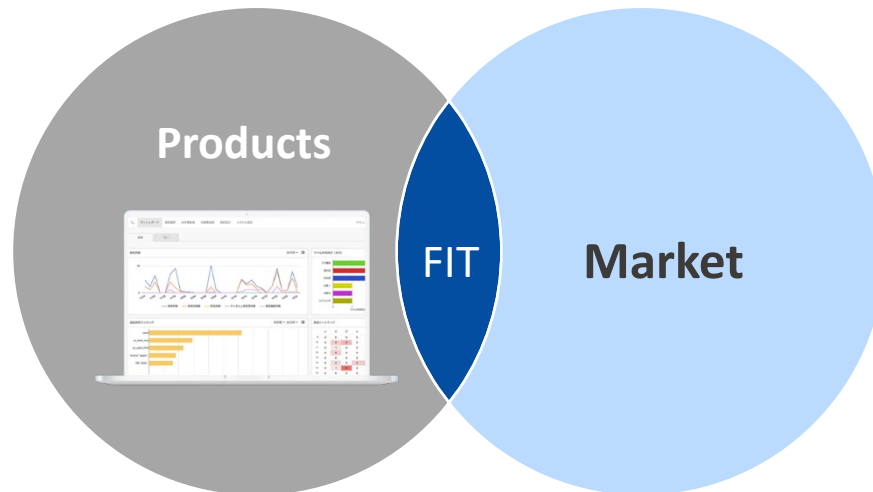
The goal is adding the fraudulent SMS block to the optional packages of all mobile carriers



Filtering Service for Business Phones

Identify and select the best product/market fit for the new Talk Book service

Analyze feedbacks from users
 ▼
 More functions that match users' needs



Search for and select appropriate market sectors

Medium-term Management Plan Progress: Filtering Service for Mobile Phones and Landline Phones

Medium-term Management Plan announced in December 2021
(FY10/22-FY10/24)

Filtering Service
for Mobile Phones

Goals are steady sales and expansion of current services to new markets

- Consistently generate revenue from current customers
- Expand the SMS filtering and phishing blocking services
- More synergies with 280blocker



Accomplishments up to 2Q FY10/22

- Growth of steady sales due to the expansion of existing business with carriers
- Certified as an Outstanding Fraudulent Call Prevention Device by the Japan Crime Prevention Association
- Marketing campaign for 280blocker raised awareness of this product

Filtering Service for
Landline Phones

More activities with KDDI to further enlarge and strengthen this alliance

- Use cable TV company alliance partners of KDDI provides access to users of approximately 6.2 million phone lines

Increase alliance partners for the use of the Tobila Systems filtering service as an option

- Continue activities for the establishment of partnerships with NTT East, NTT West, SoftBank and other companies



- Started providing in February 2022 the Fraudulent Call Automatic Block service to KDDI cable TV customers. This service automatically blocks fraudulent calls to landline phones and requires no add-on unit.
- Received a large TobilaPhone order (using external attachments)

Medium-term Management Plan Progress: Filtering Service for Business Phones

Medium-term Management Plan announced in December 2021 (FY10/22-FY10/24)

Filtering Service for Business Phones

TobilaPhone Biz



- Goal is rapid growth due to registration as a product sold by NTT East and NTT West
- Use ties with sales partners to enable rapidly improving functions to match users' needs

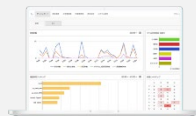
TobilaPhone Cloud

- Utilize the ability for use of "03" and other area codes to receive more orders



Talk Book

- Covers cloud PBX as well as CTI for businesses in the growing SaaS market



Accomplishments up to 2Q FY10/22

- Properly managed inventories during the semiconductor shortage in order to prevent the loss of sales opportunities
- A big increase in orders because of the large volume of sales activities by partners

- Ability to use "03" and other area codes for voice communications
- TobilaPhone Cloud won a Leader award in three categories of ITreview Grid Award 2022 Spring.
- Started sales of Talk Book, a sales tool with artificial intelligence

- A commitment to ESG activities for sustained growth of our businesses and for environmental and social sustainability

E Environment

Activities for energy saving and an efficient IT infrastructure by using virtual server technology

- Started studies and analysis to prepare for providing information based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations

S Social

- Activities for providing special fraud prevention services that reduce losses and other problems
- Activities for a pleasant and productive workplace environment

- TobilaPhone Mobile was certified as a fraudulent call prevention app that is an Outstanding Crime Prevention Phone
- Tobila Systems was selected as a service in the productivity improvement category of the 300 Most Promising SMEs and Small Businesses of the Small and Medium Enterprise Agency of the Ministry of Economy, Trade and Industry
- Received Chairman's Award of the Tokai Information Communication Conference at a ceremony for the Wireless Communication Day/Info-Communications Month.

G Governance

Better activities for compliance with the Corporate Governance Code for higher quality of governance

- Tobila Systems has established a Nomination and Remuneration Committee for the purpose of increasing the fairness, transparency and objectivity of procedures for directors' nomination and remuneration

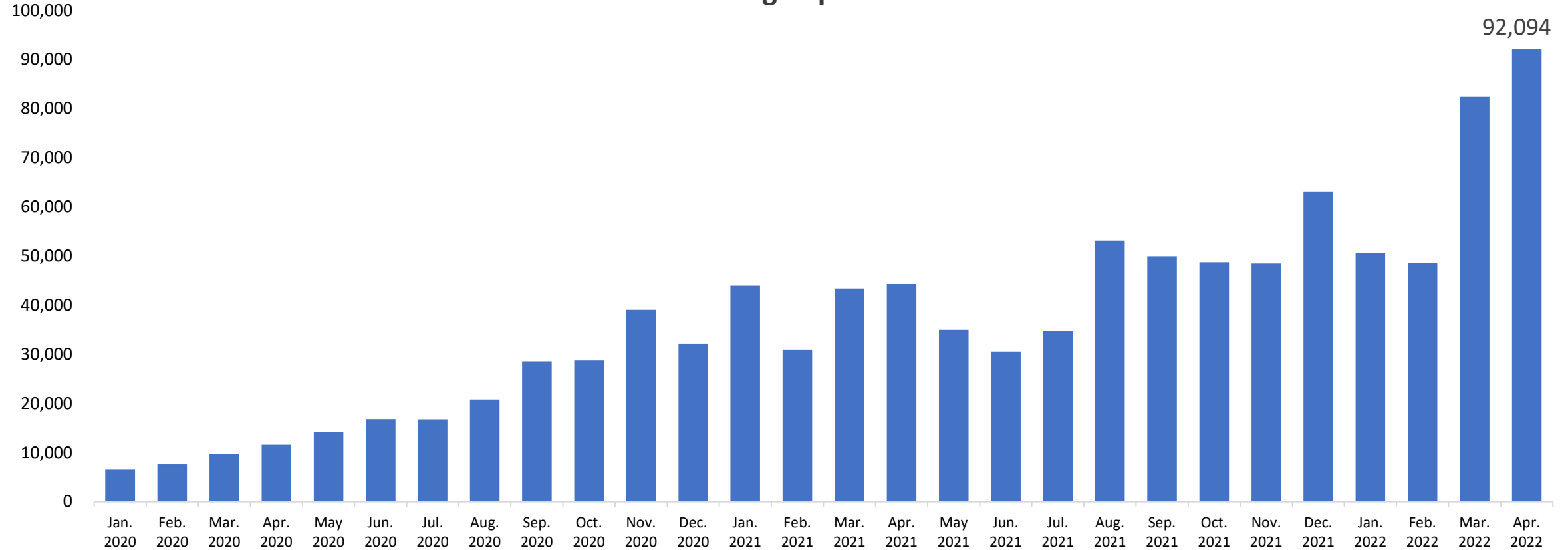
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References

- The number of reports of phishing have been climbing year after year and the number of smishing (SMS phishing) incidents tripled from 2020 to 2021.

Unit: Number of reports

Phishing Reports



Source: Council of Anti-Phishing Japan

“Gray Zone” Criminal Activity

“Gray zone” criminal activity is behavior that is not treated as a crime and may be difficult to recognize as a crime but that nevertheless poses a serious threat to public safety by creating a variety of problems. There are many types of “gray zone” criminal activity.

Examples of “Gray Zone” Criminal Activity

Telephone

- Fraudulent calls
- Sales calls
- Solicitation calls
- Malicious business practice

E-mail/SMS

- Fraudulent e-mail
- Dating/matching service e-mail
- Sales e-mails

Internet

- SNS problem
- Adult website
- Fake advertisements
- Complex advertisements
- Advertisement fraud
- Fake websites

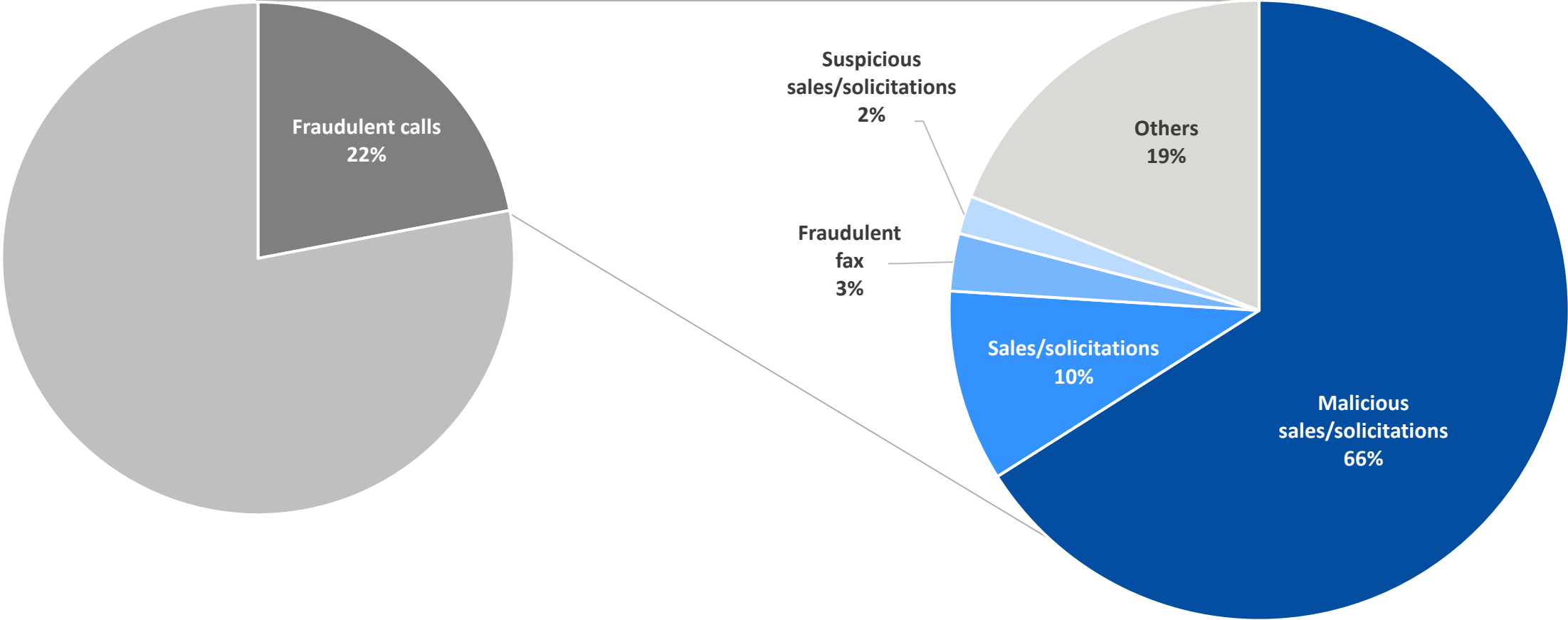
Others

- Forced purchases of home goods
- Delivery of items not ordered
- Multi-level marketing
- Protection against evil spirits/ghosts

Individuals reported **about 14.7 million** incidents in 2020 with total losses of **about ¥4 trillion**

Landline Phone Share of “Gray Zone” Crimes

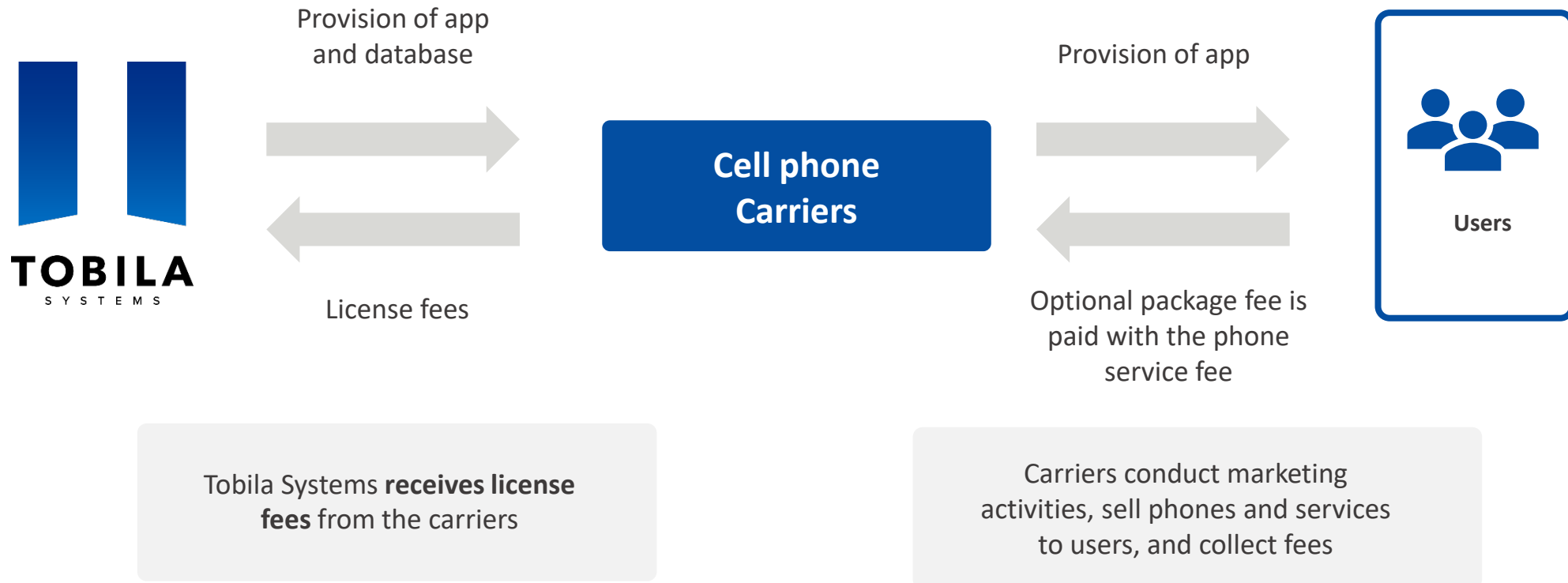
- One in five calls to a landline phone is fraudulent and about 66% of these fraudulent calls are malicious sales or solicitation calls.



Source: Based on Tobil Systems data

Business Model for Mobile Phone Services

- License fees are received in accordance with one of the three contract formats used by each carrier.
 ((1)Fixed payment (2) No. of contractors × Unit price (3) Users × Unit price)






*This flowchart does not include the TobilaPhone and 280blocker apps because they are sold directly by Tobila Systems.

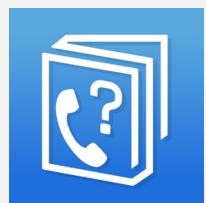
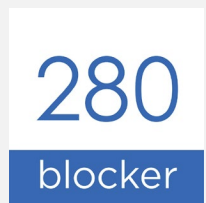
Filtering Service for Mobile Phones

- The Tobilas Systems filtering service is provided to end users as an app by carriers based on agreements with these carriers. The filtering service is offered as one of the services included in the optional packages provided by carriers.
- Tobilas Systems sells TobilasPhone Mobile and the 280blocker advertisement blocking app directly to end users.

Optional packages

	Softbank
	NTTdocomo
	KDDI

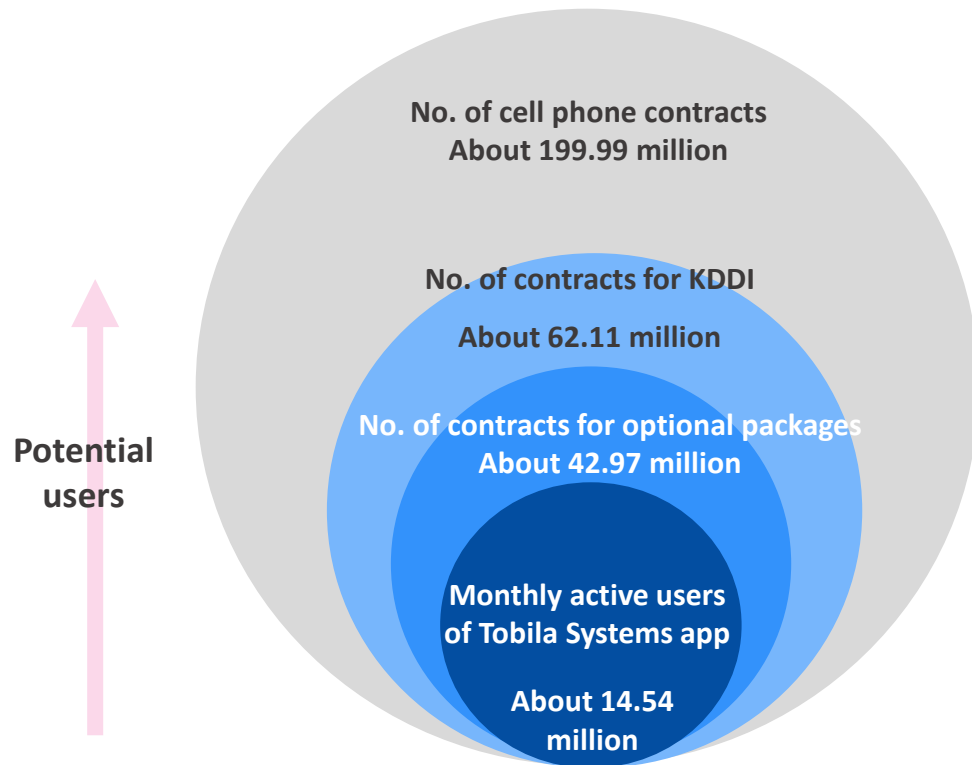
Tobilas Systems apps (Sold directly)

	TobilasPhone Mobile
	280blocker

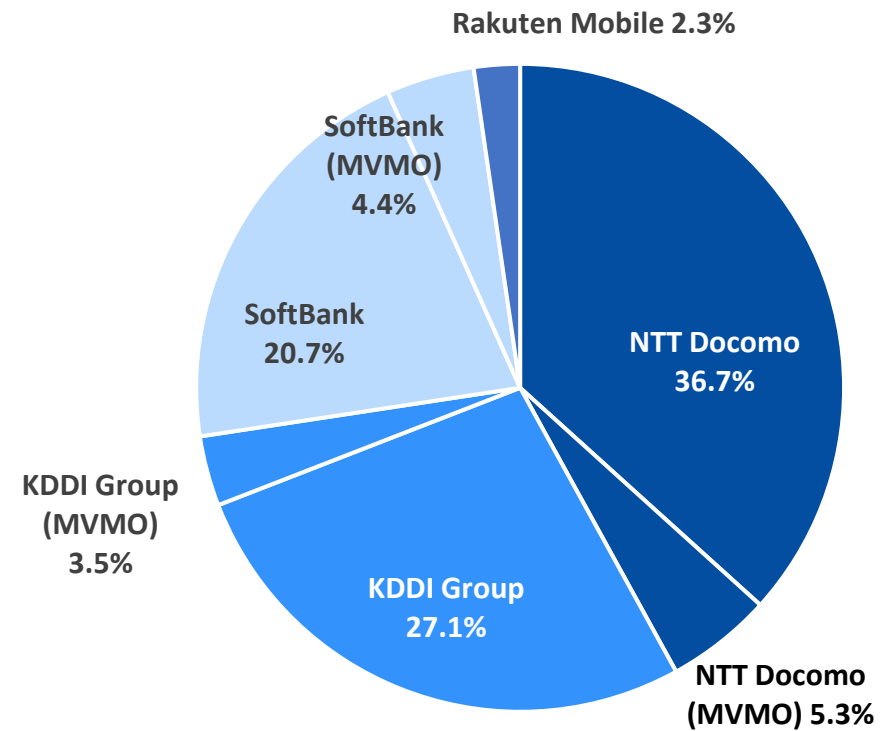
The Market in Japan for Mobile Phones Services

- Monthly users of Tobila Systems services are only about 7% of all cell phone contracts.
- The number of users who can use Tobila Systems services at no extra charge has increased to about 62.1 million.

Cell Phone Contracts and Tobila Systems Service Users



Mobile Phone Market Share in Japan



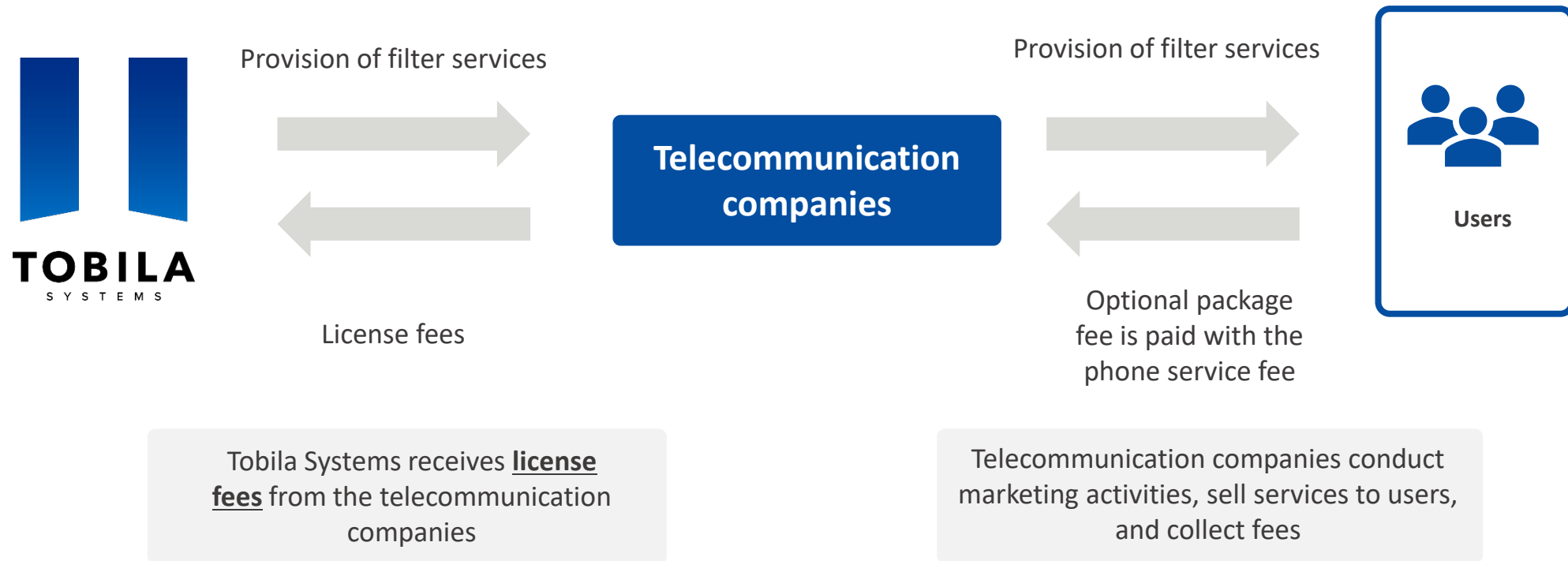
* Number of cell phone contracts: Quarterly Data on Telecommunications Service Contract Numbers and Market Share, Ministry of Internal Affairs and Communications (March 18, 2022)

* Number of contracts for options: Tobila Systems estimate based on data collected by Tobila Systems for SoftBank, Smart Pass and Smart Pass Premium contracts for au based on the KDDI FY3/22 financial data, and the number of contracts for options announced on December 19, 2018 for NTT Docomo

* Number of the monthly active users includes some provisional figures. The data may vary somewhat when the finalized figures are released and reflected in the data.

Business Model for Landline Phones Services

- Sold as part of the optional package for IP phones. Sold by KDDI and other carriers along with landline phone services.
- The fee structure normally used is number of optional package contracts x unit price.



Summary for Landline Phones Services

- Answering a phone call that is fraudulent or involves a malicious business practice is the first step to becoming a victim.
- A system that automatically detects suspicious calls and intercepts them before they occur, thereby preventing the caller from picking up the phone.

External attachment

External attachment (TobilaPhone)



The unit is attached to a landline telephone. Most of these external attachments are sold or rented at demonstration trials held by local governments and other organizations.

Built-in (Phones, home gateways)



The service is incorporated in the home gateway required to use an IP phone and can be used by applying for an optional package.

Network infrastructure (Cable TV)



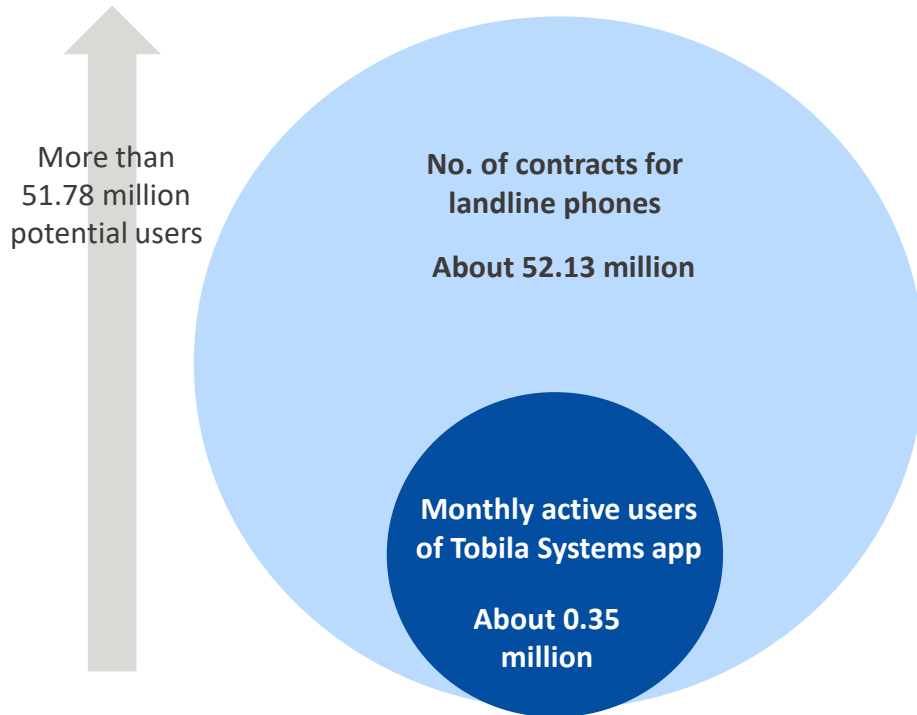
Incoming fraudulent calls are automatically blocked by the communications network itself. This is an optional service for landline phones and is operated jointly by KDDI and cable TV companies.

Network infrastructure

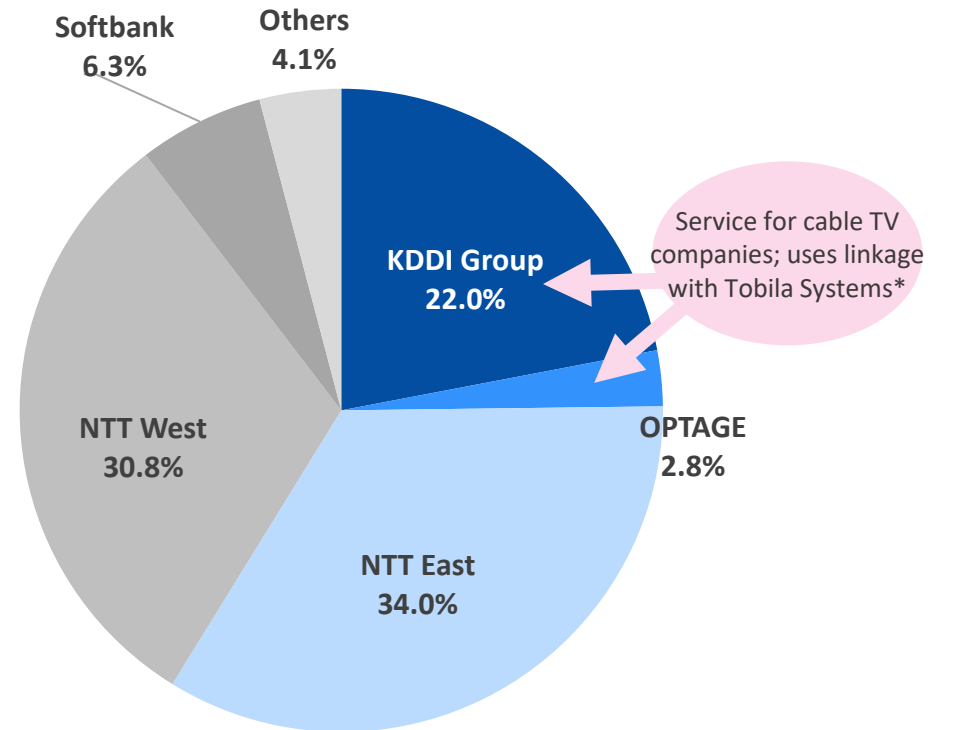
Growth Strategy for Landline Phone Services

- The number of conventional landline phones is decreasing but there is increasing demand for a shift to an IP phone.
- Services for landline phones cover many years but there is still potential for more growth.

No. of contracts for landline phones and monthly active users of Tobil Systems app



Landline phone market share



Source: Quarterly Data on the Number of Telecommunications Service Contracts and Market Share (announced on March 18, 2022), Ministry of Internal Affairs and Communications (https://www.soumu.go.jp/menu_news/s-news/01kiban04_02000205.html)

*Provision of the Fraudulent Call Automatic Blocker, Japan's first automatic call blocking service for a landline phone that requires no external call blocking attachment. (<https://tobila.com/news/release/p1093/>)

Outline of Business Phone Services

- Three products for the corporate market
- TobilaPhone Biz is sold by sales agents and TobilaPhone Cloud and Talk Book are sold directly by Tobila Systems.

TobilaPhone Biz



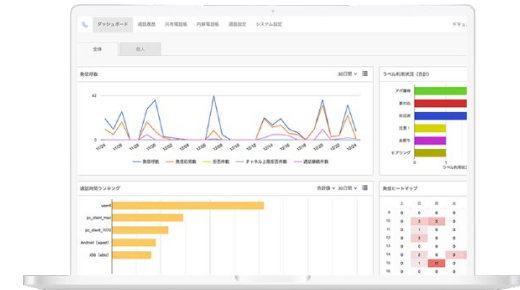
Simply place this fraudulent call filter unit in an office to shut out fraudulent calls, facsimiles and other unwanted calls.

TobilaPhone Cloud



Simply load this smartphone app to use personal and business phone numbers separately. Includes internal extension linkage, call transfers, grouping of several phones, recordings of phone calls, a fraudulent call filter and other functions.

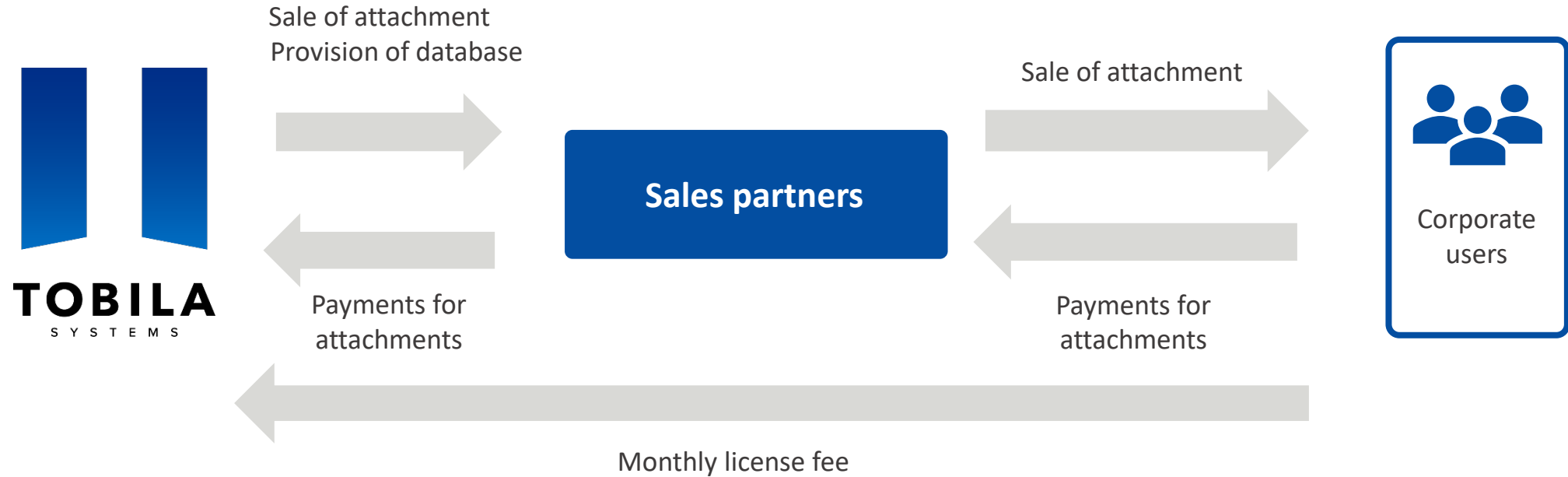
Talk Book



A sales support system that includes an IP phone and a function that analyzes phone conversations. Talk Book was launched on January 12, 2022.

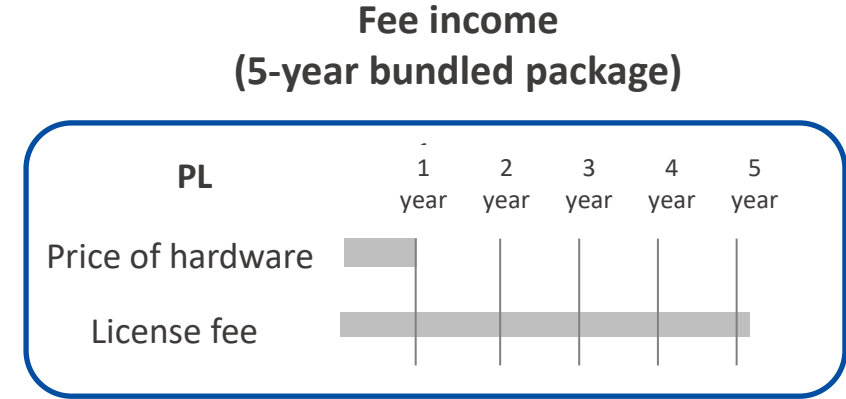
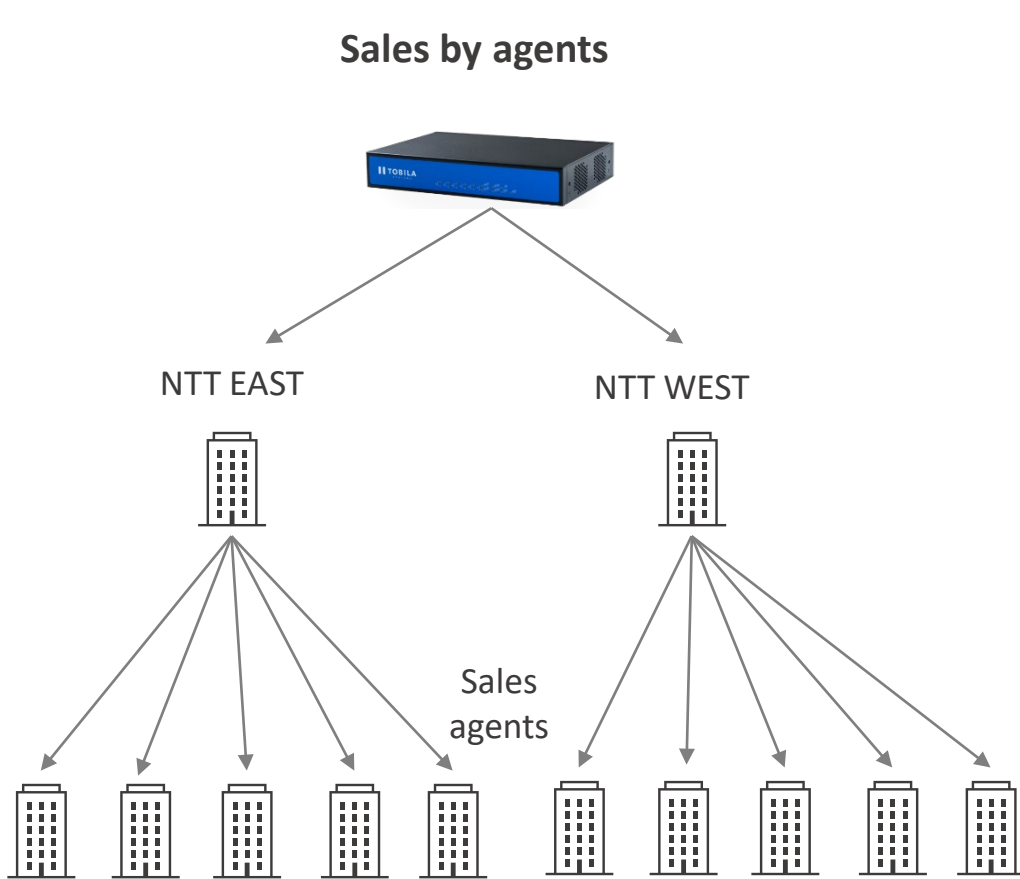
TobilaPhone Biz Business Model

- TobilaPhone Biz promotional and sales activities targeting companies are performed by sales partners.
- A steady revenue stream model in which monthly licensing fees increase along with the number of companies using this service.

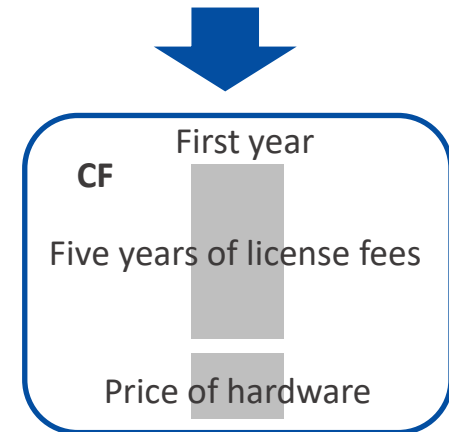


Growth Strategy for TobilaPhone Biz

- The speed of sales is increasing following registration as a product sold by NTT East/NTT West.
- Goal is upselling TobilaPhone Biz by strengthening sales channels and adding functions.



Sales: Hardware fee is a one-time sale and the licensing fee is received in installments over five years.
License fees are recurring revenue.



When a sale is made, Tobila Systems receives the payment for the hardware and five years of license fees.

ビジネスフォン用
迷惑電話・FAXブロックシステム

オフィスへの迷惑電話・FAXを強力にブロック
全国の迷惑番号登録件数

30,000

件以上

* 迷惑電話対策のイイネオとして国内初の個人向け迷惑電話フィルタサービス「トビラフォン」を2011年にサービス化させ、高い機能の迷惑電話最善対策システム(特許取得)を実現。

ビジネスフォン用
通話録音システム

大容量の通話録音データを、クラウドで一括管理!

1,250

時間録音可能


光回線専用 TBA-1000A
※特許取得技術

迷惑電話フィルタ機能付き
ビジネスフォン用通話録音システム

トビラフォン Biz

 光回線専用


総合病院、クリニック、歯科医院、動物病院への
しつこい営業、迷惑な電話・FAXを丸ごと自動ブロック!!
全国の病院への導入実績100台突破!

営業電話防止・通話録音装置

トビラフォン Biz

 光回線専用


無駄・負担をまるごとシャットアウト!

不要な営業電話やFAXを自動でブロック

その他お役立ち機能

通話録音	スケジュール応答	ラベル
<p>標準1250時間の全自動通話録音</p> <p>あれ?さっきの患者様のお名前なんだっけ?予約日間違ってる伝えたかな?そんな時も大容量録音で安心!</p>	<p>休日や時間外応答に自動切替え</p> <p>手動で切り替えるシステムでありがちな設定忘れがなくなり、部署ごとのスケジュール設定にも対応!もちろんオリジナルアナウンスも登録できる!</p>	<p>発着信の通話履歴に目印を</p> <p>忙しくて伝言に時間が取れない、誰かに直接録音を聞いてほしい、そんなときに使えるラベル機能で一言メッセージを添えるだけで、順・連・相をスムーズかつ正確に!</p>

*Other types of TobilaPhone Biz sales leaflets are used too.

Problems Solved by TobilaPhone Biz

Reduce wasted telephone/fax time

The fraudulent phone number database and simple registration of blocked phone numbers dramatically cuts unwanted phone/fax calls.



No worries about the failure to record a call

Fully automatic recording system ensures that calls are fully recorded. Large capacity and protection system. Downloads are possible for data storage.



Scheduling with companies using different vacation times

Simple schedule recording makes it easy to make revisions and additions, even remotely.



Many recording patterns are possible

No recording warning message for the main phone number but message sent for other phone numbers, for example. Settings can be made as needed by using combinations of internal phone numbers and the numbers of other companies.



Recording function and no need to replace the main switching system that malfunctions

The recording function is not in the main switching system, so there the current system can be used. Replacing this system also has no effect on the recording function.



Easy to obtain data from recordings

The internet management screen can be used to easily extract data from a recording. Whenever the need arises, specific information can be quickly obtained.



Eliminates difficulty of using an existing system after an operator resigns

TobilaPhone Biz can be operated with ease by anyone. Simply call the help line number for assistance in the event of a problem.



No concerns about hardware malfunctions and data leaks

Cloud server is used for data management (authorized access only). If a TobilaPhone Biz unit malfunctions, data up to that point is stored in the cloud.



No need to buy many items to add required functions


A single TobilaPhone Biz unit can perform many functions.




Ability to view incoming phone calls to the company while away from the office

Information about incoming calls and recordings can be checked from anywhere by using an internet connection.





 Fraudulent call filtering service

 Fully automatic recordings

 Scheduling

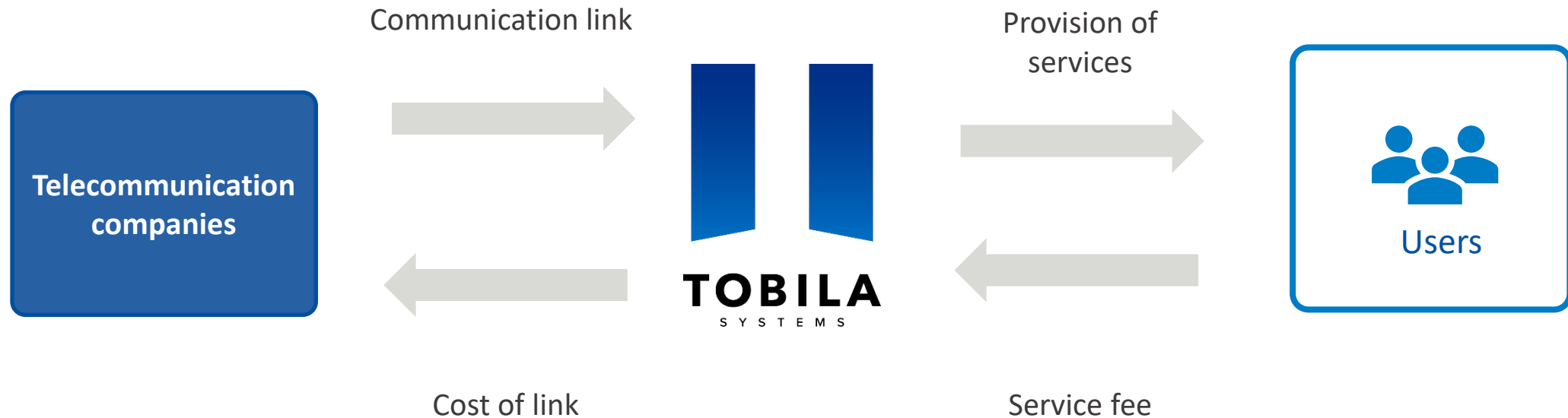
 Cloud server

 Internet management screen

 User support number

Business Model for Cloud and Talk Book

- Basic fee = Initial cost + Monthly cost (number of basic sets x unit price) + Monthly use fee
- A steady-revenue model in which monthly licensing fees increase along with the number of basic service packages.

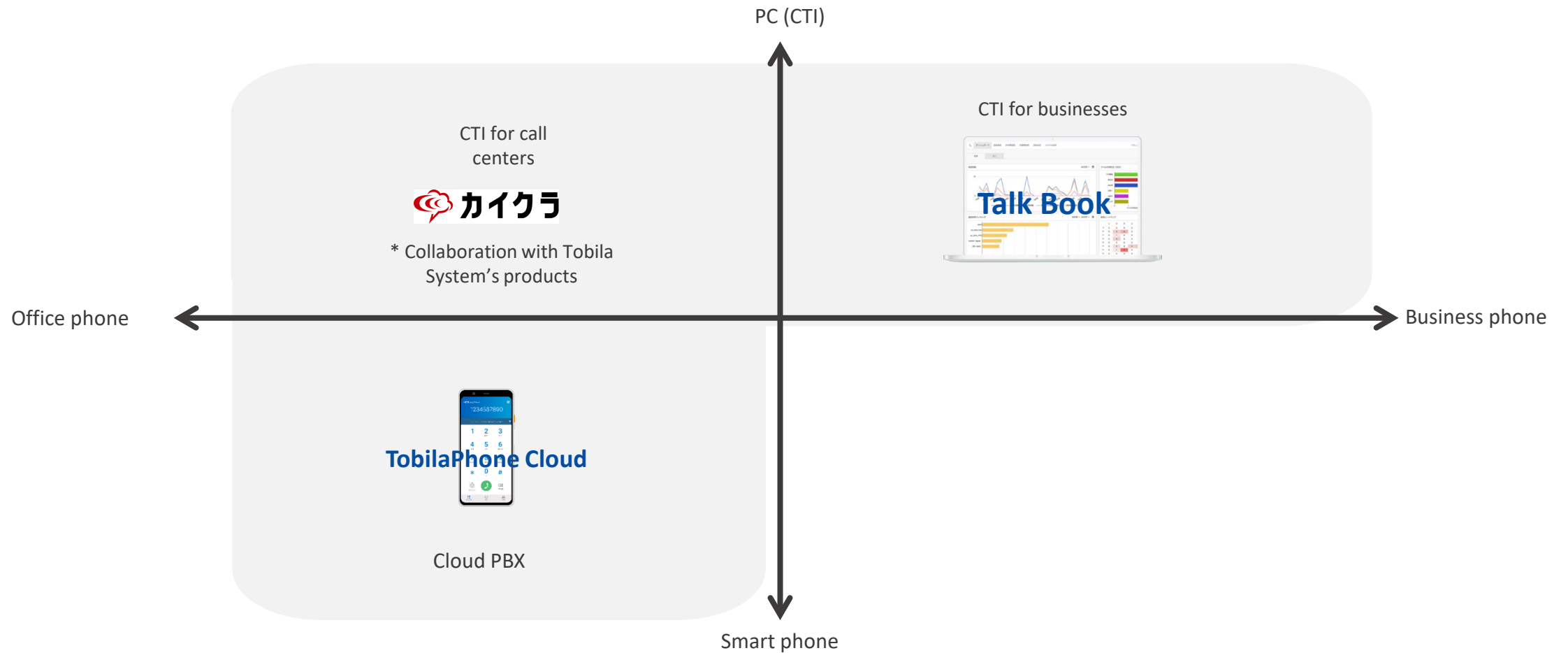


*Depending on the number of users, one company may have more than one basic service package.

* For more information about the basic service package: (<https://tobilaphone.com/biz/cloud/price/>)

Growth Strategy for TobilaPhone Cloud and Talk Book

- Targeting business phone needs in many ways in the SaaS market, which is expected to continue to grow



Activities in FY10/22 2Q

- Posted a dialogue video on Logmi Finance concerning the upward revision of the medium-term management plan

[Tobila Systems x IR Agents "Tobila Systems Medium-term Management Plan \(FY10/22-FY10/24\)" \[As of 1Q FY10/22\]](#)

Plan for FY10/22

- Plan to apply for DX certification with goal of receiving certification in FY10/22
- Planning on an information meeting for individual investors (tentative)
- Increase distribution of information to individual investors to raise awareness of Tobila Systems among these investors (Twitter)

	Questions	Answers
1	How many units have you sold for your business phone services (TobilaPhone Biz, TobilaPhone Cloud, Talk Book) and how many companies are using these services?	We do not disclose this information at this time.
2	In the mobile phone business, why does it appear that sales are not increasing in line with the growth in the number of monthly active users?	We use three types of contracts with the major carriers: (1) fixed payment, (2) no. of contracts x unit price, (3) no. of monthly active users x unit price. An increase in the number of monthly users raises sales only for the third type of contract. Our sales for the first two types of contracts do not change when the number of monthly users increases.
3	One of your FY10/22 priorities is having all carriers add the fraudulent SMS block to the optional packages of all mobile carriers. Does your plan for this fiscal year and the medium-term plan include the contribution to sales and earnings from this SMS service?	The fraudulent SMS blocking service is not included in the sales and earnings in our plan for this fiscal year or in our medium-term management plan. We will make an announcement if there is information about this subject that needs to be disclosed.
4	What is the cost of 280blocker goodwill amortization and over how many years will goodwill be amortized?	We will amortize this goodwill in equal amounts over five years (see pages 64 and 81 of the FY10/21 Securities Report). This will result in goodwill amortization of ¥16.5 million every month.

Shareholder Distribution Guideline

- Distributing earnings to shareholders is one of the highest priorities of Tobila Systems.
- The basic policy is to pay a stable dividend while increasing retained earnings as needed to improve financial soundness and fund expenditures for more growth.

Payout ratio

35%

Activities concerning shareholder distributions

- **December 2021**
Increased FY10/21 dividend from ¥11.7 to ¥12.9
- **December 2020**
Repurchased stock

Company Overview

Company name	Tobila Systems Inc.
Securities code	TSE Prime section 4441
Established	December 1, 2006 (Founded on April 1, 2004)
Head office address	Pacific Square Nagoya Nishiki 7F 2-5-12, Nishiki, Naka-ku, Nagoya, Aichi
Management	Atsushi Akita, Takuya Yuki, Haruo Matsubara, Kazuya Kataoka, Hisashi Tanaami, Akemitsu Nakahama, Tomoyuki Matsui
No. of employees	83 (Includes 20 temporary employees; as of April 31, 2022)
Location	Nagoya, Tokyo

- This presentation includes forward-looking statements that incorporate the current outlook, forecasts and risk factors. There are many uncertainties that may cause actual performance to differ from these statements.
- Risk factors and uncertainties include the economic environment in Japan and other countries, such as the industry and markets where Tobila Systems operates and changes in interest rates and foreign exchange rates.
- Tobila Systems has no obligation to update or revise the forward-looking statements in this presentation even if there is new information, a future event or any other reason for an update or revision.