

# **Presentation Materials for the Earnings Briefing** for the Fiscal Year Ended March 31, 2018

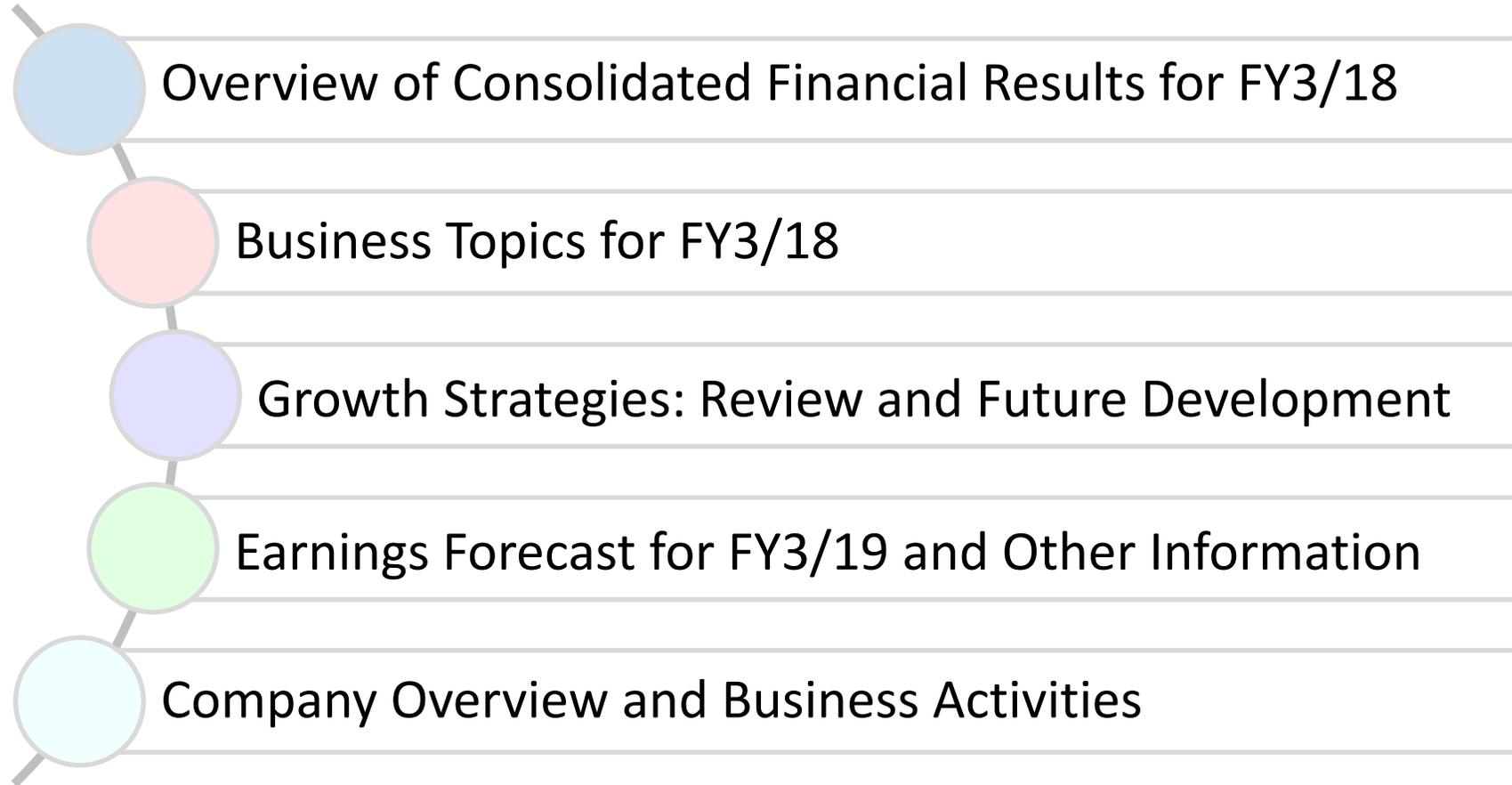
With retroactive revision and forecast revision



**MKSystem Corporation**

Note: This is the presentation that was made on May 18, 2018 with a subsequent retroactive revision and forecast revision added.

# Table of contents



# Overview of Consolidated Financial Results for FY3/18

# Summary of consolidated financial results

## Shalom Business

- ✓ The segment achieved planned sales for labor and social security attorneys\* thanks to the subsidy for introduction of IT systems and promotional campaigns while it failed to achieve planned sales for corporate customers.
- ✓ Operating profit fell short of the plan by 98 million yen primarily due to an increase in licensing expenses.

## CuBe Business

- ✓ The segment failed to achieve planned sales due to failure to win some large-scale contracts. An increase in smaller scale projects caused development efficiency to drop.
- ✓ Operating profit fell short of the plan by 75 million yen even with the efforts to reduce promotion expenses and other costs.

\* Labor and social security attorney primarily engages in preparation of documents in accordance with labor and social security related laws and regulations, as well as consultation and guidance on labor management and social insurance to support the corporate management.

(Thousands of yen, %)

	Actual	Plan	Vs. Plan	Vs. Plan (%)
Net sales	1,887,269	2,015,000	(127,730)	(6.3)%
Shalom Business	1,309,470	1,327,696	(18,226)	(1.4)%
CuBe Business	578,850	700,000	(121,150)	(17.3)%
Operating profit	314,149	457,000	(142,850)	(31.3)%
Shalom Business	315,054	413,661	(98,606)	(23.8)%
CuBe Business	(3,236)	72,342	(75,578)	-
Profit attributable to owners of parent	204,425	292,000	(87,574)	(30.0)%
Basic earnings per share* (Yen)	37.66	53.95	(16.29)	(30.2)%

\*The amounts of basic earnings per share are adjusted to reflect the 2-for-1 split of common stock conducted with an effective date of April 1, 2018.

# Consolidated balance sheet

Retained earnings increased by 152 million yen leading to an increase in equity ratio to 48.9%.  
 The development of new services increased software and other assets by 175 million yen.  
 The repayment of 110 million yen was made to reduce long-term loans payable.

(Thousands of yen, %)

	FY3/18	FY3/17	YoY Change	YoY % Change	Notes
Current assets	1,329,416	1,178,184	+151,232	+12.8%	Cash and deposits +52 million yen Accounts receivable-trade (42) million yen
Non-current assets	848,903	872,490	(23,586)	(2.7)%	Software +62 million yen Software in progress +113 million yen Goodwill (38) million yen Insurance funds (51) million yen
Current liabilities	991,776	532,118	+459,658	+86.4%	Accounts payable-trade (65) million yen Income taxes payable +24 million yen Accounts payable-other +499 million yen
Non-current liabilities	50,315	543,756	(493,441)	(90.7)%	Long-term loans payable (110) million yen Long-term accounts payable-other (381) million yen
Total liabilities	1,042,091	1,075,874	(33,783)	(3.1)%	
Shareholders' equity	1,065,232	912,558	+152,674	+16.7%	Retained earnings +152 million yen
Total net assets	1,136,229	974,799	+161,429	+16.6%	
Total assets	2,178,320	2,050,674	+127,645	+6.2%	
Equity ratio	48.9%	44.5%	+4.4pt	-	

# Consolidated statement of cash flows

Net cash inflow was recorded after operating cash inflows were used for investment in service development, loan repayments and dividend payment.

(Thousands of yen, %)

	FY3/18	FY3/17	YoY Change	YoY % Change	Notes
Cash flows from operating activities	444,767	287,056	+157,711	+54.9%	Notes and accounts receivable–trade increased YoY by 141 million yen.
Profit before income taxes	316,895	305,478	+11,417	+3.7%	
Others	127,871	(18,422)	+146,294	-	
Cash flows from investing activities	(248,601)	(590,865)	+342,264	(57.9)%	Investments in intangible assets increased by 82 million yen with the progress of service development.
Investments in non-current assets	(263,103)	(181,279)	(81,824)	+45.1%	
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(411,937)	+411,937	-	
Others	14,501	2,350	+12,150	+517.1%	
Cash flows from financing activities	(173,519)	196,275	(369,794)	-	Loans of 300 million yen made during FY3/17 were being repaid as scheduled. Dividend payment increased YoY by 11.8 million yen due to increase in cash dividends.
Proceeds from loans payable	-	300,000	(300,000)	-	
Repayments of long-term loans payable	(114,411)	(69,840)	(44,571)	+63.8%	
Others	(59,108)	(33,884)	(25,223)	+74.4%	
Net increase (decrease) in cash and cash equivalents	22,646	(107,534)	+130,180	-	
Cash and cash equivalents at end of period	653,043	630,397	+22,646	+3.6%	

# Operating results of the Shalom Business

(Thousands of yen, %)

	FY3/18	FY3/17	YoY Change	YoY % Change	Notes
Net sales	1,309,470	1,196,330	+113,139	+9.5%	(ASP service) <ul style="list-style-type: none"> <li>• Net de Shalom 363 million yen (+7.8%)</li> <li>• Shalom House 321 million yen (+19.0%)</li> <li>• Shalom CE 22 million yen (+76.9%)</li> <li>• Shalom CE Lite 14 million yen (+102.2%)</li> <li>• MyNum de Shalom 166 million yen (+8.1%)</li> </ul>
Cloud service	1,203,809	1,031,051	+172,757	+16.8%	
ASP service	1,039,933	915,369	+124,563	+13.6%	
System construction service	163,875	115,682	+48,193	+41.7%	
System product sale	102,017	151,697	(49,680)	(32.7)%	(System construction service) <ul style="list-style-type: none"> <li>• Initial implementation service fee 123 million yen (+37.8%)</li> </ul>
Other services	3,643	13,581	(9,937)	(73.2)%	(Other services) <ul style="list-style-type: none"> <li>• My Number acquisition agent service 3 million yen (-67.1%)</li> </ul>
Gross profit	891,421	744,559	+146,861	+19.7%	Cost of sales: -33 million yen (-7.5%) <ul style="list-style-type: none"> <li>• Cost of large-scale system product sale was included in cost of sales for the previous fiscal year.</li> </ul>
Gross margin	68.1%	62.2%	+5.9pt	-	
Operating profit	315,054	259,743	+55,311	+21.3%	SG&A expenses: +91 million yen (+18.9%) <ul style="list-style-type: none"> <li>• Due to a YoY increase in personnel expenses and recruiting expenses.</li> </ul>
Operating margin	24.1%	21.7%	+2.4pt	-	

# Operating results of the CuBe Business (Launched in October 2016)

(Thousands of yen, %)

	FY3/18	FY3/17	YoY Change	YoY % Change	Notes
Net sales	578,850	404,456	+174,393	+43.1%	<ul style="list-style-type: none"> <li>FY3/17 consists of only six months from October 2016 and March 2017.</li> <li>Contracted development sales and profit tend to be skewed in the 2nd half of the fiscal year.</li> <li>MKSystem has withdrawn from non-core "Other services" business.</li> <li>In contracted development, an increase in smaller scale projects caused development efficiency to drop and gross margin to increase.</li> <li>Up-front investments were made to increase human resources for the development of cloud service.</li> </ul>
Contracted development	572,529	379,356	+193,173	+50.9%	
Cloud service	6,321	-	-	-	
Other services	-	25,100	(25,100)	-	
Gross profit	242,721	180,822	+61,894	+34.2%	
Gross margin	41.9%	44.7%	(2.8)pt	-	
Operating profit (loss)*	(3,282)	72,342	(75,624)	-	
Operating margin	(0.6)%	17.9%	(18.5)pt	-	
Order backlog	256,857	294,553	(37,696)	(12.8)%	

\*Operating profit (loss) includes amortization of goodwill of 38 million yen for FY3/18 and 19 million yen for a half of FY3/17.

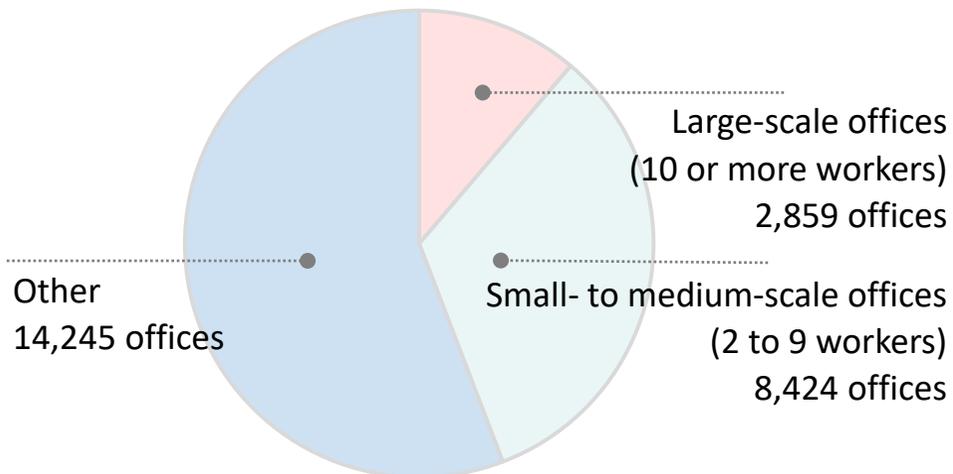
## [Reference] BNC and BNA Consolidated Results for FY3/17

(Thousands of yen)	From Apr. 2016 to Mar. 2017	
Net sales	742,756	
Gross profit	249,418	Gross margin: 33.6%
Operating profit	33,538	Operating margin: 4.5%

\* Reference figures are not subject to accounting audit. Amortization of goodwill is not included.

# Target markets and market shares

## Labor and Social Security Attorney Office Market



Total: 25,528 offices

The number of labor and social security attorney offices was aggregated by MKSystem based on the Business Report for the fiscal year 2016 prepared by Japan Labor and Social Security Attorney's Association.

Offices with our systems installed **2,256** offices

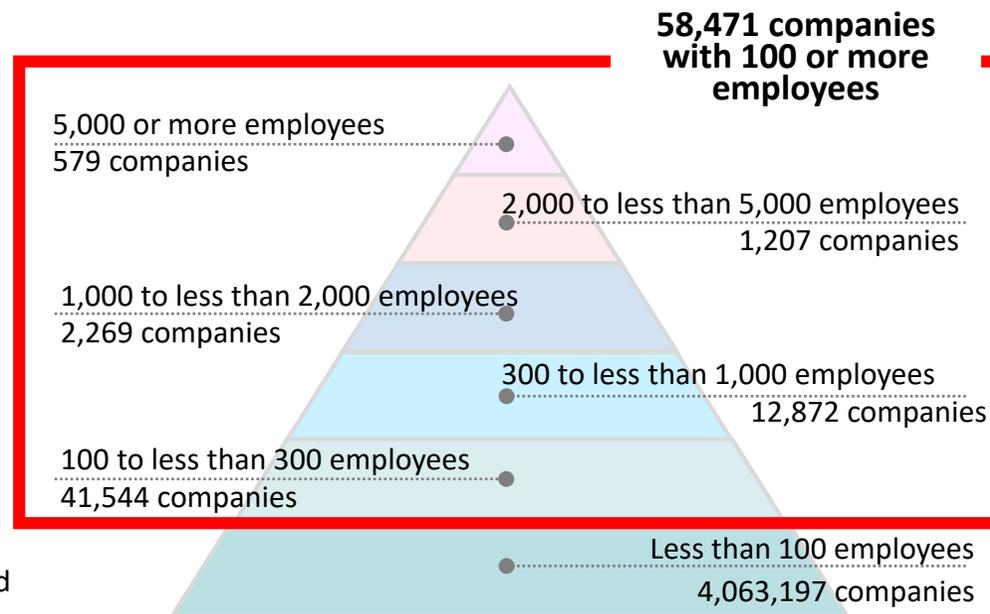
YoY change **up 236** offices

Our market share **8.8** %

Number of clients registered in our systems **530,000** offices

The number of installations is as of March 31, 2018.

## General Corporate Market



Total: 4,121,668 companies

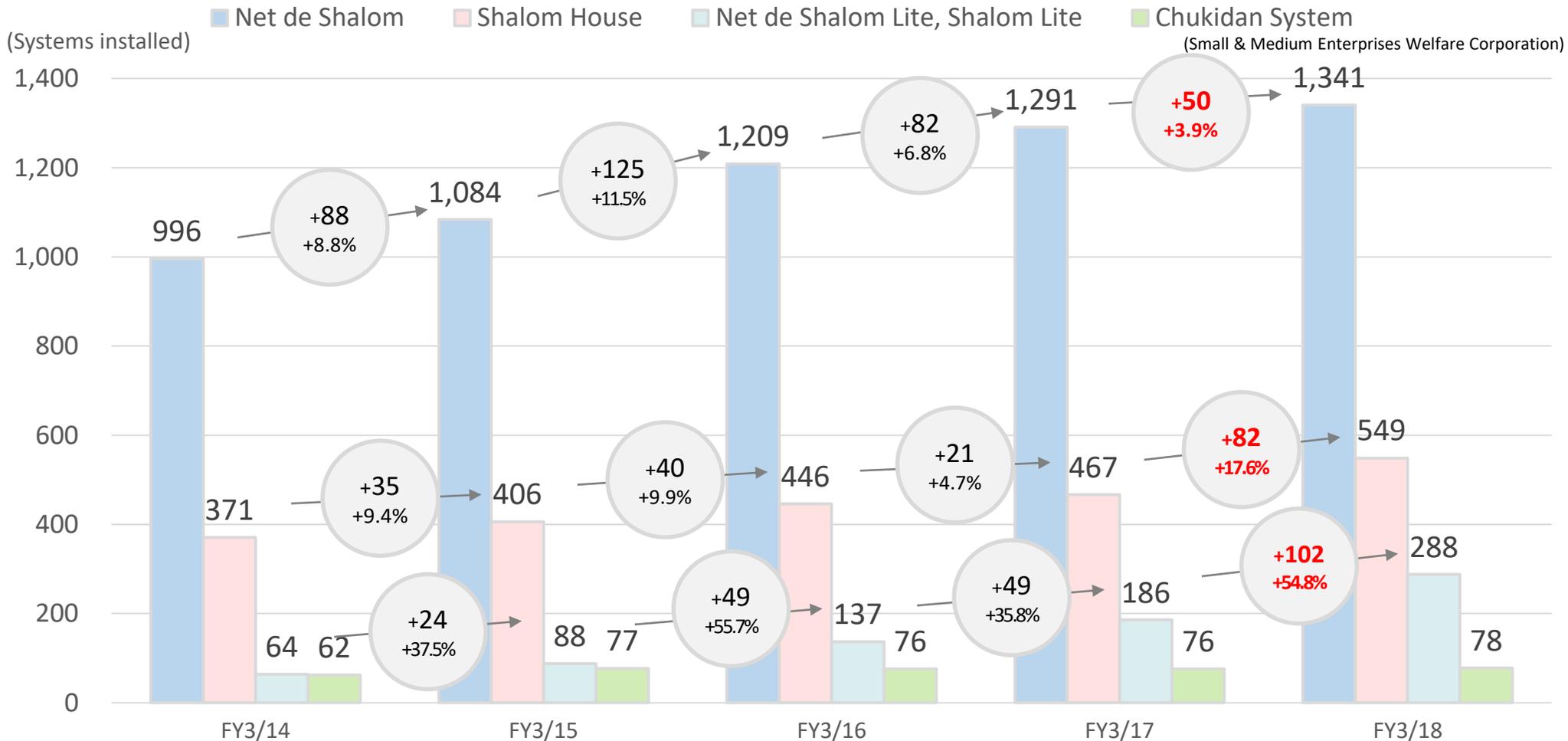
Aggregated by MKSystem based on the 2012 Economic Census for Business Activity (Tabulation of Enterprises, etc. and Tabulation across industries) conducted by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry.

Installations in the Shalom Business **87** companies

Installations in the CuBe Business **63** companies

# Trends in services for labor and social security attorneys

The number of customers increased with the effect of the subsidy for introduction of IT systems and strengthening of low price service lines



# Business Topics for FY3/18

# Sales promotion activities for labor and social security attorney offices

Seminars for Labor and Social Security Attorneys (30 times)



Aug. 2017 in Tokyo – Workshop for Shalom House Owners

Workshops for Shalom House Owners (4 times)



Nov. 2017 in Fukuoka – Year-end Tax Adjustment Session for Shalom Users

Shalom User Meetings (12 times)



Nov. 2017 in Tokyo – Seminar for Labor and Social Security Attorneys



Jan. 2018 in Osaka – Seminar for Labor and Social Security Attorneys



Feb. 2018 in Tokyo – Seminar for Labor and Social Security Attorneys



Feb. 2018 in Fukuoka – Seminar for Labor and Social Security Attorneys

# Sales promotion activities for general corporations

## Participated in the event sponsored by Nikkei and co-hosted seminars

Total of 213 (80 for MKSystem and 133 for BNC) professionals from the personnel and general affairs divisions of major companies attended the co-hosted seminars.



Professional Event for Human Resources, Organizational Strategy, and HR-related Services

Jun. 28 (Wed) – Jun. 30 (Fri), 2017

Sponsored by Nikkei Inc. and Nikkei Business Publications, Inc.

Exhibition: 10:00-17:30 Seminar: 9:30-17:30 (scheduled)

Venue: Tokyo International Forum (Yurakucho, Tokyo)

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**Human Capital 2017**  
ヒューマンキャピタル

Business Net Corporation (BNC) Sponsored seminar (Sep. 2017)

“Inter-industry meeting for the promoters of personnel and planning concerning target management and personnel evaluation system”



Co-hosted by

MKSystem and BNC (Apr., Jun., Oct. 2017)

“Seminar for operational reforms with electronic application”

# Development of new services in the CuBe Business

Realized integration of MKSystem's marketing and cloud service capability with BNC's know-how for business process

Released in Jun. 2017



Net de Seisan (expense reimbursement through the Internet)

- BNC responsible for development, and MKSystem responsible for infrastructure for cloud services and marketing activities
- System to improve efficiency of expense reimbursement process (claim by employees, approval by superiors, check by administration)
- Transferred to MKSystem in Apr. 2018 as an app exclusively for MKSystem's customers

Released in Oct. 2017



Nenmatsu-chosei (year-end tax adjustment) CuBe Cloud

- First cloud service for which BNC alone is responsible for all the processes from development to sales
- Service to improve efficiency of year-end tax adjustment of employees, etc.

Released in Apr. 2018

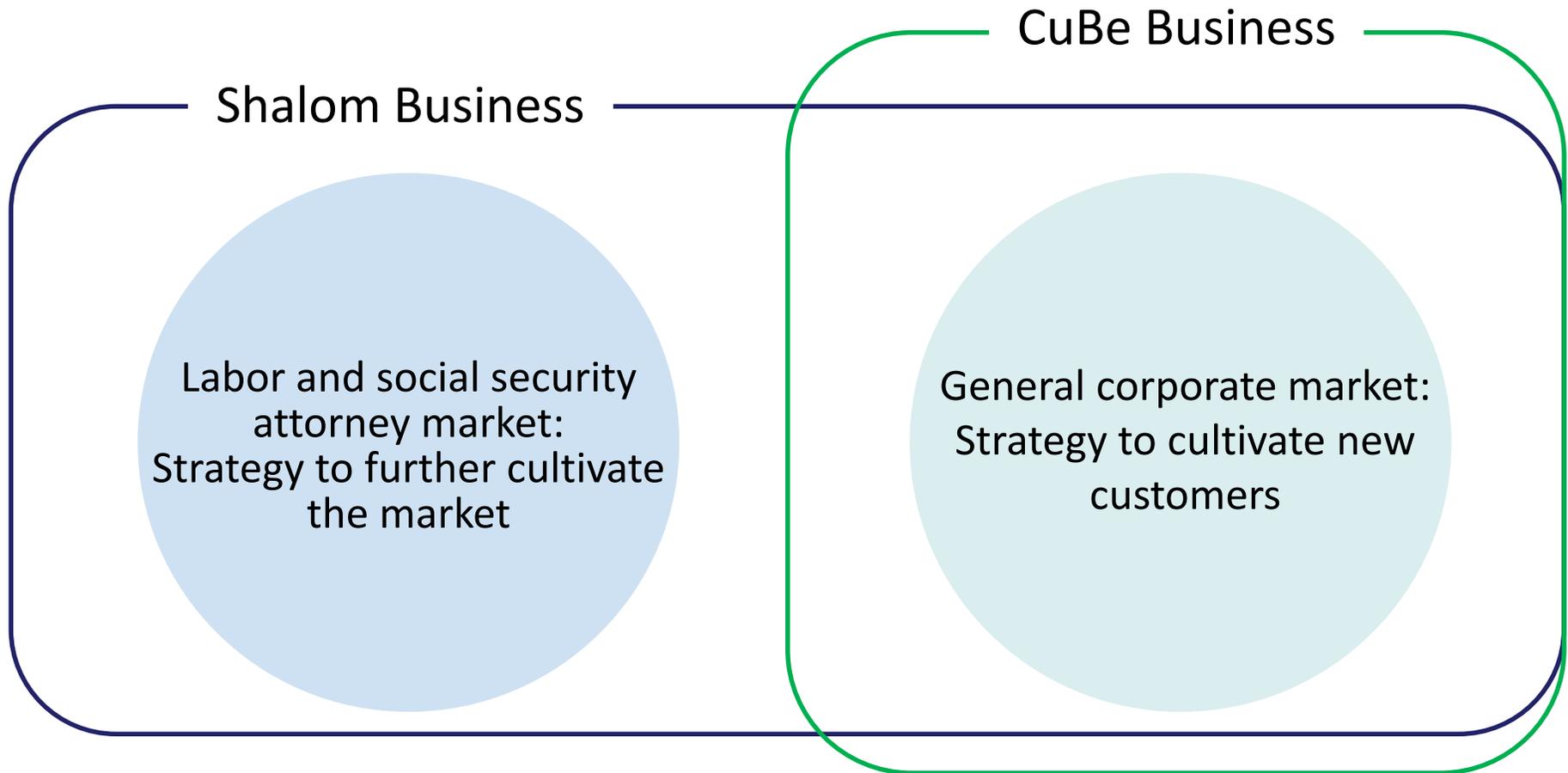


Jinzai (human resources) CuBe Cloud

- Crystallized know-how that has been used by large corporations for more than 20 years
- Cloud service for personnel evaluation and training, consisting of three modules: performance management, self-assessment, and human resource profile

# Growth Strategies: Review and Future Development

## Accelerate growth with two businesses targeting two markets



# Strategy review: measures implemented in FY3/18

Labor and social security attorney market:  
Strategy to further cultivate the market

General corporate market:  
Strategy to cultivate new customers

△  
Currently under development

Launch the next-generation “Net de Shalom Future”

Linkage between Shalom and CuBe

△  
Focus area for future

○  
Launch “Net de Seisan”

Expand services for existing registered clients  
→ Increase the value-added of “Shalom House”

CuBe products to the cloud

○  
Developed “Jinzai CuBe Cloud” as well as “Nenmatsu-chosei CuBe Cloud”

◎  
Acquired new clients as well as successfully persuaded existing clients into changing to the cloud

Strengthen our market position for low-end services  
→ “Shalom Lite” to the cloud

Strengthened organizational structure  
Shalom Business: Established the Corporate Development Dept.  
CuBe Business : Increased personnel

○  
Progressed steadily

# Strategies by segment: measures to be implemented in FY3/19

**Shalom Business:**  
Market-specific strategies

Labor and social security  
attorney market

Large companies market

Small- and medium-sized  
companies market

**CuBe Business:**  
Service-specific strategies

Contracted development  
type semi-customized  
services

Jinzai CuBe Cloud

Nenmatsu-chosei CuBe  
Cloud

# Strategies going forward: Shalom Business

## Overview of the current market

- ✓ In terms of the number of labor and social security attorney offices:  
Give that our market share is **8.8%**, there is a large market waiting to be tapped.
- ✓ In terms of the number of companies involved by labor and social security attorneys:  
The number of clients registered in our systems is **530,000** (40%+ market share).
- ✓ In terms of the number of companies not yet involved by labor and social security attorneys:  
There is a sufficiently large market still available.

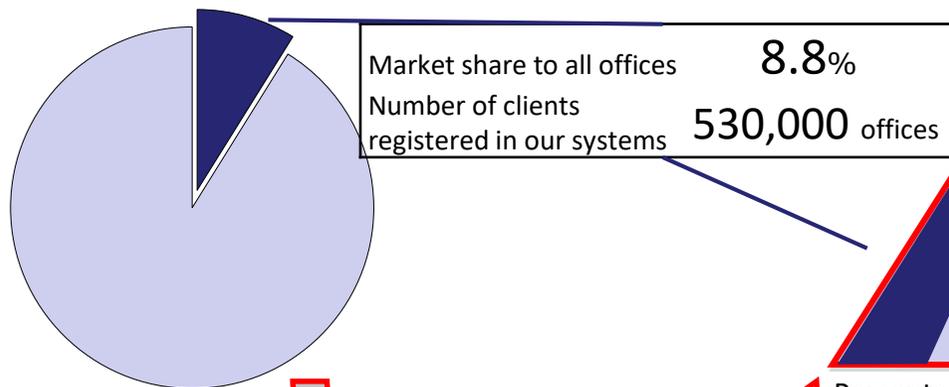
$$\frac{530,000}{4,120,000 \times 30\%}$$

### Labor and social security attorney offices

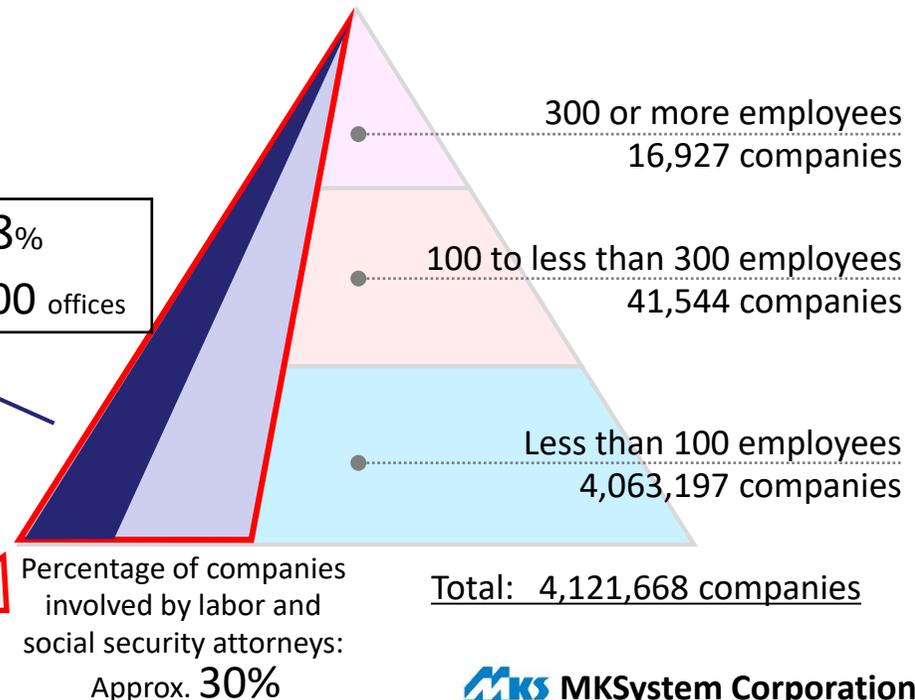
Number of offices with our systems installed **2,256 offices**

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Number of labor and social security attorney offices **25,528 offices**



### General corporations



# Strategies going forward: Shalom Business

## Promote market-specific strategies

2.8 million companies

General corporations

Develop companies not yet involved by labor and social security attorneys

### Develop market for large companies

- ✓ Differentiate products by enhancing the CE function
- ✓ Win new customers by establishing a linkage with general-purpose RPA software

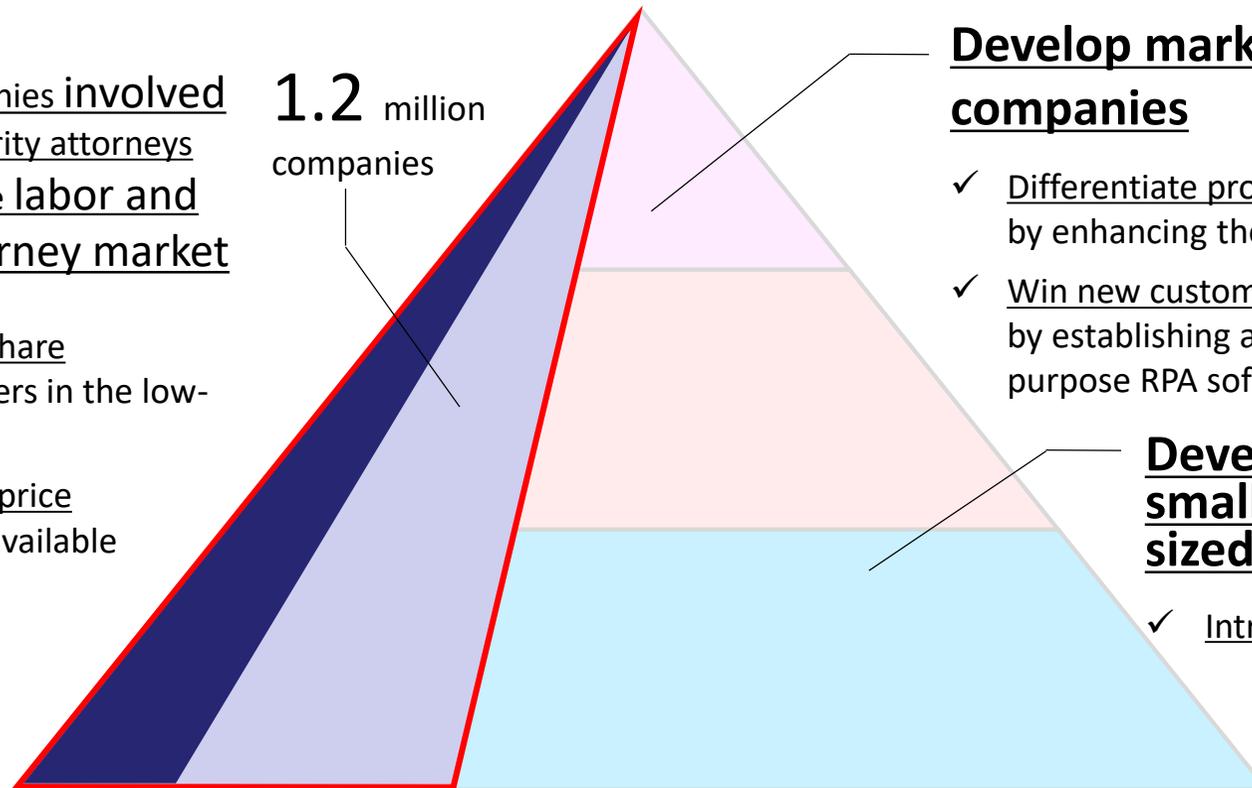
### Develop market for small- and medium-sized companies

- ✓ Introduce new products

1.2 million companies

Further cultivate companies involved by labor and social security attorneys by doing the same in the labor and social security attorney market

- ✓ Expand the market share by acquiring customers in the low-end market
- ✓ Increase unit selling price by introducing RPA-available products



Percentage of companies involved by labor and social security attorneys:  
Approx. 30%

Total: approx. 4 million companies

# Strategies going forward: CuBe Business

## Promote service-specific strategies

### ✓ Contracted development type semi-customized services

→ Continue stable operation as our key revenue driver

- by steadily improving and maintaining existing systems for existing customers
- by efficiently developing the services with the cost of sales ratio in mind

### ✓ Cloud services

→ Cultivate the business as a next revenue driver

- Jinzai CuBe Cloud      Establish service before launching sales
- Nenmatsu-chosei CuBe Cloud      Deal with amendments to relevant laws before aiming for full-scale sales expansion

# Earnings Forecast for FY3/19 and Other Information

# Consolidated earnings forecast

We plan to achieve a year-on-year increase of net sales by 430 million yen by acquiring new customers, increasing unit selling price and enhancing cloud services. We accept a temporary decrease in profit margin by investing for our medium- to long-term growth.

	FY3/19 Annual Plan	FY3/18 Actual	YoY Change	YoY % Change	FY3/19 1H Plan	FY3/18 1H Actual	YoY Change	YoY % Change
Net sales (Millions of yen)	2,318	1,887	+430	+22.8%	1,028	924	+104	+11.3%
SG&A expenses (Millions of yen)	968	819	+148	+18.1%	504	419	+84	+20.2%
Operating profit (Millions of yen)	431	314	+116	+37.2%	100	144	(44)	(30.9)%
Ordinary profit (Millions of yen)	431	317	+113	+35.5%	100	144	(44)	(30.9)%
Profit attributable to owners of parent (Millions of yen)	211	204	+6	(0.4)%	1	90	(89)	(98.2)%
Operating margin (%)	18.6%	16.6%	+2.0pt	-	9.8%	15.7%	(5.9)pt	-
Basic earnings per share* (Yen)	39.05	37.66	+1.39	+3.7%	0.30	33.47	(33.17)	(99.1)%

\* MKSystem conducted a 2-for-1 split of its common stock with an effective date of April 1, 2018.

# Earnings forecast by segment: Shalom Business

(Millions of yen, %)

	FY3/19 Annual Plan	FY3/18 Actual	YoY Change	YoY % Change	FY3/19 1H Plan	FY3/18 1H Actual	YoY Change	YoY % Change	Major factors of change
Net sales	1,675	1,309	+365	+27.9%	768	657	+111	+16.9%	A 30% or more increase in cloud service sales is expected due to the following reasons: <ul style="list-style-type: none"> <li>• Acquiring new customers</li> <li>• Introducing new services in autumn</li> <li>• Revising selling prices in August</li> </ul>
Cloud service	1,583	1,203	+379	+31.5%	722	609	+112	+18.5%	
System product sale	91	105	(13)	(13.1)%	45	47	(1)	(11.7)%	
Cost of sales	564	418	+146	+35.0%	280	206	+74	+35.9%	Gross margin is expected to decrease due mainly to an increase in amortization of software from the beginning of FY3/19.
Gross profit	1,110	891	+219	+24.6%	488	451	+67	+8.2%	
Gross margin	66.3%	68.1%	(1.8)pt	-	63.5%	68.6%	(5.1)pt	-	
SG&A expenses	652	576	+76	+13.2%	343	291	+52	+17.9%	Operating profit for FY3/19 is expected to increase despite an expected increase in personnel-related expenses due to an increase in the number of personnel.
Operating profit	458	315	+143	+45.5%	144	159	(15)	(9.5)%	
Operating margin	27.4%	24.1%	+3.3pt	-	18.8%	24.2%	(5.4)pt	-	

# Earnings forecast by segment: CuBe Business

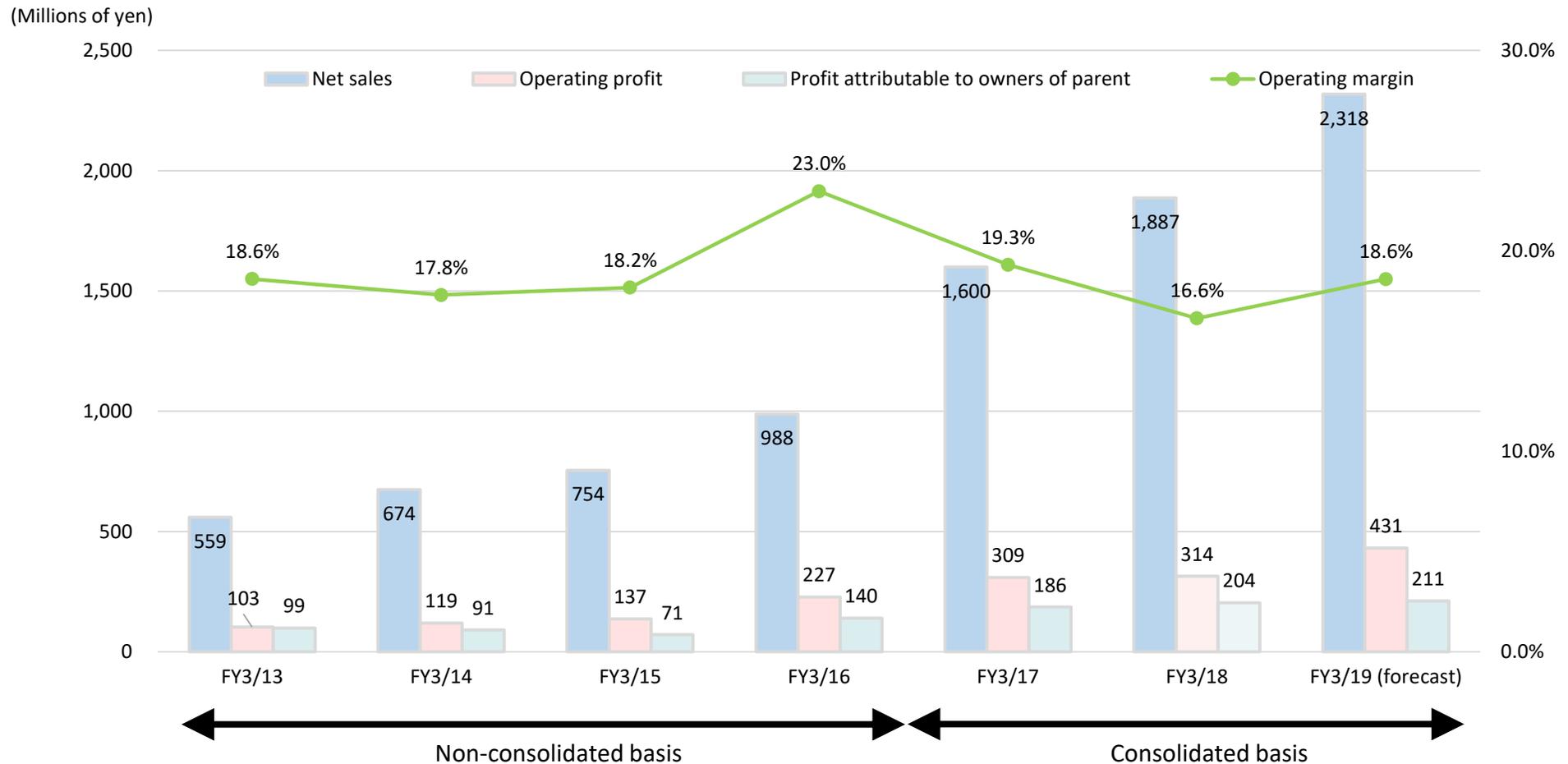
(Millions of yen, %)

	FY3/19 Annual Plan	FY3/18 Actual	YoY Change	YoY % Change	FY3/19 1H Plan	FY3/18 1H Actual	YoY Change	YoY % Change	Major factors of change
Net sales	642	578	+63	+11.0%	260	267	(7)	(2.6)%	Sales in contracted development is expected to stay flat. An increase in sales is expected as the full-scale cloud service will start. Note that sales of both services tend to be skewed in the 2nd half of the fiscal year.
Contracted development type semi-customized services	542	572	(30)	(5.3)%	244	267	(23)	(8.6)%	
Cloud service	100	6	+94	+1,566.7%	15	0	+15	-	
Cost of sales	354	336	+17	+5.3%	143	154	(11)	(7.1)%	Despite increases in amortization and operating expenses for the cloud services, gross margin is expected to improve due to enhancement of development efficiency.
Gross profit	288	242	+46	+19.0%	117	113	+4	+3.5%	
Gross margin	44.9%	41.9%	+3.0pt	-	45.0%	42.3%	+2.7pt	-	
SG&A expenses*	315	246	+69	+28.0%	160	128	+32	+25.0%	Operating loss is expected due to an increase in expenses caused by the up-front investments to strengthen cloud service promotion.
Operating profit/loss	(27)	(3)	(24)	-	(43)	(15)	(28)	-	
Operating margin	(4.2)%	(0.5)%	(3.7)pt	-	(16.5)%	(5.6)%	(10.9)pt	-	

\*SG&A expenses forecast includes amortization of goodwill.

# Trends in business performance and forecast

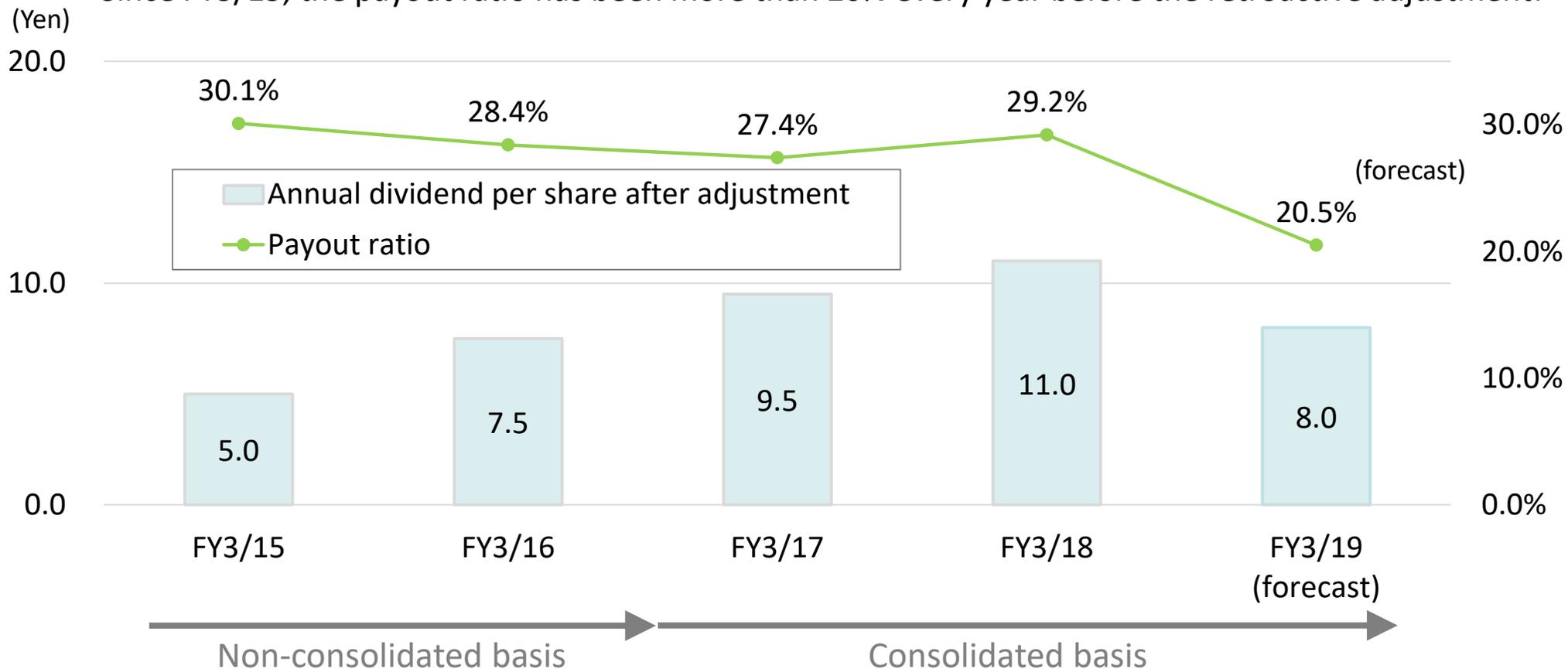
Net sales expected to increase by 135% and operating profit by 89% in the past three years while operating margin expected to improve to 18.6% due to introduction of new products in the Shalom Business



# Dividend forecast for FY3/19

Started to pay dividends from FY3/15 with the target dividend payout ratio of 20%, while taking into consideration the balance between the shareholder returns and adequacy of internal reserves.

Since FY3/15, the payout ratio has been more than 20% every year before the retroactive adjustment.



Note: MKSystem conducted a 5-for-1 split of its common stock with an effective date of August 1, 2015 and a 2-for-1 split of its common stock with an effective date of April 1, 2018. All the figures above are adjusted accordingly.

# Company Overview and Business Activities

# Company Profile

- ◆ Company name MKSystem Corporation
- ◆ Business
  - The Shalom Business  
The business of providing software to support business processes associated with social insurance and labor insurance as an application service provider (ASP).
  - The CuBe Business  
The business of developing and providing front-end systems that help enhance efficiency of business processes related to personnel and general affairs.
- ◆ Representative Director and President Noboru Miyake
- ◆ Date of incorporation February 22, 1989
- ◆ Date of listing March 17, 2015
- ◆ Capital stock 219 million yen (Number of issued shares: 2,714,000 shares)
- ◆ Head office 30F, Umeda Center Bldg., 2-4-12, Nakazaki-nishi, Kita-ku, Osaka, Japan
- ◆ Sales and R&D bases Tokyo; Nagoya; Fukuoka; Ninohe, Iwate Prefecture; and Matsuyama
- ◆ Subsidiary Business Net Corporation Co., Ltd. (Bunkyo-ku, Tokyo)
- ◆ Employees 102 (consolidated); 53 (non-consolidated) (both excluding temporary employees)

As of March 31, 2018

# Summary of the Group's lines of business

## Shalom Business

### Cloud service

#### ASP service

- Provision of cloud services including software to support business processes associated with social insurance, labor insurance, and payroll
- Provision of cloud services with applications aimed at clients of labor and social security attorney office

#### System construction service

- Initial set up of cloud services
- Provision of customized services

### System product sale

- Sale of various document forms used in labor and social security attorney's business process
- Sale of terminals, servers and PCs

### Other services

- My Number acquisition agent service

## CuBe Business

### Contracted development type semi-customized services

- Contracted development of front-end systems connecting corporate functions and employees

### CuBe Cloud

- Provision of cloud services connecting corporate functions and employees (Jinzai CuBe Cloud and Nenmatsu-chosei CuBe Cloud)

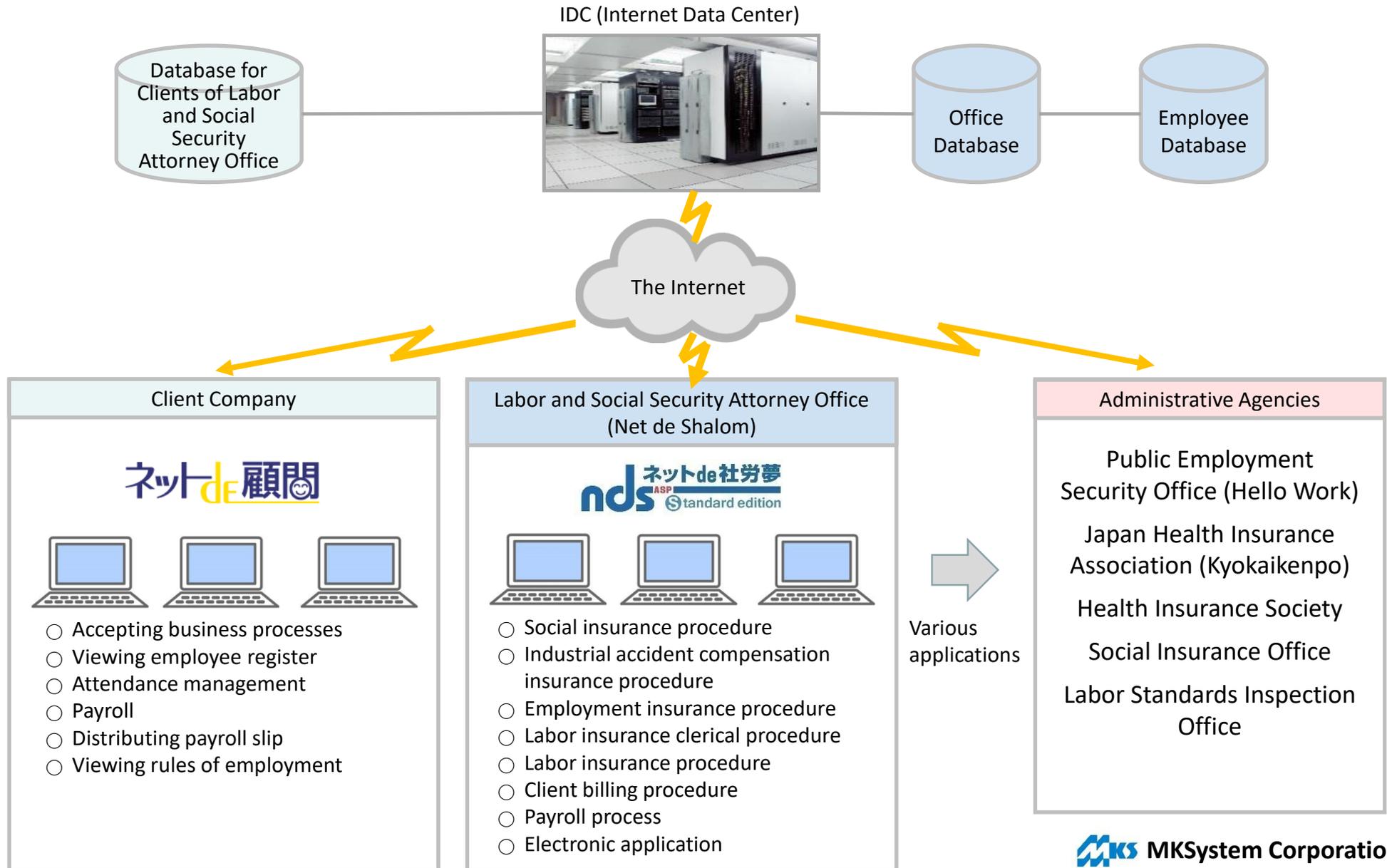
# Shalom Business

Sales category	Outline of service	Major service and product
Cloud service		
ASP service	<ul style="list-style-type: none"> <li>• Monthly usage fee on software which supports business process of submitting applications associated with social insurance, labor insurance, and other matters to the administration</li> <li>• Various software associated with personnel and attendance, such as payroll, attendance management, and employee register management</li> </ul>	(1) Net de Shalom (2) Shalom House (3) Net de Shalom Lite (4) MyNum de Shalom (5) Net de Jimukumiai (6) Shalom Company Edition
System construction service	<ul style="list-style-type: none"> <li>• Development cost for initial setup at system installation and customization</li> </ul>	(1) Initial set up service (2) Customization of individual ASP systems
System product sale	<ul style="list-style-type: none"> <li>• Sale of products and terminal devices accompanying the operation of ASP, as well as document forms and other consumables and system devices, etc.</li> </ul>	(1) Terminal devices (2) Document forms and other consumables (3) System devices
Other services	<ul style="list-style-type: none"> <li>• Auxiliary services relating to business processes of labor and social security attorneys as well as of personnel and general affairs divisions of general corporations</li> </ul>	(1) My Number acquisition agent service

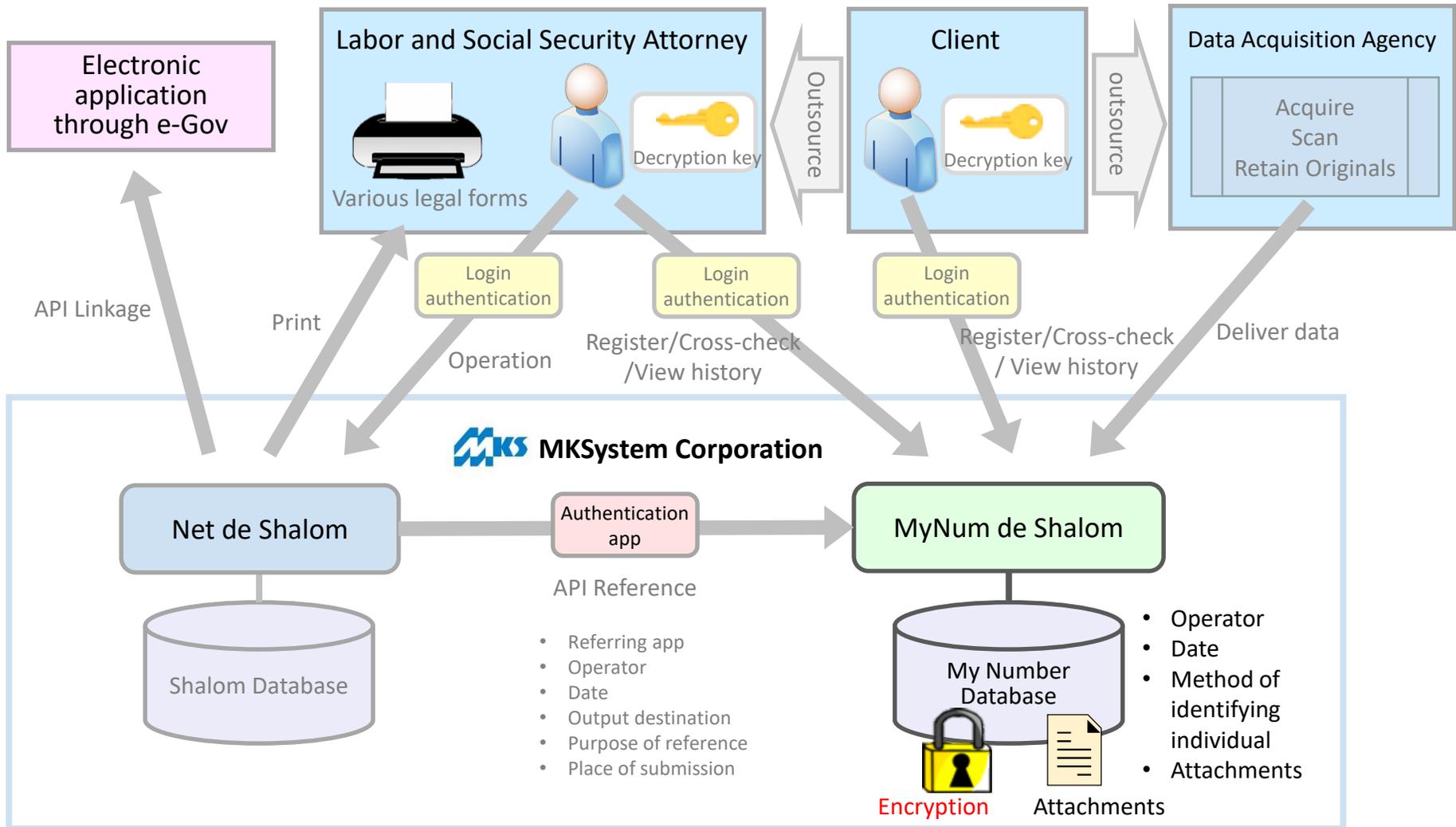
# CuBe Business

Sales category	Outline of service	Major service and product
Contracted development type semi-customized services	<ul style="list-style-type: none"> <li>• Based on numerous experiences with major construction companies and general trading companies to government agencies, we study efficient operation rules with customers to optimize business operations and construct a system.</li> <li>• These transactions are large and their development tends to take long time.</li> <li>• Due to the nature of the personnel system, deliveries are occasionally concentrated in the second half of fiscal year.</li> </ul>	<ol style="list-style-type: none"> <li>(1) Jinzai CuBe Systems associated with target and performance management</li> <li>(2) Shugyo CuBe Attendance management system and personal status change application system</li> <li>(3) Shinsei CuBe Ringi (Request for approval) and application system</li> <li>(4) Seisan CuBe Transportation and travel expense reimbursement system</li> </ol>
Cloud service	<ul style="list-style-type: none"> <li>• Our cloud services offer know-how and latest examples that we have acquired in contracted development business.</li> <li>• We materialize high quality system at low cost to support personnel and general affairs related business processes.</li> <li>• Monthly billing service to facilitate service provision to a wide range of enterprises including small- and medium-sized companies.</li> </ul>	<ol style="list-style-type: none"> <li>(1) Jinzai CuBe Cloud Three modules of “target and performance management,” “self-assessment and career plan,” and “human resource profile inquiry” are organically linked to support human resource development.</li> <li>(2) Nenmatsu-chosei CuBe Cloud In addition to reduction of data entry burdens and function of posting and automatic calculation, it helps improve efficiency of entire business operations with progress management function.</li> </ol>

# Our mainstay service (Net de Shalom)

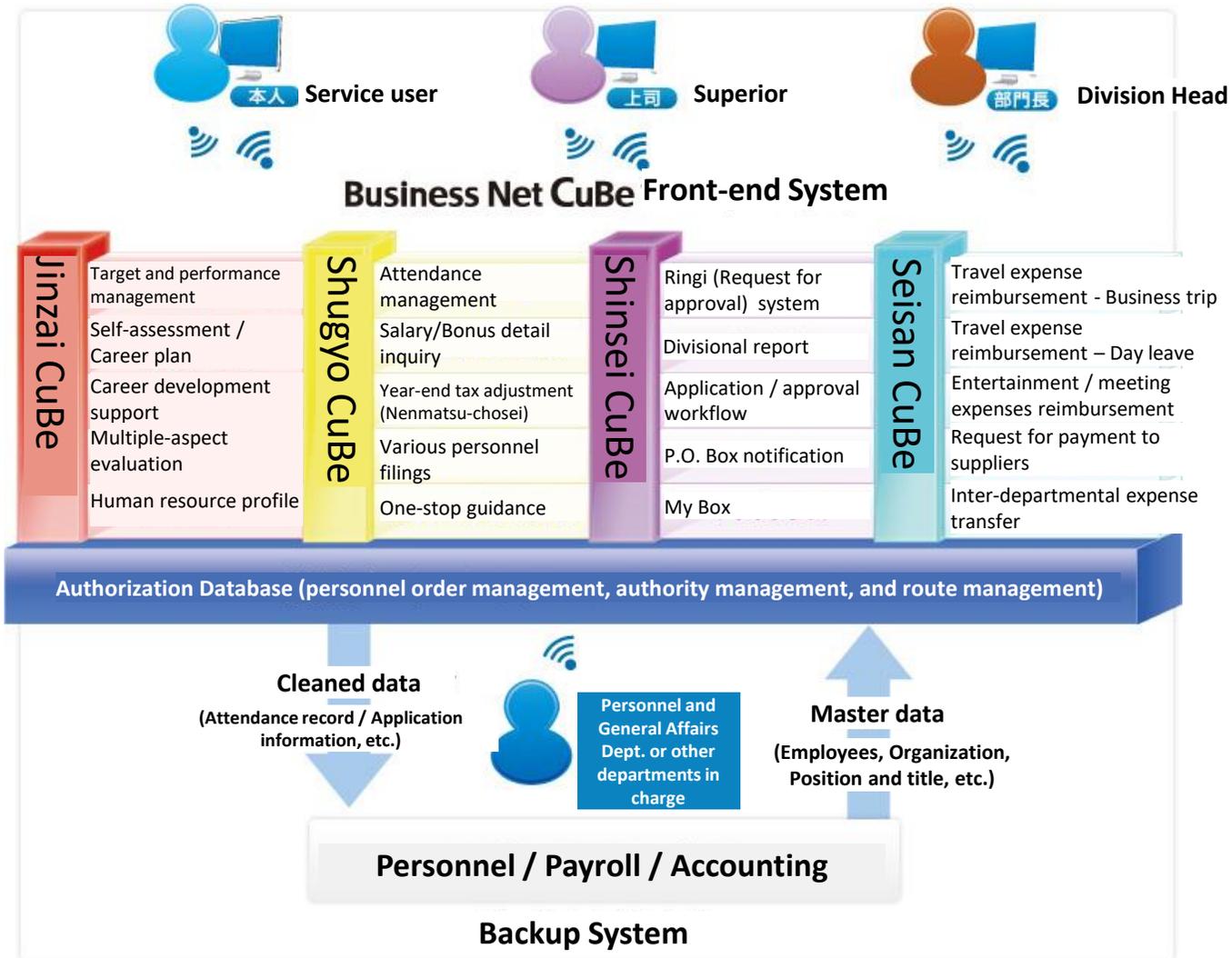


# Our mainstay service (MyNum de Shalom)





# Our mainstay service (Cube Business: Semi-customized)



# Our mainstay service (Jinzai CuBe Cloud)

The latest **evaluation and training tool** that you can use **on-site** on a **day-to-day basis**, **crystalizing know-how** that has been used by **large companies** for over 20 years.



- Target and performance management
- Self-assessment / Career plan
- Human resource profile inquiry

Jinzai Cube Cloud coordinates the above three business operations, deepens communication with employees, and supports **human resource development led by on-site staff**.

1. Prompting their growth through processes from execution to evaluation of **actual work**.

## Target & Performance Management

We wish to let our personnel learn more about the management's intention.

We wish to link target management to improvement in corporate performance.

We wish to set up target & performance management that makes our employees to participate with more enthusiasm.

We wish to know personal profile of our staff in a timely manner.

We wish to manage personnel data in single database and make full use of them.

We wish to make consideration over my current position and the way I want to be in the future.

2. **Sharing** information from different viewpoints **among people concerned** to encourage daily growth.

## Human Resource Profile Inquiry

We wish to have a system to support employees' career development

We wish to have a contact point that directly connects personnel and personnel department.

3. Considering about future career, urging the personnel to develop as **he/she wishes**.

## Self-assessment / Career Plan

# Our mainstay service (Nenmatsu-chosei CuBe Cloud)

Fully supporting year-end tax adjustment operations by reducing tax filling input and implementing progress management function

## Nenmatsu-chosei Cube Cloud

- The system tells me what I should do!
- The entries I have to fill in have become less than before!
- I don't have to think about formula!
- They no longer return to me the forms for correction!



Tax filer

Simple & easy!

Accurate & efficient!



Division in charge of operation

- Following up is easy because we can keep track of the progress from filing to completion!
- We can share work among multiple members!
- We have reduced the volume and number of items we have to check manually!

### 1 It makes the operation easy to understand!

The screen guides you “what to do,” “when to do,” and “how to do.”



### 2 Registered information is displayed from the start!

- ✓ The screen initially displays a form without redundant inputs.
- ✓ The system automatically calculates the deductible amount.
- ✓ The screen initially displays filling data of the previous year.

### 3 It reduces your workload at final submission!

- ✓ The system checks for your mistake.
- ✓ The system guides you what to submit.

### — Enhanced control with authority settings —

Work environment with multiple personnel are classified into three elements (company, department, and person in charge).

- ✓ Supporting business process of large companies and shared service providers!



### — Enhanced efficiency with progress management —

Progress of each process and the entire business process is managed on the system!

- ✓ It lets you know where the bottleneck is, thereby ensuring on-time delivery!





# MKSystem Corporation

“Contributing to society by providing human friendly systems”

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The plans, estimates and other forward-looking statements contained in this material are forecast based on information available at the time this material was prepared, and these statements include risk and uncertainty. Actual performance may differ from these statements due to changes in business environment and other factors. In addition, as certain information within this material is quoted from publicly available information, its accuracy is not guaranteed.