



January 23, 2020

Japan Business Systems, Inc.

rhipe Japan K.K.

rhipe Japan, a Joint Venture between JBS and Australian Company rhipe Limited, Starts Operations to Expand Sales of Microsoft Cloud Products to 2 Billion Yen in Three Years in the Japanese SMB Market

Japan Business Systems, Inc. (Head Office: Minato-ku, Tokyo; Representative: Yukihiro Makita, President; hereinafter “JBS”) announces that rhipe Japan K.K. (hereinafter “rhipe Japan”), a joint venture with rhipe Limited (Head Office: Sydney, Australia; Representative: Dominic O’Hanlon, CEO; hereinafter “rhipe”), has started sales of cloud products to partner companies in Japan as a Microsoft Indirect CSP* from January 23, 2020.

*CSP: Cloud Solution Provider

The Microsoft Cloud Solution Provider program is a resale structure offering Microsoft cloud services for a monthly payment plan. It is a sales method only permitted to certified partners. One of the characteristics of this program is that it allows the smooth adoption of cloud services through features such as a pay-as-you-go system. rhipe Japan will sell this service to partners rather than users as an Indirect CSP.

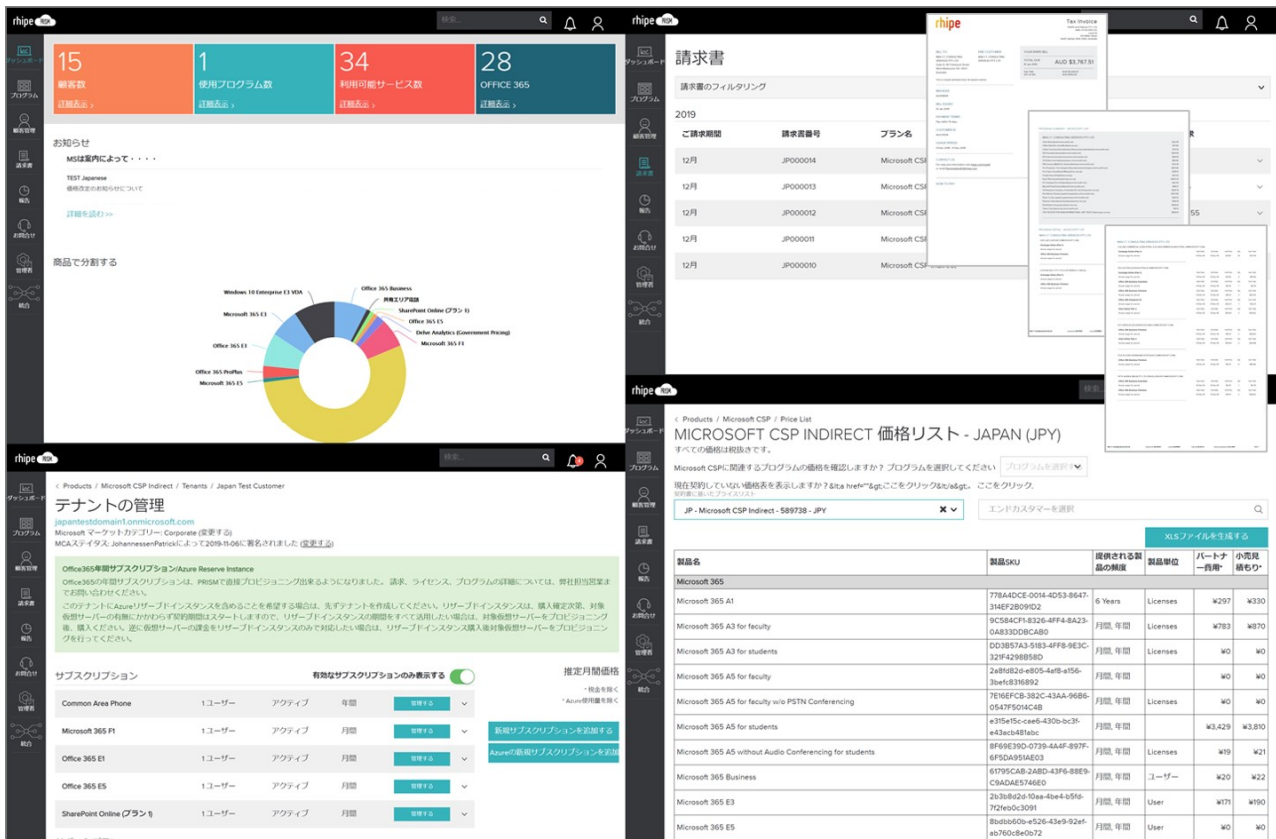
One major strength of rhipe Japan is that it can provide speedy responses through the global connections of rhipe Limited and Microsoft, as well as high quality support in Japanese and English 365 days a year, leveraging its service experience in countries around the world.

[PRISM, a Unique System to Reduce the Operational Costs of License Sales]

rhipe partners can use rhipe’s original centralized license management infrastructure PRISM for free, which enables them to conduct a series of procedures from providing licenses to users to issuing invoices. By reducing the costs in license sales operations through PRISM, partners can focus on sales activities.

Characteristics of PRISM

- Enables a series of procedures necessary for partners from customer registration, price checking, product purchase, usage situation checking, to invoice acquisition
- Plans to handle credit card settlement in the future
- Links to partners’ original systems through the provision of an API
- Changes to license programs, etc., on the manufacturers’ side are applied swiftly to functions through in-house development
- Licenses purchased from rhipe other than Microsoft licenses can also be managed on PRISM, and multi-cloud needs can also be handled on a unified infrastructure



[Future Outlook]

rhipe Japan will proactively advance partner support using webinars and other digital tools, aiming for contracts with 300 partners and sales of 2 billion yen in three years.

Microsoft Japan gave JBS the following endorsement for this announcement.

Microsoft Japan wholeheartedly welcomes the start of operations by rhipe Japan. There is a strong demand for Japanese companies, companies in the SMB market in particular, to engage in work style reforms and respond to HR resource problems such as a scarcity of labor. Improving companies' cloud usage rates and encouraging proactive data usage are essential for a successful digital transformation. However, it is also a fact that there are challenges to the smooth implementation of digital transformation, such as the complexity of subscription software license programs, and payment methods, etc. With the support of rhipe Japan, companies will be able to implement Microsoft Cloud Solutions such as Office 365, Microsoft Azure, and Dynamics 365 more smoothly than before. We hope that many Japanese companies will be able to enhance business success through operational reforms utilizing these products.

Microsoft Japan Co., Ltd.

Managing Executive Officer, One Commercial Partner

Yoshinami Takahashi

Going forward, JBS and rhipe Japan will further support the digital transformations of Japanese companies through their strong partnership with Microsoft Japan.

[Establishment of rhipe Japan]

rhipe has a sales track record of over 1 million Office 365 seats in the Asia Pacific region as of January 2020. With a steady annual growth of about 33 percent, it is the leading cloud distributor in the Asia Pacific region. Key strengths include the capability to provide speedy response thanks to global connections with Microsoft, and attentive support that leverages service experience in countries around the world. In recent years, rhipe has been expanding its support structure for Dynamics 365 products through the acquisition of a Microsoft Dynamics 365 service integrator.

For rhipe, expansion into the Japanese SMB market, a major market for Microsoft, was a long-time dream. To develop business in Japan, rhipe concluded a partnership with JBS due to its knowledge and technical capabilities relating to integrated solution Microsoft 365 and cloud solutions such as the cloud platform Microsoft Azure offered by Microsoft Japan, as well as its track record as a powerful long-time partner of Microsoft Japan, and established a joint venture (announced on August 16, 2019). JBS is a 2018 Microsoft Country Partner of the Year winner and has been supporting rhipe Japan in terms of personnel and marketing within Japan as a company that is knowledgeable with Microsoft Japan's business. Going forward, JBS will also provide technical support. Additionally, through cooperation with rhipe and rhipe Japan, which target the SMB market, JBS will accelerate support for the digital transformation of Japanese companies in even more segments.

[About rhipe Limited]

CEO: Dominic O'Hanlon

Established: 2003

Market: the Australian stock market (ASX:RHP)

rhipe is Asia Pacific's leading cloud channel company providing technology partners with complete end-to-end cloud solutions, and helping them grow and thrive in the Cloud economy. As a Cloud first, Channel first company, rhipe is recognized as the leading expert in subscription-software licensing, services, and support across Asia Pacific, with a vendor portfolio that includes Microsoft, VMware, Citrix, Veeam, DocuSign, Trend Micro (and others). For more information, visit www.rhipe.com, or follow us on Twitter, LinkedIn and Facebook.

[About rhipe Japan K.K.]

Representative Director: Dominic O'Hanlon

Country Manager: Junichi Maruta

Established: August 7, 2019

Number of employees: 5 (as of January 23, 2020)

URL: <https://www.rhipe.co.jp>

[About Japan Business Systems, Inc.]

■ Company Profile

Representative: President Yukihiro Makita

Established: October 4, 1990

Number of employees: 2,250 (as of October 2019)

URL: <https://www.jbs.co.jp>

■ Business overview:

JBS is an independent systems integrator that offers IT solutions. Utilizing the latest IT technology, JBS works to support the realization of customers' digital transformation as a next generation innovation partner.

- JBS won the 2018 Microsoft Country Partner of the Year, which is awarded to one company in Japan by Microsoft Corporation, in 2018.
- JBS has won the Microsoft Japan Partner of the Year, selected by Microsoft Japan, consecutively since 2013 (in the Co-Sell Award category for 2019)
- JBS holds Microsoft Gold competency in 19 categories.

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*Microsoft 365 is the name of a service offered by Microsoft Corporation.

*Any company names, logos, and product names mentioned are the registered trademarks or trademarks of their respective companies.

* All details in this press release are as of the date of the creation of this press release and may change without notice.

The service may change in part or in its entirety, be cancelled, or become unimplementable due to various reasons.

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