NHN Techorus Signs Multi-Year Strategic Collaboration Agreement with AWS to Drive 50 Billion Yen

—AWS will support NHN Techorus to expand its business growth and medium-sized IT businesses in Japan to adopt AWS technologies including Generative AI—

NHN Techorus Corp. (Head Office: Minato-ku, Tokyo; President and CEO: Akiteru Shirakura; below, "NHN Techorus"), a leading IT infrastructure solutions provider in Japan, has signed a multi-year Strategic Collaboration Agreement (SCA) with Amazon Web Services (AWS)^{*1}, the world's most comprehensive and broadly adopted cloud. NHN Techorus, an AWS Premier Tier Services Partner, will leverage the SCA to grow its business in Japan, and aims to generate 50 billion yen in revenue by 2026.

The Japanese cloud industry is expected to grow to around 2.5 trillion yen by 2023, while demand for system integration services, which supports the uptake of cloud, is expected to grow to about 5 trillion yen.*² The emergence of new technologies such as generative AI is expected to further accelerate Japan's adoption of cloud computing. However, there are still some opportunities to accelerate the use of cloud with many companies in Japan yet to start their cloud journey or are lacking the necessary skills required to support cloud implementation.

To support Japan's digital economy and accelerate cloud adoption, NHN Techorus is developing its solutions that actively support employee digital skilling and in-house development of cloudnative solutions for their customers. NHN Techorus plans to leverage "C-Chorus", a comprehensive AWS support service consisting of license sales, technical consulting, and various technical support services, by undertaking three measures centered on expanding collaboration with medium-sized IT businesses in Japan. NHN Techorus will share its experience and knowledge gained through its data center business with medium-sized IT businesses throughout Japan to expand collaboration and promote the use of cloud computing on a nationwide scale.

Key Measures in the AWS Strategic Collaboration Agreement 1. Supporting medium-sized hosting companies transition to AWS

NHN Techorus, an AWS premier tier services partner, supports customers migrating to AWS by combining advanced knowledge about AWS. NHN Techorus will also support customers fully utilizing its migration competency certification as well as its data center business operation experiences.

This initiative will be implemented as part of NHN Techorus's broader organizational strategy to

help customers migrate to AWS, including providing support for transformations to cloud business in conjunction with hundreds of companies operating medium-sized data center and rental server businesses nationwide.

2. Support medium-sized ISVs in shifting to SaaS and expand sales channels using AWS Marketplace

NHN Techorus will offer technical assistance for Software-as-a-Service (SaaS) business built on AWS to medium-sized independent software vendors (ISVs) across Japan and provide business expansion support through nationwide and global sales of products via the AWS Marketplace, a curated digital catalog that customers can use to find, buy, deploy, and manage third-party software, data, and services to build solutions and run their businesses. NHN Techorus has successfully migrated its own and NHN Group's software products onto AWS and expanded its sales channels by using AWS Marketplace, and it will use this knowledge to support business transformation, including SaaS business and sales channel expansion, for medium-sized ISVs nationwide.

3. Promote nationwide adoption of AWS through collaborations with medium-sized IT businesses

Initiatives 1 and 2 will be implemented on a larger scale and at a faster pace through collaboration with medium-sized system integrators (SI) and IT businesses across the country. As of January 2024, NHN Techorus has concluded collaboration agreements with more than 170 IT businesses, mainly SIs, and is already providing technical support for AWS implementation to many companies, with the goal of expanding this initiative to 1,000 companies in all prefectures by 2026.

Comments from NHN Techorus and AWS

"AWS is delighted to collaborate with NHN Techorus to support the growth of local businesses including ISVs and medium-sized businesses. To accelerate digital transformation, customers throughout Japan need support from system integrators for deployment and strengthening inhouse digital capabilities and development. This collaboration reinforces AWS's commitment to supporting NHN Techorus' vision to support customers nationwide to continue to innovate through the use of cloud-enabled technologies including generative AI.."

Muneyuki Watanabe, Director, Head of Partner Alliance, Amazon Web Services Japan G.K.

"NHN Techorus started as the data center and IT infrastructure technology division of the former Livedoor and launched its AWS business in earnest in 2016. Drawing on the experience we have built up in physical environments, we have helped many companies succeed in their AWS journeys to grow and transform their business through the use of the cloud. As a result, sales in the AWS business surpassed sales for its predecessor, the data center business, at an early stage, and it continues to experience significant sales growth today. Through this collaboration, we will share our own experience of business transformation to AWS business with IT businesses across Japan, and by evolving it to a larger scale, we will help use AWS to invigorate not only our own business but also that of medium-sized IT businesses in Japan as a whole, supporting the business growth and transformation of many companies." **Akiteru Shirakura, President and CEO, NHN Techorus Corp.**

About NHN Techorus Corp.

Possessing high levels of expertise and an extensive track record in both data centers and cloud computing, NHN Techorus provides the AWS comprehensive support service "C-Chorus" with the principle of "keeping what makes AWS great while adding value by reducing costs and improving convenience," offering a range of high value-added support options and services designed for economic rationality. As of January 2024, it has secured a cumulative total of over 4,200 contracts.

As a premier AWS partner, it provides customers of all sizes with billing services, managed services that involve a wide range of support for migration, implementation, design, operational management, and security measures, and also machine learning and data application support services.

C-Chorus details: <u>https://nhn-techorus.com/c-chorus/</u> AWS billing service: <u>https://nhn-techorus.com/c-chorus/payment/</u>

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*All company and product names mentioned herein are registered trademarks or trademarks of their respective companies.

*The information contained herein is current as of the date of publication. It is subject to subsequent change without prior notice.

- *1 Amazon Web Services (Head office: Seattle, Washington, U.S.A.; CEO: Adam N. Selipsky). This strategic collaboration agreement was concluded with Amazon Web Services Japan G.K. (Head office: Shinagawa-ku, Tokyo; President and Managing Director: Tadao Nagasaki).
- *2 Fuji Chimera Research Institute, "2023 Cloud Computing: Current Status and Future Prospects" survey results