Subsequent Events

Acquisition of This Place Limited

British Embassy on

April 4, 2017

Dusan Hamlin
CEO, This Place

Yoichiro “Pina” Hirano
CEO, Infoteria

Important Subsequent Events

This Place Limited, the design and strategy consultancy is a 100% Infoteria Corporation owned subsidiary as of April 20, 2017

About This Place Limited

Head quartered in London, rapidly growing in USA and UK, design and strategy consultancy

Major clients

T-Mobile · Samsonite · TEVA · BBC · Hannaford · food network · Ahold Delhaize · AEG · M&C SAATCHI · Woolworths the fresh food people · asos discover fashion online · SECURE · Mandarin Oriental The Hotel Group · dunhill · Edelman

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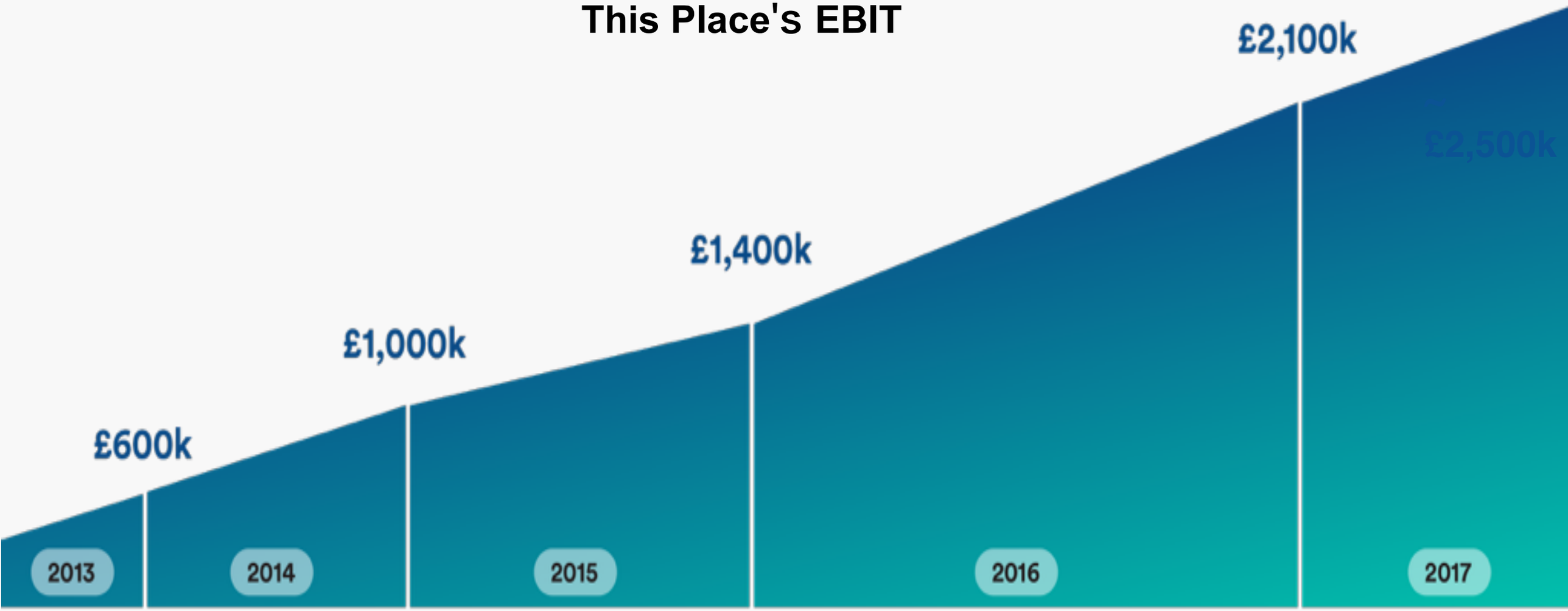
This Place's Results

This Place has grown by increasing profit

This Place's EBIT



This Place's Founder/CEO

Dusan Hamlin

- Established This place's predecessor in 2011

- Current This Place's CEO

- Appointed Infoteria's Corporate Officer and Global COO

Background: isobar dentsu M&CSAATCHI PHILIPS adidas

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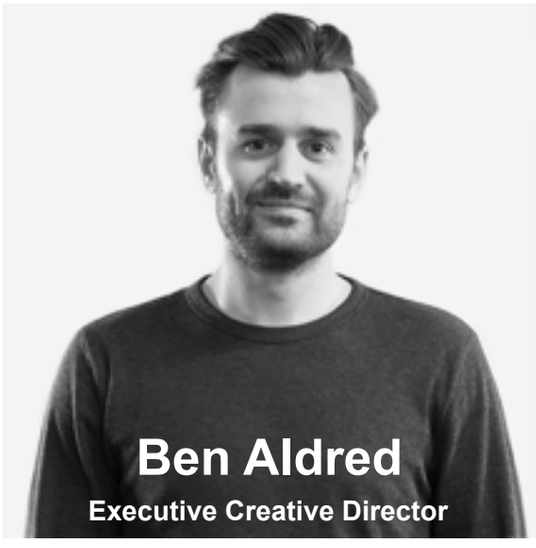
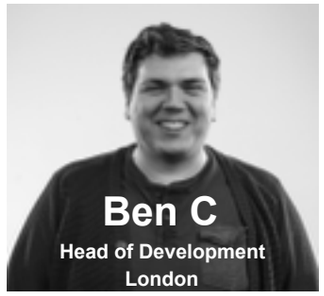
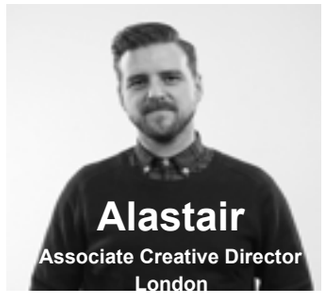
This Place's Leadership

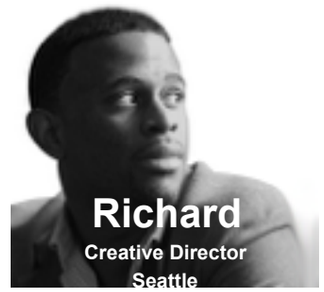


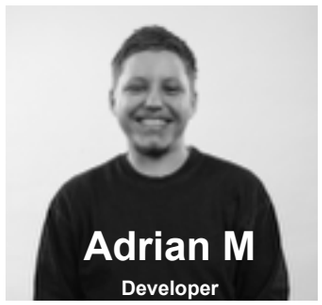
Creative Key Members

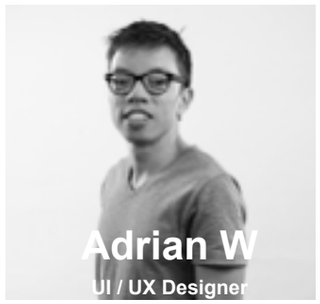
They are former employees of Apple, Google, facebook, IBM, Accenture, Dents AEGIS network, Starbucks Coffee, adidas, Microsoft

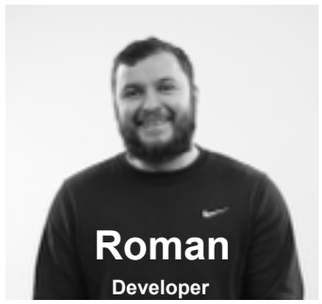


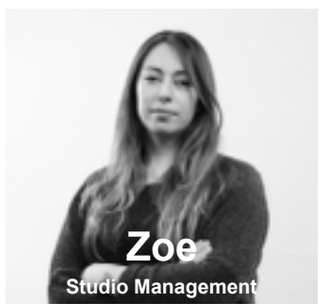


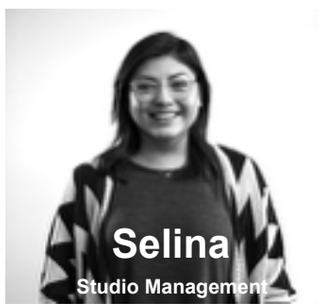


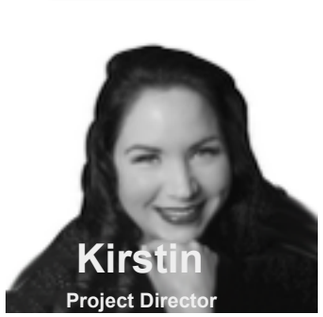


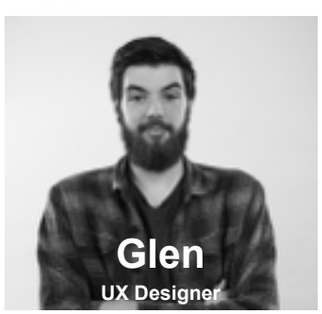


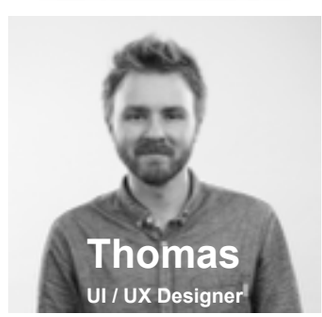


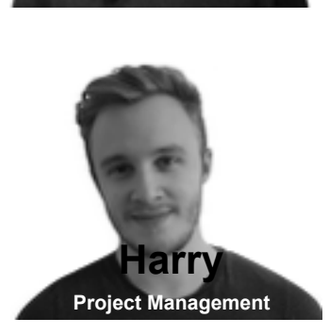












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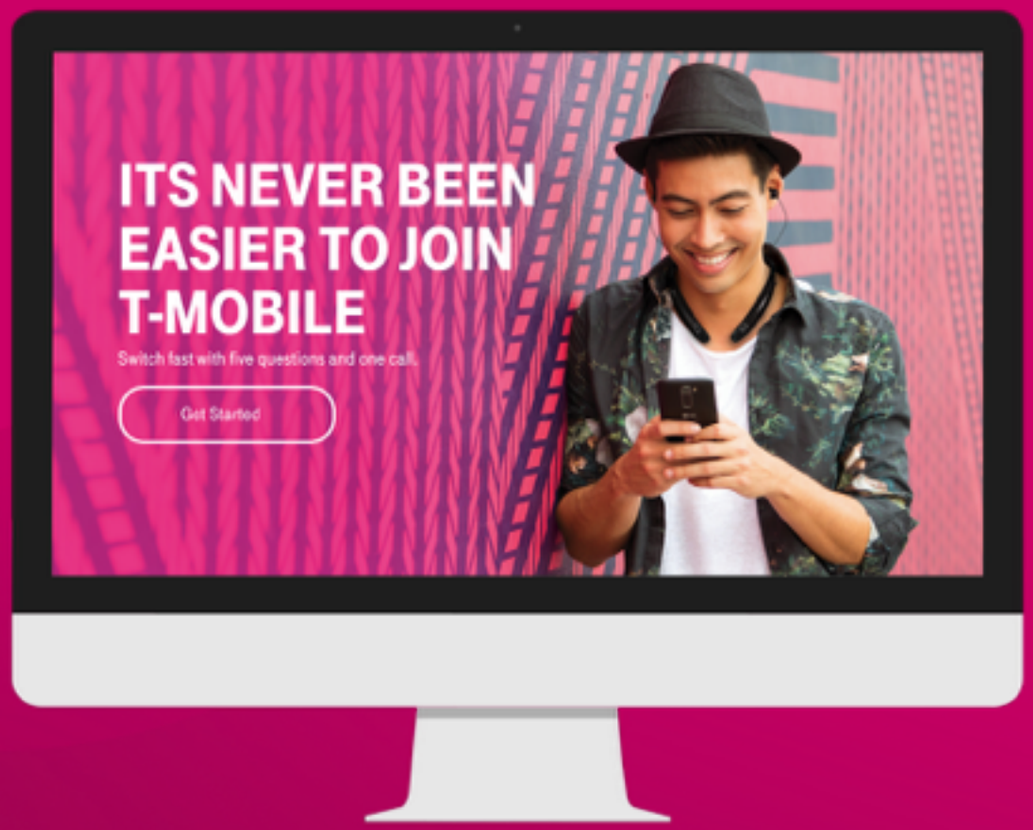
Digital Design Strategy for T-Mobile（USA)

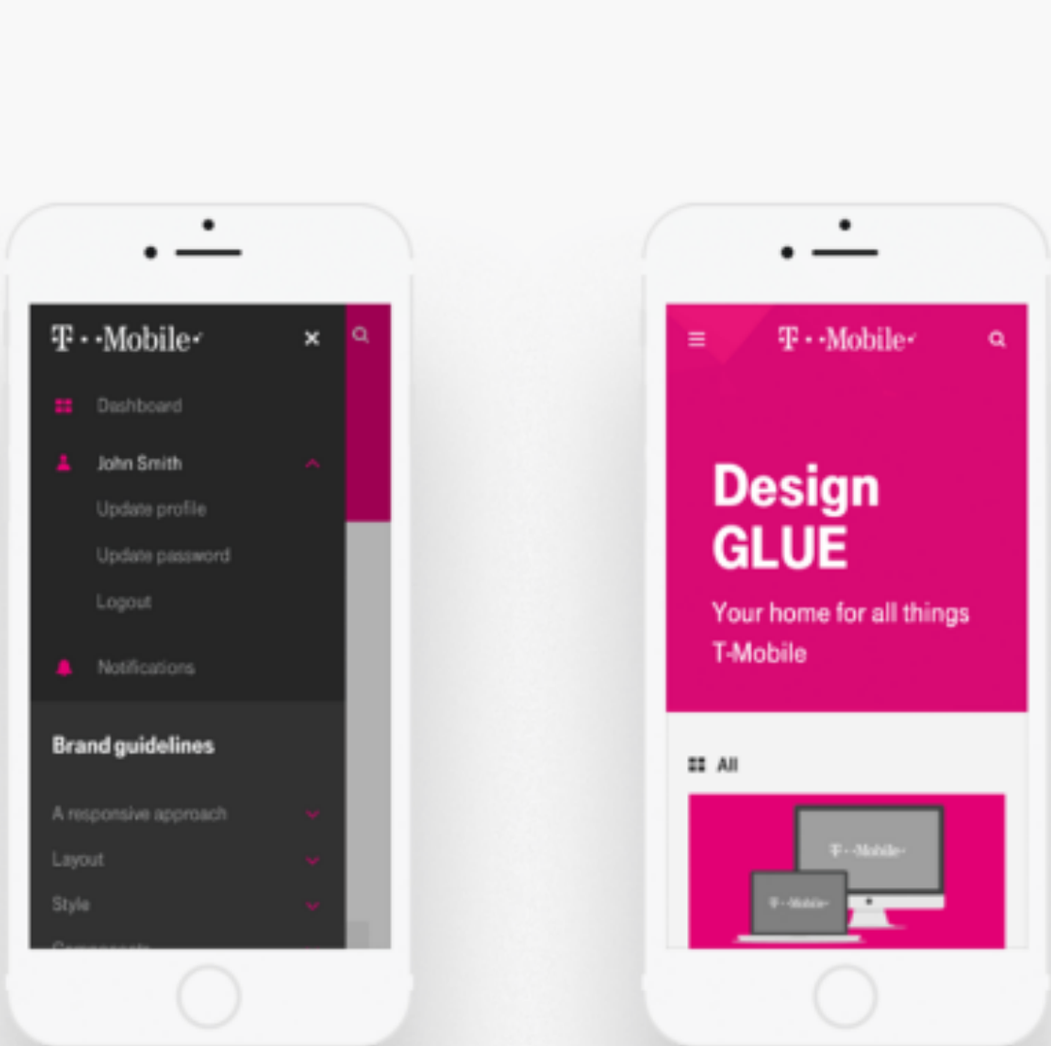
T-Mobile



T-Mobile GLUE (Global Language for Unified Experiences) is an online platform that serves as the single repository for all T-Mobile brand and design guidelines.

THIS PLACE

Digital Front Strategy Design



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The Acquisition Scheme

Initial acquisition consideration, **£7M**

+

Based on **5** year earn out

(The payment will be calculated based on EBIT)

Merit of earn out

- **Avoid over payment associated with advance payment**
- **Retention of executives**

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Evolution of Software Development for Enterprises

Decision making has shifted from IT to field

Function First → **Design First**

Typical example of consumer market：iPhone

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From「3 Ds」to「4 Ds」

New vision of mid-term plan

3 "Ds"

Data (Big data & AI)

→Only data to be enterprise IT asset

Device (Smart & IoT)

→Devices to be basic infrastructure of enterprises

Decentralized

→Cloud + Edge + Devices make more decentralized computing

+Design!!

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Acquisitions of Design Strategy Consultancy

"Design" is essential for business strategy

Accenture (USA) acquired "Fjord"

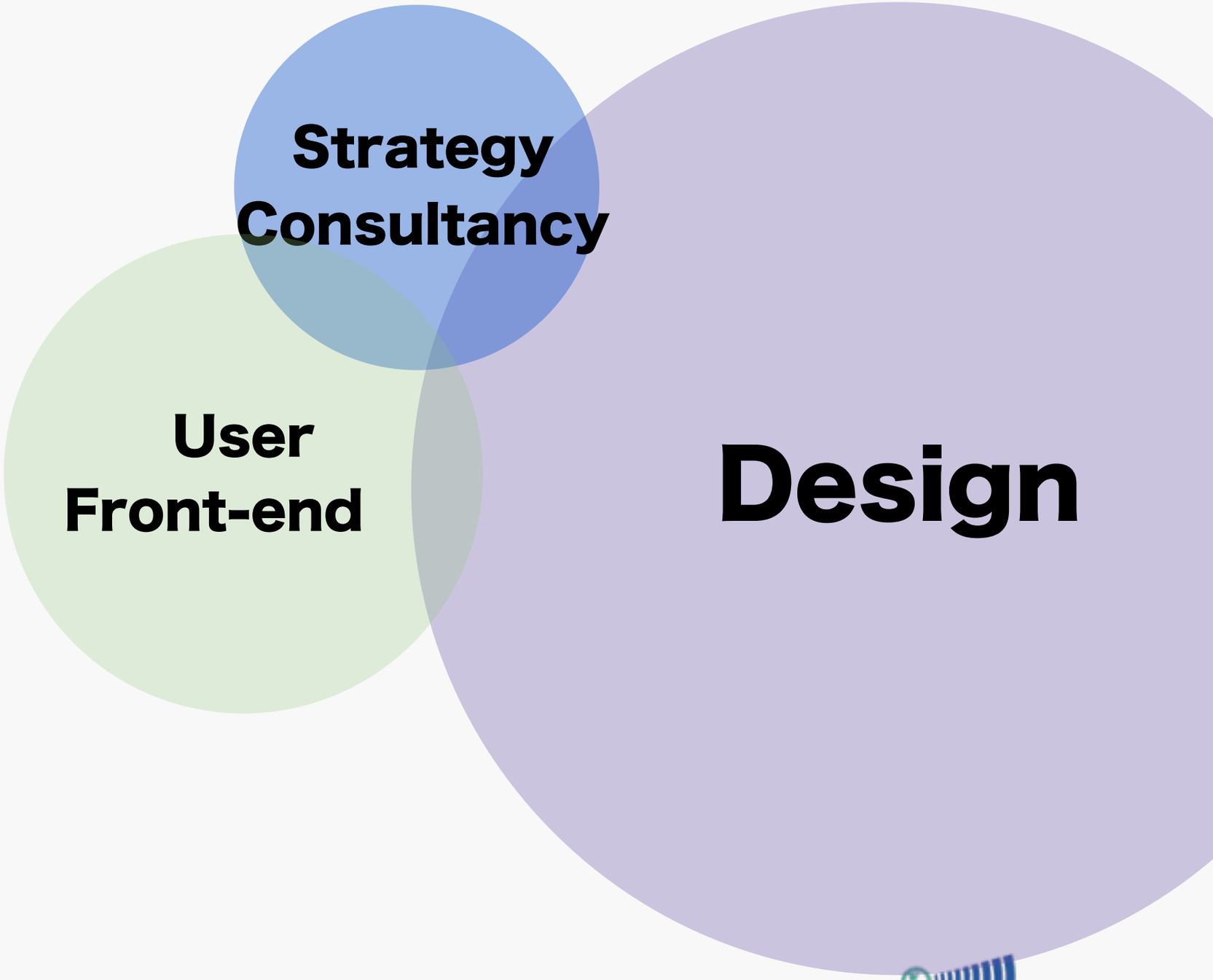
facebook (USA) acquired "Hot Studio"

McKinsey (USA) acquired "LUNAR"

Capital One (USA) acquired "Adoptive Path"

Design First, Design Thinking

This Place's Strength



Infoteria's Strength

Platform Strategy

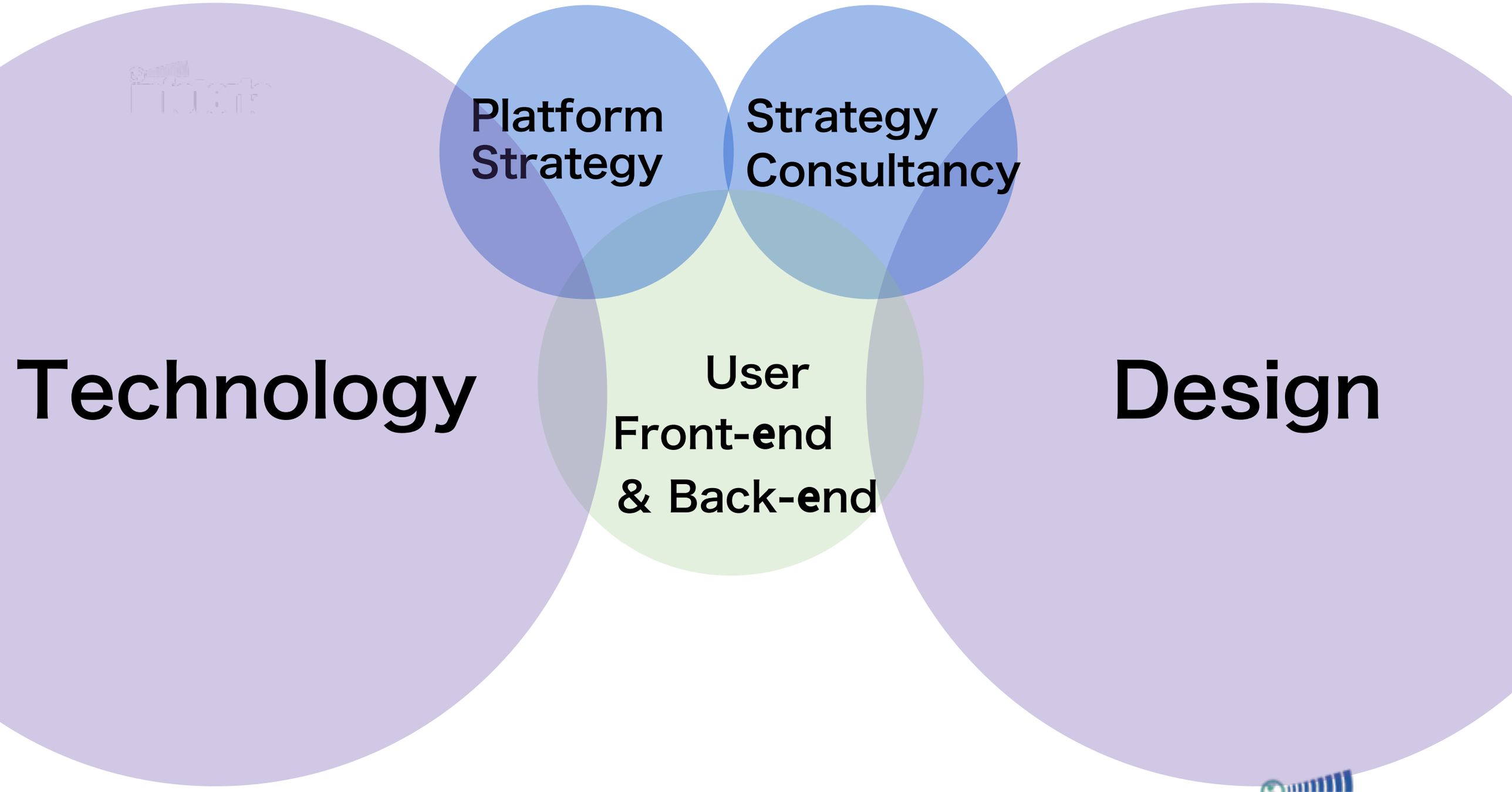
Technology

Back-end

Realizes Design First Software

Infoteria

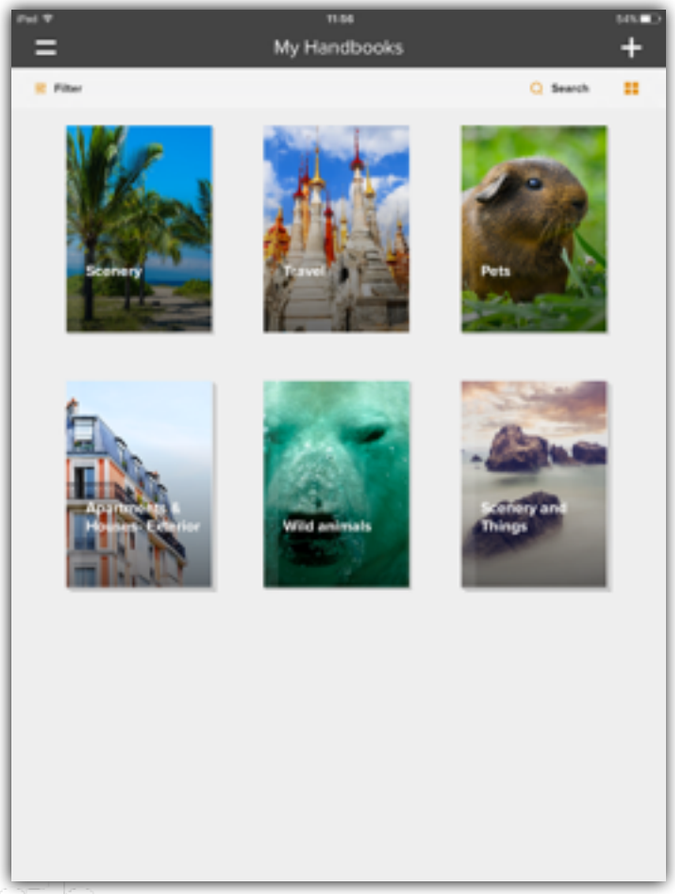
This Place

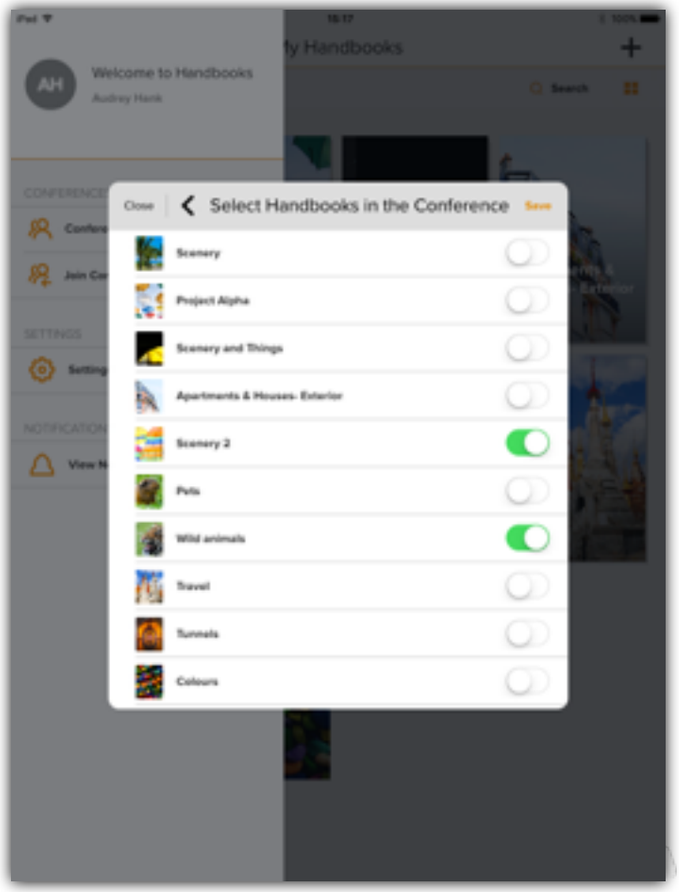


Collaboration

"Tristan"

Already released to English-speaking countries as "Handbooks"





Updates by Categories

(1) ASTERIA

(2) Handbook

(3) Platio

(4) Corporae

Flagship Product 1

asteria warp
Business Automation Platform

ASTERIA

Topics for FY2016

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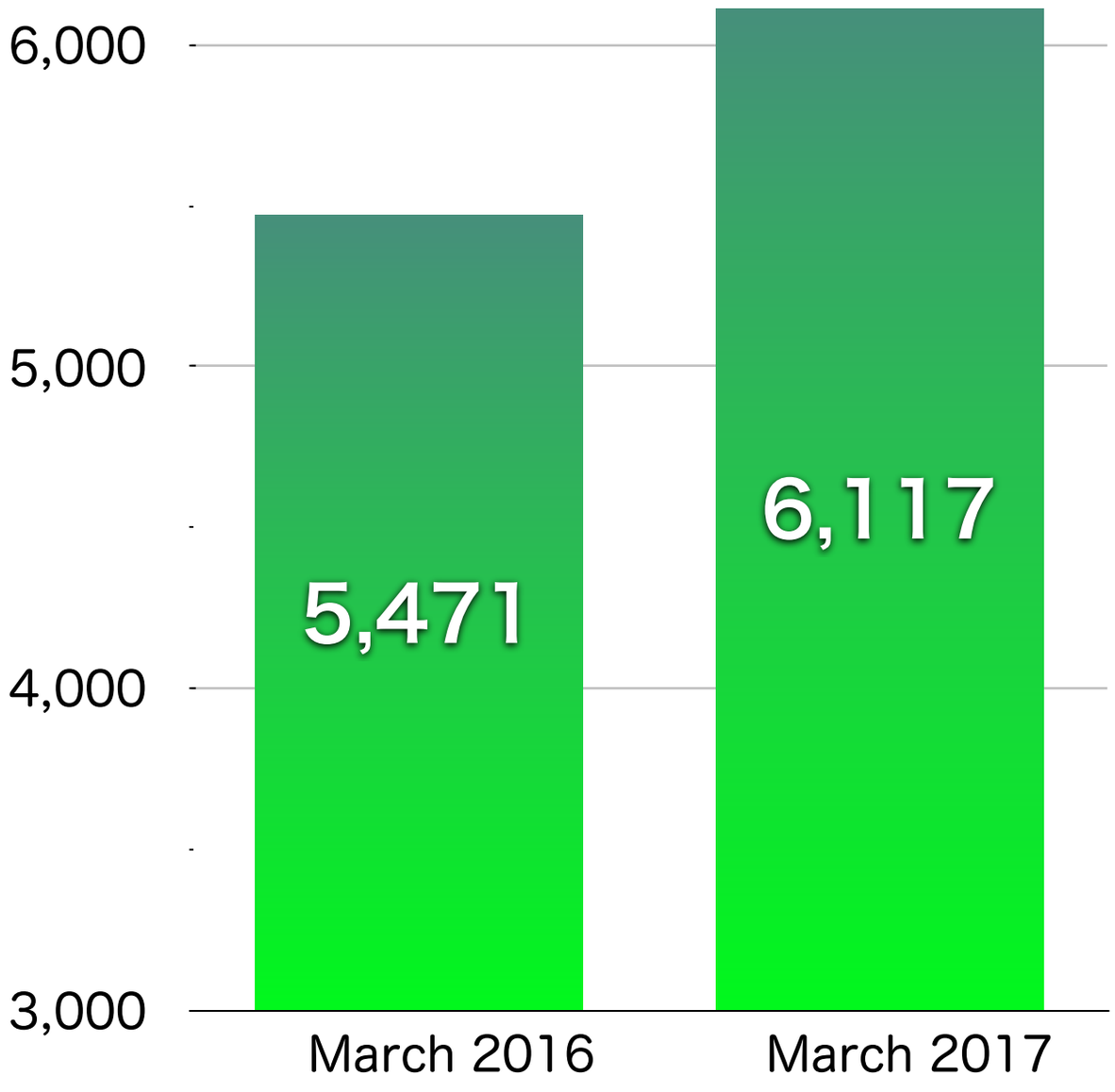
New Version and Series Delivery

■ Functional enhancement of new version and specialized function of new series made the product successful.

Started the delivery end of Oct. 2016

Over 6,000 Enterprises Integrated

(Number of company) **Growth of ASTERIA integrated companies**



■ 646 more companies chose ASTERIA in the last 12 months, the total number of user companies are

6,117

10年連続 No.1 2007年-2016年 EAI/ESB市場 tsr

Priority: Build an Ecosystem

Partners

ASTERIA master partners

Subscription partners

ASTERIA technical partners

Adapter development program

Users

Case studies

ASTERIA user group(AUG)

Developer network

Software license

Subscription

ASTERIA - for API Generation

■ ASTERIA integrates various new technologies to enterprise systems through non-programming approach.

Until now

SAP
kintone
on cybozu.com
tableau
Sansan
ORACLE
Microsoft Azure
Excel
amazon web services™
IIJ GIO
Cloudn
Dr.SumEA
salesforce

API
Adapters
asteria warp
Business Automation Platform
Integrate various new technologies through non-programing approach !
Adapters

From now on

FinTech
IoT
AI
Robot
Blockchain

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Flagship product 2

GOOD DESIGN AWARD 2015

Handbook

Smart Presented, Smart Delivered

Topics for FY2016

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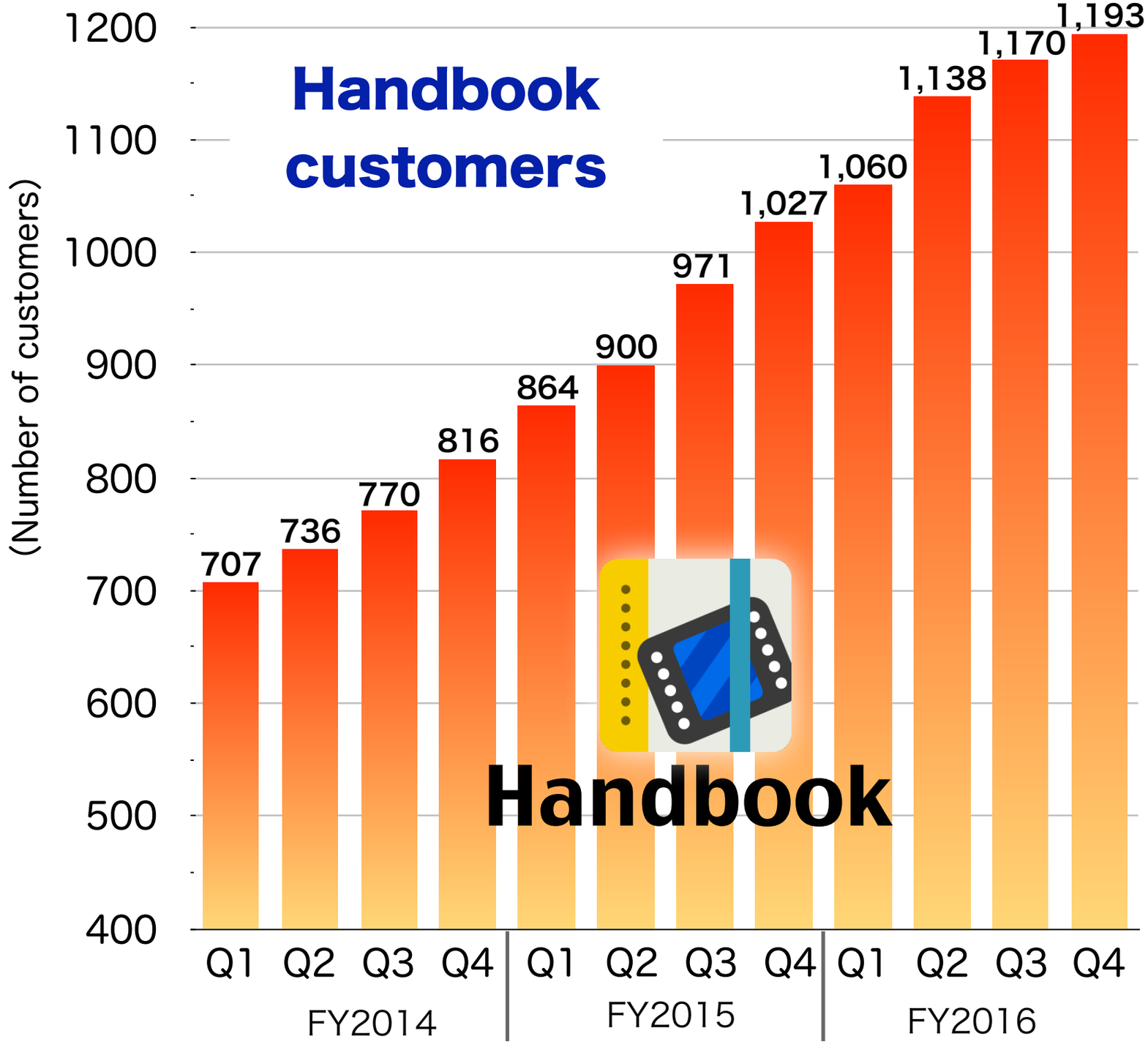
Approaching to Total 1,200 Customers



■ In FY2016, 166 customers have created accounts with Handbook. The total number has expanded to

1,193

Market Share No.1 38.4%

Source：ITR Market View: 2016 Enterprise /Mobile Management Market

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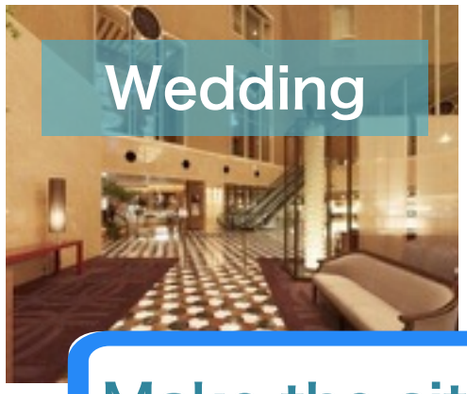
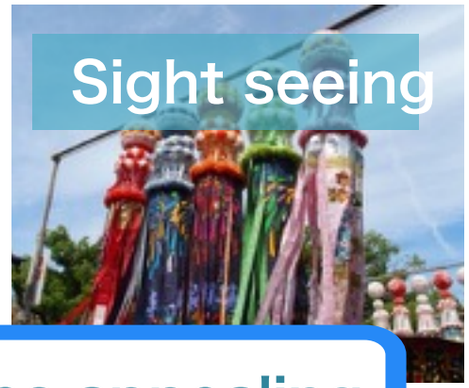
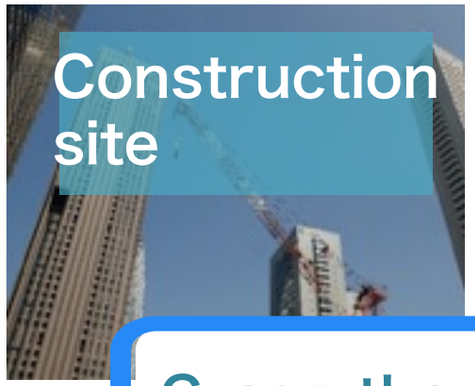
Support VR (360 Degree Image/Video)

- Great effect for grasping the feel of the sites and making it appealing.
- Published case studies;　Resort trust and Sendai city in Akita.

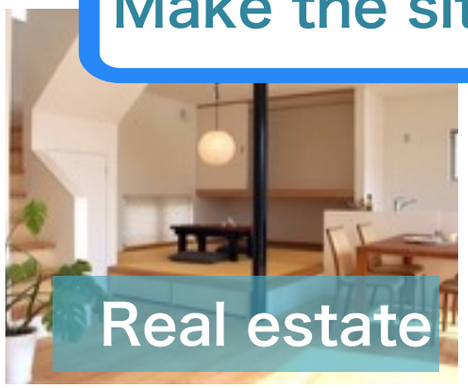


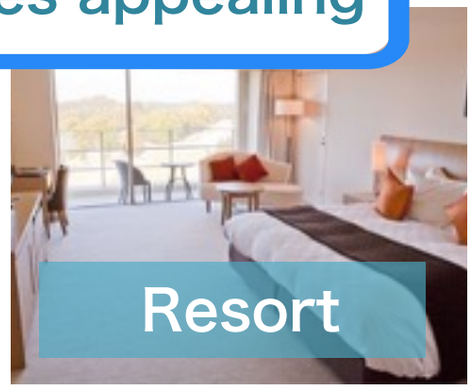


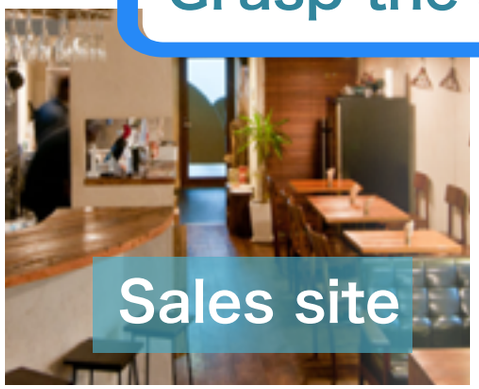
Make the sites appealing

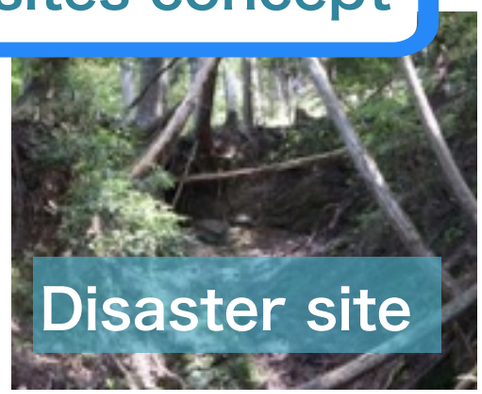


Grasp the sites concept









Make the products appealing

360° camera

Published Oct 19, 2016

infoteria

Paperless After School Program

- Reduced 35,000 copies of paper in one year, utilized for repetitive learning.
- They chose Handbook for restriction function, quiz/exam function, easy user interface and various device support.

Published Jan. 25, 2017

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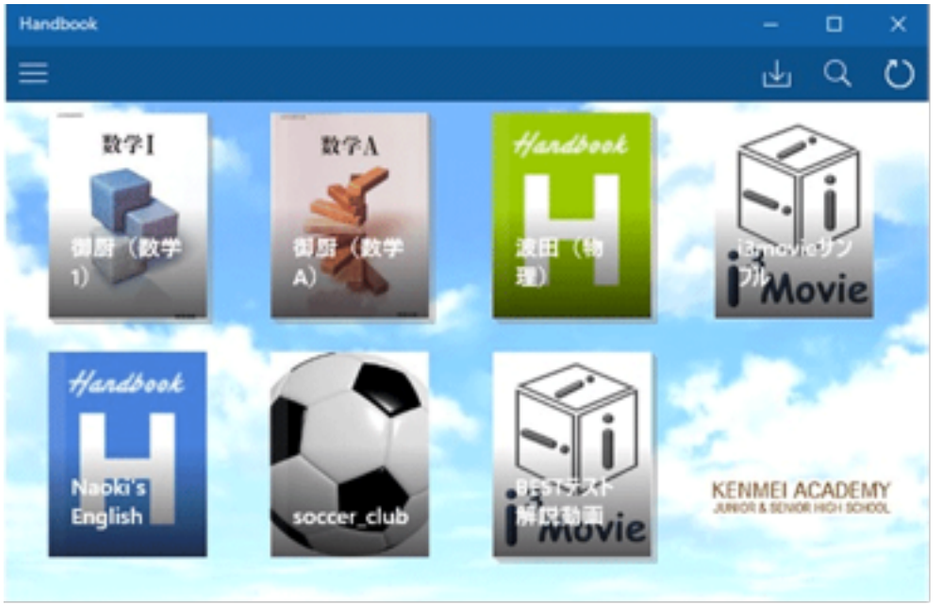
Utilizes Videos in Class (High School)

- Simple operation enables you to upload video contents easily, excellent for a review.

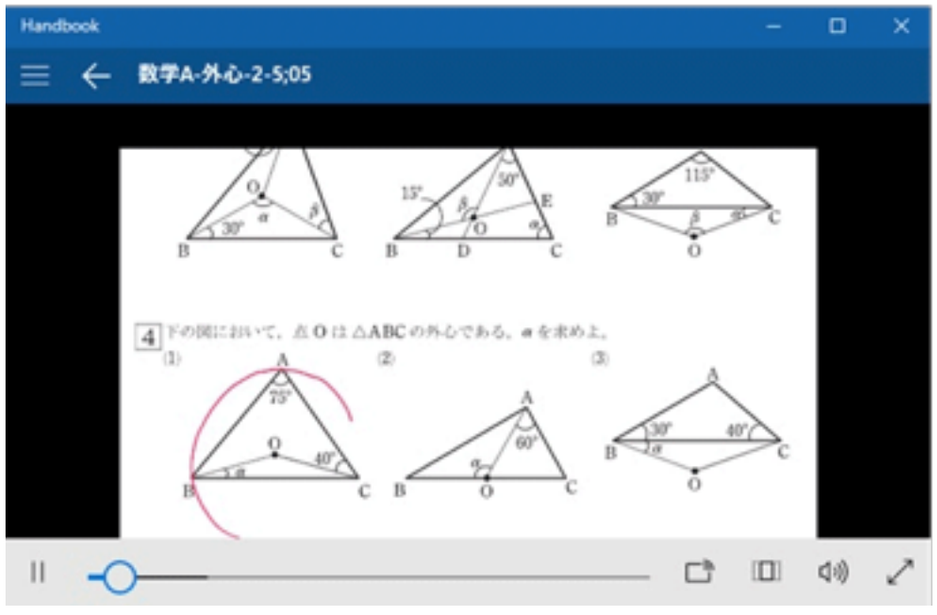
Published Feb. 14, 2017

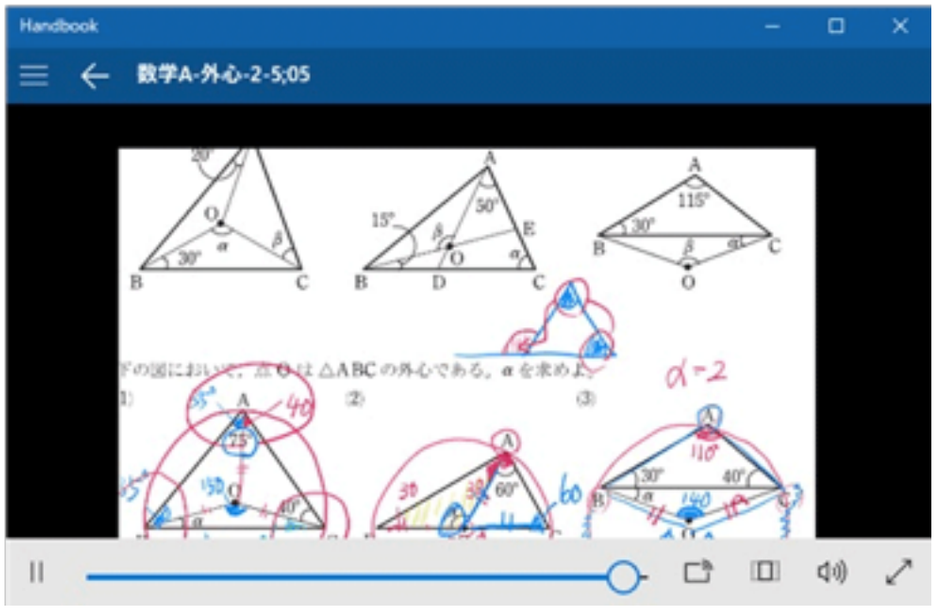
◀ Contents Image



Possible to watch teacher's comment on individual device with audio

▼





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Handbook's Strategy

01 Promote for Smart Phone

Focused on Tablet

→ **4 X Market Size**

IDC: 2016 projection

02 Support for New Windows, UWP

80% were iOS user

→ **Windows 10**

03 New Usage such as BCP

Targeted within specific organization

→ **New Emerging Markets**

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New Product

Platio

Topics for FY2016

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Infoteria IoT Products

New vision for mid-term plan

Platio

→A non-programming service that allows you to develop, operate and distribute mobile applications to utilize IoT devices easily

Gravity (Delivery stars in June)

→Collaboration platform enable to collaborate IoT data/control, cloud API and business system with non-programming approach

Connect, Infoteria

Enterprise IT Systems

Handbook

Mobile content platform
for collaboration

Connect systems and people

People

asteria warp

Business Automation Platform

Connect systems

Platio

Connect people and things

IoT mobile/cloud platform
for better filed work efficiency

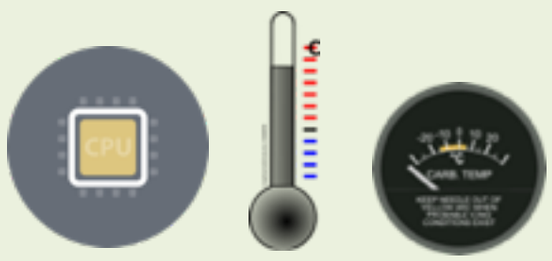
Gravity

(Code name)

Edge computing platform
for business automation

Connect systems and things

IoT



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What is "Platio" ?

Platio is a non-programming service that allows you to
develop, operate and distribute mobile applications to utilize IoT devices easily

Develop Apps quickly

Utilize Apps smoothly

IoT Future Lab.

ヒト、モノ、情報がつながるリアルな空間

IoT Devices Line-Up

Total area 530㎡, over 100 IoT device displayed

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Corporate

Topics for FY2016

Corporate

✳Announced mid-term plan (May 2016)

- For 3 years from FY2016 - FY2018

✳Completed the transition to IFRS (June 2016)

- Better comparability of financial statements

✳More than half of Directors to be Outside Directors (June 2016)

- 75% of Directors are Outside Director

✳Funding for M&A (August 2016)

- Maximum 3 billion yen (2 year term)

✳LGBT acceptance (October 2016)

- Awarded "Silver" by a private organization, work with Pride

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FY2017 Projections

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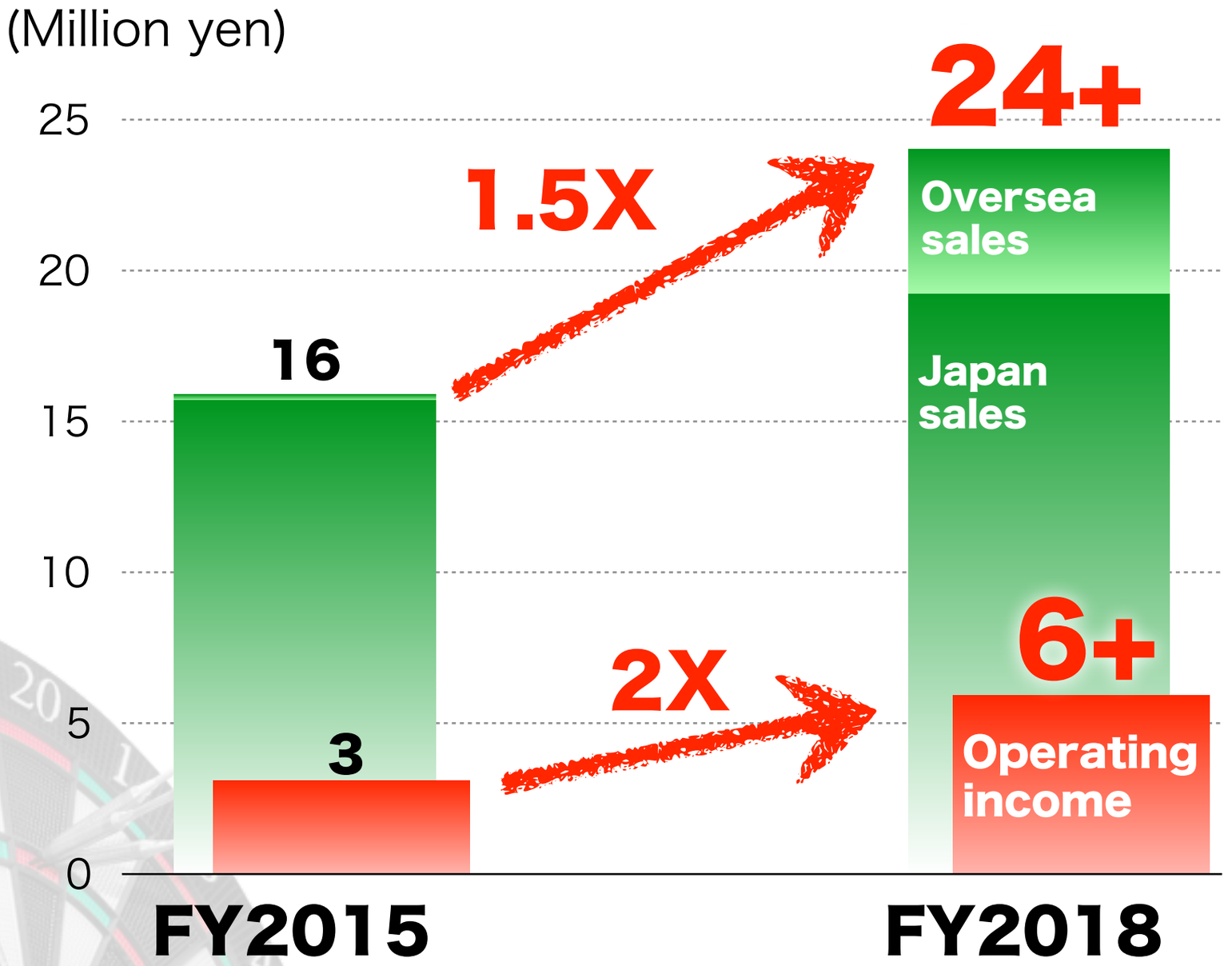
Mid-Term Plan

FY2016 - FY2018

Net Sales **2,400 million yen**

Operating income **600 million yen**

(Compared with FY2015)



"Triple Twenty"

- Overseas sales ratio 20%
- Recurring sales ratio 20%
- Operating income ratio 20%

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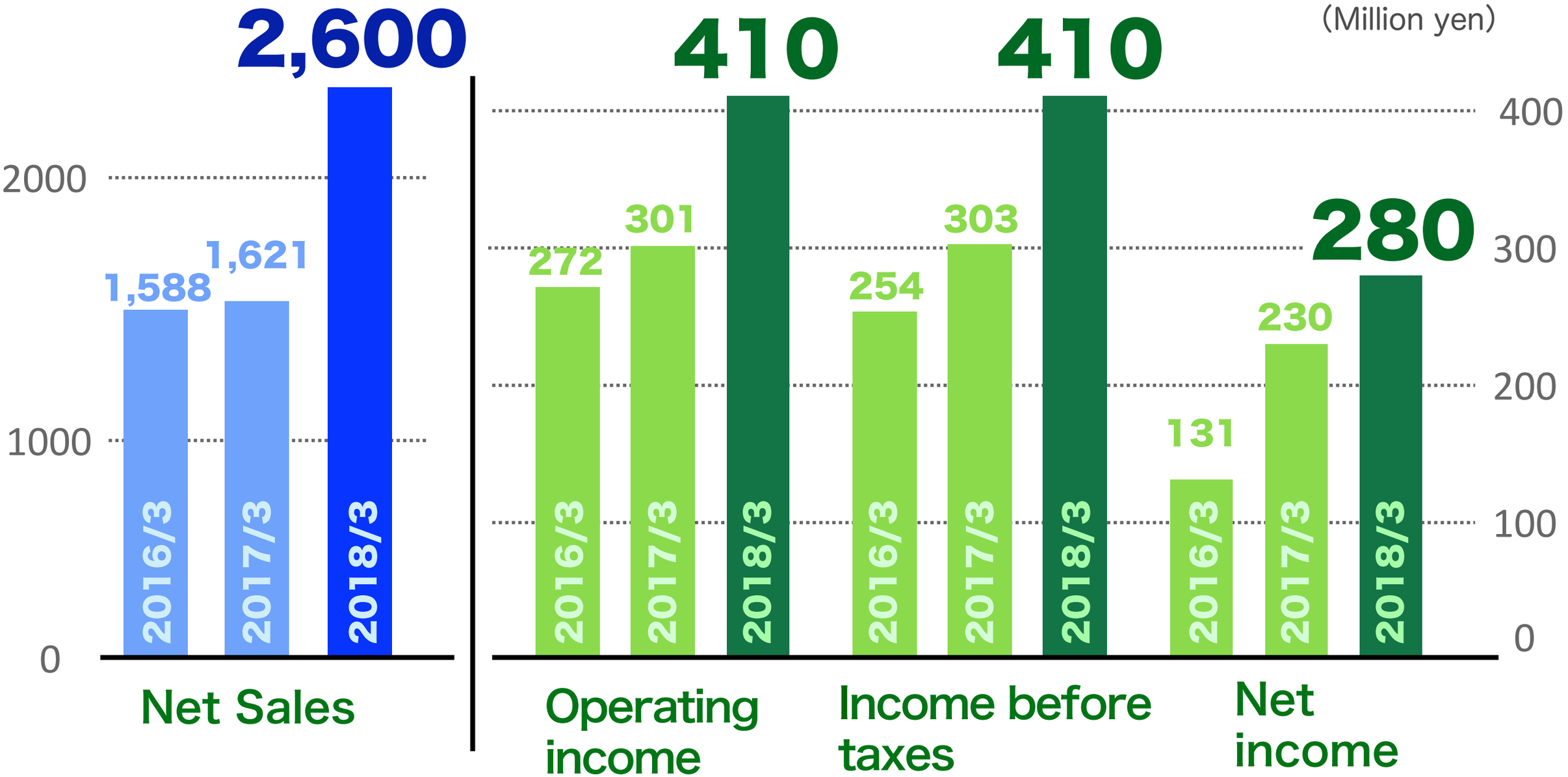
Projections FY2017

- ✓ Net Sales: **2,600** million yen (160% increase from FY2016)
- ✓ Operating income：**410** million yen (136% increase)
- ✓ Net income： **280** million yen (122% increase)



※IFRS basis

5 Indexes of Mid-Term Plan

	Mid-term plan FY2018	Projections FY2017	Probability of the projections
Net Sales	2,400 million yen	2,600 million yen	100%
Operating income	600 million yen	410 million yen	70%
Oversea sales ratio	20%	30%	100%
Recurring sales ratio	20%	Under review	Under review
Operating income ratio	20%	15.8%	80%

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Evolving "Connect"

asteria warp
Business Automation Platform

Connect systems

Connect people

Platio
Gravity
(Code name)

Connect things

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Connect the World with Software

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JPX
TOKYO STOCK EXCHANGE
3853

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Financial Result Briefing FY2016

The information used in this meeting and the presentation includes forward-looking statements. These descriptions are based on current assumptions of Infoteria and involves uncertainties. Please be informed that changes in market conditions and other factors could cause actual results to differ materially from those discussed in the forward-looking statements.

(Securities Identification Code : 3853)