

Financial Results for Q1

Fiscal Year Ending March 31, 2018

Infoteria Corporation

August 14, 2017



JPX
TOKYO STOCK EXCHANGE

3853

Corporate Profile

As of June 30, 2017

- ✓ Establishment **September, 1998**
- ✓ Business **“Tsunagu” software development and sales**
- ✓ Locations **9 offices globally after This Place acquisition**

England

London

China

Hangzhou
Shanghai
Hong Kong

Japan

Tokyo
Osaka

USA

Seattle
Cupertino

Singapore

Singapore

- ✓ Capital
- ✓ Employees
- ✓ Philosophy

1,892,040K JPY
110 (consolidated)
Challenge for Ideas
Global perspective
Chain of happiness



President and CEO
Yoichiro Hirano

Financial Results

Highlights

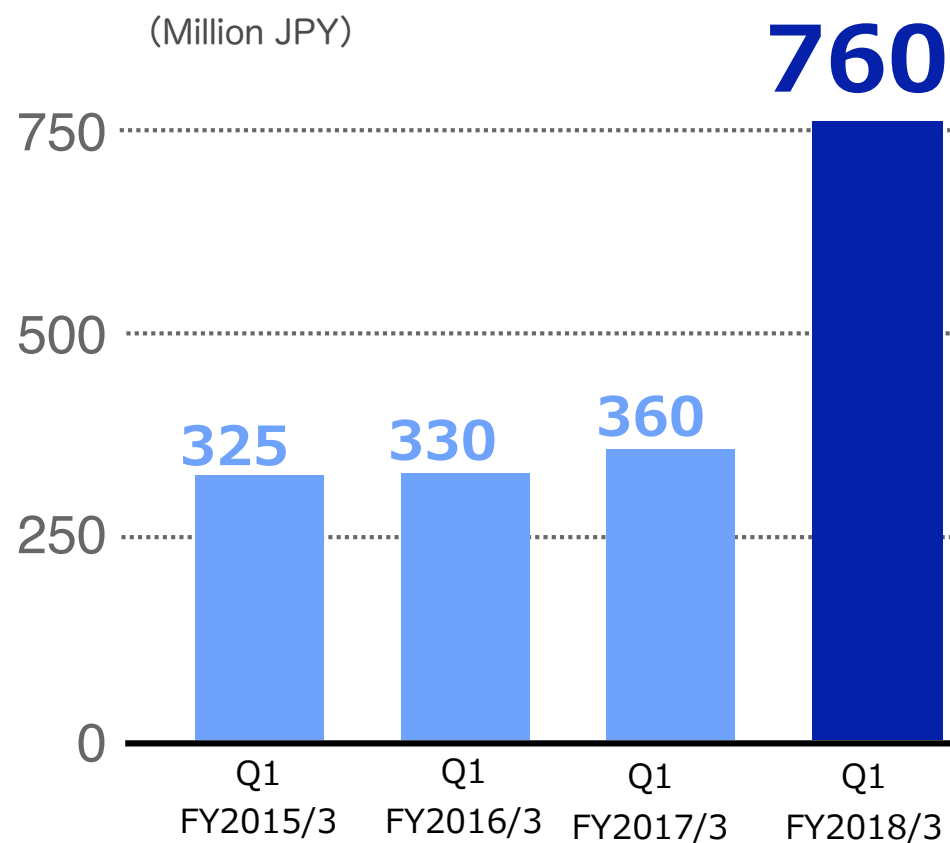
Q1 FY Ending 2018/3

(Prepared in accordance with IFRS)

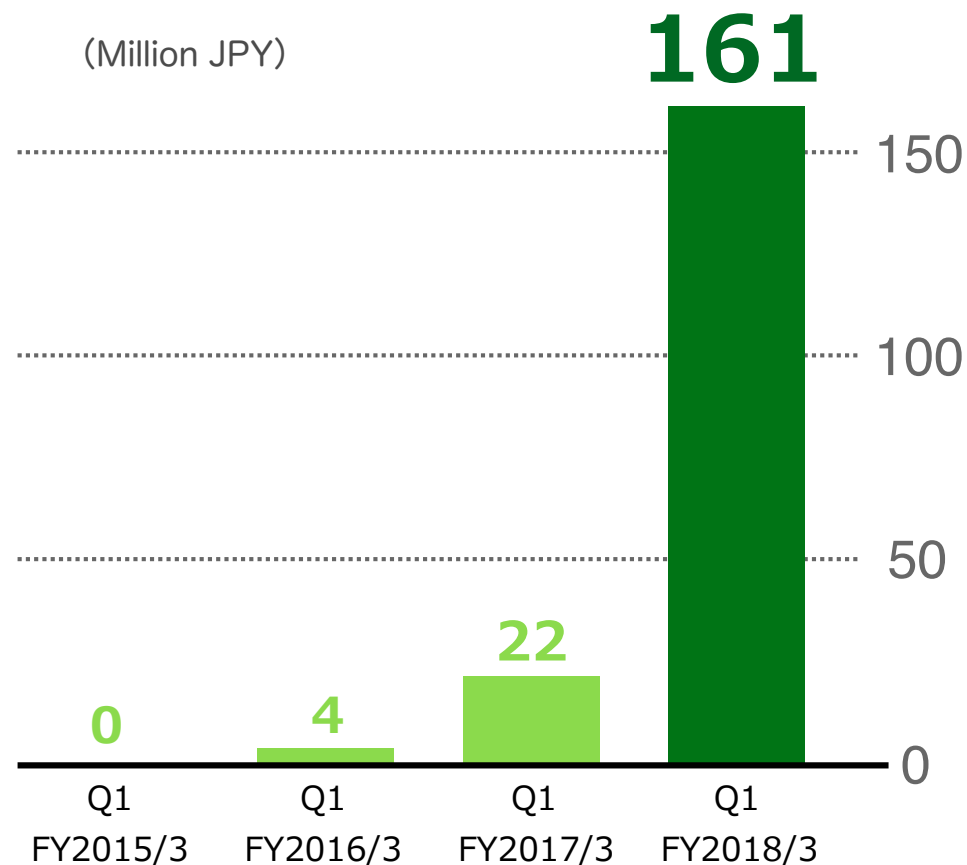
Significant Growth in Revenue and Profit

- ✓ Revenue : **111.2% up from Q1 FY17/3 (> 2x)**
- ✓ Operating profit : **633.4% up (> 7x)**
- ✓ Net profit : **507.0% up (> 6x)**

Revenue



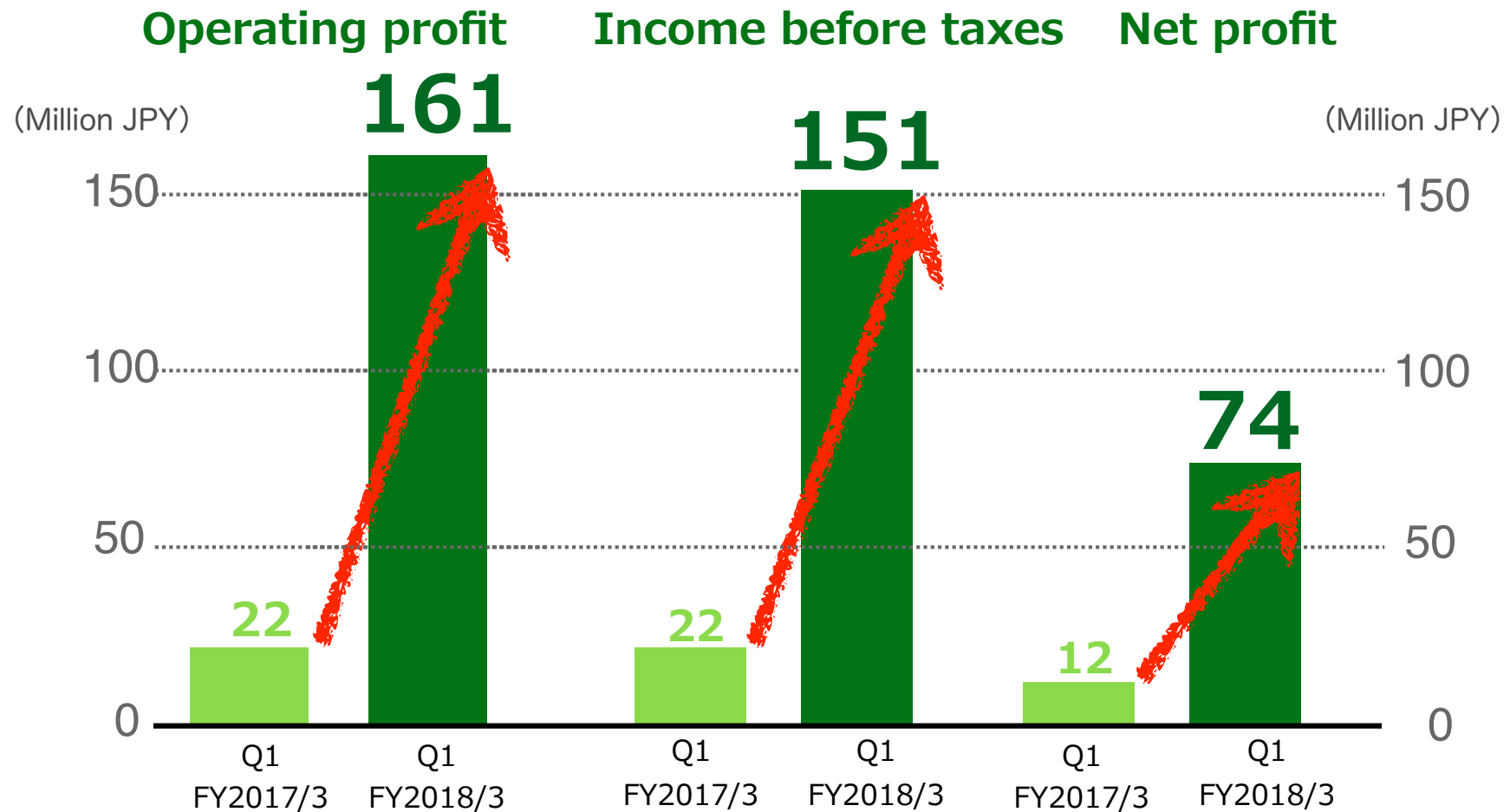
Operating profit



※IFRS basis

Significant Growth in Revenue and Profit

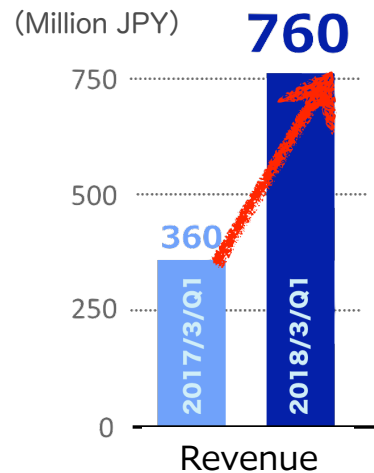
- ✓ Revenue : **111.2% up from Q1 FY17/3 (> 2x)**
- ✓ Operating profit : **633.4% up (> 7x)**
- ✓ Net profit : **507.0% up (> 6x)**



※ IFRS basis

Reason of Strong Performance

- ✓ Revenue : **Highest ever**
- ✓ Operating profit : **Highest ever**
- ✓ Net profit : **Highest ever**



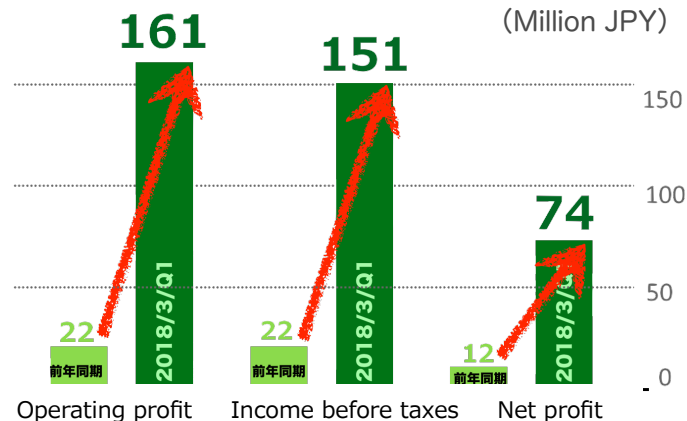
Revenue

“Design Service”, contribution is the most

- Additional sales from This Place merger

Strong growth of organic products

- ASTERIA: **18.0% up**, Handbook: **12.7% up**



Profit

Operating margin improved significantly in spite of This Place merger expense

6.1% → **21.2%** (compared with last FY)

Revenue by Product

- ASTERIA, Handbook sales increased double digits. Design service added to product portfolio.



ASTERIA

“Adapter development program” going well.
Market share No.1 for 11 years in a row.

- Revenue **347 million JPY** (**118.0%** up)
- Total **6,291** companies have used ASTERIA



Handbook

Communication carrier partners' sales have increased.
New orders from distribution and construction industries

- Revenue **65 million JPY** (**112.7%** up)
- Total **1,276** organizations have signed up



Other

Design service (by This Place, **Platio** (new product),
Gravio (new product), SnapCal,lino, ExtenXLS

- Revenue **348 million JPY** (7,893,000 JPY up)
- Design service contributed to the sales most.

Financial Details

Q1 FY Ending 2018/3

(Prepared in accordance with IFRS)

Profit and Loss



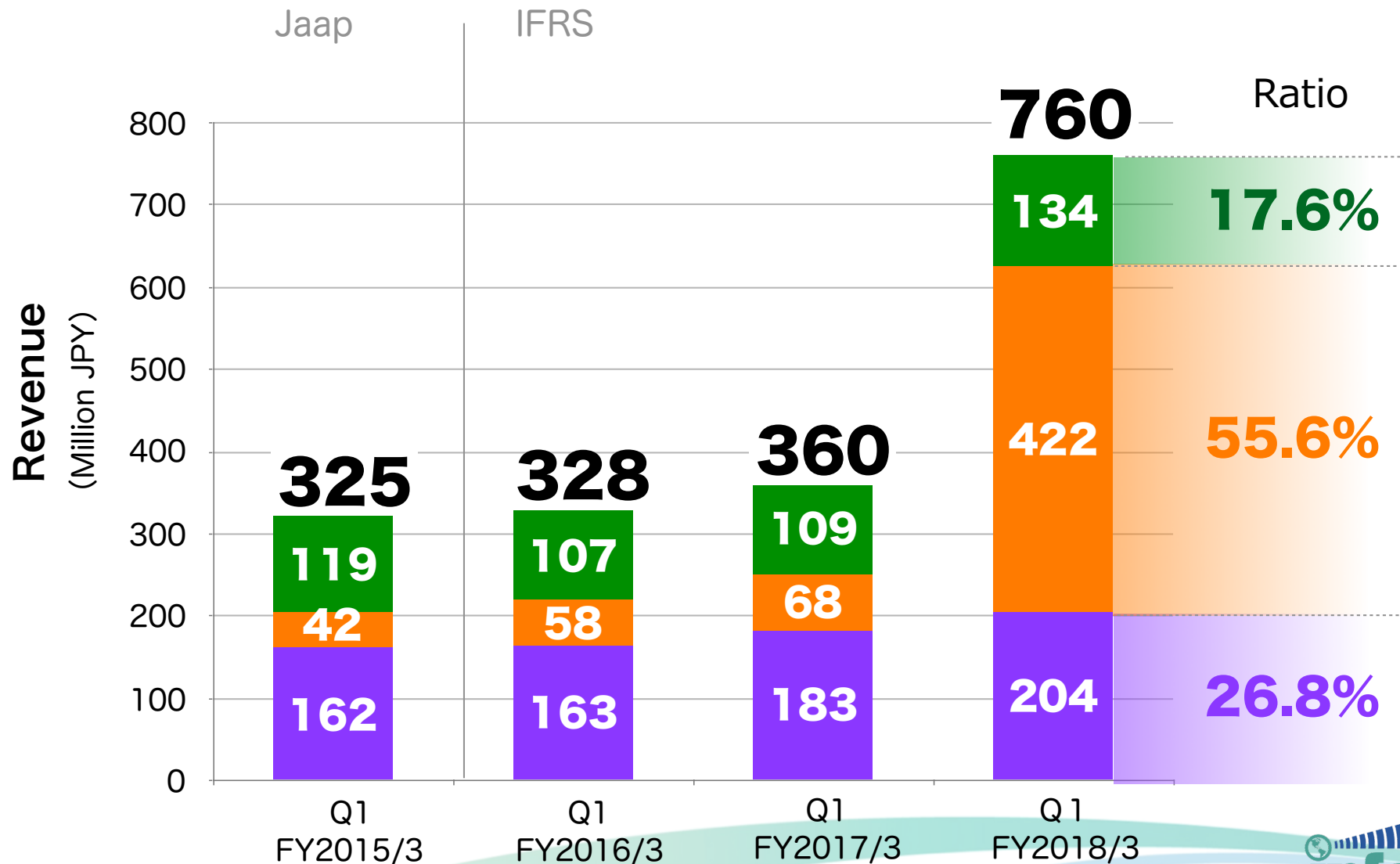
- ◆ Significant growth of Revenue, Gross profit and net profit compared with Q1 FY2017/3.

(Million JPY)

	Q1 FY2015/3 (Japanese GAAP)	Q1 FY2016/3 (IFRS)	Q1 FY2017/3 (IFRS)	Q1 FY2018 /3 (IFRS)	Compared with Q1 FY2017/3
Revenue	325	328	360	760	211.2%
Gross profit	268	266	295	596	201.9%
SG&A	269	263	273	429	156.9%
Operating profit	0	3	22	161	733.4%
Income before taxes	58	2	22	151	690.4%
Net profit	22	-8	12	74	607.0%

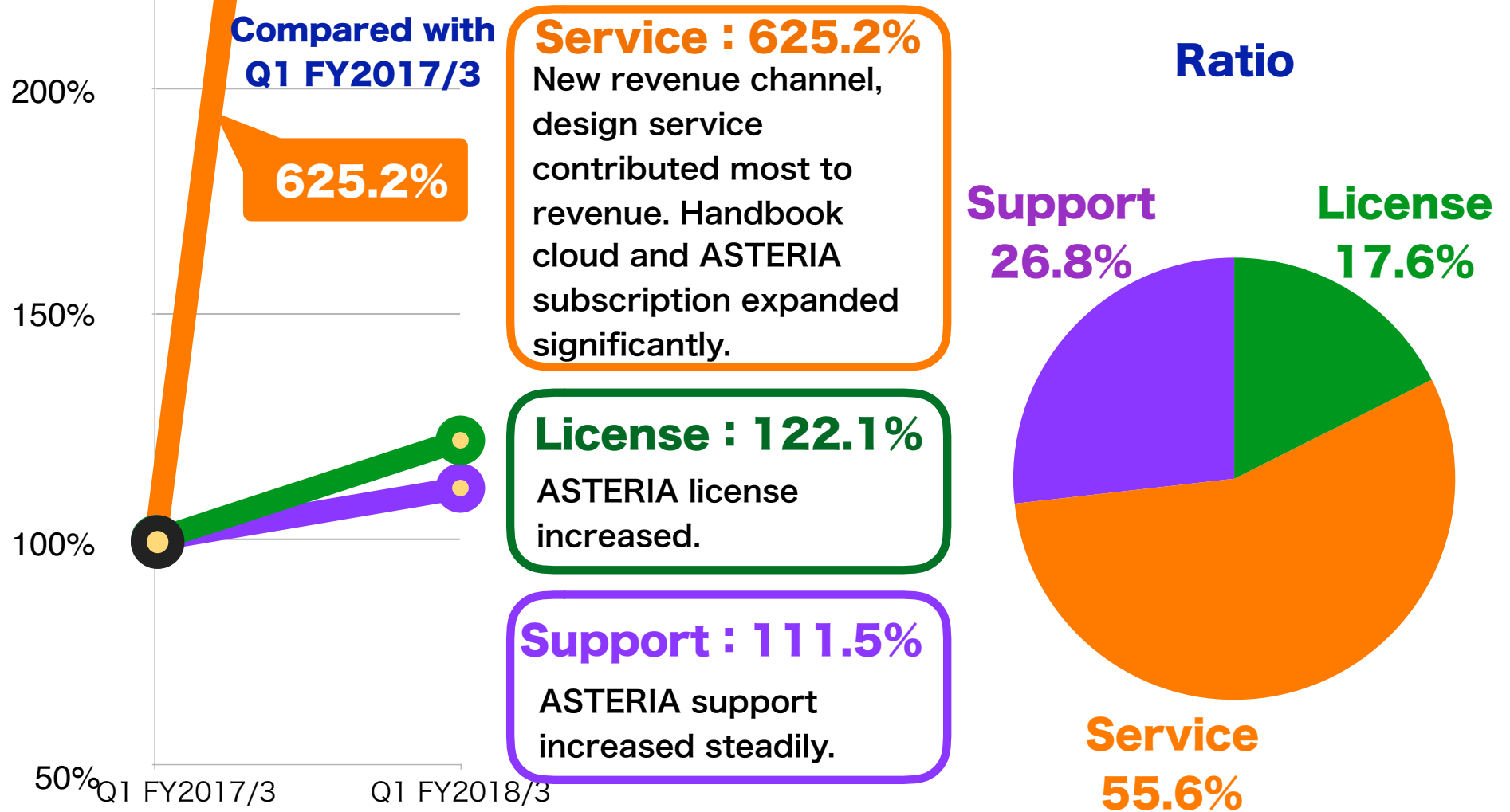
Revenue Details

- ◆ Service revenue grew up to more than 50% of total
- ◆ License revenue resulted less than 20% of total



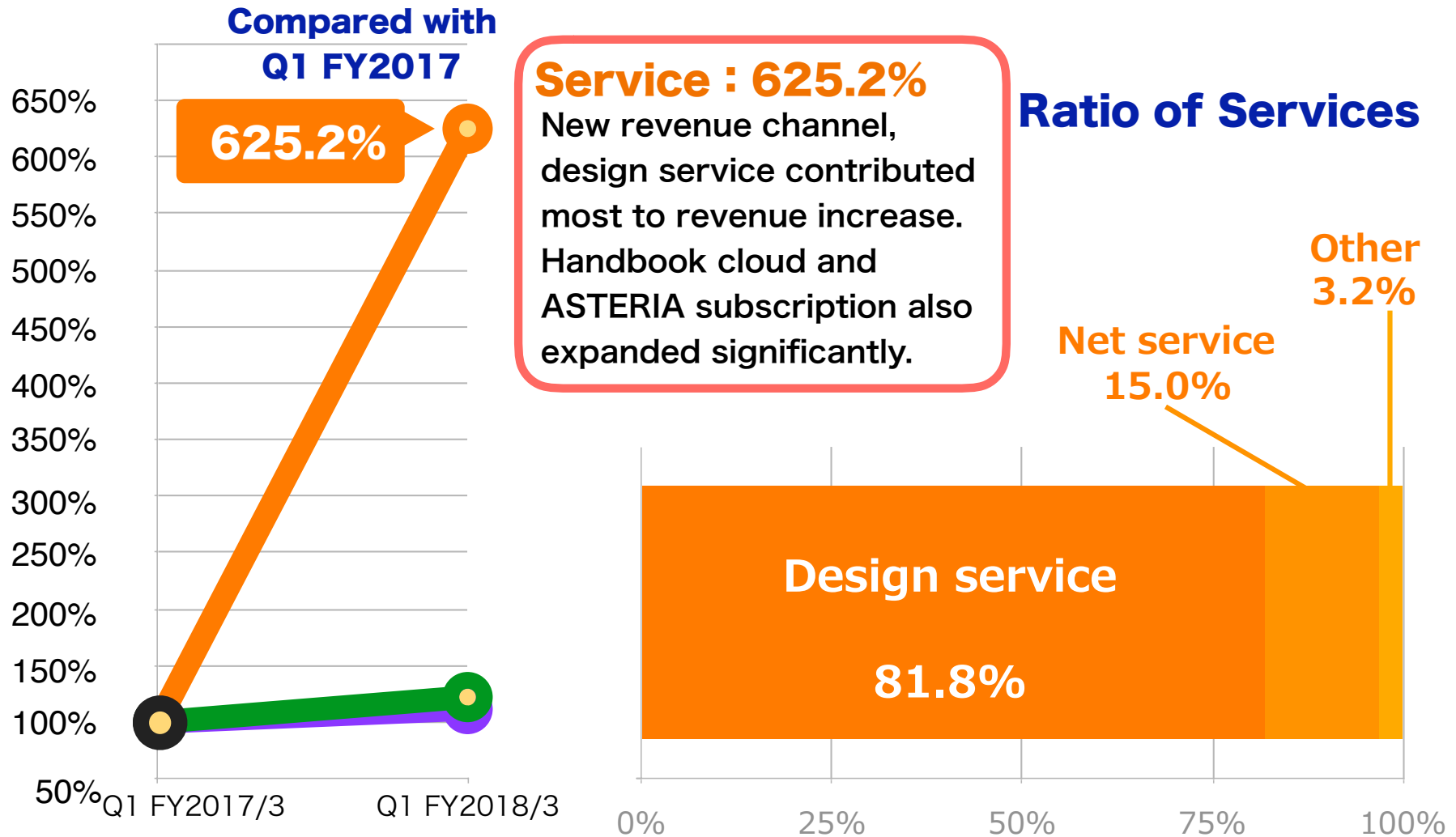
Update by Revenue Channel

- ◆ Service revenue grew significantly.
- ◆ License/ support revenue grew up double-digit ratios.



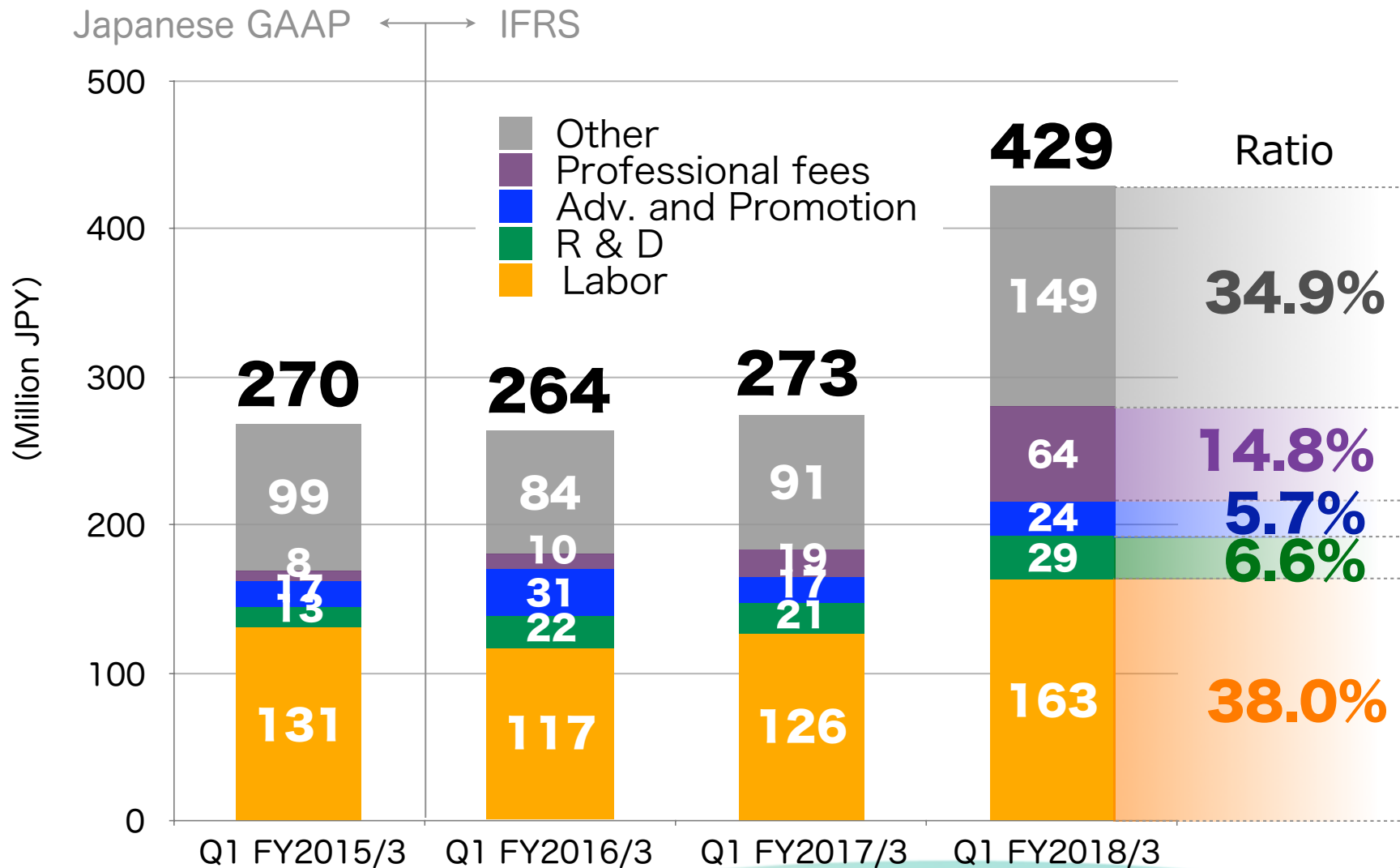
Update by Revenue Channel

- ◆ “Design service” is 80+% of total service revenue.
- ◆ “Other” consists of subscription service and educational service.



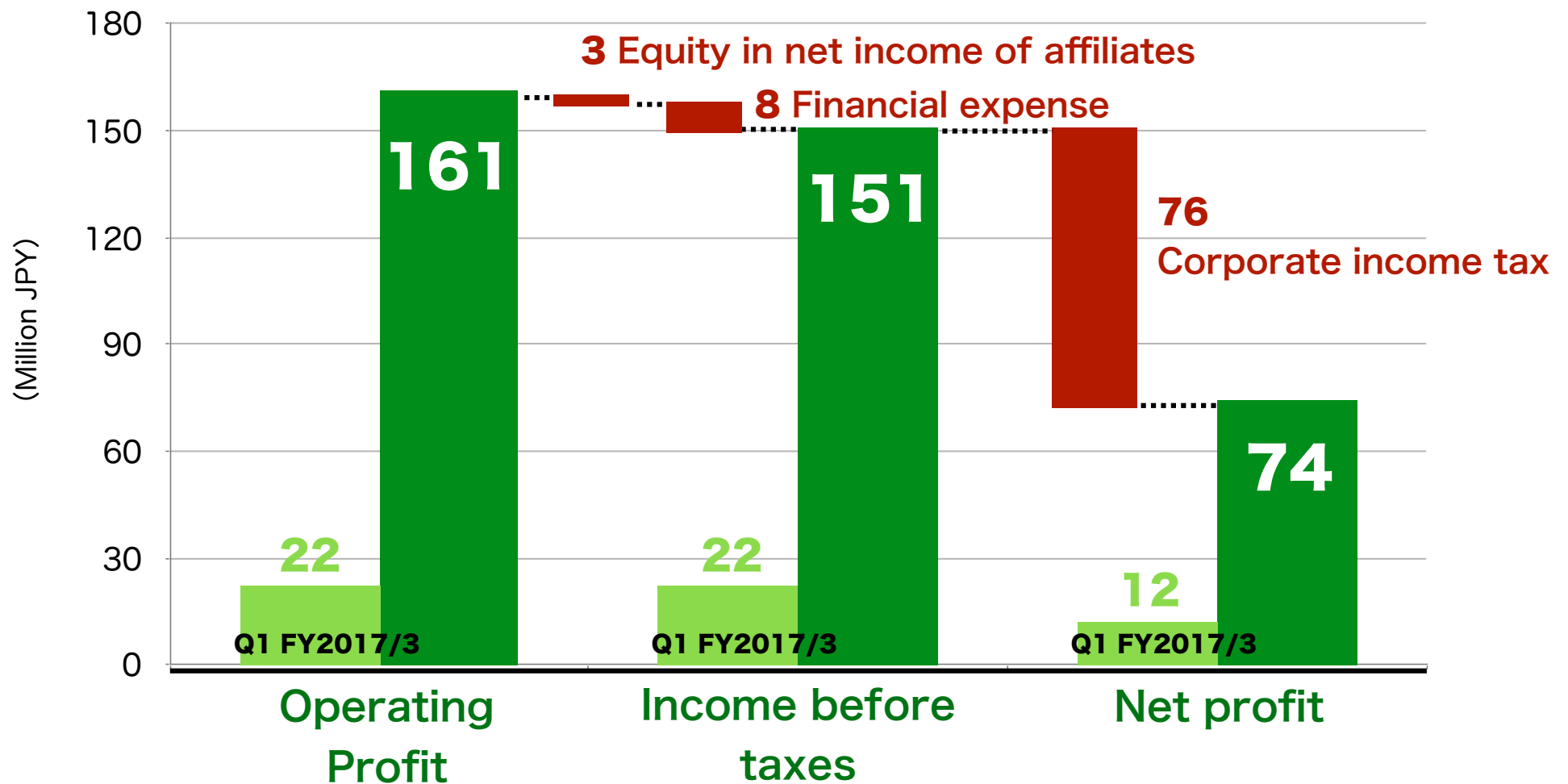
SG&A

- ◆ Labor cost increased due to the acquisition.
- ◆ One-time professional fees increased for This Place acquisition.



Operating Profit/ Income Before Taxes/ Net Profit

- Operating profit/ Income before taxes : **Highest ever, 150M+ JPY.**
- Net profit : **Highest ever, 70M+ JPY.**



※IFRS

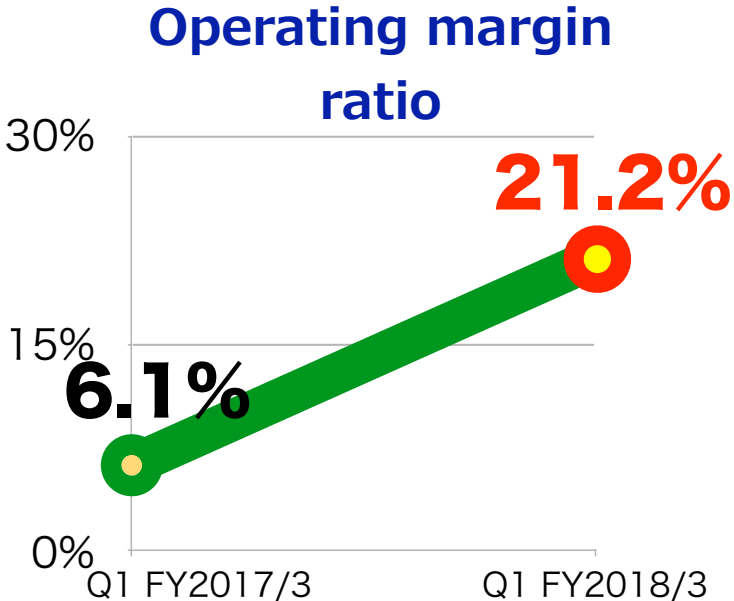
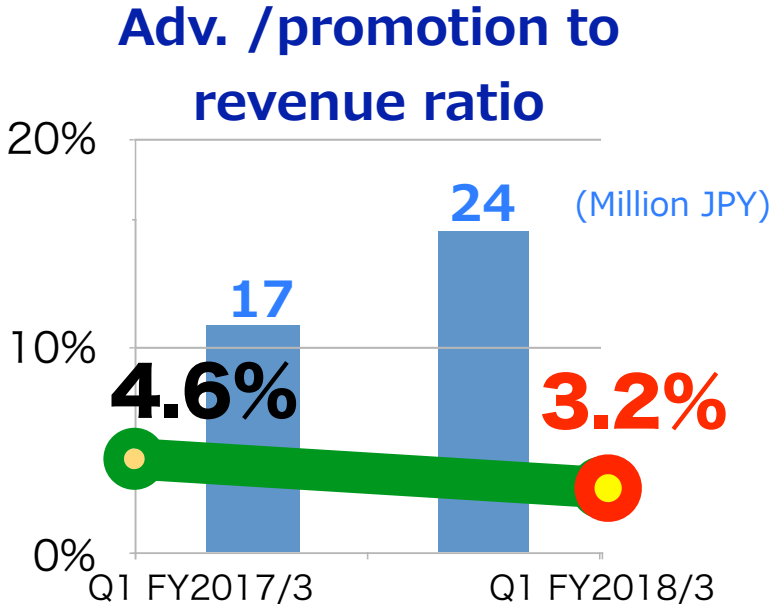
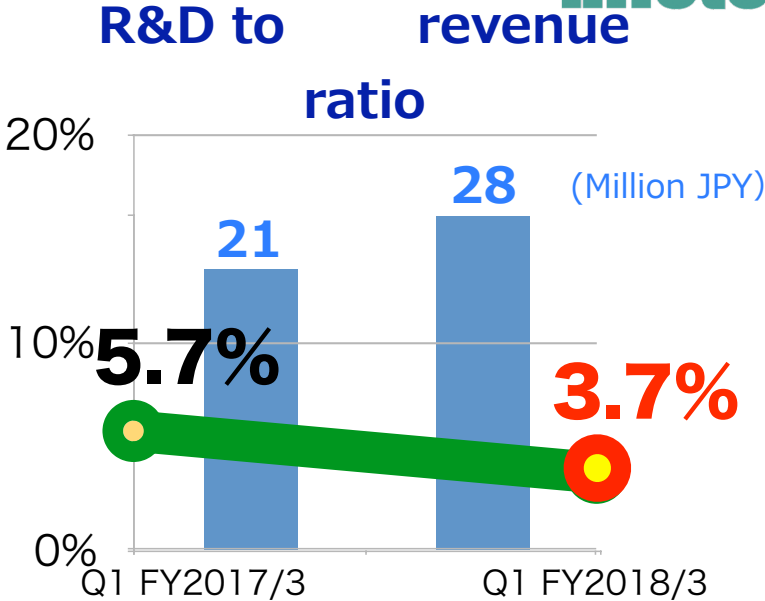
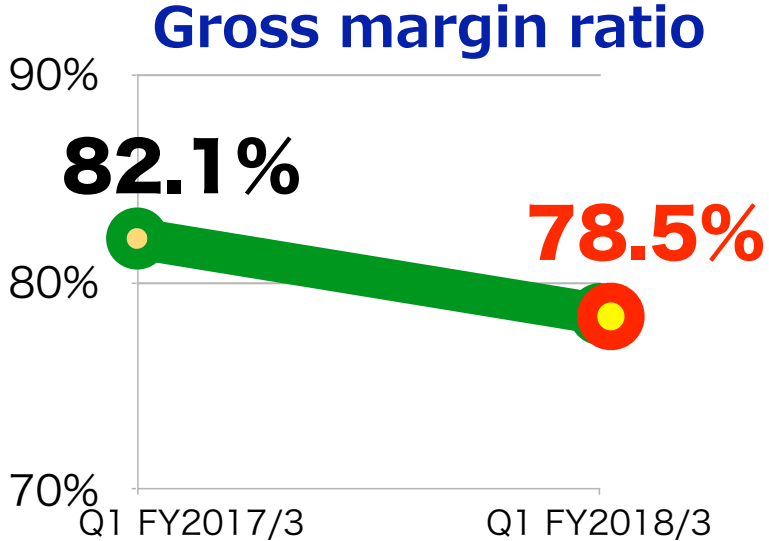
Q1 FY2018/3

First Quarter of FYE 2018/3

Financial Details Update



(Compared with Q1 FY2017/3)



Financial Position Statement

■ Total assets

3,601 → **6,470**

✓ Additional funds **1,500**

✓ "Goodwill" rose by acquisition **1,423**

(Million JPY)

■ Equity ratio

68.5%

→ Healthy financial position for active investments.

	IFRS (Million JPY)	March 31, 2017	June 30, 2017	Gain/ Loss
Assets	Cash and deposit	2,340	3,535	1,195
	Operating receivable	170	295	126
	Current assets	19	31	12
	Tangible fixed assets	65	115	50
	Goodwill	-	1,423	1,423
	Intangible fixed assets	128	124	-4
	Investments and other	879	945	67
	Total assets	3,601	6,470	2,869
Liabilities	Debts	167	150	-17
	Operating debts	86	239	153
	Accrued income taxes	31	170	139
	Other current liabilities	385	766	381
	Long-term debts	-	-	-
	Other non-current liabilities	59	712	654
	Total liabilities	727	2,037	1,310
Equity	Shareholder's equity	2,889	4,380	1,491
	Other items of owner's equity	-15	53	68
	Total equity	2,874	4,433	1,559

(Million JPY)

Cash Flow Statement

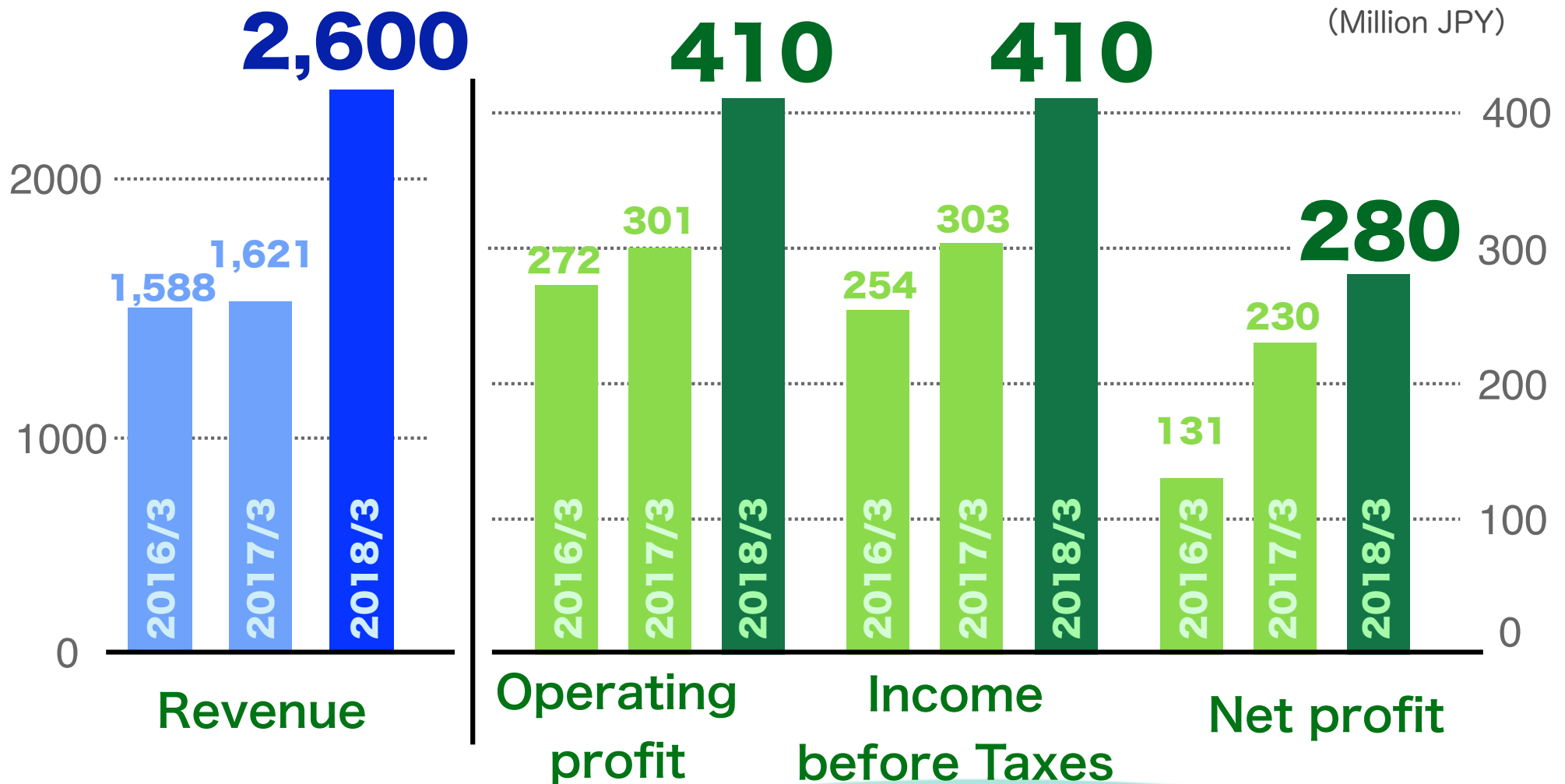
- Cash flow increased significantly by financing activities specifically exercising stock warrants.

(Million JPY)	Q1 FY2017/3 (IFRS)	Q1 FY2018/3 (IFRS)
Cash flow by Operating activities	214	554
Cash flow by Investing activities	-154	-10
Cash flow by financing activities	-62	1,228
Cash and cash equivalent at the end of quarter	1,827	3,535

Projections

FY2018/3

- ✓ Q1 performance exceeded expectations
- ✓ No revision for FY2018/3 projections



※IFRS



Financial Results for Q1 Fiscal Year Ending March 31, 2018

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)

