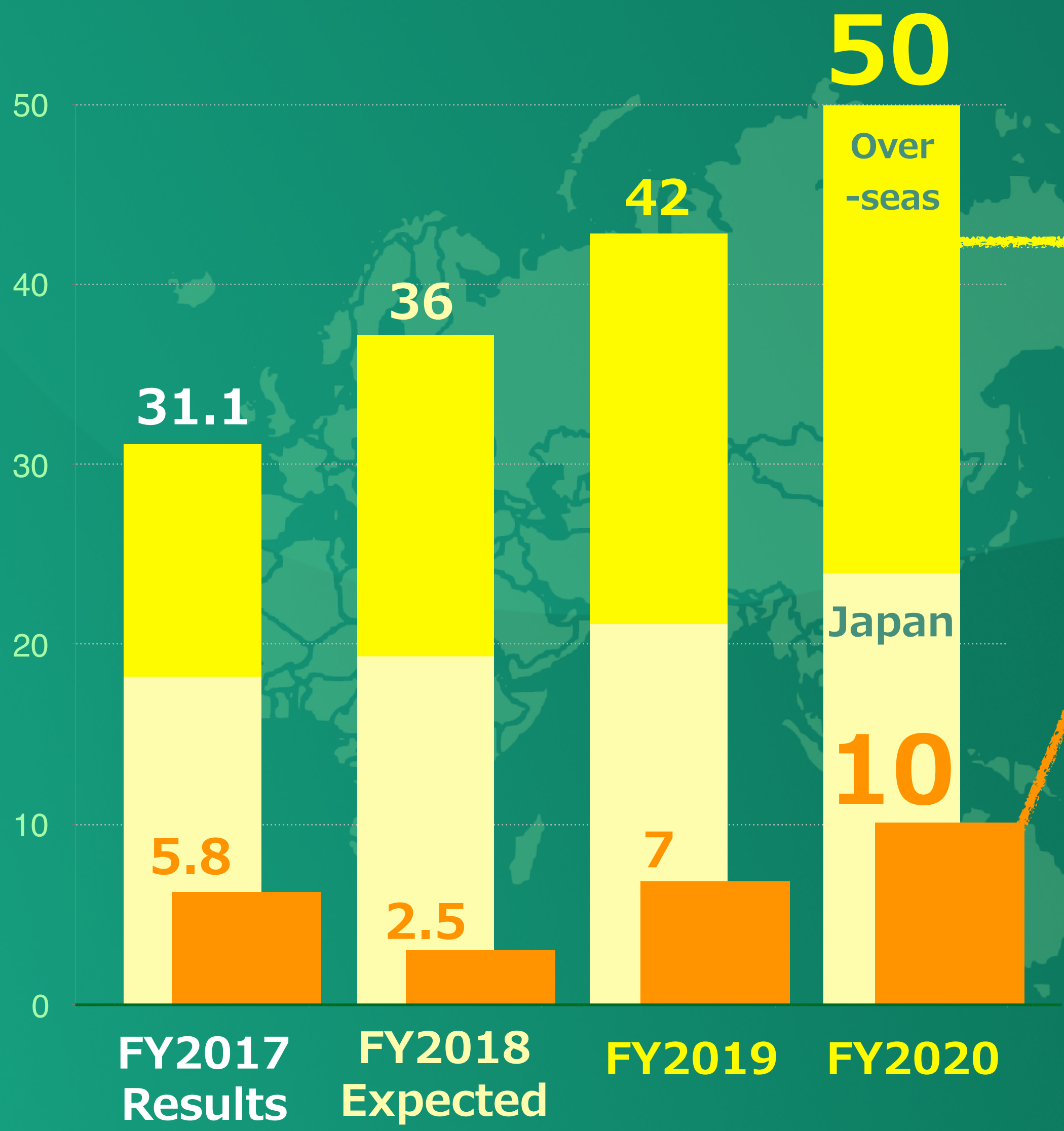


Asteria[✦] | The next [→]20 years

Mid-term Business Plan [→]2020

The “Connection” to the future

Mid-term Business Plan 2020



Sales revenue: 5B JPY

Operating profits: 1B JPY

Overseas sales ratio: 50%

Operating profits ratio: 20%

- * IFRS (International Financial Reporting Standards)
- * Does not include company acquisitions
- * Does include technology acquisitions and JVs

Asteria[✦] | Mid-term Business Plan 2020

Our world is rapidly changing and companies must be able to compete on a global scale

No Investment, No Growth

No Investment, No Growth

Aggressive M&A Strategy

Currently: Able to invest up to a 5B JPY level

Our goal is a

JPY 20B

level

(Cash in hand × Financing × Corporate value)

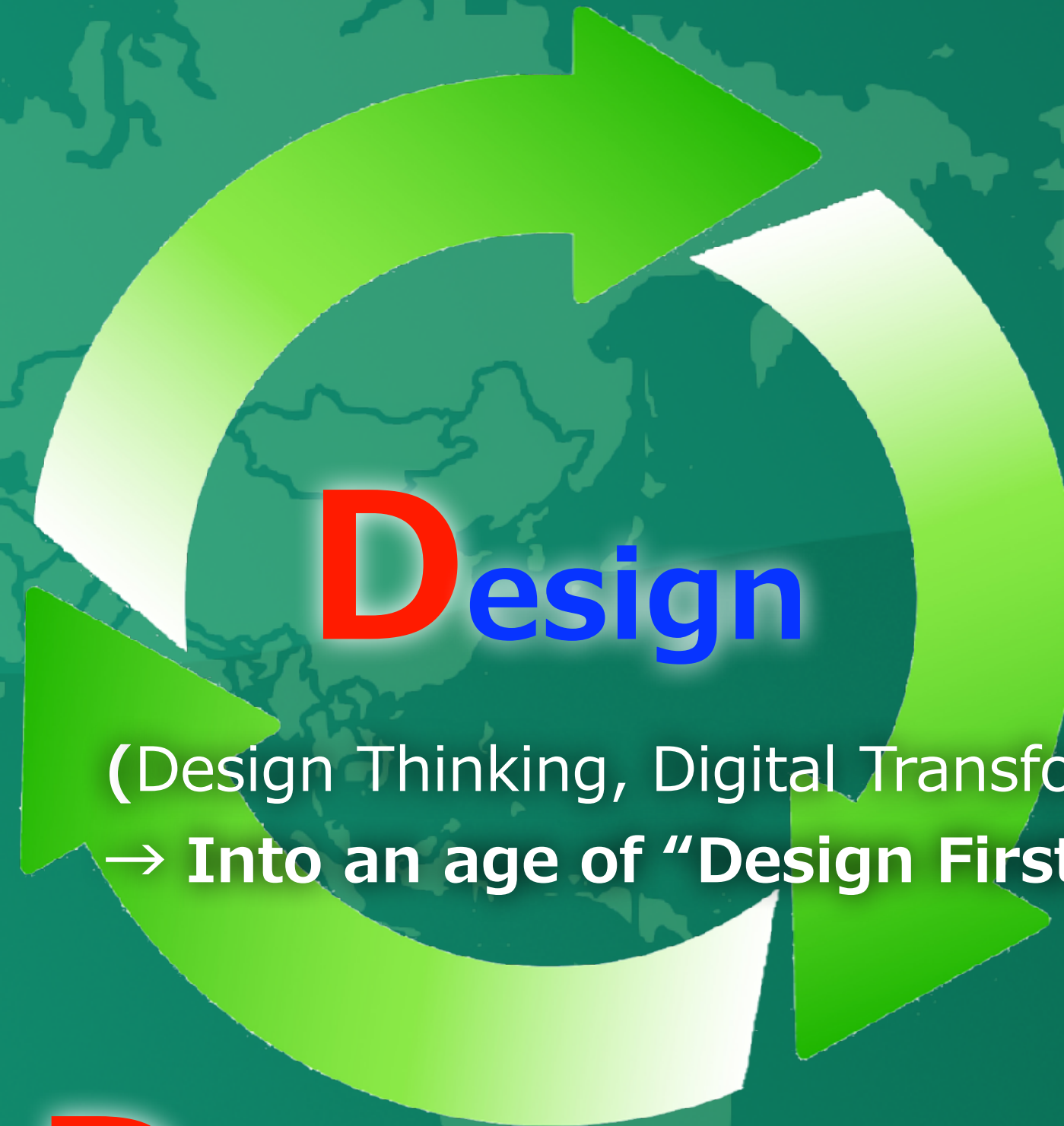


Our M&A targets for focused investment span the globe



The 4Ds

Data
(AI, Big data etc.)
→ “Data” will be only corporate IT asset.



Device
(IoT, Smart devices etc.)
→ “Devices” as essential components in infrastructure

(Design Thinking, Digital Transformation etc.)
→ Into an age of “Design First”

Decentralized
(Blockchain, DApps etc.)
→ An age of distributed but connected individuals

A new R&D structure

Superiority through product & technology foresight

Design



Data

AI/ML Applications Lab

Device

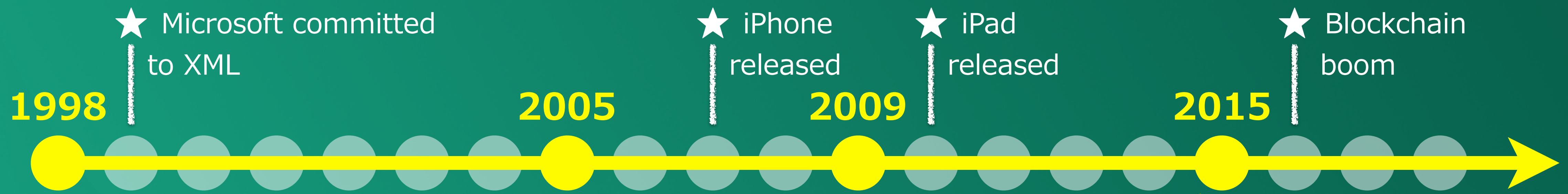
Connected Device Applications Lab

Decentralized

Blockchain Applications Lab

New teams

Asteria's foresight



★ Blockchain

✓ Asteria was the first listed company in Japan that committed to Blockchain (2015)

★ Mobile (smartphones, tablets)

- ✓ Instead of electing to use an "i-mode" in mobile products, our development envisioned PCs fitting into a pocket (2005)
- ✓ Asteria released Handbook as a smart device that can be used in the workplace (2009)

★ XML

✓ Before Microsoft and other companies in Japan, Asteria committed to and focused on XML (1998)

The AI/ML market and its growth

Our strategies

2 steps to employing AI/ML

Data

Preparation:

Data collection & learning

Execution:

Recognition & inference

Cloud processing is primarily used in both steps

However, **2 issues** with executing cloud processing:

- **Reduced speed of the entire processing system due to the communication network**
- **Privacy/data protection (security)**

Focus on edge processing in addition to developing **ASTERIA for easier connection**

3000

Expected user expenditures in the AI/Cognitive market

Japan

(100M JPY)

2000

1000

0

2017

2021

Source: IDC Japan 11/2017

The AI/ML market and its growth

Our strategies

2 steps to employing AI/ML

Data

Preparation:
Data collection & learning

Execution:
Recognition & inference

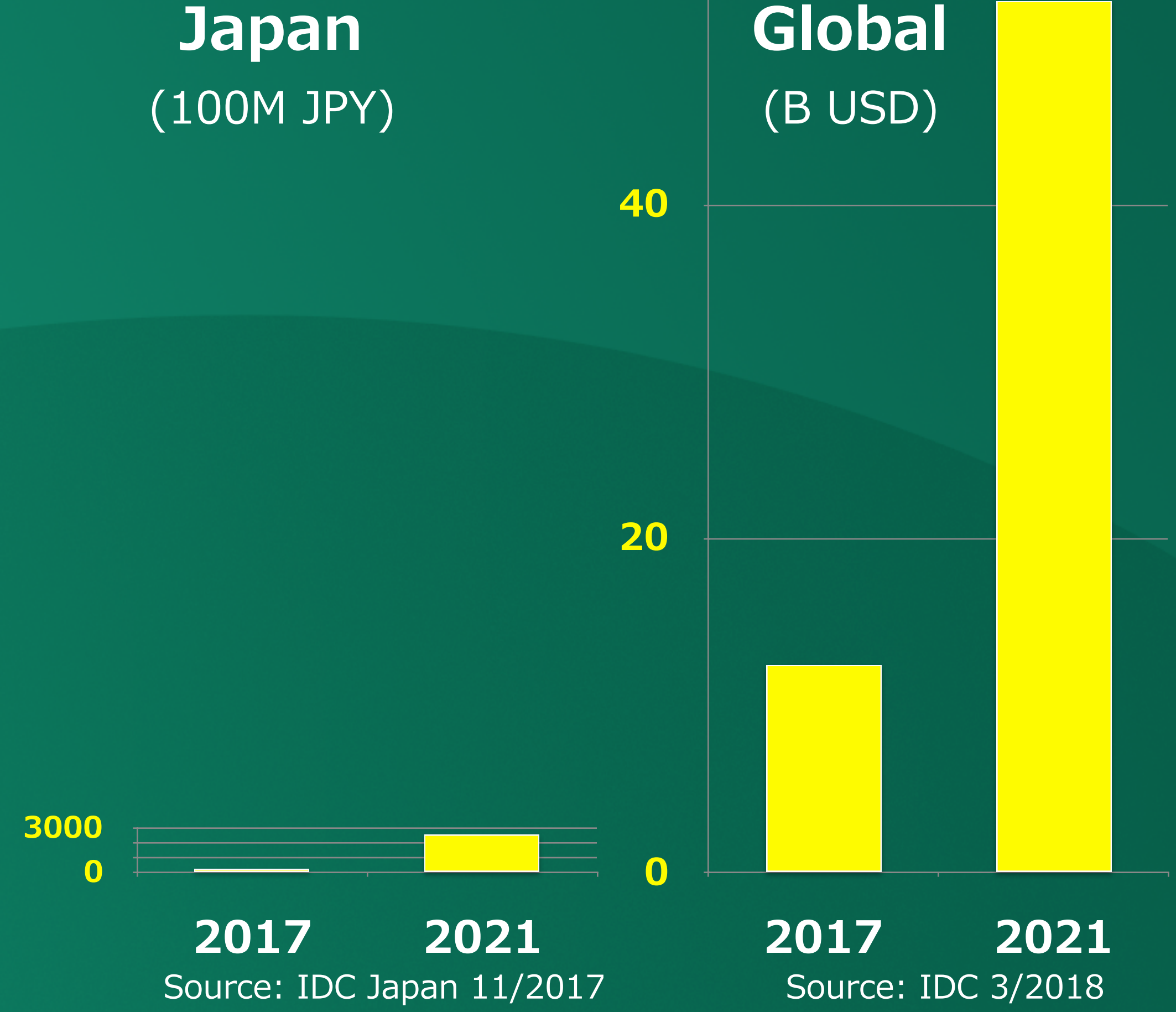
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Expected user expenditures in the AI/Cognitive market



The IoT market and its growth

Our strategies

Device

Currently, the IoT has been used in specific areas such as Factories, Outside.

Asteria will target **broader areas** with larger market shares

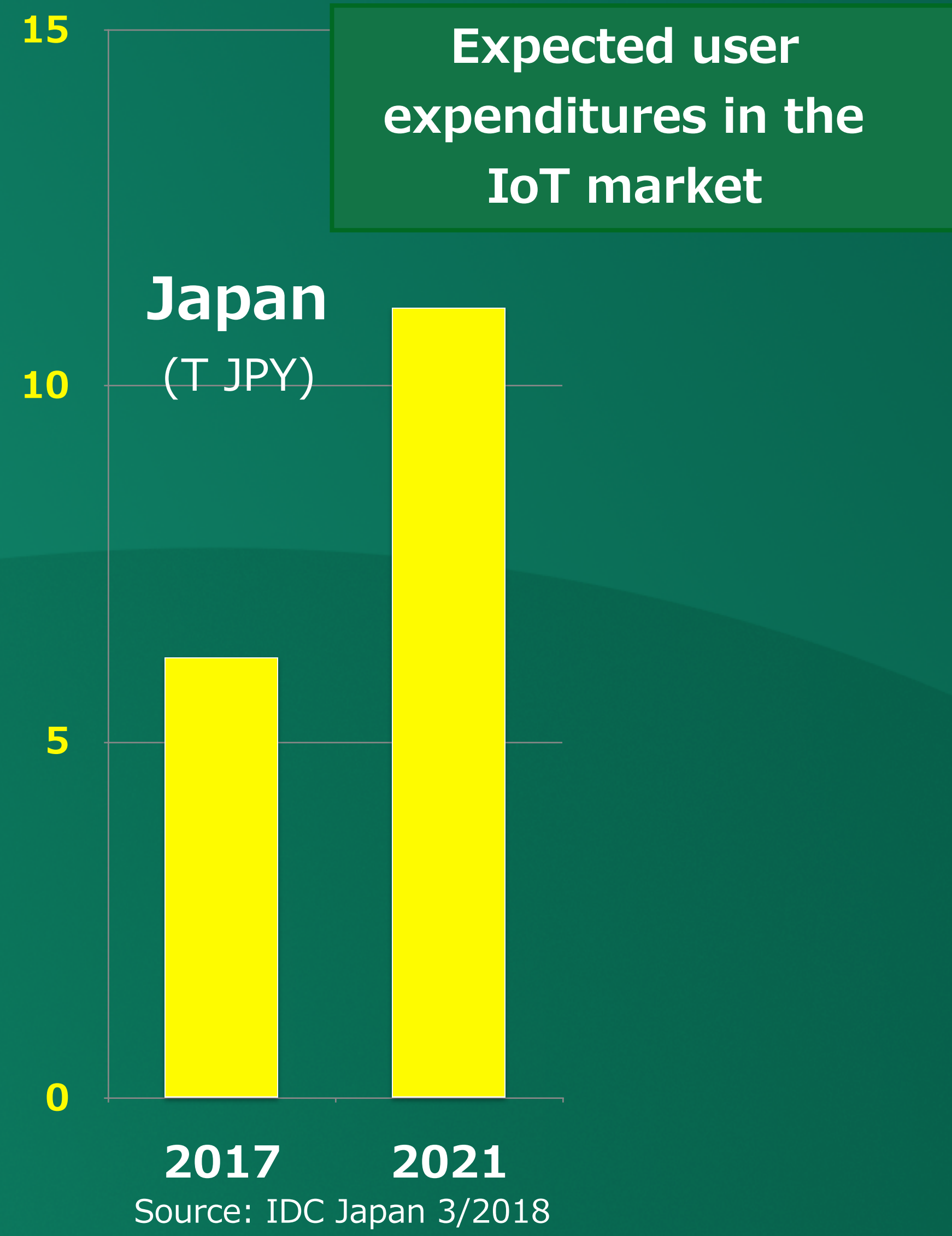
- Office IoT
- Retail IoT
- School IoT

With the spread of

General IoT Devices (sensors, actuators)

General Device Hubs (controllers, security)

“Software-driven integration”



The IoT market and its growth

Our strategies

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- Office IoT
- Retail IoT
- School IoT

With the spread of

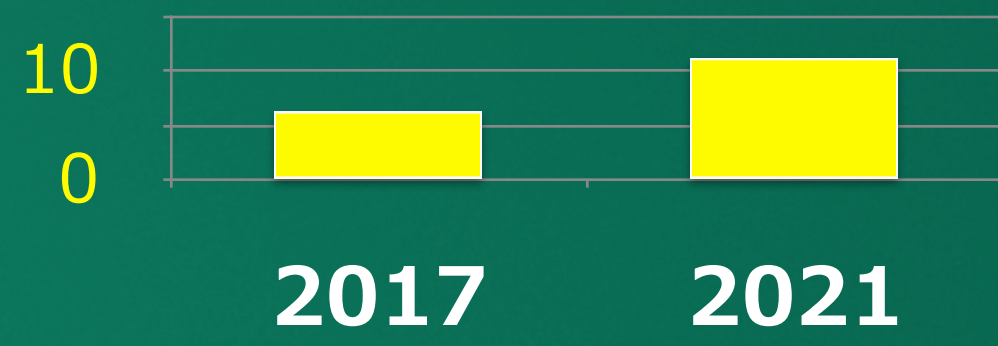
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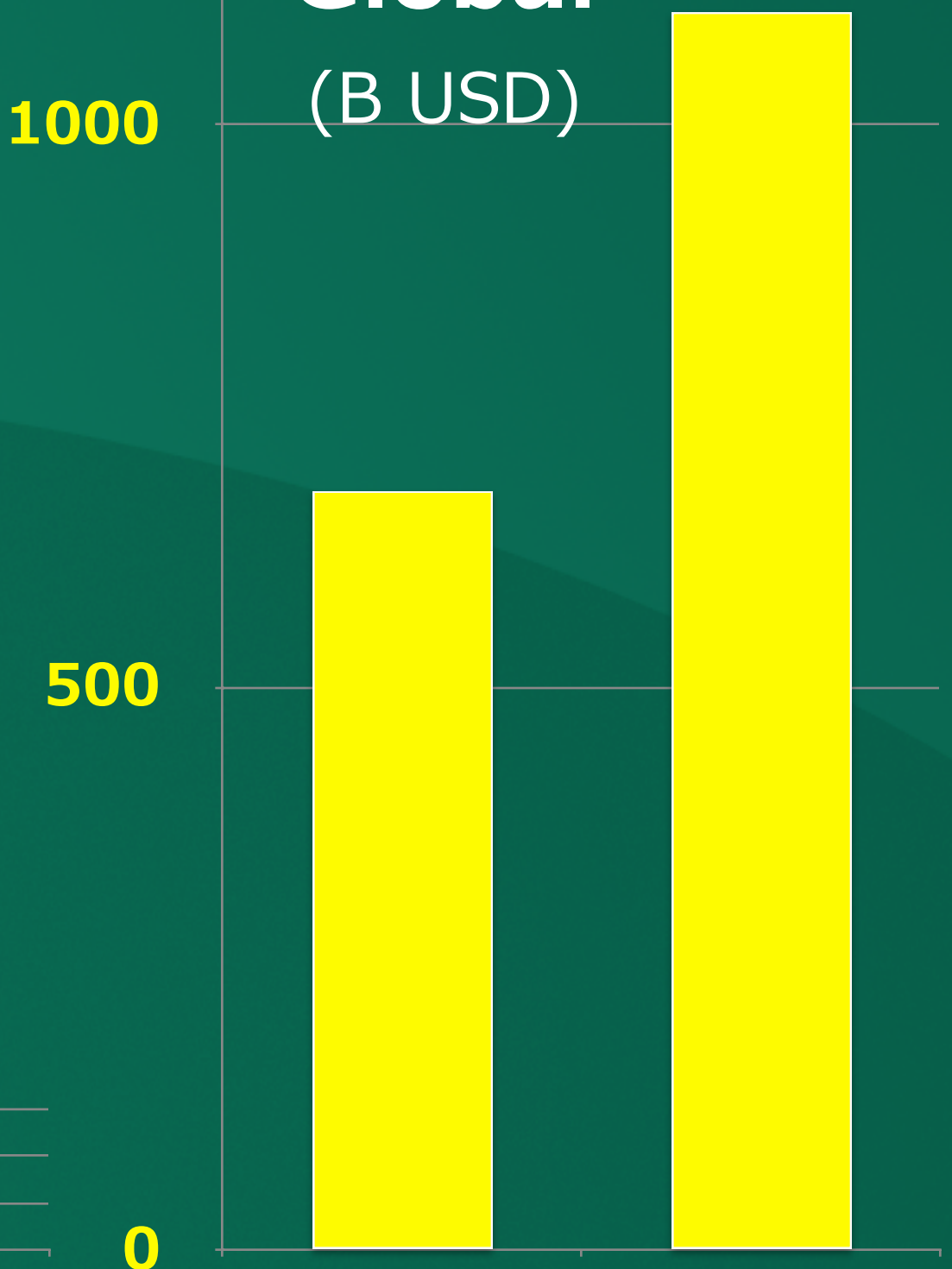
Expected user expenditures in the IoT market

Japan
(T JPY)



Source: IDC Japan 3/2018

Global
(B USD)



Source: IDC 12/2017

Asteria ✨ | The Blockchain market and its growth

Our strategies

D ecentralized

Until now, Blockchain has been mainly focused on specific areas such as Cryptocurrency and FinTech

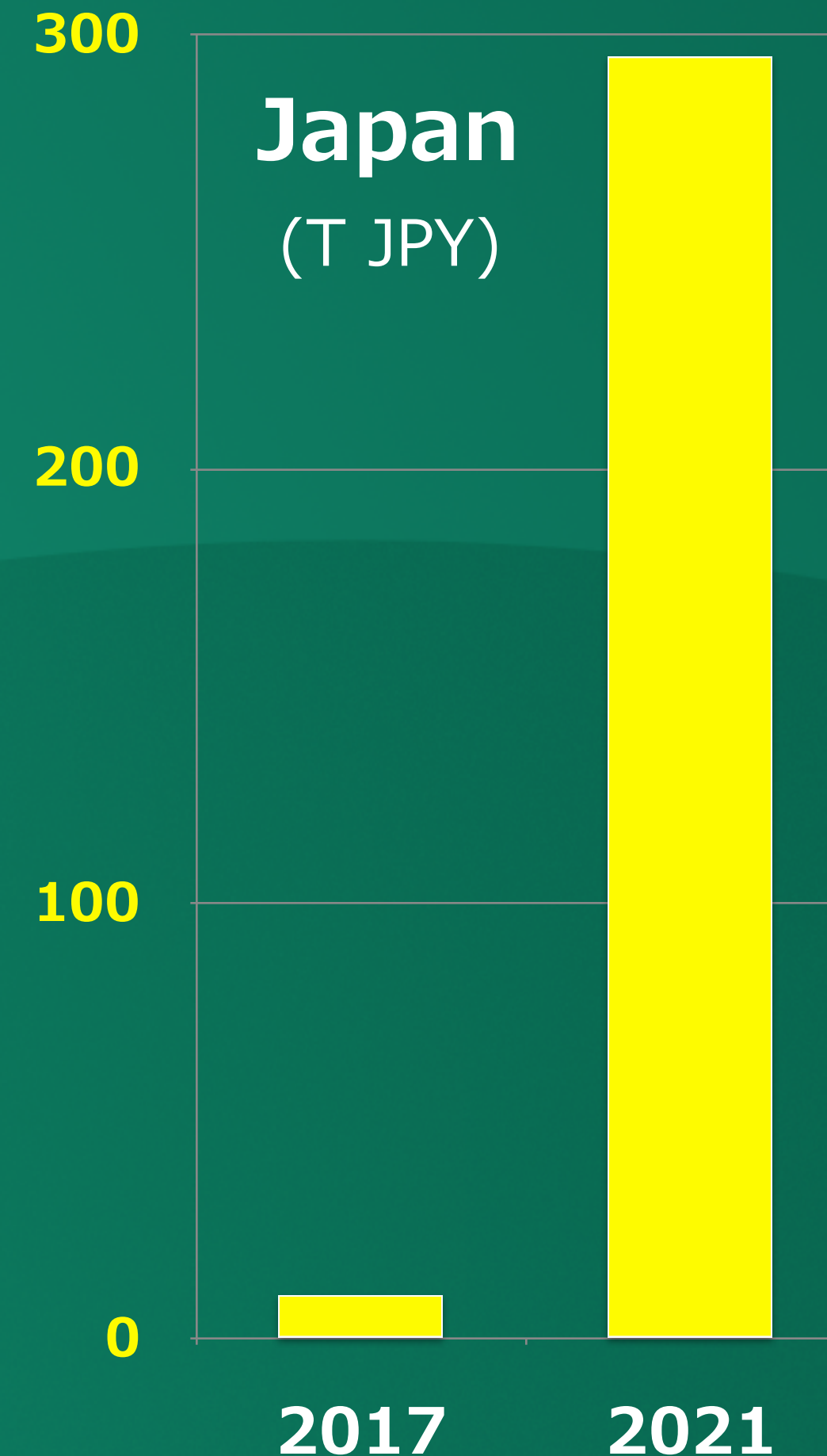
Asteria endeavors to **broaden its use across a range of industries**

- ★ For deployment in existing systems
- ★ Provide Blockchain-based services
- ★ Deployment via incorporation in IoT environments and devices

Mid-to-long term

- ★ Non-programming Smart contracts
- ★ Value linkage in the Token Economy

Expected user expenditures in Blockchain-related markets



Source: IDC Japan 6/2017

The Blockchain market and its growth

Our strategies

Decentralized

Until now, Blockchain has been mainly focused on specific areas such as Cryptocurrency and FinTech

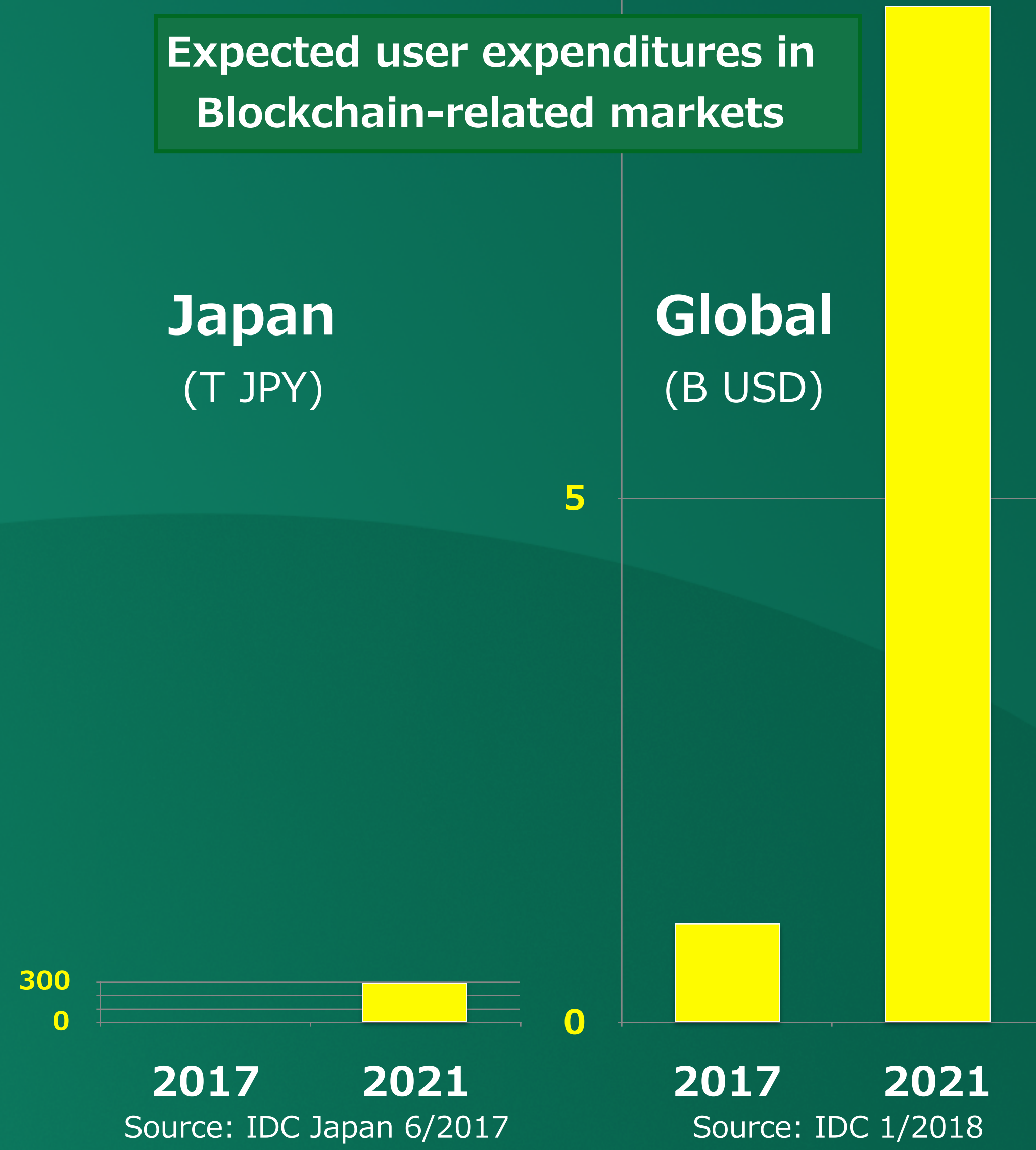
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Mid-to-long term

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- ★ Value linkage in the Token Economy

Expected user expenditures in Blockchain-related markets





★ Ecosystem expansion

- ✓ Extensive expansion in connectivity
- ✓ Master Partners: Major SI companies
- ✓ Subscription Partners: Cloud Integrator, ISV

★ Market expansion

- ✓ Major expansion in market for “Core”
(a monthly payment product)
- ✓ Establish new offices in Chubu and Kyushu

Priorities for Handbook



Handbook[®]

★ Focus on growth areas

- ✓ Lead the SalesTech market
- ✓ Promote “innovative working environments”
- ✓ New areas: anti modification, video distribution, etc.

★ Strengthen channels

- ✓ NTT docomo (the “Business Plus” service)
- ✓ SMB (small-to-mid-sized business resellers, etc.)

Asteria ✨ | Priorities for design services

★ Acquire new large clients

- ✓ North America, London

THIS

★ Expand target regions

- ✓ North America (besides Seattle), Japan

PLACE

★ Collaborative projects

- ✓ To realize the “Design First” concept
(Beginning with Gravio)

Recruit superior talent to support business



★ **Output-oriented**

- ✓ Provide a flexible work environment
- ✓ "I want to" not "I have to"



★ **Globally Competitive**

- ✓ Internationally competitive wages
- ✓ Internationally competitive corporate culture

120 → 180 employees

Quality > Quantity



★ **Promote diversity**

- ✓ No gender/sexual orientation discrimination
- ✓ Aggressively recruit talent regardless of citizenship



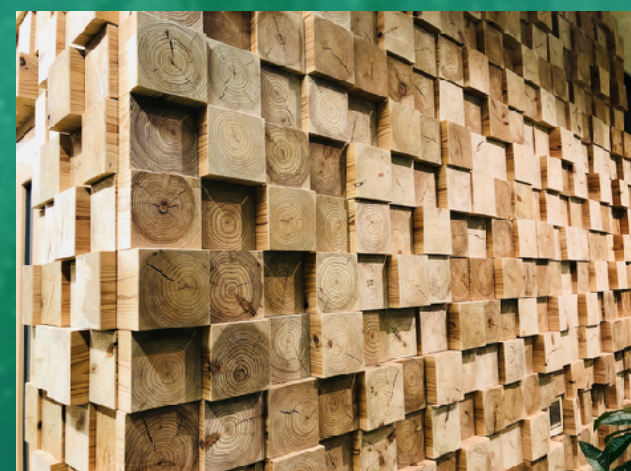
★ **New ways of recruiting**

- ✓ Via social media, SNS
- ✓ Intern programs

ESG Management

(Environment, Society, Governance)

Environment



★ Oguni-town, Aso, Kumamoto Ongoing

- ✓ Asteria forest (promoting protection of the cedar forest)
- ✓ Use of cedar wood (office & novelty products)
- ✓ Disaster support measures (Handbook)

★ Senboku-city, Akita Ongoing

- ✓ Protection of “Senbonzakura (thousand cherry trees)”
- ✓ Travel guide for foreigners (Handbook)

★ Participation in SDGs NEW!

- ✓ From the second year of the Mid-term Business Plan



Society



★ Diversity/LGBT employment support Ongoing

- ✓ Received “Work with Pride” award (maintain institutional development measures and provide seminars)
- ✓ Japanese language learning & housing support to foreign employees

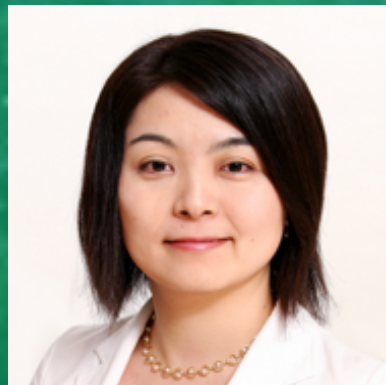
★ Support for NPO activities Ongoing

- ✓ Kamonohashi project (to eradicate human trafficking)
- ✓ IT charity event - marathon relay race (to support recovering from depression)

★ Leader in “workplace innovation” Ongoing

- ✓ Received “Telework Promotion Award” (Japan Telework Association)
- ✓ Received “Top Hundred Telework Pioneers and HAPPY Telework Award” (MIC)
- ✓ Received “White Business Award”

Governance



★ Half of the directors are external Ongoing

- ✓ Aiming for 75% external directors, for separation from executives and management
- ✓ Promoting even more diversity in the future

★ Corporate governance code Ongoing

- ✓ Listed in the First Section of Tokyo Stock Exchange and fully compliant with the code

★ Establish a global advisory board NEW!

- ✓ Invite internationally renowned management executives/intellectuals (for talks in English)
- ✓ Globalization not just in theory but in practice



Directors adept at the 3Gs (Governance, Global and Guts)

Board of Directors

Founder/CEO
Blockchain Collaborative Consortium Director



Pina Hirono

Former FSA Commissioner
BCG Senior advisor



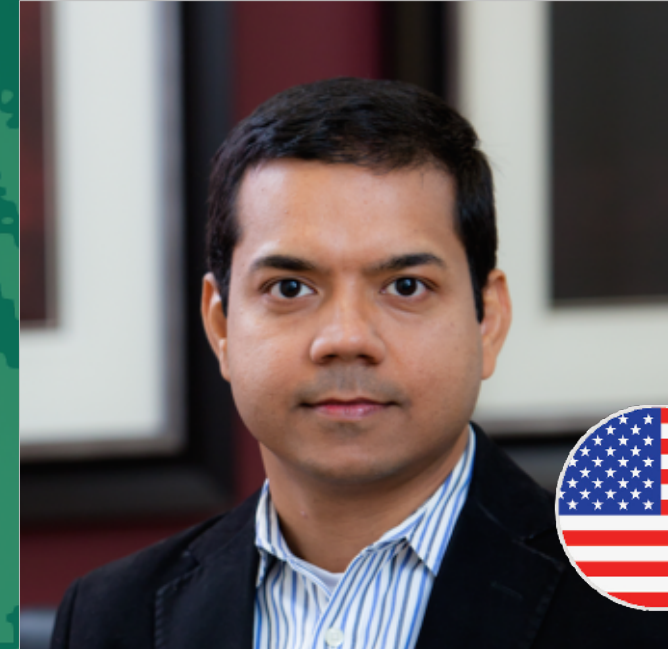
Furofumi Gomi

Professor National University of Singapore
Milken Institute Asia



Kotaro Tamura

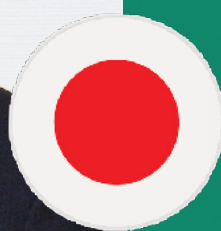
Fenox VC CEO
Startup World Cup Chairman



Anis Uzzaman

Audit & Supervisory Board

Former Director NEC Audit Office



Akamatsu Kazuya

Nishimura & Asahi Law Offices



Hikaru Oguchi

Former Asteria CFO



Tsuneyuki Ozaki

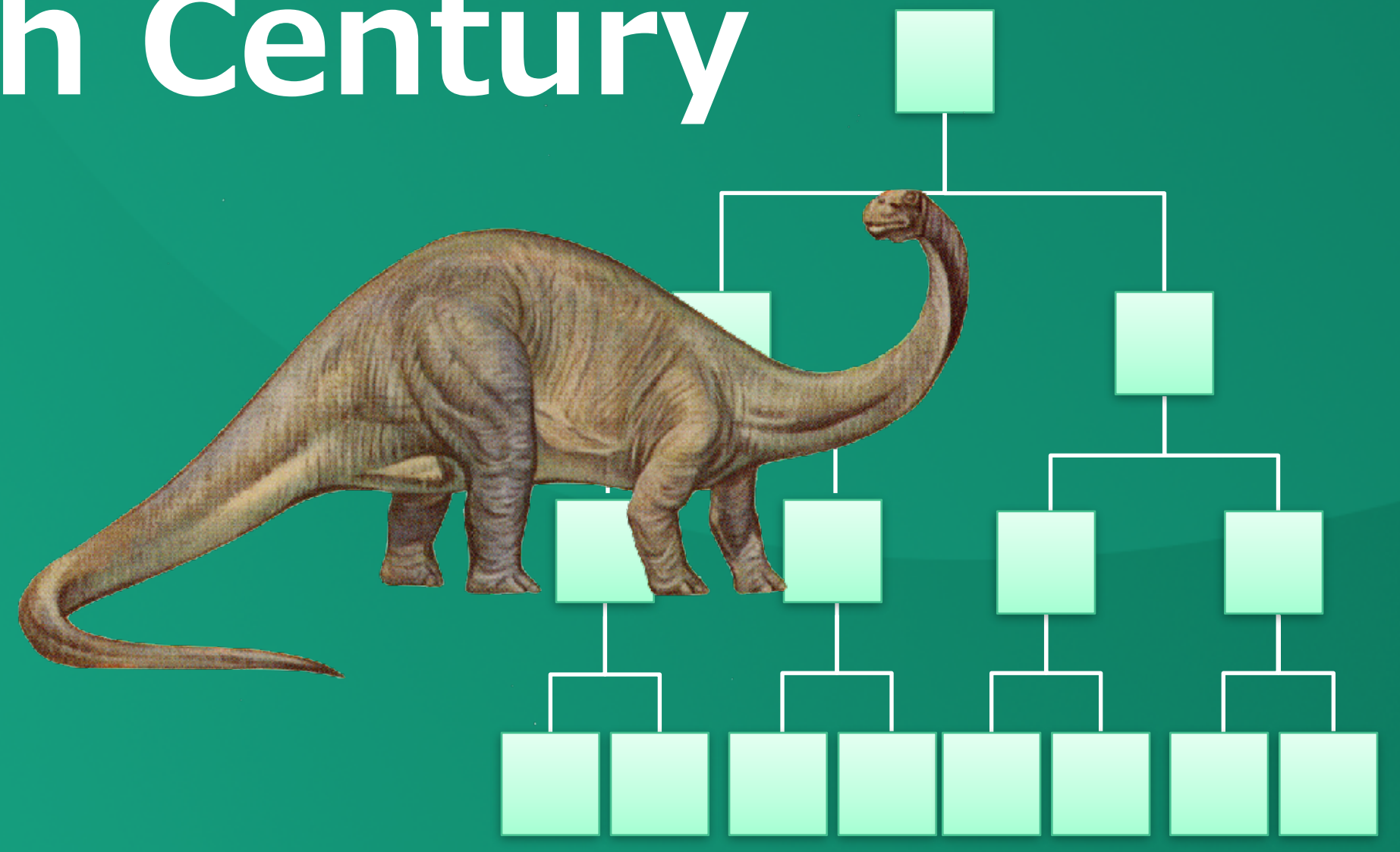
The road ahead

Asteria ✨ | The road ahead → An evolving organization

Hierarchy - Rules - Control

Autonomic - Distributed - Collaborative

20th Century



Static and Slow

(tightly coupled)

21st century



Flexible and Fast

(loosely coupled)

(dynamically coupled)

Infoteria

Information x Cafeteria

ASTERIA

* If resolution passes at a shareholder meeting

Asteria means “constellations” in Greek

In Greek mythology, Asteria was the daughter of Coeus, one of the 12 Greek Titans, The goddess of falling stars.

Asteria ✨ | New company name

ASTERIA

Over the next 20 years, not only will we connect information systems for companies, we will also connect the glittering stars across all industries



ASTERIA

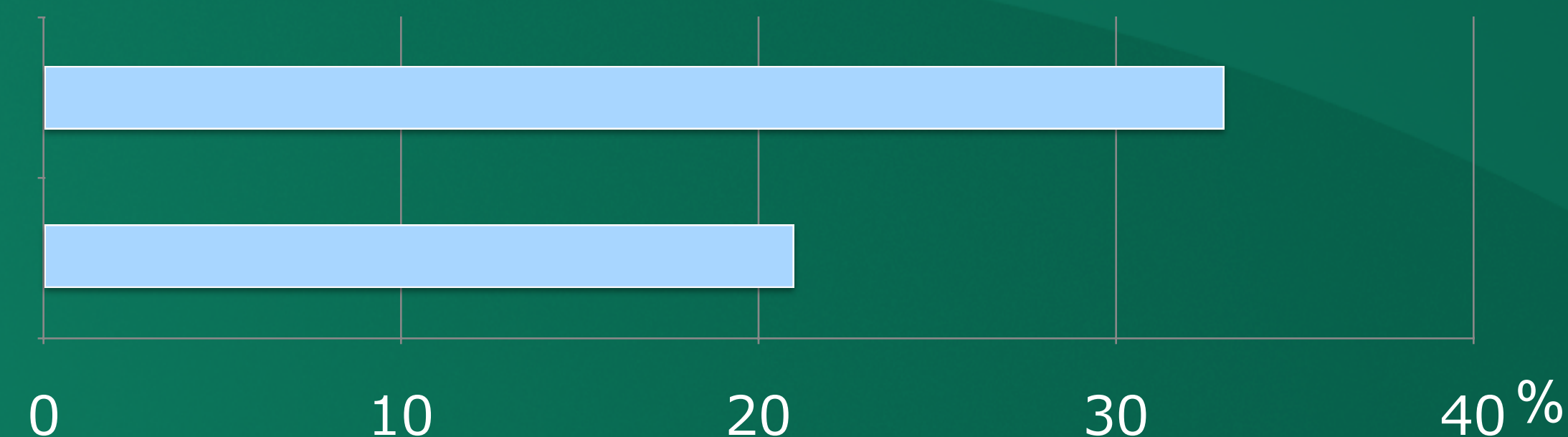
Global survey

in 7 languages in 7
different countries



Recognition rate
(Among all countries
surveyed)

Asteria
Infoteria



- ✓ Appropriate in any language?
- ✓ Easy to read and remember?

Benefits in Japan

- ✓ Top of the Japanese alphabet
- ✓ Less risk of typos in web searches

Asteria[☆] | Mid-term Business Plan 2020 → — Summary

2020

★ Sales revenue:

5B JPY

★ Operating profit:

1B JPY

While continuing to grow business in Japan

Overseas sales ratio: **50%**

While aggressively investing

Operating profit ratio: **20%**

- ★ Establish 3 new tech labs (product x tech)
- ★ 20B JPY M&A investment
- ★ ESG management promotion
 - ✓ Participate in SDGs, establish a global advisory board
- ★ Global branding as the **ASTERIA Corporation**

Asteria

Mid-term Business plan 2020

Please note that the perspectives presented at this material contain forward-looking statements that are based on management's current expectations, estimates and projections. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond the company's control and are difficult to predict.