

# Financial Result

Fiscal Year Ended March 31, 2021

**Asteria Corporation (TSE:3853)**

Disclosed May 14, 2021

# Highlights

Fiscal Year Ended March 31, 2021  
(IFRS)

# Highest record

despite the COVID-19 pandemic

(Million JPY)

1000  
800  
600  
400  
200  
0  
-200  
-400

**Operating income**

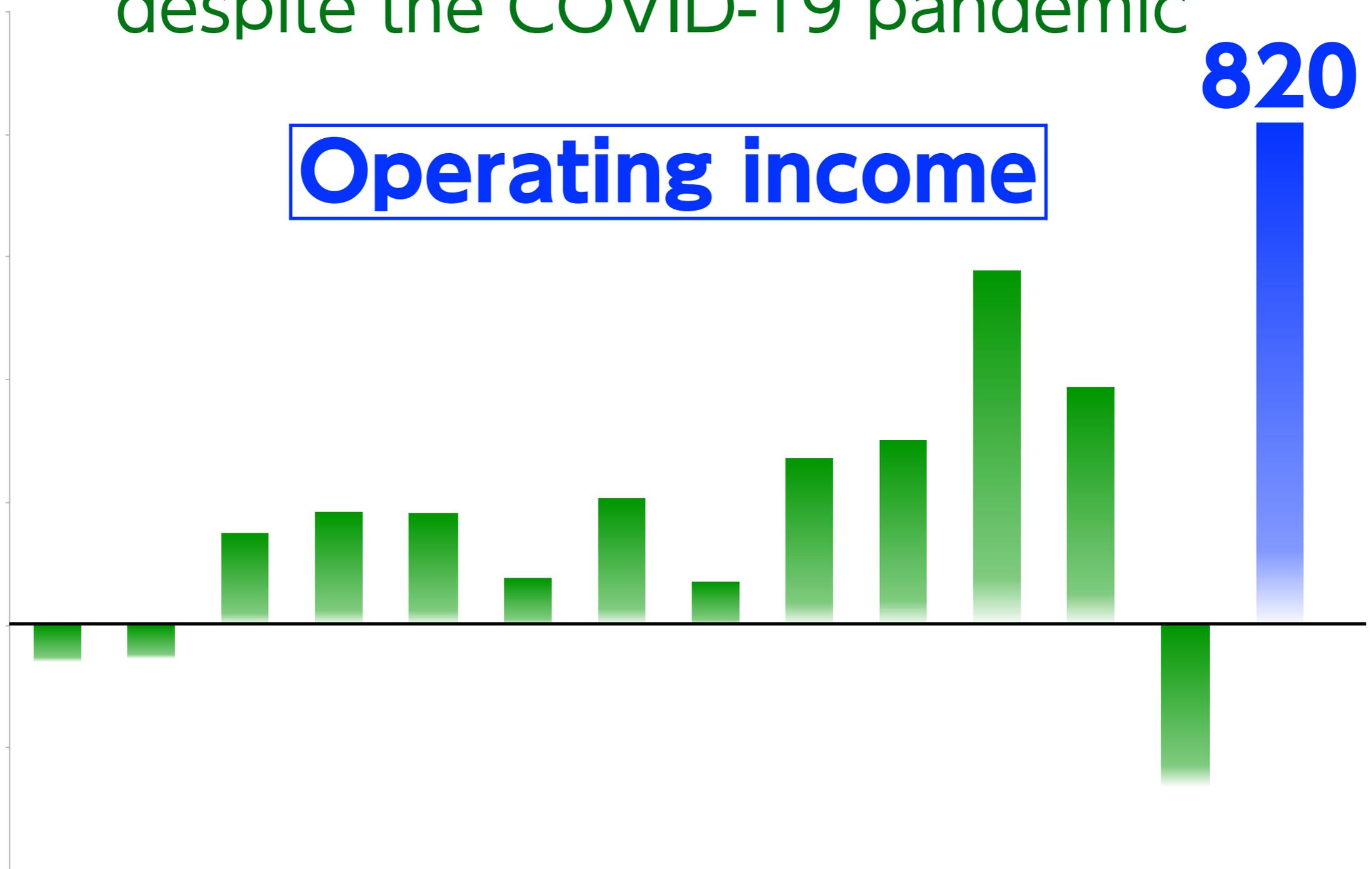
**820**

'07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 (FY)

FYE 2021/3

3

**Asteria** 

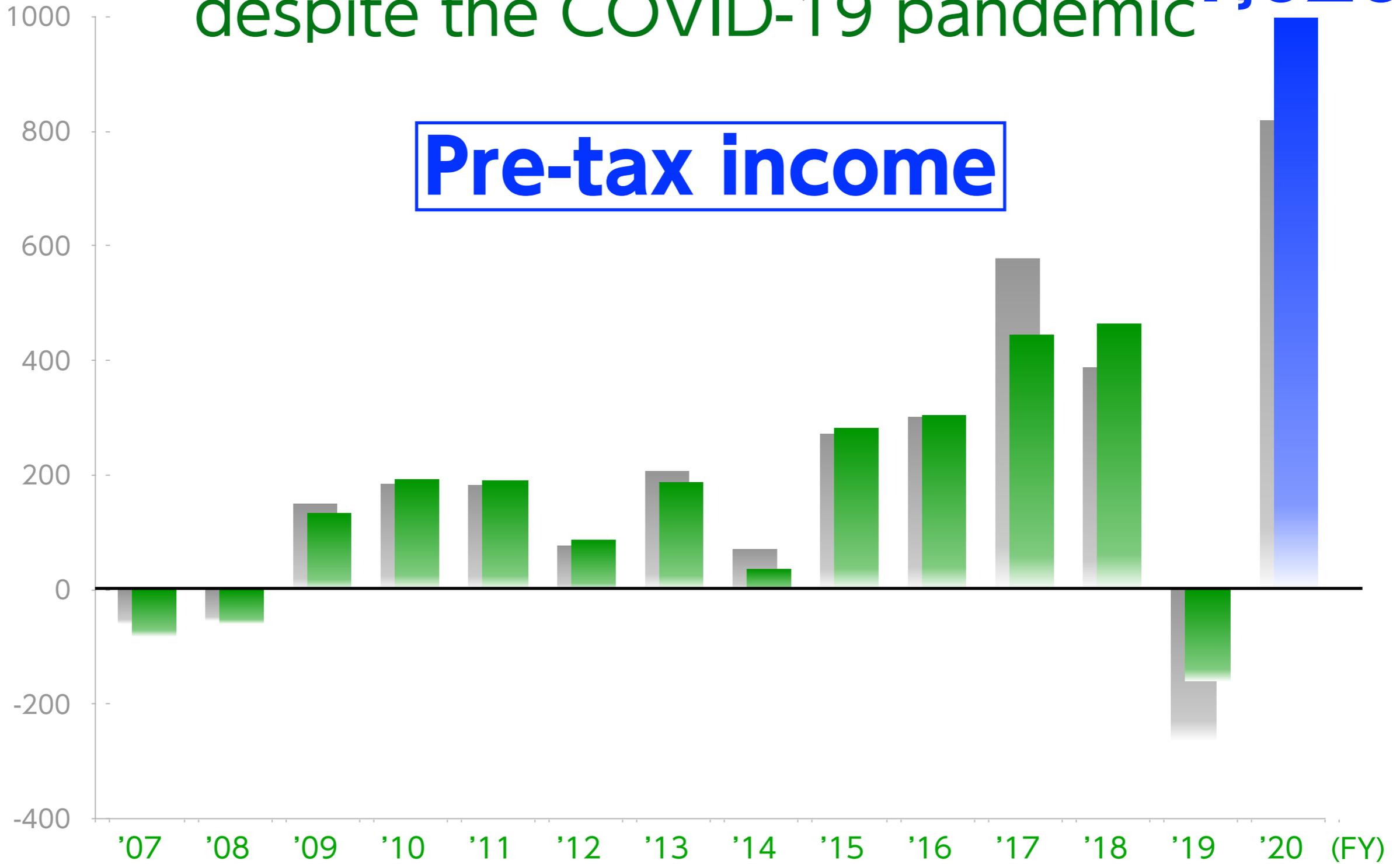


# Highest record

despite the COVID-19 pandemic **1,026**

**Pre-tax income**

(Million JPY)



# Highest record

despite the COVID-19 pandemic

807

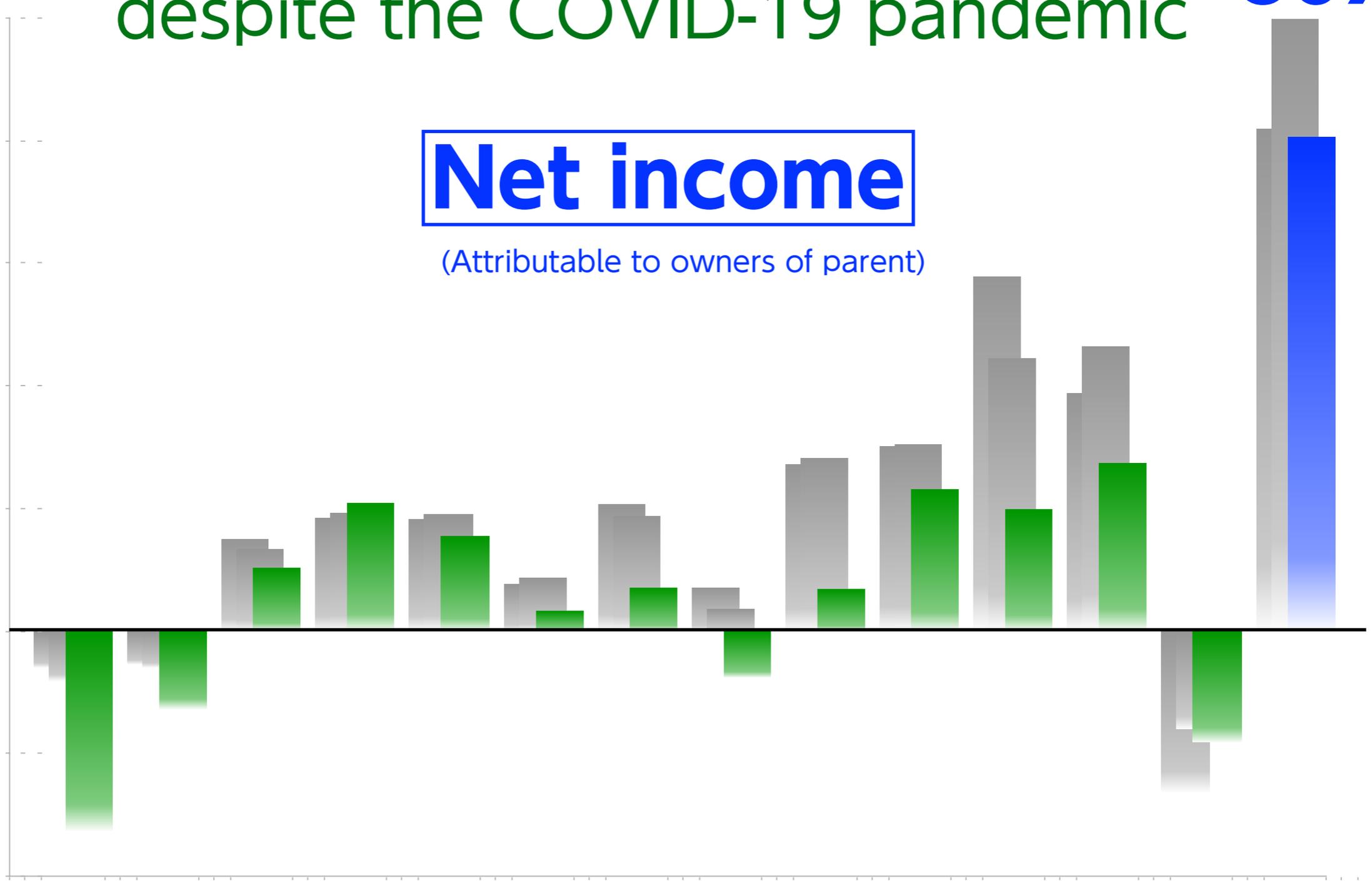
(Million JPY)

1000  
800  
600  
400  
200  
0  
-200  
-400

**Net income**

(Attributable to owners of parent)

'07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 (FY)



Major factors of

# Highest record

## ① Growth in software sales

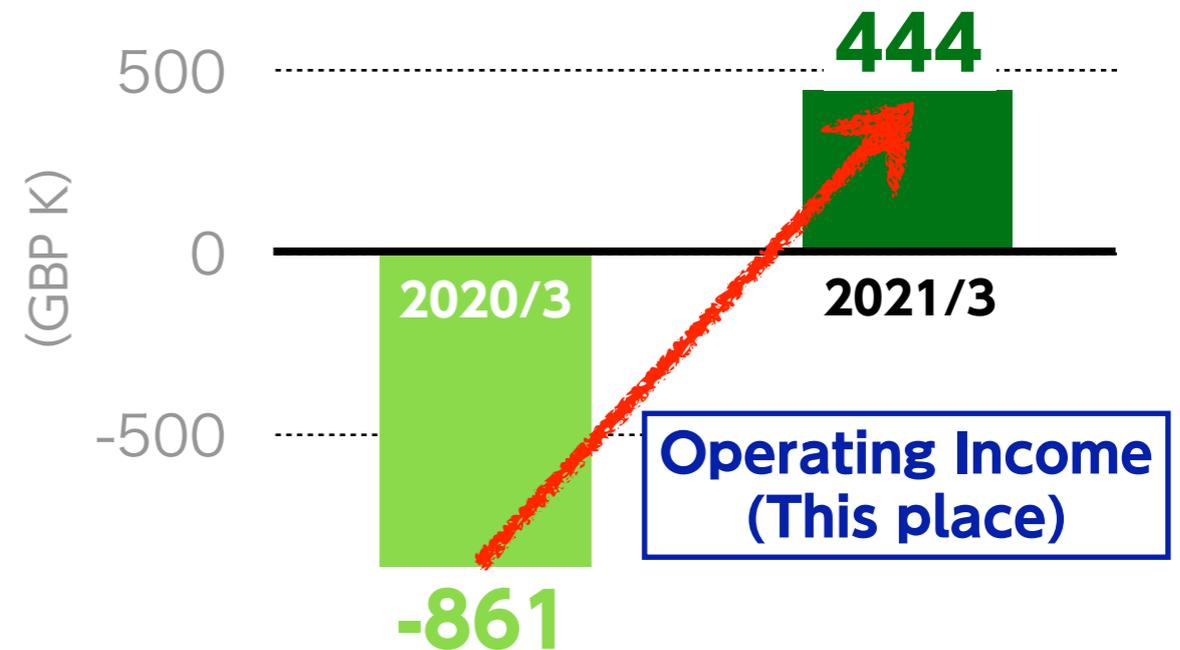
- ✓ Enterprise BU : **+9.8%**
- ✓ Cloud Services BU: **+5.8%**

## ② AVF-1 (Asteria Vision Fund-1) Corporate value of investee companies increased

- ✓ Mainly **Gorilla Technology (Taiwan)**



## ③ A turn to profitable at This Place, because of structure reforms



## ④ Successful financial plan changes for the COVID-19

- ✓ Standardization of company-wide telework

**Managed major costs (travel, advertising, entertainment, etc.) according to the situation.**

# Financial Details

Fiscal Year Ended March 31, 2021  
(IFRS)

## Enterprise

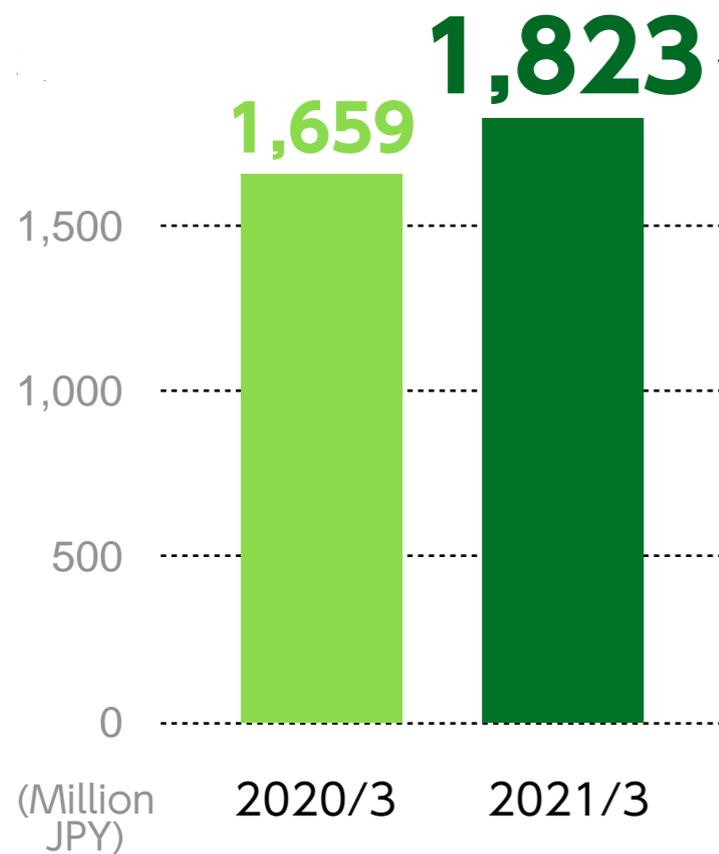
YoY **109.8%**



Asteria<sup>✦</sup> warp



Gravio



## ASTERIA Warp

**Warp Core increased 80%**

(Subscription service)

**DX promotion for local governments**

## Gravio

**10x Sales**

**due to COVID-19 pandemic**

**Captured Automation and Remote management needs**

## Cloud Services

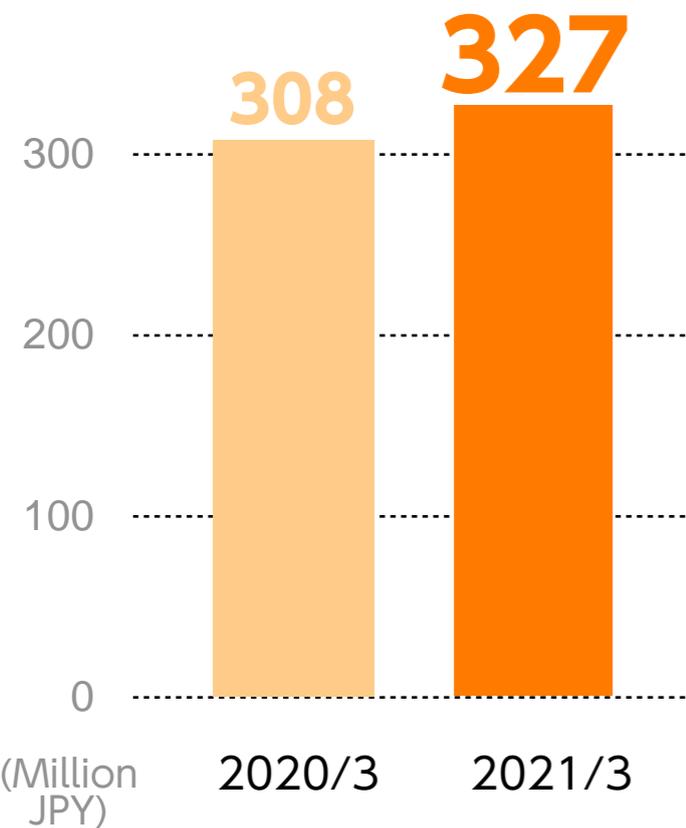
YoY **105.8%**



**Handbook**



**Platio**



## Handbook

**Solid sales**

despite COVID-19 pandemic

## Platio

**3x Sales**

**Sales partner 4x growth**

**Use case expanding**



YANAI

*CLASSIC JAPAN Ltd.*

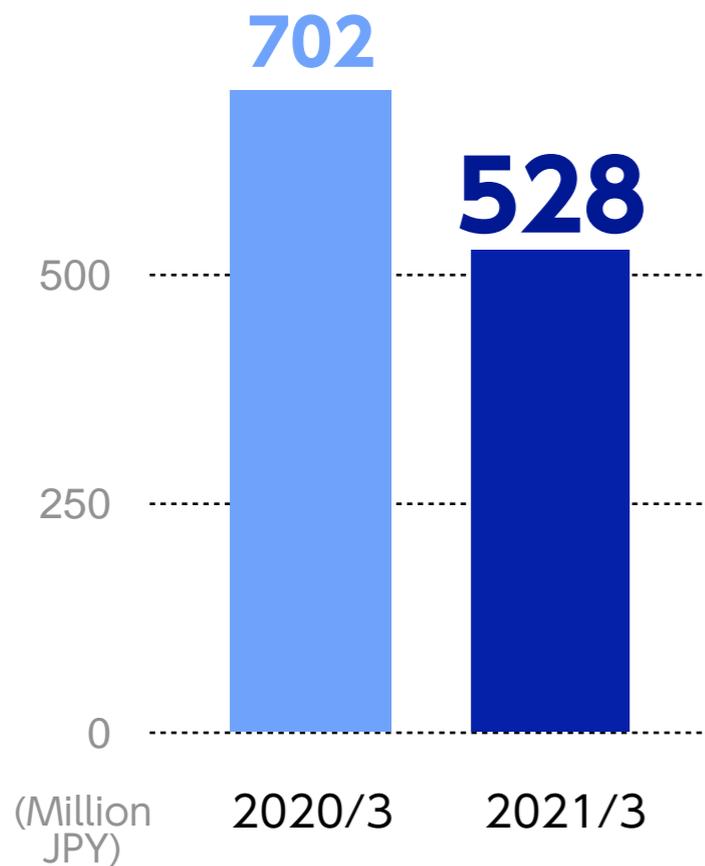


# Design BU

## Design services

YoY **75.2%**

**THIS  
PLACE**



## This Place

**Achieved profitability  
despite sales decline**

**No office: Seattle, Hong Kong**

**New customer acquisition  
strategy in progress**

*Ballantine's*

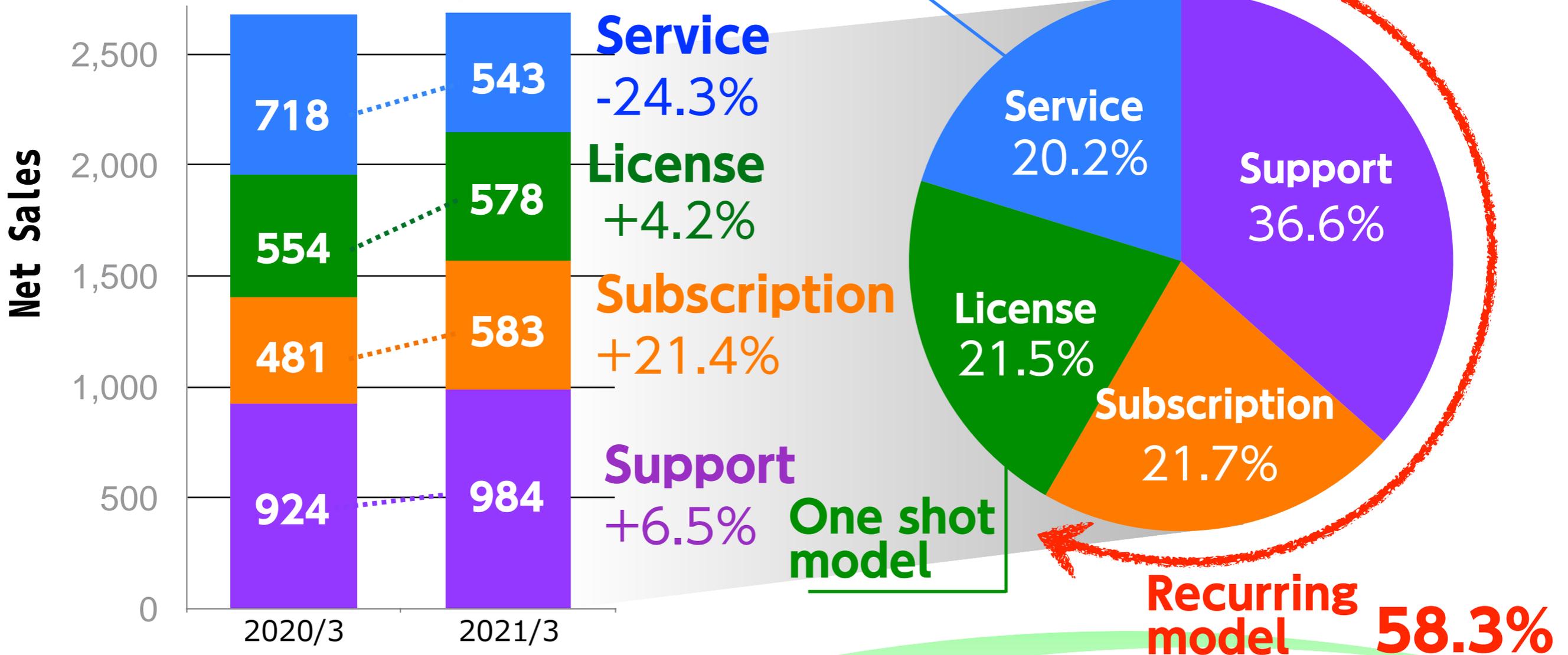
*Coca-Cola*  
EUROPEAN PARTNERS

# Revenue by Sales Type

- ✓ “Subscription” grew 2 digits, while “Service” declined.
- ✓ Stable growth of Recurring model (Subscription+Support), more than 50% of total revenue.

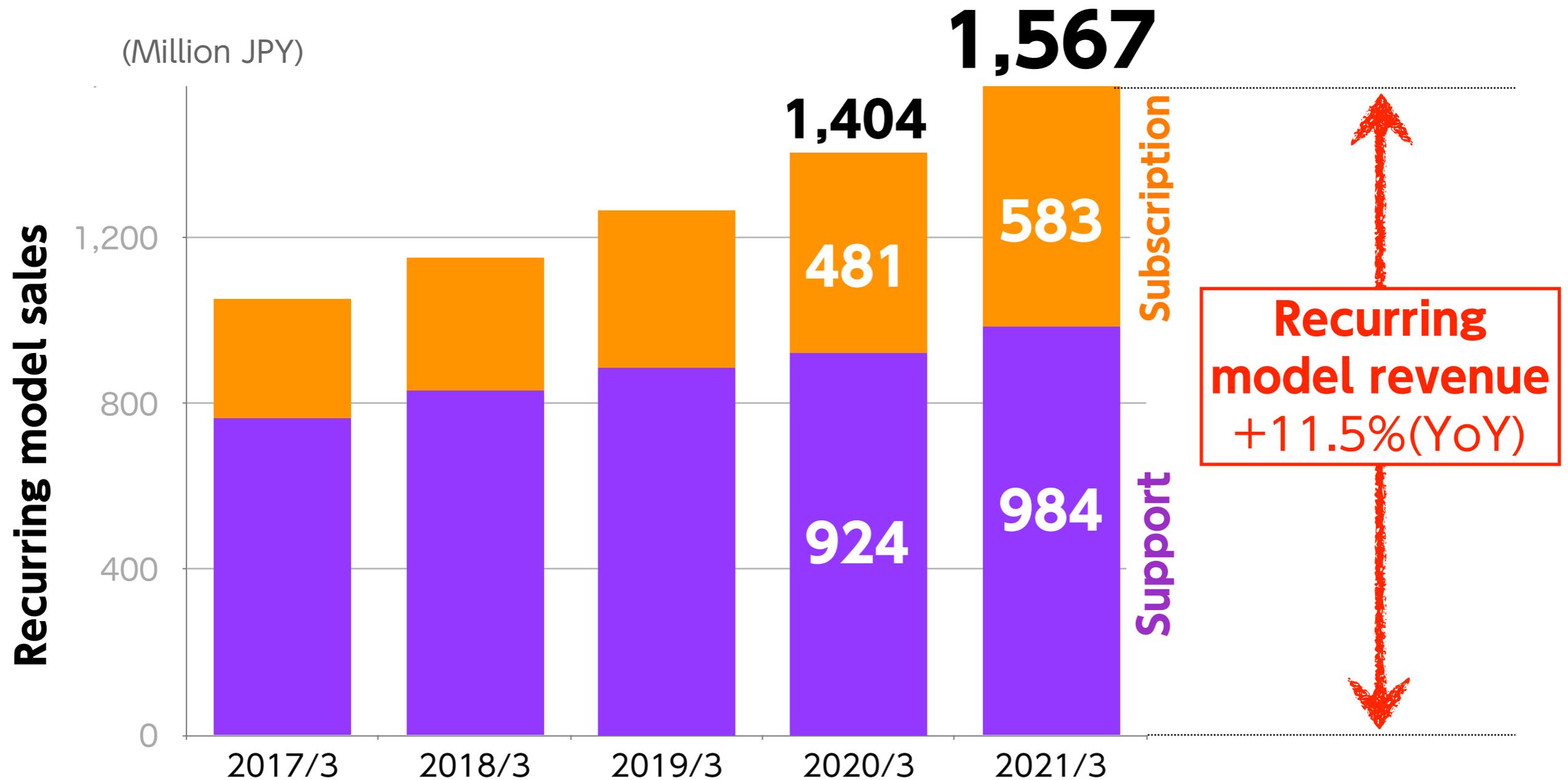
(Million JPY)

**2,677**    **2,688**



# Recurring model trends

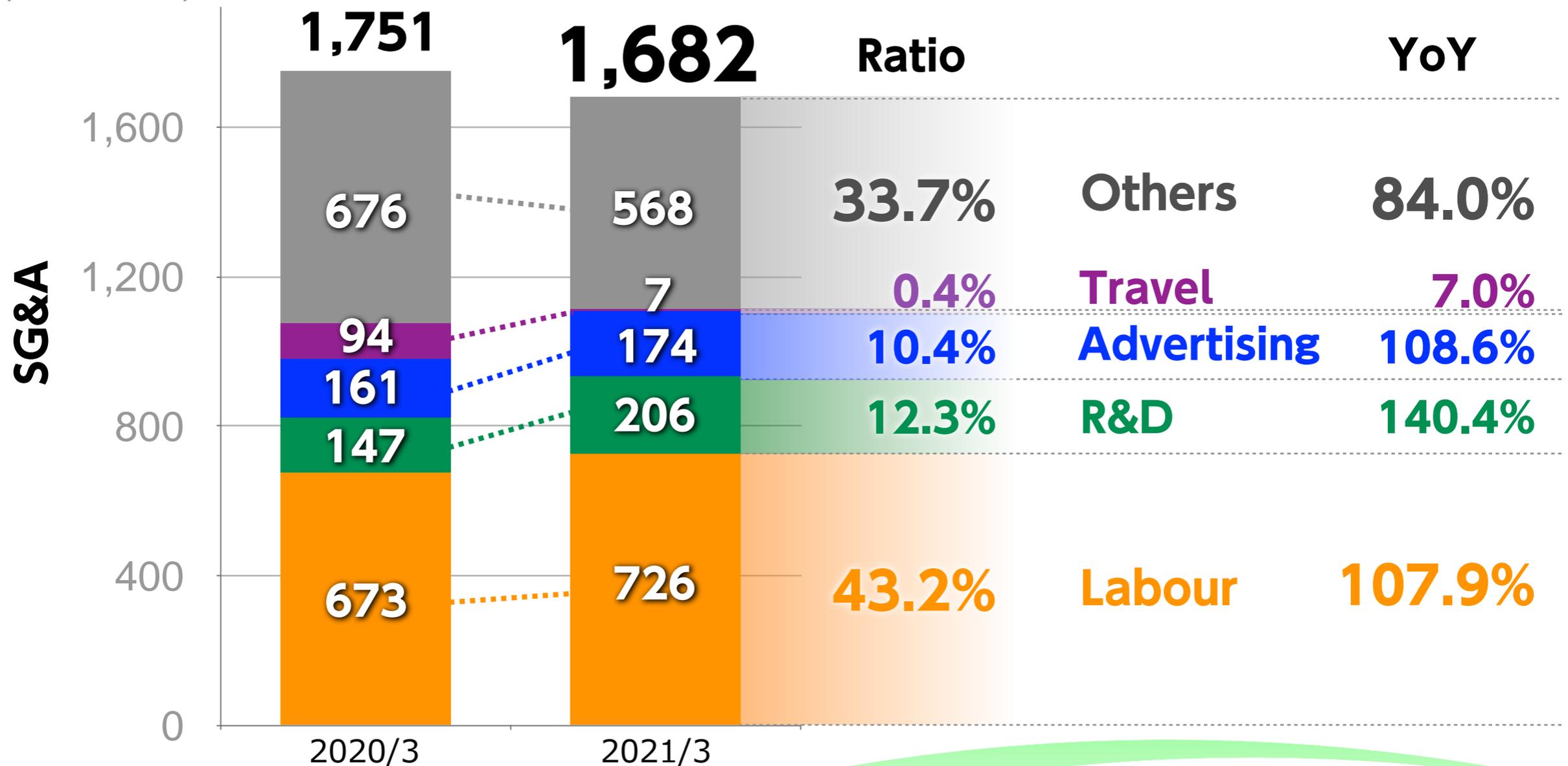
- ✓ Stable revenue growth of Recurring model (Subscription+Support)



# SG&A trend and details

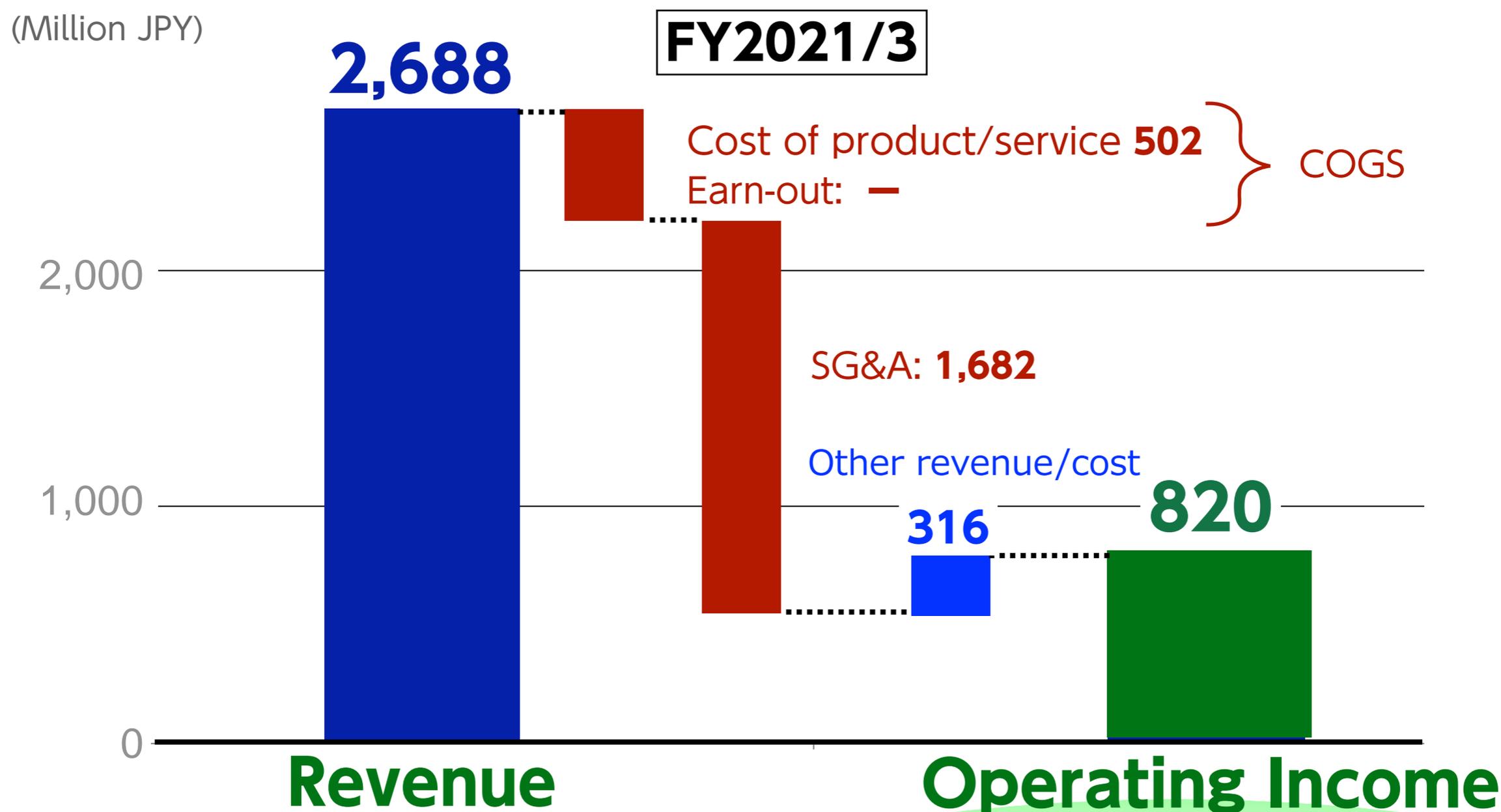
- ✓ Quick financial strategy change to adopt COVID-19 pandemic.
- ✓ No cost cut for R&D despite COVID-19 pandemic for future growth.
- ✓ The major reduction item of "Other" is the cost related to shareholders' meeting (Virtualization)

(Million JPY)



# Bridge Revenue and Operating Income

- ✓ Recorded the highest operating income since listing
- ✓ Unrealized gains from investments through AVF-1 is in “Other revenue.”

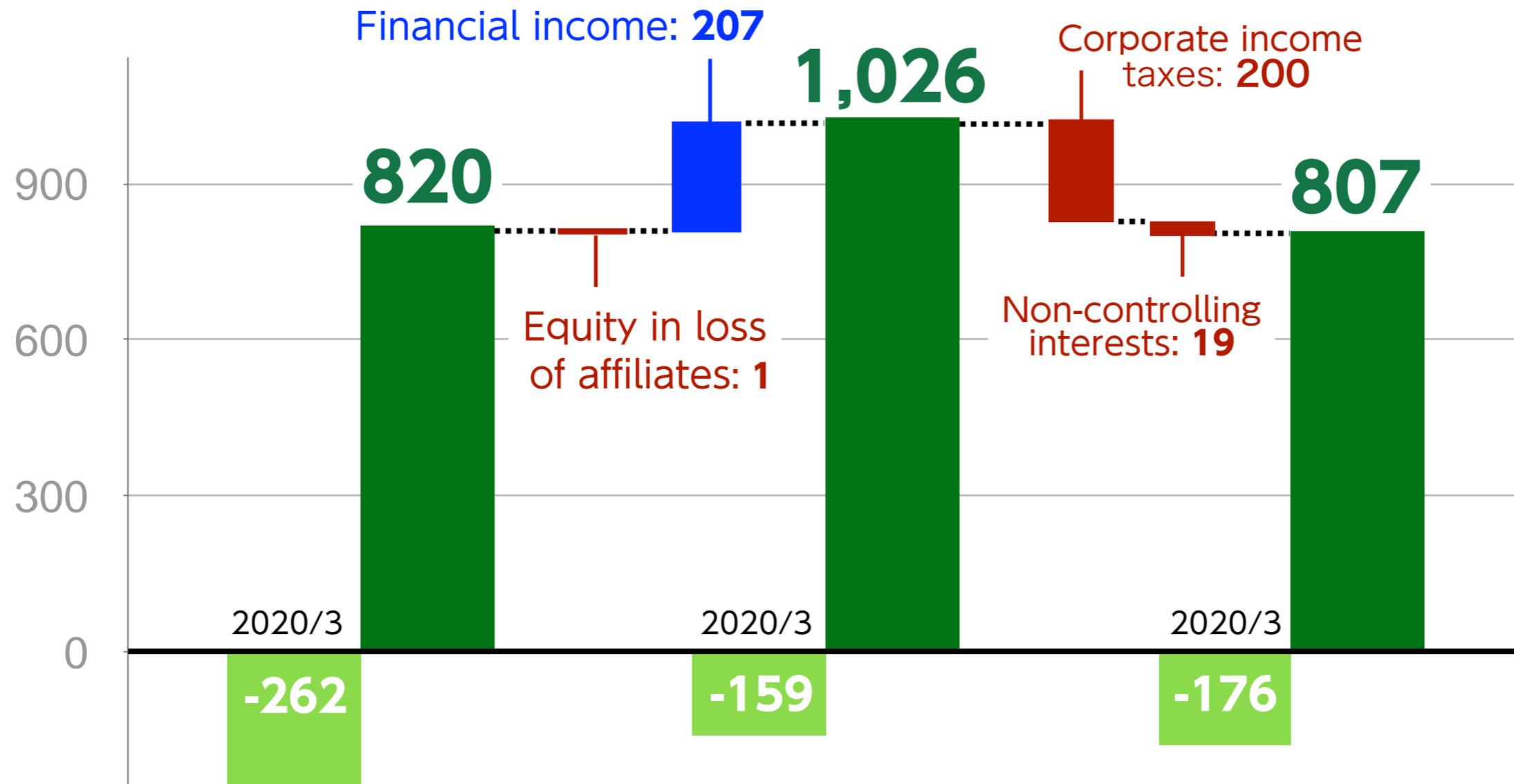


# Operating income/ Pre-tax income / Net income

(Attributable to owners of parent)

## FY2021/3

(Million JPY)



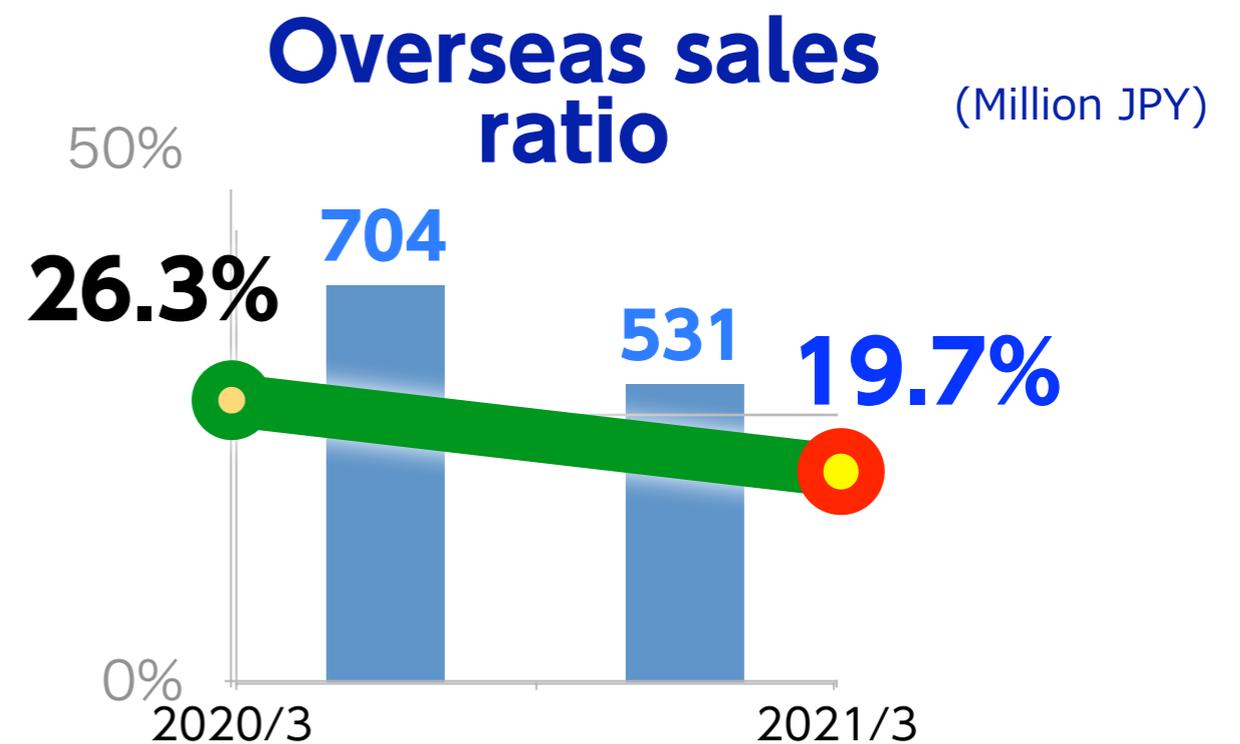
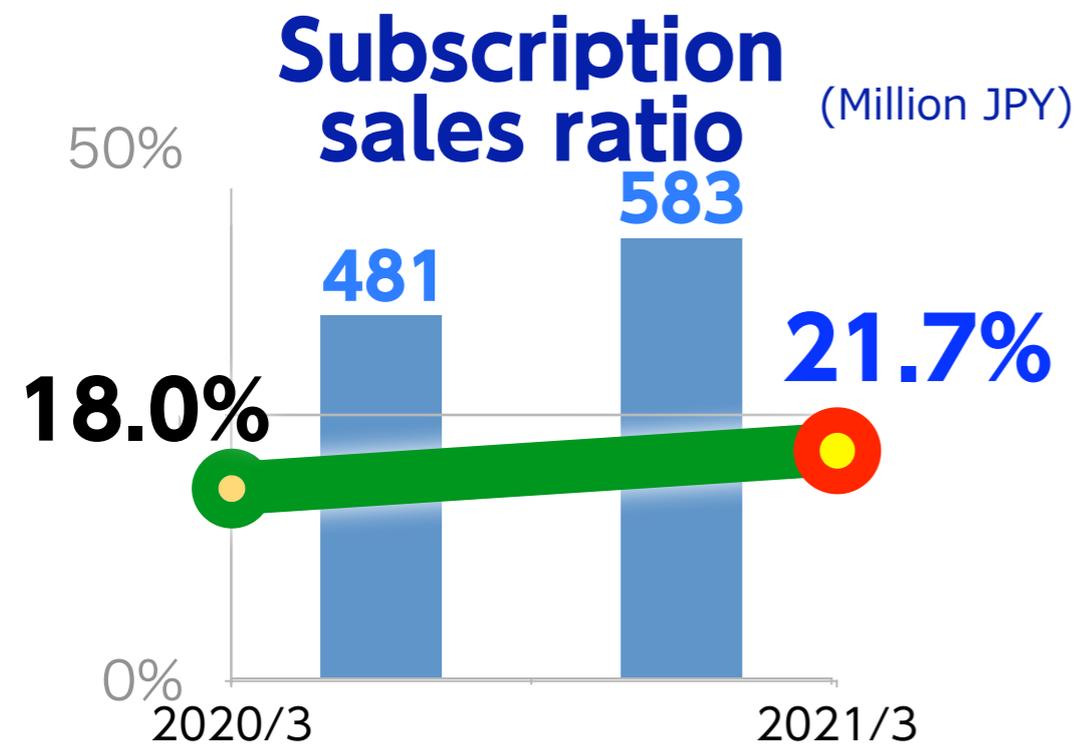
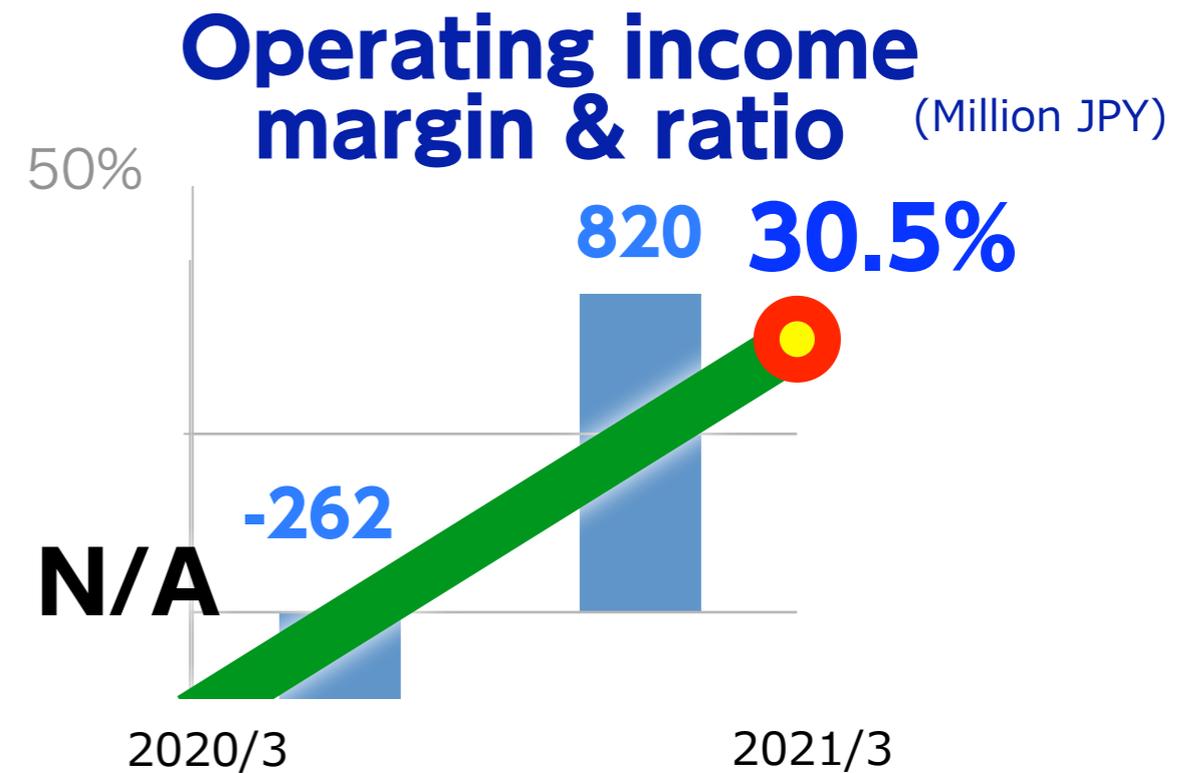
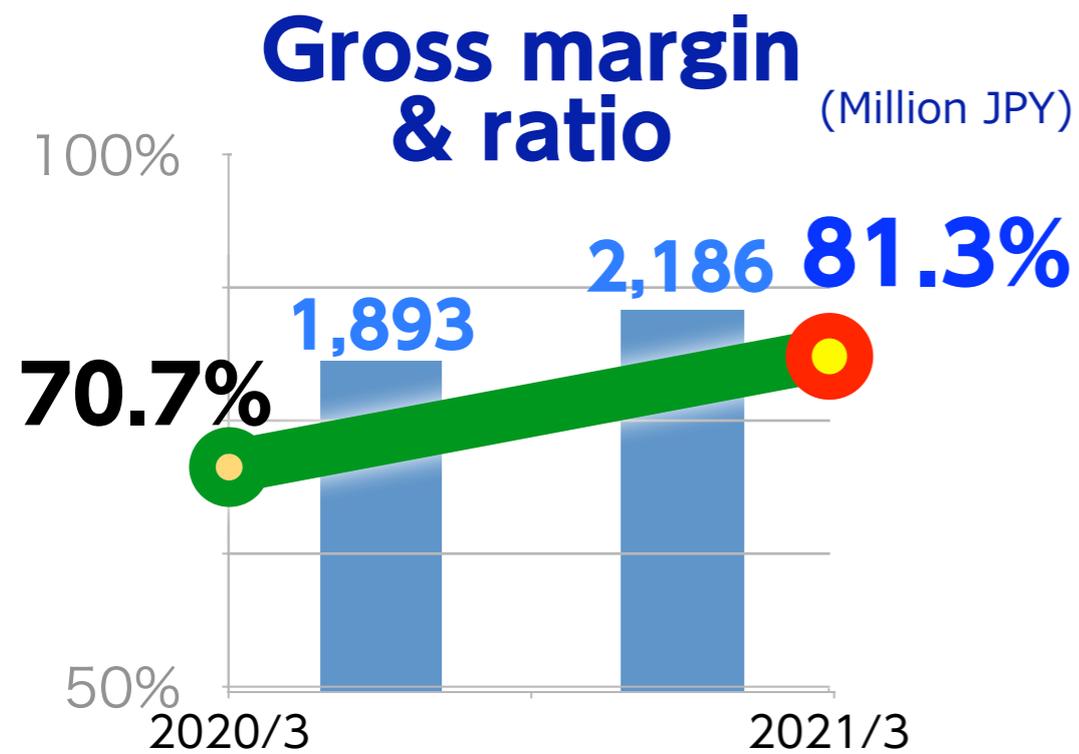
**Operating income**

**Pre-tax income**

**Net income**

(Attributable to owners of parent)

# Management indicators (YoY changes)



# Financial Statement

(Million JPY)

	March 31, 2020	March 31, 2021	Gain/ Loss
Assets	Cash and cash equivalents	2,477	2,451 ▲26
	Operating receivables	343	256 ▲87
	Other current assets	130	80 ▲50
	Tangible fixed assets	1,083	181 ▲902
	Goodwill	890	1,015 125
	Intangible assets	76	69 ▲7
	Investment and others	3,063	3,855 792
	<b>Total assets</b>	<b>8,061</b>	<b>7,907</b> ▲153
Liabilities	Borrowings(current)	243	243 -
	Operating payables	169	182 13
	Corporate income tax payables	32	99 68
	Other current liabilities	865	689 ▲176
	Borrowings(noncurrent)	786	643 ▲143
	Other noncurrent liabilities	1,095	330 ▲766
	<b>Total liabilities</b>	<b>3,189</b>	<b>2,186</b> ▲1,000
Capital	Shareholder's equity	4,971	5,682 711
	Other equity components	▲250	▲138 112
	Non-controlling interests	151	178 26
	<b>Total capital</b>	<b>4,872</b>	<b>5,721</b> 850

■ Cash and cash equivalents

**2,451**

■ Ratio of equity

**70.1%**

Healthy financial position  
for active investments

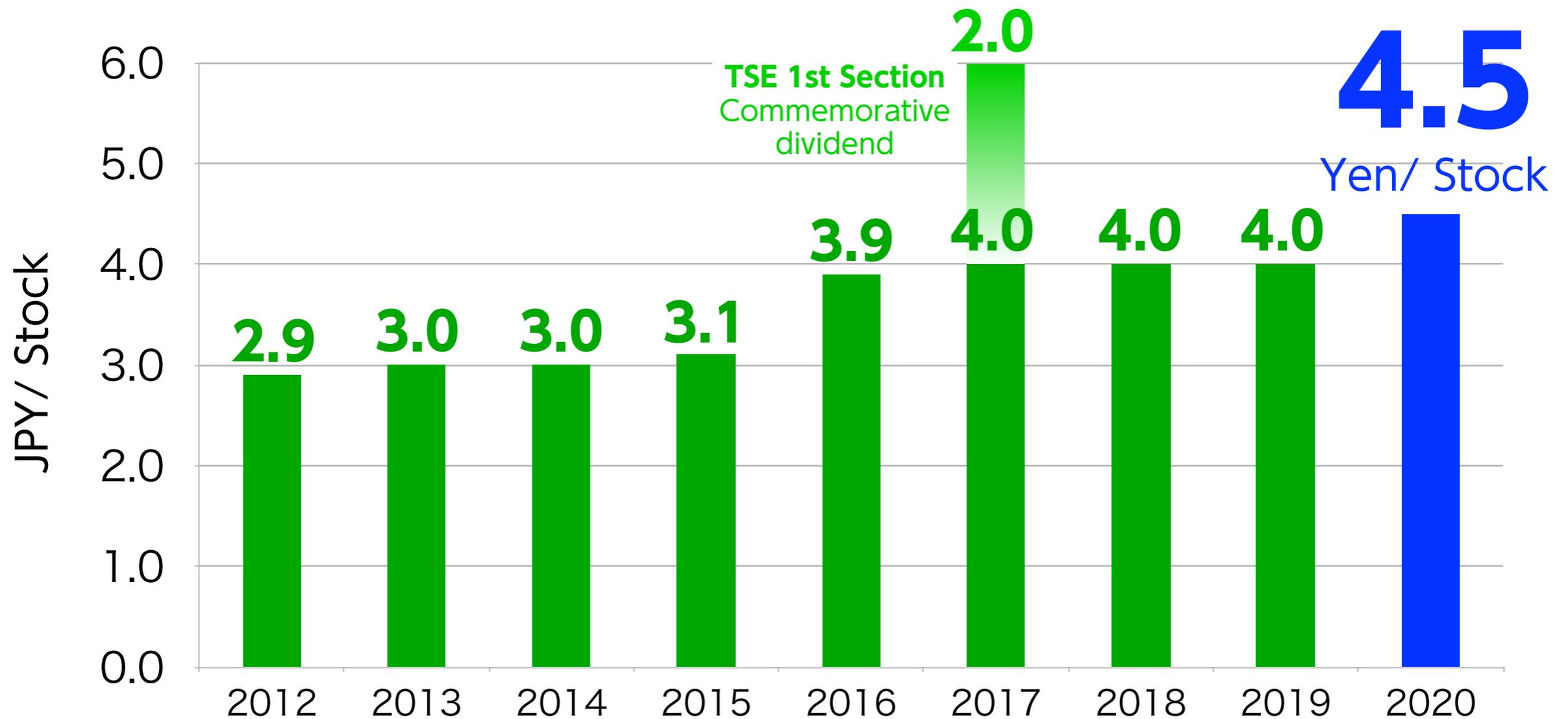
# Cash Flow Statement

- ✓ Steady operating cash flow, reflecting robust business performance.
- ✓ **Over 2.4 billion yen** cash and cash equivalents for future strategic investment.

(Million JPY)	FY2020/3	FY2021/3
Cash flow from operating activities	503	776
Cash flow from investment activities	▲1,926	▲599
Cash flow from financial activities	728	▲358
Cash and cash equivalent at the end of quarter	2,477	2,451

# Year-end dividend

- ✓ Increased reflecting robust business performance while maintaining stable dividends
- ✓ As announced in March 2021



# Background and beyond

# Much better than the forecast

(Million JPY)

	Forecast		Actual
Revenue	2,700	▶	2,688
Op. Income	500	▶	Record High 820
Pre-tax Income	( - )	▶	Record High 1,026
Net Income	300	▶	Record High 807

# 2 business segments

(Million JPY)

## Operating Income

820

### Software

Asteria, This Place

approx. 570

### Investment

Asteria Vision Fund

approx. 250

By FVTPL (IFRS-9)

# Investment Portfolio

Mainly



**Gorilla**  
Video Recognition  
Cyber Security



日本暗号資産市場  
Cryptocurrency Market

日本暗号資産市場  
Cryptocurrency Market

Stable coin  
NFT technology

Taiwan  
Japan



US

**Workspot**  
Virtual Desktop

**AVF-1**  
Asteria Vision Fund  
(TX, US)  
Established in 2019

Australia



**imagine**  
INTELLIGENT MATERIALS

Grafen sheet sensor

Increased  
Fair Value

By FVTPL (IFRS-9)

# AVF-1 Investment Status

Total 2.2 M USD

Invested approx. 60%

Rest approx. 40%



**Gorilla**  
Oct.2019



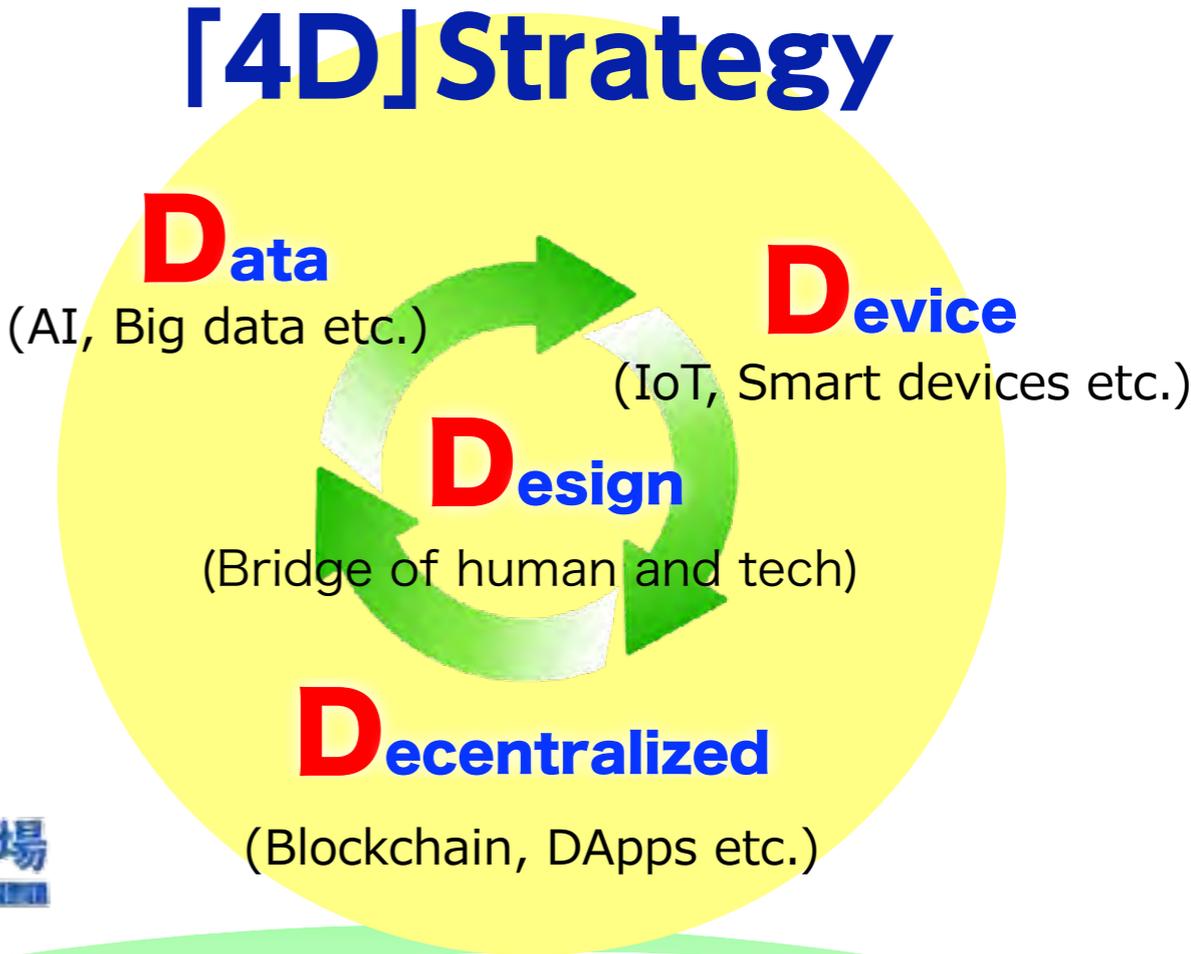
**Workspot**  
Feb.2021



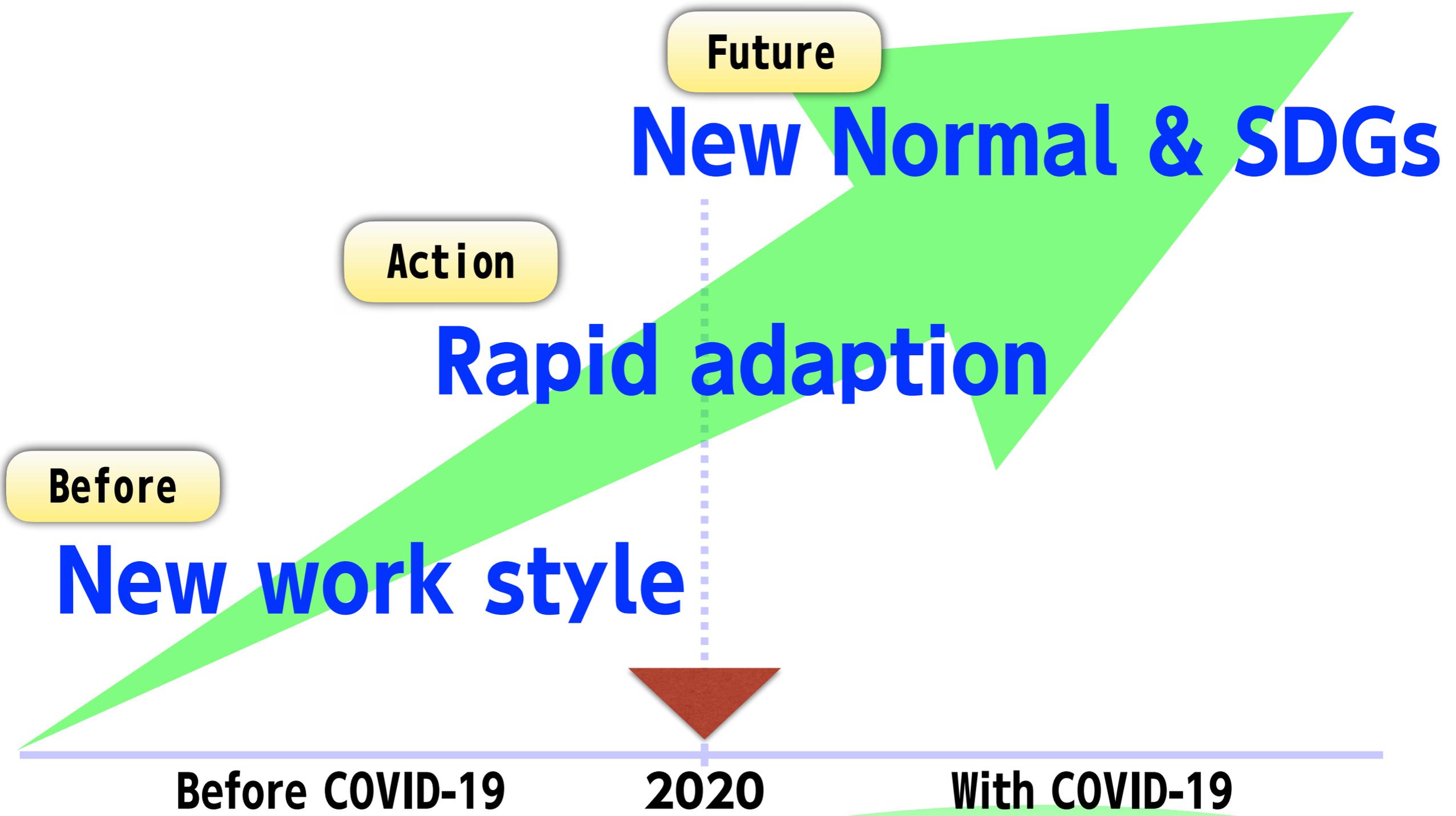
**imagine**  
INTELLIGENT MATERIALS  
Feb.2020



**日本暗号資産市場**  
Crypto asset market  
Mar.2021

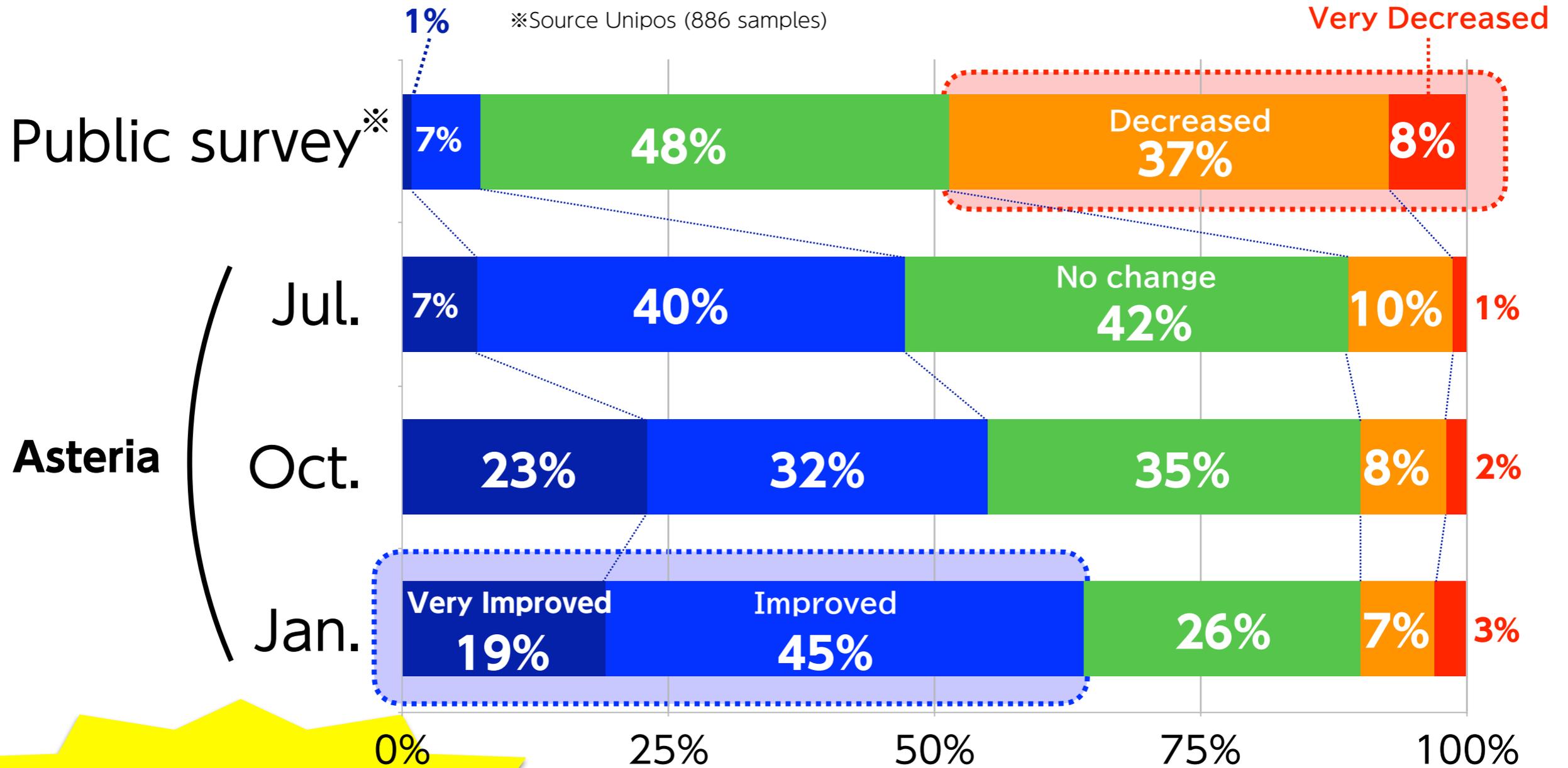


# COVID-19 Measures and beyond



**COVID-19**

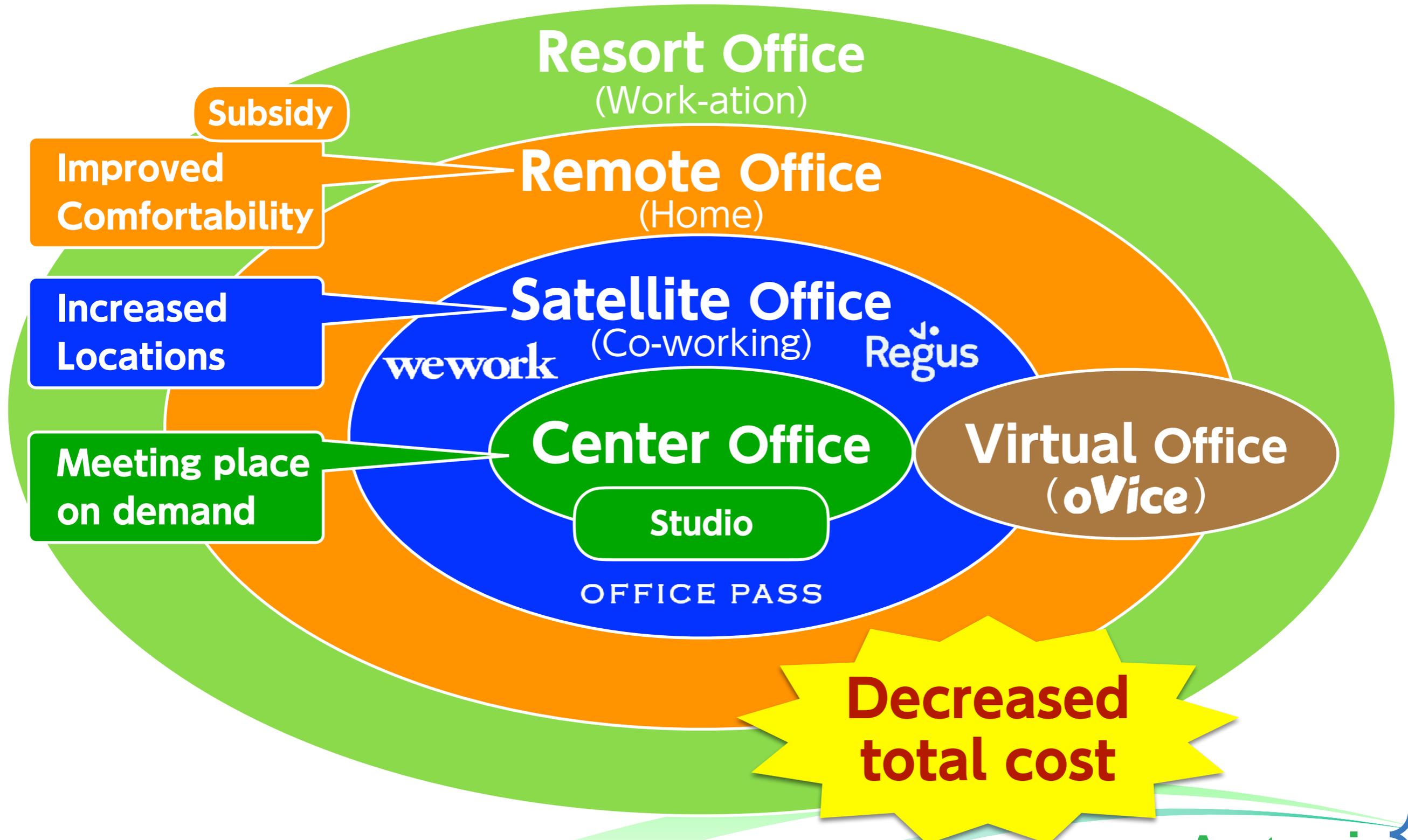
# Increased Productivity



**64% Employees Gained productivity**

COVID-19

# Redefining "Office"



**COVID-19**

# Rapid shift to Online

◆ 2020/April~2021/March

**Online meeting**

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**90%+**

**Online Seminars**

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**100%**

**Online Events**

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**100%**

COVID-19

# De-centralize offices

## ◆ Kumamoto R&D Center (2020.8)

✓ 3 out of 5 moved from Tokyo area

## ◆ Chubu Office (2021.6)<sup>NEW</sup>

Successful  
hiring



Head of Kumamoto  
R&D center moved  
from Chiba

中途採用 開発エンジニア 1エントリー on 2020/10/20 64 views

### 熊本市の開発拠点で新しい働き方を。知識に貪欲な開発エンジニアを募集！

Asteria アステリア株式会社

埋め込む

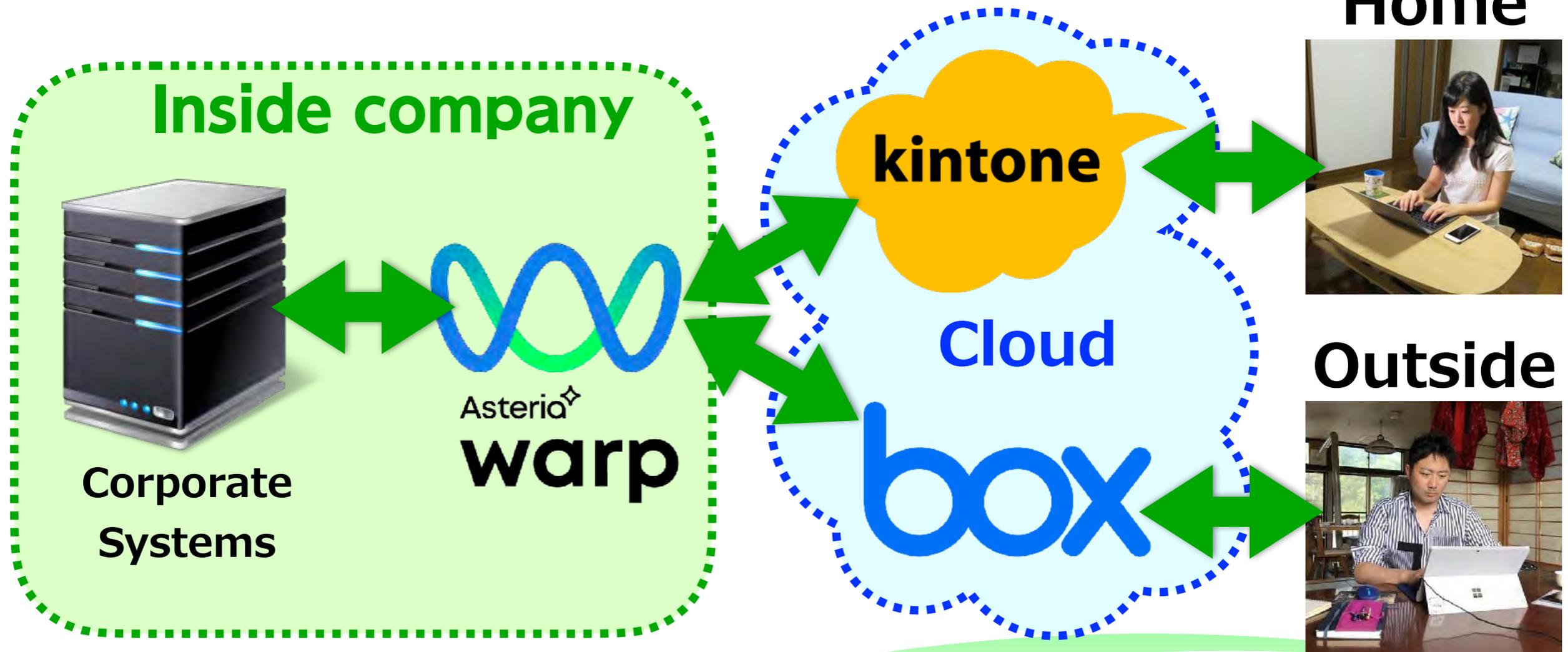


Asteria

New  
Normal

# Enabling Remote Work

- ◆ Data integration with cloud services such as cloud storage (e.g. Box) and cloud database (e.g. kintone) with security.



New  
Normal

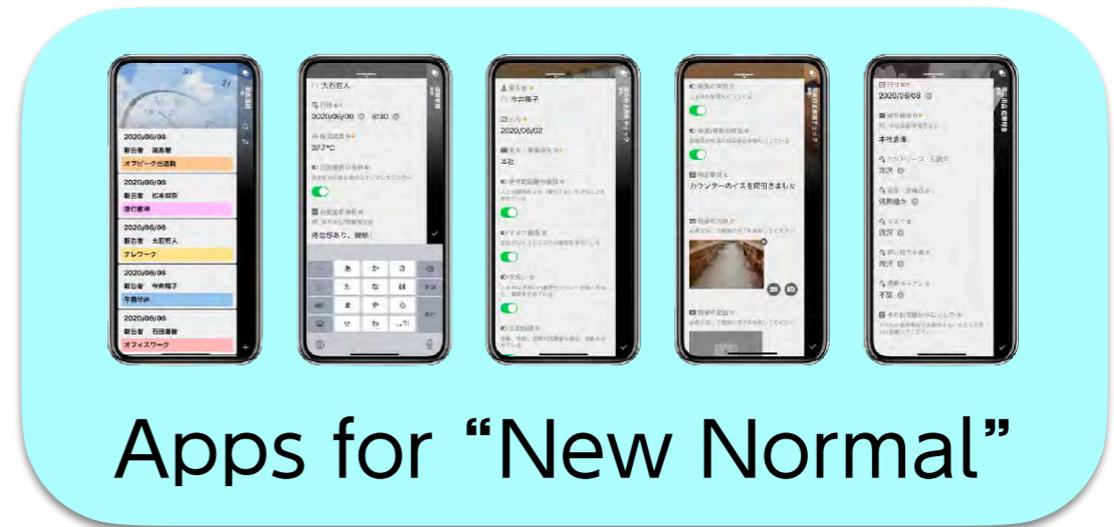
# Advanced technology works



Avoid 3Cs/**CO<sub>2</sub>Sensor**



Support Remote work with  
Mobile app by No-code



Apps for "New Normal"

YoY Revenue **10x**

YoY Revenue **3x**

## All rights can be executed online

- ✓ Question and Voting online
- ✓ Secure and Transparent with **blockchain**



# ISSUE

**Top line growth  
Only 0.4%**



Next Step

Higher Mountain

# Next Step

Grow the Top Line

# Higher Mountain

# Next Step

Grow the Top Line

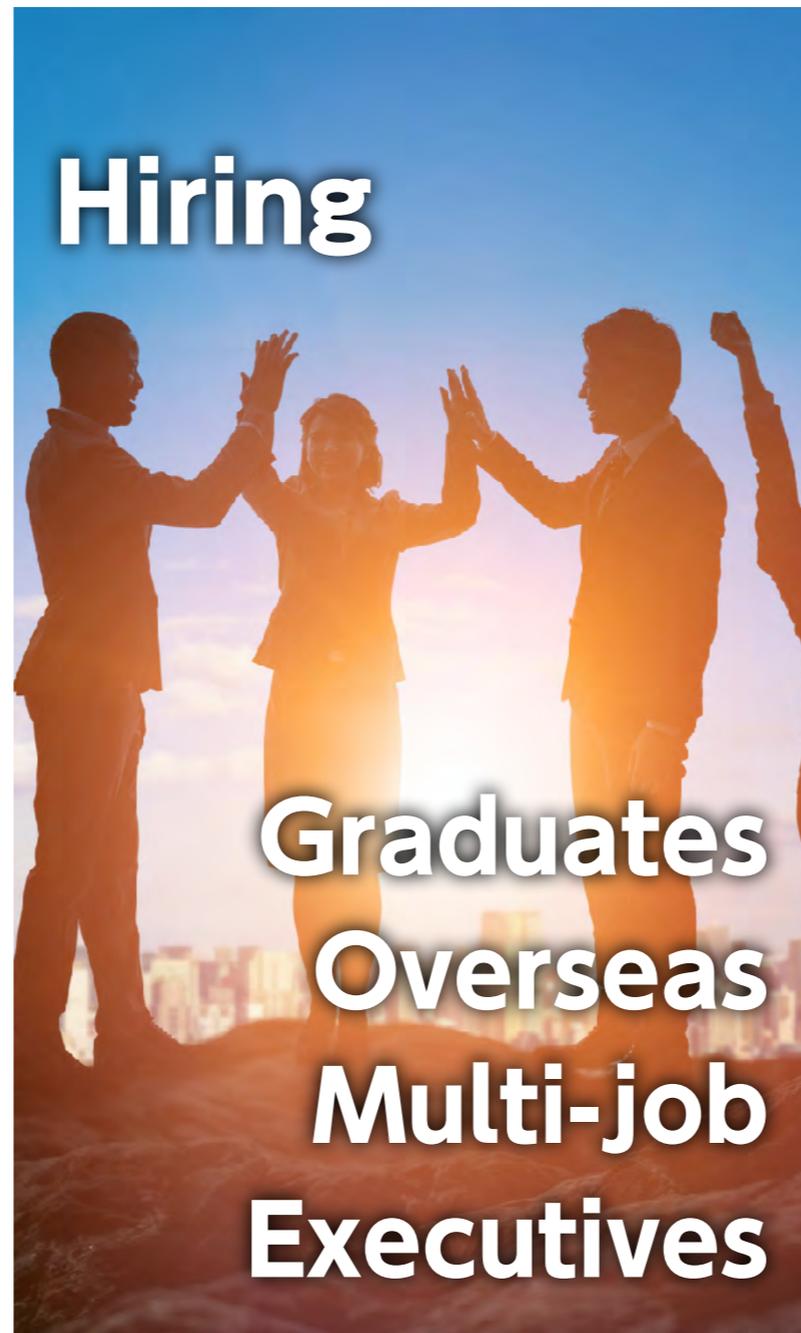
Diffence to Offence

# 3 key directions

A collage of digital marketing images including a woman on a phone, a cityscape at night, and various data visualization elements.

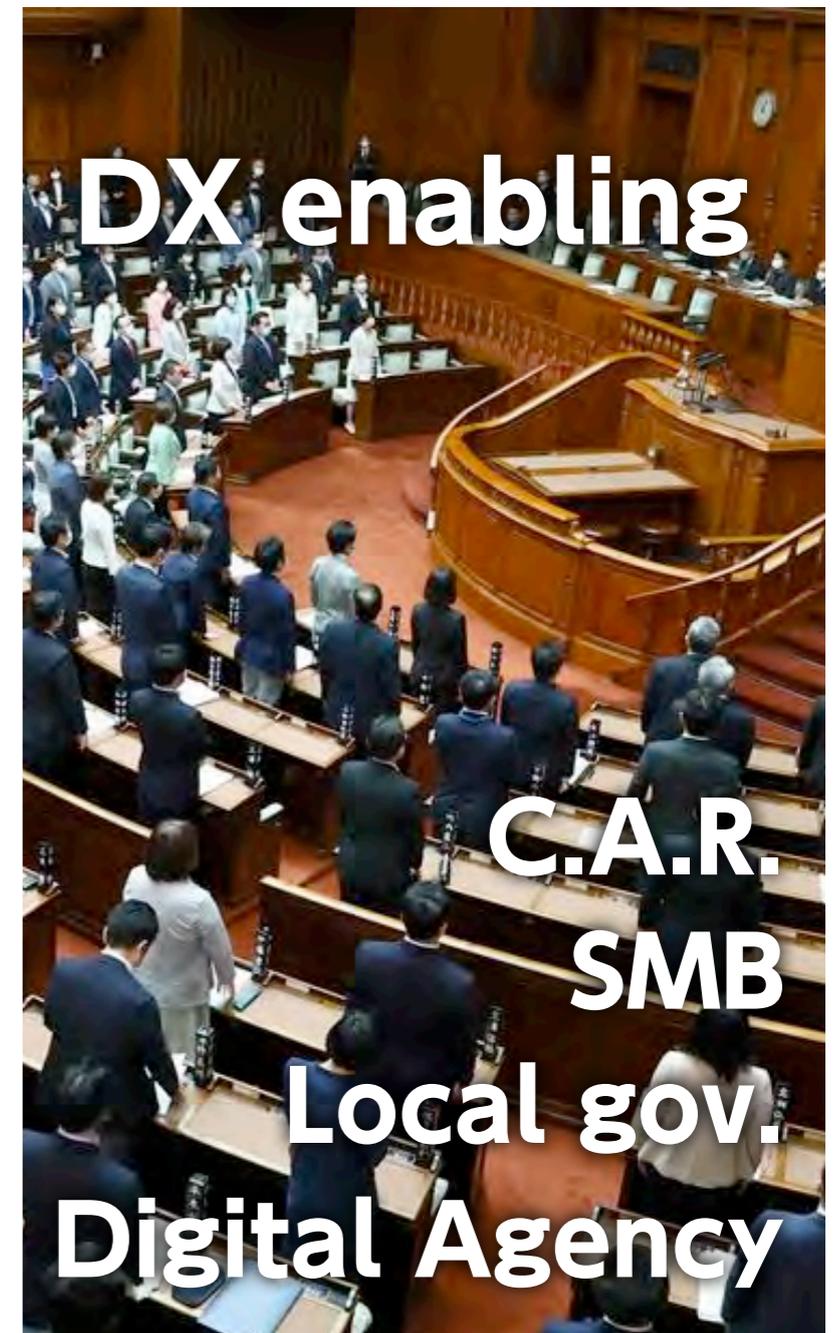
**Marketing**

PR  
AD  
SNS  
Video

Silhouettes of three business professionals high-fiving against a sunset background.

**Hiring**

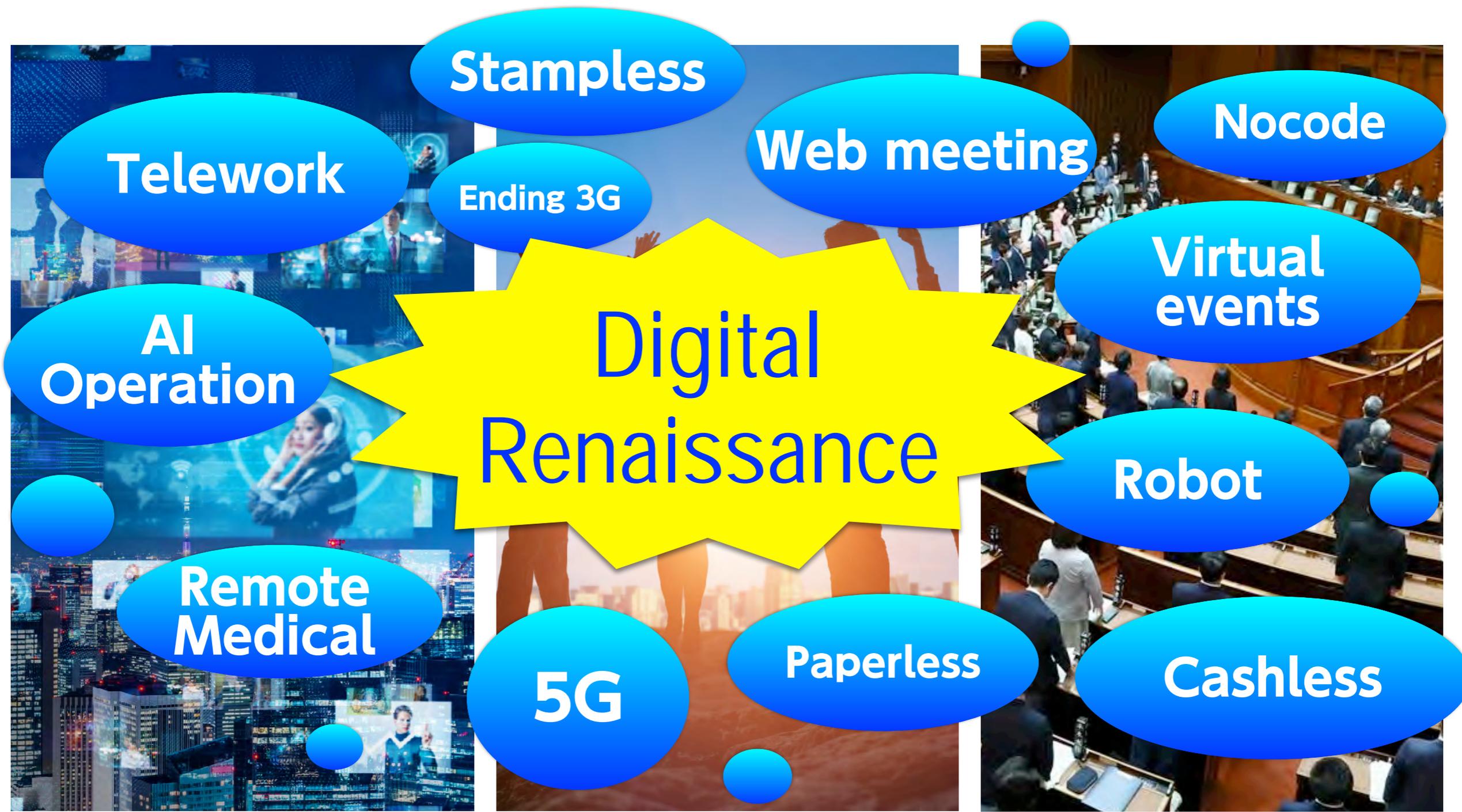
Graduates  
Overseas  
Multi-job  
Executives

A wide-angle view of a large, ornate parliament or assembly hall with many people seated at desks.

**DX enabling**

C.A.R.  
SMB  
Local gov.  
Digital Agency

# Non-reversible Shift



**All Asteria products contribute for DX**

# Chubu (Nagoya) office



Starting  
from  
June 1

KDX buidling

Revenue growth

◆ **30%**

✓ Continuing momentum

◆ **Automobile  
industry**

TOYOTA and related companies

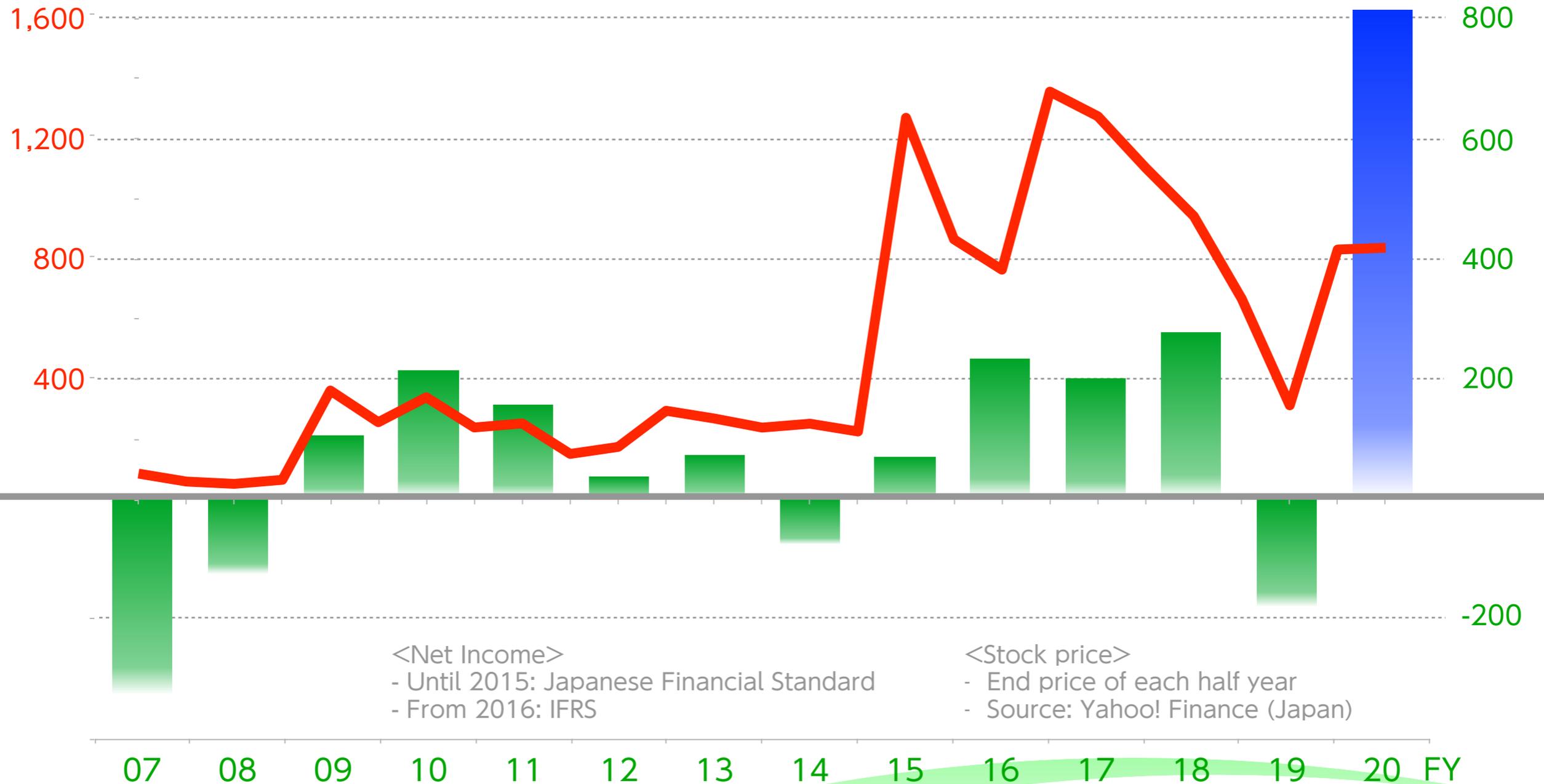
# Net Income and Stock price

## Stock price

(JPY)

## Net Income

**807** (M JPY)



<Net Income>

- Until 2015: Japanese Financial Standard
- From 2016: IFRS

<Stock price>

- End price of each half year
- Source: Yahoo! Finance (Japan)

# Mid-term Plan

To be released

# 1H FY2021



# Q&A

**IR contact: 03-5718-1655**



**IR News through LINE**

The information used in this meeting and the presentation includes forward-looking statements. These descriptions are based on current assumptions of Asteria 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 statement.

(Securities Code : 3853)





# Financial Result

Fiscal year ended March 31, 2021

**Call for questions: 03-5718-1655**



**IR News through LINE**

The information used in this meeting and the presentation includes forward-looking statements. These descriptions are based on current assumptions of Asteria 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 statement.

(Securities Code : 3853)



Appendix

< Corporate Profile >

# Asteria Group Profile

- ◆ Tokyo Stock Exchange 1st Section (3853)
- ◆ Founded: **September, 1998**
- ◆ Office locations: **5 countries**
- ◆ Domain: **“Tsu-Na-Gu” enterprise software**  
**DX design strategic consulting**  
**Investment to technology companies**



**UK**



**China**



**Japan**



**U.S.A**



**Singapore**

**Tokyo, Osaka,  
Kumamoto, Aichi**

- ◆ Capital **2,275,343,330yen**
- ◆ Employee **124 (Consolidated)**

(As of March 31, 2021)

# Majority of outside directors

- ◆ Diversity in outside directors.
- ◆ More than two outside directors since establishment.

## Inside directors

## Outside directors



**Pina Hirano**

- ▶ President/CEO



**Yoshi Kitahara**

- ▶ VP/CTO
- ▶ Over 30 years of software development experience



**Hirofumi Gomi**

- ▶ **Former FSA Commissioner**
- ▶ BCG Japan Senior advisor



**Anis Uzzaman**

- ▶ **Silicon Valley VC**
- ▶ Organizes "Startup World Cup" held in more than 40 countries around the world
- ▶ Lives in California, USA



**Mariko Tokioka**

- ▶ **Serial Entrepreneur**
- ▶ Awarded "Forbes Japan WOMEN AWARD 2019"
- ▶ Lives in New York, USA

# Global Management

◆ Composition of executive officers with strengths in various regions and fields.

Executive Officer  
President/CEO



Pina Hirano



Executive Officer  
VP/CTO



Yoshi Kitahara



Executive Officer  
Global COO



Dusan Hamlin

CEO, This Place Ltd



Executive Officer  
CFO



Yas Saitoh



Executive Officer  
China R&D



Huang Xi

Asteria China



Executive Officer  
Enterprise Business Unit



Susumu Kumagai



## After April 1, 2021

- ▶ Senior Executive Officer(Promotion):  
**Yas Saito/ Susumu Kumagai**
- ▶ Executive Officer (newly appointed):  
**Ken Tamura/ Fumihiro Naganuma**

Appendix

< **Products Summary** >

# Business Unit (BU) & Product

## Enterprise BU

- ◆ Data Integration Middleware
- ◆ ASTERIA Warp: No. 1 market share for 14 years in a row



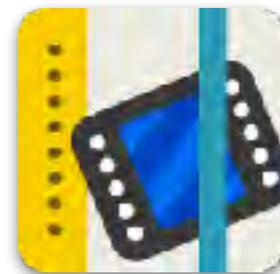
Asteria<sup>◆</sup> warp



Gravio

## Cloud Services BU

- ◆ Mobile software for contents distribution
- ◆ Handbook: No. 1 market share in various categories



Handbook



Platio

## Design BU

- ◆ Design strategy consulting for large companies (acquired in April 2017)
- ◆ Main markets are UK, EU, US and Southeast Asia

**TNIS  
PLACE**

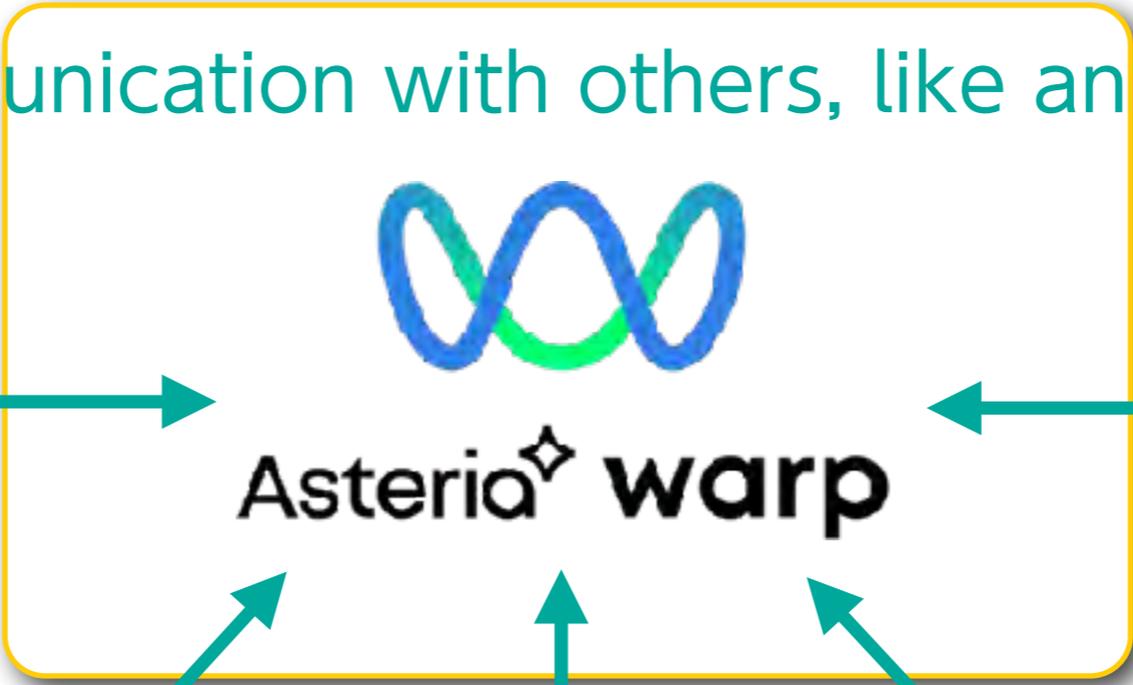
# ASTERIA Warp

Enables communication with others, like an **“Interpreter”**

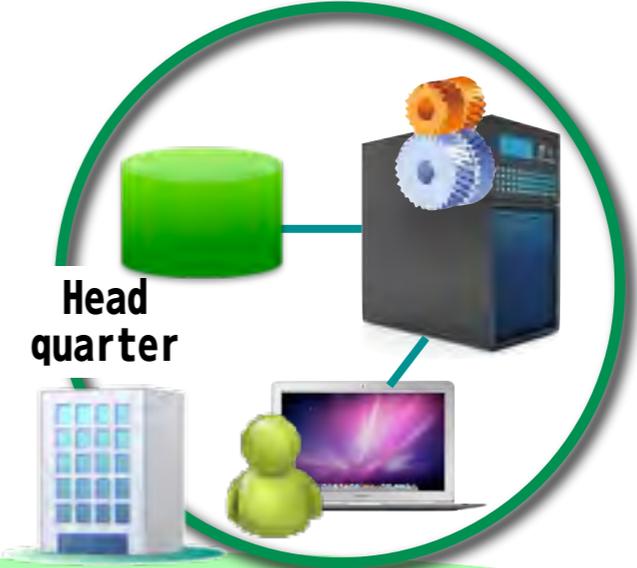
**Consumers**



**Partners**



Connect various computers **without coding**

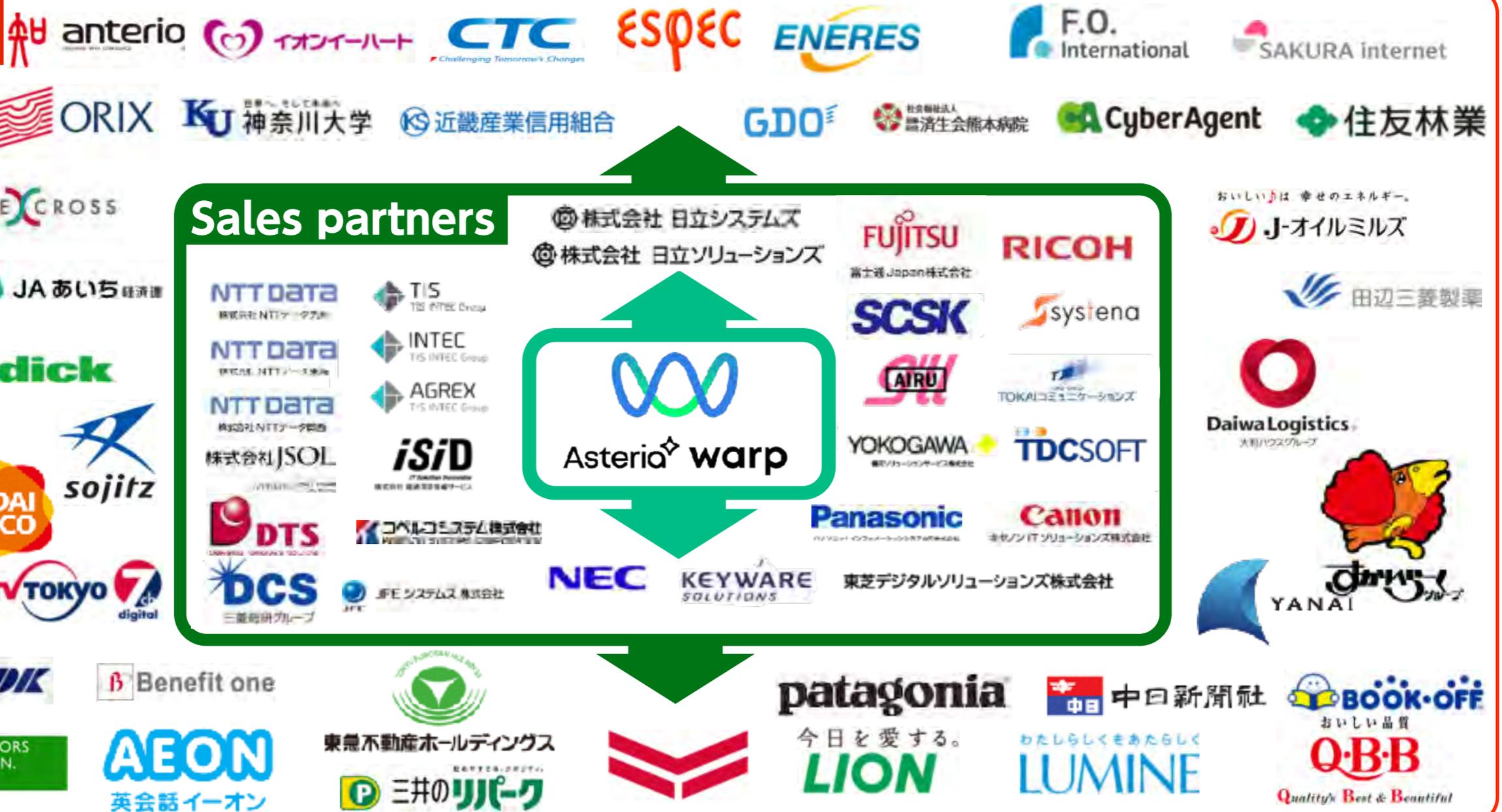




# ASTERIA Warp: Solid track record

No. 1 market share. Installation of over 9,000 companies.  
Available through major system integrators.

## Users



# ASTERIA Warp:Subscription stretches

40+ ASP (ASTERIA Subscription Partner) signed up.  
Partners who handles subscription products (Core)



# ASTERIA Warp: Key to API generation

Integrates various new technologies and cloud services to enterprise systems using API.

Until now



From now on

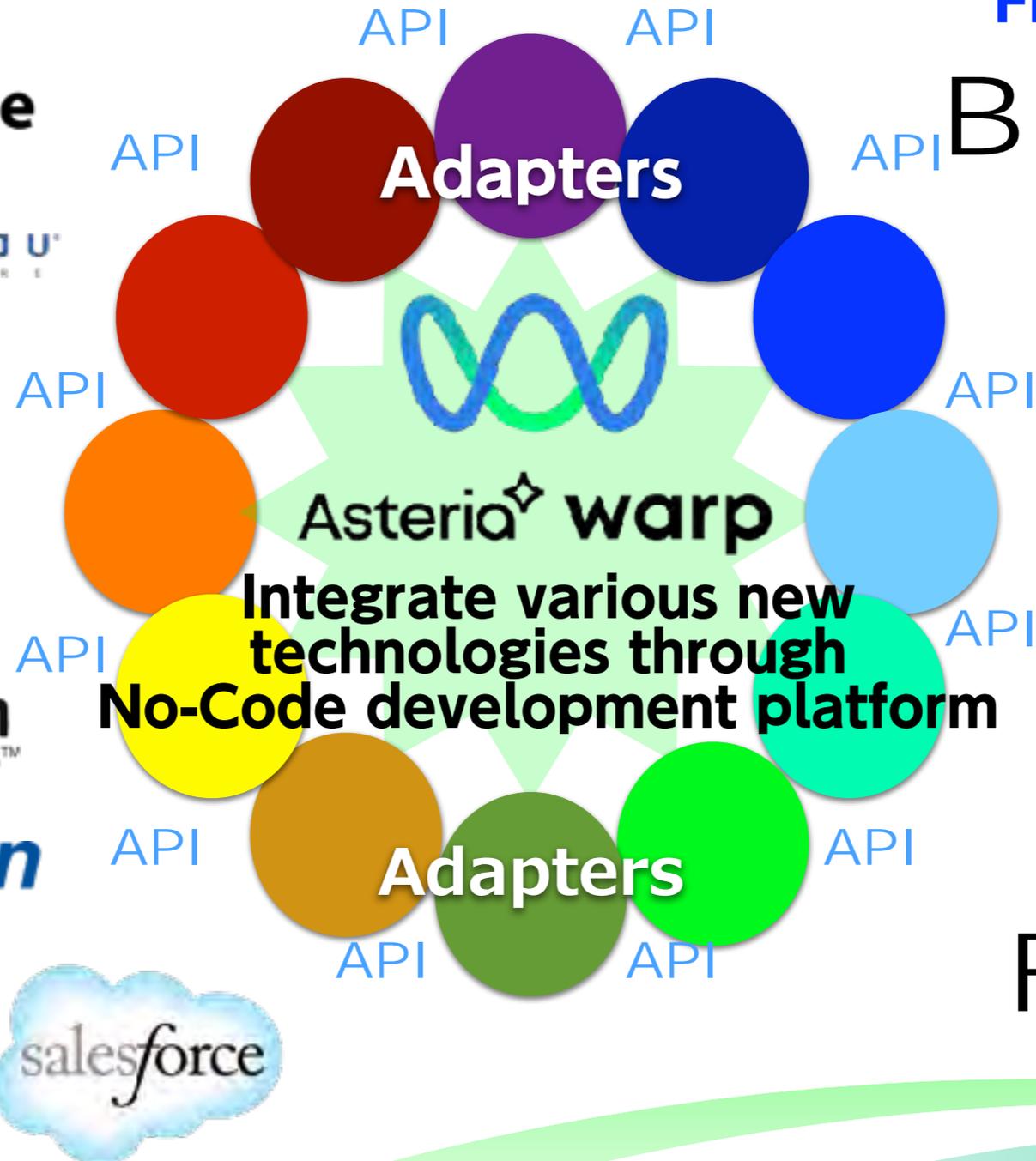
Blockchain

IoT

AI

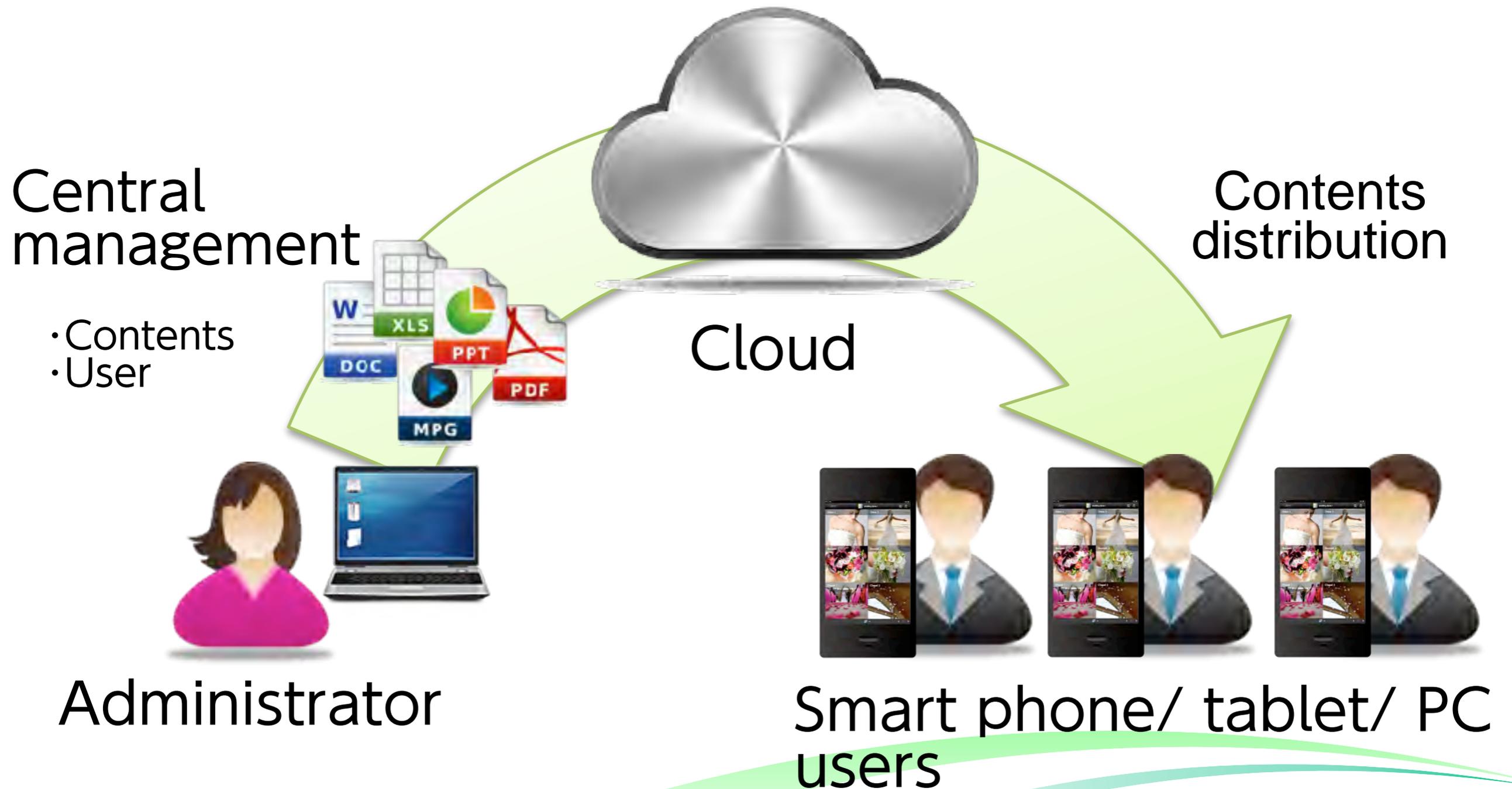
Robot

FinTech



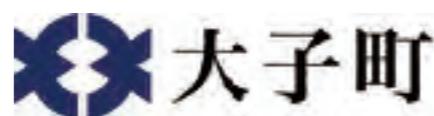
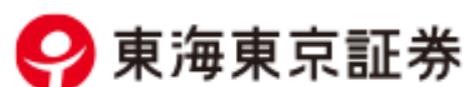
# Handbook

Secure and safe content sharing to mobile devices.  
Enables users to view them anywhere, anytime.



# Handbook: Solid track record

Over 1,500 use cases at leading enterprises and educational institutions.



# Handbook: Enabling the New Normal

Supports remote activities by utilizing smartphones / tablets



Handbook

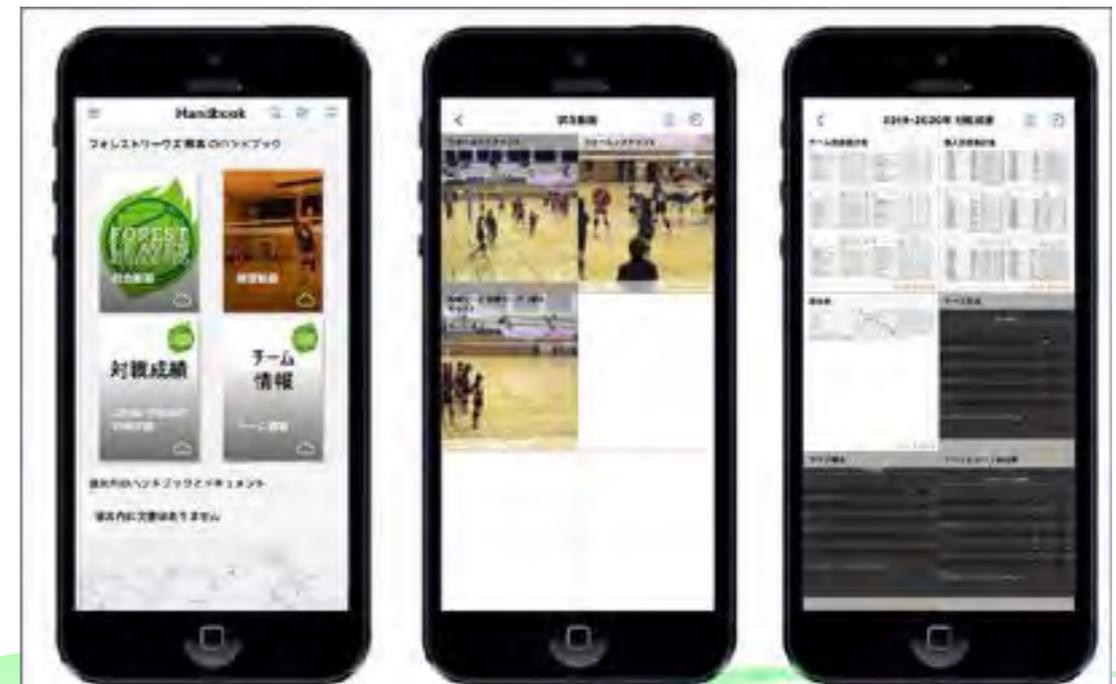
## ◆ School closure support

- ✓ 京都仏眼鍼灸理療専門学校  
(Kyoto College of Acupuncture & Moxibustion Therapy)
- ✓ Remote lessons started in 2 weeks



## ◆ Remote training-camp

- ✓ Forest Leaves KUMAMOTO (V2)
- ✓ During the COVID-19 pandemic



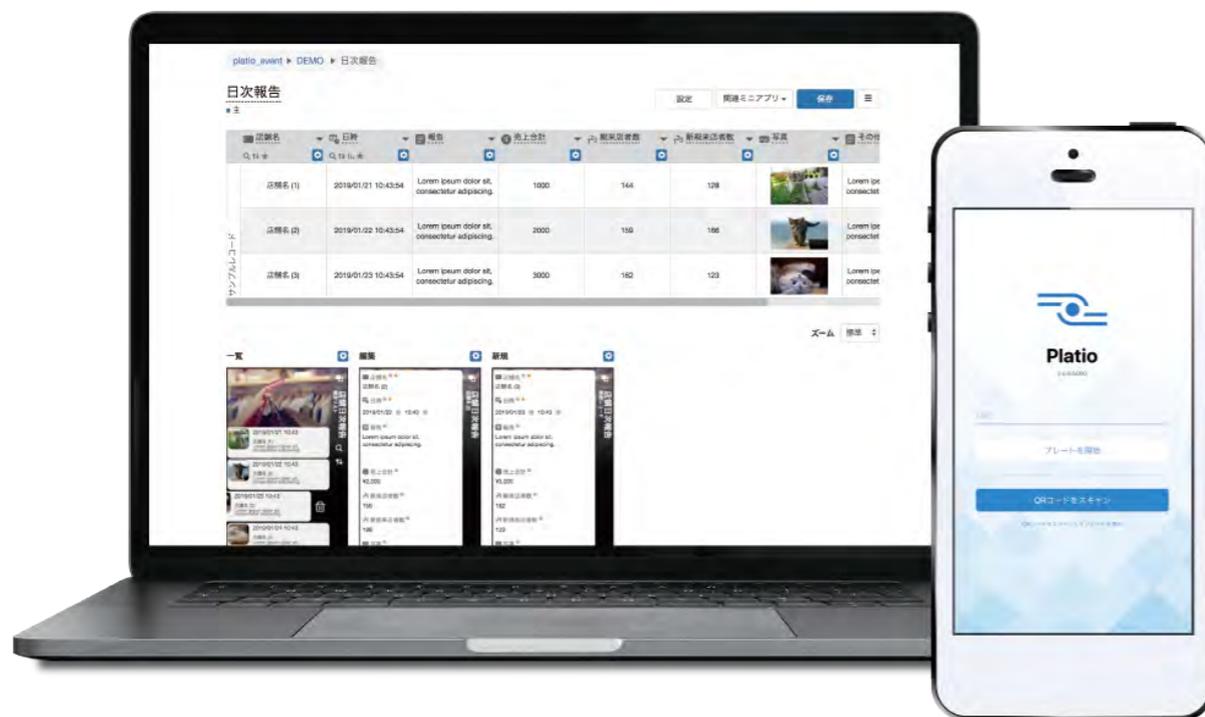
# Platio

## Mobile apps building tool



- **No-Code** apps building tool that anyone can easily create and utilize mobile apps that fit the business
- ✓ **iOS and Android version**
- ✓ **Created apps can be distributed immediately and used in the field.**
- ✓ **Platio detects changes in the input data and automatically notifies.**

100+ different templates for various business types



# Platio



Adopted in a wide range of industries,  
expanding use cases



Logistics Tech  
App



Exhibition admission  
management App



COVID-19  
Prevention App



Food hygiene  
management  
App

HACCP applicable



Site information  
sharing App



Sales activity report  
App

# Gravio

AI equipped IoT integrated edgware



Gravio  
グラヴィオ

Gravio Hub



✓ IoT device (sensor) included



- ◆ Win, Mac, Linux, RasPi
- ◆ ZigBee, EnOcean

- ✓ AI Face recognition
- ✓ Blockchain Equipped
- ✓ No-Code logic definition



# Gravio

## Use cases for automation and remote control



Gravio



HITO 病院



AI camera  
3Cs avoidance solution

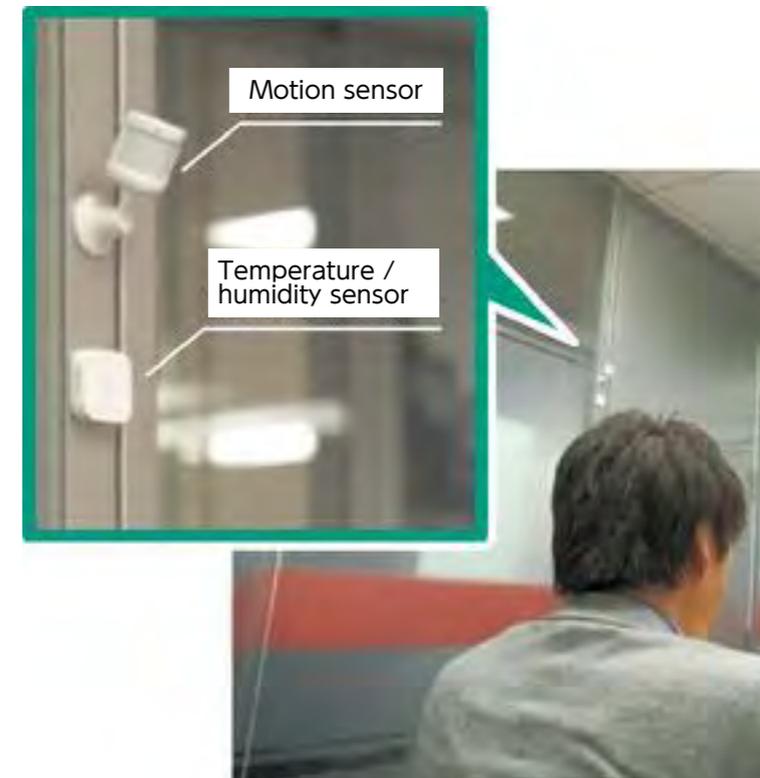
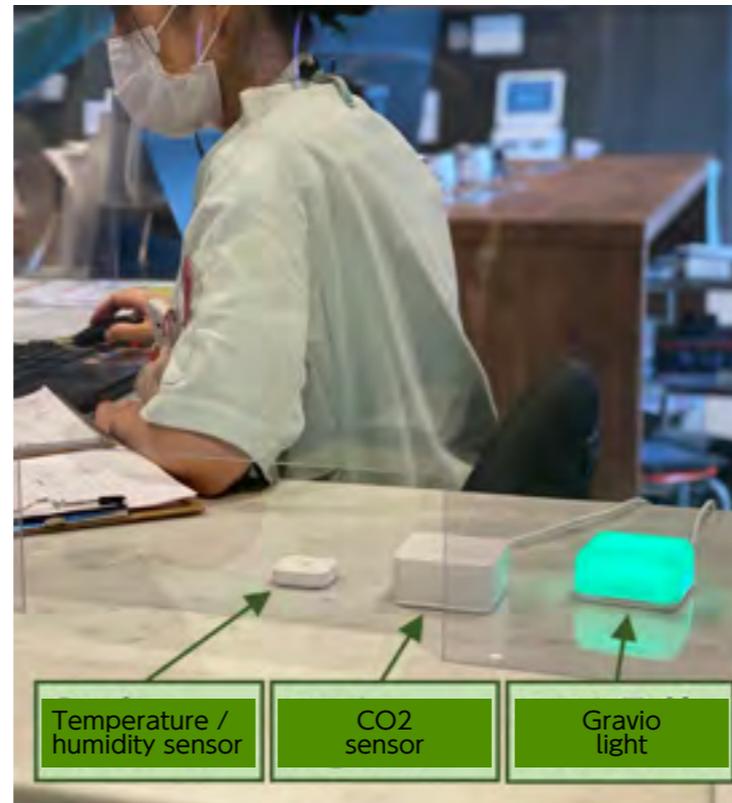
CO2 sensor  
3Cs avoidance solution

Motion sensor  
reception efficiency  
Improvement



The number of people in the waiting room is being detected @ Yamamoto Ophthalmology Waiting Room

Real-time number of people waiting in the waiting room displayed on website



# Design Service (This Place)

Support companies' digital transformation

Providing customers mainly in the UK, EU, US and Hong Kong, as well as in Southeast Asia.

- ◆ Clients' branding strategy
- ◆ Supports DX strategy formulation and execution
- ◆ Supports development of website and mobile app

*Coca-Cola*  
EUROPEAN PARTNERS

 bp

 opolk™

*Ballantine's*

 **McKinstry**  
For The Life Of Your Building

*Alaska*  
AIRLINES

 T-Mobile®

 Samsonite®

 Ahold  
Delhaize

 Woolworths  
the fresh food people

Hannaford.

 **SECURE**

 Edelman

 dunhill

 **BBC**

Appendix

< Our Business Model >

# Variation of “IT Industry”

## Software

**Asteria**, Oracle,  
Microsoft, NTT data  
etc.

## Internet

Yahoo, Rakuten, DeNA  
Facebook etc.

**IT  
industry**

## Hardware

Fujitsu, NEC,  
HP、DELL etc.

## Communication

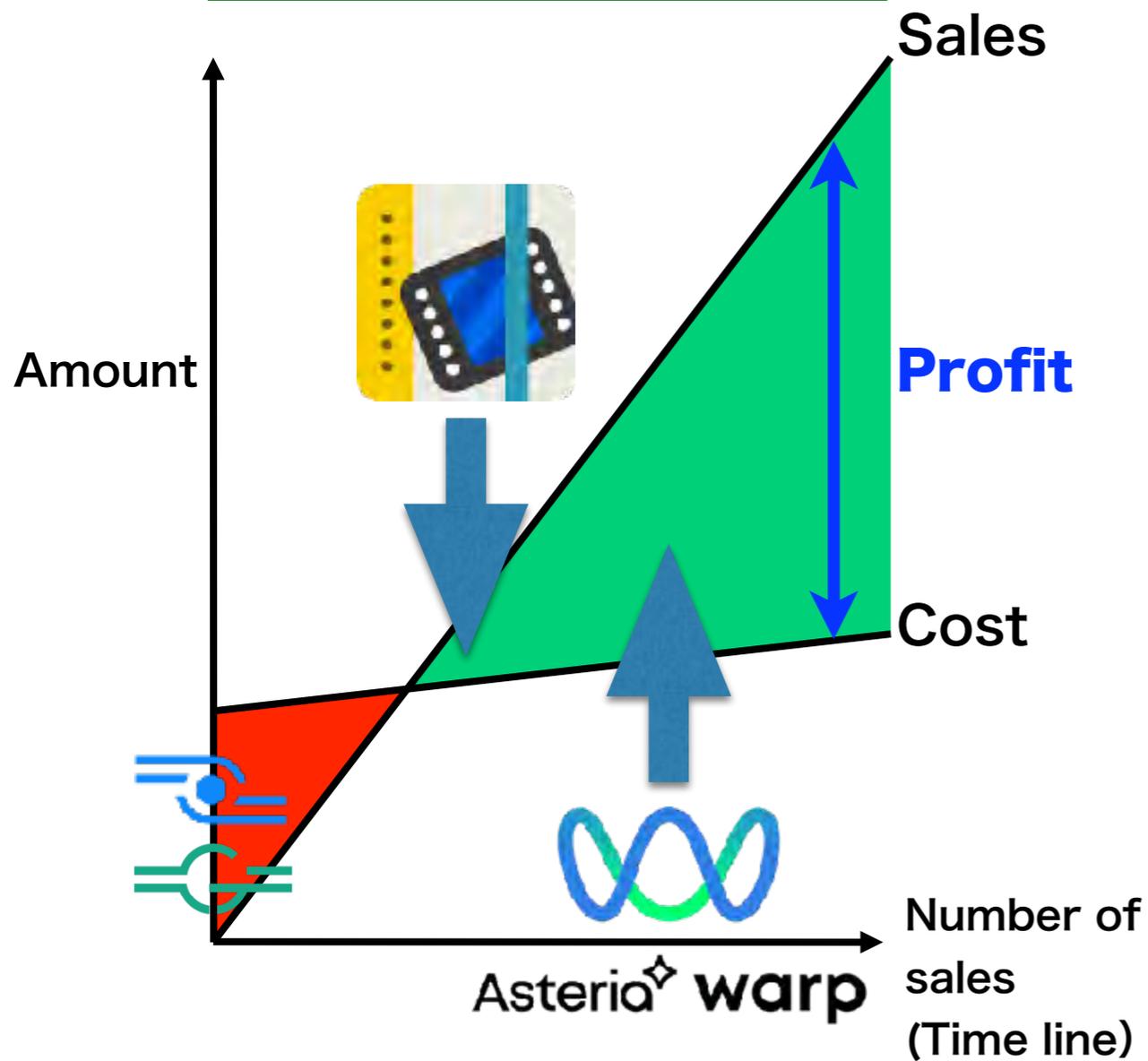
NTT, KDDI, AT&T,  
Softbank etc.

# Two Different Software Development Model

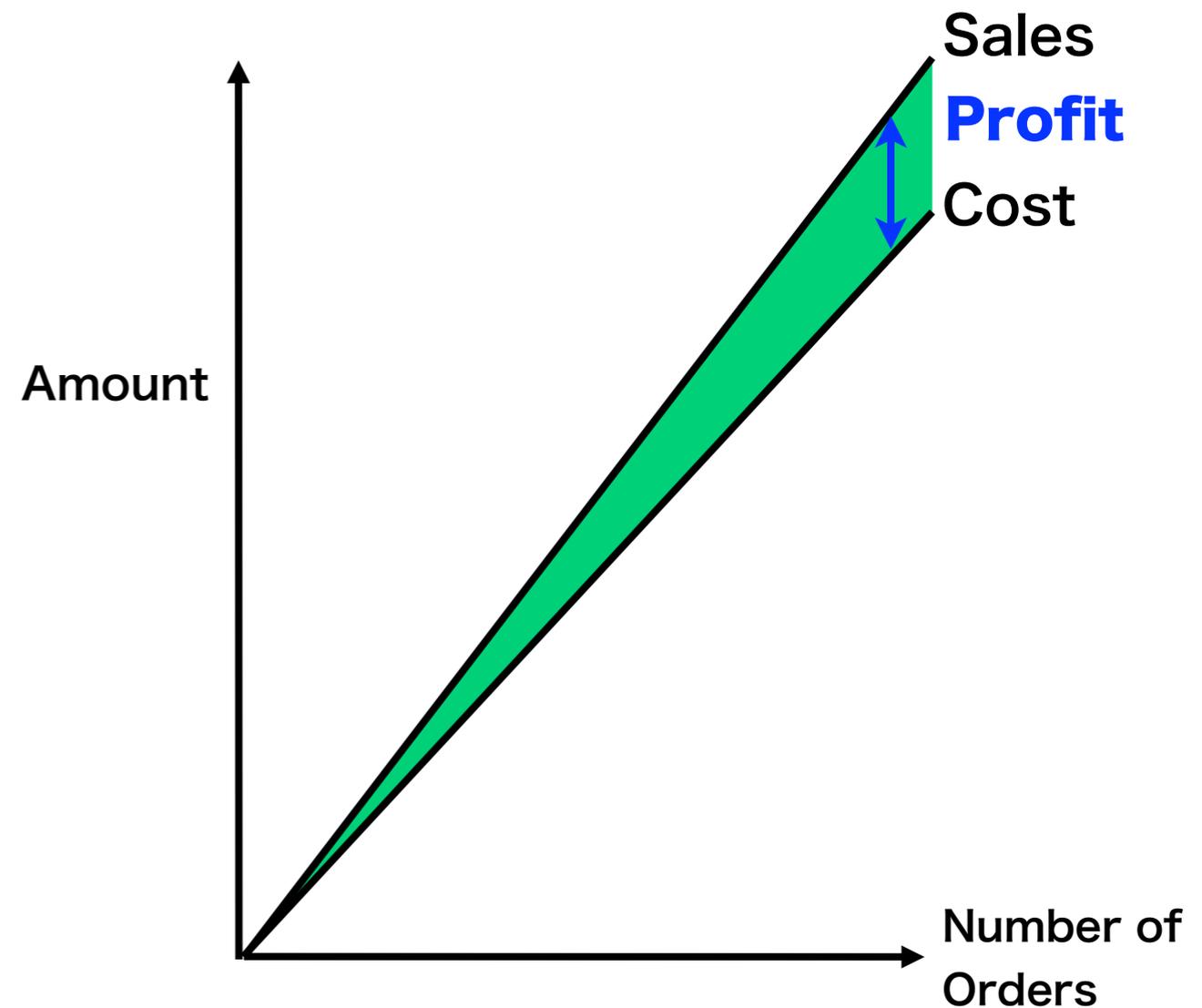
General software development		Custom software development
Unspecified large number	Customer	Only one
High (More than 80%)	Gross margin ratio	Low (Less than 20%)
High	Ease for scale	Low

# Profit Models Are Very Different

## General software development



## Custom software development

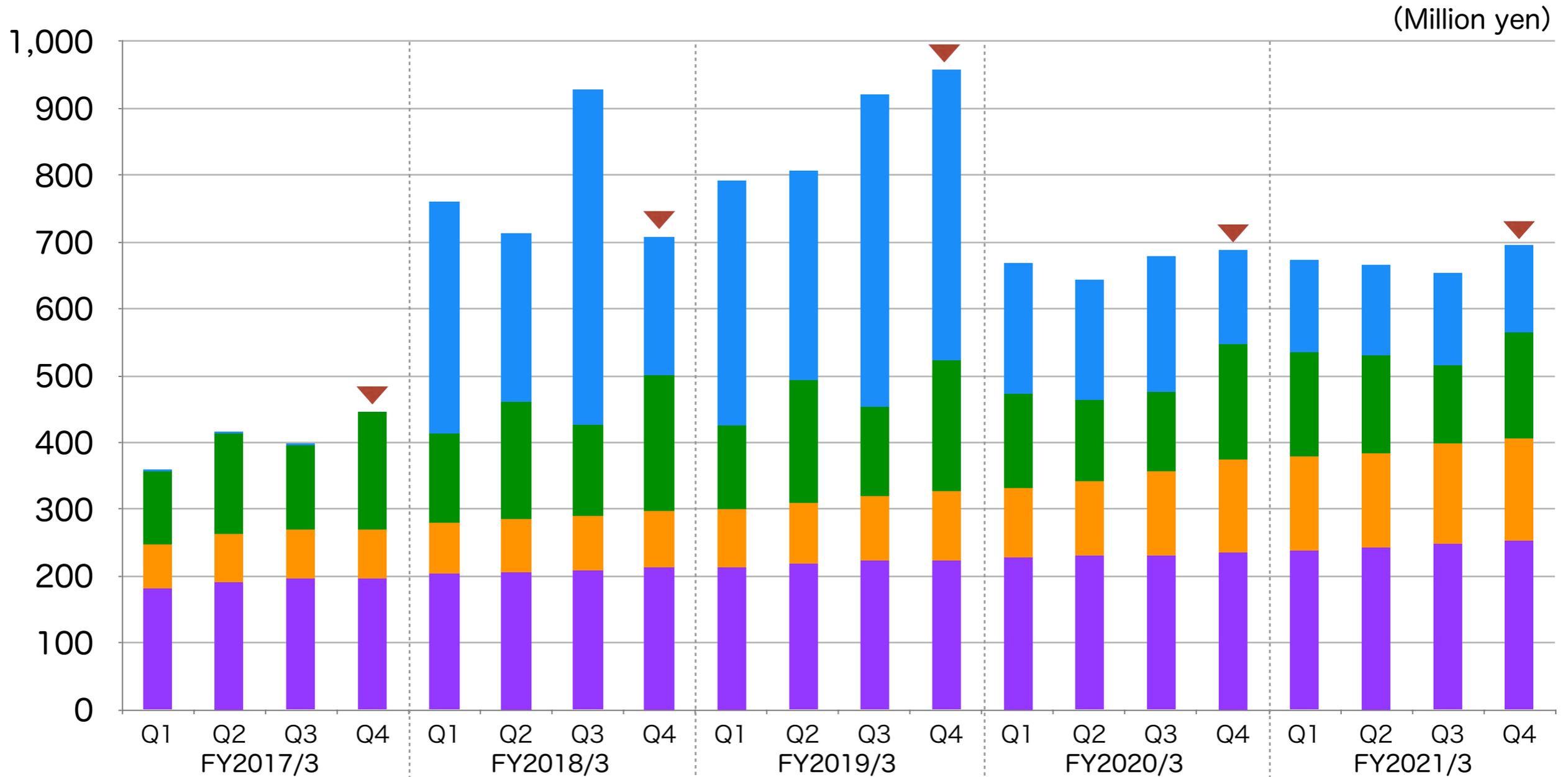


Appendix

< Progress by Quarter >

# Sales by Quarter

✓ Record high “Subscription” and “Support” sales.

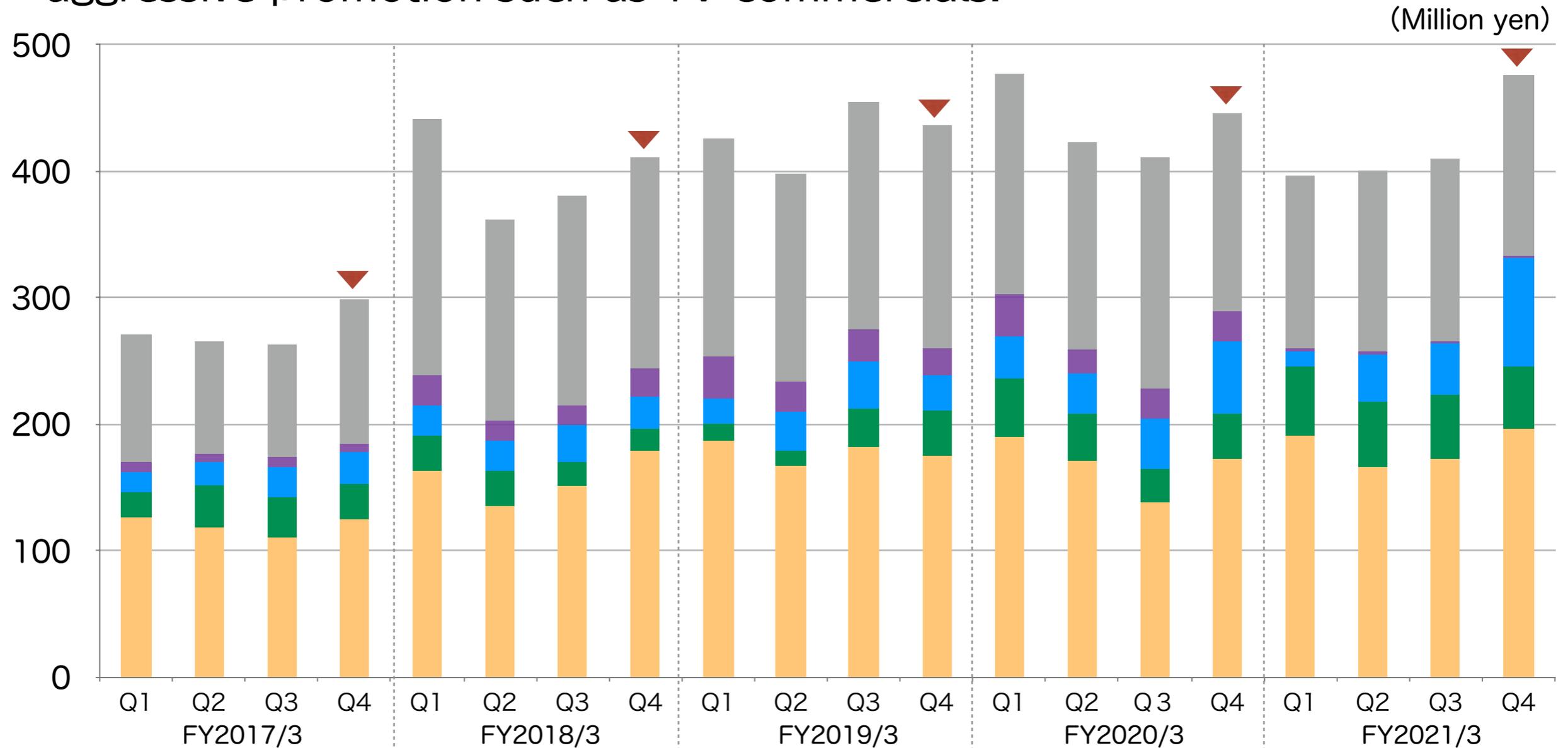


(Million yen)

	Q1	Q2	Q3	Q4																
	FY2017/3				FY2018/3				FY2019/3				FY2020/3				FY2021/3			
Service	2	3	3	1	347	254	503	207	366	315	468	435	195	180	202	141	139	136	139	130
License	109	151	125	174	134	175	136	202	127	183	133	195	142	121	120	171	157	145	117	159
Subscription	65	72	76	75	75	79	81	85	86	93	98	103	104	112	125	139	139	141	150	154
Spport	183	190	195	196	204	206	209	213	214	217	222	224	227	231	230	236	239	244	249	252
Total	360	416	399	446	760	714	930	706	793	808	920	957	668	644	678	686	674	666	654	695

# SG&A by Quarter

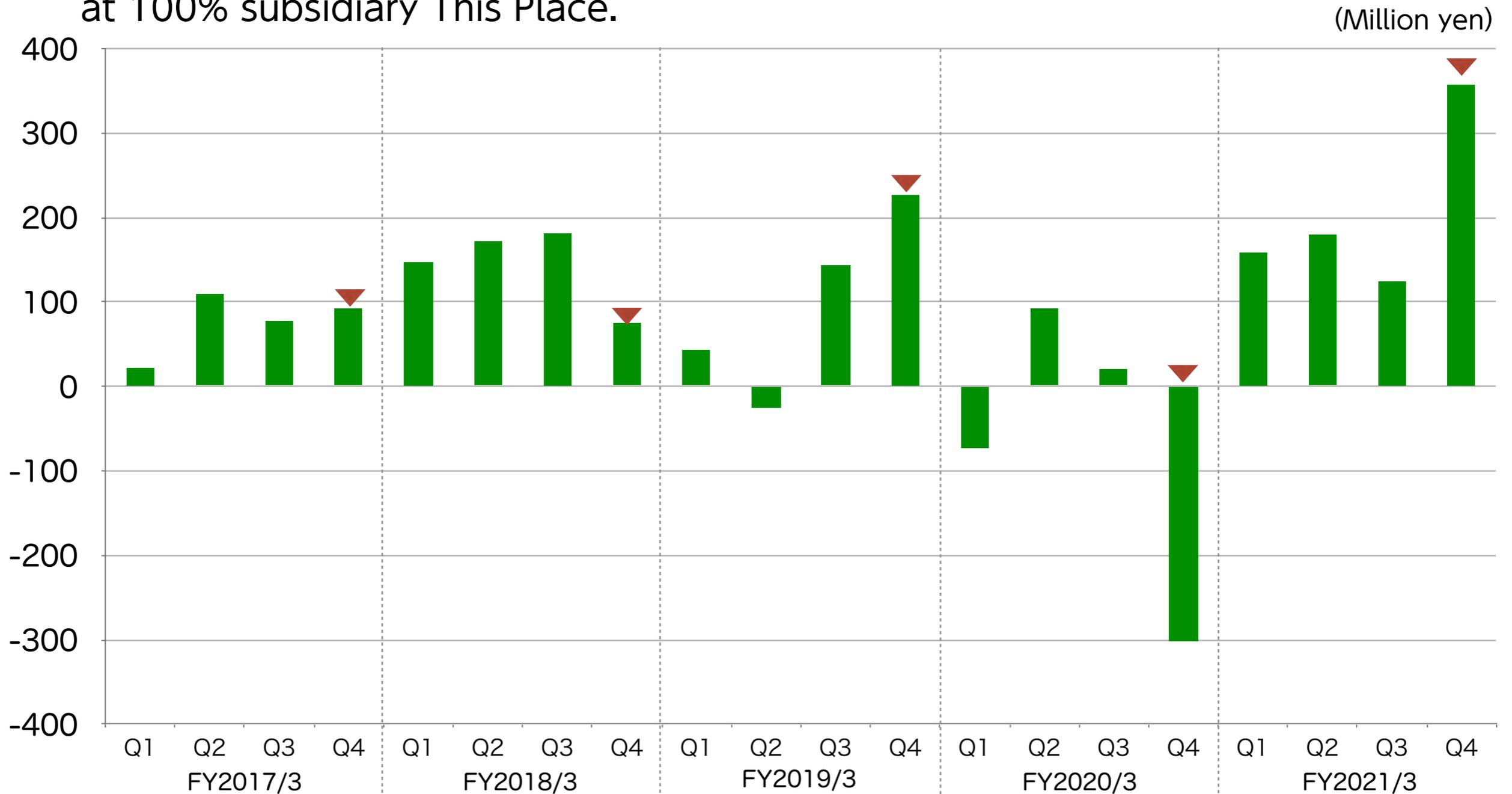
✓ Adv. promotion expensed increased compared with Q4 FY2020/3 due to aggressive promotion such as TV commercials.



	Q1	Q2	Q3	Q4																
	FY2017/3				FY2018/3				FY2019/3				FY2020/3				FY2021/3			
Others	101	89	89	114	203	159	166	167	173	164	180	176	174	164	182	157	136	144	145	143
Travel	8	7	8	6	24	15	16	22	32	24	26	21	33	18	24	18	3	2	1	1
Adv. promotion	17	19	24	25	24	24	29	26	20	30	37	28	33	32	40	56	11	37	41	86
R&D	21	33	31	29	28	28	18	16	13	12	30	36	47	37	27	36	55	52	50	49
Labour	126	118	111	125	163	136	152	180	188	168	182	175	190	172	138	173	191	166	173	197
<b>Total</b>	<b>273</b>	<b>266</b>	<b>263</b>	<b>299</b>	<b>442</b>	<b>362</b>	<b>381</b>	<b>411</b>	<b>426</b>	<b>398</b>	<b>455</b>	<b>436</b>	<b>477</b>	<b>423</b>	<b>411</b>	<b>440</b>	<b>396</b>	<b>401</b>	<b>410</b>	<b>475</b>

# Operating Income by Quarter

- ✓ Recorded the highest operating income since listing due to the strong performance of the software business and unrealized gains from investments through AVF-1\*, as well as the cost structure reforms driving at turn to profit at 100% subsidiary This Place.

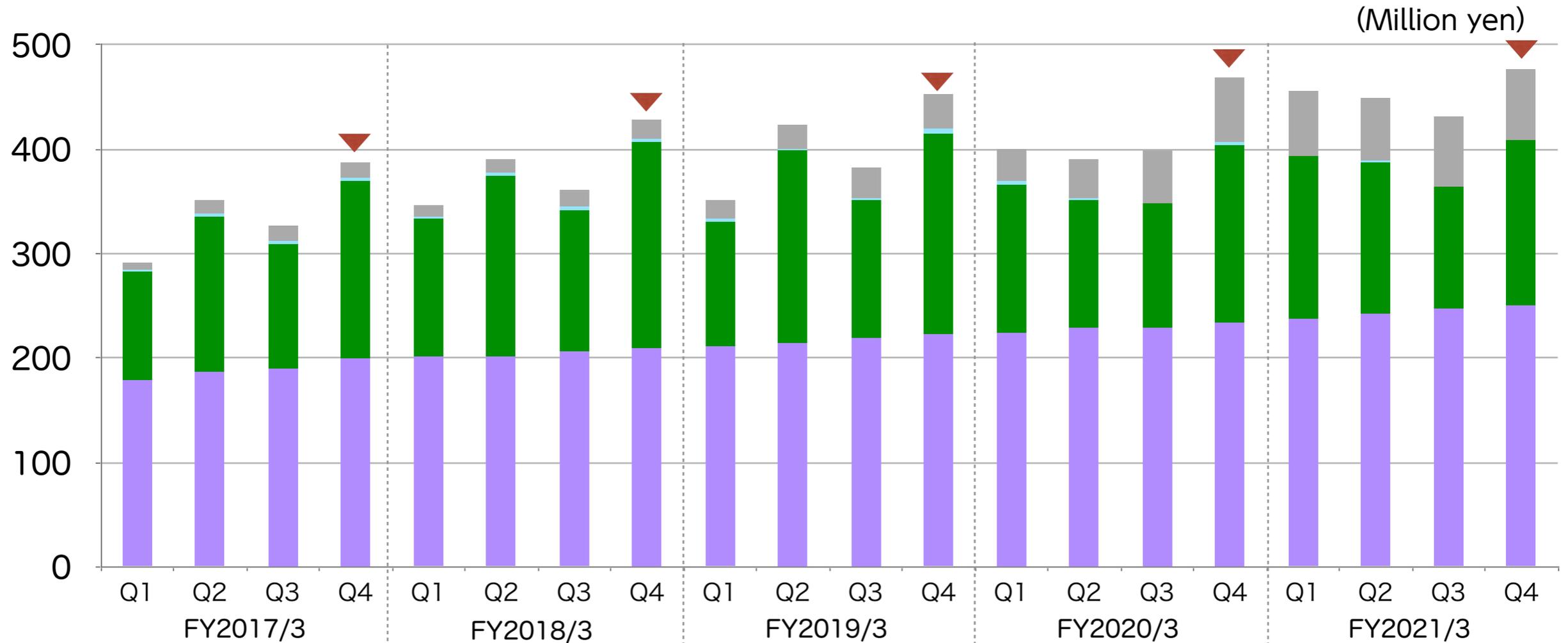


Operating Income	22	109	77	92	148	171	182	76	44	▲25	144	226	▲72	92	20	▲302	158	179	124	358
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# ASTERIA Warp Sales by Quarter



✓ Record highest “Subscription” and “Support” sales.



Subscription	7	12	14	11	11	14	17	18	18	23	29	32	31	38	50	62	61	60	66	68
(Incl.Core)	-	-	-	-	-	-	-	-	-	-	-	-	11	14	17	23	26	28	31	33
(Incl.Rental)	-	-	-	-	-	-	-	-	-	-	-	-	19	24	33	40	35	32	35	35
License	104	149	119	170	132	173	136	197	118	184	132	194	141	121	119	170	157	145	117	159
Spport	179	187	191	193	202	201	206	210	212	215	219	222	225	230	229	234	237	243	247	250
Training	2	3	3	1	2	3	3	3	3	1	3	4	3	2	1	3	1	1	1	1
Total	293	353	327	375	346	391	361	429	351	423	384	452	399	391	399	469	456	449	431	479

# Handbook Sales by Quarter

✓ Solid sales Handbook despite the impact from COVID-19.

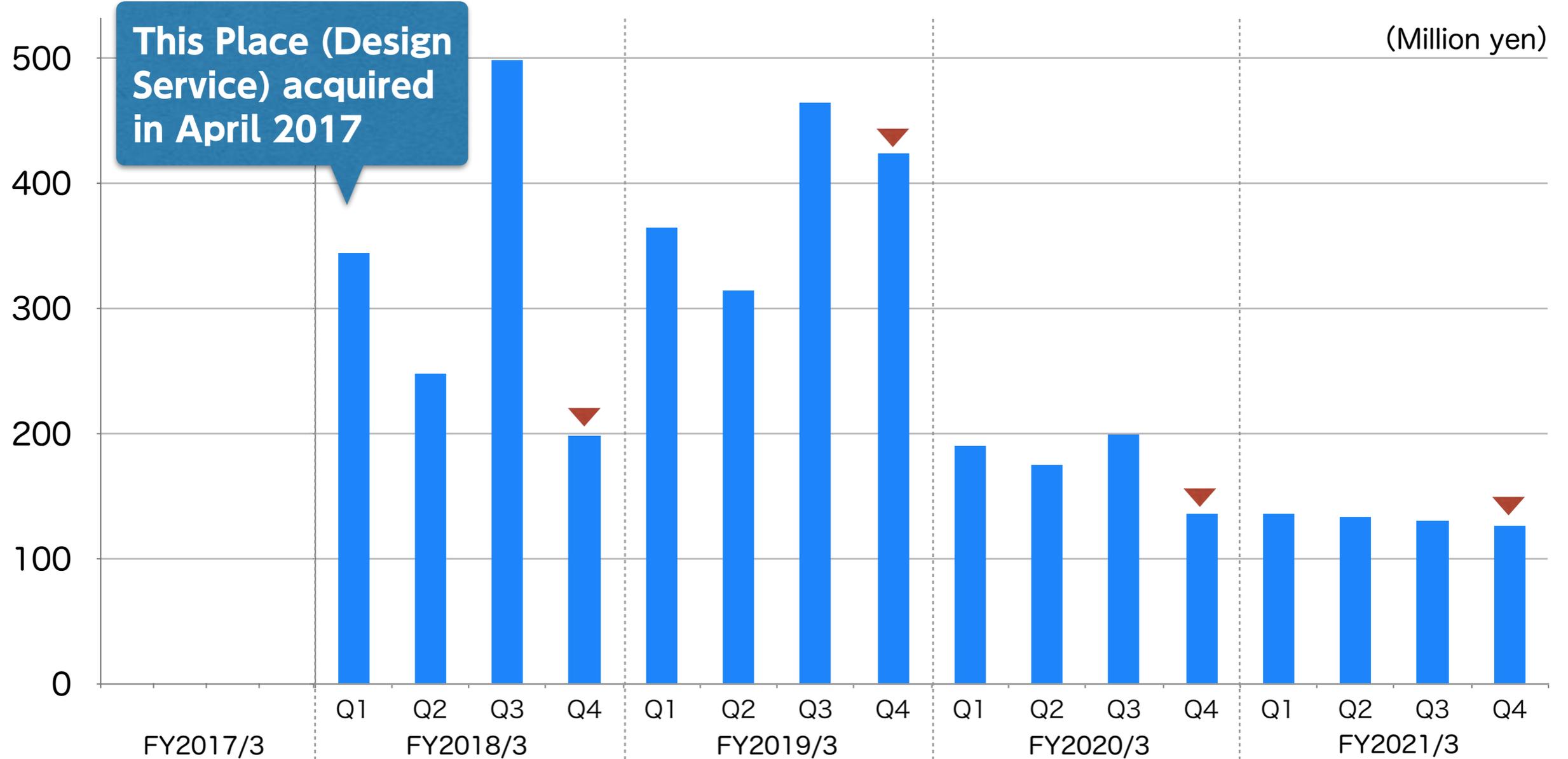


License	0	0	2	0	0	1	0	3	2	0	1	1	2	0	1	1	0	0	0	0
Subscription	55	58	59	61	63	63	64	66	67	69	68	70	72	72	73	73	72	73	73	74
Support	2	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Total	57	61	64	63	65	67	66	71	72	71	71	72	75	74	75	76	74	74	75	76

# Design Sales by Quarter

✓ Roughly the same level as in Q3 despite the impact from COVID-19.

This Place (Design Service) acquired in April 2017





(Securities Code:3853)

The information used in this meeting and the presentation includes forward-looking statements. These descriptions are based on current assumptions of Asteria 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 statement.