



(Delayed)

Medium-term Business Plan

February 10th, 2021
Cybernet Systems Co., Ltd.

CYBERNET

- Understanding the business environment
- Vision and Mission
- Medium-to-long-term basic policies
 1. Contributing to society through simulation
 2. Growing into a global company
 3. Promoting diversity and strengthening the HR development
- Growth pillars in the medium-term business plan
 1. CAE – Strengthening core business
 2. CAE – DX business expansion
 3. CAE – Expanding the use of simulation
 4. IT – Strengthen cloud security business
- Target numbers
- Cybernet's strengths

Understanding the business environment | CYBERNET

There is an opportunity to significantly accelerate business transformation due to major changes in society and technology

Social changes, technological evolution, complex business challenges for customers

Sustainable society

Response during and after COVID-19

Further acceleration of technological evolution, such as DX

Increasing uncertainty in the world

Formulate a new corporate philosophy and formulate a new growth strategy

Vision (Ideal future that Cybernet Systems wants to help realize;
the reason for the company's existence)

**Creating a sustainable society and inspiring the world through
technology and ideas**

Mission (The role of Cybernet Systems in realizing this vision,
through its current business)

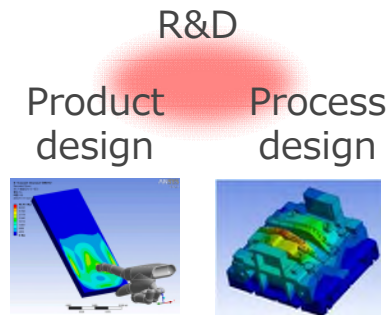
**Guide customers towards breakthrough solutions with vigorous
creativity**

To become a leading **simulation** company

1. Contributing to society through simulation
2. Growing into a global company
3. Promoting diversity and strengthening the HR development

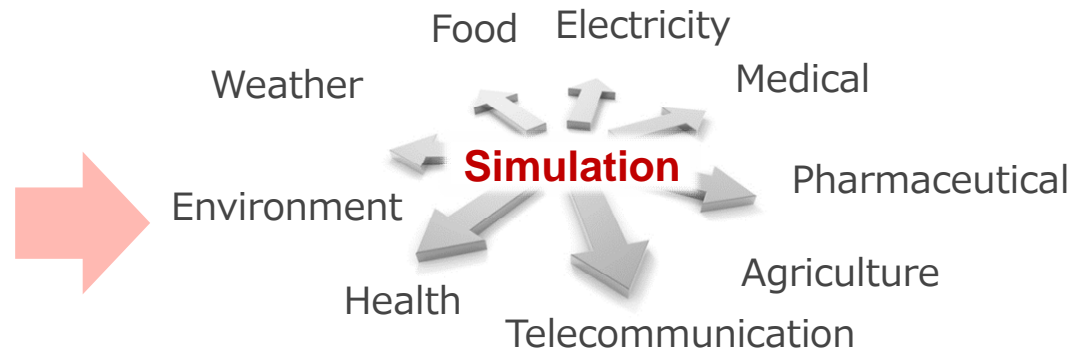
1. Contributing to society through simulation

From simulation for engineering to simulation for society



Simulation for engineering

CAE (Computer Aided Engineering)



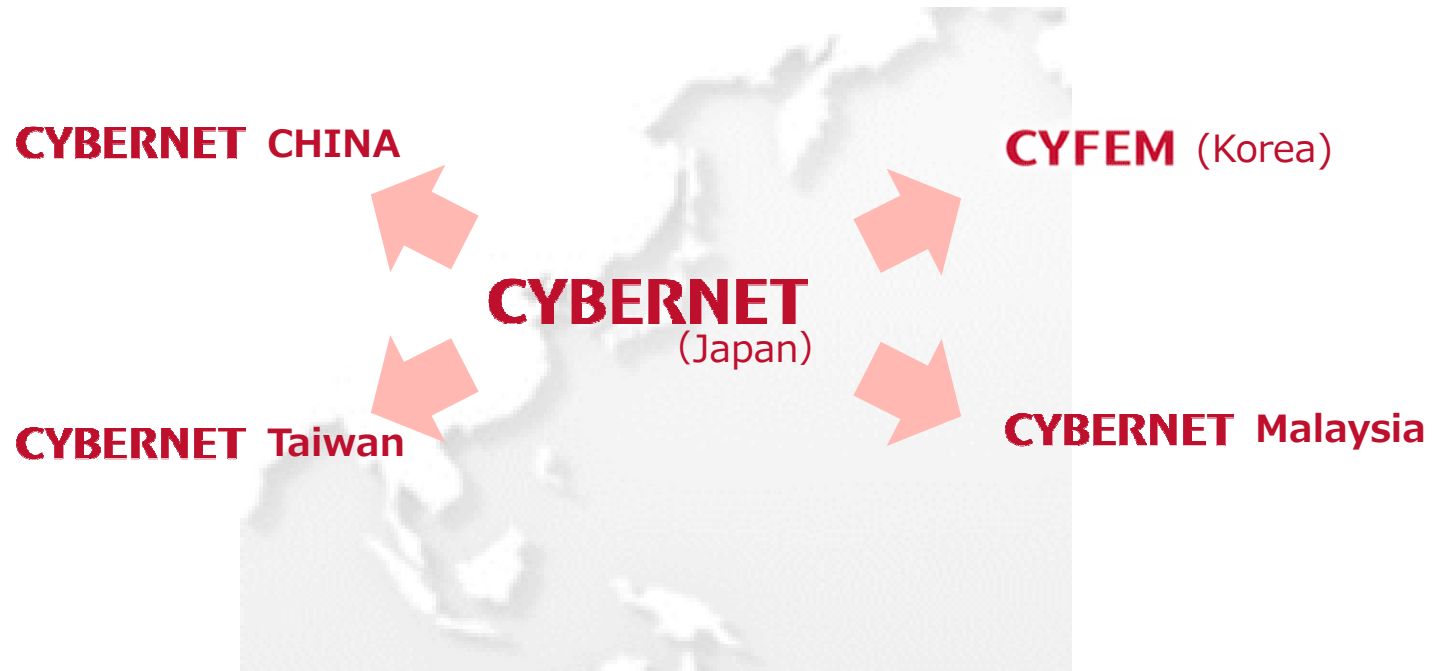
Simulation for society

Anywhere Anytime Simulation

2. Growing into a global company (1/2)

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Expanding Japan's advanced CAE culture throughout Asia



Securing the sales rights for the CAE vendor products that Cybernet is handling in Japan
Utilizing Cybernet Japan's know-how, technical support & sales support

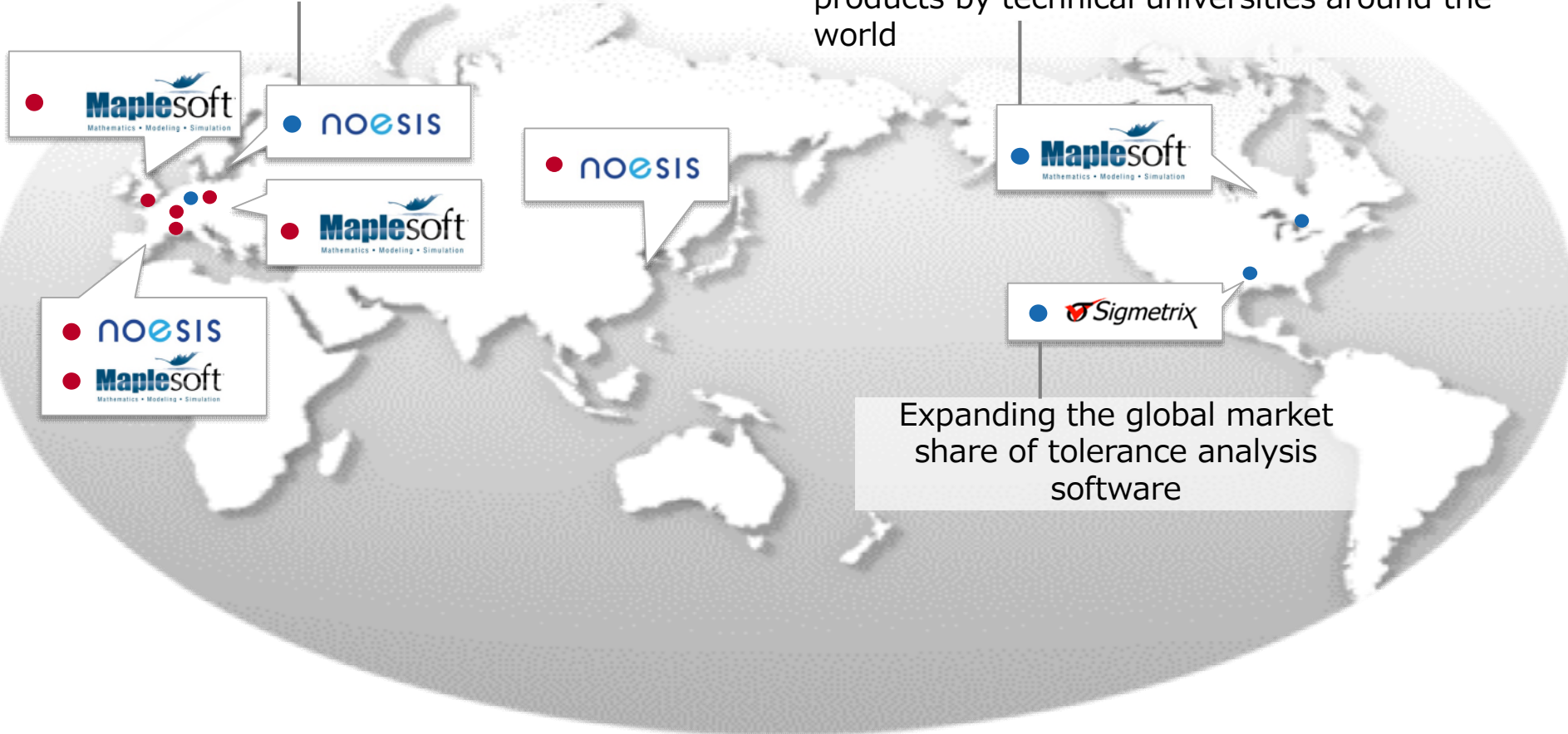
2. Growing into a global company (2/2)

CYBERNET

Expanding sales of Cybernet Group products worldwide

Connecting optimization products to the cloud

Growing the usage of Maplesoft's mathematical products by technical universities around the world



3. Promoting diversity and strengthening the HR development

CYBERNET

Vision

Creating a sustainable society and inspiring the world through technology and ideas

Mission

Guide customers towards breakthrough solutions with vigorous creativity

Credo

Our commitment to society

Actively following changes in society, we will continue to propose innovative solutions exceeding customers' expectations.

Persistent in our daily aim to refine our technology and ideas, we will tackle the unknown and lead the way in finding solutions.

Ever evolving and unafraid of change, we will help realizing a more prosperous and convenient society that is safer and more secure.

Our commitment to customers

Through proposals that consistently exceed expectations, we will serve as a partner in supporting customer's determination, creativity and passion, in order to lead the way to innovation.

Fulfilling our promise to provide more valuable solutions, we will approach customers with sincerity by exercising flexibility and strong communication skills to identify the core of their issues and drive change.

No matter when or in which field, we will deliver value to customers through our technical expertise, breadth of knowledge, and wealth of ideas.

Our commitment to employees

Shared goal

By making the aspirations of the company clear to all employees, we must foster an environment where everyone can work together with a shared sense of purpose and accomplishment.

Taking on new challenges

Respecting the desire to work independently on new challenges, we must encourage open, responsible discussion that enables individuals to give full play to their abilities.

Promoting diversity

By respecting diversity, we must make the most of each employee's individuality and values.

Achieving work-life balance

To enable employees to enjoy their jobs safely and healthily, we must create a working environment that is considerate of work-life balance.

Invigorating the community

In order to put together strong teams and deepen customer trust, we must actively create opportunities for personal interaction both inside and outside the company.

Leadership development

In order to take the lead in providing society with value that meets the needs of an ever-changing business environment, we must work to develop personnel who are capable of autonomy and growth.

Open evaluations

Through fair, explicit, and transparent evaluations, we must give appropriate compensation and employment opportunities to those who are capable of enhancing our corporate value.

Growth pillars in the medium-term business plan

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Growth pillars

CAE Solution Business

1. Strengthening core business

- a. Strengthening core technologies, expanding product lineup and supporting cutting-edge fields
- b. Business expansion in Asia, which plays a central role in the manufacturing industry
- c. Expand sales of in-house products globally

2. DX business expansion

Expansion of DX solutions that combine digital twins, AR/VR, IOT, Big Data and simulation

3. Expanding the use of simulation

Solving issues in various industries by simulation

IT Solution Business

4. Strengthen cloud security business

We offer a wide range of products for cloud environments and expand security solutions to suit the "New Normal"

1. Strengthening core business (1/5)

Strengthening core technologies, expanding product lineup and supporting cutting-edge fields

- Strengthening relationships and collaboration with top vendors -

No. 1 in mechanical CAE



**Certified as an elite
channel partner for 6
consecutive years**

No. 1 in optical CAE



**Business partners for
over 35 years**

Leading IoT & cloud platforms



**Strengthening relationships with leading vendors
that support the CAE infrastructure**

1. Strengthening core business (2/5)

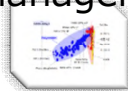
Strengthening core technologies, expanding product lineup and supporting cutting-edge fields

- Launching business support early for new vendor products -

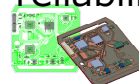
Motor design



Material data management



Electronic device reliability



Mechanism analysis



Embedded development



Safety analysis



IIOT platform



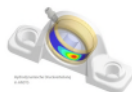
Product lifecycle management



CAE cloud



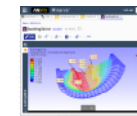
Fluid bearing



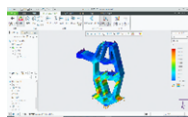
Fluid system



Simulation data management



CAE for designers



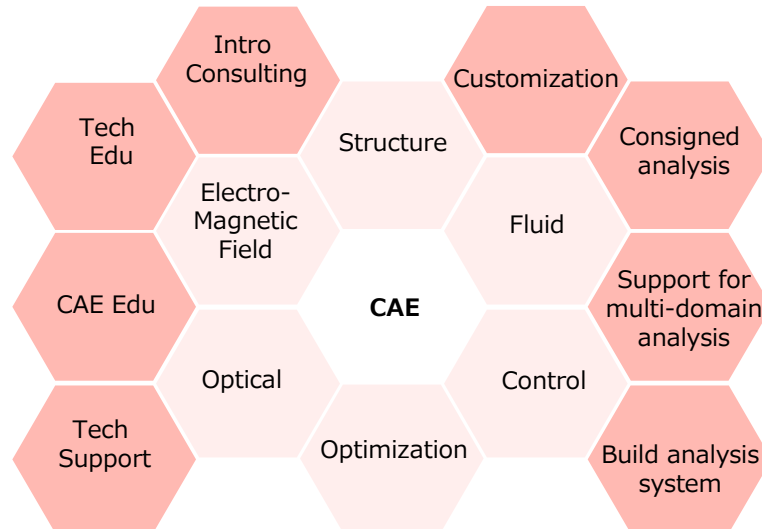
Expanded 13 products in 2019 and 2020

* Main new CAE-related products after 2019

1. Strengthening core business (3/5)

Strengthening core technologies, expanding product lineup and supporting cutting-edge fields

- Supporting research and development of companies in cutting-edge fields -



Autonomous

Electrification

Connected

Carbon Neutral

Sensors

Next generation materials

1. Strengthening core business (4/5)

Business expansion in Asia, which plays a central role in the manufacturing industry

- The center of the world economy shifts from Europe and America to Asia
 - Asian population will be more than half of the world's in 2050
 - Asia's GDP will be more than half of the world's by 2050
- Manufacturing is one of the priority areas of each country's industrial policy
- Multinational manufacturing companies expand their research and development bases to ASEAN

Invest in Asia where research and development is expanding



Billion yen

Sales in Asia

4.0

2.5

2.0

4.0

0.0

20/12

23/12

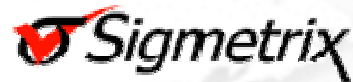
1. Strengthening core business (5/5)

Expand sales of in-house products globally

Major focus areas



- Mobile and online STEM products
- Manufacturing line automation support



- Strengthen OEM of tolerance analysis and strengthen cooperation with CAD vendors
- Online training



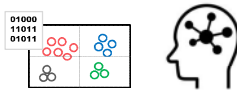
- Cloud-based optimization product



2. DX business expansion (1/3)

Promote engineering DX

Big data analysis • AI



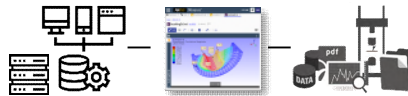
IoT / Digital Twin



AR/VR • Visualization



Engineering platform



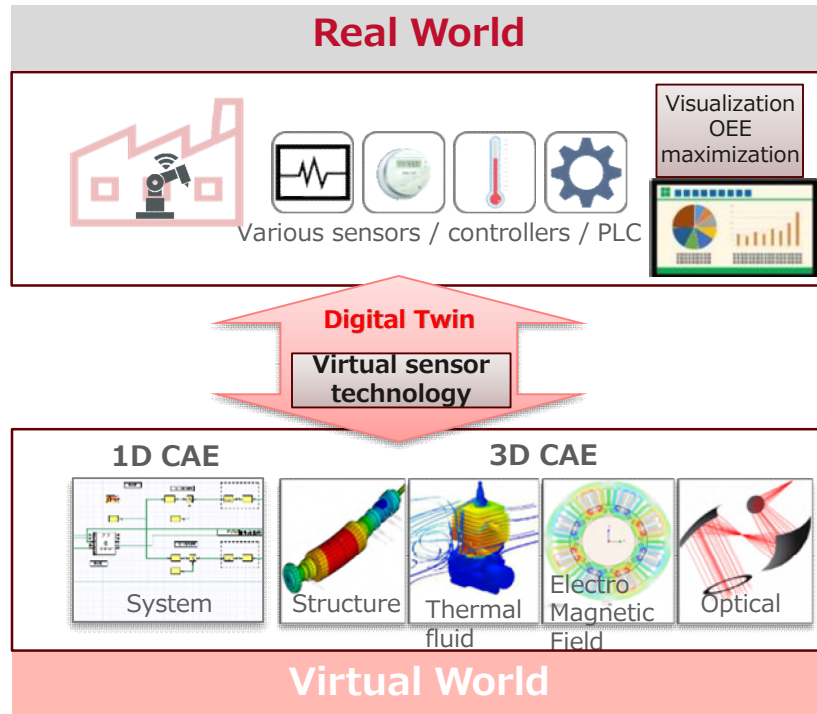
* PLM / simulation data management / HPC environment / material data life cycle management

Cloud platform



2. DX business expansion (2/3)

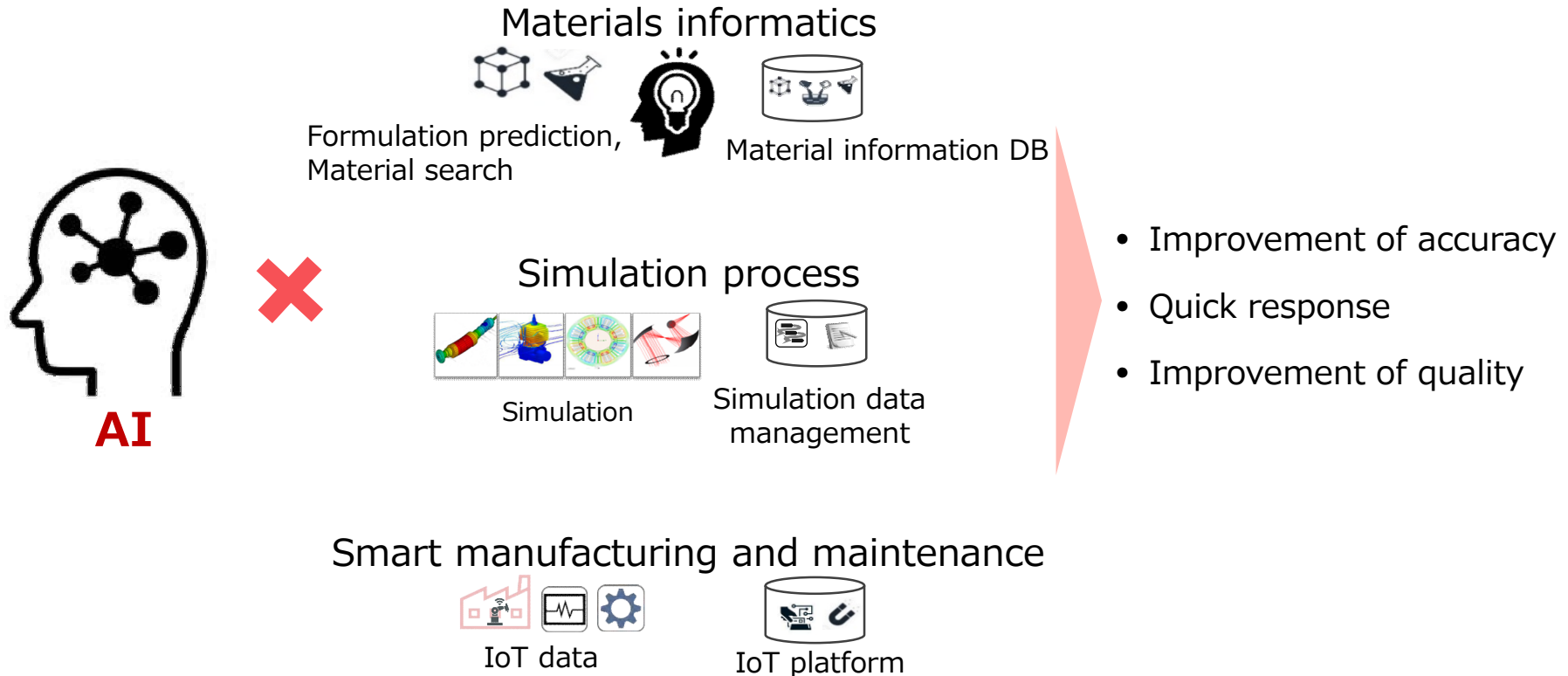
Fusion of simulation and the real world



IoT / Digital Twin × AR / VR · Visualization

2. DX business expansion (3/3)

AI provides new value to the design and development process

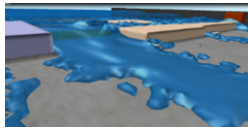


AI x Engineering platform x IoT platform

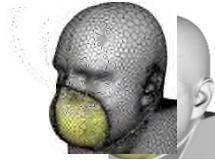
3. Expanding the use of simulation

Solving issues in various industries by simulation

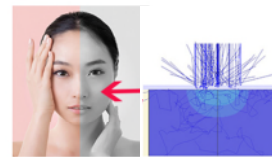
Natural phenomenon
(tsunami)



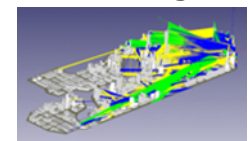
Measures for
COVID-19



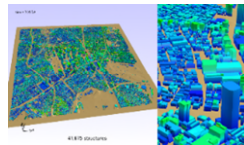
Cosmetic effects



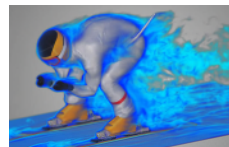
Communication
coverage



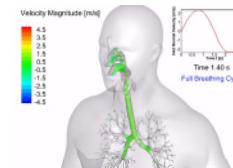
Natural phenomenon
(earthquake)



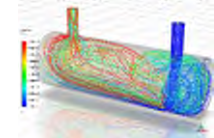
Sports



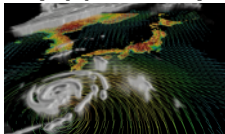
Drug delivery



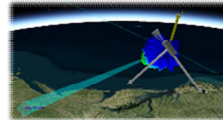
Bactericidal
effect of UV



Natural phenomenon
(typhoon)



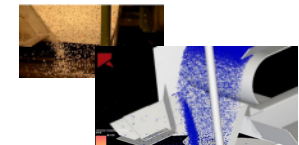
Satellite operation



Medical image
visualization

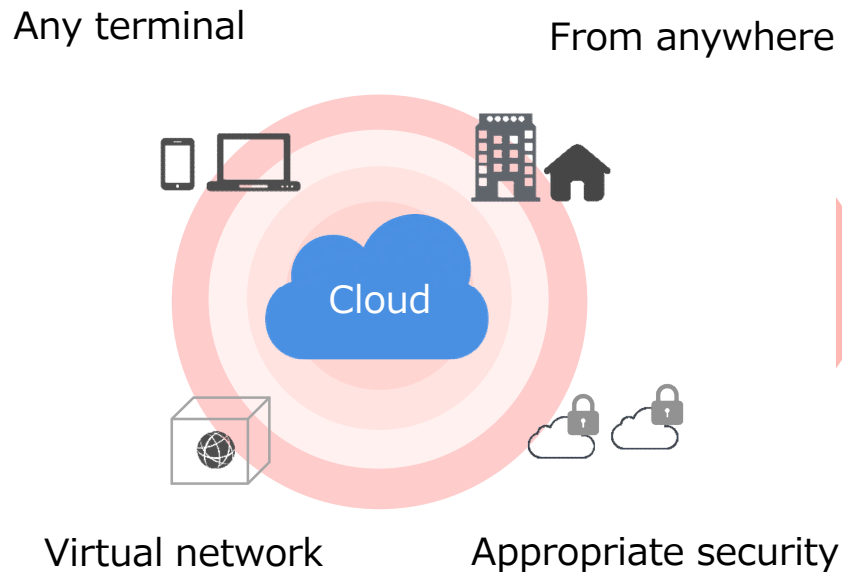


Crushing fertilizer



4. Strengthen cloud security business

We offer a wide range of products for cloud environments and expand security solutions to suit the “New Normal”



Wide range of products

box

netskope

onelogin

mobileiron

vmware Carbon Black

deepinstinct
BEFORE YOU KNOW IT

IT資産管理の窓口

Symantec
A Division of Broadcom

Our know-how

Risk
Assessment

Proposal for
improvement

Correlated
verification

Surveillance
service



Target numbers

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The sales target for the fiscal year ending in December 2023 is 26 billion yen, and the operating income margin target is 12.0%.

Billion yen

	20/12 (Results)	21/12 (Target)	22/12 (Target)	23/12 (Target)
Revenue	21.6	22.4	24.0	26.0
Operating income margin	13.3%	12.1%	12.0%	12.0%

Over 30 years of business experience as a CAE specialist

Strong relationship with industry-leading developers

Having a wide range of clients, we are not easily affected by the performance of specific customers

Stable stock business foundation that is not easily affected by economic fluctuations

Global expansion across 19 bases around the world

Cybernet's strengths (2/3)

CYBERNET

Strong relationship with industry-leading developers

CAE

Ansys

SYNOPSYS®

eta

Virtual Motion

DownStream
Technologies

ALTAIR

FLUXiM

PHOENIX
INTEGRATION

IT security

box

BROADCOM®

Check Point
SOFTWARE TECHNOLOGIES LTD.

deepinstinct

株式会社 ディー・オー・エス

IHS Markit

mobileiron

ivanti

netskope

onelogin

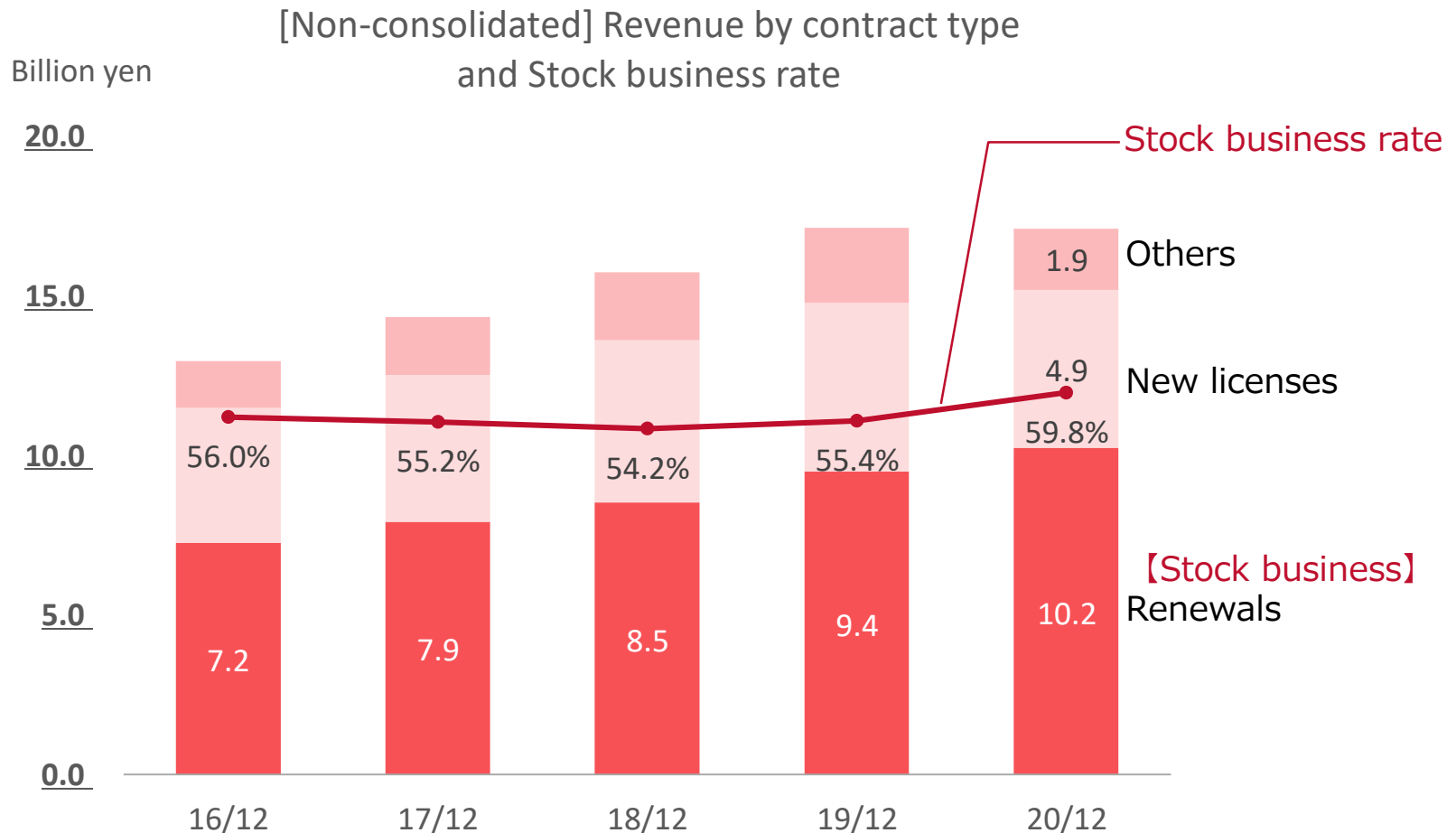
Progress®

QualitySoft

Sky

SYSBANK
MAJESTY for Oracle / SQL Server

Stock business has a stable performance rate of 50% or more



■ IR Department

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