Material regarding Our Growth Potential

June 2019

Sansan, Inc.

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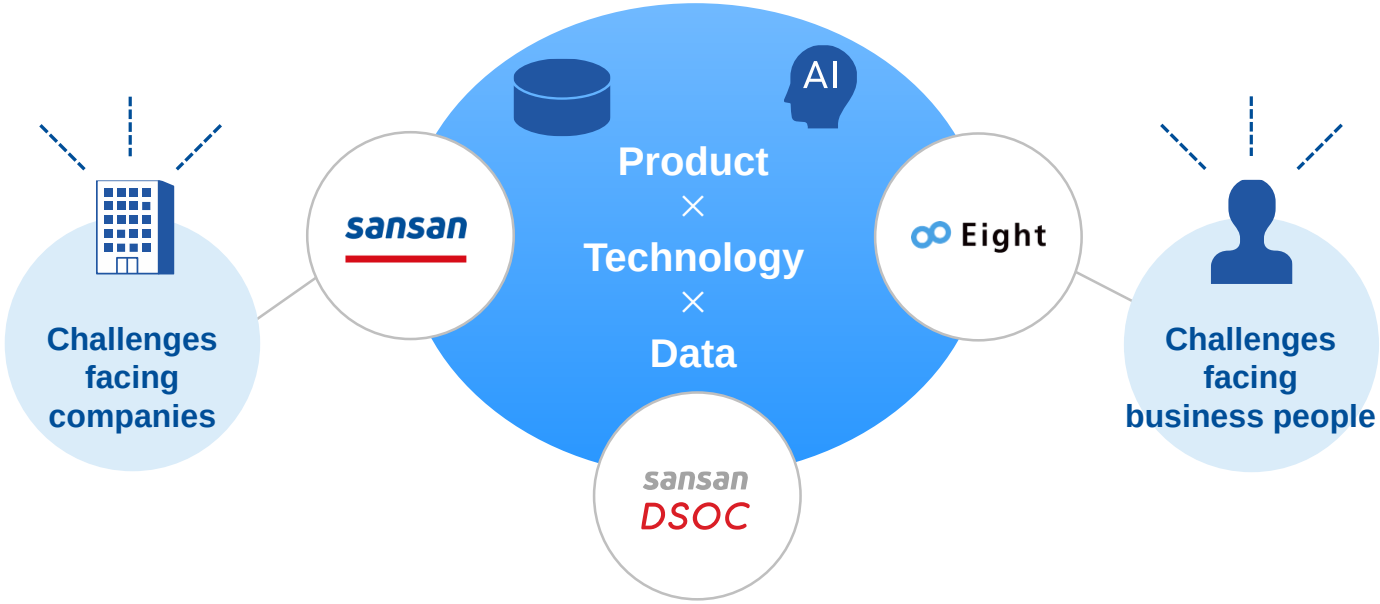
Turning Encounters into Innovation

A Business Platform to Challenge the World



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The Unique Value of Business Cards

- **Business cards are exchanged when people meet for the first time**

- **Business cards contain accurate and valuable information representing the holder, such as name, company or organization, job title, and contact information**

- **Exchanging business cards itself is also a valuable source of information; with whom, for what purpose, when and where**

- **Business cards are still paper-based even now in the 21st century and utilization of business cards have much room to improve business efficiency and effectiveness**

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Platforms to transform business and individual contact information into assets

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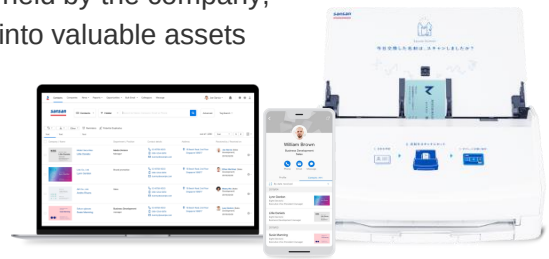
Where Business Starts; Business Begins with Business Card Management

The No.1 share in contact management service, gathering all business cards held by the company, to transform business cards into valuable assets

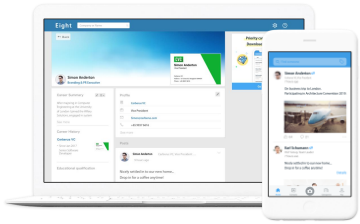


- More than **5,700** contracts constituting the customer base
- Monthly churn rate below **1.0%** (1)

Eight

Business Social Networking Based on Business Card Information

Eight is a personal business card app that builds your own business network with imported business cards



- **No.1** share in mobile contact management apps
- More than **2.3 million** users (2)

(1) Average monthly churn rate over the past 12 months, which is the ratio of decrease in monthly fees associated with contract cancellations to total monthly fees from existing contracts
(2) Number of users that downloaded the app and scanned their own business cards

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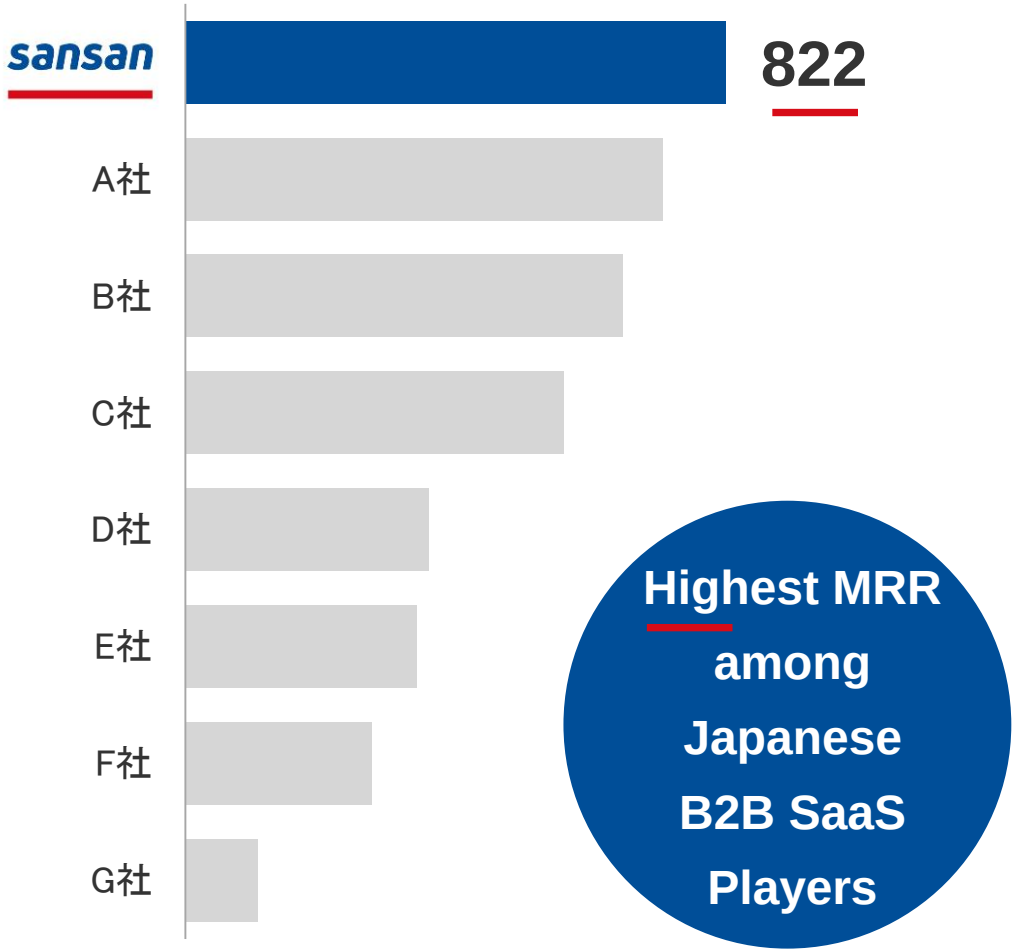
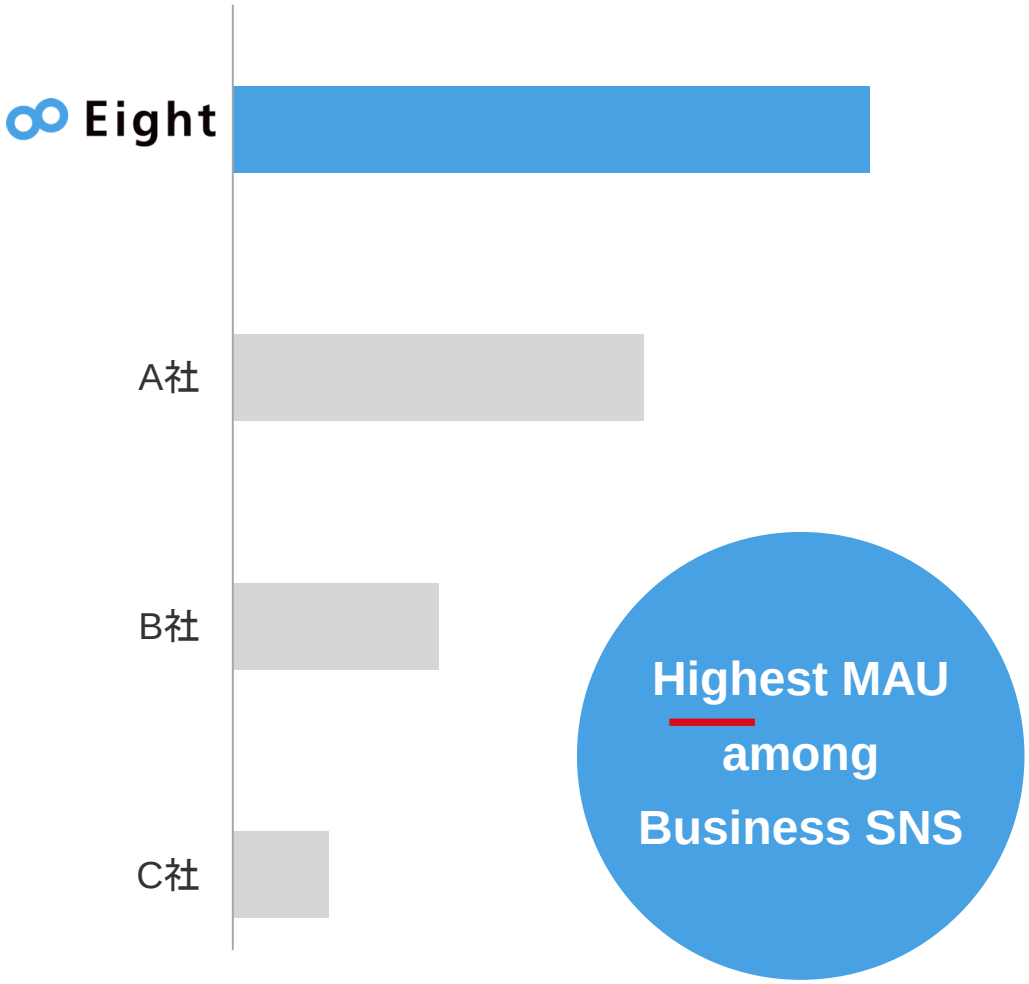
Positioning among Business Platform Providers

Monthly Recurring Revenue of Japanese B2B SaaS Players (1)

(in millions of yen)



Monthly Active Users (MAU) of Business SNS in Japan (2)



(1) Sansan: Monthly recurring revenue (MRR) for Sansan business in February 2019 (unaudited).
(2) Calculated based on estimates provided by App Annie (February 2019)

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Establish a solid position as a business platform while diversifying medium- to long-term growth opportunities

Business Platform

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Services used by all of company employees

Use in any situation, regardless of industry or occupation

High level of recognition and brand power

Center of ecosystems with high potential for expansion

Databases in which information accumulates automatically

Eight

Used by business people over a lifetime

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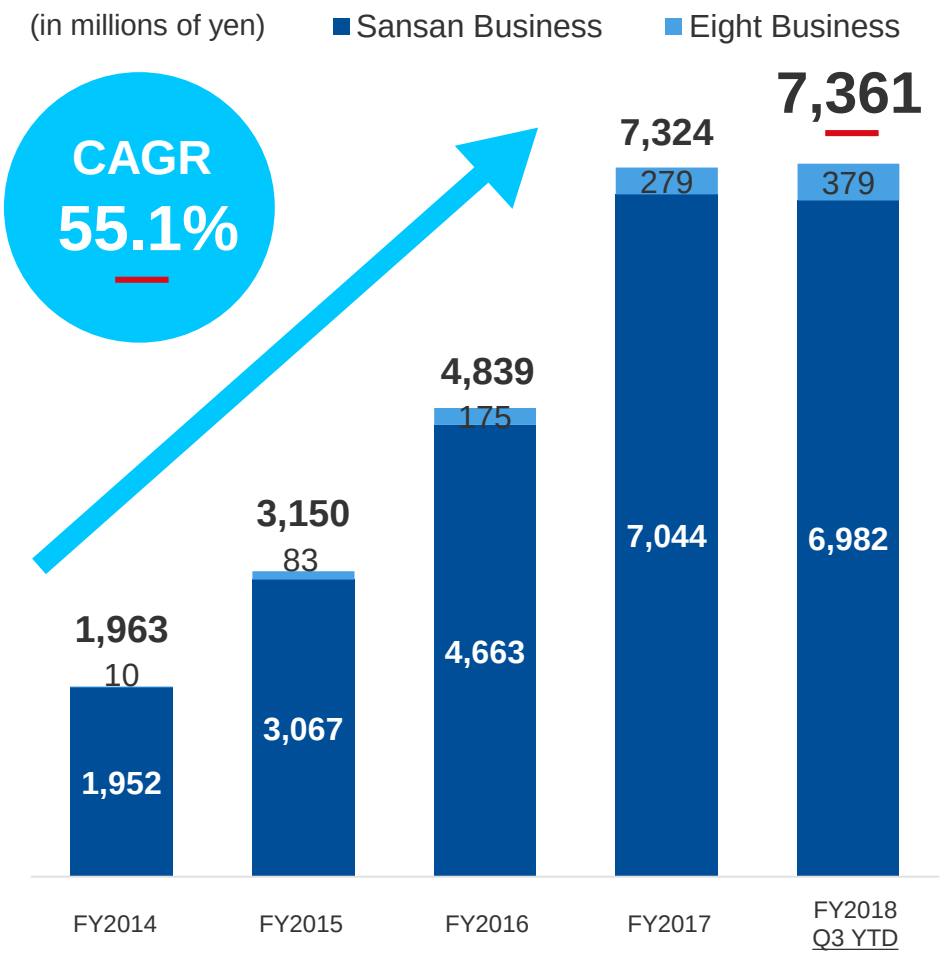
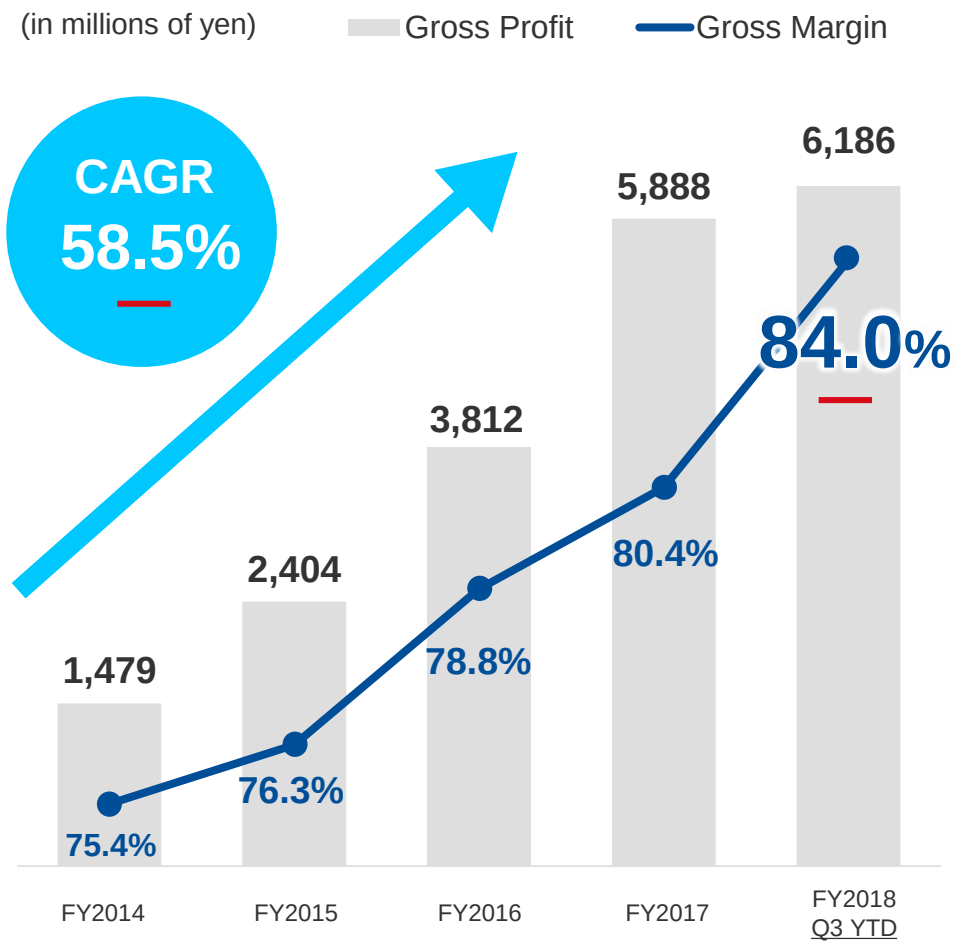
Business Performance (FY2014 to FY2018 Q3 YTD)

Net Sales [1]



Gross Profit and Gross Margin (to Net Sales) [1] [2]



(1) Non-consolidated results (unaudited) for FY2015 and before, and consolidated results since FY2016
(2) Business card entry costs in Eight Business are recorded in SG&A

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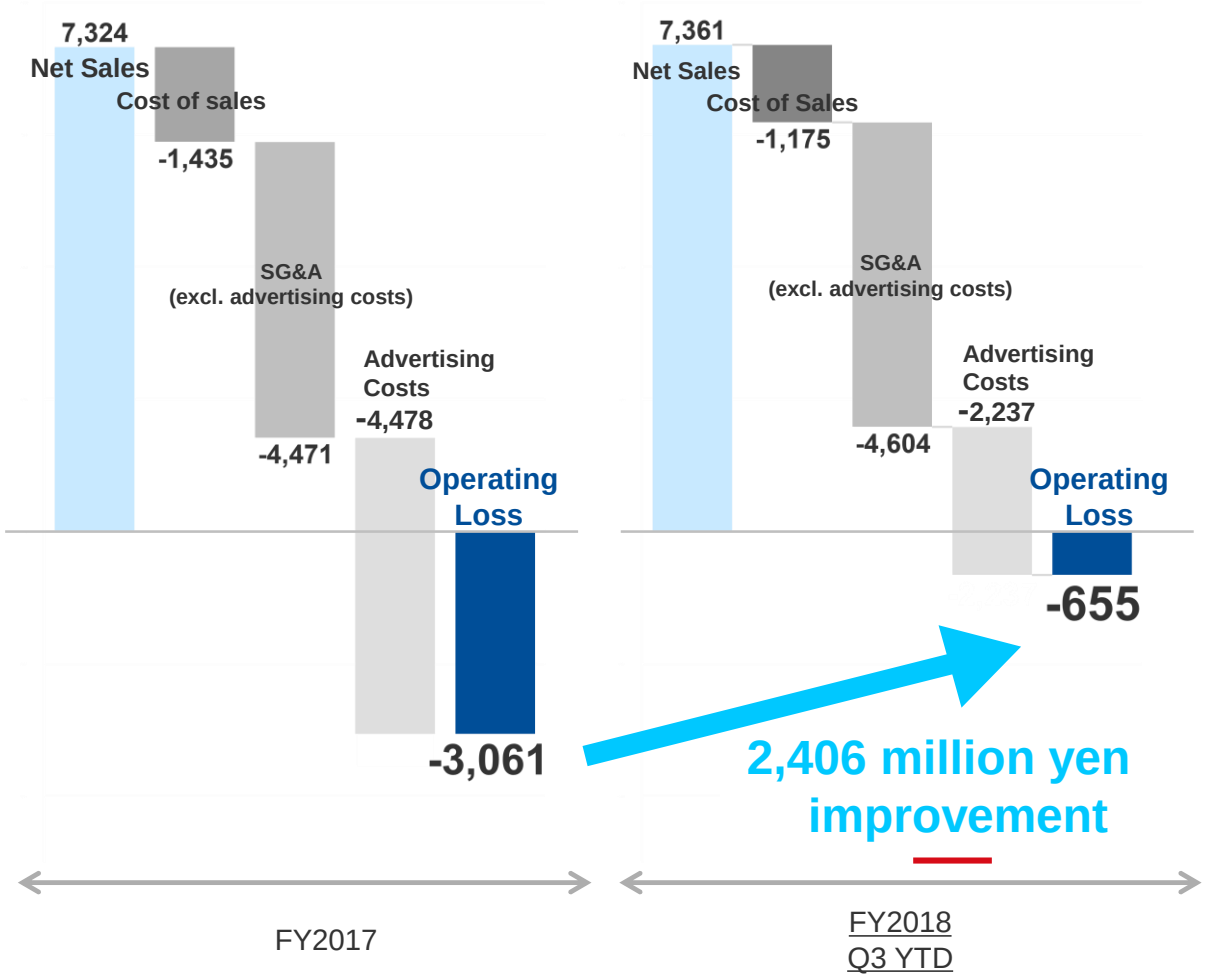
Recent Performance (FY2018 Q3 YTD)

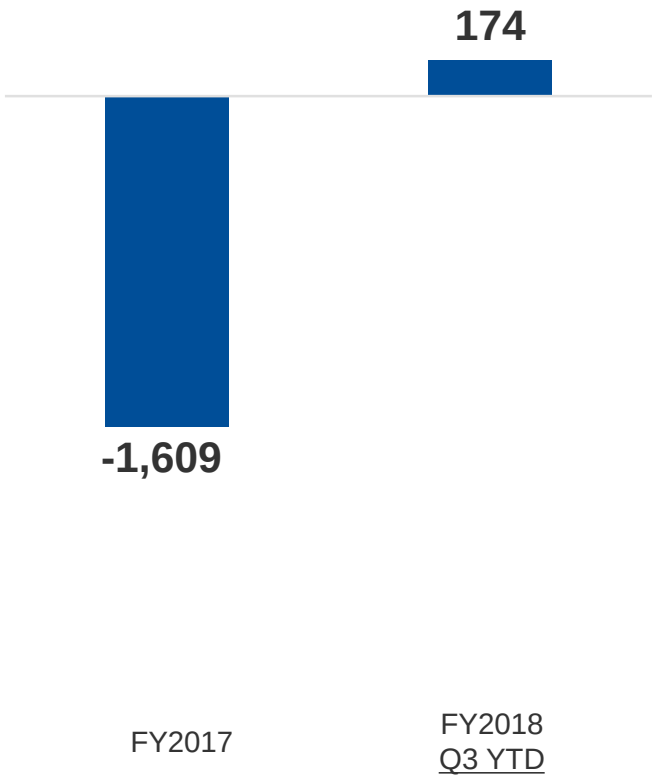
Consolidated Net Sales and Operating Profit/Loss

(in millions of yen)



Cash Flows from Operating Activities (1)

(in millions of yen)



(1) Unaudited

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Company Highlights

1 Unique and Fast-growing Sansan Business

2 Competitive Advantages that Support its Commanding Position

3 High Growth Potential Backed by A Wide Range of Market Opportunities

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4 Further Growth Opportunities Created through the Strengthened Monetization of Eight Business

Eight

5 Attractive Financial Models with High Stability

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Sansan: Business Platform Based on Business Card Information

Sansan offers contact management features to transform unutilized business cards into assets

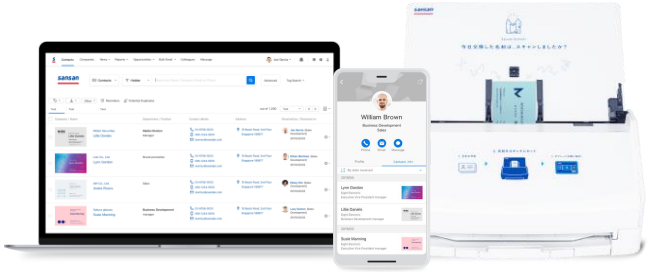
Challenges facing companies

- Business card information not shared within the office
- Insufficient internal communication
- Not aware of the value of business card information

Basic features of "Sansan"

Business card management/utilization

"AI Contact Management" Digitizes business card data with 99.9% accuracy



Major features

Contact management

- Business card search
- Business card sharing
- Smartphone app
- Person profile
- News feed
- Company search
- Organizational tree
- E-mail delivery

Customer management

User benefits

Productivity | Streamlined operations | Cost reduction

Creation of business opportunities

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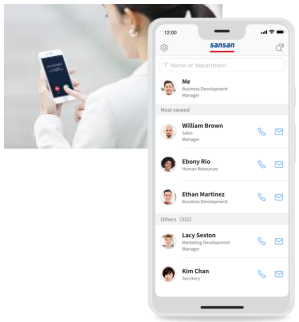
Enhanced Features for “Business Begins with Business Card Management”

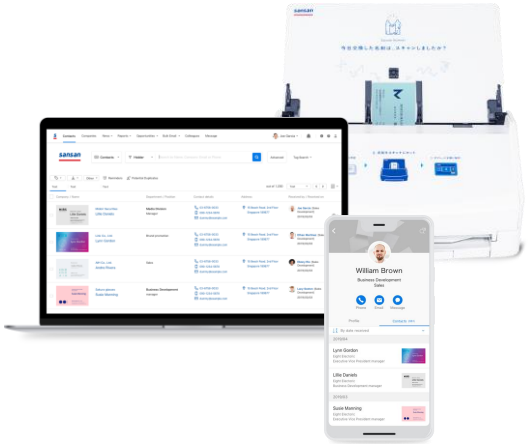
Eliminates inconveniences experienced by all companies and business persons, to maximize the value of business encounters

Business Begins with Business Card Management

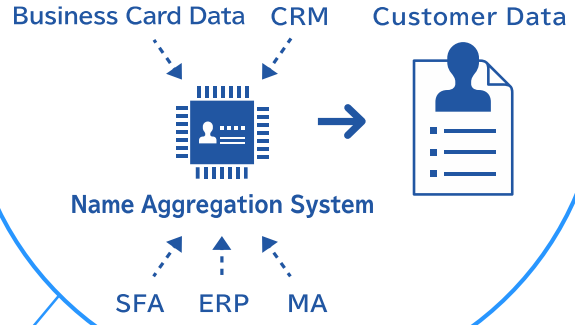
Internal communication facilitation: “Collaboration with Colleagues”



Business card management/utilization: “AI Contact Management”



Data integration/consolidation: “Customer Data Hub”



- Utilizing the exchanged business cards to visualize the knowledge and strength of colleagues
- Internal contact list enables phone calls and sending messages

- Automatic integration with SFA and CRM (1)
- Integration with MA (2)
- Data integration function that enables high-level sorting of customer data aggregation and cleansing

(1) SFA: Sales force automation, CRM: Customer relationship management
(2) Marketing automation

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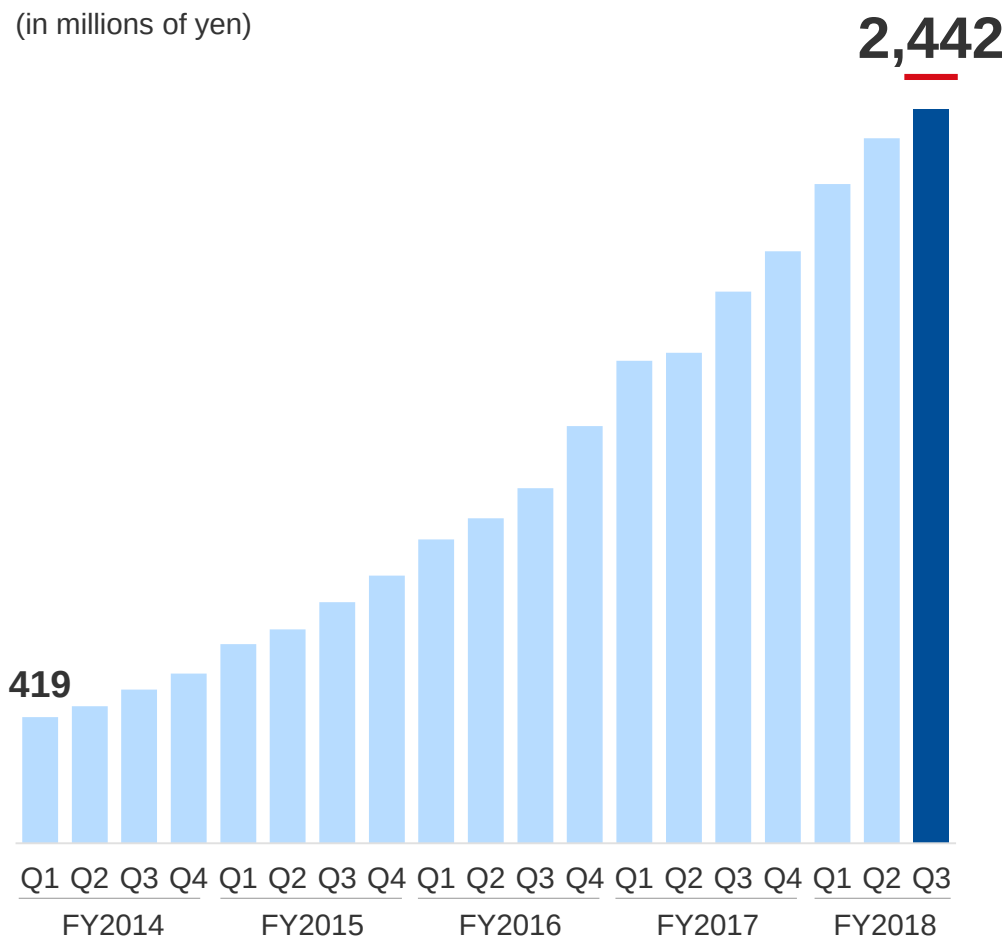
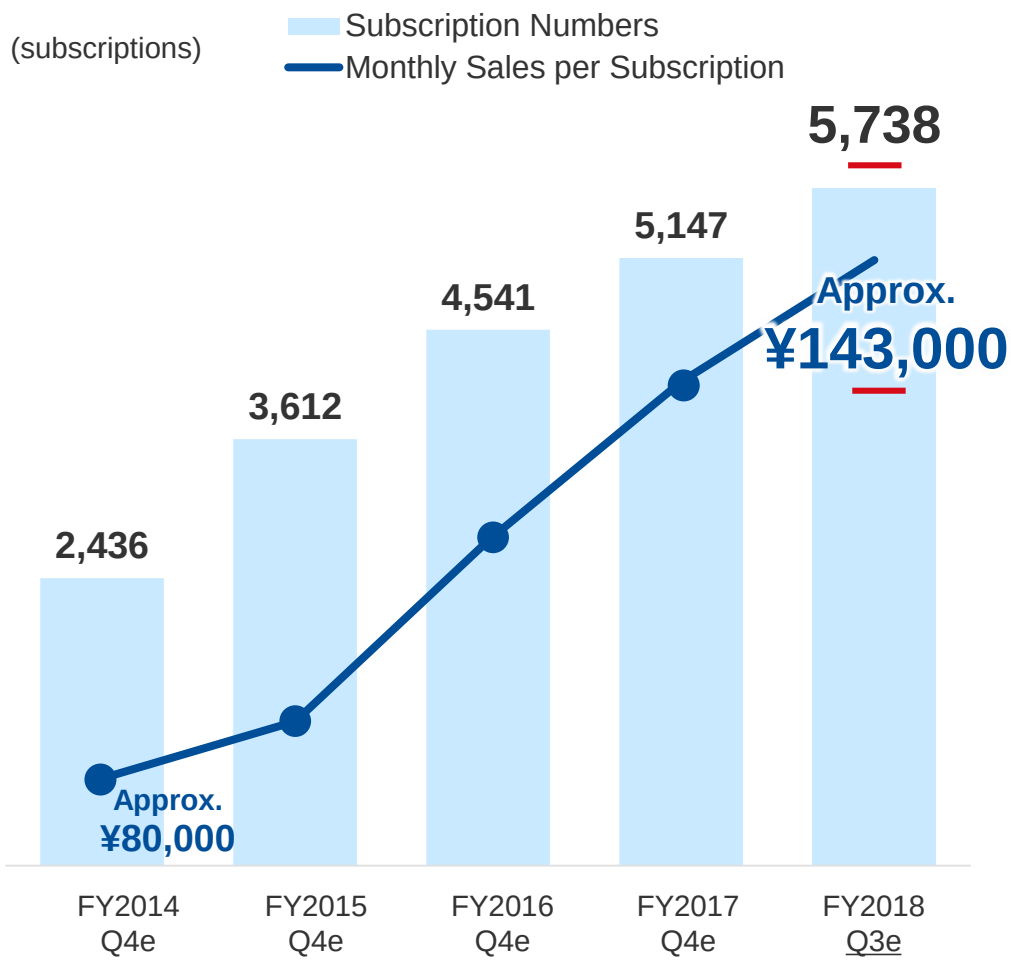
Net Sales, Total Subscriptions, and Sales per Subscription are Growing Steadily

The product's value and convenience drives high growth

Net Sales in Sansan Business (1)



Number of Subscriptions and Monthly Sales per Subscription (2)



(1) Quarterly (three months) results (results for FY2017 and before are unaudited)
(2) Monthly sales per subscription are for the last month of either Q4 or Q3 (unaudited)

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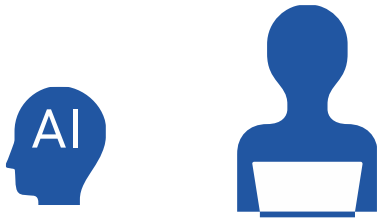
Unique Structure and Technology that Enables Card Digitization with 99.9% Accuracy

The establishment of a business card digitization operation structure unsurpassed by competitors

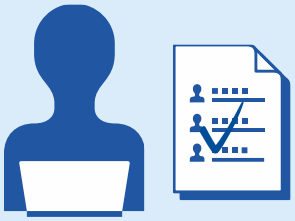
Prompt and accurate digitization of a large volume of business cards

Scan a large volume of business cards



AI: Data entry + Human: Manual entry

Automatic and manual data entry of business card images



Human: Final check

Database

Cycle repeated since the company's foundation

Combination of technologies

- Automatic detection and microtasking of business card information
- Automatic detection of business card language
- Automatic sorting to operators
- Diverse network of data entry operators
- Image processing technology

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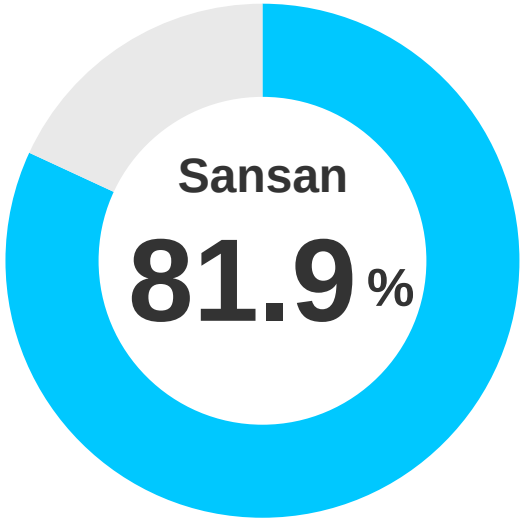
Overwhelming Market Share and Solid Customer Base

Sansan, the contact management market pioneer, has acquired overwhelming market share and diverse set of customers

Overwhelming Market Share and Recognition

Sales share in 2017 (1)



Fifth TV commercial title:
We know the customer 2017, "Our boss missed an opportunity" (2)

Sixth TV commercial title:
We know the customer 2018, "Our boss missed an opportunity again"

Solid Customer Base with more than 5,700 Subscriptions

徳島県 | 三井住友銀行 | MIZUHO | 岡三証券
MITSUI & CO. | ITOCHU | Marubeni | MOL 商船三井
豊田通商株式会社 | TOYOTA | DENSO | HINO
SAISON CARD INTERNATIONAL Credit Saison Co., Ltd. | CyberAgent | dentsu | 朝日新聞
講談社 KODANSHA | Panasonic | FUJITSU 富士通マーケティング | 日本郵便
NTT | docomo | FUJIFILM | 近畿大学 KINDAI UNIVERSITY
TEPCO | ITOKI | KONICA MINOLTA | ALSOK
SEVEN & I HOLDINGS | LAWSON | NOMURA | 三井不動産
清水建設 | PASONA | MERCK | OLYMPUS

(1) Sales share of companies in the contact management services for corporations based on "Contact Management Service Market and SFA/CRM Businesses" by Seed Planning, Inc. released in November 2018
(2) Won the top prize in the service and culture section of the 71th Dentsu Advertising Awards

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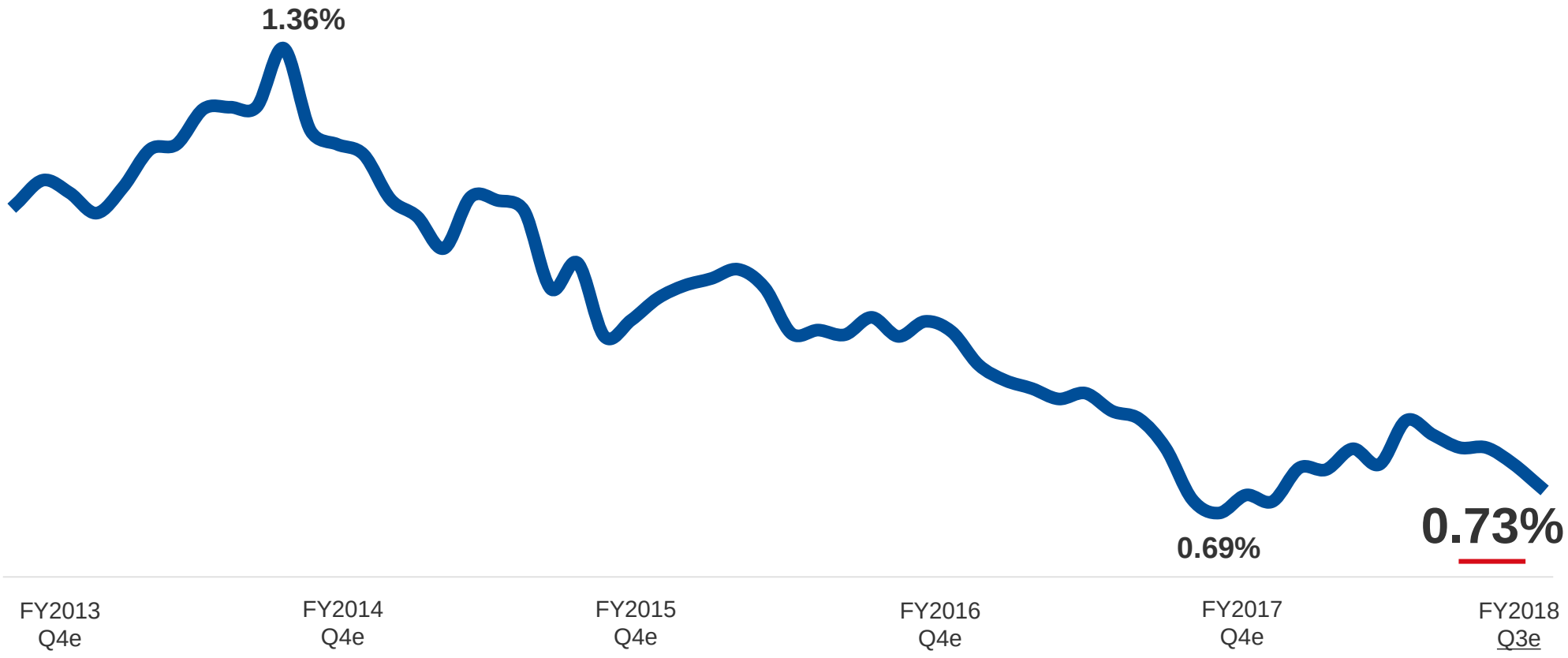
Extremely Low Churn Rate Functions as High Entry Barrier

The autonomous storage of information, which increases the database's value, and the high switching cost strengthen its competitive advantage

Last 12 Months Average of Monthly Churn Rate (1) for Sansan



(1) Ratio of decrease in monthly fees associated with contract cancellations to total monthly fees for existing contracts

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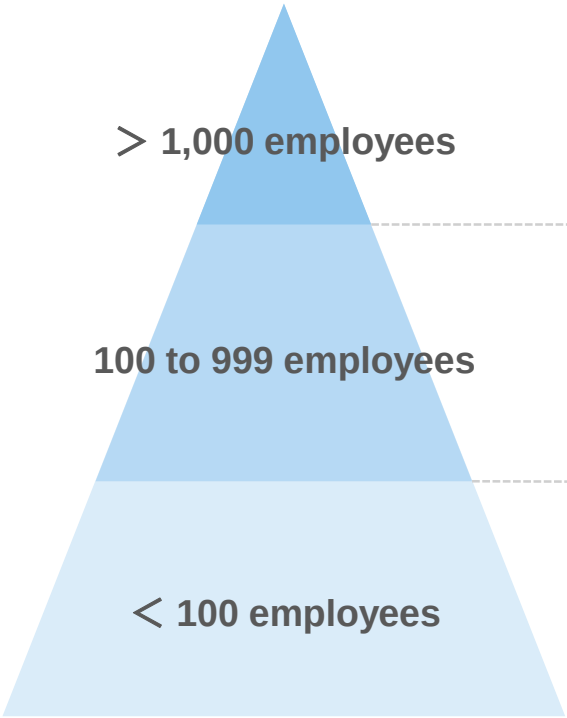
Large Potential for Sansan to Expand Coverage in the Japanese Market

The number of users within its customers are limited, and there is room for 100 times more coverage expansion



Company size	Sansan Coverage (Company) (1)	Sansan Coverage (Employee) (2)
＞1,000 employees	9.9%	1.2%
100 to 999 employees	2.1%	1.2%
＜100 employees	0.2%	0.6%

Potential for 100 times coverage expansion

(1) Sansan coverage is calculated with the number of subscription and total number of IDs in Sansan for FY2018 Q3e as the numerator and the number based on Economic Census for Business Activity in 2016 issued by the Statistics Bureau as the denominator.

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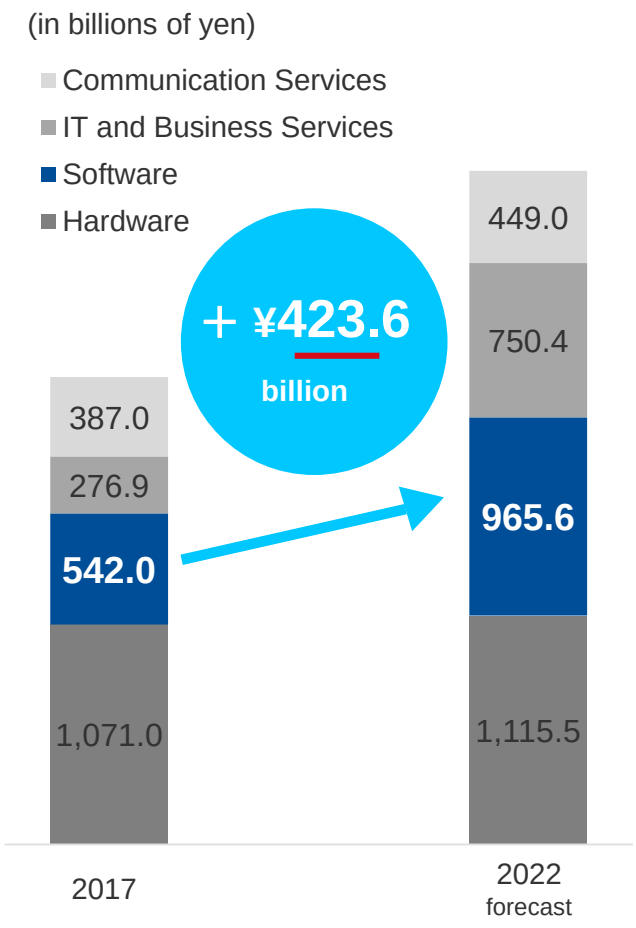
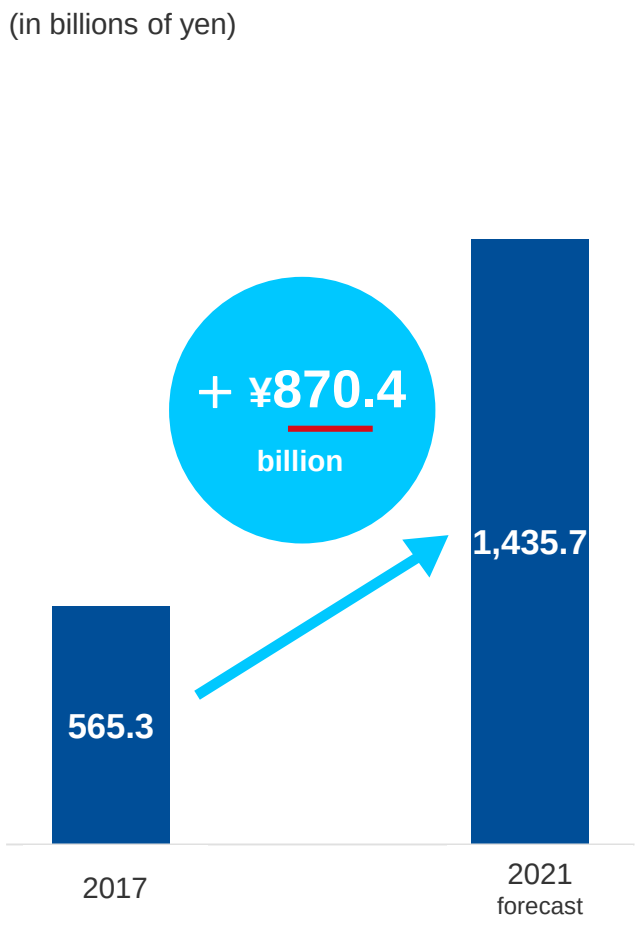
Market Opportunities Created by the Work-style Reform

The work-style reform and digital transformation is boosting the need for cloud-based contact management

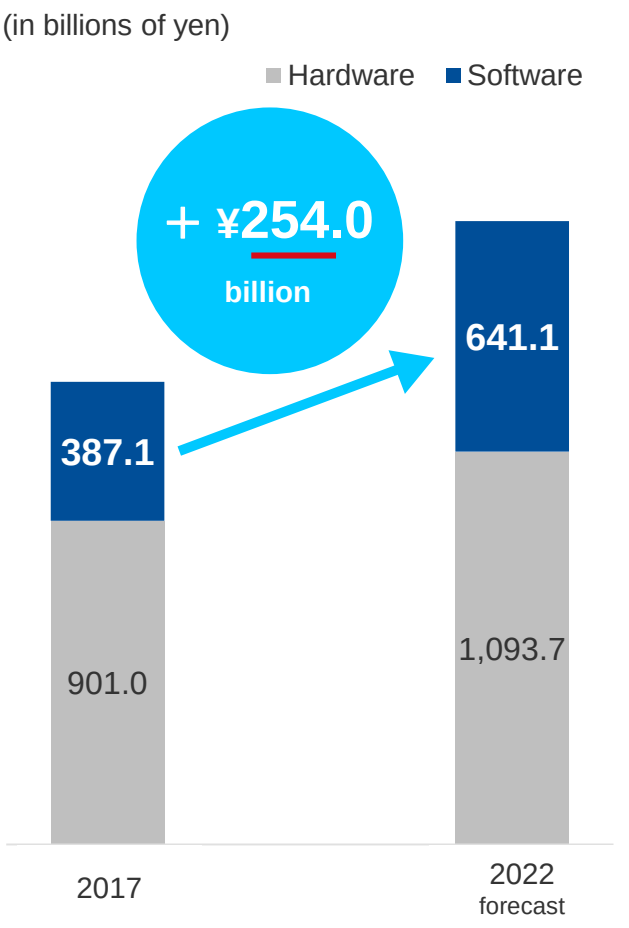
Work-style Reform and ICT-related Spending in Japan (1)



Digital Transformation Market Size (2)



SaaS Market Size in Japan (3)



(1) Based on “2018 to 2022 Outlook of Work-style Reform and ICT-related Spending in Japan: by Hardware, Software, IT and Business Services, Communication Services” by IDC Japan (December 2018)
(2) Based on “2018 Outlook of the Digital Transformation Market” by Fuji Chimera Research Institute
(3) Based on “2018 New Software Business Markets” by Fuji Chimera Research Institute

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Strategy for Continuous High Growth in Net Sales

Achieve growth through an increase in both the number of subscriptions and sales per subscription

Increase the number of subscriptions × **Increase sales per subscription**

More utilization by existing customers + **Upselling**

- Expand sales coverage to large corporations
- Promote solution-based sales
- Promote regional expansion
- Enhance global expansion

- Promote company-wide use (from the sales department to the entire company)
- Enhance implementation support
- Penetration of service value

- Provide new functions and services
- Partnerships with other companies, and M&As

Number of Subscriptions

2,436 (FY2014 Q4e) ▶ 5,738 (FY2018 Q3e)

Approx. 2.4 times

Monthly Sales per Subscription

Approx. ¥80,000 (FY2014 Q4e) ▶ Approx. ¥143,000 (FY2018 Q3e)

Approx. 1.8 times

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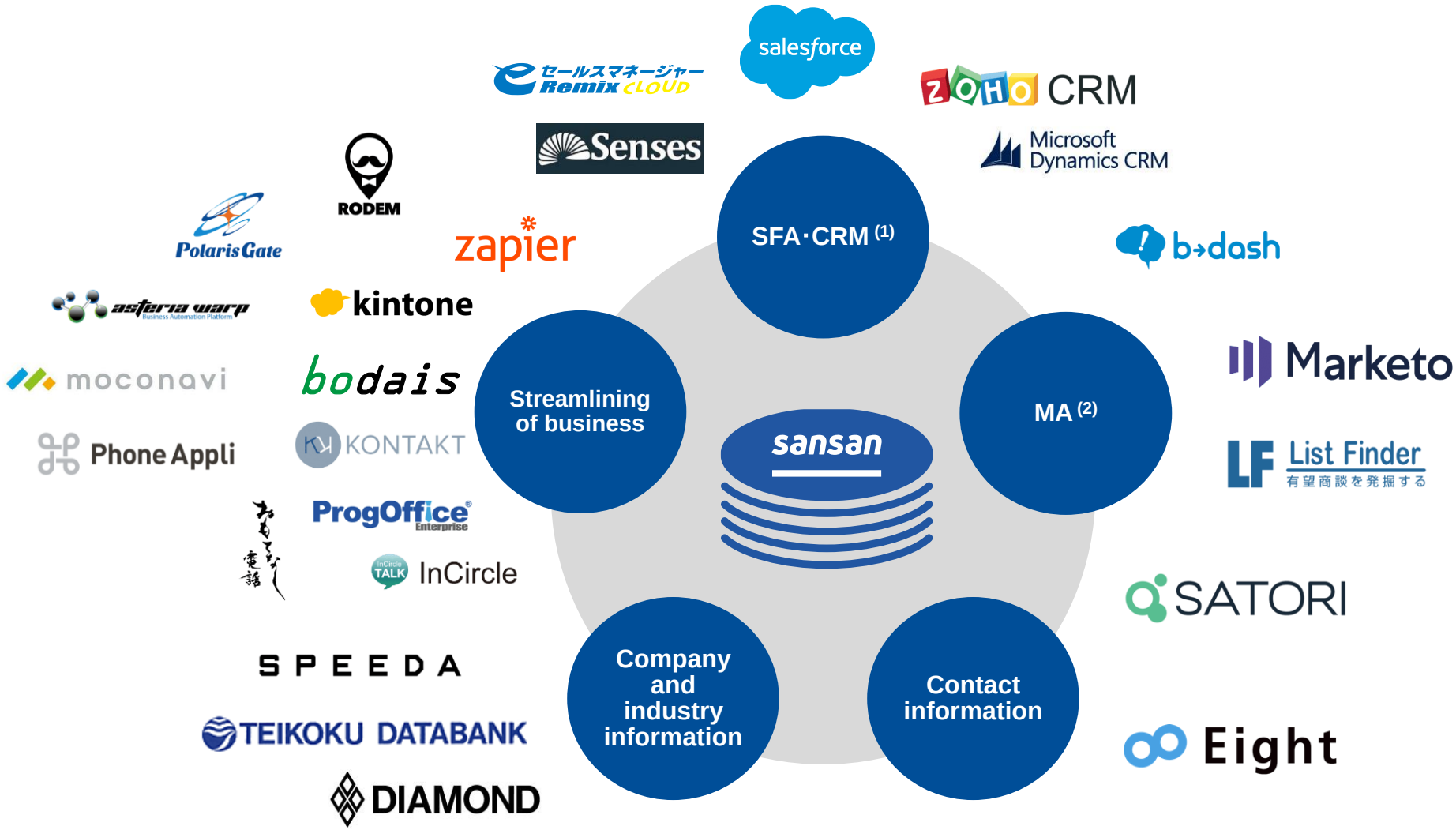
Improving the Value of Business Platform

Enhance data connection with various services indispensable in business



(1) SFA: Sales force automation, CRM: Customer relationship management
(2) MA: Marketing automation

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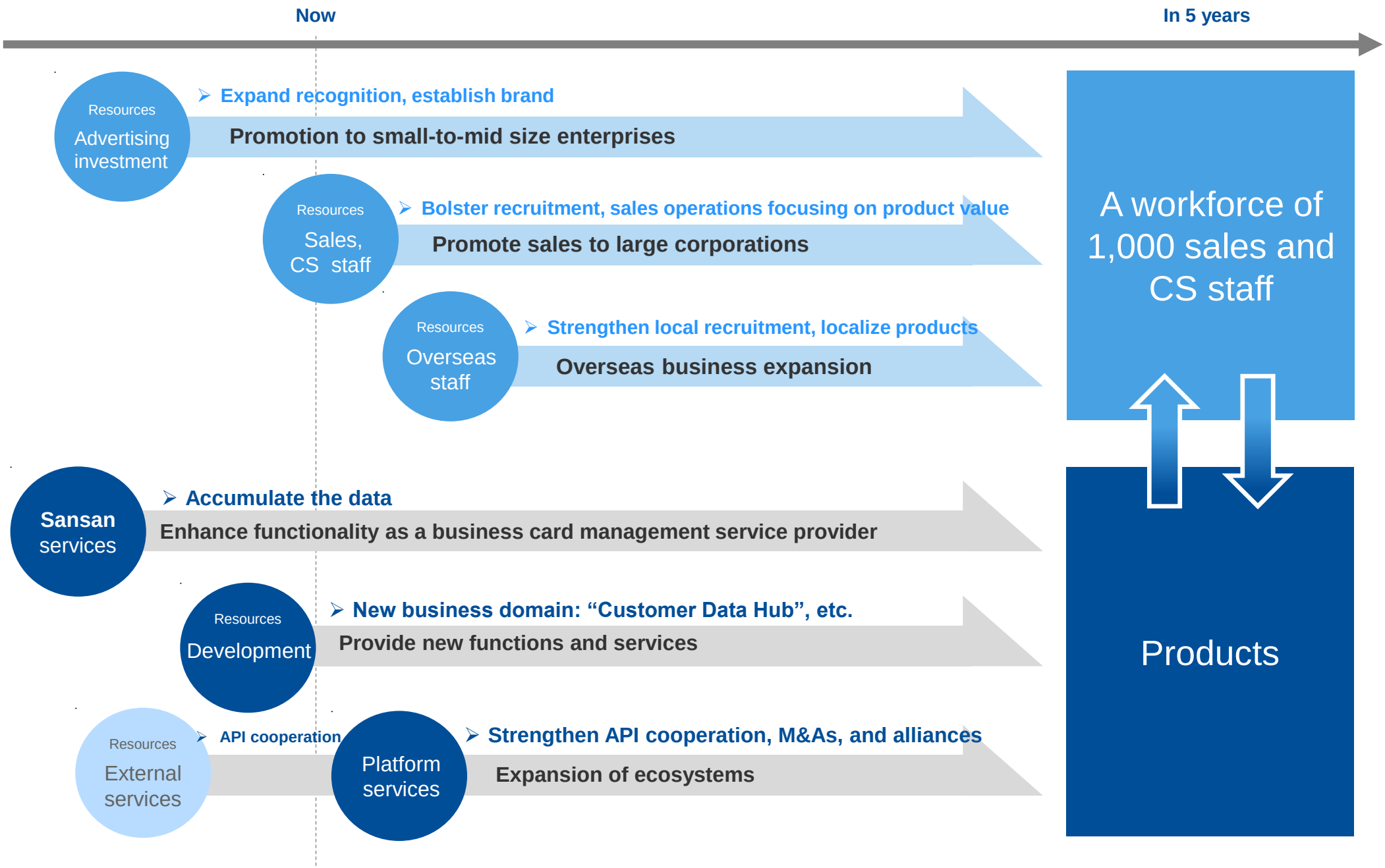
Roadmap for the Medium- to Long-term Strategy



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Monetization Opportunities Offered by Eight, a Contact Management App for Individuals

SNS platform for business with the largest number of active users in Japan

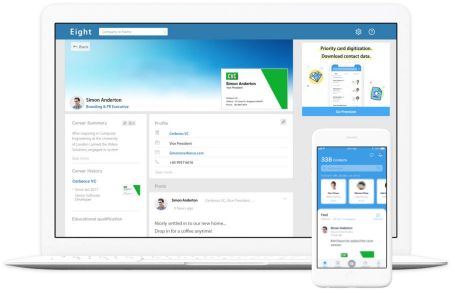
Challenges facing business people

- Is not making the most out of business encounters
- Lacks sufficient access to business card information
- Desire to use business SNS without becoming friends

Digitize business cards with high level of accuracy by using technologies developed through Sansan Business

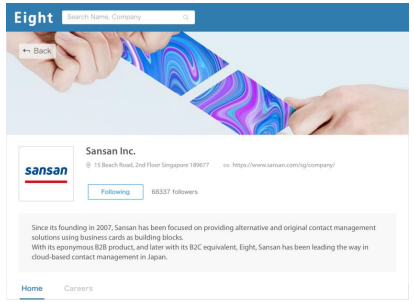
Offering a lifetime SNS platform for business

Profile Management



Contact Management Communications

Connect with Companies (information gathering)



Monetize opportunities	BtoC Model	BtoB Model		New
	Paid plan for individuals: "Eight Premium"	Paid plan for corporations: "Eight Premium for Corporations"	Ad. Delivery: "Eight Ads"	Recruiting platform: "Eight Career Design"

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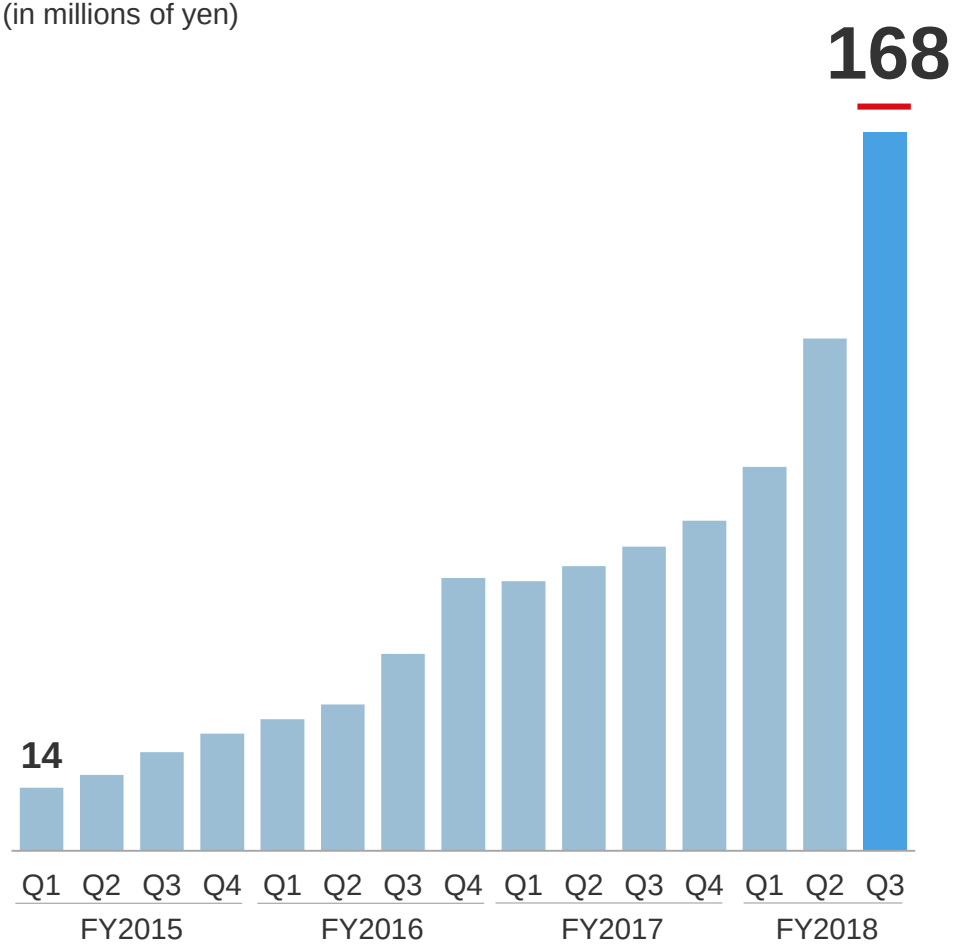
Continued Expansion of Net Sales and Users

Continued expansion of Net Sales through progress in monetization

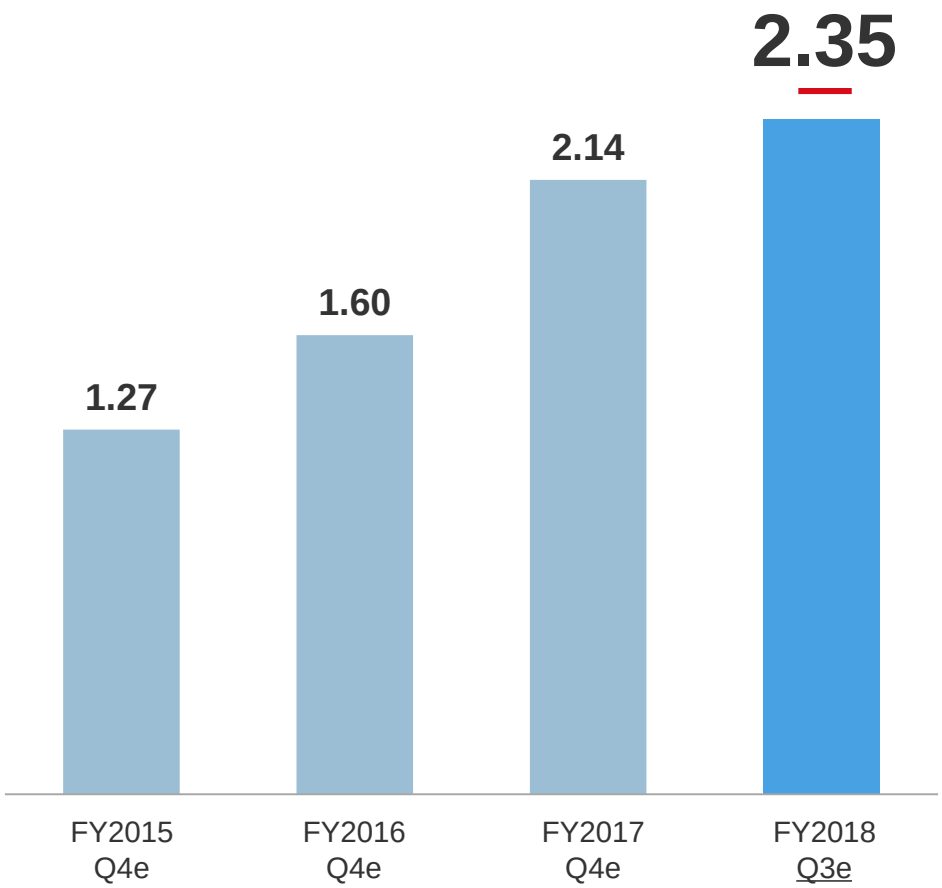
Net Sales in Eight Business (1)

(in millions of yen)



Number of Eight Users (2)

(in million people)



(1) Quarterly (three months) results (results for FY2017 and before are unaudited)
(2) Number of users that downloaded the application and scanned their own business cards

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Growth Area: Eight Career Design, the Recruiting Platform

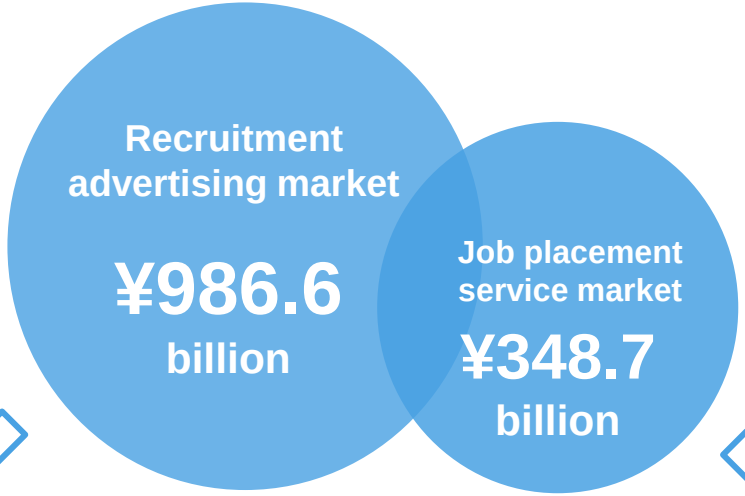
Aims at gaining a stronghold in the recruitment market through unique product positioning

Company dissatisfaction towards recruiting services

- Difficult to secure talents
- Difficult to hire a sufficient number
- No effective method for approaching talent

Eight Career Design

Recruitment market size (1)



Eight

- User base of over 2.3 million business people
- Candidates not present in the existing recruiting market
- Captures changes in individual mindsets towards changing jobs in a timely manner

New solutions in the broad recruiting market

Corporations

- Monitoring of candidates (mid- to long-term talent pooling)
- Direct communication with candidates, etc.

Individuals

- Gathering of job offering information
- Direct communications from companies, etc.

(1) Based on "Survey of Market Size and Outlook of Human Resource Business in Japan" by Recruit Works Institute

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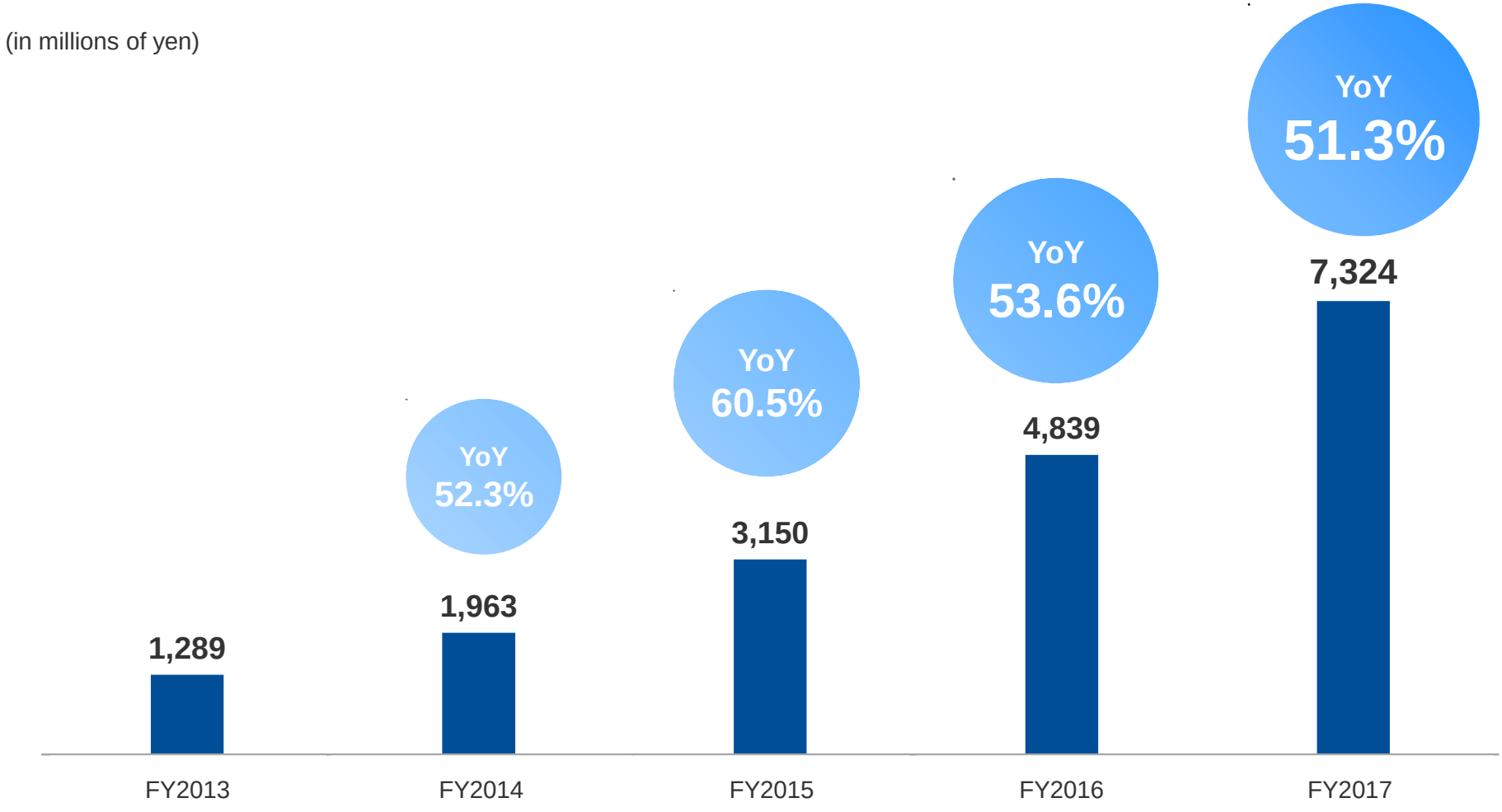
High and Stable Growth in Net Sales

Continuous and stable achievement of high-rate growth backed by its subscription business model

Growth in Net Sales (1)



(1) Non-consolidated results (unaudited) for FY2015 and before, and consolidated results since FY2016

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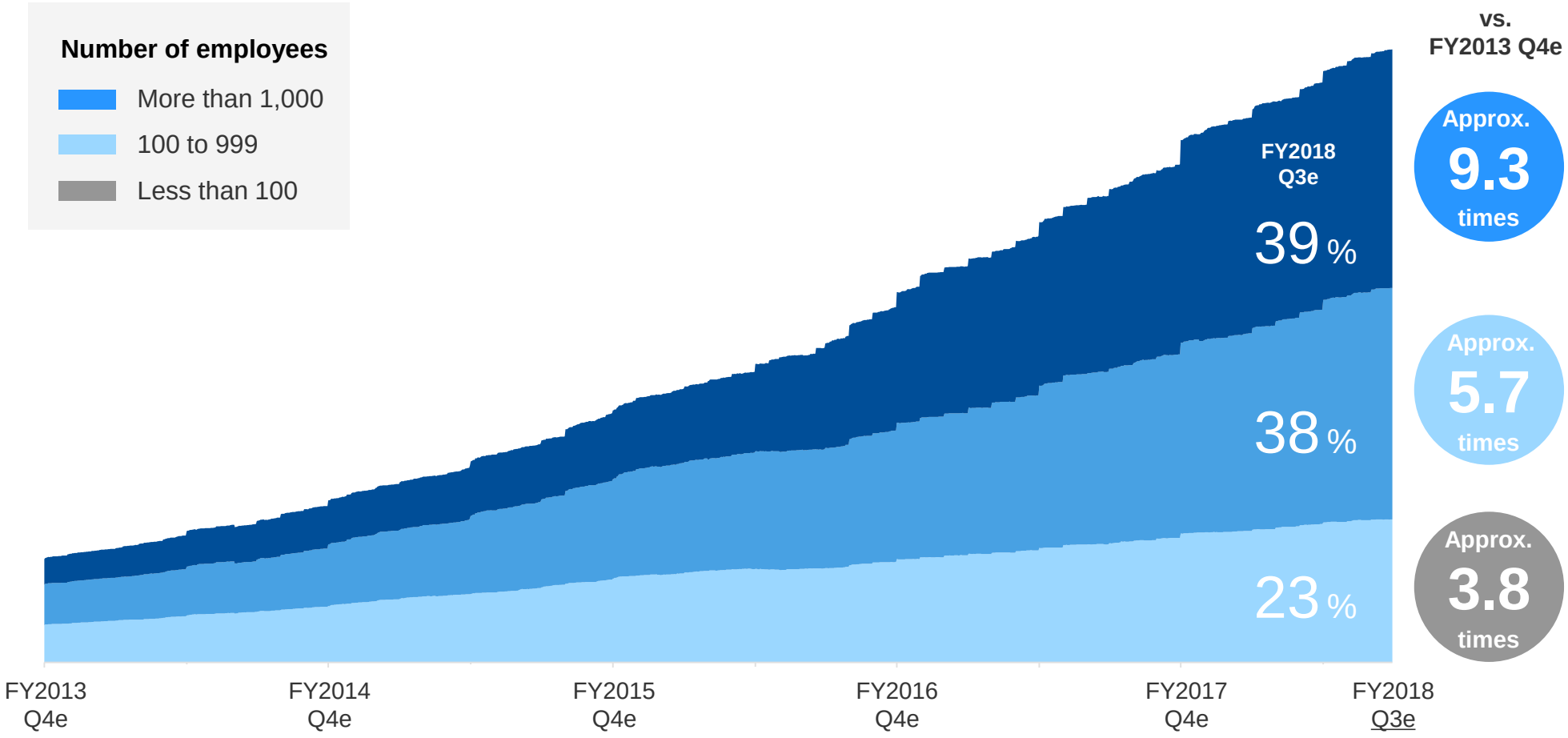
A Diverse Set of Customers Producing Fixed Revenue

For the past five year, the growth has been especially boosted by large corporations bringing in high per-subscription revenue

Revenue Composition by Customer Size for Sansan (1)



(1) Created based on monthly Sansan charge (unaudited)

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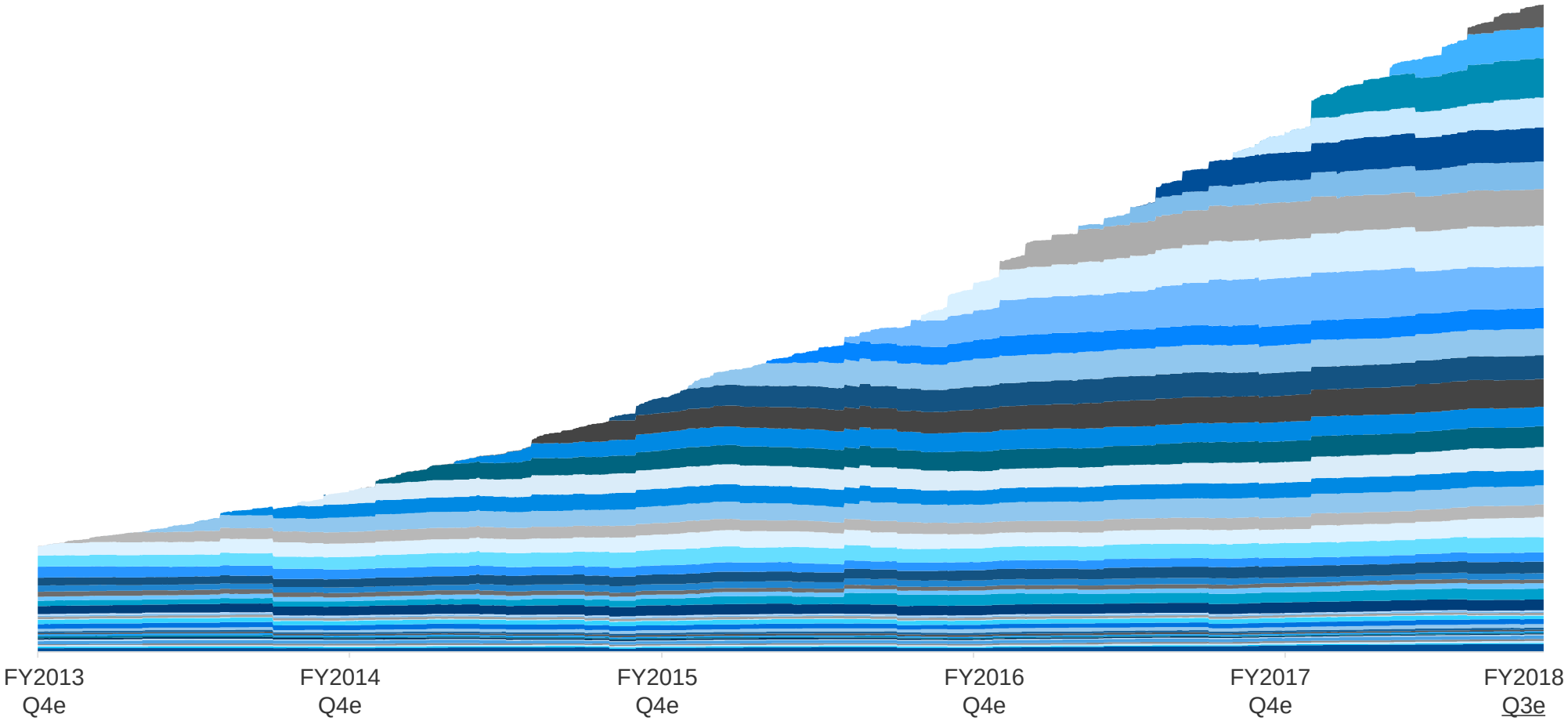
Solid Model and Stable Revenue Supported by A Low Churn Rate

Continued achievement of negative churn (1)

Sansan Revenue Stack-up: Accumulation of Net Sales by Service-in Timing (2)



(1) Status where increase of revenue generated by the existing subscriptions is greater than revenue reduced as a consequence of cancellation
(2) Created based on monthly Sansan license charge (unaudited)

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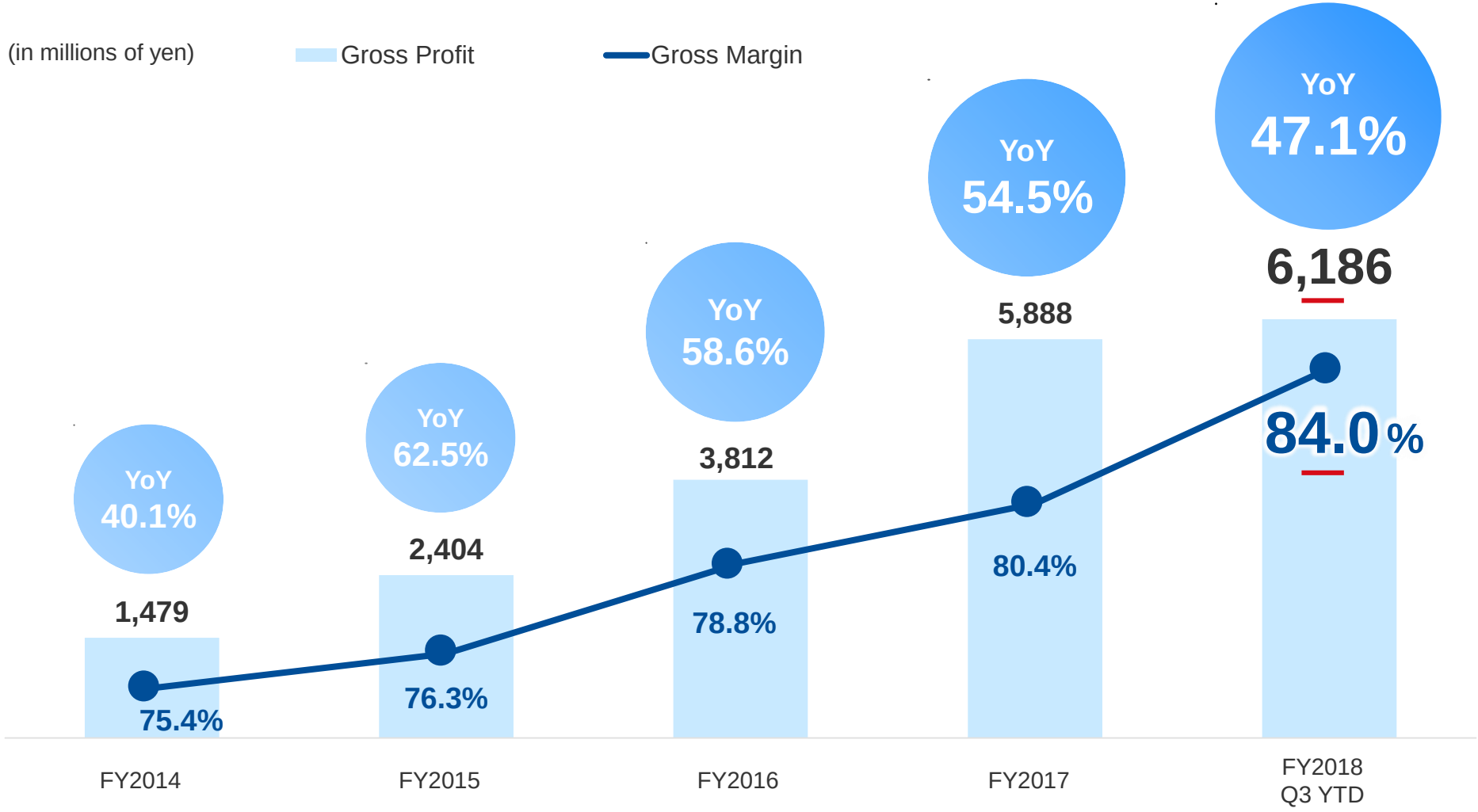
High Gross Margin (to Net Sales)

Gross margin (to Net Sales) boosted by the progress of business card digitization technologies

Gross Profit and Gross Margin (to Net Sales) (1)



(1) Non-consolidated results (unaudited) for FY2015 and before, and consolidated results since FY2016. Business card entry costs in Eight Business are recorded in SG&A.

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Company Highlights

1 Unique and Highly-growing Sansan Business

2 Competitive Advantages that Support its Commanding Position

3 High Growth Potential Backed by A Wide Range of Market Opportunities

sansan

4 Further Growth Opportunities Created through the Strengthened Monetization of Eight Business

Eight

5 Attractive Financial Models with High Stability

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Appendix

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Sansan Business

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Sansan Features

Sansan offers enhanced value to users through accurate digitization of business cards, contact management, and network sharing services. It has the potential to become an integrated platform for all types of business communications

Core Technology

A Digitization of physical business cards (99.9% accuracy)

Basic features: "AI Contact Management"

B1 Organization and utilization of contacts
- ✓ Productivity
- ✓ Streamlining
- ✓ Cost reduction

B2 Network sharing
- ✓ Creation of business opportunities

C1 Integration and utilization of data
- ✓ Integration with SFA, CRM, and other systems (e.g. Salesforce)

Advanced features: "Collaboration with Colleagues", "Customer Data Hub"

B3 Internal and external communication platform
- ✓ Entry point for all types of business communications

C2 Company-wide data platform
- ✓ Creation of database with accurate, up-to date information

© Sansan, Inc.

Sansan Features : Ⓐ Digitization of Business Cards

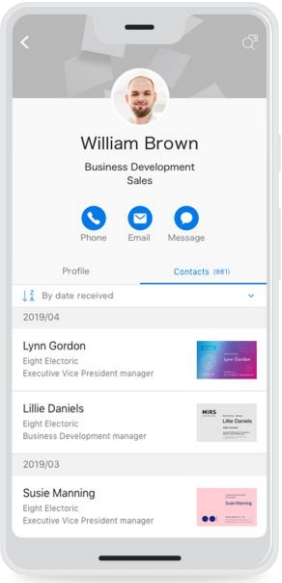
Users can digitize their business cards with 99.9% accuracy simply by scanning with the Sansan Scanner Set or Sansan Mobile App

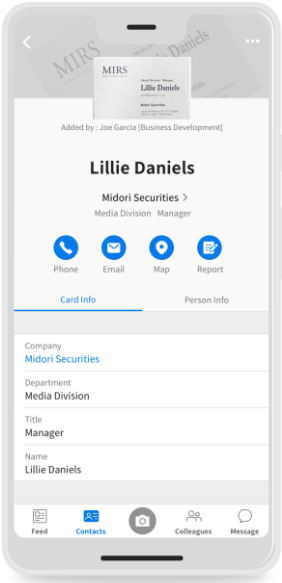
- High-speed scanner with a simple touchscreen
- Easy-to-use smartphone app that can scan four business cards at a time
- Digitizes data with 99.9% accuracy

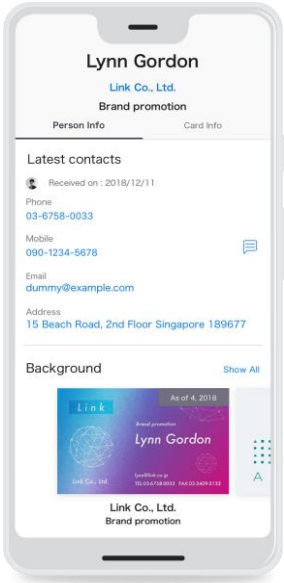
© Sansan, Inc.

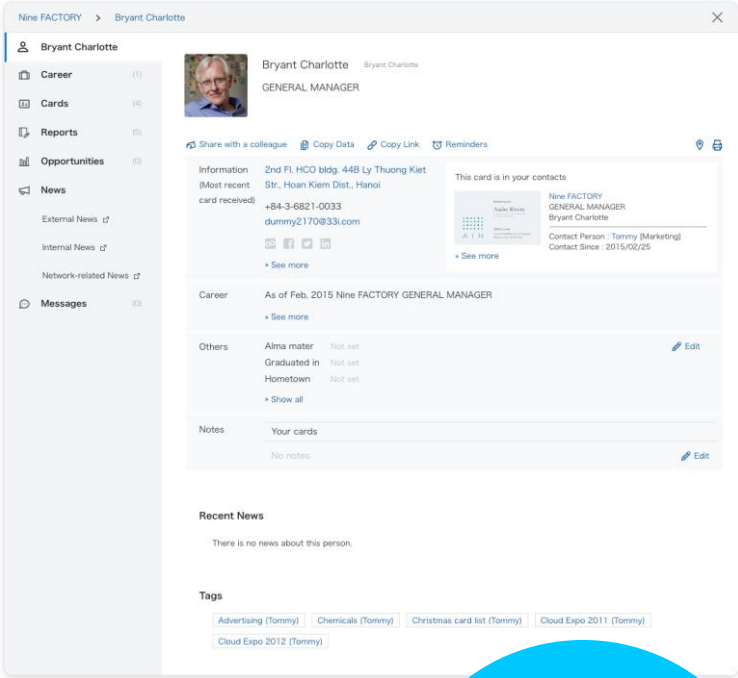
Sansan Features : B1 Organization of Contacts

Digitized business card data can be accessed via the Sansan Web App or Smartphone App. The search, phone-call, and email features drastically improve productivity of business person









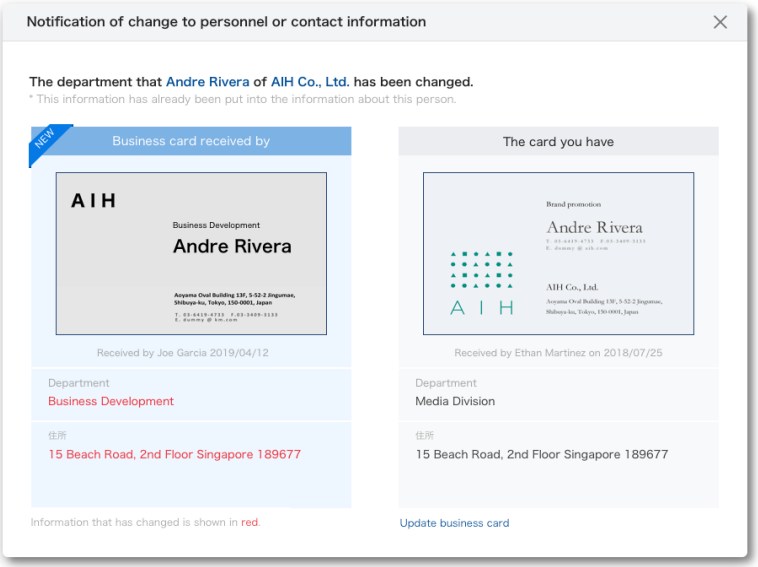
- Accurate digitization of name cards enables quick access to the data
- Can call or email the contacts with a single tap in the smartphone app
- Allow users to see where contacts are located on a map
- Comments, tags and reports can be added for each contact

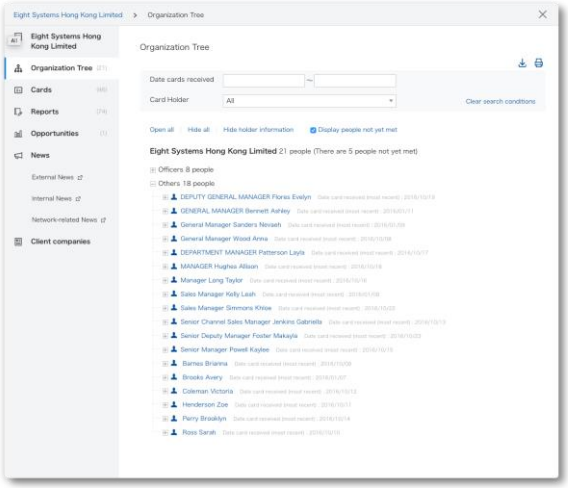
Improves productivity

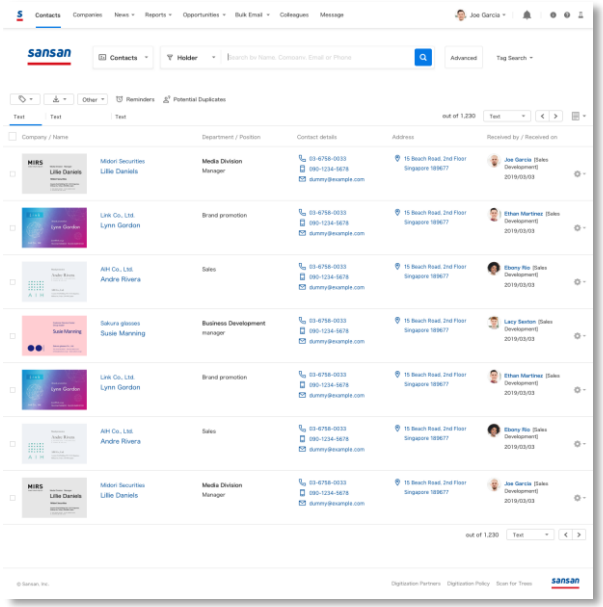
© Sansan, Inc.

Sansan Features : B2 Utilization of Networks

Users can discover new business opportunities by sharing contact information. Enables users to capture the access to key person and update in personnel information







- Key person can be found out by sharing contacts and through the notification function
- Notifications of employee changes (transfers, promotions, etc.)
- An organizational tree is automatically created based on contact information

Creates business opportunities

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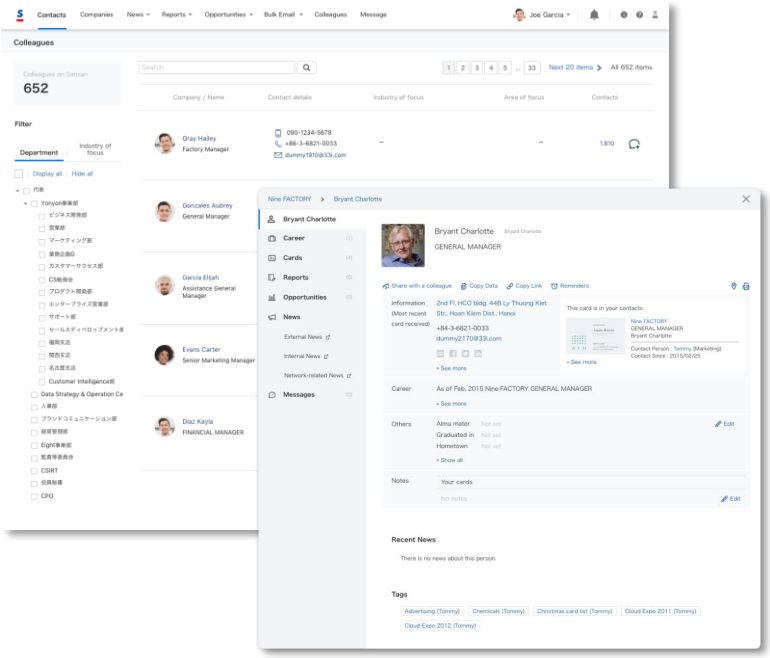
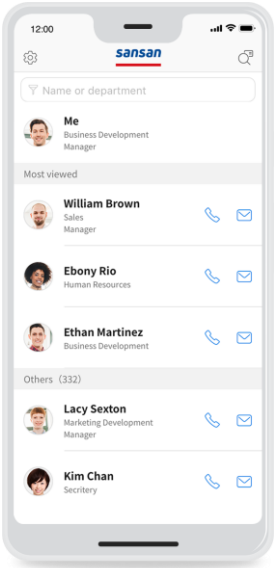
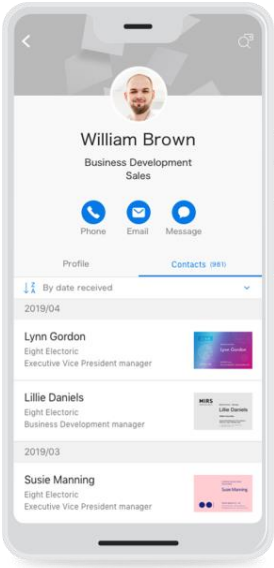
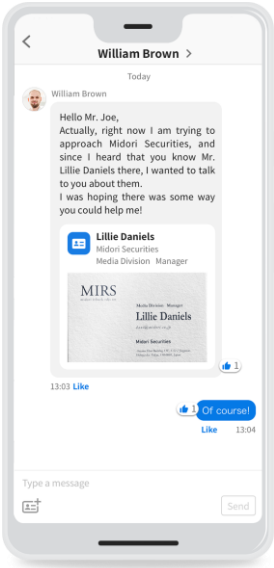
Sansan Features : B3 Internal and External Communication Platform

Sansan can serve as the foundation for all types of business communication, such as providing internal directory and messaging functions and analyzing employee networks and strengths









- Internal directory and messaging functions can be utilized directly through smartphone
- Employee networks can be effectively utilized through cross-departmental cooperation
- Sansan can be used as a daily communication tool

Enhances communication

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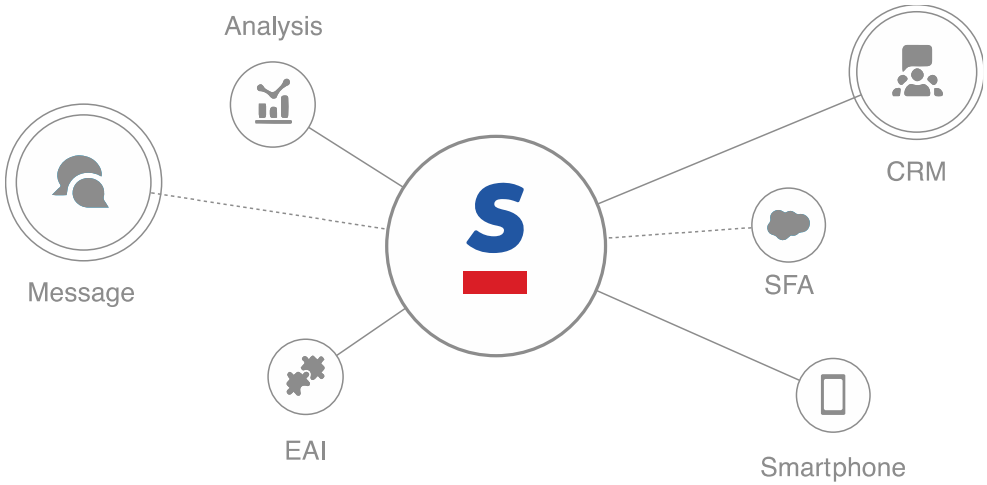
Sansan Features : C1 Utilization of Business Card Data

Contact information can also be utilized for sales activities and customer management on a company-wide basis. Further, external API integration enables advanced marketing



- Integrated with various services such as Salesforce.com (SFDC) through API integration
- Enables marketing promotion through the distribution of email newsletter

Integration and utilization of data

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Sansan Features : C2 Company-wide Lateral Data Platform

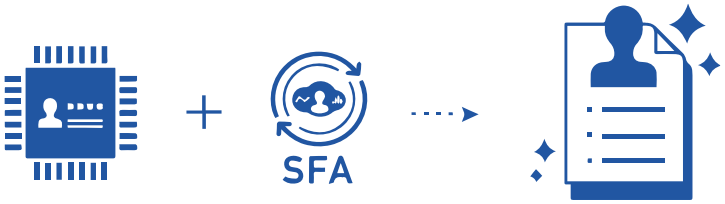
Companies can sort and consolidate data by integrating Sansan with various internal databases. Existing databases are updated when new data is added to Sansan

Consolidating data

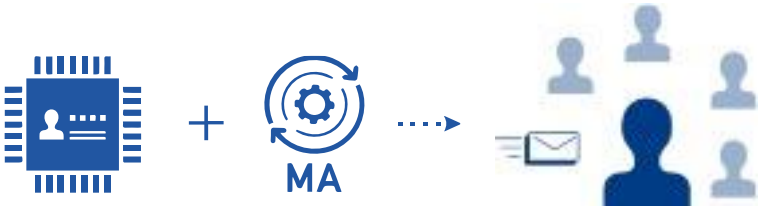
Making data accurate and up-to-date

Adding more information

Integration with SFA such as Salesforce, etc.



Integration with Marketing Automation



- Companies can sort and consolidate their internal data by utilizing Sansan's unique technology
- Customer data can be semi-automatically integrated between multiple systems on a continual basis
- The value of customer information can be improved by integrating information from, for example, Teikoku Databank

Evolves data

© Sansan, Inc.

Basic Service Plan for Sansan

Service price for Sansan is determined by the following four features [1]

		Recovery of costs
1 **Initial cost** (Initial costs)	✓ **12 months' license cost** ✓ Cost for digitizing all existing business cards	**At the start of the contract**
2 **Introduction and support costs** (Initial costs)	✓ **Offer plans ranging between a monthly fee of ¥200,000 and ¥1,500,000** ✓ Costs for implementation and operational support of Sansan's services	**At the start of the contract**
3 **Scanner** (Running costs)	✓ **Monthly ¥10,000 per scanner** ✓ Rent scanners and tablets to customers, whose number responds to the number of their office floors, and/or the number of branches	**At the start or renewal of the contract**
4 **License cost** (Running costs)	✓ **Determined according to the monthly number of exchanged business cards** ✓ Between a monthly fee of ¥75,000 [2] and several million yen per subscription	**At the start or renewal of the contract**

(1) Sansan also offers other options including security control, etc.
(2) Assumes company-wide usage of Sansan service

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Eight Business

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Eight Features

Eight offers lifetime services to business people with an entry point to scan own business card

Value offered by Eight		Major monetized products
1 Scan own business card	Profile management	
2 Scan other business cards	Business card management	“Eight Premium” “Eight Premium for Corporations”
3 Connect with others	SNS, Communications	“Eight Ads” (Ad. delivery)
4 Connect with companies	Information gathering, Recruiting	“Eight Career Design” (Recruiting platform)

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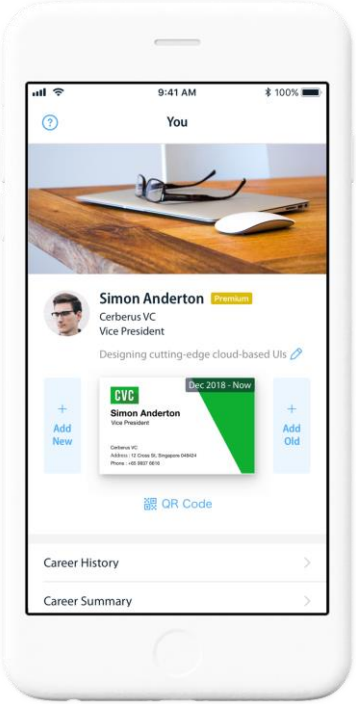
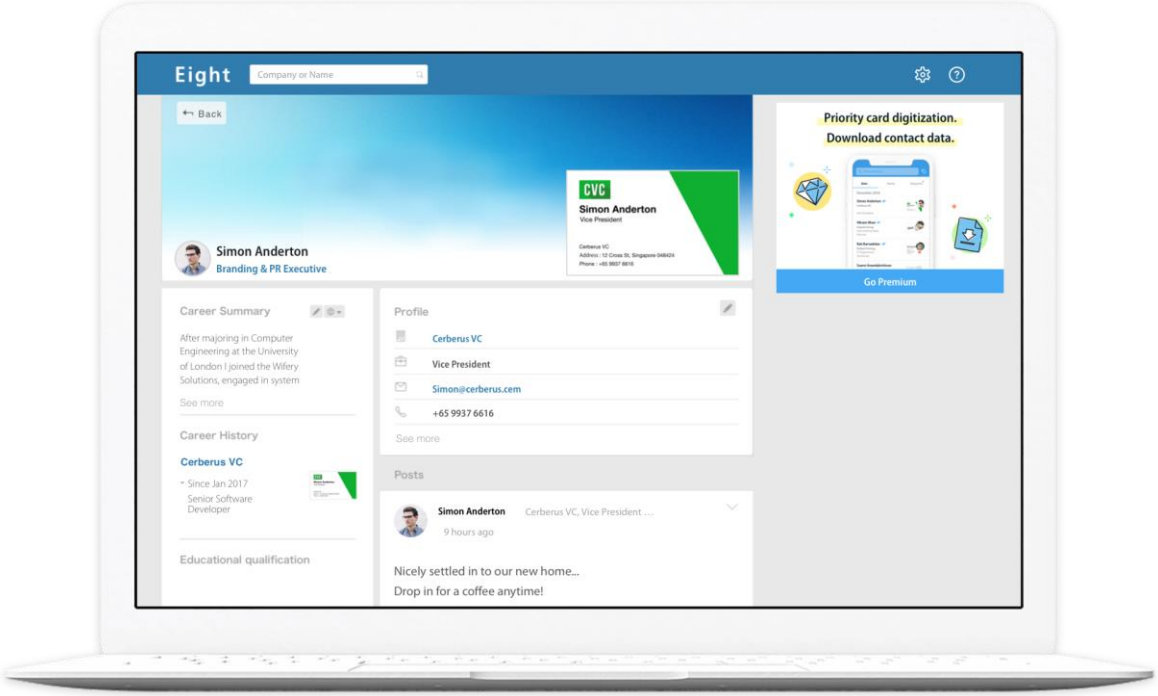
Eight Feature : ① Scan Own Business Card

Users create their own profile simply by scanning their business card. Career history is automatically updated every time users register their latest business card, allowing for easy profile management





- **Users can digitize contacts' business cards**
- **Users can create career history by scanning their past and latest business cards**
- **Users can easily introduce themselves by disclosing profiles**

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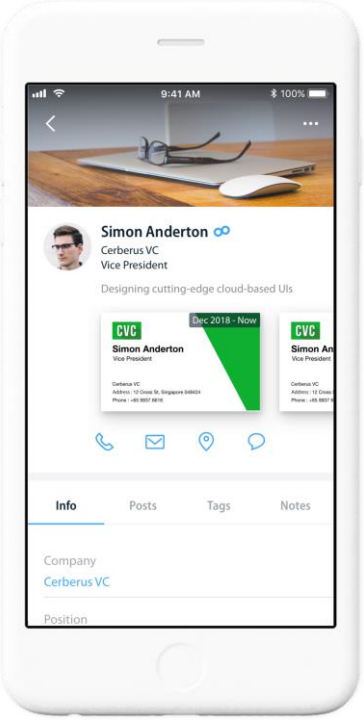
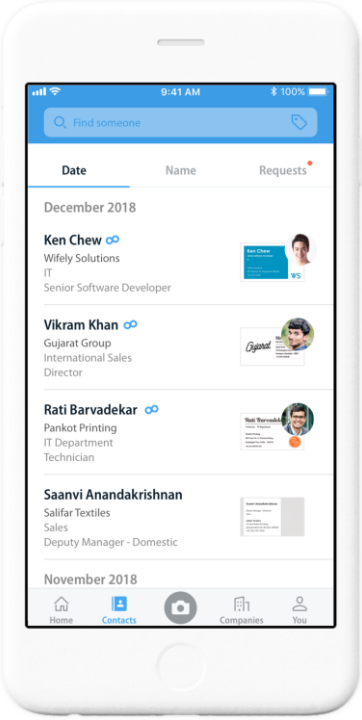
Eight Feature : ② Scan Contacts' Business Cards

Users can digitize contacts' business cards with high accuracy





- App allows cards to be easily scanned anytime, anywhere (maximum of four cards can be scanned simultaneously)
- Digitizes data with high accuracy
- Scanned data can be accessed via Web and Mobile Apps

- Eight Premium offers a batch input function, data download and quick input of data
- Eight Premium for Corporations allows users to share colleagues' business card data

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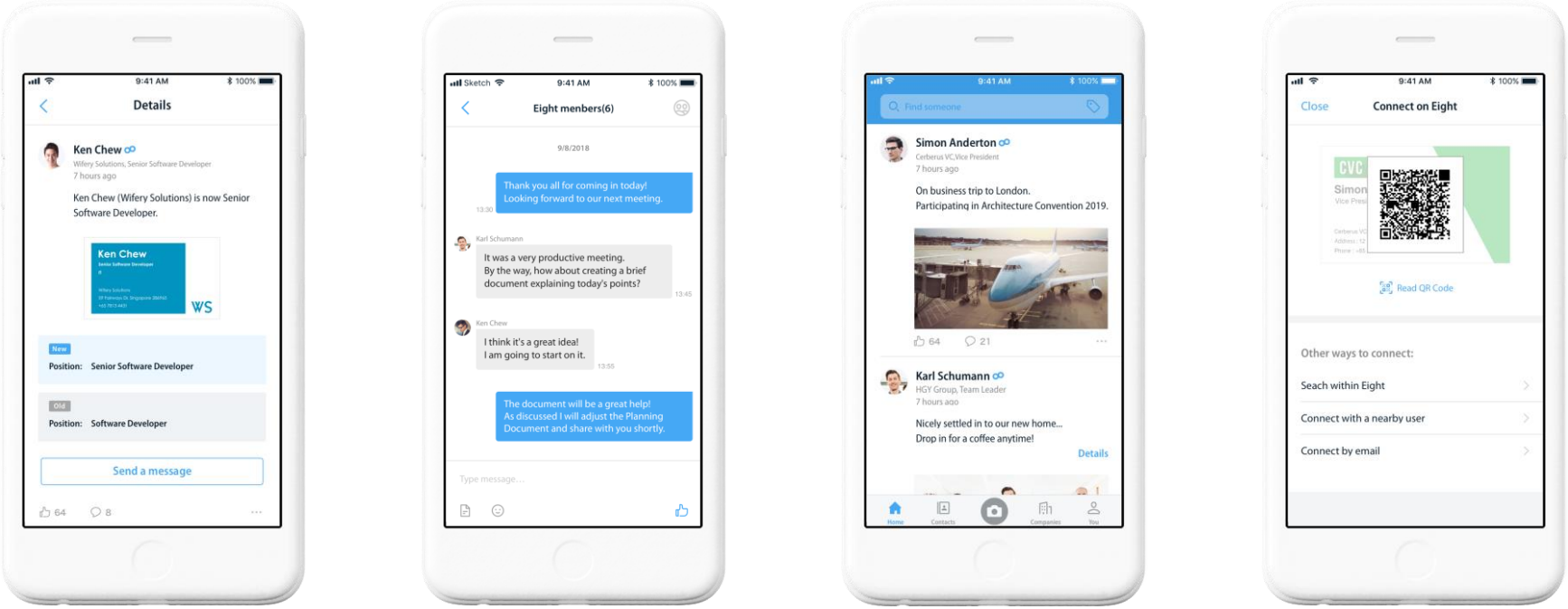
Eight Feature : ③ Networking

By connecting with others through Eight, users can keep up to date on career changes and promotions, and continuously engage in business communication by exchanging messages and reacting (such as with a Thumbs Up!) to items in their feeds



- Eight constantly provides the latest information by notifying users of changes in business card information of people connected
- Users can communicate with others through their feed
- Users can communicate with the messaging function
- The business card exchange function allows for direct connections

- Information matching up with users can be easily delivered by placing in-feed ads using data attributed to users

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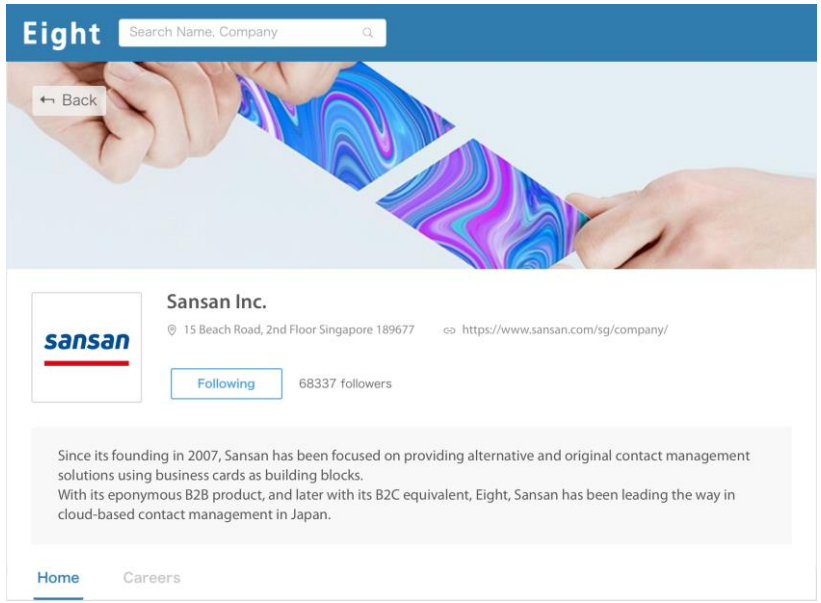
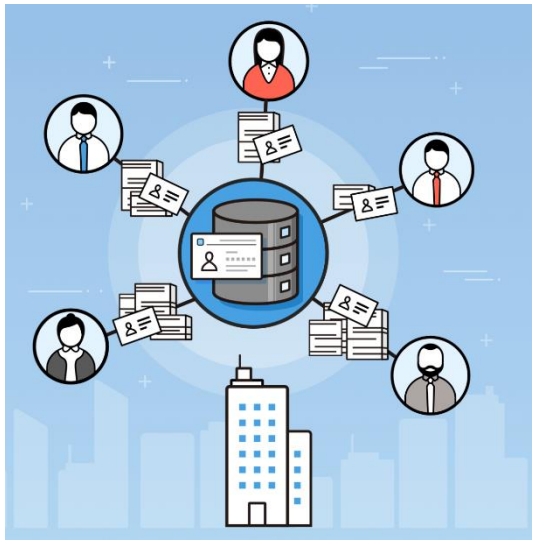
Eight Feature : ④ Connect with Companies

Users can gather news about companies with which they are connected, and companies can deliver official news and updates to users





- Users can gather news about companies
- Users can quickly obtain recruiting information from companies
- Users can utilize their profiles to make a strong impression

- Companies can use their pages to approach recruiting targets
- Companies can view business profiles made public by users

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DSOC

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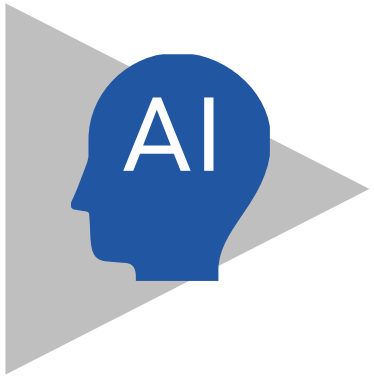
DSOC: Roles and Organization

The Data Strategy & Operation Center (DSOC) evolved from a team of experts specializing in the digitization of business card information to a data utilization R&D team

Large volume of business cards



Automation and improved accuracy of digitization

Data analysis and utilization

Various researchers

Specialists in image processing, data science (statistics, natural language, and machine learning), social science, econometrics, labor economics, and data visualization

Doctors

Ph.D. (physics), Ph.D. (mathematical science), and Ph.D. (computer science): One doctor in each field

Kaggle [1] titleholders

Grandmaster

(1) Kaggle is a highly recognized global machine learning competition in which statisticians and data scientists compete

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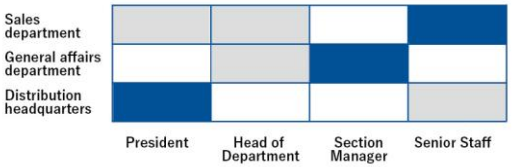
More than 20 data scientists are seeking new ways to utilize business card data

Examples



ABM Dashboard (β)

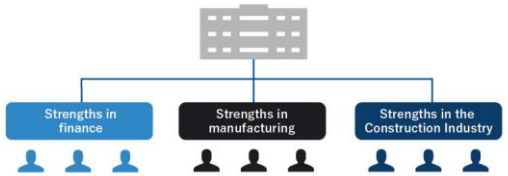
Creating an overview of touchpoints for each customer

The first step of Account Based Marketing (ABM) is taken by identifying, on a customer-by-customer basis, which departments and positions are involved and which departments and positions aren't involved, allowing that information to be used in the creation of sales strategies

Knowing A Company by Knowing Its People

Creating keywords that illustrate the strengths of employees

Business card information and information on the Internet is utilized to generate keywords that illustrate the strengths of one's self and one's colleagues, allowing users to instantly get an intuitive idea about a company



Virtual Organizational Chart (β)

Identifying "true teams" based on networks

Business connections are analyzed to identify "true teams" that can cooperate across department lines within a company. Such information can be used for reorganization and in formulating strategies

Finding Key People Internally

Identifying employees that have contributed to expanding relationships with customers

The timing in which relationships with customers were expanded can be automatically analyzed based on change in the number of business cards exchanged, allowing organizations to identify key people that contributed to the expansion of such relationships

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Financial Highlights

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Summary of Consolidated Profit and Loss Statement (1)

(in millions of yen)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 Q3 YTD
Net Sales	1,289	1,963	3,150	4,839	7,324	7,361
Cost of Sales	232	483	746	1,026	1,435	1,175
Gross Profit	1,056	1,479	2,404	3,812	5,888	6,186
SG&A	1,623	2,551	3,754	4,590	8,950	6,841
Advertising Expenses	598	1,019	1,526	1,573	4,478	2,237
Personnel Costs (2)	397	553	830	1,282	1,689	1,690
Operating Profit/Loss	-566	-1,071	-1,350	-778	-3,061	-655
Non-operating Income	2	1	4	9	10	12
Non-operating Expenses	9	5	16	11	26	41
Ordinary Income	-572	-1,075	-1,362	-780	-3,077	-684
Extraordinary Income	-	-	-	-	-	4
Extraordinary Losses	7	4	1	3	1	3
Income/Loss before Income Taxes and Minority Interests	-580	-1,079	-1,364	-784	-3,078	-683
Net Income	-582	-1,083	-1,368	-790	-3,085	-688
Profit/Loss Attributable to Owners of Parent	-	-	-	-790	-3,085	-688
Net Income per Share (3) (yen)	-29.04	-56.67	-72.83	-47.18	-168.44	-32.25
Year-on-year Growth in Net Sales (%)	-	52.3	60.5	53.6	51.3	39.5
Gross Margin (to sales) (%)	81.9	75.4	76.3	78.8	80.4	84.0

(1) Non-consolidated results (unaudited) for FY2015 and before, and consolidated results since FY2016
(2) Total amount of salaries, bonuses and provision for bonuses
(3) Calculated on the assumption that the company carried its 10,000-for-1 share split at the beginning of FY2013 (which was actually carried in June 2018)

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Summary of Results by Business Segment (1)

(in millions of yen)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 Q3 YTD
Net Sales (total)	1,289	1,963	3,150	4,839	7,324	7,361
Sansan Business	1,289	1,952	3,067	4,663	7,044	6,982
Eight Business	-	10	83	175	279	379
Adjustments	-	-	-	-	-	-
Operating Profit/Loss (total)	-566	-1,071	-1,350	-778	-3,061	-655
Sansan Business	84	-29	140	960	1,437	1,969
Eight Business	-324	-582	-821	-783	-2,964	-907
Adjustments	-326	-460	-669	-955	-1,526	-1,717

Year-on-year Growth in Net Sales (total) (%)	-	52.3	60.5	53.6	51.3	39.5
Sansan Business (%)	-	51.5	57.1	52.0	51.1	37.6
Eight Business (%)	-	-	669.7	110.8	58.8	88.1
Operating Margin (total) (%)	-	-	-	-	-	-
Sansan Business (%)	6.5	-	4.6	20.6	20.4	28.2
Eight Business (%)	-	-	-	-	-	-

(1) Non-consolidated results (unaudited) for FY2015 and before, and consolidated results since FY2016

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Summary of Consolidated Balance Sheet

(in millions of yen)	FY2017	FY2018 Q3e
Assets		
Current Assets		
Cash and Deposits	3,546	5,333
Notes Receivable	207	215
Prepaid Expenses	255	305
Other	157	54
Total Current Assets	4,166	5,908
Non-current Assets		
Total Property, Plant and Equipment	164	308
Total Intangible Assets	602	771
Software	601	771
Other	0	0
Investments and Other Assets	365	1,331
Total Non-current Assets	1,132	2,412
Total Assets	5,299	8,320

(in millions of yen)	FY2017	FY2018 Q3e
Liabilities		
Current Liabilities		
Short-term Loans Payable	13	72
Current Portion of Long-term Loans Payable within One Year	94	141
Advances Received	2,798	3,051
Other	913	1,106
Total Current Liabilities	3,819	4,371
Non-current Liabilities		
Long-term Loans Payable	127	262
Other	39	49
Total Non-current Liabilities	166	311
Total Liabilities	3,986	4,683
Net Assets		
Total Shareholders' Equity	1,315	3,626
Accumulated Other Comprehensive Income	-2	-0
Total Net Assets	1,312	3,636
Total Liabilities and Net Assets	5,299	8,320

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Summary of Consolidated Cash Flows

(in millions of yen)	FY2016	FY2017
Cash Flows from Operating Activities		
Income/Loss before Income Taxes and Minority Interests	-784	-3,078
Depreciation	236	366
Decrease/Increase in Notes and Accounts Receivable	-60	-41
Decrease/Increase in Prepaid Expenses	-100	204
Increase/Decrease in Accounts Payable	-122	333
Increase/Decrease in Advances Received	896	697
Income Taxes Paid	-3	-6
Other	135	-84
Cash Flows from Operating Activities	198	-1,609
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	-91	-72
Purchase of Intangible Assets	-250	-408
Other	-35	-199
Cash Flows from Investing Activities	-376	-679

(in millions of yen)	FY2016	FY2017
Cash Flows from Financing Activities		
Net Increase/Decrease in Short-term Loans Payable	89	-283
Proceeds from Long-term Loans Payable	200	50
Repayments of Long-term Loans Payable	-130	-131
Proceeds from Issuance of Common Shares	-	4,206
Other	-8	-16
Cash Flows from Financing Activities	151	3,826
Effect of Exchange Rate Change on Cash and Cash Equivalents	-3	4
Net Increase/Decrease in Cash and Cash Equivalents	-29	1,541
Cash and Cash Equivalents at Beginning of Period	2,033	2,004
Cash and Cash Equivalents at End of Period	2,004	3,546

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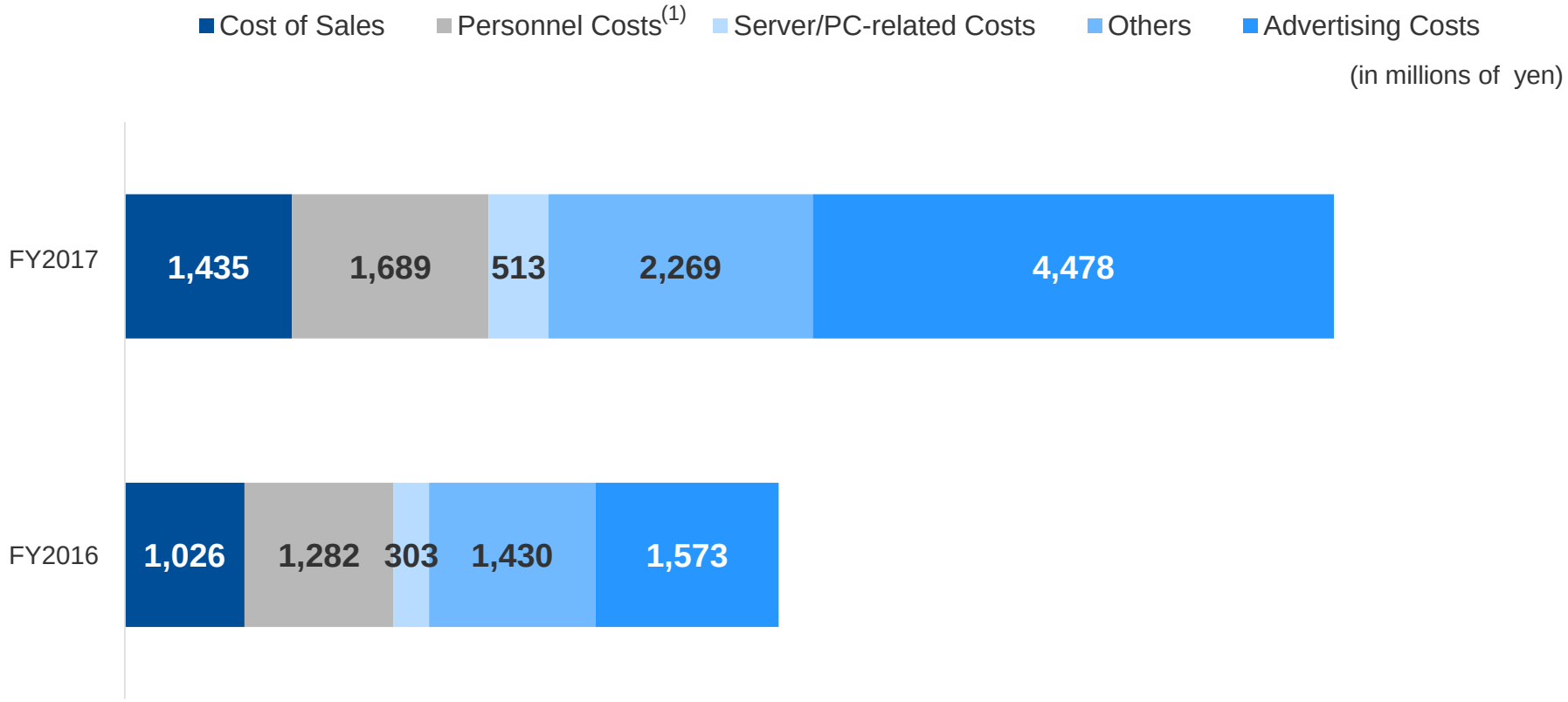
In FY2017, Sansan actively invested in hiring, R&D, and advertising and marketing in both Sansan and Eight Business

Major Operating Expenses



(1) Total amount of salaries, bonuses and provision for bonuses

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Other Information

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Company Overview (1)

Company Name	Sansan, Inc.
Foundation	June 11, 2007
Head office	Aoyama Oval Building 13F, 5-52-2 Jingumae, Shibuya-ku, Tokyo
Other locations	**Branch offices:** Osaka, Fukuoka, Nagoya **Satellite offices:** Kamiyama Lab (Tokushima), Sansan Innovation Lab (Kyoto), Nagaoka Lab, Sapporo Lab
Subsidiaries	Sansan Global PTE. LTD. (Singapore) Sansan Corporation (United States)
CEO	Chika Terada
Number of employees	549
Capital	¥2,812.5 million
Net Sales	¥7,324 million (FY 2017)

(1) As of the end of May 2019

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Management Members ①

Chika Terada

CEO

Chika started his career in 1999 with the IT Marketing Division of Mitsui & Co. After transferring to the U.S. in 2001, he worked in partnerships with Silicon Valley venture firms to market and distribute their products in Japan. Returning to Japan, Chika launched an intrapreneurial venture importing and selling database software, before heading to an affiliate company's Corporate Planning and Strategy Division. In 2007, he co-founded Sansan with four of his friends.

Kei Tomioka

Director / Sansan Division Manager

Kei joined Oracle Japan in 1999 after university, initially taking a domestic post, after which he relocated in 2003 to Shanghai then to Bangkok to expand the business into Greater China markets (China, Hong Kong and Taiwan), ASEAN and India. In 2007 Kei co-founded Sansan. He oversees the Sansan Division, and also heads the company's global expansion.

Kenji Shiomi

Director / Eight Division Manager

Previously Kenji joined Mitsui Knowledge Industry in 1994, where he designed and developed mail systems for mobile network operators. He co-founded Sansan in 2007. After leading the initial development of Sansan, he now heads up the Eight Division.

Satoru Joraku

Director / CISO & DSOC Manager

Before co-founding Sansan in 2007, Satoru designed and developed system software for Nihon Unisys from 1999. In the earlier years of Sansan, he took charge of the product development. He now heads the company's R&D hub DSOC, and drives and implements the internal security measures as CISO.

Yo Tanaka

Director / Corporate Management Division Manager

Yo started his career with Mitsui & Co. in 1998. In 2005, he moved to New Delhi to join Mitsui India as Deputy Director of Information Industry Department. After he returned to Japan in 2008, he worked at an affiliate company as the Head of Sales. Yo has been with Sansan since April 2018.

Toru Akaura

Non-Executive Director (Audit and Supervisory Committee Member)

- **Joined Japan Associated Finance Co., Ltd. (currently JAFCO, Co, Ltd.) in 1991**
- **Became General Partner of Incubate Capital Partners in 1999 (in service)**
- **Joined the board of directors of Sansan, Inc. in 2007**
- **Became Director (Audit and Supervisory Committee Member) of Sasan, Inc. in 2015 (in service)**

Osuke Honda

Non-Executive Director (Audit and Supervisory Committee Member)

- **Joined Mitsubishi Corporation in 1996**
- **Joined Apax Globis Partners (currently Globis Capital Partners) in 2005**
- **Became General Partner of DCM in 2007 (in service)**
- **Became Director (Audit and Supervisory Committee Member) of Sasan, Inc. in 2018 (in service)**

Yasuko Yokosawa

Non-Executive Director (Audit and Supervisory Committee Member)

- **Registered as an attorney-at-law at Dai-Ichi Tokyo Bar Association and joined TMI Associates in 2002**
- **Seconded to Yahoo Japan Corporation in 2010**
- **Became Counsel of TMI Associates (in service)**
- **Became Director (Audit and Supervisory Committee Member) of Sasan, Inc. in 2018 (in service)**

Yoshiki Ishikawa

Non-Executive Director (Audit and Supervisory Committee Member)

- **Became Director of Japan Health Science Center in 2004 (in service)**
- **Joined MCCANNHEALTHCARE WORLDWIDE JAPAN and became Director of Cancer Scan Co., Ltd. in 2008 (in service)**
- **Became Director of Habitech Inc. in 2013 (in service)**
- **Became Director of Campus for H Inc. in 2014 (in service)**
- **Became Director (Audit and Supervisory Committee Member) of Sasan, Inc. in 2019 (in service)**

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Management Members ②

Muneyuki Hashimoto

CFO

Muneyuki worked at an investment bank for 9 years in Tokyo and New York, specializing in financing and M&A advisory. Moved to the Private Equity Division of Development Bank of Japan, followed by the join in Sansan in 2017.

CFO: Chief Financial Officer

Yuta Ohma

CHRO

Joined a recruiting firm, where he launching new consulting services, after which he started his own business in recruitment before joining Sansan's Sales Department in 2010. He then moved to the HR Department and was appointed CHRO in December 2018.

CHRO: Chief Human Resource Officer

Shigemoto Fujikura

CTO

During his years at OGIS Research Institute, Shigemoto conducted joint development projects with venture firms of Silicon Valley. Returning to Japan, he worked in R&D at OGIS' Software Engineering Center. Since joining Sansan in 2009, he has managed the product development team, and became CTO in June 2018.

CTO: Chief Technology Officer

Hirofumi Otsu

CPO

Hirofumi's career started with beBit, where he focused on providing customer centric business strategy working with digital businesses. In 2010 he founded WACUL and developed AI web analytics software. Having left WACUL, he joined Sansan in June 2018 as CPO to oversee and drive the product development teams of both Sansan and Eight.

CPO: Chief Product Officer

Koichi Shishikura

VPoE

After working at a major system integration company in R&D, Koichi moved onto a domestic web application venture and expanded the business into Vietnam as its local CEO. He has been with Sansan since 2010, and continues to fulfil the role of Product Development Manager of Eight since its launch. He became VPoE in March 2018.

VPoE: Vice President of Engineering

Yasushi Tanabe

CBO

Yasushi started his career as a web-based application engineer, then looked for new opportunities in the advertising industry in digital contents creation. Joining Sansan in 2014, he was involved in setting up the Brand Communications Department and now takes charge of all the creative direction of the company.

CBO: Chief Brand Officer

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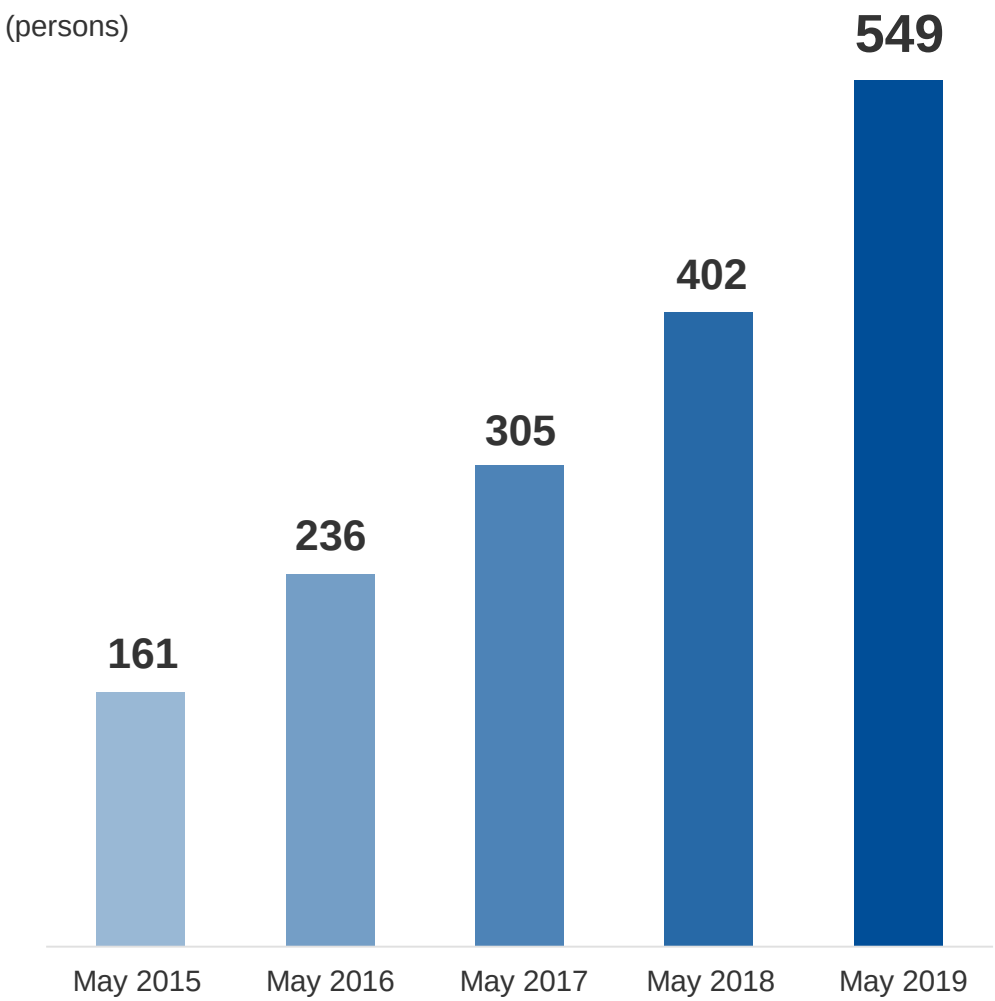
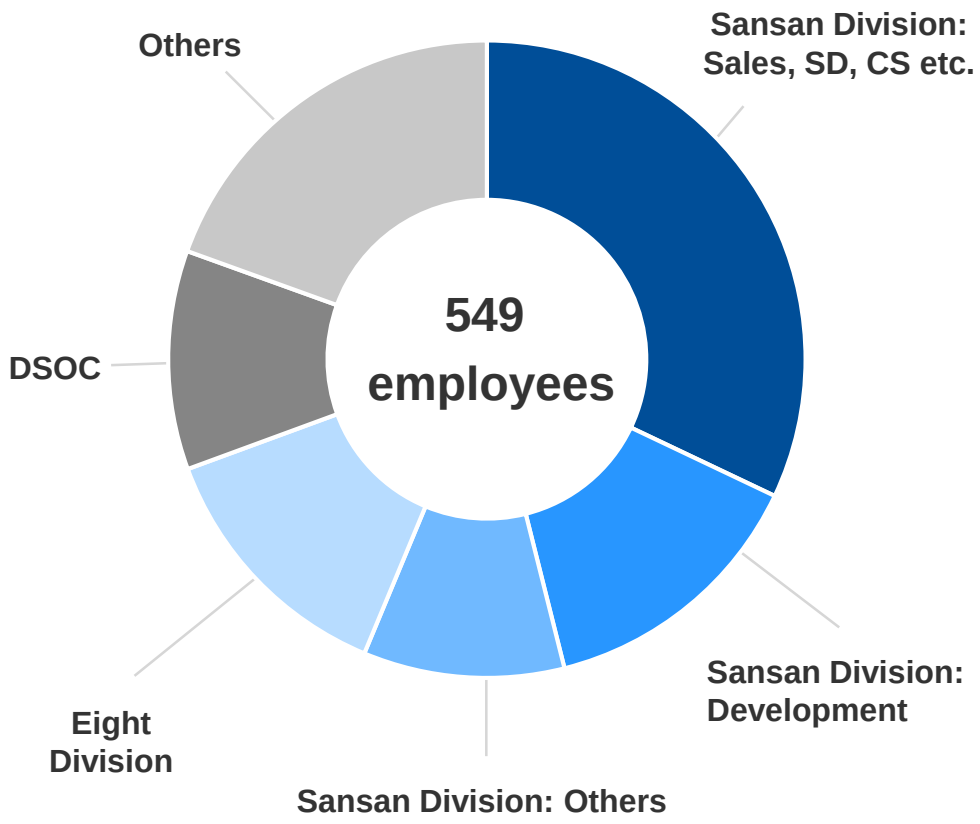
About Employees

Number of Employees (1)



Breakdown by Organization (2)



(1) Non-consolidated basis in FY2015 and before, and consolidated-basis since FY2016
(2) As of the end of May 2019

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Sansan obtained Privacy Mark certification upon its foundation in 2007. Since then, it has continuously implemented information security measures to ensure customer confidence. Today, the company's services are used by major financial institutions, amongst others

- Business card information is processed by more than one person
- Personal information is randomized

- Obtained Privacy Mark certification
- Has a personal information management system in place

- Vulnerability assessment performed by white-hat hackers
- Monitors all systems and databases

- All employees are required to have a personal information protection expert license
- Voluntarily implements an information security audit

CSIRT
Sansan

Computer **S**ecurity **I**ncident **R**esponse **T**eam

Organization that responds to cyber security incidents by collecting incident information, identifying vulnerabilities, predicting cyber attacks, etc. in order to formulate response guidelines and procedures

Established CSIRT in May 2015

- ✓ **Member of Nippon CSIRT Association**
- ✓ **Established a coordination framework with the product development team**
- ✓ **Has firewall, IDS, etc. in place**
- ✓ **Has WAF in place**
- ✓ **Vulnerability assessment performed by white-hat hackers**
  - Training against targeted email attacks
  - Penetration testing

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