Forward Looking Statements

Certain Statements that we make in this presentation are forward-looking statements. These forward-looking statements are based upon management's current assumptions and beliefs in light of the information currently available to it, but involve known and unknown risks and uncertainties. Many important factors could cause our actual results to differ materially from those expressed in our forward-looking statements. These factors include:

- difficulties in addressing new virus and other computer security problems;
- timing of new product introductions and lack of market acceptance for our new products;
- the level of continuing demand for, and timing of sales of, our existing products;
- rapid technological change within the anti-virus software industry;
- changes in customer needs for anti-virus software;
- existing products and new product introductions by our competitors and the pricing of those products;
- declining prices for our products and services;
- the effect of future acquisitions on our financial condition and results of operations;
- the effect of adverse economic trends on our principal markets;
- the effect of foreign exchange fluctuations on our results of operations;
- an increase in the incidence of product returns;
- the potential lack of attractive investment targets; and
- difficulties in successfully executing our investment strategy.

We assume no obligation to update any forward-looking statements.
FY2020. 4Q Financial Highlight

(Fourth quarter ended December 31, 2020)
# Q4 Consolidated Results

<table>
<thead>
<tr>
<th></th>
<th>4Q2019</th>
<th>4Q2020</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>44,261</td>
<td>47,031</td>
<td>+ 6%</td>
</tr>
<tr>
<td><strong>Total Operating expenses</strong></td>
<td>35,733</td>
<td>35,102</td>
<td>- 2%</td>
</tr>
<tr>
<td><strong>Operating income (Margin)</strong></td>
<td>8,528 (19%)</td>
<td>11,929 (25%)</td>
<td>+ 40%</td>
</tr>
<tr>
<td><strong>Ordinary income</strong></td>
<td>8,273</td>
<td>12,350</td>
<td>+ 49%</td>
</tr>
<tr>
<td><strong>Net income attributable to owners of the parent</strong></td>
<td>5,623</td>
<td>7,923</td>
<td>+ 41%</td>
</tr>
<tr>
<td><strong>Operating income excluding amortization of Goodwill</strong></td>
<td>10,147</td>
<td>13,623</td>
<td>+ 34% (Non-GAAP)</td>
</tr>
</tbody>
</table>

*For reference* Revenue before adjusting deferred revenue

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-GAAP</strong></td>
<td>53,262</td>
<td>55,125</td>
<td>+ 3% (excluding foreign exchange impact) + 4% (Non-GAAP)</td>
</tr>
</tbody>
</table>

If currency exchange rates used for 4Q2019 were used for 4Q2020

<table>
<thead>
<tr>
<th><strong>Net sales</strong></th>
<th>44,261</th>
<th>47,358</th>
<th>+ 7% (Non-GAAP)</th>
</tr>
</thead>
</table>
Progress (12 months)

(in million Yen)

![Graph showing Progress in Revenue and Operating Income for FY2019 and FY2020.]

Revenue


Original Forecast: 174,200
Progress of Forecast: 100%

Operating Income

- FY2019: 10,119, 9,308, 18,288, 29,157
- FY2020: 10,119, 9,308, 18,288, 29,157

Original Forecast: 37,700
Progress of Forecast: 105%
### Q4 USD based Results (Non-GAAP)

<table>
<thead>
<tr>
<th>Three months ended Dec 31,</th>
<th>4Q2019 (in thousand USD)</th>
<th>4Q2020 (in thousand USD)</th>
<th>YoY change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>406,743</td>
<td>450,152</td>
<td>+ 11%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>78,596</td>
<td>88,393</td>
<td>+ 12%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>249,776</td>
<td>247,583</td>
<td>- 1%</td>
</tr>
<tr>
<td>Operating income</td>
<td>78,370</td>
<td>114,176</td>
<td>+ 46%</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>76,029</td>
<td>118,204</td>
<td>+ 55%</td>
</tr>
<tr>
<td>Net Income</td>
<td>51,673</td>
<td>75,833</td>
<td>+ 47%</td>
</tr>
</tbody>
</table>

For each of the quarters shown in the table above, JPY Japan GAAP amounts have been converted to USD amounts using the exchange rates of USD=108.82 JPY for 4Q2019 and 1 USD =104.48 JPY for 4Q2020, respectively, which are the respective weighted average exchange rates used to convert USD net sales to JPY for these quarters.
Net Sales Growth by Region

(inaudited)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q4</th>
<th>2020Q4</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>17,762</td>
<td>19,322</td>
<td>+9%</td>
</tr>
<tr>
<td>North America</td>
<td>9,813</td>
<td>9,004</td>
<td>-8%</td>
</tr>
<tr>
<td>Europe</td>
<td>7,816</td>
<td>8,686</td>
<td>+11%</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>7,429</td>
<td>8,623</td>
<td>+16%</td>
</tr>
<tr>
<td>Latin America</td>
<td></td>
<td>1,439</td>
<td>-3%</td>
</tr>
</tbody>
</table>

(in million Yen)
**Net Sales Growth by Region**

If currency exchange rates used for 4Q2019 were used for 4Q2020: (unaudited)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q4</th>
<th>2020Q4</th>
<th>Difference</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>17,762</td>
<td>19,322</td>
<td>+ 1,560</td>
<td>+ 9%</td>
</tr>
<tr>
<td>North America</td>
<td>9,813</td>
<td>9,378</td>
<td>- 435</td>
<td>- 4%</td>
</tr>
<tr>
<td>Europe</td>
<td>7,816</td>
<td>8,387</td>
<td>+ 571</td>
<td>+ 7%</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>7,429</td>
<td>8,624</td>
<td>+ 1,195</td>
<td>+ 16%</td>
</tr>
<tr>
<td>Latin America</td>
<td>1,439</td>
<td>1,646</td>
<td>+ 207</td>
<td>+ 14%</td>
</tr>
</tbody>
</table>

*( ) : difference from GAAP base

(Non-GAAP)
Decomposition of Revenue (vs. last year)

(in million Yen)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019 Q4 Net sales (in million Yen)</th>
<th>2020 Q4 Net sales (in million Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC, MEA</td>
<td>1,194</td>
<td>1,560</td>
</tr>
<tr>
<td>Latin America</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange impact</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Non-GAAP) (unaudited)
Constant currency Revenue growth

Each growth rate shown above is based on applying to each quarter the same currency rate as the previous year for the same period
### Sales by Segment

<table>
<thead>
<tr>
<th>Region</th>
<th>Sales (in million Yen)</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>9,471</td>
<td>+15%</td>
</tr>
<tr>
<td>North America</td>
<td>1,429</td>
<td>-4%</td>
</tr>
<tr>
<td>Europe</td>
<td>170</td>
<td>-1%</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>842</td>
<td>+10%</td>
</tr>
<tr>
<td>Latin America</td>
<td>1,390</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**Non-GAAP (unaudited)**

- **Consumer:** 11,918 (+12%)
- **Enterprise:** 35,113 (+4%)

---

*Notice* As Sales by Segment numbers are just for internal use, they may be subject to some changes hereafter.
“Hybrid Infrastructure protection” & “User protection”

Gross Sales (* not including Consumer)

(in million Yen)

Hybrid Infrastructure protection
+ 5% YoY
+ 6% YoY
(Last year currency base)

User Protection
+ 1% YoY
(Last year currency base)

“Notice” As these numbers are just for internal use, they may be subject to some changes hereafter.
SaaS Deployed Instance Growth

“Notice” As these numbers are just for internal use, they may be subject to some changes hereafter.
% share by region

4Q2019
44,261 million Yen

Japan, 40%
North America, 22%
Europe, 18%
APAC,MEA, 17%
Latin America, 3%

4Q2020
47,031 million Yen

Japan, 41%
North America, 19%
Europe, 18%
APAC,MEA, 18%
Latin America, 3%
“For reference”

Pre-GAAP (Revenue before adjusting Deferred revenue)

(in million Yen) (unaudited)

Japan 16,660 17,530 + 5%
North America 11,529 10,785 - 6%
Europe 13,456 13,978 + 4%
APAC, Middle East and Africa 9,663 10,744 + 11%
Latin America 1,952 2,085 + 7%

Notice
Pre-GAAP means Revenue before adjusting deferred revenue and sales return allowance.
As these numbers are just for internal use, they may be subject to some changes hereafter.

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For reference

Pre-GAAP (Revenue before adjusting Deferred revenue)

(in million Yen)  

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q4</th>
<th>2020Q4</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>16,660</td>
<td>17,530</td>
<td>+5%</td>
</tr>
<tr>
<td>North America</td>
<td>11,529</td>
<td>11,263</td>
<td>-2%</td>
</tr>
<tr>
<td>Europe</td>
<td>13,456</td>
<td>13,470</td>
<td>0%</td>
</tr>
<tr>
<td>APAC, Middle East and</td>
<td>9,663</td>
<td>10,824</td>
<td>+12%</td>
</tr>
<tr>
<td>Africa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latin America</td>
<td>1,952</td>
<td>2,419</td>
<td>+24%</td>
</tr>
</tbody>
</table>

For reference

Pre-GAAP means Revenue before adjusting deferred revenue and sales return allowance.

As these numbers are just for internal use, they may be subject to some changes hereafter.

Notice

Non-GAAP (unaudited)
Net sales & Pre-GAAP growth trend (on a constant currency basis) (unaudited)
Deferred Revenue

* Total of current and long term

(in million Yen)

Dec-'18: 125,090
Mar-'19: 125,173
Jun-'19: 125,808
Sep-'19: 122,994
Dec-'19: 131,272
Mar-'20: 129,246
Jun-'20: 131,433
Sep-'20: 129,867
Dec-'20: 139,031
Deferred Revenue by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>2020Q3</th>
<th>2020Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>66,564</td>
<td>65,398</td>
</tr>
<tr>
<td>North America</td>
<td>16,577</td>
<td>18,493</td>
</tr>
<tr>
<td>Europe</td>
<td>22,196</td>
<td>27,189</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>21,840</td>
<td>24,362</td>
</tr>
<tr>
<td>Latin America</td>
<td>2,688</td>
<td>3,587</td>
</tr>
</tbody>
</table>

(Non-GAAP)

-2%
Deferred Revenue by Region

If currency exchange rates used as of the end of 3Q2020 were used as of the end of 4Q2020:

(in million Yen)

* Total of current and long term

* ( ) : difference from GAAP base

<table>
<thead>
<tr>
<th>Region</th>
<th>2020Q3</th>
<th>2020Q4</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>66,564</td>
<td>65,398</td>
<td>-2%</td>
</tr>
<tr>
<td>North America</td>
<td>16,577</td>
<td>18,846</td>
<td>+14% (+352)</td>
</tr>
<tr>
<td>Europe</td>
<td>22,196</td>
<td>26,598</td>
<td>+20% (-591)</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>21,840</td>
<td>23,984</td>
<td>+10% (-378)</td>
</tr>
<tr>
<td>Latin America</td>
<td></td>
<td></td>
<td>+23% (-270)</td>
</tr>
</tbody>
</table>

* Non-GAAP

20
* "Total costs" means COGS + SGA.
### Cash flows

<table>
<thead>
<tr>
<th></th>
<th>4Q2019</th>
<th>4Q2020</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td>11,163</td>
<td>13,312</td>
<td>+ 19%</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td>725</td>
<td>1,468</td>
<td>+ 103%</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td>47</td>
<td>1,932</td>
<td>+ 3989%</td>
</tr>
<tr>
<td><strong>Effect of exchange rate changes on cash and cash equivalents</strong></td>
<td>2,183</td>
<td>611</td>
<td>- 72%</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>14,120</td>
<td>17,325</td>
<td>+ 23%</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of this quarter period</strong></td>
<td>134,007</td>
<td>156,837</td>
<td>+ 17%</td>
</tr>
<tr>
<td><strong>Increase in cash due to merger of consolidated subsidiary</strong></td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of this quarter period</strong></td>
<td>148,127</td>
<td>174,162</td>
<td>+ 18%</td>
</tr>
</tbody>
</table>
Headcount

Sep - 2020
6,919

Dec - 2020
6,975

+ 56 (+ 1%)
Non-operating & Extra-ordinary Items

(in million Yen)

Operating Income

11,929

Interest income

254

Other income

117

Exchange loss

59

Other expenses

38

Loss on disposal of fixed assets

1,077

Equity in looses of affiliated companies

35

Ordinary Income

1

Income before income taxes

12,350

Income after income taxes

12,350

(Non-GAAP)

(unaudited)
# Balance Sheet

(unaudited)
(in million Yen)

<table>
<thead>
<tr>
<th></th>
<th>Sep-2020</th>
<th>change</th>
<th>Dec-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>139,113</td>
<td>+16,627</td>
<td>155,740</td>
</tr>
<tr>
<td>Account receivable</td>
<td>33,144</td>
<td>+13,875</td>
<td>47,019</td>
</tr>
<tr>
<td>(less allowance for doubtful accounts)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketable securities &amp; Securities investments</td>
<td>91,557</td>
<td>+893</td>
<td>92,450</td>
</tr>
<tr>
<td>Goodwill</td>
<td>6,042</td>
<td>-1,264</td>
<td>4,778</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>129,867</td>
<td>+9,164</td>
<td>139,031</td>
</tr>
<tr>
<td>(total of current and long-term)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shareholders’ Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Stock &amp; Additional paid in capital</td>
<td>45,474</td>
<td>-396</td>
<td>45,078</td>
</tr>
<tr>
<td>Treasury Stock</td>
<td>-10,310</td>
<td>+2,525</td>
<td>-7,785</td>
</tr>
</tbody>
</table>
Q4 Highlights

• *Highest ever revenues and operating income*

• *Enterprise revenue growth recovers*

• *SaaS deployed instances continue healthy growth*
Q4 Lowlights

- *North America growth remains weak*

- *Rapid growth in cloud costs*

- *Size of enterprise deal declines as customers switch to SaaS / single year renewals*
FY2020 12 months Financial Highlight

(January ~ December, 2020)
## Consolidated Results (12 months)

<table>
<thead>
<tr>
<th>12 months ended Dec 31,</th>
<th>2019 (1-4Q)</th>
<th>2020 (1-4Q)</th>
<th>YoY growth (in million Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>165,195</td>
<td>174,061</td>
<td>+ 5% (100%)</td>
</tr>
<tr>
<td><strong>Total Operating expenses</strong></td>
<td>127,509</td>
<td>134,596</td>
<td>+ 6%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>37,686 (23%)</td>
<td>39,464 (23%)</td>
<td>+ 5% (105%)</td>
</tr>
<tr>
<td><strong>Ordinary income</strong></td>
<td>39,139</td>
<td>39,854</td>
<td>+ 2% (105%)</td>
</tr>
<tr>
<td><strong>Net income attributable to owners of the parent</strong></td>
<td>27,946</td>
<td>26,904</td>
<td>- 4% (99%)</td>
</tr>
<tr>
<td><strong>Earnings per share (Yen)</strong></td>
<td>200.94</td>
<td>193.39</td>
<td>- 4%</td>
</tr>
<tr>
<td><strong>Dividend per share (Yen)</strong></td>
<td>160.00</td>
<td>153.00</td>
<td>- 4%</td>
</tr>
<tr>
<td><strong>Operating income excluding amortization of Goodwill</strong></td>
<td>43,624</td>
<td>46,394</td>
<td>+ 6% (Non-GAAP)</td>
</tr>
<tr>
<td><strong>Pre-GAAP</strong></td>
<td>175,838</td>
<td>180,450</td>
<td>+ 3% (Non-GAAP)</td>
</tr>
</tbody>
</table>

“For reference” Revenue before adjusting deferred revenue
※ Operating income, Ordinary income, Net income without the impact of One-time correction of error in booking of Software assets in FY2020

<table>
<thead>
<tr>
<th>Annual</th>
<th>FY2019</th>
<th>FY2020※</th>
<th>YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income <em>(Margin)</em></td>
<td>37,686 <em>(23%)</em></td>
<td>42,852 <em>(25%)</em></td>
<td>+ 14%</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>39,139</td>
<td>43,242</td>
<td>+ 10%</td>
</tr>
<tr>
<td>Net income</td>
<td>27,946</td>
<td>30,887</td>
<td>+ 11%</td>
</tr>
</tbody>
</table>
Net Sales Growth by Region (in million Yen)

- Japan: 66,562 to 71,945 (+8%)
- North America: 37,351 to 35,307 (-5%)
- Europe: 29,033 to 30,843 (+6%)
- APAC, Middle East and Africa: 27,111 to 31,037 (+14%)
- Latin America: 5,135 to 4,927 (-4%)

(unaudited)
Net Sales Growth by Region

*If currency exchange rates used for 2019 (Q1-Q4) were used for 2020 (Q1-Q4):* (unaudited)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q1-Q4</th>
<th>2020Q1-Q4</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>66,562</td>
<td>71,945</td>
<td>5,383 (+8%)</td>
</tr>
<tr>
<td>North America</td>
<td>37,351</td>
<td>36,073</td>
<td>-1,278 (-3%)</td>
</tr>
<tr>
<td>Europe</td>
<td>29,033</td>
<td>30,844</td>
<td>1,811 (+6%)</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>27,111</td>
<td>31,607</td>
<td>4,496 (+17%)</td>
</tr>
<tr>
<td>Latin America</td>
<td>5,135</td>
<td>5,899</td>
<td>764 (+15%)</td>
</tr>
</tbody>
</table>

* ( ) : difference from GAAP base

(Non-GAAP)
“For reference”

Pre-GAAP (Revenue before adjusting Deferred revenue)

(in million Yen) (unaudited)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q1-Q4</th>
<th>2020Q1-Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>68,844</td>
<td>74,174</td>
</tr>
<tr>
<td>North America</td>
<td>36,953</td>
<td>33,956</td>
</tr>
<tr>
<td>Europe</td>
<td>33,732</td>
<td>33,274</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>30,636</td>
<td>33,423</td>
</tr>
<tr>
<td>Latin America</td>
<td>5,671</td>
<td>5,621</td>
</tr>
</tbody>
</table>

- Japan: +8%
- North America: -8%
- Europe: -1%
- APAC, Middle East and Africa: +9%
- Latin America: -1%

“Notice”
Pre-GAAP means Revenue before adjusting deferred revenue and sales return allowance.
As these numbers are just for internal use, they may be subject to some changes hereafter.
“For reference”
Pre-GAAP (Revenue before adjusting Deferred revenue)

If currency exchange rates used for 2019(Q1-Q4) were used for 2020(Q1-Q4):

<table>
<thead>
<tr>
<th>Region</th>
<th>2019Q1-Q4</th>
<th>2020Q1-Q4</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>68,844</td>
<td>74,174</td>
<td>+ 8%</td>
</tr>
<tr>
<td>North America</td>
<td>36,953</td>
<td>34,792</td>
<td>- 6%</td>
</tr>
<tr>
<td>Europe</td>
<td>33,732</td>
<td>32,980</td>
<td>- 2%</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>30,636</td>
<td>34,094</td>
<td>+ 11%</td>
</tr>
<tr>
<td>Latin America</td>
<td>5,671</td>
<td>6,723</td>
<td>+ 19%</td>
</tr>
</tbody>
</table>

“Notice”
Pre-GAAP means Revenue before adjusting deferred revenue and sales return allowance. As these numbers are just for internal use, they may be subject to some changes hereafter.
### FY2020 Cost (12 months)

**YoY Growth** (unaudited)
- Salary & Benefit: + 6%
- Office Overhead: - 1%
- Outside Service: + 11%
- Cloud: + 79%
- Administration: - 32%
- Selling & Marketing: - 9%
- Stock Options / Acquisition Related Costs: + 21%
- Goods/Software Amortization & Capitalization: - 30%
- Special One-time Software Amortization: -

**Total**
- + 6%

**Headcount**
- + 2% (+121) (Non-GAAP)

<table>
<thead>
<tr>
<th>Category</th>
<th>2019Q1-Q4</th>
<th>2020Q1-Q4</th>
<th>Change</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary &amp; Benefit</td>
<td></td>
<td>63,329</td>
<td>54,264</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Office Overhead</td>
<td>7,565</td>
<td>7,490</td>
<td>- 75</td>
<td>- 1%</td>
</tr>
<tr>
<td>Outside Service</td>
<td>11,497</td>
<td>12,730</td>
<td>2,233</td>
<td>+ 11%</td>
</tr>
<tr>
<td>Administration</td>
<td>5,799</td>
<td>10,358</td>
<td>4,559</td>
<td>+ 79%</td>
</tr>
<tr>
<td>Cloud</td>
<td></td>
<td>9,881</td>
<td>13,933</td>
<td>+ 30%</td>
</tr>
<tr>
<td>Selling &amp; Marketing</td>
<td></td>
<td>9,150</td>
<td>13,412</td>
<td>+ 46%</td>
</tr>
<tr>
<td>Stock Options / Acquisition Related Costs</td>
<td>15,327</td>
<td>11,497</td>
<td>- 3836</td>
<td>- 21%</td>
</tr>
<tr>
<td>Goods/Software Amortization &amp; Capitalization</td>
<td></td>
<td>13,933</td>
<td>12,730</td>
<td>- 1063</td>
</tr>
<tr>
<td>Special One-time Software Amortization</td>
<td></td>
<td>4,334</td>
<td>-</td>
<td>- 100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>59,569</td>
<td>63,329</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Special One-time Software Correction (Only for prior FY until FY19)*

*Non-GAAP*
Constant currency Revenue transition (based on FY2005)

(in million Yen)

- JPY net revenue amount for each fiscal year shown above is calculated using each foreign currency exchange rate applied in FY2005
**Cash Dividends for FY2020**

**Dividend Policy:** Year-end dividends on the basis of a dividend payout ratio of 70%, calculated after excluding the effect of TippingPoint related amortization, net of tax

\[ 70\% \times (\text{Net income attributable to owners of the parent} + \text{After-tax impact of TP related amortization}) \]

**Dividends for FY2020**

- **Total:** 21,291 million Yen
- **Per share:** 153 Yen
  (- 4% YoY)

*FY2019:160 Yen per share

*Subject to the approval at the Ordinary General Meeting of Shareholders scheduled in late March, 2021*
## Compensation for Shareholders

The ratio of 10 years’ cumulative total compensation to Net income from 2011 to 2020: 87%

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend</th>
<th>Buyback</th>
<th>Total Compensation</th>
<th>Net Income</th>
<th>Ratio to Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>2,014</td>
<td>1,829</td>
<td>4,843</td>
<td>21,291</td>
<td>22%</td>
</tr>
<tr>
<td>2019</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>22,633</td>
<td>15%</td>
</tr>
<tr>
<td>2018</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>22,263</td>
<td>15%</td>
</tr>
<tr>
<td>2017</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>22,759</td>
<td>15%</td>
</tr>
<tr>
<td>2016</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>22,263</td>
<td>15%</td>
</tr>
<tr>
<td>2015</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>19,337</td>
<td>21%</td>
</tr>
<tr>
<td>2014</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>18,857</td>
<td>19%</td>
</tr>
<tr>
<td>2013</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>16,857</td>
<td>18%</td>
</tr>
<tr>
<td>2012</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>15,629</td>
<td>17%</td>
</tr>
<tr>
<td>2011</td>
<td>2,007</td>
<td>1,466</td>
<td>3,473</td>
<td>15,060</td>
<td>17%</td>
</tr>
</tbody>
</table>

Red: Growth rate of Total compensation for shareholders  
Blue: Ratio of Total compensation to Net income

(Between FY2002 and FY2005 in accordance with US GAAP)

### Buyback and Dividend

<table>
<thead>
<tr>
<th>Year</th>
<th>Buyback</th>
<th>Dividend</th>
<th>Total Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>2,967</td>
<td>5,334</td>
<td>8,299</td>
</tr>
<tr>
<td>2019</td>
<td>2,050</td>
<td>5,334</td>
<td>7,384</td>
</tr>
<tr>
<td>2018</td>
<td>2,050</td>
<td>2,759</td>
<td>4,809</td>
</tr>
<tr>
<td>2017</td>
<td>2,050</td>
<td>2,759</td>
<td>4,809</td>
</tr>
<tr>
<td>2016</td>
<td>2,050</td>
<td>2,759</td>
<td>4,809</td>
</tr>
<tr>
<td>2015</td>
<td>1,934</td>
<td>2,759</td>
<td>4,693</td>
</tr>
<tr>
<td>2014</td>
<td>1,934</td>
<td>2,759</td>
<td>4,693</td>
</tr>
<tr>
<td>2013</td>
<td>1,934</td>
<td>2,759</td>
<td>4,693</td>
</tr>
<tr>
<td>2012</td>
<td>1,934</td>
<td>2,759</td>
<td>4,693</td>
</tr>
<tr>
<td>2011</td>
<td>1,934</td>
<td>2,759</td>
<td>4,693</td>
</tr>
</tbody>
</table>

### Growth Rates

- Red: Growth rate of Total compensation for shareholders
- Blue: Ratio of Total compensation to Net income

Compensation for Shareholders (unaudited) between FY2002 and FY2005 in accordance with US GAAP.
FY2021 annual forecast assumptions

• Revenue
Japan and Europe increase by around 5% YoY respectively, North America flat YoY and AMEA and Latin increase by around 10% YoY respectively, Total revenue +5% YoY

• Costs
TippingPoint goodwill amortization will end, however mainly due to Cloud fees, Outside service costs related to consumer sales thorough mobile channel, and People costs aligned with new hiring, total costs +6% YoY

• Non operating income will be around 0.2Bn yen and there will be no Extra-ordinary items

• Estimated exchange rate:
  1USD = 105 yen (last year: 107 yen)
  1EUR = 125 yen (last year: 122 yen)
## Projection for FY2021 Annual

<table>
<thead>
<tr>
<th></th>
<th>For FY2021 Jan - Dec, 2021</th>
<th>Expected YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>183,400</td>
<td>+ 5%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>40,900</td>
<td>+ 4%</td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>41,200</td>
<td>+ 3%</td>
</tr>
<tr>
<td>Net Income attributable to owners of the parent</td>
<td>28,800</td>
<td>+ 7%</td>
</tr>
</tbody>
</table>

(unaudited)
(in million Yen)

(Estimated annual exchange rate 1USD=105 yen, 1EUR=125 yen)

In case of excluding a foreign exchange impact
(a rule of thumb)

Net Sales

+ 6%
(Non-GAAP)
“FY2021 adjusted Operating Income YoY Expectation”

Adjusting for

1. The impact of One-time correction of mistake of booking Software assets in FY2020

2. The impact of Termination of TippingPoint Goodwill amortization in FY2021Q2

Adjusted operating income growth”  - 13%

While the above two adjustment are accounting related, please also keep in mind that FY2020 was an exceptional year with significant cost savings, so YoY comparisons with FY2021 will be difficult.
Thank You
## Appendix

### Quarterly Chart (1)

<table>
<thead>
<tr>
<th></th>
<th>FY2019</th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>39,472</td>
<td>39,988</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>7,612</td>
<td>7,956</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>22,550</td>
<td>23,051</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>9,306</td>
<td>8,980</td>
</tr>
<tr>
<td><strong>Ordinary income</strong></td>
<td>9,702</td>
<td>9,328</td>
</tr>
<tr>
<td><strong>Net income attributable to owners of the parent</strong></td>
<td>6,899</td>
<td>6,746</td>
</tr>
<tr>
<td><strong>Goods / Software Amortization &amp;Capitalization</strong></td>
<td>858</td>
<td>1,863</td>
</tr>
<tr>
<td><strong>Stock option cost</strong></td>
<td>245</td>
<td>377</td>
</tr>
<tr>
<td><strong>Acquisition related costs</strong></td>
<td>1,439</td>
<td>1,459</td>
</tr>
<tr>
<td><strong>Selling &amp; Marketing</strong></td>
<td>3,125</td>
<td>3,820</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td>3,645</td>
<td>2,878</td>
</tr>
<tr>
<td><strong>Cloud</strong></td>
<td>1,368</td>
<td>1,317</td>
</tr>
<tr>
<td><strong>Outside service</strong></td>
<td>2,729</td>
<td>2,821</td>
</tr>
<tr>
<td><strong>Office overhead</strong></td>
<td>1,902</td>
<td>1,884</td>
</tr>
<tr>
<td><strong>Salary &amp; Benefit</strong></td>
<td>14,847</td>
<td>14,586</td>
</tr>
<tr>
<td><strong>One-time Software correction</strong></td>
<td>3,733</td>
<td>3,733</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>30,163</td>
<td>31,006</td>
</tr>
<tr>
<td><strong>The number of employees</strong></td>
<td>6,517</td>
<td>6,566</td>
</tr>
<tr>
<td><strong>Applied rate to yen (US$)</strong></td>
<td>110.26</td>
<td>109.75</td>
</tr>
<tr>
<td><strong>Applied rate to yen (Euro)</strong></td>
<td>125.09</td>
<td>123.49</td>
</tr>
</tbody>
</table>
## Appendix

### Quarterly Chart (2)

(in unaudited)

<table>
<thead>
<tr>
<th></th>
<th>FY2019</th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Sales by region)</td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td>Japan</td>
<td>15,734</td>
<td>16,345</td>
</tr>
<tr>
<td>North America</td>
<td>8,805</td>
<td>9,066</td>
</tr>
<tr>
<td>Europe</td>
<td>7,456</td>
<td>6,990</td>
</tr>
<tr>
<td>APAC, Middle East and Africa</td>
<td>6,307</td>
<td>6,278</td>
</tr>
<tr>
<td>Latin America</td>
<td>1,167</td>
<td>1,306</td>
</tr>
<tr>
<td>Total</td>
<td>39,472</td>
<td>39,988</td>
</tr>
</tbody>
</table>

| (Sales by segment)      | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| All Enterprise          | 29,990 | 30,011 | 31,411 | 33,629 | 32,132 | 31,454 | 32,331 | 35,113 |
| Consumer                | 9,481 | 9,977 | 10,061 | 10,632 | 9,993 | 10,231 | 10,885 | 11,918 |
| Total                   | 39,472 | 39,988 | 41,472 | 44,261 | 42,125 | 41,686 | 43,217 | 47,031 |

| (Pre-GAAP by region)    | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Japan                   | 17,305 | 18,180 | 16,698 | 16,660 | 19,164 | 19,168 | 18,311 | 17,530 |
| North America           | 8,172 | 8,395 | 8,852 | 11,529 | 8,146 | 7,807 | 7,216 | 10,785 |
| Europe                  | 6,302 | 7,047 | 6,926 | 13,456 | 6,073 | 6,846 | 6,374 | 13,978 |
| APAC, Middle East and Africa | 6,315 | 7,867 | 6,790 | 9,863 | 6,563 | 8,011 | 8,104 | 10,744 |
| Latin America           | 1,229 | 1,310 | 1,179 | 1,952 | 1,069 | 1,345 | 1,121 | 2,085 |
| Total                   | 39,324 | 42,803 | 40,447 | 53,262 | 41,017 | 43,179 | 41,128 | 55,125 |

“Notice”

Pre-GAAP means Revenue before adjusting deferred revenue and sales return allowance.

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