



FY2015 Consolidated Financial Result

Aplix IP Holdings Corporation
15th Feb 2016



FY2015 Consolidated Financial Result

Kengo Nagahashi CFO

FY2015 P/L Statement



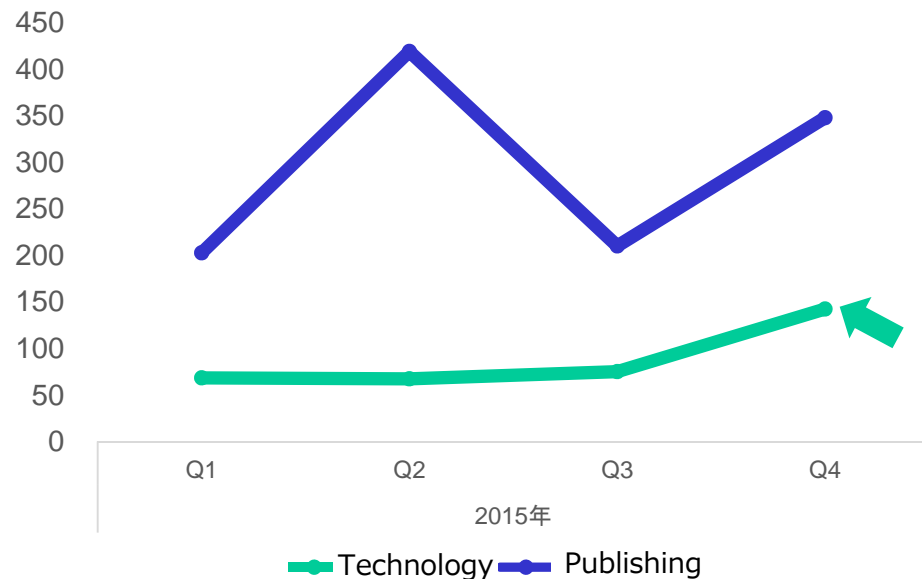
(Yen Million)	Revenues	OP	RP	NP	EPS(Yen)
FY2014 Actual(A)	2,172	-2,766	-2,672	-3,311	-264.08
FY2015 Forecast	1,546	-2,410	-	-	-
FY2015 Actual(B)	1,532	-2,406	-2,391	-2,903	-228.75
Change (B - A)	-640	+ 360	+ 281	+ 408	-
Change (%)	-29.5	-	-	-	-

FY2015 Result was almost in-line with Company Forecast announced in Q3
 →Revenues and Cost management are getting steady
 Increase Revenues from IoT Solutions

FY2015 Revenues by Segment



(Yen Million)



(Yen Million)	FY2015			
	Q1	Q2	Q3	Q4
Technology	68	67	75	142
Publishing	203	419	210	348
(Total)	271	486	285	490

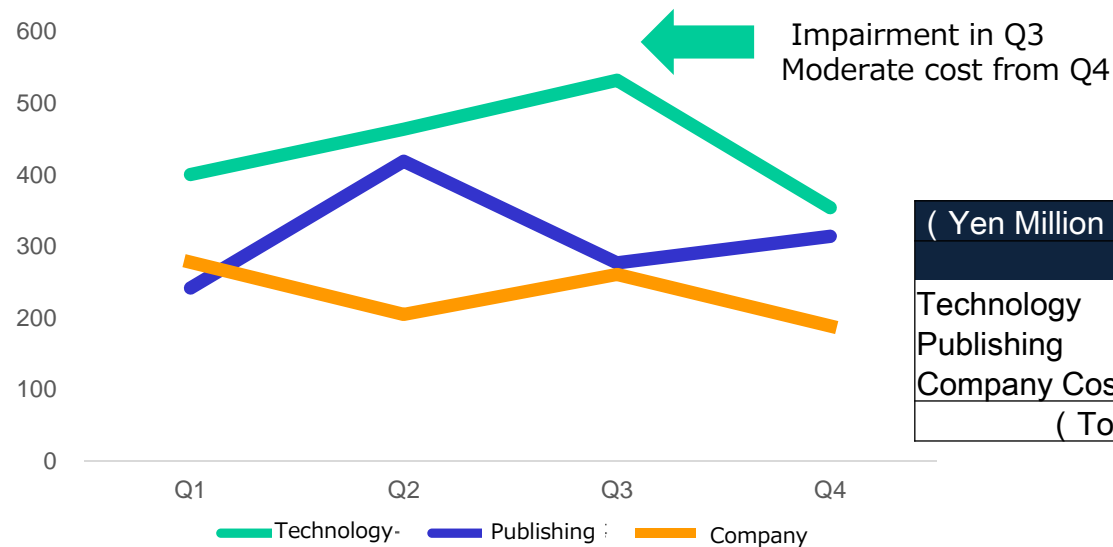
Contribution from IoT Solution

- ✓ Technology : Increasing Revenues from IoT Solutions in Q4
- ✓ Publishing : Expanding Revenues by Comics (new 42 books, reprint 65times) and Picture-book

FY2015 Operating Cost by Segment



(Yen Million)



(Yen Million)	FY2015			
	Q1	Q2	Q3	Q4
Technology	400	464	532	354
Publishing	242	419	277	314
Company Cost	278	205	261	189
(Total)	920	1,088	1,070	857

- ✓ Technology : Impairment in Q3 and goes moderate cost from Q4
- ✓ Publishing : Moderate Cost in Full Year

FY2016 Forecast

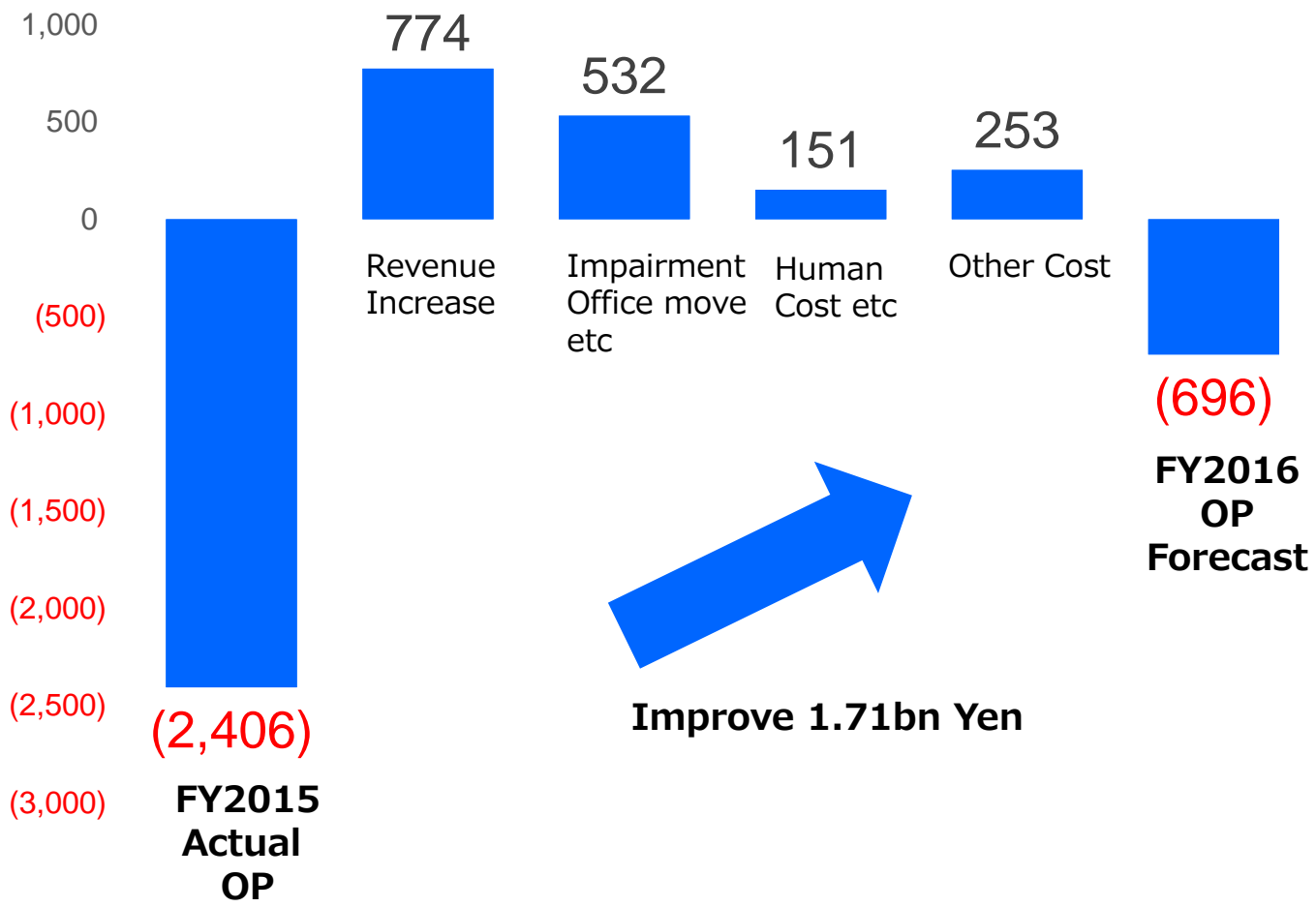


(Million Yen)	Revenues	OP
FY2015 (A)	1,532	-2,406
FY2016 Forecast	2,306	-696
Change (B - A)	+774	+1,710
Change (%)	+50.5%	-

✓ Technology Segments drives earnings by increasing IoT Solution

FY2016 Forecast

(Yen Million)



M-1 Series of Stock Acquisition Rights



Allocation	February 29, 2016
# of Stock Acquisition Rights	16,000 units
# of new shares	1,600,000 shares 12.55% dilution
Amount of Raised Capital	1,093,440,000 Yen
Method of Allocation	Allocated Macquarie Bank Ltd. by way of private placement
Strike price and conditions	Initial strike price 678yen Lower limit of strike price 339yen
Purpose of Issue	Increasing IoT solution business from client. In the other hand, payment cycle is rather long than payment to sub-contractors. We need to resolve this payment situation by fund raising and expand IoT solution business.
Funding application	<ul style="list-style-type: none"> ✓ IoT application development for customer 245 million yen ✓ IoT software/platform development 519 million yen ✓ IoT hardware development 225 million yen
Others	<ul style="list-style-type: none"> ✓ No stock loan agreement with Macquarie Bank Ltd. ✓ Macquarie Bank Ltd. will sell institutional investors directly so we are not assuming drastic stock price fall.

Overseas & Domestic Sales Rep.



Overseas



Ryu Koriyama(CEO)
Hardware
Embedded Solution

- ✓ IoT solution for water filter , Pet etc.
- ✓ Clients : OurPet's/Franke/Aquasana etc

Domestic



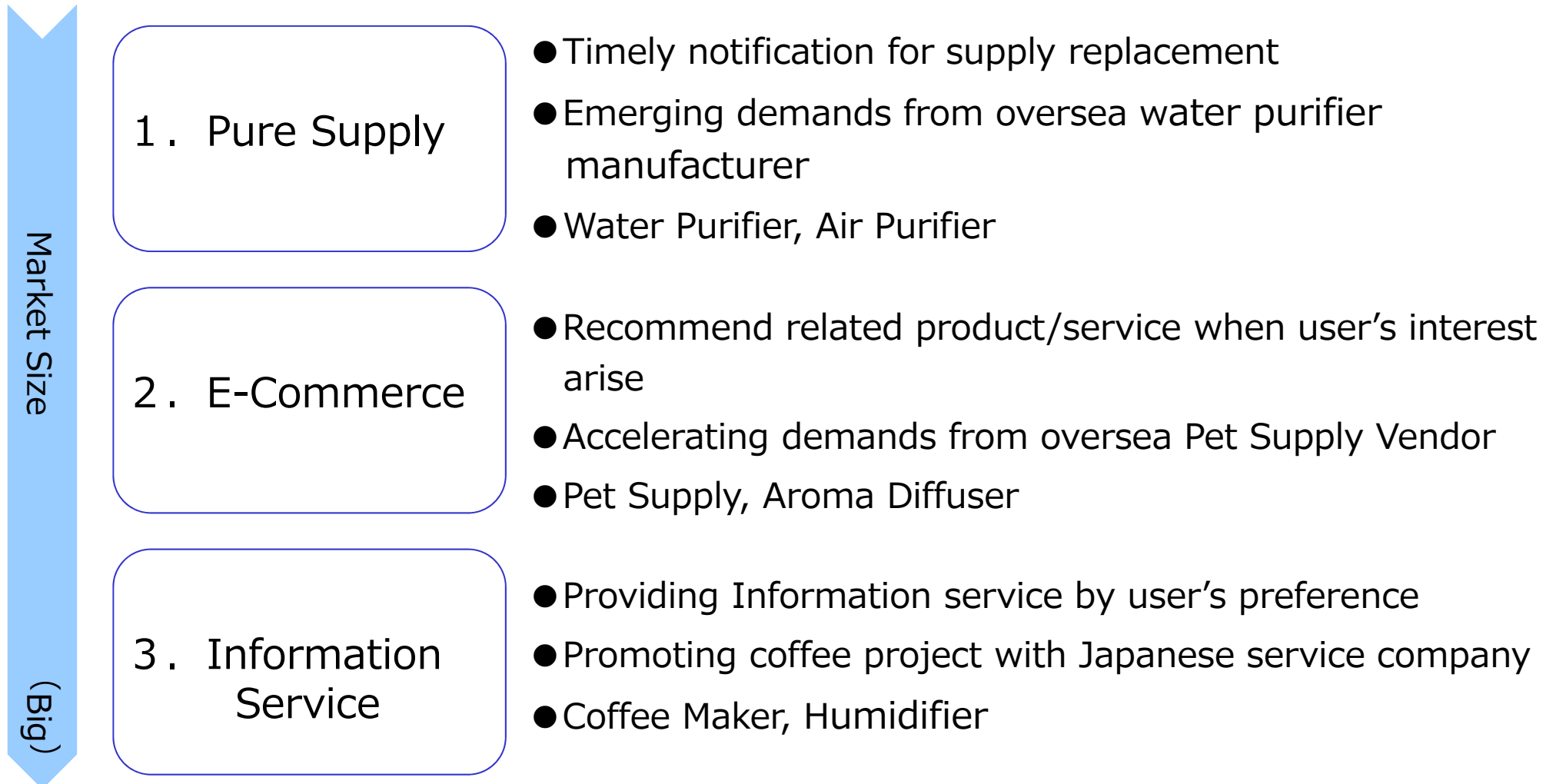
Kunihiro Ishiguro(CTO)
Former ACCESS CTO
IoT Platform Service

- ✓ IoT platform solution for Big Japanese company
- ✓ Clients : Pioneer etc

Aplix IoT Business Overview

Ryu Koriyama CEO

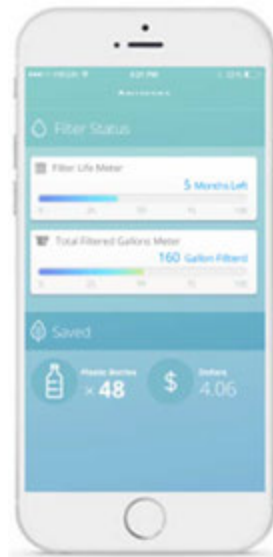
Revenues expansion by pure supply, EC and Information service



IoT x Water Purifier



Water Purifier

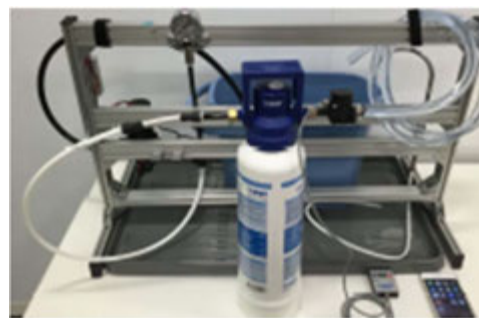


Status Notification



Filter Replacement

Emerging Demand from Oversea Vendors



IoT x Pet Supply



Understanding behavior of Pet. Upsell to Pet Insurance and Medical Service



Pet Supply



Pet Behavior



Pet related product



Pet Healthcare Service

Promoting E-commerce in Pet Industry



Total Sales in US Pet Supply

\$ 17.5 Bil.

Total Online Sales in US Pet Supply

\$ 3.6 Bil.

Annual Growth Rate for Online Sales

6.3%



※IBISWorld Inc. "Online Pet Food & Pet Supply Sales in the US (Sep 2015) "
"Pet Stores in the US (Dec 2015) "

IoT x Coffee Maker



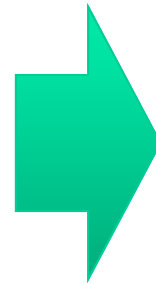
Providing Information service by user's preference
Promoting coffee project with Japanese service company



Coffee Maker



"Coffee is ready"
Notification



Various Information Service

System on Chip for IoT



Developing analogue IoT semi-conductor

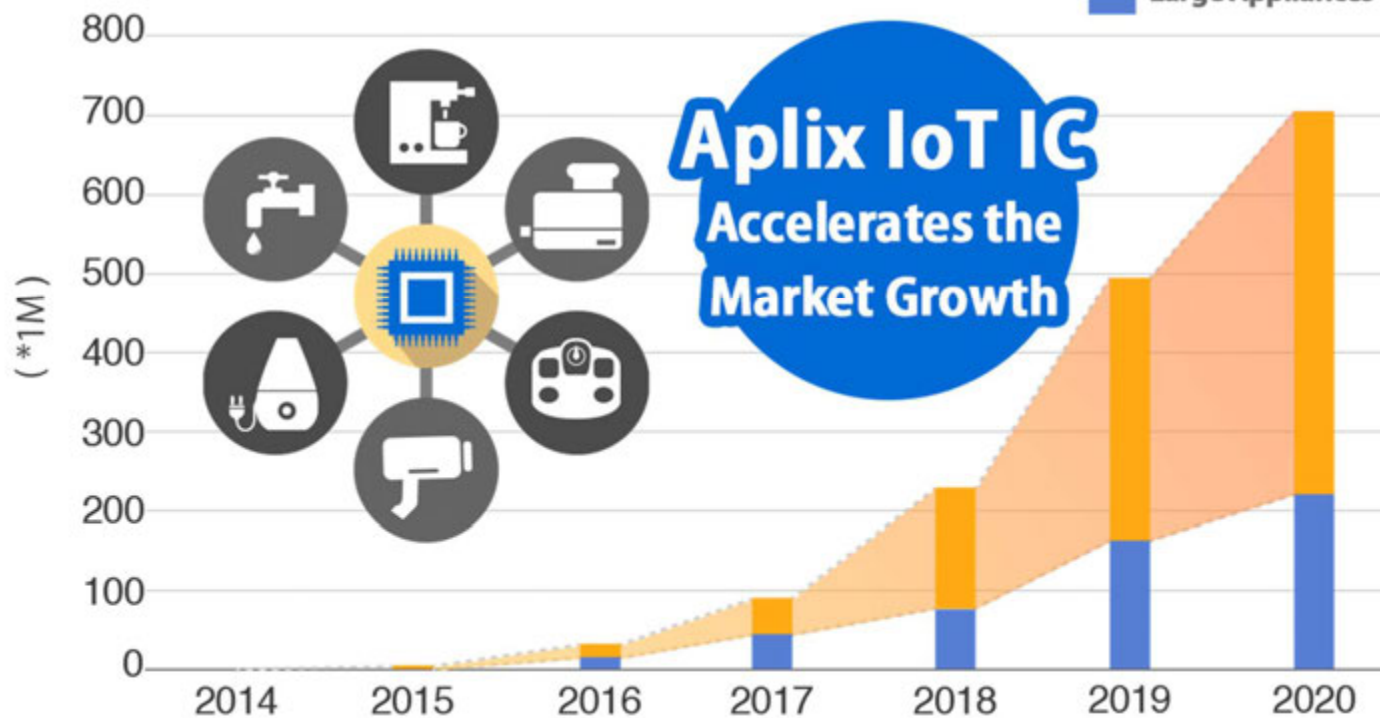


IoT Enable for Small Appliance



Aplix IoT IC makes it easy to convert small appliances to IoT

Forecast of Smart Home and Office Appliances Market



**Target 700mil
Small consumer
Appliance**

Appendix

Corporate Overview



Company Name

Aplix IP Holdings Corporation

Founded

February 22, 1986

Capital

13,416 million yen (as of Dec.31, 2015)

Representatives

Chief Executive Officer Ryu Koriyama

Headquarter Address

Kosugi Bldng 2-20-9 Nishiwaseda,
Shinjuku-ku, Tokyo 169-0051, Japan

Business Services

Research, development and sales of
software for mobile and embedded
systems.

Research, development and sales of
software for personal computers.

Date of IP

December 17, 2003

Market

Tokyo Stock Exchange Mothers

Code

JP:3727

Group Company

Aplix Corporation

Aplix Corporation of Ameica

Aplix Ireland Ltd.

Flex Comix Inc.

HOLP SHUPPAN, Publishing

Aplix IP Publishing Corporation

Products from Startup to IPO

Aplix was founded in 1986 and listed on Tokyo Stock Exchange in 2003.

Aplix was the first Japanese company to provide application software for the NeXT Computer System.



CD-ROM Authoring Tools



WinCD 6.0 Premium Package



DOS/V POWER REPORT Magazine RECOMMENDED Product (GOLD Prize)(Feb, 2001)

Logitec CD-R/RW Drive for Macintosh & Windows LCW-R6406U



DOS/V magazine 2000/8/15 Technical Test Labs Tester's Choice & Observer's Choice



Panasonic CD-R/RW Drive for USB Interface LK-RW7585UZ



IBM Aptiva Series



SONY Portable CD-R/RW Drive CRX76A / CRX76U

Automotive Telematics



Java for Consumer Electronics



Sony Electric Digital Photo Album DMA-100



Sony digital video camera DCR-M1



Sony Digital photo printer DPP-DV95



Sony Electric BS/CS Digital TV



Pioneer Digital STB for CATV BD-V500

Powered by



Sanyo Electric POS Terminal MSC-1100



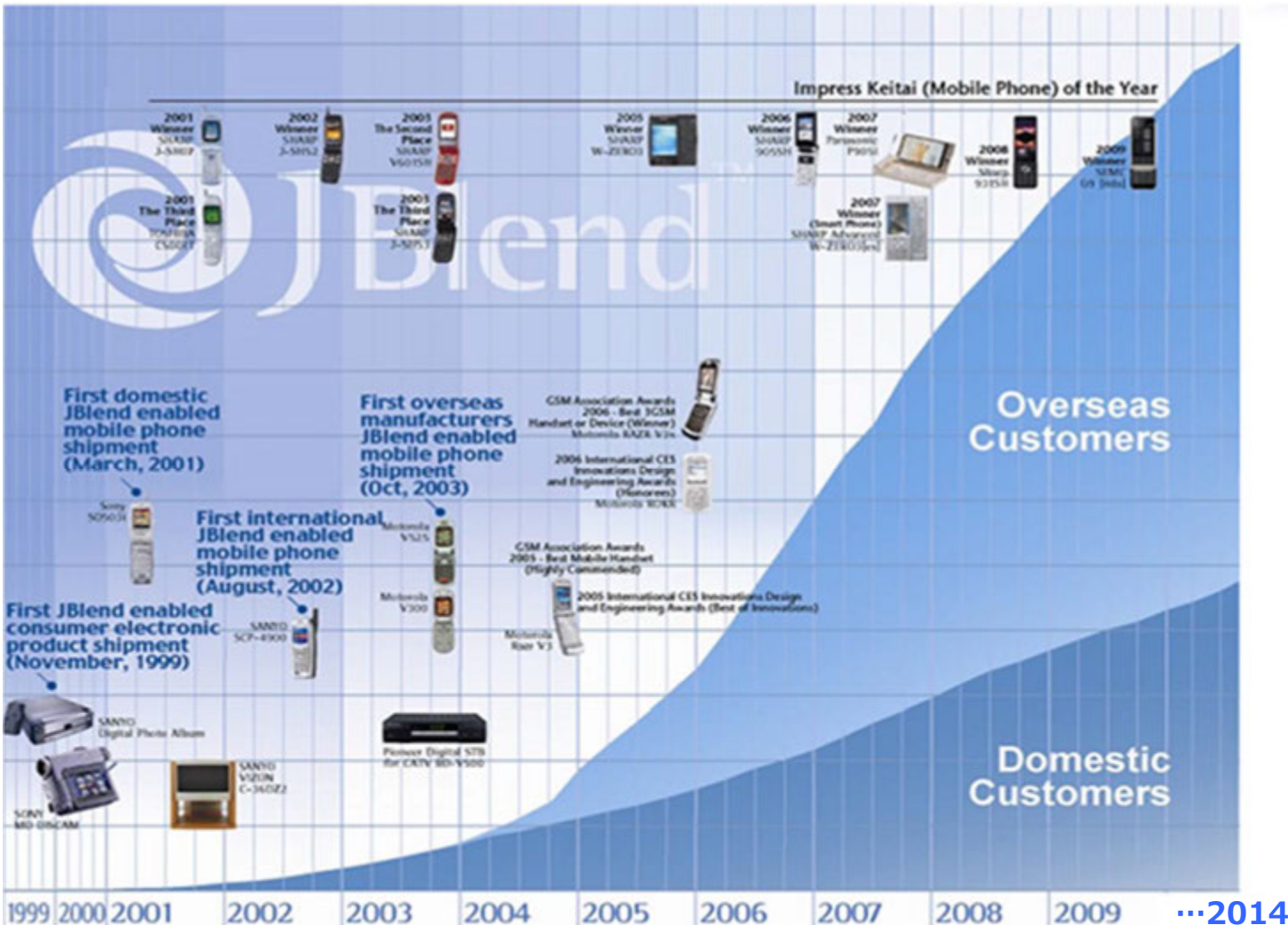
PFD Java based palm size computer BossaNova



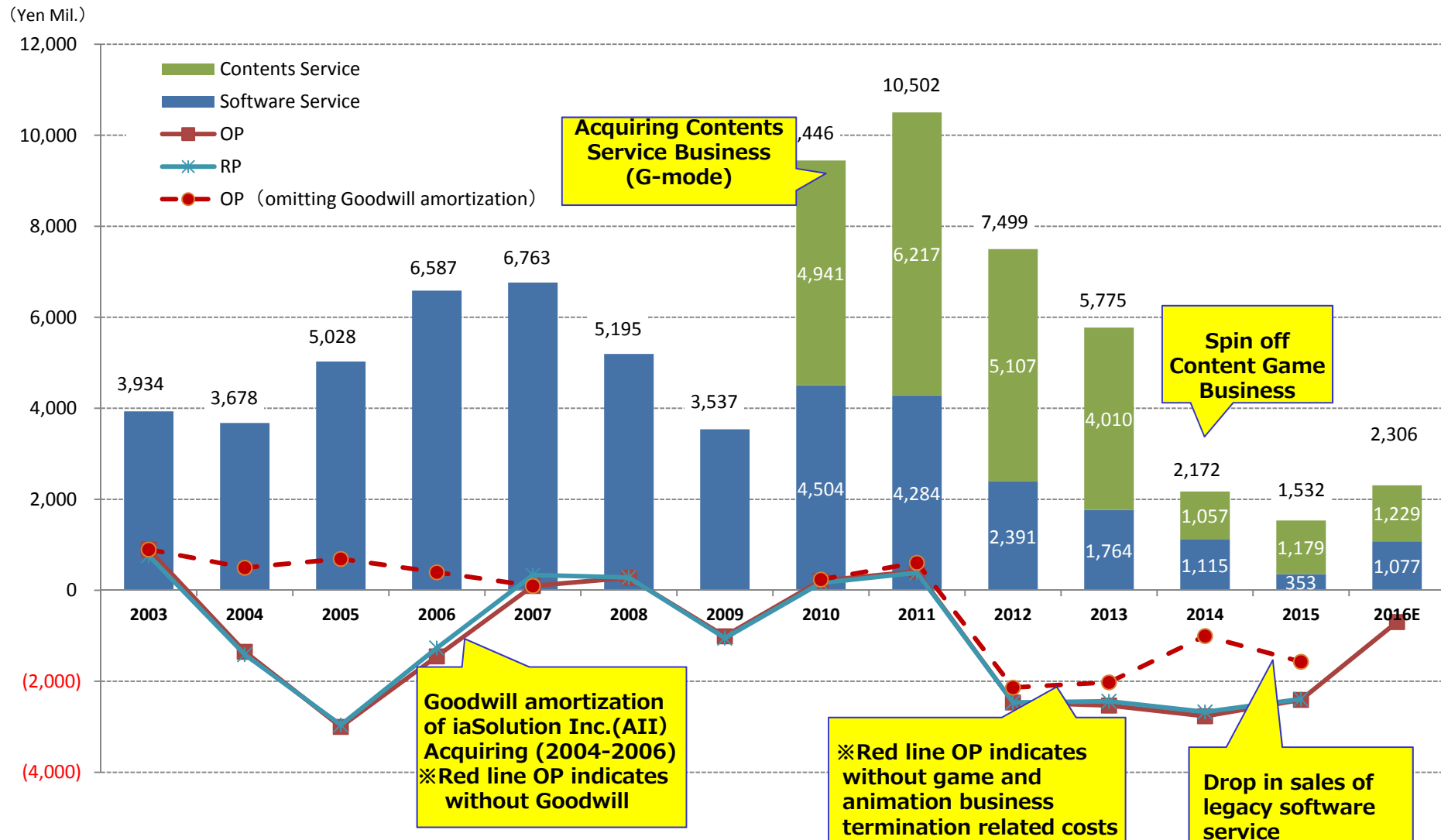
Nissan/Sanyo e-CAR navigation system HS760-A

Products from Startup to IPO

JBlend: Over 800mil. Shipment



Aplix is Reborn as an IoT Startup Company



Aplix IP Holdings Business Structure



Aplix IP Holdings

IoT Business



IoT Module

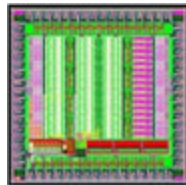


App

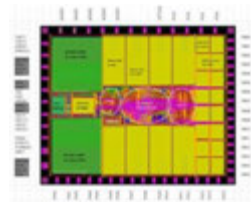


Cloud Service

SoC Business



Analogue Chip
Trial



Digital Chip
Trail

Patent Business

Beacon Related
40 Patents
(System, App
Authentication)

Comic Business



Holp Publishing



Flex Comics

Aplix



Aplix IP Holdings Corporation
<http://www.aplix-ip.com/>

Aplix Corporation
<http://www.aplix.co.jp/>