SAKURA internet

Integrated Report

2024

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SAKURA Integrated Report 2024

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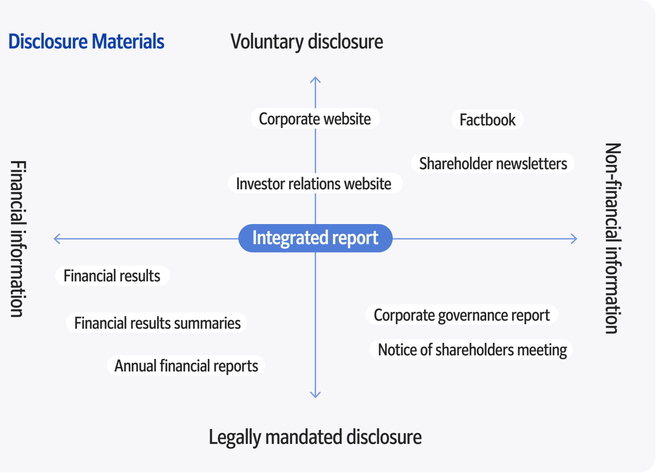


Editorial policy

The “SAKURA Integrated Report” introduces the corporate philosophy of SAKURA internet Inc., the business strategies that support its sustainable growth, and the specific initiatives and efforts that bring them for implementation. We sincerely hope that all our stakeholders, including investors, customers, business partners, and the local community, will better understand our company and that the report will serve as an opportunity to foster empathy and co-creation.
Period: April 01, 2023 to March 31, 2024 (Some information outside of the target period is also included.)

Disclaimer

Forward-looking statements in the “SAKURA Integrated Report” include assumptions and forecasts that form the basis of future outlooks and plans as of the publication date and are not intended to guarantee that they will be realized. Actual performance in the future may vary significantly due to various factors.

UD FONT by MORISAWA

– Corporate Philosophy

Turning “WHAT YOU WANT TO DO” into “WHAT YOU CAN DO”

We provide a variety of approaches through the internet to turn “what you want to do” into “what you can do,” envisioning the ideal future for all the people connected to us, including customers who challenge themselves with great enthusiasm and passion to generate new ideas.

– Vision

We create a world where everyone involved with SAKURA can achieve success

We pursue “the success of everyone involved with SAKURA” through a chain of success that includes our customers, business partners, partners, employees, and all other stakeholders.

– Value

Affirmation first / Lead and follow / Speak until the message is conveyed

What all of our employees practice are the “Three Values,” which serve as guidelines for creating co-creation within teams. By practicing these values, our employees contribute to fostering the company’s culture.

Introduction

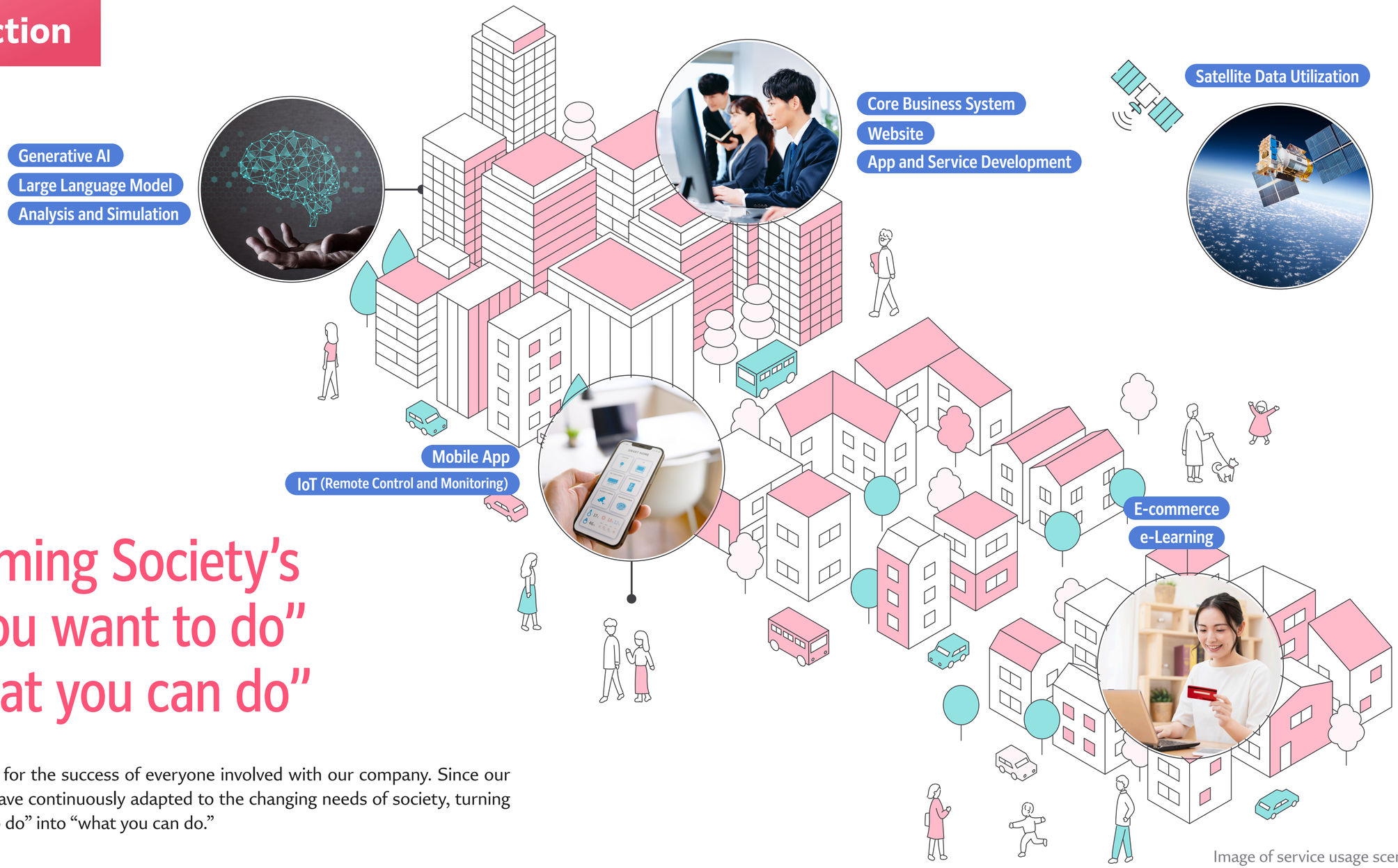


Image of service usage scene

Transforming Society's "what you want to do" into "what you can do"

SAKURA internet aims for the success of everyone involved with our company. Since our founding in 1996, we have continuously adapted to the changing needs of society, turning your "what you want to do" into "what you can do."

Introduction

We would like to introduce the main services our company provides. Since our founding, which began with the provision of shared server services, we have expanded to offer services such as “Koukaryoku” to support Generative AI, and “SAKURA Cloud,” which has been conditionally certified for use in government cloud systems. A key feature of our company is that we handle everything from development to operations in-house.

Services Supporting SAKURA internet

Introduction of main services

SAKURA Cloud

The service certified for Government Cloud *

Our services are used in a wide range of fields and applications, including large-scale web services and infrastructure platforms for public and educational sectors.

* A conditional certification based on the premise that all technical requirements will be met by the end of fiscal year 2025.

SAKURA VPS

Greater flexibility than SAKURA Web Hosting

This service is popular for product sites with several thousand items. By using virtualization technology, a single server is shared among multiple users, while still offering the same level of performance as a dedicated server.

SAKURA Web Hosting

A popular server service with over 560,000 users.

It is used for a wide variety of sites, including corporate and personal websites. Its appeal lies in the ease of use, allowing sites to go live in as little as 2 minutes.

Koukaryoku

Ideal for AI and deep learning

This is a computational resource service designed to maximize performance for AI and deep learning.

GPU Cloud-Service

- Koukaryoku PHY: Released in January 2024. Equipped with “NVIDIA H100 Tensor Core GPUs,” this bare-metal server is ideal for analyzing complex datasets and training large-scale models.
- Koukaryoku DOK: Released in June 2024. We offer high-performance NVIDIA GPUs at a low price, with per-second billing starting from ¥0.06 per second.

SAKURA Dedicated Server

A highly flexible dedicated physical hosting service

This service allows customers to use our physical servers exclusively. It is ideal for websites with high traffic and frequent internal navigation, as well as corporate intranets.

IoT Services

We provide a communication framework that connects devices and services

Centered around our cloud services, we provide a communication framework that connects devices and services by combining essential IoT components such as devices, networks, and the cloud.

Tellus

A platform for utilizing satellite data

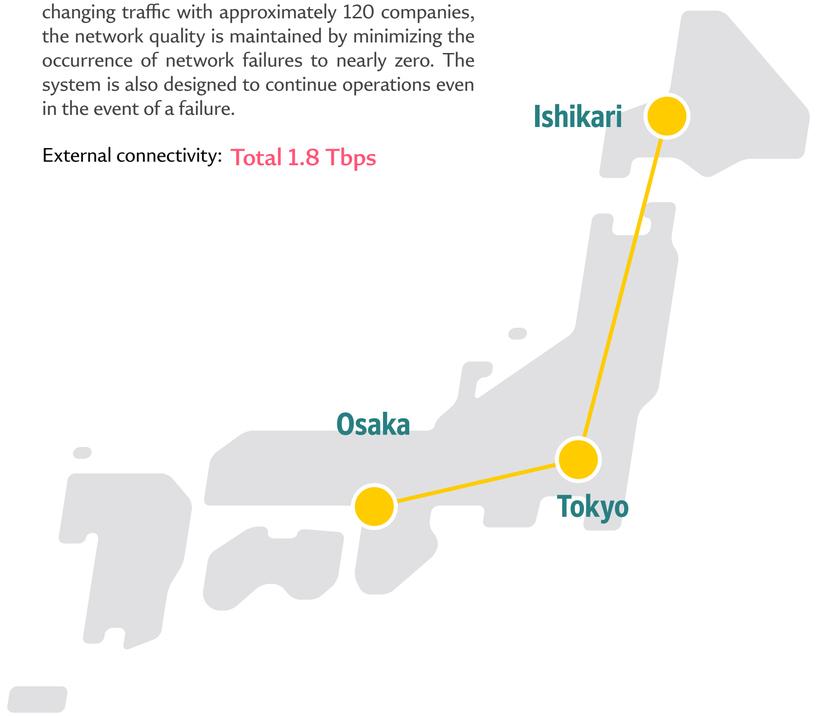
Tellus Inc. develops and operates Japan-based satellite data platform. By utilizing data from artificial satellites and ground-based data, it enables a wide range of applications depending on your ideas.

A data center renowned for its high level of security

Three locations connected by reliable trust

The three locations—Tokyo, Osaka, and Ishikari in Hokkaido—are interconnected with more than 100 Gbps links. For external connectivity, the locations are connected to multiple IXs and major ISPs. By exchanging traffic with approximately 120 companies, the network quality is maintained by minimizing the occurrence of network failures to nearly zero. The system is also designed to continue operations even in the event of a failure.

External connectivity: Total 1.8 Tbps



Introduction

Our origins trace back to 1996, when our CEO, Tanaka, started a rental server service while still a student at a technical college. Believing in the potential of the internet, he helped people turn their “what you want to do” into “what you can do,” gaining more supporters and growing the company. We continue to aim for even greater success in the future.

The History of SAKURA internet

1996 ~ 2000
The dawn of Internet adoption

Dec. 1996: SAKURA internet founded
Launch of shared rental server service

Jun. 1997: Launch of SAKURA Dedicated Server

Aug. 1999: SAKURA internet Inc. was established

Oct. 1999: Launched housing service

Apr. 2000: SRS Inc. merged with Inforest LLC
The company name was changed to SRS SAKURA internet

1998: Windows 98 was released in Japan

1999: ADSL was introduced
Internet connection services for mobile phones were launched

2000: Google launched its Japanese search service

2001 ~ 2005
Breakthrough in digital communication

Apr. 2004: Dojima Data Center (Kita-ku, Osaka) was established

Jun. 2004: Higashi-Shinjuku Data Center (Shinjuku-ku, Tokyo) was established

Jul. 2004: The company name was changed to SAKURA internet Inc.
“SAKURA Web Hosting” was launched

Oct. 2005: Listed on the Tokyo Stock Exchange Mothers market

2001: Telecommunications operators began offering ADSL services
Wikipedia’s Japanese version was launched

2003: Optical fiber connections became widespread for households
The Personal Information Protection Law was enacted

2006 ~ 2010
The era of smartphones and video streaming arrived

Apr. 2006: ISMS certification standards were obtained for the operation of housing services at the Higashi-Shinjuku Data Center and Dojima Data Center

Jun. 2006: Nishi-Shinjuku Data Center (Shinjuku-ku, Tokyo) was established

Jul. 2006: Acquired the Privacy Mark certification

Sep. 2006: Daikanyama Data Center (Shibuya-ku, Tokyo) was established

Mar. 2009: Expanded ISO 27001/ISMS certification to all offices and data centers

Jul. 2009: SAKURA internet Research Center was established

Sep. 2010: “SAKURA VPS” was launched

2006: Amazon Web Services (AWS) was launched

2007: YouTube launched its Japanese-language service

2008: iPhone was released in Japan

2010: iPad was released in Japan

2011 ~ 2015
Growth of the cloud business

Nov. 2011: Ishikari Data Center (Ishikari-shi, Hokkaido) was established
“SAKURA Cloud” was launched

Apr. 2015: Joe’s Cloud Computing Inc. became a subsidiary (merged into bitstar Inc. in April 2019)

Nov. 2015: The company was upgraded to the First Section of the Tokyo Stock Exchange

2011: LINE service was launched

2012: Japan ratified the Convention on Cybercrime

2014: Instagram launched its Japanese-language service

2016 ~ 2020
Promotion of Digital Transformation (DX)

May 2016: S2i Inc. was established (liquidated in November 2023)
Gehirn Inc. became a subsidiary

Sep. 2016: “Koukaryoku Computing” service was launched

Nov. 2016: The subsidiary SAKURA Mobile LIMITED was established

Jan. 2017: ITM Inc. became a subsidiary

Feb. 2017: Fukuoka office was opened

Apr. 2017: “sakura.io” was launched

Sep. 2017: bitstar Inc. became a subsidiary

Feb. 2018: “SAKURA secure mobile connect” was launched

May 2018: The subsidiary Prunus-Solutions Inc. was established

Aug. 2018: IzumoBASE Inc. became a subsidiary

Feb. 2019: The backbone network’s bandwidth exceeded 1Tbps

Aug. 2019: Joint venture BBSakura Networks, Inc. was established

Apr. 2020: Shift toward a remote-first working style

2017: TikTok launched its service

2018: The Ministry of Economy, Trade and Industry compiled the “Guidelines for Promoting Digital Transformation (DX)”

2020: Major telecom companies launched 5G services

2021 ~ 2024
The evolution of generative AI and cloud services

Dec. 2021: The subsidiary Tellus Inc. was established
“SAKURA Cloud” was registered with ISMAP

Apr. 2022: The company transitioned to the Tokyo Stock Exchange Prime Market

Jun. 2023: Achieved zero CO2 emissions at the Ishikari Data Center

Sep. 2023: Opened the DX hub “SAKURA innobase Okinawa” in Naha City, Okinawa

Nov. 2023: Conditionally certified for Government Cloud

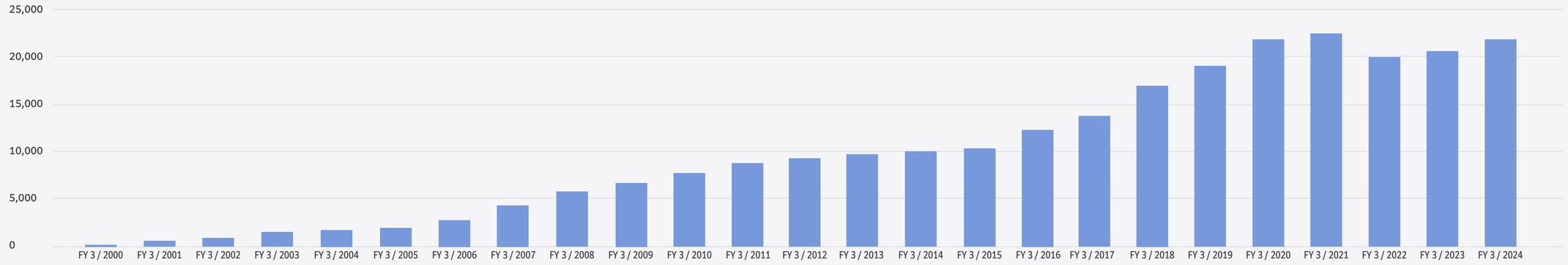
Jan. 2024: Launched the cloud service “Koukaryoku PHY” for generative AI

Jun. 2024: Launched the cloud service “Koukaryoku DOK” for generative AI

Sep. 2024: The headquarters was relocated to “Grand Green Osaka”
Blooming Camp was opened

2021: The Digital Agency was established

2022: The Digital Agency held the first public call for the Government Cloud
ChatGPT was launched

Historical net sales

(millions of yen)