

Section 01

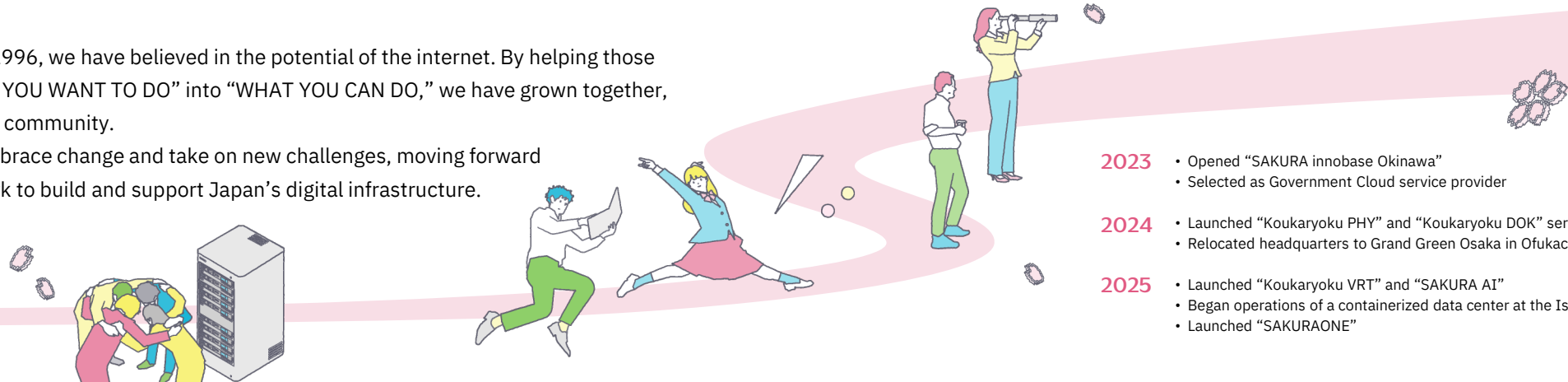
Our Vision for the World

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History of SAKURA internet

Since our founding in 1996, we have believed in the potential of the internet. By helping those around us turn “WHAT YOU WANT TO DO” into “WHAT YOU CAN DO,” we have grown together, steadily expanding our community.

We will continue to embrace change and take on new challenges, moving forward step by step as we work to build and support Japan’s digital infrastructure.



- 1996**
 - Founded SAKURA internet
 - Launched “SAKURA Web”
- 1997**
 - Launched dedicated server service
- 1999**
 - Established SAKURA internet Inc.
- 2000**
 - Merged SRS Inc. and Inforest LLC
 - Changed company name to SRS SAKURA internet
- 2004**
 - Opened the Dojima and Higashi-Shinjuku Data Centers
 - Changed company name to SAKURA internet Inc.
 - Launched “SAKURA Web Hosting”
- 2005**
 - Listed on TSE Mothers
- 2006**
 - Obtained ISMS certification for housing services operations at Higashi-Shinjuku and Dojima Data Centers
 - Opened the Nishi-Shinjuku and Daikanyama Data Centers
 - Obtained PrivacyMark certification

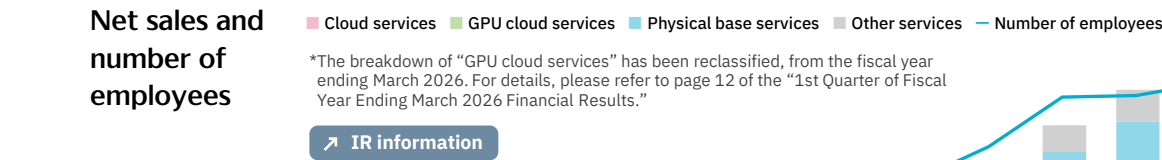
- 2009**
 - Expanded ISO27001/ISMS certification to all offices and data centers
 - Established SAKURA internet Research Center
- 2010**
 - Launched “SAKURA VPS”
- 2011**
 - Opened the Ishikari Data Center
 - Launched “SAKURA Cloud”
- 2012**
 - Launched “SAKURA Dedicated Server”
- 2015**
 - Acquired Joe’s Cloud Computing Inc. as a subsidiary (merger with bitstar Inc. in April 2019)
 - Upgraded to the First Section of the Tokyo Stock Exchange
- 2016**
 - Acquired Gehrn Inc. as a subsidiary
 - Established affiliated company S2i Inc. (liquidated in November 2023) and subsidiary SAKURA Mobile LIMITED
 - Launched “SAKURA Dedicated Server Koukaryoku Series”

- 2017**
 - Acquired NCI Inc. (renamed ITM Inc. in May of the same year) and bitstar Inc. as subsidiaries
 - Opened the Fukuoka office
 - Launched “sakura.io”
- 2018**
 - Established subsidiary Prunus-Solutions Inc.
 - Acquired IzumoBASE Inc. as a subsidiary
 - Obtained ISMS cloud security certification for “SAKURA Cloud”
- 2019**
 - Enhanced data center backbone network, surpassing 1 Tbps in external connectivity
 - Established joint venture BBSakura Networks, Inc.
- 2020**
 - Launched “SAKURA Dedicated Server PHY”
- 2021**
 - Registered “SAKURA Cloud” with ISMAP
 - Established subsidiary Tellus Inc.
 - Relocated headquarters to Umeda, Kita-ku, Osaka
- 2022**
 - Transitioned to the TSE Prime Market

- 2023**
 - Opened “SAKURA innobase Okinawa”
 - Selected as Government Cloud service provider
- 2024**
 - Launched “Koukaryoku PHY” and “Koukaryoku DOK” services
 - Relocated headquarters to Grand Green Osaka in Ofukacho, Kita-ku, Osaka
- 2025**
 - Launched “Koukaryoku VRT” and “SAKURA AI”
 - Began operations of a containerized data center at the Ishikari Data Center
 - Launched “SAKURAONE”

Fiscal year ended March 2025

Consolidated net sales
31.4 billion yen
Consolidated number of employees
997 employees



Employee and Customer Success

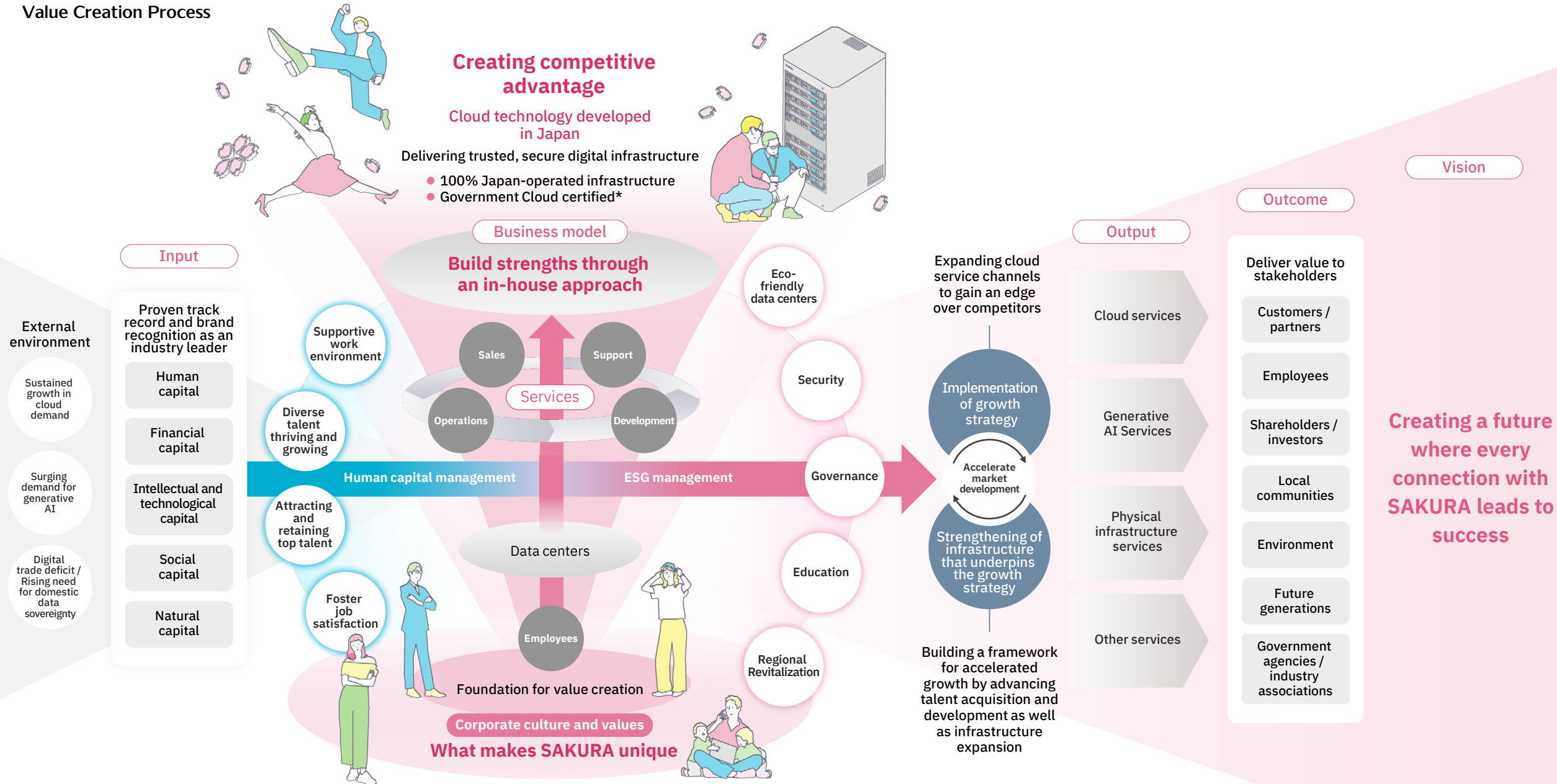
Value Creation Cycle

The foundation that fuels value creation and brings our mission to life

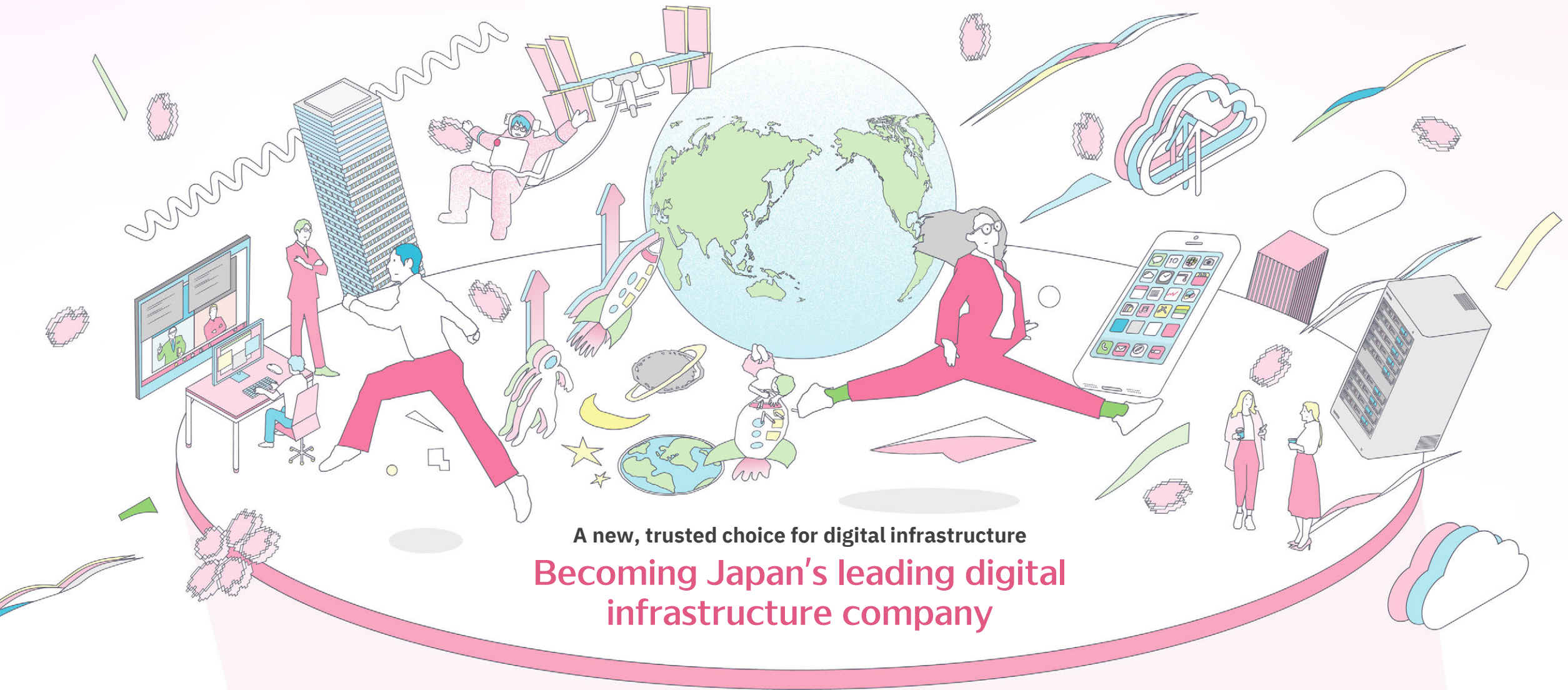
New challenges lead to customer success, and that momentum carries over to employee success—the start of an ongoing cycle of success.



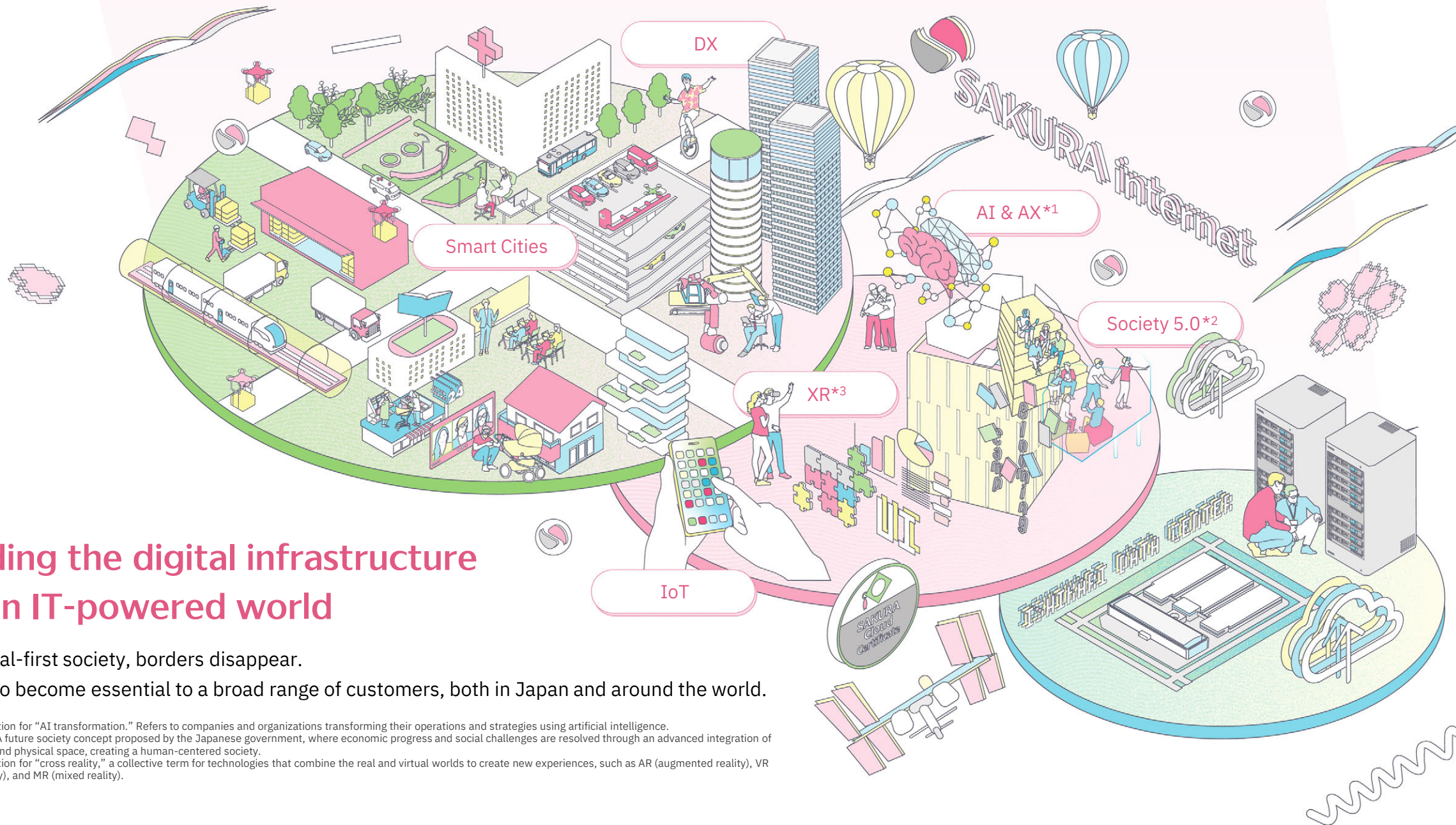
Value Creation Process



*Approval is conditional, based on the requirement that all technical criteria are met by the end of FY2025.



Our Businesses



Building the digital infrastructure for an IT-powered world

In a digital-first society, borders disappear.

We aim to become essential to a broad range of customers, both in Japan and around the world.

*1 AX: Abbreviation for "AI transformation." Refers to companies and organizations transforming their operations and strategies using artificial intelligence.

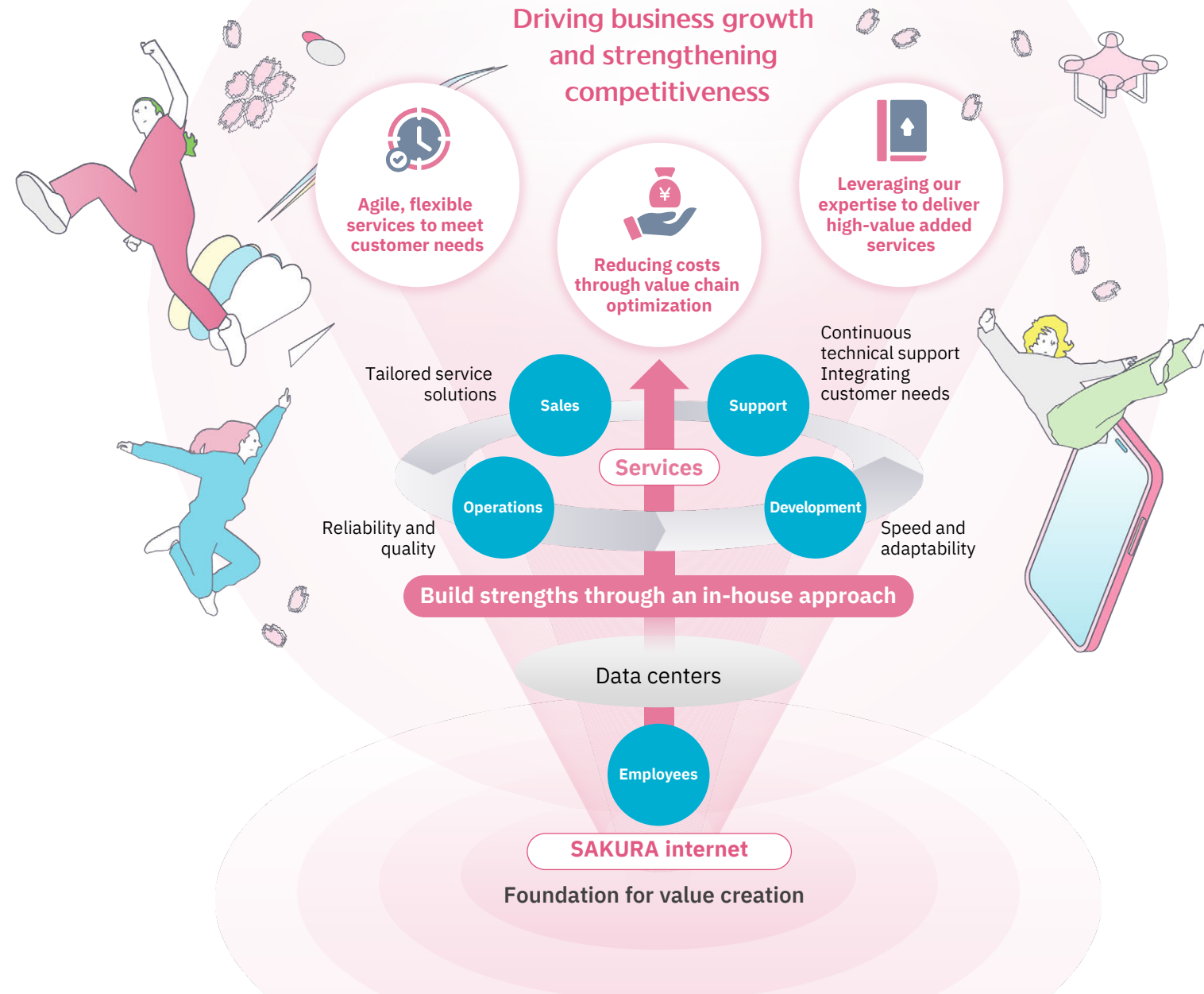
*2 Society 5.0: A future society concept proposed by the Japanese government, where economic progress and social challenges are resolved through an advanced integration of cyberspace and physical space, creating a human-centered society.

*3 XR: Abbreviation for "cross reality," a collective term for technologies that combine the real and virtual worlds to create new experiences, such as AR (augmented reality), VR (virtual reality), and MR (mixed reality).

Our Strengths

A unique, vertically integrated, in-house business model


We have established **a unique, vertically integrated business model** that covers every stage in-house, from owning our own data centers to service development, technical research, operations, sales, and support. This approach allows us to respond quickly to customer needs, deliver high-value added services, and optimize our value chain—empowering customers to turn “WHAT YOU WANT TO DO” into “WHAT YOU CAN DO.”



Overview of Our Services

A diverse service lineup that adapts to social change and customer needs

We have built a business model that covers everything in-house, from data centers and service development to technical research, operations, sales, and support. A key strength is our ability to develop and operate all of our services in-house, from our Government Cloud-certified “SAKURA Cloud”^{*1} to the “Koukaryoku Series,” a foundation for generative AI.



SAKURA Cloud

Certified for Government Cloud use

Trusted for everything from large-scale web services to public and educational infrastructure.


— **POINT** —

Data sovereignty in Japan

No data transfer fees

Intuitive controls and robust features

Generative AI Services




Koukaryoku Series

Koukaryoku PHY
Bare metal-type: a high-performance physical platform.


Koukaryoku VRT
VM-type: a virtual platform designed for adaptability and agility.

Koukaryoku DOK
Container-type: an operational platform specialized for data processing.




SAKURA AI^{*2}

Business platform for generative AI



SAKURAONE


Japanese cloud-based supercomputer for generative AI



SAKURA Web Hosting

A popular server service with over 560,000 users


Trusted for everything from corporate to personal websites, our rental servers are ready to launch in as little as two minutes.



SAKURA VPS


Offers greater flexibility than SAKURA Web Hosting

A popular choice for e-commerce sites with thousands of products, offering dedicated-server performance with the flexibility of shared virtualization.




SAKURA Dedicated Server PHY

A highly flexible, dedicated physical hosting service



IoT Services

A communication framework that connects devices and services



Tellus

A platform for leveraging satellite data

^{*1} Approval is conditional, based on the requirement that all technical criteria are met by the end of FY2025.
^{*2} Launched in May 2025 as "SAKURA Gen AI PLATFORM" and renamed "SAKURA AI" in September of the same year.

Vision Roundtable

DIALOGUE

Envisioning a World Where SAKURA is an Option for Everyone

As digital transformation accelerates, we aim to lead the future of Japan's top digital infrastructure company, guided by our corporate mission to turn "WHAT YOU WANT TO DO" into "WHAT YOU CAN DO." Here, President and CEO Kunihiro Tanaka, Cloud Business Division Head Yasuhiro Araki, and backend lead engineer Masataka Ikezoe sit down to reflect on what sets SAKURA apart. Since its founding, the company has supported the backbone of the internet. Now, they look ahead to the ongoing journey of innovation.

Kunihiro Tanaka (left)
President and CEO

Yasuhiro Araki (center)
Cloud Business Division

Joined the company in 2024 as a member of the Cloud Business Division. Prior to joining SAKURA internet, he worked at DeNA Co., Ltd. and joined Amazon Web Services Japan G.K. (AWS) in 2011, where he served as a Solutions Architect for 13 years. At SAKURA internet, he is engaged in cloud service development, customer engagement and business acquisition initiatives, as well as projects in collaboration with the Digital Agency.

Masataka Ikezoe (right)
Service Development Group Leader, Cloud Service Department, Cloud Business Division

Joined SAKURA internet in 2006, specializing in backend software development. He has managed IAM for "SAKURA Cloud," developed Japan's pioneering satellite data platform "Tellus," and overseen projects such as "SAKURA VPS" and "SAKURA Dedicated Server." His background spans data center operations, dedicated server OS/middleware development, and a wide range of software engineering.



Vision Roundtable

01 Where did the idea for SAKURA come from?

Steady growth as a multi-layered digital infrastructure company

Tanaka When I first founded SAKURA, the internet itself was a business opportunity, but today, it's taken for granted. The internet is now the foundation for layers like cloud, SaaS, and even newer business models. While most IT businesses have shifted to higher layers, we remain one of the few companies that continue to support the infrastructure layer of the internet itself. Ikezoe-san, what has SAKURA's growth looked like to you since you joined us in 2006?

Ikezoe When I joined 19 years ago, our main business was building physical servers. I even recall getting code directly from Tanaka-san to integrate into our services (laughs). "SAKURA VPS" ushered in an era of virtualization, which led to our cloud services, and since 2020, I've been involved with developing "Tellus." Looking back, I've grown through constant change, right alongside SAKURA's own evolution.

Araki I joined SAKURA in 2024, but having known Tanaka-san for some time, I had already been observing the company from the outside with great interest. During that period, while many other infrastructure-layer service providers either shut down or shifted their focus, SAKURA continued to uphold its

distinctive position in the industry. I saw it as a company that stood out—in a good way. SAKURA plays a dual role: acting as a hub for skilled infrastructure engineers nationwide, while steadily growing as a digital infrastructure company that covers all layers of IT. In fact, many of us, myself included, have come to work at SAKURA after our own experiences building private clouds and on-premise systems. Since SAKURA attracts some of the country's top engineers in digital infrastructure, I feel confident that as long as the company exists, Japan's digital infrastructure will continue to improve.

Tanaka So, rather than just staying at the foundation layer, it's more accurate to say that SAKURA has steadily broadened its scope vertically from physical infrastructure to the cloud and SaaS. That said, it's actually only in the past few years that we've been able to present ourselves openly as a digital infrastructure company. Like many others in the industry, there was a period when we considered using external services, since building



everything from scratch is such a tremendous undertaking. But in order to maintain the flexibility that defines SAKURA's services, we've insisted on continuing to build everything in-house.

Ikezoe I hope we can maintain our commitment to in-house development. Building our own products based on our own ideas is what makes engineering here so rewarding, and I believe it's also one of SAKURA's core strengths. Looking back on all the challenges and changes we've faced, I think our growth today comes from taking the time to learn, even in tough technical situations, and never shying away from the unknown. I also believe that SAKURA's continual pursuit of technological challenges itself has led to increased trust from our customers.

Vision Roundtable

02 Who is SAKURA?

Evolving beyond the internet with in-house development and a customer-oriented approach

Araki Our name may still include the word “internet,” but in practice, we’re doing much more than that. In fact, SAKURA has already turned nearly every kind of network beyond the internet—including Japan-specific closed systems—into a service. Going forward, I think we can focus more on this broader sense of networking and make it one of our strengths.

Tanaka Exactly. I believe we’re entering a period of significant business evolution and major transformation. Who knows, maybe in the distant future, even the word “internet” in our name will change (laughs). The openness and flexibility of internet culture remain important concepts to us, but as a technology, the internet is no longer central to what we do. Setting the name aside, as we work to elevate SAKURA’s standing as a company, I want us to carefully discern which parts of our culture should evolve and which should be strengthened, and to engage in conceptual, fundamental discussions about what SAKURA aspire to be.

Ikezoe In addition to our strength in in-house development,

I want SAKURA to become even more responsive to society’s expectations for us. Until now, SAKURA has followed a bottom-up approach, where someone in the company comes up with an idea, starts developing it, and over time, it grows into a service. Moving forward, I want us to do a better job of incorporating user feedback. Right now, we have so many talented engineers, and together we’re experimenting with new ways to improve our development process. In terms of internal structure, I feel this is the most significant period of change since I joined the company.

Araki It’s true that methods like tailoring services to user needs by adding new features, or developing products with a large prospective user base in mind, aren’t really part of our culture yet. Going forward, I’d like us to adopt more user-driven approaches and actively put them into practice. I also want to create a positive cycle where customers use SAKURA’s technology to grow their businesses, and in doing so, help us grow as well.

Tanaka With more and more people like Araki-san joining the team who are able to capture user feedback, I think

now is the time to actively drive forward a customer-oriented mindset. At the same time, we need to develop solutions to organizational issues, such as the fact that we still haven’t effectively connected users with our development teams. For example, we’ve recently begun transferring technically knowledgeable engineers from technical solution roles into sales, in order to strengthen our ability to make tailored proposals to users. Customer-oriented development is something we’ve hardly addressed so far, and I see it as having great potential for growth.



Vision Roundtable

03 Where is SAKURA Headed?

Pursuing global leadership in digital infrastructure

Tanaka Considering how much more difficult it has become in recent years to build computing infrastructure from scratch, I believe SAKURA's value will continue to increase, both in Japan and around the world. Araki-san, could you share your own interpretation of what it means to be a top digital infrastructure company?



Araki To me, the idea of being “on top” is like standing at the foot of a mountain. It’s the goal right in front of you. But once you reach one summit, another will always appear ahead of you. Take the Government Cloud certification, for instance. It’s just one of many milestones for us. As the market comes to recognize that we’ve integrated the range of technologies needed to support the Government Cloud, the opportunities for what SAKURA can do will only expand. By continuing to innovate and push past each “peak,” I want SAKURA to become an irreplaceable partner, a place customers can come to first—or last—when facing IT challenges. I hope to build a future where SAKURA is the first name that comes to mind because people know that we can handle it all, from the cloud to the internet and beyond.

Tanaka That’s true. I want us to remain flexible as we respond to ongoing changes in technology and society. Ikezoe-san, what kind of future are you envisioning?

Ikezoe To me, the ideal vision of a “top digital infrastructure company” is one that has the technology to help solve the challenges facing Japanese society. To make that possible, we first need to stay focused on developing services that position us as a company capable of delivering even greater value to society. I’m also looking forward to seeing how technology will evolve after we receive official certification for the Government Cloud. After certification, I hope we’ll

listen to user feedback in earnest and use it to create more advanced features and services. And by adding SAKURA’s domestic Government Cloud to the list of available options, I want to help create a future where every user can choose the best solution for their needs.

Tanaka Exactly. Computer resources have become the lifeblood of modern industry. As we continue to build and maintain the computing foundations that everything depends on, our role becomes increasingly vital and purposeful. It’s no longer enough to simply possess infrastructure. We also need advanced operational capabilities, such as high-level security measures, and that’s precisely where our decades of experience in digital infrastructure are more valuable than ever before. In today’s rapidly evolving world, companies shouldn’t be forced to rely solely on hyperscalers. I want SAKURA to be recognized as a true third option, not just in Japan, but around the world. For me, being a “top digital infrastructure company” isn’t about market share. It means being a viable alternative, an option with substance and value. I want us to create an environment where innovative talent can truly thrive and boldly take on new challenges. We are committed to becoming a company with an unmistakable presence—one that turns heads around the world and earns a reputation as a Japanese company doing extraordinary things.