

UZABASE

3Q 2018

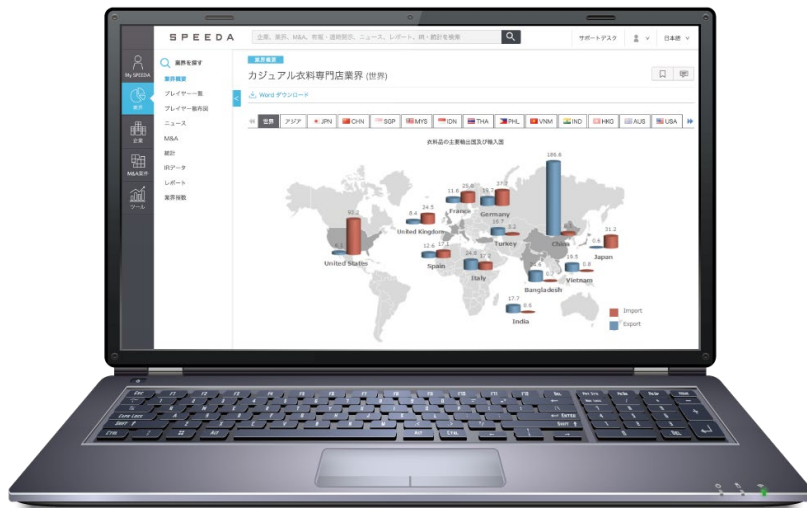
Results



Business Intelligence to Change Your World

Combining technological innovation with human ingenuity to organise and analyse business information from around the globe. We will reshape your world with a service that improves your productivity and unleashes your creativity.

SPEEDA



S P E E D A

B2B Service

An information platform
comprising comprehensive
company and industry
analyses with statistical data

NewsPicks

B2C Service

**Economic and Business
Social Media**



NEWS PICKS

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01

U Z A B A S E

Highlights of FY2018/1-3Q Consolidated Results

(*) All financial figures presented in this material are consolidated financial results for the nine months ended September 30, 2018

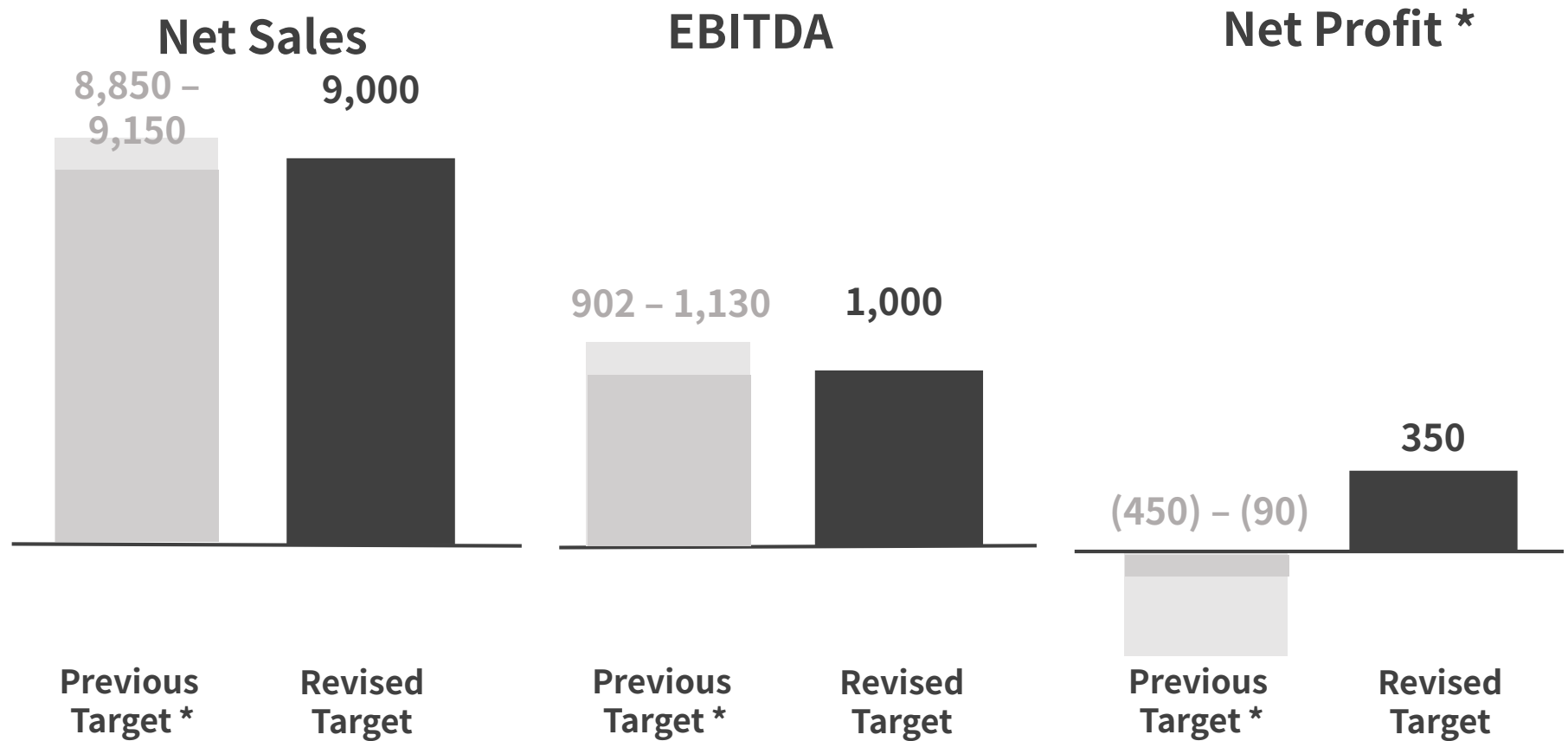
(*) All figures are rounded down at 1 million

(*) EBITDA = Operating profit + Depreciation + Amortisation of goodwill

(*) New Services are “entrepedia” and “FORCAS”

Unit JPY million

Upward Revision to FY18 Target based on Recent Business Trends & Posting of Extraordinary Income



* We made NewsPicks USA, LLC our wholly-owned subsidiary and due to this, we'll recognise extraordinary income for the gains on step acquisition.

* Previous target announced on July 2, 2018

* Net Profit attributable to Uzabase (UB)

Both Services Saw Accelerated Growth

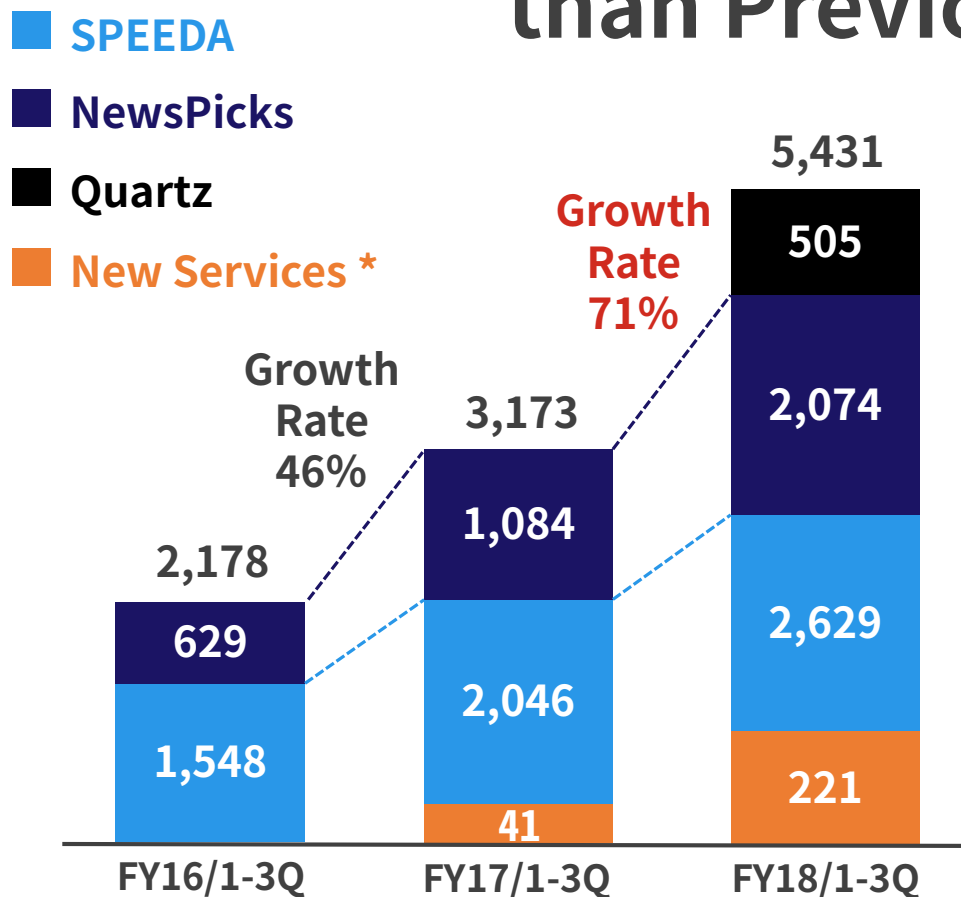
S P E E D A

Revenue steadily increased both in Japan and overseas markets

NEWS PICKS

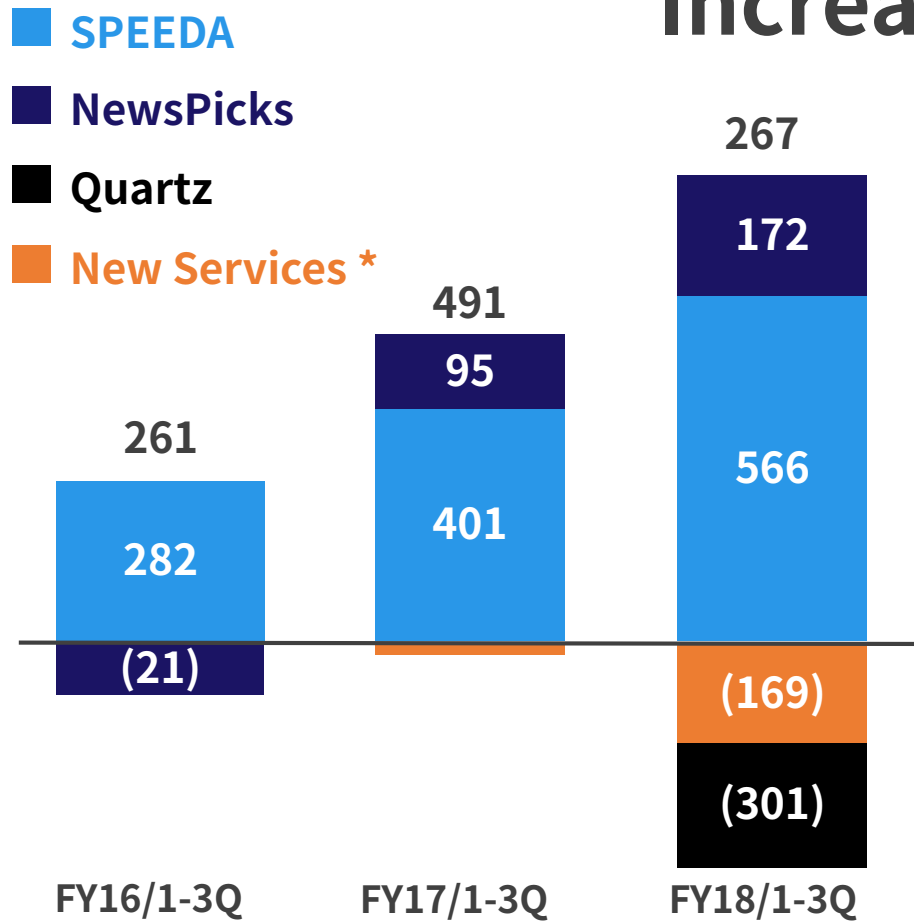
Revenue and Profit both increased

YoY Revenue Growth Rate Stronger than Previous Year



* Intersegment revenue are eliminated

Profit of Existing Businesses Is Steadily Increasing

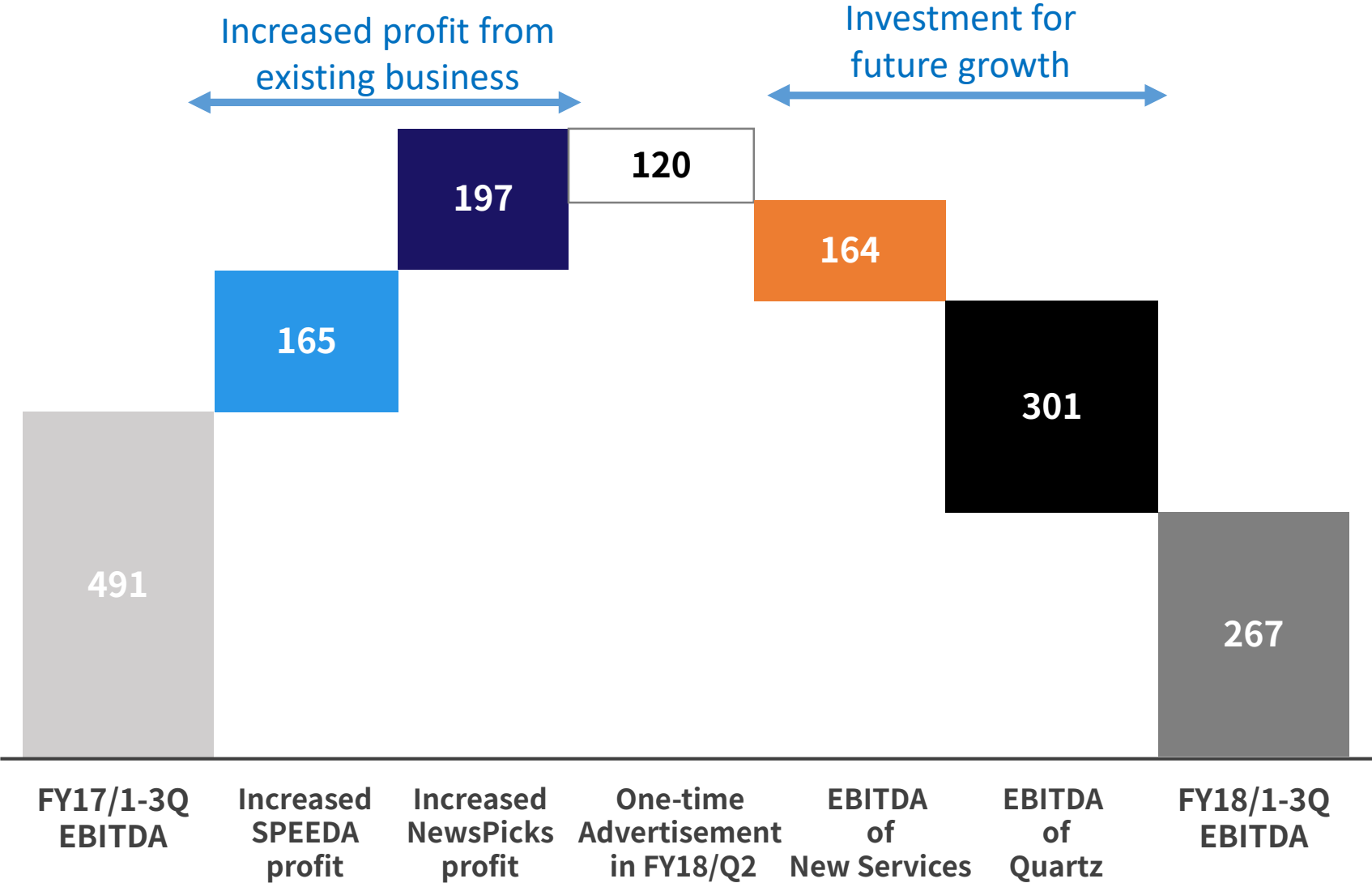


YoY
EBITDA
(46%)
EBTIDA of Existing
Businesses*
+49%

* Existing business are the total of SPEEDA and NewsPicks services

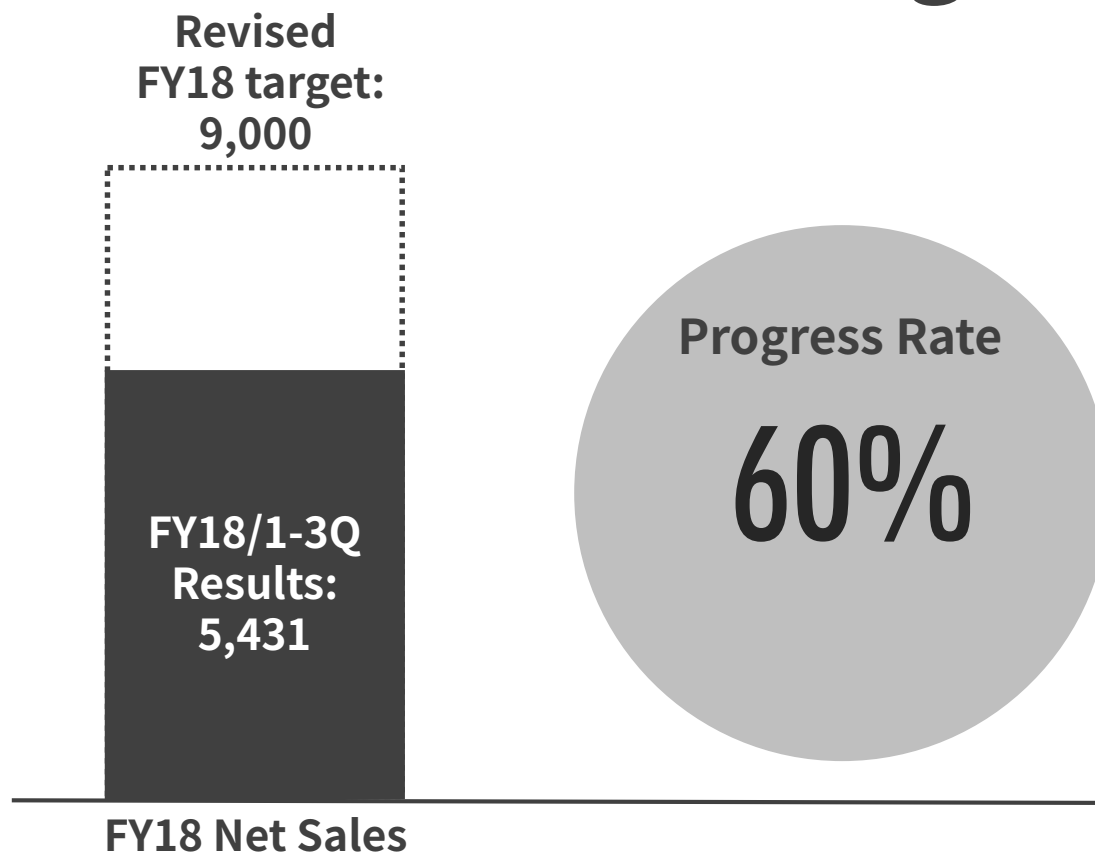
Unit JPY million

Investing in New Business for Future Growth



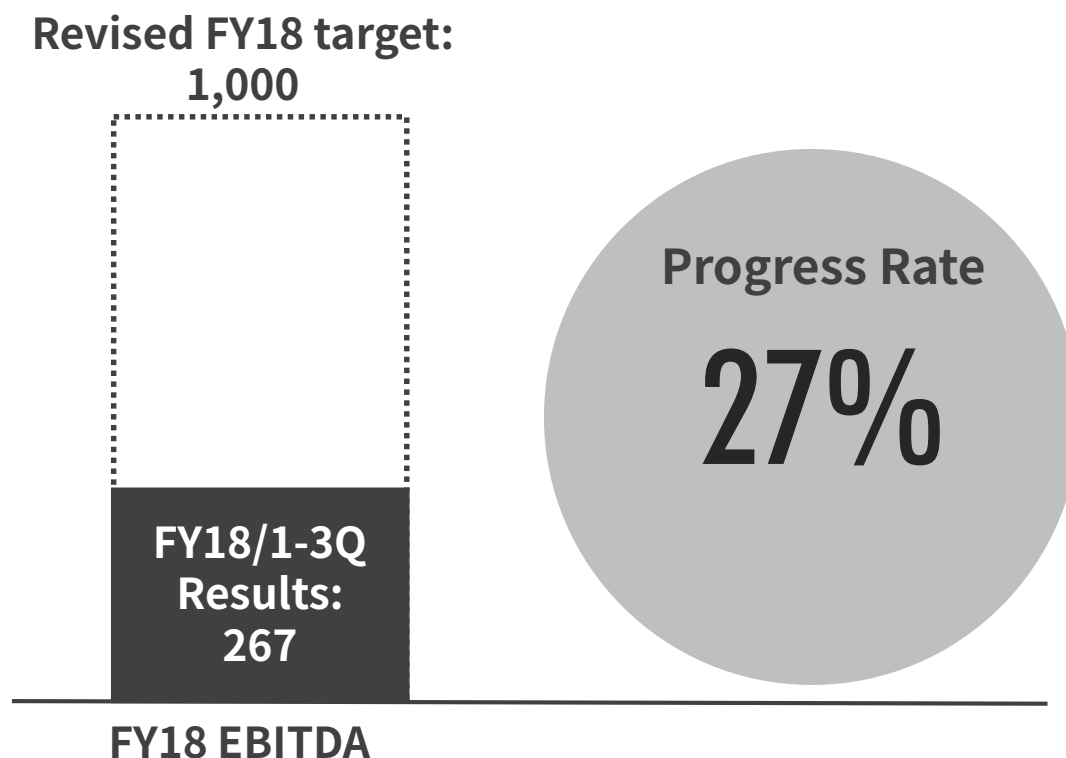
Unit JPY million

Net Sales Progressing Steadily Toward FY18 Target



*Quartz revenue contributed to August and September performance (acquisition completed on 31 July)

EBITDA Progressing Steadily while target is set to be largest in 4Q



* Domestic business performance for FY1-3Q (cumulative) are exceeding target

* Quartz was acquired on July 31 and 2 months (August/September) EBITDA are accounted in the FY18/1-3Q results

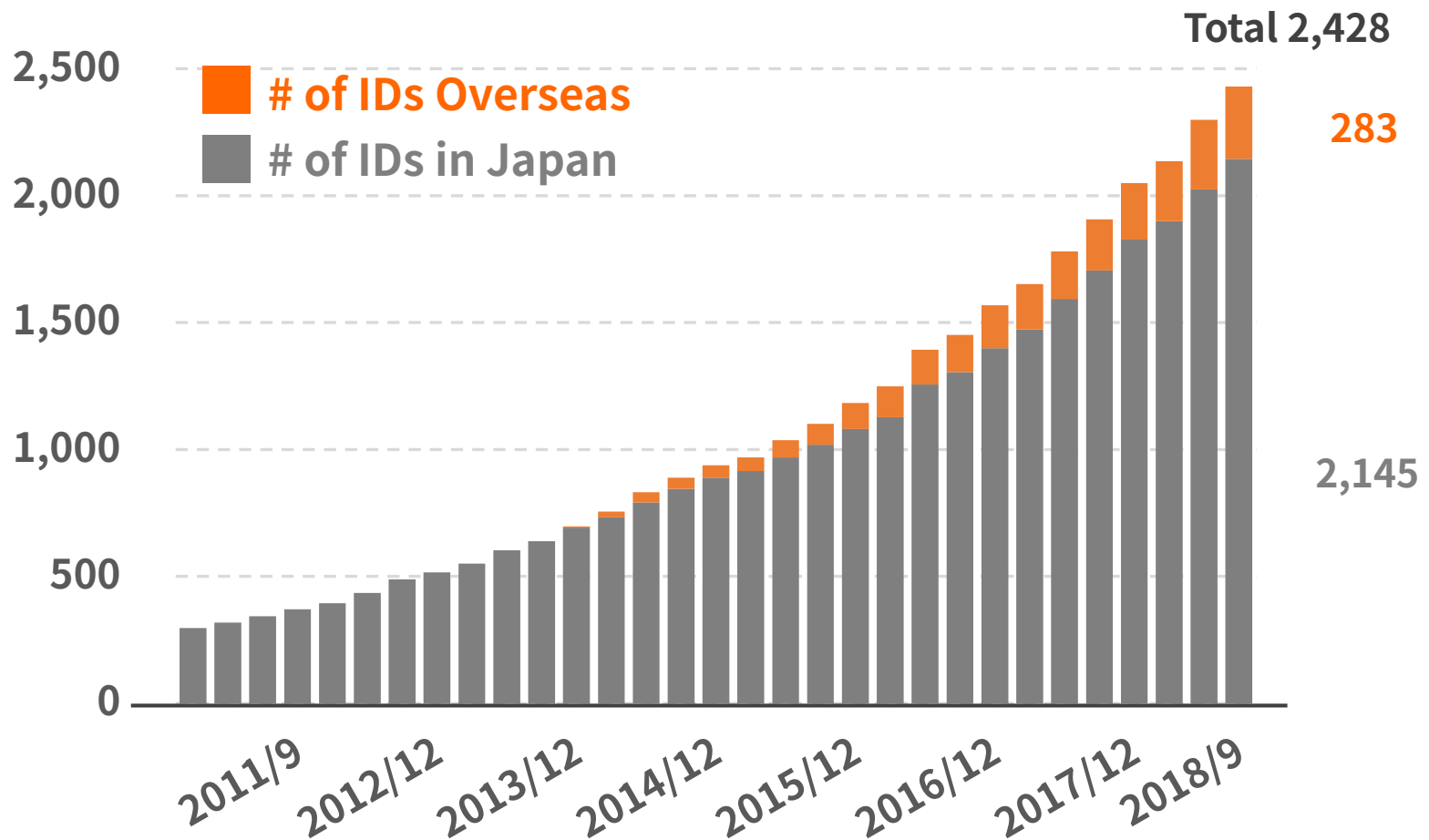
* Quartz EBITDA has a tendency to become the largest in 4Q of every year. Quartz has already received advertising orders necessary to meet this year's financial targets.

02

S P E E D A

Highlights

Steady Rise in the Number of IDs

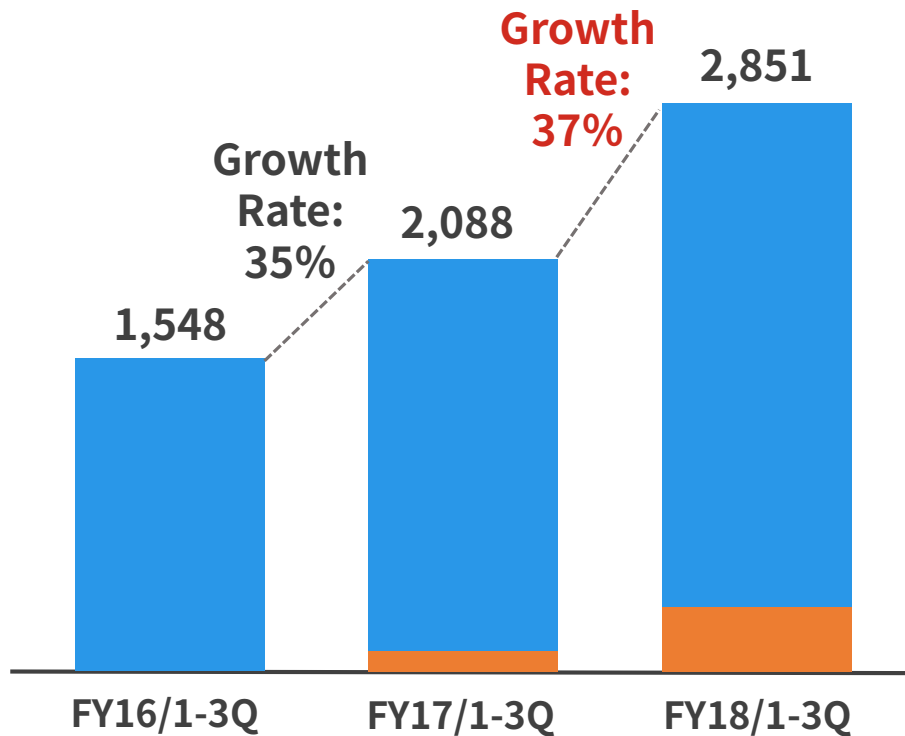


* The figures shown are the number of IDs for SPEEDA. “entrepedia” and “FORCAS” are not included.

YoY Growth Rate Stronger than Previous Year

■ SPEEDA

■ New Services

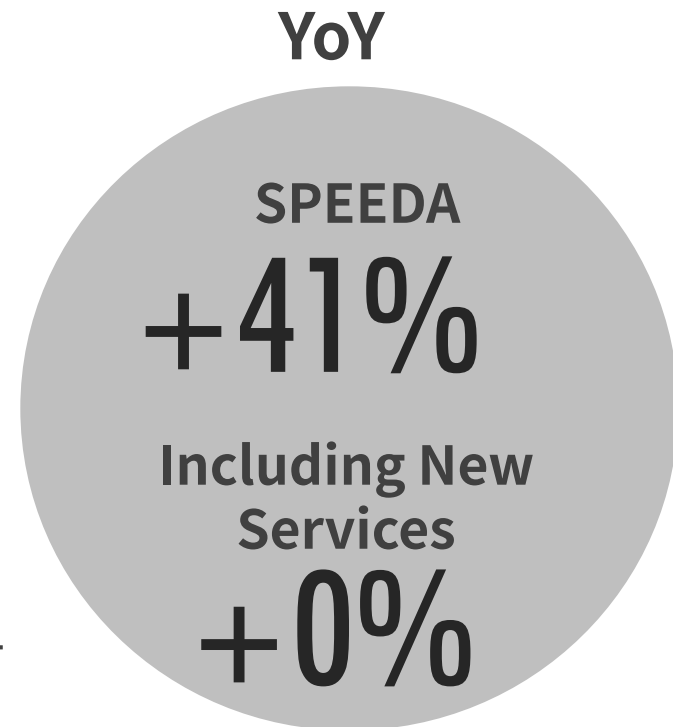
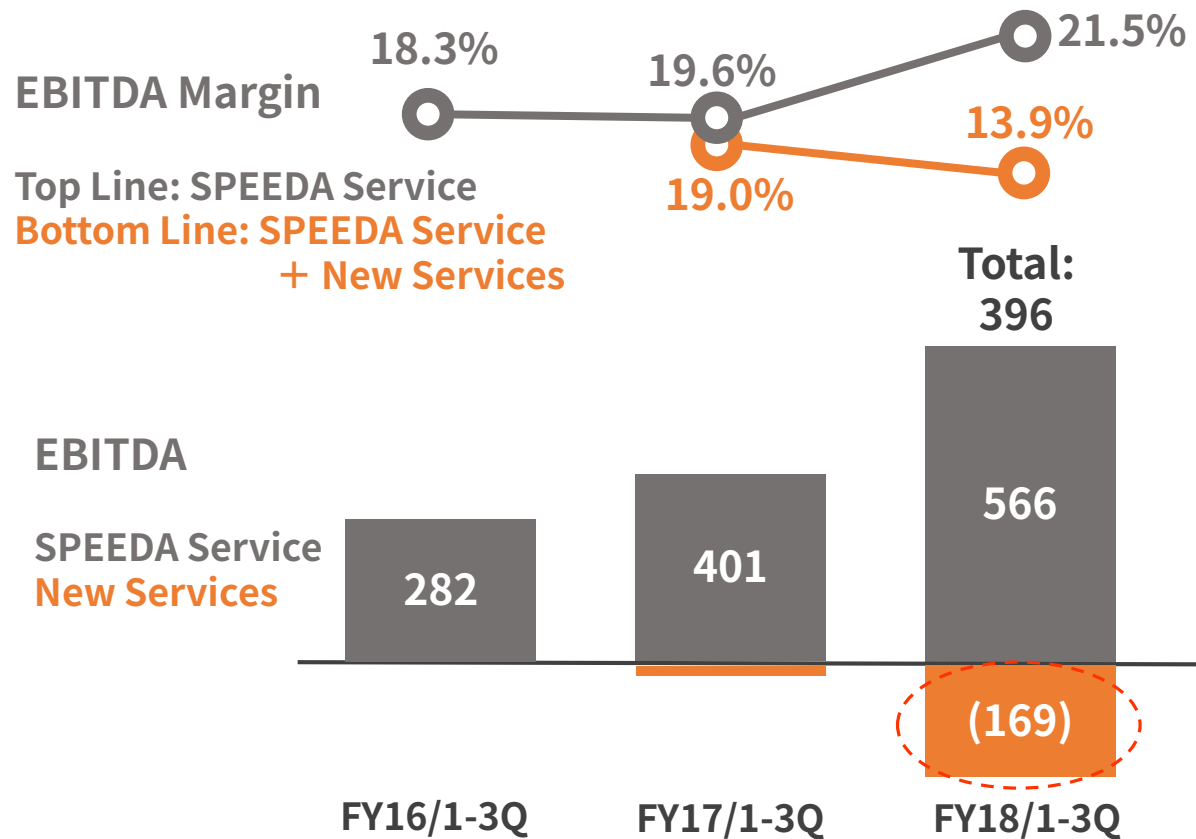


* New Services are “entrepedia” and “FORCAS”



Investing in New Businesses with Increasing Profit of SPEEDA for Growth

Unit JPY million



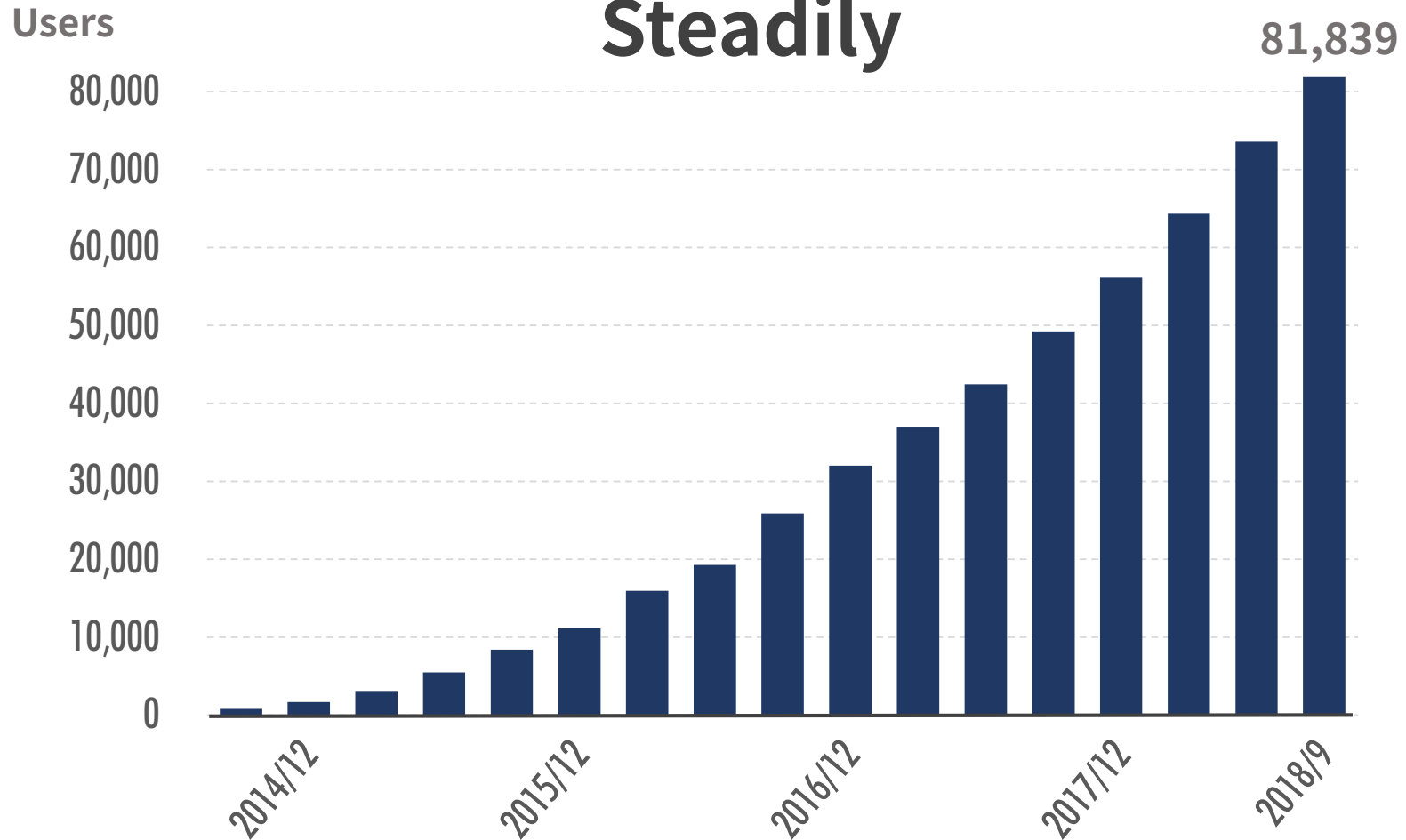
* “New Services” includes “entrepedia” and “FORCAS”

03

NEWS PICKS Highlights

Financial figures related to NewsPicks presented in pages 19 to 21 does not include Quartz.

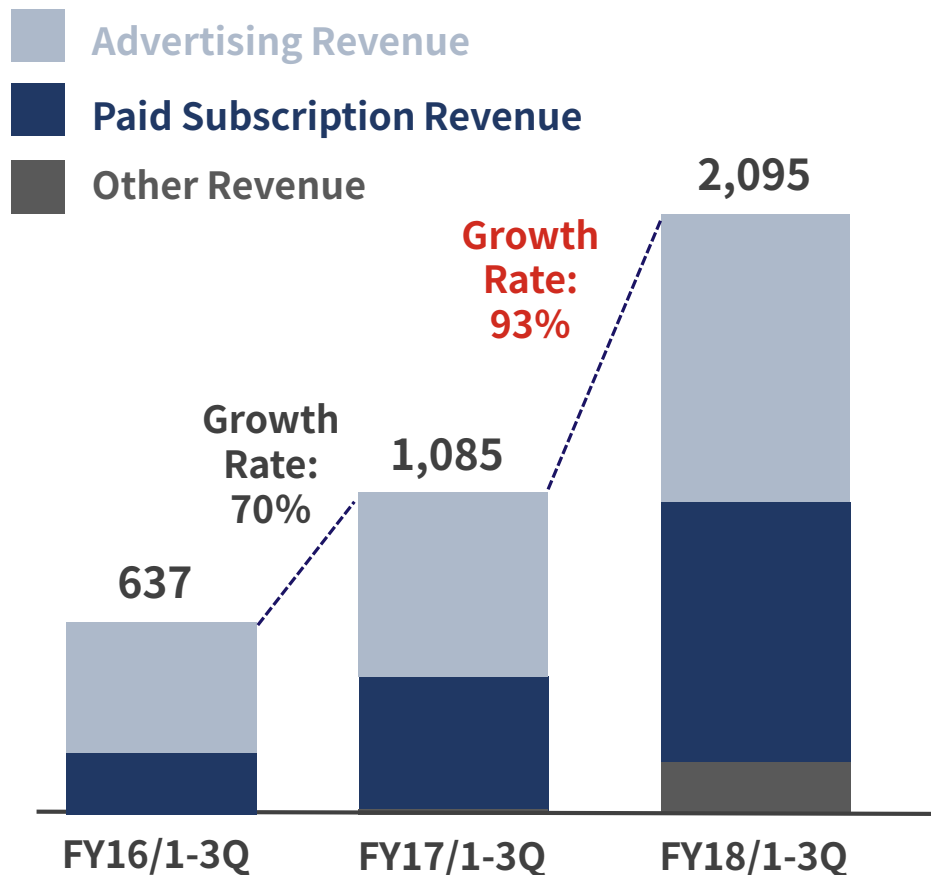
Number of Paid Subscribers Increasing Steadily



* The number of paid subscribers is a total of premium users for iOS (JPY 1,400/month), premium users for other platforms (JPY 1,500/month), users with student discounts (JPY 500/month), and NewsPicks Academia members (JPY 5,000/month).

Unit JPY million

Substantial Increase in Revenue from Paid Subscriptions and Advertising

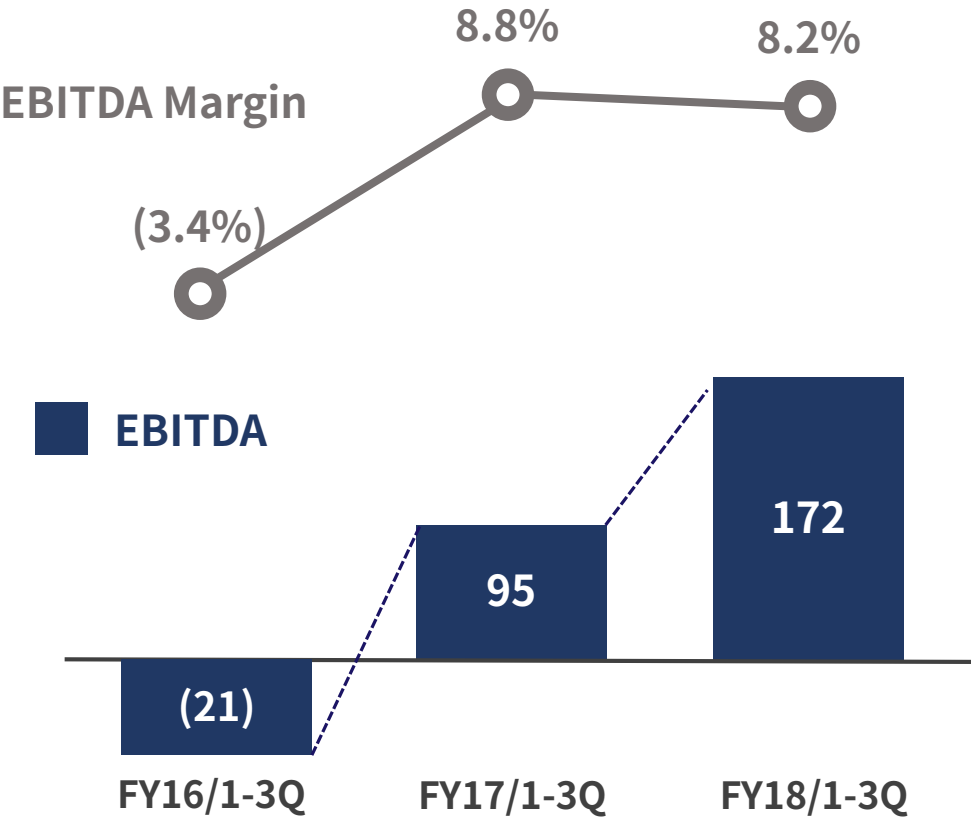


YoY
+93%

* "Other Revenue" includes such categories as external sales of content and event income, amongst others.

Unit JPY million

EBITDA on Steady Uptrend



Quartz New Business Strategy Announcement in New York on Nov. 13th

Full integration of NewsPicks USA and Quartz to further accelerate the business in the United States is now ready. We will be announcing our New Service scheduled on Nov. 13th



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UZABASE
APPENDIX



Appendix (1) Consolidated P&L (Actual and Target)

(Unit: JPY million)	FY17/1-3Q	FY17/1-3Q	FY2018 Revised Target
Net Sales	3,173	5,431	9,000
<i>Net Sales Growth Rate</i>	<i>46%</i>	<i>71%</i>	<i>97%</i>
SPEEDA	2,088	2,851	-
SPEEDA Service	2,047	2,629	-
Other Services	41	221	-
NewsPicks	1,084	2,579	-
EBITDA	491	267	1,000
<i>EBITDA Margin</i>	<i>15.5%</i>	<i>4.9%</i>	<i>11.1%</i>
Operating Profit	457	105	650
<i>Operating Profit Margin</i>	<i>14.4%</i>	<i>1.9%</i>	<i>7.2%</i>
Ordinary Profit	445	(140)	350
<i>Ordinary Profit Margin</i>	<i>14.0%</i>	-	<i>3.9%</i>
Net Profit Attributable to Uzabase	389	(594)	350
<i>Net Profit Margin Attributable to Uzabase</i>	<i>12.3%</i>	-	<i>3.9%</i>

*“Other Services” under SPEEDA shows the revenue for “entrepedia” and “FORCAS”

* Net sales for NewsPicks includes NewsPicks, NewsPicks Studio and Quartz

* Intersegment revenue are eliminated

Appendix (2) Segment Information (FY18/1-3Q)

(Unit: JPY million)	<u>SPEEDA *1</u>	<u>NewsPicks</u>	<u>Total</u>	<u>Adjustment</u>	<u>Consolidated</u>
Revenue	2,851	2,600	5,452	(21)	5,431
Revenue from Sales to External Customers	2,851	2,579	5,431	—	5,431
Revenue from Sales and Transfers Between Segments	—	21	21	(21)	—
Segment Profit	344	(238)	105	—	105
<i>Profit Margin</i>	<i>12.1%</i>	-	<i>1.9%</i>	—	<i>1.9%</i>
Depreciation (*2)	52	109	162	—	162
EBITDA	396	(129)	267	—	267
<i>EBITDA Margin</i>	<i>13.9%</i>	-	<i>4.9%</i>	—	<i>4.9%</i>

Note (*1): The data for SPEEDA includes “entrepedia” and “FORCAS”

Note (*2): Depreciation includes amortisation of goodwill

Appendix(3) Consolidated Balance Sheet

(Unit: JPY million)	<u>Dec. 31, 2017</u>	<u>Sep. 30, 2018</u>	<u>Changes</u>
Current Assets	3,732	7,282	+3,549
Cash and Deposits	3,217	5,522	+2,305
Fixed Assets	676	9,394	+8,718
Total Assets	4,408	16,676	+12,268
Current Liabilities	1,532	3,130	+1,597
Noncurrent Liabilities	1,056	8,194	+7,137
Total Liabilities	2,589	11,324	+8,734
(Interest-Bearing Debts)	1,257	8,699	+7,442
Capital	1,328	2,704	+1,376
Capital Surplus	191	1,657	+1,465
Retained Earnings	286	(307)	(594)
Total Net Assets	1,819	5,352	+3,533

U Z A B A S E

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Please refer to the announcement “Consolidated Financial Results for the Nine Months Ended September 30, 2018” for more details

Disclaimer

The information disclosed in this material and projections for future performance are based on the data and information available at the time when this material was composed, and may contain uncertainties. Please be aware that the actual future performance and results may vary greatly from the projections due to various factors.

U Z A B A S E

November 8, 2018