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.
OUR SERVICES

SPEEDA

Information platform providing company and industry analyses with statistical data

B2B Service
Business and economic news media
(for Japanese market)

B2C Service
O U R  S E R V I C E S

Good morning, Marvin. Here's what you need to know.

Elon Musk is undesigning his Mars rocket as fast as he can. When Elon Musk leads engineering meetings at SpaceX, he says, “the thing I am most impressed with is, what did you
OUR SERVICES

B2B Marketing Platform

B2B Service
OUR SERVICES

One of Japan's Largest Startup Databases

B2B Service
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01 Highlights of Consolidated Results
02 Highlights for SPEEDA
03 Highlights for NewsPicks
04 Highlights for Quartz
05 Highlights for Other Businesses
06 Appendix
01 Highlights of Consolidated Results

* All financials presented in this section are consolidated cumulative totals for every financial year
<table>
<thead>
<tr>
<th><strong>SPEEDA</strong></th>
<th><strong>NEWS PICKS</strong></th>
<th><strong>QUARTZ</strong></th>
<th><strong>Other Businesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales growing steadily, profit margin also rising</td>
<td>Net sales seeing growth, paid membership on recovery trend</td>
<td>Focusing on building up the premium content business</td>
<td>Net sales showed significant growth</td>
</tr>
</tbody>
</table>
Net Sales Growth Rate Exceeded 50%

* “Other Businesses” is a total for “FORCAS” and for “entrepedia”.
* Internal transactions between segments are excluded.

Unit: JPY MM

<table>
<thead>
<tr>
<th>Segment</th>
<th>1Q–3Q 2017 (Cumulative)</th>
<th>1Q–3Q 2018 (Cumulative)</th>
<th>1Q–3Q 2019 (Cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quartz</td>
<td>2,046</td>
<td>2,074</td>
<td>2,758</td>
</tr>
<tr>
<td>NewsPicks</td>
<td>41</td>
<td>505</td>
<td>2,629</td>
</tr>
<tr>
<td>SPEEDA</td>
<td>1,814</td>
<td>596</td>
<td>8,473</td>
</tr>
<tr>
<td>Other Businesses</td>
<td>1,084</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3,173</td>
<td>5,431</td>
<td>8,473</td>
</tr>
</tbody>
</table>

YoY Change

- +56%
- +35%

* Monetary amounts displayed are rounded down. Percentage figures are rounded to the nearest whole number.
* 3Q 2018 for Quartz refers to two months following its acquisition (August and September).
EBITDA for Existing Businesses Maintains High Growth, Investments Directed to Quartz as Planned

* “Existing Businesses” is a total for “SPEEDA” and “NewsPicks”.
* EBITDA = Operating Profit + Depreciation and Amortisation (incl. Goodwill Amortisation)
Orderly Investment of Increased Profits from Existing Businesses Into US Enterprise

Highlights of Consolidated Results (4)

Unit: JPY MM

Steady Profits in Existing Businesses

New Investments Towards Future Growth

3Q 2018 EBITDA: 267
SPEEDA Income Growth: +530
Talent Acquisition Investments at NewsPicks: -28
Other Businesses Income Growth: +87
Investments into Quartz: -1,684
3Q 2019 EBITDA: -832
Both Net Sales and EBITDA Are Slightly Behind Original Forecast;

Since the Majority of Profits for Quartz Are Concentrated in 4Q, All Efforts Will Be Made in Final Quarter to Meet EBITDA Target

- Progress Rates shown are calculated in relation to FY2019 Target announced on 13 February 2019.
02 Highlights for SPEEDA
Number of IDs Maintains Steady Growth, Breaking Through the 3,000 ID

* The figures shown are the number of IDs for SPEEDA only, and exclude those for "entrepedia" and "FORCAS".
Net Sales Growing Steadily

Unit: JPY MM

1Q–3Q 2017 (Cumulative) 1Q–3Q 2018 (Cumulative) 1Q–3Q 2019 (Cumulative)

2,047 2,629 3,314

YoY Change

+26%
EBITDA Growth Rate Outpacing Revenue Growth

EBITDA Margin
- 19.6% (3Q 2017)
- 21.5% (3Q 2018)
- 33.1% (3Q 2019)

Unit: JPY MM
- EBITDA: 401 (1Q–3Q 2017), 566 (1Q–3Q 2018), 1,096 (1Q–3Q 2019)

YoY Change: +94%
Released 3 Types of Content Tailored for New Markets

1. Trend Information (30 Sep)
   A new type of content to help accelerate business shifts: “SPEEDA Trends”

2. Startup Information (9 Oct)
   A large expansion in coverage on hundreds of thousands of global startups, focusing on companies in the USA and China

3. Patent Information (5 Nov)
   A tool to assess business opportunities and risks: “Patent Search” function
03 Highlights for NewsPicks
Measures Taken in First Half Had Desired Effect, with Net Growth for Paid Membership Seeing a Recovery

Highlights for NewsPicks (1)

- The number of paid subscribers is a total of users subscribed to premium monthly plans priced at JPY 1,500/month (including annual discounted plans at JPY 1,250/month and student discounted plans at JPY 500/month), and NewsPicks Academia plans priced at JPY 5,000/month.
- Any new premium plan subscriptions starting from 1 November 2019 will be priced at JPY 1,600.
- ARPPU refers to Average Revenue Per Paying User.
NewsPicks for Business Progressing from Proof of Concept to Expansion Phase

RICOH to Implement NewsPicks for Business Starting from 4Q

Towards Expansion Phase

Full Contracts Concluded

- 4 (*)

Ongoing Tests

- 3

(*) As of 12 November
Already Started: 2
Plan to Start by Year-End: 2
Alphadrive Co., Ltd. Will Be Acquired and Converted into a Subsidiary in Order to Accelerate the Development of NewsPicks for Business

Business Description
Focused on new business development consulting to create in-house incubation platforms for businesses

Mission
Provide ways and opportunities to light a fire in the hearts of all working people

Results in Consulting Business
Over 25 major corporate clients
Over 500 new business development support projects

Alphadrive Co., Ltd., was established on 23 February 2018 by former managing members of the new business development project at Recruit Holdings.

With vast experience of both supporting executives in launching new businesses, as well as expertise gained from starting their own enterprises, Alphadrive offers professional assistance to major corporations in relation to the development of new businesses and other derivative services.

Management Team
President and CEO
Yoichi Aso
Director
Joji Hirao
Acquisition of Alphadrive Aimed at Reinforcing Expansion of B2B Services Across Uzabase Group

Synergising Alphadrive’s solutions with Uzabase Group’s products to assist large corporations with their challenges. As a first step, we aim to boost NewsPicks for Business, then proceed to expand it to other services as well.
Increases in Both Net Sales of Paid Subscriptions and Advertisement Income

* "Other" mainly includes video production and external sales of content.
* Internal transactions between segments are excluded.

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q–3Q 2017 (Cumulative)</th>
<th>1Q–3Q 2018 (Cumulative)</th>
<th>1Q–3Q 2019 (Cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units: JPY MM</td>
<td>1,085</td>
<td>2,095</td>
<td>2,765</td>
</tr>
</tbody>
</table>

YoY Growth: +32%
EBITDA Decreased Temporarily Due to Active Talent Acquisition Ahead of Plan
Highlights for NewsPicks (7)

Hiring New Talent Ahead of Next Year’s Plan;
With New Organisational Structure Taking Shape,
No Large Increases in Headcount Are Planned for Next Term,
and Business Is Expected to Progress Towards Increased Profitability

YoY Change

+80 people

1Q–3Q 2017 (Cumulative)

1Q–3Q 2018 (Cumulative)

1Q–3Q 2019 (Cumulative)
04 Highlights for Quartz

Good morning, Marvin. Here’s what you need to know.

Elon Musk is undesigning his Mars rocket as fast as he can. When Elon Musk leads engineering meetings at SpaceX, he says, “the thing I am most impressed with is, what did you
Exceeded 10,000 Paid Subscribers in the First 11 Months; Growing 50% Faster Compared to Early Days of NewsPicks

Net growth of paid membership in the 11 months after launch

October 2019: 10,438

QUARTZ

NewsPicks
Quartz Highlights (2)

Further Accelerated Shift to Paid Subscriptions; Total Revenue, Primarily Advertising, Down 7% YoY

USD 17.8 MM

JPY 1.94 BN

1Q–3Q 2018 (Cumulative)

USD 16.6 MM

JPY 1.81 BN

1Q–3Q 2019 (Cumulative)

YoY Change

-7%

* Conversion rate of USD 1 = JPY 109.15 (January–June 2019 average) used for calculating both 3Q 2018 and 3Q 2019 figures.
* 1Q–3Q 2018 (Cumulative) data includes business results prior to the acquisition, which are unaudited.
Streamlining Cost Structure of Advertising Business; Continuing to Invest in Paid Subscription Business

Advertising sales are heavily concentrated in Q4, so the business is not profitable over Q1-Q3. Continuing with efforts to achieve our goal of making the advertising business break even.

Continuing to make investments to accelerate the paid subscription business. Aiming to keep full-year losses under JPY 2 BN.

### Quartz Highlights (3)

<table>
<thead>
<tr>
<th>EBITDA in Existing Business (Advertising)</th>
<th>EBITDA in New Business (Paid Subscription)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD -13.7 MM</td>
<td>USD -17.8 MM</td>
</tr>
<tr>
<td>JPY -1.50 BN</td>
<td>JPY -1.94 BN</td>
</tr>
</tbody>
</table>

* Conversion rate of USD 1 = JPY 109.15 (January–June 2019 average) used for calculating both 3Q 2018 and 3Q 2019 figures.
* 1Q–3Q 2018 (Cumulative) data includes business results prior to the acquisition, which are unaudited.
* Excludes temporary expenses such as business restructuring costs.
Quartz Highlights (4)

Redesigned Website and Mobile Apps Under "One Quartz" Strategy to Unify the UI/UX, Steering Further Toward Loyal Readers and Paid Subscribers
Expanding Push for Paid Subscribers in UK, India, and Japan

USA

UK
Launched 5 November

INDIA
Plan to Release by Year-End

JAPAN
Launching 13 November

QUARTZ
05 Highlights for Other Businesses
FORCAS Driving Substantial Growth in Net Sales

YoY Growth

+161%
Highlights for Other Businesses (2)

MRR of FORCAS Maintains Steady Growth

* MRR refers to Monthly Recurring Revenue from subscription fees, excluding any one-off payments such as initial fees.
Highlights for Other Businesses (3)

Investment Continuing, but Increased Revenue and Slower-Than-Anticipated Hiring Have Resulted in Smaller Deficit

Unit: JPY MM

<table>
<thead>
<tr>
<th></th>
<th>1Q–3Q 2017 (Cumulative)</th>
<th>1Q–3Q 2018 (Cumulative)</th>
<th>1Q–3Q 2019 (Cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>-4</td>
<td>-169</td>
<td>-81</td>
</tr>
</tbody>
</table>

YoY Change

+87
(JPY MM)
06 Appendix
## Consolidated P&L (Actual)

(Unit: JPY MM)

<table>
<thead>
<tr>
<th></th>
<th>1Q–3Q 2017 (Cumulative)</th>
<th>1Q–3Q 2018 (Cumulative)</th>
<th>1Q–3Q 2019 (Cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>3,173</td>
<td>5,431</td>
<td>8,473</td>
</tr>
<tr>
<td><em>Net Sales Growth Rate</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPEEDA</td>
<td>2,046</td>
<td>2,629</td>
<td>3,304</td>
</tr>
<tr>
<td>NewsPicks</td>
<td>1,084</td>
<td>2,074</td>
<td>2,758</td>
</tr>
<tr>
<td>Quartz</td>
<td>–</td>
<td>505</td>
<td>1,814</td>
</tr>
<tr>
<td>Other Businesses</td>
<td>41</td>
<td>221</td>
<td>596</td>
</tr>
<tr>
<td>EBITDA</td>
<td>491</td>
<td>267</td>
<td>-832</td>
</tr>
<tr>
<td><em>EBITDA Margin</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>457</td>
<td>105</td>
<td>-1,436</td>
</tr>
<tr>
<td><em>Operating Profit Margin</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>445</td>
<td>-140</td>
<td>-1,558</td>
</tr>
<tr>
<td><em>Ordinary Profit Margin</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarterly Net Profit Attributable to Parent Company Shareholders</td>
<td>389</td>
<td>-594</td>
<td>-1,571</td>
</tr>
<tr>
<td><em>Quarterly Net Profit Margin Attributable to Parent Company Shareholders</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPEEDA: Term-End Number of IDs</td>
<td>1,906</td>
<td>2,428</td>
<td>3,005</td>
</tr>
<tr>
<td>NewsPicks: Number of Paid Subscribers</td>
<td>49,230</td>
<td>81,839</td>
<td>109,810</td>
</tr>
</tbody>
</table>

* Intersegment transactions are excluded.
* 1Q–3Q 2018 (Cumulative) for Quartz only refers to two months following its acquisition (August and September).
### Consolidated Balance Sheet Comparison

(Unit: JPY MM)

<table>
<thead>
<tr>
<th></th>
<th>End-2018</th>
<th>End-3Q 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td>8,592</td>
<td>7,845</td>
<td>-746</td>
</tr>
<tr>
<td>Cash and Deposits</td>
<td>5,725</td>
<td>6,259</td>
<td>533</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>10,211</td>
<td>9,988</td>
<td>-223</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>18,804</td>
<td>17,833</td>
<td>-970</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>3,566</td>
<td>4,009</td>
<td>443</td>
</tr>
<tr>
<td>Fixed Liabilities</td>
<td>8,920</td>
<td>9,166</td>
<td>245</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>12,487</td>
<td>13,175</td>
<td>688</td>
</tr>
<tr>
<td>(Interest-Bearing Debts)</td>
<td>9,574</td>
<td>10,047</td>
<td>473</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>6,316</td>
<td>4,658</td>
<td>-1,658</td>
</tr>
</tbody>
</table>

*Partial Amendments to Accounting Standard for Tax Effect Accounting* (Accounting Standards Board of Japan Statement No. 28 issued on 16 February 2018) have been applied to financial statements since 1Q 2019, and the figures for the previous term (Consolidated Balance Sheet for end-2018) have been revised retroactively in accordance with these Amendments.
Business Intelligence to Change Your World

For more information on financial records, refer to “3Q 2019 Financial Results” and “3Q 2019 Financial Report”
Disclaimer

The purpose of this material is to provide information to investors, and not to solicit investment in any particular service.

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.

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