UZABASE

1Q FY2019 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.
Our Services

SPEEDA

B2B Service

Information Platform Providing Company and Industry Analyses with Statistical Data
Our Services

B2C Service

Economic and Business News Media

(for Japanese Market)
Our Services

**QUARTZ**

**B2C Service**

**Economic and Business News Media**

(for US Market)
Our Services

B2B Service

B2B Marketing Platform
Our Services

B2B Service

One of Japan’s Largest Startup Databases
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Highlights of Consolidated Results
## Highlights of Consolidated Results (1)

**Business Segmentation Realigned for Better Focus on Each Service**

### Up Until 2018

<table>
<thead>
<tr>
<th>Segmentation</th>
<th>SPEEDA Business</th>
<th>NewsPicks Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>SPEEDA</td>
<td>NEWS PICKS QUARTZ</td>
</tr>
</tbody>
</table>

### New Segmentation from 2019

<table>
<thead>
<tr>
<th>Segmentation</th>
<th>SPEEDA Business</th>
<th>Other Business</th>
<th>NewsPicks Business</th>
<th>Quartz Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>SPEEDA</td>
<td>FORCAS entreMedia</td>
<td>NEWS PICKS</td>
<td>QUARTZ</td>
</tr>
</tbody>
</table>

- SPEEDA
- FORCAS entreMedia
- NEWS PICKS
- QUARTZ
Both Existing Businesses Saw Strong Growth

**S P E E D A**
Net sales growing steadily, profit margin also rising

**NEWS PICKS**
Net sales and profit seeing significant growth
New Businesses Receiving Growth Investments

**QUARTZ**
Focusing on building up the paid subscription business

Other Businesses
Net sales showed significant growth
High Net Sales Growth Rate Continues

Unit: JPY million

- **Quartz Business**
- **NewsPicks Business**
- **SPEEDA Business**
- **Other Businesses**

### YoY Growth Rate

- **Excluding Quartz**
  - +91%
  - +49%

*“Other Businesses” is a total for “entrepedia service” and “FORCAS service”.
* Internal transactions between segments are excluded.
* Monetary amounts displayed throughout this document are rounded down. Percentage figures are rounded to the nearest whole number.
EBITDA Doubled for Existing Businesses, Large Investments Directed to Quartz

Highlights of Consolidated Results (5)

- **EBITDA** = Operating Profit + Depreciation and Amortisation including Goodwill

**YoY Change**

<table>
<thead>
<tr>
<th></th>
<th>1Q 2017</th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Businesses (*)</td>
<td>150</td>
<td>238</td>
<td>376</td>
</tr>
<tr>
<td>SPEEDABusiness</td>
<td>36</td>
<td>87</td>
<td>197</td>
</tr>
<tr>
<td>NewsPicksBusiness</td>
<td>115</td>
<td>210</td>
<td>(22)</td>
</tr>
<tr>
<td>QuartzBusiness</td>
<td>(53)</td>
<td>(179)</td>
<td>(730)</td>
</tr>
<tr>
<td>OtherBusinesses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated EBITDA</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*R “Existing Businesses” is a total for “SPEEDABusiness” and “NewsPicksBusiness”.

* EBITDA = Operating Profit + Depreciation and Amortisation including Goodwill
Increased Profits from Existing Businesses Invested in the US Enterprise

Steady Profit Growth in Existing Businesses

New Investments Towards Future Growth

Unit: JPY million

<table>
<thead>
<tr>
<th></th>
<th>1Q 2018 EBITDA</th>
<th>SPEEDA Income Growth</th>
<th>NewsPicks Income Growth</th>
<th>Other Businesses Income Growth</th>
<th>Investments into Quartz</th>
<th>1Q 2019 EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>238</td>
<td>+165</td>
<td>+109</td>
<td></td>
<td>(730)</td>
<td>(179)</td>
</tr>
</tbody>
</table>

Steady Profit Growth in Existing Businesses

New Investments Towards Future Growth

Income Growth

Other Businesses Income Growth

Investments into Quartz

Unit: JPY million
Significant progress has been made towards achieving the FY2019 targets.

**Net Sales and EBITDA Growing Steadily against FY19 Targets**

- **Net Sales:**
  - 1Q Results: 2,847 million JPY
  - Full-Year Forecast: 13,500 million JPY
  - Progress Rate: 21%

- **Existing Business EBITDA:**
  - 1Q Results: 573 million JPY
  - Full-Year Forecast: 1,732 million JPY
  - Progress Rate: 33%

- **EBITDA:**
  - 1Q Results: (500) million JPY
  - Full-Year Forecast: (179) million JPY
  - Progress Rate: 36%

*Progress Rate shown is calculated in relation to FY2019 Targets announced on 13 February 2019.*

*EBITDA = Operating Profit + Depreciation and Amortisation including Goodwill*. 
SPEEDA Highlights (1)

Steady Rise in the Number of IDs

*Figures shown are the number of IDs for SPEEDA service only, and exclude those for “entrepedia” and “FORCAS”.*
Net Sales Growing Steadily

Unit: JPY million

<table>
<thead>
<tr>
<th></th>
<th>1Q 2017</th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>633</td>
<td>820</td>
<td>1,041</td>
</tr>
</tbody>
</table>

YoY Growth: +27%
**SPEEDA Highlights (3)**

**EBITDA Growth Rate Outpacing Revenue Growth**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBITDA (Unit: JPY million)</th>
<th>EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 2017</td>
<td>115</td>
<td>18.3%</td>
</tr>
<tr>
<td>1Q 2018</td>
<td>210</td>
<td>25.7%</td>
</tr>
<tr>
<td>1Q 2019</td>
<td>376</td>
<td>36.2%</td>
</tr>
</tbody>
</table>

*Due to realignment of its business segmentation in 1Q19, “FORCAS service” and “entrepedia service” previously included in SPEEDA Business were reclassified as Other Businesses. 1Q17 and 1Q18 figures were reclassified, respectively, to conform to the new business segment.*

**YoY**

+79%
NEWS PICKS

Highlights
Total Number of Paid Subscriber in 1Q19 Increased Despite the Strong 4Q18 Growth, up 53% YoY

* 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).
Newly Launched Video Service “MOOC” for Academia Members Showing Stronger Growth than Planned Contributing to the Increase in ARPU
Substantial Increase in Net Sales of Paid Subscriptions and Advertisements

Unit: JPY million

- Advertising
- Paid Subscriptions
- Others

1Q 2017: 330
1Q 2018: 611
1Q 2019: 1,019

YoY +67%

* “Other” mainly includes external sales of content.
EBITDA Doubled, NewsPicks is the Second-Largest Profit Contributor to SPEEDA

EBITDA Margin
- 11.2%
- 14.4%
- 19.3%

EBITDA
- 1Q 2017: 36 million JPY
- 1Q 2018: 87 million JPY
- 1Q 2019: 197 million JPY

YoY: +124%
QUARTZ

Highlights
FY2019 Strategy: Ensure Profitability of Existing Business and Focus Investments on New Business

Existing Business

Advertising Solutions

Profitable

New Business

Paid Subscriptions

Investments (Deficit)
1Q Advertisement Sales Recorded
Slight Increase YoY

USD 5.4 million 1Q 2018
JPY 602 million

USD 5.7 million 1Q 2019
JPY 629 million

YoY +5%

* Figures for 1Q 2018 are figures before the acquisition and for that it is unaudited.
* 1Q 2018 and 1Q 2019 USD figures are converted to Japanese Yen using the average USD-JPY exchange rate between the period of January to March 2019 of USD 1 = JPY 110.21
Strengthen Existing Advertising Solution to a more Profitable Business while Investing in the Paid Subscriptions Business

Aiming for Full-FY19 profit (1Q-3Q expect deficit, advertising business strong in 4Q (seasonality))

*Figures for 1Q 2018 are figures before the acquisition and for that it is unaudited. *1Q 2018 and 1Q 2019 USD figures are converted to Japanese Yen using the average USD-JPY exchange rate between the period of January to March 2019 of USD 1 = JPY 110.21
Investing in Contents to Enhance Paid Subscription Business, Planning to Report Number of Paid Subscriber from 4Q19

Feature Stories Delving Deep into Specific Topics

CEO Interview (Video Contents)

Implement a Metered Paywall and Include All Articles into the Premium Subscription
Other Businesses

Highlights
A Platform Enabling Effective Marketing Strategies Powered by Robust Data Analysis

FORCAS is a platform providing powerful support for implementing Account-Based Marketing (ABM) practices as part of strategic B2B marketing activities.

This service utilises in-depth data analysis to target specific customers, while also connecting to external systems such as SFA and MA, and enables the formulation of efficient marketing and sales strategies towards their successful execution.

* SFA (Sales Force Automation) : sales force automation is a technique of using software to automate the business tasks of sales
* MA (Marketing Automation) : Marketing automation refers to the software with the goal of automating marketing actions
One of Japan’s Largest Startup Databases

Acquired in January 2017 by Uzabase

Containing a wide variety of information from financial data to news for more than 10,000 companies, entrepedia is a one-stop platform for Japanese startup information.

Its detailed database includes in-depth search functionality enabling trend analysis and industry mapping according to the startup business area.
Other Businesses Highlights (3)

Net Sales Recording Steady Growth

Unit: JPY million

<table>
<thead>
<tr>
<th></th>
<th>1Q 2017</th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>entrepedia</td>
<td>11</td>
<td>58</td>
<td>163</td>
</tr>
<tr>
<td>FORCAS</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

YoY: +180%
Decrease in Losses due to Increase in Revenue. Investing for Further Growth

Unit: JPY million

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>(1)</td>
<td>(53)</td>
<td>(22)</td>
</tr>
</tbody>
</table>

YoY +31 (JPY million)
* Dues to realignment of its business segmentation in 1Q19, “FORCAS service” and “entrepedia service” previously included in SPEEDA Business were reclassified as Other Businesses. 1Q17 and 1Q18 figures were reclassified, respectively, to conform to the new business segment.
## Consolidated P&L (Actual)

(Unit: JPY million)

<table>
<thead>
<tr>
<th></th>
<th>1Q 2017</th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>973</td>
<td>1,488</td>
<td>2,847</td>
</tr>
<tr>
<td><strong>Net Sales Growth Rate</strong></td>
<td>47.7%</td>
<td>52.9%</td>
<td>91.3%</td>
</tr>
<tr>
<td><strong>SPEEDA Business</strong></td>
<td>632</td>
<td>820</td>
<td>1,037</td>
</tr>
<tr>
<td><strong>NewsPicks Business</strong></td>
<td>329</td>
<td>611</td>
<td>1,017</td>
</tr>
<tr>
<td><strong>Quartz Business</strong></td>
<td>–</td>
<td>–</td>
<td>629</td>
</tr>
<tr>
<td><strong>Other Businesses</strong></td>
<td>10</td>
<td>56</td>
<td>162</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>150</td>
<td>238</td>
<td>(179)</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>15.5%</td>
<td>16.1%</td>
<td>(6.3%)</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>140</td>
<td>226</td>
<td>(380)</td>
</tr>
<tr>
<td><strong>Operating Profit Margin</strong></td>
<td>14.4%</td>
<td>15.2%</td>
<td>(13.4%)</td>
</tr>
<tr>
<td><strong>Ordinary Profit</strong></td>
<td>134</td>
<td>167</td>
<td>(395)</td>
</tr>
<tr>
<td><strong>Ordinary Profit Margin</strong></td>
<td>13.8%</td>
<td>11.2%</td>
<td>(13.9%)</td>
</tr>
<tr>
<td><strong>Quarterly Net Profit Attributable to UZABASE</strong></td>
<td>121</td>
<td>117</td>
<td>(296)</td>
</tr>
<tr>
<td><strong>Quarterly Net Profit Margin Attributable to UZABASE</strong></td>
<td>12.5%</td>
<td>7.9%</td>
<td>(10.4%)</td>
</tr>
<tr>
<td><strong>SPEEDA: Number of IDs (as of March 31)</strong></td>
<td>1,652</td>
<td>2,135</td>
<td>2,677</td>
</tr>
<tr>
<td><strong>NewsPicks: Number of Paid Subscribers (users)</strong></td>
<td>36,990</td>
<td>64,336</td>
<td>98,334</td>
</tr>
</tbody>
</table>

*Internal transactions between segments are excluded.*
## Segment Information (1Q 2019)

(Units: JPY million)

<table>
<thead>
<tr>
<th></th>
<th>SPEEDA Business</th>
<th>NewsPicks Business</th>
<th>Quartz Business</th>
<th>Other Businesses</th>
<th>Total</th>
<th>Adjustment</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>1,041</td>
<td>1,019</td>
<td>629</td>
<td>163</td>
<td>2,853</td>
<td>(6)</td>
<td>2,847</td>
</tr>
<tr>
<td><strong>Sales to External Customers</strong></td>
<td>1,037</td>
<td>1,017</td>
<td>629</td>
<td>162</td>
<td>2,847</td>
<td>–</td>
<td>2,847</td>
</tr>
<tr>
<td><strong>Sales and Transfers Between Segments</strong></td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>(6)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Segment Profit</strong></td>
<td>355</td>
<td>190</td>
<td>(899)</td>
<td>(26)</td>
<td>(379)</td>
<td>(1)</td>
<td>(380)</td>
</tr>
<tr>
<td><strong>Profit Margin</strong></td>
<td>34.1%</td>
<td>18.7%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>376</td>
<td>197</td>
<td>(730)</td>
<td>(22)</td>
<td>(178)</td>
<td>(1)</td>
<td>(179)</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>36.2%</td>
<td>19.3%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Number of Employees</strong></td>
<td>216</td>
<td>110</td>
<td>212</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Adjustment for Segment Profit is shown as “(1)” due to exclusion of intersegment transactions.

*EBITDA = Operating Profit + Depreciation and Amortisation including Goodwill
### Consolidated Balance Sheet Comparison

(Unit: JPY million)

<table>
<thead>
<tr>
<th></th>
<th>End-2018</th>
<th>End-1Q 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td>8,592</td>
<td>7,700</td>
<td>(891)</td>
</tr>
<tr>
<td><strong>Cash and Deposits</strong></td>
<td>5,725</td>
<td>5,512</td>
<td>(213)</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td>10,211</td>
<td>10,082</td>
<td>(129)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>18,804</td>
<td>17,783</td>
<td>(1,020)</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>3,566</td>
<td>3,348</td>
<td>(218)</td>
</tr>
<tr>
<td><strong>Fixed Liabilities</strong></td>
<td>8,920</td>
<td>8,726</td>
<td>(194)</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>12,487</td>
<td>12,075</td>
<td>(412)</td>
</tr>
<tr>
<td>(Interest-Bearing Debts)</td>
<td>9,574</td>
<td>9,395</td>
<td>(179)</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>6,316</td>
<td>5,707</td>
<td>(608)</td>
</tr>
</tbody>
</table>
U Z A B A S E

Business Intelligence to Change Your World

For more information on financial records, refer to “2019 1Q Financial Results” and “2019 1Q 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. Please be aware that the actual future performance and results may vary greatly from the projections due to various factors.

UZABASE
14 May 2019

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