

UZABASE

2017Q3

Results



Business Intelligence to Change Your World

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

Two Services Offered by Uzabase



S P E E D A

NEWS PICKS

SPEEDA



S P E E D A

B2B Service

An information platform comprising comprehensive company and industry analyses tailored for business professionals

NewsPicks

B2C Service

A personalized business news curation service



NEWS PICKS

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Highlights for NewsPicks

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Appendix

01

U Z A B A S E

Highlights for Consolidated Results

Both services saw increased revenues and profits YoY

S P E E D A



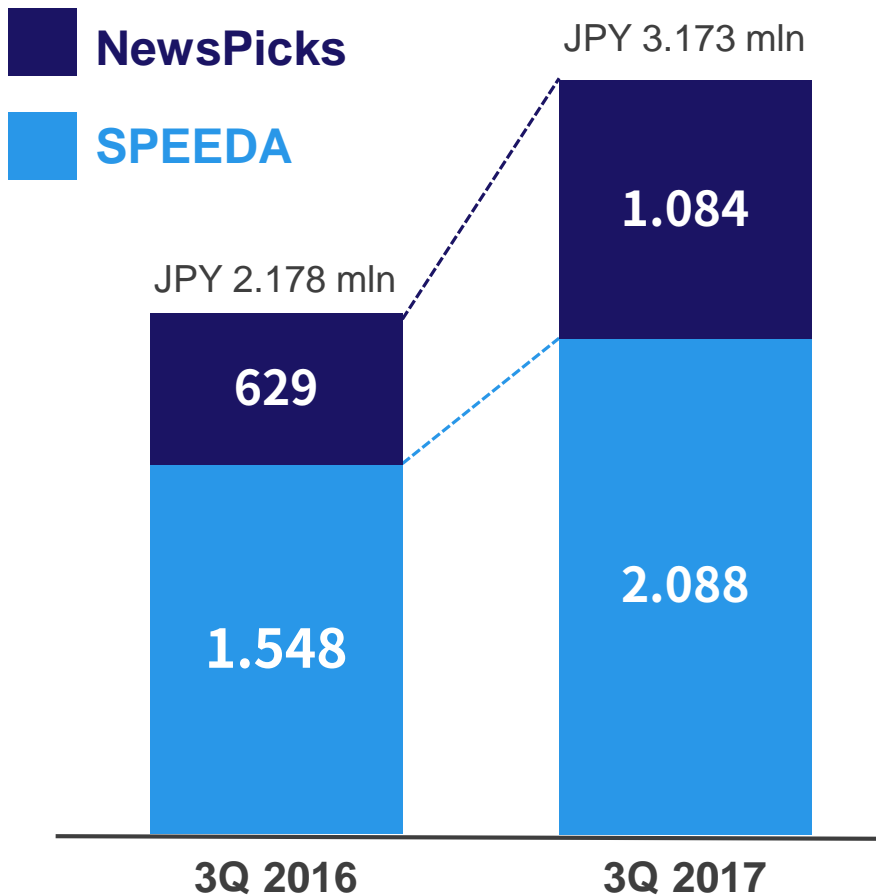
**Expanding in
Japan and overseas
markets**

NEWS PICKS



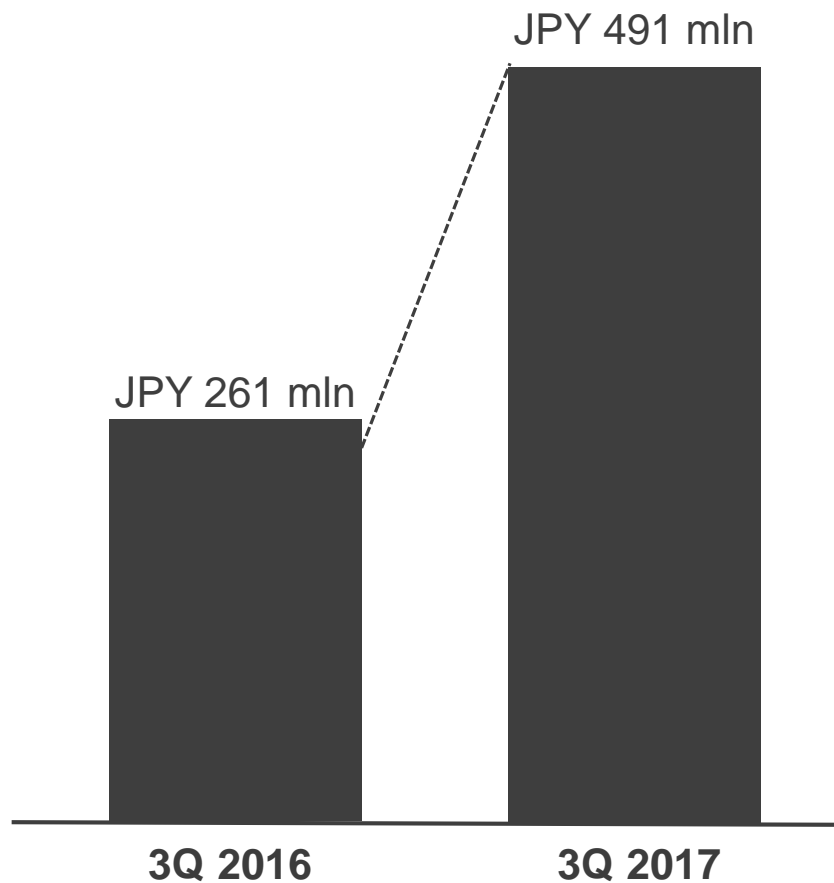
**Significant growth
in revenue and
profit**

Substantial Increase in Revenue



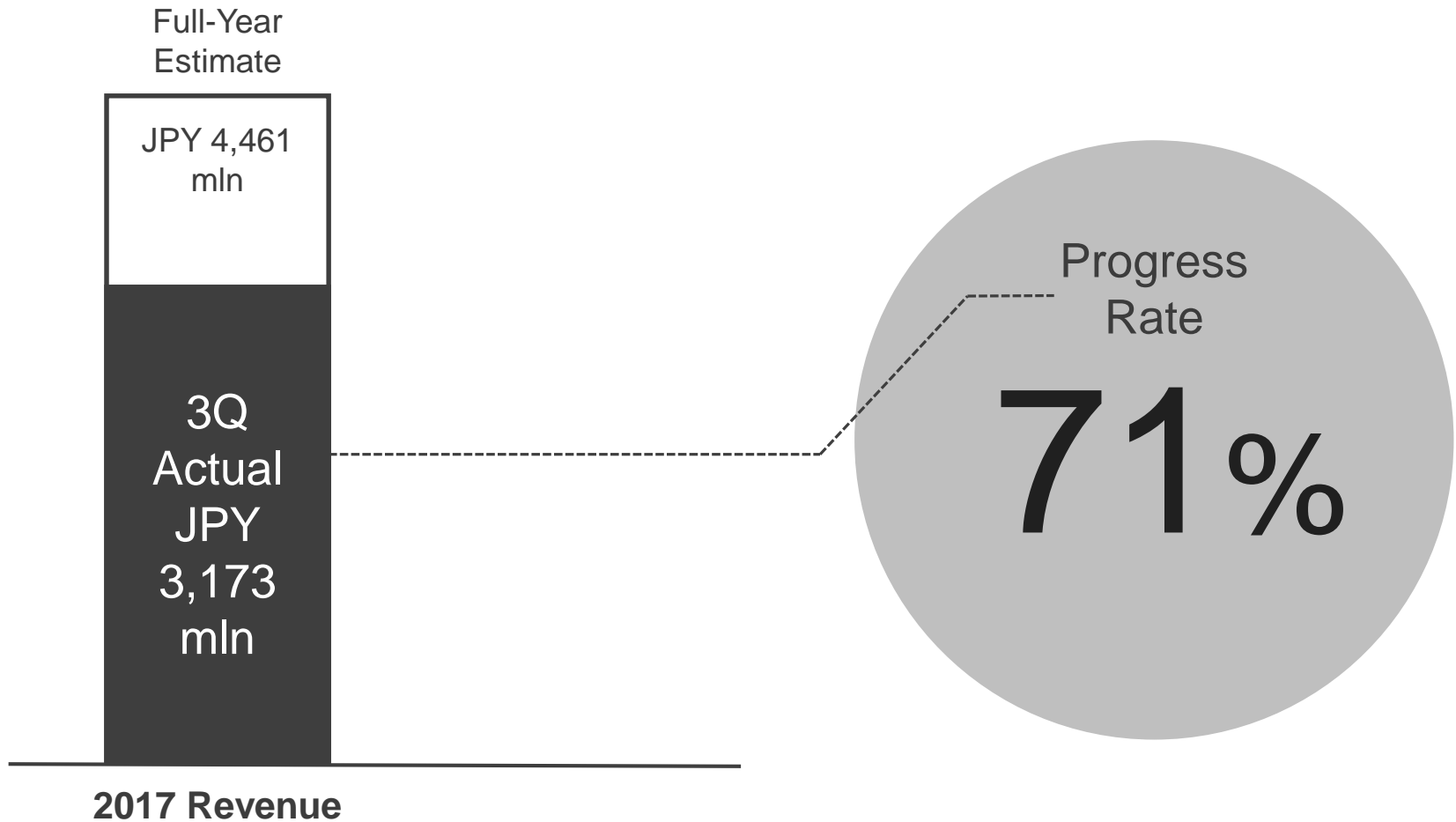
* Internal transactions between the two segments are excluded

Substantial Increase in EBITDA

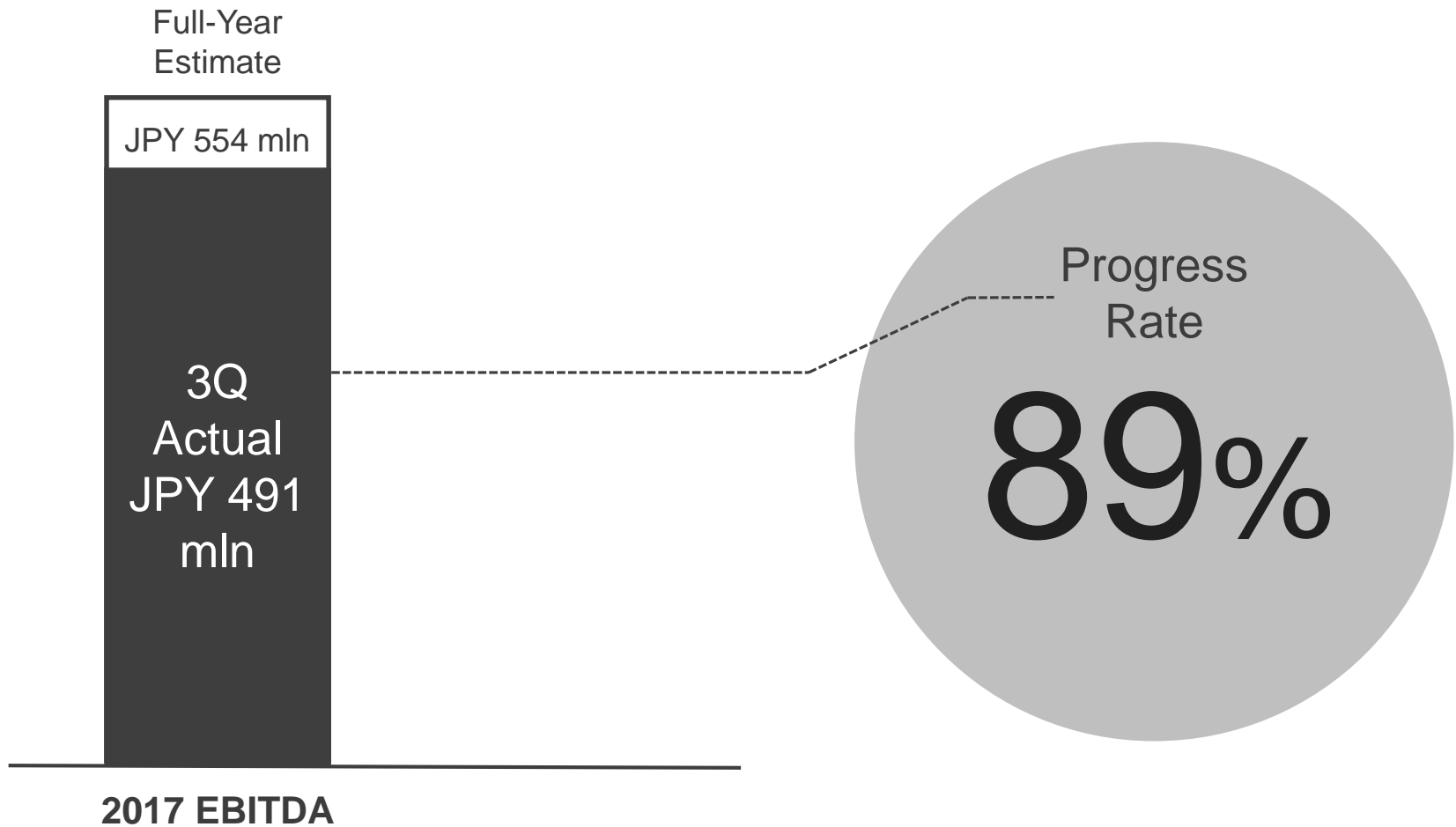


※ EBITDA = Operating Profit + Depreciation + Amortization

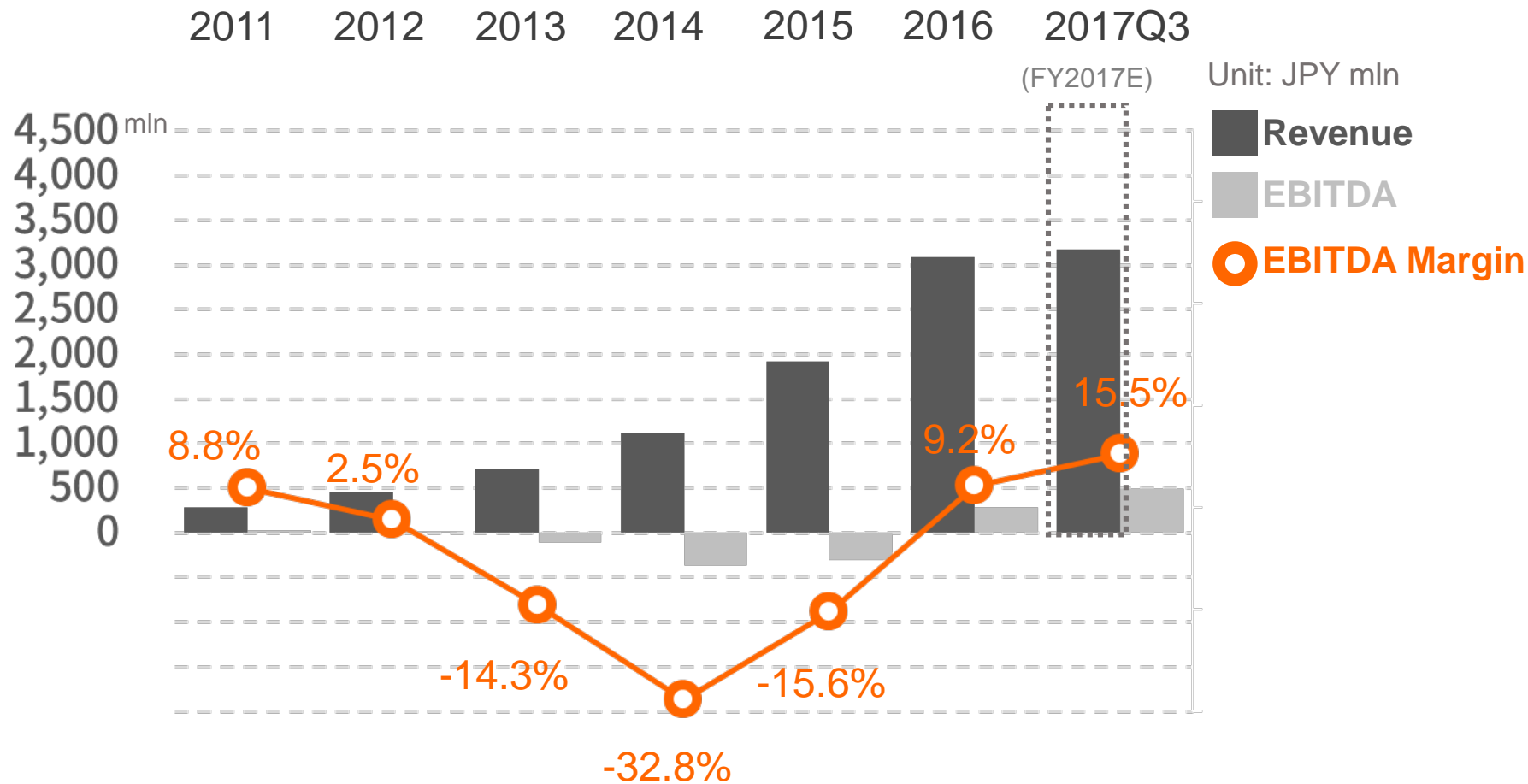
Sound Progress for Revenue Target



Sound Progress for EBITDA Target



Starting to Generate Steady Revenue

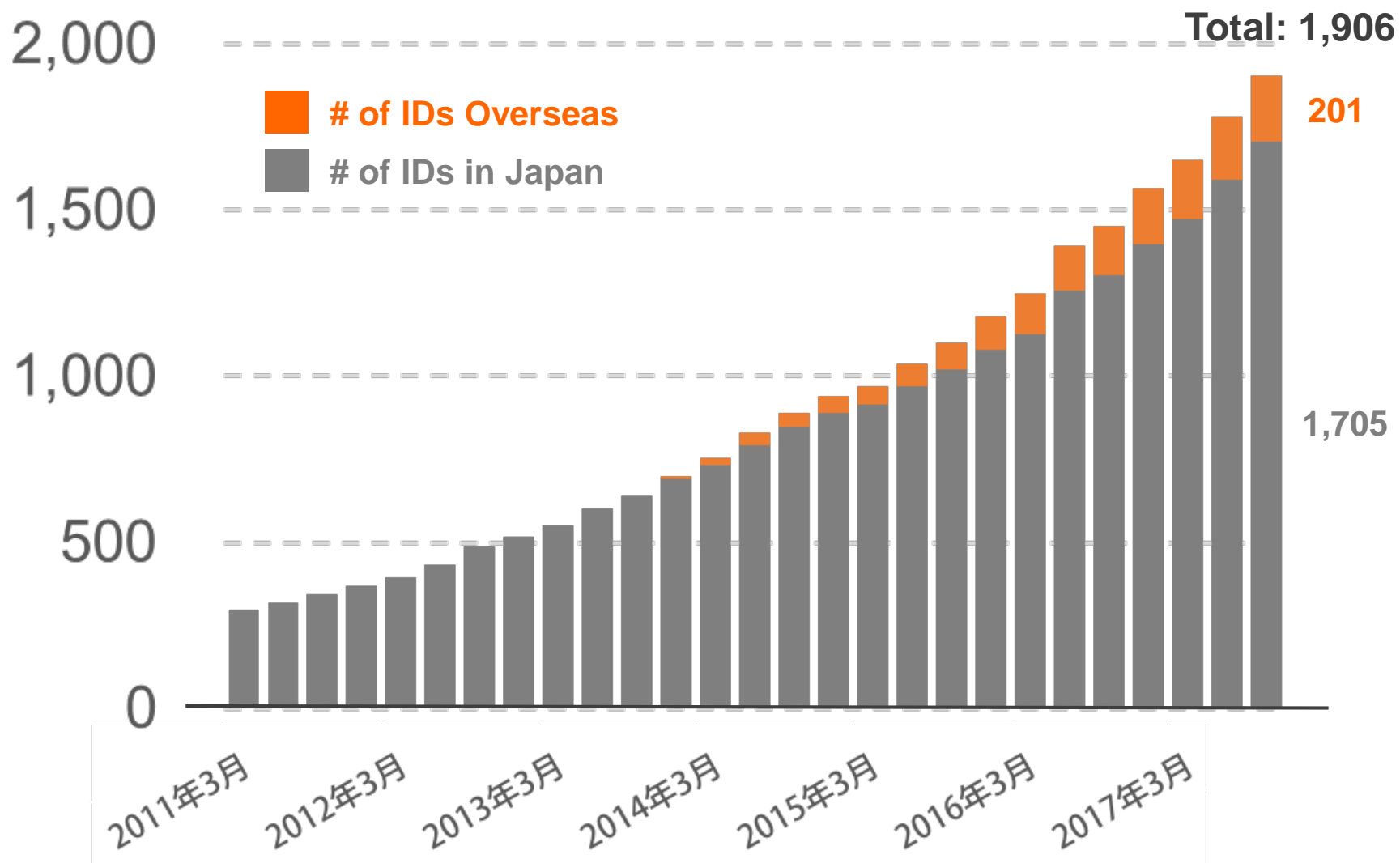


02

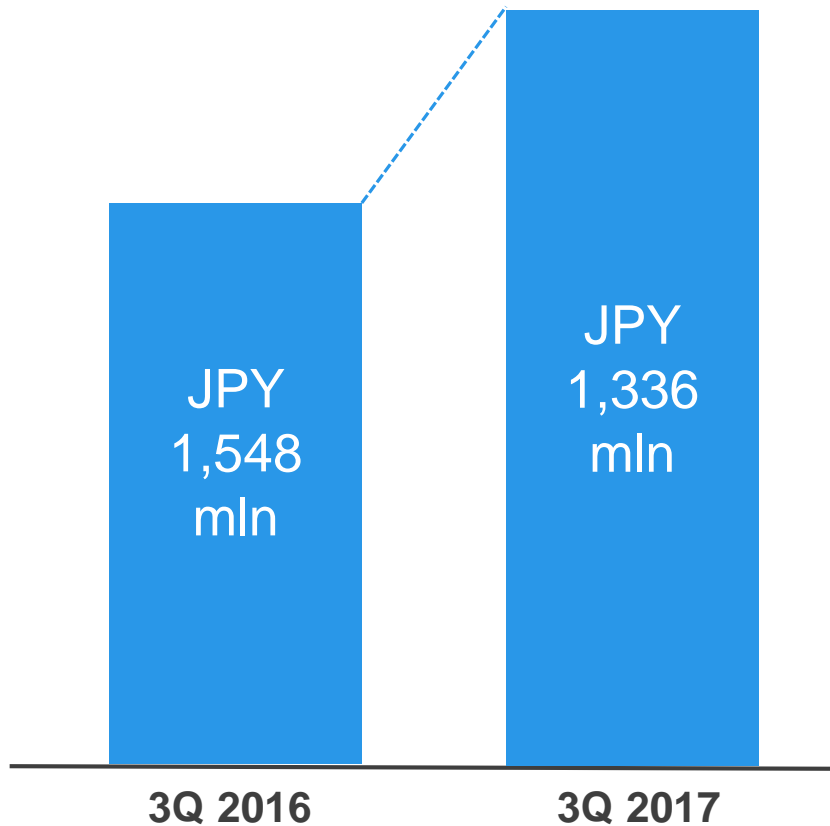
S P E E D A

Highlights

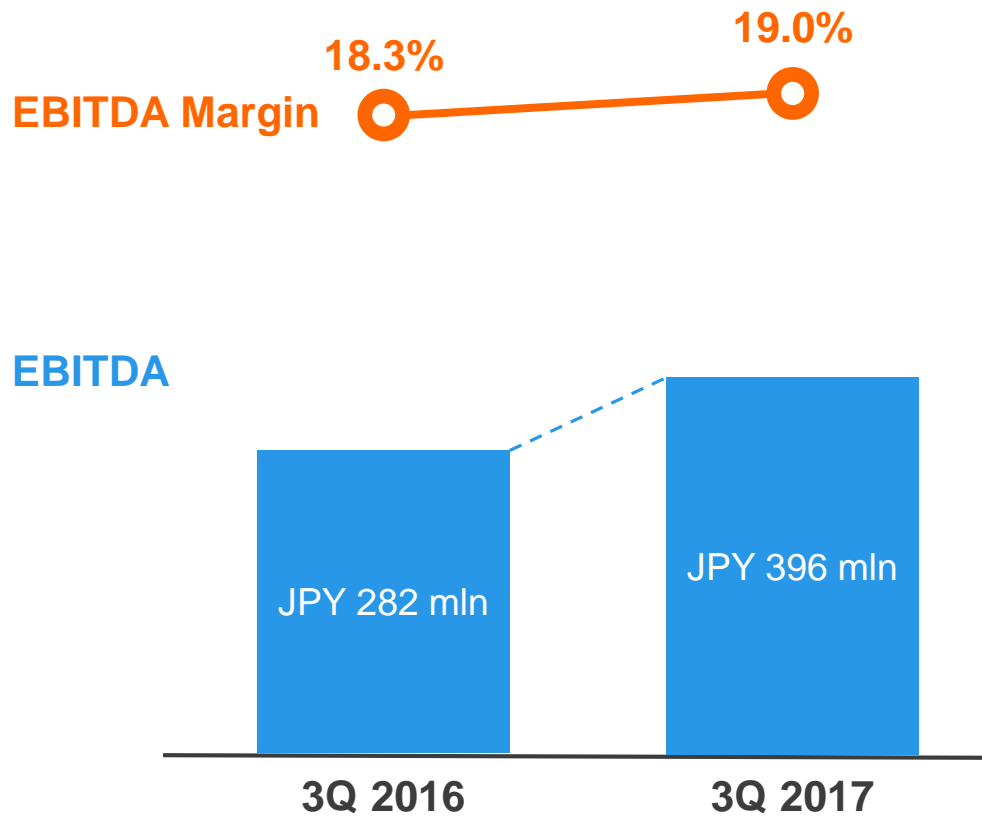
Number of IDs Rising Steadily



Revenue Saw Healthy YoY Growth



EBITDA Increasing Favorably



Recent Trends

Group company MIMIR Inc. launched the “EXPERT RESEARCH” service

EXPERT RESEARCH

Meet selected experts



Acquire information within one hour



Listen to multiple opinions



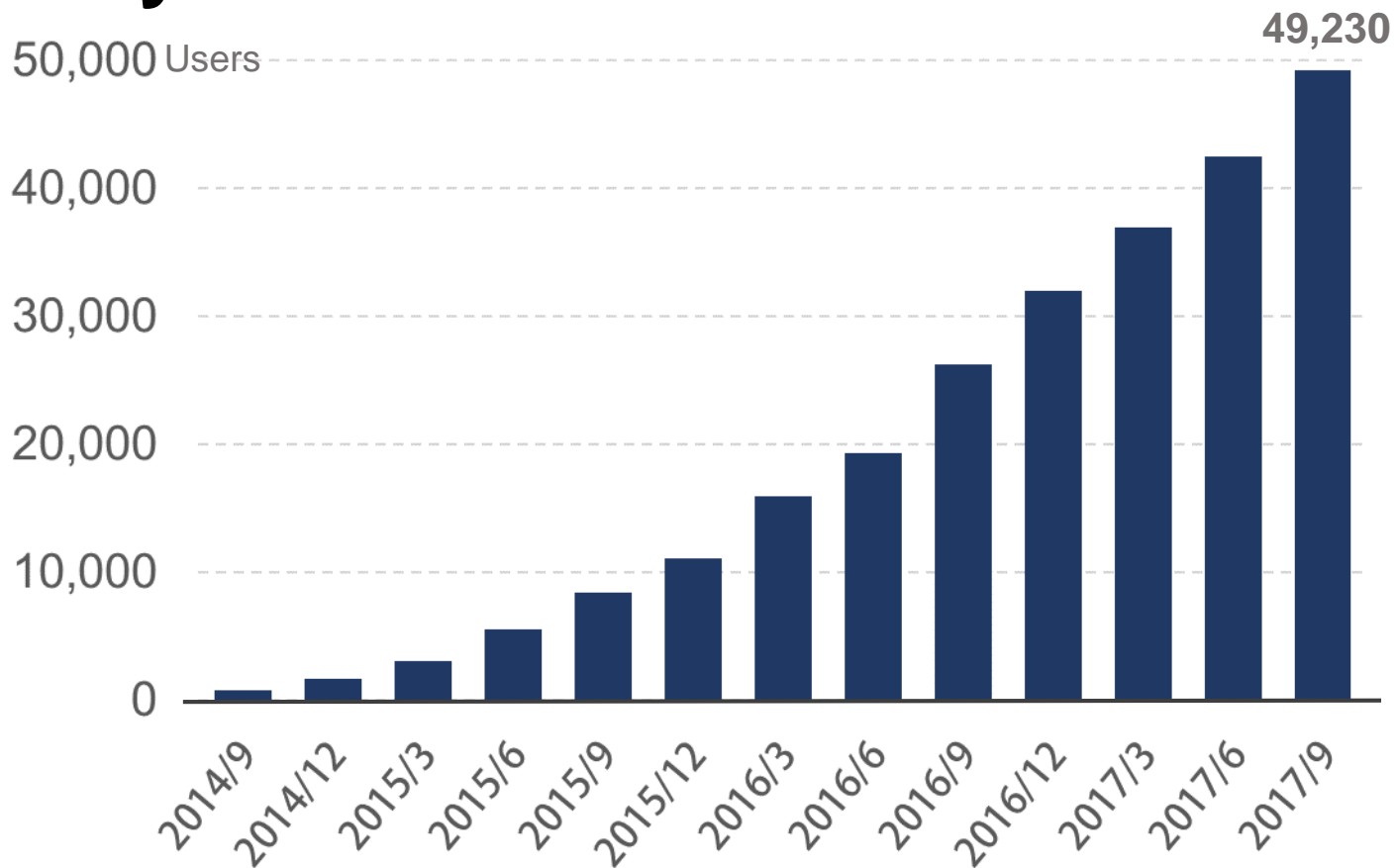
Acquire industry knowledge and professional intelligence in an hour-long interview with selected experts

03

NEWS PICKS

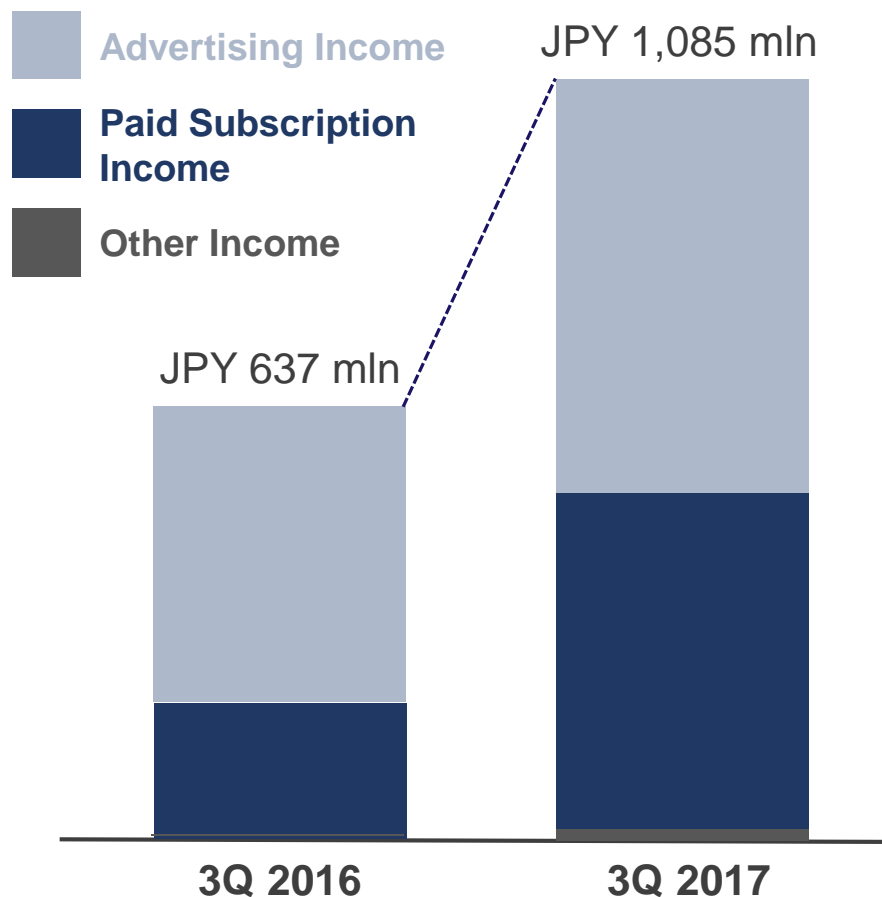
Highlights

Number of paid subscribers increasing steadily



* The number of paid subscribers consists of Premium Members with monthly subscriptions (JPY 1,400 for iOS and JPY 1,500 for other platform) and Academia Members with monthly subscriptions (JPY 5,000). As of end-September 2017, the number of Academia Members reached 1,964

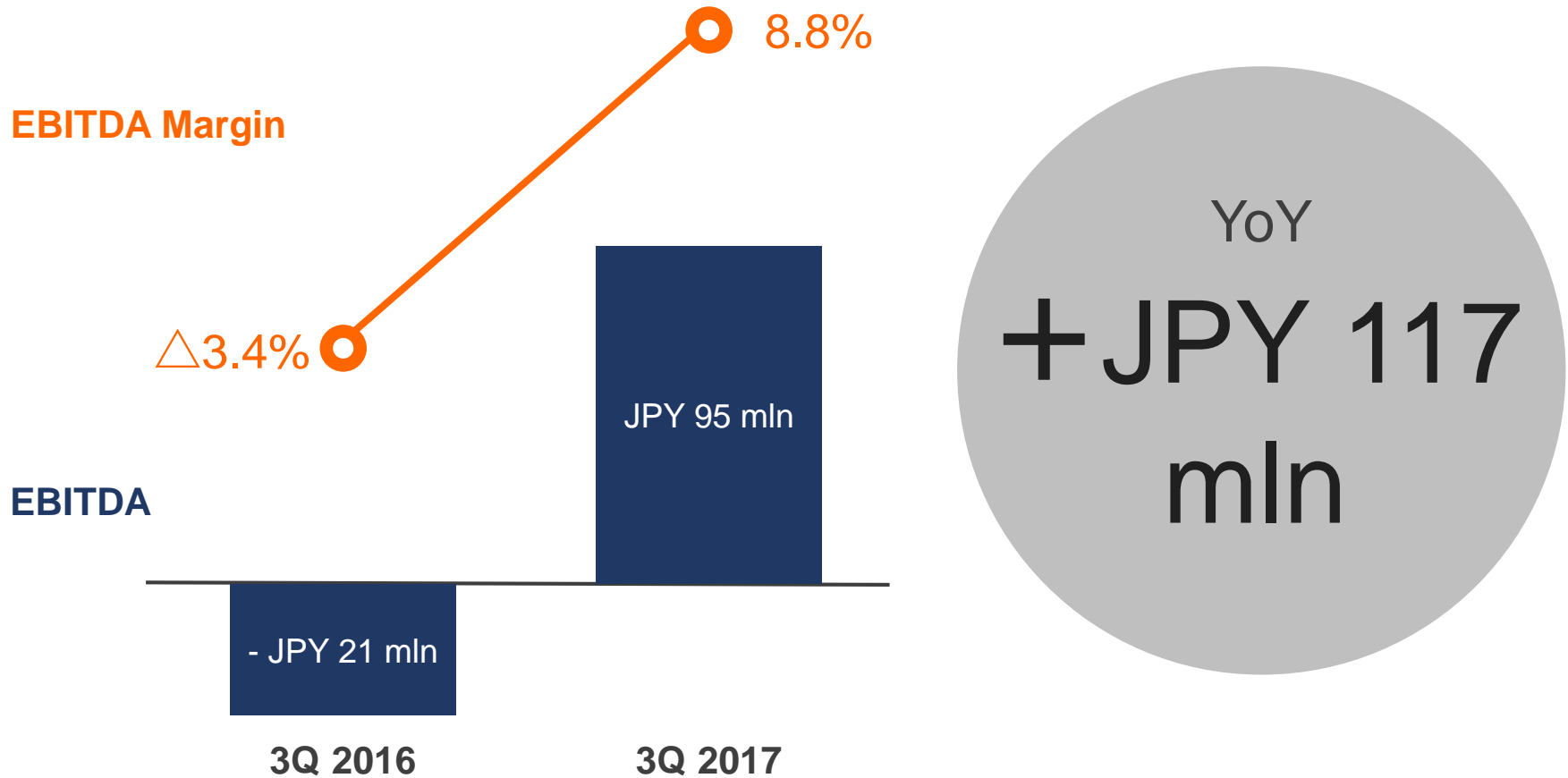
Revenue Grew Significantly Due to Rising Income from Paid Subscriptions



* Revenue from the Academia Membership service is included in Paid Subscription Income

* Other income had been included under the Advertising Income category until 1Q 2017, and was made a separate category in 2Q 2017, consisting of publication royalties, book sales, and event income

EBITDA Profit Saw Firm Growth



Recent Trends (1)

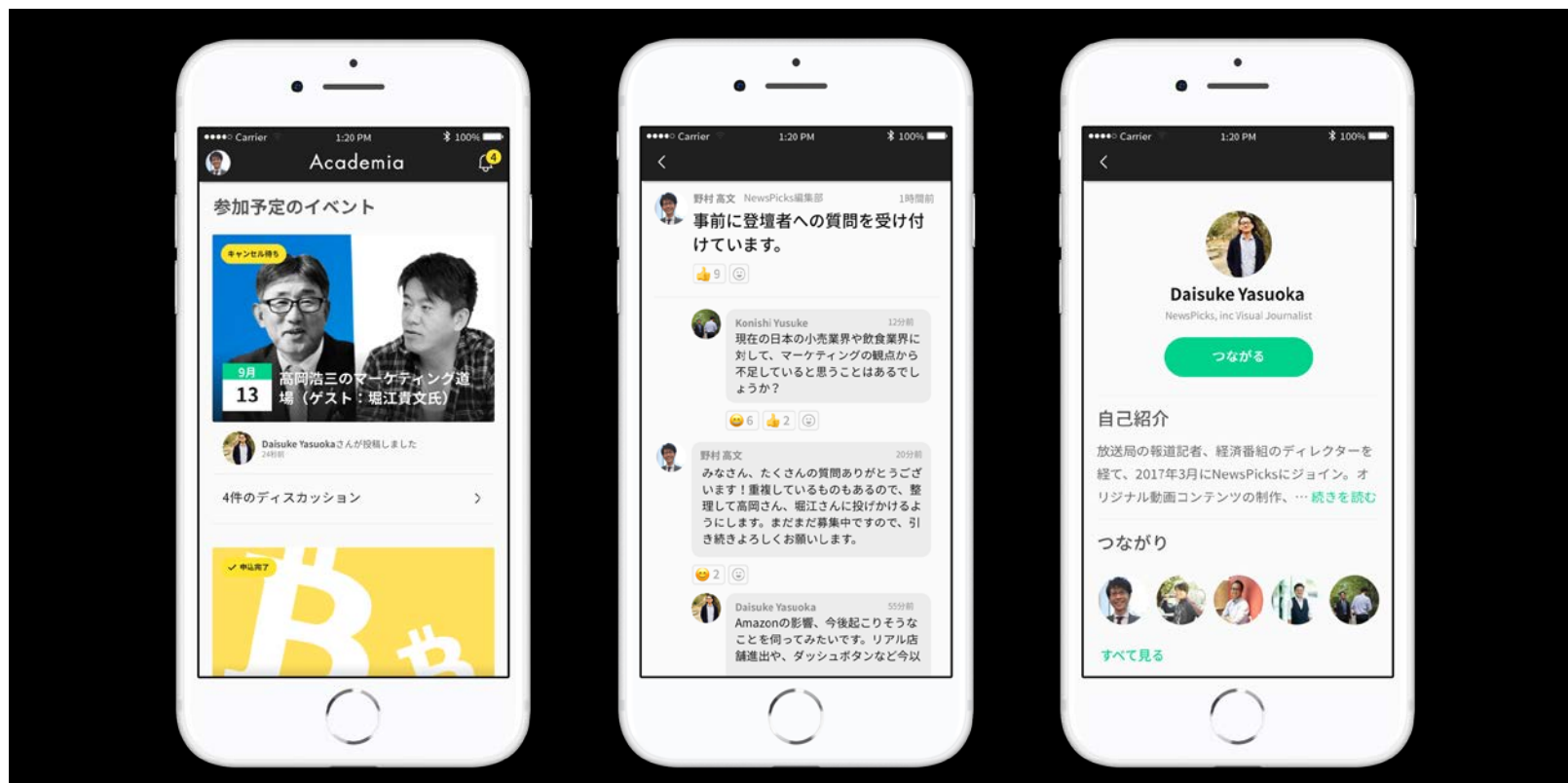
**Launched the NewsPicks Student Discount Plan
(JPY 500 per month)**



We launched the Student Discount Plan, which offers the premium service to students for only JPY 500 per month (normal price: JPY 1,500 per month, or JPY 1,400 per month for the iOS version).

Recent Trends (2)

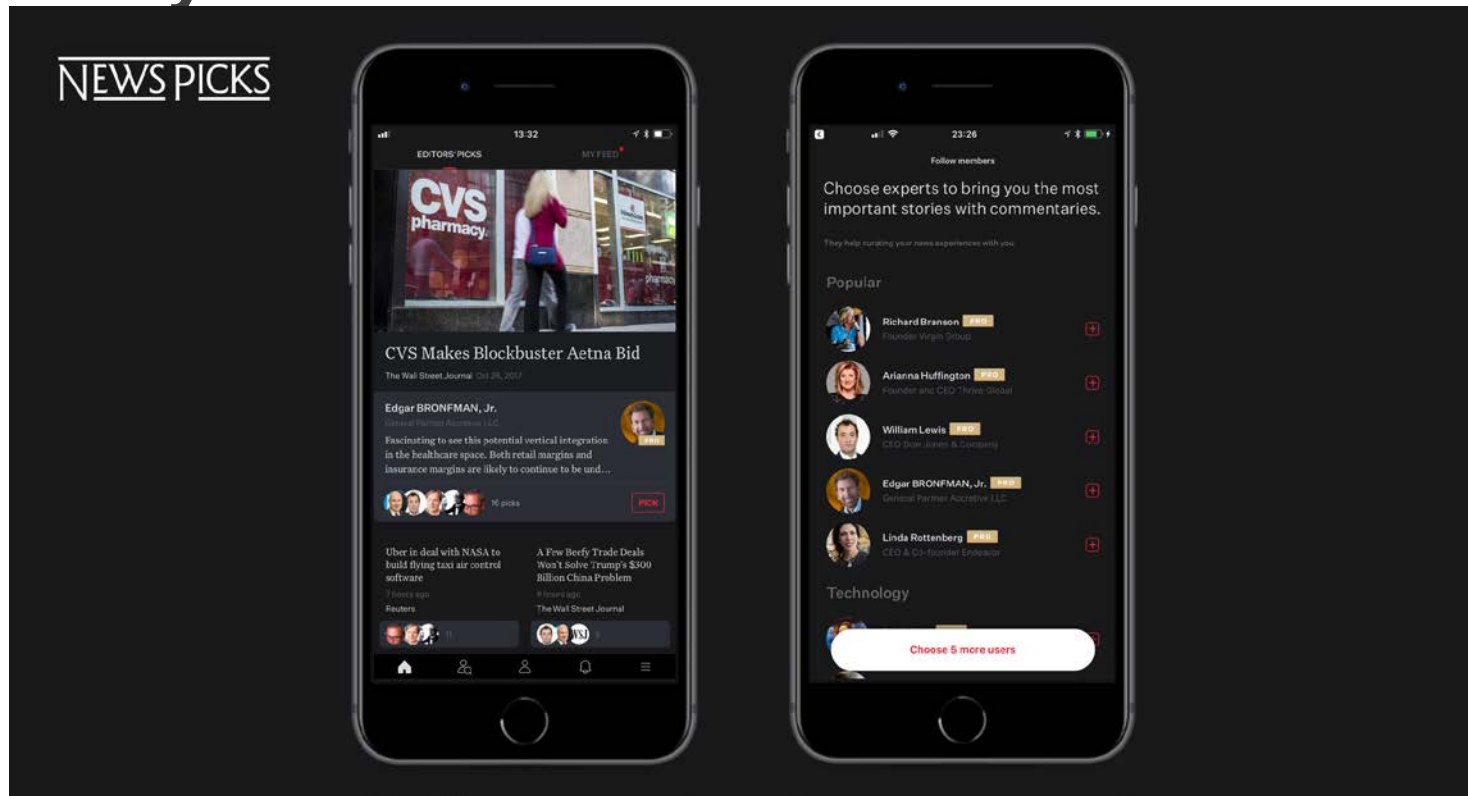
Community app “Academia” will be released



We will release “Academia”, a community app that features “networking” and “deeper learning”, for NewsPicks Academia members.

Recent Trends (3)

Officially launched the US edition of NewsPicks



NewsPicks USA, LLC, a joint venture between NewsPicks Inc. and Dow Jones & Company, officially launched the US edition of NewsPicks.

04

U Z A B A S E

Appendix

Consolidated P&L (Actual and Target)

(Unit: JPY mln)	3Q FY2016	3Q FY2017	FY2017 Targets
Revenue	2,178	3,173	4,461
SPEEDA	1,548	2,088	2,862
NewsPicks	637	1,085	1,599
Operating Profit	237	457	500
<i>Operating Profit Margin</i>	<i>10.9%</i>	<i>14.4%</i>	<i>11.2%</i>
Ordinary Profit	213	445	487
<i>Ordinary Profit Margin</i>	<i>9.8%</i>	<i>14.0%</i>	<i>10.9%</i>
EBITDA	261	491	554
<i>EBITDA Margin</i>	<i>12.0%</i>	<i>15.5%</i>	<i>12.4%</i>
Net Profit Attributable to Parent Company Shareholders	181	389	364
<i>Net Profit Margin Attributable to Parent Company Shareholders</i>	<i>8.4%</i>	<i>12.3%</i>	<i>8.2%</i>

Segment Information (3Q 2017)

(Unit: JPY mln)	SPEEDA	NewsPicks	Total (※ 1)	Adjustment	Consolidated
Revenue	2,088	1,085	3,174	△0	3,173
Revenue from Sales to External Customers	2,088	1,084	3,173	—	—
Revenue from Sales and Transfers Between Segments	0	0	—	△0	—
Segment Profit	364	92	457	—	457
<i>Profit Margin</i>	17.4%	8.6%	14.4%	—	14.4%
Depreciation(※ 2)	32	2	34	—	34
EBITDA	396	95	491	—	491
<i>EBITDA Margin</i>	19.0%	8.8%	15.5%	—	15.5%

(*1) Adjustment value is derived from transactions between segments

(*2) Depreciation includes goodwill amortization

Consolidated Balance Sheets Change

(Unit: JPY mln)	End-FY2016	End-2Q 2017	Change
Current Assets	3,444	3,712	267
Cash and Deposits	3,096	3,242	146
Fixed Assets	173	458	285
Total Assets	3,618	4,170	552
Current Liabilities	958	1,309	350
Fixed Liabilities	220	1,106	885
Total Liabilities	1,179	2,415	1,236
(Interest-Bearing Debts)	325	1,312	987
Capital	1,303	1,321	18
Capital Surplus	1,257	183	△1,073
Retained Earnings	△151	238	389
Total Net Assets	2,439	1,755	△683

Announcement of Change in Chief Executive Officer and Management Structure

1. Details

Uzabase, Inc. implemented a change in Chief Executive Officer on 1 November 2017 as outlined below.

Name	Previous Position	New Position
Yusuke Umeda	Director and Chief Creative Officer of the Group	Co-Chief Executive Officer
Ryosuke Niino	Co-Chief Executive Officer	Director

Announcement of Change in Chief Executive Officer and Management Structure

2. Reasons

Ryosuke Niino, Co-Chief Executive Officer of Uzabase, Inc., has been making full efforts to drive the company's business growth and expansion since its establishment in April 2008, with the mission of "Business Intelligence to Change Your World".

Lately, however, with his chronic illness showing temporary signs of deterioration, Niino requested that he be able to focus on medical treatment for the time being and agreed to resign from the position of Co-Chief Executive Officer on 31 October 2017 at the Meeting of the Board of Directors held on 11 October 2017. For now, Niino will prioritise his medical treatment, and continue to undertake the important duties of devising and implementing management principles and business strategies going forward, depending on his health condition.

Yusuke Umeda, the newly appointed Co-Chief Executive Officer, had been undertaking the same role from the establishment of the company until April 2017, when Uzabase, Inc.'s last management structural change came into effect. Currently, Umeda is the Director of Uzabase, Inc. and NewsPicks Inc., and is propelling the development of the US edition of NewsPicks. Utilising the expertise and experience that he has gained overseas from this process, Umeda will resume the position of Co-Chief Executive Officer for the Group, pledging to fulfil the duties.

Note that no change is made to Yusuke Inagaki, the current Co-Chief Executive Officer for Uzabase, Inc.

UZABASE

Business Intelligence to Change Your World

Please refer to the “Financial Statements for 3Q 2017” or the “Quarterly Financial Report for 3Q 2017” for further details.

Disclaimer

The information disclosed in this material and projections for the 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 performance and results in the future may vary greatly from the projections due to various factors. Data before 3Q 2015 has not been audited since Uzabase, Inc. was not a public company then.

UZABASE

14 November 2017