

December 13, 2017

Company name	Livesense Inc.
Representative	Taichi Murakami, President and Representative Director
(Code number: 6054 TSE)	
Contact	Motoi Nakazato, Director
Phone: (81)-3-6275-3330	

Company name	Starts Corporation Inc.
Representative	Kazuo Isozaki, President and Representative Director
(Code number: 8850 TSE)	
Contact	Hisayuki Muramatsu, Managing Executive Officer
Phone: (81)-3-6202-0111	

Notice of Establishment of Joint Venture

Starts Corporation Inc. ("Starts") and Livesense Inc. ("Livesense") have decided to conclude an agreement for the establishment of a joint venture between the two companies. Starts approved the decision at the Board of Directors on December 1, 2017, while Livesense did so at the Board of Directors convened today. Details follow below.

1. Reason for Establishing a Joint Venture

As provided in the "Notice on a Basic Consensus on Establishing a Joint Venture with Starts Corporation, Inc." and in the "Notice on a Basic Consensus on the Establishment of a Joint Venture with Livesense Inc." announced on November 9, 2017, Livesense and Starts ("both companies") have concluded a basic agreement on pooling their knowledge and establishing a joint venture ("the joint venture") to provide new services, the purpose of being to further stimulate the real estate market. As a result of deliberations between both companies on this matter, they shall now establish a joint venture to be financed by both companies.

The joint venture will offer an impartial, transparent front service "Sumai no Mikata" in real estate, as well as a new transaction platform service making use of IT. Livesense will utilize its knowledge and track record with real estate information provision services leveraging IT and real estate tech for the services of the Joint Venture, while Starts Group will take advantage of its knowledge and past performance in real estate deals. The provision of these services will open up new markets on the property seller side and independently build a buyer's market. Meanwhile, the services will deliver high level of customer satisfaction by maximizing the benefits for both sellers and buyers, thus helping to stimulate the real estate market.

2. Business of the Joint Venture

(1) Sumai no Mikata

The front service will make maximum use of data to provide highly transparent, face-to-face advice to customers considering a purchase, sale of or investment in real estate, and will introduce real estate agencies to customers for fulfilling their benefits and demands.

(2) New real estate transaction platform service utilizing IT (tentative)

The joint venture will provide customers considering a purchase or sale of real estate with a new transaction platform service to maximize the benefits for both.

3. Joint Venture Overview

Trade Name	PHIL LIFE Inc.
Location	3-1-8 Nihonbashi, Chuo-ku, Tokyo
Representative's Position/Name	President and Representative Director, Satoshi Hayakawa
Business	1. Sumai no Mikata ("Housing Friend") 2. New real estate transaction platform service utilizing IT (tentative) 3. Related incidental to the above two businesses
Common Stock	¥50 million (capital reserves: ¥50 million)
Date Established	January 2018 (tentative)
Stakes	Livesense Inc. 51.0% Starts Corporation Inc. 49.0%

4. Overview of Joint Venture Agreement Partners

(1) Livesense Overview

Trade Name	Livesense Inc.
Location	2-25-2 Kamiosaki, Shinagawa-ku, Tokyo
Representative's Position/Name	President and Representative Director, Taichi Murakami
Business	Internet media operations
Date Established	February 2006
Common Stock	¥234.44 million (as of September 30, 2017)

(2) Starts Overview

Trade Name	Starts Corporation Inc.
Location	3-4-10 Nihonbashi, Chuo-ku, Tokyo
Representative's Position/Name	President and Representative Director Kazuo Isozaki
Business	The business management of all group companies and all incidental business activities, mainly concerned with construction and real estate brokerage/management, as well as involving finance (securities and trusts), publishing, hotels, senior citizen assistance and childcare, etc. as a holding company of the Starts Group
Date Established	September 1972
Common Stock	¥11,039.48 million (as of September 30, 2017)

5. Timeline

Board of Directors Decisions	Starts: December 1, 2017 Livesense: December 13, 2017
Joint Venture Establishment	January 2018 (tentative)
Joint Venture Operations Start	January 2018 (tentative)

6. Future Outlook

The conclusion of the joint venture agreement will not impact Livesense's consolidated earnings for the year ending December 31, 2017. Furthermore, the impact on consolidated earnings for the year ending December 31, 2018 will be incorporated into the consolidated earnings forecast scheduled for release in February 2018.

The conclusion of the joint venture agreement will have a minor impact on Starts' consolidated earnings for the year ending March 31, 2018, and prompt notice will be provided on any earnings impact from future action.