



FY2017 3rd Quarter
Financial Results

November 14, 2017
Livesense Inc.
(TSE1: 6054)

Agenda

- 1 Financial Results
- 2 Business Overview & FY2017 Initiatives
- 3 Appendix

1. Financial Results

Executive Summary for the 3rd Quarter

Continuing from 2Q, net sales increased in all segments. Up 21.6% YoY. Operating income decreased 98.5% YoY due to continued investments, including renewal to Machbaito.

- **Net Sales** ¥1,659 million (YoY +¥289 million +21.6%)
- **Operating income** ¥1 million (YoY -¥103 million -98.5%)

Continuing from 2Q, quarterly net sales increased in all media.

- In HR Information Media, Tenshoku Kaigi drove sales growth
- Real Estate Information Media sales increased substantially with contribution of expanded customer attraction of DOOR Chintai, primarily advertising. Progress also made on IESHIL monetization
- E-commerce and new business sales also increased

Investment was promoted in mid-to-long-term growth. Some expenses (including investment) not used.

- Jobsense website renamed Machbaito and renewed. Value highlighted using “right away” as the service concept
- Progress slower than expected despite continued investments in advertising and human resources

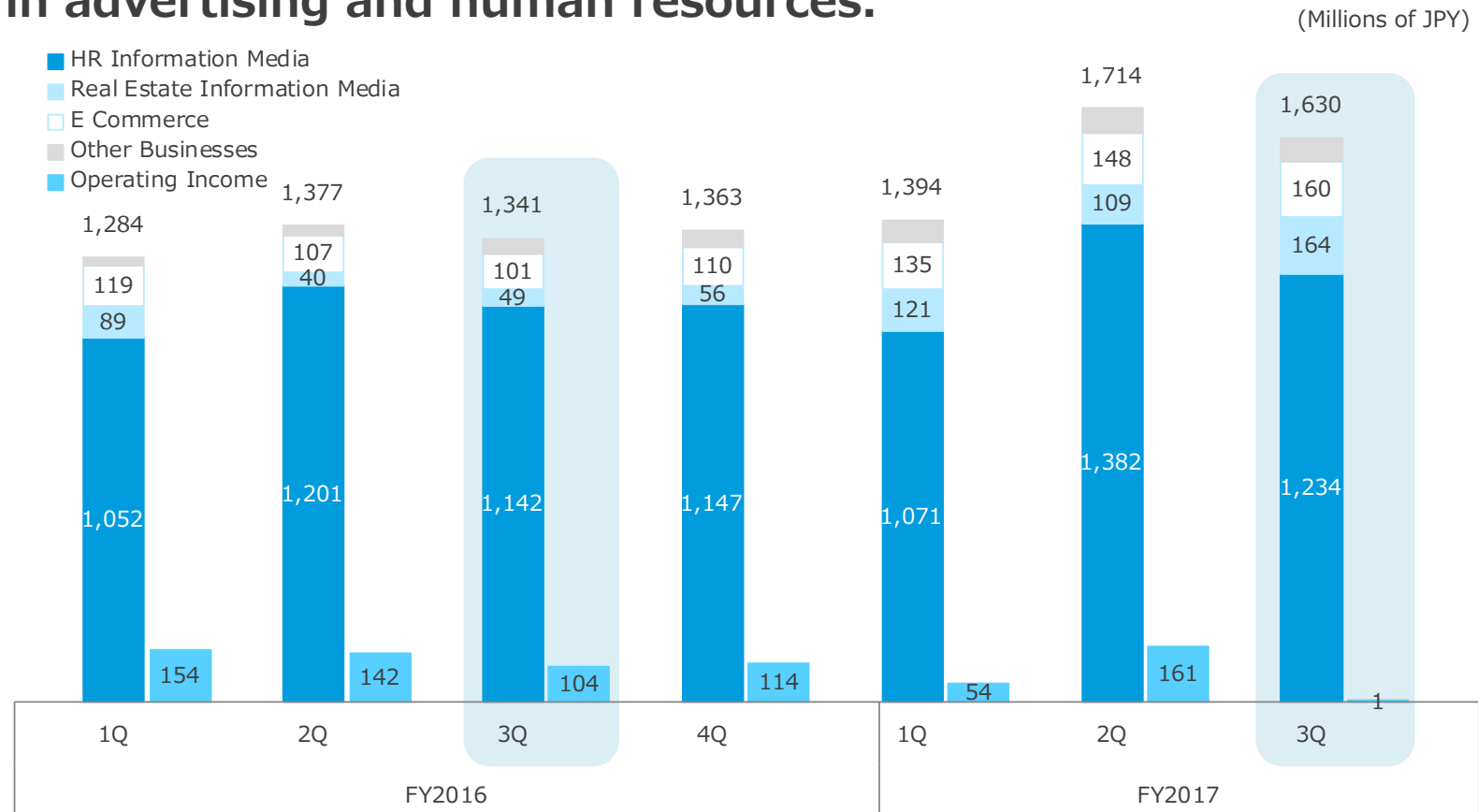
Quarterly Financial Results Overview

(Millions of JPY)

| | FY2016 3Q | FY2017 3Q | YoY |
|---------------------|--------------|--------------|--------|
| Net Sales | 1,341 | 1,630 | +21.6% |
| Operating Income | 104 | 1 | -98.5% |
| Operating Margin(%) | 7.8% | 0.1% | ▲7.7pt |
| Ordinary Income | 123 | 66 | ▲46.0% |
| Net income | 77 | 33 | ▲56.9% |

Net Sales and Operating Income

- Sales up in all segments, 21.6% YoY.**
- Operating income down 98.5% YoY due to continued investments in advertising and human resources.**

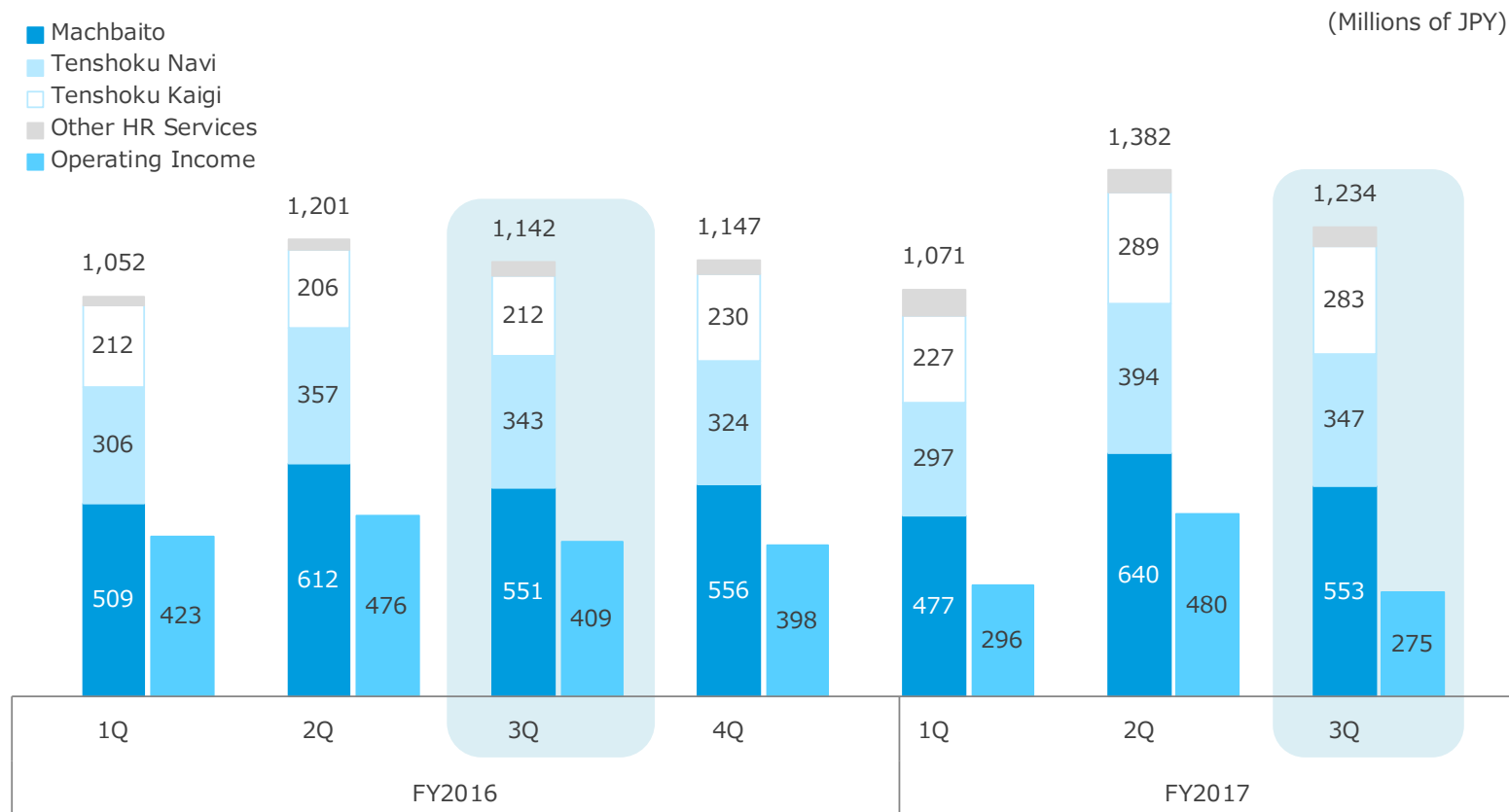


Note: IESHIL categorized under Real Estate Information Media as of 2Q/16. 1Q/16 results changed to reflect this (same applies hereinafter).

Segment Net Sales and Operating Income

- HR Information Media

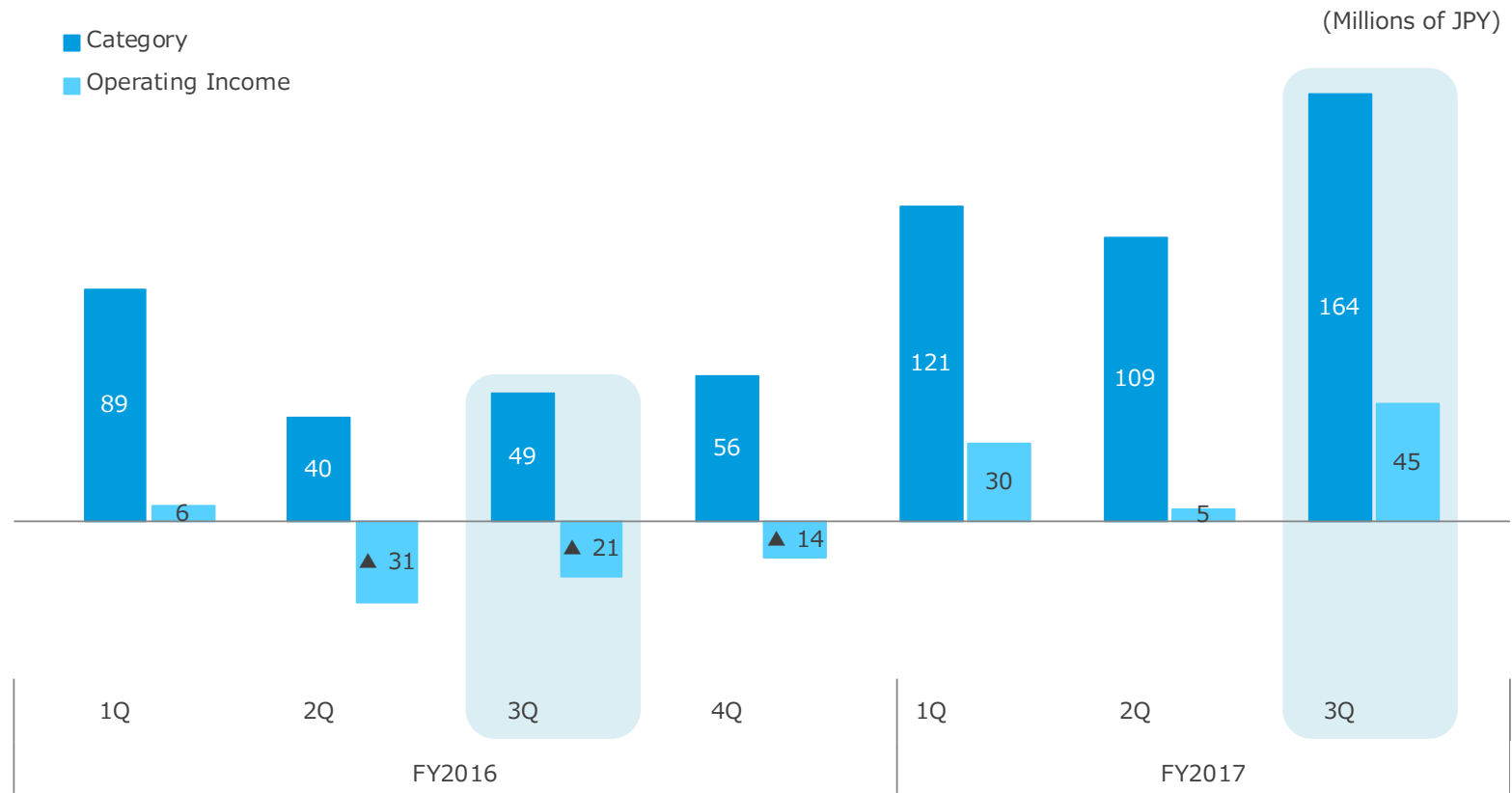
- Progress was made on monetization of Tenshoku Kaigi and Syukatsu Kaigi. Segment sales up 8.1% YoY.
- Machbaito website renewed. Sales were flat.



Note: The name of Jobsense Link was changed to Tenshoku Navi in 2Q/17, and the name of Jobsense was changed to Machbaito in 3Q/17.

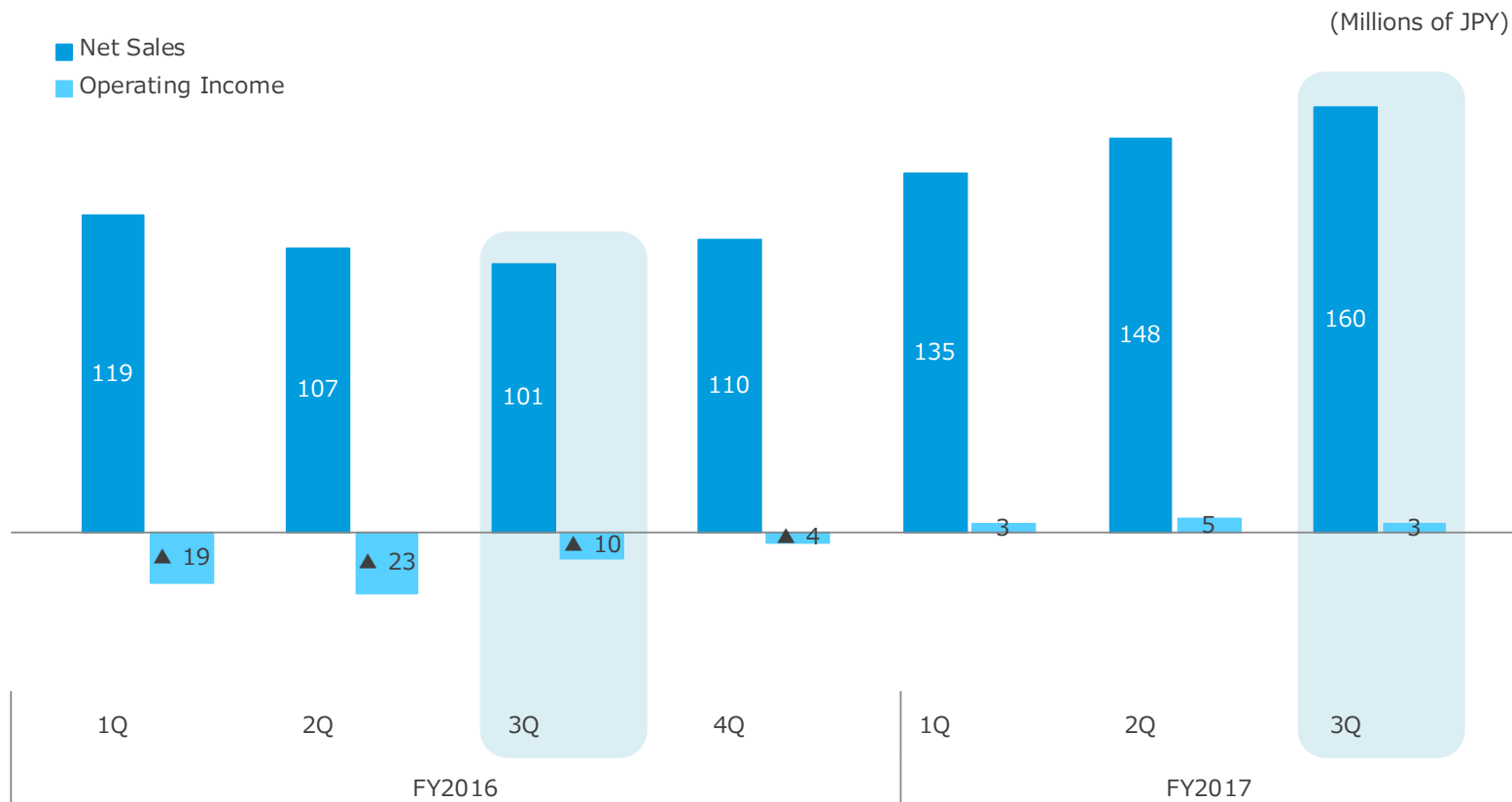
Segment Net Sales and Operating Income -Real Estate Information Media

DOOR Chintai customer attraction expanded with increase in number of property listings and advertising. Progress also made on IESHIL monetization for substantial increase in sales and profits.



Segment Net Sales and Operating Income -E-Commerce

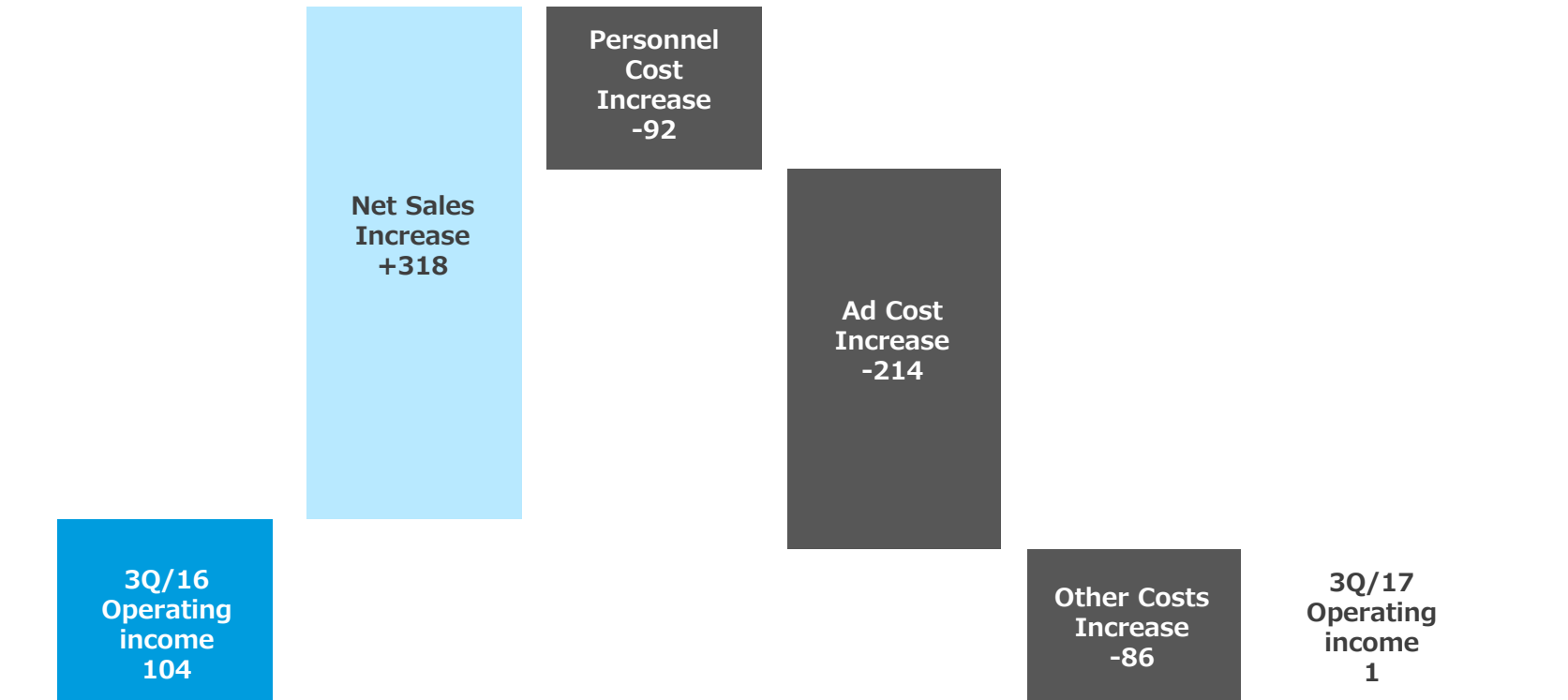
Web marketing knowledge sharing with waja progressed, resulting in increased sales and continued profitability.



Operating Income -YoY Comparison

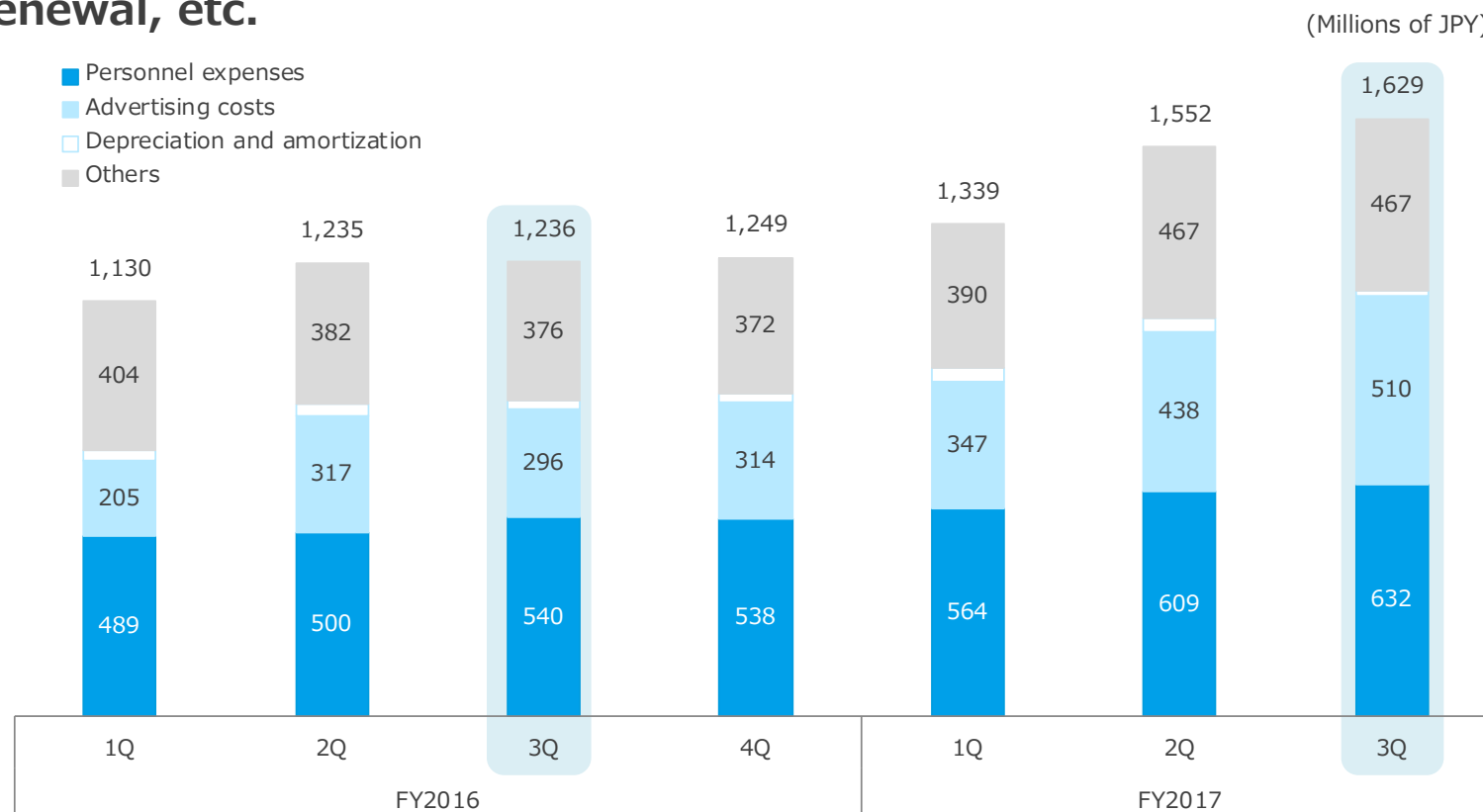
Net sales increasing steadily. Advertising costs up due to investments in web advertising and renewal to Machbaito, resulting in decreased profits.

(Millions of JPY)



Operating Expenses







- Personnel costs up 17.0% YoY due to increase in new graduates and other full-time employees.
- Advertising costs up 72.3% YoY due to reinforced web advertising, renewal, etc.



Note: Due to change in Machbaito Mach bonus (formerly monetary gifts) payout requirements, some have been recorded under Advertising costs instead of Others. Impact this quarter: Approx. ¥28 million

2. Business Overview & FY2017 Initiatives

Segments and Core Media

| | | |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Resources |     | Success fee-based part-time job posting site Success fee-based full-time job posting site Employer review Site New graduate employment support service |
| Real Estate |   | Success fee-based real estate posting site Real estate information service |
| EC |  | Overseas fashion EC site |
| Others |    | Medical Information Site Competitive bidding-type career service BtoB service comparison/order information site |

Business Strategy for FY2017 and Progress

| | | |
|-----------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Resources | Machbaito | <ul style="list-style-type: none">• Jobsense renewed to Machbaito. At same time, user experience improved by making “right away” service concept, and name recognition increased through video advertising• Steady progress on increasing job postings and improving accuracy of matching |
| | Tenshoku Navi Tenshoku Kaigi | <ul style="list-style-type: none">• For lateral hires (full-time employees), Tenshoku Navi and Tenshoku Kaigi’s organizations have been merged to optimize allocation of management resources. Promoting effective utilization of human resources and the customer base, aim for united growth• The name of Jobsense Link was changed to Tenshoku Navi. The website is updated, and currently promoting the re-branding• With Tenshoku Kaigi, began full-scale roll-out of career services utilizing reviews. Preparing for branding investment• “Tenshoku Kaigi BUSINESS,” our Tenshoku Kaigi services for enterprises expanded |
| | Syukatsu Kaigi | <ul style="list-style-type: none">• Registrations going well for 2018 and 2019 new grads• Promoted further content expansion and product development to improve site value in tandem with monetization |

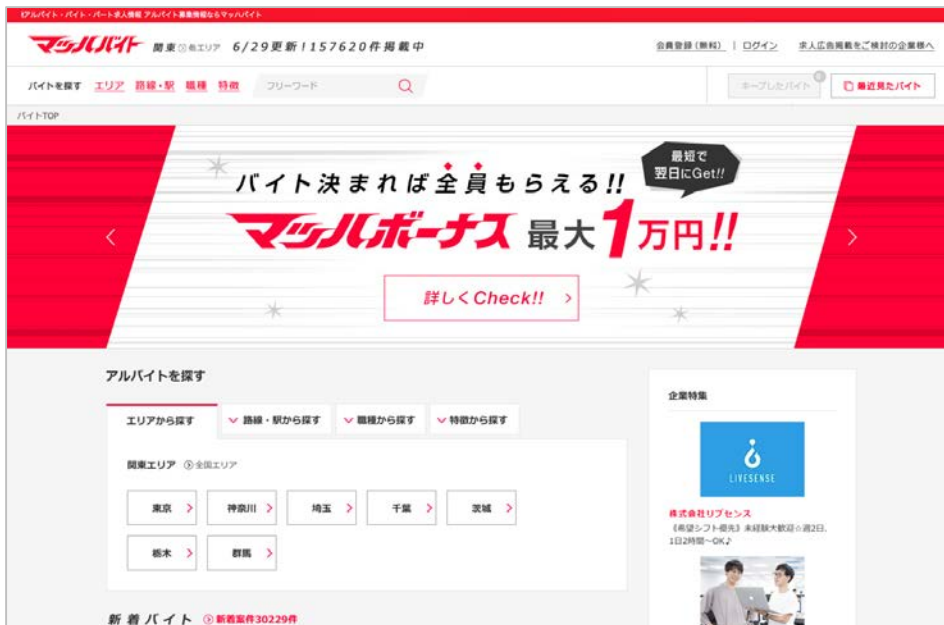
Business Strategy for FY2017 and Progress

| | | |
|-------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Real Estate Information | DOOR Chintai IESHIL | <ul style="list-style-type: none"> Accelerated the site improvement cycle, improved KPIs and accumulated know-how Sales and profits both favorable due to expansion of customer attraction through increased DOOR Chintai property listings and advertising Provided information based on user needs and increased matching with real estate agencies |
| EC | waja (consolidated subsidiary) | <ul style="list-style-type: none"> Customer satisfaction and profitability up as a result of introducing “anshin guarantee”* Improved conversion resulting from enhanced web marketing <p>*Optional service providing five guarantees (same day shipping guarantee, return guarantee, brand guarantee, inspection guarantee and customs guarantee) in exchange for “anshin guarantee” fee</p> |
| Other | New businesses | <ul style="list-style-type: none"> Chiryō Note Gathered patient experiences based on CGM and Q&A to polish business model Tenshoku Draft “Designer Draft” now held in addition to “Engineer Draft.” Trials were conducted to expand into other job categories Promoted development of a foundation to increase frequency and expand the business imitsu Continue to increase value of key categories Customer attraction measures such as SEO are steady |

Topics: Site Name Change & Re-Branding (Machbaito)

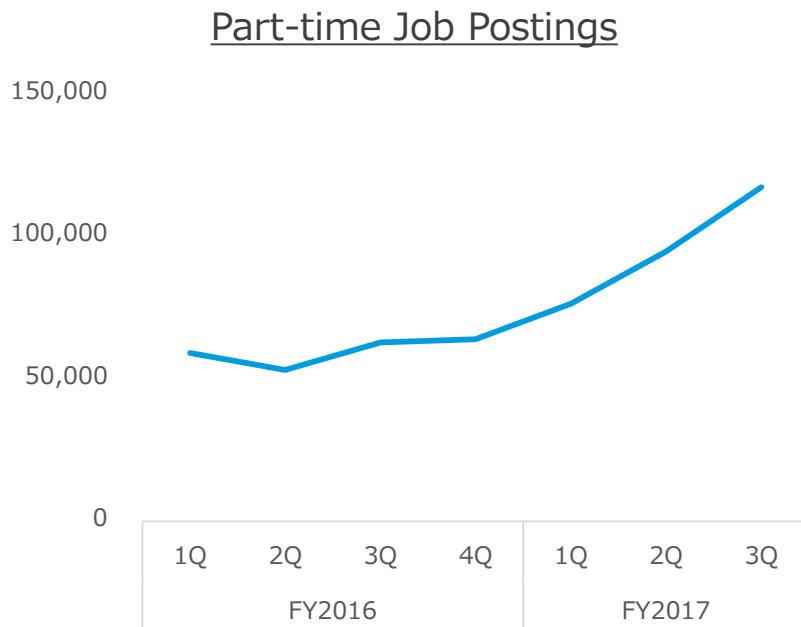
- | Website of founding business Jobsense renewed to Machbaito.
- | Enhanced functionality and user experience for realizing service concept of “right away,” and made to highlight value and differentiate.

Screenshots

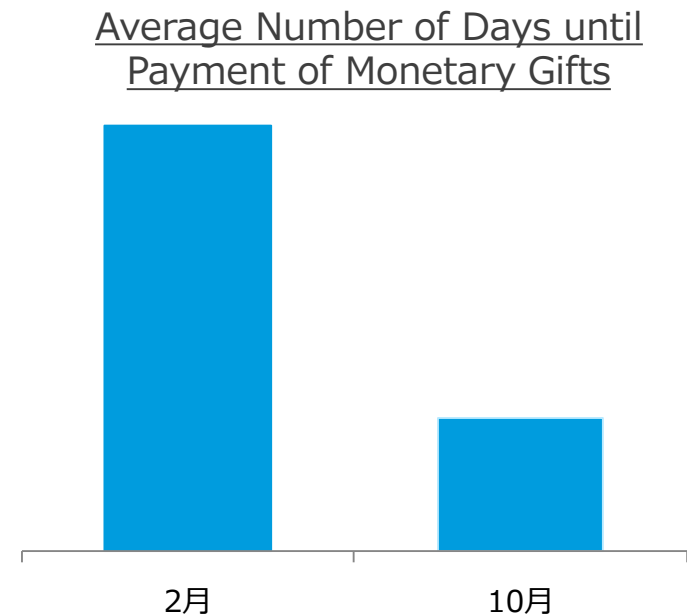


Topics: Site Name Change & Re-Branding (Machbaito)

- Address job applicant needs of “going to work right away” and “getting paid right away.”
- Number of postings almost doubled. Matching accuracy also improved for progress on “find right away.”
- Payment period for monetary gifts (Mach bonuses) shortened to almost a third. Progress made on “receive money right away.”



*Average part-time job postings on Machbaito during period (excluding contract employee postings)

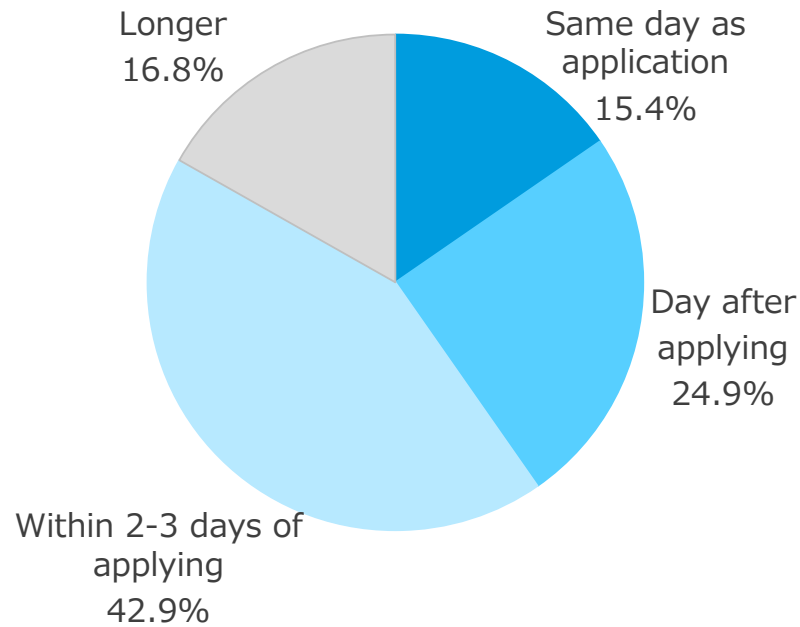


*Average number of days from “job posting application date” to “monetary gift (Mach bonus) payment date”

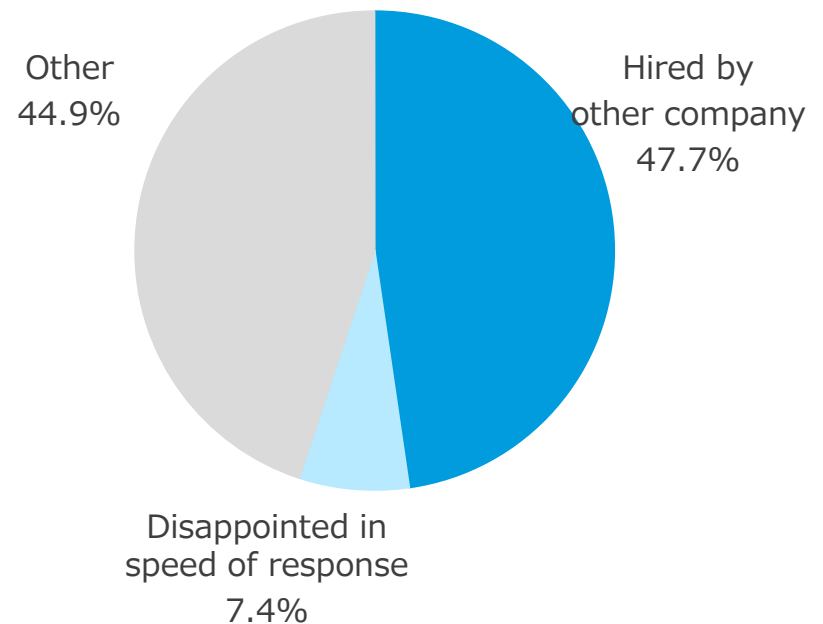
Topics: Site Name Change & Re-Branding (Machbaito)

- Prevent missed opportunities for hiring, improve hiring capabilities and improve job applicant satisfaction by supporting “right away” at recruiting companies.
- Start by streamlining hiring process through simplification of chat tools and management screens.

Ideal Contact After Application



Reasons Job Applicants Cancel Interviews



Source: Prepared in-house based on “2016 Part-Time Job Hiring Process Behavior Survey” by Tsunagu Solutions

Topics: Site Name Change & Re-Branding (Machbaito)

- | Video promotion launched on YouTube and Twitter in conjunction with website renewal.



Topics: Launch of New Service (IESHIL)

- “IESHIL CONNECT” real estate sales tool launched.
- Visualization of property risk assessments based on nearly 8 billion records of disaster data at Asia Air Survey. Supports highly clear and reliable sales activities in real estate business.

Screenshots

The screenshot displays the IESHIL CONNECT web interface. At the top, there is a search bar with the text '住所・マンション名を入力' and a search button. Below the search bar, the page title is 'サンプルマンションA'. The main content area features a large image of a modern apartment building on the left. To the right of the image, the text reads: '東京都江東区サンプルエリア1-1-1 東京メトロ有楽町線 サンプル駅 徒歩8分 築5年 | 20階建 | 180部屋 | RC造'. Below this, the price information is shown: 'IESHIL 参考査定価格 4,865万円~8,261万円 (坪単価: 214万円~273万円/坪)'. A sidebar on the left contains a 'レポートメニュー' (Report Menu) with icons for '基本情報', '査定価格', '地震', '洪水', '液状化', '津波', '土砂災害', and '避難場所'. The main content area is titled '基本情報' and contains a section 'サンプルマンションAの災害リスクサマリー' (Summary of Disaster Risks for Sample Apartment A). This section lists various risk categories with star ratings and average values for the area:

| 災害リスク | 評価 | 江東区平均 |
|------------|------------------|--------------|
| 地震への安全性 | ★★★☆☆ 2.7 | (江東区平均: 2.3) |
| 洪水への安全性 | ★★★★☆ 4.5 | (江東区平均: 2.9) |
| 液状化への安全性 | ★☆☆☆☆ 1.0 | (江東区平均: 1.9) |
| 津波への安全性 | ★★★★☆ 4.3 | (江東区平均: 4.5) |
| 土砂災害警戒区域指定 | 警戒区域には指定されていません。 | |

The screenshot displays the IESHIL CONNECT mobile app interface. At the top, there is a search bar and a user profile icon. Below the search bar, the page title is 'サンプルマンションA'. The main content area features a map titled '想定震度マップ' (Estimated Seismicity Map). The map shows the location of the property in the Koto Ward, Tokyo, with a color-coded legend indicating the estimated maximum seismicity. The legend categories are: '震度5弱以下' (Blue), '震度5強' (Green), '震度6弱' (Yellow), '震度6強' (Orange), and '震度7' (Red). The property location is marked with a blue circle and the 'IE' logo. Below the map, there is a section titled '地震への安全性' (Safety from Earthquake) with a star rating of '★★★☆☆ 2.7 (江東区平均: 2.3)'. The bottom of the screen shows navigation tabs for '物件周辺', '江東区', and '広域'.



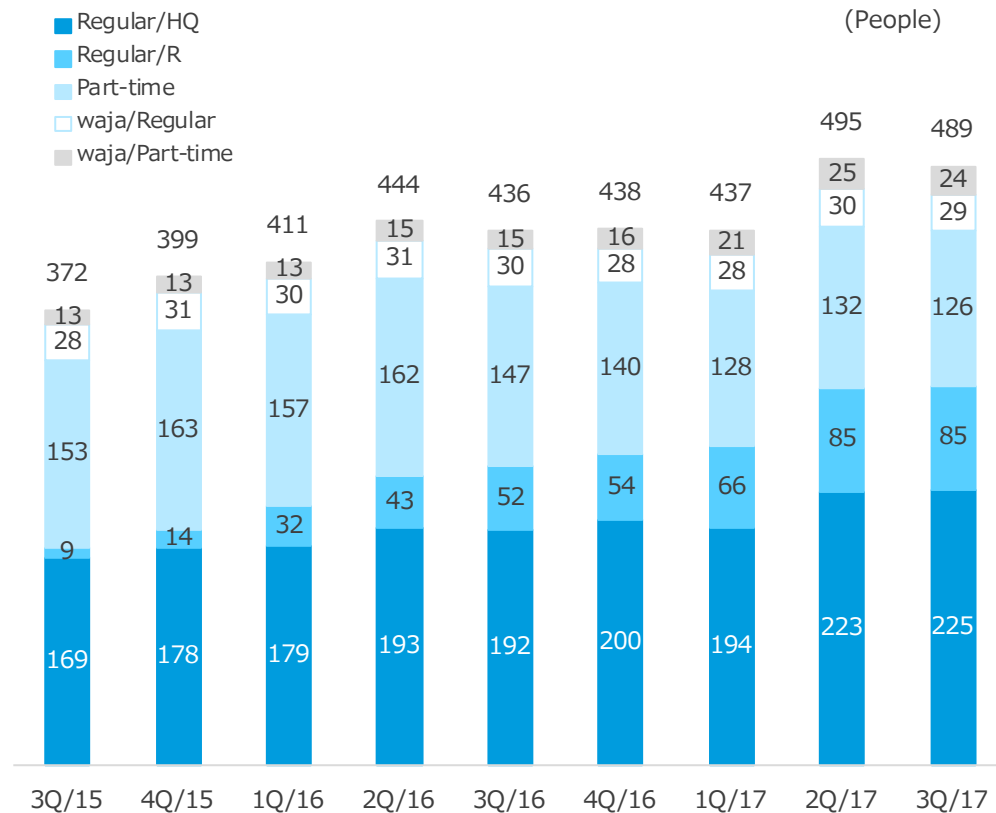
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3. Appendix

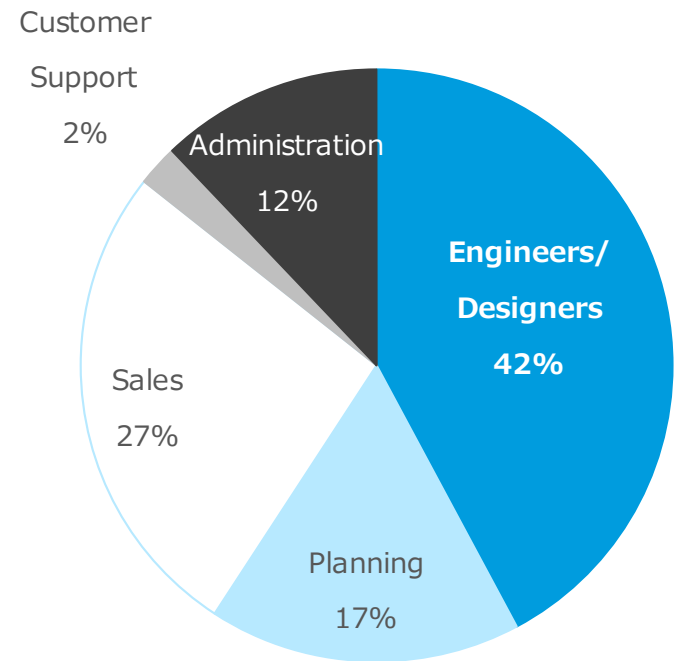
Employees

No. of Employees (Consolidated)



*Indirect hiring and outsourcers have been excluded beginning 2Q/17. Past numbers have been adjusted accordingly.

Breakdown of Full-time Employees



*Job categories changed as of 2Q/17

*Non-consolidated, head office full-time employees only

*Local full-time employees primarily in charge of customer support and sales

Record of Recent Major Publicity Events

| | |
|---------------|-----------------------------------------------------------------------------------------------------------------------|
| Oct. 31, 2017 | Halloween-themed communication measures covered on Fuji Television Network's program "THE NEWS α" |
| Oct. 30, 2017 | Office Renovation interview posted in Building Management Weekly |
| Oct. 11, 2017 | Interview of representative posted in Nikkei Business Associé |
| Oct. 11, 2017 | Tenshoku Kaigi employer review site covered by Asahi Shimbun |
| Oct. 7, 2017 | Representative participated in telephone interview on Miyazaki Broadcasting's program "Hodo Live Tokoton" |
| Oct. 3, 2017 | Machbaito part-time employment service covered by Shukan Asahi |
| Oct. 1, 2017 | IESHIL CONNECT sales tool for real estate business people covered in Tokyo Shimbun |
| Sep. 28, 2017 | IESHIL CONNECT sales tool for real estate business people covered in Nikkan Fudousan Keizai Tsushin |
| Sep. 28, 2017 | IESHIL CONNECT sales tool for real estate business people covered in Denki Shimbun |
| Sep. 28, 2017 | Machbaito part-time employment service covered by Nihon Keizai Shimbun |
| Sep. 28, 2017 | Interview of representative posted in Nikkei Business Online |
| Sep. 27, 2017 | IESHIL CONNECT sales tool for real estate business people covered in Nikkan Kensetsu Kogyo Shimbun |
| Sep. 27, 2017 | IESHIL CONNECT sales tool for real estate business people covered in Kensetsutsushin Shimbun |
| Jul. 10, 2017 | One of our male employees taking childcare leave covered by Nihon Keizai Shimbun |
| May 22, 2017 | Jobsense (currently Machbaito) part-time employment service covered by Nihon Keizai Shimbun |
| May 15, 2017 | Tenshoku Draft competitive bidding-type career service and Tenshoku Kaigi employer review site covered by Weekly AERA |
| May 6, 2017 | IESHIL real estate information service covered by Nihon Keizai Shimbun |
| Apr. 19, 2017 | IESHIL real estate information service covered by Nihon Keizai Shimbun |
| Apr. 19, 2017 | Interview of representative posted in Shukan Diamond |
| Apr. 5, 2017 | Interview of representative posted in Miyazaki Nichinichi Shimbun |
| Apr. 1, 2017 | Representative appeared as a commentator on Miyazaki Broadcasting's program "Hodo Live Tokoton" |

Corporate Profile

| | |
|-------------------------------------------|---------------------------------------------------------------------|
| Company Name | Livesense Inc. |
| CEO/Founder | Taichi Murakami |
| Business Philosophy | Happiness Begetting Happiness. |
| Corporate Vision | Invent the next common. |
| Established | February 8, 2006 |
| Date listed | TSE 1st Section : October 1, 2012 TSE Mothers : December 7, 2011 |
| Number of Employees (Non-Consolidated) | Full-Time: 310 (as of September 30, 2017) |



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Livesense Inc. (below, the Company) has prepared this material to provide current information about the Company.

The Company prepared this material using generally known information about social and economic conditions and certain assumptions that we deemed to be reasonable. The information found in this material is subject to change without notice due to changes in business conditions or for other reasons. This material contains forward-looking statements, which are based on current expectations, forecasts and assumptions that involve risks. These forward looking statements contain uncertainties, and actual results may differ substantially from these statements. These risks and uncertainties include general industry and market conditions as well as general Japanese and international economic conditions such as changes in interest rates and exchange rates.

The Company has no obligation to update or correct the forward-looking statements contained in this material, regardless of any new information, future events, etc.

In light of the above, investors are advised to use their own judgment when making investments.