



Financial Results for 3Q FY2015

November 13, 2015
Livesense Inc.
(TSE : 6054)

Agenda

- 1 Financial Results for 3Q FY2015
- 2 Full-year earnings forecast for FY2015
- 3 Reference Materials

1-1 3Q FY2015 Highlights (Jul.2015 –Sep.2015)

| Operating loss was posted due to increase in forward-looking investments, but net sales still increased 20.3% YoY

- Net sales 1,325 million JPY (YoY, UP20.3%)
- Operating Loss 68 million JPY

| HR Information Media Business revenue was up 11.3% YoY “Jobsense”: UP 3.1%, “Tenshoku Kaigi” : UP 130.0%

- Jobsense Number of unique users was slightly sluggish compared to company expectations, but net sales increased 3.1% YoY, owing mainly to favorable sales of optional services
- Tensyoku Kaigi Strengthening of monetization (such as collaboration with Recruitment agencies) was successful, leading to substantial growth

| P/L of fashion EC site management company “waja” consolidated from 3Q, contributing 115 million JPY to 3Q net sales

| Full-year earnings forecast for year ending December 31, 2015 announced

- Net sales 4,800 million JPY (YoY, UP 12.2%)
- Operating Income 6 million JPY (YoY, DOWN 99.1%)

1-2 3Q FY2015 Financial Results (Quarter)

Operating loss posted again due to increase in advertising costs and personnel expenses, but substantial growth of “Tenshoku Kaigi” and consolidation of “waja” resulted in 20.3% increase in earnings YoY

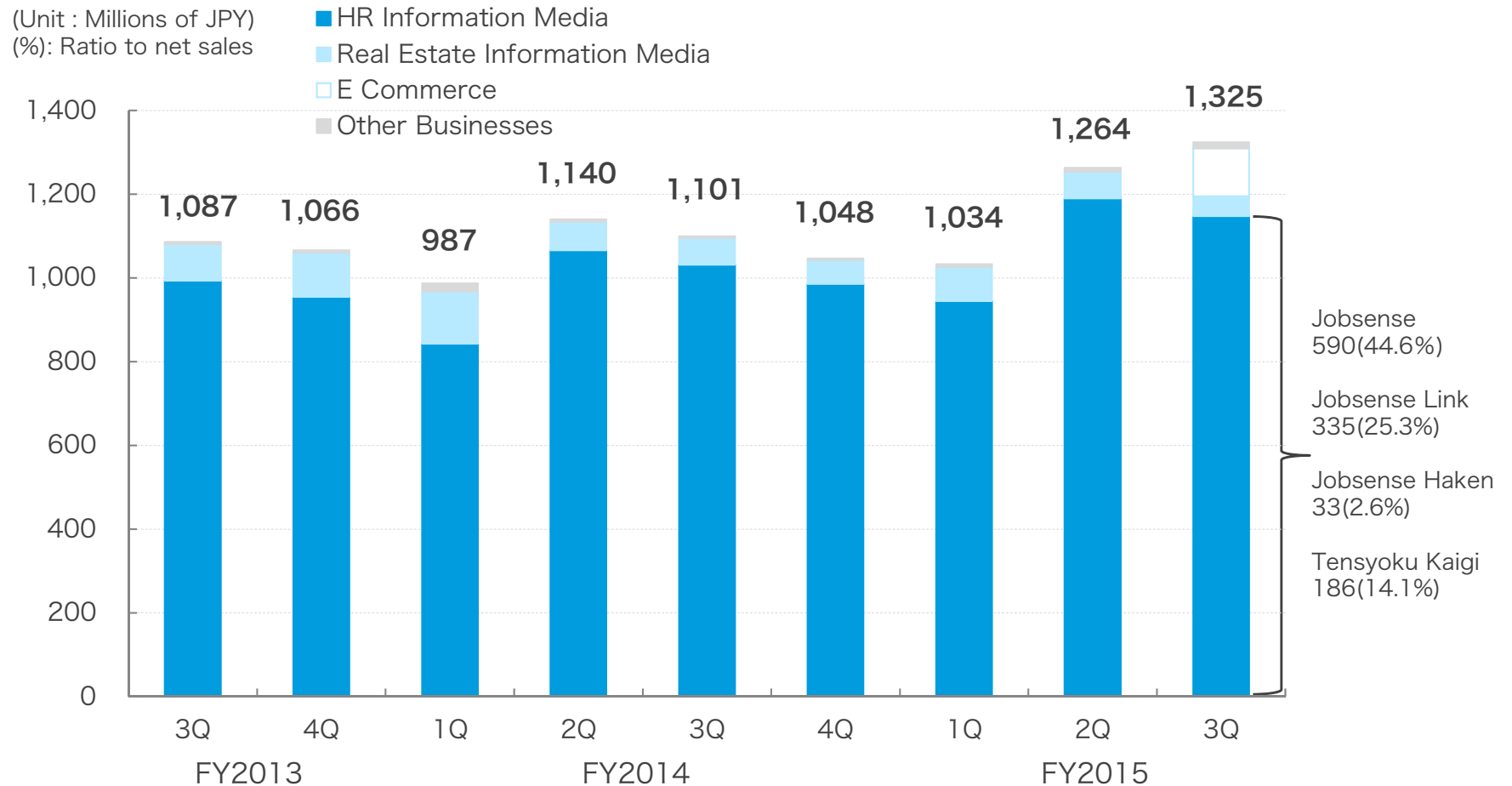
(Unit : Thousands of JPY)

	3Q14	3Q15	YoY
Sales	1,101,899	1,325,908	+20.3%
Sales Cost	74,647	129,725	+73.8%
	6.8%	9.8%	+3.0%
Gross Margin	1,027,252	1,196,182	+16.4%
	93.2%	90.2%	(3.0%)
SG&A Expenses	820,005	1,264,318	+54.2%
	74.4%	95.4%	+20.9%
Operating Income	207,246	(68,135)	-
	18.8%	-	-
Ordinary Income	207,640	(59,567)	-
	18.8%	-	-
Net Pretax Profit	201,586	(59,567)	-
	18.3%	-	-
Net profit	120,135	(39,576)	-
	10.9%	-	-

SG&A : Advertising expenses (+109 million JPY)
: Personnel expenses, etc. (+185 million JPY)

1-3 Net Sales

- Driven by Tenshoku Kaigi, recruiting domain grew 130% YoY
- “waja” net sales of 115 million JPY posted as E-Commerce business



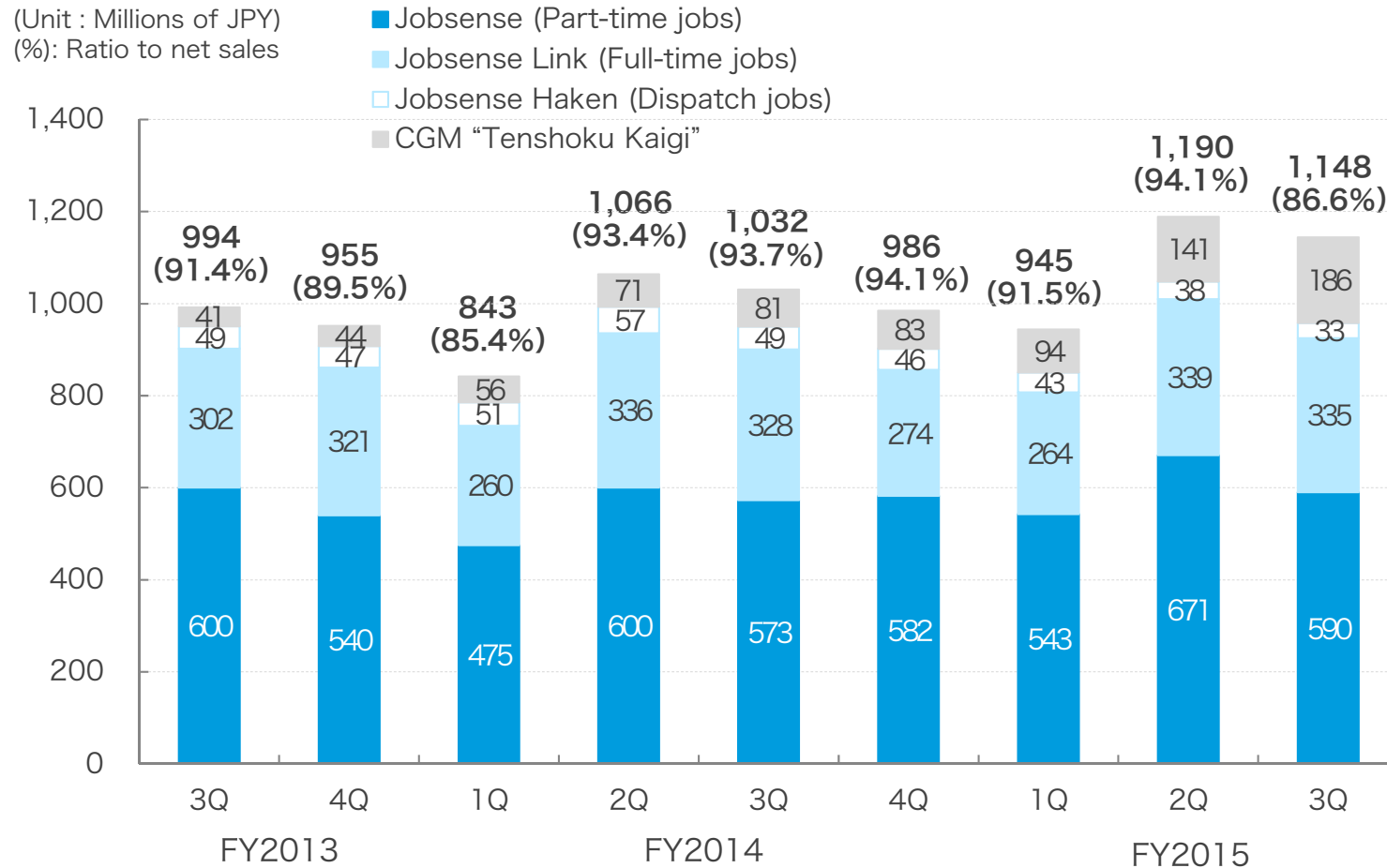
* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15. Categorized as E-Commerce business, a new segment

1-4 3Q FY2015 - Major Topics

Jobsense	<ul style="list-style-type: none">• Number of unique users increased YoY in 1Q/2Q, but growth still sluggish in 3Q• "Good Part-time Job Day" campaign successful in increasing application rate• Sales of optional services to corporate customers trended favorably.
Jobsense Link	<ul style="list-style-type: none">• Productivity (user application and employment rates) of "telephone supporter" for job applicants improved• Miyazaki Branch opened to enhance and expand "telephone supporter" for job applicants (operations launched on September 1)
Tensyoku Kaigi	<ul style="list-style-type: none">• Strengthening the channel of monetization is good ex : collaboration with an employment agency• Number of members surpassed 1.8 million <p>* "Tensyoku" means changing jobs</p>
door chintai	<ul style="list-style-type: none">• Number of unique users is struggling due to fierce competition• Number of property information postings grew due to expanding alliance
New Businesses Internal Development, Business Partnerships, M&A	<ul style="list-style-type: none">• P/L of fashion EC site management company "waja" consolidated from 3Q• Remedy Information Media "Chiryō Note" was released in August 5• Existing House Information Service "IESHIL" was released in August 27

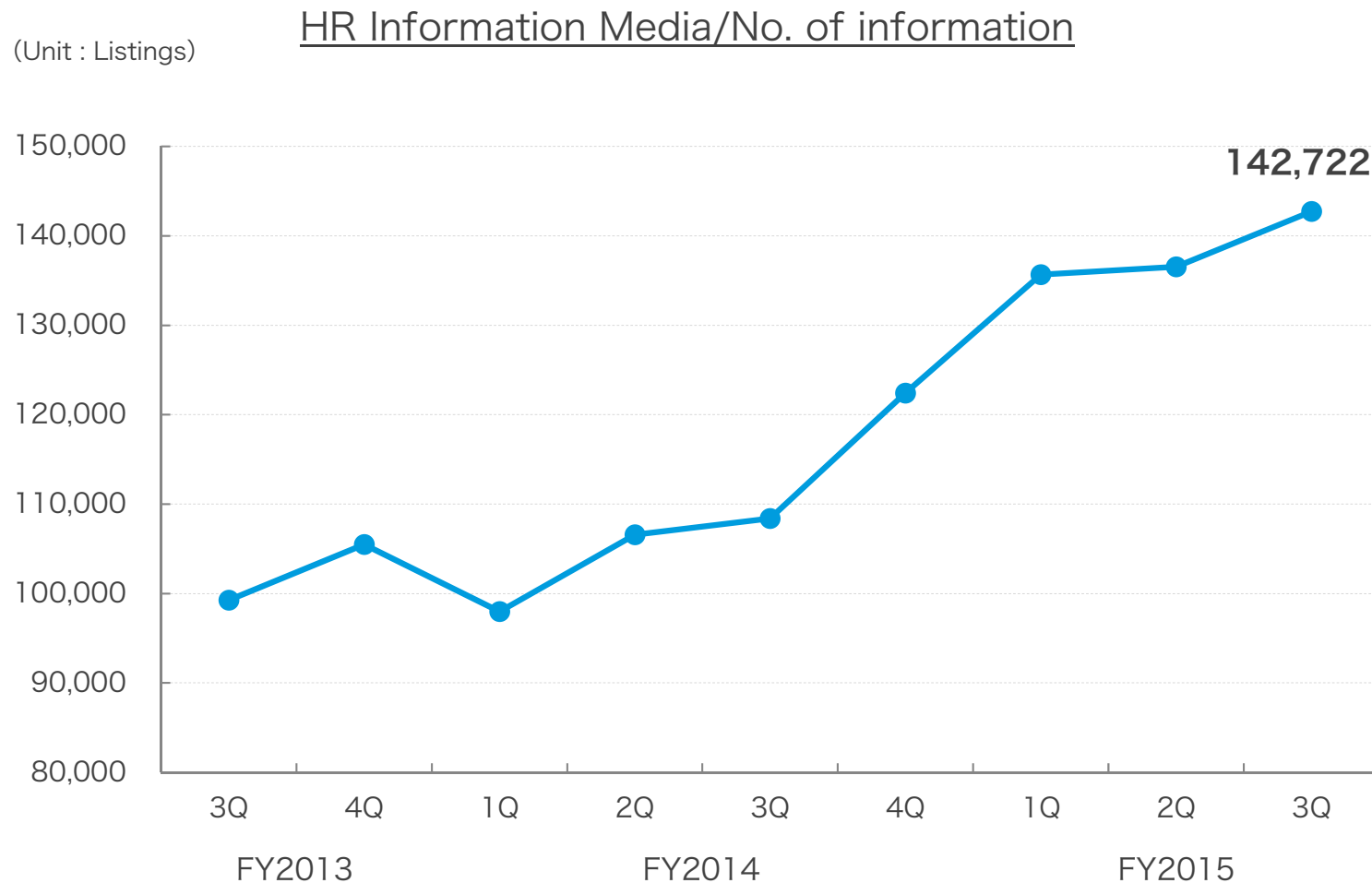
1-5 HR Information Media Business - Sales

Jobsense growth sluggish YoY at 3.1%, but expansion of Tenshoku Kaigi monetization continues to deliver with substantial growth of 130.0% YoY



1-5 HR Information Media Business - No. of information

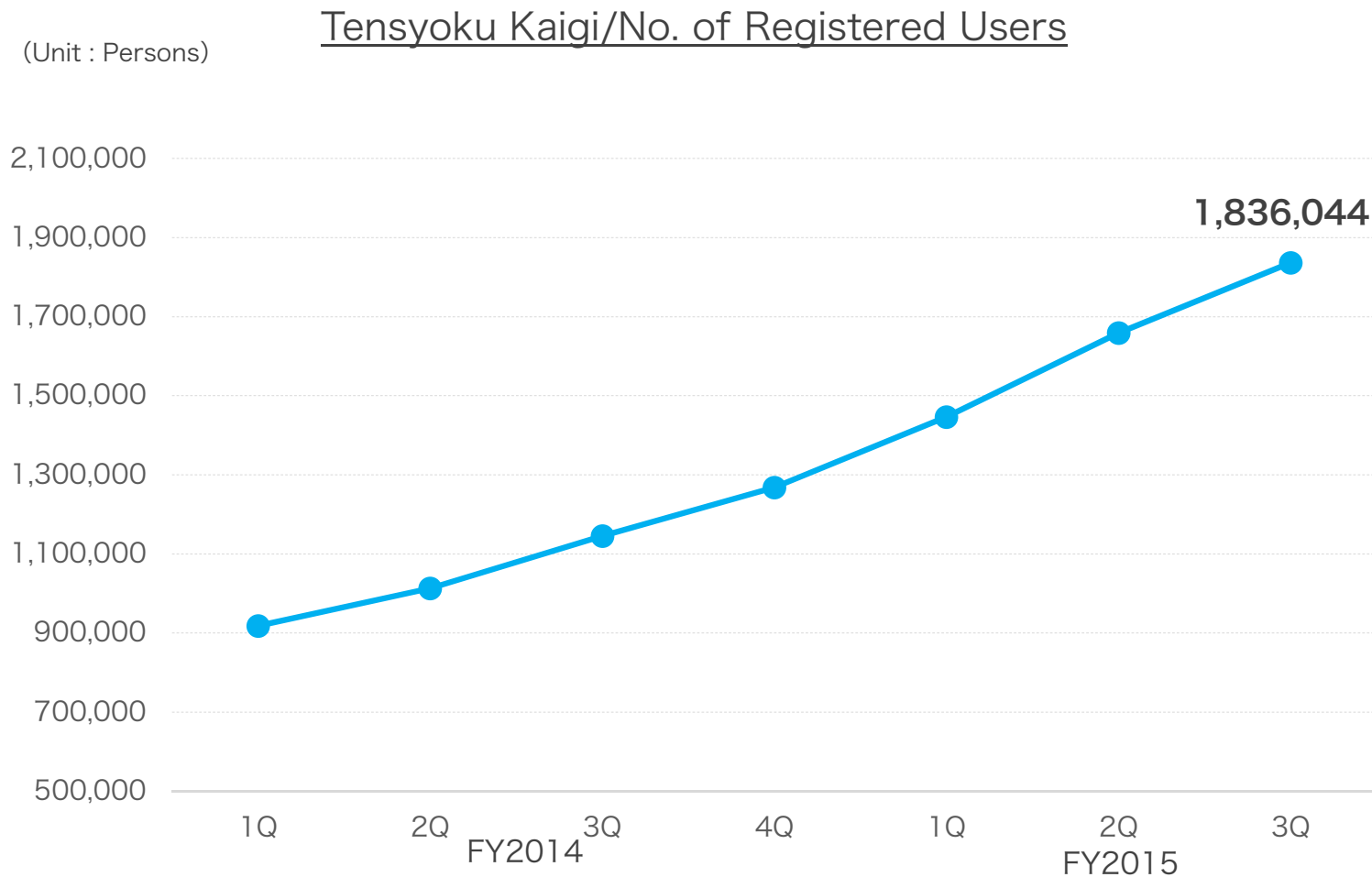
Large company cultivation and provision of optional services centered on Jobsense successful in increasing number of information postings



* No. of information is the total number of 3 HR Information media which are Jobsense, Jobsense Link and Jobsense Haken

1-5 HR Information Media Business - Tensyoku Kaigi

Number of members surpassed 1.8 million. Many users would potentially consider career changes, and monetization channels have expanded through collaboration with a recruitment agency and others.

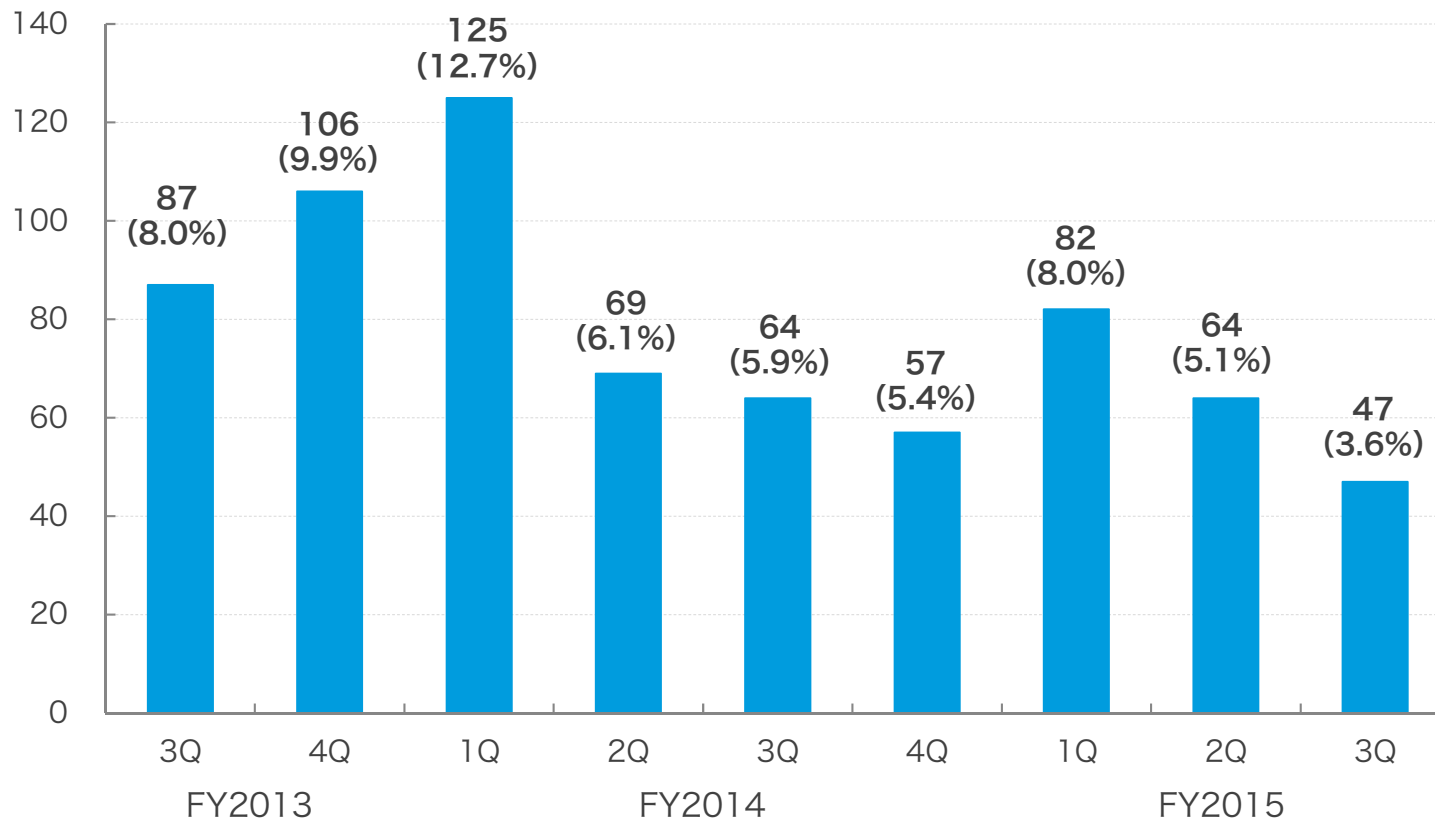


* No. of members is from 1Q FY2014, which can be retroactively calculated with current conditions

1-6 Real Estate Information Media Business - Sales

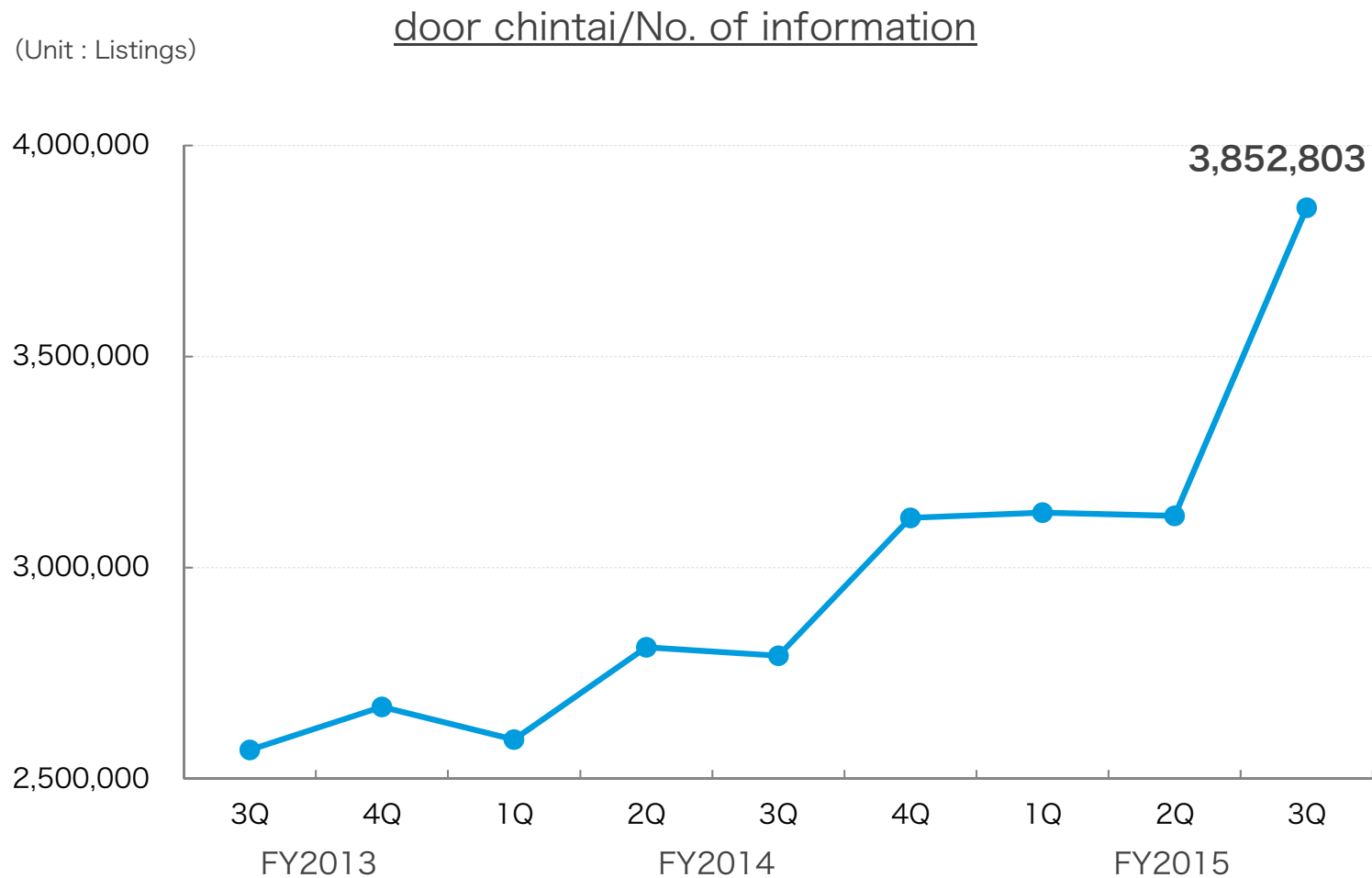
Sales were down 26.5% due to changes in competitive environment

(Unit : Millions of JPY)
(%) : Ratio to net sales



1-6 Real Estate Information Media Business - No. of information

Number of property information postings grew due to expanding alliance



1-6 Real Estate Information Media Business - New Service “IESHIL”

- Entered second hand real estate sales domain and released IESHIL (August 27)
- Released proprietary functions like real time appraisal of real estate properties (patent pending)

Top Page Image of IESHIL

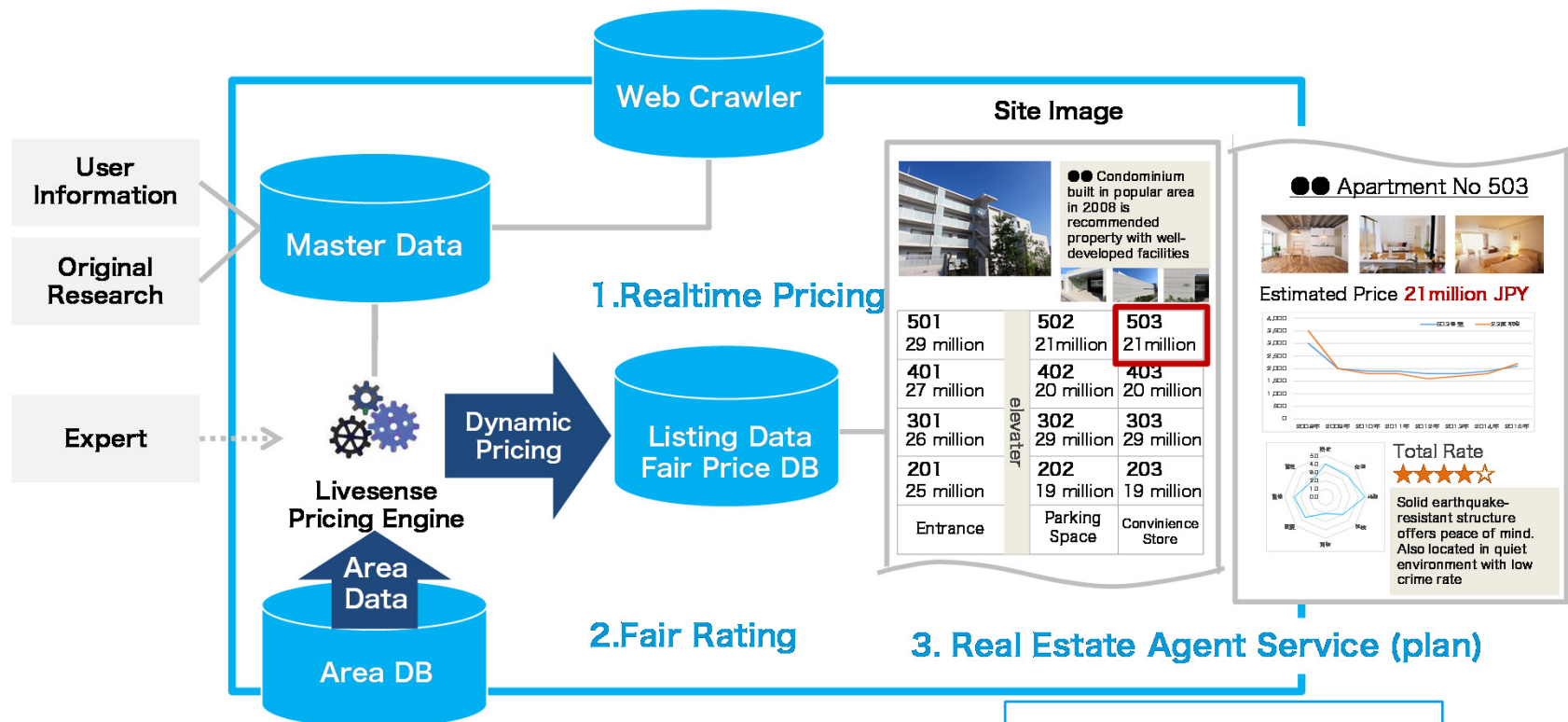
IESHIL (イエシル) で得られるメリット

リアルタイム査定	中立なレーティング	不動産仲介サービス
		
約3,000万円の賃貸情報、売買履歴などのビッグデータをもとに現在の価値を査定しています。 (特許出願済)	資産価値はもちろん、利便性や治安・地盤情報などの8項目を軸に、物件を多角的・客観的に評価しています。 (近日公開予定)	お客様の視点に立った優れたエージェントが力強くサポートいたします。 (近日開始予定) 詳しく見る

1-6 Real Estate Information Media Business - New Service "IESHIL"

Market price by property, estimated rent trends, etc. can be browsed utilizing big data such as real estate sales/lease history for approx. 30 million properties

Mechanism of IESHIL



Site Image

●● Condominium built in popular area in 2008 is recommended property with well-developed facilities

501 29 million	502 21 million	503 21 million
401 27 million	402 20 million	403 20 million
301 26 million	302 29 million	303 29 million
201 25 million	202 19 million	203 19 million
Entrance	Parking Space	Convenience Store

elevator

●● Apartment No 503

Estimated Price 21 million JPY

Total Rate ★★★★★

Solid earthquake-resistant structure offers peace of mind. Also located in quiet environment with low crime rate

Open Date of Public office and Municipality

Population Price Index Land prices advertised Land assessments
 Crime Accident Development Plan Economy School district Hospitals etc.

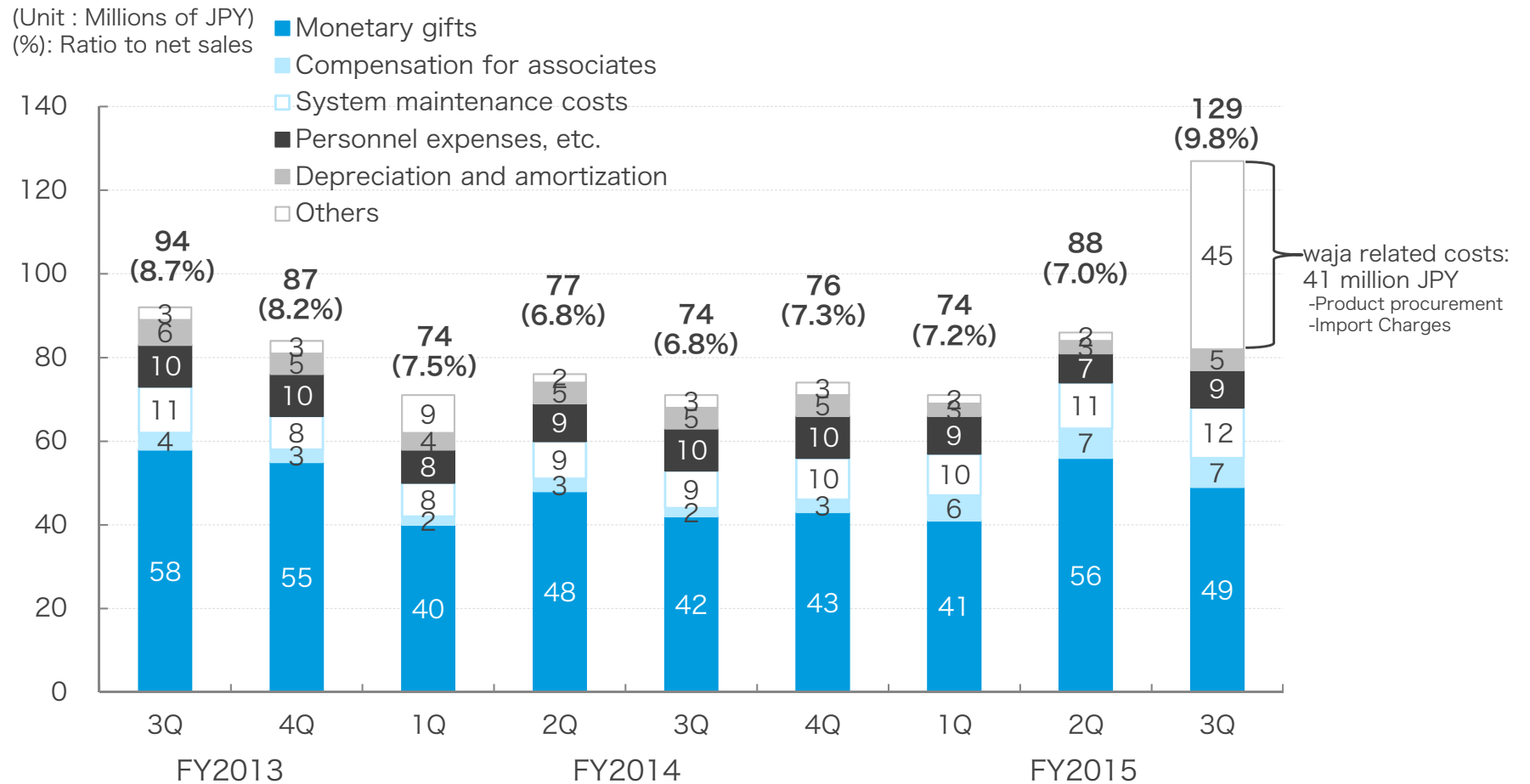
IESHIL AGENT

Highly transparent real estate agent service leveraging latest IT

* Price date is estimated with rate trend originally

1-7 Sales Costs

- Monetary gifts increased 18.0% YoY due primarily to related measures
- Other costs related to product procurement and import charges increased with consolidation of waja P/L

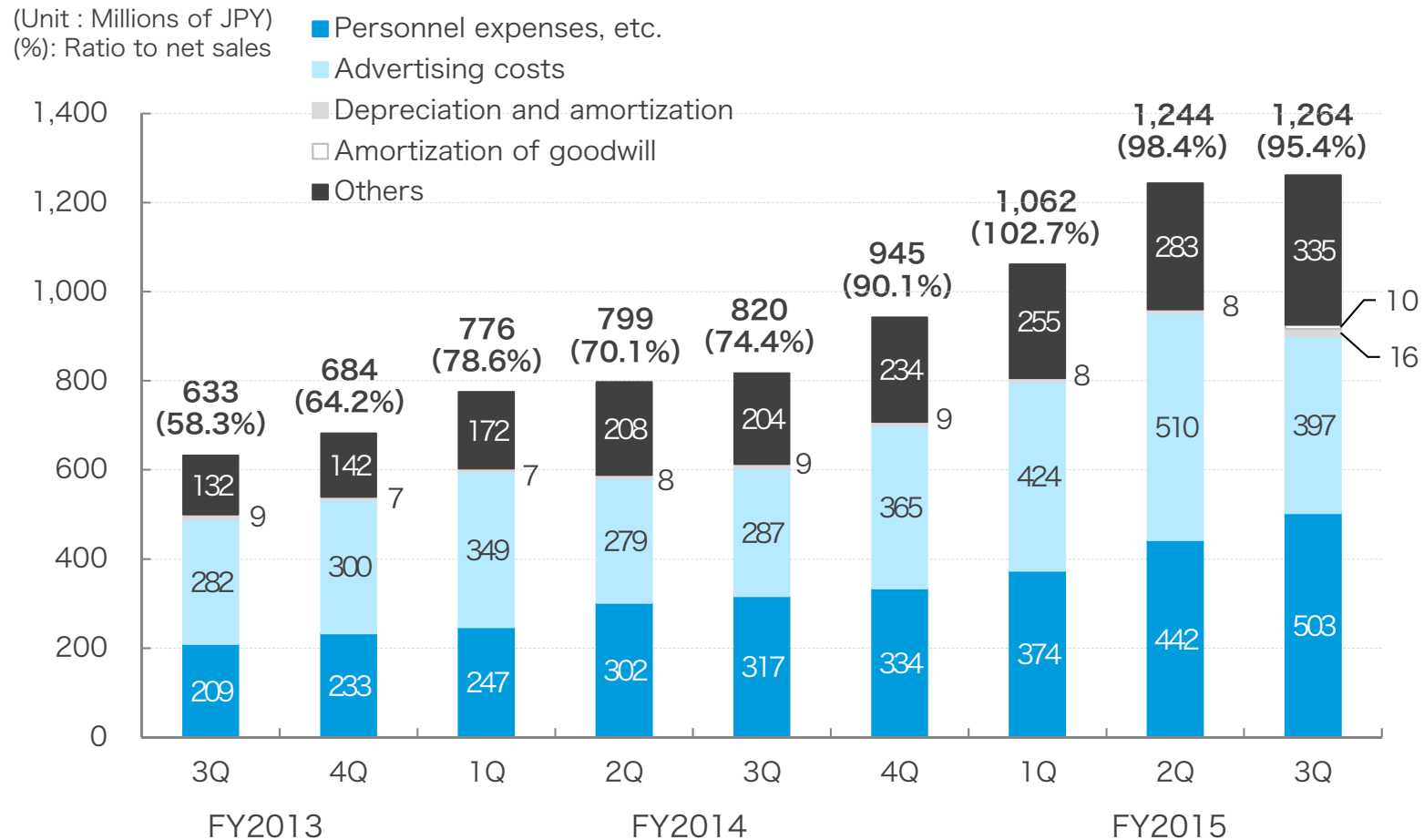


* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15

1-8 SG&A Expenses

Advertising costs increased 38.1% YoY but decreased 22.1% QoQ

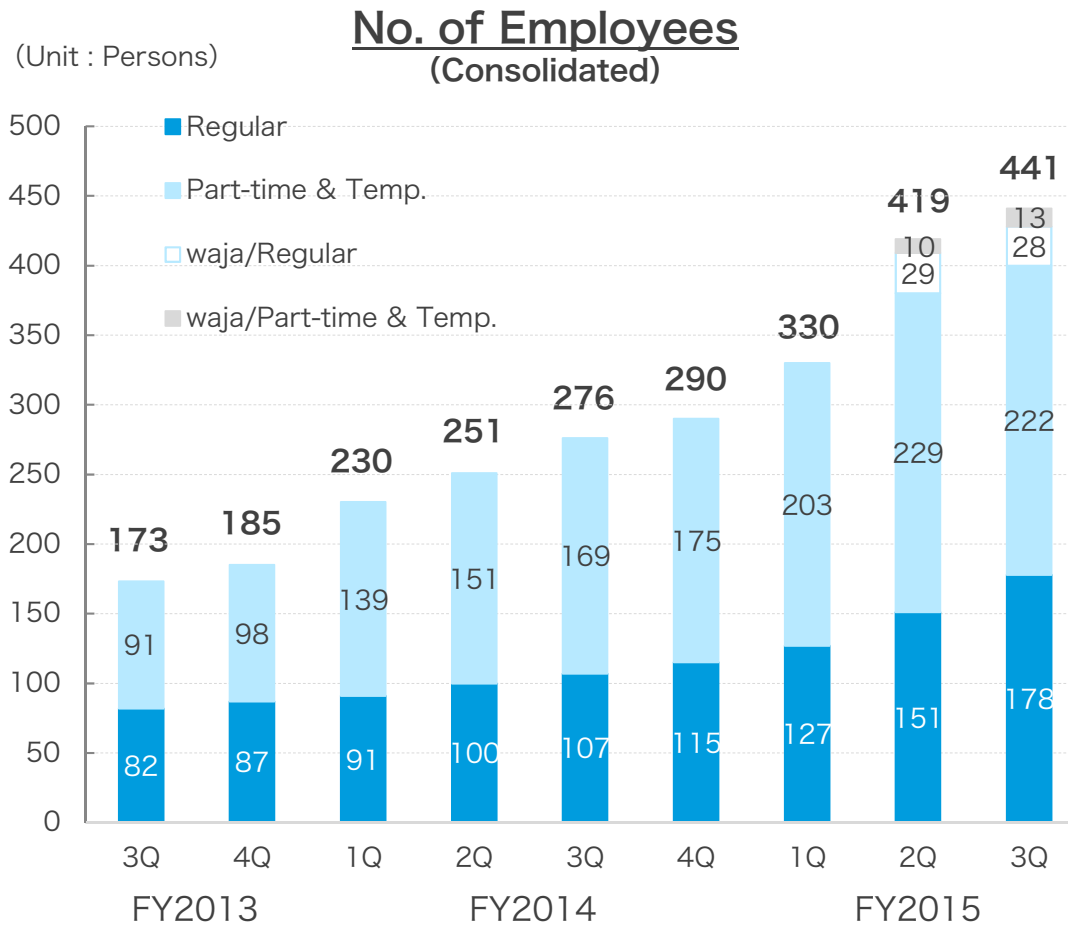
Posted 10 million JPY amortized goodwill expense for consolidated subsidiary waja



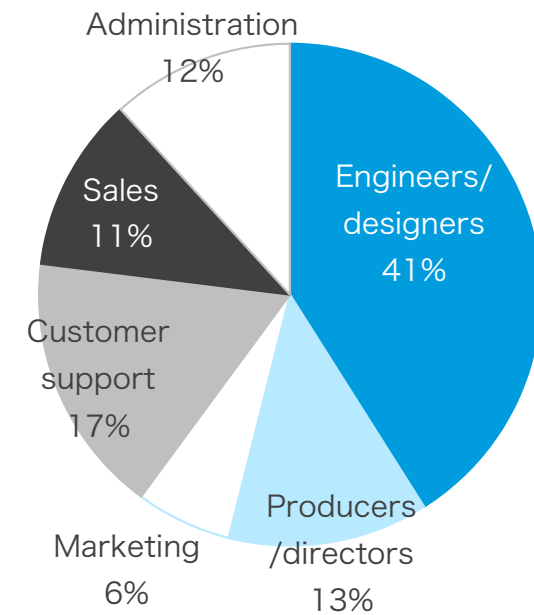
* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15

1-9 Number of Employees

- Added 27 full time employees (excluding waja)
- No major changes have been made to the composition of personnel centered on engineers and designers.



Breakdown of regular employees (Non-consolidated)



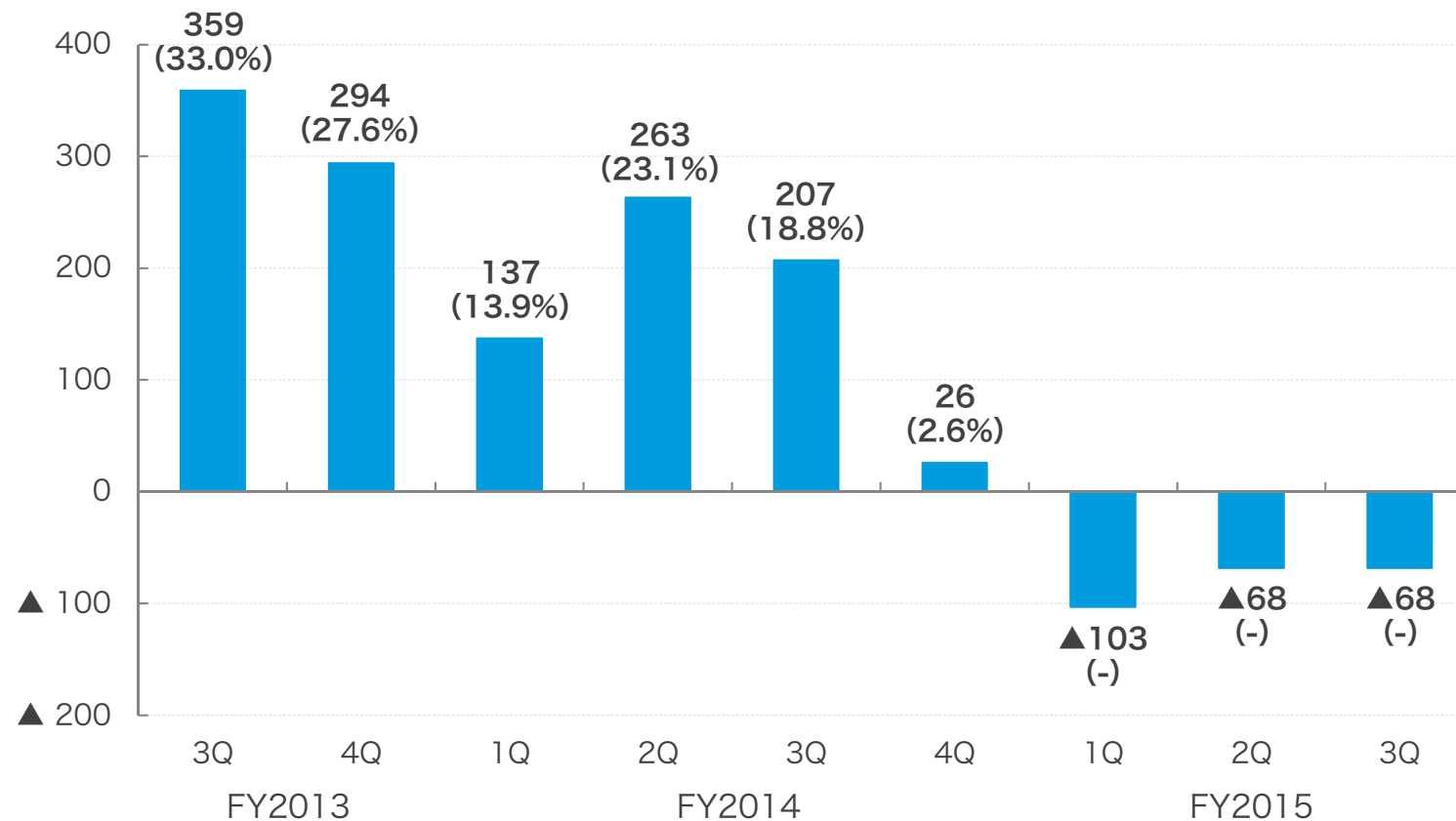
(As of Sep 30, 2015)

* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15

1-10 Operating Income

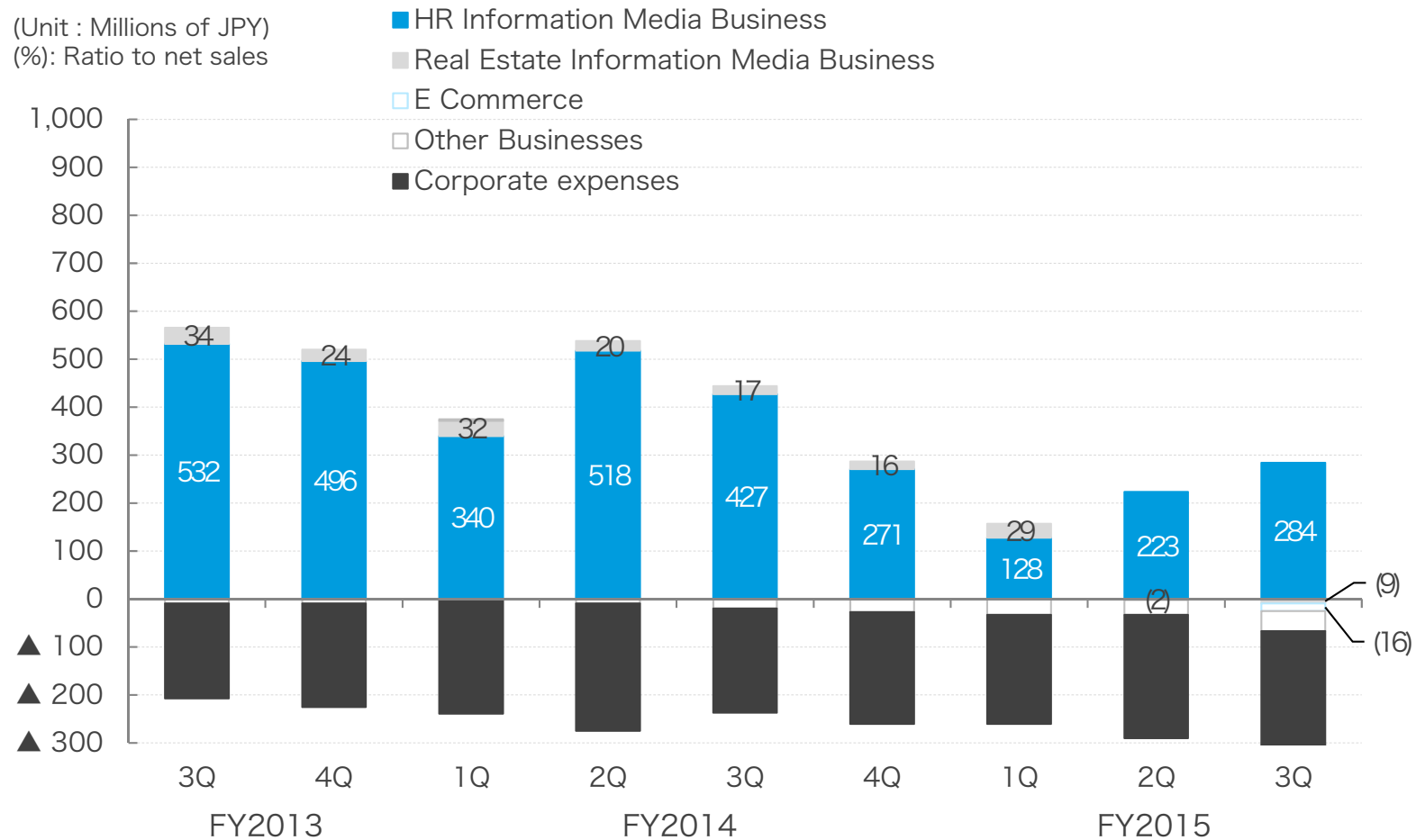
Operating loss was posted due to increase in forward-looking investments (advertising/personnel)

(Unit : Millions of JPY)
(%): Ratio to net sales



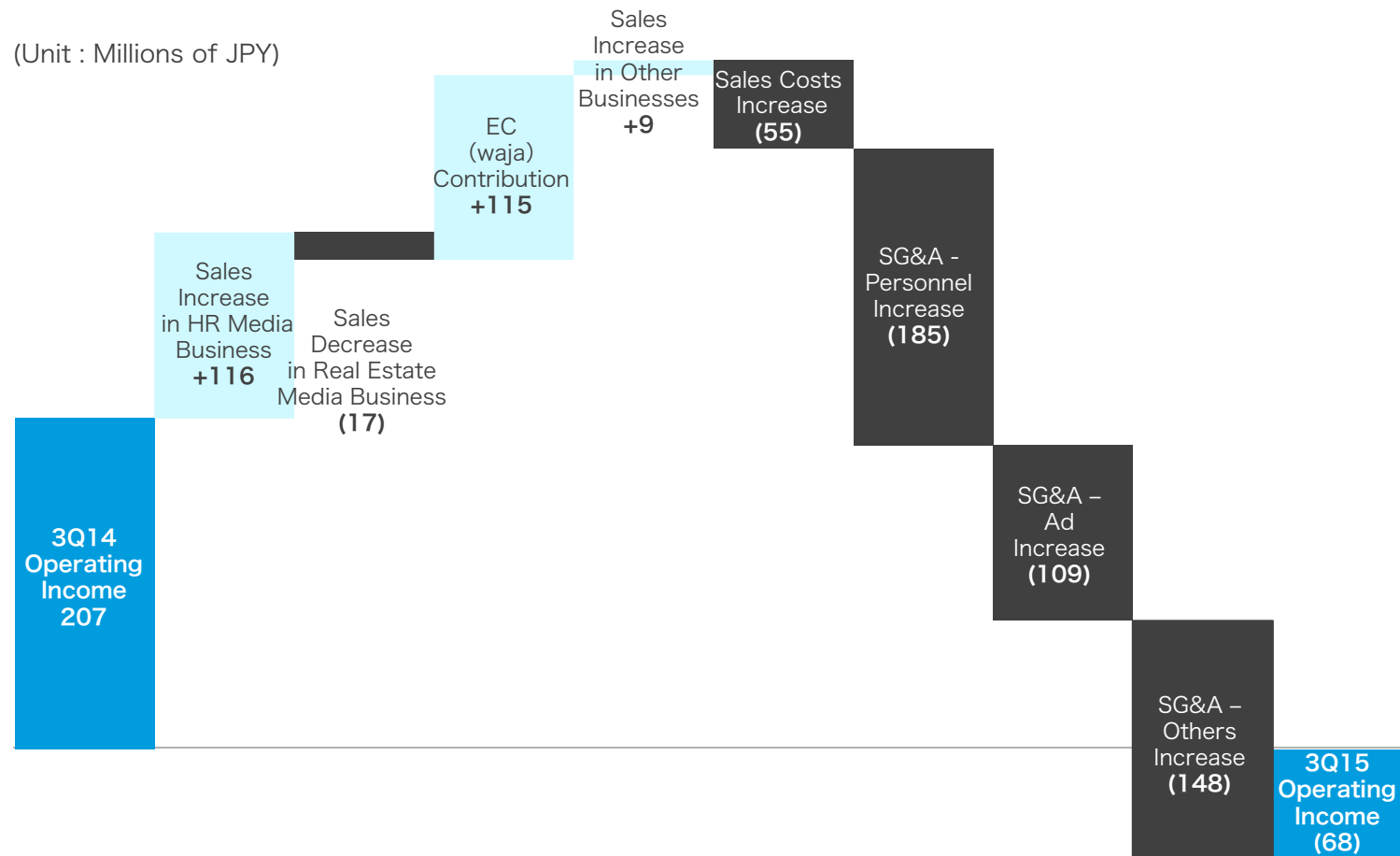
1-10 Operating Income (Segment)

HR Information Media operating income trended upwards compared to 1Q and 2Q, but operating loss posted again in other segments



1-10 Operating Income (YoY Comparison, Quarter)

Operating loss was posted due to increase in forward-looking investments (advertising/personnel)



* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15. Categorized as E-Commerce business, a new segment

2-1 Full-year earnings forecast for FY2015

- Net sales expected to come in at 4,800 million JPY, 12.2% increase YoY
- Priority measures this year such as campaign to increase Jobsense recognition, but forecast numbers calculated based on effect and progress on these measures

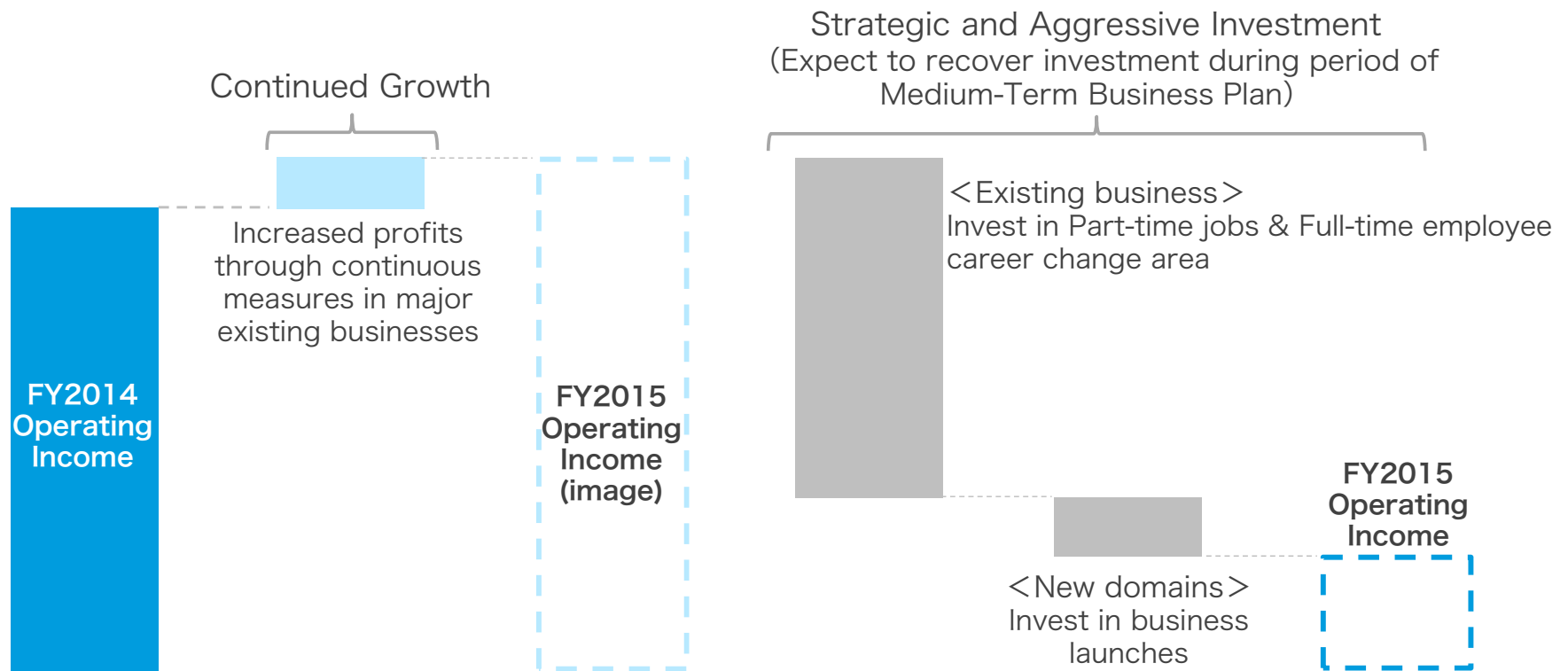
(Unit : Thousands of JPY)

	FY2014	FY2015			
	Results	Forecast	YoY	3Q (cumulative)	Progress Rate
Sales	4,279,510	4,800,000	+12.2%	3,624,806	75.5%
Operating Income	634,583	6,000	(99.1%)	(239,640)	-
	14.8%	0.1%	-	-	-
Ordinary Income	638,448	1,000	(99.8%)	(232,994)	-
	14.9%	0.0%	-	-	-
Net profit	395,290	7,000	(98.2%)	(155,328)	-
	9.2%	0.1%	-	-	-
EPS (JPY)	14.20	0.25	-	-	-

<Reference> FY2015 Plan (Announced on February 13)

- | FY2015 will be year of strategic and aggressive investment to achieve objectives of Medium-Term Business Plan
- | Net sales up 20-40% YoY, operating income expected to decline YoY due to increased costs associated with forward-looking investments

FY2015 Operating Income Image



2-2 4Q FY2015 - Major Approaches

<p>Jobsense</p>	<ul style="list-style-type: none"> • Continuation of marketing measures for attracting users • Improvement of user attraction/property inquiry ratio through website and other improvements • Enrichment of optional services and fee plan for customers
<p>Jobsense Link</p>	<ul style="list-style-type: none"> • Strengthening operational structure of “telephone supporter” for job applicants and improving this productivity • Improvements to user interface and e-mail magazine for increasing application rate
<p>Tensyoku Kaigi</p>	<ul style="list-style-type: none"> • Strengthening the channel of monetization • Strengthening of user retention leveraging more than 1.5 million reviews
<p>door chintai</p>	<ul style="list-style-type: none"> • Increasing Number of property information postings • Improvement of user attraction/property inquiry ratio through website and other improvements
<p>New Businesses Internal Development, Business Partnerships, M&A</p>	<ul style="list-style-type: none"> • waja Strengthening of business management and increasing user traffic of website • Syukatsu Kaigi Member acquisition, Strengthening monetization • IESHIL Enrichment of real estate information, Member acquisition

3-1 3Q FY2015 Financial Results (Cumulative)

(Unit : Thousands of JPY)

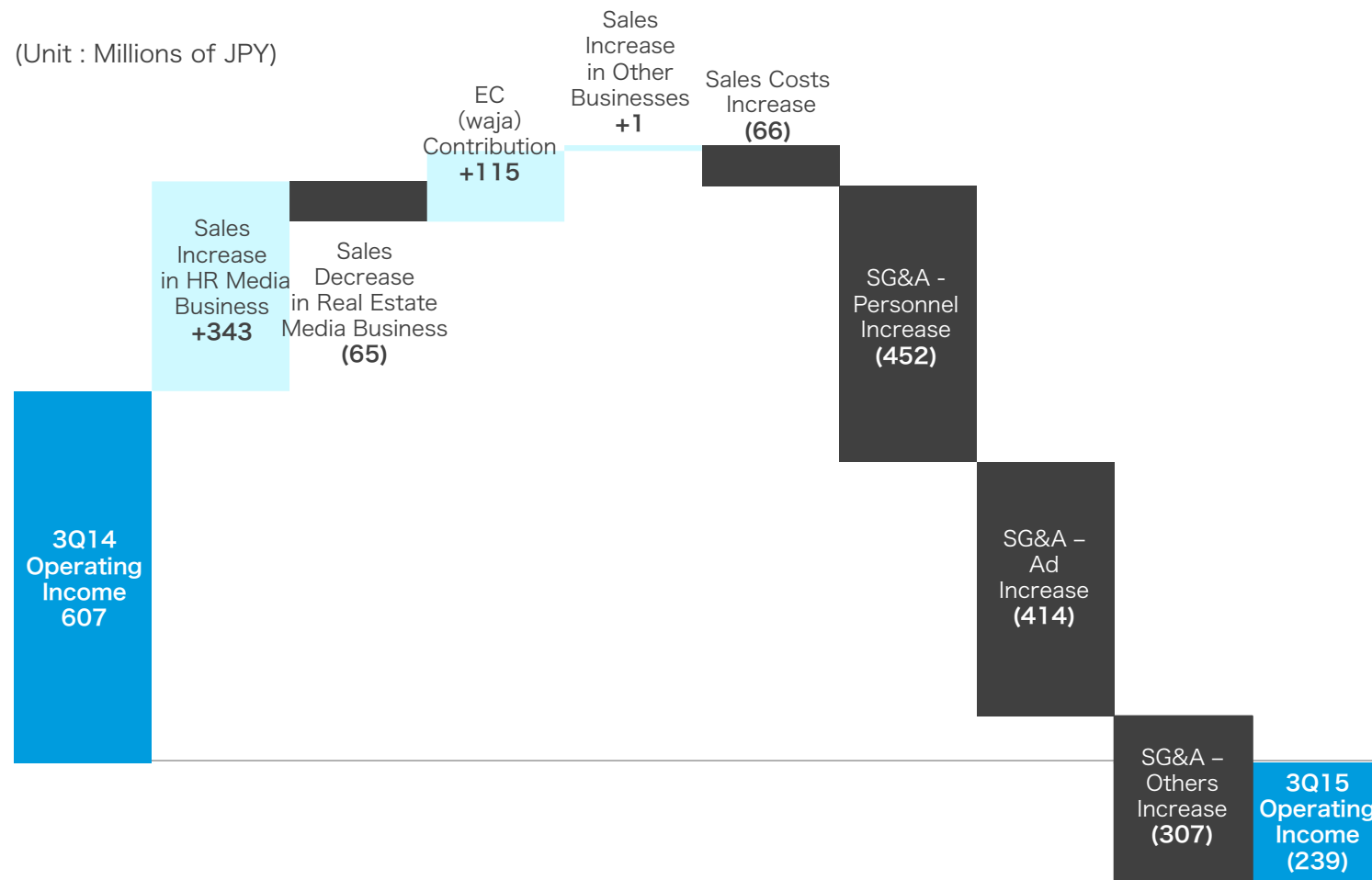
	3Q14	3Q15	YoY
Sales	3,230,616	3,624,806	+12.2%
Sales Cost	226,609	293,268	+29.4%
	7.0%	8.1%	+1.1%
Gross Margin	3,004,006	3,331,537	+10.9%
	93.0%	91.9%	(1.1%)
SG&A Expenses	2,396,329	3,571,177	+49.0%
	74.2%	98.5%	+24.3%
Operating Income	607,676	(239,640)	-
	18.8%	-	-
Ordinary Income	608,373	(232,994)	-
	18.8%	-	-
Net Pretax Profit	602,319	(198,659)	-
	18.6%	-	-
Net profit	363,875	(155,328)	-
	11.3%	-	-

SG&A : Advertising expenses (+414 million JPY)

: Personnel expenses, etc. (+452 million JPY)

3-2 Operating Income (YoY Comparison, Cumulative)

Operating loss was posted due to increase in forward-looking investments (advertising/personnel)



* waja Co., Ltd. P/L (April-June 2015) consolidated from 3Q15. Categorized as E-Commerce business, a new segment

3-3 Balance Sheet Statement

(Unit : Thousands of JPY)

	3Q14	3Q15	YoY
Current assets	2,918,502	2,723,430	(6.7%)
Cash and deposits	2,341,605	1,823,313	+22.1%
Accounts receivable	450,520	610,545	(35.5%)
Fixed assets	437,345	856,541	(95.9%)
Tangible fixed assets	116,662	146,714	(25.8%)
Intangible fixed assets	24,412	392,987	1,036.1%
Investments and other assets	296,270	316,839	(6.9%)
Total assets	3,355,847	3,579,972	(6.7%)
Current liabilities	323,961	635,881	(96.3%)
Accounts payable	201,398	332,753	(65.2%)
Fixed liabilities	-	3,719	-
Total liabilities	323,961	639,600	(97.4%)
Shareholders' equity	3,011,380	2,897,679	+3.8%
Capital	226,441	231,547	(2.3%)
Capital reserve	211,441	216,547	(2.4%)
Accumulated earnings	2,574,353	2,450,440	+4.8%
Stock warrants	19,579	14,719	+24.8%
Total net assets	3,031,886	2,940,371	(3.0%)

3-4 Record of Recent Major Publicity Events

2015.10.23	CNET Japan
2015.10.13	Reform Sangyo Shimbun
2015.10.10	THE21 Oct. issue
2015.10.10	Nikkei Big Data
2015.09.14	Shukan Jutaku Shimbun
2015.09.11	Syukatsu no Ou (Tokyo FM)
2015.09.10	Nikkei Sangyo Shimbun
2015.09.06	Nikkei Veritas
2015.08.31	Shukan Jutaku Shimbun
2015.08.28	Nihon Fudosan Keizai Tushin
2015.08.28	Nikkei MJ
2015.08.27	Nihon Keizai Shimbun morning edition
2015.08.01	Nikkei top leaders Aug. edition
2015.08.01	Miyazaki NichiNichi Shimbun edition
2015.07.10	THE21 Jul. issue
2015.03.26	Nihon Keizai Shimbun morning edition
2015.03.25	TechCrunch Japan
2015.03.25	CNET Japan
2015.03.18	Nikkei MJ
2015.03.16	Nihon Keizai Shimbun morning edition
2015.02.03	NEWS PICKS
2015.01.21	Tokyo Calendar Mar. edition
2015.01.19	Shukan Jutaku Shimbun
2015.01.12	Zenkoku Chintai Jutaku Shimbun
2015.01.10	Nikkei Business Associé Feb. edition
2015.01.05	Zenkoku Chintai Jutaku Shimbun
2015.01.04	Gacchiri Monday (TBS)
2015.01.01	Nikkei top leaders Jan. edition

3-5 Corporate Profile

Company Name	Livesense Inc.
Business Objective	Internet Media Management Business
Address	5th Floor, Shin-meguro Tokyu Building, 2-25-2 Kamiosaki, Shinagawa-ku, Tokyo
Established	February 8, 2006
President	Taichi Murakami
Management Team	<p>Managing Director</p> <ul style="list-style-type: none"> • Taichi Murakami • Daisuke Katsura • Shin Nakajima • Hiroyuki Honda (Outside Director) <p>Statutory Auditors</p> <ul style="list-style-type: none"> • Junichi Ehara • Mitsuru Ozaki (Outside Statutory Auditor) • Nao Yoshizawa (Outside Statutory Auditor)
Capital	231 million JPY (As of Sep 30, 2015)
Business Results	FY2014 Net Sales : 4,279 million JPY, OP : 634million JPY
Number of Employees (Non-consolidated)	Full-time : 178, Part-time & Temp. : 222 (As of Sep 30, 2015)
Fiscal Term	December
Date listed	October 1, 2012 (TSE 1st Section) December 7, 2011 (TSE Mothers)
Auditing Firm	Deloitte Touche Tohmatsu LLC



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.