

March 25, 2015

To whom it may concern:

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

Announcement of Acquisition of Shares in waja Co., Ltd.

At the meeting of the Board of Directors on March 25, 2015, Livesense Inc. (hereinafter the “Company”) decided to acquire 71.7% of the total number of issued shares of waja Co., Ltd., which operates e-commerce (“EC”) websites with fulfillment service, and make it a subsidiary. The details are provided below.

1. Purpose for the share acquisition

The Company is working to enhance and expand existing businesses as well as to develop and create new business segments in order to achieve the targets of the medium-term business plan, which covers the period up to the fiscal year ending December 31, 2018. As for development and creation of new business segments, we have decided to work together with waja Co., Ltd., which has a high degree of originality and growth potential, on cultivating the EC domain. We have been exploring this domain since 2014 as we have looked into internal development, investments, business partnerships and M&A. We will focus particularly on the CtoC/cross-border EC*1 domain, which has many inconveniences and issues but a large potential market size.

waja Co., Ltd. was established in May 2003 and operates several EC websites, primarily in the area of fashion. In particular, the CtoC EC website “waja,” which was launched in August 2006, allows purchasers to purchase unique products procured by buyers from more than 60 countries around the world. On top of that, the proprietary fulfillment system (product inspection, measurement, photographing, inventory management, payment, delivery, etc.) eliminates the inconveniences and issues experienced by purchasers. Accordingly, the product trade volume has been growing steadily.

The domestic fashion, interior and general goods EC market is continuing to expand*2, and according to fiscal 2014 estimates, it will grow 25.8% year-on-year to ¥1.0512 trillion. Additionally, the cross-border EC market in Japan is expected to grow to ¥894.2 billion by 2020 (total amount of purchases in Japan between the United States, China and Japan)*3.

Leveraging and improving the synergy between the strengths of waja Co., Ltd. and the Company, which are EC business (fulfillment, CtoC, cross-border EC) results/know-how and web marketing know-how/Internet service development expertise, respectively, we will grow the businesses of these existing EC websites and work on the creation of new value in domestic and overseas EC markets with large growth potential.

- *1: Cross-border EC: EC (e-commerce) involving the buying and selling of products and services across national borders.
- *2: Source: “EC Market for Fashion/Interiors/Sundries in Japan: Key Research Findings 2014” by Yano Research Institute
- *3: Source: “Development of Infrastructure Related to Computerization and Shift to Service Economy in Japan’s Economic System in 2013 (E-Commerce Market Survey)” by the Ministry of Economy, Trade and Industry

2. Outline of the transferring subsidiary (waja Co., Ltd.)

(1)	Company name	waja Co., Ltd.		
(2)	Address	3-4-11 Azabudai, Minato-ku, Tokyo		
(3)	Representatives	Koji Koyasu, Chairman, Representative Director & CEO Takahiro Murata, President, Representative Director & COO		
(4)	Business	E-commerce media planning and development		
(5)	Capital	¥150,100,000		
(6)	Date Established	May 6, 2003		
(7)	Major Shareholders	ant Lead Global Venture Capital Investment Limited Partnership 30.7% ant Lead No.2 Venture Capital Investment Limited Partnership 15.4% SunBridge Corporation 15.1% Koji Koyasu 13.5% Takahiro Murata 12.2% JSPF3 8.9% Kenichi Tanaka 2.8% Keigo Fukuyama 1.4%		
(8)	Relationships between the listed company and the company	Capital relationship	None	
		Human relationship	None	
		Business relationship	None	
(9)	Non-consolidated operating results and non-consolidated financial position of the company for the past three (3) years			
	Fiscal year	Year ended September 30, 2012	Year ended September 30, 2013	Year ended September 30, 2014
	Net assets	¥41 million	¥41 million	¥96 million
	Total assets	¥158 million	¥176 million	¥265 million
	Net assets per shares	¥72,911.11	¥74,259.54	¥171,278.40
	Net sales	¥277 million	¥343 million	¥456 million
	Operating income	¥8 million	¥2 million	¥11 million
	Ordinary income	¥8 million	¥2 million	¥61 million
	Net income	¥7 million	¥0 million	¥54 million
	Net income per share	¥12,558.77	¥1,348.43	¥97,018.86
	Dividends per share	¥0.00	¥0.00	¥0.00

*: The above non-consolidated operating results and non-consolidated financial position of the company are unaudited.

3. Outline of major sellers of shares

(1)	Name	ant Lead Global Venture Capital Investment Limited Partnership	
(2)	Address	1-2-1 Marunouchi, Chiyoda-ku, Tokyo	
(3)	Reason for foundation, etc.	Investment LPS pursuant to the Limited Partnership Act for Investment	
(4)	Purpose	Investment in private equity	
(5)	Date Established	March 27, 2008	
(6)	Total investment	¥3,800 million	
(7)	Investor, investment ratio, and overview of investor	Not disclosed due to confidentiality obligation agreement	
(8)	Overview of general partner	Name	Lead Capital Management Co.,Ltd.
		Address	8-5-40 Akasaka, Minato-ku, Tokyo
		Representatives	Representative Director, Toru Tanimoto
		Business	Investment in private equity and business administration of investment limited partnership
		Capital	¥20 million
(9)	Relationships between the listed company and the funds	Relationship between the listed company and the fund	No capital, human, and business relationship
		Relationship between the listed company and the general partner	No capital, human, and business relationship

(1)	Name	ant Lead No.2 Venture Capital Investment Limited Partnership	
(2)	Address	1-2-1 Marunouchi, Chiyoda-ku, Tokyo	
(3)	Reason for foundation, etc.	Investment LPS pursuant to the Limited Partnership Act for Investment	
(4)	Purpose	Investment in private equity	
(5)	Date Established	March 1, 2007	
(6)	Total investment	¥3,800 million	
(7)	Investor, investment ratio, and overview of investor	Not disclosed due to confidentiality obligation agreement	
(8)	Overview of general partner	Name	Lead Capital Management Co.,Ltd.
		Address	8-5-40 Akasaka, Minato-ku, Tokyo

	Representatives	Representative Director, Toru Tanimoto
	Business	Investment in private equity and business administration of investment limited partnership
	Capital	¥20 million
(9) Relationships between the listed company and the funds	Relationship between the listed company and the fund	No capital, human, and business relationship
	Relationship between the listed company and the general partner	No capital, human, and business relationship

(1)	Name	SunBridge Corporation	
(2)	Address	1-5-5 Ebisu Minami, Shibuya-ku, Tokyo	
(3)	Representatives	Allen Miner, Representative Director	
(4)	Business	Investment	
(5)	Capital	Not disclosed due to confidentiality obligation agreement	
(6)	Date Established	Not disclosed due to confidentiality obligation agreement	
(7)	Net assets	Not disclosed due to confidentiality obligation agreement	
(8)	Total assets	Not disclosed due to confidentiality obligation agreement	
(9)	Major Shareholders	Not disclosed due to confidentiality obligation agreement	
(10)	Relationships between the listed company and the Company	Capital relationship	None
		Human relationship	None
		Business relationship	None
		Status as a related party	None

(1)	Name	JSPF3
(2)	Address	2-4 Kojimachi, Chiyoda-ku, Tokyo
(3)	Reason for foundation, etc.	Investment LPS pursuant to the Limited Partnership Act for Investment
(4)	Purpose	Investment in private equity
(5)	Date Established	December 20, 2013
(6)	Total investment	¥6,200 million

(7)	Investor, investment ratio, and overview of investor	Not disclosed due to confidentiality obligation agreement	
(8)	Overview of general partner	Name	WM PARTNERS Co., Ltd.
		Address	2-4 Kojimachi, Chiyoda-ku, Tokyo
		Representatives	Moriyoshi Matsumoto
		Business	Investment in private equity and business administration of investment limited partnership
		Capital	¥30 million
(9)	Relationships between the listed company and the funds	Relationship between the listed company and the fund	No capital, human, and business relationship
		Relationship between the listed company and the general partner	No capital, human, and business relationship

4. Number of shares to be acquired, acquisition cost, and shares held before and after the acquisition

(1)	Number of shares held before the transfer	0 share
(2)	Number of shares to be acquired	429 shares (Number of voting rights 429)
(3)	Acquisition price	Common stock of waja Co., Ltd. ¥ 393 million Advisory fees, etc. (estimated amount) ¥7 million Total (estimated amount) ¥400 million
(4)	Number of shares held after the transfer	429 shares (Number of voting rights 429) (Share of voting rights 71.7%)

5. Funding for the acquisition of shares in waja Co., Ltd.

The Company intends to fund this transaction by using internal reserves available.

6. Schedule

(1)	Date of decision	March 25, 2015
(2)	Date of agreement	March 25, 2015
(3)	Date of execution of share acquisition	April 3, 2015 (scheduled)

7. Future forecasts

The impact of the acquisition of shares on the consolidated financial results of the Company for the year ending December 31, 2015 is expected to be immaterial. From hereon, the Company will make a disclosure, if necessary, in a timely and appropriate manner.