

To whom it may concern

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Financial Overview for the First Quarter of FY08/17

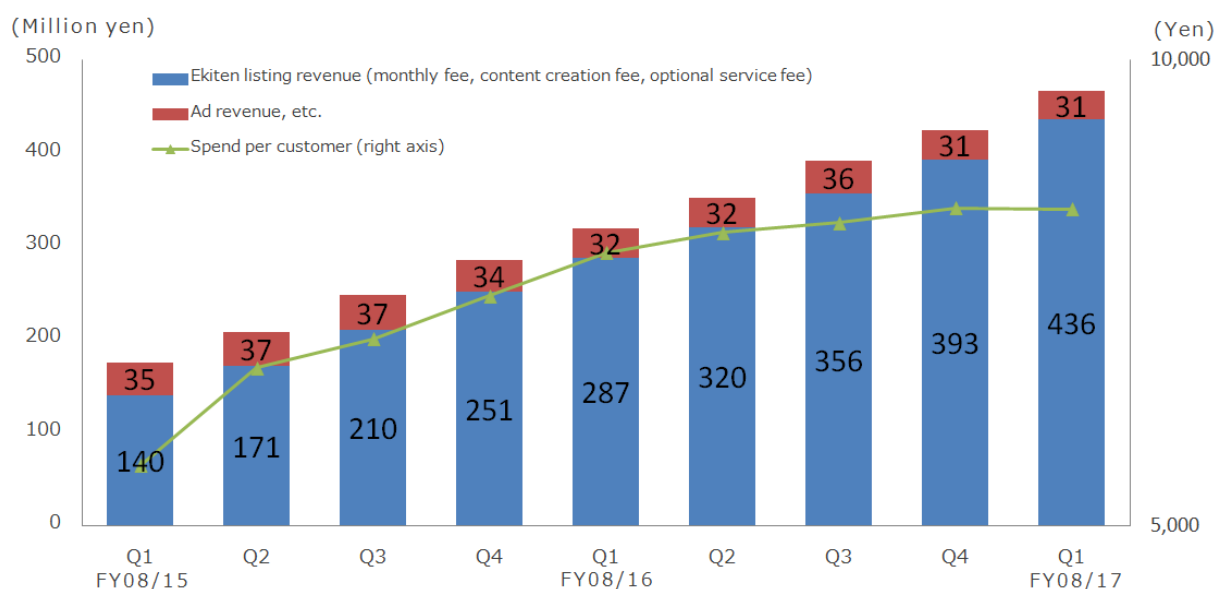
DesignOne Japan, Inc. announces its financial overview for the first quarter of the fiscal year ending August 2017 (Sep. 1, 2016 – Aug. 31, 2017) as follows.

1. Net sales steadily increased to an all-time quarterly high of 467 million yen

Quarterly sales rose to an all-time high of 467 million yen, 9.9% higher than in the fourth quarter of the previous fiscal year. This was due to the steady growth in the number of paid listing stores and option-using stores.

Operating income for the first quarter was 163 million yen, 45.7% higher than in the previous quarter, and the operating margin was 34.9%, improving by 8.6 points from the previous quarter. Growth in earnings was attributable to two factors. The first is the higher sales. The other is the absence of one-time expenses in the previous fourth quarter associated with the change in the stock listing to the first section of the Tokyo Stock Exchange.

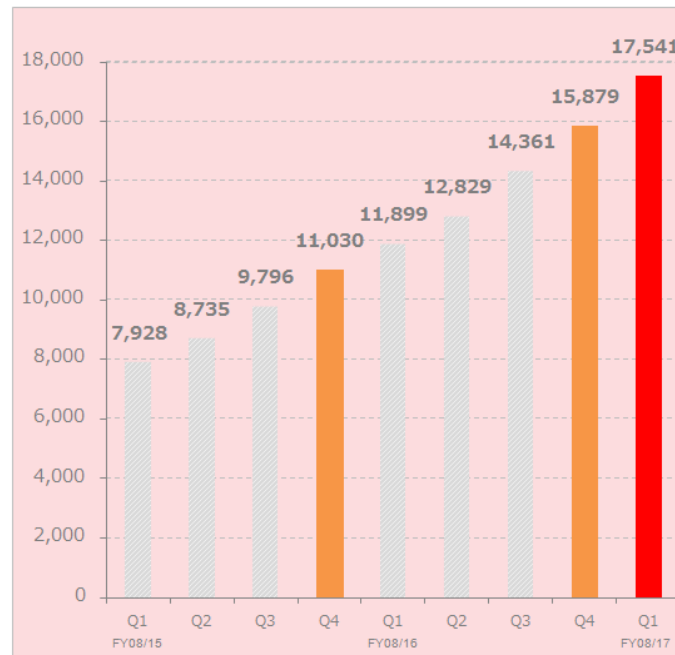
Breakdown of quarterly sales



2. Number of paid listing stores increased by 1,662 for the first quarter, achieving a new quarterly record

The pace of growth in the number of paid listing stores gained momentum in the first quarter. The main reasons were a further increase of the media capabilities, the provision of more information, more efficient sales activities and steady progress with extending coverage to more store categories. As a result, the number of paid listing stores increased by 1,662, 144 higher than in the fourth quarter of the previous fiscal year, which was a new quarterly record. The company made a good start toward reaching the fiscal year-end goal of 21,086 paid listing stores.

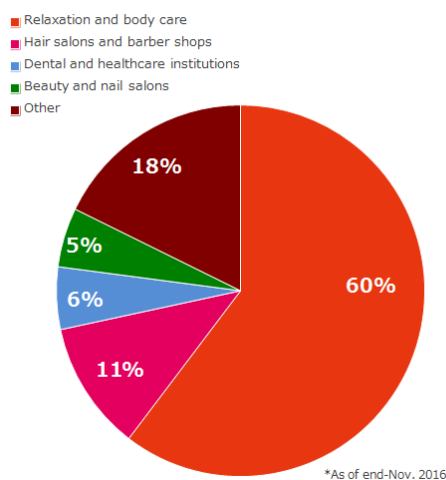
Changes in the number of paid listing stores



3. Consistently increasing the breadth of coverage of paid listing store categories

The media capabilities of the “Ekiten” business continued to increase along with growth in the number of paid listing stores and free listing stores. Furthermore, paid listing stores continue to cover a broader range of categories. At the end of the first quarter, there were 145 categories, increasing 21 compared at the end of the previous quarter.

Ekiten
Paid listing categories



Composition of quarterly new orders by category

