



July 10, 2018

To whom it may concern

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Financial Overview for the Third Quarter of FY08/18

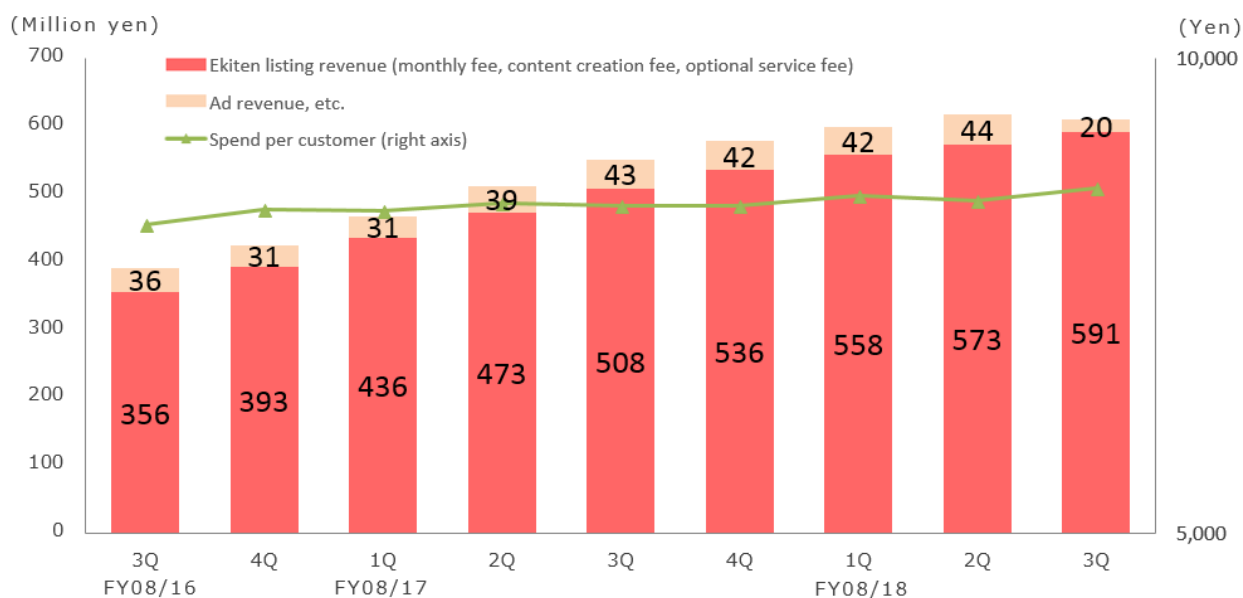
DesignOne Japan, Inc. announces its financial overview for the third quarter of the fiscal year ending August 2018 (Sep. 1, 2017 – Aug. 31, 2018) as follows.

1. In 3Q, both net sales (611 million yen) and operating income (169 million yen) decreased from 2Q

Although Ekiten listing revenue from paid listing stores recorded an all-time high, quarterly sales decreased by 0.9% from the second quarter to 611 million yen due to a decrease in ad revenue.

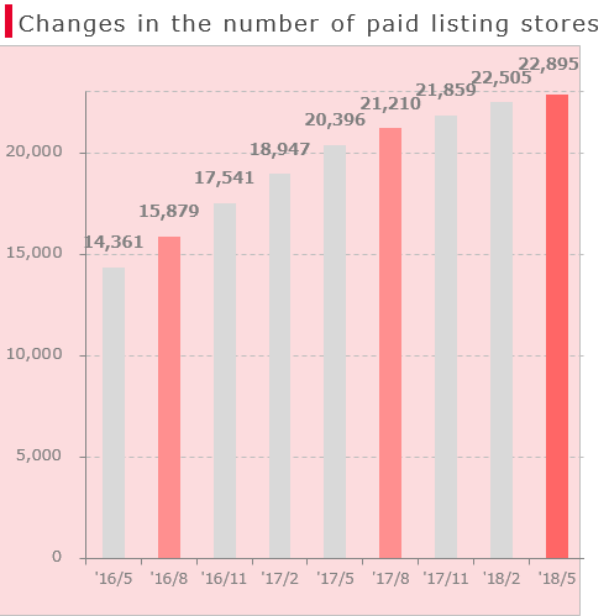
Operating income also decreased by 13.9% from the second quarter to 169 million yen. The main factors were a decrease in net sales and an increase in SG&A expenses.

Breakdown of quarterly sales



2. Number of paid listing stores increased by 390 in 3Q

The number of paid listing stores slightly increased by 390 due to sluggish orders, although the number of cancellations of paid listing plan remained at the same level as in the second quarter. As a result, the total number of paid listing stores was 22,895.



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. As a result, the company has steadily cultivated more stores other than the mainstay relaxation category.

