



January 10, 2019

To whom it may concern

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 (Code : 6048 TSE1)
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Financial Overview for the First Quarter of FY08/19

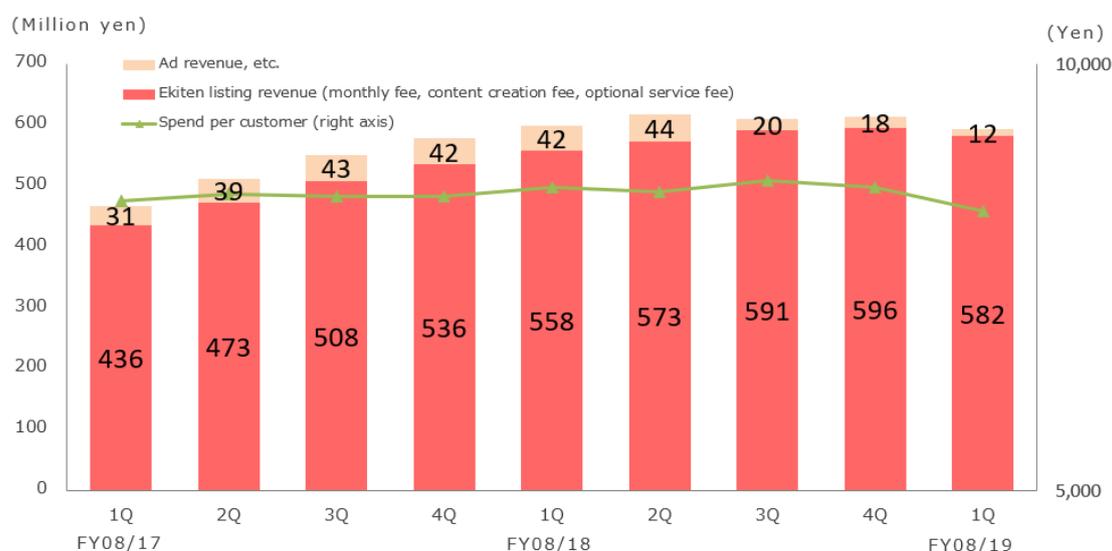
DesignOne Japan, Inc. announces its financial overview for the first quarter of the fiscal year ending August 2019 (Sep. 1, 2018 – Aug. 31, 2019) as follows.

1. In 1Q, both net sales (594 million yen) and operating income (154 million yen) decreased from the previous 4Q

Net sales decreased by 3.3% from the previous 4Q to 594 million yen due to a decline in the number of charged posted stores and the advertising revenue.

Operating income was 154 million yen, remained the same level from the previous 4Q (change ratio: 0.0%). This was mainly due to a decrease in SG&A expenses (such as recruiting and outsourcing expenses) despite a decrease in net sales.

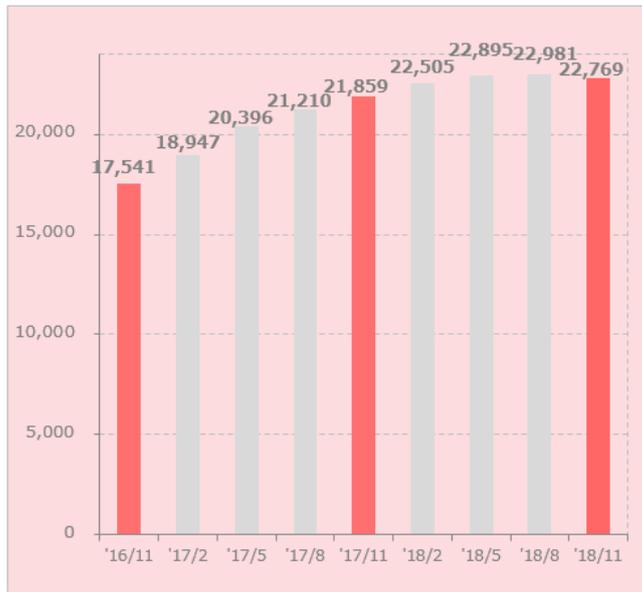
Breakdown of net sales



2. Number of charged posted stores decreased by 212 in 1Q

As a result of a decrease in customer inflows to our website, it became difficult for the members to sense the effects of attracting customers, resulting in an increase in the number of cancellations of contracts and decrease in the number of orders. As a result, the total number of charged posted stores was 22,769, decreased by 212.

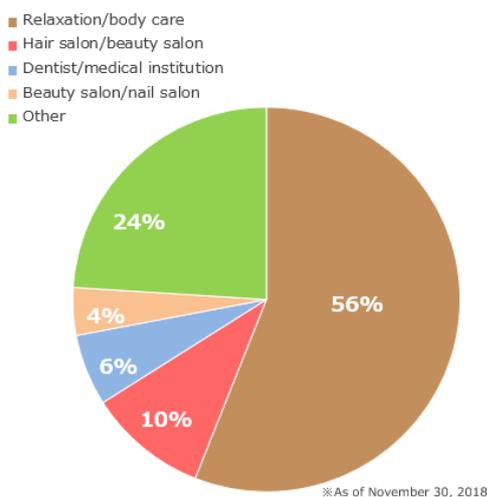
Change in the number of charged posted stores



3. Promoting the horizontal development of coverage of charged posted store genres

In addition to the mainstay relaxation category, we are aggressively cultivating other genres with leveraging our strengths in covering all genres.

EKITEN
Charged posting genres



Quarterly breakdown of newly received orders by genre

