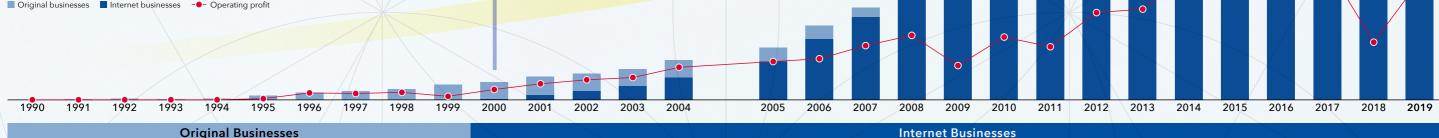
Steady Achievement Growth Potential of the Septeni Group

The Septeni Group started its Internet businesses in 2000. Since then, the Internet has made broad and deep inroads into people's lives and brought about changes in all industries, becoming information infrastructure essential to today's society. At the same time, the Internet advertising market has grown rapidly, establishing a position as an advertising medium on a par with television advertising. The Group regards changes in society as new growth opportunities and will continue to provide services that exceed client expectations and remain in tune with the times.

Net Sales and Operating Profit

■ Original businesses ■ Internet businesses - Operating profit



(Direct marketing, etc.)

(Internet Marketing Business, Media Content Business)

Average annual growth rates of net sales and operating profit since the fiscal year ended September 2000

Net sales: approx. 15% Operating profit: approx. 14%

11.7 times

Note: Figures presented are based on Japanese GAAP for the fiscal year ended September 2000

History of the Internet and Changes in the Internet Advertising Market Source: Prepared by SEPTENI HOLDINGS CO., LTD. based on Information Media White Paper 2016, Dentsu Institute

Internet usage becomes widespread among the general public

Era of banner ads

Dial-up connection through telephone lines begins

Windows 95 is launched

1999-2003

The Internet becomes available anytime

Diversification of advertising methods (affiliate marketing, listings)

Advent of i-mode, which enables sending and receiving of email and web browsing using mobile phones

Spread of ADSL increases communication speed and lowers prices for home Internet environments

2004-2007

Dawn of social media

Attempts at cross-advertising with

FY ended Sept. 2000

¥4.9 billion

Operating profit

FY ended Sept. 2000

¥180 million

and IFRS for the fiscal year ended September 2019.

2004 onward

Successive launches of social media platforms, including Facebook, mixi, YouTube and Twitter

Evolution of ad technology

2008-2013

Conceptual shift from "buying ad space" to "buying a number of people to reach

¥76.5 billion

Operating profit

2008

iPhone 3G is launched Influx of financial engineering professionals into the Internet market triggered by the global financial crisis

LINE services begin

2014-

Double-digit growth in Internet

Mobile advertising drives the Internet advertising market

Internet advertising in Japan approaches the level of television advertising in terms of advertising expenditures

History of the Septeni Group

In 1990, Mamoru Nanamura, currently the honorary chairman, established SUB & LIMINAL CO., LTD., a forerunner of SEPTENI HOLDINGS CO., LTD., to embark on the recruitment consulting business. In 1993, we launched the Direct Marketing Business (an agency service for sending direct mail). Business grew steadily, laying the foundation of the Septeni Group. Later, Koki Sato, the current Representative Director and President, launched the Internet Advertising Business, which is the main business of the Septeni Group today.



Mamoru Nanamura.



The Septeni Group is not affiliated with any conglomerate. We commenced business with hardly any capital, human resources or operations. Our staff's wisdom and ideas alone were our initial assets. We have adopted this phrase as our corporate creed and constantly bear this inaugural spirit in mind as we continue to grow.

Achieving Strong Growth through the Internet Advertising Business

March 2000

Changed trade name to SEPTENI CO., LTD.

April 2000

Started the Internet Advertising Business

August 2001

Listed on JASDAQ

July 2003

Established Osaka sales office (currently Kansai Branch

June 2004

Acquired Tricorn Corporation as a subsidiary

July 2004

Established Fukuoka sales office (currently Fukuoka Branch office of SEPTENI CO., LTD.)

January 2005

Established SEPTENI CROSSGATE CO., LTD.

Established Nagoya sales office (currently Nagoya Branch office of SEPTENI CO., LTD.)

April 2006

Established SEPTENI DIRECTMARKETING CO., LTD.

October 2006

Converted into a holding company under the trade name SEPTENI HOLDINGS CO., LTD. The Internet Advertising Business was taken over by SEPTENI CO., LTD. through an incorporation-type company split, and the Direct Marketing Business was taken over by SEPTENI DIRECTMARKETING CO., LTD. through an absorption-type company split

October 2009

Established MANGO Inc

November 2010

Established High Score, Inc.

October 2011

Established SEPTENI VENTURES Co., Ltd.

March 2012

Began conducting the Internet Advertising Business outside Japan

February 2013

Established COMICSMART, INC. and started the Manga Content Business

March 2013

Established SEPTENI TECHNOLOGY CO., LTD.

October 2013

Established Vivivit, Inc.

January 2014

Established Septeni Original, Inc.

October 2014

Sold all shares of SEPTENI DIRECTMARKETING CO., LTD.

Focusing on Growth Areas for a Further Leap Forward

October 2014

Established gooddo Inc.

October 2016 Established TowaStela, Inc.

Acquired the shares of Lion Digital Global LTD through Septeni Asia

Pacific Pte. Ltd. and made it a subsidiary

Established Septeni Ad Creative, Inc.

September 2017

Established Delight Tube, Inc.

January 2018

Established Milogos, Inc.

April 2018 Established SIGNCOSIGN, INC.

October 2018

Established HEDGEHOG PRODUCTS, Inc.

SEPTENI HOLDINGS CO., LTD. entered a capital and business alliance

with Dentsu Inc. (currently Dentsu Group Inc.)

¥76.5

Our Value Creation Model

The Septeni Group creates businesses (applications) using its unique strengths (operating system). This operating system comprises the conditions that give rise to our unique organizational culture, in which employees who possess a good sense of ownership and a strong entrepreneurial spirit take advantage of our extensive human resource database and technologies to more fully demonstrate their abilities. Our operating system allows us to take the lead in identifying major changes in industry and society in order to constantly generate appealing applications (businesses). By empowering people and industry in this way, we aim to fulfill our mission of inspiring the world with entrepreneurship.

Outcome for Stakeholders

Operating System (The Septeni Group's Strengths) ⇒Page 14

Applications (Business Areas)

Unique Organizational Culture

Domain Expansion ⇒Page 16

Human resources who possess a good sense of ownership and a strong entrepreneurial spirit

> The Key Source of Our Value

Extensive human resource database and technologies

Investment in human resources and organizations

CSR ⇒Page 28

Adaptability to social and environmental changes



Systems businesses

that create new

Instilling the Corporate

Philosophy and

Code of Conduct

Major Changes in Industry and Society

- Industry-wide digitalization
- Diversification of values • Various social issues
- Al and other technological innovations

Digital Marketing Business ⇒Page 18

Media Platform Business ⇒Page 20

Creation of markets with potential

Generate new businesses as a group that creates markets with potential by being first to focus on growth fields and social issues



Empower people and industry through our businesses

Mission

Inspiring the world with entrepreneurship

We will provide new value to industry through our businesses in ways such as combining people's energy and emotions with our unique technologies to expand each individual's abilities, thus empowering people and industry. By interacting with society with a good sense of ownership, our employees will continue to contribute to a better future.

Corporate Governance ⇒Page 22

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Our Strengths

The Septeni Group's most important asset is its human resources: employees who possess a good sense of ownership and a strong entrepreneurial spirit. To enable them to fully demonstrate their potential and play an active role, we have accumulated an enormous amount of data on human resources and over the past few years we have been using an Al-based personnel system that we developed in-house to optimize individual hiring, development and placement.

We have also grown by taking on challenges in new businesses ahead of the changing times. As we grow, we place great value on our unique organizational culture in which adaptability to change and systems conducive to creating new businesses are deeply rooted and underpinned by our corporate philosophy and code of conduct. Because of this, we are able to further expand our operations.

The Key Source of Our Value

1. Human resources who entrepreneurial spirit

The Septeni Group's mission, "Inspiring the world with entrepreneurship," expresses our possess a good sense of reason for existence and our purpose in society. To us, entrepreneurship means individuals ownership and a strong who possess a good sense of ownership and a strong entrepreneurial spirit, and we believe that such individuals are the Group's greatest asset.

2. Enormous human resource database and technologies

In 2009, the Septeni Group began compiling data and researching human resource development to maximize each employee's performance. Since 2014, we have been using the technologies resulting from this research in our recruiting. In addition, in 2016 we established the Human Capital Lab, which specializes in research on human resource data.

Note: For details, see "The Septeni Group's CSR" on page 28 of this report.

To fulfill its mission, the Septeni Group places entrepreneurial individuals who can think and act for themselves at the core of each of its organizations, using its human resources as the basis for businesses development by enabling each employee to demonstrate his/her abilities. We offer opportunities to take on a variety of challenges as well as environments and systems that enable each employee to display entrepreneurship through the creation of new services.

Main Programs

3. Investment in	human
resources and	
organizations	

	Self-Development Support System	Introduced to create opportunities for developing capabilities outside the Company, this system provides subsidies covering 70% of the total cost (¥70,000 maximum) of study at external seminars, business schools and elsewhere.
Support for employee growth	BLP Management	A development program specializing in management to train future senior management candidates. Applicants who are selected attend an external business school for two years free of charge.
	Side Business System	In 2017, the Company lifted its prohibition on engaging in side businesses, subject to approval. We promote diverse working styles in the belief that individuals who acquire new skills and experiences from their interests outside the Company will be more engaged in their main job. Currently, more than 70 of our employees have side jobs.
Opportunities to take on challenges	gen-ten	An annual in-house contest for new business plans. Applicants whose plans are highly rated and who show strong enthusiasm for developing their proposed businesses are given an opportunity to pursue their commercialization at SEPTENI VENTURES Co., Ltd.
	Essay Contest	Each year, a theme related to the Company's future is chosen, with a call for essays on what entrants can and should do. Awards are given for the best essays.
Opportunities for praise	Various in-house awards	Various semiannual and annual awards have been established within the Group and each company to commend employee achievements and efforts.

Unique Organizational Culture

The Septeni Group is prompt in identifying signs of change and growth areas in society, and has grown by flexibly adjusting the allocation of management resources in response. As it has grown, the Group has fostered a culture capable of enjoyably capitalizing on social changes as opportunities for taking on new challenges – a culture in which anyone can take on new businesses, regardless of age. Working to instill our corporate philosophy and code of conduct, which set forth this culture and its values, and sharing them among all employees has led to our sustainable growth as a company.

View social change as an opportunity for new growth

- Display an entrepreneurial spirit in choosing challenges that make bigger differences
- Identify markets that have potential

Have fun creating new business

- Implement in-house new business plan contest and other such programs
 - Support self-development and conduct management training programs

About Our Corporate Logo

The Septeni Group renewed its corporate logo in October 2018. In creating the new logo, we decided on a concept and design that expresses the Group's strengths. The Septeni Group will take on challenges in new markets and new worlds as it works to fulfill its mission of "Inspiring the world with entrepreneurship."

For details, please visit our website by clicking the URL below or by using the QR code at the right. https://www.septeni-holdings.co.jp/corporatedesign/ (Japanese only)



Tough, gentle and fun.

Inspiring the world with entrepreneurship



The toughness to get results by always choosing the more substantial change with an entrepreneurial spirit.

The gentleness to share successful experiences and growth opportunities with all through systemization while also accepting diversity.

The fun found in accomplishing difficult tasks through our unique methods.

With these three strengths, we take on the challenge of new markets in a

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