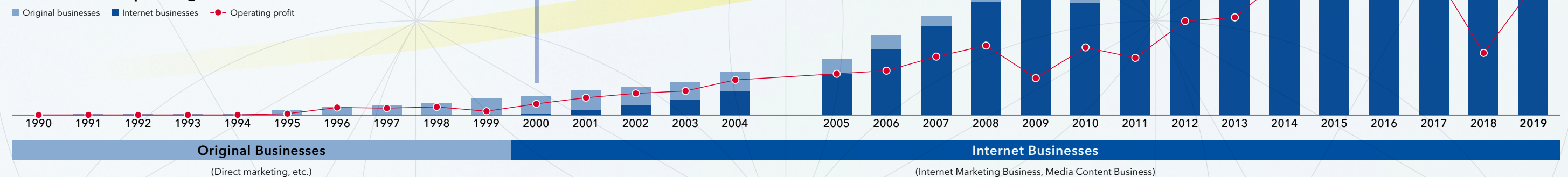


Steady Achievement

Growth Potential of the Septeni Group

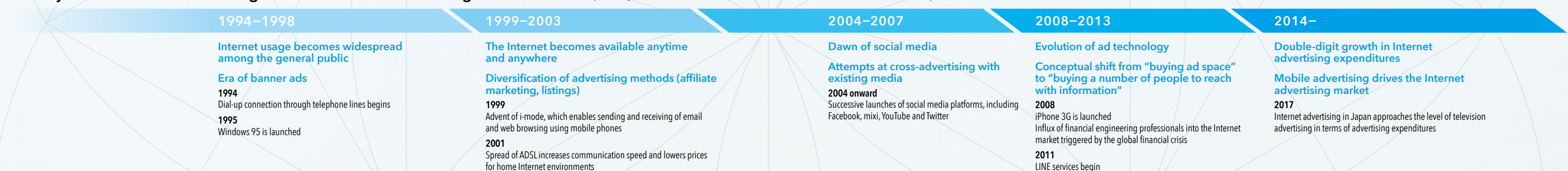
The Septeni Group started its Internet businesses in 2000. Since then, the Internet has made broad and deep inroads into people's lives and brought about changes in all industries, becoming information infrastructure essential to today's society. At the same time, the Internet advertising market has 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



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



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,
founder of the Company



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 office of SEPTENI CO., LTD.)

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.

July 2005
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

April 2017
Established Septeni Ad Creative, Inc.

September 2017
Established Delight Tube, Inc.

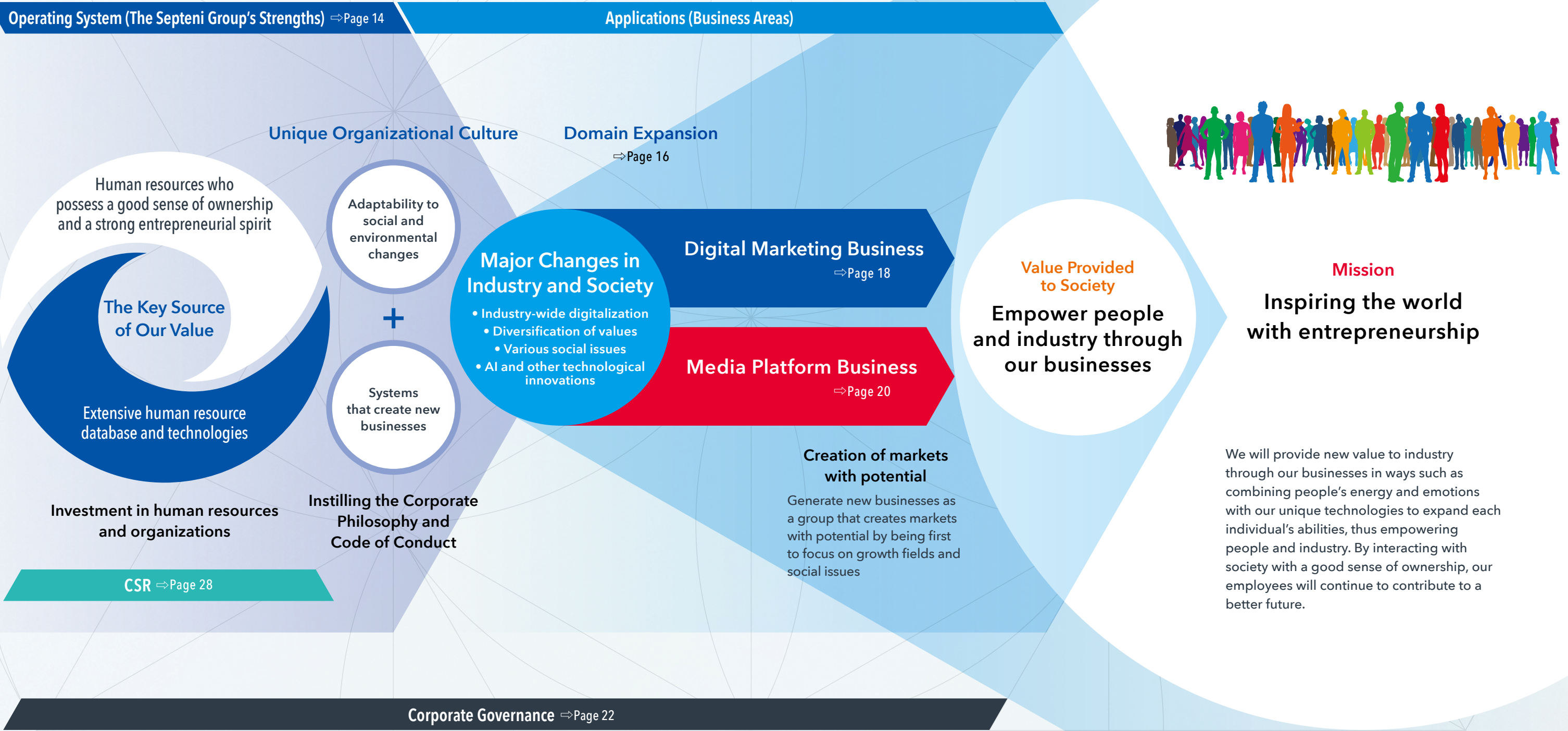
January 2018
Established Milogos, Inc.

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.)

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.



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 AI-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 possess a good sense of ownership and a strong entrepreneurial spirit

The Septeni Group’s mission, “Inspiring the world with entrepreneurship,” expresses our reason for existence and our purpose in society. To us, entrepreneurship means individuals 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.

3. Investment in human resources and organizations

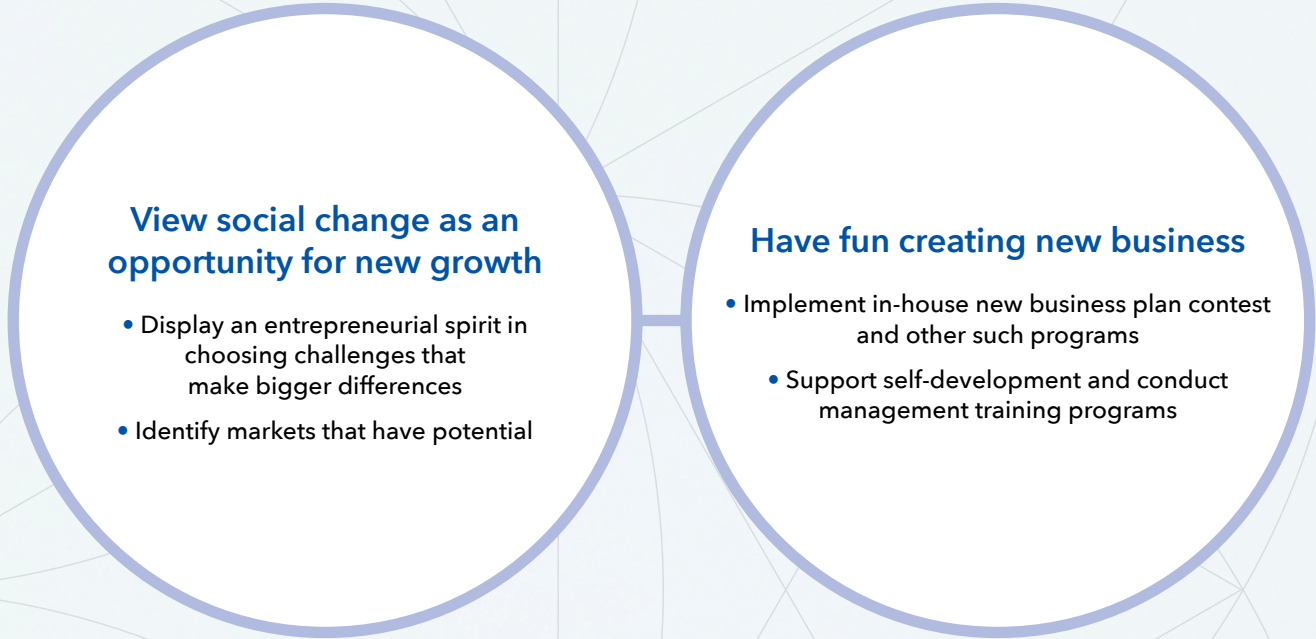
To fulfill its mission, the Septeni Group places entrepreneurial individuals who can think and act for themselves at the core of each of its organizations, using its human resources as the basis for businesses development by enabling each employee to demonstrate his/her abilities. We offer opportunities 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

	Program	Overview
Support for employee growth	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.
	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.



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 new world.