



First-quarter for FYE March 31, 2018
Presentation Material

August 1, 2017
e-Seikatsu Co., Ltd.
Securities code: 3796

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1. Summary of First-quarter Results for FYE March 31, 2018

Sales grew year on year, but profit slightly declined.

- Consolidated sales: 495 million yen (FY2017 1Q 493 million yen, YOY change +1 million yen, +0.3%)
 - Cloud Service revenue: 463 million yen (FY2017 1Q 472 million yen, YOY change -8 million yen, -1.9%)
 - **Including monthly recurring revenue of Turnkey services: 429 million yen (FY2017 1Q 426 million yen, YOY change +2 million yen, +0.7%)**
- Consolidated operating income: 31 million yen (FY2017 1Q 34 million yen, YOY change -3 million yen, -10.2%)
- Net income: 18 million yen (FY2017 1Q 20 million yen, YOY change -2 million yen, -12.5%)

The contract ended as indicated in the initial earnings forecast, but the sales of turnkey services grew.

- Focus on new client acquisitions as well as up-selling to existing clients. Monthly ARPU is in line with the projections.
 - Monthly ARPU: approx. 119,200 yen/company ※as of the end of Jun. 2017
 - FY2017 1Q approx. 123,000 yen/company ※as of the end of Jun. 2016

The enrichment of functions of “ES e-Bukken One”, the shift from existing services, and Explanation of Important Matters by IT were promoted.

- Additional development of “ES e-Bukken One” continued. Expanding services and enhancing usability have been achieved.
- Before it becomes possible to explain important matters by IT, we held seminars to promote our services to each company.
- Concluded a business tie-up contract with NURVE Inc., which excels at developing a system in which customers can view the inside of real estate in a pseudo manner based on the virtual reality (VR) technology.

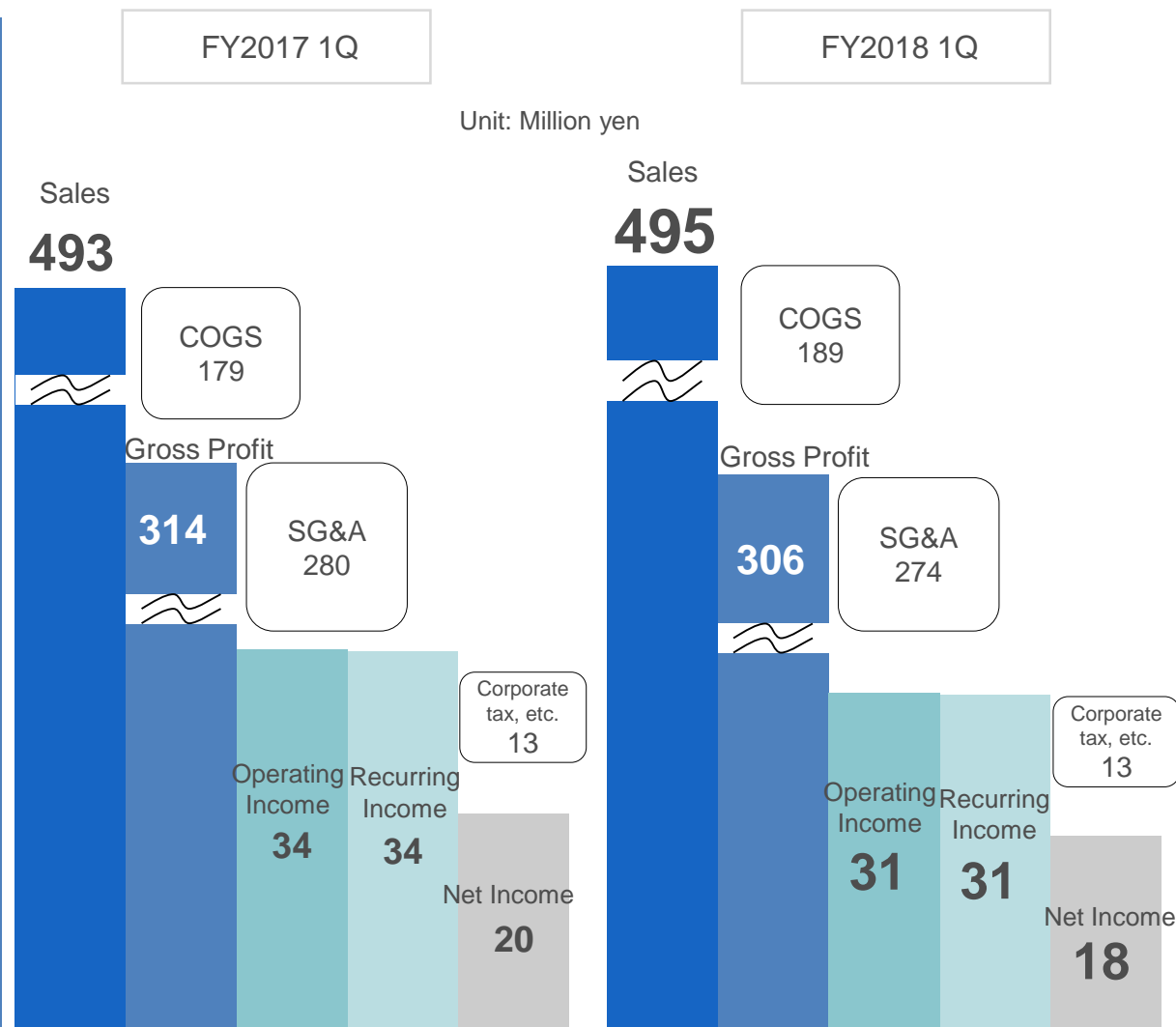
* Cloud Service revenue figures have not been adjusted for internal transactions.

* Figures rounded down to the nearest million yen.

* Ratios rounded to the nearest decimal place.

Sales Grew Year on Year, but Profit Slightly Declined

- Sales rose around 1 million yen YOY to 495 million yen. Operating income dropped around 3 million yen YOY to 31 million yen.
- As for COGS, the personnel expenses for engineers and development cost due to posting of sales of the favourable Advanced-Cloud service augmented.
- SG&A expenses decreased due to the reduction of communication cost, etc.



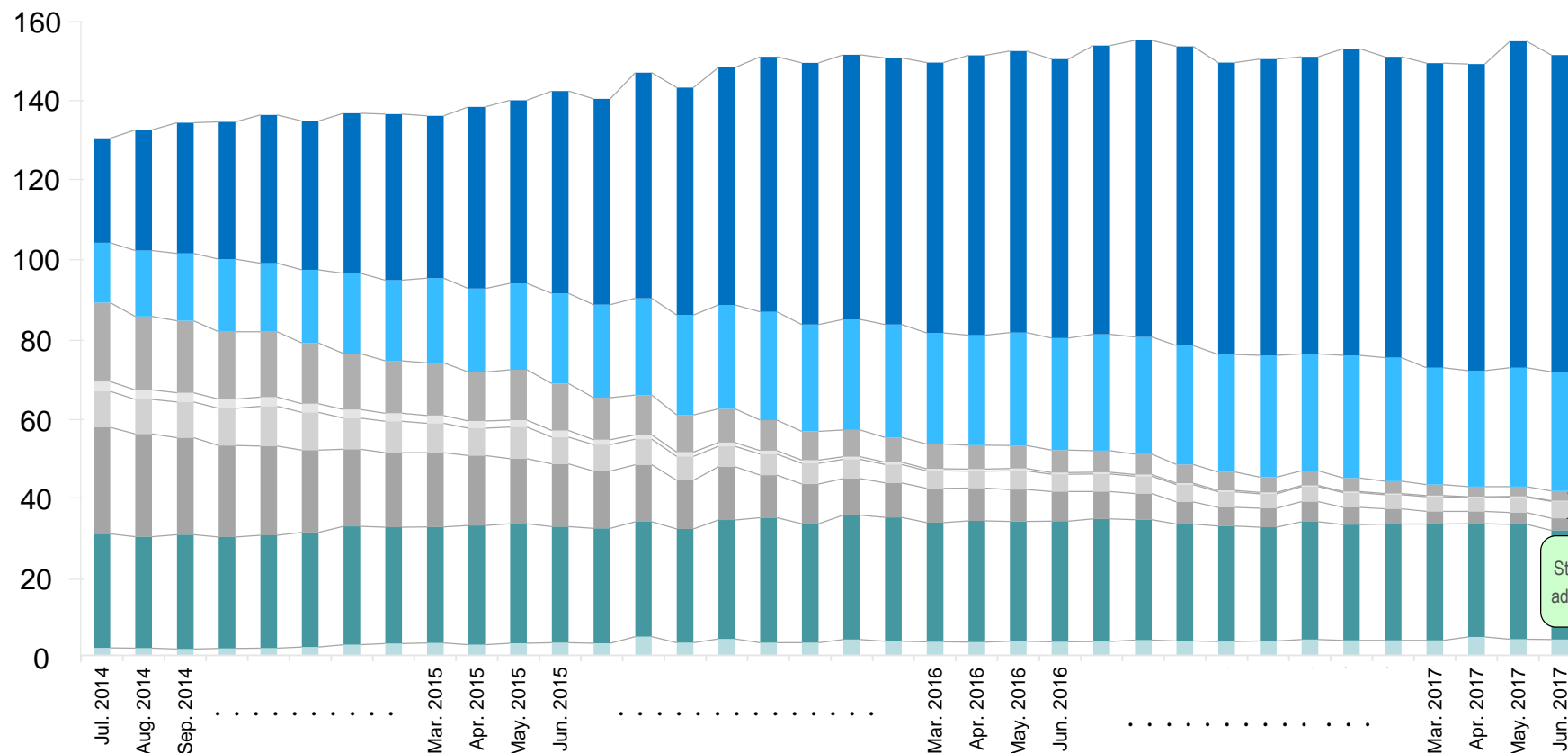
* Figures rounded down to the nearest million yen.

“ES e-Bukken One” is Our Core Cloud Computing Service

- ES e-Bukken One (Rental Property + Sales Property)
- ES e-Bukken One WebSite
- ES e-Bukken One Rental Property
- ES e-Bukken One Sales Property
- ES Sales Support
- ES-WebSite
- Ad Placement Function for Rental Property
- Ad Placement Function for Sales Property

Breakdown of Cloud Computing Service (Turnkey services) Sales

[unit: million yen]



All users of the existing service will have shifted to ES e-Bukken One by the end of Mar. 2018.

Services to be replaced by One Rental Property and Sales Property

Service to be replaced by One Website

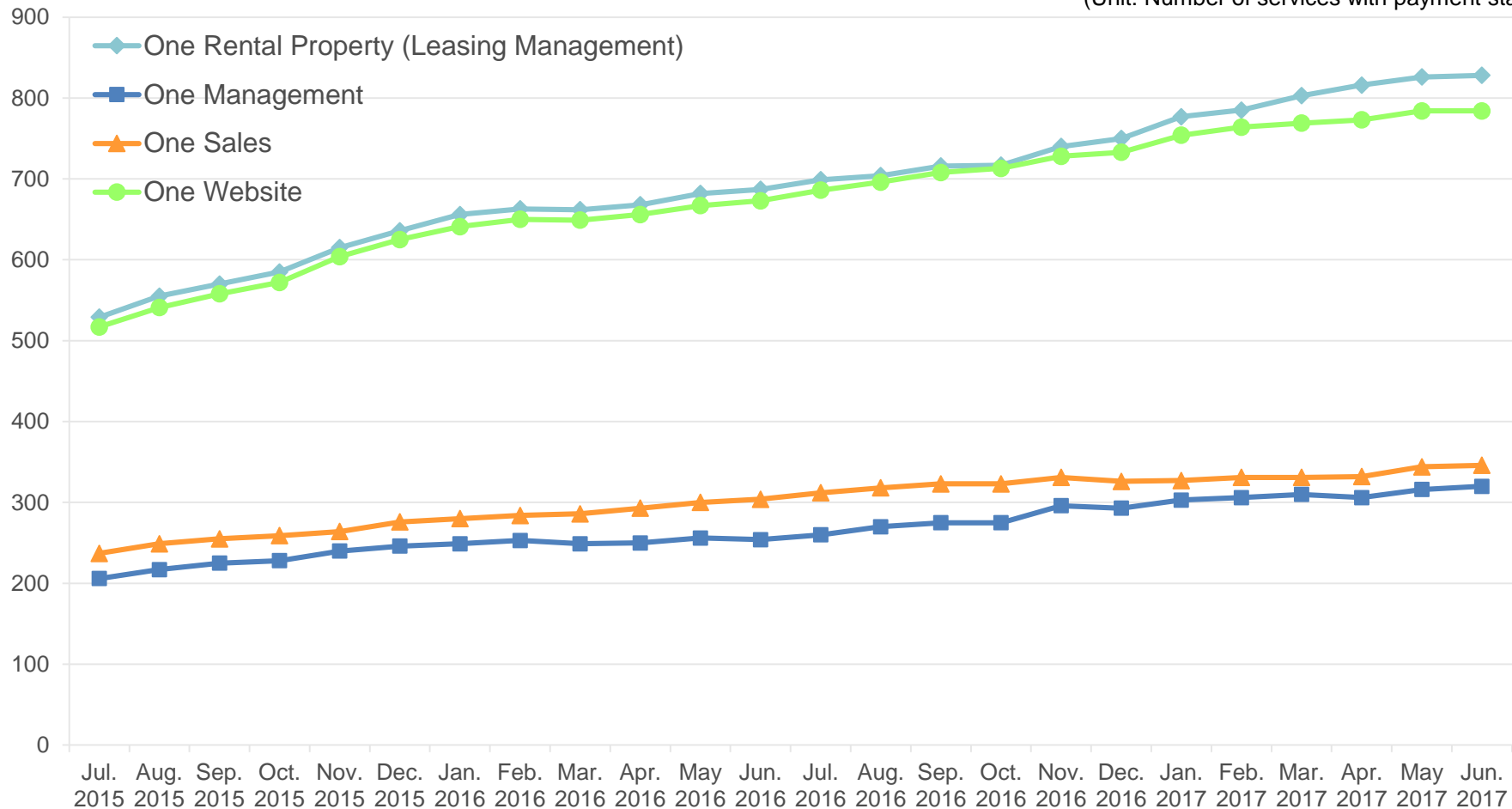
Steady growth of the ad placement function

* Each sales breakdown category is the total of initial and monthly fees.

The Number of Licenses Provided is Increasing Steadily

Transition of Number of Licenses by Service

(Unit: Number of services with payment started)



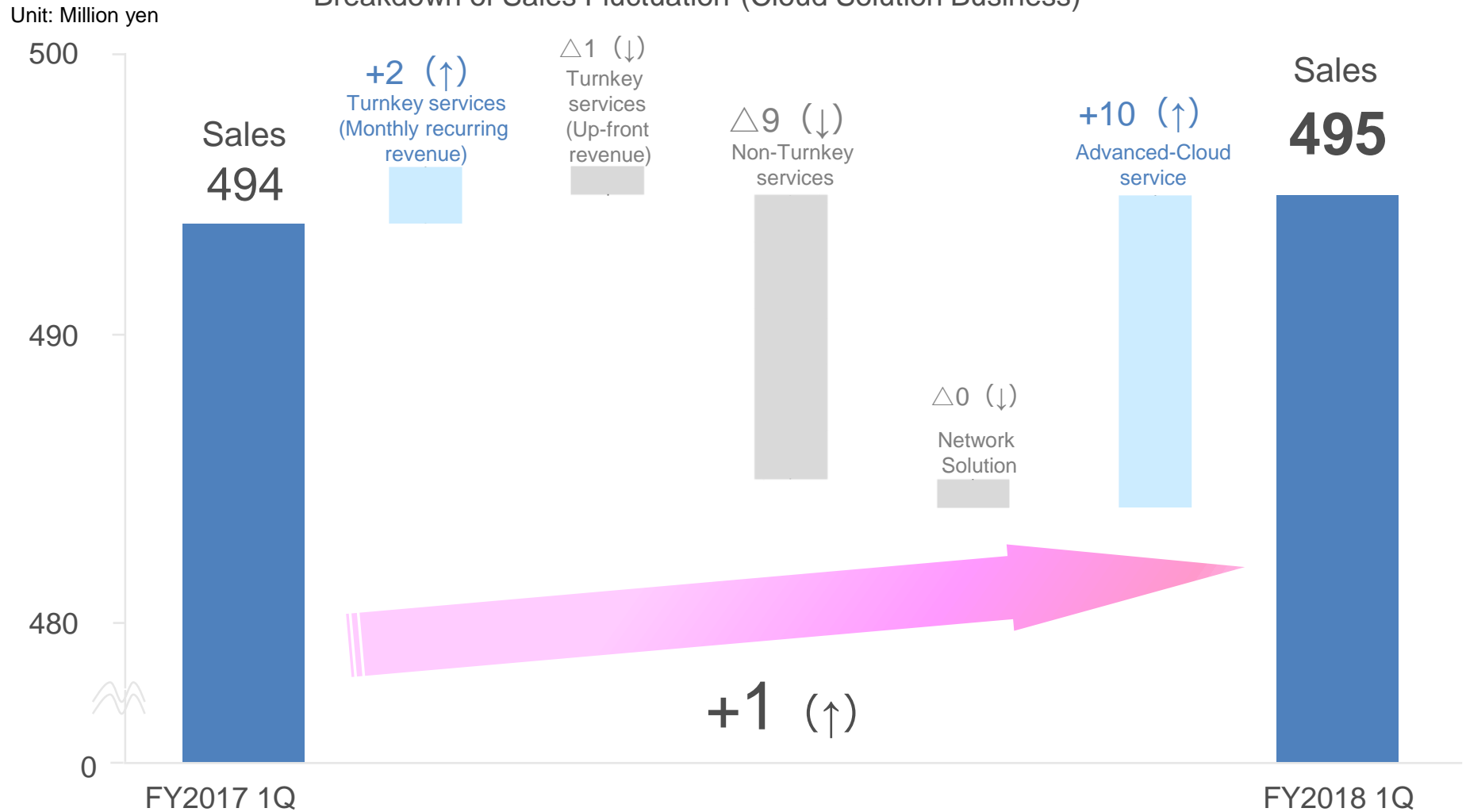
* The number means the sum of the number of new contracts and the number of shifts from existing services.

* The above value does not include the number of charge-free licenses.

* The total number of "One Rental (management option)," "One Rental (full-time management)," and "One Rental (rent management)" is expressed by "One Management."

Sales Drop is Offset by the Growth of Sales of Advanced-Cloud Service

Breakdown of Sales Fluctuation (Cloud Solution Business)



* Cloud Solution Business sales figures have not been adjusted for internal transactions.
 * '-' indicates zero yen, '0' indicates an amount less than one million yen.
 * Figures rounded down to the nearest million yen.

Cloud Solution Business Revenues by Product

Item (Million yen)	FY2017 1Q	FY2018 1Q	YOY change	YOY change (%)
Cloud Service	472	463	△8	△1.9%
Turnkey services *	440	441	1	0.3%
Up-front revenue	13	11	△1	△11.7%
Monthly recurring revenue	426	429	2	0.7%
Non-turnkey services *	32	22	△9	△30.6%
Network Solution	8	8	△0	△5.9%
Advanced-Cloud Service	12	23	10	85.0%
Total	494	495	1	0.3%

* Turnkey services Suite of standard system applications with up-front and monthly recurring revenue.

Non-turnkey services Customized system applications with one-time and monthly recurring revenue.

* Cloud Solution Business sales figures have not been adjusted for internal transactions.

* '-' indicates zero yen, '0' indicates an amount less than one million yen.

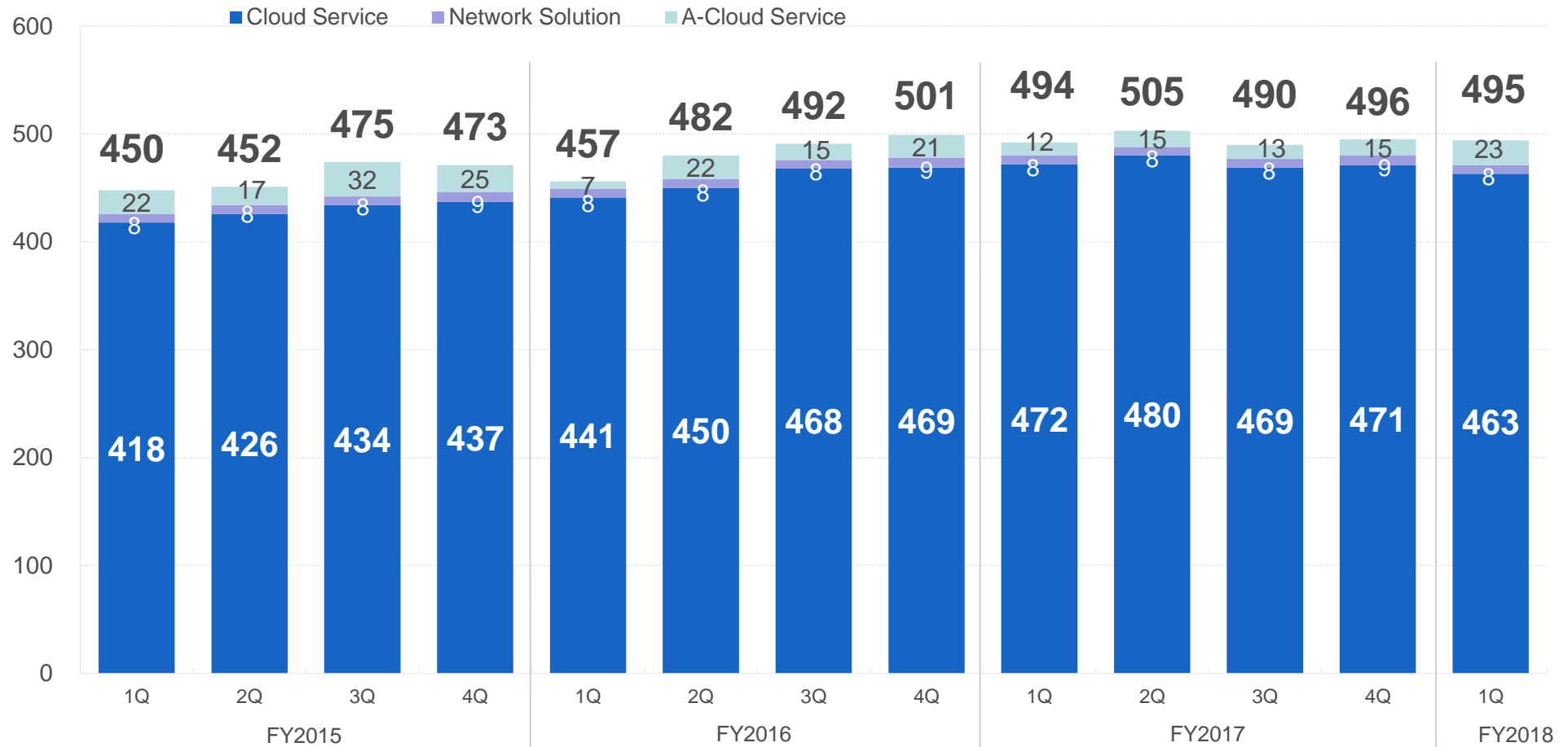
* Figures rounded down to the nearest million yen.

* The sales of "Advanced-Cloud Service" have been broken down to the sales of "ad-related services" and of "system development," but those sales have been summed up, and disclosed as the sales of "Advanced-Cloud Service" from the term ending Mar. 2018, from the viewpoint of importance of disclosure.

Sales of Cloud Service, Our Core Product, Have Continued Strong

Transition of Sales by Item (Cloud Solution Business)

Unit: Million yen



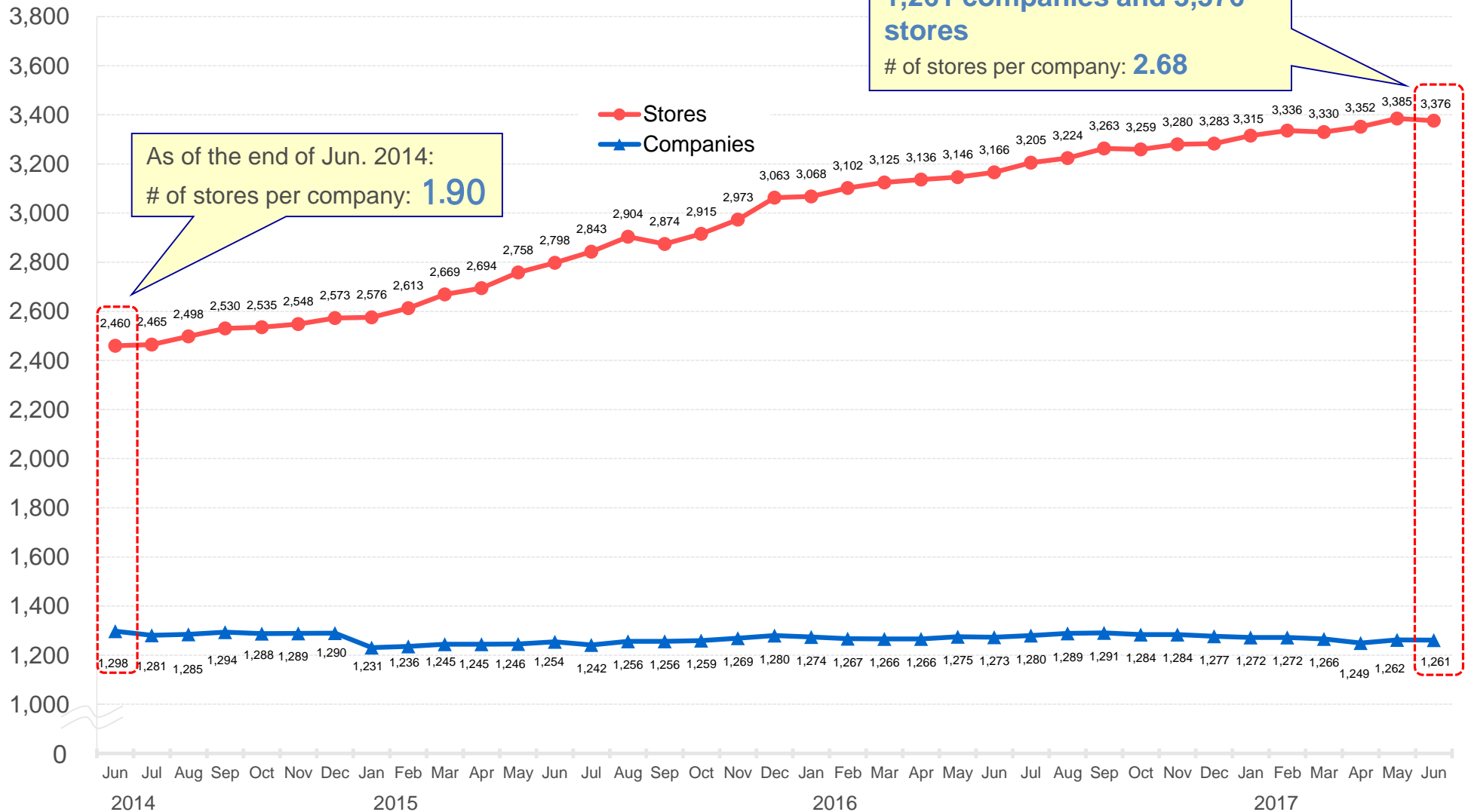
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Number of Stores per Company (Clients Having Multiple Stores) is Expanding

Transition of Number of Companies and Stores Using Our Services



* As for ES e-Bukken One, contracts are concluded and fees are charged for individual corporations. As for the number of stores, the total number of stores used and registered by clients (real estate companies) was counted.

The Quality of Support Systems and Services was Enhanced, for Raising Customer Retention Rate

Transition of Termination Rate



	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Ave.
# of companies	14	17	9	17	20	8	17	22	11	10	27	7	14	14.8
Termination Rate	1.10%	1.33%	0.70%	1.32%	1.56%	0.62%	1.33%	1.73%	0.86%	0.79%	2.16%	0.55%	1.11%	—

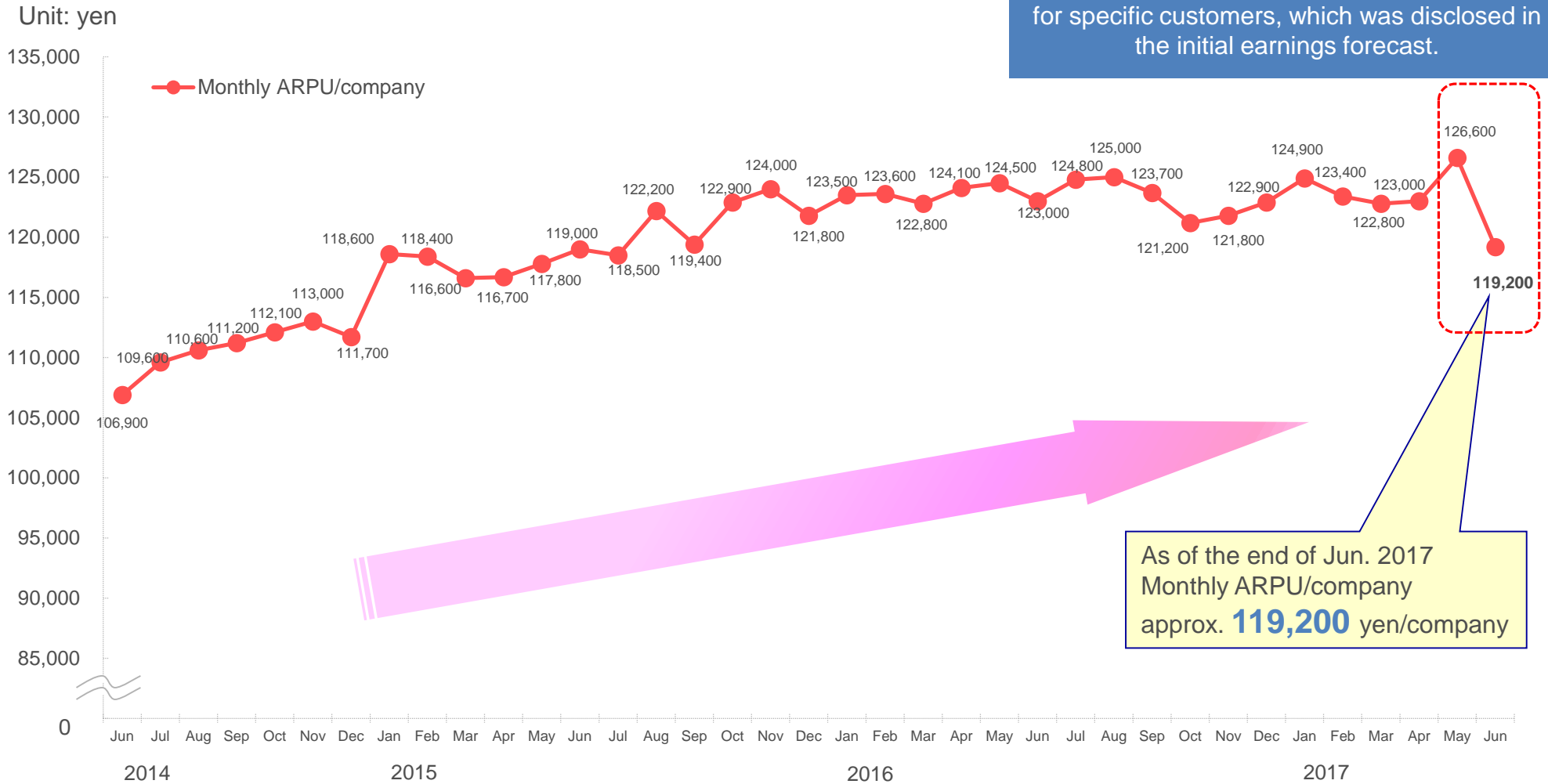
* Termination rate is obtained by dividing the number of companies that have cancelled our service in each month by the number of companies whom we have charged.

* “# of companies” means the number of companies that have cancelled our service and are no longer charged in the month concerned.

Generally Resulting in a Steady Increase in Monthly ARPU

Transition of Monthly ARPU

There was the influence of the drop in unit prices after the termination of the cloud service for specific customers, which was disclosed in the initial earnings forecast.

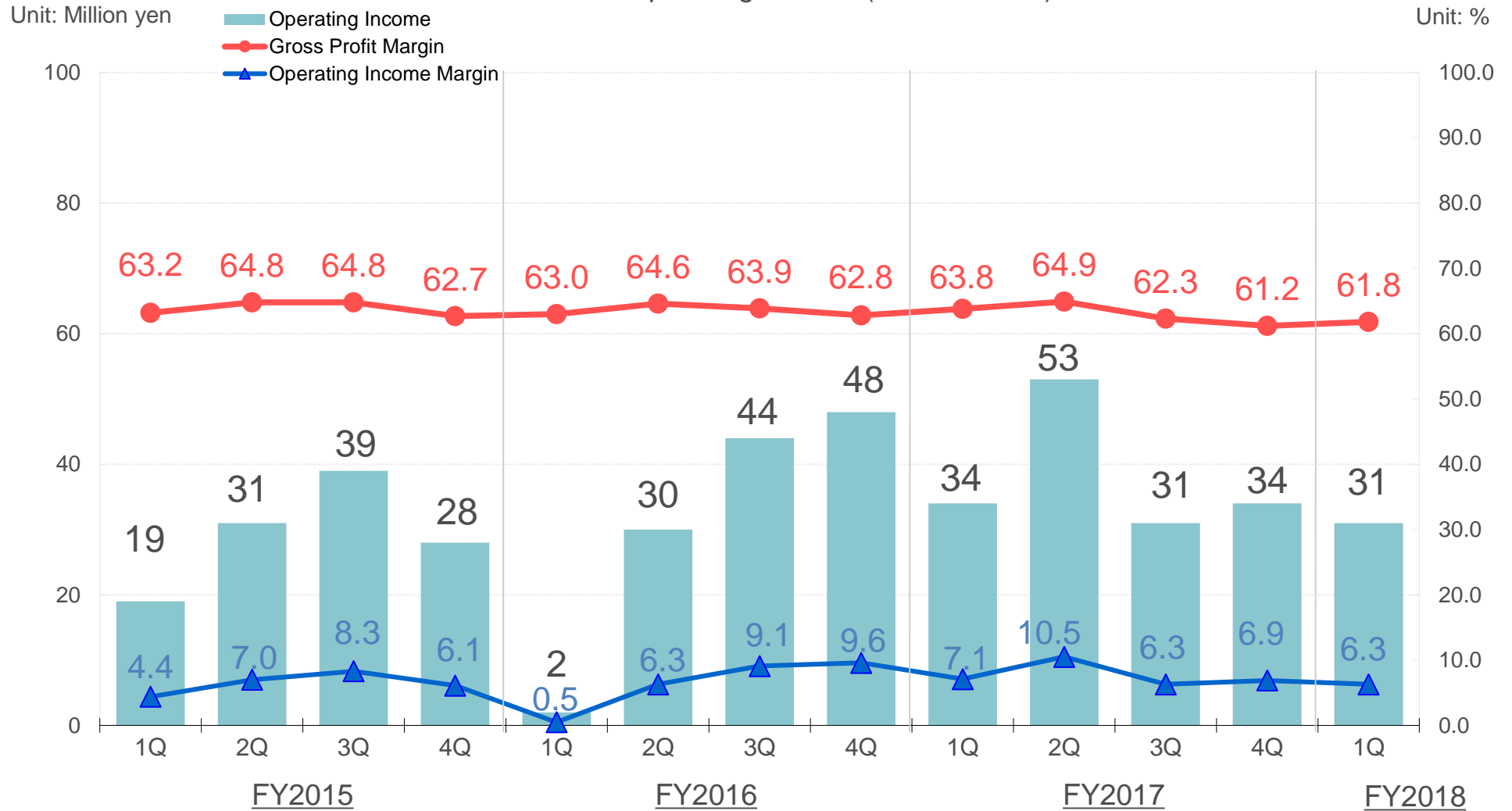


As of the end of Jun. 2017
Monthly ARPU/company
approx. **119,200** yen/company

* Monthly ARPU =
$$\frac{\text{Cloud Service revenue in a given month}}{\text{The number of companies 'Billed Clients' in a given month}}$$

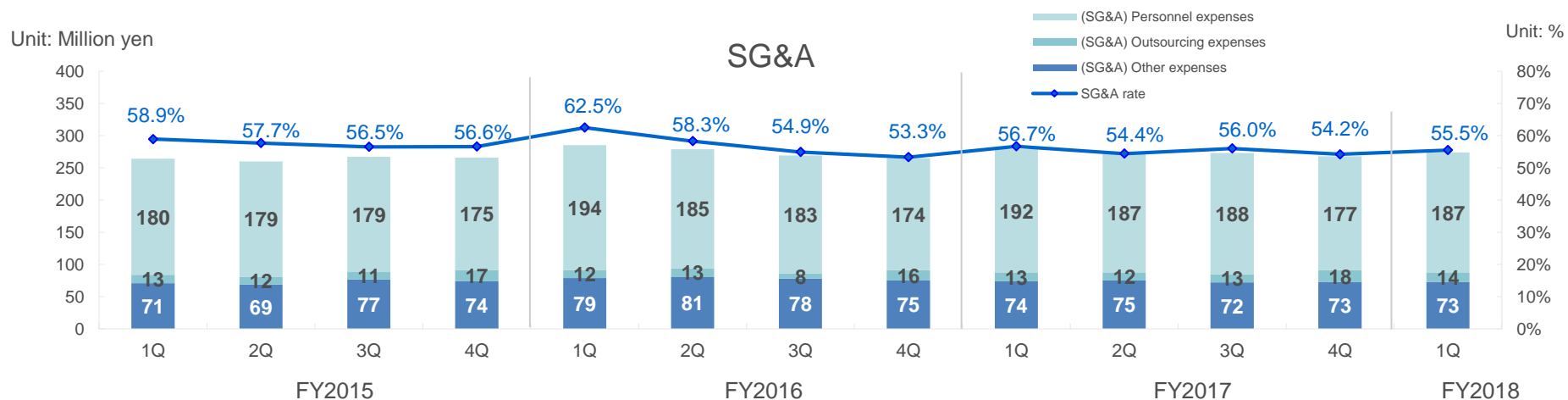
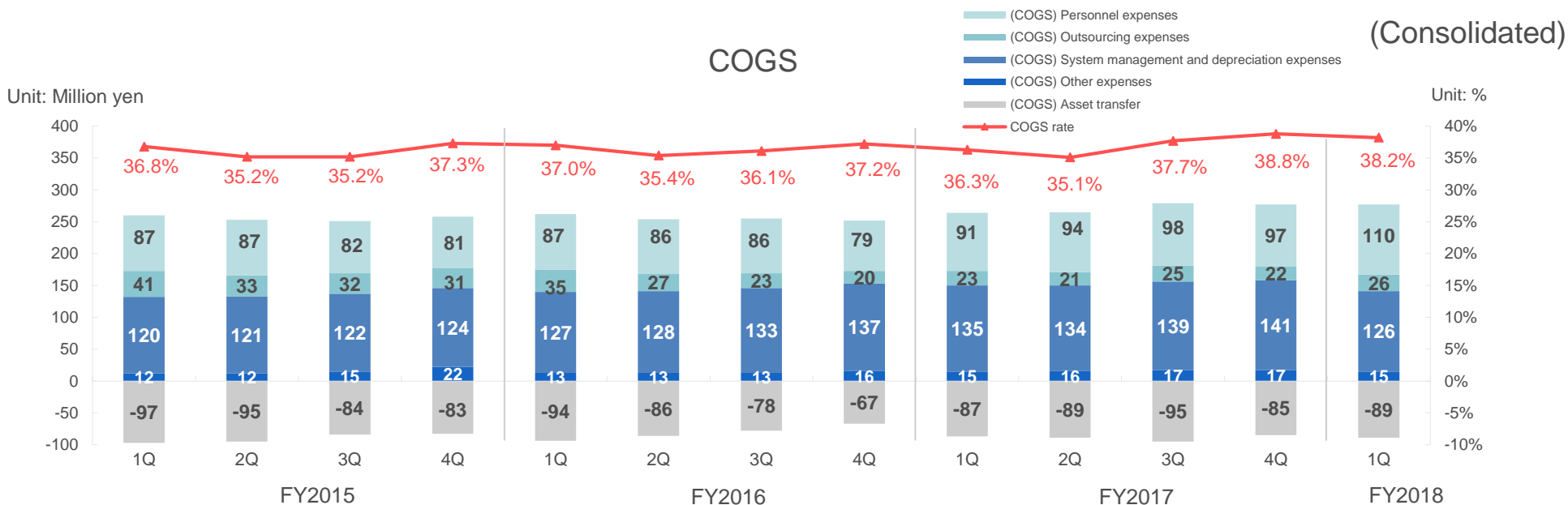
* Figures rounded down to the nearest hundred yen.

Transition of Operating Income (Consolidated)



* Figures rounded down to the nearest million yen.

Total Expenses are Under Control



* (COGS) Outsourcing expenses: Outsourcing expenses, temporary recruitment expenses, procurement expenses, system usage expenses, etc.

(COGS) Asset transfer: Inventory assets(goods in process), portion allowances for software under development listed under COGS

* (SG&A) Outsourcing expenses: Advertising expenses, recruitment related expenses, consultant fees, payment commission, etc.

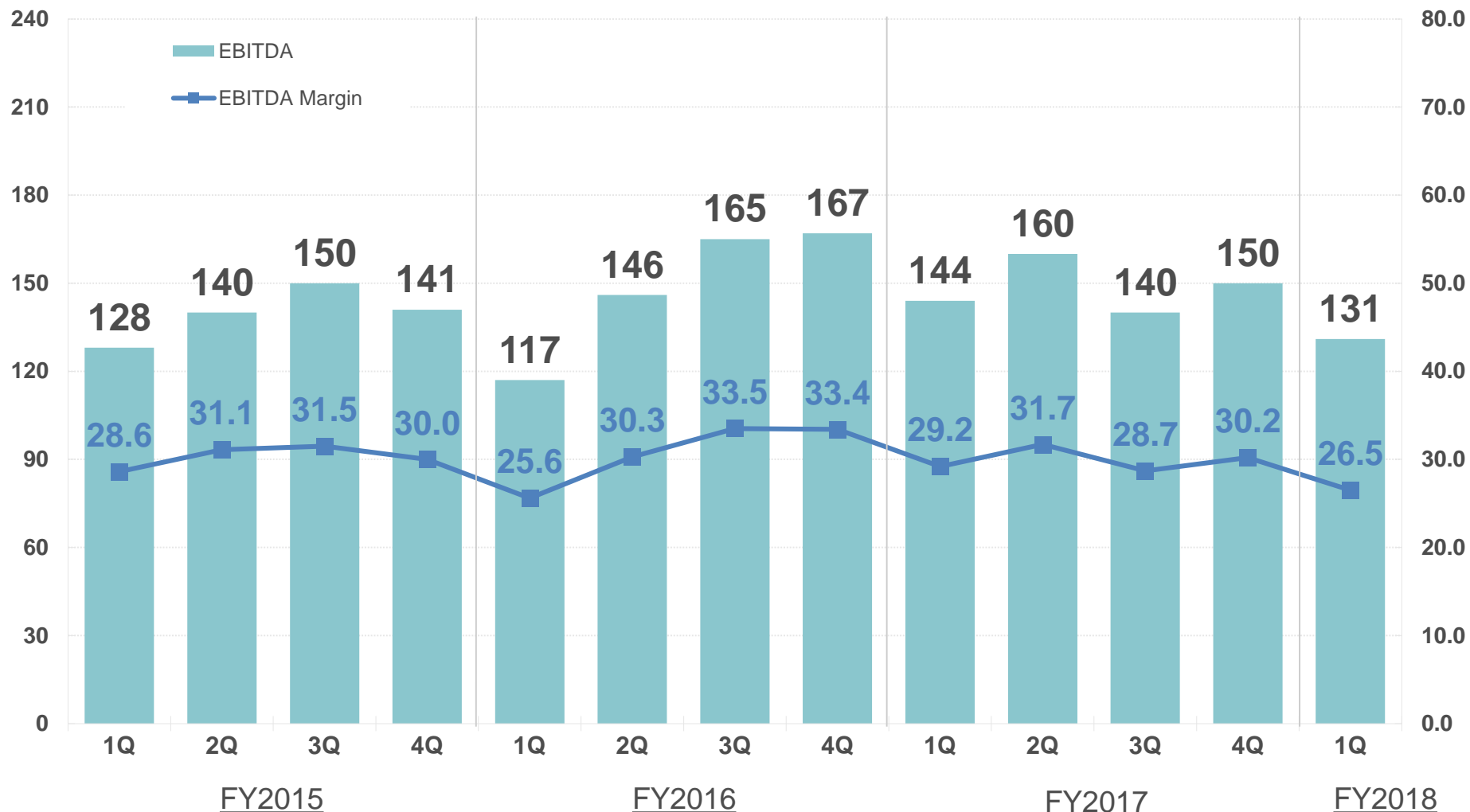
* Figures rounded down to the nearest million yen.

Stable EBITDA (Operating Income + Depreciation)

Transition of EBITDA (Consolidated)

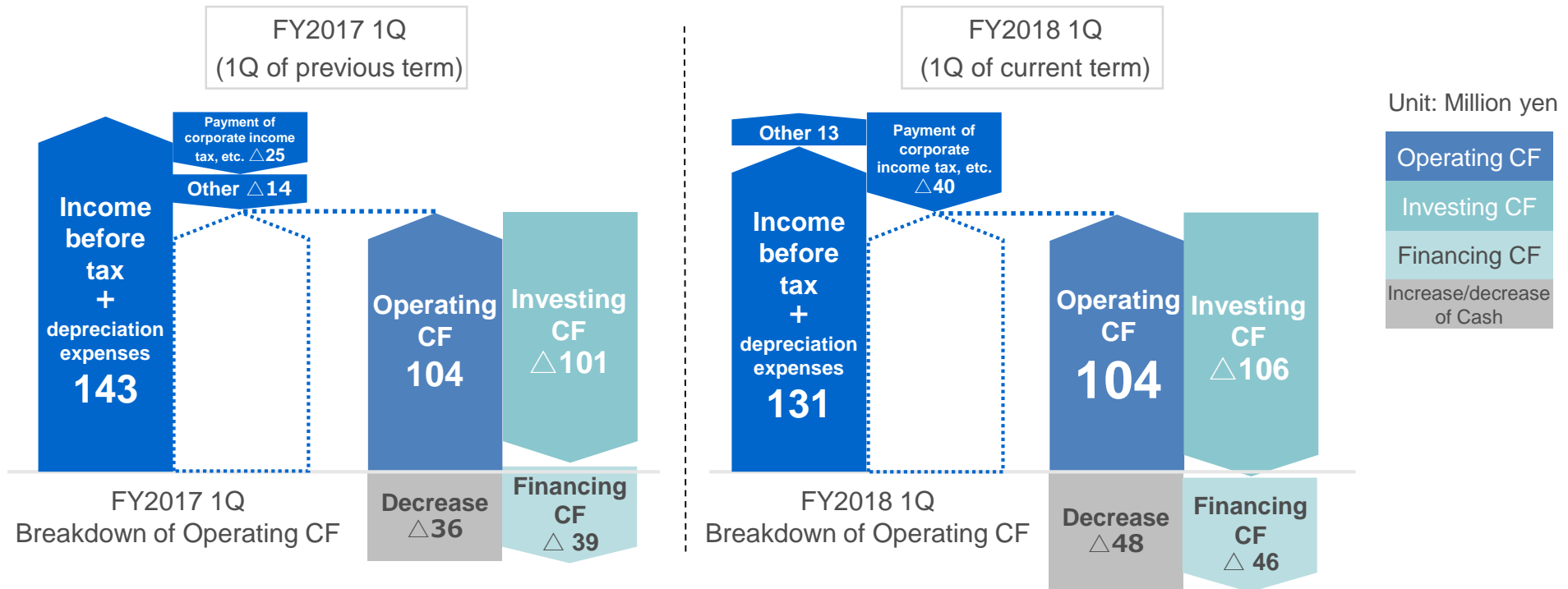
Unit: Million yen

Unit: %



* Figures rounded down to the nearest million yen.

Cash Flow Statement (Consolidated)



<Key Points>

Operating Activities ① Income before tax + depreciation expenses

② Payment of corporate income tax, etc. (△)

Investing Activities ③ Expenses in development such as services (△)

④ Purchase of fixtures and furnitures, etc. (△)

⑤ Expenses due to the purchase of assets (HW/SW) (△)

Financing Activities ⑥ Payment of year-end dividend (△)

⑦ Expenses due to repayment of lease obligations (△)

FY2017 1Q

143M yen

△25M yen

△81M yen

△13M yen

△4M yen

△24M yen

△14M yen

FY2018 1Q

131M yen

△40M yen

△100M yen

—M yen

△5M yen

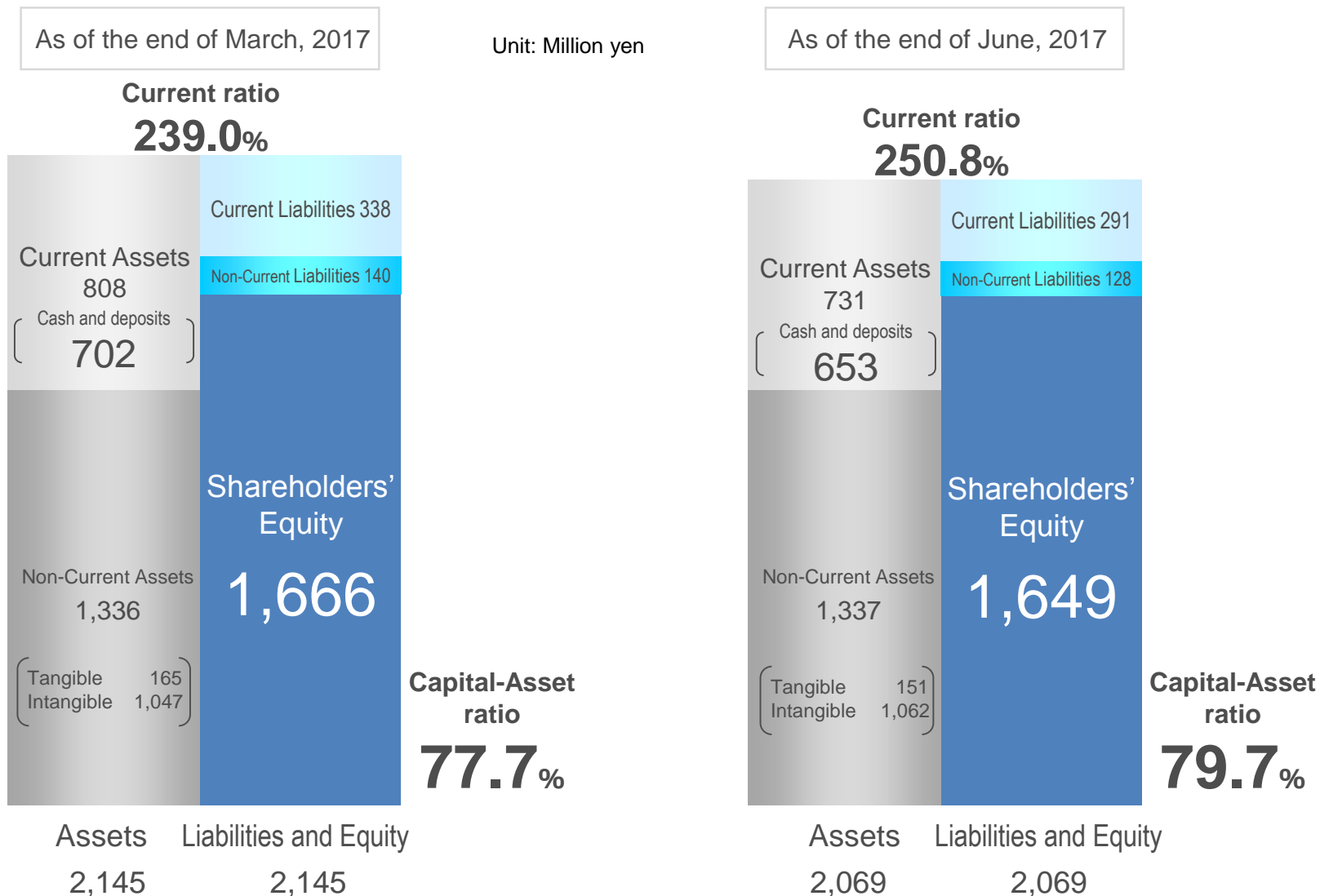
△31M yen

△14M yen

* Figures rounded down to the nearest million yen.

* '0' indicates an amount less than one million yen.

Consolidated Balance Sheet YOY Comparison



* Figures rounded down to the nearest million yen.

2. Business Forecast

Both Sales and Profit are Estimated to Decline, but the Dividend will Remain 5 Yen/Share

(Million yen)	Mid-term Forecast FY2018	Full-term Forecast FY2018	Full-term Results FY2017	Difference	YOY change (%)
Sales	962	1,941	1,986	△44	△2.3%
Operating income	12	66	153	△86	△56.4%
Recurring income	11	65	153	△87	△57.0%
Net Income	2	33	88	△55	△62.3%

	Dividend per share
Full-term dividend (forecast) (FYE March 2018)	5.00yen
Full-term dividend (result) (FYE March 2017)	5.00yen

- * Forecast figures are based on information available at the time of this announcement. Actual results may differ materially from the forecast figures.
- * Figures rounded down to the nearest million yen.

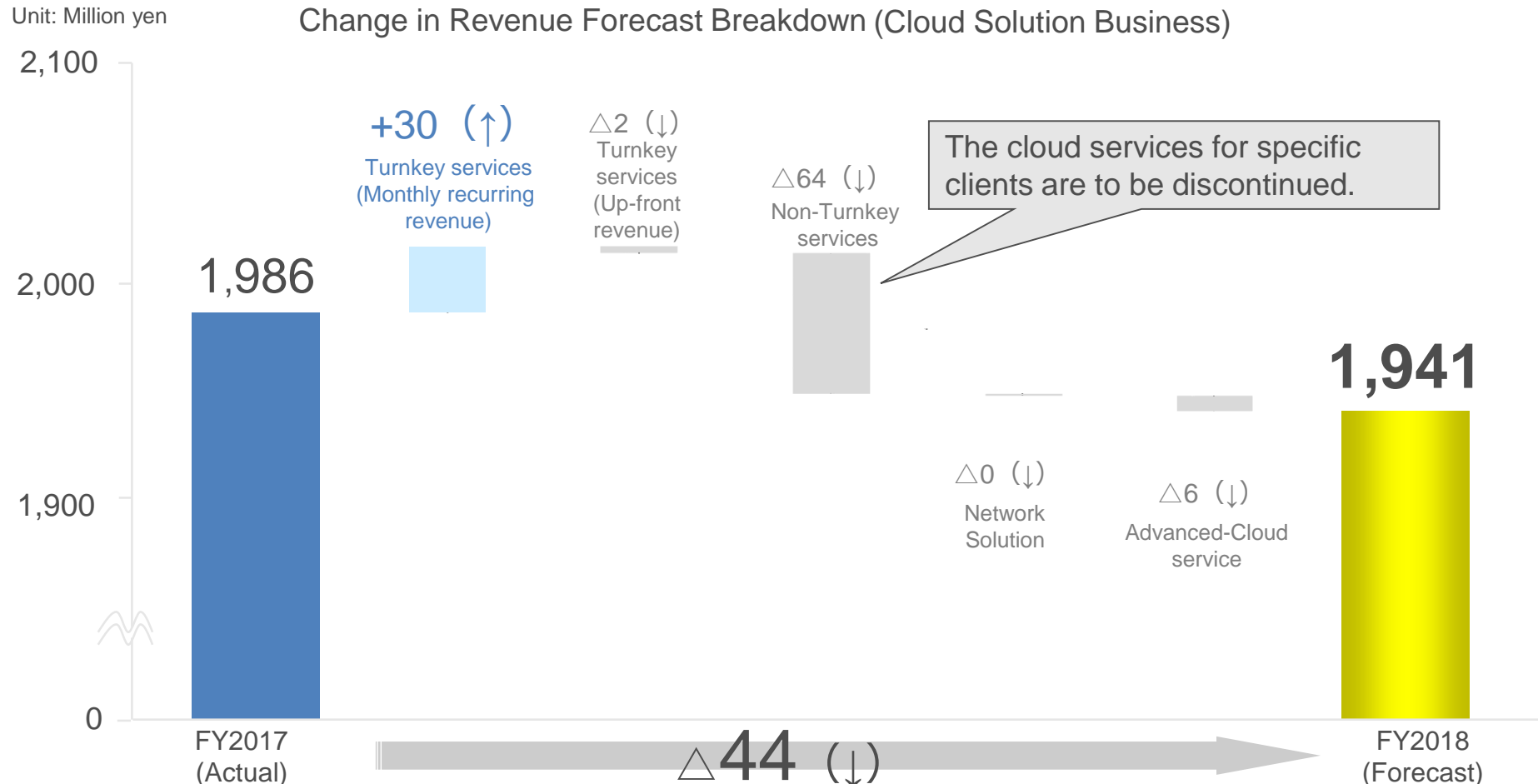
(Million yen)	Full-term Forecast FY2018	1Q Results FY2018	Progress Rate as % of Full-term Forecast	(Reference) Full-term Results FY2017
Sales	1,941	495	25.5%	1,986
Operating income	66	31	46.8%	153
Recurring income	65	31	47.4%	153
Net Income	33	18	54.5%	88

* Forecast figures are based on information available at the time of this announcement.

Actual results may differ materially from the forecast figures.

* Figures rounded down to the nearest million yen.

Sales Forecast: Sales of the Turnkey Services are Estimated to Keep Growing Steadily



<Key Points>

Further promoting “ES e-Bukken One,” our “turnkey services (monthly recurring revenue)” revenue is expected to increase by about 30 million yen YOY, but the sales of Non-Turnkey cloud services are forecasted to decrease. Accordingly, the total sales of the cloud solution business are projected to drop by about 44 million yen.

- * Cloud Solution Business sales figures have not been adjusted for internal transactions.
- * Figures rounded down to the nearest million yen.

Cloud Solution Business Revenue Forecast Breakdown

Item (Unit: million yen)	FY2017	FY2018	YOY change	YOY change (%)
Cloud Service	1,894	1,856	△37	△2.0%
Turnkey services *	1,764	1,791	27	1.5%
Up-front revenue	50	47	△2	△5.9%
Monthly recurring revenue	1,713	1,743	30	1.8%
Non-turnkey services *	129	64	△64	△50.1%
Network Solution	34	33	△0	△2.5%
Advanced-Cloud Service	57	51	△6	△10.8%
Total	1,986	1,941	△44	△2.3%

* Turnkey services Suite of standard system applications with up-front and monthly recurring revenue.

Non-turnkey services ... Customized system applications with one-time and monthly recurring revenue.

* From the term ended Mar. 2017, the sales of “Ad-related services” and the sales of “system development” in Advanced-Cloud Service are summed up, and posted as the sales of “Advanced-Cloud Service” because the disclosure-related importance degraded.

* Cloud Solution Business sales figures have not been adjusted for internal transactions.

* Figures rounded down to the nearest million yen.

* The sales of “Advanced-Cloud Service” have been broken down to the sales of “ad-related services” and of “system development,” but those sales have been summed up, and disclosed as the sales of “Advanced-Cloud Service” from the term ending Mar. 2018, from the viewpoint of importance of disclosure.

3. Business Overview

Target Index

- Number of clients **5,000** companies
- Monthly ARPU more than **¥100,000**
- Gross profit margin on Cloud Service more than **70%**

Expand and grow our client base

To keep increasing clients by evolving services and enriching the systems for the support for installation and clients

Improve sales and operation efficiency

To increase the average spending per client by improving additional values and lengthen the period of use by upgrading services

Future growth

To evolve ES e-Bukken One to real estate trade platforms

Outlook for Future Service Developments

It will become possible to “Explanation of Important Matters by IT.”

Until Sep. 2017

From Oct. 2017

2018

2019

2020

2021

Existing Services

Sales and support will be discontinued.



つなぐ、不動産クラウド。
いい物件One

Improvement of Service Development Cycles and Function Reinforcement

Response to the legal system for “Explanation of Important Matters by IT,” etc. and the changes in the external environment
Provision of services for the use of IT in a series of processes for real estate transactions, such as inquiry, preview, application, explanation of important matters, conclusion of a contract, payment, and transfer of ownership

Improvement of Response Capabilities to Market Needs by Dividing Applications

Acceleration of synergy among merchants for Solutions for Real Estate Companies

Service Quality Improvement and Capacity Increase

Improvement of API Architecture following Constant Increase in Data Volume

Significant Improvement of the Processing Capacity of Conversion (medium delivery) Functions.

* The above schedule is a plan at the present moment and is subject to change.



Real estate database

- Layout info
- Addresses, latitude/longitude info
- Equipment info
- Images
- ⋮



Contract database

- Lease contracts
- Management entrustment contracts
- ⋮



Database of organizations and employees

- Names or corporations and organizations
- Employees' names, numbers, and posts
- Contact info (email addresses and telephone numbers)
- ⋮



Customer database

- Customer categories (renting, lending, selling, or buying)
- Names, contact info, etc.
- Family structures
- Annual income and bank account info
- ⋮



Database of income, expenditure, and sales

- Rents and security deposits
- Deposit category
- Accounts
- ⋮

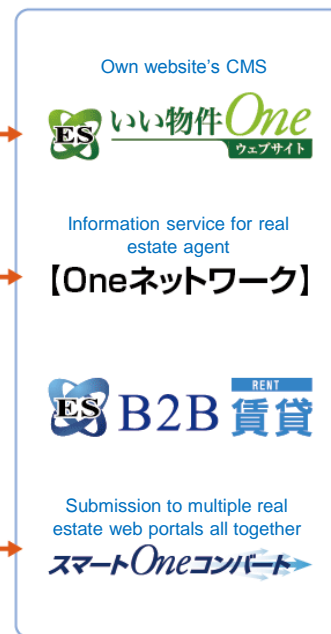
**More than 4,000 items
can be stored.**



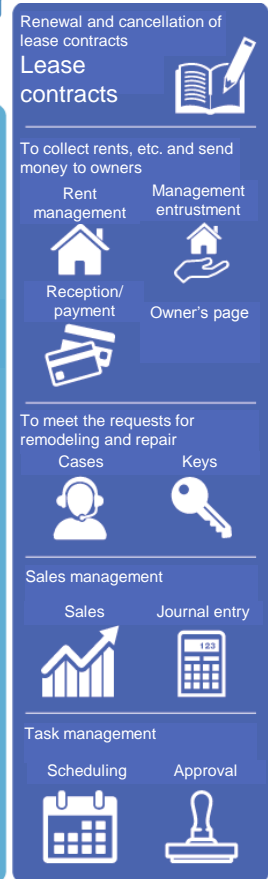
Business activities for real estate to be traded



Business activities for real estate for rental



Lease management business



What is the “Explanation of Important Matters by IT”?

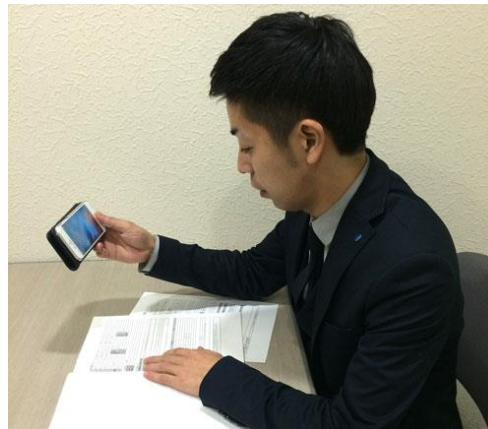
The current Building Lots and Buildings Transaction Business Act obliges real estate brokers to explain important matters to buyers face to face, but it will become possible to explain them online by using a “TV conference system,” etc.

What are the advantages of the “Explanation of Important Matters by IT”?

Users can save time and cost for transportation. Real estate agents can expect more rapid IT advancement in the future.



Customers can confirm the real estate transaction expert license through a camera.



What is the goal of e-Seikatsu?

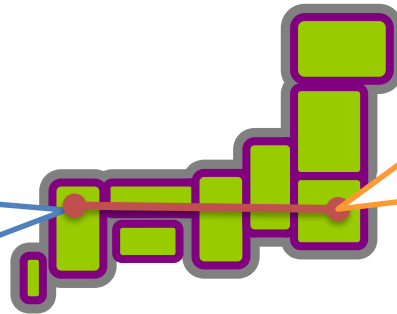
IT is increasingly used in real estate transactions, including the explanation of important matters by IT, etc. Our company will introduce IT in a series of real estate transactions, including search for real estate, preview, explanation of important matters, conclusion of contracts, and payment.

Selling the Cloud Service for Online Meetings for Explaining Important Matters by IT



Yes, I can hear you.
I'd appreciate your cooperation today.

Customer (living in Fukuoka)



Then, I'll explain important matters about the real estate.
Can you hear me?

Real estate firm (in Tokyo)

1. Introduction of real estate

2. Description of real estate

3. Contract

Online customer services



To introduce real estate to customers at distant places
"face to face"

Online preview



You can check the inside of real estate in your free time.

Online conclusion of a contract
(explanation of import matters by IT)



You can sign a contract with your smartphone or tablet PC.



Comprehensive database
on real estate

Provision of new
experiences with VR

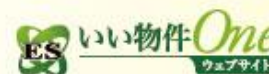
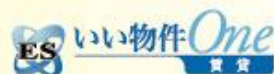
【Details of the business tie-up】

- To offer solutions, such as “VR-based Preview,” which is suited for real estate transactions, to real estate firms broadly by utilizing our marketing know-how(Plan).
- To create more convenient services and offer value to real estate firms and users (consumers) by linking VR and database on real estate.



Promotion of the use of IT in real estate transactions

ES e-Bukken One was registered as a service of “IT installation support project” of the Ministry of Economy, Trade and Industry.



If a client who has installed “ES e-Bukken One” satisfies the criteria for receiving IT Subsidy, the client will receive **up to 1 million yen** as subsidy for installation. We hope you will consider this opportunity.



<What is the IT installation support project?>

This is a project promoted in comprehensive efforts for enhancing the growth potential of service businesses, which account for 70% of GDP, in order to attain the governmental goal of “doubling the productivity of service businesses by 2020,” which is presented by Abe’s Cabinet. “IT Subsidy*” is aimed at helping enterprises increase their productivity and management capability by utilizing IT services. It is also aimed at maximizing the improvement in productivity by supporting the adoption of packaged services with multiple functions.

* The first acceptance of applications ended. The second acceptance of applications ended on Jun. 30, 2017.

4. Appendix

Business Outline

Financial Data

Business Outline

- The real estate industry represents **12.9%** of GDP (466 trillion yen (nominal))



Real estate industry **12.9%** (60 trillion yen)

Source: National Accounts for 2015 (GDP by economic activity)

- Total real estate assets equals **1,684 trillion yen**

Residential
368 trillion yen



Non-residential
170 trillion yen



Land 1,145 trillion yen



Source: National Accounts for 2015 (National assets)

- There are **123,416 real estate agencies**

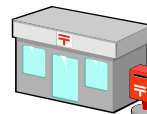


Source: Real Estate Transaction Improvement Organization (As of the end of Mar 2017)



Convenience stores
54,822 stores (March 2017)

Source: JFA Convenience Store (monthly statistic report)



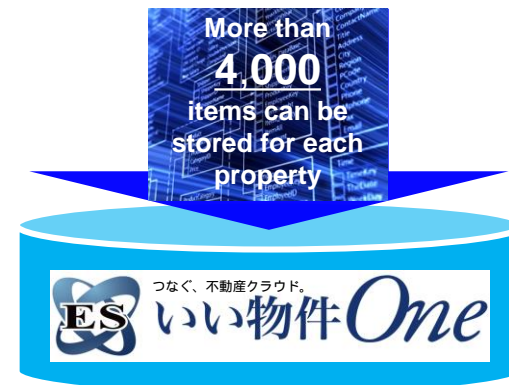
Post offices
24,421 offices (As of the end of Mar 2017)

Source: Japan Post Network Co., Ltd.

The number of potential clients is enormous.

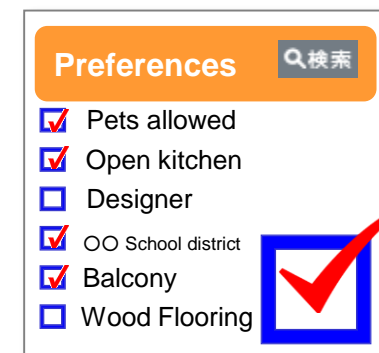
Real estate industry is an “Information industry”

- Requires immediate and accurate information
- The necessity of database that can manage the information on property, customers, and contracts together.

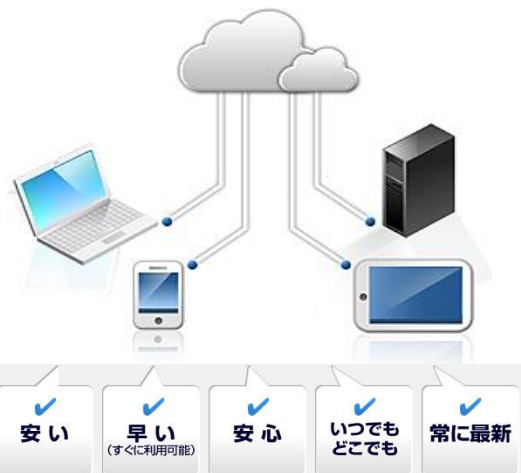


Diversified consumer needs!

- The necessity of comprehensive information database on real estate to satisfy a variety of preferences of consumers



Large Demand for More “User-Friendly” Databases



Benefits of Cloud Services

- No need for initial investment in servers, etc.
- Short lead time.
- No need to update (the latest version is always available).
- Saved data is safe and secure (security systems).
- Ideal part of BCP (Business Continuity Planning).

Real estate firms are scattered nationwide.

Small and medium-sized firms are dominant.

Work flow can be united into some patterns.

Master info (such as addresses and railroad names) is frequently updated.

Cloud services specializing in real estate businesses are anticipated!

Vision

To become an essential integral information infrastructure for the real estate market, where a variety of information on real estate is put together.



Mission

To create a market with high degree of satisfaction and reliability for all participants by enhancing the transparency of the market.

To pursue a single (large) field and offer “indispensable” systems for business

Our development staff who are versed in real estate businesses develop systems (accumulating know-how).

Direct sales force = tight relationship with clients, deep industry knowledge

Swift cycle of “grasping needs → planning → development → release”

Obtained the certificates of international standards in order to improve our service level and customer satisfaction further.

No bank borrowing and financially sound

Obtained “ISO/IEC20000-1:2011” (international standards) for improving our service level.

- “ISO/IEC20000-1:2011” (International standard of IT service management system)
(Initial certification in October, 2009)
- “ISO/IEC27001:2013” (International standard of information security management system)
(Initial certification in August, 2006)

Certified under the “Information Disclosure Certification Systems for Safety and Reliability of Cloud Services”

The Company’s “ES e-Bukken One” cloud service gained a certification under the “Information Disclosure Certification Systems for Safety and Reliability of Cloud Services”, which was institutionalized by ASPIC (ASP-SaaS-Cloud Consortium), based on the guidelines published by the Ministry of Internal Affairs and Communications.

☆ Initial Certification Date: December 16, 2014

☆ (Current) Certification Period: December 16, 2016 to December 15, 2018



0183-1412

Higher customer satisfaction with high quality services

Business	Service Category	Element Type	Contract Type	Revenue Recognition	Service and Revenue Details
Cloud Solution Business	Cloud Service	Stock (MRR)	Annual	Monthly amount	<p>System usage fees for cloud service Turnkey services Operation services of customized solutions (resulting from A-cloud system development work)</p>
	Network Solution	Stock (MRR)	Annual	Monthly amount	<p>System operation and management fees. Operating and managing our various systems utilizing client assets (i.e. operating on HW and SW owned by clients).</p>
	Advanced-Cloud Service (System Development /Ad related services)	Flow/ Stock	From time to time/ Quarterly	% of Completion/ One time/ Monthly amount	<p>System development revenue. Mostly client customization work done on our turnkey solution systems.</p> <p>Advertisement sales commission. Monthly commission on “Yahoo! Real Estate” listing service sales. ※Recognized revenue is NET (not GROSS) ※Based on quarterly contracts (ending Mar., Jun., Sep., Dec.)</p>
Related Business	Others (Real estate Brokerage)	Flow/ Stock	From time to time/ Annual	One time/ Monthly amount	<p>Real estate brokerage fees (rental property/sales property) and related fees (supporting employees search for homes). ※Business operated by e-Seikatsu Fudosan Co. Ltd. (100% owned subsidiary)</p>

Established : January 21, 2000

Paid-in capital : 628 million 411 thousand 540 yen (As of the end of June 2017)

Listing : Second Section of the Tokyo Stock Exchange (Code: 3796)

Relationship banks : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Resona Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, Mitsubishi UFJ Trust and Banking Corporation

of employees : 148 (As of the end of June 2017)

Governance System : Company with Audit Committee

Officers :	President & CEO	Kiyotaka Nakamura	Outside Director, Auditor (Full-Time)	Akira Hirano
	Executive Vice President & Co-CEO	Zenichi Maeno	Outside Director, Auditor	Masahito Omachi
	Executive Vice President & CFO	Hiroyuki Shiokawa	Outside Director, Auditor	Shinichi Shamoto
	Executive Vice President & COO	Hiroyoshi Kitazawa	Outside Director, Auditor	Masayasu Takahara
	Managing Director, CTO	Akira Matsuzaki		

Audit Corporation : Kisaragi Audit Corporation

Offices :	Headquarters	〒106-0047	2-32, Minamiazabu 5-chome, Minato-ku, Tokyo
	Osaka office	〒530-0011	4-20 Ofukacho, Kita-ku, Osaka
	Fukuoka office	〒810-0001	11-17, Tenjin 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka
	Nagoya office	〒450-6490	28-12, Meieki 3-chome, Nakamura-ku, Nagoya-shi, Aichi

Financial Data

“ES e-Bukken One” License and User Numbers

(Unit: Number of services with payment started, companies)

ES e-Bukken One		2015 Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2016 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2017 Jan.	Feb.	Mar.	Apr.	May	Jun.
Rental Property (Leasing Management)	New	253	267	273	285	304	315	322	323	322	329	337	339	348	352	358	362	369	371	382	381	379	380	388	392
	Shift	276	288	297	300	311	321	334	340	340	339	345	348	351	352	358	355	371	379	395	404	424	436	438	436
Rental Property (Leasing Management) Total		529	555	570	585	615	636	656	663	662	668	682	687	699	704	716	717	740	750	777	785	803	816	826	828
One Management	New	101	110	111	114	120	125	126	126	122	123	126	123	126	138	141	143	146	146	152	155	157	157	161	167
	Shift	105	107	114	114	120	121	123	127	127	127	130	131	134	132	134	132	150	147	151	151	153	149	155	153
One Management Total		206	217	225	228	240	246	249	253	249	250	256	254	260	270	275	275	296	293	303	306	310	306	316	320
One Sales	New	152	158	161	164	167	175	177	177	180	187	193	197	203	210	216	218	221	215	215	217	217	219	228	231
	Shift	85	91	94	95	97	101	103	107	106	106	107	107	109	108	107	105	110	111	112	114	114	113	116	115
One Sales Total		237	249	255	259	264	276	280	284	286	293	300	304	312	318	323	323	331	326	327	331	331	332	344	346
Website	New	274	283	290	301	323	335	343	345	344	351	357	360	370	379	386	392	396	396	405	406	403	403	414	417
	Shift	243	258	268	271	281	290	298	305	305	305	310	313	316	317	322	321	332	337	349	358	366	370	370	367
Website Total		517	541	558	572	604	625	641	650	649	656	667	673	686	696	708	713	728	733	754	764	769	773	784	784
Companies		688	721	741	760	794	820	840	849	848	857	873	879	897	911	929	932	956	962	988	1,000	1,021	1,037	1,051	1,057

* “Shifts” are transfers from other services to the “ES e-Bukken One” service.

* Free accounts are not included in the above numbers.

* The total number of “One Rental (management option),” “One Rental (full-time management),” and “One Rental (rent management)” is expressed by “One Management.”

Consolidated Income Statement

(Million yen)	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	457	481	493	501	493	505	490	496	495			
COGS	169	170	177	186	179	177	184	192	189			
Gross Profit	288	311	315	315	314	327	305	303	306			
Gross Profit Margin	63.0%	64.6%	63.9%	62.8%	63.8%	64.9%	62.3%	61.1%	61.8%			
SG & A	286	280	270	266	280	274	274	269	274			
Operating Income	2	30	44	48	34	53	31	34	31			
Operating Income Margin	0.5%	6.3%	9.1%	9.6%	7.1%	10.5%	6.3%	6.9%	6.3%			
Recurring Income	2	31	44	47	34	53	30	34	31			
Recurring Income Margin	0.4%	6.4%	9.0%	9.5%	7.0%	10.6%	6.3%	6.9%	6.3%			
Extraordinary Income	—	—	—	—	—	—	—	—	—			
Extraordinary Loss	—	—	—	14	—	—	3	0	—			
Quarter Net Income	△1	17	26	18	20	33	13	20	18			
Net Income Margin	△0.3%	3.7%	5.4%	3.7%	4.2%	6.6%	2.8%	4.1%	3.7%			

* Quarterly figures are not audited (cumulative figures are audited).

* '-' indicates zero yen, '0' indicates an amount less than one million yen.

* Figures are rounded down to the nearest million yen.

Consolidated Balance Sheet

(Million yen)	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets Total	567	607	627	706	677	744	744	808	731			
Non-Current Assets Total	1,298	1,393	1,348	1,302	1,287	1,297	1,272	1,336	1,337			
Assets Total	1,866	2,001	1,976	2,009	1,965	2,041	2,017	2,145	2,069			
Current Liabilities Total	264	312	272	296	269	322	293	338	291			
Non-Current Liabilities Total	59	128	117	106	96	86	78	140	128			
Liabilities Total	324	441	389	403	366	409	371	478	419			
Net Assets Total	1,542	1,559	1,586	1,605	1,598	1,632	1,645	1,666	1,649			
Liabilities & Net Assets Total	1,866	2,001	1,976	2,009	1,965	2,041	2,017	2,145	2,069			

* Figures are rounded down to the nearest million yen.

Consolidated Cash Flow Statement

(Million yen)	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CF from Operating Activities	38	169	120	180	104	206	95	135	104			
CF from Investing Activities	△94	△109	△79	△86	△101	△115	△89	△82	△106			
CF from Financing Activities	△32	△13	△17	△15	△39	△14	△10	△12	△46			
Net increase in cash and cash equivalents (△decrease)	△87	45	23	78	△36	77	△4	40	△48			
Cash and Cash Equivalents (end of term)	477	523	546	625	588	666	662	702	653			

* Quarterly cash flow statements are not audited (cumulative period cash flow figures are audited).

* '-' indicates zero yen, '0' indicates an amount less than one million yen.

* Figures are rounded down to the nearest million yen.

Cloud Solution Business Revenues by Product

	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Cloud Service	441	450	468	469	472	480	469	471	463			
Turnkey services	407	417	434	437	440	448	436	439	441			
Up-front revenue	18	17	22	13	13	15	11	10	11			
Monthly recurring revenue	389	399	412	424	426	432	425	428	429			
Non-turnkey services	33	33	33	31	32	32	32	32	22			
Network Solution	8	8	8	9	8	8	8	9	8			
Advanced-Cloud Service	7	22	15	21	12	15	13	15	23			
Sales Total	457	482	492	501	494	505	490	496	495			
Number of Cloud Service clients (Companies)	1,254	1,256	1,280	1,266	1,273	1,291	1,277	1,266	1,261			
Number of employees (Non-consolidated)	146	140	137	127	138	138	136	134	148			

* Turnkey services Suite of standard system applications with up-front and monthly recurring revenue.

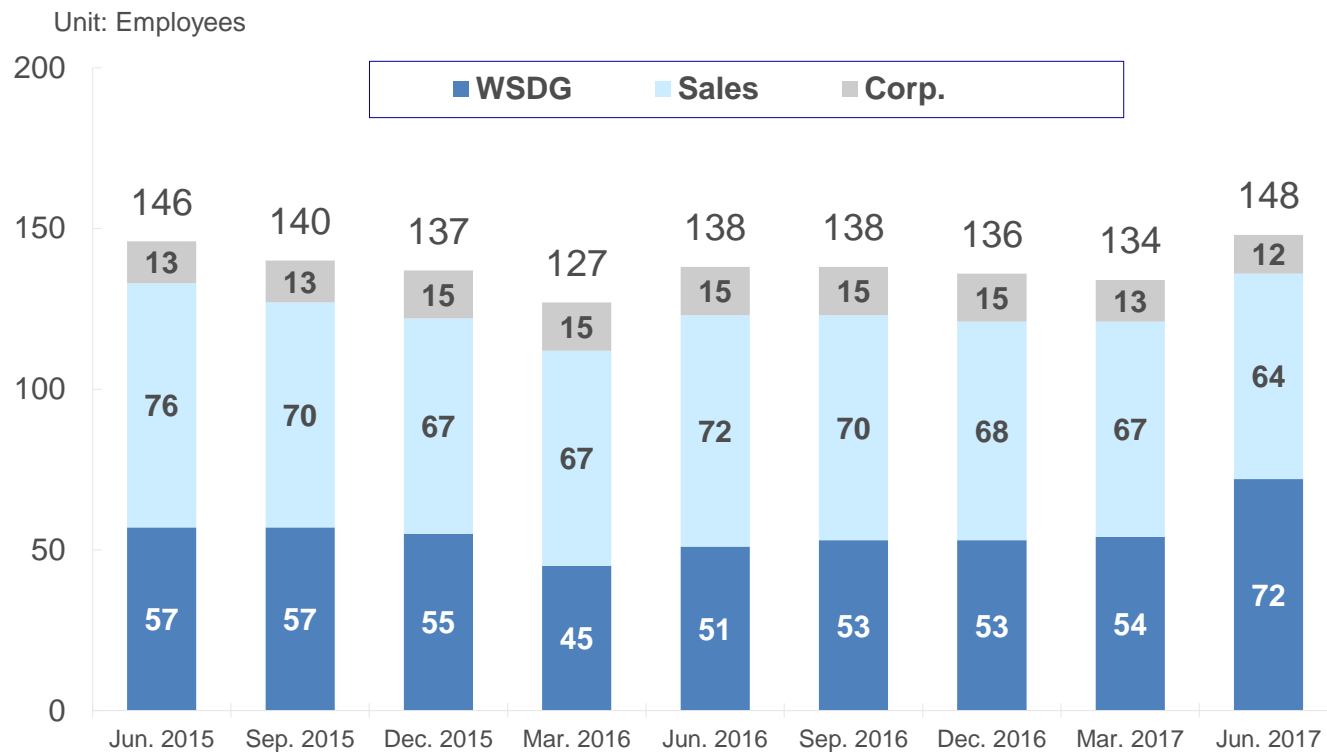
Non-turnkey services ... Customized system applications with one-time and monthly recurring revenue.

* Quarterly income figures are not audited (cumulative figures are audited).

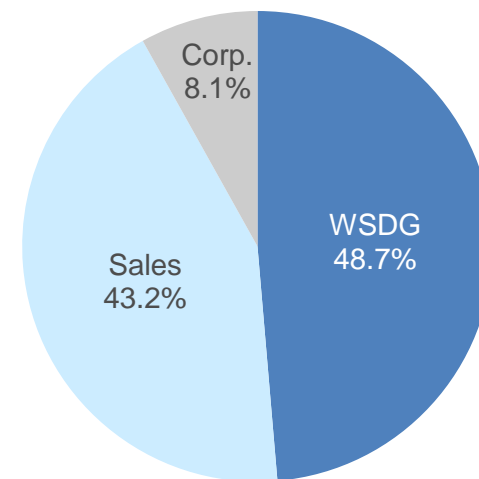
* Cloud Solution Business sales figures have not been adjusted for internal transactions.

* Figures are rounded down to the nearest million yen.

* The sales of "Advanced-Cloud Service" have been broken down to the sales of "ad-related services" and of "system development," but those sales have been summed up, and disclosed as the sales of "Advanced-Cloud Service" from the term ending Mar. 2018, from the viewpoint of importance of disclosure.



Number of Employees



Breakdown by Division
(June, 2017)

* Excluding directors, advisors, and part-time workers.

* WSDG: Web Solution Development Group, Sales: Sales & Sales Planning Group, Corp: Corporate staff

* "Management Group" was renamed "Corporate Group" in Apr. 2017.



“ IT (Cloud) × Real Estate ”

e-Seikatsu is a “Real estate tech” company
that aims to realize a better real estate market by IT.

Statements made at the meeting or included in this document that are not historical facts are forward looking statements about the future performance of e-Seikatsu Co., Ltd.
You are cautioned that a number of factors could cause actual results to differ materially from those discussed in the forward looking statements.