

FY2012 Second-quarter Results

TSE Mothers 3796
November 10, 2011



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-SeikatsuCo., Ltd. You are cautioned that a number of factors could cause actual results to differ materially from those discussed in the forward looking statements.

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 - (2) Our Business & Service Overview

1

Summary of Second-quarter Results for FYE March 31, 2012

Generating consolidated profits despite upfront investments and reduced sales

- ▶ Sales: 1,170 million yen (FY2011 2Q 1,173 million yen, YOY change -2 million yen, -0.2%, FY2010 2Q 1,104 million yen)
- ▶ Operating profit: 167 million yen (FY2011 2Q 211 million yen, YOY change -43 million yen, -20.6%, FY2010 2Q 109 million yen)
- ▶ Quarterly net income: 76 million yen (FY2011 2Q 111 million yen, YOY change -35 million yen, -31.9%, FY2010 2Q 45 million yen)

“Cloud Service” is main driver of revenue increase

- ▶ Cloud Service revenue: 761 million yen (FY2011 2Q 699 million yen, YOY change +62 million yen, +9.0%)
- ▶ Including monthly net sales for sales promotion of Cloud Service: 638 million yen (FY2011 2Q 527 million yen, YOY change +111 million yen, +21.1%)

Further enhancement of sales efforts to promote continued growth

- ▶ Focus on up-selling to existing clients as well as achieving higher monthly revenue per new client
 - Monthly ARPU: approx. 95,400 yen/company, approx. 64,700 yen/store ※as of the end of Sep. 2011
 - Monthly ARPU of new clients: approx. 61,000 yen/company (excluding initial charge) ※ period covering Apr. to Sep. 2011
 - Monthly ARPU of discontinuing clients: approx. 40,900 yen/company) ※ period covering Apr. to Sep. 2011
- ▶ Gaining traction from premarketing efforts ahead of our new product release

System development towards full integration and service upgrade, new product release scheduled in 2012

- ▶ “Integrated Realtor Tool” (“ES e-Bukken One”) - full integration of our Cloud Service products for a seamless end-to-end solution

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

* Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

② Consolidated Income Statement (YOY change)

(Million yen)	Apr.-Sep. 2010	Apr.-Sep. 2011	YOY change	YOY change (%)
Sales	1,173	1,170	△2	△0.2%
Gross profit	708	759	51	7.2%
Gross profit margin	60.4%	64.9%		
Operating profit	211	167	△43	△20.6%
Operating profit margin	18.0%	14.3%		
Recurring profit	211	168	△43	△20.5%
Recurring profit margin	18.0%	14.4%		
Extraordinary profit	0	-	△0	△100.0%
Extraordinary loss	3	20	16	496.7%
Quarterly net income	111	76	△35	△31.9%
Net income margin	9.5%	6.5%		

<Key Points>

- ① Cloud Service revenue continues to show steady growth, while total sales decreased by approximately 2 million yen due to decreased revenue with regards to the scheduled conclusion of Yahoo! Media Solution operations.
- ② Starting this quarter, customer support staff have been transferred within our organization (from Development to Sales), consequently, the relevant personnel expenses, etc. are allocated to SG&A. Hence, Gross profit and SG&A increased year over year. Operating profit decreased.
- ③ The contract with Yahoo! regarding Yahoo! Media Solution service will not be renewed, and accordingly, Yahoo! Media Solution operations is planned to be shut down as of the end of November. Approximately 20 million yen in business liquidation losses (including provision for loss) was recorded as Extraordinary loss.

* Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

③ Cloud Solution Business Revenue (YOY change)

Item (Million yen)	Apr.-Sep. 2010 (①)	Apr.-Sep. 2011 (②)	Difference (② - ①)	Change (%)
Cloud Service	699	761	62	9.0%
Turnkey services *	567	652	85	15.0%
Up-front revenue	39	13	△25	△65.0%
Monthly recurring revenue	527	638	111	21.1%
Non-turnkey services *	131	109	△22	△17.2%
Network Solution	20	20	△0	△1.0%
Advanced-Cloud Service (Ad related services)	43	34	△8	△20.3%
Advanced-Cloud Service (System Development)	40	18	△22	△55.8%
Advanced-Cloud Service (Yahoo! Media Solution)	369	335	△33	△9.1%
Total	1,173	1,170	△2	△0.2%

<Key Points>

- ① Continued increase in Cloud Service revenue (Turnkey services monthly recurring revenue) covers most of the decline in other revenue items.
- ② Yahoo! Media Solution revenue gradually declining towards scheduled conclusion of Yahoo! Media Solution operations at the end of November.

* 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.

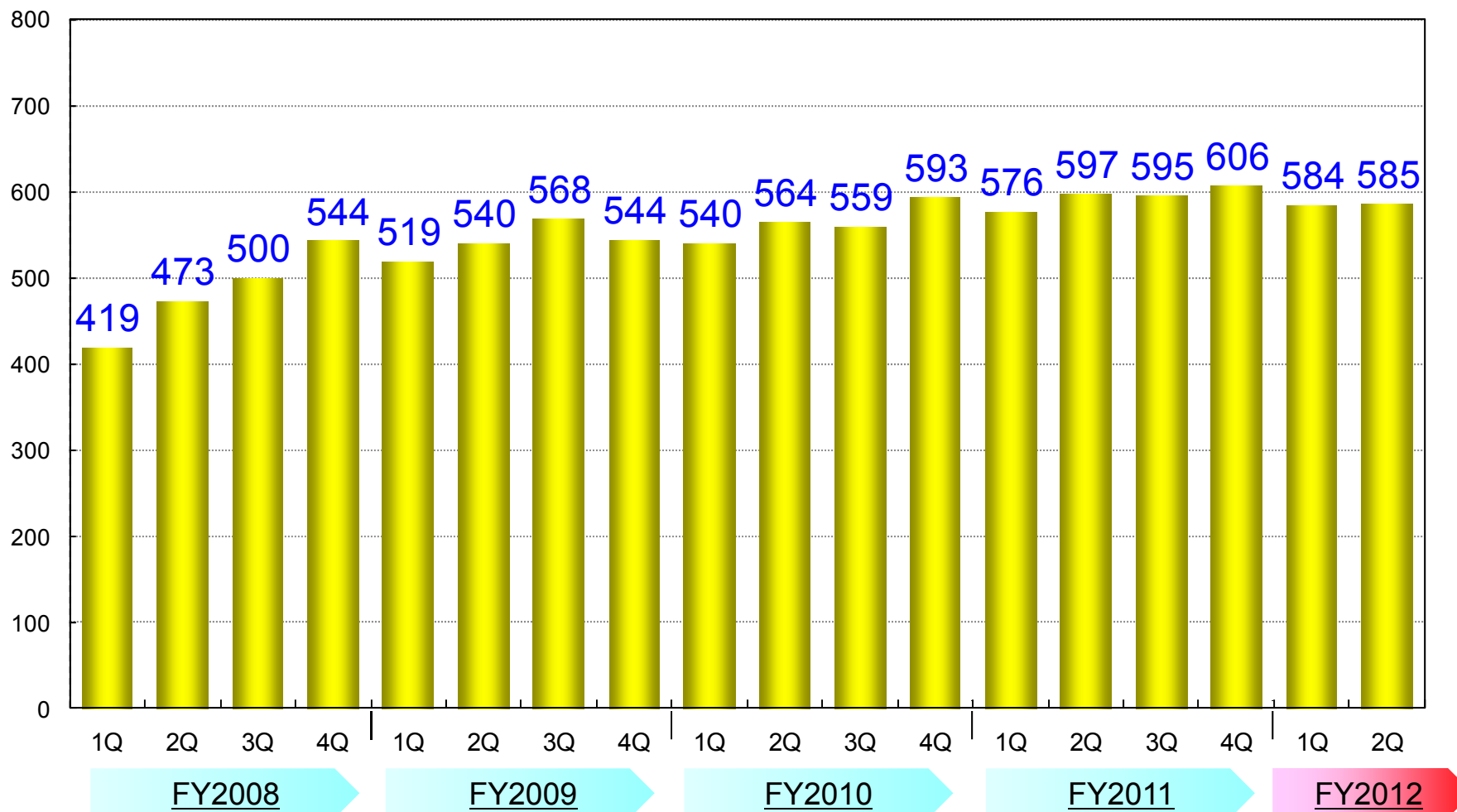
* Cloud Solution Business sales figures have not been adjusted for internal transactions.

* Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

④ Consolidated Quarterly Sales YOY Comparison

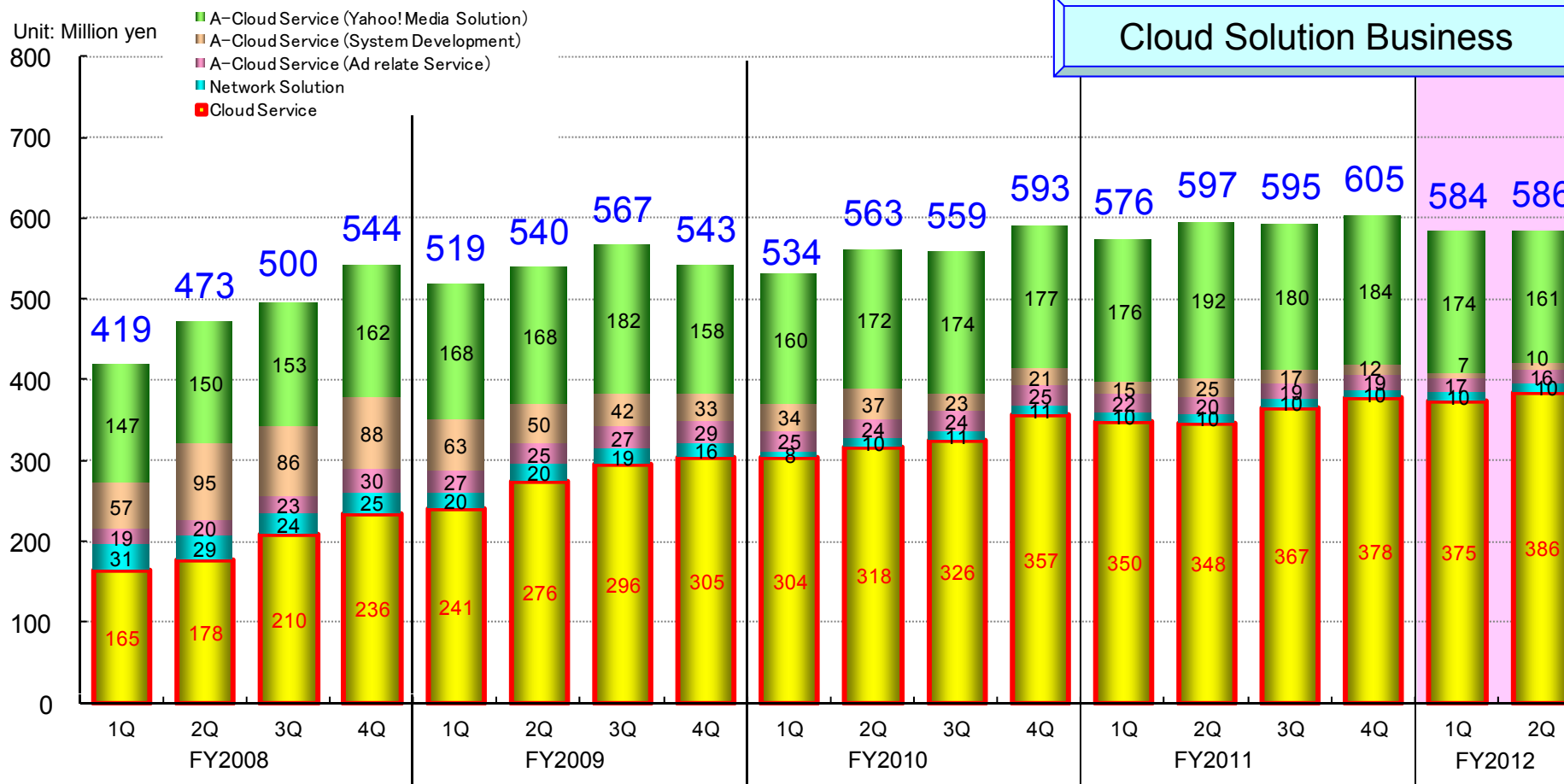
Unit: Million yen



* Figures from FY2008 to FY2009 1Q are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.

* Figures rounded down to the nearest million yen.

Increasing “Cloud Service” revenue

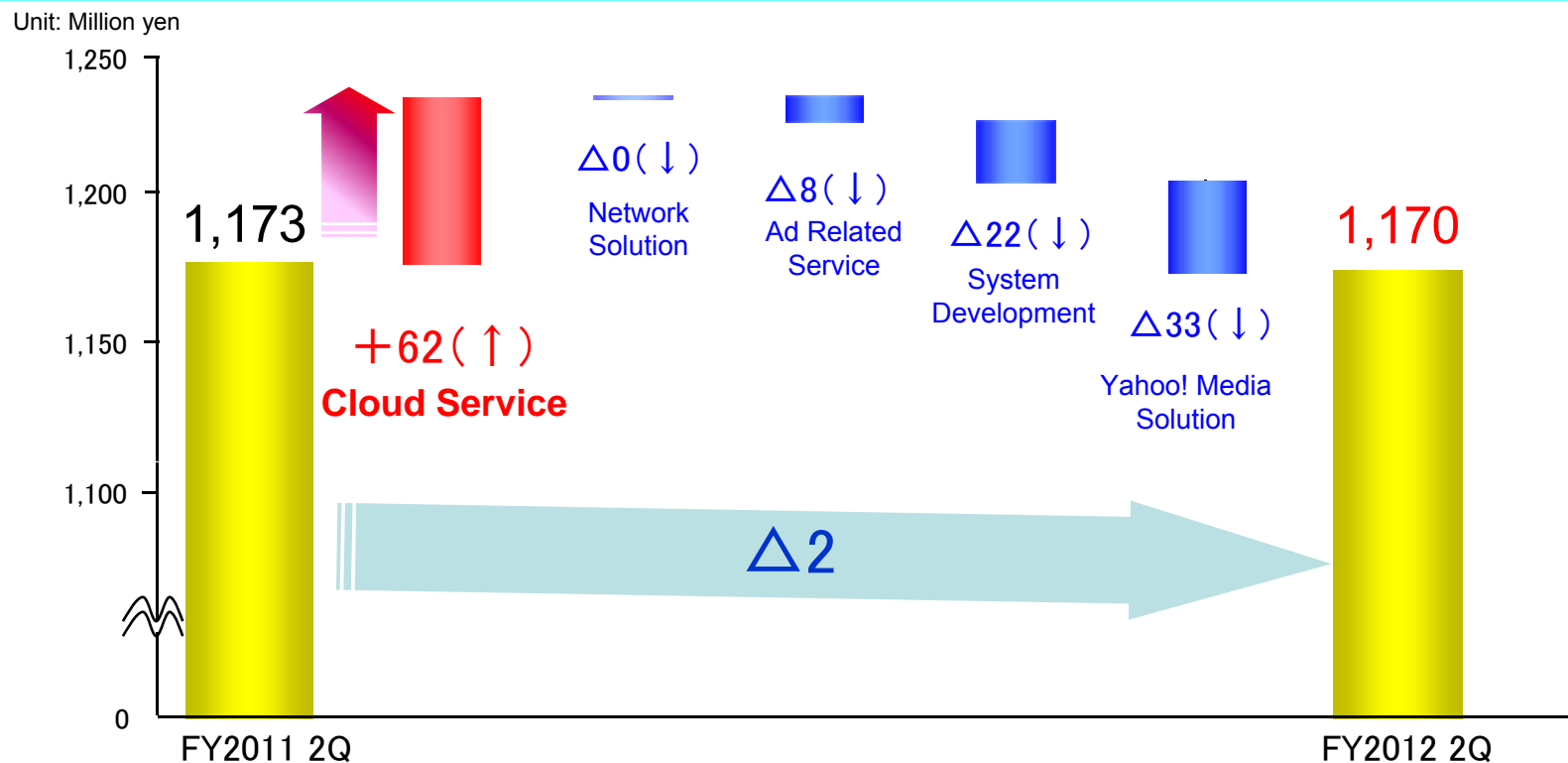


* Advanced Cloud Service (Yahoo! Media Solution) operations scheduled to conclude at the end of November , 2011.
 * Cloud Solution Business sales figures have not been adjusted for internal transactions.
 * Figures from FY2008 to FY2009 1Q are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.
 * Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

⑥ Cloud Solution Business Change in Revenue Breakdown

“Cloud Service” is showing strong growth



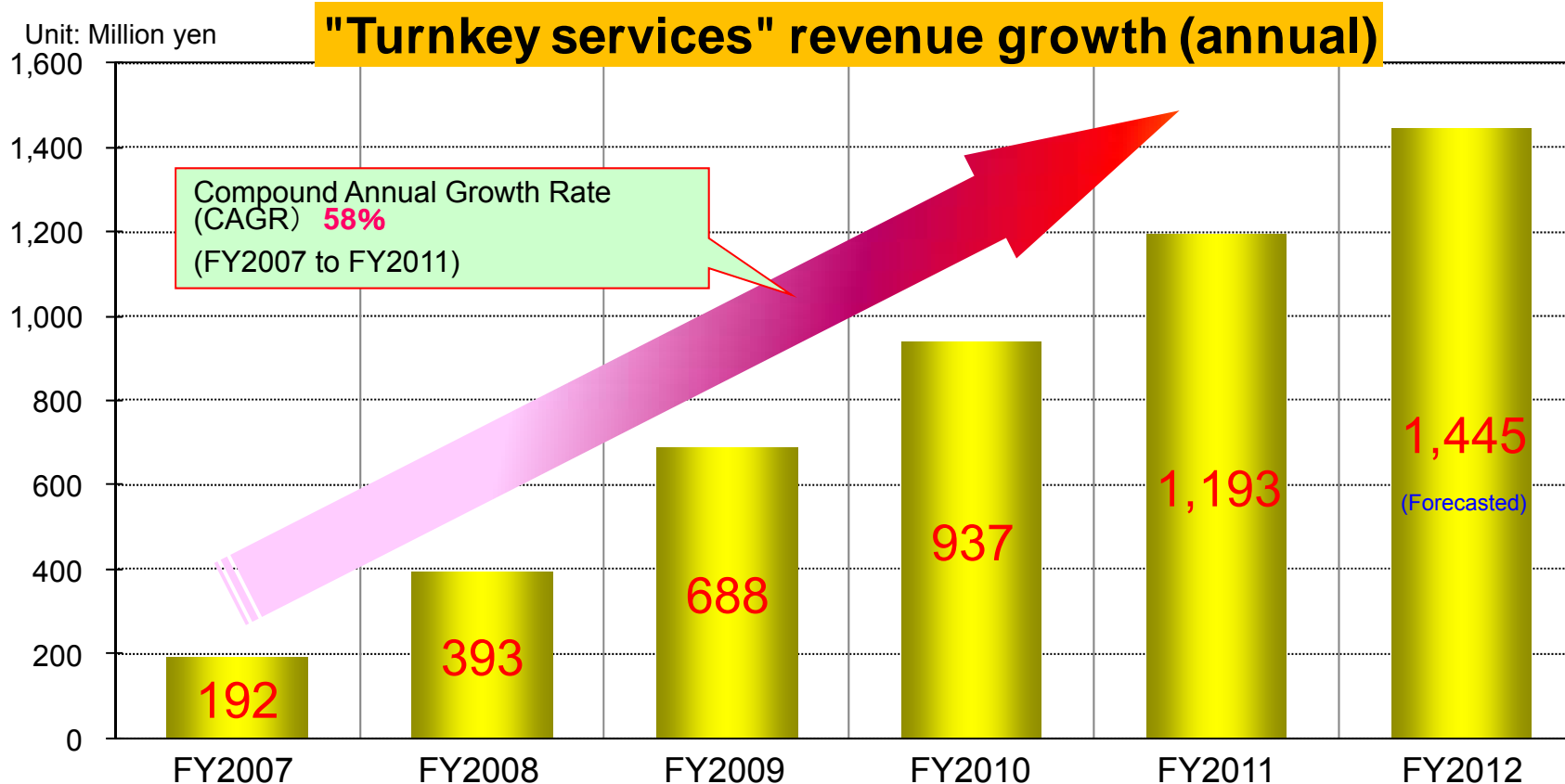
<Key Points>

- ① The breakdown of “Cloud Service” revenue change (+62 million yen YOY) is as follows: +111 million yen YOY for Turnkey services monthly recurring revenue, Δ25 million yen YOY for Turnkey services upfront revenue, Δ22 million yen YOY for non-Turnkey services revenue.
- ② “Yahoo! Media Solution” revenue decreased due to the scheduled conclusion of Yahoo! Media Solution operations at the end of November.
- ③ “System Development” revenue decreased due to conscientious effort to be more selective in taking on new development intensive deals.

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

* Figures rounded down to the nearest million yen.

“Turnkey services” has great growth potential and is at the core of our Cloud Solution Business

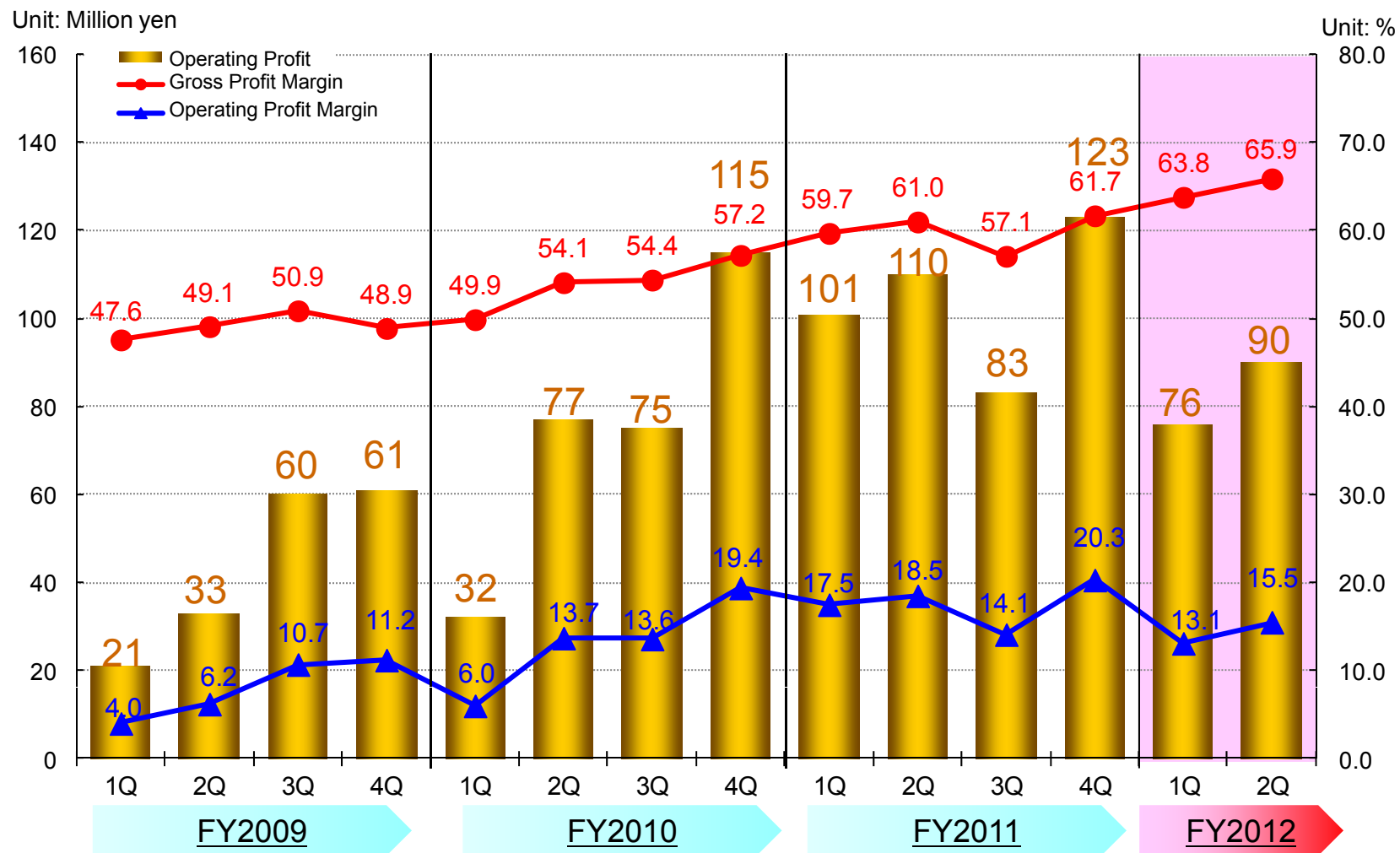


- * Cloud Service = Turnkey services (upfront + monthly recurring revenue) + Non-Turnkey services
 - "Turnkey services" is a suite of standard system applications with up-front and monthly recurring revenue.
 - "Non-Turnkey" services are customized system applications with one-time and monthly recurring revenue.
- * Compound Annual Growth Rate (CAGR) is the average growth rate over a period of several years.
- * Figures are rounded down to the nearest million yen. The ratio is calculated per yen and rounded.
- * Forecast figures are based on information available at the time of this announcement and are subject to change.

Summary of Second-quarter Results FYE March 2012

⑧ Consolidated Quarterly Results YOY Comparison

Stable operating profit



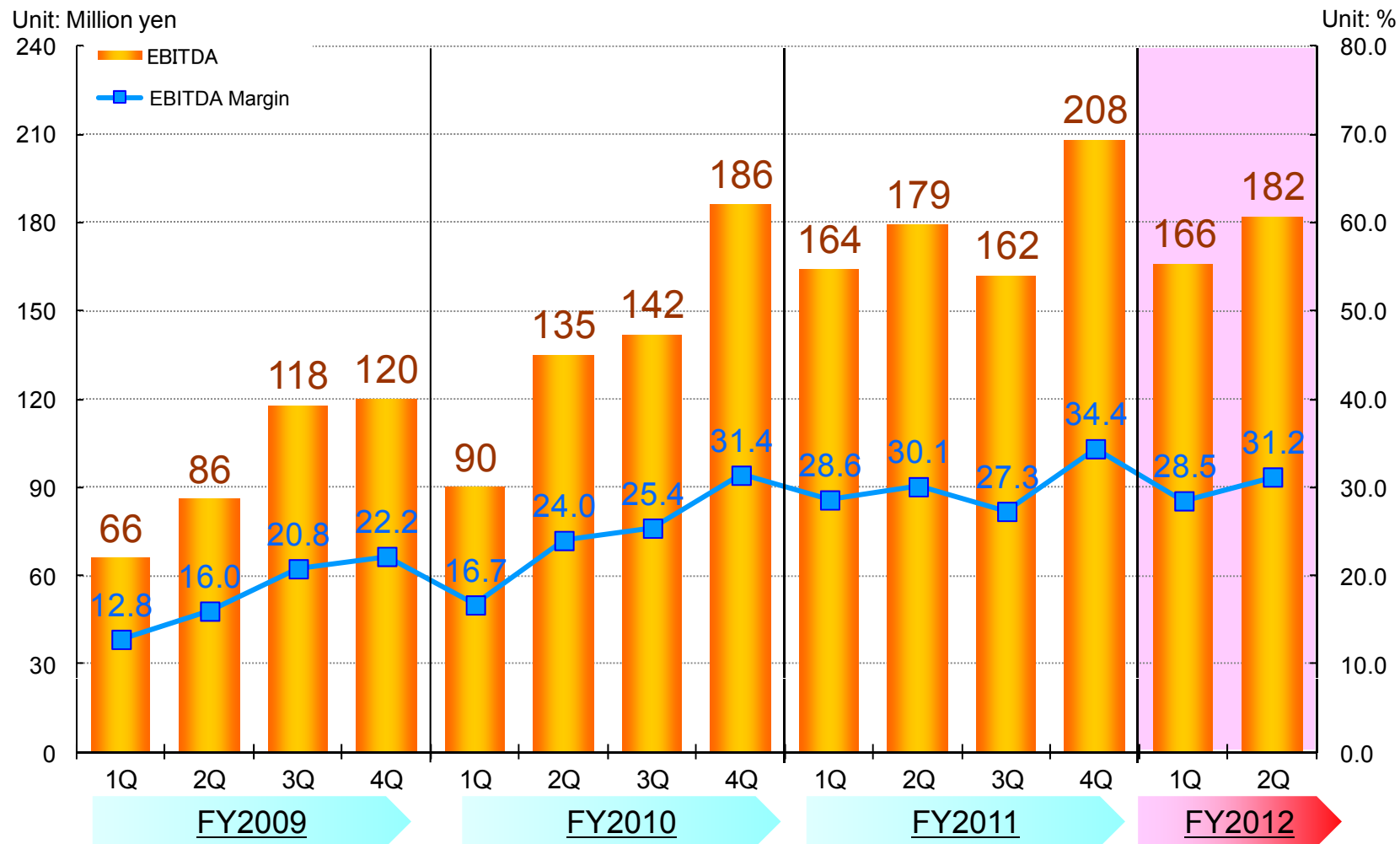
* FY2009 1Q figures are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.

* Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

⑨ Quarterly EBITDA (consolidated)

Stable EBITDA (operating profit + depreciation) and ability to generate cash



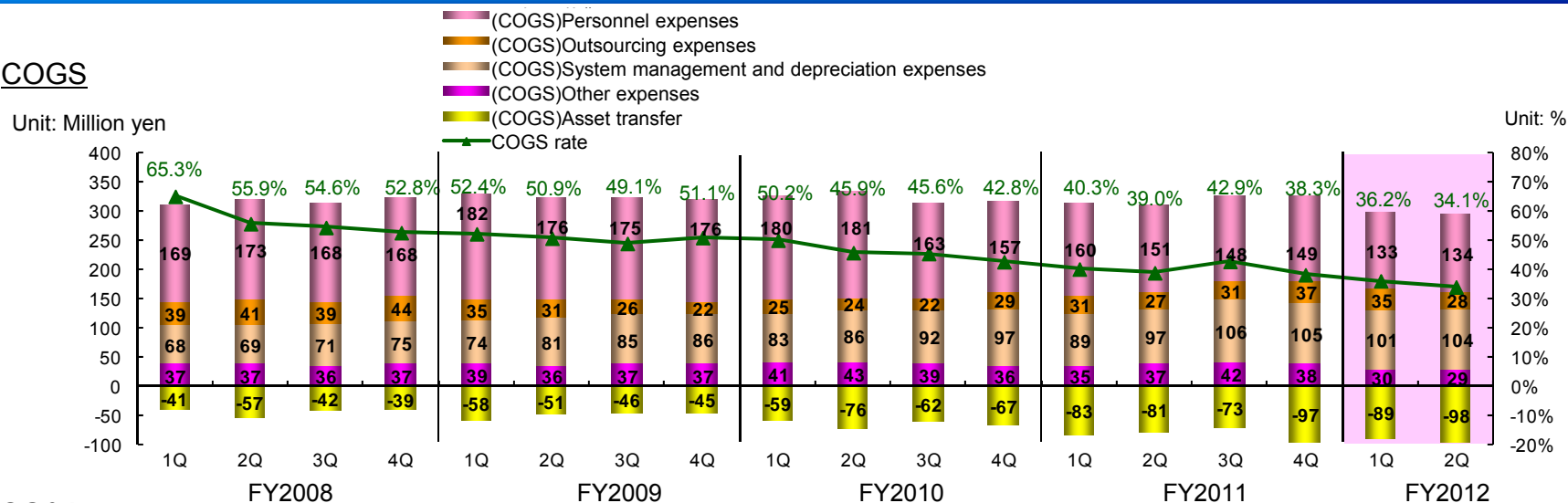
* FY2009 1Q figures are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.

* Figures rounded down to the nearest million yen.

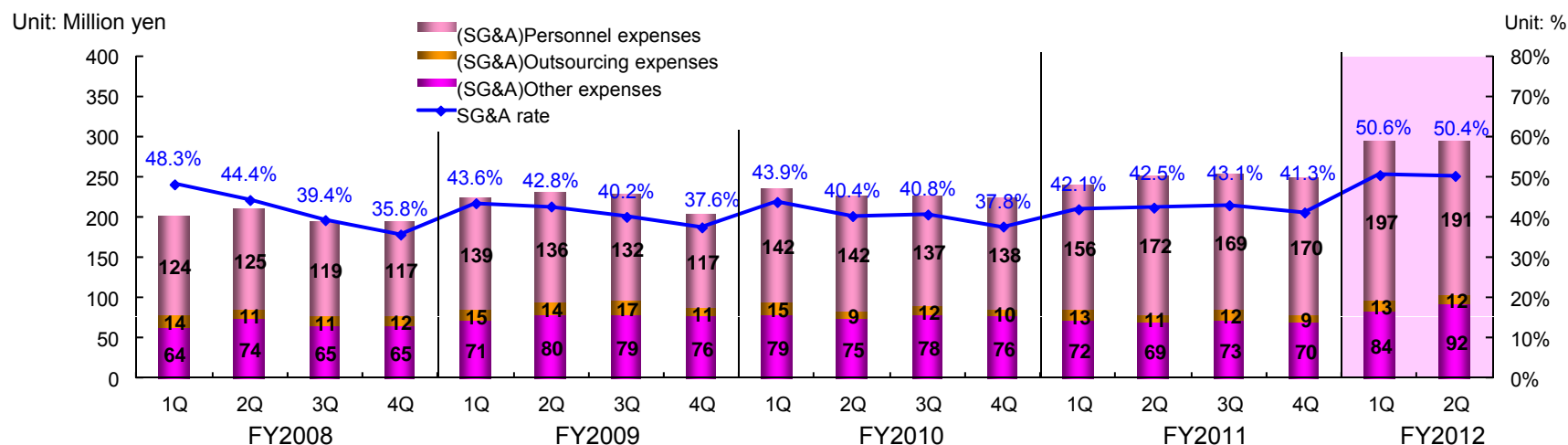
Summary of Second-quarter Results FYE March 2012

⑩ Quarterly COGS/SG&A

COGS



SG&A



* Figures from FY2008 to FY2009 1Q are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.
 * (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.

Summary of Second-quarter Results FYE March 2012
 ① Consolidated Balance Sheet (change from FYE Mar. 2011)

(Million yen)	Mar. 2011	Sep. 2011	Change
Cash and Deposits	723	694	△29
Other Current Assets	276	256	△20
PP&E	1,185	1,277	91
Assets Total	2,185	2,228	42
Current Liability	387	348	△39
Non-Current Liability	55	129	73
Net assets	1,742	1,751	8
Capital-Asset ratio	79.7%	78.6%	
Liability and Net Assets total	2,185	2,228	42

<Key Points>

- ① Cash & Deposits and Current Liability decreased due to payment of various taxes (FY2011 corporate tax, consumption tax, etc.), and payment of dividend, etc.
- ② Server equipment were leased to reinforce our datacenter facility, accordingly, lease asset and lease liability were allocated to PP&E and Non-Current Liability, respectively.
- ③ Quarterly net income totaled 76 million yen, and with a dividend payment of 67 million yen, and acquisitions of treasury stock, net assets increased by approximately 8 million yen.

* Figures rounded down to the nearest million yen.

Summary of Second-quarter Results FYE March 2012

⑫ Consolidated Cash Flow Statement (YOY change)

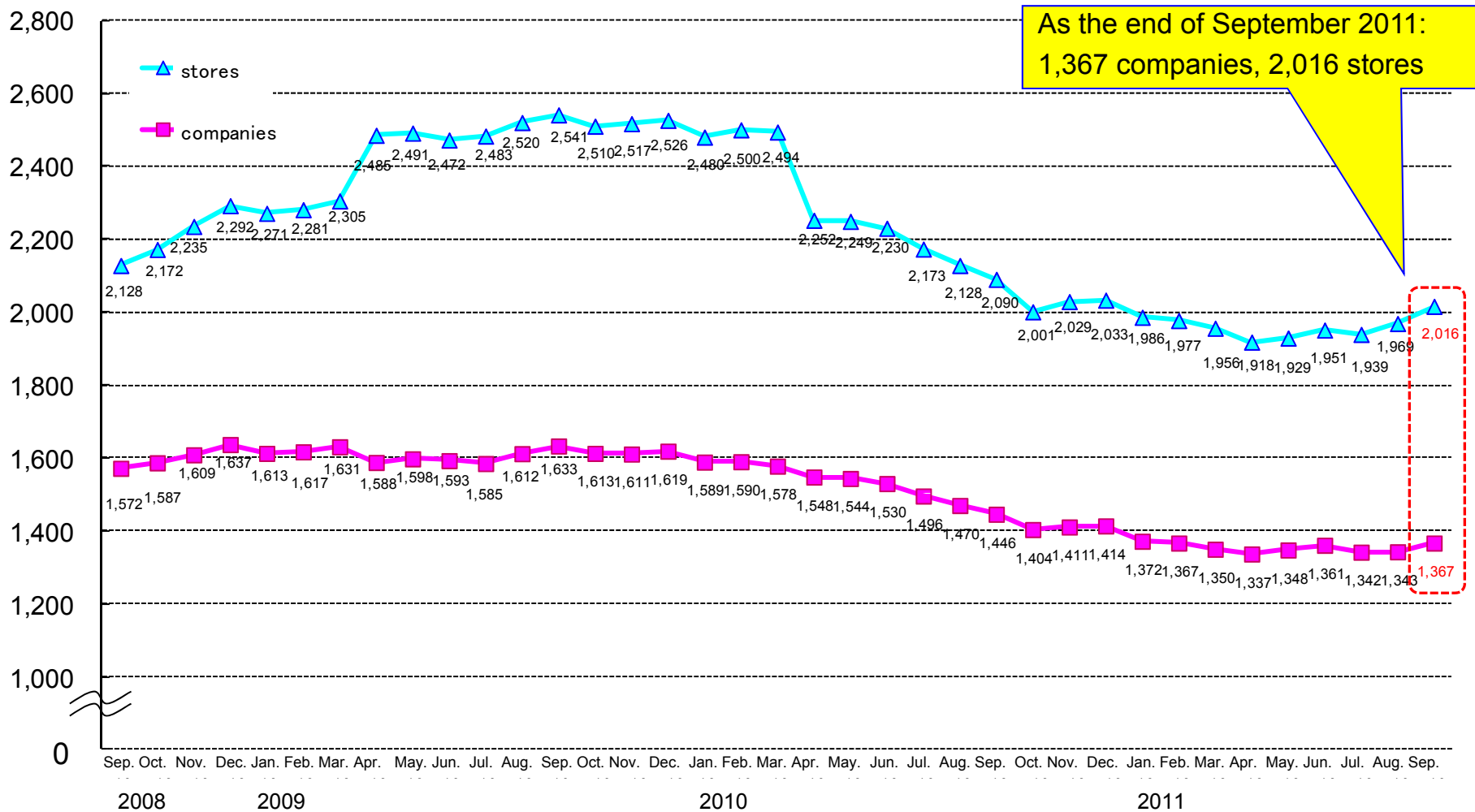
(Million yen)	Apr.-Sep. 2010	Apr.-Sep. 2011
CF from Operating Activities	243	231
CF from Investing Activities	△214	△188
CF from Financing Activities	△58	△72
Net Increase in Cash and Cash Equivalents (△decrease)	△29	△29
Cash and Cash Equivalents (end of term)	595	694

<Key Points>			
Operating Activities	① Income before tax + depreciation expenses	FY2011 2Q 341M yen	FY2012 2Q 329M yen
	② Payment of corporate tax, etc.	FY2011 2Q 82M yen	FY2012 2Q 128M yen
Investing Activities	③ Expenses due to in-house software development	FY2011 2Q 165M yen	FY2012 2Q 185M yen
	④ Expenses due to the purchase of assets (HW/SW)	FY2011 2Q 50M yen	FY2012 2Q 24M yen
	⑤ Income from the redemption of deposits/guarantee money	FY2011 2Q 1M yen	FY2012 2Q 26M yen
Financing Activities	⑥ Payment of year-end dividend	FY2011 2Q 51M yen	FY2012 2Q 66M yen

* Figures rounded down to the nearest million yen.

Growth through a balance of up-selling as well as new client acquisition

Unit: Companies, stores

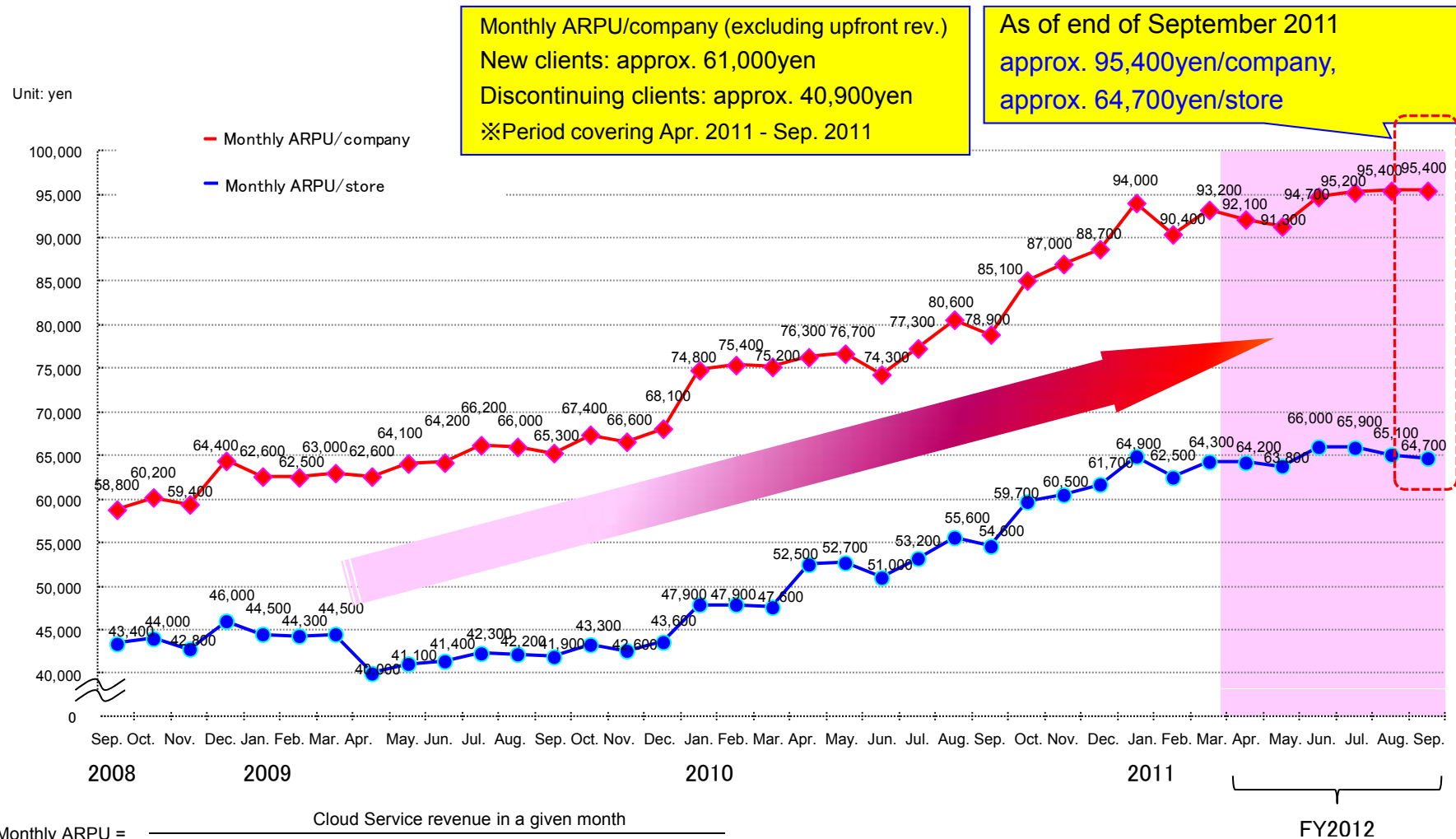


* Excluding non real estate related companies using our Cloud Services

Summary of Second-quarter Results FYE March 2012

⑭ Cloud Service Monthly ARPU

Resulting in a steady increase in monthly ARPU



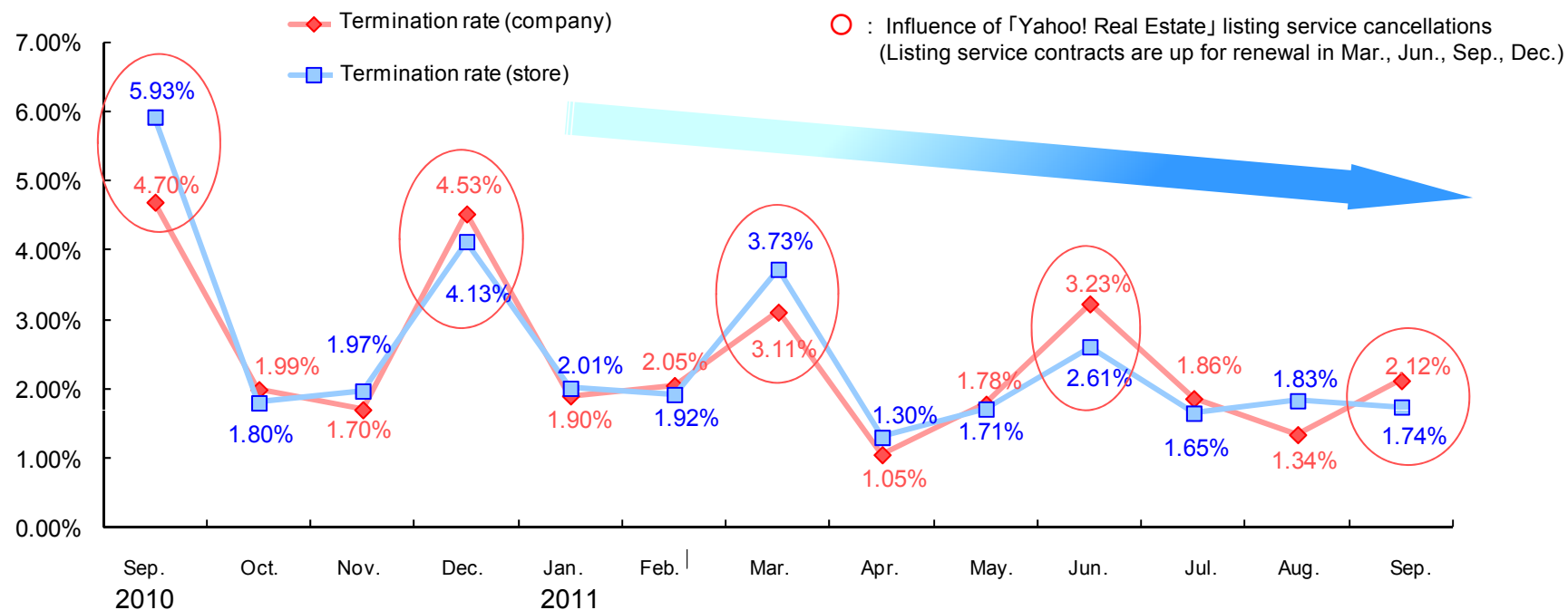
* Monthly ARPU = $\frac{\text{Cloud Service revenue in a given month}}{\text{The number of companies (stores) 'Billed Clients' in a given month (excluding non real estate related companies using our Cloud services)}}$

* Figures rounded down to the nearest hundred yen.

Summary of Second-quarter Results FYE March 2012

⑮ Cloud Service Client Termination Rate

Increased efforts to improve client retention, termination rate on a declining trend



	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Ave.
# of companies	68	28	24	64	26	28	42	14	24	44	25	18	29	33.4
Termination Rate	4.70%	1.99%	1.70%	4.53%	1.90%	2.05%	3.11%	1.05%	1.78%	3.23%	1.86%	1.34%	2.12%	—
# of Stores	124	36	40	84	40	38	73	25	33	51	32	36	35	49.8
Termination Rate	5.93%	1.80%	1.97%	4.13%	2.01%	1.92%	3.73%	1.30%	1.71%	2.61%	1.65%	1.83%	1.74%	—

* Termination Rate = $\frac{\text{\# of companies (stores) withdrawing in a given month}}{\text{\# of companies (stores) in a given month}}$

Treasury stock purchased as of Sep. 30, 2011 (Period covering Apr. 2011 to Sep. 2011)

Total number of shares purchased: 34 shares

Total purchase amount: 884,000 yen

Total treasury stock purchased as of Sep. 30, 2011 (cumulative)

Total number of shares purchased: 3,647 shares

Total purchase amount: 134,930,210 yen

Ratio of total shares outstanding (71,433 shares): 5.10%

Shares outstanding (excluding treasury stock): 67,786 shares

2 FYE March 2012 Forecast

FYE March 2012 Forecast

① Consolidated Mid-term Results & Full-term Forecast

(Million yen)	Full-term Forecast	Second-quarter Results	Progress Rate as % of Full-term Forecast	Full-term Results FY2011
Sales	2,200	1,170	53.2%	2,374
Operating Profit	235	167	71.4%	418
Recurring Profit	235	168	71.6%	418
Net Income	110	76	69.2%	223
		Dividend per share		
Full-year dividend (forecast) (FYE March 2012)		1,100yen		
Full-year dividend (actual) (FYE March 2011)		1,000yen		

The Full-term Forecast figures shown above are as announced on August 23rd, 2011. Full-year dividend forecast is as announced on May 12th, 2011. All 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.

FYE March 2012 Forecast

② Cloud Solution Business Revenue Forecast

Item (Unit: million yen)	Full-term Forecast	Second-quarter Results	Progress Rate as % of Forecast
Cloud Service	1,634	761	46.6%
Network Solution	41	20	49.9%
Advanced-Cloud Service (Ad Related service)	73	34	47.1%
Advanced-Cloud Service (System Development)	69	18	26.1%
Advanced-Cloud Service (Yahoo! Media Solution)	383	335	87.7%
Grand total	2,200	1,170	53.2%

- * The Full-term Forecast figures are as announced on August 23rd, 2011. Forecast figures are based on information available at the time of this announcement. Actual results may differ materially from the forecast figures.
- * "Yahoo! Media Solution" operations are scheduled to conclude at the end of November.
- * Cloud Solution Business sales figures have not been adjusted for internal transactions.
- * Figures rounded down to the nearest million yen.

FYE March 2012 Forecast

③ Revision of Consolidated Full-term Forecast (as announced on August 23rd, 2011)

Consolidated Full-term Forecast was revised on August 23rd, 2011.

	Previously Announced Forecast (A)	Revised Forecast (B)	Difference (B-A)	Change (%)	(Reference) Full-term Results FY2011
Sales (Million yen)	2,500	2,200	△300	△12.0	2,374
Operating Profit (Million yen)	460	235	△225	△48.9	418
Recurring Profit (Million yen)	460	235	△225	△48.9	418
Net Income (Million yen)	245	110	△135	△55.1	223
Net Income per share	yen 3,619.23	yen 1,624.69	—	—	yen 3,386.18

<Reason for revision>

The contract with Yahoo! regarding Yahoo! Media Solution service will not be renewed, and accordingly, Yahoo! Media Solution operations is planned to be shut down as of the end of November. As a result, the Full-term Forecast was revised to reflect the expected decline in Yahoo! Media Solution sales as well as extraordinary losses in the amount of 25 million yen to cover business liquidation costs. There is no change to the dividend forecast.

* 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.

The current revised forecast reflects the expected decline in Yahoo! Media Solution sales.




Item (Unit: million yen)	Previously Announced Forecast (A)	Revised Forecast (B)	Difference (B-A)	(Reference) Full-term Results FY2011
Cloud Service	1,634	1,634	0	1,445
Network Solution	41	41	0	41
Advanced-Cloud Service (Ad Related service)	73	73	0	82
Advanced-Cloud Service (System Development)	69	69	0	70
Advanced-Cloud Service (Yahoo! Media Solution)	683	383	△300	734
Grand total	2,500	2,200	△300	2,374

* Forecast figures are based on information available at the time of this announcement. Actual results may differ materially from the forecast figures.

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

* Figures rounded down to the nearest million yen.

【 Outstanding business contracts with Yahoo! (as of November 10, 2011) 】

Yahoo! Real Estate Rental Property listing	① Rental Property listing gate-keeper contract (Daily aggregation/organization and delivery of Y! listing data)		Current
Yahoo! Real Estate New Housing listing	② Rental Property listing agent contract (Designated agent for listing on Yahoo!)		Current
Yahoo! Real Estate New Housing listing	③ Yahoo! Media Solution contract (Daily processing, entry, and posting of Y! listing data)		Scheduled to terminate

✓ ①&② ⇒ Continue providing services

✓ ③ ⇒ Scheduled to **terminate contract as of the end of Nov. 2011**

Impact on FYE March 2012 Forecast

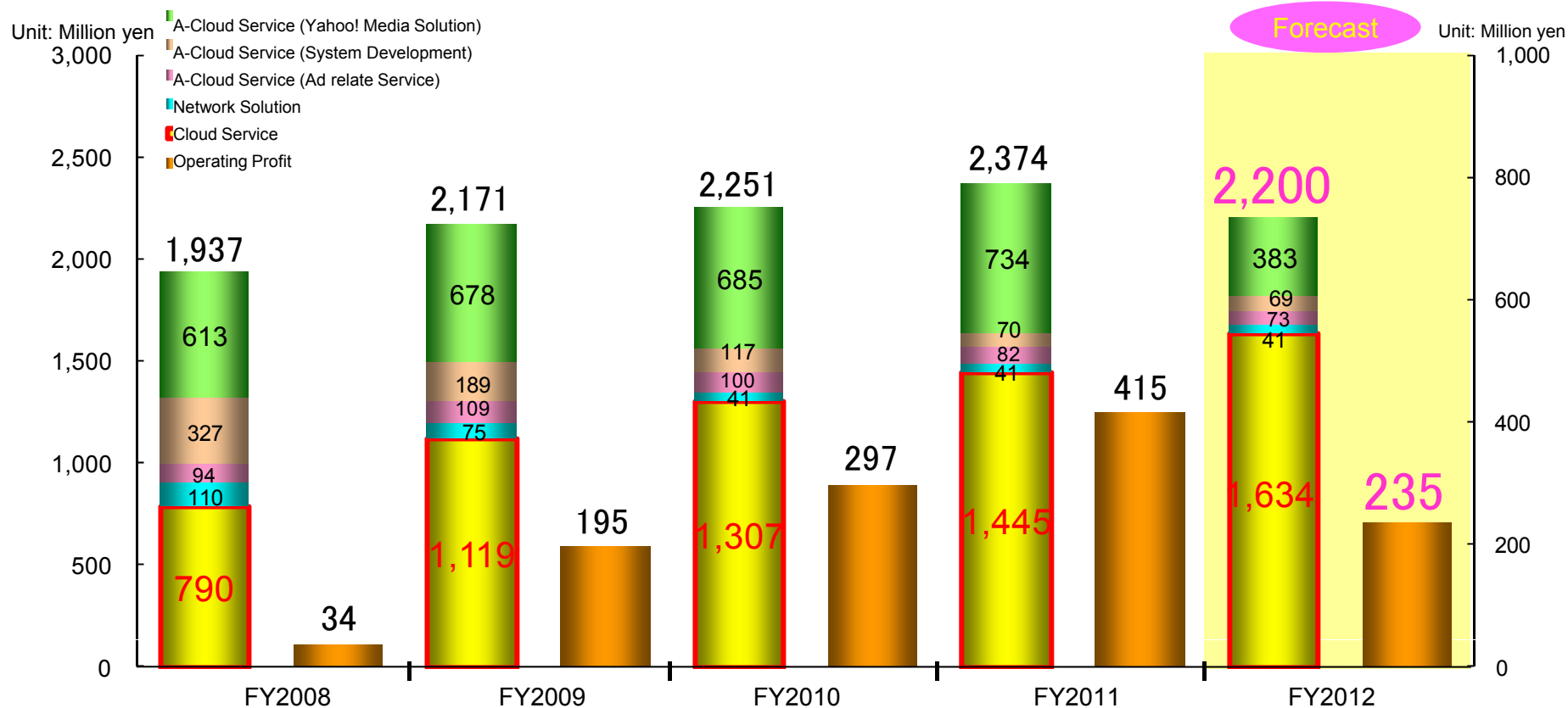
- Sales decrease of approximately 300 million yen, operating (recurring) profit decrease of approximately 225 million yen.
- Extraordinary losses of 25 million yen to cover business liquidation costs.
- There is no change to the year-end dividend per share forecast of 1,100 yen.

* Forecast figures are based on information available at the time of this announcement. Actual results may differ materially from the forecast figures.

* For further details, please refer to Revision of Consolidated Full-term Forecast (as announced on August 23rd, 2011).

* Figures rounded down to the nearest million yen.

Further increase in Cloud Service (Turnkey services) to cover decline in other revenue items while generating strong profits



- * "Yahoo! Media Solution" operations are scheduled to conclude at the end of November and is reflected in FY2012 Forecast figures.
- * Cloud Solution Business sales figures have not been adjusted for internal transactions.
- * Figures rounded down to the nearest million yen.

3

Our Business Strategy

Our Business Strategy

① Cloud Service Product development road map

Full integration of our Cloud Service products for a seamless and comprehensive end-to-end solution

【Our Turnkey Solutions】

2011

2012

Client HP Solutions

いい物件 賃貸
自社HPオプション

いい物件 売買
自社HPオプション

WebSite

Mobile

Smartphone compatibility

Mobile site builder

いい物件 One
ウェブサイト
“ES e-Bukken One”
Website
Release

Map search feature, Investment Property DB

Rich client enhancement

Intergraded DB Solutions

いい物件 Install 賃貸

いい物件 賃貸

管理 賃貸

いい物件 売買

営業支援 賃貸

顧客管理 売買

Data import feature

Integration with insurance co. systems, CSV output

Data submission feature to “R” site

CSV output feature and other enhancements

Multiple store feature enhancement

つなぐ、不動産クラウド。
いい物件 One
“ES e-Bukken One”
Release

* HP is abbreviation for “Homepage.”

* Development and product launch schedule subject to change.

Introducing our new integrated Cloud Service...

Real estate cloud, connected and social.

 **いい物件** *One*

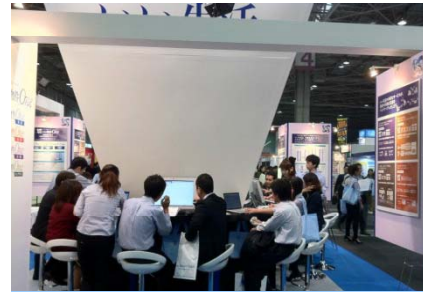
Our Business Strategy

③ “ES e-Bukken One” Preview

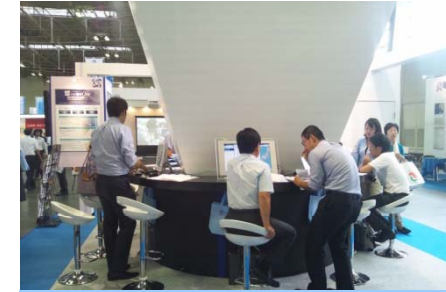
Strong attendance and interest at each of our “ES e-Bukken One” preview exhibits (Rental Housing Fair 2011: Tokyo, Osaka, Nagoya venues).



Tokyo exhibition



Osaka exhibition



Nagoya exhibition



“Like” us on Facebook for the latest information and news about our company’s activities.

<https://www.facebook.com/e.seikatsu>



“ES e-Bukken One:” a revolutionary cloud service dedicated to the real estate industry

Further improvement in operability and convenience by integrating and improving existing product groups.

Social networking features to connect real estate companies with end users as well as other real estate companies.

Simplified pricing schedule with provisions for a “free” plan (0 yen but limited functions).

Further promote our Cloud Solution "Turnkey services"

Expand and grow our client base

- ▶ Continue to focus on new client acquisition as well as improving client support and follow-up marketing efforts.

Improve sales and operation efficiency

- ▶ Increase ARPU through up-selling, while improving operation efficiency, as well as improving the reliability and quality of our services.

Future growth

- ▶ We aim to become the de facto standard one-stop-solution for the real estate industry, effectively creating a marketplace for all real estate data and information.

We aim to become the leading "cloud computing" company for the real estate industry

4

Appendix

(1) Financial Data

(2) Our Business & Service Overview

(1) Financial Data

① Income Statement (Quarterly basis)

(Million yen)	FY2010				FY2011				FY2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	540	564	559	593	576	597	595	606	584	585		
Gross Profit	269	305	304	339	343	364	339	374	372	386		
Gross Profit Margin	49.9%	54.1%	54.4%	57.2%	59.7%	61.0%	57.1%	61.7%	63.8%	65.9%		
Operating Profit	32	77	75	115	101	110	83	123	76	90		
Operating Profit Margin	6.0%	13.7%	13.6%	19.4%	17.5%	18.5%	14.1%	20.3%	13.1%	15.5%		
Recurring Profit	32	77	75	115	101	110	83	123	77	91		
Recurring Profit Margin	6.1%	13.7%	13.5%	19.4%	17.6%	18.5%	14.1%	20.4%	13.2%	15.6%		
Extraordinary Income	—	—	—	—	—	0	1	0	—	—		
Extraordinary Loss	13	2	0	△0	3	0	0	2	—	20		
Quarter Net Income	5	39	37	65	51	60	43	67	40	36		
Net Income Margin	1.1%	7.0%	6.7%	11.0%	8.9%	10.1%	7.3%	11.1%	6.9%	6.2%		

* Quarterly figures for FY2012 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.

② Balance Sheet (Quarterly basis)

(Million yen)	FY2010				FY2011				FY2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets Total	916	902	836	915	826	899	868	1,000	858	951		
Non-Current Assets Total	930	982	1,023	1,035	1,073	1,116	1,151	1,185	1,202	1,277		
Assets Total	1,847	1,884	1,859	1,950	1,899	2,015	2,020	2,185	2,061	2,228		
Current Liability Total	273	285	248	304	258	328	284	387	260	348		
Non-Current Liability Total	80	79	75	74	69	62	58	55	85	129		
Liability Total	354	364	323	379	328	391	342	443	346	477		
Net Assets Total	1,492	1,520	1,535	1,571	1,571	1,624	1,677	1,742	1,715	1,751		
Liability & Net Assets Total	1,847	1,884	1,859	1,950	1,899	2,015	2,020	2,185	2,061	2,228		

* Figures are rounded down to the nearest million yen.

③ Cash Flow Statement (Quarterly basis)

(Million yen)	FY2010				FY2011				FY2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CF from Operating Activities	0	140	62	190	69	173	107	228	8	223		
CF from Investing Activities	△74	△139	△96	△100	△101	△112	△115	△99	△84	△103		
CF from Financing Activities	△26	△17	△22	△29	△41	△16	9	△2	△56	△15		
Net increase in cash and cash equivalents (△decrease)	△101	△17	△56	60	△74	44	1	126	△132	103		
Cash and Cash Equivalents (end of term)	637	620	564	624	550	595	596	723	590	694		

* Quarterly cash flow figures 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.

④ Other Data (Quarterly basis)

Cloud Solution Business

		FY2010				FY2011				FY2012			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Cloud Service	Cloud Service	304	318	326	357	350	348	367	378	375	386		
	Turnkey services	204	223	239	269	279	287	307	319	319	333		
	Up-front revenue	15	22	20	25	19	20	20	18	7	6		
	Monthly recurring revenue	189	201	218	244	260	267	286	300	312	326		
	Non-turnkey services	100	94	87	87	70	61	60	59	55	53		
	Network Solution	8	10	11	11	10	10	10	10	10	10		
	Advanced-Cloud Service (Ad related services)	25	24	24	25	22	20	19	19	17	16		
	Advanced-Cloud Service (System Development)	34	37	23	21	15	25	17	12	7	10		
	Advanced-Cloud Service (Yahoo! Media Solution)	160	172	174	177	176	192	180	184	174	161		
Sales Total		534	563	559	593	576	597	595	605	584	586		
	COGS	270	258	255	254	232	232	255	232	211	199		
	SG & A	232	228	229	225	243	254	256	251	296	295		
Cost Total		503	487	484	479	475	475	512	483	508	495		
Operating Profit		31	76	75	114	100	109	83	121	76	90		
Recurring Profit		32	76	75	114	101	110	83	122	77	91		
Number of Cloud Service clients													
	・Companies	1,593	1,633	1,619	1,578	1,530	1,446	1,414	1,350	1,361	1,367		
	・Stores	2,472	2,541	2,526	2,494	2,230	2,090	2,033	1,956	1,951	2,016		
Number of employees (Non-consolidated)		190	187	177	161	171	171	168	166	167	163		

* 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 for FY2012 are not audited (cumulative figures are audited).

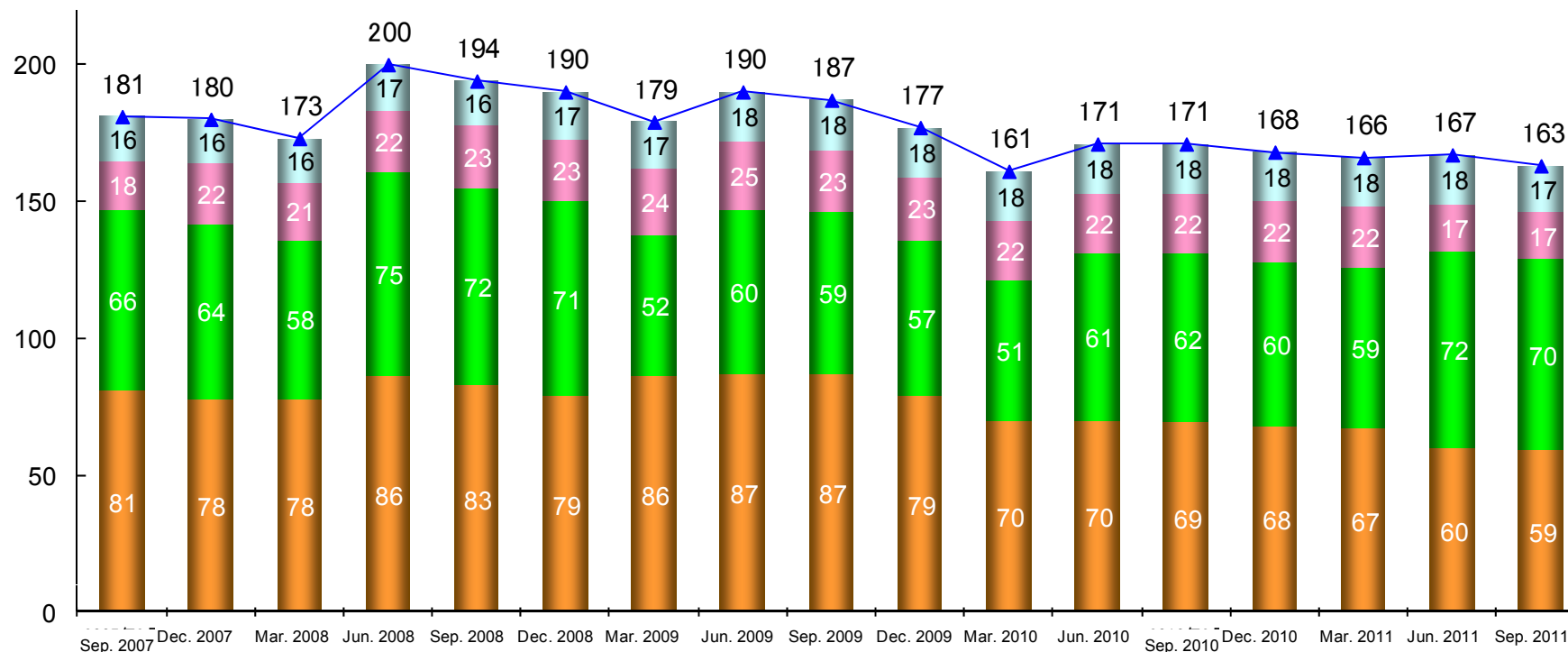
* "Yahoo! Media Solution" operations are scheduled to conclude at the end of November 2011.

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

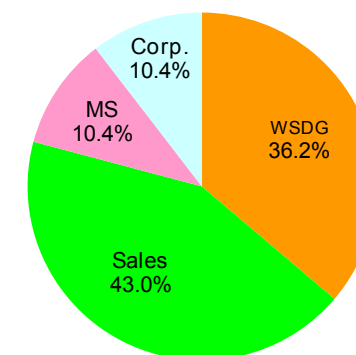
* Figures are rounded down to the nearest million yen.

⑤ Number of Employees (Non-consolidated)

Unit: Employees



- * Excluding directors, advisors, and part-time workers.
- * Head count for Strategic Planning Dept. transferred from Sales to WSDG (reflected from March 2009 figures).
- * Head count for Product Planning transferred from WSDG to Sales (reflected from Dec. 2009 figures).
- * Head count for Operation Support transferred from WSDG to Sales (Customer Support) (reflected from Jun. 2011 figures).
- * WSDG: Web Solution Development Group, Sales: excluding MS, MS: Media Solution, Corp: Corporate staff



Sep. 30, 2011

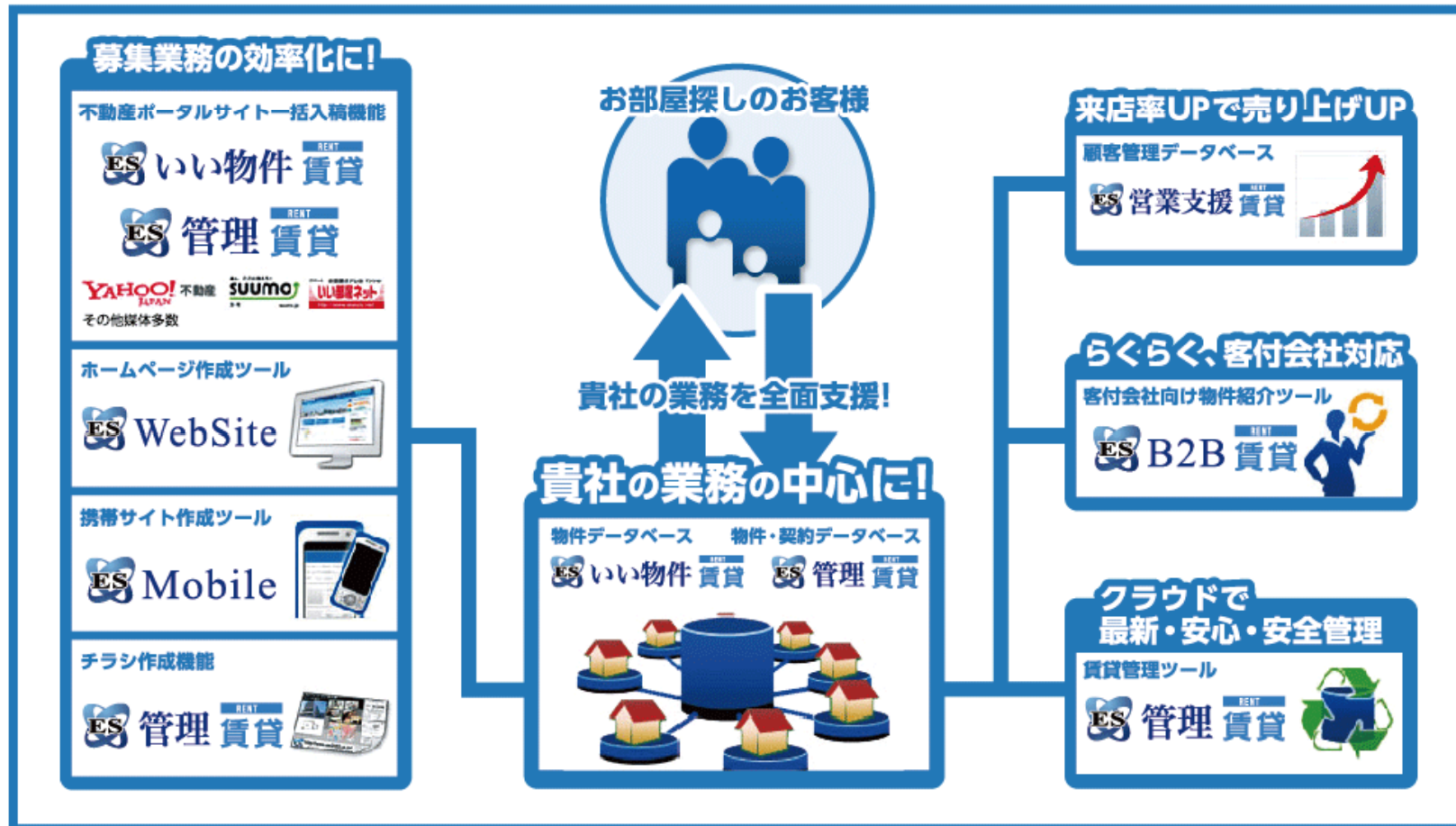
(2) Our Business & Service Overview

① Overview of our Cloud Services: Rental Property System

Our end-to-end integrated DB solution: from property promotion and customer acquisition to property management

不動産賃貸業に携わる全ての方を後方支援します！

賃貸仲介業務から賃貸管理業務まで、不動産賃貸業に携わる全ての方を後方支援する、いい生活のサービスラインナップ！



② Overview of our Cloud Services: For Sale Property

Our end-to-end integrated DB solution: from property promotion and customer acquisition to CRM

不動産売買業における業務効率化・成約率UPを後方支援します！

不動産売買業務に携わる皆様の業務を後方支援する、いい生活のサービスラインナップ！



③ Our Competitive Advantage

Stock Business = Stable source of monthly recurring revenue based on ongoing contracts

Early promoter of Cloud model

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

Entirely in-house development

IT Service Management System Certification (ISO/IEC27001:2005 and ISO/IEC20000 -1:2005) for continuous improvement of our service level and customer satisfaction

No bank borrowing and financially sound

④ IT Service Management System Certification

Achieving a higher level of client satisfaction through service quality

- ▶ 「ISO/IEC27001:2005」 (International standard of information security management system)
※Registered in June, 2007
- ▶ 「ISO/IEC20000-1:2005」 (International standard of IT service management system)
※Registered in October, 2009

Further improve the reliability and quality of our services, as well as strengthen information security

Consistently deliver effective and easy-to-use IT services which meet the needs of our clients

Outline of ITSMS (ISO/IEC20000-1:2005) Registration

Company Name	: e-Seikatsu Co., Ltd.
Registration number	: JMAQA-T001
Applicable standard	: ISO/IEC20000-1:2005
Range of registration	: Cloud Service for the real estate industry (Excluding individual client system development business and Media Solution Dept. business.)
Registrar	: Japan Management Association
Registration date	: October 15, 2009
Registration revision date	: August 18, 2011

⑤ Focus on the real estate industry

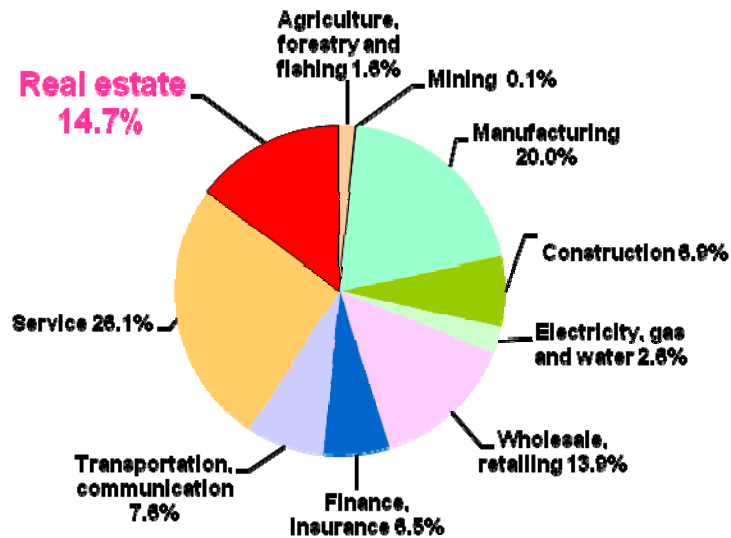
- One of the largest industries in Japan.
- The industry has been relatively slow in embracing IT.
- Strong demand for a standardized property information DB

Our main targets are real estate agents in the following business:

- Rental property brokerage
- Rental property management
- Sales property brokerage

■ GDP breakdown by industry sector

GDP of all industries (nominal): ¥423 trillion (2009)



Source: National Accounts (GDP by economic activity) for 2009

■ Total national real estate assets

¥1,686 trillion (2009)

Land	¥1,208 trillion	69% of real assets
Homes	¥238 trillion	(excluding financial assets)
Buildings (excluding homes)	¥240 trillion	21% of gross national assets

Source: National Accounts (Assets for the nation) for 2009

■ Number of real estate agents

126,582 (as of the end of March 2010)

Corporations:	104,617
	(Minister License: 2,151 / Governor License: 102,466)
Individuals:	21,965
	(Minister License: 2 / Governor License: 21,963)

Source: Ministry of Land, Infrastructure, and Transportation

⑥ Business and Revenue Breakdown

Business	Service Category	Element Type	Contract Type	Revenue Recognition	Service and Revenue Details
Cloud Solution Business	Cloud Service	Stock (MRR)	Annual	Monthly amount	System usage fees (Cloud model). Covering both our turnkey solutions as well as customized solutions (resulting from A-Cloud system development work). ※Client: 1,367co., 2,016stores (Subscribed Clients as of Sep. 2011) ※Monthly ARPU: approx. 95,400yen/co., approx. 64,700 yen/store (for the single month of Sep.)
	Network Solution	Stock (MRR)	Annual	Monthly amount	System operation and management fees. Operating and managing our various systems utilizing client assets (i.e. operating on HW and SW owned by clients).
	Advanced-Cloud Service (Ad related Services)	Stock (MRR)	Quarterly	Monthly amount	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.)
	Advanced-Cloud Service (Yahoo! Media Solution) *	Stock (MRR)	Annual	Monthly amount	System operation fees. Operation of the “new housing” property data processing, entry, and posting business for Yahoo! Real Estate. ※Revenue consists of fixed and measured rate components
	Advanced-Cloud Service (System Development)	Flow	From time to time	% of Completion / One time	System development revenue. Mostly client customization work done on our turnkey solution systems.
Related Business	Others (Real estate Brokerage)	Flow / Stock	From time to time / Annual	One time / Monthly amount	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)

* “Yahoo! Media Solution” operations are scheduled to conclude at the end of November 2011.

⑦ Company Profile

Established :	January 21, 2000
Paid-in capital :	624 million 261 thousand 232 yen (As of the end of September 2011)
Listing :	Mothers section of the Tokyo Stock Exchange (Code: 3796)
Relationship banks :	Resona Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.
# of employees :	163 (As of the end of September 2011)
Officers :	President & CEO Kiyotaka Nakamura Executive Vice President & Co-CEO Zenichi Maeno Executive Vice President & CFO Hiroyuki Shiokawa Executive Vice President & COO Hiroyoshi Kitazawa Managing Director & CIO Yoshiaki Kuno Standing Corporate Auditor Akira Hirano Corporate Auditor Masahito Omachi Corporate Auditor Shinichi Shamoto Corporate Auditor Masayasu Takahara
Audit Corporation :	The Kisaragi Accounting Office
Headquarters :	2-32, Minamiazabu 5-chome, Minato-ku, Tokyo
Osaka office :	4-16, Dojimahama 1-chome, Kita-ku, Osaka
Fukuoka office :	11-17, Tenjin 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka
Nagoya office :	4-3, Nishiki 2-chome, Naka-ku, Nagoya-shi, Aichi

Corporate Site (Japanese only)

<http://www.e-seikatsu.info/>

English presentations are available at

<http://www.e-seikatsu.info/IR/english/investorRelations.html>

Products and Services Site (Japanese only)

<http://www.es-service.net/>

Facebook

<https://www.facebook.com/e.seikatsu>