

FY2013 Full-term Results

TSE Mothers 3796

May 9, 2013



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.

1 Summary of Full-term Results for FYE March 31, 2013

2 Forecast for FYE March 31, 2014

3 Our Business Strategy

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(1) Financial Data

(2) Company Profile

1

Summary of Full-term Results for FYE March 31, 2013

① Highlights

Overall revenue and profit decreased, however, revenue of our core “Cloud Service” business continued to increase

- Consolidated sales: 1,831 million yen (FY2012 2,118 million yen, YOY change -286 million yen, -13.5%)
 - Cloud Service revenue: 1,701 million yen (FY2012 1,569 million yen, YOY change +131 million yen, +8.4%)
 - Including **monthly recurring revenue of Turnkey services: 1,473 million yen (FY2012 1,331 million yen, YOY change +141 million yen, +10.7%)**
- Consolidated operating profit: -33 million yen (FY2012 218 million yen, YOY change -251million yen)
- Net income: -58 million yen (FY2012 89 million yen, YOY change -147million yen)

Further enhancement of sales of our “Cloud Service”

- Focus on new client acquisitions as well as up-selling to existing Cloud Service clients. Solid growth in monthly ARPU.
 - Monthly ARPU: approx. 102,200 yen/company ※as of the end of Mar. 2013
FY2012 approx. 98,000 yen/company ※as of the end of Mar. 2012
- Gaining traction from sales campaigns and increased exposure (“Rental Housing Fair 2012” and industry media advertising)

Introduction of our new “ES e-Bukken One” service

- “ES e-Bukken One” launched April 2012 – full integration of our current Cloud Service products with enhanced functions, for a seamless end-to-end solution

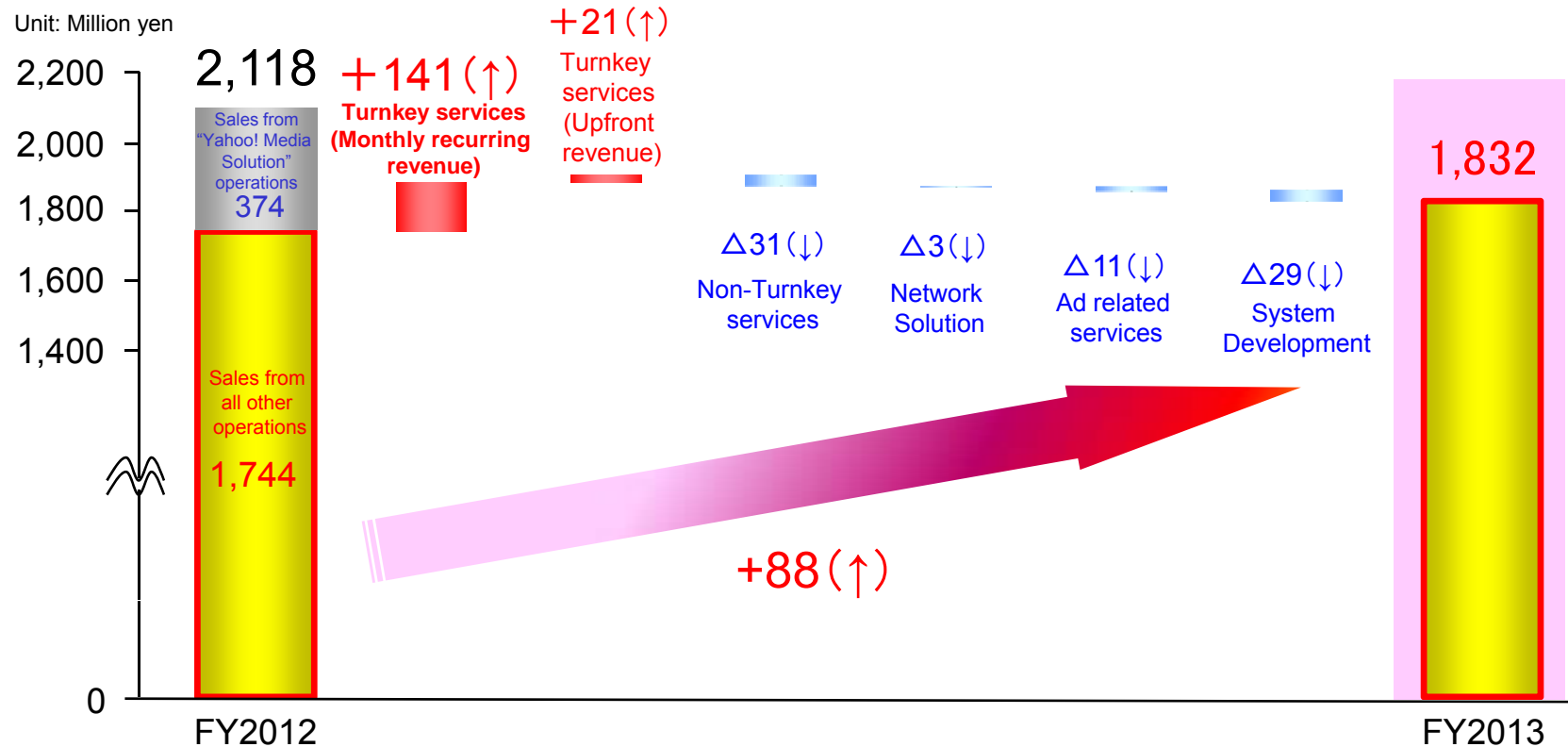
* Cloud Service revenue figures have not been adjusted for internal transactions.

* Figures rounded down to the nearest million yen.

* Ratios rounded to the nearest decimal place.

② Cloud Solution Business Change in Revenue Breakdown

Core “Turnkey services” (monthly recurring revenue) showing strong growth



<Key Points>

- ① “Turnkey services” (monthly recurring revenue) increased by approx. 141 million yen YOY. Overall, “Turnkey services” revenue increased by approx. 163 million yen YOY.
- ② As compared to FY2012 revenue of approx. 1,744 million yen (excluding sales from “Yahoo! Media Solution” operations), overall revenue increased by approx. 88 million yen YOY.

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

③ Cloud Solution Business Revenue (YOY change)

Item (Million yen)	FY2012	FY2013	YOY change	YOY change (%)
Cloud Service	1,569	1,701	131	8.4%
Turnkey services *	1,361	1,524	163	12.0%
Up-front revenue	30	51	21	69.6%
Monthly recurring revenue	1,331	1,473	141	10.7%
Non-turnkey services *	208	176	△31	△15.0%
Network Solution	39	35	△3	△8.3%
Advanced-Cloud Service	509	94	△414	△81.4%
Ad related services	68	57	△11	△16.2%
System Development	66	37	△29	△44.1%
Yahoo! Media Solution	374	—	△374	△100.0%
Total	2,118	1,832	△286	△13.5%
Total excluding Yahoo! Media Solution	1,744	1,832	88	5.0%

* 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.

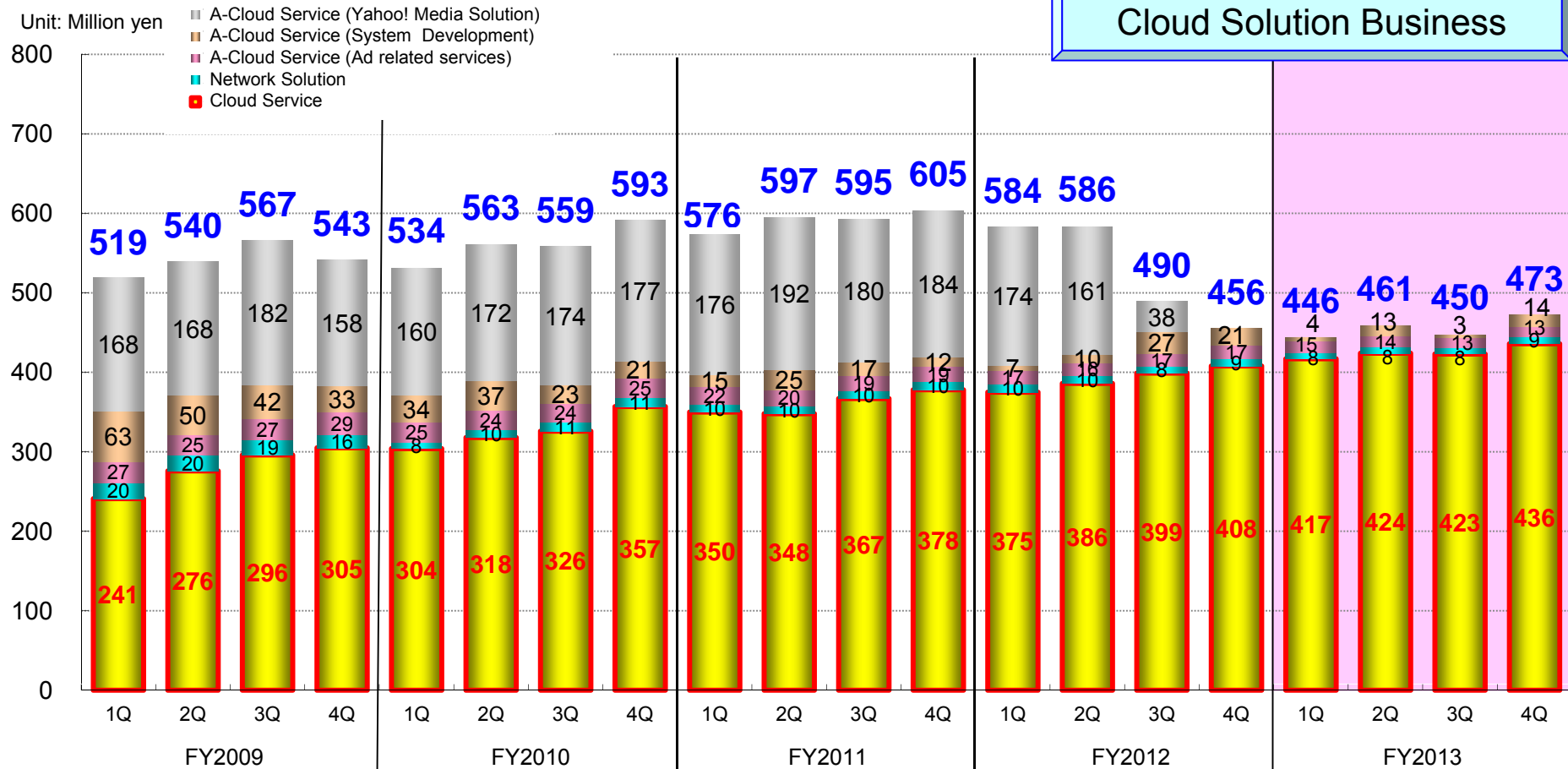
* Advanced-Cloud Service (Yahoo! Media Solution) sales were concluded at the end of November, 2011.

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

* Figures rounded down to the nearest million yen.

④ Sales Category Breakdown

Increasing “Cloud Service” revenue



* Advanced-Cloud Service (Yahoo! Media Solution) sales were concluded at the end of November, 2011.

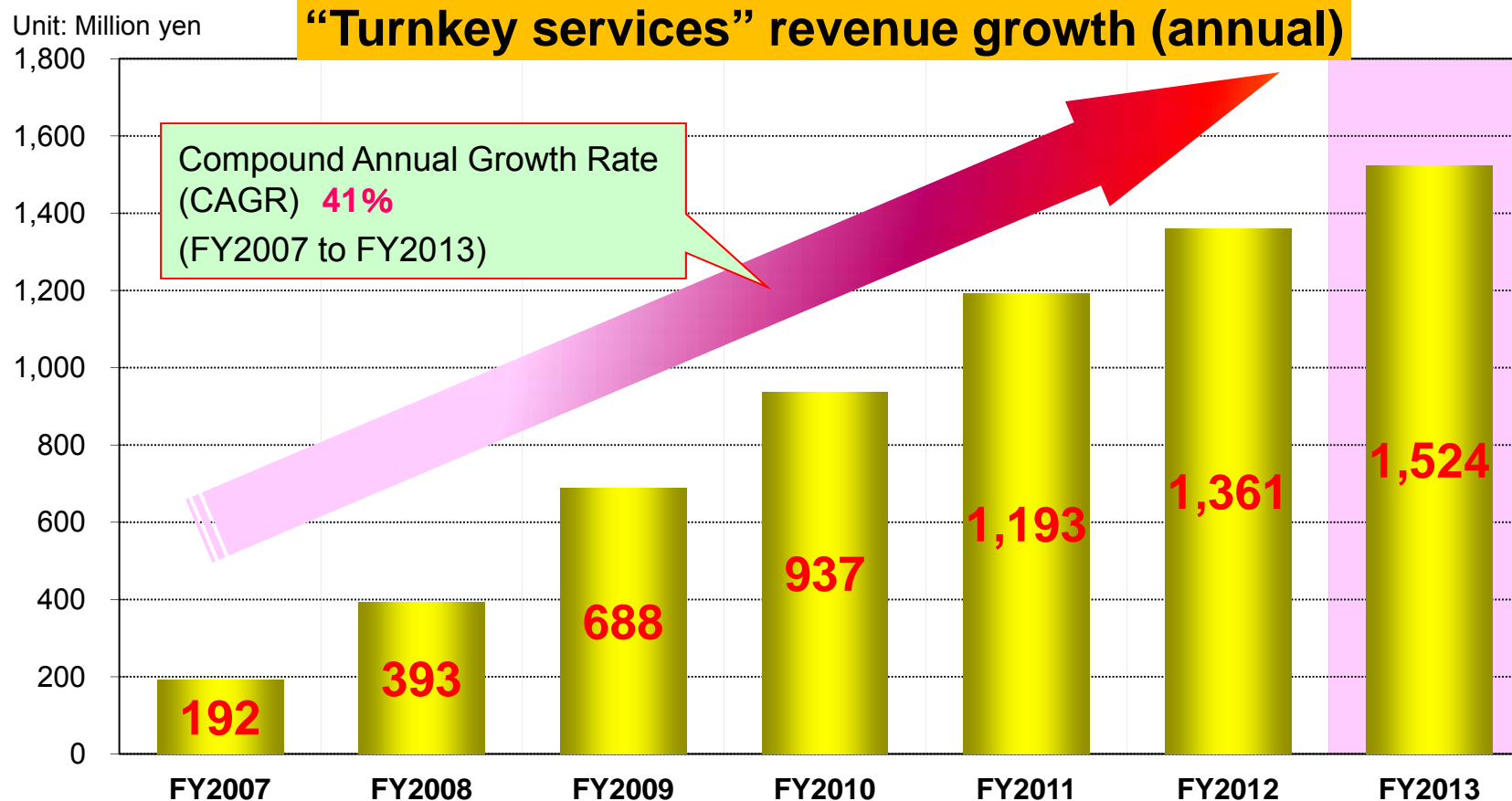
* Cloud Solution Business sales figures have not been adjusted for internal transactions.

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

* Figures rounded down to the nearest million yen.

⑤ Growth Potential of Cloud Service (Turnkey services)

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

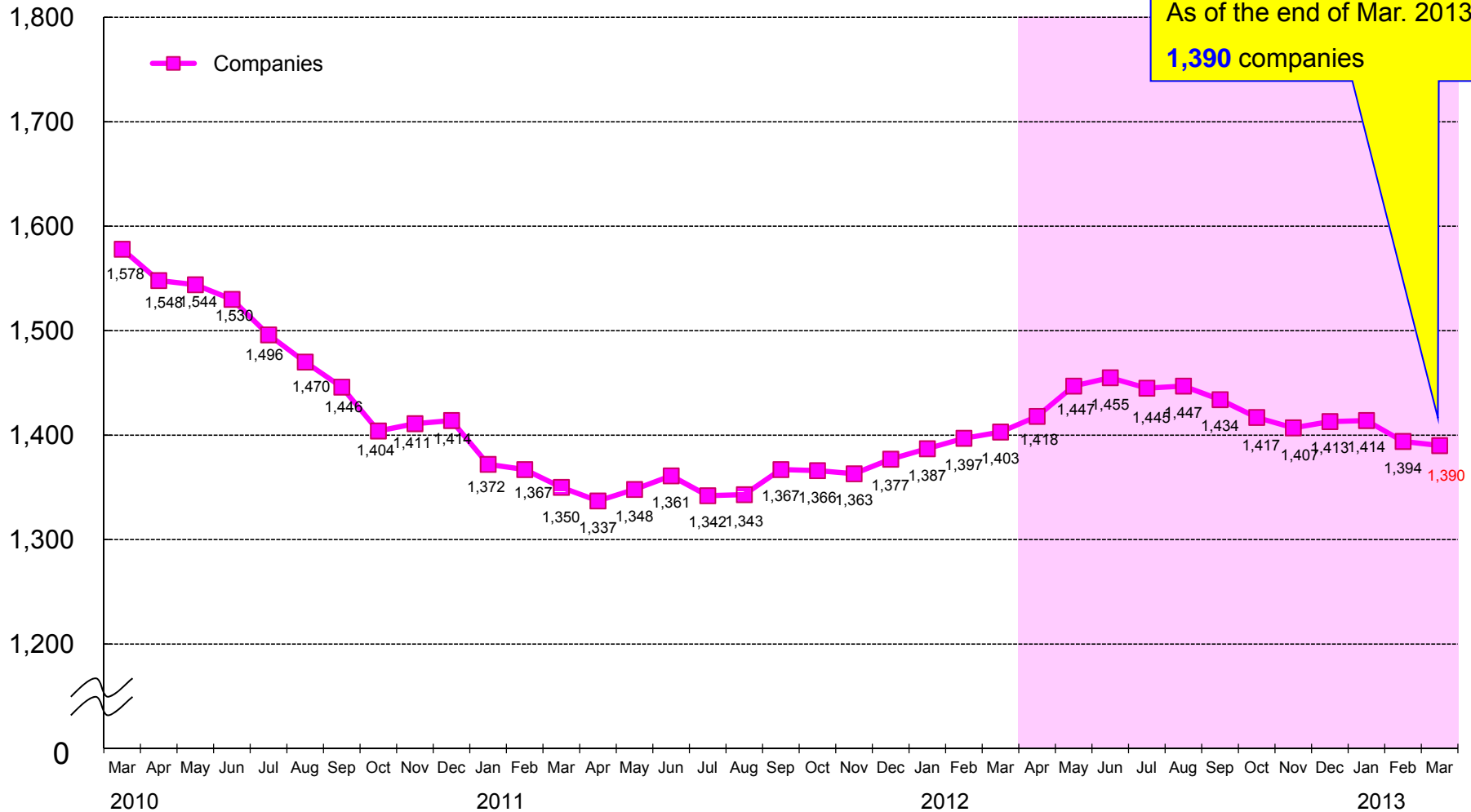


- * “Turnkey services” is a suite of standard system applications with up-front and monthly recurring revenue.
- * Compound Annual Growth Rate (CAGR) is the average growth rate over a period of several years.
- * Figures are rounded down to the nearest million yen. The ratio is calculated per yen and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

⑥ Number of Cloud Service Clients

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

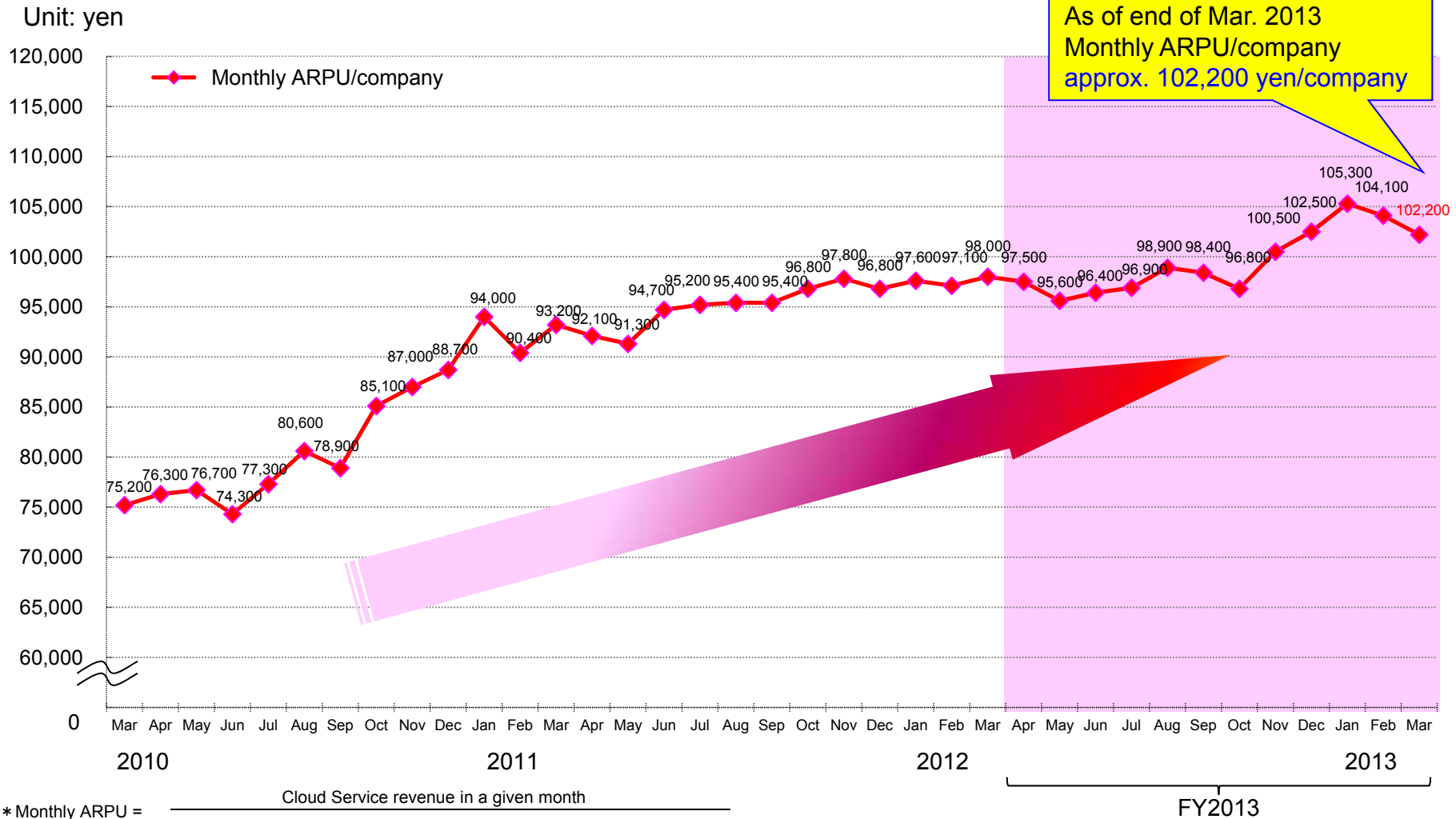
Unit: Companies



As of the end of Mar. 2013:
1,390 companies

⑦ Cloud Service Monthly ARPU

Resulting in a steady increase in monthly ARPU

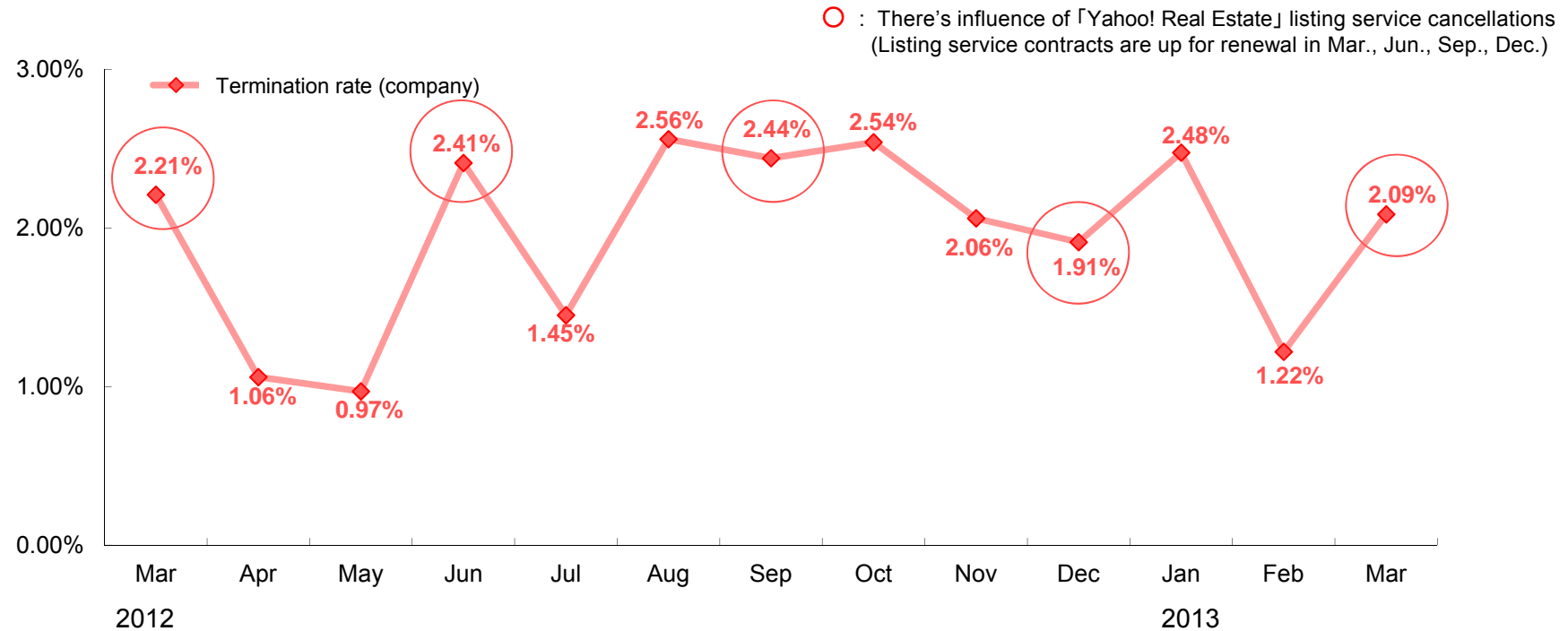


* Monthly ARPU = $\frac{\text{Cloud Service revenue in a given month}}{\text{The number of companies 'Billed Clients' in a given month}}$

* Figures rounded down to the nearest hundred yen.

⑧ Cloud Service Client Termination Rate

Increased efforts to improve client satisfaction, leading to higher retention



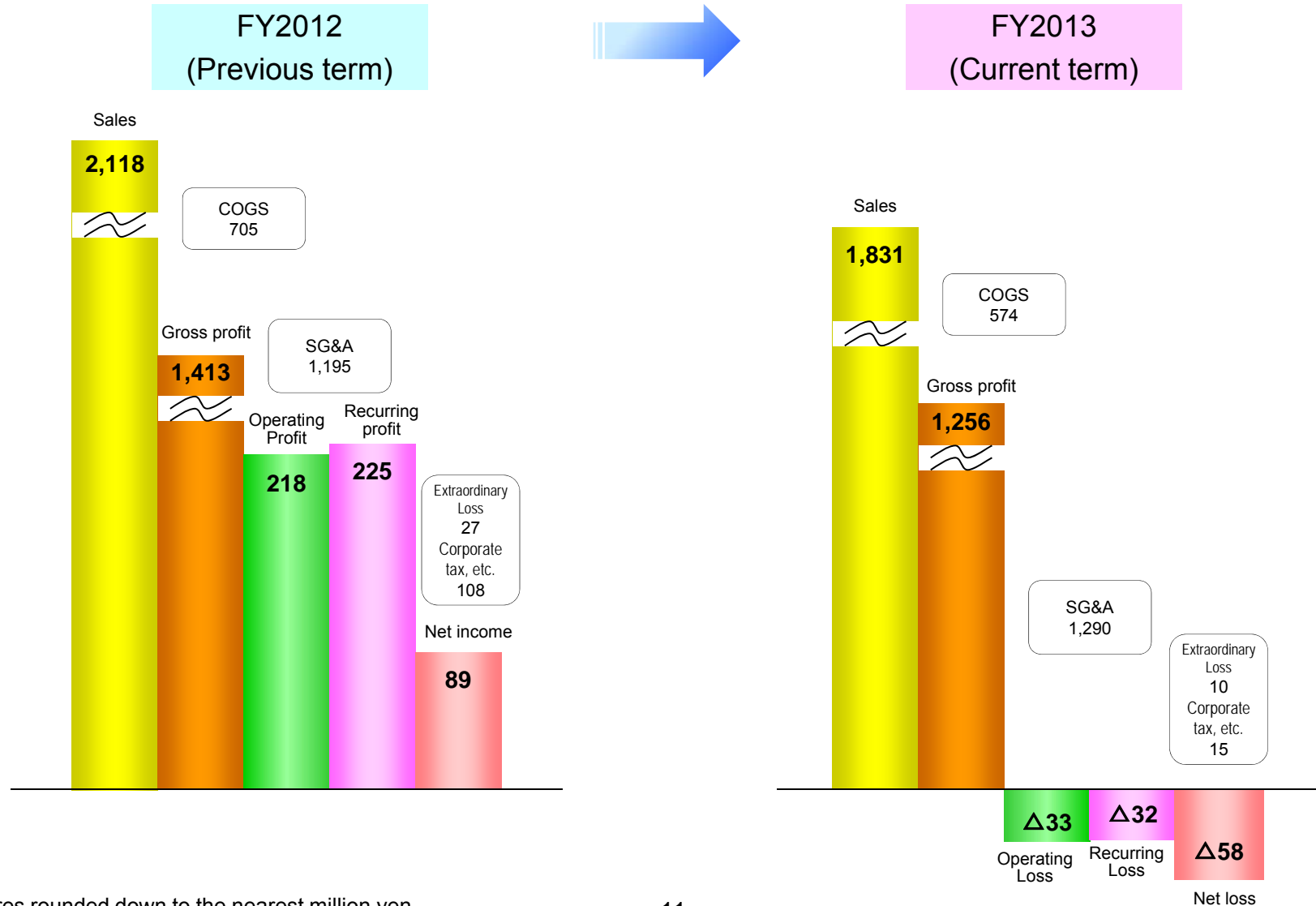
Unit: companies

	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Ave.
# of companies	31	15	14	35	21	37	35	36	29	27	35	17	29	27.8
Termination Rate	2.21%	1.06%	0.97%	2.41%	1.45%	2.56%	2.44%	2.54%	2.06%	1.91%	2.48%	1.22%	2.09%	—

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

⑨ Consolidated Income Statement

Sales and profits decreased despite continued growth of our core “Cloud Service” business



* Figures rounded down to the nearest million yen.

⑩ Consolidated Income Statement (YOY change)

(Million yen)	FY2012	FY2013	YOY change	YOY change (%)
Sales	2,118	1,831	△286	△13.5%
Gross profit Gross profit margin	1,413 66.7%	1,256 68.6%	△156	△11.1%
Operating profit Operating profit margin	218 10.3%	△33 △1.8%	△251	—
Recurring profit Recurring profit margin	225 10.6%	△32 △1.8%	△257	—
Extraordinary loss	27	10	△17	△62.7%
Net income Net income margin	89 4.2%	△58 △3.2%	△147	—

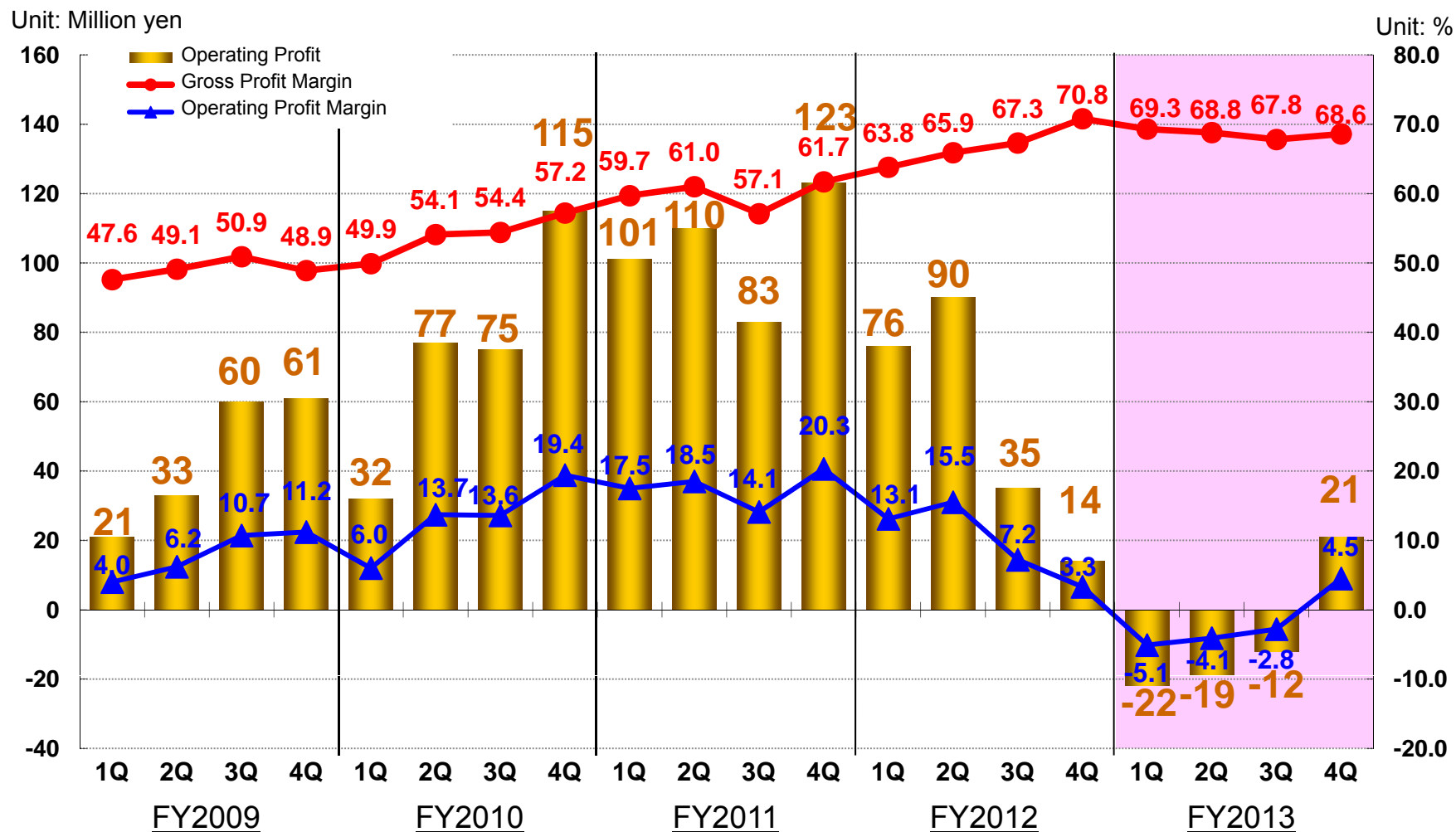
<Key Points>

- ① Our core Cloud Service revenue continues to show steady growth, and is the main driver of revenue increase, however, total sales and profits declined YOY due to the negative impact from the conclusion of Yahoo! Media Solution operations at the end of November, 2011.
- ② SG&A increased partly due to the organizational transfer of personnel related to quality control (from July, 2012), and the increase in personnel expenses (reflecting new graduate hires in sales), as well as promotion expenses (participating in “Rental Housing Fair 2012,” and advertising in major industrial papers).

* Figures rounded down to the nearest million yen.

⑪ Consolidated Quarterly Results

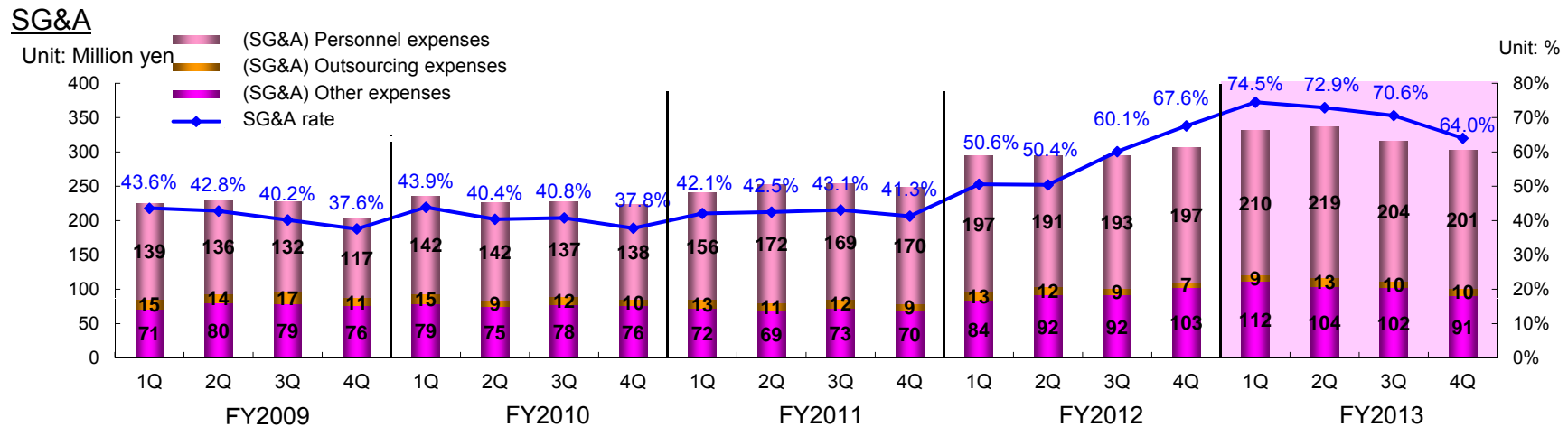
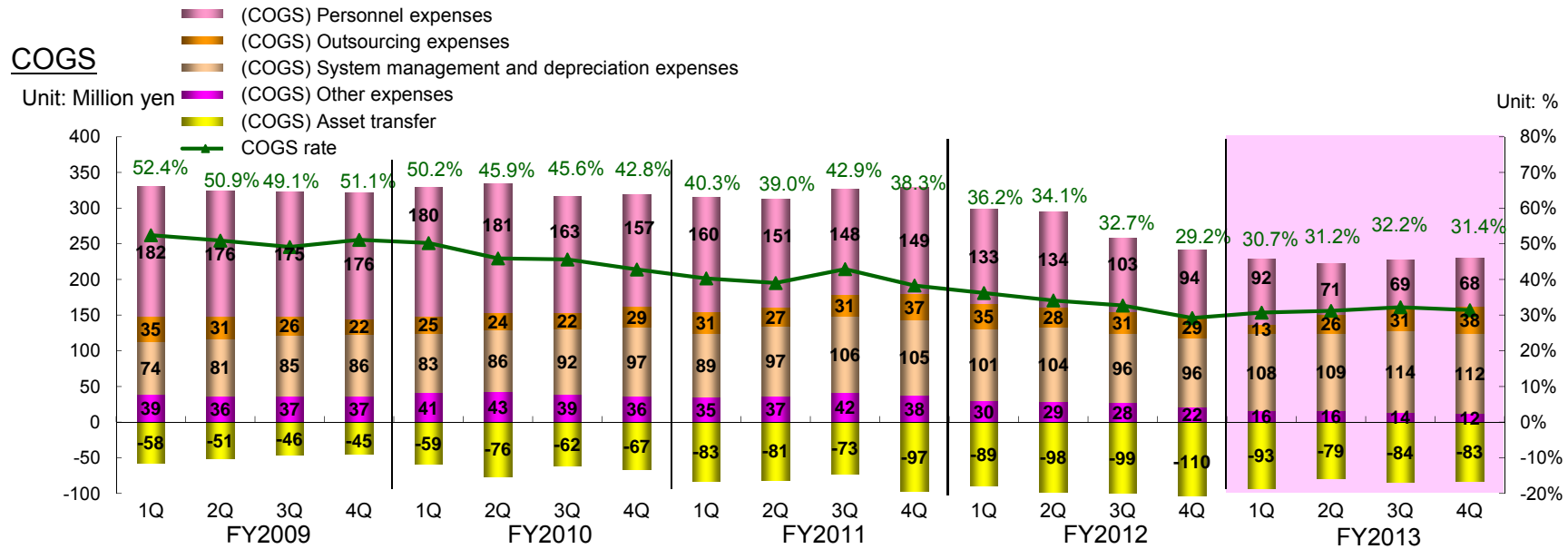
Increase in sales and cost reduction efforts resulted in profitable fourth quarter



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

* Figures rounded down to the nearest million yen.

⑫ Quarterly COGS/SG&A



* FY2009 1Q figures 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.

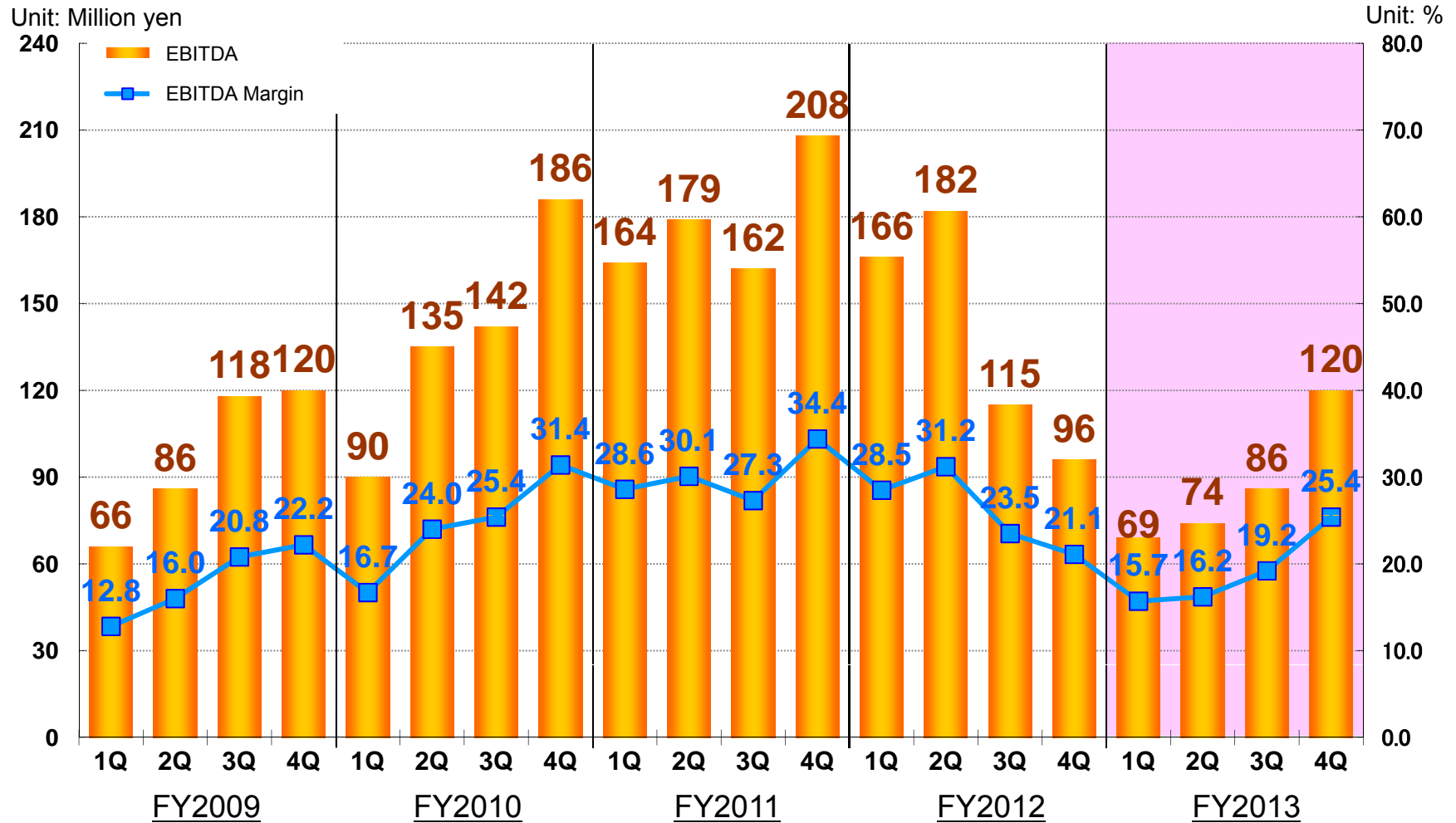
(COGS)Asset transfer: Inventory assets(goods in process), portion allowances for software under development listed under COGS

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

* Figures rounded down to the nearest million yen.

⑬ Quarterly EBITDA (consolidated)

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

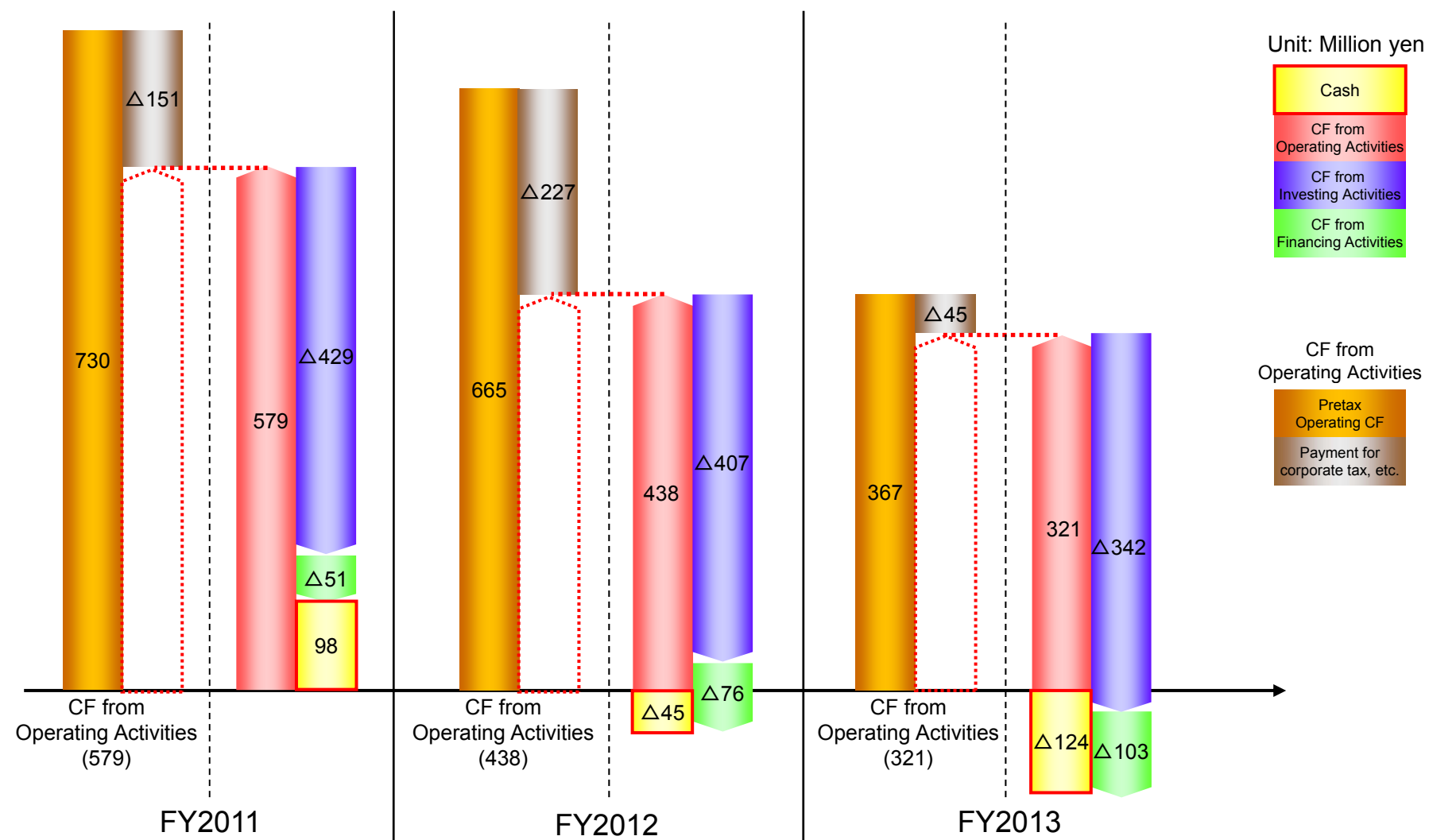


* FY2009 1Q figures are non-consolidated results. Figures for FY2009 2Q and beyond are consolidated results.

* Figures rounded down to the nearest million yen.

⑭ Consolidated Cash Flow YOY Comparison

Continuously generating Pretax Operating Cash Flow



* Pretax Operating Cash Flow = "CF from Operating Activities" + "Payment for corporate tax, etc."
 * Figures rounded down to the nearest million yen.

⑮ Consolidated Cash Flow Statement (YOY change)

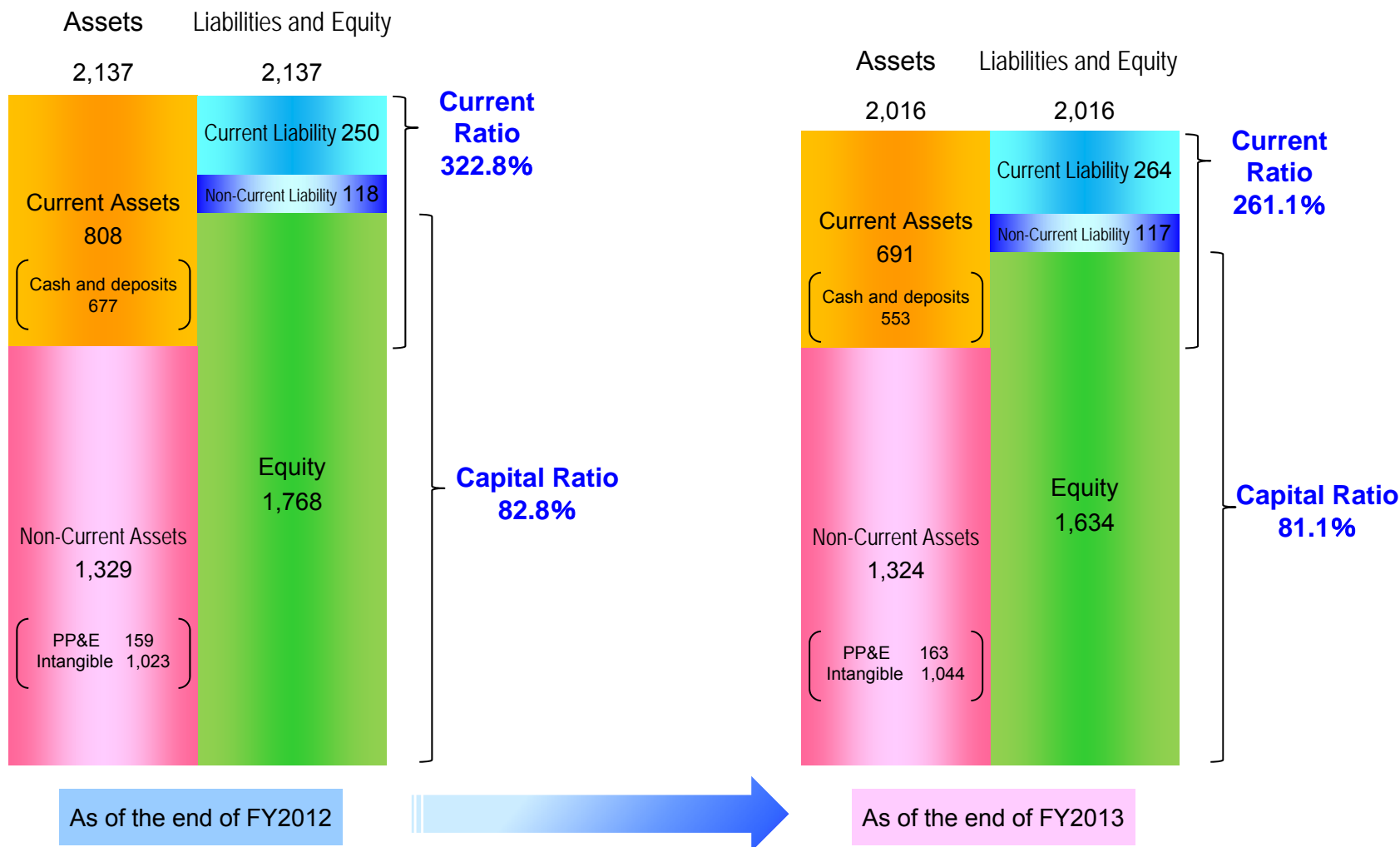
(Million yen)	FY2012	FY2013
CF from Operating Activities	438	321
CF from Investing Activities	△407	△342
CF from Financing Activities	△76	△103
Net Increase in Cash and Cash Equivalents (△decrease)	△45	△124
Cash and Cash Equivalents (end of term)	677	553

<Key Points>					
Operating Activities	① Income before tax + depreciation expenses	FY2012	540M yen	FY2013	341M yen
	② Payment of corporate tax, etc. and refund	FY2012	227M yen	FY2013	45M yen
Investing Activities	③ Expenses due to in-house software development	FY2012	399M yen	FY2013	341M yen
	④ Expenses due to the purchase of assets (HW/SW)	FY2012	29M yen	FY2013	8M yen
	⑤ Income from the redemption of deposits/guarantee money	FY2012	26M yen	FY2013	24M yen
Financing Activities	⑥ Payment of year-end dividend	FY2012	67M yen	FY2013	75M yen
	⑦ Expenses due to repayment of lease obligations	FY2012	14M yen	FY2013	27M yen

* Figures rounded down to the nearest million yen.

⑩ Consolidated Balance Sheet YOY Comparison

Financially sound



* Figures rounded down to the nearest million yen.

⑰ Consolidated Balance Sheet (change from FYE Mar. 2012)

(Million yen)	Mar. 2012	Mar. 2013	Change
Cash and Deposits	677	553	△124
Other Current Assets	130	138	7
Non-Current Assets	1,329	1,324	△4
Assets Total	2,137	2,016	△121
Current Liability	250	264	14
Non-Current Liability	118	117	△1
Net assets	1,768	1,634	△134
Capital Ratio	82.8%	81.1%	
Liability and Net Assets total	2,137	2,016	△121

<Key Points>

- ① Server equipment was leased to reinforce our data center facility, accordingly, lease asset and lease liability were allocated to Non-Current Assets and Non-Current Liability, respectively.
- ② Lease deposits (Non-Current Assets) decreased due to partial termination of head office lease contract.
- ③ Net assets decreased due to the payment of 75 million yen in dividends and net loss of 58 million yen.

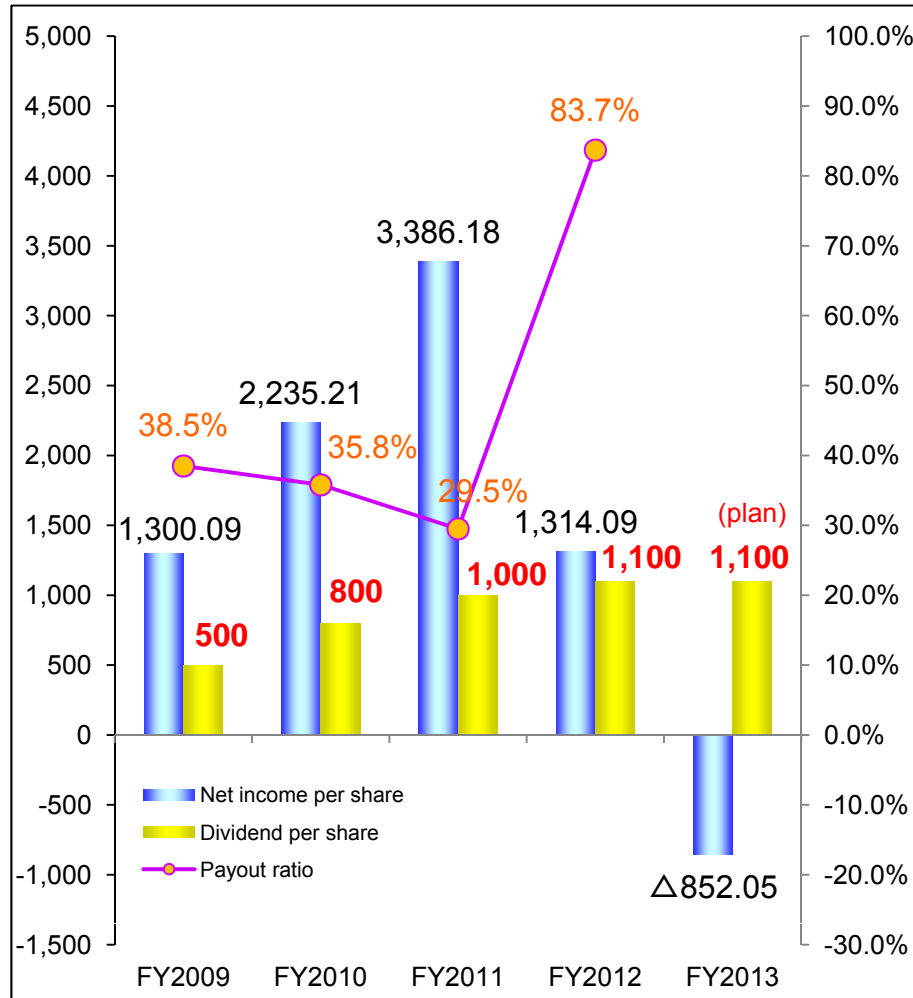
* Figures rounded down to the nearest million yen.

18 Shareholder Return Indices

Continuously paying dividends while maintaining business growth

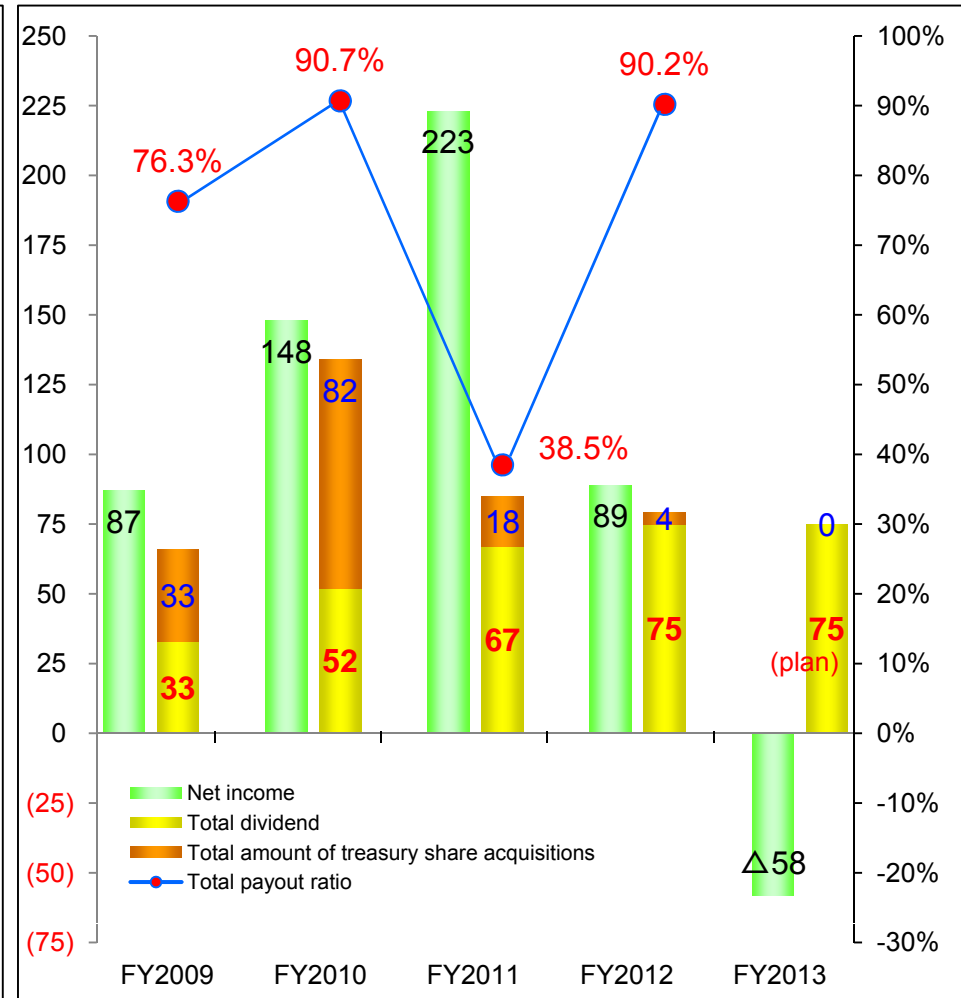
Per Share Information

Unit: Yen



Total Payout Ratio

Unit: Million yen



⑱ Shareholder Return Amount Comparison

Consolidated	10th period FY2009	11th period FY2010	12th period FY2011	13th period FY2012	14th period FY2013
① Dividend (yen/share)	500yen	800yen	1,000yen	1,100yen	(plan) 1,100yen
② Total amount of dividend paid	33,656,000	52,128,800yen	67,694,000yen	75,897,800yen	(plan) 75,897,800yen
③ Total number of shares purchased	743shares	2,247shares	623shares	178shares	— shares
④ Total amount of shares purchased	33,151,450yen	82,754,510yen	18,140,250yen	4,473,180yen	— yen
⑤ Total amount of dividends paid + shares purchased (= ②+④)	66,807,450yen	134,883,310yen	85,834,250yen	80,370,980yen	(plan) 75,897,800yen
⑥ Net Income	87,616thousand-yen	148,707thousand-yen	223,015thousand-yen	89,151thousand-yen	△58,790thousand-yen
⑦ Net Income per share (yen/share)	yen sen 1,300.09	yen sen 2,235.21	yen sen 3,386.18	yen sen 1,314.09	yen sen △852.05
⑧ Payout ratio (= ①/⑦)	38.5%	35.8%	29.5%	83.7%	— %
⑨ Total Payout ratio (= ⑤/⑥)	76.3%	90.7%	38.5%	90.2%	— %

2

FYE March 2014 Forecast

① Key Points

Revenue ・ Cost ・ Profit ・ Dividend

- Revenue forecast of 1,955 million yen (FY2013 1,831 million yen) as we further promote the sales of our Cloud Solution “Turnkey Services,” with a focus on our new “ES e-Bukken One.”
- Total cost (COGS and SG&A) forecast of 1,885 million yen (FY2013 1,865 million yen) accounting for increase in depreciation due to continuous development of new options/features for “ES e-Bukken One,” and increase in personnel expenses, etc.
- Operating profit forecast of 70 million yen (FY2013 33 million yen operating loss).
- Year-end dividend forecast of 1,100 yen per share (prior year 1,100 yen per share (plan)).

Marketing strategy

- We will focus on new client acquisition as well as follow-up marketing efforts (up-sell) including introduction of our new service to existing clients.
- We will further strengthen our client support function in preparation for the expansion in the number of clients served.
- We will focus our marketing efforts targeting medium to large sized clients.
- We will continue to focus our marketing activities mainly in each of our primary markets (Tokyo, Kansai, Chukyo, Fukuoka).

Cloud service development strategy

- We will further expand the functions and features of our “ES e-Bukken One” service. “Rental property management option” is to be released in Autumn this year.

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

* Revenue, cost, and profit figures rounded down to the nearest million yen.

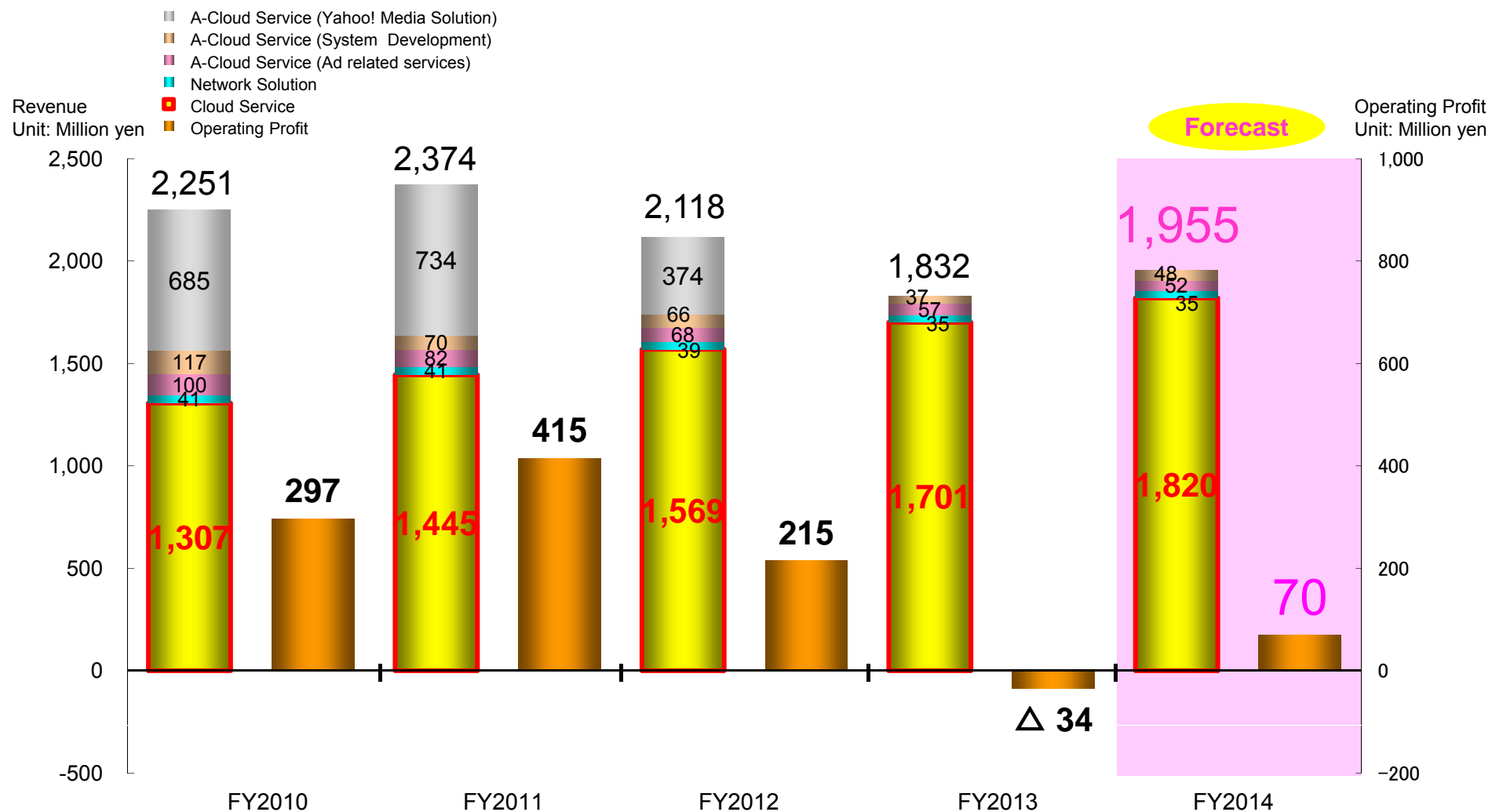
② Consolidated Operating Forecast and Dividend Forecast

(Million yen)	Mid-term Forecast FY2014	Full-term Forecast FY2014 (①)	Full-term Results FY2013 (②)	Difference (①-②)	YOY change (%)
Sales	938	1,955	1,831	123	6.7%
Operating Profit	2	70	△33	103	—
Recurring Profit	2	70	△32	102	—
Net Income	1	35	△58	93	—

	Dividend per share
Full-term dividend (forecast) (FYE March 2014)	1,100yen
Full-term dividend (plan) (FYE March 2013)	1,100yen

- * Forecast figures are based on information available at the time of this announcement.
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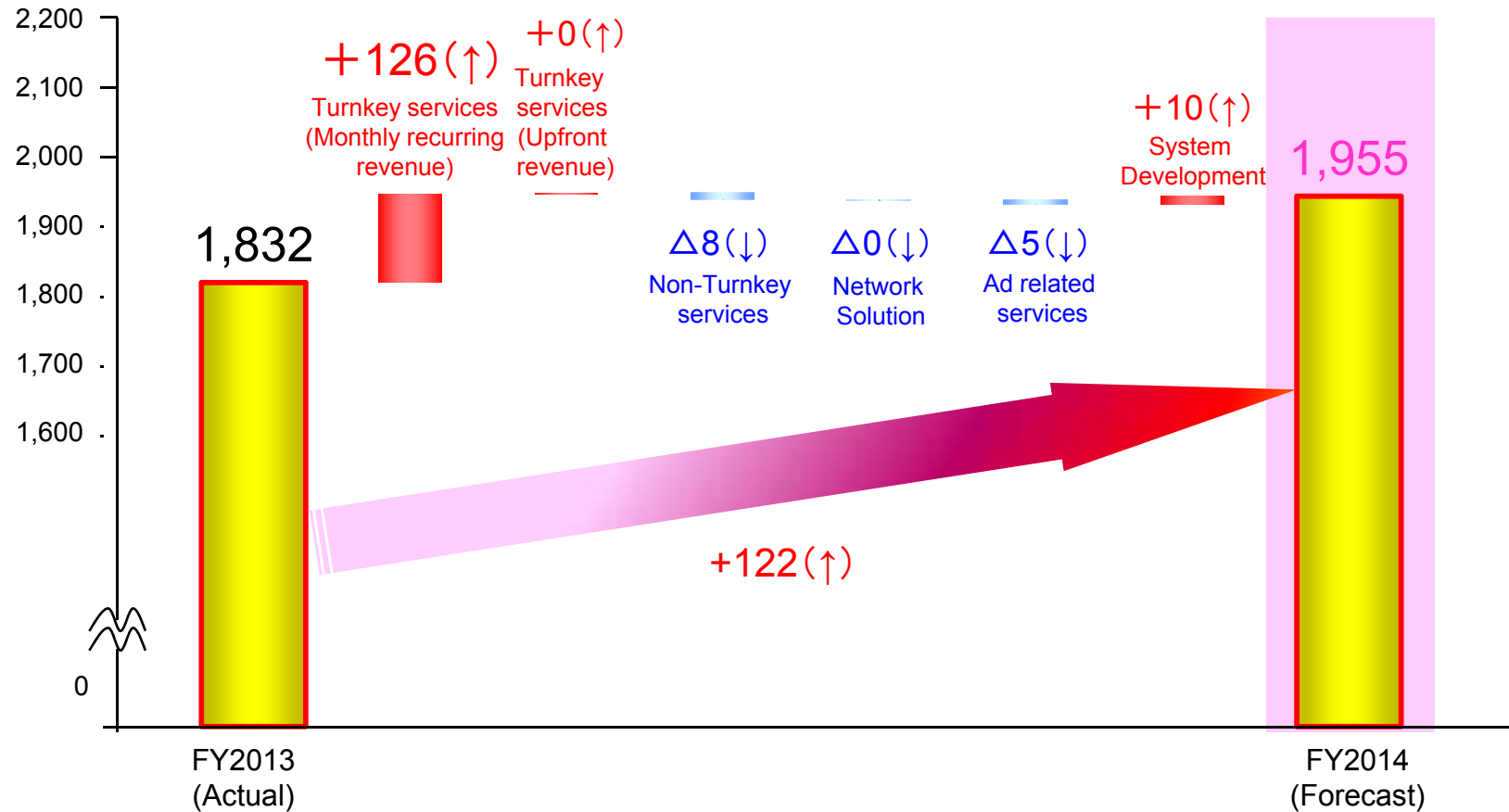
③ Cloud Solution Business Revenue and Operating Profit Forecast



* "Yahoo! Media Solution" operations were concluded at the end of November 2011.
 * Cloud Solution Business sales figures have not been adjusted for internal transactions.
 * Figures rounded down to the nearest million yen.

④ Cloud Solution Business Change in Revenue Breakdown

Unit: Million yen



<Key Points>

Further promoting "ES e-Bukken One," our "turnkey services (monthly recurring revenue)" revenue is expected to increase by about 126 million yen YOY. "Turnkey services (upfront revenue)" revenue is expected to remain unchanged, thus "Turnkey services" total revenue is expected to increase by about 127 million yen.

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

* Figures rounded down to the nearest million yen.

⑤ Cloud Solution Business Revenue Forecast (Breakdown)

Item (Unit: million yen)	FY2014 Forecast (①)	FY2013 Actual (②)	YOY Change (① - ②)	YOY Change %
Cloud Service	1,820	1,701	118	7.0%
Turnkey services *	1,652	1,524	127	8.3%
Up-front revenue	52	51	0	0.6%
Monthly recurring revenue	1,600	1,473	126	8.6%
Non-turnkey services *	168	176	△8	△4.9%
Network Solution	35	35	△0	△2.1%
Advanced-Cloud Service	100	94	5	5.6%
Ad related services	52	57	△5	△9.5%
System Development	48	37	10	28.9%
Total	1,955	1,832	122	6.7%

* 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.

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 Actual results may differ materially from the forecast figures.

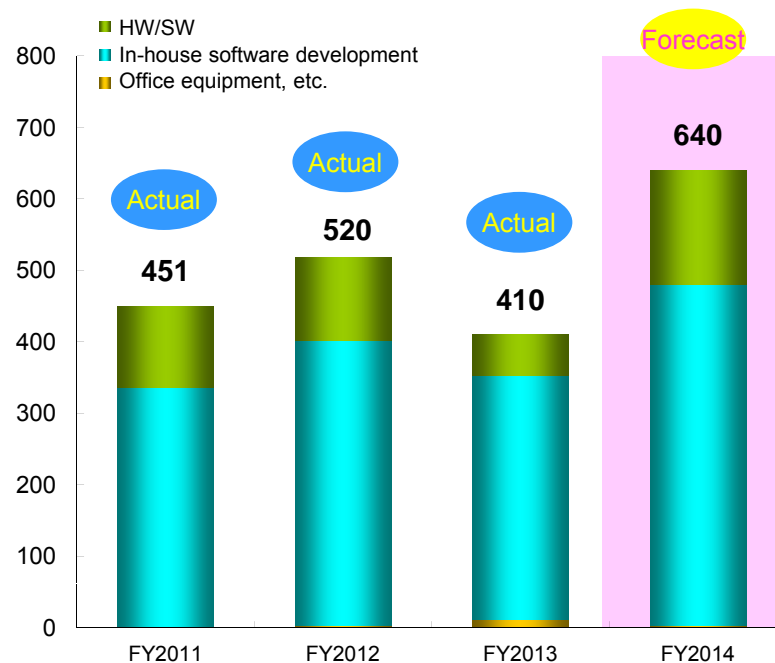
* Cloud Solution Business sales figures have not been adjusted for internal transactions.

* Figures rounded down to the nearest million yen.

⑥ Investment Plan

Investment Amount

Unit: Million yen

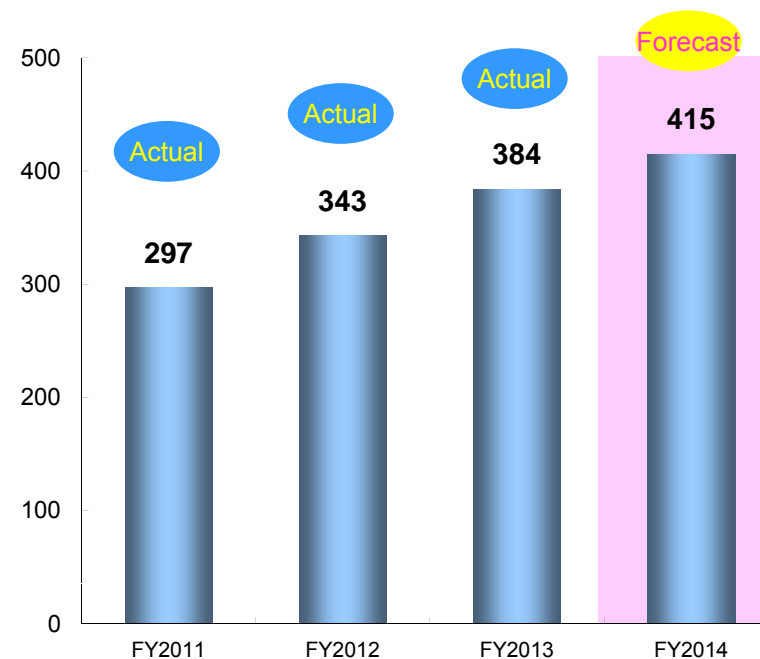


(Million yen)	2011/3 Actual	2012/3 Actual	2013/3 Actual	2014/3 Forecast
HW/SW	113	116	57	160
In-house software development	337	399	341	477
Office equipment, etc.	0	3	12	3
Total	451	520	410	640

* From FYE2012, figures include the amount of investment in lease assets.
Investment in lease assets: FY2012 approx. 106 million yen, FY2013 approx. 44 million yen

Depreciation

Unit: Million yen



(Million yen)	2011/3 Actual	2012/3 Actual	2013/3 Actual	2014/3 Forecast
Depreciation	297	343	384	415

* Figures rounded down to the nearest million yen.
* Investment plan with regards to the Cloud Solution Business.

3

Our Business Strategy

① Cloud Service Development Road Map

New options and features for “ES e-Bukken One” to follow

【Our Turnkey services】

ES いい物件 Install 賃貸

ES いい物件 賃貸

ES 管理 賃貸

ES いい物件 売買

ES 営業支援 賃貸

ES 顧客管理 売買

ES いい物件 賃貸
自社HPオプション

ES いい物件 売買
自社HPオプション

ES WebSite

ES Mobile

2013

2014

Released in April 2012

Real estate cloud, connected and social.

ES いい物件 One

ES いい物件 One
賃貸

ES いい物件 One
売買

ES いい物件 One
ウェブサイト

Rental property management option

New home sales option

Enhanced functionality of Rental Property Products and Property Sales Products

Enhanced My page functionality

Enhanced website functionality

Expand data submission capability to a wider range of portal sites, etc.

- Existing customers will be upgrade to “ES e-Bukken One.”

* HP is abbreviation for “Homepage.”

* Development and product launch schedule subject to change.

② Features of Our New Service, "ES e-Bukken One"

“ES e-Bukken One” is THE one stop solution for real estate agencies

Comprehensive service covering all aspects of operating a real estate business

- Access and manage all of your data, within a seamless, end-to-end solution encompassing all of your daily business activities.

Cutting edge cloud applications

- Fully utilizing the benefits of cloud computing 【available anytime/anywhere and always up-to-date】 while taking advantage of desktop computing 【processing power】 .

Consumer 【My page】 features for effectively acquiring and retaining clients

- Consumer 【My page】features customized to match the needs of each customer (from potential renters/buyers to owners/sellers), bringing the customers closer, and better addressing individual needs and wants.

Connecting real estate companies to the ultimate business network

- “One Network” connecting and sharing information (messaging, scheduling, sharing property data/information, and much more) within a company as well as across companies for a rich, collaborative experience.

Now available in a “free trial” version

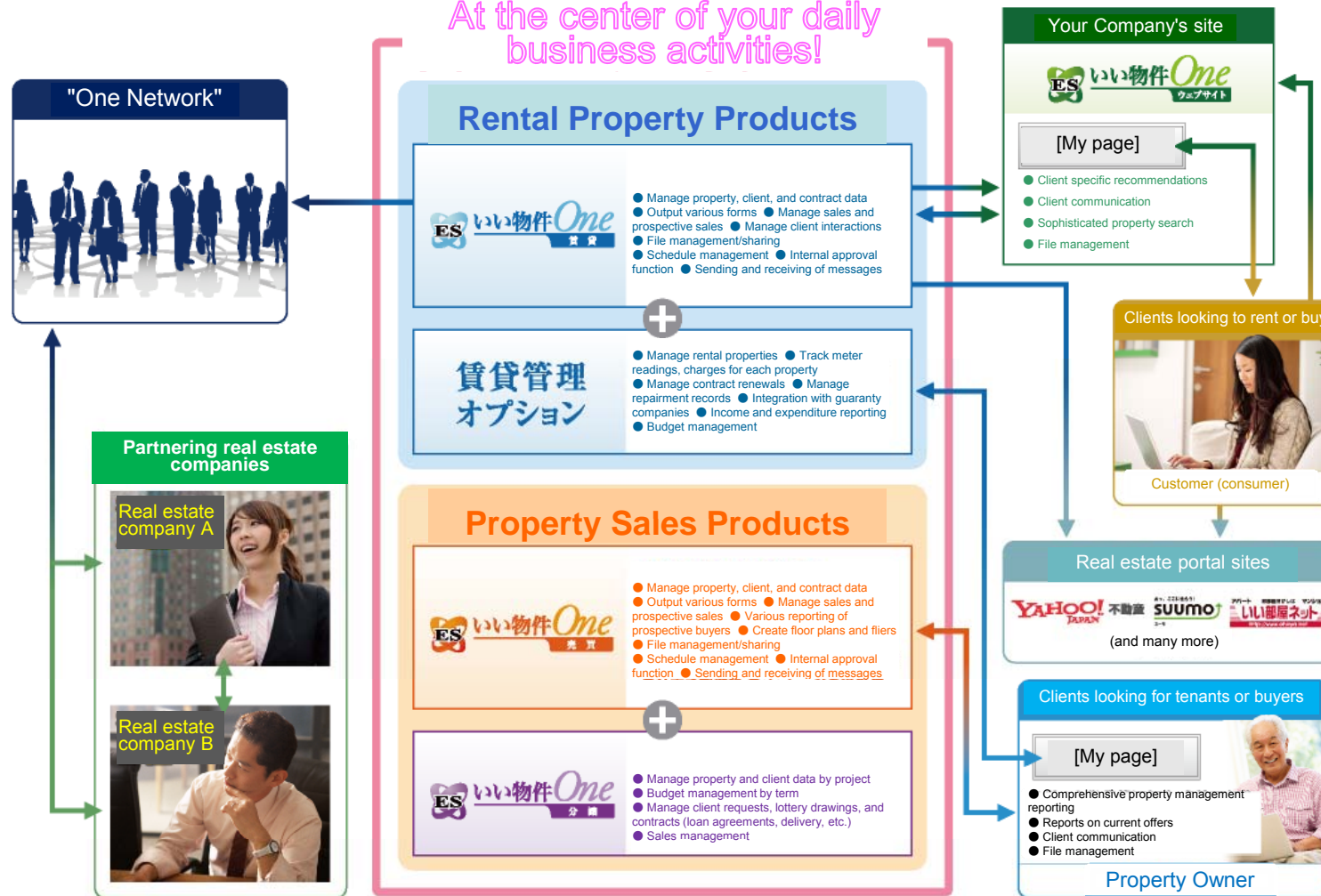
- Potential clients can easily try out the key features of “ES e-Bukken One” before deciding to sign-up for the full featured "paid version." Upgrading to the “paid version” is made quick and easy with a dedicated website.

③ Outline of Our New Service, "ES e-Bukken One"



Access and manage all of your data, within a seamless, end-to-end solution encompassing all of your daily business activities: from property sourcing to client relations.

At the center of your daily business activities!



④ Key Points

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, achieve longer client retention by improving the quality of our services, and further improvement of operation efficiency, etc.

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

⑤ Promotional Activities — Rental Housing Fair 2012

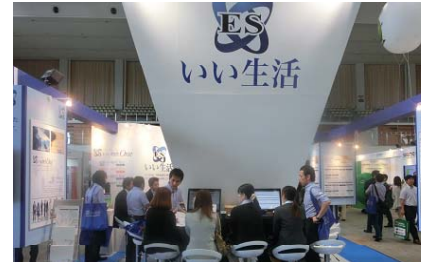
Actively promoting the new “ES e-Bukken One”



Rental Housing Fair 2012
Tokyo venue (July)



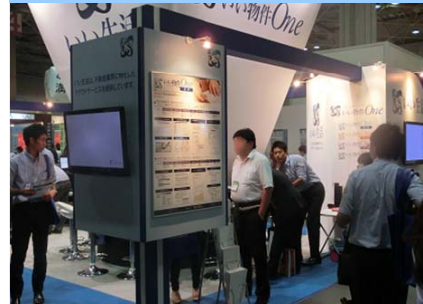
Rental Housing Fair 2012
Osaka venue (Oct.)



Rental Housing Fair 2012
Fukuoka venue (May)



Rental Housing Fair 2012
Nagoya venue (Sep.)



Strong attendance and interest at each of our “ES e-Bukken One” exhibits.



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

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



4 Appendix

(1) Financial Data

(2) Company Profile

(1) Financial Data

① Consolidated Income Statement (Quarterly basis)

(Million yen)	FY2011				FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	576	597	595	606	584	585	491	456	446	461	450	473
Gross Profit	343	364	339	374	372	386	330	323	309	317	305	324
Gross Profit Margin	59.7%	61.0%	57.1%	61.7%	63.8%	65.9%	67.3%	70.8%	69.3%	68.8%	67.8%	68.6%
Operating Profit	101	110	83	123	76	90	35	14	△22	△19	△12	21
Operating Profit Margin	17.5%	18.5%	14.1%	20.3%	13.1%	15.5%	7.2%	3.3%	△5.1%	△4.1%	△2.8%	4.5%
Recurring Profit	101	110	83	123	77	91	41	15	△22	△18	△13	21
Recurring Profit Margin	17.6%	18.5%	14.1%	20.4%	13.2%	15.6%	8.4%	3.4%	△5.0%	△4.0%	△2.9%	4.5%
Extraordinary Income	—	0	1	0	—	—	—	—	—	—	—	—
Extraordinary Loss	3	0	0	2	—	20	△0	7	—	7	1	1
Quarter Net Income	51	60	43	67	40	36	17	△4	△21	△22	△17	2
Net Income Margin	8.9%	10.1%	7.3%	11.1%	6.9%	6.2%	3.5%	△0.9%	△4.7%	△4.9%	△3.8%	0.4%

* From FY2012, 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.

② Consolidated Balance Sheet (Quarterly basis)

(Million yen)	FY2011				FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets Total	826	899	868	1,000	858	951	821	808	709	699	670	691
Non-Current Assets Total	1,073	1,116	1,151	1,185	1,202	1,277	1,298	1,329	1,350	1,357	1,333	1,324
Assets Total	1,899	2,015	2,020	2,185	2,061	2,228	2,119	2,137	2,060	2,057	2,003	2,016
Current Liability Total	258	328	284	387	260	348	230	250	263	270	243	264
Non-Current Liability Total	69	62	58	55	85	129	123	118	124	137	128	117
Liability Total	328	391	342	443	346	477	353	368	388	408	371	381
Net Assets Total	1,571	1,624	1,677	1,742	1,715	1,751	1,765	1,768	1,671	1,649	1,631	1,634
Liability & Net Assets Total	1,899	2,015	2,020	2,185	2,061	2,228	2,119	2,137	2,060	2,057	2,003	2,016

* Figures are rounded down to the nearest million yen.

③ Consolidated Cash Flow Statement (Quarterly basis)

(Million yen)	FY2011				FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CF from Operating Activities	69	173	107	228	8	223	74	132	75	107	17	120
CF from Investing Activities	△101	△112	△115	△99	△84	△103	△101	△117	△100	△80	△74	△88
CF from Financing Activities	△41	△16	9	△2	△56	△15	△6	1	△69	△18	△7	△7
Net increase in cash and cash equivalents (△decrease)	△74	44	1	126	△132	103	△33	16	△94	8	△63	24
Cash and Cash Equivalents (end of term)	550	595	596	723	590	694	661	677	583	592	528	553

* 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

		FY2011				FY2012				FY2013			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Cloud Service		350	348	367	378	375	386	399	408	417	424	423	436
	Turnkey services	279	287	307	319	319	333	349	359	371	379	380	393
	Up-front revenue	19	20	20	18	7	6	9	7	10	13	15	11
	Monthly recurring revenue	260	267	286	300	312	326	340	351	360	366	364	381
	Non-turnkey services	70	61	60	59	55	53	49	49	45	44	43	43
	Network Solution	10	10	10	10	10	10	8	9	8	8	8	9
	Advanced-Cloud Service	215	238	217	216	199	189	82	38	20	28	17	27
	Ad related services	22	20	19	19	17	16	17	17	15	14	13	13
	System Development	15	25	17	12	7	10	27	21	4	13	3	14
	Yahoo! Media Solution	176	192	180	184	174	161	38	—	—	—	—	—
Sales Total		576	597	595	605	584	586	490	456	446	461	450	473
	COGS	232	232	255	232	211	199	160	133	136	143	145	148
	SG & A	243	254	256	251	296	295	295	309	332	336	318	303
Cost Total		475	475	512	483	508	495	456	442	469	480	463	452
Operating Profit		100	109	83	121	76	90	34	14	△23	△19	△13	21
Recurring Profit		101	110	83	122	77	91	40	15	△22	△18	△13	21
Number of Cloud Service clients (Companies)		1,530	1,446	1,414	1,350	1,361	1,367	1,377	1,403	1,455	1,434	1,413	1,390
Number of employees (Non-consolidated)		171	171	168	166	167	163	150	147	154	147	142	137

* 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 FY2012, quarterly income figures are not audited (cumulative figures are audited).

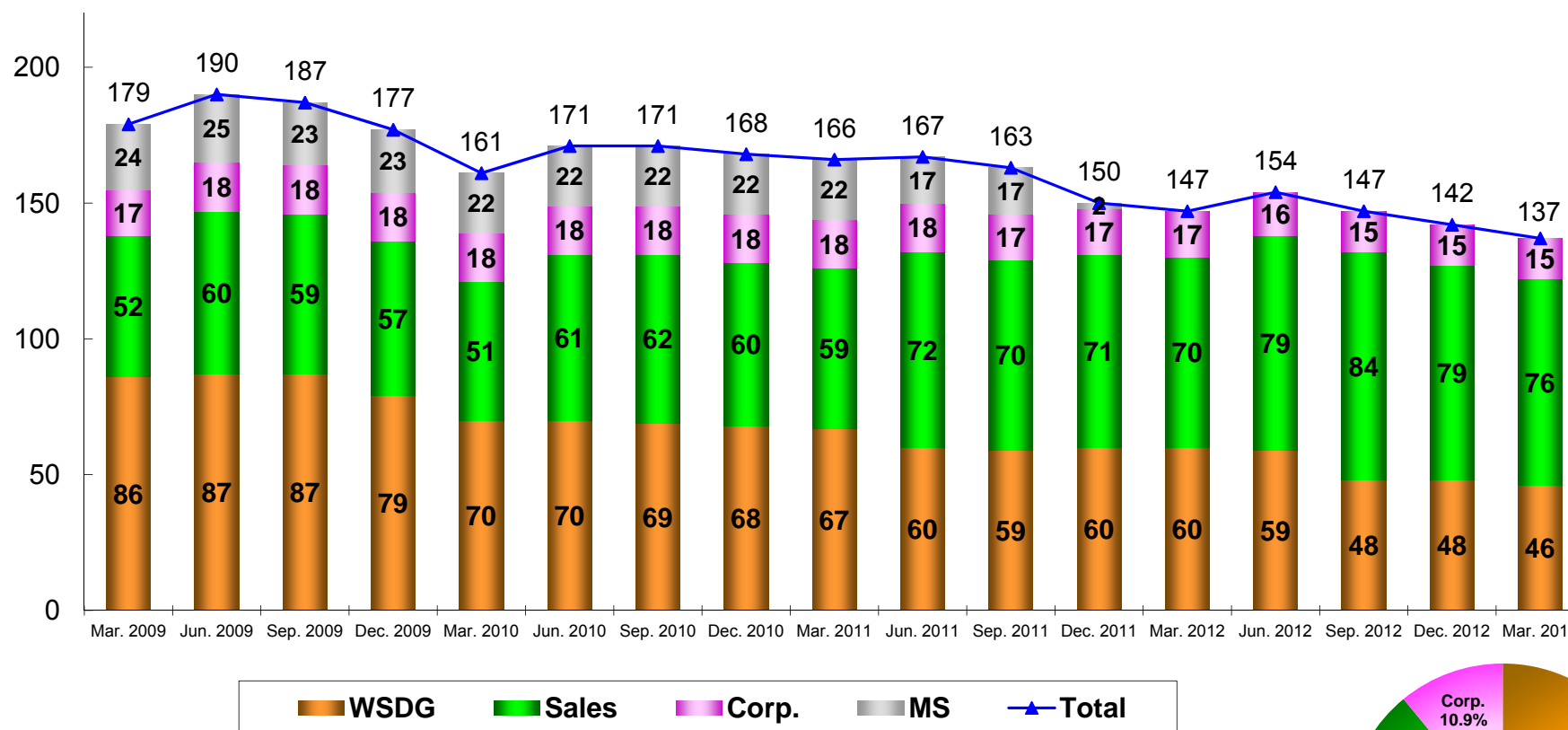
* "Yahoo! Media Solution" operations were concluded at the end of November 2011.

* 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.

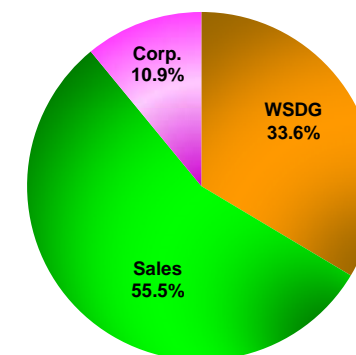
* Head count for Product Planning transferred from WSDG to Sales (reflected from Dec. 2009 figures).

* Head count for Operation Support transferred from WSDG to Sales (Customer Support) (reflected from Jun. 2011 figures).

* During and following March 2012, the head count reflects the closure of the MS department due to the termination of "Yahoo! Media Solution" operations in November 2011.

* Head count for quality control personnel transferred from WSDG to Sales (reflected from Sep. 2012 figures).

* WSDG: Web Solution Development Group, Sales: excluding MS, MS: Media Solution, Corp: Corporate staff

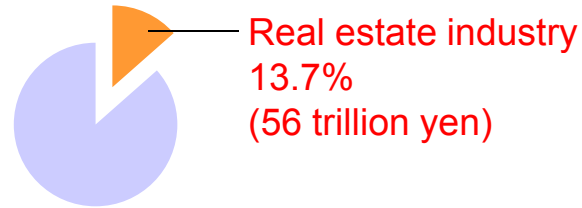


Mar. 31, 2013

(2) Company Profile

① Focused on the Real Estate Industry

The real estate industry represents **13.7%** (2011) of GDP (413 trillion yen (nominal))



Source: National Accounts for 2011 (GDP by economic activity)

Total real estate assets equals **1,710 trillion yen** (2011)

Residential
343 trillion yen

Non-residential
209 trillion yen

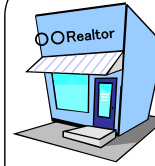
Land 1,156 trillion yen

Source: National Accounts for 2011 (National assets)



Number of homes
57.58 million units

Source: The 2008 Housing and Land Survey, Ministry of Internal Affairs and Communications Statistics Bureau



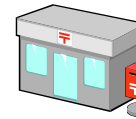
There are **123,922** real estate agencies (as of the end of 2011)

Source: Ministry of Land, Infrastructure, Transport, and Tourism



much more than...

Convenience stores
47,510 stores (March 2013)



Post offices
24,212 offices (As of the end of Sep 2012)

Source: JFA Convenience Store (monthly statistic report)
 Source: Japan Post Network Co., Ltd.

The real estate industry is large in many respects, and...

The industry has been relatively slow in embracing IT and there is tremendous room for improving business efficiency.

There is a strong demand for a standardized property information database.

② The Real Estate Industry is an “Information Industry”

Utilizing a **database** is **essential** to succeed!

More than 800 data fields can be entered for a single property.



Use of the **Internet** for property searches is the **norm**!

Consumer behavior has changed forever, and the preferred source of gathering property information is now the Internet.



Diversified consumer needs!

In order to respond to various consumer preferences timely and appropriately, the centralized management of property and customer information in a relational database is key.

Search by preferences

- Pets allowed
- Open kitchen
- Designer
- OO School district
- Balcony
- Wood Flooring

Use of **mobile devices** has become mainstream!

Smartphones
Tablets
Mobile phones




Taking control of your “**information**” assets with a robust database is essential for success

- Company websites (PC/mobile) are crucial marketing tools
- Managing customer acquisition costs, and improving operational efficiency is key to profitability and competitiveness
- Having full control of both property data and customer data in an integrated relational database is essential, as well as having the IT system to fully utilize the information

Market disruption:
drastic shift from analog “paper”
to digital “data”

**Strong demand and promising potential
for Cloud Services
dedicated to the real estate industry!**

③ “Cloud Service” is Ideal for the Real Estate Industry



Benefits of Cloud Services

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

The real estate industry in Japan is fragmented with a large number of real estate companies scattered across the country, with most of these companies being small to medium in size. Therefore, **Cloud Services is the best means of service delivery.**

Providing reliable, cutting edge Cloud Services requires **substantial up-front investment.**

e-Seikatsu is the only substantial provider of Cloud Services dedicated to the real estate industry!

* “Cloud service” is a type of service, in which a software package is not sold directly to the customer but applications are offered to customers to be used via the Internet under a lease contract. It is a generic name for services, in which software is not bought but rented to the customer.

④ 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

Housing as an essential part of our daily life, our mission is

“To improve the level of satisfaction for all participants of the real estate market.”

In order to fulfill this mission, we move forward with the following vision:

“As the leading provider of cloud services supporting the daily business activities of real estate companies, we will contribute to the growth and development of a more effective real estate market by providing the necessary IT infrastructure and becoming the leading force for a more active distribution of information.”

Taking advantage of the latest information and communication technologies, we will develop system services for the real estate industry, which will not only improve operation efficiencies for a great number of real estate companies, but also provide for a means to achieve qualitative and quantitative improvements of property information, thus contributing to the quantitative and qualitative improvement of information available in the real estate market as a whole, leading to a more active and efficient market.

⑥ 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 August, 2006
- ▶ 「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.)
Registrar	: Japan Management Association
Registration date	: October 15, 2009
Registration revision date	: August 9, 2012

⑦ 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 services as well as customized solutions (resulting from A-Cloud system development work). ※Clients: 1,390 companies (Subscribed Clients as of Mar. 2013) ※Monthly ARPU: approx. 102,200 yen/co. (for the single month of Mar.)
	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 (System Development)	Flow	From time to time	% of Completion / One time	System development revenue. Mostly client customization work done on our turnkey solution systems.
	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
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 were concluded at the end of November 2011.

⑧ Company Profile

Established :	January 21, 2000
Paid-in capital :	628 million 361 thousand 536 yen (As of the end of March 2013)
Listing :	Mothers section of the Tokyo Stock Exchange (Code: 3796)
Relationship banks :	Resona Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Limited
# of employees :	137 (As of the end of March 2013)
Officers :	President & CEO Kiyotaka Nakamura Executive Vice President & Co-CEO Zenichi Maeno Executive Vice President & CFO Hiroyuki Shiokawa Executive Vice President & COO Hiroyoshi Kitazawa Director, CTO Akira Matsuzaki 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

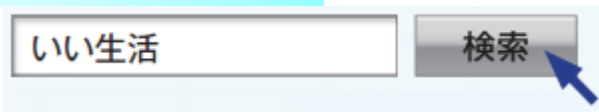
⑨ e-Seikatsu Official Websites (Japanese)

Company presentation materials in English may be downloaded from the following URL:

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



www.e-seikatsu.info/



“e-Seikatsu Service Site”
www.es-service.net/

Detailed information covering all of our turnkey solutions, including our latest “ES e-Bukken One” service.



“e-Seikatsu Careers Page”
www.e-seikatsu.info/recruit/



“e-Seikatsu Official Facebook Page”
www.facebook.com/e.seikatsu

“Like” us on Facebook for the latest information and news on our company’s activities. Please follow our Twitter page as well.

[twitter](http://twitter.com/e_seikatsu) http://twitter.com/e_seikatsu