Third-quarter for FYE March 31, 2015
Presentation Material

January 30, 2015

e-Seikatsu Co., Ltd.

TSE Mothers 3796

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Table of Contents

1. Summary of Third-quarter Results for FYE March 31, 2015
2. Business Forecast
3. Business Overview
4. Appendix
    - Financial Data
    - Business Outline

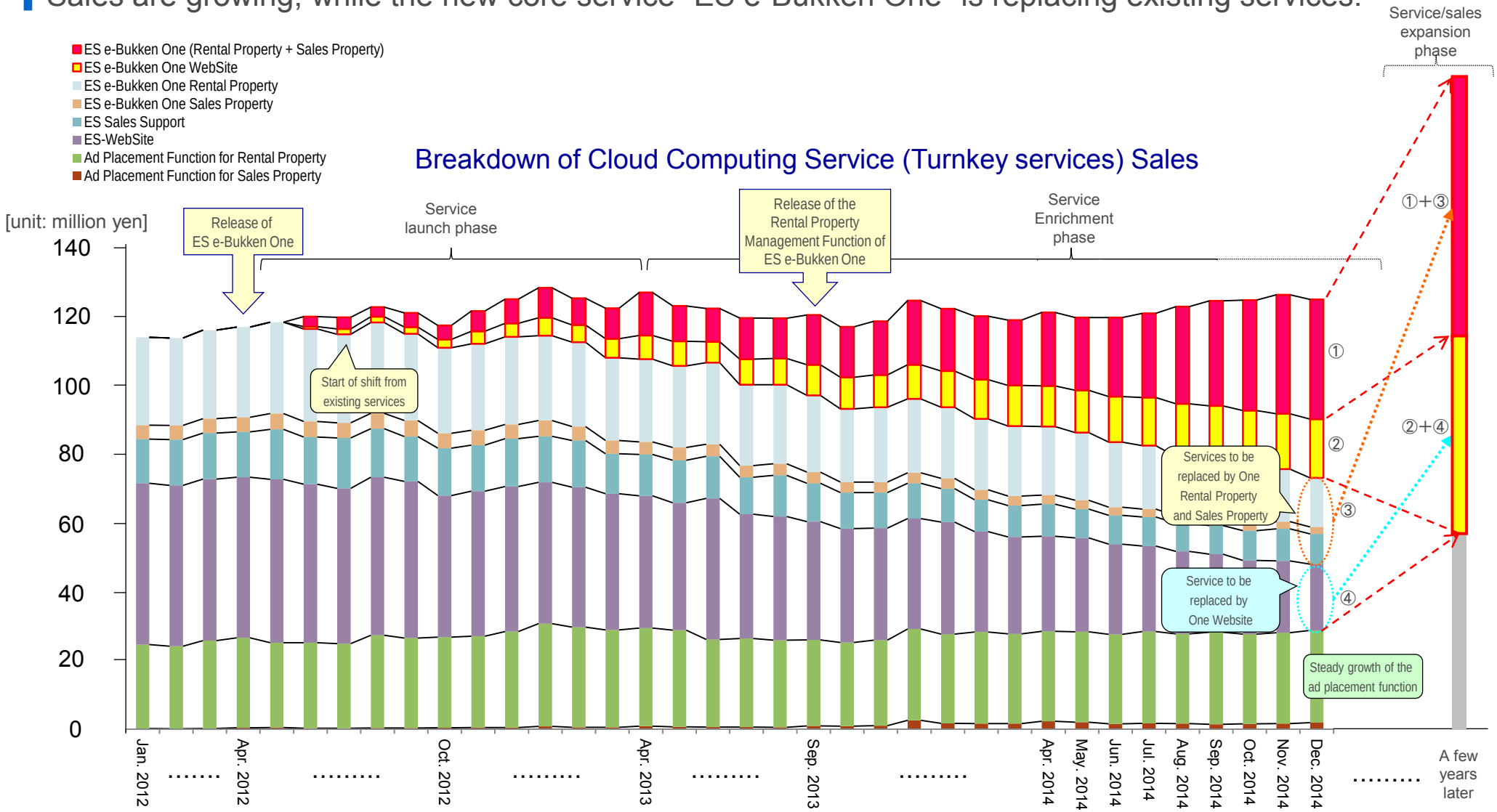
Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

1. Summary of Third-quarter Results for FYE March 31, 2015

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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

Sales are growing, while the new core service “ES e-Bukken One” is replacing existing services.



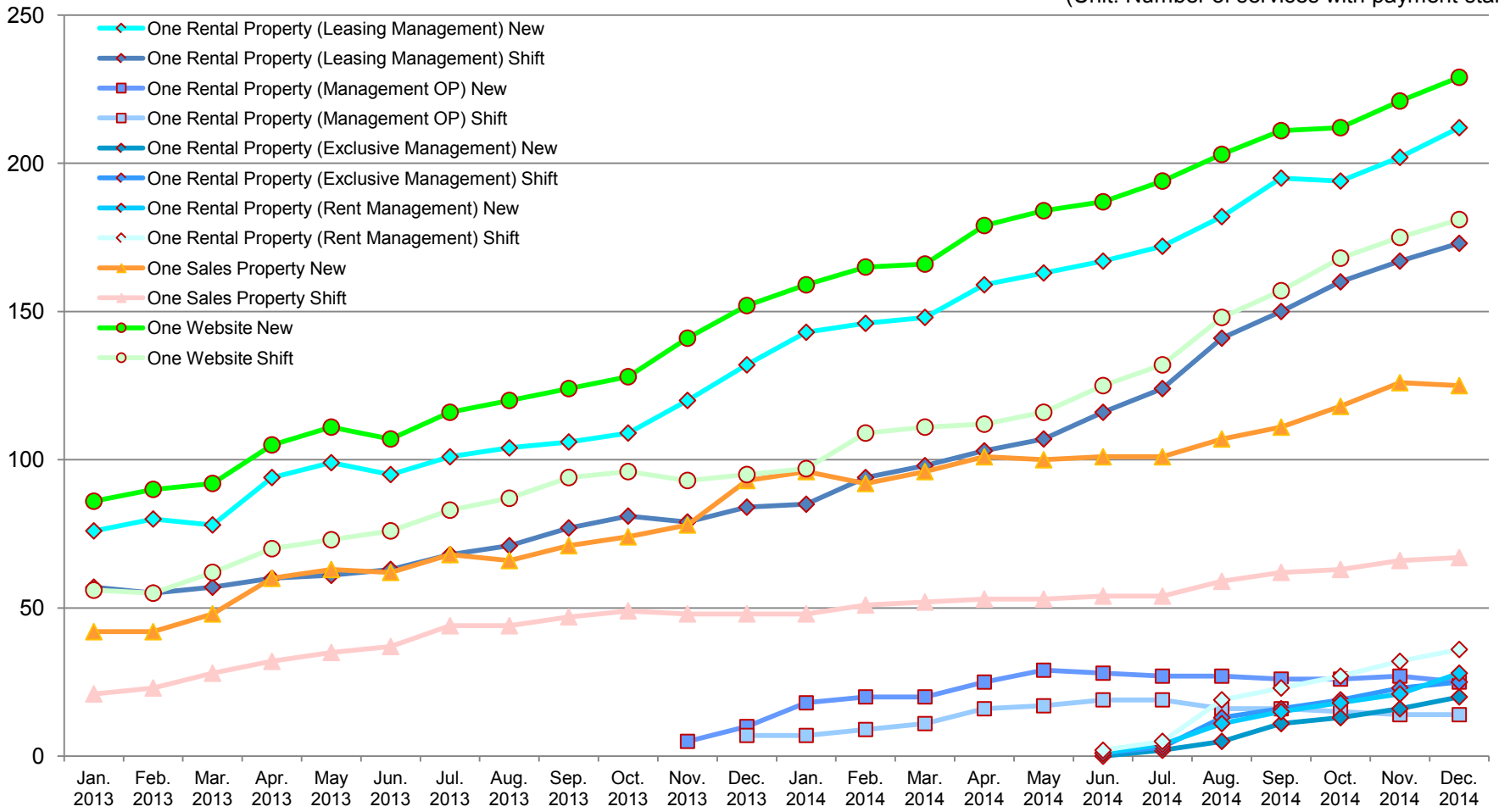
＊ Each sales breakdown category is the total of initial and monthly fees.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One” License Numbers

Both new and shift license numbers are performing well

(Unit: Number of services with payment started)



＊ “Shifts” are transfers from other services to the “ES e-Bukken One” service. Free accounts are not included in the above numbers.

＊ With the service restructuring in June this year, “One Management Options” has become “One Rental (Exclusive Management)” and “One Rental (Rent Management)”, focusing on specific duties, and “One Management Options” are not currently being sold.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One” License and User Numbers

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

ES e-Bukken One		2013 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2014 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Rental Property (Leasing Management)	New	76	80	78	94	99	95	101	104	106	109	120	132	143	146	148	159	163	167	172	182	195	194	202	212
	Shift	57	55	57	60	61	63	68	71	77	81	79	84	85	94	98	103	107	116	124	141	150	160	167	173
Rental Property (Management Options)	New	-	-	-	-	-	-	-	-	0	0	5	10	18	20	20	25	29	28	27	27	26	26	27	25
	Shift	-	-	-	-	-	-	-	-	0	0	0	7	7	9	11	16	17	19	19	16	16	15	14	14
Rental Property (Exclusive Management	New	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	2	5	11	13	16	20
	Shift	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	3	13	16	19	23	25
Rental Property (Rent Management	New	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	4	11	15	18	21	28
	Shift	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	5	19	23	27	32	36
Sales Property	New	42	42	48	60	63	62	68	66	71	74	78	93	96	92	96	101	100	101	101	107	111	118	126	125
	Shift	21	23	28	32	35	37	44	44	47	49	48	48	48	51	52	53	53	54	54	59	62	63	66	67
Total of Above		196	200	211	246	258	257	281	285	301	313	330	374	397	412	425	457	469	489	511	580	625	653	694	725
Website	New	86	90	92	105	111	107	116	120	124	128	141	152	159	165	166	179	184	187	194	203	211	212	221	229
	Shift	56	55	62	70	73	76	83	87	94	96	93	95	97	109	111	112	116	125	132	148	157	168	175	181
Website Total		142	145	154	175	184	183	199	207	218	224	234	247	256	274	277	291	300	312	326	351	368	380	396	410
Companies		167	173	182	212	222	219	237	241	254	263	275	297	311	323	329	347	356	371	384	420	445	462	483	503

∗ “Shifts” are transfers from other services to the “ES e-Bukken One” service. Free accounts are not included in the above numbers.

∗ With the service restructuring in June this year, “One Management Options” has become “One Rental (Exclusive Management)” and “One Rental (Rent Management)”, focusing on specific duties, and “One Management Options” are not currently being sold.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One”, Certified as Safe and Reliable

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



0183-1412

The Company’s “ES e-Bukken One” cloud service received certification under the “Information Disclosure Certification Systems for Safety and Reliability of Cloud Services” for disclosing information according to the guidelines released by the Ministry of Internal Affairs and Communications. (*)

☆ Certification Date: December 16, 2014

☆ Certification Period: December 16, 2014 to December 18, 2016

Screening Categories: Providers and services are screened for safety and reliability in every facet.

1. Provider Safety and Reliability Information Disclosure Categories	2. Service Safety and Reliability Information Disclosure Categories
■ Financial situation ■ Capital, business transactions ■ Compliance	■ Service specifics, fees, quality, number of users ■ Principal software, links with other systems, oversight system ■ Network (suggested devices, account protection, etc.) ■ Server location situations (emergency power, security, etc.) ■ Support system

Point! ⇒ Only services that meet the safety and reliability information disclosure standards can receive certification.

(*) “Information Disclosure Certification Systems for Safety and Reliability of Cloud Services”

The “Information Disclosure Certification Systems for Safety and Reliability of Cloud Services” was made by ASPIC (ASP/SaaS/Cloud Consortium) and FMMC (Foundation for MultiMedia Communications) following guidelines released by the Ministry of Internal Affairs and Communications. This certification system certifies that the necessary safety and reliability information is being disclosed and specific conditions met, to ensure companies and organizations considering cloud services can properly compare, evaluate and select providers and services.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Highlights

Sales growth recovered and profit increased considerably from the same period of the previous year

- Consolidated sales: 1,378 million yen (FY2014 3Q 1,367 million yen, YOY change +11 million yen, +0.8%)
  - ・Cloud Service revenue: 1,279 million yen (FY2014 3Q 1,268 million yen YOY change +11 million yen +0.9%)
  - ・Including **monthly recurring revenue of Turnkey services: 1,112 million yen (FY2014 3Q 1,108 million yen, YOY change +4 million yen, +0.4%)**
- Consolidated operating profit: 91 million yen (FY2014 3Q -9 million yen, YOY change +100 million yen)
- Net income: 51 million yen (FY2014 3Q -28 million yen, YOY change +79 million yen)

Sales of our “Cloud Service” are steady.

- Focus on new client acquisitions as well as up-selling to existing Cloud Service clients. Solid growth in monthly ARPU.
  - ・Monthly ARPU: approx. 111,700 yen/company ※as of the end of Dec. 2014
    FY2014 3Q approx. 107,800 yen/company ※as of the end of Dec. 2013

The functions of “ES e-Bukken One” were upgraded and enriched, and the shift from existing services was promoted.

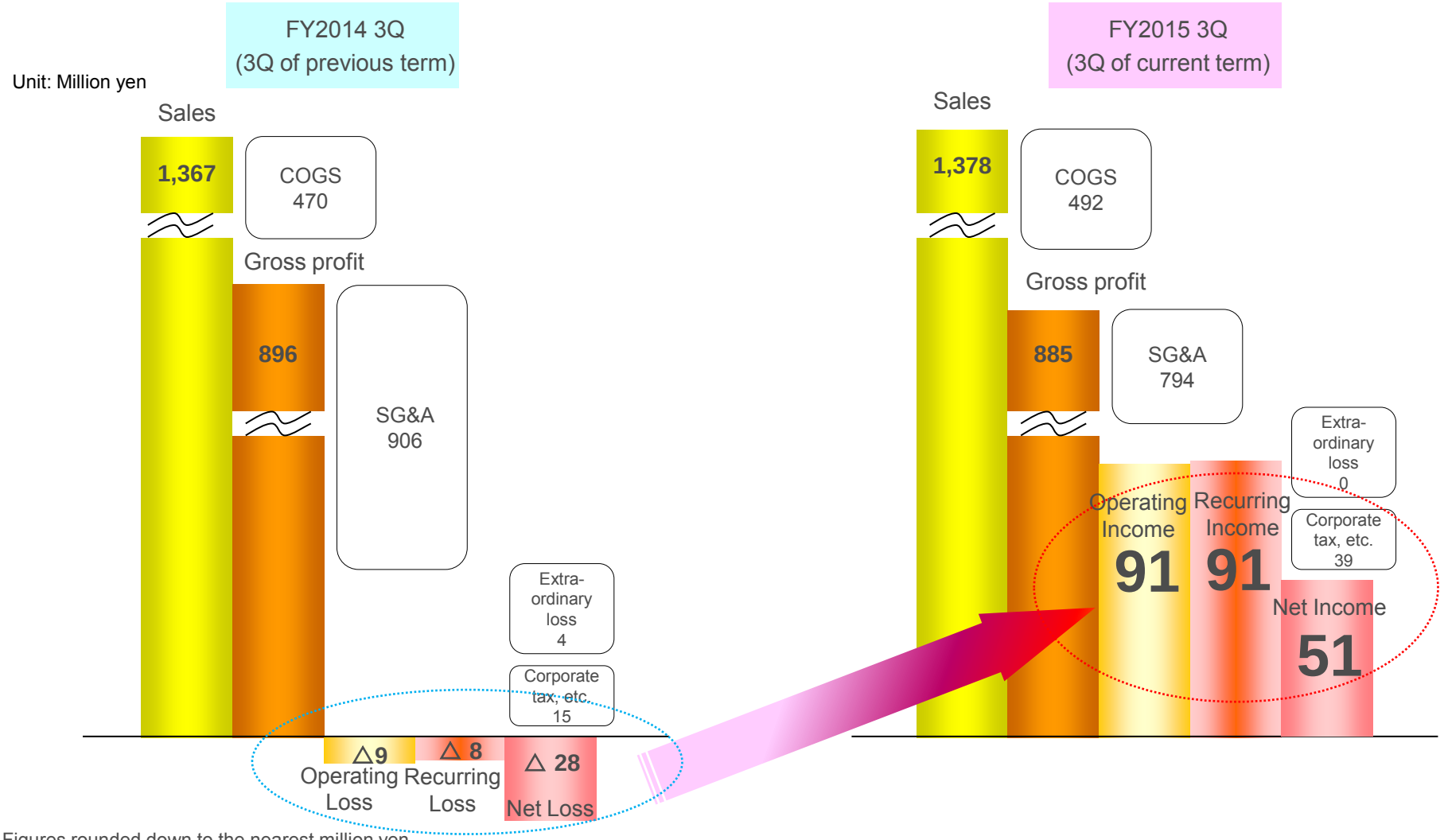
- Additional functions were added to “ES e-Bukken One Sales Property” and “ES e-Bukken One Website” to meet the requests of customers. Additional version of “Rental Property Management Function” and “Smart One Convert” were released and sales activities were strengthened.

＊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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Income Statement

Increased sales and profit compared to the same period of the previous year

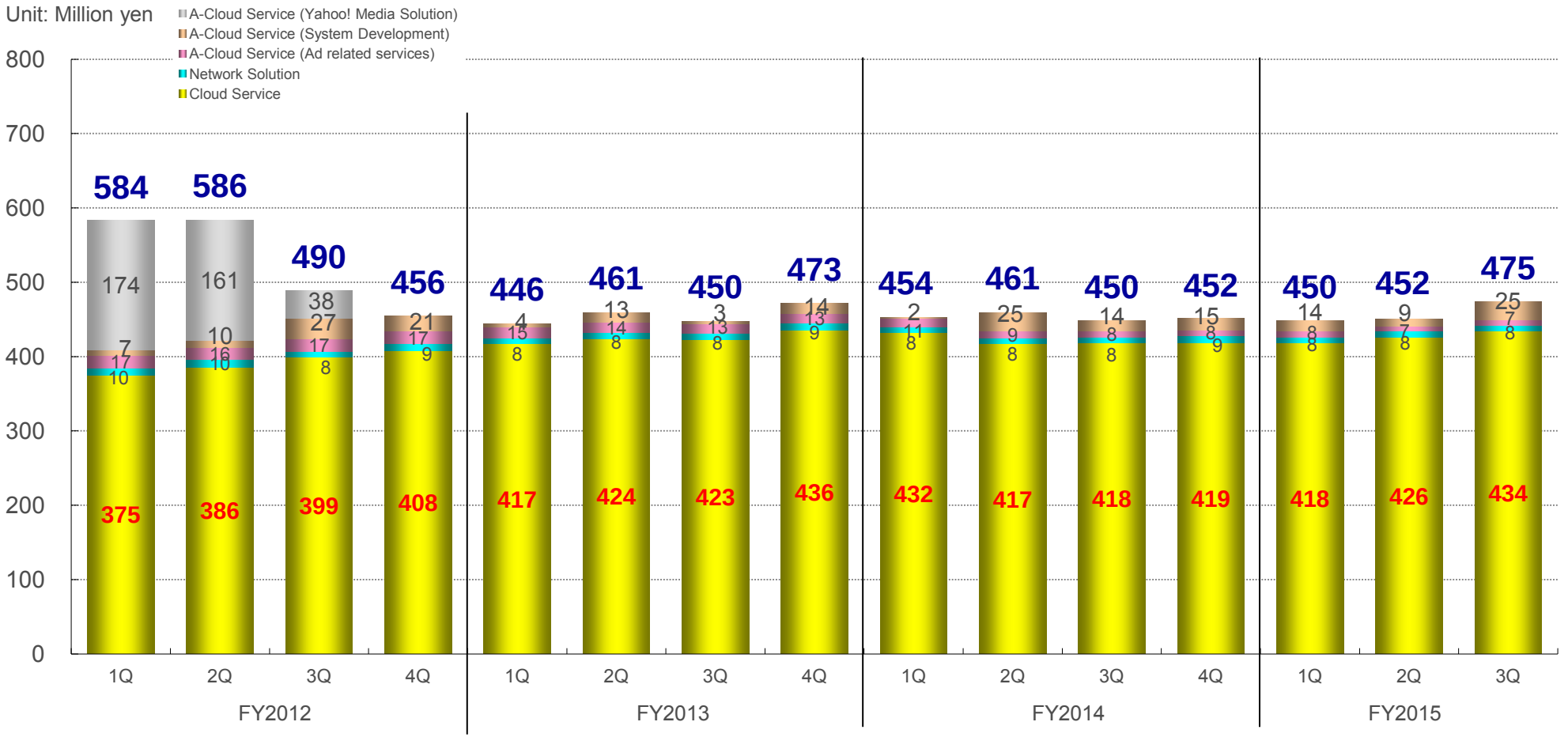


∗ Figures rounded down to the nearest million yen.
∗ '0' indicates an amount less than one million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Sales Category Breakdown

Increasing “Cloud Service” revenue



∗ Advanced-Cloud Service (Yahoo! Media Solution) sales were concluded in FY2012 3Q (at the end of November, 2011).

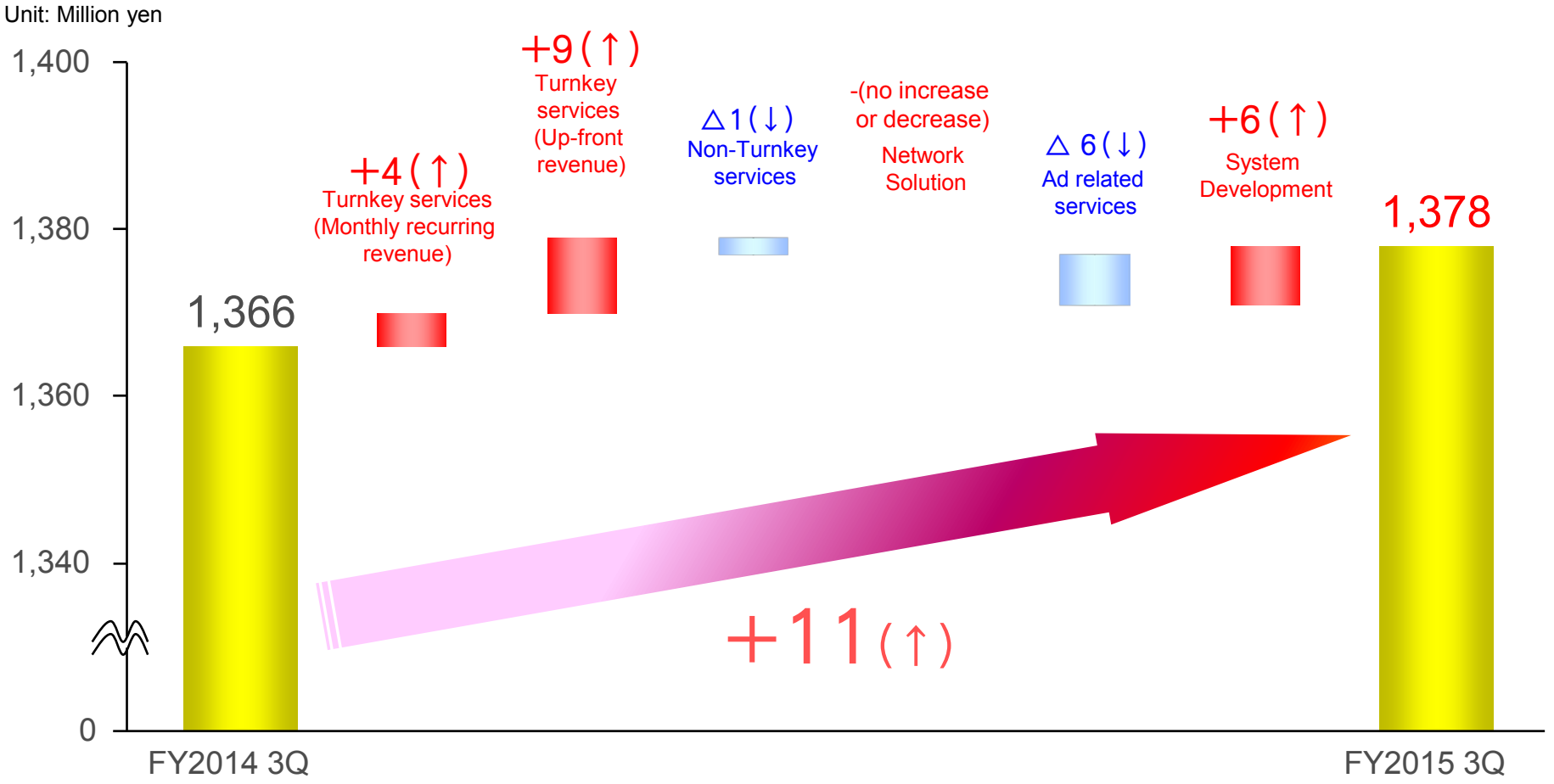
∗ Cloud Solution Business sales figures have not been adjusted for internal transactions.

∗ Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Change in Revenue Breakdown

Turnkey services sales growth recovered



∗ 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Revenues by Product

Item (Million yen)	Apr.-Dec. FY2014	Apr.-Dec. FY2015	YOY change	YOY change (%)
Cloud Service	1,268	1,279	11	0.9%
Turnkey services *	1,141	1,154	13	1.2%
Up-front revenue	33	42	9	27.0%
Monthly recurring revenue	1,108	1,112	4	0.4%
Non-turnkey services *	126	124	△1	△1.4%
Network Solution	26	26	—	—
Advanced-Cloud Service	72	72	0	0.2%
Ad related services	29	23	△6	△21.2%
System Development	42	49	6	15.1%
Total	1,366	1,378	11	0.9%

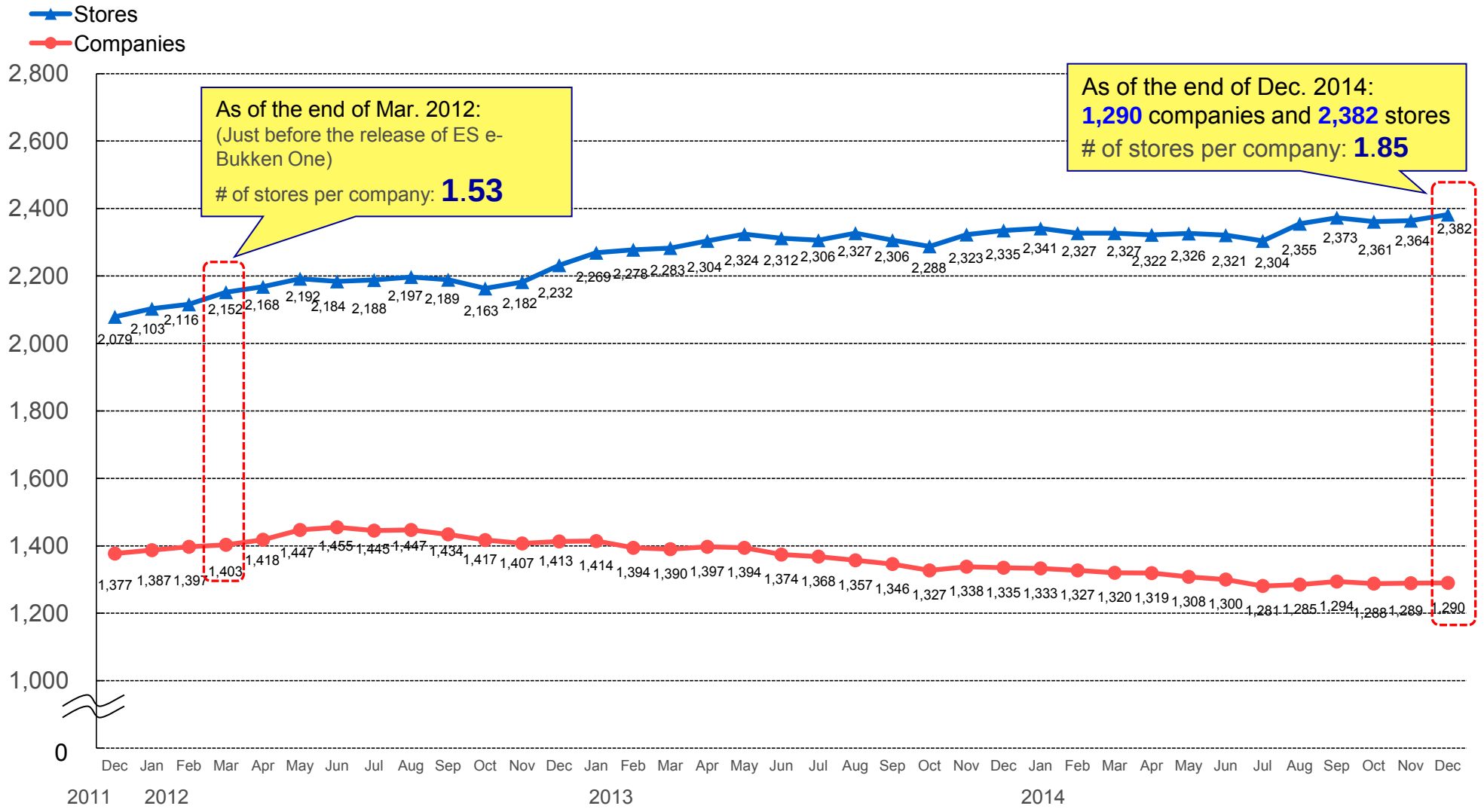
* Turnkey services ・・・・・・・・・・ Suite of standard system applications with up-front and monthly recurring revenue.
Non-turnkey services ・・・・・・・・ Customized system applications with one-time and monthly recurring revenue.

∗ 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Number of Cloud Service Clients

Number of stores per company is expanding with the release of “ES e-Bukken One”.

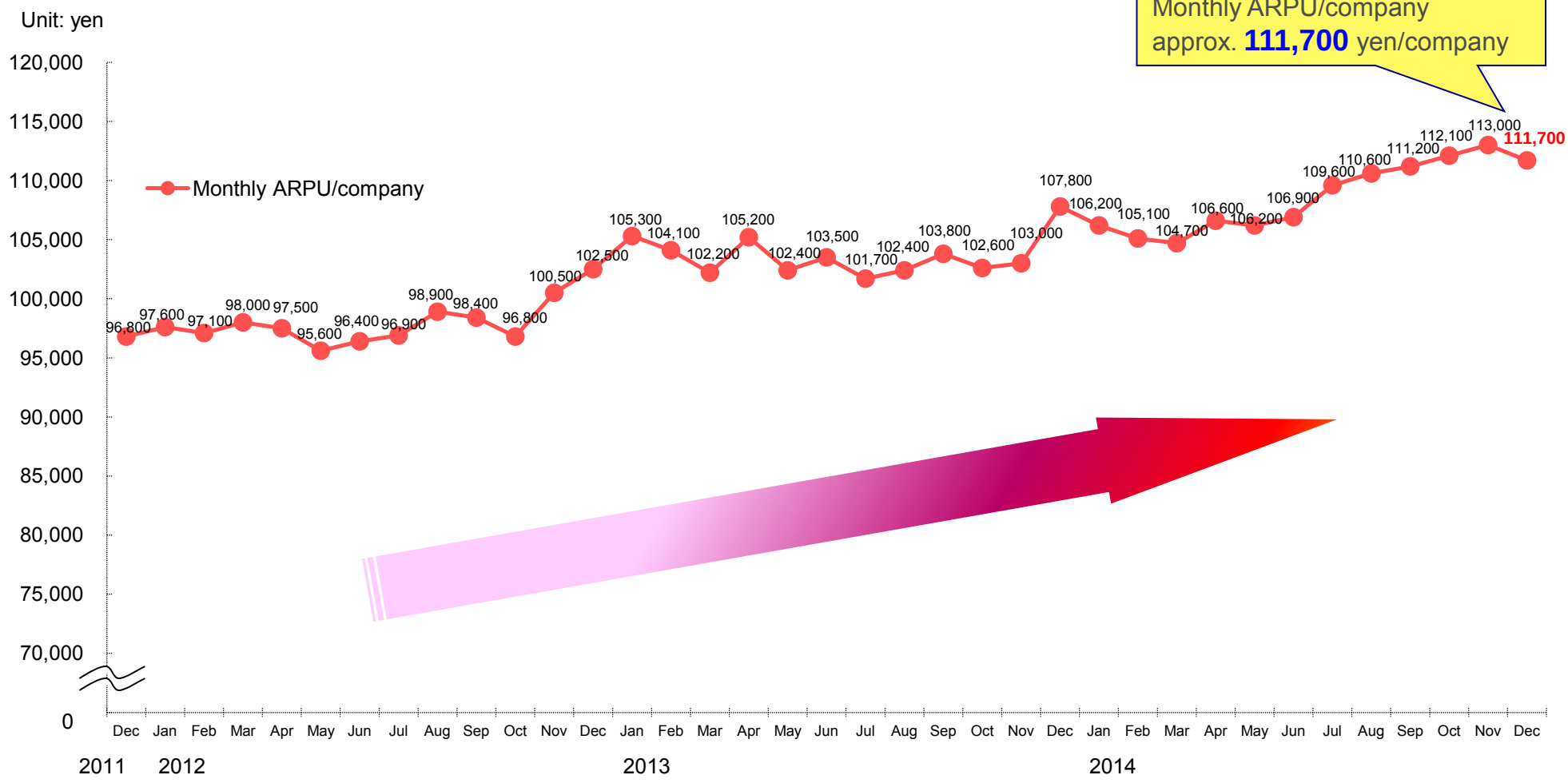


* As for ES e-Bukken One, contracts are concluded and fees are charged for individual corporations. As for the number of stores, the total number of stores used and registered by clients (real estate companies) was counted.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Service Monthly ARPU

Resulting in a steady increase in monthly ARPU



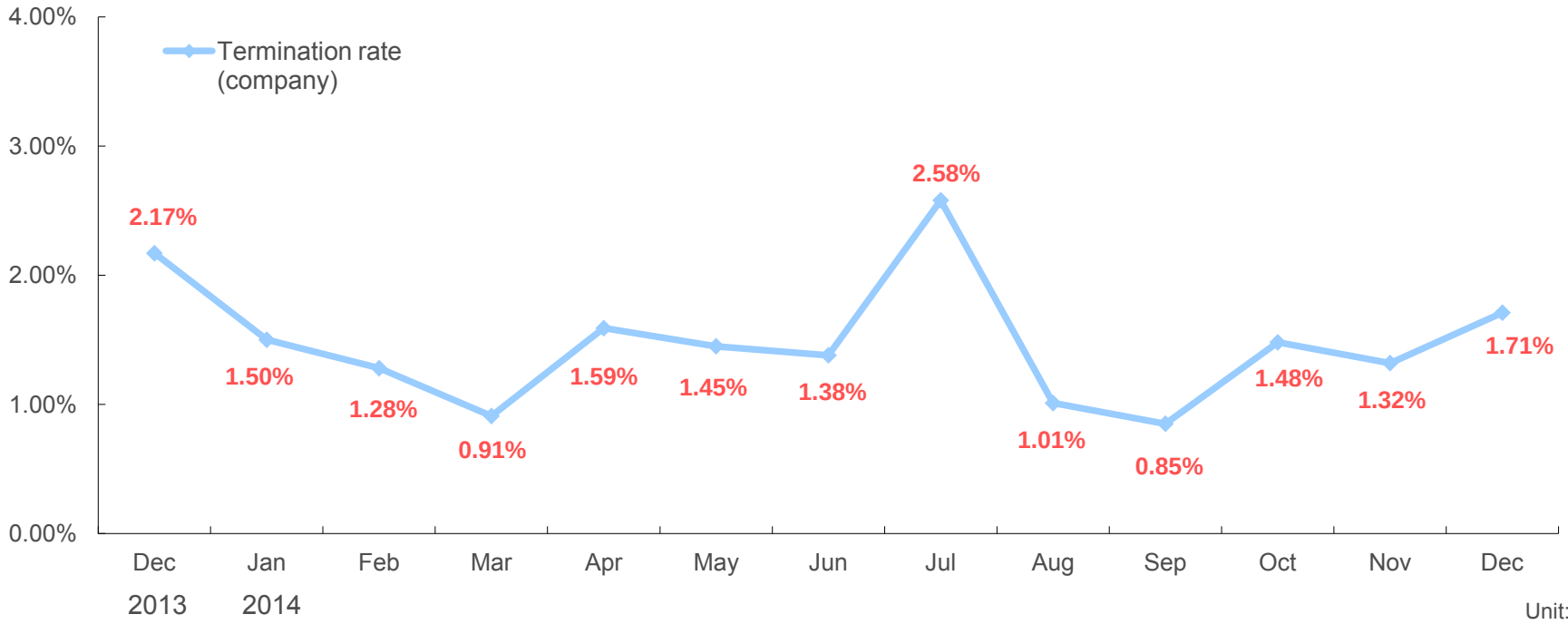
∗ Monthly ARPU = Cloud Service revenue in a given month / The number of companies 'Billed Clients' in a given month

∗ Figures rounded down to the nearest hundred yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Service Client Termination Rate

The quality of support systems and services was enhanced, for raising customer retention rate.



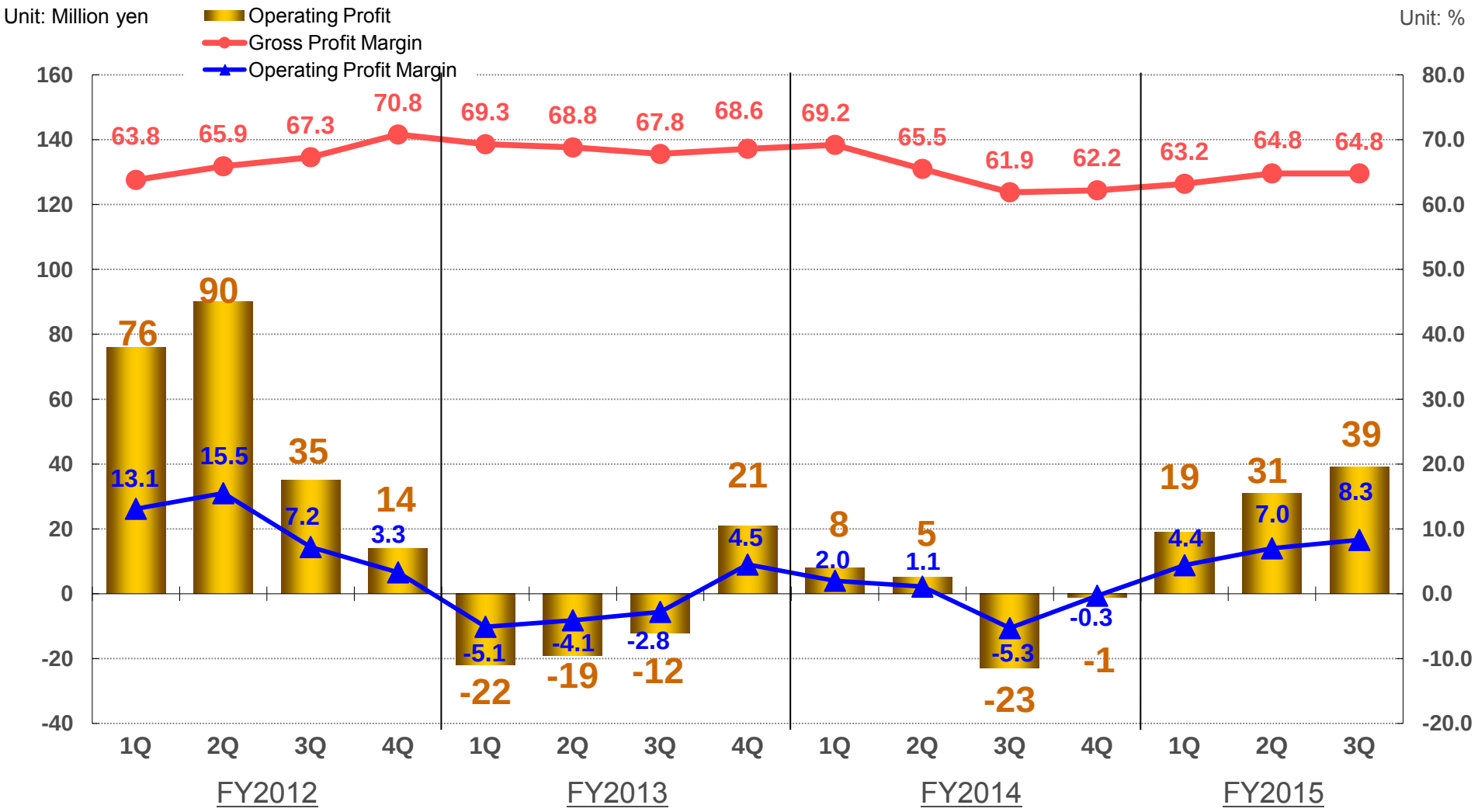
Unit: companies

	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug	Sep.	Oct.	Nov.	Dec.	Ave.
# of companies	29	20	17	12	21	19	18	33	13	11	19	17	22	19.3
Termination Rate	2.17%	1.50%	1.28%	0.91%	1.59%	1.45%	1.38%	2.58%	1.01%	0.85%	1.48%	1.32%	1.71%	—

* 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

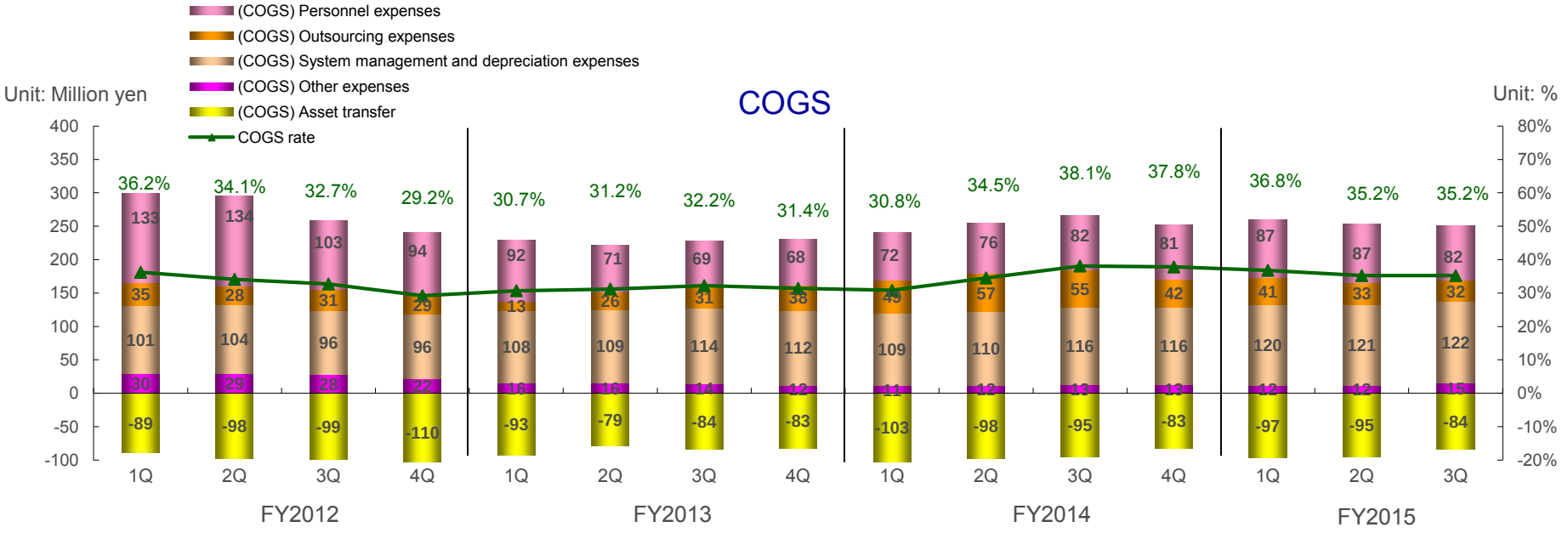
Consolidated Operating Income



∗ Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated COGS/SG&A

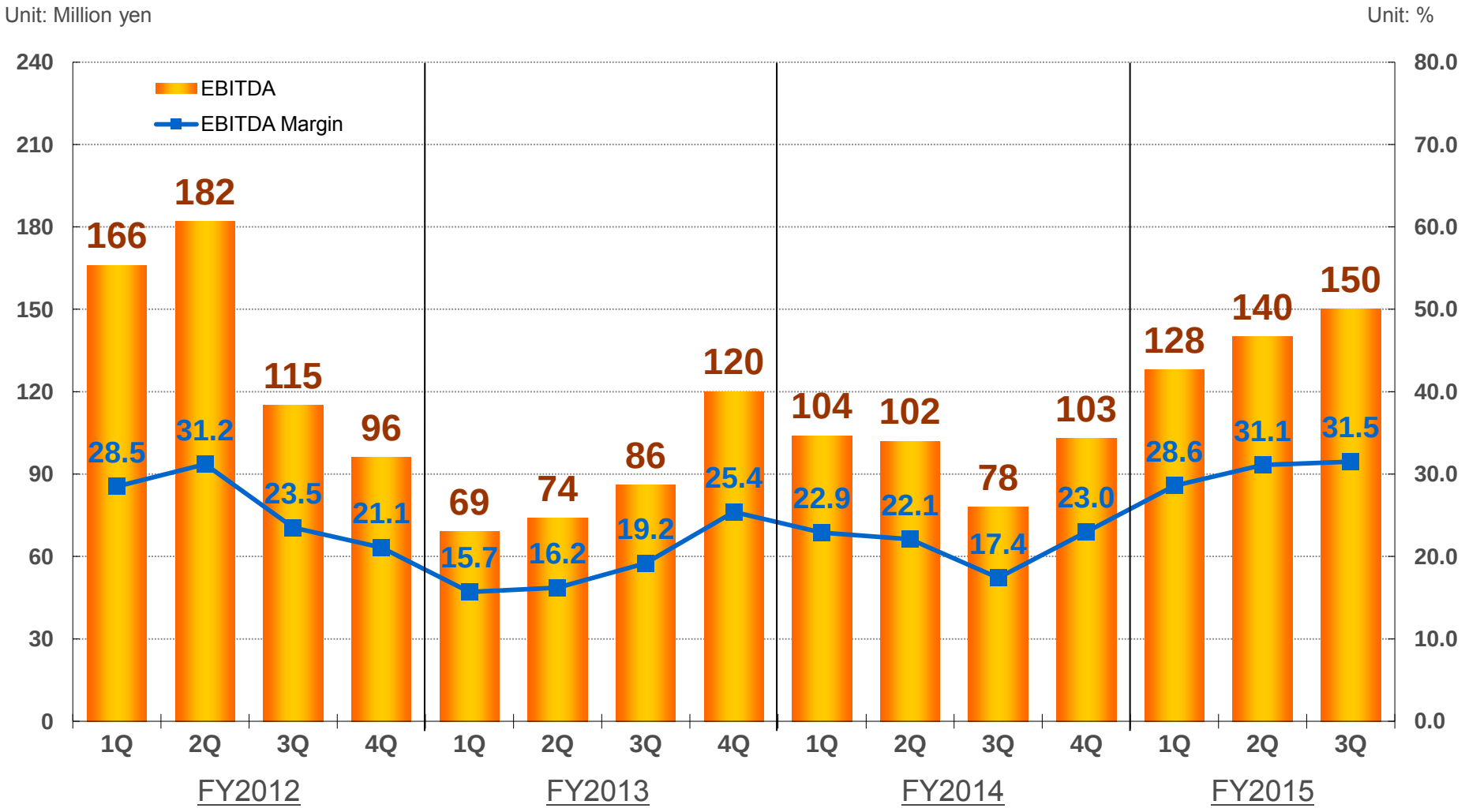


* (COGS) Outsourcing expenses: Outsourcing expenses, temporary recruitment expenses, procurement expenses, system usage expenses, etc.
  (COGS) Asset transfer: Inventory assets(goods in process), portion allowances for software under development listed under COGS
* (SG&A) Outsourcing expenses: Advertising expenses, recruitment related expenses, consultant fees, payment commission, etc.
* Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated EBITDA

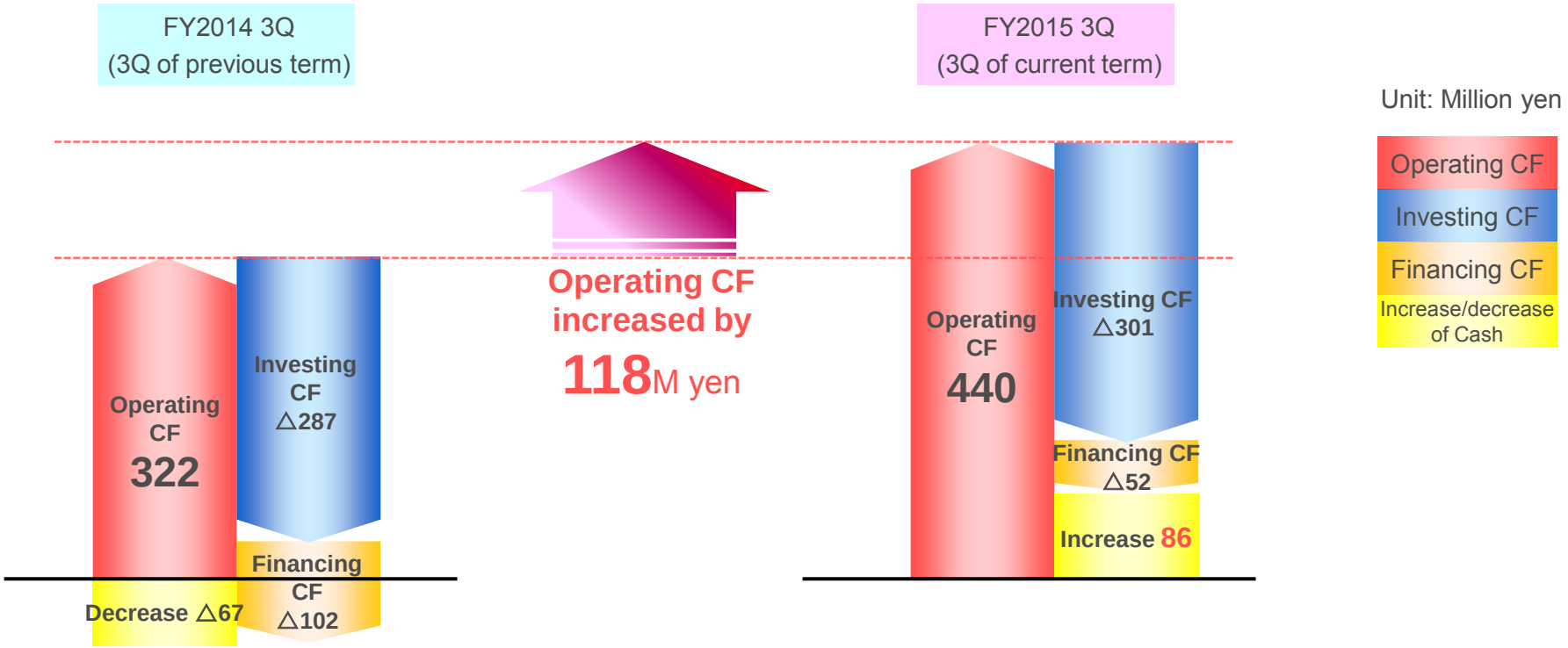
Stable and growing EBITDA (operating profit + depreciation)



∗ Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Cash Flow



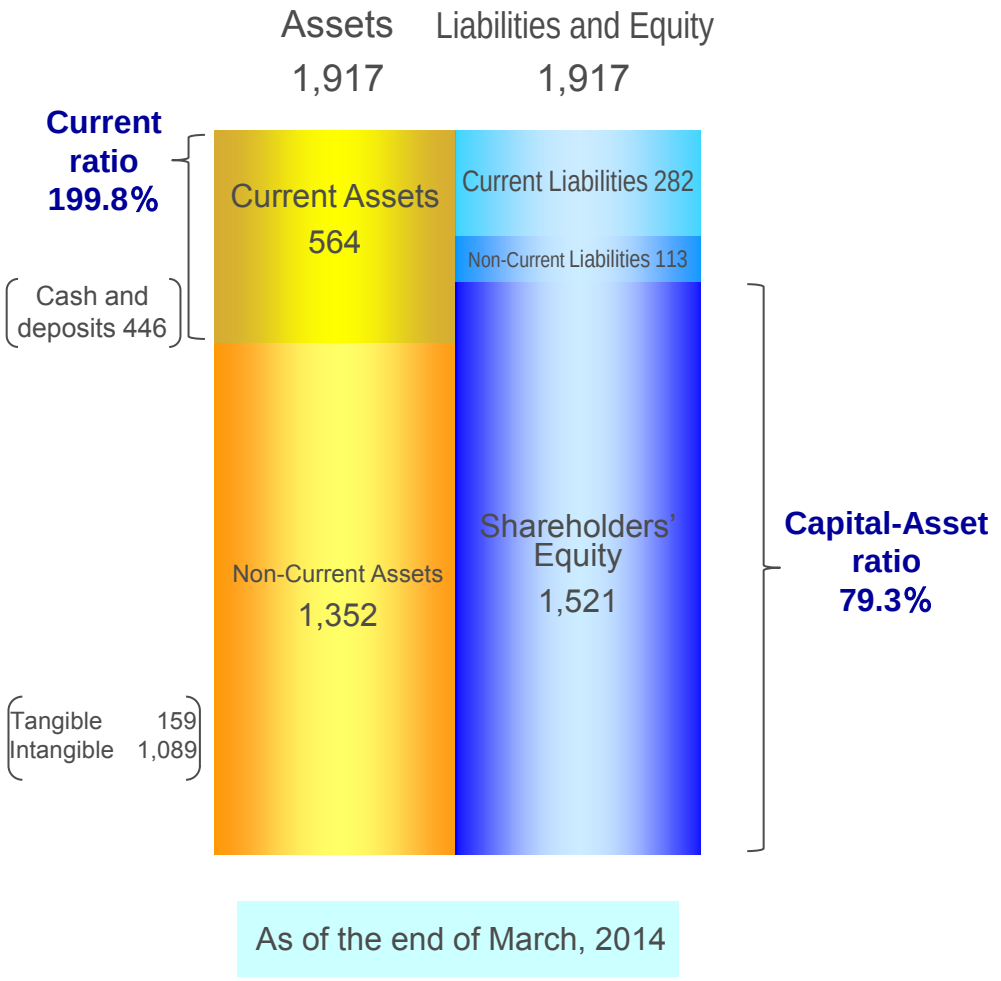
<Key Points>					
Operating Activities	① Income before tax + depreciation expenses	FY2014 3Q	281M yen	FY2015 3Q	418M yen
	② Payment of corporate tax, etc.	FY2014 3Q	△3M yen	FY2015 3Q	△37M yen
	③ Refund of corporate income tax, etc.	FY2014 3Q	42M yen	FY2015 3Q	—
Investing Activities	④ Expenses due to in-house software development	FY2014 3Q	△297M yen	FY2015 3Q	△281M yen
	⑤ Expenses due to the purchase of assets (HW/SW)	FY2014 3Q	△12M yen	FY2015 3Q	△20M yen
	⑥ Income from the redemption of deposits/guarantee money	FY2014 3Q	27M yen	FY2015 3Q	13M yen
	⑦ Construction, equipment installation, etc.	FY2014 3Q	△0M yen	FY2015 3Q	△11M yen
Financing Activities	⑧ Payment of year-end dividend	FY2014 3Q	△75M yen	FY2015 3Q	△20M yen
	⑨ Expenses due to repayment of lease obligations	FY2014 3Q	△26M yen	FY2015 3Q	△31M yen

∗ Figures rounded down to the nearest million yen.
∗ '0' indicates an amount less than one million yen.

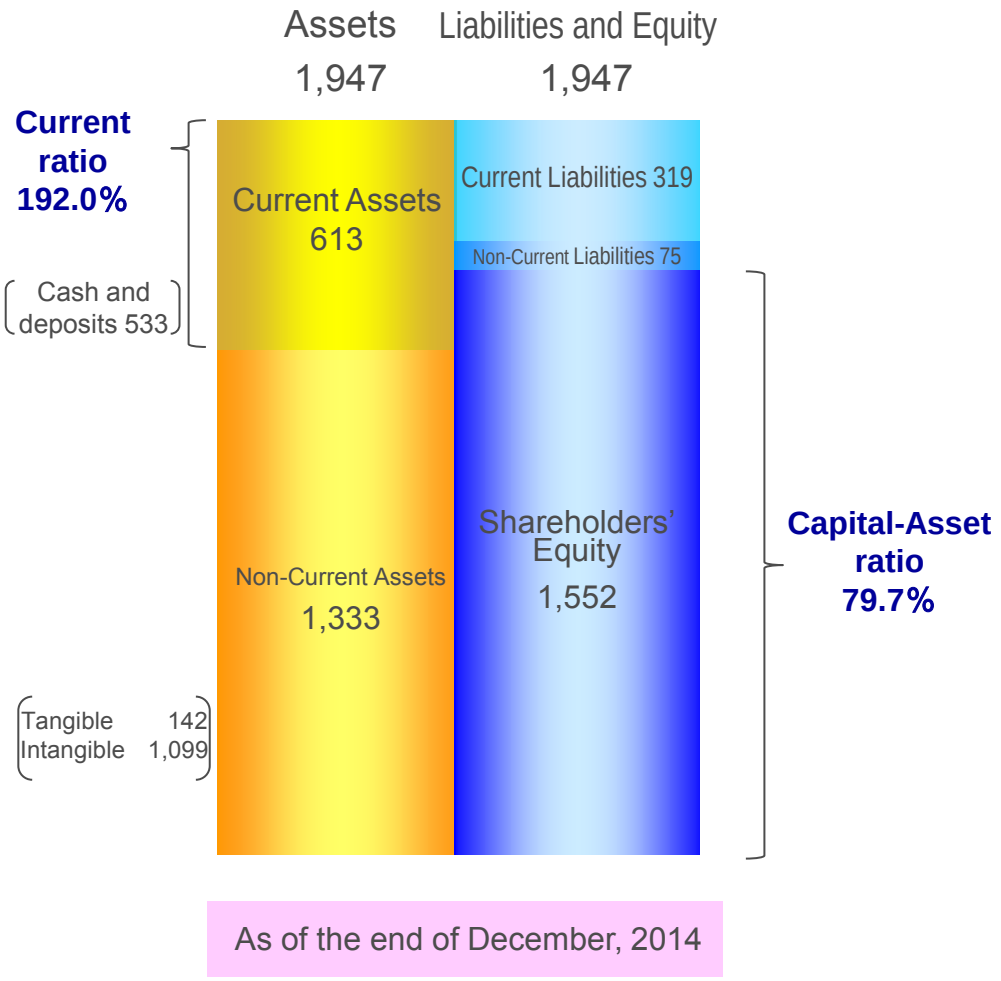
Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Balance Sheet YOY Comparison

Financially sound



As of the end of March, 2014



As of the end of December, 2014

＊Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

2. Business Forecast

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Business Forecast and Progress

(Million yen)	Full-term Forecast FY2015	Third-quarter Results FY2015	Progress Rate as % of Full-term Forecast	(Reference) Full-term Results FY2014
Sales	1,838	1,378	75.0%	1,820
Operating Profit	94	91	96.8%	△11
Recurring Profit	94	91	96.6%	△9
Net Income	52	51	97.6%	△36

Term-end Dividend	Dividend per share
Dividend (forecast) (FYE March 2015)	3 yen
Dividend (actual) (FYE March 2014)	3 yen

∗ The above forecast figures have not changed from those announced on October 23, 2014, and the dividend forecast figures have not changed from those announced on May 8, 2014.
Forecast figures above 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Full-term Revenue Forecast Breakdown

Item (Unit: million yen)	FY2015 Forecast	Third-quarter Results FY2015	Progress Rate as % of Forecast	(Reference) Full-term Results FY2014
Cloud Service	1,718	1,279	74.5%	1,687
Turnkey services *	1,553	1,154	74.3%	1,519
Up-front revenue	51	42	83.2%	39
Monthly recurring revenue	1,502	1,112	74.0%	1,479
Non-turnkey services *	164	124	75.6%	168
Network Solution	34	26	75.0%	36
Advanced-Cloud Service	84	72	85.2%	95
Ad related services	31	23	73.2%	38
System Development	53	49	92.4%	57
Total	1,838	1,378	75.0%	1,819

＊ 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.

＊ The above forecast figures are based on the figures announced on October 23, 2014.
Forecast figures are based on information available at the time of this announcement. Actual results may differ materially from the forecast figures.

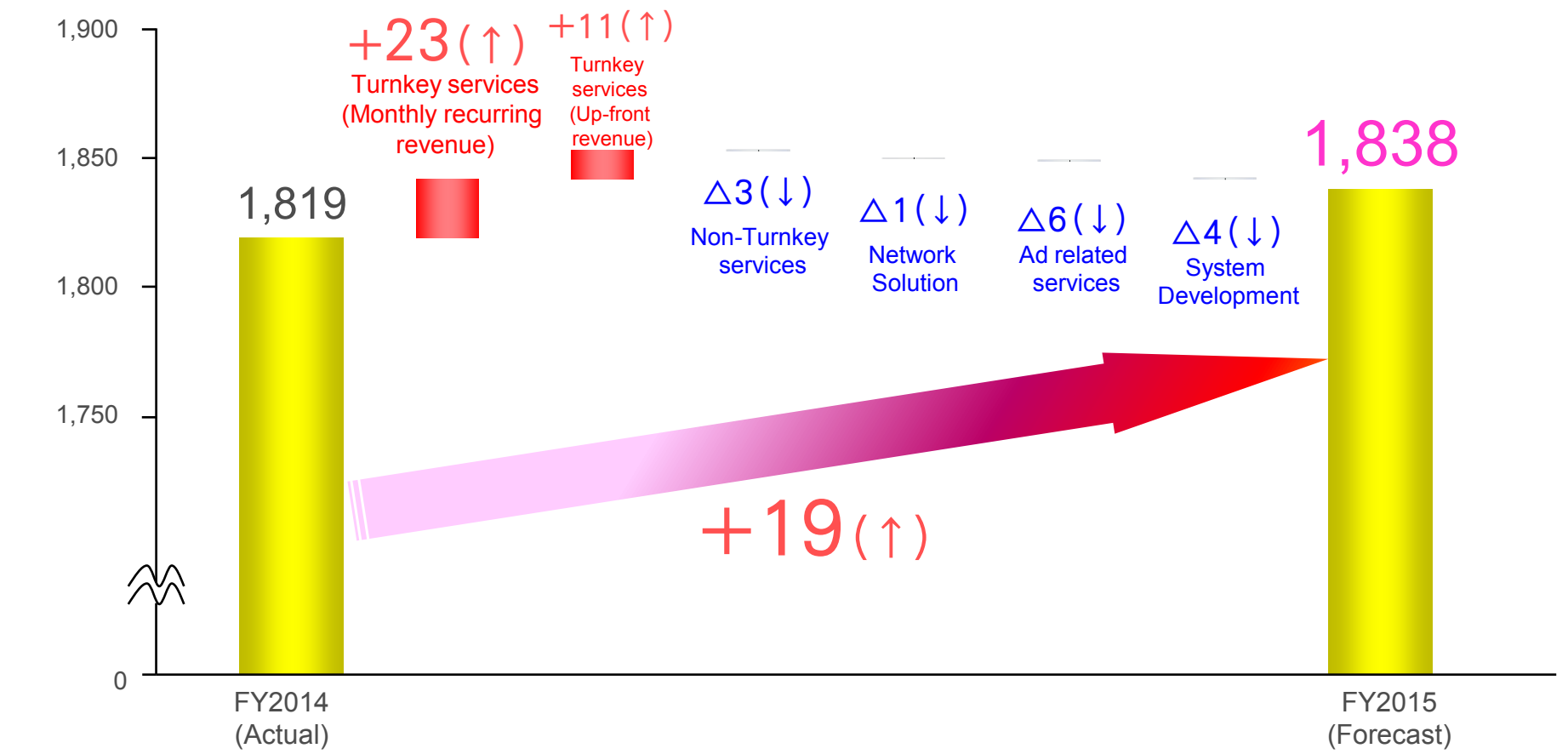
＊ Cloud Solution Business sales figures have not been adjusted for internal transactions.

＊ Figures rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Sales Breakdown Comparing Previous Year Actual Results to Forecast Changes

Unit: Million yen



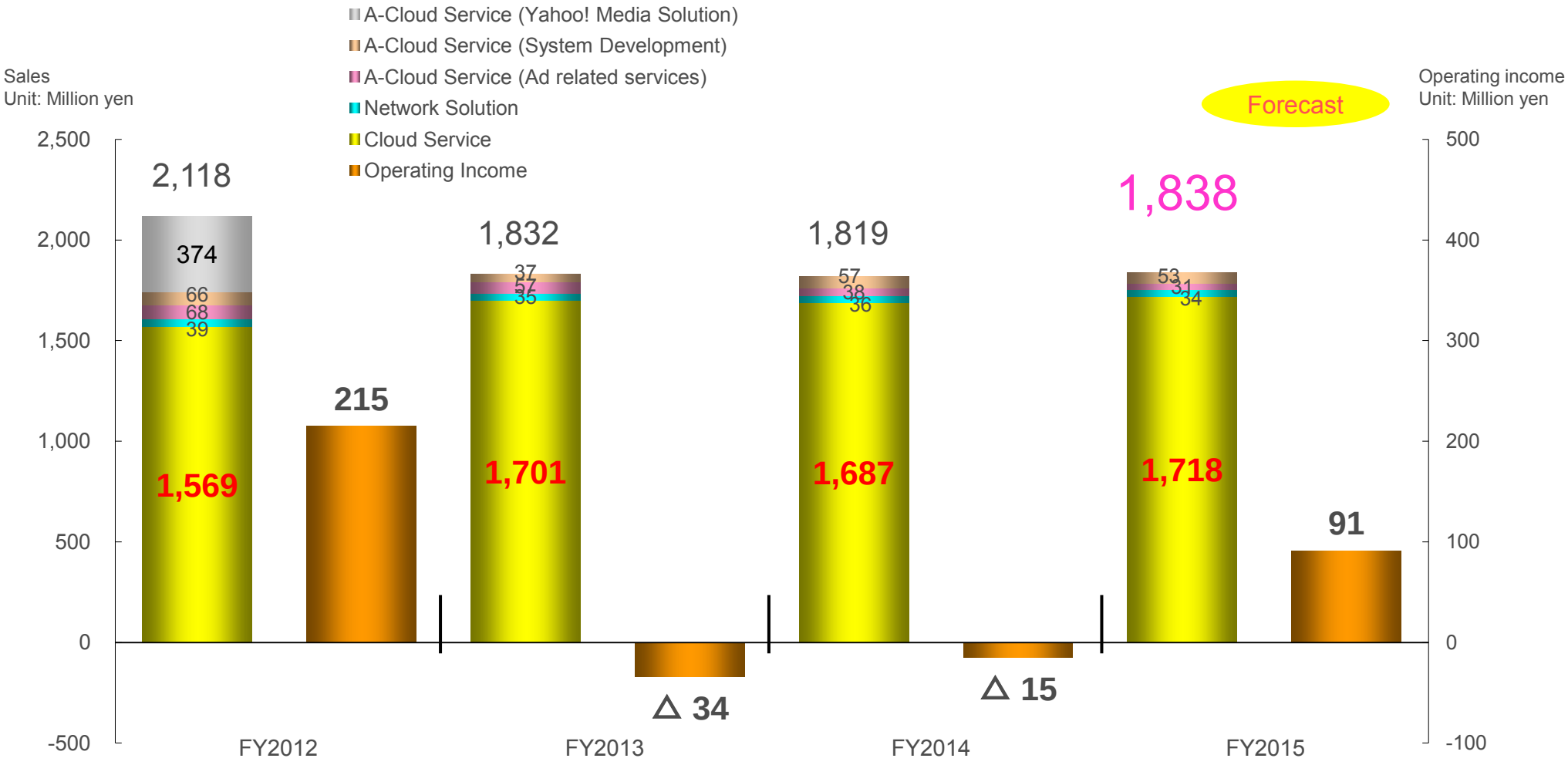
<Key Points>

Further promoting “ES e-Bukken One,” our “turnkey services (monthly recurring revenue)” revenue is expected to increase by about 23 million yen YOY, and the total sales of the cloud solution business are estimated to increase by about 19 million yen.

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

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Cloud Solution Business Revenue and Operating Profit Forecast



∗ “Yahoo! Media Solution” operations were concluded in FY2012 (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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

3. Business Overview

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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

2015 → 2016

つなぐ、不動産クラウド。
いい物件One

Enhancement of performance and functions

Acceleration of the shift from existing services

いい物件One 賃貸

- Leasing management type
- Exclusive management type
- Rent management type

Enhancement of the function to approach customers → **Enhancement of the function to import the data of other companies** → **Owner’s My page function** → **Handling business properties**

いい物件One 売買

Enhancement of the appraisal function → **Enhancement of the linkage with media** → **Enhancement of the function to approach customers** → **Development of new home sales function**

いい物件One ウェブサイト

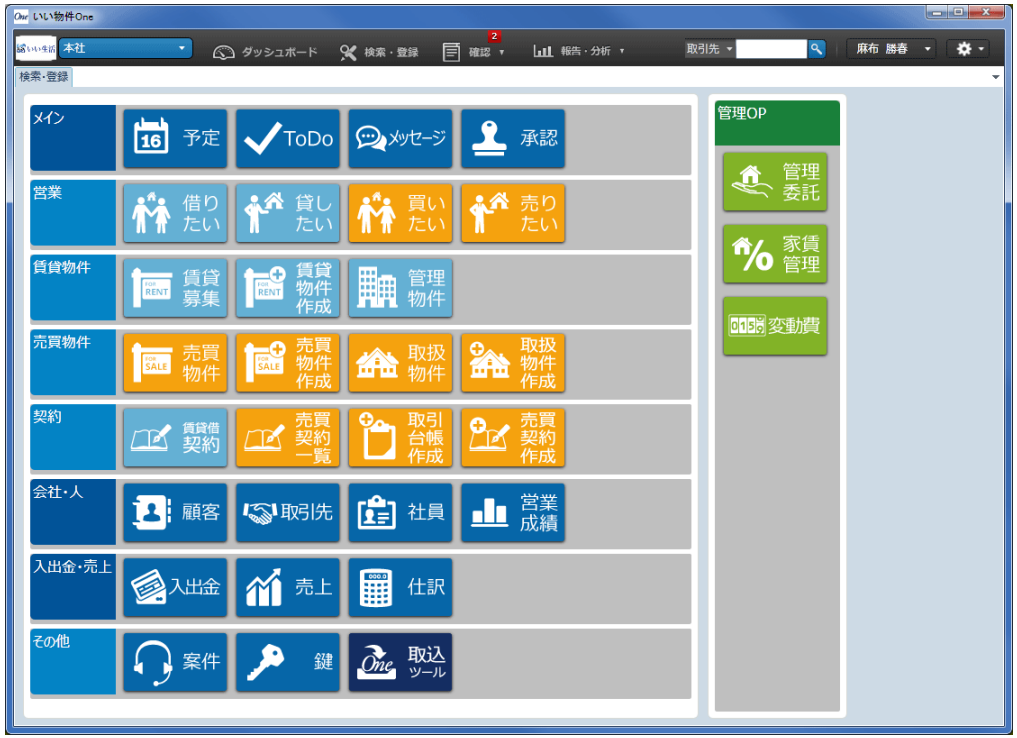
Enhancement of the compatibility with smartphones → **Enhancement of the real estate search function and the SEO strategies** → **Enhancement of posting duration** → **Enhancement of the featuring function**

＊ We plan to have existing customers upgrade to “ES e-Bukken One” as offered.

＊ Development and product launch schedule subject to change.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One” for Supporting Real Estate Businesses



All businesses of real estate can be started from this window!
“Search and registration” window

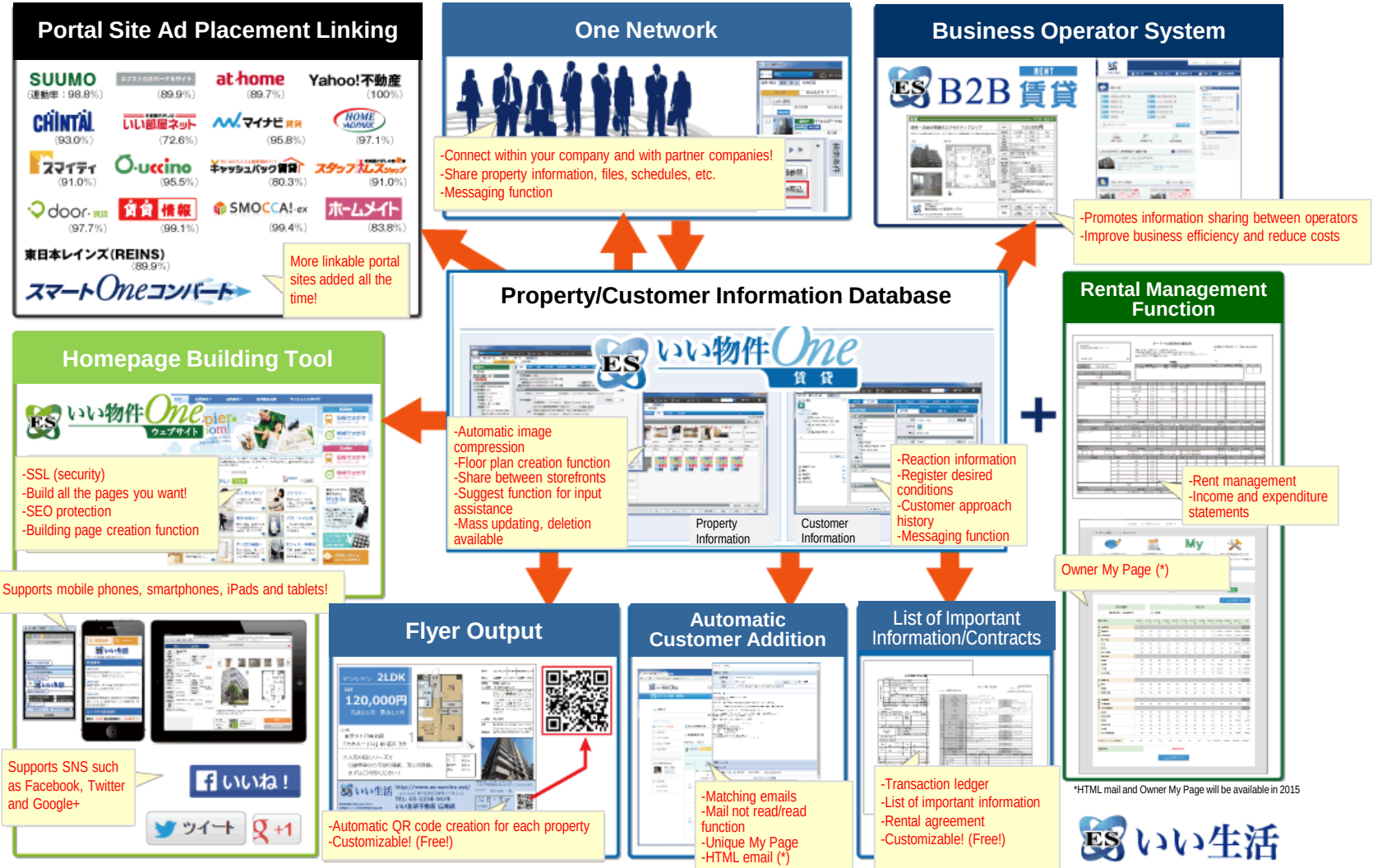


You can grasp necessary info at a glance!
“Dashboard”
that can be customized

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One Rental Property” Services Overview

"ES e-Bukken One" is the one-stop-solution which covers every aspect of the business of real estate industry



*iPad is a registered trademark of Apple, Inc. *Facebook is a registered trademark of Facebook, Inc.
*Twitter is a registered trademark of Twitter, Inc. *Google+ is a registered trademark of Google, Inc.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“ES e-Bukken One Sales Property” Services Overview

"ES e-Bukken One" is the one-stop-solution which covers every aspect of the business of real estate industry

Homepage Building Tool



-SSL (security)
-Build all the pages you want!
-SEO protection
-Building page creation function
-Supports smartphones and mobile phones!
-Facebook and other SNS supported

Portal Site Ad Placement Linking

SUUMO (Linking rate: 100%)
at home (90.9%)
ネクスト社のポータルサイト (86.2%)
home navi (100%)
Yahoo!不動産 (100%)

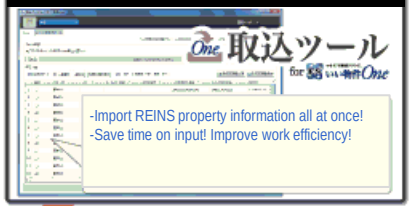
Place ads on multiple portal sites at once!

One Network



-Connect within your company and with partner companies!
-Share property information, files, etc.
-Messaging function

REINS Import (East/Central Japan)



-Import REINS property information all at once!
-Save time on input! Improve work efficiency!

Property/Customer Information Database



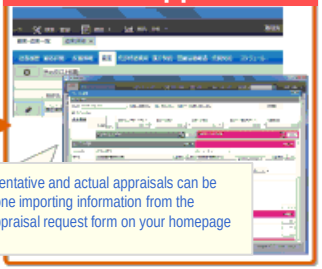
-Automatic image compression
-Floor plan creation function
-Share between storefronts
-Suggest function for input assistance
-Mass updating, deletion available

Property Information

Customer Information

-Reaction information
-Register desired conditions
-Customer approach history
-Messaging function

Tentative Appraisal, Actual Appraisal



-Tentative and actual appraisals can be done importing information from the appraisal request form on your homepage

Sales Floor Plan and Combined Flyers



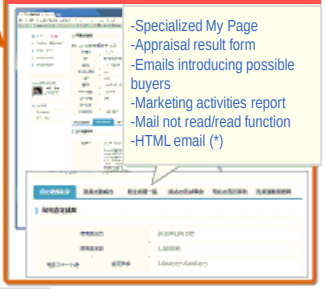
-Automatic QR code creation for each property



-Create a combined flyer simply by choosing 2, 4 or 8 properties from the list!

-Both the sales floor plan and combined flyer are customizable to personalized designs! (Free!)

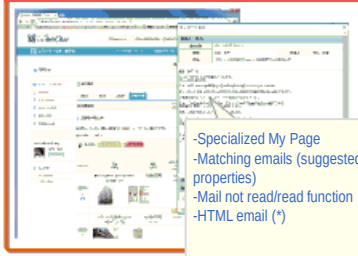
Approaching Sellers



-Specialized My Page
-Appraisal result form
-Emails introducing possible buyers
-Marketing activities report
-Mail not read/read function
-HTML email (*)

*HTML mail and Owner My Page will be available in 2015

Approaching Potential Buyers



-Specialized My Page
-Matching emails (suggested properties)
-Mail not read/read function
-HTML email (*)

Transaction Ledger/List of Important Information/Contracts



-Two different templates for important information and rental agreements widely used throughout Japan are available!
-Of course, they are also customizable to personalized designs! (Free!)

Linking with Rental Management Functions

-Income and expenditure statements
-Owner My Page (*)

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Real Estate Businesses to Be Evolved with “ES e-Bukken One”



* Some functions can be used in the trial version.
* The function to post at once is an option.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Topics for the 3rd Quarter (Part 1): Expansion of the Function to Post Data at Once

Data can be posted at once easily with a single button! A larger number of compatible sites.



*Random order

＊ Through the release of “Smart One Convert,” it became possible to post data into the sites in the lower 2 rows. The other sites are covered by the existing service.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Topics for the 3rd Quarter (Part 2): Addition of Smartphone Templates

いい物件One ウェブサイト / WebSite

New templates released!
3 new “Happy Smartphone” templates added!

No charge!

Blue



This refreshing design with a blue base is easy to use in any situation!



Green



Match your brand color! Green is suggested for family audiences as well!

Black



Black is perfect for sites dealing with luxury properties or business sites for offices!

Including existing designs, a total of 9 smartphone templates will be available!

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Data linking from e-Seikatsu to Yahoo! Real Estate (newly built, used)

Introducing 4 features of data linking from e-Seikatsu to Yahoo! Real Estate (newly built, used)

Yahoo! Real Estate Point 1

List as many properties as you want! No setup fee or feedback fees!

List all the properties you want for a monthly fee of ¥10,000!

For stable advertising costs year-round without having to worry about the number of properties or feedback.

Standard Case

As properties listed increase, so do costs... The more feedback, the more costs increase...



With Yahoo! Real Estate

No matter how many properties are listed or how much feedback there is, a fixed monthly fee of ¥10,000!



*Newly built properties: List as many as you want for ¥10,000 *Used properties/land: List as many as you want for ¥10,000 *When applying for both new and used properties, the monthly fee will be ¥20,000 (tax included) *e-Seikatsu optional service fees are also necessary separately

Yahoo! Real Estate Point 2

Easy to promote properties!

Use optional services to increase property inquiries!

By using optional services, your property can be displayed in the optional slot at the top of the search result screen for searches by relevant station or area, and help promote the property.
Option prices are from ¥500 to ¥1000 per slot (for 1 week), making it possible to promote specific properties for a reasonable cost.



A coupon to use the optional service above for 4 weeks free is currently being given away!*

*This optional service is only available for used properties.
*Only available for customers newly applying to the Yahoo! Real Estate (Used) Listing Search
*Only applicable to stores which began listing on Yahoo! Real Estate by January 31, 2015.
*The coupon may be used until March 31, 2015.

Yahoo! Real Estate Point 3

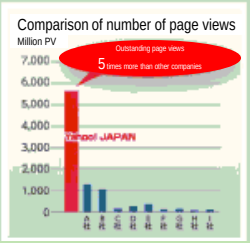
Yahoo! Japan's high number of users and accesses

Among the highest number of accesses in Japan

Yahoo! Japan's high number of users allows for contact with many potential customers.
With the renewal of the end user's site, even more users are expected to visit than before.

Yahoo! Japan Weekly Page Views — Outstanding user numbers!

Approximately 14.3 billion page views
(April 2013, Yahoo! Japan report)



Source: NNView July 1 to 7, 2013 Accesses by PCs (not counting Internet application users), the highest of brand levels.
*Compared with weekly page views of other companies, mobile phone numbers are not included, and research methods are different, so values differ from Yahoo! Japan.

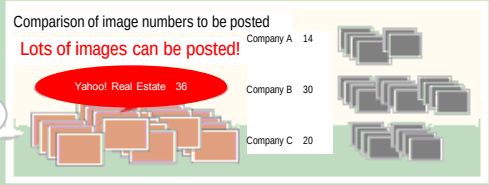
Yahoo! Real Estate Point 4

Easy to manage ads! Report function also available!

Up to 36 image files can be posted per property!

Promote the good points of the property in every detail.

All 36 images can be linked from e-Seikatsu!



*e-Seikatsu, Co., Ltd. and Yahoo! Real Estate do not have an agency agreement related to this service. Also, no guaranties are made about the effectiveness (feedback) of Yahoo! Real Estate.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

We achieved centralized information management and operational efficiency.



http://www.yshome.jp/

YS-HOME Co., Ltd.

"We used to spend too much time and too many staff to update and manage real estate property information. It also took us a lot of time and effort to make contract documents.
We also had difficulties sharing information among stores and between the head office and stores.
e-Seikatsu provided the ideal solution, and we can now operate our business more smoothly and efficiently."

Utilized services and key benefits

- いい物件One 賃貸
- いい物件One ウェブサイト
- 物件情報の一括入稿サービス

- ☑ **Dramatic reduction in time to enter data** into the real estate portal site.
- ☑ **Reduction in time to make** contract-related documents.
- ☑ **Enhanced operational efficiency** via information sharing among stores and departments.
- ☑ **Increased inquiries** from Web Site.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

We achieved successful information sharing among our many stores.



http://www.apple-co.jp/

Apple Real Estate Co., Ltd.

"Our major issue was not being able to share information,
especially property information, among stores, as the number of stores increase and our sales area expand.
To verify bank account activity, we also used to cross check deposits and withdrawals and manually update and reconcile the bank books.
In order to solve these issues, we migrated from our existing system to e-Seikatsu, and we are very satisfied."

Utilized services and key benefits

いい物件One 賃貸
いい物件One ウェブサイト
物件情報の一括入稿サービス

- ☑ **Enhanced operational efficiency** via real estate property information sharing.
- ☑ **Simplified sales management work** by using a transaction ledger.
- ☑ **Saved troublesome deposit management work by integrating with** firm banking system.
- ☑ **Smooth transfer from the old system** thanks to free-style format.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

We Aim to Increase the Number of Clients to 5,000.

Expand and grow our client base

To keep increasing clients by 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 create information and commercial distribution in our platform (market place).

We will become an information infrastructure platform company for real estate industry.

Mile stone/ Target indicators

Number of clients : 5,000 companies　ARPU : ≧ ¥100,000/month　Cloud Service : Gross profit margin > 70%

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

4. Appendix

Financial Data

Business Outline

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Financial Data

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Income Statement

(Million yen)	FY2013				FY2014				FY2015			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	446	461	450	473	454	461	451	452	450	452	476	
Gross Profit	309	317	305	324	314	302	279	281	284	292	308	
Gross Profit Margin	69.3%	68.8%	67.8%	68.6%	69.2%	65.5%	61.9%	62.2%	63.2%	64.8%	64.8%	
Operating Profit	△22	△19	△12	21	8	5	△23	△1	19	31	39	
Operating Profit Margin	△5.1%	△4.1%	△2.8%	4.5%	2.0%	1.1%	△5.3%	△0.3%	4.4%	7.0%	8.3%	
Recurring Profit	△22	△18	△13	21	8	6	△23	△1	20	32	38	
Recurring Profit Margin	△5.0%	△4.0%	△2.9%	4.5%	1.9%	1.5%	△5.3%	△0.3%	4.5%	7.1%	8.2%	
Extraordinary Income	–	–	–	–	–	–	–	–	–	–	–	
Extraordinary Loss	–	7	1	1	–	0	4	3	0	0	0	
Quarter Net Income	△21	△22	△17	2	△1	△1	△25	△8	11	17	22	
Net Income Margin	△4.7%	△4.9%	△3.8%	0.4%	△0.3%	△0.4%	△5.7%	△1.8%	2.5%	3.9%	4.7%	

∗ 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Balance Sheet

(Million yen)	FY2013				FY2014				FY2015			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets Total	709	699	670	691	635	619	573	564	526	578	613	
Non-Current Assets Total	1,350	1,357	1,333	1,324	1,311	1,329	1,339	1,352	1,349	1,335	1,333	
Assets Total	2,060	2,057	2,003	2,016	1,947	1,949	1,912	1,917	1,876	1,913	1,947	
Current Liabilities Total	263	270	243	264	274	288	274	282	264	293	319	
Non-Current Liabilities Total	124	137	128	117	115	105	107	113	99	90	75	
Liabilities Total	388	408	371	381	390	394	382	395	364	383	395	
Shareholders' Equity Total	1,671	1,649	1,631	1,634	1,556	1,555	1,529	1,521	1,512	1,529	1,552	
Liabilities & Equity Total	2,060	2,057	2,003	2,016	1,947	1,949	1,912	1,917	1,876	1,913	1,947	

＊Figures are rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Consolidated Cash Flow Statement

(Million yen)	FY2013				FY2014				FY2015			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CF from Operating Activities	75	107	17	120	103	154	63	70	132	162	145	
CF from Investing Activities	△100	△80	△74	△88	△82	△109	△95	△100	△115	△88	△97	
CF from Financing Activities	△69	△18	△7	△7	△71	△21	△8	△9	△28	△13	△10	
Net increase in cash and cash equivalents (△decrease)	△94	8	△63	24	△50	23	△40	△39	△11	60	37	
Cash and Cash Equivalents (end of term)	583	592	528	553	502	526	485	446	434	495	533	

＊ 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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

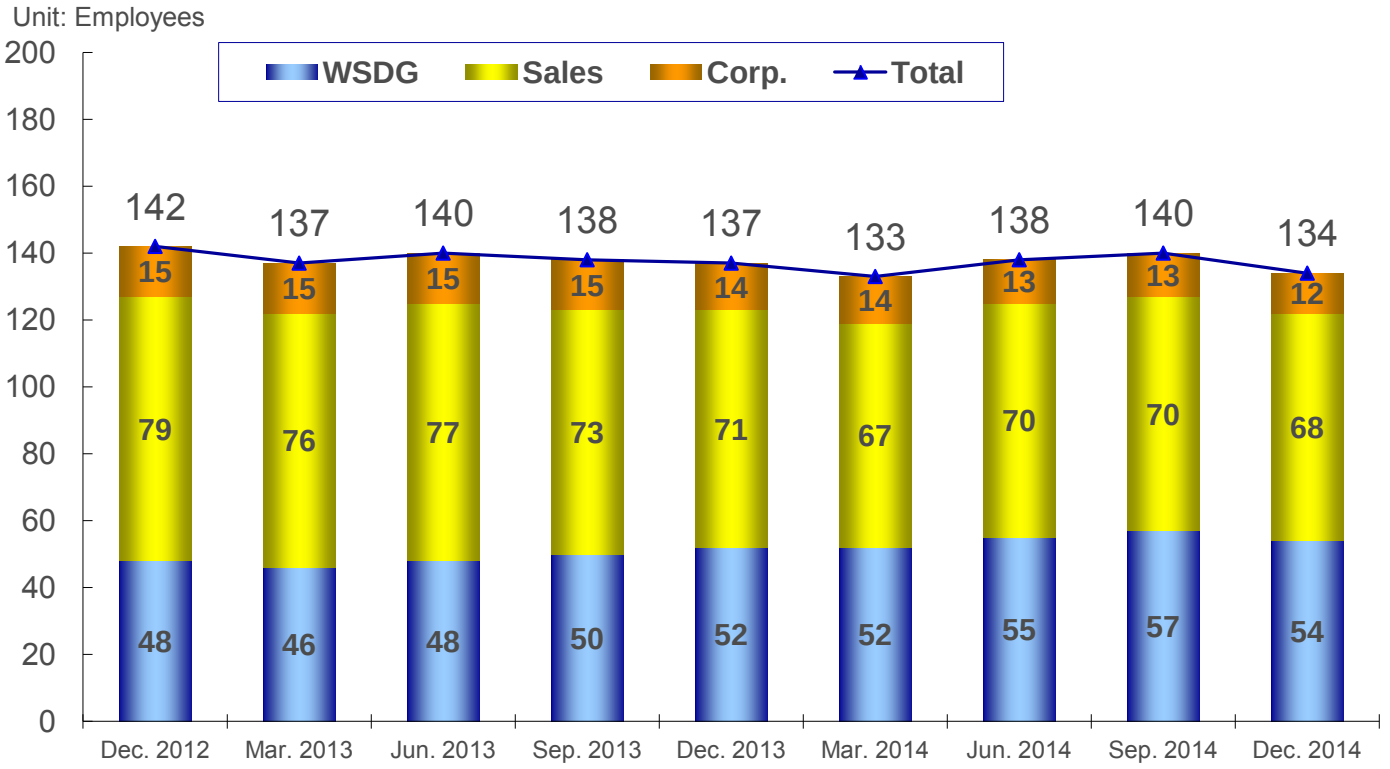
Cloud Solution Business

	FY2013				FY2014				FY2015			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Cloud Service	417	424	423	436	432	417	418	419	418	426	434	
Turnkey services	371	379	380	393	389	375	376	377	376	384	393	
Up-front revenue	10	13	15	11	11	10	12	6	9	14	18	
Monthly recurring revenue	360	366	364	381	377	365	364	371	367	370	374	
Non-turnkey services	45	44	43	43	42	42	41	41	41	41	41	
Network Solution	8	8	8	9	8	8	8	9	8	8	8	
Advanced-Cloud Service	20	28	17	27	13	34	23	23	22	17	32	
Ad related services	15	14	13	13	11	9	8	8	8	7	7	
System Development	4	13	3	14	2	25	14	15	14	9	25	
Sales Total	446	461	450	473	454	461	450	452	450	452	475	
COGS	136	143	145	148	139	158	171	171	165	159	167	
SG & A	332	336	318	303	306	297	305	283	265	261	269	
Cost Total	469	480	463	452	446	456	476	454	431	421	437	
Operating Profit	△23	△19	△13	21	8	4	△26	△2	18	31	38	
Recurring Profit	△22	△18	△13	21	8	6	△26	△2	19	31	37	
Number of Cloud Service clients (Companies)	1,455	1,434	1,413	1,390	1,374	1,346	1,335	1,320	1,300	1,294	1,290	
Number of employees (Non-consolidated)	154	147	142	137	140	138	137	133	138	140	134	

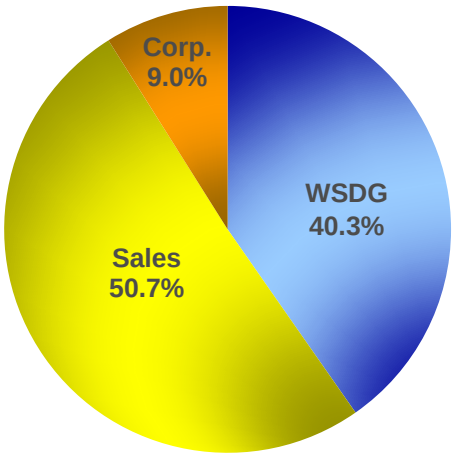
* Turnkey services ・・・・・・・ Suite of standard system applications with up-front and monthly recurring revenue.
  Non-turnkey services ・・・ Customized system applications with one-time and monthly recurring revenue.
* Quarterly income figures are not audited (cumulative figures are audited).
* Cloud Solution Business sales figures have not been adjusted for internal transactions.
* Figures are rounded down to the nearest million yen.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Number of Employees



Number of Employees



Breakdown by Division
(December, 2014)

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

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

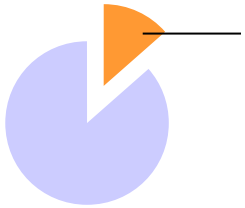
Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Business Outline

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Focused on the Large Real Estate Industry

The real estate industry represents 13.6% (2012) of GDP (416 trillion yen (nominal))



Real estate industry
13.6%
(56 trillion yen)

Source: National Accounts for 2012 (GDP by economic activity)

Total real estate assets equals 1,690 trillion yen (2012)

Residential
339 trillion yen



Non-residential 207 trillion yen



Land 1,143 trillion yen

Source: National Accounts for 2012 (National assets)



Number of homes
60.63 million units

Source: The 2013 Housing and Land Survey, Ministry of Internal Affairs and Communications Statistics Bureau (preliminary)



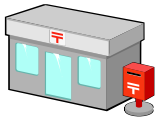
There are 122,100 real estate agencies (as of the end of Mar. 2014)

Source: Real Estate Transaction Improvement Organization

much more than…



Convenience stores
49,930 stores (March 2014)



Post offices
24,224 offices (As of the end of Mar 2014)

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

The number of potential clients is enormous.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

The Real Estate Industry is an “Information Industry”

Utilizing a database is essential to succeed!

A database that can manage the information on property, customers, and contracts together is essential.



Diversified consumer needs!

In order to satisfy a variety of preferences of consumers, it is essential to glean comprehensive information on real estate.

The first contact point with consumers is not stores, but the Internet!

It is indispensable to respond to consumers’ needs for collecting information that changed due to the Internet.



Use of mobile devices has become mainstream!

It is indispensable to make our services compatible with mobile terminals, such as smartphones and tablets.



Real estate info is the most suitable to databases, among commercial ones!

The real estate industry is evolving from the “paper”-dominated to the “IT”-dominated.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

“Cloud Service” is Ideal for the Real Estate Industry



Benefits of Cloud Services (Shift from the age of buying systems to the age of renting systems)

- 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.

The industry is not oligopolistic, but 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!

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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

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

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

No bank borrowing and financially sound

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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.”

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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

- 「ISO/IEC27001:2005」(International standard of information security management system)
  (Initial certification in August, 2006)
- 「ISO/IEC20000-1:2011」(International standard of IT service management system)
  (Initial certification in October, 2009)

Higher customer satisfaction with high quality services

Outline of ITSMS (ISO/IEC20000-1:2011) Registration

Company Name	: e-Seikatsu Co., Ltd.
Registration number	: JMAQA-T001
Applicable standard	: ISO/IEC20000-1:2011
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 1, 2014

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

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 for cloud service** Turnkey services Operation services of customized solutions (resulting from A-cloud system development work)
	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.
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)

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.

Company Profile



Established :	January 21, 2000
Paid-in capital :	628 million 411 thousand 540 yen (As of the end of December 2014)
Listing :	Mothers 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 :	134 (As of the end of December 2014)

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

Audit Firm :	The Kisaragi Accounting Office
Offices :	(Headquarters) 2-32, Minamiazabu 5-chome, Minato-ku, Tokyo
	(Osaka office) GRAND FRONT OSAKA TOWER A, 4-20 Ofukacho, 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

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.



The real estate industry will grow with cloud services.

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.

Copyright(c) 2015 e-Seikatsu Co.,Ltd. All Rights Reserved.