Second-quarter for FYE March 31, 2017
Presentation Material

November 8, 2016

e-Seikatsu Co., Ltd.

TSE Mothers 3796

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1. Summary of Second-quarter Results for FYE March 31, 2017

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Highlights

Sales and profit grew year on year, as estimated as a whole.

- Consolidated sales: 999 million yen (FY2016 2Q 939 million yen, YOY change +59 million yen, +6.3%)
  - ・Cloud Service revenue: 953 million yen (FY2016 2Q 892 million yen, YOY change +61 million yen, +6.8%)
  - ・**Including monthly recurring revenue of Turnkey services: 859 million yen (FY2016 2Q 788 million yen, YOY change +70 million yen, +8.9%)**
- Consolidated operating income: 88 million yen (FY2016 2Q 32 million yen, YOY change +55 million yen, approx. 2.7 times)
  - ・Factors of cost increase are depreciation of service development, system maintenance and personnel expenses, etc.
  - ・SG&A expenses decreased because amortization of the initial investment for the internal base system has been completed.
- Net income: 54 million yen (FY2016 2Q 16 million yen, YOY change +37 million yen, approx. 3.3 times)

Sales of our “Cloud Service” remained steady. A record high has been renewed.

- Focus on new client acquisitions as well as up-selling to existing clients. Solid growth in monthly ARPU.
  - ・Monthly ARPU: approx. 123,700 yen/company ※as of the end of Sep. 2016
    FY2016 2Q approx. 119,400 yen/company ※as of the end of Sep. 2015

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

- Additional development of “ES e-Bukken One” continued. Expanding services and enhancing usability have been achieved.
- We concluded a distributorship contract for “online conference services” of “NTT IT CORPORATION.”

＊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.

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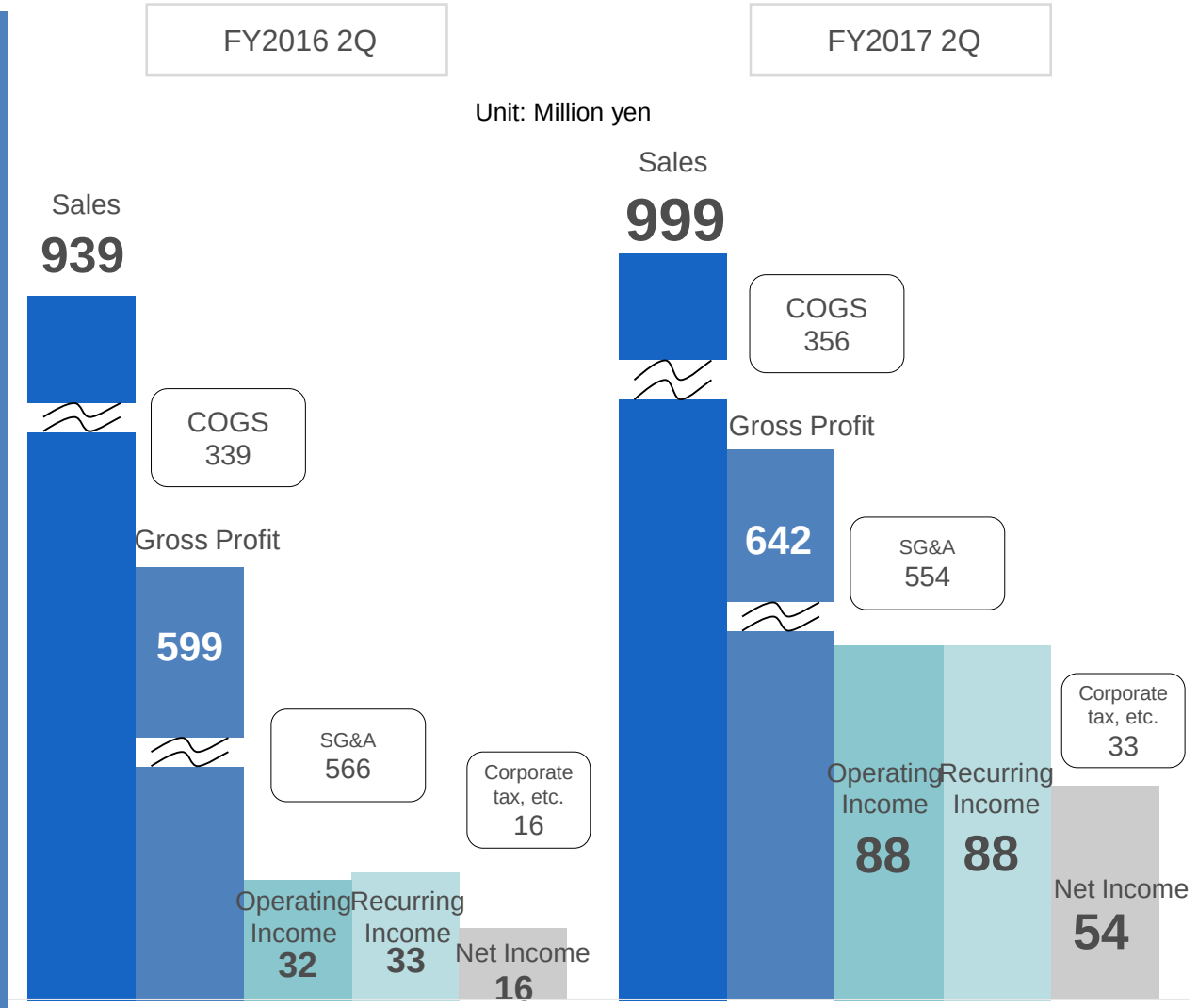
Sales and Income Increased YOY

・ Sales rose around 59 million yen YOY to 999 million yen. Operating income grew around 55 million yen YOY to 88 million yen.

・ COGS increased due to depreciation of service development and system maintenance and personnel expenses, etc.

・SG&A expenses decreased as a result of decline in depreciation cost for internal systems.



＊Figures rounded down to the nearest million yen.

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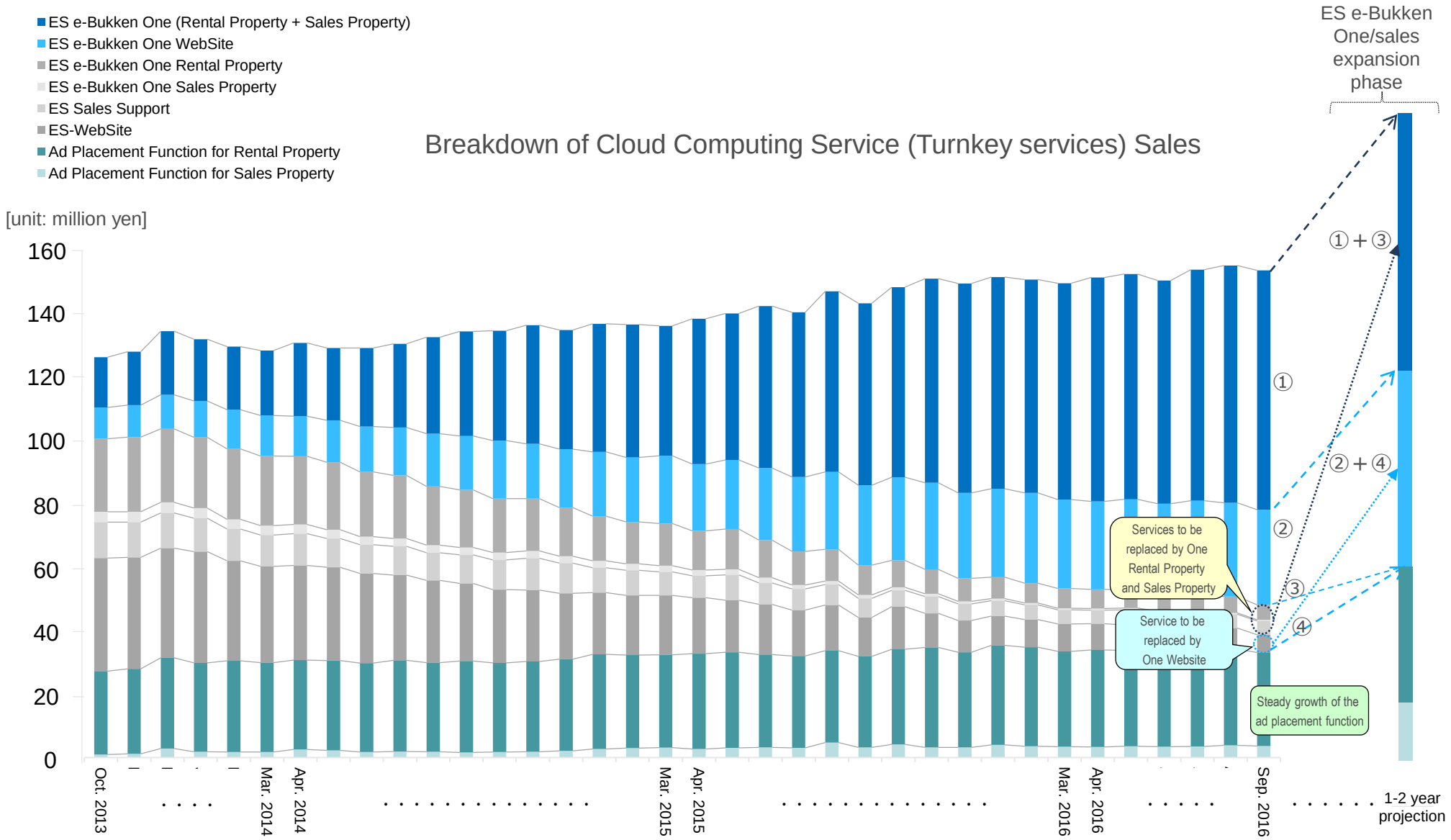
“ES e-Bukken One” is Becoming Our Core Cloud Computing Service



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

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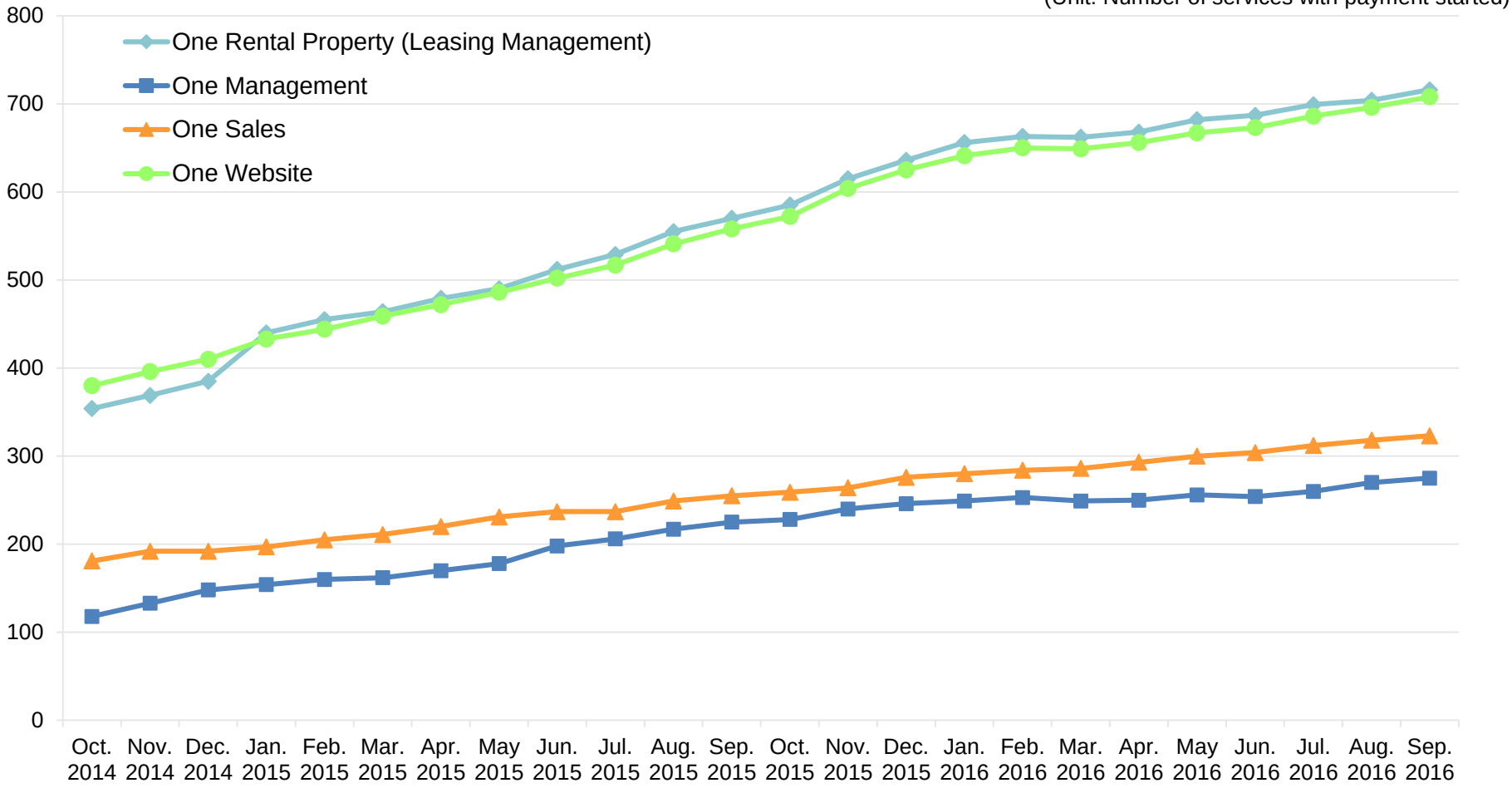
The Number of Licenses Provided is Increasing Steadily

Transition of Number of Licenses by Service

(Unit: Number of services with payment started)



* The number means the sum of the number of new contracts and the number of shifts from existing services.
* The above value does not include the number of charge-free licenses.
* The total number of “One Rental (management option),” “One Rental (full-time management),” and “One Rental (rent management)” is expressed by “One Management.”

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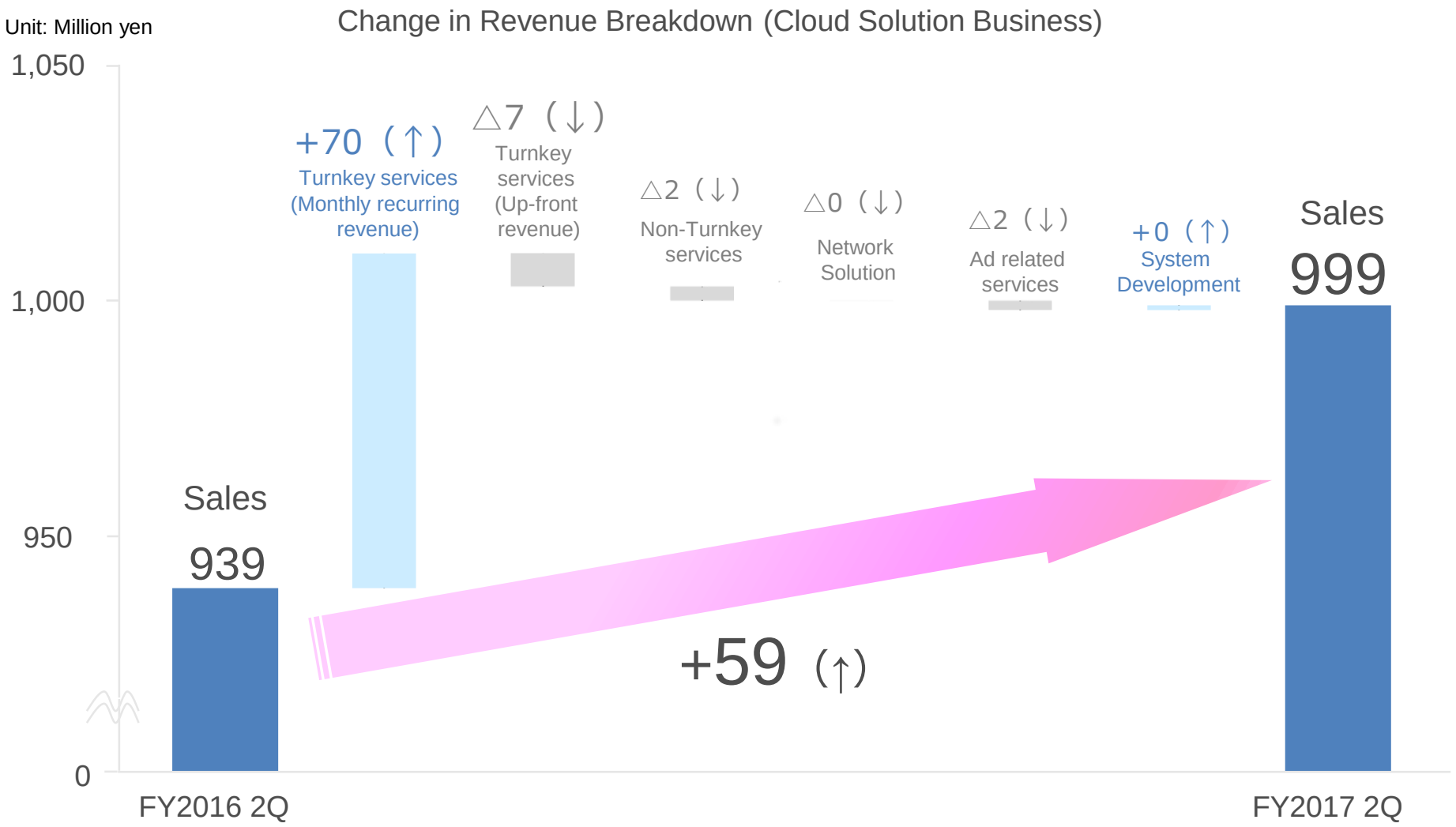
Increase in Revenue Mainly due to Our Core Turnkey Services (Monthly recurring revenue)

Unit: Million yen



∗ 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.

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Cloud Solution Business Revenues by Product

Item (Million yen)	Apr.-Sep. 2015	Apr.-Sep. 2016	YOY change	YOY change (%)
Cloud Service	892	953	61	6.8%
Turnkey services *	824	888	63	7.7%
Up-front revenue	36	29	△7	△19.8%
Monthly recurring revenue	788	859	70	8.9%
Non-turnkey services *	67	65	△2	△3.3%
Network Solution	17	17	△0	△1.0%
Advanced-Cloud Service	30	28	△1	△5.8%
Ad related services	12	9	△2	△21.7%
System Development	18	18	0	4.7%
Total	939	999	59	6.3%

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

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

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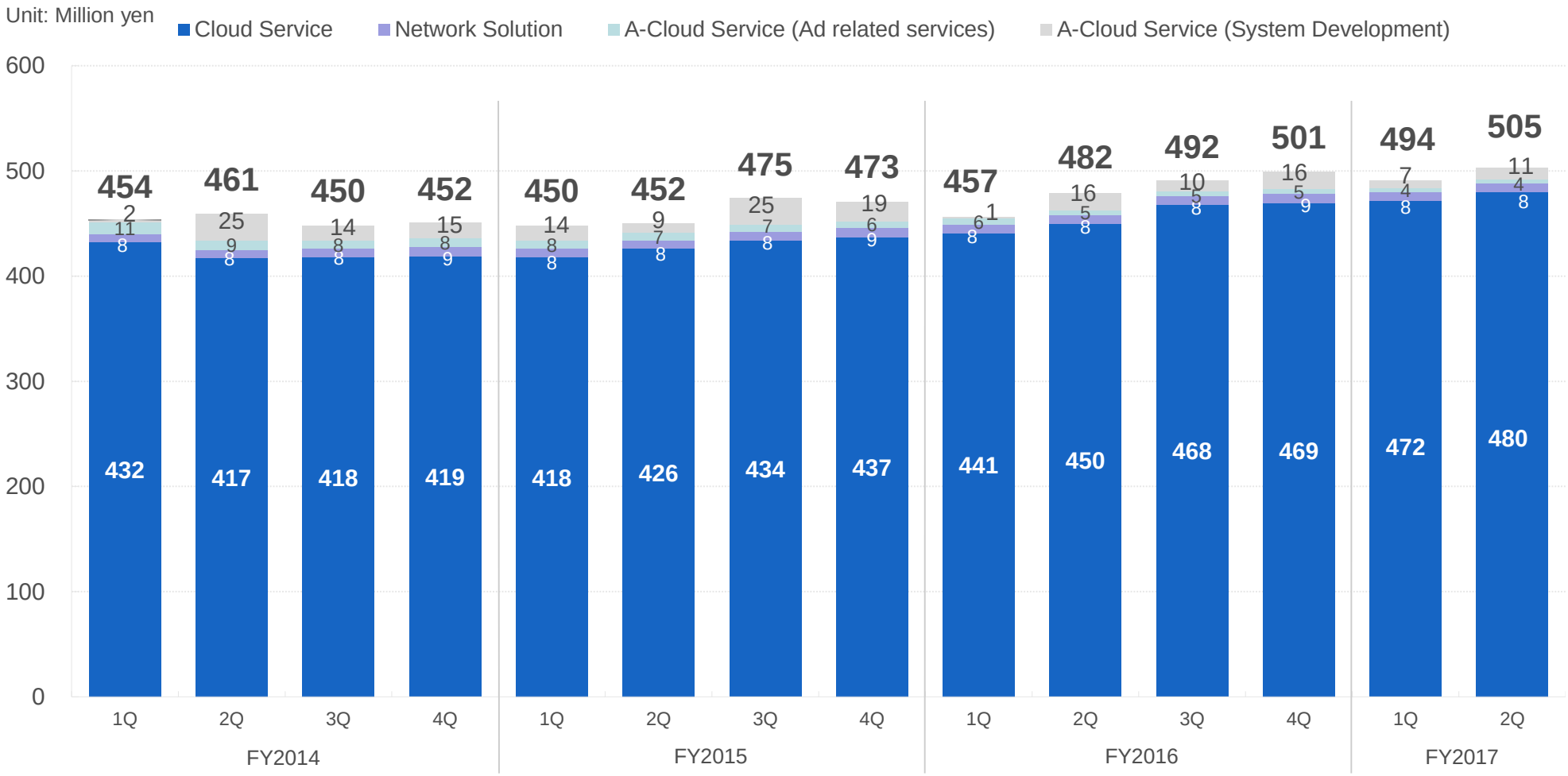
Sales of Cloud Service, Our Core Product, Continue to Reach a Record High

Transition of Sales by Item (Cloud Solution Business)



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

∗ Figures rounded down to the nearest million yen.

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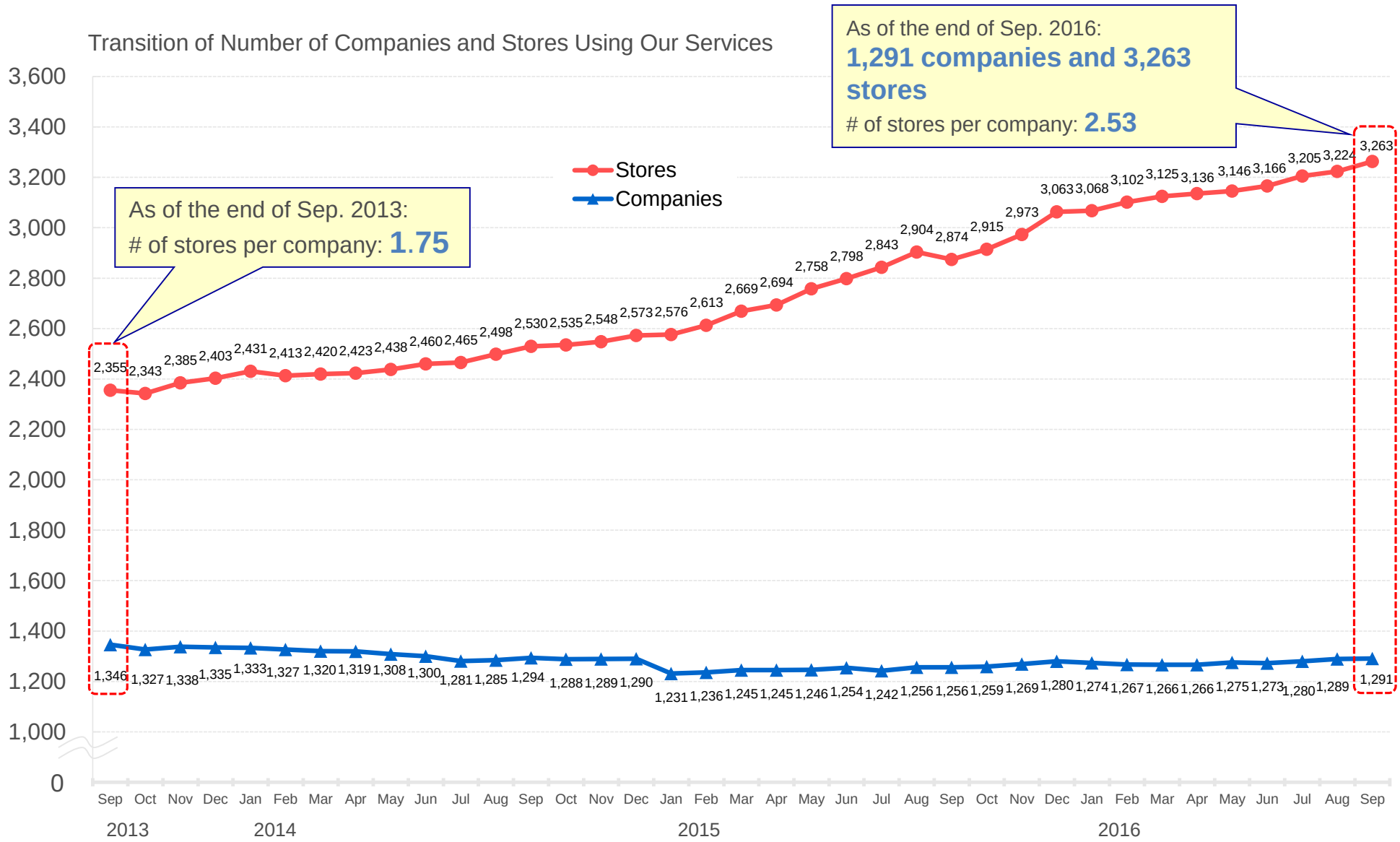
Number of Stores per Company (Clients Having Multiple Stores) is Expanding



∗ 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.

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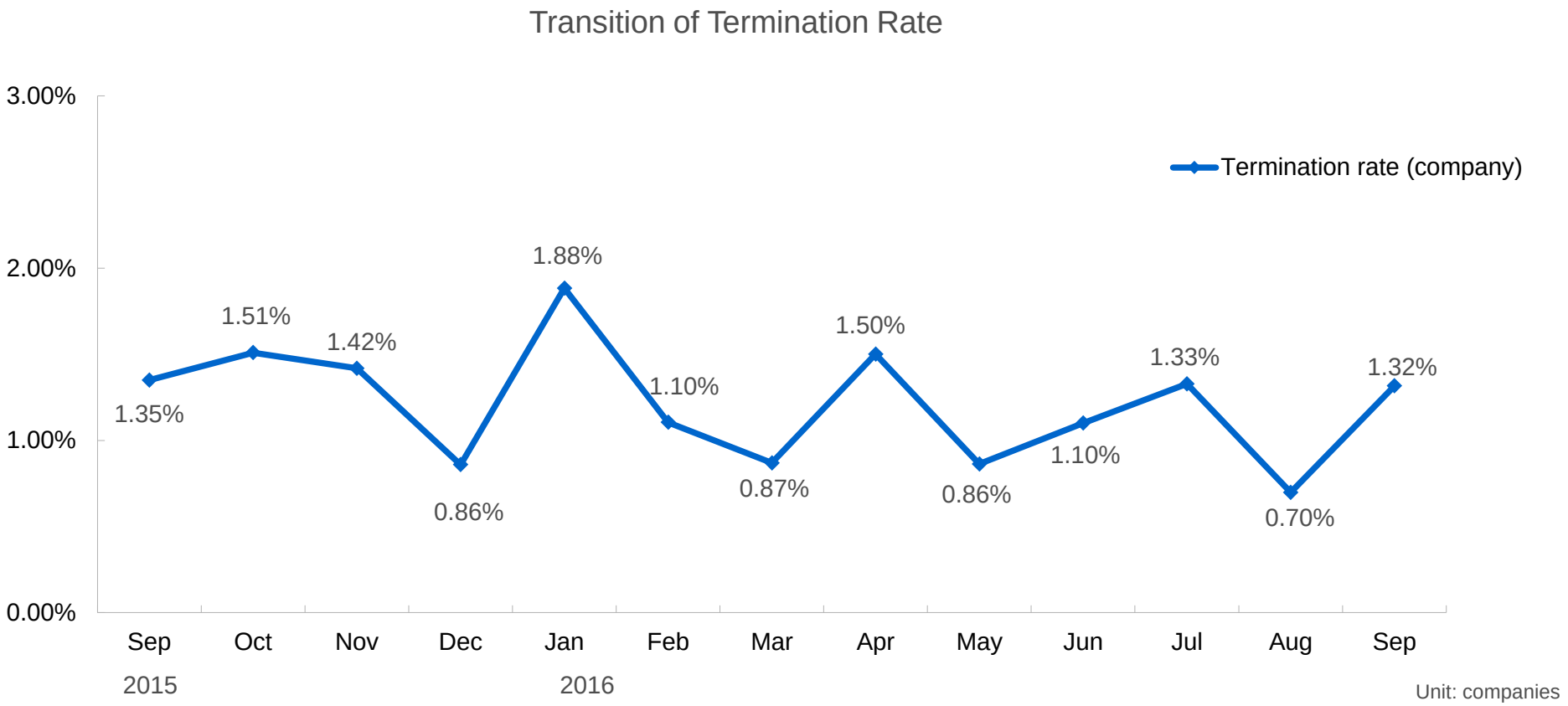
The Quality of Support Systems and Services was Enhanced, for Raising Customer Retention Rate



Unit: companies

	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Ave.
# of companies	17	19	18	11	24	14	11	19	11	14	17	9	17	15.5
Termination Rate	1.35%	1.51%	1.42%	0.86%	1.88%	1.10%	0.87%	1.50%	0.86%	1.10%	1.33%	0.70%	1.32%	–

＊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.

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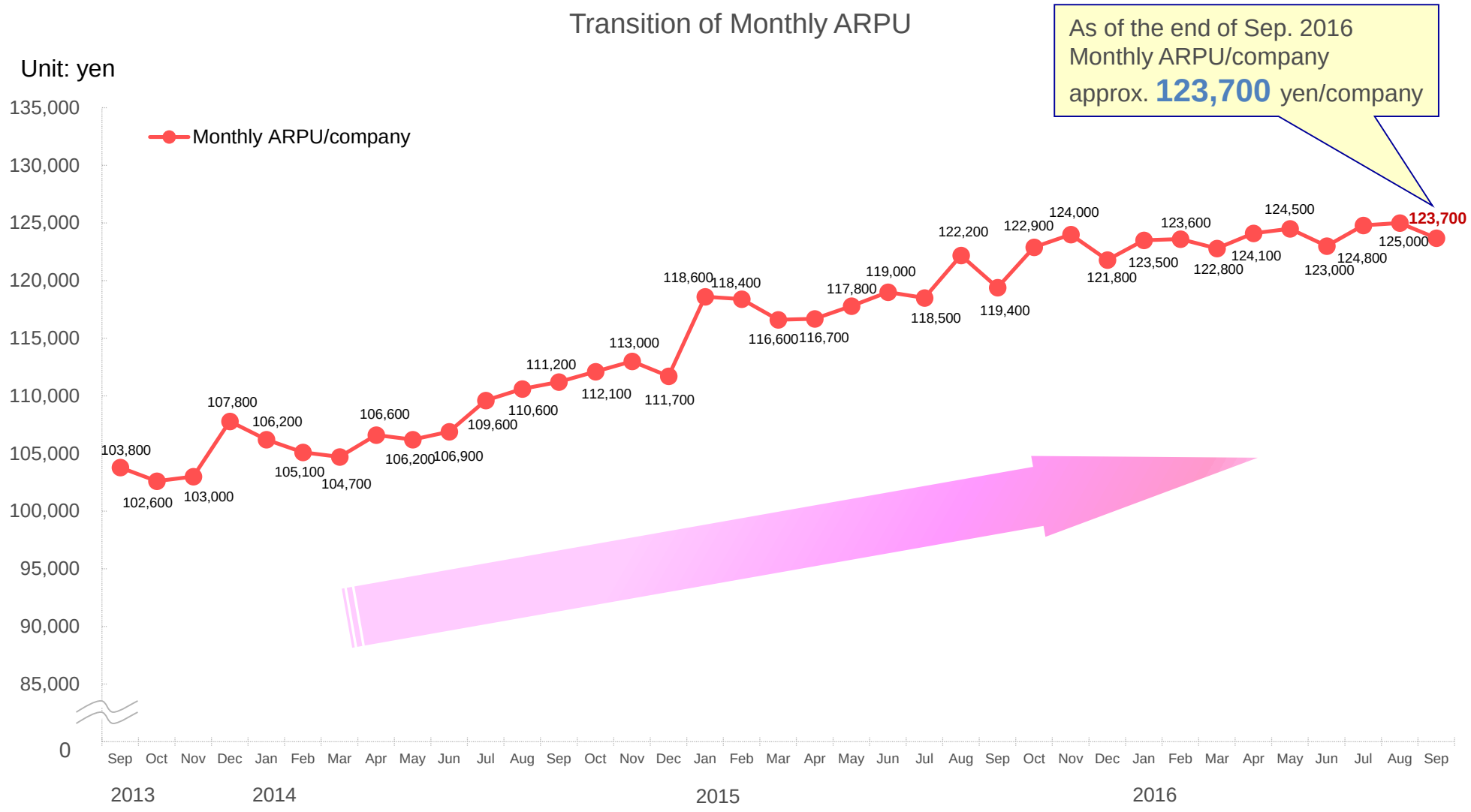
Resulting in a Steady Increase in Monthly ARPU



∗ 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.

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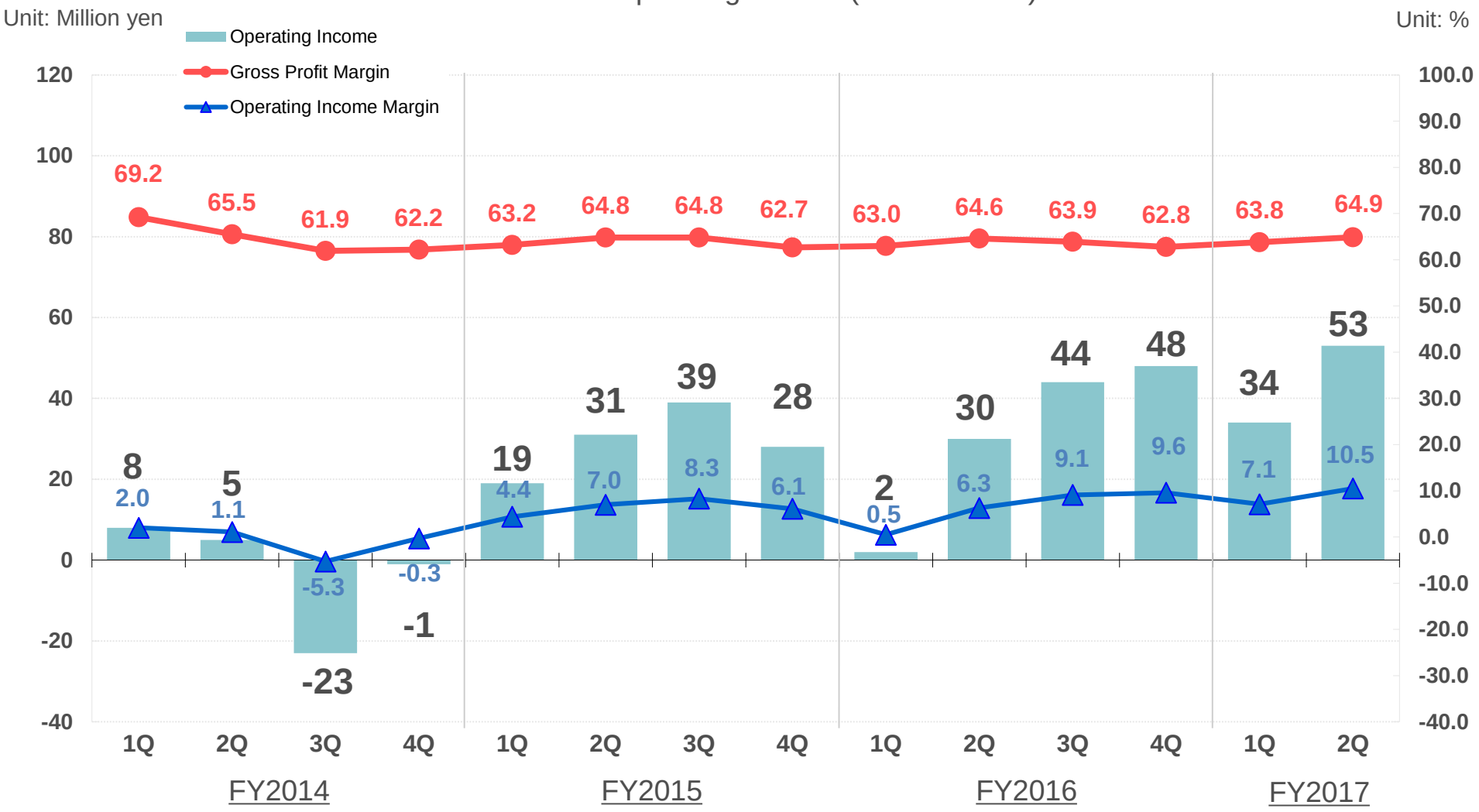
Operating Income Grew Steadily

Transition of Operating Income (Consolidated)



∗ Figures rounded down to the nearest million yen.

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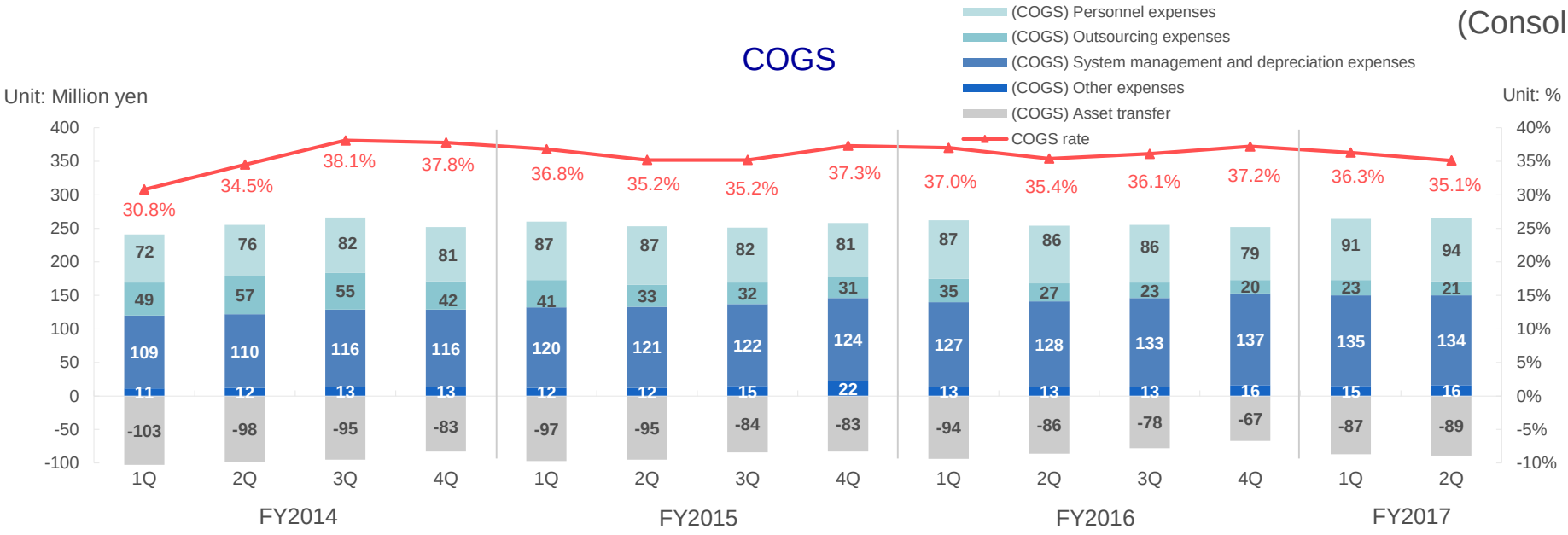
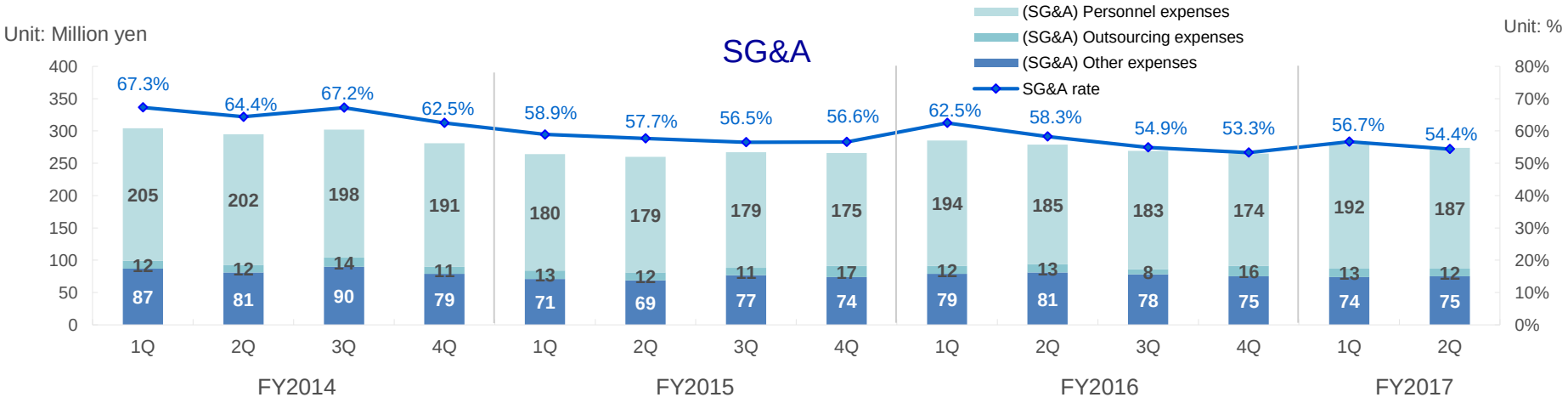
Total Expenses are Under Control

(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.

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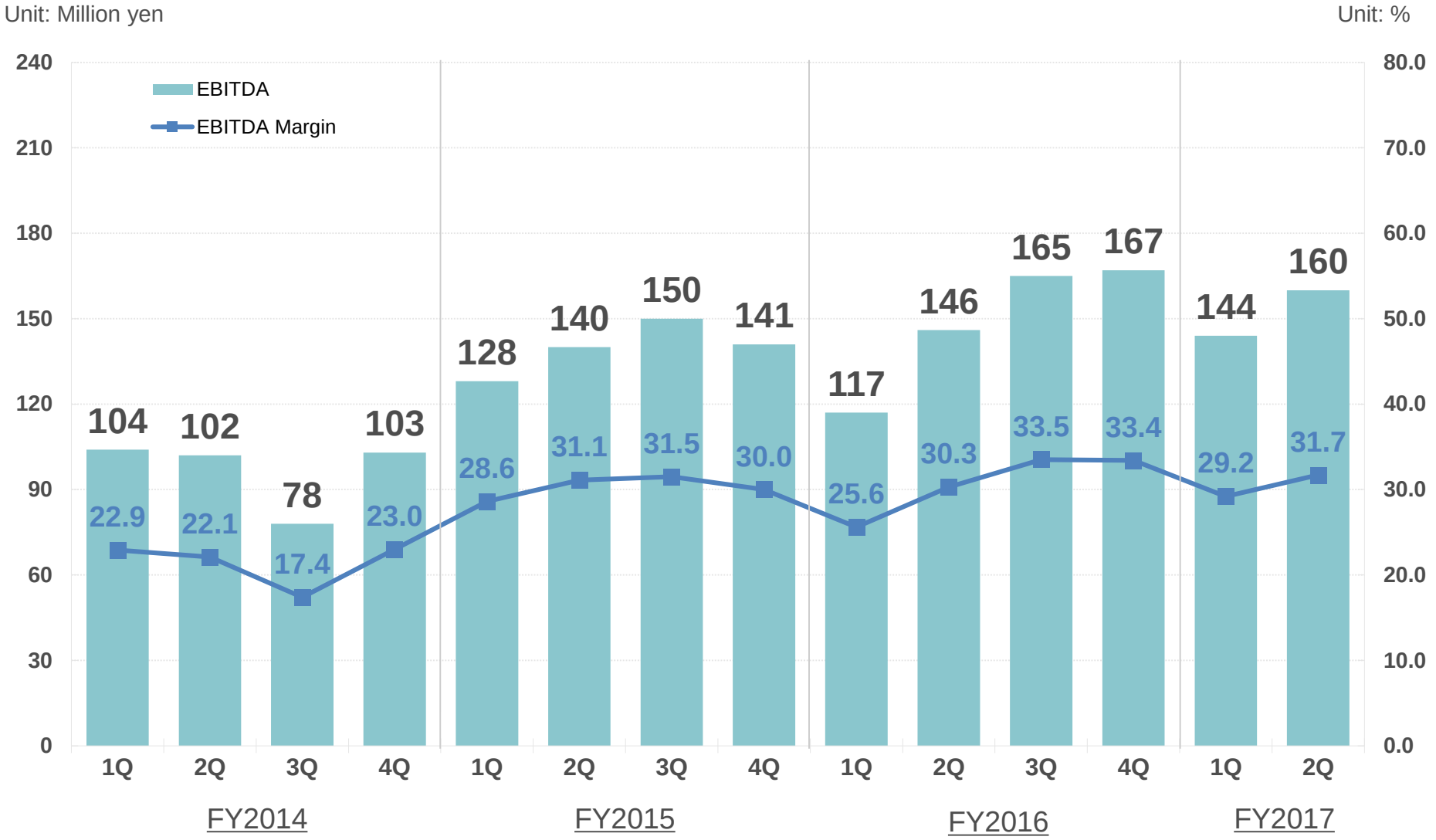
Stable EBITDA (Operating Income + Depreciation)

Transition of EBITDA (Consolidated)



∗ Figures rounded down to the nearest million yen.

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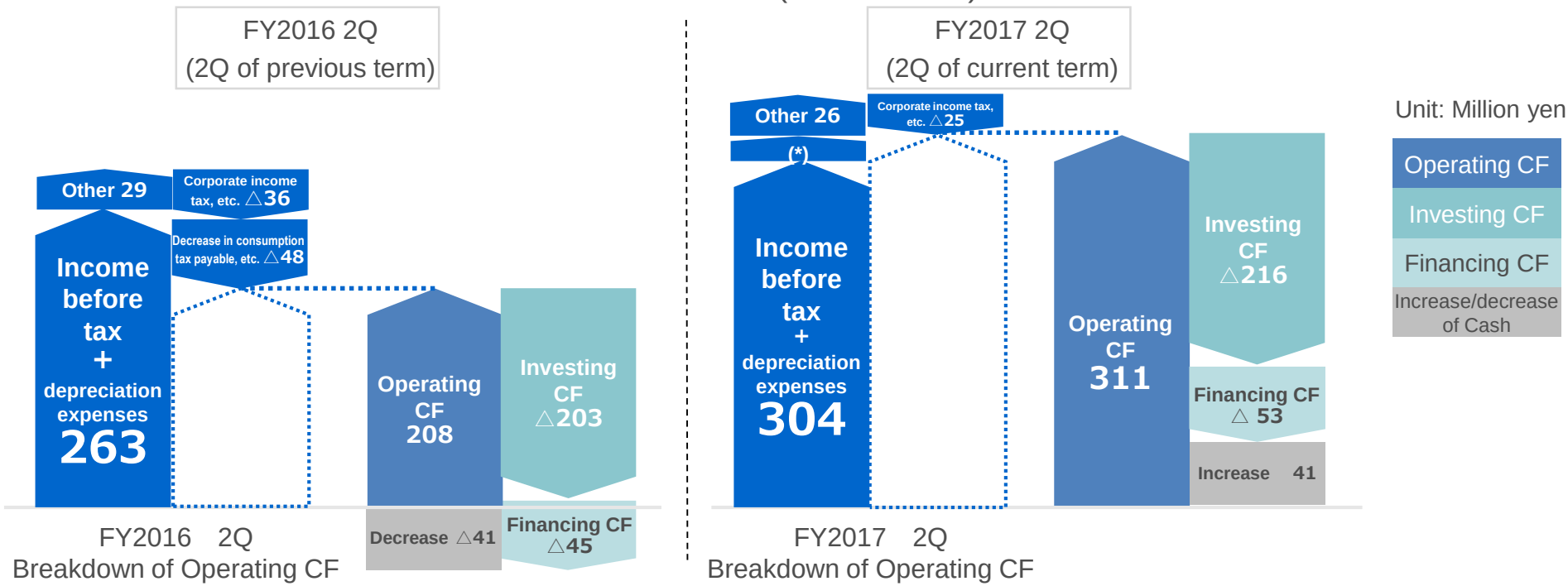
Operating Cash Flow Increased as a Result of Profit Growth.

Cash Flow Statement (Consolidated)



(*) Increase in consumption tax payable, etc. 5

<Key Points>			FY2016 2Q	FY2017 2Q
Operating Activities	①	Income before tax + depreciation expenses	263M yen	304M yen
	②	Increase in consumption tax payable, etc. (△ Decrease)	△48M yen	5M yen
	③	Payment of corporate income tax, etc. (△)	△36M yen	△25M yen
Investing Activities	④	Expenses in service developments (△)	△182M yen	△174M yen
	⑤	Purchase of fixtures and furnitures, etc. (△)	－M yen	△13M yen
	⑥	Expenses due to the purchase of assets (HW/SW) (△)	△21M yen	△4M yen
Financing Activities	⑦	Payment of year-end dividend (△)	△24M yen	△27M yen
	⑧	Expenses due to repayment of lease obligations (△)	△21M yen	△25M yen

＊Figures rounded down to the nearest million yen.

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

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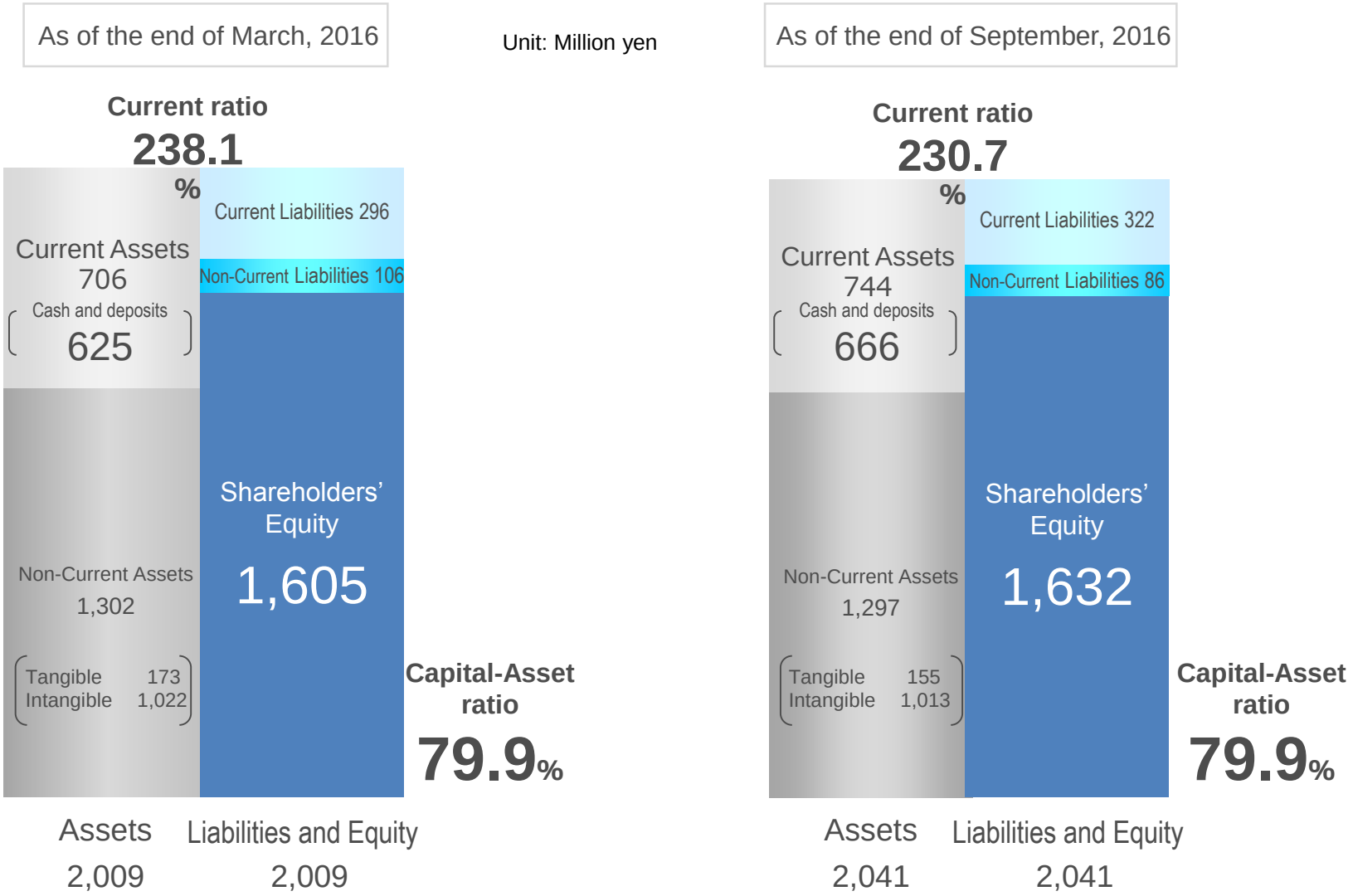
Financially Sound

Consolidated Balance Sheet YOY Comparison

Unit: Million yen



∗ Figures rounded down to the nearest million yen.

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2. Business Forecast

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Both Sales and Profit are as Estimated as a Whole

(Million yen)	Mid-term Forecast FY2017	Second-quarter Results FY2017	Progress Rate as % of Mid-term Forecast	Full-term Forecast FY2017	(Reference) Full-term Results FY2016
Sales	1,009	**999**	99.0%	2,044	1,934
Operating income	88	**88**	100.0%	182	125
Recurring income	88	**88**	100.2%	181	125
Net Income	55	**54**	98.5%	113	62

	Dividend per share
Full-term dividend (forecast) (FYE March 2017)	5.00yen
Full-term dividend (actual) (FYE March 2016)	4.00yen

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

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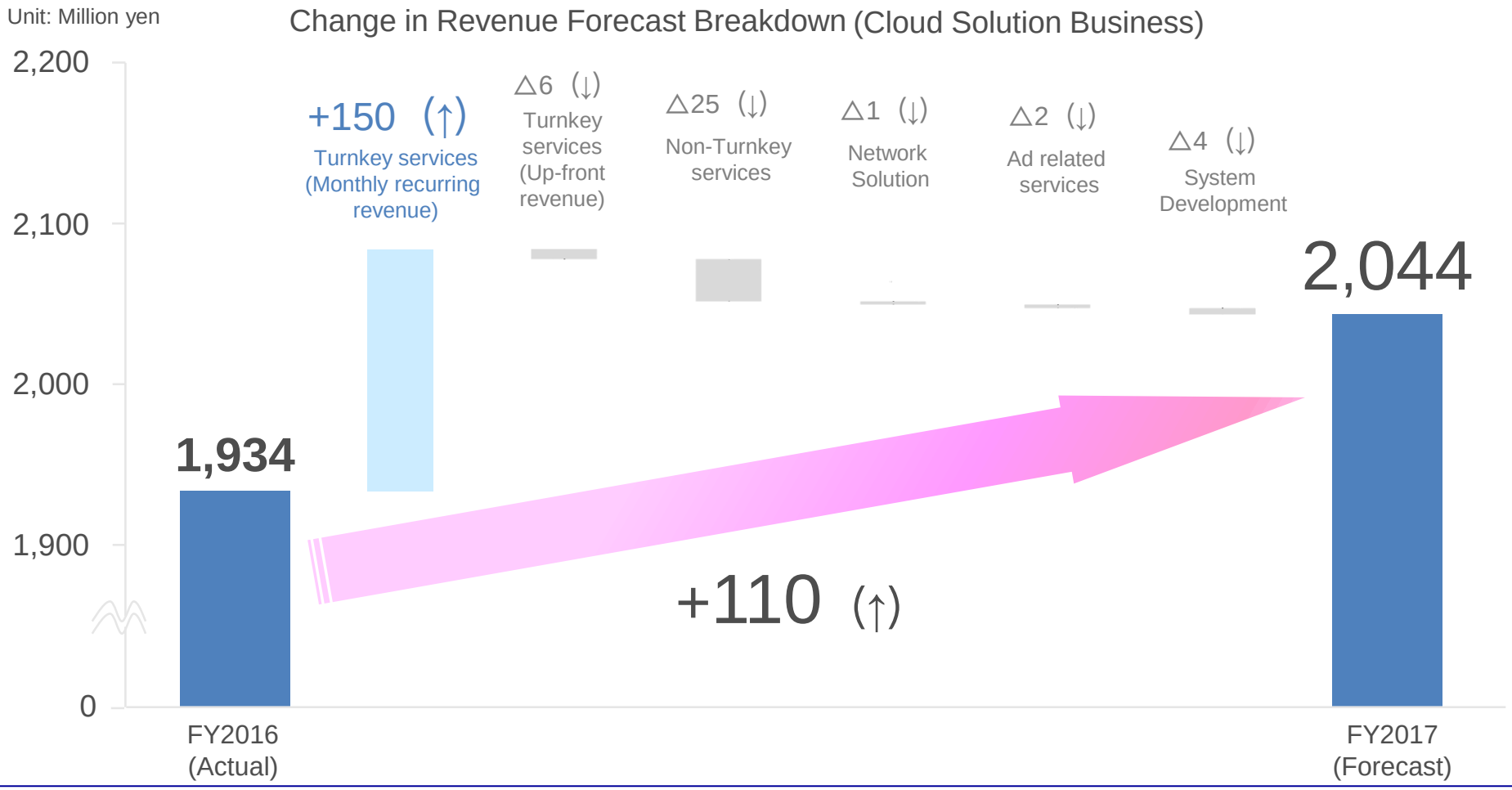
Sales Forecast: Cloud Service (Turnkey Services) Contributes



<Key Points>

Further promoting “ES e-Bukken One,” our “turnkey services (monthly recurring revenue)” revenue is expected to increase by about 150 million yen YOY, and the total sales of the cloud solution business are estimated to increase by about 110 million yen.

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

＊ Figures rounded down to the nearest million yen.

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Cloud Solution Business Revenue Forecast Breakdown

Item (Unit: million yen)	FY2016	FY2017	YOY change	YOY change (%)
Cloud Service	1,829	1,948	118	6.5%
Turnkey services *	1,697	1,841	144	8.5%
Up-front revenue	71	65	△6	△9.6%
Monthly recurring revenue	1,625	1,776	150	9.3%
Non-turnkey services *	132	106	△25	△19.6%
Network Solution	35	34	△1	△3.1%
Advanced-Cloud Service	68	61	△6	△10.0%
Ad related services	23	21	△2	△8.6%
System Development	44	40	△4	△10.7%
Total	1,934	2,044	110	5.7%

* 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.
* The above 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.

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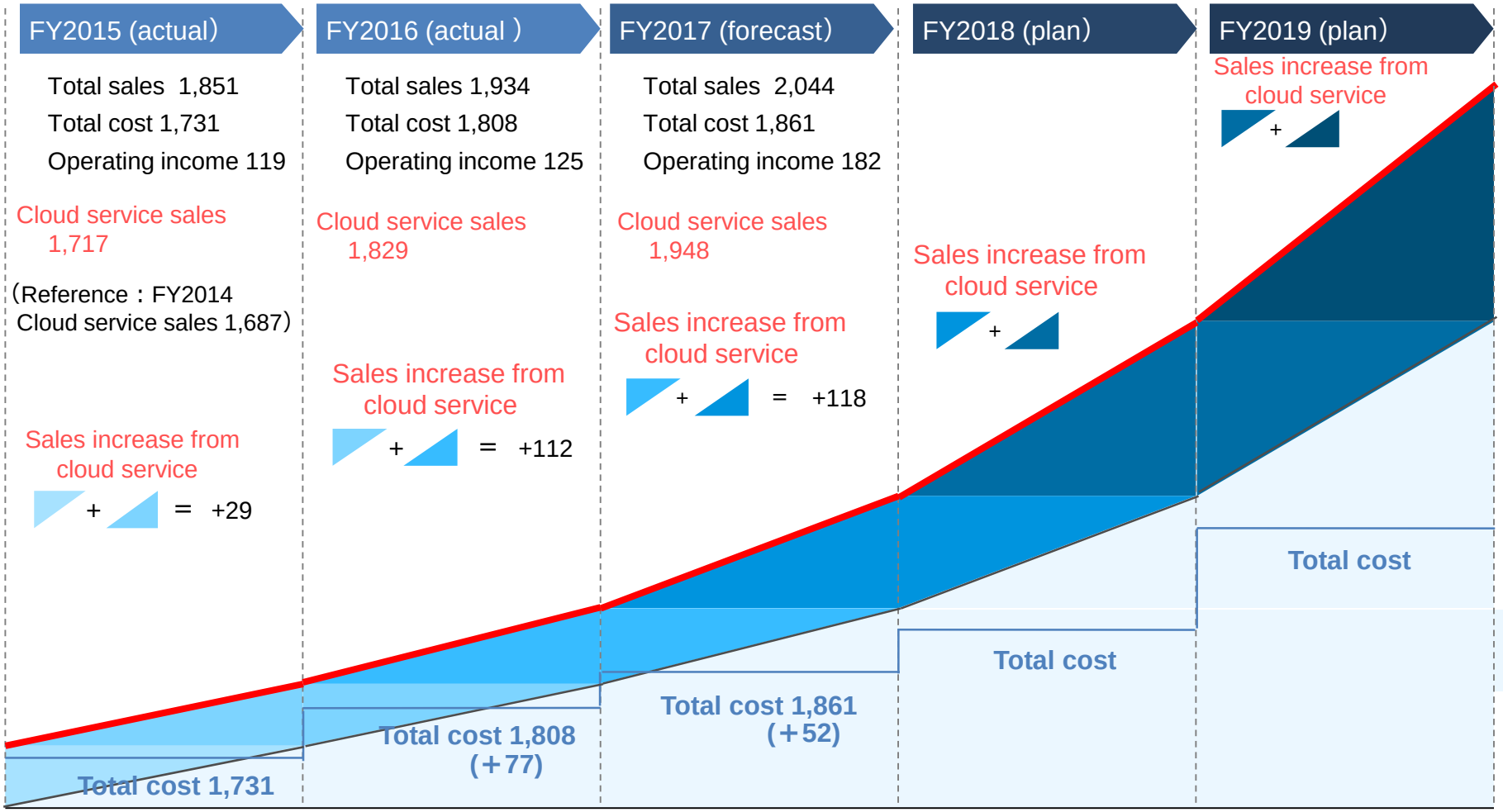
Through Continuous Building-up, Steady Increase of Revenue is Expected.

Diagram of Revenue Structure



Sales of previous term
Sales curve
Total cost curve

＊This diagram expresses the concept of the Company's revenue structure.
＊The total planned cost for FY2017 is based on the currently available information.
＊Total cost = COGS+ SG&A. （）shows the difference from the previous year.
＊The figures of cloud service sales are the amount before adjustment of internal sales.

Unit: Million yen (Figures rounded down to the nearest million yen.)

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3. Business Overview

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To Become the Best “Real Estate Tech” Company in Japan

Target Index

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

Expand and grow our client base

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

Improve sales and operation efficiency

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

Future growth

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

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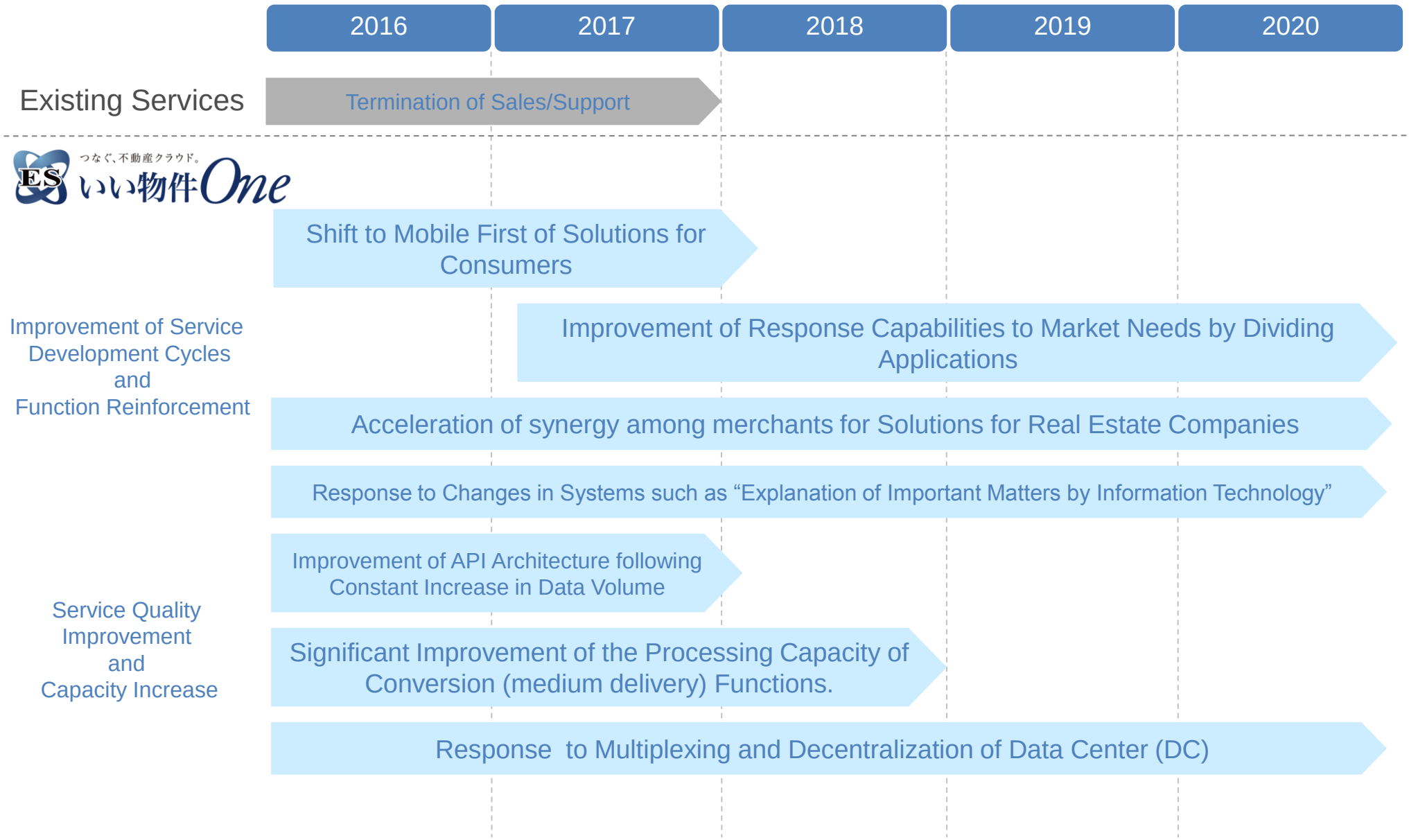
Outlook for Future Service Developments



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

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Outline of Our Services

Real estate database

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

Contract database

- Lease contracts
- Management entrustment contracts
  -
  -

Database of organizations and employees

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

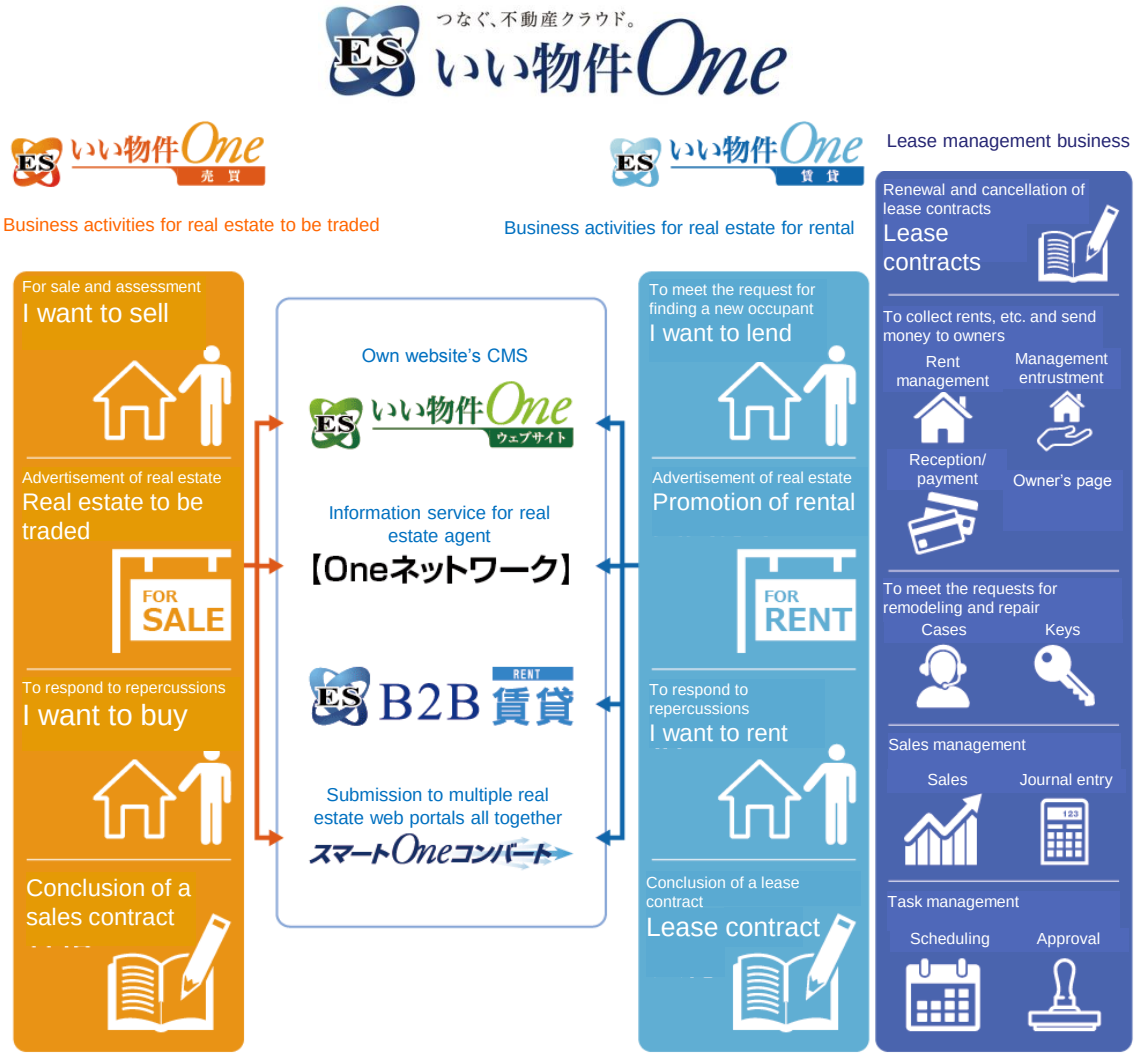
Customer database

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

Database of income, expenditure, and sales

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

More than 4,000 items can be stored.



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Soliciting, Rent Management, and Repair Management are all Fully Covered (Lease)

① Soliciting

Lease brokerage and agency businesses

To receive requests for solicitation

I want to lend

- To store transaction records

To advertise real estate

Solicitation for rental

- To post ads in their website
- To insert ads into the websites exclusively for dealers
- To insert ads into portal sites
- To print flyers
- Inter-dealer distribution
- Management of surrounding facilities

→ いい物件One ウェブサイト

→ B2B 賃貸

→ スマートOneコンパート

To respond to feedbacks

I want to rent

- To deal with inquiries
- To automatically save feedbacks
- To manage the records of approaches to customers
- To produce rent estimates

② Contracts

To newly conclude lease contracts

Lease contracts

- Application forms
- Leaflets for explaining important matters and contracts
- Settlement notes
- Transaction ledgers
- Progress management
- Storage of electronic files

■ Merits of conducting all tasks with a single system

つなぐ、不動産クラウド。
いい物件One

All tasks are covered by Cloud!

Contract update

To update lease contracts

Lease contracts

- Explanation of contract update
- Update settlement notes
- Record management
- Progress management
- To store electronic files

Contract cancellation

To cancel lease contracts

Lease contracts

- To receive requests for cancellation
- Cancellation settlement notes, restoration to the original state
- Record management
- Progress management
- To store electronic files

③ Payment

Rent collection

To collect rents, etc.

Rent management

- Money transfer to bank accounts
- Cooperation with factoring firms
- Cooperation with guarantee firms
- Management of reminders
- To charge variable expenses

To send money to outsourcers

- To offset expenses
- To conduct payments on behalf of payers
- Guarantee against delinquency
- A variety of methods for calculating remunerations
- Allocation to several owners
- Sublease indemnification management
- To produce comprehensive data of wire transfer

To report to outsourcers

- To liberalize the design for the statements of incomes and expenditures
- Plan to develop webpages that can be personalized by individual clients

④ Repair

Operation and coordination

To conclude and update contracts for management entrustment

Management entrustment

- Sublease
- To undertake operation
- Full-time management
- Real estate owned by companies

To deal with inquiries, including requests for repair

Transactions

- Inquiries from occupants
- Inquiries from owners
- Record of communications with governmental offices, etc.
- Management of orders for repair received and placed
- To store electronic files

To manage keys

Keys

Business administration

To manage sales, deposits and withdrawals

Deposits and withdrawals

Sales

Journali-zation

To manage tasks

Schedule

ToDo

Approval

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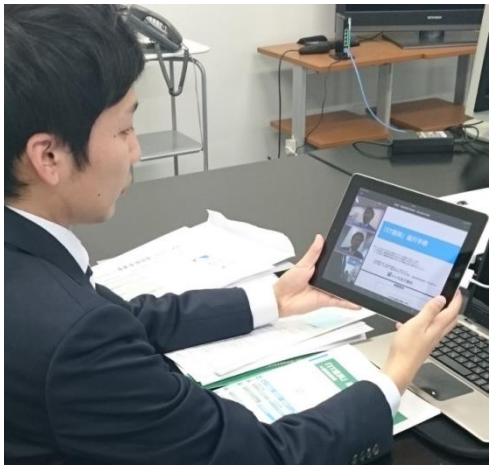
Participation in the Social Experiment of “Explanation of Important Matters by Information Technology (IT)” Promoted by the Ministry of Land, Infrastructure, Transportation and Tourism.

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

It is a social experiment implemented from August 31, 2015 to the end of January of 2017. It is an experiment to provide explanation of important matters using IT so that explanation can be given to anyone without meeting face-to-face. After the experiment, it is expected that all business operators can carry it out.

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

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





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

What is the goal of e-Seikatsu?

IT is advancing in the real estate market, including the “Explanation of Important Matters by IT”. The Company is aiming to enhance efficiency of the real estate market by enriching and promoting IT services related to real estate businesses. This way, the Company will contribute to the healthy development of the market.

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4. Appendix

Business Outline

Financial Data

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Business Outline

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Focused on the Large Real Estate Industry

- The real estate industry represents 13.2% of GDP (427 trillion yen (nominal))



Real estate industry 13.2% (56 trillion yen)

Source: National Accounts for 2014 (GDP by economic activity)

- Total real estate assets equals 1,687 trillion yen

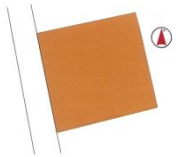
Residential
357 trillion yen



Non-residential
211 trillion yen



Land 1,118 trillion yen



Source: National Accounts for 2014 (National assets)

- There are 123,307 real estate agencies



Source: Real Estate Transaction Improvement Organization (As of the end of Mar 2016)

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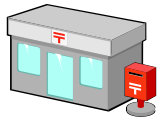
Convenience stores
54,018 stores (March 2016)

Source: JFA Convenience Store (monthly statistic report)



Post offices
24,452 offices (As of the end of Mar 2016)

Source: Japan Post Network Co., Ltd.

The number of potential clients is enormous.

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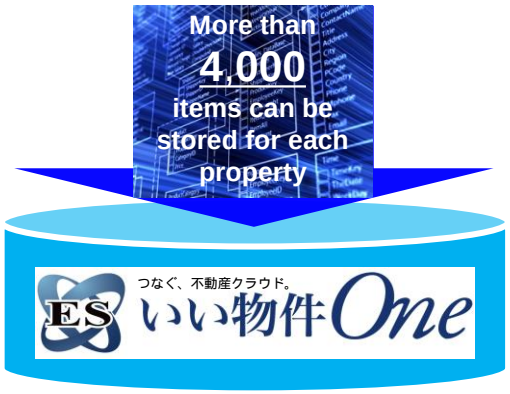
Databases is Essential for Real Estate Industry

Real estate industry is an “Information industry”

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



Diversified consumer needs!

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



Large Demand for More “User-Friendly” Databases

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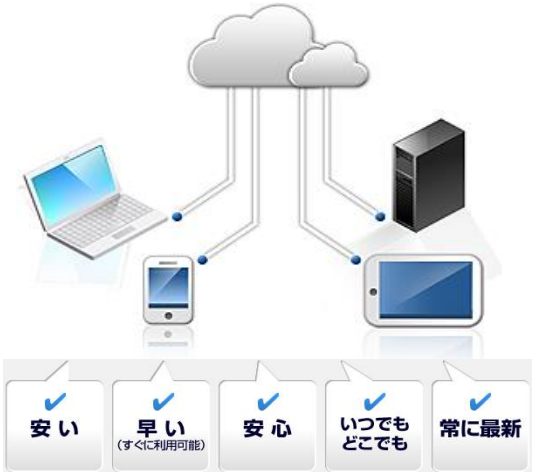
“Cloud Service” is Ideal for the Real Estate Industry



Benefits of Cloud Services

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

Real estate firms are scattered nationwide.

Small and medium-sized firms are dominant.

Work flow can be united into some patterns.

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

Cloud services specializing in real estate businesses are anticipated!

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Vision

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

Mission

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

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Competitive Advantage of e-Seikatsu

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

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

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

Swift cycle of “grasping needs → planning → development”

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

No bank borrowing and financially sound

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Quality, Safety and Reliability of Our Services

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

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

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

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

☆ Certification Date: December 16, 2014

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

ASP SaaS 安全・信頼性 情報開示 認定
0183-1412

Higher customer satisfaction with high quality services

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ES e-Bukken One won “Grand Prix-Society and Industry” of “ASPIC Cloud Award 2015*.”



ASPIC
クラウドアワード
2015

* ASPIC Cloud Award 2015 is given to excellent and socially beneficial cloud services in Japan, hosted by ASPIC and sponsored by the Ministry of Internal Affairs and Communications, etc

* ASPIC（ASP-SaaS-Cloud Consortium）was established in 1999 as a nonprofit organization with a purpose to develop and support the “Cloud-ASP-SaaS-Data Center Project.” Since then, ASPIC has been creating and expanding market as well as securing safe and reliable market for cloud service, which is positively expected as social infrastructure, in cooperation with the Ministry of Internal Affairs and Communications

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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)

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Company Profile

Established ：	January 21, 2000
Paid-in capital ：	628 million 411 thousand 540 yen (As of the end of September 2016)
Listing ：	Second Section of the Tokyo Stock Exchange (Code: 3796)
Relationship banks ：	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Resona Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, Mitsubishi UFJ Trust and Banking Corporation
# of employees ：	138 (As of the end of September 2016)
Governance System：	Company with Audit Committee

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

Audit Corporation ： Kisaragi Audit Corporation

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

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Financial Data

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“ES e-Bukken One” License and User Numbers

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

ES e-Bukken One		2014 Oct.	Nov.	Dec.	2015 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2016 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Rental Property (Leasing Management)	New	194	202	212	221	223	230	237	241	251	253	267	273	285	304	315	322	323	322	329	337	339	348	352	358
	Shift	160	167	173	219	232	234	242	249	261	276	288	297	300	311	321	334	340	340	339	345	348	351	352	358
Rental Property (Leasing Management) Total		354	369	385	440	455	464	479	490	512	529	555	570	585	615	636	656	663	662	668	682	687	699	704	716
One Management	New	57	64	73	78	80	80	88	92	104	101	110	111	114	120	125	126	126	122	123	126	123	126	138	141
	Shift	61	69	75	76	80	82	82	86	94	105	107	114	114	120	121	123	127	127	127	130	131	134	132	134
One Management Total		118	133	148	154	160	162	170	178	198	206	217	225	228	240	246	249	253	249	250	256	254	260	270	275
One Sales	New	118	126	125	128	131	134	140	148	153	152	158	161	164	167	175	177	177	180	187	193	197	203	210	216
	Shift	63	66	67	69	74	77	80	83	84	85	91	94	95	97	101	103	107	106	106	107	107	109	108	107
One Sales Total		181	192	192	197	205	211	220	231	237	237	249	255	259	264	276	280	284	286	293	300	304	312	318	323
Website	New	212	221	229	239	239	250	256	265	272	274	283	290	301	323	335	343	345	344	351	357	360	370	379	386
	Shift	168	175	181	194	205	209	216	221	230	243	258	268	271	281	290	298	305	305	305	310	313	316	317	322
Website Total		380	396	410	433	444	459	472	486	502	517	541	558	572	604	625	641	650	649	656	667	673	686	696	708
Companies		462	483	503	564	589	600	623	643	669	688	721	741	760	794	820	840	849	848	857	873	879	897	911	929

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

∗ Free accounts are not included in the above numbers.

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

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Consolidated Income Statement

(Million yen)	FY2015				FY2016				FY2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	450	452	476	473	457	481	493	501	493	505		
COGS	165	159	167	176	169	170	177	186	179	177		
Gross Profit	284	292	308	296	288	311	315	315	314	327		
Gross Profit Margin	63.2%	64.8%	64.8%	62.7%	63.0%	64.6%	63.9%	62.8%	63.8%	64.9%		
SG & A	264	261	268	267	286	280	270	266	280	274		
Operating Income	19	31	39	28	2	30	44	48	34	53		
Operating Income Margin	4.4%	7.0%	8.3%	6.1%	0.5%	6.3%	9.1%	9.6%	7.1%	10.5%		
Recurring Income	20	32	38	29	2	31	44	47	34	53		
Recurring Income Margin	4.5%	7.1%	8.2%	6.2%	0.4%	6.4%	9.0%	9.5%	7.0%	10.6%		
Extraordinary Income	—	—	—	—	—	—	—	—	—	—		
Extraordinary Loss	0	0	0	0	—	—	—	14	—	—		
Quarter Net Income	11	17	22	15	△1	17	26	18	20	33		
Net Income Margin	2.5%	3.9%	4.7%	3.3%	△0.3%	3.7%	5.4%	3.7%	4.2%	6.6%		

∗ 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.

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Consolidated Balance Sheet

(Million yen)	FY2015				FY2016				FY2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Current Assets Total	526	578	613	660	567	607	627	706	677	744		
Non-Current Assets Total	1,349	1,335	1,333	1,313	1,298	1,393	1,348	1,302	1,287	1,297		
Assets Total	1,876	1,913	1,947	1,974	1,866	2,001	1,976	2,009	1,965	2,041		
Current Liabilities Total	264	293	319	343	264	312	272	296	269	322		
Non-Current Liabilities Total	99	90	75	63	59	128	117	106	96	86		
Liabilities Total	364	383	395	406	324	441	389	403	366	409		
Net Assets Total	1,512	1,529	1,552	1,567	1,542	1,559	1,586	1,605	1,598	1,632		
Liabilities & Net Assets Total	1,876	1,913	1,947	1,974	1,866	2,001	1,976	2,009	1,965	2,041		

∗ Figures are rounded down to the nearest million yen.

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Consolidated Cash Flow Statement

(Million yen)	FY2015				FY2016				FY2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
CF from Operating Activities	132	162	145	145	38	169	121	180	104	206		
CF from Investing Activities	△115	△88	△97	△103	△94	△109	△80	△86	△101	△115		
CF from Financing Activities	△28	△13	△10	△10	△32	△13	△17	△15	△39	△14		
Net increase in cash and cash equivalents (△decrease)	△11	60	37	31	△87	45	23	78	△36	77		
Cash and Cash Equivalents (end of term)	434	495	533	564	477	523	546	625	588	666		

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

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

＊ Figures are rounded down to the nearest million yen.

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Cloud Solution Business Revenues by Product

	FY2015				FY2016				FY2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Cloud Service	418	426	434	437	441	450	468	469	472	480		
Turnkey services	376	384	393	396	407	417	434	437	440	448		
Up-front revenue	9	14	18	15	18	17	22	13	13	15		
Monthly recurring revenue	367	370	374	381	389	399	412	424	426	432		
Non-turnkey services	41	41	41	41	33	33	33	31	32	32		
Network Solution	8	8	8	9	8	8	8	9	8	8		
Advanced-Cloud Service	22	17	32	25	7	22	15	21	12	15		
Ad related services	8	7	7	6	6	5	5	5	4	4		
System Development	14	9	25	19	1	16	10	16	7	11		
Sales Total	450	452	475	473	457	482	492	501	494	505		
Number of Cloud Service clients (Companies)	1,300	1,294	1,290	1,245	1,254	1,256	1,280	1,266	1,273	1,291		
Number of employees (Non-consolidated)	138	140	134	131	146	140	137	127	138	138		

＊ 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.

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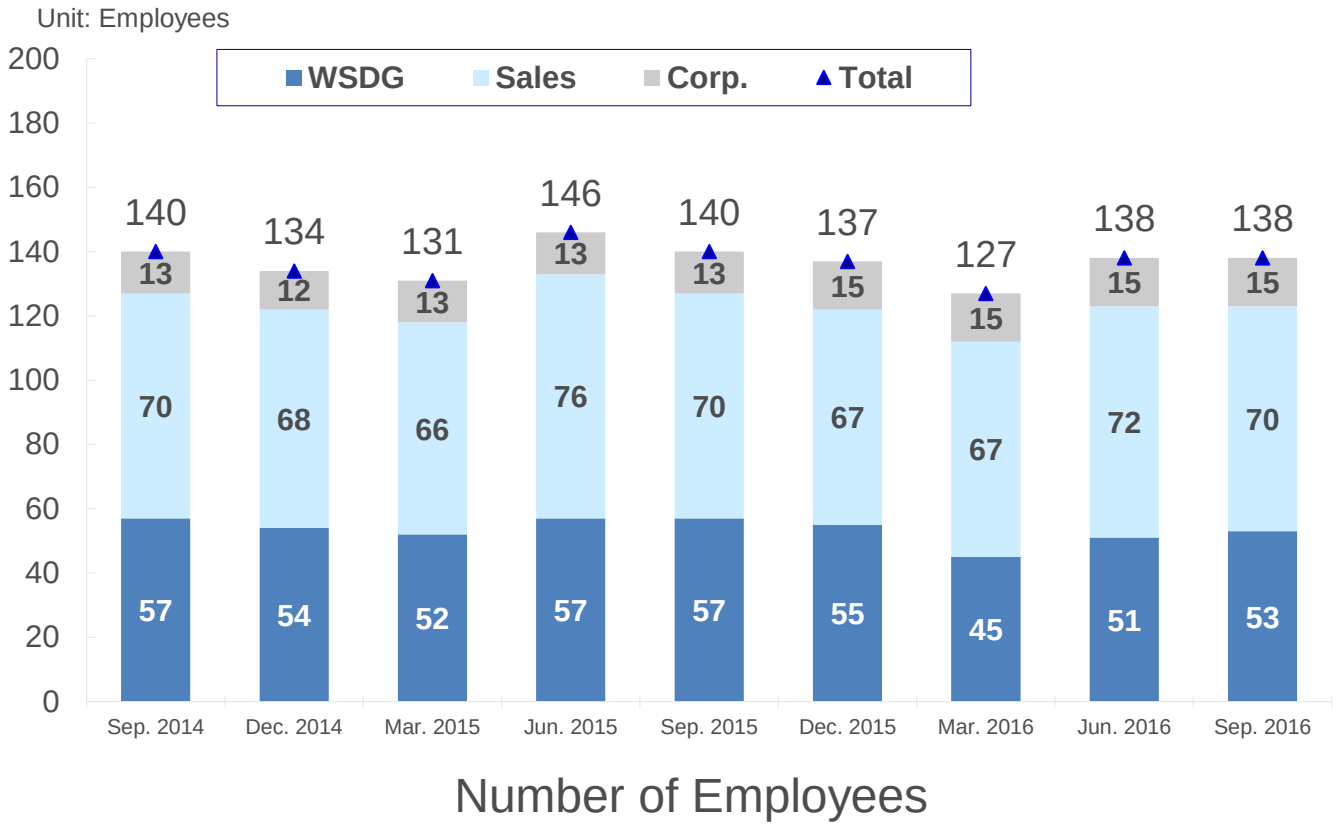
Number of Employees



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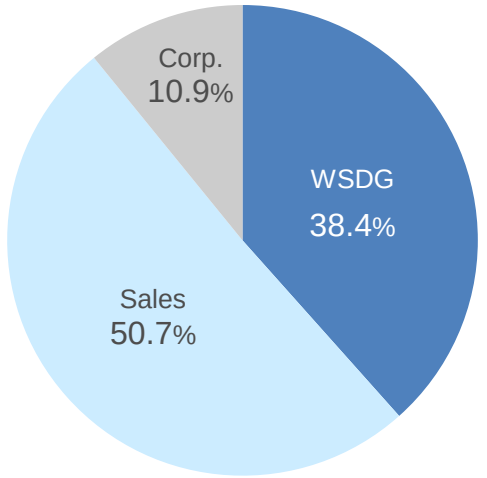

Breakdown by Division (September, 2016)

∗Excluding directors, advisors, and part-time workers.
∗WSDG: Web Solution Development Group, Sales: Sales & Sales Planning Group, Corp: Corporate staff

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“ IT × Real Estate ”

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

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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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