



Investor Meeting for the First Half of Fiscal Year Ending in March 2015 (April 1, 2014 to September 30, 2014)

November 5, 2014
PROTO CORPORATION (4298)

Financial Data (Consolidated)

Shares outstanding (million)	20.9
Market capitalization (¥ billion, September 2014)	33.4
DPS (¥, FY March 2015, Forecast)	38.0
EPS (¥, FY March 2015, Forecast)	168.25
BPS (¥, March 2014)	1,280.38
ROE (% , FY March 2014, Net income basis)	10.5
ROA (% , FY March 2014, Ordinary income basis)	12.7
Equity ratio (% , March 2014)	59.6
Potential share dilution (million)	-
Foreign ownership (% , June 2014)	25.1

Major Shareholders

	(Thousands)
1) Mugen Corporation	6,807 (32.50%)
2) JPMCC Client Safekeeping Account	1,186 (5.66%)
3) Hiroichi Yokoyama	840 (4.01%)
4) JP Morgan Chase Bank 385632	568 (2.71%)
5) Japan Trustee Services Bank, Ltd. (Trust Account)	509 (2.43%)
6) BBH for Fidelity Low-Priced Stock Fund(Principal All Sector Subportfolio)	496 (2.36%)
7) PROTO CORPORATION	494 (2.36%)
8) Yoshihiro Yokoyama	404 (1.92%)
9) Clearstream Banking SA	384 (1.83%)
10) Minoru Saito	340 (1.62%)

(As of September 30, 2014)

Consolidated Statements of Income (1)



Status of Consolidated Income

(Unit: million yen)

	Apr-Sep 2013		Apr-Sep 2014				YoY change		Achievement rate	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
Net Sales	27,724	100.0%	26,821	100.0%	(1) 23,963	100.0%	(3,760)	86.4%	(2,857)	89.3%
Cost of Sales	17,176	62.0%	16,040	59.8%	13,724	57.3%	(3,451)	79.9%	(2,315)	85.6%
Gross Profit	10,547	38.0%	10,781	40.2%	10,239	42.7%	(308)	97.1%	(541)	95.0%
SG&A Expenses	8,090	29.2%	8,331	31.1%	7,646	31.9%	(444)	94.5%	(684)	91.8%
EBITDA	3,286	11.9%	3,356	12.5%	3,473	14.5%	186	105.7%	116	103.5%
Operating Income	2,456	8.9%	2,450	9.1%	2,592	10.8%	135	105.5%	142	105.8%
Ordinary Income	2,612	9.4%	2,485	9.3%	2,684	11.2%	71	102.8%	199	108.0%
Net Income	1,312	4.7%	1,445	5.4%	1,769	7.4%	457	134.8%	324	122.5%

* EBITDA is calculated based on "operating income + depreciation + amortization of goodwill".

* The earnings forecast for the period April to September 2014 is a value announced on May 12, 2014.

Modification of business forecasts for the first half which was announced on September 12, 2014.

Net Sales: 24,037 million yen, Operating Income: 2,450 million yen, Ordinary Income: 2,541 million yen, Net Income: 1,656 million yen

Status of SG & A Expenses

(Unit: million yen)

	Apr-Sep 2013		Apr-Sep 2014				YoY change		Achievement rate	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
SG&A Expenses	8,090	29.2%	8,331	31.1%	7,646	31.9%	(444)	94.5%	(684)	91.8%
Employment Cost	3,538	12.8%	3,763	14.0%	3,534	14.7%	(4)	99.9%	(229)	93.9%
Advertising Cost	1,390	5.0%	1,391	5.2%	1,234	5.2%	(155)	88.8%	(157)	88.7%
Other Expenses	3,162	11.4%	3,175	11.8%	2,878	12.0%	(284)	91.0%	(296)	90.6%
Number of Employees	1,304	-	1,406	-	1,325	-	21	101.6%	(81)	94.2%

Point (1)

Net Sales: Especially in the automobile-related information business, the export volume of expensive vehicles of Kings Auto Co., Ltd. decreased, and so the sales of the company declined considerably. In addition, in the wake of the consumption tax hike, the sales volume of tires of AUTOWAY Co., Ltd., which sells imported tires, decreased and the e-commerce sales of motorbike parts of BikeBros Co., Ltd. declined from the previous year. As a result, the total sales of our group decreased by 3,760 million yen from the same period of the previous year (86.4% compared with the same period of the previous year). The total sales to the target value was 89.3%, mainly because the sales volume of tires of AUTOWAY Co., Ltd. was smaller than the target value.

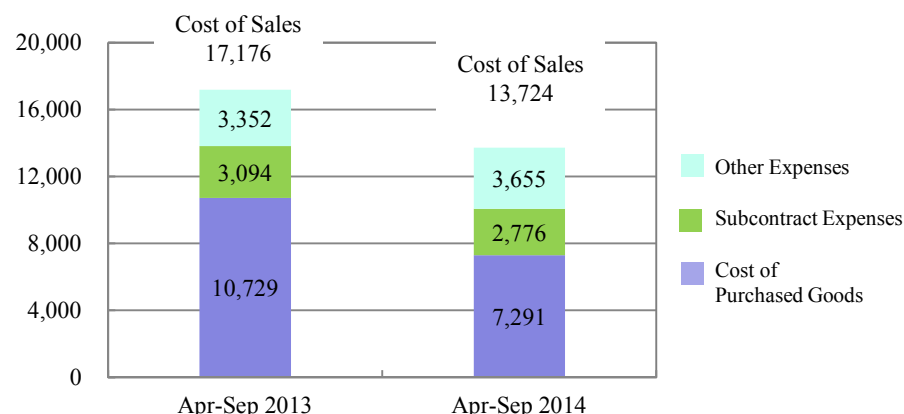
Consolidated Statements of Income (2)



Operating Results (Apr-Sep 2014)

Changes in Cost of Sales

(Unit: million yen)

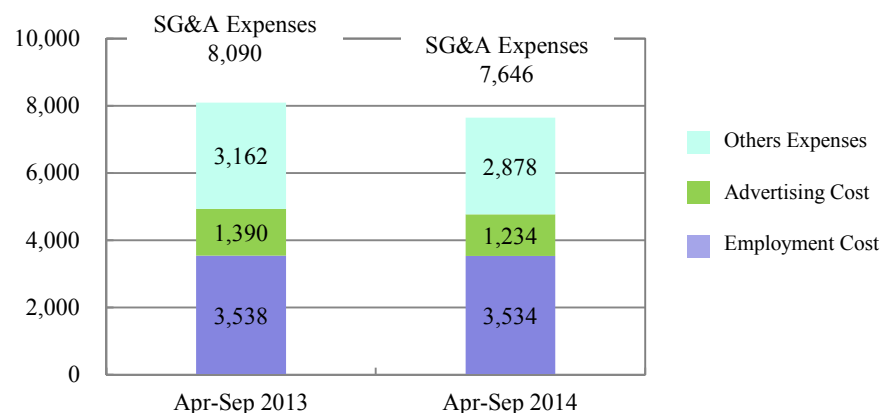


Cost of Sales

The cost of purchased goods for the entire corporate group decreased by 3,437 million yen (68.0% compared with the same period of the previous year), due mainly to the decreases in the costs of sales for Kings Auto Co., Ltd. (down 2,165 million yen) and AUTOWAY Co., Ltd. (down 727 million yen). The subcontract expenses for the entire corporate group decreased by 317 million yen (89.7% compared with the same period of the previous year), mainly because the outsourcing expense for the Internet ad agency business (withdrawn at the end of Mar. 2014) of PROTO CORPORATION became lower. Other expenses for the entire corporate group increased by 304 million yen (109.1% compared with the same period of the previous year), mainly because the number of employees of PROTO MEDICAL CARE increased. As a result, the ratio of cost of sales to that for the same period of the previous year was 79.9% (sales cost ratio decreased by 4.7%). The ratio of cost of sales to the target value for the entire group was 85.6%, mainly because the sales volume of tires of AUTOWAY Co., Ltd. was smaller than the target value.

Changes in SG&A Expenses

(Unit: million yen)



SG&A Expenses

The employment cost for the entire corporate group decreased by 4 million yen (99.9% compared with the same period of the previous year), mainly because the number of employees decreased as PROTO CORPORATION withdrew from unprofitable businesses.

The advertising cost for the entire corporate group decreased by 155 million yen (88.8% compared with the same period of the previous year), mainly because AUTOWAY Co., Ltd. attempted to streamline website promotion. Other expenses for the entire corporate group decreased by 284 million yen (91.0% compared with the same period of the previous year), mainly because AUTOWAY Co., Ltd. reduced outsourcing costs and commissions, as sales declined. As a result, the ratio of SG&A expenses to that in the same period of the previous year was 94.5% (SG&A ratio increased by 2.7%). The ratio of SG&A expenses to the target value for the entire corporate group was 91.8%, because the SG&A expenses of AUTOWAY Co., Ltd. and the employment cost of PROTO CORPORATION were lower than the target values.

Operating Results by Segment (1)



Sales

(Unit: million yen)

	Apr-Sep 2013		Apr-Sep 2014			
	Results (A)	Composition ratio	Forecast (B)	Composition ratio	Results (C)	Composition ratio
Automobile-related	25,404	91.6%	24,631	91.8%	21,804	91.0%
Info Registration Fee	10,230	36.9%	10,539	39.3%	10,330	43.1%
Information Service Fee	15,173	54.7%	14,092	52.5%	11,473	47.9%
Lifestyle-related	1,771	6.4%	1,704	6.4%	1,690	7.1%
Real Estate	84	0.3%	72	0.3%	82	0.3%
Other Business	464	1.7%	412	1.5%	386	1.6%
Total	27,724	100.0%	26,821	100.0%	23,963	100.0%

YoY change		Achievement rate	
(C)-(A)	%	(C)-(B)	%
(3,600)	85.8%	(2,827)	88.5%
100	101.0%	(208)	98.0%
(3,700)	75.6%	(2,618)	81.4%
(80)	95.4%	(14)	99.2%
(1)	97.7%	10	114.0%
(77)	83.3%	(25)	93.7%
(3,760)	86.4%	(2,857)	89.3%

1) Info Registration Fee: Advertising in information magazines and Internet media, etc.

2) Information Service Fee: Selling information magazines, providing contents, used car export support service and EC (sales of imported tires, parts for motorcycles), etc.

3) The earnings forecast for the period April to September 2014 is a value announced on May 12, 2014.

Operating Income

(Unit: million yen)

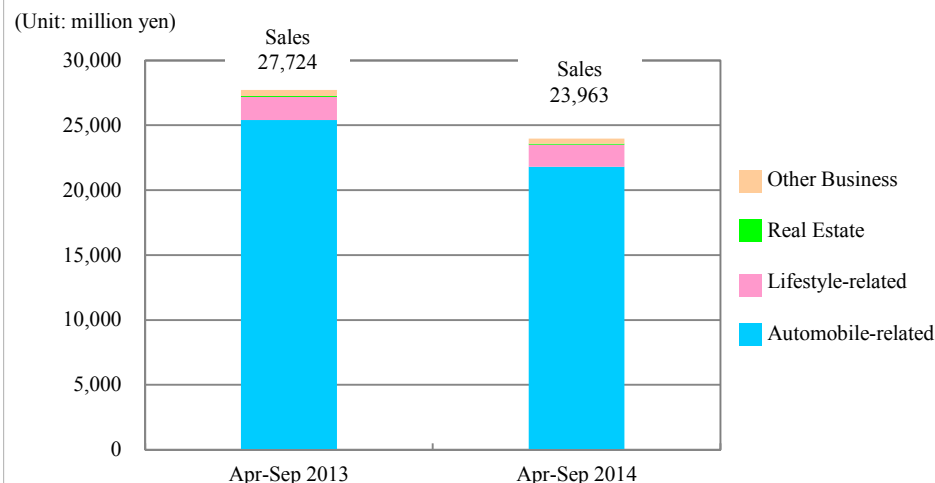
	Apr-Sep 2013		Apr-Sep 2014			
	Results (A)	Profit ratio	Forecast (B)	Profit ratio	Results (C)	Profit ratio
Automobile-related	3,225	12.7%	3,224	13.1%	3,270	15.0%
Lifestyle-related	119	6.7%	144	8.5%	186	11.0%
Real Estate	46	54.8%	15	21.5%	50	60.7%
Other Business	(98)	-	0	0.1%	(47)	-
Management Division	(836)	-	(935)	-	(866)	-
Total	2,456	8.9%	2,450	9.1%	2,592	10.8%

YoY change		Achievement rate	
(C)-(A)	%	(C)-(B)	%
44	101.4%	45	101.4%
66	155.8%	41	129.1%
3	108.2%	34	321.9%
50	-	(48)	-
(29)	-	69	-
135	105.5%	142	105.8%

Operating Results by Segment (2)



Changes in Sales by Segment



Automobile-related Information

In the first half, the business environment of used car dealers was stringent, because of the adverse effects of the consumption tax hike. The sales from information registration fee increased by 100 million yen (101.0% compared with the same period of the previous year), because of the promotion of “MOTOR GATE,” etc.

The sales from information service fee decreased by 3,700 million yen (75.6% compared with the same period of the previous year), because the export volume of used expensive vehicles of Kings Auto Co., Ltd. declined, decreasing sales 2,278 million yen (54.8% compared with the same period of the previous year), and the e-commerce sales of imported tires of AUTOWAY Co., Ltd. decreased by 1,010 million yen (82.7% compared with the same period of the previous year).

Operating income increased by 44 million yen (101.4% compared with the same period of the previous year), as PROTO CORPORATION conducted prior investment in the new businesses “GooPLUS” and “GooPit,” but employment and advertising costs were lower compared with the same period of the previous year.

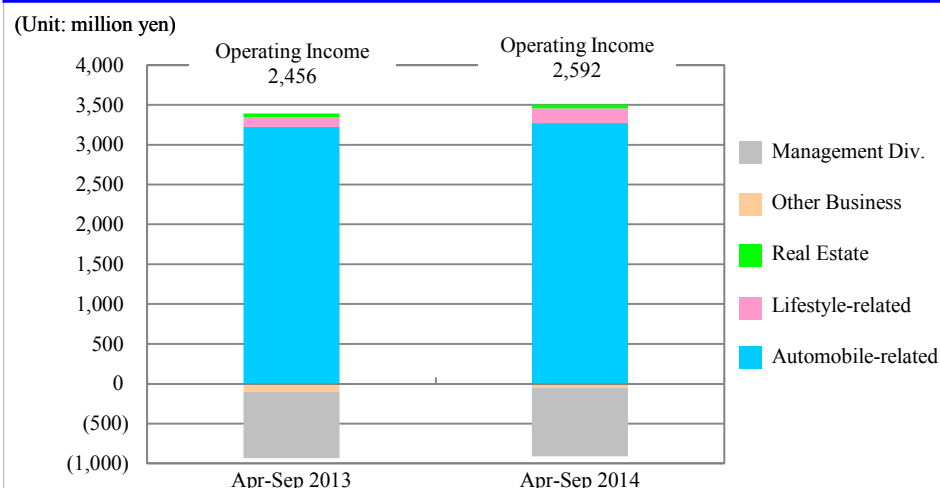
Lifestyle-related Information

PROTO MEDICAL CARE saw increases in sales and income, as its advertisement business in the fields of medicine, nursing care, and welfare and its welfare equipment rental business, etc. were healthy. However, the sales of the lifestyle-related information business decreased by 80 million yen (95.4% compared with the same period of the previous year), partly because sales decreased by 379 million yen due to the withdrawal of the Internet ad agency business of PROTO CORPORATION in Mar. 2014. On the other hand, operating income increased by 66 million yen (155.8%), because the performance of PROTO MEDICAL CARE was healthy and unprofitable businesses were discontinued.

Other Business

The sales of other businesses decreased by 77 million yen (83.3% compared with the same period of the previous year), mainly because PROTO CORPORATION withdrew from the social game business in Dec. 2013. As for operating income, there was a loss of 47 million yen (a loss of 98 million yen for the same period of the previous year), because of the withdrawal from the social game business, etc.

Changes in Operating Income by Segment

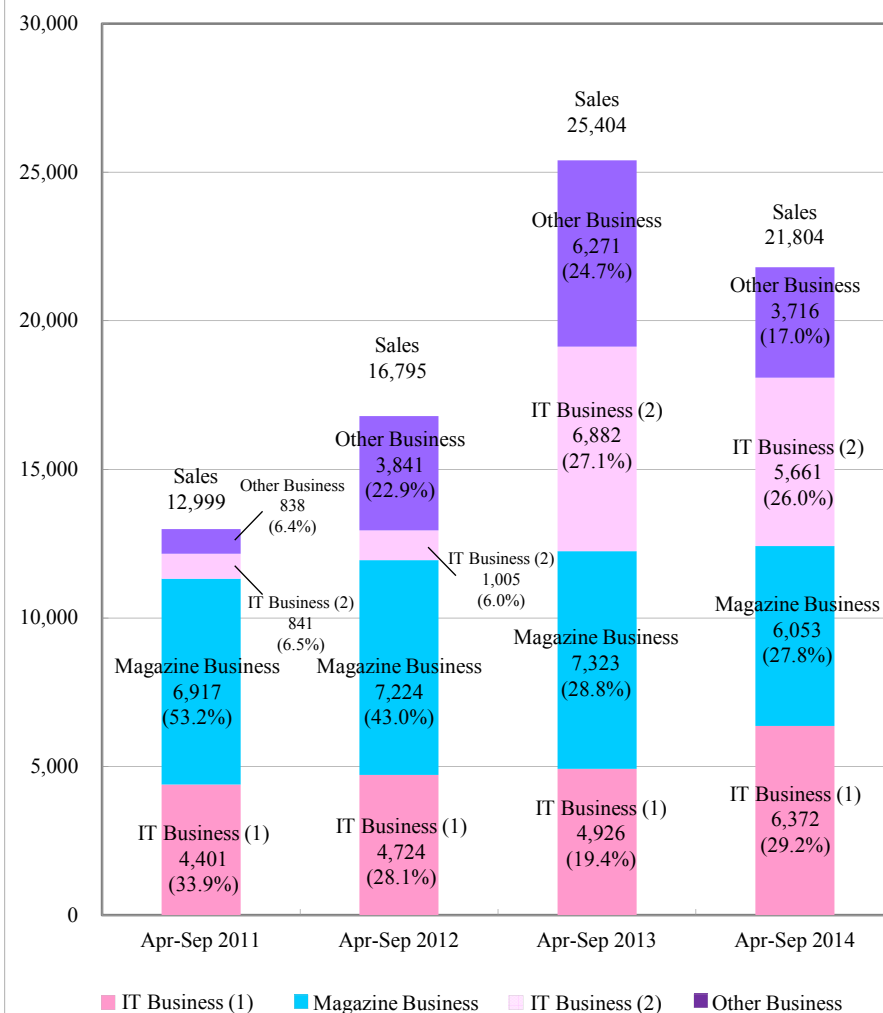


Operating Results of Automobile-related Information (1)



Changes in Automobile-related Sales by Product Classification

(Unit: million yen) *Parentheses represent composition ratios.



Magazine Business

The total sales of the magazine business decreased by 1,269 million yen (82.7% compared with the same period of the previous year), mainly because the charging system of the Goo Series was changed in some areas (shifting from the magazine business to the IT business) in the current term.

IT Business (1) (MOTOR GATE usage fee, B to B data service etc.)

The sales of the IT business (1) increased by 1,445 million yen (129.3% compared with the same period of the previous year), because the charging system of the Goo Series was changed as mentioned above, the number of client firms increased thanks to the promotion of “MOTOR GATE” and PROTO-RIOS INC. promoted the business support system.

IT Business (2) (EC)

The sales of the IT business (2) decreased by 1,221 million yen (82.3% compared with the same period of the previous year), mainly because the sales volume of tires to corporations of AUTOWAY Co., Ltd., which sells imported tires, was smaller than that for the previous year, in the wake of the consumption tax hike.

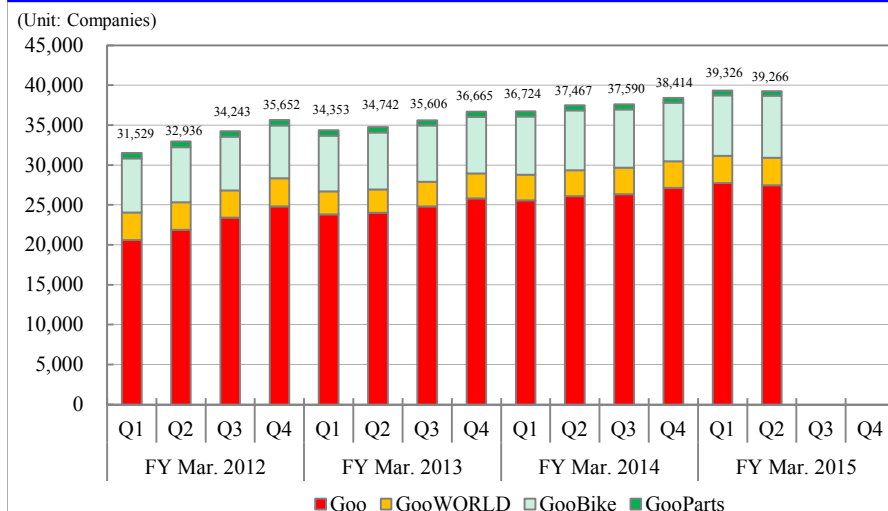
Other Business (Goo-inspection, Service of supporting the export of used cars etc.)

The sales of other businesses decreased by 2,554 million yen (59.3% compared with the same period of the previous year), mainly because the used car export business of Kings Auto Co., Ltd. witnessed a decline in the export volume of luxury cars and PROTO CORPORATION withdrew its Goo purchase business.

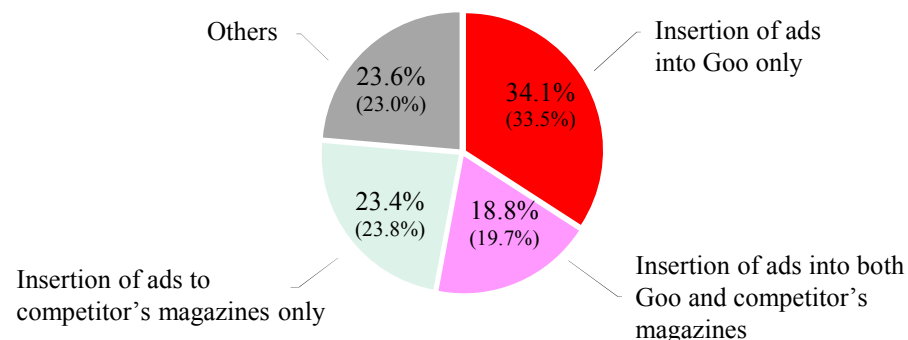
Operating Results of Automobile-related Information (2)



Changes in Quarterly Totals of Business Partners for Goo Series



Situation of Market Share (Compared with Competitors)



* Competitor's magazine: Car Sensor (Mj Magazine in Shikoku, Crossroad in Okinawa)

* The numerical value has totaled for the entire area.

* Method for counting client companies: To count the number of dealers that inserted their ads into information magazines.

* The parenthesis represents the share as of Sep. 2013. (Surveyed by our company in September 2014)

Changes in Quarterly Totals of Business Partners for Goo Series

The accumulated business partners for the entire Goo Series during the first and second quarters (April to September) increased to 105.9% compared with the same period of the previous year.

Because of the increase in the number of small retails, the average unit price per month during the first and second quarters (April to September) was 96.1% compared with the same period of the previous year.

Situation of Market Share (Compared with Competitors)

As for market share, the firms that insert their ads into Goo only increased their share by 0.6 points, the firms that insert their ads into Goo and other magazines decreased their share by 0.9 points, and so our market share decreased by 0.3 points from the same month of the previous year. The firms that insert their ads into competitors' magazines only decreased their share by 0.4 points.

Situation of Goo Inspection

Because of the adverse effects of the consumption tax hike, etc., the cumulative number of cars that have undergone Goo Inspection (from Apr. to Sep.) was 142,860 (99.2% compared with the same period of the previous year). In September of the previous year, a charge-free inspection campaign was conducted in some areas.

Situation of GooPLUS

For GooPLUS, we conducted tentative marketing in Mar. 2014, offered this service in the Tokai area in May 2014, and started this service nationwide in Aug. 2014.

As a result, the cumulative number of GooPLUS vehicles (Apr.-Sep.) was 1,335.

Situation of GooPit

For GooPit, we started the service in the Tokai area in Dec. 2013, and commenced sales promotion in the Tokyo metropolitan and Kansai areas in Jul. 2014, to prepare for the nationwide release of GooPit in 2015.

Consolidated Balance Sheet



(Unit: million yen)

	FY Mar. 2014 (As of March 31, 2014)		FY Mar. 2015 (As of September 30, 2014)		Increase/Decrease (B) - (A)	
	(A)	Composition ratio	(B)	Composition ratio		
Current Assets	22,815	52.0%	22,617	52.5%	(1)	(197)
Fixed Assets	21,091	48.0%	20,426	47.5%	(2)	(665)
Current Liabilities	13,174	30.0%	11,914	27.7%	(3)	(1,260)
Long-term Liabilities	4,554	10.4%	3,820	8.9%	(4)	(734)
Net Assets	26,177	59.6%	27,308	63.4%		1,130
Total Assets	43,907	-	43,043	-		(863)

Point (1) Decrease in Current Assets (197 million yen decrease from the end of the term ended March 2014)

Current assets decreased by 197 million yen from the end of the previous consolidated fiscal year, mainly because inventory assets decreased through the rationalization of product stocks of AUTOWAY Co., Ltd, although cash and deposits increased as operating cash flow exceeded the expenses including the repayment of loans and the payment of accrued income tax.

Point (2) Decrease in Fixed Assets (665million yen decrease from the end of the term ended March 2014)

Fixed assets decreased by 665 million yen from the end of the previous consolidated fiscal year, mainly because depreciation and goodwill amortization were posted.

Point (3) Decrease in Current Liabilities (1,260 million yen decrease from the end of the term ended March 2014)

Current liabilities decreased by 1,260 million yen from the end of the previous consolidated fiscal year, mainly because of the decrease in accrued income tax, etc. due to the payment of income tax, and the repayment of short-term loans of AUTOWAY Co., Ltd. and Kings Auto Co., Ltd.

Point (4) Decrease in Long-term Liabilities (734 million yen decrease from the end of the term ended March 2014)

Long-term liabilities decreased by 734 million yen from the end of the previous consolidated fiscal year, because of the repayment of long-term loans of AUTOWAY Co., Ltd. and Kings Auto Co., Ltd.

Consolidated Statements of Cash Flows



(Unit: million yen)

	FY March 2014 (Apr-Sep 2013)	FY March 2015 (Apr-Sep 2014)	Increase/Decrease	(Reference) FY March 2014
Cash Flows from Operating Activities	939	(1) 3,887	2,948	4,235
Cash Flows from Investing Activities	(4,900)	(2) (294)	4,606	(5,294)
Cash Flows from Financing Activities	111	(3) (2,732)	(2,844)	(2,720)
Cash and Cash Equivalents at End of Term	10,971	11,976	1,004	11,097
Investment Amount (Tangible/intangible fixed assets*)	4,842	334	(4,508)	5,715
Depreciation (Tangible/intangible fixed assets)	373	424	50	819
Amortization of Goodwill	456	456	0	928

* The investment amount includes the amount to acquire tangible/intangible fixed assets as well as goodwill.

Point (1) Cash Flows from Operating Activities

There was an income of 3,887 million yen, because 2,915 million yen was recorded for income before income taxes, 881 million yen was posted as expenses that are not actually paid such as depreciation and goodwill amortization, inventory assets and trade accounts receivable decreased by 668 million yen and 518 million yen, respectively, because of the rationalization of inventories of AUTOWAY Co., Ltd. and Kings Auto Co., Ltd., while 1,583 million yen was paid for income tax, etc.

Point (2) Cash Flows from Investing Activities

There was an expenditure of 294 million yen, because we paid 55 million yen for taking over businesses and 252 million yen for acquiring fixed assets.

Point (3) Cash Flows from Financing Activities

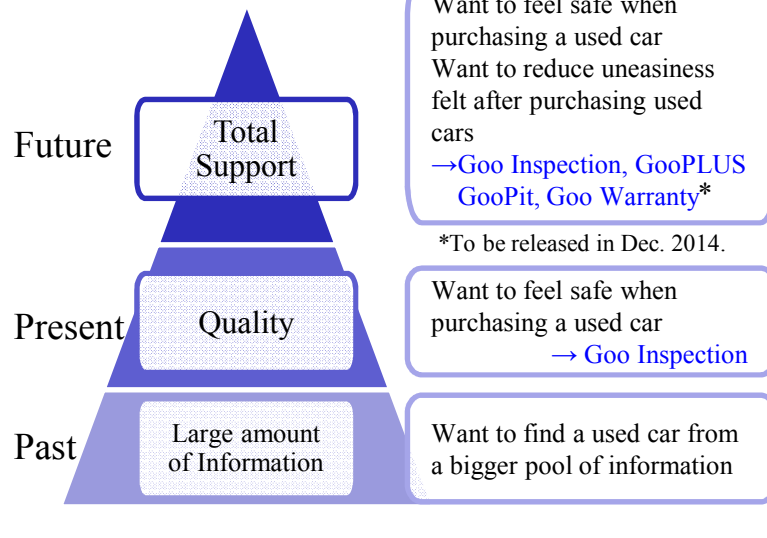
There was an expenditure of 2,732 million yen, because short and long-term loans decreased by 2,349 million yen and we paid 383 million yen as term-end dividends for the previous term.

Medium to Long-term Business Strategies

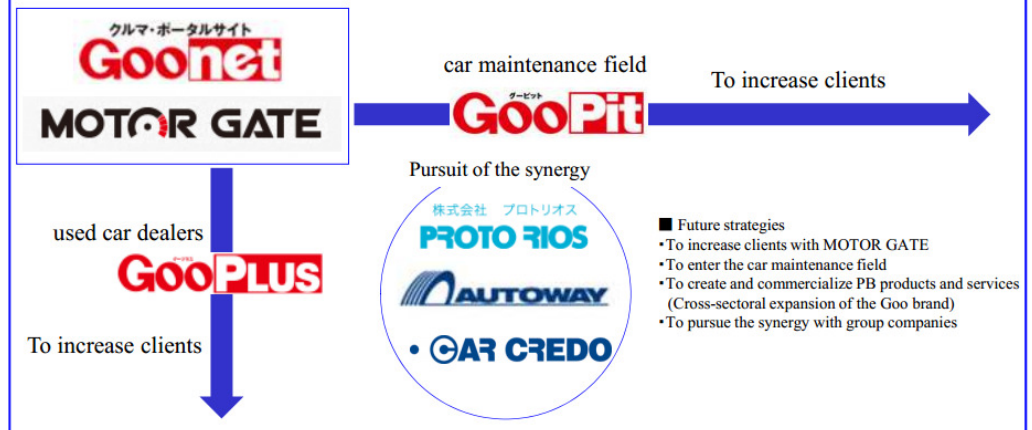
<Changes in the market environment>

- Lengthening of vehicle-change cycle
(average number of years of use and average vehicle age increased)
- Shortage of used cars
(Sales volume of new cars decreased, and the number of exported cars increased)
- Decrease in disposable income
- Young people have less interests in cars
(Users who do not have the knowledge of or interests in vehicles increased)

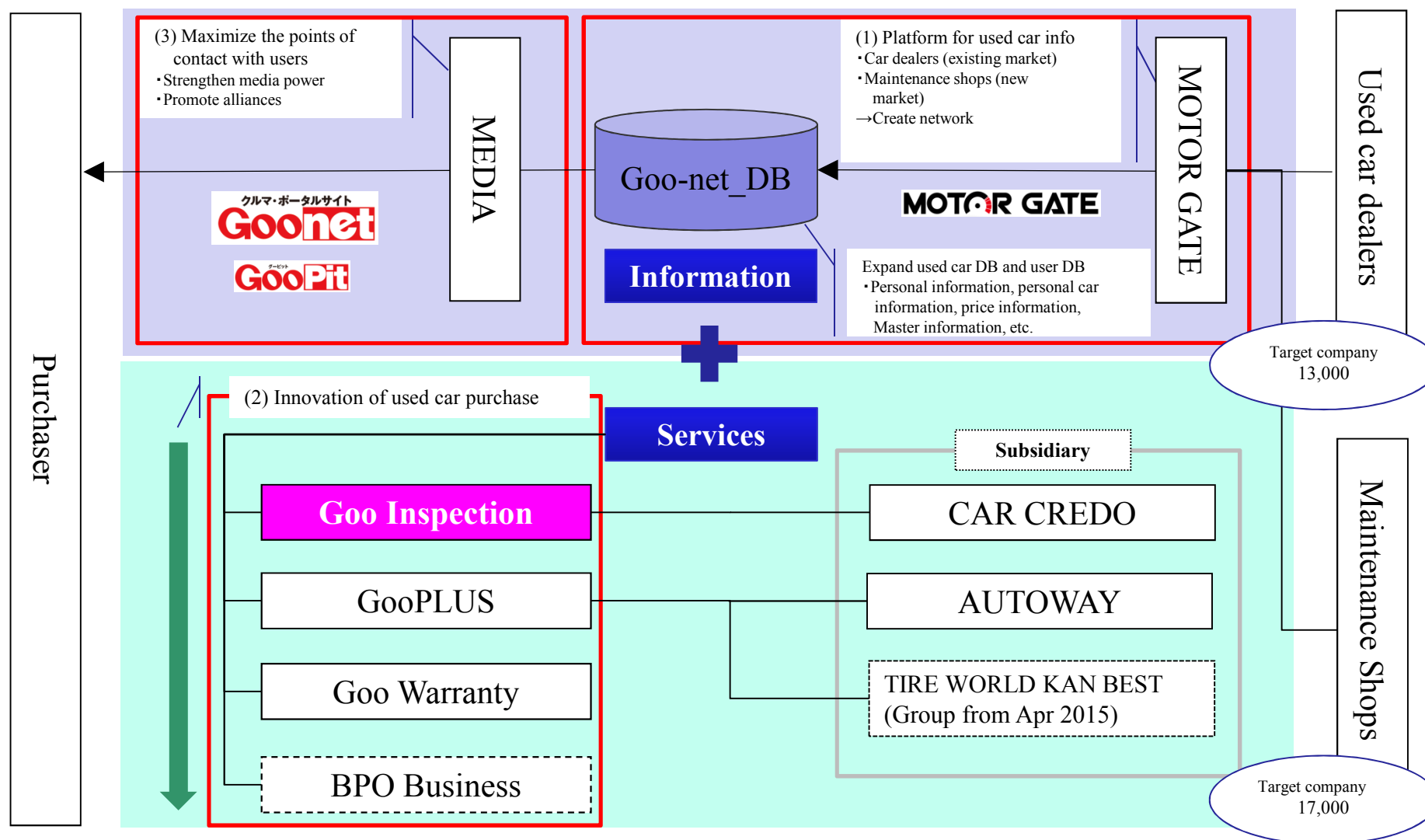
<Changes in Users' Needs>



GooPLUS to buy used cars (Goo-inspection) GooPit after buying used cars



* Excerpt from the reference material for the results briefing released on May 13, 2014.



Aim to obtain majority of retail sales contracts by combining advertising model business, which provides users with information on used car inventory from used car dealers, and a service that contributes to raising the value of used cars.

1

Platform for used car information

Goal for the term ending Mar. 2018:

To increase the number of client firms of MOTOR GATE to 30,000 and realize a network among clients

2

Innovation of used car purchase

To offer products and services that dispel worries at the time of and after the purchase of used cars

3

Maximize the points of contact with users

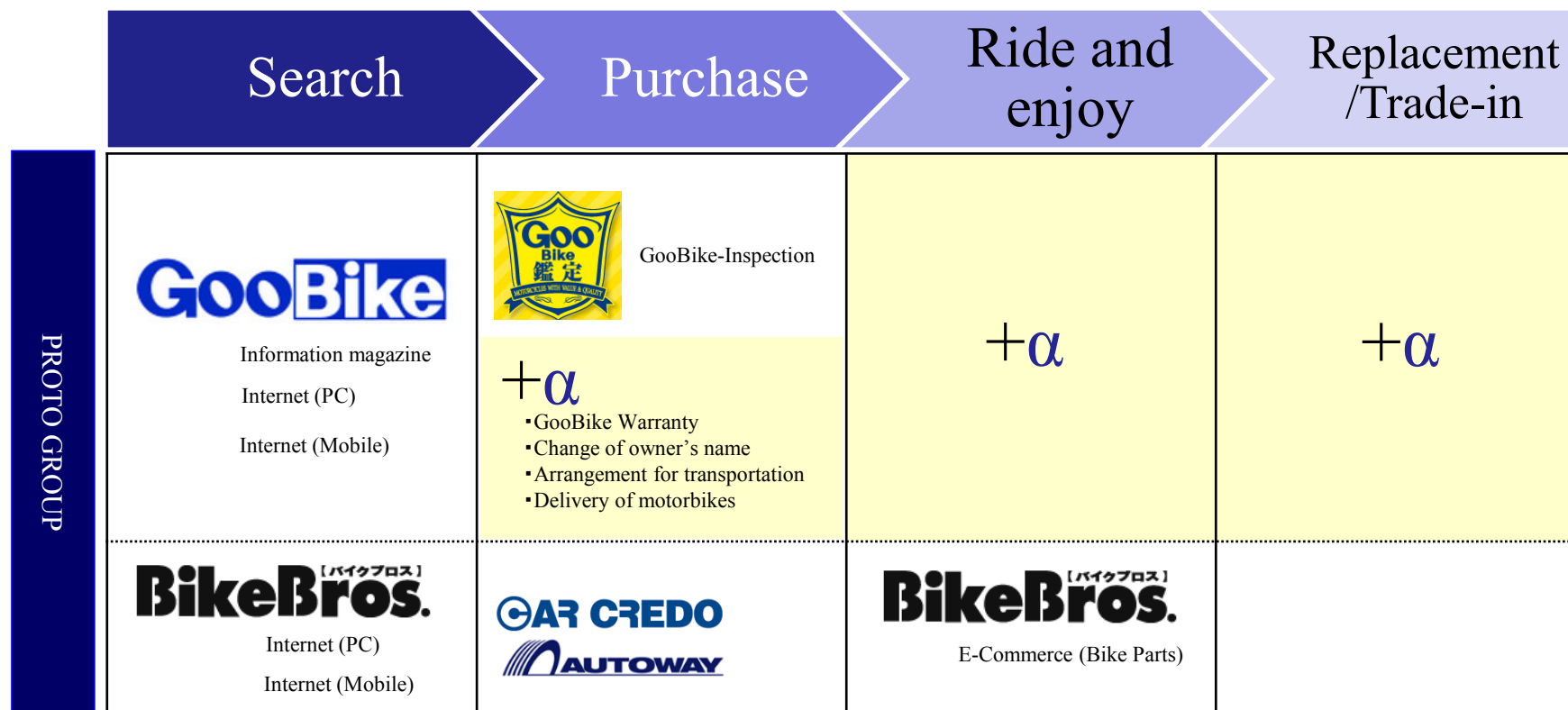
To upgrade the Goo brand by enhancing media power and promoting alliance

- When it comes to cars, **Goo**. To create of a Car Life Total Support System



* To be released in Dec. 2014

- To develop a system for supporting motorcycle life comprehensively



GooBike-Inspection (Motorcycles with appraisal results)



The service started on Oct. 1, 2014.

GooBike鑑定の概要と図解 (一部)

Outline and schematic diagram of GooBike-inspection (one example)



Disclosure of motorcycle conditions

こんな方にオススメ！(中古車を検討中のAさん)

バイクの品質にこだわりたい！
整備箇所をしっかりと知りたい！
チェックの行き届いたバイクが欲しい！

Earnings Forecast for the Fiscal Year Ending in March 2015

Consolidated Earnings Forecast for the Fiscal Year Ending in March 2015



Consolidated Earnings Forecast

(Unit: million yen)

	FY March 2014		FY March 2015				YoY change		Initial plan change	
	Results (A)	% of Net sales	Initial plan (B)	% of Net sales	Revision plan (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
Net sales	54,761	100.0%	56,940	100.0%	(1) 52,600	100.0%	(2,161)	96.1%	(4,340)	92.4%
Cost of Sales	33,514	61.2%	34,386	60.4%	30,862	58.7%	(2,652)	92.1%	(3,523)	89.8%
Gross Profit	21,246	38.8%	22,554	39.6%	21,737	41.3%	491	102.3%	(816)	96.4%
SG&A Expenses	16,510	30.1%	17,204	30.2%	(2) 16,387	31.2%	(122)	99.3%	(816)	95.3%
Operating Income	4,735	8.6%	5,350	9.4%	5,350	10.2%	614	113.0%	0	100.0%
Ordinary Income	5,009	9.1%	5,430	9.5%	5,500	10.5%	490	109.8%	70	101.3%
Net Income	2,627	4.8%	3,197	5.6%	3,440	6.5%	812	130.9%	243	107.6%
Net Income per Share (Yen)	128.39	-	156.37	-	168.25	-	39.86	130.9%	11.88	107.6%

* Cost of sales includes reversal of allowance for sales returns and provision.

(Unit: million yen)

	FY March 2014		FY March 2015				YoY change		Initial plan change	
	Results (A)	% of Net sales	Initial plan (B)	% of Net sales	Revision plan (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
SG&A Expenses	16,510	30.1%	17,204	30.2%	16,387	31.2%	(122)	99.3%	(816)	95.3%
Employment Cost	7,086	12.9%	7,590	13.3%	7,295	13.9%	209	103.0%	(295)	96.1%
Advertising Cost	3,124	5.7%	3,250	5.7%	3,130	6.0%	6	100.2%	(119)	96.3%
Other Expenses	6,299	11.5%	6,362	11.2%	5,960	11.3%	(338)	94.6%	(402)	93.7%

Point (1) Net Sales (Major change from the plan at the beginning of the fiscal year)

Mainly the forecasts of the sales of AUTOWAY Co., Ltd. and Kings Auto Co., Ltd. were revised downwardly, considering the results for the first half and the market trend, etc.

Point (2) SG&A Expenses (Major change from the plan at the beginning of the fiscal year)

Mainly the cost for the promotion for stirring the demand for used cars of PROTO CORPORATION was posted additionally. The advertising cost and other expenses (such as payment commissions and outsourcing expenses) of AUTOWAY Co., Ltd. were revised.

Earnings Forecast by Segment for the Year Ending March 2015 (1)



Net Sales

(Unit: million yen)

	FY March 2014		FY March 2015				YoY change		Initial plan change	
	Results (A)	Composition ratio	Initial plan (B)	Composition ratio	Revision plan (C)	Composition ratio	(C)-(A)	%	(C)-(B)	%
Automobile-related	50,138	91.6%	52,114	91.5%	47,761	90.8%	(2,376)	95.3%	(4,352)	91.6%
Info Registration Fee	20,744	37.9%	21,822	38.3%	(1) 21,563	41.0%	818	103.9%	(258)	98.8%
Information Service Fee	29,394	53.7%	30,292	53.2%	(2) 26,198	49.8%	(3,195)	89.1%	(4,093)	86.5%
Lifestyle-related	3,541	6.5%	3,665	6.4%	(3) 3,640	6.9%	99	102.8%	(25)	99.3%
Real Estate	167	0.3%	144	0.3%	172	0.3%	4	102.7%	27	119.0%
Other Business	913	1.7%	1,014	1.8%	(4) 1,025	1.9%	112	112.3%	10	101.0%
Total	54,761	100.0%	56,940	100.0%	52,600	100.0%	(2,161)	96.1%	(4,340)	92.4%

1) Info Registration Fee: Advertising in information magazines and Internet media, etc.

2) Information Service Fee: Selling information magazines, providing contents, used car export support service and EC (sales of imported tires, parts for motorcycles), etc.

Operating Income

(Unit: million yen)

	FY March 2014		FY March 2015				YoY change		Initial plan change	
	Results (A)	Profit ratio	Initial plan (B)	Profit ratio	Revision plan (C)	Profit ratio	(C)-(A)	%	(C)-(B)	%
Automobile-related	6,217	12.4%	6,756	13.0%	(5) 6,612	13.8%	395	106.4%	(143)	97.9%
Lifestyle-related	248	7.0%	409	11.2%	(6) 440	12.1%	191	177.0%	30	107.5%
Real Estate	69	41.6%	62	43.2%	97	56.4%	27	139.1%	34	155.1%
Other Business	(140)	-	(48)	-	(7) (58)	-	81	-	(10)	-
Management Division	(1,659)	-	(1,830)	-	(8) (1,741)	-	(81)	-	89	-
Total	4,735	8.6%	5,350	9.4%	5,350	10.2%	614	113.0%	0	100.0%

■ Major change from the plan at the beginning of the fiscal year

[Automobile-related Information] (1) (2) (5)

As for information registration fee, mainly the sales of advertisement of PROTO MALAYSIA Sdn. Bhd. was revised downwardly, considering the results for the first half. As for information service fees, mainly the sales of Kings Auto Co., Ltd. and AUTOWAY Co., Ltd. were revised downwardly, considering the results for the first half and the market environment. The sales of PROTO CORPORATION were revised upwardly.

As for operating income, the cost for promotion for stirring the demand for used cars of PROTO CORPORATION was additionally posted, in addition to the above factors.

[Lifestyle-related Information] (3) (6)

Mainly the sales and operating income of the real estate magazine business of PROTO DATA CENTER were revised downwardly, considering the results for the first half.

[Other Business] (4) (7)

Since PROTO-RIOS INC. reorganized iSolutions Co., Ltd. into a subsidiary on Oct. 1, 2014, the sales and operating income were revised. In addition, operating income was revised upwardly, because the expenses of the BPO business of PROTO DATA CENTER were revised.

[Management Division] (8)

The expenses of the management division of PROTO CORPORATION were revised in connection with the change in the organizational structure.

■ Dividend projection

As for the annual dividend per share for the term ending Mar. 2015, we plan to pay 19 yen at the end of the second quarter, and 19 yen at the end of the term.

■ Matters concerning the acquisition of treasury stocks

■ Reasons for Share Repurchases

To improve capital efficiency and enable the Company to flexibly exercise its capital policy in response to the changing managerial environment.

■ Class of shares to be repurchased

Common stock

■ Total number of shares to be repurchased

Up to 150 thousand shares (Ratio to the number of outstanding shares: 0.73%)

■ Aggregate repurchase amount

Up to 200 million yen

■ Period for repurchases

November 4, 2014 to December 22, 2014

Reference: Transition of EBITDA and Adjusted Net Income



(Unit: million yen)

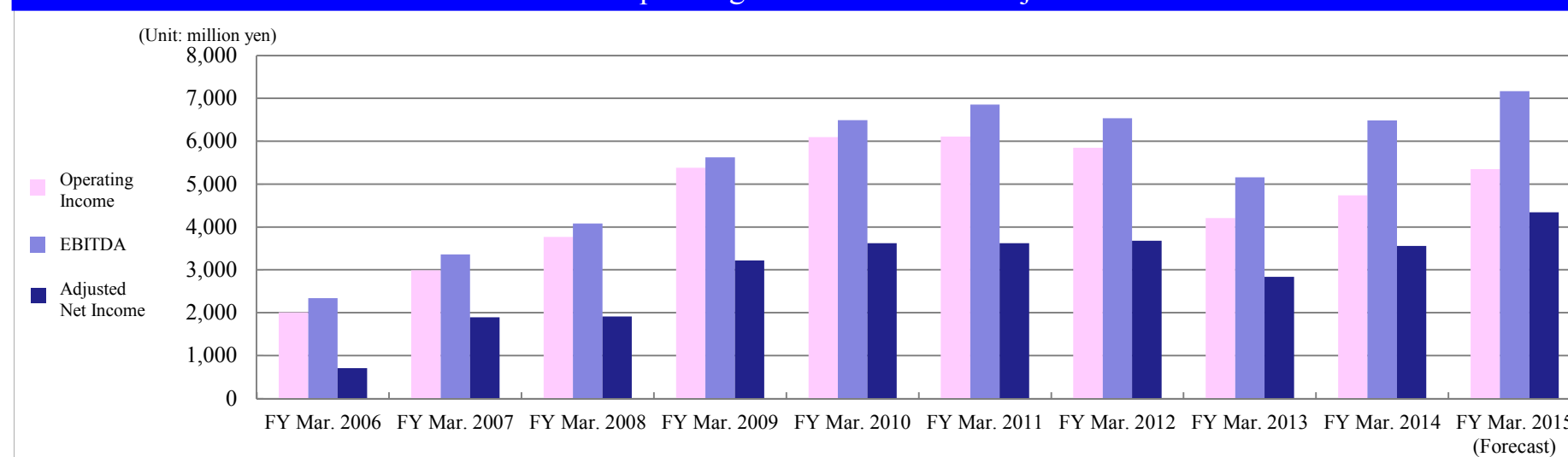
	FY Mar. 2006	FY Mar. 2007	FY Mar. 2008	FY Mar. 2009	FY Mar. 2010	FY Mar. 2011	FY Mar. 2012	FY Mar. 2013	FY Mar. 2014	FY Mar. 2015 (Forecast) *3
Net Sales	19,952	21,238	22,893	23,657	25,682	28,779	30,582	38,287	54,761	52,600
Operating Income	2,010	2,988	3,771	5,384	6,098	6,111	5,846	4,209	4,735	5,350
Net Income	598	1,766	1,838	3,187	3,529	3,197	3,275	2,290	2,627	3,440
EBITDA*1	2,337	3,360	4,078	5,628	6,490	6,856	6,540	5,161	6,483	7,171
Adjusted Net Income*2	707	1,890	1,915	3,223	3,621	3,620	3,680	2,836	3,555	4,345
Depreciation	217	247	230	207	299	322	288	404	819	916
Amortization of Goodwill	109	124	77	36	91	422	405	546	928	905

*1 EBITDA was calculated with the equation: operating income + depreciation + amortization of goodwill

*2 Adjusted Net Income was calculated with the equation: net income + amortization of goodwill.

*3 The earnings forecast is a value announced on October 31, 2014.

Annual Transition of Operating Income/EBITDA/Adjusted Net Income



Reference: Consolidated Quarterly Earnings Forecast for the Year Ending March 2015



(Unit: million yen)

	FY March 2013 (Results)					FY March 2014 (Results)					FY March 2015 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	9,599	9,600	9,420	9,667	38,287	13,808	13,915	13,796	13,240	54,761	12,200	11,763	13,883	14,752	52,600
Cost of Sales	5,007	5,093	5,029	5,505	20,636	8,459	8,717	8,468	7,870	33,514	7,087	6,636	8,314	8,823	30,862
Gross Profit	4,591	4,507	4,390	4,161	17,650	5,349	5,198	5,328	5,370	21,246	5,112	5,126	5,568	5,929	21,737
SG&A Expenses	3,006	3,124	3,171	4,138	13,440	4,022	4,068	4,163	4,256	16,510	3,885	3,791	4,234	4,506	16,387
Operating Income	1,585	1,382	1,218	23	4,209	1,326	1,130	1,165	1,114	4,735	1,257	1,335	1,334	1,423	5,350
Ordinary Income	1,602	1,450	1,263	54	4,371	1,398	1,213	1,266	1,131	5,009	1,305	1,378	1,357	1,458	5,500
Net Income	1,082	657	670	(120)	2,290	761	551	712	601	2,627	973	796	787	882	3,440

* Cost of sales includes reversal of allowance for sales returns and provision


	FY March 2013 (Results)					FY March 2014 (Results)					FY March 2015 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	9,599	9,600	9,420	9,667	38,287	13,808	13,915	13,796	13,240	54,761	12,200	11,763	13,883	14,752	52,600
Automobile-related	8,538	8,256	8,214	8,677	33,687	12,723	12,680	12,618	12,115	50,138	11,145	10,659	12,629	13,327	47,761
Info Registration Fee	4,934	5,082	5,324	5,072	20,413	5,038	5,192	5,261	5,251	20,744	5,025	5,305	5,482	5,750	21,563
Info Service Fee	3,604	3,174	2,890	3,605	13,273	7,685	7,488	7,356	6,864	29,394	6,119	5,354	7,147	7,577	26,198
Lifestyle-related	925	1,175	980	755	3,837	828	942	896	873	3,541	823	866	913	1,036	3,640
Real Estate	42	40	41	39	163	41	43	43	39	167	40	41	44	45	172
Other Business	91	127	183	195	597	215	248	237	211	913	191	195	295	343	1,025
Operating Income	1,585	1,382	1,218	23	4,209	1,326	1,130	1,165	1,114	4,735	1,257	1,335	1,334	1,423	5,350
Automobile-related	1,932	1,787	1,719	476	5,916	1,752	1,473	1,559	1,432	6,217	1,619	1,650	1,667	1,675	6,612
Lifestyle-related	52	58	32	(12)	131	37	81	52	76	248	73	112	102	151	440
Real Estate	24	21	23	16	85	23	22	21	2	69	22	27	22	24	97
Other Business	(55)	(73)	(121)	(73)	(323)	(58)	(40)	(45)	2	(140)	(39)	(8)	(24)	13	(58)
Management Division	(369)	(411)	(435)	(383)	(1,599)	(428)	(407)	(424)	(398)	(1,659)	(419)	(446)	(433)	(441)	(1,741)

*The figures of the first and second quarters for the fiscal year ending March 2015 are the actual figures, and the figures for the third and fourth quarters are the projected figures which were announced on October 31, 2014.

Appendix

Corporate Profile



Corporate Name	PROTO CORPORATION	 <p>Our magazine was first issued in 1977</p>
Founded	October 1, 1977	
Established	June 1, 1979	
Common Stock	1,824,620 thousand yen (As of September 30, 2014)	
Shares Outstanding	20,940,000 shares (As of September 30, 2014)	
Head Offices	23-14, Aoi 1-chome, Naka-ku, Nagoya 460-0006, Japan 22-2 , Hongo 2-chome, Bunkyo-ku, Tokyo 113-0033, Japan	
Branch Offices	Sapporo, Sendai, Takasaki, Nagano, Hamamatsu, Nagoya, Kanazawa, Osaka, Hiroshima, Matsuyama, Fukuoka, Kumamoto (57 Sales Outlets Nationwide)	
Fiscal Year-end	March 31	
Number of Employees	Consolidated: 1,325 (As of September 30, 2014) Parent: 677 (As of September 30, 2014)	
Stock Exchange Listing	Tokyo Stock Exchange JASDAQ Standard (Listed on September 12, 2001)	
Subsidiary	<ol style="list-style-type: none"> 1. PROTO-RIOS INC. (Full subsidiary since October 2002) 2. PROTO DATA CENTER (Full subsidiary, established in April 2007) 3. PROTO MEDICAL CARE (Full subsidiary since October 2009) 4. Bike Bros. Inc. (Full subsidiary since April 2010) 5. CAR CREDO Co., Ltd. (Full subsidiary, established in February 2012) 6. Kings Auto Co., Ltd. (Full subsidiary since April 2012) 7. AUTOWAY Co., Ltd. (Full subsidiary since April 2013) 8. iSolutions Co., Ltd. (Full subsidiary since October 2014) 9. PROTO MALAYSIA Sdn. Bhd. (Full subsidiary since September 2011) 10. PROTO (TAIWAN) CO., LTD. (Full subsidiary, established in December 2011) 11. SMT Media Pte. Ltd. * (Full subsidiary since September 2011) 12. PT. PROTO INDONESIA * (Full subsidiary, established in December 2012) <p>(As of October 31, 2014) *Account currently being settled</p>	

Outline of Goo-inspection



- By promoting Goo-inspection, we will develop an environment in which users can select automobiles without anxiety while trusting it

Goo-inspection (Vehicles with appraisal results)



Disclosure of car conditions

Goo 鑑定の概要と図解(一例)

Outline and schematic diagram of Goo-inspection (one example)



Goo 鑑定3つのポイント

Goo 鑑定のポイント ①

☑ 第三者の鑑定師がチェック!

第三者機関の日本自動車鑑定協会(JAAA)の鑑定師が中古車を鑑定。プロがグレーディングレポート(鑑定書)を一台一台に発行します。

公正!

Goo 鑑定のポイント ②

☑ 最大344項目のチェック

じつは最大344項目の多岐にわたる鑑定を行っています。見た目からでは判断がつかない箇所も入念にチェックしています。

納得!

Goo 鑑定のポイント ③

☑ 鑑定書付き

鑑定項目は外装、内装、機関、修復歴の4つに大別し、それぞれについて評価を定めます。もちろん改ざんがあれば鑑定書は発行されません。

分かりやすい!



ステップ ① Goo 鑑定車一覧ページ



一覧ページで、Goo 鑑定つきの車両には、Goo 鑑定車の表示がついています。

ステップ ② Goo 鑑定車詳細ページ



詳細ページからはGoo 鑑定書(サンプル)を見ることができます。

ステップ ③ Goo 鑑定書ページ



Outline of GooPLUS



- By promoting GooPLUS, we will develop an environment in which users can select automobiles without anxiety while trusting it

GooPLUS

気になる7つのパーツが新品!

GooPLUS
グープラス

Goo鑑定

Goo鑑定車3つのポイント

- 1.中古車の状態を第三者機関のプロの鑑定師がチェック!
- 2.中古車の状態を隅々まで確認し、外装・内装・機関・修復歴を評価!
- 3.鑑定済のクルマには状態がわかる鑑定書が付きまします!

エンジンオイル
ENGINE OIL
愛車を長持ちさせるには、エンジンオイルの交換は大切です。

バッテリー
New
エアコン・ヘッドライトの使用など、意外と酷使しています。

エアコンフィルター
New
エアコンのニオイもスッキリ! 長期間交換しないと燃費悪化や風量低下を招きます。

消臭
New
光触媒を使った消臭剤で車内清掃。気になるウイルスや菌も徹底分解で安心。

タイヤ
New
走る、曲がる、止まる。安全走行にはタイヤ点検は大切です。

フロアマット
New
足元スッキリで快適ドライブ!

オイルフィルター
New
エンジン内部をキレイに保つには、定期的な交換を!

不安を解決! GooPLUS (グープラス)なら信頼・納得のGoo鑑定車に
気になる7つのパーツが新品!

GooPLUSとは?

プロの鑑定師が中古車の車輻状態を鑑定した“Goo鑑定車”に、さらに中古車を購入する際に気になる7つのパーツが、全て新品で付いてくるお得なパッケージです。対象パーツは全て新品で、すぐに交換の心配がないから安心して乗り頂けます。

もちろん価格は車輻本体価格に含まれているので安心です!!

GooPLUS (Goo-inspection + Consumable package)



Improvement in safety and comfort of used cars



Improvement in order-signing rate

Outline of GooPit



- By offering the service for searching maintenance shops, we will increase the contact points with users in car life.

GooPit(for retrieving car maintenance shops for car inspection, repair, and maintenance, and check)

GooPit 東海 車検・オイル交換・キズ・ヘコミ クルマのことならGooPit(グービット)

車検・点検 オイル交換 修理・塗装・板金 持込み取付

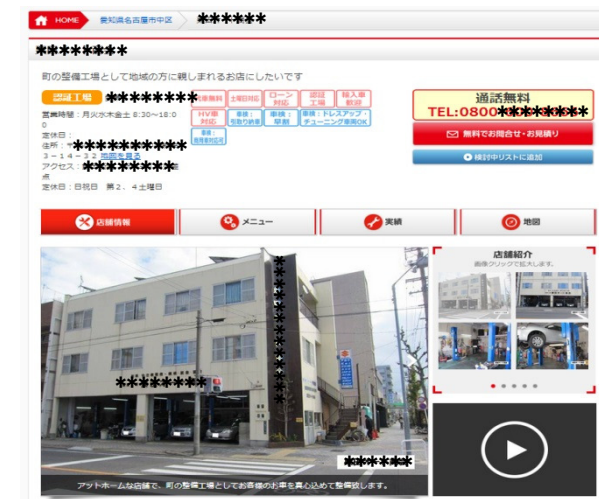
GooPit3つのポイント

- POINT1 お近くの整備工場を手軽に検索!
- POINT2 東海地区の車検・整備情報を網羅!
- POINT3 充実した店舗情報で、細かな比較検討が可能!

車検・整備工場の検索ならGooPit!

メニューから整備工場を探す

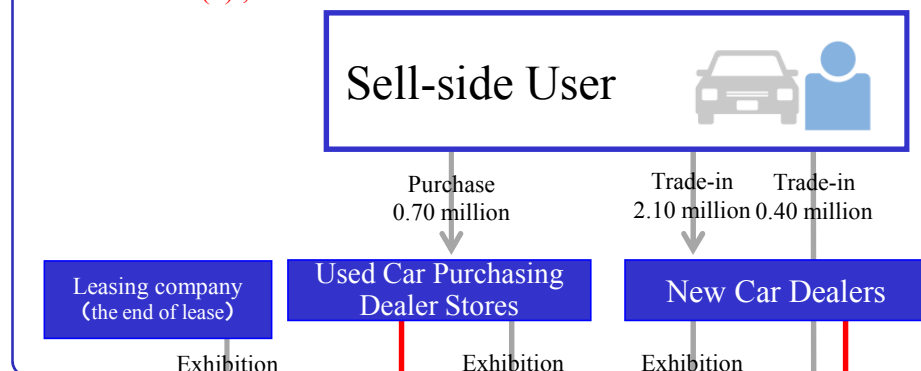
車検	名古屋 尾張 三河 岐阜 三重	タイヤ・パーツ取付	名古屋 尾張 三河 岐阜 三重
オイル交換	名古屋 尾張 三河 岐阜 三重	一般整備・板金	名古屋 尾張 三河 岐阜 三重



The website was opened in 3 prefectures in Tokai area (Aichi, Gifu, and Mie), on Dec. 20, 2013. Advertisement model in which we receive ad fees from member car maintenance shops.

- We will cover all aspects of used car distribution industry from the upper to lower stage, and promote the development and provision of products and services that meet customers' needs.

Business Field (1) ; units



Business Field (1)

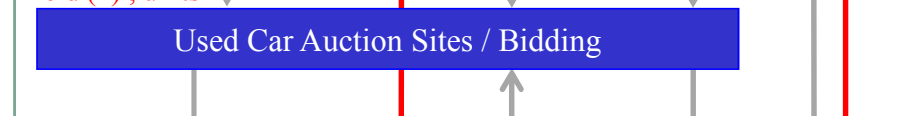
Data Line PRO, Basic Price Data for Automobile Manufacturers

To offer the data on final bidding prices and retail prices, etc.

Data Line Assessment, e-satei

To offer the system for appraising used cars for corporations

Business Field (2) ; units

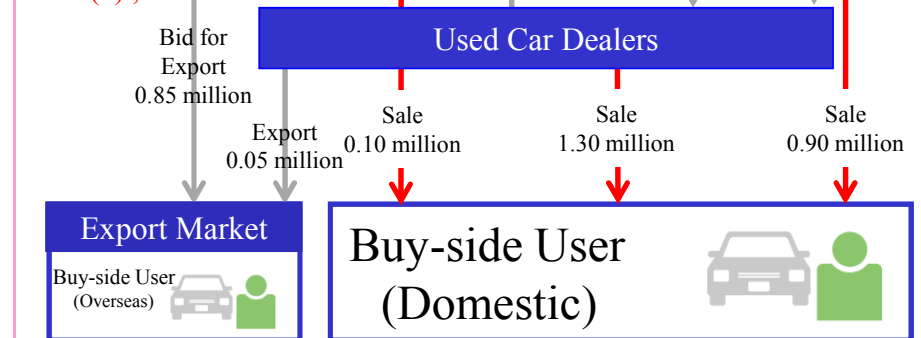


Business Field (2)

Goo-net Automobile Distribution, Automobile Distribution Journal

The trend of the distribution market is informed via websites and paper sheets to automobile-related firms.

Business Field (3) ; units



Business Field (3)

Goo Series (PC, mobile, information magazines)

To search favorite cars and estimate their prices

MOTOR GATE (platform for dealers)

Sales, Stock, client, and customer management tools utilizing the platform for dealers, etc.

Goo-inspection

Addition of the information on the appraisal by the third-party institution

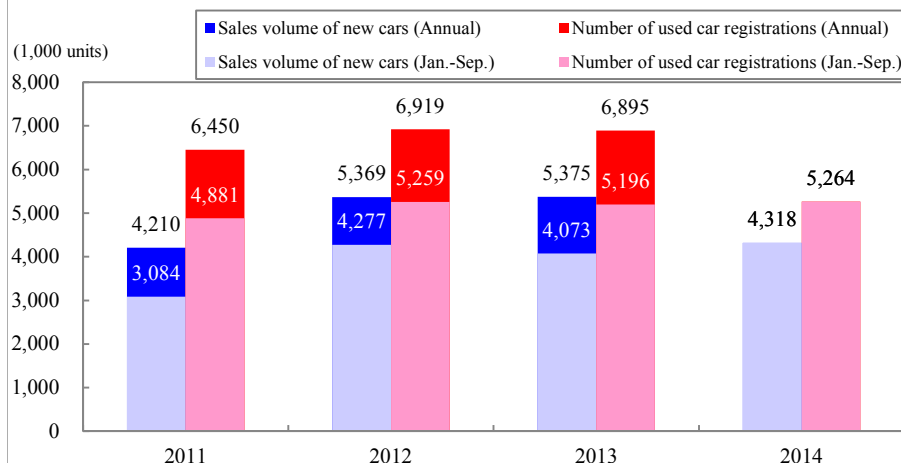
Goo-net Exchange

To assist dealers in the export of used cars

※Note: The graphic was compiled by PROTO based on data in Yano Research Institute, Ltd., "Used Car Distribution Industry 2012" (Used car distribution flowchart for 2011)

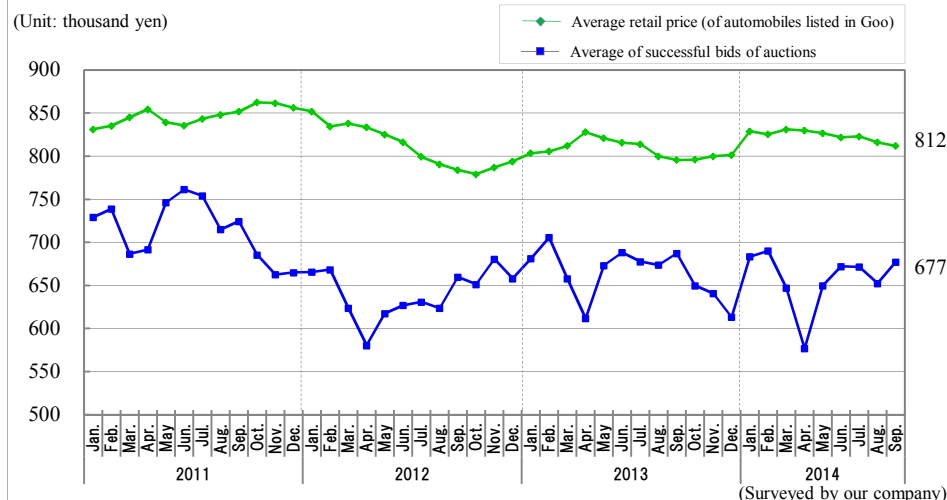
※ The procurement and sales volumes of markets and used car dealers exclude those for stock replacement. * The data of the automobile dismantling market is excluded.

Trends in the Sales Volume of New Cars and the Number of Used Car Registrations (Calendar Years)



Note: Data from Japan Auto Dealers Association and Japan Mini Vehicles Association

Variations in Retail and Wholesale Prices of Used Cars



(Surveyed by our company)

Sales Volume of New Cars

The sales volume of new cars for 2013 (Jan-Dec) was 5.37 million (100.1% of the value for the same period of the previous year).

The sales volume of new cars for 2014 (Jan-Sep) was 4.31 million (106.0% of the value for the same period of the previous year).

Number of Used Car Registrations

The number of used cars registered in 2013 (Jan-Dec) was 6.89 million (99.7% of the value for the same period of the previous year).

The number of used cars registered in 2014 (Jan-Sep) was 5.26 million (101.3% of the value for the same period of the previous year).

Variations in Average Retail and Wholesale Prices of Used Cars

After the end of the Eco-Car Subsidy, the average retail price is around 800,000 yen.

As for average wholesale price, it is around 650,000 yen.

【For reference: Eco-car Subsidy】

1. First phase: Eco-car Subsidy

April 10, 2009 to September 7, 2010: a budget of 583.7 billion yen with Scrap Incentive

2. Second phase: Eco-car Subsidy

December 20, 2011 to September 21, 2012: a budget of 300 billion yen without Scrap Incentive

Business Process of Goo Series



Magazine Business

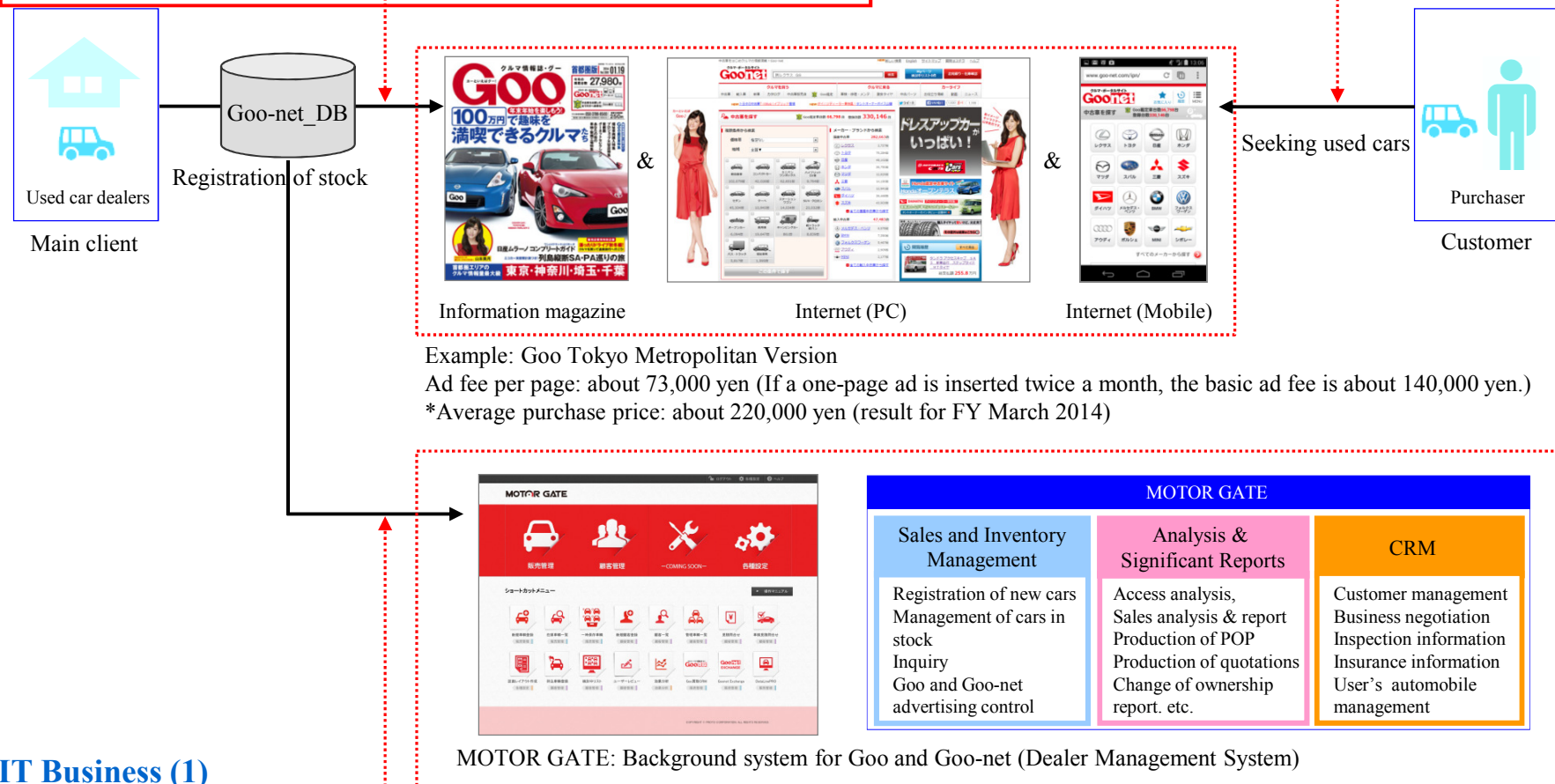
Information registration fees (1)

Charging system: Ad fee per page

*Basic ad fee (package of information magazines, PCs, and mobile devices)

Information service fees

Sale of information magazine



IT Business (1)

Information registration fees (2)

Fee for Internet option products, such as Goo-net (MOTOR GATE)

* Amounts of money described in this material are rounded down to million yen.

Future Outlook

The IR information in this document includes a future outlook.

Such information other than the past events may be influenced by the risk and uncertainty due to the competition, market, and systems in the field of our company's business. As a result, the outlook based on the assumption and estimation with available information may be different from actual results and performance in the future. We would appreciate your understanding.

For Inquiries

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