

Investor Meeting for the Fiscal Year Ended March 2013



May 13, 2013
PROTO CORPORATION (4298)

Financial Data (Consolidated)

Shares outstanding (million)	20.9
Market capitalization (¥ billion, March 2013)	30.3
DPS (¥, FY March 2013) *1	-
EPS (¥, FY March 2013) *2	109.96
BPS (¥, March2013)	1,154.20
ROE (% , FY March2013, Net income basis)	9.9
ROA (% , FY March2013, Ordinary income basis)	13.8
Equity ratio (% , March2013)	68.2
Potential share dilution (million)	-
Foreign ownership (% , March2013)	26.0

Major Shareholders

	(Thousands)
1) Mugen Corporation	6,807 (32.50%)
2) Hiroichi Yokoyama	1,040 (4.96%)
3) Japan Trustee Services Bank, Ltd. (Trust Account)	728 (3.48%)
4) JPMCC Client Safekeeping Account	681 (3.25%)
5) Yoshihiro Yokoyama	608 (2.90%)
6) The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	510 (2.43%)
7) MSCO Customer Securities	421 (2.01%)
8) PROTO CORPORATION	364 (1.73%)
9) Northern Trust Co. (AVFC) Sub Account American Clients	351 (1.68%)
10) Minoru Saito	340 (1.62%)

(As of March 31, 2013)

* We implemented a two for one stock split as of October 1, 2012.

*1. The interim dividend is 37.5 yen (before the split) and the year-end dividend is 18.75 yen (after the split).

There is no substantive change from the annual dividend projection that was announced on May 11, 2012.

*2. EPS was calculated on the assumption that the said stock split was implemented at the beginning of the consolidated fiscal year.

Consolidated Statements of Income (1)



■ Status of Consolidated Income

(Unit: million yen)

	FY March 2012		FY March 2013				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	30,582	100.0%	39,000	100.0%	(1) 38,287	100.0%	7,704	125.2%	(712)	98.2%
Cost of Sales	13,283	43.4%	20,470	52.5%	(2) 20,636	53.9%	7,352	155.3%	166	100.8%
Gross Profit	17,298	56.6%	18,530	47.5%	17,650	46.1%	352	102.0%	(879)	95.3%
SG&A Expenses	11,451	37.4%	13,430	34.4%	(3) 13,440	35.1%	1,989	117.4%	10	100.1%
Operating Income	5,846	19.1%	5,100	13.1%	(4) 4,209	11.0%	(1,637)	72.0%	(890)	82.5%
Ordinary Income	6,002	19.6%	5,260	13.5%	4,371	11.4%	(1,630)	72.8%	(888)	83.1%
Net Income	3,275	10.7%	3,030	7.8%	2,290	6.0%	(985)	69.9%	(739)	75.6%

1) Cost of sales includes reversal of allowance for sales returns and provision.

2) The earnings forecast for the year ended March 2013 is a value announced on October 29, 2012.

■ Status of SG & A Expenses

(Unit: million yen)

	FY March 2012		FY March 2013				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	11,451	37.4%	13,430	34.4%	13,440	35.1%	1,989	117.4%	10	100.1%
Employment Cost	5,475	17.9%	6,063	15.5%	5,957	15.6%	481	108.8%	(106)	98.3%
Advertising Cost	2,505	8.2%	3,228	8.3%	3,266	8.5%	761	130.4%	38	101.2%
Other Expenses	3,469	11.3%	4,137	10.6%	4,216	11.0%	747	121.5%	78	101.9%
Number of Employment	954	-	1,106	-	1,103	-	149	115.6%	(3)	99.7%

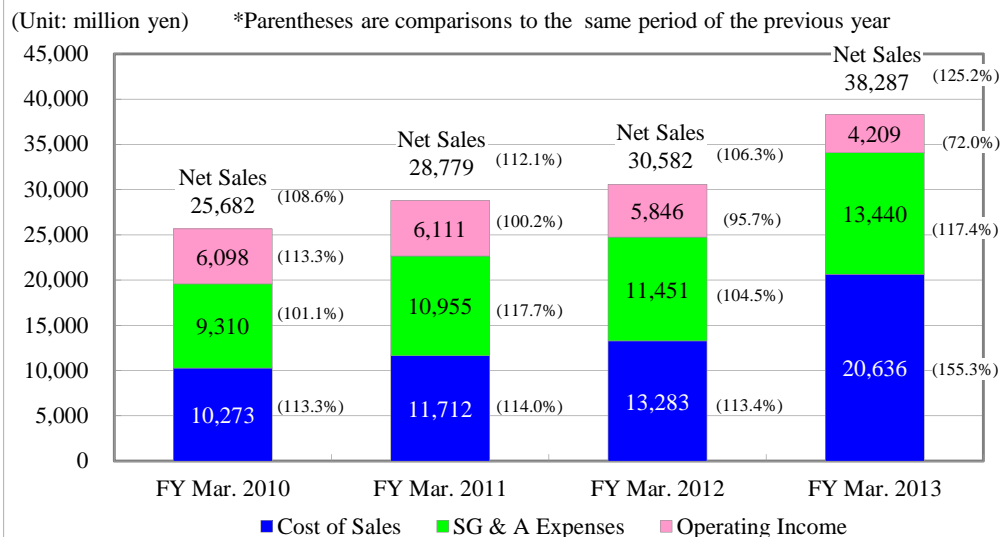
1) Advertising and related costs is the total of advertising costs and merchandising costs.

2) The number of employees is as of the end of March.

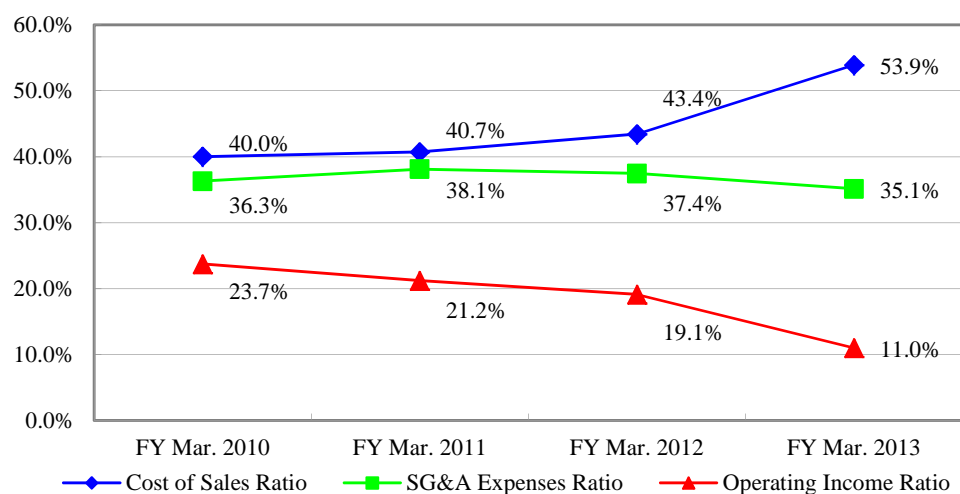
3) The earnings forecast for the year ended March 2013 is a value announced on October 29, 2012.

Performance Overview for the Year Ended March 2013

Changes in Performance



Changes of Individual Indicators



Point (1) Net Sales

Sales increased from the same period of the previous year in all business segments, except for the Real Estate segment. The total sales of the Group increased 7,704 million yen (125.2% compared with the same period of the previous year). On the other hand, its ratio to the planned value was 98.2%, mainly because the sales of Kings Auto Co., Ltd., which exports used cars (a subsidiary from April 2012), were lower than the planned value.

Point (2) Cost of Sales

As King's Auto Co., Ltd. became a subsidiary, and the sales of the Internet advertising agency business of PROTO CORPORATION and the e-commerce of motorbike parts of BikeBros Inc. increased, the cost of sales was 155.3% compared with the same period of the previous year (cost rate: 10.5 point increase). Furthermore, the ratio to the planned value as the Group was 100.8%, because the cost of sales in the Goo Series and Goo-inspection exceeded the planned values.

Point (3) SG&A Expenses

As the number of employees increased due to the increase of consolidated subsidiaries, personnel expenses, etc. increased. In addition, advertising costs increased due to promotions meant to increase exposure of Goo-inspection. Consequently, SG&A expenses were 117.4% of the same period of the previous year (SG&A rate: 2.3% decrease). Moreover, its ratio to the planned value was 100.1%, mainly because personnel expenses of PROTO CORPORATION were lower than the planned value.

Point (4) Operating Income

Net income was 72.0% compared with the same period of the previous year because of the increase of advertising costs, personnel expenses and other expenses, as described above. The ratio to the planned value was 82.5%.

Consolidated Statements of Income (3)



■ Status of Consolidated Income (Quarterly Changes)

(Unit: million yen)

	FY March 2013									
	Q1 results	% of Net sales	Q2 results	% of Net sales	Q3 results	% of Net sales	Q4 results	% of Net sales	Total	% of Net sales
Net Sales	9,599	100.0%	9,600	100.0%	9,420	100.0%	(1) 9,667	100.0%	38,287	100.0%
Cost of Sales	5,007	52.2%	5,093	53.1%	5,029	53.4%	(2) 5,505	57.0%	20,636	53.9%
Gross Profit	4,591	47.8%	4,507	46.9%	4,390	46.6%	4,161	43.0%	17,650	46.1%
SG&A Expenses	3,006	31.3%	3,124	32.5%	3,171	33.7%	(3) 4,138	42.8%	13,440	35.1%
Operating Income	1,585	16.5%	1,382	14.4%	1,218	12.9%	23	0.2%	4,209	11.0%
Ordinary Income	1,602	16.7%	1,450	15.1%	1,263	13.4%	54	0.6%	4,371	11.4%
Net Income	1,082	11.3%	657	6.9%	670	7.1%	(120)	-	2,290	6.0%

1) Cost of sales includes reversal of allowance for sales returns and provision.

■ Status of SG & A Expenses (Quarterly Changes)

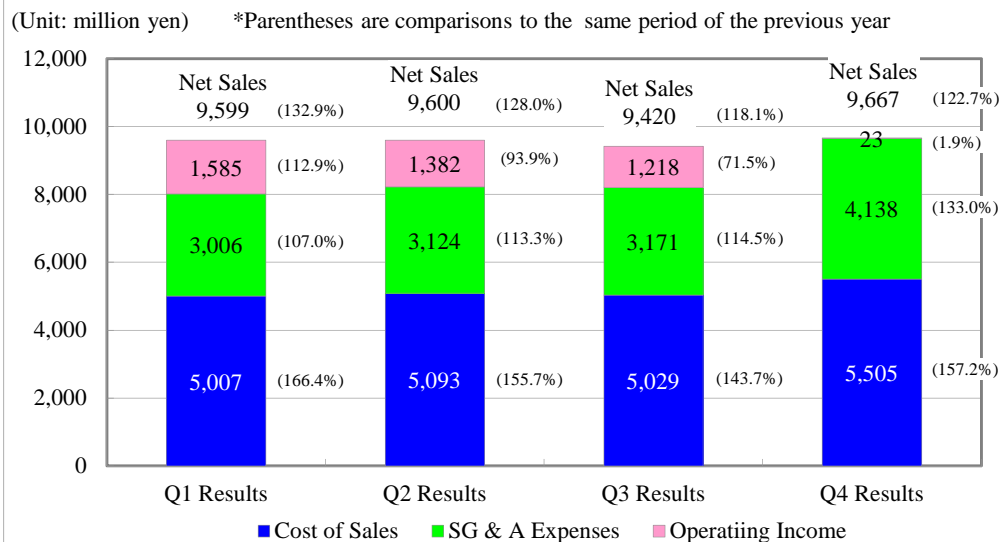
(Unit: million yen)

	FY March 2013									
	Q1 results	% of Net sales	Q2 results	% of Net sales	Q3 results	% of Net sales	Q4 results	% of Net sales	Total	% of Net sales
SG&A Expenses	3,006	31.3%	3,124	32.5%	3,171	33.7%	4,138	42.8%	13,440	35.1%
Employment Cost	1,456	15.2%	1,480	15.4%	1,496	15.9%	1,523	15.8%	5,957	15.6%
Advertising Cost	604	6.3%	584	6.1%	563	6.0%	1,514	15.7%	3,266	8.5%
Other Expenses	945	9.8%	1,059	11.0%	1,111	11.8%	1,099	11.4%	4,216	11.0%
Number of Employment	1,027	-	1,057	-	1,069	-	1,103	-	1,103	-

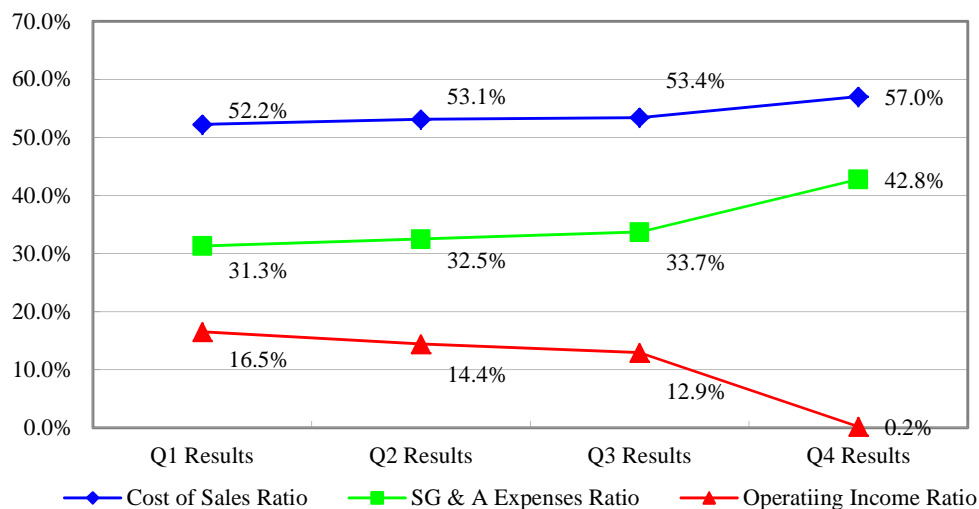
1) Advertising and related costs is the total of advertising costs and merchandising costs.

Performance overview for the year ended March 2013 (Quarterly Changes)

Changes in Performance



Changes of Individual Indicators



Point (1) Net Sales

The planned value for the full business year was unachieved by 712 million yen (98.2% compared with the planned value), mainly because the net sales of Kings Auto Co., Ltd. and PROTO CORPORATION were lower than the planned value. In particular in the second half, net sales of highly profitable IT products in the Automobile-related Information segment were lower than the planned values, and net sales of the Culture Information field and Recycle-and-Reuse Information field of the Lifestyle-related Information segment were significantly lower than the planned value. Consequently, the ratio of products and services with lower profitability relatively increased.

Point (2) Cost of Sales

The planned value for the full business year was exceeded by 166 million yen (100.8% compared with the planned value). In particular, in the second half, though the cost of sales of Kings Auto Co., Ltd. was lower than the planned value, overall cost of sales exceeded the planned values because the cost of sales exceeded the planned values in Goo-purchasing Services of PROTO CORPORATION and Goo Series due to increased number of advertising pages and layout renewal; and also because appraisal fees increased in Goo-inspection.

Point (3) SG&A Expenses

The planned value for the full business year was exceeded by 10 million yen (100.1% compared with the planned value). However, in the fourth quarter, which has the highest demand for used cars, promotions (Internet, TV) for increasing the exposure of Goo-inspection were rolled out mainly in the Tokyo metropolitan area, consequently increasing advertising costs significantly compared with the same period of the previous year.

Operating Results by Segment (1)



Net Sales

(Unit: million yen)

	FY March 2012		FY March 2013			
	Results (A)	Composition ratio	Forecast (B)	Composition ratio	Results (C)	Composition ratio
Automobile-related	26,704	87.3%	34,095	87.4%	33,687	88.0%
Info Registration Fee	19,830	64.8%	20,303	52.1%	20,413	53.3%
Information Service Fee	6,873	22.5%	13,792	35.4%	13,273	34.7%
Lifestyle-related	3,470	11.3%	4,368	11.2%	3,837	10.0%
Real Estate	166	0.5%	177	0.5%	163	0.4%
Other Business	240	0.8%	358	0.9%	597	1.6%
Total	30,582	100.0%	39,000	100.0%	38,287	100.0%

YoY change	Achievement rate		
(C)-(A)	%	(C)-(B)	%
6,983	126.1%	(407)	98.8%
582	102.9%	110	100.5%
6,400	193.1%	(518)	96.2%
367	110.6%	(531)	87.8%
(2)	98.2%	(13)	92.4%
357	248.6%	239	166.9%
7,704	125.2%	(712)	98.2%

- 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 etc.
- 3) The earnings forecast for the year ended March 2013 is a value announced on October 29, 2012.

Operating Income

(Unit: million yen)

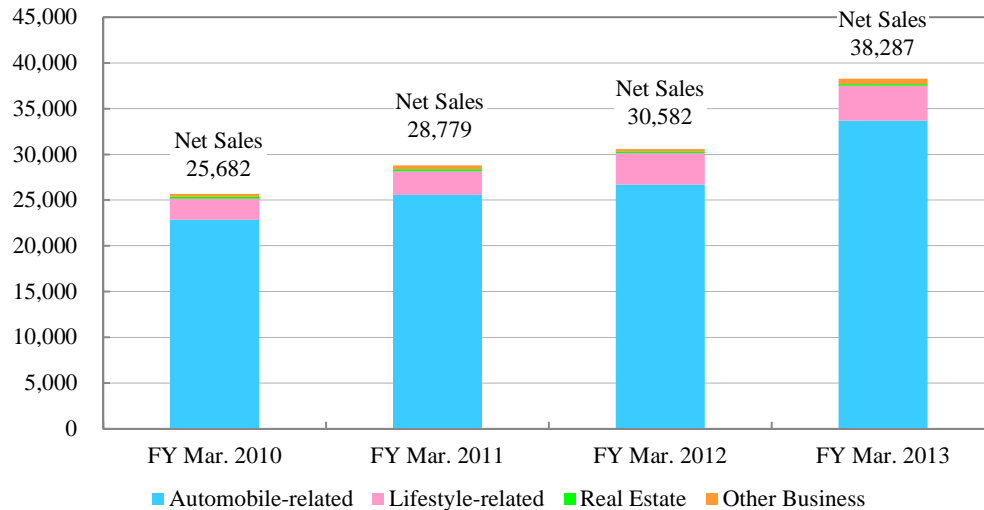
	FY March 2012		FY March 2013			
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales
Automobile-related	7,272	27.2%	6,476	19.0%	5,916	17.6%
Lifestyle-related	228	6.6%	450	10.3%	131	3.4%
Real Estate	83	50.2%	94	53.5%	85	52.2%
Other Business	(149)	-	(356)	-	(323)	-
Management Division	(1,589)	-	(1,565)	-	(1,599)	-
Total	5,846	19.1%	5,100	13.1%	4,209	11.0%

YoY change	Achievement rate		
(C)-(A)	%	(C)-(B)	%
(1,356)	81.3%	(560)	91.3%
(97)	57.3%	(319)	29.1%
1	102.2%	(9)	90.2%
(173)	-	33	-
(10)	-	(34)	-
(1,637)	72.0%	(890)	82.5%

- 1) The earnings forecast for the year ended March 2013 is a value announced on October 29, 2012.

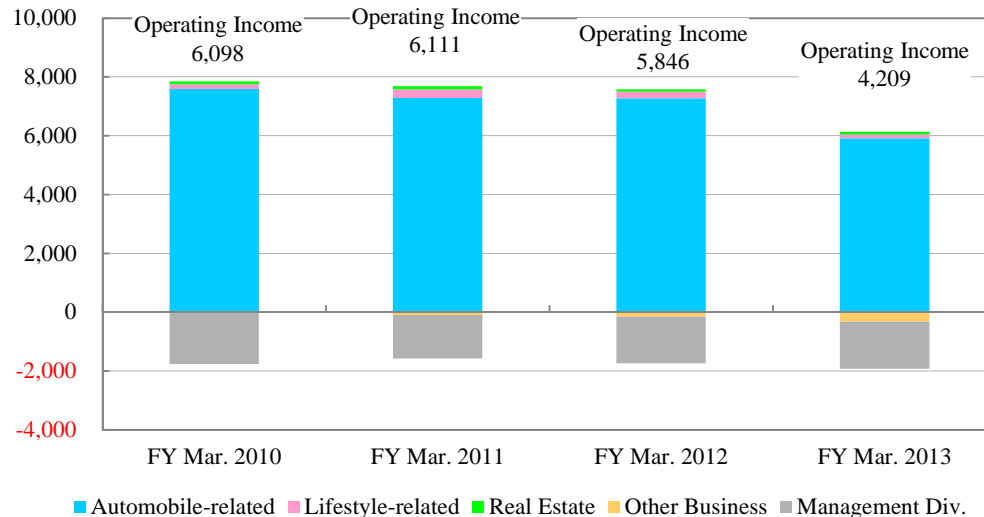
Changes in Sales by Segment

(Unit: million yen)



Changes in Operating Income by Segment

(Unit: million yen)



Automobile-related Information

As PROTO MALAYSIA Sdn. Bhd. became a subsidiary on Sept. 2, 2011, the sales of the information magazine business increased to 102.2% compared with the same period of the previous year.

The sales of the IT business increased to 108.1% compared with the same period of the previous year, as the sales of IT products of PROTO CORPORATION have expanded.

As for other businesses, as Kings Auto Co., Ltd., which deals with exporting used cars, became a subsidiary, the sales increased to 430.4% compared with the same period of the previous year. Consequently, net sales of the Automobile-related Information business increased 6,983 million yen (126.1% compared with the same period of the previous year).

On the other hand, operating income decreased 1,356 million yen (81.3% compared with the same period of the previous year), because advertising costs increased due to promotions to increase exposure of Goo-inspection; and personnel expenses and depreciation of goodwill, etc. also increased.

Lifestyle-related Information

The advertising business in medical, nursing and welfare fields as well as mail-order business for social welfare facilities by PROTO MEDICAL CARE showed a steady increase. Furthermore, the Internet advertising agency business was healthy. Consequently, the total sales of the Lifestyle-related Information business increased 367 million yen (110.6% compared with the same period of the previous year).

On the other hand, operating income decreased 97 million yen (57.3% compared with the same period of the previous year), because of additional costs due to the launch of Real Estate Information magazine by PROTO DATA CENTER.

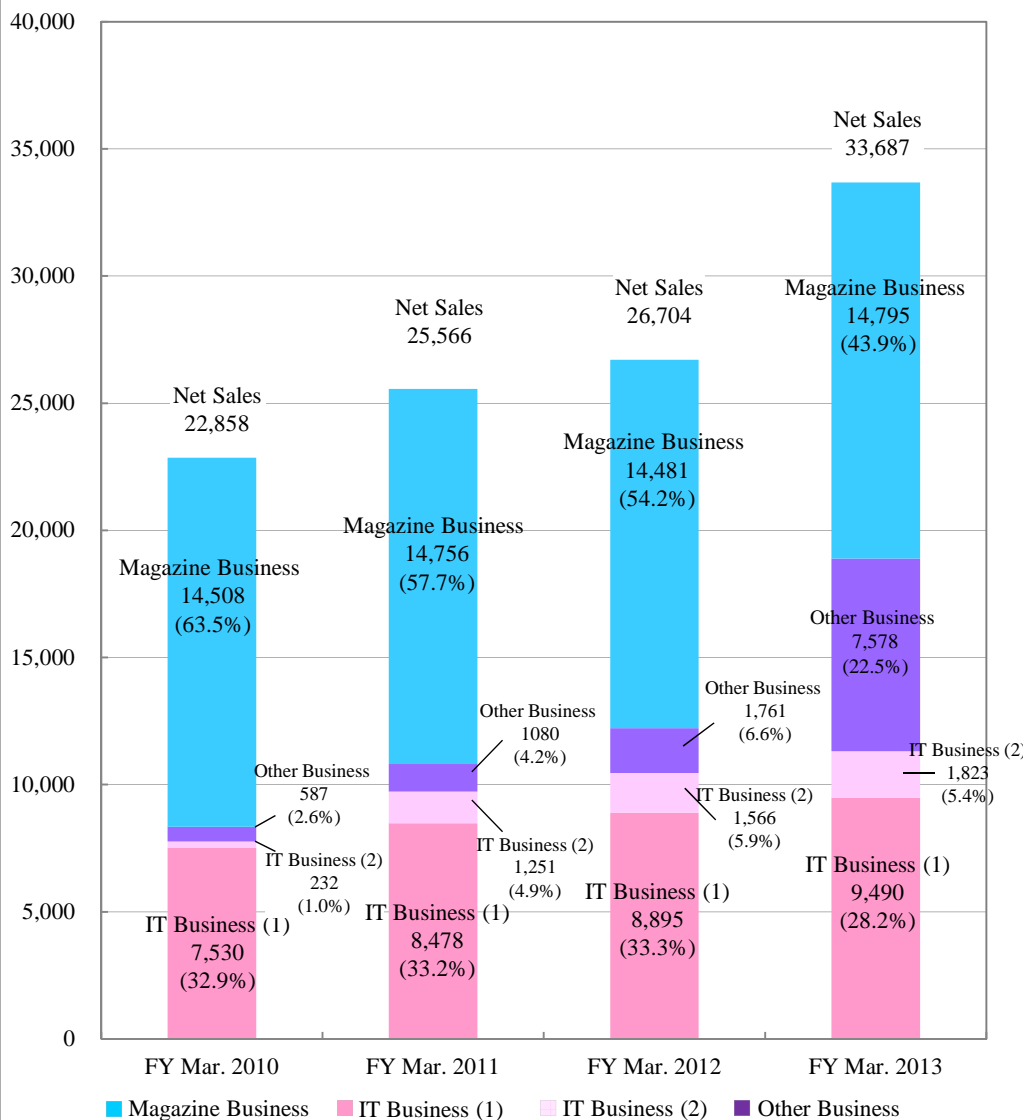
Other Business

Sales increased 357 million yen (248.6% compared with the same period of the previous year), mainly because the number of orders in the BPO business of PROTO DATA CENTER increased.

On the other hand, there was an operating loss of 323 million yen (operating loss of 149 million during the same period of the previous year) due to expenses for social game development, etc.

Changes in Automobile-related Sales by Product Classification

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



Magazine Business

For the first half, the demand for used cars declined, while the sales of new cars showed a steady increase because of the Eco-car Subsidy (ended on September 21, 2012). For the second half, we tried to increase the number of business partners for Goo Series through expansion of the sales of Goo-inspection, while the demand for used cars showed a gradual recovery trend. Under this circumstance, although the number of ad submissions to the Goo Series made only little increase in the period of April to June, it exceeded the planned value after July.

The sales of the information magazine business increased 313 million yen (102.2% compared with the same period of the previous year) mainly because PROTO MALAYSIA Sdn. Bhd. became a subsidiary.

IT Business (1) (Option products, such as Goo-net, B to B data service etc.)

We conducted the sales promotion for the Internet option products of the Goo Series and Data Line PRO, which is a tool for supporting the sale of automobiles, and PROTO-RIOS INC. promoted business support systems. Consequently, the sales of the IT business (1) increased 594 million yen (106.7% compared with the same period of the previous year).

IT Business (2) (EC)

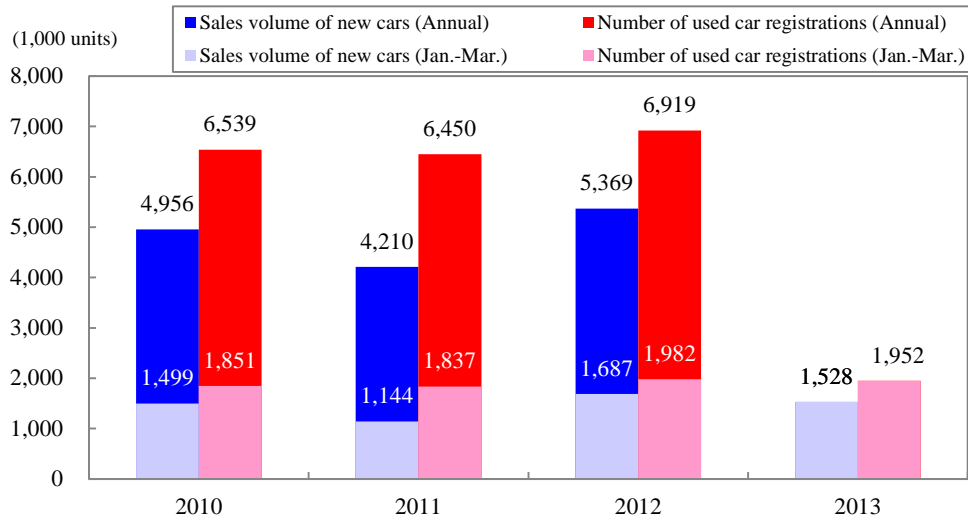
The e-commerce of motorbike parts of Bike Bros. Inc. was expanded. Consequently, the sales of the IT business (2) increased 256 million yen (116.4% compared with the same period of the previous year).

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

Net sales of other businesses increased 5,817 million yen (430.4% compared with the same period of the previous year), as Kings Auto Co., Ltd. became a subsidiary, and also because the number of Goo-inspection increased due to strong promotion.

* Service of supporting the export of used cars has been moved to the Other Business segment. (It was original included in IT Business (2).)

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

Sales Volume of New Cars

The sales volume of new cars for 2012 (Jan-Dec) was 5.36 million (127.5% of the value for the same period of the previous year), due to the effects of the Eco-car Subsidy, etc.

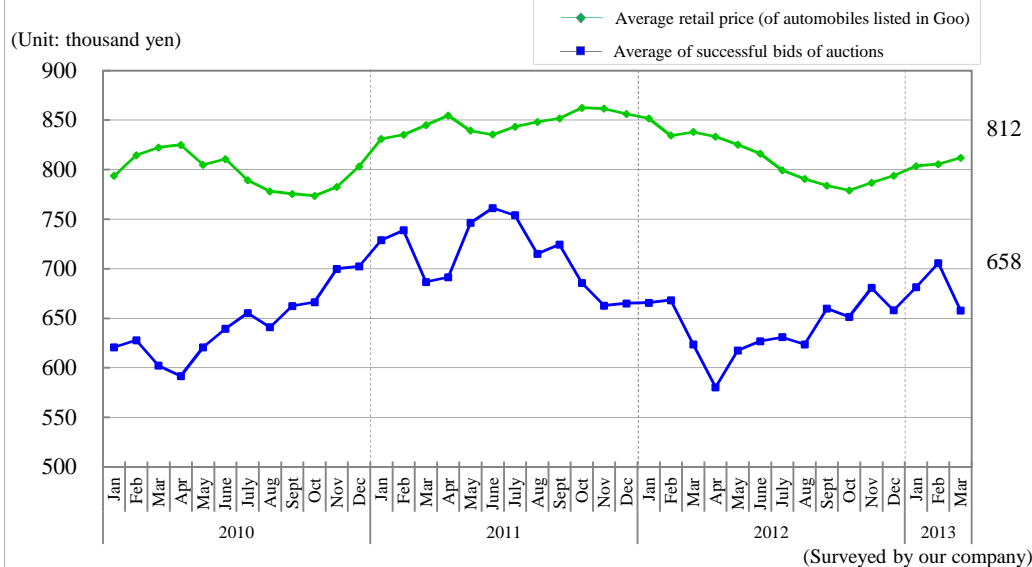
The sales volume of new cars for 2013 (Jan-Mar) was 1.52 million (90.6% of the value for the same period of the previous year).

Number of Used Car Registrations

The number of used vehicles registered in 2012 (Jan-Dec) was 6.91 million (107.3% of the value for the same period of the previous year).

The number of used vehicles registered in 2013 (Jan-Mar) was 1.95 million (98.5% of the value for the same period of the previous year).

Variations in Retail and Wholesale Prices of Used Cars



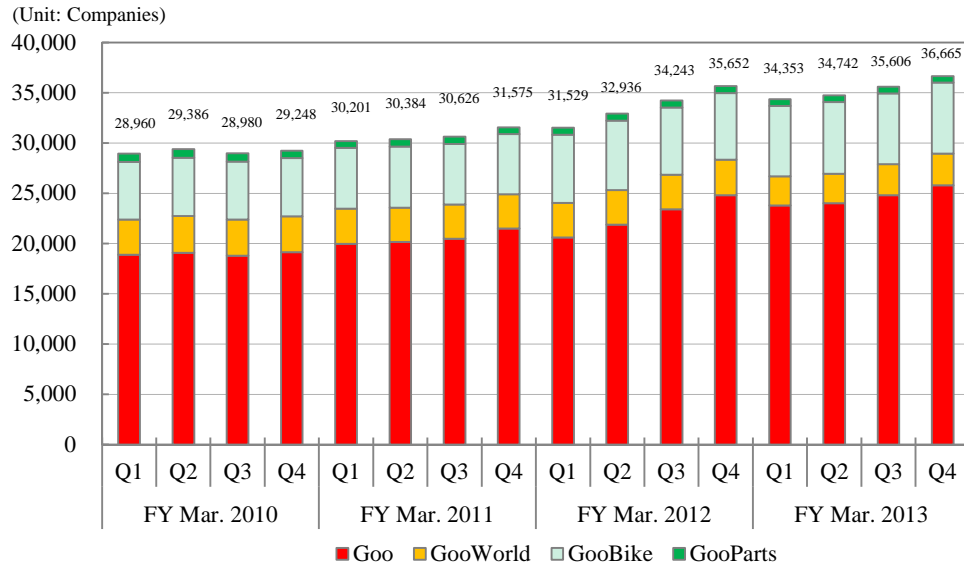
Variations in Average Retail and Wholesale Prices of Used Cars

Due to the end of the Eco-car Subsidy, the average retail price has begun to rise. Average wholesale price had decreased since June 2011, and bottomed out in April 2012.

【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

Changes in Quarterly Totals of Business Partners for Goo Series



Although the demand for used cars declined due to the effect of the Eco-car Subsidy and the business environment surrounding used car dealers became severe, the number of companies the Goo Series as a whole traded with over the year increased to 105.2% of the same period of the previous year.

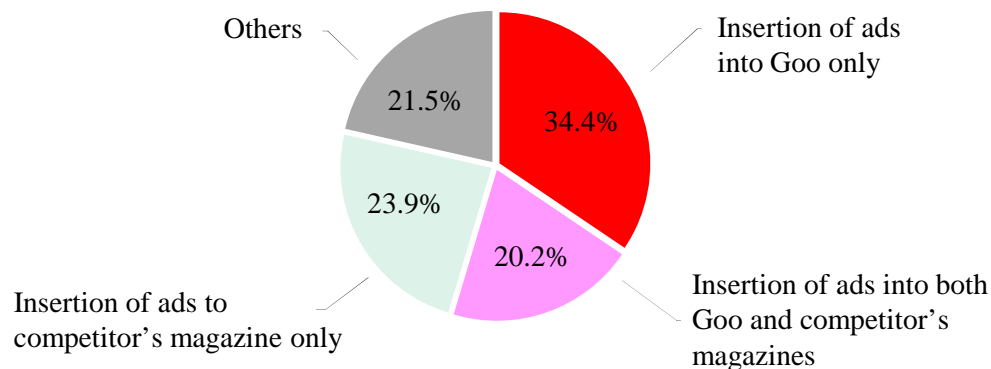
The monthly average value of transactions for the year ended March 2013 was 97.5% of the same period of the previous year, due to the increased number of smaller dealers, including in the new areas.



The number of the member shops of Goo-inspection was 5,997 IDs as of the end of March 2013 (141.6% of the value for March of the previous year).

【For reference: Number as of the end of March 2012: 4,234 IDs】

Situation of Market Share (Compared with Competitors)



【Regarding the change of the method for calculating market share】

Previously, reference values for only major cities in each area were used for market share, but market share is calculated for the entire area from this term.

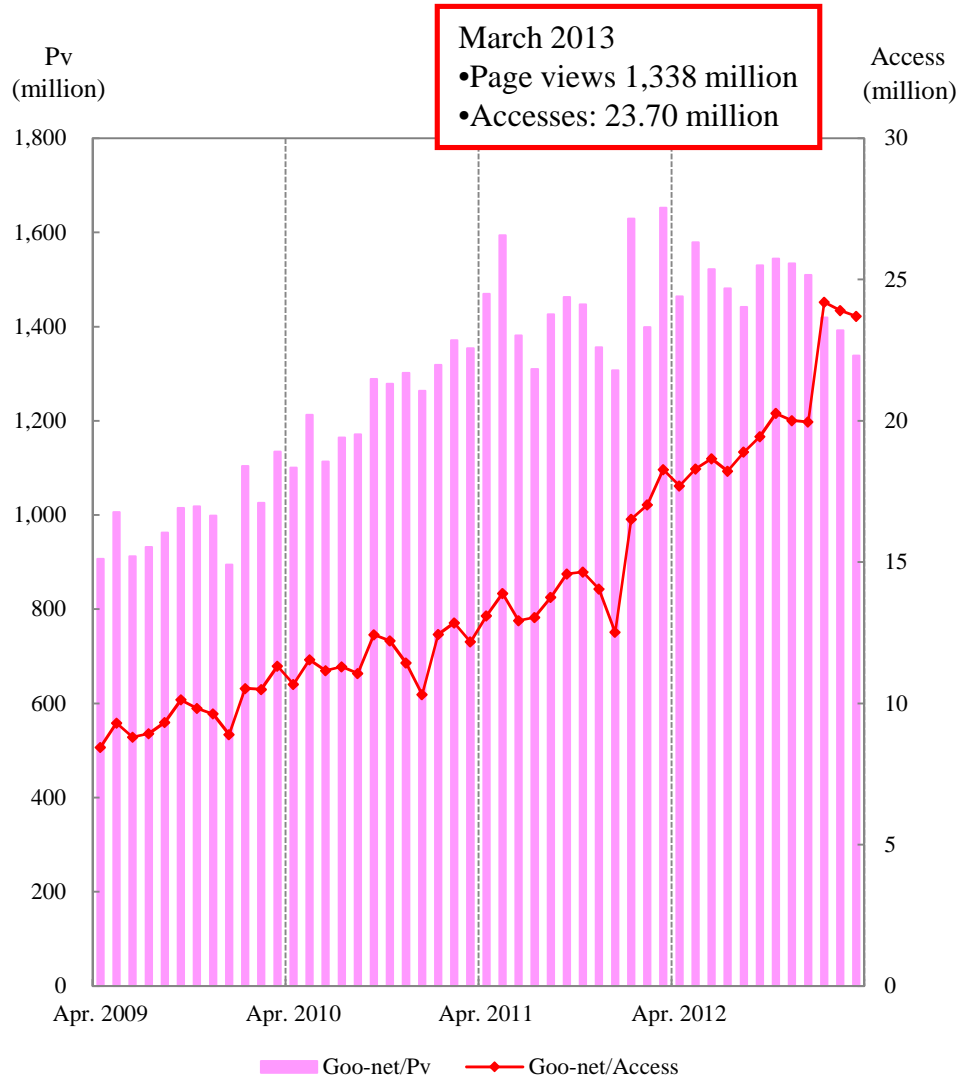
* Competitor's magazine: Car Sensor (Mj Magazine in Shikoku, Crossroad in Okinawa)

* The numerical value has totaled for the entire area.

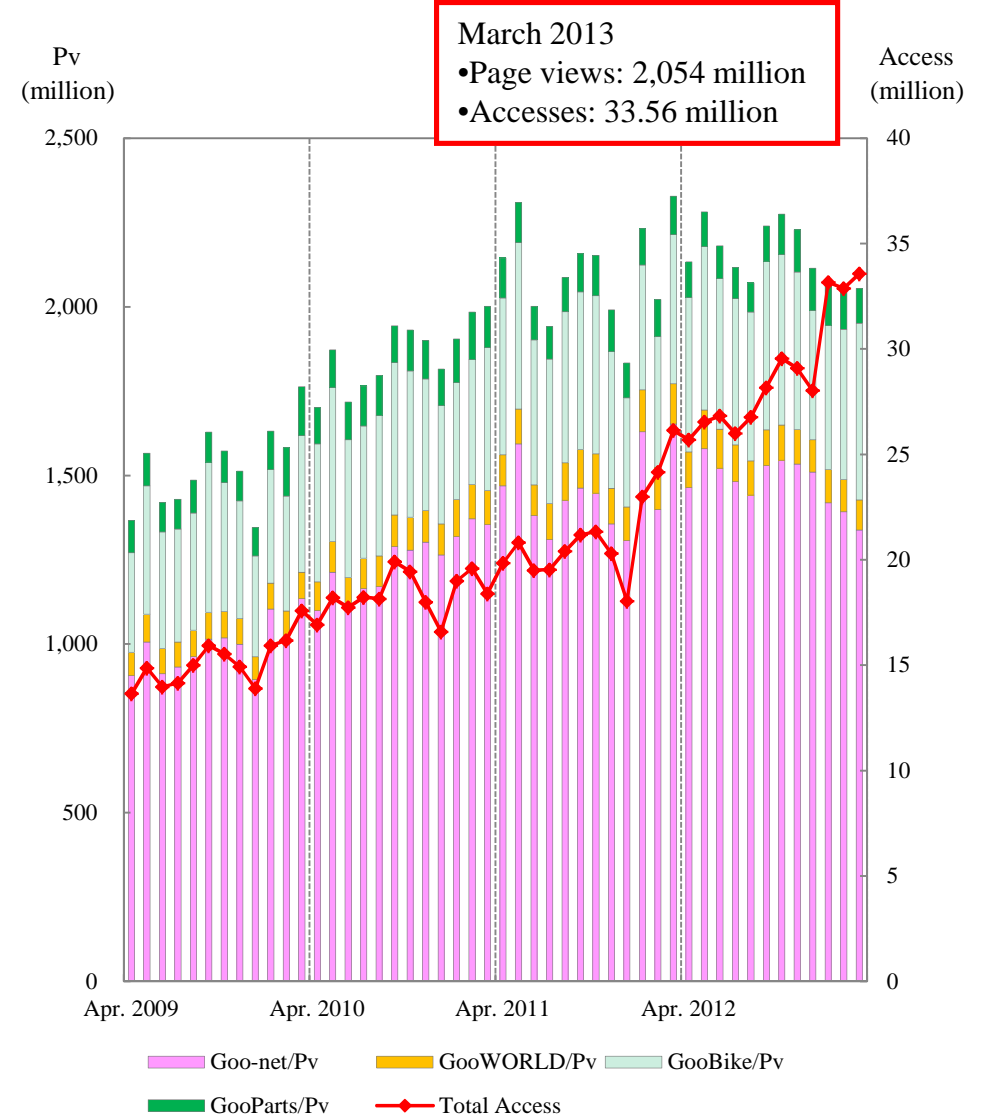
* Method for counting client companies: To count the number of dealers that inserted their ads into information magazines.

(Surveyed by our company in March 2013)

Car Portal Site "Goo-net" (PC + Smartphone)



Total of Goo Series (PC + Smartphone)



(Unit: million yen)

	FY Mar. 2012 (As of Mar. 31, 2012)		FY Mar. 2013 (As of Mar. 31, 2013)		Increase/Decrease (B) - (A)	
	(A)	Composition ratio	(B)	Composition ratio		
Current Assets	15,855	55.5%	20,686	59.4%	(1)	4,830
Fixed Assets	12,729	44.5%	14,155	40.6%	(2)	1,425
Current Liabilities	5,573	19.5%	8,578	24.6%	(3)	3,004
Long-term Liabilities	441	1.5%	2,514	7.2%	(4)	2,072
Net Assets	22,569	79.0%	23,748	68.2%	(5)	1,178
Total Assets	28,585	-	34,841	-		6,256

Point (1) Increase in Current Assets (4,830 million yen increase from the end of the term ended March 2012)

Current assets increased 4,830 million yen compared with the end of the previous consolidated fiscal year because cash and deposits increased due to long-term borrowings, although there were payments of income taxes, payment for acquiring fixed assets, and payment for acquisition of treasury stock.

Point (2) Increase in Fixed Assets (1,425 million yen increase from the end of the term ended March 2012)

Fixed assets increased 1,425 million yen compared with the end of the previous consolidated fiscal year, mainly because of the goodwill amortization due to the reorganization of Kings Auto Co., Ltd. into a subsidiary, and amortization of software due to the Goo-net renewal.

Point (3) Increase in Current Liabilities (3,004 million yen increase from the end of the term ended March 2012)

Current liabilities increased 3,004 million yen from the end of the previous consolidated fiscal year, mainly because short-term debts, etc. increased as King's Auto Co., Ltd. became a subsidiary.

Point (4) Increase in Long-term Liabilities (2,072 million yen increase from the end of the term ended March 2012)

Long-Term liabilities increased 2,072 million yen compared with the end of the previous consolidated fiscal year, mainly due to the increase of long-term borrowings of PROTO CORPORATION.

Point (5) Increase in Net Assets (1,178 million yen increase from the end of the term ended March 2012)

Net assets increased 1,178 million yen from the end of the previous consolidated fiscal year because retained earnings increased, although there was a dividend payment of 836 million yen and a payment of 495 million yen for acquisition of treasury stock.

(Unit: million yen)

	FY March 2012	FY March 2013	Increase/Decrease
Cash Flows from Operating Activities	3,556	(1) 2,917	(639)
Cash Flows from Investing Activities	(3,606)	(2) (1,203)	2,402
Cash Flows from Financing Activities	(907)	(3) 1,187	2,094
Cash and Cash Equivalents at End of Term	11,524	14,640	3,116
Investment Amount (Tangible/intangible fixed assets*)	3,634	2,831	(802)
Depreciation (Tangible/intangible fixed assets)	288	404	116
Amortization of Goodwill	405	546	141

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

Point (1) Cash Flows from Operating Activities

Although 2,181 million yen was paid mainly for corporate income tax, etc., there was an income of 2,917 million yen, because income before income taxes of 3,944 million yen was recorded.

Point (2) Cash Flows from Investing Activities

There was an income of 1,203 million yen mainly because of the 479 million yen increase in cash and cash equivalents due to the reorganization of Kings Auto Co., Ltd. into a subsidiary, although there was a 1,811 million yen payment for acquiring fixed assets.

Point (3) Cash Flows from Financing Activities

There was an income of 1,187 million yen mainly due to the 3,000 million yen debt of PROTO CORPORATION, although there was a dividend payment of 836 million yen and a payment of 495 million yen for acquisition of treasury stock.

Medium-term Management Plan (From FY March 2014 to FY March 2016)

- In the term ended March 2013, the number of clients and our market share increased as the sales system of Goo Series was strengthened, but the fortification of the IT product development system was delayed.

Due to the delay in IT product development, we could not increase the ratio of sales of profitable “IT products.” Also, the advertisement cost increased for enhancing the popularity of Goo-inspection. Consequently, target operating income was not achieved.

Issues for the year ended March 2013

(1) Human Issues

- (1) Through the strengthening of the sales system of Goo Series, the system for offering after-sales services to customers was improved, and then the number of clients and our market share increased. Meanwhile, as for the fortification of the IT product development system, the recruitment and training of employees have been delayed.
- (2) While the number of our group companies increased, the improvement of back-office systems has been delayed.

(2) Product & Service Issues

- (1) We could increase the number of appraised automobiles in Goo-inspection and enhance its popularity, but we have not developed a system for responding to client needs in local areas. (lack of appraisers)
- (2) As part of the development of a platform for users, we renewed Goo-net for PCs and smartphones and the front covers of our information magazines in Jan. 2013, but the development of a platform for clients is delayed.

- Organizational structure must be improved (IT product development structure, back-office system)
- Differentiation of products and services must be carried out

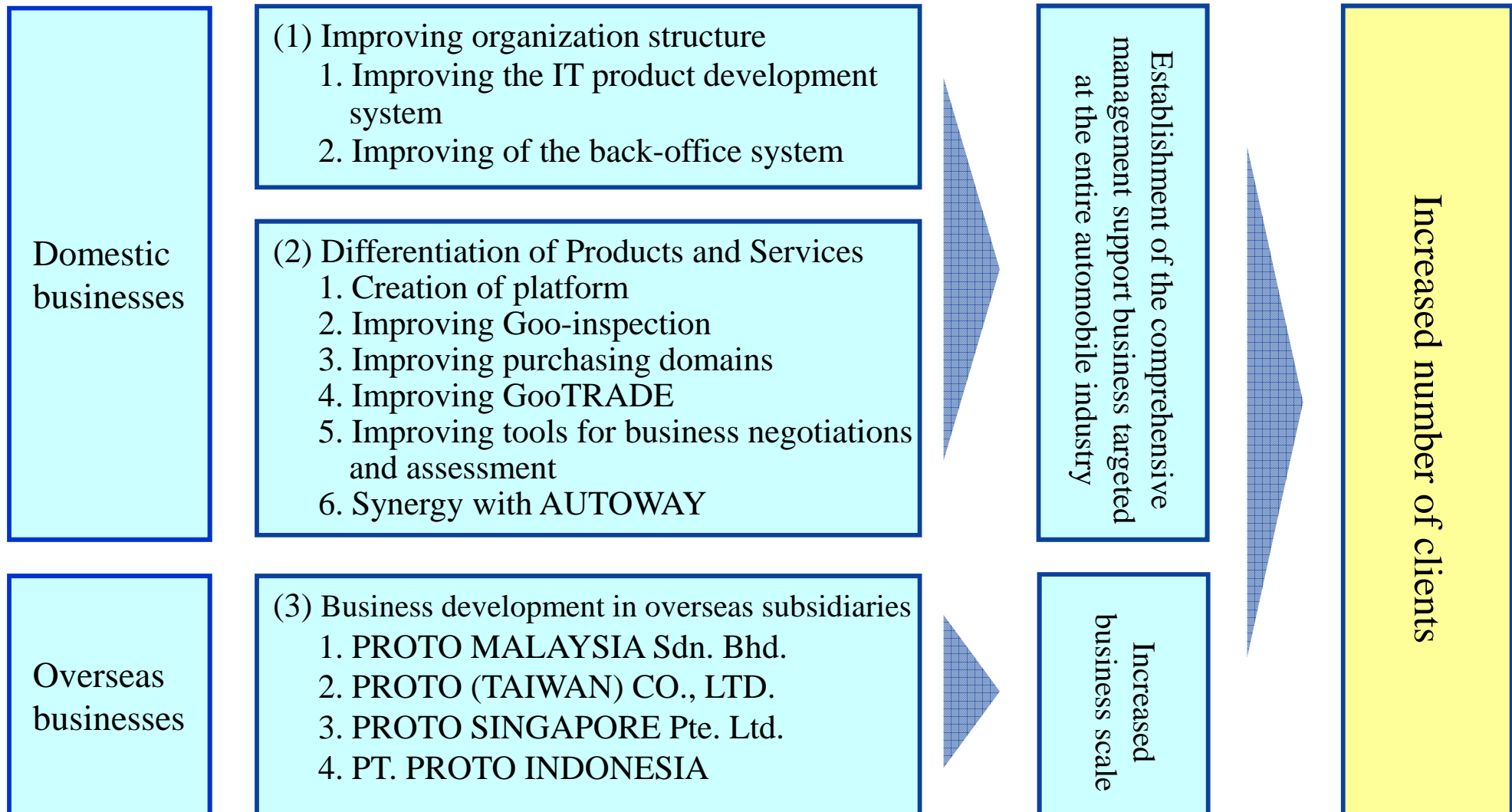
Medium-term Management Plan (From FY March 2014 to FY March 2016)

Automobile-related
Information Business

Lifestyle-related
Information Business

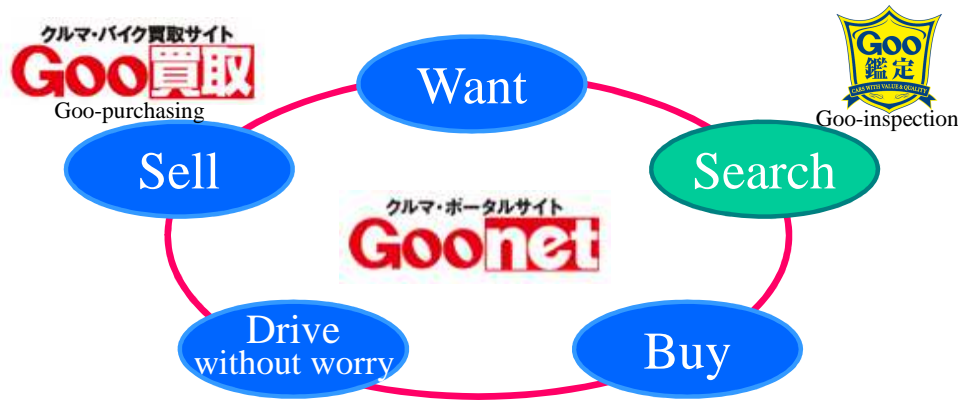
- For domestic businesses, we will invest in product and service differentiation and aim to increase the number of clients.

Expand our overseas business scale, by launching businesses in Malaysia and Taiwan early.



- We will promote the development of a platform which is fully covered automobile-related field in order to win the support from users and clients.

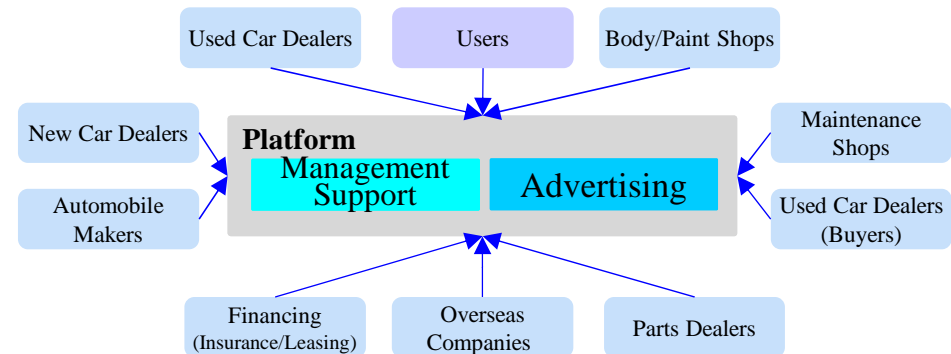
(1) Establishment of the platform for the users



Services are not provided for all aspects of user needs in their car life (No service available from our company, other company's services are poorly maintained)

Not only listing and matching of used cars, but aiming to maximize contact with users at all points in their car life

(2) Establishment of the platform for the clients



There is a need to create a system that comprehensively provides products and services to a variety of clients

We will establish a common platform for the automobile-related industry to pursue the satisfaction of the users and clients and increase the number of clients

■ Enrich the services that will make users feel secure and trust us, and differentiate our services from competitors’.

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



Goo 鑑定車 車両内装 赤★★★★ 機関/正常 赤★★★★ 内装 赤★★★★ 修復歴/なし

一覧ページで、Goo鑑定付きの車両には、Goo鑑定車の表示がつけられています。

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。

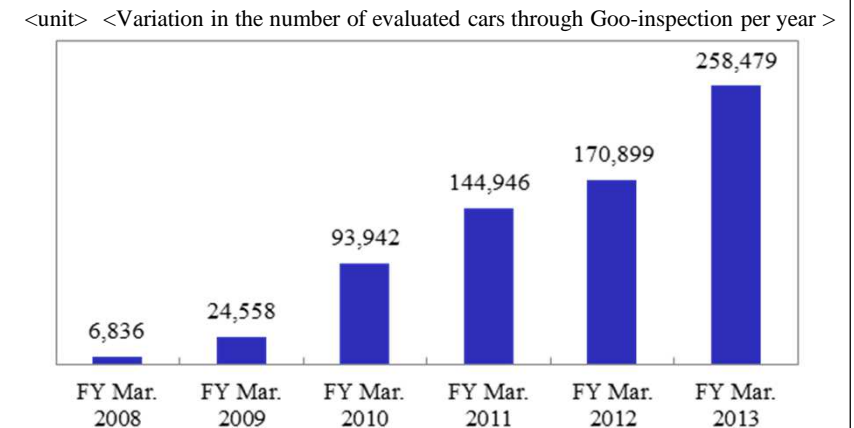
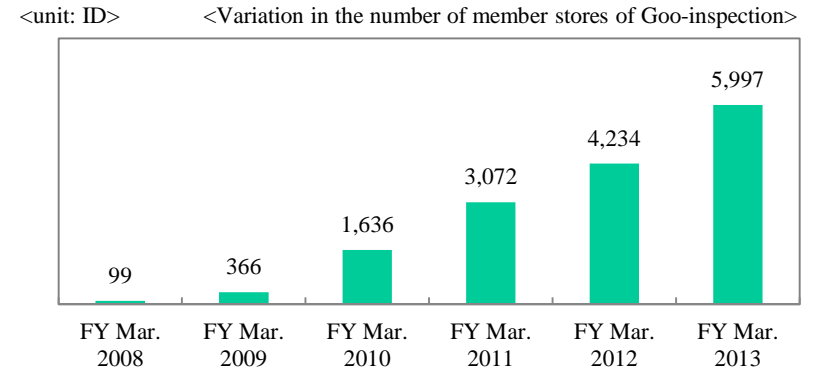
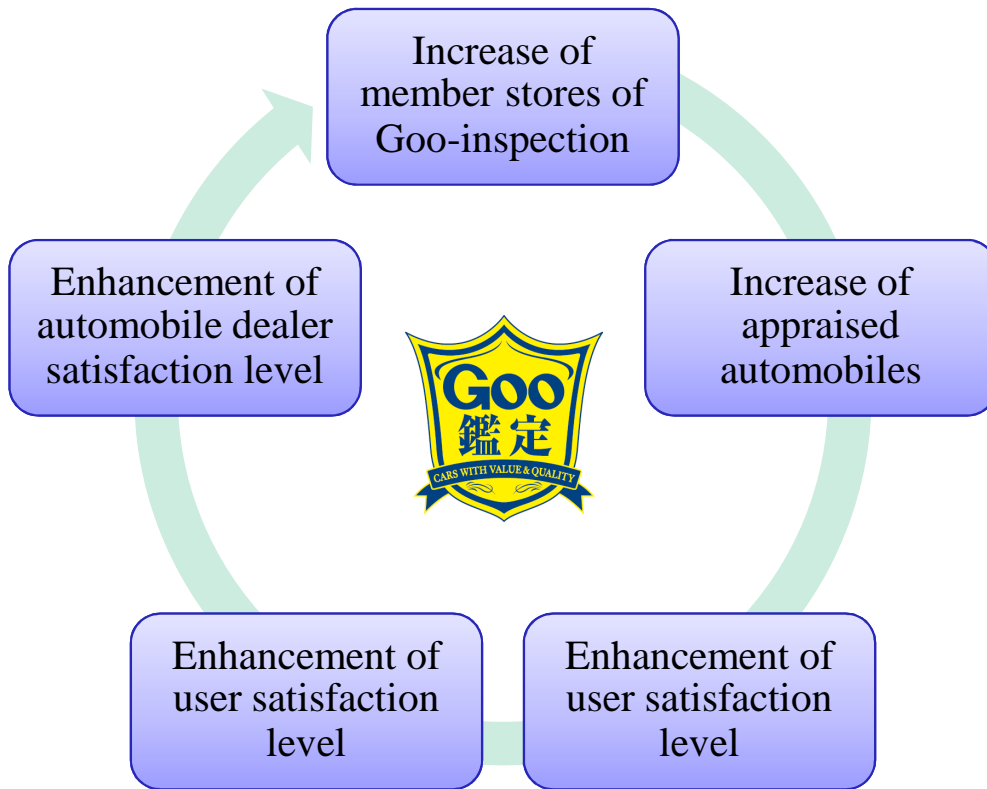
ステップ ③ Goo鑑定書ページ



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

■ By promoting Goo-inspection, we will enhance the support for used car dealers in selling.

Goo-inspection (Vehicles with appraisal results)



By promoting Goo-inspection, we aim to assist used car dealers in selling and develop the standards for evaluating the quality of used cars

- By offering the safe package of Goo-purchasing (escrow service), etc., we will develop an environment for trading used cars, and assist users in selling automobiles and used car dealers in procuring automobiles.

Goo-purchasing (Auction-type used car purchase service)



Goo-purchasing (old title: Goo Auction)
We operate a system in which used car dealers can buy the automobiles of users through auction



2013年4月27日～2013年5月6日はゴールデンウィーク期間の為、訪問日時の指定が出来ません。
安心 理由その1: お店が入金した後にクルマを引渡すから安心
出品者が車両と書類を引き渡すのは、落札店がプロトコーポレーション(※JASDAQ上場 証券コード4296)に入金してからなので安心



Safe Package of Goo-purchasing (escrow service of Proto)
Services for securing the safety of commercial transactions in cooperation with a third party, other than purchasers and sellers

We will assist users in selling automobiles and used car dealers in procuring them, more effectively

- By expanding the functions of GooTRADE (shared stock system for the Goo-inspection automobiles), we will assist used car dealers and automobile mechanic stores in selling and procuring automobiles more effectively.

GooTRADE (Shared stock system for the Goo-inspection automobiles)



GOOTRADE

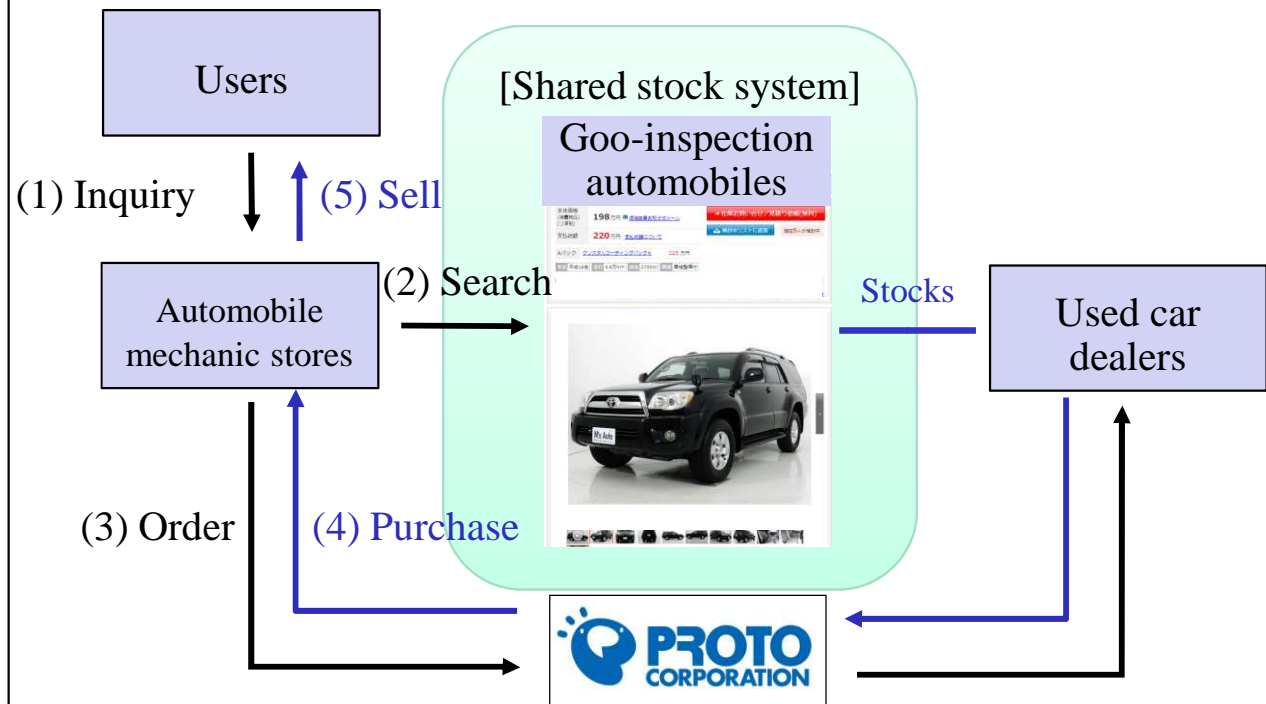
Intermediation service between dealers for selling and buying Goo-inspection automobiles which are owned by used car dealers.

- Check the stock of automobiles
- Check the detail of automobiles
- Price negotiation
- Check the payment after successful bid/ Check the raise by price
- Complaints handling, etc.

Future efforts (expansion of service function)

- Strengthening the agency service for land transportation
- Enhancing the escrow service
- Expanding the commissioned business with used car dealers

Outline drawing



By enhancing the function of GooTRADE, we will assist used car dealers and automobile mechanic stores in selling and procuring automobiles more effectively and increase the number of clients

■ We aim to increase the number of clients, by offering Data Line PRO and Data Line Assessment.

Data Line PRO (Tools for business negotiations)

System for assisting automobile dealers in procuring and selling cars

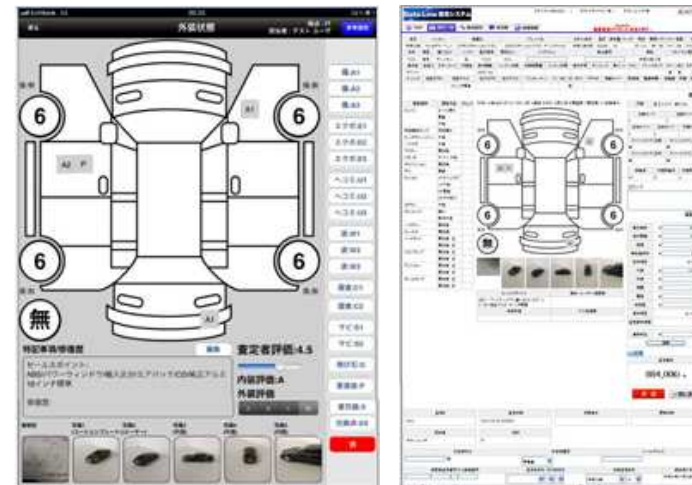
- Function to support procurement (Objective estimation of trade-in prices based on the auction transaction data and retail order data)
- Sale support function (Future price estimation function, lineup/pricing support function, and vehicle AA/retail order-signing rate judgment function, etc.)



Data Line Assessment (Tools for assessment)

System for assisting automobile dealers in procuring cars

- Function to support procurement (Assessment functions, unification of assessment data between head office and branches, increased precision/efficiency of assessments)
- With Data Line PRO, it is possible to estimate future prices.



By supporting the suggestion for automobile replacement based on objective data, we will assist automobile dealers in selling new and used cars, and increase the number of clients.

- Through the acquisition of the shares of AUTOWAY Co., Ltd. in Apr. 2013, we will expand our business scale.

AUTOWAY (Import and sale of automobile tires)



<Strengths of AUTOWAY>

- The largest online shopping site for tires in Japan
Over 2 million tires are sold per year.
- Price competitiveness
Cost reduction through bulk purchase from overseas suppliers
Reduction in distribution cost with online shopping systems
- Swift delivery
Dispatch within 24 hours after order placement,
to win the support of customers
- Support system
Cooperative systems with about 3,000 business partners in Japan,
including car parts retailers, used car dealers, maintenance shops,
and gas stations

We will pursue synergy and promote the expansion of our business scale

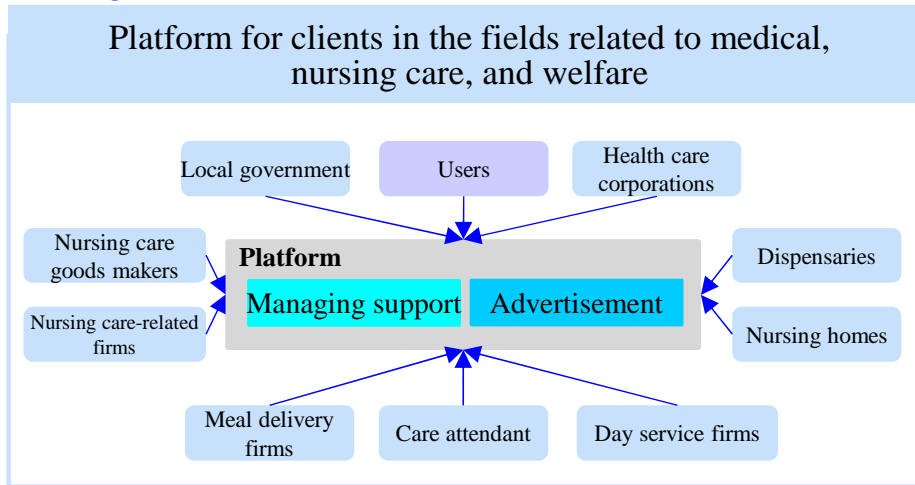
Medium-term Management Plan (From FY March 2014 to FY March 2016)

Automobile-related
Information Business

Lifestyle-related
Information Business

- We will promote the development of platforms in the growing markets related to medical, nursing care, and welfare.

<Strategies>



<Personnel>

(Assistance in personnel recruitment in medical, nursing care, and welfare facilities)

Media



- Job advertisements, facility information
- Questions, requests for information

(Future Plans)

- To improve the personnel introduction service
- To increase target jobs

<Assistance in Moving-in>

(Assistance in moving in medical, nursing care, and welfare facilities)

Media



- Facility information
- Questions, requests for information

(Future Plans)

- Expand to cover more facilities
- Expand the area covered by Heartpage

<Distribution and Rental>

(Sale and lease of medical and nursing care products)

Product sale and rental services



- Online shopping site handling nursing care goods
- E-commerce site for nursing care firms
- Rental services for welfare goods

(Future Plans)

- Expand target customers

Consolidated Earnings Forecast

- We promote business expansion by considering the growth potential of sales and operating profit and the improvement in ROE as the most important indicators.

Growth of Net Sales

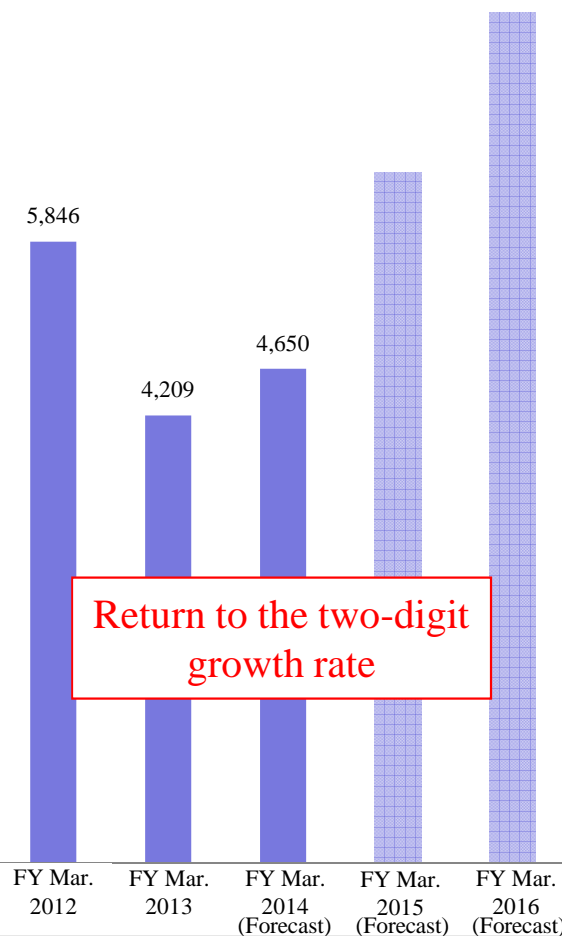
Net Sales (Unit: million yen)



We aim to achieve sustainable growth

Growth of Operating Income

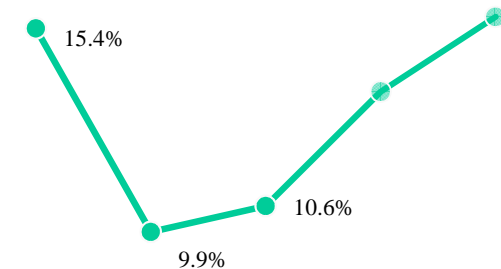
Operating Income (Unit: million yen)



Return to the two-digit growth rate

Profitability/Investment Efficiency

ROE



We aim to recover to 15.0%

■ Consolidated Statements of Income

(Unit: million yen)

	FY March 2013		FY March 2014		YoY change	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	(B)-(A)	%
Net Sales	38,287	100.0%	56,760	100.0%	18,472	148.2%
Cost of Sales	20,636	53.9%	35,104	61.8%	14,467	170.1%
Gross Profit	17,650	46.1%	21,656	38.2%	4,005	122.7%
SG&A Expenses	13,440	35.1%	17,006	30.0%	3,565	126.5%
Operating Income	4,209	11.0%	4,650	8.2%	440	110.5%
Ordinary Income	4,371	11.4%	4,821	8.5%	449	110.3%
Net Income	2,290	6.0%	2,606	4.6%	315	113.8%
Net Income per Share (Yen)	109.96	-	126.65	-	-	-

(Unit: million yen)

	FY March 2013		FY March 2014		YoY change	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	(B)-(A)	%
SG&A Expenses	13,440	35.1%	17,006	30.0%	3,565	126.5%
Employment Cost	5,957	15.6%	7,544	13.3%	1,587	126.7%
Advertising Cost	3,266	8.5%	3,128	5.5%	(138)	95.8%
Other Expenses	4,216	11.0%	6,332	11.2%	2,115	150.2%
Number of Employment	1,103	-	1,405	-	302	127.4%

We aim to recover to the two-digit growth rate of operating profit

■ Net Sales

(Unit: million yen)

	FY March 2013		FY March 2014		YoY change	
	Results (A)	Composition ratio	Forecast (B)	Composition ratio	(B)-(A)	%
Automobile-related	33,687	88.0%	50,685	89.3%	16,997	150.5%
Info Registration Fee	20,413	53.3%	(1) 20,918	36.9%	504	102.5%
Info Service Fee	13,273	34.7%	(2) 29,767	52.4%	16,493	224.3%
Lifestyle-related	3,837	10.0%	(3) 4,922	8.7%	1,085	128.3%
Real Estate	163	0.4%	139	0.2%	(24)	84.9%
Other Business	597	1.6%	(4) 1,012	1.8%	414	169.4%
Total	38,287	100.0%	56,760	100.0%	18,472	148.2%

* Info Registration Fee: Sales for advertisements in information magazines and the net media, etc.

* Info Service Fee: Sales for selling information magazines and providing contents, service of supporting the export of used cars and EC etc.

■ Operating Income

(Unit: million yen)

	FY March 2013		FY March 2014		YoY change	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	(B)-(A)	%
Automobile-related	5,916	17.6%	(5) 6,184	12.2%	268	104.5%
Lifestyle-related	131	3.4%	(6) 327	6.7%	196	249.9%
Real Estate	85	52.2%	78	56.3%	(7)	91.6%
Other Business	(323)	-	(7) (95)	-	227	-
Management Division	(1,599)	-	(8) (1,844)	-	(244)	-
Total	4,209	11.0%	4,650	8.2%	440	110.5%

■ Main activities in each business segment

[Automobile-related Information]

- (1) To promote the sale of IT products and improve sale efficiency in existing areas for Goo Series (PROTO CORPORATION)
Strengthening of “Goo-purchasing” (PROTO CORPORATION)
- (2) To promote business expansion by pursuing the synergy with AUTOWAY, which sells the imported tires for automobiles. (AUTOWAY)
Strengthening of Goo-inspection (PROTO CORPORATION)
Expansion of the e-commerce business for motorbike goods and parts (Bike Bros)
Sales promotion of business support systems in the car maintenance field (PROTO-RIOS)
- (5) Increase in depreciation costs due to the operation of a platform for clients (PROTO CORPORATION)
Increase in depreciation of goodwill (AUTOWAY and PROTO (TAIWAN))
Increase in costs for strengthening product/service development systems (PROTO CORPORATION)
Prior investment for launching new services in the car maintenance field (PROTO CORPORATION and PROTO-RIOS)

[Lifestyle-related Information]

- (3) Promotion of business expansion in the medical, nursing care, and welfare fields (PROTO MEDICAL CARE)
- (6) Improvement of profit and loss through the revision to the personnel system for the purchase price comparison site “Oikura” (PROTO CORPORATION)

[Other Business]

- (4) Promotion of the expansion of the BPO business (PROTO DATA CENTER)
- (7) Improvement of profit and loss through the expansion of the BPO business (PROTO DATA CENTER)

[Management Division]

- (8) Increase in costs due to the replacement of accounting systems (PROTO CORPORATION)
Increase in costs due to the strengthening of back-office systems (PROTO CORPORATION)

■ 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 (excluding treasury stock): 0.72%)

■ Aggregate repurchase amount

Up to 200 million yen

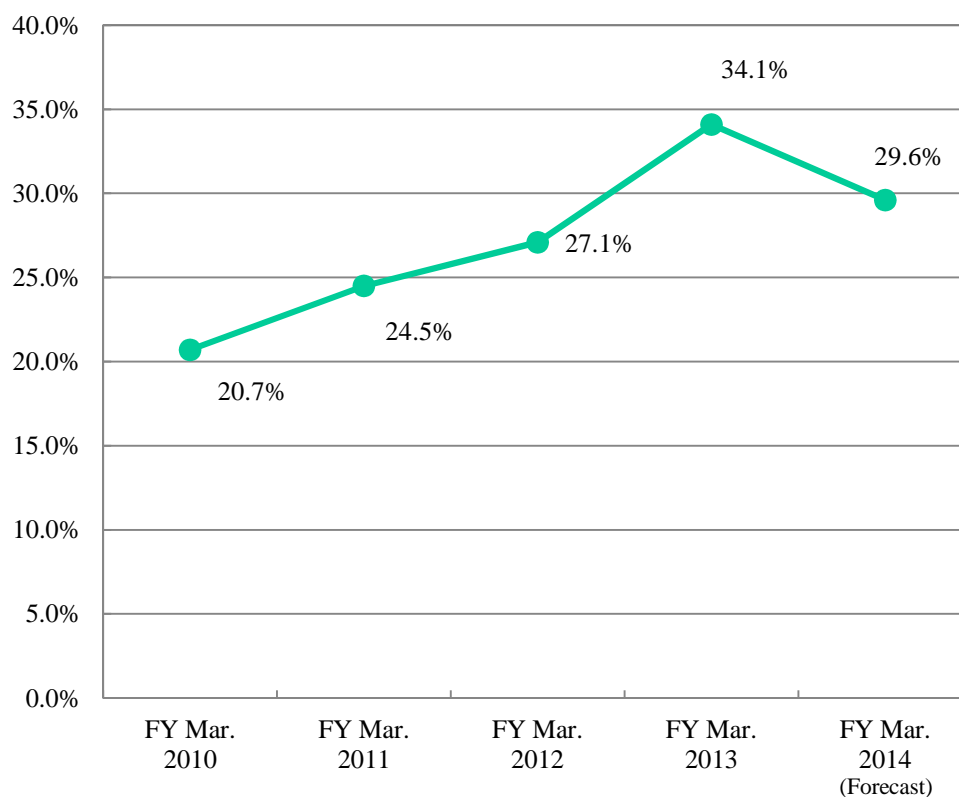
■ Period for repurchases

May 13, 2013 to June 28, 2013

Dividend Measures

We make efforts to return profits to shareholders, while emphasizing continuous, stable dividends, and comprehensively considering the enrichment of retained earnings for the future growth.

Variation in Payout Ratio



Variation in Annual Dividend per Share

(unit: yen)

	Interim Dividend	Year-end Dividend	Annual Dividend
FY Mar. 2010	35.00	35.00	70.00
FY Mar. 2011	37.50	37.50	75.00
FY Mar. 2012*1	42.50	42.50	85.00
FY Mar. 2013*2	37.50	18.75	56.25
FY Mar. 2014 (Forecast)	18.75	18.75	37.50

*1 The values for the year ended March 2012 include an annual dividend of 10 yen (interim dividend: 5 yen, year-end dividend: 5 yen) as the dividend for commemorating the 10th anniversary of listing.

*2. We implemented a two for one common stock split as of October 1, 2012.

(Unit: million yen)

	FY March 2012 (Results)					FY March 2013 (Results)					FY March 2014 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	7,223	7,501	7,975	7,880	30,582	9,599	9,600	9,420	9,667	38,287	13,385	13,204	15,268	14,901	56,760
Cost of Sales	3,010	3,270	3,500	3,502	13,283	5,007	5,093	5,029	5,505	20,636	8,258	7,947	9,543	9,344	35,104
Gross Profit	4,213	4,230	4,475	4,378	17,298	4,591	4,507	4,390	4,161	17,650	5,126	5,256	5,724	5,548	21,656
SG&A Expenses	2,810	2,758	2,770	3,112	11,451	3,006	3,124	3,171	4,138	13,440	4,224	4,137	4,219	4,424	17,006
Operating Income	1,403	1,472	1,705	1,265	5,846	1,585	1,382	1,218	23	4,209	902	1,118	1,505	1,123	4,650
Ordinary Income	1,437	1,458	1,739	1,367	6,002	1,602	1,450	1,263	54	4,371	949	1,162	1,547	1,161	4,821
Net Income	827	815	945	687	3,275	1,082	657	670	(120)	2,290	472	634	857	641	2,606

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

	FY March 2012 (Results)					FY March 2013 (Results)					FY March 2014 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	7,223	7,501	7,975	7,880	30,582	9,599	9,600	9,420	9,667	38,287	13,385	13,204	15,268	14,901	56,760
Automobile-related	6,492	6,506	6,852	6,852	26,704	8,538	8,256	8,214	8,677	33,687	12,115	11,745	13,690	13,134	50,685
Info Registration Fee	4,756	4,826	5,166	5,082	19,830	4,934	5,082	5,324	5,072	20,413	5,009	5,212	5,393	5,302	20,918
Info Service Fee	1,736	1,680	1,686	1,770	6,873	3,604	3,174	2,890	3,605	13,273	7,105	6,532	8,296	7,832	29,767
Lifestyle-related	640	907	1,010	911	3,470	925	1,175	980	755	3,837	1,042	1,168	1,257	1,454	4,922
Real Estate	41	41	42	41	166	42	40	41	39	163	37	39	36	26	139
Other Business	49	45	70	75	240	91	127	183	195	597	189	251	284	286	1,012
Operating Income	1,403	1,472	1,705	1,265	5,846	1,585	1,382	1,218	23	4,209	902	1,118	1,505	1,123	4,650
Automobile-related	1,820	1,823	2,045	1,583	7,272	1,932	1,787	1,719	476	5,916	1,393	1,498	1,861	1,430	6,184
Lifestyle-related	27	40	73	86	228	52	58	32	(12)	131	22	75	87	141	327
Real Estate	20	19	21	22	83	24	21	23	16	85	20	19	19	19	78
Other Business	(38)	(48)	(34)	(27)	(149)	(55)	(73)	(121)	(73)	(323)	(62)	(21)	(6)	(5)	(95)
Management Division	(427)	(362)	(400)	(399)	(1,589)	(369)	(411)	(435)	(383)	(1,599)	(472)	(453)	(457)	(461)	(1,844)

Appendix

Corporate Name	PROTO CORPORATION
Founded	October 1, 1977
Established	June 1, 1979
Common Stock	1,824,620 thousand yen (As of March 31, 2013)
Shares Outstanding	20,940,000 shares (As of March 31, 2013)
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, Tokyo, Nagano, Hamamatsu, Nagoya, Kanazawa, Osaka, Hiroshima, Matsuyama, Fukuoka, Kumamoto (58 Sales Outlets Nationwide)
Fiscal Year-end	March 31
Number of Employees	Consolidated: 1,103 (As of March 31, 2013) Parent: 707 (As of March 31, 2013)
Stock Exchange Listing	Osaka 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. PROTO MALAYSIA Sdn. Bhd. (Full subsidiary since September, 2011) 9. MTM Interactive Sdn. Bhd. *1 (Full subsidiary since September, 2011) 10. SMT Media Pte. Ltd. (Full subsidiary since September, 2011) 11. PROTO (TAIWAN) CO., LTD. (Full subsidiary, established in December, 2011) 12. PROTO SINGAPORE Pte. Ltd. (Full subsidiary, established in May, 2012) 13. PT. PROTO INDONESIA (Full subsidiary, established in December, 2012) <p>*1. Account currently being settled (As of May 1, 2013)</p>



Our magazine was first issued in 1977

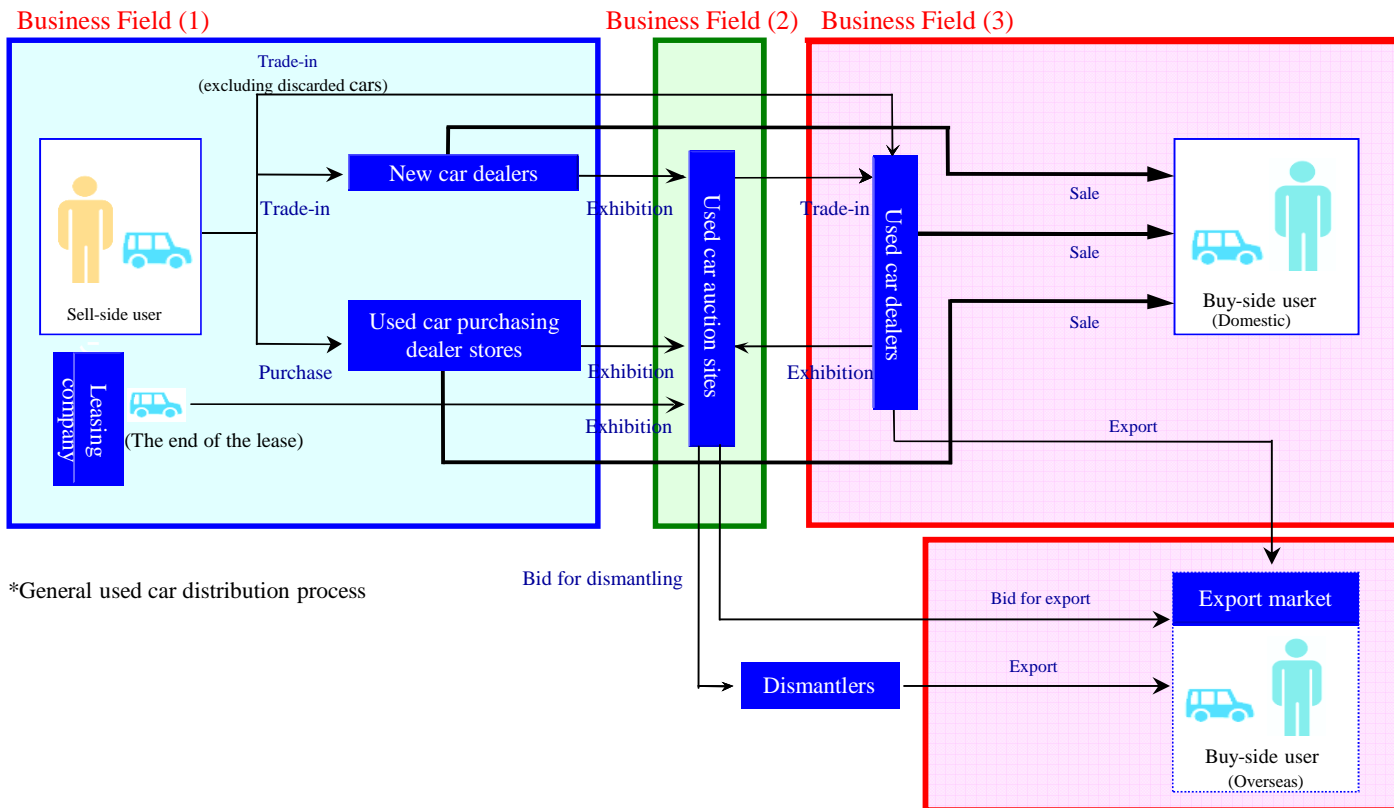
Activities for CSR (Corporate Social Responsibility)

- (1) To include the donation for the Great East Japan Earthquake (Japanese Red Cross Society) in the gift catalog for shareholders.
(Reward for shareholders as of the end of March 2011)
- (2) Employment increase in Okinawa
(PROTO DATA CENTER received the performance award for promoting the prefectural campaign for energizing the industry and employment in Okinawa Prefecture)

Fortification of In-company Management Systems

- (1) Improved corporate governance
(maintenance/improvement of compliance system and group management system)
- (2) Improvement of and thoroughness in risk management
- (3) Improvement of work conditions

- We promote the development and provision of products and services according to the needs from clients and users.
- ➔ **“Comprehensive management support”** for assisting dealers in procuring and selling, etc. comprehensively.



*General used car distribution process

<Business Field (3)>

[Products and services for clients and users]

- Goo Series (PC, mobile, information magazines)**
To search favorite cars and estimate their prices
- SA (platform for dealers), QE, GCS**
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
- Reviews on dealers by users (Goo-net)**
Evaluation of dealers posted by users who purchased car
- Goo-net Exchange**
To assist dealers in the export of used cars

< Business Field (1) >

[Products and services for clients]

- Data Line PRO, Auction Information**
Weekly and 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
- Goo-purchasing**
Providing a place where used car dealerships purchase the cars that are put up by the users in the auction style.

< Business Field (2) >

[Products and services for clients]

- Goo-net Automobile Distribution**
Automobile Distribution Journal
The trend of the distribution market is informed via websites and paper sheets to automobile-related firms.

Information registration fees (1)

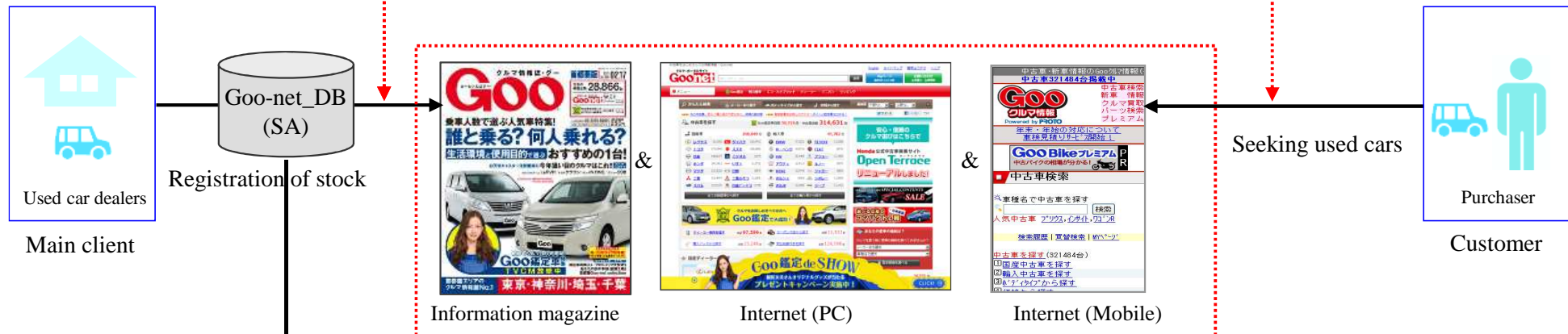
Charging system: Ad fee per page

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

Information service fees

Sale of information magazine

Mobile device charging



Example: Goo Tokyo Metropolitan Version

Ad fee per page: about 78,000 yen (If a one-page ad is inserted twice a month, the basic ad fee is about 150,000 yen.)

*Average purchase price: 230,000 yen (result for FY March 2013)

Sales Assistant (SA) (Improvement of functions by adding the package)

<p>Sales Assistant (SA) Car management and effect measurement</p> <p>Listed car management Access analysis Quote/inquiry</p>	<p>Quick Entry (QE) Inventory management and layout production</p> <p>Registration of new cars Management of cars in stock Auction operation Layout for car description</p>	<p>Goo Navi Customer Service (GCS) Business assistance</p> <p>Production of quotations Production of POP Client/customer management DM producing function Automatic quote reply</p>
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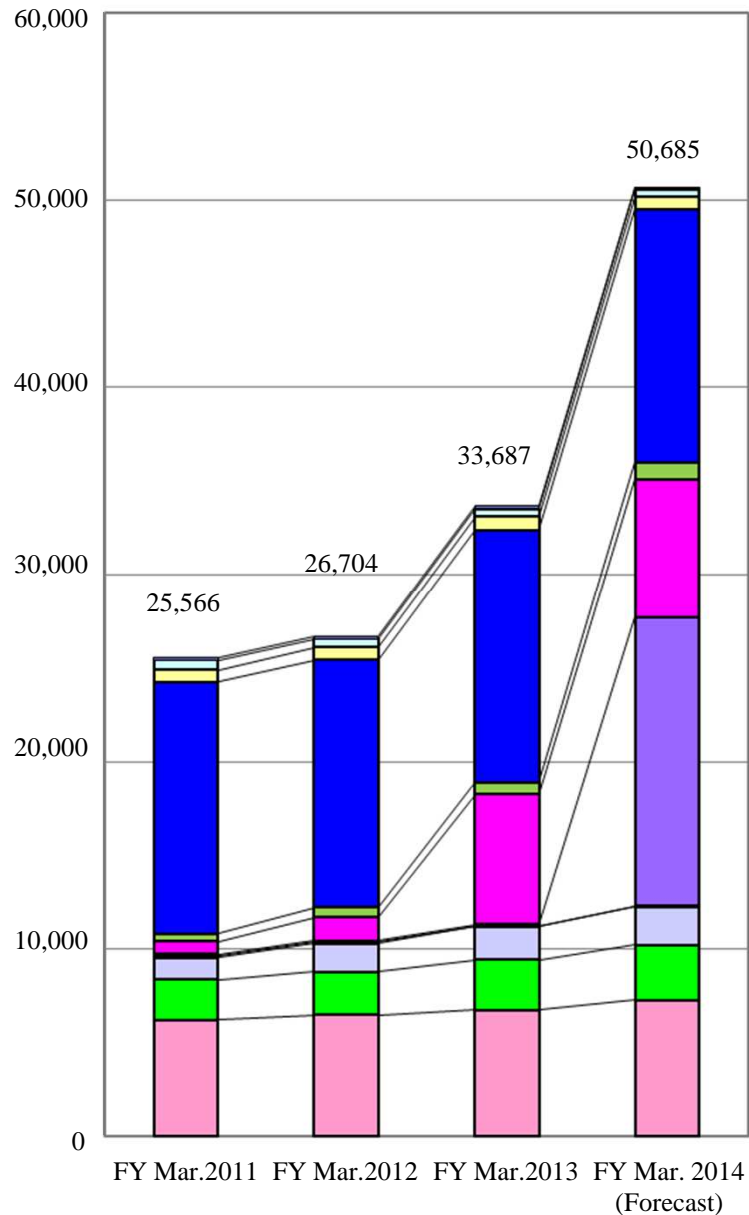
Sales Assistant (SA): Background system for Goo and Goo-net (ASP tool)

Information registration fees (2)

Fee for Internet option products, such as Goo-net (Quotation inquiry service, QE, GCS, etc.)

* Rubric: Paid product (service)

(Unit: million yen)



《 Magazine 》



Used car information magazine: Goo



Imported car information magazine: GooWORLD



Bike information magazine: GooBike



Car parts information magazine: GooParts

《 Internet site 》



Used car information search site: Goo-net

《 Smartphone & Mobile site 》



Used car information search mobile site: Goo

《 Magazine Business 》

- B to B fee for advertising in data book
- B to B subscription fee of data book
- Sale of information magazines
- Basic advertisement fee (Package of PC, mobile phone and information magazines)

《 Other Business 》

- Goo-inspection etc
- B to B automobile sale (Service of supporting the export of used cars of Kings Auto)

《 IT Business 》

- Mobile charges (e.g. Goo Car Info)
- EC (AUTOWAY)
- EC (to B)
- EC (to C)
- B to B fee for data provision (Data Line, quotation system of PROTO-RIOS INC.)
- Internet option products, such as Goo-net (Quotation inquiry service, QE, GCS, etc.)

*The product category of B to B automobile sale was changed to Other Businesses. (Previously, it was included in "IT Business.")

* The amount of money described in this material rounds down and displays one million yen or less.

■ 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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