



Investor Meeting for the Fiscal Year Ended in March 2012

May 14, 2012
PROTO CORPORATION (4298)

Financial data (consolidated)

Shares outstanding (million)	10.4
Market capitalization (¥ billion, Mar/12)	28.3
DPS (¥, FY Mar/12)	85.0
EPS (¥, FY Mar/12)	313.1
BPS (¥, Mar/12)	2,157.7
ROE (% , FY Mar/12, Net income basis)	15.4
ROA (% , FY Mar/12, Ordinary income basis)	21.9
Equity ratio (% , Mar/12)	79.0
Potential share dilution (million)	-
Foreign ownership (% , Mar/12)	27.4

Major Shareholders

	(Thousands)
1) Mugen Corporation	3,403 (32.50%)
2) Japan Trustee Services Bank, Ltd. (Trust Account)	523 (5.00%)
3) Hiroichi Yokoyama	520 (4.96%)
4) Yoshihiro Yokoyama	310 (2.96%)
5) The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	266 (2.54%)
6) Morgan Stanley & Co. LLC	236 (2.25%)
7) Northern Trust Co. (AVFC) Sub Account American Clients	178 (1.70%)
8) The Bank of New York Mellon as Agent BNYM AS EA Dutch Pension Omnibus 140016	175 (1.67%)
9) Minoru Saito	170 (1.62%)
10) BBH for Fidelity Low-Priced Stock Fund (Principal All Sector Subportfolio)	160 (1.52%)

(As of March 31, 2012)

Consolidated Statements of Income (1)



Status of consolidated income

(Unit: million yen)

	FY Mar 2011		FY Mar 2012				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	28,779	100.0%	31,140	100.0%	(1) 30,582	100.0%	1,802	106.3%	(557)	98.2%
Cost of Sales	11,712	40.7%	12,954	41.6%	(2) 13,283	43.4%	1,571	113.4%	329	102.5%
Gross Profit	17,067	59.3%	18,186	58.4%	17,298	56.6%	230	101.4%	(887)	95.1%
SG&A Expenses	10,955	38.1%	11,886	38.2%	(3) 11,451	37.4%	495	104.5%	(434)	96.3%
Operating Income	6,111	21.2%	6,300	20.2%	(4) 5,846	19.1%	(264)	95.7%	(453)	92.8%
Ordinary Income	6,375	22.2%	6,333	20.3%	6,002	19.6%	(373)	94.1%	(330)	94.8%
Net Income	3,197	11.1%	3,744	12.0%	(5) 3,275	10.7%	77	102.4%	(468)	87.5%

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

2) The earnings forecast for the year ended March 2012 is a value announced on October 31, 2011.

Status of SG & A expenses

(Unit: million yen)

	FY Mar 2011		FY Mar 2012				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	10,955	38.1%	11,886	38.2%	11,451	37.4%	495	104.5%	(434)	96.3%
Employment Cost	5,414	18.8%	5,730	18.4%	5,475	17.9%	61	101.1%	(254)	95.6%
Advertising Cost	2,152	7.5%	2,524	8.1%	2,505	8.2%	353	116.4%	(18)	99.2%
Other Expenses	3,388	11.8%	3,630	11.7%	3,469	11.3%	80	102.4%	(160)	95.6%
Number of Employment	875	-	1,011	-	954	-	79	109.0%	(57)	94.4%

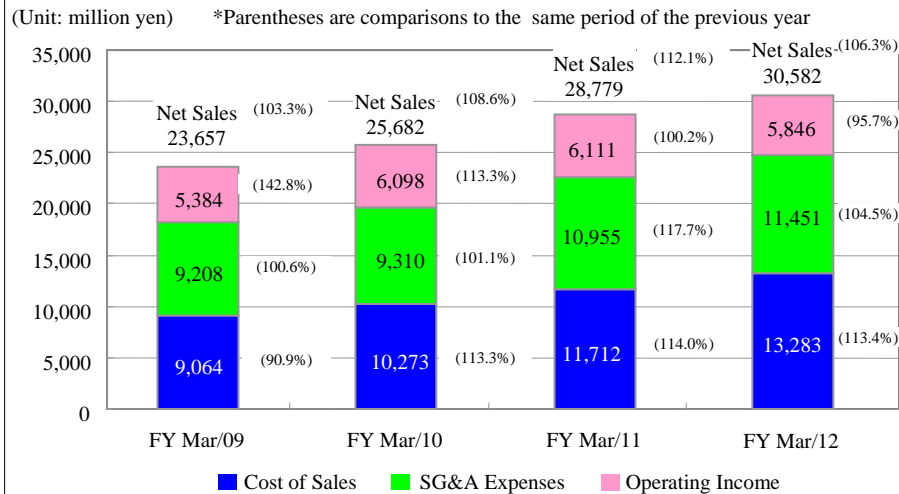
1) Advertising and related costs is the total of advertising costs and merchandising costs.

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

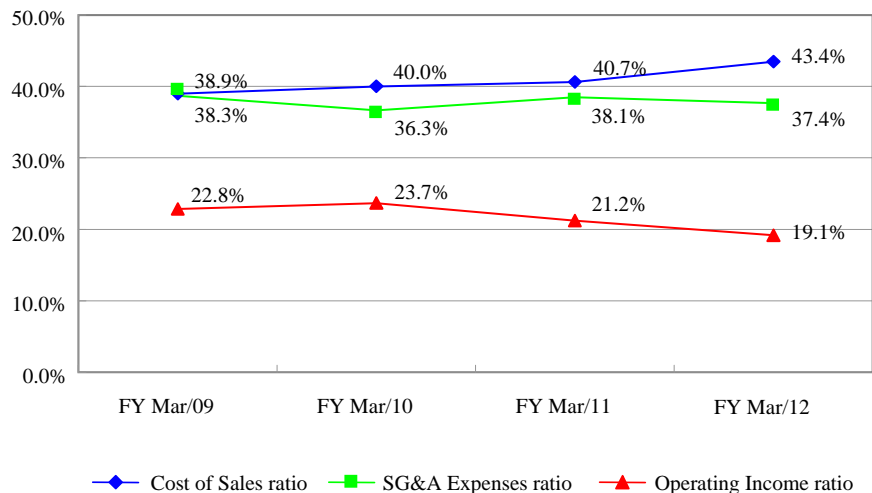
3) The earnings forecast for the year ended March 2012 is a value announced on October 31, 2011.

Performance overview for the year ended March 2012

Changes in Performance



Changes of Individual Indicators



Point (1) Net Sales

The total sales of our main segments, namely the Automobile-related information segment and the Lifestyle-related information segment, have increased compared with the same period of the previous year, with a total increase in sales for the group of 1,802 million yen (106.3% compared to the same period of the previous year). Sales were 98.2% of what was planned.

Point (2) Cost of Sales

Thanks mainly to the PROTO CORPORATION Internet advertising agency business performing well, an increase in the purchase of goods as a result of positive sales of motorcycle goods and parts by Bike Bros. Inc., and an increase the used car export support service of Goo Auto Inc., the cost of sales increased for those, and was 113.4% compared with the same period of the previous year (cost rate: 2.7 point increase). Compared to planned values, these businesses had cost of sales higher than expected, leading to results slightly more than what was planned.

Point (3) SG&A Expenses

Mainly because of (1) the promotion cost for cultivating new areas for Goo, (2) the strengthening of the Internet-based promotion of Goo-net and in the fields of medicine, nursing care, and welfare, and (3) the expenses of the investigation into the ASEAN market for developing business, SG&A expenses was 104.5% of the same period of the previous year (SG&A rate: 0.7% decrease). On the other hand, it was 96.3% of the estimated value, because employment costs were lower than what was planned.

Point (4) Operating Income

The operating income was 95.7% compared with the same period of the previous year, due to increase in SG&A expenses as described above. At 92.8% of the planned value, mainly because of sales of profitable IT products were lower than had been planned.

Point (5) Net Income

As mentioned before operating income decreased, however impairment loss etc. also decreased, leading to results of 102.4% compared with the same period of the previous year.

Segment Information (1)



Net sales

(Unit: million yen)

	FY Mar. 2011		FY Mar. 2012				YoY Change		Achievement rate	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
Automobile-related	25,566	88.8%	27,067	86.9%	26,704	87.3%	1,138	104.5%	(363)	98.7%
Info Registration Fee	19,831	68.9%	20,070	64.5%	19,830	64.8%	(0)	100.0%	(239)	98.8%
Info Service Fee	5,735	19.9%	6,997	22.5%	6,873	22.5%	1,138	119.9%	(123)	98.2%
Lifestyle-related	2,616	9.1%	3,692	11.9%	3,470	11.3%	853	132.6%	(222)	94.0%
Real Estate	181	0.6%	166	0.5%	166	0.5%	(14)	91.9%	0	100.4%
Others	415	1.4%	213	0.7%	240	0.8%	(174)	57.9%	27	112.8%
Total	28,779	100.0%	31,140	100.0%	30,582	100.0%	1,802	106.3%	(557)	98.2%

- 1) Info Registration Fee: Advertising fees for information magazines and Internet media, etc.
- 2) Information Service Fee: Fees from selling information magazines, providing contents, and EC etc.
- 3) The earnings forecast for the year ended March 2012 is a value announced on October 31, 2011.

Operating income

(Unit: million yen)

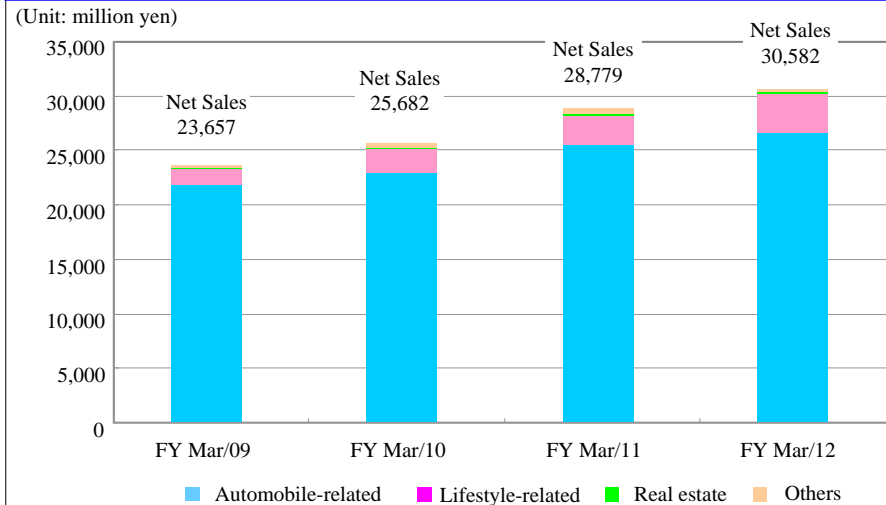
	FY Mar. 2011		FY Mar. 2012				YoY Change		Achievement rate	
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C) - (A)	%	(C) - (B)	%
Automobile-related	7,281	28.5%	7,587	28.0%	7,272	27.2%	(9)	99.9%	(315)	95.8%
Lifestyle-related	301	11.5%	418	11.3%	228	6.6%	(72)	76.0%	(189)	54.7%
Real Estate	104	57.7%	91	54.8%	83	50.2%	(21)	79.9%	(7)	92.0%
Others	(91)	-	(149)	-	(149)	-	(57)	-	0	-
Management Division	(1,484)	-	(1,647)	-	(1,589)	-	(104)	-	58	-
Total	6,111	21.2%	6,300	20.2%	5,846	19.1%	(264)	95.7%	(453)	92.8%

- 1) The earnings forecast for the year ended March 2012 is a value announced on October 31, 2011.

Segment Information (2)



Change in Sales by Segment

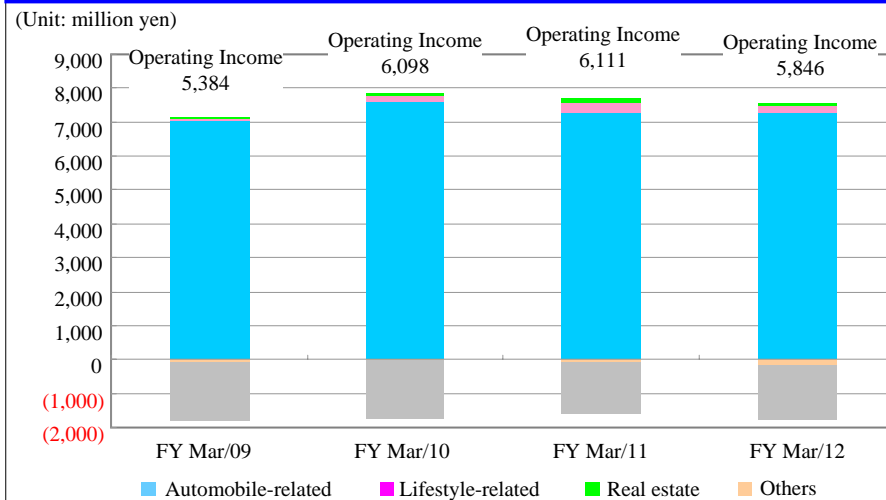


Automobile-related Information

Since July 2011, in addition to moving into the previously untapped areas of Niigata, Shikoku, and Okinawa, we worked towards increasing the number of companies trading with the Goo series through Goo-approved Car (now Goo Inspection), but the information magazine business decreased to 98.1% compared with the same period of the previous year. On the other hand, for our IT businesses, the PROTO-RIOS INC. (as of January 1, 2012 corporate name was changed from REPAIR TECH INC.) business support system and Goo Auto Inc. used car export support service both performed well, increased to 112.6% compared with the same period of the previous year, with sales for the automobile information sector overall increased by 1,138 million yen (104.5% compared with the same period of the previous year).

Operating income decreased 9 million yen (99.9% of the same period of the previous year) because of (1) the promotion cost for cultivating new areas for Goo and (2) the strengthening of the Internet-based promotion centered on Goo-net, etc. in addition to the decrease in operating income for the information magazines business.

Change in Operating Income by Segment



Lifestyle-related Information

For the medicine, nursing care, and welfare field that was the key sector for improvement this period, products and services were combined into PROTO MEDICAL CARE in June 2011 to improve business efficiency, and efforts were made to expand the recruitment and temp service business as well.

Furthermore, the Internet advertising agency business performed well. As a result, the lifestyle information sector had overall sales increase by 853 million yen (132.6% compared with the same period of the previous year).

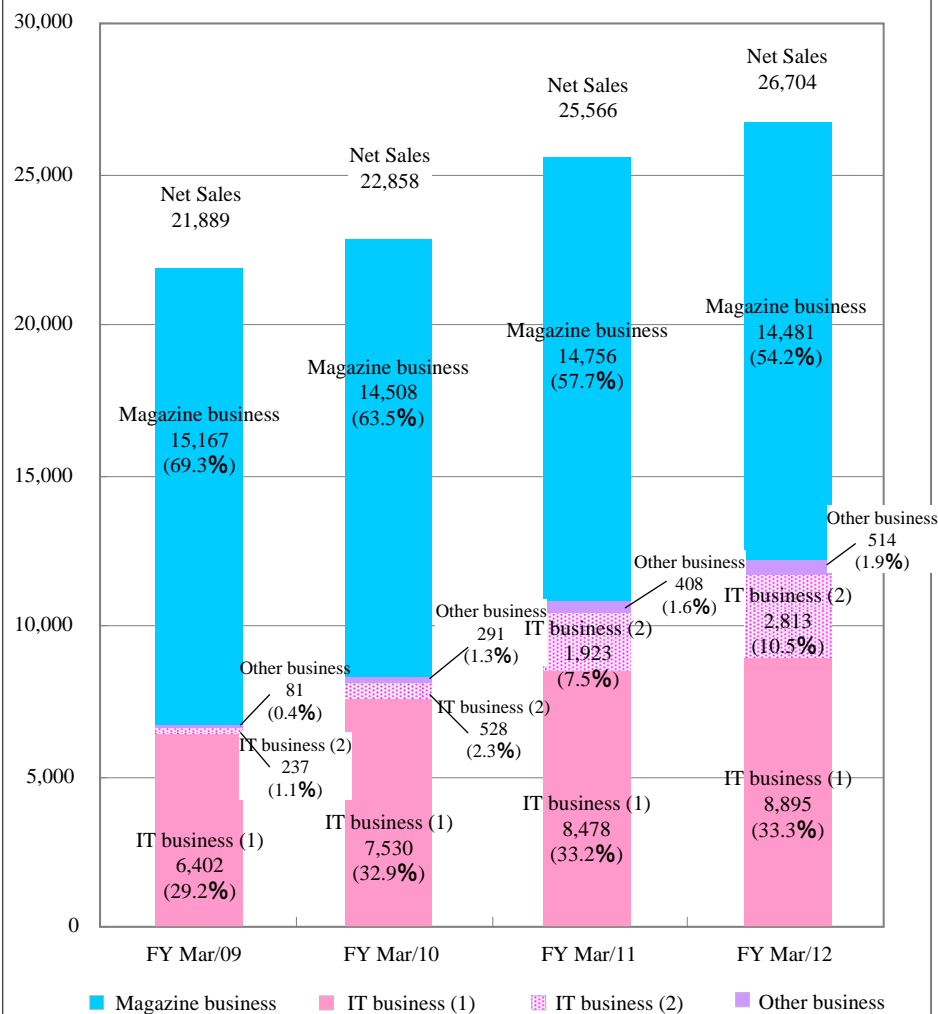
Increased employment cost in the recycling and reuse sector due to expansion of the business and increased promotion costs for PROTO MEDICAL CARE led to operating income decreasing by 72 million yen (76.0% compared with the same period of the previous year).

Others

Because the progress of the BPO business of PROTO DATA CENTER is delayed and MARS FLAG Corporation was sold in March 2011, sales decreased 174 million yen (57.9% of the same period of the previous year), and operating loss increased 57 million yen.

Changes in Automobile-related Sales by Product Classification

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



Magazine Business

Since July 2011, we worked towards moving into the previously untapped areas of Niigata, Shikoku, and Okinawa, and increasing the number of companies trading with the Goo series. However, due to the impact of the Great East Japan Earthquake in the first half of the year, the amount of used cars available decreased, with most retailers having difficulties acquiring stock. In the second half of the year, as stock numbers of retailers recovered the amount of advertising in the Goo series gradually recovered.

In addition, due to the earthquake, the issuance of the first and third week issues of "Goo Tohoku Edition" and "GooBike Tohoku Edition" to be released in April 2011 was suspended, and BikeBros Inc. has suspended publishing the motorbike information magazine "BikeBros" since April 2011.

Consequently, the sales of the information magazines business decreased 274 million yen (98.1% of the same period of the previous year).

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

In addition to continued expansion of Internet option products (estimate introduction service, QE, etc.) for the Goo series, expansion of the business support system of PROTO-RIOS INC. (as of January 1, 2012 corporate name was changed from REPAIR TECH INC.) meant the sales for IT Business (1) increased by 416 million yen (104.9% compared with the same period of the previous year).

IT Business (2) (EC, Service of supporting the export of used cars etc.)

As a result of positive sales of motorcycle goods and parts at Bike Bros. Inc. and used car export support services at Goo Auto Inc., the net sales of the IT Business (2) increased by 889 million yen compared with the same period of the previous year (146.2% of the same period of the previous year).

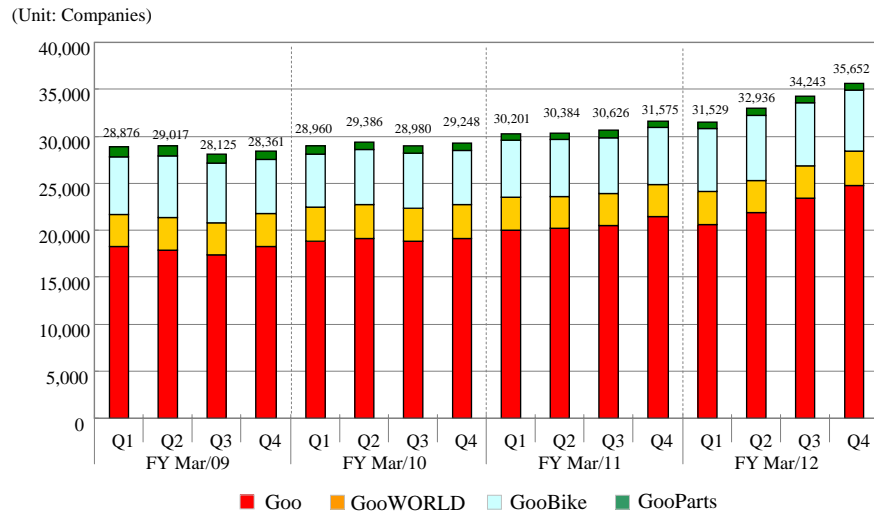
Other Business (Goo Inspection etc.)

Previously, the Goo-approved Car (now Goo Inspection) service was counted as part of IT Business (1), but considering the uniqueness of the product, it has been put into a separated product category. For the year ended March 2012, due to an increase in the number of Goo approved car, sales increased by 106 million yen (126.1% compared with the same period of the previous year).

Operating Results of Automobile-related Information (2)



Changes in Quarterly Totals of Business Partners for Goo Series



While used car dealers are faced with a difficult business climate, the number of companies the Goo series as a whole traded with over the year increased to 109.4% of the same period of the previous year. The monthly average value of transactions for the year ended March 2012 was 93.5% of the same period of the previous year, due to the increased number of smaller dealers, including in the new areas.

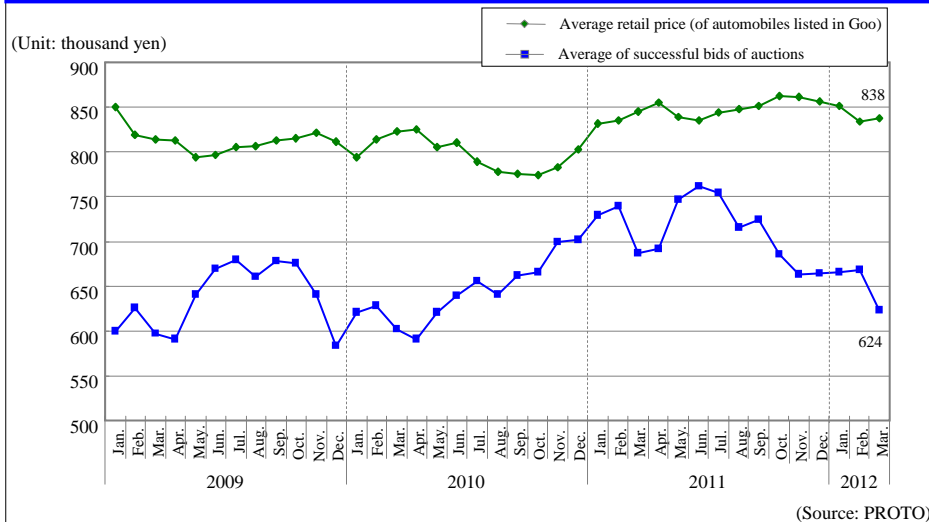


The number of stores involved in for the “Goo-approved Car” service is 4,234 IDs as of the end of March 2012 (137.8 % of the value in the same month of the previous year).

*As of April 2012, the name of the Goo-approved Car was changed to Goo Inspection.

[Reference: Number of stores as of the end of Mar. 2011: 3,072 ID]

Variations in retail and wholesale prices of used cars



[Number of quote requests in Goo-net]

The annual cumulative number of requests for the quote in Goo-net (PC & mobile) was 1,449,154 (106.4 % of the same period of the previous year).

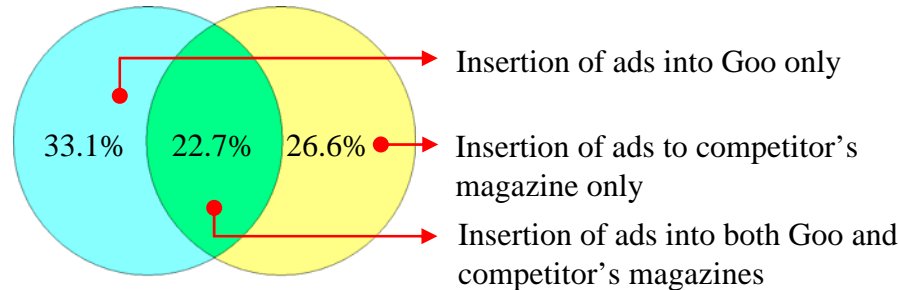
[Variations in retail and wholesale prices of used cars]

From June 2011, the average value of retailers remained stable at approximately 850,000 yen, but average wholesaler value has been on the decline.

Operating Results of Automobile-related Information (3)



Situation of Market Share (Compared with Competitors)



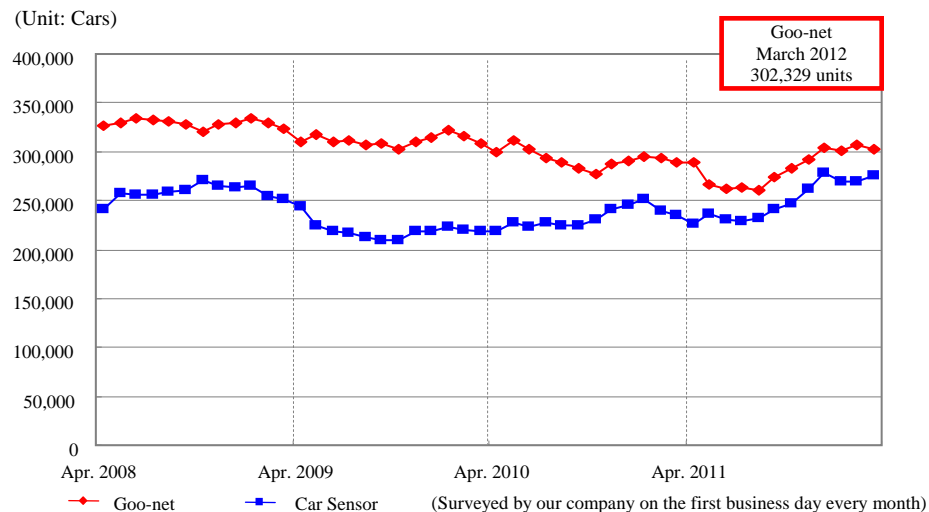
*Others 17.6%

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

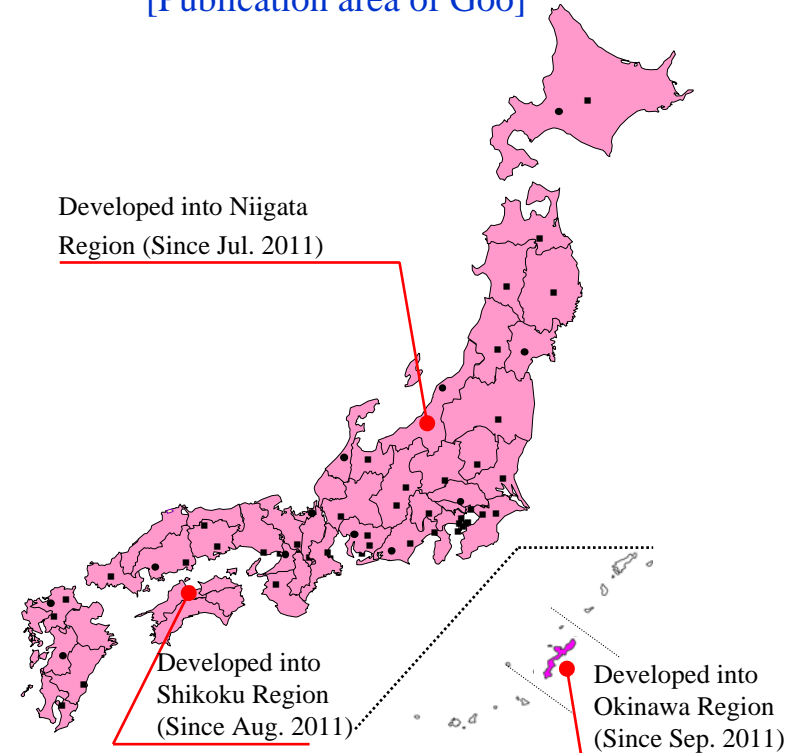
* Major cities in each area were targeted to obtain the numerical values.

* Method for counting client companies: To count the number of dealers that inserted their ads into information magazines. (Surveyed by our company in Mar. 2012)

Changes in Numbers of Used Automobiles Listed on Main Sites



[Publication area of Goo]



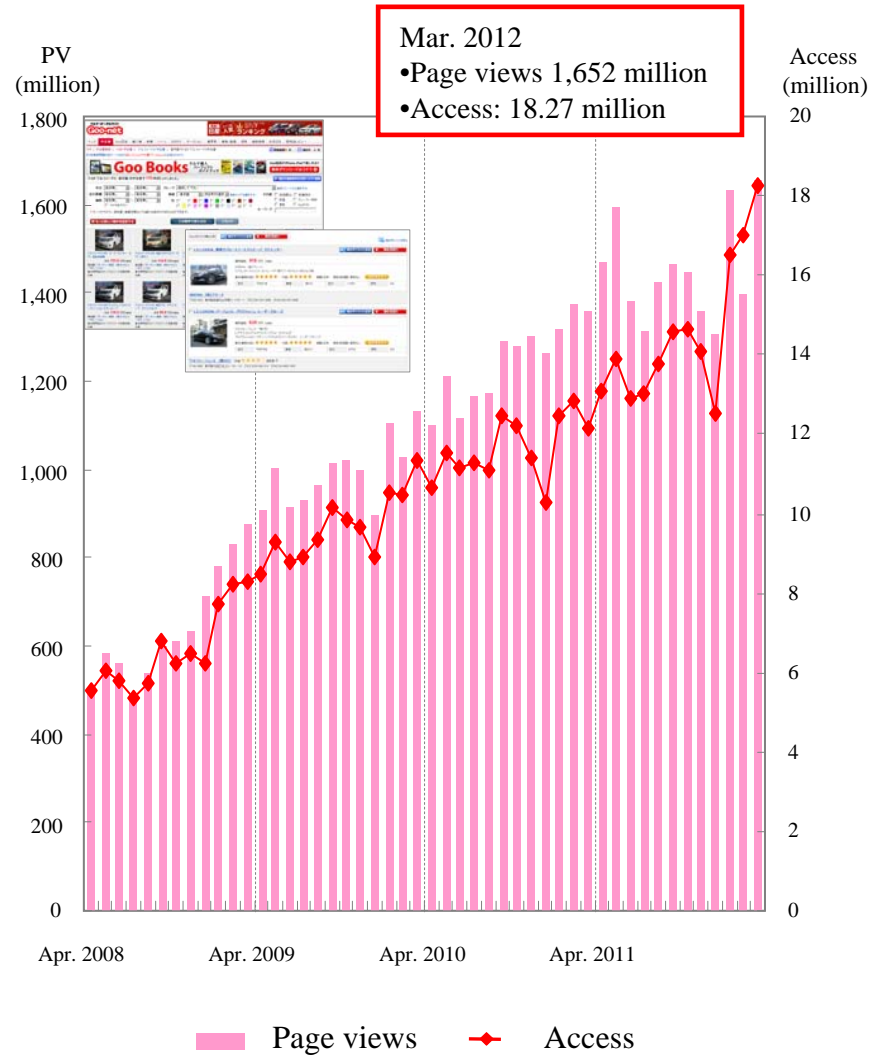
Since July 2011, we expanded to Niigata, Shikoku and Okinawa, areas which we did not previously operate in. Regarding market share, as a result of increasing the number of companies dealing with us, compared to the end of the third quarter clients advertising only on Goo increased 1.8 points, and clients advertising on both increased 2.5 points, leading to an overall 4.3 point increase. Since April 2011, although information for these areas was temporarily not posted, the information for each area has steadily increased, with the number of used cars advertised on the Goo-net automobile portal site remaining higher than that of any competitor (surveyed by our company).

* The number of used vehicle listings for "Car Sensor (run by Recruit)" is the total of "Car Sensor-net" and "D-Ucar.net" since March 2008.

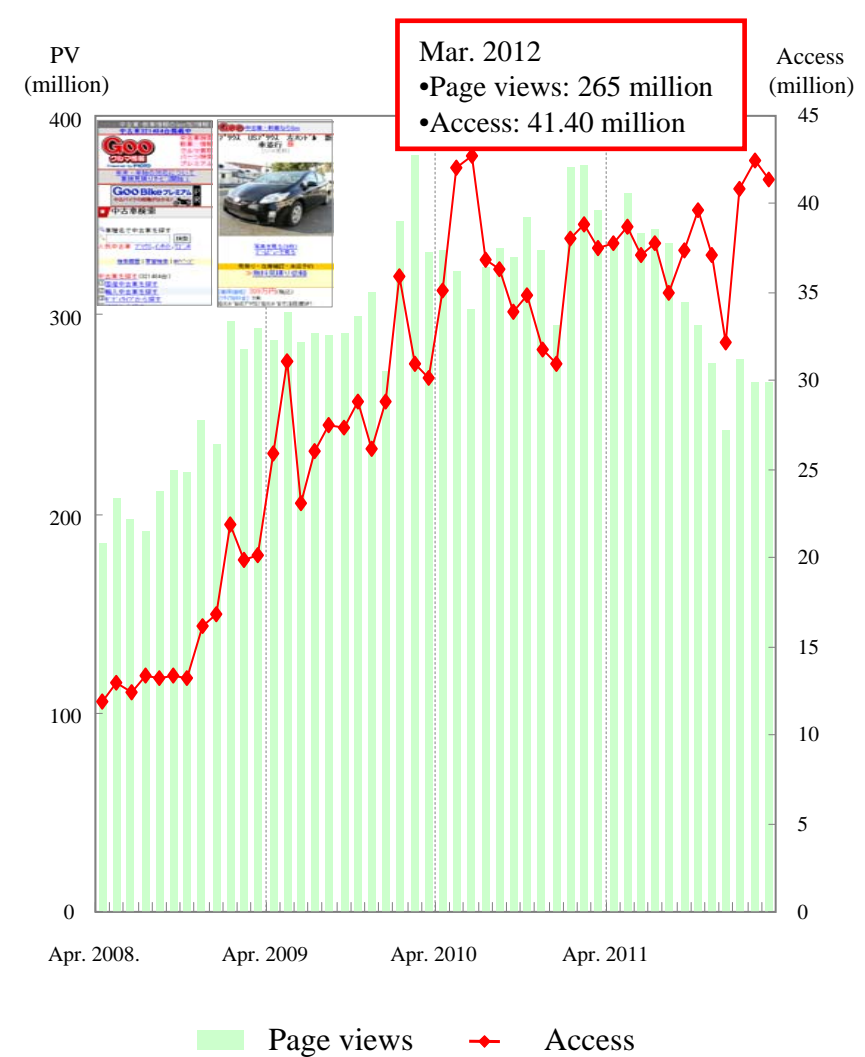
Operating Results of Automobile-related Information (4)



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



"Goo Car Information" (Mobile: Feature phone)



Consolidated Balance Sheet



(Unit: million yen)

	FY March 2011 (Full year - end)		FY March 2012 (Full year - end)		Increase/Decrease (B) - (A)
	(A)	Composition ratio	(B)	Composition ratio	
Current Assets	16,061	61.4%	15,855	55.5%	(1) (205)
Fixed Assets	10,102	38.6%	12,729	44.5%	(2) 2,627
Current Liabilities	5,639	21.6%	5,573	19.5%	(3) (65)
Long-term Liabilities	489	1.9%	441	1.5%	(48)
Net Assets	20,034	76.6%	22,569	79.0%	(4) 2,535
Total Assets	26,163	-	28,585	-	2,421

Point (1) Decrease in Current Assets (205 million yen decrease from the end of the term ended March 2011)

Due primarily to expenses involved in purchasing shares to make PROTO MALAYSIA Sdn. Bhd. (formerly MTM Multimedia Sdn. Bhd.) a subsidiary, and accrued income taxes paid, cash and deposits decreased, leading to a decrease of 205 million yen compared with the end of the previous consolidated fiscal year.

Point (2) Increase in Fixed Assets (2,627 million yen increase from the end of the term ended March 2011)

Due mainly to amortization making PROTO MALAYSIA Sdn. Bhd. (formerly MTM Multimedia Sdn. Bhd.) a subsidiary, there was an increase of 2,627 million yen compared with the end of the previous consolidated fiscal year.

Point (3) Decrease in Current Liabilities (65 million yen decrease from the end of the term ended March 2011)

Due mainly to a decrease in accrued income taxes, there was a decrease of 65 million yen compared with the end of the previous consolidated fiscal year.

Point (4) Increase in Net Assets (2,535 million yen increase from the end of the term ended March 2011)

Although there was payment of 836 million yen in dividends, there was also an increase in retained earnings, so there was an increase of 2,535 million yen compared with the end of the previous consolidated fiscal year.

Consolidated Statements of Cash Flows



(Unit: million yen)

	FY March 2011	FY March 2012	Increase/Decrease
Cash Flows from Operating Activities	3,896	(1) 3,556	(340)
Cash Flows from Investing Activities	(1,625)	(2) (3,606)	(1,980)
Cash Flows from Financing Activities	(996)	(3) (907)	88
Cash and Cash Equivalents at End of Term	12,476	11,524	(952)
Capital Expenditure (tangible/intangible fixed assets)	881	845	(35)
Depreciation (Including amortization of goodwill)	538	475	(62)

Point (1) Cash Flows from Operating Activities

Although income before income taxes increased, notes and accounts receivable increased with the increase in subsidiaries, for an income of 3,556 million yen (down 8.7% compared with the same period of the previous year).

Point (2) Cash Flows from Investing Activities

Due primarily to expenses of 2,842 million yen in purchasing shares to make PROTO MALAYSIA Sdn. Bhd. (formerly MTM Multimedia Sdn. Bhd.) a subsidiary, as well as expenses for the acquisition of fixed assets such as the rebuilding of branch office facilities, there was expenditure of 3,606 million yen.

Point (3) Cash Flows from Financing Activities

Due to an expenditure of 824 million yen for dividend payments and expenditure of 82 million yen for repayment of long-term borrowings, there was a total expenditure of 907 million yen.

Medium term Business Strategies (From FY March 2013 to FY March 2015)

- Although the Great East Japan Earthquake had an influence in the year ended March 2012, the main reason operating income did not reach goals was due to failure to increase sales of profitable “IT products”

Issues for the year ended March 2012

(1) Human Issues

Although we were able to increase the number of client companies, mainly with small scale clients in each area and particular in new areas we expanded to, due to a lack of personnel in sales and product development we were not able to create a sufficient support structure for our clients.

(2) Product & Service Issues

- 1) The demand for quality of IT products has increased, and for some projects there is a delay in the speed of developing and improving IT products.
- 2) There was not sufficient investment in differentiation of products and services in order to improve content quality and expand available content.

- Organizational structure must be improved (Goo series sales structure, IT product development structure)
- Differentiation of products and services must be carried out

Medium term Business Strategies (From FY March 2013 to FY March 2015)

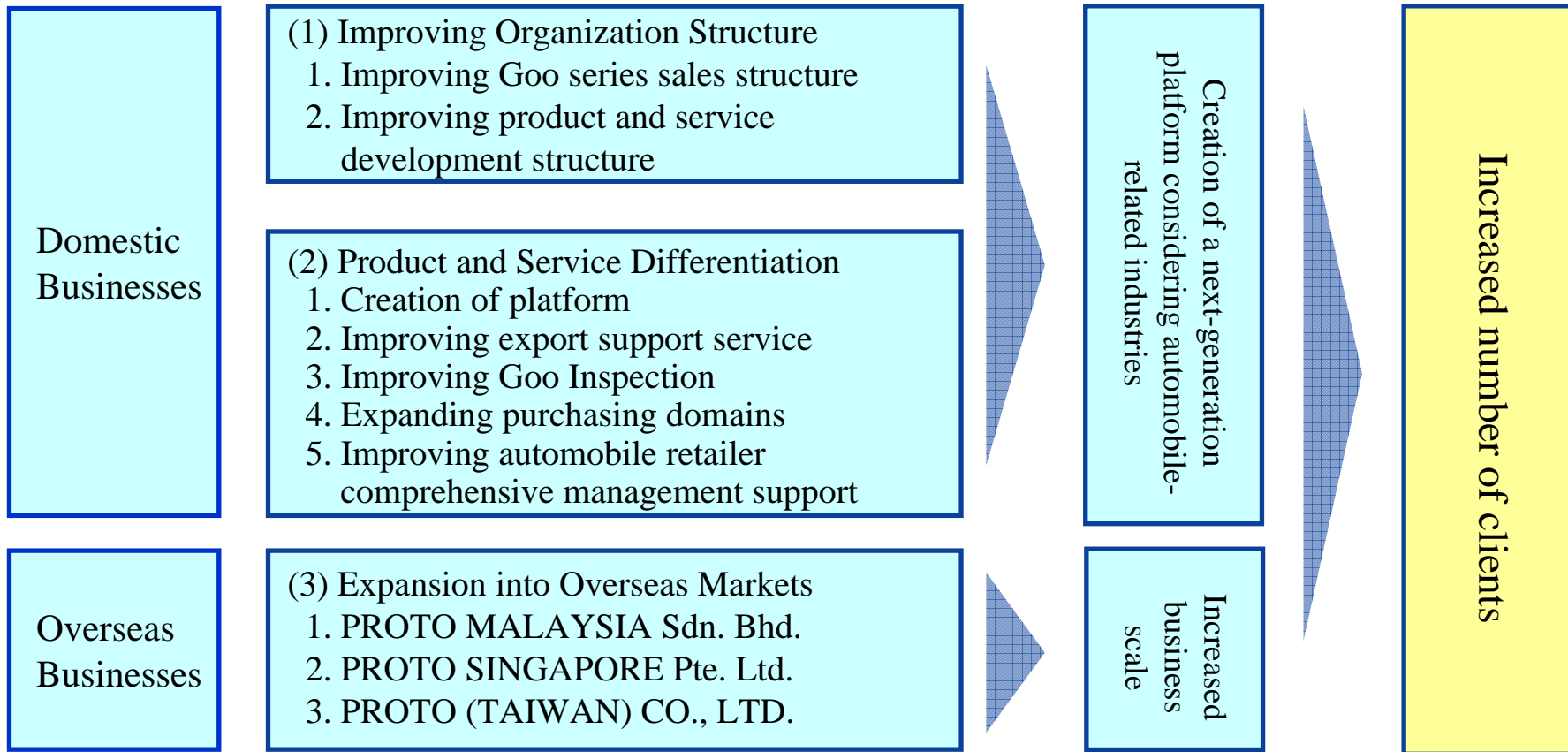
Automobile-related
Information Business

Lifestyle-related
Information Business

Medium term Business Strategies

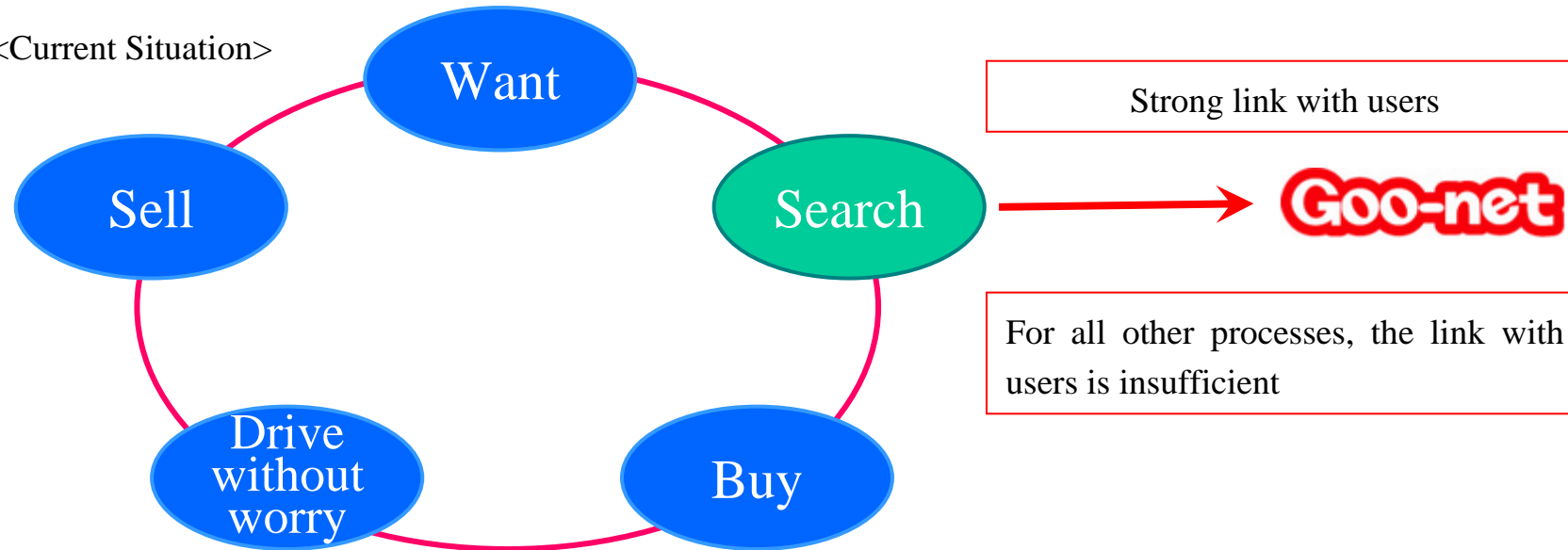


- For domestic businesses, we will invest in product and service differentiation and aim to increase the number of clients
- For overseas businesses, we will aim to increase the scale of business through collaborations or M&A with leading companies



■ User action cycle in car life

<Current Situation>



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)

Instead of stopping at listing and matching of used cars, aim to create a platform that fits user needs at all points in this cycle to maximize contact with users at all points in their car life.

■ Current business structure (business structure based on individual products and services)

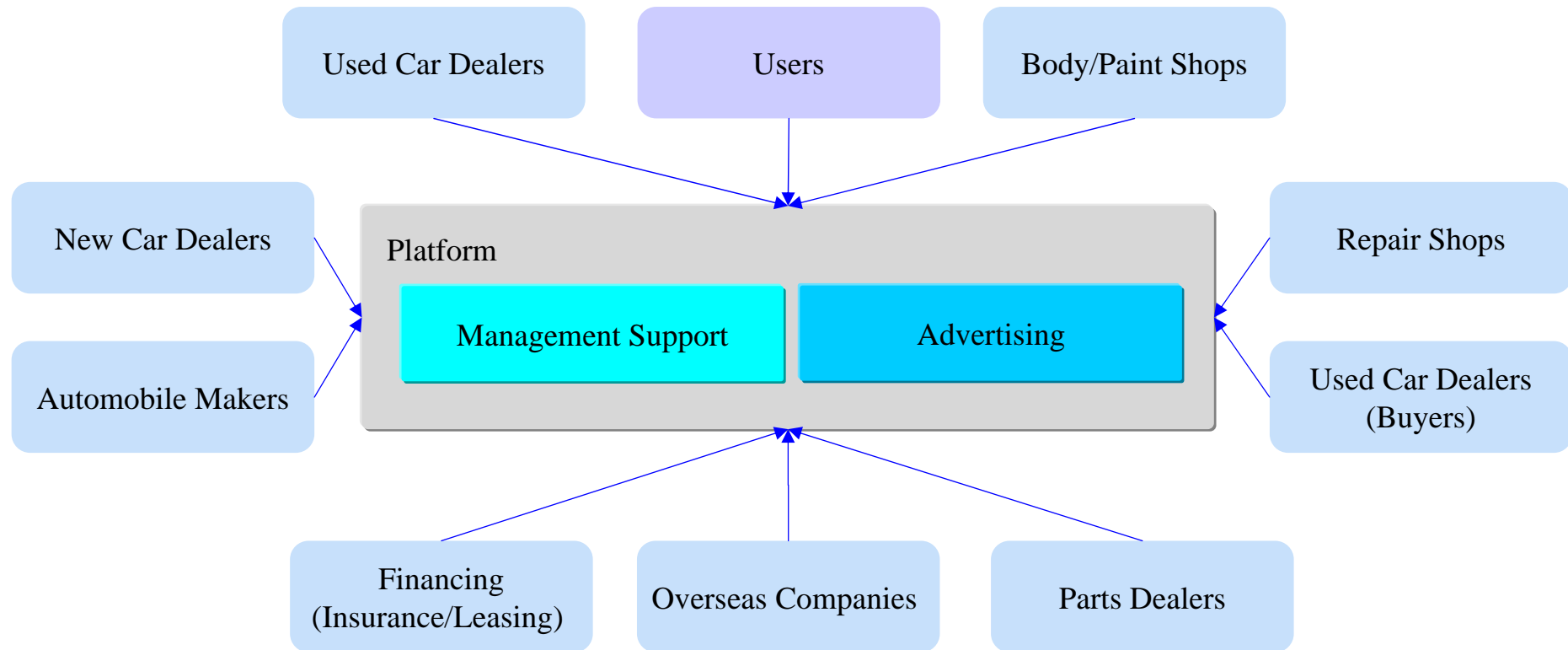
<Current Situation>



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

■ We will work towards creating a unified platform for all automobile-related industries

<Image for the Future>



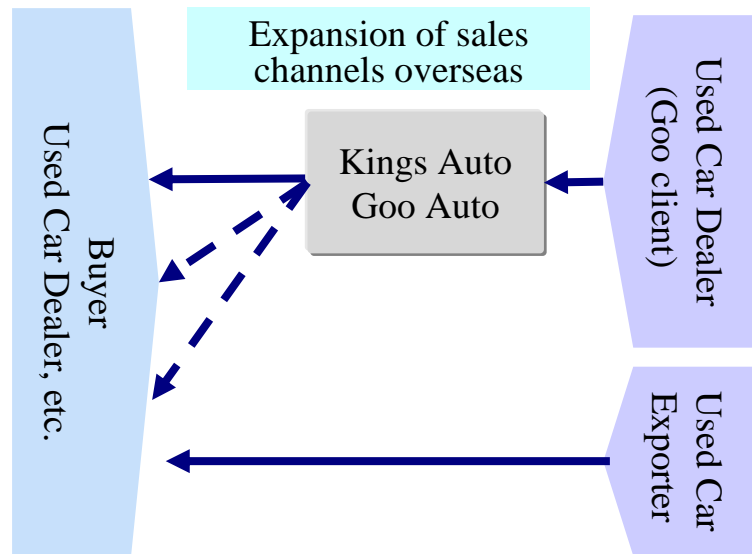
Seeking user and client satisfaction,
create a unified platform for all automobile-related industries

- By improving sales support for used car dealers with out used car export support service, we will aim to increase differentiation with competitor sites

Overview of Used Car Export Business

Overseas

Japan



<Strengths of Kings Auto Co., Ltd.>

- Have a client base in Southeast Asia (Hong Kong, Malaysia, etc.)
- Have the rights to export to Malaysia (PEKEMA)

2009

Goo Auto Inc. established with the goal of increasing sales routes for domestic used car dealerships

2010

Goo-net Exchange (used care export site) begins operation

Although sales steadily increase, new locations for export are only slowly developed

April 2012

Kings Auto Co., Ltd. shares acquired

July 2012 (Planned)

To focus operating resources efficiently, Kings Auto Co., Ltd. and Goo Auto Inc. will be merged, with Kings Auto Co., Ltd. remaining after the merger

During the period ending March 2013, sales support for used car dealers will be improved by providing used car export support service, with the goal of differentiating from competitor sites

■ We will strive to expand our services to enhance our customers' feeling of safety and reliability and differentiate ourselves from the other competitive sites.

(1) Expansion of Goo Inspection (Car with a certificate)

Safe/reliable feeling of car quality

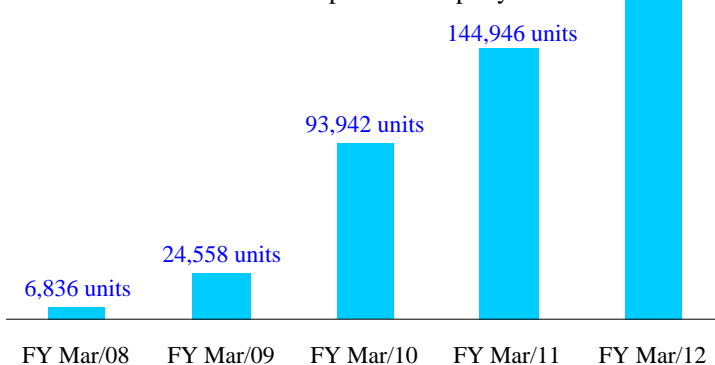
Numbers of stores involved in: **4,234 ID**

Numbers of automobiles listed on Goo-net: **38,631 units** (As of Mar. 2012)



*Inspections are conducted by the Japan Automobile Appraisal Association (JAAA).

<Variation in the number of inspected cars per year > **170,899 units**



Due to support from users who place importance on vehicle quality, the rate of using Goo Inspection cars increased



Sudden increase in the need for car inspection from used car dealerships



The appraisers at the Japan Automobile Appraisal Association (JAAA) where we outsourced inspection to became extremely busy, slowing the adoption of Goo Inspection



With the establishment of a subsidiary for vehicle inspections, CAR CREDO Co., Ltd. (member of JAAA), commenced acquisition and training of inspectors

• 



During the period ending March 2013, policies to expand sales of Goo Inspection will be carried out, in order to both increase user and used car dealership satisfaction and to differentiate from competitor sites

■ Goo Inspection cars will be displayed differently in Goo-net search results, such as by being listed higher up in the rankings

Goo-net Search Results



Detailed Results, Normal Car



Detailed Results, Goo Inspection Car Automobile Appraisal Certificate Image Page



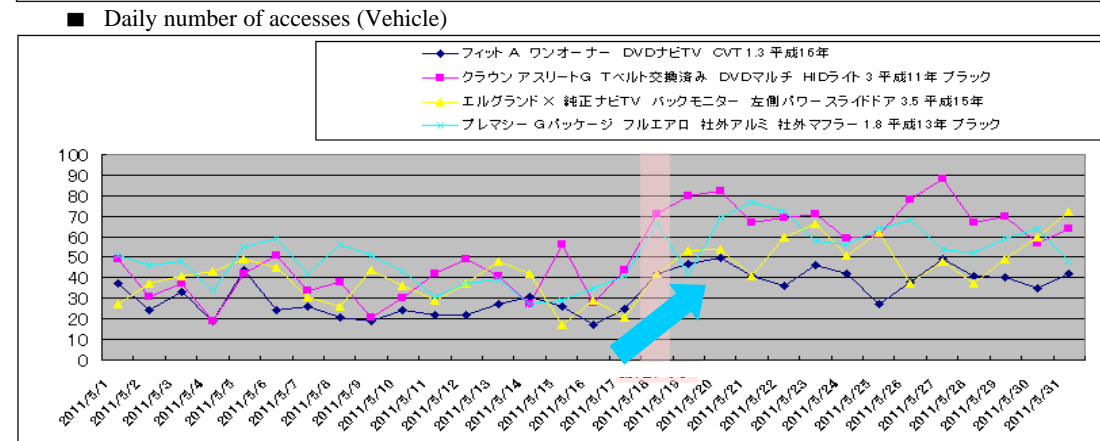
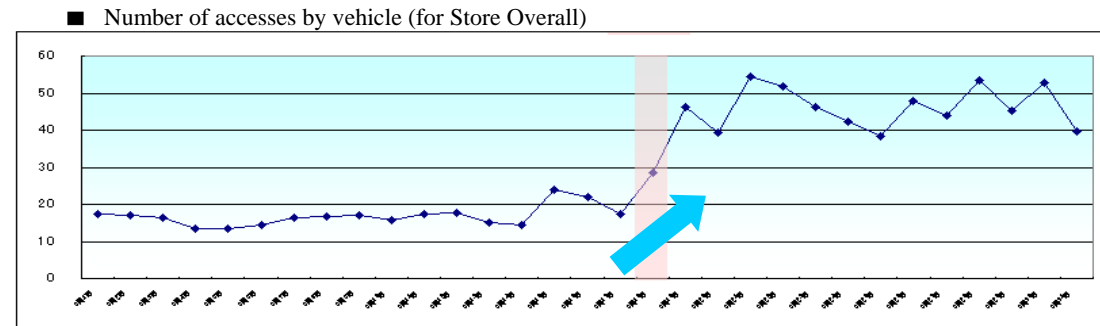
By using Goo Inspection, there are more opportunities to appeal to users on Goo-net. In particular, they will show up higher in the search results where users are more likely to see them.

Change in number of accesses after adding Goo Inspection

■ 媒体名	Goo-net. Com
■ 掲載クライアント	
■ クライアント ID	
■ 掲載期間	2011/5/1~2011/5/31
■ 期間掲載台数	27

日付	曜日	総アクセス数	台あたり
2011/5/1	日	471	17.4
2011/5/2	月	462	17.1
2011/5/3	火	439	16.3
2011/5/4	水	360	13.3
2011/5/5	木	360	13.3
2011/5/6	金	393	14.6
2011/5/7	土	447	16.6
2011/5/8	日	452	16.7
2011/5/9	月	464	17.2
2011/5/10	火	426	15.8
2011/5/11	水	466	17.3
2011/5/12	木	474	17.6
2011/5/13	金	405	15.0
2011/5/14	土	390	14.4
2011/5/15	日	642	23.8
2011/5/16	月	590	21.9
2011/5/17	火	465	17.2
2011/5/18	水	768	28.4
2011/5/19	木	1249	46.3
2011/5/20	金	1059	39.2
2011/5/21	土	1466	54.3
2011/5/22	日	1401	51.9
2011/5/23	月	1251	46.3
2011/5/24	火	1142	42.3
2011/5/25	水	1033	38.3
2011/5/26	木	1294	47.9
2011/5/27	金	1184	43.9
2011/5/28	土	1444	53.5
2011/5/29	日	1226	45.4
2011/5/30	月	1429	52.9
2011/5/31	火	1069	39.6
合計		24,721	29.5

Before uploading Goo Inspection → After uploading Goo Inspection



Increased rate of contract closure

Once being listed as a Goo Inspection car, the details of the inspection and the higher ranked listing work together to increase the number of accesses. As a result, compared to normal cars the rate of successful sales significantly increases, as many dealerships involved can attest to.

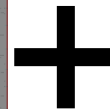
- Through expanded sales of Goo Auction licenses, we are improving support for sales and purchases by used car dealers (buyers), as well as support for sales by users

What is a Goo Auction Licensed Shop?

A new car purchasing network combining the car purchasing areas of the Internet (PROTO) and storefronts (licensed store network).

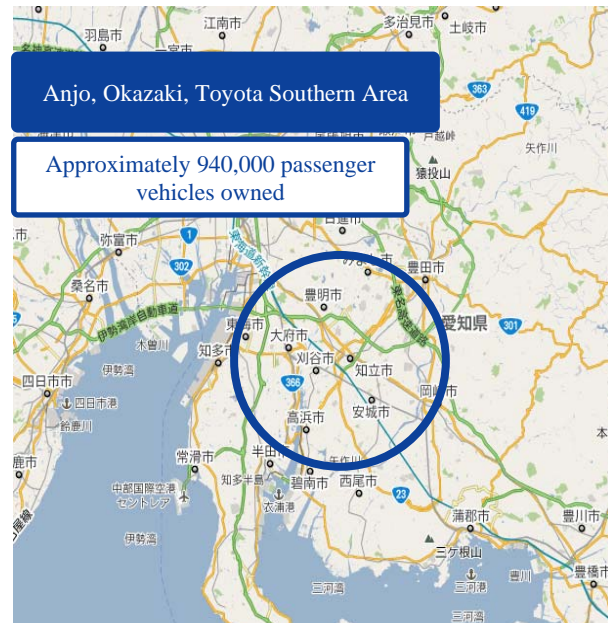


For dealers that meet the requirements (User Review quantity and rating requirements), a Goo Auction license will be provided for a fee, creating a car purchasing network combining the Internet and storefronts.



We are working to increase demand for car purchases via directly phoning or visiting licence shops, as well as demand for car purchases via the Internet

■ Results of Test Marketing for Goo Auction Licenses



The test marketing that started in January of 2012 in the Tokai area confirmed the existence of high demand from both users and clients.

*License shops (10 stores)

[Results for March 2012 Period]

- Average gross profit per company: 910,000 yen (highest 2,520,000 yen) monthly
- Average number of vehicles sold per company: 7.4 (highest 28) monthly

A Goo Auction Licensed Shop network will be formed, improving business ventures in car purchasing areas.

Starting in the year ending March 2013,
Goo Auction licenses will be expanded throughout the three main metropolitan areas

■ By providing Data Line PRO and Data Line Assessment, we will aim to increase our number of clients

Data Line PRO Automobile Dealership Acquisition and Sales Support System

- Acquisitions support functions (objective calculation of average purchasing price based on data from auctions and retailer purchases)
- Sales support functions (inventory/pricing support functions, vehicle AA/retailer sale ratio functions, etc.)

Data Line Assessment Automobile Dealership Acquisition Support System

- Acquisitions support functions (assessment functions, unification of assessment data between head office and branches, increased precision/efficiency of assessments)

With objective suggestions for switching to new cars based on future vehicle value, these programs help support client purchases of a new or used car.

Data Line PRO

Step 1

Easy display of sale price!
Speedy!



Step 2

Value adjustment based on distance traveled, etc.!
Increased Reliability!

Step 3

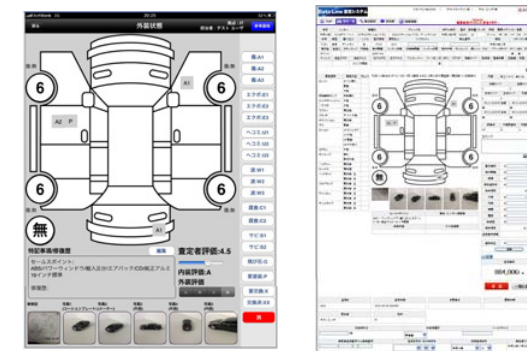
Display future value (2 years later)!
Support for Determining When to Buy

Data Line Assessment

Provided as an iPad application

Assessment data is unified between the assessment supervisor (branch office) and the holder of the right to determine value (head office), to improve assessments

By combining with Data Line PRO, calculation of future value is also possible



- Increased clients through expansion into new areas and increased profits from IT product development and sales



Starting in February 2012 the simple Web inventory system QE Lite was introduced into the Malaysian market, working towards expanding our sales area

Future Plans

- From June 2012, plans to introduce a website renewal and website estimation system
- From September 2012, plans to introduce a new IT product

Expansion of Sales Areas

<In areas with lower circulation of magazines, we will work towards increasing client companies with expanded sales of IT products>

Current Sales Area

Mainly Kuala Lumpur
Metropolitan Area



Future Sales Area

Sales throughout Malaysia

*Proportion of magazine circulation
(90% in the Kuala Lumpur
Metropolitan Area, 10% other)

Through expanded sales of
IT products, we will aim to
increase the number of
client companies

To increase profit by developing and selling IT-related products

<As Internet users are increasing, we will promote the development and sale of IT-related products>

Current source of profits

Ad fees of information
magazines



Future source of profits

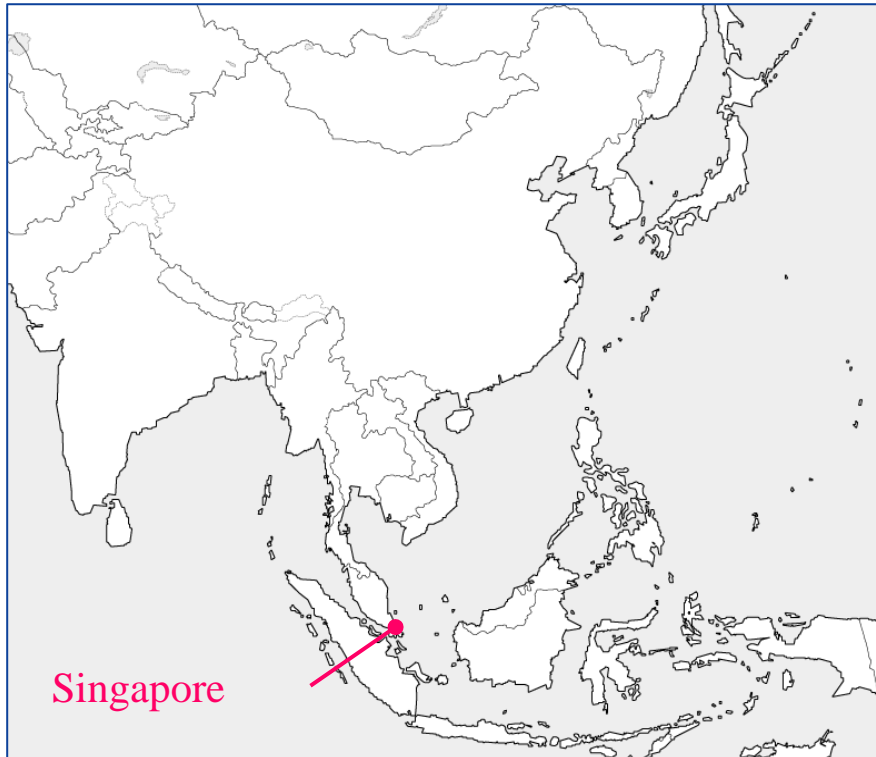
Ad fees of information magazines
+
IT-related products

Release of IT-related products utilizing
the know-how of Goo-net



We aim to increase the number of client
companies and increase trading unit price.

- As the core company for expansion in Asia for our Automobile-related Information Business, working towards increasing the scale of our overseas business through M&A and business collaborations with leading companies



Goals of Establishing a Corporation in Singapore

- Able to oversee entire Asian market
- Improved localization of IT products and services for the Asian market
- Improved alliances with leading companies in the Asian market

Merits of a Base in Singapore

- Access to Asian countries
- Large pool of human resources
- Excellent logistics, financial and communication infrastructure
- Low tariffs between 6 original ASEAN member countries (*) due to free trade agreement (0-5%)
 - * Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei Darussalam

As a core company for expansion in Asia, we will work towards increasing the scale of overseas business through alliances and M&A

Medium term Business Strategies (From FY March 2013 to FY March 2015)

Automobile-related
Information Business

Lifestyle-related
Information Business

■ We will emphasize it the most in the lifestyle-related information field, and make efforts to increase its business scale.

PROTO MEDICAL CARE

We are developing a platform for medical, nursing and care related industries

<Strategies>

<Assistance in Moving-in>

(We help customers move in medical, nursing-care, and welfare facilities.)

Media type



- Facility information
- Questions, requests for information

Home introduction type



(Future Plans)

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

*As of the end of March 2012, circulated in 50 districts

<Personnel and Education>

(Personnel recruitment and education for medical, nursing-care, and welfare facilities)

Media type



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

(Future Plans)

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

<Distribution and Rental>

(Sale and lease of medical and nursing-care products to individuals and corporations)

Catalog Mail-order Sale Type

- Mail-order business targeting social welfare corporations

EC Type

Not started yet

(Future Plans)

- Expand target customers
- Handle EC transactions

<Business Support>

(We support the businesses of medical, nursing-care, and welfare facilities)

Not started yet

(Future plans)

- We plan to expand through M&A

Activities for CSR (Corporate Social Responsibility)

(1) Support for the recovery from the Great East Japan Earthquake (monetary donation)

We donated some money via Japanese Red Cross Society, in order to support the restoration of devastated areas, in April 2011.

(2) 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)

(3) Planning and sponsorship for used care sale fair in areas affected by the Great East Japan Earthquake

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

Earnings Forecast for the Fiscal Year Ending in March 2013

■ Consolidated statements of income

(Unit: million yen)

	FY March 2012		FY March 2013		YoY Change	
	Results	% of Net Sales	Forecast	% of Net Sales	Increase/Decrease	%
Net sales	30,582	100.0%	38,300	100.0%	7,717	125.2%
Cost of Sales	13,283	43.4%	19,810	51.7%	6,526	149.1%
Gross Profit	17,298	56.6%	18,490	48.3%	1,191	106.9%
SG&A Expenses	11,451	37.4%	13,390	35.0%	1,938	116.9%
Operating Income	5,846	19.1%	5,100	13.3%	(746)	87.2%
Ordinary Income	6,002	19.6%	5,130	13.4%	(872)	85.5%
Net Income	3,275	10.7%	2,930	7.7%	(345)	89.4%
Net Income per Share (Yen)	313.17	-	280.11	-	-	-

Improving organizational structure as well as differentiation of products and services

Earnings Forecast by Segment for the Fiscal Year Ending in March 2013 (1)



■ Net sales

(Unit: million yen)

	FY March 2012		FY March 2013		
	Results	YoY change	Forecast	YoY change	Increase/Decrease
Automobile-related	26,704	104.5%	33,882	126.9%	7,177
Info Registration Fee	19,830	100.0%	(1) 20,345	102.6%	515
Info Service Fee	6,873	119.9%	(2) 13,536	196.9%	6,662
Lifestyle-related	3,470	132.6%	(3) 3,969	114.4%	499
Real Estate	166	91.9%	181	109.0%	15
Others	240	57.9%	(4) 265	110.6%	25
Total	30,582	106.3%	38,300	125.2%	7,717

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

* Info Service Fee: Cost for selling information magazines and providing contents, EC etc.

Point

[Automobile-related Information]

- (1) Continued growth for the Goo series (expanded client companies within the existing market)
- (2) Expansion of used car export support services - Goo Auto/ Kings Auto
Expansion of B to B data fess with Data Line Pro and the PROTO-RIOS quotation system

[Lifestyle-related Information]

- (3) PROTO MEDICAL CARE: Business expansion in the medical, nursing, and welfare field
Expansion of client companies with the sale price comparison search site Oikura and the lesson information site Goo School

[Others]

- (4) PROTO DATA CENTER: Expansion of BPO business

■ Operating income

(Unit: million yen)

	FY March 2012		FY March 2013			
	Results	Profit margin	Forecast	Profit margin	YoY change	Increase/Decrease
Automobile-related	7,272	27.2%	(1) 6,566	19.4%	90.3%	(706)
Lifestyle-related	228	6.6%	(2) 396	10.0%	173.2%	167
Real Estate	83	50.2%	97	53.8%	116.8%	14
Others	(149)	-	(3) (353)	-	-	(204)
Management Division	(1,589)	-	(4) (1,607)	-	-	(17)
Total	5,846	19.1%	5,100	13.3%	87.2%	(746)

Point

[Automobile-related Information]

- (1) Increased personnel costs for improving the sales structure for the Goo series and preliminary investment to help differentiate products and services with Goo Inspection and Goo Auction Licenses will lead to decreased profits

[Lifestyle-related Information]

- (2) Business expansion by PROTO MEDICAL CARE and increased income from the sale price comparison search site Oikura and lesson information site Goo School will lead to increased profits

[Others]

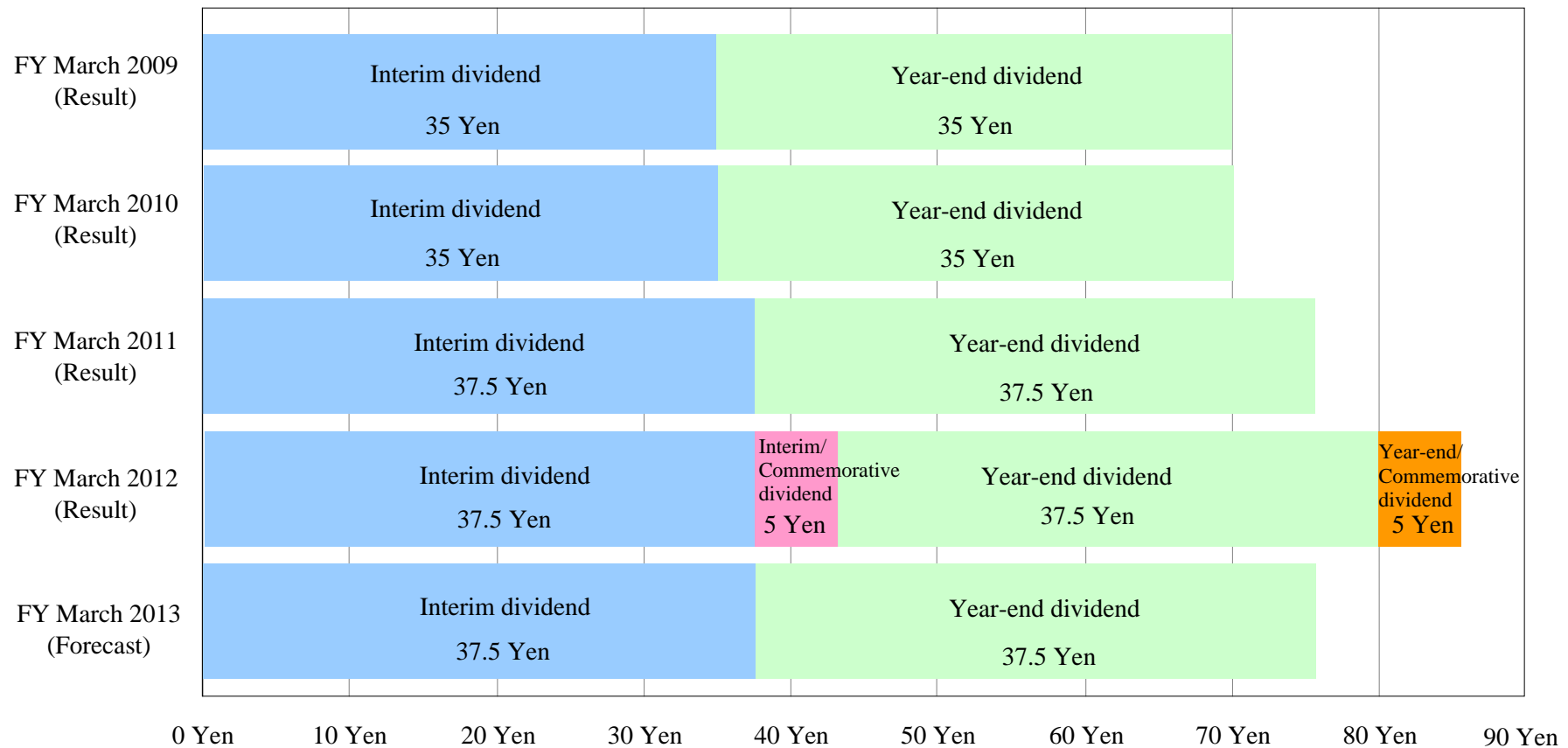
- (3) Investment in BPO business and social media

[Management Division]

- (4) Increase in M&A study fees

Variation in Annual Dividend per Share

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.



(Unit: million yen)

	FY March 2011 (Results)					FY March 2012 (Results)					FY March 2013 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	7,050	7,075	7,422	7,232	28,779	7,223	7,501	7,975	7,880	30,582	8,890	9,152	9,972	10,284	38,300
Cost of Sales	2,733	2,884	3,033	3,061	11,712	3,010	3,270	3,500	3,502	13,283	4,526	4,674	5,153	5,455	19,810
Gross Profit	4,317	4,190	4,388	4,170	17,067	4,213	4,230	4,475	4,378	17,298	4,364	4,477	4,819	4,828	18,490
SG&A Expenses	2,559	2,592	2,674	3,129	10,955	2,810	2,758	2,770	3,112	11,451	3,165	3,247	3,370	3,606	13,390
Operating Income	1,758	1,598	1,714	1,041	6,111	1,403	1,472	1,705	1,265	5,846	1,198	1,230	1,448	1,222	5,100
Ordinary Income	1,782	1,610	1,909	1,072	6,375	1,437	1,458	1,739	1,367	6,002	1,206	1,238	1,455	1,229	5,130
Net Income	1,051	891	1,080	173	3,197	827	815	945	687	3,275	644	710	851	724	2,930

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

	FY March 2011 (Results)					FY March 2012 (Results)					FY March 2013 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	7,050	7,075	7,422	7,232	28,779	7,223	7,501	7,975	7,880	30,582	8,890	9,152	9,972	10,284	38,300
Automobile-related	6,314	6,276	6,546	6,428	25,566	6,492	6,506	6,852	6,852	26,704	7,972	8,167	8,820	8,922	33,882
Info Registraion Fee	5,000	4,863	5,059	4,907	19,831	4,756	4,826	5,166	5,082	19,830	4,935	5,057	5,259	5,092	20,345
Info Service Fee	1,314	1,412	1,487	1,521	5,735	1,736	1,680	1,686	1,770	6,873	3,036	3,109	3,560	3,829	13,536
Lifestyle-related	599	644	701	671	2,616	640	907	1,010	911	3,470	814	875	1,039	1,240	3,969
Real Estate	48	46	44	42	181	41	41	42	41	166	43	42	43	51	181
Others	87	108	129	89	415	49	45	70	75	240	60	66	69	69	265
Operating Income	1,758	1,598	1,714	1,041	6,111	1,403	1,472	1,705	1,265	5,846	1,198	1,230	1,448	1,222	5,100
Automobile-related	2,049	1,869	1,991	1,370	7,281	1,820	1,823	2,045	1,583	7,272	1,639	1,660	1,812	1,454	6,566
Lifestyle-related	69	79	90	61	301	27	40	73	86	228	20	37	110	227	396
Real Estate	29	26	25	23	104	20	19	21	22	83	23	23	20	29	97
Others	(27)	(26)	(8)	(28)	(91)	(38)	(48)	(34)	(27)	(149)	(76)	(89)	(91)	(95)	(353)
Management Division	(363)	(351)	(384)	(385)	(1,484)	(427)	(362)	(400)	(399)	(1,589)	(407)	(401)	(403)	(393)	(1,607)

Appendix

Corporate Profile

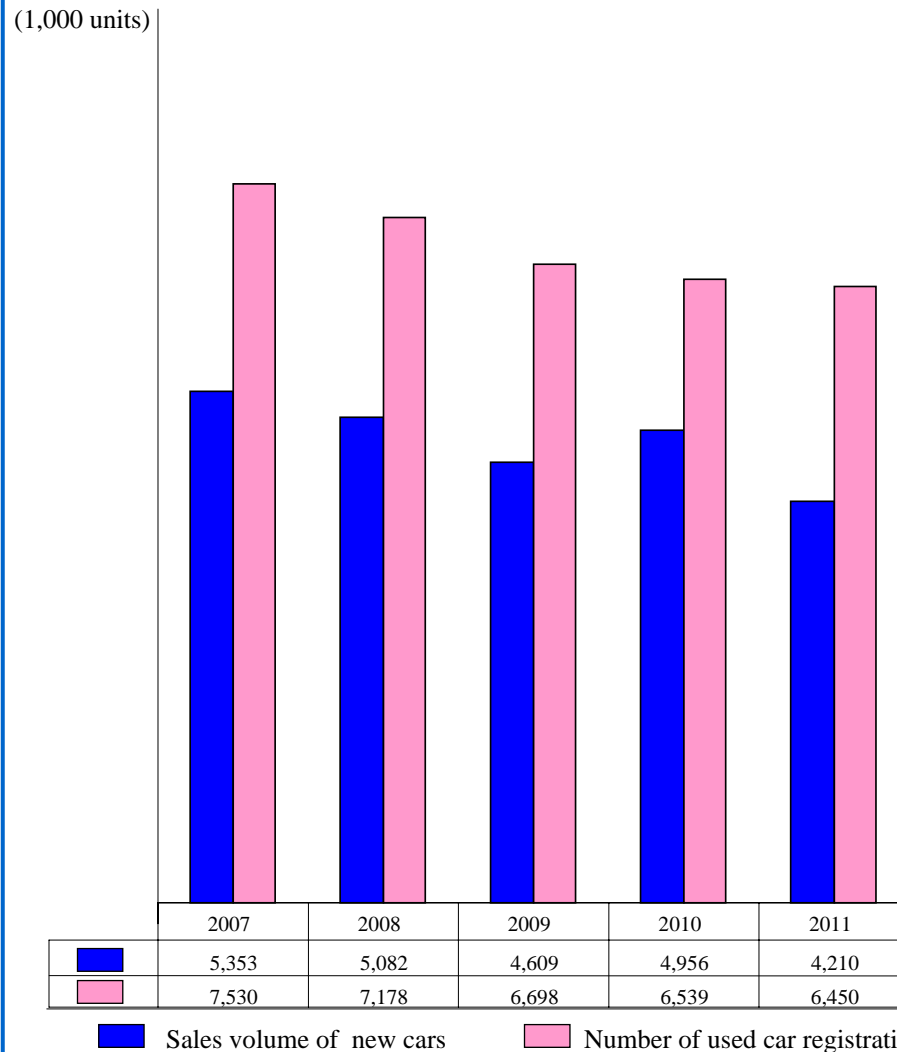


Corporate Name	PROTO CORPORATION
Founded	October 1, 1977
Established	June 1, 1979
Common Stock	¥1,824,620 thousand (As of March 31, 2012)
Shares Outstanding	10,470,000 (As of March 31, 2012)
Head Offices	23-14, Aoi 1-chome, Naka-ku, Nagoya 460-0006, Japan 22-2 , Hongo 2-chome, Bunkyo-ku, Tokyo 113-0033, Japan
Branch Offices	Sapporo, Sendai, Takasaki, Tokyo, Nagano, Hamamatsu, Nagoya, Kanazawa, Osaka, Hiroshima, Matsuyama, Fukuoka, Kumamoto (56 Sales Outlets Nationwide/2 Head Offices, 13 Branch Offices, 41 Sales Offices)
Fiscal Year-end	March 31
Number of Employees	Consolidated: 954 (As of March 31, 2012) (Parent : 644)
Stock Exchange Listing	Osaka Stock Exchange JASDAQ Standard (listed on September 12, 2001)
Subsidiary (As of May 1, 2012)	<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. Goo Auto Inc. (Full subsidiary, established in January, 2009)4. PROTO MEDICAL CARE (Full subsidiary since October, 2009)5. Bike Bros. Inc. (Full subsidiary since April, 2010)6. CAR CREDO Co., Ltd. (Full subsidiary, established in February, 2012)7. Kings Auto Co., Ltd. (Full subsidiary since April, 2012)8. PROTO (SHANGHAI) ADVERTISING CO., LTD. *1 (Full subsidiary, established in September, 2004)9. PROTO MALAYSIA Sdn. Bhd. *2 (Full subsidiary since September, 2011)10. MTM Interactive Sdn. Bhd. *1 *3 (Full subsidiary since September, 2011)11. SMT Media Pte. Ltd. *3 (Full subsidiary since September, 2011)12. PROTO (TAIWAN) CO., LTD. (Full subsidiary, established in December, 2011) <p>*1 Account currently being settled. *2 Firm name changed as of February 27, 2012. (Former name: MTM Multimedia Sdn. Bhd) *3 The company is a subsidiary of PROTO MALAYSIA Sdn Bhd.</p>



Our magazine was first issued in 1977

■ 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 number of new vehicles sold in 2011 only reached 4.21 million, 15.1% less than the 4.95 million sold in 2010. There has been a trend in recent years to retain vehicles for longer (lengthening of the replacement cycle), but the decrease in 2011 had two unique factors operating. The first unique factor is a reaction to the end of the “Environmentally Friendly Vehicle Adoption Subsidy” in September 2010, causing a decrease in the number of cars bought. The second is the impact of the Great East Japan Earthquake cutting off the supply chain, limiting the number of vehicles available.

Although levels were lower than those of the previous year up until September 2011, from October 2011 onwards sales were above levels at the same time the previous year.

Number of used car registrations:

The number of used vehicles registered in 2011 was 6.45 million, a 1.4% decrease from the 6.53 million registered in 2010. With the end of the environmentally friendly car subsidy, the demand for used cars gradually recovered since September 2010, but with the decrease in used cars circulating due to the scrap incentive, as well as the impact of Great East Japan Earthquake, the trend of lacking product for the used car market continued.

Discounting the demand for reconstruction after the earthquake, levels were generally below those of the previous year up until October 2011, but from November 2011 onwards levels of cars registered were above those of the previous year.

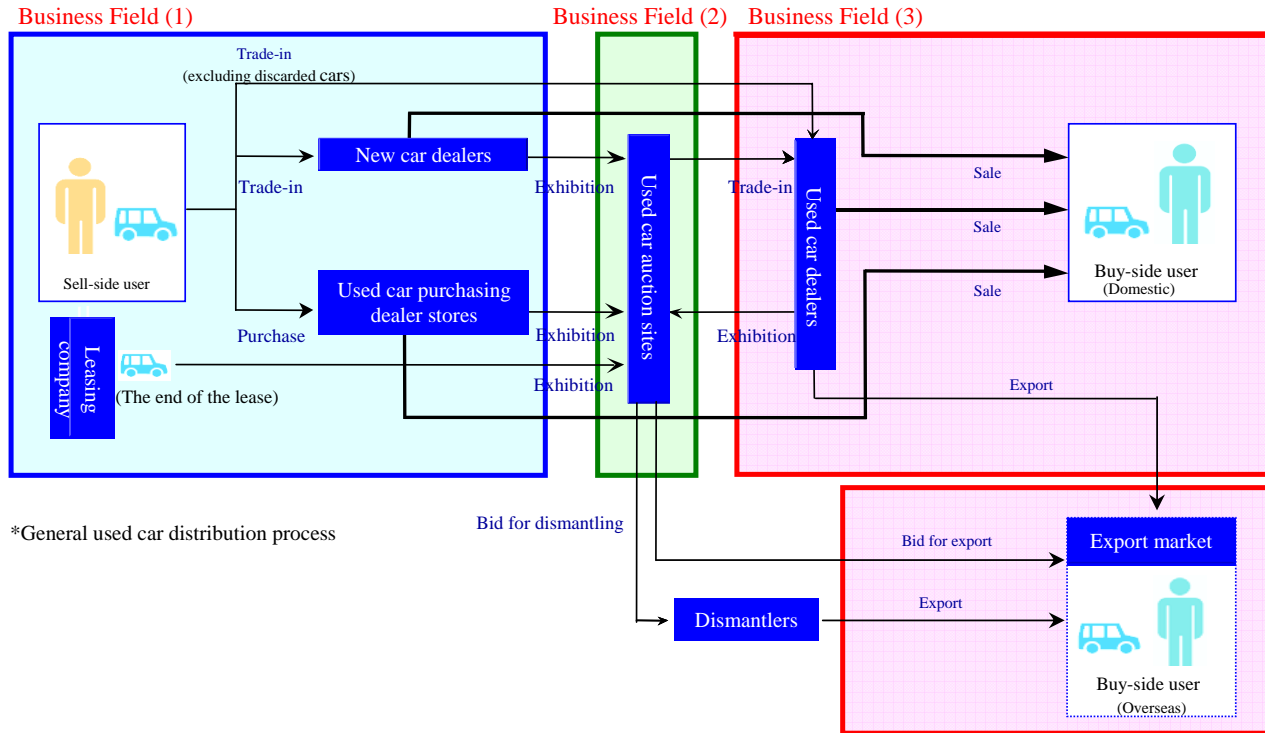
[Reference]

1. Reinstatement of the Environmentally Friendly Vehicle Adoption Subsidy
Applicable to new vehicles registered between December 20, 2011 (date of Cabinet decision) and January 31, 2013 which meet certain fuel efficiency requirements. With a budget of 300 billion yen and no scrap incentive.
2. Extension of Environmentally Friendly Vehicle Tax Reduction
For vehicles that meet certain fuel efficiency requirements, the tax reduction periods were extended for vehicle tax (until March 2014), vehicle acquisition tax (until March 2015), and vehicle weight tax (until April 2015).

Core Products and Services of Automobile-related Information



- 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.



<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
- Goo Warranty**
Used car repair warranty for up to 3 years
- 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-net Auction**
Goo-net Car purchasing/charge-free simultaneous appraisal service
With the charge-free simultaneous appraisal service, it is possible to compare the purchase prices of up to 10 firms.

< 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.

Business Process of Goo Series



Information registration fees (1)

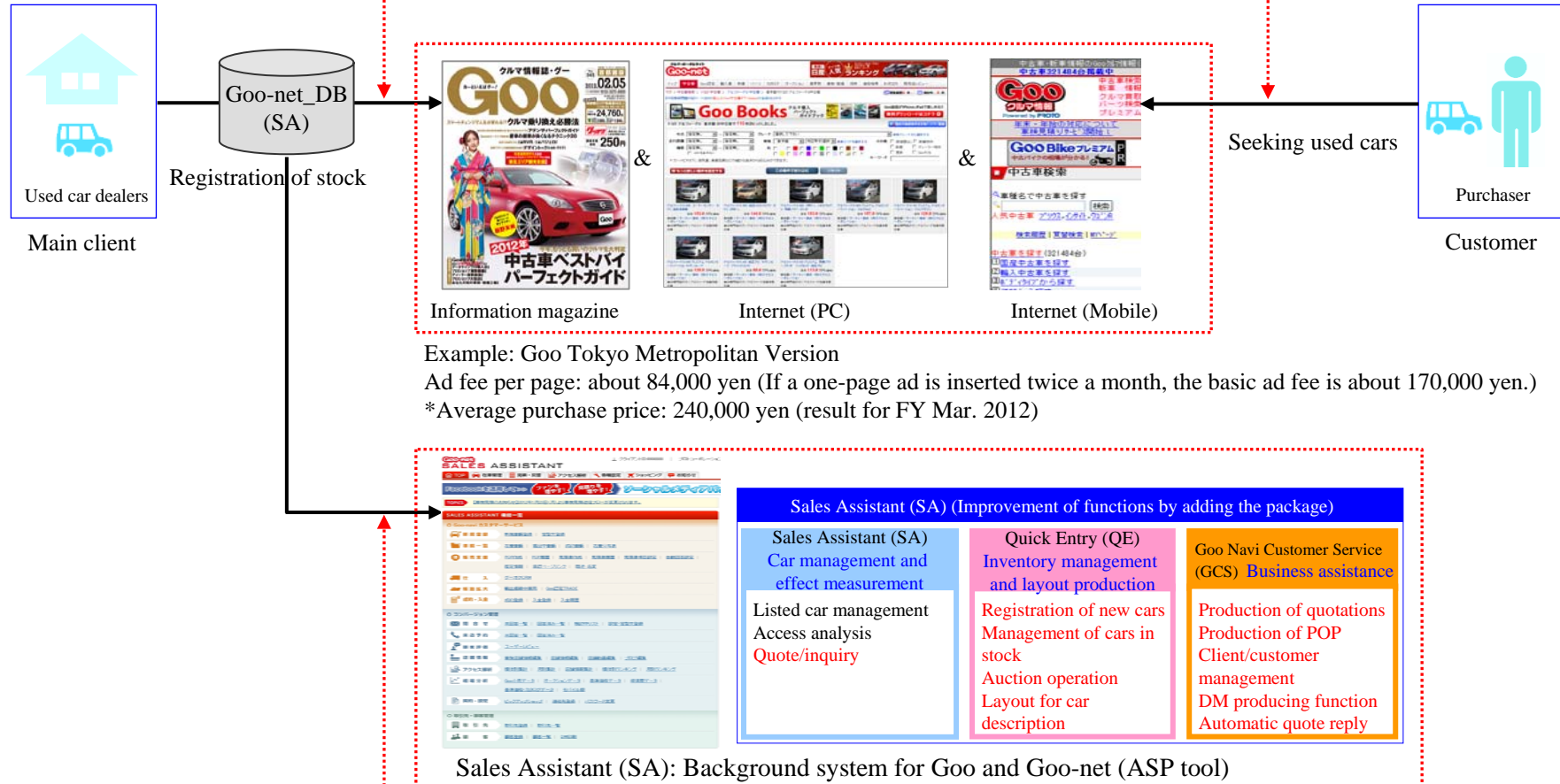
Charging system: Ad fee per page

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

Information service fees

Sale of information magazine

Mobile device charging



Information registration fees (2)

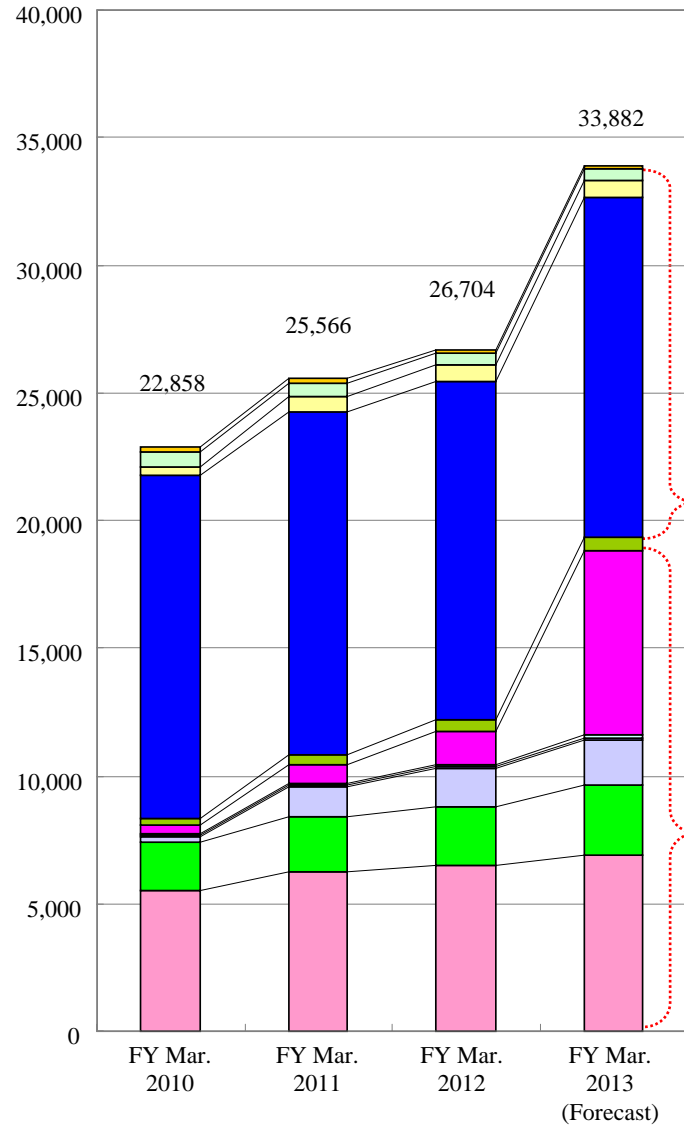
Charging system: Fee for Internet option products, such as Goo-net (Quotation/inquiry service, QE, GCS, etc.)

* Rubric: Paid product (service)

Reference: Changes in Automobile-related Sales by Product Classification



(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

《 Mobile site 》



Used car information search mobile site: Goo

<Magazine Business>

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

<Other Business>

- Goo Inspection etc.

<IT Business>

- BtoB automobile sale (Service of supporting the export of used cars of Kings Auto and Goo Auto)
- Mobile charges (e.g. Goo Car Info)
- EC (to B)
- EC (to C)
- BtoB 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.)

* Goo Inspection, etc. is considered a separate product category as of this period. (Previously, it was included in the B to B fee for data provision)

* 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

PROTO CORPORATION

23-14, Aoi 1-chome, Naka-ku, Nagoya, Japan

TEL +81-52-934-1519 FAX +81-52-934-1750

<http://www.proto-g.co.jp/>

4298ir@proto-g.co.jp

IR staff: Suzuki, Corporate planning department