

A vertical graphic on the left side of the slide. It consists of a blue vertical bar with a white grid pattern overlaid on it, resembling a globe. The grid lines are white and form a latitude and longitude pattern. The globe is positioned on the left side of the slide, partially overlapping the blue bar.

# Investor Meeting for the First Half of Fiscal Year Ending in March 2012

November 1, 2011  
PROTO CORPORATION (4298)

## Financial data (consolidated)

Shares outstanding (million)	10.4
Market capitalization (¥ billion, Sep/11)	27.9
DPS (¥, FY Mar/12, Forecast)	85.0
EPS (¥, FY Mar/12, Forecast)	357.9
BPS (¥, Mar/11)	1,915.3
ROE (% , FY Mar/11, Net income basis)	17.0
ROA (% , FY Mar/11, Ordinary income basis)	25.3
Equity ratio (% , Mar/11)	76.6
Potential share dilution (million)	-
Foreign ownership (% , Sep/11)	29.4

## Major Shareholders

	(Thousands)
1) Mugen Corporation	3,403 (32.50%)
2) Japan Trustee Services Bank, Ltd. (Trust Account)	568 (5.42%)
3) Hiroichi Yokoyama	520 (4.96%)
4) The Chase Manhattan Bank, N.A. London	447 (4.27%)
5) Yoshihiro Yokoyama	310 (2.96%)
6) The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	247 (2.36%)
7) Northern Trust Co. (AVFC) Sub Account American Clients	228 (2.17%)
8) Morgan Stanley & Co. LLC	187 (1.79%)
9) Mellon Bank ABN Amro Global Custody N.V.	175 (1.67%)
10) Minoru Saito	170 (1.62%)

(As of September 30, 2011)

# Consolidated Statements of Income (1)



## Status of Consolidated Income

(Unit: million yen)

	Apr-Sep 2010		Apr-Sep 2011				YoY Change		Achievement rate	
	Result (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
Net sales	14,125	100.0%	14,603	100.0%	① 14,725	100.0%	599	104.2%	122	100.8%
Cost of Sales	5,617	39.8%	6,112	41.9%	② 6,280	42.7%	662	111.8%	168	102.8%
Gross Profit	8,507	60.2%	8,490	58.1%	③ 8,444	57.3%	(63)	99.3%	(46)	99.5%
SG&A Expenses	5,151	36.5%	6,005	41.1%	④ 5,568	37.8%	417	108.1%	(437)	92.7%
Operating Income	3,356	23.8%	2,485	17.0%	2,875	19.5%	(480)	85.7%	390	115.7%
Ordinary Income	3,393	24.0%	2,488	17.0%	2,895	19.7%	(498)	85.3%	406	116.3%
Net Income	1,943	13.8%	1,389	9.5%	1,642	11.2%	(301)	84.5%	252	118.2%

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

## Status of SG & A Expenses

(Unit: million yen)

	Apr-Sep 2010		Apr-Sep 2011				YoY Change		Achievement rate	
	Result (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales	(C)-(A)	%	(C)-(B)	%
SG&A Expenses	5,151	36.5%	6,005	41.1%	5,568	37.8%	417	108.1%	(437)	92.7%
Employment Cost	2,716	19.2%	2,881	19.7%	2,717	18.5%	0	100.0%	(164)	94.3%
Advertising Cost	787	5.6%	1,180	8.1%	1,110	7.5%	322	141.0%	(70)	94.1%
Other Expenses	1,647	11.7%	1,943	13.3%	1,741	11.8%	93	105.7%	(202)	89.6%
Number of Employment	911	-	920	-	876	-	(35)	96.2%	(44)	95.2%

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

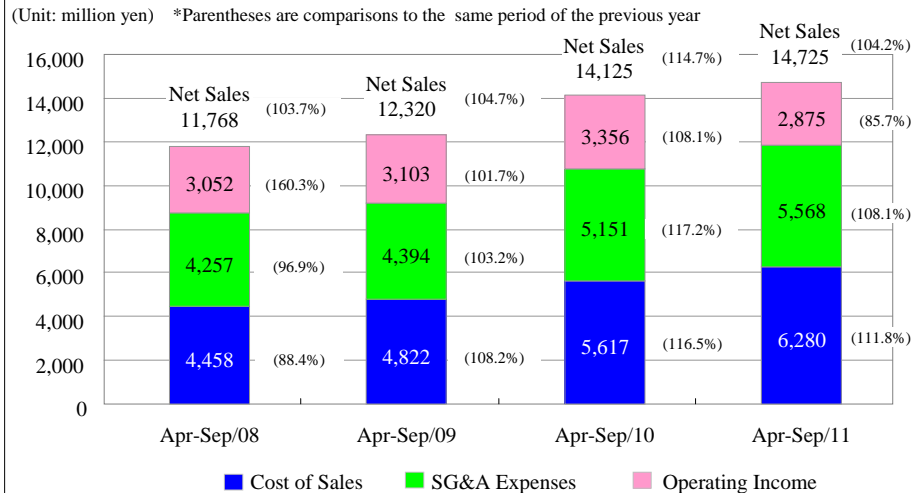
2) The number of employees is as of the end of September 2011.

# Consolidated Statements of Income (2)



## Performance Overview for the Six Months Ended Sep. 2011

### Changes in Performance



### Point ① 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. As a result, the sales of the entire group increased by 599 million yen (104.2% compared to the same period of the previous year).

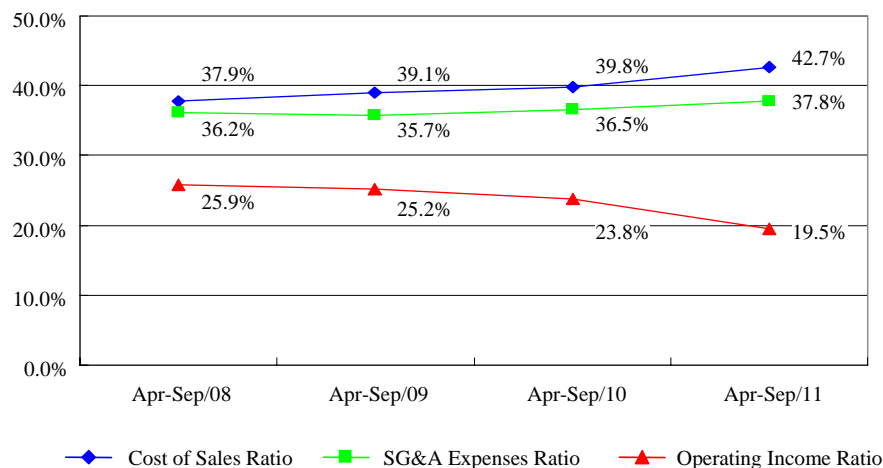
Sales were nearly equal to the estimated value, that is, 100.8% of the estimated value.

### Point ② Cost of Sales

The cost of sales was 111.8% (cost rate: 2.9 point increase) compared with the same period of the previous year. This was due to an increase in the purchase of goods as a result of positive sales of motorcycle goods and parts by Bike Bros. Inc. (100% affiliate) and the increased sales of used car export support services by Goo Auto Inc. (100% affiliate).

As compared with projections, the cost of sales was slightly over because the purchase of goods by Bike Bros. Inc and Goo Auto Inc. exceeded the plan.

### Changes in Individual Indicators



### 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 108.1% of the same period of the previous year (SG&A rate: 1.3% increase). On the other hand, it was 92.7% of the estimated value, due to rigorous cost management.

### Point ④ Operating Income

The operating income was 85.7% compared with the same period of the previous year, due to reduction in the sales and profit in the information magazine business as a result of the Great East Japan Earthquake and the changes of environment in the used car sales industry as well as increase in SG&A expenses as described above.

As compared with projections, the operating income was 115.7% higher than the plan.

# Segment Information (1)



## Sales

(Unit: million yen)

	Apr-Sep 2010		Apr-Sep 2011			
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales
Automobile-related	12,590	89.1%	12,849	88.0%	12,999	88.3%
Info Registration Fee	9,864	69.8%	9,774	66.9%	9,582	65.1%
Info Service Fee	2,726	19.3%	3,075	21.1%	3,416	23.2%
Lifestyle-related	1,244	8.8%	1,462	10.0%	1,548	10.5%
Real Estate	94	0.7%	81	0.6%	82	0.6%
Others	195	1.4%	209	1.4%	95	0.6%
Total	14,125	100.0%	14,603	100.0%	14,725	100.0%

YoY Change		Achievement rate	
(C) - (A)	%	(C) - (B)	%
408	103.2%	150	101.2%
(281)	97.1%	(191)	98.0%
690	125.3%	341	111.1%
304	124.4%	85	105.9%
(11)	87.5%	1	101.2%
(100)	48.6%	(114)	45.3%
599	104.2%	122	100.8%

1) Information Registration Fee: Advertising fees for information magazines and internet media, etc.

2) Information Service Fee: Fees from selling information magazines, providing content, etc.

## Operating Income

(Unit: million yen)

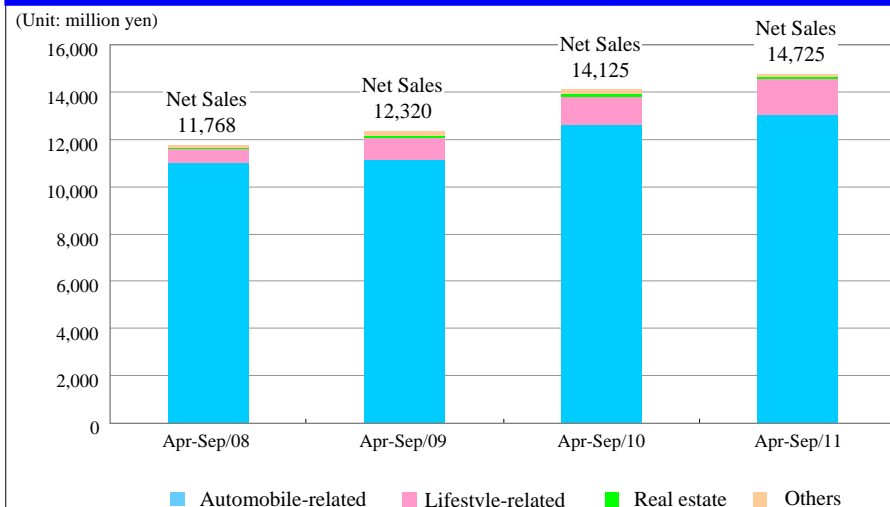
	Apr-Sep 2010		Apr-Sep 2011			
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales
Automobile-related	3,919	31.1%	3,421	26.6%	3,644	28.0%
Lifestyle-related	149	12.0%	18	1.3%	67	4.4%
Real Estate	55	59.2%	49	60.3%	40	48.5%
Others	(54)	-	(37)	-	(87)	-
Management Division	(714)	-	(966)	-	(789)	-
Total	3,356	23.8%	2,485	17.0%	2,875	19.5%

YoY Change		Achievement rate	
(C) - (A)	%	(C) - (B)	%
(275)	93.0%	223	106.5%
(81)	45.4%	49	360.3%
(15)	71.7%	(9)	81.4%
(32)	-	(49)	-
(74)	-	176	-
(480)	85.7%	390	115.7%

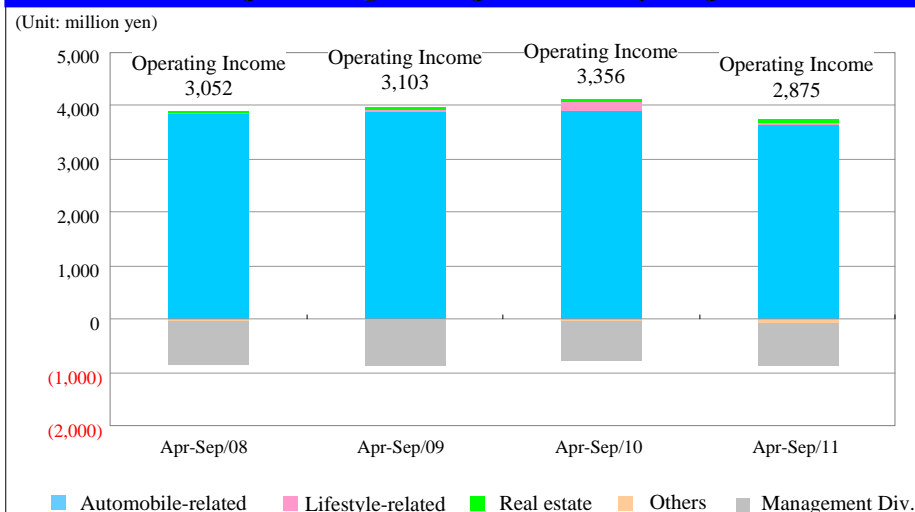
## Segment Information (2)



### Changes in Sales by Segment



### Changes in Operating Income by Segment



### Automobile-related Information

Since July of this year, we have made efforts to cultivate the unexplored areas; Niigata, Shikoku, and Okinawa, and promoted Goo Certification, to increase the firms that handle Goo series. However, the sales of the information magazines business decreased to 94.5% of the same period of the previous year. The sales of the IT business increased to 115.4% of the same period of the previous year, because the e-commerce of motorbike goods and parts and the used car export support service, etc. were healthy. Consequently, the sales of the automobile-related information business increased 408 million yen (103.2% of the same period of the previous year).

Operating income decreased 275 million yen (93.0% 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.

### Lifestyle-related Information

As for the fields of medicine, nursing care, and welfare that are the primary targets for improvement in the current term, we streamlined our business by concentrating products and services in PROTO MEDICAL CARE (100% subsidiary) in June of this year, and have enriched the personnel introducing and dispatching service. In the recycle/reuse field, we started operating "Goo Reuse," which is the website handling comprehensive information on reuse, in August of this year, to increase the number of client companies. Consequently, the sales of the lifestyle-related information business increased 304 million yen (124.4% of the same period of the previous year).

Operating income decreased 81 million yen (45.4%) due to the augmentation of personnel expenses in parallel with the expansion of business scale and the increase in promotion cost for PROTO MEDICAL CARE.

### Others

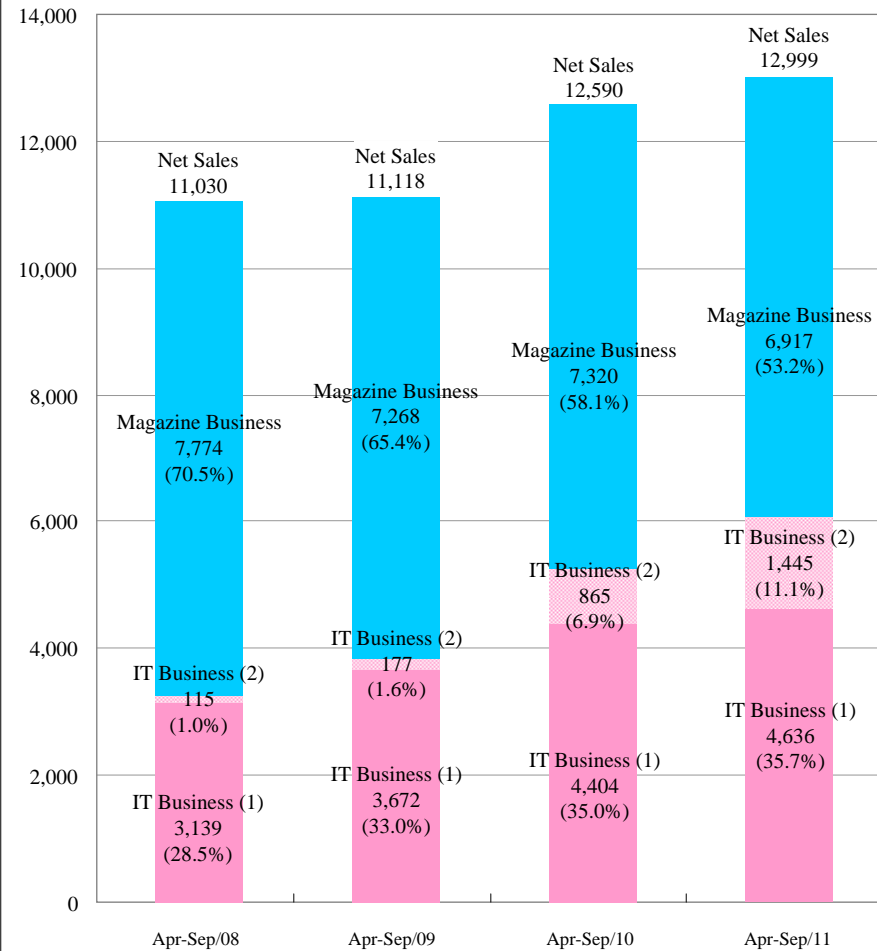
Because the progress of the BPO business of PROTO DATA CENTER is delayed and MARS FLAG Corporation was sold in March of this year, sales decreased 100 million yen (48.6% of the same period of the previous year), and operating loss increased 32 million yen.

# Operating Results of Automobile-related Information (1)



## Changes in Automobile-related Sales by Product Classification

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



## Magazine Business

Since July of this year, we have made efforts to cultivate the unexplored areas; Niigata, Shikoku, and Okinawa areas and increase the firms that handle Goo series. In the wake of the Great East Japan Earthquake, the supply of used cars to the distribution market was suppressed, and the stock at each dealer is sluggish. Accordingly, the advertisement amount for the Goo Series decreased in some areas.

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 was suspended, and BikeBros Inc. has suspended publishing the motorbike information magazine “BikeBros” since April of this year.

Consequently, the sales of the information magazines business decreased 403 million yen (94.5% of the same period of the previous year).

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

As a result of expansion of optional services related to internet (mediation service for quotations, QE etc.) and expansion of the business support system of Repair-Tech Inc, the net sales of the IT Business (1) increased by 231 million yen compared with the same period of the previous year (105.3% of the same period of the previous year).

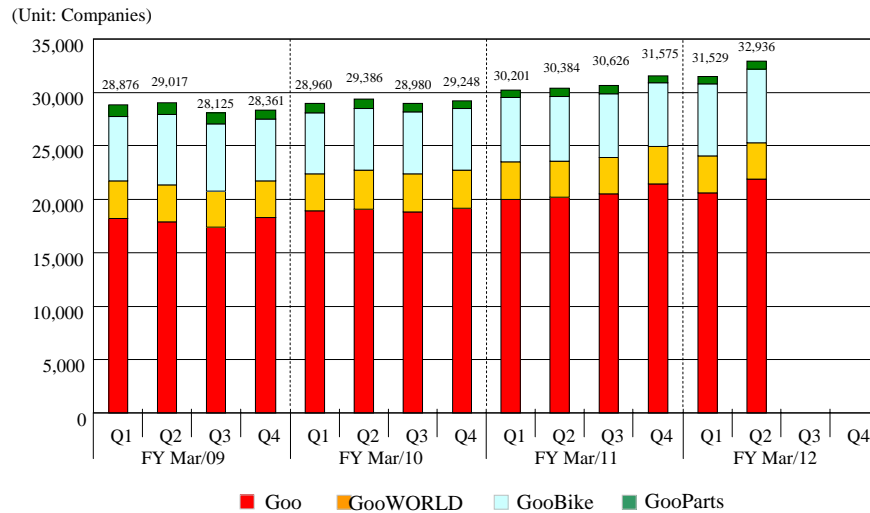
## IT Business (2) (EC, Service of supporting the export of used cars etc.)

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 579 million yen compared with the same period of the previous year (167.0% of the same period of the previous year).

# Operating Results of Automobile-related Information (2)



## Changes in Quarterly Totals of Business Partners for Goo Series



Even under the severe business environment for the used car industry, the total number of used car dealers for the Goo series for the first and second quarters (April to September) has increased to 106.4% of the same period of the previous year.

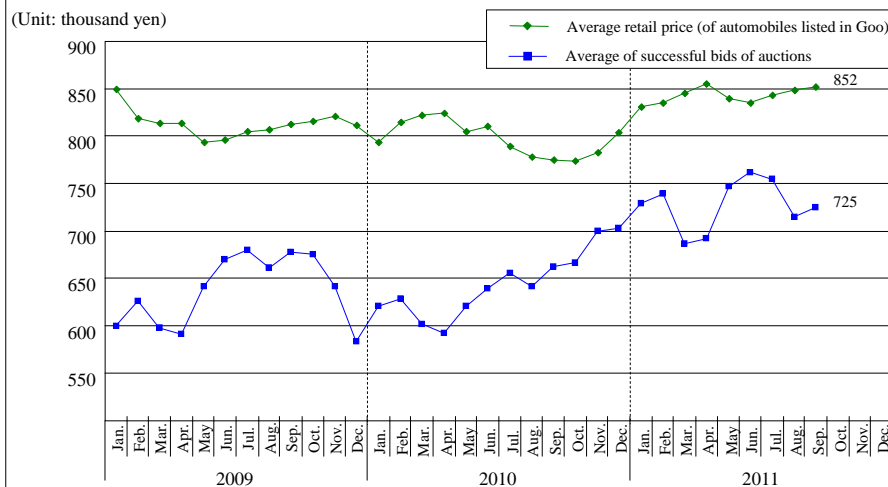
For the first and second quarters (April to September), average trading price was 94.1% of the same period of the previous year, due to the cultivation of new areas and the increase of small distributors, etc.



The number of stores involved in for the “Goo-approved Cars” service is 3,591 IDs as of the end of September 2011 (173.9% of the value in the same month of the previous year).

\*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 number of requests for the quote in Goo-net (PC & mobile) for the first and second quarters (April to September) was 767,368 (111.2 % of the same period of the previous year).

[Variations in retail and wholesale prices of used cars]

Average wholesale price decreased considerably from July to August due to seasonal factors, etc.

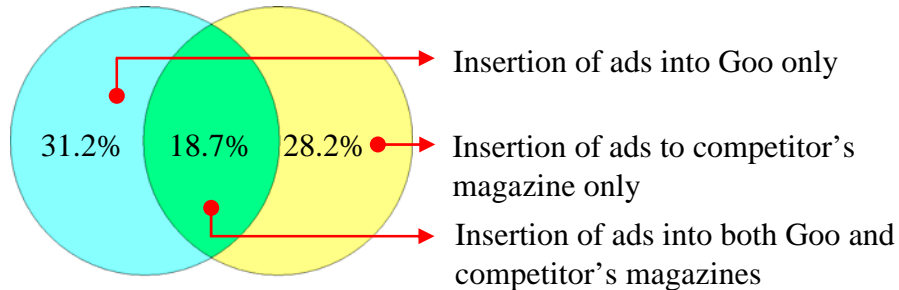
On the other hand, average retail price has been recovering gently since July.



# Operating Results of Automobile-related Information (3)



## Situation of Market Share (Compared with Competitors)



\*Others 21.8%

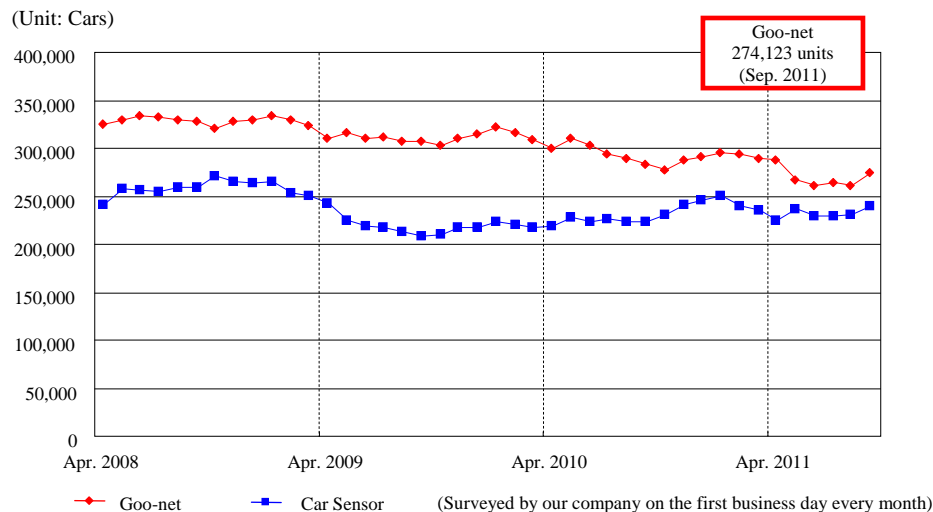
\* Competitor's magazine: Car Sensor (Mj Magazine in Shikoku, Crossroad in Okinawa)

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

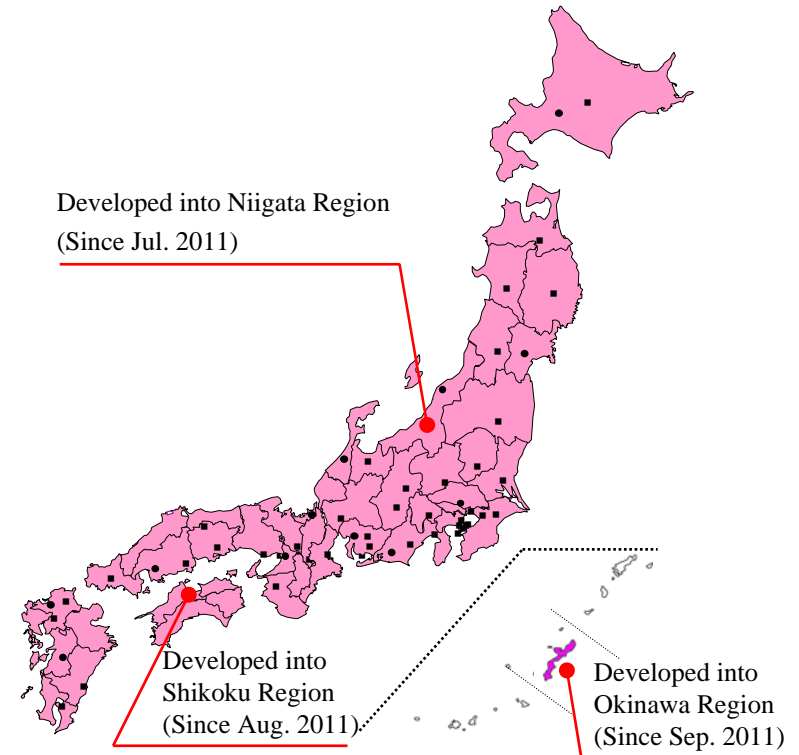
\* Method for counting client companies: To count the number of dealers that inserted their ads into information magazines.

(Surveyed by our company in Sep. 2011)

## Changes in Numbers of Used Automobiles Listed on Main Sites



## [Publication area of Goo]



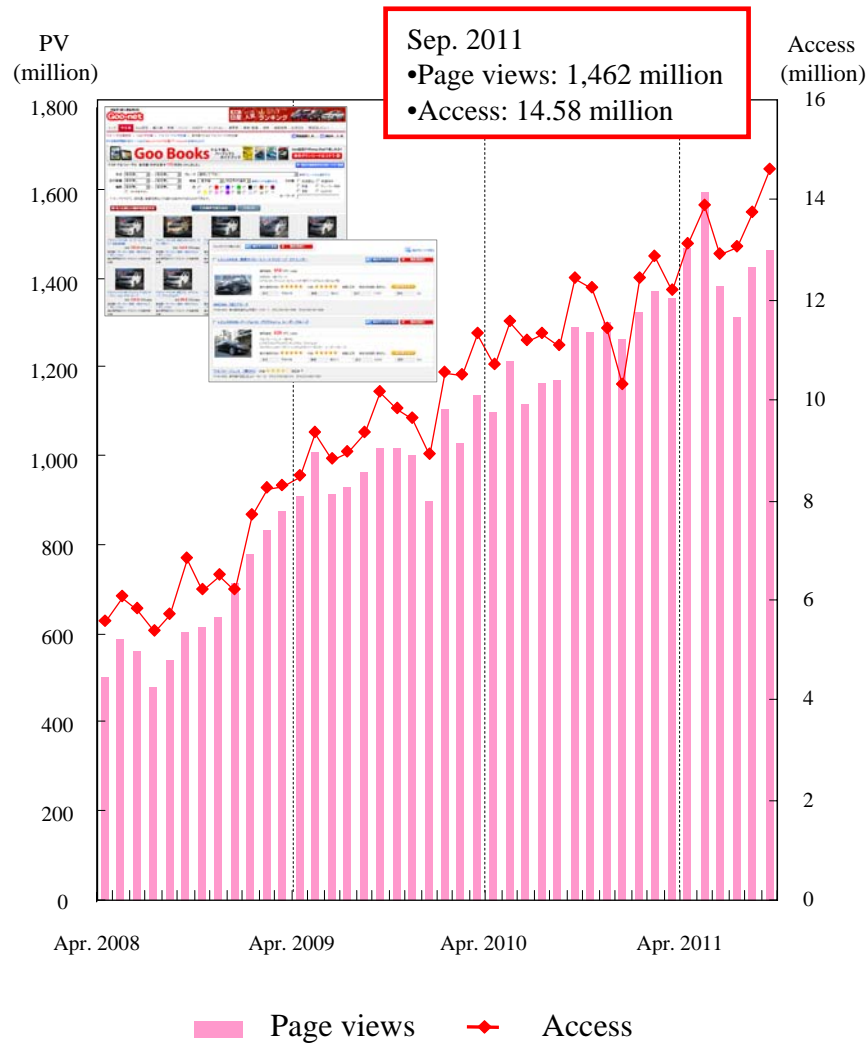
As we were cultivating the Niigata, Shikoku, and Okinawa areas, the information on these areas has not been included temporarily since April of this year, but the information on each area has been included little by little. The stock of used cars listed in the automobile portal site "Goo-net" is still larger than any competitors' sites. (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.

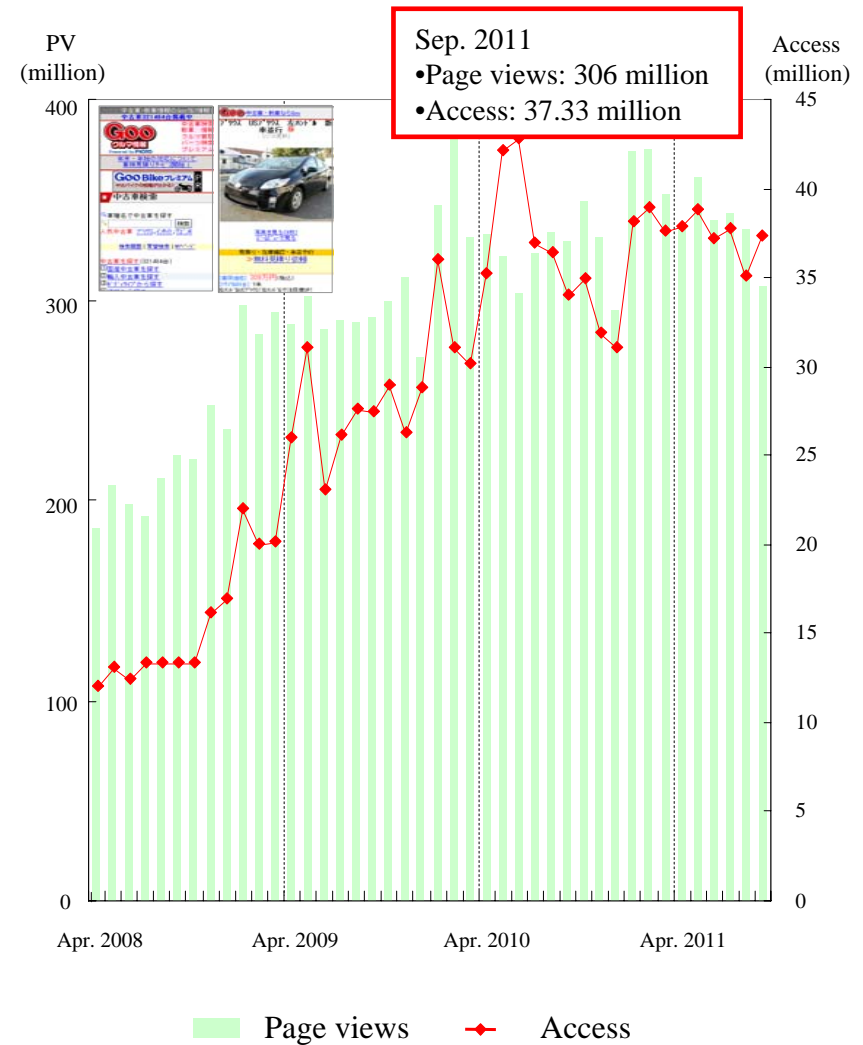
# Operating Results of Automobile-related Information (4)



## Car Portal Site "Goo-net" (PC)



## "Goo Car Information" (Mobile)



# Consolidated Balance Sheet



(Unit: million yen)

	FY March 2011 (As of Mar. 31, 2011)		FY March 2012 (As of Sep. 30, 2011)		Increase/Decrease (B) - (A)	
	(A)	Composition ratio	(B)	Composition ratio		
Current Assets	16,061	61.4%	15,059	53.7%	①	(1,002)
Fixed Assets	10,102	38.6%	13,002	46.3%	②	2,900
Current Liabilities	5,639	21.6%	6,300	22.5%	③	661
Long-term Liabilities	489	1.9%	447	1.6%		(42)
Net Assets	20,034	76.6%	21,313	76.0%	④	1,279
Total Assets	26,163	-	28,061	-		1,898

**Point ① Decrease in Current Assets (1,002 million yen decrease from the end of the term ended March 2011)**

There was a decrease of 1,002 million yen compared with the end of the previous consolidated fiscal year, as the cash and deposits decreased due mainly to the payment for acquiring tangible fixed assets when rebuilding Osaka Branch, the payment for receiving the “Heart Page” business, the payment for acquiring shares to make MTM Multimedia Sdn Bhd a subsidiary, and accrued income tax paid.

**Point ② Increase in Fixed Assets (2,900 million yen increase from the end of the term ended March 2011)**

There was an increase of 2,900 million yen as compared with the end of the previous consolidated fiscal year, mainly because the tangible fixed assets increased after the rebuilding of Osaka Branch and the goodwill recorded for the acquisition of the “Heart Page” business and MTM Multimedia Sdn Bhd as a subsidiary.

**Point ③ Increase in Current Liabilities (661 million yen increase from the end of the term ended March 2011)**

There was an increase of 661 million yen as compared with the end of the previous consolidated fiscal year, mainly because debts increased in parallel with the expansion of business scale, etc.

**Point ④ Increase in Net Assets (1,279 million yen increase from the end of the term ended March 2011)**

There was an increase of 1,279 million yen as compared with the end of the previous consolidated fiscal year, mainly because retained earnings increased in parallel with the inclusion of quarterly net income, although 392 million yen was paid as dividends.

# Consolidated Statements of Cash Flow



(Unit: million yen)

	Apr-Sep 2010	Apr-Sep 2011	Increase/Decrease	(Reference) FY Mar. 2011
Cash Flows from Operating Activities	1,997	① 1,977	(20)	3,896
Cash Flows from Investing Activities	(1,042)	② (3,210)	(2,167)	(1,625)
Cash Flows from Financing Activities	(387)	③ (437)	(50)	(996)
Cash and Cash Equivalents at End of Term	11,773	10,806	(967)	12,476
Capital Expenditure (tangible/intangible fixed assets)	475	421	(54)	881
Depreciation (Including amortization of goodwill)	264	239	(25)	538

## Point ① Cash Flows from Operating Activities

The total revenue came to 1,977 million yen, mainly because 2,889 million yen was included as the income before income taxes, although 1,326 million yen was paid for corporate tax, etc.

## Point ② Cash Flows from Investing Activities

The total expenses came to 3,210 million yen, mainly because 304 million yen was paid for acquiring fixed assets, 100 million yen for receiving businesses, and 2,842 million yen for obtaining the shares of subsidiaries.

## Point ③ Cash Flows from Financing Activities

The total expenses came to 437 million yen due to payment of 394 million yen as dividend at the end of the preceding fiscal year.

## Earnings Forecast for the Fiscal Year Ending in March 2012

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## Consolidated Earnings Forecast

(Unit: million yen)

	FY March 2011		FY March 2012				YoY change		Initial plan change	
	Results (A)	% of Net sales	Initial plan (B)	% of Net sales	Revision plan (C)	% of Net sales	(C) - (A)	%	(C) - (B)	%
Net sales	28,779	100.0%	31,000	100.0%	31,140	100.0%	2,360	108.2%	140	100.5%
Cost of Sales	11,712	40.7%	12,821	41.4%	12,954	41.6%	1,241	110.6%	132	101.0%
Gross Profit	17,067	59.3%	18,178	58.6%	18,186	58.4%	1,118	106.6%	7	100.0%
SG&A Expenses	10,955	38.1%	11,878	38.3%	11,886	38.2%	930	108.5%	7	100.1%
Operating Income	6,111	21.2%	6,300	20.3%	6,300	20.2%	188	103.1%	0	100.0%
Ordinary Income	6,375	22.2%	6,318	20.4%	6,333	20.3%	(42)	99.3%	15	100.2%
Net Income	3,197	11.1%	3,663	11.8%	3,744	12.0%	546	117.1%	80	102.2%

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

### Point ① Net Sales (Difference from the estimate at the beginning of the fiscal year)

For the second half, the sales of MTM Multimedia Sdn Bhd were included in the budget for Sep. to Dec. The estimated sales of the sluggish BPO business of PROTO DATA CENTER have been downwardly revised.

### Point ② Operating Expenses (Difference from the estimate at the beginning of the fiscal year)

For the second half, the expenses for enhancing sales promotion for stirring the demand for used cars and investigating overseas markets were included additionally.

## Dividend forecast

As for the annual dividend for the term ending March 2012, the dividend for commemorating the 10th anniversary of listing is scheduled to be paid at the end of the second quarter (5 yen) and the end of the fiscal year (5 yen). Dividend per share is estimated to be 85 yen.

# Consolidated Quarterly Earnings Forecast by Segment for the FY March 2012



(Unit: million yen)

	FY March 2010 (Results)					FY March 2011 (Results)					FY March 2012 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	6,019	6,300	6,615	6,746	25,682	7,050	7,075	7,422	7,232	28,779	7,223	7,501	8,119	8,295	31,140
Cost of Sales	2,315	2,506	2,754	2,696	10,273	2,733	2,884	3,033	3,061	11,712	3,010	3,270	3,320	3,352	12,954
Gross Profit	3,704	3,793	3,861	4,049	15,409	4,317	4,190	4,388	4,170	17,067	4,213	4,230	4,798	4,942	18,186
SG&A Expenses	2,225	2,168	2,277	2,639	9,310	2,559	2,592	2,674	3,129	10,955	2,810	2,758	3,016	3,300	11,886
Operating Income	1,479	1,624	1,584	1,410	6,098	1,758	1,598	1,714	1,041	6,111	1,403	1,472	1,781	1,642	6,300
Ordinary Income	1,502	1,632	1,604	1,425	6,165	1,782	1,610	1,909	1,072	6,375	1,437	1,458	1,788	1,649	6,333
Net Income	892	959	889	787	3,529	1,051	891	1,080	173	3,197	827	815	1,063	1,038	3,744

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

	FY March 2010 (Results)					FY March 2011 (Results)					FY March 2012 (Forecast)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	6,019	6,300	6,615	6,746	25,682	7,050	7,075	7,422	7,232	28,779	7,223	7,501	8,119	8,295	31,140
Automobile-related	5,480	5,638	5,824	5,914	22,858	6,314	6,276	6,546	6,428	25,566	6,492	6,506	7,029	7,039	27,067
Info Registraion Fee	4,660	4,796	4,651	4,931	19,039	5,000	4,863	5,059	4,907	19,831	4,756	4,826	5,238	5,249	20,070
Info Service Fee	819	841	1,173	983	3,818	1,314	1,412	1,487	1,521	5,735	1,736	1,680	1,790	1,790	6,997
Lifestyle-related	414	529	658	683	2,286	599	644	701	671	2,616	640	907	994	1,149	3,692
Real Estate	51	51	52	50	205	48	46	44	42	181	41	41	41	41	166
Others	73	80	80	98	332	87	108	129	89	415	49	45	54	64	213
Operating Income	1,479	1,624	1,584	1,410	6,098	1,758	1,598	1,714	1,041	6,111	1,403	1,472	1,781	1,642	6,300
Automobile-related	1,892	1,991	1,940	1,766	7,590	2,049	1,869	1,991	1,370	7,281	1,820	1,823	2,083	1,859	7,587
Lifestyle-related	3	52	48	58	162	69	79	90	61	301	27	40	135	214	418
Real Estate	26	26	28	25	105	29	26	25	23	104	20	19	25	25	91
Others	10	(20)	(22)	(2)	(35)	(27)	(26)	(8)	(28)	(91)	(38)	(48)	(32)	(29)	(149)
Management Division	(453)	(424)	(409)	(437)	(1,725)	(363)	(351)	(384)	(385)	(1,484)	(427)	(362)	(430)	(427)	(1,647)

\* The values for the first and second quarters of the term ending March 2012 represent the actual results.

## Future Business Development (Topics)

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# Expansion of Field of Automobile-related Information Business



■ We aim to improve “the comprehensive assistance in management” and expand our business field.

Expansion of business field

	Used car dealers		Parts dealers	Used car purchasing dealers	Sheet-metal/coating shops	Maintenance shops	New car dealers	Nonlife insurance companies	Loan credit companies	Rental lease companies	Overseas market
	Four-wheel	Two-wheel	Four/two-wheel	Four/two-wheel	Four-wheel	Four-wheel	Four-wheel				
Advertisement	Information on stores and cars	Information on stores and cars	Information on stores and cars	Information on stores	Information on stores	Information on stores	Information on stores Displayed cars	List for comparison Magazine ads	List for comparison Magazine ads	Magazine ads	
Inquiry	Quote Inventory check	Quote Inventory check	Inquiry about products	Request for appraisal	Quote for repair (Repair-Tech)	Quote for car inspection	Quote	Lump-sum quote	Lump-sum quote		
Attending to customers	Booking for visiting shops	Booking for visiting shops				Booking for visiting shops					
Settlement function (EC)			Sale of parts								
Assistance in sale	Goo-approved Cars/ Goo Warranty Goo Raku DataLinePRO Goo Books						DataLinePRO Goo Books		Goo Raku		
Assistance in export	Goo-net Exchange										
Assistance in import											Goo-net Exchange
Assistance in procurement	Goo-net Auction Market price info DataLinePRO	Goo-net Auction		Goo-net Auction							
Business support, management of business partners and clients	GCS	GBCS			Racros (Repair-Tech and System-One)						

Automobile-related Information Business services (as of Oct. 2011)

Enrichment of services

- : Current business area
- : Priority area for FY March 2012
- : Areas not covered yet
- : New area planned to cover after FY March 2013

# Expansion of Field of Lifestyle-related Information Business



■ We will expand the “specialized service” business fields and upgrade service types.

Expansion of business fields

	Medical and nursing care facilities	Recycling/Reuse	Real estate	Learning	Leisure	Sports	Entertainment
	Oasis Navi Kaigo-Kyujin Navi, Nurse Agent Yakuzaishi-kyujin Agent Medical CUBIC Heart Page	Oikura Goo Reuse	Goo Home	VeeSCHOOL Vee Seminar	Goo Leisure POPSNOW	Goo Cycle	Hanryu (Korean style) Entertainment!
Advertisement	Information on property/ recruitment	Information on store property		Information on lectures	Leisure places	Information on stores	
Inquiry/ Request for information	Request for information Inquiry/application	Inquiry, Quotation		Request for information	Inquiry	Inquiry	
Sending clients/ Appointment	Appointment for viewing Introducing personnel			Trial lessons	Leisure coupon		
Support for sales and management	Introduction for occupancy						
Settlement (EC)						Bicycle parts (on-line shopping)	
Mobile charges				Paying members	Paying members	Paying members	Paying members
Business support, management of business partners and clients							

Lifestyle-related Information Business services (as of Oct. 2011)

Enrichment of services

- : Current business area
- : Priority area for FY March 2012
- : Areas not covered yet
- : New area planned to cover after FY March 2013

- 2 consolidated subsidiaries are merged in order to strengthen competitiveness and streamline business administration in the car after-sales care market.

## Car repair/sheet-metal/paint factories

Customer base of a subsidiary REPAIR-TECH INC.  
 Develop and offer business support systems for car repair/sheet-metal/paint factories

Entire market : Approx. 37,000 (\*1)  
 Number of business partners with REPAIR-TECH : 2,052 (As of September 2011)

## Car maintenance shops (Accredited/designated shops)

Customer base of a subsidiary SYSTEM-ONE Corporation  
 Develop and offer business support systems for maintenance shops

Entire market : 91,935 (\*2)  
 Number of business partners with SYSTEM-ONE : 2,657 (As of September 2011)

\*1. Estimates by REPAIR-TECH INC. \*2. Survey report on the car disassembly maintenance industry, 2010, by Ministry of Land, Infrastructure, Transport, and Tourism

## PROTO-RIOS INC. (REPAIR-TECH INC. and SYSTEM-ONE Corporation are scheduled to be merged and renamed in Jan. 2012.)

To target about 13,000 car repair and sheet-metal processing plants

To improve competitiveness with the products and sales system for the entire car repair and sheet-metal processing field

- Strengthening of product development: all-in-one management system “Racros”  
 ⇒ It was released by REPAIR-TECH and SYSTEM-ONE in Aug. 2011.  
 The functions for quotation, customer management, inspection and repair guidance, etc. are integrated into a single system.
- Improvement in sales activities (selling capacity): Sales offices will be established nationwide.

To promote concentrating and streamlining management resources

**We aim to take an overwhelming position in the car repair and sheet-metal processing field.**



All-in-one management system “Racros”

**Automobile market in each ASEAN country where the market is expected to keep growing**

Number of automobiles in 3 ASEAN countries

(unit: thousand cars)

	2005	2006	2007	2008	2009
Malaysia	7,729	7,858	7,937	8,646	8,900
Y on Y change	107.9%	101.7%	101.0%	108.9%	102.9%
Passenger vehicle ratio	83.7%	84.0%	84.4%	83.2%	82.9%
Thailand	7,988	8,822	9,700	9,772	10,184
Y on Y change	110.0%	110.4%	110.0%	100.7%	104.2%
Passenger vehicle ratio	42.7%	43.1%	39.2%	42.9%	43.8%
Indonesia	6,870	7,350	7,700	8,250	8,630
Y on Y change	105.2%	107.0%	104.8%	107.1%	104.6%
Passenger vehicle ratio	57.5%	55.8%	56.6%	57.6%	58.0%

(Source: traffic-related statistic references of the Ministry of Land, Infrastructure, Transport and Tourism)

### ASEAN market

- Market of the population amounting to 580 million in 10 countries
- Economic growth rate exceeding global average in 2010

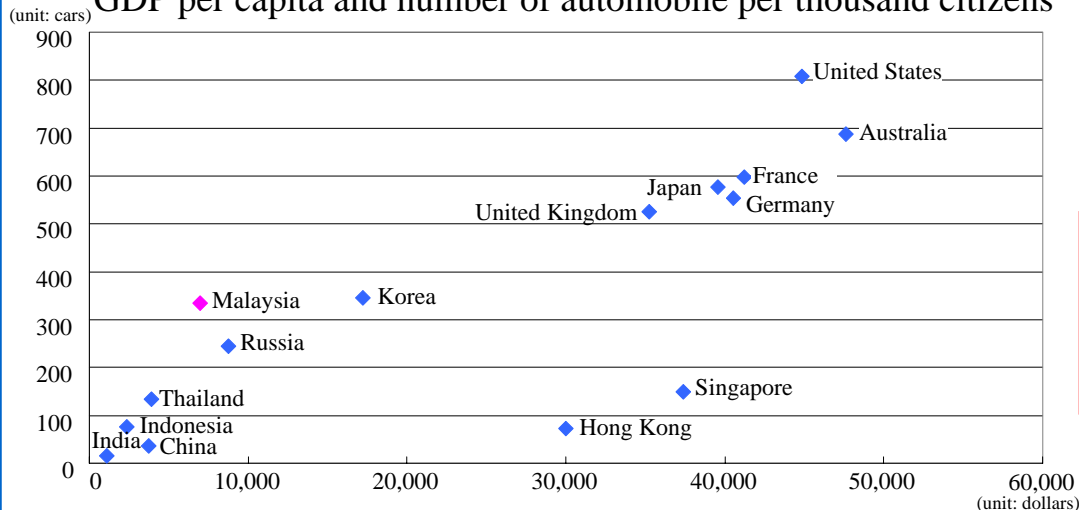
\*Global average :5.1%

Malaysia	:7.2%
Thailand	:7.8%
Indonesia	:6.1%
Singapore	:14.5%
Vietnam	:6.8%

(Source: IMF Economic Outlook Database revised in Sep. 2011)

- In ASEAN countries, including Malaysia, there is a potential for the growth of the automobile market.

GDP per capita and number of automobile per thousand citizens



(Source: "Global Statistics 2011" published by Statistics Bureau, the Ministry of Internal Affairs and Communications)

In order to further grow the automobile-related information business, we will establish the business foundation in the promising ASEAN market mainly in Malaysia.

- The used car-related information company in Malaysia was reorganized into a 100% subsidiary in Sep. 2011.

MTM Multimedia Sdn Bhd in Kuala Lumpur

**Top-class used car-related information company in Malaysia**

- To publish the used car information magazines “Motor Trader” and “Bike Trader,” and the new car information magazine “Autocar.”
- To operate the used car information websites “Motor Trader” and “Bike Trader.”

## Motor Trader

Information magazine



Website



## Bike Trader

Information magazine



Website



## Overview of products in Motor Trader



- Ad fee is set according to the number of ad spots.
- The car information in the magazine is also uploaded to the website free of charge.
- In addition to used passenger cars, commercial vehicles, construction machines, automobile parts, and license plates can be advertised.
- Bike Trader is operated with the same business model, while handling bike parts and accessories.

## ■ MTM Multimedia Sdn Bhd: Future business expansion

### 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



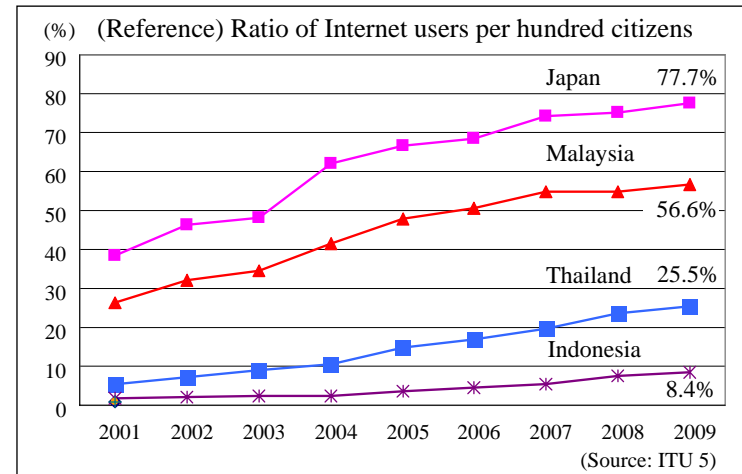
Future source of profits

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.

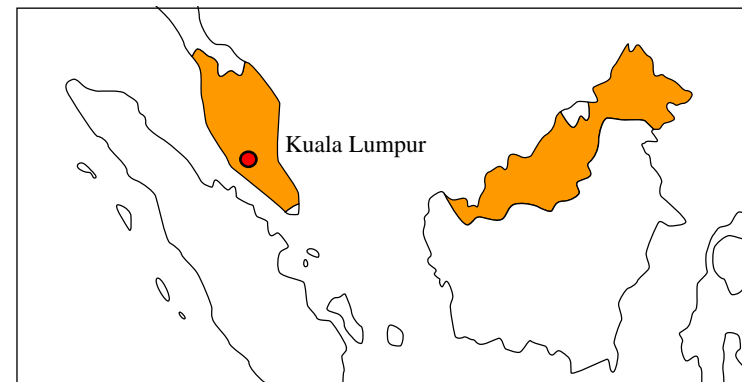


### To increase client companies by cultivating new areas

Current business areas: Kuala Lumpur, Selangor, and Johor



We aim to expand our share by cultivating new areas one after another.



## Appendix

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# Corporate Profile



Corporate Name	PROTO CORPORATION
Founded	Oct. 1, 1977
Established	Jun. 1, 1979
Common Stock	¥1,824,620 thousand (as of September 30, 2011)
Shares Outstanding	10,470,000 (as of September 30, 2011)
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 : 876 (as of September 30, 2011) (Parent : 658)
Stock Exchange Listing	Osaka Stock Exchange JASDAQ Standard (listed on September 12, 2001)
Subsidiary	<ol style="list-style-type: none"><li>1. REPAIR-TECH INC. (Full subsidiary since October, 2002)</li><li>2. PROTO DATA CENTER (Full subsidiary, established in April, 2007)</li><li>3. Goo Auto Inc. (Full subsidiary, established in January, 2009)</li><li>4. SYSTEM-ONE Corporation (Full subsidiary since October, 2009)</li><li>5. PROTO MEDICAL CARE (Full subsidiary since October, 2009)</li><li>6. Bike Bros. Inc. (Full subsidiary since April, 2010)</li><li>7. PROTO (SHANGHAI) ADVERTISING CO., LTD *1 (Full subsidiary, established in September, 2004)</li><li>8. MTM Multimedia Sdn Bhd (Full subsidiary since September, 2011)</li><li>9. MTM Interactive Sdn Bhd (Full subsidiary since September, 2011) *2</li><li>10. SMT Media Pte Ltd (Full subsidiary since September, 2011) *2</li></ol>

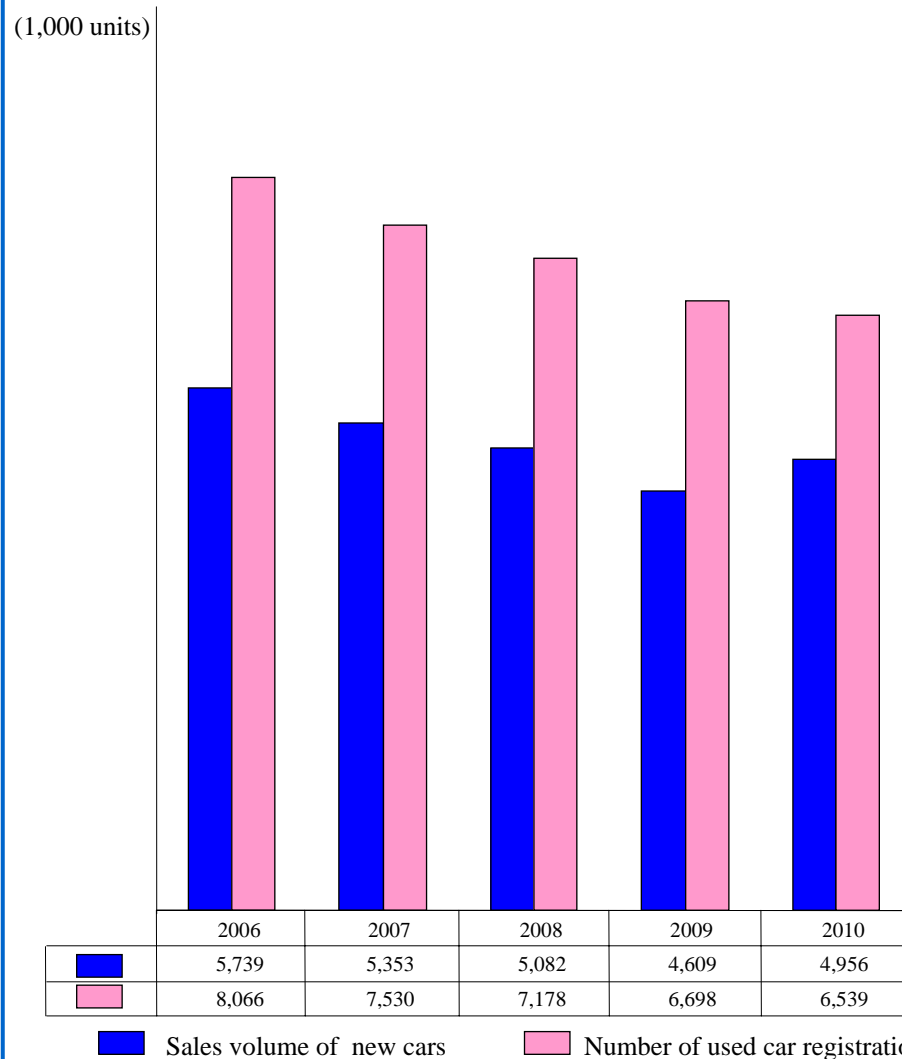


Our magazine was first issued in 1977

\*1 The company schedules dissolution in March, 2012. \*2 The company is a subsidiary of MTM Multimedia Sdn Bhd.



## ■ Trends in the sales volume of new cars and the number of used car registrations (calendar years)



As customers own automobiles for a longer period of time (longer cycle of repurchasing cars), the sales volume of new cars and the number of used car registrations are decreasing.

### Sales volume of new cars:

Due to the effects of “the tax system for promoting the diffusion of environmentally friendly cars (eco-car tax reduction)” and “the subsidy for promoting the diffusion of environmentally friendly cars (eco-car subsidy),” the sales volume of new cars had increased from the previous year since September 2009, but has decreased since October 2010 with its rebound, as the eco-car subsidy ended. In addition, in the wake of the Great East Japan Earthquake, sales volume until September 2011 was lower than that in the previous year.

### Number of used car registrations:

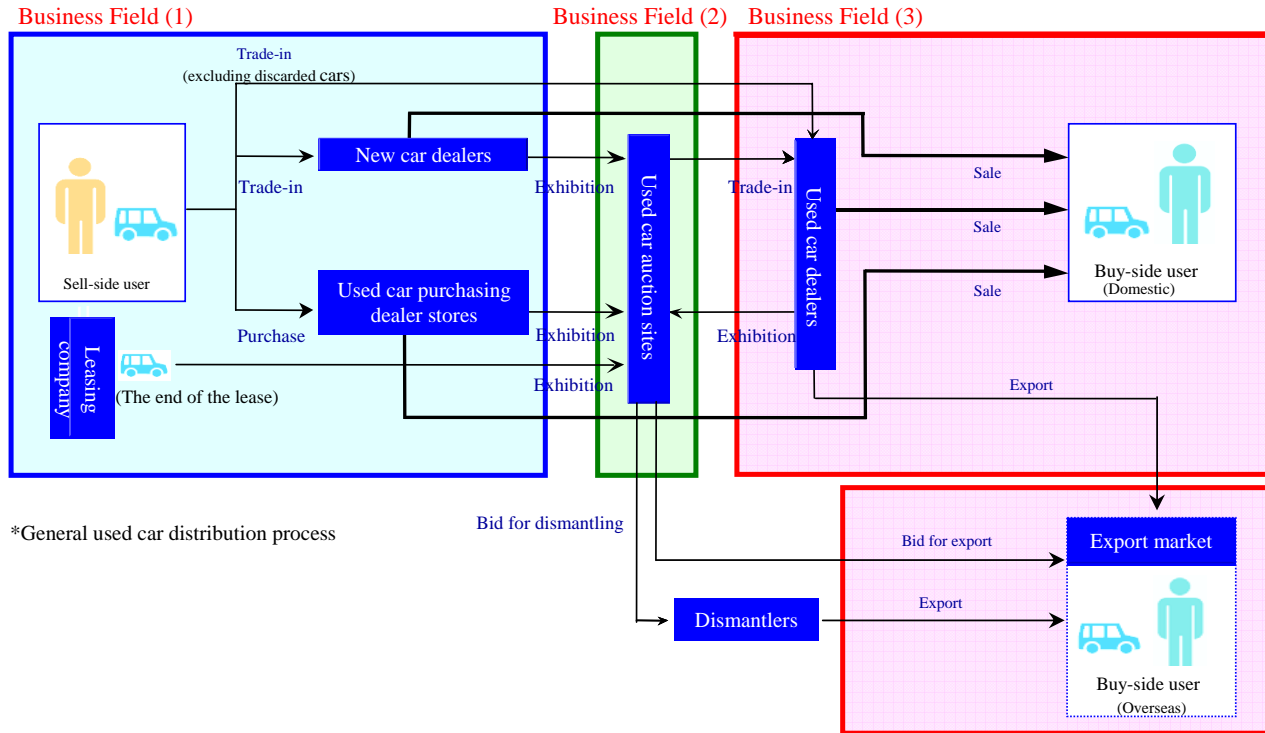
As the eco-car subsidy ended, the demand for used cars has recovered gently since September 2010. However, the stock in the used car market is still insufficient, due to the decrease in used car distribution amount because of scrap incentive and the effects of the Great East Japan Earthquake.

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

# 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-approved Cars  
Addition of the information on the appraisal by the third-party institution

Goo Warranty  
Used car repair warranty for up to 3 years

Goo Raku  
Provision of the used-car fixed amount credit

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, Auction Information  
Weekly and basic price data for automobile manufacturers  
To offer the data on final bidding prices and retail prices, etc.

[Products and services for clients]

e-satei  
To offer the system for appraising used cars for corporations

[Products and services for clients and users]

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)

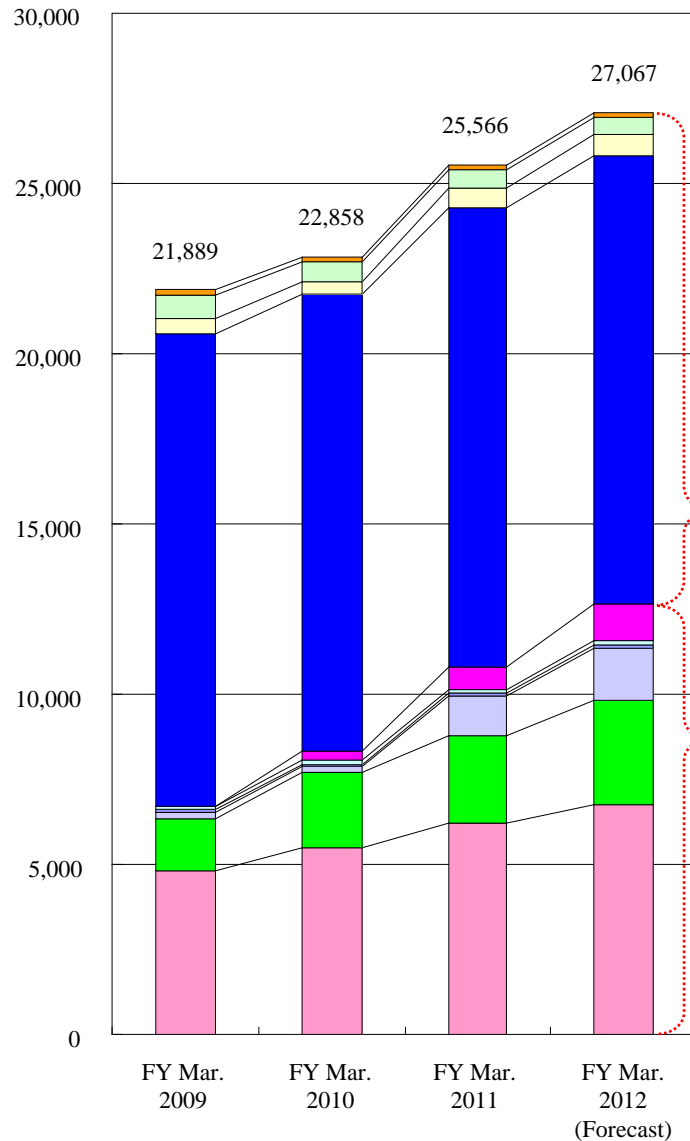
Charging system: Fee for Internet option products, such as Goo-net (Quotation/inquiry service, QE, GCS, etc.)

\* 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)

### <IT business>

- BtoB automobile sale (Service of supporting the export of used cars of Goo Auto Inc.)
- Mobile charges (e.g. Goo Car Info)
- EC(to B)
- EC(to C)
- BtoB fee for data provision (Goo-approved Cars, Goo Warranty, Data Line, quotation system of REPAIR-TECH INC.)
- Internet option products, such as Goo-net (quotation agency service, QE, GCS, etc.)

\* 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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