

Investor Meeting for the Year Ended March 2010

May 13, 2010
PROTO CORPORATION (4298)



Corporate Message “Leveraging Information for the Future”

Financial data (consolidated)

Shares outstanding (million)	10.4
Market capitalization (¥ billion)	33.1
DPS (¥, Mar/10)	70.0
EPS (¥, Mar/10)	337.4
BPS (¥, Mar/10)	1,683.6
ROE (% , Mar/10, Net income basis)	21.8
ROA (% , Mar/10, Ordinary income basis)	26.9
Equity ratio (% , Mar/10)	72.7
Potential share dilution (million)	-
Foreign ownership (% , Mar/10)	22.2

Major Shareholders

	(Thousands)
1) Mugen Corporation	3,403 (32.50%)
2) Hiroichi Yokoyama	750 (7.16%)
3) Japan Trustee Services Bank, Ltd. (Trust Account)	746 (7.12%)
4) BNP Paribas Securities Services Singapore/BP2S Sydney/Jasdec/Australian Residents	553 (5.28%)
5) Yoshihiro Yokoyama	486 (4.64%)
6) Northern Trust Co. (AVFC) Sub A/C American Clients	214 (2.05%)
7) The Master Trust Bank of Japan, Ltd. (Trust Account)	190 (1.81%)
8) Mellon Bank ABN Amro Global Custody N.V.	186 (1.77%)
9) Mellon Bank, N.A. as Agent for Its Client Mellon Omnibus US Pension	173 (1.65%)
10) Minoru Saito	169 (1.62%)

(As of March 31, 2010)

Consolidated Statements of Income (1)



Status of Consolidated Income

(Unit: million yen)

	FY Mar/09		FY Mar/10				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	23,657	100.0%	27,000	100.0%	(1) 25,682	100.0%	2,024	108.6%	(1,317)	95.1%
Cost of Sales	9,064	38.3%	11,140	41.3%	(2) 10,273	40.0%	1,208	113.3%	(867)	92.2%
Gross Profit	14,592	61.7%	15,859	58.7%	15,409	60.0%	816	105.6%	(449)	97.2%
SG&A Expenses	9,208	38.9%	9,859	36.5%	(3) 9,310	36.3%	102	101.1%	(548)	94.4%
Operating Income	5,384	22.8%	6,000	22.2%	(4) 6,098	23.7%	713	113.3%	98	101.6%
Ordinary Income	5,400	22.8%	6,001	22.2%	6,165	24.0%	765	114.2%	164	102.7%
Net Income	3,187	13.5%	3,504	13.0%	3,529	13.7%	342	110.7%	25	100.7%

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

Status of Marketing and Administration Costs

(Unit: million yen)

	FY Mar/09		FY Mar/10				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	9,208	38.9%	9,859	36.5%	9,310	36.3%	102	101.1%	(548)	94.4%
Employment Cost	4,469	18.9%	4,928	18.3%	4,920	19.2%	450	110.1%	(8)	99.8%
Advertising Cost	2,043	8.6%	1,910	7.1%	1,659	6.5%	(383)	81.2%	(251)	86.9%
Other Expenses	2,695	11.4%	3,019	11.2%	2,730	10.6%	35	101.3%	(288)	90.4%
Number of Employment	716	-	857	-	798	-	82	111.5%	(59)	93.1%

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.

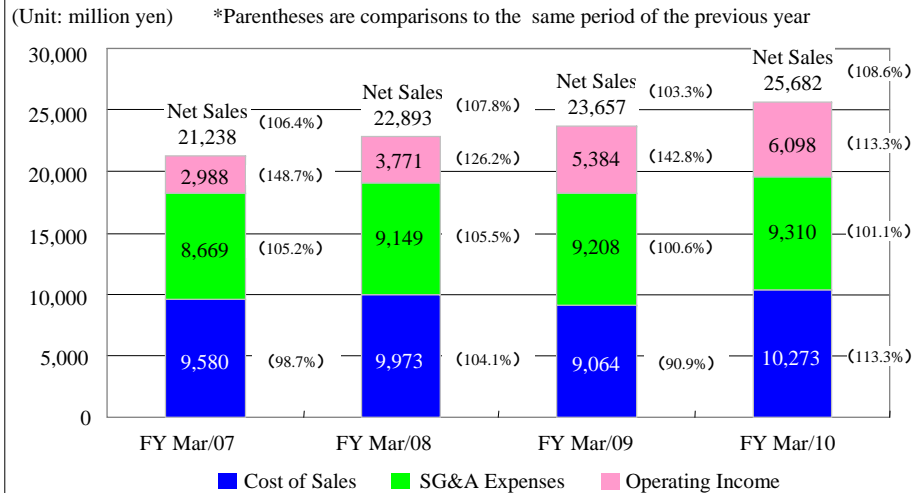
* Plan numerical value of the October 29, 2009 announcement.
¥ millions, rounded down.

Consolidated Statements of Income (2)



Performance Overview for the Year Ended March 2010

Changes in Performance



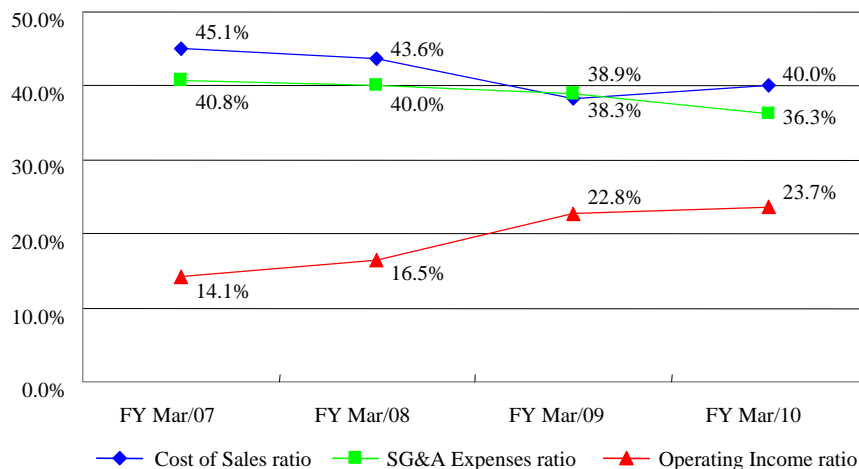
Point (1) Sales

All segments increased earnings compared to the previous year. As a group, the net sales increased by 2,024 million yen (108.6% compared to the previous year). However, it is 95.1% of projections.

Point (2) Cost of Sales

Compared to the previous year, it is 113.3% (Cost rate: 1.7 point increase). This increase has resulted from the increase of variable cost accompanied by the increased income in our advertising service business (lifestyle-related information), an increase in the fee for outsourcing car appraisal accompanied by the expansion of the “Goo-approved Cars” services, starting of the used car export support business at our subsidiary, Goo Auto Inc., and making SYSTEM-ONE Corporation and Medical CUBIC Co., Ltd., our new subsidiary as of October 1, 2009. This is 92.2% of what was projected.

Changes of Individual Indicators



Point (3) SG&A Expenses

The labor cost has increased due to an increase in the number of employees (an increase by 82 from the end of previous year). However, this is 101.1% of the previous year (SG&A Expenses rate: 2.6 point decrease) and is 94.4% of projections because of thorough cost control such as streamlining promotion activities.

Point (4) Operating Income

As a result of an increased earnings and thorough management of SG&A expenses, this is 113.3% of the previous year. It is 101.6% of projections.

Segment Information (1)



Net Sales

(Unit: million yen)

	FY Mar/09		FY Mar/10			
	Results (A)	% of Net sales	Forecast (B)	% of Net sales	Results (C)	% of Net sales
Automobile-related	21,889	92.5%	23,693	87.8%	22,858	89.0%
Info Registration/Listing Fee	18,872	79.8%	19,170	71.0%	19,039	74.1%
Information Service Fee	3,017	12.8%	4,522	16.7%	3,818	14.9%
Lifestyle-related	1,345	5.7%	2,456	9.1%	2,286	8.9%
Real Estate	194	0.8%	203	0.8%	205	0.8%
Others	227	1.0%	646	2.4%	332	1.3%
Total	23,657	100.0%	27,000	100.0%	25,682	100.0%

YoY Change		Achievement rate	
(C) - (A)	%	(C) - (B)	%
968	104.4%	(834)	96.5%
167	100.9%	(131)	99.3%
801	126.5%	(703)	84.4%
940	169.9%	(170)	93.1%
10	105.6%	2	101.2%
104	145.9%	(314)	51.3%
2,024	108.6%	(1,317)	95.1%

1) Info Registration/Listing 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)

	FY Mar/09		FY Mar/10			
	Results (A)	Profit margin	Forecast (B)	Profit margin	Results (C)	Profit margin
Automobile-related	7,034	32.1%	7,457	31.5%	7,590	33.2%
Lifestyle-related	62	4.6%	262	10.7%	162	7.1%
Real Estate	70	36.2%	99	48.7%	105	51.4%
Others	(80)	-	8	1.3%	(35)	-
Management Division	(1,701)	-	(1,828)	-	(1,725)	-
Total	5,384	22.8%	6,000	22.2%	6,098	23.7%

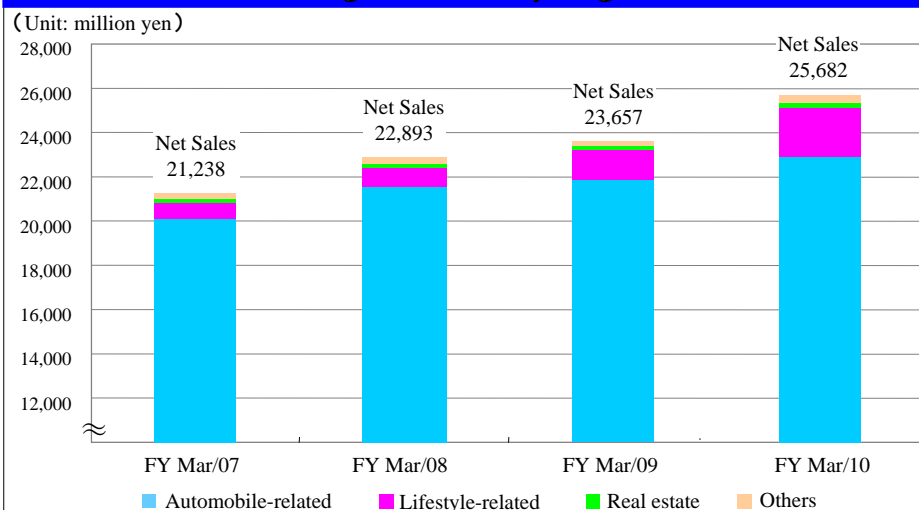
YoY Change		Achievement rate	
(C) - (A)	%	(C) - (B)	%
556	107.9%	133	101.8%
100	262.5%	(99)	62.0%
35	150.1%	6	106.8%
44	-	(44)	-
(23)	-	102	-
713	113.3%	98	101.6%

* Plan numerical value of the October 29, 2009 announcement.
 ¥ millions, rounded down.

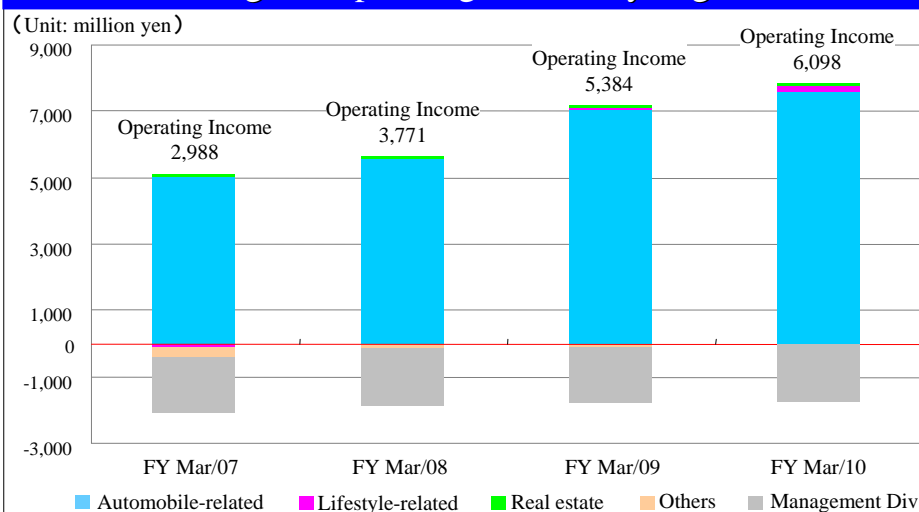
Segment Information (2)



Change in Sales by Segment



Change in Operating Income by Segment



Automobile-related Information

Although earnings from information magazines business decreased (95.7% of the previous year), through expanded sales of Internet products, IT business showed a steady increase (124.2%) with net sales increased by 968 million yen from the previous year (104.4%).

The operating expenses were incurred in connection with Goo Auto Inc. and SYSTEM-ONE Corporation, which has become our subsidiary as of October 1, 2009. However, operating income increased by 556 million yen from previous year (107.9%) as a result of increased income from IT business.

Operating income is 133 million yen above the planned figure (101.8% of the planned figure).

Lifestyle-related Information

Earnings from All web-sites, Vee School, Oasis Navi, and Kaigo-Kyujin (nursing help wanted) increased because of increased number of business partners and steady average price per transaction. As a result, the advertising services also increased income, mainly from the affiliate service business. Furthermore, the sales from the lifestyle-related information segment had increased 940 million yen from the previous year (169.9% of the previous year) as a result of business expansion by making Medical CUBIC Co., Ltd., our new subsidiary (as of Oct. 1, 2009) and taking over the recycling information web-site business "Oikura (How much)".

The operating income increased by 100 million yen from the previous year (262.5%).

Others

The sales increase by 104 million yen from the previous year (145.9% of the previous year) as a result of a sales expansion of "MARS FINDER", a site engine by MARS FLAG Corporation, and from the BPO business by PROTO Data Center.

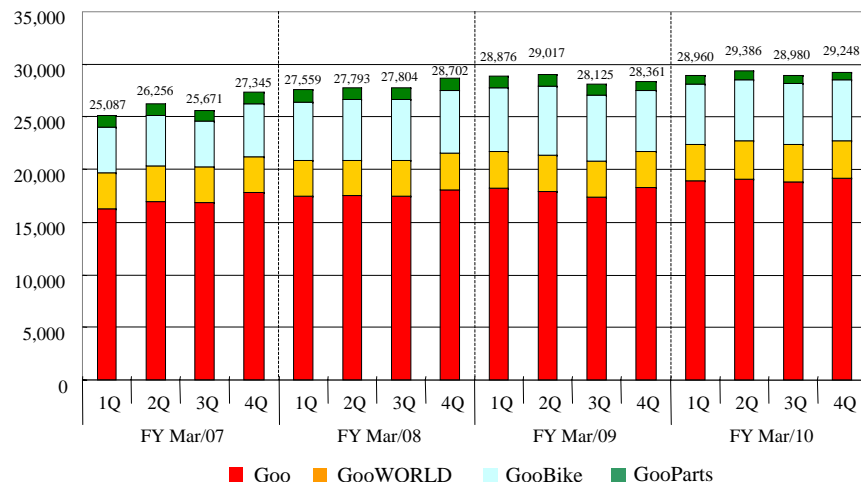
While the MARS FLAG Corporation, presented positive results, the PROTO Data Center had an increase in the operating expenses caused by an increase in the number of contract workers to expand its transactions with the companies outside of our group. As a result, the operating loss was 35 million yen. (it was a loss of 80 million yen in the previous year).

Operating Circumstances of Automobile-related Information (1)



Change in Quarterly Totals of Business Partners for Goo Series

(Unit: Companies)



The accumulated number of business partners (accumulation from 1Q to 4Q) for the Goo series as a total was 101.9% of the previous year, caused by the creation of “Goo Hokuriku Edition” etc.

The average unit price also reached the same level as previous year (100.3% of the previous year) caused by the increased number of the member stores for the “Goo-approved Cars” service.

The number of stores involved in for the “Goo-approved Cars” service is 1,636IDs as of the end of March 2010 (447.0% of the previous year).



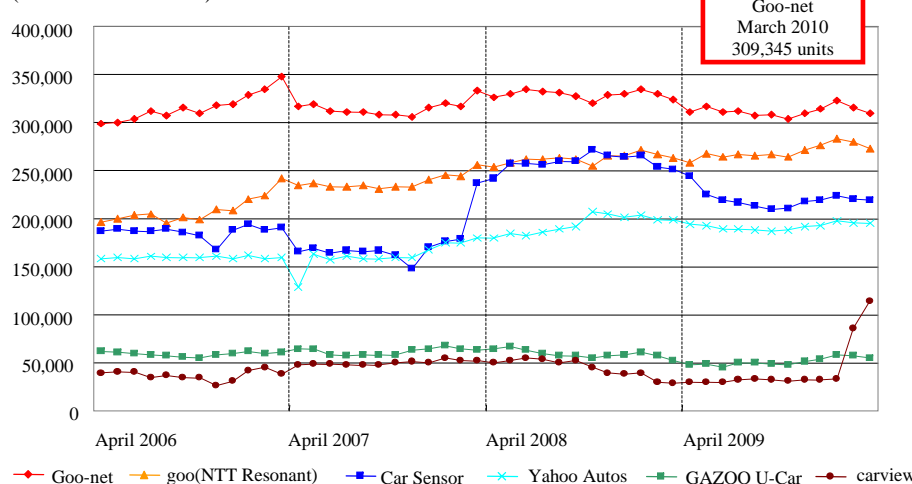
*Reference/As of the end of March 2009:366IDs

Furthermore, in February 2010, the Company started the “Goo Warranty”, which includes post-purchase service, in order to respond to the customers’ concerns at the time of purchasing for faults and troubles of used vehicles.



Change in Numbers of Used Automobiles Listed on Main Sites

(Unit: Number of Cars)



The number of used vehicles listed on Goo-net is 300,000 or more, which means we remain in the lead compared to other company’s sites. (According to in-house research)

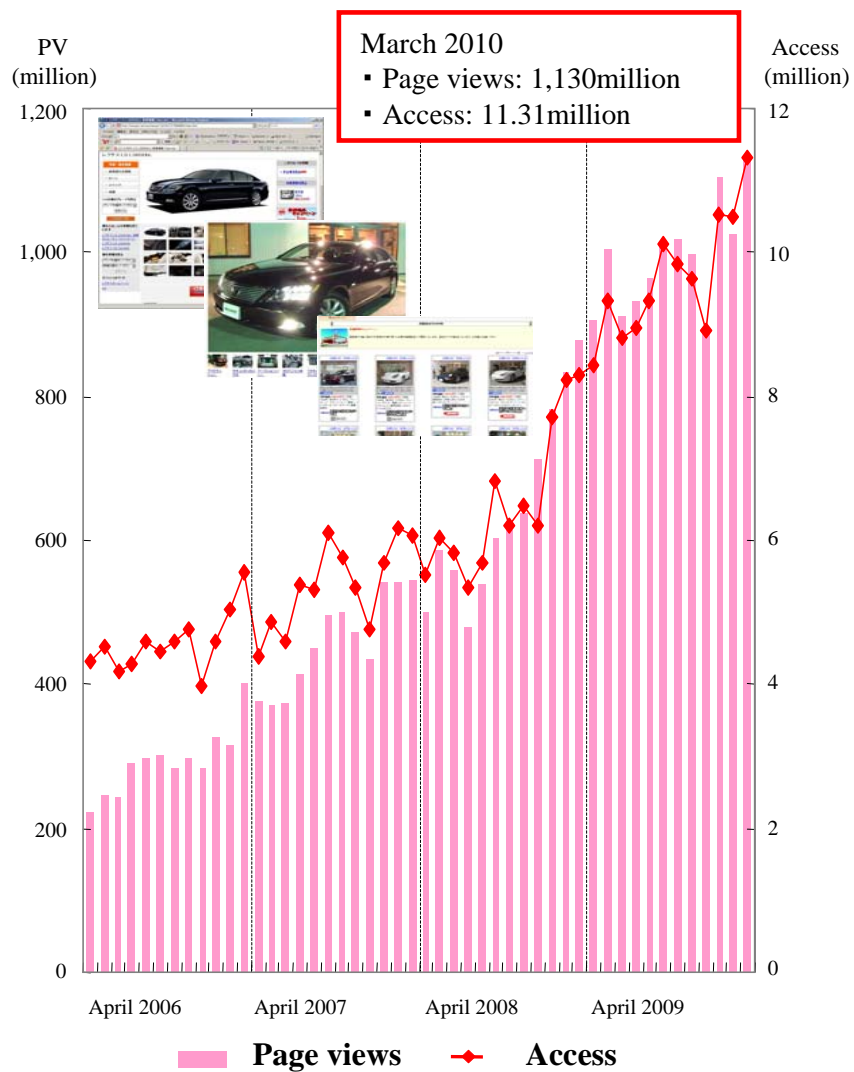
* The number of used vehicle listings for “Car Sensor (run by Recruit)” is the total of “Car Sensor-net” and “D-Ucar.net” since March 2008.

* NTT Resonant uses PROTO’s database, while Yahoo Autos uses Recruit’s.

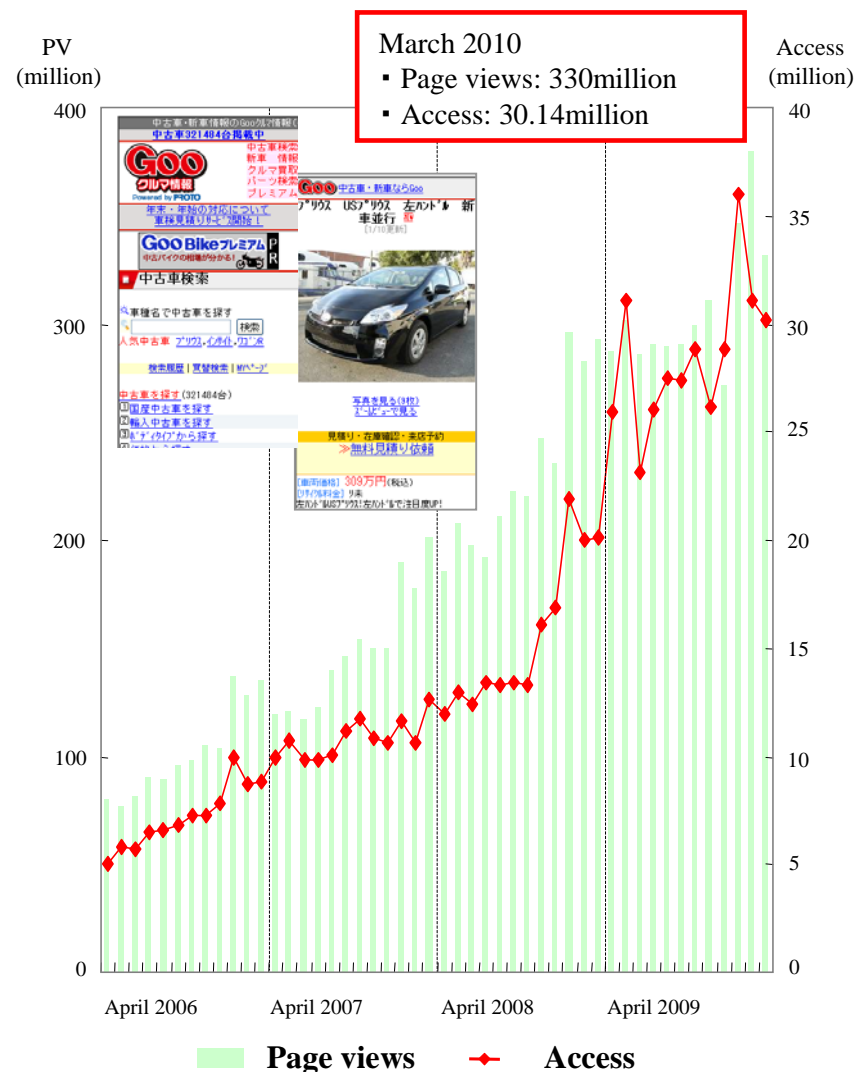
Operating Circumstances of Automobile-related Information (2)



Car Portal Site "Goo-net" (PC)

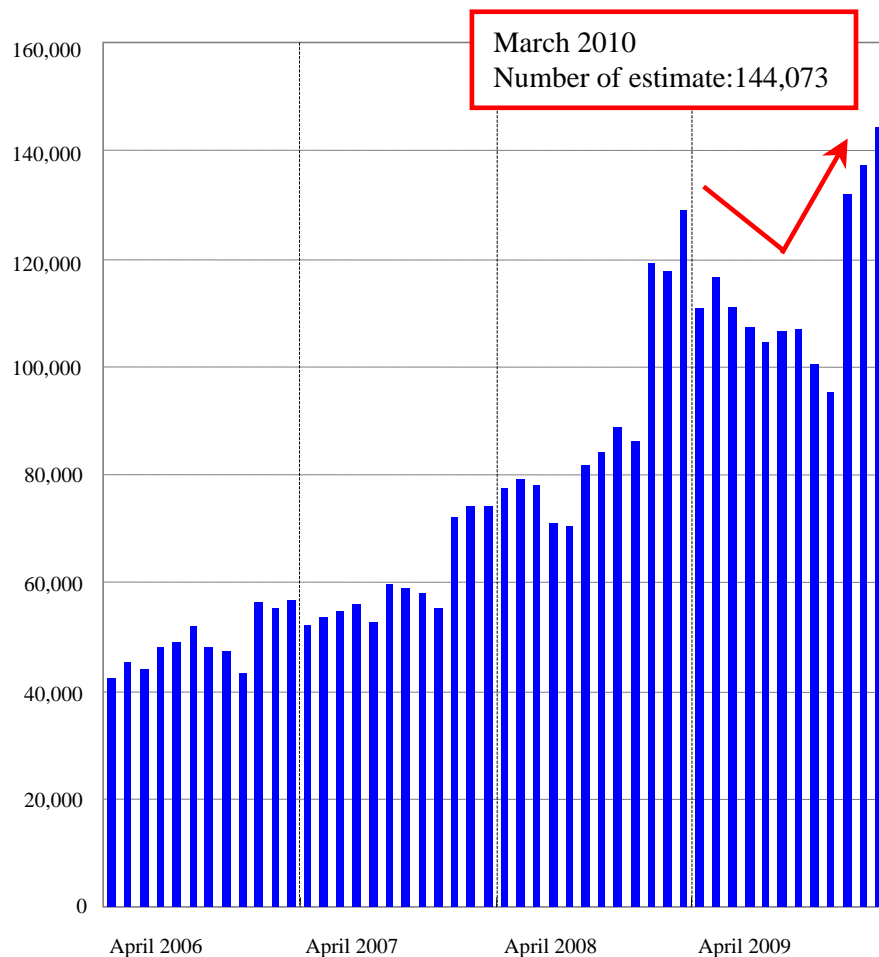


"Goo Car Information" (Mobile)

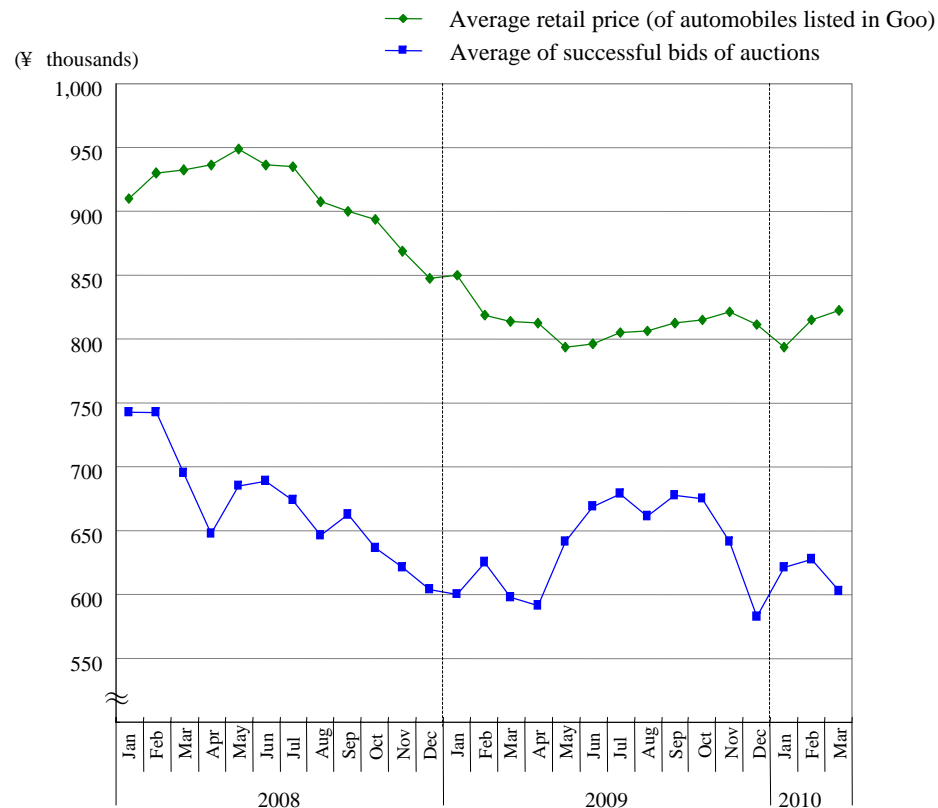


Goo-net (PC&Mobile) Change in Number of Estimates (*)

* The number of requests to the "Goo-net Estimate Service" which lets customers receive estimates for the cars listed



Reference: Variation in Margin of used vehicle sale

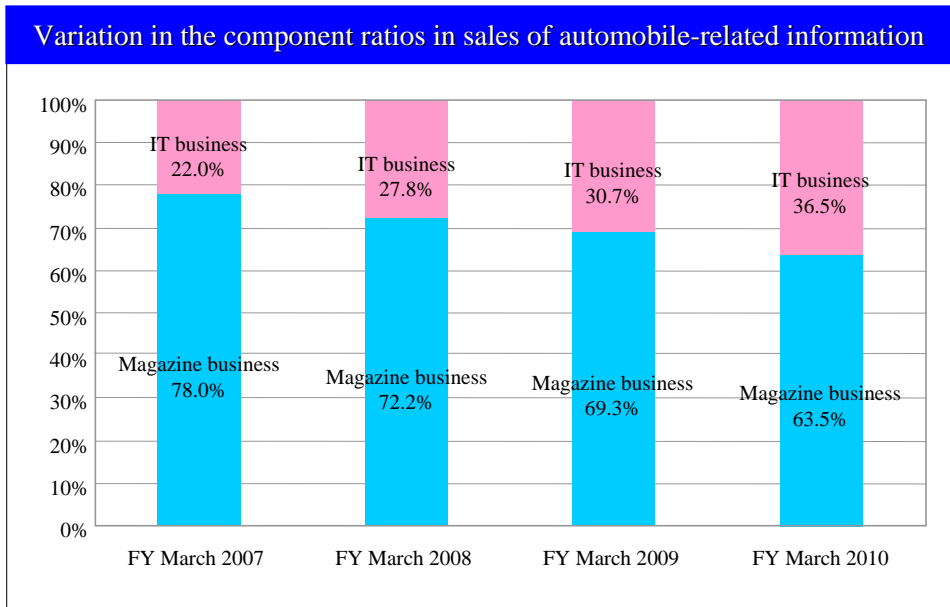


※1. Average retail price (of automobiles listed in Goo)

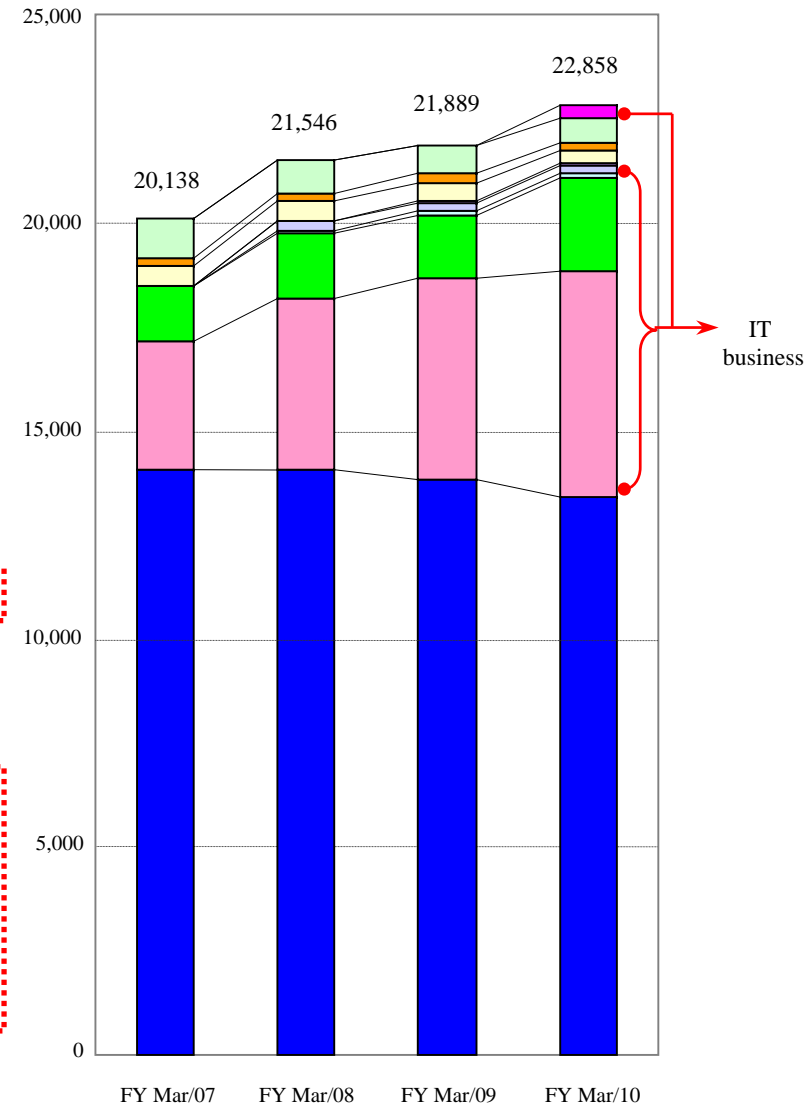
Average of prices of the automobiles that are listed in Goo and have no repair history under the assumption that their annual travel distance is 9,000 km and they need to undergo car inspection.

※2. Average of successful bids of auctions

Average of prices of automobiles whose evaluation point is at the level of 4 taken from our company's data on successful bids, under the assumption that their annual travel distance is 9,000 km and they need to undergo car inspection.



(Unit: million yen)



- BtoB automobile sale (Service of supporting the export of used cars of Goo Auto Inc.)
 - BtoB subscription fee of data book
 - BtoB fee for advertising in data book
 - Sale of information magazines
 - EC(to B)
 - EC(to C)
 - Mobile charges (e.g. Goo car info)
 - 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.)
 - Basic advertisement costs (Package of PC, mobile phone, and information magazines)
- ※Ruled line: IT business

Reference: Consolidated Quarterly Statements of Income



(Unit: million yen)

	FY March 2008					FY March 2009					FY March 2010				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	5,644	5,700	5,899	5,649	22,893	5,797	5,971	5,908	5,980	23,657	6,019	6,300	6,615	6,746	25,682
Cost of Sales	2,447	2,598	2,570	2,356	9,973	2,192	2,265	2,272	2,333	9,064	2,315	2,506	2,754	2,696	10,273
Gross Profit	3,197	3,101	3,329	3,292	12,920	3,604	3,705	3,635	3,647	14,592	3,704	3,793	3,861	4,049	15,409
SG&A Expenses	2,157	2,236	2,190	2,564	9,149	2,103	2,154	2,217	2,732	9,208	2,225	2,168	2,277	2,639	9,310
Operating Income	1,039	864	1,138	728	3,771	1,501	1,550	1,417	914	5,384	1,479	1,624	1,584	1,410	6,098
Ordinary Income	1,060	869	1,174	734	3,837	1,516	1,544	1,433	905	5,400	1,502	1,632	1,604	1,425	6,165
Net Income	572	366	693	205	1,838	906	929	875	476	3,187	892	959	889	787	3,529

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

	FY March 2008					FY March 2009					FY March 2010				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	5,644	5,700	5,899	5,649	22,893	5,797	5,971	5,908	5,980	23,657	6,019	6,300	6,615	6,746	25,682
Automobile-related	5,326	5,366	5,553	5,298	21,546	5,455	5,574	5,422	5,437	21,889	5,480	5,638	5,824	5,914	22,858
Info Registration Fee	4,508	4,600	4,740	4,550	18,400	4,686	4,875	4,633	4,676	18,872	4,660	4,796	4,651	4,931	19,039
Info Service Fee	817	766	813	747	3,145	769	698	788	761	3,017	819	841	1,173	983	3,818
Lifestyle-related	203	222	221	235	882	247	296	364	436	1,345	414	529	658	683	2,286
Real Estate	44	43	43	42	174	43	50	50	49	194	51	51	52	50	205
Others	70	68	80	72	291	49	49	70	57	227	73	80	80	98	332
Operating Income	1,039	864	1,138	728	3,771	1,501	1,550	1,417	914	5,384	1,479	1,624	1,584	1,410	6,098
Automobile-related	1,482	1,343	1,599	1,148	5,573	1,909	1,950	1,829	1,344	7,034	1,892	1,991	1,940	1,766	7,590
Lifestyle-related	(16)	(3)	(5)	0	(24)	4	24	16	16	62	3	52	48	58	162
Real Estate	20	17	18	15	71	13	12	27	17	70	26	26	28	25	105
Others	(49)	(45)	(34)	5	(123)	(20)	(39)	(19)	(1)	(80)	10	(20)	(22)	(2)	(35)
Management Division	(397)	(446)	(439)	(441)	(1,725)	(404)	(397)	(436)	(462)	(1,701)	(453)	(424)	(409)	(437)	(1,725)

Consolidated Balance Sheets



(Unit: million yen)

	FY March 2009 (Full year - end)		FY March 2010 (Full year - end)		Increase/Decrease (B) - (A)
	(A)	Composition ratio	(B)	Composition ratio	
Current Assets	12,038	55.7%	14,184	58.6%	(1) 2,146
Fixed Assets	9,570	44.3%	10,038	41.4%	(2) 468
Current Liabilities	6,167	28.5%	5,862	24.2%	(3) (304)
Long-term Liabilities	576	2.7%	659	2.7%	83
Net Assets	14,865	68.8%	17,700	73.1%	(4) 2,835
Total Assets	21,608	-	24,223	-	2,614

Point (1) Increase of Current Assets (March 2009 period, 2,146 million yen increase from previous period)

Although payments for the income tax and construction of the headquarter building of PROTO Data Center, were made, the sales cash flow exceeded these expenses. As a result, cash and deposits increased and the current assets totaled 14,184 million yen, an increase of 2,146 million yen from the end of the previous consolidated fiscal year.

Point (2) Increase of Fixed Assets (March 2009 period, 468 million yen increase from previous period)

Through acquisition of new subsidiaries (SYSTEM-ONE Corporation, and Medical CUBIC Co., Ltd.) and the taking over of the “Oikura” business, etc., our goodwill has increased. As a result, fixed assets totaled 10,038 million yen, an increase of 468 million yen from the end of the previous consolidated fiscal year.

Point (3) Decrease of Current Liabilities (March 2009 period, 304 million yen decrease from previous period)

Although the accrued income tax has increased, its amount has decreased due to the payment for the construction for the headquarter building of PROTO Data Center. As a result, current liabilities was 5,862 million yen, a decrease of 304 million yen from the end of the previous consolidated fiscal year.

Point (4) Increase of Net Assets (March 2009 period, 2,835 million yen increase from previous period)

While 732 million yen were paid as dividends, the current net income presented 3,529 million yen brought an earned surplus of 2,797 million yen. As a result, the net assets were 17,700 million yen, an increase of 2,835 million yen from the end of the previous consolidated fiscal year.

Consolidated Statements of Cash Flows



(Unit: million yen)

	FY March 2009	FY March 2010	Increase/Decrease
Cash Flows from Operating Activities	3,750	(1) 4,005	255
Cash Flows from Investing Activities	(2,949)	(2) (1,141)	1,807
Cash Flows from Financing Activities	(624)	(3) (773)	(148)
Cash and Cash Equivalents at End of Term	9,107	11,207	2,100
Capital Expenditure (tangible/intangible fixed assets)	3,555	320	(3,234)
Depreciation (Including amortization of goodwill)	218	347	129

Point (1) Cash Flows from Operating Activities

The income tax has increased, and accrued expenses and the sales deposits have decreased. However, the net income before income taxes has increased compared with the previous consolidated fiscal year. As a result, the cash flow from operating activities was 4,005 million yen (6.8% increase from the previous year).

Point (2) Cash Flows from Investing Activities

The expenses incurred through the acquisition of SYSTEM-ONE Corporation, and Medical CUBIC Co., Ltd, acquisition of the “Oikura” business, and the acquisition of tangible fixed asset in relation to the construction of the headquarter building of PROTO Data Center led to expenses of 1,141 million yen.

Point (3) Cash Flows from Financing Activities

Due mainly to payments of dividends of ¥732 million yen , expenses were 773 million yen.

Earnings Forecast for the Fiscal Year Ending in March 2011

Consolidated Statements of Income

(Unit: million yen)

	FY March 2010		FY March 2011		YoY Change	
	Results	% of Net Sales	Forecast	% of Net Sales	Increase/Decrease	%
Net sales	25,682	100.0%	30,100	100.0%	4,417	117.2%
Cost of Sales	10,273	40.0%	11,999	39.9%	1,726	116.8%
Gross Profit	15,409	60.0%	18,100	60.1%	2,691	117.5%
SG&A Expenses	9,310	36.3%	11,380	37.8%	2,069	122.2%
Operating Income	6,098	23.7%	6,720	22.3%	621	110.2%
Ordinary Income	6,165	24.0%	6,782	22.5%	616	110.0%
Net Income	3,529	13.7%	3,886	12.9%	356	110.1%
Net Income per Share (Yen)	337.43	-	371.54	-	-	110.1%

Double digit development of net sales and operating income is expected as a result of the expansion of business areas

Point

【Net sales: 30.1 billion yen (Year on Year Change: 117.2%)】

Expansion of business areas through M&A, and development of existing businesses with a focus on our core business, Goo series.

【Operating income: 6.7 billion yen (Year on Year Change: 110.2%)】

Increase profits from existing businesses and improvement of sales efficiency (operating margin will slightly decrease as a result of rising amortization amount of goodwill).

Earnings Forecast by Segment for the Fiscal Year Ending in March 2011 (1)



Net sales

(Unit: million yen)

	FY March 2010		FY March 2011		
	Results	YoY change	Forecast	YoY change	Increase/Decrease
Automobile-related	22,858	104.4%	26,032	113.9%	3,174
Info Registration/Listing Fee	19,039	100.9%	(1) 20,389	107.1%	1,350
Information Service Fee	3,818	126.5%	(2) 5,642	147.8%	1,824
Lifestyle-related	2,286	169.9%	(3) 3,339	146.1%	1,053
Real Estate	205	105.6%	199	96.7%	(6)
Others	332	145.9%	(4) 528	159.1%	196
Total	25,682	108.6%	30,100	117.2%	4,417

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

* Information service fee: Cost for selling information magazines and providing contents, etc.

Point

【Automobile-related Information】

- (1) Expansion of the business in the Koshin region (taking over “Mj” business on April 1, 2010), and advertisement fee on “BikeBros.” (acquisition of BikeBros. Inc. on April 1, 2010).
- (2) Expansion of Goo-approved Cars/Goo Warranty, expansion of the sales of EC for motorbikes parts (acquisition of BikeBros. Inc., on April 1, 2010), all-year contribution to sales of the system for automobile maintenance industry (acquisition of SYSTEM-ONE Corporation, on October 1, 2009).

【Lifestyle-related Information】

- (3) All-year contribution to the care-related information business (medicine, nursing-care, welfare)/ all-year contribution to the recruiting business for nurses (acquisition of Medical CUBIC Co., Ltd., on October 1, 2009).
Expansion of the advertisement fee on “Oikura”, the recycle information web-site.
Expansion of the advertisement agency business for the internet.

【Others】

- (4) PROTO Data Center/Expansion of BPO business
MARS FLAG Corporation/ Expansion of the “MARS FINDER”.

Operating Income

(Unit: million yen)

	FY March 2010		FY March 2011			
	Results	Profit margin	Forecast	Profit margin	YoY change	Increase/Decrease
Automobile-related	7,590	33.2%	(1) 7,673	29.5%	101.1%	82
Lifestyle-related	162	7.1%	(2) 504	15.1%	310.0%	342
Real Estate	105	51.4%	95	48.0%	90.4%	(10)
Others	(35)	-	10	2.0%	-	46
Management Division	(1,725)	-	(3) (1,565)	-	-	160
Total	6,098	23.7%	6,720	22.3%	110.2%	621

We have made changes to segment classifications from FY March 2011 in order for some of the Management Division's costs, which had up until now been recorded in "Elimination and/or corporate" to be reflected in each business segment.

Point

【Automobile-related Information】

(1) The Goo series will increase the profit through increasing profits of IT business and improvement of sales efficiency.

The operating income of the automobile-related information business will only slightly increase due to the amortization of goodwill of BikeBros. Inc., and SYSTEM-ONE Corporation.

【Lifestyle-related Information】

(2) The profit from the highly profitable internet business will increase (e.g. care-related information, recycling information, and lesson information).

The internet advertisement agency business will produce surplus.

【Management Division】

(3) The segmentation will be reviewed in accordance with the organizational reform.

(A part of the management cost, which was included in the Management Division until FY March 2010, will be shifted to each business segment from March 2011).

(* Amortization cost of goodwill for FY March 2011 (plan) : 390 million yen)

Reference: Consolidated Quarterly Earnings Forecast for the Fiscal Year Ending in March 2011



(Unit: million yen)

	FY March 2009 (Results)					FY March 2010 (Results)					FY March 2011 (Forecast)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	5,797	5,971	5,908	5,980	23,657	6,019	6,300	6,615	6,746	25,682	7,114	7,345	7,766	7,873	30,100
Cost of Sales	2,192	2,265	2,272	2,333	9,064	2,315	2,506	2,754	2,696	10,273	2,830	2,980	3,032	3,155	11,999
Gross Profit	3,604	3,705	3,635	3,647	14,592	3,704	3,793	3,861	4,049	15,409	4,283	4,365	4,733	4,718	18,100
SG&A Expenses	2,103	2,154	2,217	2,732	9,208	2,225	2,168	2,277	2,639	9,310	2,751	2,778	2,827	3,023	11,380
Operating Income	1,501	1,550	1,417	914	5,384	1,479	1,624	1,584	1,410	6,098	1,531	1,586	1,906	1,694	6,720
Ordinary Income	1,516	1,544	1,433	905	5,400	1,502	1,632	1,604	1,425	6,165	1,547	1,600	1,922	1,712	6,782
Net Income	906	929	875	476	3,187	892	959	889	787	3,529	855	917	1,113	999	3,886

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

	FY March 2009 (Results)					FY March 2010 (Results)					FY March 2011 (Forecast)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	5,797	5,971	5,908	5,980	23,657	6,019	6,300	6,615	6,746	25,682	7,114	7,345	7,766	7,873	30,100
Automobile-related	5,455	5,574	5,422	5,437	21,889	5,480	5,638	5,824	5,914	22,858	6,308	6,350	6,692	6,680	26,032
Info Registraion/Listing Fee	4,686	4,875	4,633	4,676	18,872	4,660	4,796	4,651	4,931	19,039	5,033	5,032	5,179	5,144	20,389
Info Service Fee	769	698	788	761	3,017	819	841	1,173	983	3,818	1,275	1,318	1,513	1,536	5,642
Lifestyle-related	247	296	364	436	1,345	414	529	658	683	2,286	653	808	878	998	3,339
Real Estate	43	50	50	49	194	51	51	52	50	205	49	49	49	50	199
Others	49	49	70	57	227	73	80	80	98	332	101	137	144	144	528
Operating Income	1,501	1,550	1,417	914	5,384	1,479	1,624	1,584	1,410	6,098	1,531	1,586	1,906	1,694	6,720
Automobile-related	1,909	1,950	1,829	1,344	7,034	1,892	1,991	1,940	1,766	7,590	1,899	1,817	2,110	1,846	7,673
Lifestyle-related	4	24	16	16	62	3	52	48	58	162	34	111	140	218	504
Real Estate	13	12	27	17	70	26	26	28	25	105	21	24	24	25	95
Others	(20)	(39)	(19)	(1)	(80)	10	(20)	(22)	(2)	(35)	(24)	12	12	10	10
Management Division	(404)	(397)	(436)	(462)	(1,701)	(453)	(424)	(409)	(437)	(1,725)	(399)	(377)	(381)	(405)	(1,565)

Medium term Business Strategies (From FY March 2011 to FY March 2013)

Medium term Business Strategies (1) Numerical Targets



■ We will advance our business with three numerical targets, while focusing on “expansion of business scale” and “profitability”.

Growth of Net Sales

Net Sales

(Unit: million yen)



Growth of Operating Income

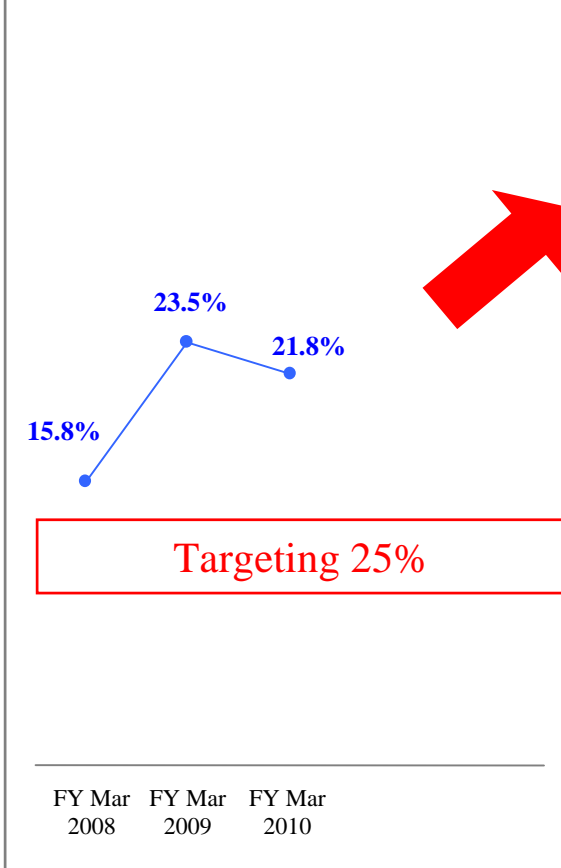
Operating Income

(Unit: million yen)



Profitability/Investment Efficiency

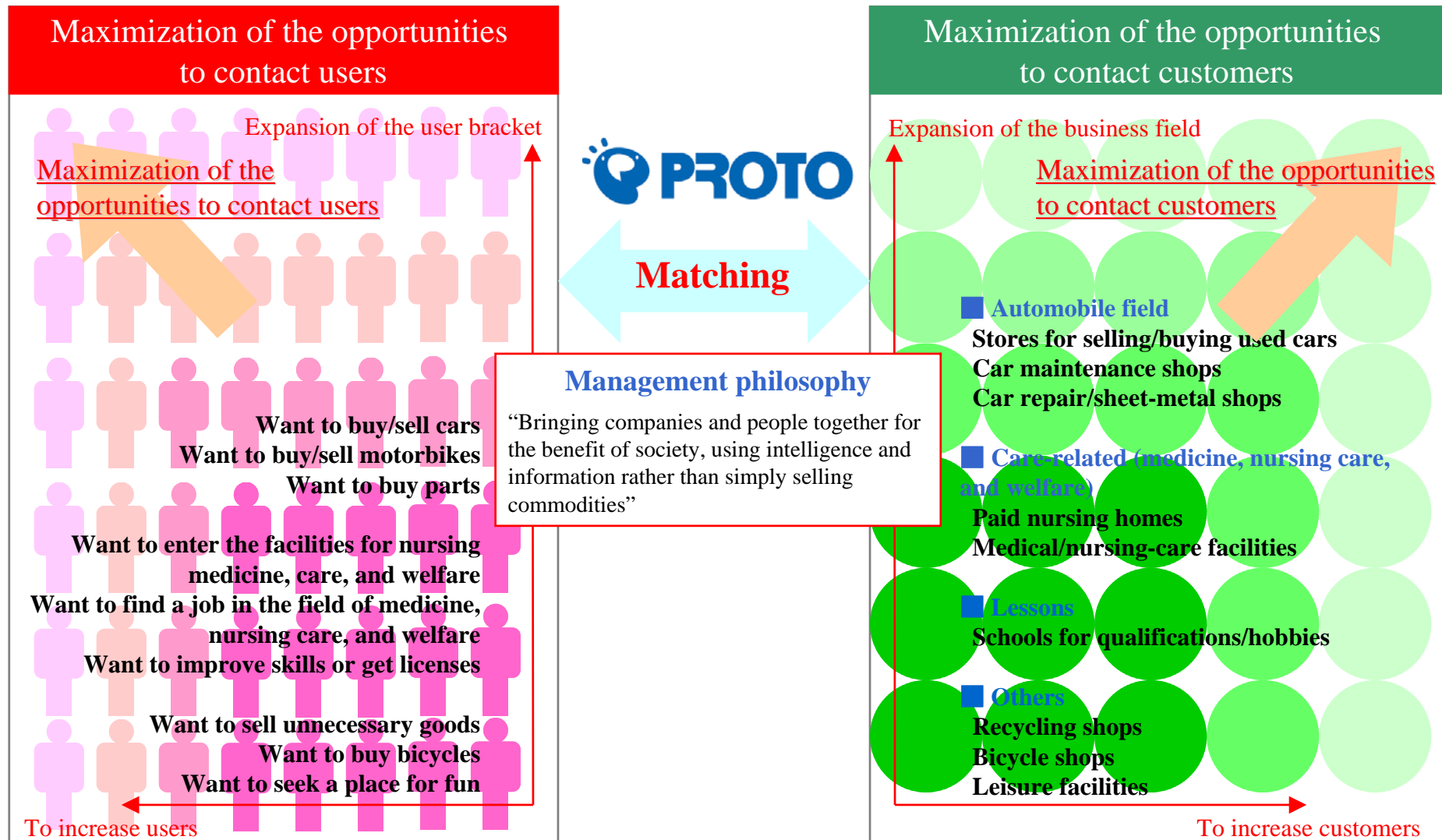
ROE



Medium term Business Strategies (2) Expanding Business Scale



■ We will keep trying to maximize the opportunities to contract users and customers, also expanding business scale.



Medium term Business Strategies (3) Media Strategies



■ We will enhance the degree of specialization of each web-site as well as prepare for and carry out unifications of our brands.

Vertical website (specialized website) strategies

Each website is aimed at winning the undefeatable position in each field

<p>Goo Series</p> <ul style="list-style-type: none"> Car portal site Goo-net To find/buy imported cars GOOWORLD.jp To find/buy automobile parts GOOParts.com 	<ul style="list-style-type: none"> To sell used cars/motorbikes Goo-net Auction To find/buy motorbikes GOOBike.com To find/buy motorbike parts GOOBikeParts 	<p>Care-related (medicine, nursing care, and welfare)</p> <ul style="list-style-type: none"> To find/enter a nursing home オアシナビ Oasis Navi To find/get a nursing-care job 介護求人ナビ Kaigo kyujin Navi To find/get a nursing job ナースAGENT Nurse Agent 	<p>Reuse/Recycle</p> <ul style="list-style-type: none"> To sell unnecessary goods OIKURA?
<ul style="list-style-type: none"> To find/buy motorbikes/motorbike parts BikeBros. Motorbikes 	<ul style="list-style-type: none"> To get licenses/enjoy hobbies VEESCHOOL.COM Personnel (improvements of career and skills) 	<p>Leisure and Sports</p> <ul style="list-style-type: none"> To seek leisure info POP SNOW & SUMMER Comprehensive portal site for bicycles CycleStyle.net 	<p>Entertainment</p> <ul style="list-style-type: none"> Korean entertainment info 韓流エンターテインメント! Hanryu Entertainment!

Activity of Each Segment (From FY March 2011 to FY March 2013)

Automobile-related
Information Business

Lifestyle-related
Information Business

Other Business

Expansion of Business 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	Booking for test drive	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								Goo Raku		
Assistance in export	Goo-net Exchange										
Assistance in import											
Assistance in procurement	Goo-net Auction Market price info	Goo-net Auction		Goo-net Auction							
Assistance in business Customer management	GCS	GBCS			Morenon (Repair Tech)	Super ATOM3 (System-One)					

Automobile-related Information Business services (as of Mar. 2010)

Enrichment of services

- : Current business area
- : Priority area for FY Mar. 2011
- : Areas not covered yet
- : New area planned to cover after FY Mar. 2012

Concept of the “Integrated Platform for Automobile-related Industry”



■ We will promote the “Sales Assistant (SA)” as an “Integrated Platform for the Automobile-related Industry”.

Sales Assistant (SA)

Background system for Goo and Goo-net (ASP tool)



Current situation: Distributed free-of-charge to the clients which use Goo and Goo-net for their advertisement.

Must advertise in the “Goo”



- Services from the “SA”
(Accessorial services to meet the needs)
- Inventory management/Page layout tool (QE)
 - Business support tool (GCS)
 - Goo-net auction
 - Goo-approved Car/ Goo Warranty service
 - Used cars export support (Goo-net Exchange)
 - Used parts & sales promotion tool purchase (EC)
 - Market price information (SA/Goo package) etc.



Future actions

“Integrated platform for the Automobile-related Industry”

(1) Provide to the used car dealers which do not use the Goo series for advertisement

Provide only the accessorial services to the used car dealers which do not have needs for advertisement (→ expansion of business partners)

(2) Networking with the products/services of the PROTO Group

By networking with the products/services of REPAIR-TECH INC., and SYSTEM-ONE Corporation, make various products and services available at a time (→ strengthening comprehensive assistance in management)

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

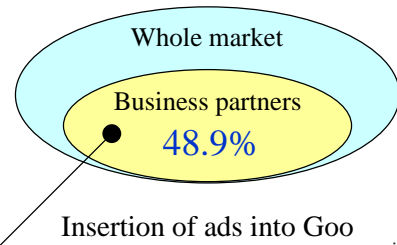
<p>Sales Assistant (SA) Car management and effect measurement</p> <p>Listed car management Access analysis Quote/inquiry</p>	<p>Quick Entry (QE) Inventory management and layout production</p> <p>Registration of new cars Management of cars in stock Auction operation Layout for car description</p>	<p>Goo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

■ We will strive to develop our core business, the Goo series, through continuous expansion of the business partners.

Expansion of the Business Partners

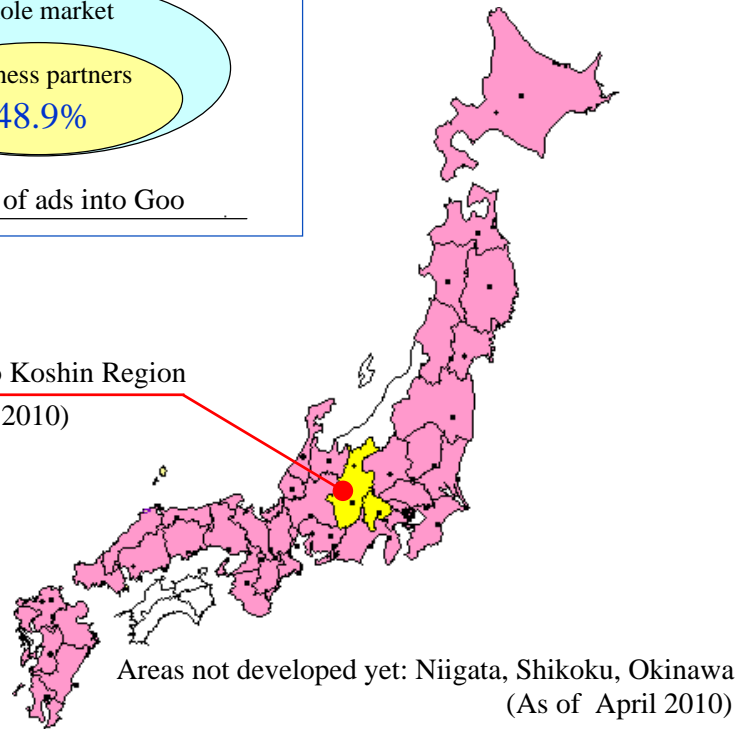
- Expansion of share (coverage rate) of existing area
- Expansion of area where Goo is published

Coverage rate of existing area (As of Mar. 2010)



Whole area where Goo is published

Develop into Koshin Region
(Since April 2010)



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

(Future issues) Revising the advertisement fee system

[Current advertisement fee system]

- Basic advertisement fee: Set pricing of the three types of media
- Optional (charged)(1): IT products (Quotation, QE, GCS, etc.)
- Optional (charged)(2): Accessorial service (e.g. Goo-approved Cars, Goo-net Auction)

Basic advertisement fee: Advertisement in three types of media



Magazine



PC



Mobile



[Agenda for FY March 2011 to FY March 2013]

- (1) Revising the advertisement fee system towards "Internet (PC)" and "mobile".
- (2) Responses to the "next generation" media, other than the existing three media.

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

Goo-approved Cars (Car with a certificate): We will expand the service in collaboration with USS Co., Ltd.

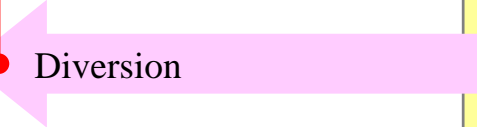
Goo-approved Cars “Safe/reliable feeling of car quality”



Appraisal information(*)

Business collaboration from April 2010

Acceleration until the appraisal information is obtained. (Shorten the time between storing a car and advertising in Goo)



USS Co., Ltd. (4732)
Used cars auction operating company (largest in Japan)

- 17 auction places nationwide
- Number of cars handled per year: 2.38 million cars
- Market share: 33.8%

(Data by monthly used car, 2009)

Car appraisal contents at the used car auctions

*Assessment will be conducted by the Japan Automobile Appraisal Association (JAAA).

[Activities from FY March 2011 to FY March 2013]

The possibilities of undertaking a collaborative study on the used car quality appraisal standards are being explored. (*)

- Strengthening the sales support for the used car dealers.
- Organizing an environment where users can select a car with a safe and reliable feeling.

(* The details will be discussed with USS Co., Ltd., later.)

Goo Warranty (Starting from Feb. 2010)

“Safety and reliability after purchase”

Actively undertake from FY Mar. 2011.

- We will expand the business scale by acquiring BikeBros. Inc. (April 1, 2010).

“GooBike” and ”BikeBros.” → We will dominate the motorbike market share.



[Activities from FY March 2011 to FY March 2013]

We will expand our business scale by utilizing the large market share.

- (Key areas to strengthen)
- (1) Expansion of the EC business
 - (2) Expansion of the comprehensive assistance in management (Expansion of accessorial services)
 - (3) Enhancing profitability (Sharing resources)

The strengths of **GOOBike**

Strong connection with the users who “want to buy/sell motorbikes”.

- (1) A lot of information on the used motorbikes retail sales
 - Number of used motorbikes advertised= 111,505 (GooBike.com March 2010)
 - motorbikes information magazine “GooBike” = Sold in 7 areas across the country
- (2) Comprehensive assistance in management for used motorbike dealers
 - Business support tool “GBCS”
 - Goo-net Auction (motorbike purchase/sell auction) etc.

The strengths of **BikeBros.**

Strong connection with the users who “want to enjoy motorbikes”.

- (1) Highly specialized contents



- (2) High sales results of motorbike parts (EC) (Online shopping)



Expansion of the Auto Aftermarket Business



■ We will establish our presence in the auto aftermarket industry.

REPAIR-TECH INC.

Develop and offer business support systems for sheet-metal/paint factories

“Morenon”: A software for sheet-metal/paint quotation, customer management/sales operation, and browsing the size of cars.

Sheet-metal/paint factories

Entire market : App. 37,000 factories (*1)
Number of business partners: App. 1,500 factories
with Repair Tech (as of Mar. 2010)

SYSTEM-ONE Corporation

Develop and offer business support system for maintenance shops

“Super ATOM3”: A software for managing customers, managing inquires on the condition of cars from customers, and making reports on the details of the maintenance.

Car maintenance shops (Accredited/designated shops)

Entire market : App. 90,518 shops (*2)
Number of business partners: App. 2,500 shops
with SYSTEM-ONE (as of Mar. 2010)



[Activities from FY March 2011 to FY March 2013]

Expansion of the market share at an early stage (Maximize the number of business partners)

(Key areas to strengthen)

- (1) **Promotion of M&A and business collaboration**
 - Expansion of products/services, acceleration of strengthening sales component
- (2) **Enhancing attractiveness of the business support software products**
 - Utilizing the product development capacity of SYSTEM-ONE Corporation
 - Coordinating systems with the “Integrated platform for the automobile-related industry”
- (3) **Enhancing profitability (Sharing resources)**

*1. Estimates by REPAIR-TECH INC. *2. Survey report on the car disassembly maintenance industry, 2008, by Ministry of Land, Infrastructure, Transport, and Tourism

■ We will actively develop businesses abroad and bring it up as a driving force towards the development of the PROTO group.

(1) Connect Japanese dealers/users with the world.

Establishment of the Goo Auto Inc. business (Export/import)

[FY March 2010]

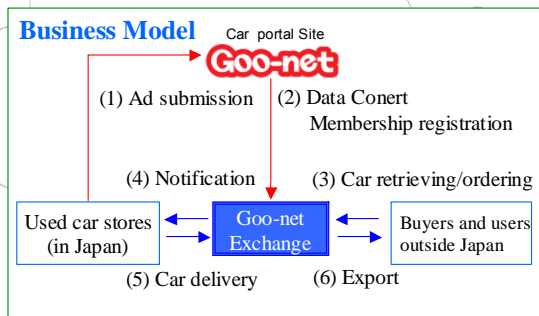
- Jun. 2009 Used cars export support business began.
- Mar. 2010 Goo-net Exchange was redesigned.
→ Increase in the number of listed cars, strengthen promotion

[Activities from FY March 2011 to FY March 2013]

- Increase the number of exports → aiming at the establishment of business (making surplus)
- Operate the export support business of used motorbikes and used parts.
- Research/review the import support business



Goo-net Exchange
(Redesigned in March 2010)



(2) Offer Japanese products/services abroad

Offer automobile-related products/services abroad
(The target areas/countries are currently under investigation)

(Ex.) Business support for exporters/importers

- Support export from/import to Japan
- Offer auction price information within Japan (DataLine)

[Activities from FY March 2011 to FY March 2013]

- Establish relationships with overseas companies through Goo Auto Inc., and undertake market research.
- Explore how to expand the business (e.g. business collaboration, M&A)

Aim at starting the business by FY March 2013.

Entering New Car Businesses



■ We will enhance our presence in the new car businesses.

[Scale of the new car dealer]

Total number of offices : 16,754
 Total number of dealers : 1,355
 Net sales : 11,544.1 Billion yen
 (*)

Expand our business scale by entering the new car business.

- Utilizing the “contacting points” with users such as Goo-net.
- Adapting the management support system for used car dealers.
- Networking with the existing services.

Comprehensive assistance in management for new car dealers

[FY Mar. 2010: Test marketing]

- The performance of the “eco car life” was tested.
- Taking appointments for test driving began in the Tokyo metropolitan area.

[Activities from FY Mar. 2011 to FY Mar. 2013]

- Promoting test driving reservation service.
- Expanding sales of the trade-in car price assessment system, “e-satei”.
- Networking with various services (inspection, maintenance, customer management, etc.).

We will aim at establishing business, “comprehensive assistance in management for new car dealers” at an early stage.

- Allows search of test drive cars/exhibit cars at new car dealers and make appointments

“Want to test drive”= Sending the users with high interests in purchasing the car to dealers.



During the FY March 2011, promotion is facilitated by campaigns.



*Source: Japan Automobile Dealers Association, 2009. The net sales is the figure for April 2008 to March 2009.

Activity of Each Segment (From FY March 2011 to FY March 2013)

Automobile-related
Information Business

Lifestyle-related
Information Business

Other Business

Expansion of Business Field of Lifestyle-related Information Business



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





Expansion of business fields

	Recruitment	Leasing/ Real estate	Recycling/Reuse	Learning	Leisure	Sports	Entertainment
	Kaigo-Kyujin Navi, Nurse agent Medical CUBIC Co., Ltd.	Oasis Navi	<i>Oikura</i>	VeeSCHOOL Vee Seminar	POP SNOW&SUMMER	CycleStyle.net	<i>Hanryu</i> (Korean style) Entertainment!
Advertisement	Information on recruitment	Information on property	Information on store property	Information on lectures	Leisure places	Information on stores	
Inquiry/ Request for information	Inquiry/ application	Request for information	Inquiry, Quotation	Request for information	Inquiry	Inquiry	
Sending clients/ Appointment	Introducing personnel	Appointment for viewing		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							

- (Areas not covered yet)
- Reform
 - Travel
 - Wedding
 - Pregnancy
 - Child care
 - Gourmet
 - Cooking
 - Fashion
 - Beauty
 - Delivery
 - On-line shopping
 - Funeral
 - Rental etc.

Enrichment of services

Lifestyle-related Information Business services (as of Mar. 2010)

-  : Current business area
-  : Areas not covered yet
-  : Priority area for FY Mar. 2011
-  : New area planned to cover after FY Mar. 2012

- This is the most important business field in the lifestyle-related information segment. We will focus on expanding the business scale.

Recruitment related

[Activities from FY Mar. 2011 to FY Mar. 2013]

- (1) More professions were incorporated.
(e.g. pharmacist, nursery teacher, medical doctors)
- (2) The existing business scale was expanded.
- (3) The contact points with users were expanded.

Incorporation of more professions
(pharmacist, nursery teacher, medical doctors)

	Nurses	Care workers
Advertisement type (Media type)	Nurse Agent <ul style="list-style-type: none"> ▪ Increase the number of job offers ▪ Increase the number of application 	Kaigo Kyujin Navi <ul style="list-style-type: none"> ▪ Increase the number of job offers ▪ Increase the number of application
Recruitment type	Medical CUBIC <ul style="list-style-type: none"> ▪ Increase the number of cases ▪ Increase the number of registered people <div style="border: 1px solid blue; padding: 2px; width: fit-content;"> Expansion of the target areas (Nagoya/Osaka) </div>	-

Expansion of the menu

Facility introduction/others

[Activities from FY Mar. 2011 to FY Mar. 2013]

- (1) Expansion of products and services
(Comprehensive assistance in management in the field of care-related information)
- (2) Expansion of contact points with users

Nursing home search engine (charged)

Oasis Navi

- (1) Increasing the number of facilities to be listed
- (2) Establishment of **agency business** (*)
(*Planned to begin in FY Mar. 2011)
- (3) Expansion of the facility management support service
(Explore possibilities of business contract/M&A)

■ We will expand the each business scale by expanding services.

Information on recycling



[FY Mar. 2010]

- The business began when it was transferred to our group in October 2009.

[Activities from FY Mar.2011 to FY Mar.2013]

- (1)Increasing the number of participating stores

Expansion of sales area
FY Mar. 2011: Kansai region

- (2)Expansion of contents
- (3)Strengthening the store management support business

Information on lessons



[FY Mar. 2010]

- The Vee Seminars (seminar information) began
- The number of business partners by strengthening sales activities in various areas has increased. (Sapporo, Yokohama, Hiroshima, Fukuoka)

[Activities from FY Mar.2011 to FY Mar.2013]

- (1)Increasing the number of lectures/
business partners
- (2)Expansion of the school management support business
- (3)Expansion of the users
 - Male (Strengthening Vee Seminars)
 - Active senior

Advertisement agency business on the internet



Affiliate program “Challenging Japan”

[FY Mar. 2010]

- The income dramatically increased as a result of increasing cases.

[Activities from FY Mar.2011 to FY Mar.2013]

- (1)Improvement of profitability (achieve surplus)
- (2)Strengthening the company’s own media

[Reference]
Yahoo! Sales Partners conference (2009)
Summer campaign “Excellence award”
Autumn campaign “Best award”

Activity of Each Segment (From FY March 2011 to FY March 2013)

Automobile-related
Information Business

Lifestyle-related
Information Business

Other Business

■ The Company will continue expanding its businesses.

PROTO DATA CENTER

[FY March 2010]

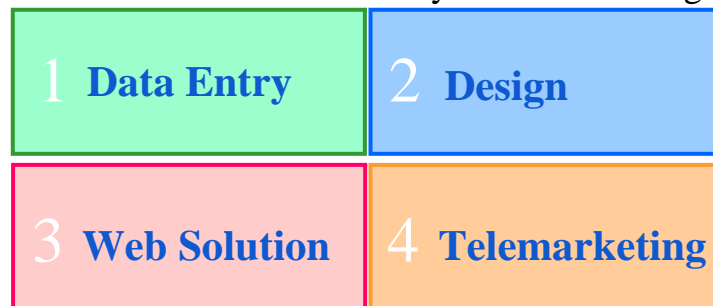
- Starting BPO business

[Activities from FY Mar. 2011 to FY Mar. 2013]

- Expansion of BPO business
 - Strengthening sales power (increase the number of orders)
 - Enhancing products attractiveness (enhance package products in 4 departments)
- Reducing cost of each group company (promotion of the internal manufacturing)

BPO business of PROTO DATA CENTER

Provision of comprehensive solution for receiving the order for all tasks from data entry to telemarketing



Mars Flag Corporation

[FY March 2010]

- Profit making (increase profit by increasing the number of business partners)

[Activities from FY Mar. 2011 to FY Mar. 2013]

- Enhancing “MARS FINDER”, a search engine
 - Enhancing products line-ups (increase the unit price)
 - Strengthening sales power (increase the number of business partners)

Product line-ups of the “MARS FINDER”

- (1) MARS FINDER (since 2006)
- (2) MARS UNIVERSAL VIEWER (since 2008)
An advanced PDF viewer that runs fast and operates smoothly.
- (3) MARS SITE PERFORMANCE (since 2008)
Acquires quality information on the corporate sites and visualize issues.
- (4) MARS CLEANER (since 2009)
Detects dead links and isolated pages
- (5) Others
 - ASP service to detect similar images (for PC)
 - Application to detect similar images (for iPhone)

Activities for CSR (Corporate Social Responsibility)

- (1) Shareholder special benefit system; It became possible to select “the donation to the Green Fund” in the catalogue gift. (given to shareholders as of the end of Sep. 2009)
“Green Fund” is donated to voluntary forestation groups/NPOs, etc. via the greenery promotion committees of National Land Afforestation Promotion Organization, and used for “afforestation,” including the development of water source forests in familiar areas inside and outside Japan, and greenery activities.
- (2) Participation in “Challenge 25” (Participation in “Team Minus 6%” from 2006, Participation in “Challenge 25” from Mar. 2010)



(1) Thorough temperature control

In our offices, air conditioner’s temperature is set at 28°C in the summer and 20°C in the winter, to reduce the emission of CO₂.

(2) Eco driving

To promote “Idling Stop” so that people stop the engine when a car stops or parks for over 1 min. and “Gentle Acceleration ‘e-start’” so that acceleration is conducted gently and smoothly.

- (3) Feb. 5: “Eco-Chu Day” (approved by Japan Anniversary Association)



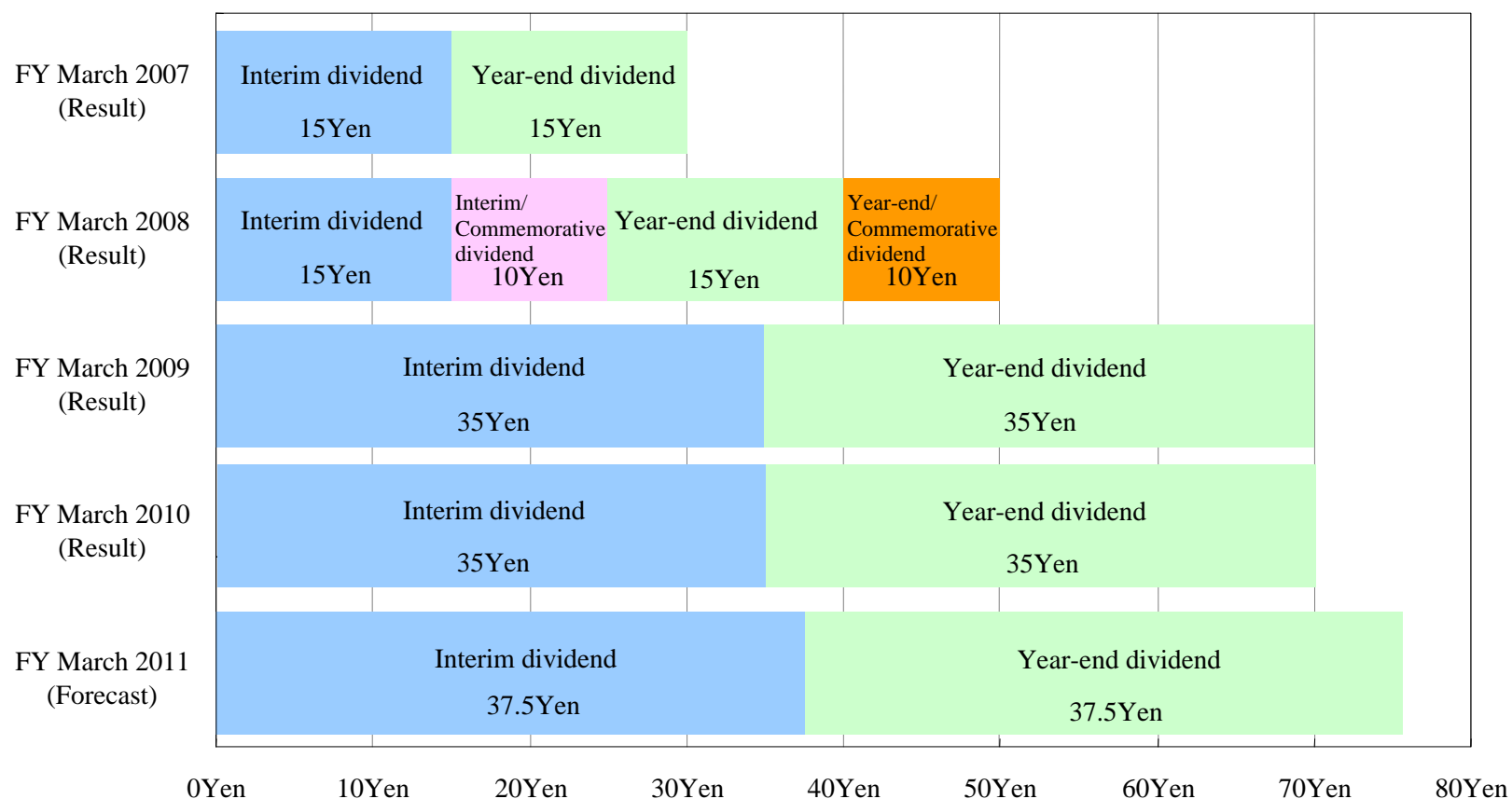
With the purposes of energizing the automobile distribution field and inhibiting global warming, which are plaguing people around the world, economical and ecological activities are conducted. “Eco-Chu” was declared, and the website “Eco-Chu” (<http://ecocho.goo-net.com/>) was opened.

Fortification of in-company management systems

- (1) Compliance
- (2) Fortification of the corporate governance (internal control) system
- (3) Transparent, sincere corporate activities

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.



■ 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

1-23-14 Aoi, Naka-ku, Nagoya-shi

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