



NEXT Co., Ltd. (TSE 1st section 2120)

Annual Report of Financial Statement

Third Quarter of Year Ended March 31, 2015
(April 2014 to December 2014)

Opinions and forecasts expressed in this document are those of management as of the date of publication and management does not offer any guarantee regarding their accuracy. Please note that actual business performance and results may differ materially from such opinions and forecasts due to changes in various factors.

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Key Points

The real estate information service business performed strongly

Consolidated sales for **the nine months to December 31, 2014** grew **13.7%** year-on-year

Operating profit for the period declined **6.3%** year-on-year on the back of the Company's strategic investment programs

Property information comprehensiveness = Important indicator for our competition strategy


The total number of properties listed online averaged **5.34 million** for December 2014
(up 872,000 year-on-year)

Posted **record** monthly sales and member agency count

The fiscal year ending March 31, 2015 is a period of **investment** for NEXT, which aims to **achieve increased user share**

Step up advertising and smart device support service

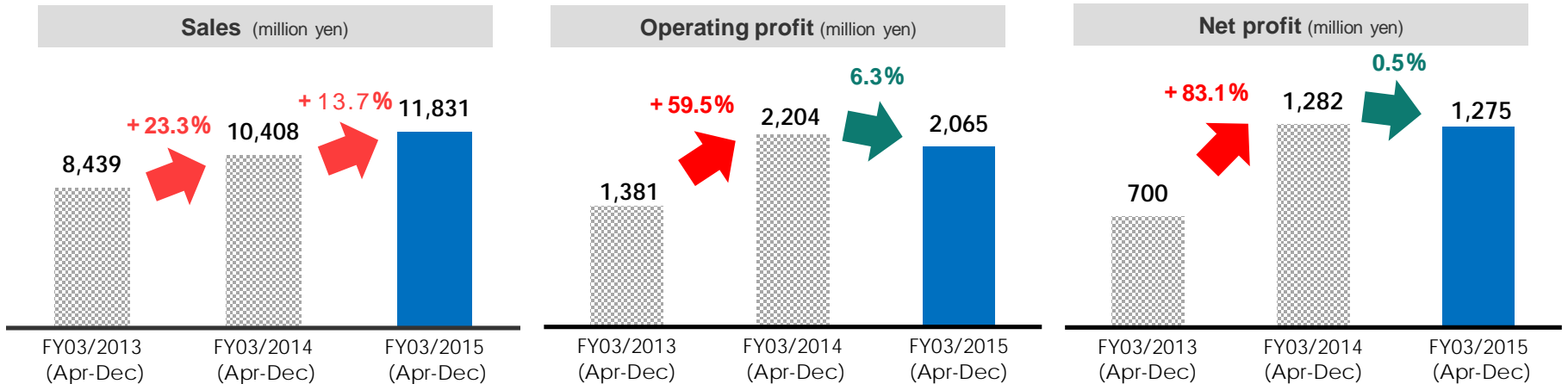
Consolidation of **Trovit**, a company previously acquired by NEXT, in its consolidated financial statements was scheduled to start in January 2015



**Financial Results for the 3Q
of the Fiscal Year Ending
March 31, 2015**

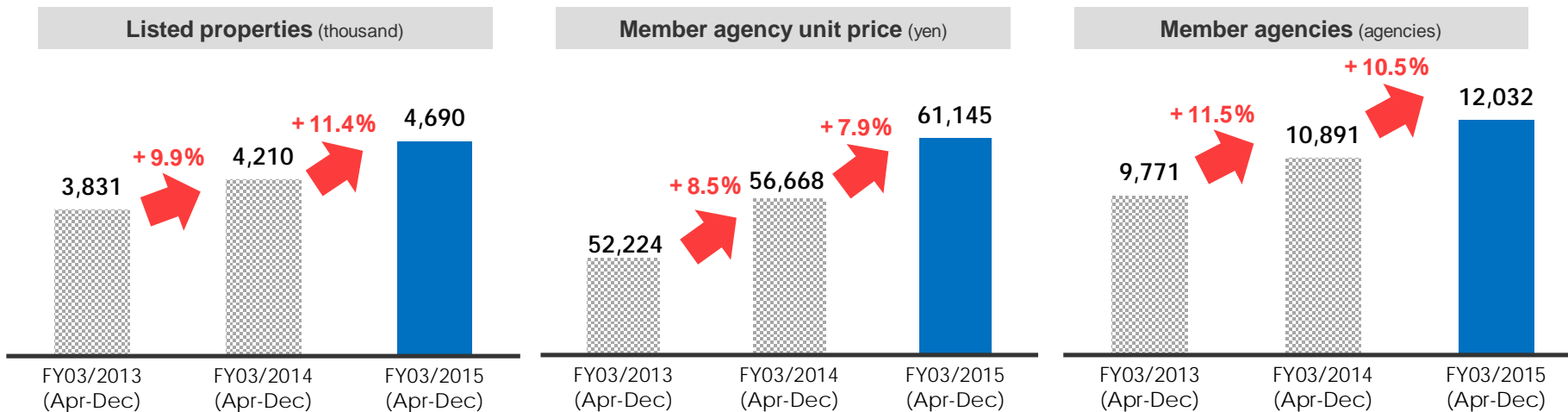
CHECK!

Consolidated financial results



CHECK!

HOME'S Rental & Real Estate Trade: Key indicators



Simple Profit & Loss Statement

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT

Sales grew 13.7%, operating profit declined 6.3% and net profit decreased 0.5% year on year, respectively

(Unit: Million yen)	[Accumulated Total] FY03/2014 (Apr – Dec)	[Accumulated Total] FY03/2015 (Apr – Dec)	Change (year-on-year)	Percentage change (year-on-year)		[Quarterly] FY03/2014 (Oct – Dec)	[Quarterly] FY03/2015 (Oct – Dec)	Percentage change (year-on-year)
Sales	10,408	11,831	+ 1,422	+ 13.7%	*1	3,556	4,080	+ 14.7%
Cost of sales	336	388	+ 52	+ 15.5%		129	153	+ 18.5%
Selling, general & administrative (SG&A) expenses	7,867	9,377	+ 1,509	+ 19.2%		2,635	3,007	+ 14.1%
Personnel costs	2,628	3,006	+ 378	+ 14.4%	*2	848	1,026	+ 20.9%
Advertising costs	2,633	3,312	+ 678	+ 25.8%	*3	906	869	4.1%
Operating expenses	296	498	+ 201	+ 68.0%	*4	117	201	+ 72.3%
Depreciation/amortization costs	347	277	69	20.1%		92	99	+ 6.7%
Other selling, general & administrative (SG&A) expenses	1,962	2,282	+ 320	+ 16.3%	*5	670	809	+ 20.7%
Operating profit	2,204	2,065	139	6.3%		791	921	+ 16.4%
Net profit	1,282	1,275	6	0.5%		455	588	+ 29.2%
Operating profit margin (OPM)	21.2%	17.5%	3.7p	-		22.2%	22.6%	-

*1 Sales for the real estate information service business in the nine months to December 31, 2014 grew 13.6% year-on-year. In particular, sales for the core "Rental & Real Estate Trade" service continued to grow at a double-digit rate, posting a year-on-year increase of 19.3% (for details, please see page 8).

*2 Personnel costs increased due to the expanded number of employees (623 employees, up from 570 employees).

*3 Advertising activities, comprising TV commercials, public transport advertisements, YouTube advertisements and digital marketing, were implemented for expanded target areas and in increased quantities (for details, please see page 19).

*4 The rise in operating expenses was attributable to the cost for UX surveys aimed at delivering improved service and to the growing travel expenses resulting from overseas business trips.

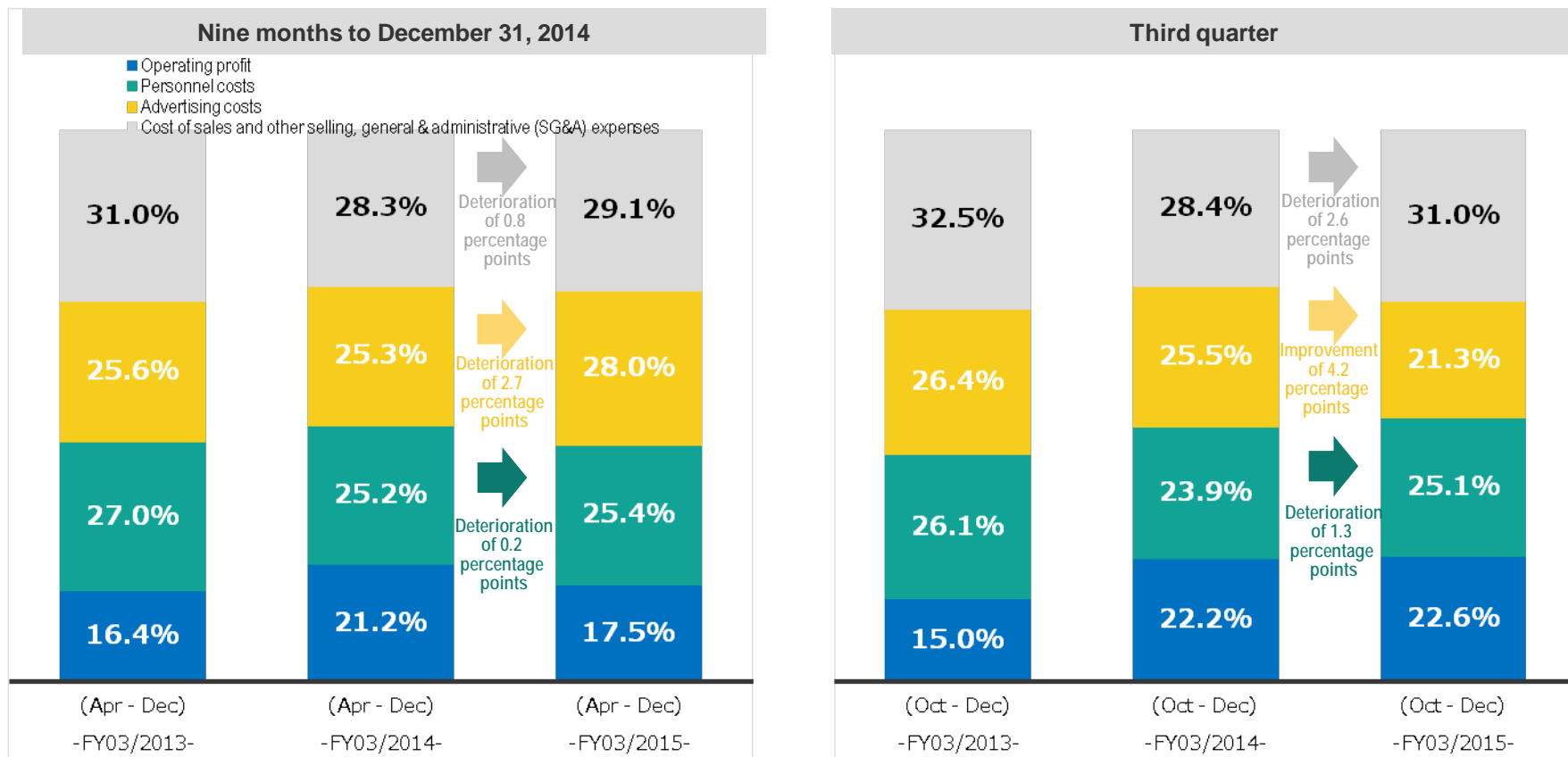
*5 There was an increase in expenses for corporate acquisition and in IT system use fees and smart device service delivery expenses.

Sales Breakdown

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT

Operating profit margin of third quarter total deteriorated due to the Company's strategic investment programs. For the third quarter, the operating profit margin improved by 0.3 % points.



Cost of sales and other selling, general & administrative (SG&A) expenses: An increase occurred due to the costs of the Company's smartphone device-related services and website renovation and to the costs of corporate acquisition.

Advertising costs: In order to gain increased user share as early as possible, the Company strategically stepped up its advertising activities composed mainly of branding promotion programs (for details, please see page 19).

Personnel costs: The consolidated number of employees for the nine months to December 31, 2014 (from April 1 to December 31, 2014) averaged 623, up from 570 for the same period a year ago. The ratio of personnel costs to sales for the period was more or less flat compared to the same period a year ago.

Sales by Service Category

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT Sales for the Rental & Real Estate Trade business increased by a massive 19.3% year on year. New Houses, Custom-Built Houses, and Renovations continued to be exposed to the adverse effects of the consumption tax hike.

(Unit: Million yen)		[Accumulated Total] FY03/2014 (Apr – Dec)	[Accumulated Total] FY03/2015 (Apr – Dec)	Change (Year-on-year)	Percentage change (Year-on-year)		[Quarter] FY03/2014 (Oct – Dec)	[Quarter] FY03/2015 (Oct – Dec)	Percentage change (Year-on-year)
Sales		10,408	11,831	+ 1,422	+ 13.7%		3,556	4,080	+ 14.7%
Real Estate Information Services		10,311	11,712	+ 1,401	+ 13.6%		3,524	4,042	+ 14.7%
Rental & Real Estate Trade		5,553	6,625	+ 1,072	+ 19.3%	*1	1,889	2,362	+ 25.0%
New Houses		3,145	3,279	+ 133	+ 4.2%	*2	1,096	1,107	+ 0.9%
Custom-Built Houses and Renovations		762	621	141	18.5%	*3	240	166	30.8%
Realtor's Network		Note 1	659	+ 195	+ 42.1%	*4	174	230	+ 32.0%
Others		Note 2	526	+ 141	+ 36.8%	*5	123	176	+ 43.2%
Other Businesses		Note 3	118	+ 20	+ 21.3%		32	38	+ 18.1%

Note 1: The Realtor's Network sales are composed of those from "CRM services for leasing companies," "business support services for real estate developers" and "website design tools."

Note 2: "Others" of the Real Estate Information Services consists of "HOME'S Nursing Care," "HOME'S Moving Estimates," "HOME'S Renovation," "HOME'S Storage Room," overseas business, and so on.

Note 3: "Other Businesses" comprise "MONEYMO" and "HOME's Style Market," among others.

*1: Because SEO is strong, the numbers of site visitors and inquiries are on the rise. The number of agencies increased to a record high thanks to its sales efforts (for details, page 16).

*2: The Company continued to be exposed to the adverse effects of the consumption tax hike. The average number of condominiums listed online for the nine months to December 31, 2014 (from April 1 to December 31, 2014) declined 7.5% year-on-year. The average number of new houses listed online rose 5.7% year-on-year thanks to its sales efforts.

*3: Custom-Built Houses and Renovations continued to be exposed to the adverse effects of the consumption tax hike.

Sales for the third quarter declined 30.8% year-on-year since, starting from October 1, 2014, the fee structure for the Renovations service was changed from the pay-per-inquiry fee structure to the pay-per-transaction fee structure, moving back the timing of the fee charging procedures.

*4: Sales for the Realtor's Network business grew year-on-year due to the launch in July 2014 of the real estate developer business support service (DMP service).

*5: Sales for the HOME'S Nursing Care business grew 40.2% year-on-year thanks to the increased numbers of property listings and inquiries.

Profit and Loss by Segment Financial results for 3Q of the fiscal year ending March 31, 2015

POINT Operating profit for the Real Estate Information Services business for the nine months to December 31, 2014 declined 5.8% year-on-year due to NEXT's strategic investments. In the third quarter, it grew 19.1% year-on-year.

(Unit: Million yen)	[Accumulated Total] FY03/2014 (Apr – Dec)	[Accumulated Total] FY03/2015 (Apr – Dec)	Change (Year-on-year)	Percentage change (Year-on-year)	[Quarter] FY03/2014 (Oct – Dec)	[Quarter] FY03/2015 (Oct – Dec)	Percentage change (Year-on-year)
Real Estate Information Services	2,251	2,120	131	5.8%	799	951	+ 19.1%
Other Businesses	47	55	8	-	8	31	-
Consolidated operating profit	2,204	2,065	139	6.3%	791	921	+ 16.4%

Note: Intersegment transactions were not excluded.

Note: No year-on-year percentage change is shown if operating loss was recorded for a year-ago period or the period under review..

Real Estate Information Services: Operating profit was more or less in line with the plan, posting year-on-year growth for the third quarter as it was a period of a temporary lull in the Company's advertising costs spending activities.

Other Businesses: The "EventCal" and "eQOL Skin Care" services were terminated in the second quarter of the previous fiscal year. Operating loss grew year-on-year, affected by the addition of the costs for the "HOME'S Style Market" website, an interior EC site launched in April 2014.

Financial Results as Compared to the Forecast and Achievement Rates for the Fiscal Year Ending March 31, 2015

Financial results for 3Q of the fiscal year ending March 31, 2015

Operating profit and loss

(Unit: Million yen)	[Actual] FY03/2015 (Apr – Dec)	[Forecast] FY03/2015 (Apr – Mar)	Difference	Achievement rate
Sales	11,831	17,895	6,064	66.1%
Cost of sales	388	560	171	69.3%
Selling, general & administrative (SG&A) expenses	9,377	15,173	5,795	61.8%
Personnel costs	3,006	4,433	1,426	67.8%
Advertising costs	3,312	5,563	2,250	59.5%
Operating expenses	498	887	388	56.2%
Depreciation/amortization cost	277	434	157	63.8%
Other selling, general & administrative (SG&A) expenses	2,282	3,854	1,571	59.2%
Operating profit	2,065	2,162	96	95.5%
Net profit	1,275	1,116	+ 158	114.2%
Operating profit margin (OPM)	17.5%	12.1%	+ 5.4p	

Sales by service category

(Unit: Million yen)	[Actual] FY03/2015 (Apr – Dec)	[Forecast] FY03/2015 (Apr – Mar)	Difference	Achievement rate
Sales	11,831	17,895	6,064	66.1%
Real Estate Information Services	11,712	17,699	5,986	66.2%
Rental & Real Estate Trade	6,625	9,547	2,922	69.4%
New Houses	3,279	4,571	1,292	71.7%
Custom-Built Houses and Renovations	621	929	308	66.9%
Realtor's Network	659	977	317	67.5%
Others	526	1,672	1,146	31.5%
Other Businesses	118	196	77	60.3%

Sales

Sales progressed more or less in line with the revised forecast. The sales achievement rate stood at 69.8%, excluding the projected sales of 943 million yen by Trovit.

While a sales achievement rate of 31.5% was recorded by the Others business of the Real Estate Information Services, the rate was at 72.2%, if excluding the projected sales of 943 million yen by Trovit the consolidation of which was scheduled to start in the fourth quarter.

Profit

Net profit, albeit running ahead of the forecast level already, was more or less in line with the plan. In the fourth quarter, the Company is in the process of strategically conducting its branding promotion programs in increased quantities.

Trovit

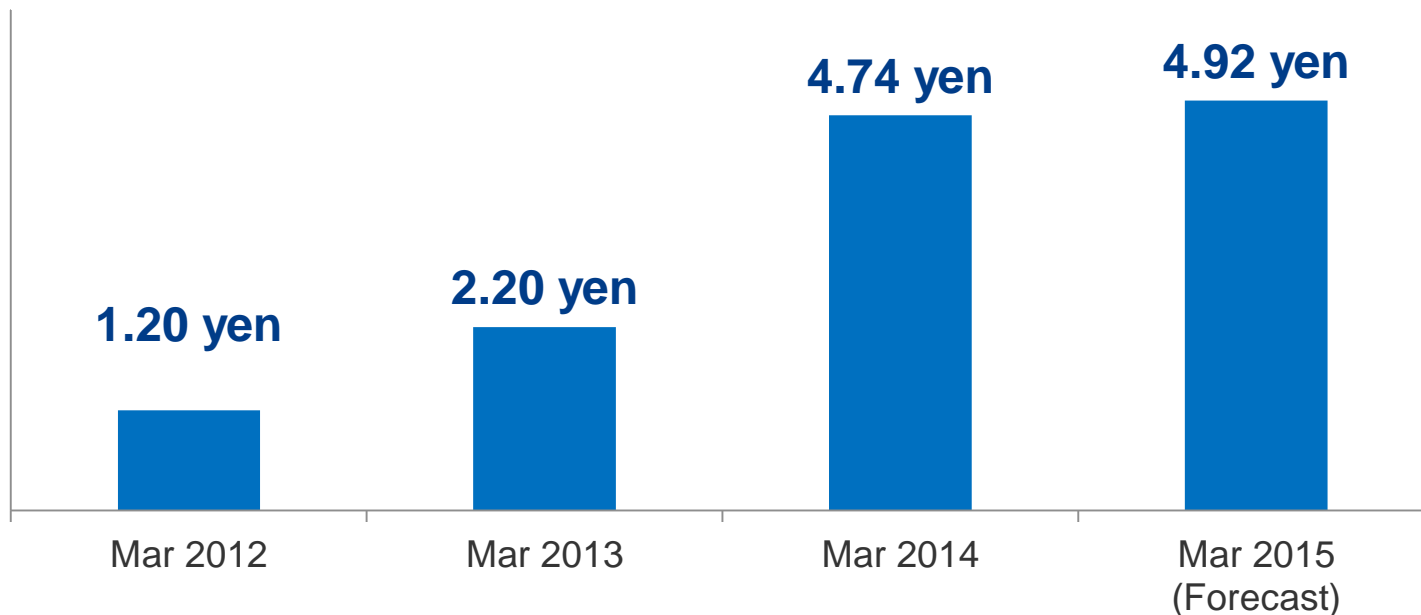
Sales are projected at 943 million yen, operating profit at 368 million yen and goodwill amortization expenses at 534 million yen (calculated on the basis of 140 yen to the euro)

Dividend Forecast for the Fiscal Year Ending March 31, 2015

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT NEXT's dividend increase forecast remains unchanged at this time

Dividend per share



For the current fiscal year, NEXT intends to pay out, as dividends 20% of consolidated net profit as it did in the previous year. The current fiscal year is transitional as IFRS is scheduled to be implemented, starting from the next fiscal year. Once IFRS is in place, goodwill will no longer be amortized. Especially because of this, we intend to calculate the dividend for the current fiscal year, based on net profit excluding the effects of (1) Trovit's financial results and (2) goodwill amortization expense associated with the acquisition of Trovit stock. For the current fiscal year, NEXT now forecasts net profit at 1,386 million yen and per-share dividend at 4.92 yen, excluding the above-mentioned effects.

Should there be a change in net profit before the effects of (1) and (2) above in the coming months, however, we will review, when appropriate, the projected dividend per share, which is intended to represent a payout ratio of approximately 20%, and will release the outcome of the review in a prompt manner.

Consolidated Balance Sheet and Goodwill

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT

The acquisition of Trovit caused goodwill to increase by 10,951 million yen and short-term borrowings by 7,000 million yen

Unit: Million yen	End of Previous Year (Mar 31, 2014)	End of 3Q (Dec 31, 2014)	Change	Percentage change
Assets	13,409	20,792	+ 7,382	+ 55.1%
Current assets	11,109	6,855	4,254	38.3%
Fixed assets	2,300	13,936	+11,636	+ 505.9%
Liabilities	3,160	9,472	+6,312	+ 199.7%
Current liabilities	2,987	9,283	+6,295	+ 210.7%
Fixed liabilities	172	189	+ 16	+ 9.8%
Net assets	10,249	11,319	+ 1,070	+ 10.4%
Net assets per share	181.55	200.18	+ 18.63	+ 10.2%

Main reasons for change		
Decrease in cash and deposits	4,345	Decrease in current assets *1
Increase in goodwill	+ 10,918	Increase in fixed assets *1
Increase in software	+ 269	Increase in fixed assets
Increase in software in progress	+ 276	Increase in fixed assets
Increase in short-term borrowings	+ 7,000	Increase in current liabilities *1
Decrease in accounts payable-other	408	Decrease in current liabilities
Decrease in income taxes payable	244	Decrease in current liabilities
Decrease in provision for bonuses	266	Decrease in current liabilities
Increase in retained earnings	+ 1,052	Increase in net assets

Goodwill Amortization Status	Total Amount of Goodwill	Residual Value at Beginning of Period	Apr to Dec 2014 Amortization Amount	Residual Value	Number of Months Outstanding	Amortization Completion Date
The former Littel	216	86	32	54	15 months	March 2016 *2
Trovit Search, S.L.	10,951	-	-	-	60 months	December 2019 *2

Note: The value of goodwill was one calculated on a provisional basis since the Company had not yet completed the allocation of the acquisition cost.

*1: The acquisition of Trovit caused goodwill to increase by 10,951 million yen and short-term borrowings by 7,000 million yen. As a result, cash and deposits decreased by 4,345 million yen.

*2: NEXT plans to migrate to the IFRS platform in the fiscal year ending March 31, 2016, starting at which no goodwill will be amortized.

Cash Flow

Financial results for 3Q of the fiscal year ending March 31, 2015

POINT

The balance of cash and cash equivalents as of December 31, 2014 stood at 2,900 million yen, a decrease of 5,400 million yen year-on-year, and at 3,900 million yen including time deposits

Unit: Million yen	FY03/2014 (Apr-Dec)	FY03/2015 (Apr-Dec)	Change	Main items	FY03/2014 (Apr-Dec)	FY03/2015 (Apr-Dec)
Operating CF	+ 1,535	+ 849	685	Pretax profit of the current term	2,165	2,051
				Depreciation	348	277
				Increase/decrease in allowance for doubtful accounts	130	17
				Increase/decrease in accounts payable-other	84	557
				Income taxes paid	1,001	1,033
Investment CF	483	13,029	12,546	Cash outflow due to acquisition of subsidiary equity interest	—	11,254
				Cash outflow due to time deposit	—	1,000
				Cash outflow due to the acquisition of intangible fixed assets	279	705
				Cash outflow due to acquisition of property, plant and equipment	67	40
Financial CF	107	+ 6,734	+ 6,841	Cash inflow due to borrowing	—	7,000
				Payment of dividends	122	267
Increase/decrease in cash and cash equivalents	+ 944	5,444	6,389			
Balance of cash and cash equivalents	7,877	2,997	4,879	Cash and equivalents as at December 31, 2014 amounted to 2,997 million yen, totaling 3,997 million yen, if including time deposits.		



A Review of the Third Quarter

Trends in the Total Number of Properties Listed on HOME'S

A review of the third quarter

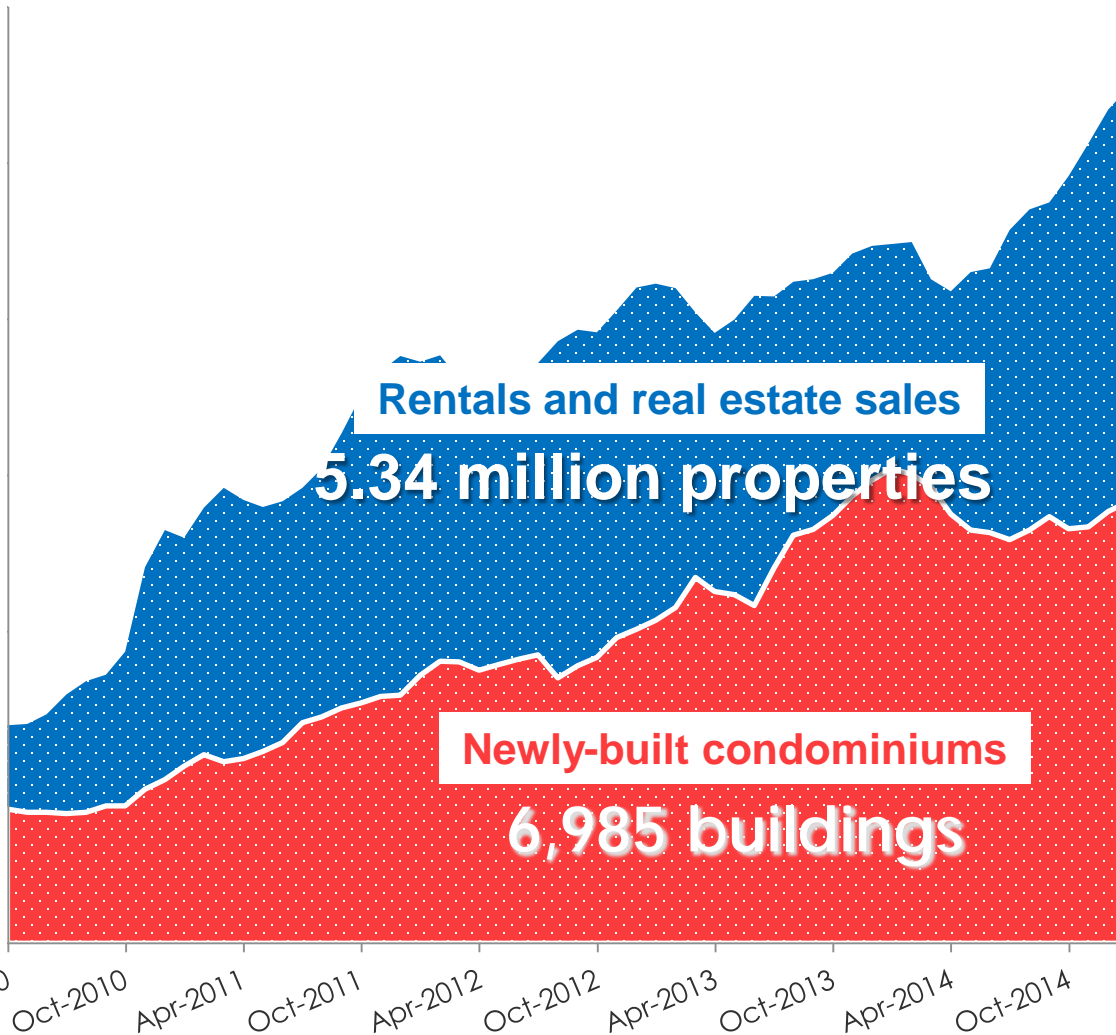
POINT

The total number of properties listed on HOME'S exceeded the 5 million mark, continuing to post record highs
The number of properties listed remaining at levels more than double that of competitors



Comparison with major websites

(*1)



2.58 million properties



Company A

1.93 million properties



Company B

1.76 million properties



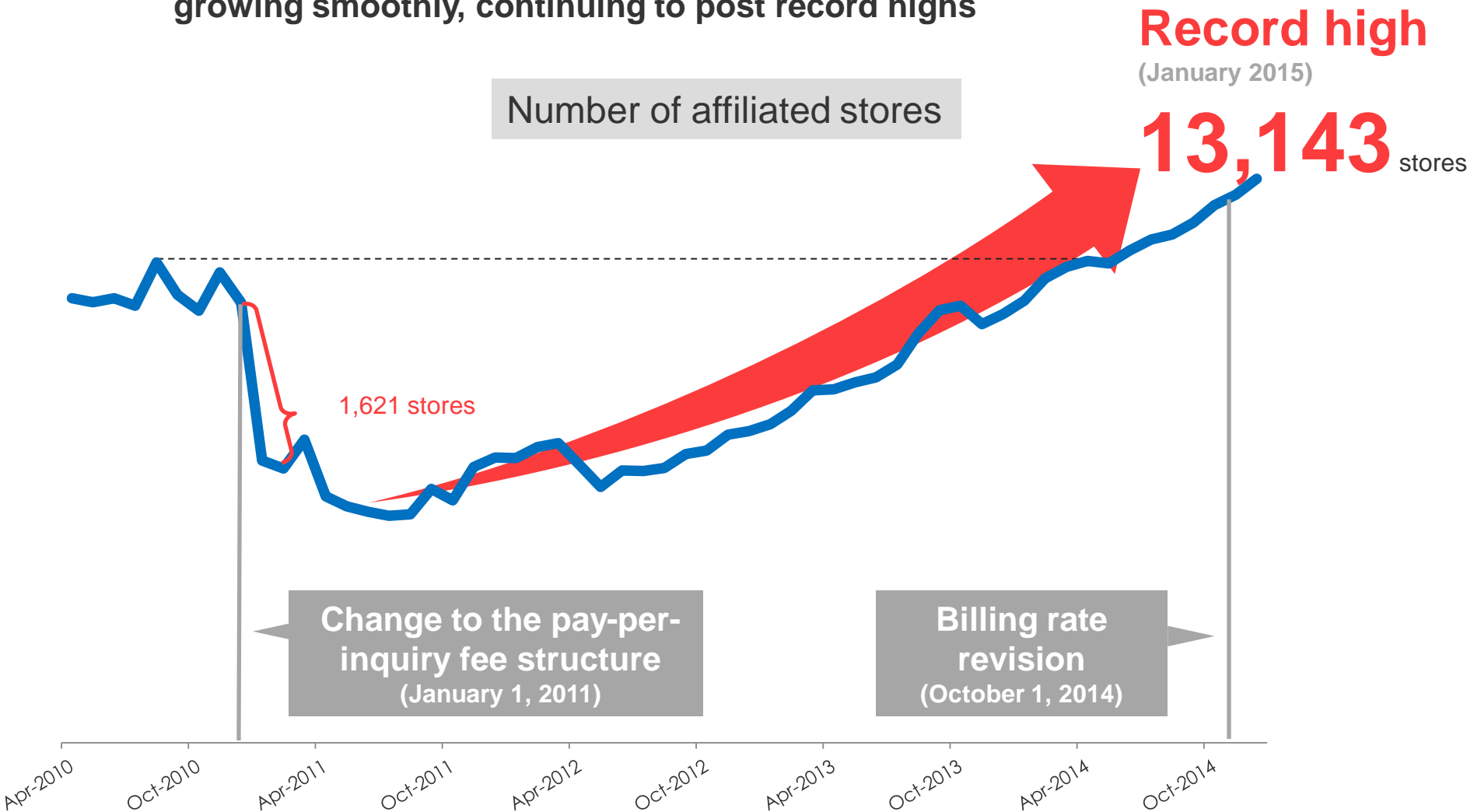
Company C

(*1) Total properties listed for rentals and real estate sales as of January 2015. NEXT data.

Number of Affiliated Stores

A review of the third quarter

POINT Even after the billing rate revision, the number of affiliated stores has been growing smoothly, continuing to post record highs



Note 1: The data shown above are those based on preliminary figures available as of January 2015.

Note 2: The data shown above are subject to change because they are those before consolidation and have yet to be audited by an audit firm.

Rental & Real Estate Trade Monthly Business Results

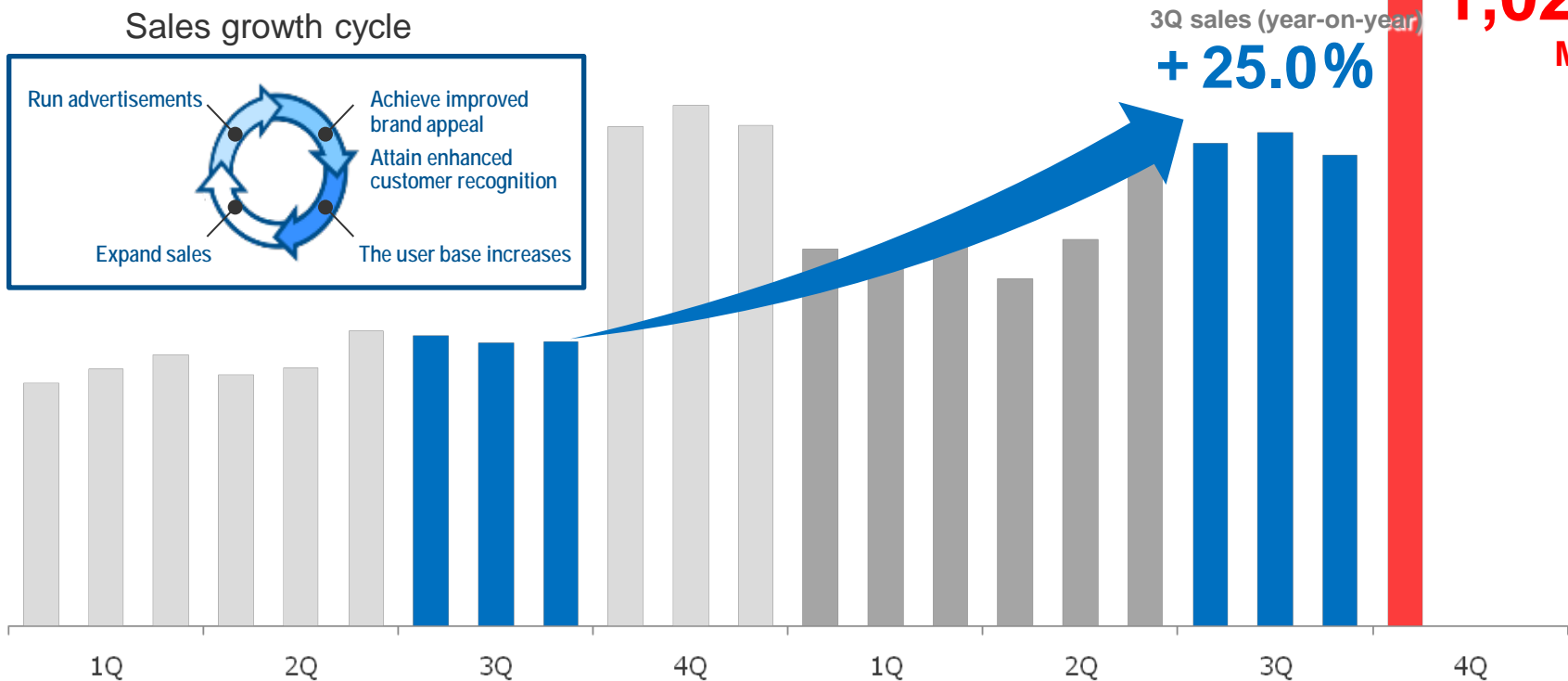
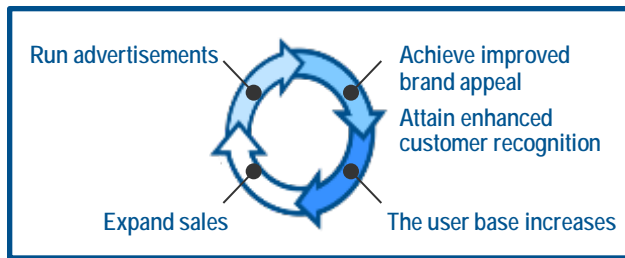
A review of the third quarter

POINT

Due to the Company's effective advertising investment programs, the Rental & Real Estate Trade business in particular posted significant sales growth
Monthly sales have been hitting record highs

Record high
(January 2015 sales)
1,022
Million yen

Sales growth cycle



Note 1: Shown above are sales for the HOME'S Rental & Real Estate Trade business, excluding other categories of sales.

- **NEXT has been running effective advertisements**
- **By strong SEO, keywords that appears at the top in the search engine is increased**
- **The number of user responses grew 25% year-on-year** (the results from January 1 to January 19, 2015)



Our Initiative

NEXT's Branding Promotion Aimed at Becoming Overwhelming Number One Player in Japan

Our Initiative

Commercial airing across the country

Expand the running of TV commercials by 40% or more (year on year)



The number of viewable households in Japan: **35.42 million** or more

Five stories in which HOME'S, “the number one real estate information website in the number of properties listed online,” assists people to “live in their own way”



Additionally conducted public transport and outdoor advertising



TV commercial-linked campaign



Stepped up tie-up advertising



POINT

Using acoustic communication technology to enable an analysis of customer actions from store visit to property visit to contract conclusion

Store and property visit tracking scheme



- 1 Install a small-sized speaker in the store
- 2 Detect the customer's store visit by using acoustic communication technology
- 3 Award Rakuten Super Points to the customer for making a store visit and concluding a contract
- 4 Analyze the user's actions

Begin considering

Compare and consider

Inquire

Visit store & property

Conclude contract

Maximize the number of contract conclusions

Actions able to be tracked so far

Actions newly able to be followed

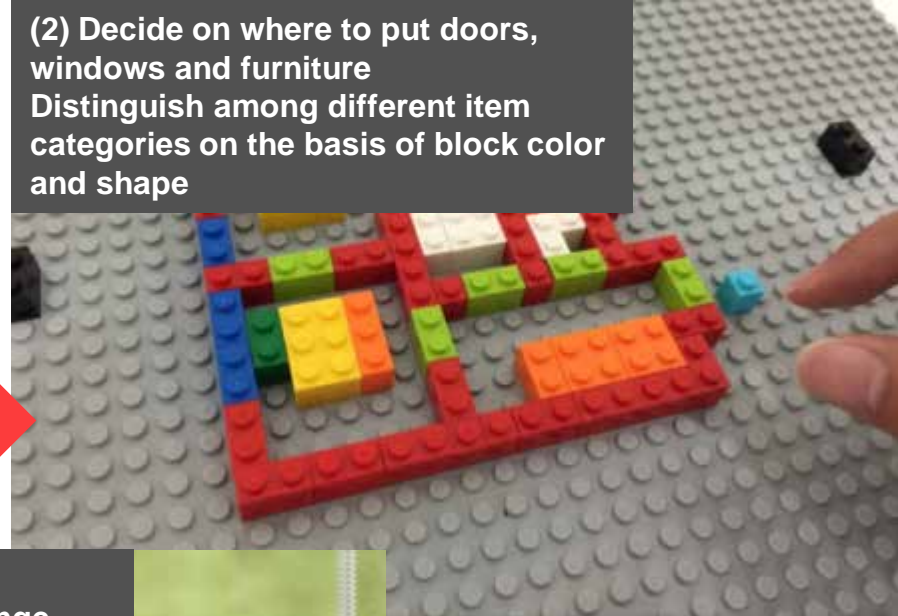
POINT Just putting together Lego® blocks allows one to create a room in a three-dimensional virtual space

Characteristics of GRID VRICK

(1) Allows any users to create a floor plan easily
Place Lego® blocks to create a floor plan



(2) Decide on where to put doors, windows and furniture
Distinguish among different item categories on the basis of block color and shape



Real-time reflection
Have a block arrangement change reflected in the floor plan on a real-time basis

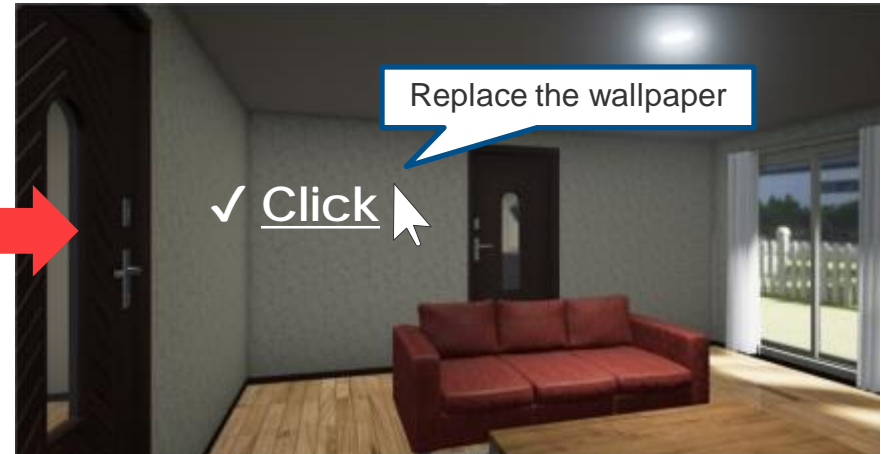


[Link to GRID VRICK video](#)

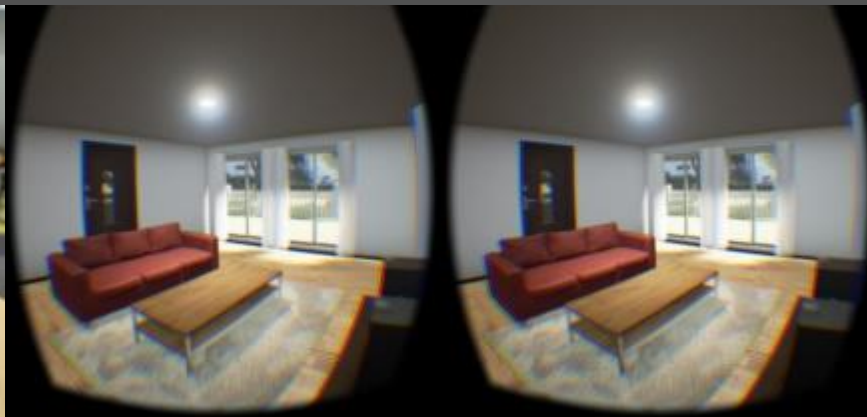
Interior Decoration Simulation System: GRID VRICK Our Initiative

A scheme allowing the user to view a GRID VRICK-based room in a true-to-life manner

The user is allowed to alter the room fixtures and interior according to his/her preference



Wearing the "Oculus Rift" device enables the user to have a walk-through experience of the completed room



[Link to GRID VRICK video](#)

Helps improve custom-built house and renovation services

(1) Allows the salesperson to propose plans without waiting for the creation of a floor plan and scale model



(2) The customer can have a more true-to-life experience of what will become the completed property



(3) Can be used also for proposals including information on furniture and interior decoration



商品名: 木製フロアランプ
商品説明: 木製フロアランプ。高さ約180cm。木製フレームにLEDライトが内蔵されています。リビングやダイニングに最適な照明です。
¥27,000 (税込)



商品名: 黒革ソファ
商品説明: 黒革ソファ。幅約200cm。黒革フレームに黒革が張られています。リビングに最適な家具です。
¥337,371 (税込)



商品名: 木製コーヒーテーブル
商品説明: 木製コーヒーテーブル。幅約100cm。木製フレームに木製トップが張られています。リビングに最適な家具です。
¥30,780 (税込)



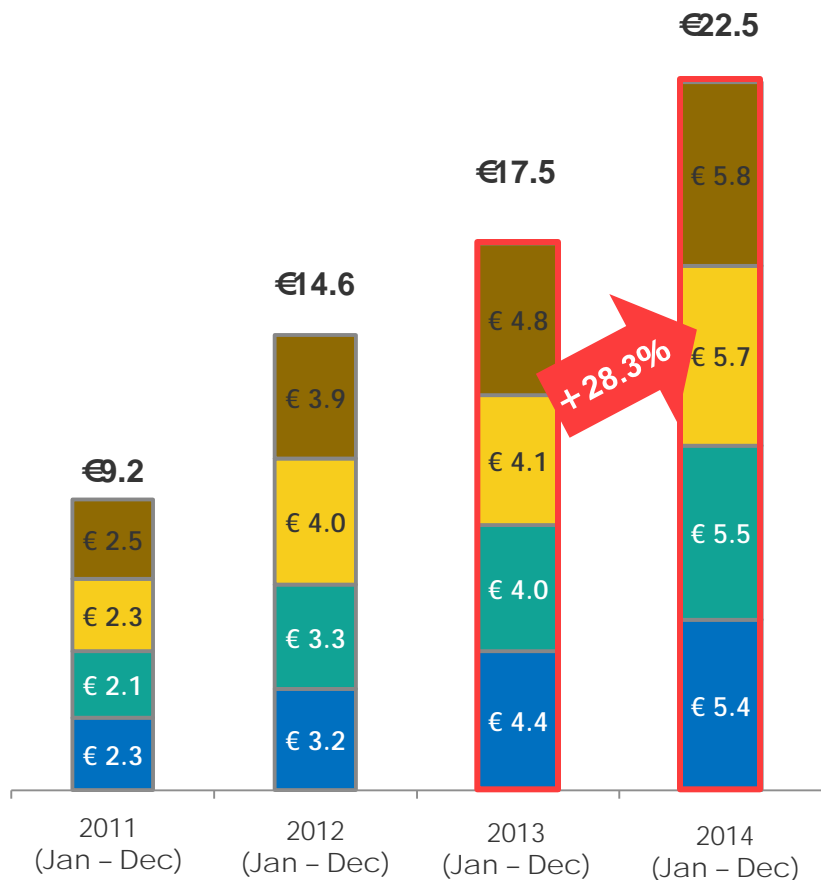
Financial Results of Trovit Search, S.L.

To be consolidated starting from January 2015

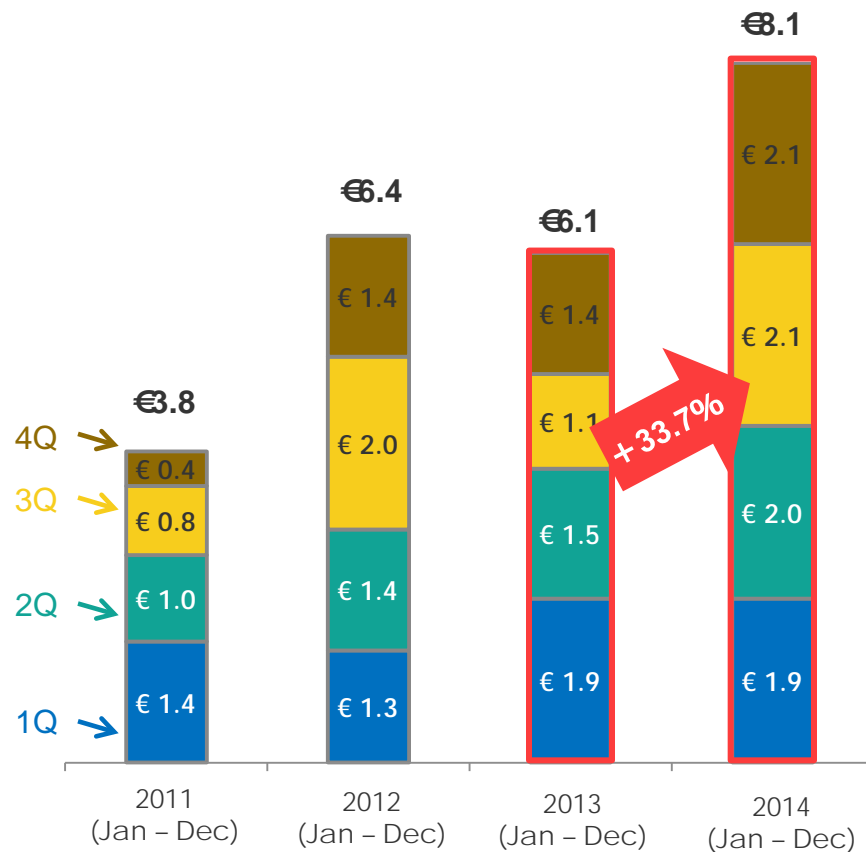
POINT

Recently, both net sales and EBITDA grew substantially

Sales (millions of euros)



EBITDA (millions of euros)



Note : Since Trovit's financial closing month is each December, its quarters differ from those of NEXT

Note 2 : The data shown above are subject to change because they are those before consolidation and have yet to be audited by an audit firm.

Sales by Trovit Search, S.L. Starting to be Consolidated

Financial Results of Trovit Search S.L.

POINT Sales for January 2015 grew 44.2% year-on-year owing to the consolidation of sales by Trovit Search S.L.

Monthly sales trend

The figures for Jan-2015 are preliminary.

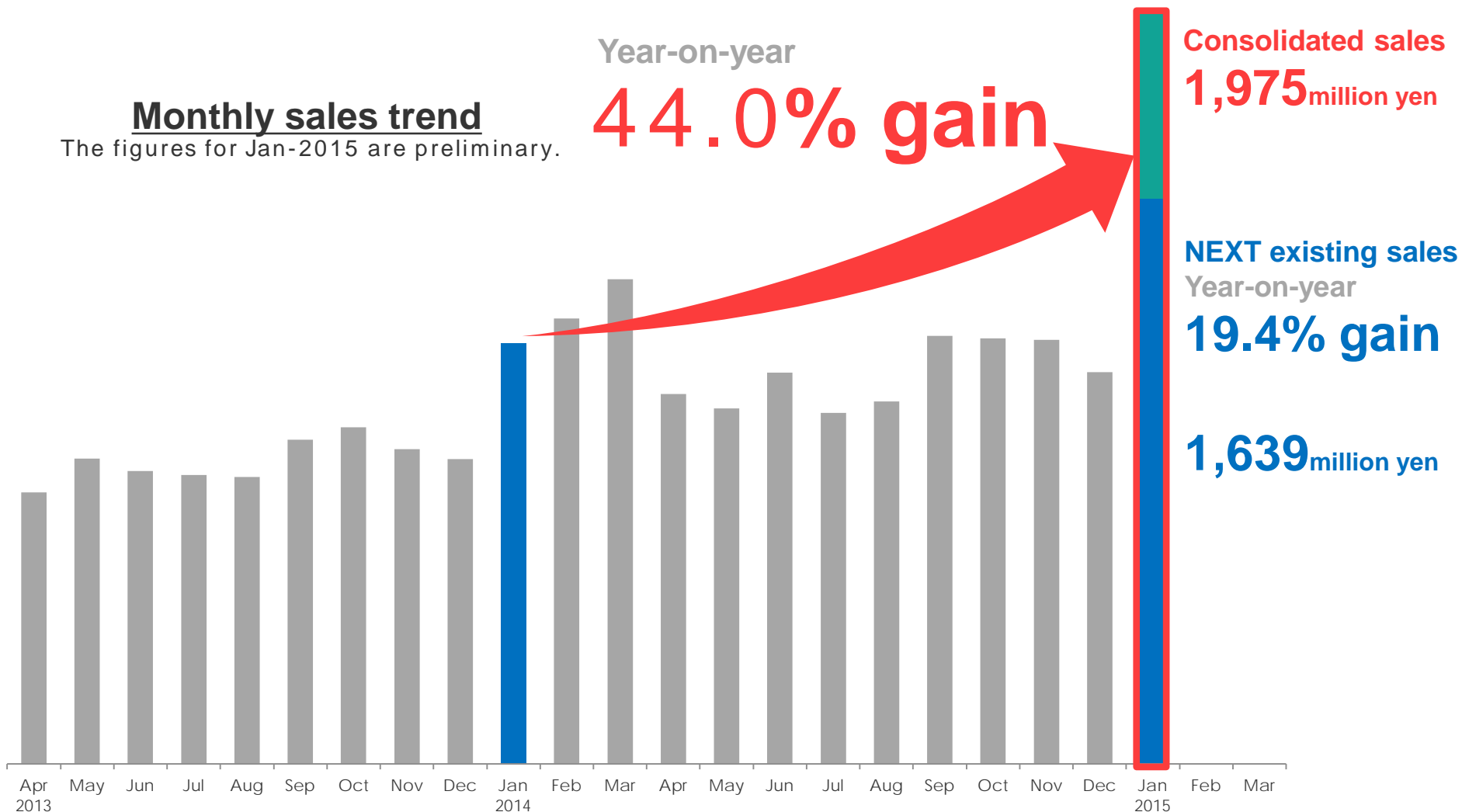
Year-on-year

44.0% gain

Consolidated sales
1,975 million yen

NEXT existing sales
Year-on-year
19.4% gain

1,639 million yen



Note : The data shown above are subject to change because they are those before consolidation and have yet to be audited by an audit firm.

Inquiries Regarding IR Data



IR official account on Twitter



https://twitter.com/Next_2120_IR



Official Facebook page



<http://www.facebook.com/next.group.jp>

IR Financial Result

Quarter	Report	Summary	Download
2d quarter, FY2015			
3d quarter, FY2015			
4d quarter, FY2015			
1st quarter, FY2016			
2nd quarter, FY2016			
3rd quarter, FY2016			
4d quarter, FY2016			
1st quarter, FY2017			
2nd quarter, FY2017			
3rd quarter, FY2017			
4d quarter, FY2017			



NEXT Co., Ltd.

<http://www.next-group.jp/en/ir/financial.html>

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Website <http://www.next-group.jp/> (Japanese)

<http://www.next-group.jp/en/> (English)

Guide to IR News

We provide monthly performance data and timely disclosure data in good time!

Please send a blank e-mail to the following e-mail address.

Blank e-mail: touroku@next-group.jp



Reference data

Corporate Data Reference data

Company Name	NEXT Co., Ltd. (TSE 1st section: 2120)
Representative	Takashi Inoue, President and CEO
Established	March 12, 1997 (Fiscal year ending March 31)
Capital	1,999 million yen
Stock Issued	56,478,000 (including 36,536 shares of treasury stock)
Consolidated Number of Employees	745 persons (including 98 temporary employees, 120 overseas)
Business Activities	Real estate information service business Other businesses
Major Shareholders	NEXT directors, Rakuten, Inc. (15.9%)
Headquarters	Shinagawa Front Building, 2-3-13 Konan, Minato-ku, Tokyo 108-0075 Japan (reception on 3F)
Major Subsidiaries () stake	Renters Co. (100%) Lifull(THAILAND) Co., Ltd.(99.9%),fiscal year ends December 31 PT. Lifull Media Indonesia(50.0%), fiscal year ends December 31 Trovit Search, S.L. (100%), fiscal year ends December 31



Takashi Inoue,
President and CEO

Career History	
April, 1991	Joined Recruit COSMOS Co., Ltd. Responsible for condominium sales and circulated property brokering.
July, 1991	Temporarily dispatched to the Recruit General Personnel Business Department. This move was later made permanent. Primarily engaged in new graduate hiring, mid-career hiring, and personnel service corporate sales.
July, 1995	Left Recruit. Founded NEXT HOME Co., Ltd., which later became NEXT Co., Ltd., and started business operations.
March, 1997	Founded NEXT, Co., Ltd., and appointed President and CEO (current position).
March, 2014	Founded incorporate foundation Next Wisdom Foundation, and assumed the post of Representative Director
April, 2014	Becomes President and International Business Division Manager (present post)

The Founding of the Company

While working at Recruit COSMOS (now COSMOS INITIA), he had a young couple as his clients. He showed them a property that they were very interested in, and decided immediately to purchase. However, their loan application was rejected, and they were crestfallen. Inoue, seeing this, determined to find another property that would satisfy their desires, so he began showing them various properties, regardless of whether the properties were handled by Recruit COSMOS.

Eventually, the couple signed a contract for a condominium that Inoue had shown them, but which was handled by another company. Inoue was scolded by his manager, but this did not detract from his strong desire to keep bringing smiles to peoples' faces, as he had to the faces of the young couple.

At the time, access to real estate property information was relatively closed, and even for Inoue, part of the real estate industry, obtaining information on properties was both time and labor intensive. In 1997, Inoue founded NEXT, Co., Ltd., as a way to change the real estate system itself and its "asymmetry of information", in which general customers, for whom obtaining property information required even more of an investment in time and effort, had to pick properties from only a limited selection of data.

3 Years in Review — Results of Structural Reform (Performance)

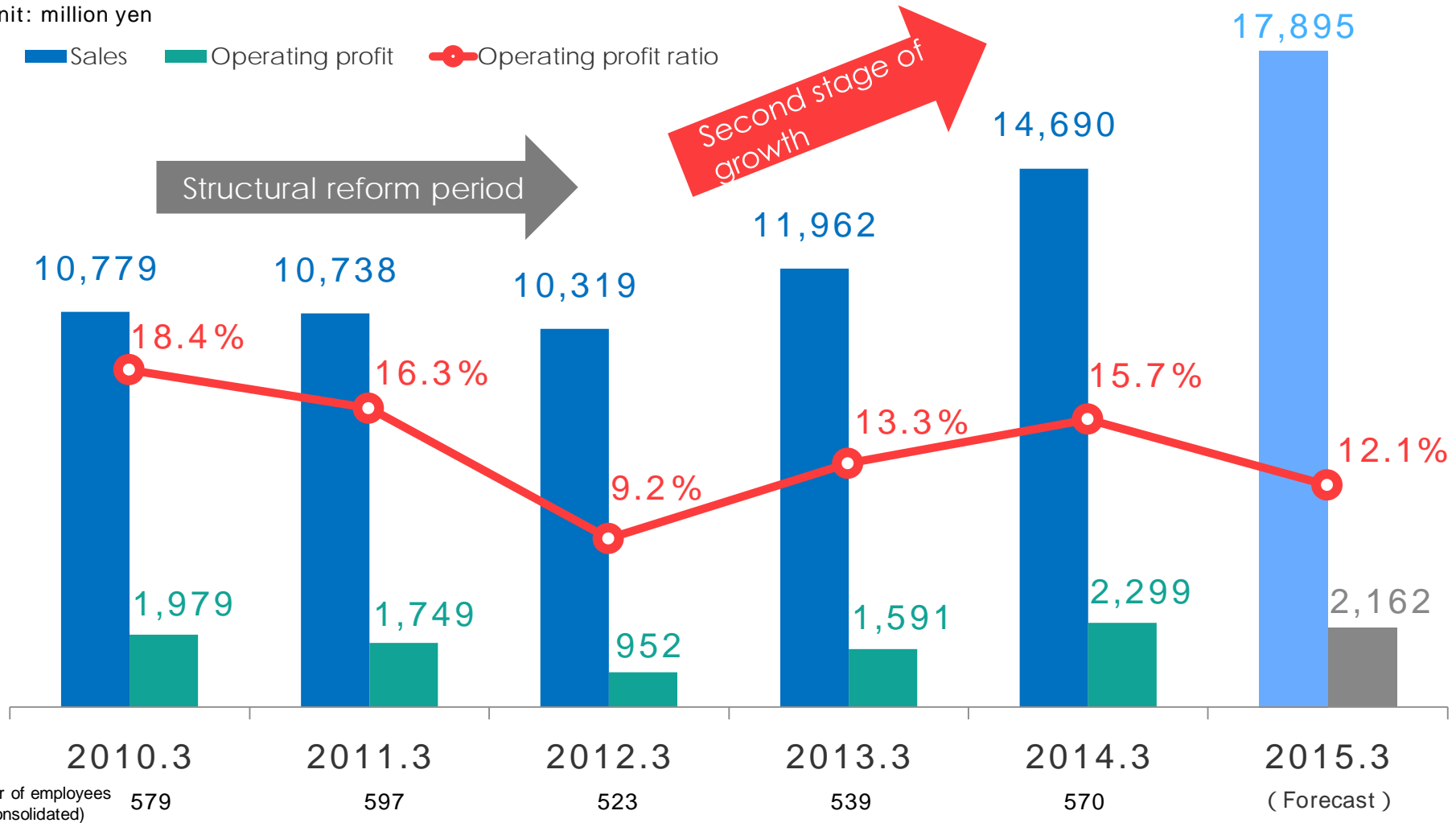
Reference data

POINT

Structural reform is ushering in the second stage of growth. In the fiscal year Ending March 31, 2015, NEXT has been implementing strategic investment programs, including M&A activities. The Company's existing businesses posted record high sales and profit.

Unit: million yen

■ Sales ■ Operating profit ● Operating profit ratio



Mission statement and management philosophy

Company Credo

Altruism

Our priority is making people happy.
Everyone in the world:
Consumers, Clients, Coworkers, Family, and so on...
First and foremost, make someone happy.
Before you realize it, you'll be happy too.
That is altruism.



Corporate Philosophy

Our corporate philosophy is
to “create a society where everyone can attain
'comfort' and 'happiness' through continuing innovations”.





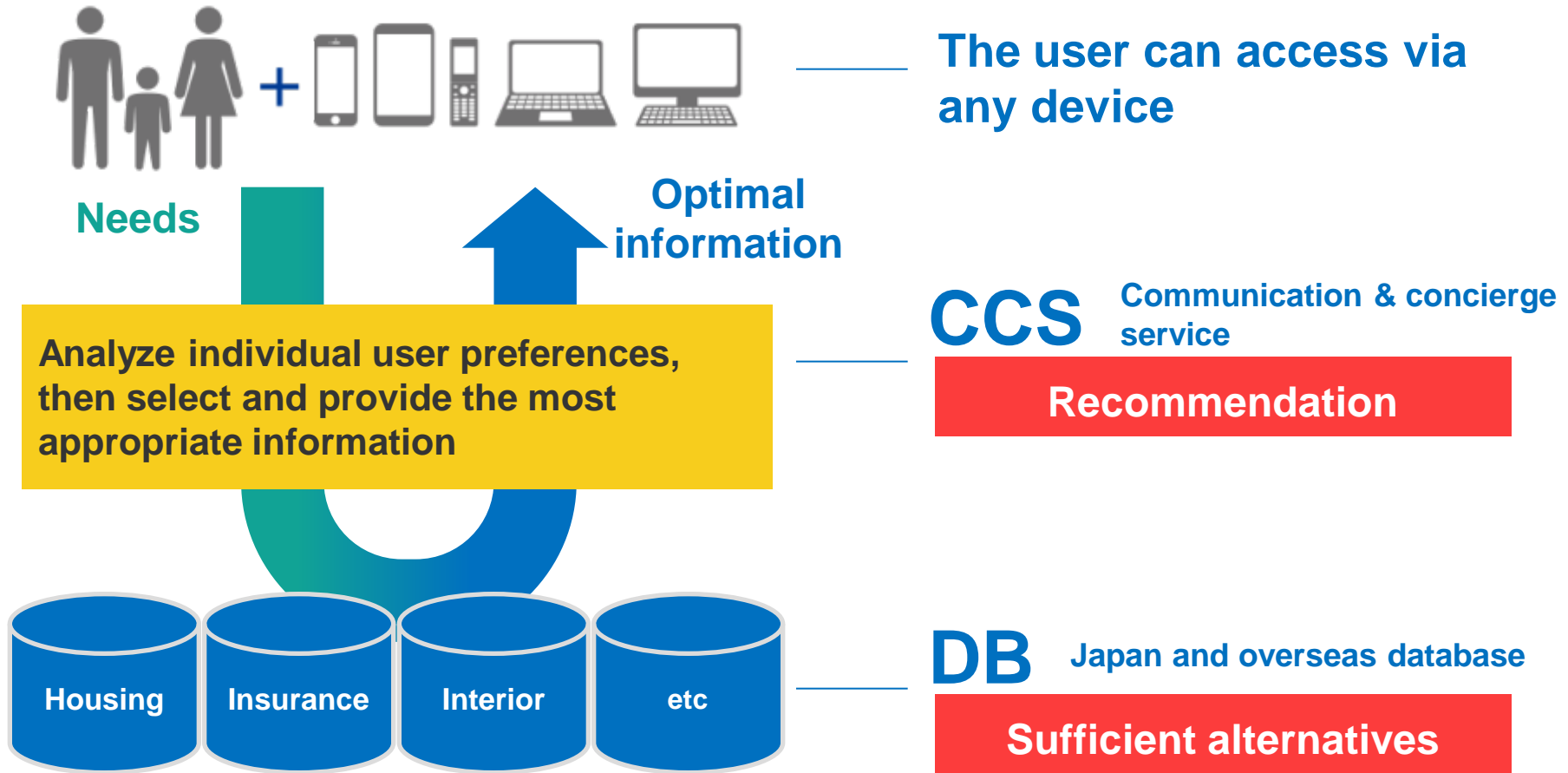
Designing Delightful Encounters



Medium- to Long-Term Business Goal

Reference data

POINT Our medium-term strategy slogan is "Aiming to be a global company through DB and CCS"



POINT

We aim to be the undisputed No. 1 in real estate and housing information website, both in quality and volume

Goals

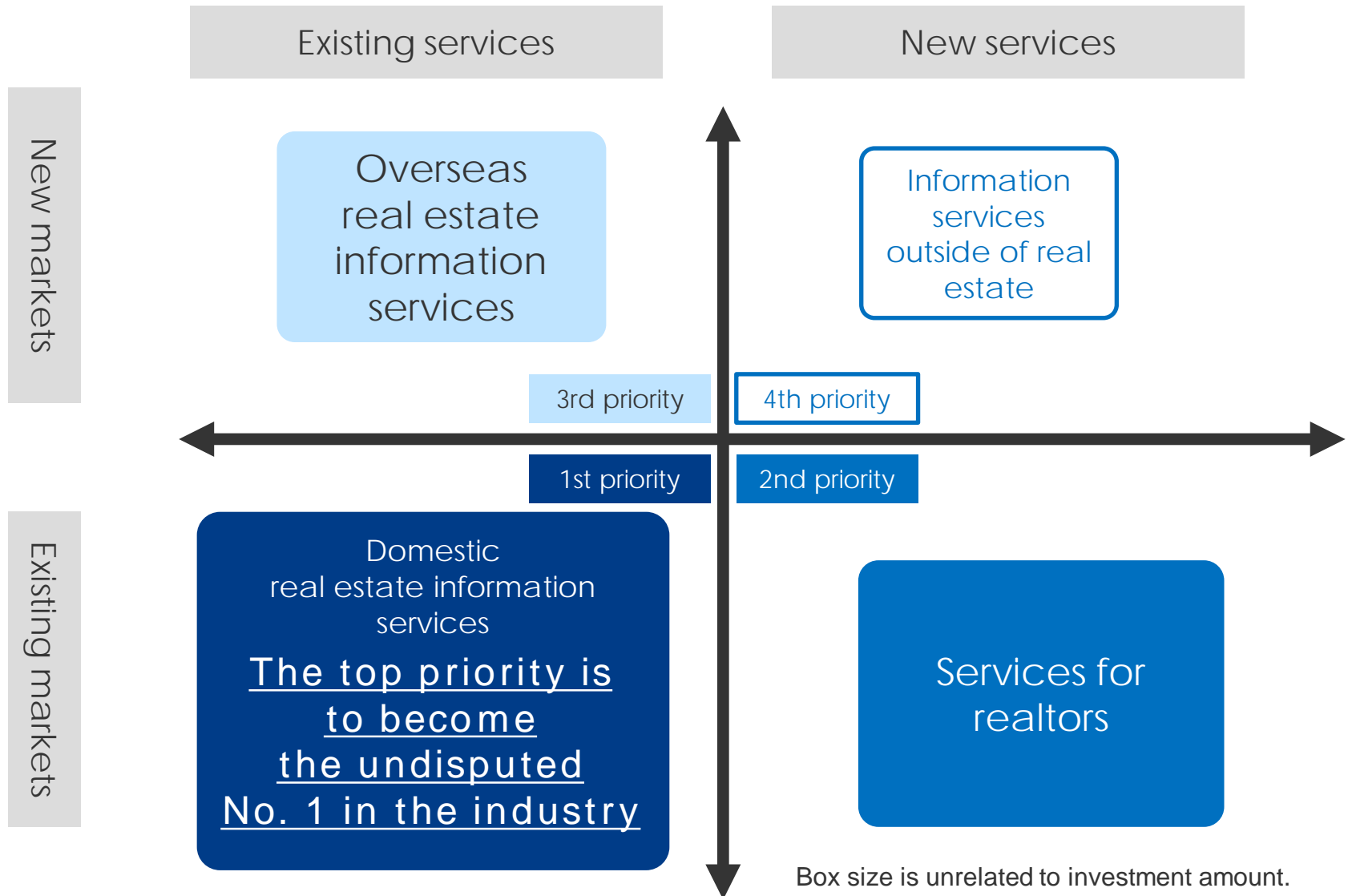
No. 1 in total properties listed

No. 1 in ease-of-use

No. 1 in user numbers

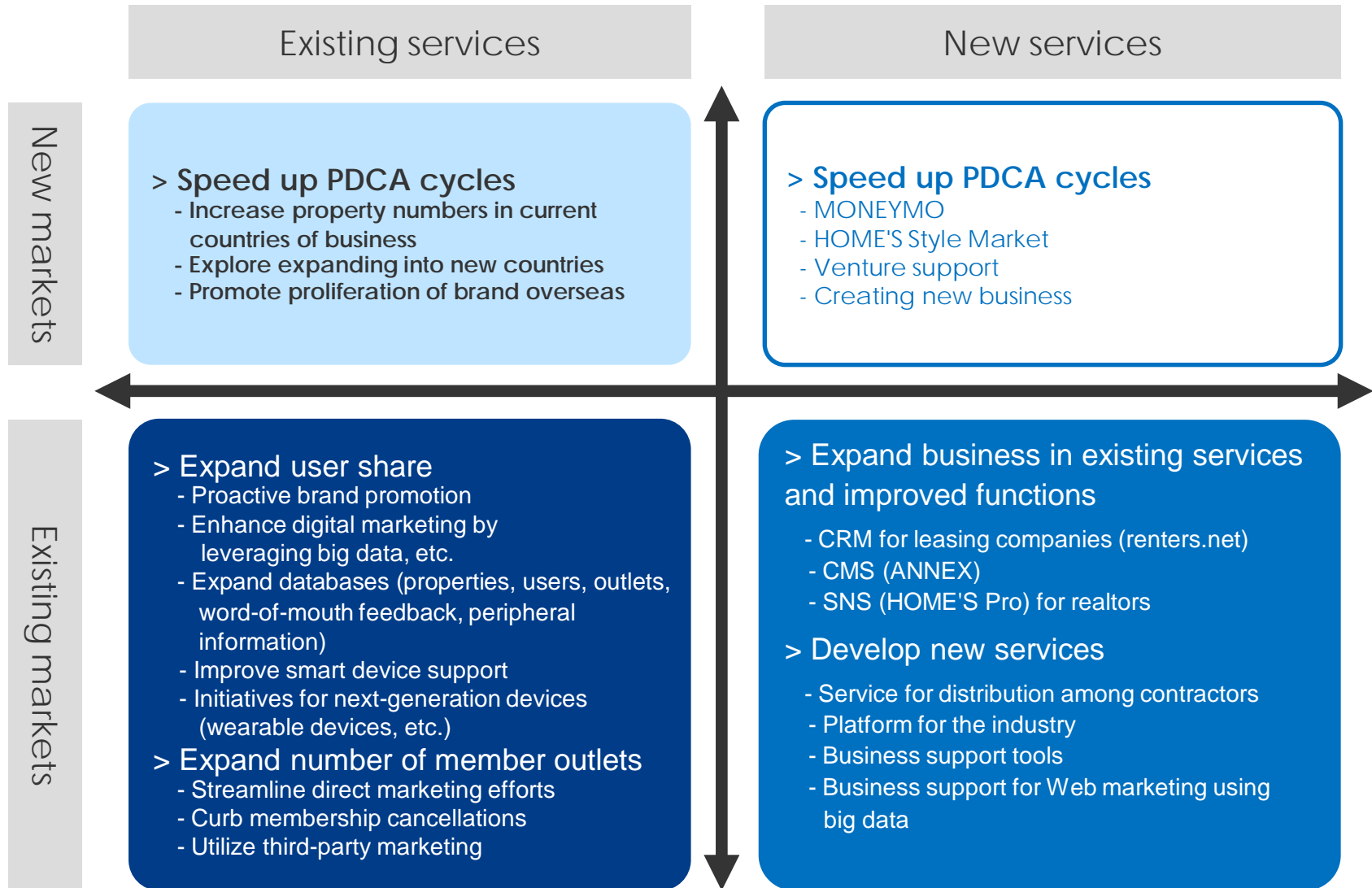
No. 1 in accuracy of information

POINT Prioritize the domestic real estate market and invest in long-term growth

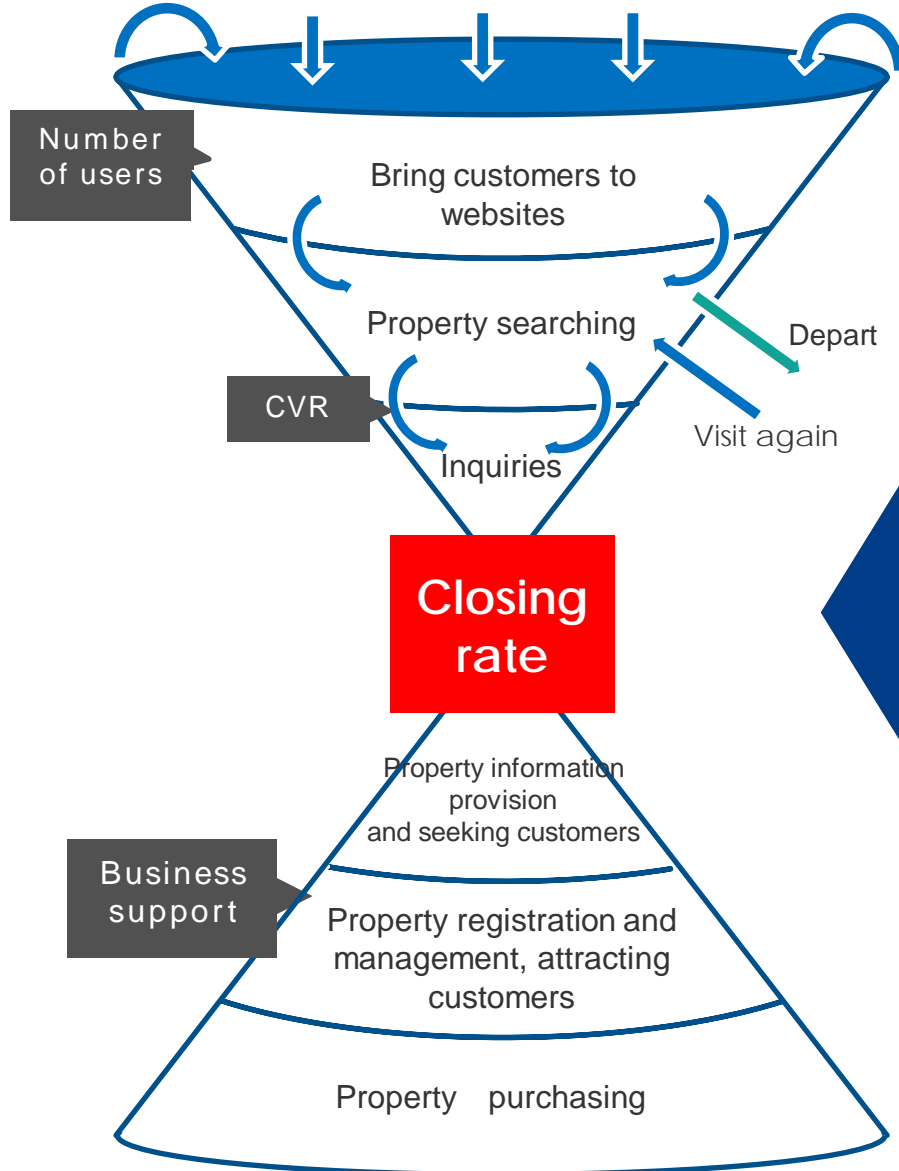




POINT Prioritize the domestic real estate market and invest in long-term growth



POINT Support both users and customers, and maximize closing rates



Gaining more customers

Maximizing user numbers

Improve products

Improve CVR (inquiry rate)

Expand database

Improve CVR (inquiry rate) and maximize closing rate

Enhance business support services

Expand database and maximize closing rate

POINT Implement branding promotion continuously while measuring effects.

Image of boosting the consumer recall rate



CHECK!

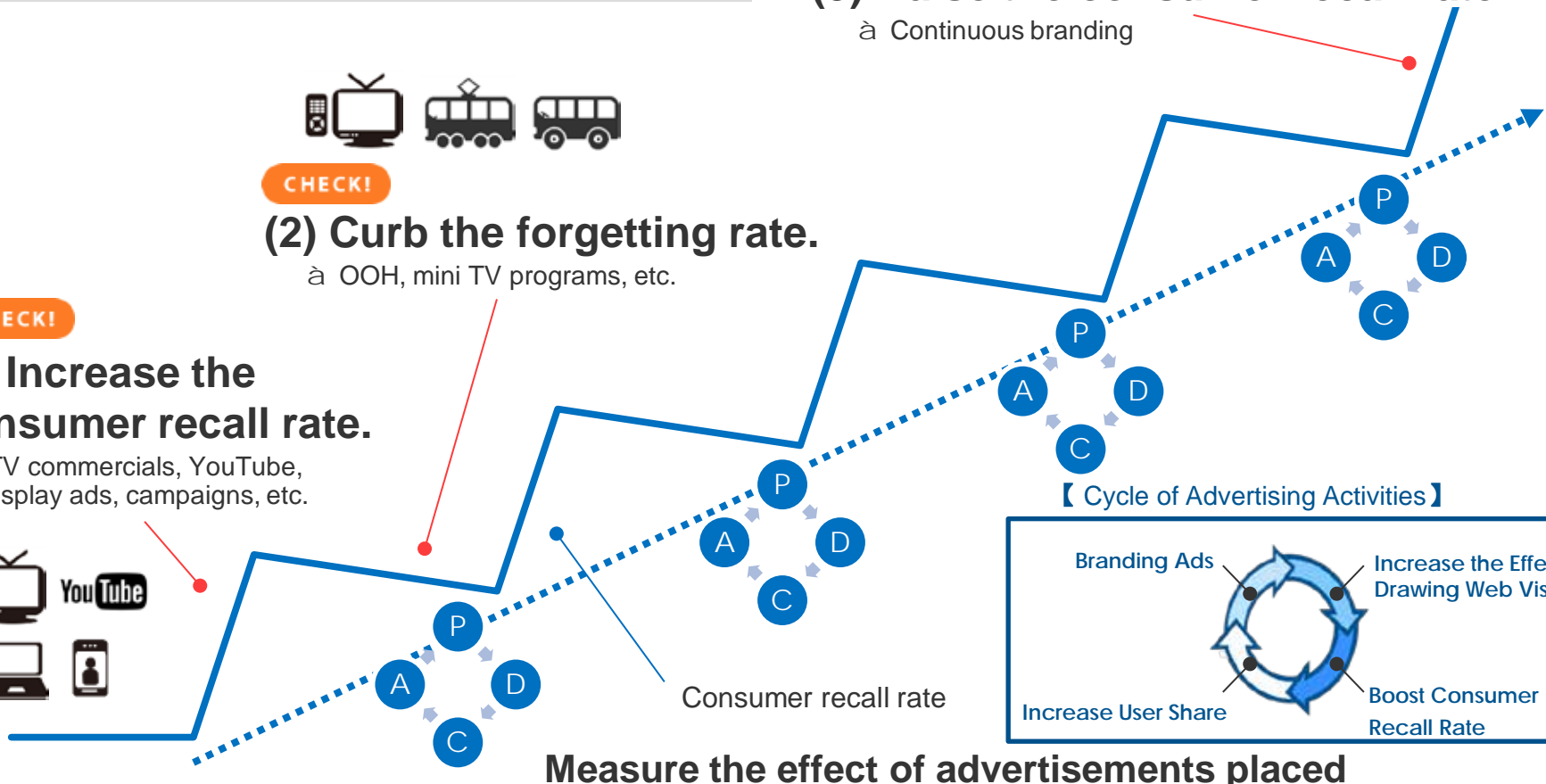
(2) Curb the forgetting rate.

à OOH, mini TV programs, etc.

CHECK!

(1) Increase the consumer recall rate.

à TV commercials, YouTube, display ads, campaigns, etc.

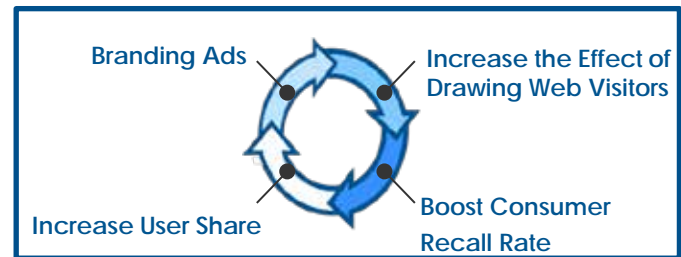


CHECK!

(3) Raise the consumer recall rate.

à Continuous branding

【 Cycle of Advertising Activities 】



Temporal Axis

Branding Promotion Enhancement

Reference data

POINT

Expand channels, areas and ad placement compared to the previous quarter, thereby boosting user share.



TV commercials



OOH



YouTube



Campaign



TV commercials
from Aug.18



OOH



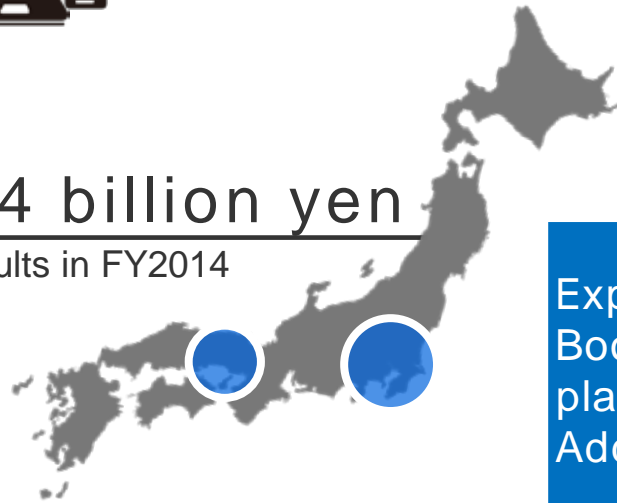
YouTube
from Aug.14



Campaign
from Jan.14

4.4 billion yen

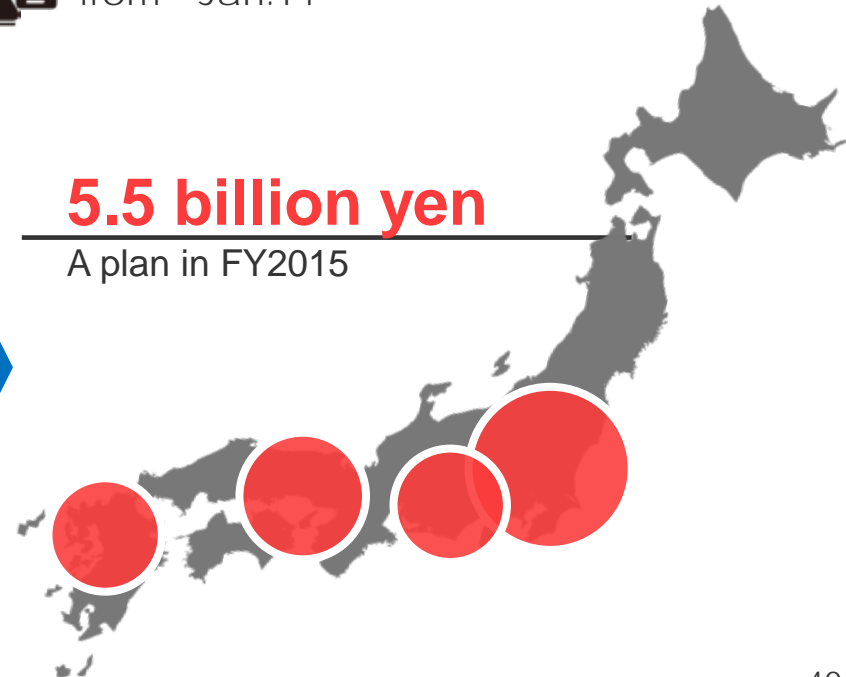
Results in FY2014



Expand areas
Boost ad
placement
Add channels

5.5 billion yen

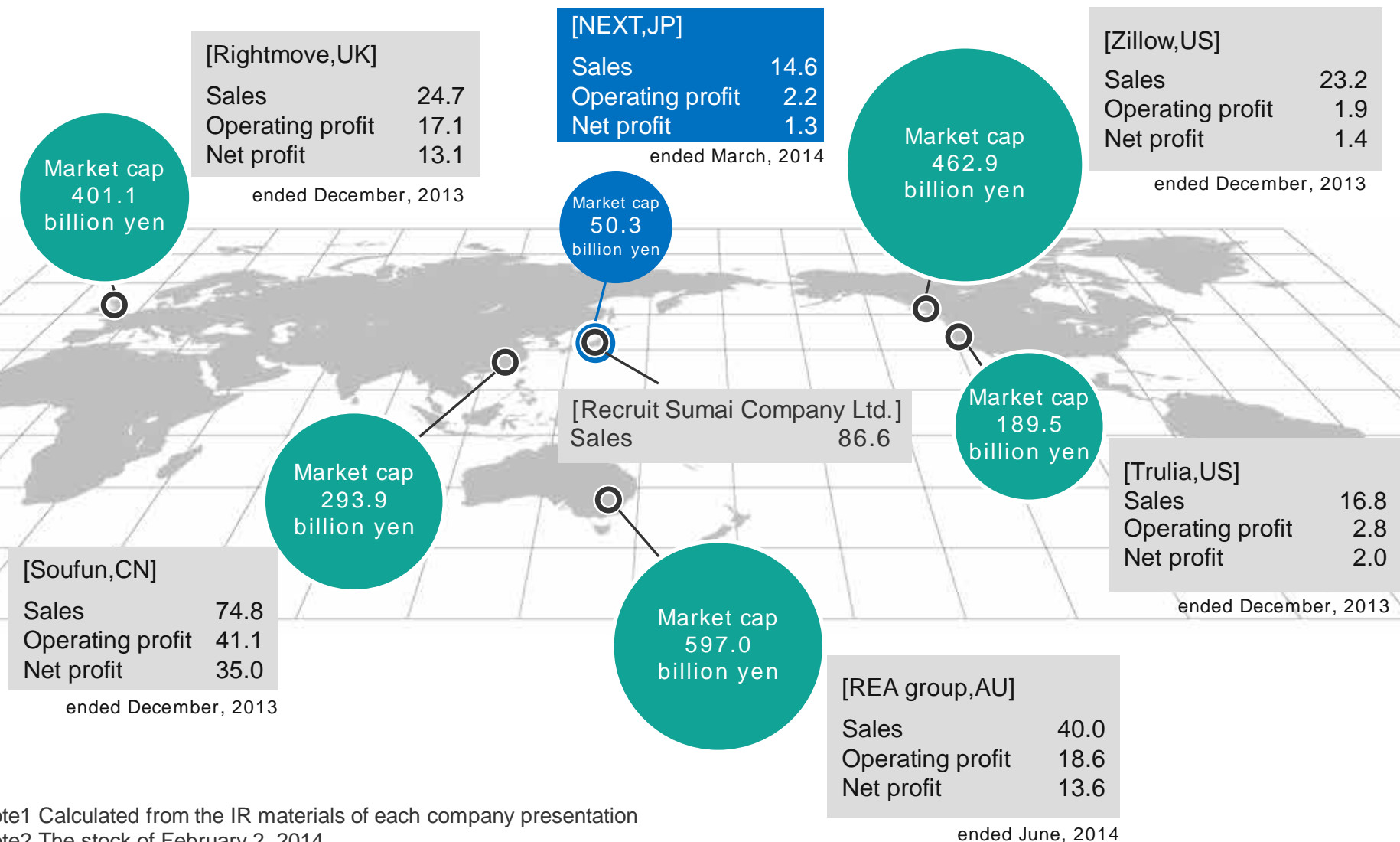
A plan in FY2015



Ad Expenses (total)

The situation of the overseas competitor

Reference data



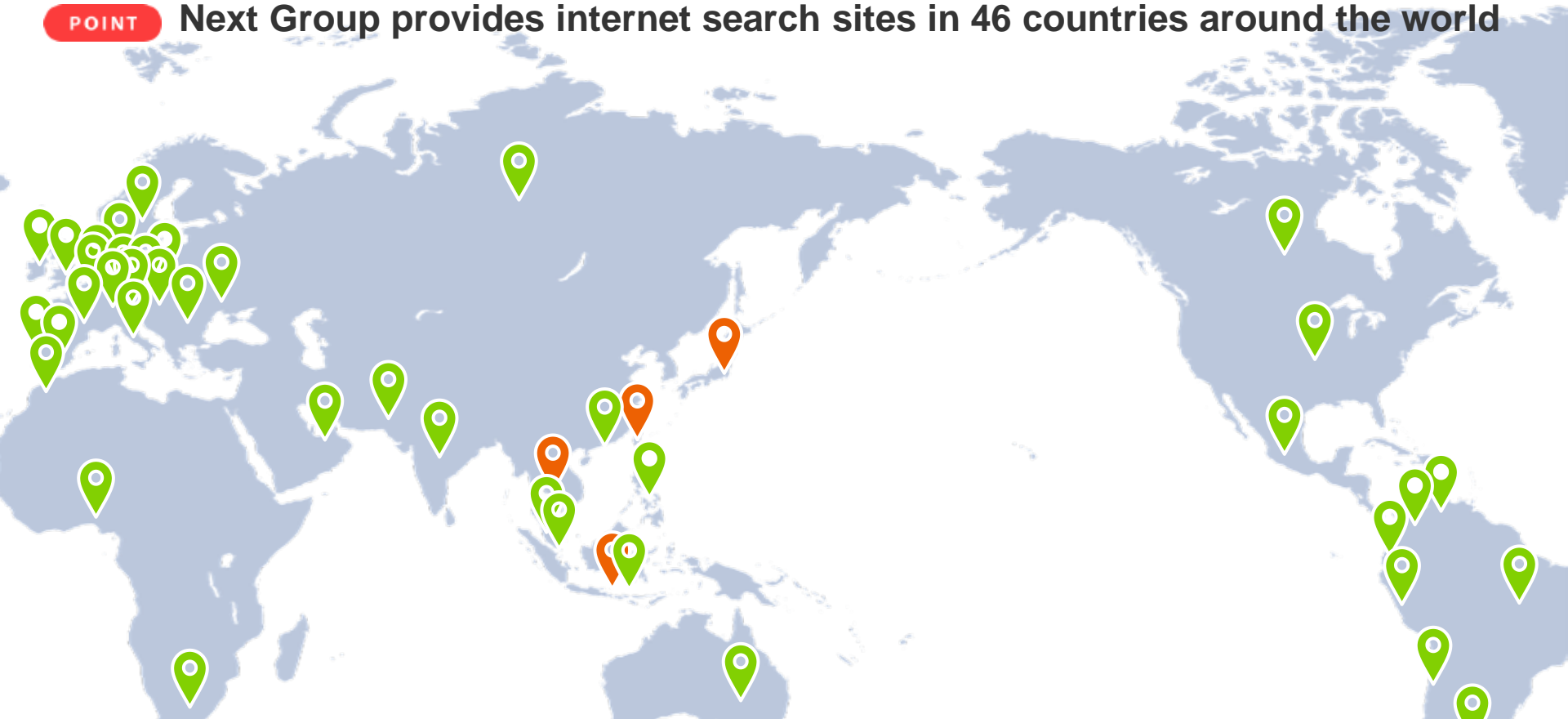
note1 Calculated from the IR materials of each company presentation

note2 The stock of February 2, 2014

note3 Exchange rate \$1=117.47 yen, GBP1=177.05yen, AUD1= 91.49yen

note4 Zillow announces acquisition of Trulia for \$3.5 billion in stock.

POINT Next Group provides internet search sites in 46 countries around the world



aggregator model

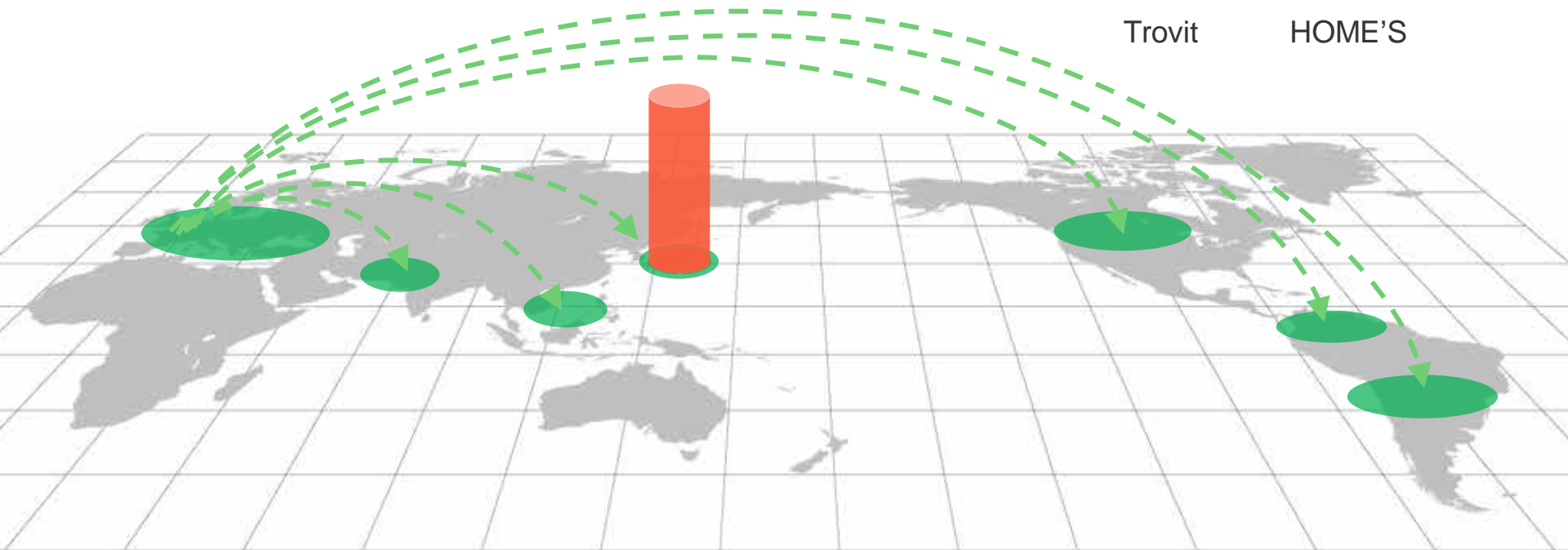
Arab Emirates	France	New Zealand	Sweden
Argentina	Germany	Nigeria	Switzerland
Australia	Hong Kong	Pakistan	Turkey
Austria	Hungary	Peru	UK
Belgium	India	Philippines	US
Brazil	Indonesia	Poland	Ukraine
Canada	Ireland	Portugal	Venezuela
Chile	Italy	Romania	
Columbia	Malaysia	Russia	
Czech Republic	Mexico	Singapore	
Denmark	Morocco	South Africa	
Ecuador	Netherlands	Spain	

Portal model

Indonesia
Japan
Taiwan
Thailand

POINT

Have Trovit's service areas expand further

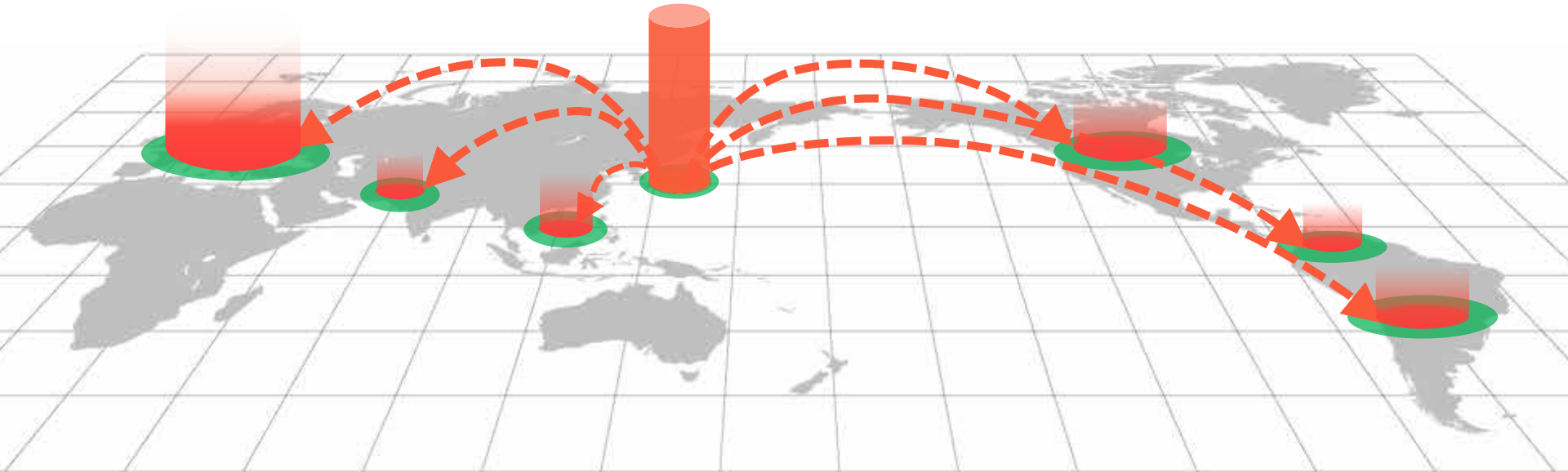


- > Have Trovit's service areas expand further
(Trovit JAPAN is scheduled to be launched in the spring of 2015)
- > Operation is not placed the local bases is carried out from Spain

POINT Leverage the know-how accumulated in Japan for overseas operations

Trovit

HOME'S



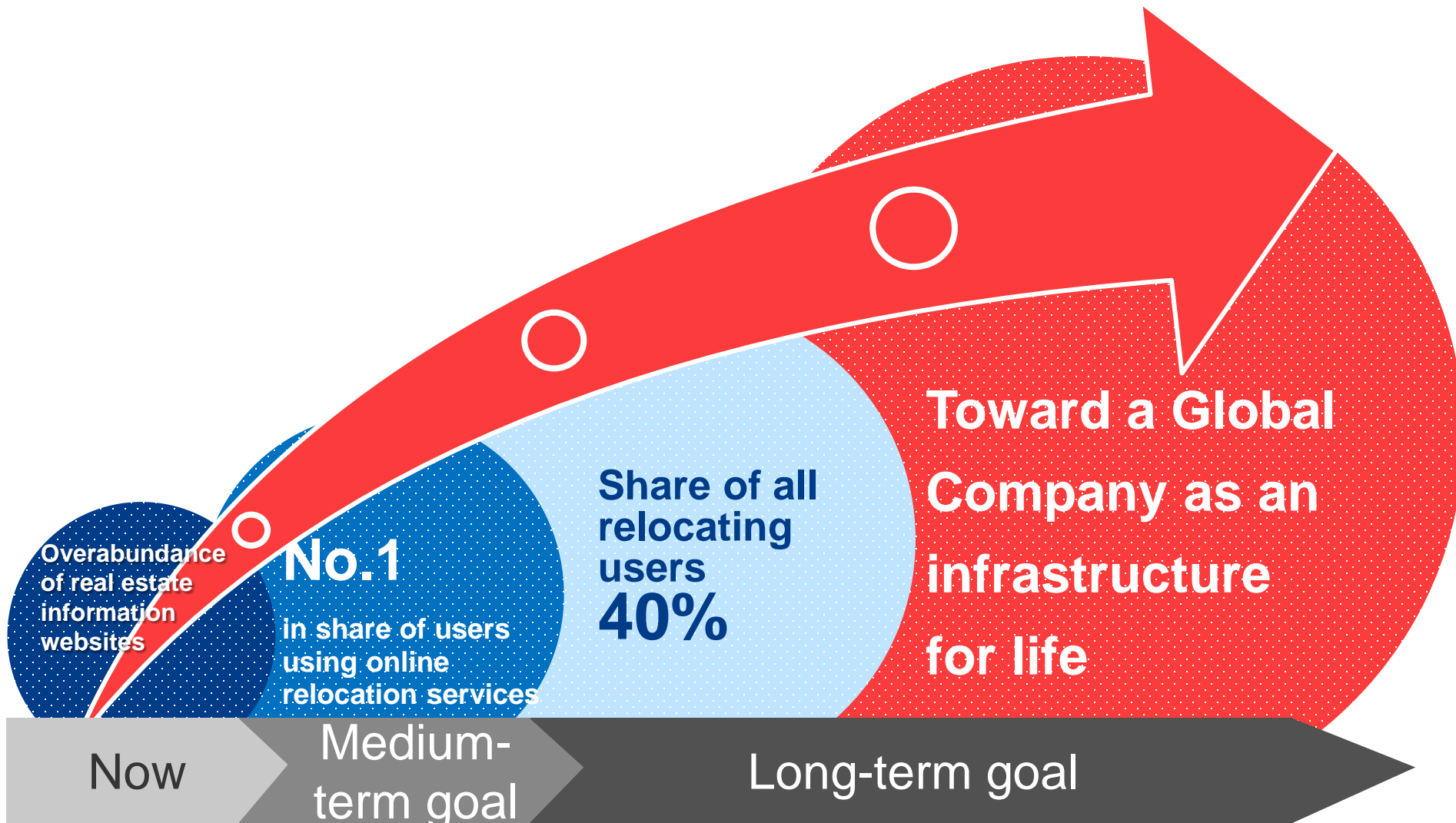
- > Leverage the know-how accumulated in Japan for overseas operations (marketing capability enhancement and new service development)
- > Begin generating profits at an accelerated pace on a group-wide basis

Medium- and long-term outlook

Reference data

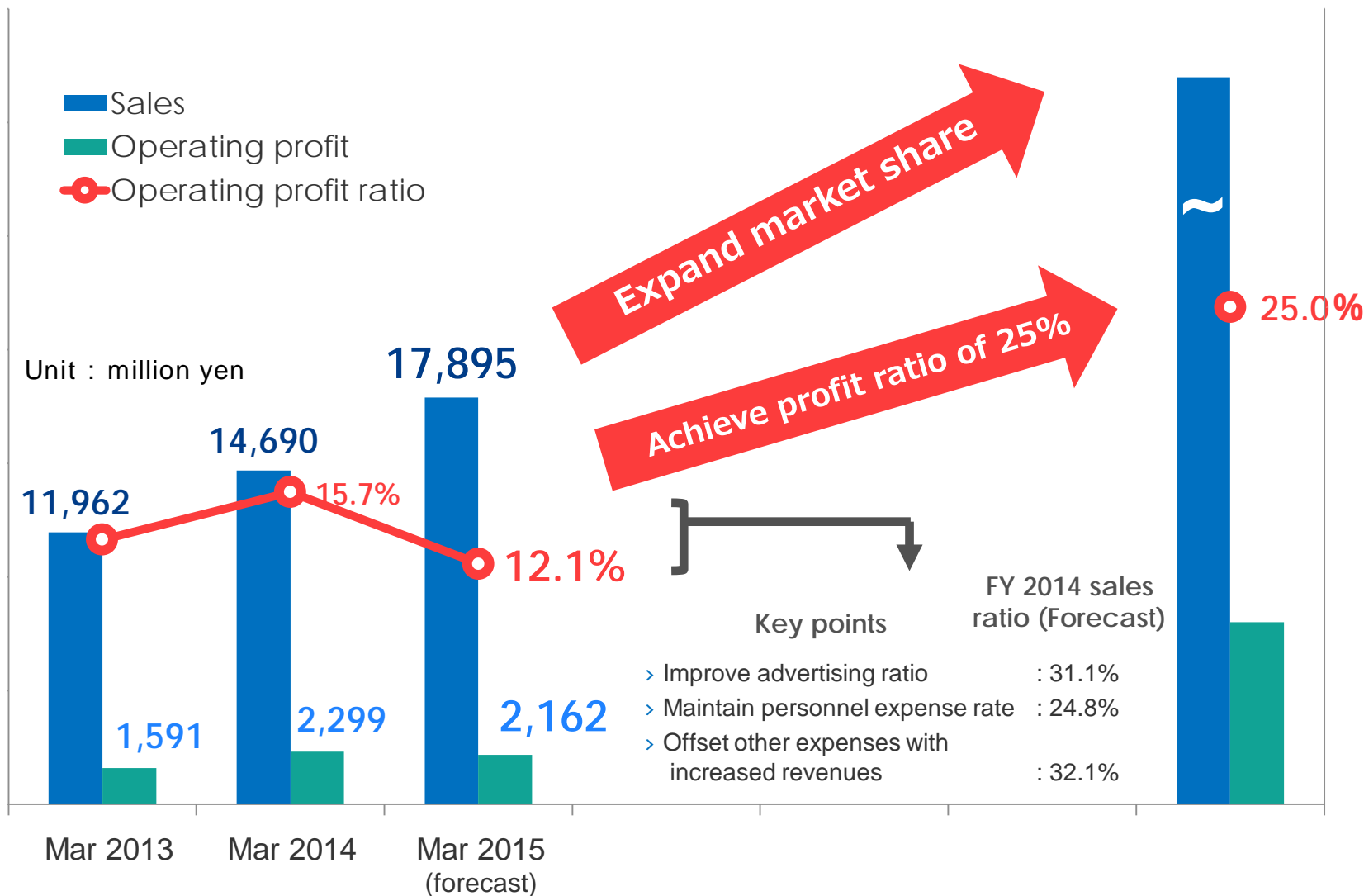
POINT

Achieve the undisputed No.1 position in Japan and become a representative Internet company in the world



POINT

Establish NEXT as No. 1 in market share for users of online relocation services and aim for operating profit ratio of 25%.



Trend of Operating P/L (Quarterly)

Reference data

Quarterly consolidated statements of income

Unit : million yen	FY03/2013				FY03/2014				FY03/2015		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sales	2,737	2,763	2,939	3,522	3,398	3,454	3,556	4,281	3,852	3,897	4,080
Real estate information	2,709	2,736	2,911	3,494	3,366	3,420	3,524	4,243	3,811	3,858	4,042
Rental & Real Estate Trade	1,497	1,510	1,585	1,980	1,818	1,845	1,889	2,422	2,102	2,161	2,362
Newly-constructed lots	812	829	914	1,010	1,021	1,027	1,096	1,178	1,084	1,087	1,107
Custom-Built Houses and Renovations	193	195	195	225	256	266	240	268	231	224	166
For realtors	113	118	128	131	136	153	174	174	207	223	230
Others	91	82	88	145	132	128	123	199	188	161	176
Others	28	26	27	28	31	33	32	37	41	39	38
Cost of sales	81	82	95	117	102	104	129	136	109	126	153
Selling, general & administrative	2,134	2,260	2,404	3,195	2,433	2,798	2,635	4,050	3,031	3,339	3,006
Personnel costs	770	744	767	993	806	973	848	1,155	989	991	1,026
Advertising costs	629	756	777	1,290	774	952	906	1,862	1,115	1,328	869
Operating expense	55	63	105	130	84	95	117	176	126	170	201
Depreciation/amortization cost	96	98	128	144	131	122	92	91	89	89	99
Other selling, general & administrative	581	596	626	636	637	654	670	764	713	760	809
Operating profit	521	420	439	209	862	550	791	95	712	431	921
Net profit	297	228	175	-86	516	309	455	54	419	267	588
Operating profit margin	19.1%	15.2%	14.9%	5.9%	25.4%	15.9%	22.2%	2.2%	18.5%	11.1%	22.6%

Quarterly consolidated sales and operating profit and loss per segment

Unit : million yen	FY03/2013				FY03/2014				FY03/2015		
	Q1	2911	3494	3366	Q1	Q2	Q3	3366	Q1	Q2	Q3
Sales	2,737	2,763	2,939	3,522	3,398	3,454	3,556	4,281	3,852	3,897	4,080
Real estate information	2,709	2,736	2,911	3,494	3,366	3,420	3,524	4,243	3,811	3,858	4,042
Others	28	26	27	28	31	33	32	37	40	39	38
Operating profit	521	420	439	209	862	550	791	95	712	431	921
Real estate information	626	513	508	253	887	564	799	104	722	446	951
Others	-104	-93	-69	-44	-24	-14	-8	-9	-9	-14	-30
Operating profit margin	19.1%	15.2%	14.9%	5.9%	25.4%	15.9%	22.2%	2.2%	18.5%	11.1%	22.6%
Real estate information	23.1%	18.8%	17.5%	7.3%	26.4%	16.5%	22.7%	2.5%	18.9%	11.6%	23.5%
Others	-	-	-	-	-	-	-	-	-	-	-

External Market Data (Monthly) Reference data

Number of Apartments for sales (Monthly)

Source : Real Estate Economic Institute Co., Ltd.

Unit	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Capital Region	3,506	5,006	8,246	1,826	2,651	4,641	2,473	4,300	4,222	4,222	2,110	3,336	3,125	3,337	9,389
YoY	21.4%	22.3%	6.1%	6.1%	-24.1%	-9.7%	-39.6%	-13.4%	-20.4%	Δ20.4%	Δ49.1%	Δ44.1%	Δ10.9%	Δ33.3%	13.9%
Kinki	1,404	1,781	2,405	711	1,668	1,848	1,222	1,588	2,016	2,016	1,217	1,829	1,427	1,975	1,638
YoY	-33.4%	5.0%	-26.5%	-22.1%	82.7%	-12.7%	-9.3%	-20.2%	-4.5%	Δ4.5%	Δ39.0%	Δ50.2%	1.6%	10.9%	Δ32.1%

Trend of Price for Apartments (Monthly)

Source : Real Estate Economic Institute Co., Ltd.

Unit : million yen	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Capital Region	4,911	4,967	5,338	4,637	5,064	5,215	4,846	5,156	5,532	5,532	5,684	4,764	4,560	5,224	5,022
YoY	16.4%	-0.7%	18.2%	-1.8%	18.1%	8.5%	2.5%	5.3%	7.9%	7.9%	18.5%	Δ5.6%	Δ7.1%	5.2%	Δ5.9%
Kinki	3,382	3,598	3,332	3,475	3,383	3,640	3,430	3,517	3,618	3,618	3,808	3,877	3,587	3,649	3,872
YoY	12.7%	-3.6%	0.8%	-4.6%	-3.8%	2.8%	-0.1%	-0.5%	2.7%	2.7%	11.4%	10.3%	6.1%	1.4%	16.2%

New build properties (Monthly)

Source : Ministry of Land, Infrastructure, Transport and Tourism

Unit : million yen	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
House for Rent	35,059	35,266	35,634	29,953	27,744	28,925	31,177	27,434	28,623	28,623	28,435	30,082	33,628	32,655	32,478
YoY	3.3%	17.1%	29.8%	21.5%	24.7%	11.3%	12.0%	3.1%	-7.7%	Δ7.7%	Δ3.8%	Δ5.7%	Δ4.1%	Δ7.4%	Δ8.9%
Apartment	8,509	9,037	9,736	11,941	8,674	8,290	8,902	7,307	9,011	9,011	10,188	9,941	10,495	9,255	8,709
YoY	-17.7%	-14.6%	-7.4%	18.6%	-33.5%	-13.4%	-16.9%	-43.3%	-12.7%	Δ12.7%	Δ6.8%	Δ20.4%	23.3%	2.4%	Δ10.5%
House	11,766	12,111	12,026	10,530	9,654	10,044	10,737	10,026	10,882	10,882	10,299	10,247	10,146	10,602	10,763
YoY	10.4%	12.1%	10.8%	-0.3%	-4.9%	-4.3%	1.7%	-7.9%	-3.7%	Δ3.7%	Δ14.1%	Δ10.1%	Δ13.8%	Δ12.5%	Δ10.5%
Owned	33,967	34,580	31,858	24,955	22,891	21,650	23,799	22,288	23,524	23,524	24,250	24,617	24,245	24,462	23,725
YoY	17.6%	22.6%	19.1%	5.9%	-0.4%	-13.0%	-16.1%	-22.9%	-25.3%	Δ25.3%	Δ22.7%	Δ23.4%	Δ28.6%	Δ29.3%	Δ25.5%

Internal migrants (Monthly)

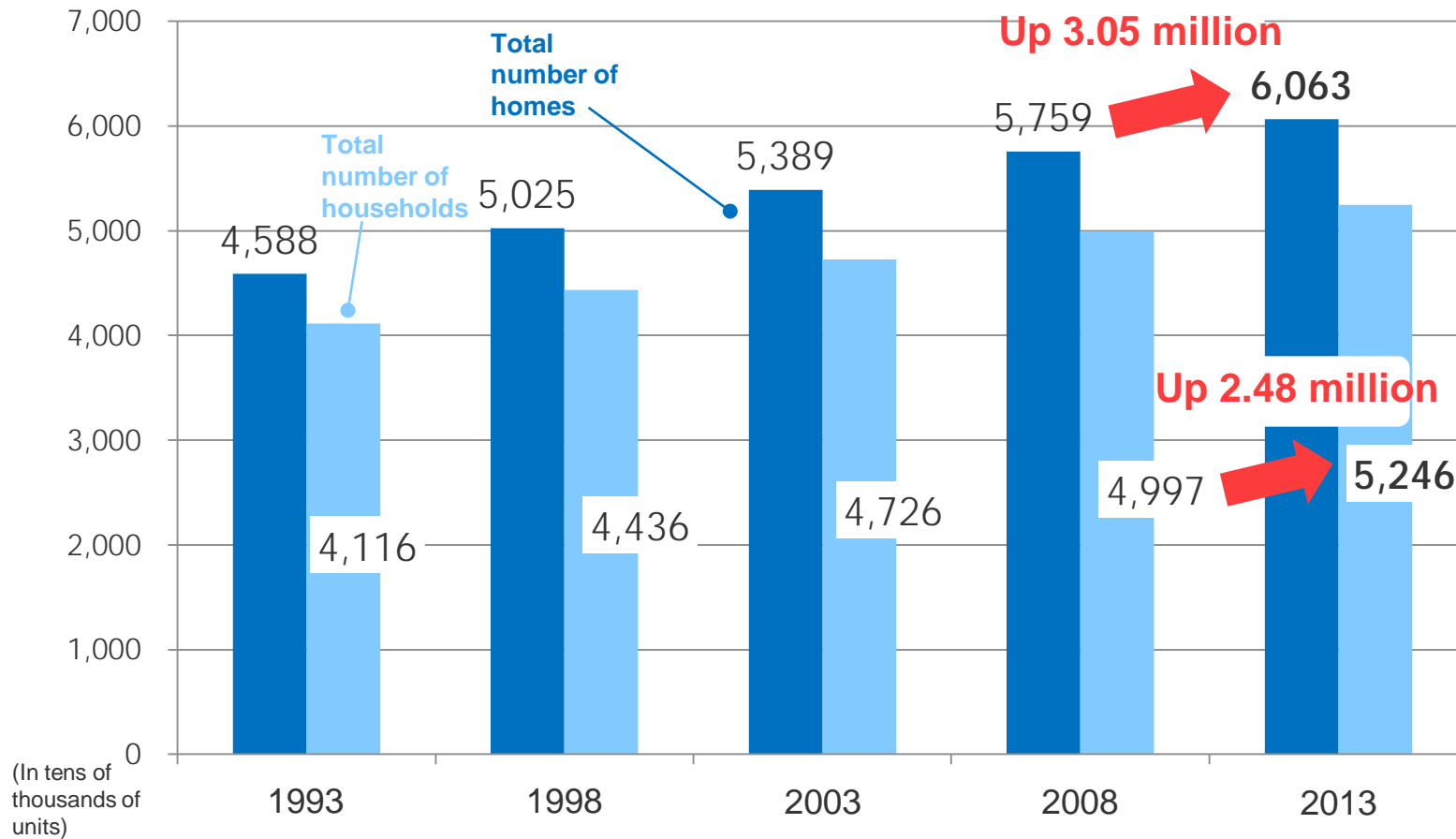
Source : Ministry of Internal Affairs and Communications

Unit : people	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Internal	369,718	316,544	323,785	300,049	328,322	894,633	749,265	340,819	356,646	356,646	351,970	360,790	380,316	304,779	336,902
YoY	-5.7%	-2.3%	-0.6%	1.8%	0.6%	8.0%	-7.8%	-8.1%	-7.4%	Δ7.4%	Δ6.8%	3.2%	2.9%	Δ3.7%	4.1%

Outline of 2013 Housing and Land Statistics Survey Preliminary Results

POINT The total numbers of homes and households in Japan both hit record highs.

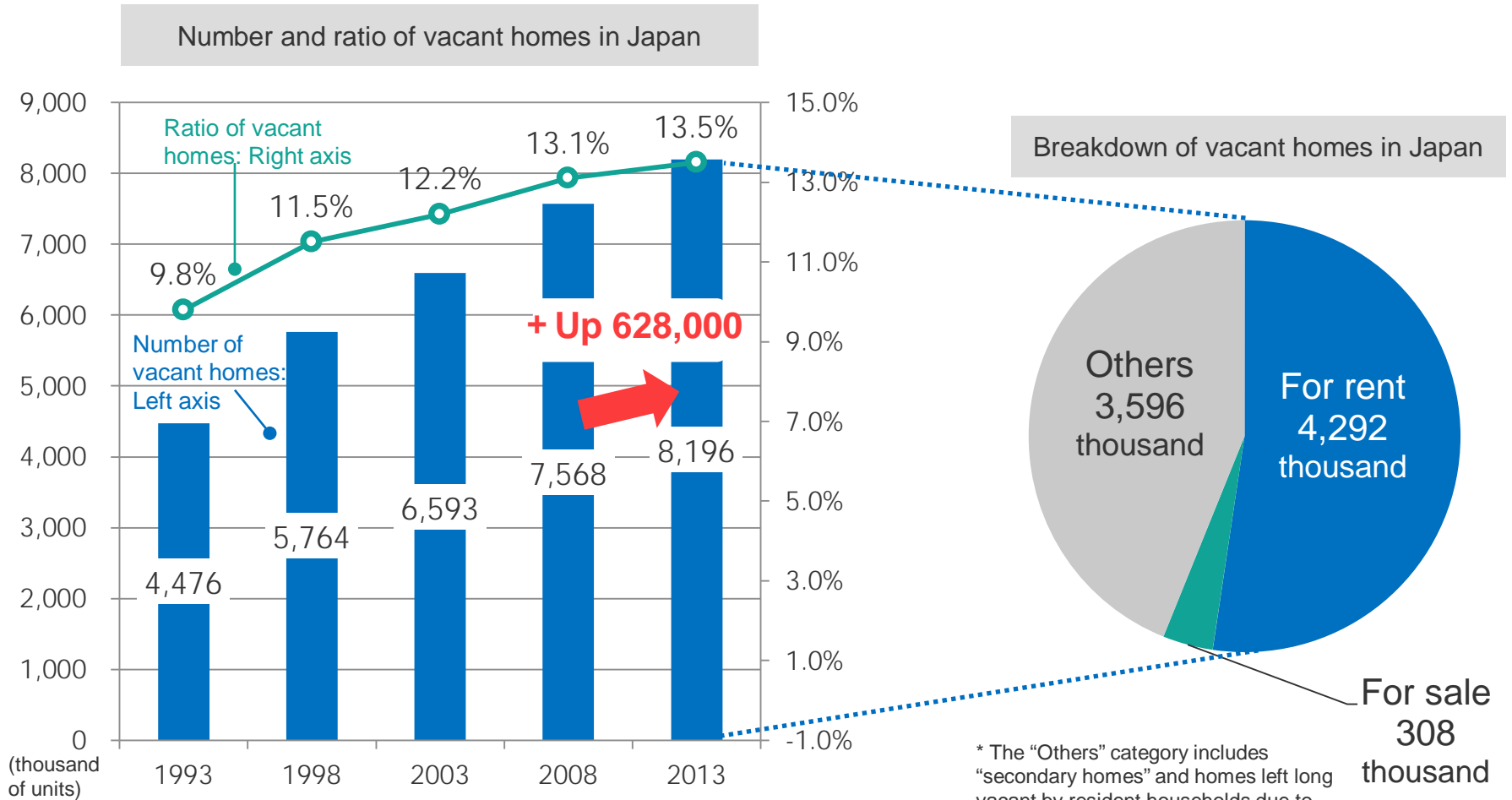
Total numbers of homes and households in Japan



Source: The Ministry of Internal Affairs and Communications Statistics Bureau, *Housing and Land Survey 2013 Preliminary Results* (released on July 29, 2014)

Outline of 2013 Housing and Land Statistics Survey Preliminary Results

POINT The number and ratio of vacant homes in Japan also both hit record highs. **NEXT** expects to experience growing needs for property advertising.



* The "Others" category includes "secondary homes" and homes left long vacant by resident households due to their work-related relocation as well as homes scheduled to be demolished for the purpose of rebuilding them

Source: The Ministry of Internal Affairs and Communications Statistics Bureau, *Housing and Land Survey 2013 Preliminary Results* (released on July 29, 2014)

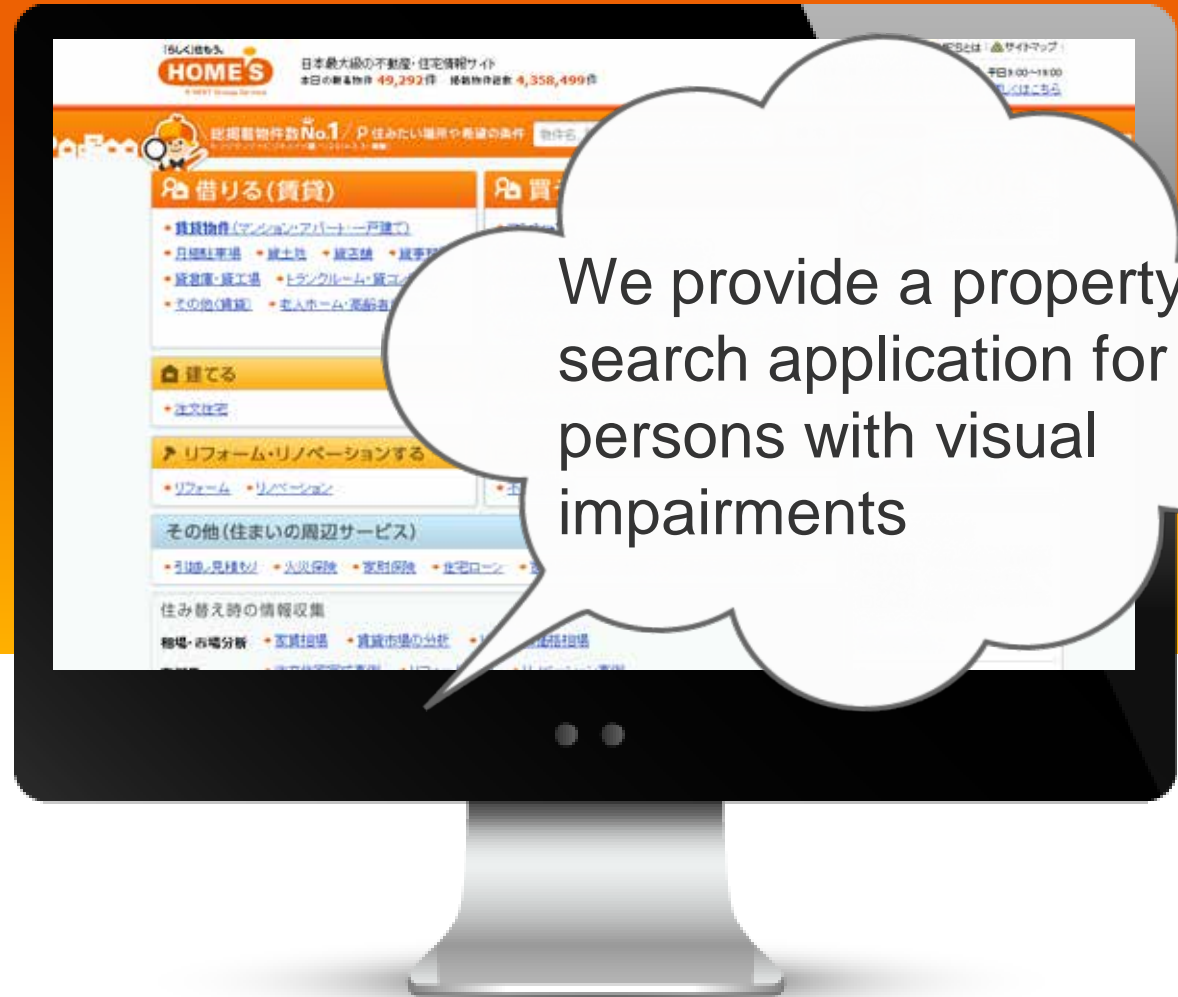


Service

"HOME'S" is the No. 1 real estate and housing information listing site in Japan, specialized for the Internet.



Rent
Buy, Sell
Custom-built homes,
Renovations
Real estate investment
Insurance against loss
/Life insurance
Move
Storage Room
Rent introduce for the
elderly



POINT

NEXT delivers smart device-targeted service as well

APP



The iOS and Android applications by the HOME'S website

Displays a complete set of property information available with regard to a given building
Allows the user to make a telephone-based property inquiry just by touching the screen once



HOME'S application for visually-impaired persons

Equipped with the function to read aloud iPhone texts
Allows the user to search for properties by using the "VoiceOver" function



Property visit note application

Enables the user to take notes of property information and his/her impression of the property
Allows the user to view other persons' assessment and feedback
Enables photographs to be stored



HOME'S check-in application

Campaign-dedicated application
Allows Rakuten Super Points to be awarded to the customer for visiting a store and concluding a contract

Sites for Smartphones



You can see a 360-degree view of properties with images that make the scene more alive.

↓Samples of 360-degree panoramic images

<https://theta360.com/s/46j>

<http://goo.gl/E3KGRl>

Ranked "No.1" as the "Easiest" Smartphone Site to Use

(*1)



HOME'S



No.2

Nomura Securities



No.3

ZOZO TOWN



No.4	House foods
No.5	Tokyo Metro
No.6	kakaku.com
No.7	UNITED ARROWS
No.8	NISSAN Motor
No.9	At Home
No.10	Amazon.com



(*1) Tribeck Strategies Inc.'s "smart phone website usability diagnosis" (published in April 2012)

The surveyed websites included, of the websites of companies providing major services to smartphone users, portal sites, E-commerce sites, corporate sites, and specialized sites of a specific genre (websites specialized for a specific genre or purpose such as real estate and finance, etc.) <http://www.tribeck.jp/release/120405.html>

POINT

The user is allowed to select a use method according to his/her various needs

Property Sale Assessment Service



- (i) Allows the user to make a request for two types of sale assessment, i.e. “real name sale assessment” and “anonymous sale assessment”
- (ii) Allows the user to designate the real estate company to which he/she will make an assessment request
- (iii) Enables the user to disclose photos and appeal points
- () Is capable of handling warehouses, factories and single-building condominiums

Credit card-based payment settlement service

In collaboration with ROYAL GATE INC., NEXT launched a credit card-based payment settlement service as a service offering targeting HOME'S affiliated stores.

This is a service that enables the tenant to pay **initial tenancy expenses and monthly rent** with his/her credit card.

The Company bears the initial cost and monthly fee for HOME'S affiliated stores. This service can be introduced by the affiliated store under a scheme in which the payment settlement fee is equivalent to 2.4% of the transaction amount, representing one of the lowest fee levels in the industry.



POINT

HOME'S support your peace of mind after moving in.

Provides a one-year warranty on previously-owned equipment

"HOME'S Relocation Warranty" service is an equipment warranty service for buying and selling transactions on previously-owned properties. NEXT provides this service in collaboration with Japan Living Warranty Inc.

This is a service in which a one-year **warranty is provided to the relocating customer in an amount up to 2.5 million yen.**

It enables the customer who has used the HOME'S website to search for properties to **secure peace of mind for his/her living environment after the property handover**

A 10-year Warranty is Granted for Facilities of New Single Family Homes

We offer "HOME'S Warranty for Facilities of New Single Family Homes," the first for portal sites through a tie-up with Japan Living Warranty Inc.

We grant a **10-year warranty** as oppose to the one-year counterpart normally given by house makers. Why don't you look for your home through HOME'S as we extend support, which even covers **peace of mind after moving in.**

Examples of Facilities Covered by Warranty



Kitchen Unit



Bath Unit



Bathroom Vanity



Intercommunication System

「HOME'S 住みかえ保証」は
売主様・買主様双方の不安を
同時に解消します!

1年間、最大250万円の保証

引き渡し



売主さまに
対して保証



買主さまに対して保証

3ヶ月

9ヶ月

※保証期間については、3ヶ月間と1年間で選択が可能です。

Insurance agency search and appointment website

“MONEYMO” provides various services to help users reconsider their finances such as sign up for consultation on life insurance.

- n More than 1,000 stores across the country
- n Various insurance information
- n Mortgage consultation and comparison
- n Consultation with life planners



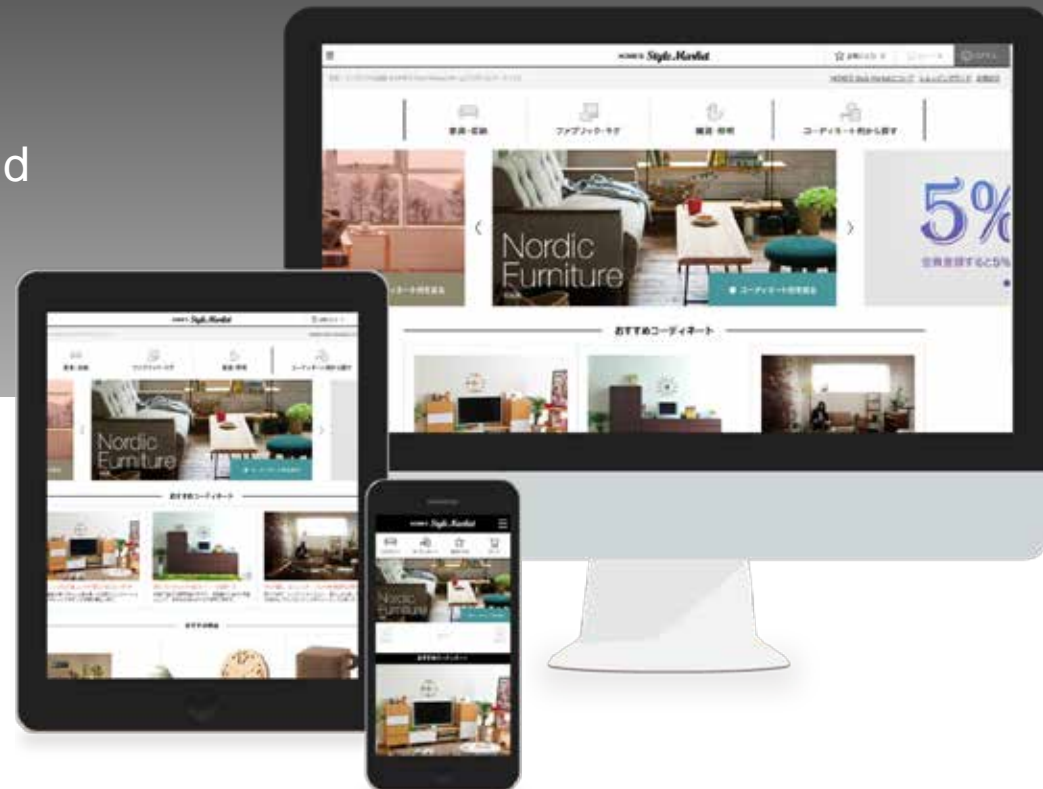
MONEY マネモ
mo
A NEXT Group Service

Furniture/interior EC website

“HOME'S Style Market” is an interior EC website where you can select from interior styles. Rather than simply choosing the furniture, you can make a selection while looking at photos of rooms in a catalog-like display and picturing yourself living in them.

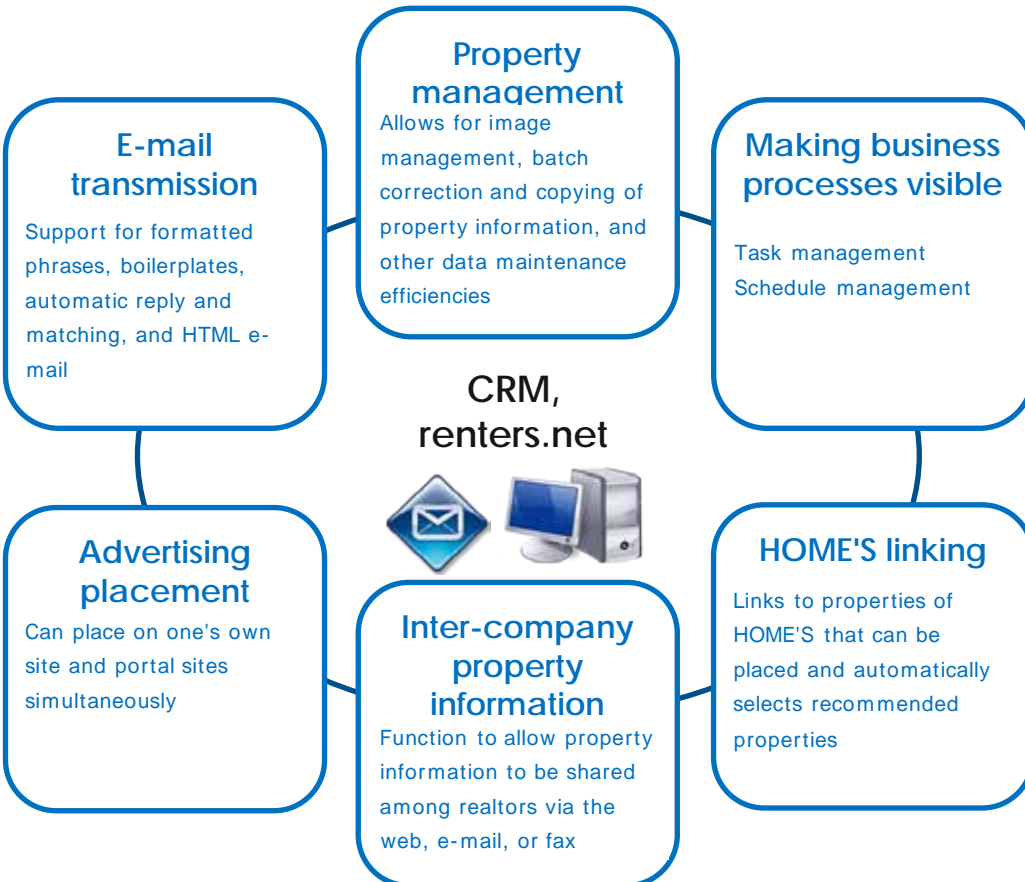
- n Full of coordination examples
- n Select products with peace of mind
- n Advanced Search to match your conditions

HOME'S
Style Market
【ホームズ スタイルマーケット】



CRM services for realtors

A business support service provided by NEXT subsidiary Renters for rental property realtors. The service provides CRM, batch conversion of property information, and functions for management companies, systematizes complex property management processes and prevents customer support from being the domain of only a few individuals, effectively streamlining realtors' business.



Real estate website creation service

Annex is a "next-generation homepage service" that allows even users without specialized expertise to easily build websites for realtors. Users utilize high-quality templates to simply and affordably build websites for PCs and smartphones.

The service involves a one-time registration fee of 50,000 yen and a monthly fee starting at 10,000 yen.



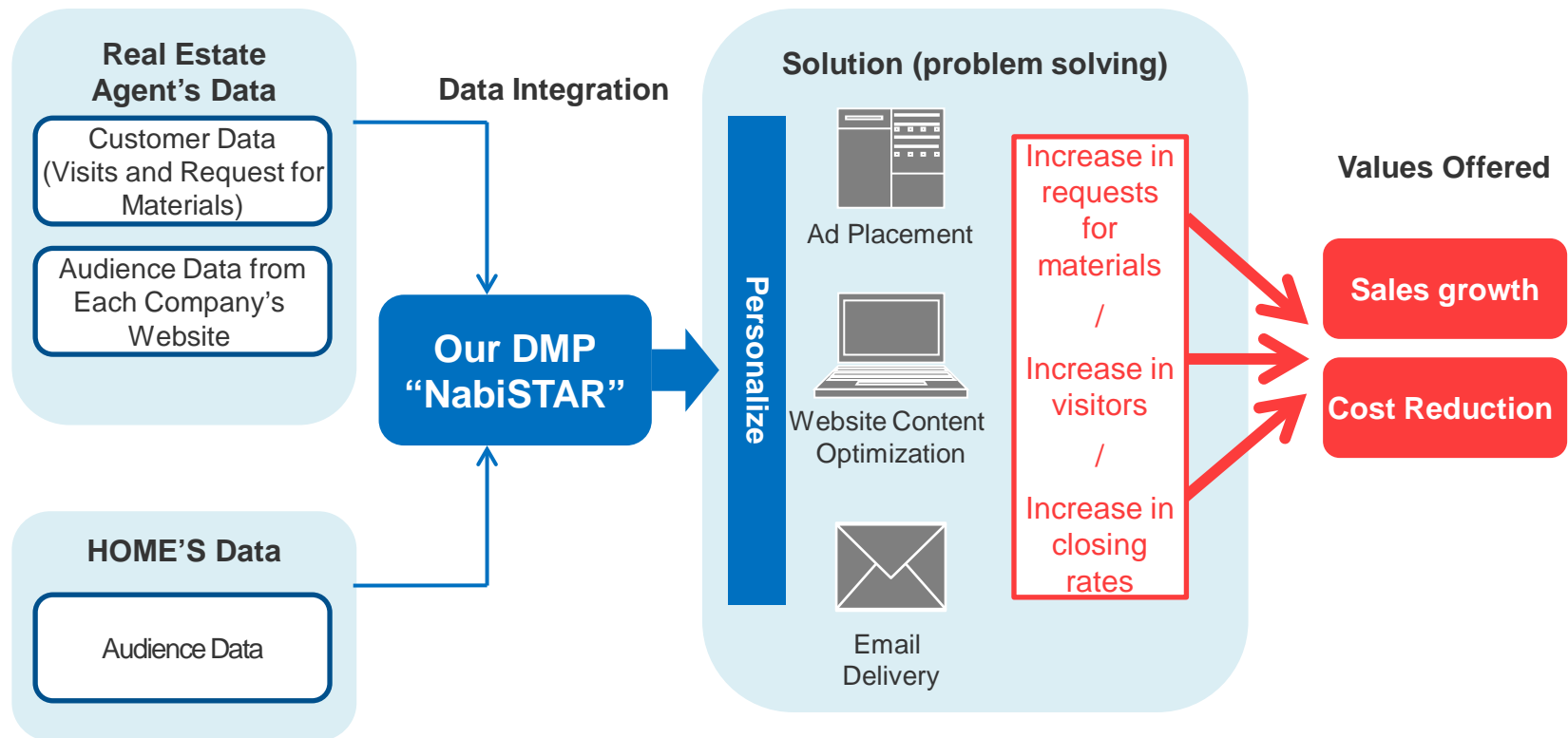
- No technical expertise needed
- Inexpensive
- Smartphone supported

New Services Tailored to Real Estate Agents to be Released

Service

POINT Launch industry-specific DMP* services targeting real estate agents. Optimize the effect of customers' web ads, thereby helping them increase closing rates and sales.

* DMP = Data Management Platform



Revision to HOME'S Rental & Real Estate Trade Billing Rates

Service

POINT Made partial revision to the pay-per-inquiry-based billing rates for the Rental & Real Estate Trade business

Raising the minimum billing rates enabled NEXT to begin making further advertisement-related investments, and to start achieving increased inquiries and sales

Billing calculation formula

Monthly basic fee (10,000 yen a month)

+

Number of inquiries from end users (emails and telephone calls)

×

Rent/sale price of the property inquired about

×

Revision

Billing rates

Rental		
Number of Inquiries	Old Billing Rates	New Billing Rates From Oct 1, 2014
1 to 15	5.5%	5.5%
16 to 60	4.0%	4.0 %
61 -	2.0%	

Buying/Selling and Investment		
Number of inquiries	Old Rates	New Billing Rates From Oct 1, 2014
1 to 5	0.05%	0.05%
6 to 20	0.02%	0.03 %
21 -	0.01%	

Example: One hundred rental property inquiries arrive in one month

Before

15 inquiries × 5.5% × Rent = ¥ 57,750
 45 inquiries × 4.0% × Rent = ¥ 126,000
 40 inquiries × 2.0% × Rent = ¥ 56,000

Total ¥ 239,750

After

15 inquiries × 5.5% × Rent = ¥ 57,750
 85 inquiries × 4.0% × Rent = ¥ 238,000

Total ¥ 295,750

*Calculated with rent at 70,000 yen. Rent varies from one property to another.

*Monthly rent

“HOME’S Renovation”: Shifting to pay-per-contract

Service

POINT

Aim to achieve increased profits by shifting to the pay-per-transaction scheme from pay-per-inquiry scheme

Home renovation fee charging scheme

From October 1, 2014

Base monthly fee:
10,000 yen

+

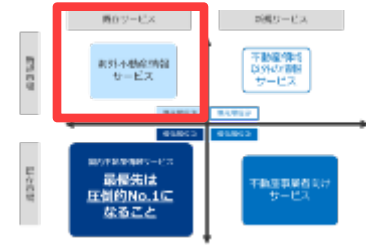
Tender fee: 500 yen
per tender

+

Contract fee: Work
cost x 6%

Comparison with competitor

Item	NEXT	Company A (top player in the industry)
Service	The user is allowed to select a contractor of his/her choice	The user is not allowed to select a contractor of his/her choice (the website does not provide contractor information)
User benefit	Advance payment reimbursement guarantee Cash rebate of up to 1% Extension of equipment guarantee	Completion guarantee
Business model	Pay-per-contract fee scheme	Pay-per-contract fee scheme
Use fee	Upfront fee: 250,000 yen Monthly fee: 10,000 yen Contract fee rate: 6%	Upfront fee: 250,000 yen Monthly fee: 6,000 yen Contract fee rate: 6%
Sales	280 million yen (FY03/2013)	Approx. 1,400 million yen (NEXT estimate)
Total work value	—	Approx. 20,000 million yen (NEXT estimate)



About Trovit Search, S.L.



NEXT Co., Ltd.

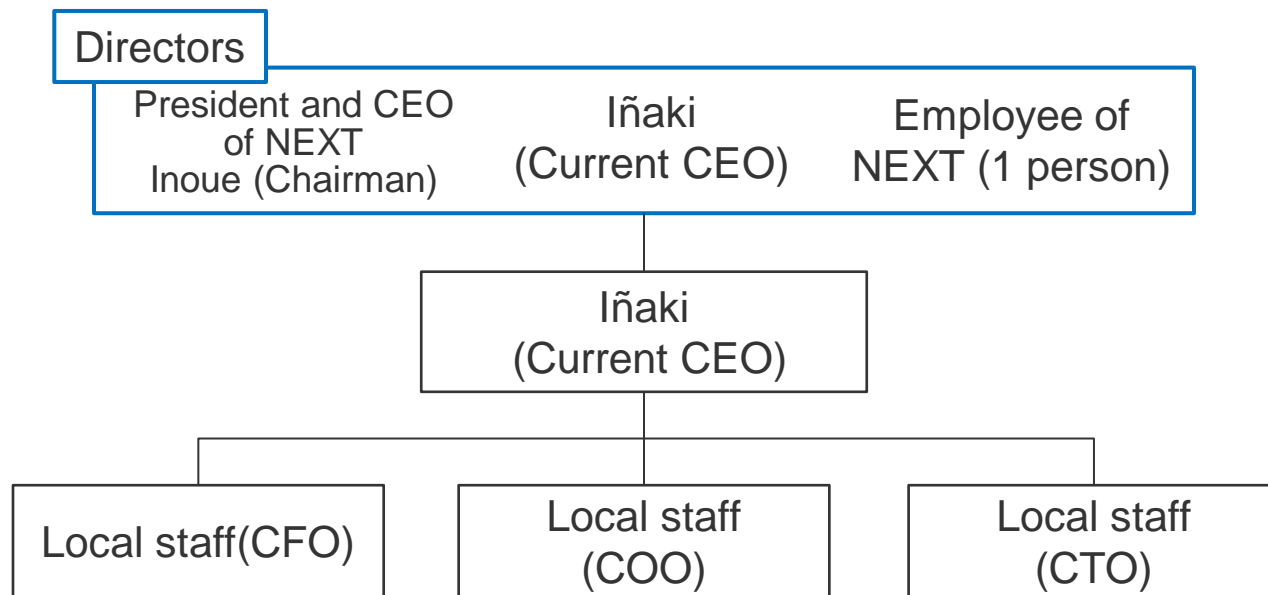
Intend to Make Trovit Search S.L. a Subsidiary of NEXT

About Trovit Search, S.L.



- > **Company name** : Trovit Search, S.L. (headquartered in Spain)
- > **Representative** : Iñaki Ecenarro , President and CEO
- > **Established** : October , 2006
- > **Consolidated Number of Employees** : 91 persons
- > **Business description** : Operation of one of the world's largest aggregator sites
(mainly real estate/housing, used car and employment information)
: Content partners totaling 20,000 firms and 600-strong paying customers
: Listed information totaling 120 million pieces (incl. approx. 86 million pieces of real estate information)
- > **Financial results** : 22,521K euros (approx. 3,153 million yen) in sales *Calculated with one euro at 140 yen
(Fiscal 2014 results) 7,924K euros (approx. 1,109 million) in operating profit
5,090K euros (approx. 712 million yen) in net profit
- > **Shares acquired** : 100%
- > **Acquisition consideration** : Share acquisition cost of 80 million euros + Accompanying cost of 100 million yen
Approx. 11,500 million yen in total

- > The majority of Trovit's directors are personnel from NEXT including Inoue who is President and CEO of NEXT.
- > We dispatch personnel for all directions from Japan and provide full support until the local sites will be on a growth path.



Dispatch personnel from NEXT to provide full support

Business management

Technology/marketing

Sales

Financial/accounting

Human resources

Internal control

- As partially mentioned in the “Question 5”, the current major management team will continue to promote business activities and maintain the system so that Trovit will not lose its strengths.



Iñaki Ecenarro

CEO&Co-Founder

- Born on July 22, 1973 (41 years old)
 - MBA/MIT Sloan School of Management (Graduated from MIT)
 - Founded Trovit after working at PwC and McKinsey & Company
 - When looking for a house, he felt inconvenient to look for a house from multiple portals, and started aggregator business
-



Marc Sturlese

CTO

- Born on August 1, 1982 (32 years old)
 - Has been a search engine technical officer of Trovit for 5 years and appointed as CTO in 2014.
 - Has high ability as an engineer and also excellent in management
-



Mauricio Silber

COO

- Born on February 19, 1982 (32 years old)
- Joined Trovit after working at Sonico and fnbox
- Has approximately 10-year experience in operation of SEM, SEO and PPC, and excellent in Web Marketing

What is aggregation site provided by Trovit?

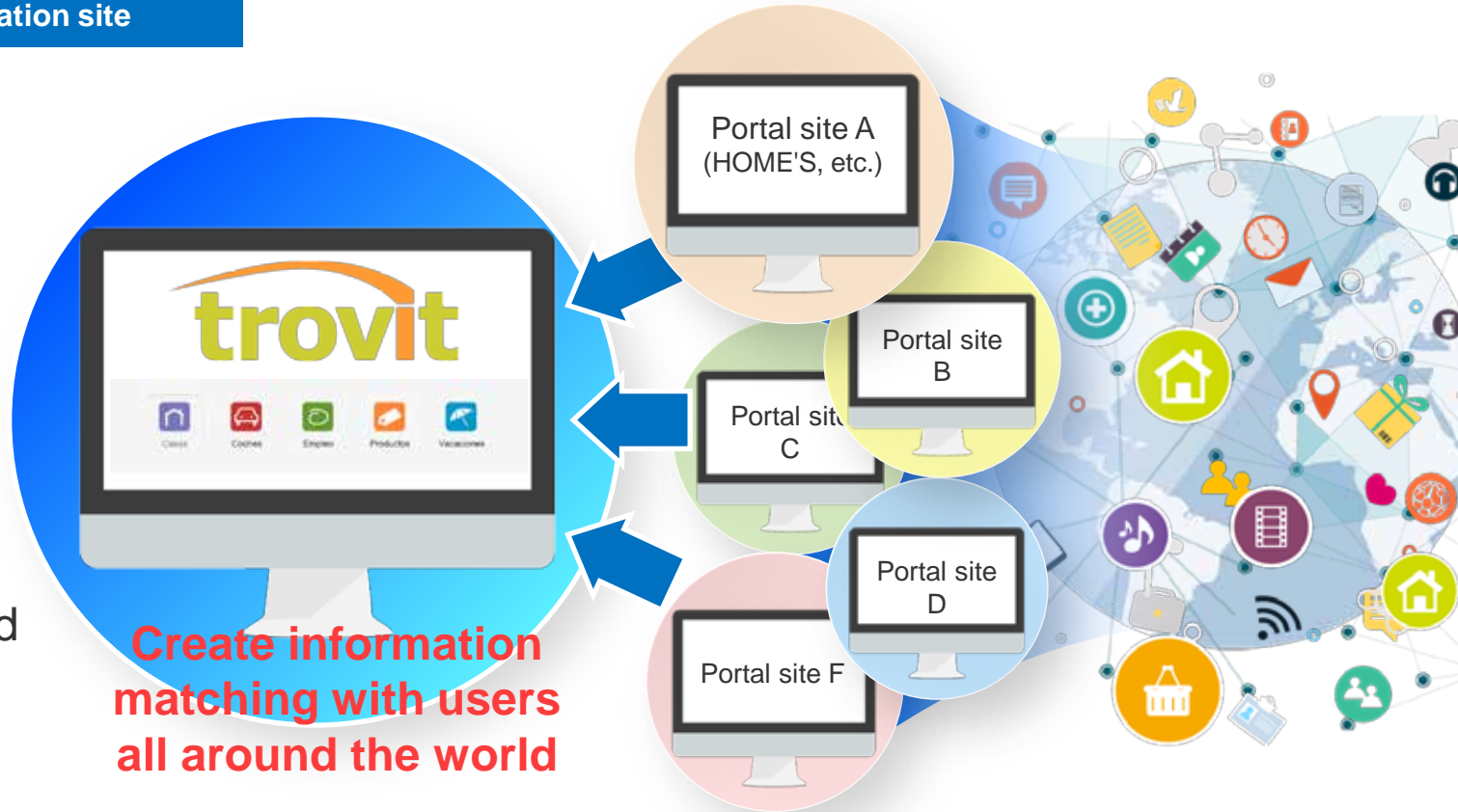
About Trovit Search, S.L.

POINT Trovit operates aggregation sites which consolidate multiple information-specific sites

Image of aggregation site



Users all around the world



Create information matching with users all around the world

Value of providing to users

Collectively search information from multiple sites

Value of providing to customers

Send users to various sites

Trovit operate largest aggregator sites of one of the world's

About Trovit Search, S.L.

POINT With focus on real estate, Trovit provides internet search sites in 43 countries around the world



Arab Emirates
Argentina
Australia
Austria
Belgium
Brazil
Canada
Chile
Columbia
Czech Republic
Denmark
Ecuador

France
Germany
Hong Kong
Hungary
India
Indonesia
Ireland
Italy
Malaysia
Mexico
Morocco
Netherlands

New Zealand
Nigeria
Pakistan
Peru
Philippines
Poland
Portugal
Romania
Russia
Singapore
South Africa
Spain

Sweden
Switzerland
Turkey
UK
US
Ukraine
Venezuela

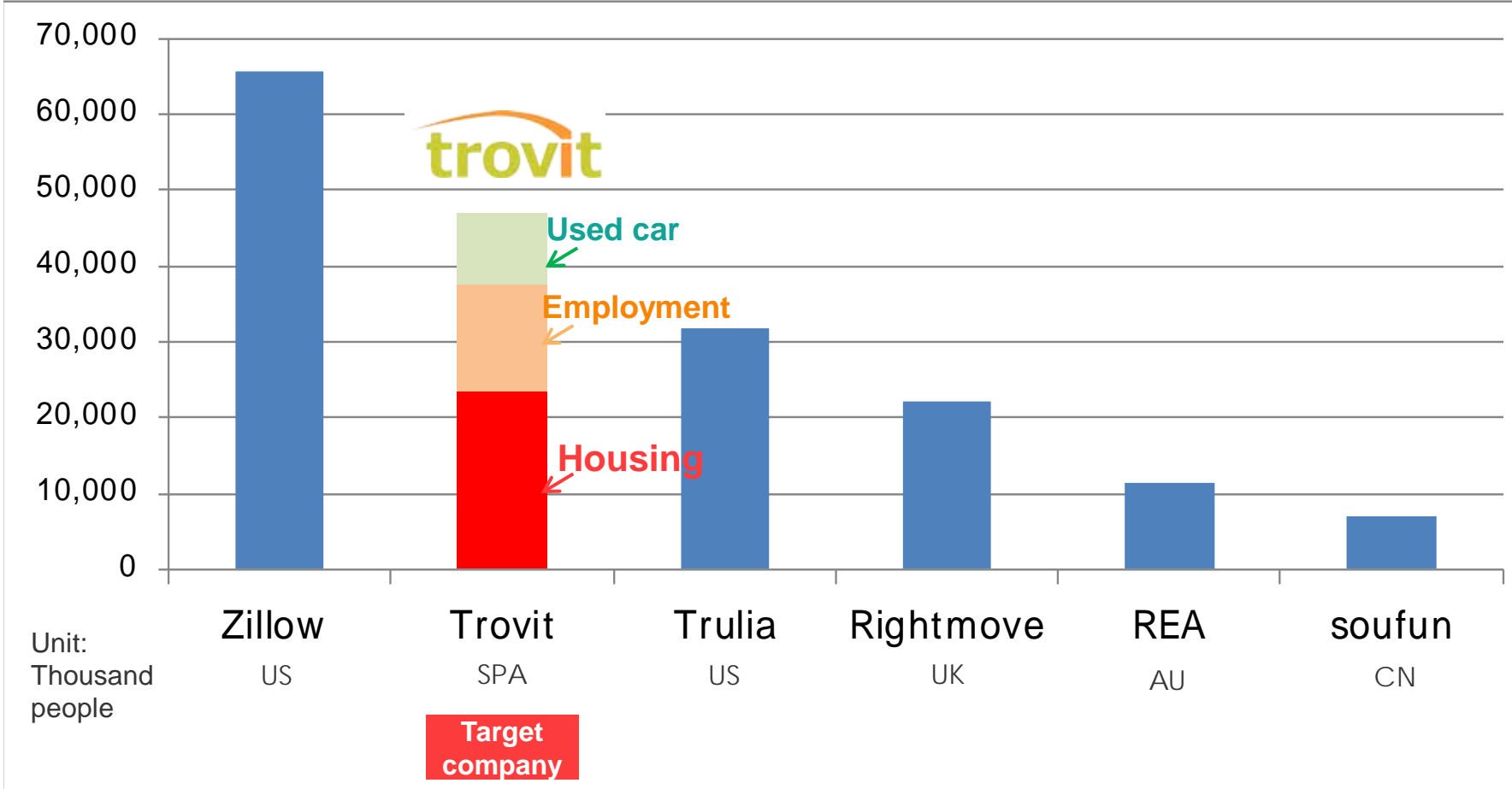
The number of users of real estate information sites in the world

About Trovit Search, S.L.

POINT

The number of users of Trovit per month is in the world's top class in the real estate information sites

Comparison regarding the number of users per month between Trovit and other real estate information sites in the world



Source: SimilarWeb data as of August of 2014. Regarding Trovit, the number is the total number in all deployment countries. The breakdown was calculated by us based on the past data. Other information is values taken from the representative sites of each country.

> Why Trovit has as many as 47 million users per month

- The world's top-class SEO technology. Acquire approximately 90% of traffic for free of charge (SimilarWeb data as of August of 2014)
- Systematize/automate SEO operation
- Operate websites in 39 countries at low cost

> Why portal sites use aggregation site

- **Large!** Large amount of traffic is maintained
- **Low cost!** Original WEB customer attraction requires cost and efforts
Low-cost WEB customer attraction is possible
- **Secure!** Since the algorithm for search engine is fluctuating, in-house operation has risks.

POINT

Making one group allows to cover almost all SEO technologies, achieving the world's top level of online traffic creation capability

Amount of searches

Domain where NEXT (HOME'S) is strong



Mutual complement leads to the world's top level of online traffic creation capability

Domain where Trovit is strong



Big/Middle word

Tail word

Accumulated No. of key words

Ex: Words with high search volume such as [Real estate], [Condominium], [Rental], etc.

Ex: Combination of multiple words such as [Setagaya Ward, rental condominium, within 10-min walk, pets allowed], etc.

POINT Trovit JAPAN is scheduled to launch its operations in the spring of 2015

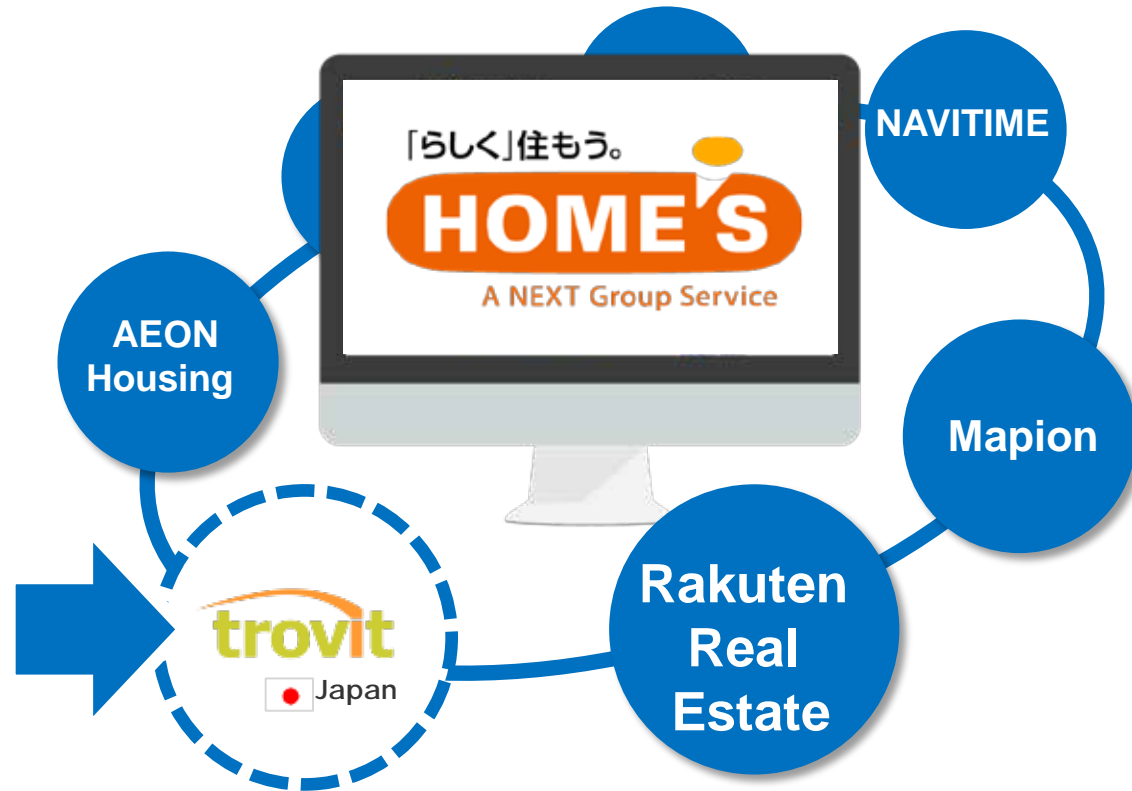
To act as a provider of multiple categories of information

- Real estate
- Cars
- Jobs



*The diagram shown above represents a conceptual screen image and the actual screen image may potentially differ from this diagram

Partner portal sites



*Some of the partner portal sites

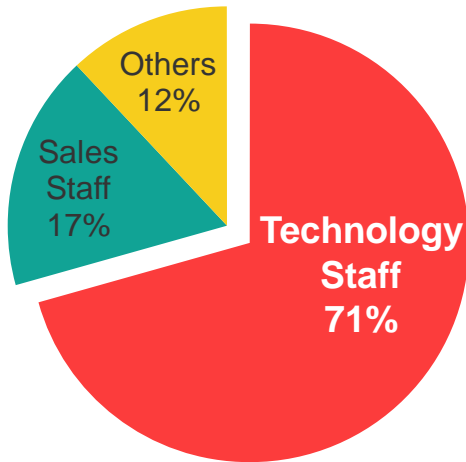
“Culture fit” of Trovit x NEXT

About Trovit Search, S.L.



“Help anyone in any country to find a home, car, job,”

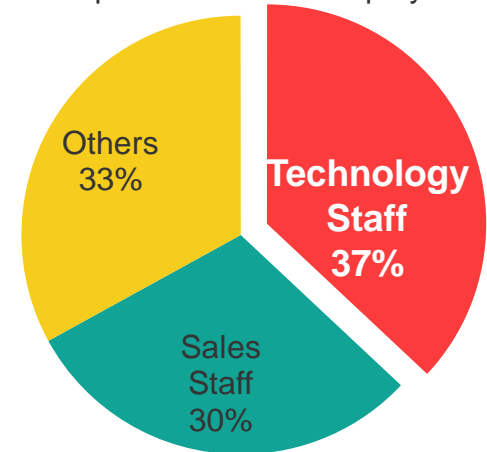
Composition ratio of employees



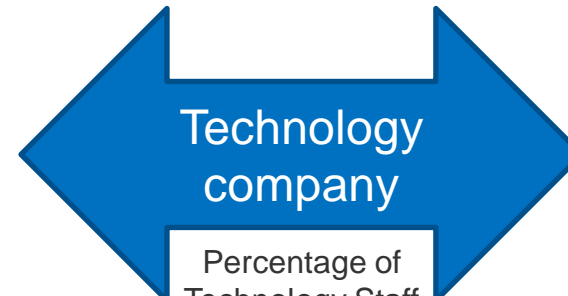
NEXT Co., Ltd.

“Create a society where everyone can attain comfort and happiness through continuing social innovations”

Composition ratio of employees



Corporate philosophy



Percentage of Technology Staff



Received “Great Place to work” award



**NEXT's aim is to locate
residences of the near future**

Strengthen efforts towards new technology

NEXT's aim is to locate residences of the near future

POINT

NEXT's aim is to locate residences of the near future



Strengthen efforts towards new technology

NEXT's aim is to locate residences of the near future

POINT

A virtual sneak peek app "Room VR"



It was introduced on Monday June 9, 2014 on TV Tokyo "WBS".

