

May 22, 2015

To whom it may concern,

Listed company name	NEXT Co., Ltd.	
Representative name	President and CEO	Takashi Inoue
	(Securities code 2120; 1st Section of the Tokyo Stock Exchange)	
Contact	Managing Officer, General Manager of Administration	Daigo Minaguchi
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Notice of the Acquisition of Shares of
Online Real Estate Marketing Business, AXELION

Following on from the announcement in “Notice of NEXT’s Entering into a Basic Agreement to Acquire Shares in AXELION” made on April 20, 2015, we hereby announce that the board of directors of NEXT Co., Ltd. (“NEXT”) approved a resolution on May 22, 2015 to acquire 60.0% of the outstanding shares of AXELION (headquarters: Shibuya-ku, Tokyo, Japan; President & CEO: Yasushi Abe) and make it an affiliate. The details are described as below.

1. Purpose of the share acquisition

The NEXT Group is the operator of the HOME’S website, which is the country’s top real estate and housing information site in the total number of online property listings^{(*)1} and is its top-class real estate and housing information site in the number of unique users. The NEXT Group delivers, on a one-stop basis, a whole range of relocation-related information not only on properties but also on prevailing rent levels, various know-how, local stations and areas of the user’s interest, and housing market trends as well as a full range of relevant services such as agreement signing and moving assistance services. In addition to offering media-based information, the firm in recent years has been focusing its efforts on the provision of services for real estate companies as well, striving to assist the whole real estate industry’s operations by way of delivering CRM^{(*)2} and DMP^{(*)3} services.

Being a provider of online marketing service for real estate companies, AXELION offers a range of services from consulting service for new condominiums and single-family homes to online sales promotion-related service on a one-stop basis.

The NEXT Group will leverage its know-how based on its “media capability” and AXELION’s “consulting capability” to upgrade the quantity and quality of the property information posted on the HOME’S website. At the same time, we will aspire to build a stronger customer base for the organization through assisting real estate companies’ operations.

*1: Data from Research and Development, Inc. (released on March 16, 2015)

*2: The term “CRM” is an acronym for “Customer Relationship Management”

*3: The term “DMP” is an acronym for “Data Management Platform”

2. Overview of AXELION

Name	AXELION		
Address	Shibuya-ku, Tokyo		
Name and position of representative	Yasushi Abe, President & CEO		
Main line of business	Online marketing business		
Paid-in capital	32,500,000 yen		
Founded	October 2005		
Main shareholders and shareholding ratio ^(*)	Yasushi Abe, Hiroyuki Kitazawa, employee stock ownership scheme, and three other individuals		
Relationship with NEXT	Capital relationship	No relationship	
	Human relationship	No relationship	
	Contractual relationship	NEXT and AXELION have a contractual relationship	
Business performance and financial conditions of the said company in the last three years (independent) ^(**,*3) (Unit: Thousand yen (exclusive of net assets per share, current net income per share, and dividends per share))			
Settlement term	Fiscal Year ending March 2013	Fiscal Year ending March 2014	Fiscal Year ending March 2015
Net assets	75,332	81,166	156,001
Total assets	597,671	709,872	726,697
Net assets per share (yen)	23,541.25	24,974.15	48,000.31
Sales	2,839,213	3,185,734	2,334,807
Operating income	1,753	28,153	37,088
Current net income	4,361	9,044	78,187
Current net income per share (yen) ^{*4}	1,362.81	2,782.77	24,057.54
Dividends per share (yen) ^(**4)	Common stock 1,000 Preferred stock 1,050	Common stock 1,200 Preferred stock 1,260	Not yet decided

*1 Shareholding ratio of each shareholder is not given, as per existing agreement with shareholders.

*2 Business performance and financial conditions are unaudited.

*3 AXELION has two subsidiaries, but as they are of limited significance, performance as an independent company only is provided.

*4 Net assets per share and current net income per share are calculated on the basis of the number of shares at the end of the fiscal year.

3. Overview of people from whom shares are to be acquired

(1) Name	Yasushi Abe	Hiroyuki Kitazawa	
(2) Address	Shinagawa-ku, Tokyo	Yamato-shi, Kanagawa	
(3) Relationship with NEXT	Capital relationship	No relationship	No relationship
	Human relationship	No relationship	No relationship
	Contractual relationship	No relationship	No relationship

4. Number and value of shares to be acquired and the shareholding prior to and after the acquisition

Number of shares owned prior to acquisition	0 (Number of voting rights: 0) (Ratio of voting rights owned: 0.0%)
Number of shares acquired	Common stock: 1,950 shares (Number of voting rights: 1,950)
Cost of share acquisition	AXELION's common stock: Approximately 480 million yen Separate advisory expenses, etc.: Approximately 7 million yen Total cost: Approximately 487 million yen
Number of shares owned after acquisition	Common stock: 1,950 shares (Number of voting rights: 1,950) (Ratio of voting rights owned: 60.0%) (Note)

Note: Mr. Abe, shareholder of said company, plans to acquire 200 preferred shares without voting rights from the existing shareholders and convert them to common stock. The above ratio of voting rights owned shows the figure after conversion to common stock.

5. Cash for the planned share acquisition

The cash on hand held by NEXT will be used for the planned share acquisition.

6. Schedule

May 22, 2015: Conclusion of the Share Transfer Agreement

Late May 2015: Acquisition of the shares (planned)

The planned procedure date is subject to change due to circumstances.

7. Future outlook and potential effects on NEXT's financial results

Currently, careful examination is underway regarding the potential effects of the planned transaction on NEXT's financial results. Any information required to be disclosed will be released by management when appropriate. Regardless, NEXT plans to announce its newly projected sales results reflecting this when it announces its financial results for the 1st Quarter of the Fiscal Year ending March 2016, planned for August 12, 2015.