

***BtoB e-commerce platform***

**Info Mart Corporation**  
**FY2015 Second Quarter Financial Results**

**(January 1, 2015 – June 30, 2015)**

**FY2015 / 2Q**  
**TSE Mothers (2492)**

 **Info Mart Corporation**

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# I . About Infomart

## <Corporate Profile>

- Established: February 13, 1998
- Listing: August 8, 2006 ( TSE Mothers / Stock code: 2492 )
- Head office: Minato-ku, Tokyo
- Nishinihon sales office: Yodogawa-ku, Osaka-shi
- Customer center: Hakata-ku, Fukuoka-shi
- Capital: 1,057.00 million yen (as of end-June 2015)
- Consolidated subsidiaries: InfoRise、Infomart International
- No. of employees(connection): 364 (full-time 303 / temporary 61) (as of end-June 2015)



**BtoB platform,**

**connecting business people directly, between  
companies, within companies, and**

**providing systems that bring major change to company  
management and business style.**

**Build systems and businesses that go beyond  
industry borders, beyond national borders, to  
become a global BtoB infrastructure company.**



## Feature of Infomart's Business②

### Specialize in BtoB (Business-to-Business EC) for 17 years since the company's founding

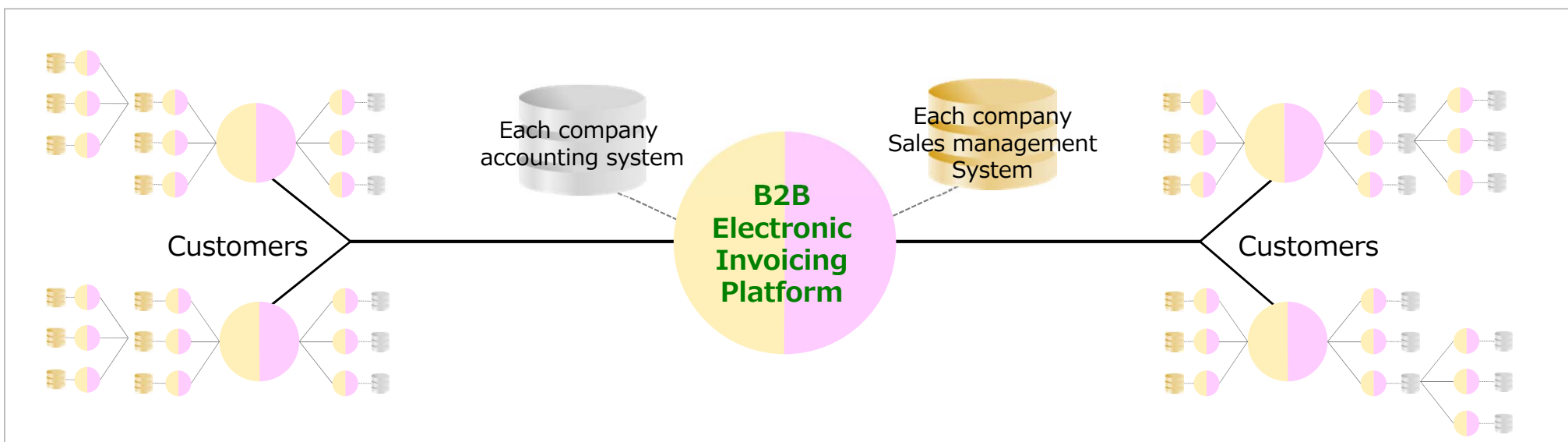
Provide a “ BtoB platform **FOODS Info Mart** ” in the food industry linking a business relationship between companies since the company's founding in 1998.

### ASP (cloud) system

Provide a **wide range** of companies with a system to use on **the same screen**. Customers can use up-to-date services at **low cost every month** by the Internet with **no system investment**.

### Stable revenue model

Build a stable revenue model through monthly system usage fees.



All companies **4.13 million** companies and **5.77 million** penetration purpose of the business office of Japan.

## Changes to Business Segments

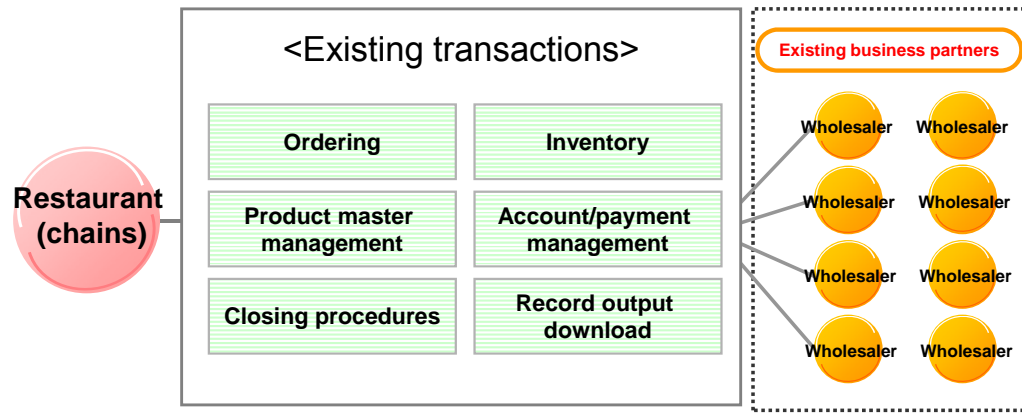
**Business Segments will change from FY2015.**

Before Change	After Change
<b>ASP Ordering System Business</b>	<b>ASP Ordering System Business</b> (ASP Ordering System)
<b>ASP Food Standards Database Business</b>	<b>ASP Food Standards Database Business</b> (ASP Food Standards Database)
<b>ASP Matching &amp; Transaction System Business</b>	<b>ES Business</b> (ASP Matching & Transaction System) (BtoB Electronic Invoicing Platform)
<b>ASP Sales Promotion &amp; Ordering System Business</b>	
<b>Cloud Service Business</b>	<b>Other</b> (Businesses that will grow in the medium- to long-term)
<b>Overseas Business</b>	

# Info Mart's BtoB Platform

## ASP Ordering System

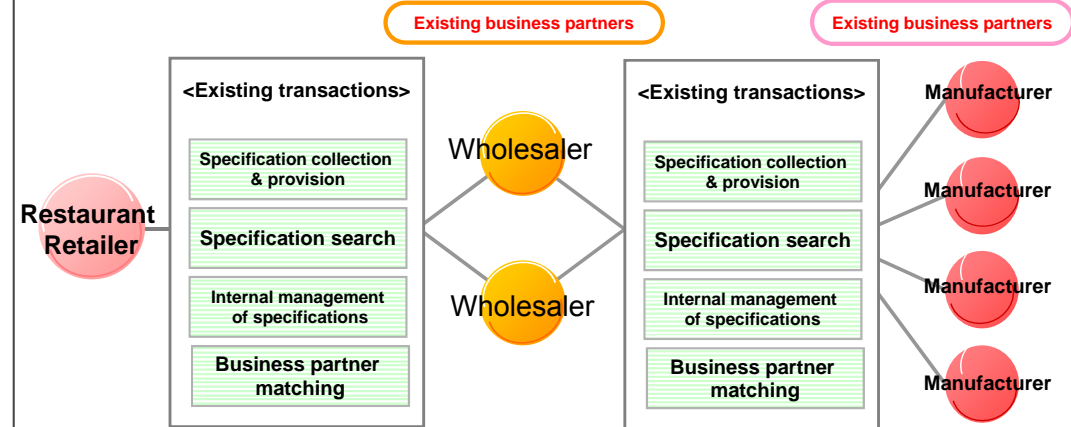
(Ordering between restaurant chains and wholesalers)



Quotation, Purchase order, Delivery slip, The invoice to electronic

## ASP Food Standards Database

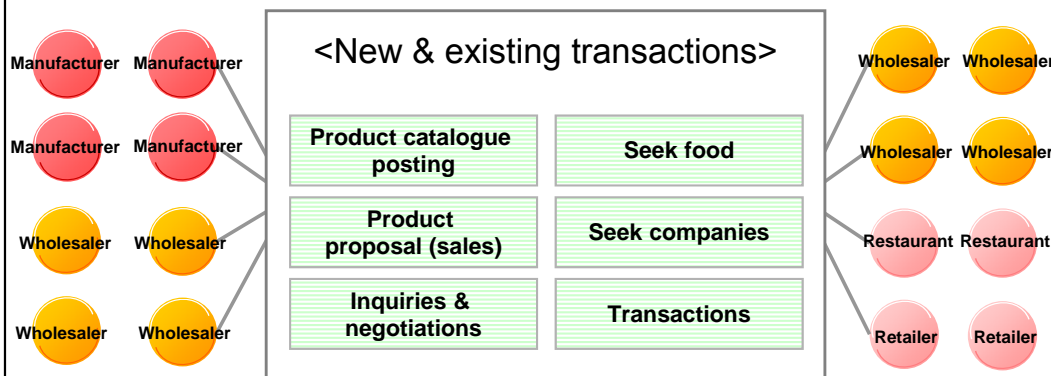
(Product specification DB of food hygiene & safety)



Food standard sheets, The menu management to electronic

## ASP Matching & Transaction System

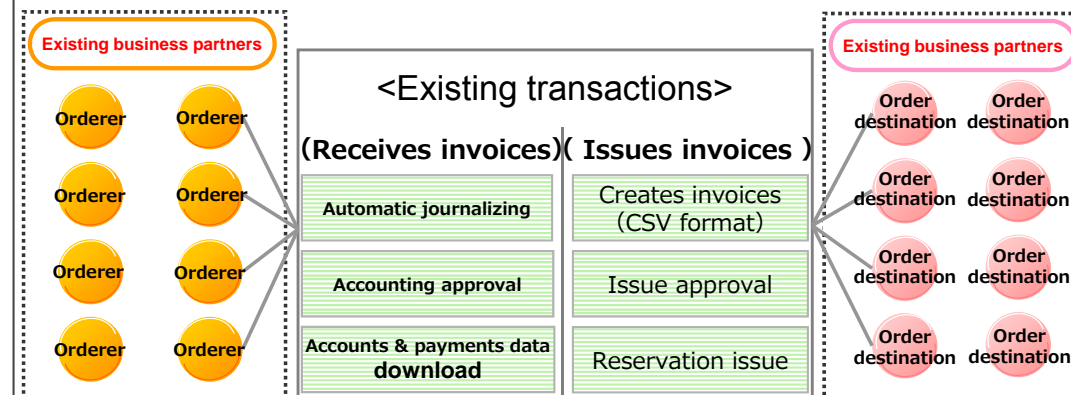
(Expand the ASP Matching & Transaction System as a business-to-business)



Quotation, Purchase order, Delivery slip to electronic

## BtoB Electronic Invoicing Platform

(Receives & Issues invoices of all industries and companies)



The invoice to electronic

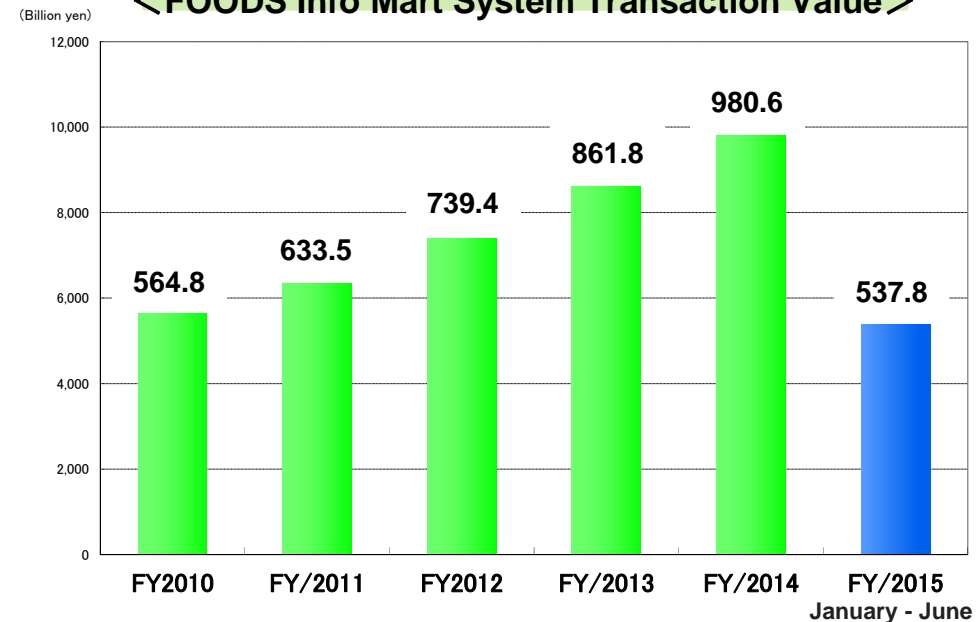
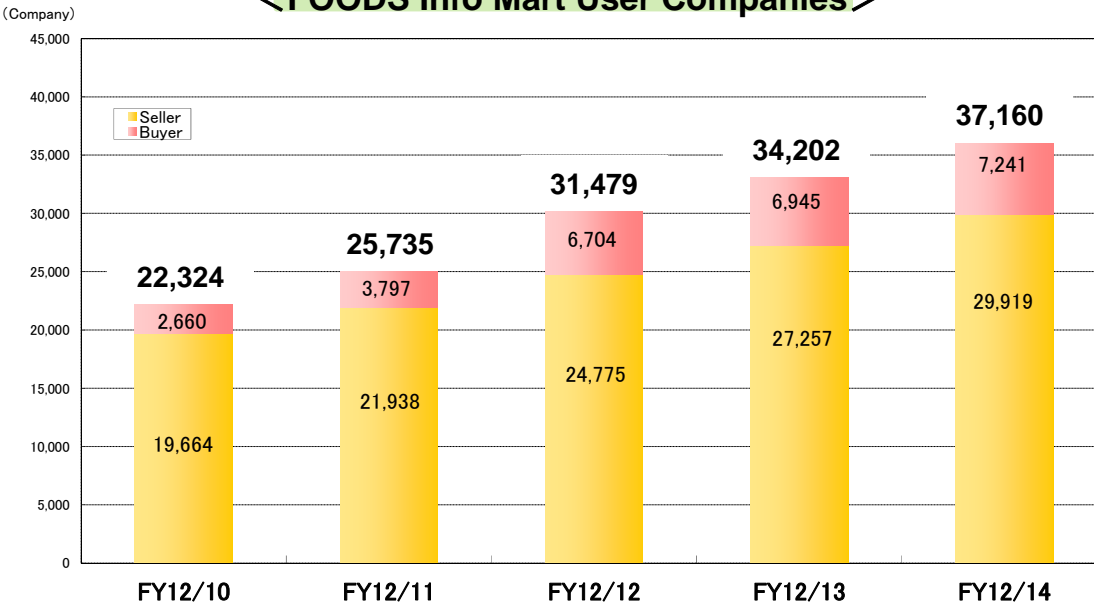


## Grew to **No.1 BtoB platform** in the food industry

“FOODS Info Mart” No. of users **38,119** companies, **200,834** offices (as of end-June 2015), annual transaction value **980.6** billion yen, penetration rate **13.6%** (in 2014).

<FOODS Info Mart User Companies>

<FOODS Info Mart System Transaction Value>



### No. of food industry customers

Classification	No. of customers
Food manufacturers & Producers, etc.	57,842 customers
Food wholesalers	73,006 customers
Restaurants, Stores & Hotels, etc.	729,188 customers
Supermarkets & Retailers, etc.	326,276 customers
<b>Total</b>	<b>1,186,312 customers</b>

#### FOODS Infomart system users

(as of end-June 2015)

➔ **200,834 customers**  
(**16.9%** of the entire customers)

\*2012 Economic Census for Business Activity (announced on February 26, 2014), Ministry of Internal Affairs and Communications

### Restaurant industry market size

Restaurant industry market size (2013)	23,904.6 billion yen
Purchase amount (calculated based on 30% of market size)	7,171.3 billion yen

#### FOODS Infomart system transaction value

(2014 result)

➔ **980.6 billion yen**  
(**13.6%** of the entire purchase amount)

\*Restaurant industry market size extracted from Foodservice Industry Research Institute data

## II . About December, 2015 period

## FY12/15 ( Focus by Segment )

Division	Focus
General	<ul style="list-style-type: none"> <li>▪ Accelerating growth in the company's business-to-business market share of the food industry (target: 40,000 users of FOODS Info Mart).</li> <li>▪ Making Infomart's BtoB Electronic Invoicing Platform a de-facto industry standard.</li> </ul>
ASP Ordering System	<ul style="list-style-type: none"> <li>▪ Expanding the format and service area of the ASP Ordering System.</li> <li>▪ Targeting annual transaction volume of JPY1tn.</li> </ul>
ASP Food Standards Database	<ul style="list-style-type: none"> <li>▪ Increasing usage of the ASP Food Standards Database among major restaurant chains and hotels.</li> <li>▪ Releasing new functions and services designed to meet clients' needs.</li> </ul>
ES	<ul style="list-style-type: none"> <li>▪ Increasing usage of the BtoB Electronic Invoicing Platform in the food industry and elsewhere.</li> <li>▪ Increasing sales of the ASP Matching &amp; Transaction System as a business-to-business sales and purchasing system.</li> </ul>
Other	<ul style="list-style-type: none"> <li>▪ Developing the overseas and media businesses over the medium to long term.</li> </ul>

## FY12/15 ( Business Forecasts )

(Million yen)

	2014/12 2Q Actual	2015/12 2Q Plan	YoY
<b>Sales</b>	<b>4,979</b>	<b>5,948</b>	<b>19.5%</b>
<b>CoGs</b>	<b>1,144</b>	<b>1,475</b>	<b>28.9%</b>
<b>Gross Profit</b>	<b>3,835</b>	<b>4,473</b>	<b>16.6%</b>
<b>SG&amp;A</b>	<b>1,889</b>	<b>2,190</b>	<b>15.9%</b>
<b>Operating Profit</b>	<b>1,945</b>	<b>2,283</b>	<b>17.4%</b>
<b>Recurring Profit</b>	<b>1,962</b>	<b>2,279</b>	<b>16.2%</b>
<b>Net Income</b>	<b>1,177</b>	<b>1,404</b>	<b>19.3%</b>
<b>RPM</b>	<b>39.4%</b>	<b>38.3%</b>	<b>-1.1%</b>

- Sales: Higher system usage fees due to increased use of the ASP Ordering System, the ASP Food Standards Database, and the BtoB Electronic Invoicing System .
- CoGS: Higher expenses related to data centers, due to enhancements to servers; software depreciation costs also up due to new system releases.
- SG&A expenses: Higher personnel expenses due to increased hiring (mainly new graduates) for future business growth.
- Recurring profit: Higher profits as sales from the three segments increased, absorbing higher costs.

**The above profit plan , there is no change from the previous publication ( announced February 13, 2015 ) .**

## III. FY2015 Second Quarter Financial Results

## FY2015 Second Quarter Business Results (YoY)

(Million yen)

	2014/12 2QActual	2015/12 2QActual	YoY
<b>Sales</b>	<b>2,364</b>	<b>2,714</b>	<b>14.8%</b>
<b>CoGs</b>	<b>553</b>	<b>734</b>	<b>32.7%</b>
<b>Gross Profit</b>	<b>1,810</b>	<b>1,979</b>	<b>9.3%</b>
<b>SG&amp;A</b>	<b>969</b>	<b>991</b>	<b>2.2%</b>
<b>Operating Profit</b>	<b>841</b>	<b>988</b>	<b>17.5%</b>
<b>Recurring Profit</b>	<b>834</b>	<b>991</b>	<b>18.8%</b>
<b>Net Income</b>	<b>503</b>	<b>612</b>	<b>21.8%</b>
<b>RPM</b>	<b>35.3%</b>	<b>36.5%</b>	<b>1.2%</b>

- Sales: Higher system usage fees due to increase in the number of companies using, and increased use of, the ASP Ordering System and the ASP Food Standards Database.  
New sales booked in the ES business from setup and system usage fees for the B2B Electronic Invoicing Platform.
- CoGS: Software depreciation costs up due to systems development of the B2B Electronic Invoicing Platform, etc.  
Higher expenses related to data centers due to server enhancements to handle future growth in usage.
- SG&A expenses: Higher personnel expenses due to increased hiring (mainly new graduates) in the sales department for future business growth, but the increase in expenses muted by a reduction in fees paid.
- Recurring profit: Higher profits as sales increased, absorbing higher software depreciation costs and data center costs.

# FY2015 Second Quarter Business Results ( YoY / Details )

(Million yen / %:YoY)

	2014/12(Actual)					2015/12(Actual)					
	1Q	2Q	3Q	4Q	Total	1Q		2Q		2QTotal	
ASP Ordering System	685	715	746	797	2,944	757	10.6%	833	16.5%	1,591	13.6%
ASP Food Standards Database	168	180	191	201	741	214	27.1%	240	33.4%	454	30.3%
ES	276	287	307	328	1,200	314	13.6%	310	7.8%	624	10.6%
Other	37	29	29	37	134	33	-9.6%	30	3.2%	64	-4.0%
<b>【Sales】</b>	<b>1,157</b>	<b>1,206</b>	<b>1,266</b>	<b>1,348</b>	<b>4,979</b>	<b>1,310</b>	<b>13.2%</b>	<b>1,403</b>	<b>16.3%</b>	<b>2,714</b>	<b>14.8%</b>
ASP Ordering System	160	167	170	176	675	180	12.3%	217	29.6%	397	21.2%
ASP Food Standards Database	32	33	35	36	137	38	20.4%	58	72.1%	97	46.8%
ES	57	60	65	72	255	93	63.1%	130	116.2%	224	90.4%
Other	28	23	23	27	104	16	-44.1%	13	-44.0%	29	-44.0%
<b>【CoGs】</b>	<b>271</b>	<b>282</b>	<b>288</b>	<b>302</b>	<b>1,144</b>	<b>321</b>	<b>18.7%</b>	<b>412</b>	<b>46.2%</b>	<b>734</b>	<b>32.7%</b>
ASP Ordering System	524	547	576	621	2,269	577	10.1%	615	12.4%	1,193	11.3%
ASP Food Standards Database	136	146	156	164	604	175	28.6%	182	24.5%	357	26.5%
ES	219	226	241	256	944	220	0.6%	179	-21.0%	399	-10.4%
Other	8	5	6	9	30	17	103.2%	16	216.9%	34	145.9%
<b>【Gross Profit】</b>	<b>886</b>	<b>924</b>	<b>978</b>	<b>1,046</b>	<b>3,835</b>	<b>988</b>	<b>11.5%</b>	<b>990</b>	<b>7.2%</b>	<b>1,979</b>	<b>9.3%</b>
ASP Ordering System	196	218	179	200	794	195	-0.9%	211	-3.1%	406	-2.1%
ASP Food Standards Database	91	104	88	98	382	99	9.3%	109	4.8%	209	6.9%
ES	148	160	142	166	618	160	8.0%	170	6.7%	331	7.4%
Other	26	24	23	23	98	22	-16.4%	23	-5.5%	45	-11.2%
<b>【SG&amp;A】</b>	<b>462</b>	<b>506</b>	<b>432</b>	<b>488</b>	<b>1,889</b>	<b>476</b>	<b>3.1%</b>	<b>514</b>	<b>1.5%</b>	<b>991</b>	<b>2.2%</b>
ASP Ordering System	327	329	396	420	1,474	382	16.7%	404	22.7%	786	19.7%
ASP Food Standards Database	45	41	68	66	222	75	67.4%	72	73.8%	148	70.5%
ES	70	66	99	89	326	60	-15.0%	8	-87.7%	68	-50.3%
Other	-18	-19	-17	-13	-68	-4	-	-6	-	-11	-
<b>【Operating Profit】</b>	<b>423</b>	<b>417</b>	<b>546</b>	<b>557</b>	<b>1,945</b>	<b>511</b>	<b>20.8%</b>	<b>476</b>	<b>14.1%</b>	<b>988</b>	<b>17.5%</b>
<b>【Recurring Profit】</b>	<b>419</b>	<b>414</b>	<b>556</b>	<b>571</b>	<b>1,962</b>	<b>511</b>	<b>21.9%</b>	<b>479</b>	<b>15.7%</b>	<b>991</b>	<b>18.8%</b>
<b>【Net Income】</b>	<b>243</b>	<b>259</b>	<b>344</b>	<b>330</b>	<b>1,177</b>	<b>307</b>	<b>26.3%</b>	<b>305</b>	<b>17.6%</b>	<b>612</b>	<b>21.8%</b>

RPM	36.2%	34.4%	43.9%	42.4%	39.4%	39.0%	2.8%	34.2%	-0.2%	36.5%	1.2%
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## FY2015 Second Quarter Business Results (vs. Plan)

(Million yen)

	2015/12 2Q Plan	2015/12 2Q Actual	Diff
<b>Sales</b>	<b>2,783</b>	<b>2,714</b>	<b>-69</b>
<b>CoGs</b>	<b>715</b>	<b>734</b>	<b>19</b>
<b>Gross Profit</b>	<b>2,066</b>	<b>1,979</b>	<b>-87</b>
<b>SG&amp;A</b>	<b>1,063</b>	<b>991</b>	<b>-72</b>
<b>Operating Profit</b>	<b>1,003</b>	<b>988</b>	<b>-15</b>
<b>Recurring Profit</b>	<b>1,001</b>	<b>991</b>	<b>-10</b>
<b>Quarter Net Income</b>	<b>616</b>	<b>612</b>	<b>-4</b>
<b>RPM</b>	<b>36.0%</b>	<b>36.5%</b>	<b>0.5%</b>

- Sales: The increase in the number of companies using the ASP Ordering System and system transactions in the ASP Ordering System business exceeded forecasts, but for the ES business and the B2B Electronic Invoicing Platform the focus was on new business, so sales from setup fees from new contracts fell short of targets, meaning overall targets were not met.
- CoGS: One-time expenses related to content production were incurred.
- SG&A expenses: Some conservatively forecast personnel expenses and sales promotion costs, etc., were not incurred.
- Recurring profit: Slightly under targets, despite some non-incurred SG&A expenses partially absorbing sales falling short of targets.



# FY2015 Second Quarter Business Results (vs. Plan / Details)

	2015/12								
	1Q			2Q			2QTotal		
	Plan	Actual	Diff	Plan	Actual	Diff	Plan	Actual	Diff
ASP Ordering System	754	757	3	816	833	17	1,570	1,591	21
ASP Food Standards Database	209	214	5	243	240	-3	452	454	2
ES	325	314	-11	383	310	-73	708	624	-84
Other	35	33	-2	36	30	-6	71	64	-7
<b>【Sales】</b>	<b>1,314</b>	<b>1,310</b>	<b>-4</b>	<b>1,469</b>	<b>1,403</b>	<b>-66</b>	<b>2,783</b>	<b>2,714</b>	<b>-69</b>
ASP Ordering System	178	180	2	231	217	-14	409	397	-12
ASP Food Standards Database	38	38	0	43	58	15	81	97	16
ES	93	93	0	115	130	15	208	224	16
Other	17	16	-1	17	13	-4	34	29	-5
<b>【CoGs】</b>	<b>318</b>	<b>321</b>	<b>3</b>	<b>397</b>	<b>412</b>	<b>15</b>	<b>715</b>	<b>734</b>	<b>19</b>
ASP Ordering System	576	577	1	585	615	30	1,161	1,193	32
ASP Food Standards Database	170	175	5	200	182	-18	370	357	-13
ES	232	220	-12	267	179	-88	499	399	-100
Other	17	17	0	20	16	-4	37	34	-3
<b>【Gross Profit】</b>	<b>995</b>	<b>988</b>	<b>-7</b>	<b>1,071</b>	<b>990</b>	<b>-81</b>	<b>2,066</b>	<b>1,979</b>	<b>-87</b>
ASP Ordering System	204	195	-9	216	211	-5	420	406	-14
ASP Food Standards Database	118	99	-19	129	109	-20	247	209	-38
ES	173	160	-13	179	170	-9	352	331	-21
Other	22	22	0	22	23	1	44	45	1
<b>【SG&amp;A】</b>	<b>517</b>	<b>476</b>	<b>-41</b>	<b>546</b>	<b>514</b>	<b>-32</b>	<b>1,063</b>	<b>991</b>	<b>-72</b>
ASP Ordering System	372	382	10	369	404	35	741	786	45
ASP Food Standards Database	52	75	23	71	72	1	123	148	25
ES	59	60	1	88	8	-80	147	68	-79
Other	-5	-4	1	-3	-6	-3	-8	-11	-3
<b>【Operating Profit】</b>	<b>478</b>	<b>511</b>	<b>33</b>	<b>525</b>	<b>476</b>	<b>-49</b>	<b>1,003</b>	<b>988</b>	<b>-15</b>
<b>【Recurring Profit】</b>	<b>477</b>	<b>511</b>	<b>34</b>	<b>524</b>	<b>479</b>	<b>-45</b>	<b>1,001</b>	<b>991</b>	<b>-10</b>
<b>【Net Income】</b>	<b>294</b>	<b>307</b>	<b>13</b>	<b>322</b>	<b>305</b>	<b>-17</b>	<b>616</b>	<b>612</b>	<b>-4</b>

RPM	36.3%	39.0%	2.7%	35.7%	34.2%	-1.5%	36.0%	36.5%	0.5%
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## [The highlights of 2015/2Q]

Growth in installations of the ASP Ordering System at buyer companies such as restaurant chains, hotels, commercial facilities, and catering companies is strong, and the number of buyer stores and seller companies has grown. There has also been a steady flow of sales introductions from alliance partners (existing sellers and cooperating systems providers, etc.).

Compared to the end of previous year, the number of buyer companies grew by **109 companies** to **1,567 companies**, participating stores grew by **1,924 stores** to **32,228 stores**, seller companies grew by **839 companies** to **27,195 companies**, and system sales grew **20.5%** to **JPY519.7bn**.



### Monthly payment plans

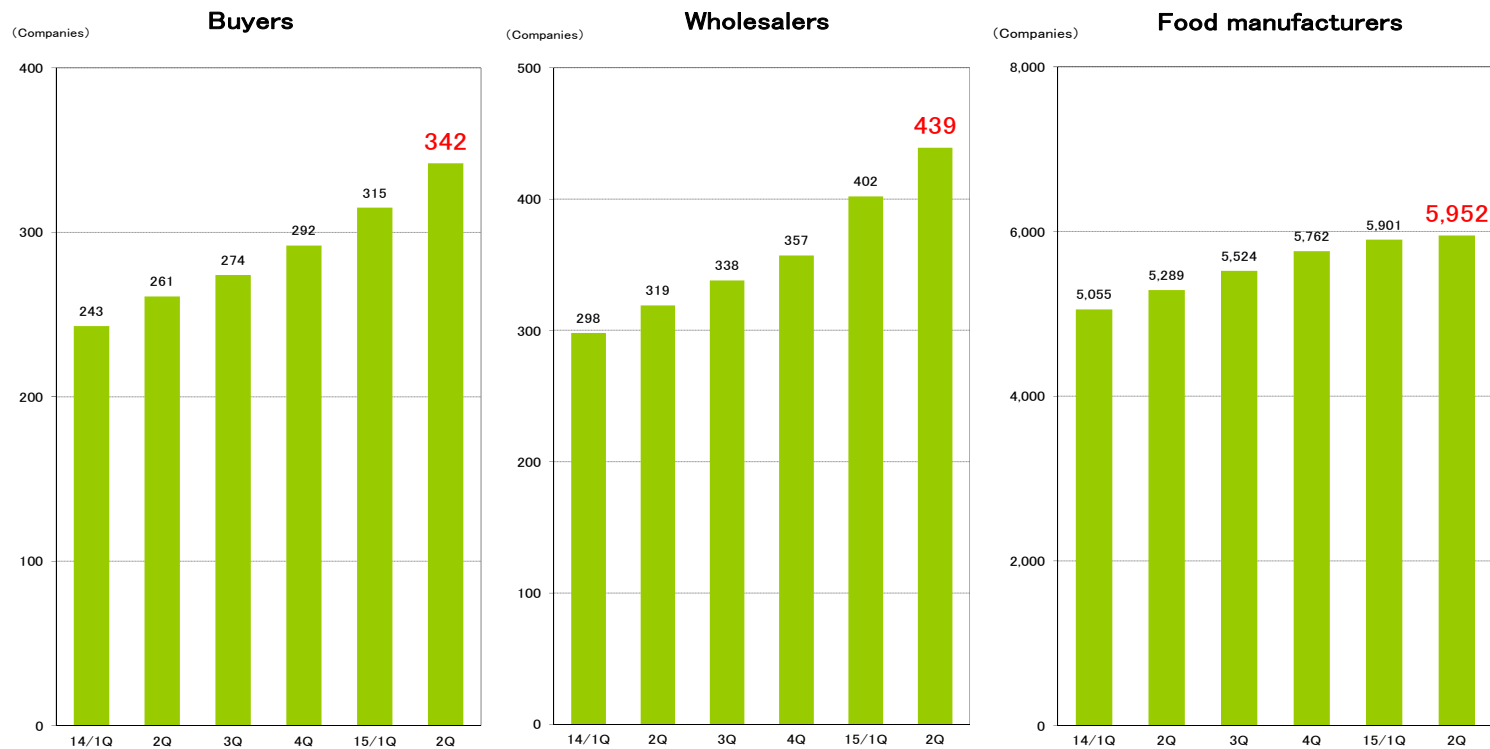
Buyers – Chain restaurant HQs: JPY18,000  
 Restaurants/stores: JPY1,300  
 \*Initial fee: JPY300,000 – JPY1,000,000  
 (depending on the no. of restaurants/stores)

Sellers – (Price revised April 1, 2015)  
 Monthly system usage fee (either fixed price or pay-for-use)  
 Fixed price: JPY28,000 → **JPY30,000**  
 Pay-for-use: 1.1% of monthly transaction amount → **1.2%** <Free up to JPY100,000>  
 Per new ID: JPY800

[ The highlights of 2015/2Q ]

The ASP Food Standards Database was promoted for expanded use by clients with buyer, wholesaler, and manufacturer functions, as well as the company's system, as a product standards database system supporting food safety. It has also increasingly been used by large restaurant and hotel chains in particular to improve legal compliance, procurement standards and allergens management, etc.

Compared to the end of previous year, the number of buyer companies grew by **50 companies** to **342 companies**, wholesalers grew by **82 companies** to **439 companies**, and manufacturers grew by **190 companies** to **5,952 companies**.



(Number of companies and the number of stores of the graph is the number at the end of each quarter .)

Monthly payment plans

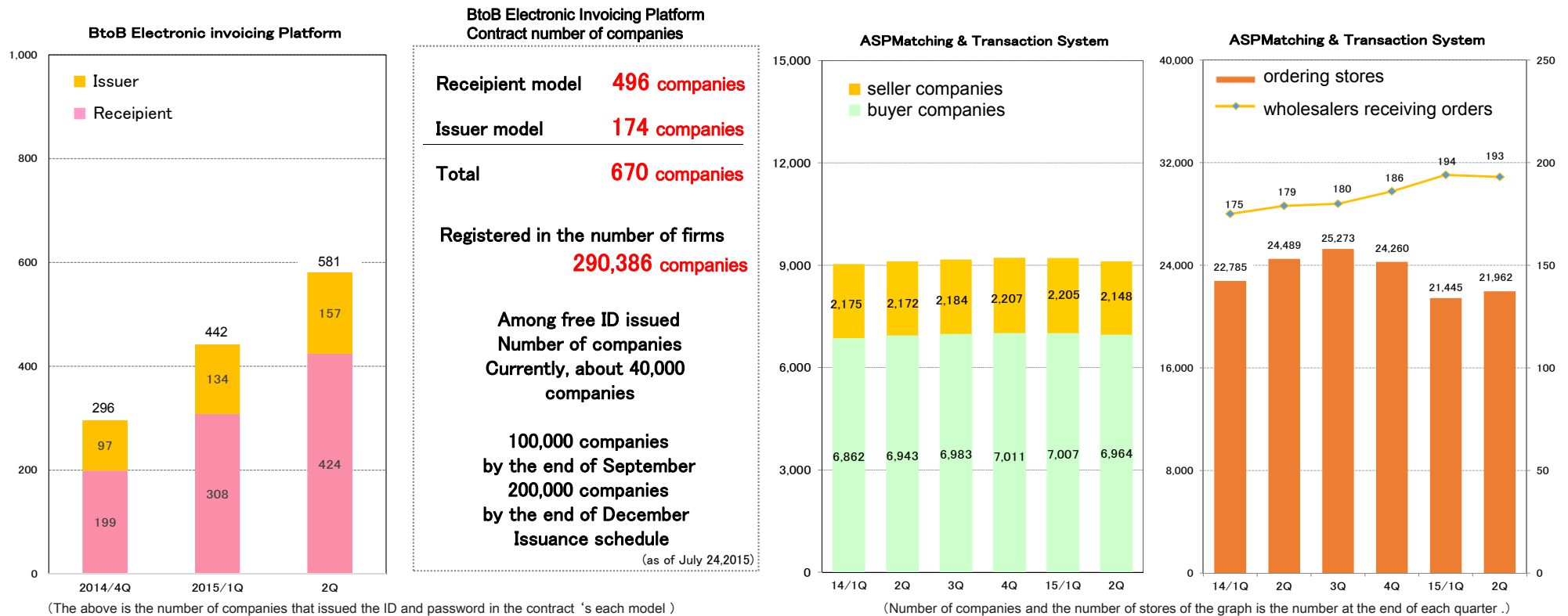
Buyers:	JPY30,000	*Initial fee: JPY300,000
Wholesalers:	JPY25,000	*Initial fee: JPY50,000
Manufacturer function ( Price revised April 1, 2015 )		
Monthly system usage fee ( either fixed price or pay-for-use )	Fixed price:	JPY25,000 → <b>JPY35,000</b>
	Pay-for-use:	JPY1,000 – JPY15,000 → <b>JPY1,000 – JPY25,000</b>

## [ The highlights of 2015/2Q ]

New contracts were won for the paperless B2B Electronic Invoicing Platform, which allows companies to issue and receive electronic invoicing, reducing costs and time, and improving productivity on both the issuing and receiving side. Progress was made in winning contracts in the food industry and in other industries.

For the B2B Electronic Invoicing Platform there were **424 companies** acting as model receiving companies, **157 companies** acting as model issuing companies, for a total **581 companies** participating.

Compared to end of the previous year, for the ASP Matching & Transaction System, the number of buyer companies fell by **47 companies** to **6,964 companies**, seller companies fell by **59 companies** to **2,148 companies**, wholesalers receiving orders grew by **7 companies** to **193 companies**, and ordering stores fell by **2,298 stores** to **21,962 stores**.



### Monthly payment plans

Plan	(Amounts exclusive of sales tax)		
	IT-based purchasing type	Purchasing billing type	New customer discovery type
Monthly system usage fee	JPY23,000 per ID	JPY10,000 per ID	JPY5,000 per ID
Metered billing	1 <Depending on number of order IDs> JPY1,300 per operation base ID	-	-
	2 <Depending on number of receiving companies> Up to 50 companies included in basic fees JPY5,000 to JPY100,000	-	-
Setup costs	From JPY280,000 (Depending on number of stores and clients)	From JPY50,000 (Depending on number of clients)	-

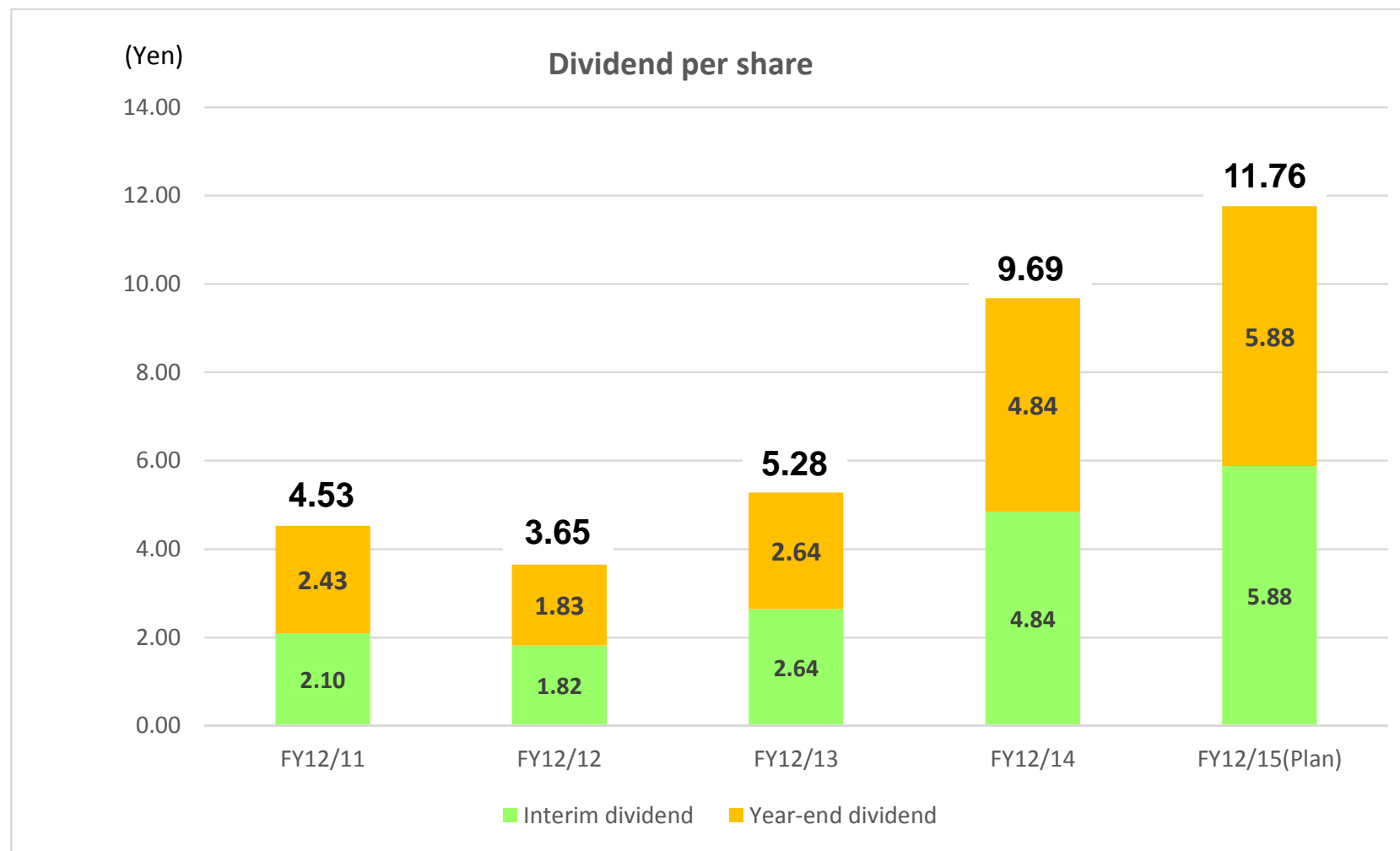
  

Plan	(Amounts exclusive of sales tax)		
	IT-based sales type	Order-based sales type	New customer acquisition type
Monthly system usage fee	JPY30,000 per ID	JPY25,000 per ID	-
Metered billing	1 <Depending on order volumes> Up to JPY1mn included in basic fees 3% to 0.1%	-	-
	2 <Depending on number of bills> Up to 100 bills included in basic fees JPY40 to JPY30	-	-
Setup costs	From JPY280,000 (Depending upon number of clients)	JPY200,000	-

## IV. Return Profits to Shareholders

# Return Profits to Shareholders

Infomart considers most important to pay dividends to shareholders and the company aims for a **“basic dividend payout ratio of 50% based on Infomart’s non-consolidated business results”** while improving operating results and strengthening financial position.



(Note) The company conducted a 200-for-1 stock split on January 1, 2013, a 2-for-1 stock split on July 1, 2013, a 2-for-1 stock split on January 1, 2014 and a 2-for-1 stock split on January 1, 2015. Dividends on the bar chart are calculated assuming that the stock splits were conducted.

**This material is prepared based on economic, social and other situations, and certain assumptions that the company deems to be reasonable as of July 31, 2015. However, the material is subject to change without prior notice due to the changing management environment and other reasons.**

**Readers are asked to make investment decisions at their own discretion.**

**This material was prepared by Infomart Corporation.**