

# B to B Platform

We connect companies and people  
all over the world using a global platform

## Info Mart Corporation

## FY2016 Full-Year Financial Results

FY2016/4Q

TSE First (1st) Section (2492)

 **Info Mart Corporation**

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# **I . About Infomart**

# Company Overview

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- Company Name: Infomart Corporation  
( TSE First (1st) Section / Stock code: 2492 )
- Representative: President and CEO Katsuteru Murakami
- Head office: 13st Floor, Shiodome Shibarikyu Building, 1-2-3 Kaigan,  
Minato-ku,Tokyo, 105-0022, Japan
- Nishinohon sales office: Yodogawa-ku, Osaka-shi
- Customer center: Hakata-ku, Fukuoka-shi
- Established: February 13, 1998
- Capital: 3.2 billion 12.51 million yen (as of end-December 2016)
- Consolidated subsidiaries: InfoRise  
Infomart International
- No. of employees(connection): 436 (full-time 345 / temporary 91)  
(as of end-December 2016)
- URL: <http://www.infomart.co.jp/>

## Features

**Specialize in BtoB (Business-to-Business EC) for 19 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.

## Performance

**Provides leading B2B Platform in Japan**

No. of user companies (as of end-December 2016)

125,050 companies

No. of offices (as of end-December 2016)

404,557 offices

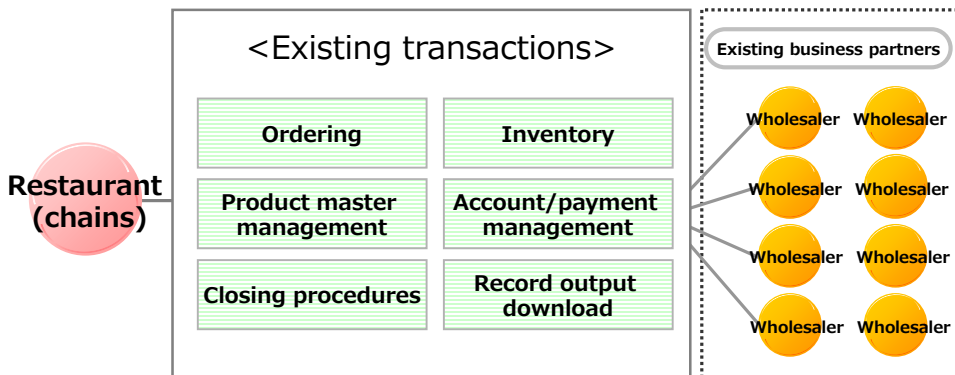
Total distribution value (2016 result)

2,294.2 billion yen

# Info Mart's BtoB Platform

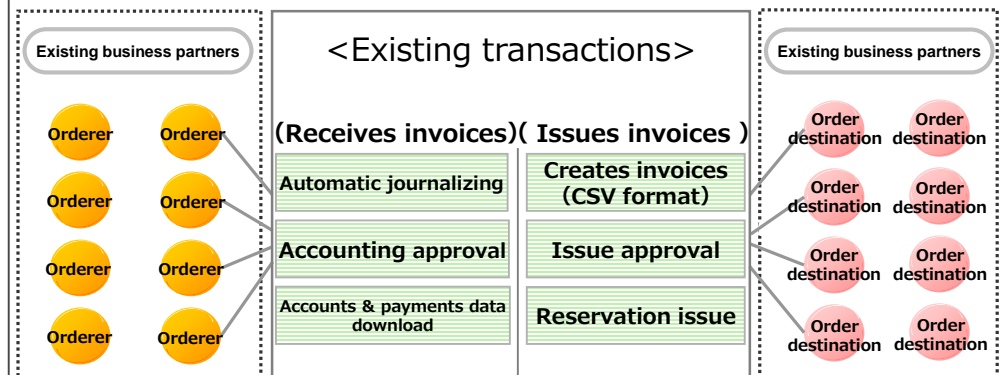
## B to B Platform Ordering

Comprehensively manage the entire ordering process electronically, from ordering to settling payment amounts



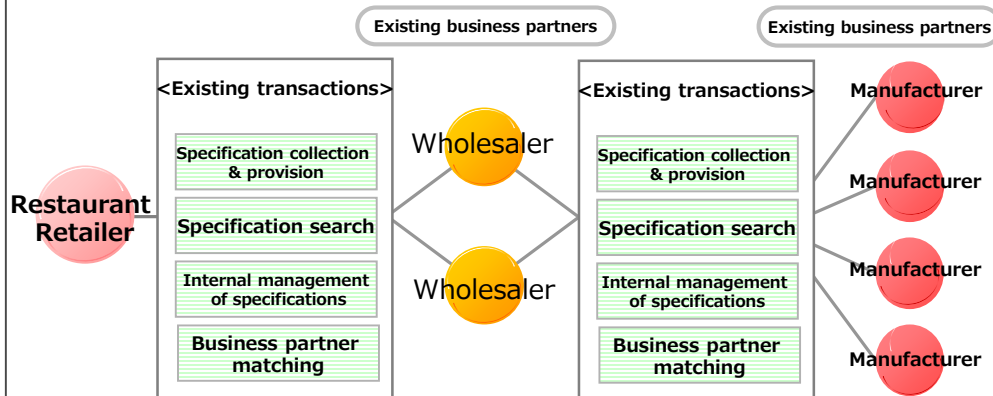
## B to B Platform Invoicing

Electronically receive and issue invoices



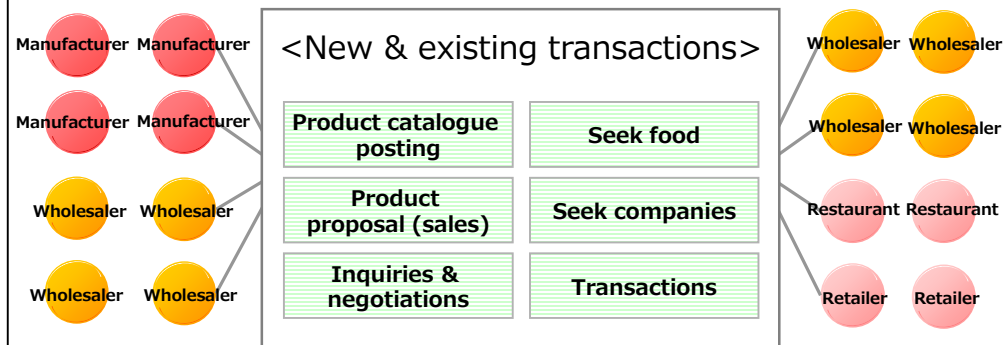
## B to B Platform Standards Database

Electronic platform for product standards database, vital for food safety and security



## B to B Platform Matching

We offer a one-stop electronic platform, covering customer development, negotiations, price quotations, ordering, and payments



## **II. FY2016 Full-Year Financial Results**

# Key Performance Indicator

		Dec. 31, 2015	Mar. 31, 2016		Jun. 30, 2016		Sep. 30, 2016		Dec.31,2016		
				1Qchange		2Qchange		3Qchange		4Qchange	FYchange
<b>Ordering</b>	<b>Buyer Companies</b>	1,706	1,836	+ 130	1,914	+ 78	1,979	+ 65	2,026	+ 47	+ 320
	<b>Seller Companies</b>	28,240	28,613	+ 373	29,024	+ 411	29,527	+ 503	29,895	+ 368	+ 1,655
<b>Food Standards Database</b>	<b>Companies with Buyer Function</b>	369	390	+ 21	407	+ 17	431	+ 24	450	+ 19	+ 81
	<b>Companies with Wholesaler Function</b>	474	490	+ 16	514	+ 24	520	+ 6	537	+ 17	+ 63
	<b>Companies with Manufacturer Function</b>	6,054	6,120	+ 66	6,165	+ 45	6,193	+ 28	6,185	-8	+ 131
<b>Invoicing</b>	<b>Companies</b>	40,723	55,086	+ 14,363	74,198	+ 19,112	112,884	+ 38,686	124,401	+ 11,517	+ 83,678
	<b>Contracting Companies (receiving)</b>	657	863	+ 206	1,038	+ 175	1,199	+ 161	1,325	+ 126	+ 668
	<b>Contracting Companies (issuing)</b>	227	313	+ 86	370	+ 57	452	+ 82	491	+ 39	+ 264
	<b>Contracting Companies (total)</b>	884	1,176	+ 292	1,408	+ 232	1,651	+ 243	1,816	+ 165	+ 932
<b>Matching</b>	<b>Buyer Companies</b>	6,915	6,837	-78	6,879	42	6,872	-7	6,855	-17	-60
	<b>Seller Companies</b>	1,952	1,838	-114	1,821	-17	1,752	-69	1,712	-40	-240
<b>BtoB Platform</b>	<b>Companies (※1)</b>	62,039	67,148	+ 5,109	79,507	+ 12,359	113,858	+ 34,351	125,050	+ 11,192	+ 63,011
	<b>Offices (※2)</b>	280,167	329,609	+ 49,442	351,019	+ 21,410	386,388	+ 35,369	404,557	+ 18,169	+ 124,390

(Note 1) Includes non-paying users

(Note 2) Offices: head office, branches, sales offices, stores



# FY12/16 Fourth Quarter (YoY)

(Million yen / %: YoY)

	FY12/16 (Actual)									
	1Q		2Q		3Q		4Q		Total	
<b>Ordering</b>	881	16.3%	918	10.2%	948	9.9%	981	8.7%	3,730	11.1%
<b>Standards Database</b>	269	25.6%	290	20.9%	295	19.1%	302	17.9%	1,157	20.7%
<b>ES</b>	291	-7.2%	296	-4.5%	308	3.2%	315	5.7%	1,211	-0.8%
<b>Other</b>	34	2.2%	18	-37.9%	18	-43.4%	23	-39.1%	95	-29.5%
<b>[Sales]</b>	<b>1,467</b>	<b>12.0%</b>	<b>1,514</b>	<b>7.9%</b>	<b>1,561</b>	<b>9.0%</b>	<b>1,611</b>	<b>8.5%</b>	<b>6,154</b>	<b>9.3%</b>
<b>Ordering</b>	210	16.6%	214	-1.3%	223	15.0%	227	7.3%	876	8.9%
<b>Standards Database</b>	55	43.4%	61	4.9%	64	36.7%	68	34.6%	249	28.0%
<b>ES</b>	156	67.4%	167	28.3%	166	30.6%	179	22.5%	669	34.5%
<b>Other</b>	16	4.6%	12	-8.8%	12	-18.0%	14	-19.0%	55	-10.5%
<b>[CoGS]</b>	<b>431</b>	<b>34.0%</b>	<b>445</b>	<b>8.0%</b>	<b>458</b>	<b>21.8%</b>	<b>479</b>	<b>14.6%</b>	<b>1,814</b>	<b>18.7%</b>
<b>Ordering</b>	670	16.2%	703	14.3%	724	8.4%	754	9.1%	2,853	11.8%
<b>Standards Database</b>	213	21.7%	229	26.0%	231	15.0%	234	13.8%	908	18.8%
<b>ES</b>	134	-38.8%	128	-28.4%	142	-17.1%	135	-10.6%	541	-25.1%
<b>Other</b>	17	0.0%	6	-61.2%	6	-65.0%	8	-57.0%	39	-45.9%
<b>[Gross Profit]</b>	<b>1,035</b>	<b>4.8%</b>	<b>1,068</b>	<b>7.8%</b>	<b>1,103</b>	<b>4.4%</b>	<b>1,132</b>	<b>6.1%</b>	<b>4,340</b>	<b>5.8%</b>
<b>Ordering</b>	225	15.6%	223	5.9%	235	15.8%	186	-10.8%	870	6.4%
<b>Standards Database</b>	136	36.7%	141	29.3%	169	47.3%	154	37.7%	601	37.9%
<b>ES</b>	181	12.9%	188	10.2%	227	30.8%	236	44.1%	833	24.5%
<b>Other</b>	21	-6.2%	17	-25.5%	19	-12.1%	20	-3.9%	78	-12.1%
<b>[SG&amp;A]</b>	<b>563</b>	<b>18.1%</b>	<b>571</b>	<b>11.1%</b>	<b>650</b>	<b>27.0%</b>	<b>597</b>	<b>18.3%</b>	<b>2,383</b>	<b>18.6%</b>
<b>Ordering</b>	445	16.5%	480	18.7%	489	5.2%	568	17.7%	1,983	14.3%
<b>Standards Database</b>	77	2.1%	87	21.1%	62	-28.0%	79	-14.8%	307	-6.5%
<b>ES</b>	-46	-	-60	-	-85	-	-100	-	-292	-
<b>Other</b>	-3	-	-10	-	-13	-	-12	-	-39	-
<b>[Operating Profit]</b>	<b>472</b>	<b>-7.5%</b>	<b>496</b>	<b>4.3%</b>	<b>452</b>	<b>-16.8%</b>	<b>534</b>	<b>-4.9%</b>	<b>1,956</b>	<b>-6.6%</b>
<b>[Recurring Profit]</b>	<b>456</b>	<b>-10.7%</b>	<b>476</b>	<b>-0.7%</b>	<b>449</b>	<b>-16.6%</b>	<b>564</b>	<b>10.6%</b>	<b>1,947</b>	<b>-4.6%</b>
<b>[Net Income]※</b>	<b>294</b>	<b>-4.1%</b>	<b>305</b>	<b>0.0%</b>	<b>289</b>	<b>-15.1%</b>	<b>315</b>	<b>-11.0%</b>	<b>1,205</b>	<b>-7.9%</b>
※Net income denotes net income attributable to owners of the parent.										
OPM	32.2%		32.8%		29.0%		33.2%		31.8%	
RPM	31.1%		31.5%		28.8%		35.0%		31.6%	

## □ Sales

### [Ordering business]

System usage fees from buyer and seller companies rose with increased buyer company usage among restaurant chains, hotels, commercial facilities, catering companies, etc.

### [Standards Database business]

There was an increase in the number of companies using the buyer, wholesaler, and manufacturer functions. Subsequently, system usage fees rose.

### [ES business]

Although the number of contracting companies using the Invoicing platform increased in food and other industries, resulting in higher system usage fees and setup fees, due to a decline in the number of companies using the Matching platform, system usage fees fell for this service.

## □ CoGS

Higher expenditures in systems development resulted in higher software amortization costs.

## □ SG&A

SG&A increased mainly on personnel costs for hiring more staff, sales promotion expenses for TV commercials, and relocation of the company's main office toward future business growth.

## □ Recurring Profit

Although operating profit in the Ordering business increased steadily, upfront expenditures led to an operating loss in the ES business, causing overall profit to fall.

# FY12/16 Fourth Quarter (vs. Plan)

(Million yen)

	FY12/16 (Actual)														
	1Q			2Q			3Q			4Q			Total		
	Plan	Actual	Diff	Plan	Actual	Diff	Plan	Actual	Diff	Plan	Actual	Diff	Plan	Actual	Diff
<b>Ordering</b>	892	881	-11	939	918	-21	985	948	-37	1,023	981	-42	3,838	3,730	-108
<b>Standards Database</b>	272	269	-3	299	290	-9	319	295	-24	339	302	-37	1,228	1,157	-71
<b>ES</b>	297	291	-6	337	296	-41	386	308	-78	454	315	-139	1,473	1,211	-262
<b>Other</b>	36	34	-2	29	18	-11	37	18	-19	43	23	-20	145	95	-50
<b>【Sales】</b>	<b>1,488</b>	<b>1,467</b>	<b>-21</b>	<b>1,595</b>	<b>1,514</b>	<b>-81</b>	<b>1,718</b>	<b>1,561</b>	<b>-157</b>	<b>1,849</b>	<b>1,611</b>	<b>-238</b>	<b>6,649</b>	<b>6,154</b>	<b>-495</b>
<b>Ordering</b>	214	210	-4	221	214	-7	230	223	-7	252	227	-25	917	876	-41
<b>Standards Database</b>	55	55	0	60	61	1	62	64	2	65	68	3	241	249	8
<b>ES</b>	154	156	2	165	167	2	178	166	-12	192	179	-13	690	669	-21
<b>Other</b>	16	16	0	14	12	-2	15	12	-3	16	14	-2	60	55	-5
<b>【CoGS】</b>	<b>434</b>	<b>431</b>	<b>-3</b>	<b>454</b>	<b>445</b>	<b>-9</b>	<b>480</b>	<b>458</b>	<b>-22</b>	<b>519</b>	<b>479</b>	<b>-40</b>	<b>1,886</b>	<b>1,814</b>	<b>-72</b>
<b>Ordering</b>	677	670	-7	717	703	-14	755	724	-31	771	754	-17	2,921	2,853	-68
<b>Standards Database</b>	217	213	-4	239	229	-10	257	231	-26	274	234	-40	987	908	-79
<b>ES</b>	143	134	-9	172	128	-44	207	142	-65	261	135	-126	784	541	-243
<b>Other</b>	20	17	-3	15	6	-9	22	6	-16	27	8	-19	85	39	-46
<b>【Gross Profit】</b>	<b>1,055</b>	<b>1,035</b>	<b>-20</b>	<b>1,140</b>	<b>1,068</b>	<b>-72</b>	<b>1,239</b>	<b>1,103</b>	<b>-136</b>	<b>1,330</b>	<b>1,132</b>	<b>-198</b>	<b>4,763</b>	<b>4,340</b>	<b>-423</b>
<b>Ordering</b>	247	225	-22	248	223	-25	291	235	-56	274	186	-88	1,060	870	-190
<b>Standards Database</b>	156	136	-20	158	141	-17	164	169	5	154	154	0	632	601	-31
<b>ES</b>	183	181	-2	167	188	21	176	227	51	167	236	69	693	833	140
<b>Other</b>	22	21	-1	23	17	-6	23	19	-4	26	20	-6	94	78	-16
<b>【SG&amp;A】</b>	<b>607</b>	<b>563</b>	<b>-44</b>	<b>593</b>	<b>571</b>	<b>-22</b>	<b>652</b>	<b>650</b>	<b>-2</b>	<b>620</b>	<b>597</b>	<b>-23</b>	<b>2,471</b>	<b>2,383</b>	<b>-88</b>
<b>Ordering</b>	431	445	14	469	480	11	464	489	25	498	568	70	1,862	1,983	121
<b>Standards Database</b>	60	77	17	82	87	5	93	62	-31	120	79	-41	355	307	-48
<b>ES</b>	-40	-46	-6	5	-60	-65	32	-85	-117	94	-100	-194	90	-292	-382
<b>Other</b>	-2	-3	-1	-8	-10	-2	-1	-13	-12	1	-12	-13	-9	-39	-30
<b>【Operating Profit】</b>	<b>447</b>	<b>472</b>	<b>25</b>	<b>547</b>	<b>496</b>	<b>-51</b>	<b>586</b>	<b>452</b>	<b>-134</b>	<b>712</b>	<b>534</b>	<b>-178</b>	<b>2,292</b>	<b>1,956</b>	<b>-336</b>
<b>【Recurring Profit】</b>	<b>446</b>	<b>456</b>	<b>10</b>	<b>546</b>	<b>476</b>	<b>-70</b>	<b>585</b>	<b>449</b>	<b>-136</b>	<b>712</b>	<b>564</b>	<b>-148</b>	<b>2,289</b>	<b>1,947</b>	<b>-342</b>
<b>【Net Income】※</b>	<b>288</b>	<b>294</b>	<b>6</b>	<b>352</b>	<b>305</b>	<b>-47</b>	<b>379</b>	<b>289</b>	<b>-90</b>	<b>462</b>	<b>315</b>	<b>-147</b>	<b>1,481</b>	<b>1,205</b>	<b>-276</b>

※Net income denotes net income attributable to owners of the parent.

OPM	30.0%	32.2%	2.1%	34.3%	32.8%	-1.5%	34.1%	29.0%	-5.1%	38.5%	33.2%	-5.4%	34.5%	31.8%	-2.7%
RPM	30.0%	31.1%	1.1%	34.2%	31.4%	-2.8%	34.1%	28.8%	-5.3%	38.5%	35.0%	-3.4%	34.4%	31.6%	-2.8%

## □ Sales

[Ordering business]

System usages fees from seller companies (pay-for-use), in particular were below target.

[Standards Database business]

System usage fees were below target, owing to a shortfall in new contracts.

[ES business]

System usage fees from seller companies using the Matching platform were below target.

## □ CoGS

Additional budgets allocated to data center expenses during Q4 were not incurred.

## □ SG&A

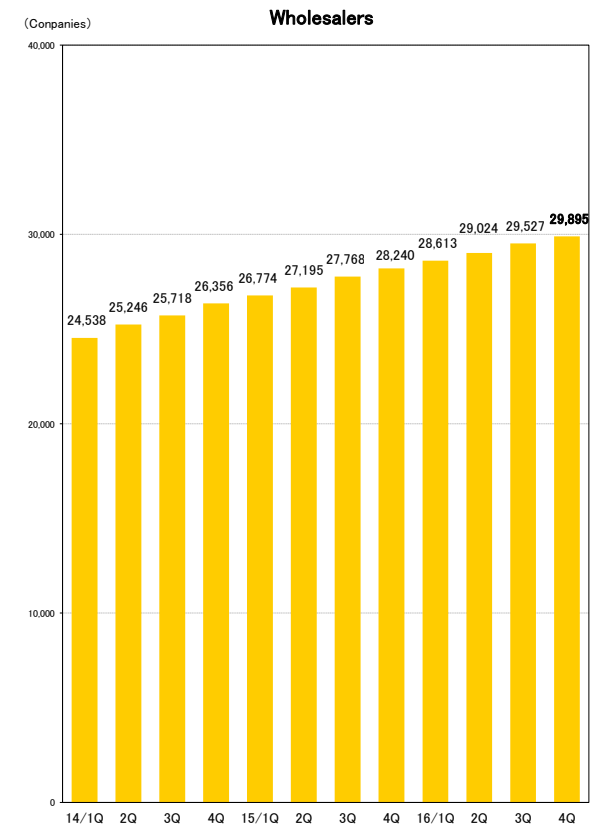
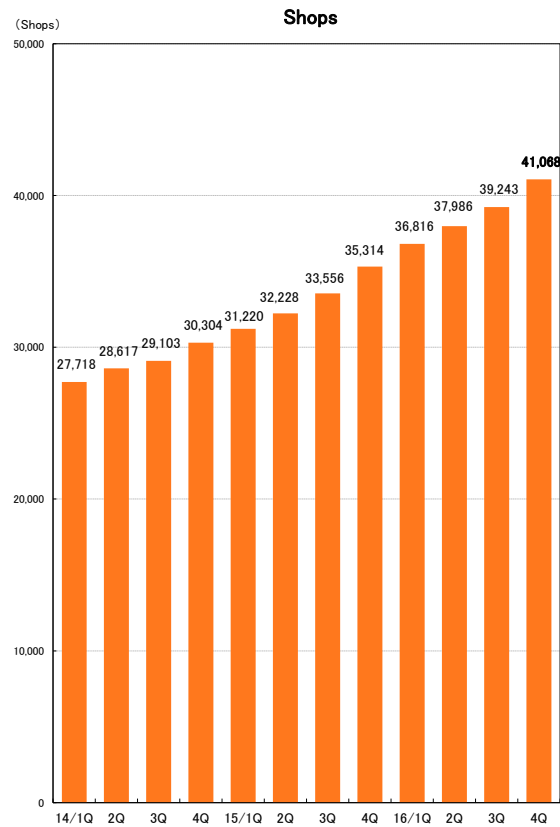
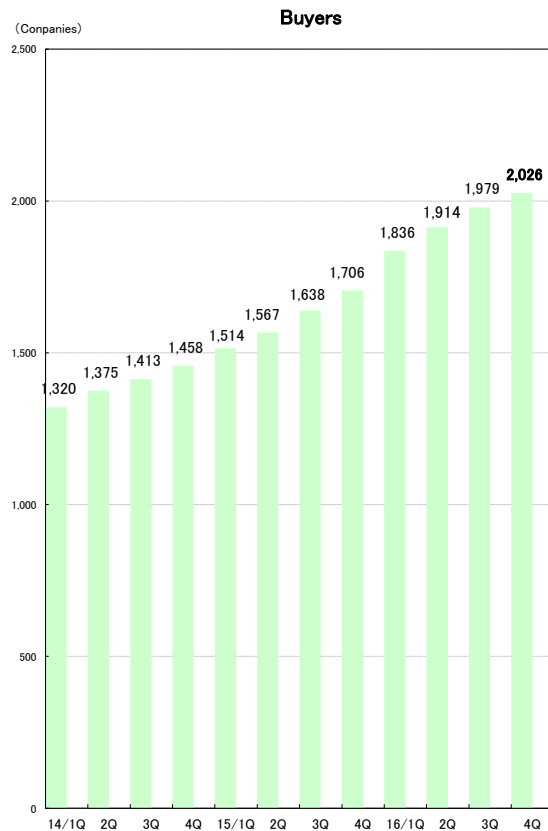
Some conservatively planned costs were not incurred such as personnel and sales promotion costs.

## □ Recurring Profit

Operating profit for the Ordering business was above target. However, due to an operating loss in the ES business, recurring profit fell short of target overall.

# Ordering (BtoB Platform Ordering)

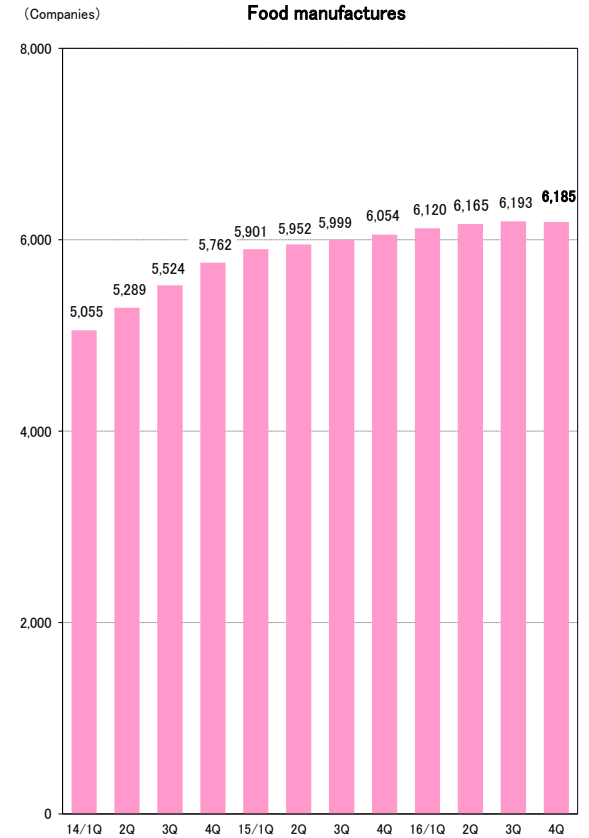
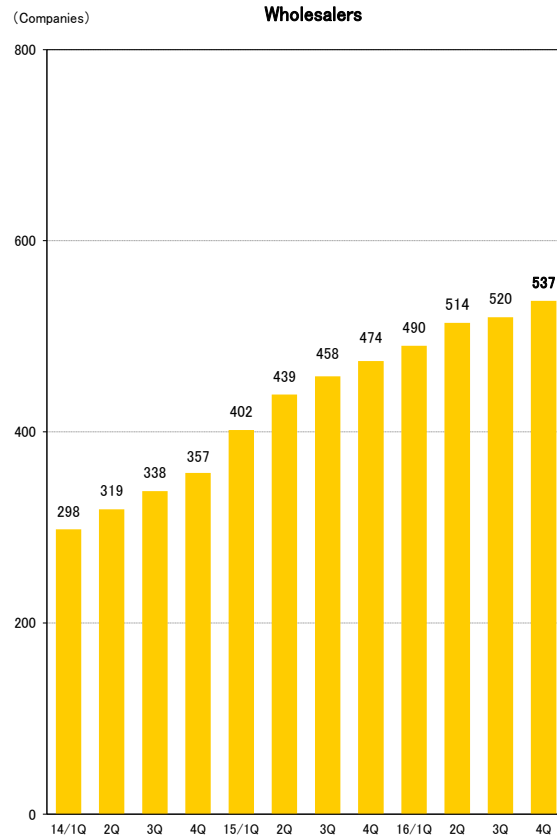
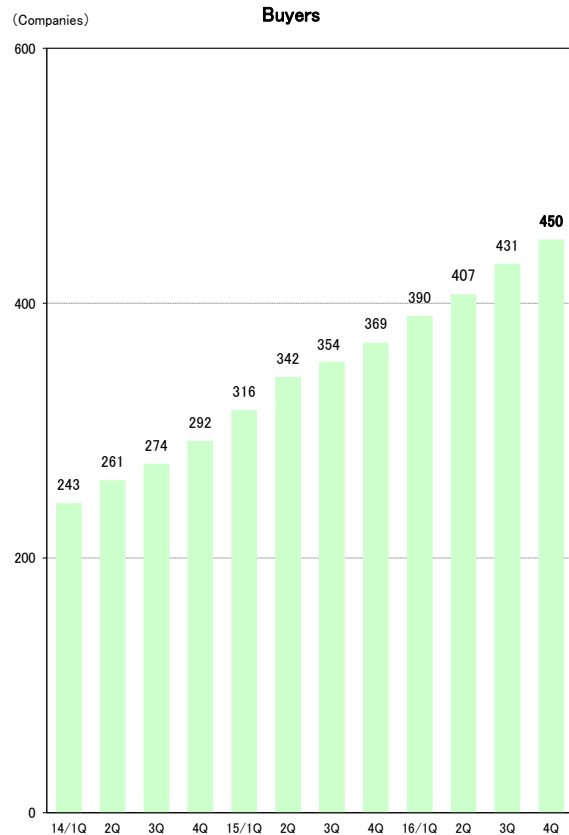
- High usage by new buyer companies such as restaurant chains, hotels, commercial facilities, catering companies, etc.
- Continued introductions through alliance partners (existing seller companies, affiliated systems companies, etc.)
- Improved customer convenience through better system connectivity (currently connected to 105 systems from 86 companies)



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

# Food Standards Database (BtoB Platform Standards Database)

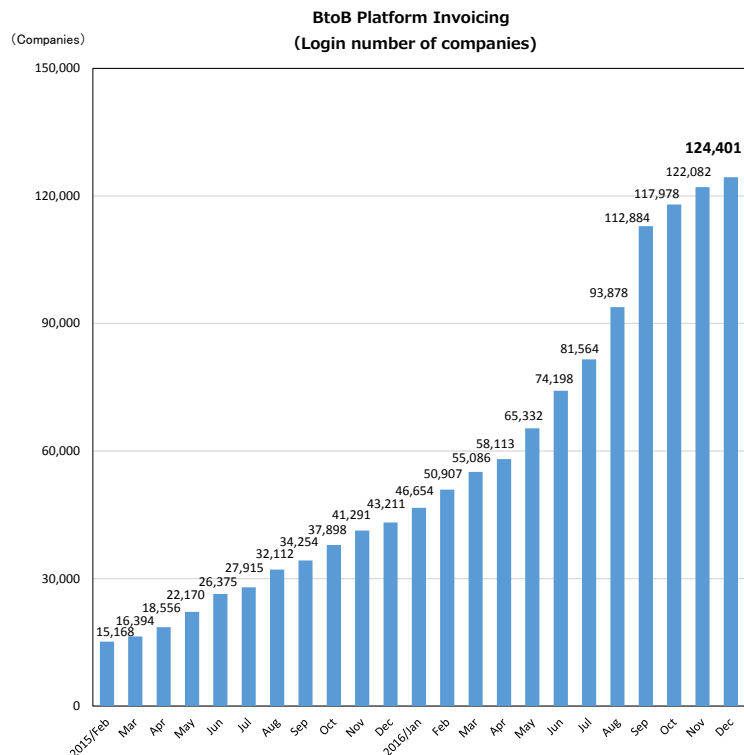
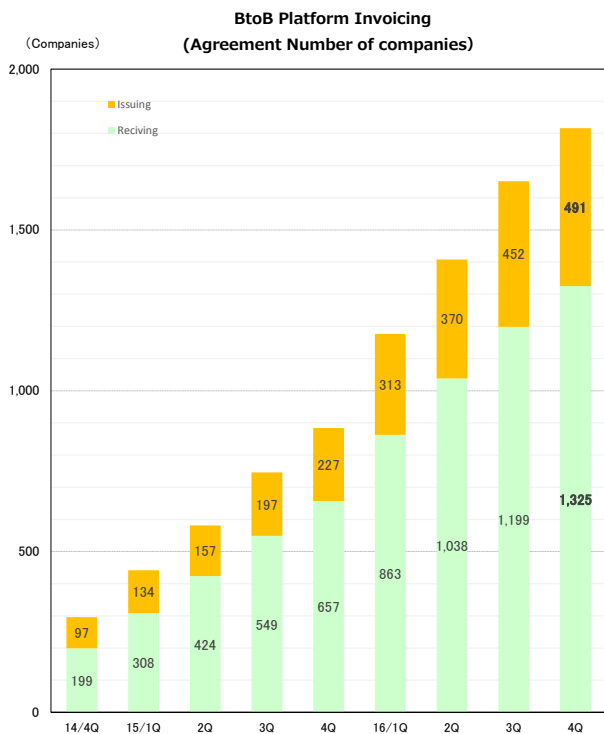
- Against a backdrop of stronger response to food safety, security, and allergens, the number of companies increased across all functions.
- Buyer function usage increased among large restaurant and hotel chains.
- Commenced sales promotion support function for food manufacturers, enabling centralized management of product and recipe information and improved sales promotion.



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

# ES (BtoB Platform Invoicing・Matching)

- Number of companies logging in accelerated due to a strong need for electronic invoicing, surpassing 120,000.
- Steady increase in the number of new companies signing up for Invoicing services in the food and other industries.
- Improved systems development for Invoicing services. Released automatic payment reconciliation and reminder functions, corporate “My Number” support function, etc.



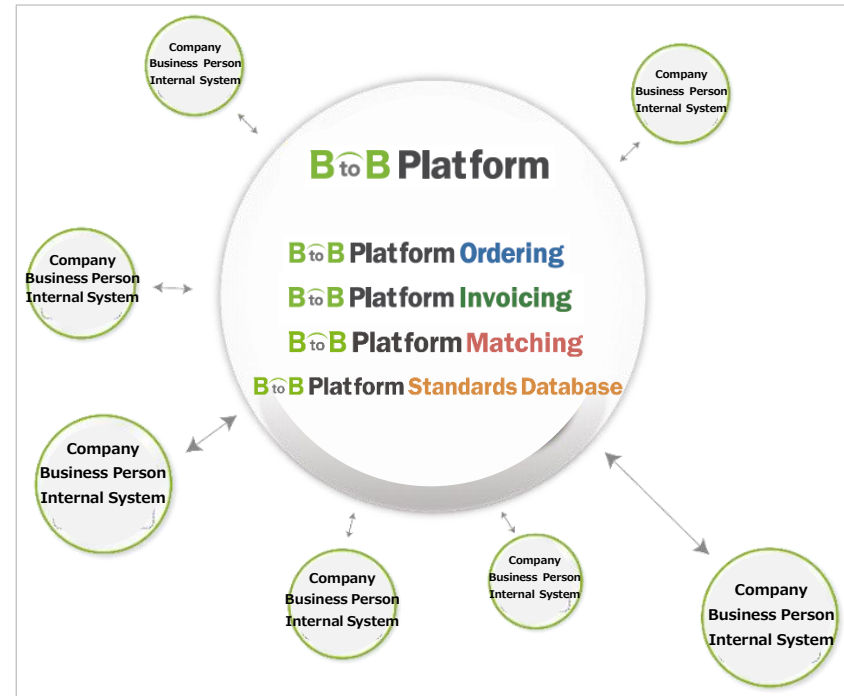
※The above is the number of companies that issued the ID and password in the contract 's each model

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

## **III. 2016- 2018 Fiscal Year Medium-Term Management Plan**

(FY2017 is the second year of the plan.)

## B to B Platform



Our B2B Platform is a system that provides connections between businesspeople, between companies, and within companies, and significantly transforms company management and business style.

We build systems and businesses that naturally go beyond industry borders and beyond national borders, focusing on companies and people, with the aim of becoming a global B2B platform company.

▼ Please enjoy the video showing the world we envision with our B2B Platforms.

<http://www.infomart.co.jp/movie/>



# FY12/16-FY12/18 (Medium-Term Management Plan)

Theme		FY12/16	FY12/18 target
<p><b>Steadily expand market share in the food industry</b></p> <p>– Expand utilization of the B2B Ordering System Platform</p>	<p>Number of user companies</p> <p>System transaction value (share of restaurants)</p>	<p>40,000 companies</p> <p>JPY1.3tn (18%)</p>	<p><b>50,000 companies</b></p> <p><b>JPY2tn (30%)</b></p>
<p><b>Make B2B Electronic Invoicing Platform a de facto industry standard</b></p> <p>– Expand the B2B Invoicing Platform to all industries</p>	<p>Number of user companies</p> <p>System transaction value</p>	<p>124,000 companies</p> <p>JPY909.5bn</p>	<p><b>1mn companies</b></p> <p><b>JPY3tn</b></p>
<p><b>Build a B2B E-Commerce Transaction Platform</b></p> <p>– Heavily invest in system development using funds procured in the previous year</p>	<p>System concept</p>	<p>Shifting from the ASP System to the B2B Platform</p>	<p><b>B2B Platform for all industries</b></p>



# FY12/16-FY12/18 (Medium-Term Plan : Highlights)

(Million yen / %:YoY)

	FY12/16		FY12/17		FY12/18	
	Actual	YoY	Forecast	YoY	Forecast	YoY
Ordering	3,730	11.1%	4,829	29.5%	5,637	16.7%
Standards Database	1,157	20.7%	1,376	18.9%	1,544	12.2%
ES	1,211	-0.8%	1,535	26.7%	2,085	35.9%
Other	95	-29.5%	197	107.4%	273	38.6%
<b>【Sales】</b>	<b>6,154</b>	<b>9.3%</b>	<b>7,900</b>	<b>28.4%</b>	<b>9,500</b>	<b>20.3%</b>
Ordering	876	8.9%	1,279	46.0%	1,423	11.3%
Standards Database	249	28.0%	362	45.2%	406	12.2%
ES	669	34.5%	678	1.4%	755	11.3%
Other	55	-10.5%	83	50.9%	71	-14.5%
<b>【CoGS】</b>	<b>1,814</b>	<b>18.7%</b>	<b>2,377</b>	<b>31.0%</b>	<b>2,628</b>	<b>10.6%</b>
Ordering	2,853	11.8%	3,550	24.4%	4,213	18.7%
Standards Database	908	18.8%	1,015	11.8%	1,138	12.1%
ES	541	-25.1%	857	58.4%	1,330	55.3%
Other	39	-45.9%	114	192.3%	202	77.2%
<b>【Gross Profit】</b>	<b>4,340</b>	<b>5.8%</b>	<b>5,524</b>	<b>27.3%</b>	<b>6,872</b>	<b>24.4%</b>
Ordering	870	6.4%	1,358	56.1%	1,578	16.2%
Standards Database	601	37.9%	409	-31.9%	452	10.3%
ES	833	24.5%	1,065	27.9%	1,142	7.2%
Other	78	-12.1%	96	23.1%	106	10.4%
<b>【SG&amp;A】</b>	<b>2,383</b>	<b>18.6%</b>	<b>2,920</b>	<b>22.5%</b>	<b>3,269</b>	<b>12.0%</b>
Ordering	1,983	14.3%	2,192	10.6%	2,636	20.2%
Standards Database	307	-6.5%	606	97.3%	686	13.3%
ES	-292	-	-209	-	188	-
Other	-39	-	18	-	96	433.3%
<b>【Operating Profit】</b>	<b>1,956</b>	<b>-6.6%</b>	<b>2,603</b>	<b>33.1%</b>	<b>3,603</b>	<b>38.4%</b>
<b>【Recurring Profit】</b>	<b>1,947</b>	<b>-4.6%</b>	<b>2,600</b>	<b>33.5%</b>	<b>3,600</b>	<b>38.5%</b>
<b>【Net Income】※</b>	<b>1,205</b>	<b>-7.9%</b>	<b>1,722</b>	<b>42.9%</b>	<b>2,423</b>	<b>40.7%</b>

※Net income denotes net income attributable to owners of the parent.

OPM	31.8%	33.0%	37.9%
RPM	31.6%	32.9%	37.9%

## □ Sales

[Ordering and Standards Database Businesses]  
Accelerate market share expansion in the food industry by providing Ordering and Standards Database packaged as food safety and security ordering to existing and new companies.

## [ES Business]

The business will see growth once again by accelerating invitations to companies receiving and issuing Invoices in various industries and expanding the scope of the electronic platform.

## □ CoGS

Through new versions of each platform and strengthening system development for all industries, software amortization expenses will increase.

## □ SG&A

Personnel expenses will increase due to increased hiring necessary for business growth; sales promotion expenses will grow to acquire new customers.

## □ Recurring profit

Profits will steadily grow as increased sales will absorb development investments and higher personnel costs.

\*Total sales, operating profit, recurring profit, and net income for FY2017 and FY2018 have not been changed from the medium-term plan announced last year.

# FY2016-2018/12 (Medium-Term Plan : Details)

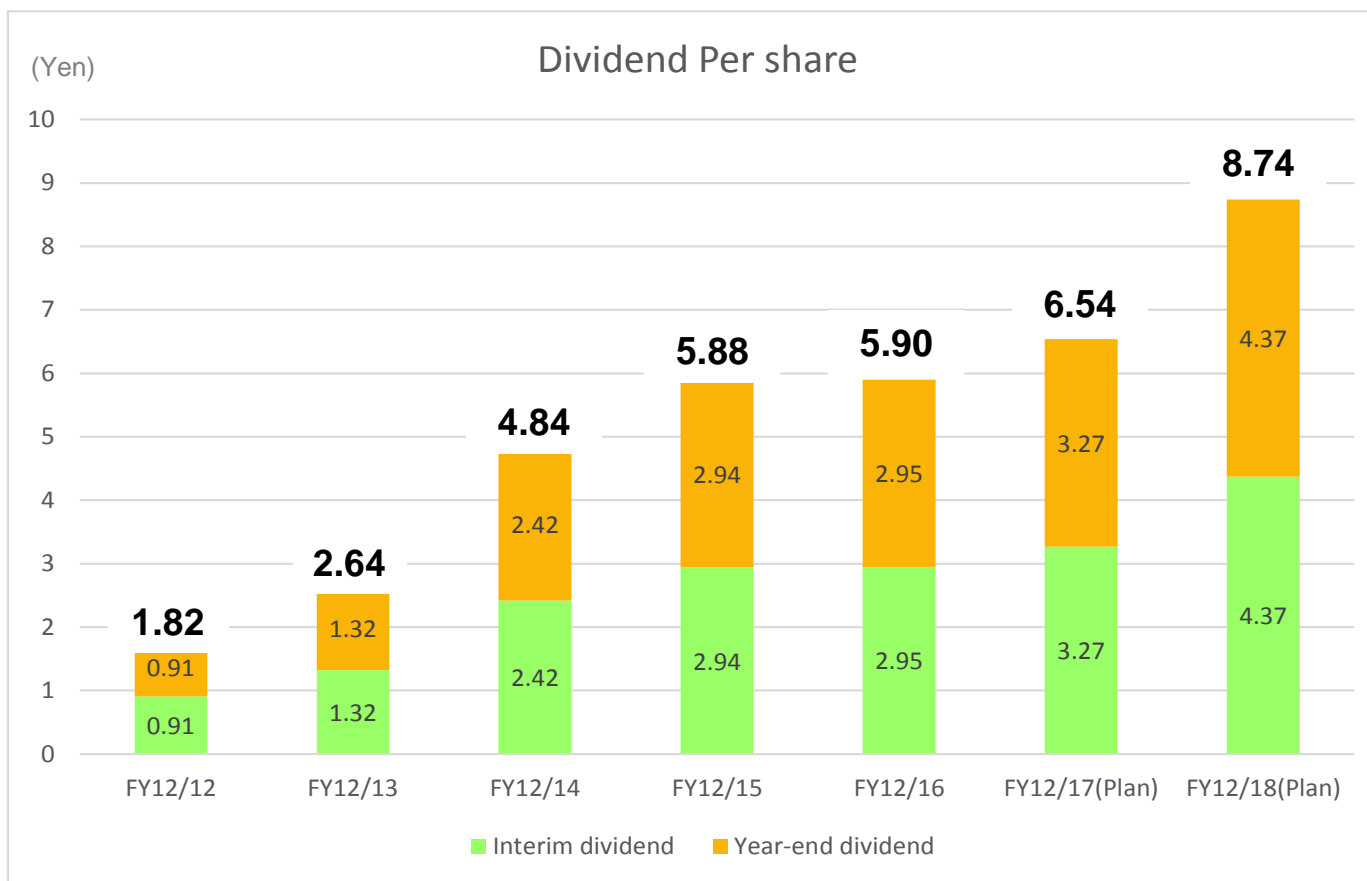
(Million yen / %: YoY)

	FY12/17 (Plan)										FY12/17 (Plan)	
	1Q		2Q		3Q		4Q		Total		2QTotal	
Ordering	947	7.5%	1,066	16.1%	1,294	36.5%	1,522	55.1%	4,829	29.5%	2,013	11.9%
Standards Database	316	17.7%	339	16.9%	353	19.8%	368	21.8%	1,376	18.9%	655	17.0%
ES	300	2.9%	360	21.6%	404	31.0%	472	49.8%	1,535	26.7%	660	12.4%
Other	23	-32.7%	69	285.7%	50	178.6%	54	134.7%	197	107.4%	92	74.2%
<b>【Sales】</b>	<b>1,577</b>	<b>7.5%</b>	<b>1,825</b>	<b>20.5%</b>	<b>2,092</b>	<b>34.0%</b>	<b>2,405</b>	<b>49.3%</b>	<b>7,900</b>	<b>28.4%</b>	<b>3,402</b>	<b>14.1%</b>
Ordering	301	43.4%	323	50.7%	327	46.8%	328	44.4%	1,279	46.0%	624	46.7%
Standards Database	81	46.7%	89	45.6%	95	47.8%	97	43.3%	362	45.2%	170	46.1%
ES	151	-3.5%	168	0.3%	175	5.4%	185	3.4%	678	1.4%	318	-1.8%
Other	17	3.2%	19	61.3%	22	84.7%	25	77.7%	83	50.9%	36	23.7%
<b>【CoGS】</b>	<b>543</b>	<b>26.0%</b>	<b>592</b>	<b>33.1%</b>	<b>613</b>	<b>33.9%</b>	<b>628</b>	<b>31.1%</b>	<b>2,377</b>	<b>31.0%</b>	<b>1,135</b>	<b>29.6%</b>
Ordering	646	-3.5%	743	5.7%	967	33.5%	1,194	58.4%	3,550	24.4%	1,389	1.1%
Standards Database	236	10.7%	250	9.2%	259	12.1%	270	15.6%	1,015	11.8%	486	9.7%
ES	149	11.2%	192	50.4%	228	60.9%	287	112.4%	857	58.4%	342	29.9%
Other	6	-62.6%	50	734.6%	28	366.4%	29	263.7%	114	192.3%	56	135.2%
<b>【Gross Profit】</b>	<b>1,034</b>	<b>-0.1%</b>	<b>1,233</b>	<b>15.4%</b>	<b>1,479</b>	<b>34.1%</b>	<b>1,777</b>	<b>57.0%</b>	<b>5,524</b>	<b>27.3%</b>	<b>2,267</b>	<b>7.8%</b>
Ordering	305	35.6%	322	44.2%	344	46.4%	387	108.0%	1,358	56.1%	627	39.6%
Standards Database	107	-21.4%	106	-24.7%	99	-41.4%	97	-36.7%	409	-31.9%	213	-23.1%
ES	269	48.8%	263	40.1%	251	10.6%	282	19.3%	1,065	27.9%	533	44.4%
Other	22	6.4%	24	41.4%	23	22.0%	26	31.0%	96	23.1%	46	22.1%
<b>【SG&amp;A】</b>	<b>702</b>	<b>24.6%</b>	<b>713</b>	<b>24.9%</b>	<b>715</b>	<b>10.1%</b>	<b>789</b>	<b>32.2%</b>	<b>2,920</b>	<b>22.5%</b>	<b>1,415</b>	<b>24.8%</b>
Ordering	341	-23.4%	422	-12.2%	623	27.4%	807	42.1%	2,192	10.6%	763	-17.6%
Standards Database	129	67.3%	144	65.5%	160	157.9%	173	119.1%	606	97.3%	273	65.4%
ES	-120	-	-71	-	-23	-	5	-	-209	-	-191	-
Other	-16	-	26	-	5	-	3	-	18	-	10	-
<b>【Operating Profit】</b>	<b>333</b>	<b>-29.5%</b>	<b>520</b>	<b>4.8%</b>	<b>764</b>	<b>69.0%</b>	<b>986</b>	<b>84.7%</b>	<b>2,603</b>	<b>33.1%</b>	<b>852</b>	<b>-12.0%</b>
<b>【Recurring Profit】</b>	<b>332</b>	<b>-27.2%</b>	<b>519</b>	<b>9.0%</b>	<b>763</b>	<b>69.9%</b>	<b>986</b>	<b>74.9%</b>	<b>2,600</b>	<b>33.5%</b>	<b>851</b>	<b>-8.7%</b>
<b>【Net Income】※</b>	<b>213</b>	<b>-27.5%</b>	<b>349</b>	<b>14.5%</b>	<b>505</b>	<b>74.6%</b>	<b>655</b>	<b>108.0%</b>	<b>1,722</b>	<b>42.9%</b>	<b>563</b>	<b>-6.2%</b>
※Net income denotes net income attributable to owners of the parent.												
OPM	21.1%		28.5%		36.5%		41.0%		33.0%		25.1%	
RPM	21.0%		28.4%		36.5%		41.0%		32.9%		25.0%	

## **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 topic of year-end dividends for FY12/16 will be on the agenda for the 19th Annual General Shareholders' Meeting scheduled for March 24, 2017 (scheduled to be effective as of March 27, 2017).

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, a 2-for-1 stock split on January 1, 2015 and a 2-for-1 stock split on January 1, 2017. Dividends on the bar chart are calculated assuming that the stock splits were conducted.

# Supplementary Information (Fee Structure by Service)(as of February 14, 2017)

Business	Service	Fees (excluding taxes)		
Ordering	BtoB Platform Ordering	<u>&lt;Buyer Company&gt;</u>		<u>&lt;Seller Company&gt;</u>
		«Monthly usage fee» •Head office: JPY18,000 •Store: JPY1,300 «Initial fee» from JPY300,000 (depending on store count)		«Monthly usage fee» (choice: fixed fee or pay-for-use) •Fixed fee: JPY30,000 •Pay-for-use: 1.2% of monthly transaction amount (up to 100,000 transactions for free) •Adding IDs: JPY800 per ID
Standards Database	BtoB Platform Standards Database	<u>&lt;Buyer Function&gt;</u>	<u>&lt;Wholesaler Function&gt;</u>	<u>&lt;Manufacturer Function&gt;</u>
		(Partially revised in January 2016) «Monthly system usage fee» JPY50,000 «Initial fee» from JPY300,000	(Partially revised in May 2016) «Monthly system usage fee» JPY35,000 «Initial fee» from JPY50,000	(Partially revised in May 2016) «Monthly system usage fee» •Fixed fee: JPY35,000 or JPY50,000 •Pay-for-use: JPY3,000 to JPY20,000
ES	BtoB Platform Invoicing	<u>&lt;Receiving Company&gt;</u>		<u>&lt;Issuing Company&gt;</u>
		«Monthly system usage fee» Number of companies receiving invoices per month •Up to 50 companies : JPY5,000 •51-2,000 companies: JPY10,000 to JPY100,000 «Initial fee» from JPY50,000		«Monthly system usage fee» [Fixed fee] JPY5,000 + [Pay-for-use fee] Number of invoices issued per month • Up to 100 invoices included in the fixed fee • 101 to 1,000 invoices: JPY40 per invoice • 1,001 invoices or more: JPY30 per invoice «Initial fee» from JPY150,000
	BtoB Platform Matching	<u>&lt;Buyer Company&gt;</u>		<u>&lt;Seller Company&gt;</u>
		«Monthly system usage fee» [Fixed fee] JPY5,000		«Monthly system usage fee» [Fixed fee] JPY25,000 [Pay-for-use]Monthly value of the order • JPY1 to 10,000,000: 1.2% • Over JPY10 million to JPY100 million: 0.5% • Over JPY100 million: 0.1% «Payment services system» 5% of transaction amount «Outlet Mart» 10% of transaction amount

**This material is prepared based on economic, social and other situations, and certain assumptions that the company deems to be reasonable as of February 14, 2017. 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.**