

Contents of the Question and Answer Section during the FY 2018 Financial Results Briefing

The following is a summary of the questions asked and the responses given during the financial results briefing held on Wednesday 7 November. Some portions have been edited and modified for clarification.

Q1. What affect did the sale of netprice have on this year's results?

The results for netprice in FY2017 were 2.4 Billion JPY in sales and -90 Million JPY in operating income. Approximately 80% of the results from FY2017 were cut from FY2018's results.

Q2. Why is the GMV forecast for the Retailing and Licensing business decreasing in FY2019?

The main bulk of the Retailing and Licensing Business's GMV is generated from the Entertainment Business. The Entertainment Business is very volatile as it relies heavily on sales at the concerts and live events of musical artist groups so we have been conservative in our forecast.

Q3. You forecasted the GMV of the Cross Border Business to increase 10% in FY2019. How do you forecast the income to grow?

We believe the Cross Border Business will grow proportionally to the growth of its GMV.

Q4. What is the relationship between the GMV and the income for the Retailing and Licensing Business?

The Retailing and Licensing Business is comprised of multiple services which include some services that do not correspond proportionally with GMV or net sales. As a result, the income for the Retailing and Licensing Business will not correspond proportionally with the GMV either.

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