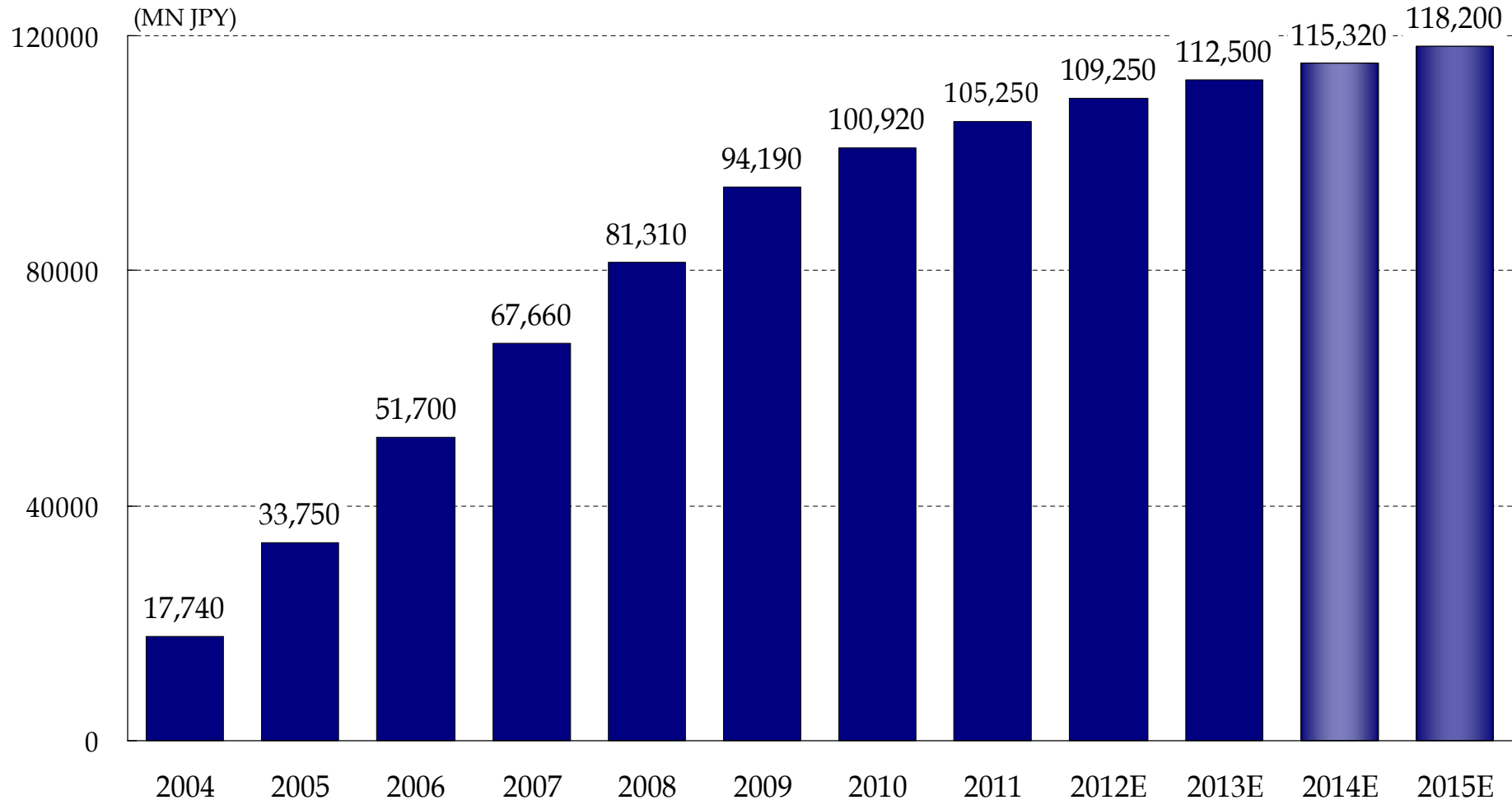




Competitive Landscape

Market Perspective

- Published stats cover the period until 2013. Figures for 2014 hereafter are estimated on our own assumption of Y/Y growth rate of 2.5%. The five-year CAGR for 2010-2015 is 3.2%.
- Opportunities for smartphone ad demand are not taken into account thus far.

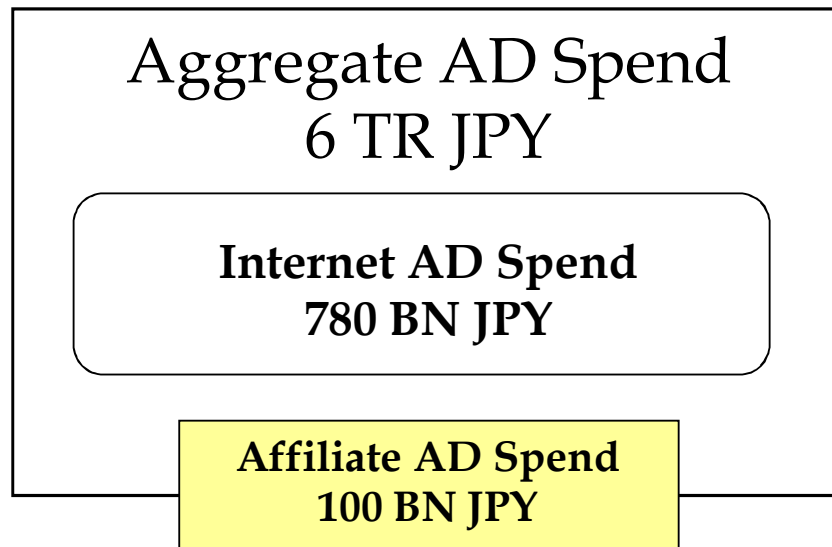


Source: Yano Research Institute: Affiliate Marketing Research 2011 (Apr. 2011); The figures for 2014 and 2015 are our own estimate.

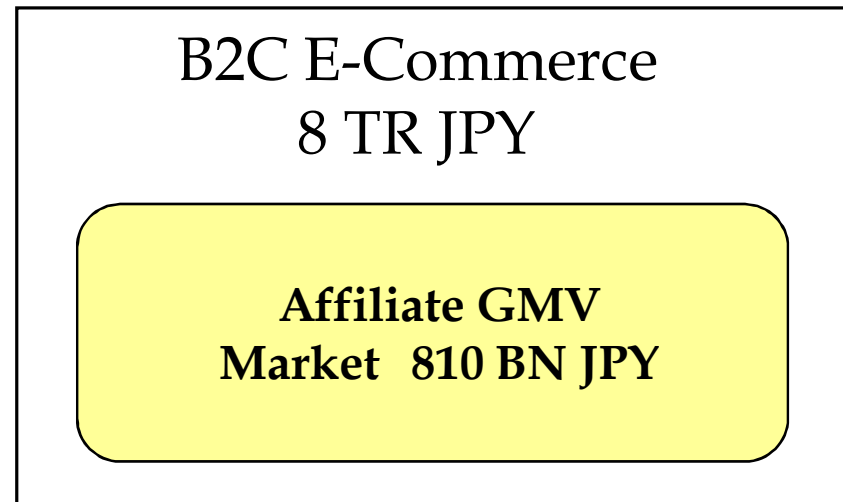
Strong positive correlation with E-Commerce Market

Affiliate marketing industry has a strong positive correlation with B2C E-Commerce market. Affiliate marketing has contributed 10% of the E-Commerce growth with double-digit growth.

From AD Spend Standpoint



From GMV standpoint



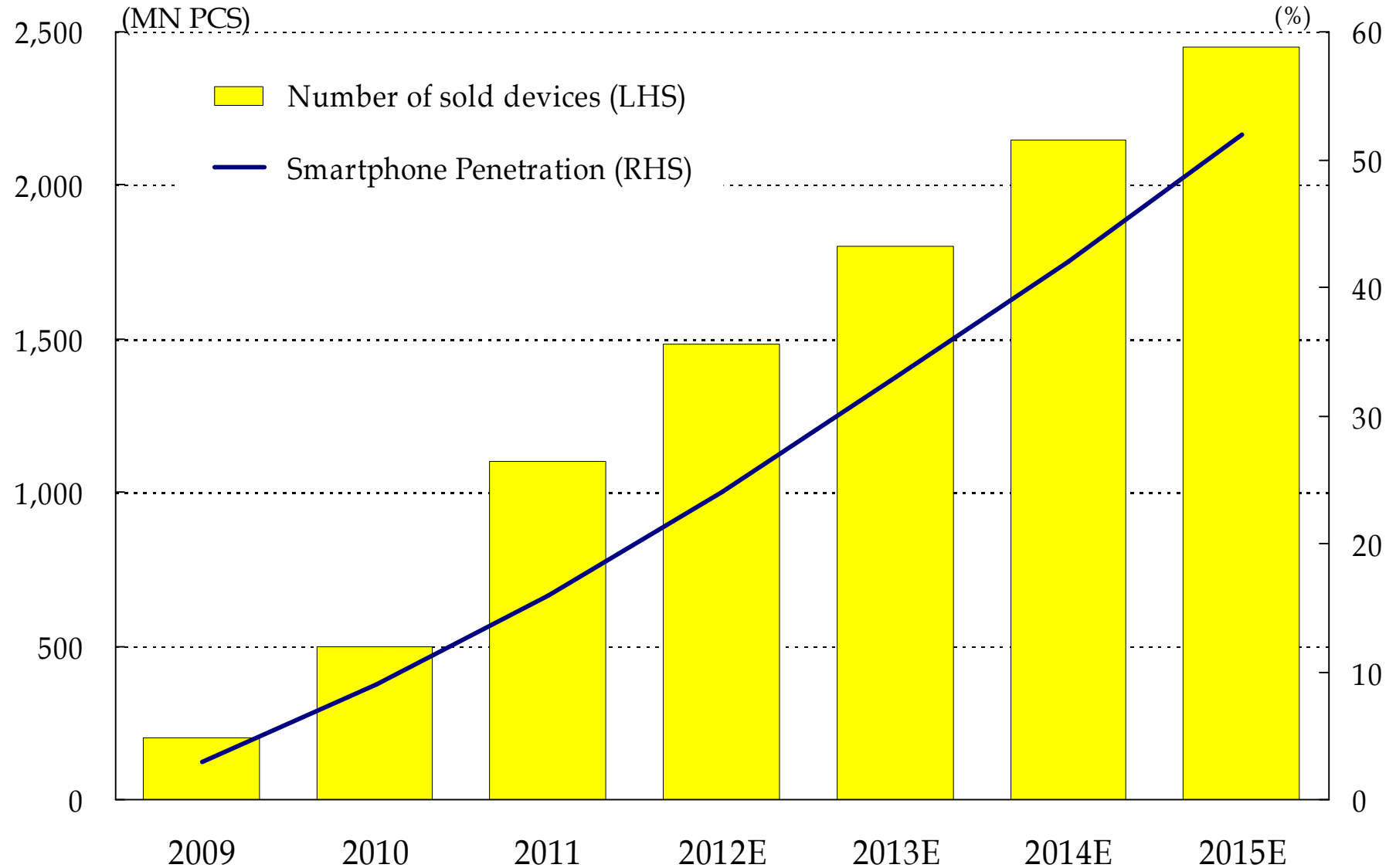
	2006	2007	2008	2009	2010	4Y-CAGR
E-Commerce market (B to C)	4,400	5,300	6,100	6,700	7,800	15.4%
Affiliate market (GMV)	-	551	634	696	810	13.7%

(BN JPY)

Source: B2C E-Commerce Market Size - Ministry of Economy, Trade, and Industry (METI). Affiliate Market GMV - only 2007 data was provided by METI, and data for 2008 thereafter were estimated by ValueCommerce.

Exponential Growth of Smartphone Market

Smartphone devices would be sold 25MN pcs and its penetration will reach over 50% in 2015.



Source: ValueCommerce estimate from various stats

Immediate Competitors Overview

	ValueCommerce	Adways	Interspace	Fan Communications	Linkshare Japan
Ticker	2491	2489	2122	2461	-
DBA	ValueCommerce	JANet & Smart-C	AccessTrade	A8.net & Mova8.net	Linkshare Affiliate TG Affiliate
Service Launch	Nov, 1999	Apr, 2001	Mar, 2001	Jun, 2000	Mar, 2001 Apr, 2001
Shareowners (ex MGT)	Yahoo Japan Corporation (43.5%)	Itochu Corporation (20%)	Opt (1%)	Rakuten (5%)	Rakuten (36.25%), MBK (36.25%), Linkshare Corporation (27.5%)
Key issues	Yahoo's affiliate. Strength in finance, online shopping, travel.	Mobile strength. Strong tie with GREE. Target to social games.	Focus on affiliate & media biz.	Largest affiliate network. Strong for small clients.	Strong at shopping biz & marketing strategy. Strong in finance.
IPO	Jul, 2006	Jun, 2006	Sep, 2006	Nov, 2005	-
Latest Affiliate AD Network					
Number of Publishers	857K	321K	303K	1,356K	n.a.
Number of Merchants	2,845	4,027	7,771	3,555	n.a.
Sales (MN JPY) * Figures are on gross basis. For Adways, fiscal years ended in March and for Interspace, years ended in Sep.					
FY2011	12,450	15,907	9,462	10,590	n.a.
FY2010	11,504	13,157	7,806	8,722	n.a.

* Linkshare Corporation has been wholly owned by Rakuten since 2005 fall.

* Linkshare Japan and Trafficgate merged in May, 2010, and Linkshare Japan continues while TG discontinued. Brand name "TG affiliate" remains for the time being.

* Itochu Corporation and MBK are international trading companies with global reputation.

ValueCommerce Unique Assets

	ValueCommerce		Fan Communications	Adways	Interspace	Linkshare Japan
GMV *1	#1	JPY 226B	-	-	-	JPY 101B
Transactions *2	#1	35M	-	-	-	-
Publisher Payment + Sales (in 2010) *3	#2	JPY 12.5B	JPY 10.5B	JPY 15.9B	JPY 9.4B	-
Number of EC sites *4	-	2,845	3,555	4,027	7,771	-
Number of Publishers	#2	857K	1,356K	321K	303K	-
Client Set	-	Consulting Mid-High Tier ASP Long tail-Mid Tier	Long tail	Mobile	Sales rep dependence	eCommerce centric
Publisher Set	-	Varied	Small	Mobile	-	Closed media

*1 GMV stands for Gross Merchandise Volume. Larger GMV proves higher purchase opportunities via performance marketing. The figure is that of FY2011.

*2 Transactions are based on performance illustrating online purchasing activities and lead generations (e.g. new entrants applications, online enquiries). The figure represents that of FY2011.

*3 Making sales comparison on apples-to-apples basis, figures included amount of publisher payments.

*4 Number of EC sites at ValueCommerce is based on billed site basis, whereas others are ID or registered base. From this standpoint, number of EC sites are NOT on apples-to-apples basis, and its ranking is thus irrelevant. That of Interspace seems outrageous.

ValueCommerce's Strength lies in

Ample marketing expertise as a pioneer in ASP affiliate marketing

Direct sales strength and track records with major clients

High quality affiliate network through pre-screening and fraud control

Collaboration with Yahoo Japan Corporation

Multinational human resources with global competency