

FY2011 consolidated results

**April 26, 2012
So-net Entertainment Corporation**

Contents

- **Business portfolio and medium-term management plan**
- **FY11 consolidated results**
- **Current state of business segments**
 - **Network Services**
 - **Media & Entertainment**
- **FY12 full year results forecast**

Business portfolio

Segments

Network services

Media & Entertainment

Domain

- Connection services
- Solution services

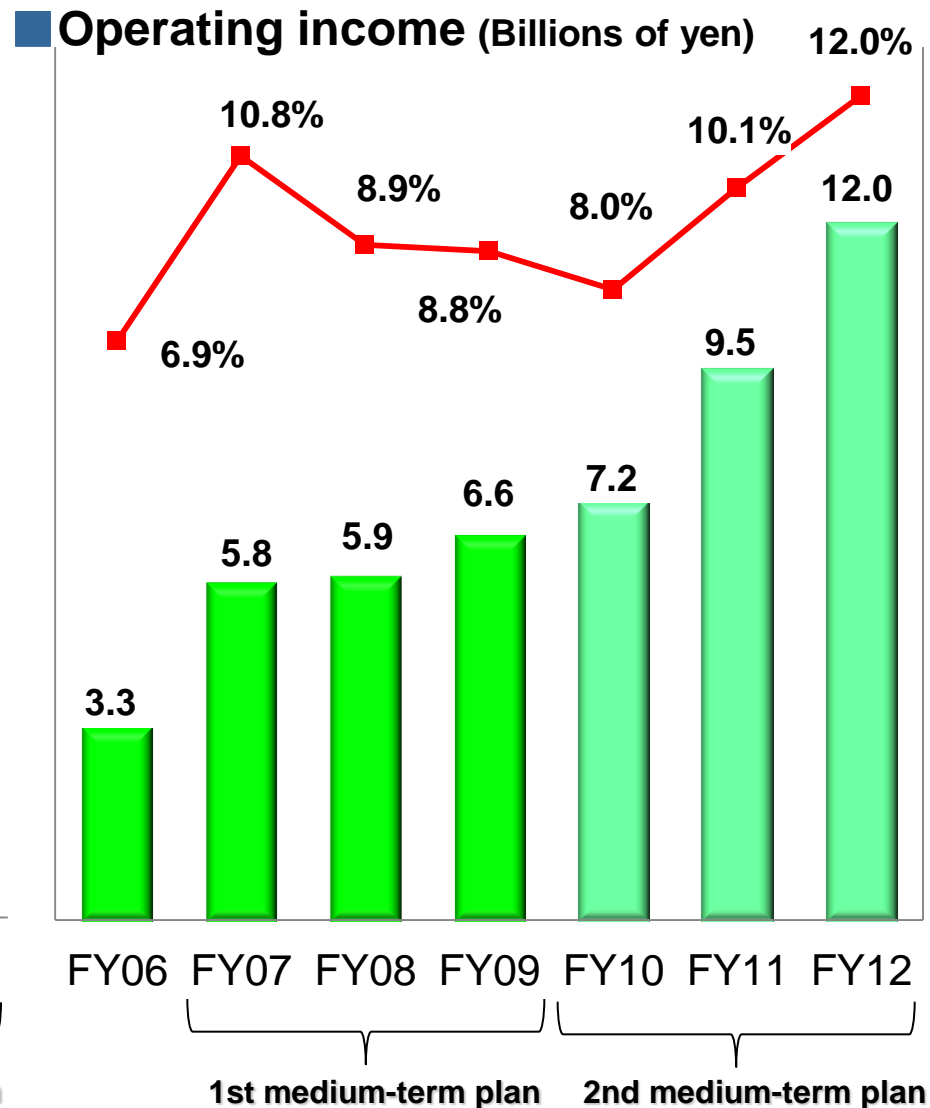
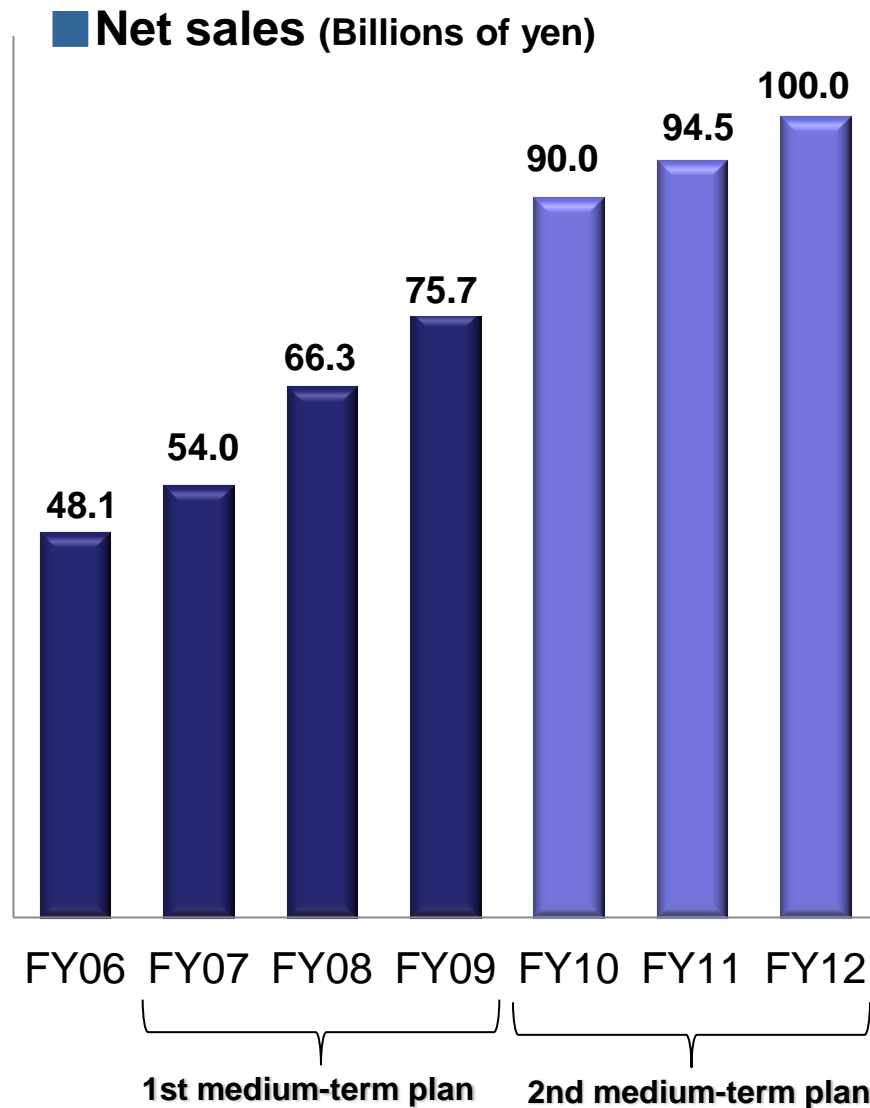
- Medical portal
- Online game business
- Advertising

Subsidiaries

**So-net Entertainment
Taiwan**

**M3
Gamepot
So-net Media Networks
Motion Portrait**

Medium-term management plan (announced May, 2010)



FY11 consolidated results

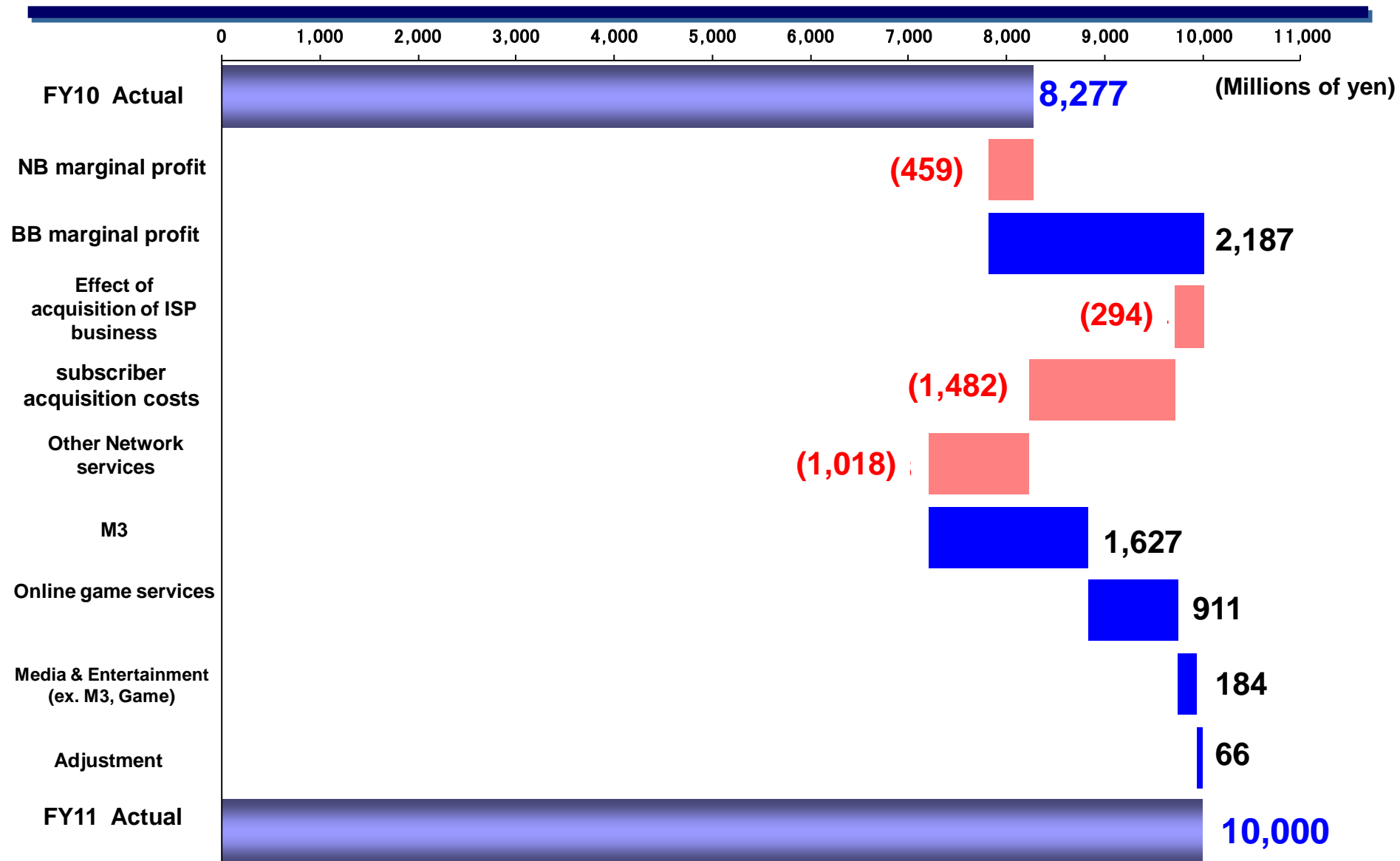
FY11 financial results (consolidated)

(Millions of yen)	FY10	FY11	Change	FY11 (forecast)
Net sales	88,574	93,353	+5.4%	94,500
Operating income	8,277	10,000	+20.8%	10,000
Ordinary income	8,102	10,578	+30.6%	10,400
Net income	3,660	4,050	+10.6%	4,200
Dividend per share (¥)	3,300	4,800	+1,500	-
Payout ratio	23.0%	30.3%	-	-

Segment information

(Millions of yen)	FY10	FY11	Change
Net sales	88,574	93,353	+5.4%
Network services	64,444	63,781	(1.0%)
Media & Entertainment	24,130	29,571	+22.6%
Operating income	8,277	10,000	+20.8%
Network services	5,421	4,355	(19.7%)
Media & Entertainment	5,473	8,195	+49.7%
Adjustment	(2,616)	(2,550)	—

Consolidated operating income: Factors



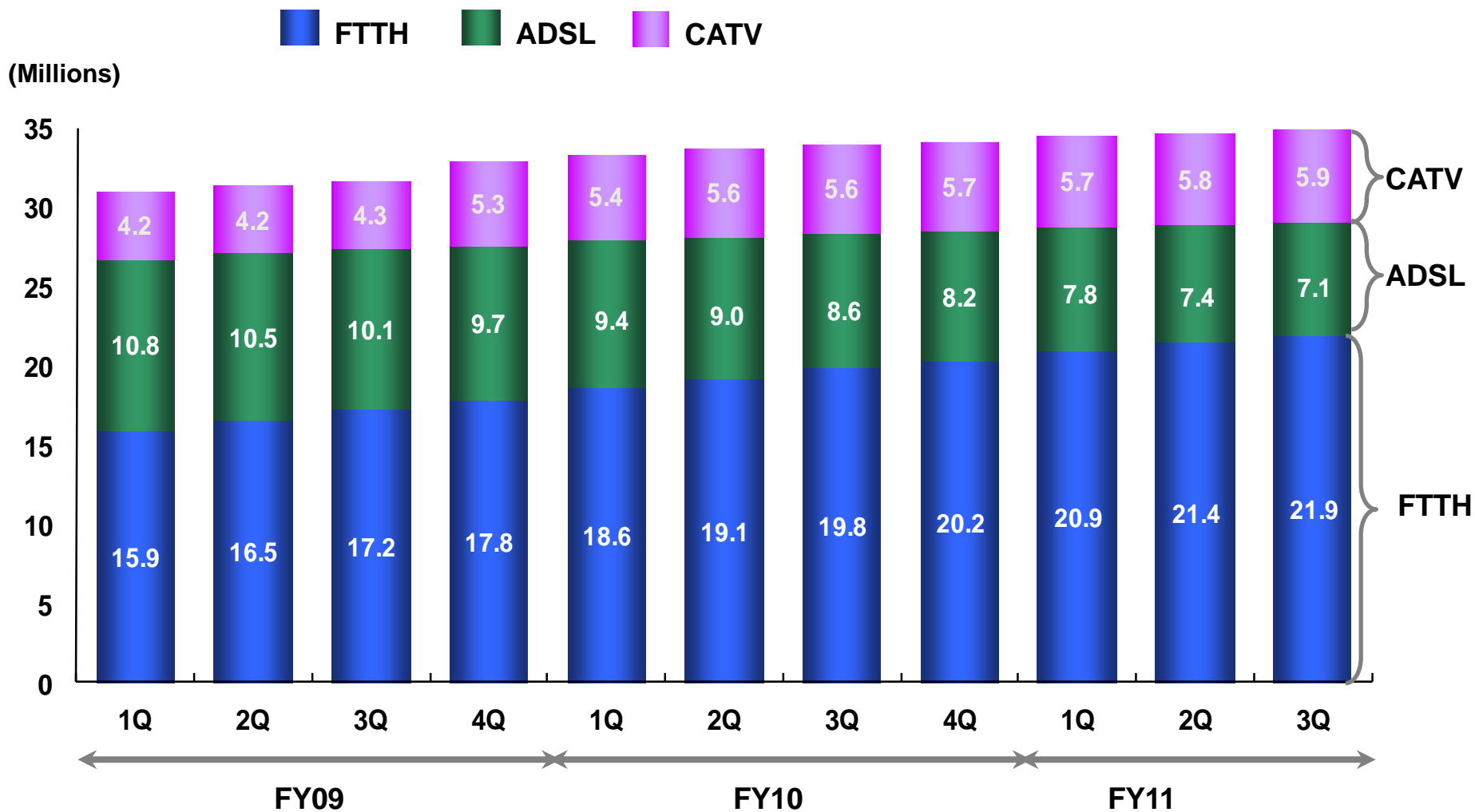
Current state of business segments

Network services

Business policy in network services

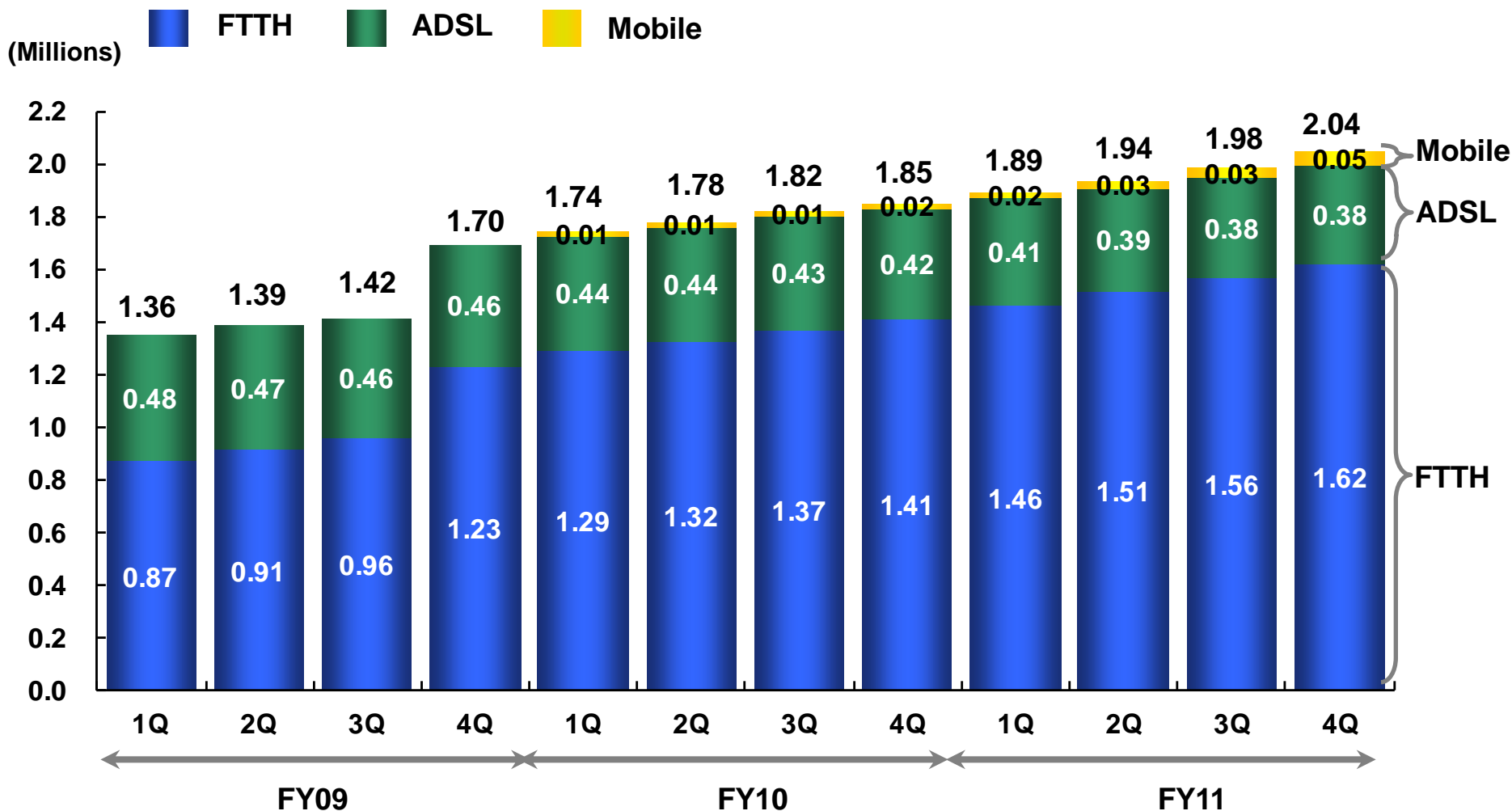
- **Expand the subscriber base**
- **Focus on mobile communications**
- **Enhancement of backyard**

Broadband internet user trends <Quarterly base>



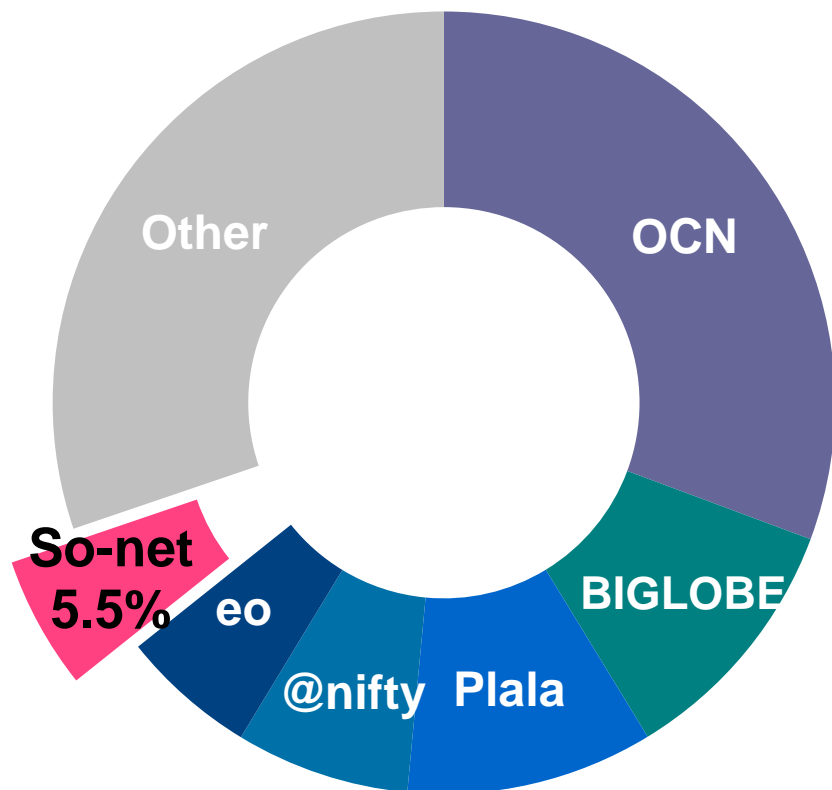
Source : Ministry of Internal Affairs and Communications

So-net broadband subscribers trends (Domestic)

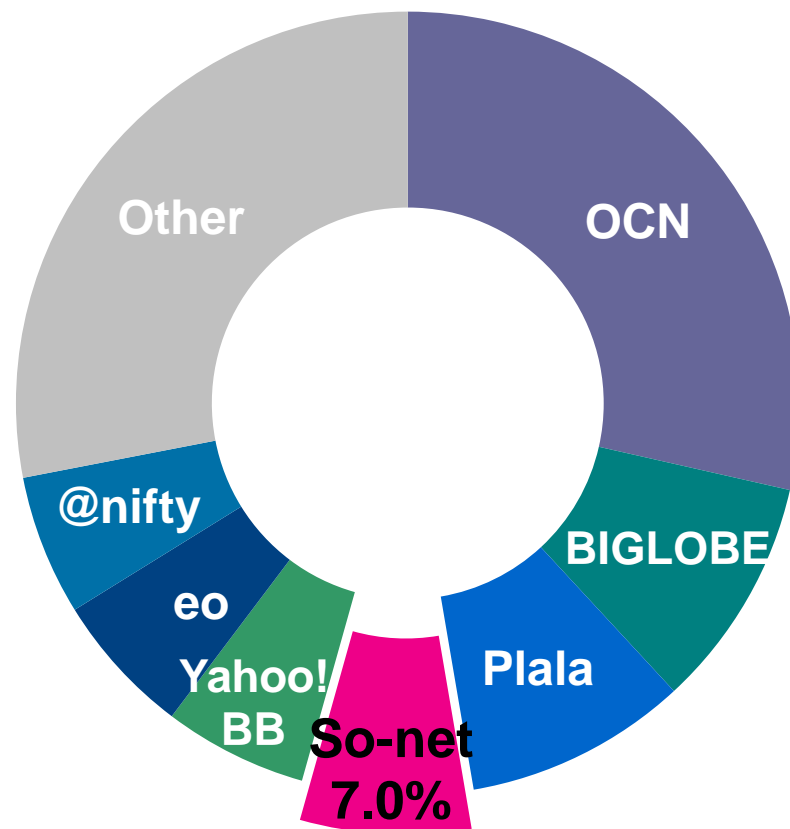


Domestic FTTH market share

End of Sep. 2009



End of Sep. 2011

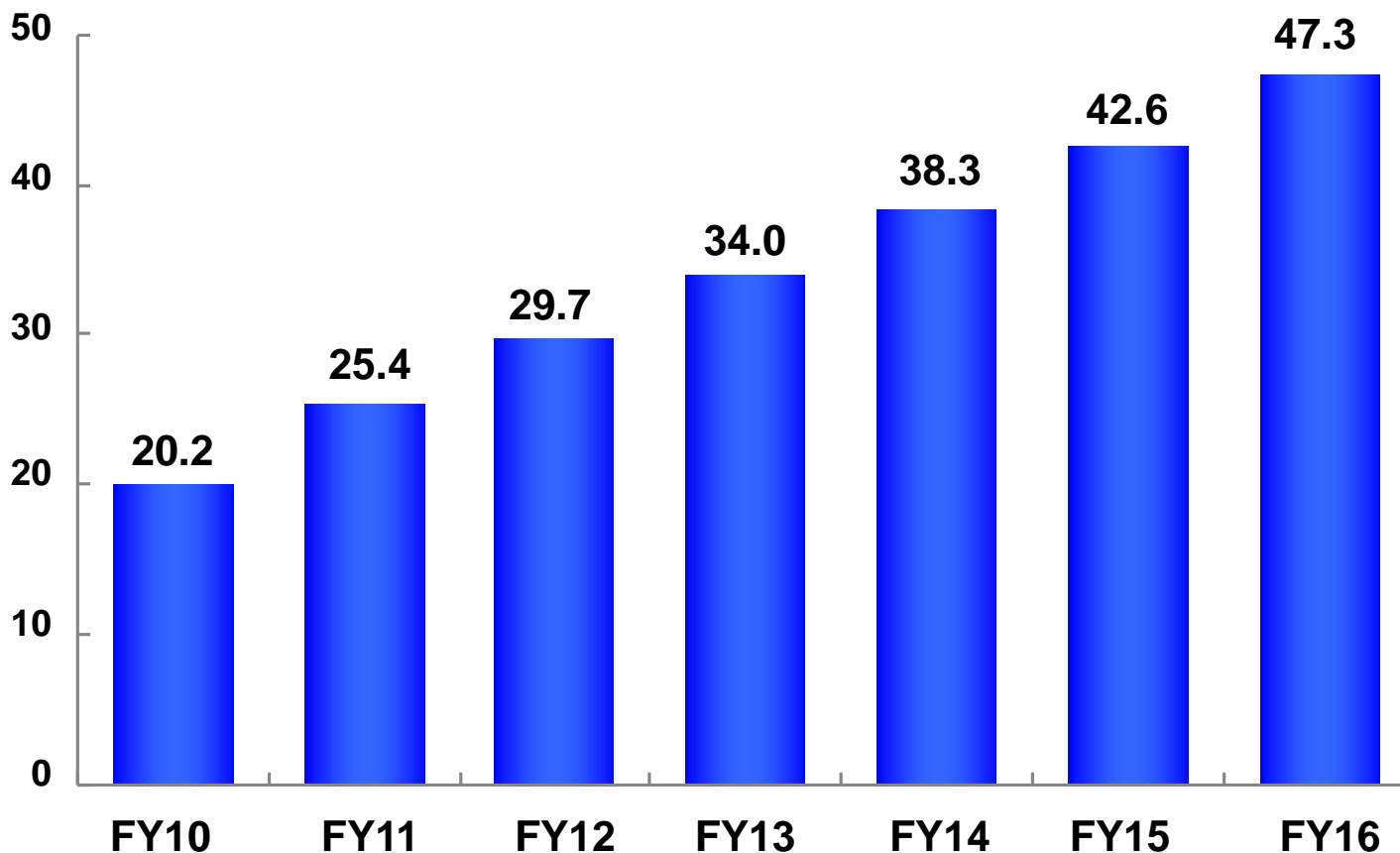


Source: MM Research Institute, Ltd. (Minato-ku, Tokyo)

Forecast of domestic pay VOD market

Forecast of domestic pay VOD (TV) market scale

(Billions of yen)



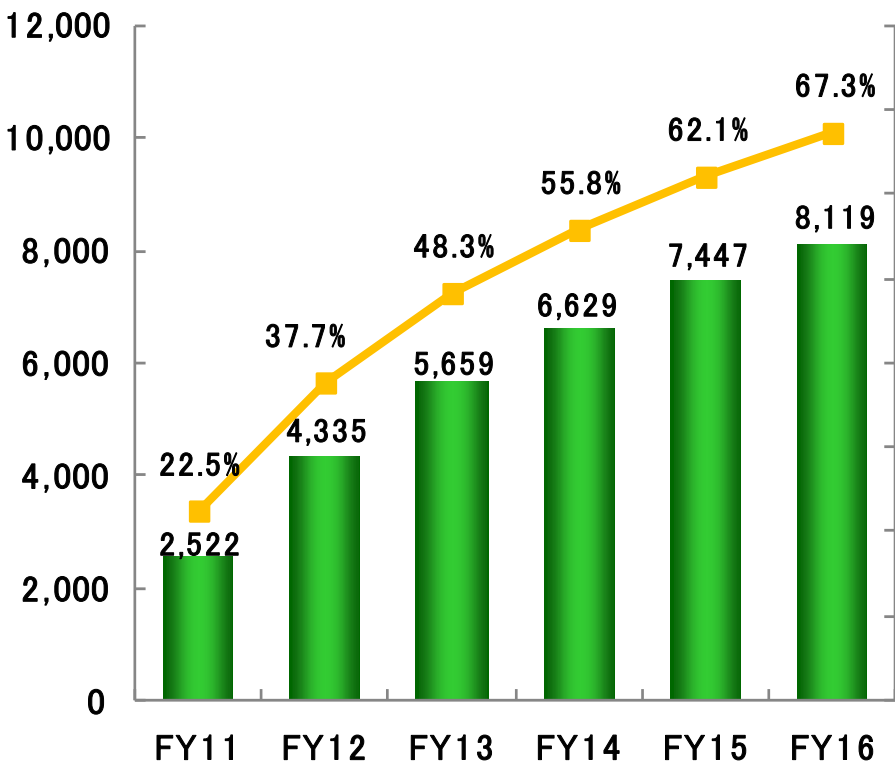
Source: Nomura Research Institute, Ltd.

Increase in wireless data traffic

■ Forecasts of the number of smartphone subscriptions and subscription rate in Japan

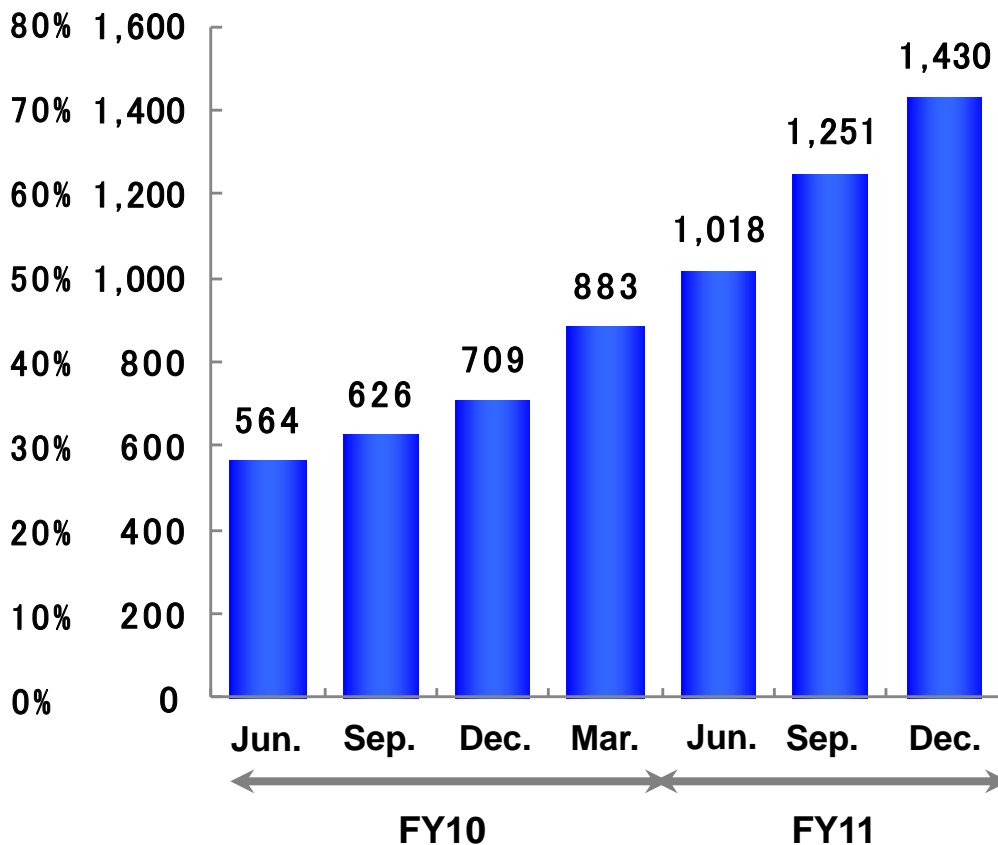
■ Monthly average mobile communication traffic per user in Japan

(10,000 units)



Source: MM Research Institute, Ltd. (Minato-ku, Tokyo)

(bps)



Source: Ministry of Internal Affairs and Communications

Mobile communications lineup

■ So-net Mobile WiMAX



■ bitWarp (EM)

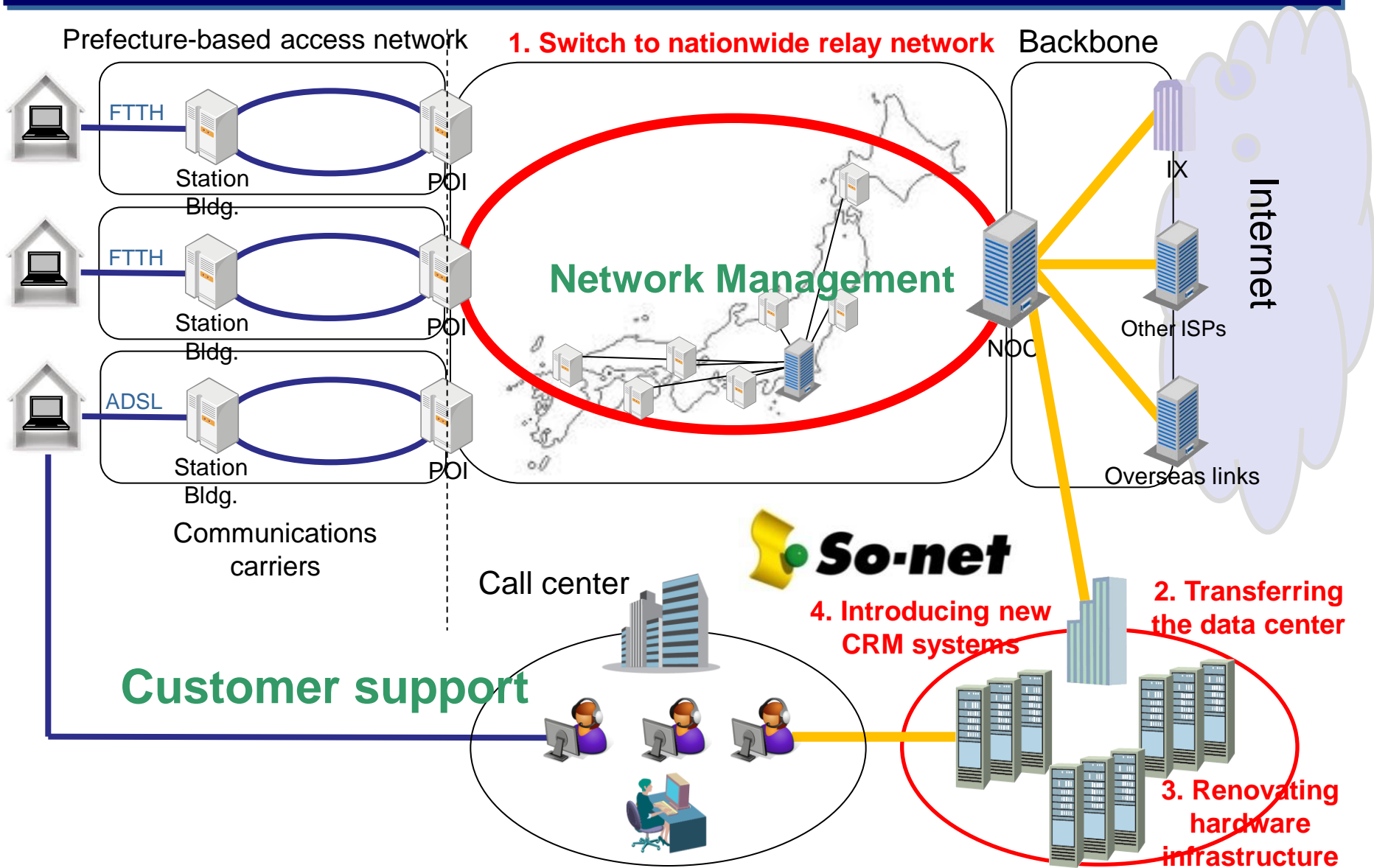


■ So-net Mobile 3G



LTE support

Enhancement of backyard



Current state of business segments

Media & Entertainment

Business policy in media & entertainment

■ Medical portal

- A key business portfolio that helps increase corporate value

■ Online games

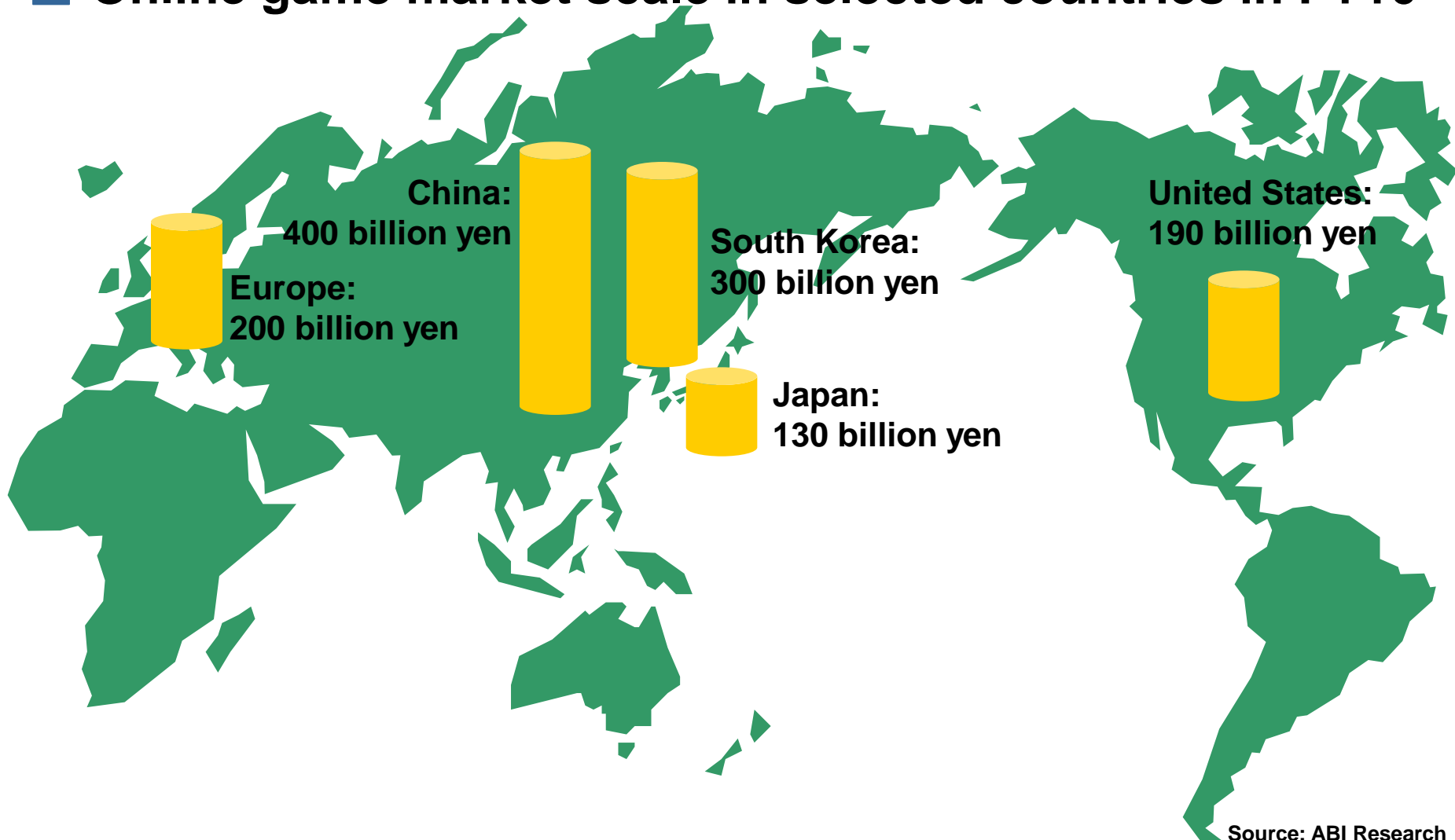
- Wizardry Online
- Bolstering mobile (smartphone) games

■ Advertising

- Launching a new ad distribution engine

Online game market

■ Online game market scale in selected countries in FY10



Source: ABI Research

Wizardry Online

- Healthy sales since the service launch in October
Overseas licensing planned

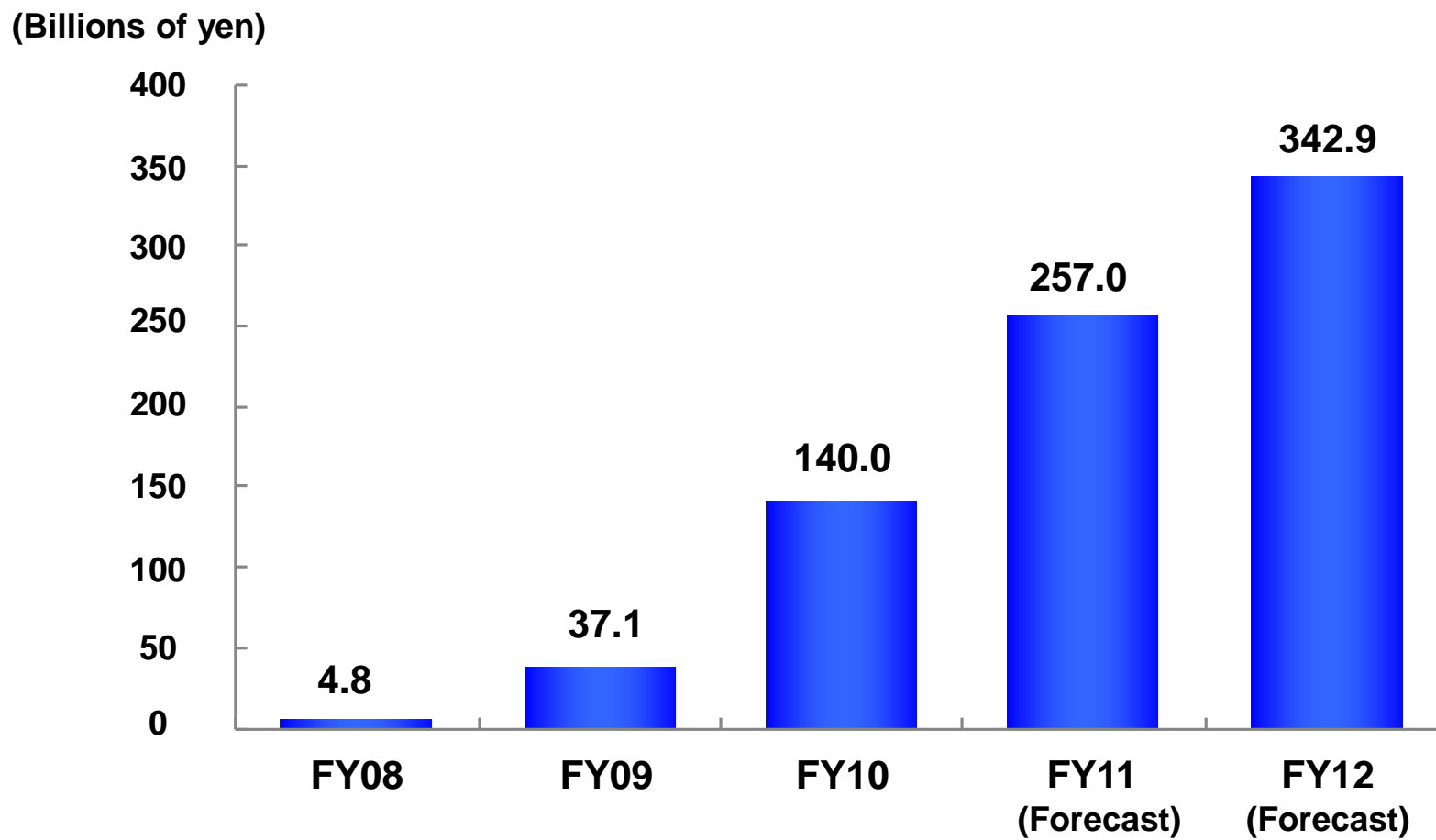


Wizardry
online



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Forecasting the social game market scale in Japan



Source: Yano Research Institute Ltd.

Mobile social games

Titles operated for Mobage

Karitomo



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Spirits of Fairy Tales -Card of Magic-



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Zombie Hunters



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Senki★crisis



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Other application games

◆ iPhone Tokushu-butai, Special Forces Chronicle



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YuruRobo Factory



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◆ Android

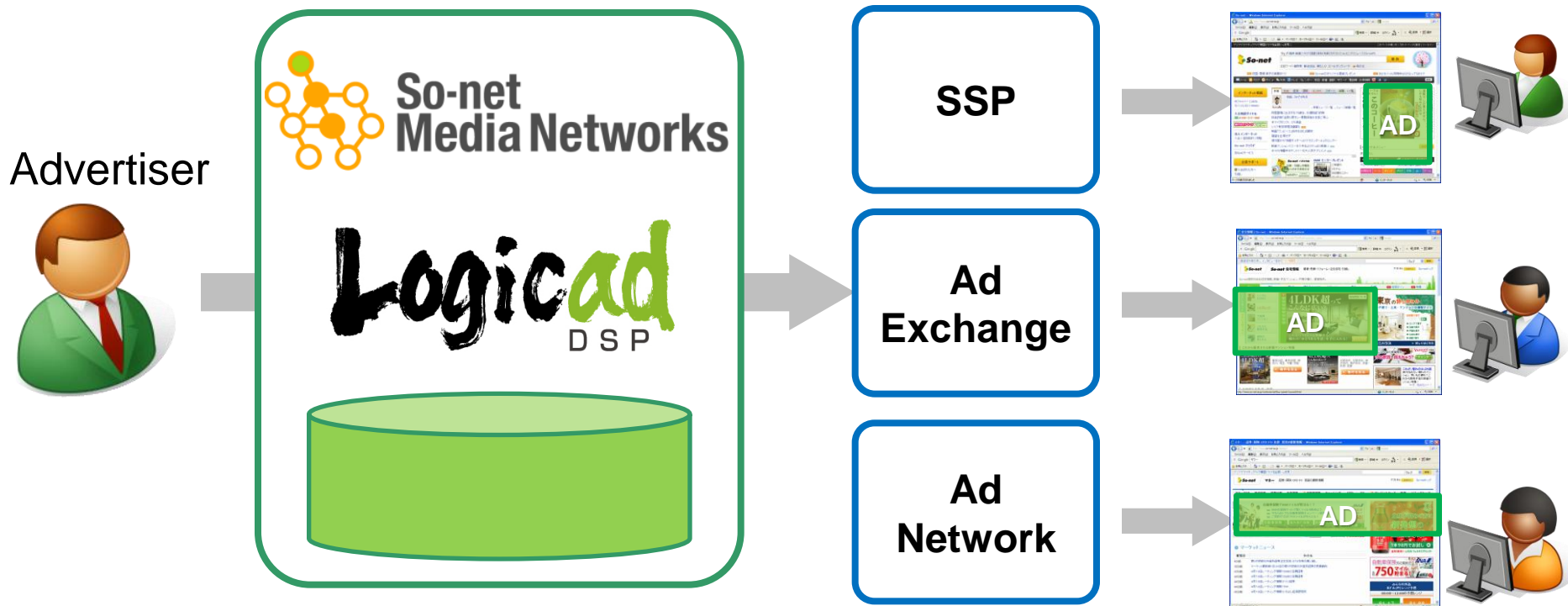
La Tale -Story of Iris-



(C)Actoz Soft Co.,Ltd. (C)Funigloo Co.,Ltd. (C)Gamepot Inc.

Advertising

- Distribution of ads optimized for “humanity” in real-time auctions



Incubation: Introducing *Enigma*

Operating the BUYMA global shopping community, which enables users to act as buyers and to ask buyers to search for the goods they want for them

(So-net holds 33.4% of its voting rights.)

BUYMA
Fashion is Borderless

お知らせ | 友達紹介 | はじめての世界中の
マイカート

LADIES MENS BABY/KIDS BEAUTY HOME SPORTS SALE LUXURY STYLIST

検索 商品全体から カテゴリから探す ブランドから探す

キーワード 紗栄子 愛用 Millyワンピース MINNETONKA モカシン スカーフ Aone シャツ・ブラウス カスタナール

2012 Spring dress collection
最旬 春の本命ワンピース特集

人気急上昇
ワンピース
を追加!!

- クーポンでお得Luxury Brands
- 季節先取り♪春夏最新バッグ
- 人気ブランド追加セールの特集
- LOEWE 2012 新作コレクション
- Spring & Summer Shoes collection

リクエストしてみる

リクエストとは、自分が探している商品を世界中にいるバイヤーにリクエストをすることで自分の代わりに欲しい商品を探してもらうことができます。

リクエストをする

Request一覧 リクエストをRSS配信中心

キーワード

カテゴリ

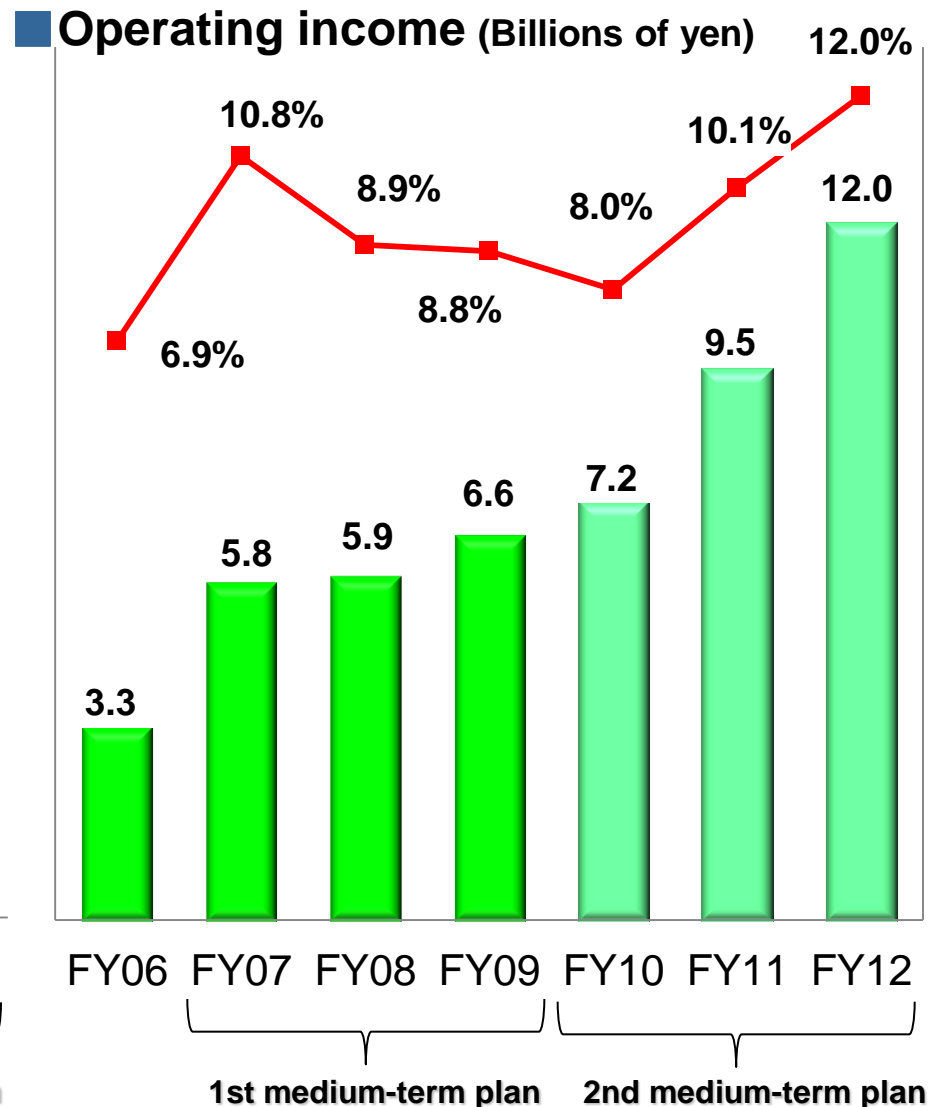
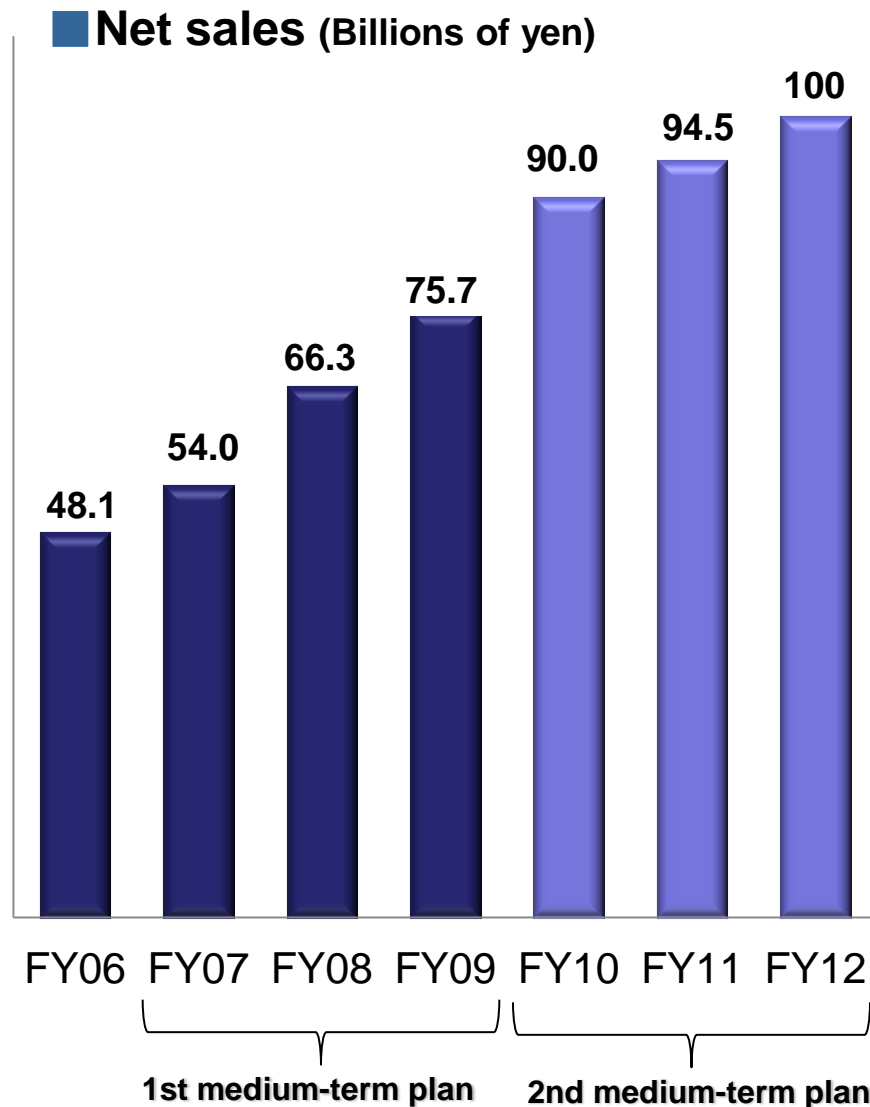
レスポンス・成約状態

検索

写真	リクエストタイトル	カテゴリ	上限価格	希望到着期	希望商品数	レスポンス
	ZUMBAアクセサリー	その他ファッション	バイヤーにまかせる	2012/06/03	1	0

FY12 full year results forecast

Medium-term management plan (announced May, 2010)

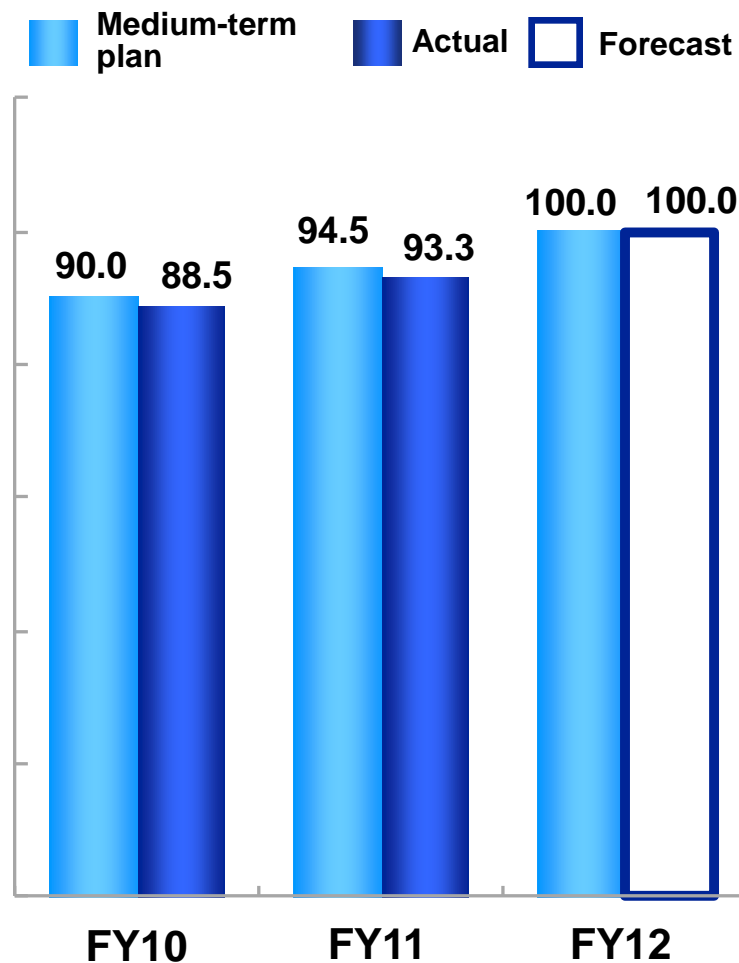


FY12 forecasts (consolidated)

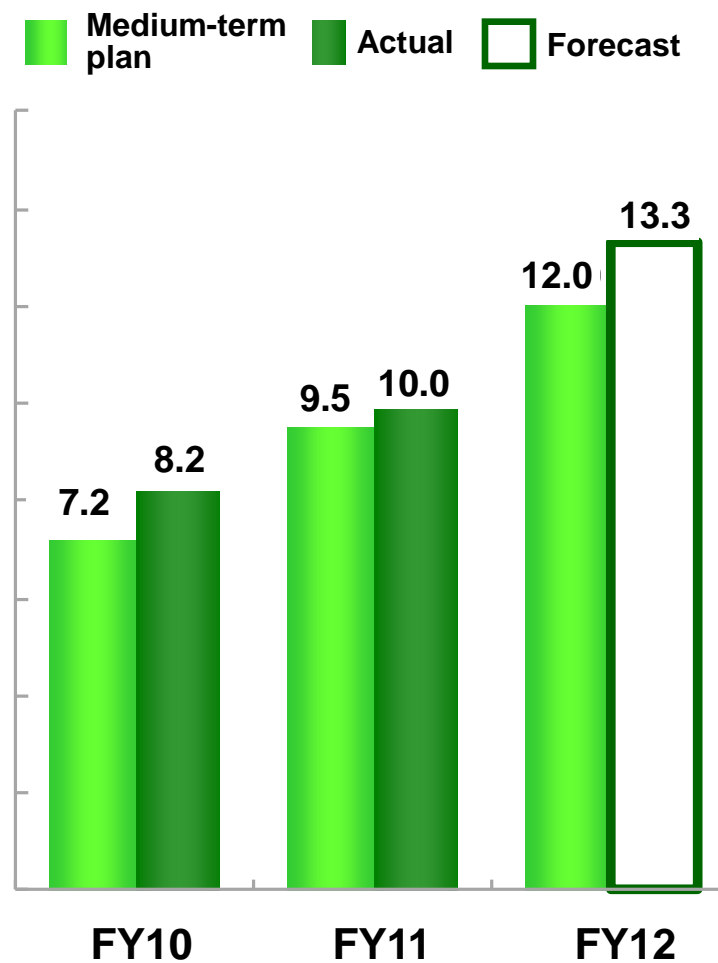
(Millions of yen)	FY11	FY12 (forecasts)	Change
Net sales	93,353	100,000	+7.1%
Operating income	10,000	13,300	+33.0%
Ordinary income	10,578	13,900	+31.4%
Net income	4,050	5,800	+43.2%
Dividend per share (¥)	4,800	6,800	+2,000
Payout ratio	30.3%	30.0%	-

Comparison with the medium-term management plan

■ Net sales (Billions of yen)



■ Operating income (Billions of yen)



Financial data and subscriber trends

(Millions of yen)	FY10				FY11			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	21,472	22,040	22,539	22,522	22,662	22,616	24,296	23,778
Network services	15,980	16,238	16,084	16,140	16,159	15,774	16,023	15,824
Media & Entertainment	5,491	5,802	6,454	6,381	6,502	6,841	8,272	7,953
Operating income	1,651	2,004	2,680	1,941	2,287	2,013	2,985	2,714
Ordinary income	1,816	1,937	2,647	1,701	2,866	1,986	2,953	2,771
Net income	423	1,012	1,352	871	1,563	547	956	983

(Millions)	FY10				FY11			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Broadband subscribers	1.74	1.78	1.82	1.85	1.89	1.94	1.98	2.04

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