



Financial Analyst Meeting 2015

MarkLines Co., Ltd.

February 20, 2015

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Forward-Looking Statements

This report contains statements that describe our plans and expectations, based on the current financial results and our judgment for possible future events. Our business performance is subject to influence from various external factors. We therefore caution readers that our actual results could differ from our plans and expectations.

Any information on other companies used in this report is cited from various public sources; hence the accuracy and appropriateness of such information can not be guaranteed.

MarkLines Co., Ltd.

1. 2014 Business Highlights

2014 Business Highlights

- The global automotive market continued to expand, driven by strong demand in North America and China. (Global annual growth rate: 3.5%). Information is becoming increasingly vital, with the diversification of powertrains and use of next-generation information technologies.
- A weaker yen helped Japanese OEMs and parts suppliers improve profitability.
- MarkLines increased competitiveness by adding new content and information: model plans for the Thai market; parts supply information on vehicles built in Thailand, Korea, and China; and teardown reports on key models.
- Automotive Information Platform business has approximately 145,000 members (including free members), up 19.8% from 2013. MarkLines had 26.67 million page views in 2014, up 20.9% from 2013.
- MarkLines (Thailand) Co., Ltd., established in 2013, has won new customers and has provided information about regional activities.
- 1,712 companies are corporate members of MarkLines, an increase of 193 from 2013.
- Net sales also came from businesses other than Automotive Information Platform: consulting services for customized research projects; LMC Automotive forecasts; and executive searches.

2. 2014 Financial Results

2014 Consolidated Financial Results

(in millions of JPY)

	2013	2014	Change
Net Sales	852	1,053	+23.6%
Operating Income	217	333	+53.3%
Ordinary Income	242	344	+42.3%
Net Income	153	220	+43.5%

2014 Consolidated Net Sales by Segment

(in millions of JPY)

	2013	2014	Change
Automotive Information Platform	802	958	+19.5%
Other Businesses	49	95	+90.9%

2014 Business Performances by Segment

■ Automotive Information Platform business

- Net sales reached JPY 958 million (+19.5% y/y).
- MarkLines gained many new customers in Japan: electric equipment suppliers focusing on automotive products; and small- and mid-sized parts suppliers planning global expansion.
- MarkLines also won new customers outside Japan, especially in the growing Chinese market. The new subsidiary established in 2013 gained customers in Thailand. A weaker yen also contributed to boosting net sales.

■ Other businesses

- Net sales reached JPY 95 million (+90.9% y/y).
- Net sales from consulting services stood at the same level as 2013, but the operation's profit margin improved due to increased in-house operations.
- MarkLines actively introduced LMC Automotive forecasting services at auto shows and exhibitions, and increased net sales from this business significantly.
- Net sales from executive searches increased due to the improvement of labor market in Japan, but remains relatively low.

2014 Consolidated Net Sales by Region

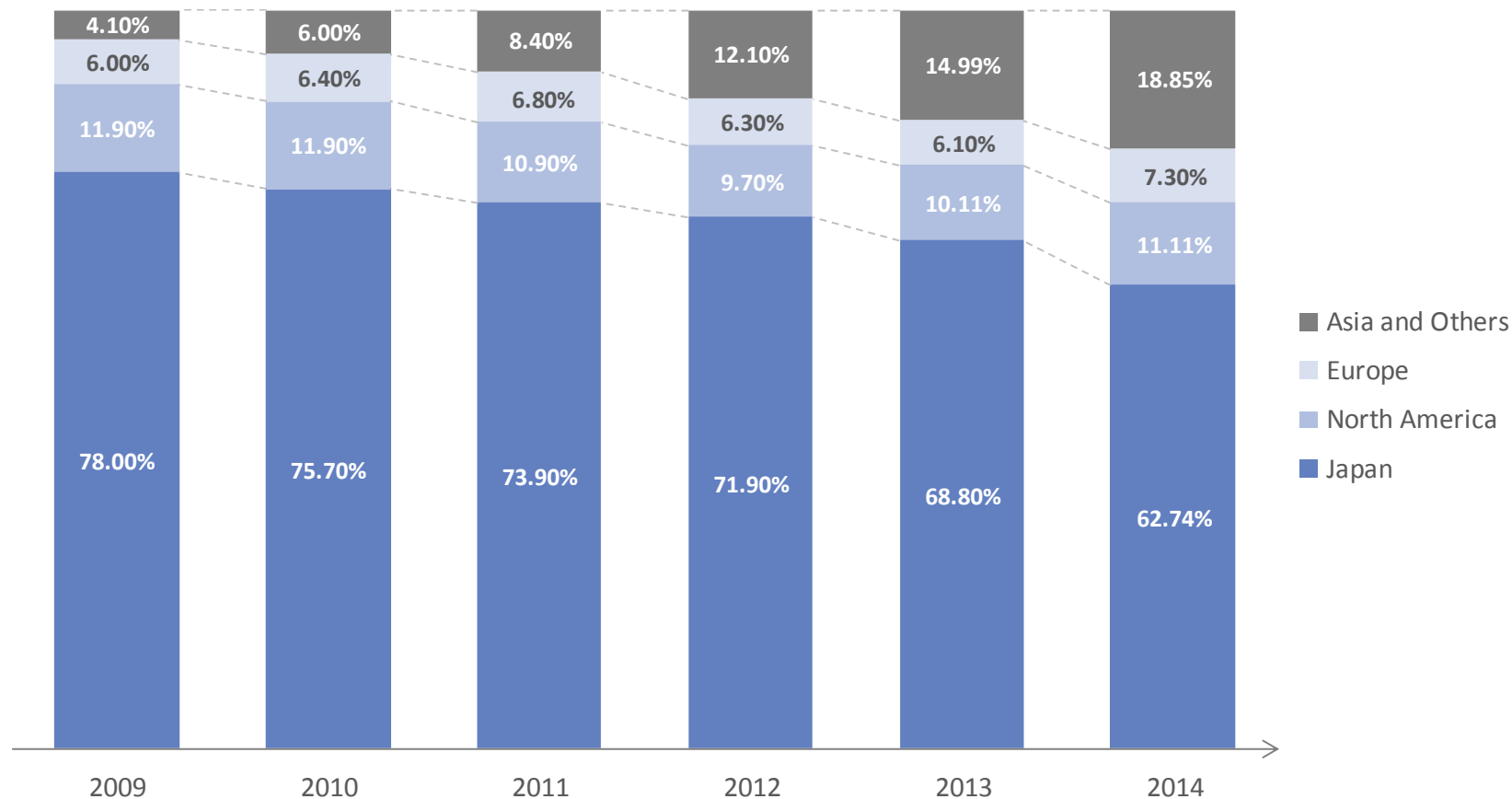
(in thousands of JPY)

	2013	2014	Change
Japan	599,451	693,299	+15.7%
North America	83,743	106,465	+27.1%
Europe	48,809	69,956	+43.3%
Asia	118,578	180,558	+52.3%
Others	1,704	3,500	+105.4%
Total	852,286	1,053,781	+23.6%

2014 Business Performances by Region

- Japan: Net sales from the Automotive Information Platform business increased 8.8% y/y, thanks to growth in vehicle production and new entrants into the automotive market from other industries. Of the 193 new corporate customers won in 2014, 93 (48.2%) were Japanese companies. Net sales from other businesses also grew. Overall net sales in Japan gained 15.7% from the 2013 result.
- North America and Europe: Many new customers in the region were won. A weaker yen also boosted net sales. Net sales in North America increased 27.1% y/y; net sales in Europe increased 43.3% y/y.
- Asia: The Chinese market continued to be strong. Net sales from the Automotive Information Platform business increased 49.0% y/y. Of all new customers in China, 30% are Japanese, 20% are European and U.S., and 50% are Chinese.
- Other Asian markets such as ASEAN and India: MarkLines achieved 53% growth in Thailand. MarkLines (Thailand), established in 2013, greatly contributed to this increase. Most of the new corporate customers in Thailand are Japanese companies.

Revenue by Region (Automotive Information Platform Business)



3. MarkLines' Strengths and Business Environment

Significant Cost Advantage

Information from Multiple Sources



Diagram illustrating information from multiple sources:

- Statistics From USD 5,000- (Icon: Bar chart with upward arrow)
- Industry Reports From USD 10,000- (Icon: Stack of books)
- Research Reports From USD 5,000-/ month (Icon: Document with line graph)
- Global Exhibition reports (Icon: Handshake)
- Industry Journals (Icon: Newspaper)

Annual Fee
Starting from USD 20,000

VS

All-in-one Package

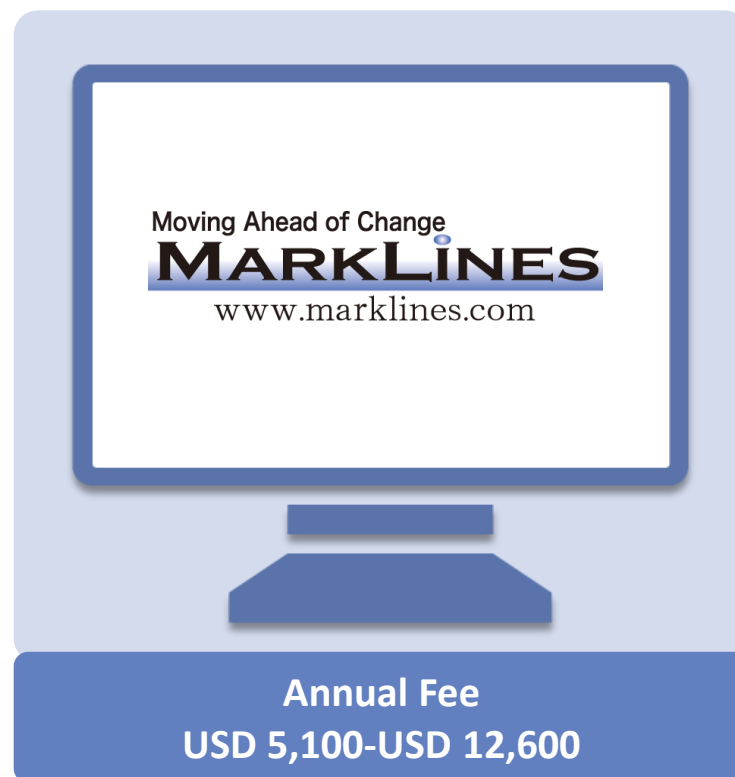


Diagram illustrating the all-in-one package:

Moving Ahead of Change
MARKLINES
www.marklines.com

Annual Fee
USD 5,100-USD 12,600

MarkLines' Strengths ②

New Content Offerings at No Added Cost

2002

2015

20XX

Attract new prospective customer segments



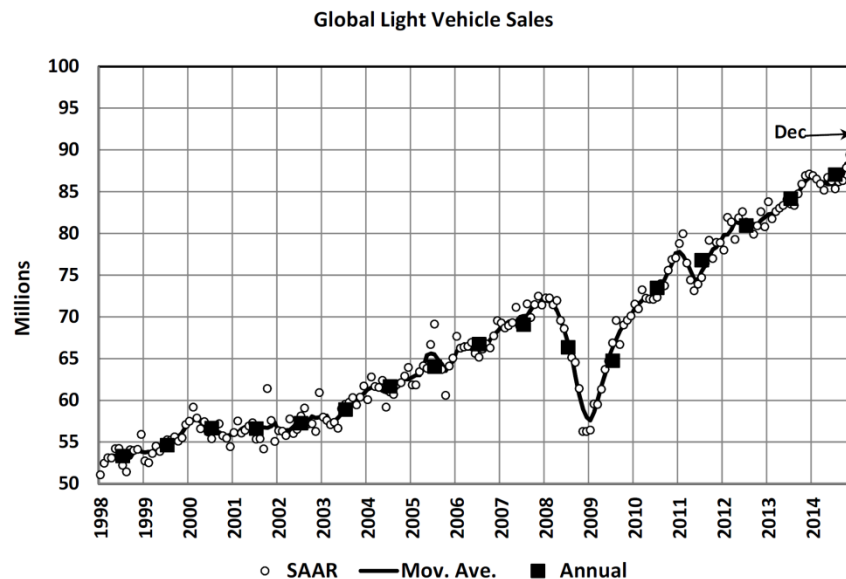
Main users

OEMs, major parts suppliers

OEMs, Parts Suppliers, Material Suppliers, Machinery & Equipment Suppliers (including measuring equipment and dies), Solution Vendors, Logistics Companies, Trading Companies, Government Offices, Consulting Companies, Financial Institutions, Construction Companies, Universities, and others.

2020 Global Vehicle Sales Expected to Reach 100 Million Units

	2014	2020
Vehicle sales volume	87 million units	100 million units
Automotive market	JPY 200 trillion	JPY 230 trillion-



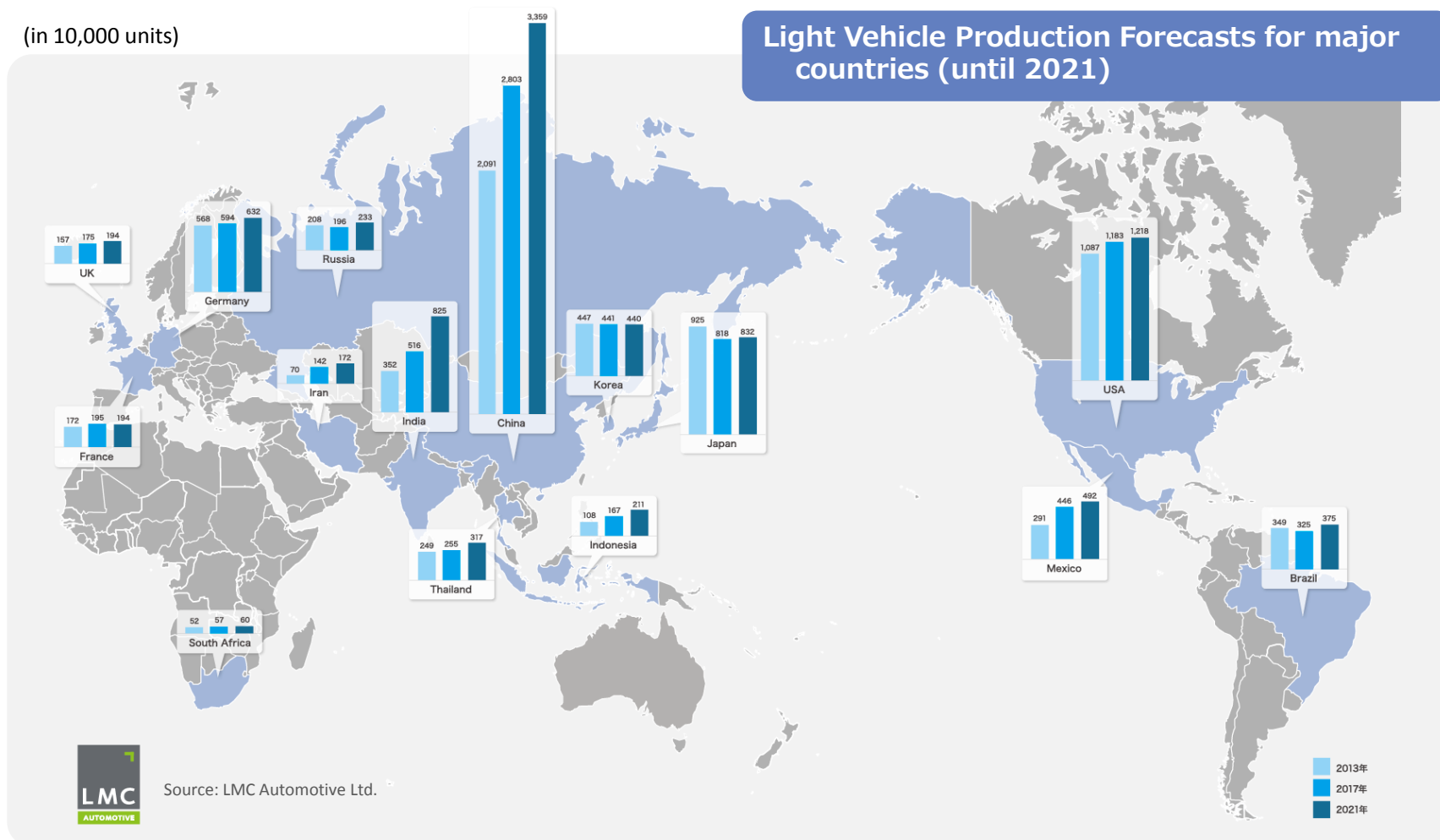
100 mill. units,
JPY 230 tril.
in 2020

Source: Sales volume: LMC Automotive Ltd.
Automotive market scale: estimated by MarkLines

Further Growth in China, India and Other Emerging Countries

(in 10,000 units)

Light Vehicle Production Forecasts for major countries (until 2021)

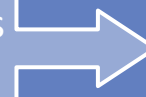


Business Environment ③ Diversification of Powertrains

Diversification of
powertrains

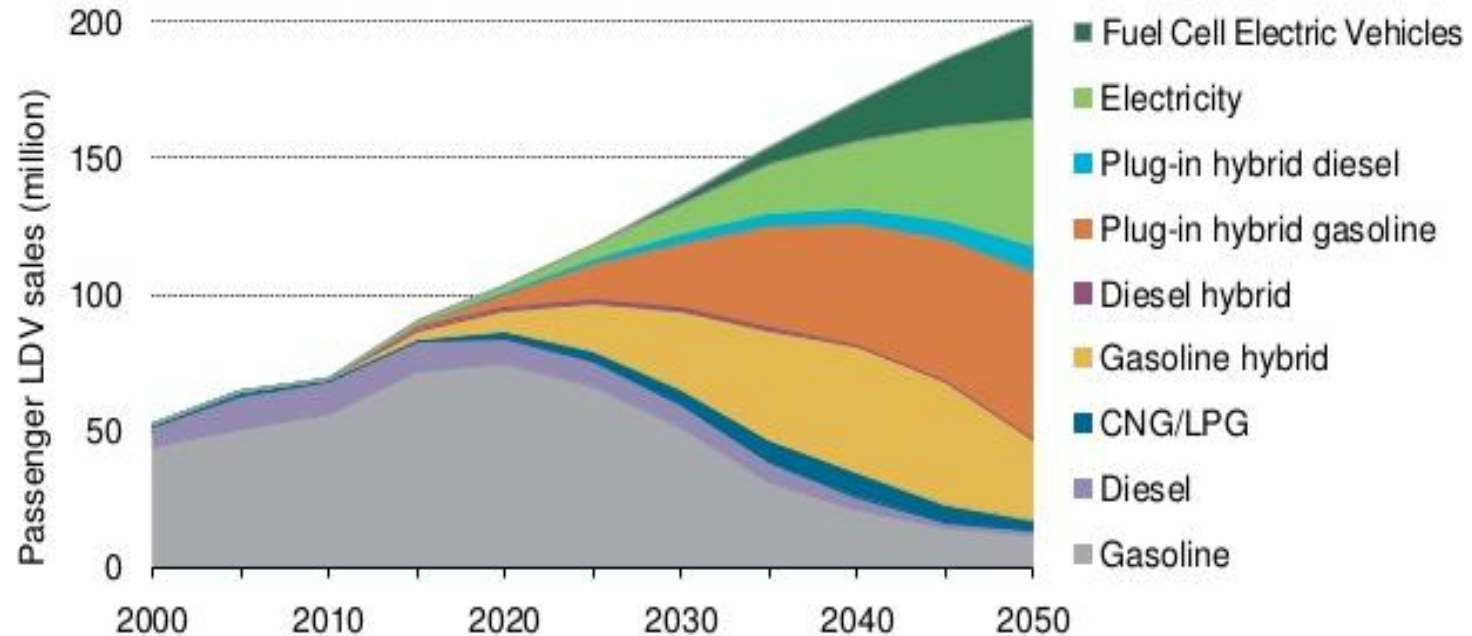


Diversification of parts
and materials



Expanded
customer base

Vehicle sales forecast by fuel type until 2050



source: IEA/ETP (Energy Technology Perspectives) 2012

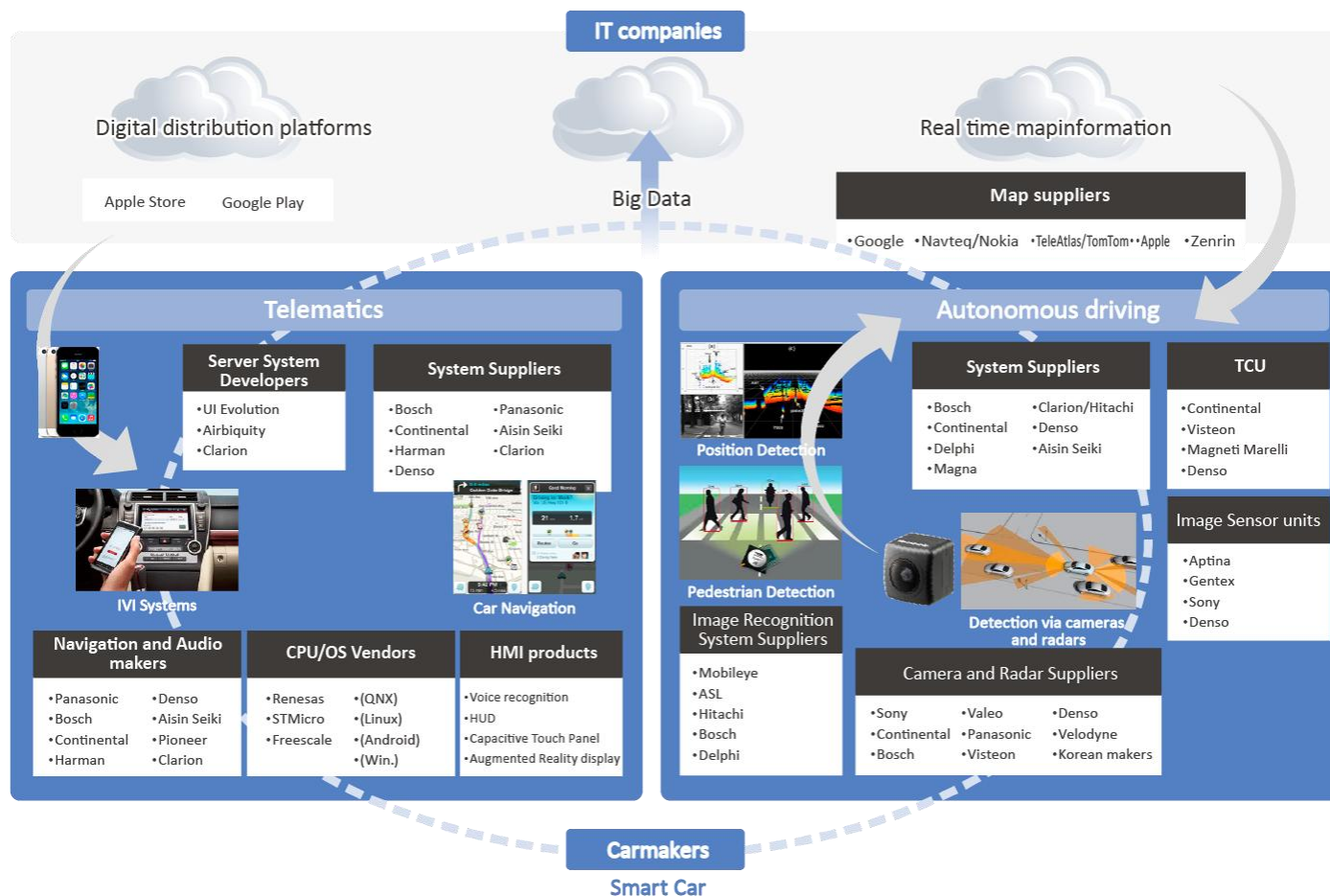
Business Environment ④ Safer and More Comfortable Vehicles

New technologies such as autonomous driving and big data

Entrants from other industries

More information and customers for Automotive Industry Portal

Expansion of Automotive Industry



4. Growth Strategy

Over 80,000 Potential Customers (MarkLines Automotive Information Platform)

MarkLines has over 1,700 corporate members, and approximately 80,000 potential customers worldwide.

By Segment	Japan	North America	Europe	China	Others	Total
OEMs (automakers)	20	30	90	270	300	710
Parts Suppliers	6,200	5,200	9,800	7,900	7,800	36,900
Material Suppliers	500	1,400	900	50	100	2,950
Equipment and die makers	2,600	1,500	700	3,000	4,000	11,800
Solution Vendors	500	2,600	1,000	400	600	5,100
Others (including approx. 20,000 Tier-2 parts suppliers outside Japan)	-	23,000				23,000
Total	9,820	10,730	12,490	11,620	12,800	80,460

Growth Strategy ① Improve Each Content and Service

Advance from best comprehensive service provider to being best in each content area

In order to achieve the goal of becoming the best source of information for the automotive industry, MarkLines is poised to improve all of its content by conducting an extensive benchmarking survey on the services of our competitors.

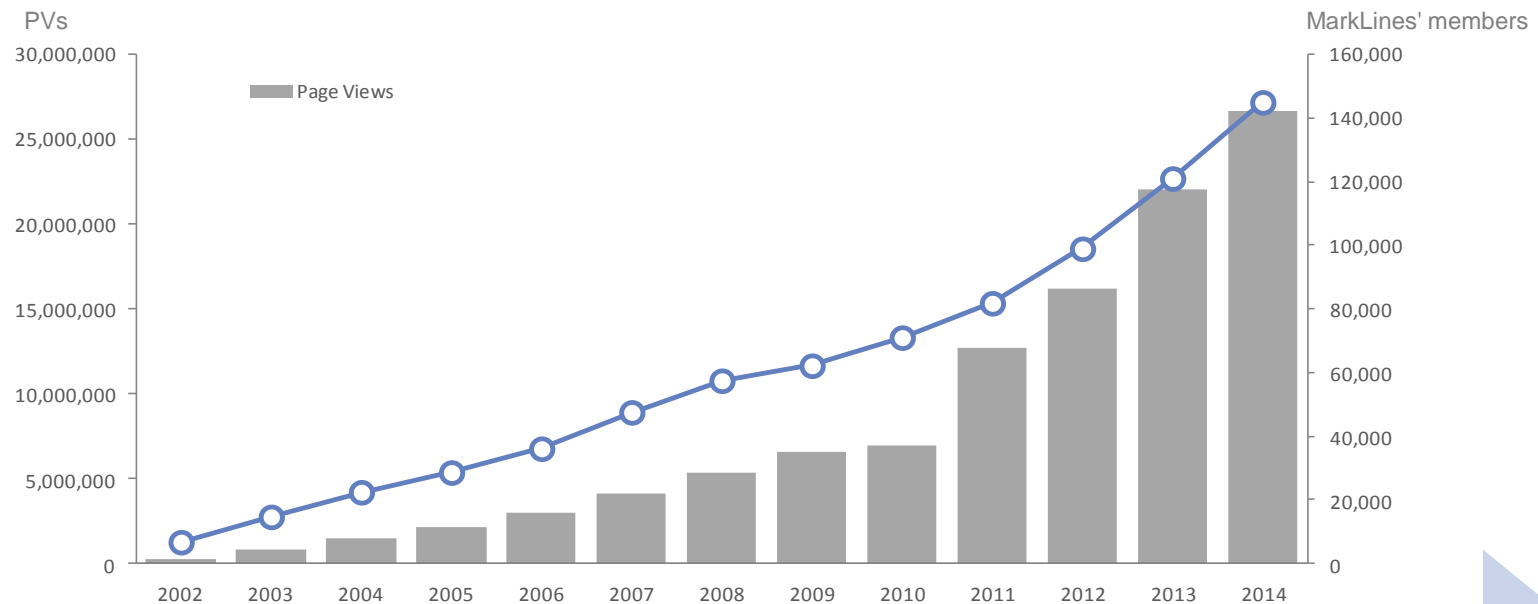
The screenshot shows the MarkLines Automotive Industry Portal. Three blue callout bubbles labeled "No.1" highlight specific content areas:

- Suppliers:** Who Supplies Whom | 40,000 Database | Top 500 Suppliers / Supplier News
- Statistics:** Models by Country (Sales / Production) | Database Search (Sales / Production) | Engine Data
- OEM Plants:** Plant Database (Map / Makers & Countries) | OEM Updates | OEM Plant Matrix
- Market & Technology Reports:** Latest Reports by Category (OEMs / Markets / Parts & Technology/ Exhibitions)
- Green Vehicles:** 300 Models | Components | Monthly China Reports NEW
- Forecasts:** Market Forecast Reports | Sales Outlook

The website also features a navigation bar with links like "Suppliers", "OEM Plants", "Statistics", "Market & Technology Reports", "Model Plans", and "Product Spotlight". A sidebar on the right shows "Latest news" with headlines such as "VW invests EUR 11.5 billion in research and development in 2014" and "VW Passat named European Car of the Year 2015". The bottom section includes "Product & Service Exhibition" and "New Products" with various automotive components and services listed.

Expand Sales from Marketing Tool Services

Promotional tools for MarkLines' corporate members to connect with buyers with purchasing potential



Increase the number of potential customers

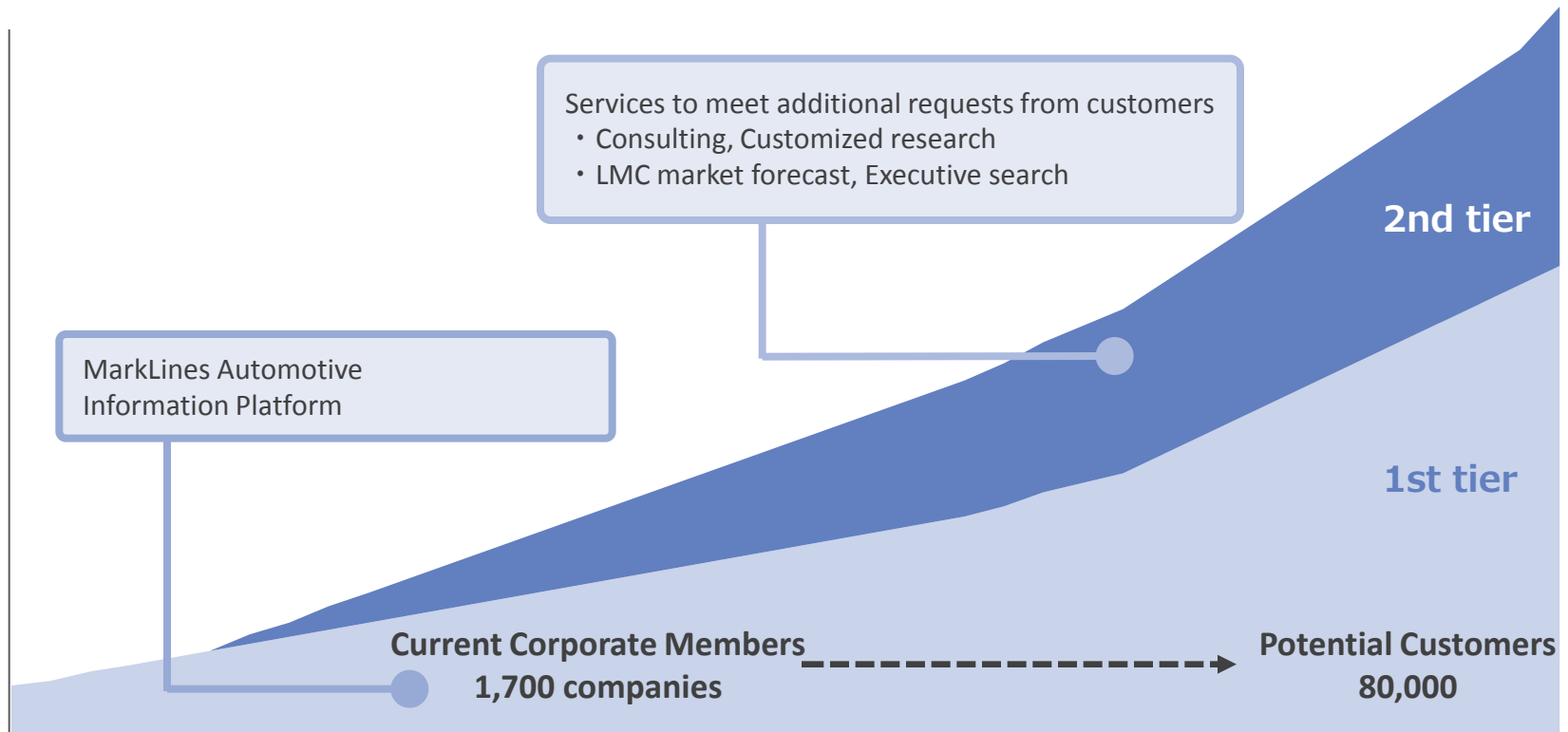
(Development and procurement staff at OEMs and leading parts suppliers)

Increase use of Marketing Tools by parts and material suppliers

Growth Strategy ③ Expansion of Other Businesses

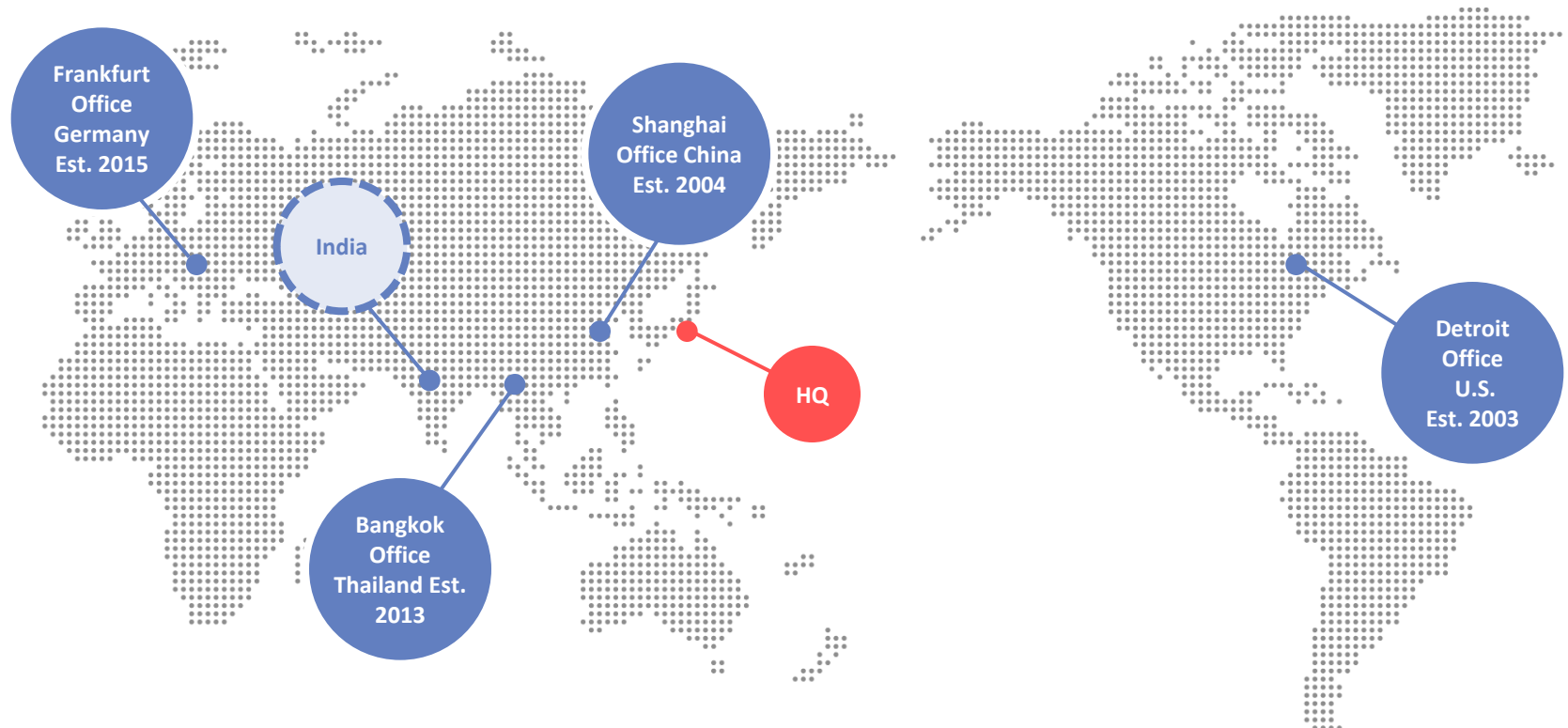
Establish Two-tiered Service Offerings

Increase net sales from 2nd tier businesses such as consulting, market forecast, and executive search services.



Entering into Europe and Emerging Markets in Asia

Jul. 2013 Opened an office in Bangkok, Thailand
Jan. 2015 Opened an office in Frankfurt, Germany
(To be determined) Plans to open an office in India



5. 2015 Financial Forecast

2015 Financial Forecast

(in millions of JPY)

	2014 Results	2015 Forecast	Change
Net Sales	1,053	1,263	+19.9%
Operating Income	333	410	+23.0%
Ordinary Income	344	415	+20.5%
Net Income	220	270	+22.7%

- Net Sales Increase Ratio by Segment
Automotive Information Platform : 15.2%
Other Businesses: 67.7%

Financial Results History

(in millions of JPY)

2001-2003: Unconsolidated

2004-2014: Consolidated

