

FY2007 Business Policies

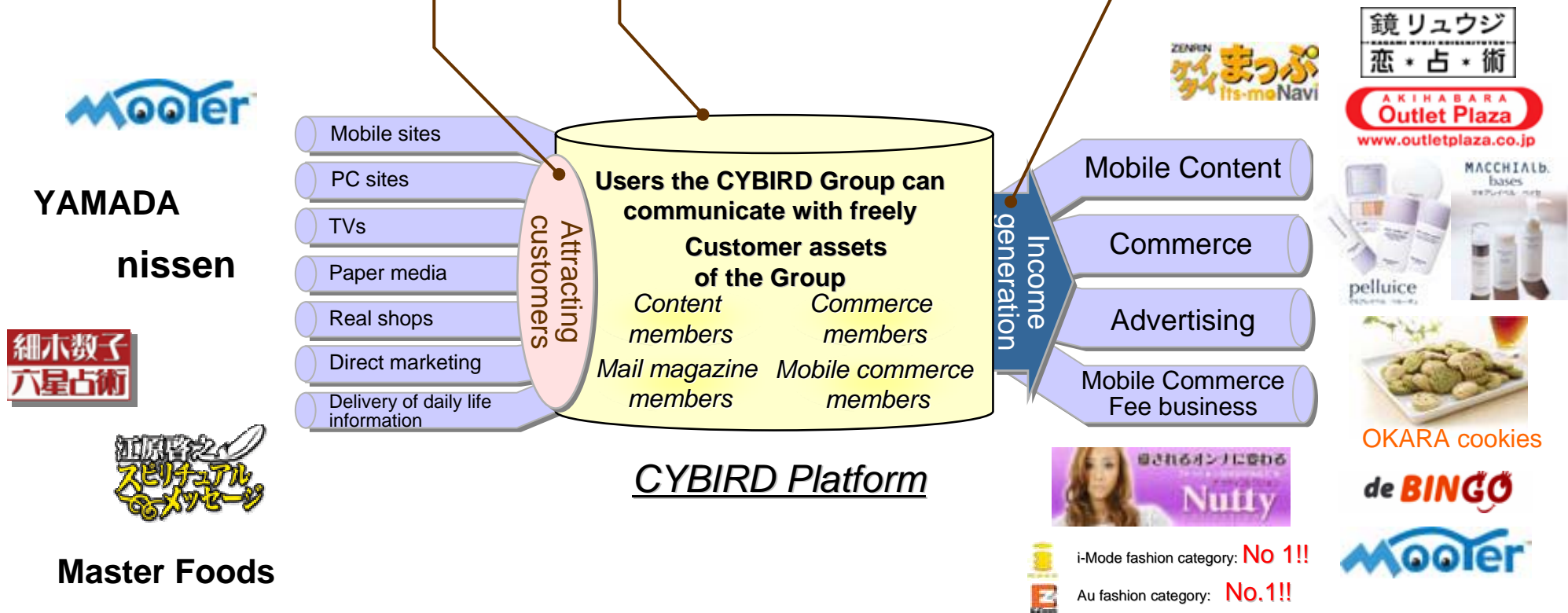
1. Strengthen the CYBIRD Platform

Establish a solid CYBIRD platform by attracting more customers and stabilizing traffic, while improving the quality of our services to rapidly generate income.

(1) **Acquire additional new channels and bolster existing channels** to enable us to attract more customers efficiently and at lower costs.

(2) **Fully operate a system** by which customers gathered from different channels are encouraged to use the CYBIRD platform.

(3) **Generate income from the recovery engine** through the full-scale use of the customer assets of the Group.

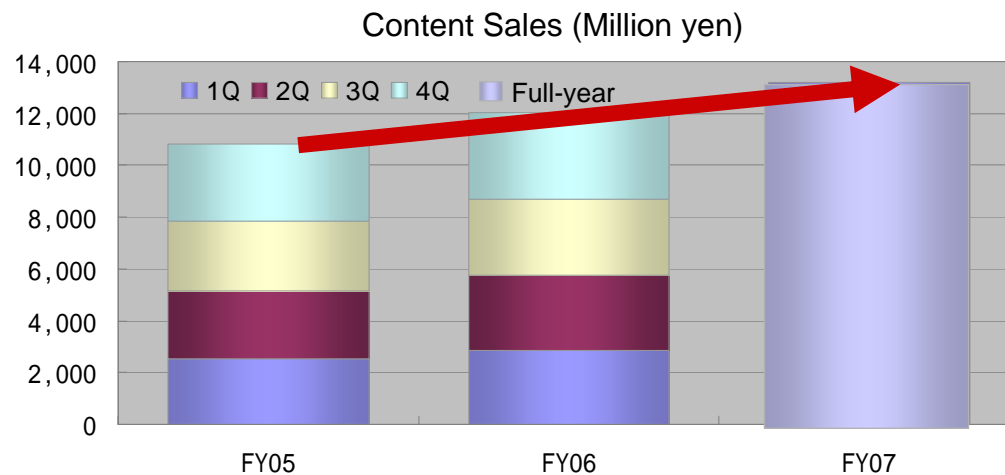


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2. Further develop core businesses – Mobile Content

We anticipate record sales through continued double-digit year-on-year growth.

- Further expand the billing business.
 - Acquire new members using the CYBIRD platform.
 - Accelerate the inflow of members into existing content through effective promotion (from efficient mobile channels with low costs).
 - Develop and launch new content.
 - Win orders for projects such as renewing the IP content of other companies.
 - Improve ARPU by introducing new billing engines to existing billing sites.
- Accelerate the improvement of the cost structure, including a concentration on key existing content.
 - Continue the packaging of operation methods.
 - Replace unprofitable content.



Sales remain firm.

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2. Further develop core businesses – Commerce

Expand sales and improve profitability in RM (cosmetic business) and turn LM (health food business) into a major income source.

- Increase sales through continued growth in RM (cosmetics business) and the launch of new products in LM (health food business).
 - Raise the repeat rate through aggressive sales of basic skin care products that have the potential to deliver a high repeat rate.
 - Increase the number of active members by stimulating dormant customers.
 - Launch new health food products.
 - Contribute to sales and profit using the CYBIRD platform.
- Improve profitability by focusing on investment efficiency.
 - Aim to achieve higher profitability by intensively reviewing KPIs with a less efficient advertising spend.
 - Implement purchase promotion initiatives and income management for new, repeat and dormant customers in line with their segment trends

ファンデーションなのに美容液？
発売以来 240万個突破！抜群



“Clear Esthe Veil,” an essence foundation from the MACCHIALb brand

Leading sales in the Japanese essence foundation market!

美容液成分61.5%配合の保湿力を重視
4種のコラーゲン
2種のヒアルロン酸
7種のビタミン！

Achieved the leading sales as a foundation that emphasizes a high moisturizing action by dispensing essence components (Research by Fuji Keizai Co., Ltd.)



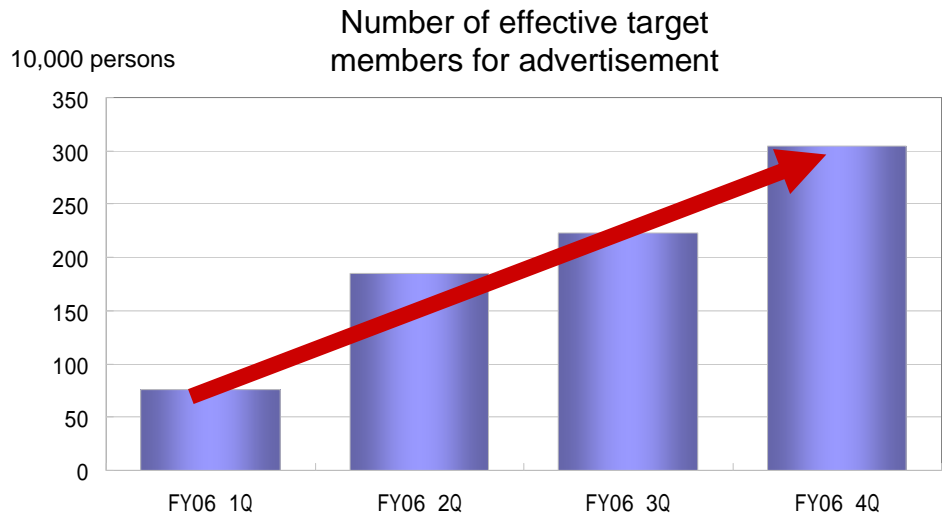
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3. Operate new income bases – Advertising

We can expect sales expansion through improved media value with stronger CTR/CVR and a stronger media sales system.

- Continue to improve media value
 - Build our activity rate through continuous improvement in media quality.
 - Accumulate know-how to optimize synergy among media, products and creativity.

- Bolster the sales system
 - Develop a direct advertising salesforce and a sales system for agents.
 - Reinforce sales capability, leveraging our know-how to optimize synergy among media, products and creativity.



The number of effective target members for advertisement delivery is increasing substantially.

Three million topped!!