

# Consolidated Performance Targets for the Fiscal Year Ending March 31, 2008

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C  BIRD HOLDINGS

CYBIRD HOLDINGS Co., Ltd.

May 23, 2007

# FY2007 Performance Targets

**Record sales are expected, with contributions from both CYBIRD and the new JIMOS business.**

(Unit: Million yen, Rounded down)

	<u>FY2007</u>	<u>FY2006</u>	<u>YoY Change</u>	<u>Change (%)</u>
Net Sales	32,000	23,571	8,429	135.8%
Operating Income	1,200	786	414	152.5%
Ordinary Income	1,000	- 1,552	2,552	-
Net Income	550	- 7,830	8,380	-

# FY2007 Sales Targets by Segment

**The performance of the mainstay Mobile Content and Commerce segments should bolster sales, and sales in the next growth driver Advertising should also rise.**

(Unit: Million yen, Rounded down)

	<u>FY2007</u>	<u>FY2006</u>	<u>YoY Change</u>	<u>Change (%)</u>
Mobile Content	13,300	12,047	1,253	110.4%
Commerce	12,800	6,191	6,609	206.8%
Solution	2,500	2,750	- 250	90.9%
Advertising	850	256	594	332.0%
Investment	100	148	- 48	67.6%
International	2,400	2,176	224	110.3%

**The FY2007 management plan will be promoted based on the management policies set out below.**

Develop the business base.

1. Strengthen the CYBIRD platform.
2. Continue to develop core businesses.
3. Operate new income bases.

Build the foundations for stable Group management.

1. Improve the operating accuracy of the Group's business portfolio by strengthening the income management system.
2. Establish a transparent decision-making system.

Foster an organizational climate to support sustainable growth.

1. Foster a sense of unity through stronger communication.
2. Improve customer satisfaction and build a relationship of trust by pursuing customer orientation.
3. Commit fully to our mission.

# FY2007 Business Policies

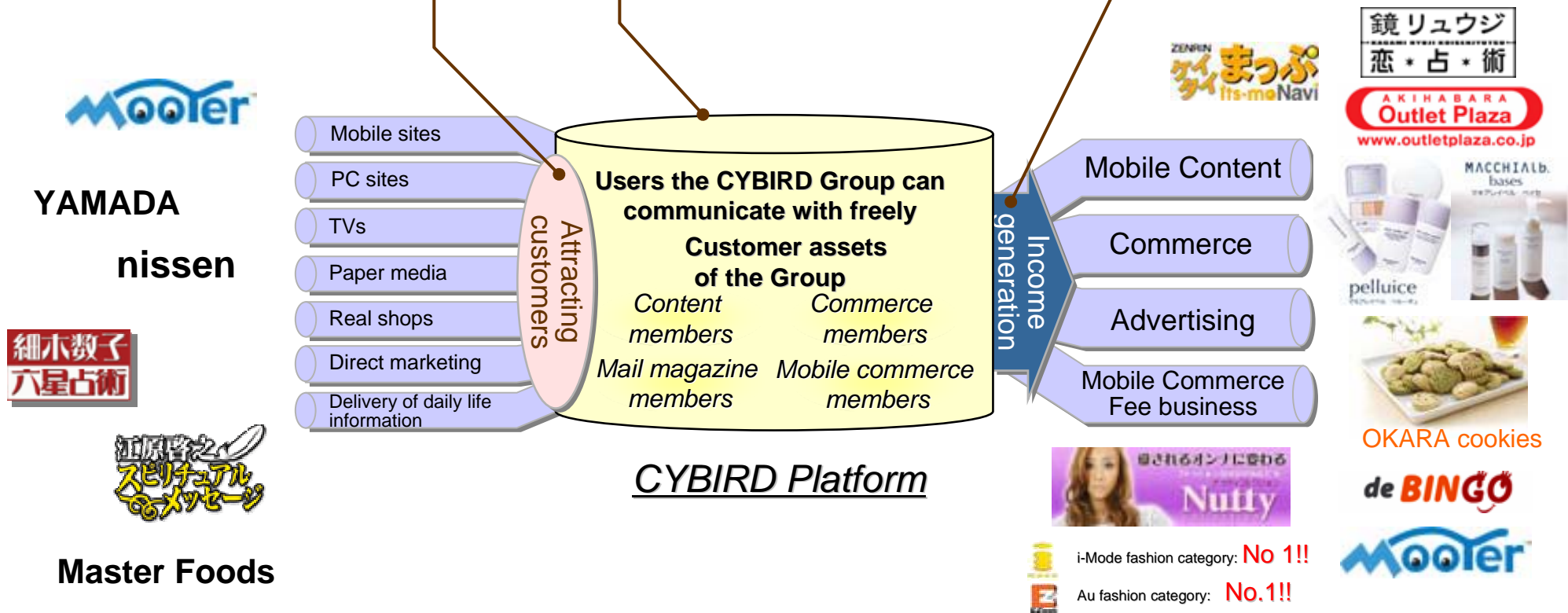
## 1. Strengthen the CYBIRD Platform

**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.

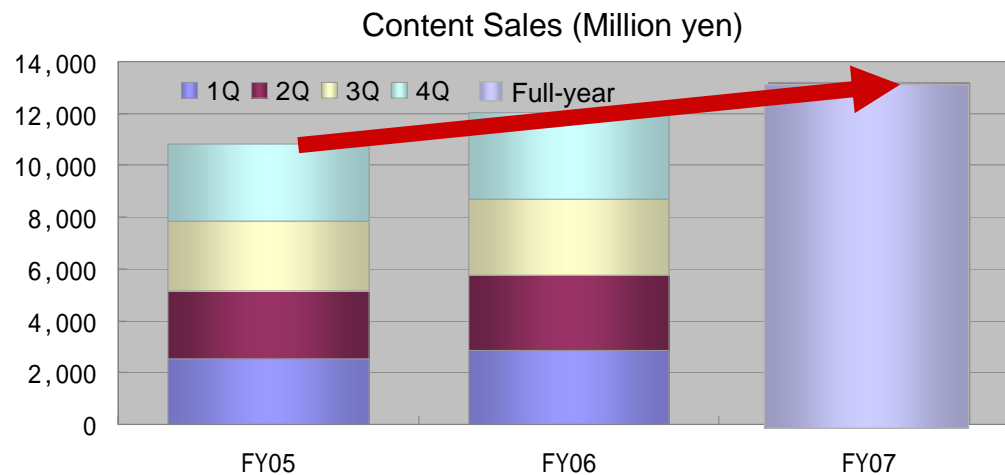


# FY2007 Business Policies

## 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.**

# FY2007 Business Policies

## 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%配合の保湿化粧水  
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.)

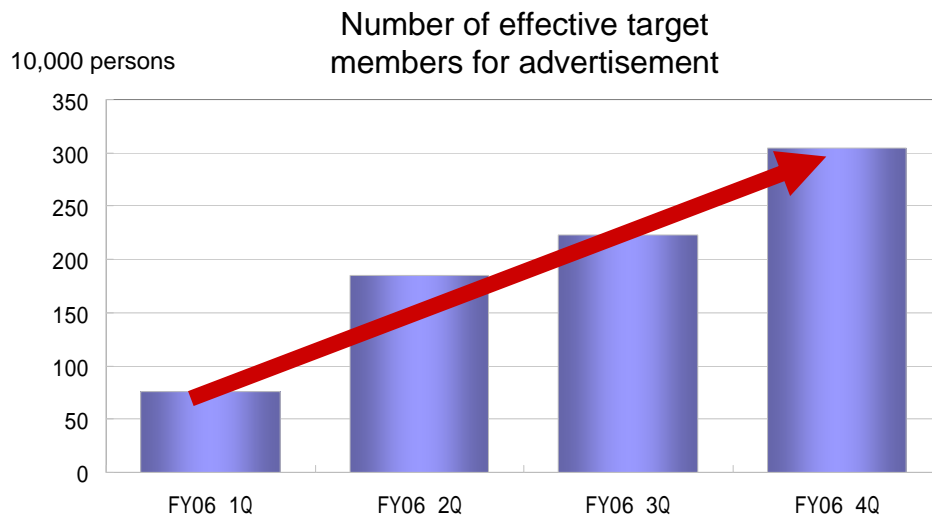


# FY2007 Business Policies

## 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!!**