

# Results of Operations for the 3rd Quarter of the Fiscal Year Ending June 30, 2022

May 13, 2022



Securities code:  
3135



# Agenda

- ① 3Q FY6/22 Results of Operations
- ② Recognition of Current Status and Progress of Medium-term Management Plan
- ③ FY6/22 Forecasts

Appendix: Company Overview



# Agenda

① 3Q FY6/22 Results of Operations

② Recognition of Current Status and Progress of Medium-term Management Plan

③ FY6/22 Forecasts

Appendix: Company Overview

# Consolidated Income Statement Summary (3rd Quarter Cumulative Year-on-Year)

Net sales and gross profit turn to increase year-on-year. Progress in line with the plan.

(Million yen)	FY6/21 Third Quarter Cumulative	FY6/22 Third Quarter Cumulative	YoY change	
			Amount	%
Net sales	8,119	8,532	+413	+5.1%
Gross profit	2,922	3,031	+108	+3.7%
Operating profit	98	(223)	(322)	—
Ordinary profit	71	(240)	(311)	—
Profit attributable to owners of parent	(4)	(213)	(209)	—

# Consolidated Income Statement Summary (3rd Quarter (January-March 2022 YoY))

Net sales and profits at each stage exceeded the previous year's levels.

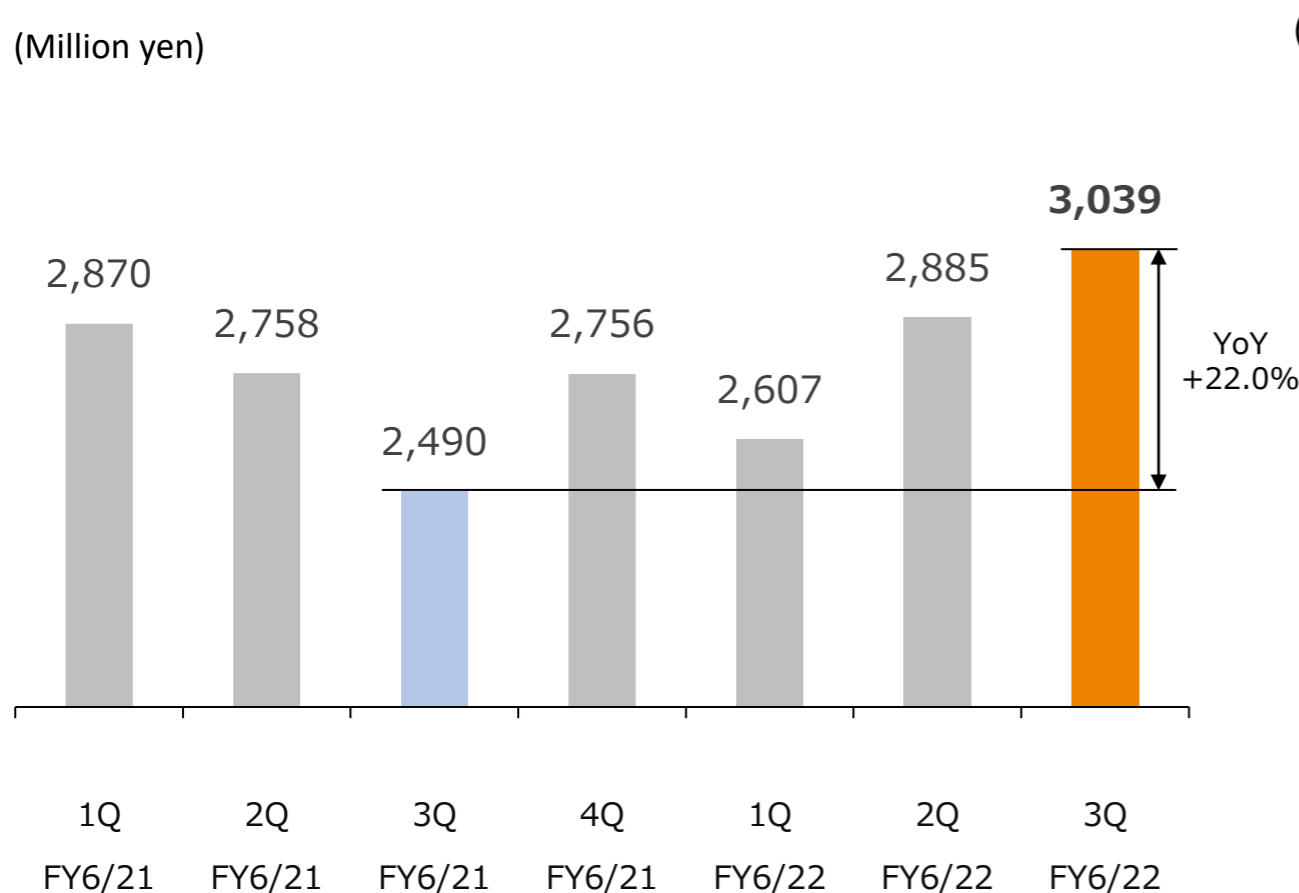
(Million yen)	3Q FY6/21	3Q FY6/22	YoY change	
			Amount	%
Net sales	2,490	3,039	+548	+22.0%
Gross profit	864	1,118	+254	+29.4%
Operating profit	(107)	(18)	+88	—
Ordinary profit	(123)	(18)	+104	—
Profit attributable to owners of parent	(97)	(36)	+61	—

# Trends in Quarterly Consolidated Financial Results

Record quarterly sales were achieved in the 3rd quarter.

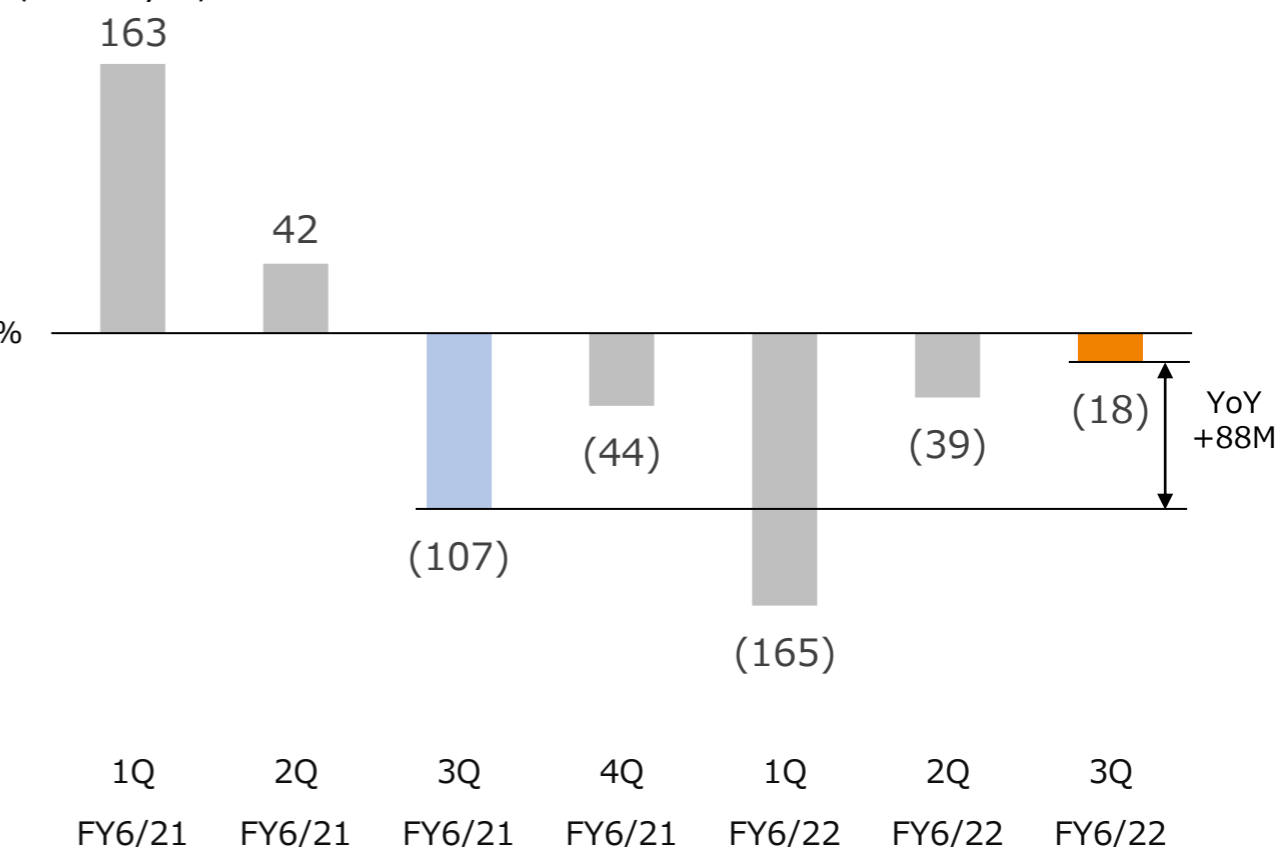
### Consolidated net sales

(Million yen)



### Consolidated operating income

(Million yen)



## Rate of Progress Against FY Plan

Progress against FY plan was in line with expectations.

(Million yen)	FY6/22 Initial Plan	FY6/22 Third Quarter Cumulative	Rate of Progress
Net sales	12,000	8,532	71.1%
Operating profit	(400)	(223)	—
Ordinary profit	(405)	(240)	—
Profit attributable to owners of parent	(440)	(213)	—



# Agenda

① 3Q FY6/22 Results of Operations

② Recognition of Current Status and Progress of Medium-term Management Plan

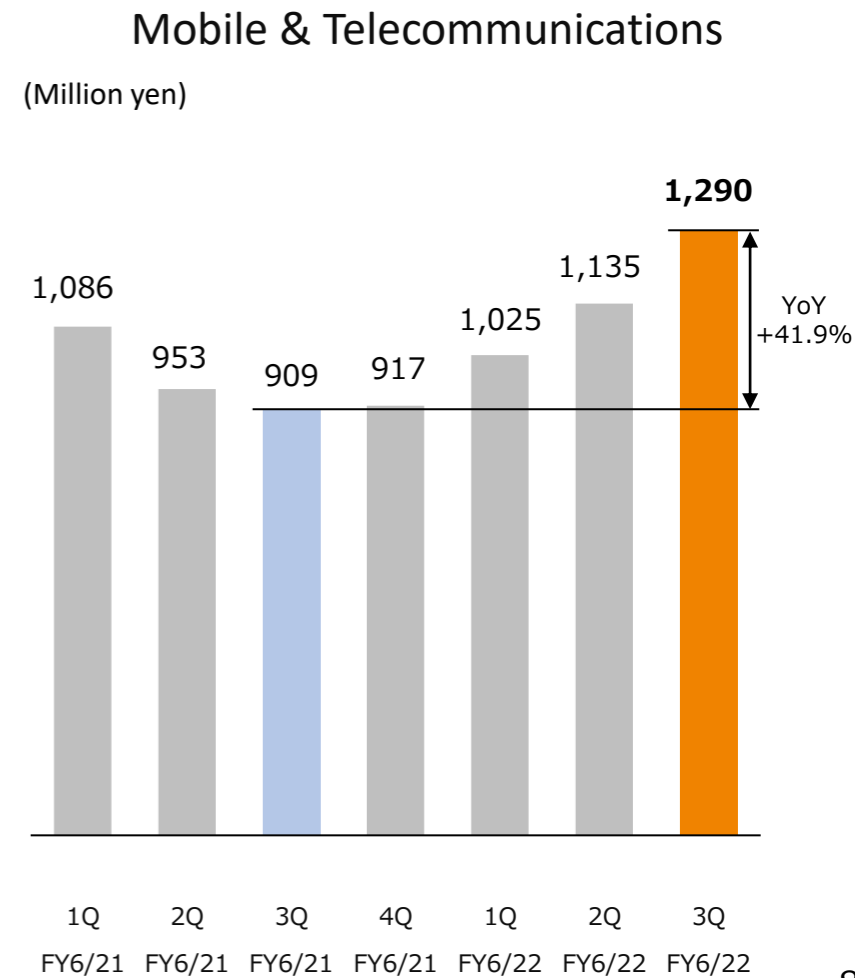
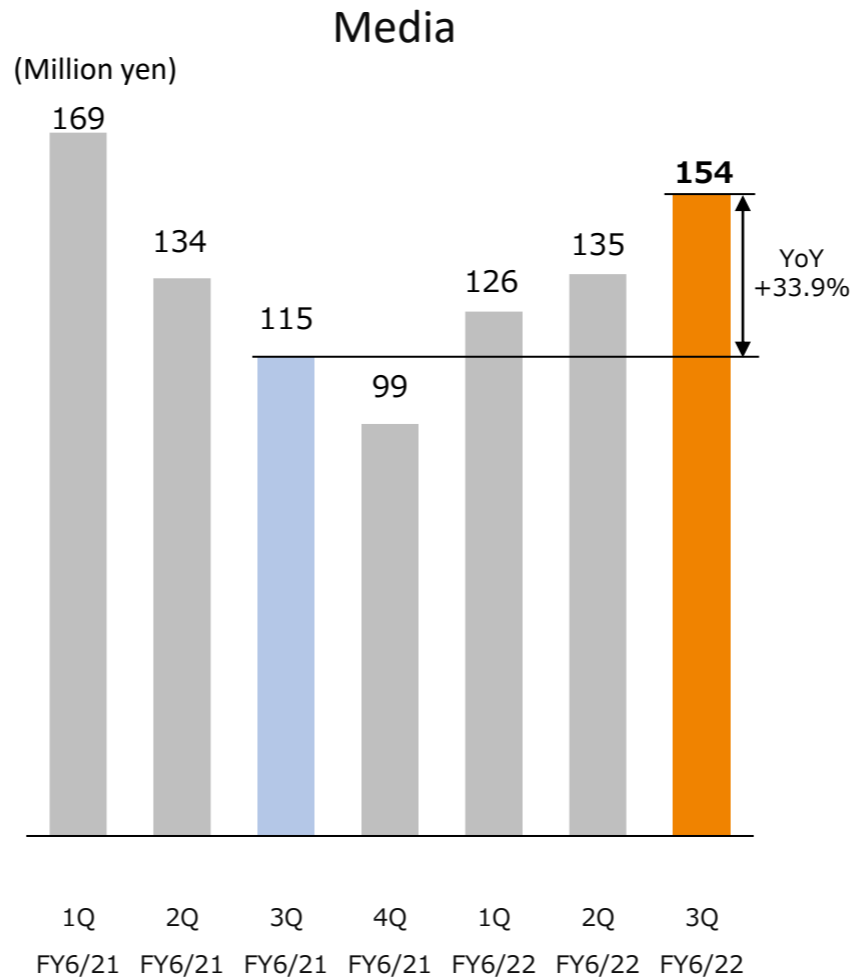
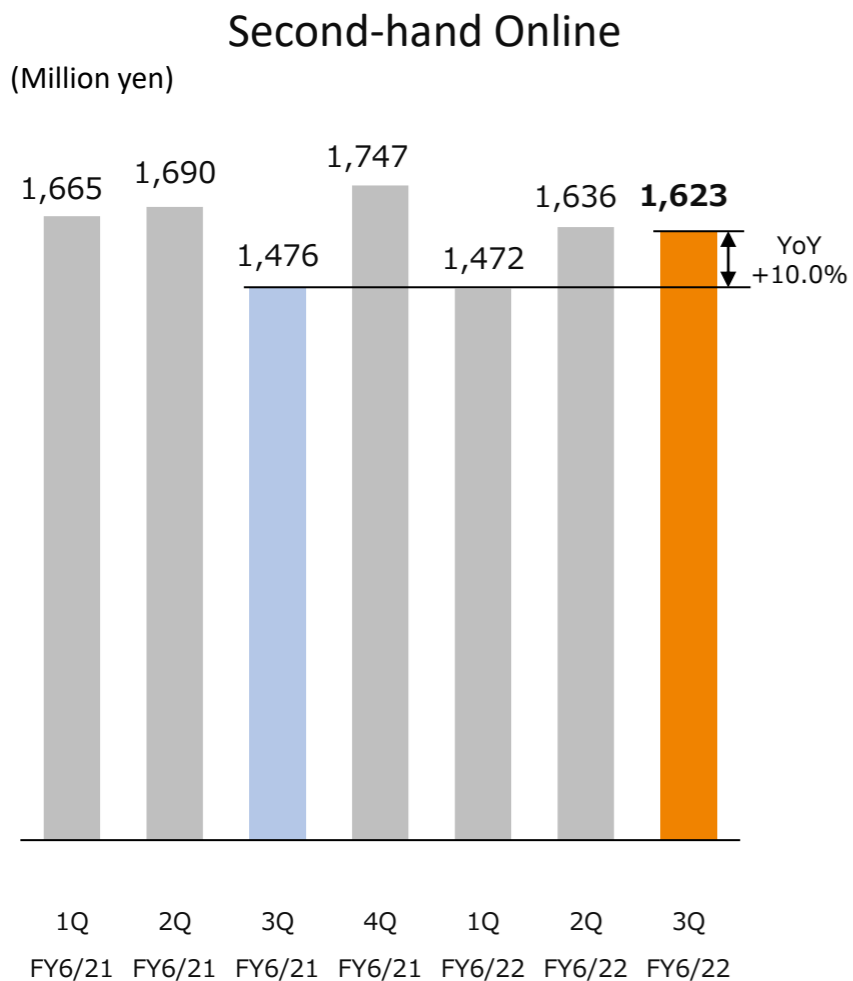
③ FY6/22 Forecasts

Appendix: Company Overview



# Quarterly Net Sales (by Segment)

All business segments achieved year-on-year revenue growth in the 3rd quarter.



# Recognition of Current Status and Progress of Medium-term Management Plan

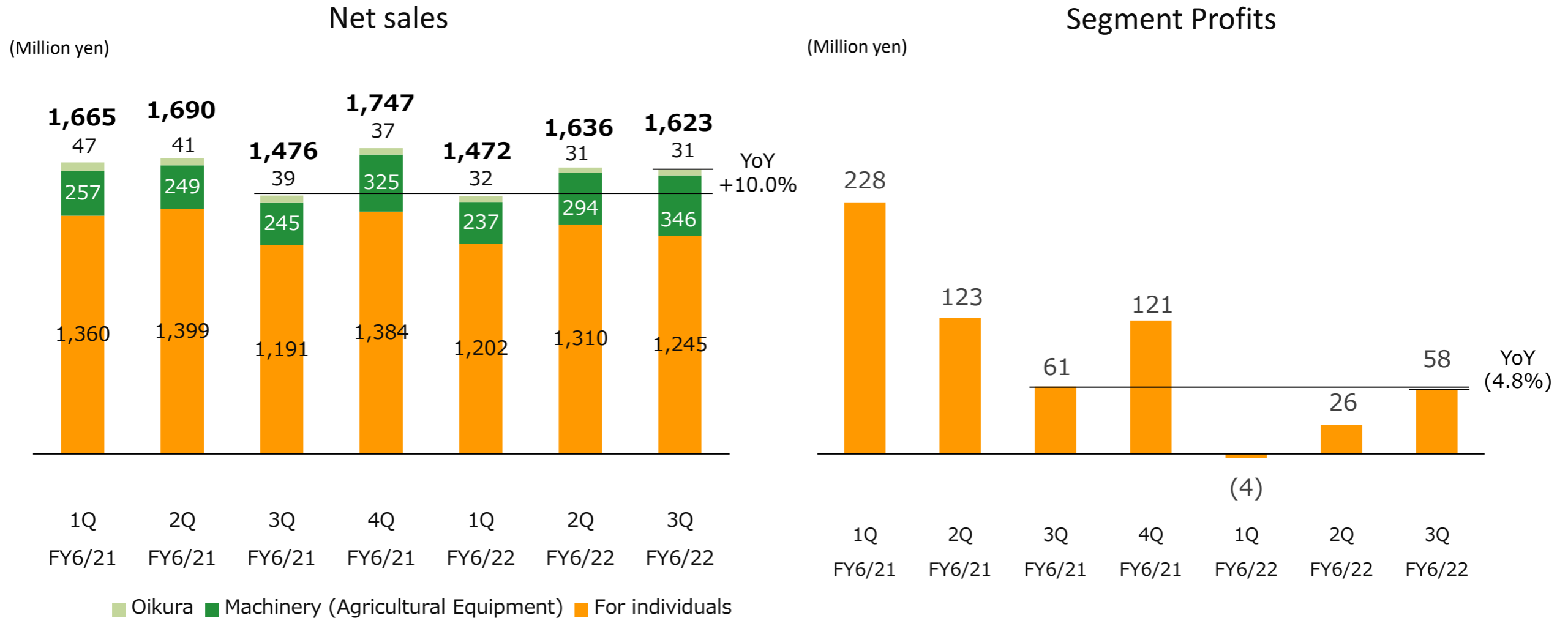
Segment		Business Strategy	Current Evaluation
Second-hand Online	Second-hand Services for Individuals	Increase in the number of purchase requests	Measures for growth underway
		Expansion of purchase capacity	
		Strengthening our response to the senior market	
	Machinery (Agricultural Equipment)	Expansion of purchase volume	Trending steadily
		Strengthening corporate commercial distribution	Farmally business acquired
	Oikura	Increase in the number of incentive-based partner stores	Measures for growth underway
Strengthening system development			
Media		Stable sales growth	Business has stabilized
Mobile Telecommunications		Accumulate future earnings by strengthening acquisition of new 5G lines	Acquisition of new 5G lines going smoothly



# **Second-hand Online Business**

# Second-hand Online Business: Trends in Quarterly Results

- Net sales: Increased year on year.
- Profits: Same level year-on-year despite upfront investment for growth.






# Second-hand Online Business

- ① **Second-hand Services for Individuals**
- ② Machinery (Agricultural Equipment)
- ③ Oikura

## **Second-hand Services for Individuals Business Strategy (Excerpt from the Medium-term Management Plan Presentation Material)**

Shift to a policy of re-expansion in terms of both the number of purchase requests and purchasing capabilities .

Establish a foundation for achieving this.



**Increase in  
the number  
of purchase  
requests**

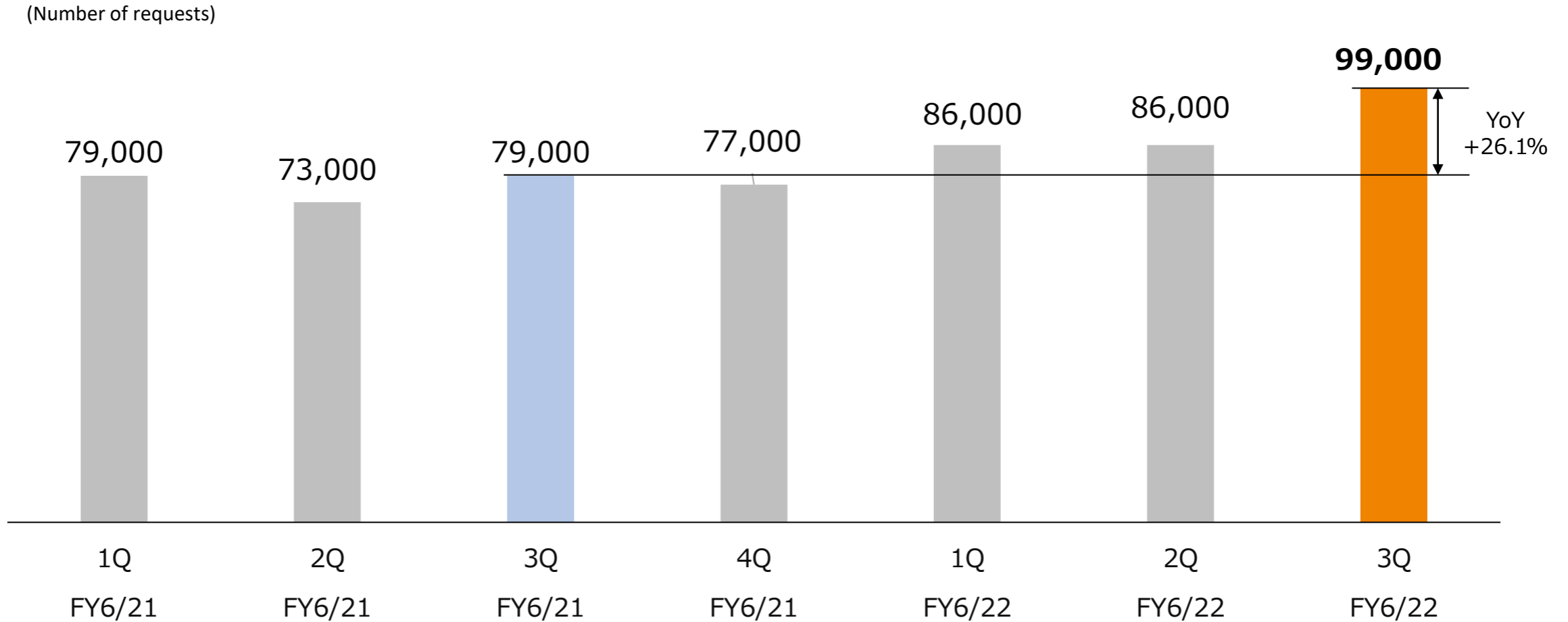


**Expansion of  
purchasing  
capabilities**

# Second-hand services for Individuals

## ①: Quarterly Trends in Number of Purchase Requests

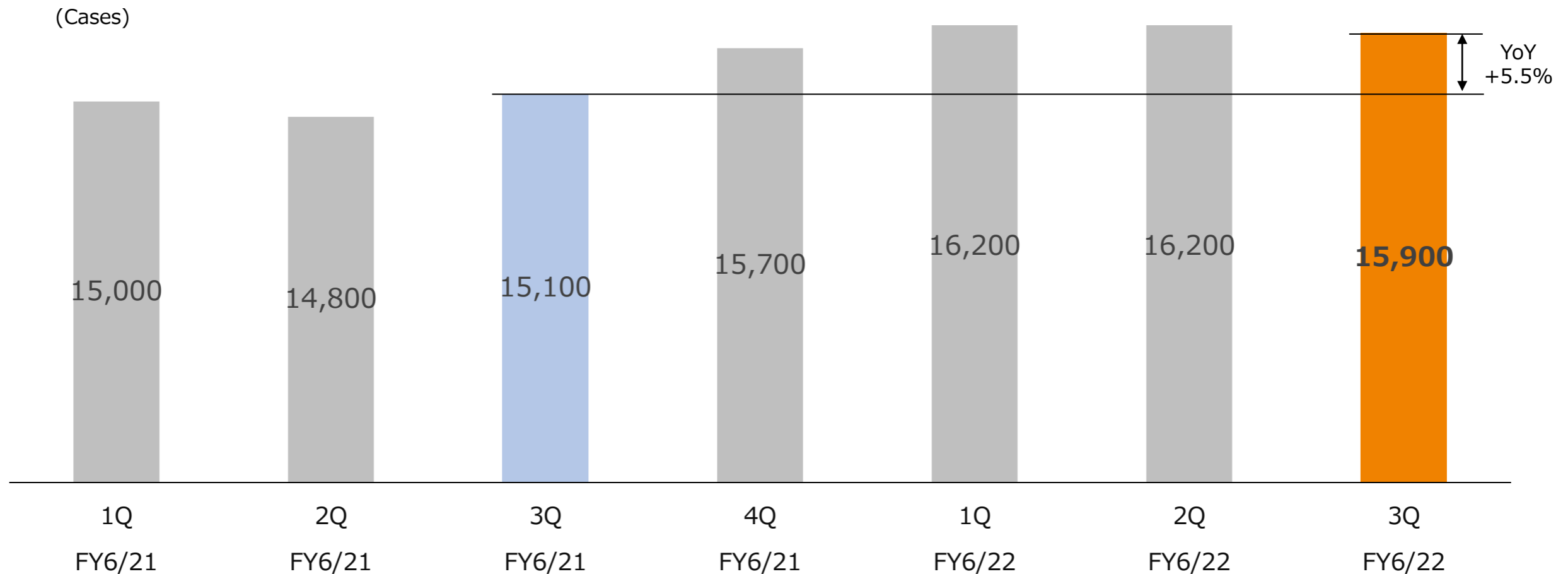
Aggressive marketing measures were successful, and the number of purchase requests trended upward.



## Second-hand Services for Individuals②: Quarterly Trends in Number of Cases

The number of purchase cases grew at a modest rate compared to the growth of purchase requests.

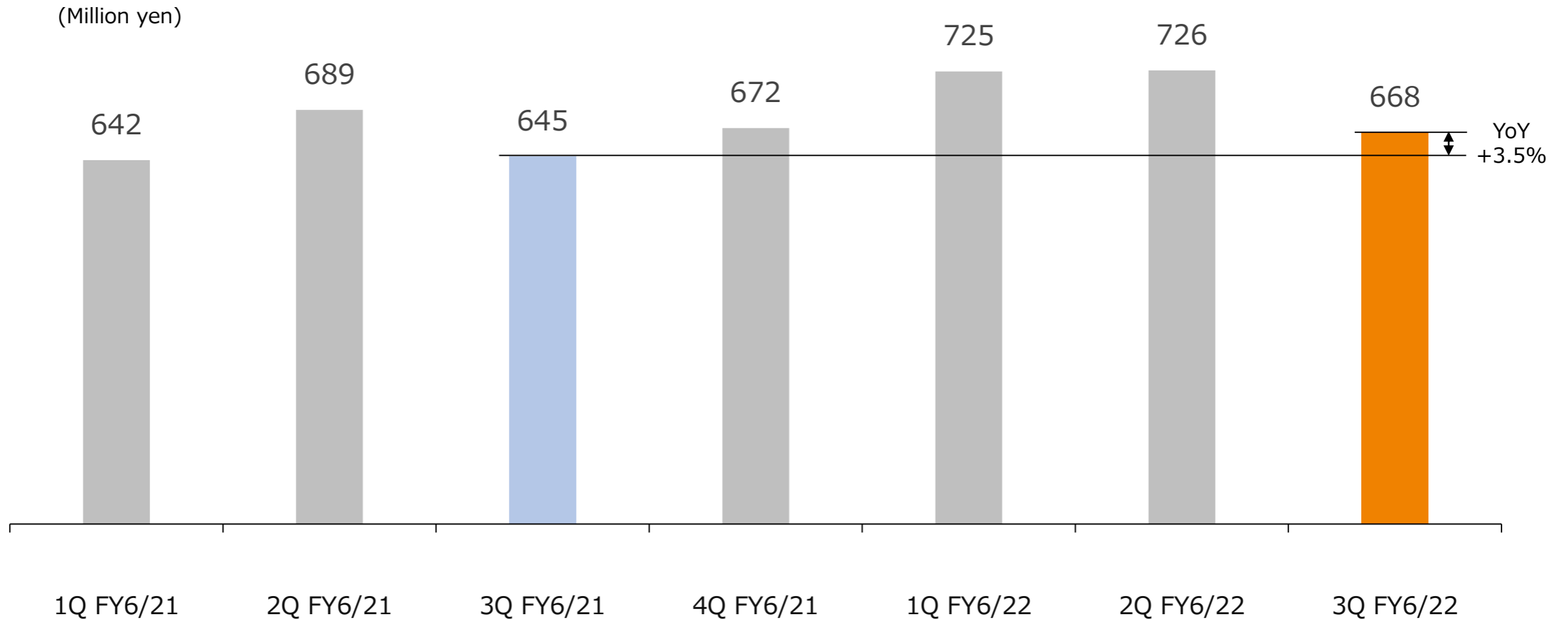
(Currently, we are in the process of hiring and training new personnel for pick-up purchases and have not yet significantly increased our on-site purchasing capacity in the 3rd quarter.)





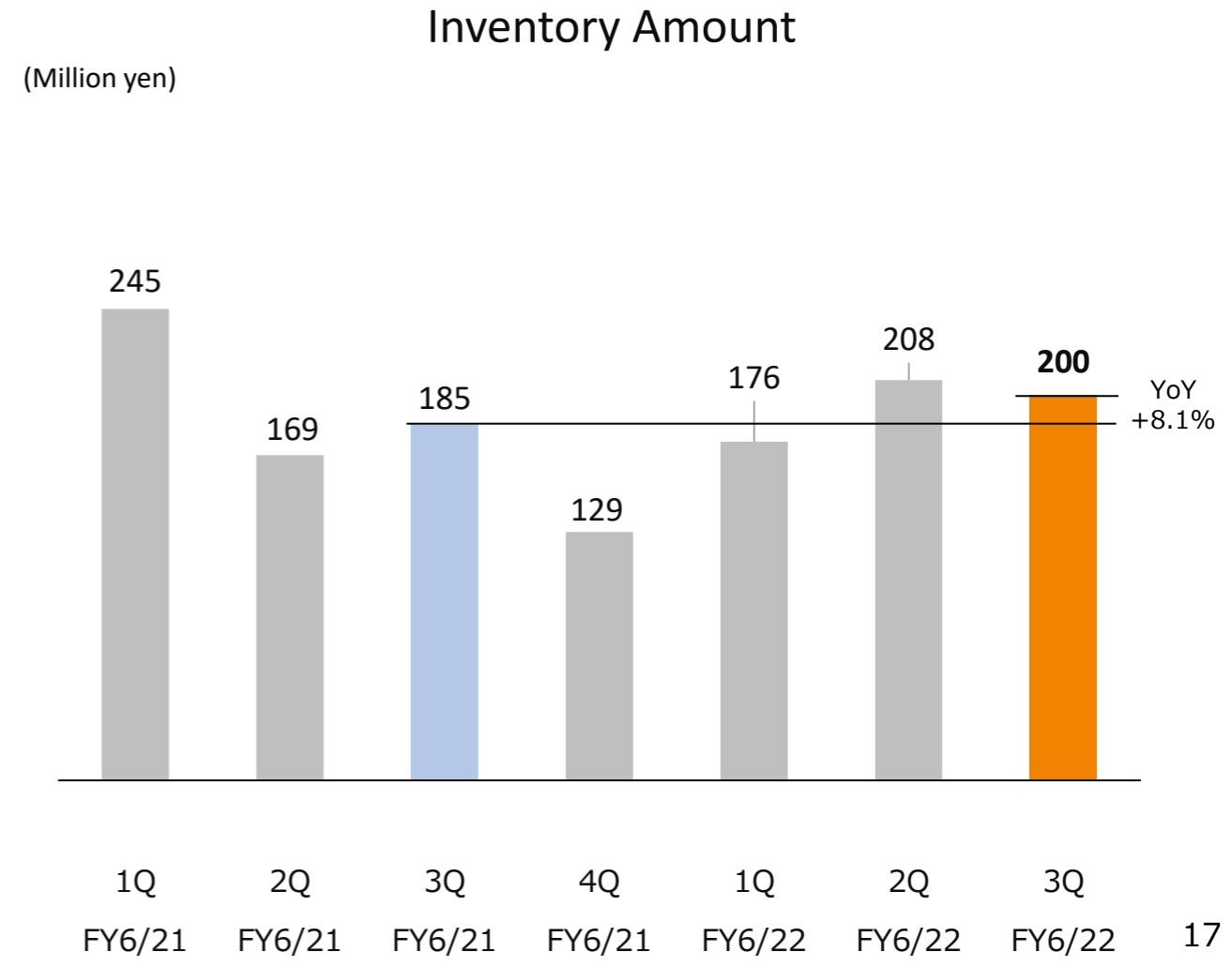
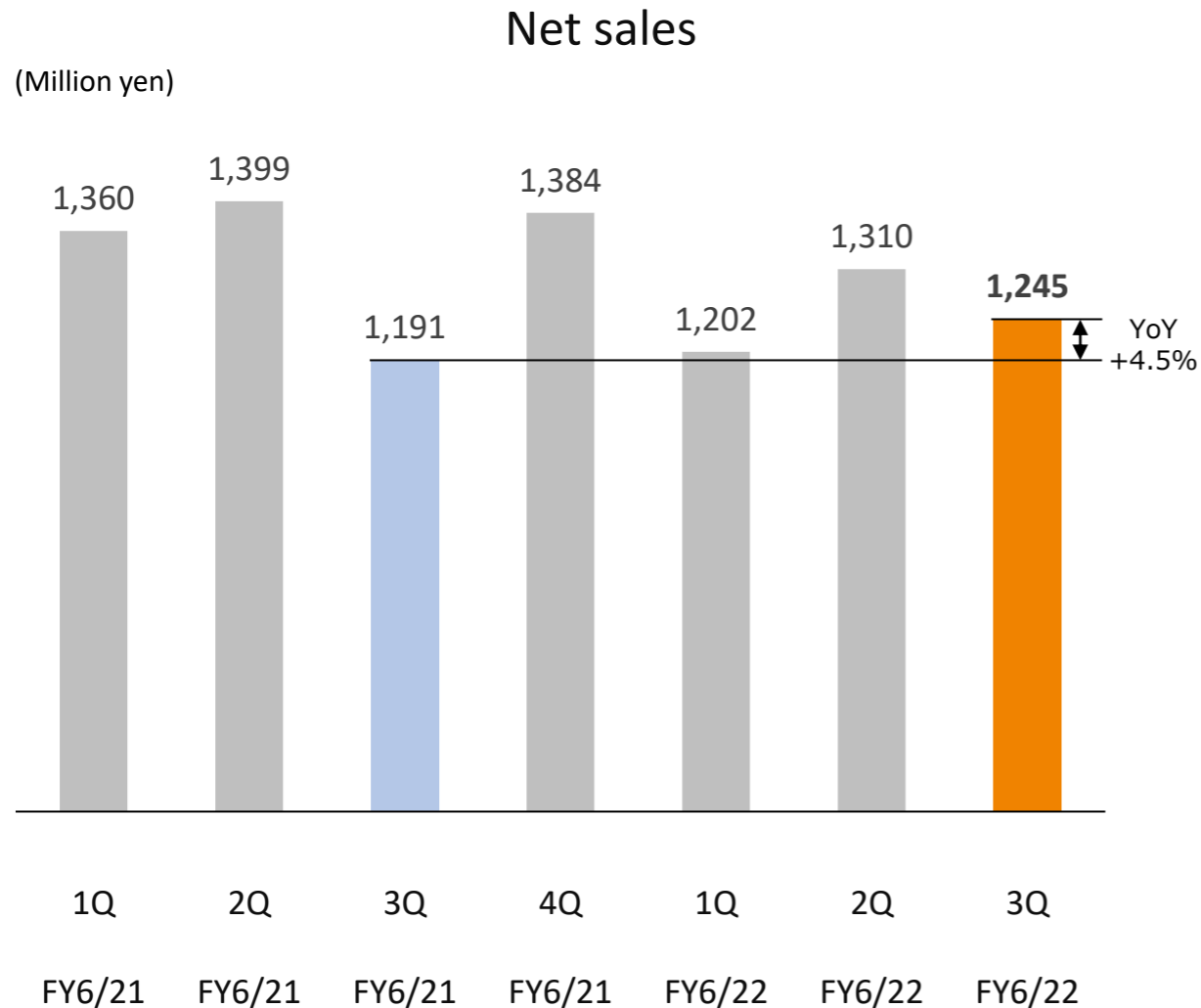
## Second-hand Services for Individuals ③: Quarterly Trends in Purchase Amounts

Purchase amounts were up 3.5% year-on-year.



# Second-hand Services for Individuals ④: Quarterly Net Sales and Inventory Status

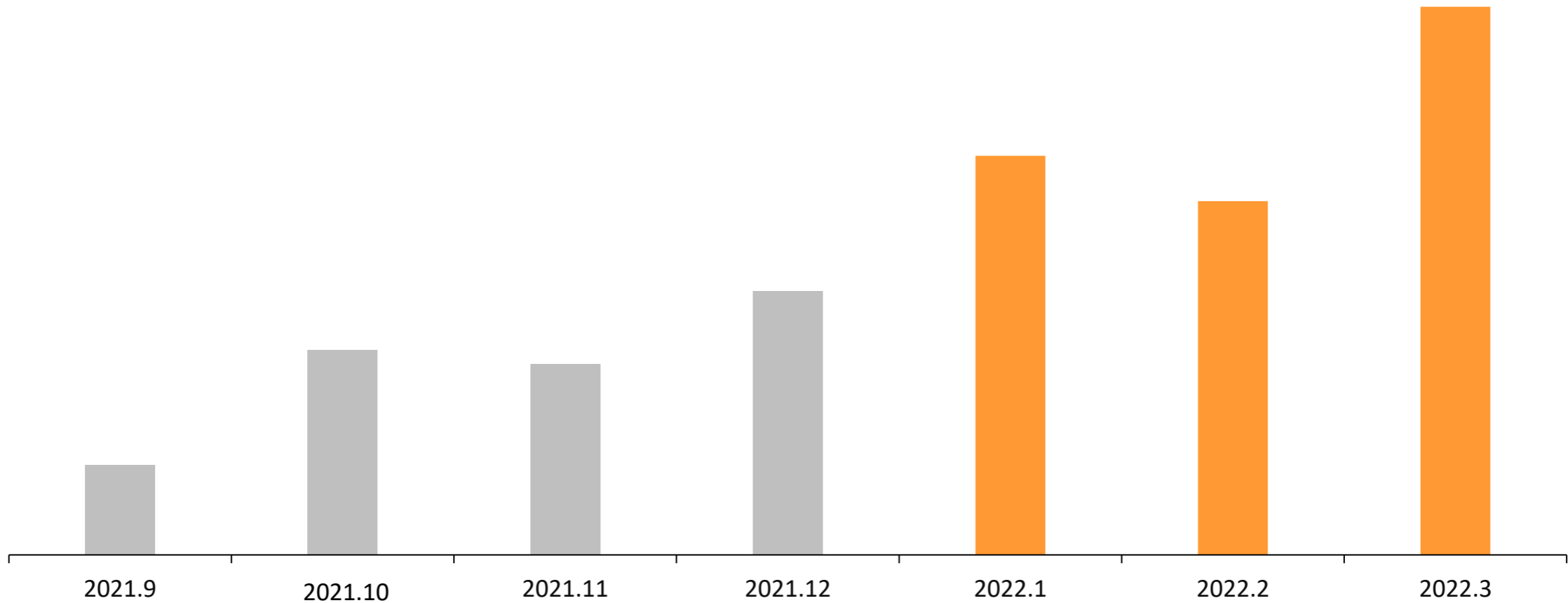
- Net sales: Increased year on year.
- Inventory: Inventory levels were higher year-on-year.



## Second-hand Services for Individuals

### ⑤: Quarterly Trends in Number of Senior Purchase Requests


Number of purchase requests has steadily increased since the service was launched in September.



## Second-hand Services for Individuals ⑥: The Future

Issues were clarified. Number of purchase requests increased smoothly.

We recognized that significant growth can be achieved if purchasing capabilities (man-hours for pick-up purchases) are expanded.



**Increase in the  
number of  
purchase  
requests**



**Expansion of  
purchasing  
capabilities**

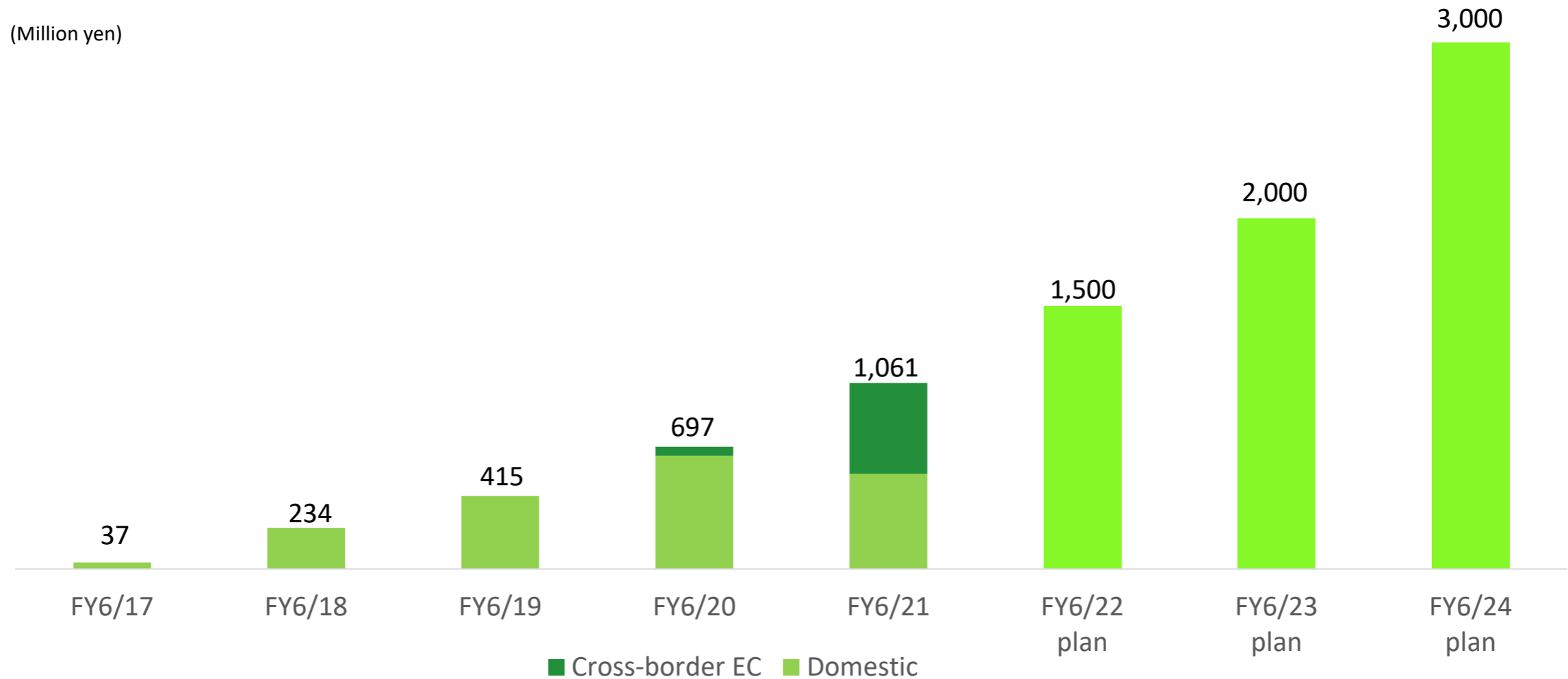


# Second-hand Online Business

- ① Second-hand Services for Individuals
- ② Machinery (Agricultural Equipment)**
- ③ Oikura

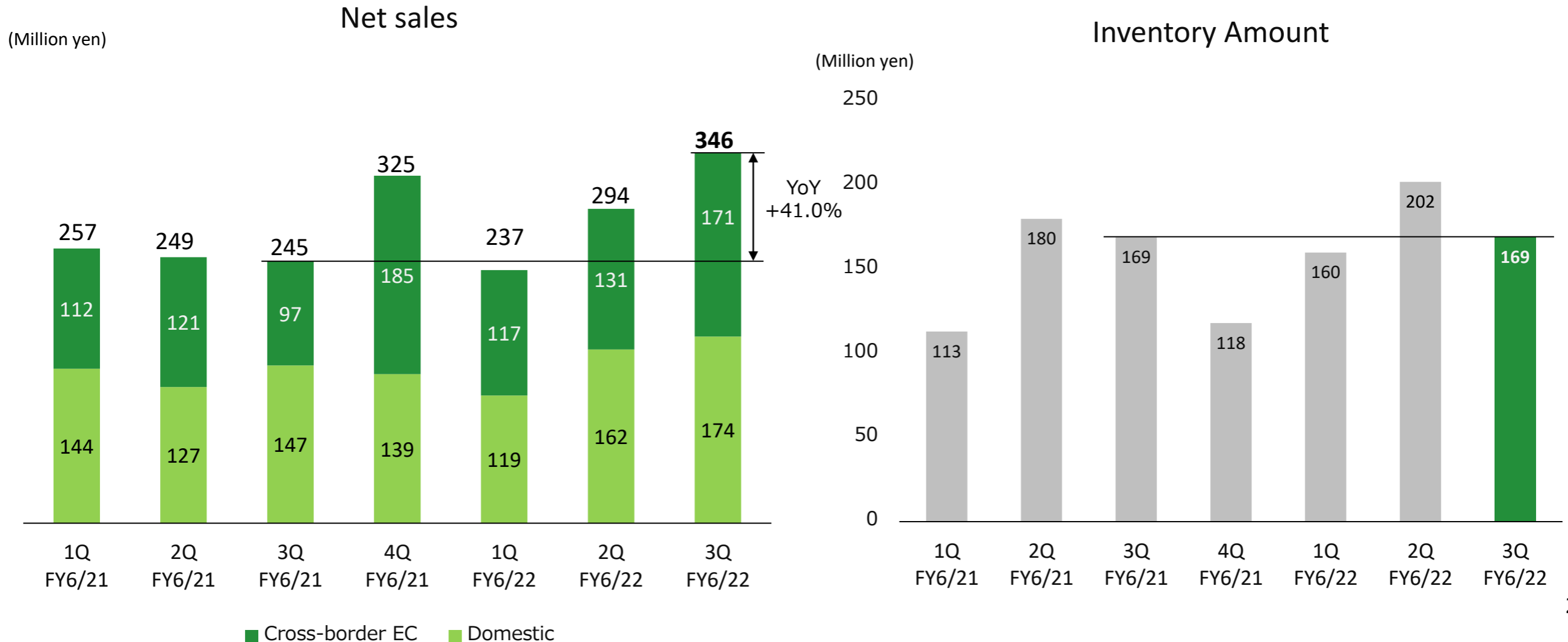
# Machinery (Agricultural Equipment) Business Sales Plan (Excerpt from the Medium-term Management Plan Presentation Material)

Plan to continue high-growth



# Machinery (Agricultural Equipment) ①: Quarterly Net Sales and Inventory Status

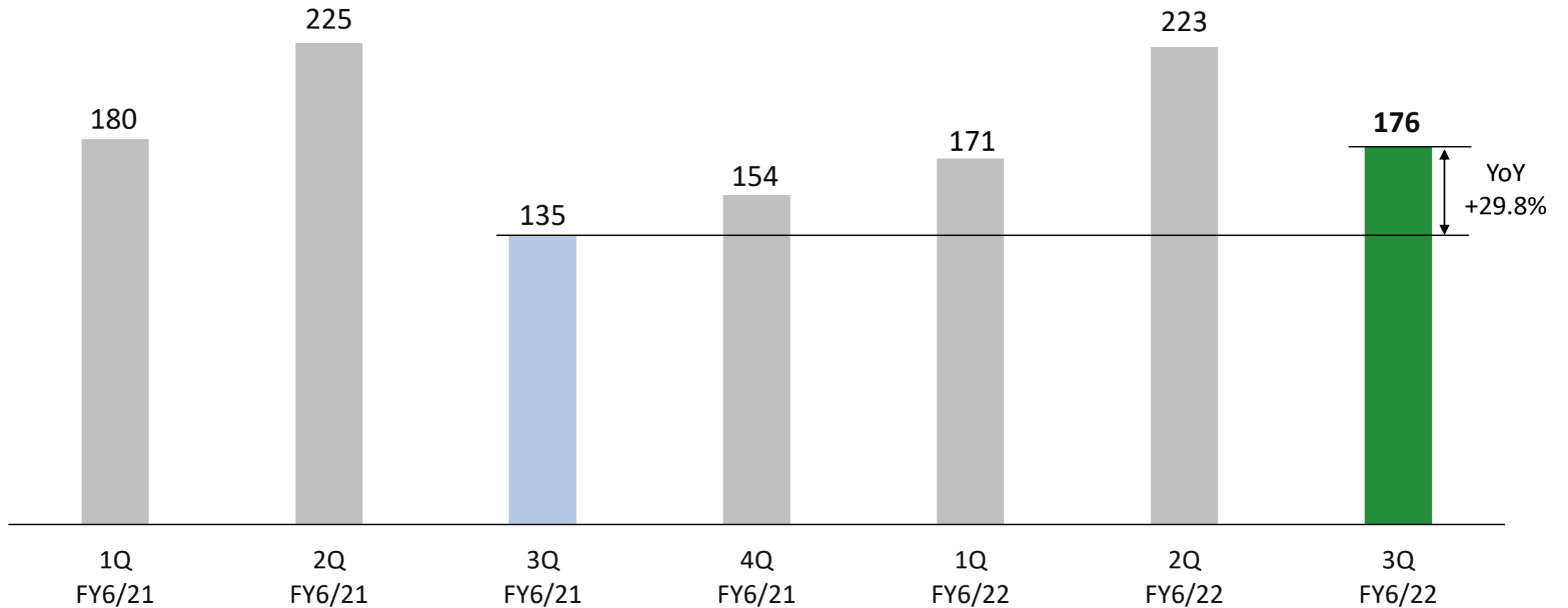
- Net sales: New record highs achieved
- Inventory: Inventory at about the same level as the previous year secured



# Machinery (Agricultural Equipment) ②: Quarterly Trends in Purchase Amounts

Purchases also trended steadily in 3rd quarter

(Million yen)





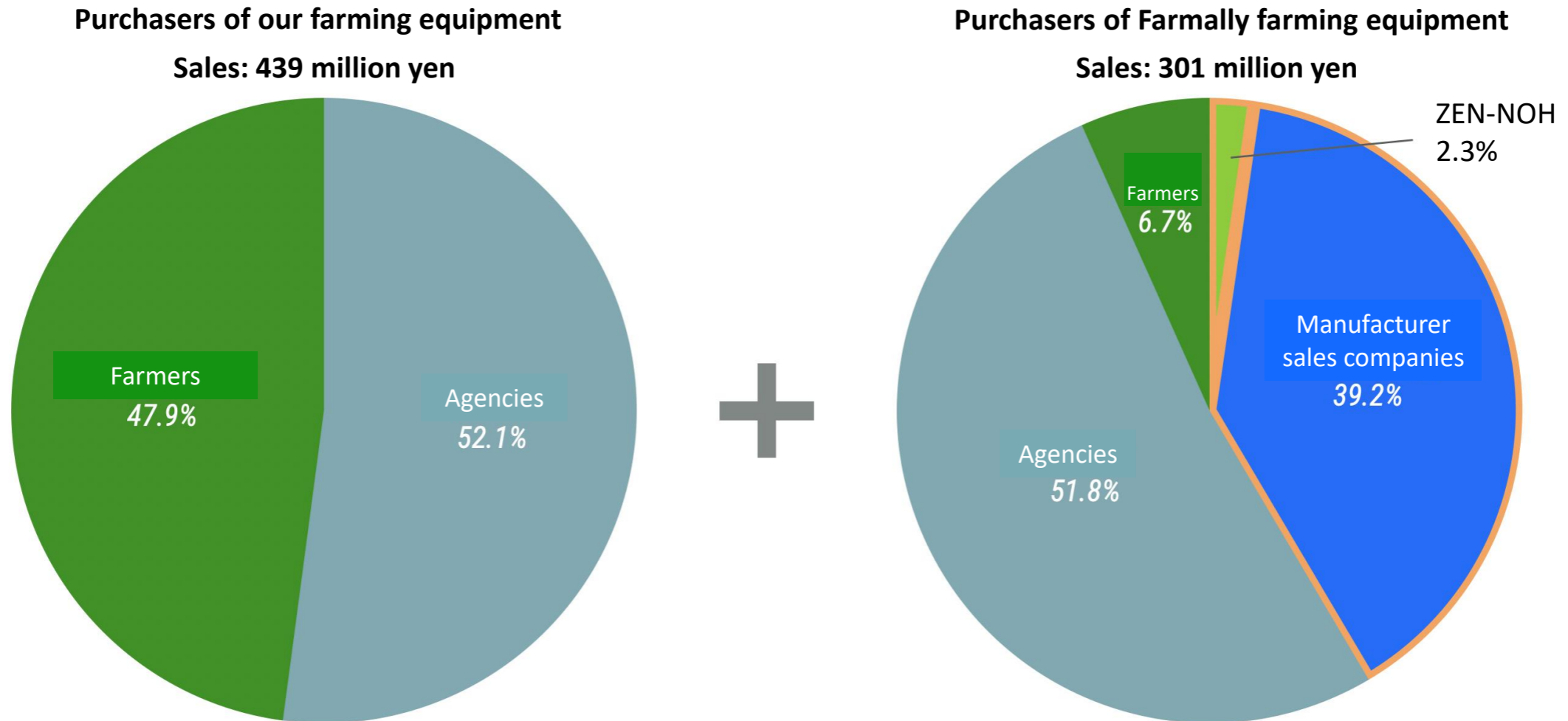
# Machinery (Agricultural Equipment) ③ Farmally Business Assignment

## Farmally Company Overview

<b>Company name</b>	Farmally, Inc.
<b>Business overview</b>	Development of a business to buy and sell used agricultural machinery under the service name of "DMM Nouki"
<b>Headquarters</b>	3-2-1 Roppongi, Minato-ku, Tokyo Sumitomo Fudosan Roppongi Grand Tower 24F
<b>Founded</b>	August 2018
<b>Annual sales</b>	417 million yen (fiscal year ended March 31, 2021)
<b>Sales structure</b>	Agricultural machinery purchasing and sales (100%)
<b>Capital structure</b>	DMM.com LLC 100%
<b>Agricultural machinery sales clients</b>	Domestic: 100%

# Machinery (Agricultural Equipment) ④: Purchase Synergy

Substantial expansion of purchase channels targeting domestic corporations (manufacturer sales companies and ZEN-NOH※)



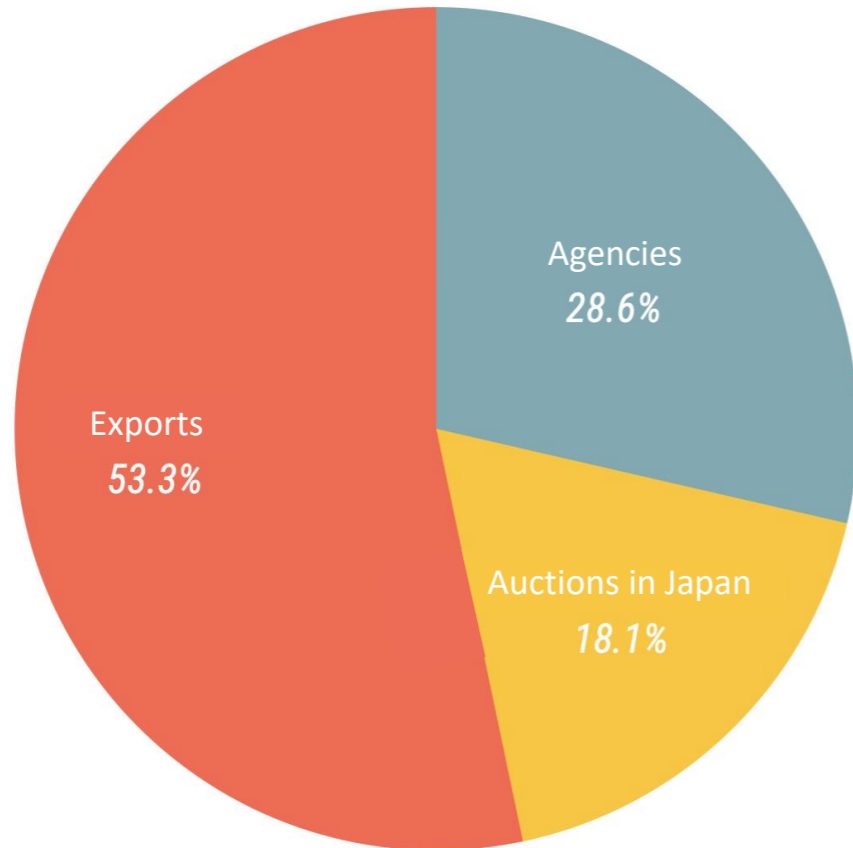
\*Results for July to December 2021

※ZEN-NOH is an abbreviation for Japanese Federation of Agricultural Cooperatives.

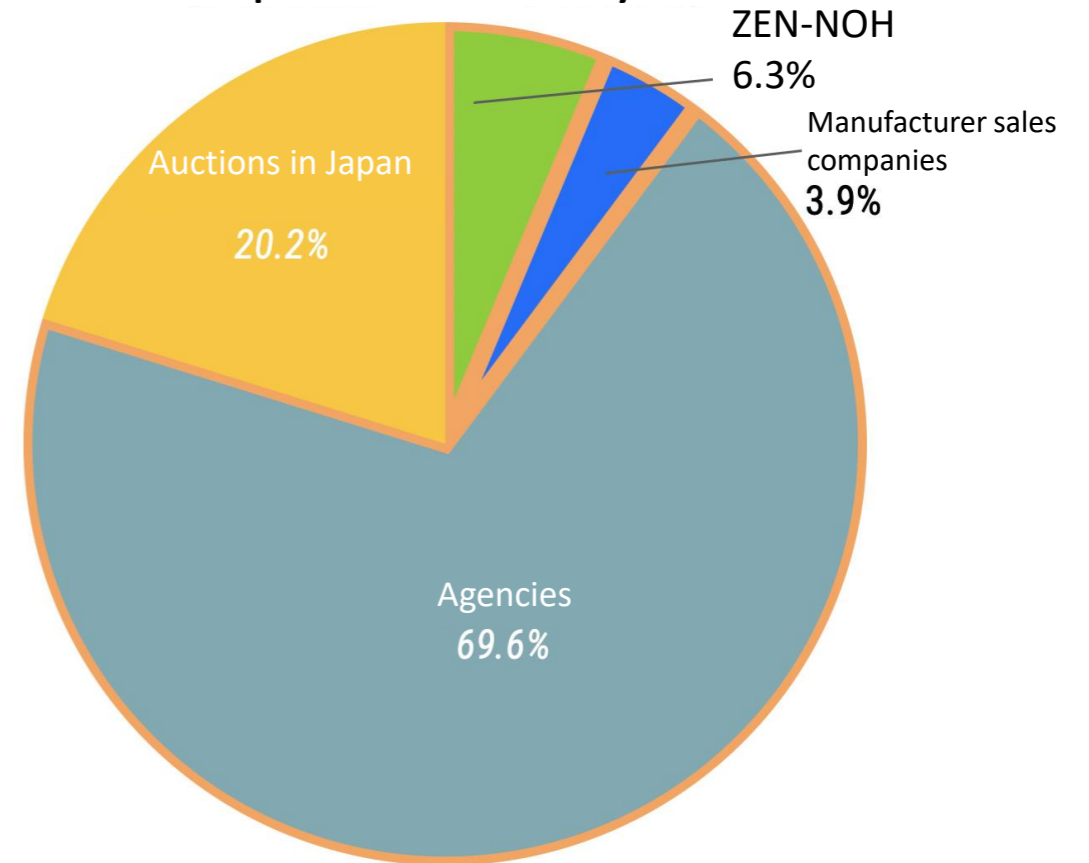
# Machinery (Agricultural Equipment) ⑤: Sales Synergy

Established a business structure that is not affected by maritime shipping market conditions by expanding sales channels to domestic corporations

Shipping destinations of ME farming equipment  
Shipments: 559 million yen



Shipping destinations of Farmally farming equipment  
Shipments: 384 million yen



\*Results for July to December 2021

✕ZEN-NOH is an abbreviation for Japanese Federation of Agricultural Cooperatives.

## Machinery (Agricultural Equipment) ⑥: The Future

Aiming for further growth by promoting synergies with Farmally (green text below), etc.

### Purchases

- Taking over Farmally's commercial distribution channels with major agricultural equipment manufacturers and focusing on the purchase of manufacturers' high quality inventory.
- Utilize Farmally's relationships with various ZON-NOH (Japanese Federation of Agricultural Cooperatives) organizations to strengthen transactions and build business relationships with other cooperatives.
- Considering expansion of new bases in the next fiscal year and beyond in line with expansion of transaction volume

### Sales

- Strengthen sales to domestic corporations by utilizing Farmally's network of direct sales channels to domestic corporations
- Focus on expanding export destinations and export volume by taking advantage of the weak yen situation
- Strengthen sales to farmers and agricultural machinery buyers and sellers through our own marketplace (UMM)



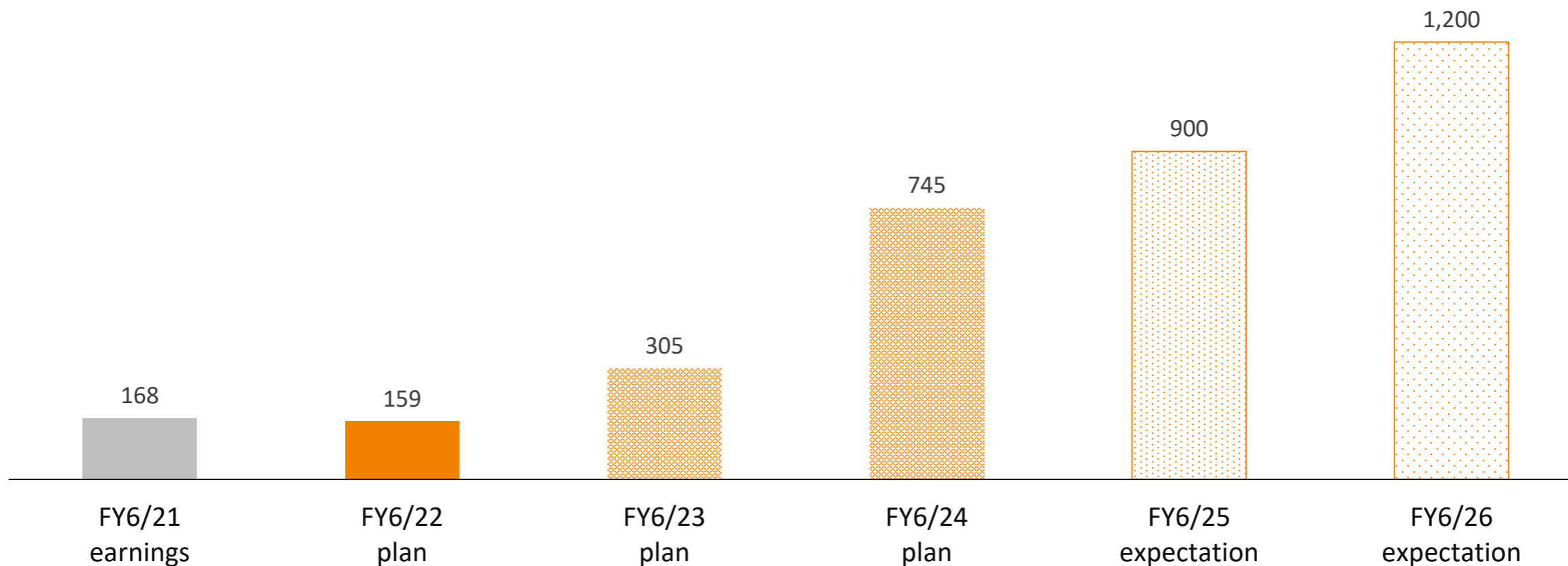
# Second-hand Online Business

- ① Second-hand Services for Individuals
- ② Machinery (Agricultural Equipment)
- ③ **Oikura**

# Oikura Business Net Sales Plan (Excerpt from the Medium-term Management Plan Presentation Material)

Made an upfront investment of over 100 million yen in the current fiscal year to strengthen the foundation for full-scale contribution to earnings from FY6/24 onward

(Million yen)



# Oikura ①: Initiatives

Implemented reinforcement of sales infrastructure and development of additional functions

## Reinforcement of sales infrastructure

- Renewal of sales structure
- Resources download function for stores considering joining
- Development of optional merchandise

## Development of additional main functions for buyers (member stores nationwide)

- Renewal of store operations information
- Chat function for users
- Function for users to request additional product information
- Alert function for when the desired purchase information is registered and becomes a case
- Assessment result notifications on the management screen
- Function for adding favorites relating to registered purchase requests

## Development of additional main functions for buyers (member stores nationwide)

- Renewal of the Oikura website
- Chat function for member stores
- Assessment offer function for multiple specific member stores

## Oikura ②: Cooperation with Local Governments

It was decided to introduce "Oikura" to reduce the environmental burden related to bulky waste disposal and the cost burden on local governments and residents

March 2022: Sumida Ward, Tokyo



[https://www.city.sumida.lg.jp/kurashi/gomi\\_recycle/kateikei/gomi\\_dashikata/sodaigomi.html](https://www.city.sumida.lg.jp/kurashi/gomi_recycle/kateikei/gomi_dashikata/sodaigomi.html)

March 2022: Kawasaki City, Yokohama



<https://www.city.kawasaki.jp/kurashi/category/24-1-23-2-10-0-0-0-0-0-0.html>

April 2022: Kobe City, Hyogo (Start proof of concept)



<https://www.city.kobe.lg.jp/a04164/kurashi/recycle/gomi/dashikata/bunbetsukubun/hinmokugoto/ogatagomi/index.html>

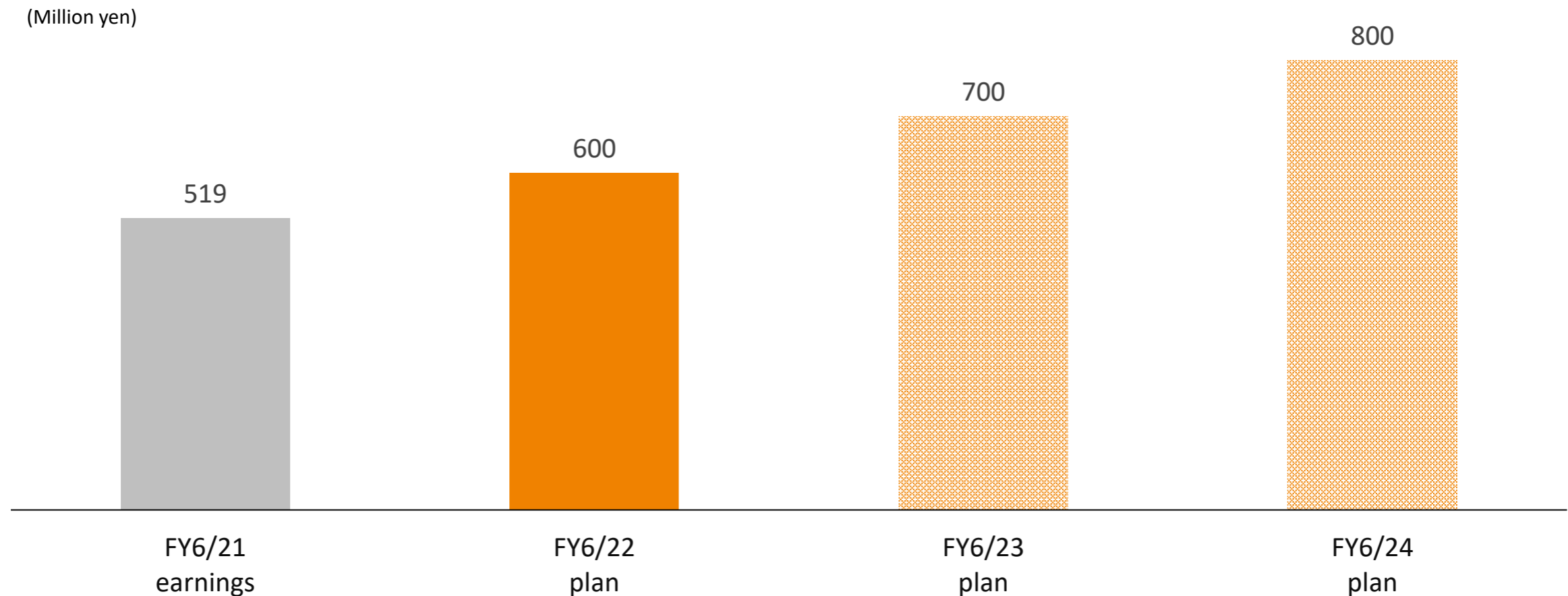




# Media Business

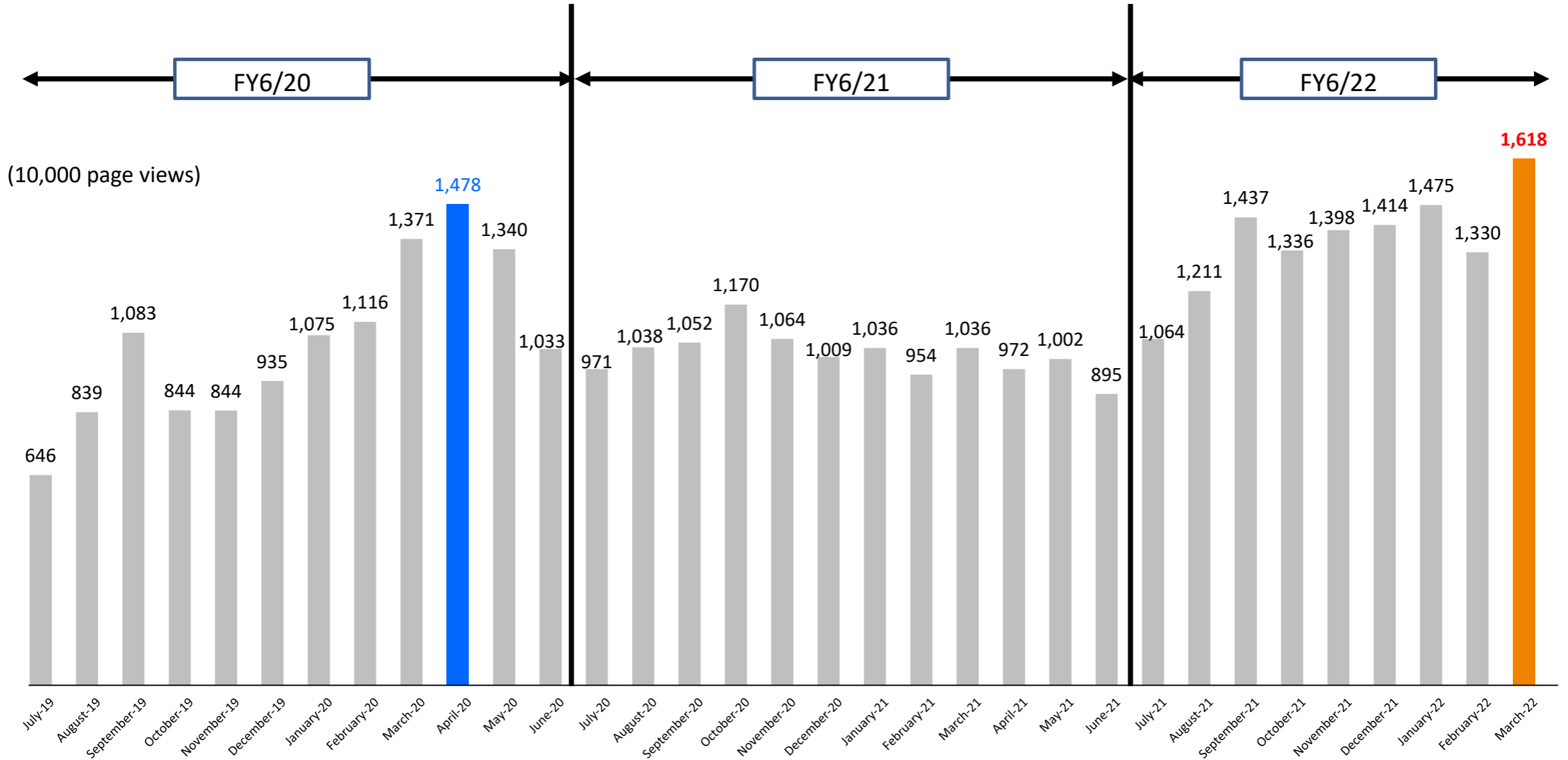
# Media Business Net Sales Plan (Excerpt from the Medium-term Management Plan Presentation Material)

Aiming to build a stable earnings structure by deeper implementation of existing strategies



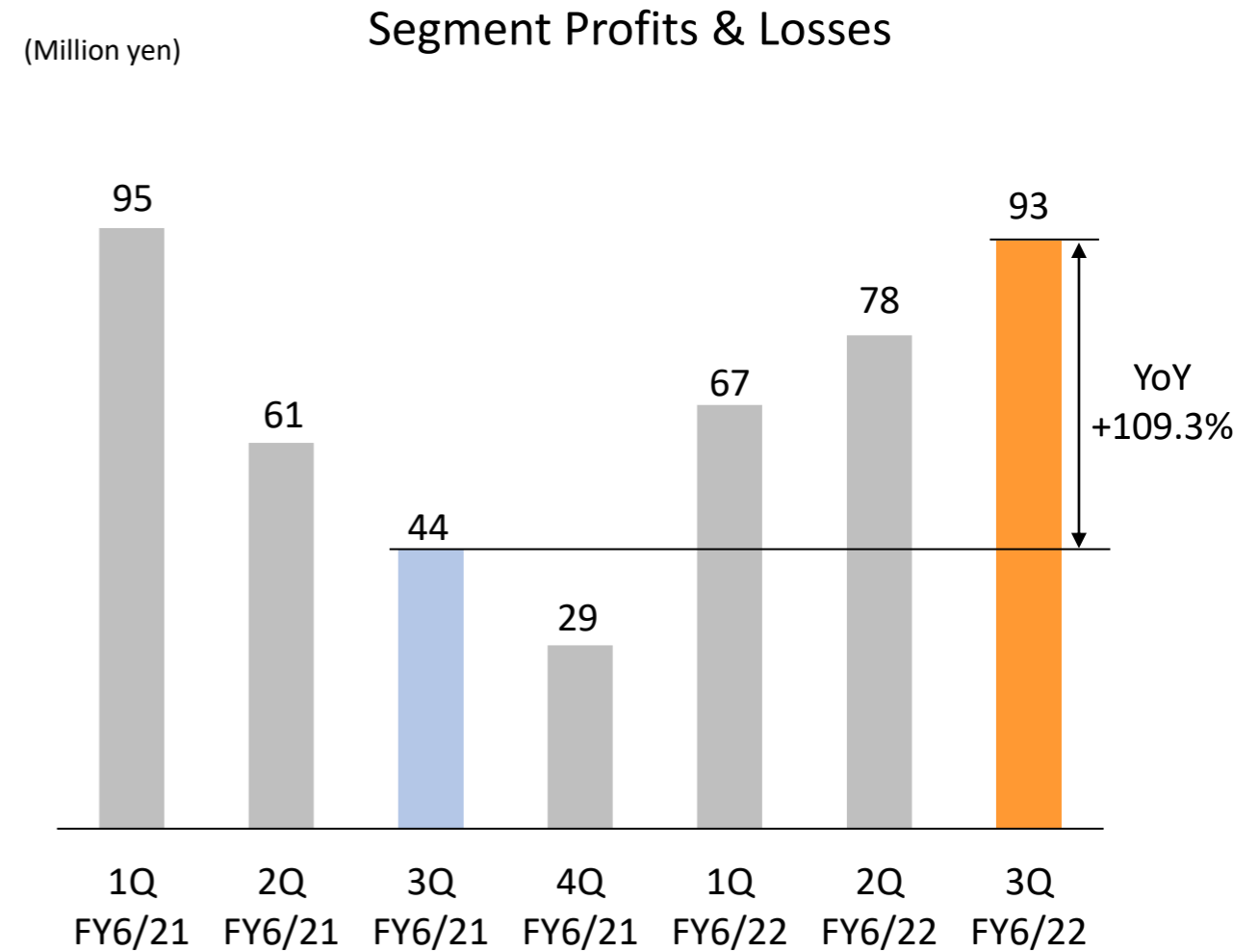
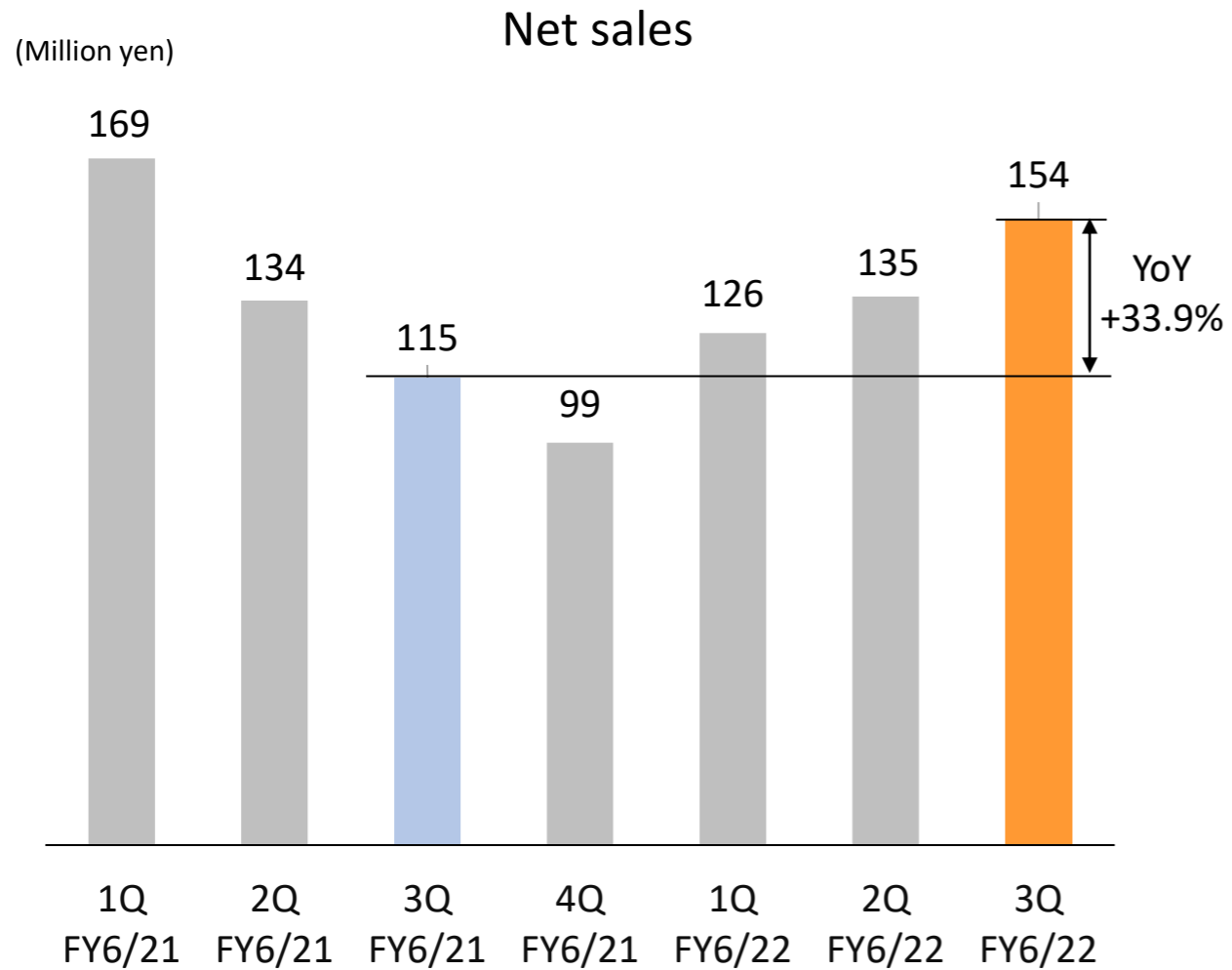
# Media Business ①: Trends in Monthly Average Media Page Views

Set a new record for page view in March 2022



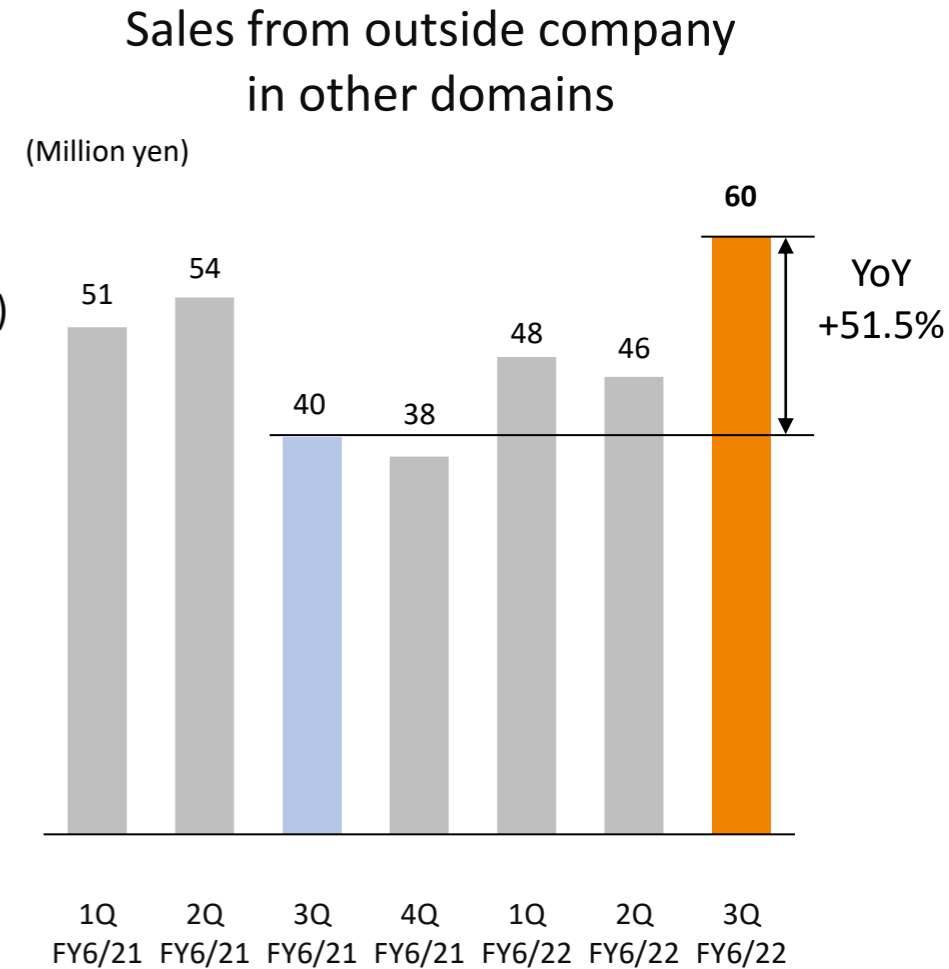
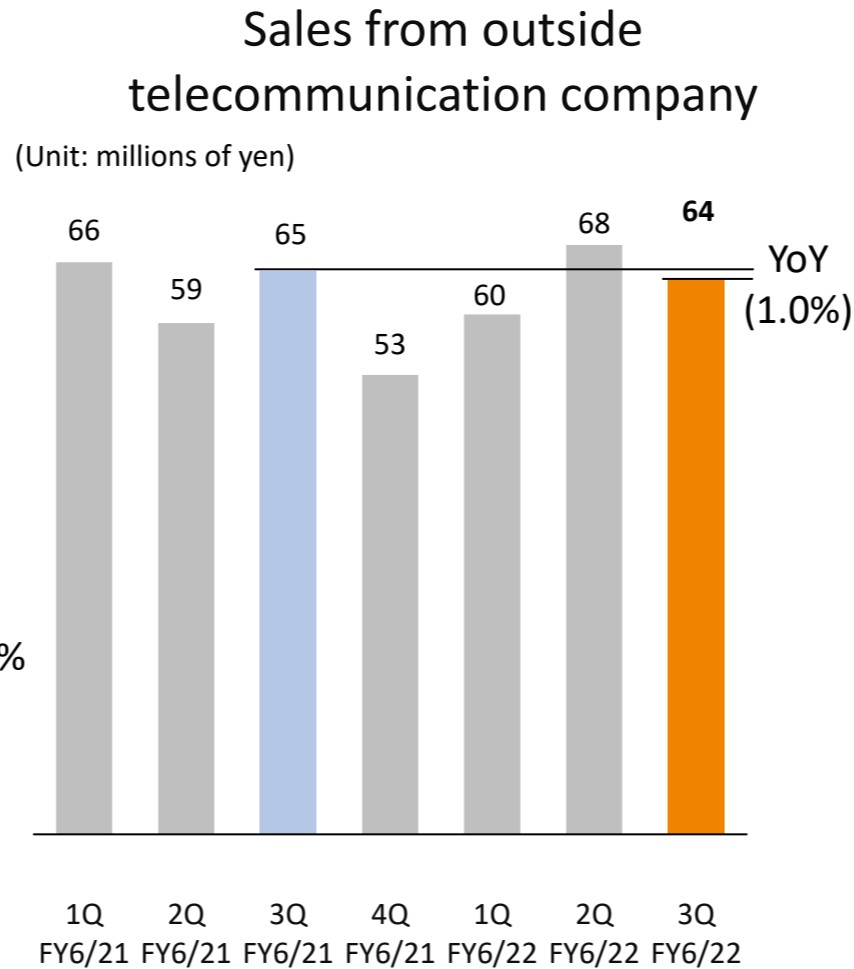
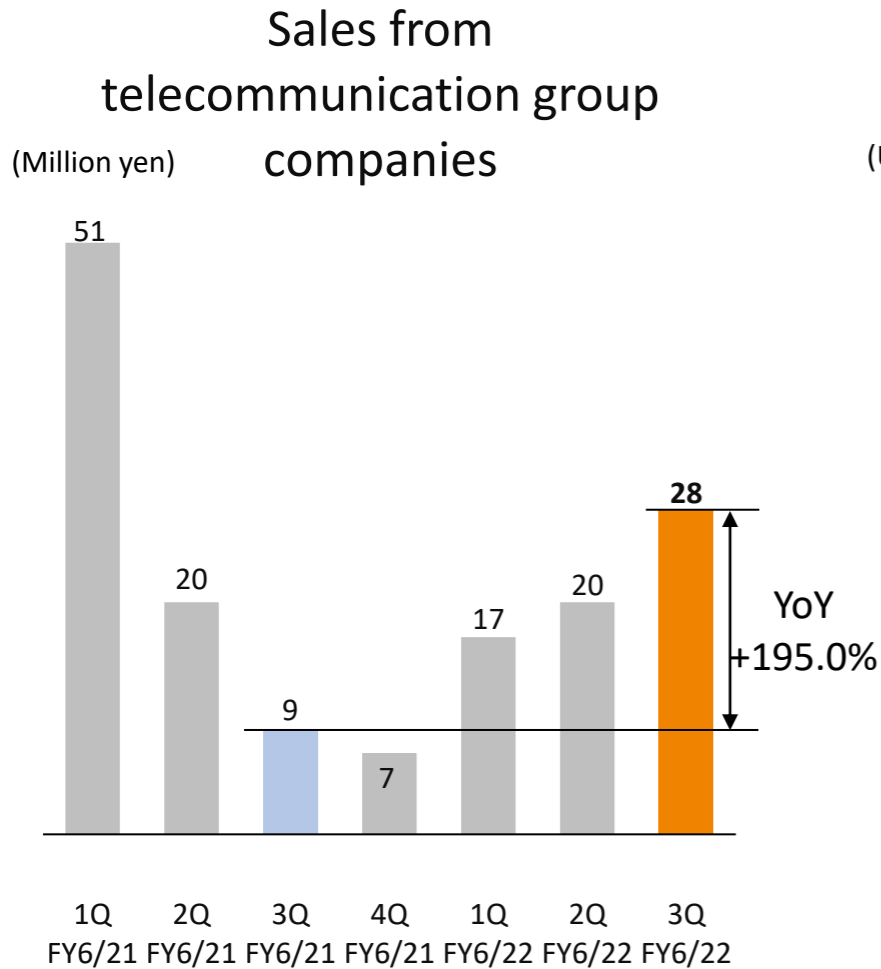
## Media Business ②: Trends in Quarterly Results

- Net sales: Increased year on year
- Profits: Significantly increased year-on-year due to streamlined business operations



# Media Business ③: Breakdown of Quarterly Net Sales

Sales to telecommunication group companies and other sectors outside the group grew. A stable foundation is being built through diversification of the revenue base, as expected.

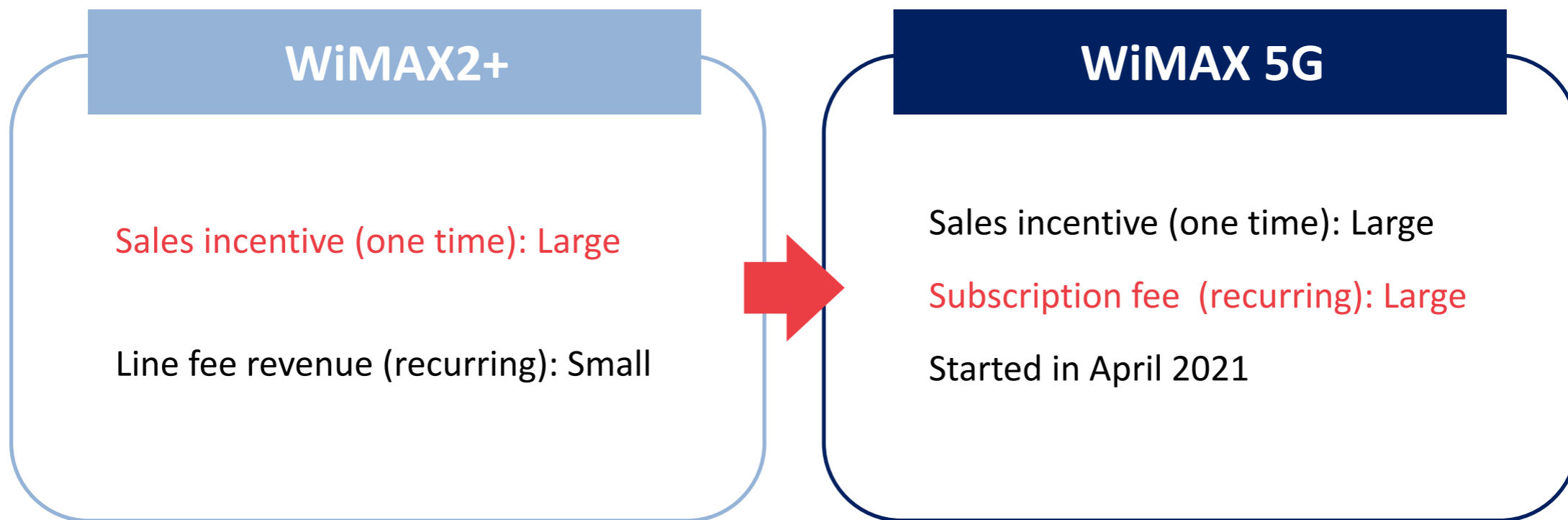




# **Mobile & Telecommunications Business**

# Mobile & Telecommunications Business Strategy (Excerpt from the Medium-term Management Plan Presentation Material)

Shift from one-time sales to recurring revenue . Focus on building a steadily larger base for future earnings\*.

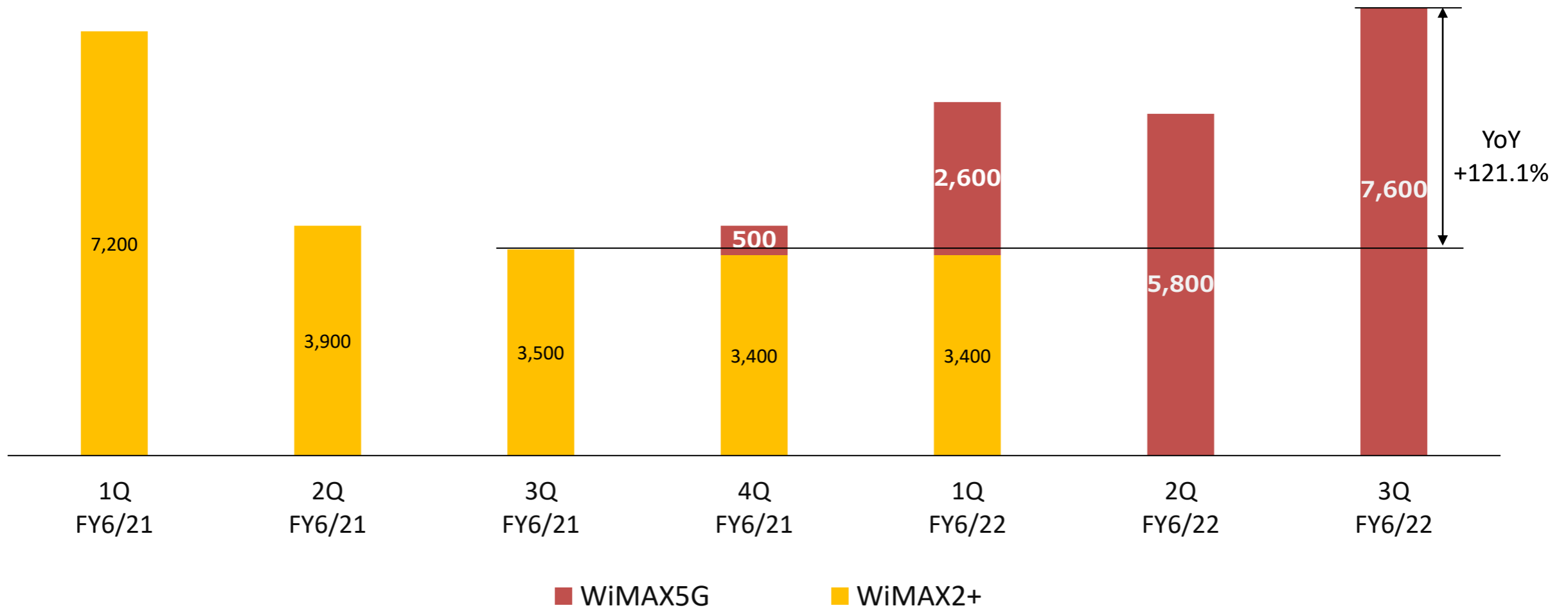


\*Future earnings: Gross profit from fee income for communication services and other income expected from current service subscriptions

# Mobile & Telecommunications Business ①: New Service Subscriptions

New service subscriptions centered on WiMAX 5G increasing steadily.

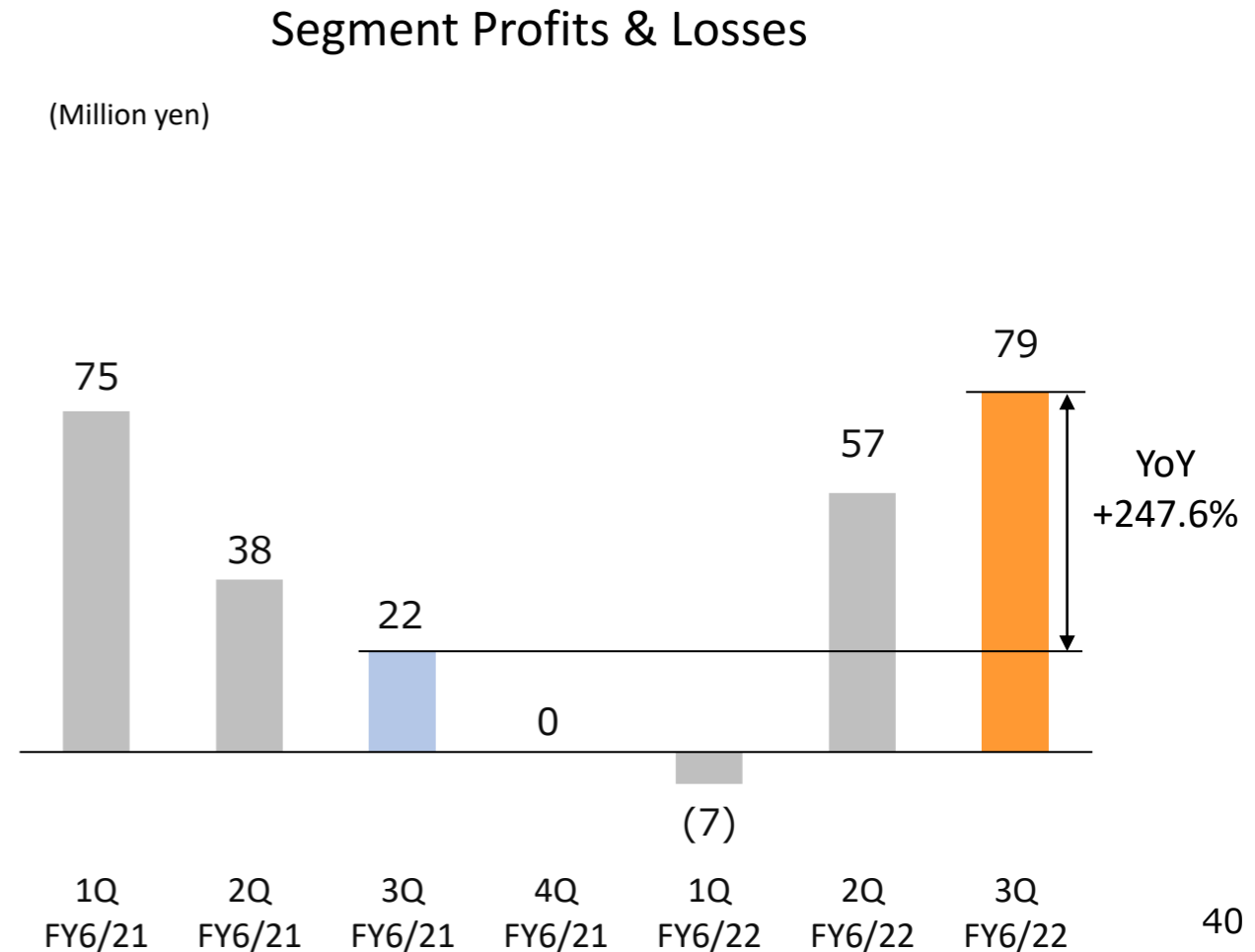
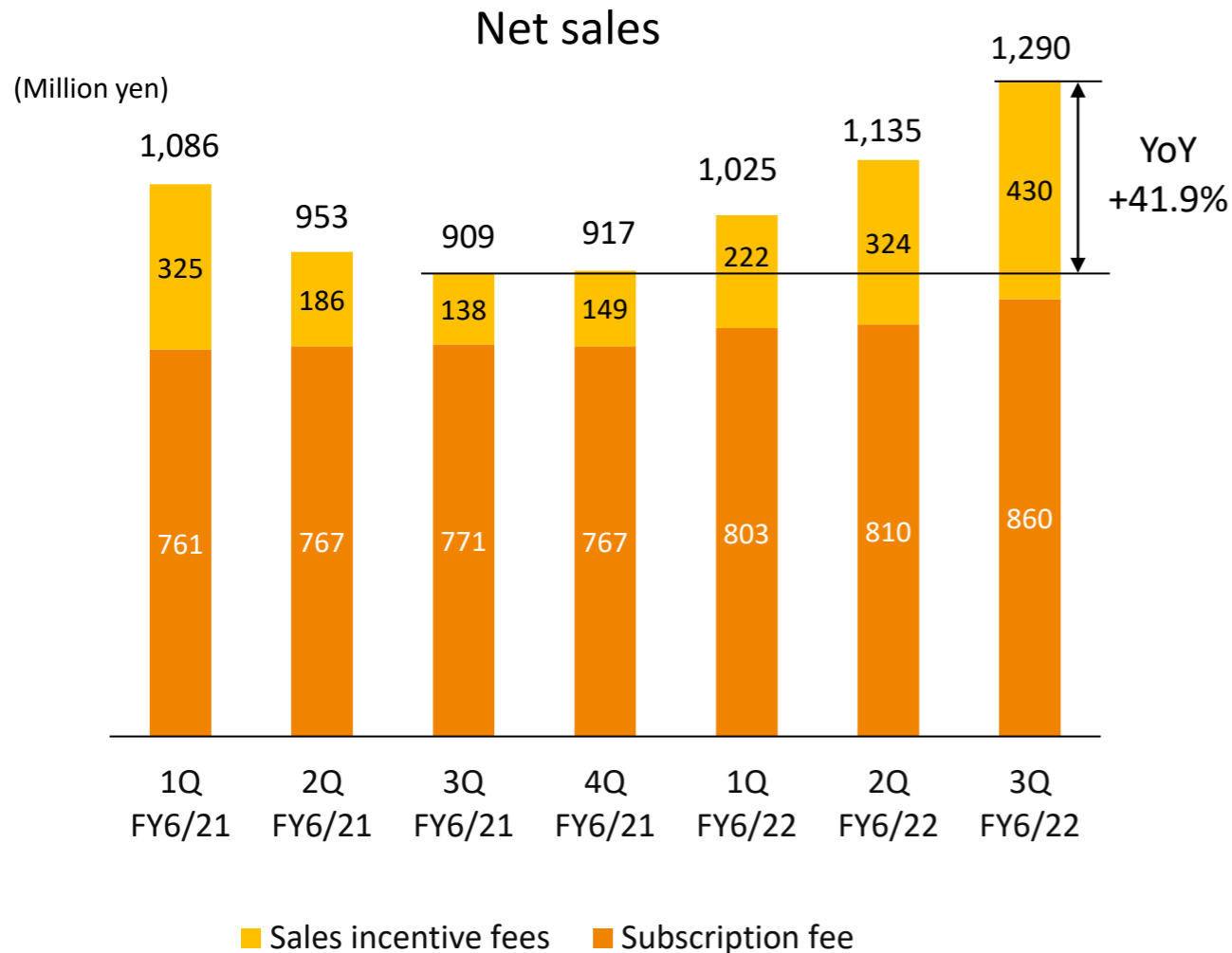
(Number of subscriptions)





# Mobile & Telecommunications Business ②: Trends in Quarterly Results

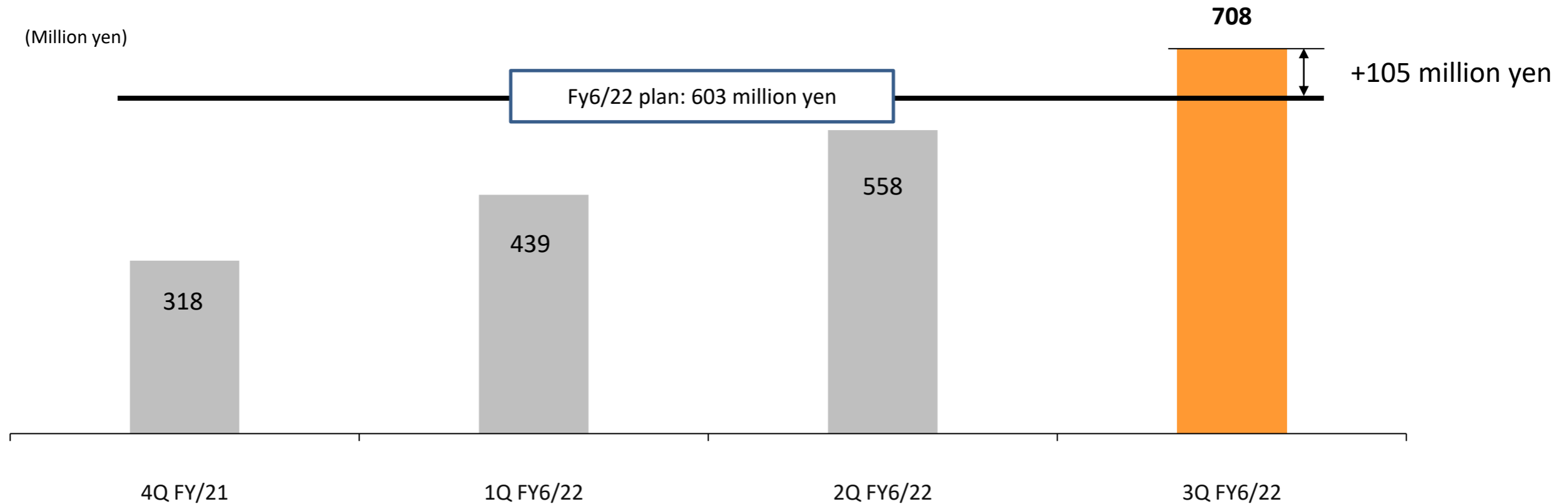
- Net sales: Increased year-on-year due to growth in the number of new service subscriptions.
- Profits: Significantly increased year-on-year due to streamlined business operations in addition to the increased revenue factor.



## Mobile & Telecommunications Business ③: Trends in Future Revenues

Future earnings as of the end of the 3rd quarter exceeded the fiscal year plan due to strong acquisition of stock-type 5G lines.

Expected to underpin earnings next fiscal year.



\*Future earnings: Gross profit from fee income for communication services and other income expected from current service subscriptions



① 3Q FY6/22 Results of Operations

② Recognition of Current Status and Progress of  
Medium-term Management Plan

③ **FY6/22 Forecasts**

Appendix: Company Overview

## FY6/22 Forecasts

No revisions to the consolidated forecast

(Million yen)	FY6/21 results	FY6/22 forecast	YoY
Net sales	10,875	12,000	+10.3%
Operating profit	54	(400)	—
Ordinary profit	32	(405)	—
Profit attributable to owners of parent	(40)	(440)	—

# FY6/22: Future Trajectory by Segment

We focused on the following points to achieve the medium-term management plan.

Segment	Strategy
Second-hand Online	<p>Second-hand Services for Individuals:</p> <ul style="list-style-type: none"><li>• Strengthened marketing to further increase the number of purchase requests.</li><li>• We pivoted to expansion of pick-up purchasing capabilities. Invested more aggressively in recruitment and training, and increased the competitiveness of new hires. Made plans to contribute to business performance from the next fiscal year.</li></ul> <p>Machinery (Agricultural Equipment):</p> <ul style="list-style-type: none"><li>• Established a new system to achieve synergy with Farmally (significant expansion of purchase and sales channels targeting domestic corporations)</li></ul> <p>Oikura:</p> <ul style="list-style-type: none"><li>• Aggressively invested to facilitate expansion from next fiscal year.</li></ul>
Media	Diversified revenue base to achieve stable growth.
Mobile & Telecommunications	Expanded WiMAX 5G line acquisitions to facilitate the growth of a stable revenue base (building up future revenues).

## Medium-Term Management Plan Target Values (Excerpt from the Medium-term Management Plan Presentation Material)

Aim to achieve profits plan through sales growth centered on the second-hand online business. Also, stabilize the earnings base by capturing future earnings in the mobile & telecommunications business.

(Million yen)	FY6/21 (Results)	FY6/22 (Plan)	FY6/23 (Plan)	FY6/24 (Plan)	CAGR (Average annual growth rate)
Net sales	10,875	12,000	15,000	20,000	122.5%
Second-hand Online Business	6,580	7,659	9,804	13,744	127.8%
Second-hand services for Individuals	5,350	6,000	7,500	10,000	123.2%
Machinery (Agricultural Equipment)	1,061	1,500	2,000	3,000	141.4%
Oikura	169	159	304	744	163.9%
Media Business	519	600	700	800	115.5%
Mobile & Telecommunications Business	3,866	4,300	5,000	5,500	112.5%
Operating profit	54	(400)	300	1,200	280.7%
Operating profit to net sales	0.5%	-3.3%	2.0%	6.0%	—
Operating profit + Future earnings*	373	203	997	1,950	173.6%

\*Future earnings: Gross profit from fee income for communication services and other income expected from current service subscriptions



① 3Q FY6/22 Results of Operations

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**Appendix: Company Overview**

# MarketEnterprise

## MarketEnterprise Co., Ltd.

The company name is derived from MARKET + ENTERPRISE (adventurous creation). With the second-hand business at its core, the company is developing a media business and a mobile and telecommunications business. By offering a variety of choices to society and consumers, we are playing a role in the development of the circular economy and continue to take on the challenge of creating a sustainable society.



## SUSTAINABLE DEVELOPMENT GOALS





## What We Aim to Be

### Corporate Philosophy

**"We will continue to be a group of actors who develop business that builds win-win relationships and who truly enjoy doing business."**

### Vision for the Long Term

**"To be an Optimized Trading Company for the creation of Sustainable Society"**

### 10 Core Values

**01. Speed**

**02. Change & Challenge**

**03. Input & Output**

**04. Priority**

**05. Continuous Outcome**

**06. Responsibility**

**07. Key Communication**

**08. Teamwork**

**09. Creativity**

**10. Long-term Thinking**

**\*Our company's purpose is expressed by the origin of our company name and our long-term vision.**

# Company Overview

**Company name:** MarketEnterprise Co., Ltd.

**Established:** June 7, 2006 (Operations started November 1, 2004)

**Corporate philosophy:** "We will continue to be a group of actors who develop business that builds win-win relationships and who truly enjoy doing business."

**Business details:** Second-hand online business, media business, mobile & telecommunications business

**Capital:** 326,479,800 yen (as of June 30, 2021)

**Directors:**

**President and CEO** Yasushi Kobayashi

**Executive Director and COO** Tomoyuki Kamo

**Director and CFO** Kenichi Imamura

External Director	Kohei Terada	CEO, Warehouse Terrada
External Director	Hitoshi Tanii	Chairman, Synergy Marketing, Inc.
Standing Auditor	Masaki Yamazaki	
External Auditor	Eisuke Ito	Certified Public Accountant, Director, Ito Office
External Auditor	Tetsuya Ohi	Attorney at Law, Partner, TMI Associates

**Address:** Tokyo Tatemono Kyobashi Building 3F, 3-6-18 Kyobashi, Chuo-ku, Tokyo, 104-0031, Japan

**Number of employees:** 443 (including part-time staff) \* as of the end of April, 2022

**Listed market:** Tokyo Stock Exchange Prime (Security code: 3135)

**Awards history:**

- Deloitte Touche Tohmatsu Limited Japan Technology Fast 50 (2015, 2016, 2017, 2020)
- Deloitte Asia Pacific Technology Fast 500 (2015, 2016, 2017)
- Organization for Small & Medium Enterprises and Regional Innovation, Japan Venture Awards, Small & Medium Enterprises Director's Award
- Ernst & Young ShinNihon LLC EY Entrepreneur Of The Year 2013 Japan
- Yahoo! Auctions Best Store Awards Overall Grand Prize (2017, 2018, 2019)
- Link and Motivation, Motivation Team Award (2020)

**Affiliates:** MEmobile Co., Ltd.

ME trading Co., Ltd.

UMM Co., Ltd.

MarketEnterprise Vietnam Co., Ltd.

## 16 locations in Japan, 1 overseas

### MarketEnterprise Co., Ltd. Headquarters, Kyobashi Branch

Chuo-ku, Tokyo

### Contact Centers / Customer Support Centers (2 locations)

Sumida-ku, Tokyo; Tokushima-shi, Tokushima

### Purchasing base (12 locations)

Sapporo-shi, Hokkaido; Sendai-shi, Miyagi; Wako-shi, Saitama;

Koto-ku, Tokyo; Fuchu-shi, Tokyo; Yokohama-shi, Kanagawa;

Nagoya-shi City, Aichi; Suita-shi, Osaka; Kobe-shi, Hyogo;

Fukuoka-shi, Fukuoka; Tottori-shi, Tottori; Yuki-shi, Ibaraki

### ME Mobile

Sumida-ku, Tokyo

### MEtrading (2 locations)

Tottori-shi, Tottori; Yuki-shi, Ibaraki

### UMM

Chuo-ku, Tokyo

### MarketEnterprise Vietnam

HCMC, Viet Nam.

# History

2006 MarketEnterprise Co., Ltd. established

- July: Kakuyasudenchi.com launched.
- July:: "Rakuichi Rakuza" flea market opened for business.

2007

- July: Second-hand Online Business launched.
- November: First in Japan! Charity Flea Market with no exhibitor fee launched.

2008

- July: Takakuureru.com launched.

2009

- February: Selected as one of the Best Venture 100 for 2008.
- April: Second-hand Online Business tops 1000 total purchase requests.

2010

- February: Listed in "Big Companies in 10 Years! Business Tips in a Headwind" by Diamond, Inc.
- December: First location Tokyo Second-hand Center, opened.

2011

- February: Won Yahoo! Auction Best Store Newcomer Award.
- May: Second-hand Online Business tops 50,000 total purchase requests.

2012

- February: Won Yahoo! Auction Best Store Award.
- March: Osaka Second-hand Center opened.
- November: Second-hand Online Business tops 200,000 total purchase requests.

2013

- January: Nagoya Second-hand Center opened.
- February: Won Yahoo! Auction Best Store Award for 2012.
- July: Yokohama Second-hand Center opened.
- October: Won Ernst & Young ShinNihon LLC EY Entrepreneur Of The Year 2013 Japan.
- December: Won Ernst & Young ShinNihon LLC Job Creation Award for 2013.

2014

- April: Won Yahoo! Auction Best Store Award for 2013.
- May Second-hand Online Business tops 500,000 total purchase requests.
- June: Fukuoka Second-hand Center opened.
- December: Won Ernst & Young ShinNihon LLC Job Creation Award for 2014.

2015

- February: Won Organization for Small & Medium Enterprises and Regional Innovation, Japan Venture Awards, Small & Medium Enterprises Director's Award.
- March: Won Yahoo! Auction Best Store Award for 2014.
- March: Saitama Second-hand Center opened.
- June: Listed on the Tokyo Stock Exchange Mothers.
- July: Headquarters relocated and corporate logo changed.
- August: Best Venture 100 Kitao Prize [1st awarded company].
- October: Kobe Second-hand Center opened.
- October: Selected for Deloitte Touche Tohmatsu Limited Japan Technology Fast 50 for 2015.
- November: Won Ernst & Young ShinNihon LLC Job Creation Award for 2015.
- December: Selected for Deloitte Touche Tohmatsu Limited Asia-Pacific Region Technology Fast 500 for 2015.

2016

- April: Sendai Second-hand Center opened.
- June: Tokushima office opened.
- July: Group company MEmobile established to develop MVNO (mobile virtual network operations) business
- October: Selected for Deloitte Touche Tohmatsu Limited Japan Technology Fast 50 for 2016.
- December: Selected for Deloitte Touche Tohmatsu Limited Asia-Pacific Region Technology Fast 500 for 2016.

2017

- September: West Tokyo Second-hand Center Opened
- October: Selected for Deloitte Touche Tohmatsu Limited Japan Technology Fast 50 for 2017.
- December: Selected for Deloitte Touche Tohmatsu Limited Asia-Pacific Region Technology Fast 500 for 2017.

2018

- January: Sapporo Second-hand Center opened.
- October: First "instrument donation hometown tax payment" in Japan started in collaboration with Inabe-shi, Mie.

2019

- February: Second-hand matching platform "Oikura" business succession.
- May: Kyobashi branch opened.

2020

- February: Won Yahoo! Auctions Best Store Awards Annual Best Store Overall Grand Prize for 2019.
- March: Won Motivation Team Award for 2020.
- April: Group company MEmtrading Co., Ltd. established to develop trading business related to agricultural equipment.
- April: Group company UMM Co., Ltd. established to develop marketplace business specialized for agricultural equipment.
- May: Overseas group company Market Enterprise Vietnam Co., Ltd. established as an IT development base.
- December: Selected for Deloitte Touche Tohmatsu Limited Japan Technology Fast 50 for 2020.

2021

- February: Listing changed to the First Section of the Tokyo Stock Exchange.
- March: Won awards in the "Yahoo! Auctions Best Store Awards 2020" in five categories, the most of any winner.
- June: Participated in the Cabinet Office's "Public-Private Partnership Platform for SDGs for Local Development."
- June: Eniwa City and "Oikura" concluded a partnership agreement, the first of its kind in Japan for a local government.
- Concluded a comprehensive agreement with Inabe City for the formation of a sustainable, recycling-oriented society.
- July: "Oikura" released a bulk purchase appraisal application.
- August: Minaoshi, Inc., in which we have invested, begins full-scale operation of the corporate lead generation service "Minaoshi."
- September: "Oikura" started a demonstration experiment with the City of Kawasaki.
- October: New location for machinery opened in Ibaraki Prefecture.
- November: Exporting from new location in Ibaraki Prefecture and North Kanto Second-hand Center to the EU began.
- December: "Oikura" started a demonstration experiment with Sumida-ku.

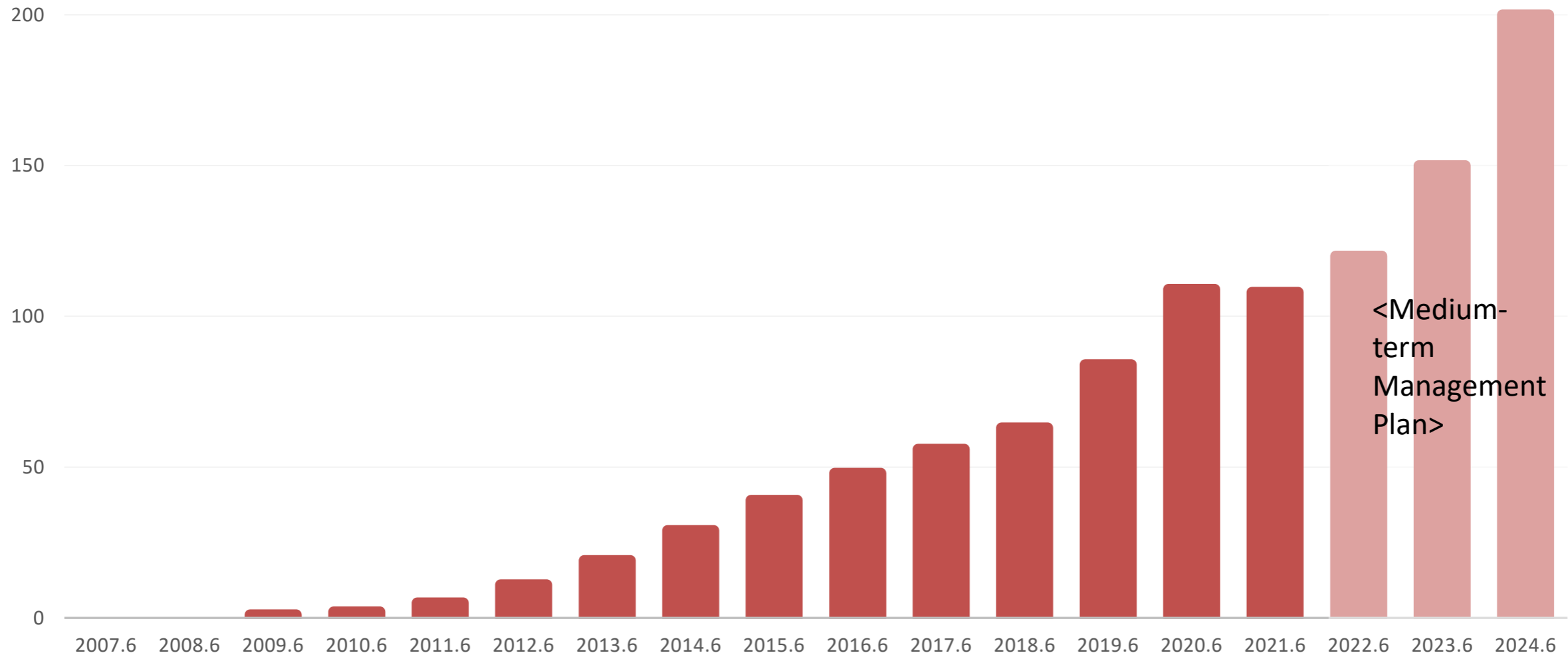
2022

- March: Won awards in the "Yahoo! Options Best Store Award s2021" in five categories.
- March: Sumida Ward and "Oikura" initiative for disposal of unneeded items began in earnest in April.
- March: Kawasaki City and "Oikura" initiative for disposal of unneeded items began in earnest in April.
- April: Took over the business of purchasing and selling used agricultural machinery operated by Farmally, Inc.
- April: "Oikura" started a demonstration experiment with the City of Kobe.

# History

With "To be an Optimized Trading Company for the creation of Sustainable Society." as our vision, various measures are underway to achieve the Medium-term Management Plan.

Hundreds of millions of yen)



# Business Portfolio

## Second-hand Online Business

For Individuals



For Corporations



Platform



## Media

Telecommunications



Second-hand



Platform



Hobbies



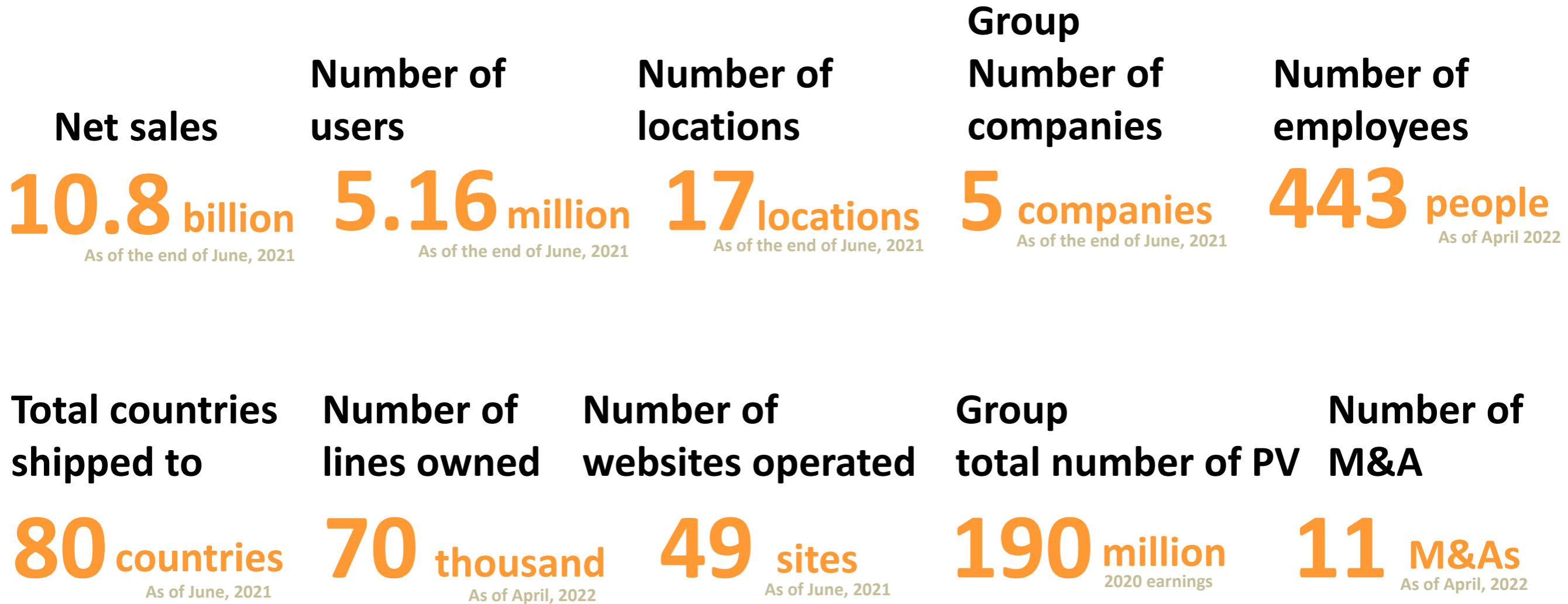
## Mobile & Telecommunications



Service Brands



# MarketEnterprise by the Numbers



## 15th Anniversary Initiative

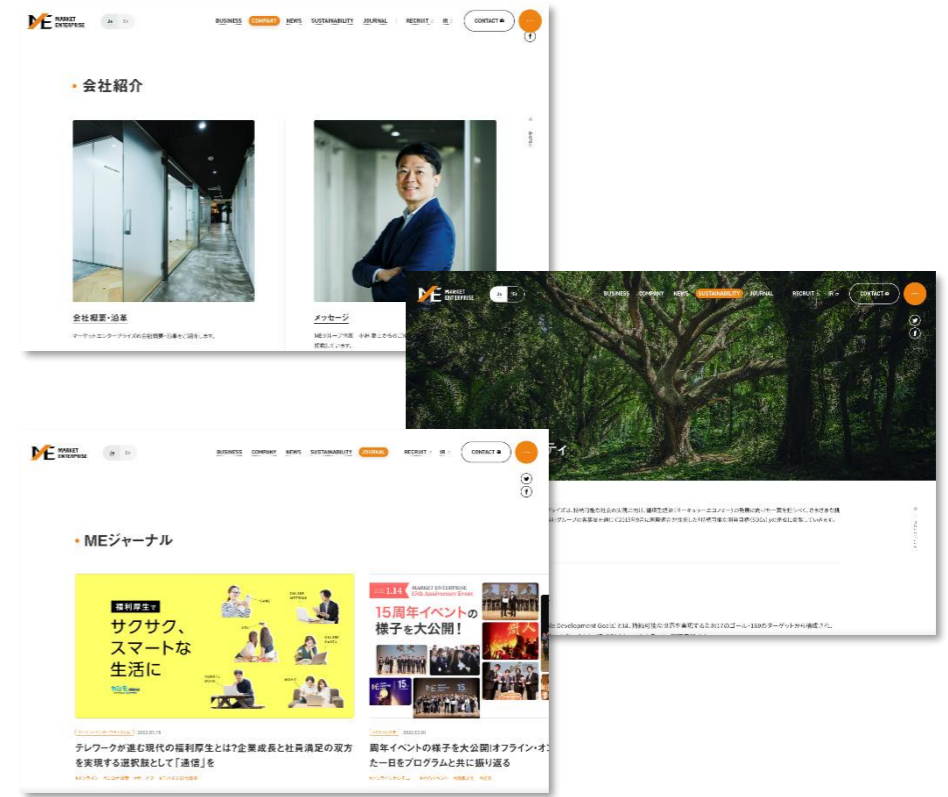
We celebrated our 15th anniversary in July 2021. We have implemented various internal projects to inculcate our philosophy and corporate culture, as well as to look back on our history and understand where we are today, and at the same time, to unify our understanding of where we should be heading in the future.





# 15th Anniversary Initiative: Corporate Site Renewal

The corporate website was completely renewed in November 2021. We have renewed the design and structure of the website to communicate corporate information and business activities in a more easily understood and pleasing manner.



# 15th Anniversary Initiative: Recruitment Site Renewal

Our recruitment website was completely renewed in April 2022 to strengthen our recruiting capabilities.

Our message was updated to reflect the current transformation into a conglomerate.



# 15th Anniversary Initiative: 15th Anniversary Commemorative Event

Various projects aimed at improving understanding of the company in January 2022 were implemented.

Events were held both online and offline with full infection control measures in place.



Representative employees, selected by a vote of employees, take the stage and give speeches.

<https://www.marketenterprise.co.jp/journal/202202012204.html>

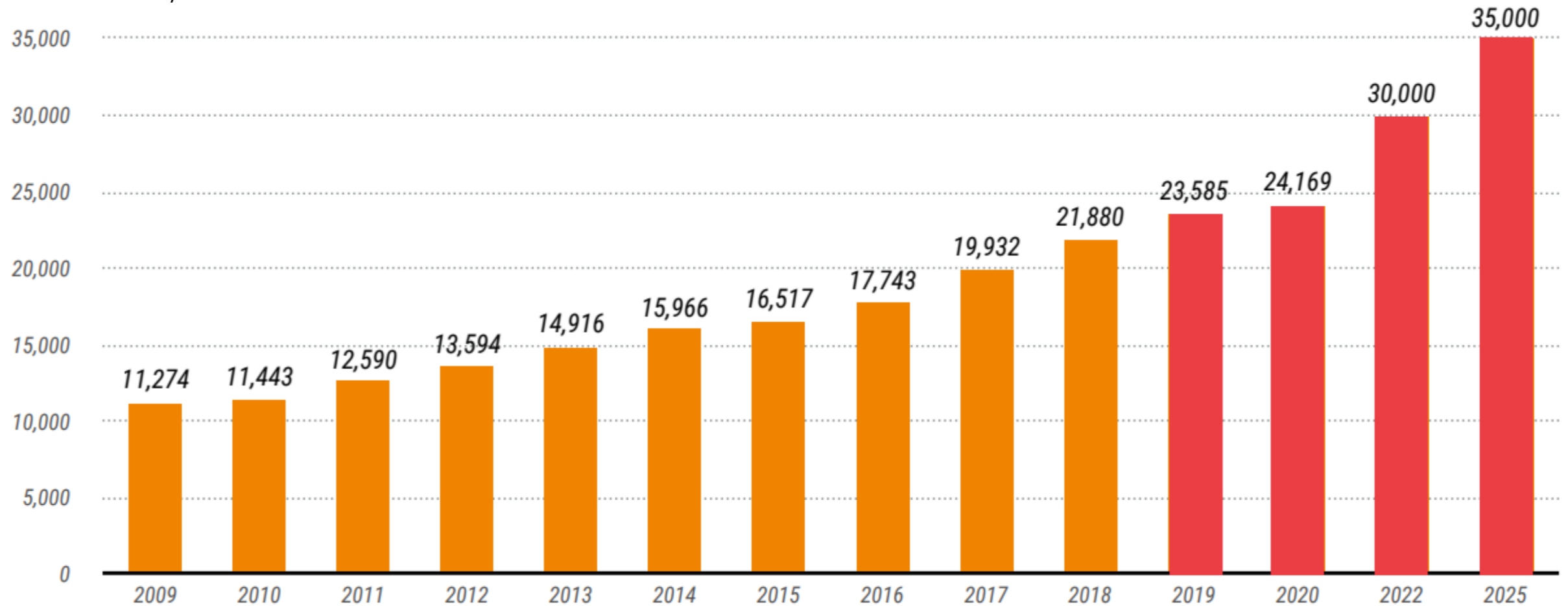
# Second-hand Online Business

- ① **Second-hand Services for Individuals**
- ② Machinery (Agricultural Equipment)
- ③ Oikura

# Second-hand Services for Individuals Market ①

The second-hand market was expanded smoothly.

Hundreds of millions of yen



## Second-hand Services for Individuals Market ②

The potential second-hand reuse market "hidden assets" is huge, amounting to about 44 trillion yen. It is believed that 65% of the hidden assets are held by seniors in their 50s and older.

Total amount of "hidden assets"  
latent in Japanese households ※3  
**Approximately  
44 trillion yen**

Unneeded goods market \*2  
Approximately 7.6 trillion yen

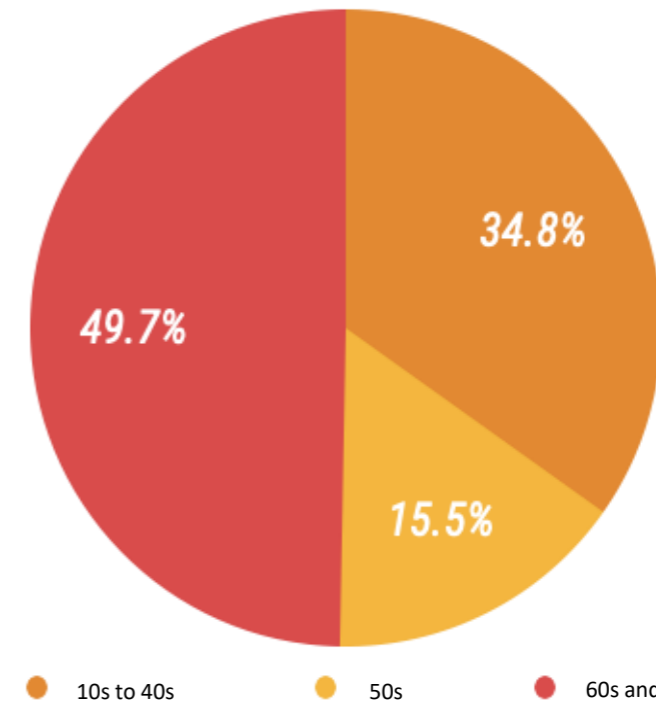
Scale of second-hand market\*1  
Approximately 2.4 trillion yen

\*1: The Reuse Business Journal

\*2: Ministry of Economy, Trade and Industry, "2017 Infrastructure Development for a Data-Driven Society in Japan (Market Survey on E-Commerce)."

\*3: From the Mercari 2021 Survey of "Hidden Assets" Latent in Japanese Households Press Release (December 2021)

Hidden assets  
Composition by gender and by generation



\*: From the Mercari 2021 Survey of "Hidden Assets" Latent in Japanese Households Press Release

(December 2021)

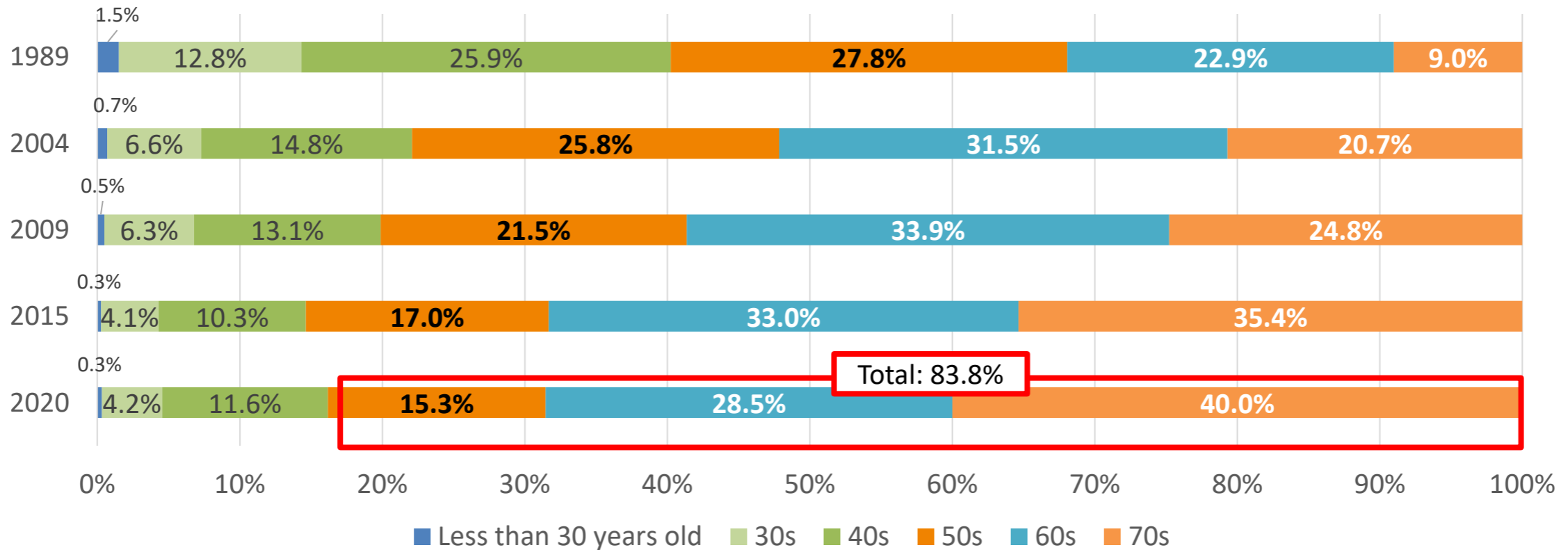
and prepared by our company based on population estimates (as of August 2021) by the Statistics Bureau of the Ministry of Internal Affairs and Communications

## Second-hand Services for Individuals Market ③

Over the past 30 years, the share of personal financial assets held by those aged 60 and over has almost doubled.

In 2020, 68.5% of personal financial assets will be held by those aged 60+ and 83.8% by those aged 50+.

Trends in the Distribution of Financial Asset Balances by Age Group

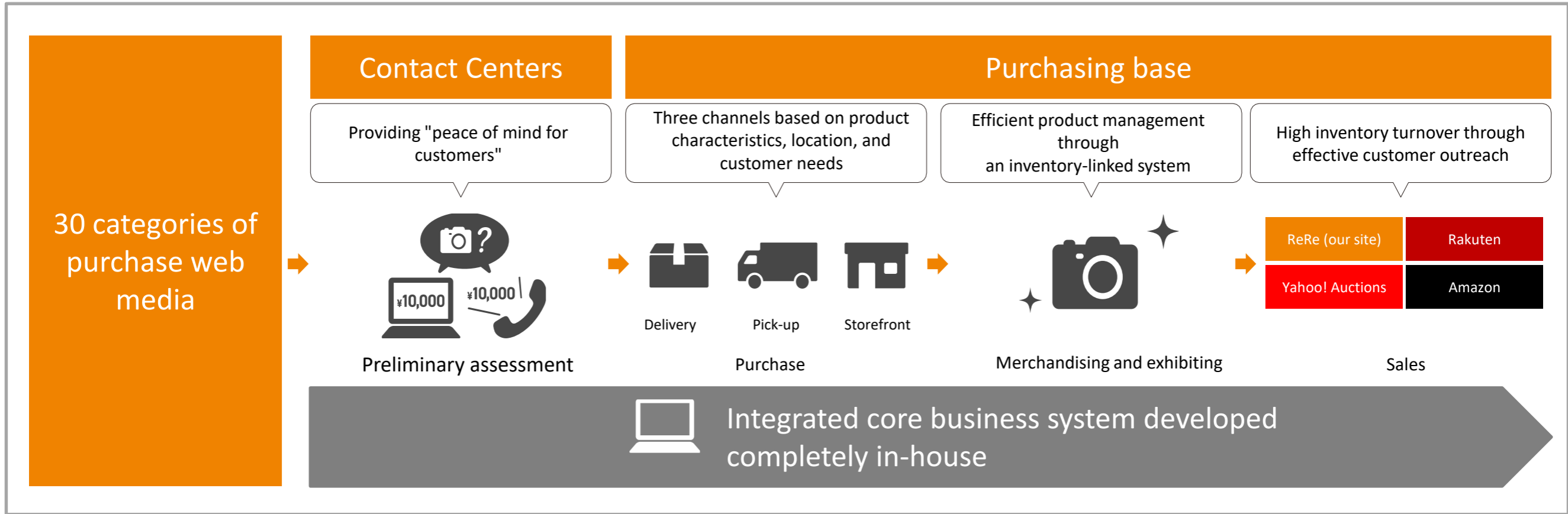


Source: Ministry of Internal Affairs and Communications, "National Survey of Consumption" (households of two or more persons)

Note: Financial assets are based on present value of savings (before deducting present value of liabilities).

# Second-hand Services for Individuals Business Flow

Multi-channel support for both purchase and sales to meet a wide range of needs. While based on "C to B to C\*," we also handle large corporate projects.



※C to B to C: Abbreviation for Consumer to Business to Consumer  
 A form of transaction conducted through a legal entity rather than directly between individuals.



# Strengths of Second-hand Services for Individuals①

Wide range of support in 30 categories of niche commercial products.



# Strengths of Second-hand Services for Individuals②

## Preliminary Assessment at Contact Centers



Proposal of purchase price,  
purchase method, etc.

## Purchase through 3 Channels



Delivery  
purchase



Storefront  
purchase



Pick-up  
purchase

## Second-hand Centers Developed Nationwide



Reduce psychological and physical barriers  
by expanding into areas close to customers

Reuse centers opened in 12 cities: Sapporo,  
Sendai,  
Saitama, Tokyo, West Tokyo, Yokohama, Nagoya,  
Osaka, Kobe, Fukuoka, Tottori, and Yuki

## Standardized Operations

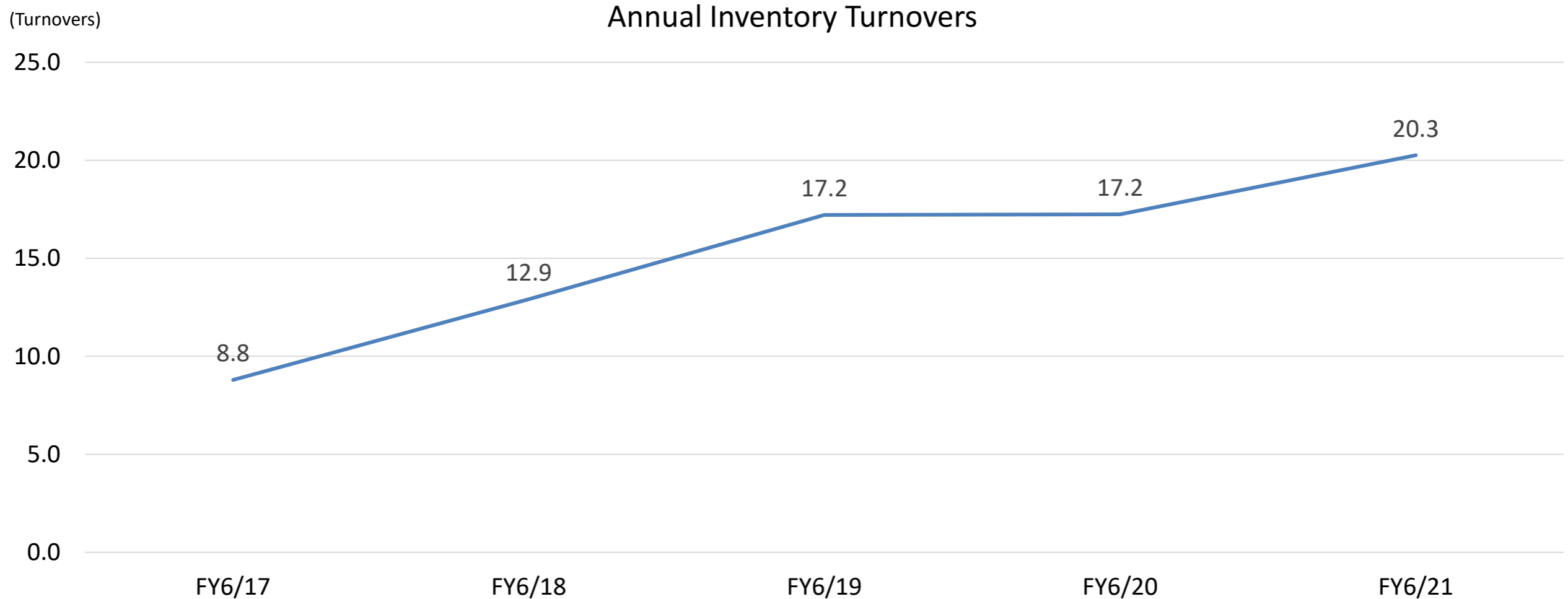


1,000-page business manuals

Manuals that clearly state business processes  
Standardization of service levels through the  
"STANDARD BOOK"  
and its implementation

# Strengths of Second-hand Services for Individuals③

High inventory turnover achieved by efficient operation system.



# History of Prizes Won for Second-hand Services of Individuals



## ■ Shopper's Eye "Purchase services that users of purchase services would recommend."

- Purchase services that "flea market app users" would "recommend." No.1
- Purchase services that "auction site users" would "recommend." No.1
- Purchase services that "audiophiles" would "recommend." No.1
- Purchase services that "camera fans" would "recommend." No.1
- Purchase services that "model railroad fans" would "recommend." No.1
- Purchase services that "music fans" would "recommend." No.1

Survey conducted by: Shopper's Eye Inc. Survey method: Internet survey Survey period: January 31-February 2, 2020 Survey targets: 1,044 respondents, male and female, aged 20-79  
Survey summary: Site comparison image survey of 10 home appliance purchase services Comparison target companies: "home appliance purchase services" Google search (as of January 23, 2020)



## ■ Yahoo! Auctions "Best Store Awards"

- "Best Stores of the Year" 1st Place (2017, 2018, 2019)
- "Home Appliances" 1st Place (2014, 2016, 2017, 2018, 2019)
- "PC & Smartphone" 1st Place (2015, 2016, 2017, 2018, 2019, 2020)
- "DIY and Farming Machinery" 1st Place (2017, 2018, 2019)
- "Living and Interiors" 1st Place (2016)



## ■ "Simple Style Grand Prize 2021" Housekeeping Association

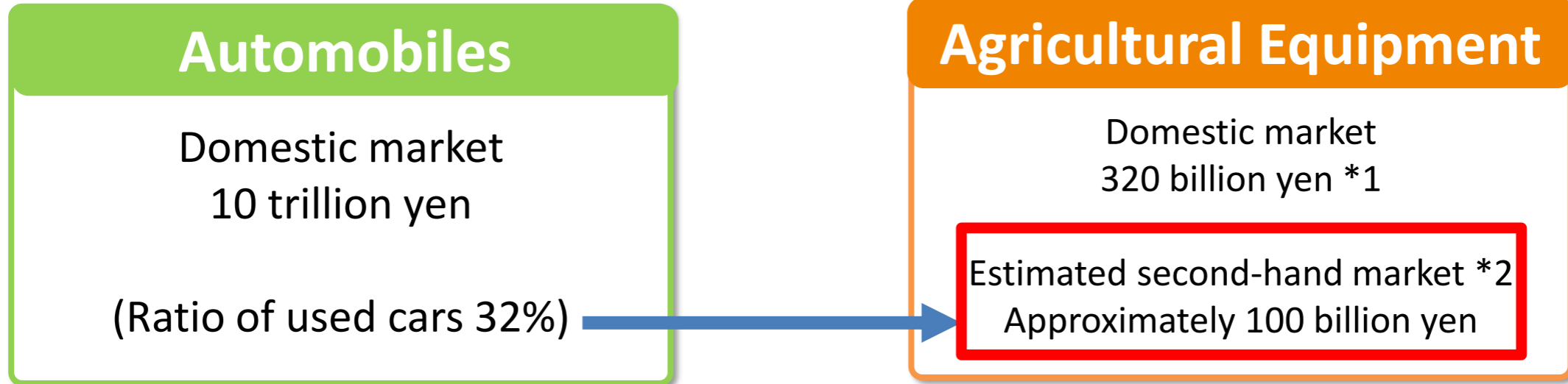
- "Simple Style Grand Prize" Special Prize

## Second-hand Online Business

- ① Second-hand Services for Individuals
- ② **Machinery (Agricultural Equipment)**
- ③ Oikura

# Agricultural Equipment Market ①

The actual market for used agricultural machinery is estimated to be around 10 billion yen. There is a great deal of room for expansion.



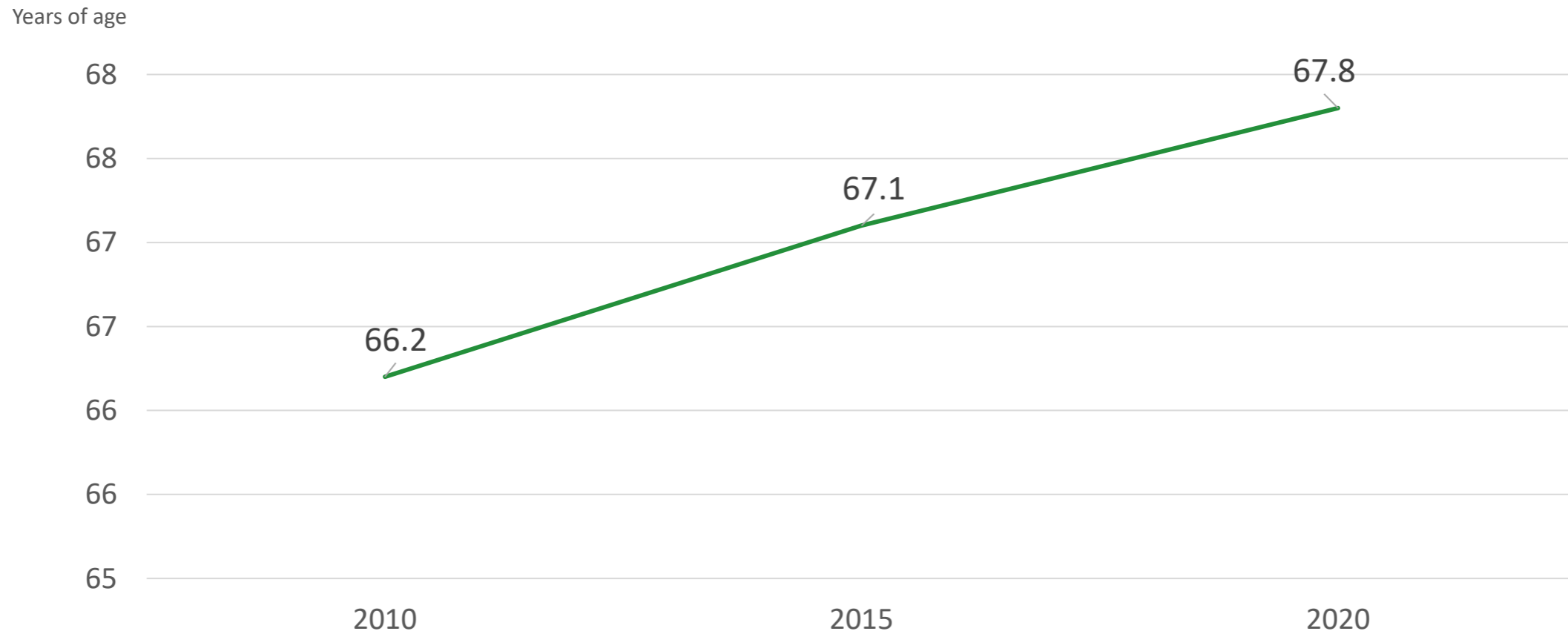
\*1: Average for the past 5 years

\*2: Domestic market × Ratio of used cars 32%

## Agricultural Equipment Market ②

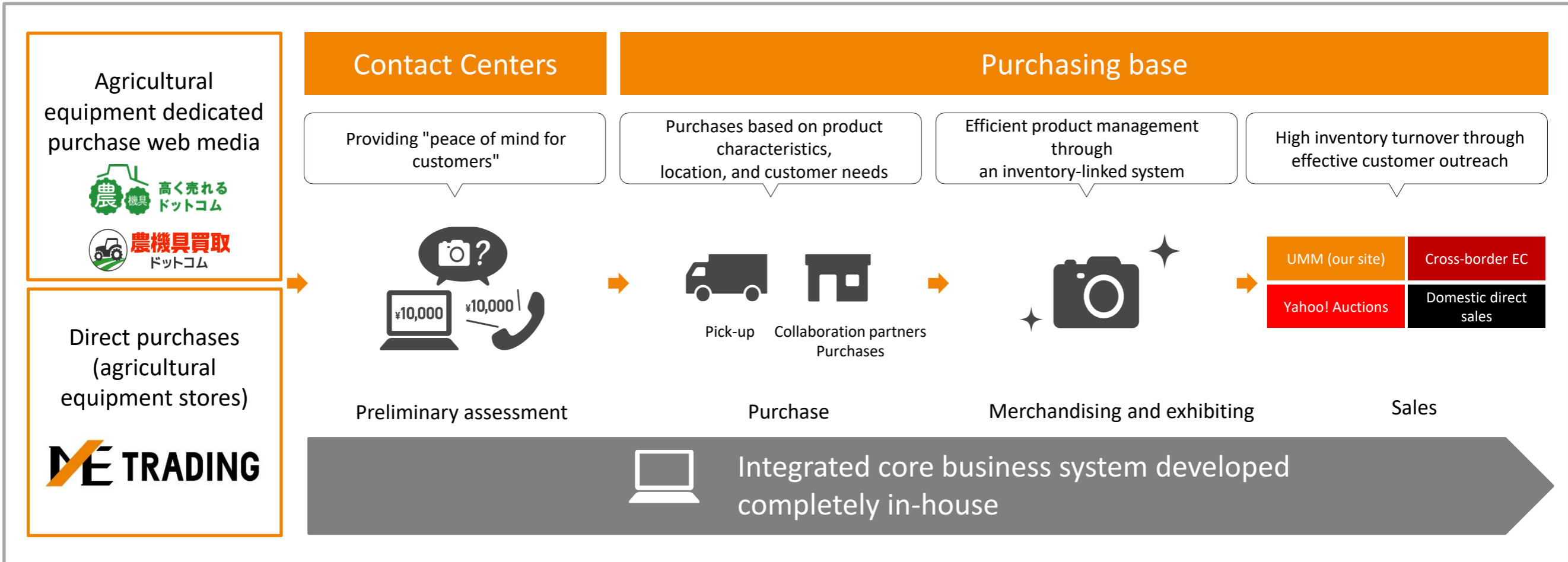
Average age of farmers is 67.8 years old, and the aging of farmers continues. The social issue of disposing of used agricultural equipment no longer needed as a result of farmers leaving farming will continue to be a challenge in the future.

Number and Average Age of Key Farm Workers



# Machinery (Agricultural Equipment) Business Flow:

Establish an integrated business flow from the purchase of used agricultural machinery to domestic sales and exports, utilizing the know-how cultivated in the private sector's second-hand business.





# Japanese-Made Used Agricultural Equipment

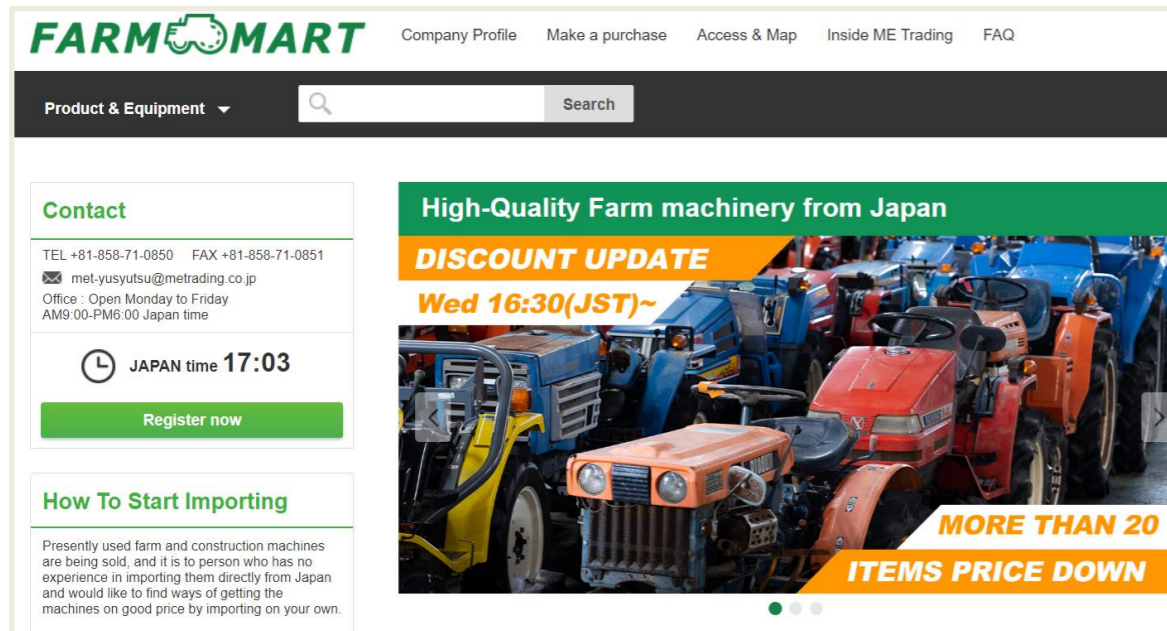
Japanese-made agricultural equipment is in high demand in Europe, the Middle East, and Asia due to its durability and high performance, even if it is 2 to 30 years old.



# Machinery (Agricultural Equipment) Export Results

We export used agricultural equipment directly to foreign countries.

We have sold our products to more than 80 countries so far, and our overseas sales channels are still expanding.



**FARM MART** Company Profile Make a purchase Access & Map Inside ME Trading FAQ

Product & Equipment  Search

**Contact**

TEL +81-858-71-0850 FAX +81-858-71-0851  
✉ met-yusyutsu@metrading.co.jp  
Office : Open Monday to Friday  
AM9:00-PM6:00 Japan time

🕒 JAPAN time 17:03

[Register now](#)

**High-Quality Farm machinery from Japan**

**DISCOUNT UPDATE**

**Wed 16:30(JST)~**

**MORE THAN 20 ITEMS PRICE DOWN**

**How To Start Importing**

Presently used farm and construction machines are being sold, and it is to person who has no experience in importing them directly from Japan and would like to find ways of getting the machines on good price by importing on your own.

- 
- The Netherlands
  - Albania
  - Armenia
  - Belgium
  - France
  - UK
  - Greece
  - Italy
  - Hungary
  - Moldova
  - Poland

- Romania
- Spain
- Egypt
- Saudi Arabia
- Yemen
- Kenya
- Morocco
- South Africa
- Bangladesh
- Cambodia
- China

# Social Significance of Machinery (Agricultural Equipment) Business

Many countries have to rely on human labor for agricultural work, and several embassy officials conducted observation tours.

Bolstering exports of Japanese agricultural equipment will help boost global agricultural production.



October 2021: Embassy of the Republic of Zambia



November 2021: Counsellor of Cote d'Ivoire to Japan



January 2022: Embassy of the Republic of Mozambique

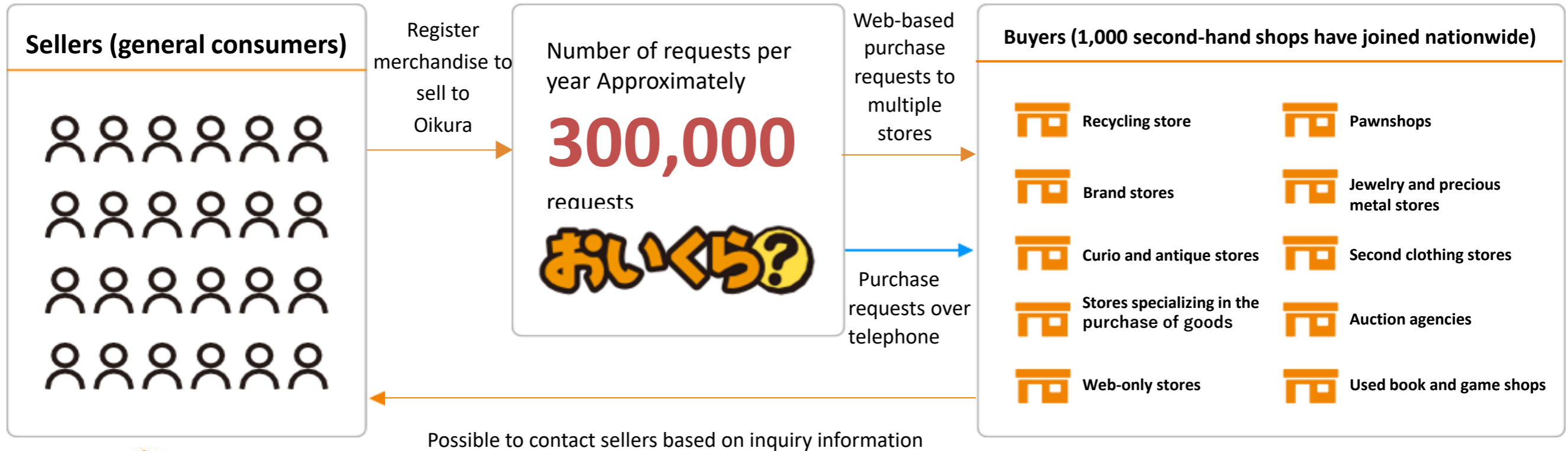


# Second-hand Online Business

- ① Second-hand Services for Individuals
- ② Machinery (Agricultural Equipment)
- ③ **Oikura**

# Oikura's Business Model

A platform that allows users to get a lump-sum quote from second-hand stores nationwide. Users only need to register the information of the second-hand items they wish to sell to request assessments from multiple second-hand stores.



## Shopper's Eye "Survey of Purchase Price Comparison Websites"

- Purchase price comparison website with a sense of price satisfaction No.1
- Purchase price comparison website with a sense of speed No.1

Survey outline: Appraisal of four purchase price comparison websites Companies covered: "Purchase price comparison websites" Google search (As of January 29, 2021)

# Strengths of Oikura ①

## 1,000 stores have joined nationwide



Comprehensiveness

## Wide range of genres supported



## 80% return rate for assessments



Probability of being able to provide an appraisal value

Convenience

## 90% of purchase proposals made on site



Probability of being offered an onsite purchase among onsite, home delivery, and in-store purchases

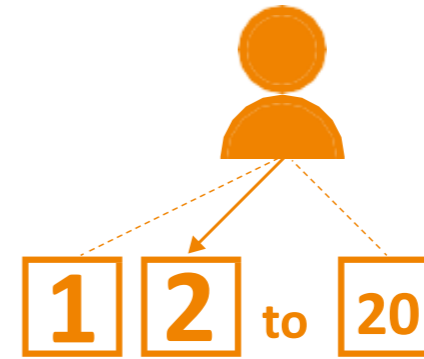
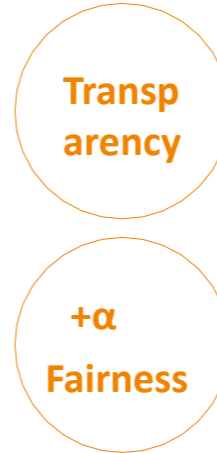
# Strengths of Oikura ②

## Member Store Ratings



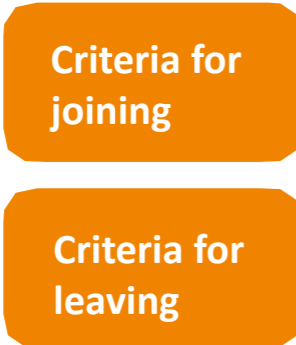
Select member stores to send customers based on product category, purchase method, distance and assessment response rate, etc. We will continue to improve the ratings and select member stores that are even better for users.

## Use Second-Hand with Conviction



Users can compare and consider up to 20 companies for use, rather than recommending a single company.

## Quality Assurance by Member Stores



- Confirmation of antique dealer permit
- Compliance checks
- ID verification of representatives
- ▲ Violations of laws and ordinances
- ▲ Violations of terms and conditions
- ▲ Failure to follow recommendations for corrective action

Management system will continue to be strengthened

## User Support



We will continue to strengthen our management system, and in the event of a problem, we can act as a liaison between the user and our member stores to provide support.

# Oikura Alliance ①: Cooperation with Local Governments

We accelerated collaboration with local governments to realize a sustainable, recycling-oriented society.



March 24, 2022 Sumida Ward Press Conference (Left) Sumida Ward Mayor Toru Yamamoto



## Oikura Alliance ②: Cooperation with Private Enterprise

We accelerated collaborations, especially in the real estate industry.

Miyoshi Real Estate Co., Ltd.



Relo Club, Ltd.



Daito Kentaku Partners Co., Ltd.



Ambition Co., Ltd.

(Current Ambition DX Holdings Co., Ltd.)



Leopalace21 Corporation



LIFULL Co., Ltd.



CHINTAI Corporation

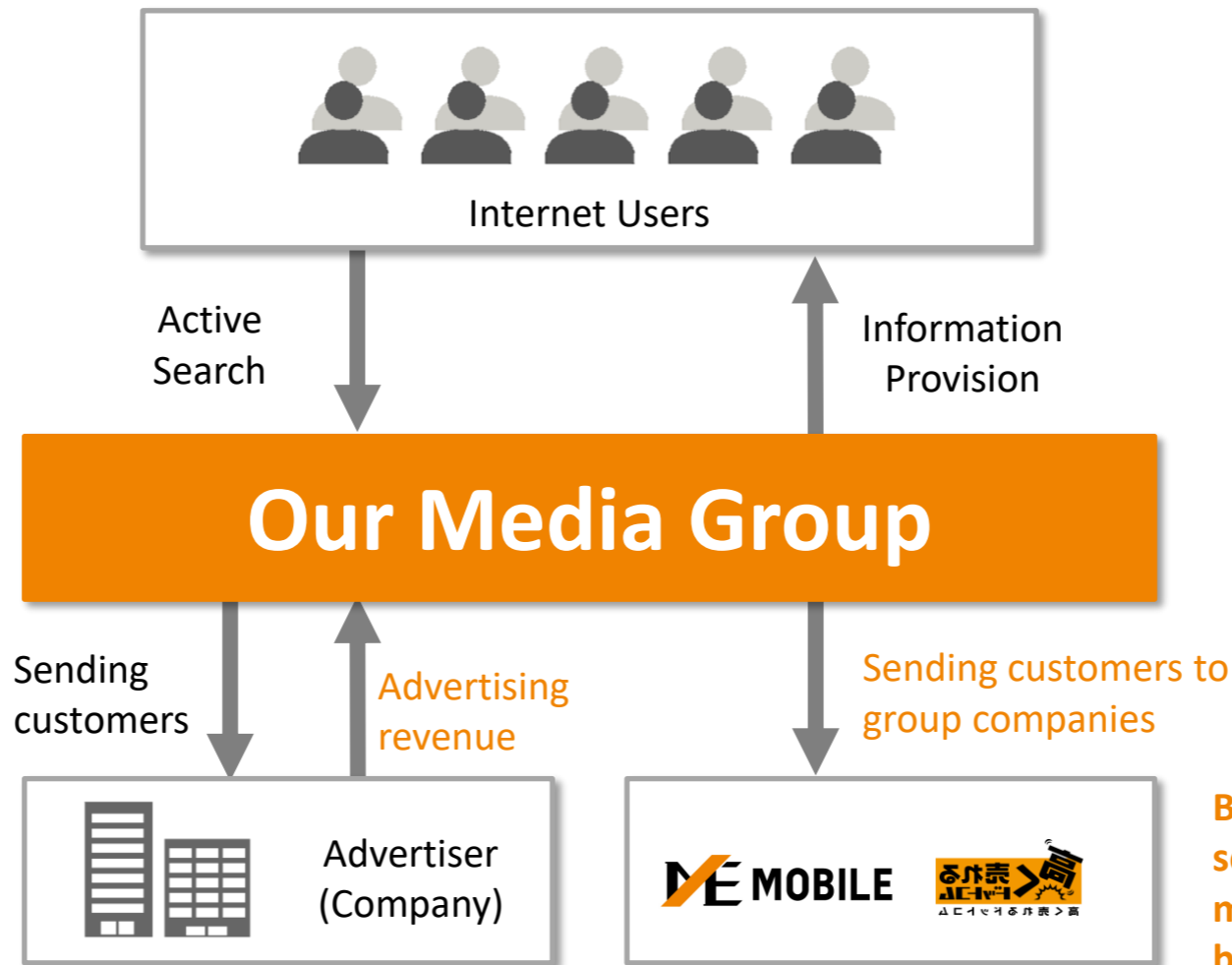




# Media Business

# Media Business Business Model

Utilizing the know-how cultivated through our own services (owned media), we also send customers to external services.



Becoming customers in the second-hand online business and mobile and telecommunications business.

# Media Business: List of Operated Media (Owned Media)

## iPhone Kakuyasu SIM Tsushin

Information website for affordable iPhones, Wi-Fi, WiMAX

Easy-to-understand guide to the latest information and how to select the various services, through to recommendations



<https://www.kashi-mo.com/media/>

## Beginners

Media website for finding hobbies

Support for people to find and take up hobbies. Introduces tips for beginners to be able to enjoy the hobby they like for a long time, such as explanations on how to start, the required tools and equipment, and points on where beginners tend to make mistakes.



<https://www.rere.jp/beginners/>

## TakakuUreru.com Magazine

Reuse media for understanding buying, selling and disposal

Reuse media that informs how to buy, sell and dispose of all manner of items. Publishes information for changing the mindset of those who consider it normal to throw away the things they no longer need.



<https://www.takakuureru.com/magazine/>

## SIM change

Information media where you can truly understand cheap SIMs and smartphones

Provides information on how user can use their smartphones for suitable communication fees and comfortable speeds. A comprehensive information website for cheap SIMs and smartphones, with the aim of creating a future with even better communications.



<https://simchange.jp/>

## OUTLET JAPAN

Information media where you can find outlet sale information and information on affordable deals

Provides information that enables consumers to be smart, such as information on sales and events held at the approximately 40 outlet malls nationwide, new products, and deals.



<https://outlet-mall.jp/>

## Oikura Magazine

For affordable buying and recycling of home furniture and appliances

Explains how to dispose of and recycle things people no longer need. Also provides tips on how to make good use of recycling shops, and how to sell the things you no longer need for a higher price.



Oikura Magazine

<https://oikura.jp/magazine/>

# Media Business: List of Operated Media (Platforms)

## Saiyasu-Syuuri.com

Japan's top class repairer information platform

Provides information on repairers for all manner of products, including iPhone and Android smartphones, PCs, appliances, wristwatches, brand items, vehicles, and home equipment. Also has useful information on how to troubleshoot items when they are faulty, the repair process, and so on.



<https://saiyasu-syuuri.com/>

## UMM

Manages Japan's top class "Specialized farm equipment marketplace" and "Information media that connects with agriculture"

Manages Japan's top class farming equipment marketplace "UMM Used Machine Market" and "Information media that connects with agriculture," with a cumulative total of about 850 farm equipment shops and about 7,000 farmer members nationwide, and an extensive transaction track record of around 20,000 transactions.



<https://ummkt.com/>



# **Mobile & Telecommunications Business**

# Mobile & Telecommunications Business: Service Outline

In the telecommunications field, which is necessary for daily life, we are developing a low-cost SIM service and WiMAX, a high-speed telecommunications service, as options for achieving smart consumption.

<https://www.ka-shimo.com/>



## ■ Shopper's Eye "Survey on Wi-Fi"

- Wi-Fi selected by salespeople "based on price" No.1
- Wi-Fi of choice for those who choose Wi-Fi based on price and "feel secure after signing a contract" No.1
- Wi-Fi "that makes you feel secure after signing a contract," as selected by experienced Wi-Fi users No.1

Survey Summary: Site comparison image survey of 10 "Wi-Fi" services Comparison target company: "Wi-Fi" Google search (as of April 15, 2020)



# **Social Contribution Activities**



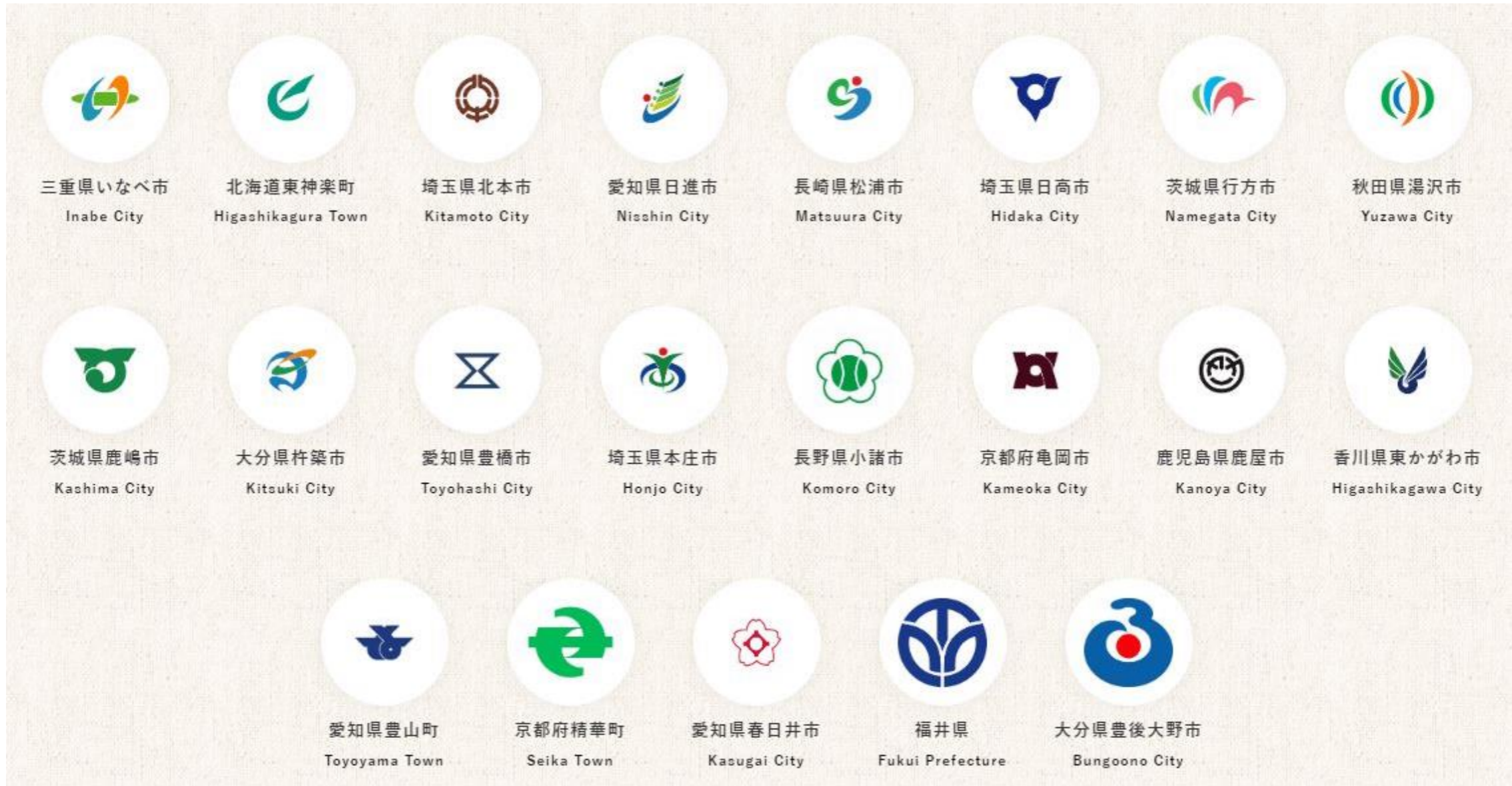
# Musical instrument donation hometown tax payment ①

- A new tax payment style utilizing the “Hometown Tax Payment System” in which unused musical instruments that are lying unused nationwide are donated to schools and music organizations through local governments, and the appraised value of the donated instruments is deducted from taxes.
- Won the "Local Government Award" of the Ministry of Internal Affairs and Communications "Furusato-zukuri Grand Prize" in January 2021.
- Market Enterprises participates as the only cooperating entity in the assessment.



# Musical instrument donation hometown tax payment ②

21 municipalities participating as of April 2022



Forward-looking statements in this document, such as earnings forecasts, are described based on assumptions and projections that form the basis of future outlooks and plans. Actual results, etc. may differ significantly due to various factors.

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To be an Optimized Trading Company  
for the creation of Sustainable Society

