

FULLSPEED



Corporate Overview

(Dec 2009)

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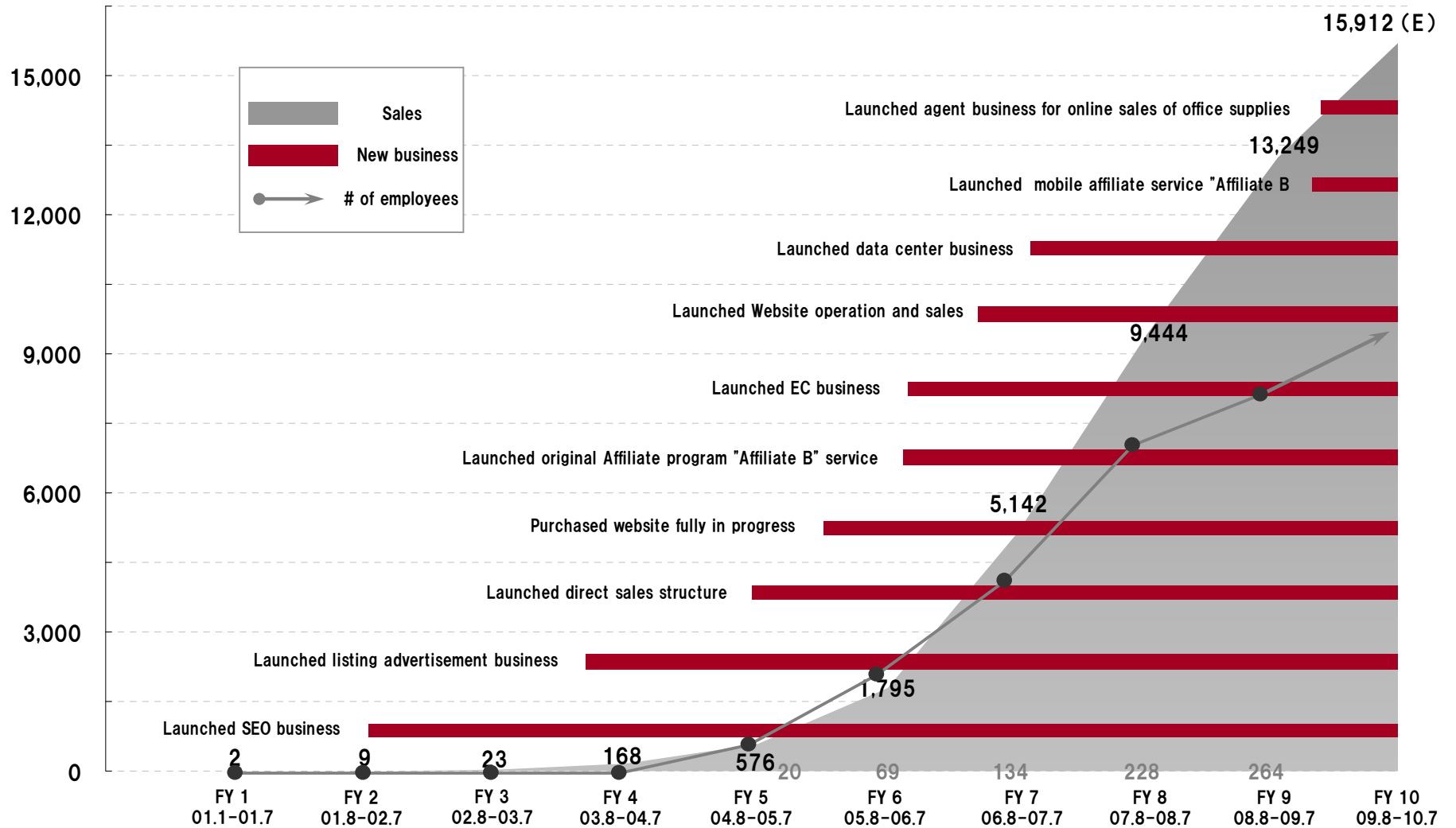
■ Name	FullSpeed Inc.	
	TSE Mothers (Stock code:2159)	
■ Location	Shibuya Mark City West 13F, 1-12-1, Dogen-zaka, Shibuya, Tokyo	
■ Establishment	January 4 2001	
■ Paid-in Capital	691,049,500 Yen	
■ Business	Web Strategic Support Business	
	Affiliate Advertisement Business	
	EC Business (For corporate clients / For consumers)	
	Others	
■ Board members	CEO	Manaho Haga
	Director	Tsuyoshi Sakamoto
	Director	Jun Tsuji
	Outside Director	Kouichi Mukai
	Full-time Auditor	Hidetada Hirai
	Auditor	Kazuo Wakairo
	Auditor	Masaharu Watanabe
■ Employees	Consolidated	247 employees (236 is full time worker)
	Parent	212 employees (202 is full time worker)

As of Oct. end 2009

10th year, business has been quite stable under high growth of internet ad

FY 1	Jan. 2001	Established Exsis Co., Ltd. In Kyoto to manage site planning, production, and management
FY 2	June. 2002	Launched SEO business
FY 3	Jan. 2003	Moved HQ to Tokyo
FY 4	Dec. 2003	Changed company to Exsis Inc.
FY 5	Oct. 2004	Launched listing advertising business
	July. 2005	Changed company name to FullSpeed Inc.
FY 6	Aug. 2005	Launched direct sales structure
	Mar. 2006	Purchased websites fully in progress
	July. 2006	Opened Osaka office
FY 7	Nov. 2006	Launched original affiliate service "Affiliate B" service
	Dec. 2006	Launched EC business by acquiring large site
FY 8	Aug. 2007	Listed TSE Mothers
	Mar. 2008	Established FullSpeed Finance to sell/buy (or agent) EC sites (100% subsidiary)
	Apr. 2008	Acquired Bekkoame Internet to manage data center business (owns 90.84%)
	June. 2008	Acquired Fanside (Ex.:Fanside AG Marketing) to strengthen Web strategic support business (100% subsidiary)
FY 9	Sept. 2008	Moved HQ Office to Shibuya Mark City in Tokyo
	Oct. 2008	Established Flight Co., Ltd. (Holding 51% of the JV) due to the alliance with Hikari Tsushin Co., Ltd.
	Jan. 2009	Subsided DSC Inc. (Holding 52%) to facilitate Web strategic support business
FY10	Aug. 2009	Established A-box Inc. to operate a general portal site and to provide services to consumers
		Merged with FullSpeed Finance Inc.
	Oct. 2009	Launched mobile affiliate service "Affiliate B Mobile"
	Nov. 2009	Launched agent business for online sales of office supplies, aiming to expand our services for corporate clients

(million yen)



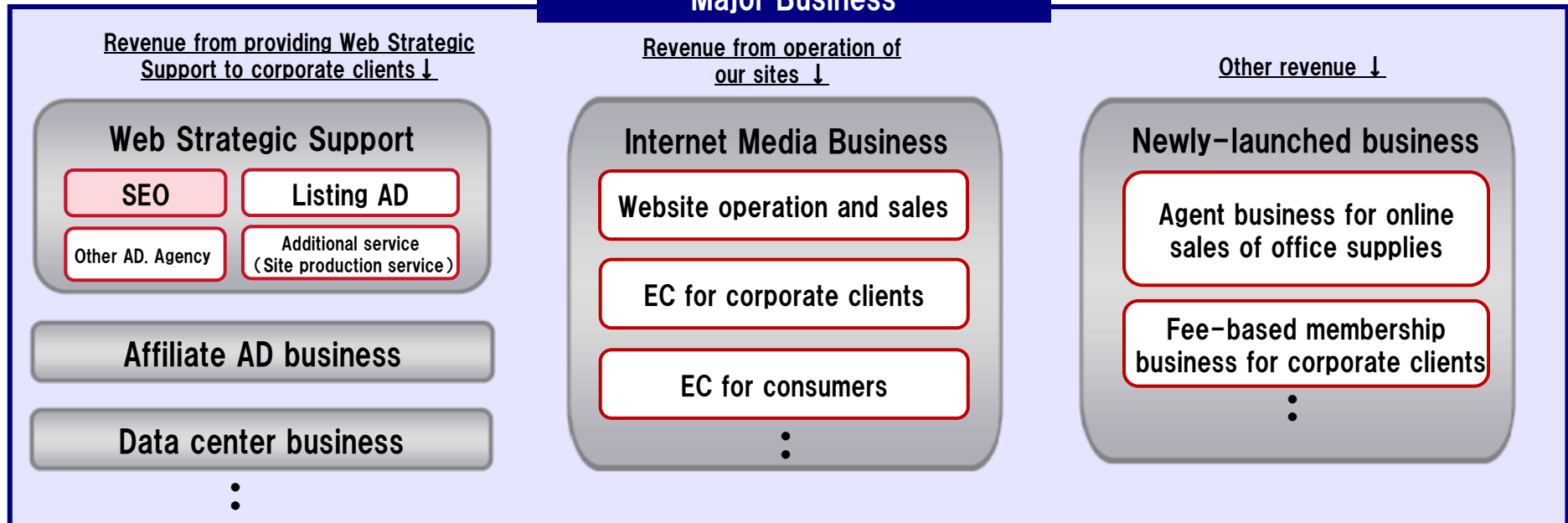


Business Model

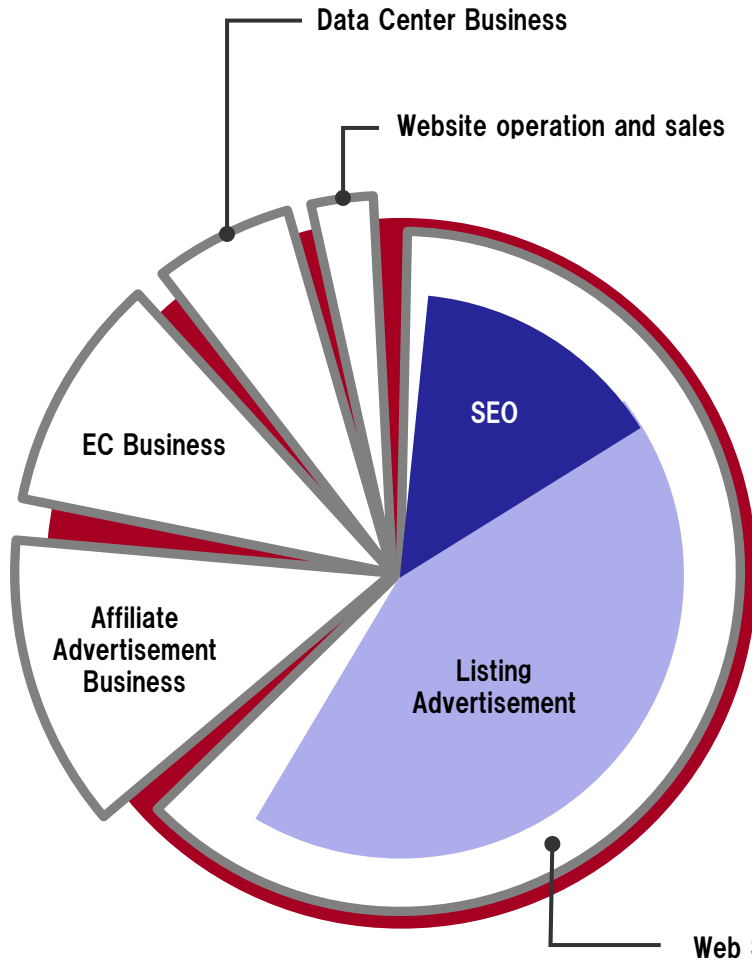
Focusing on Web Strategic Support, Affiliate Advertisements and EC, we are working to expand our business beyond internet-related areas in the future.

- Grow as an internet advertisement business on a foundation of our status as a leading SEO company in Japan.
- Effectively utilize our web marketing capability and additionally focus on EC and other media.
- We are presently expanding the range of our products and services beyond internet-related products.

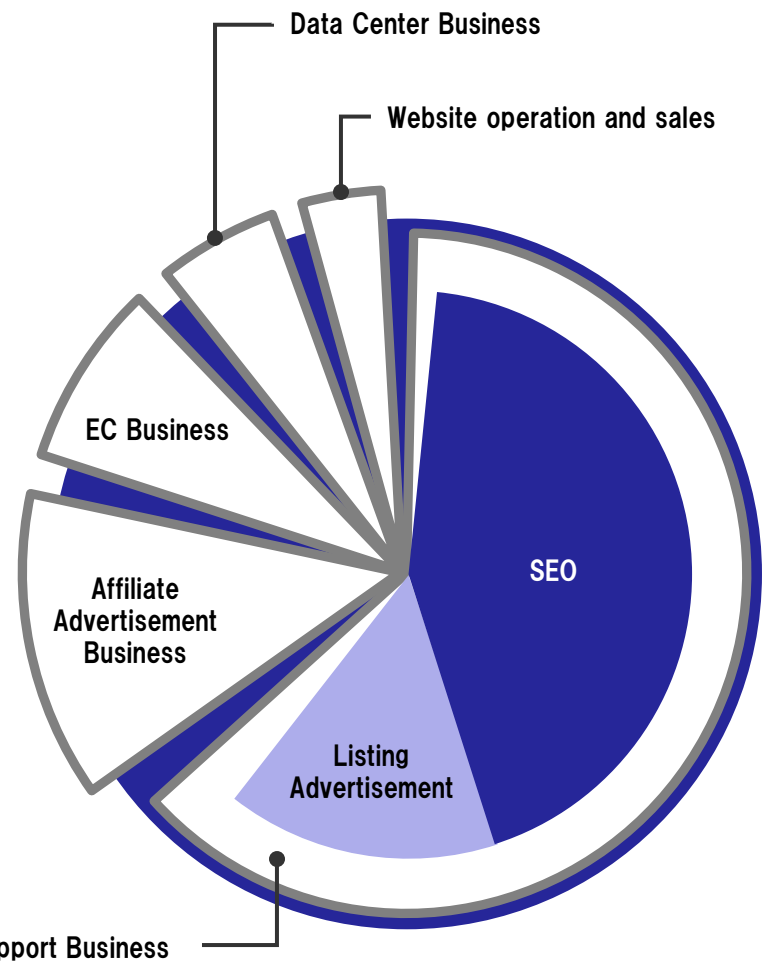
Major Business

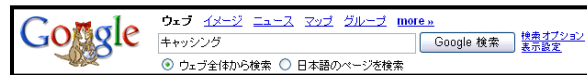


【Sales】



【Gross Profit】





Search "Cashing" with "Google"

Search result

Listing advertisement
 (Google's Ad Words advertisement)
 Posting order is decided by bid price, etc

SEO
 Posting order is determined based on the result of web site popularity and quality of the fit to terminologies automatically measured by the search engine

● SEO (Search Engine Optimization)

Technology to optimize the link and site structure in order for clients' sites to be evaluated highly by search engine

● Listing Advertisement

In response to searched key words, text advertisements displayed based on search results

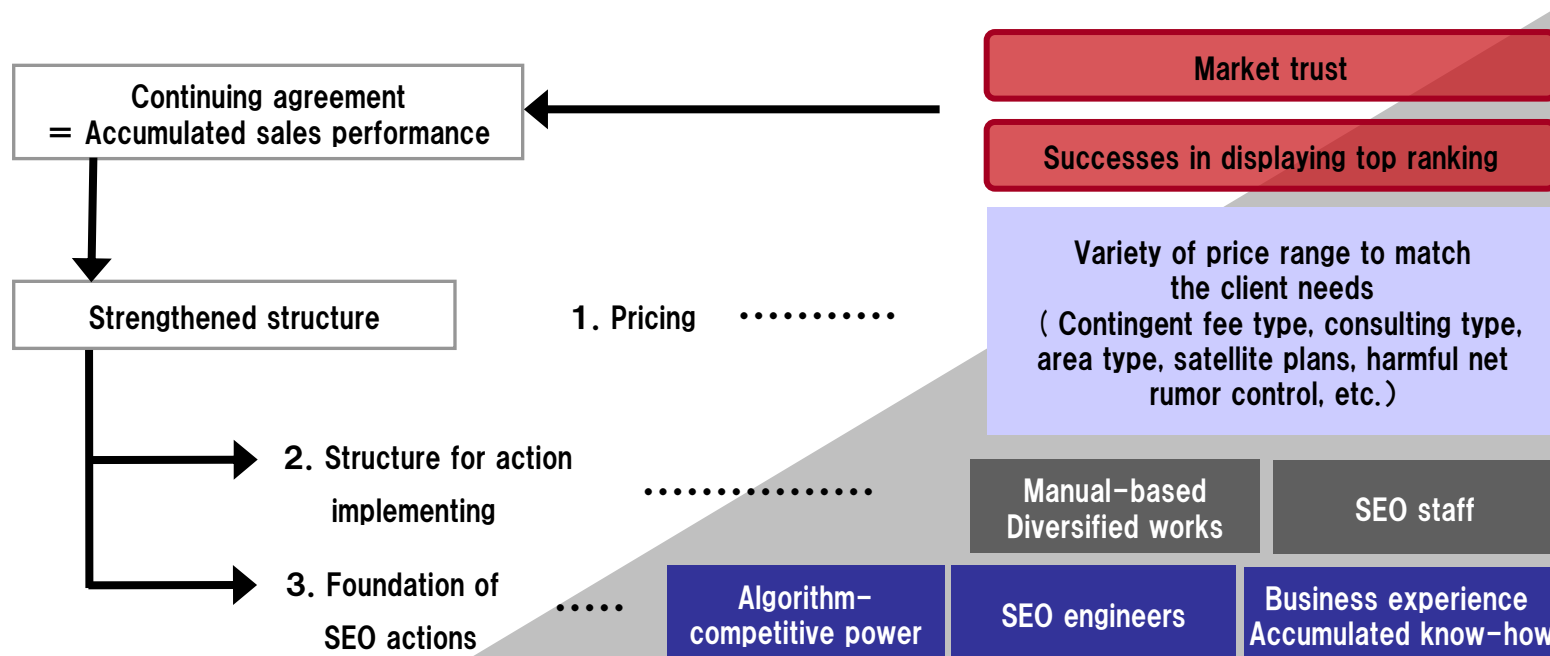
Unlike ordinary advertisements, the advertisement operation is essential

● SEM (Search Engine Marketing)

A generic term describing both SEO and listing advertisement, and a promotion using search engine

Our greatest strength is our SEO technical capability (ability to achieve high ranks for sites in search results) which has an extensive record of proven success.

- We maintain the global highest level of expertise and technical ability.
- Combine and organize our expertise to establish a structure that achieves high profitability.
- We have adopted the first contingency-based pricing system in Japan and we are developing the domestic SEO market through aggressive marketing.
- Currently offering a broad variety of services that are optimized for corporate needs and search engine trends.



We will expand our lineup of SEO services making effective use of our successes to date in order to meet diversifying corporate needs.

■ **Contingency-based fee plan**

The base achievement line is the top 10 results. Price is reduced on a prorated daily basis if the site appears in the No. 11 or lower position.

■ **Fixed-rate plan**

This service is tailored to meet the client's budget and other needs, and offers everything from site internal analysis to provision of external solution resources for a fixed fee (monthly fee).

■ **Satellite plan**

This service combines the production of satellite sites and SEO.

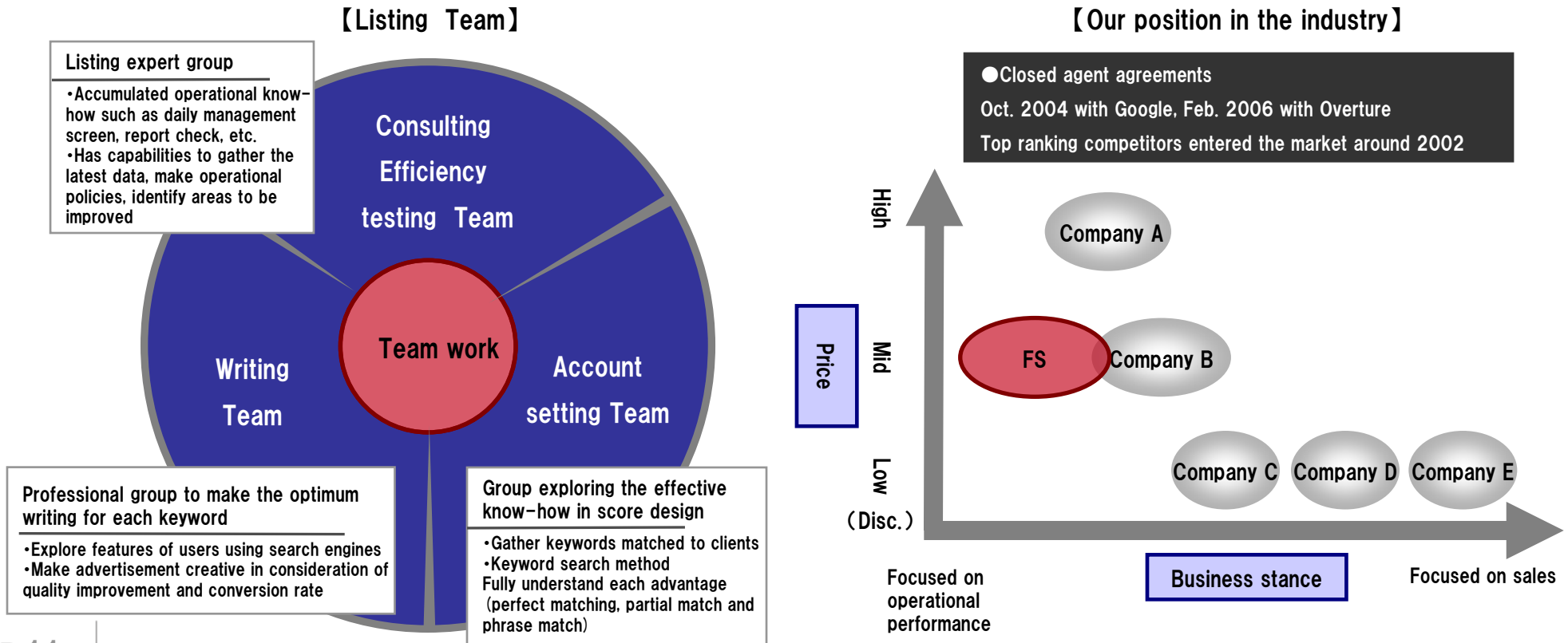
■ **Harmful net rumor control service**

This service combines monitoring for harmful rumors with SEO.

Other services include SEO consulting contract, SEO long-tail plan, SEO double plan, and localized SEO.

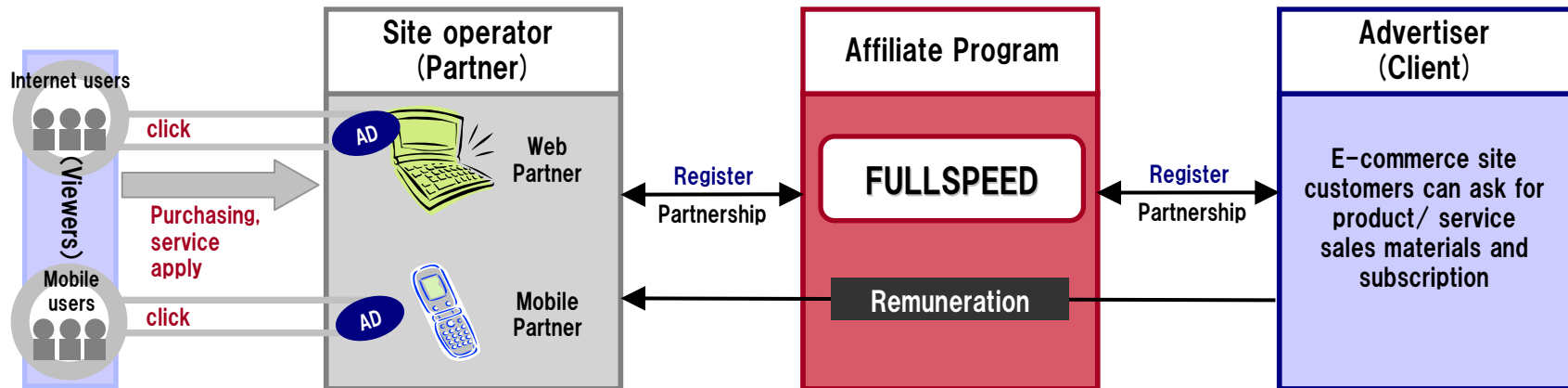
Although a late entry to the market, our business is growing thanks to proposals that incorporate our marketing capabilities and SEO.

- As a result of our planning and marketing capabilities, our ranking in the industry has risen quickly in a short time, and we are ranked as a top class agency.
- Our business approach is focused on improving CPA (Cost Per Action) and on operating results.



Through in-house development of high-functionality systems, we are achieving steady growth towards the creation of new core business areas.

- **Affiliates** Adopted a performance-guaranteed model. Excels exceptionally in cost-effectiveness



- Started the full operation of the merchandizing business in November, 2006

- Features of Full Speed-developed affiliate program, “Affiliate B”

- Grants benefits besides affiliates —● One of the differentiating points against other ASP operators
- Partner (site operator) No. 1 policy —● High transparency mechanism for partners and profitability
- Partnering with our information site —● Share know-how

- The mobile affiliate service “Affiliate B Mobile” was launched in October, 2009



■ Affiliate B

<http://www.affiliate-b.com/>

Expand the business utilizing know-how of attracting clients on the web.

● Website operation and sales

- Develop information sites specialized for a variety of themes, aiming to sell them to third parties.
- There is already much demand by clients wanting to operate valuable sites, and we will further work to identify potential demand.

< Accounting Policies >

BS : Sites completed after February 2008 were posted as inventory.

PL : When a site developed by our company is sold, the income is posted as sales.

(When a site is sold, the value for that site which was recorded as assets is posted as the sales cost.)

The advertising income received while the site is operated by our company is also posted as sales.

● EC for corporate clients / EC for consumers

- Started the full operation of the merchandizing business in December, 2006

< Segments >

In order to make the contents of our business easier to understand, this business has been divided into EC for corporate clients and EC for consumers beginning from 1Q of the fiscal year ending July 31, 2010.

[EC for corporate clients] We operate a total of 9 EC sites.

[EC for consumers] We operate a total of 3 EC sites.



A cashbox specialty shop. Sells mainly the first class manufacturers' fire-proof theft-proof cashboxes as well as office security goods such as paper shredders, coffers, cabinets, etc.

■ eKinko-hompo
<http://www.ekinko.com>



A specialty site selling steel exterior products such as storages, depositories, garages, etc. Dealing with over 4,000 products and other varieties. Selling storage for household and business use, depositories, garages, prefabricated houses, etc. We also meet a wide-range of customer needs.

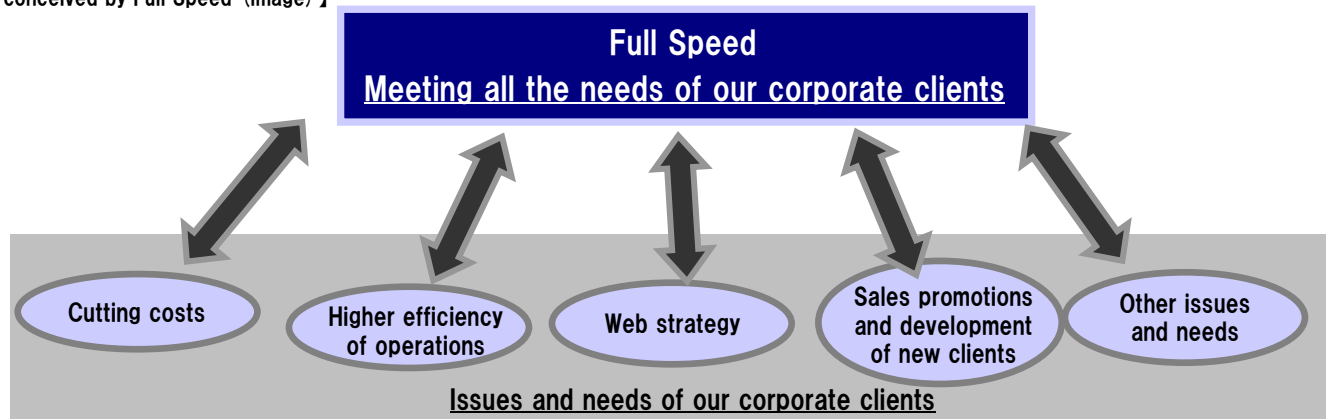
■ Shimaicom
<http://www.shimaicom.jp>

Expanding our business by making effective use of the relationships with clients that we have developed through our Web Strategic Support business.

– Full Speed growth strategy –

Based on the concept of contributing to the maintenance and development of society by supporting our corporate clients' businesses from every possible angle, we are aiming to shift from the internet advertisement business to the business of comprehensive services for corporate clients.

[Relationship with clients as conceived by Full Speed (image)]



● Business as an agent for online sales of office supplies

■ Business was started on November 2, 2009, focusing on member acquisition.

<Overview of business>

- As an agent for the ASKUL Corporation, our functions include developing new clients, managing credit, and collecting payment.
- In addition to maintaining company's existing clients to promote registered members, we will also utilize our strengths to develop new clients.

● Fee-based membership business for corporate clients

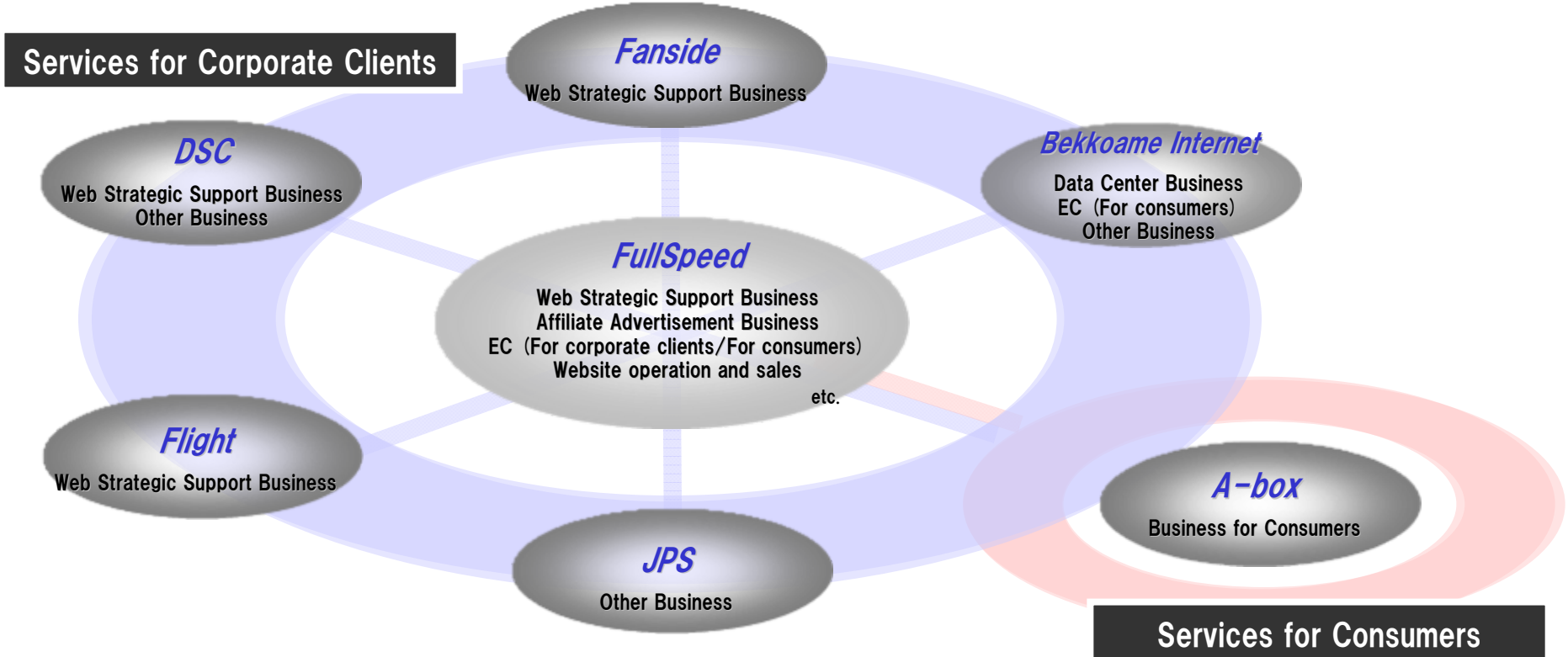
■ Membership solicitation will start on Dec. 2009 (planned).

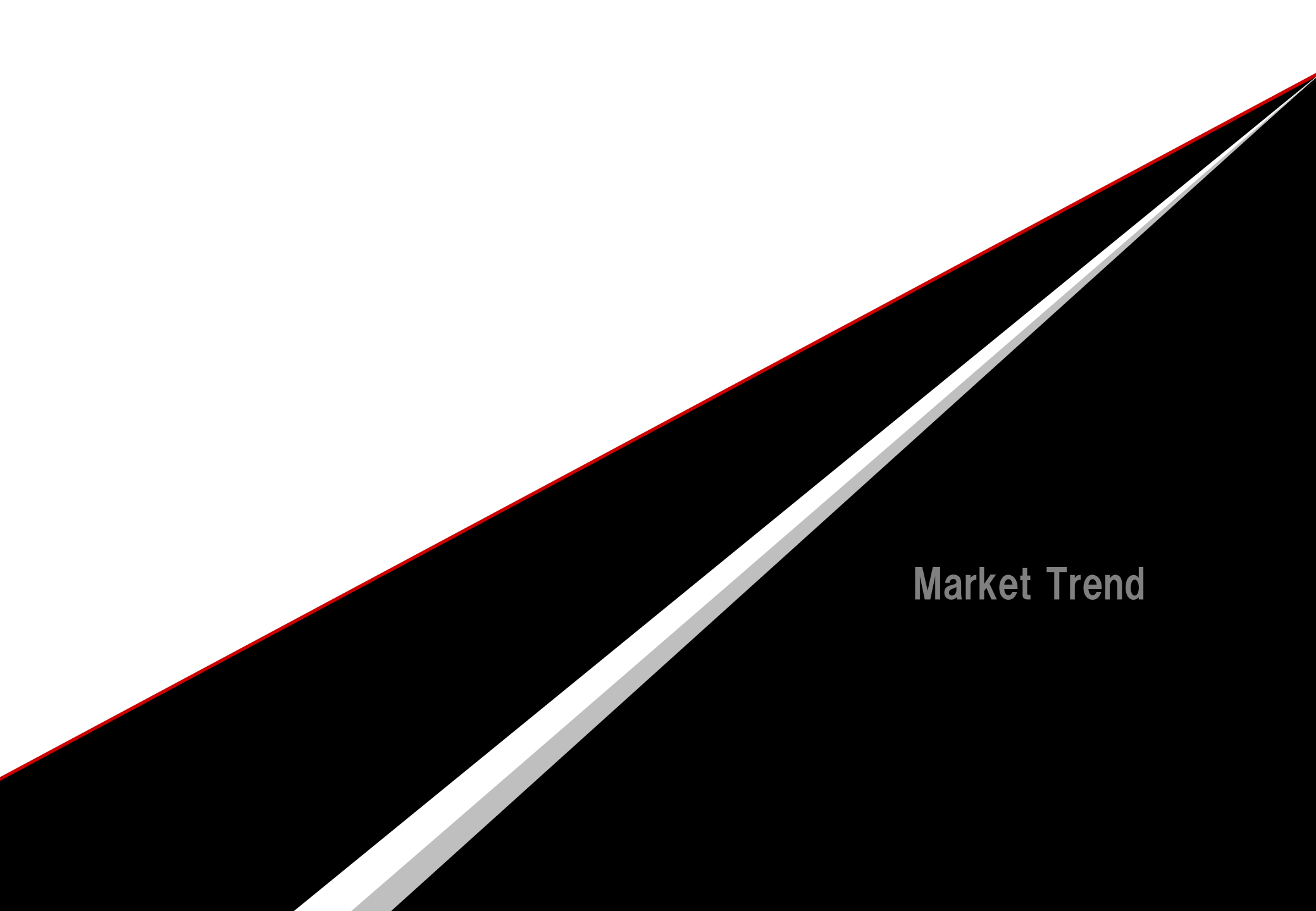
<Overview of business>

- As a fee-based membership business, "Full Speed Club" (provisional name) provides a comprehensive source of a broad range of services for corporate clients, including web strategies, support for sales promotions, and support for increasing operational efficiency and cutting costs.
- Regular visits by a marketing staff allows us to maintain a careful understanding of needs and provide fine-tuned care. By establishing a support center to serve as the special client contact, we will provide rapid responses to urgent client requests and other special services.

FS Group At present, 5 companies of our group are engaged in business aimed at corporate clients.

■ FullSpeed Group

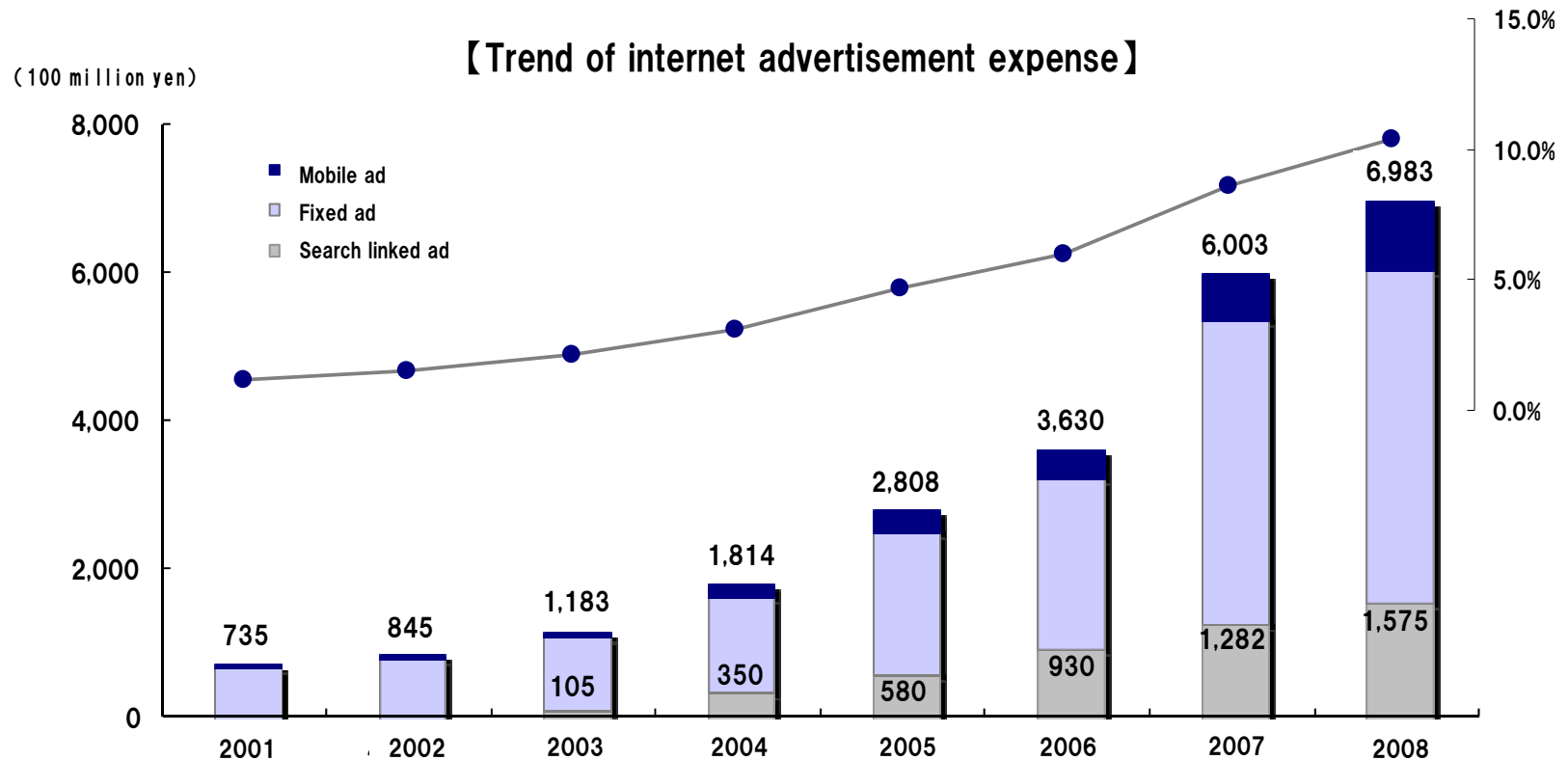




Market Trend

Internet advertisement cost is smoothly expanding among overall advertisement market

- In 2008, internet advertisement cost was ¥698.3 billion, and out of this cost, search linked advertisement was ¥157.5 billion
- Market size of advertisement industry shrank YoY due to the negative influence of business slowdown
- Growth of advertisement expense via internet slows due to business slowdown, but expansion continues



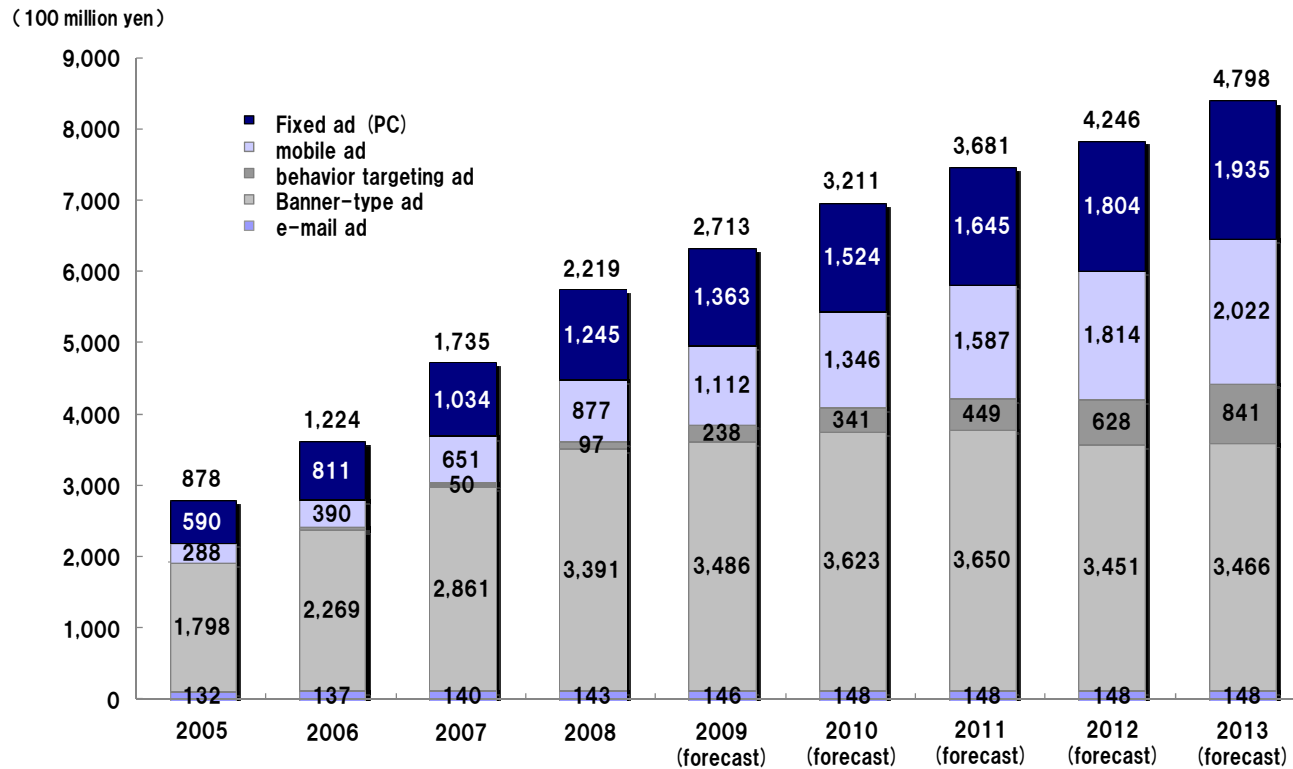
Source : Dentsu Inc., "Japan's Advertisement Cost in 2008"

Internet advertisement market is expanding

■ 52.3% of corporations stated SEO and search linked advertisement have impact to lead the potential users to the web site

(Source : Research department of Institute for Information and Communication Policy, Ministry of Internal Affairs and Communications "Research of situation of internet searched engine and market size")

【 Trend in market size of search linked advertisement for PC 】

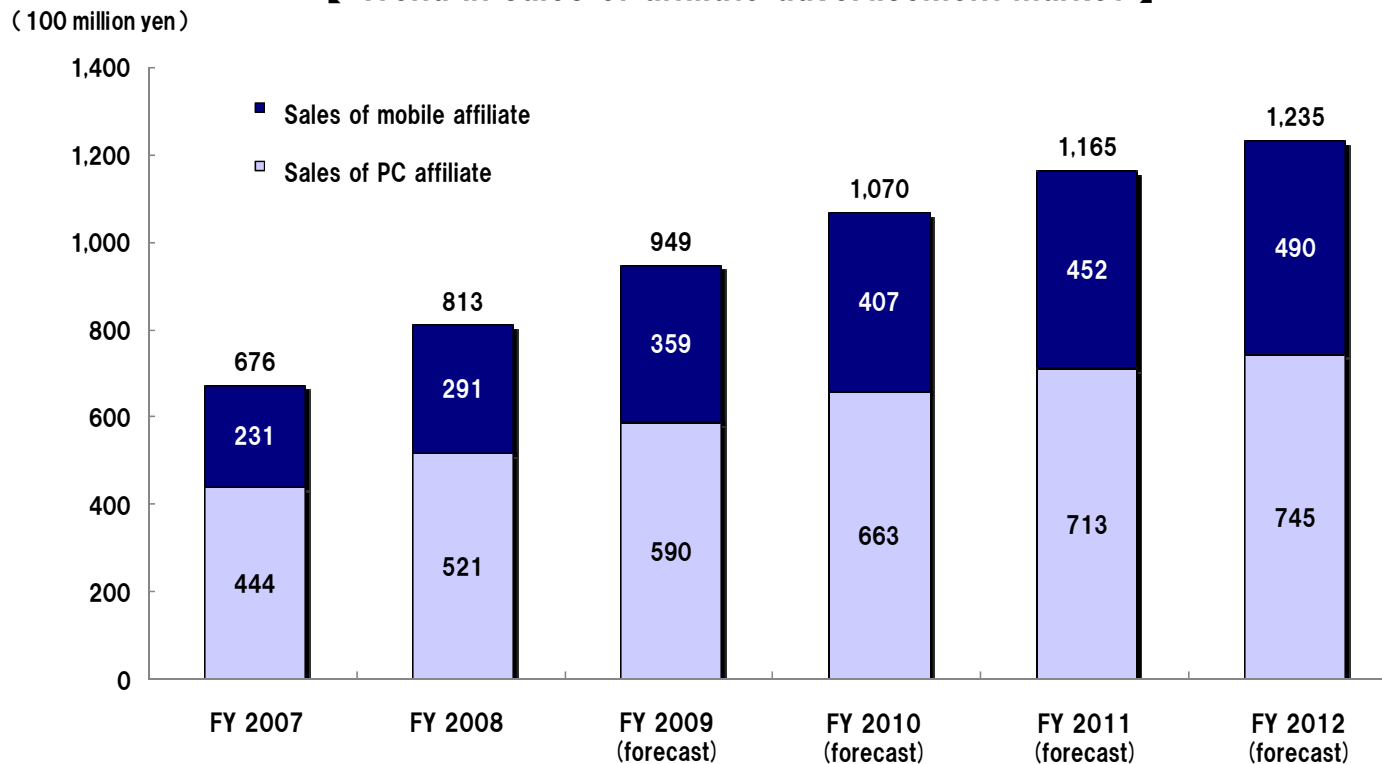


Source : Research department of Institute for Information and Communication Policy, Ministry of Internal Affairs and Communications "Research of situation of internet searched engine and market size" Released in August, 2009

The market growth is expected to be high enough to earn late entrant status

- Affiliate advertisement of 2008 was 81.31 billion yen, 20.2% up from previous year
- Market expansion continues and it will reach 123.5 billion yen by 2010 (Yano Research Institute Ltd.)

【 Trend in sales of affiliate advertisement market 】



Source: Yano Research Institute Ltd. Research result about Market trend of Affiliate for 2009.FY.