

# Results Briefing

for the Year Ended March 31, 2015

May 13, 2015  
MOSHI MOSHI HOTLINE, INC.

**\*NOTICE** : This document is an excerpt translation of the original Japanese document and is only for reference purposes.  
In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Overview of FY2014

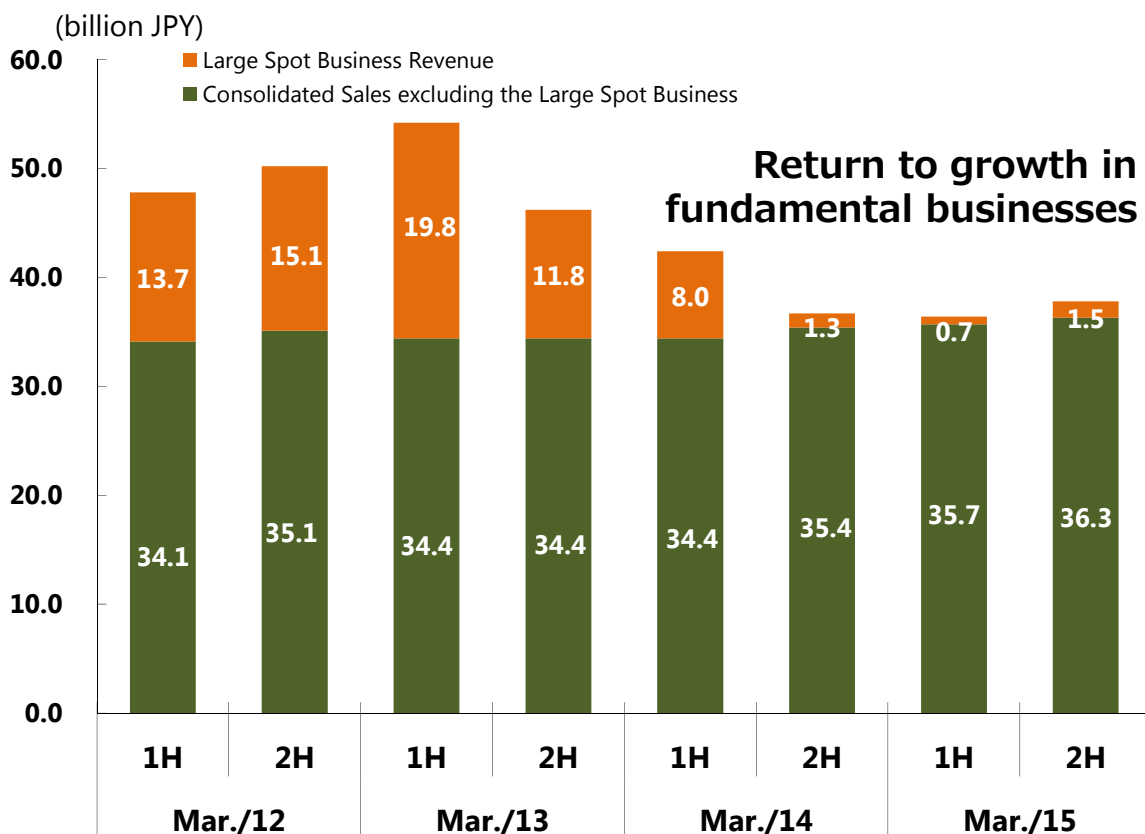
## Results for the Year Ended Mar./15 (consolidated)

(million JPY)

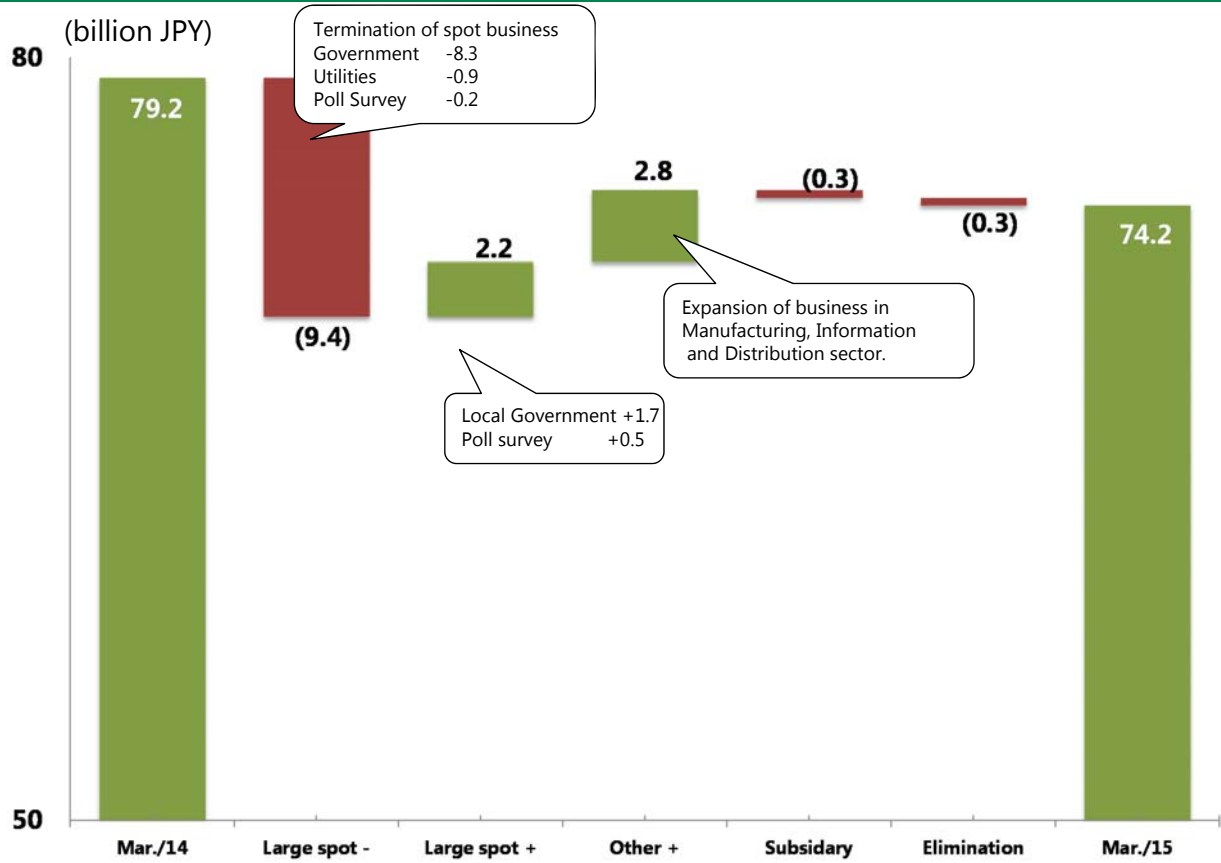
	Initial forecast	Results for the Year Ended Mar./15	Change	Achievement	Results for the Year Ended Mar./14
<b>Net Sales</b>	75,000	74,235	-764	99.0%	79,209
<b>Gross profit</b>	-	10,641	-	-	12,701
<b>SG&amp;A Expenses</b>	-	6,972	-	-	7,253
<b>Operating Income</b>	3,860	3,669	-190	95.1%	5,448
<b>Ordinary Income</b>	3,920	3,862	-57	98.5%	5,605
<b>Net Income</b>	2,500	2,479	-20	99.2%	3,452

Increases in revenue and profits (year-on-year) in 2nd half after five half year periods  
 Operating income was slightly below forecasts, but Net income was mostly in line with forecasts

## Transition of Consolidated Sales



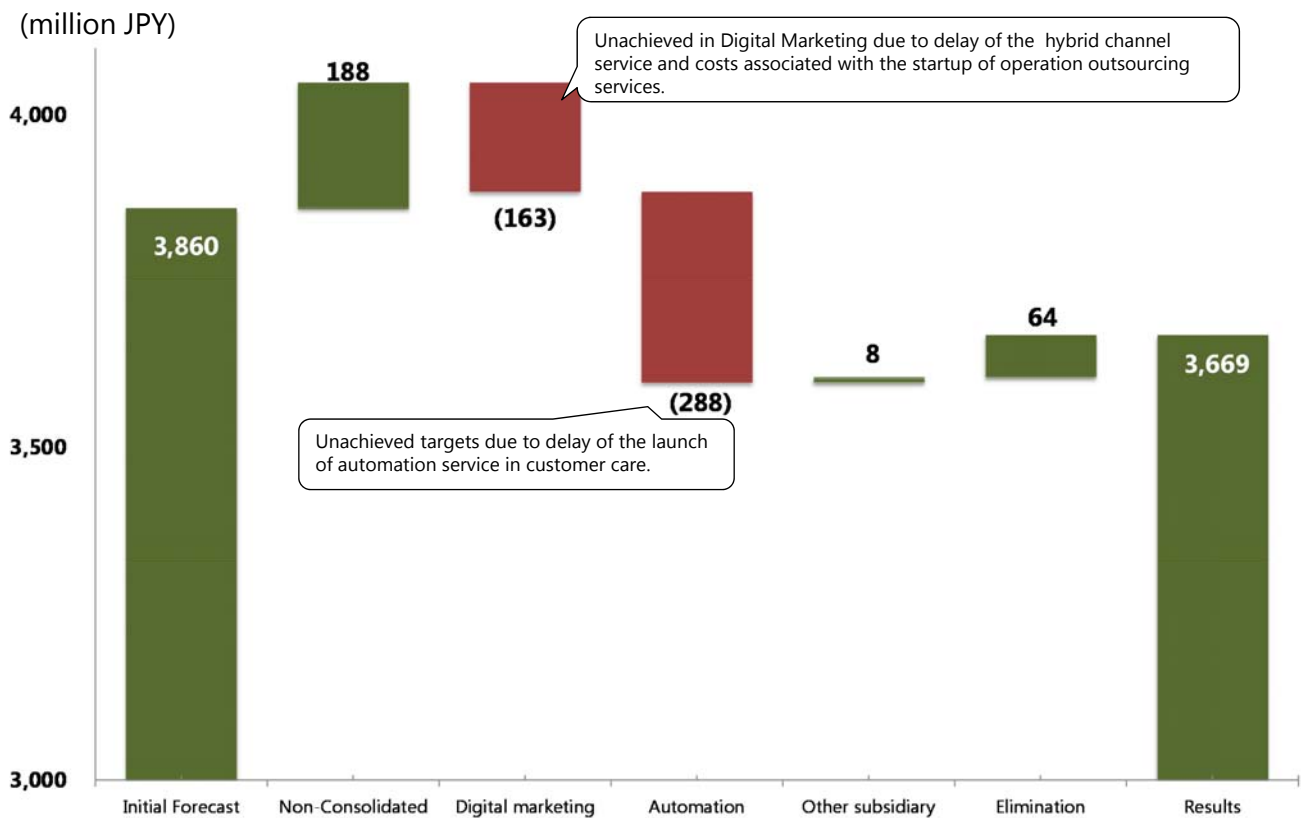
## Main Fluctuation Factors of Sales (Year on Year comparison)



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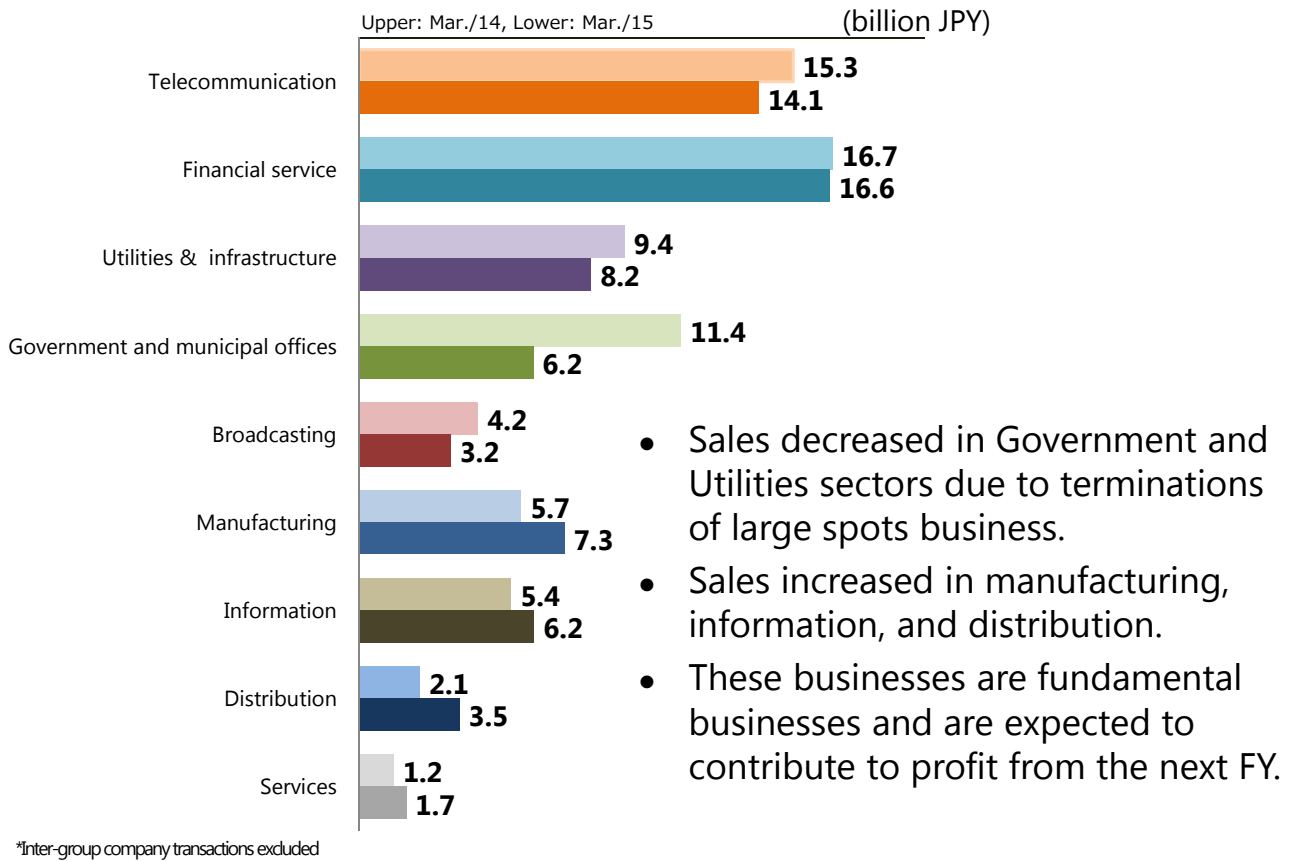
## Main Fluctuation Factors of OP (Initial forecast comparison)



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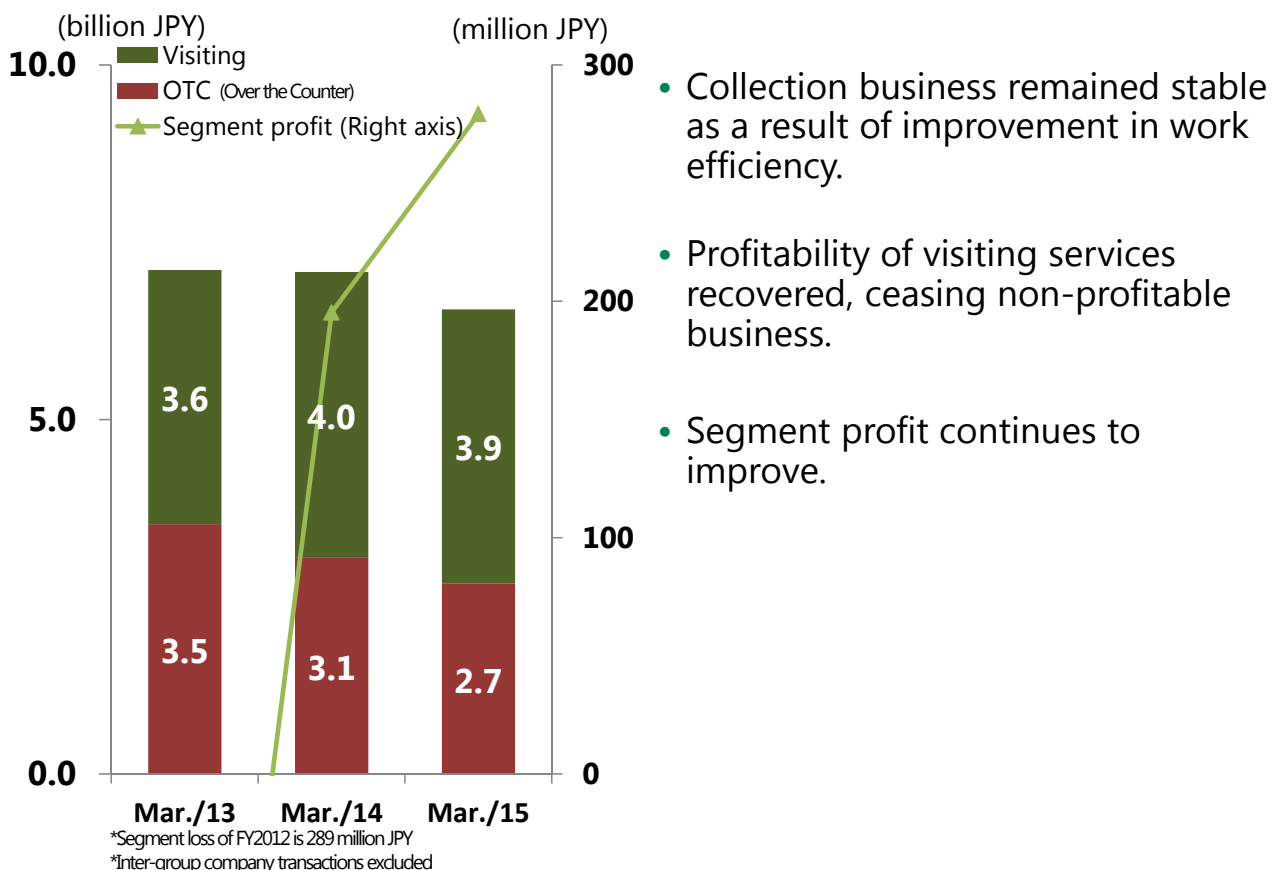
## Consolidated Sales Classification by Industry (Telemarketing Business)



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## Consolidated Sales Classification by Services (Field Operation Business)



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## Initiative Issues in FY2014

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1. Recovery fundamental profitability
  - a) Steady growth in sales of fundamental businesses
  - b) First increase in five half-year periods for year-on-year revenue and profit during 2<sup>nd</sup> half of Mar./15
  
2. Business structure change corresponding to changes in business circumstances
  - a) Strategic Partnership with Nuance Communications, Inc.
  - b) Establishment of a Joint Venture with Sony Mobile Communications Inc.

## Initiative Issues in FY2014

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3. Strengthening business operations
  - a) Introduction of a Regionally-based Full-time Employment Program
  - b) Full-scale launch of Group shared service center
  
4. Establishment of growth strategy  
Establishment of a mid-term management plan

# Mid-term Management Plan for 2020

## Review of Vision 2015

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### Key Issues of Previous Vision 2015

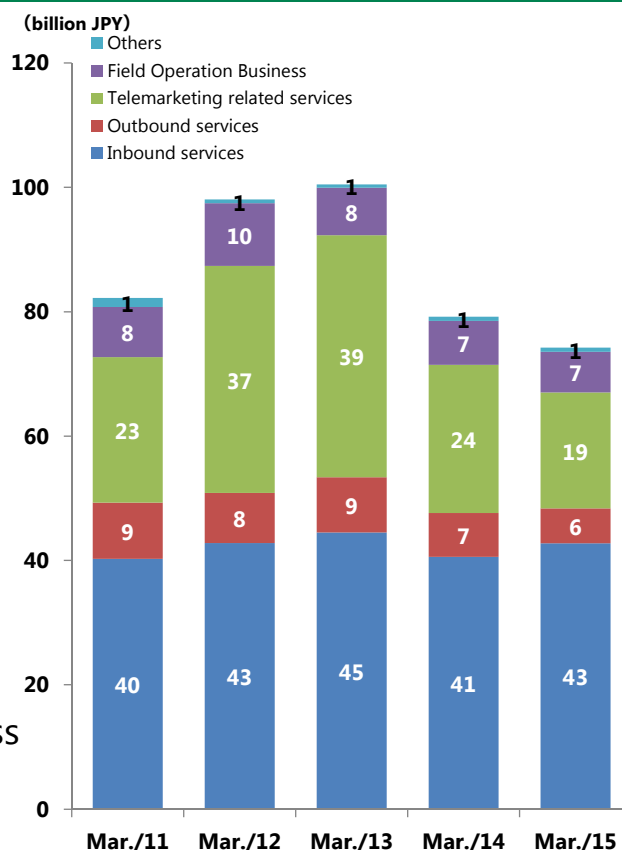
- 1. Strengthening Call Center Business**
- 2. Developments of New Business**
- 3. Further Strengthening of Management Structure**
- 4. Extension of Overseas Operations**

### Achieved Items

- Strengthening of Management Activities
- Strengthening of Corporate Governance
- Recorded results in BPO Sector

### Unachieved Items

- Target Figures
- Strengthening Call Center business



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## Our Facing Circumstances & Requirements

- Diversification, complication and sophistication of our customer's demand.
- Plenty of customer contact points through ICT development such as Call, E-mail, Web, Chat, SNS, etc.
- Structural change in Japanese work force, way of working and demographic pyramid.
- New business opportunities caused by social change such as introduction of national ID, deregulation, etc.
- Growth of consumer markets in Southeast Asia.

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## New Corporate Name

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**Our corporate name will be changed as follows on October 1, 2015.**

### New Corporate Name

Japanese: **りらいあコミュニケーションズ株式会社**

English: **Relia, Inc.**



**Relia, Inc.**

※The new corporate name will be decided at the stockholders meeting to be held in June 2015.

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## New Group Name

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### Group Name

**Relia Group**



**Relia, Inc.**

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## Group Vision

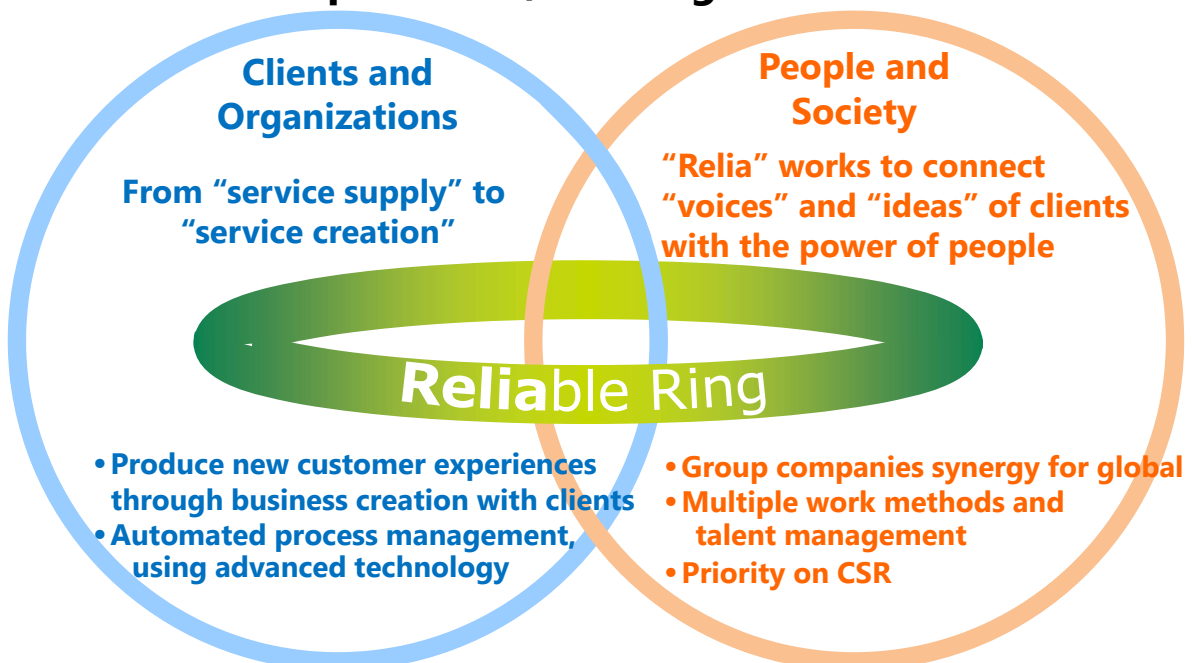
### Reliable Ring

#### Relia, supporting collaboration to create values

With a variety of relationships with our customers based on reliance, we promise to share the harboring excitement and the future with customers, and to create happy feeling.

## Vision 2020

### Reliable Ring, connecting People, Society, Corporations, and Organizations.



Through "Business Strategy 2018",  
our power to connect will be raised to evolve our functions.

## Business Strategy 2018 (3 Keys and 7 Actions)



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## Business Strategy 2018 (3 Keys and 7 Actions)



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### 5. ICT

Investment in strategical ICT amounting to 0.8 to 1.0 billion yen annually to realize advanced ICT service.

### 6. Talent

Strengthening active recruitment, creating an appealing work environment, and strengthening local employment.

### 7. Marketing

Enhancement of our ability to provide optimum customer experience, through analyzing customer's voice, etc.

## Target Figures <Steady Case>

(billion JPY)

Consolidated	Mar./15 A	Mar./16 E	Mar./18 plan	Mar./20 plan
<b>Net Sales</b>	74.2	81.0	89.0<	89.0<
<b>Operating Income</b>	3.7	4.6	6.0<	7.0<
<b>Profit attributable to owners of parent</b>	2.5	3.1	4.0<	5.0<

### ■ Target Figure Conditions :

- Traditional business grows to a certain level by the end of March 2018.
- Growth of traditional business is limited.
- Profit rate will improve continuously.

## Target Figures <Upside Case>

(billion JPY)

Consolidated	Mar./15A	Mar./16E	Mar./18 plan	Mar./20 plan
<b>Net Sales</b>	74.2	81.0	118>	127>
<b>Operating Income</b>	3.7	4.6	9.0>	12.0>
<b>Profit attributable to owners of parent</b>	2.5	3.1	6.0>	8.0>

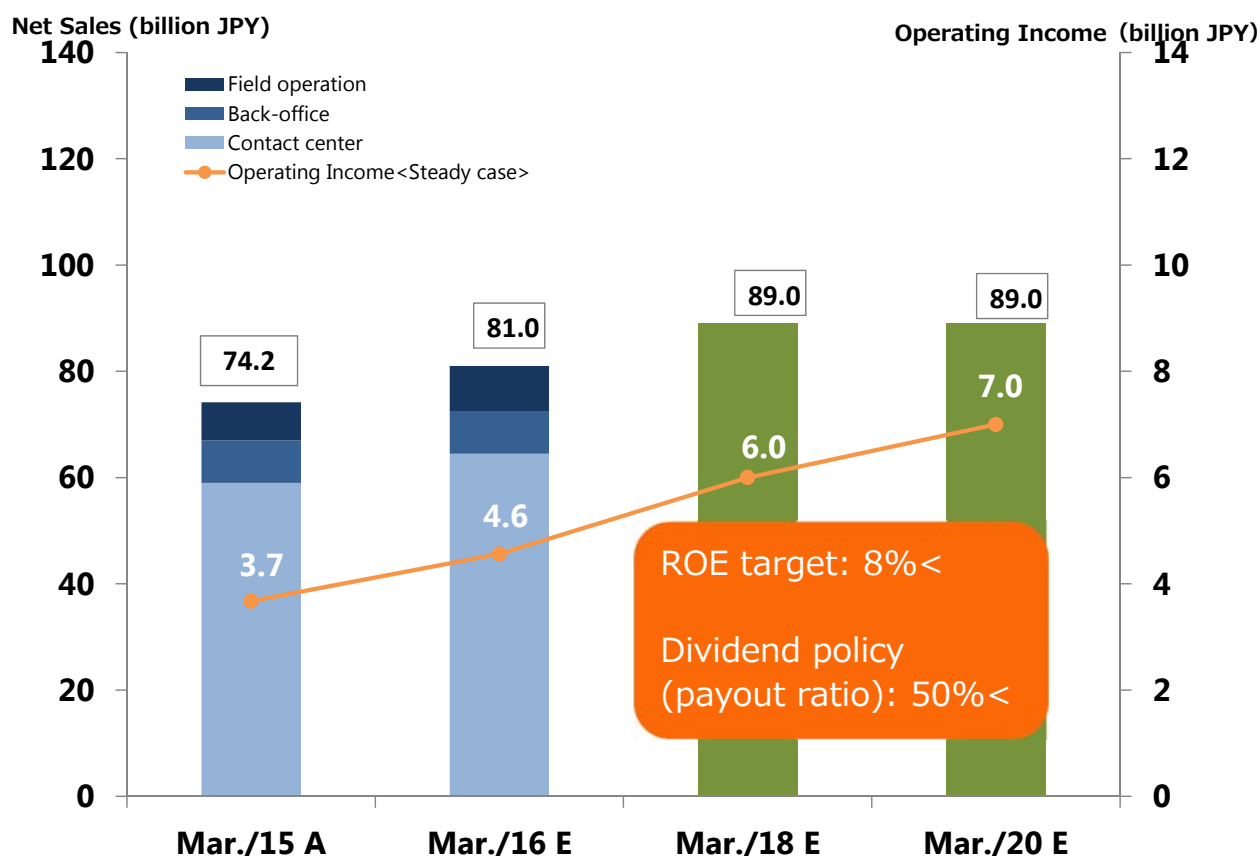
### ■ Target Figure Conditions :

- Newly developed business have been realized as execution of 'Mid-term Management Plan for 2020.'
- M&A, domestic and overseas.
- Administration of large spot business.

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## Target Figures and Return to Stockholders <Steady Case>

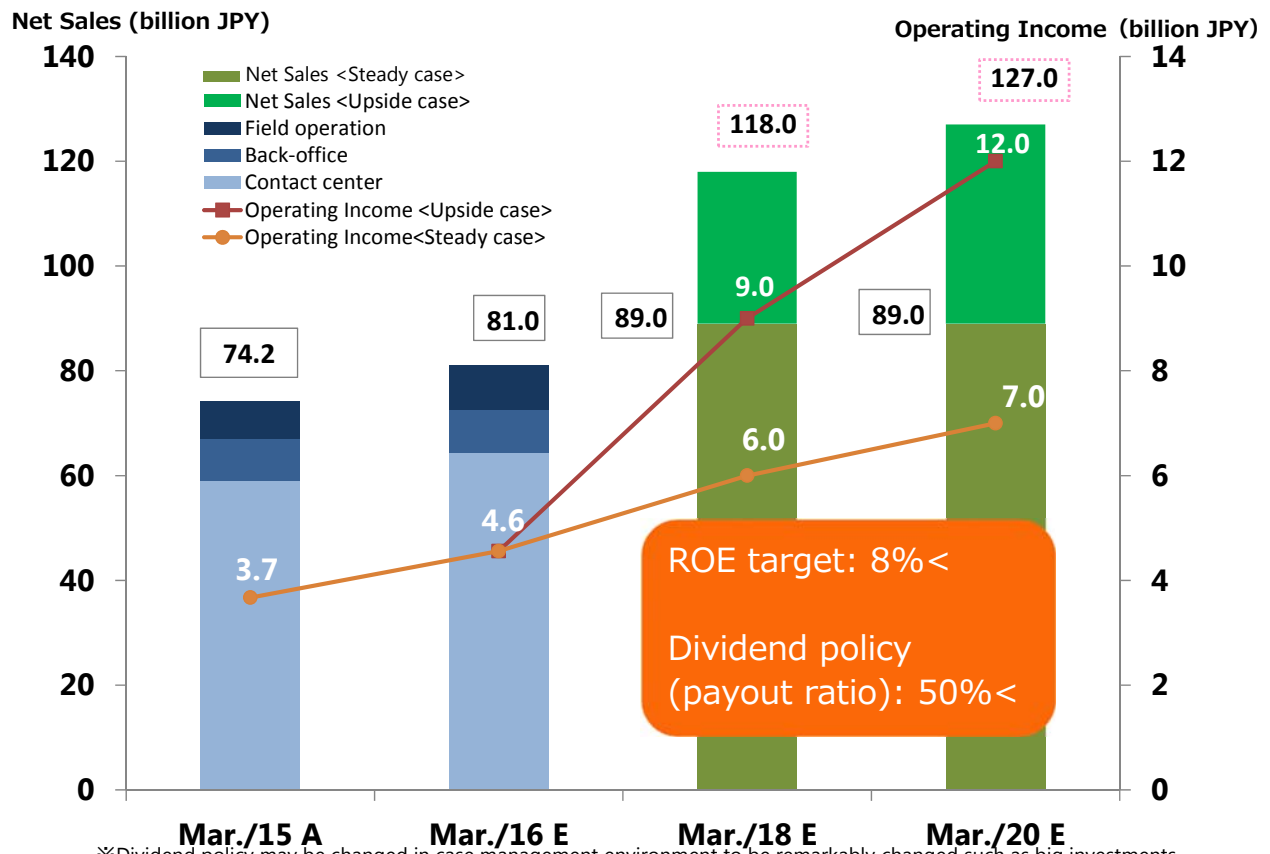


※Dividend policy may be changed in case management environment to be remarkably changed such as big investments.

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## Target Figures and Return to Stockholders <Upside Case>



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# Business plan for FY2015

## Priority Issues and Initiatives for FY2015

1. Driving 'Business Strategy 2018'
2. Change of business structure in response to environment changes
3. Strengthen Group synergy
4. Strengthen IR, CSR, Corporate Governance

## Budget of Fiscal Year 2015 (consolidated)

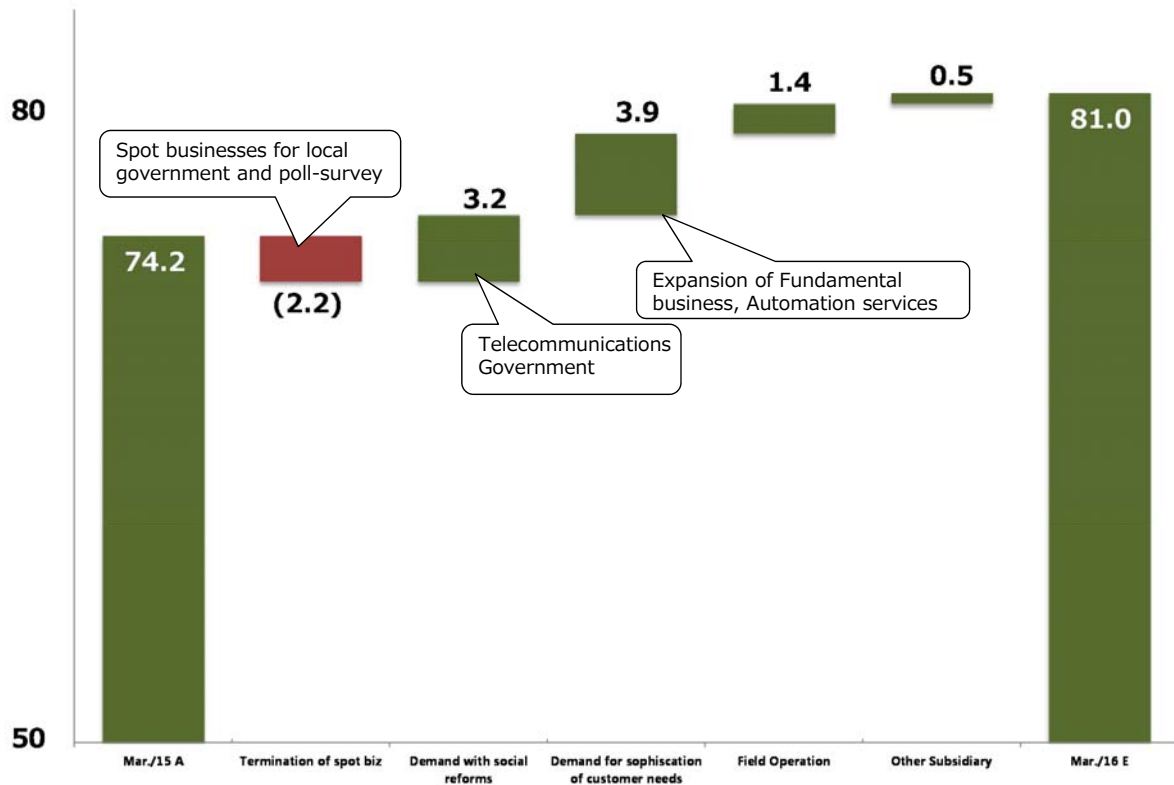
(million JPY)

	Results for the year Ended Mar./15	Annual Forecast	Change	% change	Forecast for the 1 <sup>st</sup> half
<b>Net Sales</b>	74,235	81,000	6,764	+9.1%	37,450
<b>Operating Income</b>	3,669	4,560	890	+24.3%	1,670
<b>Ordinary Income</b>	3,862	4,600	737	+19.1%	1,670
<b>Profit attributable to owners of parent</b>	2,479	3,050	570	+23.0%	1,130

- Expected increase in revenue and profits (year-on-year) after three year period.
- Assuming leading investment for future growth changes. (ex. Establishment of new operation center, Investment in most advanced ICT facilities, Cost relating to change of company name)

## Main Fluctuation Factors of Sales (Forecast)

(billion JPY)



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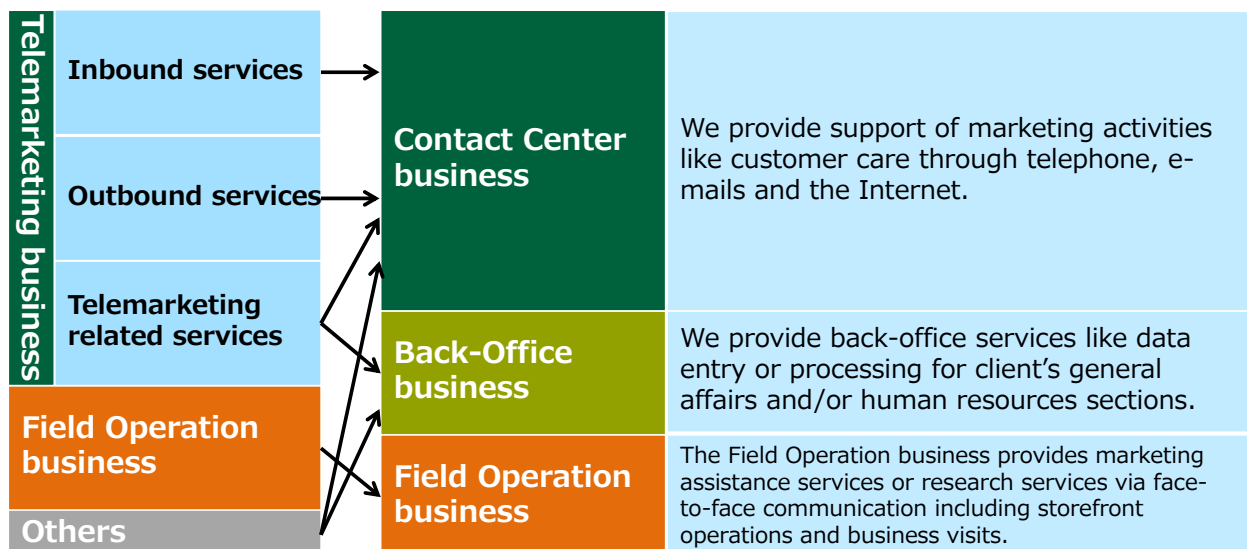
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## Reference : Change of reportable segments

Change of reportable segments as business strategy on 'Mid-term Management Plan for 2020'.

Segments (Old)

Segments (Changed)



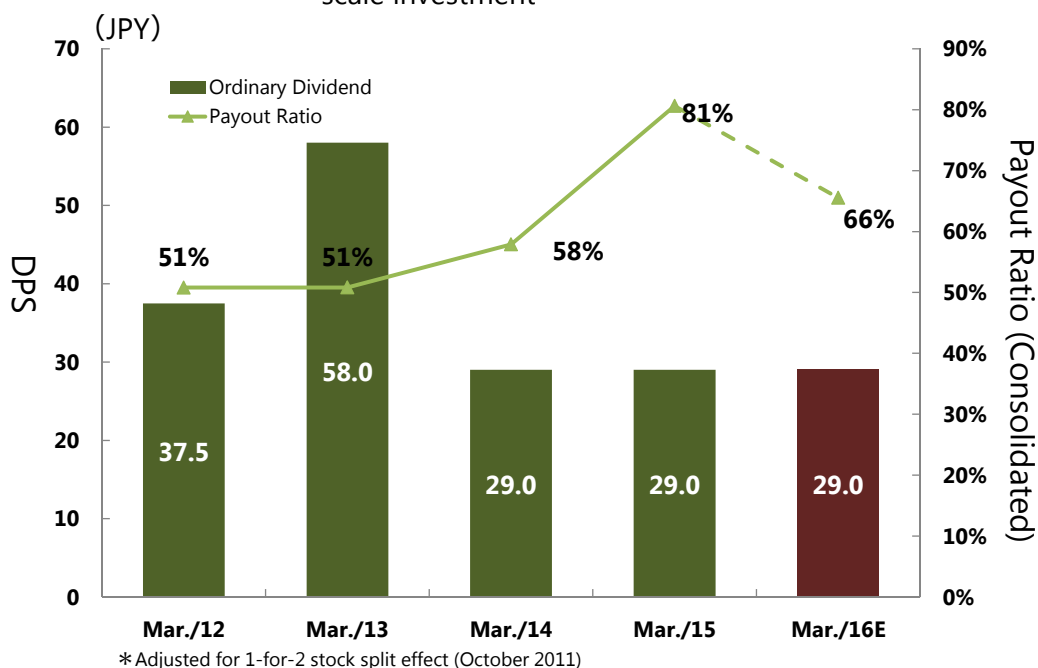
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## Returns to Shareholders

Dividend Forecast : Annual JPY 29 per share  
Interim dividend: JPY 14 per share, year-end: JPY 15 per share

Dividend Policy : 50% dividend payout ratio  
Unless drastic change in the business environment like large-scale investment



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## Reference : Results for the Year Ended Mar./15 <U.S. dollar basis> (consolidated)

	Initial forecast	Results for the Year Ended Mar./15	Change	Achievement	Results for the Year Ended Mar./14
<b>Net Sales</b>	624.1	617.7	-6.3	99.0%	659.1
<b>Gross profit</b>	-	88.5	-	-	105.6
<b>SG&amp;A Expenses</b>	-	58.0	-	-	60.3
<b>Operating Income</b>	32.1	30.5	-1.5	95.1%	45.3
<b>Ordinary Income</b>	32.6	32.1	-0.4	98.5%	46.6
<b>Net Income</b>	20.8	20.6	-0.1	99.2%	28.7

(million USD)

\* All U.S. dollar amounts are presented solely for the reader's convenience and are translated at ¥120.17=US \$1, the approximate exchange rate at March 31, 2015.

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<U.S. dollar basis>

**Reference : Budget of Fiscal Year 2015 (consolidated)**

(million USD)

	Results for the year Ended Mar./15	Annual Forecast	Change	% change	Forecast for the 1 <sup>st</sup> half
<b>Net Sales</b>	617.7	674.0	+56.2	+9.1%	311.6
<b>Operating Income</b>	30.5	37.9	+7.4	+24.3%	13.8
<b>Ordinary Income</b>	32.1	38.2	+6.1	+19.1%	13.8
<b>Profit attributable to owners of parent</b>	20.6	25.3	+4.7	+23.0%	9.4

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## Reliable Ring

We aim to be Corporate Group to esteem a reliable relation with customers by our "power to connect."

## Cautionary Statement

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