

e-Parcel Management and Business Reporting

- Our History, Business and Product Concept
- Reasons for Preparing the Intellectual Asset-based Management Report, its Outline and Recipients
- Innovation-driven Value Creation Mechanism and Practical Effects
- Conclusion

• Our History

- Jun. 1996 e-Parcel Inc. founded in Boston, U.S.
- Oct. 1997 Received the "Best Internet Software Finalist" award at COMDEX Autumn Show
- Oct. 1999 A major U.S. investment bank group adopted e-parcel's product for its communications infrastructure
- Jan. 2001 e-Parcel Corporation was established as a Japanese affiliate of e-Parcel Inc.
- Sep. 2001 The September 11 terrorist attack crashed the U.S. IT market
- Nov. 2001 e-Parcel Japan obtained intellectual property rights in U.S.; expanding its business worldwide ever since

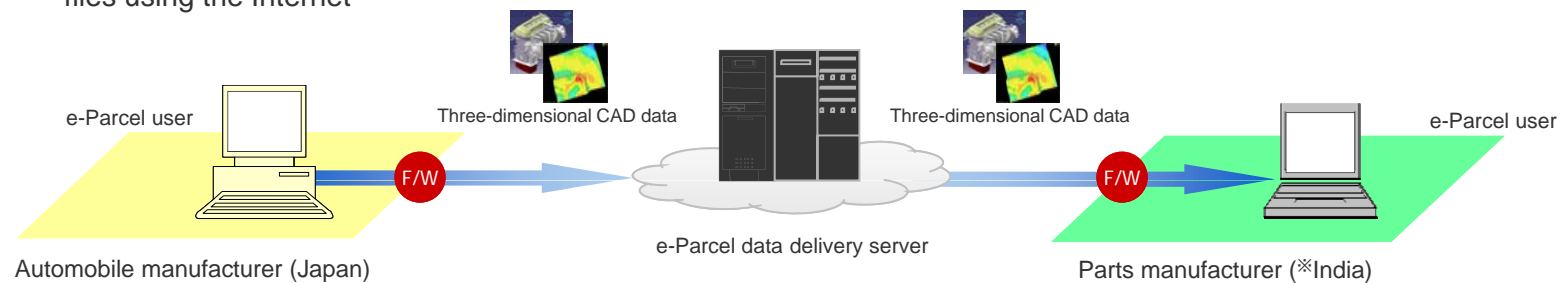
• Business Concept (Product Concept)

Realizing electronic delivery or e-FedEx, utilizing the Internet simply as a communications path



• Our Business

Global operation of "electronic delivery business", providing the service to securely deliver electronic files using the Internet



* India is one of the countries whose communications environment is still unstable.

Reasons for Preparing the Intellectual Asset-based Management Report, its Outline (Corporate Strength & Uniqueness) and Recipients

WBS:epc-ec-es-20101002-04-0126

• Reasons for Preparing “Intellectual Asset-based Management Report”

Small and medium enterprises without big financial assets naturally face extremely high barriers in providing communications infrastructure to Big enterprises. Accordingly, in order to be successful in this business, we consider it important to clearly explain that our non-financial assets, i.e., intellectual assets (or our corporate uniqueness), are outstanding and powerful and that they deserve appreciation. Thus, we expect that our intellectual assets will become a powerful tool not only in sales (for clients) but also in financial terms (for investors).

Outline (“Corporate Uniqueness”)

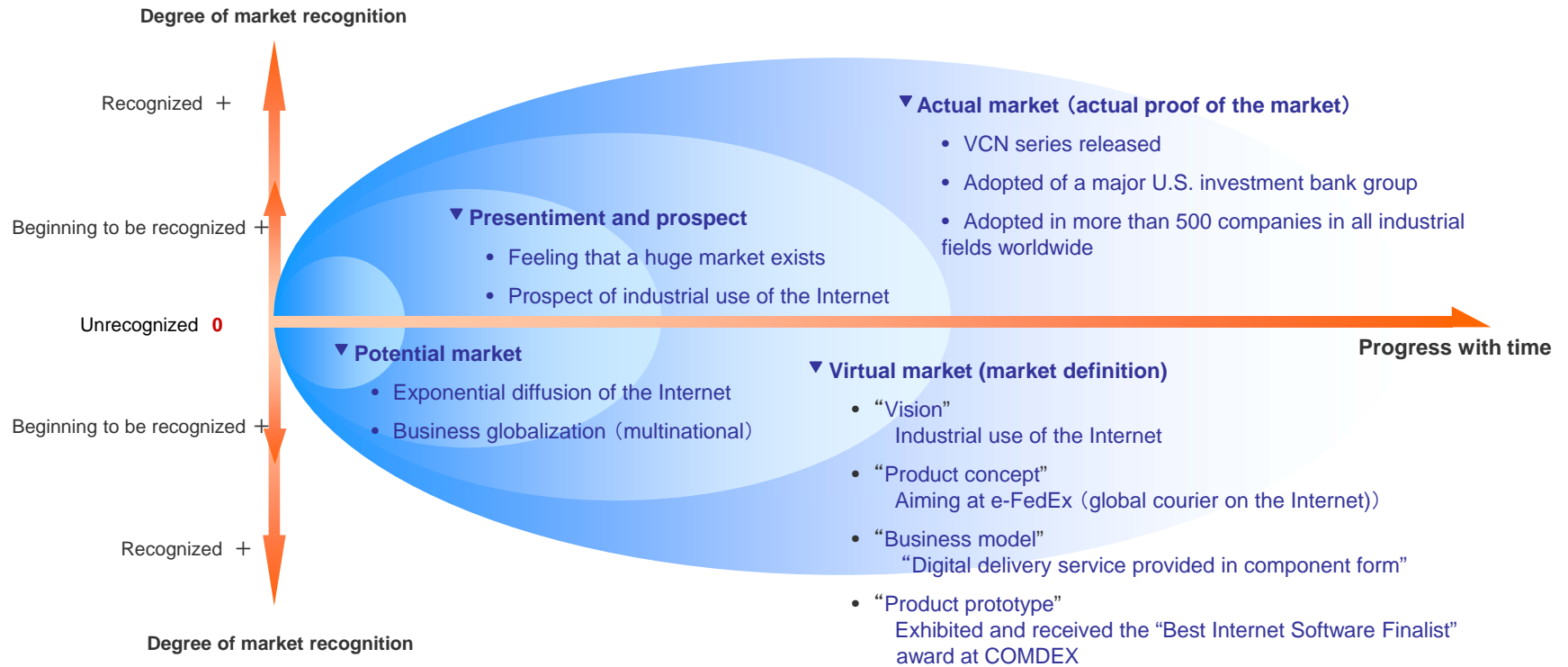
- “Accumulation during the period from foundation to date”
 - World’s leading-edge communications protocol original to e-Parcel
 - Eleven (11) U.S. basic patents
 - Huge accumulation of know-how to ensure the world’s highest quality service
 - e-Parcel products adopted by more than 500 companies worldwide
 - Contracts with almost 0% cancellation
- “Flexibility and readiness to cope with future changes in society and market”
 - Genuine software
 - Advanced business model: “electronic delivery service provided in component form”
 - Continuous acquisition of leading-edge information from more than 80 percent of major client companies

• Recipients for Distributions

- Market (presented on the Internet)
- Stockholders (briefings are held)
- Investors (presented when an investment is considered)
- Existing clients (handed and explained to the management or sent by post)
- New clients (attached to *ringisho* or circular documents for approval)



• Innovation-driven Value Creation Mechanism



• Practical effects

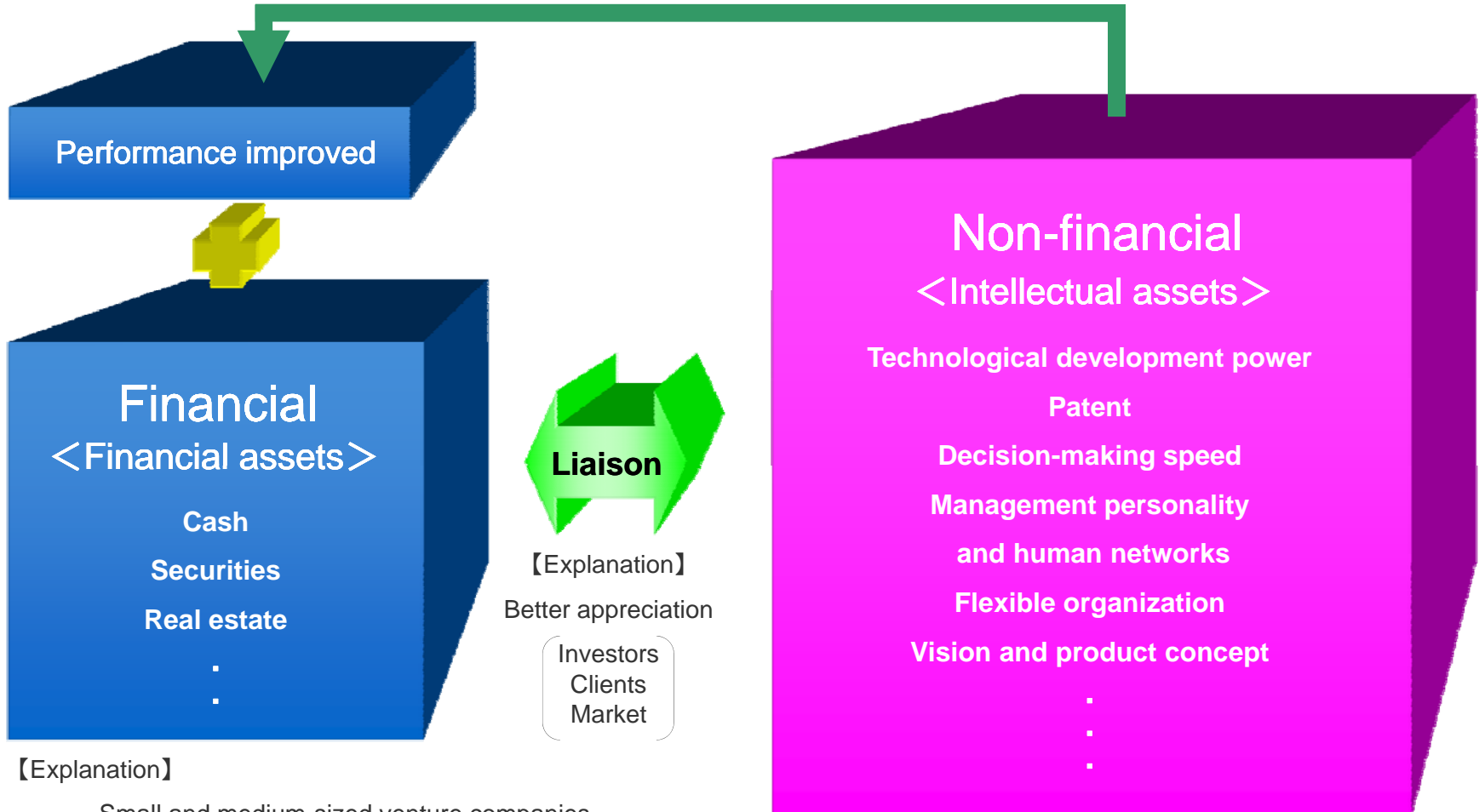
- Strengthening the relationship of trust with clients
 - Extension from a pinpoint use in one department to the whole company communications infrastructure
 - Clients introducing new clients
- Getting new clients who could not be contacted before
- Improving the investing speed

Conclusion

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【Explanation】

Intellectual assets have a direct effect on appreciative recognition of the business and bring benefits to financial assets



【Explanation】

Small and medium-sized venture companies are underestimated when evaluated only in terms of financial assets.