

Financial Results for the Fiscal Year ended June 30, 2011 (FY11)

Macromill, Inc.

First Section, Tokyo Stock Exchange (3730)

1. Results for the Fiscal Year ended June 30, 2011 (FY11)

Overview of 4th Quarter and FY11

(million yen)

		4 th Quarter (April 1 – June 30)			FY11 (July 1 – June 30)			Forecast (Revised on May 12, 2011) (% Achievement)	
		FY11	FY10	YoY	FY11	FY10	YoY		
Consolidated	Net sales	2,973	1,714	173.5%	12,210	(*1)7,353	166.1%	12,300	(99.3%)
	Ordinary income	367	514	71.4%	2,522	2,135	118.1%	2,500	(100.9%)
	Ordinary profit margin	(*2)12.4%	30.0%	△17.7pt	20.7%	29.0%	△8.3pt	20.3%	(+0.4pt)
	Extraordinary loss	2	98	-	(*3)259	104	-	-	-
	Net income	104	240	43.5%	1,171	1,266	92.5%	1,200	(97.6%)

(For reference)

Non-consolidated	Net sales	2,964	1,708	173.5%	12,212	7,171	170.3%
	(*4) Net sales	2,964	2,859	103.7%	12,212	11,475	106.4%
	Ordinary income	682	513	133.0%	2,912	2,206	132.1%



(*1) Consolidated net sales of 1st Quarter of FY10 above include net sales of AIP, which was a consolidated subsidiary at the time.

(*2) Profit margin temporarily declined mainly due to investment into subsidiaries and conservative accounting treatment of CB and loan to Macromill Korea, Inc.

(*3) Loss on the disposal of fixed assets was recorded as a result of merger with YVI in the first half.

(*4) For comparison purposes only, net sales of FY10 were assumed to include net sales of research business of YVI (from August and forward).

Topics of FY11

Sales and profit grew steadily, reaching all-time high.

- Integration with YVI was successfully completed and **increase in sales and profit was achieved**, despite the negative impact by the Great East Japan Earthquake in March.
- **Ordinary income exceeded the revised forecast** (released on May 12, 2011) as a result of the efforts such as improved productivity and cost reduction, although sales resulted slightly short of the forecast.
- Research demand, which declined significantly after the quake, is starting to recover, especially among general companies. Demand from advertizing agencies, which had been sluggish since March, is also beginning to return to the pre-quake level.

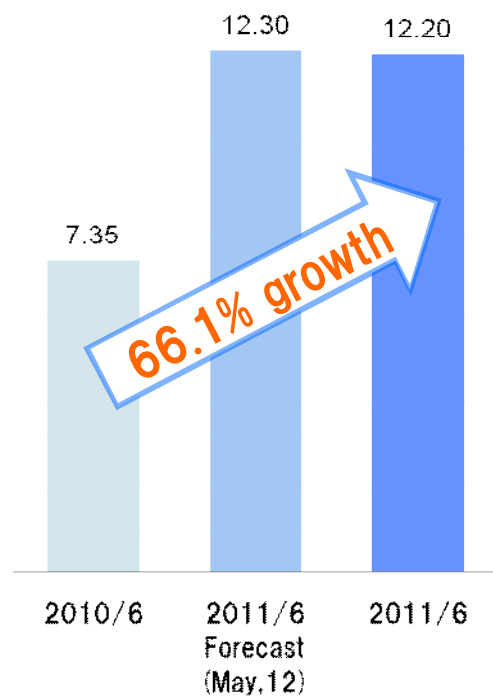
Database services, overseas expansion and new business initiatives were accelerated.

- M-CUBE AND ASSOCIATES, INC. was established with an aim to strengthen QPR service with QPR panel increased to 30,000.
- MACROMILL China, INC. was established in Shanghai in April, gaining a foothold in the growing Asian market.
- M-WARP, INC. launched a new smartphone application.
- Ordinary profit margin over 20% was maintained, despite the loss as a result of active investment into subsidiaries and new business development.

Financial Results for FY11 (Full Year, Consolidated)

(billion yen)

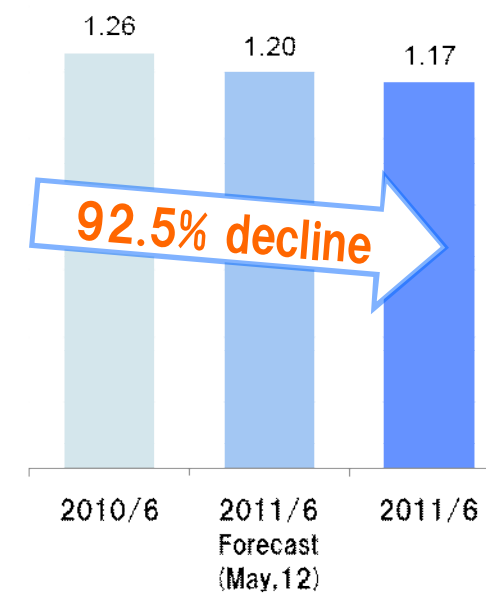
Sales



Ordinary Income

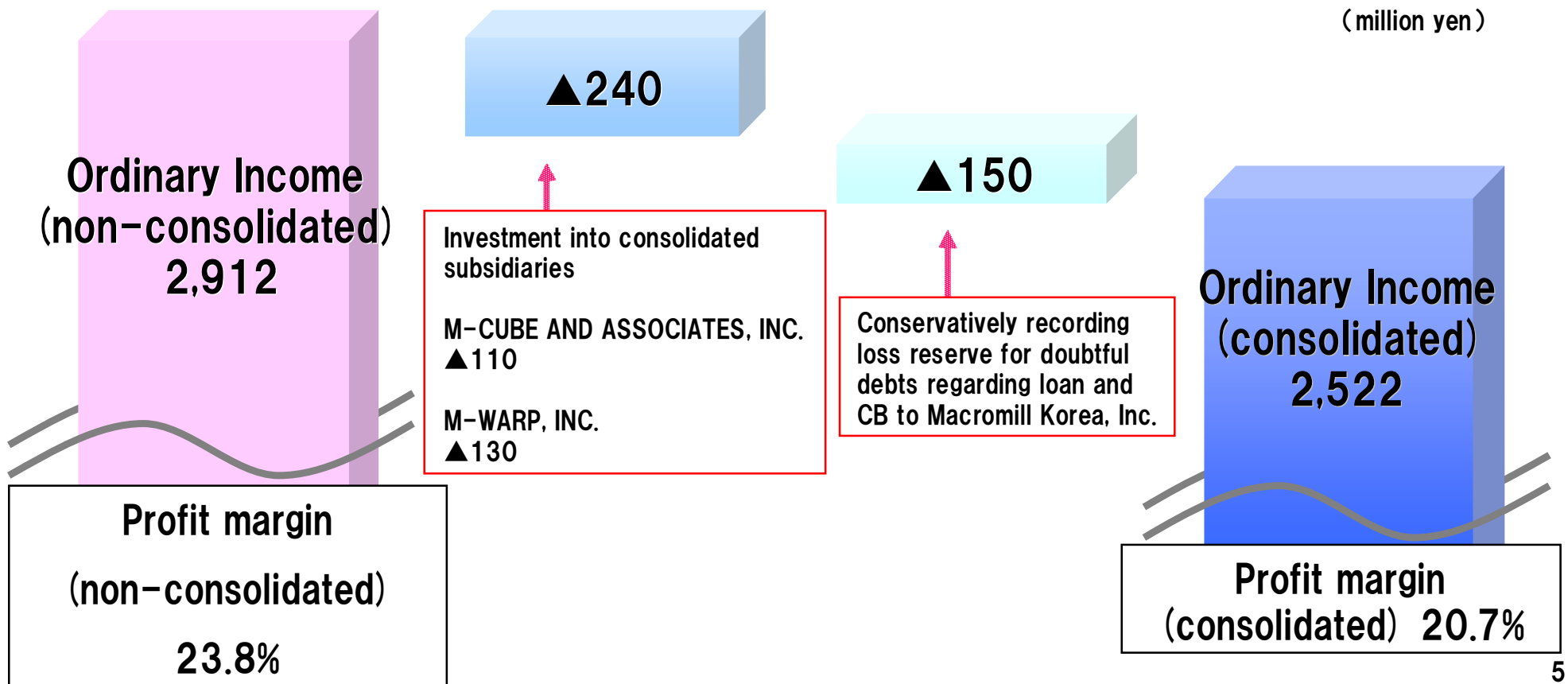


Net Income

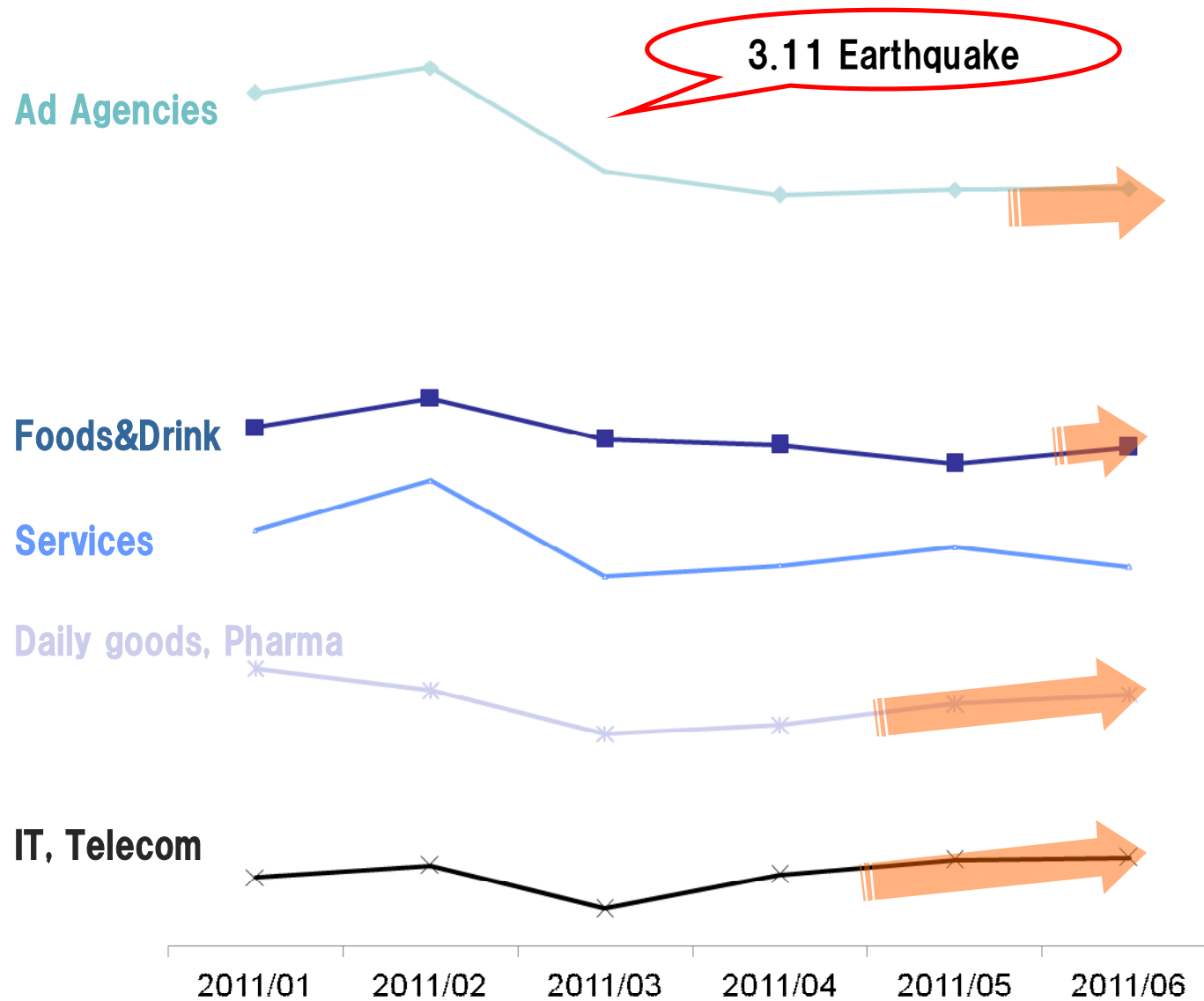


Analysis on profit

- ✓ Ordinary income on non-consolidated basis reached ¥2.9B (23.8% margin) along with increased sales.
- ✓ Ordinary income reached record-high ¥2.5B, despite the loss as a result of active investment into subsidiaries and new business development.



Industry trend around the earthquake (12 month moving cumulative sales)



- ✓ Sales declined significantly across all industries right after the quake.
- ✓ Recovery trend is seen on most industries with varied pace.

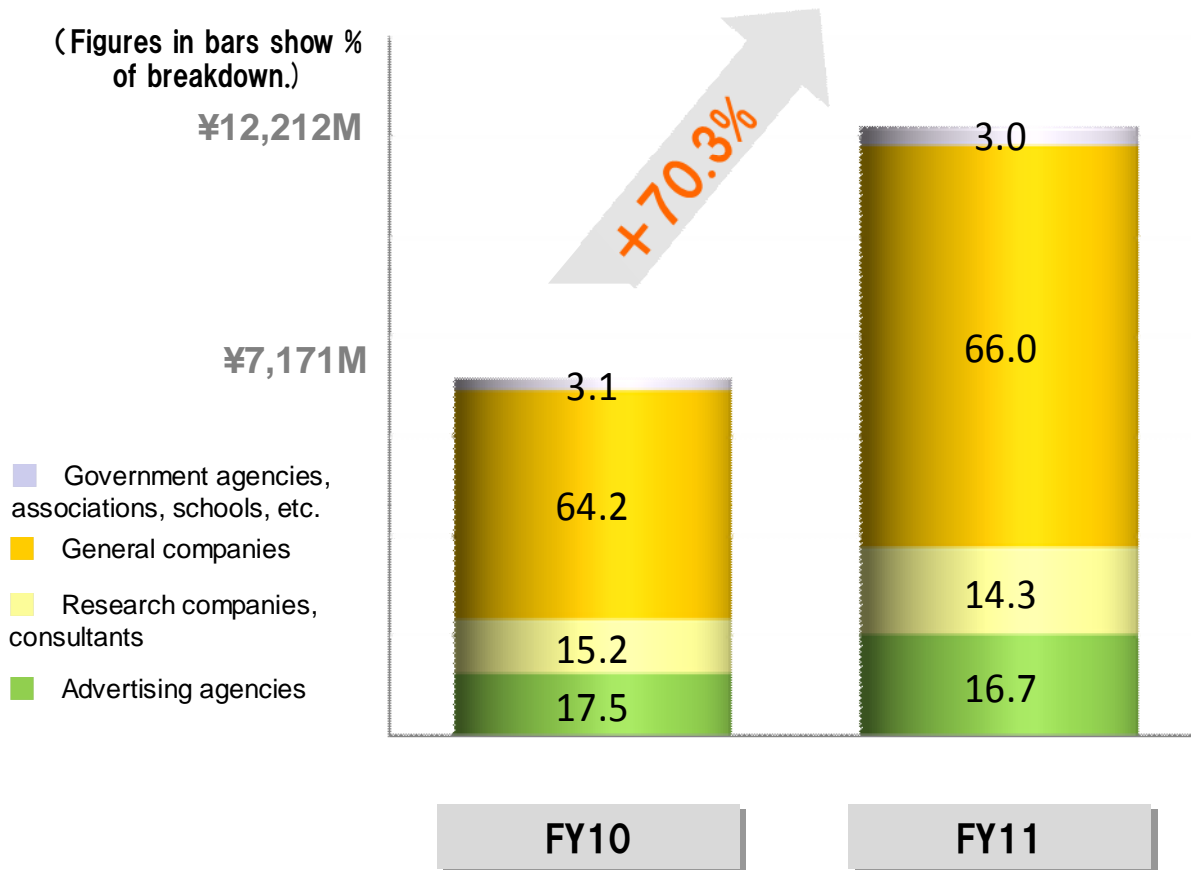
※Vertical axis represents sales on each industry.

Sales Breakdown by Industry

(non-consolidated)

✓ High demand until the earthquake and completion of YVI integration resulted in non-consolidated sales growth of 70.3%.

→ Adversely affected by the quake, but most industries are on recovery trend.



Industries with major sales growth

(YoY change in sales)

1. Ad Agencies

+62.3% **+¥780M**

→ While slowed down after the quake, it performed well on annual basis.

2. Services

+83.5% **+¥740M**

3. Foods & drink

+60.9% **+¥670M**

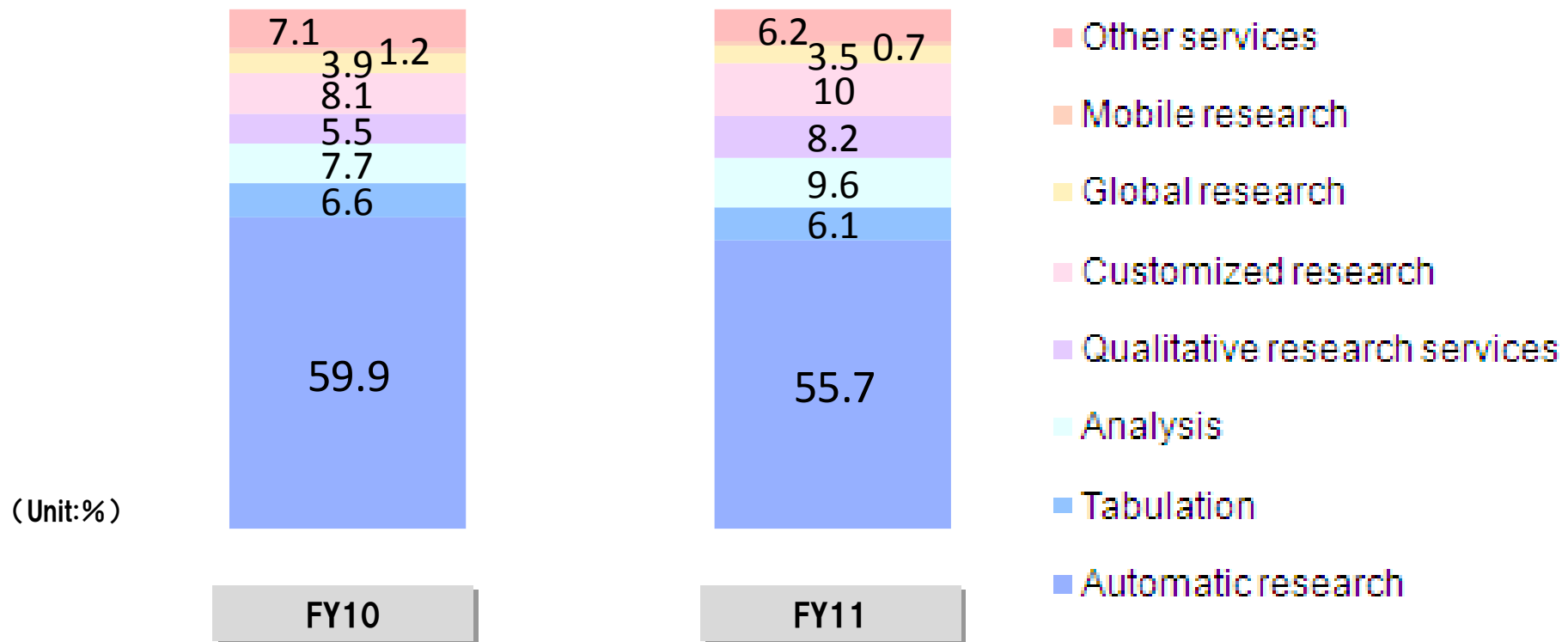
→ Consumer goods performed well before the quake along with growth of QPR service.

Sales Breakdown by Service (non-consolidated)

- ✓ Most services achieved sales growth from the prior year, especially for the services listed below with significant growth.

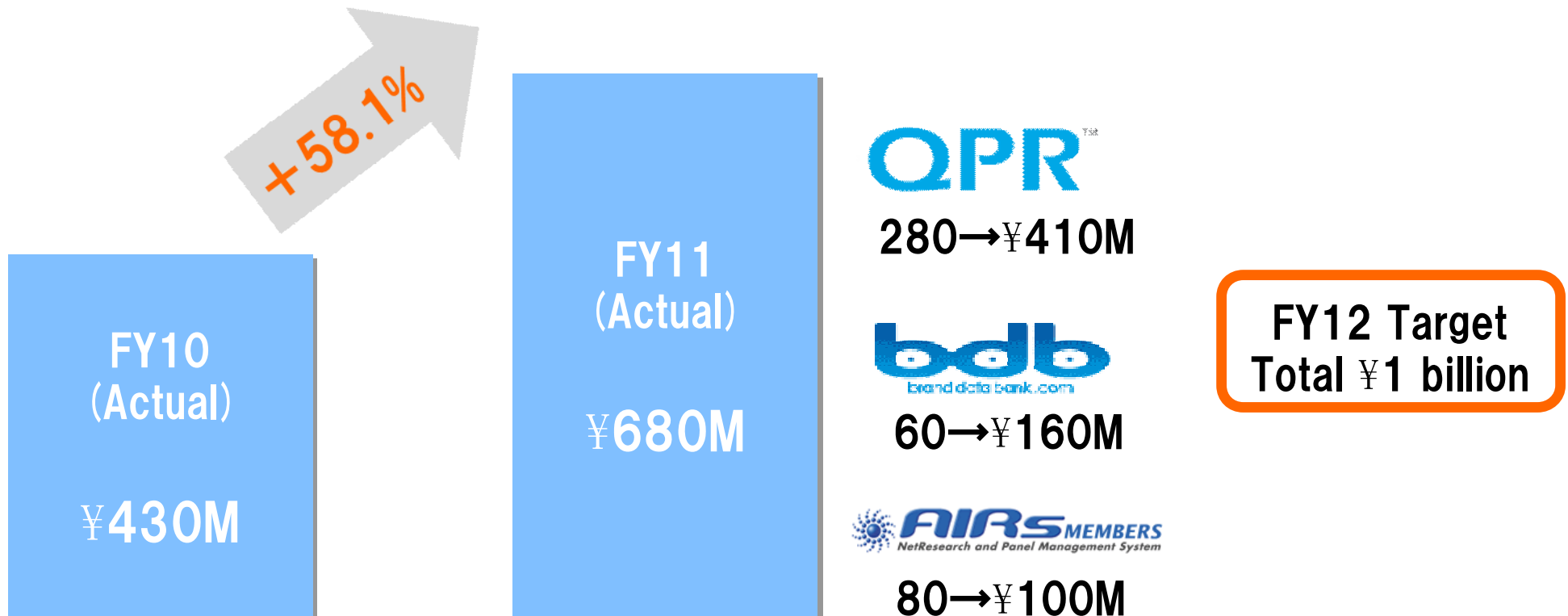
→ Analysis: up 107% YoY
 → Qualitative research: up 145% YoY

- ✓ Increasing profit margin through better management bet. outsourcing and in-housing.



Other Services

- ✓ Other services, QPR, bdb, and AIRsMEMBERS, grew 58.1% year-on-year.
- ✓ Due to the impact of the quake, annual sales were slightly short of the full year target of ¥700M.



Unit Price, Number of Active Clients/Contacts and VIP Clients

Indicator	Unit	FY10				FY11			
		1Q	2Q	3Q	4Q (Full Yr)	1Q	2Q	3Q	4Q (Full Yr)
Average unit price per order (*1)	000 yen	728	703	729	700	797	822	835	787
Average unit price per order (Counting conventional research as one project) (*1)	000 yen	712	683	711	685	773	791	800	755
Average unit price per order (automatic rch only) (*1)	000 yen	510	494	524	485	539	522	520	498
Number of active clients (*2)	Clients	659	995	1,270	1,441	904	1,386	1,675	1,895
Number of active contacts (*2)	Contacts	1,452	2,481	3,477	4,188	2,221	3,870	4,988	6,067
Number of VIP clients (*3)	Clients	151	144	155	144	242	240	240	229
Number of clients with avg qrtly sales over ¥10M (*4)	Clients	(27)	(25)	(29)	(27)	(59)	(58)	(55)	(53)

(*1) The services of the former YVI were not included in the calculation of the average unit price for the year ending June 30, 2011. Orders for qualitative research were not included in the calculation of the quarterly average unit price per order.

(*2) The number of companies/services whose sales were posted at least once from the beginning of the fiscal year to the quarter

(*3) Priority clients with annual sales of ¥10 million or more are defined as VIP clients. Annual sales are calculated based on year-to-date sales. For example, the number of VIP clients for the second quarter is the number of clients with year-to-date sales of ¥5 million.

(*4) The number is calculated based on year-to-date sales.

Personnel Status

Indicator	Unit	FY10				FY11			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Number of employees (consolidated) (*)	People	356	297	297	309	605	553	545	557
Number of employees (non-consolidated) (*)	People	295	288	289	298	596	542	528	542

(*) The number of employees includes contract employees and employees on leave.

✓ Number of Employees by Function

Sales
Approx. 125

Operation
Approx. 82

Researcher
Approx. 130

Others include:

Global, New business development, Monitor support, etc.

* Executive officers and employees on leave are not included.

* Figures as of July 1, 2011

- ✓ The number of employees on non-consolidated basis increased due to absorption of a subsidiary (Brand Data Bank, Inc.).
- ✓ Number of new graduates joining April, 2011: 6

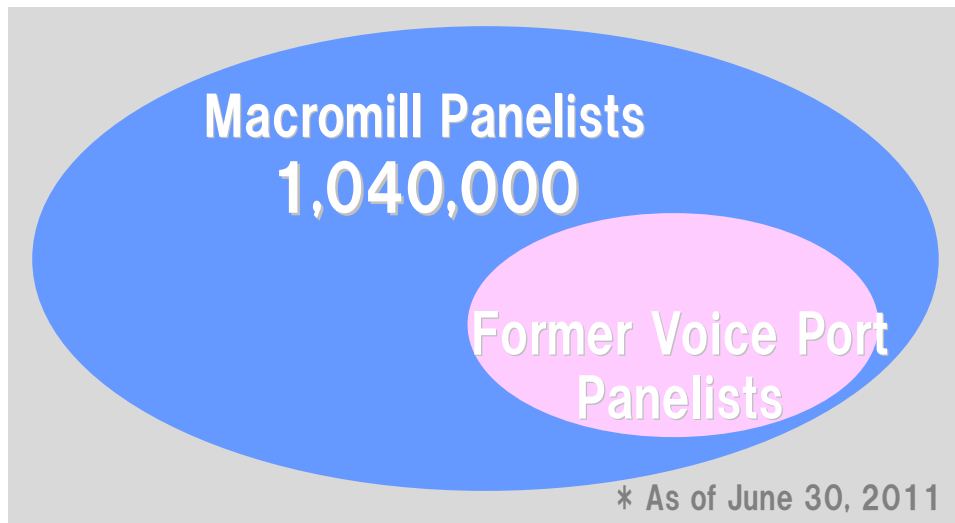
Panel Status

Indicator	Unit	FY10				FY11			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Macromill panelists	Thousand people	874	887	903	926	940	1,002	985	1,040

- ✓ We carried out confirmation of the ability to distribute questionnaires to all panelists in the prefectures^(*) hardest-hit by the earthquake. Although the number of panelists declined temporarily, it recovered to reach the record-high as of the end of June, 2011.

PC Panelists

Mobile Panelists



(*) We carried out confirmation of the ability to distribute questionnaires to all panelists in Aomori Prefecture, Iwate Prefecture, Miyagi Prefecture, Fukushima Prefecture, Ibaraki Prefecture and Chiba Prefecture.

2. FY12 Plan

FY12 Financial Plan

(million yen, %)

FY12 (FY ending June 30, 2012)					FY11 (Actual)	
1 st Half	2 nd Half	Full-year			Amount	Ratio to sales (%)
Amount	Amount	Amount	Ratio to sale (%)	YoY (%)		

(consolidated)

Net sales	7,000	7,200	14,200	100.0	116.3	12,210	100.0
Ordinary income	1,455	1,445	2,900	20.4	115.0	2,522	20.7
Net income	730	770	1,500	10.6	128.1	1,171	9.6

(non-consolidated)

Net sales	6,940	7,060	14,000	100.0	114.6	12,212	100.0
COGS/SG&A	5,180	5,420	10,600	75.7	114.0	9,300	76.2
Personnel	2,030	2,070	4,100	29.3	110.1	3,724	30.5
Other	3,150	3,350	6,500	46.4	116.6	5,576	45.7
Ordinary income	1,760	1,640	3,400	24.3	116.8	2,912	23.8
Net income	1,020	950	1,970	14.0	138.3	1,424	11.7

Assumptions for FY12 Plan

✓ Aiming for sales and profit growth for three consecutive years to achieve all-time high

- Sales growth (YoY 116.3%), Profit growth (YoY 115.0%)

✓ Growing sales by 16%

- Online research: ¥10.5B→¥11.7B, YoY **up 11%**
 - * Domestic online research market is estimated to grow around 10%
(Macromill estimate based on FY2010 market report by JMRA).
- QPR, bdb, AIRsMEMBERS: ¥0.7B→¥1B, YoY **up 43%**
- Conventional Research: ¥1B→¥1.3B, YoY **up 30%**
- Overseas sales (Macromill China): Sales **¥0.2B**

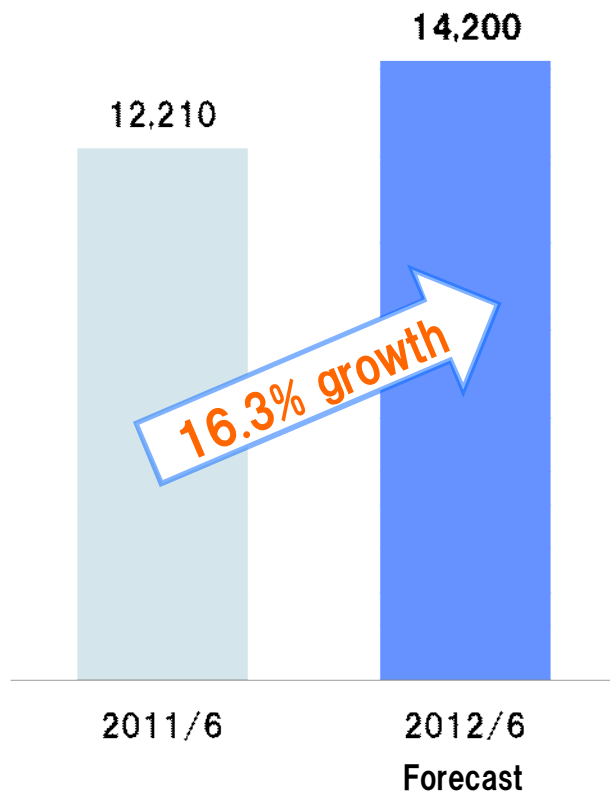
✓ Maintaining 20% or higher consolidated profit margin, while keeping investment for future growth

- Consolidated ordinary income ¥2.9B, profit margin 20.4%
(breakdown) Macromill ¥3.4B (24.3%), M-CUBE ▲¥0.2B
M-WARP ▲¥0.3B, Macromill China (no major impact)

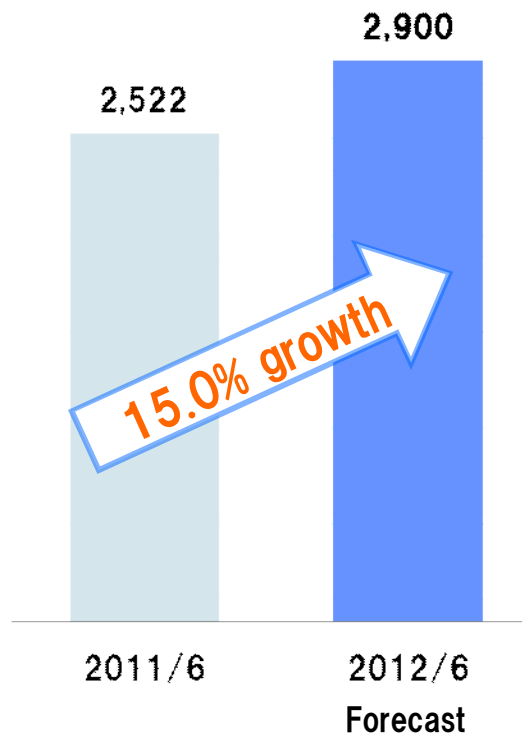
Overview of FY12 Plan

(million yen)

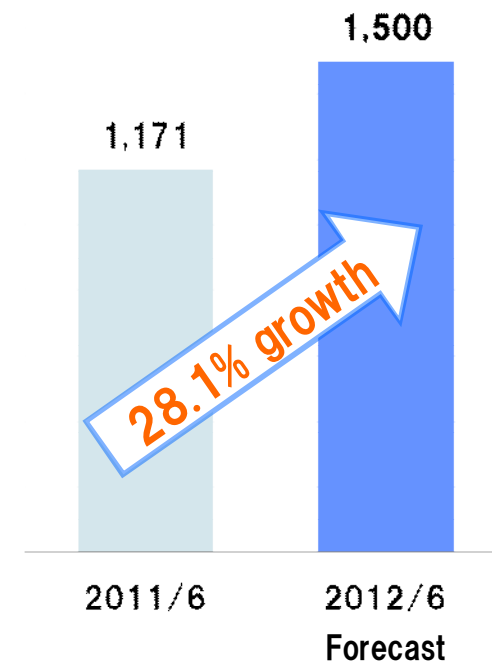
Net Sales



Ordinary Income



Net Income



Dividend Policy

- ✓ Resolved year-end dividend per share for FY11

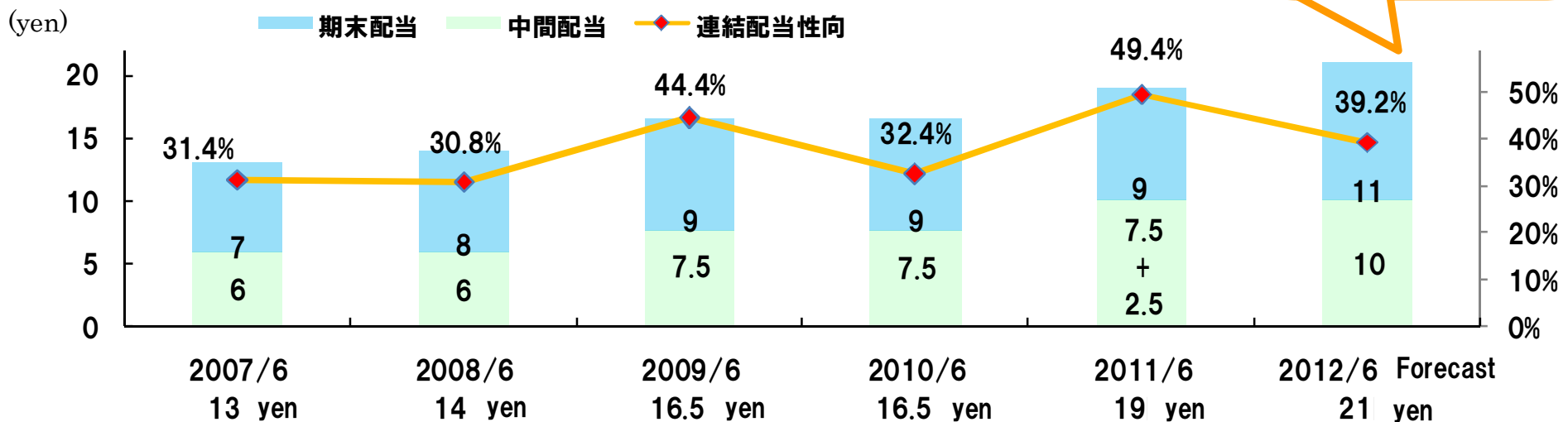
(interim: ¥7.5+commemorative¥2.5, year-end: ¥9)

- ✓ Expected dividend per share for FY12

Full Year: ¥21 (interim: ¥10, year-end: ¥11), Payout ratio: 39.2%

→ maintaining payout ratio of 30% or more

◆ Past dividend payouts and plan for FY12



* Figures are adjusted for 1:200 stock split on January 2011.

* Payout ratio for FY12 is calculated based on the number of shares outstanding as of June 30, 2011.

Capital Policy

Please refer to the press releases on August 3, 2011 for more details.

Notice of Issuance of Euro Yen Zero Coupon Convertible Bonds due 2014

Notice of Share Repurchase

Notice of Cancellation of Treasury Stock

Notice of Share Repurchase through ToSTNeT-3 Off-Hours Trading System

- ✓ **Successfully issued Euro Yen CB for ¥5B. Proceeds plan to be used to repurchase shares and to make strategic investments as below.**
 1. **¥2.5B** Share Repurchase to improve capital structure
 2. **¥2.44B** R&D and investments into “development of new business domains and innovations”
Investment and M&A aimed at the “acceleration of expansion of business overseas”
- ✓ **Improve capital structure for higher return to shareholders.**
 1. Dividend increase
 2. Cancellation of Treasury Stock (1,605,200 shares: 5.2% of total issued stock)
 3. Extensive share repurchase (¥2.5B: approx. 10% of total issued stock)
 4. Final dilution after conversion estimated to be around 2%

Future Business Plan

**Please refer to the
Medium-Term Management Plan
released on Aug. 3, 2011.**

We aspire to become Japan's largest and strongest IT marketing company and one of the world's most unique companies.



Cautionary Statement

Macromill does not guarantee the accuracy of the information contained in this presentation, which reflects judgments made by Macromill management based on information currently available.

Given that the business environment may vary significantly in the future due to a number of factors, please be aware that Macromill's actual performance and results may differ from those expressed today.

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