

Financial Results for 1st Quarter Ended September 30, 2011 (FY12 Q1)



Macromill, Inc.

First Section, Tokyo Stock Exchange (3730)

Overview for FY12 Q1

(Unit: million yen)

		Q1 (July 1 – September 30)		
		FY12	FY11	YoY
Consolidated	Net sales	3,204	2,848	112.5%
	Ordinary income	661	582	113.7%
	Profit margin	20.7%	20.4%	+0.3pt
	Extraordinary loss	3	92	4.1%
	Net income	342	283	121.0%

FY12 Forecast (July 1 – June 30)	
(% Achievement)	
14,200	(22.6%)
2,900	(22.8%)
20.4%	(+0.3pt)
–	–
1,500	(22.9%)

(For reference)

Non-consolidated	Net sales	3,185	2,840	112.1%
	Ordinary income	790	574	137.6%
	Profit margin	24.8%	20.2%	+4.6pt



(Note) Macromill merged with Yahoo Value Insight Inc. effective on August 1, 2010.

Topics

Net sales and profit were up compared to the same period last fiscal year as well as to the preceding quarter.

- Net sales : YoY 112.5%, QoQ 107.8%
- Ordinary income : YoY 113.7%, QoQ 180.2%
- Despite concern over power shortage in summer, net sales grew steadily, finishing in line with business plan.
- Ordinary income improved without integration related expenses incurred in FY11 Q1.
 - Ordinary income margin (non-consolidated) : 24.8%
 - Ordinary income margin (consolidated) : 20.7% (Margin is lower due to up-front investments by subsidiaries.)

Overseas and new business development

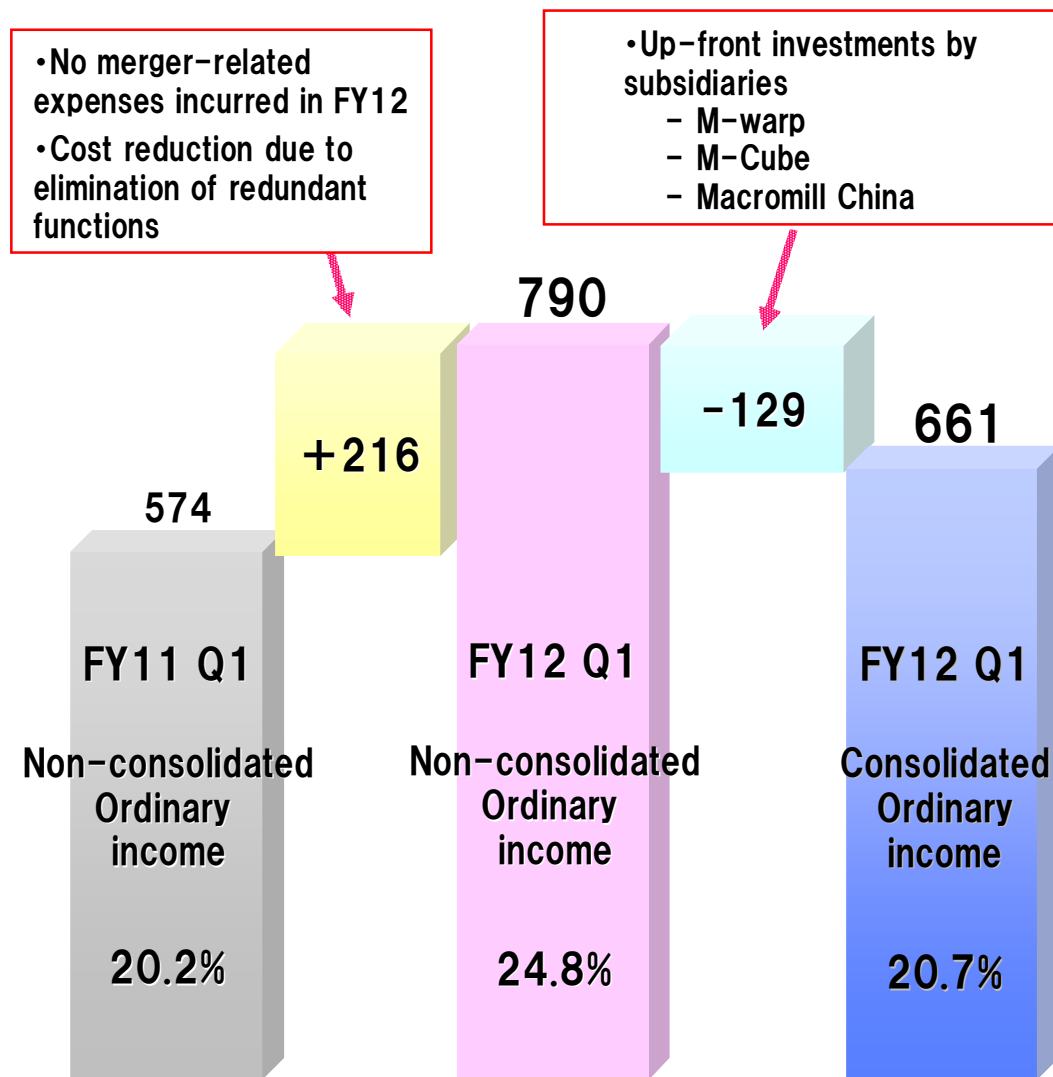
- Macromill China has started sales activities.
- A new marketing research service on Facebook has been launched.

2

Analysis on Cost Structure

(Unit: million yen)

non-consolidated	FY11 Q1		FY12 Q1	
	Amount	%	Amount	%
Net sales	2,840	100.0	3,185	100.0
COGS	1,483	52.2	1,541	48.4
Payroll	391	13.8	422	13.3
Monitor+ Outsourcing costs	719	25.3	827	26.0
Others	371	13.1	291	9.2
SG&A	796	28.1	847	26.6
Payroll	461	16.3	525	16.5
Others	335	11.8	322	10.1
Ordinary income	574	20.2	790	24.8
(Ordinary income - consolidated)	582		661	
Net income	280	9.9	457	14.4



Primary Subsidiaries

(Unit: million yen)

✓ Actively investing into new businesses through subsidiaries

■ M-WARP, INC.



Macromill Investment
Business Type New business
(Smartphone application)

90.25%

	FY12 Q1	Plan (full year)	Achievement (%)
Net sales	0	0	—
Ordinary income	-65	-300	—
Net income	-65	-300	—

✓ New smartphone applications are soon to be launched around year-end following POPCORN.

■ M-CUBE AND ASSOCIATES, INC.



Macromill Investment
Business Type Database Business
(QPR panel development, data collection)

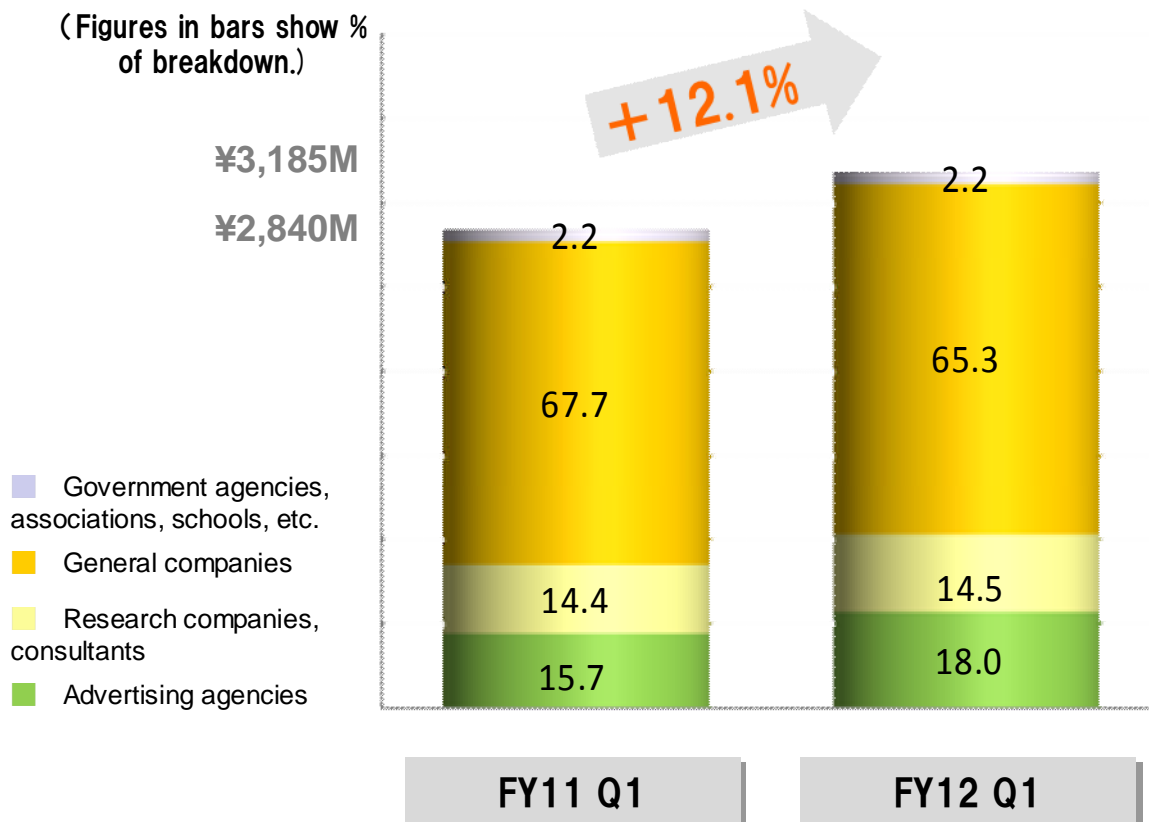
74.875%

	FY12 Q1	Plan (full year)	Achievement (%)
Net sales	106	575	18.4%
Ordinary income	-44	-212	—
Net income	-44	-212	—

✓ QPR panel has been expanded to 30,000 in July 2011.

Net sales by Industry (non-consolidated basis)

- ✓ Net sales rose in most industries despite concerns over the aftermath of the March quake.
→ Lower sales in Auto/Electronics/Logistics had little impact on overall sales due to their limited shares.
- ✓ Net sales edged up even with adjustment of net sales of YVI in July last year.



Industries with major sales growth (YoY change in sales)

1. Ad Agencies

+28.6%

+¥120M

2. Toiletries/Pharma

+17.1%

+¥500M

3. Research/Consulting Firms

+13.1%

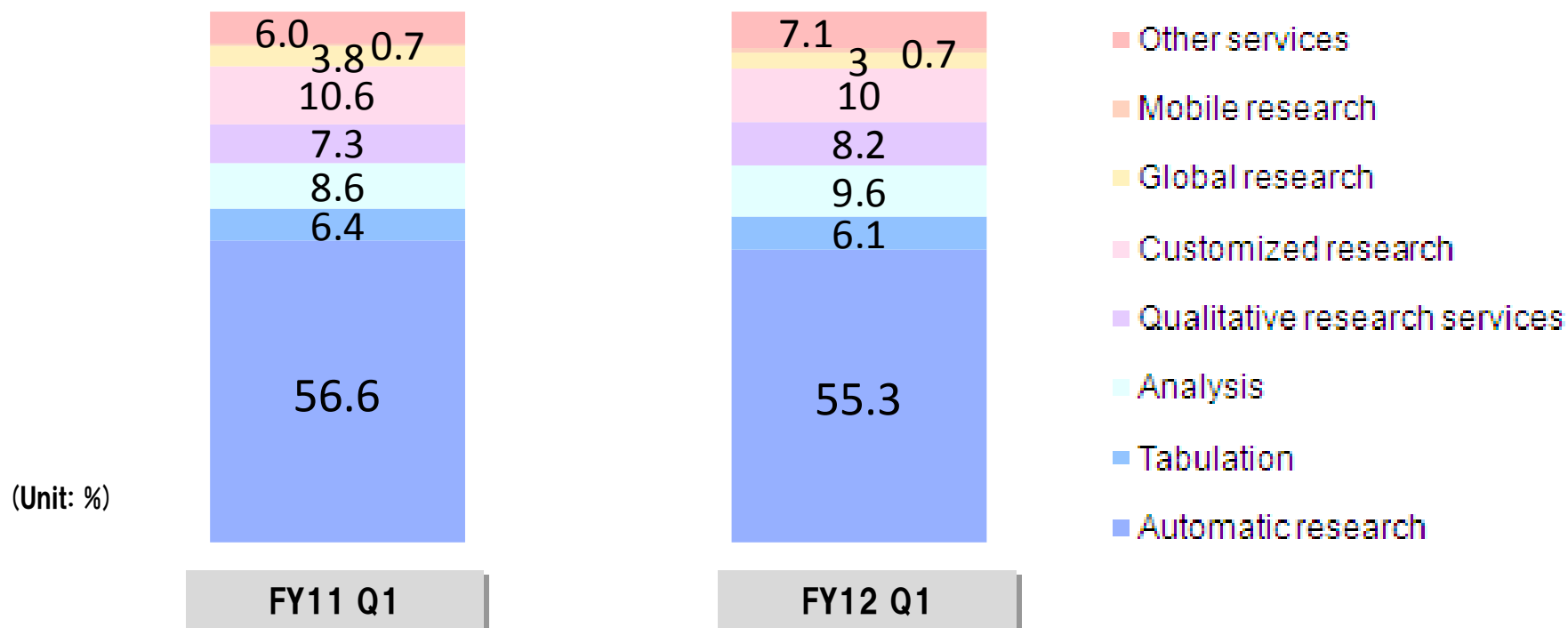
+¥50M

Net Sales by Service (non-consolidated basis)

- ✓ Net sales of almost all services went up, notably with the following services:

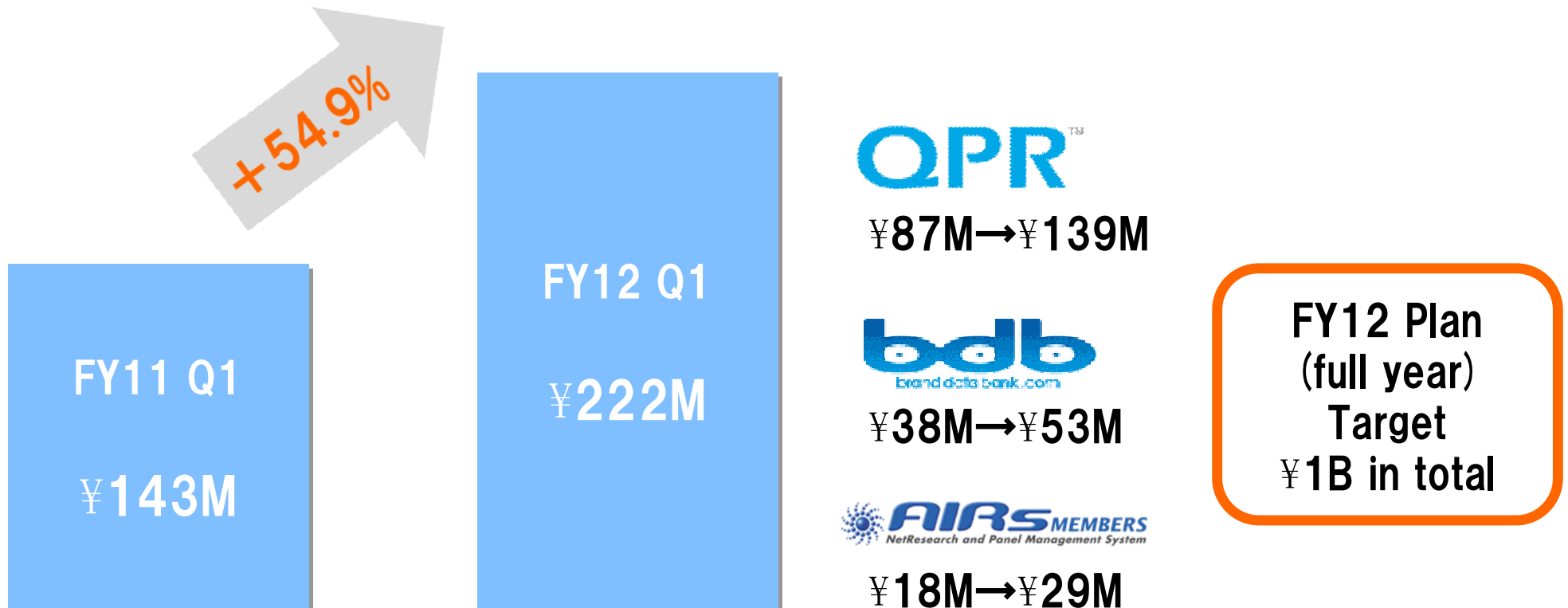
- Analysis Service up 26% YoY
- Qualitative Research Service up 26% YoY
- Other Services up 33% YoY

- ✓ Outsourcing costs continue to be tightly controlled.



Other Services

- ✓ Other services, QPR, bdb, and AIRsMEMBERS, grew 54.9% year-on-year.
- ✓ QPR particularly jumped due to the expansion of QPR panel from 10,000 to 30,000.



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

KPI	Unit	FY10			FY11				FY12
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Average unit price per order (*1)	000 yen	703	729	700	797	822	835	787	813
Average unit price per order (including no. of qualitative rch in the no. of projects) (*1)	000 yen	683	711	685	773	791	800	755	783
Average unit price per order (automatic rch only) (*1)	000 yen	494	524	485	539	522	520	498	525
Number of active clients (*2)	Clients	995	1,270	1,441	904	1,386	1,675	1,895	985
Number of active contacts (*2)	Contacts	2,481	3,477	4,188	2,221	3,870	4,988	6,067	2,485
Number of VIP clients (*3)	Clients	144	155	144	242	240	240	229	254
Number of clients with avg qtrly sales over ¥10M (*4)	Clients	(25)	(29)	(27)	(59)	(58)	(55)	(53)	61

(*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

KPI	Unit	FY10			FY11				FY12
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Number of employees (consolidated) (*)	People	297	297	309	605	553	545	557	566
Number of employees (non-consolidated) (*)	People	288	289	298	596	542	528	542	541

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

✓ Number of Employees by Function

Sales
130

Operation
90

Researcher
130

Others include:

Business Planning,
Administration, Monitor
support etc.

* Executive officers and employees on leave are not included.

* Figures are based on the number of employees as of October 1, 2011.

- ✓ The number of employees on consolidated basis increased primarily due to new hires at Macromill China, Inc.
- ✓ The number of employees plans to be expanded to 600 to accommodate business expansion.

Panel Status

KPI	Unit	FY10			FY11				FY12
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Macromill Panel	Thousand People	887	903	926	940	1,002	985	1,040	1,059

PC Panels

Mobile Panels

Macromill
panel
1,059,000

Former Voice Port
Panel

* As of September 30, 2011

Yahoo!
Research Panel
1,240,000

* As of April, 2011



280,000

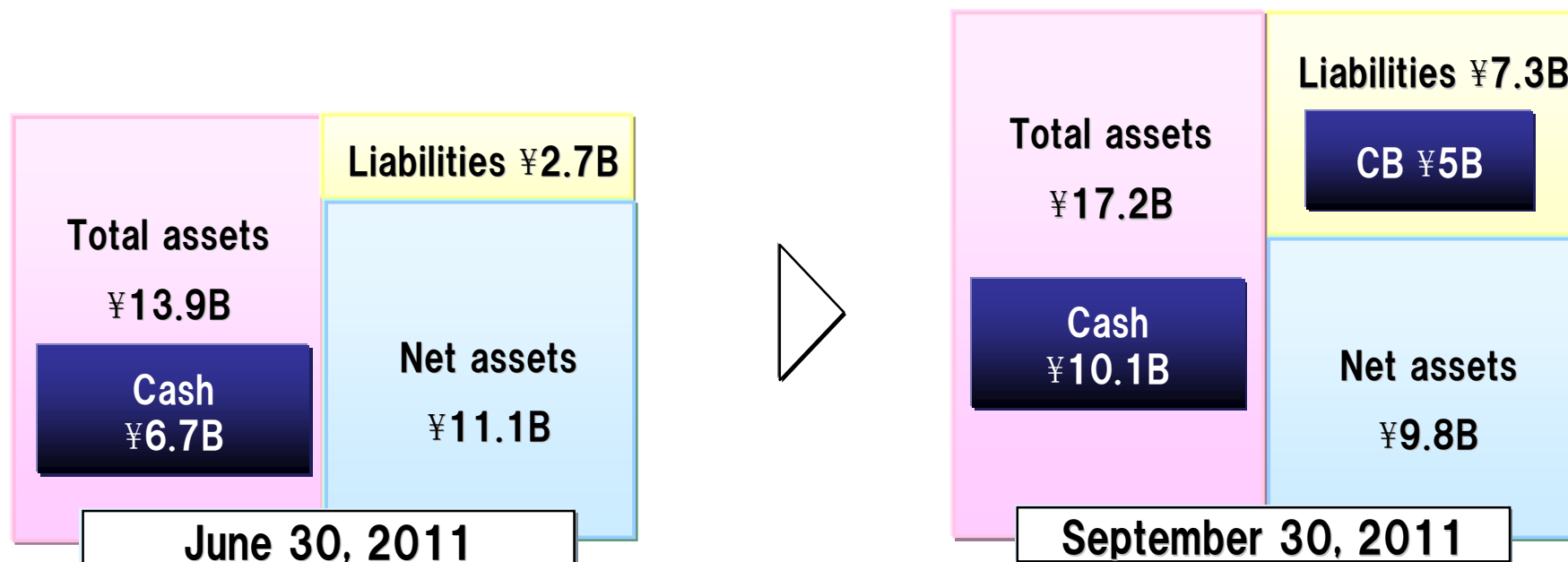


50,000



10,000

Balance Sheet/Capital Policy



✓ Cash and deposits and long-term liabilities increased by ¥5B due to CB issue.

- Planned use of capital
- (i) ¥2.5B 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”
 - (ii) ¥2.5B Share Repurchase to improve capital structure
 - Share repurchase status as of October 30, 2011:
 - Number of shares acquired: 1,624,700 shares (50.8% completion)
 - Amount: 1,415,626,700 yen (56.6% completion)

2012-2014 Medium-term Management Plan

(released on August 3, 2011)

(Unit: million yen)

Management Targets		FY2011	FY2012	FY2013	FY2014	Compared to FY2011
Consolidated net sales		12,210	14,200	15,500	20,000	+64%
Ordinary income		2,522	2,900	3,600	4,700	+88%
Ordinary profit margin		20%	20%	23%	24%	+4pt
		FY2011	FY2012	FY2013	FY2014	Compared to FY2011
Breakdown of net sales (Note)	Domestic marketing research business *1	12,210	14,000	15,100	16,000	31%
	Overseas business *2	-	200	400	1,000	-
	New business *3	-	-	-	-	-
	M&A (domestic, overseas)	-	-	-	3,000	-
References		FY2011	FY2012	FY2013	FY2014	Total investment amount
Investment plan	Systems investment *4	-	500	300	200	1,000
	New business investment	-	300	300	200	800
	M&A and other investment	-	500	1,500	3,000	5,000

*1 Including web research + peripheral business

*2 Except our equity method affiliate Macromill Korea

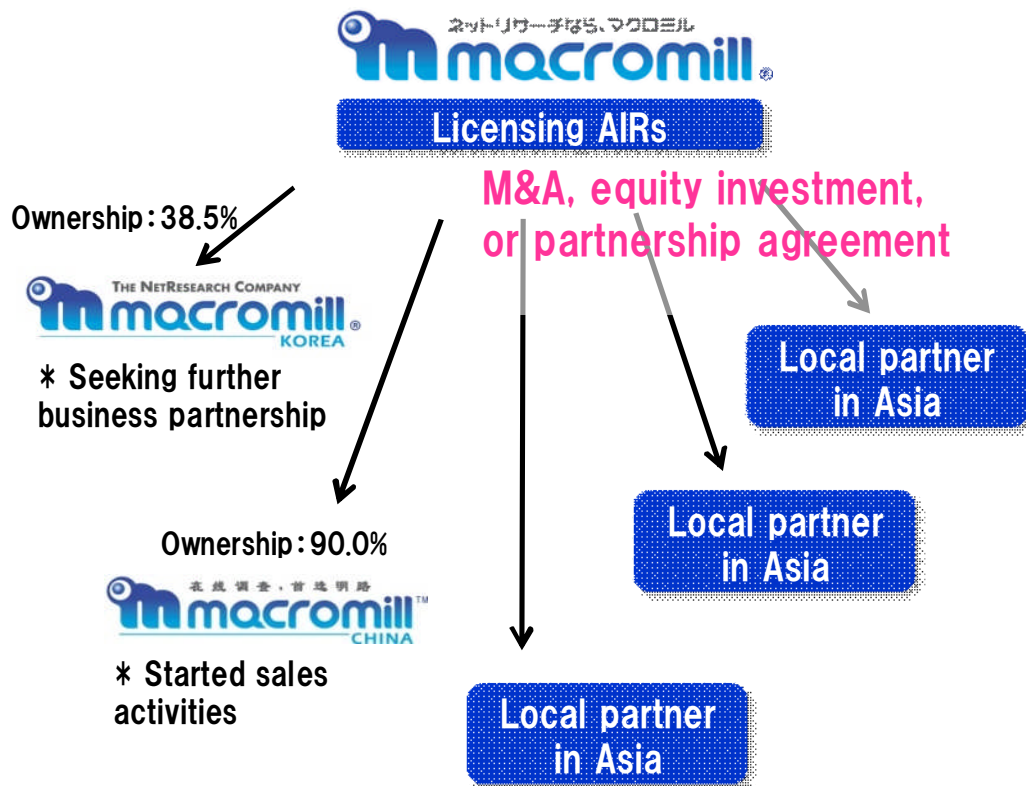
*3 Net sales contributions by new businesses not figured in.

*4 Includes multiple device support and multilingual support for AIRs with a view to overseas expansion

Overseas Business

- ✓ Macromill China has started sales activities in September, 2011

Overseas Expansion



Macromill China Status



Ownership	90%
Domain	Overseas (Marketing research in China)
No. of local employees	17
No. of staff dispatched from Parent	4

- ✓ Primarily targeting Japanese companies, ad agencies, and consulting companies.
- ✓ Actively building in-house as well as outside panels.



13

New businesses in partnership with Dentsu Group

Scheme No.1

**Service
launched**

◆ Facebook Communication Research

- ✓ A new service has been launched in October by partnering up with Dentsu.

Features

- ✓ Provides a quality research tool targeting Facebook users by using AIRs,
- ✓ Supports analysis linking profiles on Facebook with survey responses,
- ✓ Can target people who are hard to reach with regular online research.
e.g. male between 20s and 40s working for Company A or Company B

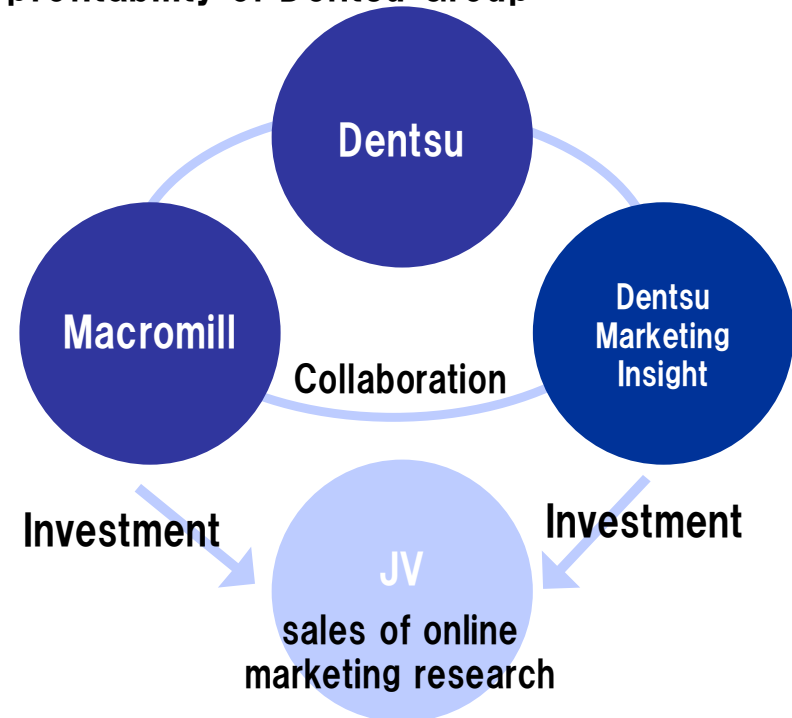
Scheme No.2

In progress

- ◆ Collaboration with Dentsu Group
- ◆ New JV to be established

Aiming for:

- ✓ solidifying Macromill business, and
- ✓ contributing to business expansion and profitability of Dentsu Group

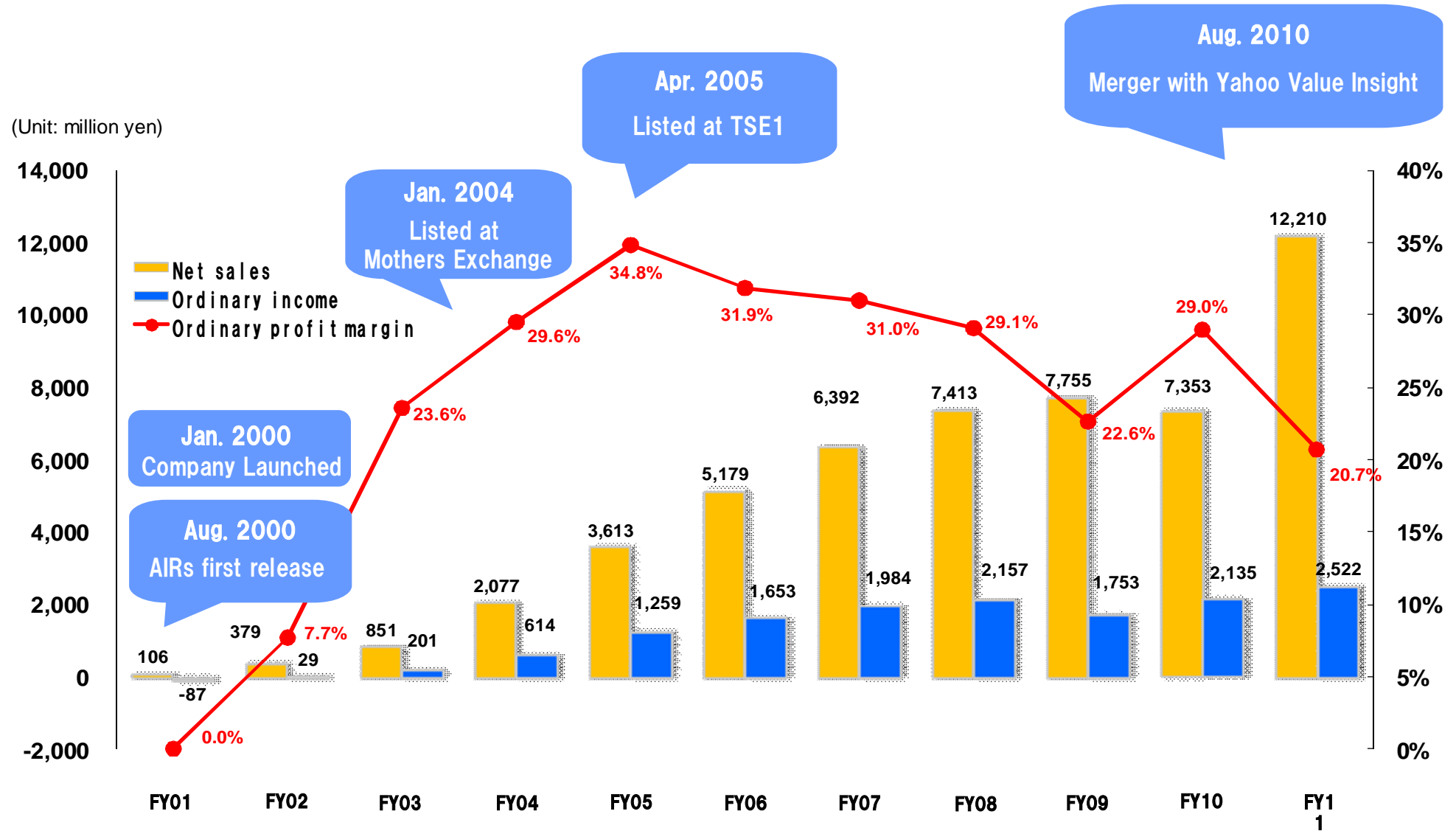


We aspire to become Japan's largest and strongest IT marketing company and one of the world's most unique companies.



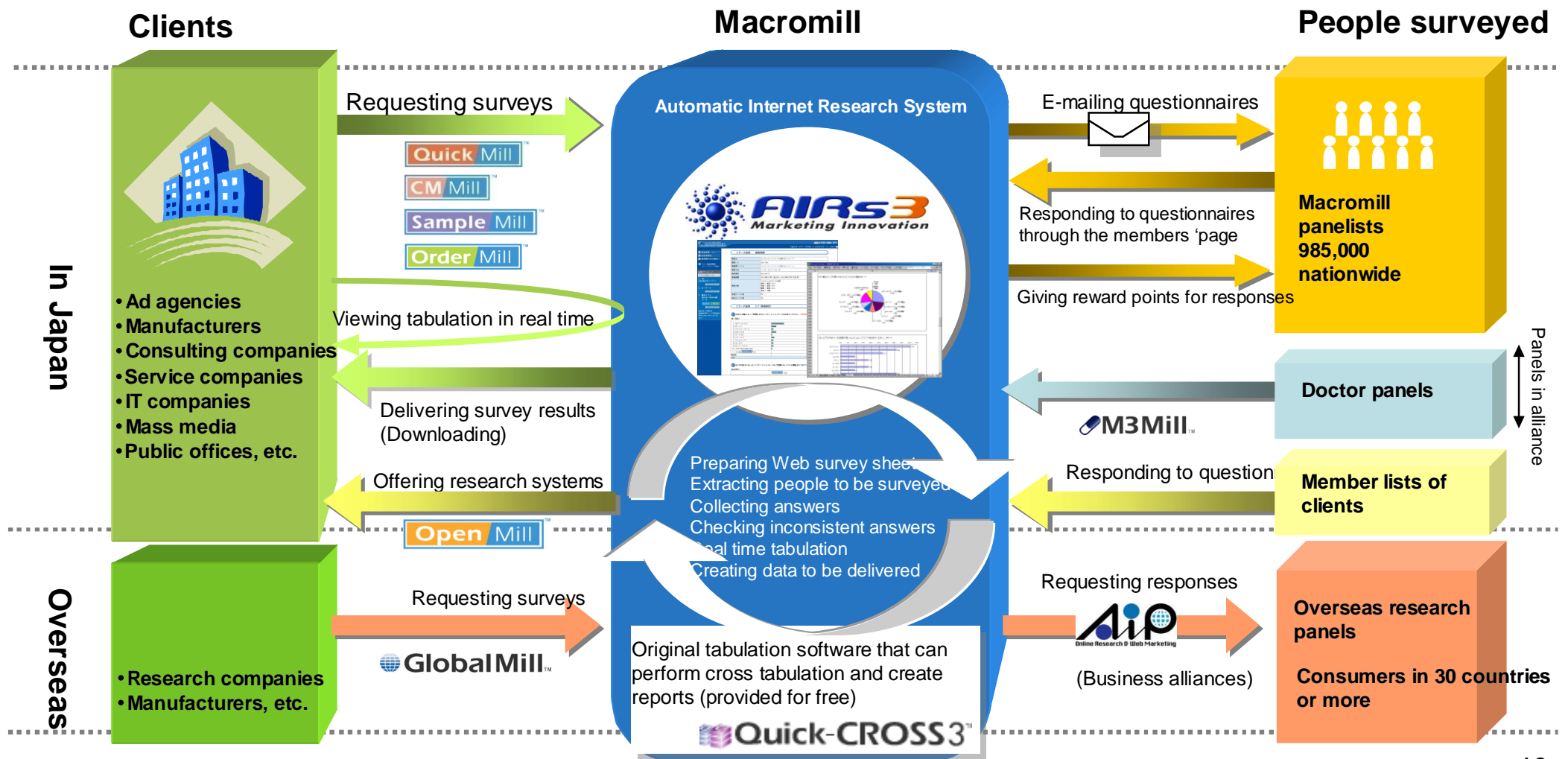
Reference Material

Historical Performance



(Reference) Overview of Operations of Macromill

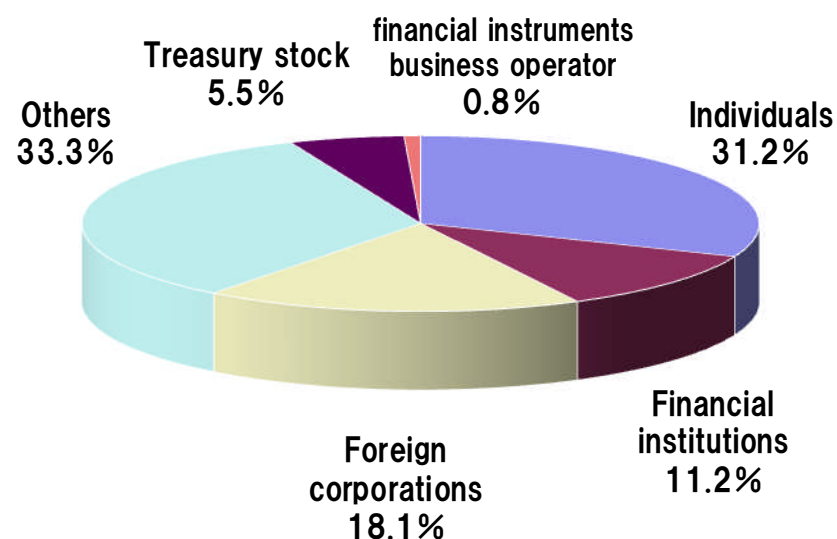
Flow of Online Research Service



Stock Information

As of June 30, 2011

No. of shares authorized	83,712,000 shares
No. of shares issued	32,315,600 shares
No. of shareholders	8,805 people
No. of share unit	100 shares



Shareholder	Number of Shares Held	% of Total Shares in Issue
VIPS Corporation	4,598,400	14.23%
Yahoo Japan Corporation	3,000,000	9.28%
Vanillasky Corporation	2,314,400	7.16%
Japan Trustee Services Bank, Ltd. (Trust Account)	1,783,400	5.52%
Goldman Sachs International	1,773,500	5.49%
Tetsuya Sugimoto	1,000,000	3.09%
Northern Trust Co. (AVFC) Sub Account American Clients	962,000	2.98%
Satoshi Shibata	832,000	2.57%
Yasunori Fukuha	709,600	2.20%
State Street Bank and Trust Company	708,800	2.19%

(Notes)

1. The Company held treasury stock of 1,774,200 Shares as of 30 June 2011, which are not included in the above table
2. The percentages of total Shares in issue in the above table have been calculated based on the number of shares issued.
3. Tetsuya Sugimoto, Representative Director, Chairman and President of the Company, is also the representative director of Vanillasky Corporation.
4. VIPS Corporation is a subsidiary of Yahoo Japan Corporation.

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.

Inquiries regarding information contained in this presentation:

IR Unit, Finance and Accounting Division, Macromill Inc.

Tel: 03-6716-0706 Fax: 03-6716-0701

E-mail: ir@macromill.com