



# Financial Results for the 1<sup>st</sup> Quarter Year ending June 30, 2013 (FY14)

株式会社 マクロミル

証券コード 東証1部 3730

# Financial Results

## Results Overview for the 1<sup>st</sup> Quarter Year ending June 30, 2013 (FY14)

✓ Achieved record quarterly sales and double-digit growth in both sales and income

(million yen)

		1 <sup>st</sup> Quarter ( July 1 - Sept 30)			Full-year forecast ( July 1 - June 30)	
		FY2013/6	FY2012/6	YoY	(% achieved)	
Consolidated	Net Sales	3,978	3,204	124.2%	16,800	23.7%
	Ordinary income	881	661	133.1%	3,900	22.6%
	Ordinary income rate	22.1%	20.7%	+ 1.4pt	23.2%	—
	Extraordinary loss	11	3	296.6%	—	—
	Net income	648	342	189.1%	2,100	30.9%

Consolidated Non-	Net sales	3,607	3,185	113.3%
	Ordinary income	909	790	115.1%
	Ordinary income rate	25.2%	24.8%	+0.4pt

# Topics

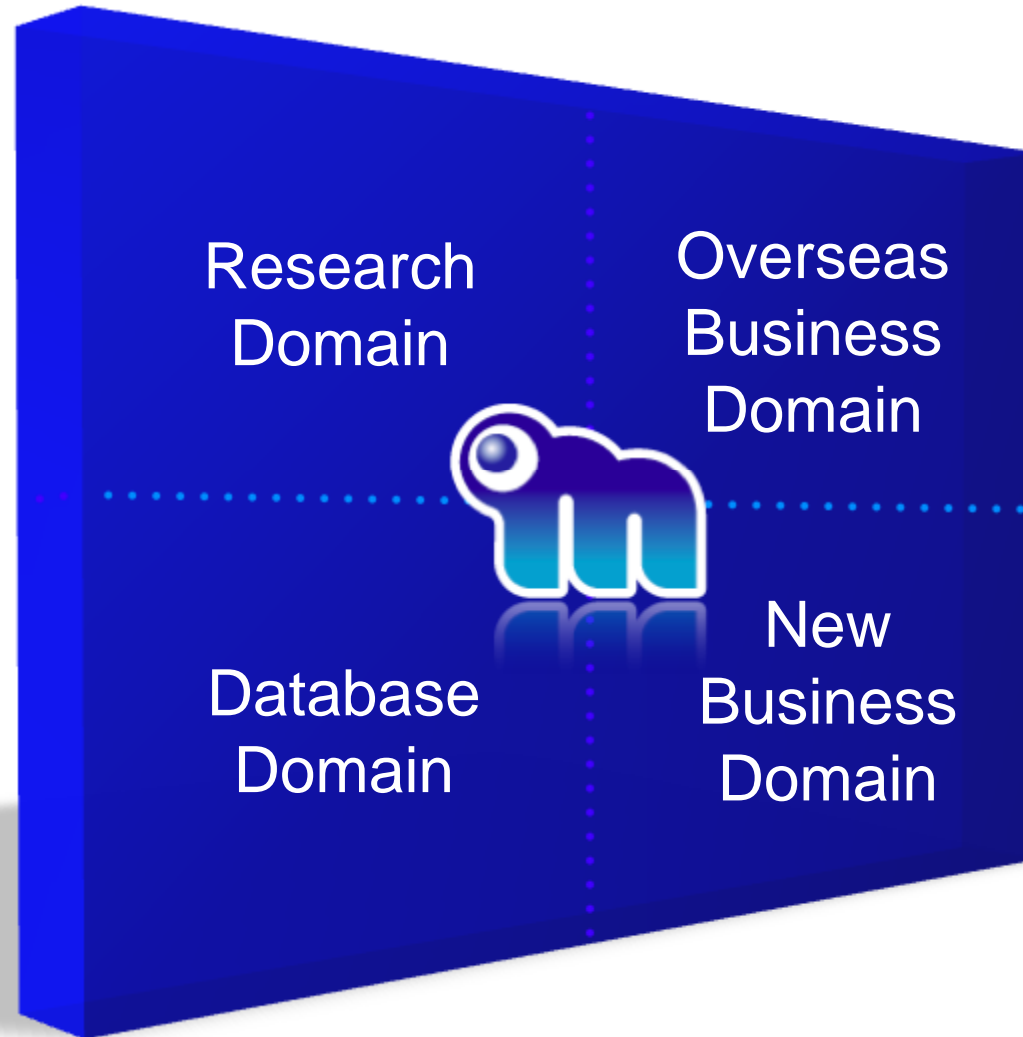
## Domestic business domains

- Maintained double-digit growth in sales and income  
Achieved particularly robust sales growth from food & drink manufacturers by integrating research and database businesses
- Strong growth in the QPR service, which rose 68.8% year on year

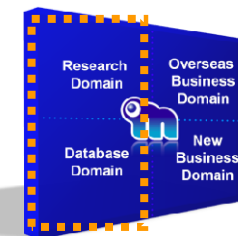
## Overseas business domain

- Macromill EMBRAIN in South Korea achieved quarterly sales of ¥310M  
→ Became profitable in July-Sept for the first time in 3 years
- Launched a research service using product samples in China in an alliance with Shanghai UC

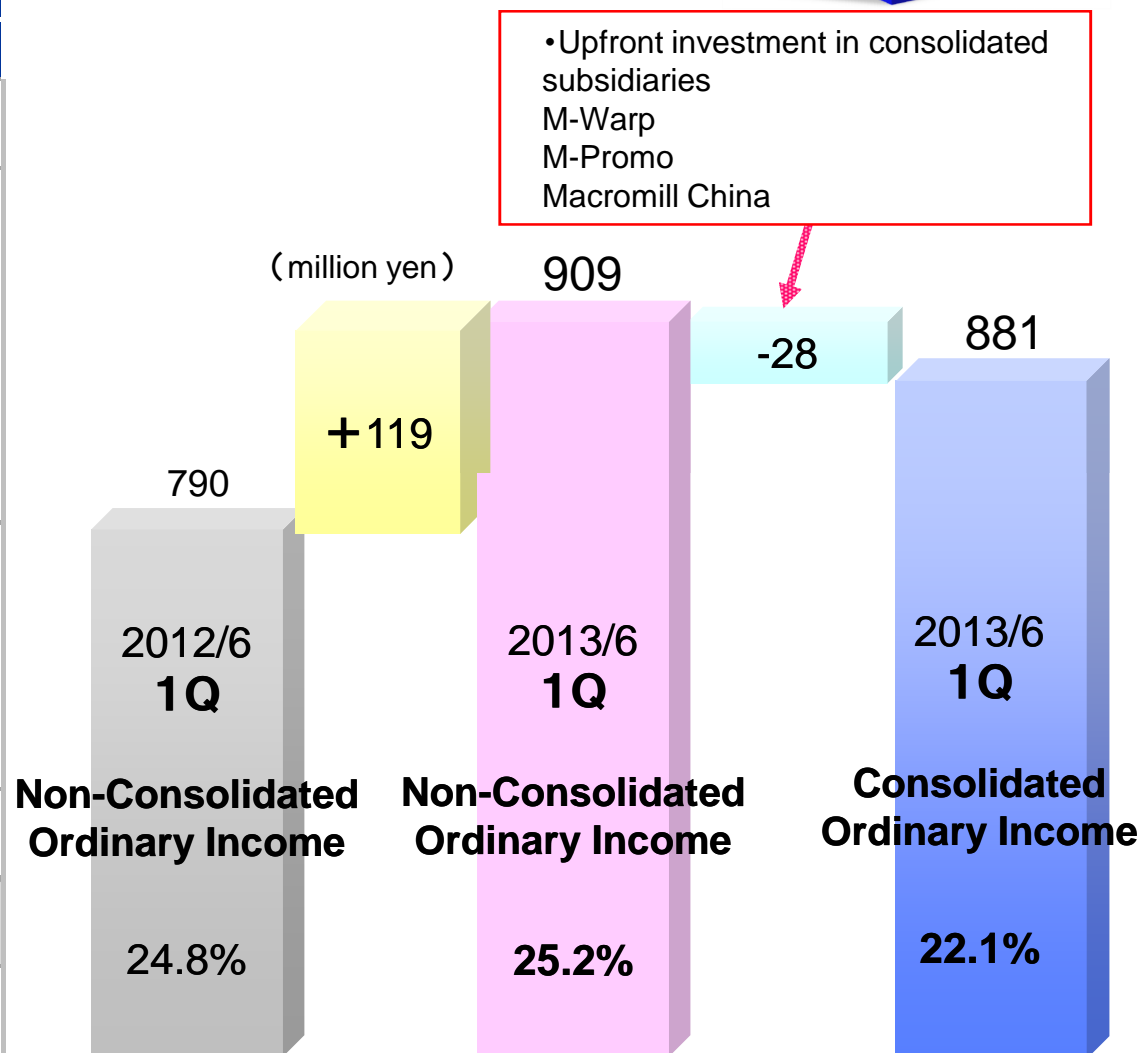
# Macromill Strategy Map



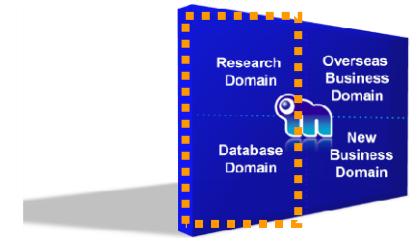
# Change in Income and Cost Structure (1<sup>st</sup> Quarter)



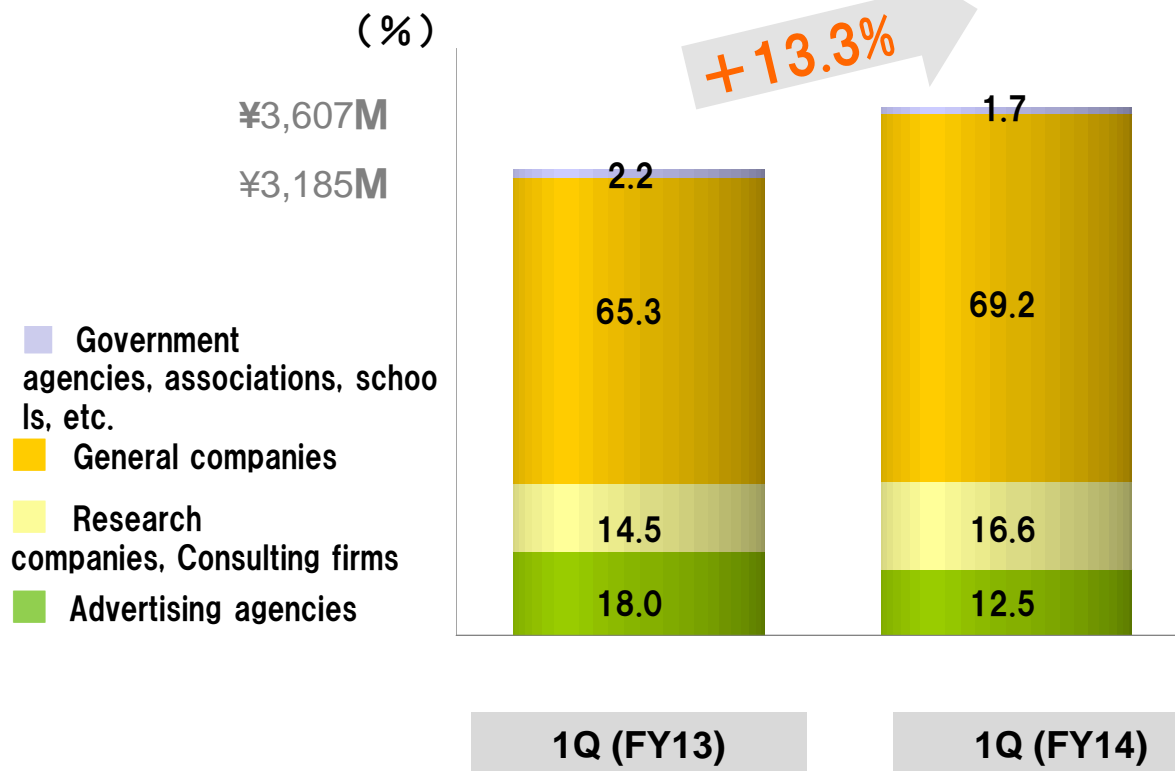
Non-consolidated	1Q (FY14)		1Q (FY13)	
	Amount	%	Amount	%
Net Sales	3,607	100.0	3,185	100.0
Cost of sales	1,838	50.9	1,541	48.4
Personnel	503	13.9	422	13.3
Panelists and outsourcing	1,063	29.5	827	26.0
Other	271	7.5	291	9.2
SG&A	861	23.9	847	26.6
Personnel	493	13.7	525	16.5
Other	367	10.2	322	10.1
Ordinary Income	909	25.2	790	24.8
(Consolidated ordinary income)	881		661	
Net Income	544	15.1	457	14.4



# Breakdown of Sales by Category (non-consolidated)



✓ Strong growth in orders from food & drink manufacturers driven by synergies in the QPR service and online research



## Industries in which sales increased (1Q YoY change of sales)

### 1. Food & drink

+32.6%

+¥150M

### 2. Research companies/ consulting firms

+29.4%

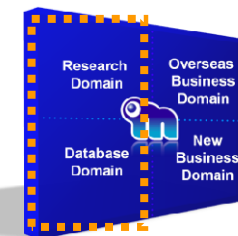
+¥130M

### 3. IT/ telecommunications

+29.9%

+¥90M

# Breakdown of Changes by Service (non-consolidated)



✓ Increased sales in almost all services, especially in the following:

- QPR Service +68.8% year on year
- Global Research +51.6% year on year
- Qualitative Research +33.2% year on year

(million yen)

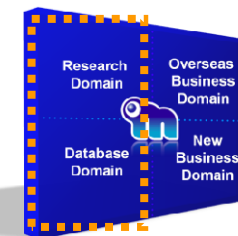
Service	1Q (FY14)	%	1Q (FY13)	%	YoY
Automatic research	1,874	52.0	1,761	55.3	106.2%
Tabulation	224	6.2	195	6.1	114.7%
Analysis	351	9.8	306	9.6	114.9%
Qualitative research services	347	9.6	260	8.2	133.2%
Customized research	329	9.1	316	9.9	104.7%
Global research	143	4.0	94	3.0	151.6%
QPR	235	6.5	139	4.4	168.8%
Other services	101	2.8	110	3.5	94.0%
<b>Total</b>	<b>3,607</b>	<b>100.0</b>	<b>3,185</b>	<b>100.0</b>	<b>113.3%</b>

\*Changed the disclosure classification since the quarter under review. The quarterly year-on-year comparison has been adjusted to the new classification.

\*Other Services include the mobile research service.



# Status of the QPR Service



✓ The number of client companies increased solidly, resulting in sales growth of 68.8% year on year.

✓ Improved sales efficiency through organizational integration with the research domain

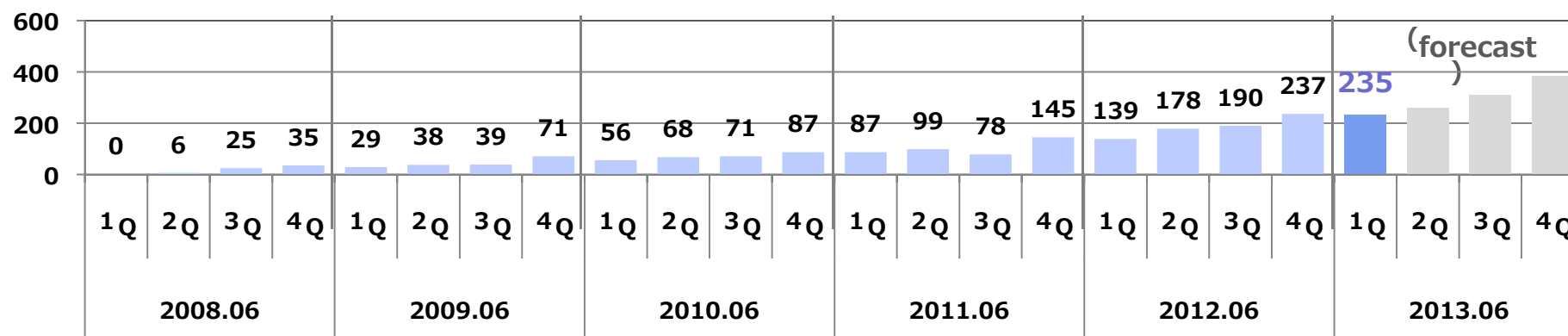
## → Change in annual sales

(million yen)

FY2008/6	FY2009/6	FY2010/6	FY2011/6	FY2012/6	FY2013/6 (forecast)
67	179	283	410	746	1,150

## → Change in quarterly sales

(million yen)



# Overseas Business Domain

## South Korea (Macromill EMBRAIN)

✓ Achieved sales of ¥310M (up 41% YoY) by engaging in organizational management and strengthening the sales force

→ Became profitable in July-Sept for the first time in 3 years

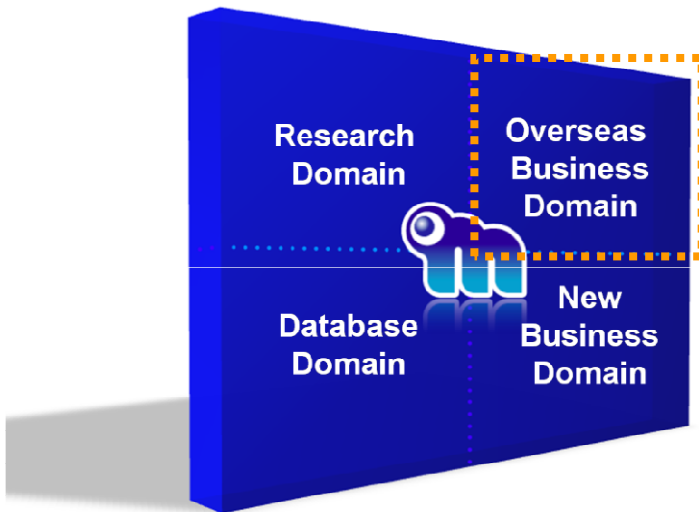
## China (Macromill China, Shanghai UC)

✓ Macromill China achieved sales of ¥44M (up 1,337% YoY) driven by increased orders from Japanese corporations

✓ Increased enquiries for the Sampling service in China offered in alliance with Shanghai UC

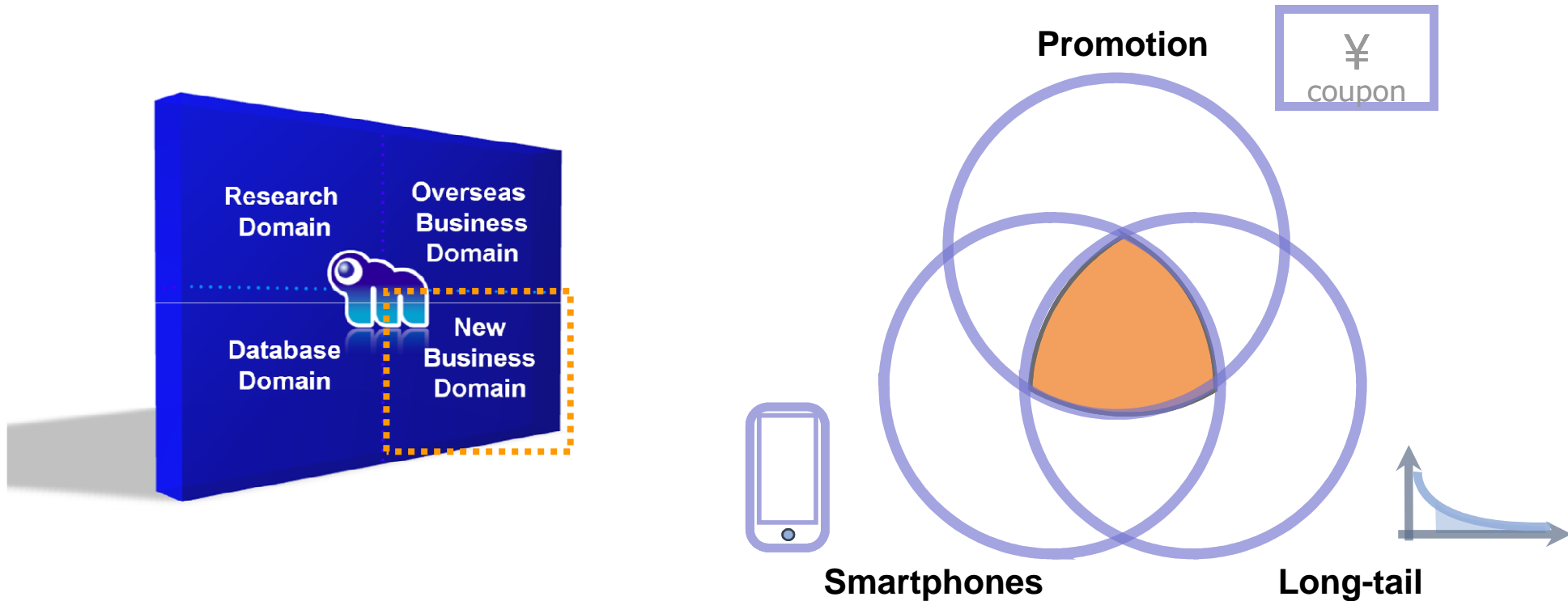
## Europe & USA

✓ Actively seeking M&A opportunities



# New Business Domain

Readily accessible Promotion Service for broader users utilizing smartphones



**Developing service to release in the next spring**

# 2012-2014 Performance Targets

(million yen)

	FY2012/6 (achieved)	FY2013/6 (forecast) ※after upward adjustment	FY2014/6 (forecast)
<b>Net sales (Consolidated)</b>	<b>14,229</b>	<b>16,800</b>	<b>20,000</b>
<b>Ordinary income</b>	<b>2,975</b>	<b>3,900</b>	<b>4,700</b>
<b>Ordinary income rate</b>	<b>20%</b>	<b>23%</b>	<b>24%</b>

# New Mission Statement

**Macromill's mission is**

**to become the leading innovation company in our society  
by providing quality marketing services on the cutting edge  
and to grow without compromising our beliefs.**

**The three policies below are our guideline for decision making and  
judgments:**

**Offer services that truly satisfy and impress our customers.**

**Create a field where our employees can challenge the extent of their  
capabilities.**

**Pursue profit for sustainable growth.**

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



# Financial Results Details

## Unit price, Number of Active Client Companies (servers) & VIP Clients

Indicator	Unit	FY2011/6			FY2012/6				FY2013/6
		2Q	3Q	4Q (Full-year)	1Q	2Q	3Q	4Q (Full-year)	1Q
Quarterly average unit price per order (*1)	¥ ten thousand	79.1	80.0	75.5	78.3	79.7	83.7	77.2	77.9
Quarterly average unit price per order (automatic research only) (*1)	¥ ten thousand	52.2	52.0	49.8	52.5	52.0	54.9	49.7	50.8
Quarterly average unit price per order (for reference) (*1)	¥ ten thousand	82.2	83.5	78.7	81.3	83.3	87.5	80.7	81.7
Number of active client companies (annual) (*2)	Companies	1,386	1,675	1,895	985	1,371	1,711	1,924	996
Number of active servers (annual) (*2)	Servers	3,870	4,988	6,067	2,485	3,988	5,382	6,327	2,672
Number of VIP clients (*3)	Companies	240	240	229	254	256	251	249	281
Number of VIP clients with average quarterly sales of ¥10m or more (*4)	Companies	(58)	(55)	(53)	(61)	(63)	(67)	(64)	(67)

\*1 The services of the former YVI were not included in the calculation of the average unit price for the year ended June 30, 2011. Orders for qualitative research were not included in the calculation of the quarterly average unit price per order (for reference). To calculate realistic unit prices, going forward, overall unit prices will be calculated using a method that counts qualitative research as one order, as shown in the top row above.

\*2 Year-to-date total for each fiscal year; number of companies/servers that posted sales at least once between the beginning of the fiscal year and the end of the quarter.

\*3 Year-to-date total for each fiscal year; priority clients with annual sales of ¥10 million or more are defined as VIP clients.

\*4 Year-to-date total for each fiscal year



# Status of Personnel

Indicator	Unit	FY2011/6			FY2012/6			FY2013/6	
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Number of employees (consolidated)*	people	553	545	557	566	594	735	768	788
Number of employees (non-consolidated)*	people	542	528	542	541	550	560	582	567

\*Number of employees includes contract employees and those on leave.

\*35 new graduates will join the company in April 2013

## ✓ Breakdown of personnel by job type

**Sales**  
151  
(including 20 assistants)

**Operations**  
113

**Researchers**  
134

Others include those in business planning, business administration, panelists support and regular staff, etc.

\*Executive officers and those at higher levels, employees on leave are not included.

\*As of October 1, 2012

## ✓ Number of employees at consolidated subsidiaries 186→221

M-Cube: 6→12

M-Warp: 20→17

Macromill China: 20→21

Macromill EMBRAIN: 139→164

M-Promo: 1→7

# Status of Panelists

Indicator	Unit	FY2011/6			FY2012/6				FY2013/6
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Macromill Panelists	Ten thousand people	100.2	98.5	104.0	105.9	107.1	108.6	109.5	110.7

\*As of October 2012

## PC Panelists

### Macromill Panelists

1.1M people

(including smartphone panelists)

### Yahoo! Research Panelists

1.46M people  
(approximately)

## Mobile Panelists

パソコン+ケータイ併用モニタ



モバイル協力モニタ

330k people  
(approximately)

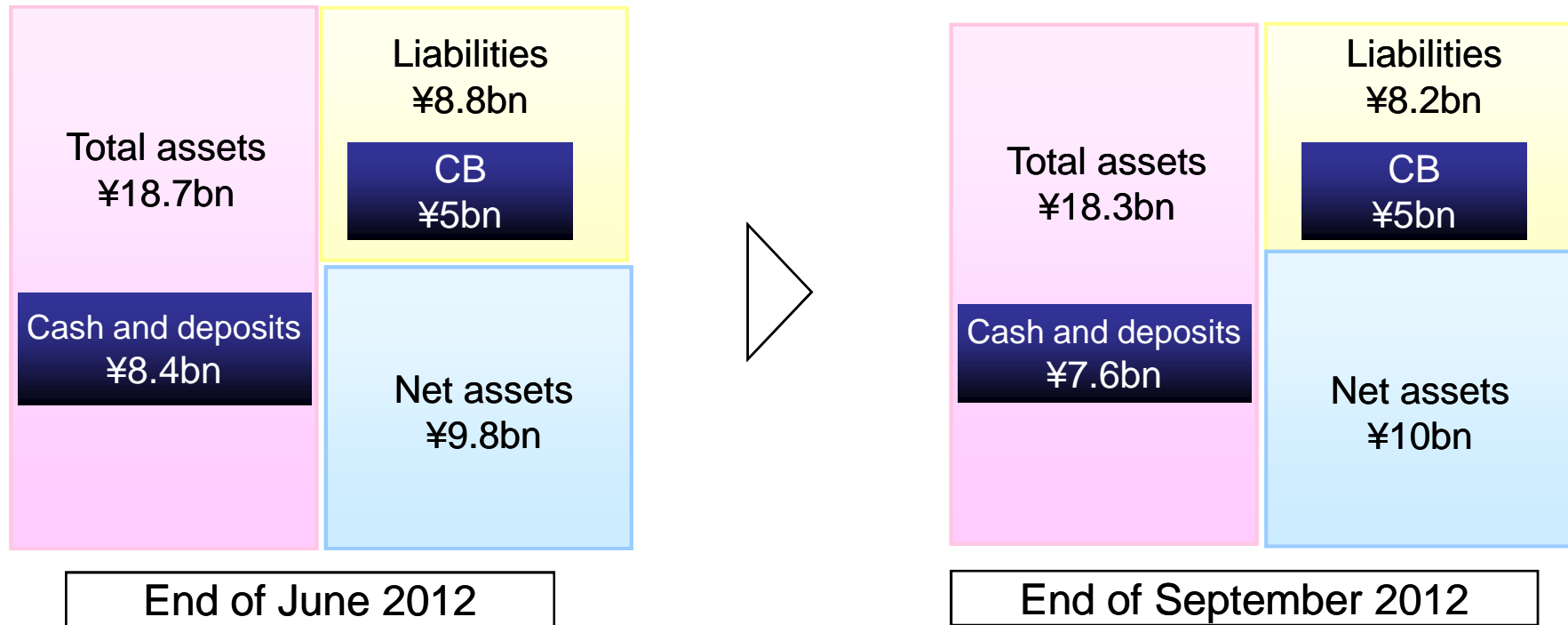
Mobile here refers to feature phones only

ケータイ専用モニタ



To be terminated  
(End November 2012)

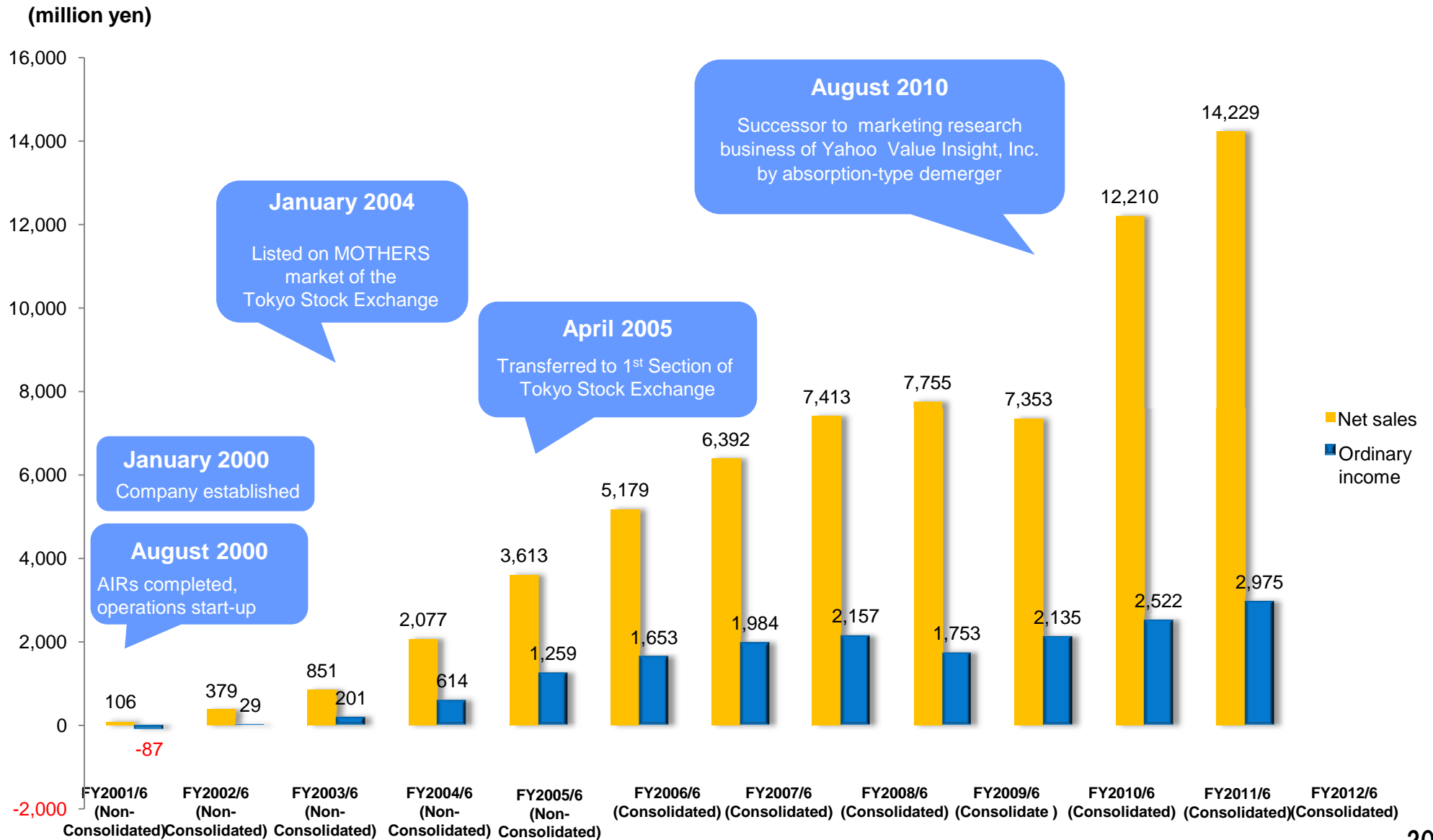
# Changes in Balance Sheets (Consolidated) / Capital policy



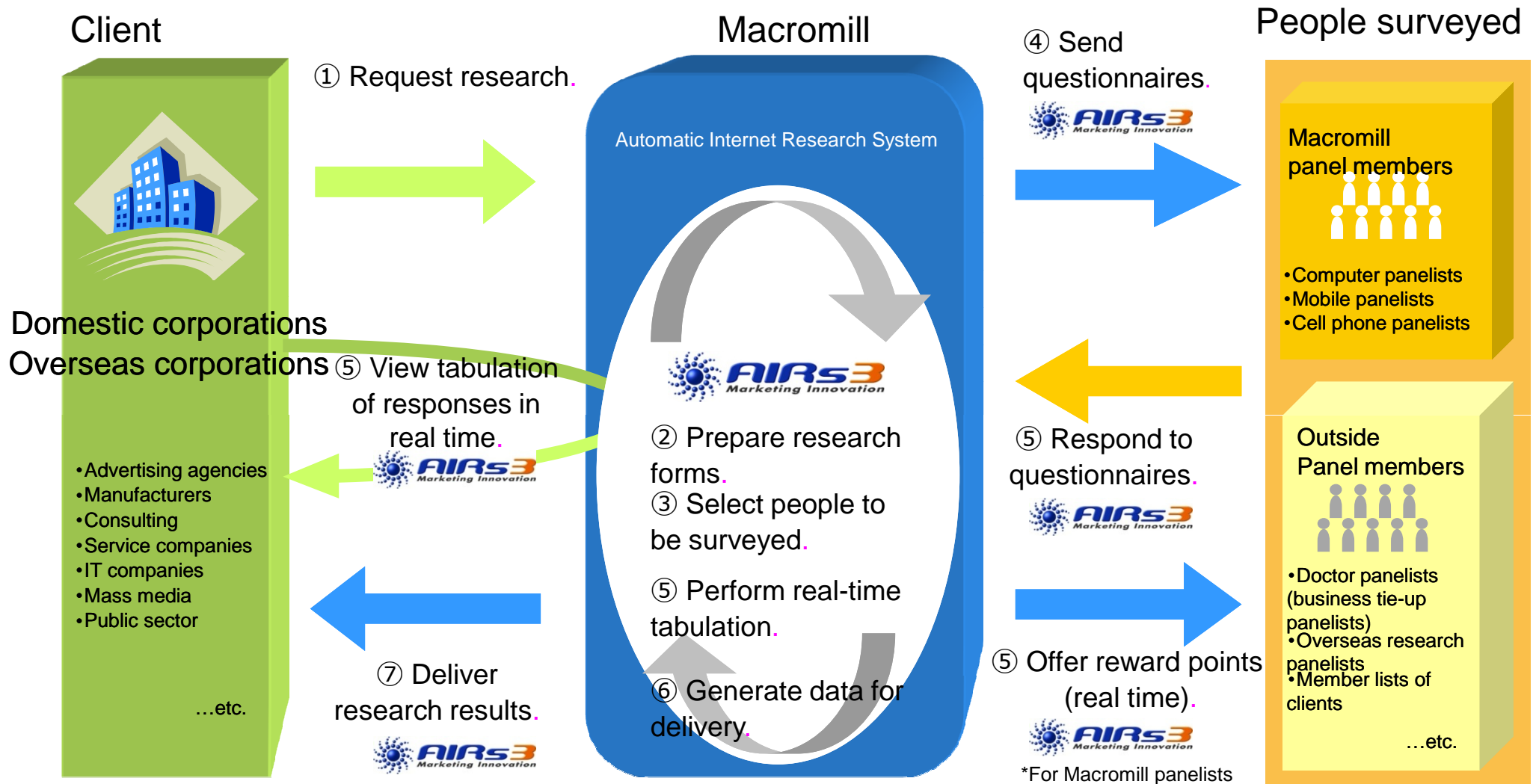
Considering investments including M&A for new business and overseas business expansion  
→To actively promote business expansion to establish a new pillar of business  
using cash generated in existing business domains

# Reference

# Company History & Business Results



# Service Flow of the Online Research



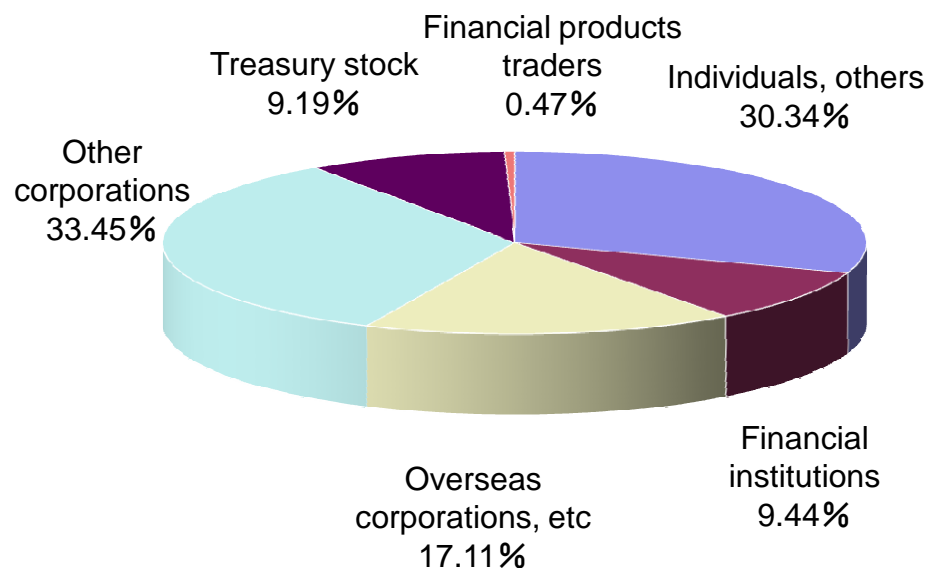
\*This is a representative example of the service flow of the online research using AIRs. Depending on the subject of the research, AIRs may not be used or the flow may change.

\* If a research plan is required, this happens before step ① in the flow chart. If an analysis of research results is required, this happens after step ⑦ in the flow chart.

# Share Information

As of June 30, 2012

Total number of authorized shares	83,712,000
Total number of issued shares	30,868,400
Number of shareholders	9,467
Round lot	100



Major shareholders	Number of shares held	Ownership (%)
Yahoo Japan Corporation	7,071,100	22.91
Vanillasky Corporation	2,402,000	7.78
Goldman Sachs International	2,369,426	7.68
Japan Trustee Services Bank, Ltd. (Trust account)	1,079,800	3.50
Tetsuya Sugimoto	912,400	2.96
Goldman Sachs & Co. Regular Account	738,100	2.39
Satoshi Shibata	732,000	2.37
Yasunori Fukuha	709,600	2.30
INTEC Inc.	514,400	1.67
The Master Trust Bank of Japan, Ltd. (Trust account)	507,300	1.64

Note 1. The Company's total treasury stock ownership of 2,835,700 is not included in the list of major shareholders above.

Note 2. The ownership ratio is calculated based on the number of shares issued.

Note 3. Vanillasky Corporation listed above is represented by director Tetsuya Sugimoto.

# (Reference) Status of Capital/Business Alliances, Group Companies

(million yen)



## Consolidated subsidiaries

### Domestic



⇒Construction of QPR panels  
Collection of consumer purchase data  
Shareholders:  
HAKUHODO DY HOLDINGS  
INCORPORATED, etc.



⇒Marketing solutions business, mainly in  
the smartphone area  
Next-generation marketing platform  
business (app development, etc.)



⇒Marketing support business using the Internet  
Accepted transfer of business from regain, Inc.

### Overseas



⇒Integration of EMBRAIN and  
Macromill Korea (August 2012)



⇒Research business in China  
Sales launched in  
September 2011

## Equity-method affiliates

Dentsu Macromill

⇒40.0% stake

## Capital/business alliances



⇒10.66% stake (ratio of voting rights)

Shanghai United-Cities Industry Co., Ltd.

⇒6.9% stake

## Business alliances



dentsu



Dentsu marketing insight



# 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 Group, Corporate Strategy Unit, Macromill Inc.  
Tel: 03-6716-0706 Fax: 03-6716-0701  
E-mail: [ir@macromill.com](mailto:ir@macromill.com)