Member of the Financial Accounting Standards Foundation

Summary of Financial Statements for the First Nine Months of the Year Ending June 30, 2011

May 12, 2011

Listed Company:	MACROMILL, INC.
Stock Exchange:	Tokyo Stock Exchange
Code Number:	3730
URL:	http://www.macromill.com/
Representative:	Tetsuya Sugimoto, Chairman and President
Contact:	Yasuhiro Kihara, Senior Executive Officer and Chief Financial Officer
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Filing of Quarterly Report:	May 13, 2011
Planned date of interim dividend payments:	—
Supplemental materials for quarterly financial results:	Yes
Earnings announcement for quarterly financial results:	No

(Figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Nine Months of the Year Ending June 30, 2011 (July 1, 2010 to March 31, 2011)

(1) Consolidated Results of Operations for the First Nine Months

(The percentages are year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First nine months of year ending June 2011	9,236	63.8	2,096	29.1	2,155	32.9	1,066	4.0
First nine months of year ended June 2010	5,639	(6.5)	1,624	12.4	1,621	12.2	1,025	34.8

	Net income per share	Diluted net income per share
	Yen	Yen
First nine months of year ending June 2011	35.09	34.77
First nine months of year ended June 2010	8,299.93	8,260.26

(Note) The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011. Net income per share in the previous fiscal year was calculated based on the number of shares before the stock split.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First nine months of year ending June 2011	13,241	10,961	81.4	353.04
First nine months of year ended June 2010	9,313	7,734	82.8	57,740.64

(Reference) Shareholders' equity First nine months of year ending June 2011 10,774 million yen

First nine months of year ended June 2010 7,711 million yen

(Note) The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011. Net income per share in the previous fiscal year was calculated based on the number of shares before the stock split.

2. Dividends

Record date	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2010	–	1,500.00	–	1,800.00	3,300.00
Year ending June 30, 2011	–	2,000.00			
Year ending June 30, 2011 (forecast)			–	9.00	2,009.00

(Note) Revision to the forecast of dividends during this quarter: No

(Note) 1. Dividends for the first nine months will be paid for shares before the stock split. The dividend per share will include a commemorative dividend of 500 yen.

2. The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011, and the year-end dividend is calculated based on the number of shares after the stock split.

3. Forecast of Consolidated Financial Results for the Year Ending June 2011 (July 1, 2010 to June 30, 2011)

(The percentages are year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	12,300	67.3	2,500	17.4	2,500	17.1	1,200	(5.2)	(Note) 39.45

(Note) Revisions to the forecast of consolidated results during this quarter: Yes

(Note) The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011, and the net income per share is calculated based on the number of shares after the stock split. The net income per share, if calculated on pre-stock-split basis, would be 7,890.01 yen per share.

4. Other (For details, please refer to “Other Information” on page 5 of the accompanying materials.)

(1) Important changes in subsidiaries during this quarter (changes in specific subsidiaries accompanied by a change in the scope of consolidation): Yes

New: 1 (M-CUBE AND ASSOCIATES, INC.)

Exception: –

(Note) Any changes in specific subsidiaries accompanied by a change in the scope of consolidation during the quarter under review

(2) Application of simplified accounting method and accounting methods unique to the preparation of quarterly consolidated financial statements No

(Note) Adoption of simplified accounting methods or accounting methods unique to the preparation of quarterly consolidated financial statements

(3) Changes in accounting principles and procedures and the representation method relating to the preparation of quarterly consolidated financial statements (included in Changes in Important Items, Etc. That Are Used as Basic Materials for Preparation of Quarterly Consolidated Financial Statements)

(i) Changes due to amendment of accounting standards, etc.: Yes

(ii) Changes other than (i): Yes

(Note) Any changes in accounting principles, procedures, or representation method of the accounting methods for the preparation of quarterly consolidated financial statements included in “Changes in Important Items, Etc. That Are Used as Basic Materials for Preparation of Quarterly Consolidated Financial Statements”

(4) Number of shares outstanding (common stock)

(i) Number of shares outstanding (including treasury stock) at the end of the term:	First nine months ended March 31, 2011	32,315,600 shares	Year ended June 2010	138,586 shares
(ii) Number of shares of treasury stock at the end of the term:	First nine months ended March 31, 2011	1,795,200 shares	Year ended June 2010	5,026 shares
(iii) Average number of shares outstanding in the term (first nine months)	First nine months ended March 31, 2011	30,382,200 shares	First nine months ended March 31, 2010	123,560 shares

Status of a quarterly review

This summary of financial statements for the first nine months is beyond the scope of the quarterly review procedure under the Financial Instruments and Exchange Act. The quarterly review procedure for the quarterly financial statements is underway when the summary is announced.

Note regarding proper use of results forecasts and other special comments

(Note regarding forward-looking statements)

The forward-looking statements, such as results forecasts, included in this document are based on information available to the Company as of the date of the document and certain assumptions that the Company considers reasonable. Actual results may differ significantly due to a range of factors.

The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011.

Accompanying Materials — Contents

1. Qualitative Information on Consolidated Operating Results, etc. for the First Nine Months

(1) Qualitative information on consolidated financial results

In the first nine months of the consolidated fiscal year ending June 30, 2011 (from July 1, 2010 to March 31, 2011), the Japanese economy experienced uncertainty because of economic slowdowns in the United States and Europe and a strong yen, although corporate earnings recovered moderately. However, the March 11 earthquake that struck the Tohoku region wrought havoc across a wide area, and is having a tremendous economic impact.

The Company is able to report that it sustained no casualties or property damage in the earthquake. However, companies shelved advertising activities and postponed product launches, and as a result, certain services that were planned to be delivered in the third quarter were postponed or cancelled.

As net sales declined, the fixed cost burden could not be offset, and operating income fell far short of the forecast. Net sales in the third quarter (from January 1, 2011 to March 31, 2011) rose year on year, while operating income slipped from a year ago.

In the first nine months, however, results rose sharply year on year, with both net sales and operating income increasing. The main factors of the increase were strong demand from companies for research services and an improvement in earning strength, which was achieved earlier than expected with the completion of the integration with Yahoo Japan Value Insight Corporation (hereinafter "YVI") in all aspects, including organizations and systems, at the end of December.

In the first nine months, Macromill recorded net sales of 9,236 million yen (an increase of 63.8% year on year), operating income of 2,096 million yen (a rise of 29.1%), ordinary income of 2,155 million yen (up 32.9%), and net income of 1,066 million yen (up 4.0%).

Although business confidence is uncertain in the wake of the earthquake, the Company will continue to focus on expanding the domestic online research business. As announced in the press release on April 18, the Company launched POPCORN, an application for smartphones, through the consolidated subsidiary M-WARP, INC. and entered the SNS field. The Company will consolidate the domestic online research business and at the same time will seek to expand new business domains and to develop online research overseas.

Net sales by service segment are as follows:

(i) Automatic Research Service

The automatic research service is the market research service using the Automatic Internet Research system (hereinafter "AIRs") uniquely developed by the Company. This is the core service of the Macromill Group. In the first nine months under review, net sales in this service segment continued to rise, but the segment was most affected by postponements and cancellations of services due to the earthquake, because the period from the commencement of research to delivery is very short. As a consequence, net sales increased 29.8% year on year, to 4,419 million yen. Adding net sales of 779 million yen for YVI (Note), total net sales in this service segment came to 5,198 million yen (up 52.7% year on year).

(Note) Macromill provided the services of the former YVI and the pre-existing services of Macromill separately until the first half of this fiscal year under review, and sales of both categories are stated separately. Services that were launched from the third quarter were integrated into the pre-existing services of Macromill.

(ii) Tallying Service

In the tallying service, specialist staff tally data after collecting research data and prepare them as spreadsheets and graphs tailored to research objectives. As transactions with general companies increase, needs for an integrated service covering physical inspection, tallying, and analysis are increasing. The operation structure has been enhanced in association with the management integration. As a result, despite the adverse effect of a decrease in orders for automatic research in the wake of the earthquake, net sales rose 43.5% year on year, to 510 million yen. Including net sales of 42 million yen for YVI, total net sales in this service segment rose to 553 million yen (up 55.5% year on year).

(iii) Analysis Service

The analysis service prepares reports after designing survey sheets and collecting research data. To provide analytical reports in accordance with the marketing issues and research objectives of customers, Macromill has been working to improve our capabilities to propose projects and analyze data. With an increase in transactions with general companies that have strong needs for analytical services, orders were favorable. Meanwhile, demand from advertising agencies, whose needs for analytical services had been weak, rose. In addition, the workforce was significantly strengthened after the management integration, and as a result, orders from a wide range of industries were strong. Net sales increased 86.3% from a year ago, to 799 million yen. Together with net sales of 81 million yen for YVI, total net sales in this service segment rose to 881 million yen (up 105.3% year on year).

(iv) Qualitative Research Service (Group Interview, etc.)

The qualitative research service emphasizes quality, to probe deeply into the psychology of subjects by interviewing them at a roundtable talk or face-to-face. Demand for qualitative research is increasing as general companies in particular wish to identify the more diversified interests and preferences of individuals. With Macromill taking steps to strengthen its operational system and internal facilities to meet customer needs, net sales rose 113.0% year on year, to 653 million yen. Adding net sales of 76 million yen for YVI, total net sales in this service came to 729 million yen (up 137.8% year on year).

(v) Customized Research Service

The customized research service prepares and conducts tailor-made survey sheets and research data collection for more individualized research projects beyond the scope manageable by the AIRs. Although the expansion of the scope manageable by the automatic research service with the enhanced function of the AIRs reduced sales in the customized research service, requests for large surveys, which had stalled in the previous fiscal year, recovered. As a result, net sales increased 54.2% from the first nine months of the previous fiscal year, to 693 million yen. Including net sales of 249 million yen for YVI, this service segment recorded total net sales of 942 million yen (up 109.6% year on year).

(vi) Global Research Service

The global research service provides an overseas research service to domestic companies and a market research service to overseas companies. In the first nine months under review, demand for overseas research from global companies continued to recover, and demand from advertising agencies, orders from which had been weak, increased. Meanwhile, the Company has bolstered its system for receiving orders for global research. Consequently, net sales on a consolidated basis rose 29.6% year on year, to 331 million yen. Adding net sales of 14 million yen from YVI, total net sales in this service segment came to 346 million yen (an increase of 35.3% year on year).

(vii) Mobile Research Service

The mobile research provides a service to collect data using mobile phones. This service is used in research specific to mobile phones, such as understanding purchasing psychology immediately after the purchase of goods. Sales were solid in certain industries. Sales resources were focused on sales of automatic research service, among other services. As a result, net sales fell 3.1% year on year in the first nine months under review, to 67 million yen. Combined with net sales of 0.6 million yen for YVI, this service segment posted total net sales of 67 million yen (down 2.1% year on year).

(viii) Other Services

Other services consist of the QPR (Quick Purchase Report)™, a product purchase research service, the AIRsMEMBERS (SaaS-type customer member management business), a service that provides the hybrid functions of AIRs and the customer member management system, and the Brand Data Bank (bdb), a service provided by Brand Data Bank, Inc. (Note). With respect to QPR™, net sales rose, thanks to an increase in the number of monitors to 10,000 in July 2010 as well as the enhancement of the operation system and proactive sales activities. Demand for the AIRsMEMBERS and Brand Data Bank was solid, especially among general operating companies. Despite the effect of lost sales for the marketing system business of AIP, Inc., which was excluded from the scope of consolidation in the second quarter of the previous fiscal year, net sales in the first nine months under review rose 31.5% year on year, to 482 million yen. Including net sales of 34 million yen for YVI, total net sales in this service segment reached 516 million yen (up 40.9% year on year).

(Note) The Company absorbed Brand Data Bank, Inc. on April 1, 2011, to enhance the collaboration between the online research segment and the brand data bank business.

(2) Qualitative information on consolidated financial position

Assets, liabilities and net assets at the end of the third quarter under review rose significantly from the end of the previous fiscal year, attributable to the succession of the marketing research business of YVI through an absorption-type demerger. Assets totaled 13,241 million yen, an increase of 3,928 million yen from the end of the previous fiscal year. Major factors include an increase in notes and accounts receivable of 945 million yen and an increase in cash and deposits of 547 million yen.

Liabilities amounted to 2,280 million yen, increasing 701 million yen from the end of the previous fiscal year, primarily attributable to an increase in accounts payable-other of 356 million yen and a rise in allowance for panelists-points of 286 million yen.

Net assets were 10,961 million yen, a rise of 3,226 million yen, primarily because of an increase in capital surplus by 3,232 million yen.

Cash flows

Cash and cash equivalents (hereinafter "cash") at the end of the first nine months under review decreased 1,274 million yen from the end of the previous fiscal year, to 5,256 million yen. Cash flows for the first nine months under review and primary factors behind the reported results are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities stood at 1,372 million yen (up 39.9% year on year).

Cash outflows, including income taxes paid of 950 million yen and a decrease in notes and accounts receivable-trade of 123 million yen, were more than offset by cash inflows, including income before income taxes and minority interests of 1,898 million yen and a decrease in allowance for panelists-points of 305 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,627 million yen (up 177.5% year on year).

The result is mainly attributable to purchase of property, plant and equipment of 437 million yen, purchase of investment securities of 399 million yen and purchase of short-term investment securities of 350 million yen, among other factors, which offset proceeds from collection of lease and guarantee deposits of 269 million yen, proceeds from redemption of securities of 200 million yen, and other cash inflows.

(Cash flows from financing activities)

Net cash used in financing activities was 1,019 million yen (up 157.9% year on year).

The major factor was Purchase of treasury stock paid of 755 million yen and cash dividends paid of 526 million yen.

(3) Qualitative information on consolidated earnings forecast

Although the Company was not directly affected by the Great East Japan Earthquake that occurred on March 11, 2011, orders from advertisement agencies, the manufacturing sector, and other customers have been delayed as companies have voluntarily restrained from advertising activities and postponed the release of new products.

Reflecting the decrease in net sales resulted from the slowdown of these companies' activities, the Company's income is also forecast to fall from the previous plan. The decline in sales is considered to be a temporary phenomenon, but the recovery of Japanese economy is likely to take time. Consequently, the full-year financial results forecast for fiscal year

2011 has been revised downward by factoring in the influence of the earthquake in the third quarter.

Full year (from July 1, 2010 to June 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Previously announced forecast (A)	12,992	2,995	3,039	1,594	52.28
Revised forecast (B)	12,300	2,500	2,500	1,200	39.45
Difference (B-A)	(692)	(495)	(539)	(394)	(12.83)
Percentage change (%)	(5.3)	(16.5)	(17.7)	(24.7)	(24.5)
(Reference) Results from the previous fiscal year (fiscal year 2010)	7,353	2,129	2,135	1,266	10,182.23 (Note)

(Note) The Company had a 200-for-1 stock split, effective on January 1, 2011. Net income per share is calculated based on the number of shares before the stock split.

2. Other Information

(1) Important changes in subsidiaries

With the establishment of M-CUBE AND ASSOCIATES, INC. in January 2011, the number of subsidiaries of the Company increased by one.

(2) Application of simplified accounting method and specific accounting treatment

Not applicable.

(3) Changes in accounting principles and procedures and the representation method

1) Application of the “Accounting Standard for Equity Method Accounting for Investments” and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method.”

From the first quarter of the accounting term under review, the “Accounting Standard for Equity Method Accounting for Investments” (ASBJ Statement No. 16, March 10, 2008) and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24, March 10, 2008) have been applied. This had no effect on ordinary income or quarterly income before income taxes.

2) Application of the accounting standard for asset retirement obligations

From the first quarter of the accounting term under review, the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and the “Implementation Guidance on Accounting Standard For Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) have been applied. With this application, operating income and ordinary income each rose 822 thousand yen in the first nine months under review, while income before income taxes and minority interests declined 23,500 thousand yen. Asset retirement obligations changed 44,162 thousand yen with the application of the accounting standard.

3) Application of “Accounting Standard for Business Combinations,” etc.

From the first quarter of the accounting term under review, the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26 2008), “Partial Amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), the “Accounting Standard for Equity Method Accounting for Investments” (ASBJ Statement No. 16, December 26, 2008) and the “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008) have been applied.

4) Accounting standard for key reserves

Bonus reserve:

The bonus reserve is recorded based on the estimated amount of bonus payments to prepare for the payment of bonuses to employees.

(Additional information)

The above accounting standard has been adopted due to the introduction of a bonus system from the first quarter of the accounting term under review.

(4) Significant events regarding the premise of a going concern

Not applicable

3. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(Unit: thousand yen)

	As of March 31, 2011 Amount	As of June 30, 2010 Amount
Assets		
Current assets		
Cash and deposits	5,756,360	5,209,063
Notes and accounts receivable - trade	2,396,679	1,451,541
Short-term investment securities	450,922	220,000
Work in process	9,623	3,270
Preproduction	4,873	6,264
Supplies	3,035	1,490
Deferred tax assets	450,001	287,873
Other	137,082	116,716
Allowance for doubtful accounts	(961)	(1,028)
Total current assets	9,207,617	7,295,192
Noncurrent assets		
Property, plant and equipment	539,056	175,744
Intangible assets		
Software	298,057	314,809
Goodwill	493,913	98,721
Other	361,869	8,565
Total intangible assets	1,153,839	422,096
Investments and other assets		
Investment securities	1,256,265	960,217
Other	1,086,553	461,003
Allowance for doubtful accounts	(1,438)	(871)
Total investments and other assets	2,341,380	1,420,349
Total noncurrent assets	4,034,276	2,018,190
Total assets	13,241,893	9,313,382
Liabilities		
Current liabilities		
Accounts payable - other	659,334	303,232
Income taxes payable	312,406	515,105
Allowance for panelists - points	872,448	586,220
Reserve for bonuses	24,943	–
Other	317,947	174,505
Total current liabilities	2,187,080	1,579,063
Long-term liabilities		
Asset retirement obligations	91,525	–
Other	1,993	–
Total long-term liabilities	93,518	–
Total liabilities	2,280,599	1,579,063

(Unit: thousand yen)

	As of March 31, 2011 Amount	As of June 30, 2010 Amount
Net assets		
Shareholders' equity		
Capital stock	1,597,858	1,597,858
Capital surplus	4,864,086	1,631,399
Retained earnings	5,478,472	4,959,382
Treasury stock	(1,119,773)	(447,796)
Total shareholders' equity	10,820,643	7,740,843
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(45,730)	(29,004)
Total valuation and translation adjustments	(45,730)	(29,004)
Subscription rights to shares	36,121	22,479
Minority interests	150,259	–
Total net assets	10,961,293	7,734,319
Total liabilities and net assets	13,241,893	9,313,382

(2) Quarterly consolidated income statement

[First nine months of consolidated fiscal year]

(Unit: thousand yen)

	FY2010 first nine months (Nine months ended March 31, 2010) Amount	FY2011 first nine months (Nine months ended March 31, 2011) Amount
Net sales	5,639,209	9,236,975
Cost of sales	2,541,457	4,656,047
Gross profit	3,097,751	4,580,928
Selling, general and administrative expenses	1,473,589	2,484,431
Operating income	1,624,161	2,096,496
Non-operating income		
Interest income	38,919	42,938
Dividends income	1,185	1,185
Foreign exchange gains	–	248
Other	3,111	28,224
Total non-operating income	43,215	72,595
Non-operating expenses		
Loss on transfer of accounts receivable	1,886	3,061
Equity in losses of affiliates	21,475	–
Stock issuance expenses	–	640
Deferred organization expenses	–	2,913
Commission for purchase of treasury stock	–	6,022
Foreign exchange losses	20,374	–
Other	1,967	1,189
Total non-operating expenses	45,703	13,828
Ordinary income	1,621,673	2,155,264
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	2,083	–
Gain on reversal of subscription rights to shares	36,377	–
Total extraordinary income	38,461	–
Extraordinary loss		
Loss on retirement of noncurrent assets	6,061	147,970
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	24,323
Integration-related expenses	–	84,487
Total extraordinary losses	6,061	256,780
Income before income taxes and minority interests	1,654,073	1,898,483
Income taxes - current	678,566	742,389
Income taxes - deferred	(37,880)	100,625
Total income taxes	640,686	843,015
Income before minority interests	–	1,055,467
Minority interests in income loss	(12,151)	(10,740)
Net income	1,025,538	1,066,208

[Consolidated third quarter]

(Unit: thousand yen)

	FY2010 third quarter (Three months ended March 31, 2010) Amount	FY2011 third quarter (Three months ended March 31, 2011) Amount
Net sales	2,099,016	2,953,019
Cost of sales	889,447	1,512,654
Gross profit	1,209,568	1,440,364
Selling, general and administrative expenses	463,359	769,179
Operating income	746,209	671,184
Non-operating income		
Interest income	12,866	16,058
Other	122	19,132
Total non-operating income	12,989	35,191
Non-operating expenses		
Loss on transfer of accounts receivable	550	1,175
Deferred organization expenses	–	2,913
Foreign exchange losses	–	96
Equity in losses of affiliates	3,928	–
Commission for purchase of treasury stock	–	2,034
Other	2	469
Total non-operating expenses	4,482	6,688
Ordinary income	754,716	699,687
Extraordinary loss		
Loss on retirement of noncurrent assets	342	1,601
Total extraordinary losses	342	1,601
Income before income taxes and minority interests	754,374	698,085
Income taxes - current	333,970	183,932
Income taxes - deferred	(17,068)	149,226
Total income taxes	316,902	333,159
Income before minority interests	–	364,926
Minority interests in loss	–	(10,740)
Net income	437,472	375,667

(3) Quarterly consolidated statement of cash flow

(Unit: thousand yen)

	FY2010 first nine months (Nine months ended March 31, 2010) Amount	FY2011 first nine months (Nine months ended March 31, 2011) Amount
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,654,073	1,898,483
Depreciation and amortization	177,168	305,456
Amortization of goodwill	38,853	31,649
Increase (decrease) in allowance for doubtful accounts	(293)	500
Increase (decrease) in allowance for panelists - points	80,418	4,670
Increase (decrease) in reserve for bonuses	–	980
Interest and dividend income	(40,104)	(44,123)
Foreign exchange losses (gains)	10,449	–
Equity in (earnings) losses of affiliates	21,475	–
Loss on retirement of noncurrent assets	6,061	147,970
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	24,323
Integration-related expenses	–	84,487
Loss (gain) on sales of stocks of subsidiaries and affiliates	(2,083)	–
Gain on reversal of subscription rights to shares	(36,377)	–
Decrease (increase) in notes and accounts receivable - trade	(422,188)	(123,770)
Decrease (increase) in inventories	(6,344)	47,203
Increase (decrease) in accounts payable - other	73,790	2,436
Increase (decrease) in consumption taxes payable	12,966	81,741
Other, net	88,223	(92,363)
Subtotal	1,656,087	2,369,646
Interest and dividend income received	34,041	38,010
Management integration-related expenses paid	–	(84,487)
Income taxes paid	(708,424)	(950,236)
Net cash provided by (used in) operating activities	981,704	1,372,932
Net cash provided by (used in) investing activities		
Payments into time deposits	(300,000)	(500,000)
Proceeds from withdrawal of time deposits	–	300,000
Purchase of short-term investment securities	–	(350,940)
Proceeds from redemption of securities	–	200,000
Purchase of property, plant and equipment	(34,609)	(437,618)
Purchase of software	(82,459)	(65,173)
Purchase of investment securities	(89,000)	(399,402)
Proceeds from sales and redemption of investment securities	300,000	–
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(117,026)	–
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(100,271)	–
Payments for lease and guarantee deposits	–	(120,348)
Proceeds from collection of lease and guarantee deposits	918	269,602
Payments of loans receivable	(164,155)	–
Decrease (increase) in other investments	–	(500,000)
Other, net	–	(24,039)
Net cash provided by (used in) investing activities	(586,605)	(1,627,920)

(Unit: thousand yen)

	FY2010 first nine months (Nine months ended March 31, 2010) Amount	FY2011 first nine months (Nine months ended March 31, 2011) Amount
Net cash provided by (used in) financing activities		
Payments for stock issue cost	–	(1,841)
Purchase of treasury stock	–	(755,152)
Proceeds from sale of treasury stock	–	102,423
Cash dividends paid	(395,474)	(526,275)
Proceeds from stock issuance to minority shareholders	–	161,000
Net cash provided by (used in) financing activities	(395,474)	(1,019,846)
Effect of exchange rate change on cash and cash equivalents	(10,482)	–
Net increase (decrease) in cash and cash equivalents	(10,858)	(1,274,833)
Cash and cash equivalents at beginning of period	2,842,041	4,909,063
Increase (decrease) in cash and cash equivalents resulting from integration of absorption-type split	–	1,622,131
Cash and cash equivalents at end of period	2,831,182	5,256,360

(4) Notes regarding the premise of a going concern

Not applicable

(5) Segment information

Overview of reported segments

The major business of the Company and its consolidated subsidiaries is online research using AIRs. Its economic characteristics and markets where the services are sold are almost similar. Consequently, the segments reported by the Company are limited solely to the online research business segment. As a result, its statement is omitted.

(Additional information)

From the first quarter of the accounting term under review, the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) have been applied.

(6) Note if there is a considerable change to shareholders' equity

The Company acquired the marketing research business of Yahoo Japan Value Insight Corporation on August 1, 2010. With the acquisition, legal capital surplus increased by 3,207,384 thousand yen.

In relation to the acquisition, in the first quarter of the consolidated fiscal year ending June 30, 2011, the Company purchased treasury stock for 234,462 thousand yen on August 20, 2010 in response to share purchase claim, and subsequently disposed a part of the treasury stock for 70,914 thousand yen on September 2, 2010.

Additionally, based on the resolution of the meeting of the Board of Directors held on November 12, 2010, the Company acquired its own stock for 354,582 thousand yen in the second quarter, for 160,084 thousand yen in the third quarter of the consolidated fiscal year ending June 30, 2011.

Furthermore, the Company disposed treasury stock of 6,237 thousand yen due to exercise of share options during the third quarter of the consolidated fiscal year ending June 30, 2011.

As a result, legal capital surplus amounted to 4,838,783 thousand yen and treasury stock to 1,119,773 thousand yen at the end of the third quarter under review.