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Summary of Consolidated Financial Statements for 1st Quarter Ended September 30, 2011 [Japan GAAP]

November 2, 2011

Listed Company:	MACROMILL, INC.
Stock Exchange:	Tokyo Stock Exchange
Code Number:	3730
URL:	http://www.macromill.com/
Representative:	Tetsuya Sugimoto, Chairman and President
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Scheduled date of the filing of quarterly report:	November 14, 2011
Scheduled date of the start of dividend payments:	-
Supplemental materials for quarterly financial results:	Yes
Presentation of quarterly financial results:	No

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

1. Consolidated Financial Results for 1st Quarter Ended September 30, 2011 (July 1, 2011 to September 30, 2011)

(1) Consolidated Business Performance

(Percentages calculated on Year-on-Year basis.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1st quarter ended September 30, 2011	3,204	12.5	641	12.9	661	13.7	342	21.0
1st quarter ended September 30, 2010	2,848	61.6	568	47.7	582	58.3	283	4.3

(Note) Comprehensive income 1st quarter ended September 30, 2011 320 million yen 9.1%
1st quarter ended September 30, 2010 293 million yen -%

	Net income per share	Diluted net income per share
	Yen	Yen
1st quarter ended September 30, 2011	11.52	10.56
1st quarter ended September 30, 2010	9.56	9.51

(Note) The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011. The figures for 1st quarter ended September 30, 2010 are calculated under assumption that the stock split was carried out at the beginning of the term.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2011	17,210	9,881	56.0	332.08
As of June 30, 2011	13,931	11,161	78.2	356.68

(Reference) Shareholders' equity As of September 30, 2011 9,635 million yen
As of June 30, 2011 10,893 million yen

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, 2011	-	10.00	-	9.00	19.00
Year ending June 30, 2012	-	-	-	-	-
Year ending June 30, 2012 (forecast)	-	10.00	-	11.00	21.00

(Note) Revisions to the dividend forecast during this quarter: No

(Note) The Company carried out a 200-for-1 stock split for its common shares, effective on January 1, 2011. The figures for the year ended June 30, 2011 are calculated under assumption that the stock split was carried out at the beginning of the term.

3. Forecast of Consolidated Financial Results for the Year Ending June 30, 2012 (July 1, 2011 to June 30, 2012)

(Percentages calculated on Year-on-Year basis.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	7,000	11.4	1,455	2.1	1,455	0.0	730	5.7	23.99
Full year	14,200	16.3	2,900	11.4	2,900	15.0	1,500	28.1	49.30

(Note) Revisions to the forecast of consolidated financial results during this quarter: No

4. Others

(1) Important changes in subsidiaries during this quarter (changes in specific subsidiaries accompanied by a change in the scope of consolidation): No

New: -

Exception: -

(Note) This refers to any changes in specific subsidiaries accompanied by a change in the scope of consolidation during this quarter.

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

(Note) This refers to adoption of simplified accounting methods or accounting methods unique to the preparation of consolidated financial statements.

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

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

(ii) Changes other than (i): No

(iii) Changes in accounting assumptions: No

(iv) Revision of financial statements due to change in assumptions: No

(Note) This refers to 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 Consolidated Financial Statements".

(4) Number of shares issued (common stock)

(i) Number of shares issued (including treasury stock) at the end of the term: September 30, 2011 30,718,400 shares September 30, 2010 32,315,600 shares

(ii) Number of shares of treasury stock at the end of the term: September 30, 2011 1,703,000 shares September 30, 2010 1,774,200 shares

(iii) Average number of shares during period 1st quarter ended September 30, 2011 29,767,982 shares 1st quarter ended September 30, 2010 148,249 shares

* Disclosure on Quarterly Review Procedures

This summary of consolidated financial statements is not subject to quarterly review procedures based on the Financial Instruments and Exchange Act. The quarterly review procedures for the financial statements are in progress at the time of disclosure of this report.

* Forward-looking Statements

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

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1. Qualitative Information on 1st Quarter Results

(1) Qualitative information on consolidated business performance

For the 1st quarter ended September 30, 2011 (from July 1, 2011 to September 30, 2011, the “1st quarter under review”), while corporate production activities and consumer spending showed a sign of recovery from the adverse impact due to the Great East Japan Earthquake, the outlook for Japan economy remained uncertain due to anxiety over power shortage in summer and the ongoing financial trouble in Europe.

In this environment, Macromill, Inc. (the “Company”) and its consolidated subsidiaries (together, the “Group”) strive to ensure stable profitability in domestic online research business, while expanding to overseas markets and developing new businesses. The domestic online business, which accounts for majority share of the Group’s net sales, performed in line with the plan primarily attributed by improved sales to advertizing companies as well as research companies and consulting firms.

In the overseas front, MACROMILL China, INC., a consolidated subsidiary of the Company, successfully started marketing and sales activities in September 2011, using its Automatic Internet Research system (“AIRs”). As part of new business development, the Company launched a new service in October, in partnership with Dentsu Inc., providing high-quality and affordable marketing researches for Facebook users. Further, the Company announced that it has reached a basic agreement with Dentsu Inc. and Dentsu Marketing Insight Inc. on business collaboration and establishment of a joint venture company to expand online research business of the Dentsu Group.

For the 1st quarter under review, the Group recorded net sales of 3,204 million yen (an increase of 12.5% year-on-year), operating income of 641 million yen (a rise of 12.9%), ordinary income of 661 million yen (up 13.7%), and net income of 342 million yen (up 21.0%).

Following are the Net sales by service segment:

(i) Automatic Research Service

Automatic Research Service, which is the core service of the Group, is the marketing research service using AIRs uniquely developed by the Company. In the 1st quarter under review, net sales for this segment amounted to 1,761 million yen, 9.5% increase year-on-year basis, as a result of steady research demand from advertizing agencies, consumer-goods companies, research companies, and consulting firms.

(ii) Tabulation Service

Tabulation Service is a service where, after data collection via AIRs, specialized employees produce specific tables and graphs matching the purpose of the relevant research. As transactions with general companies expand, needs for an integrated service from data collection to tabulation and analysis are increasing. In this quarter, along with growth in automatic research service, net sales of tabulation service rose by 8.0% year-on-year basis to 195 million yen.

(iii) Analysis Service

Analysis Service covers designing survey forms and questionnaire as well as producing variety of reports based on thorough analysis of collected data specific to clients’ needs and requirements. The Company has been working to enhance its exposure, capacity and expertise in planning research projects and analyzing collected data to address marketing challenges of clients. With transactions with general companies increasing, order flow for this service was positive. Further, demand from advertizing agencies, which were formerly not heavy users of this service, was strong. Consequently, net sales of analysis service rose by 25.9% year-on-year basis, amounting to 306 million yen.

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

Qualitative Research Service carries out group interviews or one-on-one interviews to understand in-depth psychology of respondents. Demand for qualitative research is on steady increase as consumer-goods companies in particular wish to better identify diversified interests and preferences of consumers. In order to meet clients’ needs, the Company has expanded its facilities, strengthened sales force, and enhanced its proposing and planning capabilities. As a result, net sales in this segment improved by 26.4% year-on-year basis to 260 million yen.

(v) Customized Research Service

Customized Research Service prepares and conducts tailor-made survey sheets and research data collection for more individualized research projects beyond the scope manageable by AIRs. Although enhancements of AIRs

functionality resulted in more research projects being carried out by AIRs and lower reliance on customized projects, steady order flow particularly from research companies and consulting firms caused net sales in this segment to rise by 5.4% year-on-year basis, totaling 316 million yen.

(vi) Global Research Service

This service includes research of overseas markets for domestic companies as well as carrying out marketing research for overseas companies. During the 1st quarter under review, despite favorable order flows from advertising agencies, external factors such as budgetary restraint of some export-oriented companies due to stronger yen led to lower net sales of this service amounting to 94 million yen or 13.7% decrease year-on-year basis.

(vii) Mobile Research Service

Mobile Research Service explores opportunities of data collection and analysis from mobile devices focusing increasing trend of using mobile device in everyday life. Taking advantage of mobility features, it allows, for instance, research of behaviors of consumers immediately following consumption. Photo images can also be collected via camera-equipped mobile phones and questionnaires can be created with images. Two types of services are provided in this segment. "Closed research" is a service using our own mobile panel, and "open research" is an open-ended type research which does not use Macromill panel. In the 1st quarter under review, due to growth of "closed research," whose projects tend to be high priced, net sales of this service were 22 million yen or an increase of 15.3% year-on-year basis.

(viii) Other Services

Other Services consist of "QPR," a consumer purchase database service, "AIRsMEMBERS" (SaaS-type customer management services), a service that combines functionality of AIRs with customer management system, and "Brand Data Bank (bdb)," a database subscription service that provides consumer profiles based on surveys of 30,000 panel with questions such as possessions, interests and brand preferences. Net sales of "QPR" rose significantly as a result of expansion of QPR panel from 10,000 to 30,000 carried out in July 2011. Net sales of "AIRsMEMBERS" and "Brand Data Bank" also increased. As a result, net sales of this segment amounted to 246 million yen or a rise of 37.2% year-on-year basis.

(2) Qualitative information on consolidated financial position

As of the end of the 1st quarter under review, total assets valued at 17,210 million yen, a rise of 3,278 million yen from the end of the previous fiscal year, mainly attributed by an increase in cash and deposits of 3,409 million yen.

Liabilities stands at 7,328 million yen, increased by 4,558 million yen from the end of the previous fiscal year, primarily attributable to issuing of bonds with subscription rights of 5,000 million yen, despite a decrease of income taxes payable of 354 million yen.

Net assets valued at 9,881 million yen, a decrease of 1,279 million yen, primarily because of a decrease of treasury stock of 1,331 million yen.

(3) Qualitative information on consolidated results forecast

There has been no change to consolidated results forecasts for the year ending June 30, 2012 announced on August 3, 2011.

2. Other Information

(1) Changes in significant subsidiaries during the period

None applicable

(2) Application of simplified accounting treatment and special accounting treatment

None applicable

(3) Overview of changes in accounting treatment principles and procedures, and methods of presentation

None applicable

3. Significant Events regarding the Premise of a Going Concern

None applicable

4. Quarterly Consolidated Financial Statements
(1) Quarterly consolidated balance sheets

(Unit: thousand yen)

	As of June 30, 2011 Amount	As of September 30, 2011 Amount
Assets		
Current assets		
Cash and deposits	6,743,362	10,152,913
Notes and accounts receivable - trade	2,359,373	2,600,844
Short-term investment securities	200,081	100,050
Work in process	10,496	11,743
Preproduction	4,793	3,197
Supplies	2,019	1,720
Deferred tax assets	518,001	487,314
Other	162,972	414,468
Allowance for doubtful accounts	(942)	(258)
Total current assets	10,000,157	13,771,995
Noncurrent assets		
Property, plant and equipment	522,047	490,082
Intangible assets		
Software	259,352	337,526
Goodwill	482,770	471,627
Other	433,634	385,374
Total intangible assets	1,175,757	1,194,529
Investments and other assets		
Investment securities	1,195,877	1,224,188
Other	1,038,235	529,276
Allowance for doubtful accounts	(871)	—
Total investments and other assets	2,233,240	1,753,465
Total noncurrent assets	3,931,046	3,438,077
Total assets	13,931,204	17,210,072

(Unit: thousand yen)

	As of June 30, 2011 Amount	As of September 30, 2011 Amount
Liabilities		
Current liabilities		
Accounts payable - other	747,254	749,248
Income taxes payable	658,166	303,665
Allowance for panelists points	848,436	882,758
Reserve for bonuses	45,026	25,000
Other	369,321	263,946
Total current liabilities	2,668,205	2,224,619
Long-term liabilities		
Bonds with subscription rights to shares	—	5,000,000
Asset retirement obligations	99,454	99,820
Other	2,018	4,019
Total long-term liabilities	101,472	5,103,840
Total liabilities	2,769,678	7,328,459
Net assets		
Shareholders' equity		
Capital stock	1,597,858	1,600,372
Capital surplus	4,865,040	4,841,298
Retained earnings	5,583,316	4,543,857
Treasury stock	(1,106,674)	(1,303,899)
Total shareholders' equity	10,939,539	9,681,628
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(43,785)	(39,945)
Foreign currency translation adjustment	(2,197)	(6,159)
Total of accumulated other comprehensive income	(45,982)	(46,105)
Subscription rights to shares	40,127	40,271
Minority interests	227,841	205,818
Total net assets	11,161,526	9,881,613
Total liabilities and net assets	13,931,204	17,210,072

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income
(Quarterly consolidated statements of income)

(Unit: thousand yen)

	1st quarter ended September 30, 2010 Amount	1st quarter ended September 30, 2011 Amount
Net sales	2,848,616	3,204,065
Cost of sales	1,474,889	1,620,333
Gross profit	1,373,726	1,583,731
Selling, general and administrative expenses	805,271	942,223
Operating income	568,455	641,508
Non-operating income		
Interest income	13,197	5,215
Foreign exchange gains	182	3,694
Other	1,670	27,838
Total non-operating income	15,051	36,749
Non-operating expenses		
Loss on transfer of accounts receivable	661	974
Equity in losses of affiliates	—	2,762
Stock issuance cost	640	94
Bond issuance cost	—	6,358
Commission for purchase of treasury stock	—	6,061
Other	20	129
Total non-operating expenses	1,322	16,379
Ordinary income	582,184	661,877
Extraordinary loss		
Loss on retirement of noncurrent assets	14,193	3,796
Loss on adjustment for changes of accounting standard for asset retirement obligations	24,323	—
Integration-related expenses	54,083	—
Total extraordinary losses	92,599	3,796
Income before income taxes and minority interests	489,584	658,080
Income taxes-current	203,711	298,499
Income taxes-deferred	2,450	38,189
Total income taxes	206,161	336,689
Income before minority interests	283,422	321,391
Minority interests in income (loss)	—	(21,582)
Net income	283,422	342,973

(Quarterly consolidated statements of comprehensive income)

(Unit: thousand yen)

	1st quarter ended September 30, 2010	1st quarter ended September 30, 2011
Income before minority interests	283,422	321,391
Other comprehensive income		
Valuation difference on available-for-sale securities	10,532	3,839
Foreign currency translation adjustment	—	(4,402)
Total other comprehensive income	10,532	(562)
Comprehensive income	293,955	320,828
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	293,955	342,851
Comprehensive income attributable to minority interests	—	(22,022)

(3) Notes regarding the premise of a going concern

None applicable

(4) Segment information

Overview of reported segments

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

(5) Significant changes in shareholders' equity

The Company purchased its own stock for 1,331,042 thousand yen in accordance with resolution of the board meeting held on August 3, 2011. Further, it cancelled treasury stock for 1,133,816 thousand yen on August 11, 2011. Consequently, treasury stock totaled 1,303,899 thousand yen at the end of the 1st quarter ended September 30, 2011.

(6) Significant subsequent events

None applicable