

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Summary of Consolidated Financial Statements for the Three Months Ended September 30, 2013 [Japan GAAP]

November 8, 2013

Listed Company:	MACROMILL, INC.
Stock Exchange:	Tokyo Stock Exchange
Code Number:	3730
URL:	http://www.macromill.com/
Representative:	Tetsuya Sugimoto, Chairman and President
Contact:	Naoya Sugiyama, Director
Tel.:	+81-3-6716-0700
Scheduled date of the filing of quarterly report:	November 13, 2013
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 the Three Month Ended September 30, 2013 (July 1, 2013 to September 30, 2013)

## (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	%
Three months ended September 30, 2013	4,298	8.1	828	(4.8)	749	(14.9)	390	(39.8)
Three months ended September 30, 2012	3,978	24.2	870	35.8	881	33.1	648	89.1

(Note) Comprehensive income	Three months ended September 30, 2013	469 million yen	(29.0%)
	Three months ended September 30, 2012	661 million yen	106.3%

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended September 30, 2013	6.19	5.81
Three months ended September 30, 2012	11.64	9.75

(Note) On July 1, 2013, MACROMILL conducted a two-for-one stock split. The net income per share above is calculated as if the stock split had been conducted at the beginning of the previous fiscal year.

## (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of September 30, 2013	20,034	15,434	75.1
As of June 30, 2013	20,173	15,363	74.4

(Reference) Shareholders' equity	As of September 30, 2013	15,044 million yen
	As of June 2013	15,000 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, 2013	-	12.00	-	13.00	25.00
Year ending June 30, 2014	-				
Year ending June 30, 2014 (forecast)		6.50	-	7.00	13.50

(Note) Revisions to the dividend forecast published most recently: No

(Note) On July 1, 2013, MACROMILL conducted a two-for-one stock split. The annual dividend for the year ending June 30, 2014 (forecast) takes the stock split into account.

## 3. Forecast of Consolidated Financial Results for the Year Ending June 30, 2014 (July 1, 2013 to June 30, 2014)

(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	9,400	12.4	1,700	(8.1)	1,500	(22.4)	900	(28.7)	14.27
Full year	19,100	11.6	3,400	(11.4)	3,000	(24.1)	1,700	(32.2)	26.96

(Note) Revisions to the forecast of consolidated financial results published most recently: No

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanied by a change in the scope of consolidation): No  
 New: – Exception: –  
 (Note) Any changes in specific subsidiaries accompanied by a change in the scope of consolidation during the first quarter under review

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

(3) Changes in accounting policies and changes or restatement of accounting assumptions

(i) Changes in accounting policies associated with the revision of accounting standards, etc.:	No
(ii) Changes in accounting policies other than (i):	No
(iii) Changes in accounting assumptions:	No
(iv) Restatement:	No

(4) Number of shares outstanding (common stock)

(i) Number of shares issued (including treasury stock) at the end of the term:	As of September 30, 2013	63,171,350 shares	As of June 30, 2013	63,159,350 shares
(ii) Number of shares of treasury stock at the end of the term:	As of September 30, 2013	81,519 shares	As of June 30, 2013	102,074 shares
(iii) Average number of shares during the period	First three months ended September 30, 2013	63,083,957 shares	First three months ended September 30, 2012	55,743,236 shares

(Note) On July 1, 2013, MACROMILL conducted a two-for-one stock split. The net income per share above is calculated as if the stock split had been conducted at the beginning of the previous fiscal year.

\* 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.

\* 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 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.

## Accompanying Materials — Contents

1. Qualitative Information on First Three Months Results .....	2
(1) Description of results of operations .....	2
(2) Description of financial position .....	4
(3) Description of consolidated results forecasts and other forward-looking statements .....	4
2. Matters Relating to Summary Information (Notes).....	4
(1) Significant changes in subsidiaries during the period.....	4
(2) Application of accounting methods unique to the preparation of quarterly consolidated financial statements.....	4
(3) Changes in accounting policies and changes or restatement of accounting assumptions.....	4
3. Significant Events regarding the Premise of a Going Concern .....	4
4. Quarterly Consolidated Financial Statements .....	5
(1) Quarterly consolidated balance sheets .....	5
(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income .....	7
Quarterly consolidated statements of income	
First three months of consolidated fiscal year .....	7
Quarterly consolidated statements of comprehensive income	
First three months of consolidated fiscal year .....	8
(3) Notes to quarterly consolidated financial statements .....	9
Notes regarding the premise of a going concern.....	9
Significant changes in shareholders' equity .....	9
Segment information .....	9
Significant subsequent events.....	9

## 1. Qualitative Information on First Three Months Results

### (1) Description of results of operations

In the three months ended June 30, 2013 (from July 1, 2013 to September 30, 2013; hereinafter “the period”), the Japanese economy was affected by concerns surrounding the global economy, including worries about the U.S. economy and sluggish growth in emerging countries. There were, however, promising signs of economic recovery, given a correction of the excessively strong yen spurred by expectations in the monetary and fiscal policies of the Abe administration and the Bank of Japan.

In this environment, as described in the plan announced on August 8, 2013, the Macromill, Inc. (the “Company”) and its consolidated subsidiaries (together, the “Group”) stepped up its efforts to achieve medium- to long-term growth, consolidating the base of its existing operations and aggressively investing in new businesses.

In the Company’s existing businesses in Japan, which account for most of its sales, results were roughly as planned, reflecting growth primarily in services for research companies, consulting firms, and companies in the food industry. To provide comprehensive solutions in response to customers’ expanding needs for marketing services, the Group sought to create high value-added services and enhance its ability to make proposals. Meanwhile, the Group proceeded with cost structure reforms to secure a profit by strengthening its management system in response to changes in the sales mix associated with diversifying needs for research.

Overseas, the growth of MACROMILL EMBRAIN CO., LTD. in South Korea and MACROMILL China, INC. in China weakened somewhat due to the effect of business sentiment, but their business scale continued to expand. To develop overseas operations further, the Group is looking for opportunities for M&A and business alliances.

In new business domains, the Group released an Android version of miscolle, a promotional application for smartphones, in April 2013 and is enhancing the application to increase the number of stores, restaurants, and companies connected with the application as well as the number of users. The Group plans to launch an iPhone version and a Web version. Questant, a DIY Research service, was launched in October 2013. On November 7, 2013, the Group announced that it will launch an expanded point-of-sale (POS) data estimation service. The Group is steadily developing the service Macromill Market Index, aiming to launch it in April 2014. The number of users of Antenna, a curation magazine operated by Glider associates, Inc., in which the Company invested in August 2013, exceeded 1.3 million and is increasing. Antenna is making steady progress towards profitability.

The business environment surrounding the Group is changing drastically, with smart devices rapidly becoming more popular and technologies developing. To respond to the change and make a quantum leap in growth, the Group will consolidate the foundations of its existing businesses and overseas operations while at the same time launching new businesses early and steadily taking them into profitability. The Group will aggressively expand its businesses to provide research and all sorts of other services in the field of marketing.

As a result of the above initiatives, in the period, the Company recorded net sales of 4,298 million yen (an increase of 8.1% year on year), operating income of 828 million yen (down 4.8%), ordinary income of 749 million yen (a fall of 14.9%), and net income of 390 million yen (a decline of 39.8%). Although income declined from a year earlier, the main factor for the decline was investments in new businesses, and the operating results in the period were roughly as planned.

The following is net sales by service category.

#### (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. Demand for research, especially from research companies and consulting firms, was strong, and total net sales in this service segment came to 1,997 million yen (up 6.5% year on year).

#### (ii) Tabulation Service

Tabulation Service is a service where, after data collection via AIRs, specialist employees produce specific tables and graphs matching the purpose of the relevant research. With research becoming more and more complicated, the need for an integrated service covering everything from fieldwork to data collection, tabulation, and analysis is growing, and total net sales in this service segment rose 14.9% year on year, to 257 million yen.

(iii) Analysis Service

Analysis Service covers designing survey forms and questionnaire as well as producing a range of reports after collecting research data. To respond to customers' increasingly complex research objectives and marketing issues, the Company has enhanced its researchers' expertise and skills to make the best proposals. The resulting total net sales in this service segment increased 15.2% year on year, to 405 million yen.

(iv) Qualitative Research Service (e.g., Group Interview)

Qualitative Research Service carries out group or one-on-one interviews for in-depth insights into the psychology of respondents. As demand for research increased, the Company sought to enhance productivity and its specialized staff's ability to respond to customers' needs. Orders from the service industry and food industry were strong, and total net sales in this service segment increased 21.9% year on year, to 423 million yen.

(v) Customized Research Service

Customized Research Service prepares tailor-made survey sheets and collects research data for more individualized research projects beyond the scope manageable by AIRs. Although there is demand for research that requires special methods and unique design, the scope of research that can be handled by automatic research services has expanded as a result of enhancements to the functionality of AIRs, and research needs have diversified. As a result, total net sales in this service segment fell 12.1% year on year, to 289 million yen.

(vi) Global Research Service

This service includes research into overseas markets for domestic companies as well as marketing research for overseas companies. Demand for research into overseas markets continued to increase, and total net sales in this service segment climbed 16.2%, to 166 million yen.

(vii) QPR Service

QPR Service carries out research services that offer data on consumers' daily purchasing trends that are collected through the special portable bar code scanner. This service comprises QPR-TRACE, a system that creates reports in a regular format regarding time-series purchasing trends; QPRMill, an Internet research service that uses QPR panelist surveys; QPR-ANALYZE, a system that offers on-the-spot analysis of purchasing trends and can also handle sophisticated tabulation and analysis according to individual issues; and QPR-SCAPE, a system that provides a profile of purchasers by lifestyle and values. The Group strove to provide higher added value, and total net sales in this service segment rose 2.3% year on year, to 260 million yen.

(viii) Overseas business domain

Overseas business domain comprises sales of consolidated subsidiaries in China and South Korea. Our subsidiary in China is improving its structure while accumulating knowledge and expertise. Our subsidiary in South Korea was affected by business sentiment. Meanwhile, it is improving its sales system and reviewing its cost structure. Total net sales in this service segment increased 11.0% year on year, to 399 million yen.

(ix) Other Services

Other Services chiefly consist of AIRsMEMBERS (SaaS-type CRM businesses), a service that combines the functionality of AIRs with customer management (CRM) systems, Brand Data Bank (bdb), a database subscription service that provides consumer profiles based on surveys of 30,000 panel members into possessions, interests, and brand preferences, Mobile Research Service, a service that collects data by using mobile phones, and sales of domestic consolidated subsidiaries. Total net sales in Other Services climbed 6.3% year on year, to 98 million yen.

(2) Description of financial position

At the end of the period, assets totaled 20,034 million yen, a decrease of 139 million yen from the end of the previous fiscal year. This was primarily due to an increase in investment securities of 1,515 million yen and a decrease in cash and deposits of 1,609 million yen.

Liabilities amounted to 4,600 million yen, decreasing 209 million yen, primarily reflecting a decrease in reserves for bonuses of 91 million yen and a reduction in income taxes payable of 52 million yen due to income tax payments.

Net assets were 15,434 million yen, an increase of 70 million yen. This was mainly the result of a decrease of 19 million yen in retained earnings, an increase of 46 million yen in foreign currency translation adjustment, and a rise of 29 million yen in minority interests.

(3) Description of consolidated results forecasts and other forward-looking statements

There has been no change to the consolidated results forecasts for the year ending June 30, 2014 announced on August 8, 2013.

2. Matters Relating to Summary Information (Notes)

(1) Significant changes in subsidiaries during the period

None applicable

(2) Application of accounting methods unique to the preparation of quarterly consolidated financial statements

None applicable

(3) Changes in accounting policies and changes or restatement of accounting assumptions

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, 2013 Amount	As of September 30, 2013 Amount
Assets		
Current assets		
Cash and deposits	8,668,258	7,058,603
Notes and accounts receivable–trade	3,596,640	3,626,046
Short-term investment securities	1,156,200	1,160,900
Work in process	16,065	20,500
Supplies	3,045	2,348
Deferred tax assets	432,026	380,263
Other	257,460	232,550
Allowance for doubtful accounts	(34,624)	(27,263)
Total current assets	14,095,071	12,453,948
Fixed assets		
Property, plant and equipment	595,214	600,523
Intangible assets		
Software	795,335	965,570
Goodwill	1,188,317	1,200,758
Other	558,751	399,006
Total intangible assets	2,542,403	2,565,335
Investments and other assets		
Investment securities	2,221,330	3,737,200
Other	735,481	705,862
Allowance for doubtful accounts	(16,091)	(28,656)
Total investments and other assets	2,940,720	4,414,407
Total noncurrent assets	6,078,339	7,580,265
Total assets	20,173,410	20,034,214

(Unit: thousand yen)

	As of June 30, 2013 Amount	As of September 30, 2013 Amount
<b>Liabilities</b>		
Current liabilities		
Short-term loans payable	240,741	253,825
Accounts payable–other	1,044,812	958,612
Income taxes payable	309,631	256,770
Reserve for bonuses	50,264	26,836
Allowance for panelists–points	961,793	870,774
Other	309,803	339,385
Total current liabilities	2,917,048	2,706,205
Long-term liabilities		
Bonds with subscription rights to shares	1,660,000	1,650,000
Provision for retirement benefits	49,076	56,780
Provision for directors' retirement benefits	54,696	57,678
Asset retirement obligations	128,975	129,448
Total long-term liabilities	1,892,747	1,893,907
Total liabilities	4,809,796	4,600,112
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,953,008	1,954,894
Capital surplus	5,711,895	5,715,616
Retained earnings	7,236,609	7,217,423
Treasury stock	(40,404)	(32,286)
Total shareholders' equity	14,861,110	14,855,648
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	87	3,060
Foreign currency translation adjustment	139,171	186,000
Total of accumulated other comprehensive income	139,259	189,060
Subscription rights to shares	30,615	27,470
Minority interests	332,629	361,921
Total net assets	15,363,614	15,434,101
Total liabilities and net assets	20,173,410	20,034,214



(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income  
(Quarterly consolidated statements of income)  
(First quarter of consolidated fiscal year)

(Unit: thousand yen)

	First quarter ended September 30, 2012 Amount	First quarter ended September 30, 2013 Amount
Net sales	3,978,141	4,298,447
Cost of sales	2,100,823	2,324,294
Gross profit	1,877,317	1,974,152
Selling, general and administrative expenses	1,006,425	1,145,342
Operating income	870,892	828,810
Non-operating income		
Interest income	11,710	12,787
Equity in earnings of affiliates	176	4,030
Other	10,003	8,503
Total non-operating income	21,890	25,321
Non-operating expenses		
Interest expenses	3,200	2,268
Commission fee	–	94,500
Loss on transfer of accounts receivable	377	397
Stock issuance cost	187	–
Foreign exchange losses	1,400	3,998
Commission for purchase of treasury stock	2,074	–
Other	4,485	3,435
Total non-operating expenses	11,726	104,599
Ordinary income	881,055	749,531
Extraordinary income		
Gain on sales of investment securities	2,846	–
Total extraordinary income	2,846	–
Extraordinary loss		
Loss on retirement of fixed assets	3,436	–
Loss on valuation of investment securities	7,823	–
Total extraordinary losses	11,260	–
Income before income taxes and minority interests	872,641	749,531
Income taxes—current	260,501	232,946
Income taxes—deferred	(49,868)	106,514
Total income taxes	210,633	339,461
Income before minority interests	662,008	410,070
Minority interests in income	13,324	19,384
Net income	648,684	390,686

(Quarterly consolidated statements of comprehensive income)  
(First quarter of consolidated fiscal year)

(Unit: thousand yen)

	First quarter ended September 30, 2012 Amount	First quarter ended September 30, 2013 Amount
Income before minority interests	662,008	410,070
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,117)	2,972
Foreign currency translation adjustment	12,941	56,735
Total other comprehensive income	(176)	59,708
Comprehensive income	661,832	469,779
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent company	647,279	440,487
Comprehensive income attributable to minority interests	14,553	29,292

(3) Notes to quarterly consolidated financial statements

Notes regarding the premise of a going concern

None applicable

Significant changes in shareholders' equity

None applicable

Segment information

Overview of reportable 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 identical, the segments reported by the Company are limited solely to the online research business segment. As a result, a statement on reportable segments is omitted.

Significant subsequent events

1. Borrowing

Under an agreement on a term loan with a commitment period and credit line with Mizuho Bank, Ltd. concluded by a resolution of the Board of Directors on August 8, 2013, the Company borrowed funds. Details are as follows:

- (1) Amount of money borrowed: 5,000,000,000 yen
- (2) Use of money: Stock buybacks
- (3) Date of borrowing: October 9, 2013

2. Stock buybacks

Under a resolution of the Board of Directors on August 8, 2013, the Company bought back its stock according to Article 156 of the Companies Act, as applied by a reading of the terms under Article 165, Paragraph 3 of the same act. Details are as follows:

- (1) Period of repurchase: From October 1, 2013 to October 31, 2013
- (2) Number of shares repurchased: 1,680,000
- (3) Repurchase price: 1,047,807,000 yen

The number of shares repurchased and the repurchase price do not reflect repurchases on or after November 1, 2013.