

# FY2025/6 Q2 Financial Results

February 14, 2025



# Disclaimer

This document has been prepared solely for the purpose of presenting relevant information regarding Macromill, Inc. ("Macromill"). This document does not constitute an offer to sell or the solicitation of an offer to buy any security in the United States, Japan or any other jurisdiction. The securities of Macromill have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof, and Macromill does not guarantee that the information contained in this presentation is true, accurate or complete. It should be understood that subsequent developments may affect the information contained in this presentation, which neither Macromill nor its advisors or representatives are under an obligation to update, revise or affirm. The information in this presentation is subject to change without prior notice and such information may change materially. Neither this presentation nor any of its contents may be disclosed to or used by any other party for any purpose without the prior written consent of Macromill.

This presentation contains statements that constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including estimations, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance. In many cases, but not all, we use such words as "aim," "anticipate," "believe," "continue," "endeavor," "estimate," "expect," "initiative," "intend," "may," "plan," "potential," "probability," "project," "risk," "seek," "should," "strive," "target," "will" and similar expressions to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Any forward-looking statements in this document are based on the current assumptions and beliefs of Macromill in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Macromill's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking information.

Except as otherwise indicated, the views, statements and outlook indicated herein are those of Macromill. The information related to or prepared by companies or parties other than Macromill is based on publicly available and other information as cited, and Macromill has not independently verified the accuracy and appropriateness of, nor makes any warranties regarding, such information.

## Notes for this entire material

1. Revenue and operating profit of each segment and region are shown using figures before elimination of inter-segment offsets, and the total amount of revenue and operating profit of both segments or regions do not match the consolidated revenue and operating profit (the difference is the amount of intersegment / interregional elimination)
2. Figures of Korea Business may change after local auditor's audit process
3. Constant FX figures are calculated by applying the rate of the current fiscal year to the financial results of the same period of the previous fiscal year. We present financials results on a constant currency basis because we believe that this provides a framework for assessing how Macromill's business and, in particular, overseas businesses including Macromill EMBRAIN, performed without taking into account the effect of the fluctuations since the same period in the prior year, but please note, it only excludes the effect of currency exchange between the Won/Yen, but not exclude the effects of currency exchange on all local currencies. Please see the following table for the actual exchange rate applied.

	Q2 Standalone (3 Months)		Q2 YTD (6 Months)	
	FY2024/6 Q2	FY2025/6 Q2	FY2024/6 Q2	FY2025/6 Q2
1 KRW =	0.1116	0.1087	0.1113	0.1093

# FY2025/6 Q2: Key Takeaways

3

- Japan Business maintained steady trend in 1H, achieving increase in both Revenue and Business Profit
- Particularly, Business Profit posted double-digit growth driven by improved productivity
- Incurred 304M JPY equity-method loss from Toluna in 1H (YoY improvement of 275M JPY)

		FY2024/6 Q2 YTD	FY2025/6 Q2 YTD	YoY Growth
Consolidated	Revenue	22.09 <sub>bn</sub> JPY	22.63 <sub>bn</sub> JPY	+2%
	Business Profit <sup>(1)</sup>	2.95 <sub>bn</sub> JPY	3.36 <sub>bn</sub> JPY	+14%
	Operating Profit	2.37 <sub>bn</sub> JPY	2.75 <sub>bn</sub> JPY	+16%
	Quarterly Profit Attributable to Owners of Parent	0.88 <sub>bn</sub> JPY	1.43 <sub>bn</sub> JPY	+62%

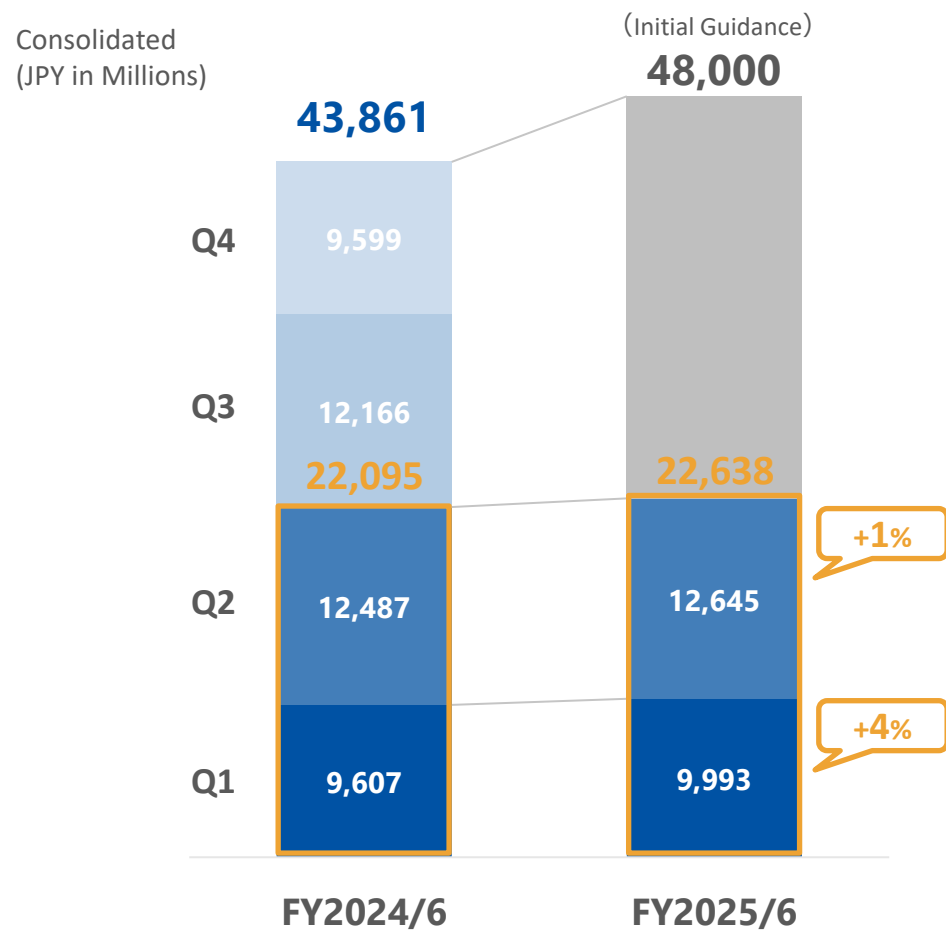
## Note

1. The Company transferred its Overseas Business (ex-Korea) segment to Toluna in exchange for considerations, including a 17.4% stake in Toluna. This has resulted in Toluna being an equity-method affiliate of the Company from the fourth quarter of the fiscal year ended June 30, 2023. To show our actual business performance of the Macromill Group more accurately, we are showing our Business Profit, which subtracts equity method investment gains/losses related to Toluna from OP from FY24. In addition, Business Profit for FY2025/6 Q2 is net of TOB-related expenses as per “Notice Concerning Opinion in Favor of Tender Offer for the Company Shares, etc. by TJ1 Co., Ltd. and Recommendation to Tender” released in November 2024.

# FY2025/6 Q2: Consolidated Revenue

4

Revenue slightly grew in Q2, anticipate acceleration in 2H



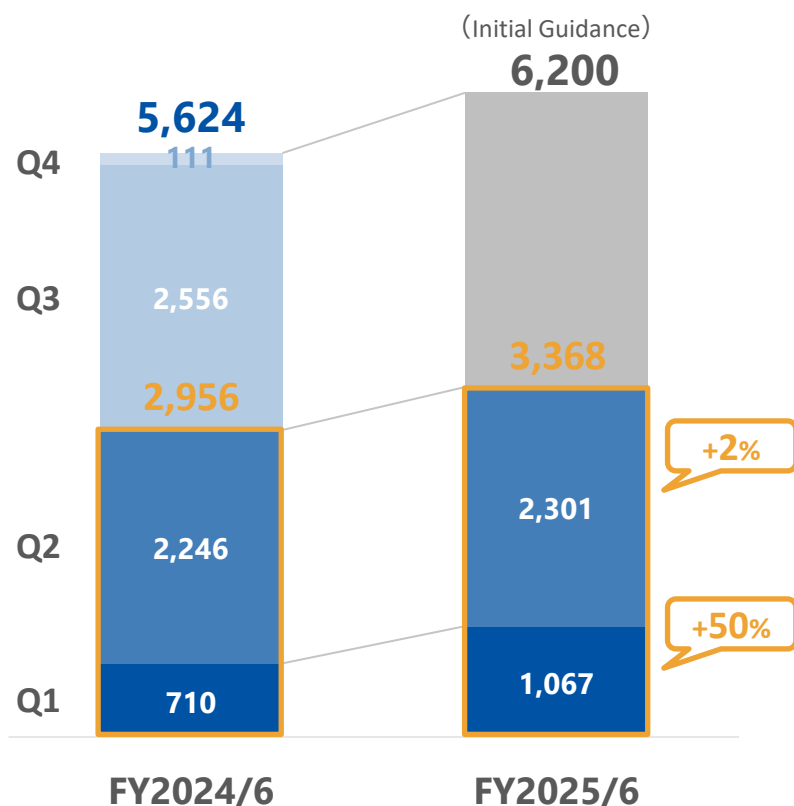
Q2 YTD Actual  
**+2% YoY**

# FY2025/6 Q2: Consolidated Business Profit

5

Achieved a double-digit increase in 1H Business Profit,  
driven by improved productivity in Japan Business

Consolidated  
(JPY in Millions)

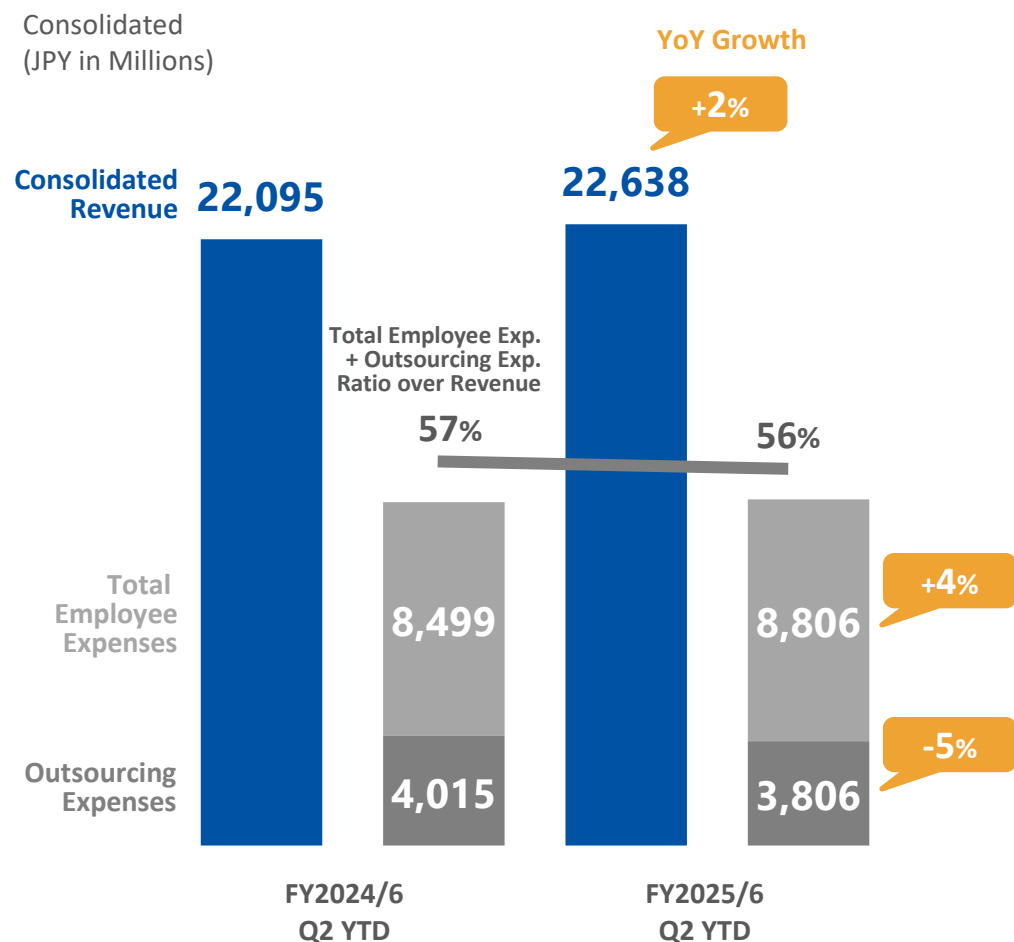


Q2YTD Actual  
**+14% YoY**

# FY2025/6 Q2: Consolidated Employee & Outsourcing Exp.

6

Downward trend of Outsourcing Expenses remained,  
while efforts to lower Total Employee Exp. + Outsourcing Exp. Ratio continued



## Key Point

- **Total Employee Expenses:**  
Japan +253M JPY, Korea +53M JPY
  - Headcount increased +30 from FY24 Q2 ( +24 in Japan, +6 in Korea)
- **Outsourcing Expenses:**  
Japan -178M JPY, Korea -39M JPY
  - Promoted in-house production in Japan, capitalizing on the expanded capacity
  - In addition, internal productivity has improved due to improvement of retention rate and proficiency
  - Enhanced operational efficiency with use of generative AI

# FY2025/6 Q2 Business Update By Segments

# FY2025/6 Q2: Japan Business Segment Trend

8

For Japan Business, Q3 is the busiest season followed by Q2

Revenue expanded steadily in 1H, while Business Profit increased significantly thanks to improved productivity

Revenue  
Q2YTD Actual

**19.4bn JPY**

YoY **+4%**

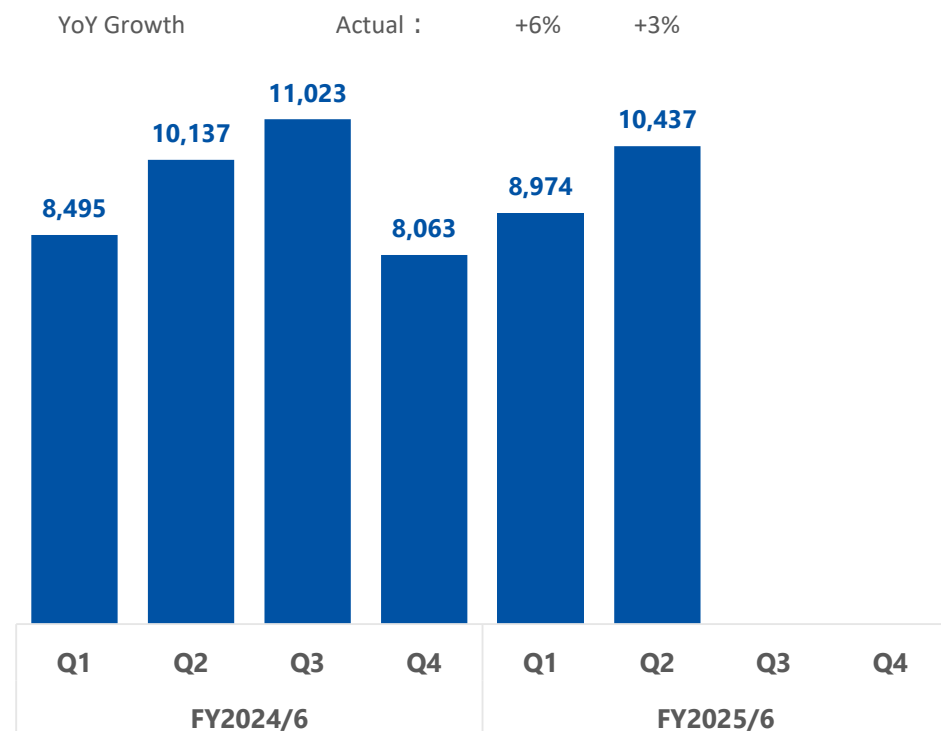
Business Profit  
Q2YTD Actual

**3.2bn JPY**

YoY **+26%**

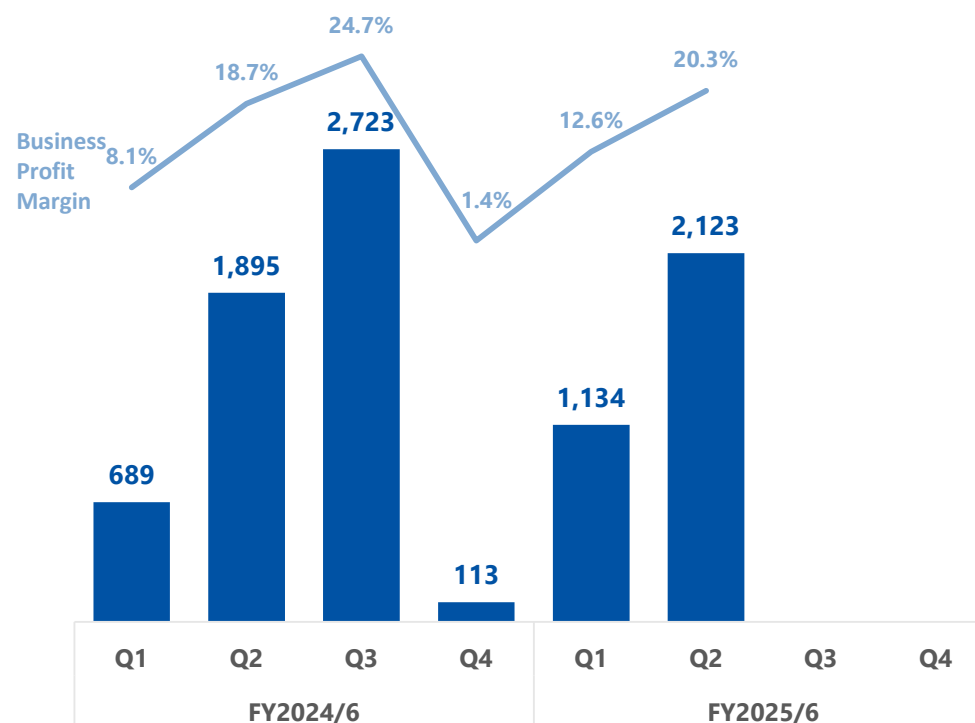
## Japan Business Quarterly Revenue Trend

(JPY in Millions)



## Japan Business Quarterly Business Profit<sup>(1)</sup> Trend

(JPY in Millions)

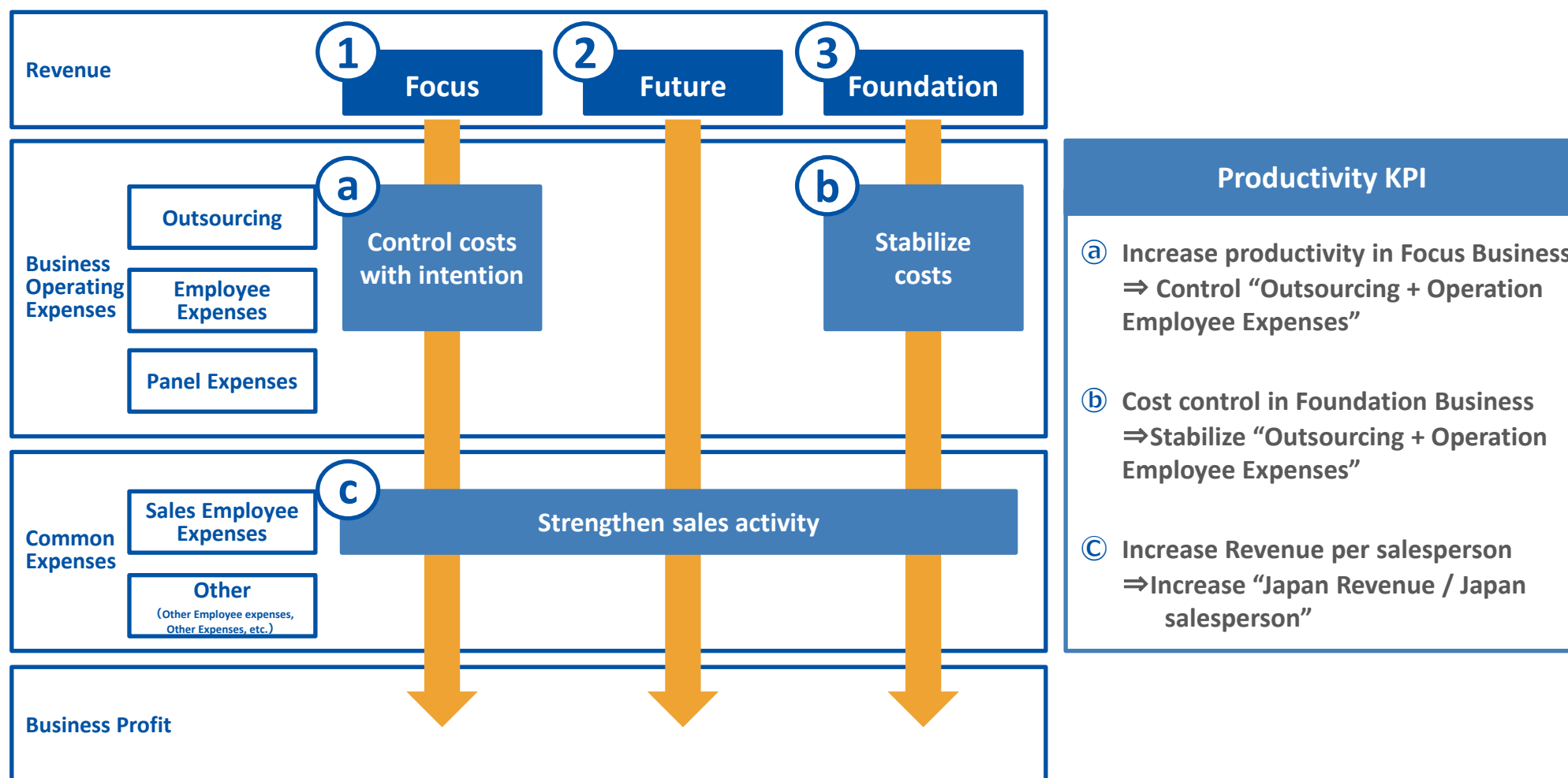


Note

1. Figures excluding equity gains (losses) of Toluna, which became an equity method affiliate



In Japan Business Segment,  
in addition to disclosing Revenue in three business areas (1)–(3),  
we are also disclosing productivity KPI's in three critical cost areas (a)-(c)



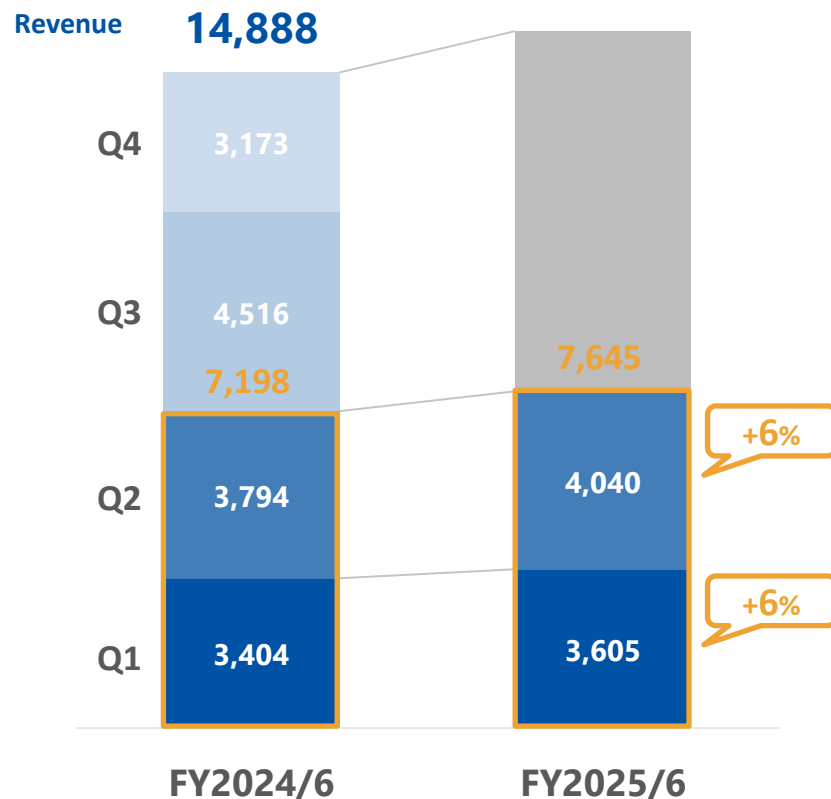
# FY2025/6 Q2: Japan Segment ①Focus Business

10

Focused on expanding Online Research sales

Achieved steady expansion by exploring new clients and strengthening relationships with existing clients

Japan Business Segment  
①Focus Business  
(JPY in Millions)



Q2YTD Actual  
+6% YoY

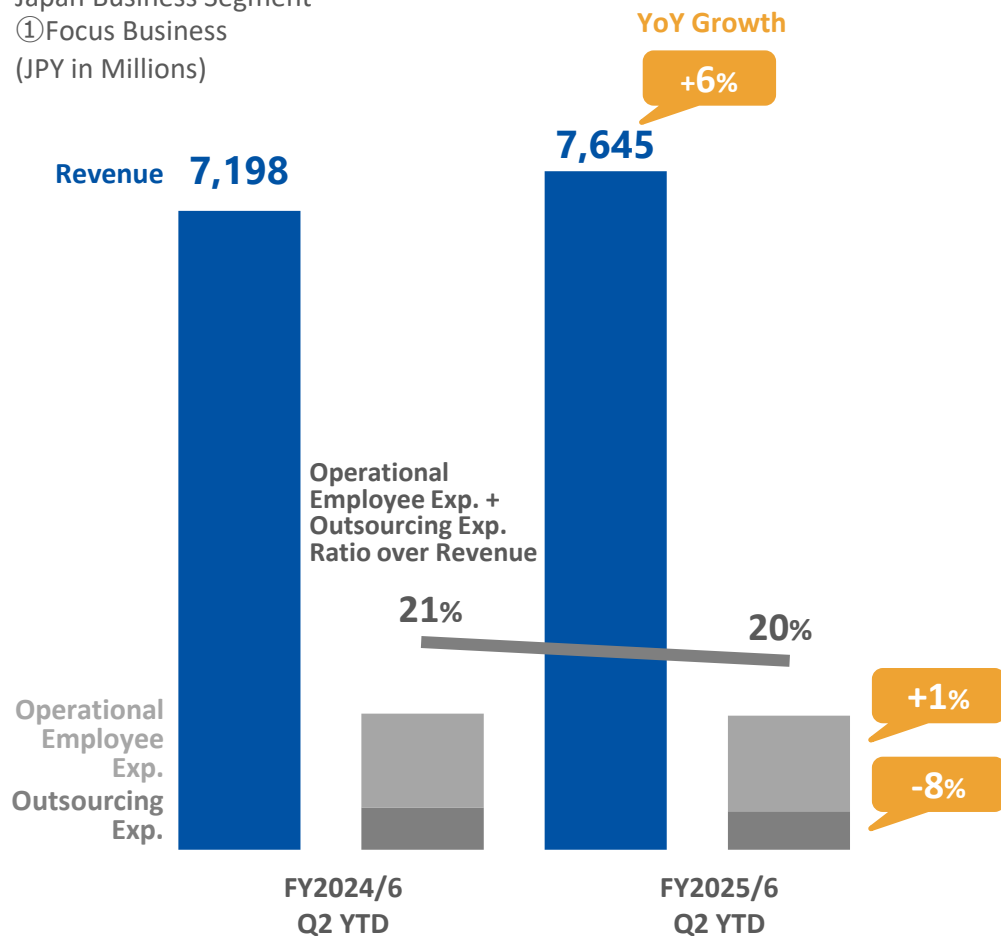
## ① Services in Focus Business

- Online Research
- Digital Research (AccessMill • DMP Sync Research, etc.)

Operational Employee Exp. + Outsourcing Exp. Ratio was down  
thanks to proper control of Outsourcing Expenses

Continued to strive to boost Revenue and improve productivity in Focus Business

Japan Business Segment  
①Focus Business  
(JPY in Millions)



## Key Point

### ■ Operational Employee Expenses: +1% YoY

- Succussed decrease in employee turnover rate and talent development
- Improved employee proficiency
- Reduced workload by reviewing operational processes
- Implementing initiatives to promote business automation and AI

### ■ Outsourcing Expenses: -8% YoY

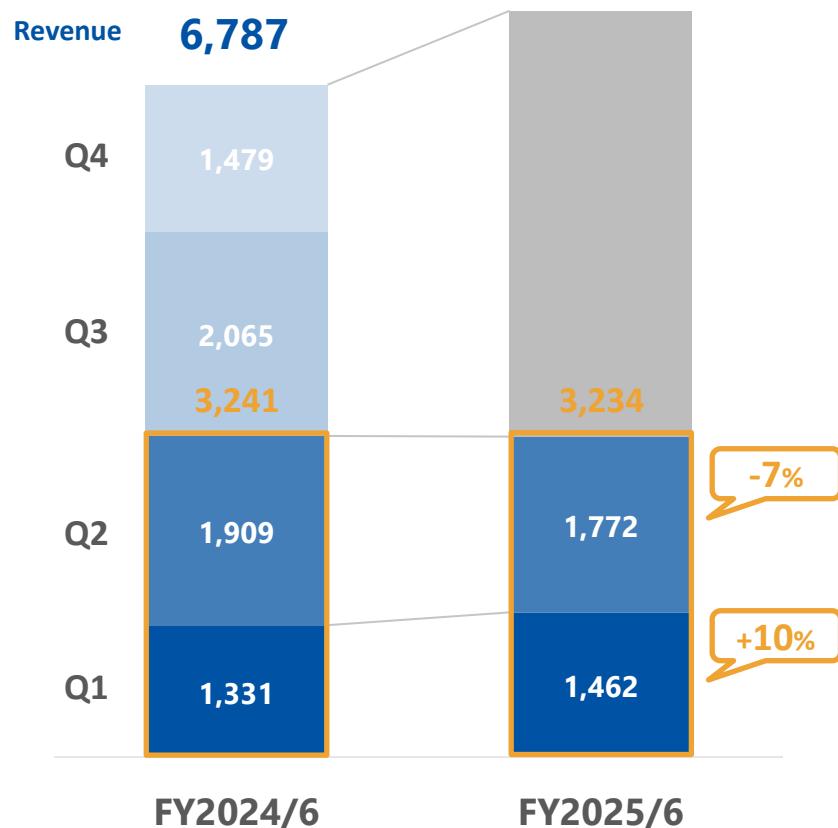
- Outsourcing Expenses have decreased on an actual basis due to an increase in-house production and improved internal productivity

# FY2025/6 Q2: Japan Segment ②Future Business

12

This business area is consisted of large projects  
Revenue for 1H remained almost unchanged YoY  
despite volatility from some projects

Japan Business Segment  
②Future Business  
(JPY in Millions)



Q2YTD Actual  
-0% YoY

## ② Services in Future Business

- Consulting
- Global Research (Incl. Southeast Asia, China)
- New Business (Life Science, Ads, etc..)

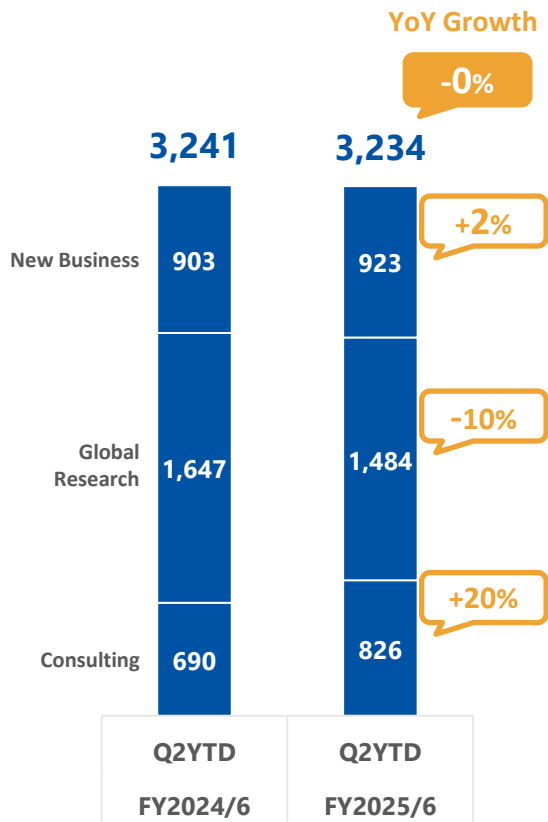
# FY2025/6 Q2: Japan Future Business Quarterly Trend

Revenue grew double digit in Consulting, but decreased in Global Research due to a change in size of large projects

New Business saw a launch of a new subscription model service in January

Future Business Q2 YTD Revenue (6 Months)

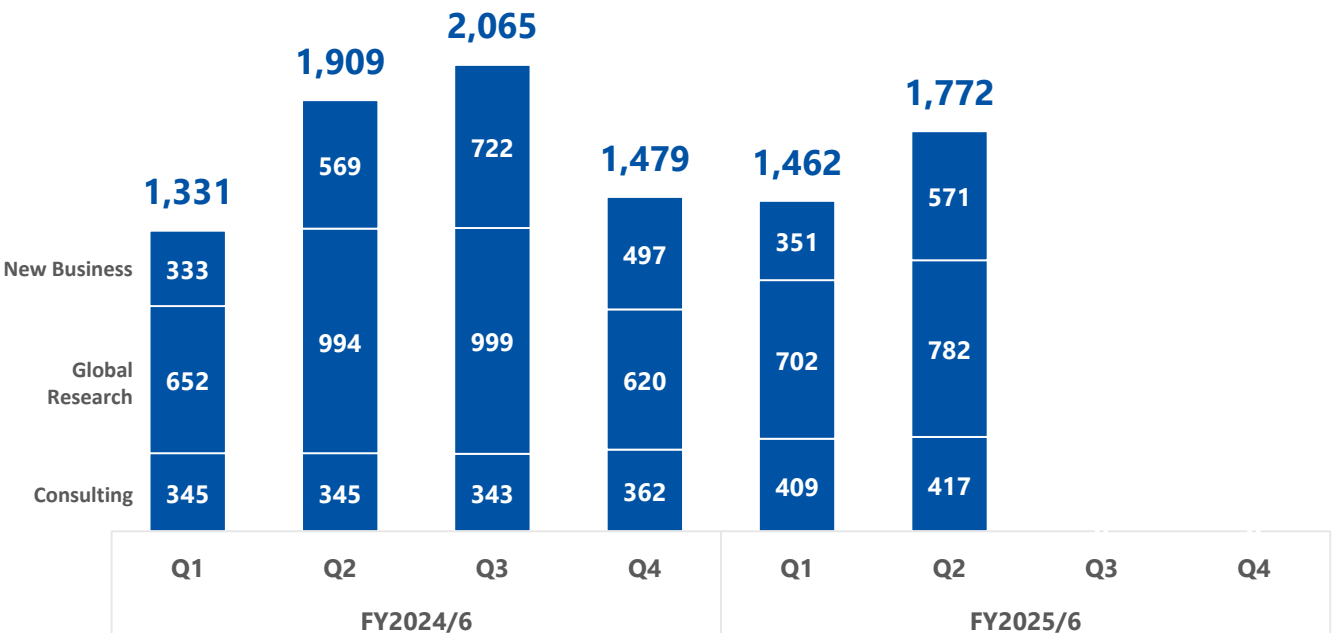
(JPY in Millions)



Future Business Quarterly Revenue Trend

(JPY in Millions)

YoY Growth : +10% -7%



## Launch of “Coreka”

Data provision service offered in a subscription model

Platform that helps create ideas for product development



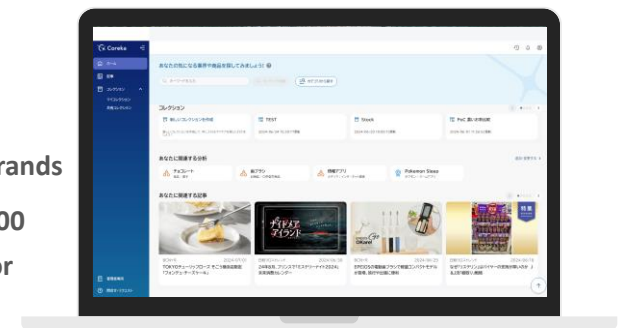
### Three features

- Access to market and consumer data on 3,500 brands in 180 categories
- Unlimited viewing of high-quality analytical reports unique to Macromill, a research firm, under original themes and with weekly updates
- Comprehensive access to quantitative and qualitative information through UI/UX specifically designed for searching tasks

Service URL: <https://www.macromill.com/service/platform/coreka/> (Japanese Only)

Free Plan: Unlimited viewing of analytical reports released for free and some analytical data on 3,500 brands

Paid Plan: Unlimited viewing of all analytical data (including time-series data on purchase prices for 3,500 brands) and unlimited downloading of all analytical reports at a monthly fee of 300,000 JPY or above for 10 accounts

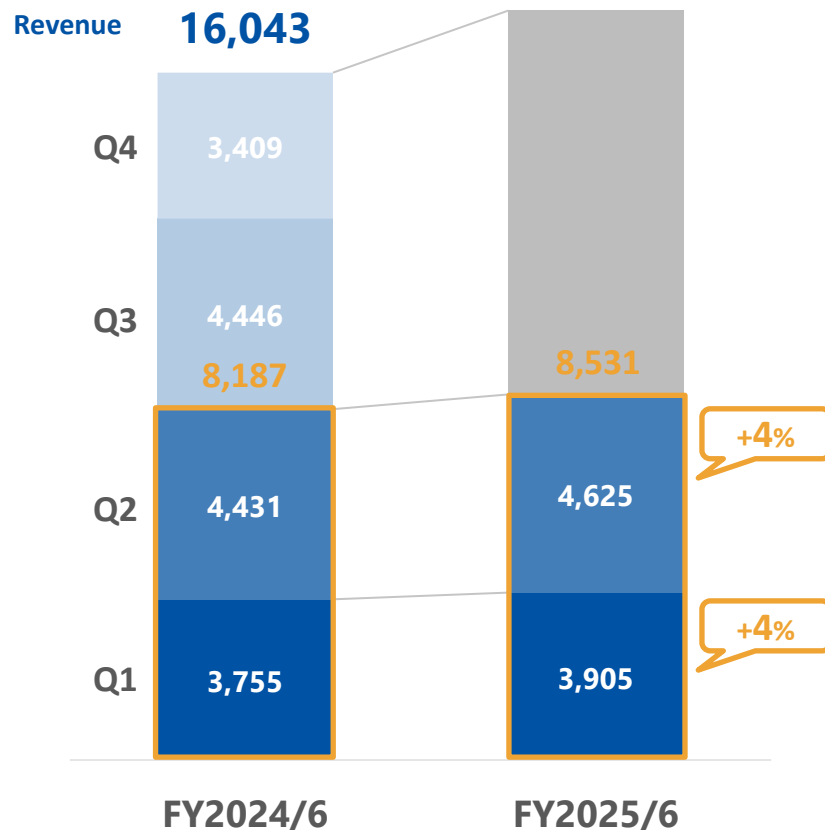


# FY2025/6 Q2: Japan Segment ③Foundation Business

15

Maintained steady growth in 1H  
and anticipate acceleration in growth toward FY2025/6 2H

Japan Business Segment  
③Foundation Business  
(JPY in Millions)



Q2YTD Actual  
**+4% YoY**

## ③ Services in Foundation Business

- Joint Ventures with Ad agencies (DMI, QO, others, etc.)
- Offline Research
- Database Service

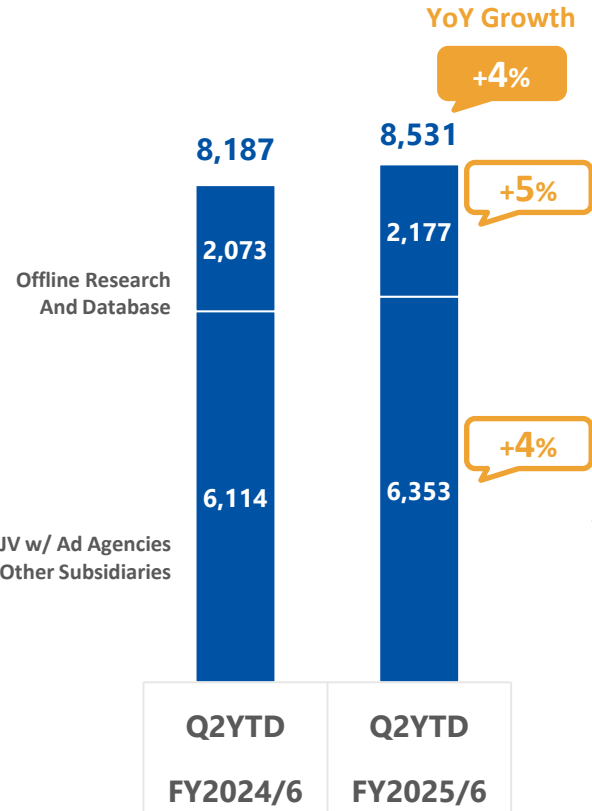
\*Internal transactions between groups are offset and eliminated in this category for convenience due to the large scale of transactions with this category.

Maintained steady Revenue growth for 1H in Offline Research and Database Service as well as in JV with Ad Agencies and Other Subsidiaries

Revenue from Offline Research rebounded in Q2 after posting a YoY decrease in Q1

Foundation Business Q2 YTD Revenue (6M)

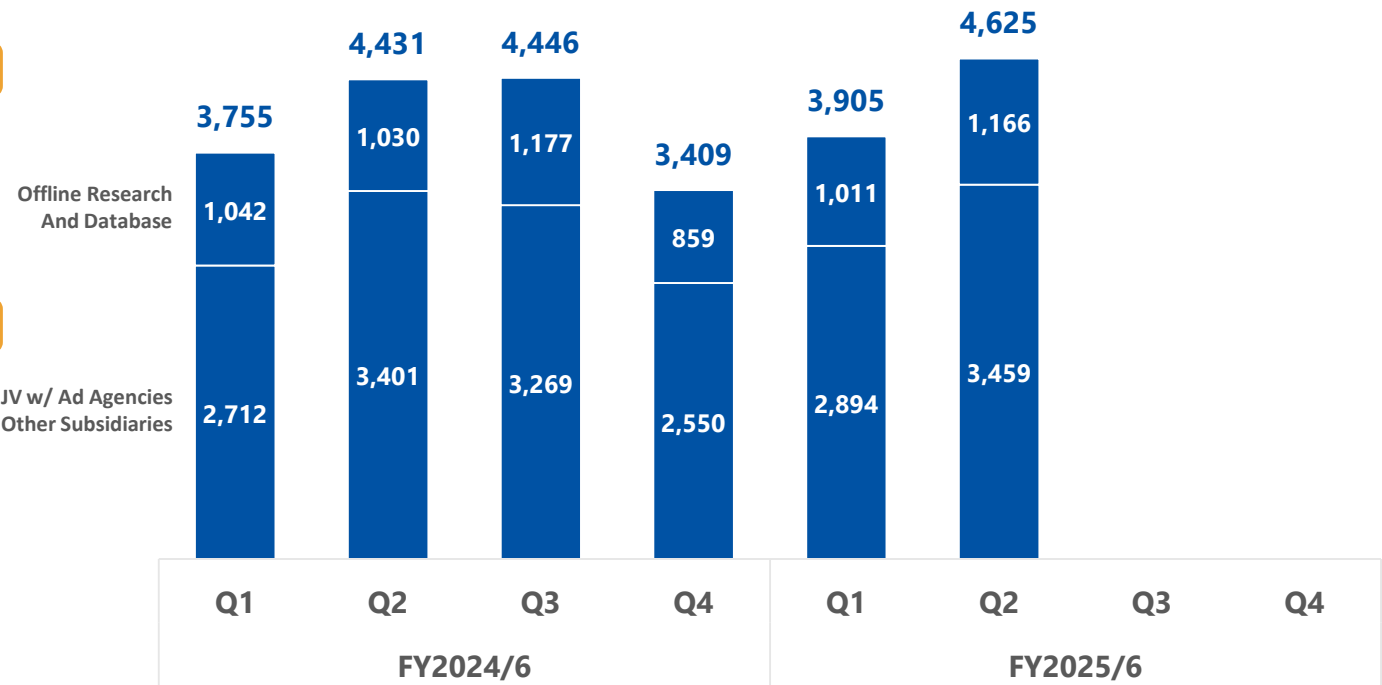
(JPY in Millions)



Foundation Business Quarterly Revenue Trend

(JPY in Millions)

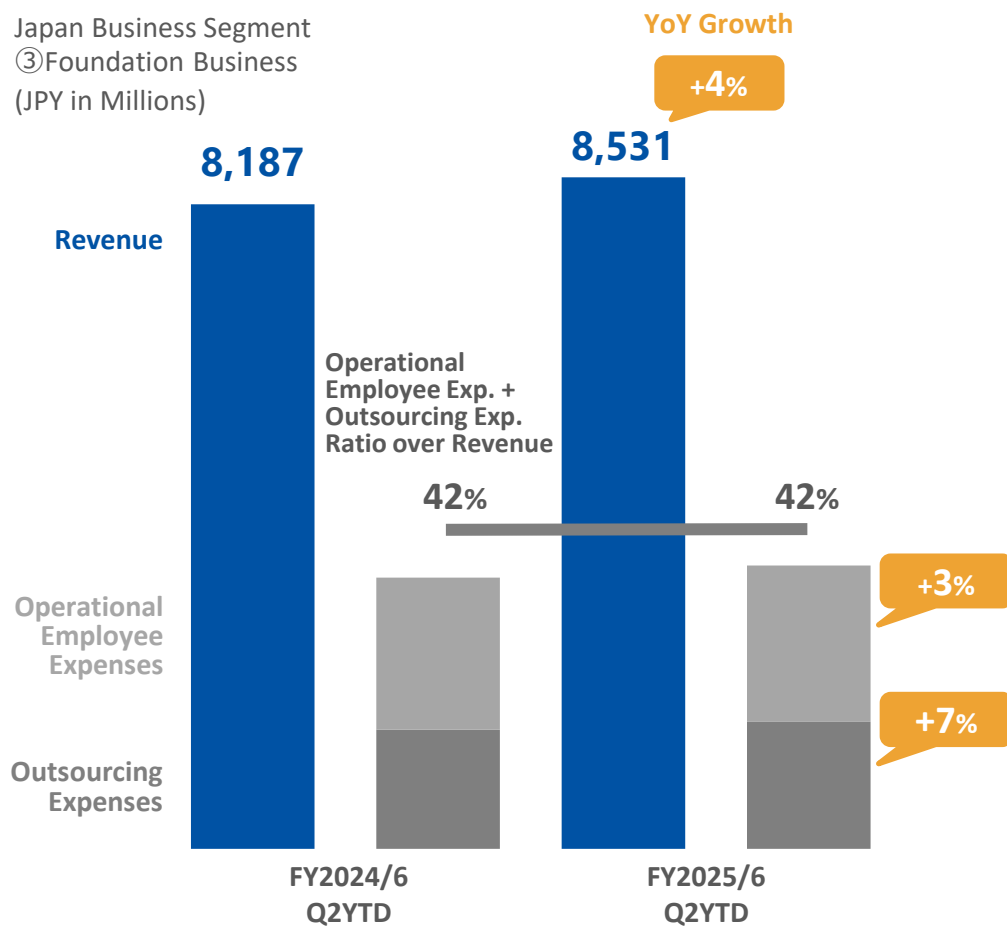
YoY Growth : +4% +4%





Partly because of product portfolios offered by subsidiaries,  
Outsourcing Expenses + Operational Employee Expenses Ratio remained  
almost unchanged from FY2024/6 1H

Japan Business Segment  
③Foundation Business  
(JPY in Millions)

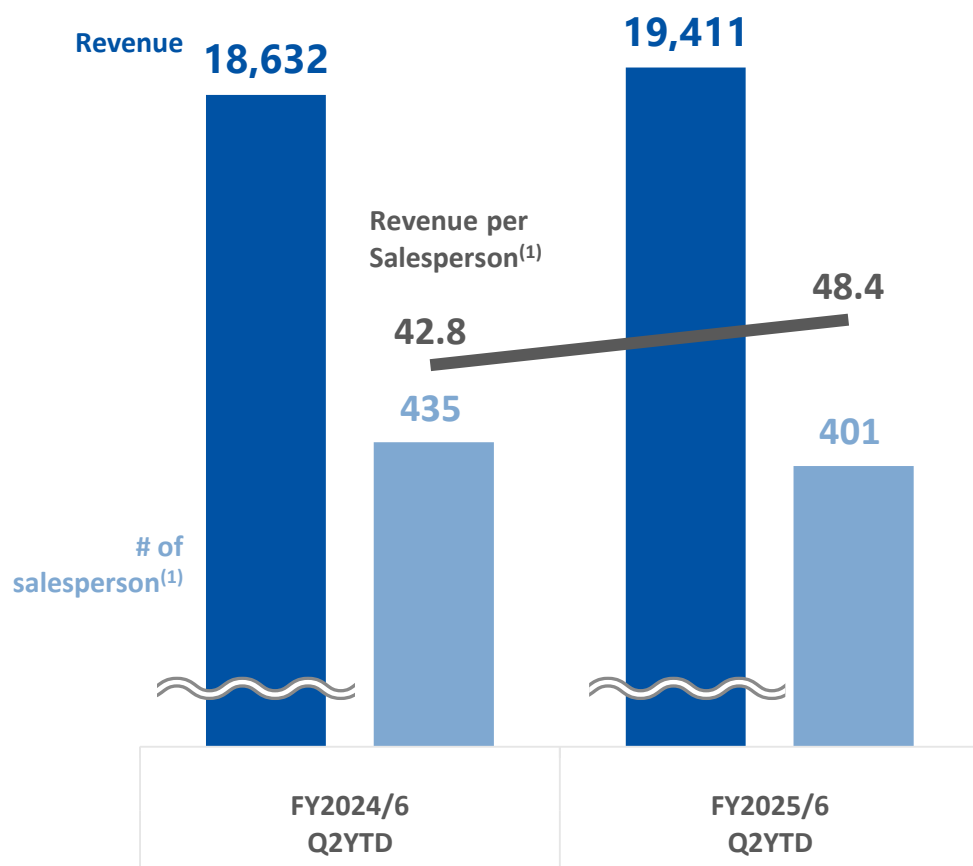


## Key Point

- **Operational Employee Expenses: +3% YoY**
  - Enhancement of operational capabilities and human resources at subsidiaries
- **Outsourcing Expenses: +7% YoY**
  - Subsidiaries expanded sales of products highly dependent on outsourcing

## Enhanced account management capabilities and improved sales efficiency

Japan Business Segment  
(JPY in Millions, people)



### Note

1. Number of people involved in sales activities among all employees of our companies in Japan. To equalize the effects of increases and decreases in the headcount during the period and to obtain figures that more closely reflect the actual situation, the number of headcounts is a simple average of the number of headcounts at the beginning of the period and at the end of the most recent quarter.

### Key Point

- **Salesperson Headcount: -34 people vs FY24 Q2**
  - Enhanced existing employees' ability to make proposals
  - Promoted sales activities in close coordination with production
- **Revenue per Salesperson**
  - Made organizational changes in July to better adapt the salesforce and workflows to industry characteristics
  - Furthermore, we plan to expand the sales incentive design between group companies and strengthen mutual client referrals

Economic outlook remained bleak and research budgets for government projects decreased, resulting in a decline in both Revenue and Business Profit in 1H

Will continue to expand New Business, including provision of purchase data and further cost control

Revenue  
Q2YTD Actual

3.2bn JPY

YoY -7%

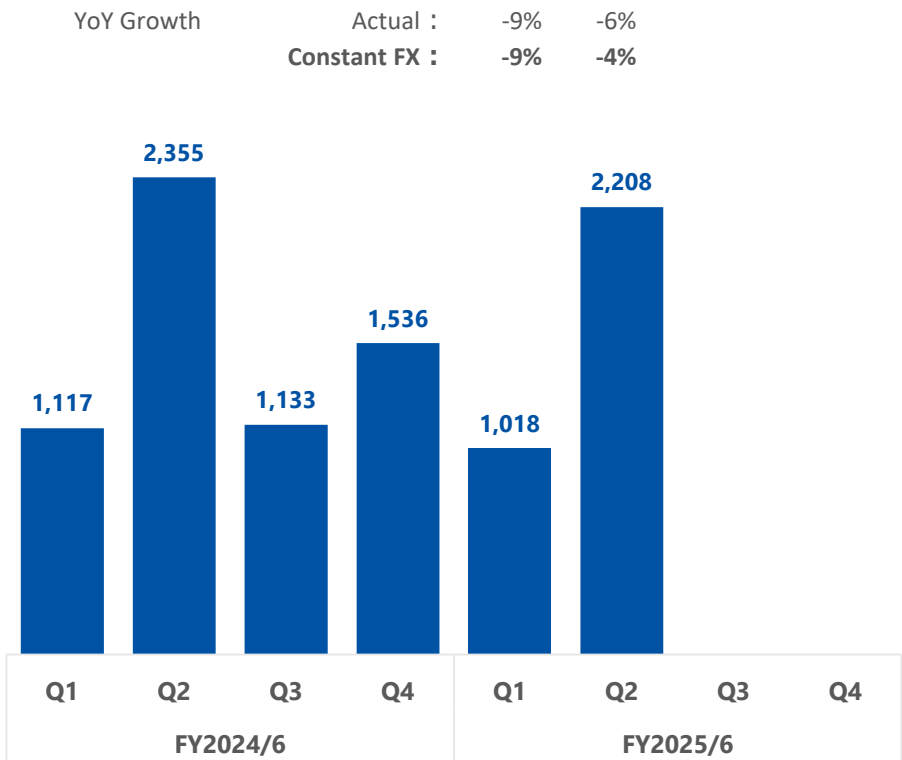
Business Profit  
Q2YTD Actual

0.11bn JPY

YoY -70%

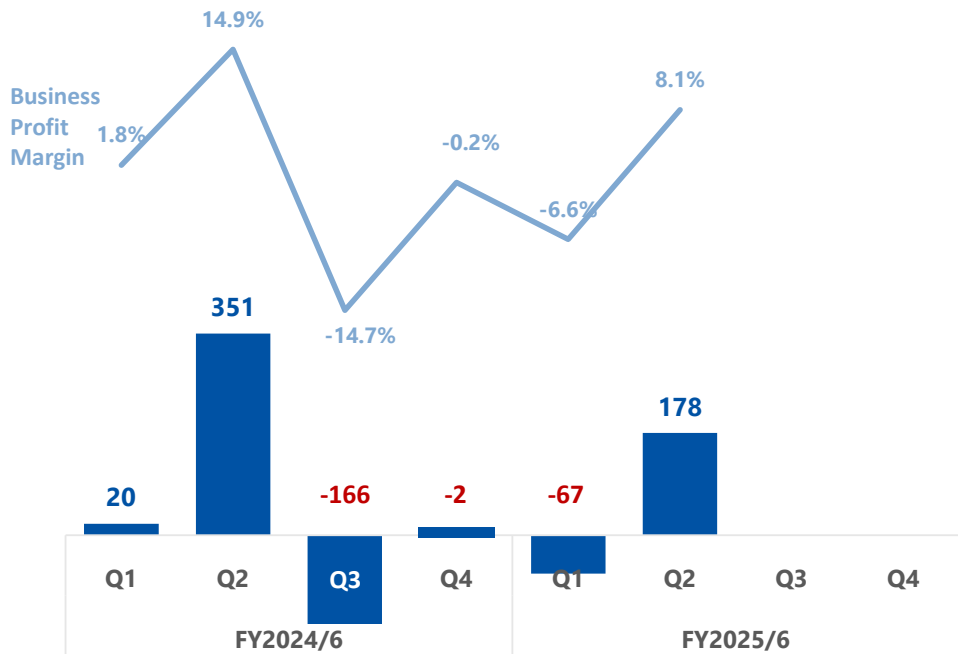
Quarterly Korea Revenue Trends

(JPY in Millions)



Quarterly Korea Business Profit Trends

(JPY in Millions)



# FY2025/6 Q2 Financial Update

# Consolidated Statement of Operations (P/L) <sup>(1)</sup>

Q2 (6Months)

21

**Consolidated Revenue increased due to steady growth in Japan despite decline in Revenue continued in Korea**  
**Business Profit achieved double-digit growth driven by improved productivity in Japan Business**

## FY2025/6 Q2 YTD P/L

Consolidated  
(JPY in Millions)

	FY2024/6 Q2YTD Actual	FY2025/6 Q2 YTD Actual	YoY Variance	YoY Growth
<b>Revenue</b>	<b>22,095</b>	<b>22,638</b>	<b>+543</b>	<b>+2%</b>
Japan Business Revenue	18,632	19,411	+779	+4%
Korea Business Revenue	3,472	3,226	(246)	(7%)
<b>Business Profit<sup>(2)</sup></b>	<b>2,956</b>	<b>3,368</b>	<b>+412</b>	<b>+14%</b>
Japan Business Business Profit <sup>(2)</sup>	2,584	3,258	+673	+26%
Korea Business Business Profit	371	110	(261)	(70%)
<b>Business Profit Margin</b>	<b>13.4%</b>	<b>14.9%</b>	-	+1.5pt
Gains and losses of equity method of Toluna	(579)	(304)	+275	-
TOB related expenses (minus is expenditure)	-	(309)	(309)	-
<b>Operating Profit</b>	<b>2,377</b>	<b>2,755</b>	<b>+378</b>	<b>+16%</b>
<b>Profit Attributable to Owners of the Parent Company</b>	<b>888</b>	<b>1,437</b>	<b>+549</b>	<b>+62%</b>

Note

1. Segment figures are after the elimination of inter-segment transactions since FY2024/6 Q3.
2. The Company transferred its Overseas Business (ex-Korea) segment to Toluna in exchange for considerations, including a 17.4% stake in Toluna. This has resulted in Toluna being an equity-method affiliate of the Company from the fourth quarter of the fiscal year ended June 30, 2023. To show our actual business performance of the Macromill Group more accurately, we are showing our Business Profit, which subtracts equity method investment gains/losses related to Toluna from OP from FY24. In addition, Business Profit for FY2025/6 Q2 is net of TOB-related expenses as per "Notice Concerning Opinion in Favor of Tender Offer for the Company Shares, etc. by TJ1 Co., Ltd. and Recommendation to Tender" released in November 2024.

# FY2025/6 Q2: Consolidated Operating Expenses

Q2 (6Months)

22

Kept the rate of growth for Total Operating Expenses excluding TOB-related expenses below Revenue growth rate

We will maintain proper control over Outsourcing Expenses and Total Employee Expenses, while continuing to make system investments for the future

## FY2025/6 Q2 YTD Expenses

Consolidated  
(JPY in Millions)

	FY2024/6 Q2YTD Actual	FY2025/6 Q2 YTDActual	YoY Variance	YoY Growth
Revenue	22,095	22,638	+543	+2%
Panel Expenses	2,762	2,778	+15	+1%
Outsourcing Expenses	4,015	3,806	(208)	(5%)
Total Employee Expenses	8,499	8,806	+307	+4%
D&A and Other Expenses	3,832	4,254	+421	+11%
(TOB Related Expenses in Other Exp.	-	309	+309	-)
Total Operating Expenses	19,110	19,647	+536	+3%

# FY2025/6 Q2: Consolidated OP Waterfall

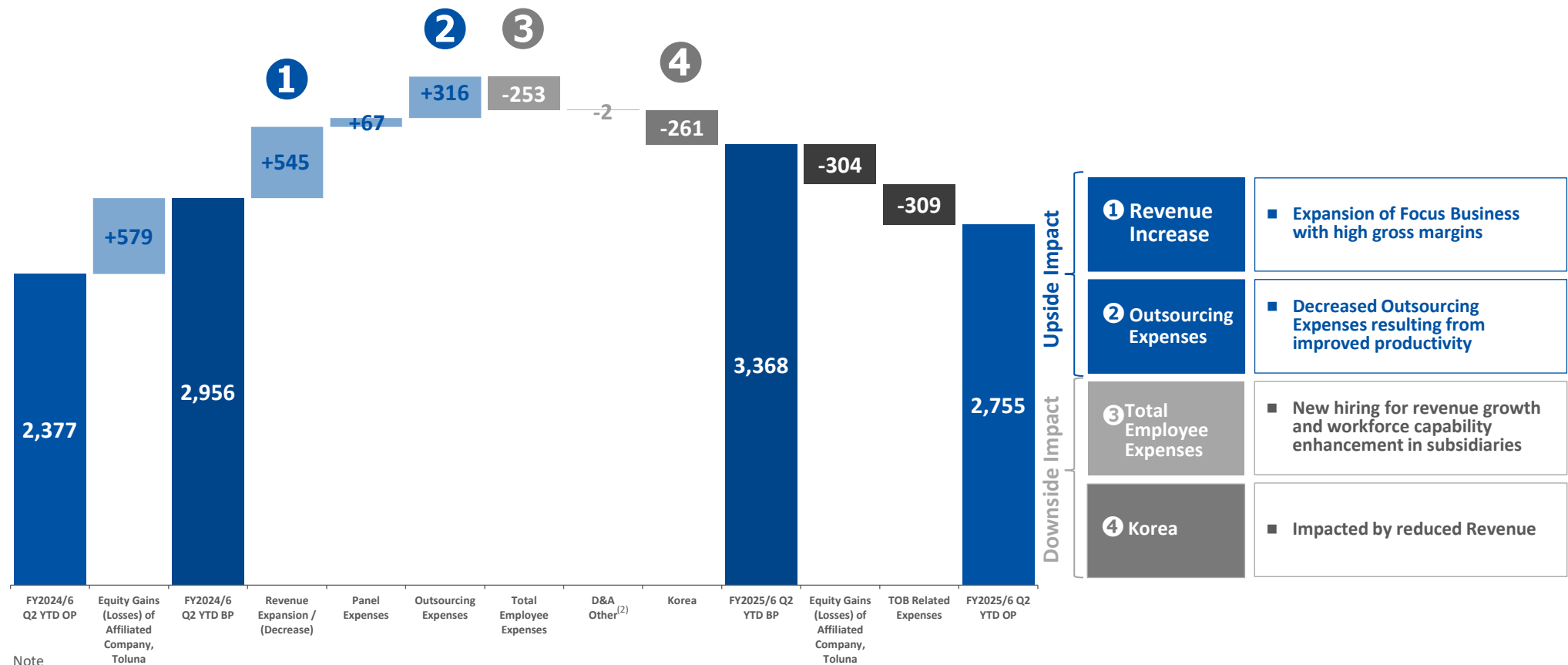
Q2 (6Months)

Business Profit grew as the upside impact of increased Japan Business Revenue and reduced Outsourcing Expenses more than offset the downside impact of increased Total Employee Expenses and decreased Korea Business Profit

Operating Profit also increased despite TOB-related expenses incurred in Q2

FY2025/6 Q2 YTD Consolidated OP Waterfall Analysis <sup>(1)</sup>

(JPY in Millions)



Note

- 1. The impact of Revenue Expansion/(Decrease) effect and Panel Expenses/Outsourcing Expenses/Operational Employee Expenses on Operating Profit is calculated and expressed based on margin improvement/deterioration, and Sales/common Employee Expenses, D&A, and Other Expenses are Actual difference compared to the same period last year
- 2. Other includes Other Operating Income, Other Operating Expenses, Other in Operating Expenses

# Consolidated Statements of Financial Position (B/S)

24

Due to bond issuance, total liabilities increased by JPY 7.9 billion, while total current assets increased by JPY 8.3 billion  
Full-year Net Debt/EBITDA is expected to remain within the mid-term target range of 2 to 2.5x

## FY6/2025 Q2

Consolidated  
(JPY in Millions)

Consolidated IFRS (JPY in Millions)	FY6/2024 as of June 30, 2024	FY6/2025 as of Dec. 31, 2024	Variance
<b>Total Current Asset</b>	<b>20,986</b>	<b>29,350</b>	<b>+8,363</b>
Cash and cash equivalents	10,398	17,025	+6,626
Trades and Other Receivables	5,984	7,993	+2,008
<b>Total Non-current Asset</b>	<b>68,218</b>	<b>67,727</b>	<b>(491)</b>
Goodwill	40,665	41,116	+450
( Our own goodwill recognized in connection with our past LBO	38,815	38,815	0 )
<b>Total Liabilities</b>	<b>43,406</b>	<b>51,398</b>	<b>+7,992</b>
Borrowings and Bonds <sup>(1)</sup>	30,498	39,725	+9,226
<b>Total Equity</b>	<b>45,799</b>	<b>45,678</b>	<b>(120)</b>
<b>Target Financial KPIs</b>			
<b>Net Debt<sup>(2)</sup> / EBITDA<sup>(3)</sup></b>	<b>2.62 x</b>	<b>2.80 x</b>	
Net Debt	20,100	22,700	+2,599
EBITDA <sup>(3)</sup>	7,683	8,096	+412

Note

1. The sum of Short-term Borrowings, Long-term Borrowings, and Bonds
2. Net debt = interest-bearing debt (borrowings + bonds) - cash and cash equivalents
3. EBITDA = Business profit + depreciation and amortization + loss on retirement of non-current assets + impairment loss. Regarding Business Profit since FY2024/6 Q1, please refer to p.3.



# Consolidated Statements of Cash Flows (C/F)

25

Although operating profit increased YoY, cash flow from operating activities and free cash flows decreased due to corporate taxes and bonuses increased along with the profit growth this year

Cash flows from financing activities increased by JPY 14.4 billion YoY due to the redemption last year and issuance of bonds this year

## FY6/2025 Q2 YTD (6 Months)

Consolidated  
(JPY in Millions)

Consolidated IFRS (JPY in Millions)		6 Months	
	FY6/2024 Q2 YTD Actual	FY6/2025 Q2 YTD Actual	Variance
Cash Flows from Operating Activities	1,719	215	(1,503)
Cash Flows from Investing Activities	(381)	(808)	(426)
Free Cash Flows <sup>(1)</sup>	1,456	(418)	(1,875)
Cash Flows from Financing Activities	(7,114)	7,297	+14,411
Increase/(decrease) in Cash and Cash Equivalents	(5,776)	6,703	+12,480
Cash and Cash Equivalents at the end of the period	12,484	17,025	+4,541

Note

1. Free cash flow = Cash flows from operating activities ± cash flows from investing activities - interest paid

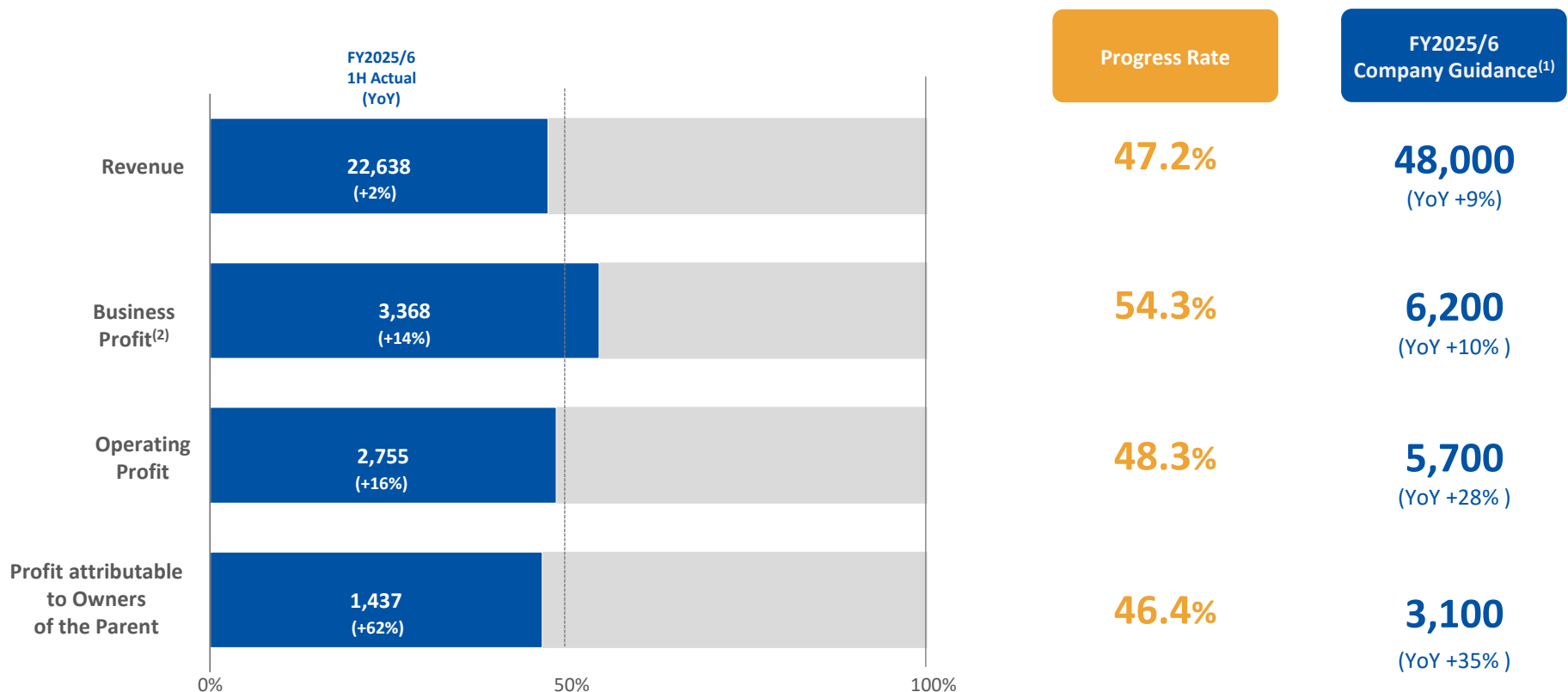
# FY2025/6 Q2 Results: % of Achievement vs. Guidance

26

**Full-year forecast remains unchanged**  
**Will continue to strive to achieve figures stated in our Guidance**

## FY6/2025 1H Actual vs. FY6/2025 Company Guidance

Consolidated  
(JPY in Millions)



Note

1. The full year 2025/6 (performance forecast) is based on the average exchange rate of 1 won = 0.11 yen
2. Figures excluding equity-method gains (losses) from Toluna, an equity-method affiliate, and TOB-related expenses

# Appendix

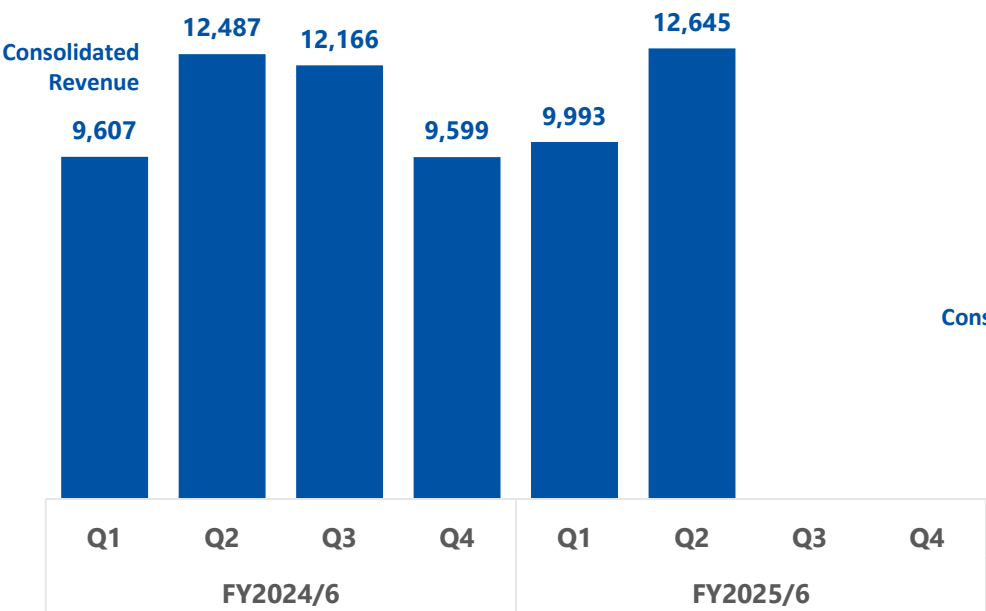
- i. [FY2025/6 Q2 Financial Results Supplemental Material](#)
- ii. Summary of Our Company (Historical Revenue Trends, Market Size, and Mid-term Business Plan, etc.)

# FY2025/6 Q2: Consolidated Quarterly Business Performance

## Consolidated Quarterly Revenue Trend

(JPY in Millions)

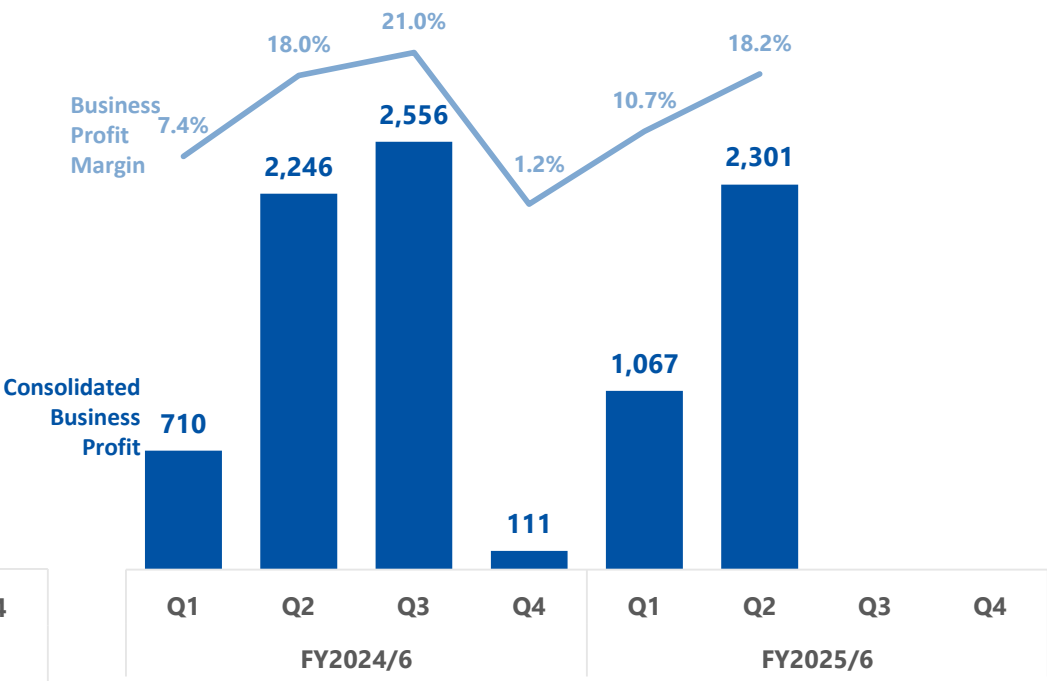
YoY Growth Actual: +4% +1%



## Consolidated Quarterly Business Profit<sup>(1)</sup>

(JPY in Millions)

YoY Growth Actual: +50% +2%



Note

1. The Company transferred its Overseas Business (ex-Korea) segment to Toluna in exchange for considerations, including a 17.4% stake in Toluna. This has resulted in Toluna being an equity-method affiliate of the Company from the fourth quarter of the fiscal year ended June 30, 2023. To show the business performance of the Group, the Company states Business Profit which subtracts the equity method investment gains/losses related to Toluna from Operating Profit from the fiscal year ended June 30, 2024.

FY2025/6 Q2 : Consolidated Quarterly Operating Exp.

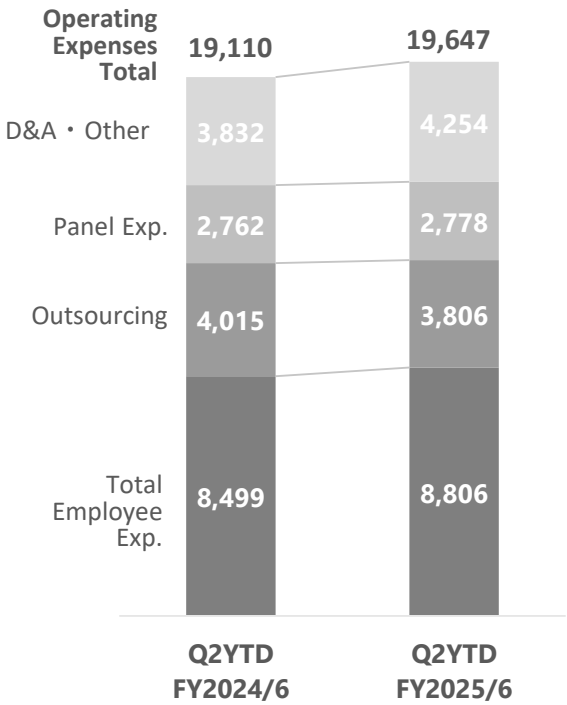
29

 [Click here](#) for historical figures

File name: Financial supplement Financial Data\_FY2025\_6\_Q2 (EXCEL)

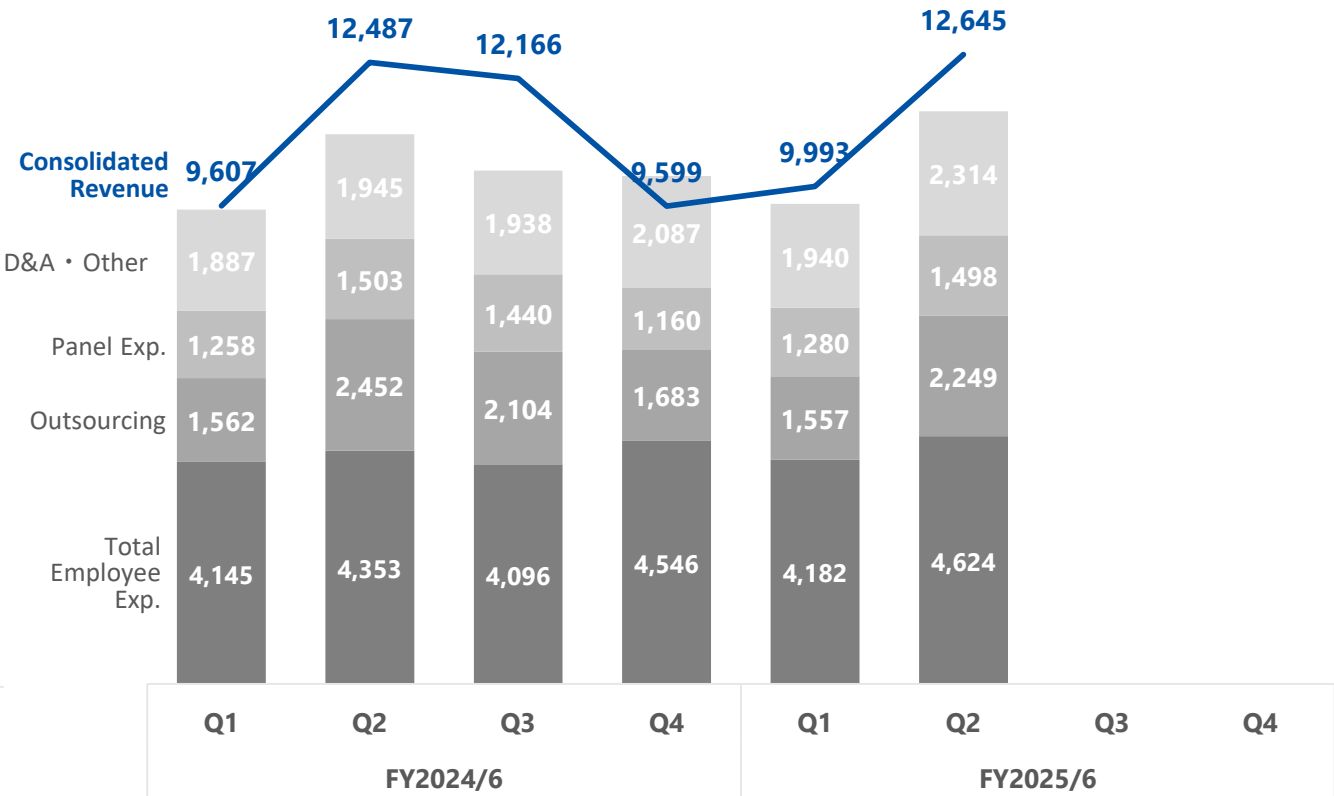
FY2025/6 Q2 YTD Operating Expenses (6M)

(JPY in Millions)



Quarterly Operating Expenses Trend

(JPY in Millions)



# Quarterly New Revenue Breakdown in Japan Business

30

We have changed the Revenue breakdown in Japan Business due to disclosing the New MTBP in FY2024/6

## Japan Business Quarterly Revenue Breakdown by New Business Categories

Consolidated  
(JPY in Millions)

### New Business Categories and breakdown in Japan Business

#### Focus Business

Online Research

Digital Research

#### Future Business

Consulting

Global Research (Incl. Southeast Asia • China)

New Business (Life Science • Ads, etc.)

#### Foundation Business

Joint Ventures with Ad agencies (DMI, QO, others, etc.)

Offline Research

Database Service

		FY2023/6					FY2024/06					FY2025/06				
		Q1	Q2	Q3	Q4	通期/Full-year	Q1	Q2	Q3	Q4	通期/Full-year	Q1	Q2	Q3	Q4	通期/Full-year
実績/ Actual	Japan Revenue <sup>(1)</sup>	7,770	9,271	10,206	7,660	34,909	8,495	10,137	11,023	8,063	37,719	8,974	10,437			
	Focus Business	3,215	3,639	4,216	3,037	14,110	3,404	3,794	4,516	3,173	14,888	3,605	4,040			
	Future Business	1,166	1,641	1,917	1,285	6,011	1,331	1,909	2,065	1,479	6,787	1,462	1,772			
	Foundation Business	3,388	3,989	4,071	3,337	14,785	3,755	4,431	4,446	3,409	16,043	3,905	4,625			
前年比/ YoY	Japan Revenue <sup>(1)</sup>	+8%	+7%	+7%	+4%	+7%	+9%	+9%	+8%	+5%	+8%	+6%	+3%			
	Focus Business	-2%	-4%	-2%	-0%	-2%	+6%	+4%	+7%	+4%	+6%	+6%	+6%			
	Future Business	+34%	+32%	+23%	+17%	+26%	+14%	+16%	+8%	+15%	+13%	+10%	-7%			
	Foundation Business	+13%	+10%	+11%	+4%	+9%	+11%	+11%	+9%	+2%	+9%	+4%	+4%			

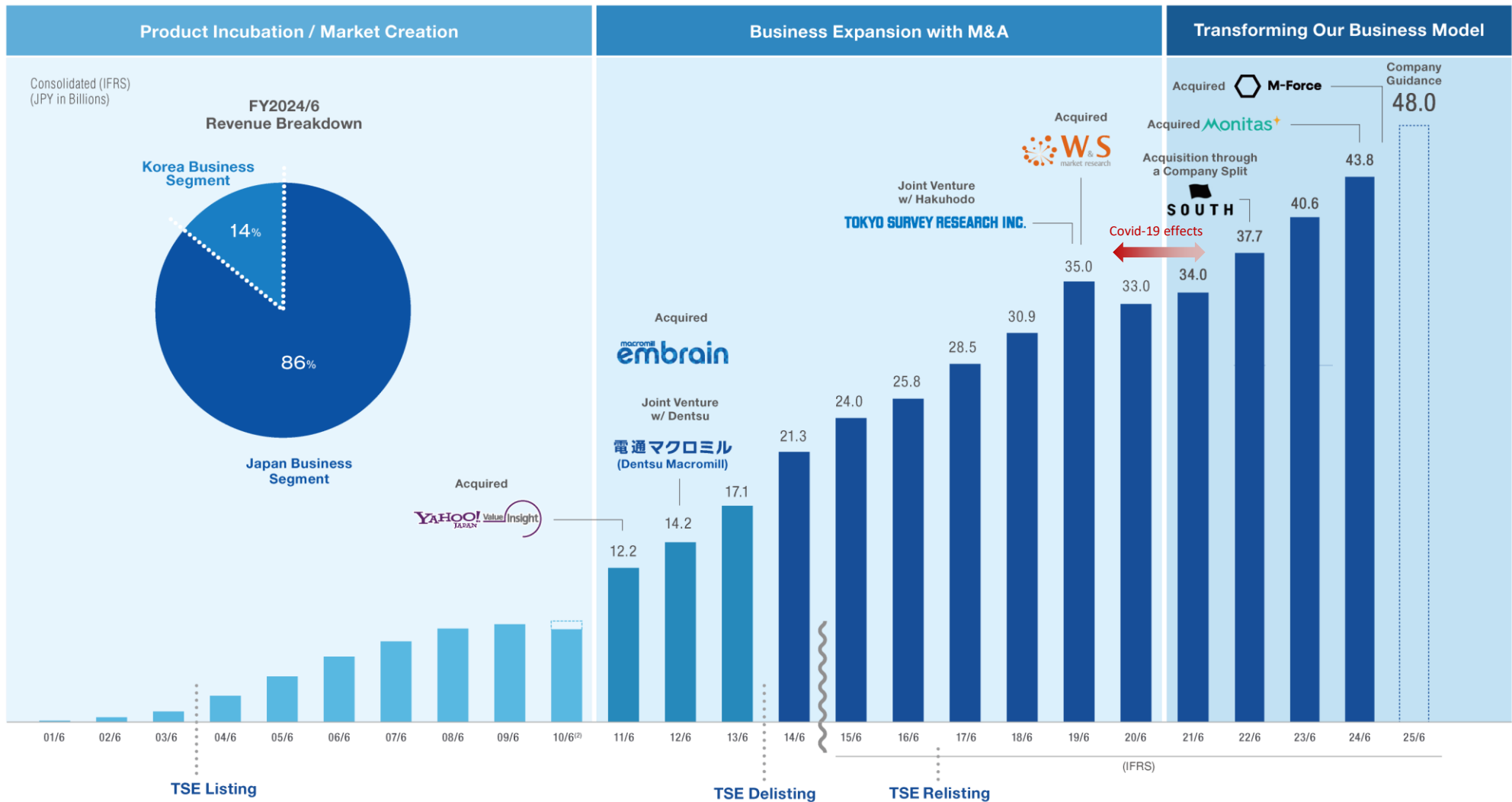
Note: Japan Revenue is a figure that include intersegment revenue, and revenue by business areas are external revenue figures, so there is a difference between the total value of these business areas and Japan business revenue.

# Appendix

- i. FY2025/6 Q2 Financial Results Supplemental Material
- ii. [Summary of Our Company \(Historical Revenue Trends, Market Size, and Mid-term Business Plan, etc.](#)

# Historical Track Records of Our Business Expansion since Foundation

## Consolidated Revenue<sup>(1)</sup>



### Notes

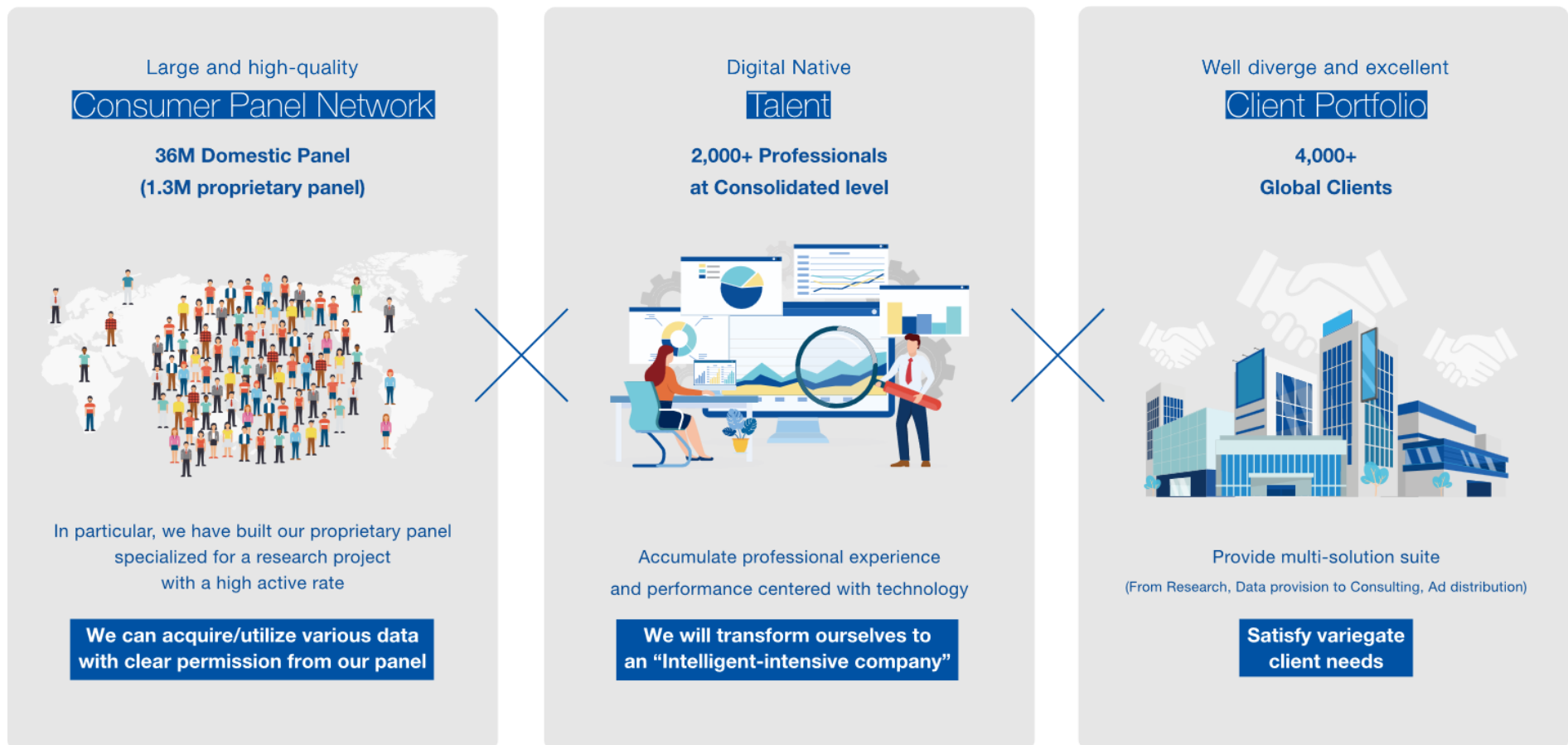
1. J-GAAP based financials for FY2001/6-2014/6 and IFRS-based financials for FY2015/6 onwards. J-GAAP and IFRS financial information are prepared based on different accounting principles and are not directly comparable. Macromill believes, however, that the presentation of consolidated revenues on a J-GAAP basis as compared to IFRS would only require immaterial adjustments and that the presentation above appropriately and accurately reflects the consolidated revenue trends for the four fiscal years ended June 30, 2017. In addition, the performance figures for MetrixLab, which was a consolidated subsidiary of the Group from FY2015/6 to FY2023/6, are excluded from this graph because 100% of its stake was sold as of June 1, 2023.
2. The dotted line indicates potential revenue contribution from the subsidiary (AIP) divested in this year.



# Macromill Group's Core Competencies

- We have strengths in 3 core areas of our business: Consumer Panels, Talent, and Client Base
- Maximize each performance and aim to further improve our presence at the market undergoes major changes and redefinition from the Marketing Research Market to the “Insight Industry”

## 3 Strengths of our growth



# Who we work with

- Serving a diversified set of clients, but Revenue concentrated with long-term clients and high retention
- Strategic agency relationships including jointly managed subsidiaries (Dentsu, Hakuhodo)

## Highlights

### Number of Clients

c. 4,000 clients

c. 2,500 clients  
in Japan

c. 1,500 clients  
in Korea

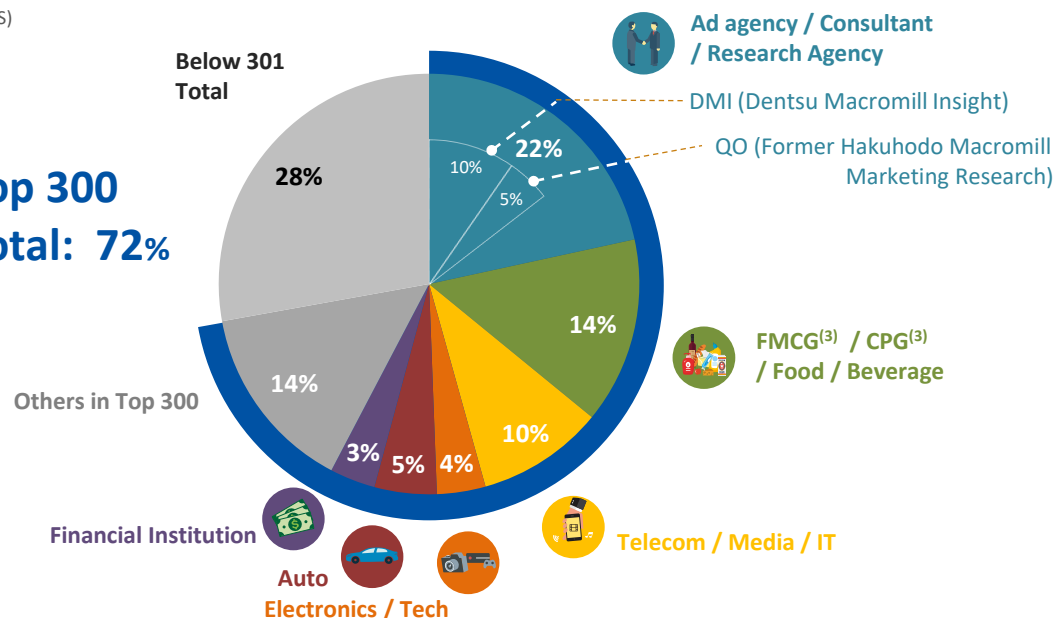
### Client Retention Rate of Large Clients<sup>(1)</sup>

90%+  
in Japan<sup>(2)</sup>

## FY2024/6 Revenue Breakdown by Client Industries

Consolidated (IFRS)

Top 300  
Total: 72%



Well diversified client portfolio

### Case Studies (Japanese Only)

Asahi  
アサヒビール

CAPCOM

EPSON

YAMAHA

ARTERIA  
アルテリア・ネットワークス株式会社

KAGOME  
カゴメ

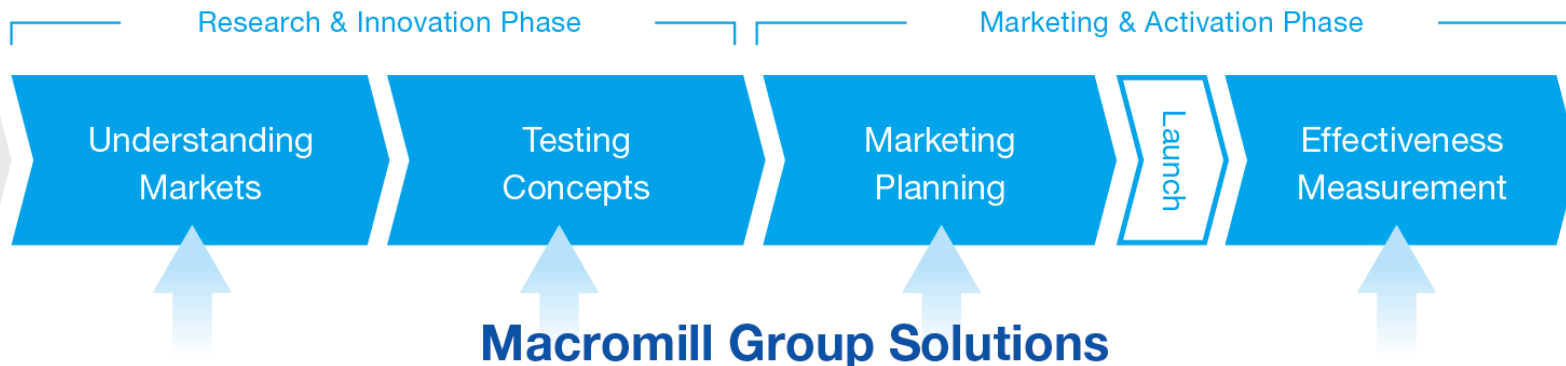
LION PET  
ライオンペット株式会社

## Note

1. Large Accounts with annual revenue of > JPY10MM or Euro 0.1MM
2. Retention Rate in Japan = (No. of large clients of Macromill standalone providing over JPY10MM in annual revenue for which Macromill's solutions were rendered and invoiced in the previous year, and for which there were solutions provided or invoiced in the current year) ÷ (No. of large clients of Macromill (standalone) providing over JPY 10MM in the previous year). 5-year average from FY2020/6 to FY2024/6
3. FMCG = Fast Moving Consumer Goods / CPG: Consumer packaged goods (incl. non-durable goods such as soft drinks, toiletries, etc.)

Macromill's comprehensive set of research solutions are utilized at all phases of our clients' marketing value chain

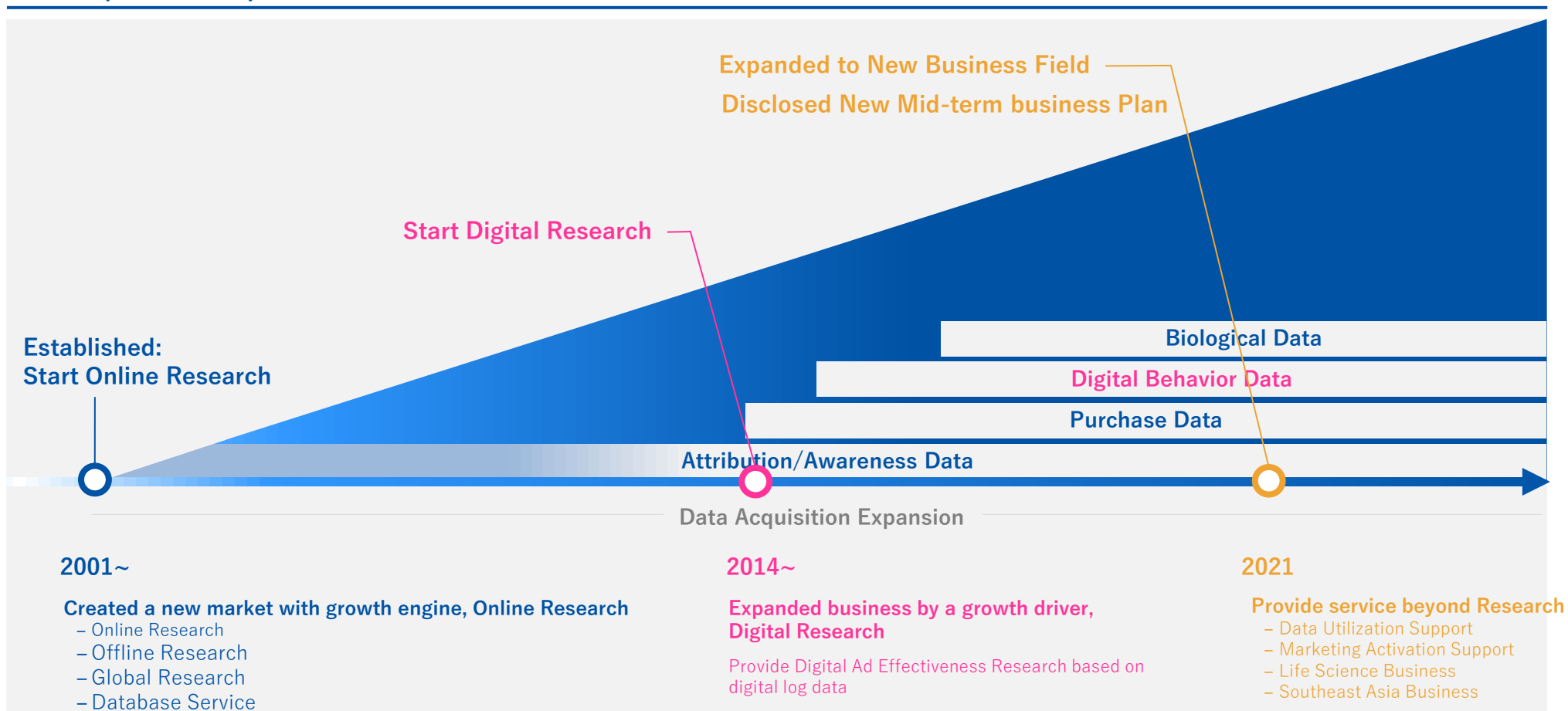
## Clients' Marketing Process





- We expanded our service by acquiring various data leveraging our proprietary panel
- We grew mainly in Online Research business, started Digital Research in 2014 and a new business beyond the Research field in 2021

## Service Expansion History

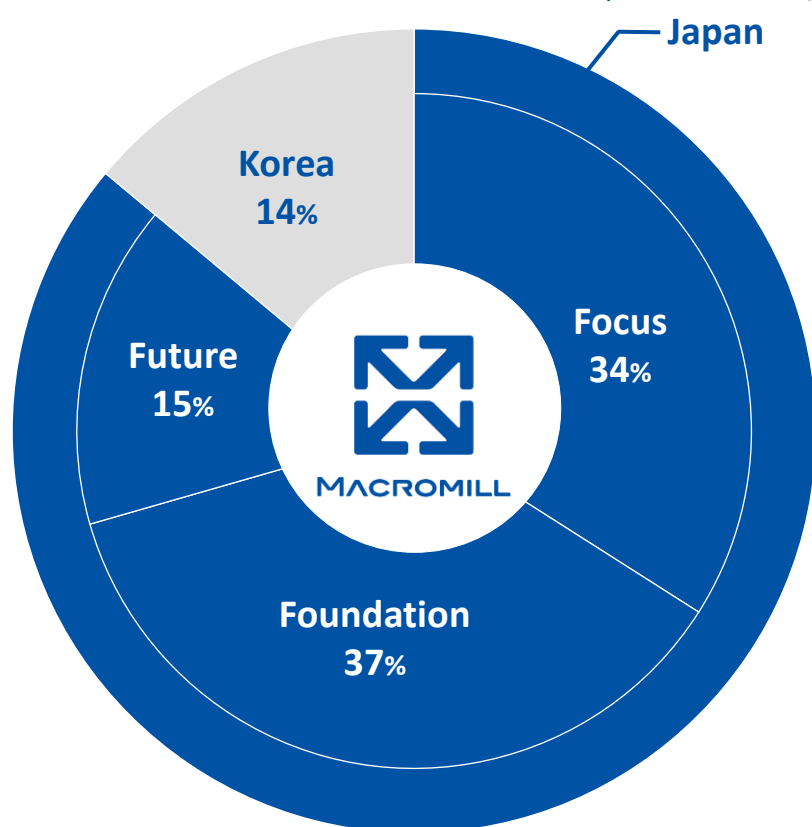


“Marketing Research Company” to “Professional Marketing Services Company”

# Macromill's Service

- Focus Business is our core business and the most profitable business
- Future Business is expected to contribute to future profits and aims for double-digit sales growth
- Foundation Business is a group of businesses that aim to improve competitive advantage and build/strengthen barriers to entry

Service composition ratio in our company's Revenue  
(As of end of FY2024/6)



## Japan

### Focus Business

Online Research

Digital Research

### Future Business

Consulting

Global Research (Southeast Asia, including China)

New Business (Life Science, Ads, etc.)

### Foundation Business

Joint Venture w/ Ad Agencies (DMI, QO, Other Subsidiaries etc.)

Offline Research

Database Service

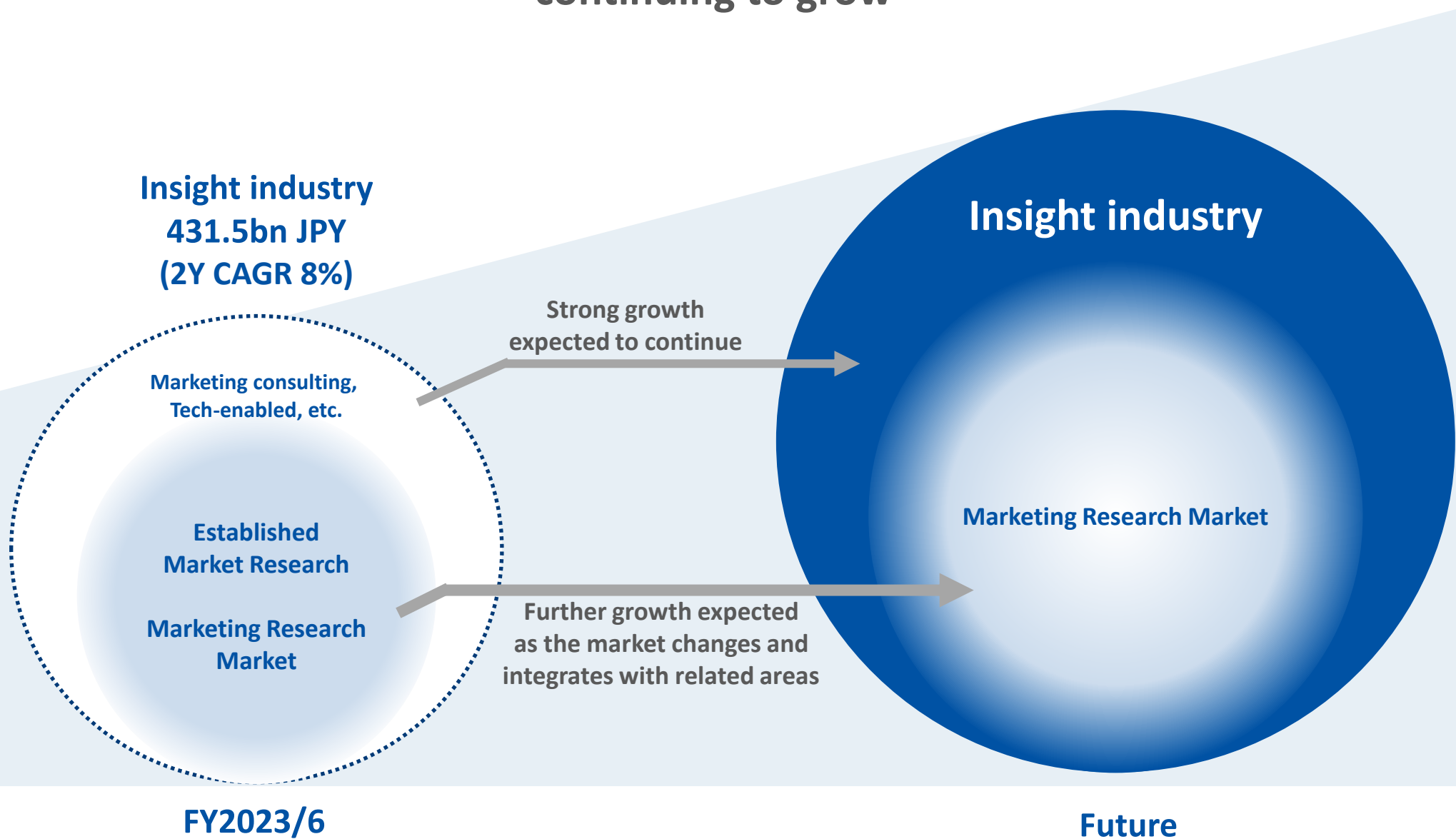
## Korea

Online Research, Offline Research, New Business, Purchase Data Provision

# Insight Industry and Marketing Research Market

38

As the insight industry integrates with its related business areas such as consulting services, we expect to see the overall market continuing to grow



# Our commitment to greater market presence

39

We seek to expand our market shares by enhancing our solution offerings that capitalize on our strengths and provide diverse services to an extensive portfolio of client companies.

Technology Driven

People Driven



## Our Strengths

One of the largest  
panel size in Japan  
Panel & data of 36M individuals



Extensive customer base of  
more than 4,000 companies



More than 2,000  
data-native employees

**We continue to make system investments for the renewal of core research systems to support sustainable growth in the future**

Purpose of Core Research System Renewal		
Provide marketing solutions	Further Improve productivity	Accelerate business expansion
<ul style="list-style-type: none"><li>■ Provide data in subscription model services</li><li>■ Expand the client base and increase contact points</li><li>■ Launch a series of new services starting from FY2025/6</li></ul>	<ul style="list-style-type: none"><li>■ Utilize generative AI</li><li>■ Improve operational efficiency drastically</li><li>■ Release a series of new system functions to gradually generate effects from FY2026/6 onward</li></ul>	<ul style="list-style-type: none"><li>■ Strengthen security</li><li>■ Increase the added value of our services</li><li>■ Create an environment for enabling agile development</li><li>■ Build a foundation for global business expansion</li></ul>

**We strive to further our competitive advantage within the insight industry by seeking solutions to address diverse challenges faced by client companies and pursuing operational excellence**



# Mid-Term Business Plan (MTBP): Financial Target

41

We aim to achieve the following financial targets in FY2026/6

## Consolidated Financial Targets

	FY2023/6	New MTBP Target FY2026/6 (3Yrs later)
Revenue	Revenue <b>40.6</b> bn JPY Average Growth Rate: <b>9%</b> (2Y CAGR)	Revenue <b>53.0</b> bn JPY Average Growth Rate: <b>9%</b> (3Y CAGR)
Profit	OP <sup>(1)</sup> <b>4.4</b> bn JPY  Consolidated ROE <sup>(3)</sup> <b>5.1%</b>	OP <b>7.5</b> bn JPY Average Growth Rate: <b>19%</b> <sup>(2)</sup> (3Y CAGR)  Consolidated ROE <sup>(3)</sup> <b>10%</b> and over
Leverage	Credit Rating (R&I) <b>BBB+</b> (Stable) + Net Debt/EBITDA <b>3.5x</b>	Maintain Credit Rating <b>BBB+</b> and higher + Net Debt/EBITDA <b>2.0x – 2.5x</b>
Shareholder Return	Consolidated Dividend Ratio Continued Operation (Excl. gain of sale) <b>45.9%</b> + Consolidated (Incl. gain of sale) <b>10.9%</b> + Share buyback <sup>(4)</sup> <b>1.2</b> bn JPY [ vs NSO <sup>(5)</sup> : <b>3.5%</b> ]	Consolidated Dividend Ratio Changed policy in FY2024/6 <b>30% → 50%</b> + Share buyback In a timely manner

### Note

1. Including expenses related to the transfer of overseas subsidiaries (M&A)

3. ROE: Return On Equity Return on Equity Attributable to Owners of Parent for Continuing Operations;

2. Calculated by excluding expenses on FY2023/6 related to the transfer of overseas subsidiaries (M&A)

4. Period of acquisition : May 16, 2023 – June 23, 2023;

5. NSO: Number of Shares Outstanding

# Breakdown of consolidated B/S and capital efficiency

42

Our consolidated balance sheet records a large amount of goodwill related to the past LBO

Using Business Profit after Tax and Invested Capital excluding our own goodwill (ex-LBO goodwill), our ROIC is over 25%, achieving highly efficient management

## FY2024/6 Balance Sheet

Cash and cash equivalents 10.3bn JPY ① Cash for business 4.2bn JPY	④ Other Debt 12.9bn JPY
② Business Assets etc. 20.7bn JPY	Interest-bearing Debt 30.4bn JPY
Equity method investment to Toluna, Vendor loan with conversion rights to Toluna's common share, and Accrued interest 17.4bn JPY	
③ Goodwill (Other) 1.8bn JPY LBO related Goodwill 38.8bn JPY	Total Equity 45.7bn JPY

## Our ROIC concept

$$\text{ROIC} = \frac{\text{Net Business Profit after Tax}}{\text{Total Invested Capital}} = \text{Over 25\%}$$

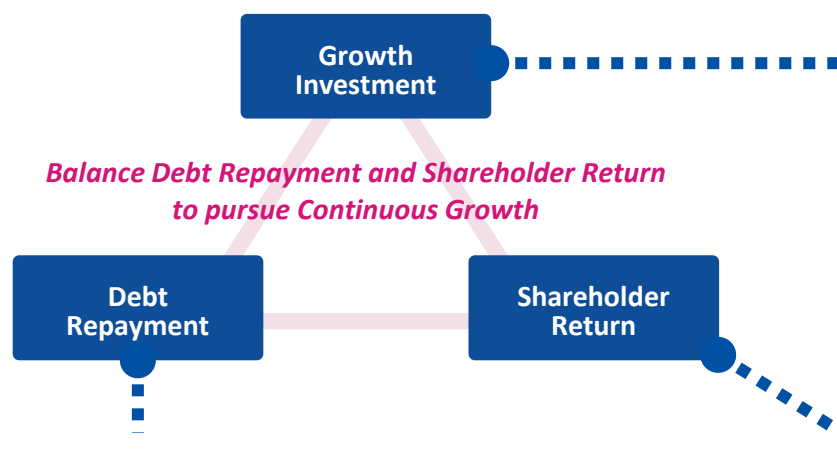
ROIC calculation method excluding LBO related goodwill and equity method impact of Toluna

$$\frac{\text{Net Business Profit after Tax (FY2024/6 Business Profit} \times 0.7 \text{ *Assuming effective tax rate of 30\%)}}{\text{Total Invested Capital (① + ② + ③ - ④)}}$$

# Capital Allocation

- In the three years until FY2026/6, “Growth investment” remains our top priority, and we balancing “Debt Repayment” and “Shareholder Return” and pursuing appropriate capital allocation
- Set new target of the progressive dividend increase momentum to achieve 50% of the Consolidated Dividend Payout Ratio and conduct share buyback in a timely manner

## Priority in Capital Allocation



### Specific plan for “Growth Investment”

- Growth Investment remains our top Priority
- Strategic investment in IT and Information Security related talent is in progress
- In addition to organic growth, we plan to accelerate investments to realize inorganic growth going forward
  - Active pursuit of M&A
  - Talent and system investment in new business areas

### Specific plan for “Debt Repayment”

- Repay existing debt as planned, and aim to control the leverage ratio within the target level (Net Debt / EBITDA ratio target: 2.0x – 2.5x)
- On the other hand, we plan to issue new bonds to refinance the issued bonds
- The Group will not actively pursue a net-cash position after reaching the target leverage ratio

### Specific plan for “Shareholder Return”

#### Changed dividend policy in August 2024

- Progressive dividend increase (Dividend amount limited to increase or maintain)
- Target payout ratio of 50% by FY2026/6 (excluding the effects of one-time gains and losses such as from the sale of shares)
- Conduct share buyback in a timely manner based on the stock price level and cash surpluses

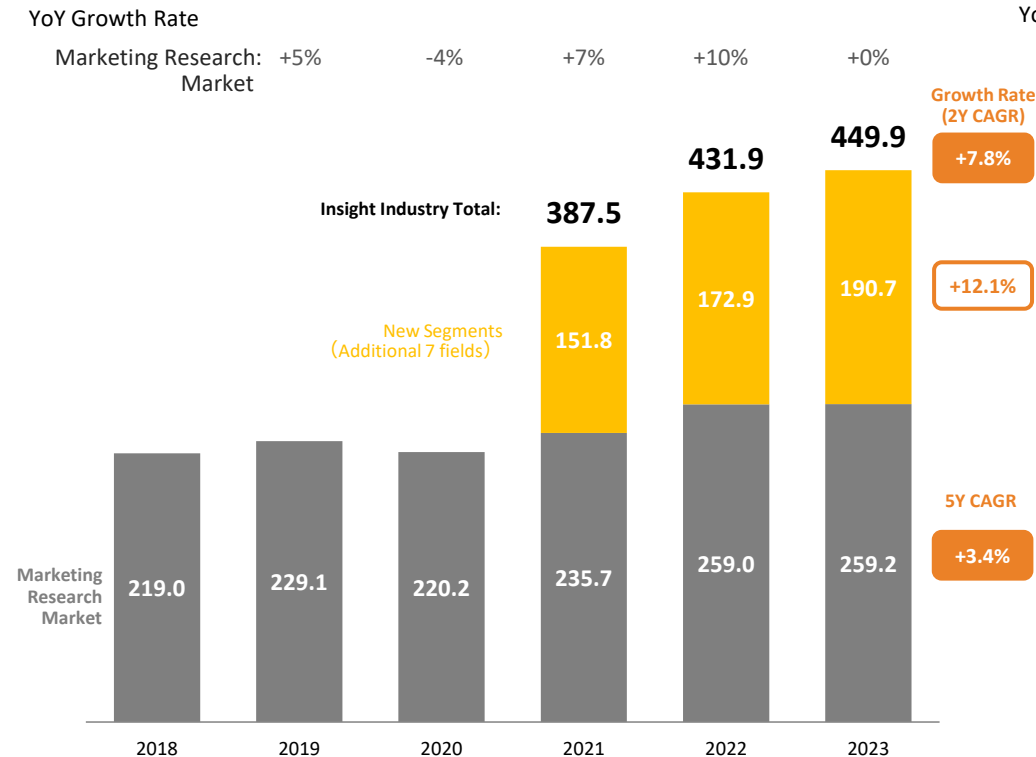
# Historical Trends - Japanese Market vs. Revenue in Japan

44

- Same as the global trend, the market is redefined as an Insight Industry in Japan, and its market size is expanding significantly
- Our company continues to expand its business faster than the Japanese marketing research market growth
- Macromill Japan market share in the online research market is stable at No.1

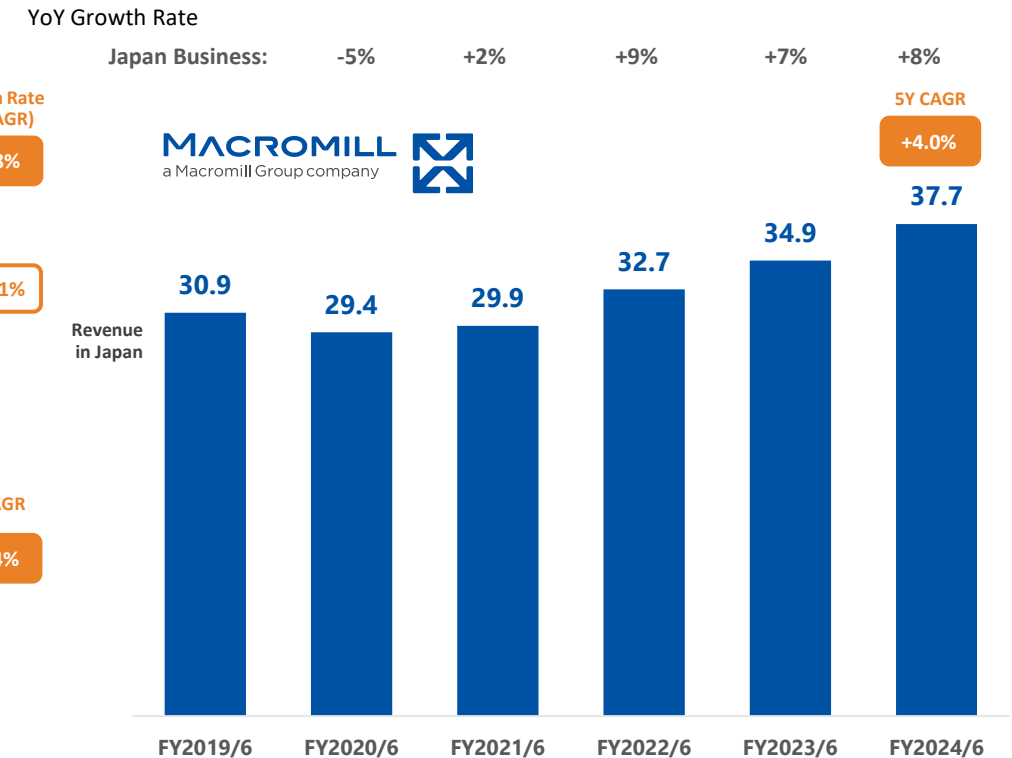
## Market Trends – Japanese Marketing Research Market and Insight Industry

JMRA<sup>(1)</sup>  
(JPY in Billions)



## Revenue Trends – Macromill Group Revenue in Japan

Consolidated (IFRS)  
(JPY in Billions)



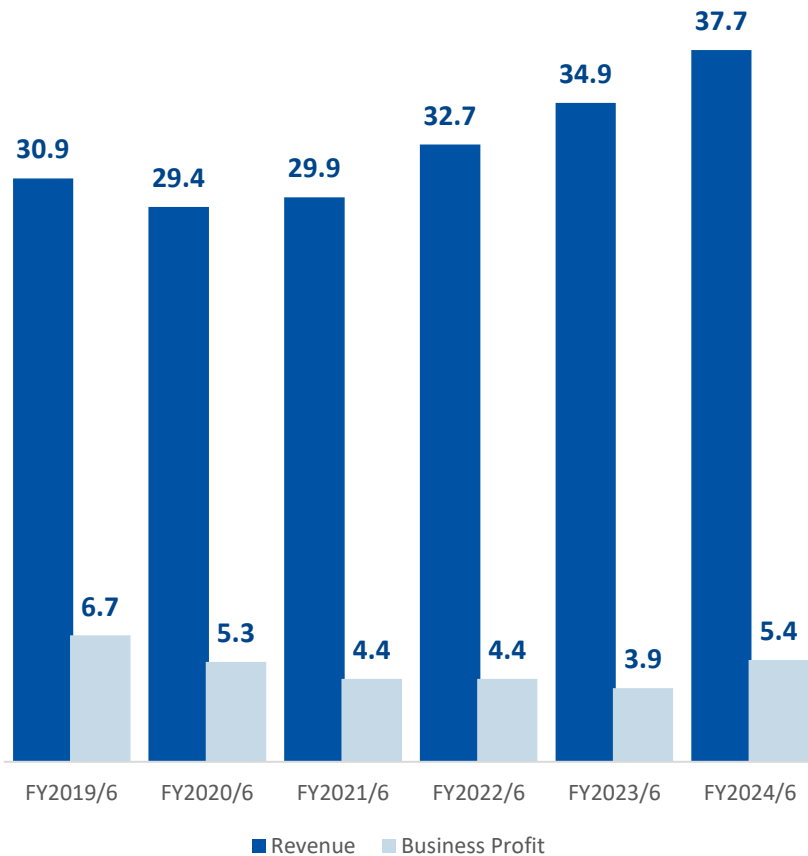
Note  
1. Source: Japan Marketing Research Association (JMRA) - Management statistics (2019/7, 2020/9, 2021/6, 2023/6, 2024/6)

# Historical Revenue and Business Profit Trend

- The demand in Japan is favorable, and Revenue is expanding steadily, while internal capacity issues continued until FY2023/6
- As capacity shortages are resolved, productivity improvements progress, and profits increased in FY2024/6

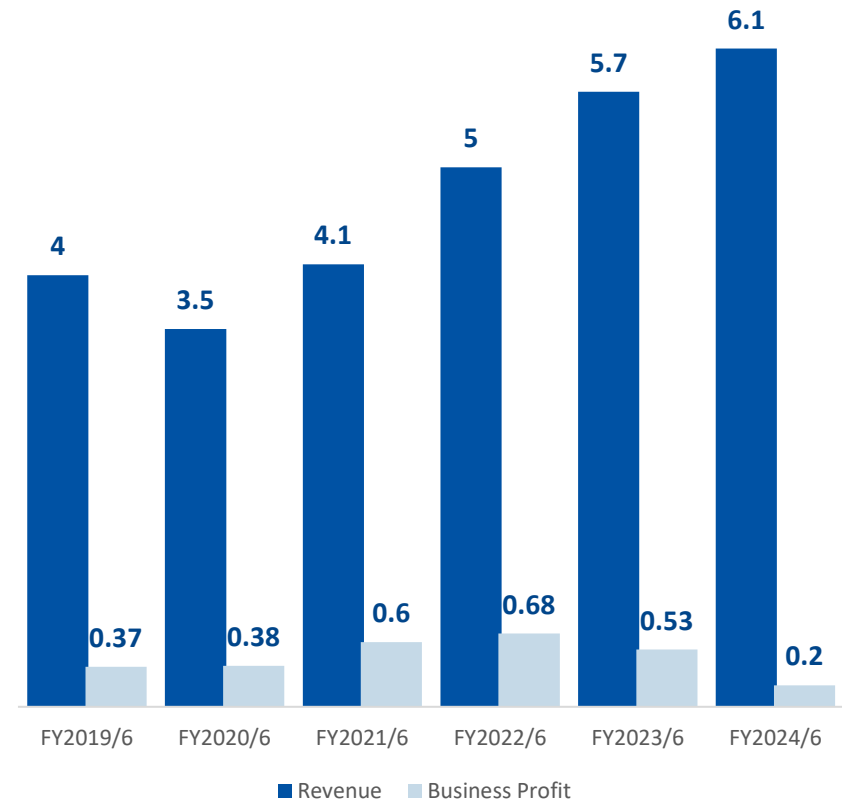
Japan Business Revenue and Business Profit Historical Trends

(JPY in Billions)



Historical Korea Business Revenue and Business Profit Historical Trend

(JPY in Billions)

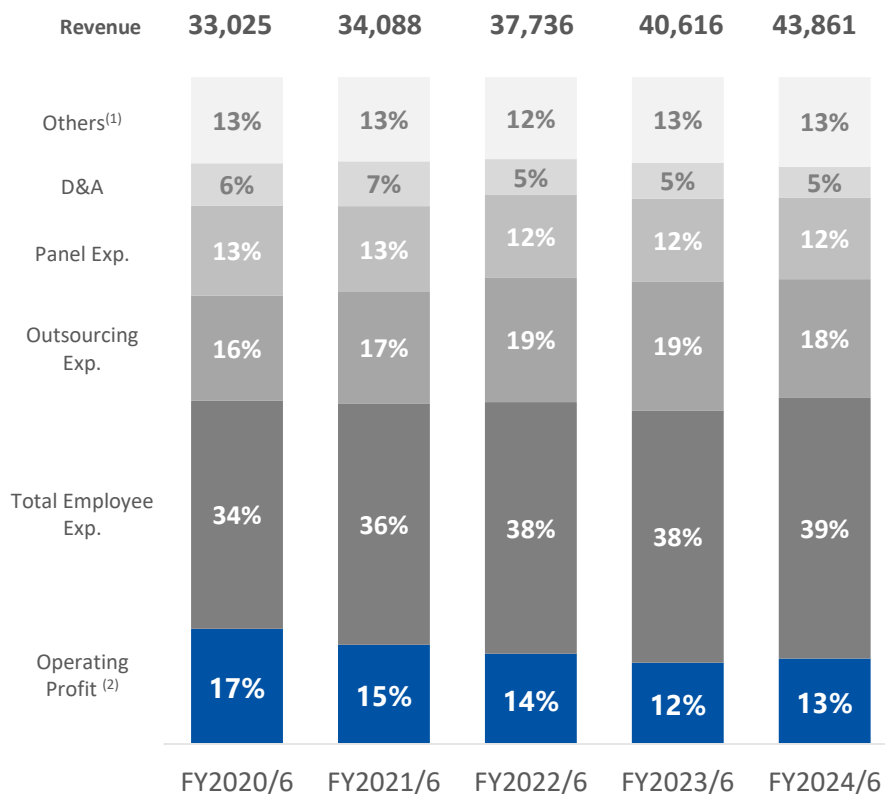


# Historical Trend – Cost structure and headcount trend

- With a stable cost structure, we generate a steady cashflow
- The number of consolidated employees increases as business grows

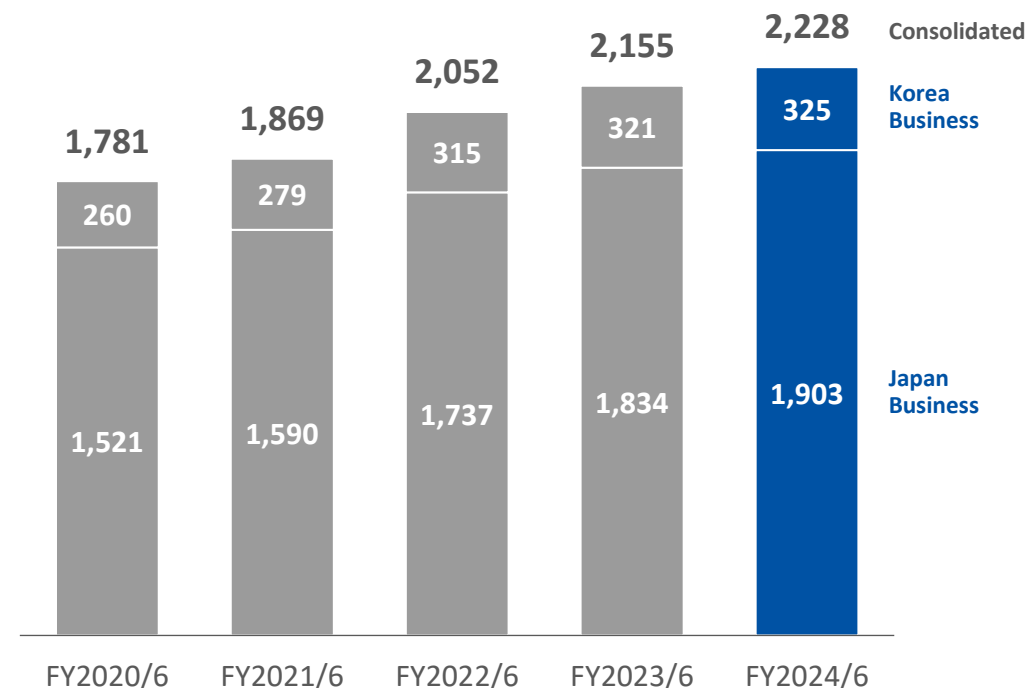
## Breakdown of Key Cost Items

Consolidated (IFRS)  
(JPY in Millions)



## Headcount Trend<sup>(3)</sup>

Consolidated (Person)



### Note

1. Other Operating Expenses includes Other Operating Income, Other Operating Expenses, Other in Operating Expenses
2. From FY2023/6 onwards, the figures shown as Business Profit (see footnote on p.3 for definition of Business Profit)
3. Headcount figures do not include temporary employees

# 3-Pillars M&A Strategy for Value Creation



## Proven M&A Track Record

<p>2012 Acquisition</p> <p><b>embrain</b></p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Access to Asian Client and Panels</p>	<p>2012 Joint Venture with Dentsu</p> <p><b>電通マクロミル</b> (Dentsu Macromill)</p> <p>Wallet Share Expansion Panel Technology / Solution</p> <p>✓ Securing earnings stability and improving our ability to develop service in new domains</p>	<p>2017 Strategic &amp; Capital Alliance 2018 Acquisition</p> <p><b>centan</b></p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Access to Neuro / Biometric marketing Solutions ✓ 10% minority investment &gt; 51% majority acquisition</p>
<p>2017 Strategic &amp; Capital Alliance 2019 Acquisition</p> <p><b>WS Holdings</b> market research</p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Access to Southeast Asian Client and Panels ✓ 10% minority investment &gt; 51% majority acquisition</p>	<p>2018 Joint Venture with Hakuodo (51% Majority Acquisition)</p> <p><b>TOKYO SURVEY RESEARCH INC.</b></p> <p>Wallet Share Expansion Panel Technology / Solution</p> <p>✓ Seeking wallet share expansion and enhancement of online/offline integrated solutions</p>	<p>2019 Asset Purchase</p> <p><b>DI Asia</b> Data &amp; Intelligence</p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Expand consumer panel in Southeast Asia ✓ Succession/Acquisition of Online panel asset only</p>
<p>2022 Acquisition</p> <p><b>acclimate</b></p> <p>Wallet Share Expansion Panel Technology / Solution</p> <p>✓ Obtain human resource matching platform that has many registered professionals</p>	<p>2022 Acquisition through a company split</p> <p><b>SOUTH</b></p> <p>Wallet Share Expansion Panel Technology / Solution</p> <p>✓ Obtain 71% majority stake by integrating Macromill Data Consulting Business through a company split</p>	<p>2008 Strategic &amp; Capital Alliance 2022 Additional Stake Acquisition</p> <p><b>CITATION JAPAN</b> DESIGNING STRATEGY</p> <p>Wallet Share Expansion Panel Technology / Solution</p> <p>✓ Strategic Alliance in Research Consulting Business field ✓ 15% minority investment &gt; 40% minority investment</p>
<p>2023 MetrixLab 100% Sell-down and Minority Stake Acquisition</p> <p><b>toluna</b></p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Establishing a global partnership with Toluna through M&amp;A ✓ Western market will be covered under partnership with Toluna</p>	<p>2023 Acquisition</p> <p><b>Monitas</b></p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Acquisition of majority stake after having Strategy and Capital Alliance ✓ Substantially expand the size of accessible consumer panel network</p>	<p>2024 Acquisition</p> <p><b>M-Force</b></p> <p>Regional Expansion Panel Technology / Solution</p> <p>✓ Marketing SaaS company that owns "9segs" and "N1 analysis" trademark ✓ Aiming to increase the added value &amp; shift to the next-gen of our research biz</p>

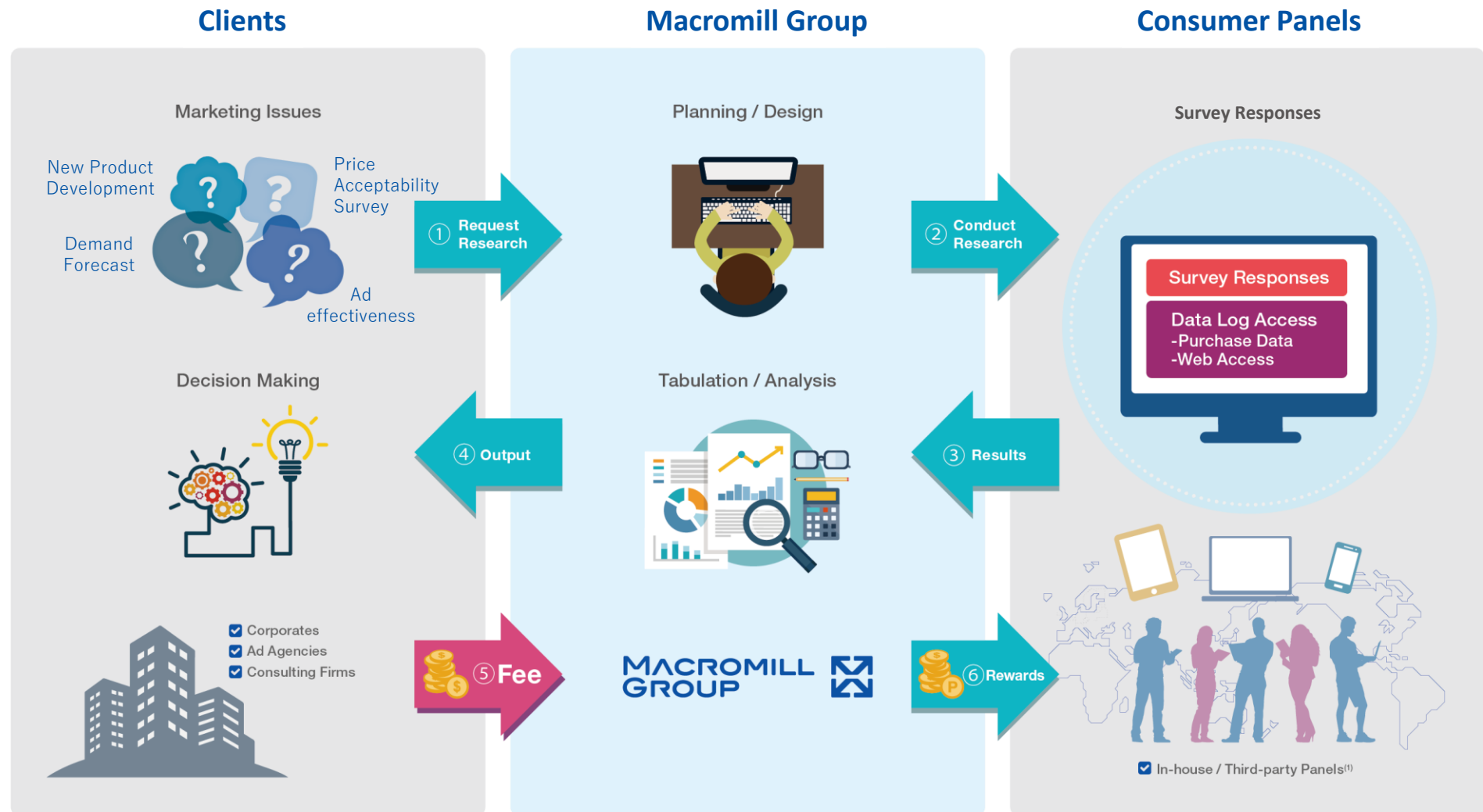
### Note

1. Acquired market research business only

# Our Business Model

- Workflow of our main business, Online Research is as in below
- Monetize scheme is mainly based on “sample size x number of questions”

## Typical market research workflow



### Note












1. A consumer panel that we access through panel vendors around the world when our proprietary panel does not secure a sufficient number of samples when conducting a research project for a client company of our group



# Our commitment to Sustainability

49

- Macromill has selected as a constituent stock of the ESG investment index “FTSE Blossom Japan Index” and “FTSE Blossom Japan Sector Relative Index”

Stakeholders	Materiality	SDGs Goals	Detailed Information
Client Companies	1. Solving marketing issues	9 	 <p>サステナビリティ基本方針</p> <p>MACROMILL GROUP</p> <p>MISSION</p> <p>VISION</p> <p>VALUES</p> <p>Build your Data Culture</p> <p>MACROMILL GROUP SUSTAINABILITY REPORT</p> <p>Macromill HP: Sustainability Report 2024</p> <p>For more details, please refer to Our Sustainability Report</p>
	2. Creation of new value through data utilization	12  17 	
Consumer Research Panels	3. Find more accurate consumer insights	12 	
	4. Promote safe and secure data handling	16 	
Human Capital	5. Establishing an environment where diversified people work together	5 	
	6. Provide an opportunity to challenge new possibility	8 	
	7. Educating data native talent	10 	
Partner Companies	8. Open Innovation	17 	
All	9. Governance		

# Build your Data Culture



## Contacts:

[ir@macromill.com](mailto:ir@macromill.com)

## Macromill IR Information:

[Disclosed Documents Archive](#)

## Fixed-point Survey Data:

[Macromill Weekly Index, etc.](#)

(\*Japanese Only)

## Market Research Report:

[Self-study Report Conducted by  
Macromill \(free\)](#) (\*Japanese Only)