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February 2, 2023

**Kakaku.com, Inc.**  
**Consolidated Earnings Report for the**  
**Third Quarter of the Fiscal Year Ending March 31, 2023**

Stock listings: Tokyo Stock Exchange  
Securities code: 2371  
URL: <https://corporate.kakaku.com/>  
Representative: Shonosuke Hata, President and Representative Director  
Information contact: Kiyoaki Shirakawa  
Executive Officer, Corporate Management Division General Manager  
Telephone: +81-3-5725-4554

Scheduled dates  
Filing of statutory quarterly financial report: February 8, 2023  
Dividend payout: —  
Supplementary materials to financial results available: Yes  
Quarterly earnings presentation held: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded.)

**1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2023**

**(1) Consolidated Operating Results**

(% = year-on-year change)

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit attributable to owners of the parent company		Total comprehensive income for the period	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Q3 FY2023/3	44,561	17.5	17,927	30.1	18,375	24.0	12,851	23.1	12,837	22.9	12,938	24.7
Q3 FY2022/3	37,935	0.4	13,782	2.3	14,813	12.9	10,440	18.9	10,448	17.5	10,374	17.6

	Basic earnings per share	Diluted earnings per share
	¥	¥
Q3 FY2023/3	62.86	62.82
Q3 FY2022/3	50.86	50.83

**(2) Consolidated Financial Position**

	Total assets	Total equity	Total equity attributable to owners of the parent company	Total equity attributable to owners of the parent company ratio
	¥ million	¥ million	¥ million	%
As of December 31, 2022	72,153	45,319	45,076	62.5
As of March 31, 2022	70,477	48,164	47,956	68.0

## 2. Dividends

	Annual dividends				
	Q1	Q2	Q3	Year end	Annual total
	¥	¥	¥	¥	¥
FY2022/3	—	20.00	—	20.00	40.00
FY2023/3	—	20.00	—		
FY2023/3 (Forecast)				20.00	40.00

(Note) Revisions to most recent dividend forecasts: None

## 3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% = year-on-year change)

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent company		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	64,500	24.7	25,900	35.3	25,800	23.5	17,600	23.1	86.02

(Note) Revisions to most recent earnings forecasts: None

### \*Notes

(1) Changes in significant subsidiaries during the period: Yes

Newly included: 1 company (Pathee, Inc.) Excluded: —

(2) Accounting policy changes and accounting estimate changes:

i) Changes in accounting policies required by IFRS: None

ii) Changes other than the above i): None

iii) Changes in accounting estimates: Yes

(Note) For details, see “2. Condensed Consolidated Financial Statements, (6) Notes on the Condensed Consolidated Financial Statements (Changes in accounting estimates)” on page 12.

(3) Number of shares issued (common stock)

i) Number of shares issued at end of period (treasury shares included):

December 31, 2022: 205,281,200 shares

March 31, 2022: 205,281,200 shares

ii) Number of shares held in treasury at end of period:

December 31, 2022: 4,005,287 shares

March 31, 2022: 675,587 shares

iii) Average number of shares outstanding during the period:

December 31, 2022: 204,207,760 shares

December 31, 2021: 205,406,968 shares

\* Quarterly consolidated earnings reports are exempt from the quarterly review procedures of certified public accountants and the accounting auditor.

### \*Appropriate Use of Earnings Forecasts and Other Important Information

(Disclaimer Regarding Forward-Looking Statements)

The above forecasts, which constitute forward-looking statements, are prospects based on information available to the Company as of the date of the release of this document. Actual results may differ materially from the above forecasts due to a range of factors.

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# 1. Operating Results and Financial Position

## (1) Operating Results

The Company's operating results for the nine months ended December 31, 2022, were as follows.

Consolidated revenue increased 17.5% year on year to 44,561 million yen. This was mainly due to an increase in revenue in Tabelog's restaurant promotion business, the New Media and Solutions business, and the Finance business, despite a decrease in revenue from Kakaku.com, as economic and social activities have been normalizing after a nationwide lifting of priority preventive measures and other restrictions, although affected by the spread of infection with new variants of the virus that occurred in July and November.

Consolidated operating profit rose 30.1% year on year to 17,927 million yen. This was mainly due to increased revenue.

Consolidated profit before income taxes increased 24.0% year on year to 18,375 million yen, mainly due to an increase in operating profit, an increase in finance income, and a decrease in a net loss on equity-method investments.

Consolidated profit attributable to owners of the parent company increased 22.9% year on year to 12,837 million yen.

Operating results (after intersegment eliminations) are presented below by business segment.

### (a) Internet Media Business

The Internet media business's revenue increased 15.3% year on year to 41,433 million yen while its segment income rose 24.4% year on year to 16,511 million yen in the nine months ended December 31, 2022.

#### (Kakaku.com)

Kakaku.com's revenue decreased 7.9% year on year to 14,603 million yen in the nine months ended December 31, 2022.

The shopping business's revenue decreased year on year due to such impacts as fewer new products, the prolonging of other constraints on the supply side, and the price hikes caused by exchange rate fluctuations. The service business's revenue declined year on year due to such factors as the settling down of stay-at-home demand in the telecommunications domain, and the continued weak personal consumption in the financial domain. The advertising business's revenue decreased year on year due to such impacts as fewer new products, the prolonging of other constraints on the supply side, and the decrease in advertisement placements resulting from increased manufacturing costs caused by exchange rate fluctuations.

As a result, revenue in the shopping business decreased 8.4% year on year to 6,046 million yen, revenue in the service business declined 4.6% year on year to 5,721 million yen, and revenue in the advertising business fell 12.9% year on year to 2,835 million yen.

Kakaku.com had 48.08 million monthly unique users<sup>1</sup> in December 2022.

#### (Tabelog)

Tabelog's revenue increased 35.5% year on year to 17,112 million yen in the nine months ended December 31, 2022.

The restaurant promotion business's revenue increased 45.7% year on year to 14,717 million yen. As the impact of COVID-19 is weakening and social activities are normalizing, the demand for eating out was on a steady recovery trend, despite being impacted by a resurgence of infections in July and November. This led to an increase of 104.0% year on year in the cumulative number of online reservations to 40.19 million in the nine months ended December 31, 2022. Due to the expanded use of online reservation services by restaurants, the total number of restaurants with paid plans was 67,300 as of December 31, 2022.

The premium membership business's revenue decreased 3.1% year on year to 1,106 million yen due to a decline in fee-paying members.

The advertising business's revenue increased 6.2% year on year to 1,252 million yen as a result of partnerships with other sites, and revenue from commissioned business<sup>2</sup> was 37 million yen.

Tabelog had 94.87 million monthly unique users<sup>1</sup> in December 2022.

#### (New Media and Solutions)

The New Media and Solutions business's revenue increased 30.3% year on year to 9,719 million yen in the nine months ended December 31, 2022.

In the New Media and Solutions business, revenue increased mainly in the Kyujin Box business and in the domain of travel/transportation.

### (b) Finance Business

The finance business's revenue grew 56.4% year on year to 3,127 million yen, while its segment income increased 181.6% year on year to 1,416 million yen in the nine months ended December 31, 2022.

Commission income at Kakaku.com Insurance, a site operated by Kakaku.com Insurance, Inc., increased due to changes in estimates related to revenue recognition for insurance agency commission income, and growth in online insurance applications.

(Notes) 1. Monthly unique users are counted as the number of browsers that visited the site (for certain browsers, operating systems, etc., there may be instances in which users who re-visited the site after a certain period of time are counted multiple times). Double-counting as a side effect of high-speed loading of mobile webpages and

mechanical accesses by third parties' web-scraping bots etc. are eliminated from the count to the fullest extent possible. Tabelog's support of AMP (Accelerated Mobile Pages) ended in February 2022.

2. Refers to revenue from Go To Eat campaign-related business commissioned by the Ministry of Agriculture, Forestry and Fisheries. It does not, however, include advertising income (booked in the advertising business) related to the commissioned operations.

## **(2) Financial Position**

### **1) Analysis of Financial Position**

#### **Assets**

Consolidated assets at December 31, 2022, totaled 72,153 million yen, a 1,676 million yen increase from March 31, 2022. The increase was mainly the net result of a 5,647 million yen decline in cash and cash equivalents being offset by a 3,277 million yen increase in other current assets, a 2,576 million yen increase in trade and other receivables, a 626 million yen increase in other financial assets (current) and a 625 million yen increase in other financial assets (non-current).

#### **Liabilities**

Consolidated liabilities at December 31, 2022, totaled 26,834 million yen, a 4,521 million yen increase from March 31, 2022. The increase was mainly the net result of a 543 million yen decline in income taxes payable being offset by a 3,737 million yen increase in other current liabilities and a 1,324 million yen increase in other financial liabilities (current).

#### **Equity**

Consolidated equity at December 31, 2022, totaled 45,319 million yen, a 2,845 million yen decrease from March 31, 2022. This was mainly the net result of the recording of 12,837 million yen in profit attributable to owners of the parent company, a declaration of an 8,184 million yen dividend from retained earnings and a 7,603 million yen decrease in purchase and disposal of treasury shares.

### **2) Cash Flows**

Cash and cash equivalents ("cash") at December 31, 2022, totaled 28,651 million yen, a 5,647 million yen decrease from March 31, 2022. Cash flows from operating, investing, and financing activities were as follows.

#### **Cash flows from operating activities**

Operating activities provided net cash of 13,831 million yen (vs. 9,038 million yen provided in the year-earlier period). The main outflows were 6,335 million yen of income taxes paid and 2,562 million yen of increase in trade and other receivables, which were offset by 18,375 million yen in profit before income taxes and 2,634 million yen in depreciation and amortization.

#### **Cash flows from investing activities**

Investing activities used net cash of 2,235 million yen (vs. 789 million yen used in the year-earlier period). This was primarily due to 1,082 million yen used to purchase intangible assets, including server software, 614 million yen used for purchase of investment securities, and 480 million yen used for purchase of shares of subsidiaries resulting in change in scope of consolidation.

#### **Cash flows from financing activities**

Financing activities used net cash of 17,248 million yen (vs. 14,955 million yen used in the year-earlier period). This was primarily due to 8,180 million yen used for dividends paid, 8,003 million yen used for the purchase of treasury shares, and 1,064 million yen used for the repayment of lease obligations.

### **(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements**

The consolidated earnings forecasts for the fiscal year ending March 31, 2023, that were disclosed in the Consolidated Earnings Report for the Fiscal Year Ended March 31, 2022, released on May 11, 2022, remain unchanged.

## 2. Condensed Consolidated Financial Statements

### (1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	34,298	28,651
Trade and other receivables	7,919	10,495
Other financial assets	252	878
Other current assets	4,575	7,852
Total current assets	47,044	47,876
Non-current assets		
Property, plant and equipment	2,329	2,322
Right-of-use assets	6,671	6,096
Goodwill and other intangible assets	6,886	7,427
Investments accounted for using equity method	781	788
Other financial assets	6,151	6,776
Deferred tax assets	529	780
Other non-current assets	86	88
Total non-current assets	23,433	24,277
Total assets	70,477	72,153

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Trade and other payables	2,939	3,228
Bonds and borrowings	486	506
Other financial liabilities	1,040	2,364
Income taxes payable	3,244	2,701
Lease liabilities	1,223	1,084
Employee benefit obligations	1,739	1,793
Other current liabilities	5,885	9,622
Total current liabilities	16,557	21,298
Non-current liabilities		
Bonds and borrowings	40	174
Lease liabilities	4,848	4,463
Provisions	549	561
Other non-current liabilities	319	338
Total non-current liabilities	5,757	5,536
Total liabilities	22,313	26,834
Equity		
Capital stock	916	916
Capital surplus	141	70
Retained earnings	48,621	53,344
Treasury shares	(2,175)	(9,763)
Other components of equity	454	509
Total equity attributable to owners of the parent company	47,956	45,076
Non-controlling interests	208	243
Total equity	48,164	45,319
Total liabilities and equity	70,477	72,153

**(2) Condensed Consolidated Statement of Income**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Revenue	37,935	44,561
Operating expenses	24,184	26,602
Other income	37	16
Other expenses	6	48
Operating profit	13,782	17,927
Finance income	52	486
Finance expenses	35	47
Share of profit (loss) of associates and joint ventures accounted for by the equity method	(126)	9
Gain on sales of investments in associates	1,000	—
Gain from remeasurement relating to discontinued application of the equity method	139	—
Profit before income taxes	14,813	18,375
Income tax expense	4,374	5,524
Profit	10,440	12,851
Profit attributable to:		
Owners of the parent company	10,448	12,837
Non-controlling interests	(8)	14
Earnings per share		
Basic earnings per share (yen)	50.86	62.86
Diluted earnings per share (yen)	50.83	62.82



**(3) Condensed Consolidated Statement of Comprehensive Income**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	10,440	12,851
Other comprehensive income (Net of related tax effect)		
Items that will not be reclassified to profit or loss		
Net changes in fair value of financial assets measured at fair value through other comprehensive income	(64)	87
Total items that will not be reclassified to profit or loss	(64)	87
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(0)	0
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(1)	(1)
Total items that may be reclassified to profit or loss	(2)	(1)
Other comprehensive income (Net of related tax effect)	(66)	86
Comprehensive income	10,374	12,938
Comprehensive income attributable to:		
Owners of the parent company	10,382	12,924
Non-controlling interests	(8)	14

#### (4) Condensed Consolidated Statements of Changes in Equity

Nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

(Millions of yen)

	Equity attributable to owners of the parent company										Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity					Total		
					Net changes in fair value of financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	Subscription rights to shares	Total other components of equity			
Balance at beginning of period	916	463	47,028	(1,842)	37	(14)	(1)	293	316	46,880	261	47,141
Profit	—	—	10,448	—	—	—	—	—	—	10,448	(8)	10,440
Other comprehensive income	—	—	—	—	(64)	(0)	(1)	—	(66)	(66)	0	(66)
Total comprehensive income	—	—	10,448	—	(64)	(0)	(1)	—	(66)	10,382	(8)	10,374
Dividends	—	—	(8,218)	—	—	—	—	—	—	(8,218)	—	(8,218)
Purchase or disposal of treasury shares	—	—	(4,602)	(346)	—	—	—	(7)	(7)	(4,956)	—	(4,956)
Changes in ownership interest in subsidiaries	—	(306)	—	—	0	—	—	—	0	(306)	(36)	(342)
Share-based payment transactions	—	—	—	—	—	—	—	51	51	51	—	51
Change in scope of consolidation	—	—	122	—	—	—	—	—	—	122	(18)	104
Others	—	(15)	—	—	—	—	—	—	—	(15)	—	(15)
Total transactions with owners	—	(322)	(12,698)	(346)	0	—	—	43	44	(13,323)	(54)	(13,377)
Balance at end of period	916	141	44,777	(2,188)	(26)	(15)	(2)	337	294	43,939	199	44,138

(Millions of yen)

	Equity attributable to owners of the parent company										Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity					Total		
					Net changes in fair value of financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	Subscription rights to shares	Total other components of equity			
Balance at beginning of period	916	141	48,621	(2,175)	117	(14)	(4)	354	454	47,956	208	48,164
Profit	—	—	12,837	—	—	—	—	—	—	12,837	14	12,851
Other comprehensive income	—	—	—	—	87	0	(1)	—	86	86	0	86
Total comprehensive income	—	—	12,837	—	87	0	(1)	—	86	12,924	14	12,938
Dividends	—	—	(8,184)	—	—	—	—	—	—	(8,184)	—	(8,184)
Purchase or disposal of treasury shares	—	—	(9)	(7,587)	—	—	—	(7)	(7)	(7,603)	—	(7,603)
Changes in ownership interest in subsidiaries	—	(69)	—	—	—	—	—	—	—	(69)	69	—
Share-based payment transactions	—	—	—	—	—	—	—	56	56	56	—	56
Change in scope of consolidation	—	—	—	—	—	—	—	—	—	—	(48)	(48)
Others	—	(3)	80	—	(80)	—	—	—	(80)	(3)	—	(3)
Total transactions with owners	—	(72)	(8,114)	(7,587)	(80)	—	—	49	(31)	(15,804)	21	(15,783)
Balance at end of period	916	70	53,344	(9,763)	125	(14)	(5)	403	509	45,076	243	45,319

**(5) Condensed Consolidated Statement of Cash Flows**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Cash flows from operating activities		
Profit before income taxes	14,813	18,375
Adjustments to reconcile profit before income taxes		
Depreciation and amortization	2,624	2,634
Interest and dividend income	(3)	(4)
Decrease (increase) in trade and other receivables	(1,117)	(2,562)
Increase (decrease) in trade and other payables	148	387
Increase (decrease) in other financial liabilities	(2,265)	1,319
Other	509	34
Subtotal	14,709	20,184
Interest and dividend income received	7	7
Interest paid	(29)	(24)
Income taxes paid	(5,649)	(6,335)
Net cash provided by (used in) operating activities	9,038	13,831
Cash flows from investing activities		
Purchase of property, plant and equipment	(217)	(442)
Purchase of intangible assets	(1,013)	(1,082)
Purchase of investment securities	(647)	(614)
Proceeds from sale of investment securities	—	238
Proceeds from distribution of investment in partnerships	57	158
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(480)
Proceeds from sale of investments in associates	880	—
Payments for lease and guarantee deposits	(23)	(16)
Other	173	4
Net cash provided by (used in) investing activities	(789)	(2,235)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(315)	—
Repayments of long-term loans payable	(38)	(28)
Repayment of lease obligations	(1,059)	(1,064)
Purchase of treasury shares	(5,016)	(8,003)
Dividends paid	(8,215)	(8,180)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(342)	—
Proceeds from issuance of share options	34	31
Other	(4)	(4)
Net cash provided by (used in) financing activities	(14,955)	(17,248)
Effect of exchange rate change on cash and cash equivalents	(1)	3
Net increase (decrease) in cash and cash equivalents	(6,707)	(5,647)
Cash and cash equivalents at beginning of period	34,888	34,298
Cash and cash equivalents at end of period	28,182	28,651

## (6) Notes on the Condensed Consolidated Financial Statements

(Notes regarding the going concern assumption)

Not applicable.

(Changes in accounting estimates)

(Insurance agency commission income)

For the insurance agency business of the Finance business, the main activities carried out are intermediary business processes for the conclusion of insurance policies based on insurance agency consignment contracts concluded with insurance companies. Upon conducting an estimate of the variable consideration by adopting a most likely outcome approach based on the terms and conditions of the insurance agency consignment contract, past performance and other matters, revenue is recognized with said variable consideration included in the transaction prices in a range where the probability of significant reversals of the cumulative amount of recognized revenue not occurring is extremely high.

Up until now, for such revenue arising from commissions, it was difficult to reasonably provide an estimate at the time when performance obligation was satisfied as to the probability of significant reversals of the cumulative amount of recognized revenue not occurring. Accordingly, revenue had been recognized at the point in time when the amount was invoiced to the customer.

On the other hand, during the nine months ended December 31, 2022, there were changes to the terms and conditions of some of the insurance agency consignment contracts with insurance companies, among other occurrences, which led to it becoming possible to provide a reasonable estimation as to the range where the probability of significant reversals of the cumulative amount of recognized revenue not occurring is extremely high. Accordingly, such estimates and underlying assumptions were reviewed, and the effect based on that revision was recognized for the nine months ended December 31, 2022.

The effect of that revision was incorporated into revenue recorded in the condensed quarterly consolidated statement of income. As a result, for the nine months ended December 31, 2022, revenue, operating profit, and profit before income taxes each increased by 978 million yen.

(Significant subsequent events)

(Cancellation of treasury shares)

On January 18, 2023, the Board of Directors resolved to cancel a portion of the treasury shares held by the Company pursuant to the provisions of Article 178 of the Companies Act and canceled said treasury shares.

### 1. Reason for cancellation of treasury shares

The Company conducted the cancellation of treasury shares to facilitate the flexible execution of capital policies in a manner that is responsive to changes in the business environment, and to enhance shareholder returns by increasing capital efficiency.

### 2. Details of the cancellation of treasury shares

(1) Method of cancellation:	Deduction from retained earnings
(2) Class of shares to be canceled:	Common stock of the Company
(3) No. of shares to be canceled:	3,518,200 (Proportion of total No. of shares issued before cancellation: 1.71%)
(4) Total No. of shares issued after cancellation:	201,763,000
(5) Total No. of treasury shares after cancellation:	661,087 (Proportion of total No. of shares issued after cancellation: 0.33%)
(6) Cancellation date:	January 31, 2023