

# **FY6/2023 Full Year Financial Results, Mid-term Business Plan & FY6/2024 Guidance**

August 14, 2023



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Notes for this entire material

- 1. EBITDA = Operating Profit + Depreciation and Amortization + Loss on Retirement of Non-current Assets + Impairment Loss (For Segment EBITDA, applied Segment Profit instead of Operating Profit)
- 2. 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)
- 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.

		Full Year (12 Months)		Q4 Standalone (3 Months)	
		FY6/2022	FY6/2023	FY6/2022 Q4	FY6/2023 Q4
1 KRW =		0.0980	0.1042	0.1048	0.1046

# FY6/2023 Key Takeaways

3

	Q4 Standalone (3 months)		Full Year (12 months)	
Consolidated Performance (Continuing Business)	Revenue:	<b>8.91</b> bn JPY YoY <b>+6%</b>	Revenue:	<b>40.61</b> bn JPY YoY <b>+8%</b>
	Adjusted <sup>(1)</sup> OP:	<b>0.1</b> bn JPY YoY <b>+0.52bn</b>	Adjusted <sup>(1)</sup> OP:	<b>4.96</b> bn JPY YoY <b>-3%</b>

- As announced in Q3, we have completed the sale of “Overseas (ex-Korea) Business” to Toluna  
Excluded the overseas business from consolidation as discontinued operations (In accordance with IFRS regulations, figures other than Net Income are retroactively adjusted and disclosed on a continuing operations basis for the full year)
- Q4 standalone Continuing Business Revenue delivered +6% growth YoY, and Adjusted<sup>(1)</sup> Operating Profit turned positive compared to the deficit in FY6/2022
- FY6/2023 Full Year Revenue delivered +8% growth YoY, Adjusted<sup>(1)</sup> OP resulted -3% YoY
- Both Revenue and OP exceeded the revised forecast announced in Q3  
We have executed the year-end dividend payout (11.0 yen per share, 21.0 yen in full-year) as planned
- Developed a new Mid-term Business Plan (three years: FY6/2024 to FY6/2026) one year ahead of schedule in response to the above M&A transaction
- For FY6/2024, we aim to achieve +8% YoY increase in Revenue and +13% YoY increase in adjusted<sup>(1)</sup> OP, while increasing dividend by 4.0 yen to 25 yen (21.0 yen → 25.0 yen per share)

Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)

# **FY6/2023 Full Year Financial Update**

# FY6/2023: Full Year Results - Summary



Q4 (standalone) Revenue continued to grow in Japan and Korea, and Revenue increased +8% YoY on a full-year basis

The decline in Adjusted<sup>(1)</sup> OP shrank from double-digit in Q3 YTD in FY6/2023 to -3% YoY on a full-year basis because the Q4 standalone Adjusted OP turned positive, which was a deficit in Q4 standalone in the previous fiscal year

## FY6/2023 Full Year (12 Months)

(JPY in Millions)

	FY6/2022 Actual	FY6/2023 Actual	Variance	YoY Growth	YoY Growth Constant FX <sup>(2)</sup>
Japan and Korea Business Revenue	37,736	40,616	+2,880	+8%	+7%
Japan	32,722	34,909	+2,187	+7%	+7%
Korea	5,024	5,725	+701	+14%	+7%
Operating Profit (OP)	5,106	4,498	△ 607	△ 12%	△ 13%
Adjusted <sup>(1)</sup> Operating Profit (OP)	5,106	4,960	△ 146	△ 3%	△ 4%

### Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A).
2. Refer to the common footnote on p.2 for the calculation method and the significance of constant FX figures.

# FY6/2023: Operating Expenses



We successfully controlled the increase in Total Employee Expenses to the same level as the Revenue growth rate on a full-year basis because we managed Total Employee Expense growth rate to be lower than Revenue growth in the 2H

Similarly, Outsourcing Expenses are under control, but it still exceeds Revenue growth on a full-year basis

In the Others recognized JPY 461M with the cost of transfer of overseas subsidiary (M&A) staying in our estimated range

## FY6/2023 Full Year (12 Months)

(JPY in Millions)

	FY6/2022 Actual	FY6/2023 Actual	Variance	YoY Growth
<b>Revenue</b>	<b>37,736</b>	<b>40,616</b>	<b>+2,880</b>	<b>+8%</b>
Panel Expenses	4,687	5,027	+339	+7%
Outsourcing Expenses	7,023	7,856	+832	+12%
Others <sup>(1)</sup>	4,643	5,683	+1,039	+22%
[ Cost of the transfer of overseas subsidiaries (M&A)	-	461	+461	-
D&A	2,029	2,187	+157	+8%
Employee Expenses	14,245	15,363	+1,118	+8%
<b>Operating Expenses Total</b>	<b>32,629</b>	<b>36,118</b>	<b>+3,488</b>	<b>+11%</b>
<b>Adjusted<sup>(2)</sup> Operating Expenses Total<sup>(2)</sup></b>	<b>32,629</b>	<b>35,656</b>	<b>+3,027</b>	<b>+9%</b>

Note

1. Other Operating Expenses includes Other Operating Income, Other Operating Expenses, and Share of the Profit on Investments Accounted for Using the Equity Method in addition to Other in Operating Expenses.
2. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A).

# FY6/2023: OP Waterfall

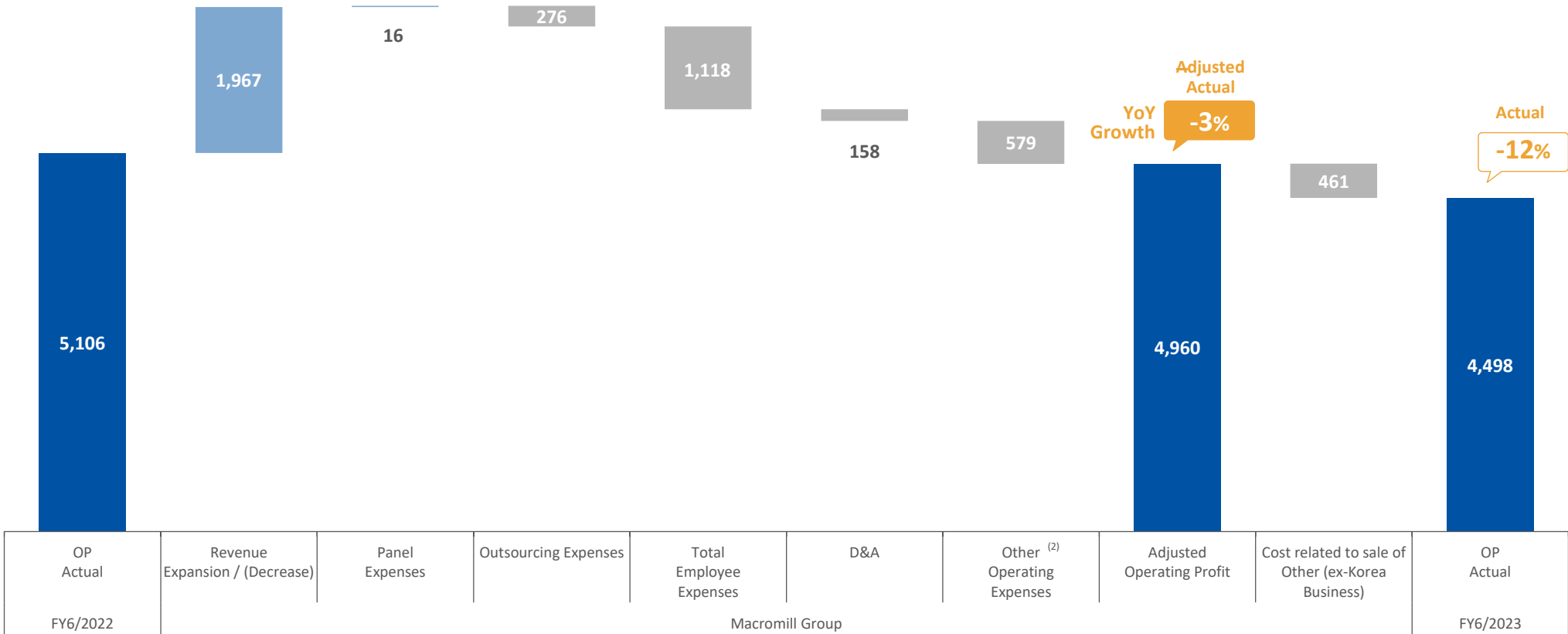


Adjusted Operating Profit (OP) delivered the same level as the previous fiscal year due to Revenue increase offsetting the increase in Total Employee Expenses, etc.

However, nominal OP resulted -12% YoY due to the recognition of the cost related to the sale of the Overseas Business

## FY6/2023 OP Waterfall Analysis<sup>(1)</sup>

(JPY in Millions)



Note

- 1. The impact of "Revenue Expansion/(Decrease)" effects and "Panel and Outsourcing Expenses" on "Operating Profit" is calculated and described based on margin improvement/deterioration. "Employee Expenses", "D&A", and "Other Operating Expenses" are shown using actual differences from the same period of the previous year.
- 2. Other Operating Expenses includes Other Operating Income, Other Operating Expenses, and Share of the Profit on Investments Accounted for Using the Equity Method in addition to Other in Operating Expenses

# FY6/2023: Quarterly Performance



There is seasonality for the Group business, and Q1 and Q4 are the off-seasons

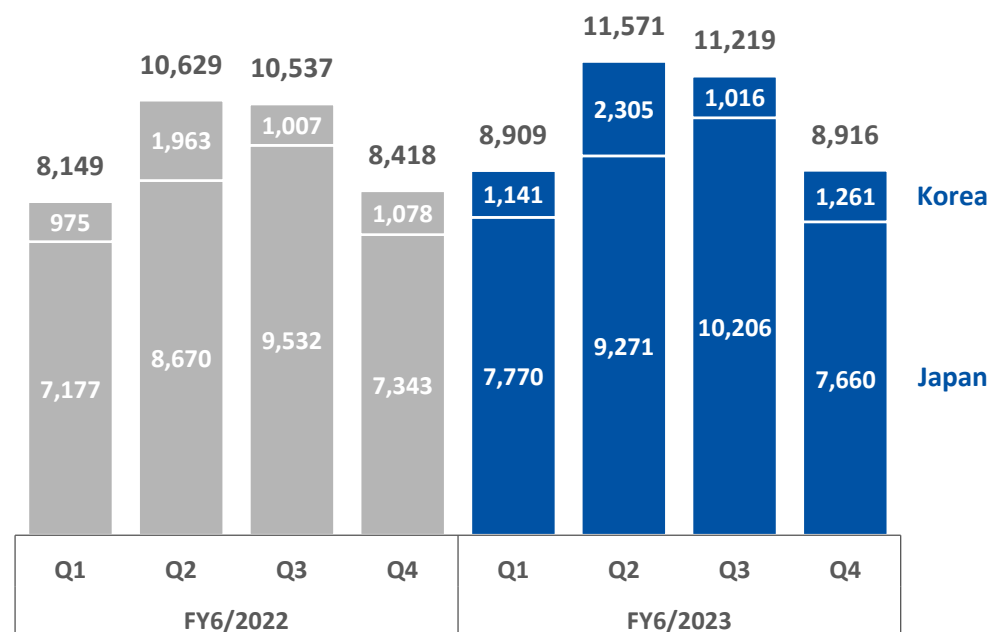
The trend remained unchanged, but Q4 standalone Revenue delivered +6% YoY, keeping the level of Q3

Even though we expected ourselves to be in a deficit in our forecast, Adjusted<sup>(1)</sup> Operating Profit turned positive

## Quarterly Revenue Trend

(JPY in Millions)

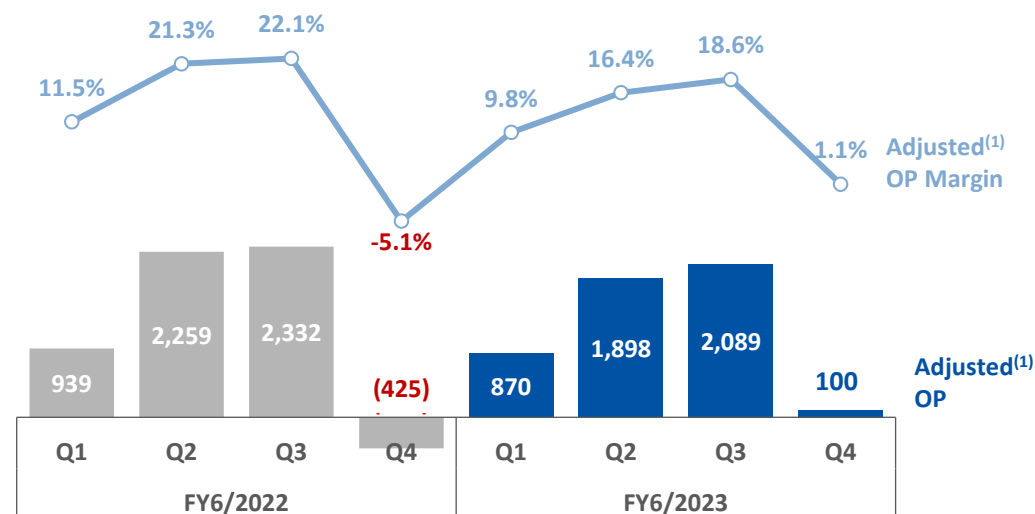
YoY Growth	Actual:	+9%	+9%	+6%	<b>+6%</b>
	Constant FX <sup>(2)</sup> :	+8%	+7%	+6%	<b>+6%</b>



## Quarterly Adjusted<sup>(1)</sup> OP and OP Margin Trend

(JPY in Millions)

YoY Growth	Actual:	-7%	-16%	-10%	<b>n/a</b>
	Constant FX <sup>(2)</sup> :	-8%	-17%	-11%	<b>n/a</b>



Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A).
2. Refer to the common footnote on p.2 for the calculation method and the significance of constant FX figures.



# FY6/2023: Japan Business - Summary



Q4 (standalone) Revenue was affected by a slower growth in Online Research and a slump in Digital field. As a result, Research Business and Digital & Other New Business YoY growth slowed down

On a full-year basis, Research Business grew +5% YoY, Digital & Other New Business delivered +12% YoY

## FY6/2023 Japan Revenue (12 months)

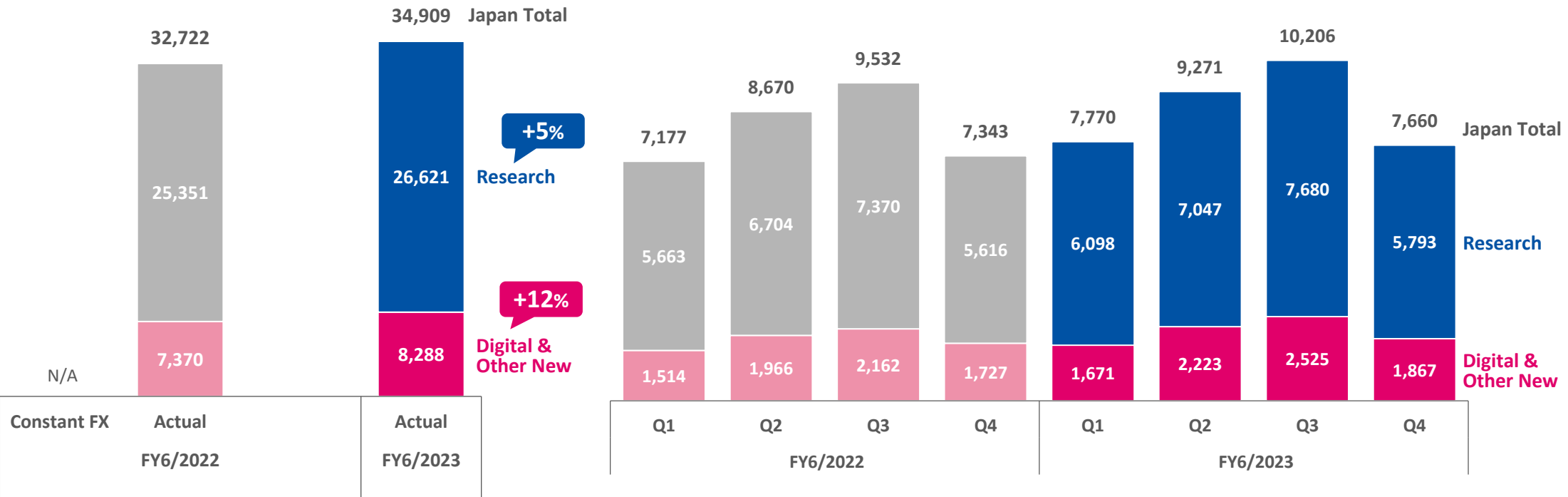
(JPY in Millions)

## Quarterly Japan Revenue Trends

(JPY in Millions)

YoY Growth	Japan Total:	+8%	+7%	+7%	+4%
	Research:	+8%	+5%	+4%	+3%
	Digital & Other New:	+10%	+13%	+17%	+8%

YoY Growth  
+7%



# FY6/2023: Korea Business - Summary



10

Q4 (standalone) Revenue increased significantly due to the recording of government-related research projects  
Achieved double-digit growth on a full-year basis due to strong performance in 1H and the positive impact of FX

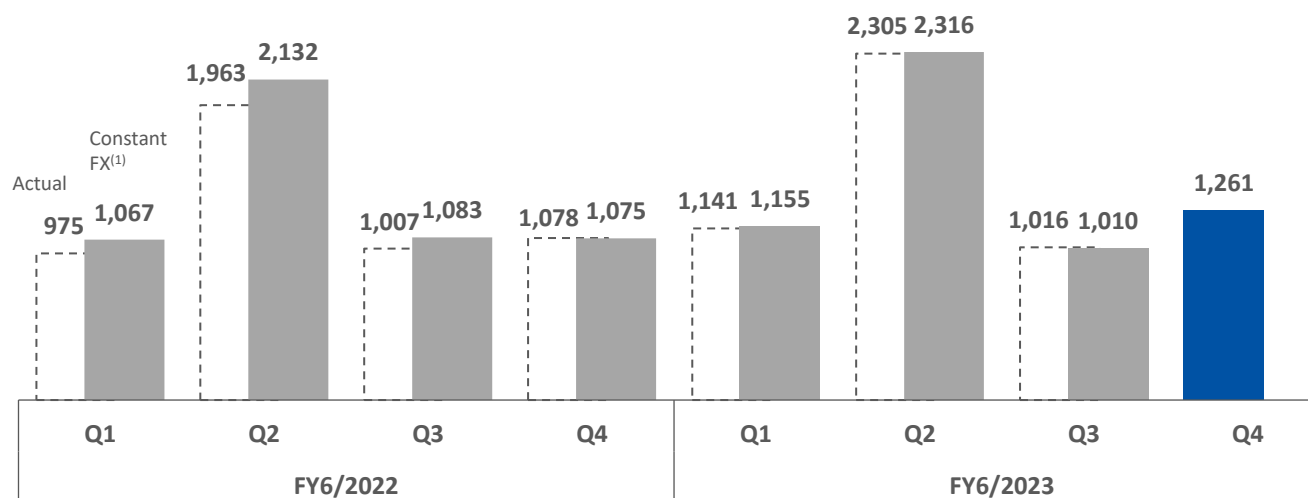
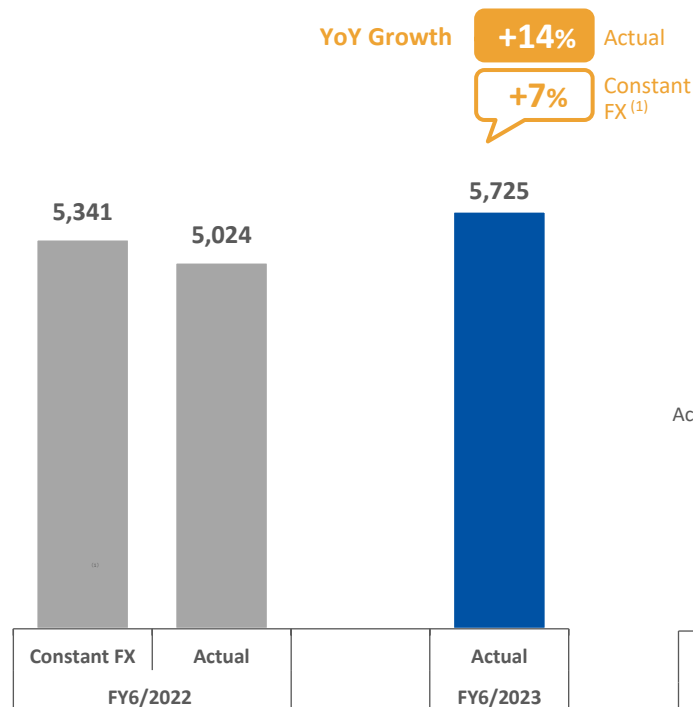
## FY6/2023 Korea Revenue (12 Months)

(JPY in Millions)

## Quarterly Korea Revenue Trends

(JPY in Millions)

YoY Growth	Actual :	+17%	+17%	+1%	+17%
	Constant FX <sup>(1)</sup> :	+8%	+9%	-7%	+17%



### Note

1. Please refer to the common footnotes on p.2 for the calculation method of the Constant FX and its significance

# Consolidated Statement of Operations (P/L)

Full Year (12Months)

11

From Revenue to Adjusted<sup>(1)</sup> OP in below, only the figures for continuing operations (Japan and Korea business segments) are being disclosed

Profit attributable to Owners of the Parent increased significantly due to the recognition of discontinued operations (Profit attributable to Owners of the Parent of 5,796 million yen, including gain on transfer of shares)

## FY6/2023 (12 Months)

Consolidated (IFRS)  
(JPY in Millions, except specified)

	FY6/2022 Actual	FY6/2023 Actual	YoY Growth	YoY Variance	
Japan and Korea Business  (Continuing Business)	Revenue	37,736	40,616	+2,880	+8%
	Operating Expenses	32,629	36,118	+3,488	+11%
	EBITDA	7,175	6,898	(276)	(4%)
	Operating Profit	5,106	4,498	(607)	(12%)
	Operating Profit Margin	13.5%	11.1%	(2.5pt)	N/A
	Adjusted <sup>(1)</sup> Operating Profit	5,106	4,960	(146)	(3%)
	Adjusted <sup>(1)</sup> Operating Profit Margin	13.5%	12.2%	(1.3pt)	N/A
Consolidated (Incl. Discontinued Business)	Profit attributable to Owners of the Parent <sup>(2)</sup>	3,147	7,575	+4,427	+141%

### Note

- Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A).
- The Company categorized the Overseas (ex-Korea) Business Segment as discontinued business in the middle of the fourth quarter of FY6/2023. Thereby, Profit for the year and Profit attributable to owners of the parent include both the continuing business and the discontinued business.

# Consolidated Statements of Financial Position (B/S)

12

Decrease in assets and liabilities due to the deconsolidation of Overseas Business segment (MetrixLab Group)

Investment in Toluna, which became an equity-method affiliate on June 1st, and convertible loans to Toluna are included in non-current assets

Increase in equity due to gain on sale of MetrixLab Group

## FY6/2023

Consolidated (IFRS)  
(JPY in Millions, except specified)

	FY6/2022 as of June 30, 2022	FY6/2023 as of June 30, 2023	Variance
<b>Total Current Asset</b>	<b>27,759</b>	<b>29,286</b>	<b>+1,526</b>
Cash and cash equivalents	14,756	18,255	+3,498
Trades and Other Receivables	7,966	7,129	(837)
<b>Total Non-current Asset</b>	<b>55,874</b>	<b>64,867</b>	<b>+8,993</b>
Goodwill	42,928	40,033	(2,895)
Japan and Korea Business Segment	39,957	40,033	+75
Overseas (ex-Korea) Business Segment	2,970	0	(2,970)
<b>Total Liabilities</b>	<b>47,806</b>	<b>51,823</b>	<b>+4,016</b>
Borrowings and Bonds <sup>(1)</sup>	31,555	40,920	+9,365
<b>Total Equity</b>	<b>35,827</b>	<b>42,330</b>	<b>+6,503</b>

## Target Financial KPIs (Continued Operations)

<b>Net Debt/ EBITDA</b>	<b>2.87 x</b>	<b>3.49 x</b>	
Net Debt	20,598	24,060	+3,461
EBITDA <sup>(2)(3)</sup>	7,175	6,898	(276)
<b>ROE<sup>(2)</sup></b>	<b>9.4%</b>	<b>5.1%</b>	-4.3pt

Note

1. The sum of Short-term Borrowings, Long-term Borrowings, and Bonds
2. Calculated in the last twelve months
3. Using Continuing Business EBITDA on both FY6/2022 and FY6/2023

# Consolidated Statements of Cash Flows (C/F)

Full Year (12Months)

13

Cash inflow from operating activities decreased YoY due to lower profits and M&A-related expenses

Cash outflow from investing activities increased due to the transfer of Overseas subsidiary and M&A activities

Cash flows from financing activities improved due to the completion of bond refinancing

## FY6/2023 (12 Months)

Consolidated (IFRS)  
(JPY in Millions)

	12 Months		
	FY6/2022 Actual	FY6/2023 Actual	Variance
Cash Flows from Operating Activities	5,514	2,909	(2,605)
Cash Flows from Investing Activities	(1,658)	(5,234)	(3,576)
Free Cash Flows <sup>(1)</sup>	4,093	(2,162)	(6,255)
Cash Flows from Financing Activities	(8,510)	5,658	+14,168
Increase/(decrease) in Cash and Cash Equivalents	(4,653)	3,332	+7,986
Cash and Cash Equivalents at the end of the period	14,756	18,255	+3,498

Note

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

**Review of ongoing Mid-term Business Plan  
(3 years, FY6/2022 - FY6/2024)**

Macromill Group is 1) conducting “selection and concentration” into Japan and Asia, and 2) establishing a global partnership with Toluna through M&A to respond to changes occurring in the global market

## Establishment of partnership through M&A with Toluna

MACROMILL  
GROUP



toluna

### Purpose of M&A<sup>(1)</sup>

1.

Toluna, undergoing major transformations in recent years, and MetrixLab are capable of conducting complementary business integration and pursuing significant business synergies

2.

Instead of a short-term contribution from equity-method earnings, we expect a larger future return in Toluna's exit event (IPO or M&A)

3.

Conversion of Inter-company loan into Vender-loan with conversion rights to Toluna's common share allows Macromill to increase the certainty of loan repayment and also have 670M JPY of financial income (Contribution to the profit before tax and below) from the current fiscal year annually

#### Note

1. The outline of M&A: Macromill transferred a 100% share of MetrixLab Group to Toluna (UK). In return, Macromill gained 1) a 17.4% stake in Toluna's common share and 2) Vender-loan with conversion rights to Toluna's common share (63.5M in Euro, About 10BN in JPY). Macromill dispatched one director to the Toluna board and made the Company an equity-method affiliate of Macromill.

# Review of Japan Business: Research Business



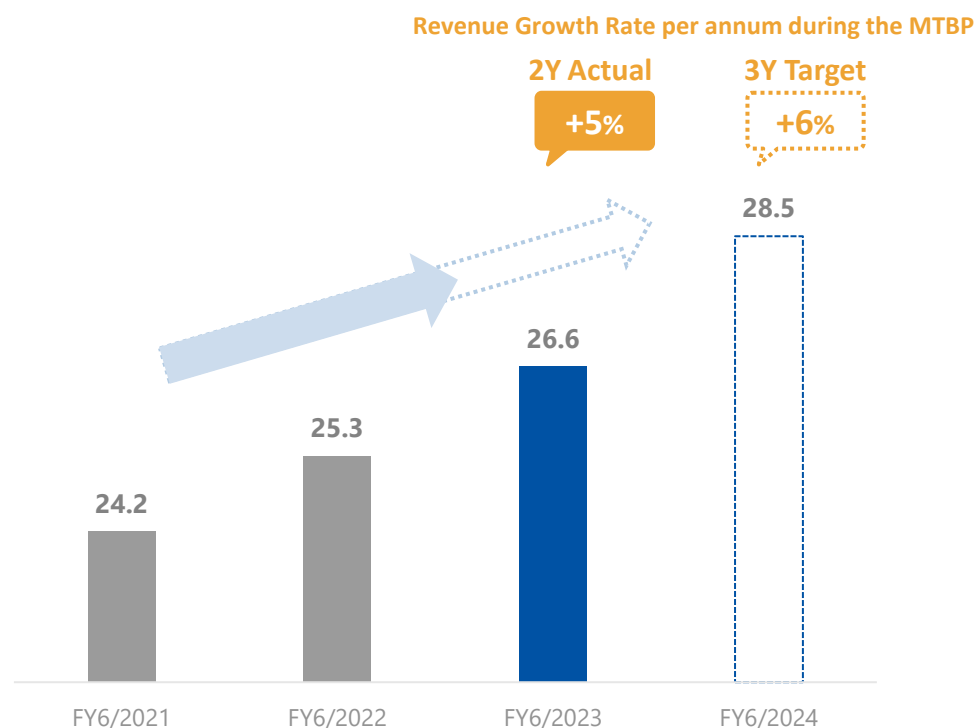
16

Revenue in the Research Business is currently at the almost same level as the Mid-term Business Plan (MTBP) target growth rate

Growth in Online Research fell short of expectations but anticipates a recovery in growth from our countermeasures

## Revenue Trend

(JPY in Billions)



### Services categorized in Research Business

- Online Research
- Offline Research
  - Interview: FGI / DI
  - CLT、HUT, etc.
- Global Research
  - Online Research
  - Offline Research

## Considerations

### External Environment

- Triggered by Covid-19, the number of client companies and demand are increasing
  - Changes in consumers' view and behavior
  - The importance of data spreads with the trend of Digital Transformation (DX), etc.
- However, due to the business sentiment among some major clients, they refrained from using our services during the peak season (Q3). DIY (self-service) + panel provision replaced a part of existing Online Research demand (currently, we implemented countermeasures)

### Internal Environment

- Until the first half of FY6/2023, we have operated our business with the restricted Operational Capacity, and the Group could not sufficiently supplement the recovery demand from Covid-19 (Currently resolved)
- As a result, we think the decline in proposal-based sales activities has been caused by the occurrence of refusals and refraining from active sales activities (currently, various measures are being formulated and implemented)



# Review of Japan Business: Digital and Other New



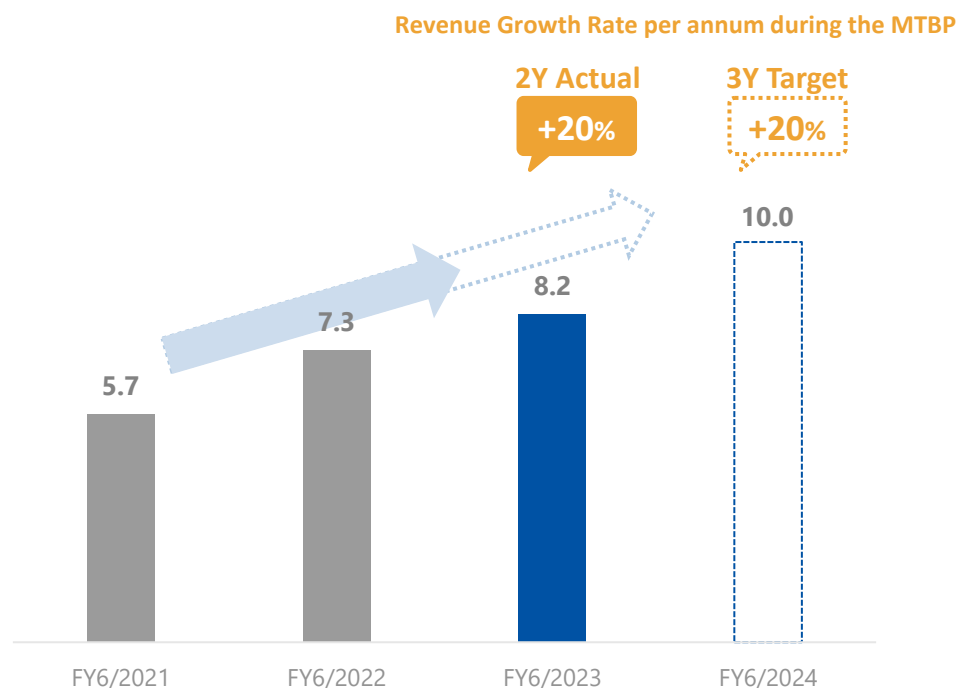
17

Revenue of Digital and Other New Businesses progressed in line with the MTBP target growth rate

Digital business continues to struggle due to external factors, but Other New Businesses are performing well, mainly due to consulting business

## Revenue Trend

(JPY in Billions)



### Services categorized in Digital and Other New Business

- Digital Research (AccessMill • DMP Sync Research, etc.)
- Other New Business
  - Consulting Business
  - Life Science Business
  - Southeast Asia
  - Ads (Macromill Ads), etc.

## Considerations

### Digital

- The quest for new technologies continues in anticipation of a new Cookie-less environment
- Our digital domain continues to be affected by the change, and we are also affected by market conditions in the advertising industry and delays in service development with major platformers (each of which is currently drafting and implementing various countermeasures)

### Other New Business

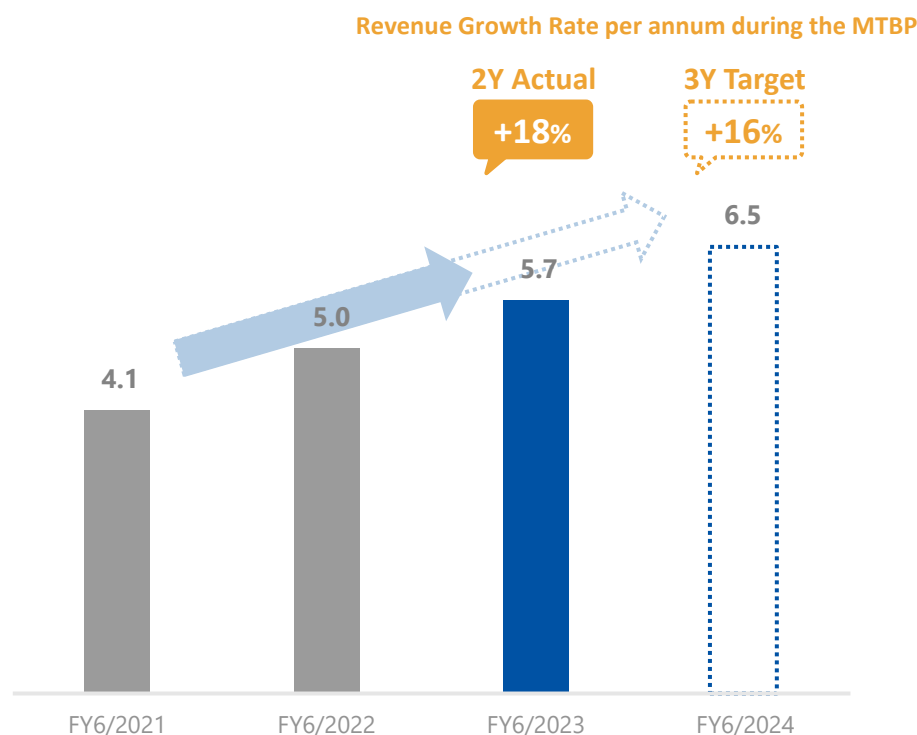
- All New Businesses far exceeded expectations
  - Revenue in the consulting area is currently growing +70% YoY
  - There is room for further growth in Life Sciences, Southeast Asia, etc.

Korea Business Revenue exceeded MTBP target growth rate

Undergoing business model transformation in the same way as in Japan in anticipation of the future growth

## Revenue Trend

(JPY in Billions)



### Services categorized in Korea Business

- Online Research
- Offline Research
- Global Research
- Data Provision Service (New)

## Considerations

### Research Services

- Amid severe market condition and competition, we leverage our structural strengths in the Online domain to achieve Revenue growth as the sole winner

### Data Provision Service (New Business)

- Macromill Group is the only research company that owns a large proprietary consumer panel among main players in Korea
- Leveraging its proprietary panel, which has a competitive advantage, and based on its know-how in Japan, we launched a subscription purchase data service from FY6/2023
  - Expanding the data stock and anticipating it will contribute to Revenue growth in the future

# Ongoing MTBP: Financial Targes and Actual Performance

19

The progress of the FY6/2023 results against the final target values of the third year of the ongoing Mid-term Business Plan is as follows

Revenue is almost as planned, but slower growth in the Online Business in Japan and struggles in the Digital domain are causing delays in profits

## FY6/2024 Consolidated Financial Targets and Actual Performance in FY6/2023

	FY6/2024 Mid-term Business Plan (Target)	FY6/2023 (2 <sup>nd</sup> year · Previous Year Actual)
Revenue	(Continued Business) Revenue <b>45bn JPY</b> Annual Growth Rate: <b>10%</b> (3Y CAGR)	Revenue <b>40.6bn JPY</b> Average Growth Rate: <b>9%</b> (2Y CAGR)
Profit	OP Margin <b>15%</b> Consolidated ROE <sup>(2)</sup> <b>10% and over</b>	Adjusted <sup>(1)</sup> OP Margin <b>12.2%</b> Consolidated ROE <sup>(1)</sup> <b>5.1%</b>
Leverage	Credit Rating <b>BBB+</b> and higher + Net Debt/EBITDA <b>2.0x – 2.5x</b>	Credit Rating (R&I) <b>BBB+</b> (Stable) + Net Debt/EBITDA <b>3.5x</b>
Shareholders Return	Consolidated Dividend Ratio <b>20%~30%</b> + Share buyback in timely manner	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>(3)</sup> <b>1.2bn JPY</b> [vs NSO <sup>(4)</sup> : 3.5%]

### Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)

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

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

4. NSO: Number of Shares Outstanding

**New Mid-term Business Plan**  
**(3 years, FY6/2024 – FY6/2026)**

# New Mid-term Business Plan (MTBP): Where we are going

21

Based on the key points and review described in the previous section, we re-formulated the Mid-term Business Plan (MTBP) one year ahead of schedule

The core principals of the new the Mid-term Business Plan are the following two points

## Key points in the new Mid-term Business Plan

1

### **Refocus on our core “Online and Digital research”**

Achieving Steady improvement  
in Profit Margins with strong will

2

### **Continuing “Business Model Transformation”**







Aiming for medium- to long-term  
continuation of stable Revenue growth

# New MTBP: Change in segmentation



22

From FY6/2024, we disclose two business segments: the Japan business segment and the Korea business segment  
In each segment, we aim to achieve the following average annual growth rates and target Revenue

	Japan Business Segment	Korea Business Segment
Business Entities	  +  +  + Other subsidiaries	  a Macromill Group company
Market size & Growth rate <sup>(1)</sup>	<ul style="list-style-type: none"> <li>Market size: Insight Industry Total approx. 430bn JPY, Research Industry Total approx. 260bn JPY, Online Research approx. 80bn JPY</li> <li>Growth rate (5Y CAGR): Research Total 3.8%, Online Research 3.4%</li> </ul>	<ul style="list-style-type: none"> <li>Market size: Research Industry Total approx. 75bn JPY, Online Research 30bn JPY</li> <li>Growth Rate (5Y CAGR): Research Total 3.0%, Online Research 11.1%</li> </ul>
Market Positioning & Core Competence	<ul style="list-style-type: none"> <li>Aiming to move from No.1 in Online Research to No.1 in the industry by leveraging our strong panel asset</li> <li>Transforming business model into a “Professional Marketing Services Company”</li> </ul>	<ul style="list-style-type: none"> <li>Aiming to be No. 1 in Online Research and top 3 in the industry by leveraging the industry's largest proprietary panel asset</li> </ul>
Target Growth Rate	Annual Growth Rate: <b>10%</b> (3Y CAGR)	Annual Growth Rate : <b>7%</b> (3Y CAGR)
FY6/2026 Target Revenue	FY6/2023 34.9bn JPY → <b>46.0</b> bn JPY	FY6/2023 5.7bn JPY → <b>7</b> bn JPY

## Note

- Market size in Japan is 2022, in Korea is in 2021. Market growth rate is average annual growth rate (5Y CAGR) from 2017 to 2022 in Japan and from 2016 to 2021 in Korea (Source: for Japan - Japan Marketing Research Association (JMRA) and for Korea – ESOMAR (Exchange rate assumptions 1 USD = JPY 140))

# Changes in the industry: “Research” to “Insight Industry”

23

The marketing research industry is redefined as an “insight industry” that also involves peripheral industries

## What is “Insight Industry”?

An industry that collects and analyzes various data and provides insights to clients

Representative players in each area exemplified in the JMRA report<sup>(1)</sup>

### Insight Industry (Total 8 Subsegments)

Established Research Industry

+

Digital Data Analytics

Industry Research and Report

Business Consulting

Social Listening and Communities

Enterprise Feedback System

Self-service (DIY) Platforms

Sample Panel Providers

Nielsen, Kantar, Ipsos, Intage, Macromill, etc.

Adobe, Salesforce, Oracle, Brain Pad, ALBERT, etc.

Gartner, HIS Markit, IDC, JD Power, Fuji Research Inst., Yano Research Inst., etc.

McKinsey, Accenture, BCG, NRI, MRI, Fujitsu Research Inst., etc.

Cision, Brandwatch, Meltwater Group, Hotlink, etc.

Medallia, Verint, MaritzCX, etc.

Qualtrics, Confrimit, SurveyMonkey, Toluna, etc.

Dynata, Toluna, Lucid, GMO Research, etc.

#### Note

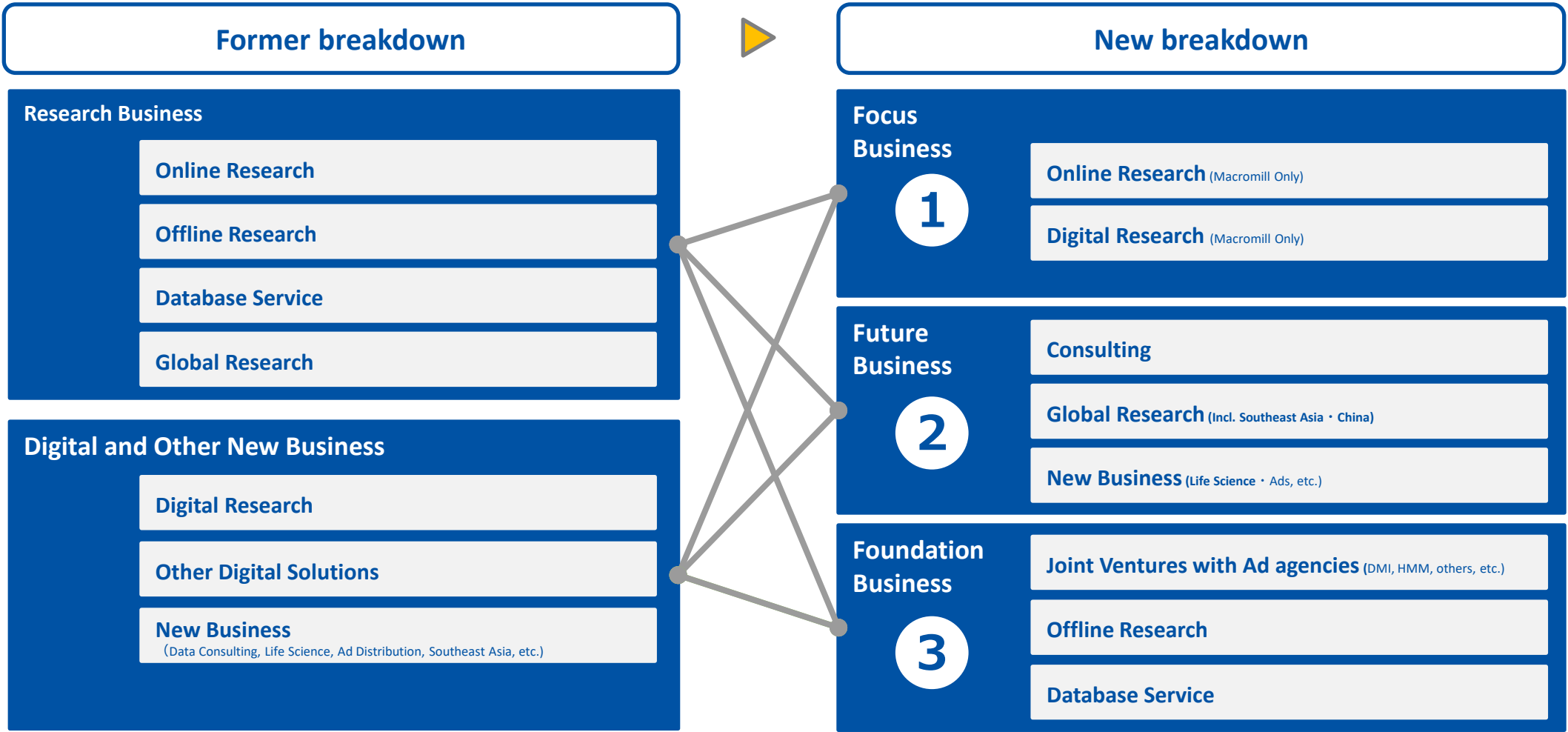
1. Source: Japan Marketing Research Association (JMRA) Annual General Meeting Keynote Speech ESOMAR GMR Japan Ambassador Hiroyuki Ichinose "The Inevitability and Prospects of 'Evolving into the Insight Industry' - Global Trends and Opportunities in the Japanese Market" (May 26, 2022)

# New MTBP: Revenue Breakdown in Japan

In order to clearly track the improvement of the profit of the Japan business, we are dividing the Japan business into the following three categories, and setting basic strategies and targets in four areas, including Korea (🔗 See details from next page)

In addition, along with the spread of Digital Transformation (DX), the digital domain is distributed to all categories

## New categorization





# ① Japan Business: Focus Business (Online & Digital Research)

25

Refocus on profitable Online Research and Digital Research

We will focus on Revenue and Profit growth in this business category and achieve steady improvement in Profit Margins with a strong will

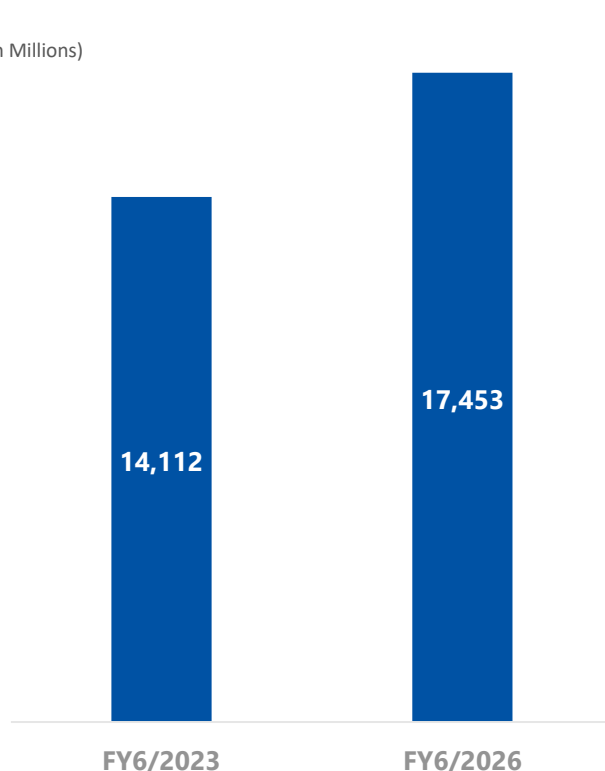
## Revenue targets and key points for future business plans

Revenue Target  
Average growth rate: **7% (3Y CAGR)**

Positioning  
Goals:

**Pursuit of high profitability and stable growth**

(JPY in Millions)



**Revenue**

- Rebuild strengths in the Online and Digital domains and aim for a recovery to Revenue growth exceeding the market growth rate

**Operating Profit (OP)**

- Gross profit margin for FY6/2023: Around 60%
- Revenue growth is the most impactful profit improvement driver
- Furthermore, we will focus on improving productivity, such as proceeding with automation and renovating core research systems. Through these initiatives, we aim to maximize profit margins and profits

**KPI**

- Revenue per salesperson
- Ratio of employee expenses at the first cost level + outsourcing expenses to Revenue

## ② Japan Business: Future Business (Consulting, Global, Other New Business)

26

Continue to transform our business model, expand new businesses (including consulting), provide solutions, and promote platform development

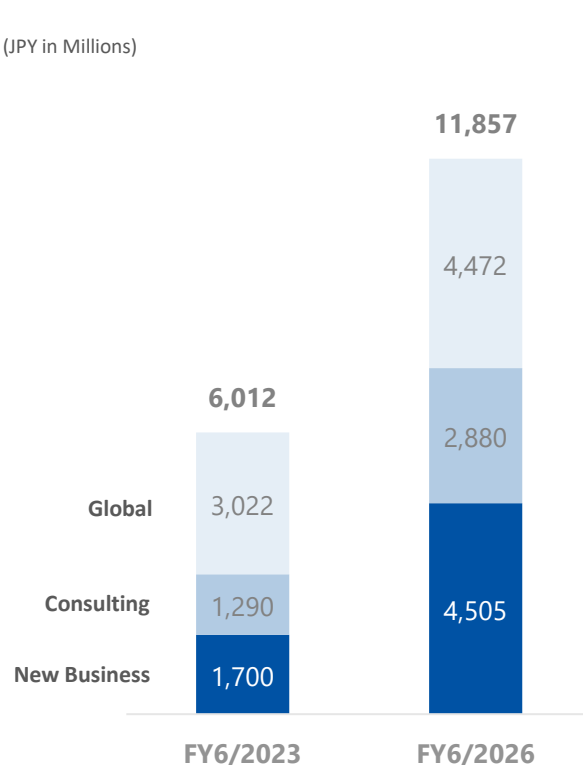
Through initiatives in this business domain, we aim to maintain stable Revenue growth over the medium to long term as the Group

### Revenue targets and key points for future business plans

Revenue  
Target Average  
growth rate: **25%+ (3Y CAGR)**

Positioning  
Goals: **Double-digit Revenue growth, future profit  
contribution**

(JPY in Millions)



Revenue

- Aiming for Revenue growth of more than 25% by leveraging our unique strengths as the market continues to grow at a high rate

Operating  
Profit (OP)

- Gross profit margin for FY6/2023: around 25%
- Aggressive investment for Revenue growth
- Volatility is expected to remain high during the period of the Mid-term Business Plan, but we aim to maximize profits over the medium to long term as a pillar of our new business

KPI

- New Initiatives and Client Cases

This business domain aims to maintain and strengthen the business for the purpose of establishing competitive advantages and building entry barriers

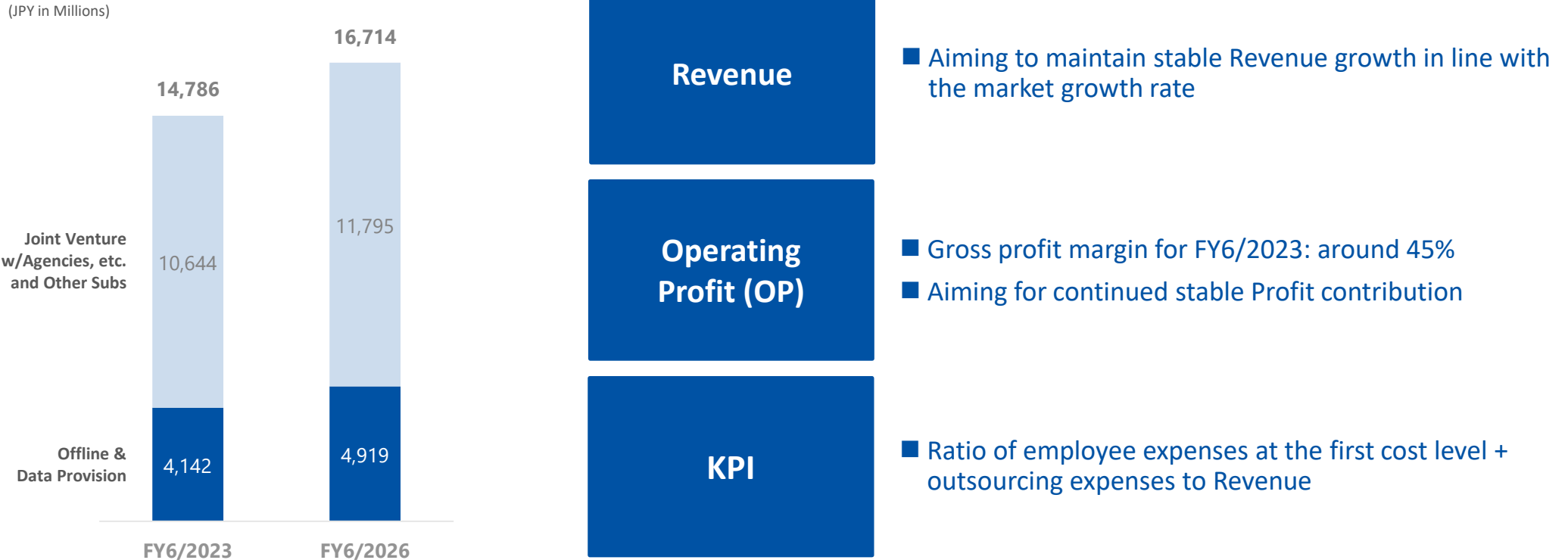
Aim to maintain stable Revenue and Profit contribution in this business domain

## Revenue targets and key points for future business plans

Revenue Target  
Average growth rate: **4% (3Y CAGR)**

Positioning  
Goals:

**Establishment of competitive advantages and barriers to entry**



## ④ Korea Business



28

In response to the expansion of market share in the Korean market, we have entered a growth phase different from the past

Since the new business expansion is also expected, we are disclosing Korea Business independently and its profit structure as well

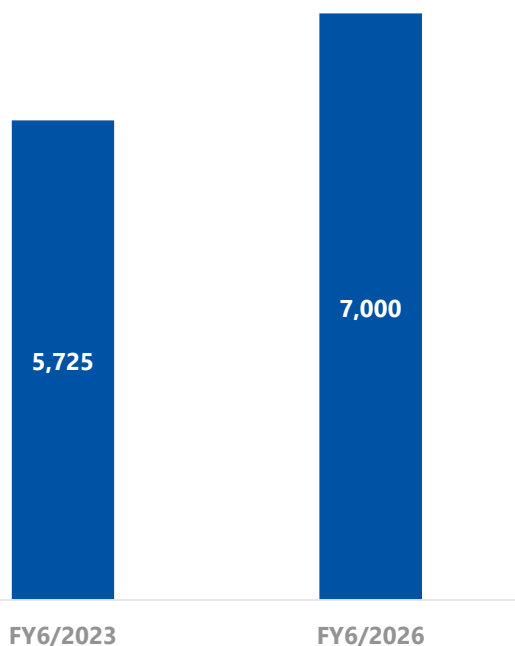
### Revenue targets and key points for future business plans

Revenue Target  
Average growth rate: **7% (3Y CAGR)**

Positioning  
Goals:

**Reproduction of the growth process of the Japan business**

(JPY in Millions)



**Revenue**

- We have expanded our market share and shifted to a new growth phase, and set targets that are lower than before
- Promoting business model reforms, including the full-scale launch of the successful data provision business in Japan in Korea

**Operating Profit**

- Aggressive investment in data provision business
- Anticipating the change in the profit model and expansion of the data provision business
  - Aiming for return in the final year of the plan (FY6/2026)

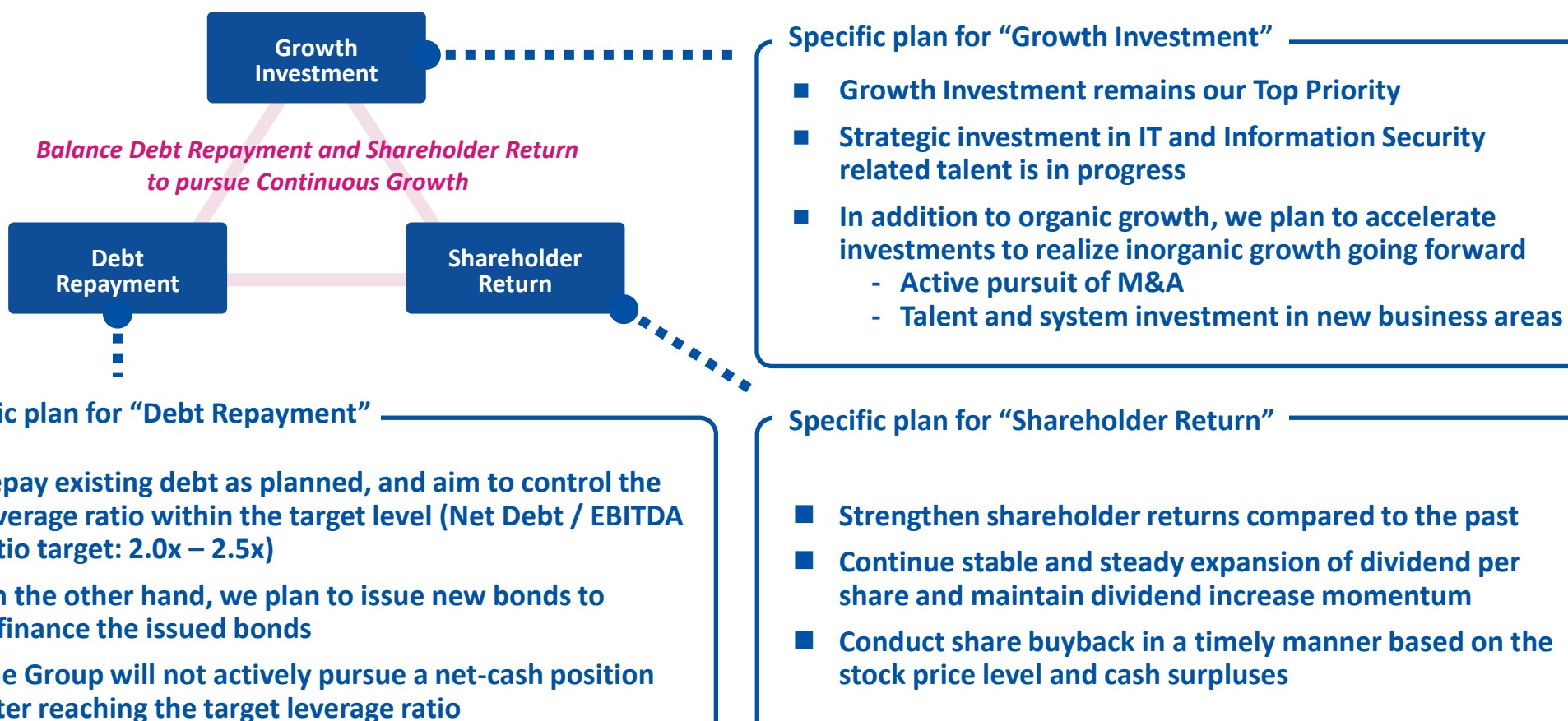
**KPI**

- Contribution to Revenue and Profits of new initiatives and client case studies

In the three years until FY6/2026, “Growth investment” remains our top priority, and we balancing “Debt Repayment” and “Shareholder Return” and pursuing appropriate capital allocation

Maintain the dividend increase momentum to achieve 30% of the Consolidated Dividend Payout Ratio and conduct share buyback in a timely manner

## Priority in Capital Allocation



# New MTBP: Financial Target

30

Aim to achieve the financial targets listed below through the realization of the strategies, policies, and points described on the previous page

## Consolidated Financial Targets

	FY6/2023 (Previous Fiscal Year Actual)	New MTBP Target FY6/2026 (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	Adjusted <sup>(1)</sup> OP <b>4.9</b> bn JPY Consolidated ROE <sup>(2)</sup> <b>5.1%</b>	OP <b>7.5</b> bn JPY Average Growth Rate: <b>19%</b> (3Y CAGR) Consolidated ROE <sup>(2)</sup> <b>10% and over</b>
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>(3)</sup> <b>1.2</b> bn JPY [ vs NSO <sup>(4)</sup> : <b>3.5%</b> ]	Consolidated Dividend Ratio <b>30%</b> + Share buyback <b>In a timely manner</b>

### Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)

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

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

4. NSO: Number of Shares Outstanding

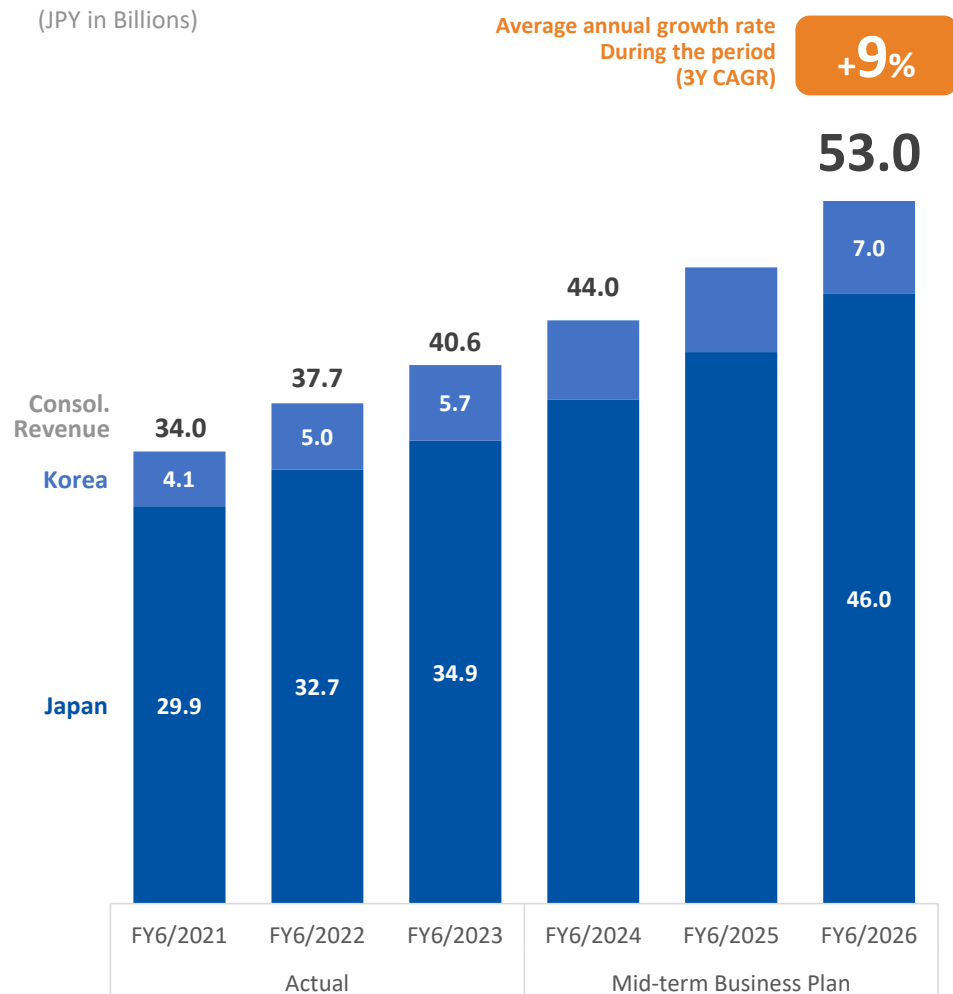
# New MTBP: Financial Target (Continued)

31

In order to achieve the Revenue and Operating Profit targets in FY6/2026, we anticipate the following growth trends

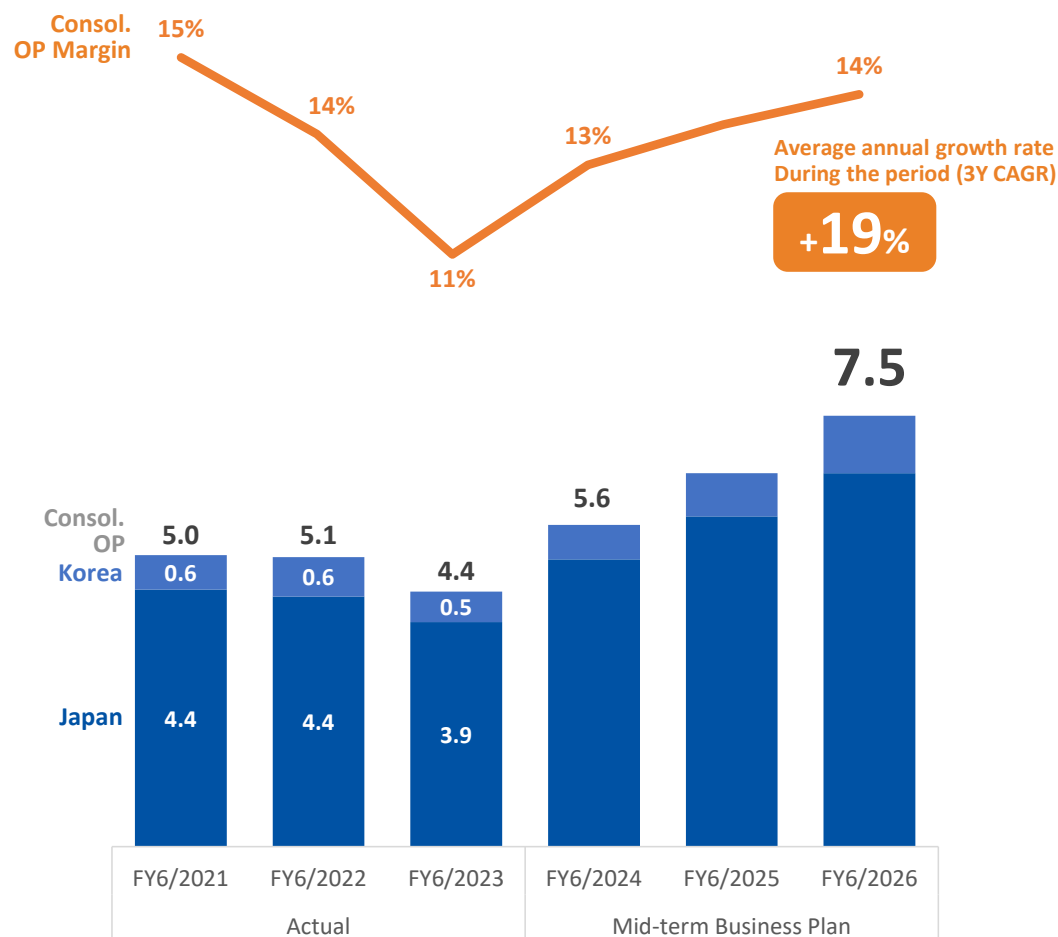
## Trends in Projected Consolidated Revenue

(JPY in Billions)



## Trends in Projected Consolidated Operating Profit and OP Margin

(JPY in Billions)



Note

1. The above plan does not include Toluna's equity-method profit or loss and gains on sales in the event that shares are sold

# **FY6/2024 Guidance**



FY6/2024, the first year of the new Mid-term Business Plan (MTBP), will be a year of turning point for growth  
Aiming for an +8% increase in Revenue and a +13% increase in Adjusted Operating Profit

## FY6/2024 Outline of Guidance Forecast

Consolidated (IFRS)

	Guidance Forecast and YoY Growth			
	FY6/2023 (Actual)	FY6/2024 (Guidance)	Variance	YoY Growth
Revenue	40.6bn JPY	44.0bn JPY	+3.3bn JPY	+8%
Operating Profit (OP)	4.4bn JPY	5.6bn JPY	+1.1bn JPY	+25%
Adjusted <sup>(1)</sup> OP	4.9bn JPY	5.6bn JPY	+0.6bn JPY	+13%

### Note

- Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)
- The exchange rate used to calculate the forecast is calculated as 1 KRW = 0.1000

At the beginning of FY6/2024 (as of July 3, 2023), Monitas, a panel supply business, became a consolidated subsidiary for Macromill

We anticipate a positive impact on all businesses of the Group that utilize consumer panel through this M&A

Press release on August 19, 2023 (today): Background and aim of this M&A



Press Release  
【報道関係各位】

## マクロミル、モニタスを連結子会社化 パネル数は国内最大級の約 3,600 万人に

2023 年 8 月 14 日

株式会社モニタス

株式会社マクロミル

(コード番号: 3978 東証プライム)

株式会社モニタス（本社：東京都港区、代表取締役社長：林秀紀、以下、モニタス）は、株式会社マクロミル（本社：東京都港区、代表取締役社長：グローバル CEO：佐々木徹、以下、マクロミル）の連結子会社となりました。本連結子会社化により、マクロミルグループのアンケート回答パネル総数は国内最大級<sup>※1</sup>の約 3,600 万人となり、今後マクロミルとモニタスは、共同でパネルの優位性を生かしたサービスの展開を強化します。

### ■ 背景とねらい

マクロミルは 2000 年の設立以来、オンラインリサーチのリーディングカンパニーとして業界をけん引してきました。現在では 1,100 万人超の国内提携パネルネットワークを構築し、リサーチ事業を中心にさまざまな事業を展開しています。

モニタスは 1991 年に設立し、約 2,500 万人のアンケート回答パネル組織を運営し、アンケートコンテンツを活用したメディアの収益化支援や、調査会社等に向けたアンケートモニター提供サービスなどを行う、モニターアライアンス事業を主に展開しています。

マーケティングリサーチ業界は、現在インサイト産業への転換期にあり、従来の定量・定性調査といったリサーチの提供にとどまらず、さまざまなデータを収集・分析し、顧客企業により深く、より正確な消費者インサイトを提供することが求められています。そうした中、両社は今後、双方のパネル資産を生かしたサービスの提供を通じて、顧客企業のマーケティング課題の解決を、よりスピーディーかつ広範囲にわたり支援することを目指します。

### ■ 期待する効果

#### 1. 国内最大級の消費者パネル基盤の確立

今回の連結子会社化により、マクロミルグループのアンケート回答パネル総数は国内最大規模の約 3,600 万人となり、既存のリサーチサービスおよびデジタル領域において、調査対象者が拡大することなど、サービス提供範囲の拡大や、質の向上を見込むことが可能です。両社は今後、このパネルの優位性を新たなサービス開発の基盤として、更なる事業規模の拡大を目指します。

#### 2. 「サンプルパネル提供」「セルフサービスプラットフォーム」の市場のサービス強化

マクロミルグループは、モニタスを連結子会社とすることで、インサイト産業の中でも足元で伸びが続けている「サンプルパネル提供」「セルフサービスプラットフォーム」<sup>※2</sup>市場でのサービス展開を本格化します。

1.

Expanding  
consumer panel  
base

### ■ Positive impact on Focus business Online & Digital Research

- We can expand the scope of the survey, service provision, and improve the quality

### ■ Positive impact on Other Business of the Company, our subsidiaries, and group companies

2.

Strengthen services  
in the self-service  
(DYI)  
platform market

### ■ In addition to "Spakoro" provided by Monitas, Macromill will also leverage the Monitas panel on our services, "Questant" and "MilTalk", and aim to expand the service area and business scale

3.

Full-scale entry  
into  
the sample panel  
provision market

### ■ The sample panel provision market is a brand-new market for the Group. We will enter the market through Monitas and commit to full-scale entry

### ■ We will actively leverage this opportunity when collaborating with overseas companies such as Toluna

Already sorted out the issues described in the review of the current MTBP and started various initiatives to solve them  
Pursuing expansion of Online and Digital research by strengthening panel asset, our business foundation, through M&A.  
Steadily improving the OP Margin of the consolidated company by expanding Revenue and Profit in this business

## ① Focus Business



Online Research, Digital Research, Self-service (DIY) Platform, Panel Provision, etc.

1.

Continue measures  
to improve productivity  
and intensive cost control

- We will continue to improve the in-house production rate, which we have been promoting, and steadily improve productivity and profit margins
- Improve productivity by improving workflow and promoting automation
- Through the above, we will control the Revenue ratio of Outsourcing Expenses + Total Employee Expenses and drive improvement in Operating Profit

- Aiming to introduce a "kaizen" culture and process that utilizes technology, at the same time, we will renovate our research system and promote platform building

2.

Review the value of service  
provision and reorganize the  
sales and delivery system,  
added value settings, etc.

- Strengthen organizational strength by rebuilding sales and operational systems
- Reconsider and rebuilding everything from scratch to review the value of service provision
- At the same time, we aim to improve unit prices per client by improving service levels, quality, and added value.

3.

Establishing a dominant panel  
base and maximizing Revenue  
and Profit in the Online and  
Digital domains

- The acquisition of Monitas will strengthen the Group's panel assets, and we anticipate to have a positive impact on the Company's Online and Digital Research Revenue and Profit
- In addition, the Company's self-service (DIY) platform business, which is included in this business area, can also be expected to expand its service area and business scale

(\* Please note that the Revenue and Profit of Monitas' existing businesses will be allocated to the Foundation Business category, not to this business category)

Target Revenue Growth: **5%**

# Core Initiatives: Future, Foundation, Korea Business



36

We will continue to transform our business model, mainly in Japan and the Asian region, and aim to continue stable Revenue growth over the medium to long term

In addition to organic growth, we will continue to actively incorporate growth through M&A

②

## Future Business



Global Research, Southeast Asia, Life Science, Consulting, Ads (Macromill Ads) areas, etc.

Aiming to expand business scale at a high pace of more than double digits, driving Revenue growth

- Continue to transform the business model
- The consulting business continues to achieve double-digit growth in Revenue and Profit, driving Revenue in this business category
- In other New Business, continue future investment to expand business

Target Revenue Growth : **27%**

③

## Foundation Business



Offline Research, Data Provision, JV Business facing specific client groups and industries (Ad agencies, Medical etc.), and other subsidiaries

Competitive advantage / Enhancement of barriers to entry

- We will continue to increase the share of wallet through JV subs that specialize in ad agencies and clients and industries in the medical and pharmaceutical fields
- Through solutions such as Offline Research and Data Provision, we aim to strengthen relationships with clients and achieve Revenue expansion not only in this business segment but in focus businesses
- Revenue and Profit from existing businesses of Monitas are also included in this category

Target Revenue Growth : **6%<sup>(1)</sup>**

④

## Korea Business



Online & Digital Research, Offline Research, Database service, etc.

Korean business continues to follow growth steps of Japan business

- Based on recent business performance, set initial year Revenue growth targets that are lower than MTBP target
- Pursuing Revenue expansion of the purchase panel (QPR) business in Korea, which have been in service in Japan
- By continuing these efforts, we will raise the Profit Margin of our Korea business to the same level as our Japan business

Target Revenue Growth : **2%**

Note

1. This Revenue growth rate includes the impact of making Monitas a consolidated subsidiary (M&A)

# FY6/2024 Guidance Forecast

37

Profit before tax increased significantly due to Toluna's Financial Income in addition to the increase in Operating Profit

## Detail of FY6/2024 Guidance Forecast

Consolidated (IFRS)  
(JPY in Billions)

	FY6/2023	FY6/2024		
	Actual (a)	Initial Guidance (b)	Variance vs PY (b-a)	Change(%) vs PY (b/a) - 1
Revenue	40,616	44,000	+3,383	+8%
EBITDA	6,898	7,700	+801	+12%
Operating Profit	4,498	5,600	+1,101	+25%
Adjusted <sup>(1)</sup> Operating Profit	4,960	5,600	+640	+13%
Profit before Tax	3,728	5,900	+2,171	+58%
Profit Attributable to Owners of the Parent	7,575	3,200	(4,375)	(58%)
Continued Operation Profit Attributable to Owners of the Parent	1,778	3,200	+1,421	+80%
Dividend per share (JPY)	21.0	25.0	+4.0	+19%

### Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)
2. The exchange rate used to calculate the forecast is calculated as 1 KRW = 0.1000

### ■ Operating Expenses

- Panel Expenses:  
We anticipate the ratio will decrease due to the expansion of business with a low panel cost services, such as Future business
- Outsourcing Expenses:  
We anticipate the ratio will decrease due to the increase in Revenue of the Focus business (Online & Digital research) and the improvement of the gross profit margin
- Total Employee Expenses:  
Increases in the Future business and subsidiaries, as well as IT and information security-related employee costs. We anticipate these expenses will slightly outpace Revenue growth
- Other Expenses:  
Although we anticipate an increase in investment in systems mainly related to the renovation of the core research system and EOL response, the increase is expected to fall below the Revenue growth due to the fact that there will be no impact from the retirement of the business in FY6/23 and the decrease in office expenses

### ■ Operating Profit

- Toluna's equity method earnings are not included

# FY6/2024 Guidance Forecast: Breakdown in 1H/2H

38

We anticipate the rise in growth rate in the 2H because the FY6/2023 2H was weak

In particular, Profit will return in 2H since high profitability Online & Digital peak season is in Q3

## Breakdown of FY6/2024 Guidance Forecast in 1H and 2H

Consolidated (IFRS)

Guidance Forecast and Growth Rate			
	Full Year	1H	2H
Revenue	<b>44.0bn JPY</b> (YoY Growth +8%)	<b>21.8bn JPY</b> (YoY Growth +7%)	<b>22.2bn JPY</b> (YoY Growth +10%)
Adjusted <sup>(1)</sup> OP	<b>5.6bn JPY</b> (YoY Growth +13%)	<b>2.6bn JPY</b> (YoY Growth -7%)	<b>3.0bn JPY</b> (YoY Growth +38%)

### Note

1. Continuing operations (Japan and Korea business segments), excluding expenses related to the transfer of overseas subsidiaries (M&A)

Acquired ISO/IEC 27001:2022 certification, the latest version of the international standard for third-party certification of ISMS, on June 6, 2023

Selected as a constituent of the FTSE Blossom Japan Sector Relative Index

## Information/Technology Security

First in the industry to obtain ISO/IEC 27001:2022 certification, the latest ISMS international standard, for all Macromill business areas



## Sustainability

Selected as a constituent stock of the ESG investment index  
“FTSE Blossom Japan Sector Relative Index”



**FTSE Blossom  
Japan Sector  
Relative Index**

“FTSE Russell confirms that Macromill, Inc. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.”

# 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)



# (Appendix) New Segments - Quarterly Operating Expenses, etc.

41

 [Click here](#) for past figures from FY6/2021 to FY6/2023

File name: FY6/2023 Supplemental Financial Data (EXCEL)

## Quarterly Operating Expense, etc. Breakdown

Consolidated (IFRS)

Consolidated Group (Including discontinued Business)

JPY mm, round off	FY6/2022					FY6/2023				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
<b>Consolidated Group (Including discontinued Business)</b>										
Operating expenses	7,205	8,405	8,223	8,836	32,671	8,075	9,684	9,143	9,181	36,084
YoY	+12.4%	+11.7%	+11.6%	+18.0%	+13.5%	+12.1%	+15.2%	+11.2%	+3.9%	+10.4%
Breakdown of Operating Expenses										
Total employee expenses	3,251	3,590	3,298	4,105	14,245	3,593	4,095	3,755	3,919	15,363
Panel expenses	1,055	1,261	1,344	1,025	4,687	1,188	1,348	1,346	1,143	5,027
Outsourcing expenses	1,415	2,013	1,972	1,622	7,023	1,604	2,405	2,242	1,603	7,856
Depreciation and amortization	497	503	502	525	2,029	503	532	589	561	2,187
Other expenses	985	1,035	1,105	1,558	4,685	1,185	1,301	1,209	1,952	5,649

Japan and Korea Business Business (Continued Business)

Operating expenses	6,322	6,930	7,268	7,809	28,330	7,050	7,862	8,031	7,958	30,902
YoY	+11.9%	+10.4%	+9.9%	+15.8%	+12.0%	+11.5%	+13.4%	+10.5%	+1.9%	+9.1%
Breakdown of Operating Expenses										
Total employee expenses	2,823	2,914	2,881	3,527	12,146	3,097	3,293	3,245	3,360	12,997
Panel expenses	900	1,047	1,187	903	4,038	1,027	1,058	1,177	957	4,220
Outsourcing expenses	1,274	1,640	1,771	1,468	6,156	1,444	1,945	2,024	1,344	6,758
Depreciation and amortization	453	461	457	479	1,851	459	475	531	504	1,971
Other expenses	870	865	970	1,431	4,137	1,020	1,089	1,053	1,790	4,954

Japan and Korea Business Business (Continued Business)

Operating expenses	886	1,478	956	1,028	4,350	1,028	1,826	1,114	1,229	5,199
YoY	+15.7%	+18.2%	+26.1%	+38.0%	+23.5%	+16.0%	+23.5%	+16.5%	+19.6%	+19.5%
Breakdown of Operating Expenses										
Total employee expenses	427	676	416	577	2,098	495	801	509	559	2,366
Panel expenses	155	214	156	121	649	161	290	169	185	806
Outsourcing expenses	143	375	201	155	876	162	464	221	266	1,115
Depreciation and amortization	44	41	45	46	178	43	57	58	56	216
Other expenses	115	170	135	127	548	164	211	156	161	694

Number of Employee Headcount

Japan and Korea Business Segment (Only Continuing Business)	1,897	1,923	1,917	2,052	2052	2,048	2,050	2,077	2,155	2,155
Japan Business	1,617	1,643	1,632	1,737	1737	1,729	1,733	1,749	1,834	1,834
Korea Business	280	280	285	315	315	319	317	328	321	321