Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending June 30, 2018 [IFRS]

November 7, 2017

Listed Company:	MACROMILL, INC.
Stock Exchange:	Tokyo Stock Exchange
Code Number:	3978
URL:	https://www.macromill.com/
Representative:	Scott Ernst, Representative Executive Officer, Global CEO
Contact:	Teruaki Kido, Executive Officer, Global CFO
Tel.:	+81-3-6716-0706
Scheduled date to submit quarterly report:	November 13, 2017
Scheduled date of the start of dividends payment:	–
Supplementary material for quarterly financial results:	Yes
Briefing on quarterly financial results:	Yes (for analysts and institutional investors)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending June 30, 2018 (from July 1, 2017 to September 30, 2017)

(1) Consolidated Business Performance

(Amounts of less than one million yen are rounded off.)
(Percentages calculated on year-on-year basis.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter of the year ending June 30, 2018	8,779	8.1	1,398	(10.9)	1,475	5.9	970	0.9	922	11.8	1,036	11.7
First quarter of the year ended June 30, 2017	8,122	–	1,569	–	1,393	–	961	–	825	–	927	–

	Basic earnings per share	Diluted basic earnings per share
	Yen	Yen
First quarter of the year ending June 30, 2018	23.75	22.77
First quarter of the year ended June 30, 2017	21.79	21.79

(Reference)

	EBITDA		Adjusted EBITDA		Adjusted EBITDA margin	Adjusted profit attributable to owners of the parent		Adjusted basic earnings per share	
	Million yen	%	Million yen	%	%	Million yen	%	Million yen	%
First quarter of the year ending June 30, 2018	1,651	(7.1)	1,673	(14.7)	19.1	944	(2.1)	24.32	(4.5)
First quarter of the year ended June 30, 2017	1,777	–	1,962	–	24.2	964	–	25.48	–

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of September 30, 2017	71,229	22,978	21,199	29.8
As of June 30, 2017	70,815	22,352	20,346	28.7

2. Dividends

	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2017	–	0.00	–	5.00	5.00
Year ending June 30, 2018	–				
Year ending June 30, 2018 (forecast)		0.00	–	7.00	7.00

(Note) Revisions from dividends forecasts announced most recently: No

3. Forecast of Consolidated Financial Results for the Year Ending June 30, 2018 (from July 1, 2017 to June 30, 2018)

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

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	39,000	9.8	8,400	23.1	7,800	32.6	5,500	30.6	4,900	32.2	126.03

(Note) Revisions from financial results forecasts announced most recently: No

(Reference)

	EBITDA		Adjusted EBITDA		Adjusted EBITDA margin	Adjusted profit attributable to owners of the parent		Adjusted basic earnings per share
	Million yen	%	Million yen	%	%	Million yen	%	Yen
Full year	9,340	21.4	9,400	10.2	24.1	4,960	16.7	127.57

* Notes

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanied by a change in the scope of consolidation): No

New: –

Exclusion: –

(2) Changes in accounting policies and changes of accounting assumptions

(i) Changes in accounting policies as required by IFRS:	No
(ii) Changes in accounting policies other than (i):	No
(iii) Changes in accounting assumptions:	No

(3) Number of shares outstanding (common stock)

(i) Number of shares issued (including treasury stock) at the end of the term:			
As of September 30, 2017	38,933,400 shares	As of June 30, 2017	38,823,400 shares
(ii) Number of shares of treasury stock at the end of the term:			
As of September 30, 2017	96 shares	As of June 30, 2017	55 shares
(iii) Average number of shares during the period			
Three months ended September 30, 2017	38,842,364 shares	Three months ended September 30, 2016	37,858,800 shares

* Summaries of quarterly consolidated financial statements are outside the scope of quarterly reviews.

* Note regarding proper use of results forecasts and other special comments

(1) The Group applies the International Financial Reporting Standards (hereinafter "IFRS") to and after the fiscal year ended June 30, 2016.

(2) The forward-looking statements, such as results forecasts, included in this document are based on information available to the management as of the date of the document and certain assumptions that the management considers reasonable. The Company does not promise that the forecasts will be achieved. Actual results may differ significantly due to a range of factors.

(3) EBITDA = operating profit + depreciation and amortization

(4) Adjusted EBITDA = EBITDA + management fee + other one-time expenses (such as costs for listing, refinancing and M&A)

(5) Adjusted EBITDA margin = adjusted EBITDA / revenue

(6) Adjusted profit attributable to owners of the parent = profit attributable to owners of the parent + management fee + other one-time expenses (such as costs for listing, refinancing and M&A) - tax impact for adjustments

(7) Adjusted basic earnings per share = adjusted profit attributable to owners of the parent / average number of common shares during the period

(8) EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted profit attributable to owners of the parent and adjusted basic earnings per share are not the indicators specified by IFRS, but are the financial indicators that the Group considers useful for investors to evaluate the business results of the Group. These financial indicators do not reflect the impact of the costs that are not expected to be incurred after listing and the nonrecurring profit and loss items (the items not considered to show the results of ordinary business activities or the items that do not appropriately show the business results of the Group in comparison with those of other competitors).

(9) EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted profit attributable to owners of the parent and adjusted basic earnings per share should not be considered as indicators to replace the other indicators shown in accordance with IFRS because they do not include some of the items that affect the profit for the period, so they are subject to significant restrictions as a means of analysis. EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted profit attributable to owners of the parent and adjusted basic earnings per share disclosed by the Group may be less useful in comparison with the same or similar indicators of other competitors because they are calculated according to a different method from that of such other companies.

Accompanying Materials - Contents

1. Qualitative Information about Consolidated Financial Results for the Quarter under Review

(1) Explanations about operating results

In the first quarter of our financial year ending June 2018 (July 1st to September 30th, 2017), the global economy experienced a gradual recovery, mainly due to stability in the US. , Meanwhile, the Japanese economy continued its path of moderate economic recovery due to steady consumer spending supported by improved corporate earnings, increased stock prices, and a favorable employment environment. However, looking ahead, the unstable international situation and uncertainty in US government administration, means that the future of the global economy remains unpredictable.

Looking at the market research sector specifically, the total global marketplace reached an estimated value of $45 billion, with online accounting for $17billion of that figure in the 12 months of 2016 (*1). In Japan, the equivalent figures were $1.9 billion for the sector overall, and online market research at $64 billion (*2).

We believe that this steady growth of both the domestic and global market research sector will be beneficial to our business. In particular, we plan to maximize the continued expansion of online market research specifically as it outpaces the growth rate of the overall market.

In these conditions, MACROMILL, INC. (the "Company") and its consolidated subsidiaries (together, the "Group") continued to pursue stable growth in the domestic business, to strengthen the foundation of the international business, and to focus on business development in the digital marketing industry globally. Simultaneously, we continued to expand our range of marketing research services to meet the needs of the digital transformation in Japan and internationally, and to address the increasingly diverse needs of our customers.

In the domestic business, we generated steady growth in sectors including electronics, IT/services, financial and automotive. This meant that we increased sales of our digital marketing and global research products, expanding our business overall. It's worth noting this growth happened despite a weakening in demand from advertising agency clients caused by labor reform initiatives.
The global operation also experienced growth, despite some softening in the North American panel business. A major contributor was increased business with global media and film companies, fast moving consumer goods (FMCG) players, and automotive manufacturers (mainly in Asia). In addition, the-yen currency exchange rate worked in our favor compared to previous years, contributing to our steady double-digit year-on-year global revenue growth.

Looking at costs, the cost of goods sold (COGS) and selling, general and administrative expenses (SG&A) both rose mainly due to increased third-party panel expenses and outsourcing fees from a higher volume of research work and surveys commissioned by our Global Key Accounts (*3). Also adding to the rising costs in this quarter was the impact of catch-up costs and strategic investments (*4). However, the reduced interest rate, created by additional refinancing executed upon the completion of our IPO at the end of March 2017, and positive impact of currency exchange rates, reduced our financial costs.

As a result, the Group recorded revenue of 8,779 million yen (up 8.1% year-on-year), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of 1,651 million yen (down 7.1% year-on-year), profit before tax of 1,475 million yen (up 5.9% year-on-year) and profit attributable to owners of the parent of 922 million yen (up 11.8% year-on-year) in the first quarter of FY June 2018.

The results by segment are as shown below.
(MACROMILL Group)
The Company and most of its domestic and overseas subsidiaries delivered good results as a result of successful sales activity. We experienced an increase in research requests, including global projects. Sales of digital marketing-related products were boosted by the rise in digital advertising. We experienced a negative impact from Dentsu Macromill Insight, one of the Company's major subsidiaries. Here, their main client's labor environment reform initiatives negatively impacted sales. Also, the Company and its overseas subsidiary saw COGS and SG&A rise due to increased third-party panel and outsourcing fees.
As a result, the MACROMILL Group segment recorded revenue of 7,130 million yen (up 7.0% year-on-year), and EBITDA of 1,547 million yen (down 6.5% year-on-year).

(MetrixLab Group)
With its business mainly operated in Europe, the Americas, Middle East and Asian territories, The MetrixLab Group experienced steady sales of its ad campaign evaluation and ad pre-test products to Global Key Accounts. There was softness in both the panel and panel data supply business at Precision Sample, MetrixLab's subsidiary operating panel business in North America.
As a result, the MetrixLab Group segment recorded revenue of 1,694 million yen (up 12.7% year-on-year), and EBITDA of 103 million

yen (down 15.9% year-on-year).

The acquisition of Acturus, Inc. which was announced in the reported period, is expected to be consolidated from the second quarter of this fiscal year.

*1. reference: ESOMAR Global Market Research 2017

*2. reference: JMRA 42nd Annual Business Management Survey

*3. Global Key Accounts: Customers are typically multinational companies with a large research and marketing budget. They have purchased, or we believe have the potential to purchase, market research from us, and we have placed a specific emphasis on them in our sales efforts

*4. “Catch-up Cost” is budgeted expenditure in the current fiscal year which we originally planned but remained unexecuted in the previous year.

“Strategic Investments” are expenditures we didn’t foresee at the timing of Mid-Term Business Plan announcement, but found crucial to invest in during business execution due to more recent business environment changes.

(2) Explanations about financial position

(i) State of assets, liabilities and equity

At the end of the first quarter under review, assets totaled 71,229 million yen, a rise of 413 million yen from the end of the previous fiscal year. The increase resulted primarily from a rise in trade and other receivables of 1,301 million yen, which offset a decrease in cash and cash equivalents of 1,149 million yen.

Liabilities stood at 48,250 million yen, declining 212 million yen from the end of the previous fiscal year. The decrease mainly reflected a drop in income taxes payable of 210 million yen and a fall in other financial liabilities of 450 million yen, which offset an increase in trade and other payables of 253 million yen. Borrowings rose 1,007 million yen due to new current borrowings, in spite of repayments of 1,210 million yen. As a result, the ratio of net interest-bearing debts to adjusted EBITDA came to 3.9 at the end of the first quarter under review.

Equity was worth 22,978 million yen, an increase of 626 million yen from the end of the previous fiscal year. The increase was largely attributable to profit for the period of 970 million yen, which offset dividends paid of 425 million yen.

(ii) State of cash flow

Cash and cash equivalents (“cash”) at the end of the first quarter under review decreased 1,149 million yen from the end of the previous fiscal year, to 7,297 million yen. The status of each of the cash flow segments and contributing factors in the first quarter under review are as follows.

(Cash flow from operating activities)

Net cash used in operating activities amounted to 497 million yen (compared with net cash of 663 million yen such activities provided in the first quarter of the previous fiscal year).

The cash outflow was mainly due to an increase in trade and other receivables of 1,236 million yen, interest paid of 197 million yen and income taxes paid of 578 million yen, which offset profit before tax of 1,475 million yen and depreciation and amortization of 252 million yen.

Income taxed paid increased 379 million yen from the end of the first quarter of the previous fiscal year owing to income growth.

(Cash flow from investing activities)

Net cash used in investing activities came to 210 million yen (down 61 million yen year on year).

The cash outflow primary reflected acquisition of property, plant and equipment of 66 million yen and acquisition of intangible assets of 119 million yen.

(Cash flow from financing activities)

Net cash used in financial activities was 490 million yen (down 1,212 million yen year on year).

The cash outflow resulted mainly from repayments of non-current borrowings of 1,210 million yen, which offset proceeds from current borrowings of 1,007 million yen.

(3) Explanations about forward-looking information including forecast of consolidated financial results

The Group makes no change to its forecast of consolidated financial results for the fiscal year ending June 30, 2018 announced on August 8, 2017 at the present point.

The Group prepared the forecast of consolidated financial results based on information accessible as of the date of its announcement. A variety of future factors may cause actual financial results to differ from its forecasts.

2. Summarized Quarterly Consolidated Financial Statements and Significant Notes

(1) Summarized Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of June 30, 2017	As of September 30, 2017
Assets		
Current assets		
Cash and cash equivalents	8,447	7,297
Trade and other receivables	6,388	7,690
Other financial assets	100	63
Other current assets	548	579
Total current assets	15,485	15,629
Non-current assets		
Property, plant and equipment	1,034	1,041
Goodwill	46,067	46,343
Other intangible assets	6,059	6,212
Investments accounted for using the equity method	30	31
Other financial assets	1,381	1,221
Deferred tax assets	757	746
Other non-current assets	0	0
Total non-current assets	55,330	55,599
Total assets	**70,815**	**71,229**

(Millions of yen)

	As of June 30, 2017	As of September 30, 2017
Liabilities		
Current liabilities		
Borrowings	2,617	3,647
Trade and other payables	2,492	2,745
Other financial liabilities	137	161
Income tax payable	877	666
Provisions	989	990
Other current liabilities	1,838	1,897
Total current liabilities	8,952	10,110
Non-current liabilities		
Borrowings	36,880	35,967
Other financial liabilities	917	441
Retirement benefit liabilities	223	216
Provisions	199	205
Deferred tax liabilities	77	77
Other non-current liabilities	1,213	1,231
Total non-current liabilities	39,511	38,140
Total liabilities	**48,463**	**48,250**
Equity		
Share capital	674	702
Capital surplus	11,044	11,036
Treasury shares	(0)	(0)
Other components of equity	0	105
Retained earnings (deficit)	8,627	9,355
Equity attributable to owners of the parent	20,346	21,199
Non-controlling interests	2,005	1,778
Total equity	22,352	22,978
Total liabilities and equity	**70,815**	**71,229**

(2) Summarized Quarterly Consolidated Statement of Operations

[Three months of consolidated fiscal year] (Millions of yen)

	Three months ended September 30, 2016	Three months ended September 30, 2017
Revenue	8,122	8,779
Cost of sales	(4,400)	(5,063)
Gross profit	3,722	3,715
Selling, general and administrative expenses	(2,249)	(2,307)
Other operating income	100	4
Other operating expenses	(6)	(14)
Share of the profit on investments accounted for using the equity method	1	1
Operating profit	1,569	1,398
Finance income	46	313
Finance costs	(222)	(236)
Profit before tax	1,393	1,475
Income tax benefit (expense)	(431)	(505)
Profit for the period	961	970
Profit (loss) attributable to:		
Owners of the parent	825	922
Non-controlling interests	136	47
Profit for the period	961	970
Earnings per share		
Basic (Yen)	21.79	23.75
Diluted (Yen)	21.79	22.77

(3) Summarized Quarterly Consolidated Statement of Comprehensive Income

[Three months of consolidated fiscal year] (Millions of yen)

	Three months ended September 30, 2016	Three months ended September 30, 2017
Profit for the period	961	970
Other comprehensive income (loss)		
Items that will not be reclassified to profit or loss:		
Financial assets measured at fair value through other comprehensive income (loss)	(14)	(67)
Total items that will not be reclassified to profit or loss	(14)	(67)
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	(19)	134
Total items that may be reclassified to profit or loss	(19)	134
Other comprehensive income (loss), net of tax	(33)	66
Comprehensive income for the period	927	1,036
Comprehensive income for the period attributable to:		
Owners of the parent	792	1,017
Non-controlling interests	135	18
Comprehensive income for the period	927	1,036

(4) Summarized Quarterly Consolidated Statement of Changes in Equity

Three months ended September 30, 2016

(Millions of yen)

	Equity attributable to owners of the parent				
			Other components of equity		
	Share capital	Capital surplus	Financial assets measured at fair value through other comprehensive income (loss)	Remeasure-ments of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of July 1, 2016	100	17,813	0	–	(517)
Profit for the period	–	–	–	–	–
Other comprehensive income (loss)	–	–	(7)	–	(24)
Total comprehensive income for the period	–	–	(7)	–	(24)
Contribution of management services rendered by owners	–	25	–	–	–
Share-based payment transactions	–	–	–	–	–
Dividends paid	–	–	–	–	–
Transfer of capital surplus to retained earnings	–	(7,388)	–	–	–
Changes in ownership interests in subsidiaries without a loss of control	–	1	–	–	–
Total transactions with owners	–	(7,362)	–	–	–
Balance as of September 30, 2016	100	10,451	(7)	–	(542)

(Millions of yen)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity		Retained earnings (deficit)	Total		
	Warrants	Total				
Balance as of July 1, 2016	129	(387)	(2,461)	15,064	1,583	16,647
Profit for the period	–	–	825	825	136	961
Other comprehensive income (loss)	–	(32)	–	(32)	–	(33)
Total comprehensive income for the period	–	(32)	825	792	135	927
Contribution of management services rendered by owners	–	–	–	25	–	25
Share-based payment transactions	37	37	–	37	–	37
Dividends paid	–	–	–	–	(105)	(105)
Transfer of capital surplus to retained earnings	–	–	7,388	–	–	–
Changes in ownership interests in subsidiaries without a loss of control	–	–	–	1	(39)	(38)
Total transactions with owners	37	37	7,388	64	(145)	(81)
Balance as of September 30, 2016	167	(381)	5,751	15,921	1,573	17,494

Three months ended September 30, 2017

(Millions of yen)

	Equity attributable to owners of the parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income (loss)	Remeasure-ments of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of July 1, 2017	674	11,044	(0)	93	–	(293)
Profit for the period	–	–	–	–	–	–
Other comprehensive income (loss)	–	–	–	(35)	–	130
Total comprehensive income for the period	–	–	–	(35)	–	130
Issue of shares	27	39	–	–	–	–
Purchase of treasury shares	–	–	(0)	–	–	–
Share-based payment transactions	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–
Changes in ownership interests in subsidiaries without a loss of control	–	(47)	–	–	–	–
Total transactions with owners	27	(8)	(0)	–	–	–
Balance as of September 30, 2017	702	11,036	(0)	57	–	(162)

(Millions of yen)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity		Retained earnings (deficit)	Total		
	Warrants	Total				
Balance as of July 1, 2017	200	0	8,627	20,346	2,005	22,352
Profit for the period	–	–	922	922	47	970
Other comprehensive income (loss)	–	95	–	95	(28)	66
Total comprehensive income for the period	–	95	922	1,017	18	1,036
Issue of shares	(11)	(11)	–	55	–	55
Purchase of treasury shares	–	–	–	(0)	–	(0)
Share-based payment transactions	21	21	–	21	–	21
Dividends paid	–	–	(194)	(194)	(231)	(425)
Changes in ownership interests in subsidiaries without a loss of control	–	–	–	(47)	(14)	(61)
Total transactions with owners	9	9	(194)	(164)	(245)	(410)
Balance as of September 30, 2017	210	105	9,355	21,199	1,778	22,978

(5) Summarized Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	Three months ended September 30, 2016	Three months ended September 30, 2017
Cash flows from operating activities		
Profit before tax	1,393	1,475
Depreciation and amortization	208	252
Finance income	(46)	(313)
Finance costs	222	236
Share of the (profit) loss on investments accounted for using the equity method	(1)	(1)
Decrease (increase) in trade and other receivables	(636)	(1,236)
Increase (decrease) in trade and other payables	(93)	112
Other	125	(254)
Sub-total	1,172	271
Interest and dividends received	2	7
Interest paid	(311)	(197)
Income taxes paid	(199)	(578)
Net cash flows provided by (used in) operating activities	663	(497)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(191)	(66)
Acquisition of intangible assets	(90)	(119)
Acquisition of shares in subsidiaries	–	(67)
Acquisition of investments	(0)	(4)
Proceeds from sale of investments	9	0
Other	1	46
Net cash flows provided by (used in) investing activities	(272)	(210)
Cash flows from financing activities		
Proceeds from current borrowings	0	1,007
Repayments of non-current borrowings	(1,556)	(1,210)
Proceeds from issue of shares	–	55
Dividends paid	–	(186)
Dividends paid to non-controlling interests	(105)	(159)
Other	(40)	2
Net cash flows provided by (used in) financing activities	(1,703)	(490)
Net increase (decrease) in cash and cash equivalents	(1,312)	(1,198)
Cash and cash equivalents at the beginning of the year	6,124	8,447
Effect of exchange rate changes on cash and cash equivalents	(1)	48
Cash and cash equivalents at the end of the period	4,810	7,297

(6) Notes to Summarized Quarterly Consolidated Financial Statements

(Notes regarding the premise of a going concern)

None applicable.

(Segment information)

(1) Overview of reportable segments

The reportable segments of the Group are a constituent unit of the Company whose financial information is available separately, subject to regular review by the Board of Directors for the purpose of determining the allocation of management resources and the evaluation of business results. The major business of the Group is online marketing research on a global basis. Accordingly, the Group consists of regional segments based on the corporate group. There are two reportable segments: the "MACROMILL Group," which is mainly in charge of business in Japan, and the "MetrixLab Group," which is mainly in charge of overseas business.

The "MACROMILL Group" consists of the Company and its subsidiaries including DENTSU MACROMILL INSIGHT, INC. and MACROMILL EMBRAIN CO., LTD.

The "MetrixLab Group" consists of MetrixLab B.V., MetrixLab US, Inc. and other subsidiaries.

(2) Revenues and business results by segment

Three months ended September 30, 2016

Millions of yen

	Reportable segments			Reconciliations	Consolidated
	MACROMILL Group	MetrixLab Group	Total		
Revenue					
External	6,659	1,462	8,122	–	8,122
Intersegment	2	40	43	(43)	–
Total	6,662	1,503	8,165	(43)	8,122
Segment profit (loss) (Operating profit (loss))	1,531	37	1,569	–	1,569
Finance income					46
Finance costs					(222)
Profit before tax					1,393
(Other profit and loss items)					
Depreciation and amortization expense	123	85	208	–	208

Three months ended September 30, 2017

Millions of yen

	Reportable segments			Reconciliations	Consolidated
	MACROMILL Group	MetrixLab Group	Total		
Revenue					
External	7,122	1,657	8,779	–	8,779
Intersegment	8	37	45	(45)	–
Total	7,130	1,694	8,825	(45)	8,779
Segment profit (loss) (Operating profit (loss))	1,394	4	1,398	–	1,398
Finance income					313
Finance costs					(236)
Profit before tax					1,475
(Other profit and loss items)					
Depreciation and amortization expense	153	98	252	–	252

The revenue and other financial results of MACROMILL EMBRAIN CO., LTD. in the MACROMILL Group are recorded in Korean won, and the revenue and other financial results of the MetrixLab Group are recorded in euros. Exchange rates used for their conversion in the previous consolidated cumulative first quarter were 0.0915 yen per Korean won and 114.26 yen per euro, respectively. The revenue and other financial results for the consolidated cumulative first quarter under review are converted at the exchange rates of 0.0982 yen per Korean won and 130.37 yen per euro, respectively.