



## Results Briefing for FY2019/3

May 9, 2019

Kakaku.com, Inc.

# Financial Highlights for FY2019/3

# FY2019/3 Consolidated Results

(Unit : million yen)

	4Q FY2019/3 1/2019-3/2019	yoy	FY2019/3 4/2018-3/2019	yoy	Full Year Forecast	Achievement Ratio
Revenue	<b>14,948</b>	+12.5%	<b>54,832</b>	+17.2%	52,000	105.4%
Operating profit	<b>6,873</b>	+2.8%	<b>25,070</b>	+9.6%	25,200	99.5%
Profit before income taxes	<b>6,791</b>	+2.1%	<b>24,839</b>	+8.8%	25,080	99.0%
Profit attributable to owners of the parent company	<b>4,618</b>	-1.1%	<b>16,697</b>	+6.4% (*)	17,090	97.7%
Operating margin	<b>46.0%</b>	-4.3pts	<b>45.7%</b>	-3.2pts	48.5%	-

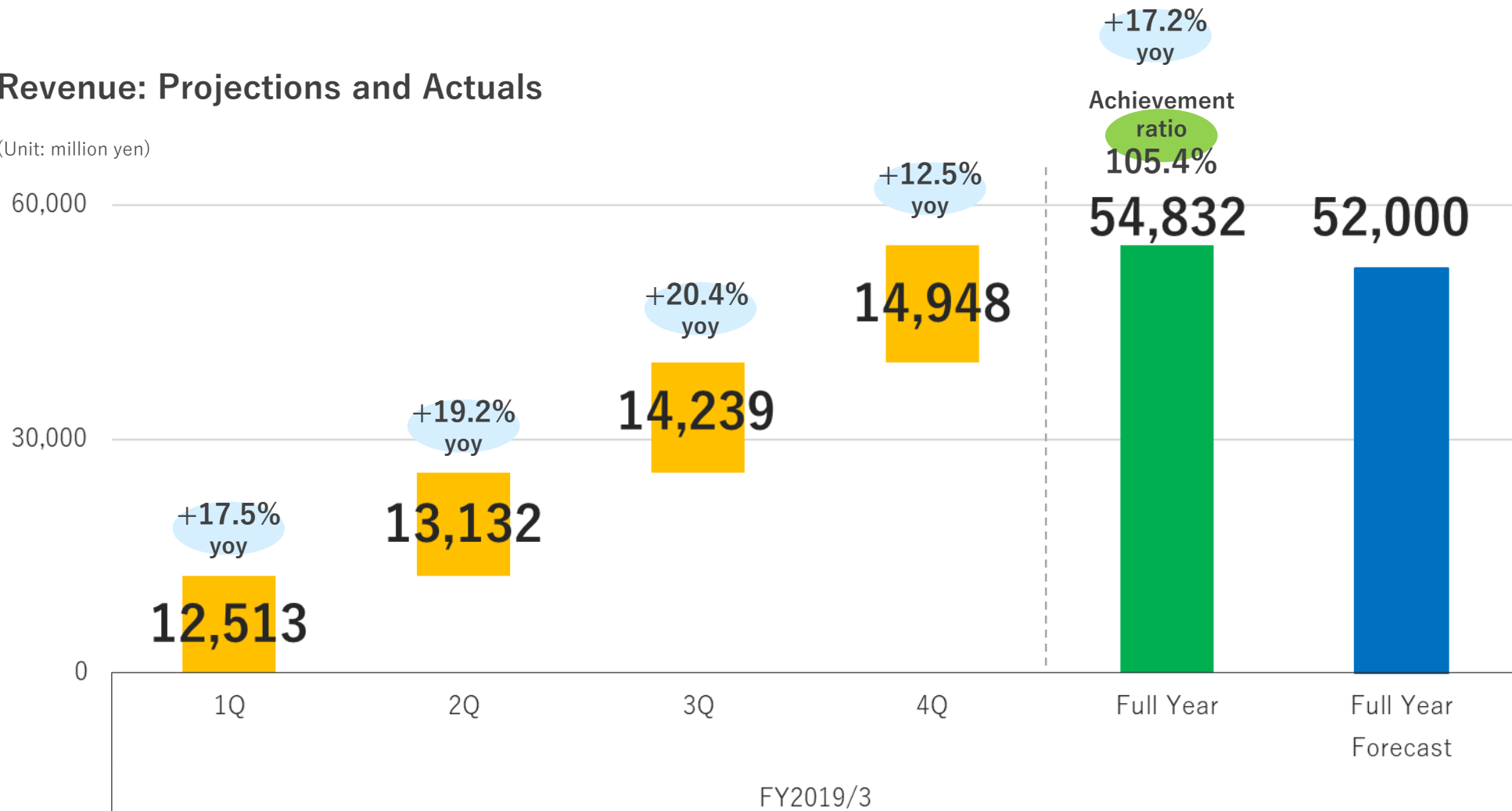
\*) A one-time recording of 200 million yen in additional taxes in the first quarter was affected.

# FY2019/3 Highlights: Revenue

- Tabelog's restaurant sales promotion business, Tabelog and Kakaku.com's advertising businesses, Kyujin Box and Kakaku.com Insurance all achieved revenue growth.

## Revenue: Projections and Actuals

(Unit: million yen)



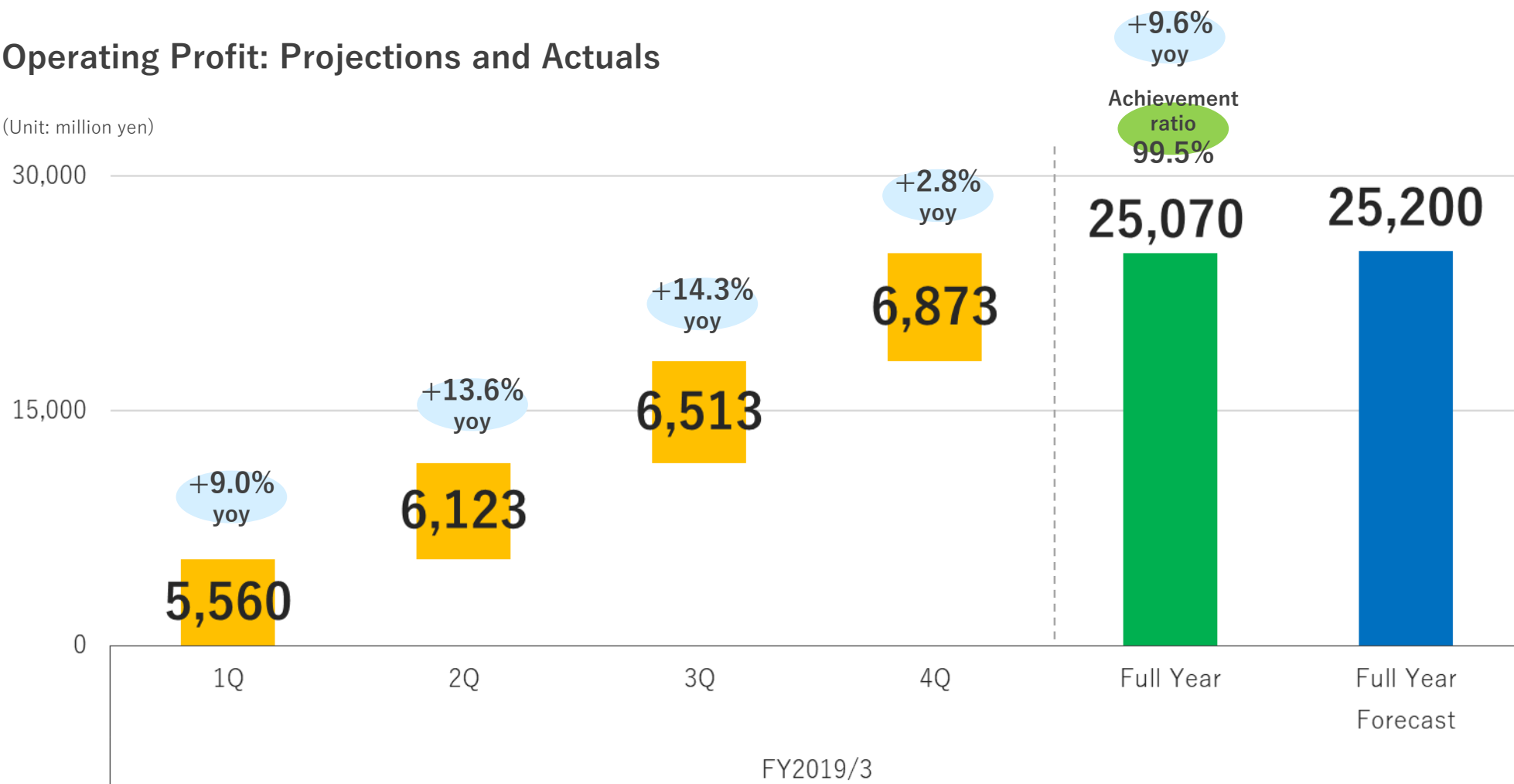
Note: Newly consolidated (since FY2018/3 4Q) subsidiaries LCL and gaie's revenues: 460 in 1Q, 674 in 2Q, 631 in 3Q and 618 in 4Q (in ¥million).

# FY2019/3 Highlights: Operating Profit

■ Tabelog ran TV commercials in 3Q and 4Q.

## Operating Profit: Projections and Actuals

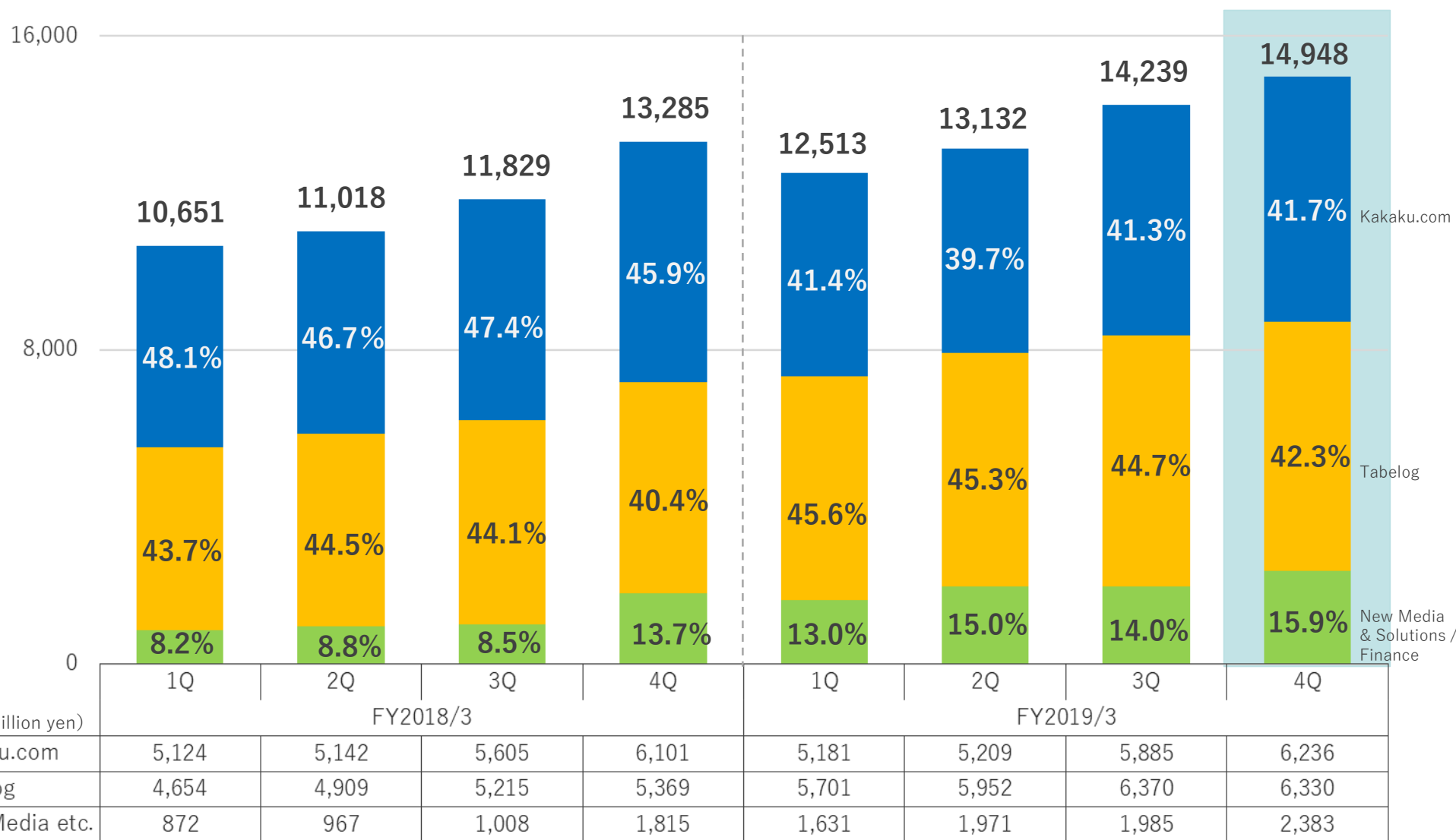
(Unit: million yen)



Note: Newly consolidated (since FY2018/3 4Q) subsidiaries LCL and gaie's operating profits: 146 in 1Q, 313 in 2Q, 240 in 3Q and 258 in 4Q (in ¥million).

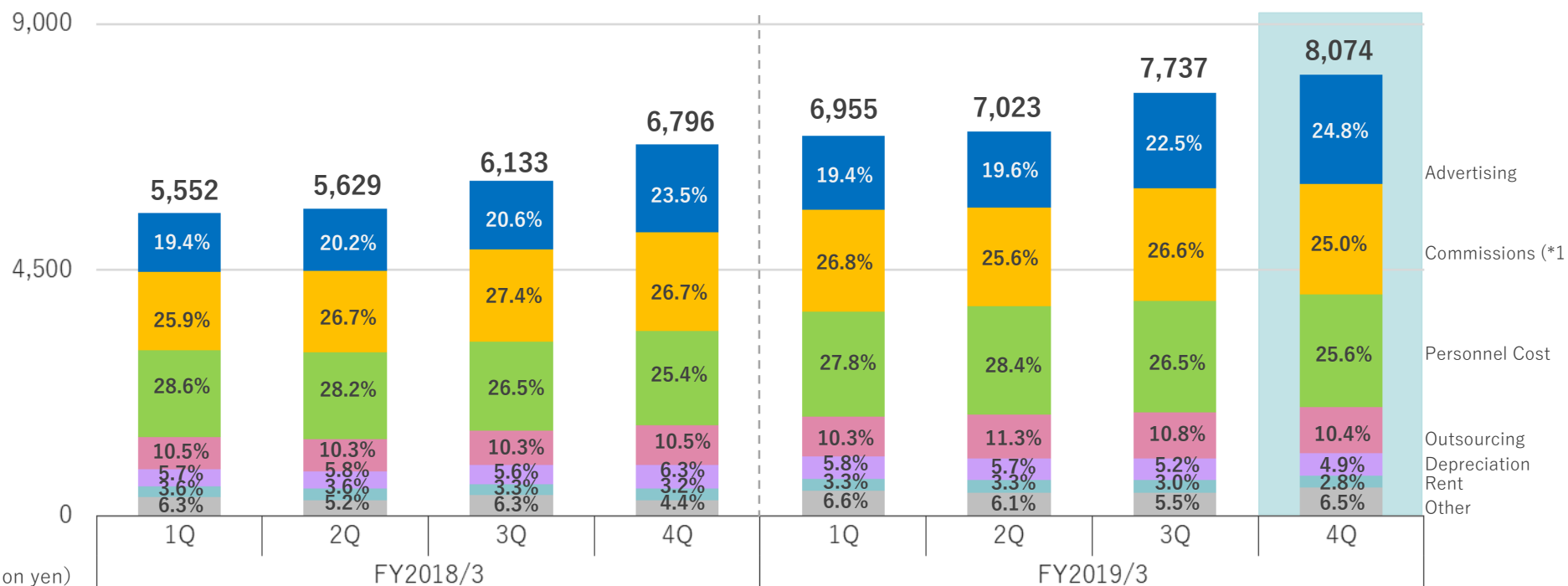
# Breakdown of Revenue and Cost

# Quarterly Revenue by Business Segment (Consolidated)



Note: Amounts exclude inter-segment sales and transfers

# Quarterly Cost Breakdown (Consolidated)



(Unit : million yen)

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
■ Advertising	1,079	1,136	1,263	1,600	1,347	1,376	1,741	2,004
■ Commissions (*1)	1,436	1,502	1,682	1,812	1,862	1,801	2,056	2,015
■ Personnel Cost	1,589	1,587	1,627	1,729	1,936	1,995	2,049	2,067
■ Outsourcing	583	578	632	711	719	792	837	843
■ Depreciation	315	328	342	427	401	401	400	394
■ Rent	202	203	203	219	229	230	230	229
■ Other	348	295	384	297	460	428	424	521
Number of employees (*2)	740 (114)	751 (116)	770 (119)	851 (130)	917 (166)	934 (174)	965(186)	977(196)

## Breakdown of "Other" Expenses Jan-Mar 2019

Server Maintenance: 44m  
Recruiting: 70m

\*1) Commissions = various commissions paid + Advertising agency commissions \*2) The number of regular employees, with the average number of temporary employees for each quarter shown separately in parentheses.

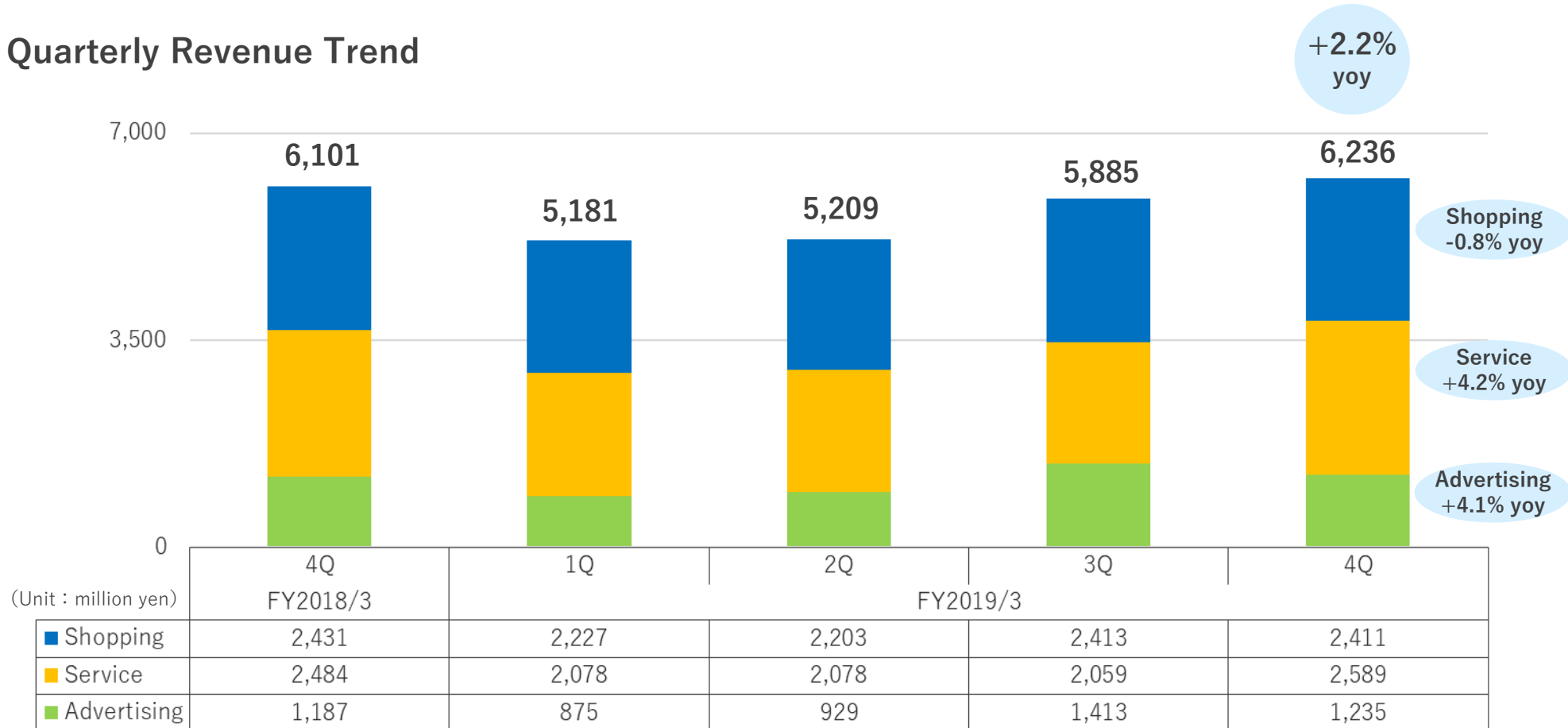


# Kakaku.com

# Kakaku.com: Overview

- Service and advertising businesses made good progress.
- Kakaku.com's monthly users (※): 56.15mn; Priceprice.com's three(3) counties total monthly users (※): 15.31mn. (as of March 2019)

## Quarterly Revenue Trend



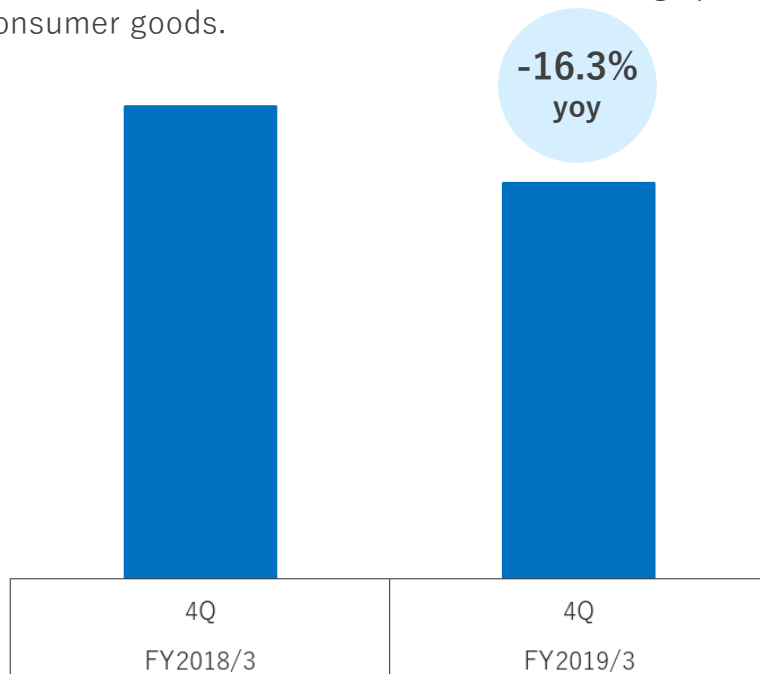
Note: The explanation about the monthly users lists it in page 30.

# Kakaku.com: Shopping Segment

- Gross consumer-goods transaction volume decreased due to cutback in advertising spend and lower purchase rates for some merchandise.
- In addition to product performance and price comparisons, now providing suggestions to improve product selection experience.

## Gross consumer-goods transaction volume

Gross transaction volume was down 16.3% YoY due to decreased purchase rates for sporting goods and winter merchandise in addition to reduced advertising spend on consumer goods.



## Providing information tailored to the product

Providing suggestions in form of, e.g., popularity rankings, how-to-choose guides.

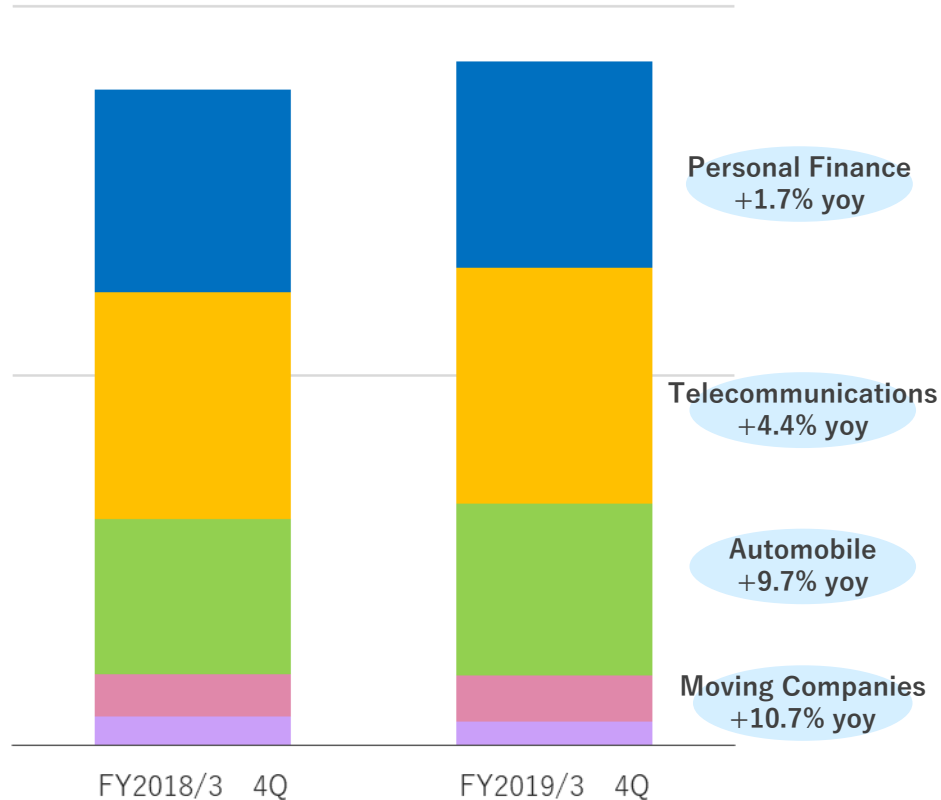
Page ranking ornamental plants by popularity and providing advice on how to choose them



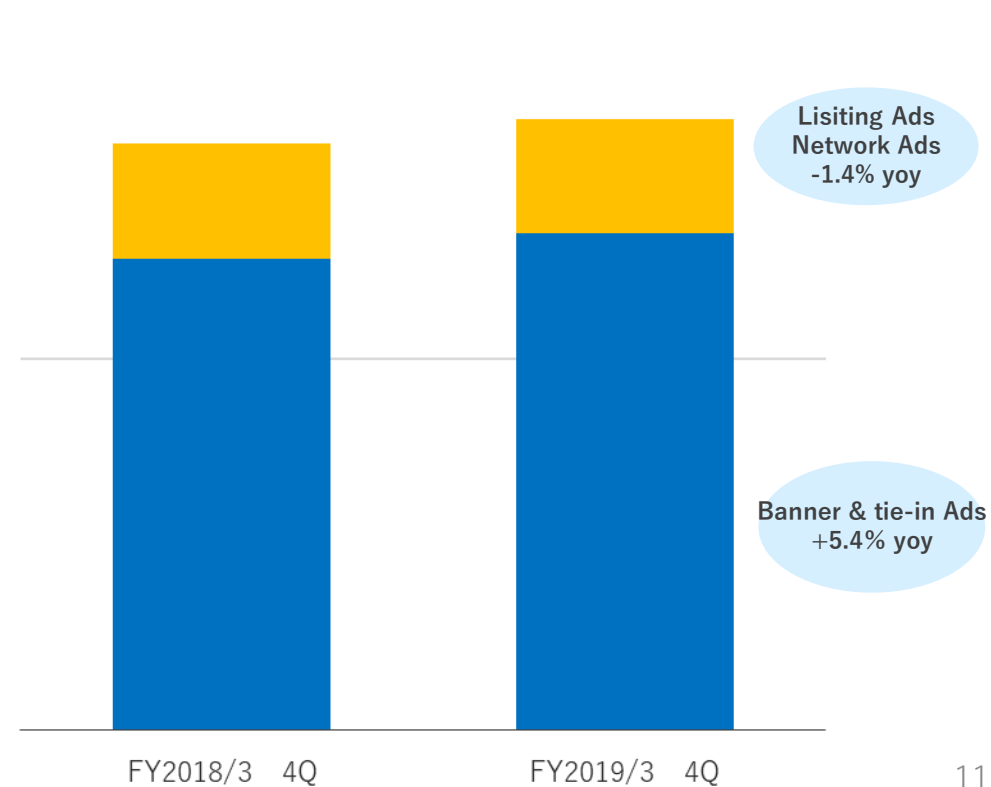
# Kakaku.com: Advertising and Service Segment

- Service business achieved revenue growth in telecom and moving company categories.
- Advertising business benefited from increased advertising by smartphone makers in addition to consumer electronics and auto makers.

## Service: Revenue by Category



## Advertising: Revenue by Category

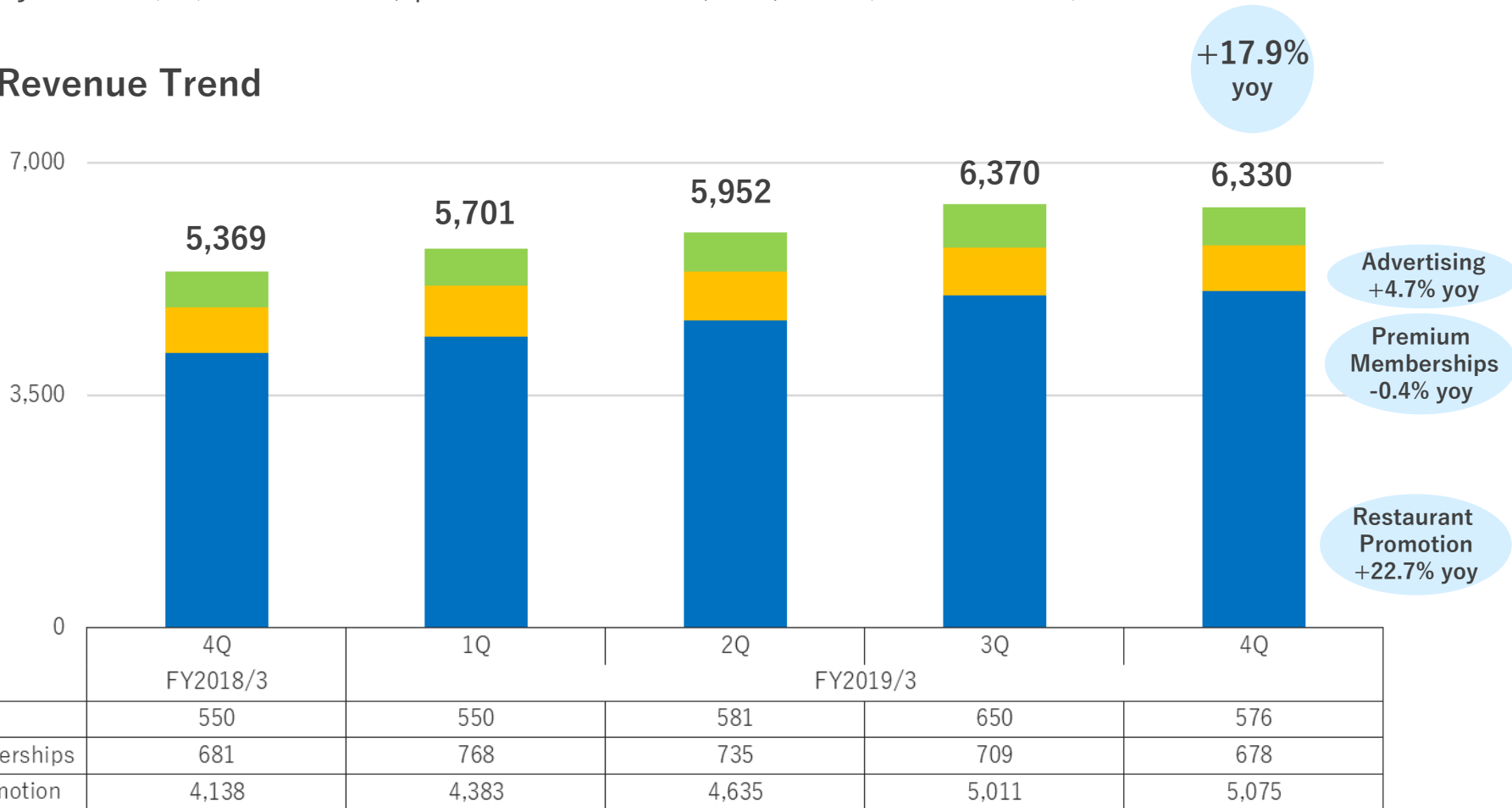


# Tabelog

# Tabelog: Overview

- Restaurant sales promotion business increased its revenue through growth in new pricing plan subscribership and online reservation bookings.
- Monthly users (※): 119.17mn; premium users: 1,003,000. (March 2019)

## Quarterly Revenue Trend



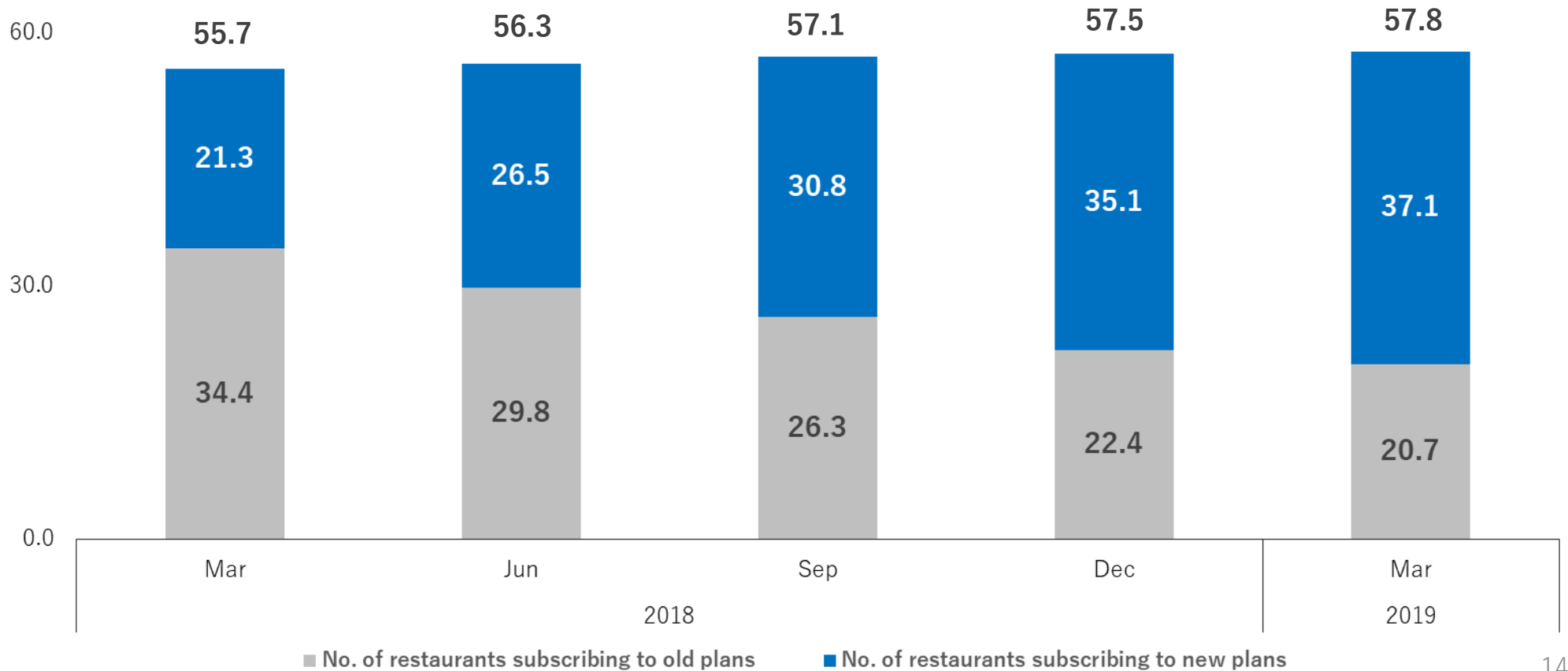
Note: The explanation about the monthly users lists it in page 30.

# Tabelog: Restaurant Promotion - No. of Fee-Paying Restaurants

- Among fee-paying restaurants, new pricing plan subscribers increased to 37,100 through growth in new sign-ups.

## Breakdown of Fee-Paying Restaurants

(Unit : thousand)

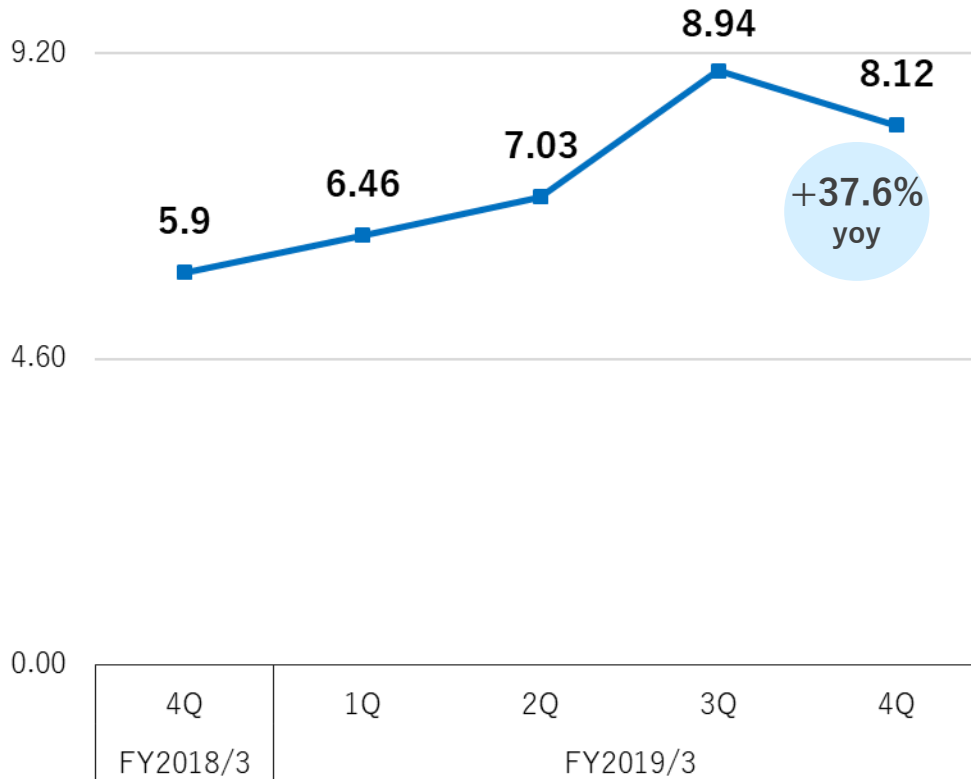


# Tabelog: Restaurant Promotion – KPI progress

- As more restaurants are offering online reservations, the quarterly total of seat reservations increased to 8.12 million, +37.6% yoy.
- Quarterly average of monthly revenue per restaurant reached 29,400 yen.

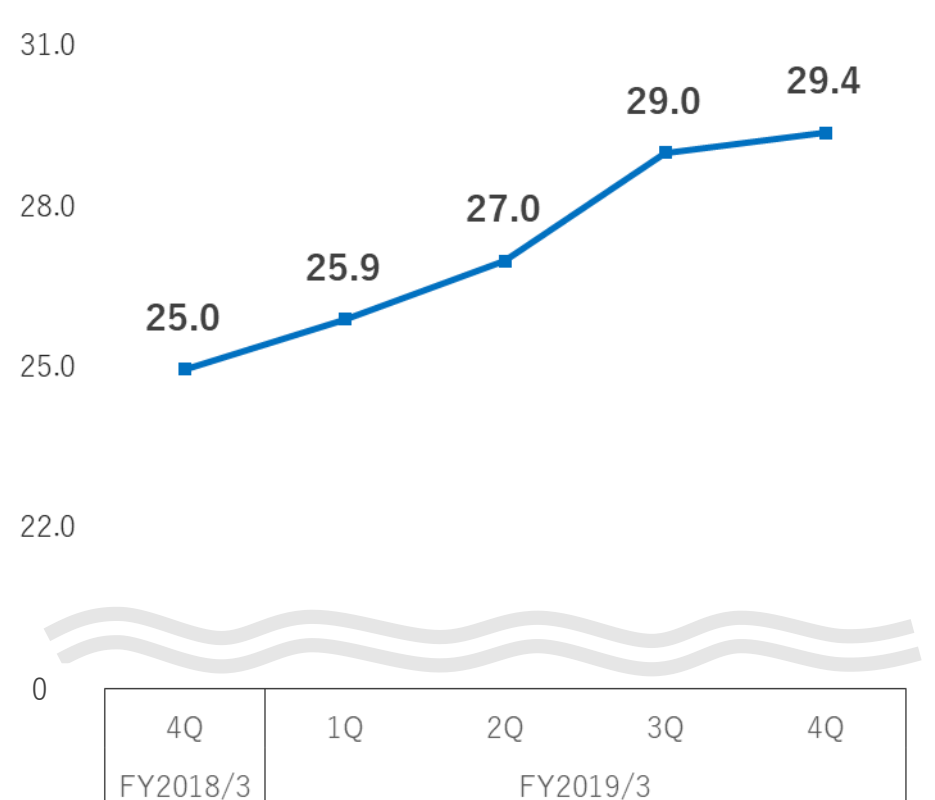
## Number of seat reservations (Quarterly Total)

(Unit : million seats)



## Monthly revenue per restaurant (Quarterly average)

(Unit : thousand yen)

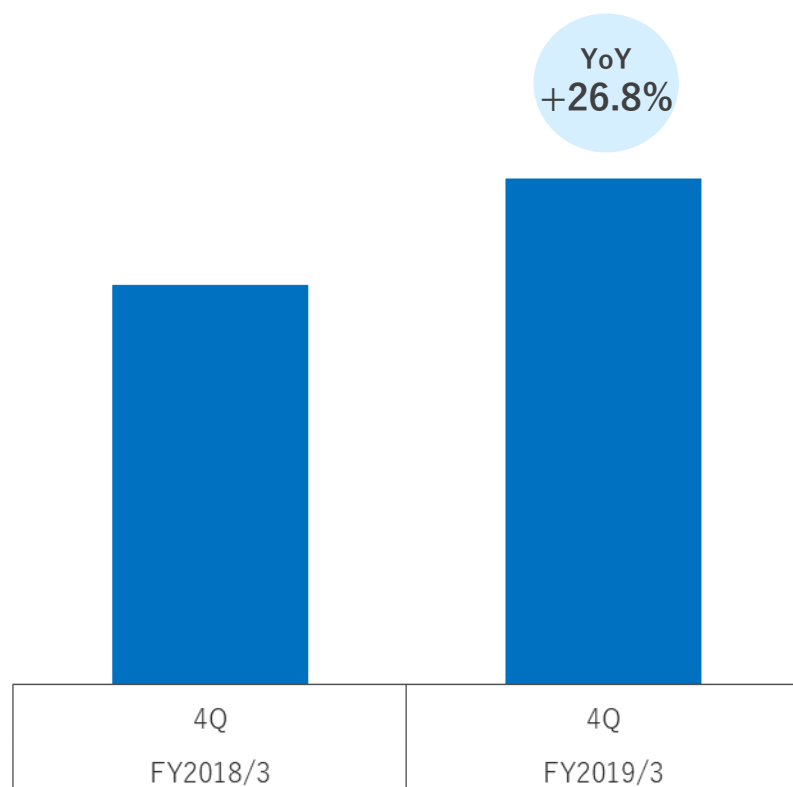




# Tabelog: Advertising

- Banner ad and advertorial revenue grew substantially, driven by an increase in ad buys by facilities/tourism sector. (municipalities, shopping centers, etc.)

## Banner ad & advertorial revenue



## Banner & advertorial advertiser sectors

Municipalities, shopping centers, railways, and airlines were major ad buyers, reflecting the fact that Tabelog is heavily used by tourists and business travelers.

### Top 5 advertiser sectors by advertising revenue

Sector	YoY growth※
Facilities & tourism	+ 260%
Consumer staples	+ 218%
Beauty, health, & pharmaceuticals	+ 153%
TV & movies	+ 134%
Food	+ 71%

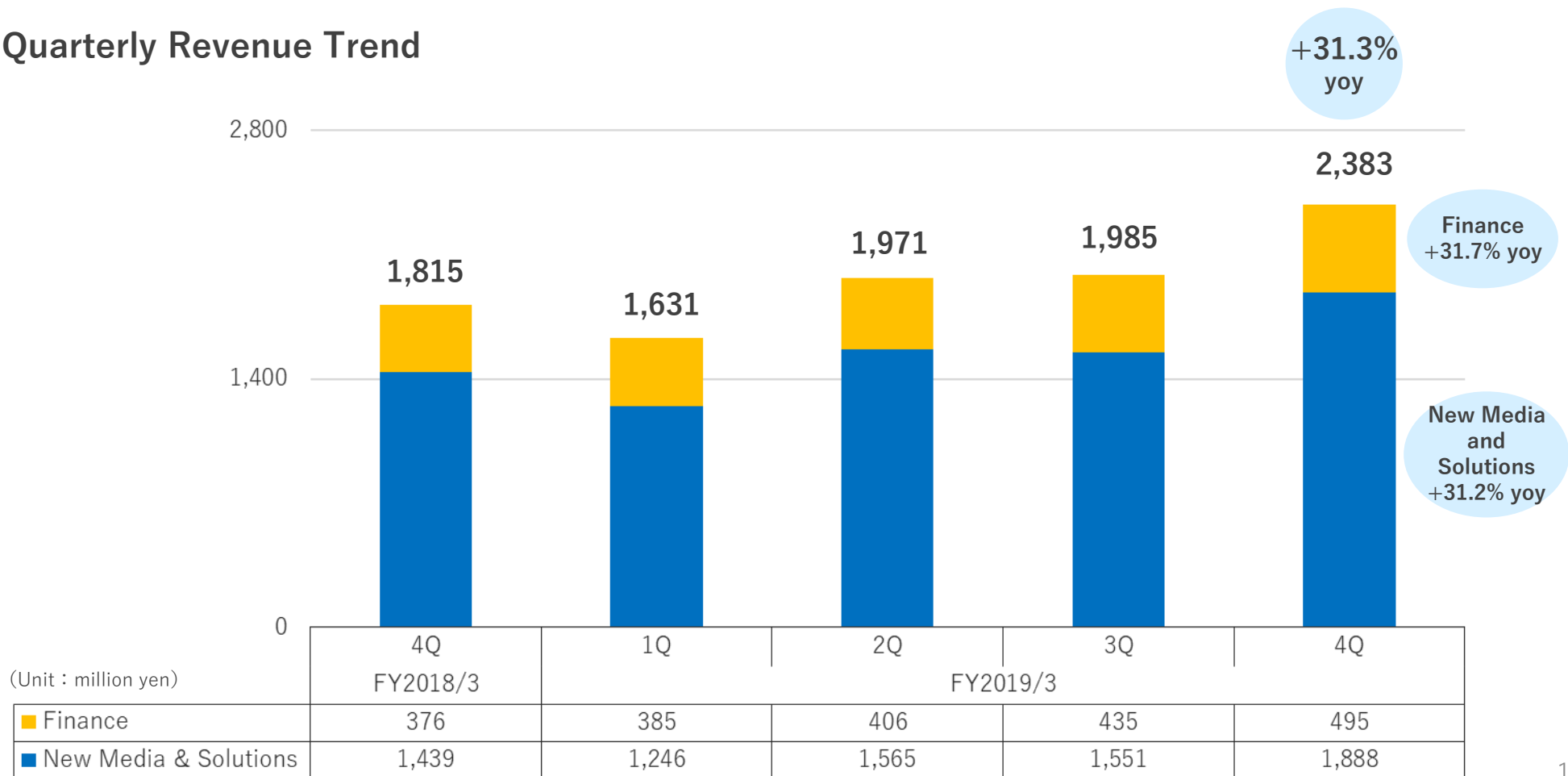
※Calculated based on revenue for FY2018/3 4Q and FY2019/3 4Q

# New Media and Solutions / Finance

# New Media and Solutions / Finance

- Kyujin Box and Kakaku.com Insurance grew their revenues.

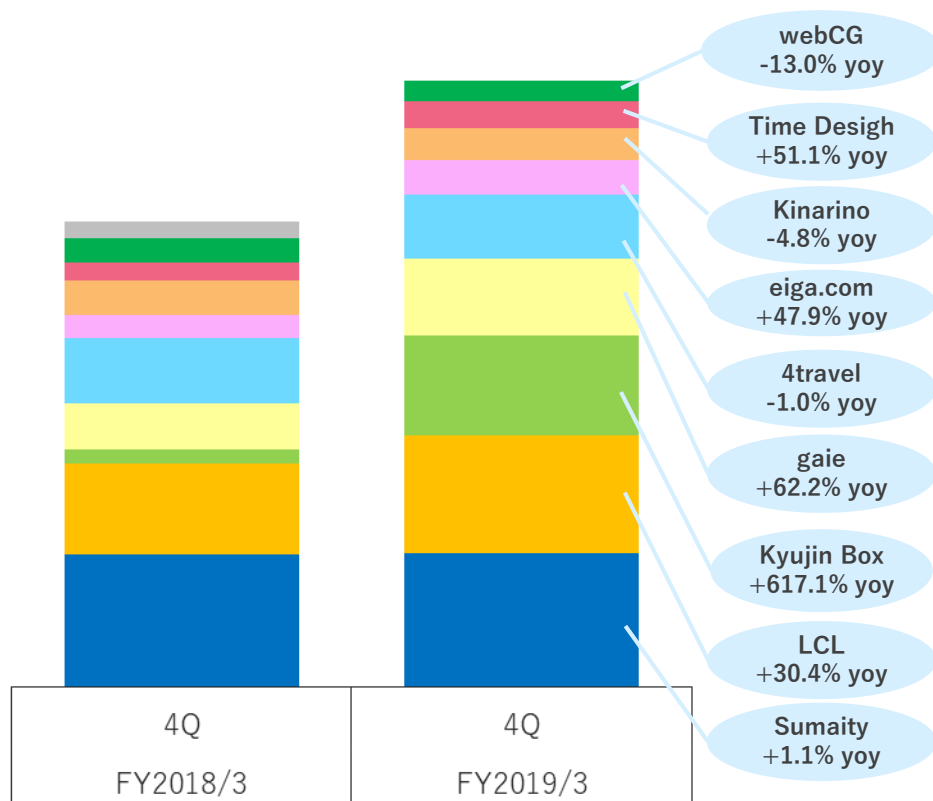
## Quarterly Revenue Trend



# New Media and Solutions / Finance

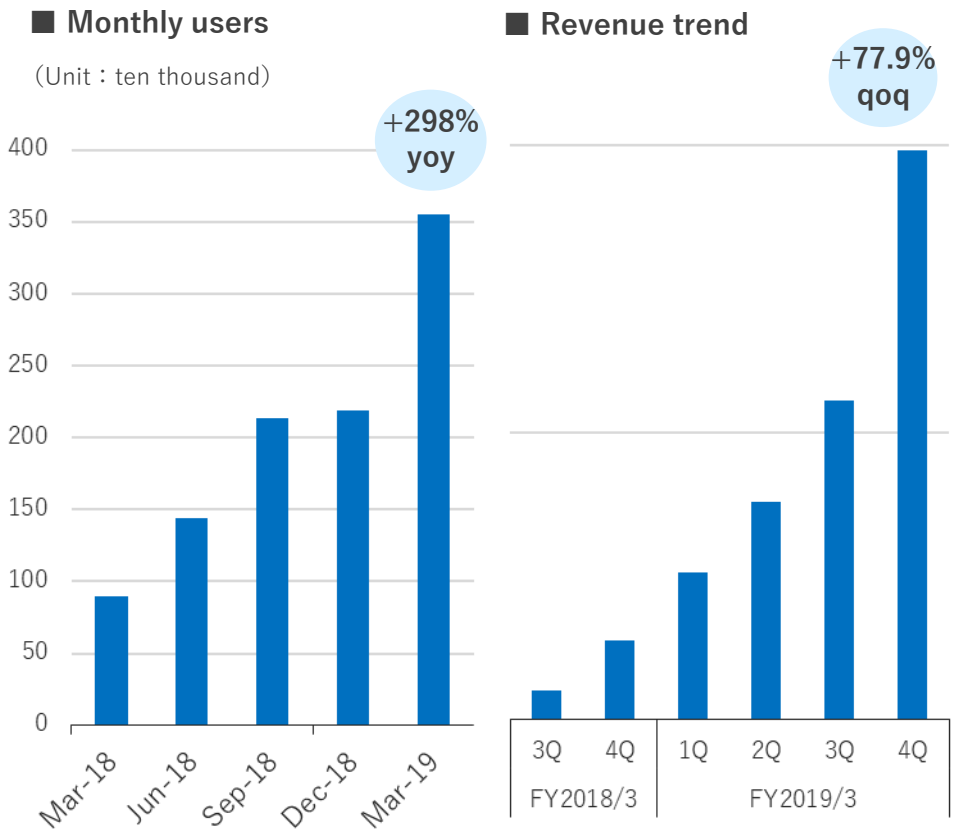
- Kyujin Box's 4Q revenue grew 77.9% YoY, driven by growth in monthly users.

## Revenue by New Media and Solutions



Note: The explanation about the monthly users lists it in page 30.

## Kyujin Box: Monthly users and quarterly revenue

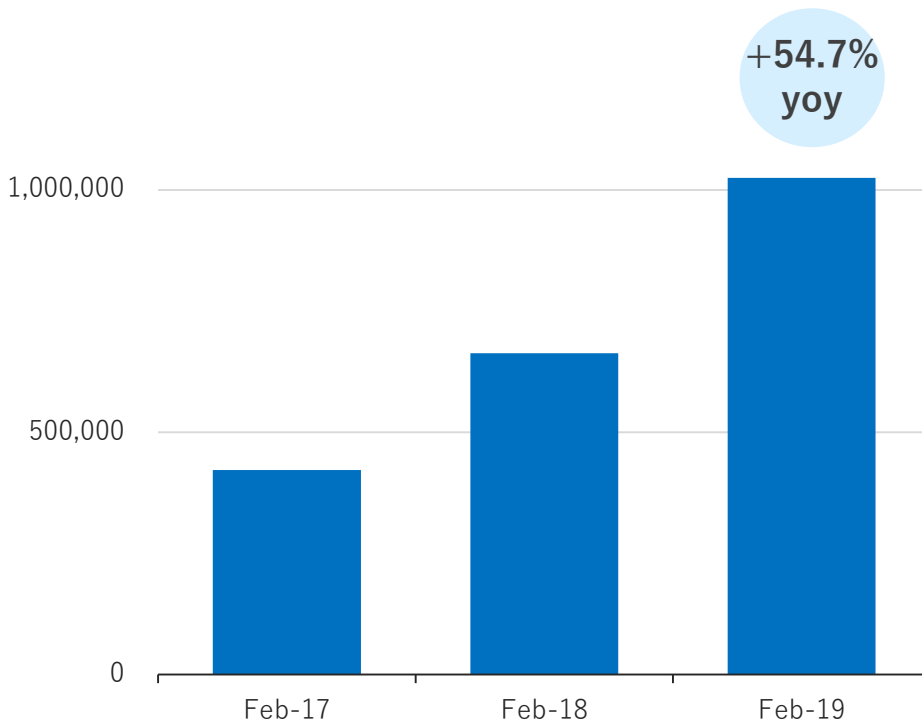


# New Media and Solutions / Finance

- Kakaku.com Insurance's monthly users surpassed 1,000,000 in February 2019.
- Sumaity provides a wealth of local information by partnering with Tabelog and municipalities so users can screen properties using wide range of information.

## Kakaku.com Insurance: Growth in usership

Usership is growing steadily, driven by expansion of product offerings and increase in insurance products sellable online.



## Sumaity: Replete with local information

Sumaity offers a wide variety of local information, including restaurant information posted on Tabelog and information on schools, parks and youth centers published by Kanagawa Prefecture.

Parenting & education page    Restaurants & shopping page



# New Media and Solutions / Finance

- Bus comparison service Bus Hikaku Navi has released new content that aggregates information for express bus users based on the purpose of their trip.
- eiga.com launched a video streaming service specializing in certain genres to meet diverse user needs.

## Bus Hikaku Navi: Content customized to purpose of trip

Now providing information on live events throughout Japan, access to venues and transit fares for users traveling by express bus.

### Information on live events



## eiga.com: Horror movie streaming service

OSOREZONE, an online streaming service dedicated solely to horror movies, was launched in February 2019.

It is priced at ¥500/month (tax excluded) and viewable on PCs and iOS and Android devices.

### OSOREZONE

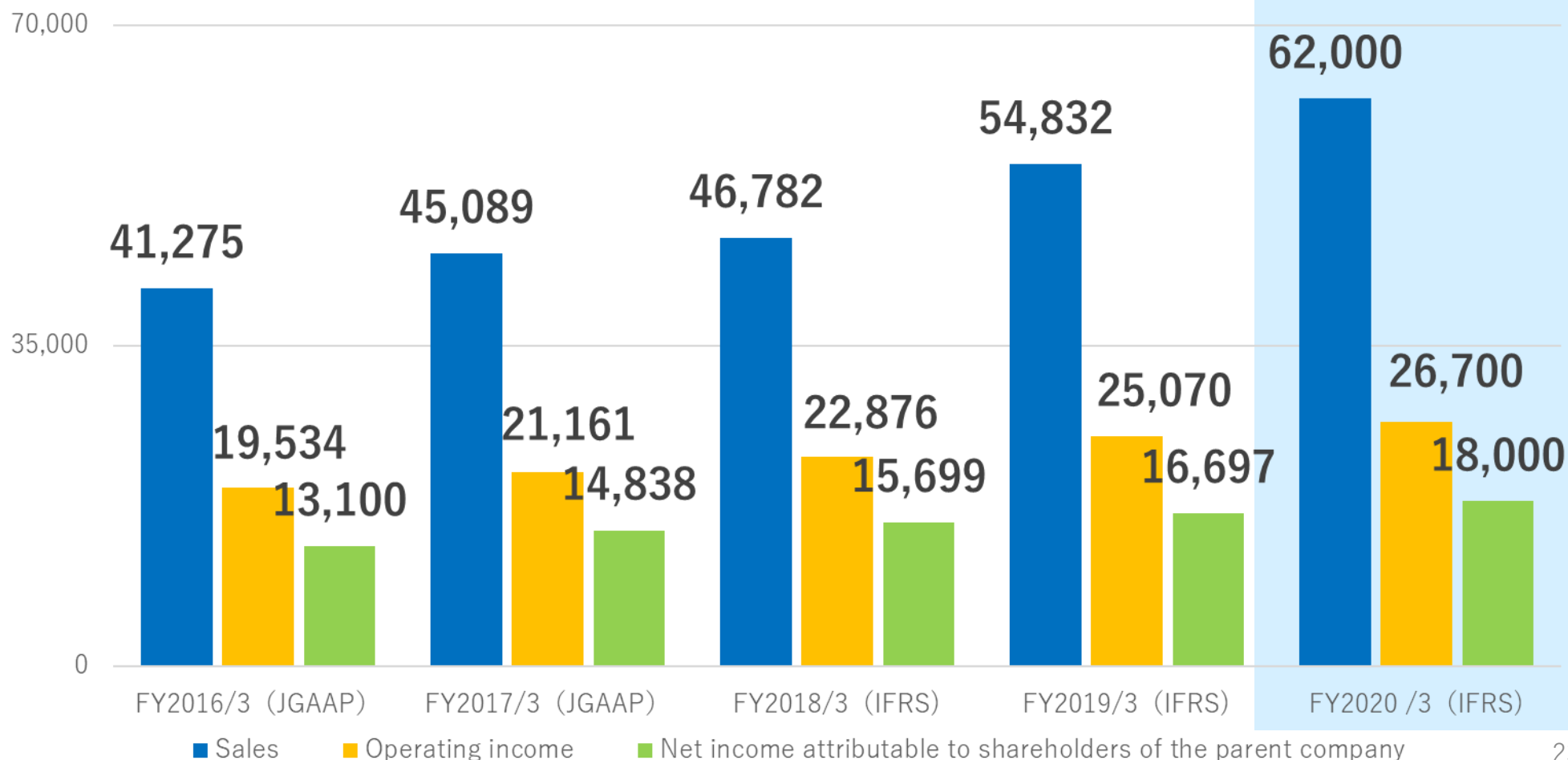


# FY2020/3 Earnings Forecast and Business Strategy

# Earnings Forecast

- Forecast factors in one-time expenses related to leasing more office space for business expansion.

(Unit : million yen)

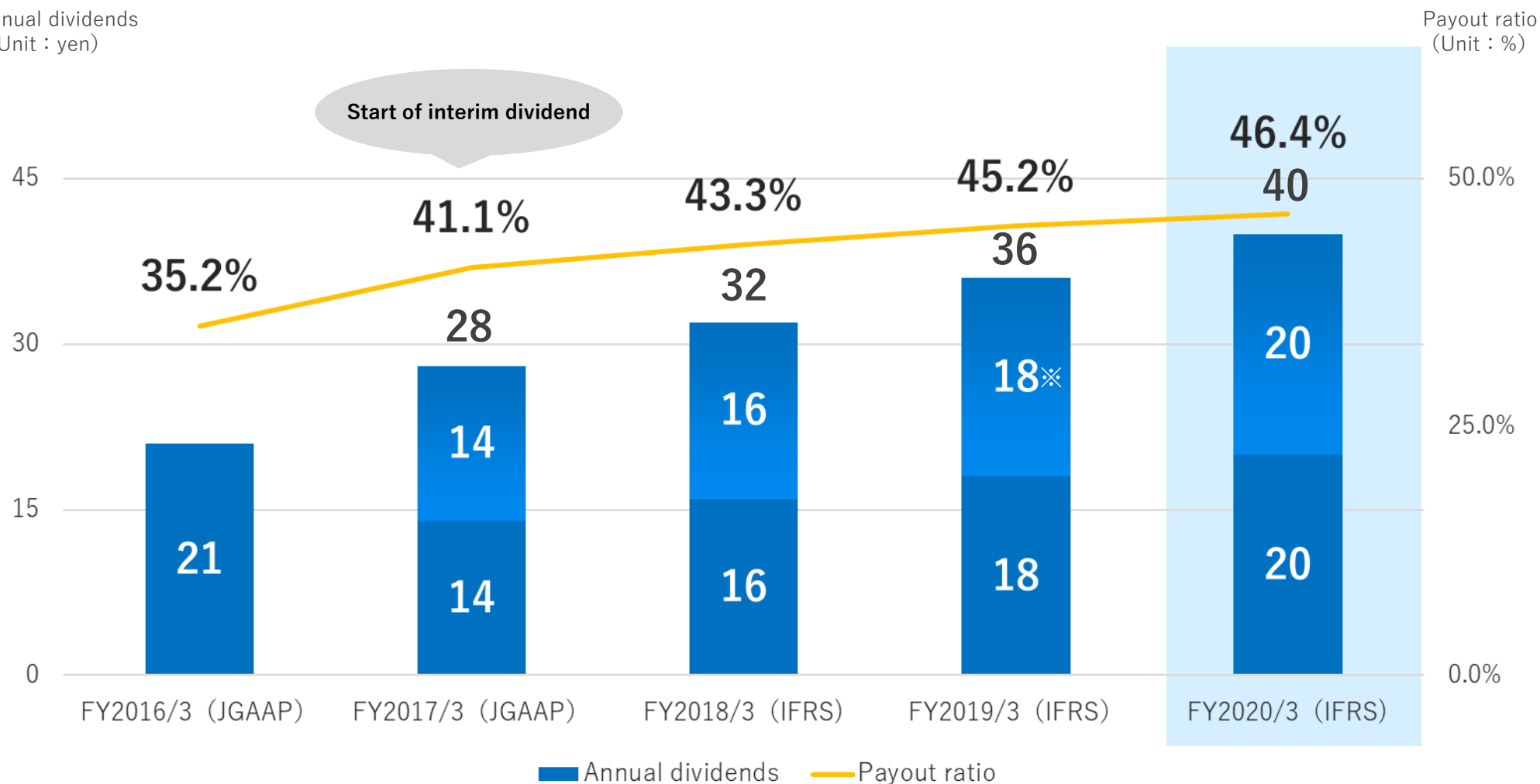




# Dividends forecast

Annual dividends  
(Unit : yen)

Start of interim dividend



※ We will discuss the proposal for appropriation of surplus at the Ordinary General Meeting of Shareholders scheduled for June 2019.

# Business strategy

Aiming to grow monthly users on Group-wide basis and increase New Media and Solutions & Finance businesses' share of total revenue to 20%.

## Business-specific initiatives

### Kakaku.com

- Provide information in ways tailored to the product.
- Expand offline customer referral service support.

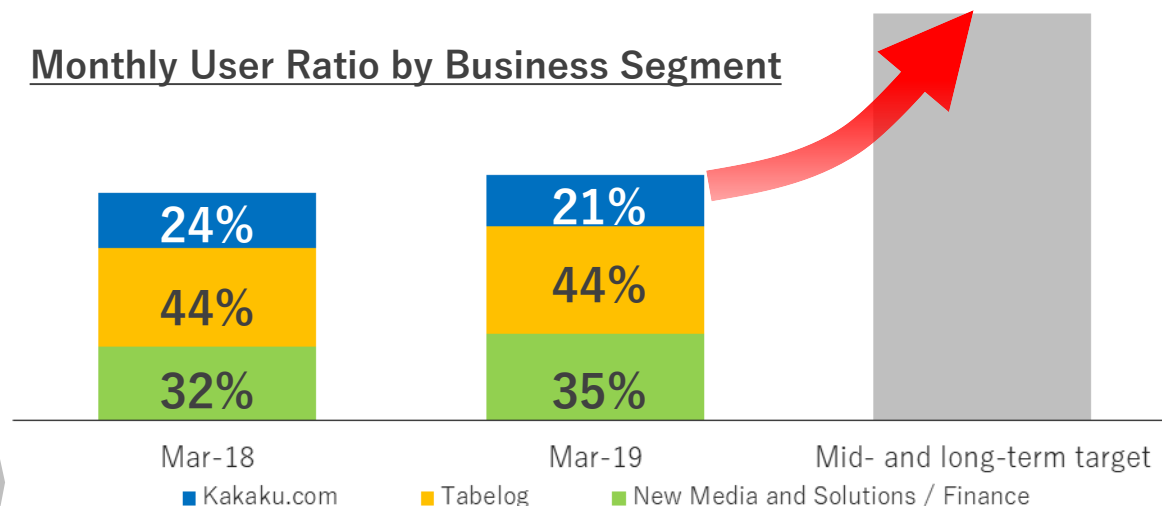
### Tabelog

- Expand use cases. (e.g., banquets)
- Increase reservation bookings, including telephone reservations.

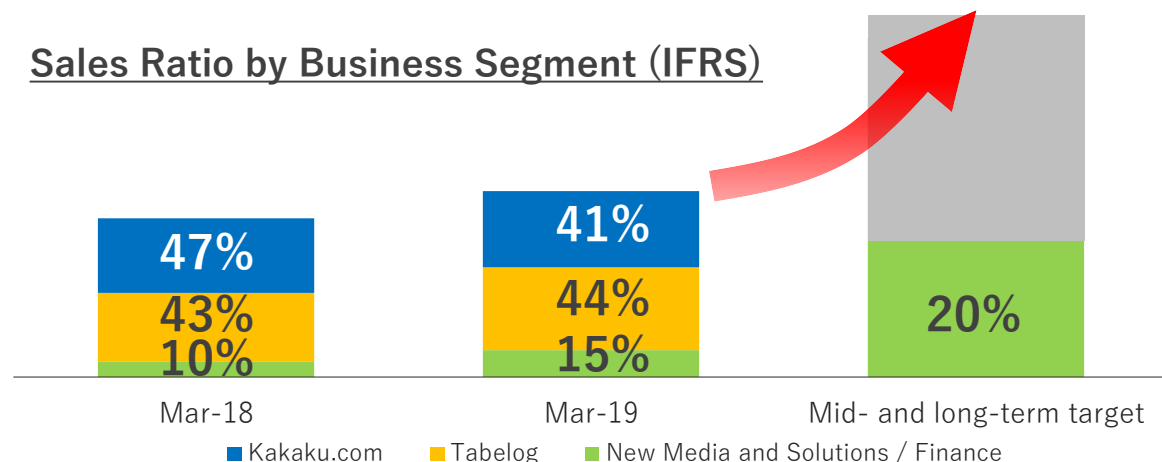
### New Media and Solutions/ Finance

- Clarify existing businesses' value propositions and increase their usership and earnings.
- Expand business domain through M&A, minority investments and new business creation.

## Monthly User Ratio by Business Segment



## Sales Ratio by Business Segment (IFRS)



# Finance Strategy

# Finance Strategy

## Management Index

Targeting 40% ROE

### Approach to profit growth

Realize stable profit growth through business expansion and optimal resource allocation.

### Approach to allocation of management resources

#### Growth investment

- Invest in human resources in process of expanding existing businesses and creating new ones.
- Invest in researching, developing and commercially deploying leading-edge technologies.
- Engage in M&A and make minority investments to expand business portfolio and expedite growth.

#### Shareholder return

- Aim to limit working capital requirements to equivalent of six months of cash flow and return any surplus cash to shareholders.
- Return capital to shareholders by paying dividends twice annually on ongoing basis and buying back shares as necessary.

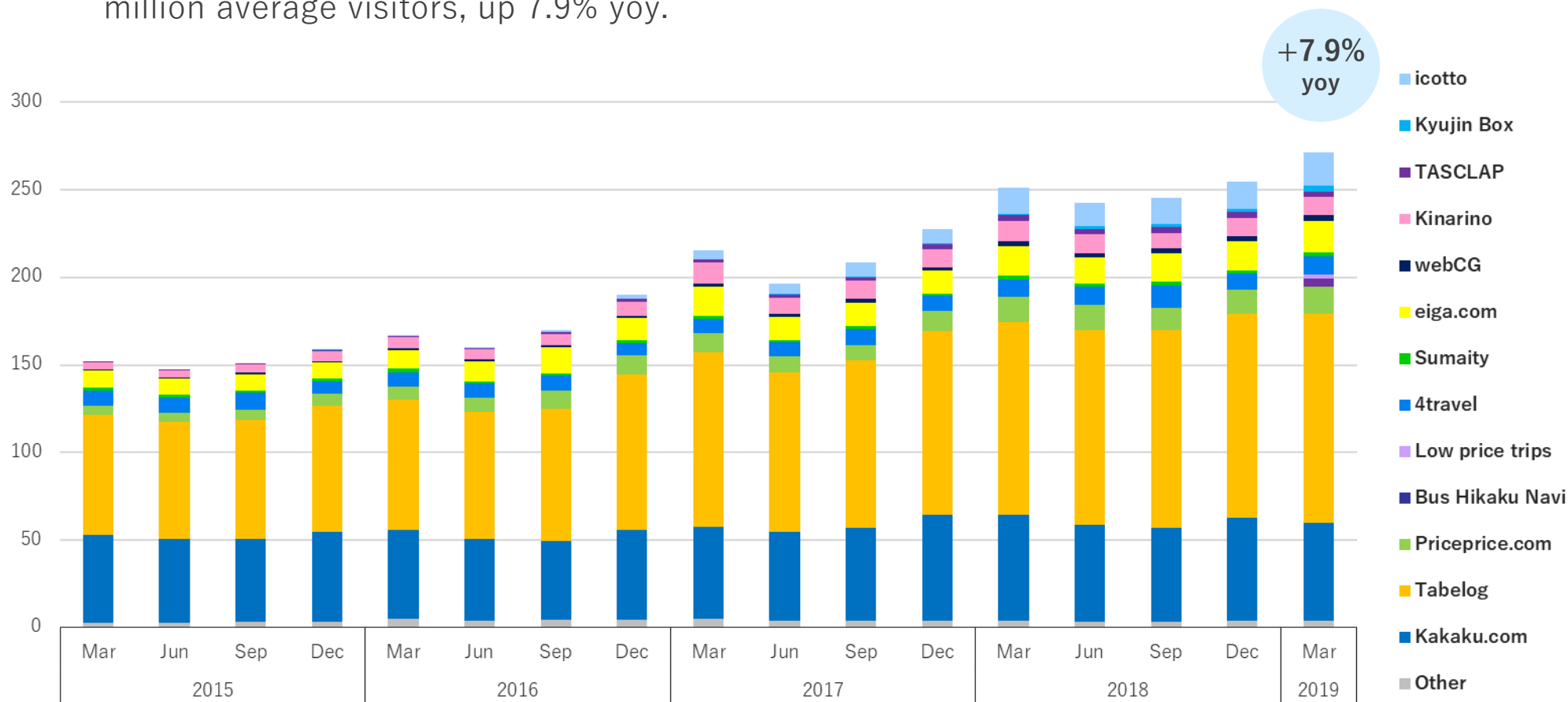
# Appendix

# Business Divisions and Segments

Type	Business	Segment	Description
Internet Media	Kakaku.com	Shopping	Commission from registered shops based on the number of clicks and sales performance
		Service	Commission based on the number of contracts for broadband networks et al. Commission based on request for estimates and/or information materials for car insurances, personal finance services or used cars.
		Advertising	Advertising income from banner and text ads, content and search based advertising on the Kakaku.com site/app
	Tabelog	Restaurant Promotion	Monthly fees for promotional services for restaurants as well as commissions based on online reservations.
		Premium Memberships	User fees for access to premium content.
		Advertising	Advertising income from banner and text ads, content and search based advertising on the Tabelog site/app
	Other	New Media Solution	Revenue generated by sites and services, such as Sumaitry, LCL, 4travel, Kinarino, TimeDesign or Kyujin Box
Finance		Finance	Commission from general insurance business for life insurances, non-life insurance, etc.

# Total Accumulated Traffic for Kakaku.com Group

- Total accumulated monthly traffic for all sites of Kakaku.com sites as of Mar 2019, was 271.18 million average visitors, up 7.9% yoy.



## About monthly unique user counts

Monthly unique users are counted on a browser basis. Users who visit the site multiple times during a month are counted as one user. Prior to September 2018, some mobile browsers were double-counted as a side effect of high-speed loading of mobile webpages. Effective from September 2018, the Company switched to a browser counting method that eliminates such double-counting. In the graph above, monthly unique user counts from September 2016 through June 2018 were recalculated using the updated counting method. Additionally, the new counting method screens out, to the fullest extent possible, mechanical accesses by, e.g., third parties' web-scraping bots, but some such accesses may be included in the above monthly unique user and page view counts.

# Consolidated Results

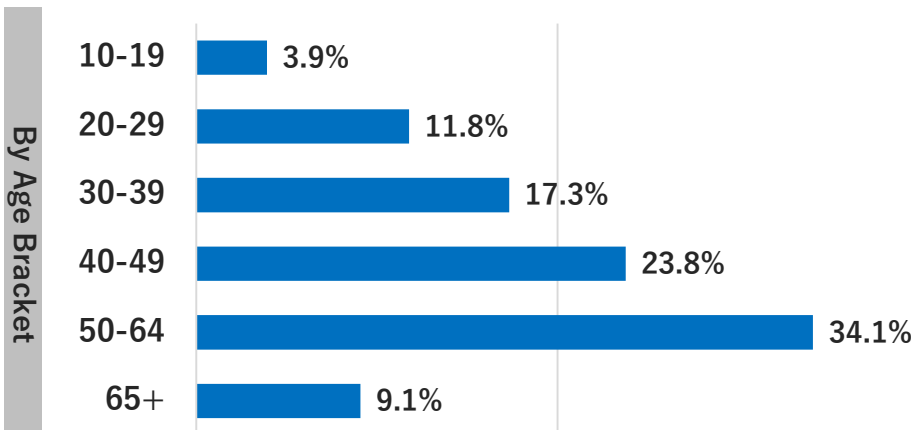
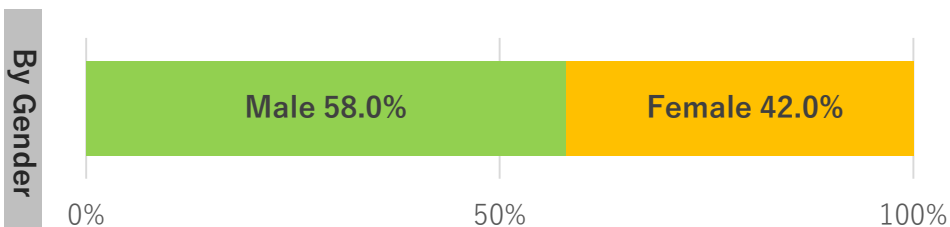
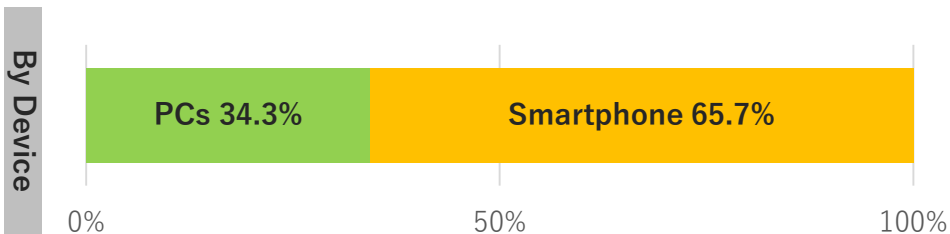
(Unit : million yen)

FY2016/3 (JGAAP)					
	1Q	2Q	3Q	4Q	Full Year
Revenue / Revenue Ratio	9,327	9,881	10,558	11,507	41,275
Kakaku.com	4,823 / 51.7%	4,708 / 47.6%	5,429 / 51.4%	6,006 / 52.2%	20,968 / 50.8%
Tabelog	3,556 / 38.1%	3,851 / 39.0%	4,119 / 39.0%	4,255 / 37.0%	15,782 / 38.2%
New Media etc.	947 / 10.2%	1,322 / 13.4%	1,009 / 9.6%	1,246 / 10.8%	4,525 / 11.0%
Operating Profit	4,276	4,395	5,071	5,791	19,534
Operating Margin	45.9%	44.5%	48.0%	50.3%	47.3%
FY2017/3 (JGAAP)					
	1Q	2Q	3Q	4Q	Full Year
Revenue / Revenue Ratio	10,464	11,379	11,405	11,840	45,089
Kakaku.com	4,958 / 47.4%	5,161 / 45.4%	5,396 / 47.3%	5,774 / 48.8%	21,287 / 47.2%
Tabelog	4,389 / 42.0%	4,606 / 40.5%	4,843 / 42.5%	4,768 / 40.3%	18,608 / 41.3%
New Media etc.	1,117 / 10.6%	1,612 / 14.1%	1,165 / 10.2%	1,297 / 10.9%	5,192 / 11.5%
Operating Profit	4,854	5,178	5,398	5,729	21,161
Operating Margin	46.4%	45.5%	47.3%	48.4%	46.9%
FY2018/3 (IFRS)					
	1Q	2Q	3Q	4Q	Full Year
Revenue / Revenue Ratio	10,651	11,018	11,829	13,285	46,782
Kakaku.com	5,124 / 48.1%	5,142 / 46.7%	5,605 / 47.4%	6,101 / 45.9%	21,973 / 47.0%
Tabelog	4,654 / 43.7%	4,909 / 44.5%	5,215 / 44.1%	5,369 / 40.4%	20,148 / 43.0%
New Media etc.	872 / 8.2%	967 / 8.8%	1,008 / 8.5%	1,815 / 13.7%	4,662 / 10.0%
Operating Profit	5,100	5,392	5,700	6,684	22,876
Operating Margin	47.9%	48.9%	48.2%	50.3%	48.9%
FY2019/3 (IFRS)					
	1Q	2Q	3Q	4Q	Full Year
Revenue / Revenue Ratio	12,513	13,132	14,239	14,948	54,832
Kakaku.com	5,181 / 41.4%	5,209 / 39.7%	5,885 / 41.3%	6,236 / 41.7%	22,510 / 41.1%
Tabelog	5,701 / 45.6%	5,952 / 45.3%	6,370 / 44.7%	6,330 / 42.3%	24,352 / 44.4%
New Media etc.	1,631 / 13.0%	1,971 / 15.0%	1,985 / 14.0%	2,383 / 15.9%	7,970 / 14.5%
Operating Profit	5,560	6,123	6,513	6,873	25,070
Operating Margin	44.4%	46.6%	45.7%	46.0%	45.7%

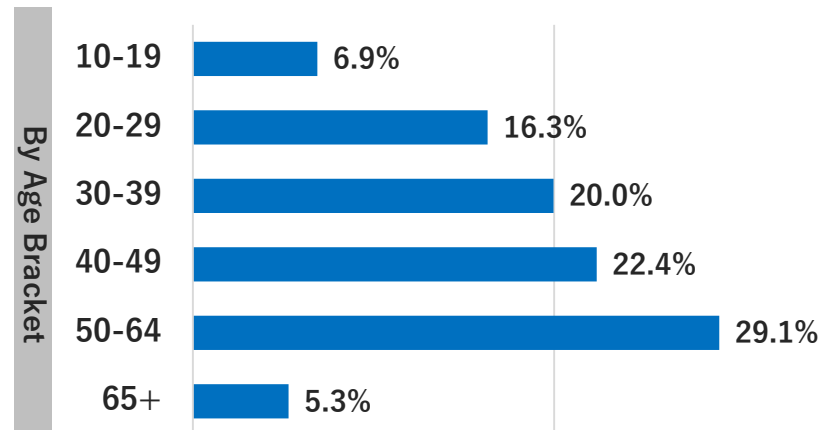
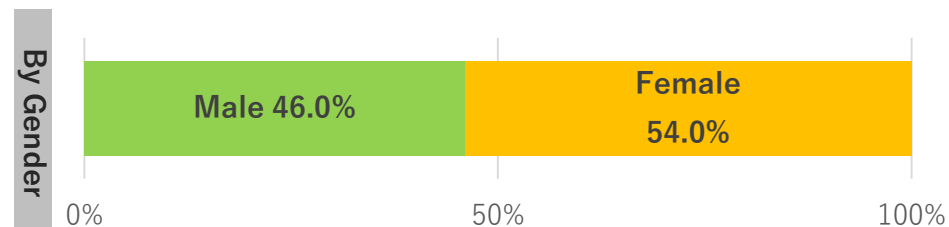
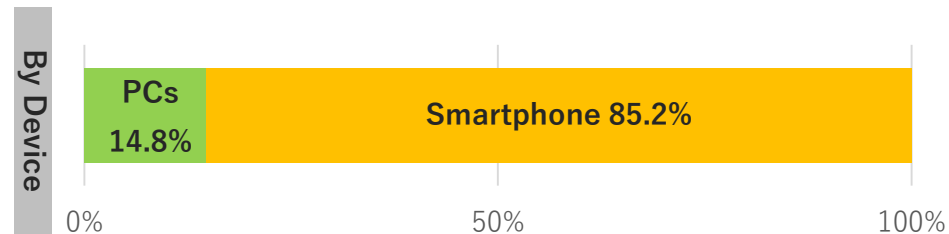


# Operated Website User Profile

価格.com



食べログ



※based on data for March 2019.

# Kakaku.com Group Service Overview

<p>Purchase support service "Kakaku.com"</p> 	<p>Restaurant discovery and reservation "Tabelog"</p> 	<p>Online residential real estate portal "Sumaity"</p> 	<p>Job classifieds "Kyuujin-box"</p> 
<p>Shopping support site for Southeast Asia "priceprice.com"</p> 	<p>Photo sharing community "PHOTOHITO"</p> 	<p>Online Travel Information Media "icotto"</p> 	<p>town's information media "CHIKU-WA"</p> 
<p>Lifestyle media "kinarino"</p> 	<p>Online media for men's fashion "TASCLAP"</p> 	<p>Animation and Akihabara's culture information "Akiba souken"</p> 	<p>FX related Information "FX- rashinban"</p> 
<p>Cryptocurrency and Blockchain related Information "Kasotsuka- rashinban"</p> 	<p>home town tax donation portal site "Furusato plus"</p> 	<p>Insurance consulting "Kakaku.com Insurance"</p> 	<p>Travel review and comparison site "4travel"</p> 
<p>Dynamic package reservation system Time Design Inc.</p> 	<p>Highway and overnight bus price comparison "Bus Hikaku Navi"</p> 	<p>Comparison site for the cheapest bus, airline and bullet train tickets "Low price trips"</p> 	<p>Online media for bus trips, travel and sightseeing "Bus Trip"</p> 
<p>Online media for car lovers "webCG"</p> 	<p>Movie discovery platform "eiga.com"</p> 	<p>Animation General Information Site "Anime-Hack"</p> 	<p>Horror Movie Professional Delivery Service "OSORE ZONE"</p> 
<p>Movie digital promotion agency gaie, Inc.</p> 			

# Company Profile

■ <b>Company Name</b>	Kakaku.com, Inc.	
■ <b>Address</b>	3-5-7 Ebisu minami, Shibuya-ku, Tokyo 150-0022	
■ <b>Founded</b>	December 1997	
■ <b>Website</b>	<a href="https://corporate.kakaku.com/">https://corporate.kakaku.com/</a>	
■ <b>Share Listing</b>	The First Section of Tokyo Stock Exchange	
■ <b>Stock Code</b>	2371	
■ <b>Related Companies</b>	Kakaku.com Insurance, Inc.	URL: <a href="https://kakakucom-insurance.co.jp/">https://kakakucom-insurance.co.jp/</a>
	4travel, Inc.	URL: <a href="http://fortravel.jp/">http://fortravel.jp/</a>
	eiga.com, Inc	URL: <a href="https://eiga.com/">https://eiga.com/</a>
	Time Design Co., Ltd.	URL: <a href="https://www.timedesign.co.jp/">https://www.timedesign.co.jp/</a>
	webCG, Inc.	URL: <a href="https://www.webcg.net/">https://www.webcg.net/</a>
	LCL, Inc.	URL: <a href="https://www.lclco.com/">https://www.lclco.com/</a>
	gaie, Inc.	URL: <a href="https://gaie.jp/">https://gaie.jp/</a>
	Catapult Ventures Pte. Ltd.	URL: <a href="https://www.moneysmart.sg/">https://www.moneysmart.sg/</a>
	LoveBonito Holdings Pte. Ltd.	URL: <a href="https://www.lovebonito.com/">https://www.lovebonito.com/</a>
	TabSquare Pte. Ltd.	URL: <a href="https://www.tabsquare.ai/">https://www.tabsquare.ai/</a>

Note: Information and projections of future performance contained in this document include the Company's judgments premised on information available at the time of preparation and assumptions concerning uncertainties. They may differ from actual business performance and results due to a variety of factors.