

Results Briefing

For FY3/2020

After solid business growth in the first half, the second half was affected by a reactionary drop in demand after the consumption tax hike and the impact of COVID-19. Nonetheless, both full-year revenue and profit increased.

- Revenue in all businesses rose in the first half (+15.1% YoY), led by Kakaku.com, in which revenue was boosted by rush demand ahead of the consumption tax hike. First-half profit also exceeded our target, increasing sharply by 16.1% YoY.
- A decline in revenue in Kakaku.com's shopping and advertising businesses due to the reactionary drop in demand following the consumption tax hike was offset by revenue growth in Tabelog's restaurant promotion business and the new media and solutions/finance business. As a result, revenue growth remained on target in Q3, with +10.4% YoY.
- Revenue growth slowed in all businesses in 4Q (+5.2% YoY) owing to the impact of COVID-19. Q4 operating profit declined by 6.7% YoY due to the concentration of expenses related to increasing office floor space, recruitment, and advertising.

Earnings forecasts for FY3/2021

Owing to the difficulty of reasonably estimating the impact of COVID-19, we have yet to determine our consolidated earnings forecasts for FY3/2021. We will promptly disclose the forecast as soon as it becomes possible to do so.

Operating Results and Financial Position

Operating Results and Financial Position

(Unit : Million yen)

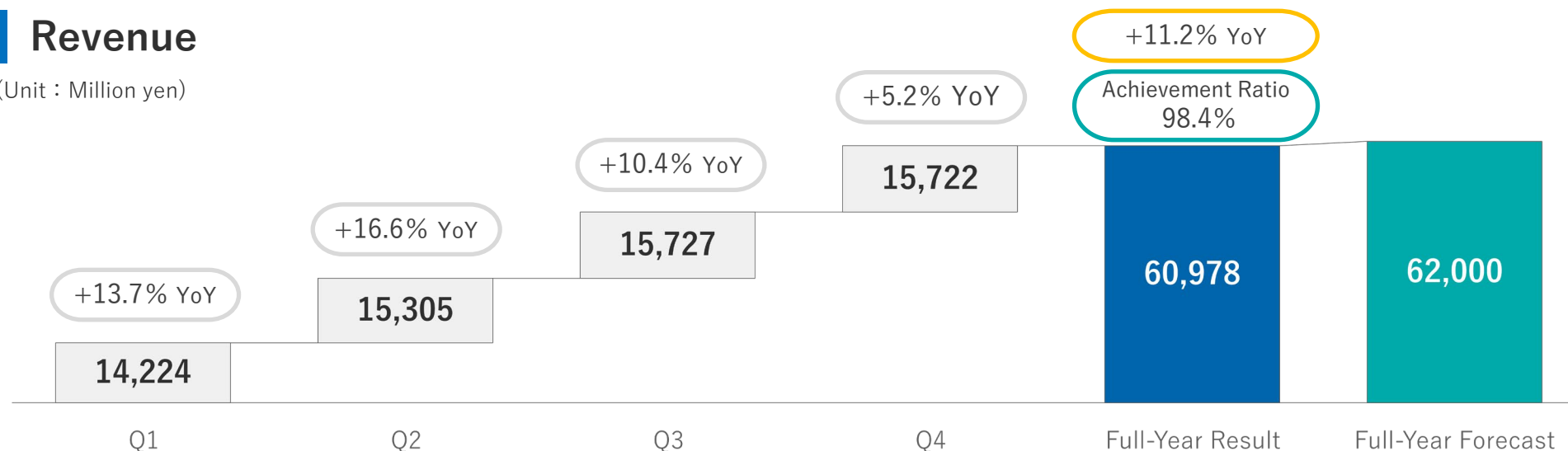
	4 Q			Full-Year				
	FY19/3	FY20/3		FY19/3	FY20/3			
	Result	Result	YoY	Result	Forecast	Result	YoY	Achievement Ratio
Revenue	14,948	15,722	+5.2%	54,832	62,000	60,978	+11.2%	98.4%
Operating Profit	6,873	6,333	-7.9%	25,070	26,700	27,217	+8.6%	101.9%
OP Margin	46.0%	40.3%		45.7%	43.1%	44.6%		
Profit Before Income Taxes	6,791	6,085	-10.4%	24,839	26,500	26,619	+7.2%	100.4%
Profit Attributable to Owners of the Parent Company	4,618	4,369	-5.4%	16,697	18,000	18,348	+9.9%	101.9%

Quarterly Consolidated Revenue and Operating Profit

kakaku.com

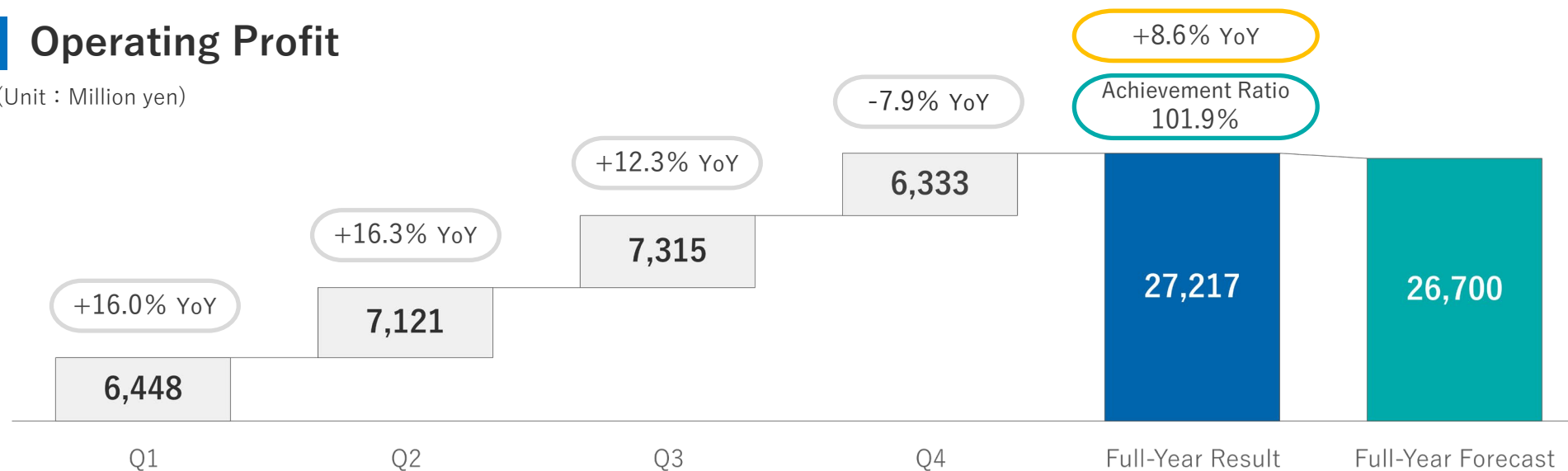
Revenue

(Unit : Million yen)



Operating Profit

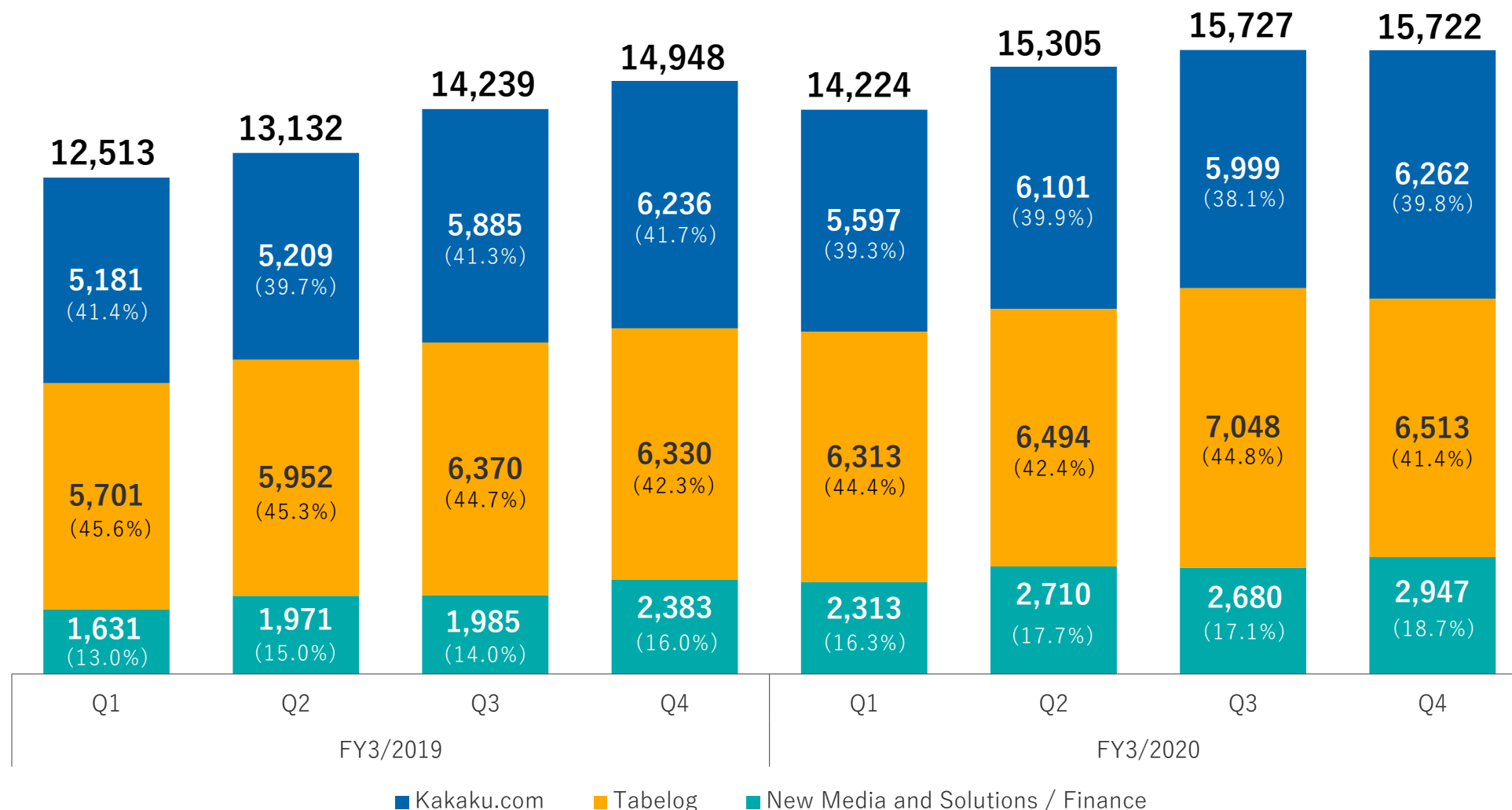
(Unit : Million yen)



Quarterly Consolidated Revenue by Business

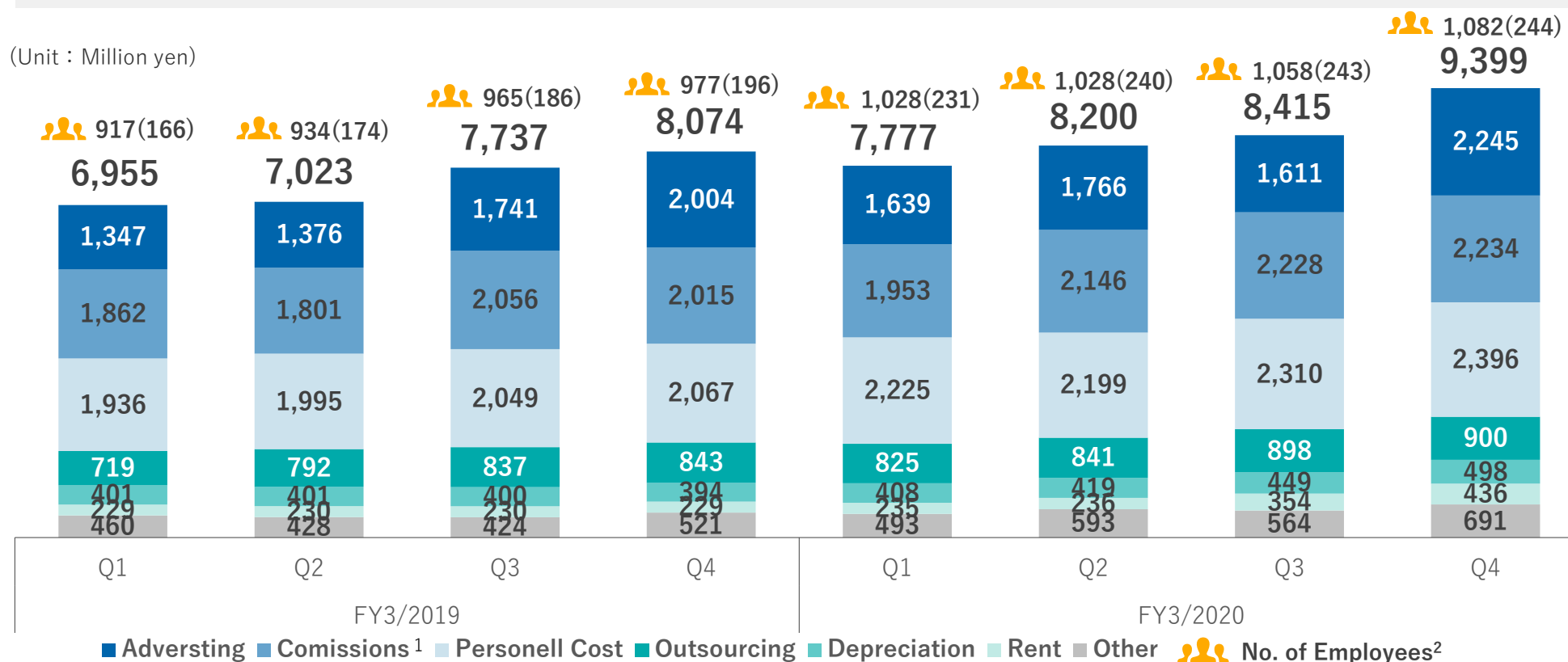
(Unit : Million yen)

*Figures in () are sales ratios



Quarterly Consolidated Operating Expenses

- Alongside TV commercials and other advertising costs, rent and office supplies expenses owing to increased office floor space were concentrated in Q4.



Note:

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.

Breakdown of Expenses FY3/2020 Q4: [Rent] Rent for new office space in Shibuya 192mn, [Other] Recruiting 66mn, Server maintenance 37mn, Supplies Expenses (due to office expansion) 111mn.

Operating Results and Operational Progress by Business

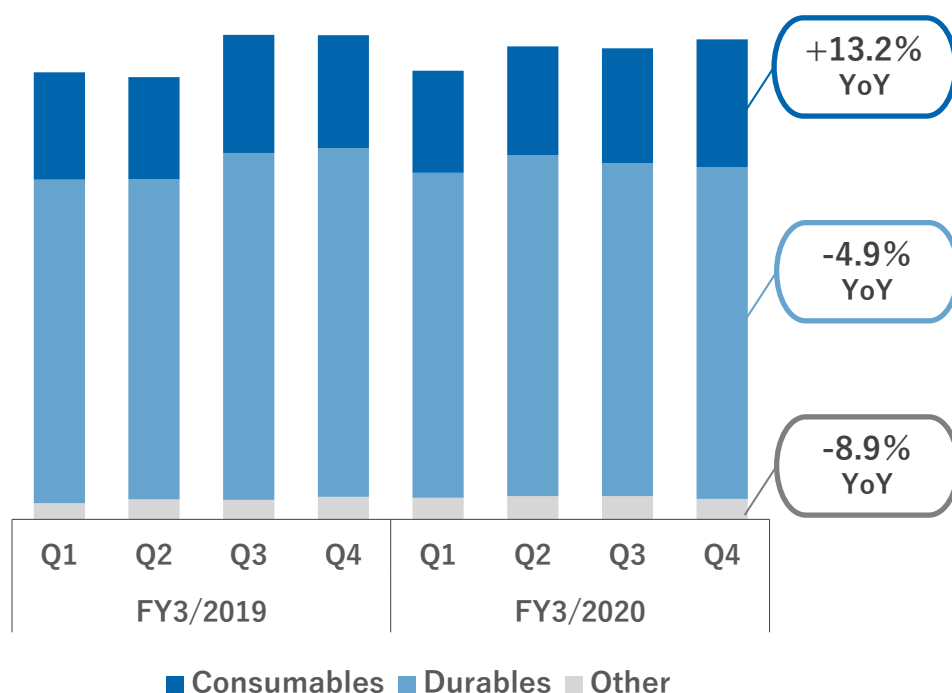
Operating Results by Business

(Unit : Million yen)

		Q4 Revenue	YoY	Full-year Revenue	YoY
Kakaku.com		6,262	+0.4%	23,960	+6.4%
	Shopping	2,391	-0.8%	9,328	+0.8%
	Service	2,796	+8.0%	10,046	+14.1%
	Advertising	1,075	-13.0%	4,585	+3.0%
Tabelog		6,513	+2.9%	26,369	+8.3%
	Restaurant Promotion	5,344	+ 5.3%	21,509	+12.6%
	Premium Memberships	549	-19.1%	2,337	-19.1%
	Advertising	620	+7.6%	2,522	+7.0%
New Media and Solutions / Finance		2,947	+23.7%	10,649	+33.6%
	New Media and Solutions	2,306	+22.2%	8,426	+34.8%
	Finance	640	+29.5%	2,223	+29.3%

- Although the shopping business was seeing a recovery from the reactionary downturn following the rush demand triggered by the consumption tax hike and the PC category continued to show strong results, revenue in decreased in Q4 because consumers refrained from purchasing new home appliances and events/leisure-related products due to the impact of COVID-19.

Shopping: Revenue



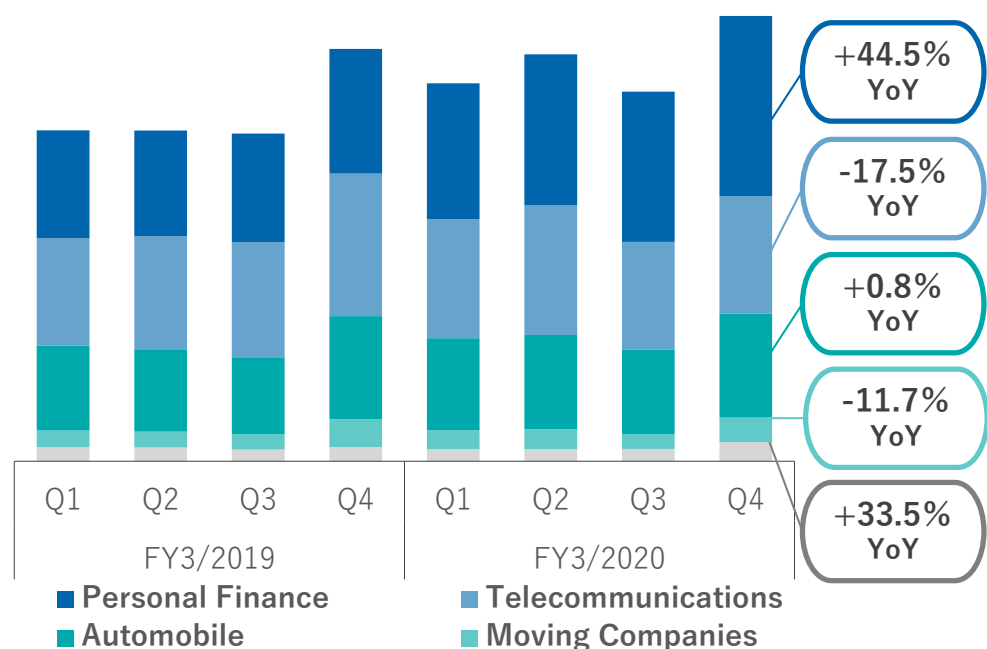
Shopping: Changes in customer referrals in core product categories (Q4)

Product Category	YoY
Desktop PCs	+37.2%
Laptops	+34.1%
PC Monitors/LCD Displays	+7.0%
Washing Machines	-5.5%
Rice Cookers	-9.0%
Microwave Ovens / Ovens	-10.1%
Vacuum Cleaners	-18.8%
Digital Single Lens Cameras	-22.3%

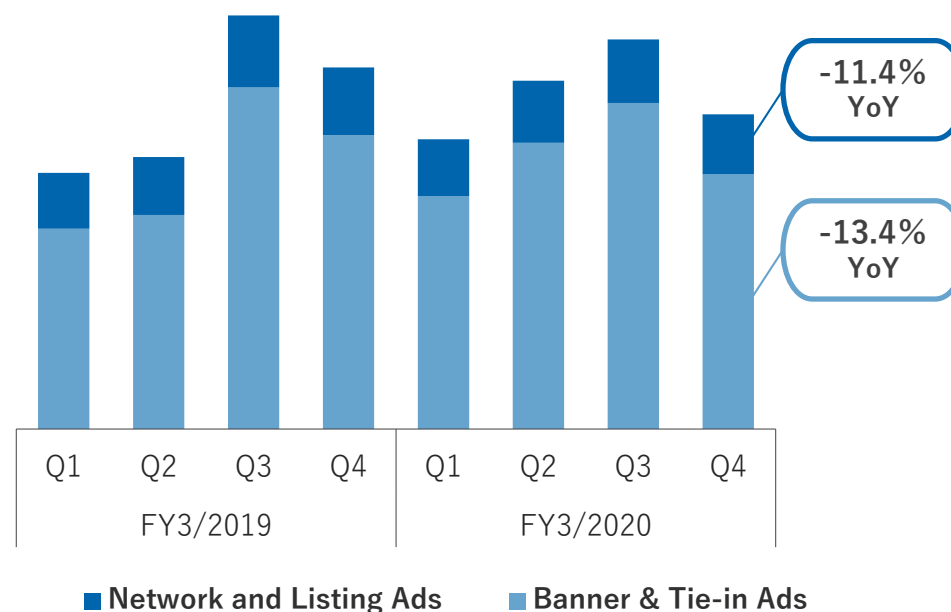
Example of core products in Q4, with an increase/decline in customer referrals of at least 5%.

- Despite a drop in traffic and applications for overseas Wi-Fi rentals owing to the impact of COVID-19, revenue in the service business continued to increase due to brisk demand for credit cards and card loans in the personal finance category.
- Revenue declined in the advertising business due to cancellations or postponements of advertising placements as a result of delayed sales launches for some products manufactured in China.

Service: Revenue



Advertising: Revenue



- The number of fee-paying restaurants rose only slightly because of a slowdown in new sign-ups.
- Growth in YTD cumulative online reservations slowed due to the impact of COVID-19.

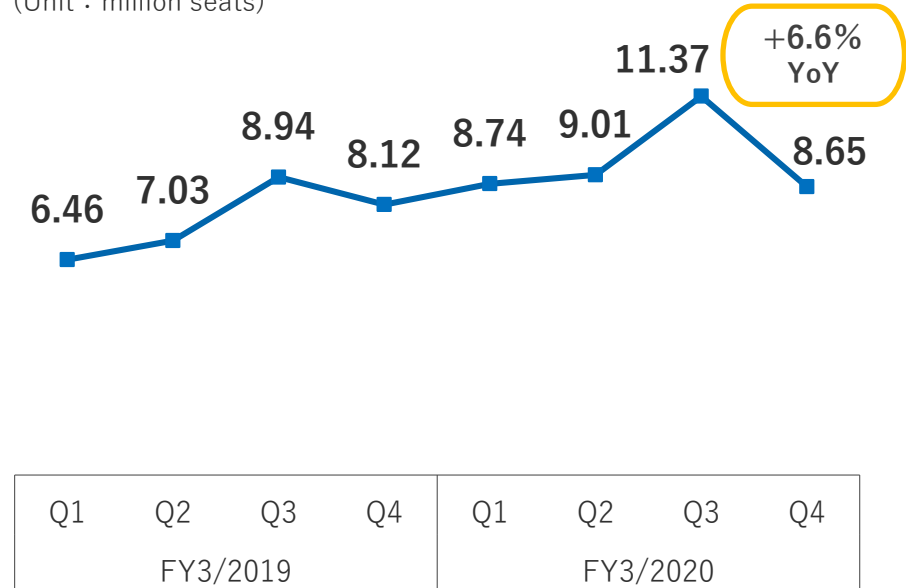
Number of fee-paying restaurants

(Unit : thousand restaurants)



Number of seat reservations (quarterly total)

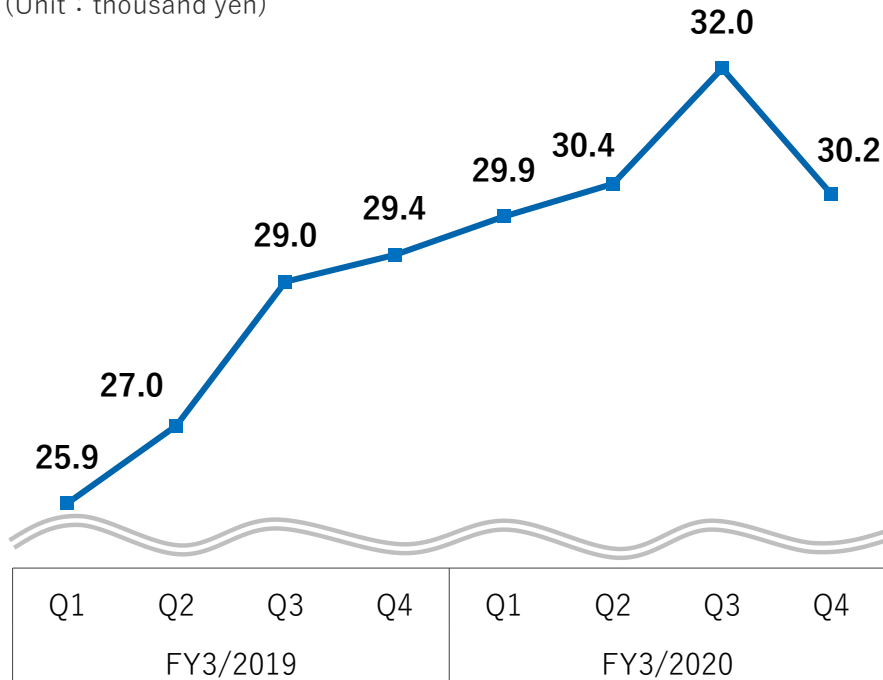
(Unit : million seats)



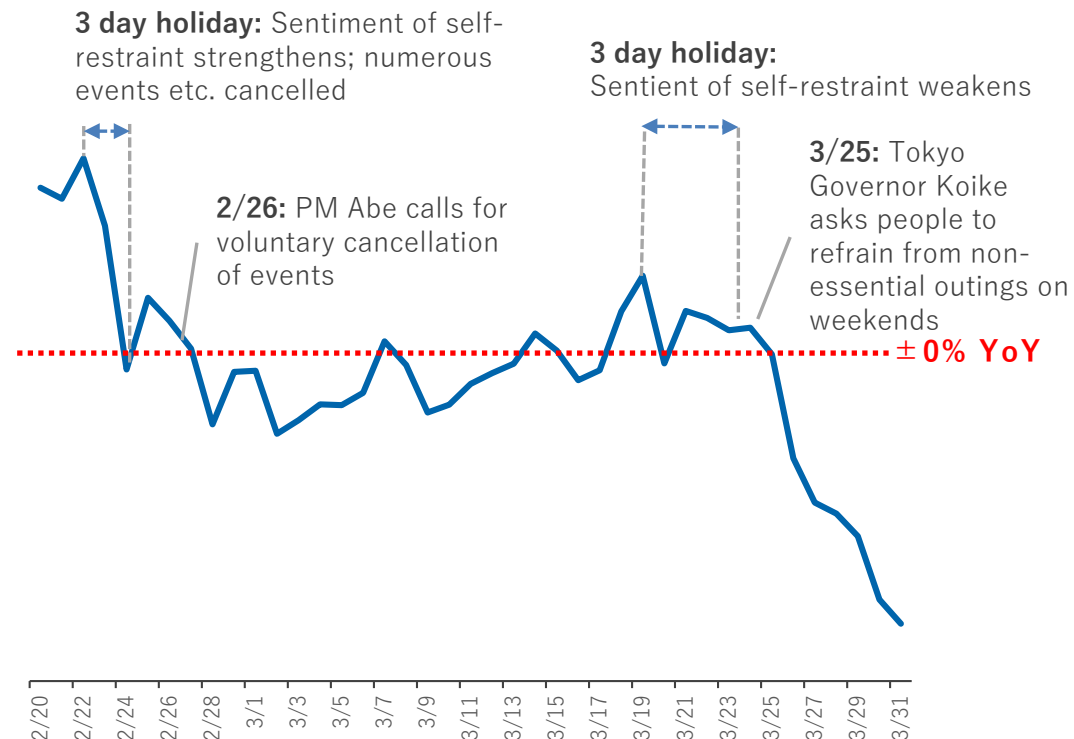
- Revenue per restaurant was ¥30,200, growing only slightly year-on-year, due to the slowdown in online reservations.
- Online reservations dropped sharply from late February as people refrained from going out due to the COVID-19 outbreak.

Average monthly revenue per restaurant by quarter

(Unit : thousand yen)

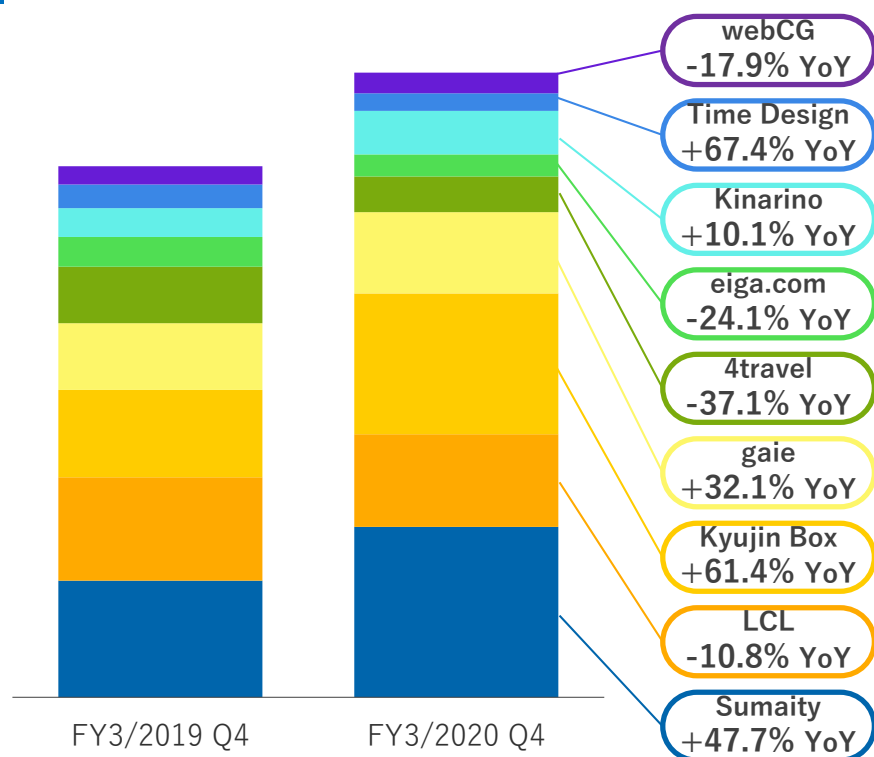


Online Reservations (February/March)



- Even though revenue from travel-related services has declined because of a drop in reservations owing to the impact of COVID-19, revenue grew in the new media and solutions/finance business due to strong results for Kyujin Box, Time Design, Sumaity and Kakaku.com Insurance.

New Media and Solutions: Revenue

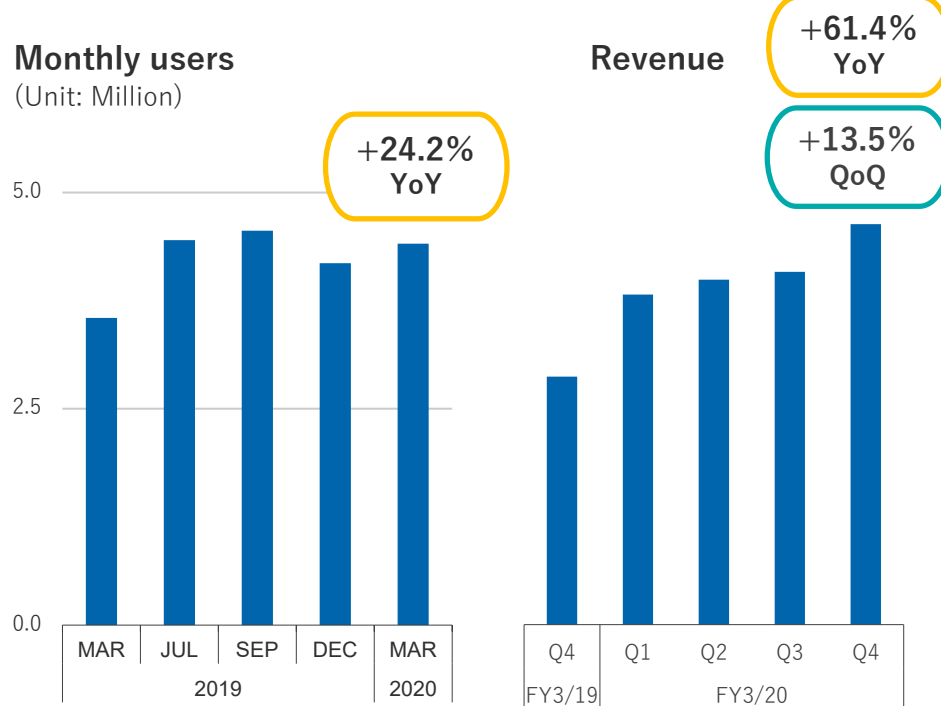


Impact of COVID-19 in March

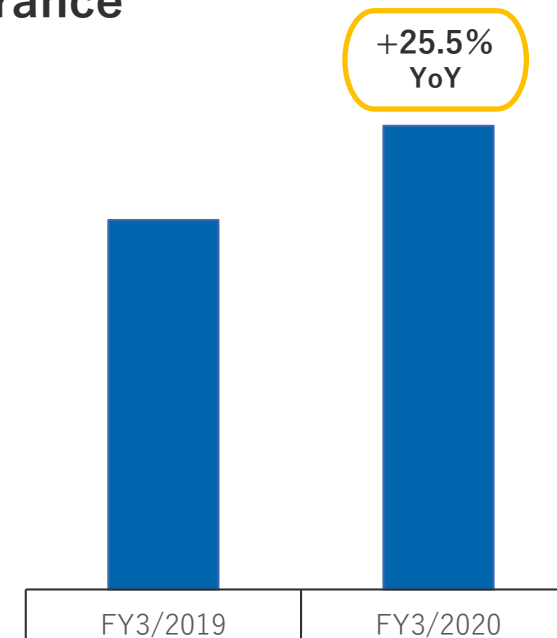
Travel	Travel reservations and overseas Wi-Fi rental applications decreased, as people refrained from outings.
Entertainment	Eiga.com and Gaie were effected by low site traffic and a decrease in advertising placements due to delays in the screening of new movie titles.
Recruiting	Traffic slowed temporarily owing to the impact of the emergency closure of schools.
Real Estate	No significant impact as of March.

- Kyujin Box revenue increased, reflecting improvement in the conversion rate and cost per customer referral.
- Even though applications for overseas travel insurance declined sharply due to the impact of COVID-19, Kakaku.com Insurance commission revenues rose as a result of increased online applications for life and non-life insurance.

Kyujin Box: Monthly users and quarterly revenue



Kakaku.com Insurance: Online applications for life and non-life insurance



Business Impact of COVID-19

- Changes in consumer behavior as a result of the COVID-19 outbreak, and the declaration of a nationwide state of emergency by the Japanese government, are having a considerable impact on the Group's businesses.

	Market Environment	Current situation of our businesses
E-Commerce	<ul style="list-style-type: none">• Increase in e-commerce site users.• Concentrated demand for daily necessities and products related to teleworking and staying at home.	<ul style="list-style-type: none">• Customer referrals continue to increase for infection-control products like masks and disinfectant/antiseptics, teleworking items (PCs, webcams, monitors, Wi-Fi routers, printers, etc.), and products related to staying at home, such as game consoles and software, furniture, dumbbells, refrigerators, and freezers.
Food and Drink	<ul style="list-style-type: none">• Sharp drop in users of restaurants as well as an increase in restaurant closures, owing to the state of emergency declaration and government request to refrain from operating.• Increase in takeaways, deliveries, and ordering from home as consumer behavior shifts from eating out to ready-made meals and cooking at home.	<ul style="list-style-type: none">• Decrease in online reservations caused by the state of emergency declaration is spreading across Japan and gathering momentum.• Surge in the number of registered restaurants on Tabelog posting information about take-out orders, as well as the number of restaurants signing up for the Tabelog Takeout app.
Travel	<ul style="list-style-type: none">• Continuous sharp decline in inbound, outbound, and domestic travelers owing to worldwide immigration restrictions and as people refrain from outings in Japan.• Increase in temporary closures of hotels and traditional Japanese inns and suspension of highway bus services and flights due to the state of emergency declaration.	<ul style="list-style-type: none">• Sharp drop in bookings at Time Design and LCL due to travel cancellations.• Applications for overseas Wi-Fi rentals on 4travel and Kakaku.com, have fallen to almost zero.
Entertainment	<ul style="list-style-type: none">• Increase in users on video streaming sites as more people stay at home. Ongoing closures of cinemas and delays in new movie releases.	<ul style="list-style-type: none">• Advertising placements from distributors continue to decline on Eiga.com and at Gaie.
Other	<ul style="list-style-type: none">• Delays in document processing and examination procedures etc. due to an increase in teleworking.	<ul style="list-style-type: none">• Delays in the issuing of credit cards and conclusion of insurance policy contracts.

Supporting restaurants

- Reinforcing our system for handling inquiries from restaurants
- Gathering and providing information to restaurants regarding government assistance measures
- Providing information about Tabelog's initiatives, such as takeout
- Providing Tabelog's restaurant promotion services for free and other flexible contract-related measures

Responding to takeout demand



Tabelog Website

- Listing of restaurants offering takeout
- Expanding information on takeout services being offered (e.g. [Takeout available today], takeout menu)



Dedicated
Takeout App

- Providing a framework for ordering and payment
- Expanding the area of coverage for Tabelog Takeout

FY3/2021 Earnings Forecast and Business Strategy Going Forward

Owing to the difficulty of reasonably estimating the impact of COVID-19, we have yet to determine our consolidated earnings forecasts for FY3/2021.

We will promptly disclose the forecast as soon as it becomes possible to do so.

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

Kakaku.com

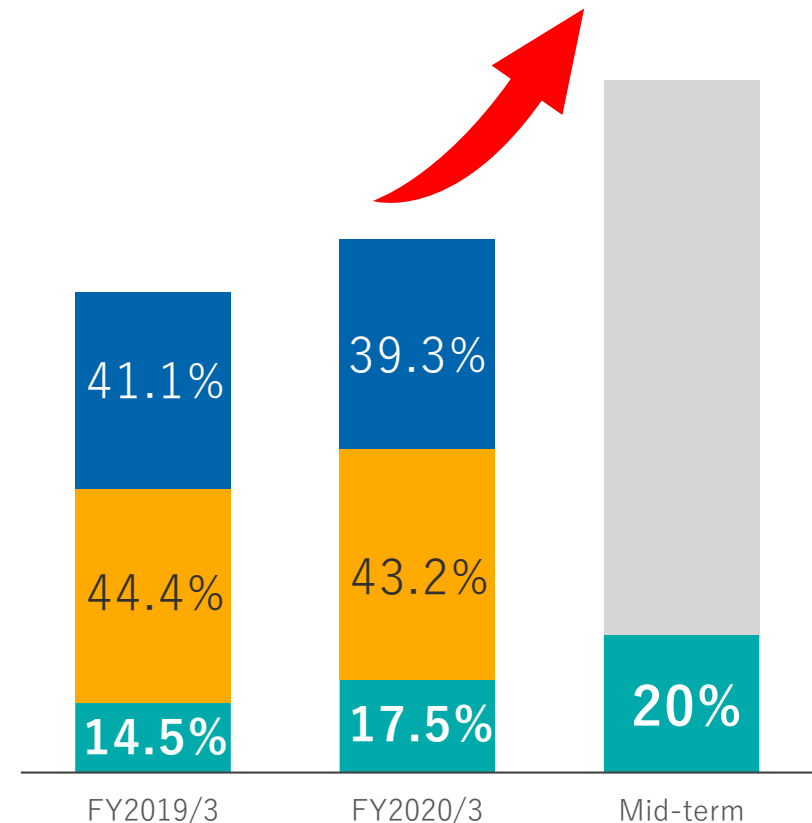
- Gauge consumer needs, expand and optimize business portfolio, enhance content
- Leverage big data and cutting-edge AI technology

Tabelog

- Boost number of reservations, including phone reservations, and increase proportion of online reservations
- Optimize restaurant search and reservation functions

New Media and Solutions/Finance

- Expand usership by enhancing content of existing businesses and make aggressive investments according to the growth stage of each service.



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 the business portfolio and expedite growth.

Shareholder returns

- Leave enough funds necessary for the operation of existing businesses and investments for growth at hand, and return excess retained earnings to shareholders.
- Continue to pay dividends (twice a year) and buy back shares (flexible).



	FY2013/3	FY2014/3	FY2015/3	FY2016/3	FY2017/3	FY2018/3	FY2019/3	FY2020/3	FY2021/3
ROE ¹	38.0%	40.4%	41.7%	45.2%	44.5%	45.7%	45.1%	44.0%	
Dividend per share (yen)	35	12.5	16	21	28	32	36	40	
Total dividend (100 million yen)	20	28	35	46	61	68	75	83	
Payout ratio	28.1%	30.9%	32.5%	35.2%	41.1%	43.3%	45.2%	45.3%	TBD
Acquisition cost of treasury stock (100 million yen)	53	0	81	50	42	108	30	80	TBD
Total return ratio ²	103.1%	30.9%	106.7%	73.2%	69.3%	112.2%	63.1%	88.8%	

Note:

1. ROE = Profit attributable to owners of the parent company / (Total net assets – Stock options – Non controlling assets) x 100, %

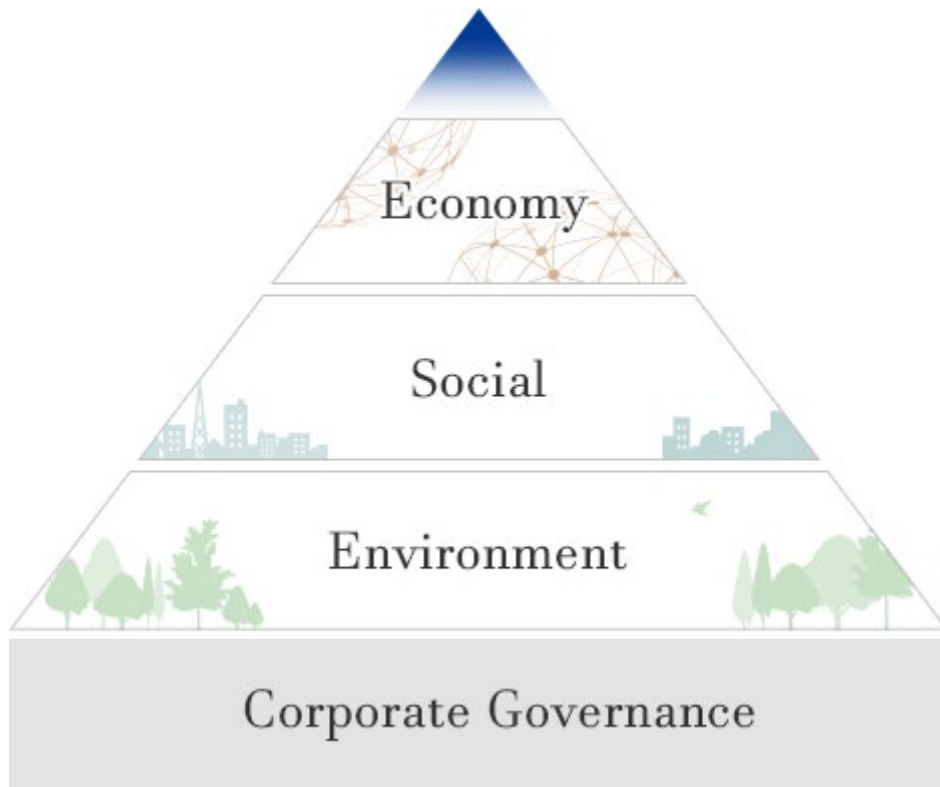
2. Total return ratio= (Total dividend + Acquisition cost of treasury stock) / Profit attributable owners of the parent company x 100, %

Acquisition cost of treasury cost does not include fees or other expenses paid to the Tender Order Agent.

- We at Kakaku.com strive to be a part of people's daily lives. As such, we continue to contribute to economic development, as well as pursue social and environmental issues through our business activities.

LIFE with

-To become a part of people's daily lives-



Our initiatives

Economy : Contributing to the growth of the internet industry

- Strengthen data security in order to provide information safely
- Sponsor various initiatives in order to support IT development

Society: Creating a vibrant society

- Create a comfortable working environment for employees, in terms of both workplaces and organisation

Environment: Protecting our planet's environment

- Reduce the environmental impacts of our offices through sustainable procurement practices and energy conservation
- Support disaster-recovery efforts through NPOs

Appendix

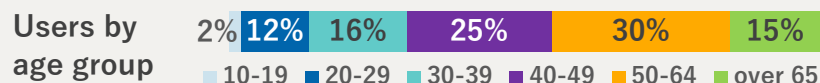
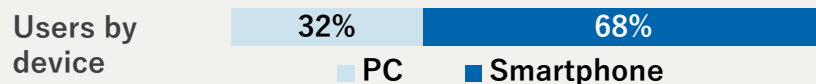
Business Divisions and Segments

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 personal finance and telecommunications etc.	Advertising Advertising revenue from banner and text ads, content and search based advertising.
		【Clients】 EC Malls and Shops, Electronics Retail Stores, etc.	【Clients】 Service Providers, etc.	【Clients】 Consumer Electronics Manufacturers, etc.
	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 revenue from banner and text ads, content and search based advertising.
		【Clients】 Restaurants	【Clients】 Users	【Clients】 Beverage companies, etc.
Finance	New Media and Solution / Finance	New Media and Solution Revenue generated by sites and service, such as Kyujin-box, Sumaity, Kinarino, Bus Hikaku Navi operated by LCL, Inc or Dynamic package reservation system developed by Time Design Co., Ltd.		
		Finance Commission from general insurance business for life insurances and non-life insurance, etc. operated by Kakaku.com Insurance, Inc.		

価格.com

Purchase support site
[Kakaku.com]

Monthly Users: 63.09 million users



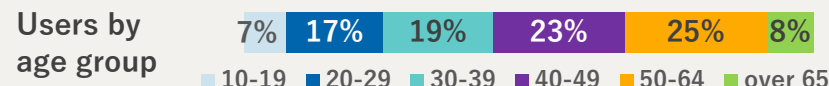
Initiatives going forward

Working to enhance user-friendliness by improving content with the use of AI. Aiming to increase number of users by improving the functionality of service categories that are currently in a growth stage.

食べログ

Restaurant discovery and reservation site
[Tabelog]

Monthly Users: 106.47 million users



Initiatives going forward

We aim to create more opportunities for people to make use of online reservations and other services by enhancing functionality with better search accuracy, etc.

求人ボックス

Job classifieds site
[Kyujiin Box]

Initiatives Gong Forward

Making it easier for job seekers to find the right job from among the many listings by providing original content and improving the search function accuracy.

Time Design

Dynamic package reservation system
[Time Design Co., Ltd.]

Initiatives Going Forward

Aiming to step up system linkage and increase partner hotels so users can book hotel & airline package deals on hotel websites.

kakaku.com
insurance

Insurance consulting service
[Kakaku.com Insurance]

Initiatives Going Forward

Working to gain new policyholders and make switching between policies easier by expanding insurance products and improving chat functions.

バス比較ナビ

Highway and overnight bus price comparison site [Bus Hikaku Navi]

Initiatives Going Forward

Aiming to increase number of users by providing more bus information.

Kakaku.com Group Service Overview

kakaku.com



Online residential real estate site
[Sumaity]

Initiatives Going Forward

Working to expand scope of services by providing more property sales information and improving site functionality.



Travel review and comparison site
[4travel]

Initiatives Gong Forward

Aiming to provide high quality travel guide content by improving functions for users to post journal entries as well as holding photo contests and other events.



Online travel Information media
[icotto]

Initiatives Going Forward

Making it easier for users to consider accommodation facilities based on their needs by increasing the number of articles on various topics.



Purchase support site for Southeast Asia
[priceprice.com]

Initiatives Going Forward

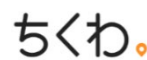
Aiming to increase number of users by providing more information about topics such as fashion, beauty, and cars, based on regional market characteristics.



Photo sharing community site:
[PHOTOHITO]



Lifestyle media:
[Kinarino]



Town information media:
[CHIKU-WA]



Online magazine for men's
Fashion: [TASCLAP]



Animation and Akihabara
culture information media :
[Akiba Souken]



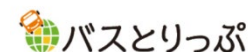
FX and Exchange Rate related
information site :[FX-rashiban]



Cryptocurrency and Blockchain
related information site
[Kasotsuka-rashinban]



Comparison site for the
cheapest bus, airline and bullet
train tickets [Low price trips]



Online media for bus trips,
travel and sightseeing: [Bus
Trip]



Online information site for
car lovers: [web CG]



Online database for movies and
showtimes [eiga.com]



General information site
for Anime [Anime-Hack]



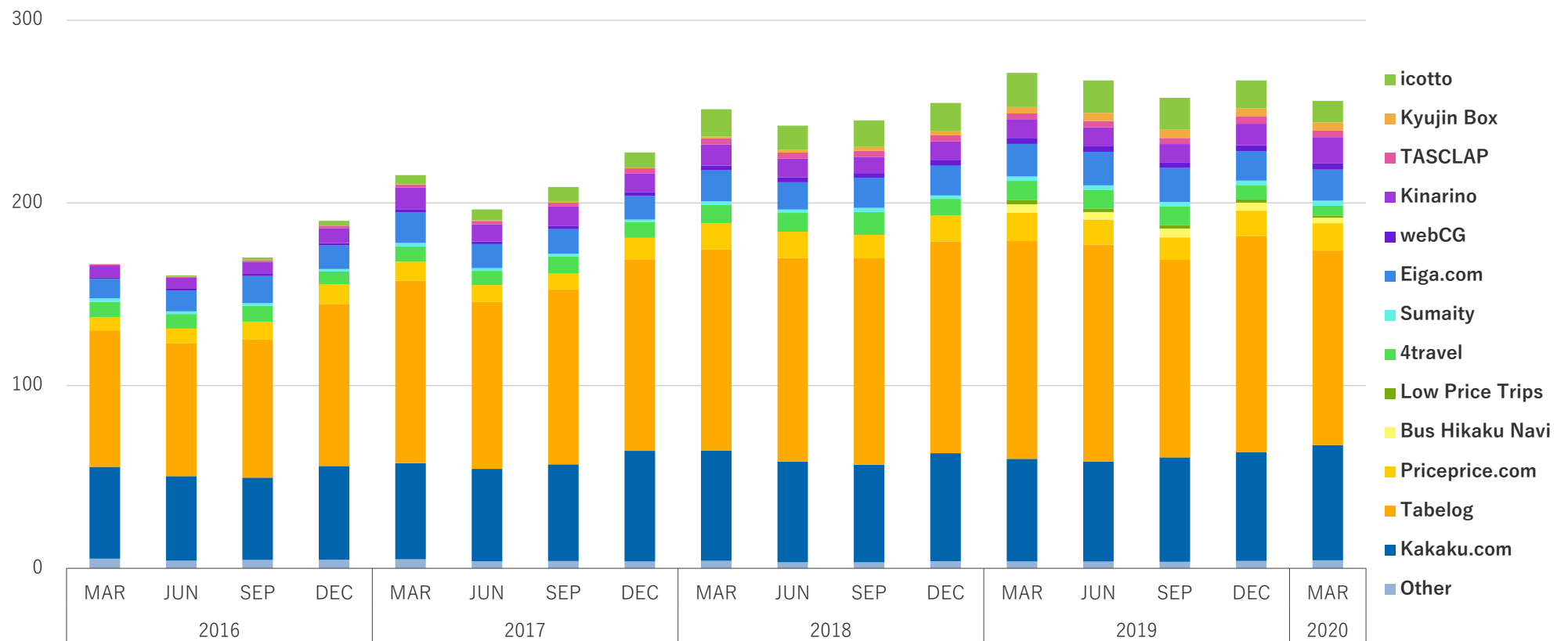
Horror movie streaming
service [OSORE ZONE]



Digital promotion agency for
movies [gaie, Inc.]

Total Accumulated Traffic for Kakaku.com Group

- Total accumulated monthly traffic for all services of Kakaku.com as of March 2020, was 255.87 million visitors, down by 6% year-on-year.



About monthly unique user counts

The number of monthly unique users is the number of browsers that visited the site, not the number of cumulative visits, during a month. We have measured monthly user numbers exclude overlapping users which occurs by the mobile webpage speed and mechanical access such as automatic collecting program by third parties.

Consolidated Results

(Unit: million yen)

FY2018/3 (IFRS)	1Q	2Q	3Q	4Q	Full Year
Revenue	10,651	11,018	11,829	13,285	46,782
Kakaku.com / revenue share	5,124 / 48.1%	5,142 / 46.7%	5,605 / 47.4%	6,101 / 45.9%	21,973 / 47.0%
Tabelog / revenue share	4,654 / 43.7%	4,909 / 44.5%	5,215 / 44.1%	5,369 / 40.4%	20,148 / 43.0%
New Media, etc. / revenue share	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%
ROE	-	-	-	-	45.7%
Total return ratio	-	-	-	-	111.8%
FY2019/3 (IFRS)	1Q	2Q	3Q	4Q	Full Year
Revenue	12,513	13,132	14,239	14,948	54,832
Kakaku.com / revenue share	5,181 / 41.4%	5,209 / 39.7%	5,885 / 41.3%	6,236 / 41.7%	22,510 / 41.1%
Tabelog / revenue share	5,701 / 45.6%	5,952 / 45.3%	6,370 / 44.7%	6,330 / 42.4%	24,352 / 44.4%
New Media, etc. / revenue share	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%
ROE	-	-	-	-	45.1%
Total return ratio	-	-	-	-	61.0%
FY2020/3 (IFRS)	1Q	2Q	3Q		
Revenue	14,224	15,305	15,727	15,722	60,978
Kakaku.com / revenue share	5,597 / 39.3%	6,101 / 39.9%	5,999 / 38.2%	6,262 / 39.8%	23,960 / 39.3%
Tabelog / revenue share	6,313 / 44.4%	6,494 / 42.4%	7,048 / 44.8%	6,513 / 41.4%	26,369 / 43.2%
New Media, etc. / revenue share	2,313 / 16.3%	2,710 / 17.7%	2,680 / 17.0%	2,947 / 18.7%	10,649 / 17.5%
Operating Profit	6,448	7,121	7,315	6,333	27,217
Operating Margin	45.3%	46.5%	46.5%	40.3%	44.6%
ROE	-	-	-	-	44.0%
Total return ratio	-	-	-	-	88.9%

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

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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.