ITmedia Inc.
The Fiscal Year Ended March 31, 2023
Earnings Briefing

April 28, 2023
Securities code: 2148
Tokyo Stock Exchange Prime Market
Forward-looking statements, such as earnings outlooks, are based on information available when the material was created and include uncertainties. Actual earnings may substantially differ from the forecasts due to changes in various factors and business conditions.

Items that could impact the Company’s earnings are listed in the “Business Risk” section of the Securities Report (Yukashokenhokokusho) for the Fiscal Year Ended March 31, 2022. It should be noted that factors that could impact earnings are not limited to those listed in the Business Risk section. Risks and uncertainties include the possibility of future events that may have a serious and unpredictable impact on the Company.

The information included in this material has been carefully prepared, but readers should be aware that we do not guarantee the accuracy or certainty of that information.

This material is not intended to solicit investments. We shall advise you to make your final investment decision at your own risk.

The unauthorized use of this material and data are strictly prohibited.

The Company voluntarily applied International Financial Reporting Standards (IFRS) starting with the 1Q FY16.

For the fiscal year ended March 31, 2020, Knowledge onDemand Inc. was classified as a discontinued operation because of the transfer of shares. Income and losses arising from discontinued operations are given separately from continuing operations in the Condensed Interim Statement of Income. Revenue and operating income are the monetary amount of continuing operations. We have applied this classification to Condensed Interim Statement of Income for the fiscal year ended March 31, 2019.
The Fiscal Year Ended March 31, 2023, Earnings Overview

The Fiscal Year Ending March 31, 2024, Earnings Forecast and Dividend Forecast

Company Business Overview and Growth Strategy
The Fiscal Year Ended March 31, 2023, Executive Summary

Record Revenue and Operating Income

Revenue and operating income continuing growth

Earnings forecast achieved despite Q4 slow down

Revenue

¥8,752 million
(+8%)

Operating income

¥2,930 million
(+9%)

- Lead Generation revenue: +12%
- Digital Event revenue: +3%
- Ad revenue: +8%
  - of which is Programmatic Ad revenue: +11%
The Fiscal Year Ended March 31, 2023, Earnings

### Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit: million yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>6,891</td>
</tr>
<tr>
<td>FY21</td>
<td>8,092</td>
</tr>
<tr>
<td>FY22</td>
<td>8,752</td>
</tr>
</tbody>
</table>

Cumulative period

- +¥1,200 million (+17%) from FY20 to FY22

### Operating Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit: million yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>2,022</td>
</tr>
<tr>
<td>FY21</td>
<td>2,687</td>
</tr>
<tr>
<td>FY22</td>
<td>2,930</td>
</tr>
</tbody>
</table>

### Operating Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>29.3%</td>
</tr>
<tr>
<td>FY21</td>
<td>33.2%</td>
</tr>
<tr>
<td>FY22</td>
<td>33.5%</td>
</tr>
</tbody>
</table>

- +¥660 million (+8%) from FY20 to FY21
- +¥665 million (+9%) from FY20 to FY22
- +¥243 million (+9%) from FY20 to FY22
Analysis of Changes in Operating Income

Income rose because of growth in revenue. Unplanned increase in costs during Q4. See p.15

Cumulative period
Unit: million yen

Revenue growth
- Lead Generation: +213
- Media Ad: +446

Cost increase
- Personnel expenses: +120
- Outsourcing expenses: +138
- Other: +158

YoY +¥243 million (+9%)

Revenue
FY21: 2,687
FY22: 2,930

See p.15
## Consolidated Statement of Income

<table>
<thead>
<tr>
<th>Cumulative period</th>
<th>FY21</th>
<th>FY22</th>
<th>Increase</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>As % of revenue</td>
<td>Amount</td>
<td>As % of revenue</td>
</tr>
<tr>
<td>Revenue</td>
<td>8,092</td>
<td>100.0%</td>
<td>8,752</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total cost</td>
<td>5,404</td>
<td>66.8%</td>
<td>5,822</td>
<td>66.5%</td>
</tr>
<tr>
<td>(of which are personnel expenses)</td>
<td>2,958</td>
<td>36.6%</td>
<td>3,078</td>
<td>35.2%</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>3,068</td>
<td>37.9%</td>
<td>3,242</td>
<td>37.0%</td>
</tr>
<tr>
<td>Operating income</td>
<td>2,687</td>
<td>33.2%</td>
<td>2,930</td>
<td>33.5%</td>
</tr>
<tr>
<td>Income before income tax</td>
<td>2,680</td>
<td>33.1%</td>
<td>2,923</td>
<td>33.4%</td>
</tr>
<tr>
<td>Net income</td>
<td>1,800</td>
<td>22.3%</td>
<td>1,974</td>
<td>22.6%</td>
</tr>
<tr>
<td>Net income attributable to owners of parent</td>
<td>1,800</td>
<td>22.3%</td>
<td>1,974</td>
<td>22.6%</td>
</tr>
</tbody>
</table>

*EBITDA: Operating income + depreciation + amortization on intangible assets + impairment loss + stock-based compensation expenses - other one-time revenue - other one-time expenses

Stock-based compensation expenses were included in EBITDA from the disclosure of the Q4 financial results for the fiscal year ended March 31, 2022, and the amount for the previous fiscal year was calculated in the same way.
## Consolidated Statement of Cash Flows

<table>
<thead>
<tr>
<th>Cumulative period</th>
<th>Unit: million yen</th>
<th>FY21</th>
<th>FY22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td>1,989</td>
<td>1,876</td>
<td>(112)</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td>152</td>
<td>(53)</td>
<td>(205)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td>(1,203)</td>
<td>(660)</td>
<td>+542</td>
</tr>
<tr>
<td>Change in cash and cash equivalents</td>
<td></td>
<td>938</td>
<td>1,162</td>
<td>+224</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the period</td>
<td></td>
<td>5,877</td>
<td>6,815</td>
<td>+938</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the period</td>
<td></td>
<td>6,815</td>
<td>7,978</td>
<td>+1,162</td>
</tr>
</tbody>
</table>

### Main items of operating CF
- Income before income tax: +2,923
- Depreciation and amortization: +290
- Increase in trade and other receivables: (45)
- Decrease in trade and other payables: (58)
- Decrease in contract liabilities: (84)
- Income taxes paid: (1,057)

### Main items of investing CF
- Purchase of property, equipment, and intangible assets: (53)

### Main items of financing CF
- Dividends paid: (514)
- Payments of lease liabilities: (162)
Consolidated Statements of Financial Position

<table>
<thead>
<tr>
<th>Unit: million yen</th>
<th>At the end of March 2022</th>
<th>At the end of March 2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>8,728</td>
<td>9,996</td>
<td>+1,268</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>1,320</td>
<td>1,161</td>
<td>(159)</td>
</tr>
<tr>
<td>Total assets</td>
<td>10,048</td>
<td>11,158</td>
<td>+1,109</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>2,051</td>
<td>1,668</td>
<td>(382)</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>64</td>
<td>60</td>
<td>(4)</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,115</td>
<td>1,729</td>
<td>(386)</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital/capital surplus</td>
<td>3,933</td>
<td>3,969</td>
<td>+36</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>5,143</td>
<td>6,603</td>
<td>+1,460</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>(1,144)</td>
<td>(1,144)</td>
<td>–</td>
</tr>
<tr>
<td>Accumulated other comprehensive income</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total equity attributable to owners of parent</td>
<td>7,932</td>
<td>9,429</td>
<td>+1,496</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>7,932</td>
<td>9,429</td>
<td>+1,496</td>
</tr>
<tr>
<td>Equity attributable to owners of parent per share</td>
<td>¥401.34</td>
<td>¥476.37</td>
<td>+¥75.03</td>
</tr>
<tr>
<td>Ratio of equity attributable to owners of parent to total assets</td>
<td>78.9%</td>
<td>84.5%</td>
<td>+5.6pt</td>
</tr>
</tbody>
</table>

**Total assets**
- Cash and cash equivalents: +1,162
- Fixed assets: +53
- Right-of-use assets: (175)

**Total liabilities**
- Lease liabilities: (162)
- Income tax payable: (114)
- Contract liabilities: (84)

**Total equity**
- Retained earnings: +1,460
  - Of which is net income: +1,974
  - Of which are dividends from retained earnings: (514)
<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>4,703</td>
<td>5,278</td>
<td>6,891</td>
<td>8,092</td>
<td>8,752</td>
</tr>
<tr>
<td>Q3</td>
<td>1,393</td>
<td>1,501</td>
<td>2,036</td>
<td>2,376</td>
<td>2,335</td>
</tr>
<tr>
<td>Q2</td>
<td>1,140</td>
<td>1,336</td>
<td>1,751</td>
<td>2,003</td>
<td>2,210</td>
</tr>
<tr>
<td>Q1</td>
<td>1,121</td>
<td>1,310</td>
<td>1,677</td>
<td>1,955</td>
<td>2,226</td>
</tr>
</tbody>
</table>

Unit: million yen

Revenue decrease in Q4

Q4 ¥2,335 million

YoY change

-¥41 million (-2%)
Operating Income (by Quarter)

Unit: million yen

Q4 ￥758 million

Historic Q4 operating income
Higher income despite lower revenue

YoY change
+￥56 million (+8%)
Operating income marked record Q4

Quarterly Revenue and Operating Income

Revenue

Operating income

Accounting period
Unit: million yen

FY22
1,980
1,755
1,425
1,129
FY18
1,048
Q1
Q2
Q3
Q4
FY21
1,955
1,677
1,310
1,121
FY19
1,129
1,121
1,140
1,140
FY18
1,048

YOY -2%

FY22
630
FY21
518
FY20
350
FY19
192
FY18
129

YOY +8%

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Main factors behind year-on-year change

- **Personnel expenses**: -92
  - Reduction in one-time payments + stock-based compensation expenses
    - FY21Q4: ¥184 million; FY22Q4: ¥52 million
- **Outsourcing expenses**: -31
  - Reduction in costs linked to revenue from sales from digital events etc.
- **Other**: +26
  - Business environment, system
  - Acceleration of depreciation in line with decision to downsize offices
Continuation of Smart Work Shift

Continuation of remote work post-pandemic

Cancellation of contract for 1/3 of Kioicho Office
- Increasing costs of ¥25 million during periods due to accelerated depreciation and amortization etc.
- Decrease in rental fees from next fiscal year; estimated at ¥50 million annually

Increase in employee home office costs due to higher energy prices

Extraordinary increase in smart work allowance
- ¥27 million recorded in FY22 Q4

Optimization of office functions including digital events

Illustration of the new office
**Revenue by Revenue Model**

**Cumulative period**
Unit: million yen

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lead Generation Business</strong></td>
<td>6,891</td>
<td>8,092</td>
<td>8,752</td>
</tr>
<tr>
<td>2,384</td>
<td>2,627</td>
<td>2,930</td>
<td></td>
</tr>
<tr>
<td>1,433</td>
<td>1,808</td>
<td>1,857</td>
<td></td>
</tr>
<tr>
<td><strong>Media Ad Business</strong></td>
<td>3,073</td>
<td>3,656</td>
<td>3,964</td>
</tr>
<tr>
<td>3,073</td>
<td>3,656</td>
<td>3,964</td>
<td></td>
</tr>
<tr>
<td>1,109</td>
<td>1,434</td>
<td>1,591</td>
<td></td>
</tr>
</tbody>
</table>

**YoY**
+¥660 million (+8%)

- **Lead Generation revenue**
  - +¥302 million (+12% YoY)
- **Digital Event revenue**
  - +¥49 million (+3% YoY)
- **Ad revenue**
  - +¥308 million (+8% YoY)
- **of which is Programmatic Ad revenue**
  - +¥157 million (+11% YoY)
Demand continues to grow

Success in strengthening content
Digital Event Revenue

Cumulative period
Unit: million yen

<table>
<thead>
<tr>
<th>Year</th>
<th>Sponsored</th>
<th>Commissioned</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>448</td>
<td>155</td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td>419</td>
<td>222</td>
<td></td>
</tr>
<tr>
<td>FY20</td>
<td>646</td>
<td>787</td>
<td>+¥137 million (+13%)</td>
</tr>
<tr>
<td>FY21</td>
<td>1,024</td>
<td>783</td>
<td>YoY +¥49 million (+3%)</td>
</tr>
<tr>
<td>FY22</td>
<td>1,162</td>
<td>694</td>
<td>-¥88 million (-11%)</td>
</tr>
</tbody>
</table>

FY: Financial Year

YoY: Year-over-Year

- FY18: 448 (S) + 155 (C) = 603 million yen
- FY19: 419 (S) + 222 (C) = 641 million yen
- FY20: 646 (S) + 787 (C) = 1,433 million yen
- FY21: 1,024 (S) + 783 (C) = 1,807 million yen
- FY22: 1,162 (S) + 694 (C) = 1,856 million yen

ITmedia Virtual EXPO 2023 春

Sponsored > Commissioned
Ad Revenue

Smart and social Programmatic ads drive growth

Cumulative period
Unit: million yen

<table>
<thead>
<tr>
<th>Year</th>
<th>Ad Revenue</th>
<th>YoY Increase</th>
<th>YoY Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>2,286</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td>2,609</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY20</td>
<td>3,073</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>3,656</td>
<td>+¥308 million</td>
<td>+8%</td>
</tr>
<tr>
<td>FY22</td>
<td>3,964</td>
<td>+¥157 million</td>
<td>+11%</td>
</tr>
</tbody>
</table>

of which is Programmatic Ad revenue
Revenue by Segment

Cumulative period
Unit: million yen

- **Lead Generation Business**
  - Revenue from commissioned digital events decreased
  - Firm Lead Generation revenue

- **Media Ad Business**
  - Increased revenue from firm sponsored digital events
  - Programmatic Ad revenue increased
  - Slowdown during Q4, particularly among overseas clients
Operating Income by Segment

Cumulative period
Unit: million yen

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Ad Business</td>
<td>287</td>
<td>465</td>
<td>1,217</td>
<td>1,754</td>
<td>1,904</td>
</tr>
<tr>
<td>Lead Generation Business</td>
<td>594</td>
<td>706</td>
<td>804</td>
<td>932</td>
<td>1,026</td>
</tr>
</tbody>
</table>

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Q4 Earnings Results

Revenue:
- FY20Q4: ¥2,036 million
- FY21Q4: ¥2,376 million
- FY22Q4: ¥2,335 million

Operating income:
- FY20Q4: ¥533 million
- FY21Q4: ¥701 million
- FY22Q4: ¥758 million

Accounting period:
- FY20Q4: ¥2,036 million
- FY21Q4: ¥2,376 million
- FY22Q4: ¥2,335 million

Operating margin:
- FY20Q4: 26.2%
- FY21Q4: 29.5%
- FY22Q4: 32.5%
**Q4 Revenue by Segment**

- **Lead Generation Business**
  - Revenue from commissioned digital events decreased
  - Firm Lead Generation revenue decreased by ¥10 million (-1%)

- **Media Ad Business**
  - Downturn due principally to overseas clients
  - Programmatic Ad revenue has also slowed down

### Accounting period
Unit: million yen

<table>
<thead>
<tr>
<th></th>
<th>FY18Q4</th>
<th>FY19Q4</th>
<th>FY20Q4</th>
<th>FY21Q4</th>
<th>FY22Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>578</td>
<td>654</td>
<td>920</td>
<td>960</td>
<td>949</td>
</tr>
<tr>
<td>YoY</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-1%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY18Q4</th>
<th>FY19Q4</th>
<th>FY20Q4</th>
<th>FY21Q4</th>
<th>FY22Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>815</td>
<td>846</td>
<td>1,116</td>
<td>1,416</td>
<td>1,385</td>
</tr>
<tr>
<td>YoY</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-2%</td>
<td></td>
</tr>
</tbody>
</table>
Operating Income by Segment

<table>
<thead>
<tr>
<th>Accounting period</th>
<th>Unit: million yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18Q4</td>
<td>137</td>
</tr>
<tr>
<td>FY19Q4</td>
<td>150</td>
</tr>
<tr>
<td>FY20Q4</td>
<td>229</td>
</tr>
<tr>
<td>FY21Q4</td>
<td>196</td>
</tr>
<tr>
<td>FY22Q4</td>
<td>346</td>
</tr>
</tbody>
</table>

**Media Ad Business**

- FY18Q4: 463
- FY19Q4: 32.7%
- FY20Q4: 463
- FY21Q4: 35.9% (YoY +¥33 million (+7%))
- FY22Q4: 497

**Lead Generation Business**

- FY18Q4: 238
- FY19Q4: 27.5%
- FY20Q4: 24.8%
- FY21Q4: 27.5% (YoY +¥22 million (+10%))
- FY22Q4: 261

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Q4 Revenue by Revenue Model

**Accounting period**
Unit: million yen

**Lead Generation Revenue**
- FY20Q4: ¥691 million
- FY21Q4: ¥576 million
- FY22Q4: ¥776 million
  - +¥48 million (+7% YoY)
  - -¥82 million (-14% YoY)
  - -¥8 million (-1% YoY)

**Digital Event Revenue**
- FY20Q4: ¥454 million
- FY21Q4: ¥1,072 million
- FY22Q4: ¥494 million

**Ad Revenue**
- FY20Q4: ¥339 million
- FY21Q4: ¥425 million
- FY22Q4: ¥422 million
  - of which is Programmatic Ad revenue
  - -¥3 million (-1% YoY)
Q4 Digital Event Revenue

Accounting period
Unit: million yen

<table>
<thead>
<tr>
<th></th>
<th>Sponsored</th>
<th>Commissioned</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18Q4</td>
<td>151</td>
<td>46</td>
<td>197</td>
</tr>
<tr>
<td>FY19Q4</td>
<td>122</td>
<td>75</td>
<td>197</td>
</tr>
<tr>
<td>FY20Q4</td>
<td>226</td>
<td>228</td>
<td>454</td>
</tr>
<tr>
<td>FY21Q4</td>
<td>321</td>
<td>232</td>
<td>553</td>
</tr>
<tr>
<td>FY22Q4</td>
<td>494</td>
<td>173</td>
<td>667</td>
</tr>
</tbody>
</table>

- YoY -¥82 million (-14%)
- YoY -¥22 million (-7%)
- YoY -¥59 million (-26%)

Post-pandemic swing-back as predicted at the start of the period
State of KPI: Members and PVs for Past 5 Quarters

1. Members eligible for Lead Generation service because of ITmedia ID, common member platform
2. To improve data quality, the company worked to find inaccurate member data. Excluded data on around 6,000 members
Strengthening content in growth fields

Increase in number of customers
State of KPI: Customers

Cumulative period
Unit: companies

- FY20
- FY21
- FY22

Number of companies to which sales were recorded during the period
Ad Revenue: Netolabo—Revenue and PVs

- Focused on establishing a brand and expanding PVs
- Changes in operating policy
- Disorder in ad market
- Policy change since Q3 of FY20 will pay off
- Total number of PVs will decrease slightly
- Continued growth in profitable PVs
  + The unit prices in Ad market are expected to improve after COVID-19 pandemic ends

Projections for FY22

Situation in Q4

PVs, ad market unit price both flat YoY

Continuing to aim for revenue growth through PV growth
The Fiscal Year Ended March 31, 2023, Earnings Overview

The Fiscal Year Ending March 31, 2024, Earnings Forecast and Dividend Forecast

Company Business Overview and Growth Strategy
Risks expected to emerge within predicted scope. Situation expected to continue, particularly during first half.

- **COVID-19**
- **Situation in Ukraine**
- **FX rate fluctuations**
  Concerns over inflation
- **Downturn, financially instability, particularly in US**

**Forecast for FY22 second half**

- Growing short term unpredictability, particularly among overseas clients
- Temporary slow down in Digital Event business

**Situation in FY22Q4**

- Growing downturn in US
- Growing expectation over the end of the COVID-19 pandemic

**Forecast for FY23**

- Situation continues, particularly during first half
- Continuing digital shift within marketing
- Maintain growth in the Lead Generation Business
- Digital shift within marketing will continue
Risks expected to emerge within predicted scope. Situation expected to continue, particularly during first half.

<table>
<thead>
<tr>
<th></th>
<th>Unit: million yen</th>
<th>Revenue</th>
<th>Operating income</th>
<th>Net income attributable to owners of parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>First half</td>
<td></td>
<td>4,210</td>
<td>1,210</td>
<td>820</td>
</tr>
<tr>
<td>YoY change</td>
<td></td>
<td>[ +0.1%]</td>
<td>[ -13.1%]</td>
<td>[ -13.3%]</td>
</tr>
<tr>
<td>Full year</td>
<td></td>
<td>9,150</td>
<td>3,000</td>
<td>2,020</td>
</tr>
<tr>
<td>YoY change</td>
<td></td>
<td>[ +4.5%]</td>
<td>[ +2.4%]</td>
<td>[ +2.3%]</td>
</tr>
<tr>
<td>FY22, 1st half (actual)</td>
<td></td>
<td>4,206</td>
<td>1,392</td>
<td>946</td>
</tr>
<tr>
<td>FY22, full year (actual)</td>
<td></td>
<td>8,752</td>
<td>2,930</td>
<td>1,974</td>
</tr>
</tbody>
</table>

* Forward-looking comments noted above, such as earnings outlooks, are based on information available when the material was created and certain assumptions deemed rational and the Company does not guarantee they will occur. Actual earnings may substantially differ due to various factors.
Medium-Term Target: X40

Short-term slow down expected
Continuing digital shift within marketing

Unit: 100 million yen

FY25 Operating Income Target

¥40 hundred million to be achieved

X40
## FY23 Dividend Forecast

### Payout Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Payout Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td>24.9%</td>
</tr>
<tr>
<td>FY13</td>
<td>30.6%</td>
</tr>
<tr>
<td>FY14</td>
<td>24.6%</td>
</tr>
<tr>
<td>FY15</td>
<td>41.2%</td>
</tr>
<tr>
<td>FY16</td>
<td>39.3%</td>
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<tr>
<td>FY17</td>
<td>56.9%</td>
</tr>
<tr>
<td>FY18</td>
<td>30.4%</td>
</tr>
<tr>
<td>FY19</td>
<td>25.3%</td>
</tr>
<tr>
<td>FY20</td>
<td>23.0%</td>
</tr>
<tr>
<td>FY21</td>
<td>25.3%</td>
</tr>
<tr>
<td>FY22</td>
<td>14%</td>
</tr>
<tr>
<td>FY23</td>
<td>30.0%</td>
</tr>
</tbody>
</table>

### Dividend Details

- **Payout ratio 29.4%**
- **¥2 dividend increase**
- **¥30 for full fiscal year**

Unit: yen

*For full fiscal year, ¥30 dividend paid.*

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The Fiscal Year Ended March 31, 2023, Earnings Overview

The Fiscal Year Ending March 31, 2024, Earnings Forecast and Dividend Forecast

Company Business Overview and Growth Strategy
<table>
<thead>
<tr>
<th>Company Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company name</strong></td>
</tr>
<tr>
<td><strong>Date of establishment</strong></td>
</tr>
<tr>
<td><strong>Representative</strong></td>
</tr>
<tr>
<td><strong>Address</strong></td>
</tr>
<tr>
<td><strong>Capital</strong></td>
</tr>
<tr>
<td><strong>Number of employees</strong></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
</tr>
<tr>
<td><strong>End of fiscal year</strong></td>
</tr>
<tr>
<td><strong>Parent company</strong></td>
</tr>
<tr>
<td><strong>Listed market</strong></td>
</tr>
</tbody>
</table>

As of March 31, 2023
Contribute to Information Revolution by Innovating Professional Media

• We believe profession makes media reliability
• Technology leads conventional media to innovation
• Providing media community as a social knowledge platform
Deliver a bright future for humanity through the information revolution

Contributing to the development of humanity by encouraging the spread of technology, promoting increases in the overall productive efficiency of society and the resolution of problems.

Achieve an equitable society through the provision of a social knowledge platform

Providing reliable, high-value added knowledge and information, to resolve digital divide and contribute to a society in which no one is left behind.

Responsible use of information technology

Creating an environment that fosters ethical and appropriate use of technology to prevent adverse effects on society from information and technology.

Promote work styles that respect diversity

Creating an environment in which a diverse workforce can fulfill their potential without anxiety, thereby increasing employees’ motivation and productivity while pursuing sustainable corporate growth.

Develop a strong and transparent governance structure

Developing a strong governance structure with increased transparency that leads to mid- to long-term corporate growth, thereby winning the trust of all stakeholders.
Materiality

Development of a sustainable society

Innovate professional media
Contribute through information

Social innovation through technology
Sustainability: Major topic for the fiscal year (released on April 28, 2022)

- Identify materiality
- Promote diversity and inclusion
- Broaden disclosure in English
- Increase decarbonization-related content
- Increase SDGs-related content
- Respond to climate change (1)
- Disclose ESG data
- Respond to climate change (2)
Major changes in B2B purchasing processes
The availability of specialized information online has removed the selling side's information advantage

Digital media content now fulfills the role of sales
The Role of Digital Media Content

Analog era

**Buyer**

Cannot understand the product without speaking to Sales

**Seller**

Sales receives inquiries from potential customers even if no action is taken

Digital era

**Buyer**

Can obtain sufficient information without speaking to Sales

**Seller**

Digital media content now fulfills the role of sales
One of Japan's largest technology-focused digital media content provider

Monthly
400 million PVs

Total number of members
1.2 million people

Number for new monthly articles
6,000 articles

1 in 4.5 members are corporate managers, company executives, department leaders

100% first-party data*

* User information collected by the company's own site. First-party data is more than liable and provides greater added value than standard third-party data.
One of Japan’s Largest Digital Media Content Provider

### Customer/user scale
- Number of potential customers: 7,000 companies
- (Sellers) Number of customers: 2,000 companies
- ( Buyers) Profile members: 1.2 million people
- Number of readers: 25 million people, 50 million UB

### Media/data scale
- Number of digital events held: 200 times/year
- Number of specialized media: 30 media
- Number of articles: 6,000 articles/month
- Monthly PVs: 400 million PVs

### Staff
- Direct sales staff: 100 people
- Outside writers: 1,000 writers
- Internal writers: 100 writers

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Core Company Foundations

One of the largest holders of data in Japan that brings technology buyers and sellers together

- **In-house DX staff / IT buyers**
  - Member readers: 1.2 million people
  - Readers: 25 million people

- **Companies providing technology**
  - Customers: 2,000 companies
  - Potential customers: 7,000 companies

- **Engagement**
  - Data/Information media
  - Customer acquisition platform
  - Innovation

- **Companies participating in the platform**
  - Current visible market

- **Potential users**
  - Market expansion through growing digital transformation

- **Technology industry**
  - 50,000 companies

- **Market expansion**
  - Payments for digital customer acquisition
  - ¥20 trillion market
  - ¥100 billion – ¥200 billion (0.5%–1.0%)

- **Business/industry**
  - Payments for technology
Service that allows digital media and content to perform sales functions (exchanging business cards)
Our company engages in the digital transformation of Sales and Marketing

Market expected to expand $2.9 \times$ over 10 years

**Digital media content** fulfills the role of Sales

- **2020** ¥156.4 billion
- **2030** ¥450 billion

Average 5-year growth rate 27%

“Future outlook for the digital transformation market; market edition/vendor strategy edition” summary (published March 15, 2022, number 22025) Fuji Chimera Research Institute Inc.

https://www.fcr.co.jp/pr/22025.htm
1. Expansion on both buy-side and sell-side

2. Increasingly sophisticated and diverse solutions

3. Adapting to innovative media technology
   Developing the new markets that emerge

4. Reduce issues and risks in the development of society
Engage with Growth Vectors

Previously

Expansion on both buy-side and sell-side

Innovation of society

IT
Industrial technology
Cloud and SaaS
Industry DX

Innovation of marketing

Increasingly sophisticated and diverse solutions

Lead Generation
Digital Events
Data driven
Next-generation digital events

Innovation of media

Adapting to innovative media technology. Developing the new markets that emerge

Established as a dedicated online business
Smart and Social
Metaverse
AI
(e.g. ChatGPT)
### Lead Generation Business

- **Revenue model**: Lead Generation revenue
- **Revenue format**
  - Provide sales leads
  - Provide intent data etc.
- **Revenue sources**
- **KPIs**
  - Number of members
- **Value provided**
  - Customer acquisition
- **Sales format**
  - One of Japan's largest sales networks, focusing on specialized targets
  - Integrated proposal of wide-ranging solutions as a digital marketing consultant
  - Principal customer segments: B2B (IT/business, industrial technology fields)

### Media Ad Business

- **Revenue model**: Digital Event revenue, Ad revenue
- **Revenue format**
  - Commissioned revenue
  - Sponsored revenue
  - • Sales of ad slots
  - • Tie-up plans
- **Revenue sources**
- **KPIs**
  - Number of members
  - PVs
- **Value provided**
  - Raise awareness
- **Sales format**
  - Sales resources not required
  - Sales by partners with superior ad technology

**Strong content media**
More industry fields × Use of accumulated data

Develop value

Perceive social change
Intensively enhance content

- Cloud and SaaS
- Security
- Decarbonization
- Artificial intelligence
- Industry DX
- SDGs

Synergistically generate revenue in each model
Accelerate new development

- Lead Generation
- Digital Event
- Programmatic Ad
- Data Driven
- Highly Targeted Ad

Reinvest
Our Mission
Contribute to information revolution by innovating professional media

Partnership
Multiple specialist media corporations in various industries

Cooperating to provide edification on digital transformation in each industry
Contributing to the media industry
New Initiatives: Industry DX

Further acceleration of DX
Digital specific revenue models

Sustainability in the media industry
Development of industry-specific media

Deploy in all industries

Provide solid revenue model, support revenue generation

Ads
Lead Generation
Digital Events
New Initiatives: Image of Industrial DX

- Electronics
- Mobility
- Construction
- Smart energy
- Chemistry/materials
- Agriculture
- Bio
- Public projects
- Education
- Finance
- Distribution/retail
- Logistics
- IT
- ...
New Initiatives: Industrial DX

Sales
- Customer platform
- Strong direct sales capability
- Campaign management

Products
- Solution model
- Digital Events
- Ad
- LG, Data Driven

Content
- Reader/member platform
- Specialist editing/planning capability
- Content platform

Sharing expanded revenue opportunities with our partners

Partner
Beginning with digital events. Creating business opportunities with partners.

- Construction
- Retail
- Finance
- Education
- Oil, chemistry
- etc.
Main Growth Points

Largest general B2B digital media = largest data holder

From IT industry to all industries

Expand fields of development

Expand opportunities for acquiring data

Expand data value

One of the largest holders of data in Japan that brings buyers and sellers together

- Campaign Central
- Content
- Ad
- Lead Generation
- Digital Event
- Intent Data
- Account Data
- Contact Data
- Clear intent to purchase
- Product target match
- Contactable
Contribute to Information Revolution by Innovating Professional Media
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Inquiries: ir@sml.itmedia.co.jp