ITmedia Inc.
The Six-Month Period Ended
September 30, 2022
Earnings Briefing

October 31, 2022
Securities code: 2148
Tokyo Stock Exchange Prime Market
Forward-looking comments appearing in this material, 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. Please refer to that. However, 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.

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

This material is not provided to solicit investments. Decisions regarding investments should be made by investors themselves.

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 business because of the transfer of shares. Therefore, income and losses from discontinued businesses are given separately from continuing businesses in the Condensed Interim Statement of Income. Revenue and operating income are the monetary amount of continuing businesses. For the fiscal year ended March 31, 2019, a similar reclassification was carried out.
Company Overview

The Six-Month Period Ended September 30, 2022, Earnings Overview

Sustainability

Fiscal Year Ending March 31, 2023, Earnings Forecast and Dividend Forecast
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
Producing a large number of excellent IT professionals, advancing the IT industry and spreading technology to improve productivity throughout society and to encourage the solution of social issues, thereby contributing to the development of human society.

Achieve an equitable society through the provision of a social knowledge platform
Developing a base that provides reliable knowledge and information with high added value to all, thereby eliminating digital divide and realizing an equal society where no one is left behind.

Responsible use of information technology
Communicating reliable information in the right way and fostering an environment where information and technology are used in an ethical and appropriate manner, thereby strengthening the foundation for promoting innovation.

Promote work styles that respect diversity
Creating an environment in which a diverse workforce can fulfill their abilities 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.

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Innovate professional media
Contribute through information
Development of a sustainable society
Social innovation through technology
A medium that connects technology buyers and vendors with information & data

Value provided

Specialized information on technology contributing to the information revolution

Image of our typical users and members
In-house DX staff / IT buyer

Value provided

Effective digital marketing

Image of our typical customers
Vendors in the technology industry
Development of various revenue models leveraging data

**Data platform**

- Ad revenue
- Programmatic Ad revenue
- Digital Event revenue
- Lead Generation revenue
- Data Driven revenue
- Review Marketing revenue

**Business Base and Strength**

- 2,000 technology companies as customers
- Specialized sales force of around 100 people

**Targeted and specialized content**

- Over 400 million PVs per month
- Over 1 million member data
- Over 1 million external data
- Specialized sales force of around 100 people
- Digital Event revenue

**Behavioral data**
- Over 400 million PVs per month

**Member data**
- Over 1 million

**External data linkage**
**Scale (Snapshot of FY22)**

**Customer/user scale**
- Number of potential customers: 7,000 companies
- Vendor Number of customers: 2,000 companies
- Buyer Profile member: 1.1 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
Innovation of Marketing Service - Lead Generation

1. Development of data-leveraging service
   Introduction of the U.S. advanced digital models

2. Quality and quantity of 1st-party data generated by specialized content
   - Intent Data: Clear intent to purchase
   - Account Data: Product targets match
   - Contact Data: Contactable

3. Provision of sales leads with clear intent to purchase
   Four commitments unique to digital services
   - Ex: clear intent to purchase
   - Leads of accounting staff: by November
   - 600 leads
Changes in Our Earnings Structure and Initiatives

<table>
<thead>
<tr>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Generation</td>
<td>Ad</td>
<td>Ad</td>
<td>Lead Generation</td>
<td>Lead Generation</td>
<td>Under development</td>
<td>Programmatic Ad</td>
<td>Lead Generation</td>
<td>Lead Generation</td>
<td>Lead Generation</td>
<td>Redesign platform system (Lead generation Business Platform [LBP])</td>
<td>Digital Event revenue</td>
<td>Lead Generation revenue</td>
<td>Programmatic Ad revenue</td>
<td>Ad revenue</td>
</tr>
</tbody>
</table>

Collaboration with ON24

Expand industrial technology field

Digital Event

Programmatic Ad
**Lead Generation Revenue: Successfully Imported and Established the Advanced "Lead Generation" Model in the U.S.**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
</table>

- Redesigned platform system (LBP)
- Digital shift within marketing and sales

Digital shift within marketing and sales
The market was established in the wake of the Pandemic.
Programmatic Ad Revenue: Responding to the Smart and Social Trend

Grew into a huge media outlet with 300-400 million PVs per month
Growth Spiral

Value Demonstration

Perceiving social change
Intensively enhancing content

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

Synergistic revenue growth in each model
Accelerating new development

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

Reinvestment

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Medium-Term Target

FY25 Operating Income of ¥4.0 billion

(Unit: hundred million yen)

Beyond6

FY25 Operating Income

40 hundred million yen achieved

¥40 X40
Company Overview

The Six-Month Period Ended September 30, 2022, Earnings Overview

Sustainability

Fiscal Year Ending March 31, 2023, Earnings Forecast and Dividend Forecast
The Six-Month Period Ended September 30, 2022, Executive Summary

Record earnings

Continuing growth towards achieving the earnings forecast

Revenue ¥4,206 million (+13%)

- Lead Generation Business +10%
- Media Ad Business +16%

- Digital shift within marketing continued
- Stronger demand among manufacturing and cloud/SaaS customers because of accelerated DX
- Firm sponsored digital events
- Programmatic Ad revenue increased

Operating income ¥1,392 million (+10%)
The Six-Month Period Ended September 30, 2022, Earnings

(Unit: million yen)

Revenue

<table>
<thead>
<tr>
<th>FY20Q2</th>
<th>FY21Q2</th>
<th>FY22Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,103</td>
<td>3,711</td>
<td>4,206</td>
</tr>
</tbody>
</table>

Operating income

<table>
<thead>
<tr>
<th>FY20Q2</th>
<th>FY21Q2</th>
<th>FY22Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>869</td>
<td>1,263</td>
<td>1,392</td>
</tr>
</tbody>
</table>

Operating margin

<table>
<thead>
<tr>
<th>FY20Q2</th>
<th>FY21Q2</th>
<th>FY22Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>28.0%</td>
<td>34.0%</td>
<td>33.1%</td>
</tr>
</tbody>
</table>
Revenue (by Quarter)

(Unit: million yen)

Historic Q2 revenue

Q2 ¥2,226 million

YoY change

+¥271 million (+14%)
Operating Income (by Quarter)

(Unit: million yen)

Historic Q2 revenue

Q2 ¥762 million

YoY change

+¥77 million (+11%)
Quarterly revenue and operating income

Quarterly trend will continue in the current fiscal year.
Good progress has been made.

(Unit: million yen)

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>1,048</td>
<td>1,121</td>
<td>1,140</td>
<td>1,393</td>
</tr>
<tr>
<td>FY19</td>
<td>1,129</td>
<td>1,310</td>
<td>1,336</td>
<td>1,501</td>
</tr>
<tr>
<td>FY20</td>
<td>1,425</td>
<td>1,677</td>
<td>1,751</td>
<td>2,036</td>
</tr>
<tr>
<td>FY21</td>
<td>1,755</td>
<td>1,955</td>
<td>2,003</td>
<td>2,376</td>
</tr>
<tr>
<td>FY22</td>
<td>1,980</td>
<td>2,226</td>
<td>2,036</td>
<td>1,129</td>
</tr>
</tbody>
</table>

YoY +14%

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>129</td>
<td>194</td>
<td>190</td>
<td>347</td>
</tr>
<tr>
<td>FY19</td>
<td>350</td>
<td>297</td>
<td>334</td>
<td>366</td>
</tr>
<tr>
<td>FY20</td>
<td>578</td>
<td>685</td>
<td>722</td>
<td>701</td>
</tr>
<tr>
<td>FY21</td>
<td>518</td>
<td>619</td>
<td>701</td>
<td>533</td>
</tr>
<tr>
<td>FY22</td>
<td>630</td>
<td>762</td>
<td>762</td>
<td>742</td>
</tr>
</tbody>
</table>

YoY +11%
## Consolidated Statement of Income

<table>
<thead>
<tr>
<th>(Unit: million yen)</th>
<th>FY21Q2 Amount</th>
<th>As % of revenue</th>
<th>FY22Q2 Amount</th>
<th>As % of revenue</th>
<th>Increase</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>3,711</td>
<td>100.0%</td>
<td>4,206</td>
<td>100.0%</td>
<td>+495</td>
<td>+13.3%</td>
</tr>
<tr>
<td><strong>Total cost</strong></td>
<td>2,448</td>
<td>66.0%</td>
<td>2,814</td>
<td>66.9%</td>
<td>+365</td>
<td>+14.9%</td>
</tr>
<tr>
<td><em>(of which are personnel expenses)</em></td>
<td>1,348</td>
<td>36.3%</td>
<td>1,491</td>
<td>35.5%</td>
<td>+143</td>
<td>+10.6%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,401</td>
<td>37.7%</td>
<td>1,525</td>
<td>36.3%</td>
<td>+124</td>
<td>+8.9%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>1,263</td>
<td>34.0%</td>
<td>1,392</td>
<td>33.1%</td>
<td>+129</td>
<td>+10.2%</td>
</tr>
<tr>
<td><strong>Income before income tax</strong></td>
<td>1,255</td>
<td>33.8%</td>
<td>1,390</td>
<td>33.0%</td>
<td>+134</td>
<td>+10.7%</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>855</td>
<td>23.0%</td>
<td>946</td>
<td>22.5%</td>
<td>+90</td>
<td>+10.6%</td>
</tr>
<tr>
<td><strong>Net income attributable to owners of parent</strong></td>
<td>855</td>
<td>23.0%</td>
<td>946</td>
<td>22.5%</td>
<td>+90</td>
<td>+10.6%</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.
In this quarter, we saw an increase in operating income of ¥1,392 million compared to ¥1,263 million in the previous quarter. This rise is attributed to a growth in revenue.

We strengthened our investment in growth fields, leading to an increase in income. The main contributors to the revenue growth are Lead Generation and Media Ad, with increases of ¥168 million and ¥327 million, respectively.

Costs also increased by ¥129 million compared to the previous quarter, which is a YoY increase of 10%. This increase is primarily due to personnel expenses, which grew by ¥143 million, and outsourcing expenses, which increased by ¥131 million. Other expenses also rose by ¥91 million.

**Revenue growth**
- Lead Generation: +¥168 million
- Media Ad: +¥327 million

**Cost increase**
- Personnel expenses: +¥143 million
- Outsourcing expenses: +¥131 million
- Other: +¥91 million

(Unit: million yen)
Cost Breakdown by Quarter

(Unit: million yen)

FY20Q1 FY20Q2 FY20Q3 FY20Q4 FY21Q1 FY21Q2 FY21Q3 FY21Q4 FY22Q1 FY22Q2

1,075 1,158 1,132 1,503 1,270 1,281 1,675 1,464

- Outsourcing expenses
  - Increase in content investment
  - Linked to increase in digital events
  - Strengthened external ad placements
- Other +60
  - Business environment, system

Main factors behind year-on-year change

- Personnel expenses +71
  - Increase in number of employees in growth fields

Q2 YoY change As percent of total

<table>
<thead>
<tr>
<th></th>
<th>Q2</th>
<th>YoY change</th>
<th>As percent of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>+15.3%</td>
<td>100%</td>
</tr>
<tr>
<td>Outsourcing expenses</td>
<td>+26.3%</td>
<td>20.3%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>+17.4%</td>
<td>27.7%</td>
<td></td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>+10.4%</td>
<td>52.0%</td>
<td></td>
</tr>
</tbody>
</table>
Employee Breakdown by Quarter

(Units: employees)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Administrative and other</th>
<th>Technical</th>
<th>Sales and planning</th>
<th>Editing</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20Q1</td>
<td>31</td>
<td>126</td>
<td>144</td>
<td>153</td>
</tr>
<tr>
<td>FY20Q2</td>
<td>32</td>
<td>122</td>
<td>159</td>
<td>156</td>
</tr>
<tr>
<td>FY20Q3</td>
<td>35</td>
<td>125</td>
<td>156</td>
<td>162</td>
</tr>
<tr>
<td>FY20Q4</td>
<td>35</td>
<td>131</td>
<td>162</td>
<td>166</td>
</tr>
<tr>
<td>FY21Q1</td>
<td>35</td>
<td>139</td>
<td>166</td>
<td>177</td>
</tr>
<tr>
<td>FY21Q2</td>
<td>35</td>
<td>142</td>
<td>180</td>
<td>180</td>
</tr>
<tr>
<td>FY21Q3</td>
<td>31</td>
<td>144</td>
<td>146</td>
<td>194</td>
</tr>
<tr>
<td>FY21Q4</td>
<td>29</td>
<td>146</td>
<td></td>
<td>194</td>
</tr>
<tr>
<td>FY22Q1</td>
<td>30</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY22Q2</td>
<td>33</td>
<td>154</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q2 YoY change As percent of total
- Total +40 100%
- Administrative and other (2) 8.2%
- Technical +2 5.0%
- Sales and planning +12 38.4%
- Editing +28 48.4%

• Includes contract, temporary, and part-time employees

Ratio of personnel expenses to revenue = \[
\frac{[\text{SG&A expenses}] + \text{personnel expenses} + \text{cost of sales} \times \text{labor costs}}{\text{Revenue}} \times 100
\]
### Consolidated Statement of Cash Flows

<table>
<thead>
<tr>
<th>(Unit: million yen)</th>
<th>FY21Q2</th>
<th>FY22Q2</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td>626</td>
<td>727</td>
<td>+100</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td>(9)</td>
<td>(12)</td>
<td>(2)</td>
</tr>
<tr>
<td><strong>Cashflows from financing activities</strong></td>
<td>(688)</td>
<td>(316)</td>
<td>+371</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents</strong></td>
<td>(71)</td>
<td>398</td>
<td>+469</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of the period</strong></td>
<td>5,877</td>
<td>6,815</td>
<td>+938</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of the period</strong></td>
<td>5,806</td>
<td>7,214</td>
<td>+1,408</td>
</tr>
</tbody>
</table>

#### Main items of operating CF
- **Income before income tax**: +1,390
- **Income taxes paid**: (586)
- **Decrease in trade and other payables**: +100

#### Main items of investing CF
- **Purchase of property, equipment, and intangible assets**: (12)

#### Main items of financing CF
- **Dividends paid**: (237)
- **Payments of lease liabilities**: (88)
# 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 September 2022</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>9,127</td>
<td>+399</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>1,320</td>
<td>1,199</td>
<td>(121)</td>
</tr>
<tr>
<td>Total assets</td>
<td>10,048</td>
<td>10,326</td>
<td>+277</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>1,619</td>
<td>(431)</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>64</td>
<td>61</td>
<td>(2)</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,115</td>
<td>1,681</td>
<td>(434)</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>3,937</td>
<td>+3</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>5,143</td>
<td>5,852</td>
<td>+708</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>8,644</td>
<td>+712</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>7,932</td>
<td>8,644</td>
<td>+712</td>
</tr>
</tbody>
</table>

### Total assets
- Cash and cash equivalents +398
- Right-of-use assets (87)
- Intangible assets (30)

### Total liabilities
- Income tax payable (140)
- Trade and other payables (93)
- Lease liabilities (88)
- Other current liabilities (68)
- Contract liabilities (41)

### Total equity
- Retained earnings +708
  - Of which is net income (loss) +946
  - Of which is dividends from retained earnings (237)

### Ratio of equity attributable to owners of parent to total assets
- 78.9% + 4.8pt
Revenue by Segment

(Unit: million yen)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Lead Generation Business</th>
<th>Media Ad Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18Q2</td>
<td>910</td>
<td>1,258</td>
</tr>
<tr>
<td>FY19Q2</td>
<td>1,040</td>
<td>1,399</td>
</tr>
<tr>
<td>FY20Q2</td>
<td>1,427</td>
<td>1,675</td>
</tr>
<tr>
<td>FY21Q2</td>
<td>1,617</td>
<td>2,093</td>
</tr>
<tr>
<td>FY22Q2</td>
<td>1,786 (YoY +¥168 million (+10%))</td>
<td>2,420 (YoY +¥327 million (+16%))</td>
</tr>
</tbody>
</table>

- Digital shift within marketing continued
  - Stronger demand among manufacturing and cloud/SaaS customers because of accelerated DX
  - Firm sponsored digital events
  - Programmatic Ad revenue increased
Operating Income by Segment

(Unit: million yen)

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY18Q2</th>
<th>FY19Q2</th>
<th>FY20Q2</th>
<th>FY21Q2</th>
<th>FY22Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Ad Business</td>
<td>92</td>
<td>190</td>
<td>299</td>
<td>502</td>
<td>830</td>
</tr>
<tr>
<td>Lead Generation Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>890</td>
</tr>
</tbody>
</table>

YoY
- Media Ad Business: +¥59 million (+7%)
- Lead Generation Business: +¥69 million (+16%)
State of KPI: Members and PV for Past 5 Quarters

Number of Lead Generation members

YoY +100 thousand people (+9.2%)

(Unit: 10,000 people)

105

FY21Q2 FY21Q3 FY21Q4 FY22Q1 FY22Q2

Number of PV (monthly average)

YoY -73 million PVs (-15.1%)

(Unit: million PV)

487

FY21Q2 FY21Q3 FY21Q4 FY22Q1 FY22Q2

1. Members eligible for Lead Generation service because of ITmedia ID, common member platform

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Number of Cumulative Customers in Q2

(Unit: companies)

Strengthen contents in cloud/SaaS and industry DX fields

Increase in number of customers in each field

* Number of companies to which sales were recorded during the period
**State of KPI: Customers**

### Lead Generation

- **FY20**
  - Q1: 748
  - Q2: 838
  - Q3: 964
  - Q4: 890

- **FY21**
  - Q1: 1,130
  - Q2: 1,127
  - Q3: 1,303
  - Q4: 1,320

- **FY22**
  - Q1: 1,208
  - Q2: 1,130
  - Q3: 1,303
  - Q4: 1,513

(Units: companies)

### Media Ad

- **FY20**
  - Q1: 273
  - Q2: 355
  - Q3: 470
  - Q4: 407

- **FY21**
  - Q1: 583
  - Q2: 630
  - Q3: 752
  - Q4: 792

- **FY22**
  - Q1: 619
  - Q2: 583
  - Q3: 630
  - Q4: 752

(Units: companies)

* Number of companies to which sales were recorded during the period
Revenue by Revenue Model

(Unit: million yen)

+¥495 million (+13%)

3,103

1,081

641

1,381

477

3,711

1,256

813

1,641

638

4,206

1,420

931

1,854

726

Lead Generation revenue

+¥164 million (+13% YoY)

Digital Event revenue

+¥118 million (+15% YoY)

Ad revenue

of which is Programmatic Ad revenue

+¥212 million (+13% YoY)

+¥87 million (+14% YoY)

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Demand continues to grow

Success in strengthening content

(Unit: million yen)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18Q2</td>
<td>838</td>
</tr>
<tr>
<td>FY19Q2</td>
<td>942</td>
</tr>
<tr>
<td>FY20Q2</td>
<td>1,081</td>
</tr>
<tr>
<td>FY21Q2</td>
<td>1,256</td>
</tr>
<tr>
<td>FY22Q2</td>
<td>1,420</td>
</tr>
</tbody>
</table>

YoY +¥164 million (+13%)
Strengthen content investment to achieve Medium-Term Target X40

Focus on higher growth markets

Cloud and SaaS
Industry DX

Strengthen content
Global Editorial Center

ITmedia’s dedicated editing department
Overseas media partners
Translation partners

Strengthen ability to generate leads in fields with strong demand
Digital shift continued

Growth mainly driven by sponsored events

YoY +¥118 million (+15%)

Commissioned

Sponsored

931

566

451

294

191

189

346

361

365

YoY +¥114 million (+25%)

YoY +¥3 million (+1%)

(Unit: million yen)
Growth of event brands following ITmedia Virtual EXPO

- Setting flagship event in each business field
- Enhancing existing brands
- Expansion of business fields and new events

(Related press releases)
https://corp.itmedia.co.jp/pr/releases/2022/09/05/securityweek/
https://corp.itmedia.co.jp/pr/releases/2022/10/11/digitalbusinessdays/

Expand external ad placements to increase brand penetration and attract more customers (higher costs)
Smart and social Programmatic ads drive growth

YoY +¥212 million (+13%)

YoY +¥87 million (+14%)

of which is Programmatic Ad revenue

(Unit: million yen)

FY18Q2: 1,066
FY19Q2: 1,210
FY20Q2: 1,381
FY21Q2: 1,641
FY22Q2: 1,854

YoY +¥212 million (+13%)

YoY +¥87 million (+14%)

of which is Programmatic Ad revenue

(Unit: million yen)
Ad Revenue: Netolabo—Revenue and PV

Focused on establishing a brand and expanding PV

Changes in operating policy

Disorder in ad market

Revenue per 1,000 PV (yen)

Projections for FY22

Fruits of changing policy since Q3 of FY20
Total PVs growth will slow down
High profit margin PVs will continue to grow
+ Ad market unit prices are expected to improve after the pandemic

Situation in 1H

Revenue continues to grow
PV control is going well
Ad market unit price improved, but slower than expected
Updated programmatic ad management system
Company Overview

The Six-Month Period Ended September 30, 2022, Earnings Overview

Sustainability

Fiscal Year Ending March 31, 2023, Earnings Forecast and Dividend Forecast
Here is a description of our quarterly progress

Sustainability: Priority topics for this fiscal year (announced on April 28, 2022)

- Identify materiality (material issues)
- Broaden English disclosure
- Respond to climate change (1)
- Expand decarbonization-related content
- Promote diversity
- Expand SDGs-related content
- Respond to climate change (2)
- Disclosure of ESG data

Done

Topic

Q3 plan and beyond

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Contribute to social innovation as a media outlet

A feature article on SDGs
“The future of society as transformed by corporations”


The challenge of becoming carbon neutral
-What should the manufacturing industry do now?-  

https://monoist.itmedia.co.jp/mn/subtop/features/carbonneutral/
Promote work styles that respect diversity

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

Diversity

Projecting the promotion of female participation and career advancement

▶ An action plan is under development

Target ratio of females in management 30%

Smart work

▶ Expansion of smart work system

Employees can choose to work in remote locations

▶ Optimize remote work and work environment

Reduce the space in Kioicho office

Use flexible office to address the headcount growth in the future

Flexible space adjustment

Promote making variable costs

Higher cost is expected in 2H FY22
(Accelerated depreciation of existing buildings and facilities: around ¥40 million)

Press release on October 3, 2022
https://corp.itmedia.co.jp/pr/releases/2022/10/03/smartwork2/
Company Overview
The Six-Month Period Ended September 30, 2022, Earnings Overview
Sustainability
Fiscal Year Ending March 31, 2023, Earnings Forecast and Dividend Forecast
ITmedia was selected as a component of the “JPX-Nikkei Mid and Small Cap Index” (From August 31, 2022)

We are fully committed to sustainability in response to the heightened expectations of our stakeholders associated with our transition to the prime market.

We will continue our efforts to further enhance our corporate value to meet the expectations of our shareholders, investors, and other stakeholders.
No sign of calming, and uncertainty increased in the short term
Earnings slowdown in some companies, especially major foreign firms

Envisioned due to pandemic being gotten under control

- Digital shift within marketing will continue
- Digital Event revenue: slow down in the short term Minor than initially expected
- Programmatic Ad revenue: unit price will improve Slower than initially expected
FY22 Consolidated Earnings Forecasts

- **Steady in 1H**
- **Increased uncertainty in business conditions**
- **Temporary cost addition in 2H**

  *(Accelerated depreciation of an office)*

<table>
<thead>
<tr>
<th></th>
<th>Revenue (Unit: million yen)</th>
<th>Operating income</th>
<th>Net income attributable to owners of parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full fiscal year</td>
<td>8,730</td>
<td>2,920</td>
<td>1,970</td>
</tr>
<tr>
<td>YoY change</td>
<td>(+7.9%)</td>
<td>(+8.7%)</td>
<td>(+9.4%)</td>
</tr>
<tr>
<td>FY21 Actual</td>
<td>8,092</td>
<td>2,687</td>
<td>1,800</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.
No change to our original forecast

For full fiscal year

28 yen

* Payout ratio 28.1%
Medium-Term Target

FY25 Operating Income of ¥4.0 billion

(Unit: hundred million yen)

FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22 FY25

Beyond6 8

W20 20

FY25 Operating Income

40 hundred million yen achieved

¥4.0 billion
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