



**ITmedia Inc.**

ITmedia Inc.

Materials for new investors



December, 2024

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02 | Business Overview

03 | Initiatives for Growth

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Our Mission

Contribute to  
Information Revolution  
by Innovating  
Professional Media

Company Profile

Company name	ITmedia Inc.
Location	Kioicho Bldg., 3-12 Kioicho Chiyoda-ku, Tokyo 102-0094 Japan
Establishment	December, 1999
Capital	¥1,882 million (as of March 31, 2024)
Number of employees	339 (as of March 31, 2024)
Representatives	Toshiki Otsuki, President and CEO
Major shareholders	SB Media Holdings Corp.
Stock exchange listings	TSE Prime Market (code: 2148)
Group Companies	Subsidiaries • Hacchu Navi Inc. • NetVision Corporation  Affiliated Company • ITcrowd Corp.
Business Description	Internet/Media Business



## Toshiki Otsuki President and CEO

Born in 1961 in Nagano Prefecture, Japan. Graduated from Tohoku University.

Joined the newly established SoftBank Corporation (now SoftBank Group Corp.) in 1984 as a new graduate recruit. Engaged in sales and merchandising for the distribution business. Served as general manager of the CEO Office and Secretary of Strategy for President Masayoshi Son from 1989 to 1994. During this time, he developed systems for managerial accounting and daily account settlement. Following this, he worked in the Publishing Division, where he served as general manager of the Advertising Department, Marketing Department, and Internet Department.

Participated in the establishment of Yahoo! JAPAN in 1996. First to sell internet advertising in Japan. Also established the internet advertising company Cyber Communications Inc. in the same year through a joint venture with DENTSU INC., and served as a director.

Established SoftBank ZDNet Inc. (now ITmedia Inc.) in 1999 as a subsidiary of SoftBank and Japan's first internet-only media company, and was appointed as president. Listed the Company on the TSE in 2007.

Message from the Management <https://corp.itmedia.co.jp/ir/english/about/message/>

# SoftBank Group

SB Media Holdings

SoftBank

SB C&S

SB Technology

SB Creative

SB Human Capital



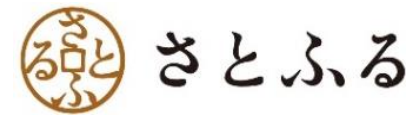
Realize Innovations



SB Payment Service



SoftBank Robotics



Founded in 1999 at the dawn of the Internet  
Taking on the challenge of becoming Japan's first dedicated online media business

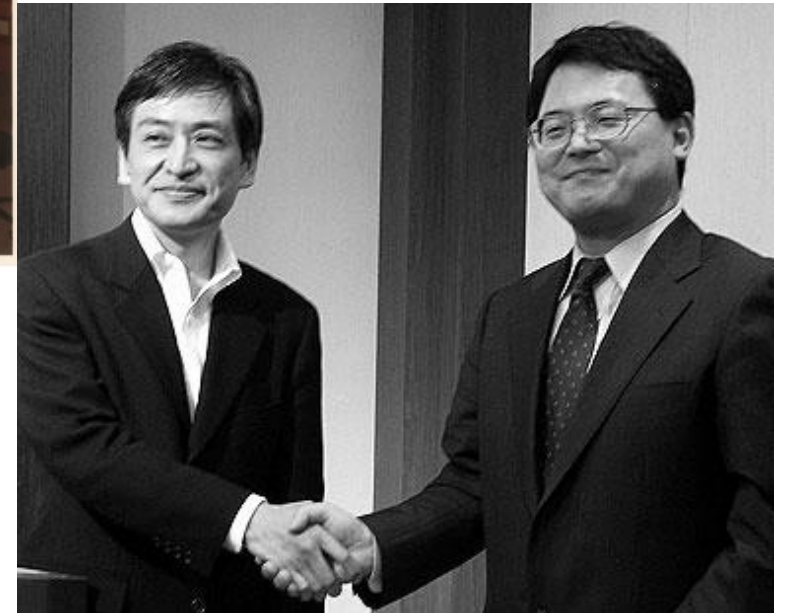
Inside the company of SoftBank (1982)



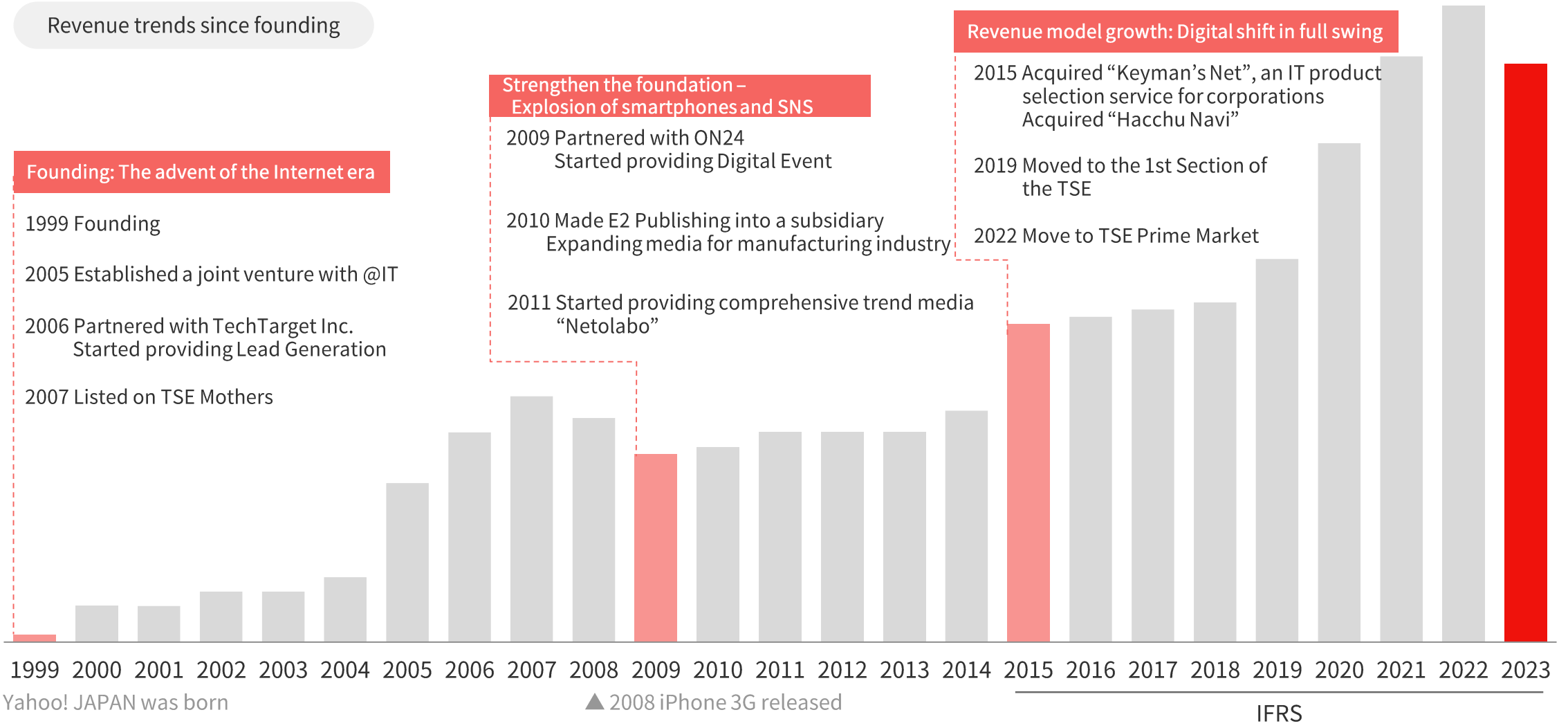
PC information magazine published by SoftBank



Launch of internet-only media



Merged with @IT (2005)



▲ 1996 Yahoo! JAPAN was born

▲ 2001 Yahoo! BB launched

▲ 2008 iPhone 3G released

# Japan's largest online media specializing in technology information



潜在層から見込み顧客まで

オンラインプロモーションによる  
顧客獲得をワンストップでサポート



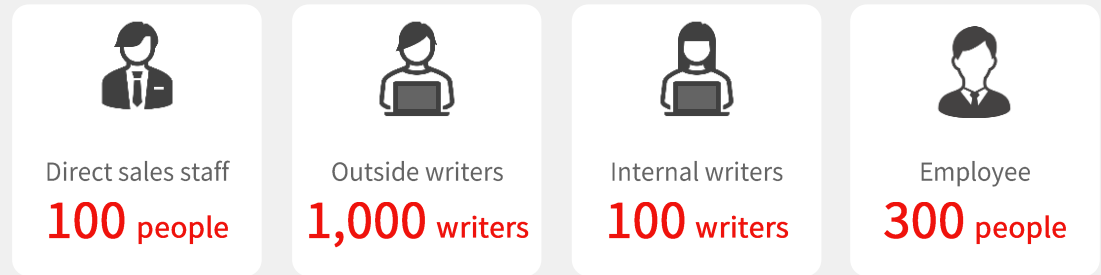
## Customer/ User scale



## Media/ Data scale

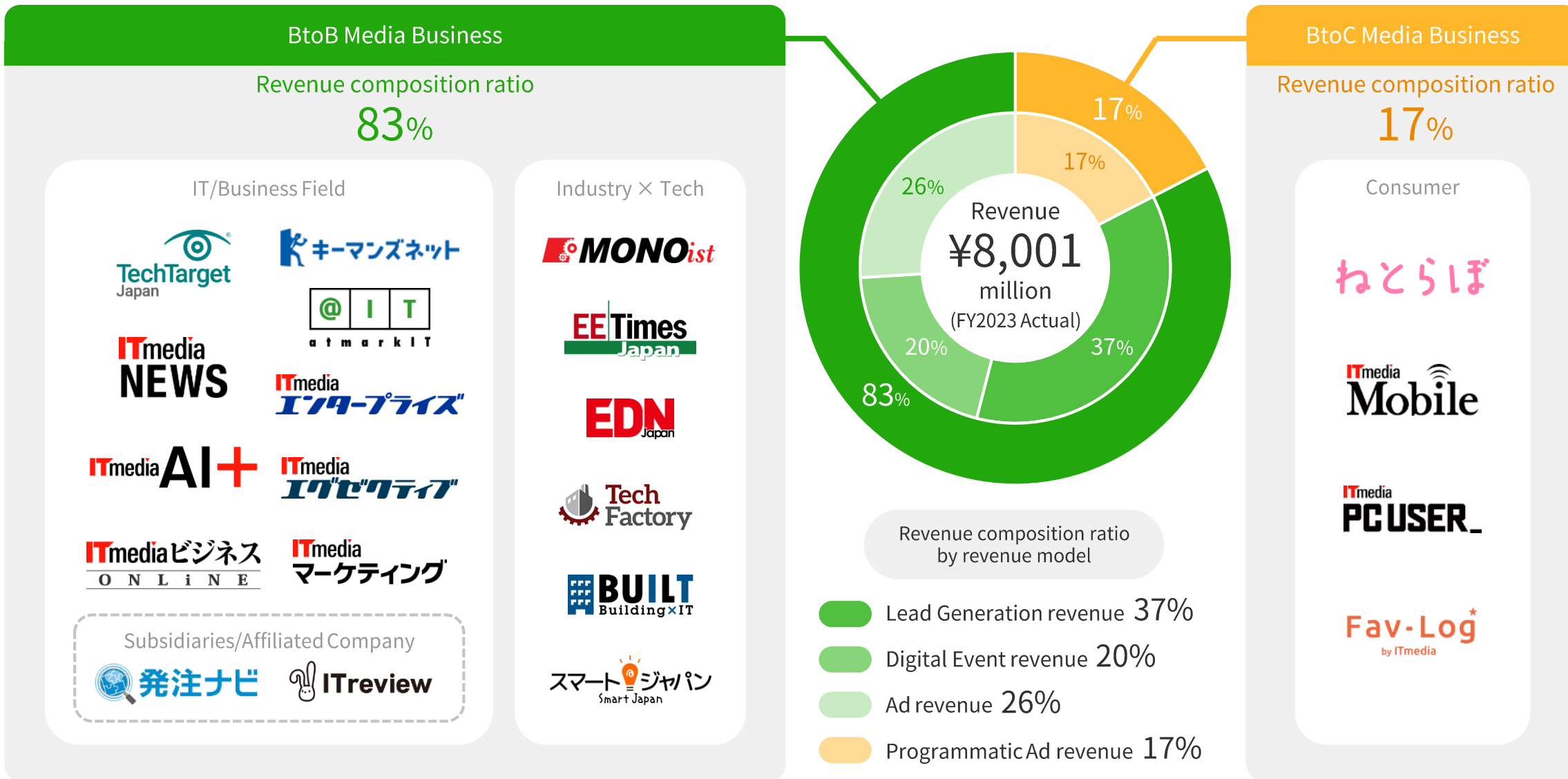


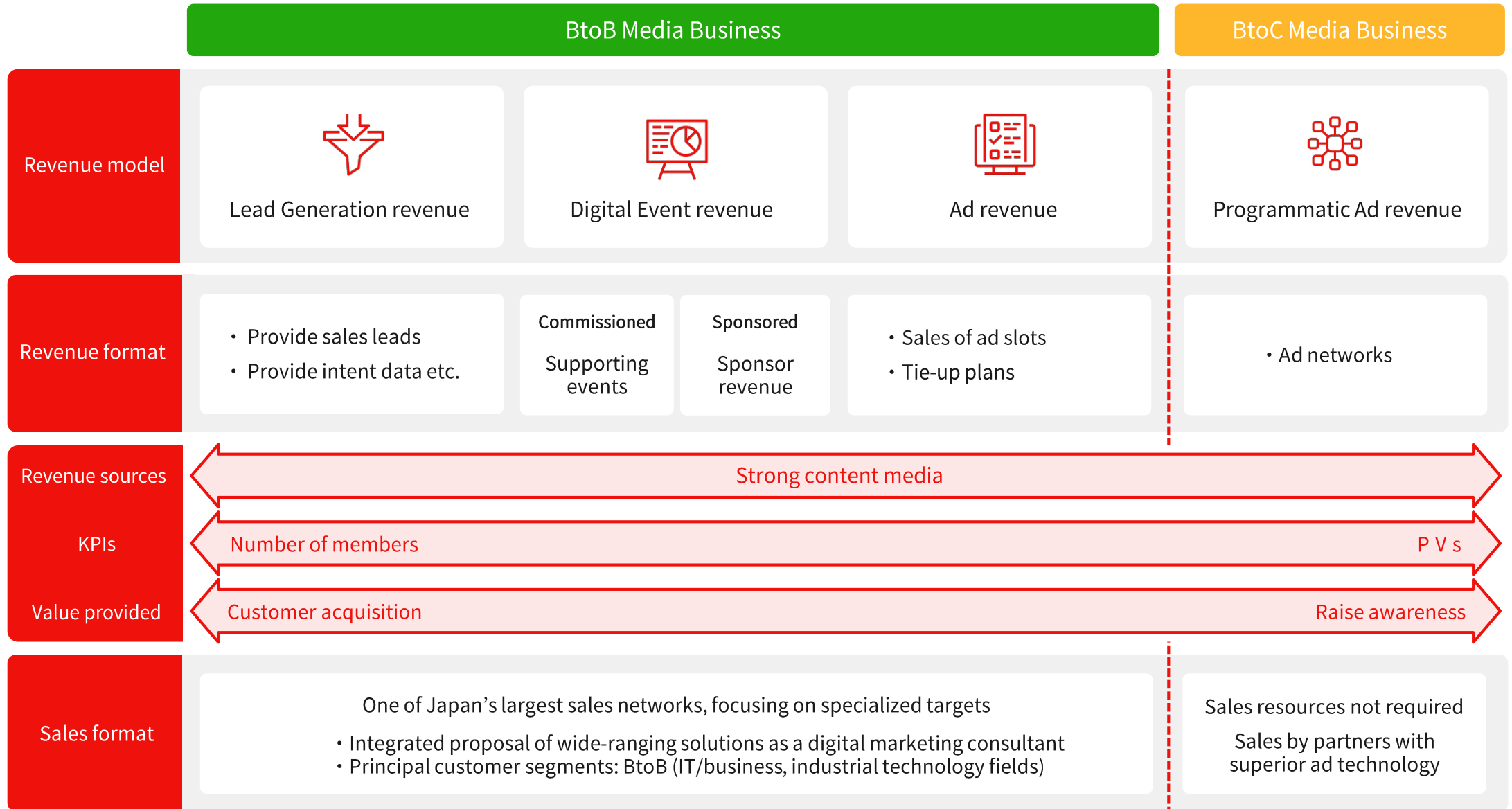
## Staff





# Revenue composition ratio and media operated





Revenue

¥8,001million

Operating income

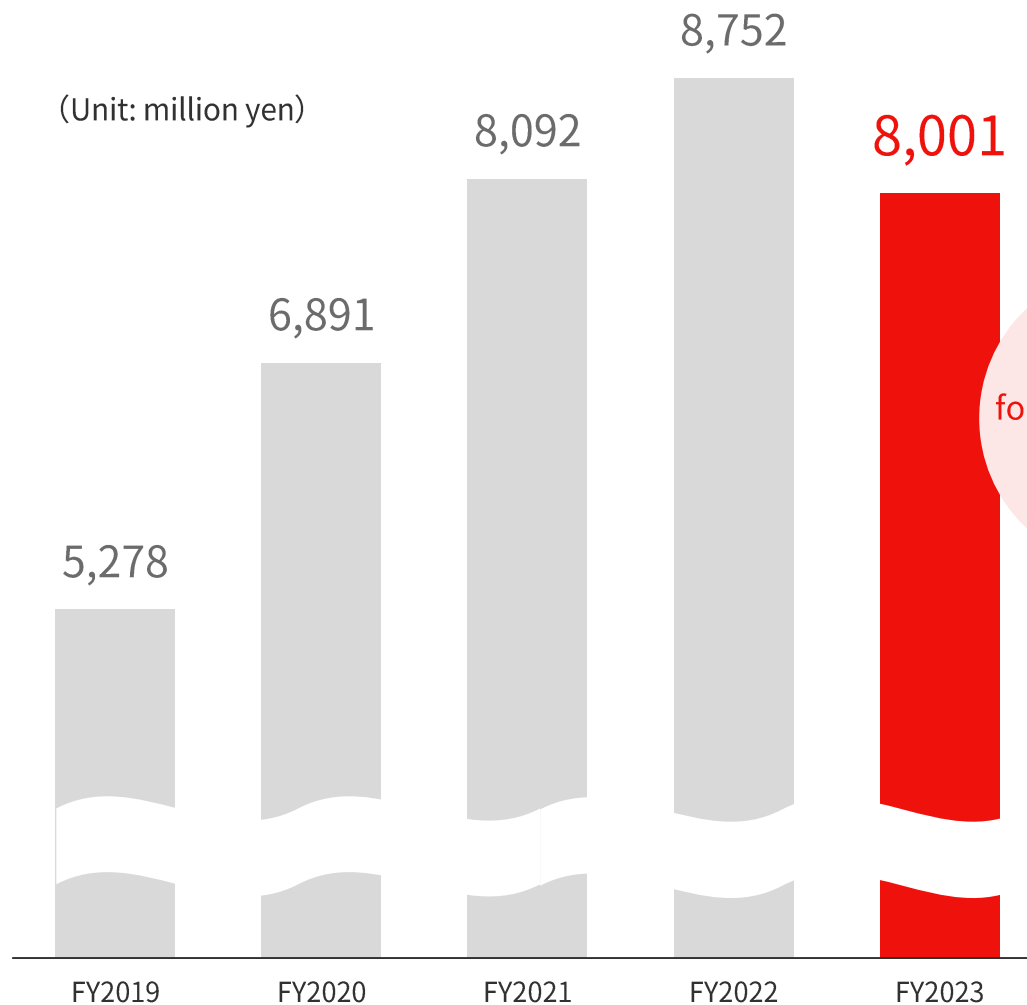
¥2,228million

Operating margin

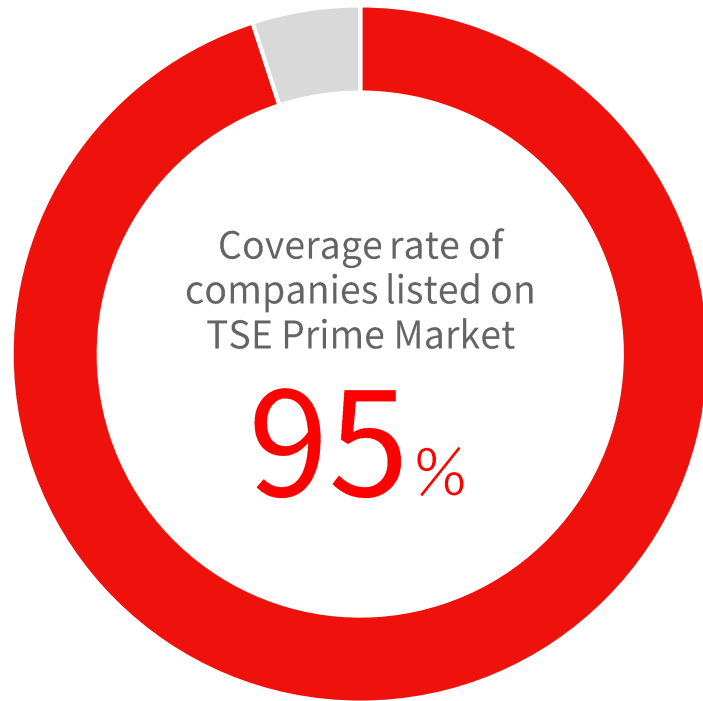
27.8%

Trends of revenue

(Unit: million yen)

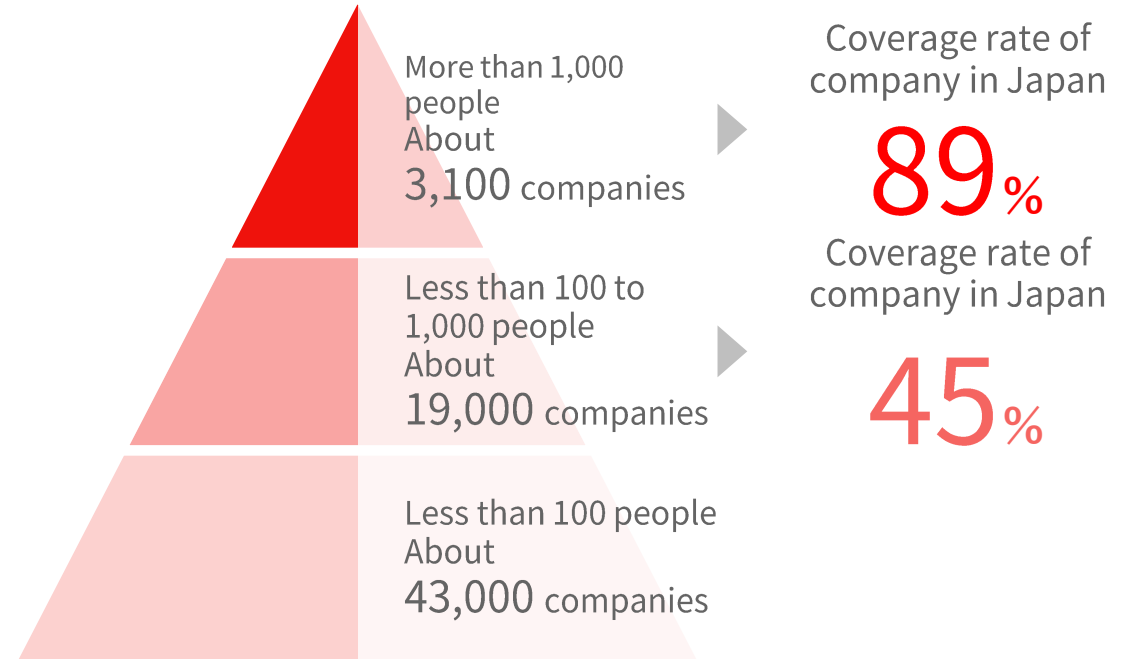


Coverage rate of companies listed on TSE Prime Market among our members



\* Coverage rate of companies listed on TSE Prime Market among our members  
- As of July 2022  
- If listed as a holding company, the main operating companies are counted

Number of member companies by employee size



\* Coverage rate of company in Japan  
- Compiled based on the 2016 Economic Census - Activity Survey

➔ An indispensable source of information for the introduction and consideration of technology products = media

Business record

- Number of technology customers **2,264** companies (FY2024)
- A wide range of transactions from foreign to domestic, from large to small and medium-sized companies

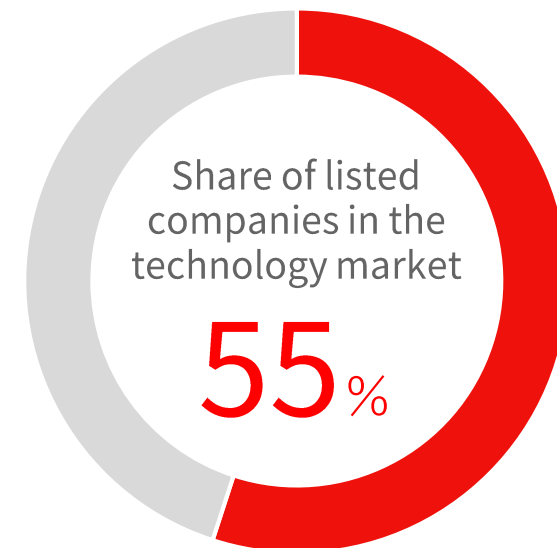


Market share

Digital marketing methodology

Lead Generation

**No.1\*** in Japan



\* In-house research (survey for the FY2024)

Track record with U.S. companies developing advanced businesses



TechTarget  
Listed on Nasdaq



ON24  
Listed on NYSE



Industry Dive

Business Model

Lead  
Generation

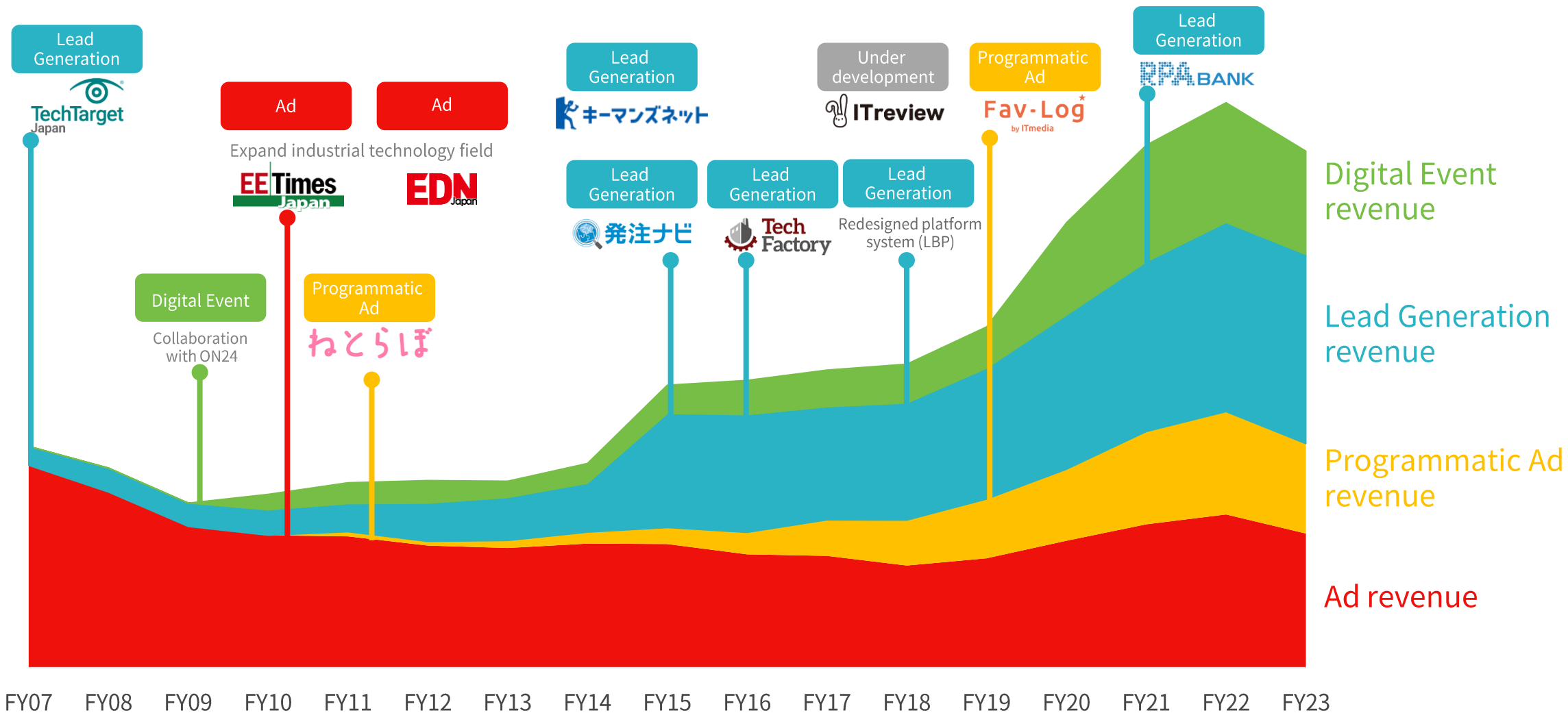
Digital  
Event

Expansion of  
Industrial  
media area

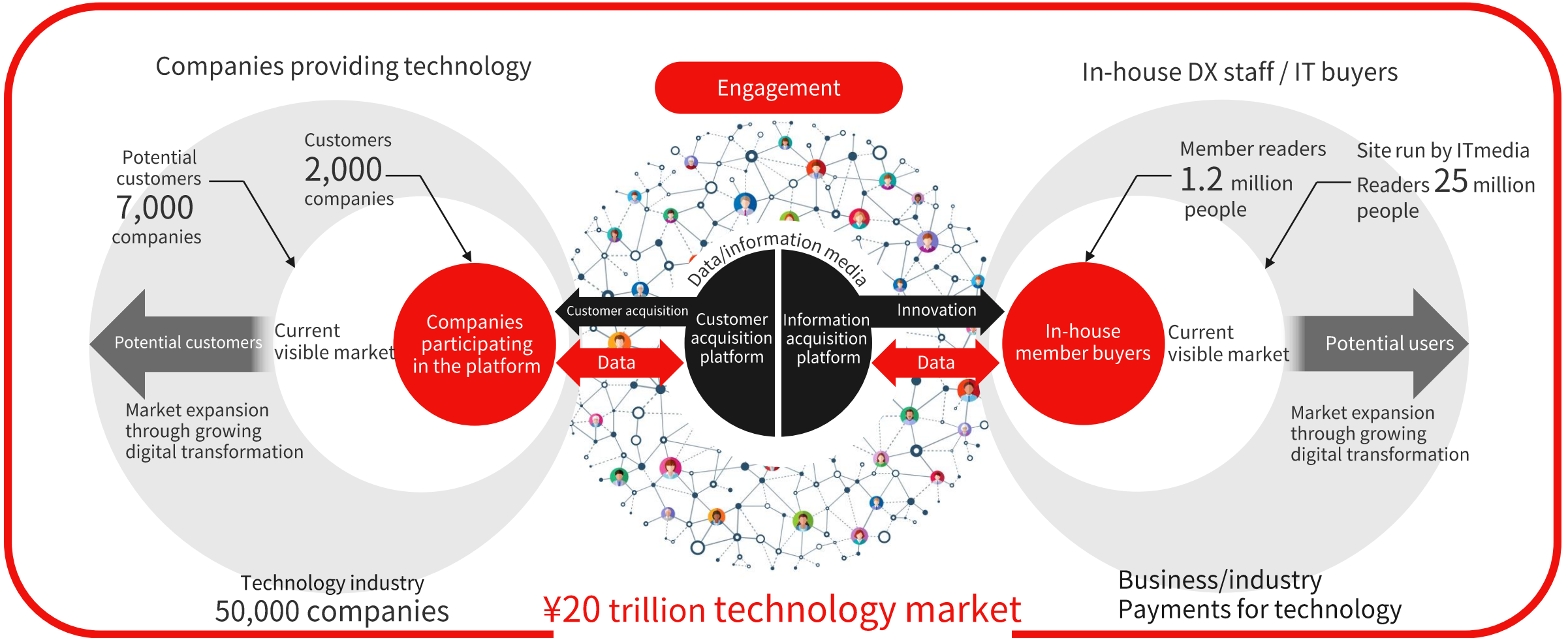
**NEW!**

# Changes in revenue growth and business development

Expand business domains through new business development only possible with the Internet



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



(Ref.) • IDC Japan, May 2023, <https://www.idc.com/getdoc.jsp?containerId=prJPJ50735923>  
 • Fuji Chimera Research Institute, Inc. Sept. 2022 <https://www.fcr.co.jp/pr/22094.htm>



# Advantageous position in the technology market

## Advancements in technology

Societal changes and markets

DX



Digital shift of society

Media



Digital shift of media

Marketing



Digital shift of marketing

ITmedia's position



One of the largest technology information media in Japan



Provision of marketing methods that use the uniqueness of the digital world

# Improving sales productivity is a major social problem for Japanese companies



Reason why sales productivity in Japan is lower than global standards <sup>\*1</sup>

**Low** net sales per sales employee is low

- The role of the sales employee is unclear and inefficient
- There are numerous tasks of responding to customers outside of the sales approach (handling complaints, etc.)
- There are many miscellaneous tasks outside of sales activities

**Low** sales efficiency (= high sales cost component)

- Slowness in transitioning to digital-based sales
- Room for cost-cutting in areas across multiple businesses

**High** personnel expenses per sales employee

- Inefficient salary systems and incentive designs amid a lack of clarity in skill requirements and evaluation systems

 Companies want digital-based solutions



Value provided by the Company

Concentration on core operations

- Enabling sales reps to concentrate on approaches to the prospective customers by having our services supporting lead (potential-customer) acquisition and lead nurturing

Optimization through CRM and other digital processes, and improving efficiency

- Switching to digital-based sales processes by combining digital tools with our data. Enabling efficient sales that are not personnel oriented
- Specifying sales priorities based on data, such as companies to approach. Improvement in order efficiency
- Better quality of business administration using process visualization

ROI clarification in marketing investment

- Services that make customer prioritization and ROI analysis of marketing and sales easier.
- Proposals by sales reps to customers of optimal marketing mixes

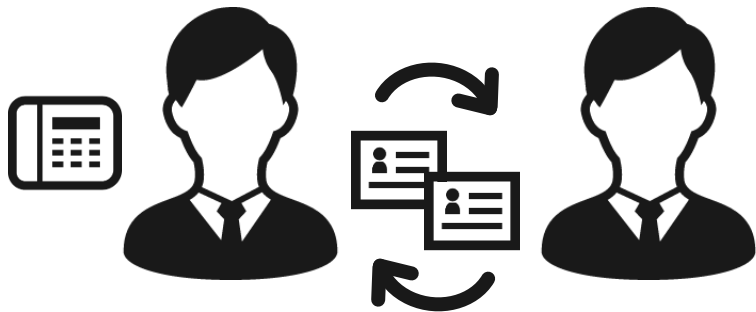
 Achieving “sales DX” through digital data

\* 1 Reference: McKinsey & Company “Why is Japan sales productivity so low?” (February 2021)  
[https://www.mckinsey.com/jp/~/\\_media/McKinsey/Locations/Asia/Japan/Our%20Insights/Why%20is%20Japan%20sales%20productivity%20so%20low%20Japanese.pdf](https://www.mckinsey.com/jp/~/_media/McKinsey/Locations/Asia/Japan/Our%20Insights/Why%20is%20Japan%20sales%20productivity%20so%20low%20Japanese.pdf)

# DX that changes corporate marketing

Analog era

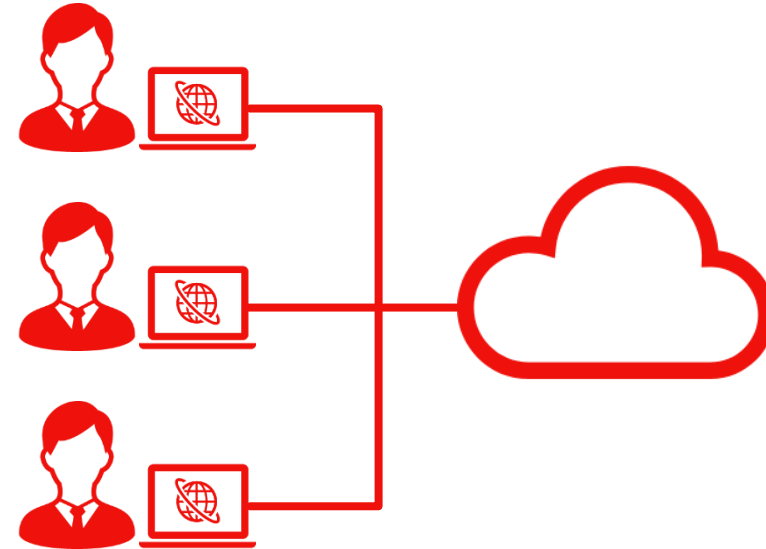
Contact sales  
to obtain purchasing information



Sales acquire contacts

Digital era

Obtain purchasing information  
on the Internet ourselves



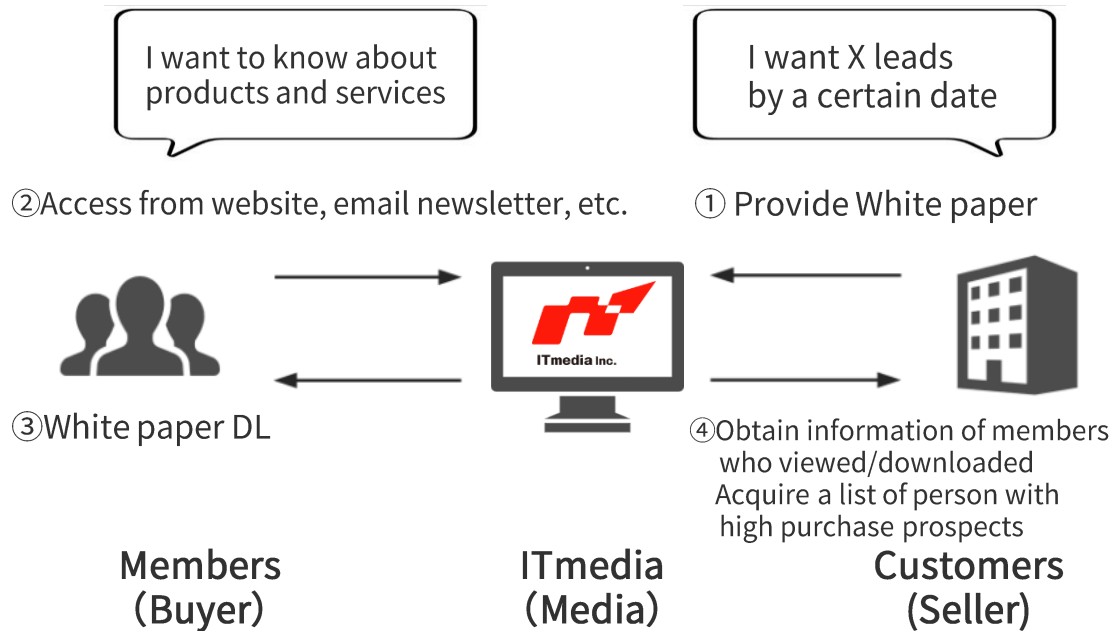
Digital content acquires contacts

# “LeadGen” business that supports marketing DX

Marketing services that **enable the acquisition of potential leads\***

Largest scale and quality in the domestic technology industry

## Business Model



\*\*Readers who have shown an interest in members company's products and services and who may become potential customers in the future

## Strengths of ITmedia’s LeadGen

Professional media membership

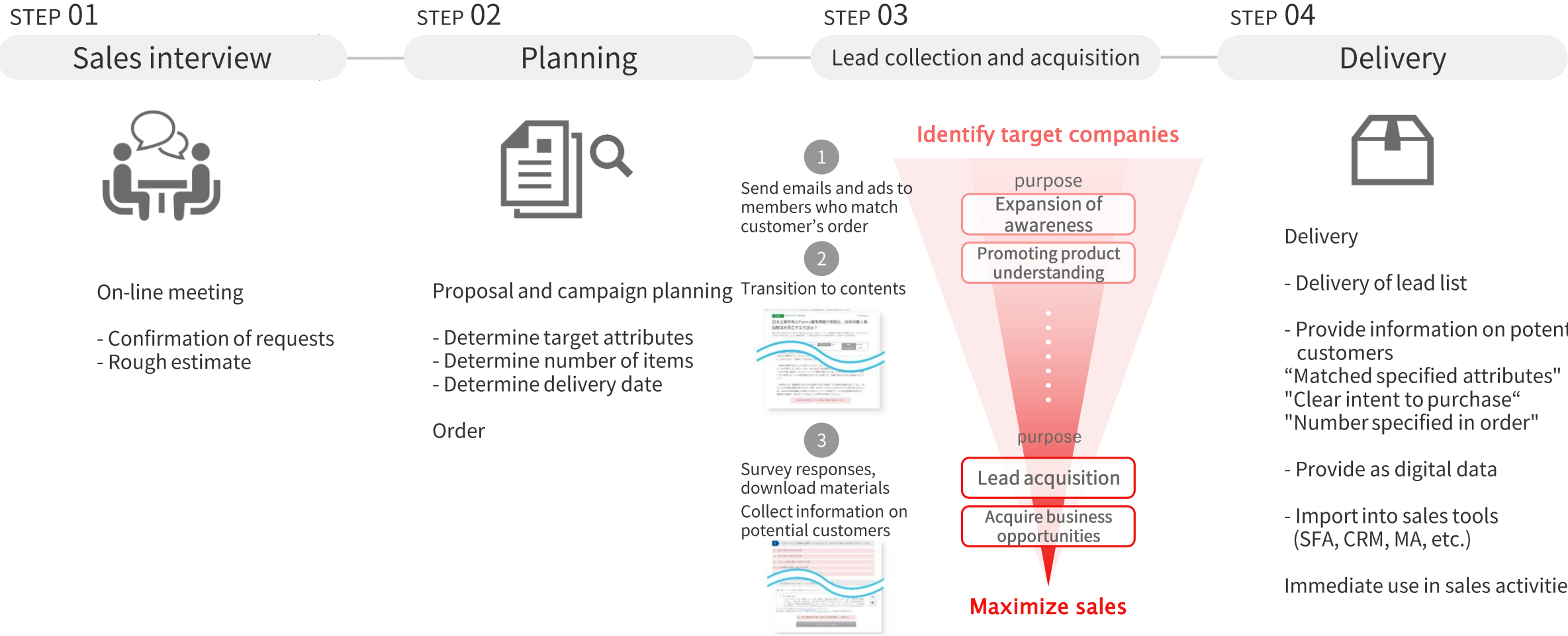


Membership attributes



# Achieving high ROI by guaranteeing “attributes, number of items, and delivery time”

## The process from acquiring Lead (potential customers) to utilizing them



# Rapidly growing subsidiary “Hacchu Navi”

Providing lead generation services for system development companies

Using 6,000 companies, which corresponds to 30% of system development companies

▶ Click here for details <https://hnavi.co.jp/>



\* “DX White Paper 2023” published by the Information-technology Promotion Agency, Japan <https://www.ipa.go.jp/publish/wp-dx/gmcbt8000000botk-att/000108041.pdf>

# "Digital Event" business - the largest online exhibition in technology industry's

Online exhibition business with over 10 years of experience

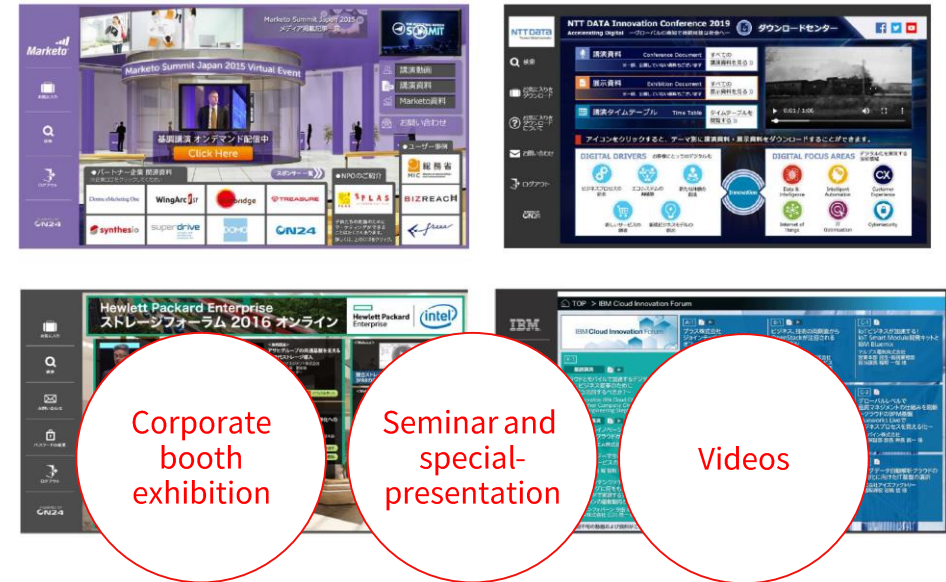
"ITmedia Virtual EXPO" one of the largest specialized events in Japan

that the number of visitors exceeded 5,000 people per event

ITmedia Virtual EXPO 2024 summer



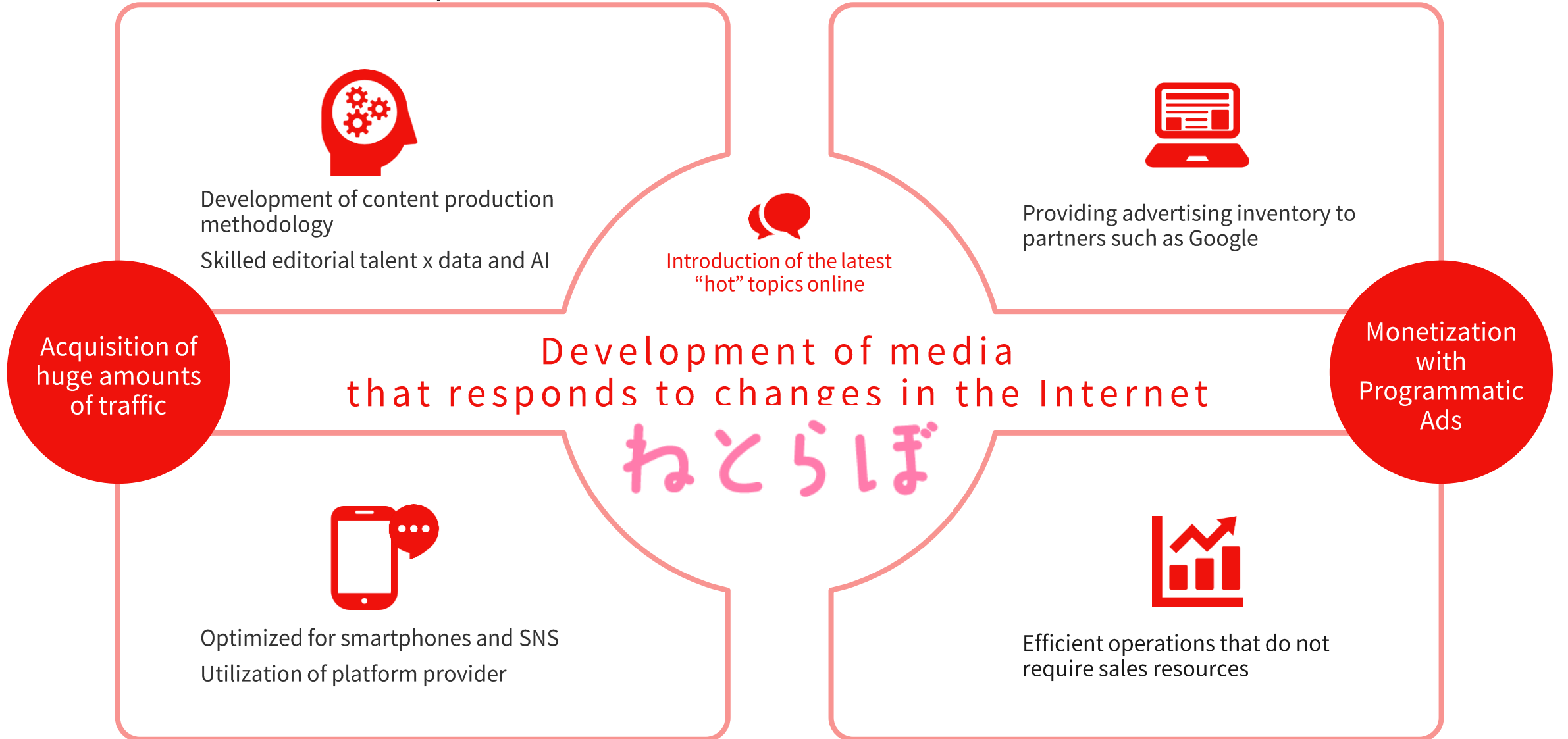
Corporate booth/ seminar (example)



A comprehensive digital exhibition focusing on important themes in the manufacturing industry

➔ Create high ROI business opportunities online

# “Programmatic Ad” Business that utilizes largest media for BtoC with 400 million PV per month

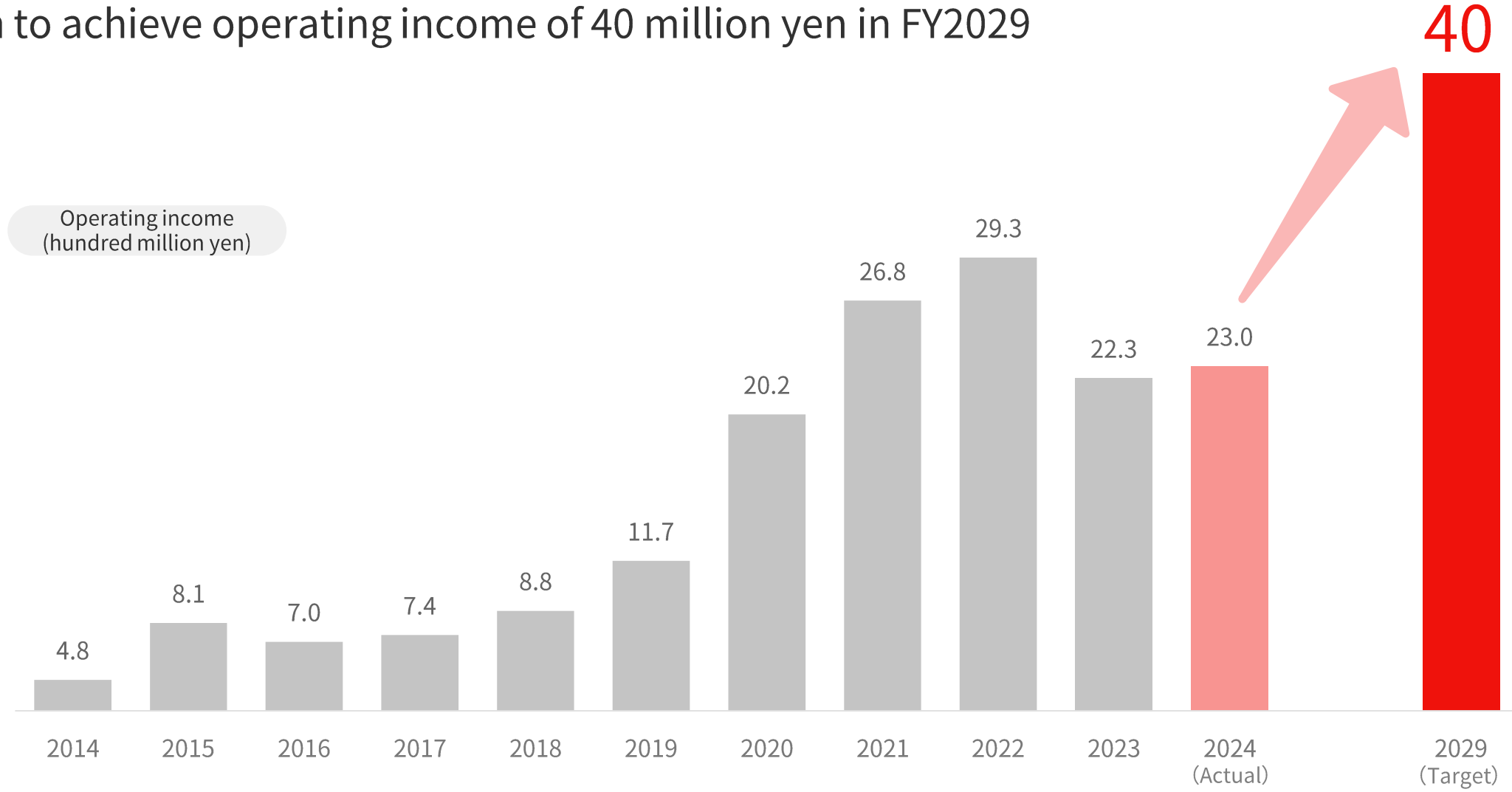




# Initiatives for Growth Medium-Term Targets “X40”



Aim to achieve operating income of 40 million yen in FY2029



# Room for growth in the DX market

DX-related investments are increasing across all industries with the aim of solving increasingly diverse social and corporate issues

DX market in domestic industry expected to expand to 6 trillion yen in FY2028

FY2028  
forecast

DX-related investment in Japan  
**6.873 trillion yen**  
(+166.4% from FY2023)

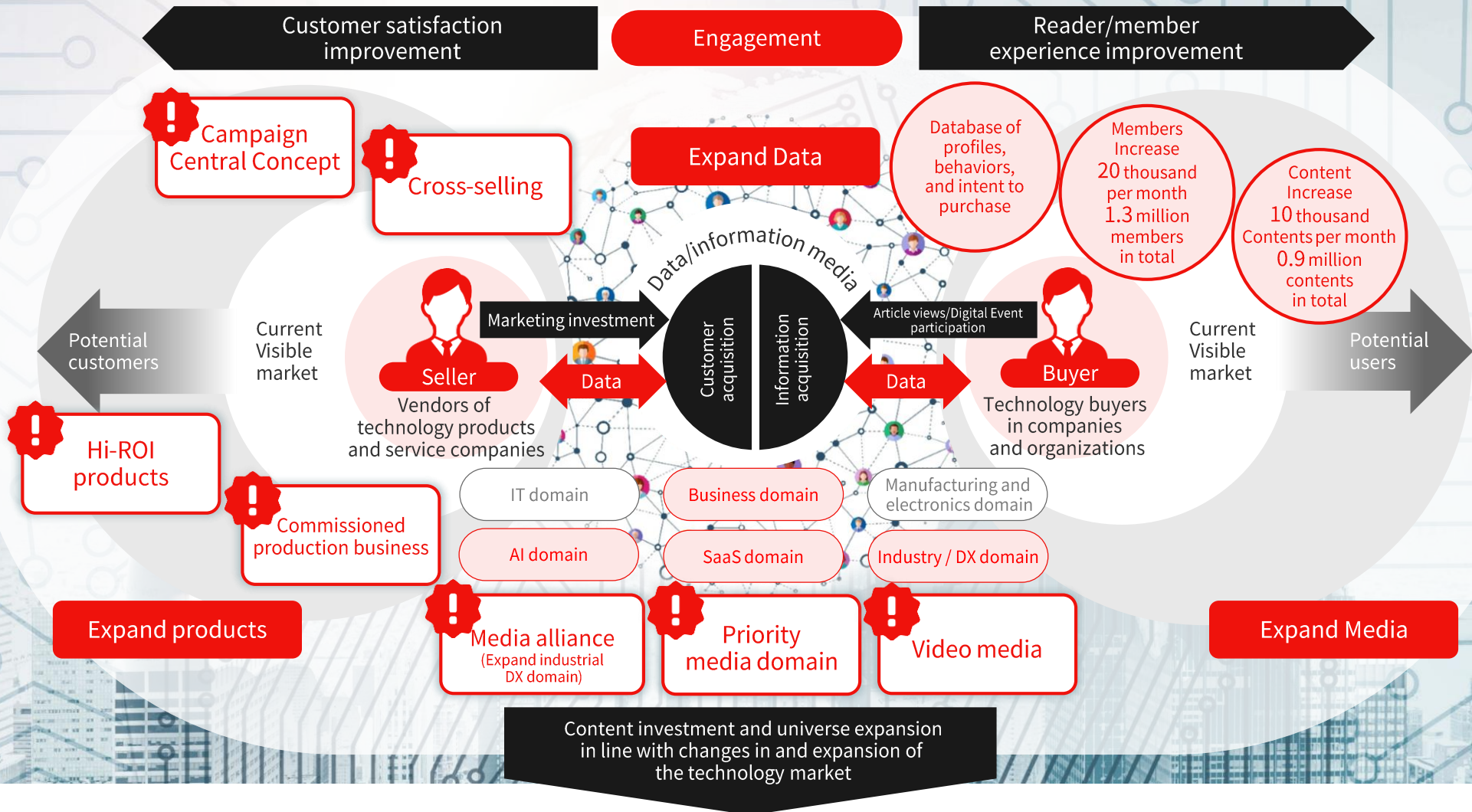
Domestic IT investment in Japan  
**26 trillion yen market**

FY2023  
actual

**4.1316 trillion yen**  
(+115.4% from FY2022)

\*"2024 Digital Transformation Market Outlook: Market Edition/Company Edition" is completed (No. 24034, released on April 10, 2024)  
<https://www.fcr.co.jp/pr/24080.htm>

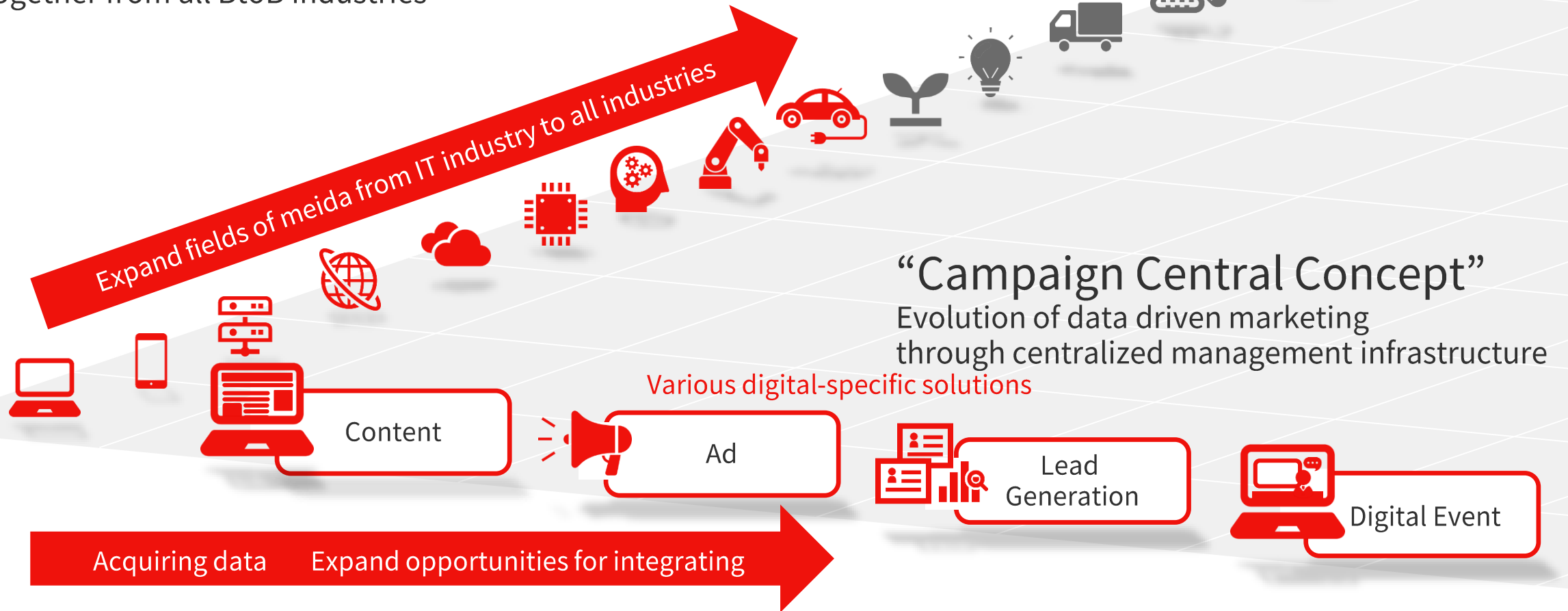
## The data holders that brings technology “buyers” and “sellers” together “ITmedia Universe”



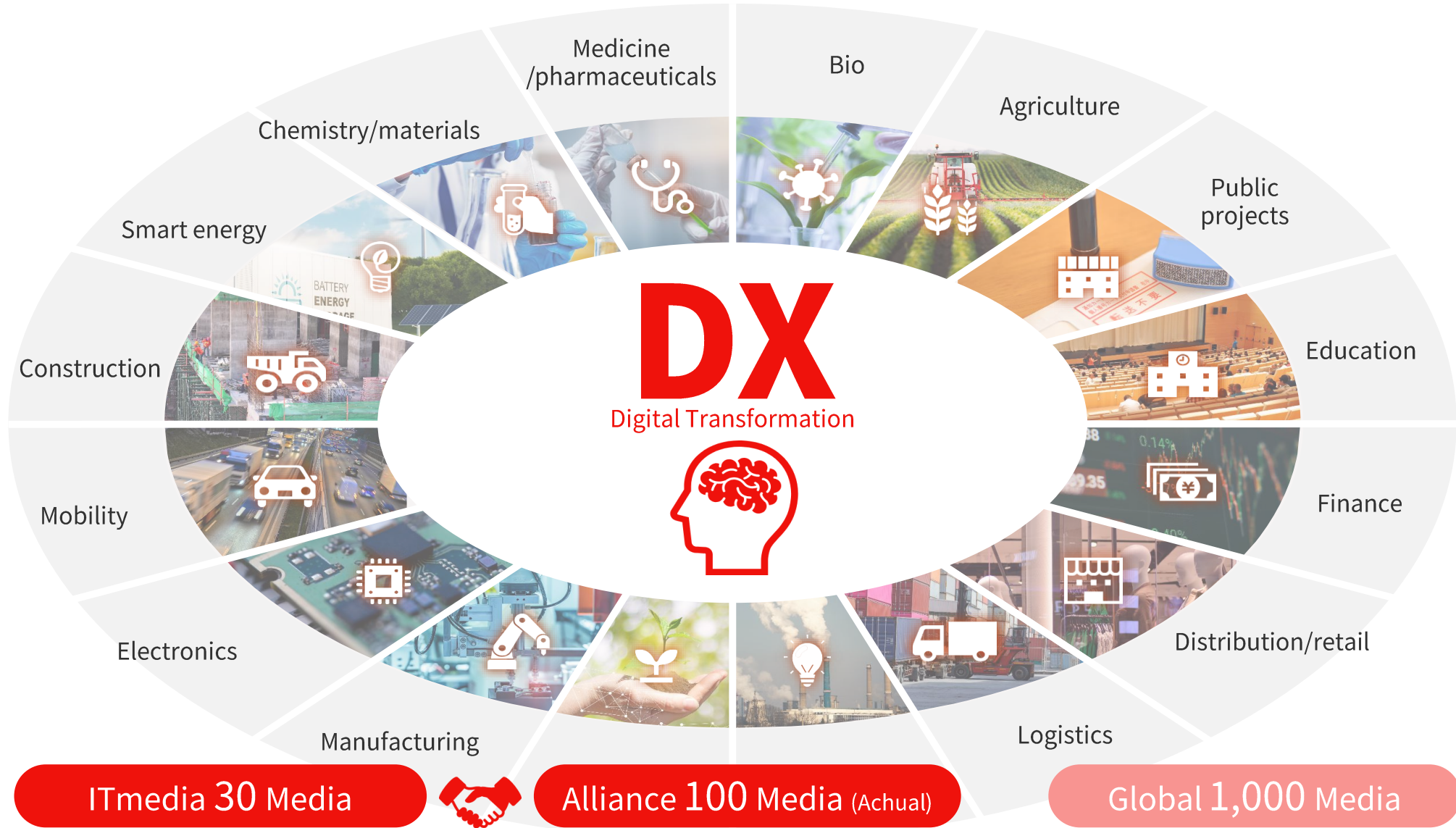
A growth mechanism that continues to enhance competitiveness

## “Industry DX”

The largest holders of data that brings buyers and sellers together from all BtoB industries



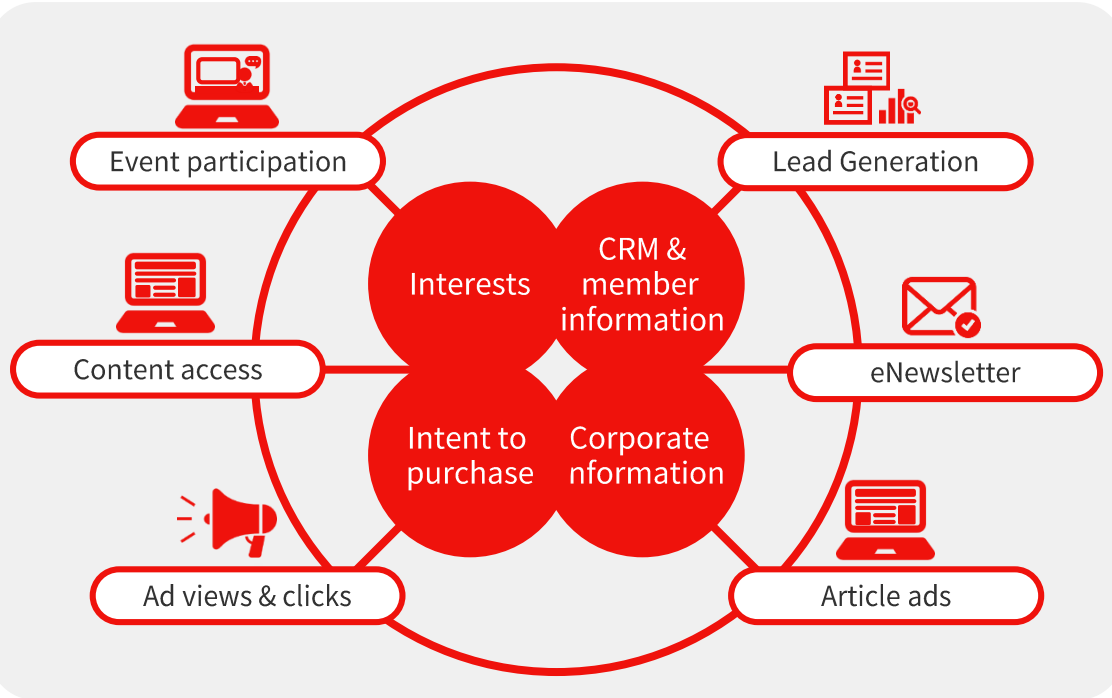
Expansion of mutual revenue opportunities through alliances with specialist media of various industries  
Accelerate expansion of industrial fields through collaboration including M&A



### Digital advantage:

As data accumulates and becomes more connected, it becomes more valuable

#### Platform for connecting and utilizing data



#### Video media “TechLIVE” started

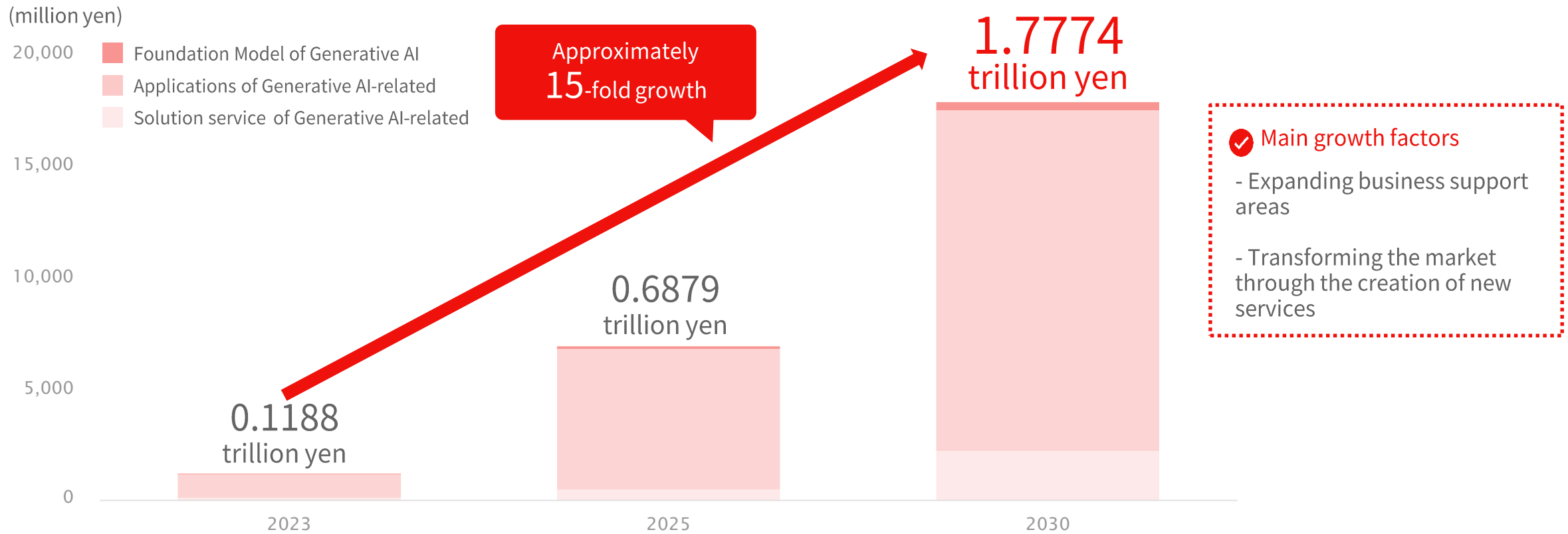
#### Accumulate video assets from Digital Events



Accumulating one-off events and turning them into video media  
Improving value provided and profitability

TechLIVE by ITmedia <https://www.youtube.com/@TechLIVEbyITmedia>

# Japan's generative AI market and potential for growth



**Huge market formation: Japan's generative AI market is expected to reach 1.8 trillion yen by 2030**

\*Japan Electronics and Information Technology Industries Association (JEITA, announces global demand forecast for Generative AI market) December 2023  
<https://www.jeita.or.jp/cgi-bin/topics/detail.cgi?n=4724>

ITmedia is the No.1 online media in the AI field  
with the largest information dissemination power and audience



Search inflow

Media No.1\*



Number of media

14media



Number of  
AI-related articles

900  
articles/month



PV of  
AI-related articles

200  
million PVs/month

\* Counting sites visited by Dockpit that after searching for keywords including "AI" (Counting period: June 2022 to May 2024)



## Specialist media provides of information of AI development and utilization on various layer

Understand the current state of AI utilization **ITmedia AI+**

Focusing on the business use of AI, we support companies in using AI by providing readers with daily information on business improvements in various industries, application examples for new businesses, usage methods, feature comparisons, security, and government/regulatory trends.

速報 生成AI データ分析 計算資源 ロボティクス

WIKIPEDIA フリー百科事典

- 日本語 1,407,000+ 記事
- English 6,796,000+ articles
- Russkij 1,969,000+ статей
- Español 1,938,000+ artículos
- Deutsch 2,891,000+ Artikel
- Français 2,588,000+ articles
- Italiano
- Português 1,409,000+ 条目 / 条目
- 中文

Innovative Tech (AI+) : ChatGPT vs. Wikipedia—生成AIの登場でウィキペディアはどう変わったか? 英国の研究者らが調査

“ラスパイ5”にNPU追加できる「Raspberry Pi AI Kit」 最大13TOPSの推論性能 日本では近日販売へ

JAT JAPAN ASSOCIATION OF TRANSLATORS

日本翻訳者協会、漫画のAI翻訳に意見書「現状のAI翻訳は作品の特徴を反映できる品質に達していない」

記事ジャンル

活用目的別

- ▶ 業務効率化・自動化
- ▶ 意思決定支援
- ▶ 顧客体験向上
- ▶ 製品開発
- ▶ 研究動向

導入前後の課題

- ▶ セキュリティ・プライバシー
- ▶ データ収集・整形
- ▶ 組織文化・人材育成
- ▶ 法規制・倫理

### Utilization

ITmedia Enterprise: Business x AI utilization



ITreview : AI product review



ITmedia Business ONLINE: Management x AI



ITmedia PC USER: Consumer x AI



### Development/Implementation

@IT: Information for engineers



Hacchu Navi: AI development matching



### Infrastructure

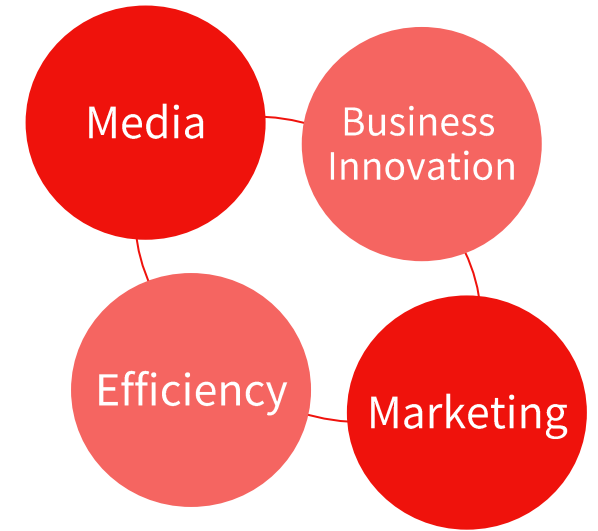
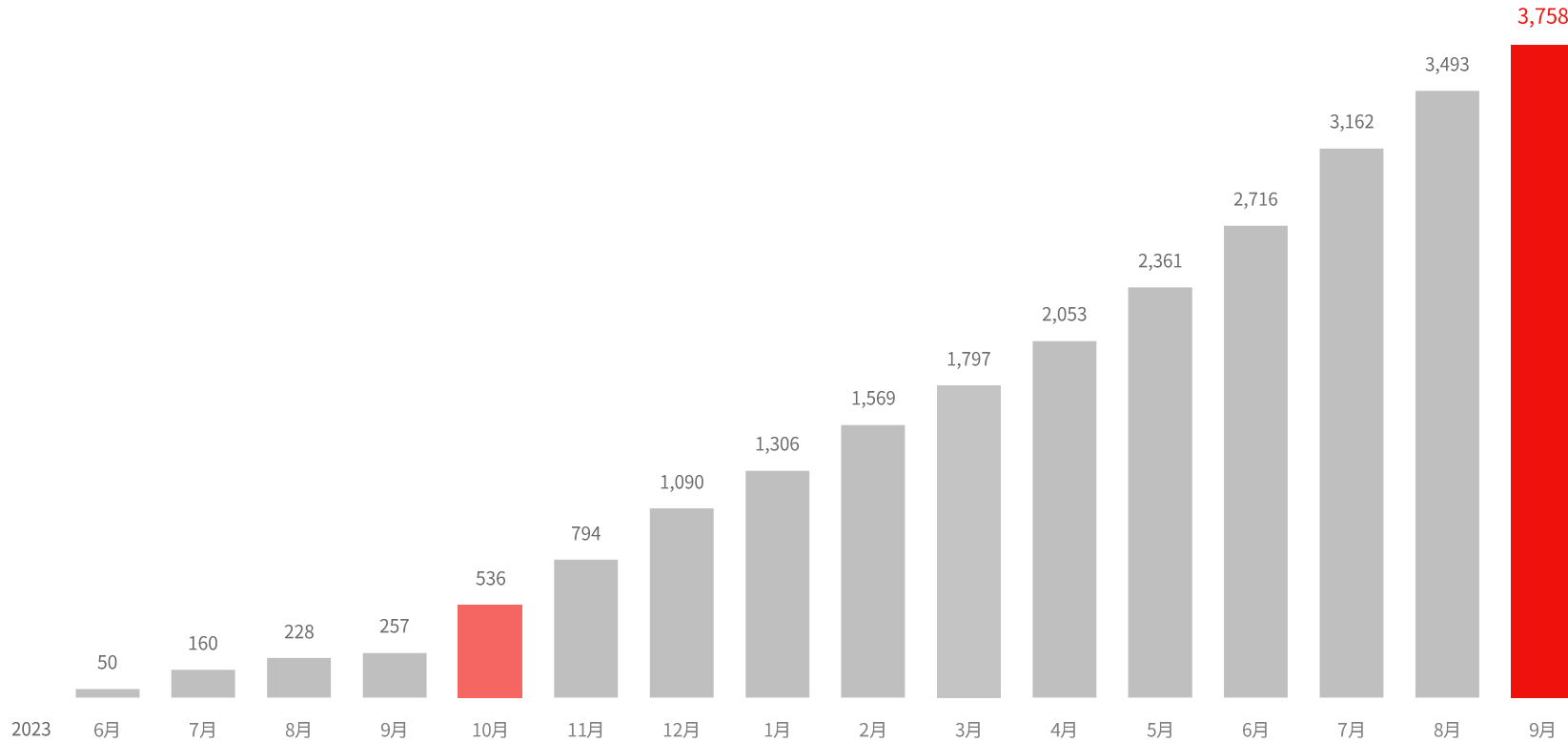
MONOist/ EE Times/ EDN



## Dedicated AI Media Development Division launched in October 2023

Number of AI-related articles published (cumulative)

(Number)



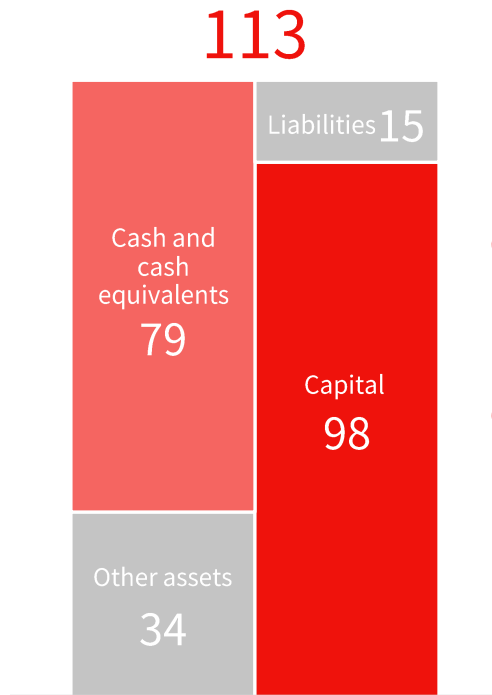
- ✓ Examples of use in business operations
- Copywriting
  - Ad serving & UI optimization
  - Sales management
  - Legal
  - Office productivity
  - etc.

# Initiatives to realize the management with an awareness of cost of capital and share price

Aiming to optimize cost of capital through strengthening growth investments and shareholder returns

Consolidated B/S

(hundred million yen)



The end of FY2023

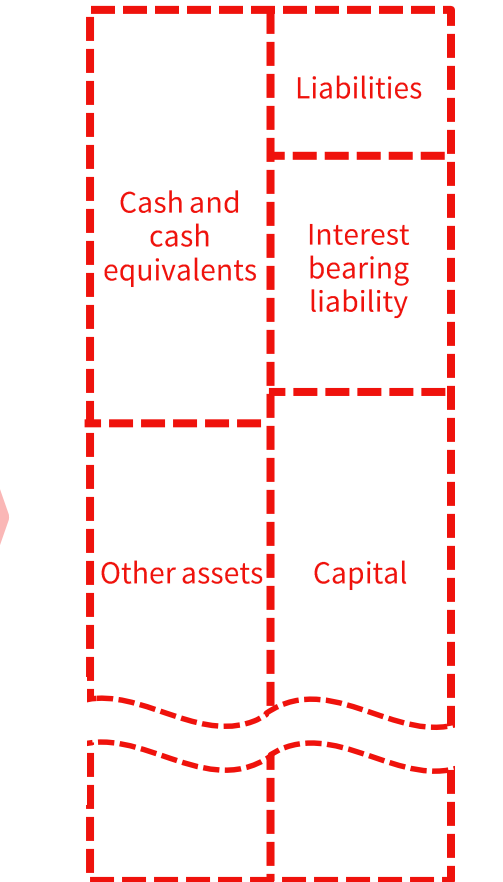
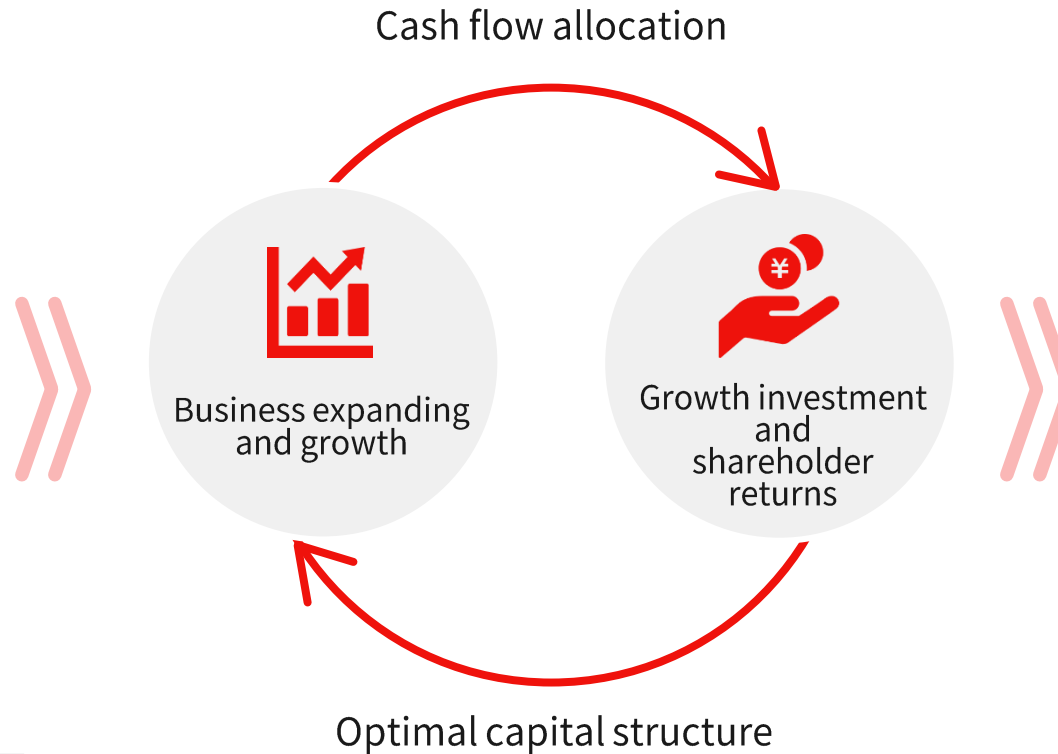
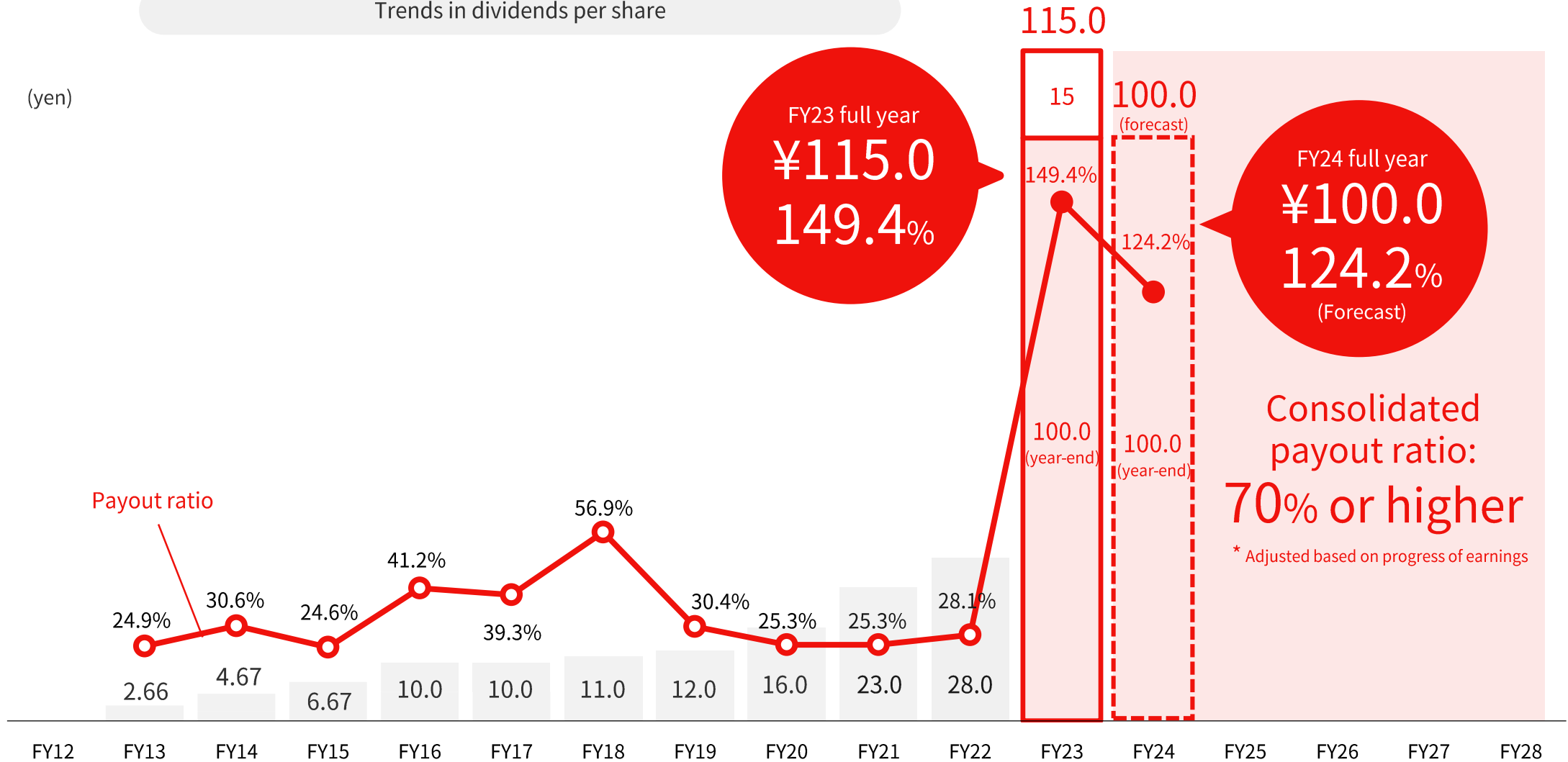


Image of the configuration at the end of FY2029

# Achieving the both sustainable growth and shareholder returns

Trends in dividends per share

(yen)



FY23 full year  
**¥115.0**  
**149.4%**

FY24 full year  
**¥100.0**  
**124.2%**  
 (Forecast)

Consolidated  
 payout ratio:  
**70% or higher**

\* Adjusted based on progress of earnings

## Record of treasury stock acquisition

While returning profits primarily through dividends, we also acquire treasury stock

Acquisition period	Number of acquired shares (Shares)	Total amount acquired (Yen)
from August 1, 2023 to October 20, 2023	500,000	571,799,500
from August 1, 2021 to October 20, 2021	358,900	799,817,900
from February 1, 2017 to March 17, 2017	411,400	299,957,800
from December 1, 2008 to December 17, 2008	1,000	43,500,250

Shareholder Returns Policy and Dividend Information <https://corp.itmedia.co.jp/ir/english/stock/dividends/>

Under our corporate mission of “Contribute to Information Revolution by Innovating Professional Media”, the ITmedia Group (ITmedia Inc. and its subsidiaries) aims to realize a sustainable and prosperous society through our business activities.

- We contribute to fostering knowledge and intelligence, eliminating digital divides, and establishing an information community as a social platform by providing highly professional and trustworthy information to our readers.
- We contribute to business growth for customers, enhanced social value, and the development of both industries and overall society by providing customers with marketing solutions that are unique to digital media.
- To meet stakeholder expectations, we will continue to challenge ourselves to achieve corporate growth and clearly disclose information.
- Employee satisfaction, pride, uniqueness and diversity will be encouraged and valued.
- Mutual trust and fair trade with our suppliers will be a priority (to prevent corruption and degeneracy, etc.).
- To create a better future for everyone, we will continue to drive an information-based society, support education for the next generation, increase communication for our diverse society, protect the environment and manage resources in a sustainable manner, conserve biodiversity, and provide disaster response and relief.

Toshiki Otsuki  
President and CEO  
December 23, 2021

(approved by the Board of Directors on December 23, 2021)

Sustainability <https://corp.itmedia.co.jp/sustainability/>



## 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.

Social value



## 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.

Power of media



## 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

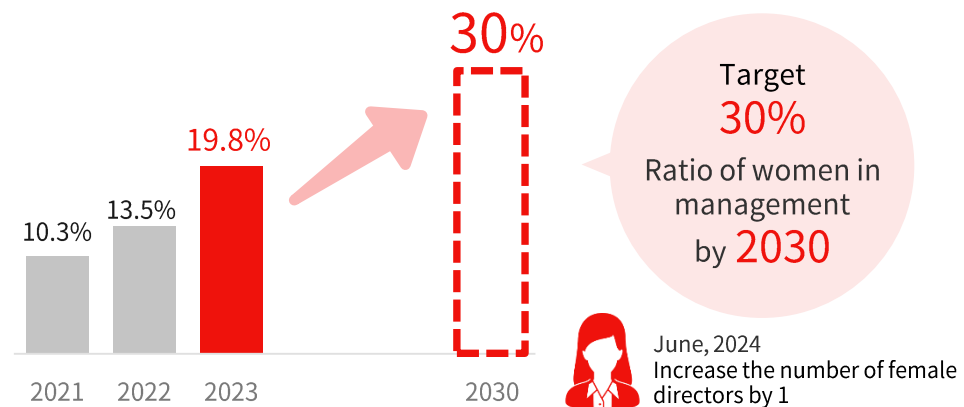
Developing a strong governance structure with increased transparency that leads to mid- to long-term corporate growth, thereby winning the trust of all stakeholders.

Responsible management base

## Non-financial information disclosure and Expansion of English disclosure

- ESG Data Book FY2023
- Ad Review Report
- Media Transparency Report
- Expansion of English disclosure

## Promotion of women empowerment



## Supporting ad safety

Obtained certification from “JICDAQ” for digital ad quality



## Supporting web accessibility

Commenced implementation of web accessibility tool on corporate sites







Our Mission

# Contribute to Information Revolution by Innovating Professional Media



*This document has been translated from the Japanese original for reference purposes only.  
In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.*

- 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, 2024. 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 is 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 the Condensed Interim Statement of Income for the fiscal year ended March 31, 2019.



**ITmedia Inc.**

Inquiries

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Tokyo 102-0094

Inquiries: [ir@sml.itmedia.co.jp](mailto:ir@sml.itmedia.co.jp)