

FY 2025/3 First Quarter Results Briefing

August 6, 2023

kakaku.com

Kakaku.com, Inc. (TSE Prime: 2371)



1. Consolidated Operating Results

2. Operating Results by Segment

3. Topics

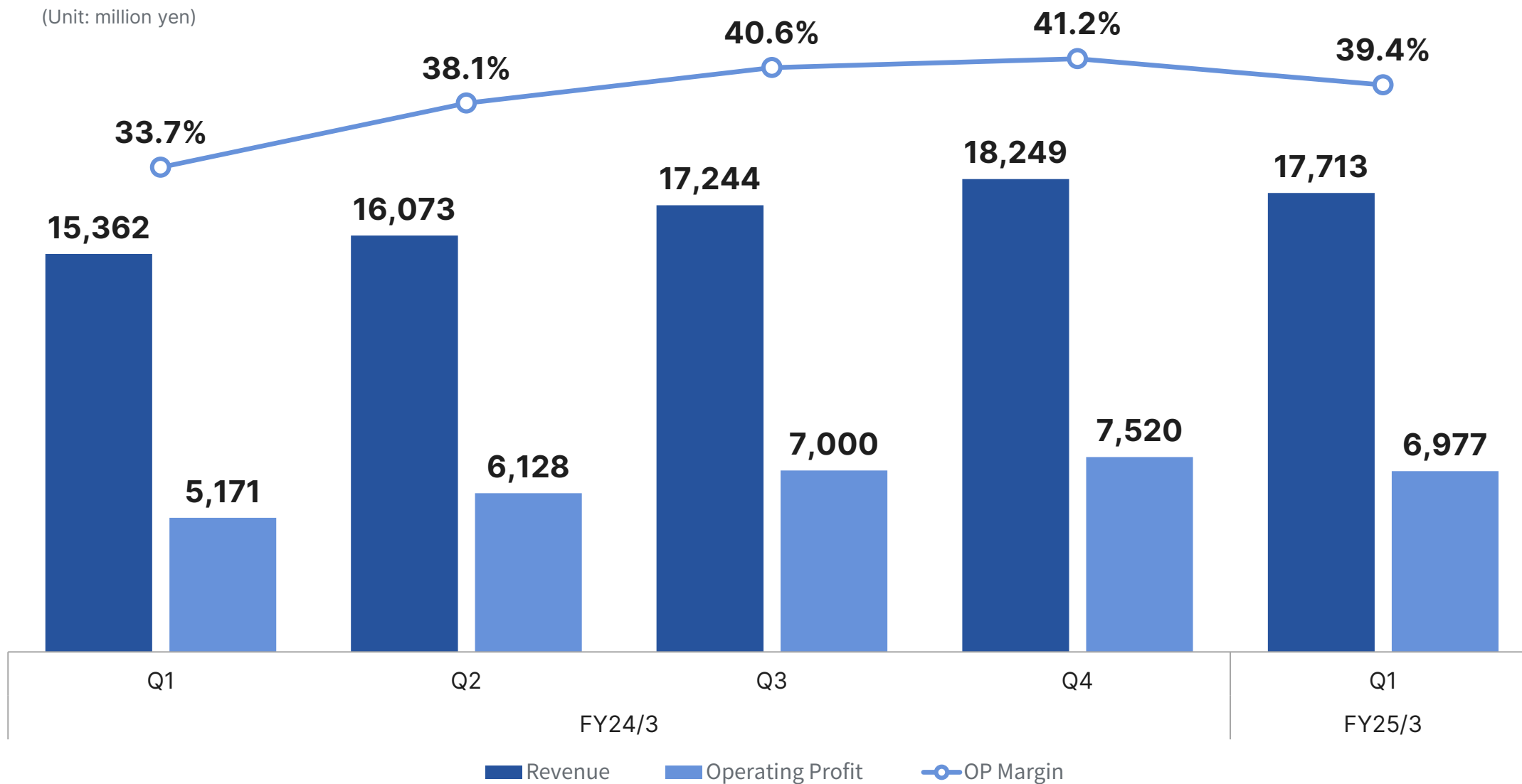
4. Appendix

1. Consolidated Operating Results: Highlights

While both revenue and operating profit are strong, our full-year outlook remains unchanged given the current situation and future growth investments.

	FY24/3	FY25/3		Full-Year Forecast () = H1 Forecast	Progress () = vs. H1 Forecast
	(Unit: million yen) Q1	Q1	YoY		
Revenue	15,362	17,713	+15.3%	74,000 (34,700)	23.9% (51.0%)
Operating Profit	5,171	6,977	+34.9%	28,500 (12,800)	24.5% (54.5%)
OP Margin	33.7%	39.4%	+5.7pt	38.5%	-
Profit Before Income Taxes	5,296	7,086	+33.8%	28,400 (12,700)	25.0% (55.8%)
Profit Attributable to Owners of the Parent Company	3,651	4,824	+32.1%	19,400 (8,700)	24.9% (55.4%)

1. Consolidated Operating Results: Revenue and Operating Profit by Quarter

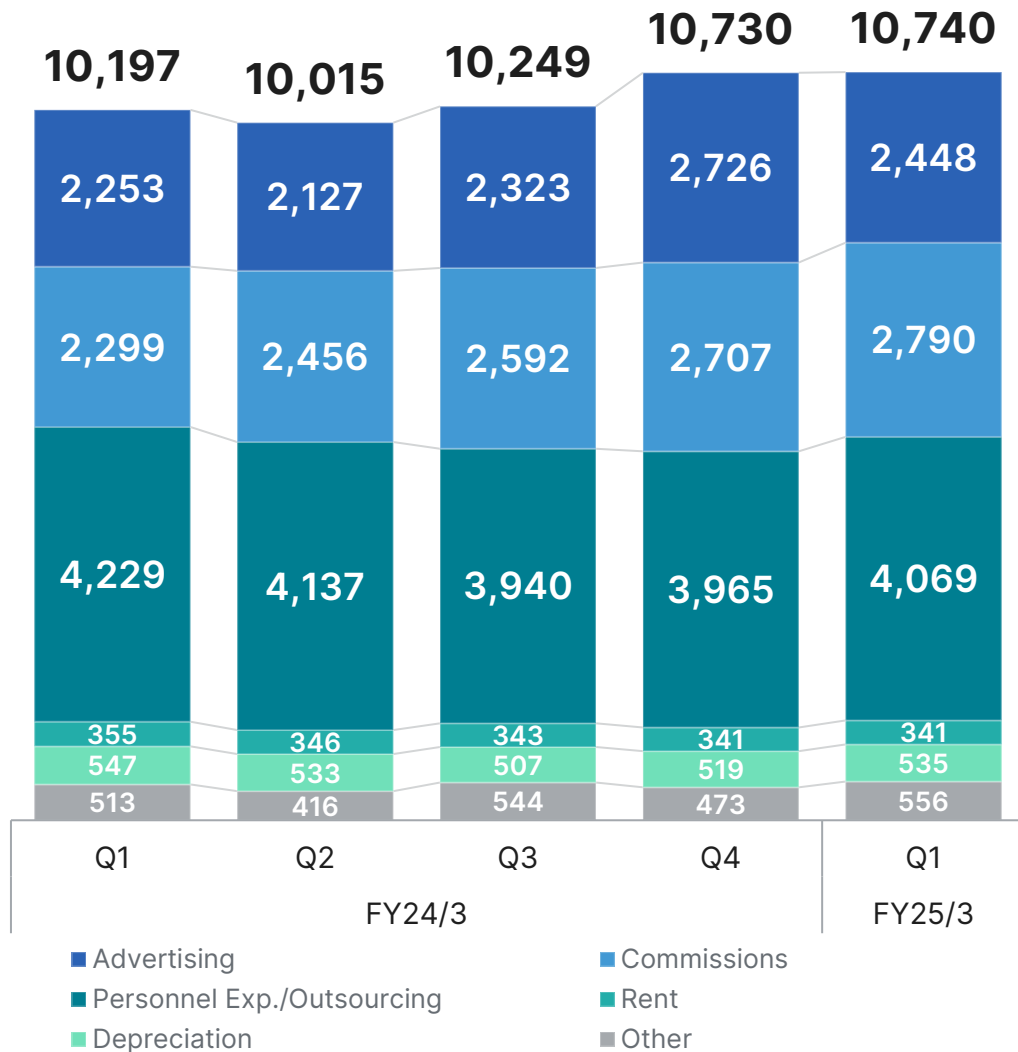


1. Consolidated Operating Results: Consolidated Operating Expenses

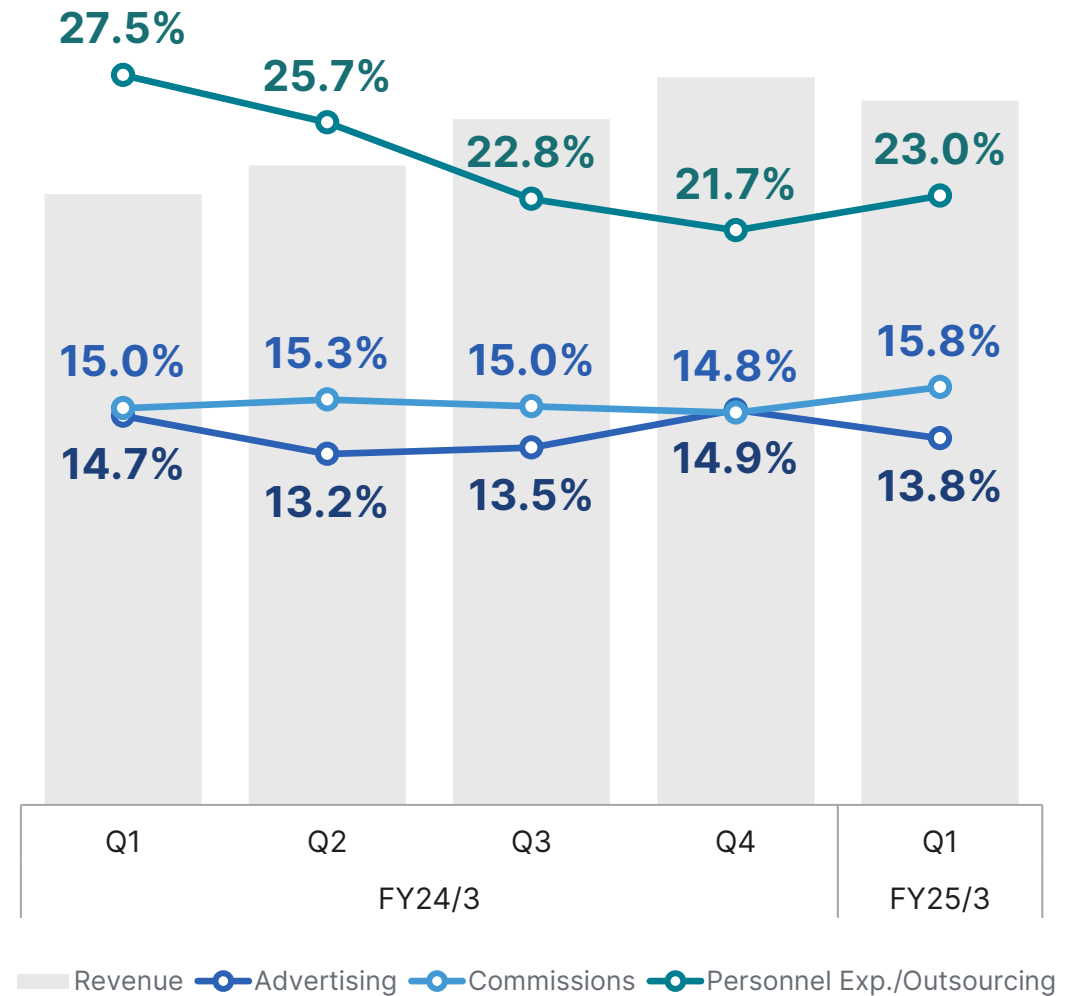
(Unit: million yen)	FY24/3 Q1	FY25/3 Q1	YoY Change		Sales Ratio	Main Reasons for Increase/Decrease
Advertising	2,253	2,448	+195	+8.7%	13.8%	Increase mainly in brand advertising by Kyujin Box (approx. 200 million yen, incl. TV commercials)
Commissions	2,299	2,790	+491	+21.4%	15.8%	Increase in both agency commissions and commissions paid, in line with revenue growth of Kyujin Box and Tabelog
Variable Expenses Total	4,552	5,239	+687	+15.1%	29.6%	
Personnel Exp. & Outsourcing	4,229	4,069	-161	-3.8%	23.0%	Outsourcing cost declined compared to the previous year, which saw a sharp increase
Rent	355	341	-14	-3.9%	1.9%	
Depreciation	547	535	-12	-2.2%	3.0%	
Other	513	556	+43	+8.4%	3.1%	
Fixed Expenses Total	5,645	5,501	-144	-2.5%	31.1%	
Total Expenses	10,197	10,740	+543	+5.3%	60.6%	

1. Consolidated Operating Results: Operating Expenses by Quarter

Breakdown of Expenses (Unit: million yen)



Sales Ratio of Main Expenses (Unit: %)

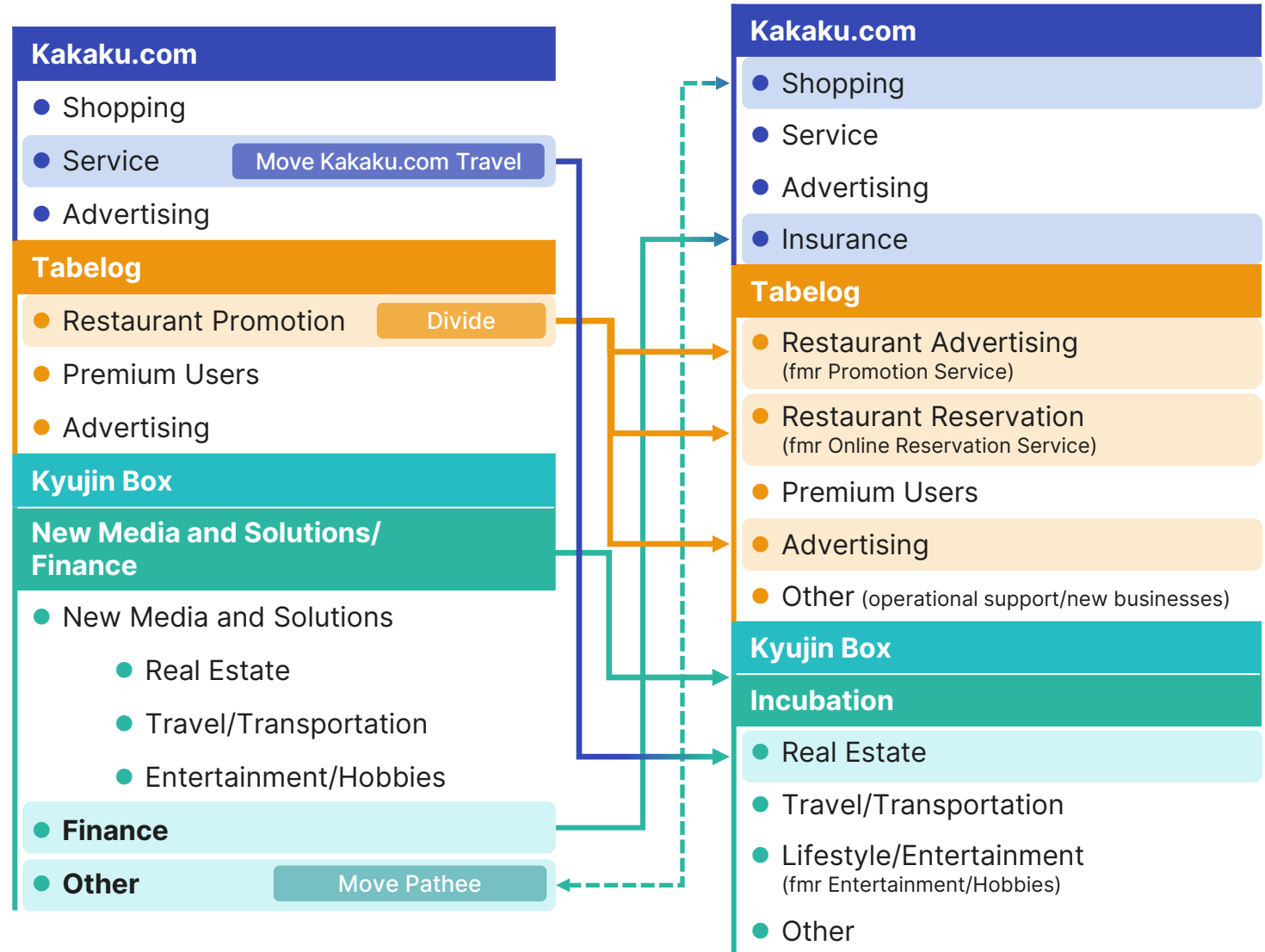


1. Consolidated Operating Results: Changes in Reportable Segments

Due to organizational changes on April 1, 2024, reportable segments have been changed from FY25/3 Q1 results.

Main Changes

- 1** “Finance” Segment renamed to “Insurance” and moved to the Kakaku.com Segment.
 - 2** The three businesses previously under the “Restaurant Promotion Business” are disclosed individually and the “Promotion Service” and “Online Reservation Service” are renamed “Restaurant Advertising” and “Restaurant Reservation” respectively
 - 3** “New Media and Solutions” has been renamed “Incubation”
- Due to these changes, the figures for FY24/3 and earlier in this document have been adjusted retroactively.**



1. Consolidated Operating Results: Revenue and Income by Segment

		(Unit: million yen)	FY24/3 Q1	FY25/3 Q1	YoY Change	
Consolidated	Revenue		15,362	17,713	+2,351	+15.3%
	Operating Profit		5,171	6,977	+1,806	+34.9%
Kakaku.com	Revenue		5,176	5,612	+436	+8.4%
	Segment Income		2,565	2,859	+294	+11.4%
Tabelog	Revenue		6,404	7,631	+1,227	+19.2%
	Segment Income		3,253	4,288	+1,035	+31.8%
Kyujin Box	Revenue		1,985	2,706	+721	+36.3%
	Segment Income		995	1,148	+153	+15.3%
Incubation	Revenue		1,797	1,765	-33	-1.8%
	Segment Income		206	307	+101	+49.3%
Adjustment of Segment Income*			-1,849	-1,625	+223	+12.1%

* Adjustment of Segment Income includes corporate expenses not allocated to each segment and elimination of intersegment transactions.



1. Consolidated Operating Results

2. Operating Results by Segment

3. Topics

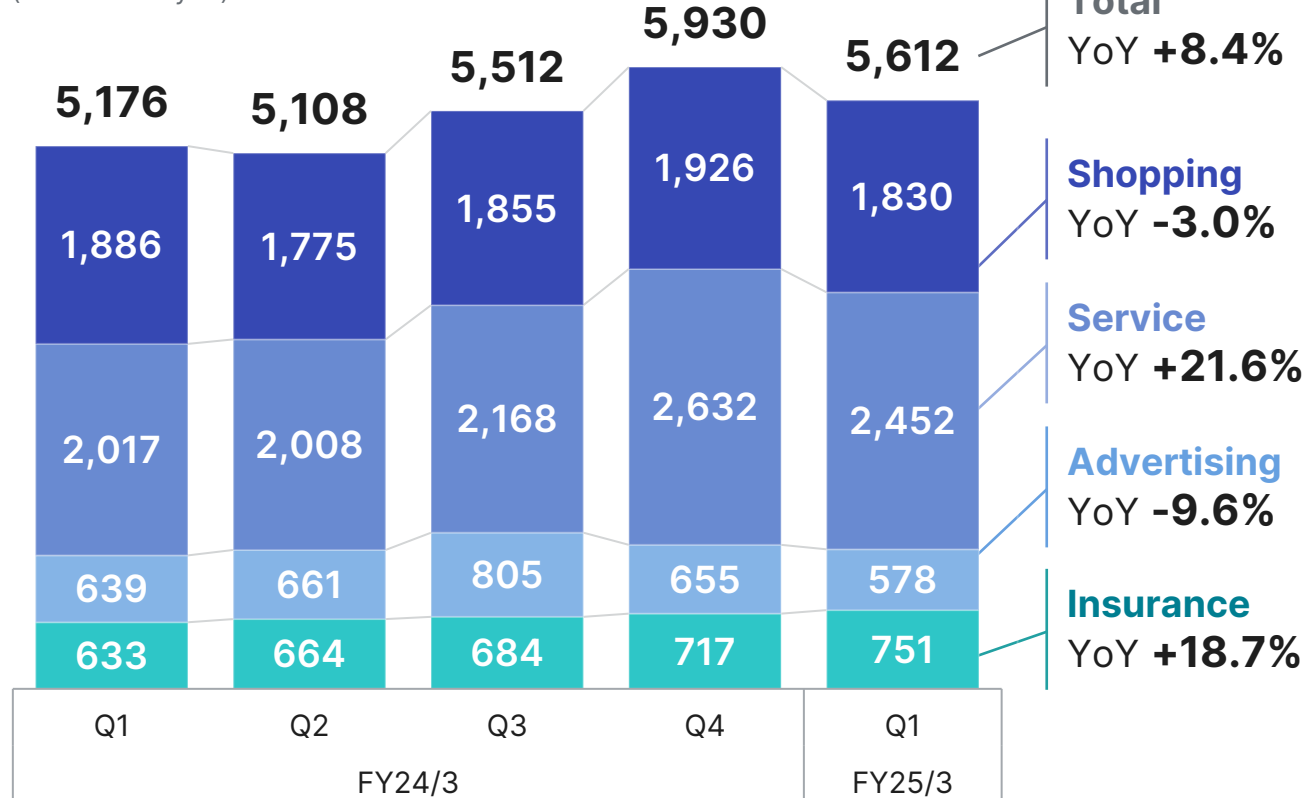
4. Appendix



In addition to the strong performance of the Service business, revenue decline in the Shopping and Advertising businesses further decelerated.

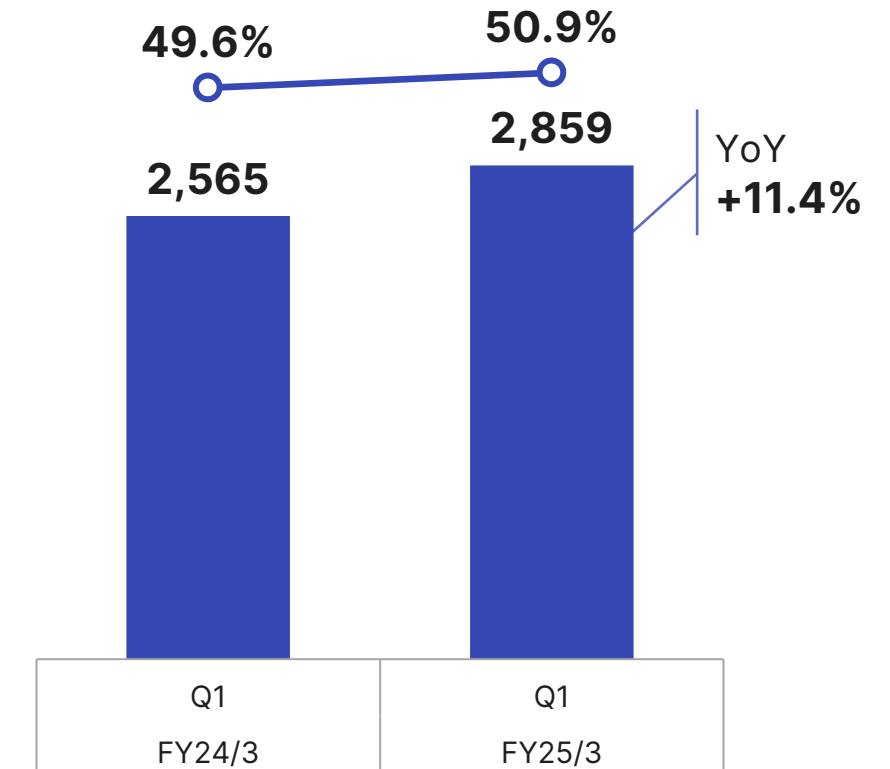
Revenue

(Unit: million yen)



Segment Income and Margin

(Unit: million yen, %)



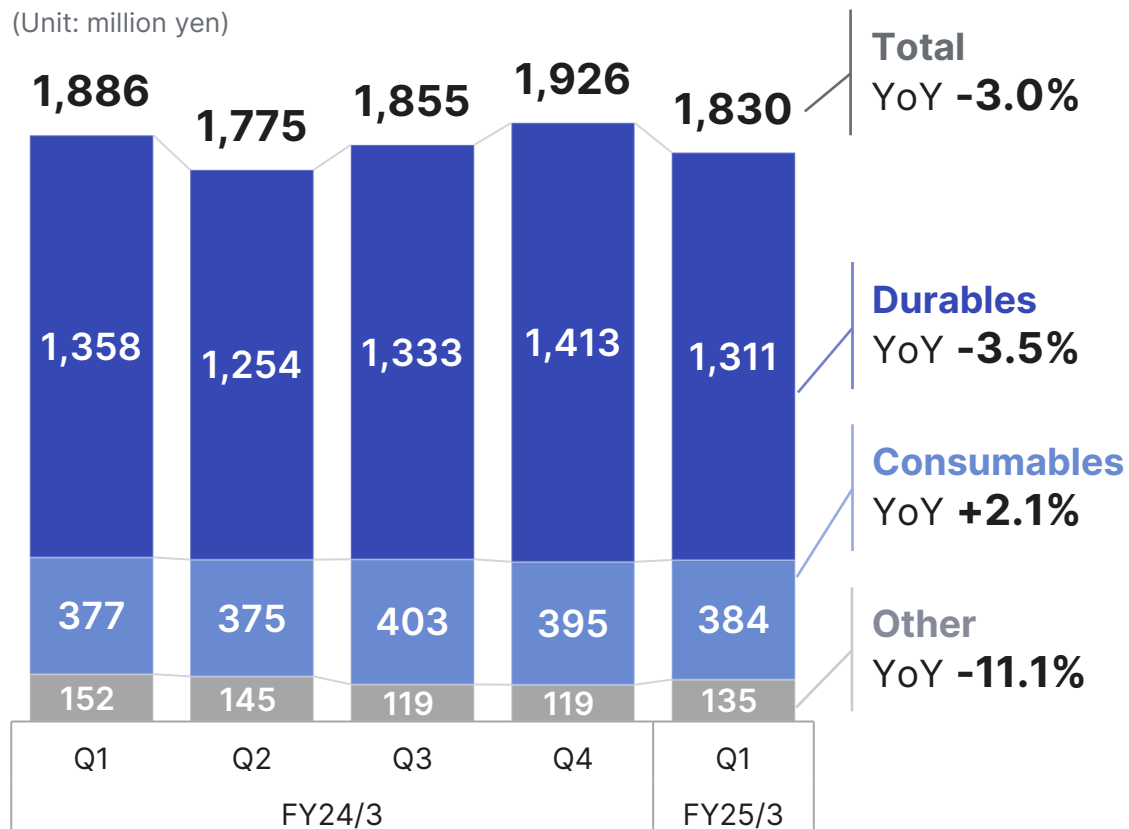
2. Operating Results by Segment: Kakaku.com (Shopping/Service)

Shopping

Durables revenue has bottomed.

Revenue

(Unit: million yen)

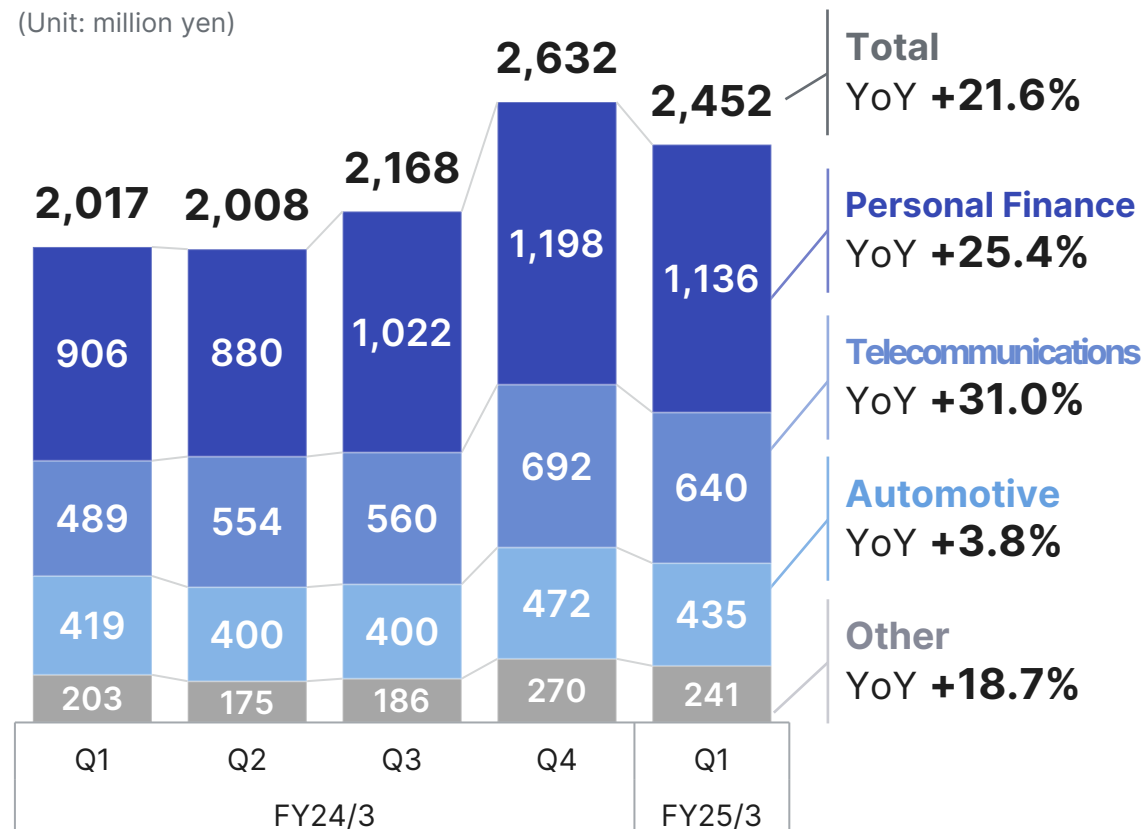


Service

Good performance in the Personal Finance and Telecommunications domains. The Automotive domain returned to positive growth.

Revenue

(Unit: million yen)



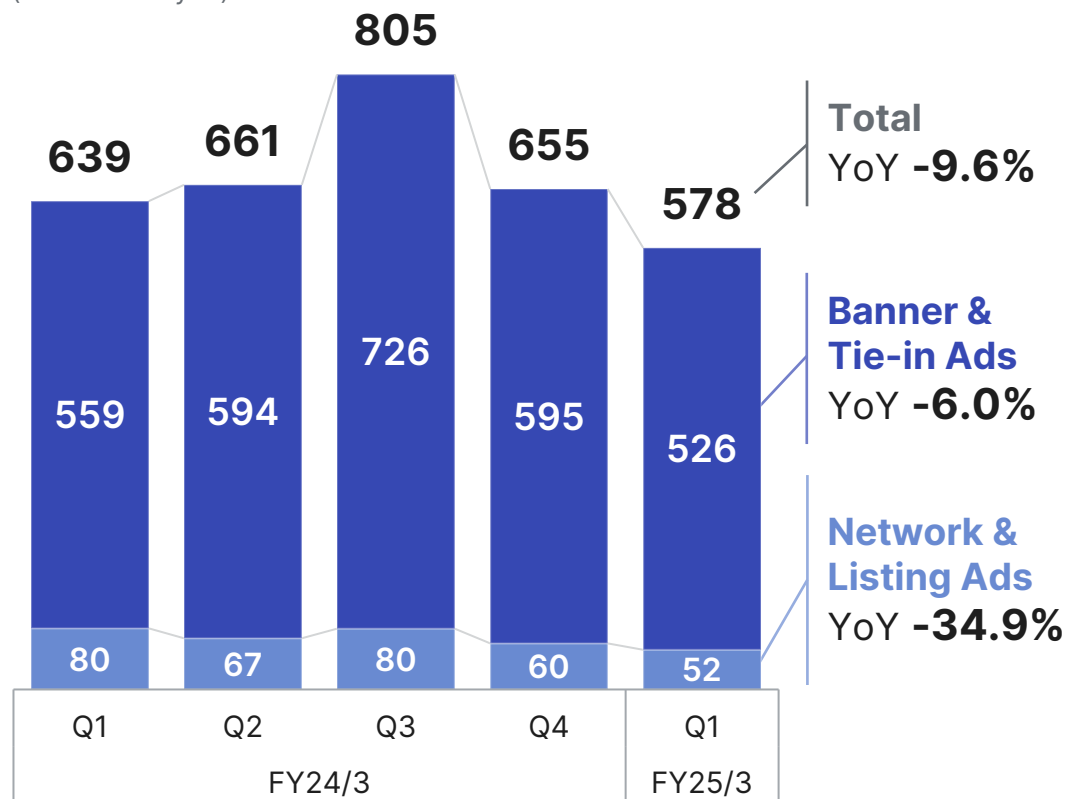
2. Operating Results by Segment: Kakaku.com (Advertising/Insurance)

Advertising

Revenue decline is decelerating.

Revenue

(Unit: million yen)

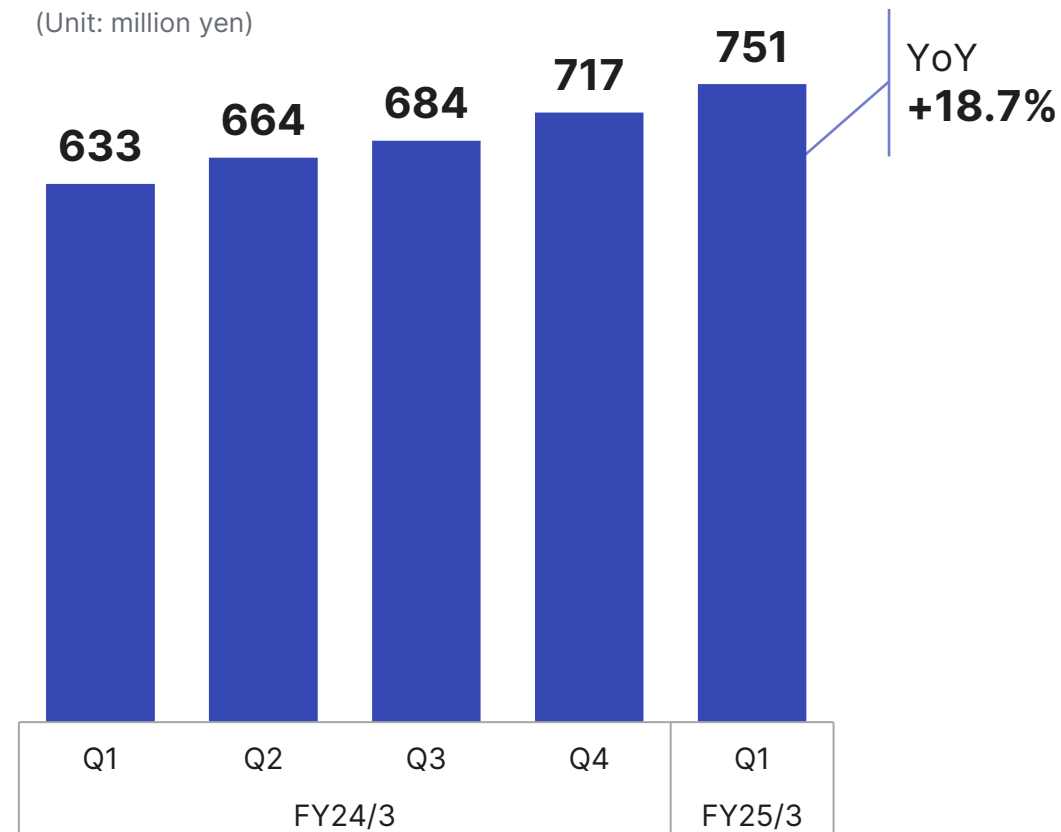


Insurance

Revenue continued to increase due to an increase in applications, mainly for fire insurance.

Revenue

(Unit: million yen)



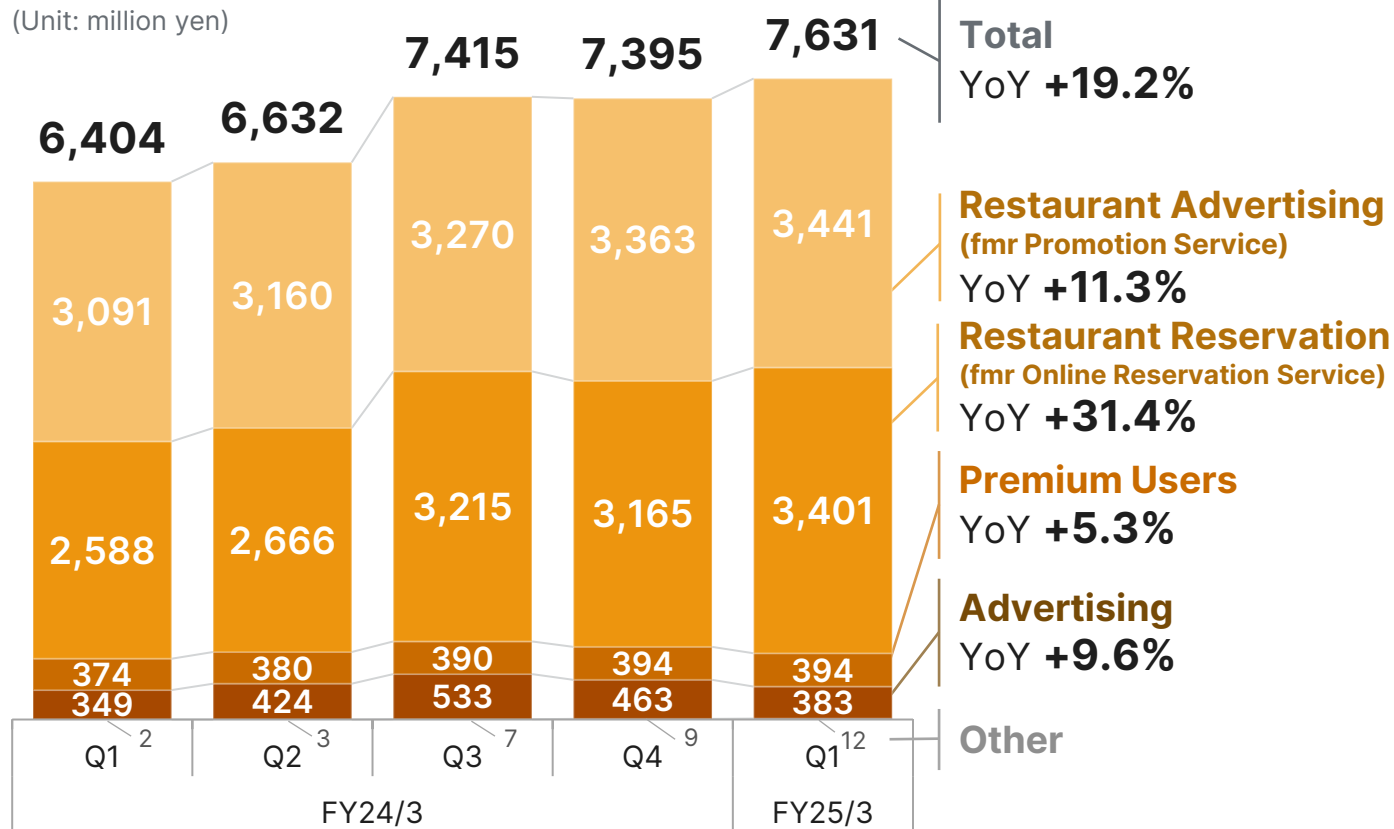
2. Operating Results by Segment: Tabelog



Both the Restaurant Advertising and Restaurant Reservation business, continued to grow.

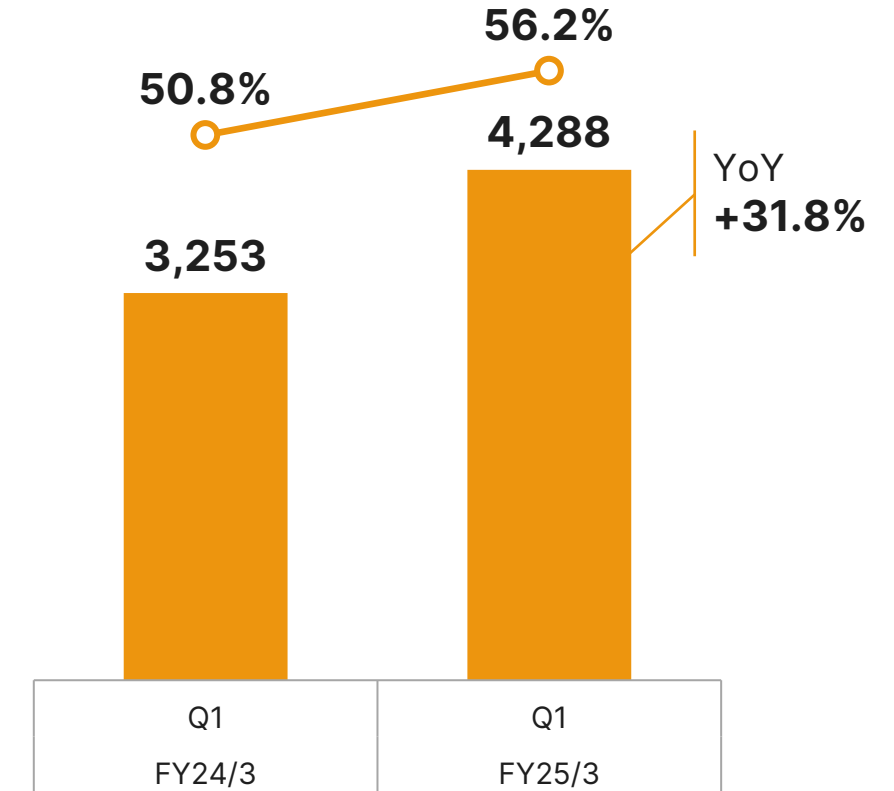
Revenue

(Unit: million yen)



Segment Income and Margin

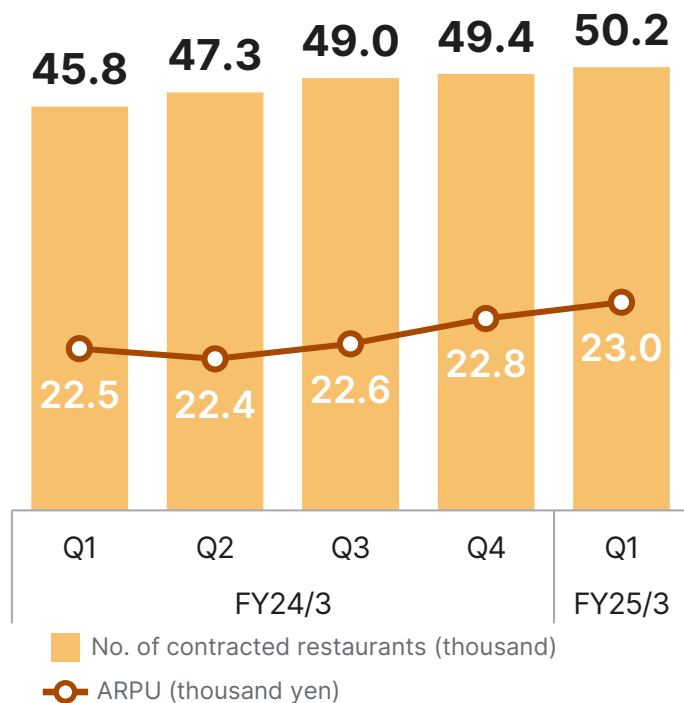
(Unit: million yen, %)



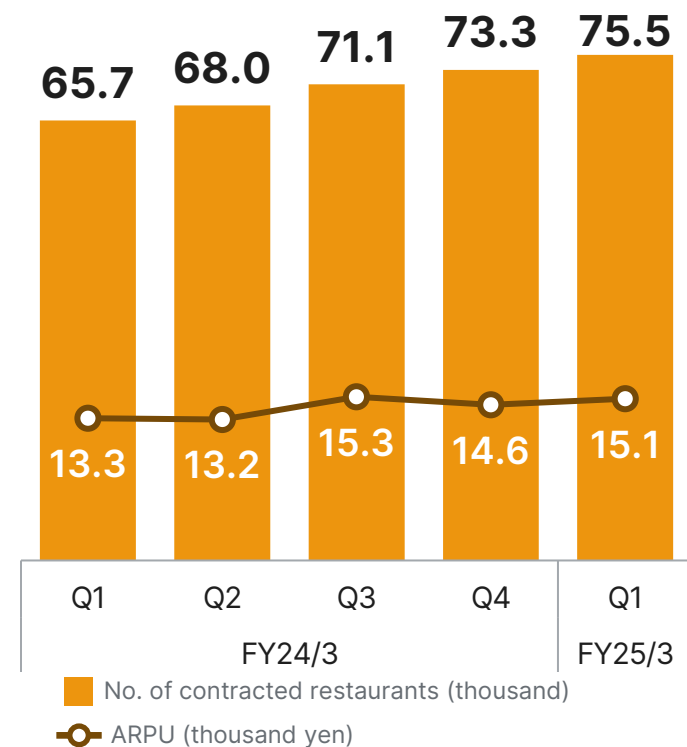
2. Operating Results by Segment: Tabelog (KPIs)

Contracted restaurants increased for both the Restaurant Advertising and Restaurant Reservation. The number of online reservations reached a record high.

Restaurant Advertising: No. of Restaurants (end-of quarter) and ARPU*2

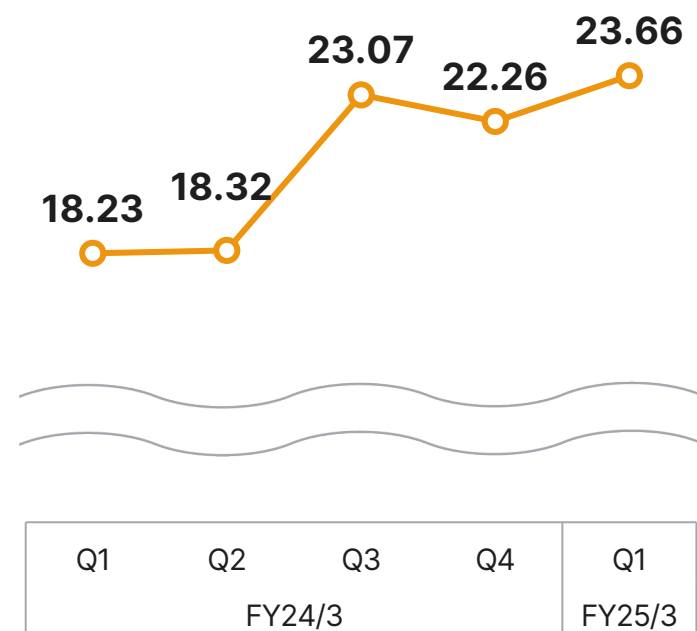


Restaurant Reservation: No. of Restaurants (end-of quarter) and ARPU*2



No. of Online Reservations (quarterly total)

(Unit: million persons)



*1 The number of fee-paying restaurants is 79,300. Of these 46,400 are using both the Restaurant Advertising and the Restaurant Reservation Service.

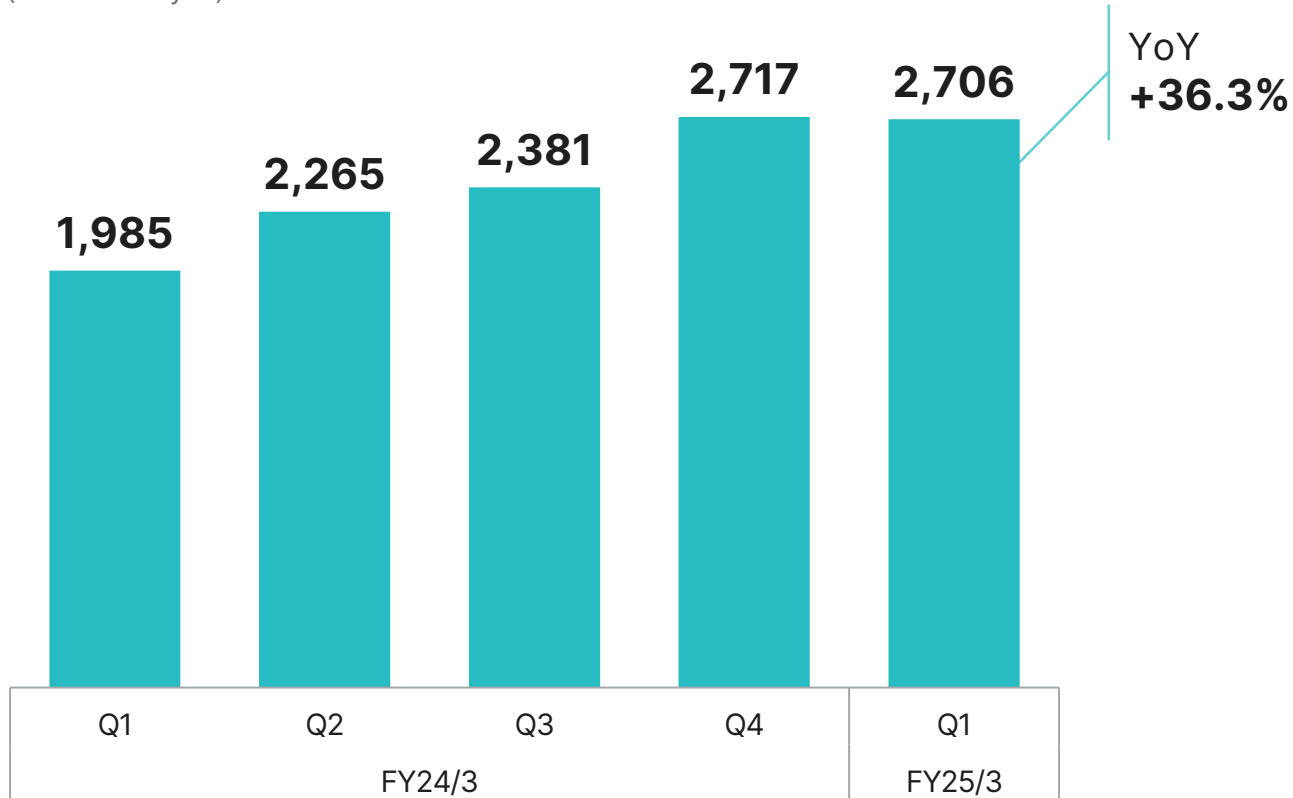
*2 ARPU= 3-month average of, monthly service revenue divided by monthly no. of contracted restaurants.



While revenue growth remained high, segment margin declined due to a strengthening of the sales structure and upfront investment in advertising.

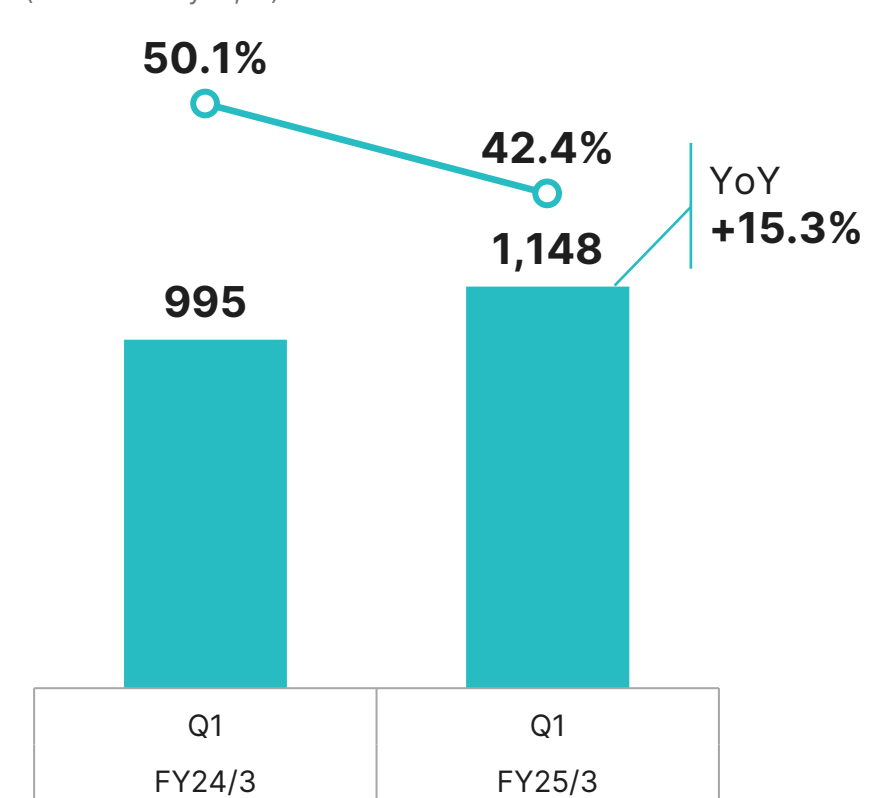
Revenue

(Unit: million yen)



Segment Income and Margin

(Unit: million yen, %)

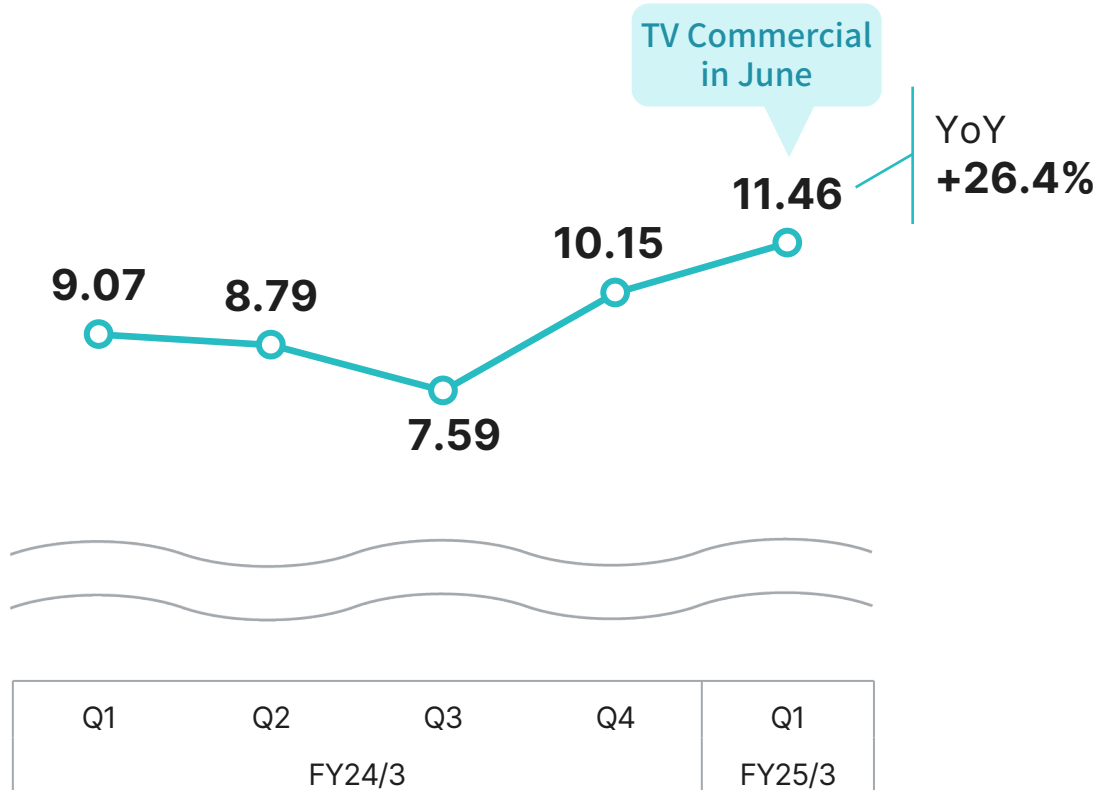


2. Operating Results by Segment: Kyujin Box (KPIs)

The monthly number of users reached a record high. Revenue per user showed steady growth.

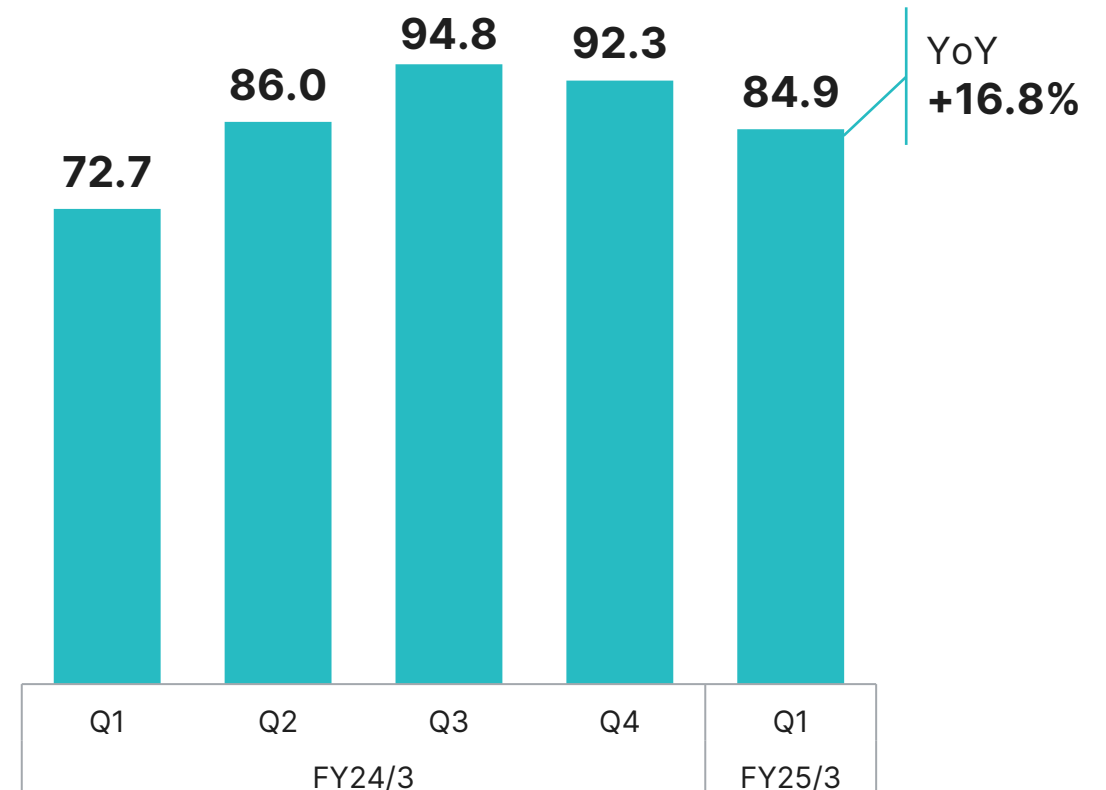
Monthly Users (end of quarter)

(Unit: million users)



Revenue Per User (quarterly average)

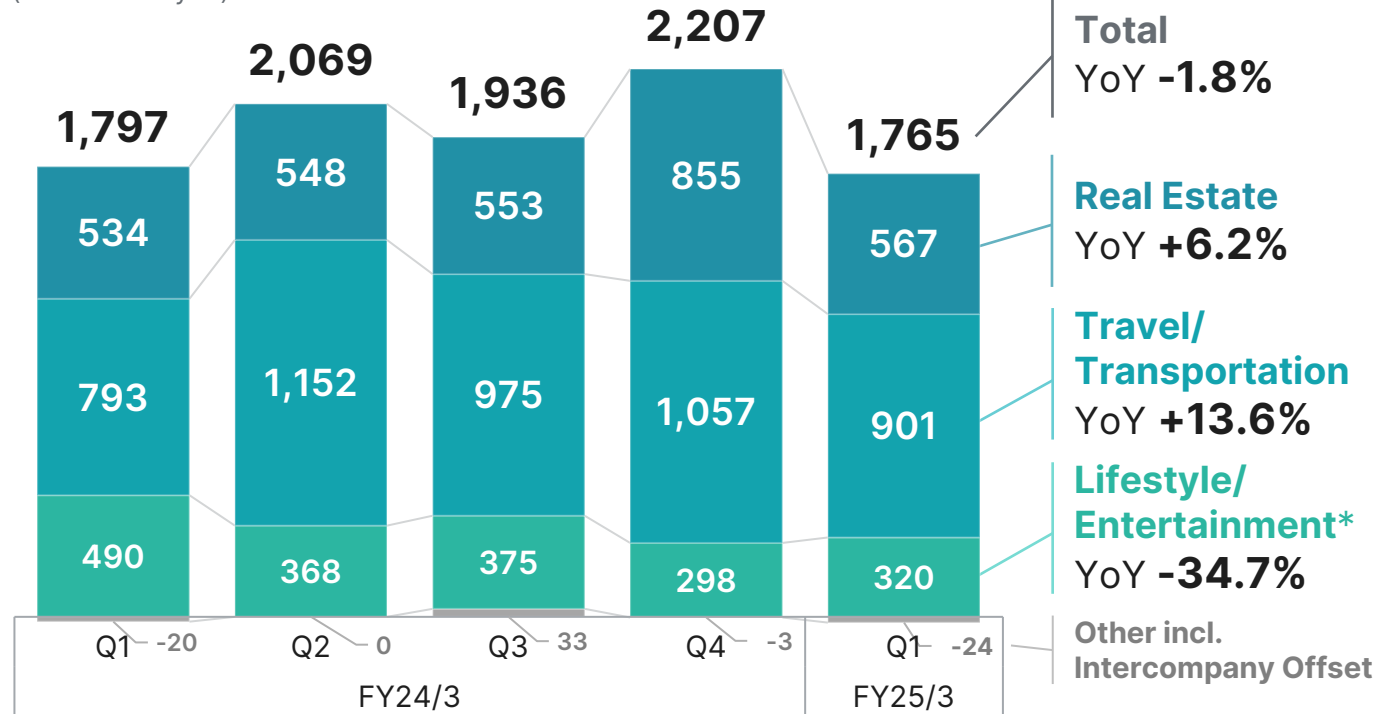
(Unit: yen)



Revenue growth trend continued in the Real Estate and Travel/Transportation domains.

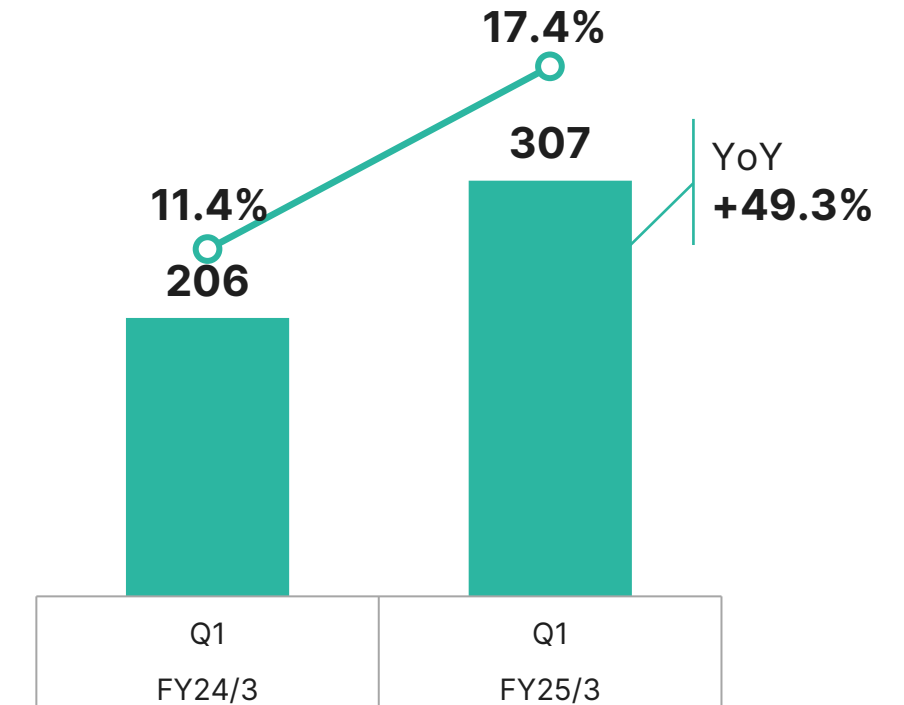
Revenue

(Unit: million yen)




Segment Income and Margin

(Unit: million yen, %)



* Due to the transfer of all shares of gaie Inc. on August 1, 2023, revenue is recorded only until July 2023. Excluding the revenue impact from gaie Inc., the Lifestyle/Entertainment domain grew by 23.4% yoy.

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1. Consolidated Operating Results
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Updated layout and overall design make it easier to compare and examine products



- Older models, color variations and models with different specs can be seen at a glance
- All content can be viewed simply by scrolling

Users' content usage has greatly improved

Visit Duration

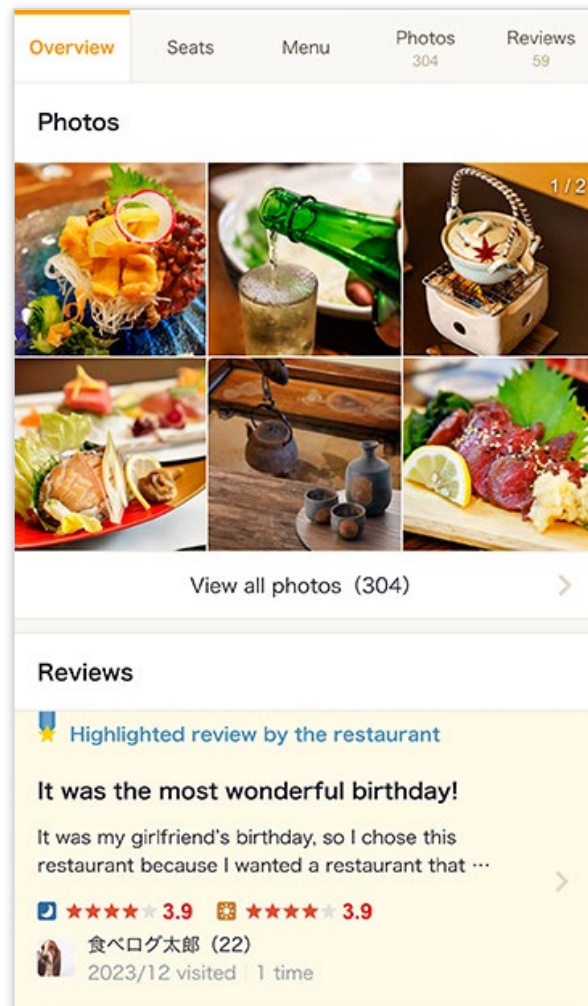
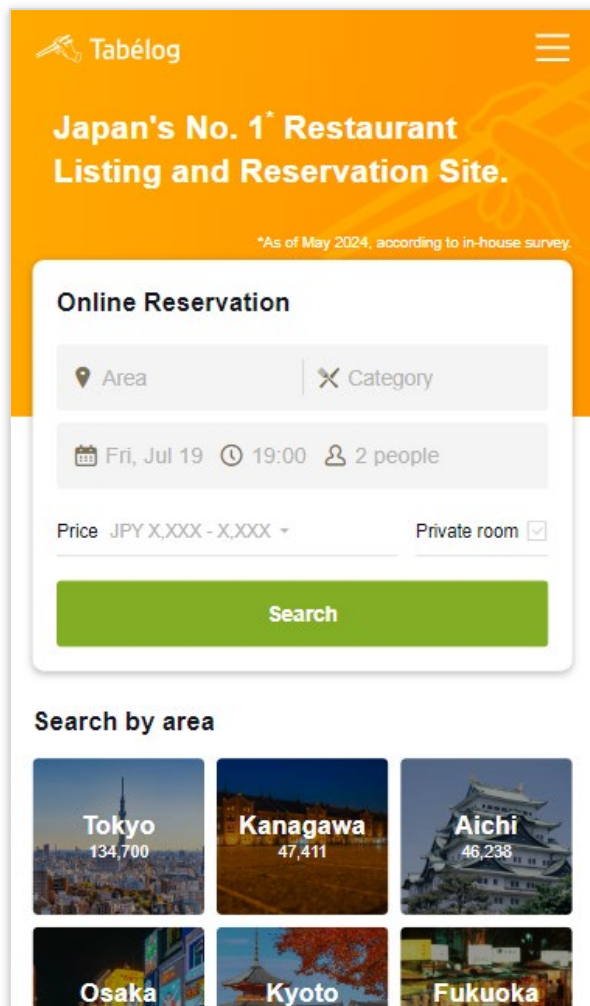
+20%

Users visiting multiple product pages

+44%

3. Topics: Tabelog (Online Reservation for Travelers to Japan)

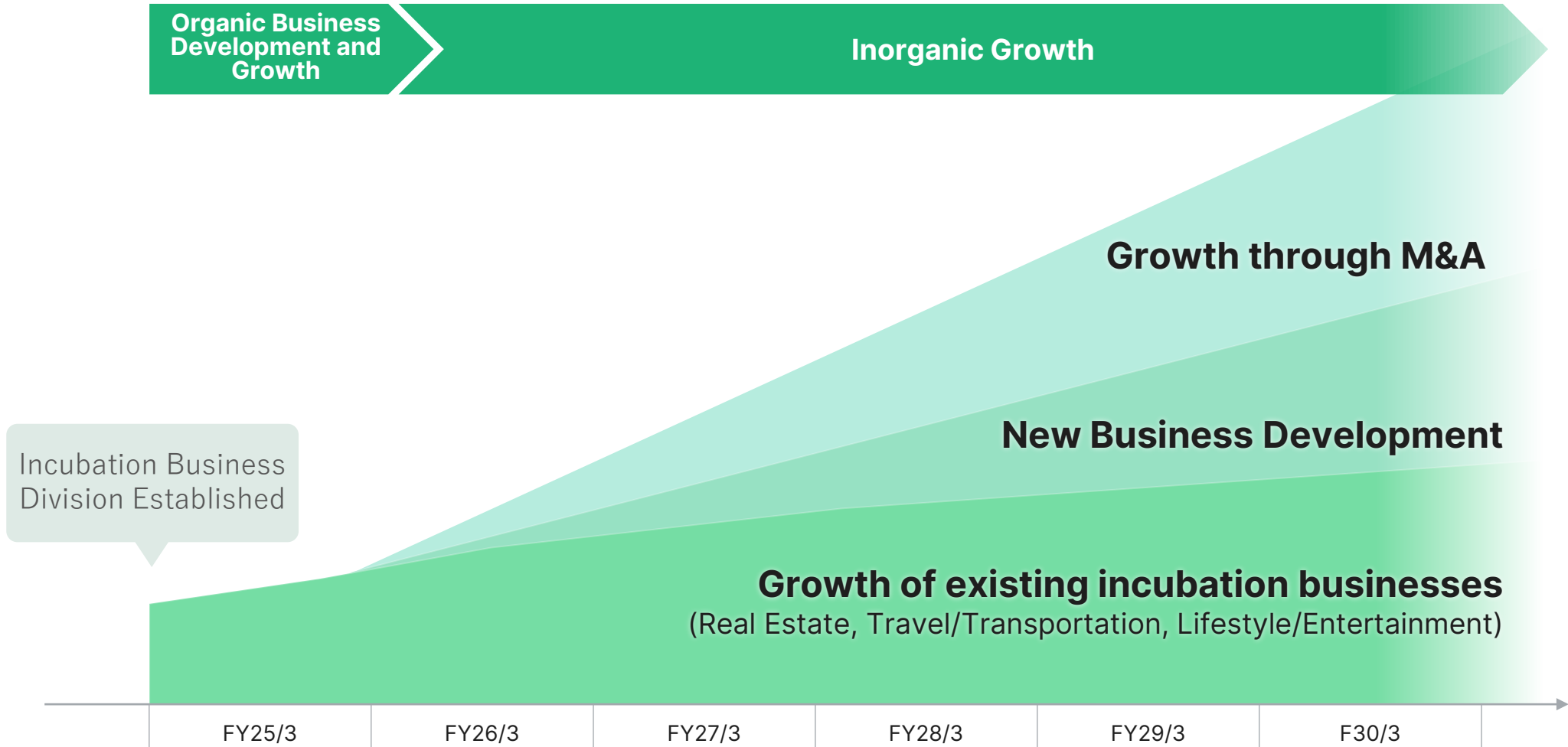
Start
June 26



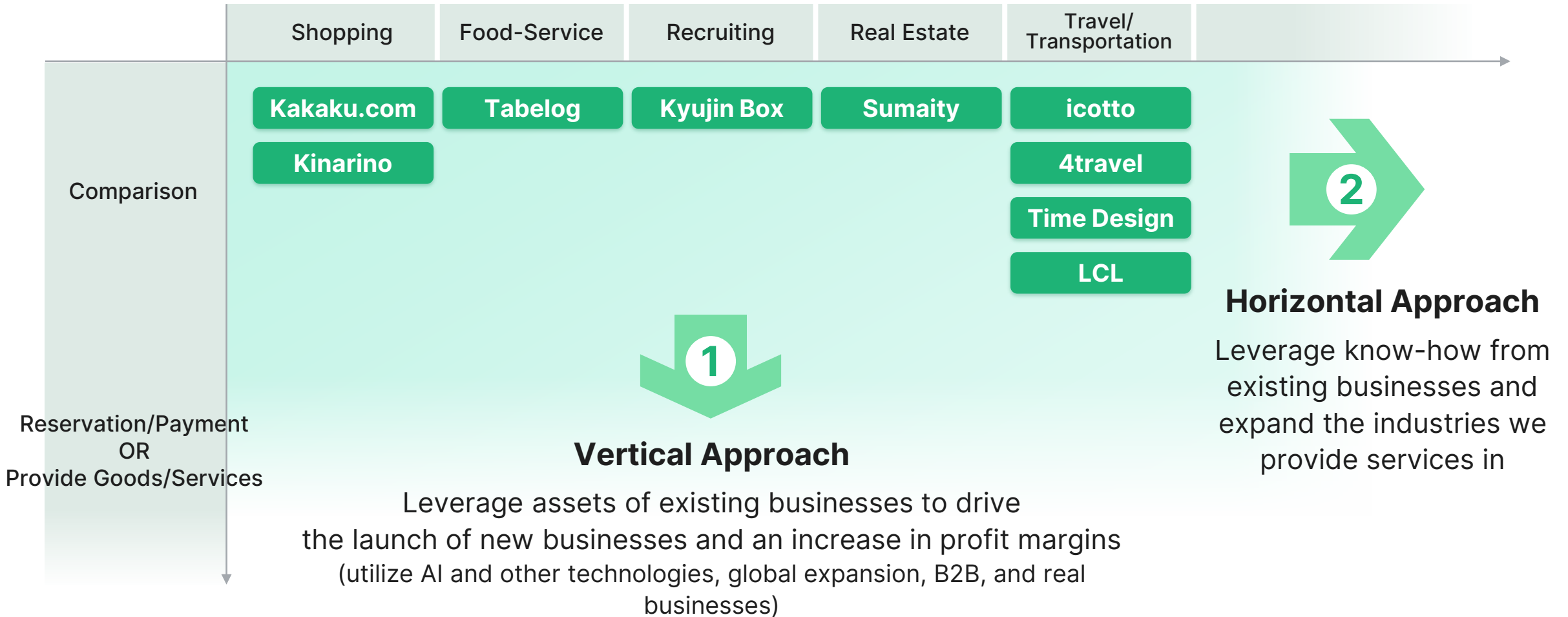
Full-scale start of online reservations for travelers to Japan

- Set/course menu reservations at over 35,000 restaurants
- Restaurant details, menus, reviews available in English, Chinese (simplified and traditional), and Korean, using AI translation
- Fees
 - Restaurants: Lunch ¥100/person
Dinner ¥200/person
 - Users: ¥400/person
- Cancellation Fees
 - Seamless payment service through collaboration with DG Financial Technology (DGFT)

In addition to growth of existing businesses, shift to in-organic growth through new business development and M&A



① Expand range of services, ② Expand industries



Aim to revitalize existing businesses, expand the scope of services provided, and create new businesses, through collaboration with and utilization of assets from our services in various fields such as shopping, food-service, recruiting, and travel.

Digital Garage

Strengths

- **Data Infrastructure** (Payment Data)
- **FinTech** (Payment Platform)
- **Advanced Technology** (AI, Blockchain)

kakaku.com

Strengths

- **Wide range of consumer services**
- **User Base/Data Infrastructure**

Tomorrow, Together

KDDI

Strengths

- **User Base/Data Infrastructure**
- **Wide Range of Consumer Services**
- **Communication technology/Advanced Technology** (AI, etc.)

Past/Current Initiatives

1. FinTech

- Introduction of payment platform and FinTech solutions to our services (Tabelog Order, online reservation for travelers to Japan, etc.)

2. Advanced Technology

- Introduction of AI technology to our services

Past/Current Initiatives

1. Data Utilization

- Create joint data infrastructure for the purpose of marketing and improving services

2. Consumer Services

- Service integration to improve value provided
- ID and Point integration on Tabelog

3. Topics: Example of an Initiative with Digital Garage

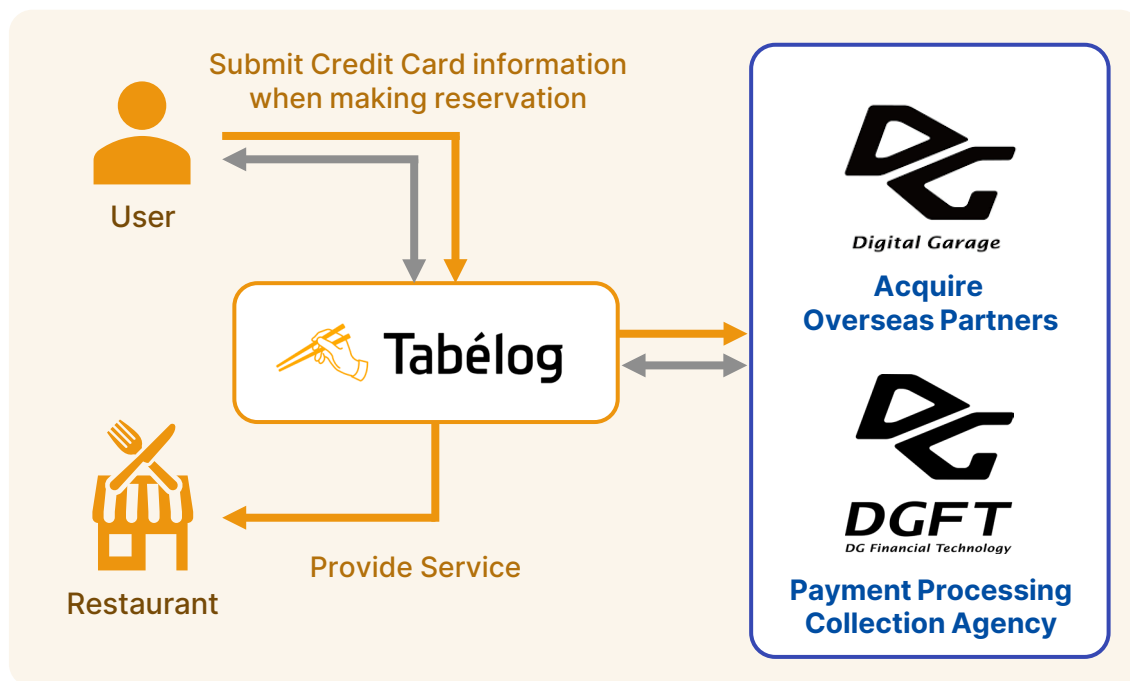
Identified areas of strategic collaboration between our services and DG Group's payment platform (i.e. shopping, food-service, recruiting, real estate, travel).

As a first step, payment integration with DGFT for Tabelog's reservation service for inbound travelers

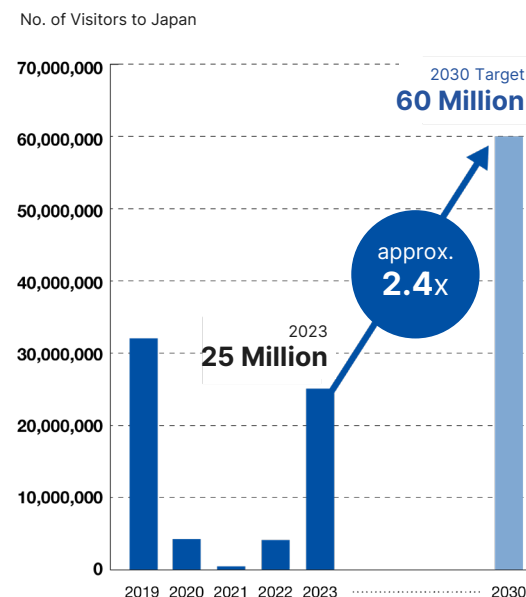
Largest service of its kind for visitors to Japan, with over 35,000 restaurants available for online reservation, in English, Chinese (simplified and traditional), and Korean.

Support for reservation related issues provided through DGFT's payment solution.

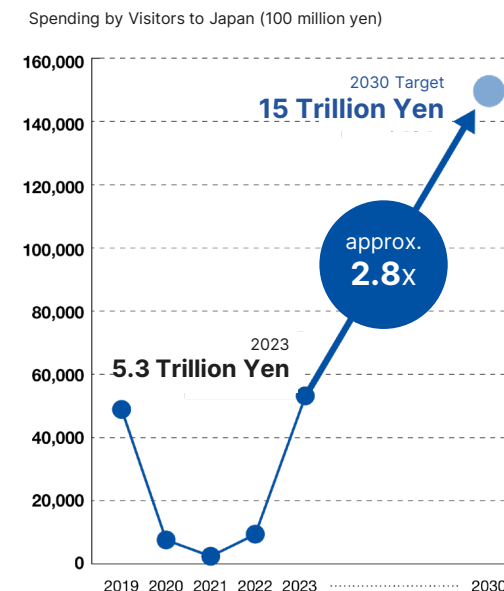
Capturing the growing inbound tourism market by combining media and payment services.




No. of Visitors to Japan



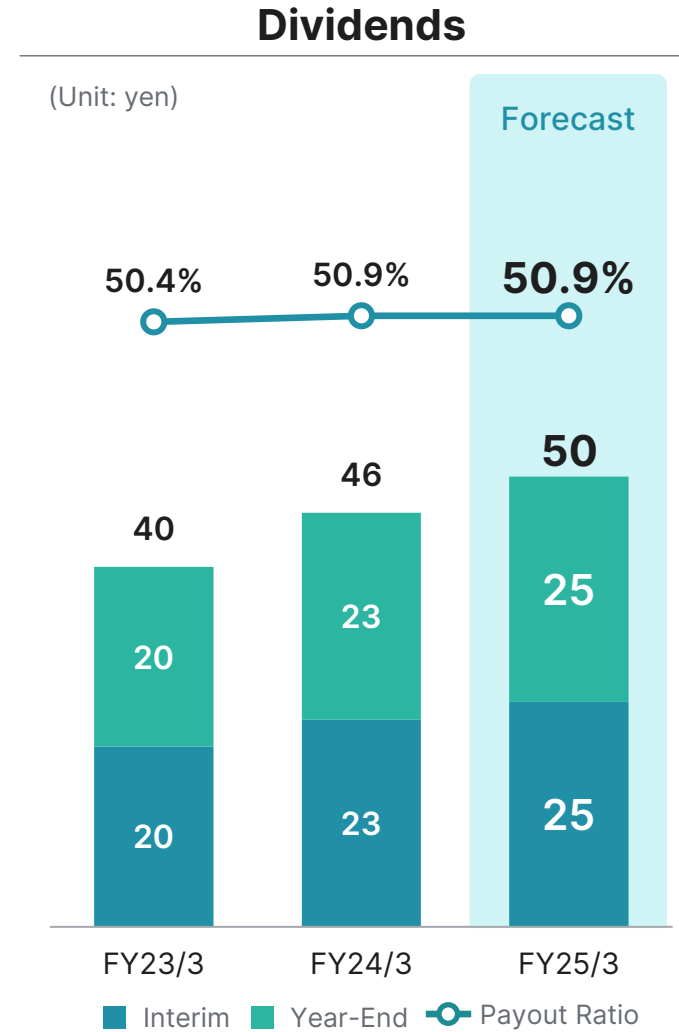
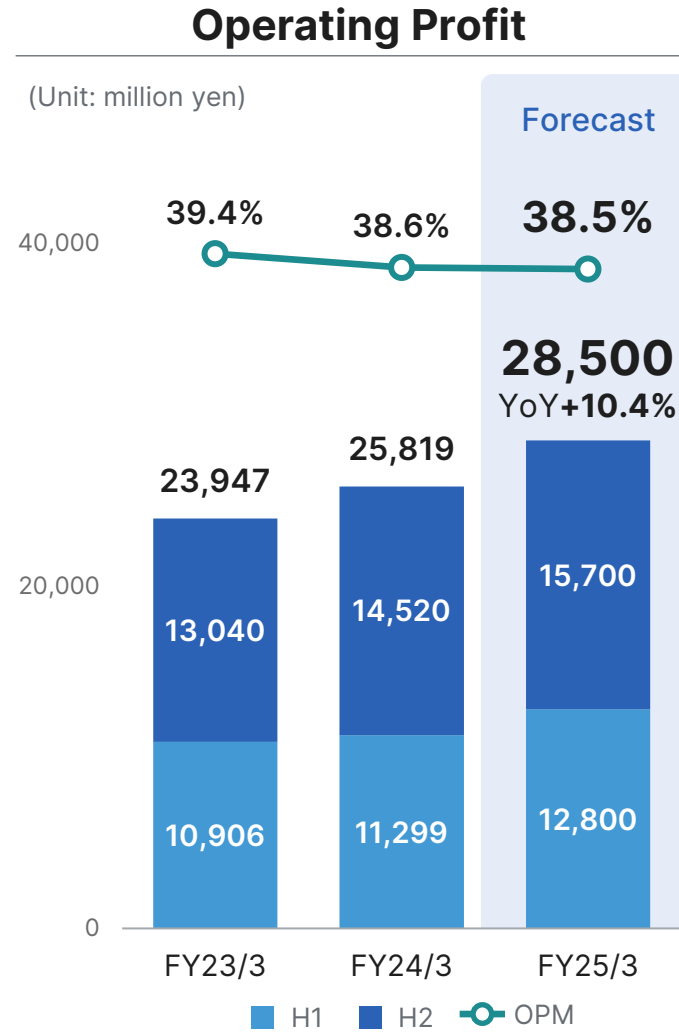
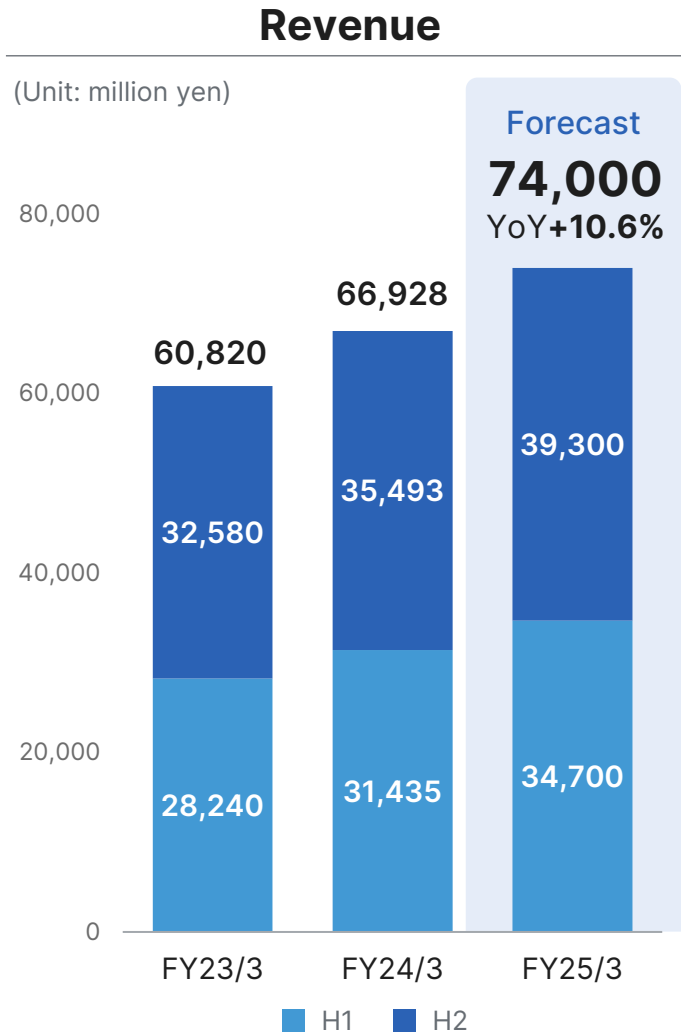
Spending by Visitors to Japan



Source: Japan Tourism Agency

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Continue double-digit revenue and operating profit growth and dividend payout ratio of at least 50%



4. Appendix: FY25/3 Forecast by Business

Kakaku.com

more than
YoY **+0%**

- Although the business environment remains difficult to forecast, with results for Shopping and Advertising continuing to improve, overall business revenue will exceed the previous year's level.

Tabelog

YoY **+15%**

- Continue to expand the number of contracted restaurants and ARPU, mainly for the Online Reservation Service
year-end target: Promotion Service 52,000 rest., Online Reservation Service: 83,000 rest.
- Growth may be accelerated by reservation service for inbound travelers (official release scheduled for this summer)

Kyujin Box

YoY **+35%**

- Maximize number of users and revenue per user
yea-end target: number of users YoY+10%, revenue per user 110-115 yen

Incubation

YoY **+5%***

- Expand growth and profitability of existing services, e.g. in the travel/transportation domain
- Promote launch of new businesses and M&A

*excl. gaie (transfer of all shares in August 2023)

4. Appendix: Financial Indices

	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3
Capital-to-Asset ratio *1	67.8%	66.1%	68.0%	60.9%	61.7%
ROE *2	44.0%	26.2%	30.1%	33.7%	36.5%
Dividend per share (yen)	40	40	40	40	46
Total dividend (billion yen)	82.9	82.4	81.9	81.1	91.7
Payout ratio	45.3%	70.0%	57.4%	50.4%	50.9%
Acquisition cost of treasury stock (billion yen)	80	0	50	80	60
Total return ratio *3	88.8%	70.0%	92.3%	99.8%	83.8%

*1 Capital-to-Asset Ratio = Equity attributable to owners of the parent company ÷ total assets × 100

*2 ROE = Profit attributable to owners of the parent company ÷ (Equity attributable to owners of the parent company) × 100

*3 Total Return Ratio = (Total dividend + Acquisition cost of treasury stock) ÷ Profit attributable to owners of the parent company × 100

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

Management Index

Targeting ROE of 40%

Approach to Profit Growth

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

Approach to Allocation of Management Resources

Growth investment

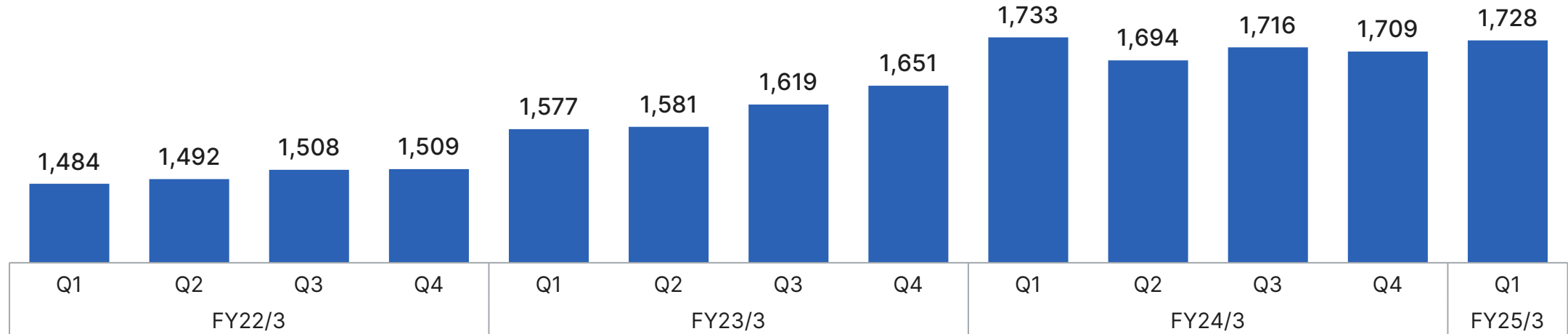
- Investment in human resources to expand existing businesses and create new businesses
- Investment in research and development related to advanced technologies and their application to businesses
- M&A and investment for the purpose of expanding business portfolio and accelerating growth

Shareholder returns

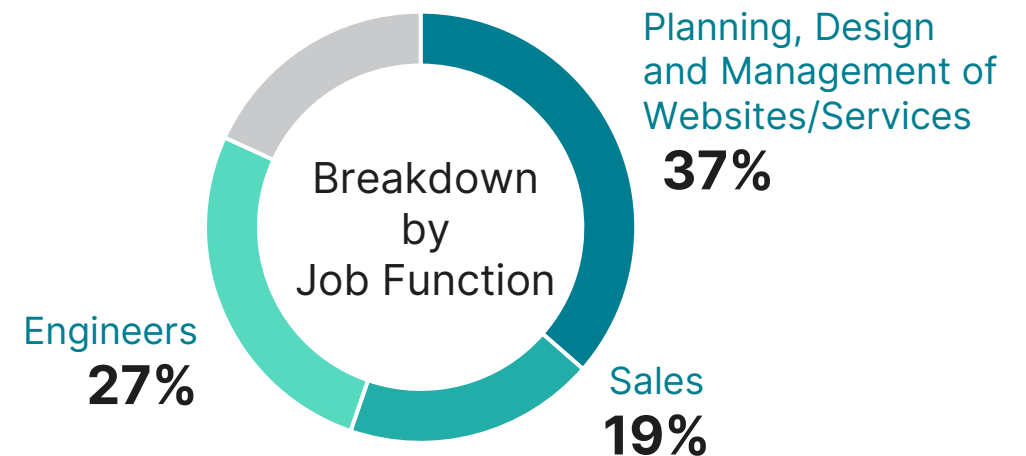
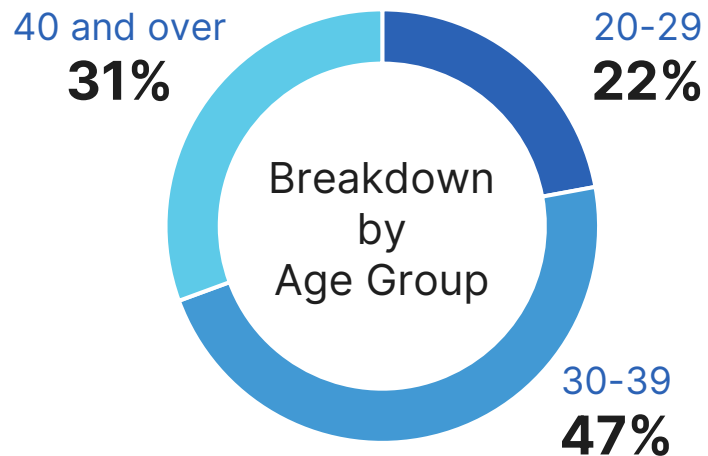
- Retain necessary funds on hand for the operation of existing businesses and investments for growth, and return excess retained earnings to shareholders
- Continuously pay dividends (twice a year) and buy back shares (flexibly)

4. Appendix: Number of Employees and Breakdown by Age Group and Job Function

Number of Directly Employed Employees (on a consolidated basis, including temporary employees)



Breakdown by age group and job function (employees of Kakaku.com, Inc. as of March 2024)



4. Appendix: Kakaku.com (Segment Overview)

Business Overview

Shopping

Refer users to online malls and shops, or manufacturers, by providing information such as product specifications, prices, and supporting the decision-making of users considering to purchase a product.

Service

Refer users to service providers, by providing information such as service details and fees, and supporting the decision-making of users considering to apply for a service.

Advertising

Creating and distributing various advertisements, mainly on the Kakaku.com website.

Insurance (operating company: Kakaku.com Insurance, Inc.)

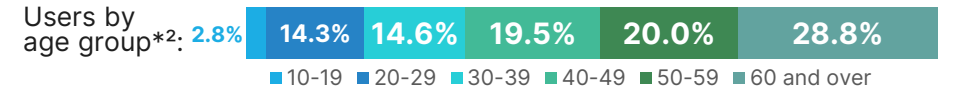
Solicitation and mediation of life and non-life insurance.

Business Model

Shopping	Durables	PCs, home appliances, cameras, etc.	Commission income based on clicks and sales performance	Clients: online malls and shops, electronics retailers, etc.
	Consumables	furniture, fashion, shoes, accessories, cosmetics, etc.		
	Other	water servers, etc.		
Service	Personal Finance	credit cards, loans (card loans, mortgages), investments, asset management, FX, etc.	Commission income based on applications for various services	Clients: service providers
	Tele-communications	overseas Wi-Fi rentals, low-cost SIM cards, internet providers, etc.		
	Automotive	used cars, car insurance, etc.		
	Other	Energy (electricity, gas), English courses, etc.		
	Advertising	banner ads, tie-in ads, search-based ads, etc.		
Insurance	life ins.: death, medical and cancer insurance, etc. non-life ins.: fire, overseas travel and pet insurance	Commission income from life and non-life insurance solicitation and mediation	Clients: insurance companies	

価格.com Purchase support site

Monthly Users *1 : 39.31 million (as of June 2024)

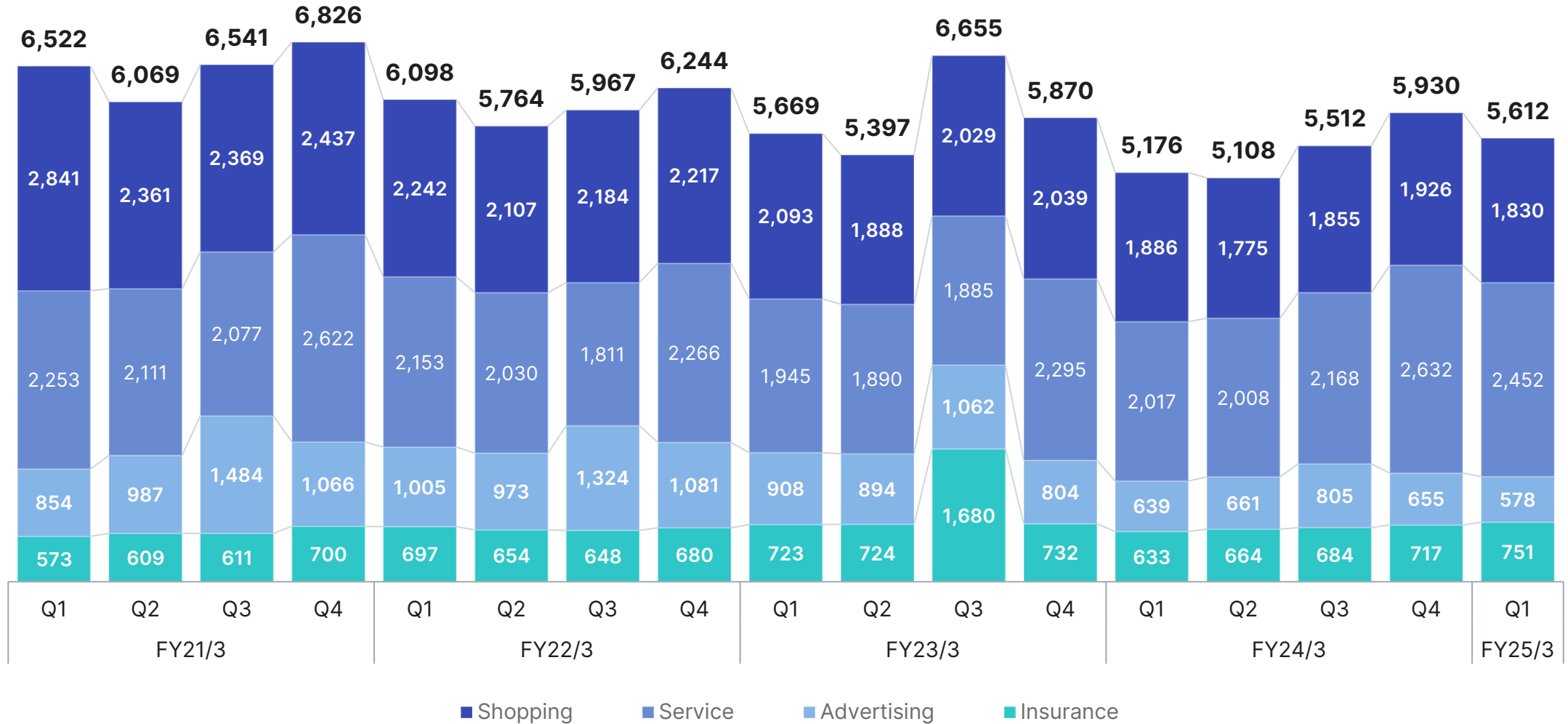


*1 Monthly unique users are counted as the number of browsers that visited the site (for certain browsers, operating systems, etc., there may be instances in which users who re-visited the site after a certain period are counted multiple times). Double-counting as a side effect of high-speed loading of mobile webpages and mechanical accesses by third parties' web-scraping bots etc. are eliminated to the fullest extent possible.

*2 Users by age group are as of May 2024.

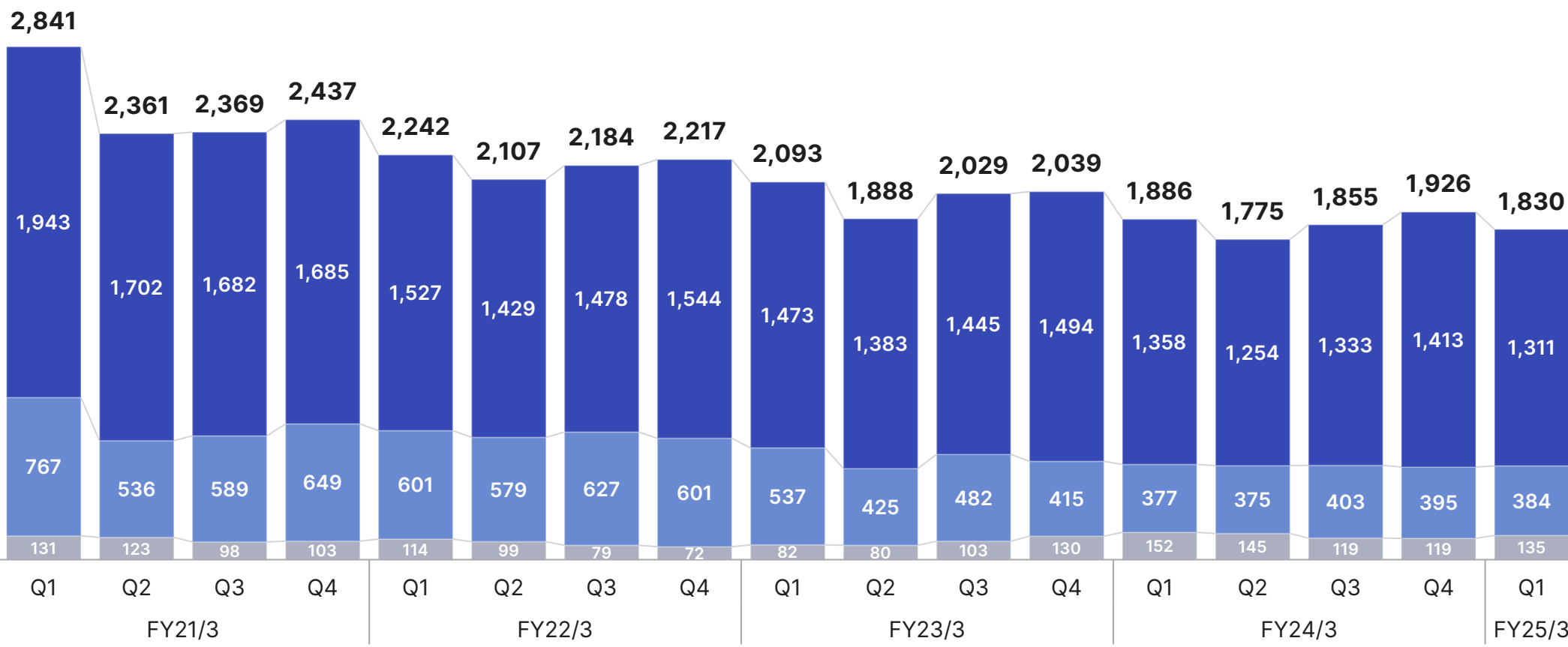
4. Appendix: Kakaku.com (Revenue by Business)

(Unit: million yen)



4. Appendix: Kakaku.com (Breakdown of Shopping Business Revenue)

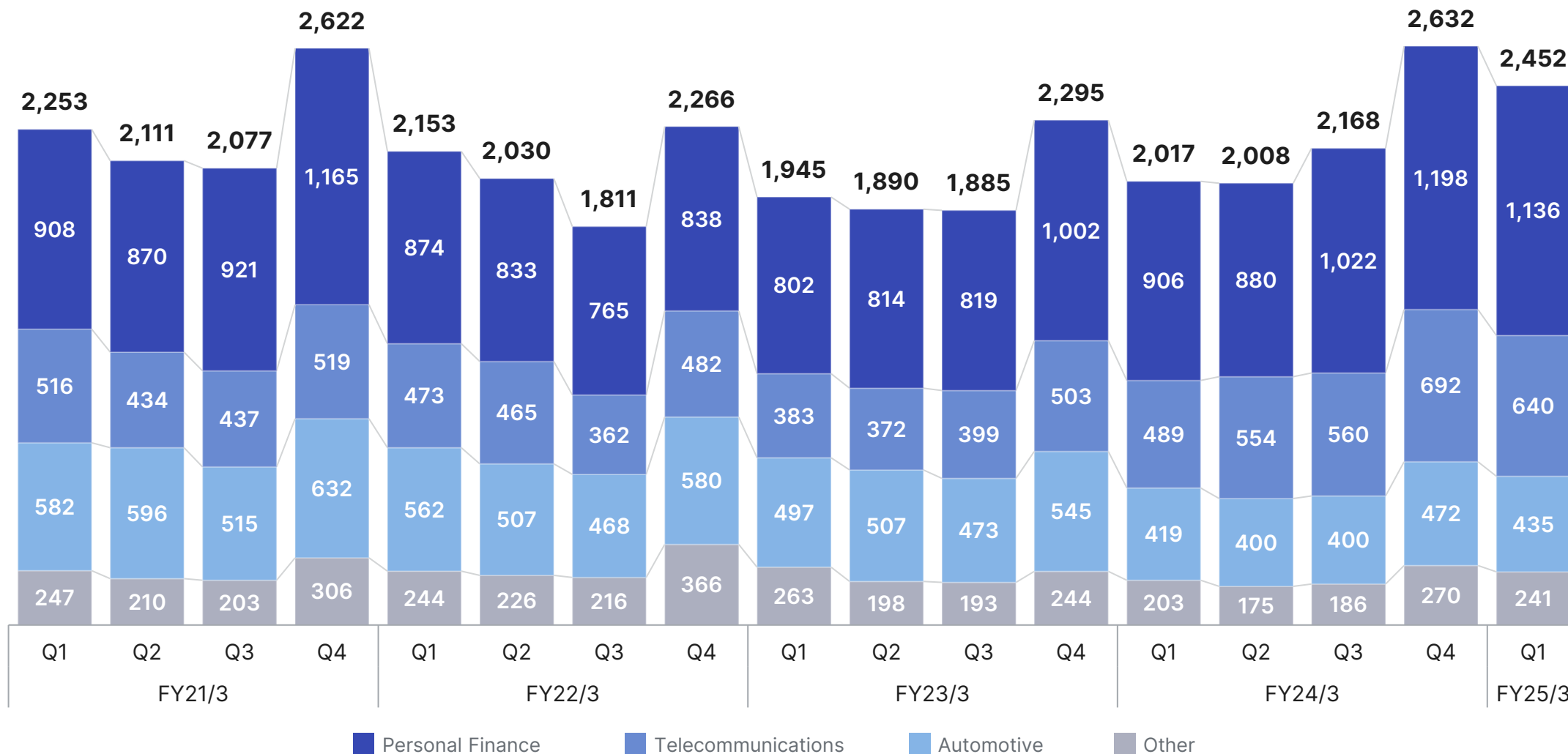
(Unit: million yen)



Sales Ratio	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Durables	68.4%	72.1%	71.0%	69.1%	68.1%	67.8%	67.7%	69.7%	70.4%	73.2%	71.2%	73.3%	72.0%	70.7%	71.9%	73.4%	71.6%
Consumables	27.0%	22.7%	24.8%	26.6%	26.8%	27.5%	28.7%	27.1%	25.7%	22.5%	23.7%	20.4%	20.0%	21.1%	21.7%	20.5%	21.0%
Other	4.6%	5.2%	4.1%	4.2%	5.1%	4.7%	3.6%	3.3%	3.9%	4.2%	5.1%	6.4%	8.0%	8.2%	6.4%	6.2%	7.4%

4. Appendix: Kakaku.com (Breakdown of Service Business Revenue)

(Unit: million yen)



4. Appendix: Tabelog (Segment Overview)

Business Overview

Restaurant Advertising (frm Promotion Service)

Support restaurants to attract customers, through priority display in standard search results in Tabelog, and providing added information, such as photos and descriptions to convey the appeal or specialties of restaurants.

Restaurant Reservation (frm Online Reservation)

Online restaurant reservation service.

Premium Users

Subscription-based service for users, with benefits such as coupons and being able to access rankings based on user-ratings on mobile devices.

Advertising

Creating and distributing advertisements on Tabelog, targeting users with a high interest in gourmet food.

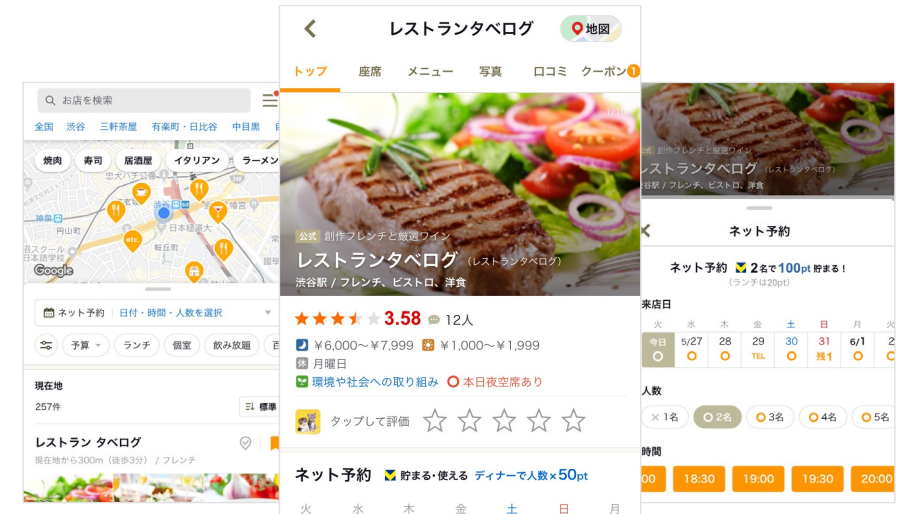
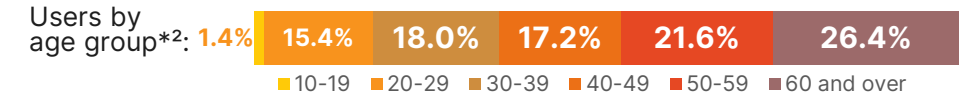
In addition, we provide operational support for restaurants, such as in-store mobile ordering (Tabelog Order), an online reservation ledger (Tabelog Note), and a procurement service (Tabelog Shi-ire ("Tabelog Procurement")).

Business Model

Restaurant Advertising	Income from fixed monthly fees, based on service provided ¥10,000 / ¥25,000 / ¥50,000 / ¥100,000	Clients: restaurants
Restaurant Reservation	Income from fees based on number of customer referrals dinner: ¥200/person lunch: ¥100/person	Clients: restaurants
Premium Users	Income from user fees for access to premium content	Clients: users
Advertising	Advertising revenues from banner ads, tie-in ads, search-based ads, etc.	Clients: manufacturers, service providers, etc.



Monthly Users*1 : 92.78 million (as of June 2024)

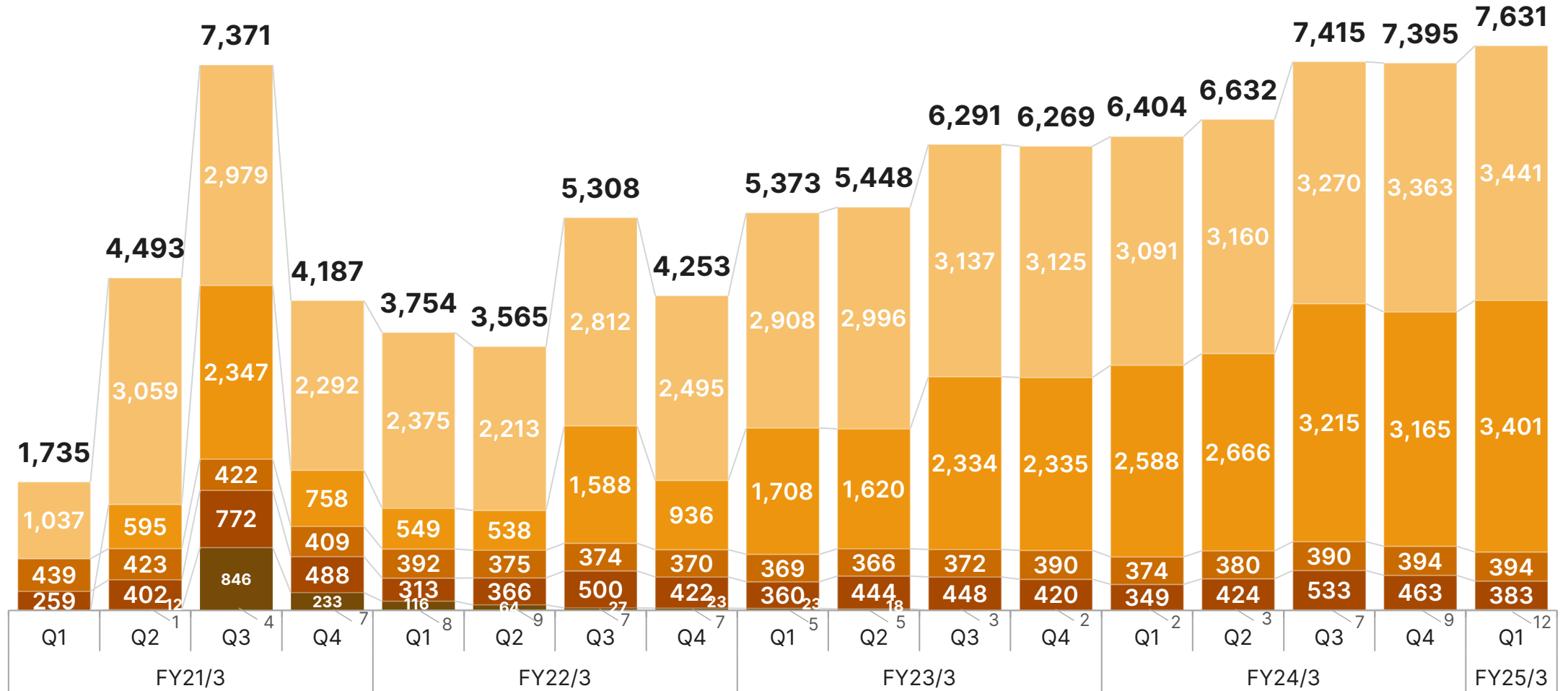


*1 Monthly unique users are counted as the number of browsers that visited the site (for certain browsers, operating systems, etc., there may be instances in which users who re-visited the site after a certain period are counted multiple times). Double-counting as a side effect of high-speed loading of mobile webpages and mechanical accesses by third parties' web-scraping bots etc. are eliminated to the fullest extent possible. Tabelog's support of AMP (Accelerated Mobile Pages) ended in February 2022.

*2 Users by age group are as of May 2024.

4. Appendix: Tabelog (Revenue by Business)

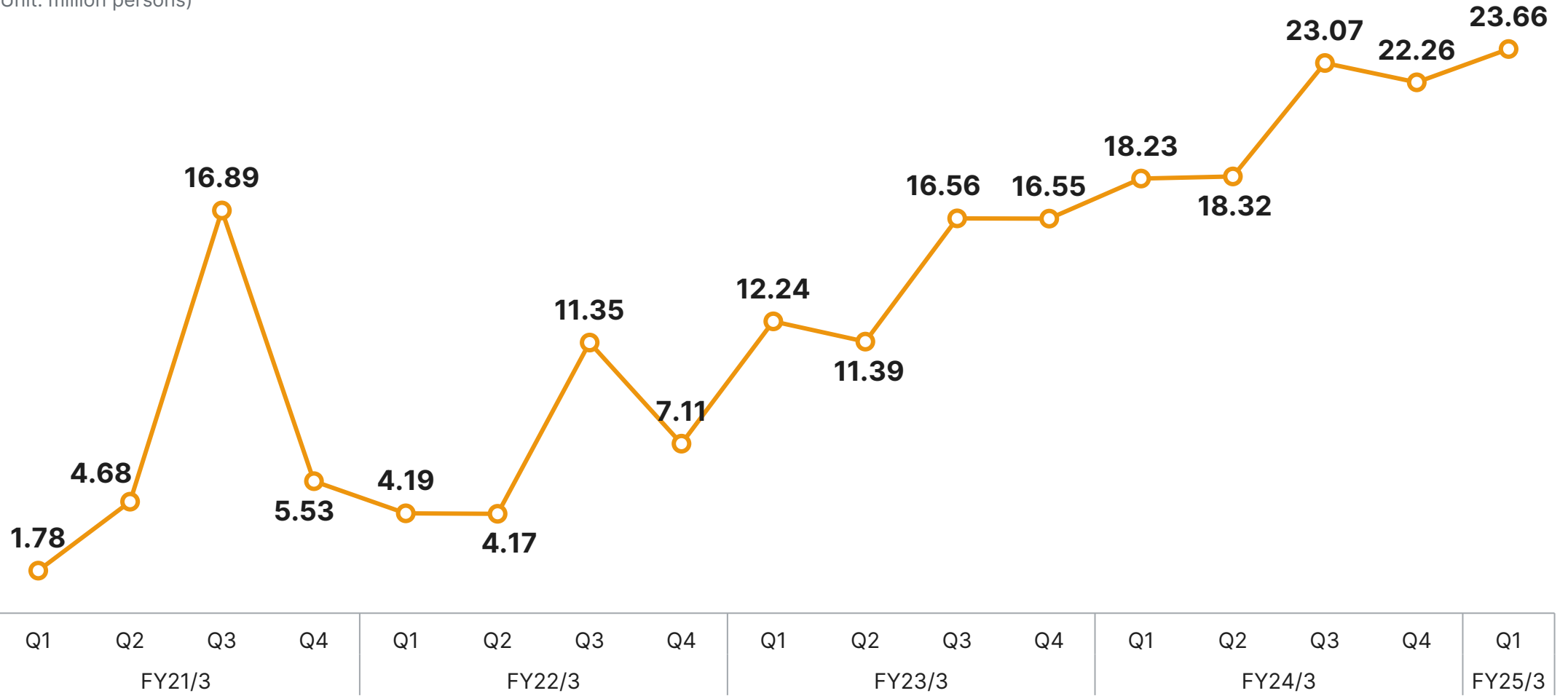
(Unit: million yen)



■ Restaurant Advertising
 ■ Restaurant Reservation
 ■ Premium Users
 ■ Advertising
 ■ Income from Commissioned Operations
 ■ Other

4. Appendix: Tabelog (Number of Online Reservations (Quarterly Total))

(Unit: million persons)



4. Appendix: Kyujin Box (Segment Overview)

Business Overview

Provide a comprehensive search engine for job information. Referral of job seekers to job sites and hiring companies, by supporting job seekers to find a job that matches their desired conditions, out of more than 10 million job listings. Includes listings posted on online job boards and companies' recruitment sites, as well as information directly posted by employers on Saiyo Board*. Listings are not limited to a certain area, employment type or job category.

How job listings are posted on Kyujin Box

- **Crawling:** Kyujin Box crawls and posts information from job boards and employers' websites
- **Saiyo Board:** Employers directly submit and post job-related information
- **Listing Ads (paid):** Preferred display in search results

* Saiyo Board (Recruiting Board): A free-to-use platform for companies that do not have their own recruiting page, to create job listings and post them on Kyujin Box, simply by filling out a form with the necessary requirements. Companies using Saiyo Board are notified when they receive an application and can check an applicant's information and contact details, based on which they can conduct interviews and decide whether to accept or reject the applicant.

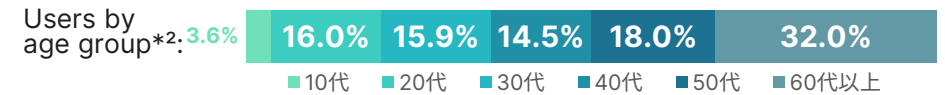
Business Model

Kyujin Box	Income from commissions based on the number of users referred to job sites and employers' websites, (i.e. no. of clicks) through paid listing ads*.	Clients: job sites (incl. employment agencies and temp staff services), employers (incl. employers using Saiyo Board)
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* A bidding system allows advertisers to adjust their cost-per-click in increments of one yen, from 25 to 1,000 yen.

求人ボックス Comprehensive job search service

Monthly Users*1 : 11.46 million (as of June 2024)

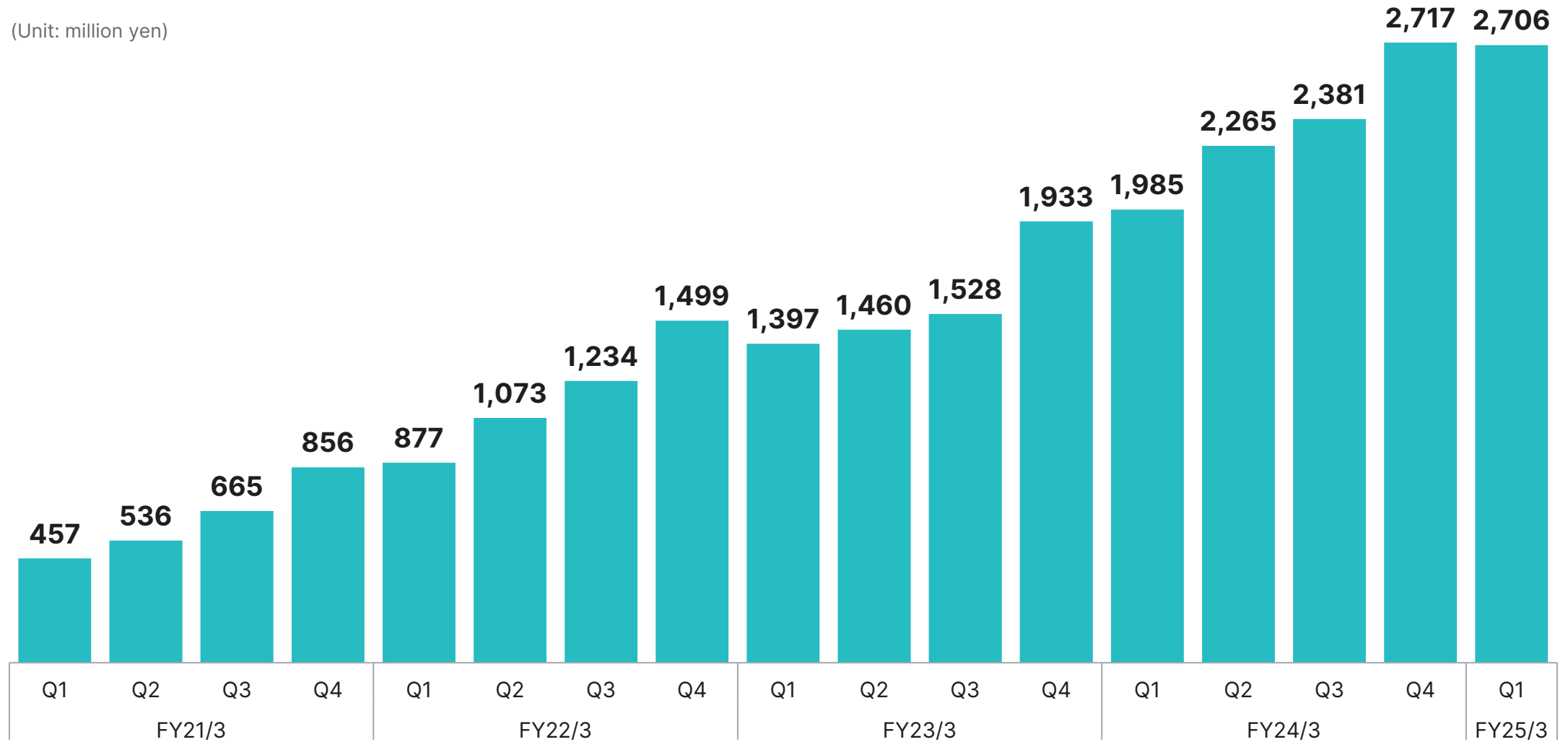


*1 Monthly unique users are counted as the number of browsers that visited the site (for certain browsers, operating systems, etc., there may be instances in which users who re-visited the site after a certain period are counted multiple times). Double-counting as a side effect of high-speed loading of mobile webpages and mechanical accesses by third parties' web-scraping bots etc. are eliminated to the fullest extent possible.

*2 Users by age group are as of May 2024.

4. Appendix: Kyujin Box (Revenue)

(Unit: million yen)



4. Appendix: Incubation (Segment Overview)

Real Estate



Residential real estate website

Travel/ Transportation



Dynamic package reservation platform

Operating company: Time Design Co., Ltd.



Price comparison site for highway/overnight buses and bus tours

Operating company: LCL, Inc.



Comparison site for the cheapest bus, airline and bullet train tickets

Operating company: LCL, Inc.



Travel review and comparison site



Online travel information and hotel reservation media



Search and comparison of domestic accommodations

Lifestyle/ Entertainment



Online database for movies and showtimes

Operating company: eiga.com, Inc.



Online media for car enthusiasts

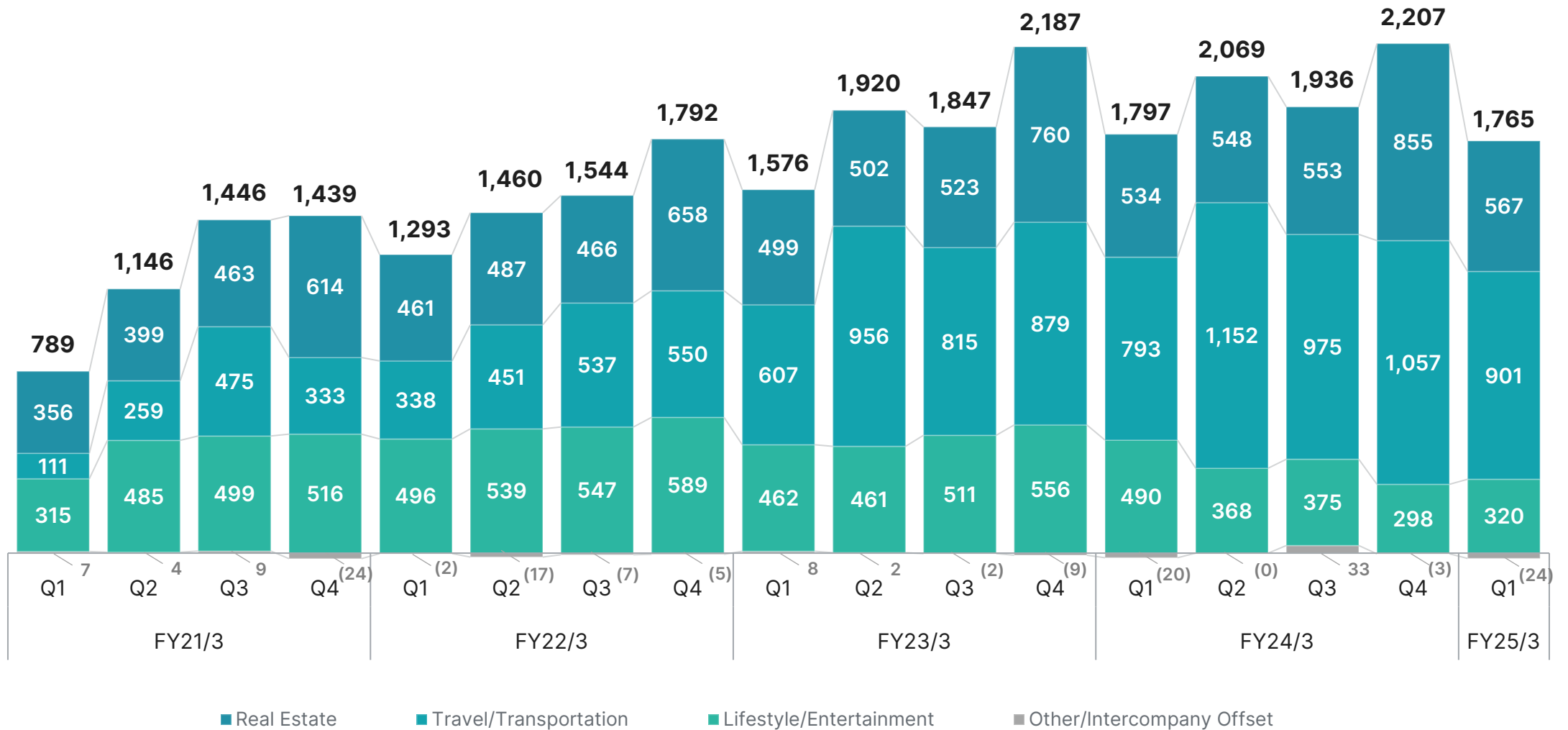
Operating company: webCG, Inc.



Lifestyle media

4. Appendix: Incubation (Revenue by Business Domain)

(Unit: million yen)



Company Name	Kakaku.com, Inc.	
Address	3-5-7 Ebisu Minami, Shibuya-ku, Tokyo 150-0022	
Founded	December 1997	
URL	https://corporate.kakaku.com/	
Share Listing	Prime Market of Tokyo Stock Exchange	
Securities Code	2371	
Related Companies	Kakaku.com Insurance, Inc.	https://kakakucom-insurance.co.jp/
	eiga.com, Inc.	https://eiga.com/
	Time Design Co., Ltd.	https://www.timedesign.co.jp/
	webCG, Inc.	https://www.webcg.net/
	LCL, Inc.	https://www.lclco.com/
	Pathee, Inc.	https://corp.pathee.com

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