To whom it may concern:

August 31, 2020

Company Name: Macromill, Inc.
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Representative Executive Officer and Global CEO
(Ticker Code: 3978 TSE Section 1)
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Notice Regarding Impairment Loss and a Loss on the Valuation of Shares of Subsidiaries and Associates (Parent Company's Financial Results) as well as Differences between Consolidated Financial Results Forecasts and Actual Results for the Fiscal Year Ended June 30, 2020

Macromill, Inc. (Headquarters: Minato-ku, Tokyo; hereinafter, "Macromill") announces Macromill has recognized impairment loss related to its overseas business goodwill during the fiscal year ended June 30, 2020 (July 1, 2019 - June 30, 2020) as follows. Based on the impairment loss recognition, Macromill also announces the differences between its consolidated financial results forecasts for the fiscal year ended June 30, 2020 and its actual financial results disclosed today as follows.

1. Details of impairment loss and loss on the valuation of shares of subsidiaries and associates (The parent company's financial results)

Regarding the goodwill related to the Overseas Business (ex-Korea), Macromill recognized an impairment loss of 5,280 million Japanese Yen because it became unexpectable to recover an investment based on the current financial results for the fiscal year ended June 30, 2020 and its future profitability. This impairment loss will impact Operating Profit and all other profits below because it will be recognized as an Operating Loss under the IFRS regulation. In addition, based on the above-mentioned impairment loss recognition, Macromill recognized 3,444 million Japanese Yen of loss on the valuation of shares of subsidiaries and associates at the parent company's financial results.

2. Differences between consolidated financial results forecasts and actual results for the fiscal year ended June 30, 2020 (July 1, 2019 - June 30, 2020)

(Millions in Yen, unless otherwise stated)

		Revenue	EBITDA	Operating Profit	Profit before tax	Profit for the period	Profit attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecasts (a)		40,000	7,500	4,600	4,300	2,900	2,400	59.62
Results (b)		**41,270**	**8,651**	**396**	**8**	**(1,685)**	**(2,131)**	**(52.94)**
Variance (b-a)		1,270	1,151	(4,204)	(4,292)	(4,585)	(4,531)	(112.56)
% change (b/a)		3.2%	15.3%	(91.4%)	(99.8%)	-	-	-
(Ref.)	FY6/2019 Results (c)	44,279	9,167	7,751	7,285	5,262	4,702	117.90
	% change (b/c)	(6.8%)	(5.6%)	(94.9%)	(99.9%)	-	-	-

3. Reason for the differences between consolidated financial results forecasts and actual results

Revenue remained at the same level as the full-year consolidated financial results forecast for the fiscal year ended June 30, 2020 announced on May 13, 2020, however, Operating Profit, Profit before tax, Profit for the period, and Profit attributable to owners of the parent became significantly lower than the forecasts because Macromill recognized the impairment loss of the goodwill related to the Overseas Business (ex-Korea) segment as stated above. Please refer to *"Summary of Consolidated Financial Statements for the Fiscal Year Ended June 30, 2020 [IFRS]"* disclosed today for more details.

Ends,