ITmedia Inc.

ITmedia Inc.

The Three-Month Period Ended June 30, 2024

Supplementary Briefing Materials

August 5, 2024
Securities code: 2148
Tokyo Stock Exchange Prime Market

ITmedia Inc.

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.

FY2024 Plans to Disclose Earnings, Etc.

Disclosure of earnings for each quarter of FY2024 is planned as follows.

	Q1	Q2	Q3	Q4
Disclosure Schedule	Aug. 5, 2024 (Today)	Early Nov. 2024	Early Feb. 2025	Early May. 2025
Consolidated Financial Report	○	○	○	○
Financial and Operational Data Sheets(EXCEL)	○	○	○	○
Supplementary Briefing Materials (this document)	○	-	○	-
Earnings Briefing (held online)	-	○	-	○
Earnings Briefing Materials	-	○	-	○
Earnings Briefing Video	-	○	-	○

* The details stated above are subject to change.

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ITmedia Inc.

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

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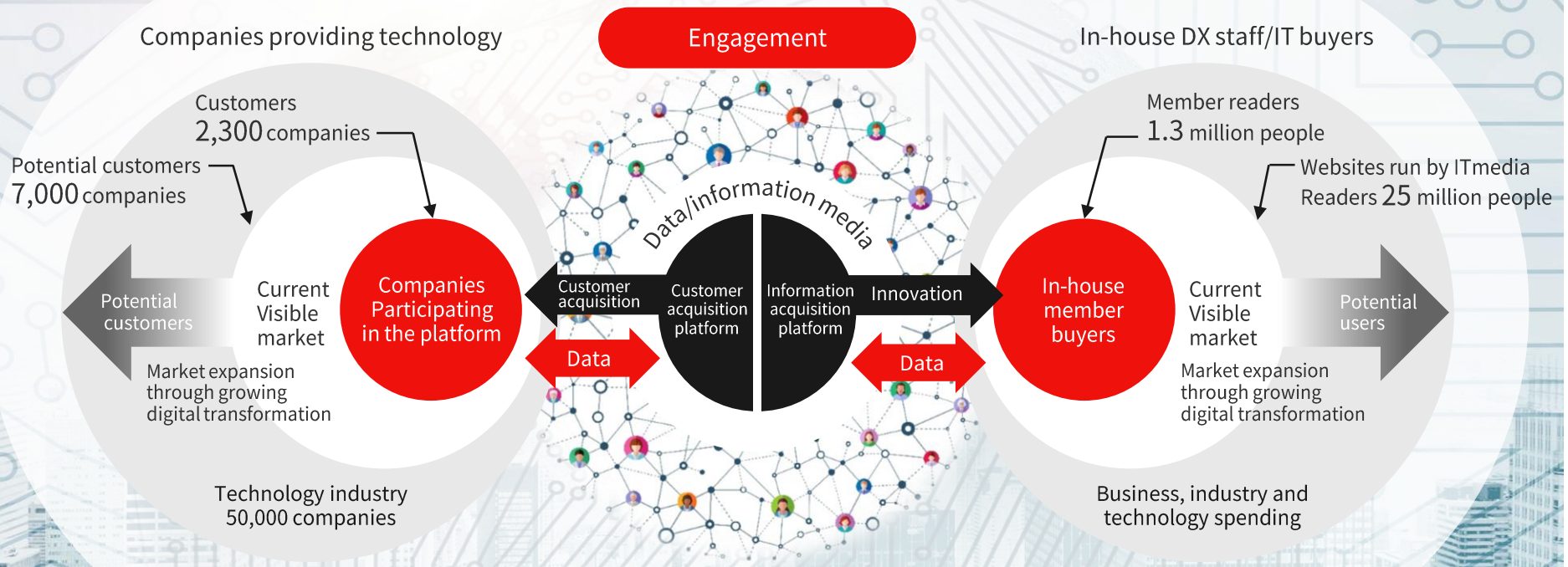
Our Fundamental Platform

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



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

Gathering information is essential in introducing technology products.

The specialized media operated by our company gathers information on technology products, and we have accumulated many buyers as readers and members.

Our company provides marketing solutions unique to the digital sphere, including lead generation, to technology vendors, based on data generated from media.

(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

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Business Segment and Revenue Model

	BtoB Media Business				BtoC Media Business
Revenue model	Lead Generation revenue	Digital Event revenue		Ad revenue	Programmatic Ad revenue
Revenue format	• Provide sales leads • Provide intent data etc.	**Commissioned** Supporting events	**Sponsored** Sponsor revenue	• Sales of ad slots • Tie-up plans	• Ad networks
Revenue sources	Strong content media				
KPIs	Number of members				P V s
Value provided	Customer acquisition				Raise awareness
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: BtoB (IT/business, industrial technology fields)				Sales resources not required Sales by partners with superior ad technology

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Revenue composition ratio and Media Operated (FY2023 Actual)

BtoB Media Business

Revenue composition ratio
83%

IT/Business Field

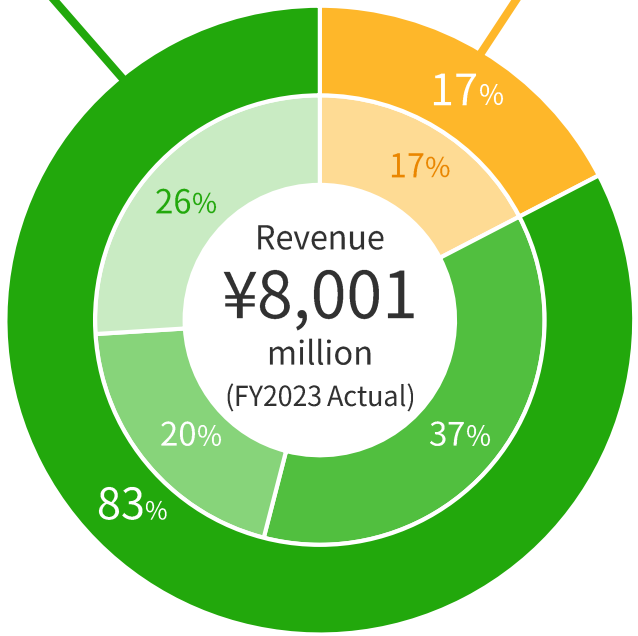
TechTarget Japan
キーマンズネット
@IT atmarkIT
ITmedia NEWS
ITmedia エンタープライズ
ITmedia AI+
ITmedia エグゼクティブ
ITmedia ビジネスONLINE
ITmedia マーケティング

Subsidiaries/Affiliated Company

発注ナビ
ITreview

Industry × Tech

MONOist
EE Times Japan
EDN Japan
Tech Factory
BUILT Building×IT
スマートジャパン Smart Japan



Revenue composition ratio by revenue model

- Lead Generation revenue 37%
- Digital Event revenue 20%
- Ad revenue 26%
- Programmatic Ad revenue 17%

BtoC Media Business

Revenue composition ratio
17%

Consumer

ねとらぼ
ITmedia Mobile
ITmedia PC USER
Fav-Log by ITmedia

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FY24 Q1 Consolidated Earnings Overview: YoY Change

(Unit: million yen)	FY23 Q1	FY24 Q1	Change in amount YoY	% change YoY
Revenue	1,802	1,849	+47	+2.6%
BtoB Media Business	1,500	1,517	+17	+1.2%
Lead Generation rev.	704	722	+18	+2.6%
Digital Event rev.	315	376	+61	+19.5%
Ad rev.	480	418	(62)	(13.0)%
BtoC Media Business	301	331	+29	+9.9%
Programmatic Ad rev.	301	331	+29	+9.9%
Operating income	414	379	(35)	(8.5)%
(Operating margin)	23.0%	20.5%	(2.5)pt	
BtoB Media Business	361	329	(32)	(8.9)%
(Operating margin)	24.1%	21.7%	(2.4)pt	
BtoC Media Business	53	49	(3)	(6.3)%
(Operating margin)	17.7%	15.0%	(2.6)pt	
Net income	280	266	(14)	(5.1)%

Consolidated revenue 2.6% increased revenue

Operating income 8.5% decreased profit

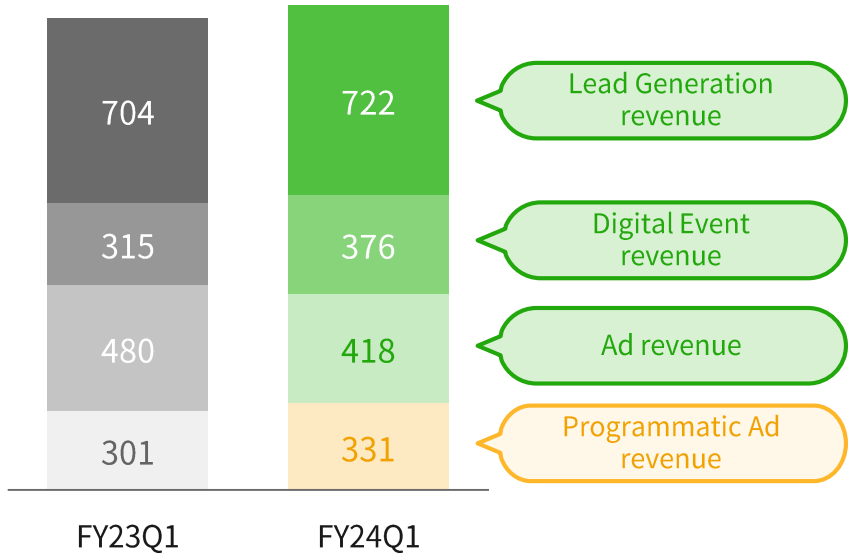
BtoB Media Business 1.2% increase in revenue 8.9% decrease in profits

- Digital Events, which decreased in revenue in FY23, shifted to growth.
- The slowdown in foreign customers continued, especially impacting Ad revenue.
- Advertising expenses were invested in continuously growing Hacchu Navi.

BtoC Media Business 9.9% increase in revenue 6.3% decrease in profits

- Programmatic Ads, which decreased in revenue in FY23, shifted to growth.
- Strengthening of content continued, with a focus on Netolabo.

Revenue by revenue model YoY (Unit: million yen)



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FY24 Q1 Overview by Segment: KPIs/Comparison to Targets

BtoB Media Business revenue = Media revenue (Number of customers × Spending per customer) + Hacchu Navi revenue

	(Unit)	Q1 Actual FY23	Q1 Actual FY24	Q1 YoY Change	Q1 YoY Percentage	Full Fiscal Year Earnings/Target FY23 Actual	Full Fiscal Year Earnings/Target FY24 Target	Q1 Progress FY23	Q1 Progress FY24
BtoB Media Business	Millions of yen	1,500	1,517	+17	+1.2%	6,610	7,040	22.7%	21.6%
Media revenue	Millions of yen	1,393	1,381	▲12	▲0.9%	6,133	6,420	22.7%	21.5%
KPI Number of customers	Companies	519	539	+20	+3.9%	1,048	1,075	-	-
KPI Spending per customer	10,000 yen	268	256	▲12	▲4.6%	630	597	-	-
Hacchu Navi * revenue	Millions of yen	106	135	+29	+28.0%	476	620	22.3%	21.9%

* Numbers after consolidation adjustment (Wholly owned subsidiary)

BtoB Media Business: Progress Toward Target vs. KPIs

Revenue increased 1.2% YoY due to increased Hacchu Navi revenue

Within the range of targets

- Although there are gaps in spending per customer, the number of customers increased.
- The slowdown in foreign customers had an impact.
- Sponsored Digital Events thrived for AI, security, etc.

BtoC Media Business revenue = PVs × Unit price of ads

	(Unit)	Q1 Actual FY23	Q1 Actual FY24	Q1 YoY Change	Q1 YoY Percentage	Full Fiscal Year Earnings/Target FY23 Actual	Full Fiscal Year Earnings/Target FY24 Target	Q1 Progress FY23	Q1 Progress FY24
BtoC Media Business	Millions of yen	301	331	+29	+9.9%	1,391	1,590	21.7%	20.9%
KPI PVs (monthly average)	Millions of PVs	297	345	+48	+16.2%	317	353	-	-
KPI Unit price of ads (CPM)	Yen	338	319	▲18	▲5.4%	365	375	-	-

BtoC Media Business: Progress Toward Target vs. KPIs

Revenue increased 9.9% YoY due to PV improvement

Within the range of targets

- Although the unit price of ads remained low, there was an increase in revenue due to PV improvement.
- Strengthening of content was achieved, including use of AI.

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FY2024 Q1 initiatives(1)

1. Strengthening of media/information sharing in the AI field

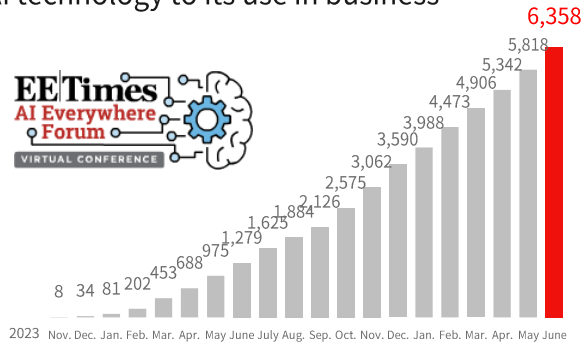
Diversified coverage by multiple Media/Digital Events, etc., from basic AI technology to its use in business

ITmedia AI+

deepINSIDER



EE Times AI Everywhere Forum VIRTUAL CONFERENCE



Number of AI-related articles published (cumulative)

2. Expansion of industry DX partnerships

Strengthening of partnerships with external media in the industrial field
Expansion of coverage in all industries







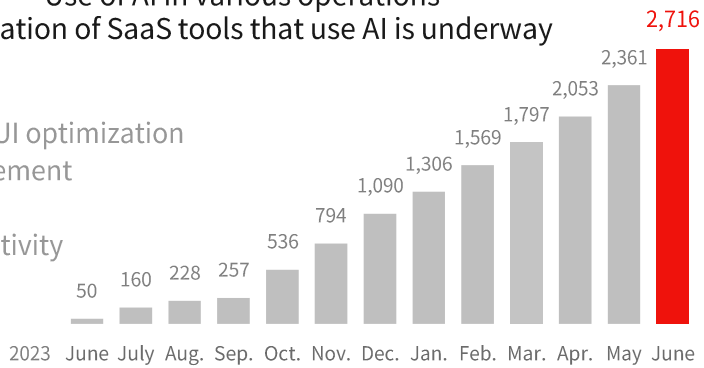




3. Use of AI as media

Use of AI in various operations
Utilization of SaaS tools that use AI is underway

- Copywriting
- Ad serving & UI optimization
- Sales management
- Legal
- Office productivity
- etc.



Number of articles produced with AI published (cumulative)

4. Netolabo renewal

Brand renewal carried out on May 21, 2024
Expansion of target demographic

ねとらぼ

New logo

ねとらぼ



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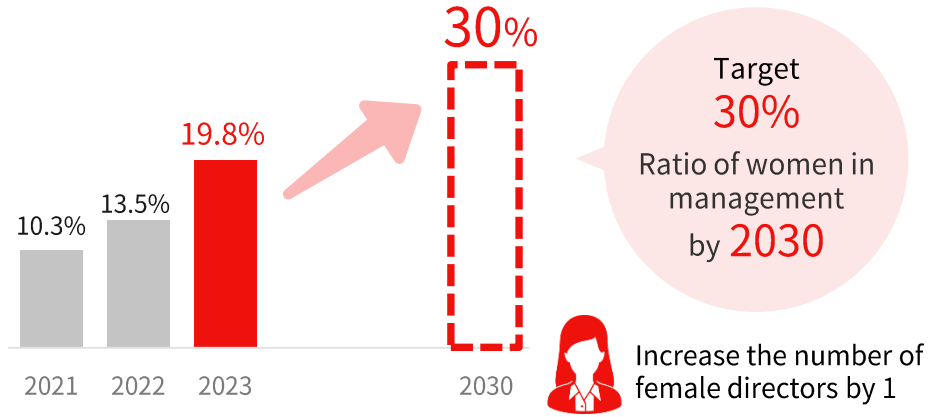
FY2024 Q1 initiatives(2)

5. Publish sustainability-related reports, etc.

- ESG Data Book FY2023
- Ad Review Report
- Media Transparency Report

* Each report can be checked via the list of links on P13.

6. Promotion of women empowerment



7. Financial and Operational Data Sheets(EXCEL) now available

We have begun providing data in an EXCEL format
so that earnings-related information can be used close at hand.


ITmedia Inc.

2025年3月期 第1四半期 決算データシート
FY2024 Q1 Financial and Operational Data Sheets

2024年8月5日
August 5, 2024
アイティメディア株式会社
ITmedia Inc.

* This can be checked via the list of links on P13.

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FY24 Consolidated Earnings Forecast and Dividend Forecast

(Unit: million yen)	Revenue	Operating income	Net income attributable to Owners of the parent
First Half Consolidated Earnings Forecasts	4,080	980	660
YoY change	(+6.2%)	(-6.9%)	(-8.0%)
FY23, first half (actual)	3,841	1,052	717
Full Fiscal Year Consolidated Earnings Forecasts	8,630	2,300	1,560
YoY change	(+7.9%)	(+3.2%)	(+3.9%)
FY23, full year (actual)	8,001	2,228	1,501

	Midterm	Year-end	Total	Payout ratio
Dividend Forecast	¥0.0	¥100	¥100	124.2%

* 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.

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Reference Information/List of Links

Shareholder/Investor Information		https://corp.itmedia.co.jp/corp/english/
2024/08/05	Consolidated Financial Report for the three-month period ended June 30, 2024 (IFRS)	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/07/20240805_tanshin_q1_e.pdf
2024/08/05	Supplementary Briefing Materials on Earnings for the Three-Month Period Ended June 30, 2024	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/07/20240805_q1_presentation_e.pdf
2024/08/05	FY2024 Q1 Financial and Operational Data Sheets	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/07/20240805_q1_ITmedia_earnings_datasheet.xlsx
2024/05/01	“X40” Medium-Term Targets and Growth Strategies	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/04/20240501_q4_presentation_e.pdf#page=34
2024/06/27	Measures to Promote Management With an Awareness of Cost of Capital and Share Price	https://corp.itmedia.co.jp/ir/coc-english/
2024/05/01	Consolidated Financial Report For the Fiscal Year Ended March 31, 2024 (IFRS)	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/04/20240501_tanshin_q4_e.pdf
2024/05/01	The Fiscal Year Ended March 31, 2024 Earnings Briefing	https://corp.itmedia.co.jp/ir/wp-content/uploads/sites/2/2024/04/20240501_q4_presentation_e.pdf
2024/05/30	Notice of the 25th Ordinary General Meeting of the Shareholders	https://corp.itmedia.co.jp/corp/wp-content/uploads/sites/2/2024/06/20240605_notice_3.pdf

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