

Explanation Materials for Consolidated Financial Results for the Six Months Ended December 31, 2023

INTAGE HOLDINGS Inc.

Security code: 4326

February 9, 2024

Summary of Consolidated Statements of Income

In the first quarter, sales and profits in marketing support business both fell far short of the plan. Although there were signs of recovery in Healthcare/FMCG at the beginning of the second quarter and sales surpassed the plan, profit was less than planned, partly due to the recording of expenses related to the capital and business alliance with NTT DOCOMO. Consequently, first half results, especially profits, show that the slow start could not be overcome.

Consolidated Statement of Income

(Millions of yen)

| | 6 months ended Dec. 31, 2021 | 6 months ended Dec. 31, 2022 | 6 months ended Dec. 31, 2023 | Y/Y (%) | Forecasts as of Aug. 2023 | Compared to forecasts (%) |
|--|---------------------------------|---------------------------------|---------------------------------|--------------|------------------------------|------------------------------|
| Net sales | 29,131 | 29,960 | 30,739 | +2.6 | 31,000 | -0.8 |
| Operating expenses | 26,511 | 27,983 | 29,209 | +4.4 | — | — |
| Operating profit | 2,619 | 1,976 | 1,530 | -22.6 | 2,000 | -23.5 |
| Ordinary profit | 2,701 | 2,213 | 1,640 | -25.9 | 2,250 | -27.1 |
| Profit attributable to owners of parent | 1,980 | 1,651 | 1,015 | -38.5 | 1,500 | -32.3 |
| EPS (yen) | 49.74 | 42.56 | 26.65 | — | 39.40 | — |

In the second quarter, consolidated results and results across all segments showed a clear tendency towards recovery

Marketing Support (Consumer Goods & Services)

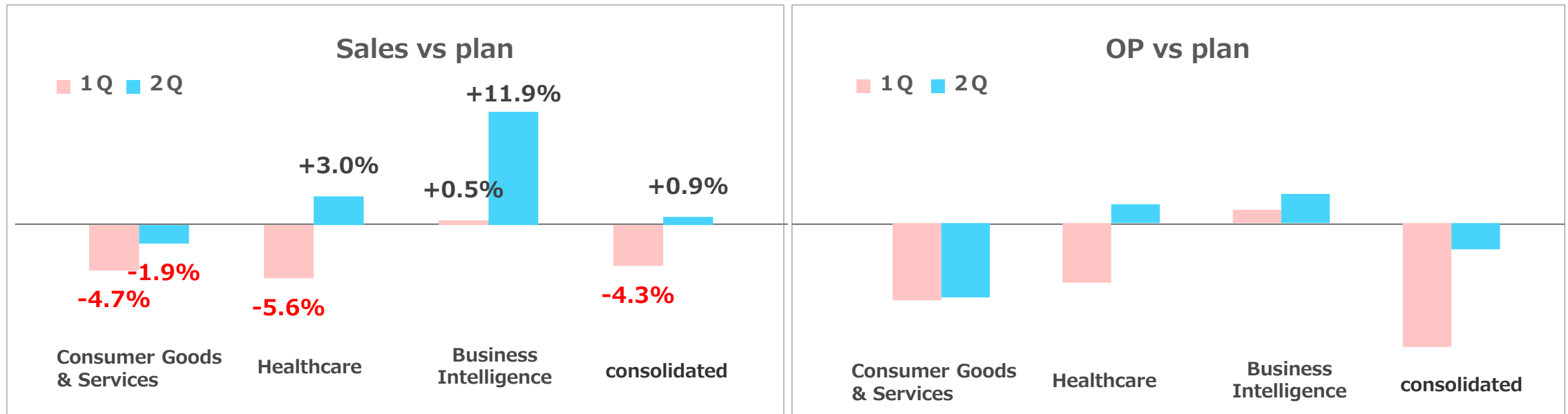
Demand for research among FMCG manufacturers was on the path to recovery thanks to a round of price increases and recovery of people flows.

Marketing Support (Healthcare)

Efforts to step up Healthcare sales bore fruit and demand for research recovered.

Business Intelligence

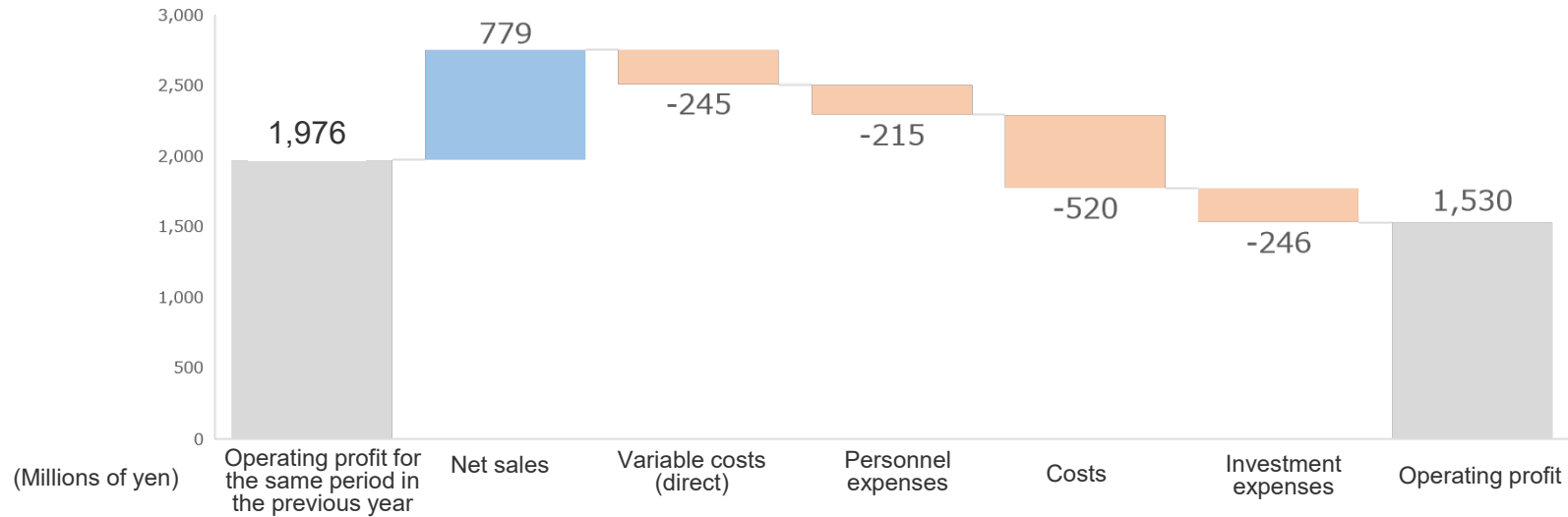
Backlogs accumulated by sales growth due to a continued strong performance, driven by SI, post COVID.



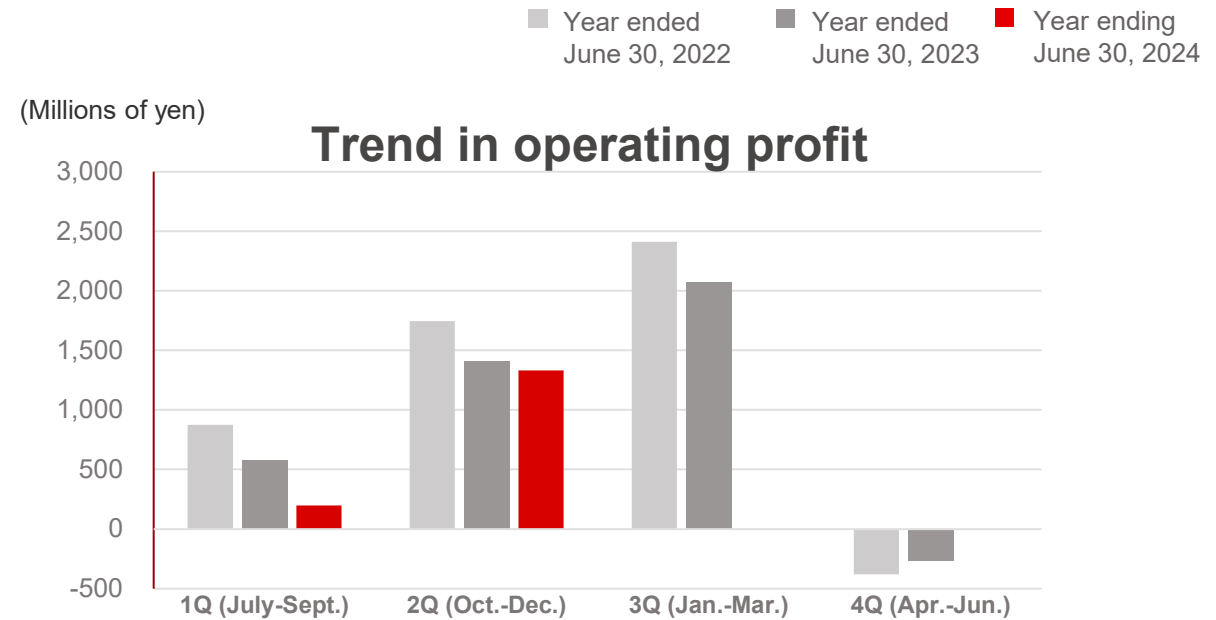
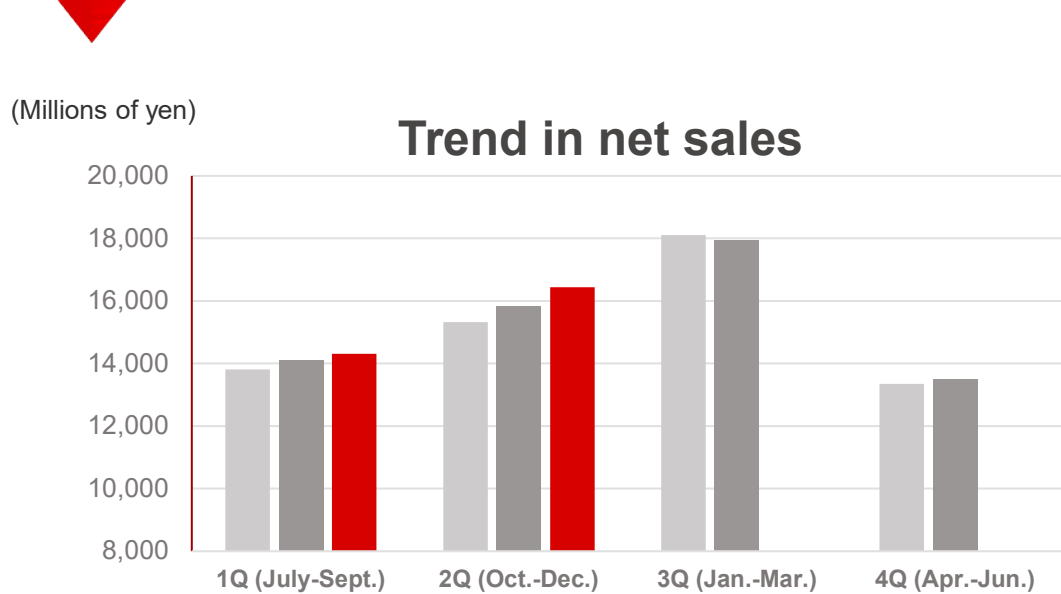
Factors Contributing to Changes in Operating Profit

Although Sales increased (+775 millions of yen), it fell short of the plan.

Operating profit fell given the inability to offset the increases in personnel expenses (+215 millions of yen), costs(+520 millions of yen) and investment(+246 million of yen).



| | |
|------------------------------|--|
| Net sales | · Net sales were higher (INTAGE TECHNOSPHERE Inc., healthcare research, acquisition of large projects at KYOWA KIKAKU Ltd.) but still fell short of the plan. |
| Costs and personnel expenses | · Personnel expenses increased as planned, with the aim of strengthening the structure in anticipation of sales growth. · Expenses related to capital and business alliance with NTT DOCOMO, INC. rose. |
| Investment | · Investments in the revamp of SCI and the CX Marketing Platform were made as planned. |



- In response to the growing trend of research demand and the shortage of manufacturing capacity from the 2nd quarter to the 3rd quarter of FY ended June 2022, we strengthened our personnel structure.
- In FY ended June 2023, sales fell short of the plan due to the stagnation of research demand caused by inflation, and the company was unable to absorb the increase in labor costs. In addition, due to the renewal of SCI for medium-term growth and investment in the CX Marketing Platform, profitability deteriorated.
- In 1Q of FY ending June 2024, the BI business recovered due to the convergence of COVID and the tailwind of DX, but the business environment in the marketing support business did not improve. The entire group fell short of the plan.
- In 2Q, the marketing support business showed a recovery trend, and the BI business continued to perform well. However, due to expenses related to the capital and business alliance with NTT DOCOMO, we were unable to recover from the negative impact in 1Q.
- The 2nd half of the fiscal year, we forecast a recovery in the marketing support business and a continued strong performance in the BI business based on the total volume of projects. In addition, we plan to start actions to optimize the price offer. In addition, from FY ending June 2025 to FY ending June 2026, the company plans to complete the SCI renewal and terminate the data collection of the current SCI to significantly reduce costs. In addition, we are considering collaborating with NTT DOCOMO on the CX Marketing Platform. As a result of the above initiatives, profitability is expected to improve in the future.

Summary of Consolidated Balance Sheets and Consolidated Statements of Cash Flows

6

(Millions of yen)

| Summary of Consolidated Balance Sheets | 23/6 | 23/12 | Increase/ Decrease | Remarks |
|--|--------|--------|-----------------------|---|
| Current assets | 26,412 | 27,686 | +1,273 | Increased, reflecting increases in accounts receivable - trade and work in process, which offset a decrease in cash and deposits. |
| Non-current assets | 17,978 | 17,971 | -6 | Mostly unchanged year on year, reflecting declines in amortization of goodwill and software and sale of investments securities, which offset increases in investments and other assets. |
| Total assets | 44,391 | 45,657 | +1,266 | |
| Current liabilities | 11,801 | 13,727 | +1,925 | Rose due to an increase in borrowings. |
| Non-current liabilities | 1,584 | 1,230 | -353 | Fell due to a decrease in retirement benefit liability and repayment of long-term borrowings. |
| Total liabilities | 13,386 | 14,957 | +1,571 | |
| Total net assets | 31,004 | 30,699 | -304 | Rose mainly due to a decrease in dividends of surplus, in addition to profit attributable to owners of parent. |
| Total liabilities and net assets | 44,391 | 45,657 | +1,266 | |

| Summary of Consolidated Statements of Cash Flows | 23/12 |
|---|--------|
| Cash flows from operating activities | -1,626 |
| Cash flows from investing activities | -300 |
| Cash flows from financing activities | 139 |
| Effect of exchange rate change on cash and cash equivalents | 253 |
| Net increase (decrease) in cash and cash equivalents | -1,534 |
| Cash and cash equivalents at beginning of period | 12,536 |
| Cash and cash equivalents at end of period | 11,002 |

Cash flows from operating activities

Net cash used in operating activities was mostly unchanged year on year. This mainly reflected lower tax payments in relation to the previous fiscal year, despite year-on-year declines in profit and inflows.

Cash flows from investing activities

Net cash used in investing activities increased. Purchase of non-current assets decreased. However, proceeds from sales of investment securities declined.

Cash flows from financing activities

There was a net decrease in cash outflows from financing activities in the period under review, reflecting a decrease in expenditure for the purchase of treasury shares incurred the previous year.



Demand for research related to new market creation, price increases and overseas expansion among FMCG* manufacturers increased. However, demand in the service sector remains weak.

Positive

- FMCG manufacturers were faced with the urgent issue of responding to inflation in the previous year but, from the start of the second quarter, research projects increased and are on the recovery path.
- There were high levels of consultations and inquiries for the creation of new value and markets from a consumer perspective, in addition to appropriate pricing in relation of strategic price increases, the consideration of measures related to the recovery of people flows, and the consideration of overseas market expansion.

Negative

- Since last year, certain customers have been tightening their budgets and, demand among service sector remains weak.
- Overseas, dataSpring Inc.'s Asian Panel faced an uphill struggle due to the rebound of offline channels after the COVID-19 pandemic in addition to the suspension of certain services to protect against risk in response to tighter privacy laws in China.

SCI renewal / CX Marketing Platform

- Investment proceeded as planned. Costs are expected to be significantly reduced from the fiscal year ending June 30, 2026 (see right figure).
- Consideration of the creation of synergy with DOCOMO over the CX Marketing Platform began.

| 2024 | | | | 2025 | | | |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Jan.-Mar. | Apr.-Jun. | Jul.-Sep. | Oct.-Dec. | Jan.-Mar. | Apr.-Jun. | Jul.-Sep. | Oct.-Dec. |

Current SCI

★ End of service

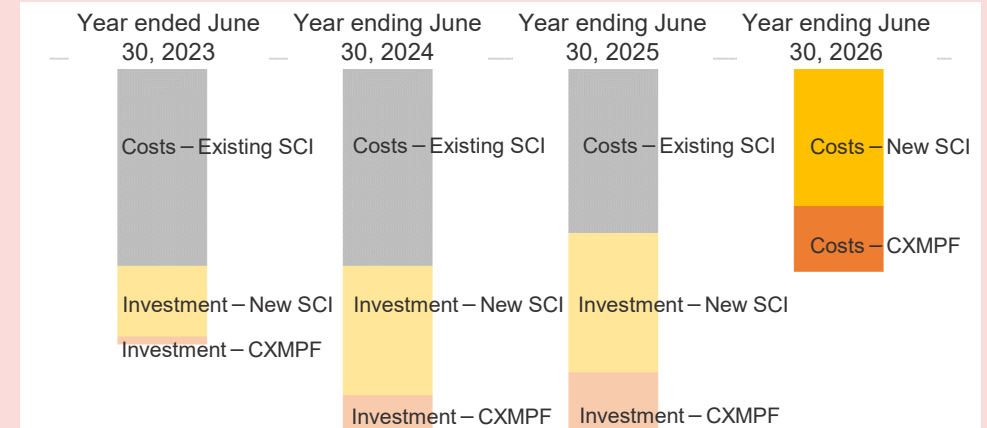
New SCI

★ Jan. 2024: Official release

Expansion to 70,000 ss data collection (plan)

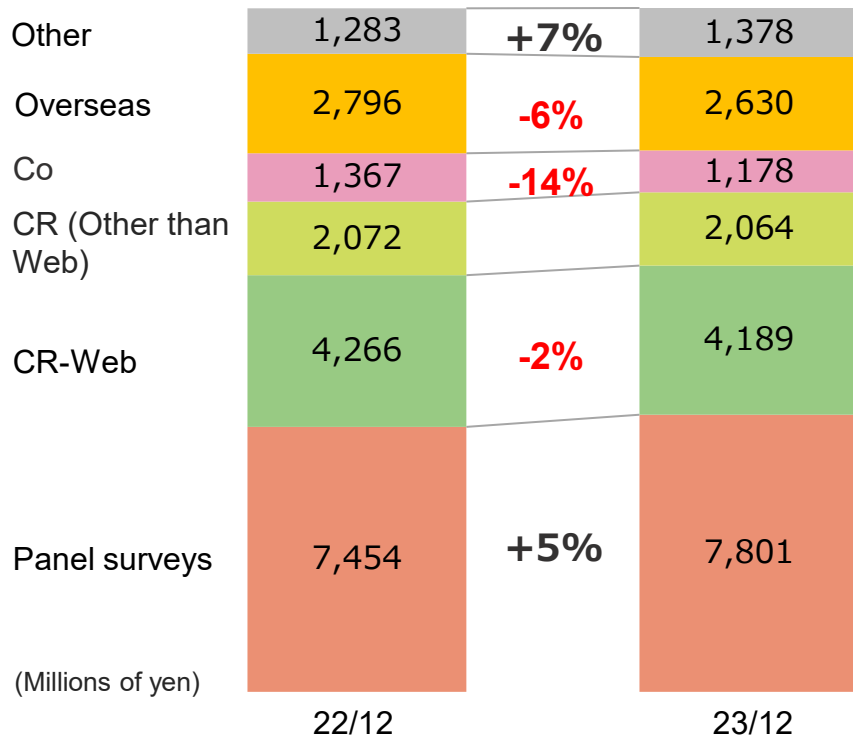
FY ending June 2026

Improvement in profitability as a consequence of investment



*FMCG: Fast-Moving Consumer Goods : which refers to consumer goods such as beverages, food and cosmetics (essential everyday items).

Net sales breakdown by product



- Other:** Public-sector projects, RnI's CODE, etc.
- Overseas:** Sales from overseas subsidiaries (excluding healthcare)
- Co:** Communications area (i-SSP, Media Gauge, di-PiNK, etc.)
- CR (Other than Web):** Custom research through methods other than Internet surveys (such as qualitative research, offline survey, and outbound)
- CR-Web:** Internet surveys of custom research areas
- Panel surveys:** SRI+, SCI, etc.

Sales increased, but profit decreased

(Millions of yen)

| | 6 months ended Dec. 31, 2022 | 6 months ended Dec. 31, 2023 | Y/Y | Operating profit margin |
|------------------|------------------------------|------------------------------|--------|-------------------------|
| Net sales | 19,241 | 19,242 | +0.0% | |
| Operating profit | 639 | 75 | -88.1% | 0.4% |

<Financial Results Highlights>

- Panel surveys, which are a mainstay business, performed strongly.
- Custom research results were mostly unchanged year on year; however, progress is less than planned, reflecting the fact that specific customers have tightened their marketing budgets. Orders and inquiries from customers are on the recovery path after efforts to find new customers and reactivate inactive customers were stepped up.
- Communication area was lower than the seam period of previous year.
- In overseas business, sales were strong in Thailand and India. However, sales were weak at dataSpring Inc. and in Singapore. Going forward, we aim to win projects in each country and promote collaboration between business sites, with the aim of achieving our full-year targets.
- Investment activities were carried out as planned towards establishing CX Marketing Platform and revamping SCI.
- Profit decreased, reflecting poorer net sales than forecast, and a rise in investment expenses.



Results for 2Q were higher than planned and higher than in the same period a year earlier. Custom research for pharmaceutical companies is on the recovery path, and KYOWA KIKAKU Ltd. also performed strongly.

Positive

- Sales in the custom research business increased in the busy December period, but not enough to make up for the 1Q results. The recovery is expected to continue through the second half.
- KYOWA KIKAKU Ltd. achieved far higher sales than planned through new drug promotions and seminars in some large projects.
- “Cross Fact”, analysis services provided by INTAGE Real World Inc., following release of its Health Insurance Claims Database, contributed to sales and profits.

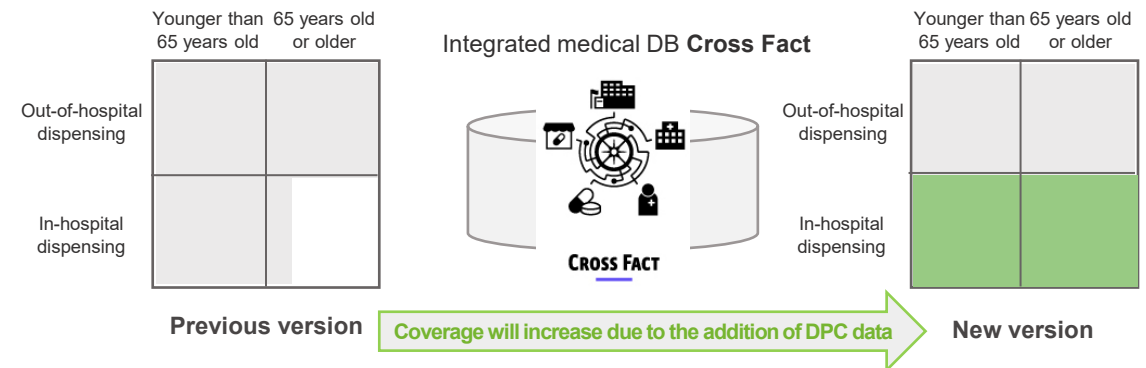
Negative

- The CRO* business faced a challenging environment, and is expected to continue facing an uphill struggle in the second half. There will be a shift in clinical development project sales in the short term, and sales are being strengthened for next fiscal year through manufacturing and sales integration.

Integrated medical database 『Cross Fact』

A new version is planned, raising expectations for next fiscal year when the service will be improved through expansion in the information collected.

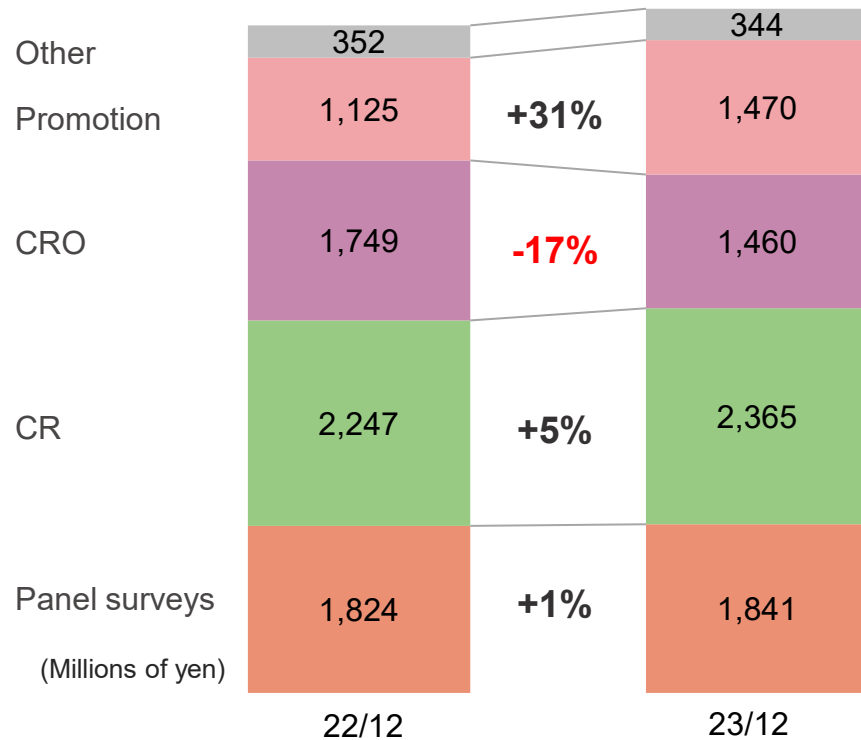
- A new version of the integrated medical database Cross Fact provided by INTAGE Real World Inc. will be released this fiscal year.
- The new version will additionally collect DPC (*) data included in the insurance claims data handled to enable access to information about the prescriptions of elderly inpatients.
- Data utilization opportunities are expected to increase as the database will also contain information about anti-cancer drugs, etc.



*CRO: Contract Research Organization

*DPC: Diagnosis Procedure Combination: which is a patient classification method used to calculate healthcare costs by determining daily hospital costs for each diagnostic category.

Net sales breakdown by product



- **Other:** Healthcare sales of overseas subsidiaries, etc.
- **Promotion:** Sales from promotion-related business conducted by KYOWA KIKAKU Ltd.
- **CRO (Contract Research Organization):** Post-marketing surveillance, etc.
- **CR:** Custom research mainly for pharmaceutical companies and medical device manufacturers
- **Panel surveys:** SRI+, Impact Track, prescription DB, etc.

Sales increased, but profit decreased

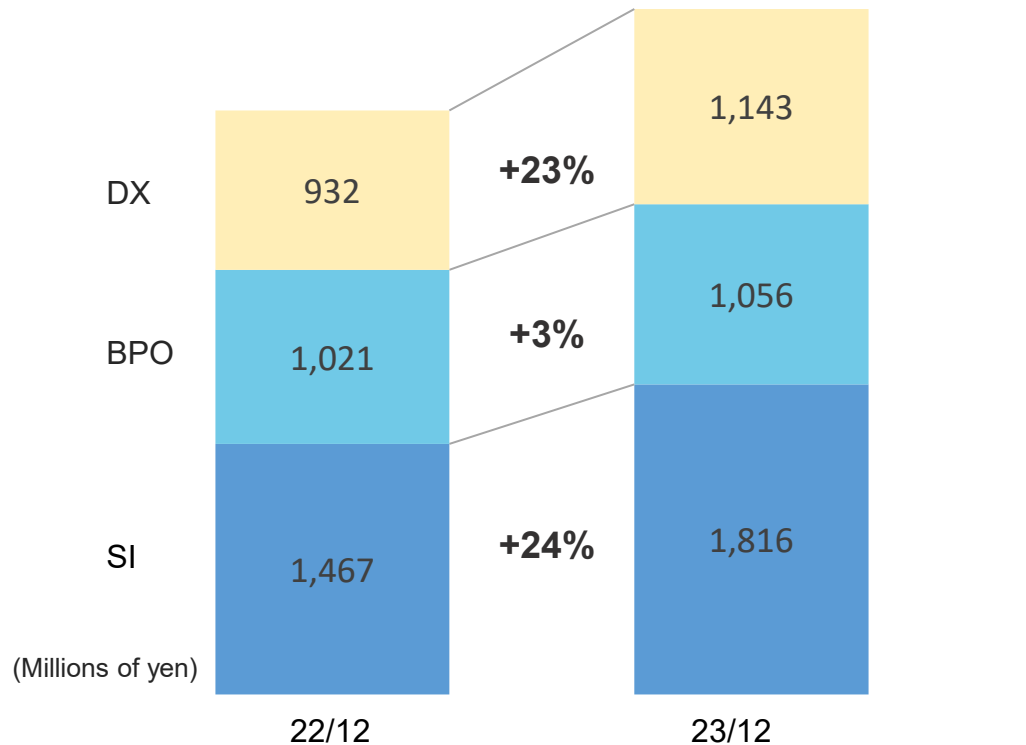
(Millions of yen)

| | 6 months ended Dec. 31, 2022 | 6 months ended Dec. 31, 2023 | Y/Y | Operating profit margin |
|------------------|---------------------------------|---------------------------------|-------|----------------------------|
| Net sales | 7,298 | 7,482 | +2.5% | |
| Operating profit | 1,116 | 1,098 | -1.6% | 14.7% |

<Financial Results Highlights>

- In the core research business of INTAGE Healthcare, Inc., custom research in the healthcare domain is on the path to recovery, and results were mostly unchanged year on year.
- The results of the CRO (contract research organization) business are below the level a year earlier due to the absence of large projects.
- KYOWA KIKAKU Ltd. saw net sales rise after winning a new drug launch project and a large project. It continues working to improve the gross margin.
- Profit decreased owing to the impact of smaller sales of CRO.

Net sales breakdown by area



- **DX:** Support for promotion of DX-related areas in companies
- **BPO and maintenance operations:** BPO services such as business process efficiency improvement, system maintenance and management, etc.
- **SI:** System development, etc.

INTAGE TECHNOSPHERE Inc.'s business lineup
 INTAGE TECHNOSPHERE provides IT solutions to INTAGE Group clients. It is engaged in the establishment and operation of systems, the operation of data centers, etc.
 Examples of solutions: Payment systems for travel agencies, health management support services, pharmaceutical companies' sales information systems, publishing POS systems, trade area analyses, AI solutions.

Increase in sales and profit

(Millions of yen)

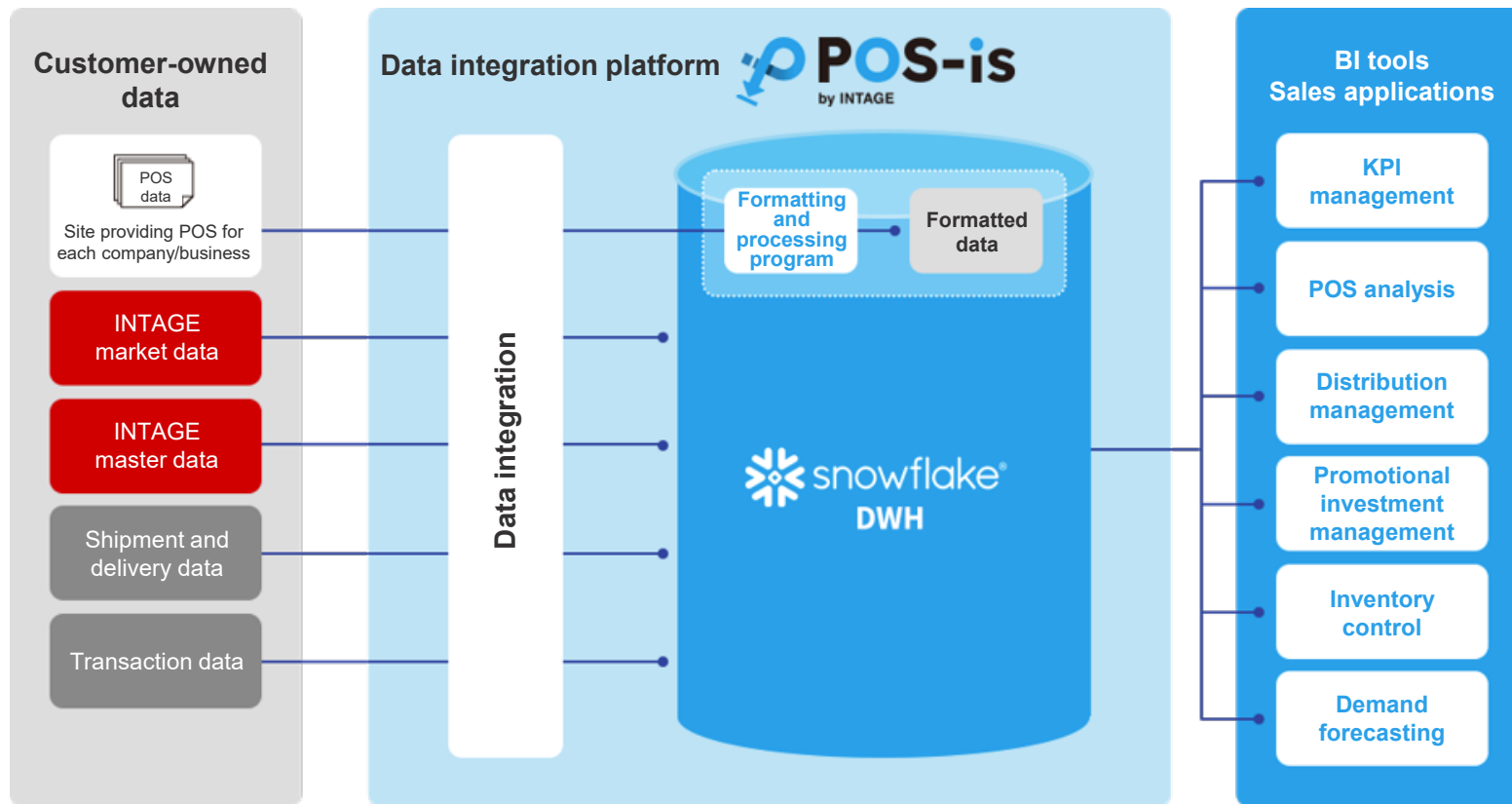
| | 6 months ended Dec. 31, 2022 | 6 months ended Dec. 31, 2023 | Y/Y | Operating profit margin |
|------------------|------------------------------|------------------------------|--------|-------------------------|
| Net sales | 3,420 | 4,014 | +17.4% | |
| Operating profit | 220 | 355 | +61.6% | 8.9% |

<Financial Results Highlights>

- At INTAGE TECHNOSPHERE Inc., as the COVID-19 pandemic drew to an end, the order backlogs for SI projects steadily accumulated, particularly for the travel industry, exceeding the level of a year earlier.
- The DX Co-creation Center was established to meet customers' DX needs, and is promoting sales expansion in the DX field. Sales were bullish in the DX support area and in the health information area.
- Buildsystem Co., Ltd. and NSK Co., Ltd. also achieved higher sales than in the same period of the previous fiscal year.
- Profit rose due to sales growth.

Distribution Data PF Concept POS-is™, a service that supports sales activities through the utilization of POS data

An integrated data platform and various analytics tools for integrating and analyzing distribution data is being developed mainly for the sales divisions of consumer goods manufacturers, in a collaboration between INTAGE, Inc. and INTAGE TECHNOSPHERE, Inc. The platform will support optimization of sales and manufacturing activities with the aim of reducing social losses. It is attracting a high level of interest in the consumer goods sector, leading to a great deal of negotiations and inquiries.



* No external provision of data is required as entire solution from integrated platform to dashboard is built within customer environment.

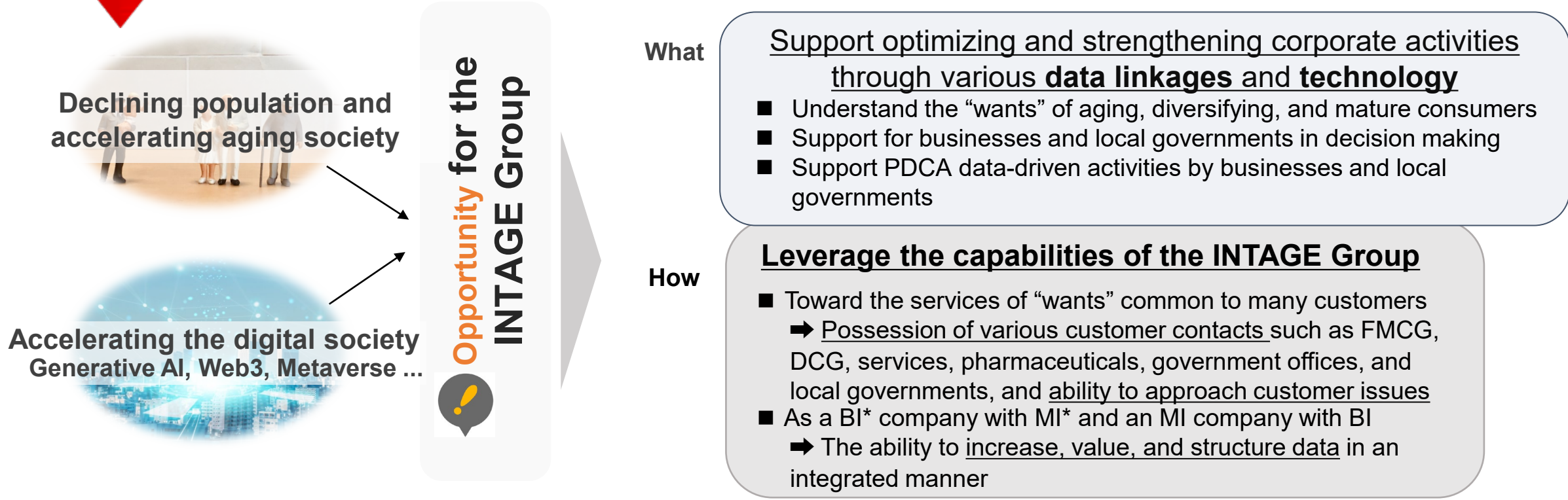


THE JAPAN FOOD NEWS, December 6, 2023 "Effective Solution for Sales DX in Food Sector- Delivers labor savings and enhanced proposal capabilities through the integration of POS data"



**Looking Towards 2030
14th Medium-Term
Management Plan Topics**





What we want to be in 2030

We will continue to be a company that contributes to the realization of a convenient and affluent society free from social loss, and aim for business growth in proportion to our contribution to solving business and social issues.

| | | | |
|-----------------------|---|--|---|
| Counting image | Net sales: ¥130 billion–¥150 billion (CAGR : 10–12%) | Operating profit: ¥15 billion (Operating profit rate: 10–12%) | ROE: 12% or more R&D expenses: 3% level of the overall |
|-----------------------|---|--|---|

*MI: Marketing Intelligence, and BI: Business Intelligence, hereinafter the same shall apply.

Basic Policy

Towards New Portfolio as a Data + Technology Company

– Creation of new value –

Priority issues

| | | | |
|----------------------------|---|-----------------------------|---|
| Group strategy | Expanding the demonstration of business value by targeting the outlook for 2030 | Data strategy | Promote data strategies that enhance the value of our data even as the market changes |
| Technology strategy | Continuing to challenge data utilization and DX support, crossing industrial boundaries | Co-creation strategy | Promotion of group co-creation to support the creation of new value |

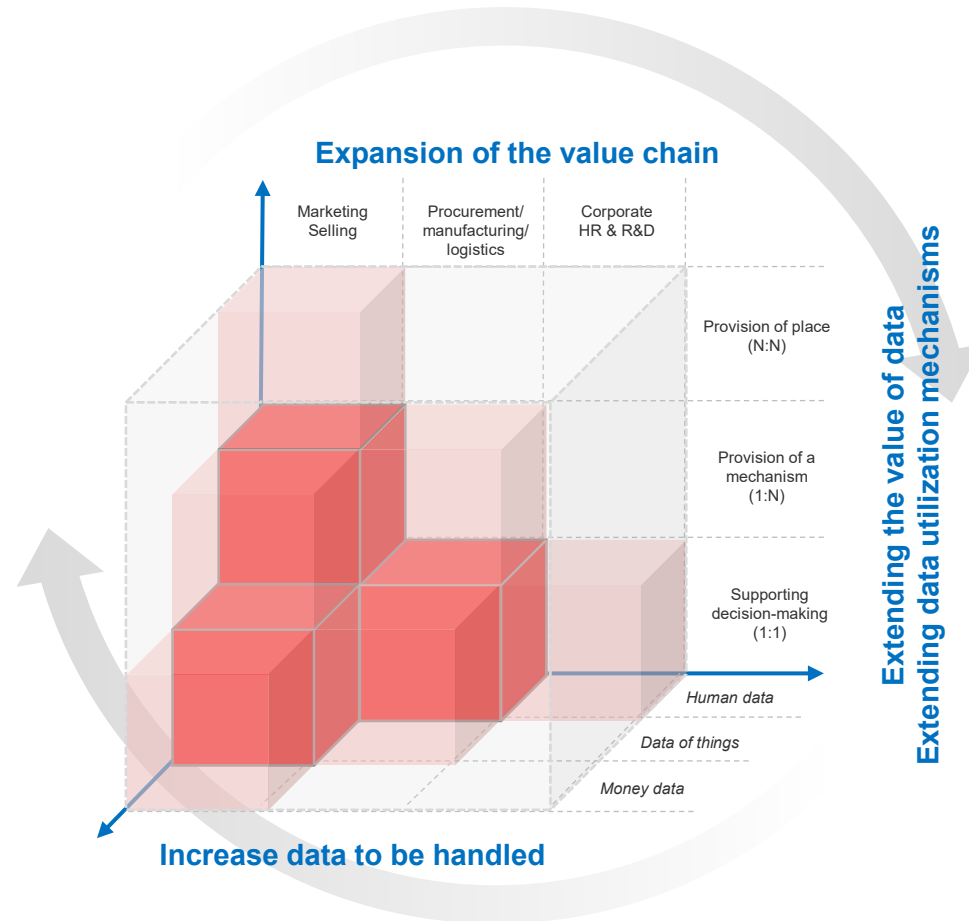
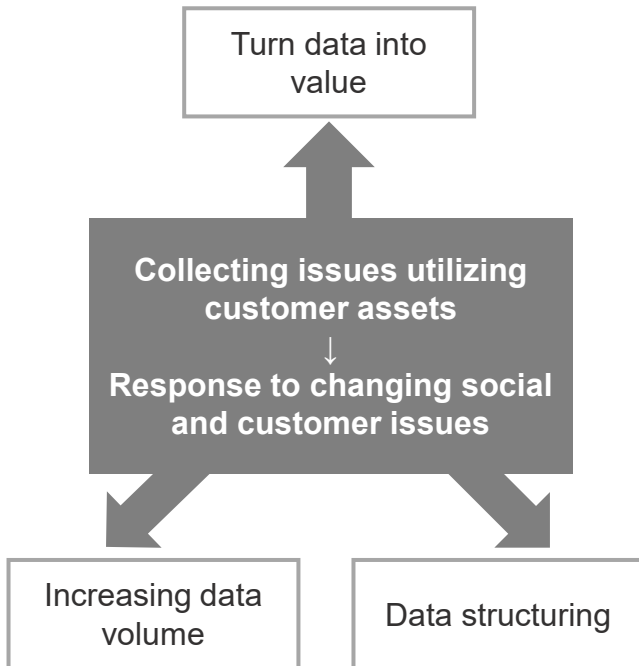
Key message

Toward realizing a convenient and enriched society by seizing opportunities in the development of a declining population, aging society, and digital society to eliminate social losses

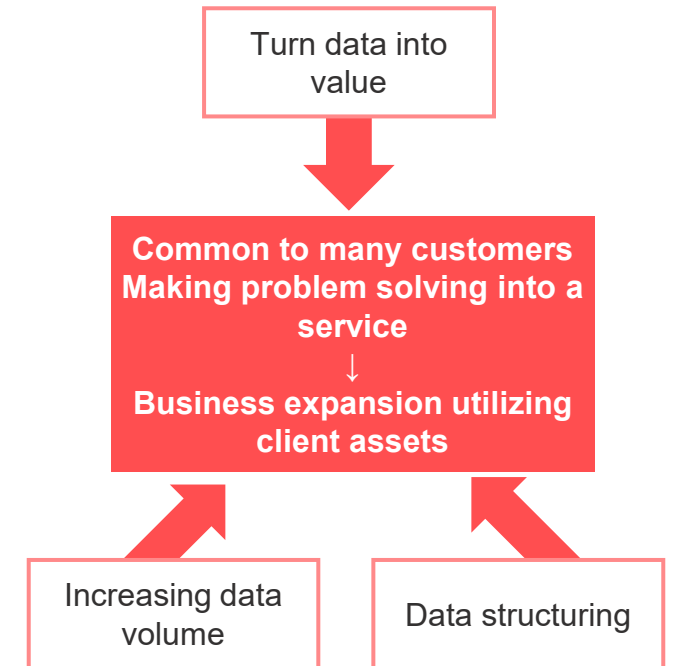
Create new value as a Data + Technology company that provides services combining MI and BI turning from the provision of unitary MI and BI functions

Expand our value domain with Data + Technology

<Asset enhancement>



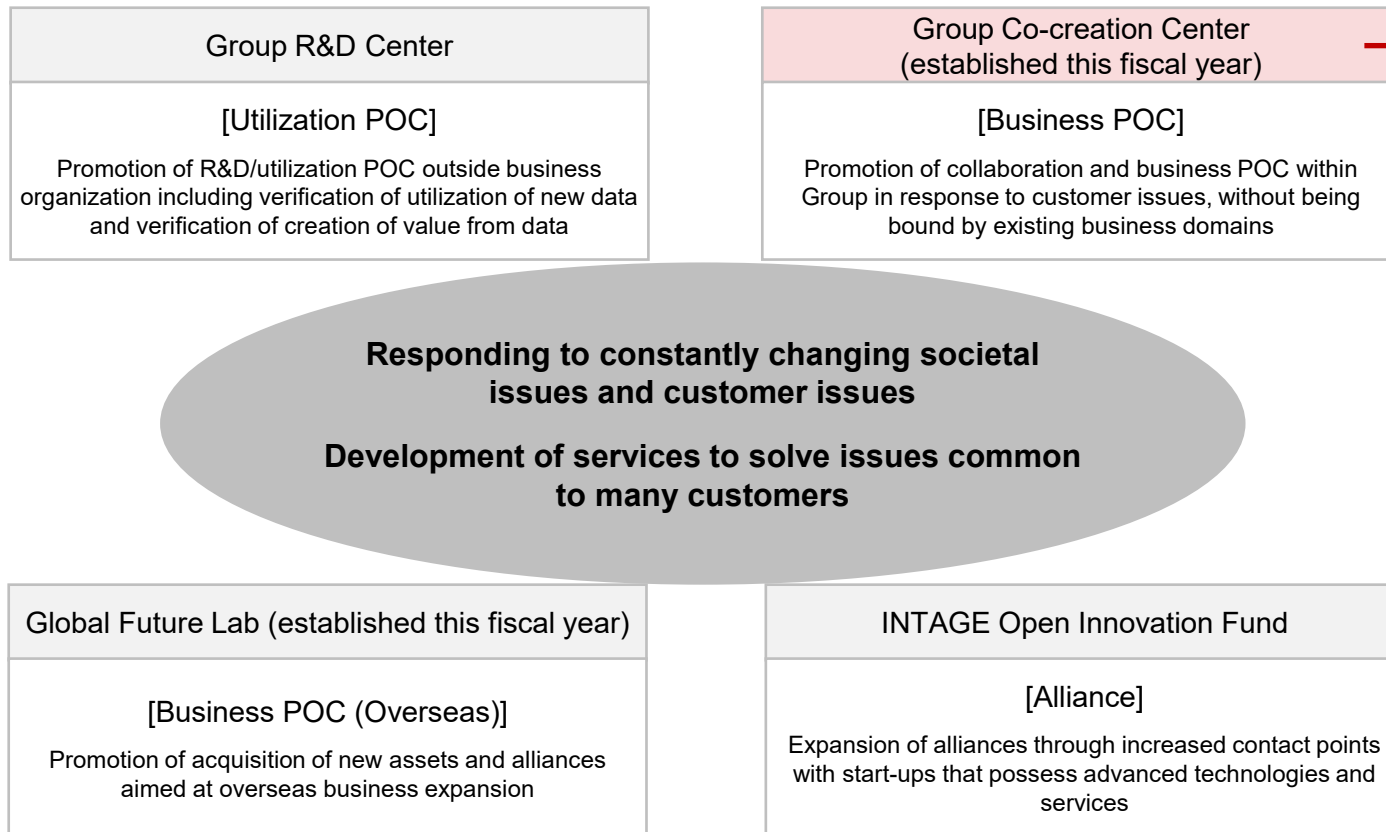
<Summary of issues>



To help solve social issues, we will expand the value domain through the cycle of “expanding assets” and “consolidating issues.”

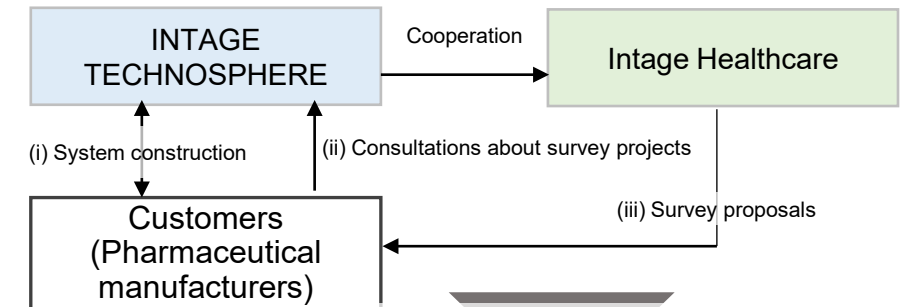
Establishment of organization aimed at new value creation and development of structure for extending capabilities beyond Group boundaries to meet needs, in order to implement basic policy
 “Towards New Portfolio as a Data + Technology Company-Creation of New Value.”

New value creation verification structure



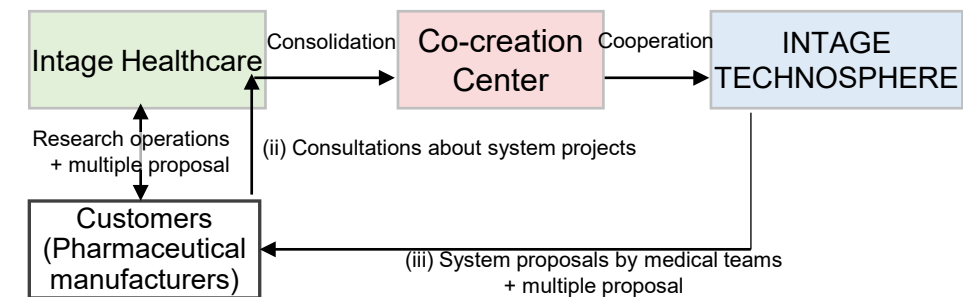
Steady progress with sales integration beyond segment boundaries

[Case 1]



More progressive proposal

[Case 2]



Accelerates the alliance for **Data + Technology** company

Investment results

*¥2.75 billion investments in 27 companies as of February 2024

Marketing

Research and Innovation Co., Ltd.
Payke, Inc.
XICA Co., Ltd.
BitStar Inc.

Platform

EverySense, Inc.
DataSign Inc.
Tamer Inc.
ambr, Inc.

Healthcare

Dr.JOY Co., Ltd.
QD Laser, Inc.
Ubie, Inc.
MentalHealth Technologies Co., Ltd.
FiNC Technologies Inc.
CureApp, Inc.

AI

Cross Compass Ltd.
connectome.design Ltd.
alt Inc.
AI CROSS Inc.
Godot Inc.

Image and video technology

MasterVisions Inc.
webrage CO., LTD.
EmbodMe, Inc.

Living

every, Inc.
neuron Inc.

*The other three companies are not disclosed.

Looking for alliance with:

- data-holding company to increase data
- AI company to value data
- technology company to structure data

Purpose: Create a connection between advanced technologies, services, and the Group

Overview: Established with SBI Investment Co., Ltd. The fund size is ¥5 billion. The fund management period is until March 2027.

Management features

It is managed with SBI Investment Co., Ltd.'s fund functions (sourcing, business evaluation, monitoring, etc.) at the core. The active involvement of the Group's employees in the whole process, starting with sourcing, has been effective in acquiring business evaluation knowledge, networking with venture companies, and gathering information, so that the effectiveness of alliance activities is to be enhanced.

IPO results:



AI CROSS Inc. (Listed on TSE Mothers Index in October 2019)
Business lineup: Development and provision of SMS, business chat, and AI analytics services



QD Laser, Inc. (Listed on TSE Mothers Index in February 2021)
Business lineup: Development and sales of semiconductor lasers, retinal projection devices, etc.



Mental Health Technologies Co., Ltd. (listed on TSE Mothers Index in March 2022)
Business profile: Operate mental health solutions business, medical career support business, and digital marketing business

[Overview]

Founded in July 2022. Engaged in the development of "Nudge AI," a personalized engine powered by behavioral sciences that encourages behavioral changes, and the provision of behavior change solutions.

[For the creation of synergy with INTAGE]

With a view to the "Measures to promote behavior change using INTAGE data", we are planning a POC as a measure to maintain research monitors.

[Nudge AI]

Based on the assumption that there are multiple factors that cause individuals to change their behavior and that individuals are at different stages of change, Nudge AI is an algorithm that identifies an individual's stage of change and effectively encourages behavior change at an individual level through gradual, repeated personalized interventions.

[Behavior change solutions]

"BetterMe," an SMS message service for local governments, etc.
→ Utilization in various other areas besides the local government health care (life and non-life insurance, asset building, DEI, consumer protection, education, etc.) is expected.
Godot is currently collaborating with Japan Post Insurance Company, Ltd.

Our Products

Nudge AI

NudgeAI is a hyper-personalised intervention agent powered by behavioural sciences and machine learning that encourages behaviour change at the individual level. Learning from data about people's behavioural patterns, NudgeAI creates targeted interventions to effectively change individuals' decisions and behaviours.



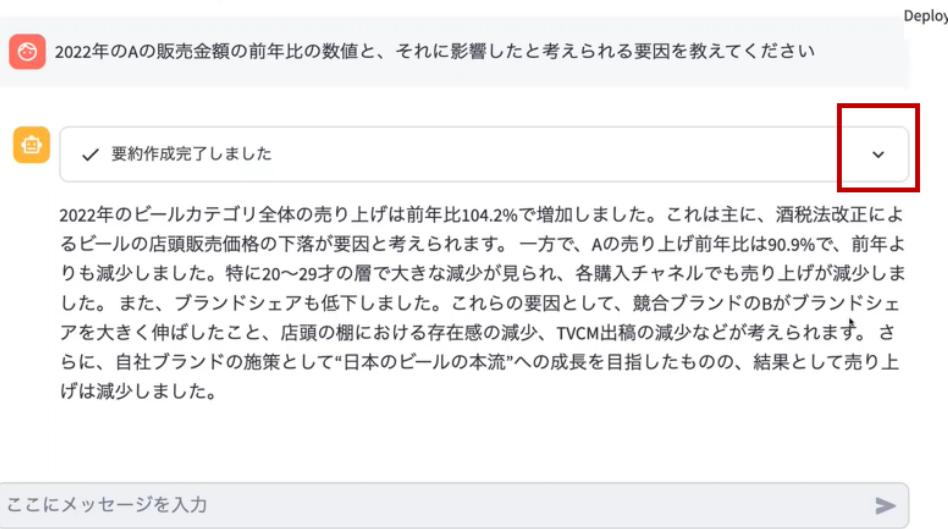
We are currently developing a Large Language Model (LLM)* infrastructure and implementing a PoC which involves implementation in research operations and deliverables.

- Development of companywide infrastructure (development of secure development environment, introduction of new services, procurement of development resources, etc.)
- Improvement of productivity including improvement of efficiency of individual processes in work flow)
- Establishment of analysis methods using LLM, including use of AI to perform data analysis performed by researchers

Prototype in project of LLM Utilization Promotion

[Case Study 1] Establishment of analysis methods: AI simple summary

AI Summary β



Deploy

2022年のAの販売金額の前年比の数値と、それに影響したと考えられる要因を教えてください

✓ 要約作成完了しました

2022年のビールカテゴリ全体の売り上げは前年比104.2%で増加しました。これは主に、酒税法改正によるビールの店頭販売価格の下落が要因と考えられます。一方で、Aの売り上げ前年比は90.9%で、前年よりも減少しました。特に20~29才の層で大きな減少が見られ、各購入チャネルでも売り上げが減少しました。また、ブランドシェアも低下しました。これらの要因として、競合ブランドのBがブランドシェアを大きく伸ばしたこと、店頭の棚における存在感の減少、TVCM出稿の減少などが考えられます。さらに、自社ブランドの施策として“日本のビールの本流”への成長を目指したものの、結果として売り上げは減少しました。

ここにメッセージを入力

[Case Study 2] Establishment of analysis methods: Consumer clustering and profiling



ペルソナ画像

作成したペルソナ情報からペルソナのイメージ画像を作成します。

ペルソナ画像

ペルソナ:

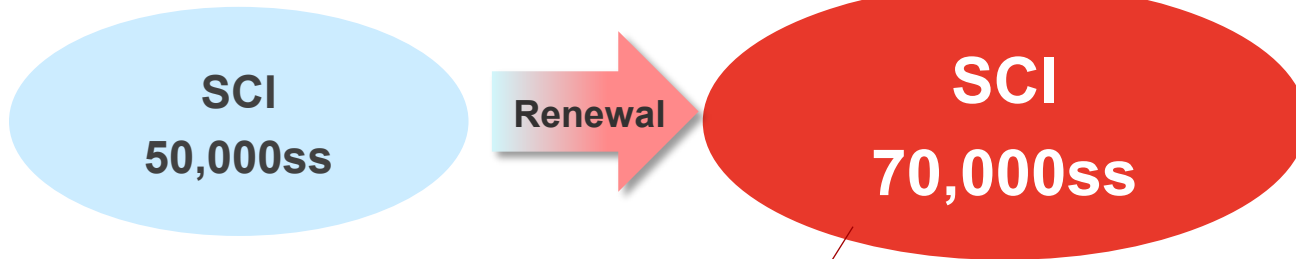
- 名前: 田中太郎
- 年齢: 40代後半
- 性別: 男性
- 職業: IT企業の管理職
- 住まい: 都市部のマンション
- 家族構成: 配偶者と中学生の子供1人と同居
- 年収: 800万円以上

*LLM (Large Language Models): computer program built using massively large datasets (size of data, number of parameters, number of computations, etc.) and deep learning technology.

Leveraging RnI* patents, research methods were changed.
New SCI that is large in scale and has enhanced data quality and greater data coverage went into operation.

* March 2025 data will be last data provided under old data service.

* Start of operation with 50,000 ss data collection from January 2024
* Expansion to 70,000 ss data collection is planned from January 2025



New value provided to customers

1. Expansion of sample size to 70,000

Expansion to 70,000 ss data collection is planned from January 2025
Data of participants in their 70s will also be provided as a standard service.

2. Increase in data volume, including convenience store and vending machine data

Overall, the data volume will increase due to changes in the data collection methods.
The capture rate of convenience store and vending machine data in particular will improve, giving better market coverage.

3. Expansion in items covered by survey

Data on fresh food and prepared food will also start being collected. Such data will gradually be provided as an optional service.

Benefits for survey participants

Data collection methods have been revamped!
New SCI reduces input work of participants by allowing data to be input easily via smartphone app.

Work of inputting purchase details is significantly reduced through the introduction of receipt & barcode scanning via smartphone app.
Furthermore, accurate data at an all-stores level or an individual store level can be captured through receipt analysis.

* Coverage of all channels is ensured through manual input in purchasing scenarios where receipts are not available.



* RnI: Research and Innovation Co., Ltd.

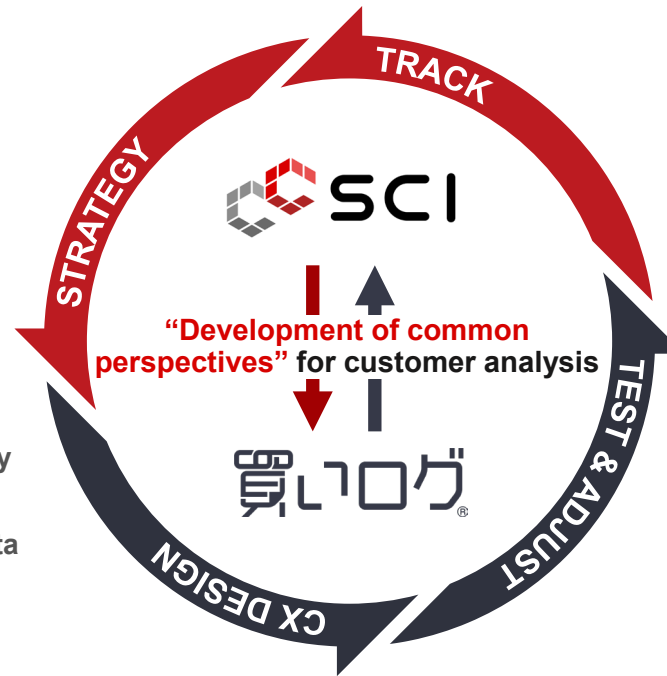
Provision of service that promotes integrated utilization of SCI and CODE and provides end-to-end support for enhancement of CX from research through to sales promotion and advertising testing

[1] Understanding of the market and target profiling

- ✓ Leverages customer structure according to SCI to gain understanding of the market and support planning
- ✓ Draws on diverse data accumulated through research to provide target profiling for an in-depth understanding of consumer values

[4] High precision monitoring of volume and trends

- ✓ Maintains SCI data quality (data that accurately reflects market) and supports KPI audits



[3] Adjustment of measures in view of the reaction of consumers

- ✓ CODE enables implementation of digital advertising and sales promotions targeted at a specific group
- ✓ Marketing measures can be implemented and improved whilst the reaction of the target group is assessed based on their purchase history, etc.

[2] Quick communication with consumers Acquisition of customer experience insights

- ✓ Provides self search service that gives companies the opportunity to engage in direct dialogue with consumers
- ✓ Analyzes customer experience value based on word-of-mouth data collected every day through CODE app
- ✓ Enables extraction of CODE members from perspectives such as category heavy user or loyal user, in the same way as SCI



Kuchikomi LITE



Talk Self (self interview)



* Self-surveys and self-sales promotions will also be phased in

Aiming to develop a CX marketing platform that creates a high quality customer experience by connecting not only SCI and CODE but also each industry through collaboration and integration with the DOCOMO Group



1 Enhancement of media capabilities through collaboration and integration with DOCOMO

Expansion in the number of active users of CODE and integration measures with DOCOMO media such as d POINT CLUB and d menu will become possible, leading not only to a more detailed understanding of consumers but also more impactful sales ads.

2 Opportunities for integration with owned media to support customer understanding

Improvement of media understanding of customers through integration of purchase history and profiler will support value enhancement of owned media measures.

3 Integration of ID with various media and strengthening of coordinated measures

Further member integration with common point service operators, in-store media and recipe site operators will help improve the effectiveness of manufacturers' CRM measures and user acquisition measures through media.

4 Data integration with retailers to support marketing measures

Further integration with retailers and the connection of manufacturers and retailers with a common language will contribute to effective joint measures. It will also help support the differentiation strategies of retailers, increase customer numbers and improve store loyalty.



×



Maximize the value of NTT DOCOMO's customer base of 97 million people* (as of September 2023) and the abundance of behavioral data with the Intage Group's data handling capabilities, including data collection, aggregation, analysis and visualization

*members of d POINT CLUB

Seek to produce five synergy effects

(1) ID-based and one-stop marketing support centering on consumers for daily consumer goods manufacturers

(2) Comprehensive support for distribution and retailing value chains

(3) Entry into new business domains in the areas of customer satisfaction (CS) and employee satisfaction (ES)

(4) Full-funnel marketing support with a focus on consumers for durable consumer goods manufacturers and service operators

(5) Strengthening of capacity of healthcare-related industries to solve social issues

| Progress | |
|--------------------------------|---|
| Appointment of officers | A total of three individuals from DOCOMO were appointed as officers of INTAGE HOLDINGS Inc. and INTAGE Inc. from December 2023, to accelerate business implementation on both sides. |
| Establishment of business unit | The Synergy Strategy Division was established in February 2024 to oversee collaboration, aiming for early generation of synergy. There have also been employee exchanges between the two sides. |
| Promotion of synergy | In addition to the five working groups for synergies (1) through (5), which are attended by members from both sides and consider matters such as mutual understanding and the development of concrete business plans, working groups for "sales integration" and "data integration" have also been established. |
| Synergy (1) | Regarding synergy (1), in the design of the CX Marketing Platform, greater opportunities for contact with consumers and greater possibilities in sales promotion and advertising related areas, are currently being examined (page 23). |



Governance
Full-year Plan
Capital Policies

We established the Governance Committee, which will enhance corporate governance through appropriate deliberation and consideration of the risk of conflicts of interest, in order to ensure fairness, transparency and objectivity in our transactions with the NTT Group and protect the interests of our minority shareholders.

Composition of the Committee

The Committee will consist of three or more members selected from independent outside directors, and the chairperson will be selected from members who are independent outside directors.

| | | |
|-----------------------|-----------------|--------------------------------|
| Committee Chairperson | Atsuhiko Imai | (Independent Outside Director) |
| Members | Hiroko Watanabe | (Independent Outside Director) |
| Members | Hajime Nakajima | (Independent Outside Director) |
| Members | Yuzo Miyama | (Independent Outside Director) |
| Members | Shizuo Kashima | (Independent Outside Director) |

Role and authority of the Committee

The Committee undertakes a role as an advisory body to the Board of Directors, and in response to inquiries from the Board of Directors, deliberates on and considers the following matters and reports to the Board of Directors.

- (1) Formulation and revision of basic transaction policy (draft) with the NTT Group
- (2) Pre-approval and post-verification of important transactions between the NTT Group and the INTAGE Group
- (3) Verification of transaction results between the NTT Group and the INTAGE Group (scheduled to be conducted at least once a year)
- (4) Consideration of disclosure contents related to the matters specified in each of the preceding items
- (5) Other matters deemed necessary by the Board of Directors or the Committee

We will seek collaboration with the NTT Group whilst fully respecting each other's independence and autonomy. Our basic policy is that transactions with the NTT Group will be properly deliberated at the Governance Committee and shall be carried out based on a resolution of the Board of Directors. At the same time, the Audit & Supervisory Committee will conduct an audit to assess whether execution of business by Directors is carried out in accordance with this policy. Through this, we recognize that both a structure for ensuring independence from the NTT Group and a structure for protecting minority shareholders will be maintained.

The business environment showed a tendency towards recovery in 2Q, and this tendency is expected to continue in the 2H. We will also seek to make up lost ground by thoroughly implementing various measures and tightening cost management.

| | (Millions of yen) | Results for 1H of year ending June 30, 2024 (A) | Full-year plan for year ending June 30, 2024 (B) | Progress vs full-year plan (%) | 2H of year ending June 30, 2024 (B - A) | (Reference) Full-year results for year ended June 30, 2023 |
|--------------|---|---|--|--------------------------------|---|--|
| Consolidated | Net sales | 30,739 | 64,500 | 47.7 | 33,761 | 61,387 |
| | Operating profit | 1,530 | 4,000 | 38.2 | 2,470 | 3,785 |
| | Ordinary profit | 1,640 | 4,300 | 38.1 | 2,660 | 4,073 |
| | Profit attributable to owners of parent | 1,015 | 3,000 | 33.8 | 1,985 | 3,505 |

2H business environment and full-year plan

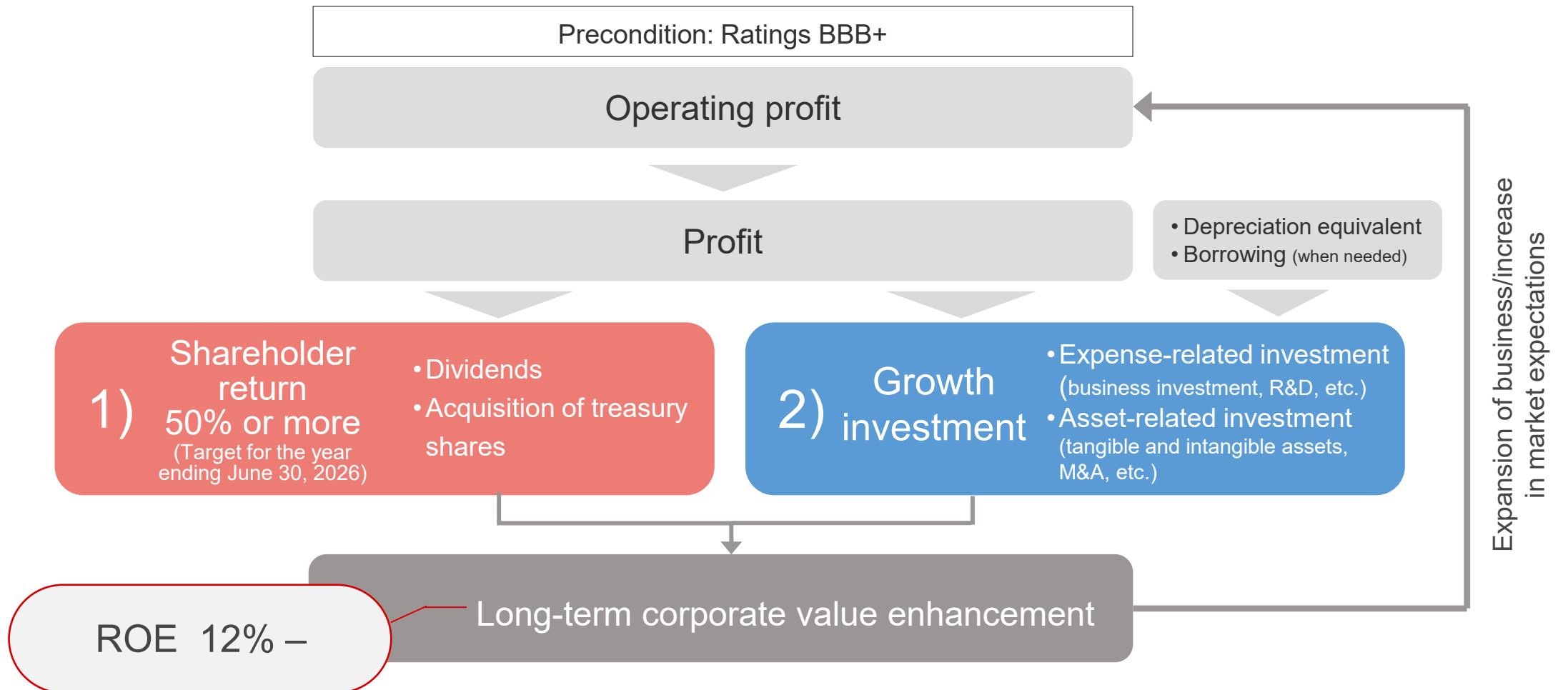
Business environment (1): Although budget tightening on the part of some customers will continue to have an impact, strongly performing mainstay panel surveys and growth in system development projects in the travel industry post COVID in the Business Intelligence segment remain encouraging.

Business environment (2): Research needs among consumer goods manufacturers and healthcare providers show signs of recovering, and are expected to remain strong in 2H.

Business environment (3): INTAGE Research Inc. has won a large government project and is expected to recognize revenue from this from 4Q.

Full-year plan: Despite the slow progress as of the end of 1H, we have left our full-year forecast unchanged, taking the above business environment into consideration.

Attaching importance to capital efficiency, allocate total final profit to “shareholder return” and “growth investment”



Based on the basic policy on profit distribution, we are planning to pay 43 yen of dividends for the fiscal year ending June 30, 2024

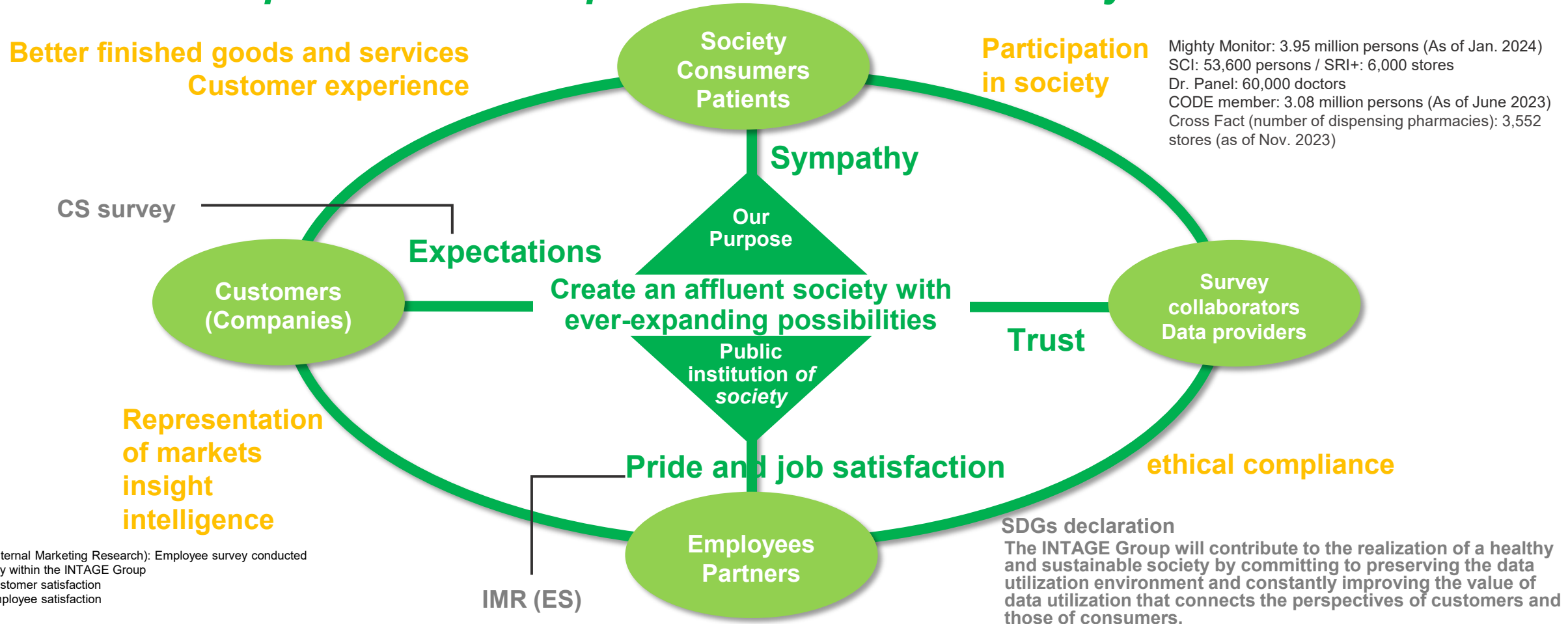
| | EPS (profit per share) (Yen) | Dividends per share at end of year (Yen) | Payout ratio (Consolidated) (%) | DOE (dividend on equity ratio) (%) |
|--|------------------------------|--|---------------------------------|------------------------------------|
| Year ended June 30, 2021 | 84.40 | 35.00 | 41.5 | 4.3 |
| Year ended June 30, 2022 | 86.31 | 38.00 | 44.0 | 4.8 |
| Financial Results for the Year Ended June 30, 2023 | 91.21 | 42.00 | 46.0 | 5.3 |
| Year ending June 30, 2024 (planned) | 78.80 | 43.00 | 54.6 | 5.2 |

Basic Policy on profit distribution

The Company's basic policy is to distribute profits based on consolidated business performance, which is the result of group management, and taking into consideration the balance between dividends and growth investment. Dividends for the 14th Mid-Term Plan period will be progressive, and for the final fiscal year ending June 30, 2026, we are targeting 50% for consolidated dividend payout ratio and 12% for ROE (return on equity).

In addition, we will purchase treasury shares in a timely manner to improve capital efficiency.

Sympathy, trust, job satisfaction, pride, and expectations for a public institution of society



To enhance our corporate value over the long term, we will strive for highly transparent management that makes this cycle sustainable as well as for constructive dialogue with investors.

IMR (Internal Marketing Research): Employee survey conducted annually within the INTAGE Group
CS: Customer satisfaction
ES: Employee satisfaction



appendix

Quarterly net sales breakdown by product

| (Millions of yen) | | 1 Q | | | 2 Q (Cumulative) | | | 2 Q (Noncumulative) | | |
|-------------------|---------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 |
| C G & S | Panel Surveys | 3,499 | 3,576 | 3,728 | 7,301 | 7,454 | 7,801 | 3,802 | 3,878 | 4,073 |
| | CR-WEB | 1,788 | 1,860 | 1,814 | 4,091 | 4,266 | 4,189 | 2,303 | 2,406 | 2,375 |
| | CR (Other than WEB) | 951 | 977 | 803 | 2,050 | 2,072 | 2,064 | 1,099 | 1,095 | 1,261 |
| | Co | 631 | 713 | 579 | 1,330 | 1,367 | 1,178 | 699 | 654 | 599 |
| | Overseas | 1,043 | 1,359 | 1,293 | 2,128 | 2,796 | 2,630 | 1,085 | 1,437 | 1,337 |
| | Other | 702 | 695 | 796 | 1,263 | 1,283 | 1,378 | 561 | 588 | 582 |
| H C | Panel Surveys | 859 | 848 | 856 | 1,821 | 1,824 | 1,841 | 962 | 976 | 985 |
| | CR | 1,030 | 914 | 872 | 2,435 | 2,247 | 2,365 | 1,405 | 1,333 | 1,493 |
| | CRO | 794 | 855 | 730 | 1,662 | 1,749 | 1,460 | 868 | 894 | 730 |
| | Promotion | 608 | 491 | 743 | 1,251 | 1,125 | 1,470 | 643 | 634 | 727 |
| | Other | 171 | 177 | 150 | 336 | 352 | 344 | 165 | 175 | 194 |
| B I | SI | 814 | 709 | 895 | 1,606 | 1,467 | 1,816 | 792 | 758 | 921 |
| | BPO and maintenance | 549 | 498 | 512 | 1,054 | 1,021 | 1,056 | 505 | 523 | 544 |
| | DX | 361 | 444 | 531 | 798 | 932 | 1,143 | 437 | 488 | 612 |

※ Because of changes in product categories within segment, some of the sales may differ from the sales by product disclosed until the previous fiscal year.

※ The division of the BI segment has been changed from the 4Q of the fiscal year ended June 30 of 2023, and the figures for the previous fiscal years are retrospectively revised.

Quarterly net sales breakdown by product

| (Millions of yen) | | 3 Q (Cumulative) | | | 3 Q (Noncumulative) | | | 4 Q (Cumulative) | | | 4 Q (Noncumulative) | | |
|-------------------|---------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 | Year ended June 30, 2022 | Year ended June 30, 2023 | Year ended June 30, 2024 |
| C G & S | Panel Surveys | 11,191 | 11,493 | 0 | 3,890 | 4,039 | 0 | 15,014 | 15,466 | 0 | 3,823 | 3,973 | 0 |
| | CR-WEB | 6,600 | 6,683 | 0 | 2,509 | 2,417 | 0 | 8,148 | 8,321 | 0 | 1,548 | 1,638 | 0 |
| | CR (Other than WEB) | 3,402 | 3,471 | 0 | 1,352 | 1,399 | 0 | 4,103 | 4,358 | 0 | 701 | 887 | 0 |
| | Co | 2,104 | 2,040 | 0 | 774 | 673 | 0 | 2,794 | 2,713 | 0 | 690 | 673 | 0 |
| | Overseas | 3,566 | 4,385 | 0 | 1,438 | 1,589 | 0 | 4,574 | 5,355 | 0 | 1,008 | 970 | 0 |
| | Other | 3,396 | 3,338 | 0 | 2,133 | 2,055 | 0 | 3,866 | 3,937 | 0 | 470 | 599 | 0 |
| H C | Panel Surveys | 2,712 | 2,732 | 0 | 891 | 908 | 0 | 3,578 | 3,620 | 0 | 866 | 888 | 0 |
| | CR | 3,663 | 3,422 | 0 | 1,228 | 1,175 | 0 | 4,507 | 4,422 | 0 | 844 | 1,000 | 0 |
| | CRO | 2,603 | 2,572 | 0 | 941 | 823 | 0 | 3,438 | 3,180 | 0 | 835 | 608 | 0 |
| | Promotion | 1,924 | 1,721 | 0 | 673 | 596 | 0 | 2,438 | 2,276 | 0 | 514 | 555 | 0 |
| | Other | 470 | 506 | 0 | 134 | 154 | 0 | 589 | 654 | 0 | 119 | 148 | 0 |
| B I | SI | 2,486 | 2,415 | 0 | 880 | 947 | 0 | 3,235 | 3,054 | 0 | 749 | 639 | 0 |
| | BPO and maintenance | 1,627 | 1,668 | 0 | 573 | 647 | 0 | 2,221 | 2,148 | 0 | 594 | 480 | 0 |
| | DX | 1,271 | 1,438 | 0 | 473 | 505 | 0 | 1,721 | 1,879 | 0 | 451 | 441 | 0 |

※ Because of changes in product categories within segment, some of the sales may differ from the sales by product disclosed until the previous fiscal year.

※ The division of the BI segment has been changed from the 4Q of the fiscal year ended June 30 of 2023, and the figures for the previous fiscal years are retrospectively revised.