



## Results Briefing for Q3 FY2016

February 2, 2017

Kakaku.com, Inc.

# Summary

# Q3/FY2016 Results

(Unit: million yen)

	Q3/FY2016 (Oct-Dec 2016)	yoy	Nine months ended December 31, 2016	yoy
Sales	<b>11,405</b>	+8.0%	<b>33,249</b>	+11.7%
Operating income	<b>5,398</b>	+6.5%	<b>15,432</b>	+12.3%
Ordinary income	<b>5,404</b>	+6.1%	<b>15,427</b>	+11.7%
Net income attributable to shareholders of the parent company	<b>3,711</b>	+9.8%	<b>10,735</b>	+16.1%
Operating margin	<b>47.3%</b>	- 0.7pts	<b>46.4%</b>	+0.2pts

# Q3/FY2016 Highlights

## Kakaku.com

### Domestic

- ✓ Even though service categories continued to perform well, due to weak results in the shopping categories and advertising, total sales were 5.3 billion yen, down 0.6% from the previous year.

### Overseas

- ✓ Four-country total of unique users for *Priceprice.com* in the month of December was 10.86 million.

## Tabelog

### Domestic

- ✓ The number of fee-paying restaurants surpassed 52,900 as of end-December.
- ✓ Sales were 4.8 billion yen, an increase of 17.6% yoy.
- ✓ The number of reservations made through Tabelog surpassed 12 million seats.

### Overseas

- ✓ The number of monthly unique users for Tabélog (US) reached 75,000 in December 2016.

## New Media

- ✓ Travel business Time Design Inc. continues to post strong sales with year-on-year growth of 22.9%.

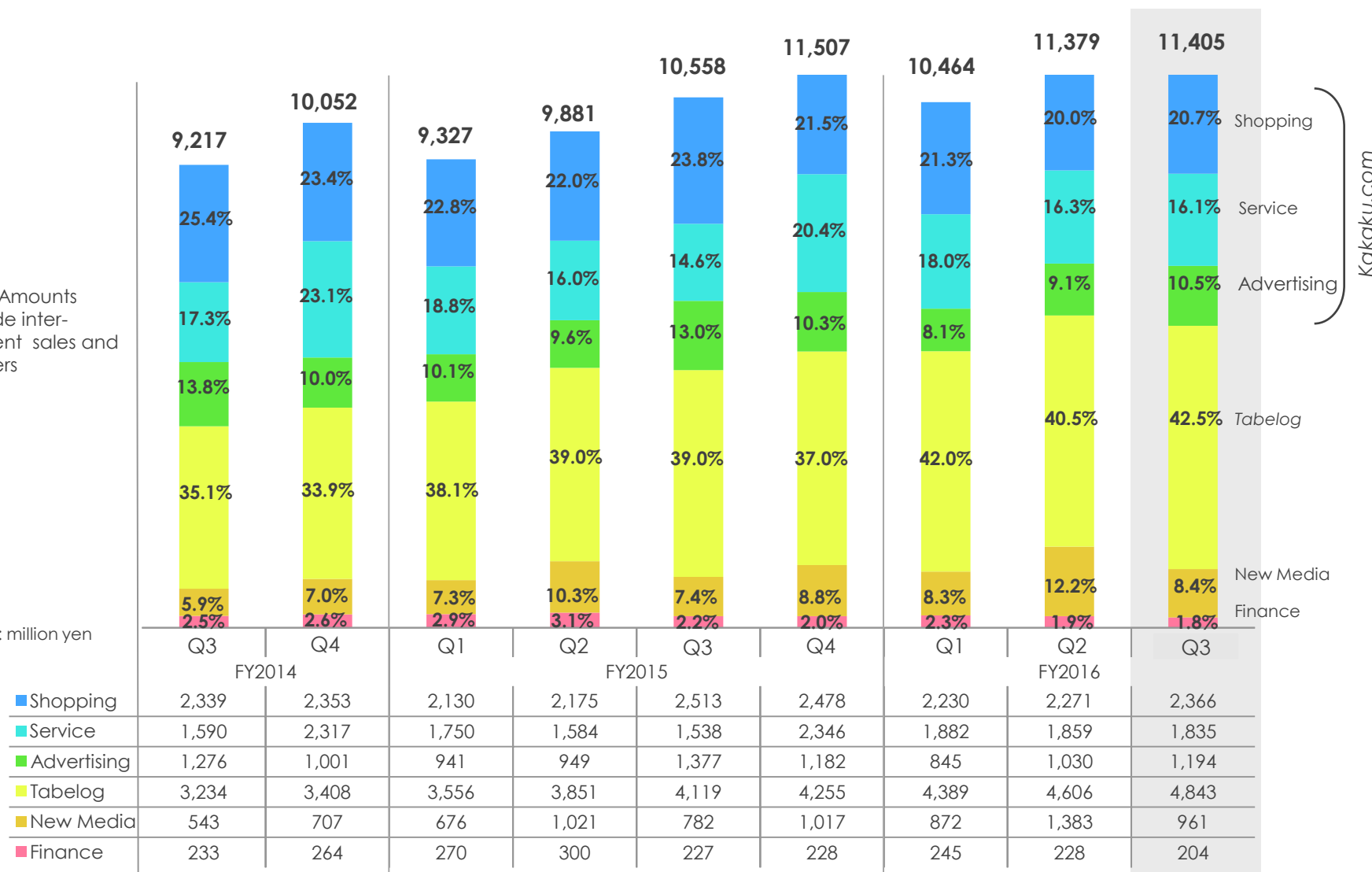
## Insurance

- ✓ Declining numbers in insurance applications, resulted in a decrease of sales year-on-year with 204 million yen.

# Quarterly Sales by Business Category (Consolidated)

Note: Amounts exclude inter-segment sales and transfers

Unit: million yen



Kakaku.com

# Quarterly Cost Breakdown (Consolidated)

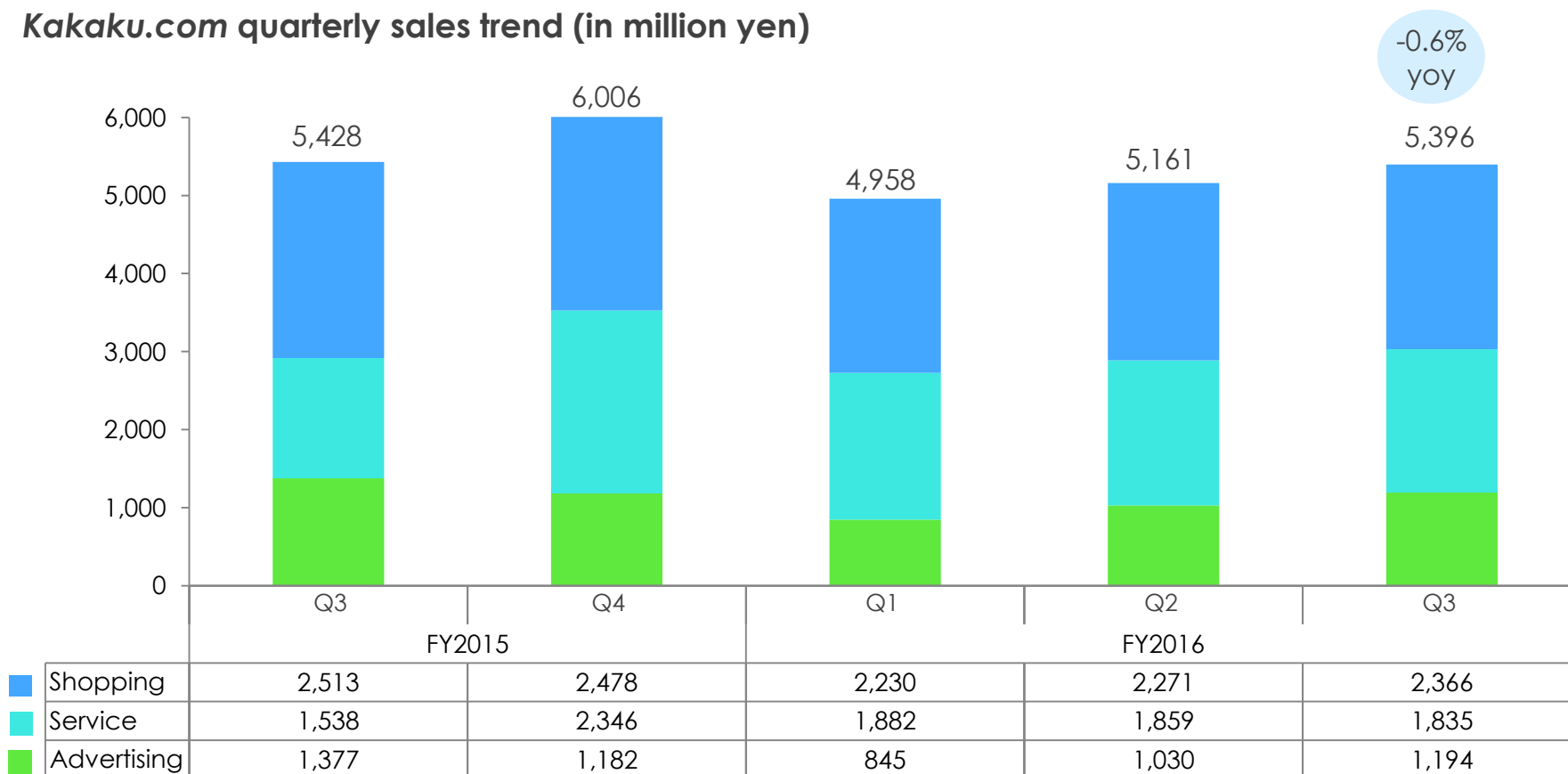
Note:  
 \*1 Commissions = various commissions paid + Advertising agency commissions  
 \*2 The number of regular employees, with the average number of temporary employees for each quarter shown separately in parentheses



# Kakaku.com: Business Overview

- While the service categories continued to perform well, weak results in the shopping categories and advertising sales were 5.3 billion yen, down 0.6% year-on-year.
- Total number of monthly users (domestic) was 51.33 million as of end-December.

## Kakaku.com quarterly sales trend (in million yen)

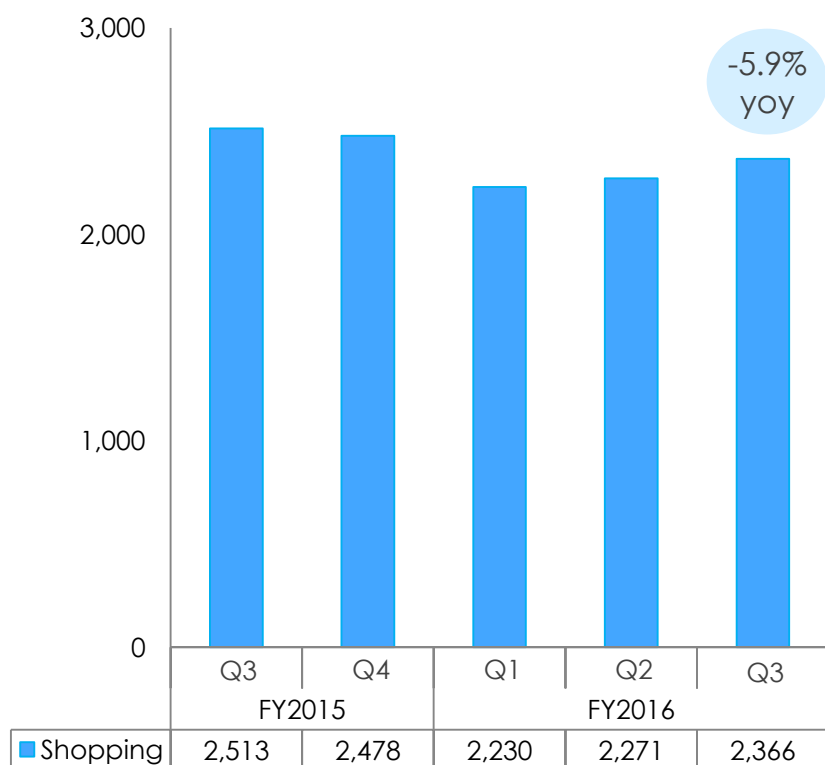


Note: The number of monthly users is the number of people who visited the site on a browser basis. A user who visited the site multiple times over a month is counted as one. As of November 2016, the Company changed the measurement logic in order to reflect the diversification of web pages on mobile devices.

# Kakaku.com: Shopping Business

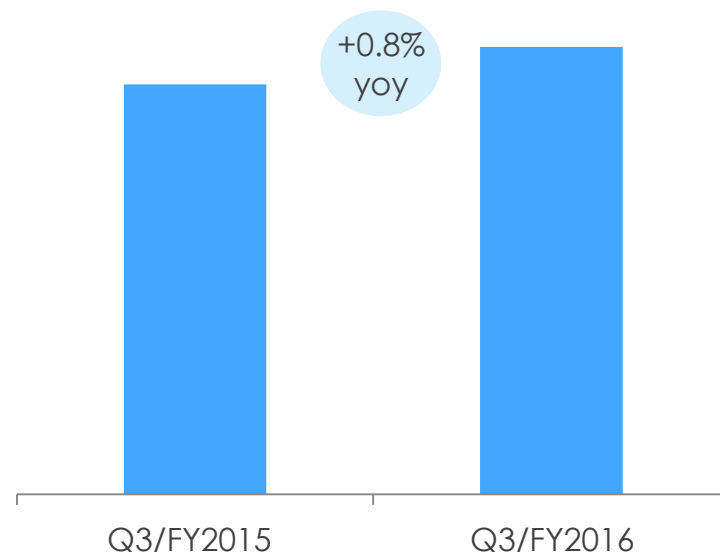
- A sluggish market for consumer electronics resulted in a decrease in commissions received from Ecommerce sites. Coupled with lower transaction rates, sales were 2.36 billion yen, down 5.9% year-on-year.

## Quarterly sales trend (in million yen)



## GMV growth for consumable goods (%)

- ✓ UI improvements resulted in year-on-year growth in the gross merchandising value for consumable goods
- ✓ Roll-out across all categories by the end of this fiscal year.

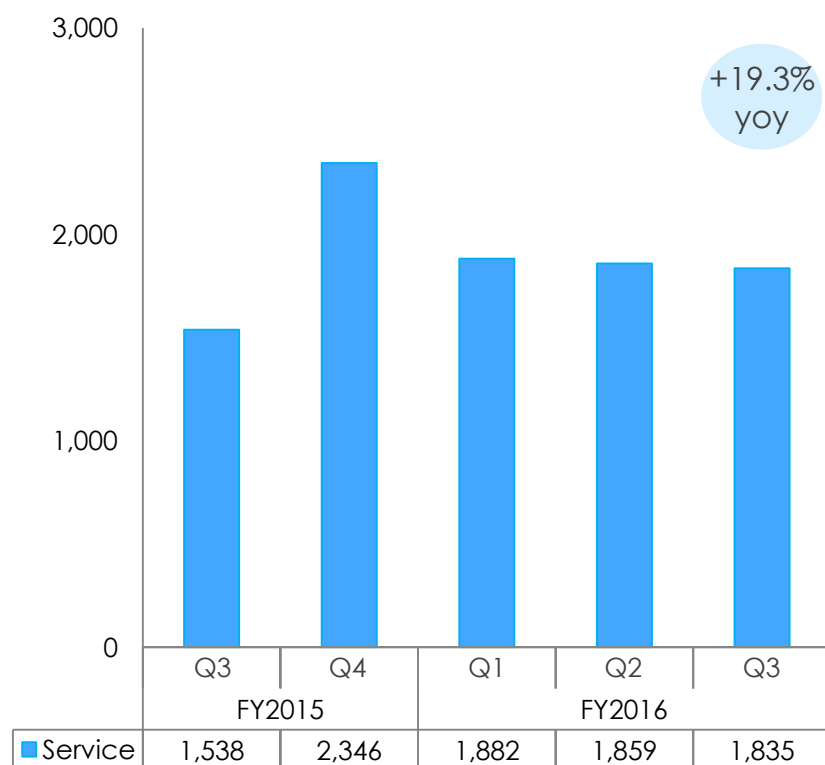




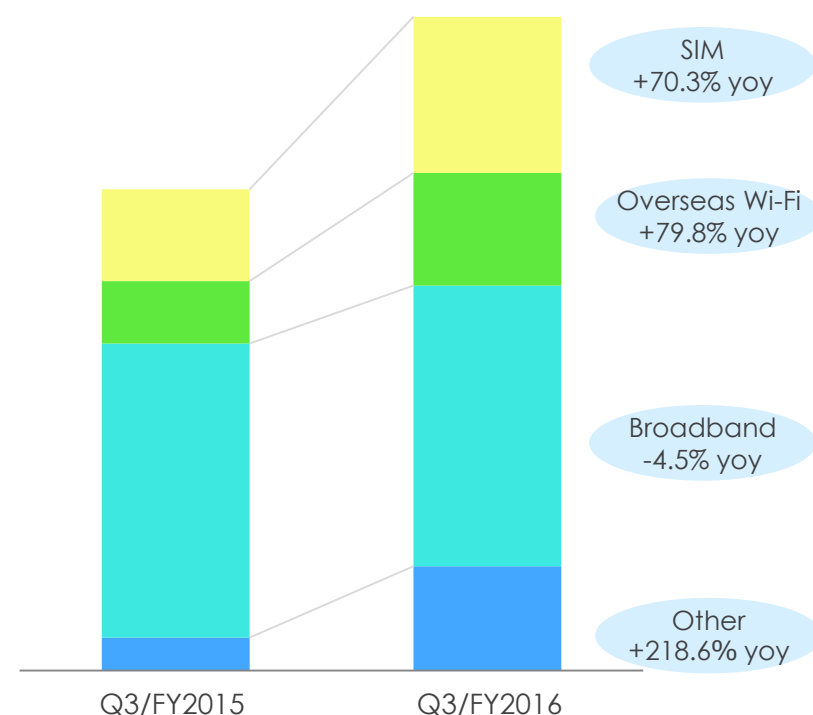
# Kakaku.com: Service Business

- Finance related categories continue to report strong sales, and commissions from overseas Wi-Fi and SIM card comparisons show continued growth. Quarterly sales were 1.83 billion yen, year-on-year growth of 19.3%.

Quarterly sales trend (in million yen)



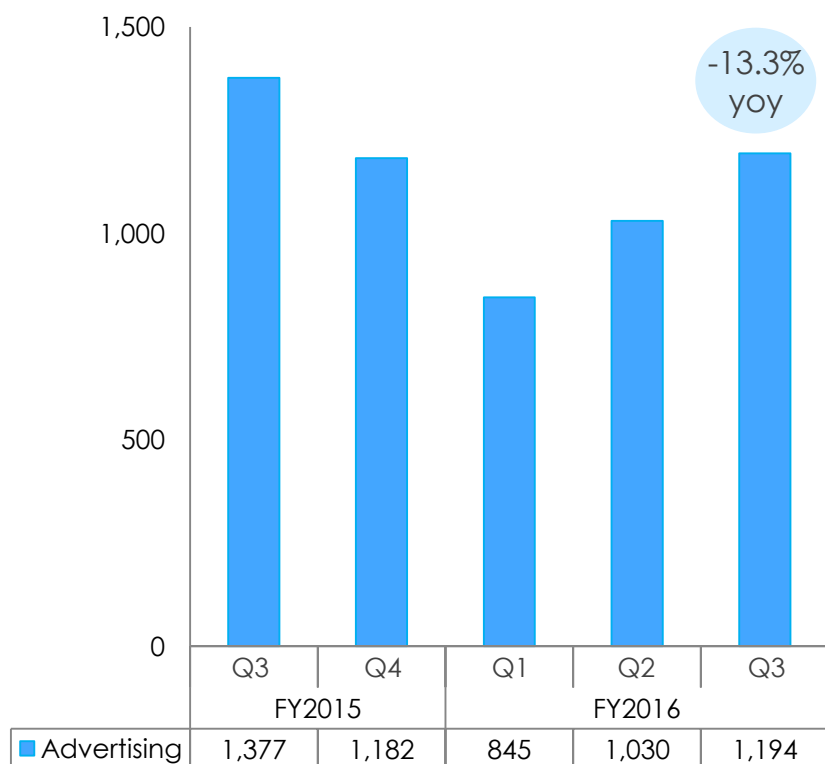
Growth rates of telecommunication categories (%)



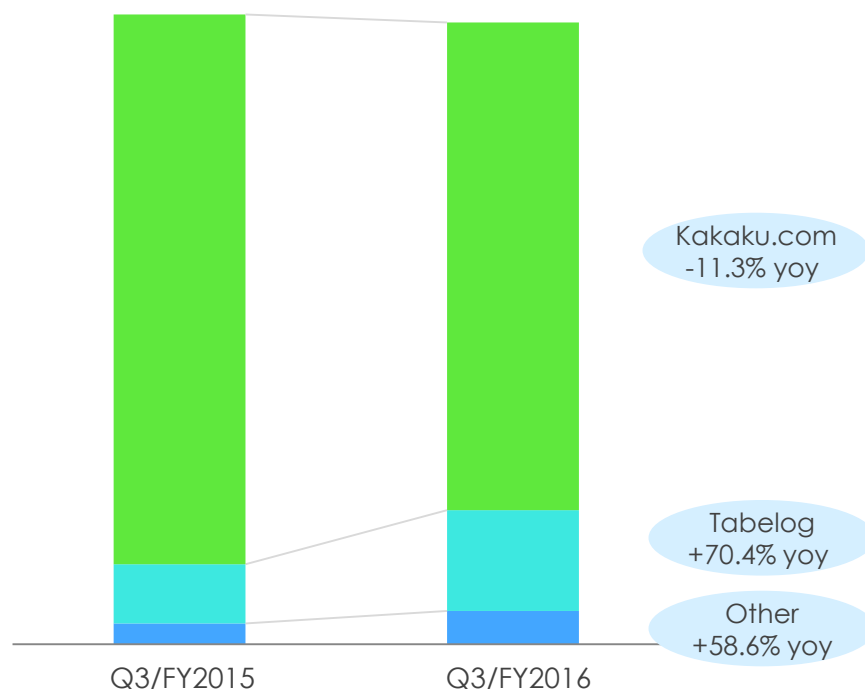
# Kakaku.com: Advertising Business

- The sluggish consumer electronics market resulted in lower advertising sales. Quarterly sales were 1.19 billion yen, down 13.3% year-on-year.

Quarterly sales trend (in million yen)

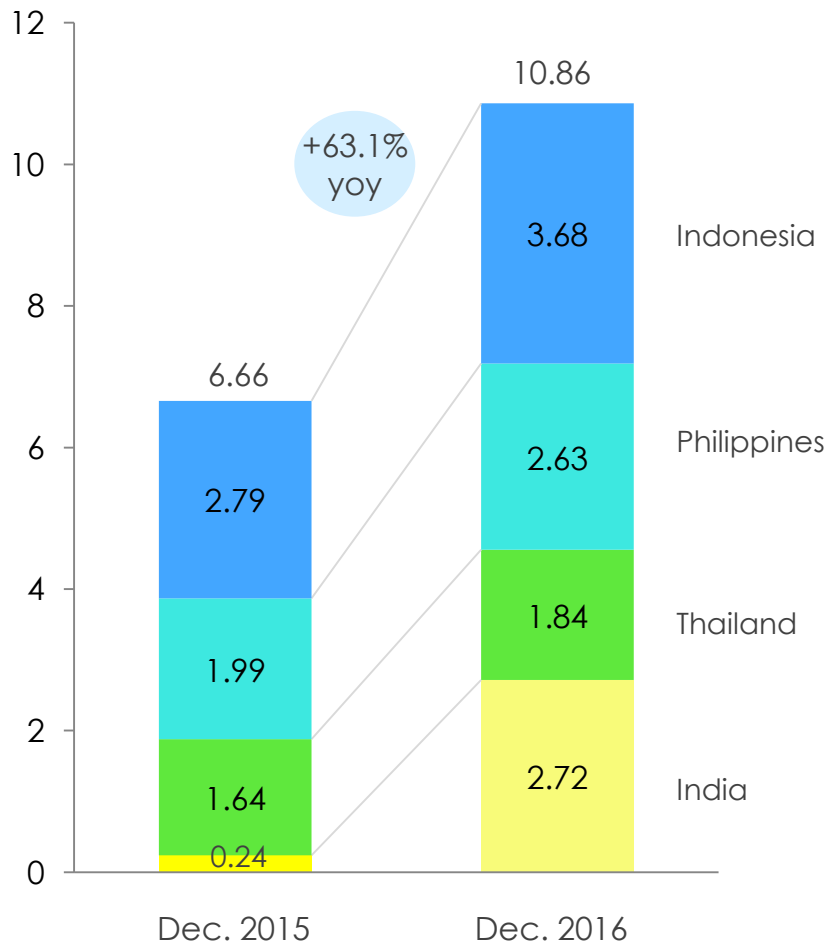


Growth rate of reservation ads by site (%)



# Kakaku.com: Overseas Business - Priceprice.com

## Monthly unique users by country (in million users)



## Enhanced content

Further enhancement of content, by adding articles on fashion and cosmetics.

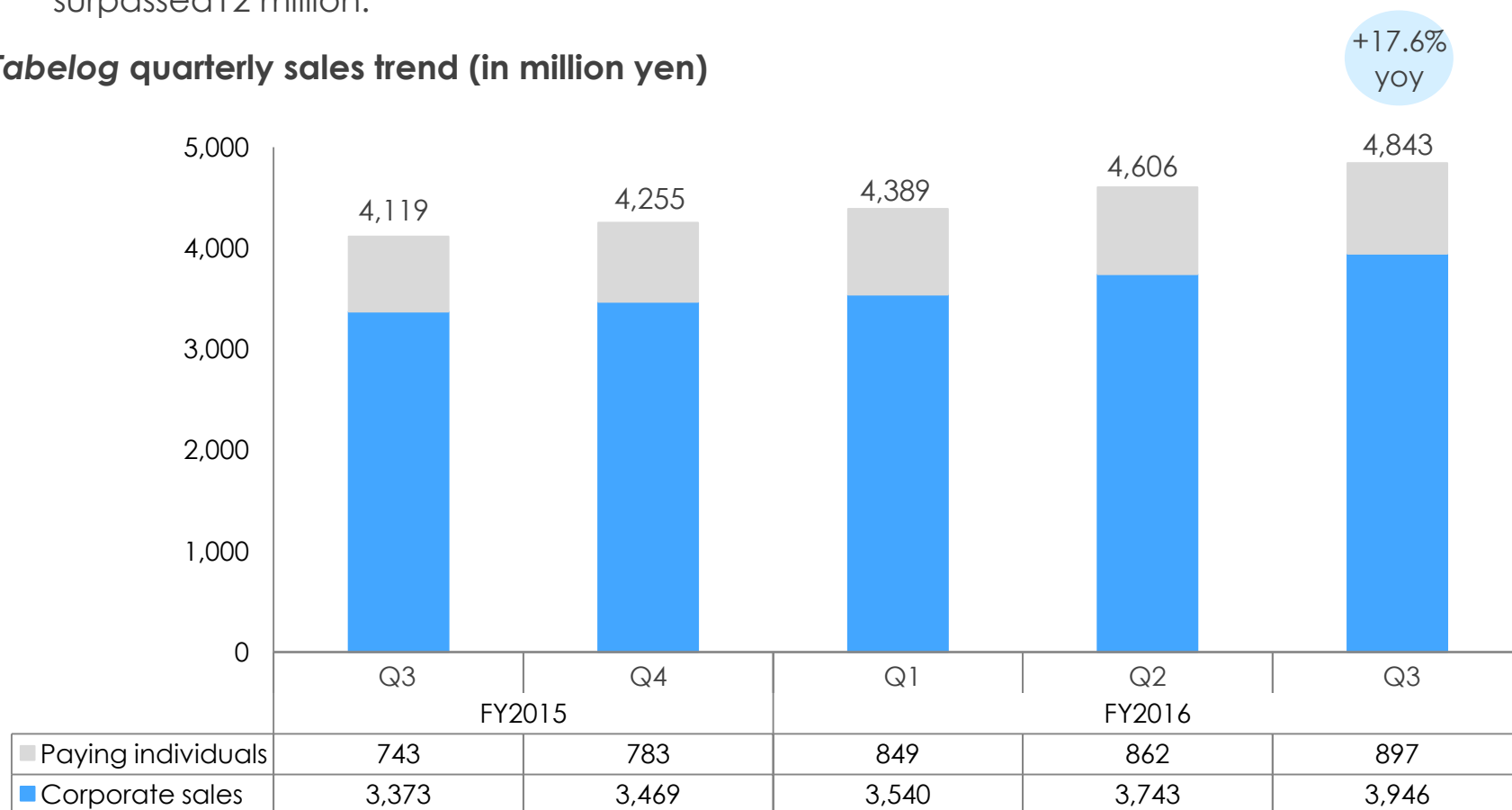


Note: The number of monthly users is the number of people who visited the site on a browser basis. A user who visited the site multiple times over a month is counted as one.

# Tabelog: Businesses Overview

- Growing number of fee-paying restaurants resulted in strong sales of 4.8 billion yen (+17.6% yoy).
- The number of monthly users (domestic) surpassed 93.46 million as of end-December.
- In January, the cumulative number of seats reserved through Tabelog's online reservation surpassed 12 million.

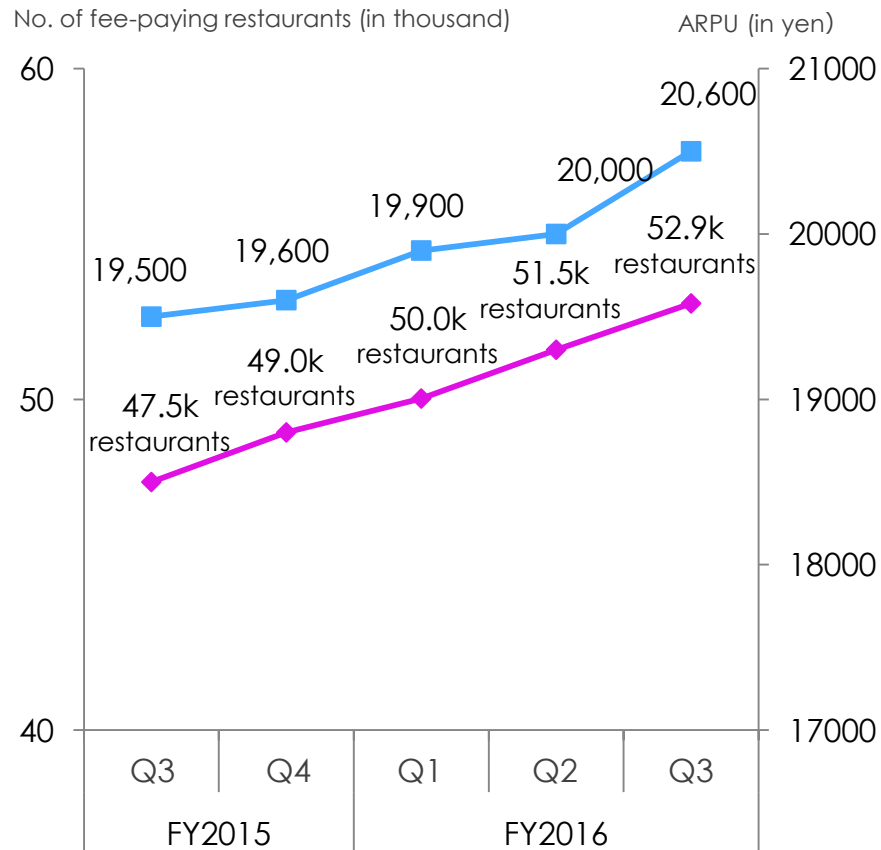
**Tabelog quarterly sales trend (in million yen)**



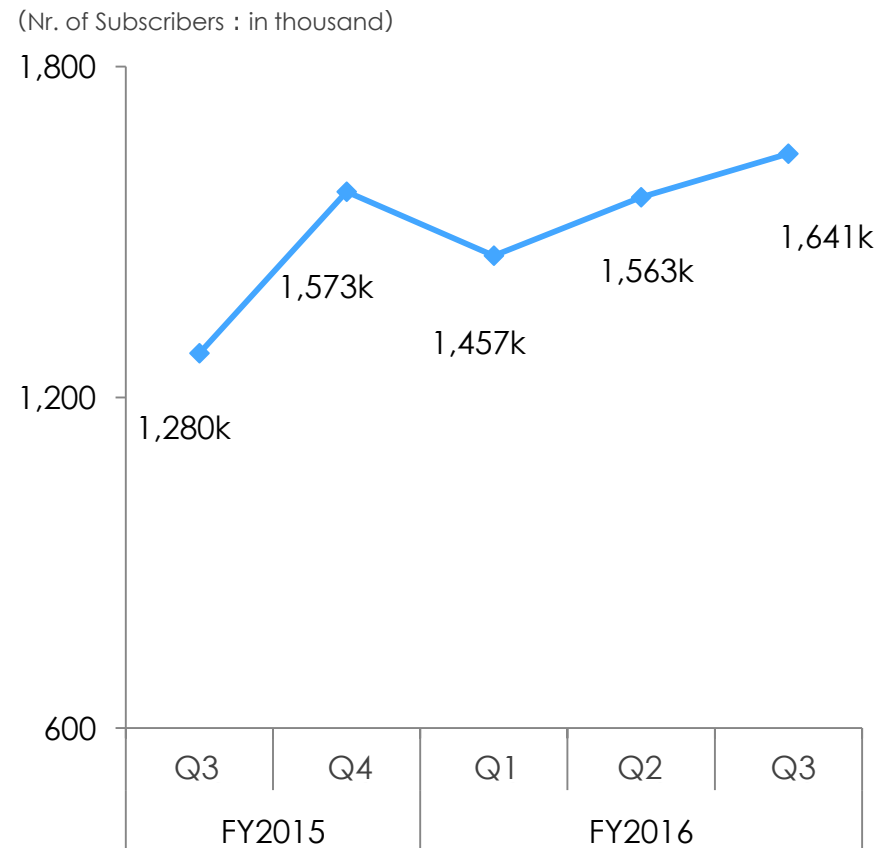
Note: The number of monthly users is the number of people who visited the site on a browser basis. A user who visited the site multiple times over a month is counted as one. As of November 2016, the Company changed the measurement logic in order to reflect the diversification of web pages on mobile devices.

# Tabelog: Domestic Business

## Number of fee-paying restaurants and ARPU

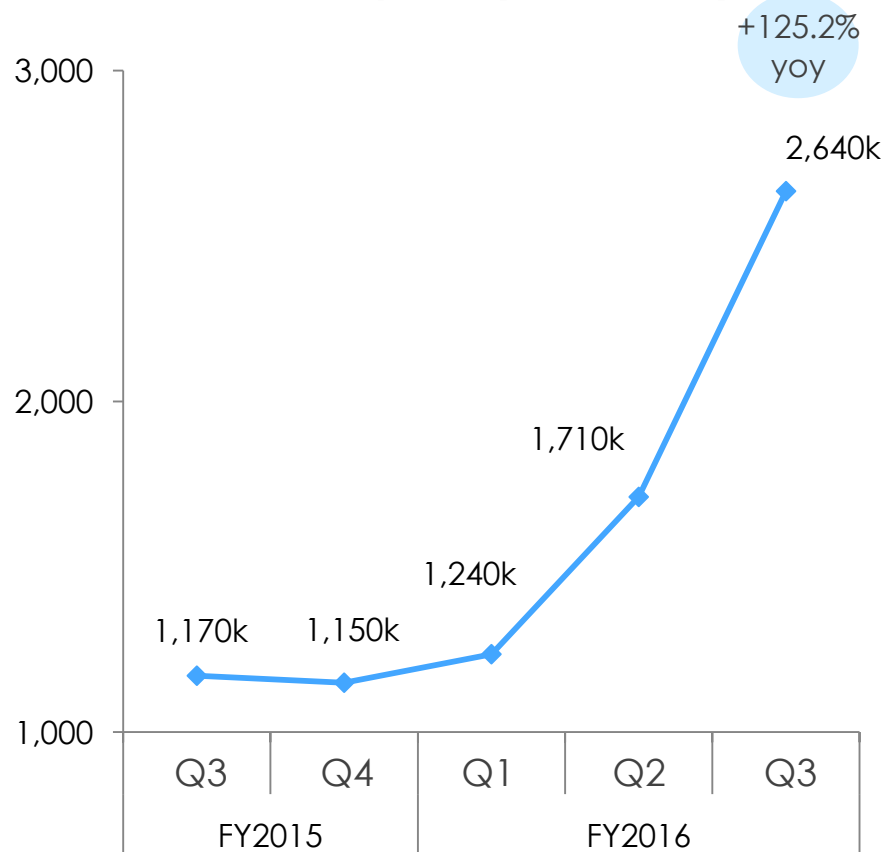


## Number of individual paid subscribers

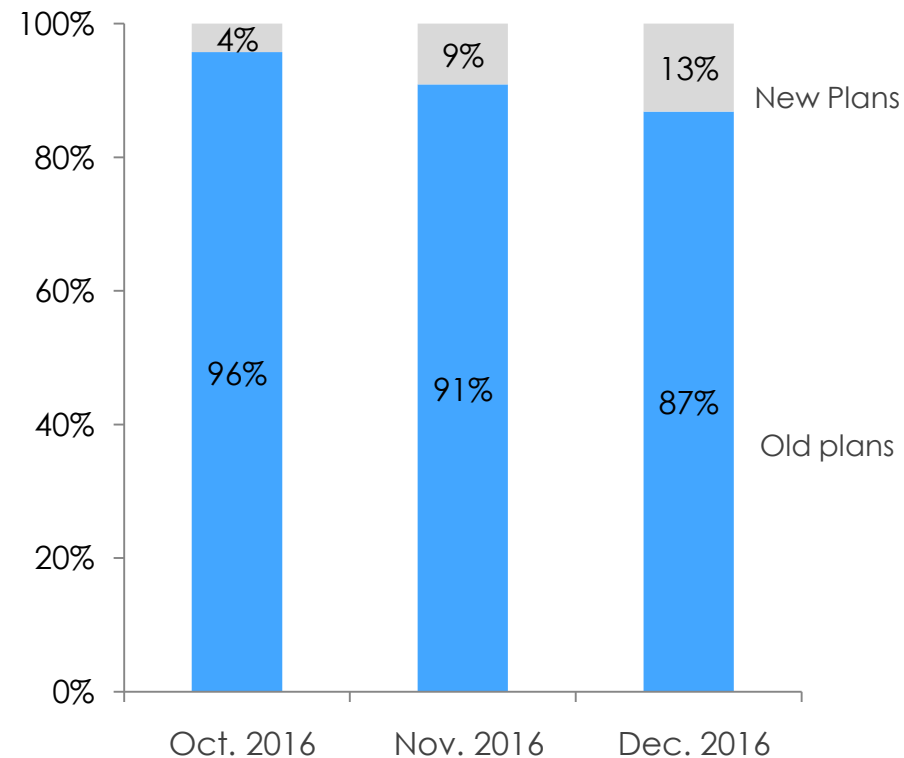


# Tabelog: Progress of online reservations

Number of persons seated through Tabelog's online reservation system (in thousand)



Ratio of old and new pricing plans in Tokyo

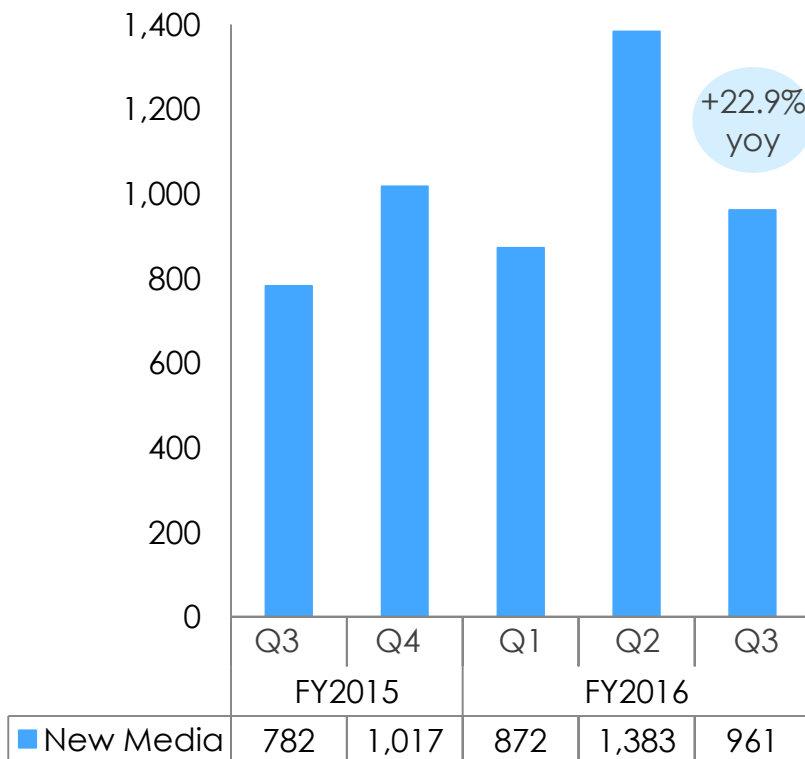


Note: New pricing plans, with enhanced promotion of online reservations are only being offered in Tokyo as of October 2016.

# New Media: Overview

- Travel business Time Design Inc. and real estate site *Sumaity* continue to post strong results. Sales in the New Media business were 961 million yen, a growth of 22.9% year-on-year.

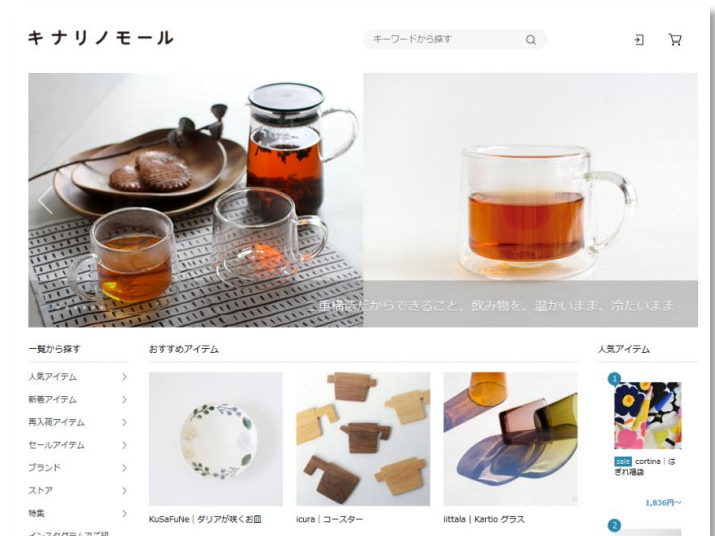
## Quarterly sales (in million yen)



## Kinarino Mall

### Monthly GMV surpassed 50 million yen

- ✓ One year after opening the online shopping mall in February 2016, the monthly gross merchandise value surpassed 50 million yen in January 2017
- ✓ Kinarino will continue to provide user's with relevant information based on its concept of adding beauty and mindfulness to everyday life.

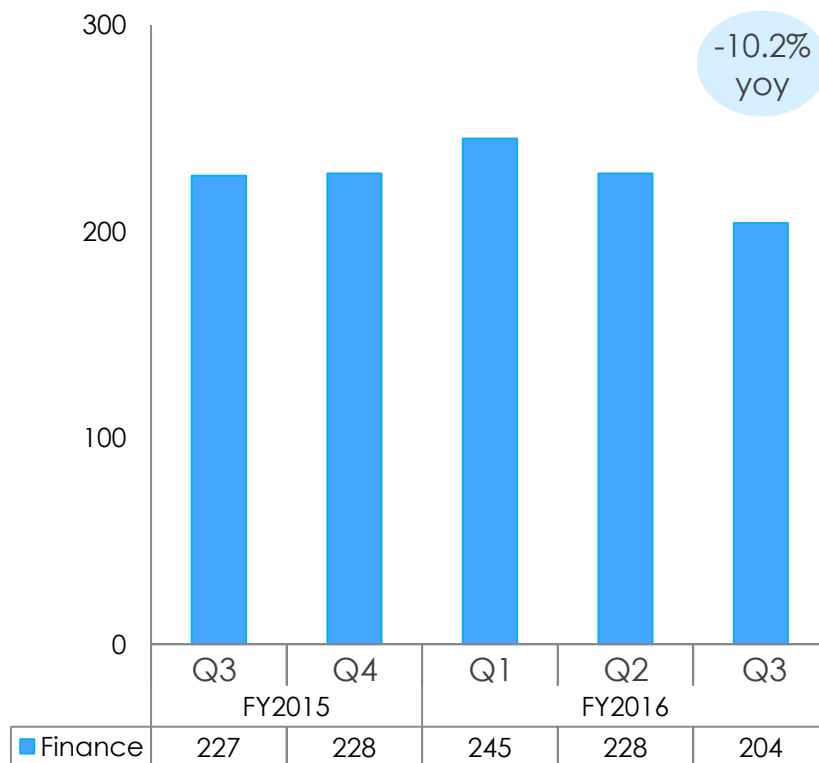


※Time Design's sales are seasonally highest in Q2. As a result, sales for the New Media business is also highest in Q2.

# Finance (Insurance Business) : Overview

- A decline in insurance applications, resulted in lower sales year-on-year, with 204 million yen.

## Quarterly sales (in million yen)



## Start of user reviews on insurance products

Users can now post reviews when they sign an insurance policy. While this is still limited to a number of insurance companies, it gives other users additional information for choosing an insurance plan.





# Current developments

# Kakaku.com's consumables categories

- As of December 2016, 50% of consumables categories have undergone improvements in UI and content. Roll-out across all categories to be finished by the end of March.
- These measures have resulted in a significant rise in the rate of actual purchases (+5%) compared to the same time span before the changes.
- By rolling out these changes by the end of this fiscal year, we expect significant improvement in the general merchandise volume.

Example: Identify frequently used keywords to allow for more accurate results

Before:

価格.com キーワード検索

検索結果を絞り込む

カテゴリで絞り込む

- 鍋つかみ・鍋しき (18,991)
- フライパン (73,862)
- 圧力鍋 (318)
- 金具・金属素材 (134,087)
- お鍋 (2,438)
- キッチン用品 (1,382,891)
- DIY・工具 (592,828)
- 食品 (36,044)
- 生活雑貨 (23,212)
- インテリア・家具 (18,575)
- ペーパー・グッズ (7,741)
- 本・CD・DVD (7,829)
- ホビー (7,598)
- 自動車・バイク (6,926)
- アウトドア (6,269)
- ドリンク (1,124)
- ビューティー・ヘルス (1,185)
- 住宅設備・リフォーム (943)
- ペット (688)
- スポーツ (514)
- ファッション (995)
- 家電 (549)
- スマートフォン・携帯電話 (234)
- 時計・アクセサリー (193)
- 靴・シューズ (52)
- パソコン (33)
- ゲーム (1)
- 新製品ニュース (102)

検索結果 1,806,632 件ヒット 1ページ目 (1~30件目表示中)

表示件数: 30 60 120

表示順序: 価格の安い順 価格の高い順 よく見られている順 発売日順

魔法のクイック料理 AGDA55 5.5L 600077

¥7,708 ~ (全10店舗)

キッチン用品 > 調理器具 > 圧力鍋 > ワンダーシェフ

¥1 1位(圧力鍋) ¥4,52 (16) | クズコミ 9 件

タイプ:圧力鍋 容量:5.5L 重量:2800g IH対応:○

ヘルシオ ホットクック KN-HF09A

¥34,089 ~ (全40店舗)

家電 > その他調理家電 > シヤープ

¥1 2位(その他調理家電) ¥4,59 (34) | クズコミ 13 件

【まぜ挽ユニット】や1金べごろすめ調理を簡単にした電気炊飯水鍋

発売日:2015年11月5日 / 調理家電種類:電気炊飯水鍋 消費電力:600W 幅:264mm 奥行:364mm 高さ:224mm

クノア アーチ ババリカレド 6L P4390732

¥11,988 ~ (全140店舗)

キッチン用品 > 調理器具 > 圧力鍋 > ティファール

¥1 2位(圧力鍋) ¥4,27 (14) | クズコミ 10 件

発売日:2013年9月 / タイプ:圧力鍋 容量:6L 重量:3100g IH対応:○

After:

価格.com キッチン用品

鍋 商品一覧

話題のUltra HD Blu-ray™を高画質4Kテレビで初体験！

東芝<レグザ> Z700Xシリーズ 長期使用レビュー

キーワード検索

検索結果 全 1,021,634 件を表示 (商品:1,188件 商品:1,020,446件)

その他の条件で絞り込む

メーカーで絞り込む

シリーズで絞り込む

素材・コーティングで絞り込む

鍋 製品一覧

ティファール	ティファール	ティファール	ティファール
インジニオ・オ・セット (5つ星)	インジニオ・オ・セット (5つ星)	ピコ・オ・オ・セット (5つ星)	インジニオ・オ・セット (5つ星)
¥10,800 ~ (37店舗)	¥13,300 ~ (79店舗)	¥15,300 ~ (118店舗)	¥10,800 ~ (29店舗)
¥1 位 ¥4,000 4.35	¥2 位 ¥4,000 5.00	¥3 位 ¥4,000 5.00	¥5 位 ¥4,000 4.44

# Tabelog: Variable search and enhanced articles

- With the renewal of the Tabelog App in January, the timeline is now shown in the top view.
- Ability to not only search by requirements or restaurant names, but also by reviewer or availability of online booking.



# Earnings forecast

- Results for *Tabelog* are inline with our projections. But taking into consideration *Kakaku.com*'s recent results, due to an unexpectedly strong slump in the consumer electronics market and a resulting decline in advertising sales, as well as the recent economic outlook and consumer trends, the earnings forecast will be revised as follows:

(Unit: million yen)

	Current projection FY2016	Previous projection FY2016	Percent change	Actual results FY2015
Sales	<b>45,000</b>	<b>48,000</b>	-6.3%	<b>41,275</b>
Operating income	<b>21,000</b>	<b>23,000</b>	-8.7%	<b>19,534</b>
Ordinary income	<b>21,000</b>	<b>23,000</b>	-8.7%	<b>19,580</b>
Net income attributable to shareholders of the parent company	<b>14,500</b>	<b>15,900</b>	-8.8%	<b>13,100</b>

# Appendix

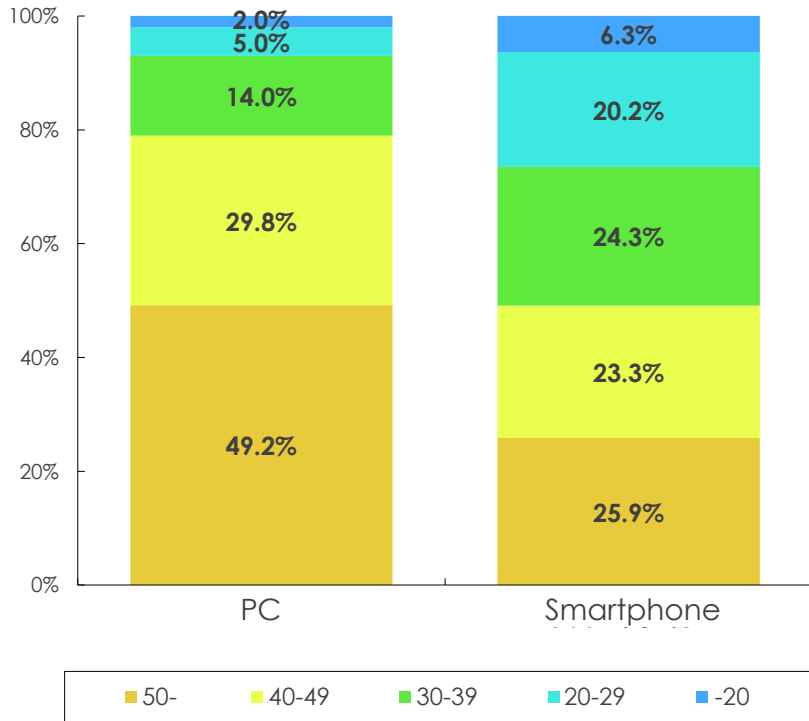
# Segments and Business Description

Segment	Site Category	Business Category	Business Description
Internet Media	Kakaku.com	Shopping	<ul style="list-style-type: none"> <li>Commission income from registered shops based on the number of clicks and sales performance</li> </ul>
		Service	<ul style="list-style-type: none"> <li>Commission income based on factors including the number of broadband network contracts</li> <li>Commission income based on requests for estimates and/or information materials for car insurance, finance, and used car searches</li> </ul>
		Advertising	<ul style="list-style-type: none"> <li>Advertising income from banners, text advertisements, content and search based advertising on <i>Kakaku.com</i></li> </ul>
	tabelog	tabelog	<ul style="list-style-type: none"> <li>Income from <i>tabelog</i> (income from advertisements for restaurants and other companies, income from a pay-per-use business targeting individuals, etc.)</li> </ul>
	Other	New Media	<ul style="list-style-type: none"> <li>Income from operated sites such as <i>yoyaQ.com</i>, <i>4travel</i>, <i>Sumaity</i>, <i>Time Design</i>, <i>eiga.com</i>, and <i>webCG</i></li> </ul>
Finance		Finance	<ul style="list-style-type: none"> <li>Commission income from a <i>general independent insurance</i> agency business for life insurance, non-life insurance, etc. *Operated by Kakaku.com Insurance, Inc.</li> </ul>

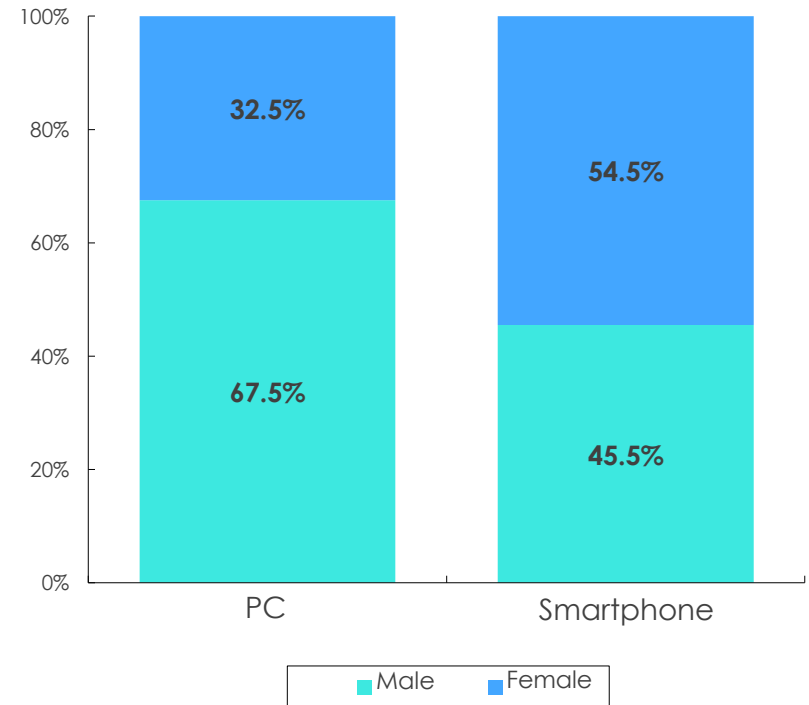
# User profile

- Users over 30 account for 90% of total users on PCs, but only about 70% on smartphones.
- While male user ratio is higher for PCs, the male-female ratio on smartphones is almost 50/50.

## Age Distribution

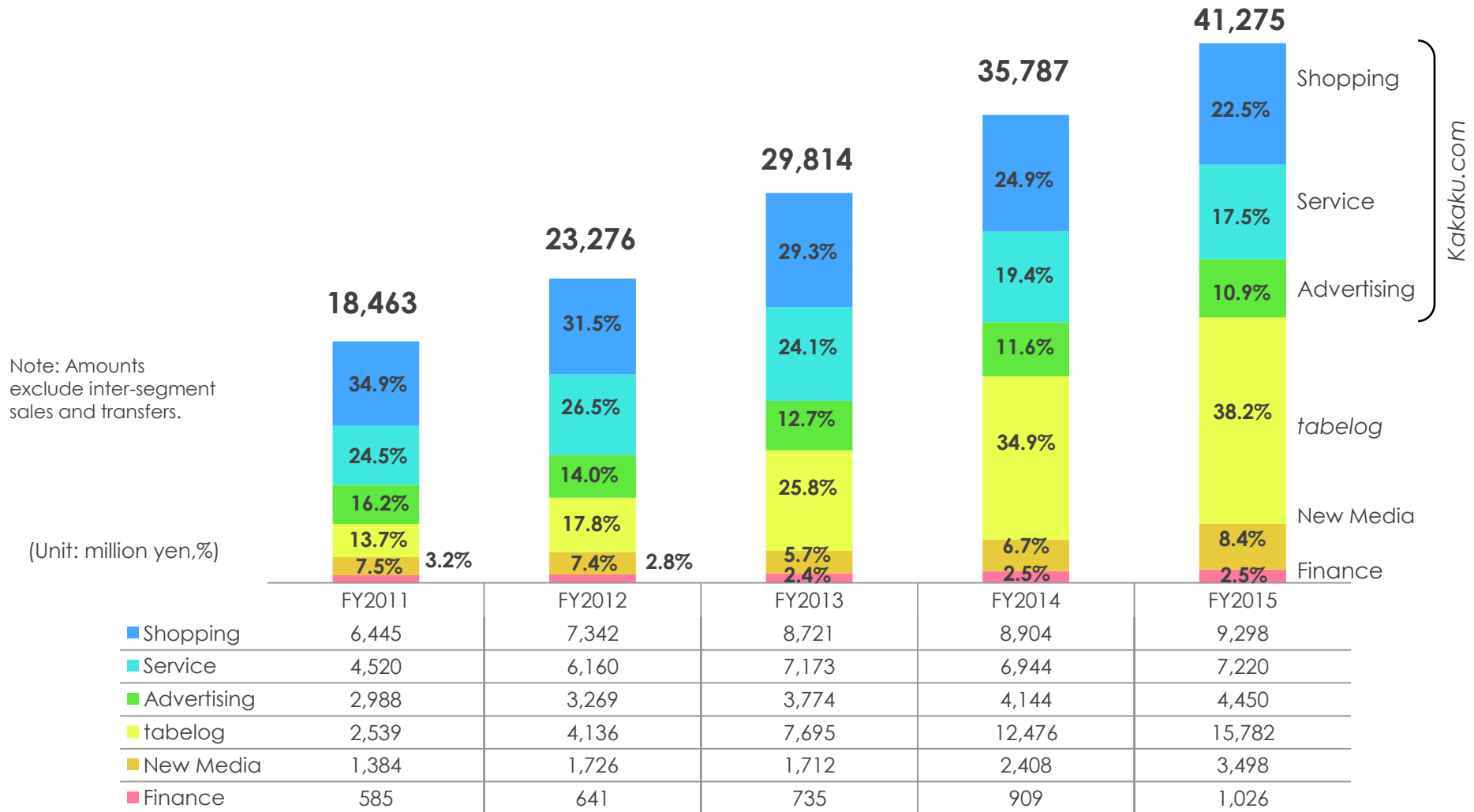


## Male-Female Ratio



Note: Age distribution and male-female ratio: Excerpted from a Nielsen Online December 2016 study (Home & Work Data)

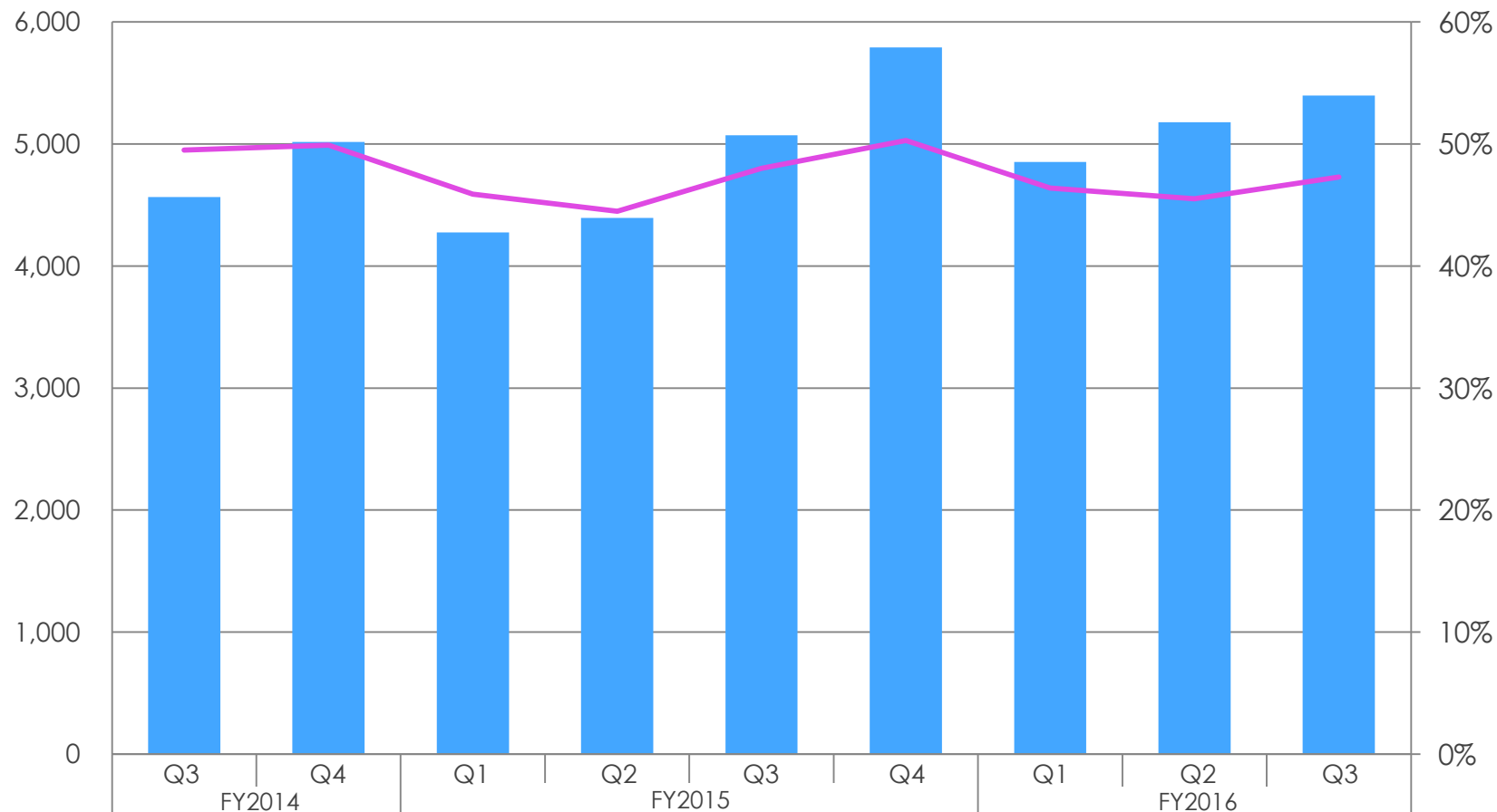
# Sales Contribution by Business by Fiscal Year (Consolidated)





# Operating Income by Quarter (Consolidated)

(Unit: million yen, %)



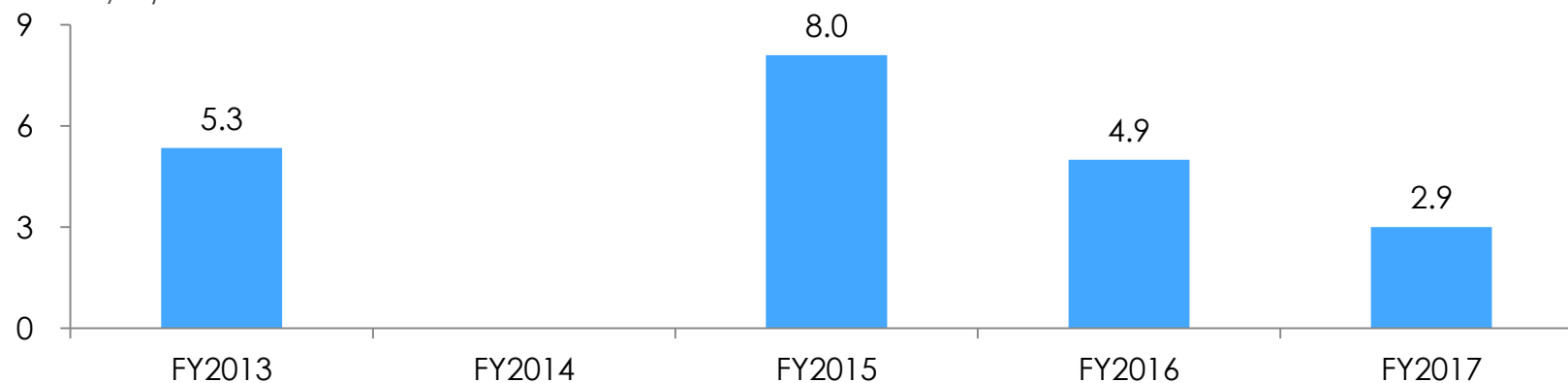
	Q3 FY2014	Q4 FY2014	Q1	Q2	Q3 FY2015	Q4	Q1	Q2 FY2016	Q3
Operating Income	4,566	5,017	4,276	4,395	5,071	5,791	4,854	5,178	5,398
Operating margin	49.5%	49.9%	45.9%	44.5%	48.0%	50.3%	46.4%	45.5%	47.3%

Note: Tabelog Inc. and Time Design Co, Ltd. are included in consolidated accounts from FY2014 1Q  
webCG, Inc. is included in consolidated accounts from FY2015 1Q

# Shareholder returns

## Acquisition of treasury stock

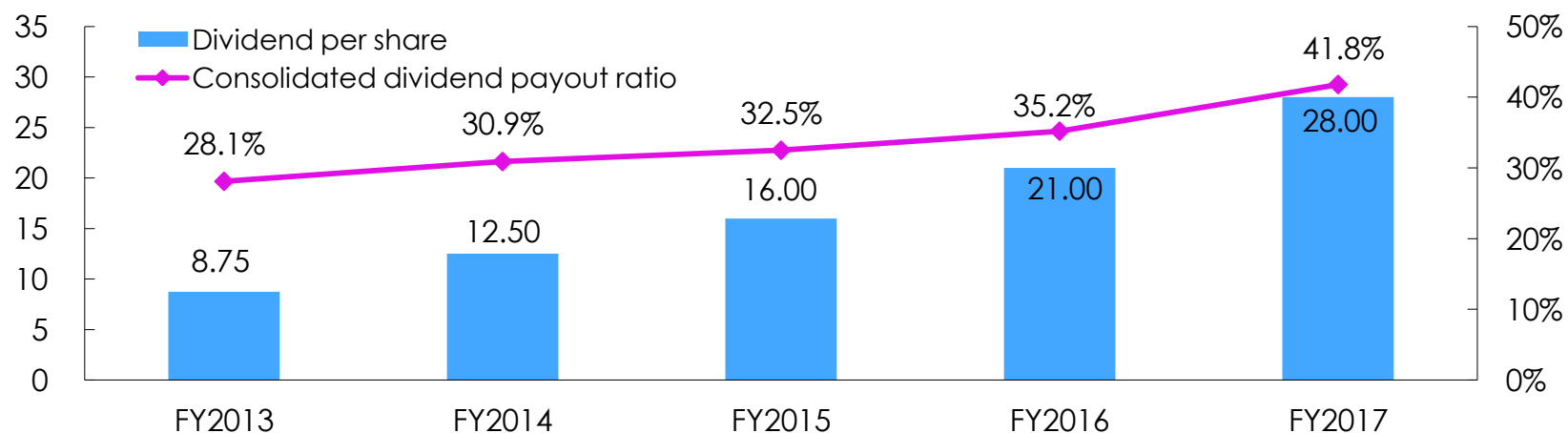
(Unit: Billion yen)



※2017年2月2日時点

## Dividend per share

(Unit: yen)



Note: A common stock split at a rate of 2 shares for each share held, was made on April 1, 2013 and September 1, 2013, but dividend per share is calculated based on the assumption that the stock split was made at the beginning of FY 2013.

# Kakaku.com Group Service Overview

<p>◆ [Kakaku.con] Purchasing support site</p> 	<p>◆ [tabelog] Restaurant ranking and user review site</p> 	<p>◆ [yoyaQ.com] last minute discounts on hotels and Japanese style inns</p> 
<p>◆ [PHOTOHITO] Photo community site</p> 	<p>◆ [4travel] Travel review and comparison site</p> 	<p>◆ [eiga.com] Movie information site</p> 
<p>◆ [Sumaity] Real estate and housing information site</p> 	<p>◆ [Kakaku.com Insurance] Insurance consulting service</p> 	<p>◆ [recipom] Recipe app</p> 
<p>◆ [Vinica] Wine app for sharing and remembering wines</p> 	<p>◆ [Tabélog] Gourmet media for the US</p> 	<p>◆ [Priceprice.com] Purchasing support site for Southeast Asian</p> 
<p>◆ Dynamic package reservation system (Time Design, inc.)</p> 	<p>◆ [Kinarino] Curated lifestyle media</p> 	<p>◆ [web CG] Online media for car lovers</p> 
<p>◆ [FX Compass] FX related information, commentary and forecast on foreign exchange market</p> 	<p>◆ [Akiba-souken] Akiba style information and community site</p> 	<p>◆ [+CLAP Men] Online media for men's fashion</p> 
<p>◆ [icotto] Travel and gourmet online media</p> 	<p>◆ [tascare] Local portal for information on geriatric nursing</p> 	<p>◆ [Kyujin-box] Job classifieds</p> 

Note: [Kakaku.com Insurance] is operated by Kakaku.com Insurance, Inc., [eiga.com] is operated by eiga.com, Inc, [webCG] is operated by webCG, inc.

# Company Profile

- Company Name Kakaku.com, Inc.
- Address DIGITAL GATE BUILDING, 3-5-7,  
Ebisu minami, Shibuya-ku, Tokyo 150-0022
- Founded December 1997
- Website <http://corporate.kakaku.com/?lang=en>
- Share Listing The First Section of Tokyo Stock Exchange
- Stock Code 2371
- Related Companies  
Kakaku.com Insurance, Inc. (<http://hoken.kakaku.com/insurance/company.html>)  
4travel, Inc. (<http://4travel.jp/>)  
eiga.com, Inc (<http://eiga.com/>)  
Time Design Co., Ltd. (<http://www.timedesign.co.jp/>)  
Tabélog, Inc. (<http://www.tabelog.us/>)  
webCG, Inc. (<http://www.webcg.net/>)

Information and projections of future performance contained in this document include the Company's judgments premised on information available at the time of preparation and assumptions concerning uncertainties. They may differ from actual business performance and results due to a variety of factors

For further information please contact: [ir\\_info@kakaku.com](mailto:ir_info@kakaku.com)