



Marketing Support (Consumer Goods & Services)

Business Overview

The INTAGE Group mobilizes its sophisticated research techniques and data analysis capabilities based on data obtained from panel research and custom research to provide one-stop marketing support for a diverse range of clients, including consumer goods manufacturers. Based on our stable revenues from panel research, which is a cornerstone of the Group's profits, we have developed a series of new research methods and services in response to ever-changing consumer environment and values. Moreover, in recent years we have been working toward a stronger organization and greater efficiency by proactively entering into business alliances with synergistic partners, thus expanding our customer base to achieve sustained growth.

Performance in the Fiscal Year Ended March 31, 2018

Revenues in this segment increased, bolstered mainly by the strong performance of customer research, namely existing research studies and Internet surveys, as well as public-sector projects. At the same time, with a view toward expanding the service areas we offer over the medium-to-long term, in October 2017 we announced the renewal of SRI, our core panel research product, and have been investigating customer needs, conducting redesign and development, collecting new data and carrying out other measures. We also stepped up investment in R&D activities to contribute to the development of leading-edge services. Consequently, although revenues from existing products grew, as a result of the above investments, net sales increased but operating income declined.

In fiscal 2018, net sales were ¥33,186 million, up 5.6% year on year, and operating income was ¥2,165 million, down 9.3%.

Policies for the Fiscal Year Ending March 31, 2019

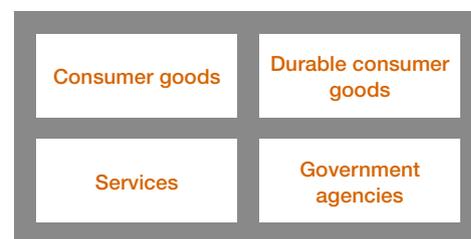
INTAGE Inc., the largest operating company in this segment, will provide various services based on INTAGE Group data, handling techniques, research functions and understanding of consumers to work closely with its customers on marketing activities as they become increasingly sophisticated with the advance of digitalization. By combining such services, the company aims to resolve marketing issues and contribute to marketing PDCA cycles.

In the fiscal year ending March 31, 2019, we plan to focus on development of new services and the renewal of SRI along with R&D activities with a view toward medium-to-long-term growth.

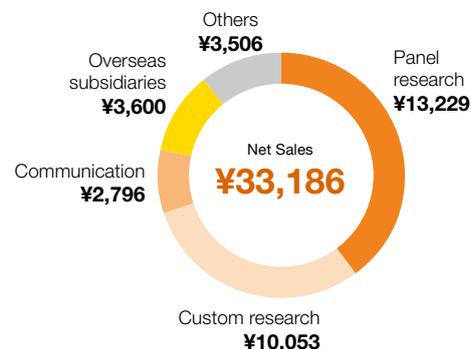
Operating Companies

- INTAGE Inc.
- INTAGE RESEARCH Inc.
- Access JP Inc.
- IXT Inc.
- INTAGE CONSULTING Inc.
- Overseas subsidiaries

Main Client Industries



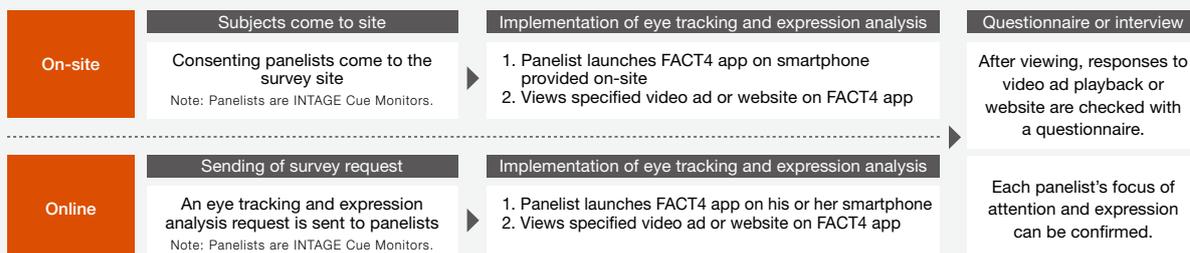
Sales by Service (Millions of yen)



Topic: New Research Method

Eye Tracking and Expression Analysis Service

In the marketing field, through a business alliance with Webrage Co., Ltd. (Koriyama City, Fukushima Prefecture), INTAGE Inc. has launched a service for eye tracking and expression analysis¹ via smartphone.² Using the smartphone's front-facing camera, Webrage's FACT4 app automatically detects and analyzes lines of sight and facial expressions during video ad playback and website browsing, and is capable of simultaneously evaluating the viewer's focus of attention, reaction and other data. Announcements for the start of tests in on-site surveys and online surveys were made in June 2017 and January 2018, respectively.



1. Without needing to attach any special device to the body, this service makes it possible to conduct eye tracking and expression analysis of subjects' daily environment using just a smartphone.
2. Currently only supported for iPhone. iPhone is a trademark of Apple Inc.



Marketing Support (Healthcare)

Business Overview

The INTAGE Group supports the research and development and marketing activities of pharmaceutical companies with services including marketing research, contract research organization (CRO) services and prescription data analysis for over-the-counter and prescription drugs. The source of our competitiveness in this business is our high-value-added solutions that draw on the insight and expertise we have gained through extensive experience in surveying consumers, patients and healthcare professionals, together with our system development capabilities.

Performance in the Fiscal Year Ended March 31, 2018

Revenues in this segment increased due chiefly to the brisk performance of pharmaceutical post-marketing surveillance at ASKLEP Inc. and promotion activity evaluation services at ANTERIO Inc. On the other hand, operating income decreased slightly due to limitations on orders because of a labor shortage, investments made by ANTERIO to improve the value of products for existing services and the absence of large project orders that were present in the previous fiscal year. However, the two expanded new initiatives focused on general and medical consumers,* including ASKLEP's announcement that it would provide support services for patients' associations, and ANTERIO's announcement of a capital and business alliance with ReasonWhy Inc.

In fiscal 2018, net sales were ¥11,070 million, up 3.5% year on year, and operating income was ¥1,412 million, down 4.8%.

* Patients and general consumers wishing to improve their health.

Policies for the Fiscal Year Ending March 31, 2019

As announced in a news release entitled "Notice Regarding Policy Decision on Management Integration between Consolidated Subsidiaries" dated May 11, 2018 (Japanese only), we will integrate the management of ASKLEP and ANTERIO, which form the core of this segment, and have decided on a structural reorganization policy that includes other operating companies in the healthcare field. We will build a framework to implement this process and secure a firm foothold in our existing fields of operation.

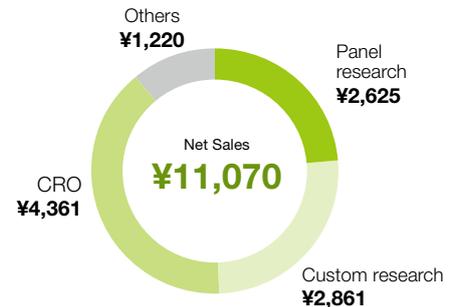
Operating Companies

- ANTERIO Inc.
- ASKLEP Inc.
- Japan Medical Information Research Institute Inc.
- PLAMED Inc.
- Plamed Korea Co., Ltd.
- Kyoto Constella Technologies Co., Ltd.

Main Client Industry



Sales by Service (Millions of yen)



Service Introduction: CRO and EDC System ADDIN



About CROs

Developing a new drug involves numerous phases, starting with basic research, and takes a long time – typically more than 10 years – and enormous effort and expense. In that process, contract research organizations (CROs) perform and support various related work for pharmaceutical manufacturers, such as clinical trials and post-marketing surveillance. In the INTAGE Group, ASKLEP conducts this business.

ADDIN Series EDC System

This is an electronic data capture (EDC) system developed to enable the digital management of clinical reports created in hard copy. This system allows drug manufacturers and CROs to collect data input into computers or other terminals by doctors and medical staff over the Internet for real-time monitoring and management. ASKLEP launched sales of their EDC solutions service in 2004 and in 2010 released ADDIN, an EDC system specifically designed for post-marketing surveillance.



Business Intelligence

Business Overview

The INTAGE Group's business extends from software development and sales to system operation, maintenance and management, as well as data center operation. In addition, we provide other services in support of management strategies, including support for improvement of business processes related to system development and operation. Our strengths in this business are our ability to solve problems with a unique approach that combines advanced information technology with our marketing insight, and to provide proprietary systems services backed by industry expertise. In recent years, we have also expanded our service offerings to research of the latest information technologies, particularly AI and deep learning, and development of related services.

Performance in the Fiscal Year Ended March 31, 2018

Both revenues and profits increased in this segment, with brisk growth in inquiries for planning and development of health management support systems for integrated management of a company's total health data (health examinations, health guidance, overtime data, etc.) and settlement systems for travel agencies. In addition, in March 2018 we acquired all the shares of Buildsystem Co., Ltd. and made it a member of the INTAGE Group. As a systems company mainly engaged in development and introduction support for high-speed, high-productivity tools for systems development, Buildsystem has engineers with high technical capabilities. By working together with them, we will enhance the technological capabilities of the INTAGE Group to create new value in data utilization.

In fiscal 2018, net sales were ¥6,243 million, up 6.5% year on year, and operating income was ¥446 million, up 12.0%.

Policies for the Fiscal Year Ending March 31, 2019

INTAGE TECHNOSPHERE Inc. aims to further expand its existing businesses by developing and investing in its strongly performing services and systems for the pharmaceutical and travel industries for "realization of a data utilization business that supports a data revolution," its basic policy under the 12th Medium-Term Management Plan. In addition to developing and building a processing platform for big data, which will be important for the renewal of SRI being conducted by INTAGE Inc., we aim to expand contract services such as AI solutions for the manufacturing industry.

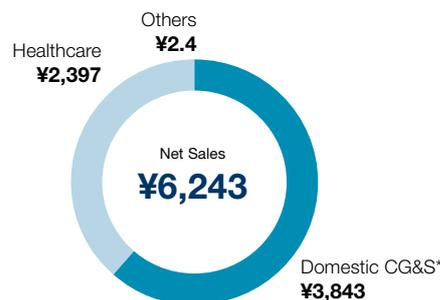
Operating Companies

- INTAGE TECHNOSPHERE Inc.
- DataAge Inc.
- Buildsystem Co., Ltd.

Main Client Industries



Sales by Field (Millions of yen)



* Consumer goods and services

Services and Target Industries/Businesses of INTAGE TECHNOSPHERE

