



Know today, Power tomorrow

INTAGE GROUP
REPORT 2020

Change the business design!!

Basic Policy of the
13th Medium-Term
Management Plan

**Together with customers and consumers,
who are “changing”**

Reframe, Connect, Create

THE INTAGE GROUP WAY

Know today, Power tomorrow

**We connect our customers to their customers, to create a
prosperous society of limitless possibilities.**

Changes by consumers, changes by customers, and sustainability

Since 1960, when INTAGE was established, the Company and its group companies have developed by emphasizing strength in collecting, processing and analyzing data, and giving information value for customers. Through activities in support of marketing and the business strategies of customers engaged in manufacturing and other customers, we also contribute to benefits for consumers and other ultimate end-users. This is our mission.

The novel coronavirus (COVID-19) outbreak in 2020 is affecting the entire world and industries, and is changing consumers' lifestyles, attitudes, values, and purchasing behavior.

This is an important part of the environment as perceived for the INTAGE Group's 13th Medium-Term Management Plan, launched in July 2020. Through our core business activity, the use of data, we are dedicated to solving customers' challenges, and in particular promoting digital transformation (DX) and while doing so we are also intent on evolving so as to better contribute to consumers and society as they change.

At a Glance

Sales Growth

27

Years of Sales
Increases

Consolidated net sales for the fiscal year ended June 30, 2020 – an irregular 15-month term due to a change in the fiscal year end – were ¥66.8 billion. During the 12 months from April 2019 to March 2020, net sales increased by 4.1% from the previous fiscal year to ¥56.2 billion.

Market Leader in
Japan

No.1

The INTAGE Group began conducting panel research in 1960, and since then has consistently delivered high-level service in terms of data quality and quantity, analytical know-how, price and speed. Today, our panel research has become the de facto standard across many industries.

Expansion of
Overseas Operations

11

Countries
and Regions

The INTAGE Group is expanding its business presence in Asia, and has established operating bases in China, South Korea, Hong Kong, Macao, Thailand, Vietnam, India, Singapore, Indonesia and the Philippines, as well as in the United States.



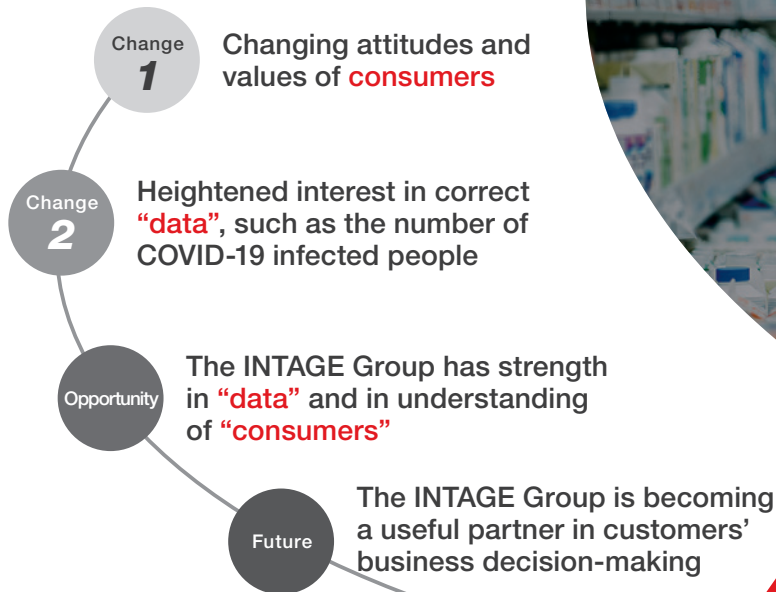
Forward-Looking Statements

This INTAGE Group Report contains forward-looking statements concerning future strategies of INTAGE HOLDINGS Inc. These forward-looking statements are not historical facts. They are expectations and projections based on information currently available to the Company and are subject to a number of risks, uncertainties and assumptions. As such, actual results may differ materially from those projected.

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Achieving both business continuity and sustainability



The INTAGE Group's business



Major customers



intage group
Know today. Power tomorrow

The INTAGE Group's strength **Past to Present**

Absolute No. 1 position in analyzing and processing technology in order to obtain correct data extracted from information about past and present consumers

INTAGE GROUP

Becoming a company that continually increases sustainable corporate value

Beside the drastic changes in industrial structure, driven by technology innovation, such as big data and AI, we are confronting challenges related to climate change, severe and repeated natural disasters, the COVID-19 pandemic, and numerous other sources of risk. Companies, with the aim of increasing sustainable corporate value, nowadays have to be engaged in their business with due consideration to these heightened uncertainties.

Companies have to clarify their sustainability and role in social consideration, and communicate and have a dialogue with stakeholders. This is indispensable for their sustainable business continuity in society. In August 2020 the INTAGE Group announced its Declaration to Achieve the SDGs, showing commitment to social contribution via contribution to customers. As a member of society, we sincerely make best efforts for sustainability and social contribution.

Declaration to Achieve the SDGs

The INTAGE Group will contribute to the realization of a healthy, sustainable society through our efforts to maintain the data utilization environment, and to ceaselessly improve data utilization values that connect the viewpoints of our customers with those of consumers.



P15-16

The INTAGE Group's Future Direction

The 13th Medium-Term Management Plan toward the Future

With primary concern given to the data business and by collaborating with companies or municipalities which have technology or assets that the INTAGE Group does not own, we aim at becoming a customer business strategy development partner, by providing forecasts, among other activities and in addition to continuing to be a data provider to our customers, using our data assets and technology to do so.

Our Positioning

The INTAGE Group handles data as its business.

GAFA – the most dominant companies in the information technology industry, namely Amazon, Apple, Google and Facebook – are competitors as well as collaborators of the INTAGE Group. These companies own data of consumers who use their services but need other data for new business development, and therefore find INTAGE's wide-ranging, accurate data of consumers, stores, and media valuable.

In addition to these major platforms, there are numerous diverse companies which engage in data-centered business, including processing of data, and development or strategies of data-based services, needed to work with and use all kinds of big data. In this environment, the INTAGE Group is dedicated to raise the value of highly accurate sampling data obtained from panel research or customer research, bring together new research methods and IT business know-how through our data analytic capacity and R&D, and solve customers' business challenges.

BUSINESS MODEL

With panel research as its core business, the INTAGE Group has grown by expanding services, and industries and areas they serve



What have
not changed

Our DNA

Our
biasfree
position

Our
understanding
of consumers

Our
emphasis
on people



*** Change of fiscal year**

Due to a change of fiscal year end, the year ended June 30, 2020 is a 15-month period from April 1, 2019 to June 30, 2020. The figures are therefore for that period. In the past, the fiscal year covered from April 1 to March 31 of the following year. However, the fiscal year end has been changed to avoid the INTAGE Group's peak business season from January to March and with the aim of raising efficiency in business operation. While fiscal 2019 was an irregular year in transition, the fiscal year from fiscal 2020 and beyond will be for a 12-month period from July 1 to June 30 of the following year.

Consolidated
net sales
Fiscal year ended March 31, 2020
¥66.8 billion*
15-month fiscal year

2020s

2010s

Transformed into a holding company. Focused on development of new services in the communications area and by use of big data.



- 2020** dataSpring Inc. became a subsidiary
- 2018** Acquired KYOWA KIKAKU LTD. and NSK Co., Ltd. Acquired Buildsystem Co., Ltd. Established INTAGE USA Inc.
- 2016** Established INTAGE Open Innovation Investment Limited Partnership
- 2013** Transformed into a holding company. Established INTAGE SINGAPORE Private Limited Acquired Consumer Search Hong Kong Limited (CSG)
- 2012** Acquired Japan Medical Information Research Institute Inc.

2000s

Established business bases in Asia and expanded the healthcare business



- 2010** March 2010 Celebrated the 50th anniversary
- 2008** Established INTAGE (Thailand) Co., Ltd. as the second business base in Asia
- 2007** Acquired TM Marketing Inc. (now INTAGE Healthcare Inc.) and officially started ethical pharmaceutical research
- 2005** Relocated Head Office to Akihabara, Tokyo
- 2002** Officially started Internet-based business. Established INTAGE CHINA Inc. Entered into the Asian market
- 2001** Renamed to INTAGE Inc. Listed on the JASDAQ stock exchange.
- 2000** Acquired IBRD Japan Corporation (now INTAGE Healthcare Inc.) and entered into the contract research organization (CRO) business

1990s

Started a scanning system and retail panel services. Worked on system architecture in the advent of the Internet era.



- 1994** Launched the SRI (nationwide retail store tracking research)
- 1992** Started implementation of the SCI Scanning System

1980s

Growth in the system business and launch of the POS project led to a business turnaround



- 1987** Net sales surpassed ¥10 billion
- 1980** Launched the POS project

1970s

In the midst of the financial crisis, sales were maintained for the research business, system business, and input business of the company



- 1973** Completed construction of company headquarters in Hibiya-gaoka (Tokyo)

1960s

At the time of foundation, a large computer system was adopted for use when panel research was launched, triggering growth into an integrated information company.



- 1965** Launched the data entry business
- 1964** Launched SCI (nationwide individual consumer panel research)
- 1963** Adopted the IBM 1401 and started building infrastructure as an integrated information company
- 1960** Established Marketing Intelligence Corporation (MIC)
Launched SDI (nationwide drugstore tracking research)

Photos from top 2010's – Ochanomizu Office; 2000's – INTAGE CHINA's office; 1990's – A screen of the SCI System; 1980's – Online terminals at Hibiya-gaoka, 2nd floor; 1970's – Hibiya-gaoka Head Office (back then); 1960's – The IBM1401 decimal computer

Kick-off of the 13th Medium-Term Management Plan

Self-transformation from a research partner into a customer business strategy implementation partner

Our success or failure depends on whether we can capture changes in the “New Normal” era as business opportunities

Fiscal 2019 ended June 2020 was an important year for the INTAGE Group: We wrapped up our 12th Medium-Term Management Plan and devised our next three-year plan. Fiscal 2019 was also an irregular 15-month accounting year as we have changed our fiscal year-end from March to June. As March is the busiest month for our business, we moved our fiscal year end to June in order to be better concentrated on business, better respond to customers' needs, and better prepare our organization, personnel affairs, and action plan of the coming year upon thorough verification of how we responded at the peak season. During a 12-month period from April 2019 to March 2020, the INTAGE Group achieved record-high operating income despite some COVID-19 impact. In the subsequent three months from April to June 2020, however, we were

heavily affected by the COVID-19 crisis as the Japanese Government declared a state of emergency, major cities across the world went into a lockdown, movement of people and things stalled, and our customers tightened budgets for marketing. The 15-month fiscal 2019 results therefore were weak. Nevertheless, we paid a dividend of ¥30 per share as planned, as we believe this was the most important way to return profits to shareholders. At this moment, it is not clear when the COVID-19 pandemic will be brought under control and even if this does take place, I do not think we will fully return to the pre-COVID-19 situation. I find it important to understand changes of consumers, triggered by the COVID-19 pandemic, and changes of our customers, who have these consumers as their customers. Our success or failure depends on whether we can capture these changes in the “New Normal” era as business opportunities. As the President of the INTAGE Group at this crucial turning point, I have re-affirmed my role and have renewed my determination to turn this into a great opportunity to speed up our decision making.

Basic Policy of the 13th Medium-Term Management Plan

Change the business design!!

Together with customers and consumers,
who are “changing”

Reframe, Connect, Create



Message from the President

President and
Representative Director
Noriaki Ishizuka

Our various challenges brought in some outcome but we are still half-way in forming a business for growth suitable for the new era

The 12th Medium-Term Management Plan covering the three-year period of fiscal 2017–2019 upheld the basic policy, “Take the Initiative—in the field of data activation.” This demonstrated our desire to find business opportunities in various fields, take up many challenges, and make the first move, rather than hesitate in the rapidly-changing business environment. As a result of taking up numerous challenges, several services that can be handed over to the next generation have been launched. A representative case is the launch of “Media Gauge® TV,” a new TV viewing measurement service that calculates audience data of around 2.23 million smart TV units and around 0.84 million home-use video devices. This started in 2017. The “Media Gauge® TV” is our initiative to add value to big data. In 2019, we launched the “Media Gauge® Dynamic Panel” that enables us to measure TV viewing status by target segment down to

each prefecture. We anticipate this service to become a new growth driver.

In the healthcare segment, in addition to business integration of INTAGE Healthcare Inc., the INTAGE Group welcomed Junicon Japan, which has strengths in the medical device and medical economy sector, and KYOWA KIKAKU Ltd., which excels in promotions specialized in medicinal products, in 2019. This has enabled us to establish a one-stop service structure that covers the range from drug discovery to manufacturing, sales, and follow-up services. Creating this structure resulted in domain expansion and higher profitability.

In the business intelligence segment, we have strengthened the organization by acquisition of Buildsystem Co., Ltd. and NSK Inc. in 2019, and our business in Artificial Intelligence (AI) and Digital Transformation (DX) slowly began to take off. I believe we have managed to bring about a degree of favorable outcome, matching the plan to take up challenges in the rapidly-changing environment. However, we have only reached half-way in solidly establishing the means whereby our business can grow in keeping with the new era, an era when the COVID-19 outbreak further accelerates the speed of digitalization.

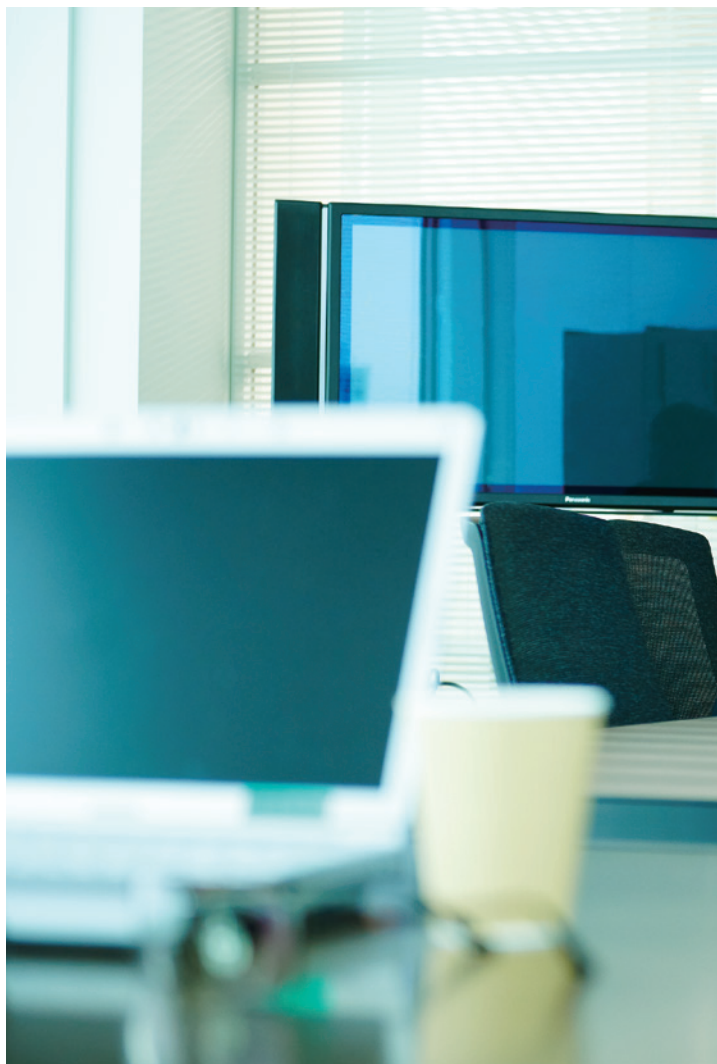
We must redesign our way of business once again

Our new medium-term management plan is devised from the viewpoint of capturing big changes in the New Normal era as business opportunities and its priority theme is to channel what we have strived for in the previous medium-term management plan into new business growth suitable for the digital age.

The COVID-19 pandemic has exposed how Japan lags other countries in digitalization. This is giving added boost to digitalization transformation (DX). Consumer awareness, values, and purchasing behavior have also changed drastically. I believe that the trend toward DX and the changes on the part of consumers will become our business opportunities. As DX is making various things digitalized, use of data is becoming increasingly vital as a key to progress. Use of consumer data may lead us to a surveillance society if consumers' perspectives were lost. We seek growth by placing "use of consumer-oriented data" as a main point of focus. The era of merely using data is over. We will make our understanding of consumers as a starting point and seek "adding value to data" and "structuring of data utilization." By doing so we seek to attain our aim, to become a business partner of customers. Up to now, we, as their research partner in the marketing field, had provided various services to customers. However, customers' expectation to us are changing. They want us to "provide experiences closely related to consumers," which is generated from combining big data based on research needs.

The INTAGE Group needs to change from being a research partner in the marketing field to a customer business strategy implementation partner. Triggered by the changes in the world and in customers' expectations, we are facing the need to redesign our way of business once again. Please note that this does not deny research, but rather means that we recognize the need to expand our capacity to handle research data. I am convinced that this will lead into satisfying customers' expectation of us. Such thoughts and desires have been incorporated in a new slogan "Change the business design!! – together with customers and consumers who are changing – reframe, connect and create."

We also have to accelerate the speed in response to the acceleration of DX in the world and by our customers. This requires the comprehensive strength. Responding to issues faced by customers, we must go beyond the traditional boundaries of business and legacy divisions, and we must converge knowledge, and coordinate within the Group. It is crucial that we redefine our assets and combine them in an optimal way. We have to create new value by combining various services, products, and solutions in ways hitherto unknown or untried. To achieve that goal, we will lower organizational barriers and deftly create an environment where those who want to make



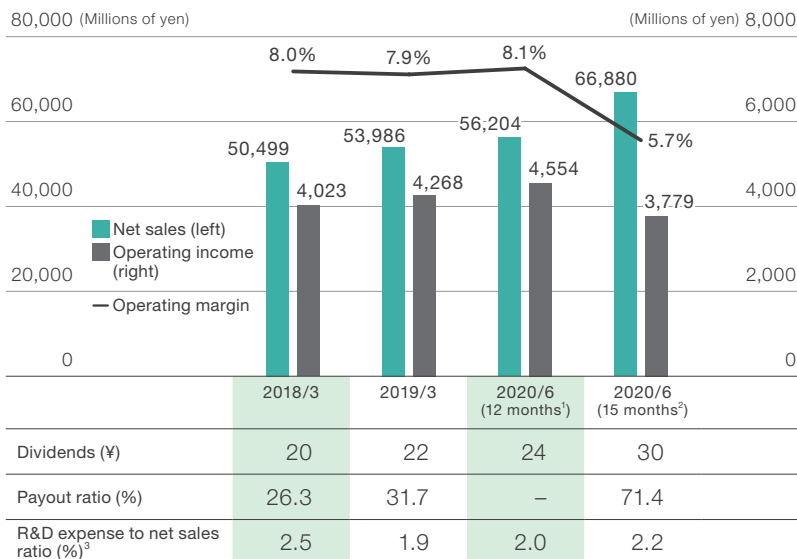
new, good performance will be empowered to do so. The acceleration of DX is generating a big wave that further forces use of data. If there were any data we do not currently own but are needed by our customers and consumers, we will invest in obtaining them, via an alliance, M&A, or other means. Conversely, we intend to simultaneously review or withdraw from business or services, which do not fit in our future design or strategy. However, we will not make such judgement from a short-term viewpoint. Even if a certain business had poor profitability at present, we will consider measures to improve profit and maintain the business as long as it can fit in our future vision and be an important component of our comprehensive strength, or it may potentially provide value to more than one customer.

Every kind of personal data must be handled on the basis of a consumer-centric attitude

We announced the "Declaration to achieve the SDGs" at the same time with the new medium-term management plan. Our corporate vision is "Know today, Power tomorrow: We connect our customers to their



Review of the 12th Medium-Term Management Plan



1 The figures for the Apr. 2019 – Mar. 2020 period are shown as a reference.

2 Due to a change in the fiscal year end, the year ended June 30, 2020 covers 15 months from April 2019 to June 2020.

3 The amount including labor costs and expenses is divided by net sales in each period.

(Millions of yen)	April 2018– March 2019 (12 months)	April 2019– March 2020 (12 months)	Change	COVID-19 impact		April 2019– June 2019 (3 months)	April 2020– June 2020 (3 months)	Change
Net sales	53,986	56,204	2,218	Small	Big	11,329	10,676	△653
Operating income	4,268	4,554	286	◀	▶	121	△775	△896

customers, to create a prosperous society of limitless possibilities.” The wording “a prosperous society of limitless possibilities” precisely means a sustainable society. In the COVID-19 crisis, people become more eager to pursue a healthy, safe, reliable society. The INTAGE Group is not a big consumer of fossil fuel in its business but handles personal data of many individuals. As we will handle more big data in the future, our information security must be infallible. Moreover, in addition to information security, we must maintain the perspectives of consumers and handle data with a sense of ethics on the basis of a consumer-centric attitude. By clearly indicating sustainable goals in the form of the “Declaration to achieve the SDGs,” I hope our employees will become proud to be working in the INTAGE Group.

The INTAGE Group’s raison d’ être is the provision of unbiased, objective criteria

For more than the 60 years we have been in business, we have diligently dealt with data as the core of all we do. I take pride that no other company in Japan but the INTAGE Group has handled data for such a long time

and has truly made use of them. Concerning information on consumers or markets, we have continuously presented objective criteria from an unbiased position. Based on our unbiased information, our customers derive how they can bring more benefits or happiness to consumers. This process helps create new services and products, which reward the consumers. Then the INTAGE Group catches up with the consumers’ needs and requests regarding these services and products. This kind of a series of processes are in action every day. The provision of unbiased, objective perspective is our raison d’ être. Moreover, the COVID-19 pandemic has brought about significant changes in consumers’ awareness and values. Our services concerning DX and sustainability are strongly desired by consumers. This is one aspect of the environment in which we do business. Immediately upon my appointment as CEO, I visited the INTAGE Group’s operating companies and presented my belief “Tough times bring opportunity.” I feel strongly that the current time of change and reform provides prime opportunities for us to grow business. I am committed to further advancing our business of combining research with IT. I hope you, our shareholders, will look forward to the INTAGE Group’s further growth ahead.



Message from the CFO

Director and CFO, in charge of
Internal Controls

Kenji Ikeya

Aiming at increasing corporate value through financial management that withstands changing situations

The COVID-19 outbreak greatly affected the final year of the 12th Medium-Term Management Plan

The 12th Medium-Term Management Plan, which began in April 2017, ended on June 30, 2020 and the 13th Medium-Term Management Plan kicked off in July 2020. Looking back at the past three years of the 12th Plan, we were able to steadily implement one of the big themes of the Plan, namely aggressive investment in R&D and our core businesses, in the first two years, with financial results not differing much from the forecasts for each of these years.

During the third year or the Plan's final year, we implemented measures in view of the Group's future management: INTAGE Healthcare Inc. started the reorganization within the Group; and we changed the fiscal year end from the end of March – the busiest time of year – to the end of June, in an attempt to raise efficiency in the Group's business operation. The fiscal year ended in June 2020 therefore is an irregular accounting period of 15 months. In the meantime, the COVID-19 global pandemic, triggered by its outbreak in China in January 2020 was obviously a main new, external factor influencing us. Being affected by the

COVID-19 outbreak, some of our Group's operations were canceled or postponed during our most busy period of February and March. Nevertheless, we were able to achieve record-high operating income for 12 months ended in March 2020. Then in April, when the Japanese Government declared the state of emergency, we were forced to announce revision of our earnings forecasts in June, due to sluggish business. However, we finished the 15-month fiscal year ended June 2020 without recording a sharp drop in net sales, thanks mainly to the stability of our core business, smooth shift into online surveys, and our sales and marketing efforts, including use of data in proactive information distribution.

We aim at increasing corporate value, while balancing offensive and defensive strategies also in the 13th Medium-Term Plan

The INTAGE Group's basic approach to aim at "increasing sustainable, stable corporate value, driven by medium- to long-term growth" remains unchanged during three years of the 13th Plan.

As the COVID-19 impact and outlook for economic recovery are very uncertain, we have assumed a recovery to the pre-COVID-19 growth path in the third year of the 13th Plan and have set numerical targets of ¥62.5 billion in net sales, ¥5.0 billion in operating income, and 8.0% in consolidated operating margin. The first key point for achieving these targets is the management of ROE (Return on Equity). We believe that medium- to long-term improvement in ROE is an important benchmark in the creation of corporate value. Our ROE dropped from 10.2% in fiscal 2018 (ended March

2019) to 5.9% in fiscal 2019 (ended June 2020), due to the COVID-19 impact. However, we expect this impact will gradually diminish and we aim at returning to the pre-COVID-19 level in ROE within the 13th Plan period. Our efforts to establish a stable, solid financial base resulted in achieving the equity ratio of 67.8% and consolidated net assets of ¥28.3 billion in fiscal 2019. While the COVID-19 impact will persist in the near term, we intend to carry out proactive investments and M&As for growth, based on a sound financial base, and cope with the changing digital environment of customers for the creation of profit.

Return to shareholders and engagement with investors are our highest priorities

We consider the return of earnings to shareholders as one of our management priorities. Our basic policy is to distribute earnings in consideration of the balance between dividends and retained earnings, based on the consolidated results, and we target a consolidated payout ratio of 35%. We keep committed to sustainable, stable return to shareholders.

In the case of a significant change in the business environment, like the current case of the COVID-19

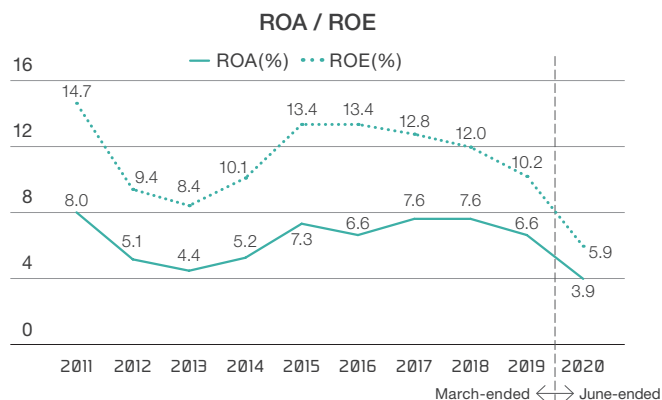
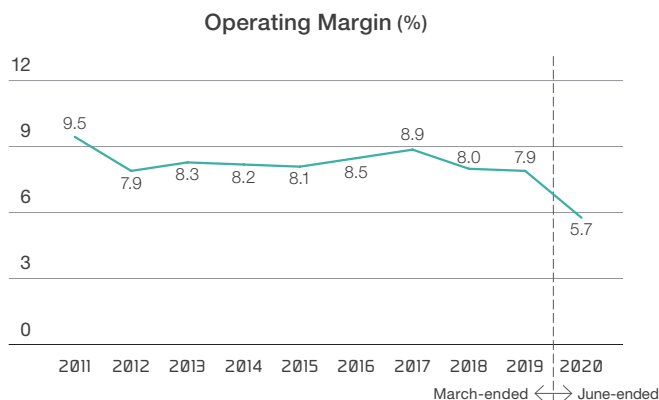
outbreak, the rationale to use only this payout ratio as a KPI would diminish, in our view. We therefore would like to determine the amount of dividend with consideration given to profit distribution to shareholders, by taking into account the profit level in the income statement and at managing the medium- to long-term balance sheet. In addition, acquisition of treasury stock is to be implemented flexibly, while comprehensively considering the market environment and other factors, in order to raise capital efficiency. With regard to engagement with investors, we will maintain appropriate engagement, mainly by holding financial result briefings for institutional investors and analysts and making IR visits to institutional investors. As the COVID-19 pandemic has also affected these activities, we have increased use of online means, such as telephone conferencing and Zoom Webinars. In consideration of the situation, we intend to continue making efforts for dialogues. During the dialogues, investors raise questions and opinions on the INTAGE Group's growth strategy, business strategy, and ESG initiatives, which we find useful in considering our management policy. Constructive dialogues with investors are therefore identified as precious opportunities. I would like to ask for continued support from our shareholders and investors for our endeavors in the era of data.

Summary of Fiscal 2020 Results

Consolidated basis
(15 months)

The Company achieved record-high income for a 12-month period from April 2019 to March 2020 despite some COVID-19 impact. For the subsequent period from April to June, 2020 the impact was more significant. Dividends were paid out as initially planned.

Net sales	¥66.8 bn	Operating income	¥3.7 bn	Ordinary income	¥3.7 bn	Net profit attributable to owners of parent	¥1.6 bn	Dividends per share	¥30
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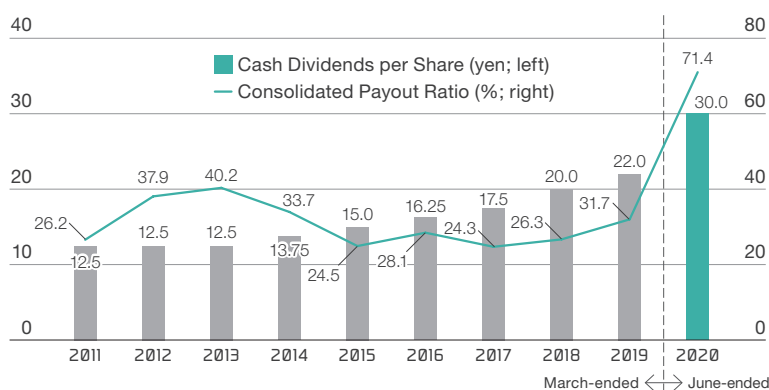


Change of fiscal year

Due to a change of fiscal year end, from the end of March to the end of June, the year ended June 30, 2020 is a 15-month period from April 1, 2019 to June 30, 2020. The figures are therefore for that period.

* The Company implemented a stock split at a ratio of two shares for each share of common stock on October 1, 2013 and another stock split at a ratio of two shares for each share of common stock on October 1, 2017. Accordingly, dividend amounts take these stock splits into account.

Consolidated Payout Ratio and Cash Dividends per Share*



Basic Policy of the 13th Medium-Term Management Plan

Change the business design!!

____ Together with customers and consumers, ____
who are “changing”

Reframe, Connect, Create

External background in consideration of the medium-term plan, given the COVID-19

What the COVID-19 crisis brought about

Avoidance of Three Cs (closed spaces, crowded places, and close-contact settings), non-face-to-face, non-contact

With Corona Era ▶ After Corona Era ▶ Establishment of the New Normal

Balancing safety and security with economic growth

Changes in consumers

Uncertainty becoming the new norm

Acceleration of DX

Social changes and demands

Take the COVID-19 crisis as opportunity for innovation

Changes in consumers, acceleration of DX, embodiment of OMO*

Great opportunities for business expansion for the INTAGE Group, which is committed to understanding consumers and utilizing data

Uncertainty becoming the new norm

To make the maximum use of the opportunities, we will create demand based on customer issues and through a market-in approach, thereby turning the uncertainty into a plus.

Strengthen and extend the power of adding value to data and structuring the use of data and connect it to customers' DX/OMO and innovation efforts

* OMO (Online Merges Offline)

Online and offline integration. In marketing concepts, it refers to the idea of creating purchase intent across online and offline boundaries with the aim of maximizing the customer experience.

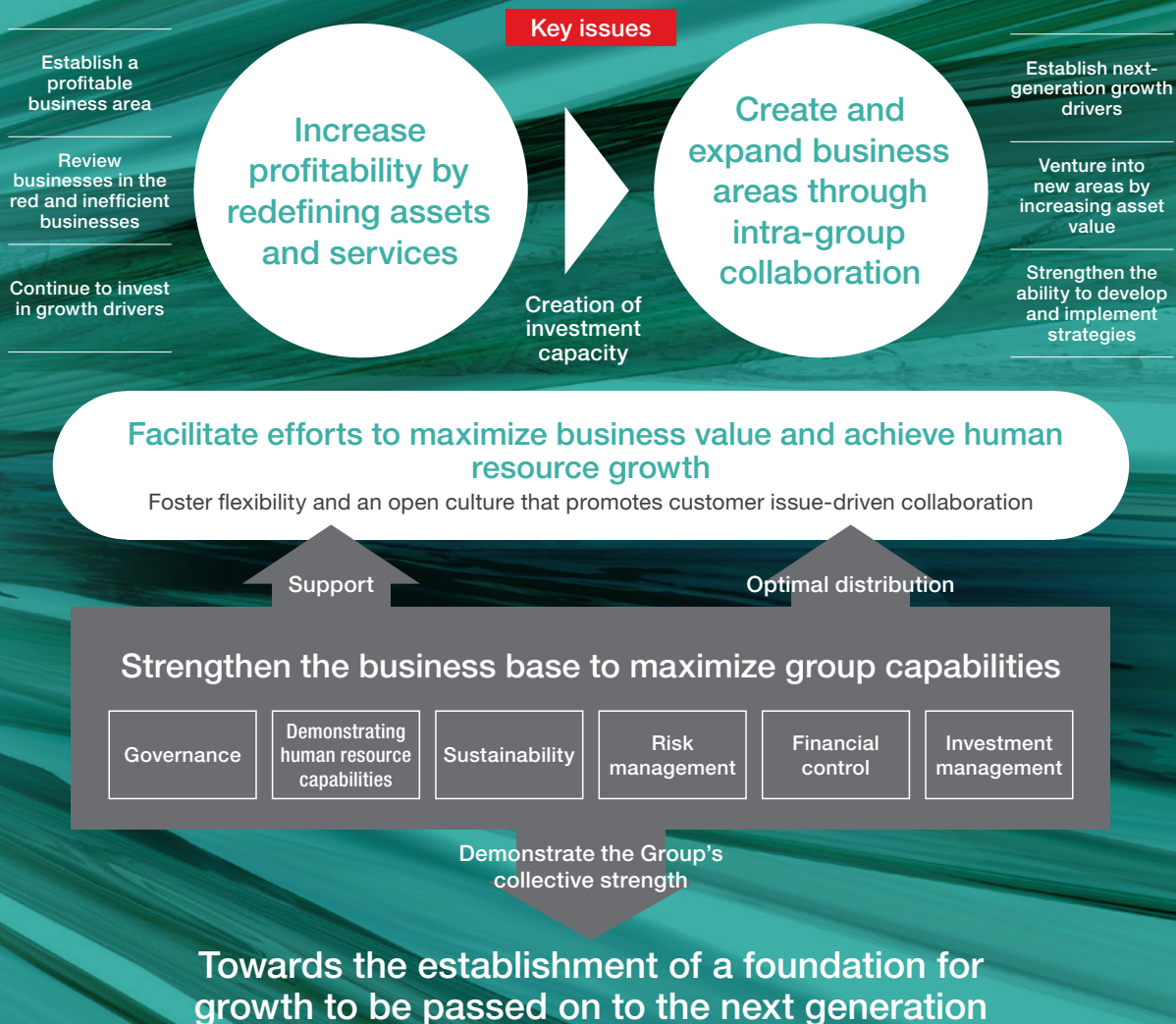
Our goals in the next three years

Customer business strategy (development &) implementation partner

Leveraging data, help customers to solve their business problems and make business decisions and contribute to the creation and transformation of customer businesses

To achieve these goals, we aim to build a corporate culture that is willing to change and innovate business style, services, and products.

The 13th Medium-Term Management Plan



Numerical Targets

Final year of the 13th Medium-Term Management Plan
(Year ending June 30, 2023)

Consolidated net sales	¥ 62.5 billion
Consolidated operating income	¥ 5.0 billion
Consolidated operating income	8.0%

Numerical targets

With regard to numerical targets set in the 13th Mid-Term Management Plan, since it is difficult to accurately predict the impact of the COVID-19 disaster and its impact on financial results, we will continue to monitor the progress of the businesses and make careful judgments, including revisions to the targets including those for the fiscal year ending June 30, 2021, the first year of the plan.

Investment policy

Continue aggressive business investment and M&A activities

Basic Policy

- Investment to respond to the changing digital environment surrounding customers is essential.
- Since the value of INTAGE Group's data such as panel data, which has been acquired continuously over the years, could provide another business opportunity going forward, we will continue to push ahead with related investments.
- Taking into account the business environment, we will invest up to the same level as the 12th Medium-Term Management Plan.

Sustainability

The INTAGE Group's Sustainability

From the time of its creation, the INTAGE Group has been capturing information of consumers and markets from a neutral, objective position, and using it to contribute to the firm establishment of a rich society through its business operations.

In August 2020, we announced the Declaration to Achieve the SDGs for the realization of a sustainable society and the growth of our Group, and identified materiality. In our ceaselessly changing society, we remain steady in being committed to supporting our customers' business via use of data, solving social issues, and contributing to the healthy, rich life of consumers.

Declaration to Achieve the SDGs

The INTAGE Group will contribute to the realization of a healthy, sustainable society through our efforts to maintain the data utilization environment, and to ceaselessly improve data utilization values that connect the viewpoints of our customers with those of consumers.



The spread of the novel coronavirus disease (COVID-19) has made us step into a "new normal." We strive for a healthy, sustainable society where safety and security are coordinated with economic growth. Two major changes lie ahead in our path.

One of them is the change of the buying behaviors, values, and consciousness of consumers. As a result of non-face-to-face and non-contact actions becoming common, consumers will change at first passively, later actively, and evolve further actions.

There, "compassion for people and the global community" will lie deeply underneath, which is based on the experiences of "sorrow" and "an affectionate bond" that COVID-19 has brought us. Businesses must also change not only to capture such changes in consumers and meet their needs, but also to go one step further to create demand and realize a healthy, sustainable society in accordance with their feelings. The other change is the progress of digital utilization. Diverse areas such as purchasing, education, healthcare, and workplaces require services that integrate online and offline. Regardless of business category or sector, it is essential to utilize digital with a sense of speed and to innovate services that integrate online and offline with the perspectives of consumers (recipients of services) above all.

The most important points to respond to these two changes are, we believe, to maintain the "perspectives of consumers" and to "handle data with a sense of ethics" on the basis of a consumer-centric attitude. In the 60 years since our inauguration, we have had a vision to "Know today, Power tomorrow: We connect our customers to their customers, to create a prosperous society of limitless possibilities," and have continuously enhanced the values of data utilization that connect the viewpoints of our customers and those of consumers.

Furthermore, in such a process, we ensure that data is handled fairly and ethically, managing personal information and the information of our customers (companies) properly, thereby enhancing the skills of data collection and processing, and fostering human resources that handle data (including IT), which is "to maintain the data utilization environment." We consider that we should never forget these four matters, especially in these times called the era of data.

A bridge between our customers and consumers means nothing less than power that sustains these matters. We see the changes triggered by the spread of COVID-19 as an opportunity to contribute to the realization of a healthy, sustainable society where safety and security are coordinated with economic growth by this power. We also regard this as the social mission of the INTAGE Group.

We will understand changing consumers with consideration and curiosity while watching ourselves change as consumers, and we will continuously enhance the values of data utilization that "connect the viewpoints of our customers and those of consumers" while making efforts to maintain the data utilization environment constantly. With these, we will contribute to the realization of a healthy, sustainable society.

President and Representative Director
Noriaki Ishizuka

Materiality (Sustainable Priority) to the SDGs

	Materiality	Major initiatives	Relevant SDG targets
Contribution to solution of social issues with operations	We contribute to the enhancement of the business value of our customers by utilizing data from the perspective of consumers We handle data fairly with a sense of ethics. We contribute to our customers' business through data usage by illuminating the diversity in consumers' lifestyles.	<ul style="list-style-type: none"> Enhancing our customers' business value through the system of data collection, process and utilization, and contributing back to society and consumers Supporting marketing that leads to sustainable lifestyles and consumption by making use of consumers' diversity Providing accurate and appropriate information and services that lead to the solution of social issues 	  
	We ensure proper handling of personal information and information security We ensure a high degree of safety of personal information to develop a trusting relationship with data donors. We carry out thorough information control to strengthen the security system.	<ul style="list-style-type: none"> Thorough personal information protection and information control Appropriate explanation to data donors, and acquisition of approval on data usage Publicity and advocacy of social significance of research 	
	We encourage cooperation with industry, government, and academia, promote inter-industry collaboration and create innovation We cooperate with the national and local governments, educational institutions and various categories of corporations and create innovation in order to contribute to the realization of a prosperous society of limitless possibilities.	<ul style="list-style-type: none"> Providing information for industry, government, and academia, and creating new business through cooperation Encouraging innovation by cooperation across industries including utilization of corporate venture capital 	 
	We foster and produce human resources that will lead the future We reinforce data science capacity and data engineering capacity as well as business capacity in order to foster human resources that have a role in enhancing data value. Moreover, we support wide-range of activities in society.	<ul style="list-style-type: none"> Securing and fostering data scientists and data engineers Supporting the activities of human resources that are versed in marketing and IT, and also have business capacity Creating and supporting opportunities to foster data science human resources through cooperation with industry and academia and other approaches. Developing a system that enables flexible working styles 	 
Bases that support sustainable contribution	We nurture an open corporate climate and culture where diversity is respected We aim to become a company that is rich in diversity, where the personality of each individual is respected and everyone takes an active part. We will also create more opportunities for women to demonstrate leadership.	<ul style="list-style-type: none"> Promoting mutual understanding for diverse ethnic and cultural backgrounds, at a analysis gender identities, and disabilities Carrying out appropriate research and realizing more multifaceted data analysis through respecting diversity Encouraging women's active participation, and creating opportunities for them to provide leadership 	 
	We realize workstyles where employees can work vigorously We focus on the quality of life of employees to establish workstyles which they can keep working without worry. We also pursue flexible ways of working that respond to ever-changing society.	<ul style="list-style-type: none"> Improving the quality of life of employees Developing work environments where employees can be at ease and keep working vigorously amidst ever changing social conditions. Improving the transparency of information to build a strong trusting relationship with employees Reducing environmental impact 	  
	We maintain sound and transparent management, and strengthen the governance system We strive for sound management and sustainable growth by establishing a good relationship with every stakeholder	<ul style="list-style-type: none"> Assurance of compliance Promotion of risk management Enhancement of corporate governance Emphasis on the relationship with every stakeholder Disclosure of appropriate and transparent management information 	 

Process to Identify Materiality



Future Initiatives

We will organize the identified materiality by associating it with a relevant business or activity of the INTAGE Group and make it broadly known within the Group. We will disseminate the information in and out of the Group, ask for understanding of stakeholders, and promote initiatives aimed at achieving its goals.

The INTAGE Group's Solution to Social Issues

Contributing to the creation of a better society

Act up to “bring happiness to all people through the power of information”

Every day INTAGE Inc. collects retailers' sales data and data of consumers in terms of purchase of products, exposure to media, behavior, and life consciousness. We interpret and add value to the data, and support our customers' management planning and decision making through the power of information.

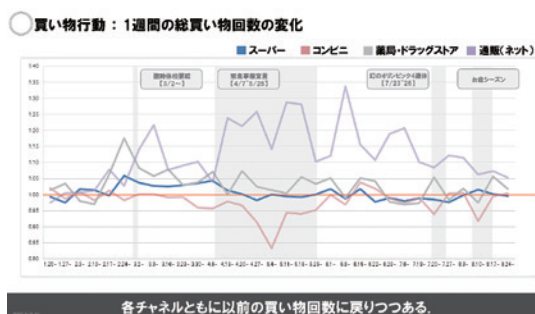
INTAGE has one of the largest capacities for panel study in the industry in Japan. Through numerous types of research and surveys, we capture the movement of things and the swings of consumers' feelings, deliver these data to companies and institutions, and help users of what we provide enrich consumers' life.

As a company which well understands consumers, we are committed to contributing to the creation of a better society.

Deliver the consumers' voice to our customers

Information collected by INTAGE is the consumers' voice. We are engaged in various initiatives under the mission of clarifying and returning the consumers' voice to society for the creation of better lives.

The COVID-19 pandemic has brought more uncertainties into society. Since March 2020, we have voluntarily been conducting surveys concerning topics of interest – anxiety about the COVID-19 infection, economic concerns, and stay-at-home lifestyles, and proactively providing the knowledge and information obtained on our website or via SNS or Webinars. We have begun to generate some new business through this collection and delivery of timely, valuable information to those who need it.



“Changing shopping behavior in the COVID-19 environment: increase in online shopping” from the “With Corona Report”

“Shiru gallery” — an example of information distribution from the consumers' perspectives in the COVID-19 pandemic

“Shiru (= learning) gallery” is INTAGE's new information website, opened in 2017. We are posting reports on various changes in the New Normal “With Corona”, such as the “Daily life ‘With Corona’: What are the attitudes of today's consumers?” (weekly updated) and the report “Review consumers' different actions in the summer of 2020”. This website has become an important point of contact with our customers.



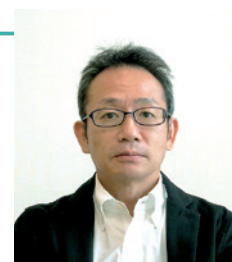
“Shiru gallery” website



Establishment of the Consumer Research Center

On August 1, 2020, the INTAGE Group established the Consumer Research Center with the objective of furthering our understanding of society and consumers.

Our research on society and people's life focuses on various themes, such as the SDGs, the COVID-19 pandemic, and other social issues as well as Millennials and Generation Z. Our desire is to capture the present, look toward the future, and more deeply understand consumers.



Hiromasa Tanaka
Director of the Consumer Research Center

Social co-evolution via co-creation and collaboration

Public-private-people partnership for realizing a sustainable, healthy, happy society

The INTAGE Group's R&D Center is taking up a challenge to create a new value under the mission of engagement in R&D and business support, aimed at the creation of growth drivers. We strive to maximally use resources of our Group and to realize a richer society with broader possibilities. We are promoting various kinds of collaboration with the government, municipalities, educational institutions, and others.

As a part of initiatives taken by the R&D Center, the INTAGE Group is participating in the Higashi-Yamato Life Style Lab's intestinal environment wellness project, jointly with the Institute for Future Initiatives of the University of Tokyo and Higashi-Yamato City.

The Higashi-Yamato Life Style Lab is an initiative to seek sustainable life style changes by using a "living lab" – an open-innovation research method under a public-private-people partnership. The intestinal environment wellness project is in alliance with Metabologenomics, Inc., which aims at realizing zero-disease by appropriately planning the ideal design of the intestinal environment, and its main theme is to change behavior by recording of activities of daily life and measuring and visualizing the intestinal environment by use of new technologies.

A specific theme at this time is improvement of intestinal bacterial flora of babies and infants by changes in their daily schedule and eating behavior. Through dialogues with citizens, recording of the wellness of babies, and examinations of their intestinal environment, we seek to find effective approaches which facilitate change in their life style. The INTAGE Group aims at development of business that contributes to a healthier society by extracting consumers' insights. At the same

time, we anticipate that the experience of a project realized by a public-private-people partnership will lead us to a new business. We intend to continue promoting trans-industry collaboration, aimed at the ultimate objective of improving consumers' health literacy.



A workshop program that uses unique cards and tools in the living lab
Exchange of realistic comments concerning health worries and how to deal with them

Voice of a project partner

Change of behavior in everyday life is not an easy theme but an important one that may involve great change of both individuals and their community or society. I believe that in this project, it is important to attentively take up the daily life of individuals and to deeply understand industries that impinge on people's daily life. The INTAGE Group has the perspective of understanding consumers and the insights to support corporate marketing, and I am extremely reassured to have INTAGE as a project partner.



Natsuko Tabata

Project Researcher, Life Style Design Research Unit
Institute for Future Initiatives, The University of Tokyo

Marketing Support

Consumer Goods & Services

Business Results In fiscal 2020 ended June 2020, panel surveys – a main business of the segment – performed well. In custom research areas, demand for online surveys was brisk, whereas offline surveys were affected by the spread of COVID-19, resulting in cancellation or postponement of some operations. Sales from overseas operations were strong up until 4Q, but from 5Q onward, sales in China and other Asian countries remained dampened, affected by COVID-19. Profits were affected mainly by a decline in sales attributable to COVID-19 and an increase in development investment related to the renewal of SRI+.

Main Business Activities

The Marketing Support (Consumer Goods & Services) segment supports marketing activities of companies mainly via an operating company INTAGE Inc. Marketing research is the scientific research and analysis conducted to support the decision-making that is effective for addressing every marketing issue of companies.

Panel Research

SCI® Nationwide Individual Consumer Panel Research

What do different types of households and individuals purchase, where and at what prices?

Using specialized scanners, smartphones and apps, the SCI collects data on purchases of food products, beverages and miscellaneous daily items, consumed both inside and outside the home, from 52,500 male and female panelists aged 15 to 79 nationwide. It is Japan's largest consumer panel, and provides insight based on high-quality data that gives a detailed picture of consumer purchasing behavior.

SRI® Nationwide Retail Tracking Research

What kinds of products are selling when, where and at what prices?

The SRI collects POS data on a variety of product categories, such as food products, beverages and miscellaneous daily items, from approximately 4,000 supermarkets, convenience stores and drugstores and other major retailers nationwide. It has unrivaled strength in this field, and is used as the standard index in various industries.

Custom Research

INTAGE's research is customized to address issues of our clients in Japan and abroad. Using various research methods and unique analytical abilities, we provide valuable information that reflects the real market situation to our clients.

Major research methods

Online research Internet research, location-based research (survey distribution service based on geospatial information)

Qualitative research Group and one-on-one interviews, remote interviews

Non-verbal research Eye tracking research, evaluation of ad creative content using expression analysis, neuro-research

Offline research Postal survey, mystery shopping, in-store observational survey, central location tests (CLT), in-store interviews, door-to-door interviews

The industry's largest Internet research monitor in Japan



Mighty Monitor Access Panel

4.47 million people*



Point 1
The largest monitor field in the industry

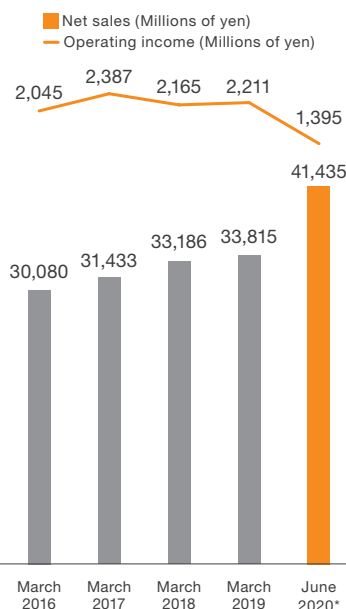
Point 2
Valuable information that reflects the real market situation

Point 3
High-quality data

INTAGE discloses the number of monitors who completed at least one research project or updated their profile data within the last 12 months, with the purpose of appropriate panel management according to the international standards.

* As of October 2020

Net Sales and Operating Income



Competitive Advantages

SCI (Nationwide Consumer Panel)

52,500 people

SRI (Nationwide Retail Store Panel)

4,000 stores

INTAGE Single Source Panel

30,000 people

Mobile space research monitors

76 million people

Smart TV viewing data

2.23 million sets

Future Strategy

In addition to a launch of SRI+, an advanced version of SRI to be launched in January 2021, we will promote further advance of core products, which will not be limited to use of research and provision of data, and convert the Marketing Support Segment into a business that contributes to clients' desired and favorable outcome.

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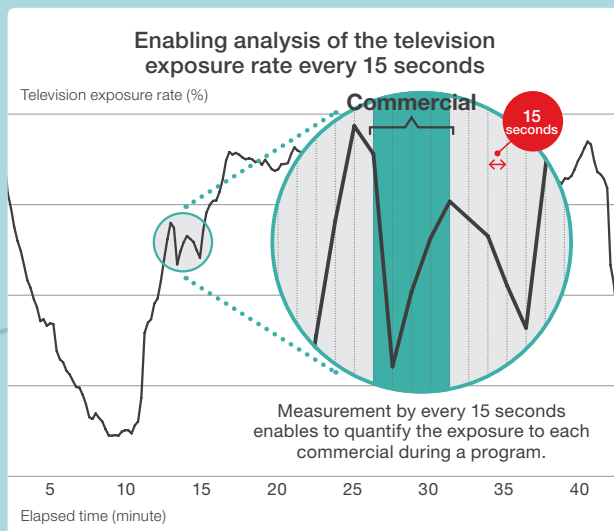
A new TV audience measurement service based on large-scale sophisticated smart TV data

Smart TVs are conventional TVs with internet functionality. They are becoming popular and one in seven TV sets in Japan are connected to the internet. Smart TVs are projected to keep increasing going forward.

In addition to TV broadcasts such as terrestrial broadcasting and BS/CS satellite broadcasting, users can enjoy on their home smart TVs video content that has been viewed on PCs and smartphones, such as internet on-demand broadcasts and online videos. In addition, their functionality can be extended by adding applications and they can work with other equipment via home network connections. By utilizing smart TV, INTAGE obtains new consumer data and makes it useful for its marketing activities.

Media Gauge® TV

Media Gauge® TV is a new TV audience measurement service: viewing log data is collected from 2.23 million smart TVs and 840,000 video recorders across Japan each month. This data can be collected and indexed by prefecture and by segments of 15 seconds.



Media Gauge® Dynamic Panel®*

Media Gauge® Dynamic Panel® is a new TV viewing measurement service that provides human-based viewing data analysis of smart TV data collected by use of the Media Gauge TV.

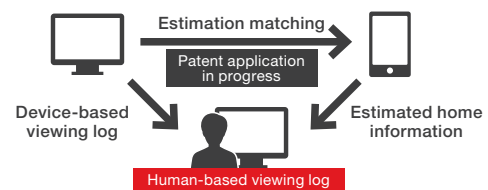
The Dynamic Panel technology enables sophisticated measurement based on detailed attributes and behavior history of target persons.



TV viewing measurement service by use of smart TV log
* Has been approved for marketing use



Data Management Platform (DMP) with data of INTAGE and Docomo
* Has been approved for marketing use



Media Gauge Dynamic Panel

New TV viewing measurement service of human-based viewing data analysis of smart TV device log

* Media Gauge® Dynamic Panel® is a service that calculates audience data by linking "Media Gauge® TV" with the estimates derived from di-PiNK (DMP) owned by DOCOMO InsightMarketing, INC. (DIM), breaking it down into person-based data using attributes such as estimated home information, gender, and age, and performing statistical processing for each specified target. Estimation matching of Media Gauge data and di-PiNK data is outsourced to DIM by INTAGE Inc. and the processing & aggregation is carried out inside DIM. As DIM is not a business operator in possession of personal information, Media Gauge Dynamic Panel data will never be linked to personal information. The product of Media Gauge Dynamic Panel will be a deidentified statistical report. This product will never lead to identification of individuals.

Examples of usage

AREA Optimizer

AREA Optimizer is a service that calculates an optimal reception area allocation of TV commercials. Use of the Media Gauge® Dynamic Panel® (the reach simulation model) prepared for each area, enables calculation of an optimal area allocation of TV commercial placements for the purpose of maximizing target reach. For example, we expect to have, as clients for this, manufacturers who do TV commercial planning, and to provide them with data to be used for enhancing effects or optimizing of their commercial placement budget.

AREA TV

Area TV is a service that enables a check to be made of "which viewers" "how much" watch TV programs of terrestrial broadcasting and BS/CS satellite broadcasting stations in Japan. By using Media Gauge® TV and Media Gauge® Dynamic Panel®, the exposure rate, the target viewer content rate, and the expanded number of exposed viewers can be collected by time, program, and target. For example, we expect to have TV broadcasting stations as clients, who would analyze the exposure rate and the expanded number of exposed viewers of a specific target group, or compare and analyze viewers of a specific program with viewers of other programs by various attributes. This can assist proving the media value of these stations and be used for TV program marketing and sales.

Marketing Support

Healthcare

Business Results In the fiscal year ended June 2020, INTAGE Healthcare Inc. had a solid performance in custom research on ethical drugs and medical equipment such as online questionnaire surveys on physicians as well as panel surveys on drugs sold without prescriptions. Meanwhile, sales from post-marketing surveillance conducted as a CRO (contract research organization) decreased on account of downscaled projects and stagnation of MR activities from 5Q onward owing to COVID-19. Sales from the promotion and convention businesses at KYOWA KIKAKU Ltd., which became a subsidiary in the previous fiscal year, were weak from 5Q onward due to COVID-19. Profits were adversely affected by the decrease in sales of the CRO business and stagnant sales of the promotion business.

Main Business Activities

The Marketing Support (Healthcare) segment provides services to support contracted drug development and marketing activities of pharmaceutical companies, mainly via an operating company INTAGE Healthcare Inc.

Market survey of over-the-counter (OTC) drugs



OTC drugs are nonprescription drugs or household medicines, familiar to consumers' daily lives, that do not require doctors' prescriptions. INTAGE Healthcare supports marketing activities of pharmaceutical companies with custom research as well as collecting sales data of retailers, such as pharmacies and drug stores, and data of consumers with purchase history.

Market research of prescription drugs



Prescription drugs are mainly drugs prescribed based on the diagnoses of doctors working in hospitals and medical institutions. By understanding the behavior and awareness of doctors, medical workers, and patients, INTAGE Healthcare supports fact-finding surveys on drug treatment and prescription by physicians, fact-finding surveys on medical consumers and patients, and evaluation of promotional activities for drugs, using its abundant solutions and tools.

CRO (Contract Research Organization)



Developing a new drug involves numerous phases, starting with basic research, and takes a long time of more than 10 years and enormous effort and expense. In that process, contract research organizations (CROs) perform and support various related work for pharmaceutical companies, such as clinical trials and post-marketing surveillance. INTAGE Healthcare has over 25 years of performance in contracting services and also IT infrastructure with in-house developed systems.

Other (Promotion, prescription information analysis, etc.)

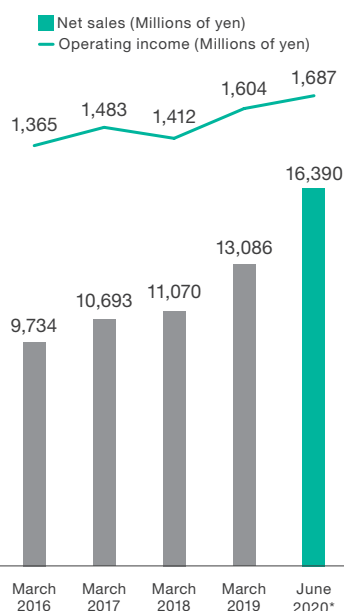
Promotion KYOWA KIKAKU Ltd., a member of INTAGE's healthcare group, engages in medical promotion business. It engages widely from planning to implementation of advertising of various medical societies and institutions, pharmaceutical companies, etc., intended for medical personnel and consumers. It also operates various seminars and symposiums for medical workers.



Prescription Information Analysis Japan Medical Information Research Institute, Inc., a member of INTAGE's healthcare group, holds a database that stores large quantities of prescription data collected from dispensing pharmacies nationwide, and supports the pharmaceutical companies' patient-oriented marketing and strengthening of product strategy with its highly quick reporting and abundant analytical abilities. It also provides information obtained from retail pharmacists' hearings with patients, which are effective for the proper use of medical products and product marketing activities.



Net Sales and Operating Income



Future Strategy

The INTAGE healthcare group has strength in a wide range of business and assets, such as research, data sales, post-marketing surveillance, and promotion, as well as the understanding of conditions related to consumers and patients. Based on these strengths, we aim at becoming a corporate group that can create new business opportunities by expanding and combining core businesses according to changes in customers.

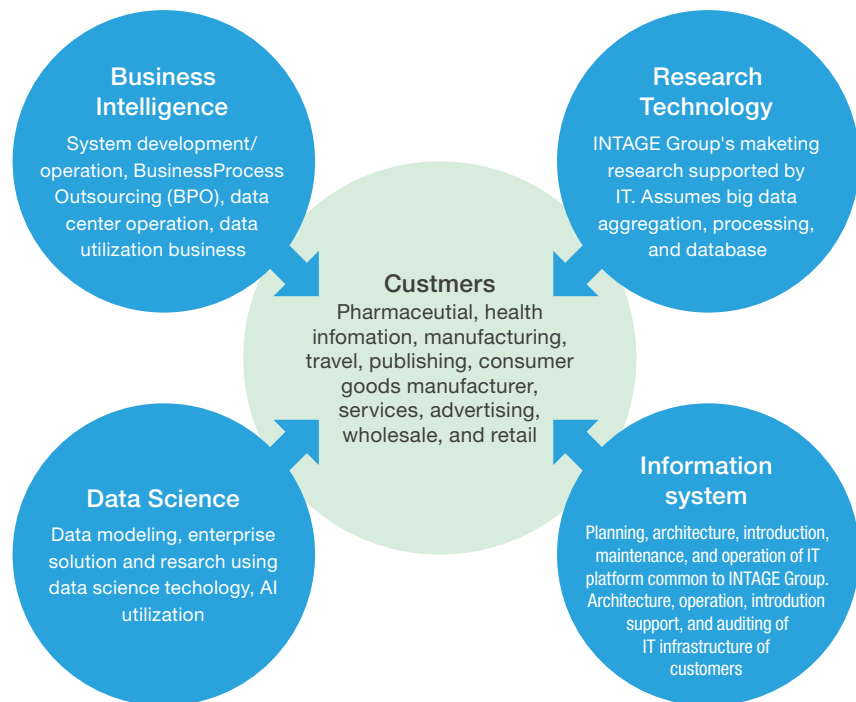
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Business Intelligence

Business Results In the fiscal year ended June 2020, performance of solutions provided by INTAGE TECHNOSPHERE Inc. to existing customer industries was robust through 4Q. In 5Q, sales declined, affected by COVID-19, mainly in the travel industry. Sales of Buildsystem Co., Ltd. and NSK Inc., which became subsidiaries in the previous fiscal year, were firm. With regard to AI solutions, we were able to deepen our relationships with key customers in the automotive industry, public sector, etc. and are now working to win projects for the next fiscal year. Profits grew steadily supported by favorable sales.

Main Business Activities

The Business Intelligence segment develops data analysis systems and provides solutions by industry, mainly via an operating company INTAGE TECHNOSPHERE Inc. In recent years, the Business Intelligence segment is also expanding into areas of data utilization making use of AI technology, based on its many years' experience in data business. The segment also provides IT support for the entire INTAGE Group in construction, operation, and maintenance of infrastructure and software for business promotion.



The so-called system integration business of system architecture, operation, etc. Customers vary from a wide range of industries, such as pharmaceutical, manufacturing, travel, publishing, consumer goods, and services. In particular, since its establishment in 1960, the INTAGE Group has been engaged in the business related to systems and data, and, based on many years of experience and knowhow, has continued to provide services especially in areas of pharmaceutical, transportation, and health management.



Medical
Sales information/
sales support/
progress
management
systems, BPO
services



**Transportation
(travel, sightseeing)**
Settlement systems
of travel agencies,
questionnaire systems
for customer-satisfaction
survey, etc.

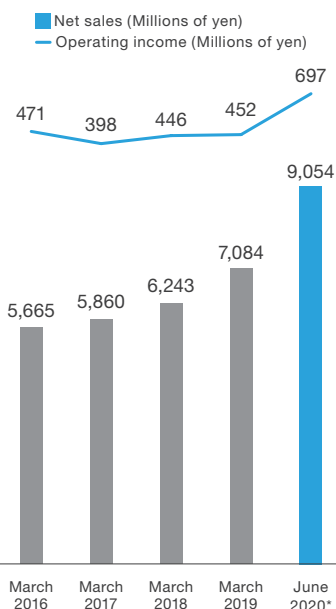


**Health
Management**
Business support
solutions for
corporate health
management

Future Strategy

We aim at becoming a partner who supports customers' promotion of DX, based on our technologies, such as data handling know-how and AI/machine learning, and our long-accumulated in-depth understanding of the industries and customers' businesses.

Net Sales and Operating Income



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Management Team

As of September 29, 2020



Skillset

Name	Age	Number of Years as Director	Attendance at the meetings of the Board of Directors (Fiscal 2020)	Experience						
				Marketing	Systems	Advanced technologies/IT	Advertisement	Financing/Accounting	Legal	Global
Noriaki Ishizuka	61	14	21/21	●	●					
Kenji Ikeya	63	4	21/21					●	●	
Yoshiya Nishi	53	4	21/21	●						●
Kiyomi Miyauchi	60	3	21/21	●						●
Ayumi Higaki	56	1	17/17	●		●	●			
Masaru Ohtakeguchi	59	—	—	●						
Shizue Kishi	68	5	20/21	●			●			
Takashi Inoue	63	—	—	●						
Hajime Nakajima	64	4	20/21					●	●	
Yuzo Miyama	65	3	21/21					●	●	
Shizuo Kashima	61	2	21/21					●		●

01 Noriaki Ishizuka

President and Representative Director, the Company
Nomination and Compensation Committee

1982 Apr. Joined the Company
2006 Jun. Director and Deputy General Manager, Sales Group
2008 Apr. Director and Unit Director, Business Solutions Unit
2009 Apr. Director and General Manager, Sales Group
2011 Apr. Director and General Manager, DCG and Services Business Group
2013 Apr. Executive Director
2013 Oct. President and Representative Director, INTAGE Inc.
2015 Jun. Director
2017 Jun. Representative Director and Executive Vice President
2019 Apr. President and Representative Director (current position)

03 Yoshiya Nishi

Director and Chief Workstyle Officer in charge of Group Healthcare Business and promoting workstyle reform

1992 Jun. Joined Social Survey Research Information Co., Ltd.
1994 Dec. Director, TM Marketing Inc. (in 2010, changed trade name to ANTERIO Inc.)
2005 Jan. Vice President and Representative Director, TM Marketing Inc.
2007 Mar. President and Representative Director, TM Marketing Inc.
2014 Jul. Executive Officer in charge of Group Healthcare Solution, the Company
2015 Apr. Executive Officer in charge of Group Healthcare Business
2015 May Director, ASKLEP Inc.
2016 Jun. Director in charge of Group Healthcare Business
2017 Apr. Director in charge of Group Healthcare Business and responsible for promoting workstyle reform (current position)
2019 Apr. President and Representative Director, INTAGE Healthcare Inc.
2019 Jun. Director and Chief Workstyle Officer in charge of Group Healthcare Business and promoting workstyle reform

05 Ayumi Higaki

Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services), Domestic Business

1988 Apr. Joined KAGOME CO., LTD.
1995 Oct. Joined the Company
2007 Apr. General Manager, Marketing Solution Division, Marketing Solution Unit
2013 Apr. Executive Officer and General Manager, Marketing Innovation Group
2014 Jul. Executive Officer in charge of Group Marketing Solution
2015 Jul. Senior Executive Officer in charge of Group Business Strategy
2016 Apr. Director, INTAGE TECHNOsphere Inc.
2016 Apr. Director, INTAGE Inc.
2019 Apr. Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business (current position) President and Representative Director, INTAGE Inc. (current position)
2019 Jun. Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business (current position)

07 Shizue Kishi

Outside Director, the Company
Nomination and Compensation Committee

1983 Apr. Full-time Instructor, Faculty of Commerce, Nagoya University of Commerce & Business
1988 Mar. Assistant Professor, Faculty of Economics, Nagoya City University
1996 Apr. Professor, Faculty of Economics, Nagoya City University
1998 Apr. Professor, Faculty of Business Administration, Tokyo Keizai University (current position)
1998 Oct. Executive Director, Japan Academy of Advertising (current position)
2010 Oct. Chairperson, Japan Academy of Advertising
2014 Apr. Dean, Faculty of Business Administration, Tokyo Keizai University
2015 Jun. Outside Director, the Company
2016 Jun. Outside Director serving as Audit & Supervisory Committee Member
2017 Jun. Outside Director (current position)
2018 Apr. Director and Vice President, Tokyo Keizai University (current position)

09 Hajime Nakajima

Outside Director serving as Audit & Supervisory Committee Member, the Company
Nomination and Compensation Committee

1986 Apr. Appointed as judge
1997 Apr. Judge, Tokyo District Court
2002 Apr. General Manager, Administrative Bureau, Secretarial Training Institute, Supreme Court
2004 Apr. General Manager of Training, Comprehensive Training Institute for Court Staff
2005 Apr. Judge, Tokyo High Court
2007 Apr. Professor, Toin Law School (current position)
2007 Jun. Registered as an Attorney
2014 Jun. Substitute Corporate Auditor, the Company
2015 Jun. Outside Corporate Auditor
2016 Jun. Outside Director serving as Audit & Supervisory Committee Member (current position)
2017 Jun. Outside Director, Toyo Sugar Refining Co., Ltd. (current position)

02 Kenji Ikeya

Director and CFO in charge of Internal Controls, the Company

1980 Apr. Joined The Saitama Bank, Ltd.
2011 Oct. General Manager, Corporate Management Division, the Company
2013 Apr. Executive Officer and General Manager, Finance & Investor Relations Division
2014 Apr. Executive Officer in charge of Finance & Investor Relations Division
2014 Oct. Executive Officer in charge of Finance & Investor Relations Division and General Manager,
2015 Apr. Executive Officer in charge of Finance & Investor Relations Division and General Manager, President's Office
2015 Jun. Senior Executive Officer in charge of Finance, General Manager, President's Office in charge of Crisis Management Committee, Internal Control Committee
2016 Apr. Senior Executive Officer in charge of Corporate Finance Division, President's Office, Internal Control and Risk Management Division, Crisis Management Committee, Internal Control Committee
2016 Jun. Director and CFO, in charge of Internal Controls (current position)
2019 Apr. Corporate Auditor, INTAGE Healthcare Inc.

04 Kiyomi Miyauchi

Director and Chief Senior Director in charge of Group Overseas Business and Marketing Support (Consumer Goods and Services), Overseas Business

1983 Apr. Joined the Company
2005 Apr. General Manager, Global Research Division, Solution Group
2007 Oct. General Manager, Sales Division IX, Sales Group
2008 Jul. CEO, INTAGE (Thailand) Co., Ltd. (current position)
2014 Apr. Executive Officer in charge of Overseas Business, ASEAN and India Representative, INTAGE Holdings Inc. Regional Office (current position)
2015 Jan. Executive Officer in charge of Group Overseas Business
2015 Jun. Senior Executive Officer in charge of Group Overseas Business
2016 Apr. Senior Executive Officer and Chief Senior Director of Overseas Business in charge of Group Overseas Business
2017 Jun. Director and Chief Senior Director of Overseas Business in charge of Group Overseas Business
2019 Jun. Director and Chief Senior Director of Overseas Business in charge of Marketing Support (Consumer Goods and Services) and Overseas Business (current position)

06 Masaru Ohtakeguchi

Director in charge of Corporate Planning

1985 Apr. Joined the Company
2013 Apr. Executive Officer and General Manager, DCG and Services Business Group
2014 Apr. President and Representative Director, DCOMO InsightMarketing, Inc.
2016 Apr. Director, INTAGE Inc.
2019 Apr. Senior Executive Officer in charge of Corporate Planning
2020 Apr. Director in charge of Corporate Planning (current position)

08 Takashi Inoue

Director serving as Audit & Supervisory Committee Member (Full-time Audit & Supervisory Committee Member), the Company

1981 Apr. Joined the Company
2002 Apr. General Manager, Field Network Division, INTAGE RESEARCH Inc.
2006 May Director, INTAGE RESEARCH Inc.
2008 Apr. President and Representative Director, INTAGE RESEARCH Inc. (current position)
2020 Jul. Senior Executive
2020 Aug. Corporate Auditor, INTAGE Inc. (current position)
2020 Sep. Outside Director serving as Audit & Supervisory Committee Member (current position)

10 Yuzo Miyama

Outside Director serving as Audit & Supervisory Committee Member, the Company
Nomination and Compensation Committee

1983 Apr. Registered as lawyer (Daiichi Tokyo BAR Association)
1986 Sep. Established YUZO MIYAMA LAW OFFICE
2001 Jul. Representative, MIYAMA LAW OFFICE (current position)
2007 Apr. Outside Director, Ai Holdings Corporation (current position)
2016 May Member of the independent committee, the Company
2017 Jun. Outside Director serving as Audit & Supervisory Committee Member (current position)

11 Shizuo Kashima

Outside Director serving as Audit & Supervisory Committee Member, the Company
Nomination and Compensation Committee

1982 Mar. Joined Arthur Young & Company, Tokyo Office
1985 Mar. Registered as Certified Public Accountant
1987 Jun. Transferred to International Business Department of Asahi Shinwa Kaikeisha Audit Firm due to the integration of Arthur Young & Company and Asahi Shinwa Kaikeisha Audit Firm
1992 Oct. Established Kashima Certified Public Accountant Office
1992 Dec. Registered as Certified Tax Accountant; Established Kashima Certified Tax Accountant Office; Head, Kashima Certified Tax Accountant Office (current position)
2002 Mar. Representative Director, Horwath Japan Corporation (currently Minato Trust Corporation) (current position)
2002 Sep. Established Kashima & Komiya Certified Public Accountant Office; Representative Certified Public Accountant, Kashima & Komiya Certified Public Accountant Office (current position)
2008 Dec. Corporate Auditor, MIKI TOURIST CO., LTD. (current position)
2010 Apr. Corporate Certified Public Accountant, the Company (up to March 2018)
2018 Jun. Outside Director serving as Audit & Supervisory Committee Member (current position)

Corporate Governance

Basic Approach

We believe that, as an enterprise made up of numerous stakeholders, the INTAGE Group has an important responsibility not only to improve business results but also to ensure the soundness, fairness and transparency of management.

Our corporate philosophy, "THE INTAGE GROUP WAY," is the cornerstone of our management. To act consistent with that philosophy, the INTAGE Group's "Ethical Charter" has been established as a set of guidelines that all of the Group's executives and employees must follow in conducting business activities.

Based on this charter, the Group has formulated the INTAGE Group "Employee Code of Conduct," which defines the basic attitude and behavior expected of employees. The Code of Conduct is instilled in the Group's executives and employees to ensure that they carry out sound business activities in compliance with laws and regulations. In addition, the Group's internal control system is managed in accordance with its "Basic Policy on Internal Control Systems."

Corporate Governance Basic Policy

On June 17, 2016, we formulated the Basic Policy on Corporate Governance. This policy statement defines our basic approach, structure, and management policy concerning corporate governance, with the objective of increasing corporate value through our sound business activities in adherence to compliance standards under our corporate philosophy "THE INTAGE GROUP WAY." On December 14, 2018, in light of the revision of Japan's Corporate Governance Code, we have partially revised the Basic Policy.



Please see details on the corporate website.

<https://www.intageholdings.co.jp/sustainability/governance/>

Change in Governance

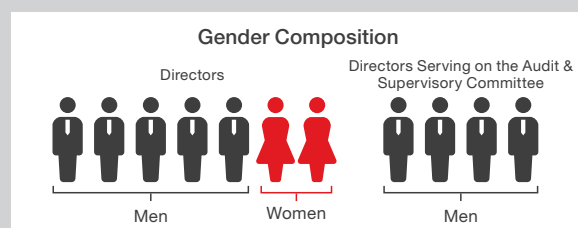
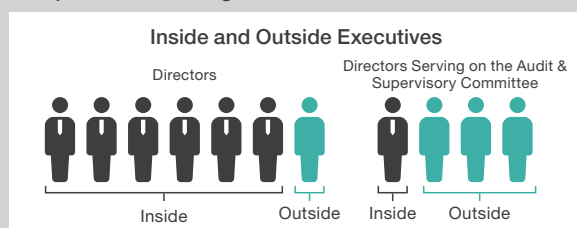
Since 2013 when we moved to a holding company structure, we have changed our corporate governance structure and system.

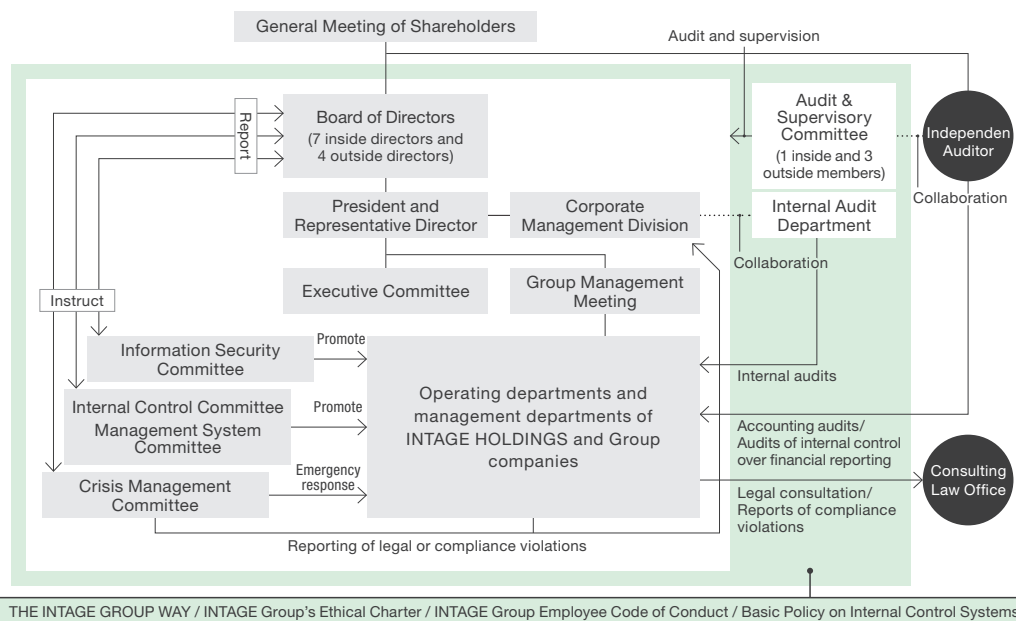
On June 17, 2016, we transitioned from being a company with a Board of Corporate Auditors to a company with an Audit & Supervisory Committee, with the objective of arranging an environment that supports appropriate risk taking on the business execution side. We have also aimed at strengthening the oversight and supervision function of the Board of Directors, accelerating decision-making through the delegation of authority, and raising the level of fairness, transparency, and effectiveness in business execution.

Since the transition to a company with an Audit & Supervisory Committee, we have been promoting optimal corporate governance, by adopting a performance-linked, share-based compensation plan, by implementing external evaluation concerning the evaluation of effectiveness of the Board of Directors, and by taking other measures, in accordance with the business and management environment.

- | | |
|------|--|
| 2013 | ▶ Moved to a holding company structure and changed the corporate name to INTAGE Holdings Inc. |
| 2014 | ▶ Adopted the performance-linked, share-based compensation plan |
| 2015 | ▶ Appointed a woman as director (outside director) |
| 2016 | ▶ Changed to a company with an Audit & Supervisory Committee
▶ Implemented the first evaluation of effectiveness of the Board of Directors by external persons
▶ The share of outside directors in the Board of Directors exceeded 30% |
| 2019 | ▶ Revised the performance-linked, share-based compensation plan
▶ Increased the number of female directors to two |
| 2020 | ▶ Implemented the evaluation of effectiveness of the Board of Directors by external persons
▶ Increased the number of directors from six to seven |

Composition of Management (September 2020)





Evaluation Regarding the Effectiveness of the Company's Board of Directors (Fiscal 2019)

Each year, the Board of Directors analyzes and evaluates its effectiveness as a whole, by taking into consideration relevant matters, including the self-evaluation of each director, which is obtained by means of questionnaires and hearings, and a summary of the results is disclosed. In addition, the chairman of the Board of Directors regularly listens to opinions on the management of the Board from outside directors.

For fiscal 2019, according to a change of a fiscal year end from March 31 to June 30, interviews of 10 directors (six directors who are not serving as Audit & Supervisory Committee members and four directors serving as Audit & Supervisory Committee members) and the analysis of the results were conducted in August 2020.

In 2020 we invited an outside consultant to help us prepare and conduct interviews and analyze the results, in order to more objectively understand points for improvement with the ultimate objective of raising effectiveness of the Board of Directors. The results were reported by the consultant at the Board meeting in September and the Board confirmed the evaluation results and its plan for a future response.

According to the evaluation results, the Board is appropriately structured and ensures diversity, and it was confirmed that the Company's managerial issues were discussed in a cooperative atmosphere with each director on an equal basis. Directors also receive training and secure sufficient opportunities to communicate with each other other than at a Board meeting. The results therefore concluded that the effectiveness is ensured and has improved for assurance of appropriate conduct in the resolution of important managerial matters and supervision in execution of operations.

Given this evaluation of effectiveness, the Company will continue to implement and consider further improvement, such as reviewing the criteria for agenda items for the Board of Directors and submission of information to directors, so that the Board can exert its effectiveness to the maximum extent. The Company will also continue to consider further improvement on how the Board's functions or actions should be for enhancing corporate value.

Comments from an Outside Director

I am anticipating the INTAGE Group to further develop and contribute to society based on its understanding of consumers and customers.

Nomination and Compensation Committees

The Company has voluntarily established the Nomination Committee and the Compensation Committee and each meets twice a year on the same date. The member structure of both committees is the same.

In the Nomination Committee, independent outside directors play a leading role in deliberation and the President participates in the Committee as a member from the Company. Candidates for a position as director are evaluated and selected with the objective of making use of outside persons' insights concerning personnel development. Candidates for nomination as director (excluding directors serving as Audit & Supervisory Committee members) are so developed after being evaluated in aspects such as managerial performance, optimal allocation of managerial resources, and business prospects and preparation of the INTAGE Group.

Candidates for directors with the assignment to serve as an Audit & Supervisory Committee member are evaluated in terms of their insights based on their current business and their performance.

The Compensation Committee deliberates on the logic of compensation mainly for directors engaged in business execution and reports the results to the Board of Directors. The Committee considers and evaluates whether the compensation scheme for these directors is consistent with the Company's actual situation and future vision. Its results are reported to the Board of Directors.

Eighteen months have passed since April 2019 when Mr. Noriaki Ishizuka became President of INTAGE Holdings and Ms. Ayumi Higaki became President of INTAGE Inc. During this period, the COVID-19 outbreak hit the entire world and has since been affecting us all up to today. This pandemic is so worrisome but I have been impressed by the INTAGE Group's smooth, consistent operation even during the change of its leadership or in the midst of social, economic turmoil, driven by the COVID-19 pandemic. In May 2020 INTAGE published a report "New Normal in life: With Corona/After

Outside Director
Director and Vice President, Tokyo Keizai University
Shizue Kishi

Compensation of Directors

Compensation of directors (excluding directors serving as Audit & Supervisory Committee members and outside directors) consists of performance-based compensation and incentive compensation.

The performance-based compensation, equivalent to so-called basic compensation, is determined within the limits approved by the General Meeting of Shareholders, taking into consideration the INTAGE Group's operating performance and the degree of achievement of earnings targets, and given the discussion of the Representative Director and directors concerned. The incentive compensation is equivalent to stock compensation based on the performance-linked, share-based compensation plan, which is adopted upon approval by the General Meeting of Shareholders. Performance evaluation points are calculated by the performance evaluation committee, based on the degree of achievement of earnings targets and certain evaluation criteria.

In either type of compensation, specific details of benefits are determined by a separately-established committee concerning compensation, which consists of the President, directors serving as Audit & Supervisory Committee members, and outside directors, upon delegation by the Board of Directors.

With regard to compensation, etc. of outside directors and directors serving as Audit & Supervisory Committee members, only basic compensation is paid, given

Corporate Governance

characteristics of their duties. The amount is determined within the limits approved by the General Meeting of Shareholders. Compensation for outside directors is based on a passed resolution of the Board of Directors, and compensation for directors serving as Audit & Supervisory Committee members is determined by their own discussion.

Concerning the stock compensation based on the performance-linked, share-based compensation plan, its continuation and partial revision were approved by a resolution by the Company's 47th General Meeting of Shareholders held on June 26, 2019 and by a separate General Meeting of Shareholders of the Company and domestic group companies. This compensation plan is used for directors of the Company and its domestic group companies (excluding outside directors and directors serving as Audit & Supervisory Committee members of the Company), and executive officers (excluding executive officers who are employees). The plan grants points to each director and executive officer in accordance with his or her position and the extent of achievement of the earnings target for each fiscal year. In principle, the Company's shares (the Company's one common share per one point) and an amount of money based on the accumulated value of points granted are provided via a trust to each director and executive officer at the time of his or her retirement.

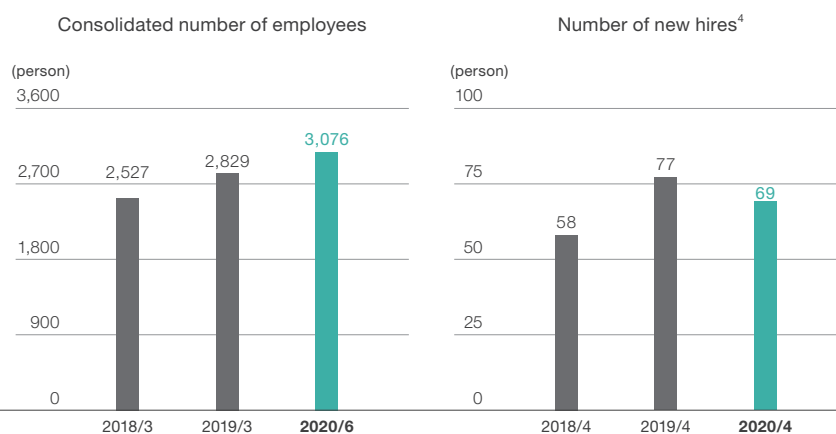
Corona" which summarized medium- to long-term themes concerning consumers' attitudes and behavior in the COVID-19 crisis in the form of nine themes. Such predictions that reflect the trend of the macro social and economic environment can be useful not only to client companies but also to society in general. Then in August 2020 INTAGE Holdings announced the Declaration to Achieve the SDGs. INTAGE advocated use of consumer-oriented data and showed a vision appropriate to a new era. The 13th Medium-Term Management Plan has made it clear that the INTAGE Group will not cling to the conventional segment definitions but will endeavor to generate group synergies in helping customers solve their business problems. INTAGE has shifted to a two-division structure that comprises of the Customer Business Drive Division and the Business Development Division, to be suitable for the new policy. I am anticipating further development of the INTAGE Group, as a corporate entity that deeply understands consumers and customers.



10-Year Financial and Non-Financial Data Summary

	2011/3	2012/3	2013/3	2014/3	2015/3
For the Year:					
Net sales	¥36,538	¥36,658	¥39,930	¥42,508	¥43,925
Cost of sales	26,021	25,874	29,121	31,107	31,723
Selling, general and administrative expenses	7,051	7,898	7,499	7,895	8,630
Operating income	3,465	2,885	3,309	3,505	3,571
Net income attributable to owners of parent	1,915	1,325	1,249	1,642	2,463
Cash flows from operating activities	3,025	2,943	3,433	3,612	2,947
Cash flows from investing activities	(1,052)	(3,341)	(1,332)	(1,151)	2,327
Cash flows from financing activities	(1,108)	675	(960)	(592)	(4,940)
Cash and cash equivalents at end of year	4,337	4,599	5,906	7,926	8,366
At Year-End:					
Total assets	24,660	27,730	29,398	33,740	33,301
Total net assets	13,757	14,517	15,493	17,171	19,917
Equity ratio (%)	55.8	52.3	52.5	50.5	59.3
Per Share Data (Yen/Dollars):					
Net income ¹	47.63	32.96	31.07	40.83	61.52
Total shareholders' equity ¹	341.85	360.56	383.65	423.24	494.50
Cash dividends ²	12.50	12.50	12.50	13.75	15.00
Financial Data (%):					
Operating margin	9.5	7.9	8.3	8.2	8.1
ROA	8.0	5.1	4.4	5.2	7.3
ROE	14.7	9.4	8.4	10.1	13.4

Non-Financial Data



1. The Company implemented a stock split at a ratio of two shares for each share of common stock on October 1, 2013 and again on October 1, 2017. Accordingly, figures have been calculated assuming these stock splits took place at the beginning of the fiscal year ended March 31, 2011.

2. The Company implemented a stock split at a ratio of two shares for each share of common stock on October 1, 2013 and again on October 1, 2017. Accordingly, dividend amounts for the fiscal year ended March 31, 2011 and thereafter take these stock splits into account.

(Millions of yen)

(Thousands of U.S. dollars)

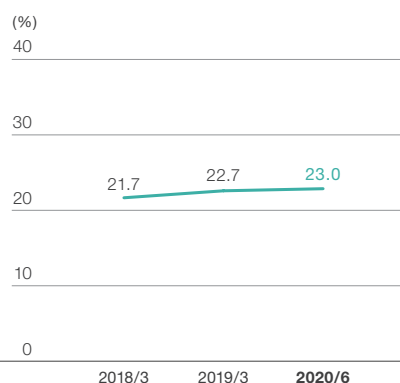
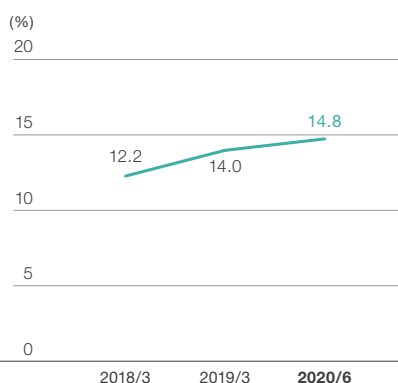
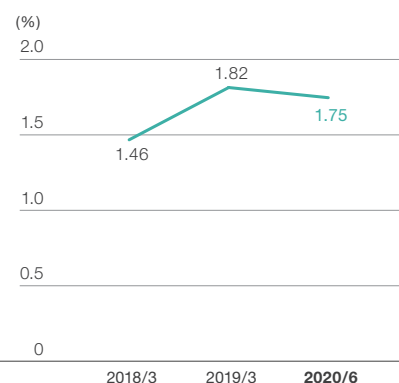
2016/3	2017/3	2018/3	2019/3	2020/6* ³	2020/6* ³
¥45,481	¥47,987	¥50,499	¥53,986	¥66,880	\$619,718
33,257	34,603	35,732	37,891	47,971	444,505
8,340	9,115	10,743	11,826	15,129	140,187
3,883	4,268	4,023	4,268	3,779	35,016
2,326	2,871	3,050	2,859	1,683	15,594
1,713	4,072	3,188	4,279	7,032	65,159
(1,791)	(2,110)	(2,414)	(4,087)	(1,402)	(12,991)
1,566	(1,300)	399	(58)	(5,518)	(51,130)
9,812	10,418	11,622	11,720	11,779	109,145

36,830	39,067	41,486	45,524	41,489	384,442
21,338	23,771	27,428	28,987	28,335	262,555
57.5	60.3	65.5	63.25	67.83	

58.28	71.91	76.08	69.47	41.99	0.38
530.09	589.87	660.69	699.51	704.73	6.53
16.25	17.50	20.00	22.00	30.00	0.27

The following exchange rates
applied: June 30, 2020:
US\$1 = ¥107.92

8.5	8.9	8.0	7.9	5.7
6.6	7.6	7.6	6.6	3.9
11.4	12.8	12.0	10.2	5.9

Rate of female managers⁴Rate of female directors
(including executive officers)⁴Employment rate of persons with disabilities⁵

3. Due to a change in the fiscal year end, the fiscal year ended June 30, 2020 is a 15-month period from April 1, 2019 to June 30, 2020.

4. Coverage: INTAGE HOLDINGS, INTAGE, INTAGE RESEARCH, INTAGE Healthcare, INTAGE TECHNOSPHERE, and INTAGE ASSOCIATES

5. Average rate for INTAGE HOLDINGS, INTAGE, INTAGE RESEARCH, INTAGE Healthcare, INTAGE TECHNOSPHERE, INTAGE ASSOCIATES, KYOWA KIKAKU, and NSK

Consolidated Balance Sheet

Thousands of yen		
Assets	2019/3	2020/6
Current assets		
Cash and deposits	11,821,002	11,871,383
Notes and accounts receivable-trade	13,528,538	8,717,504
Merchandise	13,174	12,018
Work in progress	1,386,535	2,205,866
Supplies	72,866	93,257
Other	1,011,552	1,422,083
Allowance for doubtful accounts	△ 10,865	△ 6,550
Total current assets	27,822,804	24,315,563
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,887,155	6,022,706
Accumulated depreciation	△ 4,569,643	△ 4,733,972
Net buildings and structures	1,317,512	1,288,734
Equipment and fixtures	1,366,436	1,475,976
Accumulated depreciation	△ 1,056,635	△ 1,138,670
Net equipment and fixtures	309,800	337,305
Land	1,998,156	1,998,156
Lease assets	1,318,097	1,170,396
Accumulated depreciation	△ 672,831	△ 716,862
Net lease assets	645,266	453,534
Other	420	3,147
Accumulated depreciation	△ 419	△ 419
Net other	0	2,727
Total property, plant and equipment	4,270,736	4,080,458
Intangible assets		
Goodwill	599,756	281,118
Other	2,023,846	2,233,124
Total intangible assets	2,623,603	2,514,242
Investments and other assets		
Investment securities	7,076,590	6,775,947
Deferred tax assets	2,019,829	2,200,573
Retirement benefit asset	5,213	—
Other	1,709,975	1,608,227
Allowance for doubtful accounts	△ 4,436	△ 5,523
Total investments and other assets	10,807,172	10,579,224
Total non-current assets	17,701,511	17,173,926
Total assets	45,524,316	41,489,489

Thousands of yen		
Liabilities	2019/3	2020/6
Current liabilities		
Accounts payable-trade	3,283,644	2,602,144
Short-term loans payable	3,172,556	48,180
Lease obligations	260,952	181,435
Accounts payable-other	862,483	2,695,525
Income taxes payable	634,333	105,467
Provision for bonuses	2,016,239	1,127,519
Allowance for point program	1,473,827	1,606,099
Provision for stock benefits	6,838	—
Other	2,251,170	2,419,381
Total current liabilities	13,962,044	10,785,752
Non-current liabilities		
Long-term debt	301,228	300,000
Lease obligations	446,278	310,631
Provision for stock benefits	109,682	154,577
Provision for retirement benefits for directors (and other officers)	76,670	41,198
Retirement benefit liability	1,510,303	1,452,073
Asset retirement obligations	96,633	98,731
Other	33,968	10,730
Total non-current liabilities	2,574,764	2,367,941
Total liabilities	16,536,809	13,153,694

Thousands of yen		
Net assets	2019/3	2020/6
Shareholders' equity		
Capital stock	2,378,706	2,378,706
Capital surplus	1,841,046	1,790,744
Retained earnings	24,028,747	23,908,257
Treasury stock, at cost	△ 181,199	△ 391,250
Total shareholders' equity	28,067,300	27,686,458
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	628,032	732,503
Foreign currency translation adjustments	350,246	294,977
Remeasurements of defined benefit plan	△ 250,814	△ 570,823
Total accumulated other comprehensive income	727,465	456,657
Non-controlling interests	192,740	192,680
Total net assets	28,987,506	28,335,795
Total liabilities and net assets	45,524,316	41,489,489

Consolidated Statements of Income

	Thousands of yen	
	2018/4/1 - 2019/3/31	2019/4/1 - 2020/6/30
Net sales	53,986,198	66,880,935
Cost of sales	37,891,500	47,971,920
Gross profit	16,094,698	18,909,015
Selling, general and administrative expenses	11,826,078	15,129,142
Operating income	4,268,619	3,779,872
Non-operating income		
Interest income	6,174	4,587
Dividend income	72,035	70,114
Share of profit of entities accounted for using equity method	197,604	108,037
Other	94,425	70,284
Total non-operating income	370,239	253,023
Non-operating expenses		
Interest expenses	18,990	41,450
Loss on investments in investment partnerships	147,099	72,003
Loss on retirement of non-current assets	86,304	77,323
Foreign exchange losses	1,643	34,159
Other	169,502	68,594
Total non-operating expenses	423,540	293,532
Ordinary income	4,215,318	3,739,363
Extraordinary income		
Gain on sales of non-current assets	76,326	—
Gain on bargain purchase	42,486	—
Gain on sales of investment securities	39,886	18,035
Total extraordinary income	158,700	18,035
Extraordinary loss		
Impairment loss	20,673	560,608
Loss on valuation of investment securities	157,975	256,403
Total extraordinary loss	178,649	817,011
Income before income taxes	4,195,369	2,940,387
Income taxes - current	1,409,795	1,381,187
Income taxes - deferred	7,318	△ 89,649
Total income taxes	1,417,114	1,291,538
Net income	2,778,254	1,648,849
Net income (loss) attributable to non-controlling interests	△ 80,867	△ 34,677
Net income attributable to owners of the Parent	2,859,122	1,683,527

Consolidated Statements of Comprehensive Income

	Thousands of yen	
	2018/4/1 - 2019/3/31	2019/4/1 - 2020/6/30
Net income	2,778,254	1,648,849
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 220,841	104,340
Foreign currency translation adjustments	△ 76,676	△ 61,068
Remeasurements of defined benefit plans	△ 133,548	△ 320,009
Share of other comprehensive income of entities accounted for using equity method	133	681
Total of other comprehensive income	430,933	△ 276,056
Comprehensive income	2,347,321	1,372,792
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the Parent	2,433,525	1,412,719
Comprehensive income (loss) attributable to non-controlling interests	△ 86,204	△ 39,926

Consolidated Statements of Cash Flows

Thousands of yen

	2018/4/1-2019/3/31	2019/4/1 - 2020/6/30
Cash flows from operating activities		
Income before income taxes	4,195,369	2,940,387
Depreciation	1,327,737	1,519,791
Impairment loss	20,673	560,608
Amortization of goodwill	75,100	100,369
Gain on bargain purchase	△ 42,486	—
Decrease (increase) in retirement benefit asset	△ 5,213	5,213
Increase (decrease) in retirement benefit liability	△ 229,052	△ 56,442
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1,560	△ 35,472
Increase (decrease) in provision for bonuses	261,221	△ 885,199
Increase (decrease) in allowance for doubtful accounts	△ 138	△ 3,227
Increase (decrease) in provision for point-card certificates	38,380	70,714
Increase (decrease) in provision for share-based remuneration	8,153	38,056
Interest and dividend income	△ 78,210	△ 74,701
Share of loss (profit) of entities accounted for using equity method	△ 197,604	△ 108,037
Interest expenses	18,990	41,450
Loss (gain) on investments in investment partnerships	147,099	72,003
Loss on retirement of non-current assets	86,304	77,323
Loss (gain) on sales of non-current assets	△ 76,326	—
Loss (gain) on sales of investment securities	△ 39,886	△ 18,035
Loss (gain) on valuation of investment securities	157,975	256,403
Decrease (increase) in trade receivables	208,664	5,414,702
Decrease (increase) in inventories	22,478	△ 844,338
Increase (decrease) in trade payables	△ 226,061	△ 734,609
Increase (decrease) in accrued consumption taxes	△ 47,954	30,865
Other	△ 203,757	517,391
Subtotal	5,423,017	8,885,218
Interest and dividends received	77,338	75,334
Interest paid	△ 18,200	△ 46,009
Income taxes paid	△ 1,202,517	△ 1,882,123
Cash flows from operating activities	4,279,638	7,032,419
Cash flows from investing activities		
Payments into time deposits	△ 95,008	△ 82,980
Proceeds from withdrawal of time deposits	36,250	83,905
Purchase of property, plant and equipment	△ 122,567	△ 215,226
Purchase of intangible assets	△ 1,043,034	△ 1,373,388
Purchase of investment securities	△ 1,725,834	△ 669,806
Proceeds from sales of investment securities	81,719	1,059,073
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△ 1,911,981	△ 386,130
Loan advances	△ 2,058	△ 4,655
Collection of loans receivable	1,920	3,748
Payments for asset retirement obligations	—	△ 45,400
Payments of guarantee deposits	△ 91,277	△ 72,839
Proceeds from refund of guarantee deposits	49,373	225,688
Proceeds from maturity of insurance funds	482,002	56,075
Proceeds from sales of investment property	280,000	—
Other	△ 27,319	19,057
Cash flows from investing activities	△ 4,087,816	△ 1,402,879
Cash flows from financing activities		
Proceeds from short-term borrowings	4,982,200	9,243,350
Repayments of short-term borrowings	△ 3,822,100	△ 12,355,281
Repayments of long-term borrowings	△ 186,599	△ 7,984
Repayments of lease obligations	△ 225,194	△ 344,292
Proceeds from share issuance to non-controlling shareholders	42,640	72,635
Purchase of treasury stocks	△ 41	△ 1,117,250
Dividends paid	△ 826,844	△ 914,746
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	△ 6,500	△ 87,781
Other	△ 16,017	△ 7,174
Cash flows from financing activities	△ 58,457	△ 5,518,524
Effect of exchange rate change on cash and cash equivalents	△ 35,215	△ 51,341
Net increase (decrease) in cash and cash equivalents	98,149	59,673
Cash and cash equivalents at beginning of period	11,622,146	11,720,295
Cash and cash equivalents at end of period	11,720,295	11,779,969

Corporate Data/INTAGE Group

Corporate Data

Company Name	INTAGE HOLDINGS Inc.
Established	March 1960
President and Representative Director	Noriaki Ishizuka
Capital	¥2,378.7 million
Net Sales (Consolidated)	¥66.8 billion (fiscal year ended March 2020)
Employees (Consolidated)	3,076
Head Office	INTAGE Akihabara Building, 3 Kanda-Neribeicho, Chiyoda-ku, Tokyo 101-0022, Japan Tel: +81-3-5294-7411 Fax: +81-3-5294-0199

INTAGE Group (As of July 1, 2020)

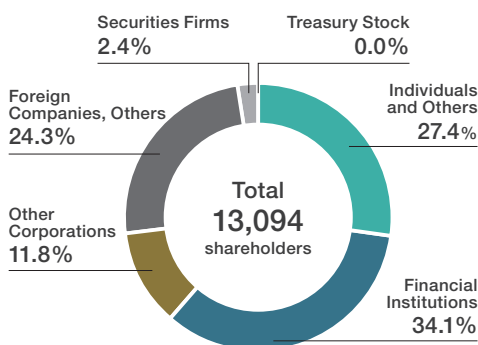
Domestic Group Companies	Overseas Group Companies
INTAGE Inc.	INTAGE CHINA Inc.
INTAGE RESEARCH Inc.	INTAGE (Thailand) Co., Ltd.
INTAGE QUALIS Inc.	INTAGE VIETNAM LIMITED LIABILITY COMPANY
IXT Inc.	INTAGE INDIA Private Limited
dataSpring Inc.	INTAGE SINGAPORE PTE. LTD.
INTAGE Healthcare Inc.	CONSUMER SEARCH HONG KONG LIMITED
KYOWA KIKAKU LTD.	PT. INTAGE INDONESIA
Japan Medical Information Research Institute Inc.	INTAGE USA Inc.
PLAMED Inc.	dataSpring Korea Inc.
INTAGE TECHNOSPHERE Inc	dataSpring Global Research USA, Inc.
DataAge Inc.	dataSpring Singapore PTE. LTD.
Buildsystem Co., Ltd.	dataSpring Philippines, Inc.
NSK Co., Ltd.	DATA SPRING CHINA Inc
INTAGE ASSOCIATES Inc.	Plamed Korea Co., Ltd.

Stock Information (As of June 30, 2020)

Stock

Authorized Shares	148,000,000
Shares Issued	40,426,000
Number of Shareholders	13,094

Distribution of Shares

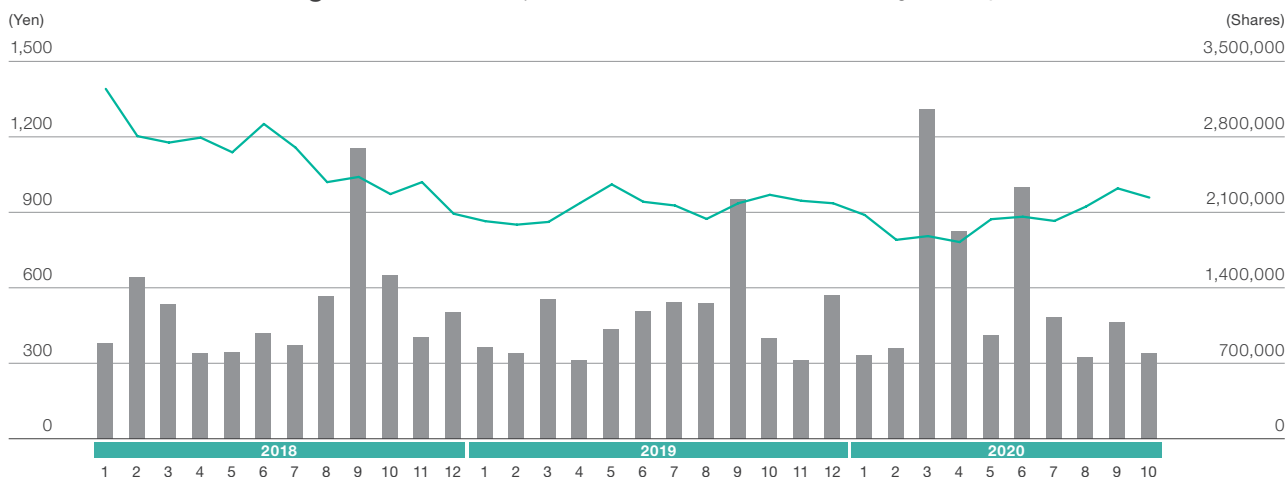


Major Shareholders (As of June 30, 2020)

	Investment in INTAGE	
	Number of Shares Held	Shareholding Ratio (%)
BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SUBPORTFOLIO)	3,249,100	8.0
Mizuho Trust & Banking Co., Ltd. as trustee for Retirement Benefit Trust of Eisai Co., Ltd. (reentrusted to Trust & Custody Services Bank, Ltd.)	2,600,000	6.4
INTAGE Group Employees' Stockholding Association	2,148,994	5.3
Saitama Resona Bank, Ltd.	1,870,000	4.6
Hoei Jitsugyo Co., Ltd.	1,820,000	4.5
Japan Trustee Services Bank, Ltd.	1,624,190	4.0
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,579,800	3.9
The Dai-ichi Mutual Life Insurance Company	1,400,000	3.5
Daiei Real Estate & Development Co., Ltd.	1,256,000	3.1
NIPPON ACTIVE VALUE FUND PLC	1,167,300	2.9

Note: Percentage of shares held is calculated after deducting treasury stock (10,481 shares)

Stock Price and Trading Volume



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Further Information:

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