

## Domestic Advertising Market and Hakuodo DY Group's Domestic Billings

The domestic advertising market suffered a significant impact from the COVID-19 pandemic. However, the market has continued to recover since then and has generally maintained its size over the past decade.

Meanwhile, the market's structure continues to change, with corporate marketing activities shifting to digital methods. Internet advertising remains strong, although its rate of growth has slowed.

In light of this landscape, the Group has been engaging in marketing activities that hinge on the use of *sei-katsu-sha* data and technology ahead of its industry peers.

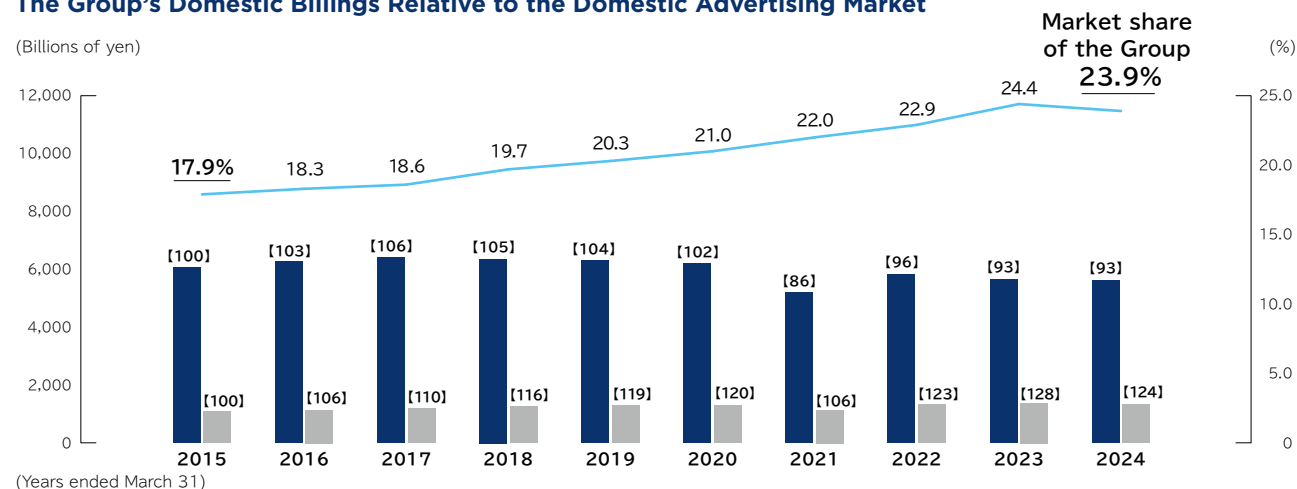
In addition, we have actively proposed our Advertising as a service® (AaaS), a next-generation model for the advertising media business, and taken measures to increase

the added value of media, such as through the integration of television and digital technologies. We have also enhanced the services we offer through our full-funnel approach by expanding our capabilities beyond advertising for the overall support of marketing activities.

As a result, our domestic billings in fiscal 2023 were 1.24 times those of fiscal 2014, and our estimated market share has expanded steadily from 17.9% in fiscal 2014 to 23.9% in fiscal 2023.

### The Group's Domestic Billings Relative to the Domestic Advertising Market

(Billions of yen)



(Years ended March 31)

(Left) ■ Domestic advertising market ■ HDY: Consolidated billings (domestic) (Right) — Market share

Figures enclosed in brackets were calculated as an index value (of 100) benchmarked to the fiscal year ended March 31, 2015.

- Notes: 1. Data for the domestic advertising market is taken from the Survey of Selected Service Industries (Ministry of Economy, Trade and Industry). For certain discontinuities in the numerical results published in the survey arising from changes in the survey pool, adjusted numerical results based on growth rate data are used.
2. To quantify the annual change in the size of the domestic advertising market and our domestic billings over time, each year's figure was calculated as an index value (of 100) benchmarked to the fiscal year ended March 31, 2015.
3. The Group's market share has been calculated using the following formula: HDY's billings (domestic) ÷ Domestic advertising market. HDY's billings for the fiscal year ended March 31, 2019 and thereafter exclude the impact of investment business.