

For the Third Quarter of the Fiscal Year
Ending September 30, 2020

Results of Operations

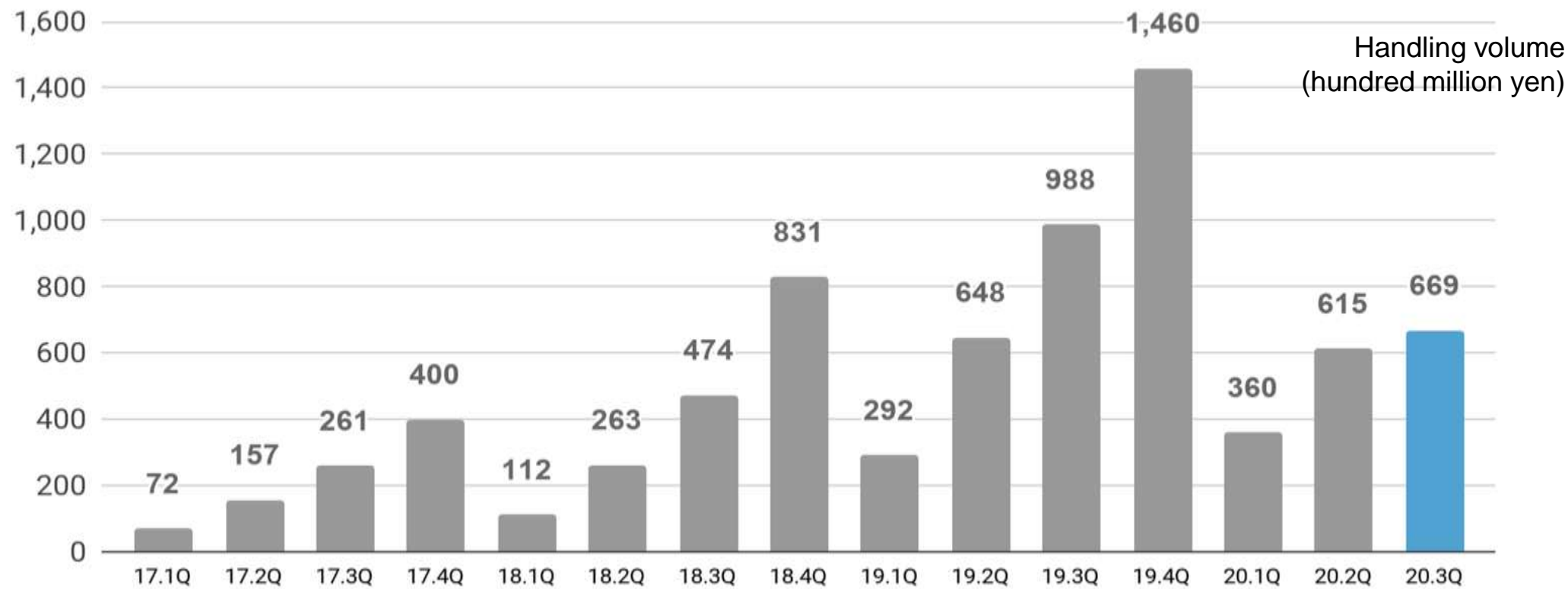
AirTrip Corp.
TSE 1st Section: 6191
August 14, 2020

エアトリ

- The AirTrip travel business posted a significant fall in net sales due to the impact of COVID-19.
- However, the AirTrip Group's existing costs were cut by a massive 55% and the Group's downside risk was reduced in other businesses.
- During the first nine months, handling volume was 66,900 million yen and operating loss (before impairment losses) was 100 million yen.
- The domestic travel domain shows a tendency for improvement despite COVID-19 and the Company aims to achieve an early return to profitability on monthly basis by tapping into travel demand using the Go To Travel campaign.
- The Company plans to implement its "AirTrip 2020" growth strategy for the post-COVID-19 era. The Company will strengthen its business base focusing on the Life Innovation business and Investment Business, the latter of which has increasingly established a track record in company listings.
- To promote the AirTrip 2020 growth strategy and AirTrip 5000 medium-term management strategy, the Company announced offensive and defensive financing plans designed for (1) early stage financing, (2) control of immediate dilution and (3) eliminating the negative impact on the demand and supply of shares as much as possible.

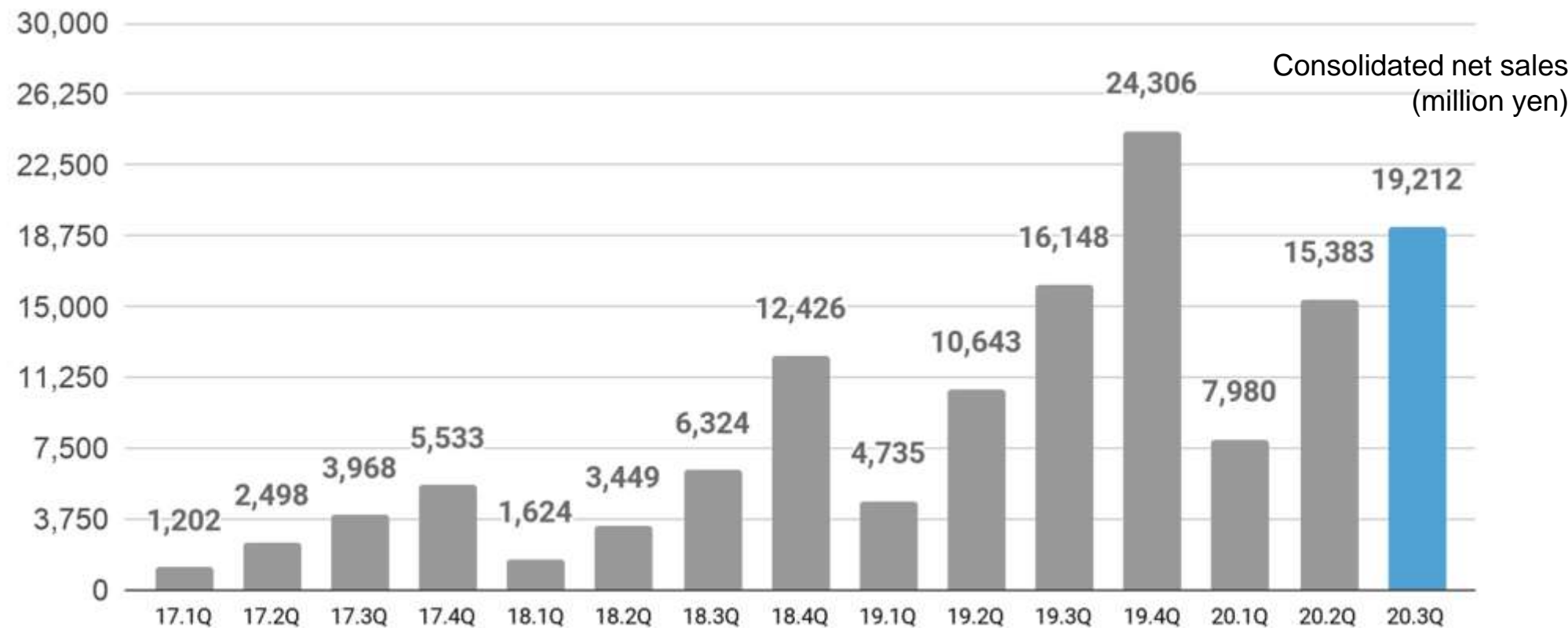
FY20.3Q Financial Summary

Handling volume: 67% Severely impacted by COVID-19 from April through June



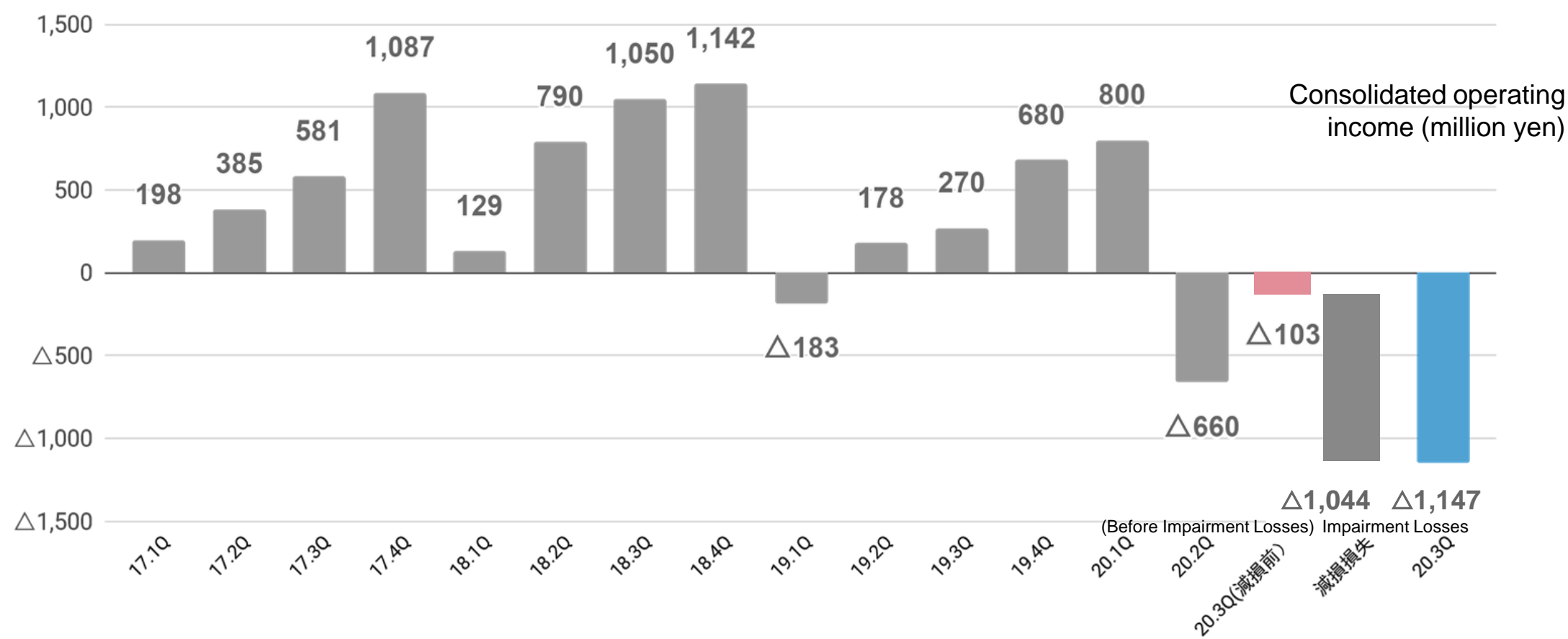
* Changed to pre-cancellation handling volume from FY19.4Q.

Net sales: 118%
Continued to increase despite the impact of COVID-19



The impact of COVID-19 resulted in an operating loss before the recording of impairment losses of 100 million yen

~Operating loss after the recording of impairment losses was 1,140 million yen~



Impairment losses were recorded, mainly reflecting changes of strategy in light of the impact of COVID-19

~Total impairment losses of 1,040 million yen were recorded on Group assets~

Impairment losses on some assets related to the travel business (Group total: 1,040 million yen)

Labor-intensive
unprofitable
business

Deterioration in the profitability of certain labor-intensive products (tour business, etc.) due to COVID-19 prompted the decision to downscale the business and impairment losses on assets such as software and goodwill were recorded, reflecting this policy.

Subsidiaries
making a loss due
to COVID-19

With respect to certain subsidiaries being considered for sale in the future following deterioration in profitability due to COVID-19, impairment losses were recorded based on recent income and outlook.

Handling volume was below the year-ago level but net sales rose thanks to the revenue contributions of businesses other than the travel business

~Loss before impairment losses was kept to around 100 million yen~

(million yen)

	FY19.3Q		FY20.3Q			
	Amount	% to Sales	Amount (Before Impairment Losses)	% to Sales	Amount (After Impairment Losses)	% to Sales
Handling Volume	98,899	—	66,975	—	66,975	—
Net Sales	16,148	100.0%	19,212	100.0%	19,212	100.0%
Gross Profit	9,134	56.6%	7,199	37.4%	7,199	37.4%
Operating Income	270	1.7%	△103	—	△1,147	—
Profit	57	0.4%	△123	—	△1,167	—

The online travel business performed strongly, posting growth YoY
 ~Operating income is on recovery track despite YoY fall in Investment Businesses~

(million yen)

Operating Income	First 9 Months of FY2019	FY20.3Q (Before consideration of impairment losses)	Change	FY20.3Q (Impairment losses)	FY20.3Q (After consideration of impairment losses)
AirTrip Travel Business	147	755	+609	△1,044	△289
IT Offshore Development Business	134	76	△58	0	76
Investment Businesses	473	△79	△552	0	△79
Adjustments	△485	△854	△367	0	△854
Consolidated Total	270	△103	△373	△1,044	△1,147

Equity was 9,100 million yen, remaining at an adequate level despite the recording of a loss

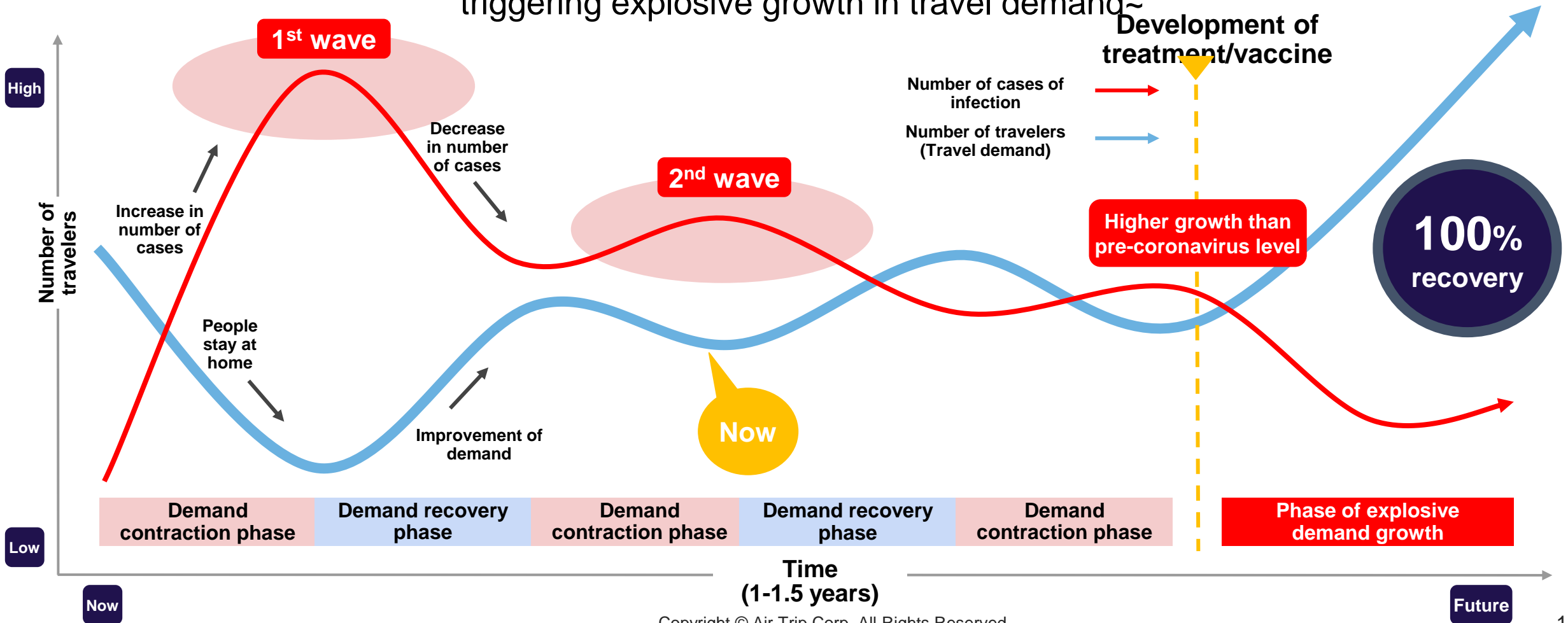
(million yen)

	FY19.4Q	FY20.3Q	Change
Current Assets	20,140	15,052	△5,088
Cash and Deposits	8,997	5,744	△3,253
Operational Investment Securities	4,606	4,224	△382
Non-current Assets	11,112	15,899	+4,787
Total Assets	31,253	30,951	△302
Liabilities	21,153	21,777	+624
Interest-bearing Debts	12,631	12,408	△223
Equity	10,099	9,173	△926
Equity ratio	32.3%	29.6%	△2.7

Measures against COVID-19 Coronavirus and Outcomes

Demand is gradually recovering but there is a long battle ahead until 100% recovery

~Demand will go through phases of recovery and contraction until a vaccine is developed, triggering explosive growth in travel demand~



The domestic travel domain shows a recovery tendency, and the investment business is also performing strongly

~Focus on life innovation business, included in other business domains, from FY20.4Q~

Declaration of state of emergency (Apr. 7)

Lifting of state of emergency (May 25)

2Q results announcement (Jun. 12)

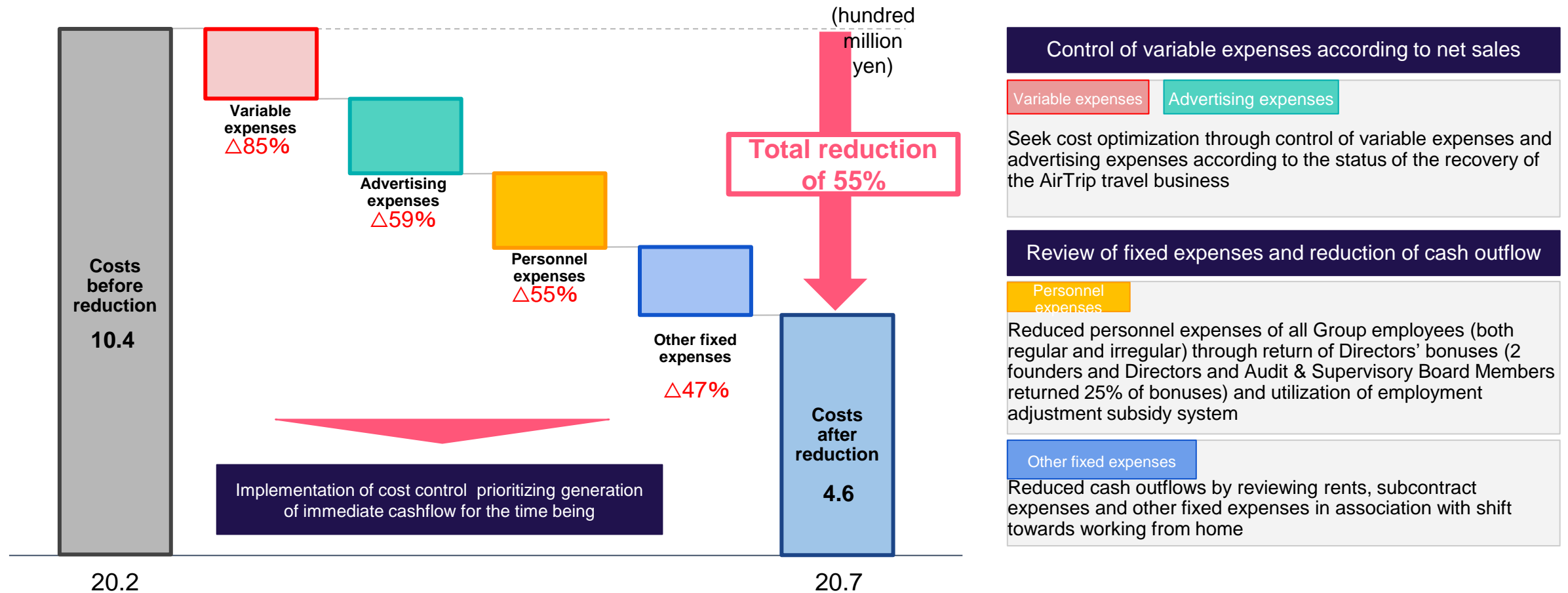
Launch of GoToTravel (Jul. 22)

3Q results announcement (Aug. 14)

	April	May	June	July	August (Forecast)	September (Forecast)	October- (Forecast)
Domestic travel domain	$\triangle \rightarrow \times$	$\times \rightarrow \triangle$	$\triangle \rightarrow \bigcirc$	\bigcirc	$\bigcirc?$	$\bigcirc?$	$\bigcirc?$
Overseas travel domain	\times	\times	\times	\times	$\times?$	$\times?$	$\times?$
Investment business domain	\bigcirc	\bigcirc	\bigcirc	\bigcirc	$\bigcirc?$	$\bigcirc?$	$\bigcirc?$
Other business domains	$\bigcirc \sim \triangle$	$\bigcirc \sim \triangle$	$\bigcirc \sim \triangle$	$\bigcirc \sim \triangle$	$\bigcirc \sim \triangle?$	$\bigcirc \sim \triangle?$	$\bigcirc?$

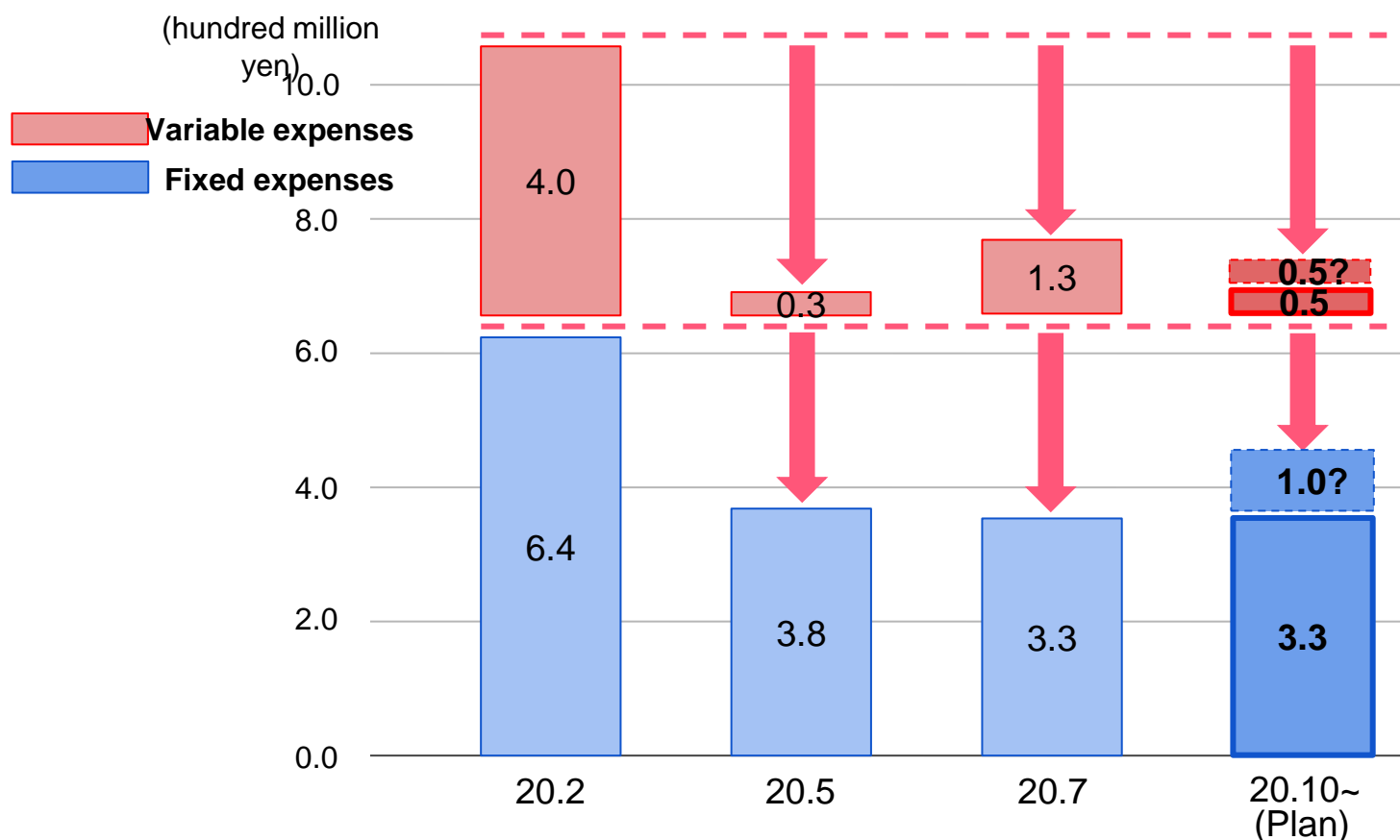
Continue to reduce cash outflows across the Group

~Control variable expenses and drastically reduce fixed expenses~



Plan to implement measures to reduce future cash outflows/costs

~Plan to continue curbing monthly SG&A to around 400-500 million yen after the current fiscal year through control of variable expenses and further reduction of fixed costs~



Optimization of costs through variabilization of operation costs

Variable expenses

Implement cost control when business is slack through variabilization of operation costs

Advertising expenses

Continue to optimize ratio of advertising expenses to gross profit

Further reduction of personnel expenses and other fixed expenses

Personnel expenses

Reduce total personnel expenses by 130 million yen per month

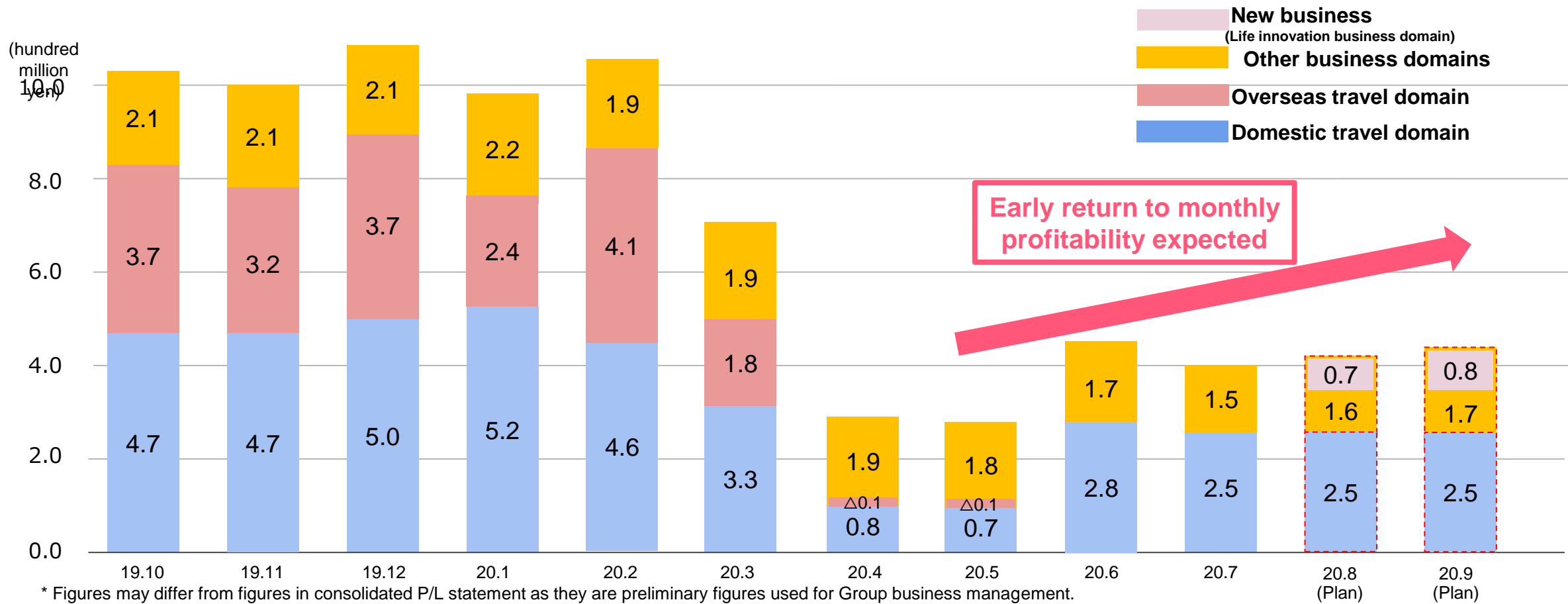
Make group-wide cuts in areas such as a directors' remuneration, regular employees, engineers and temporary and part-time workers

Other fixed expenses

Optimize system development structure and reduce rent and other fixed expenses

Gross profit: Early return to profitability on a monthly basis expected

~Seek early return to monthly profitability in the domestic travel domain and life innovation business domain~



* Figures may differ from figures in consolidated P/L statement as they are preliminary figures used for Group business management.

Forecasts will not be disclosed in view of impact of COVID-19

~A slight operating loss before impairment losses was recorded in FY20.3Q

Full-year operating income (loss) before impairment losses is expected to be within the range of a loss of 600 million yen to income of 400 million yen~

(million yen)

	FY20 Initial Plan	FY20.3Q Before Impairment Losses	FY20.3Q After Impairment Losses	3Q Rate of Progress
Handling Volume	180,000	66,975	66,975	37.2%
Net Sales	38,000	19,212	19,212	50.5%
Operating Income	2,000	△103	△1,147	—
Profit	1,300	△123	△1,167	—
Dividend	13 yen	—	—	—

Outcomes of Actions in FY20.3Q

~Actions related to Go To Travel campaign~

Opened special Go To Travel campaign site!!

~Expect to tap into domestic travel demand by starting to sell eligible products in the domestic travel domain~

The screenshot shows the homepage of the 'Go To Travel' campaign website. At the top, the 'エアトリ' (Air Trip) logo is on the left, and navigation links for 'HOME', '何で安くなるの? 仕組みを徹底解説' (Why is it cheaper? Detailed explanation of the mechanism), 'シェア' (Share), and 'ツイート' (Tweet) are on the right. The main banner features a scenic view of a bridge over water. A red banner at the top of the banner area says '開催中! 旅行代金が半額に!' (Ongoing! Travel costs are halved!). Below this, it says 'エアトリ国内ツアー割引販売開始!' (Air Trip domestic tour discount sales start!) with a link '国内ツアーを見る' (View domestic tours). The central text 'Go To Travel キャンペーン!' is large and colorful. Below the title, an example is provided: '例えば... <往復便+ホテルセット> 大阪(関西)⇄那覇 ホテル宿泊2泊3日(大人1名)※2'. A price comparison table shows the original travel cost (旅行代金) of ¥14,340, the actual payment (実負担目安) of ¥9,321, and the final price (実質金額) of ¥7,321 after a ¥2,000 regional coupon (※3). A note at the bottom of the banner mentions '※2 10/12発 JETSTAR利用 ホテル側プラザ ダブルルーム宿泊の場合 ※4 9月以降実施予定の地域クーポン券' (※2 For departure on 10/12 using JETSTAR, hotel side plaza double room stay. ※4 Regional coupon券 to be implemented from September onwards). Below the banner, a section titled 'Go To Travel情報とお申し込みはアプリが便利!' (It's convenient to get Go To Travel information and apply via the app!) includes a link '＜初めての方へ＞' (For first-time users) and instructions to scan the QR code from a smartphone or tablet to download the app. A QR code is provided on the right.

エアトリ

HOME 何で安くなるの? 仕組みを徹底解説

シェア ツイート

開催中! 旅行代金が半額に!

エアトリ国内ツアー割引販売開始! 国内ツアーを見る

Go To Travel キャンペーン!

例えば...

<往復便+ホテルセット>
大阪(関西)⇄那覇
ホテル宿泊2泊3日(大人1名)※2

旅行代金 ¥14,340
実負担目安 ¥9,321
さらに¥2,000分の地域クーポン券付き ※3

実質金額 ※4 ¥7,321

※2 10/12発 JETSTAR利用 ホテル側プラザ ダブルルーム宿泊の場合 ※4 9月以降実施予定の地域クーポン券

格安航空券エアトリトップ>GoToトラベルキャンペーン

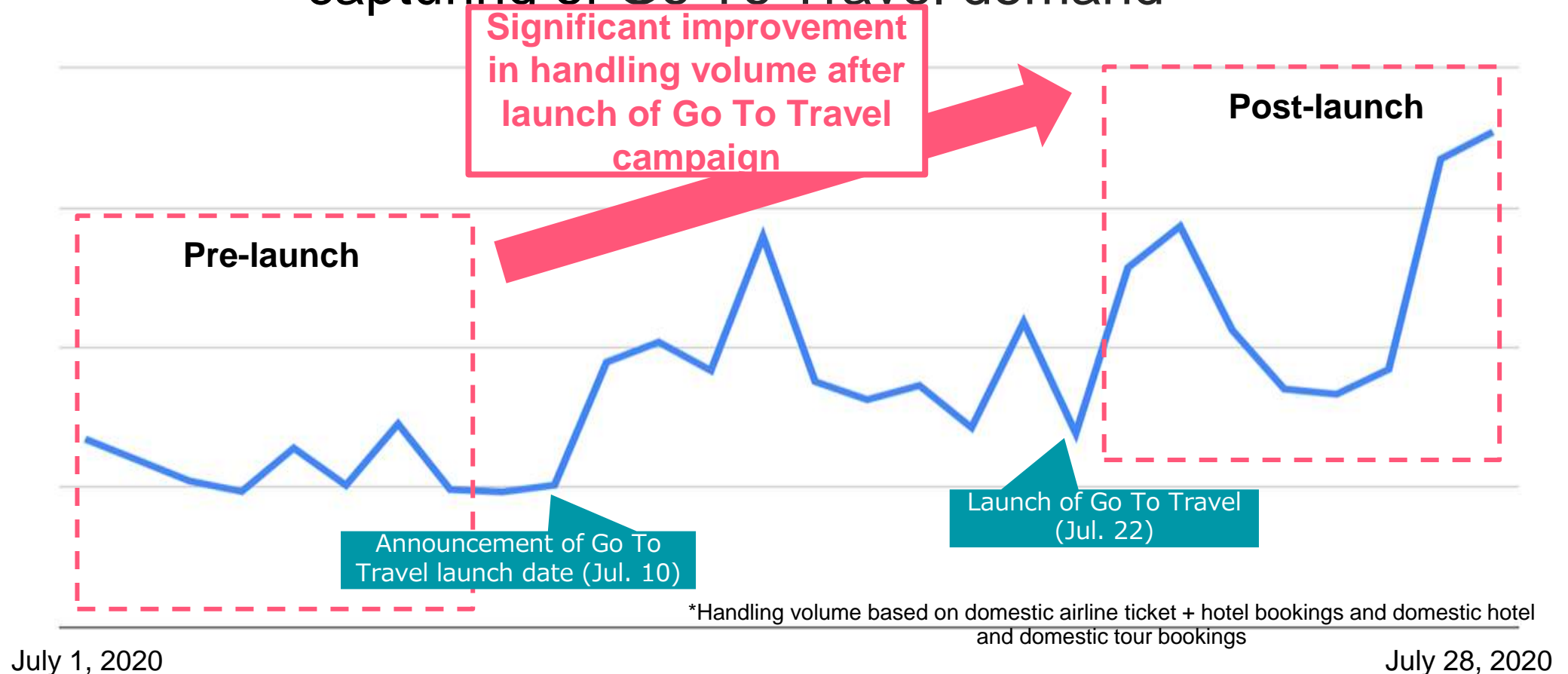
Go To Travel情報とお申し込みはアプリが便利!

＜初めての方へ＞
お持ちのスマホ・タブレットから、こちらのQRコードを読み込み、エアトリアプリをダウンロードしてください。

QRコード

Handling volume improved significantly due to launch of Go To Travel campaign

~Post-launch handling volume was **205%** of pre-launch volume, reflecting capturing of Go To Travel demand~



Combination of Go To Travel Campaign and AirTrip Special Campaign to Support “Appropriate Travel”

~Launched AirTrip’s own campaign for customers who agree to comply with new travel etiquette published by Japan Tourism Agency~



Display of information about “appropriate travel” on opening of AirTrip app

When app is opened, the need for “appropriate travel” is stressed to all users through display of “New Travel Etiquette”

Launch of AirTrip campaign round one

Launched AirTrip campaign where customers who book accommodation at a hotel in Japan with AirTrip are rewarded with 17% AirTrip points, in addition to the 35% Go To Travel Discount, giving them a total discount of up to 52%



Evolution of “AirTrip 2020” Growth Strategy

~Strategy for overcoming upheaval caused by COVID-19 and preparing for the post-coronavirus era~

Evolution into strategy for overcoming upheaval caused by COVID-19 and preparing for post-coronavirus era

~Take full advantage of the Go To Travel campaign and adapt to the ‘new normal’ for travel~

3

Utilize IT literacy and development capabilities to offer flexible services for the ‘new normal’

Utilize IT capabilities to develop services for the ‘new normal’ for travel

Aim to **develop new business models and services** based on understanding of anticipated **changes in styles of travel and lifestyles** in the post-coronavirus era

2

Conduct large-scale promotions that take advantage of recognition of AirTrip

Implement marketing strategies that take advantage of recognition of AirTrip

Formulate and implement **marketing strategies** which take advantage of **recognition of “AirTrip” brand** built up to date and organic inflows

1

Steadily capture domestic travel demand by taking advantage of Go To Travel campaign

Strengthen collaboration with government agencies, local partners and airlines

Take full advantage of government measures to stimulate domestic travel demand including the **Go To Travel campaign**, which pays **35%** of travel expenses

Started up health care business as new business base

~Further strengthened Life Innovation Business Domain~

Creation of new business in Life Innovation
Business Domain



Improve service quality and increase business efficiency focusing on domestic travel domain

~In addition to previous strategies, use technology to further automate operations~

AirTrip Travel Business	Products	<ul style="list-style-type: none">▪ Focus on UI/UX improvements as before and aim to drastically improve service quality▪ Conduct various campaigns focusing on domestic travel domain in preparation for recovery of travel demand
	Marketing	<ul style="list-style-type: none">▪ Continue aiming to increase recognition of AirTrip by implementing the optimum marketing measures▪ Reduce the ratio of advertising expenses to gross profit to efficiently attract customers
	Technology	<ul style="list-style-type: none">▪ Increase use of technology to further automate operations and achieve higher business efficiency in call center functions

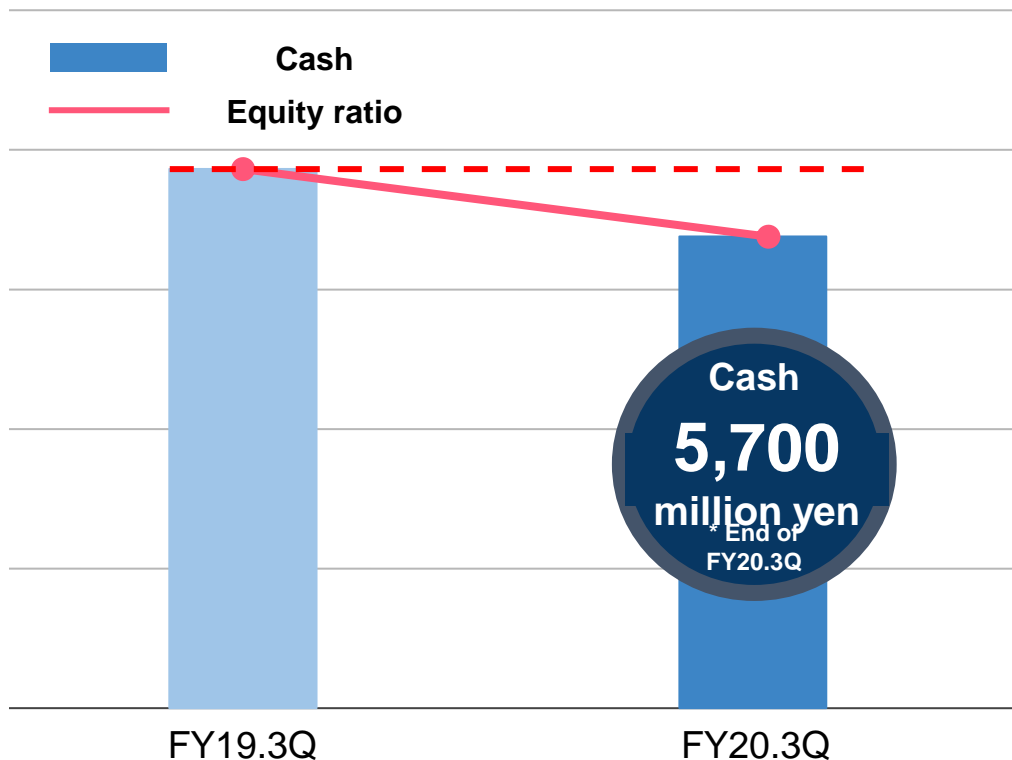


Steadily capture domestic travel demand, which is now starting to pick up, by implementing “AirTrip 2020” growth strategy which anticipates post-coronavirus era

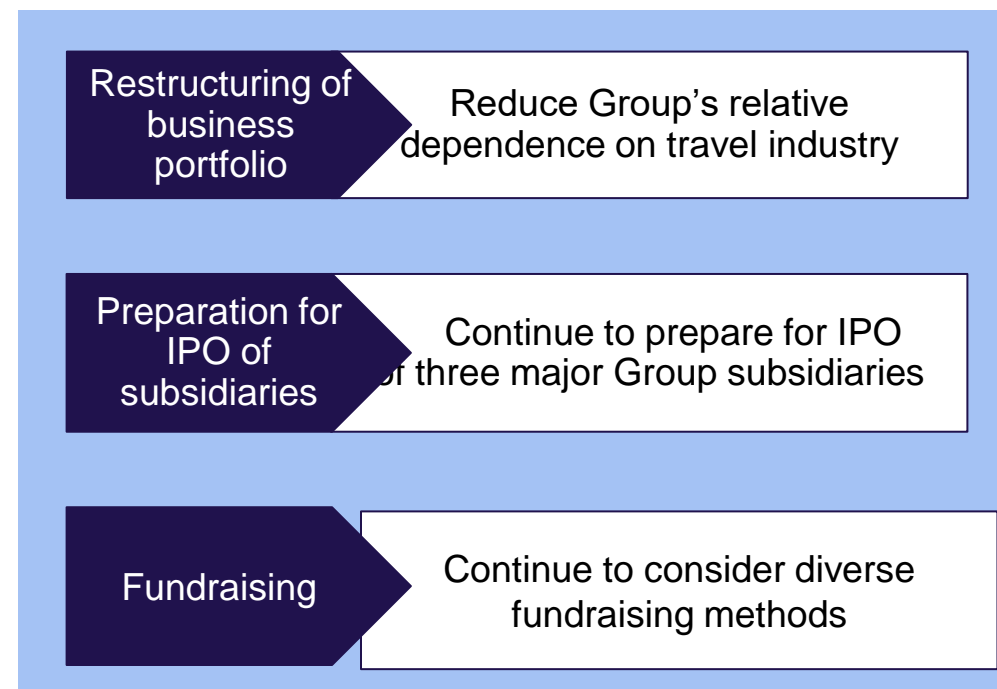
Strategy of further increasing on-hand liquidity while maintaining healthy financial position

~Maintain financial health through combination of significant cost-cutting measures described earlier and measures to boost cash balances~

Financial health (consolidated basis)



Financial strategy of improving financial health and on-hand liquidity



	1st Issuance of CBs	14th Issuance of Warrants
Planned Funding Amount	1 billion yen	5.1 billion yen (initial exercise price equivalent)
Issue Price	102 yen per 100 yen	25 million yen (total issue price)
Maturity Value	103 yen per 100 yen	-
Interest Rate	0.00%	-
Maturity Date / Final Day of Exercise Period	September 13, 2023	September 13, 2023
Initial Conversion Value / Initial Exercise Value	1,500 yen (104% of closing price on August 26)	1,438 yen (100% of closing price on August 26)
Minimum Conversion Value / Minimum Exercise Value	1,007 yen (70% of closing price on August 26)	1,007 yen (70% of closing price on August 26)
Number of Potential Shares	Initial conversion price equivalent: 666,666 shares Minimum conversion price equivalent: 993,048 shares	3,550,000 shares (fixed)
Voting Rights Dilution Rate	Initial conversion price equivalent: 3.3% Minimum conversion price equivalent: 4.9%	17.7%
Allottees	SBI Securities	Mizuho Securities / SBI Securities

- To deal with the downside risks from COVID-19, the AirTrip will effectively utilize the capital market as a listed company to make improvements to its cash position and financial health while financing the **defensive** and **offensive** measures carried out in support of the [AirTrip 2020](#) growth strategy and [AirTrip 5000](#) medium-term management strategy.

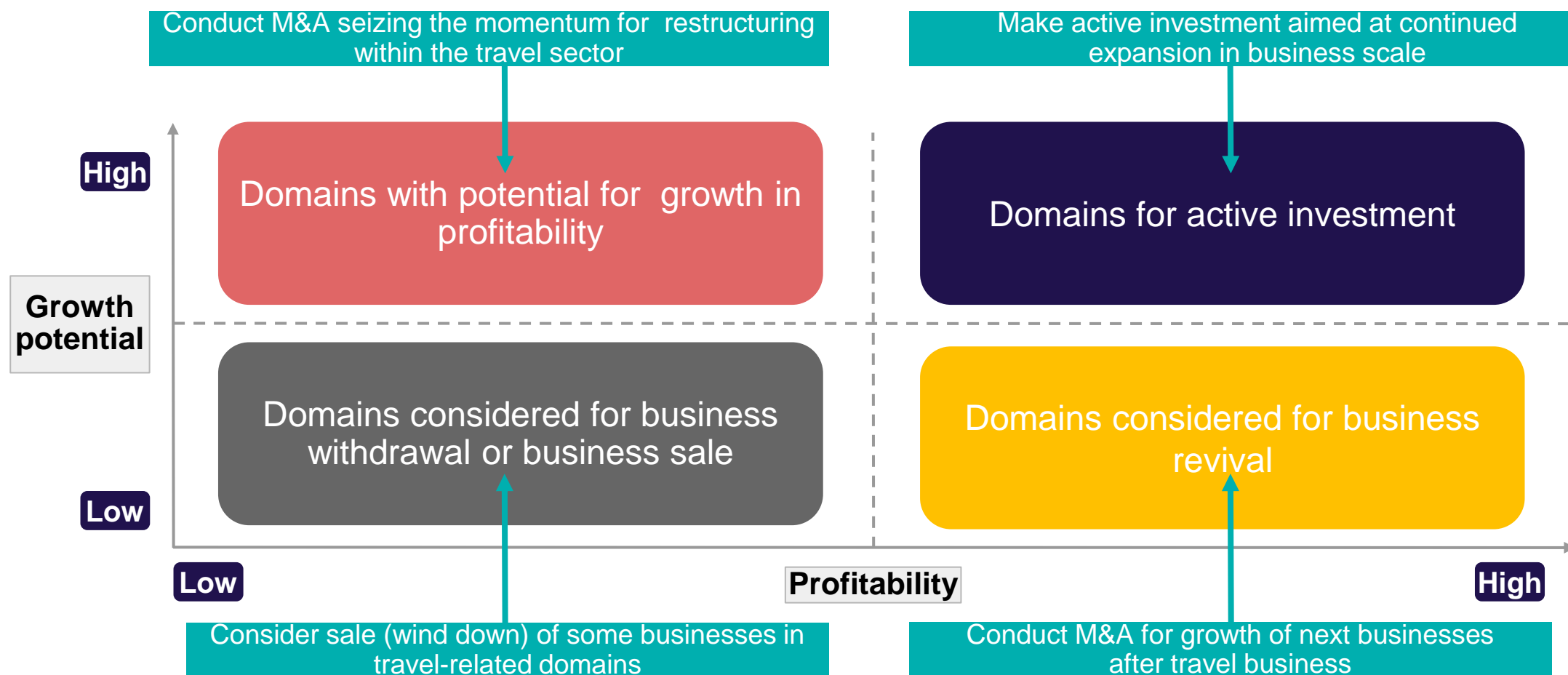
- A scheme combining convertible bonds (CB) with stock acquisition rights (warrants) will achieve [\(1\) early stage financing](#) and [\(2\) financing accounting for phases in the future recovery of stock prices \(controlling immediate dilution\)](#)

- By looking at the phases of the future recovery of stock prices, the Company **aims to procure funds at a higher market capitalization level** than previous financing. Exercising of the warrants will be permitted when a share price consistent with Company policy has been reached. Depending on the movement of share prices, the progress of financing and the demand for funds, the Company will acquire remaining warrants at its discretion and also **ensure flexibility** in the ability to control dilution.

- By [\(3\) fully utilizing the investor client bases of two companies](#), SBI Securities and Mizuho Securities, the Company will place an emphasis on **procuring funds while eliminating the negative impact on the demand and supply of shares as much as possible.**

Push ahead with new M&A and the sale of some subsidiaries

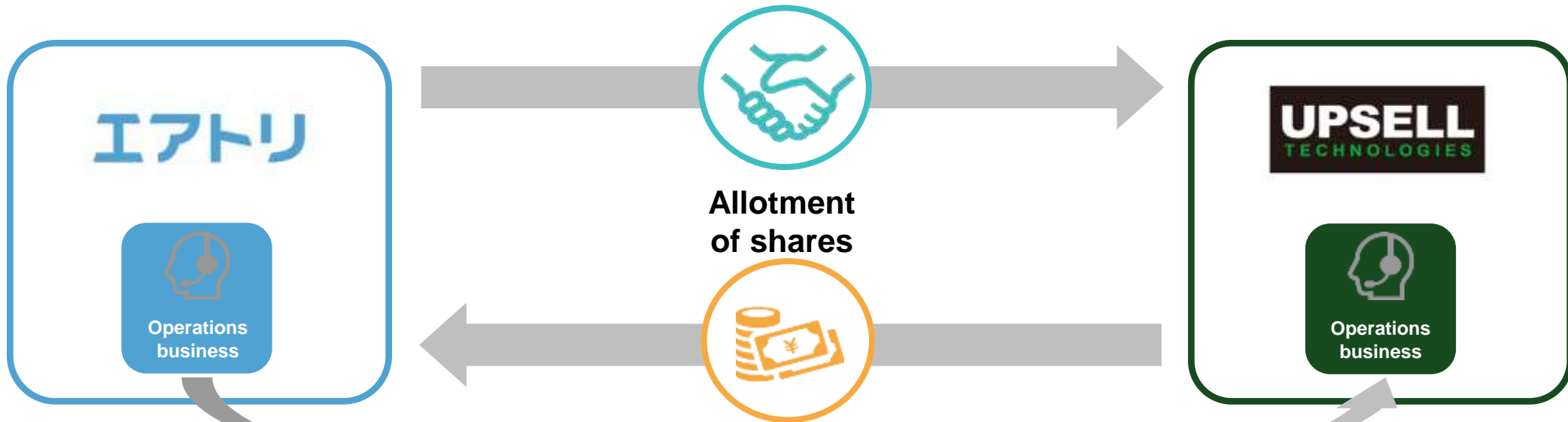
~Restructure the Group’s business portfolio based profitability and growth potential~



Strengthened capital and business alliance with investee

Upsell-Technologies

Outsourcing of
operations



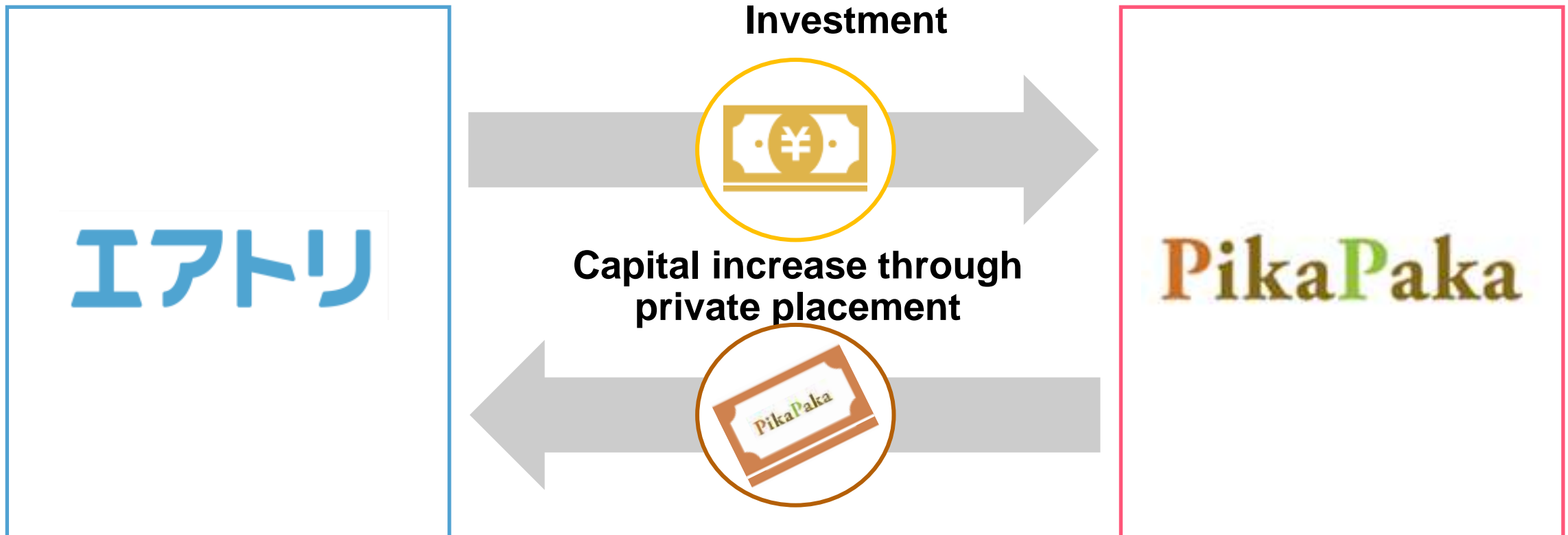
Transfer

- Optimization of costs and variabilization of expenses
- Strengthening of structure in preparation for demand recovery phase (Go To Travel campaign, etc.)
- Strengthening of development of investee

- Entry to travel business and pursuit of synergy with existing business
- Discontinuous growth through M&A
- Strengthening of IPO preparations

Made investment in PikaPaka in connection with startup of health care business

~Creation of businesses encompassing travel/business trip and healthcare fields and launch of PCR/antibody test service~



Made steady progress with preparations for listing of major Group subsidiaries

Magmag was approved for listing. Two other companies are also accelerating growth ahead of being listed.



Sept. 24 planned
listing date

Life innovation business



Handling volume in FY20.3Q **910**
million yen

Overview of most recent reporting period

Business of operating one of industry's largest e-mail magazine distribution platforms performed solidly and the impact of COVID-19 was insignificant.
Plan to leverage contents and customer base to accelerate growth of media advertising business.

Japan inbound travel business



Handling volume in FY20.3Q **890**
million yen

Overview of most recent reporting period

Acquired Global Mobile, Inc. in April 2020 and accelerated growth of Wi-Fi business.
Also entered ticket-type concierge business through acquisition of “Tabiko” business, with aim of establishing new earnings base.

IT offshore development business



Net sales in FY20.3Q
1,540 million yen

Overview of most recent reporting period

Posted substantial increase in net sales thanks to the provision of hybrid development services that pursue high quality and cost performance.
Voted highest ranking Japanese company in Vietnam Best IT Companies for second consecutive year.

In the fifth IPO project, **Cyber Security Cloud** was listed and sold
In the sixth IPO project, **Headwaters** received approval for listing.*

~Many exit projects and value enhancement projects~



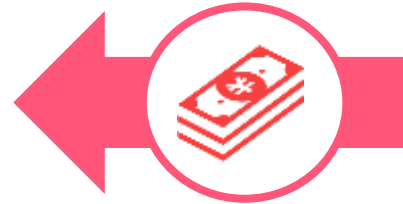
* Listing approval on August 24. Planned listing date of September 29. Note that as stated in the [announcement materials issued on January 16, 2018](#), investment is through the Primerock 2 Investment Business Limited Partnership (Head Office: Shibuya-ku, Tokyo, Representative Partner: Kentaro Sugihara).

Conclusion of a commitment line agreement with Mizuno Bank

Ensuring a stable line of credit for operating funds to prepare for the
aftermath from the effects of expanding COVID-19 infections

エアトリ

Conclusion of
Commitment Line
Agreement



Mizuho
Bank, Ltd.

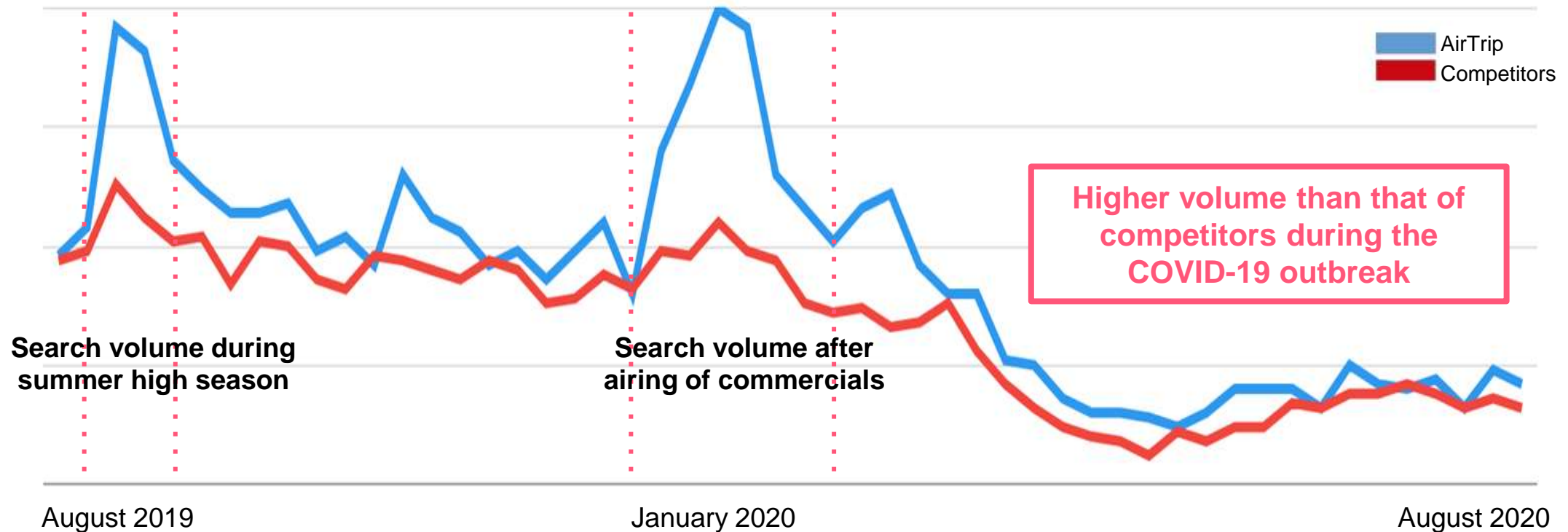
Agreement Expiry: September 30, 2020 → extension to March 31, 2021 planned
Agreed credit line: 1.5 billion yen
Use of funding: short-term operating funds

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- However, the AirTrip Group's existing costs were cut by a massive 55% and the Group's downside risk was reduced in other businesses.
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FY20.3Q Business Progress

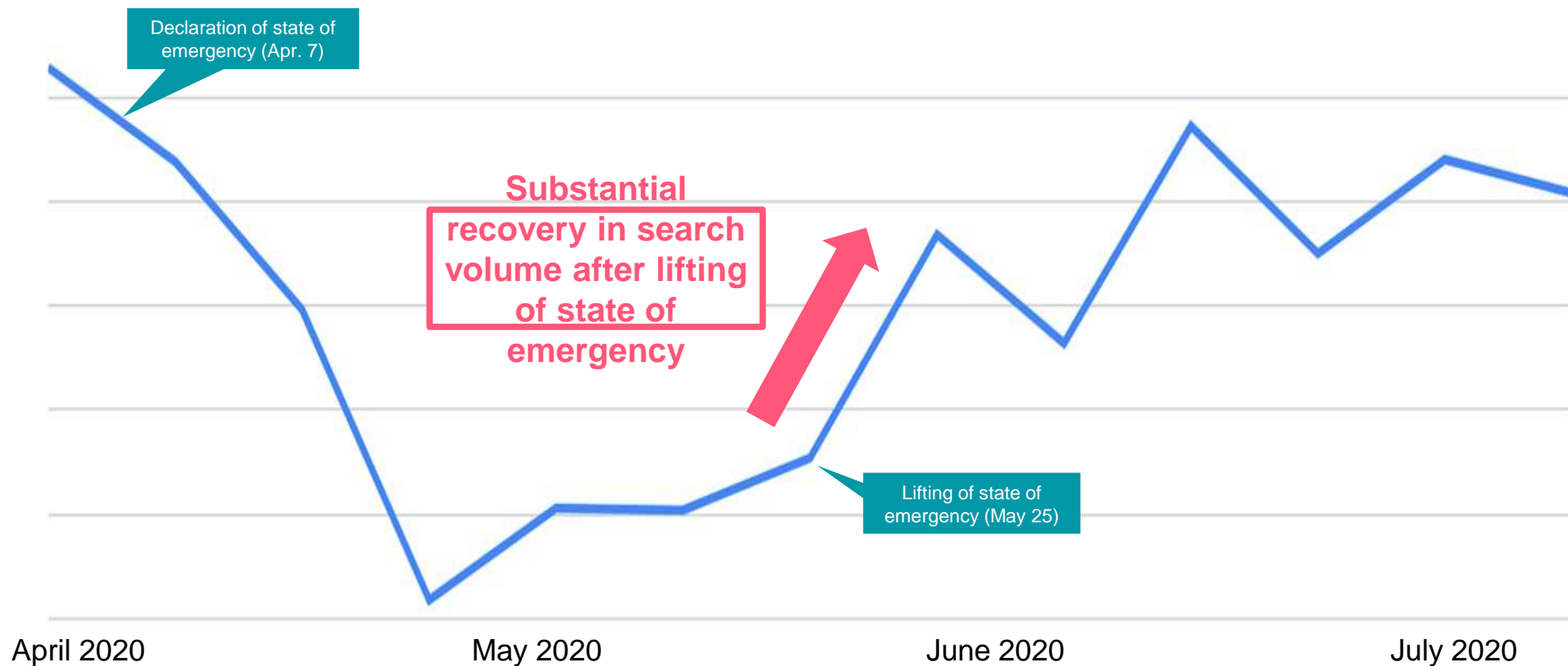
Search trend bottomed out as a result of improvement in **AirTrip** recognition

~Search volume was higher than that of competitors both on a full year basis and during the COVID-19 outbreak ~



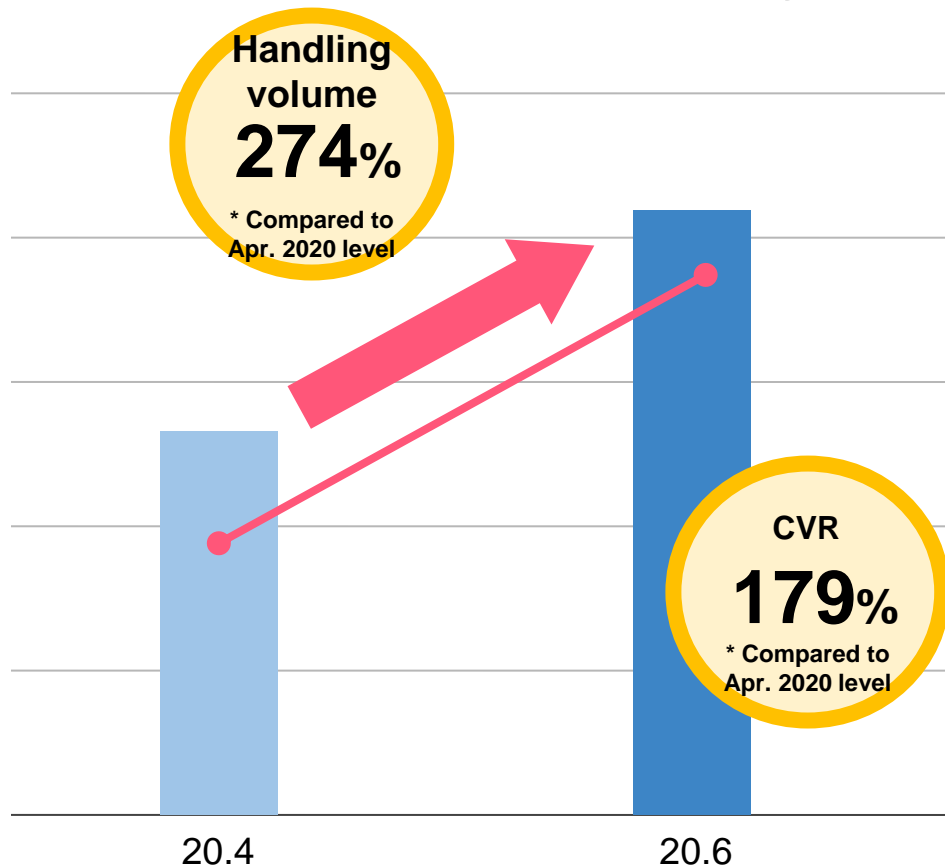
Search volume through “AirTrip” keyword showed recovery tendency despite upheaval caused by COVID-19

~Recovered to level before the declaration of state of emergency~



Handling volume showed recovery tendency due to growing travel demand after lifting of state of emergency

~Compared to April level, handling volume was **274%** and organic CVR was **179%**~



Substantial recovery in handling volume after lifting of state of emergency!!

Handling volume recovered rapidly due to growing summer holiday travel demand after the lifting of the state of emergency

Recovery of organic CVR to pre-COVID-19 levels

Organic inflow CVR recovered to pre-COVID-19 levels, contributing to improvement in handling volume and gross profit

Launched plan with rental camping car

~Expanded product lineup for greater convenience~



Offering travel and leisure “avoiding the 3Cs” during and after COVID-19

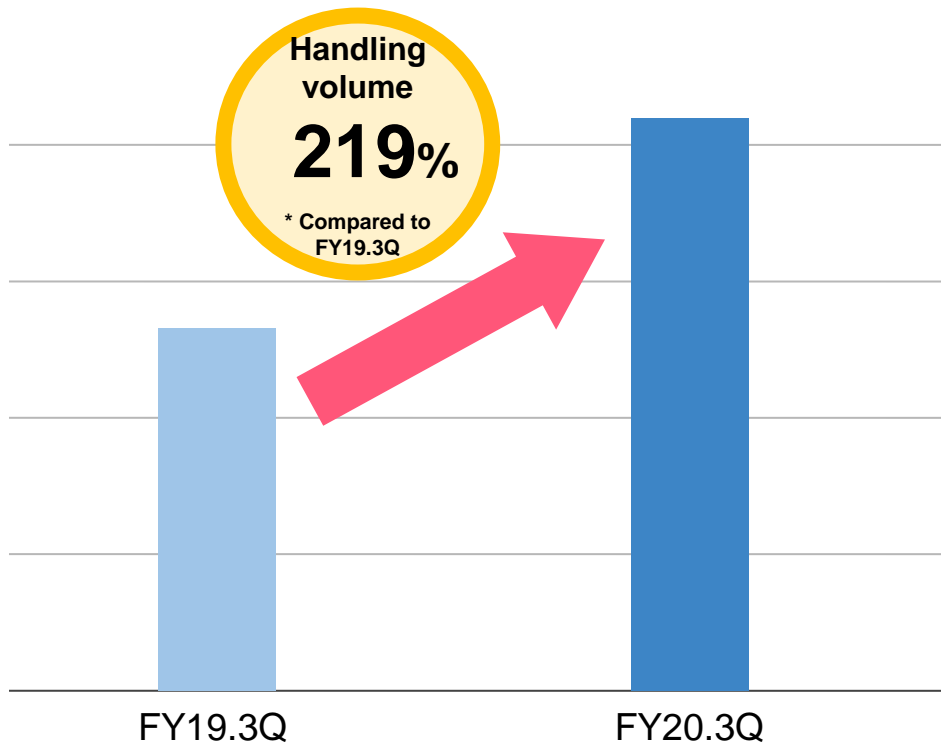
- **75% of people are interested in “road trips”** as a way to travel during and after COVID-19!!!
- Proposing road trips not only as a way to travel but with the added benefit of a camping car for overnight stops !!
- Offering a **new travel experience** for group trips including family trips and student trips

*Feature only available on smartphone app

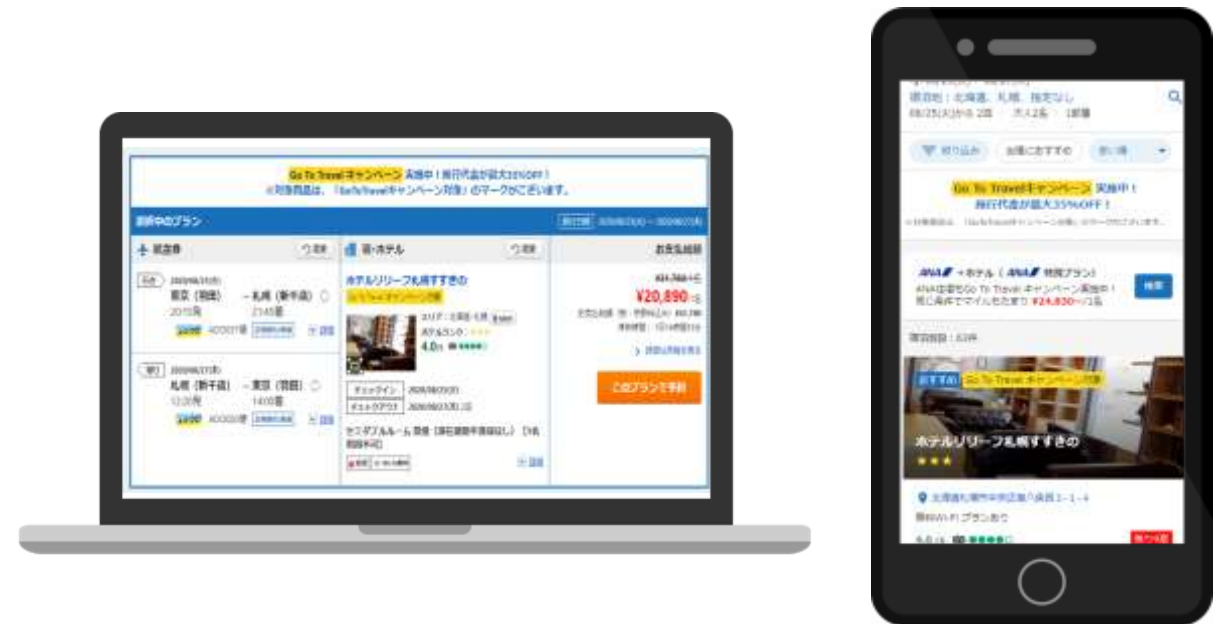
Launched Go To Travel campaign products

~Handling volume after launch of Go To Travel campaign reached **219%** of year-ago level~

After launch of Go To Travel campaign, handling volume reached 219% of level in same period of previous year

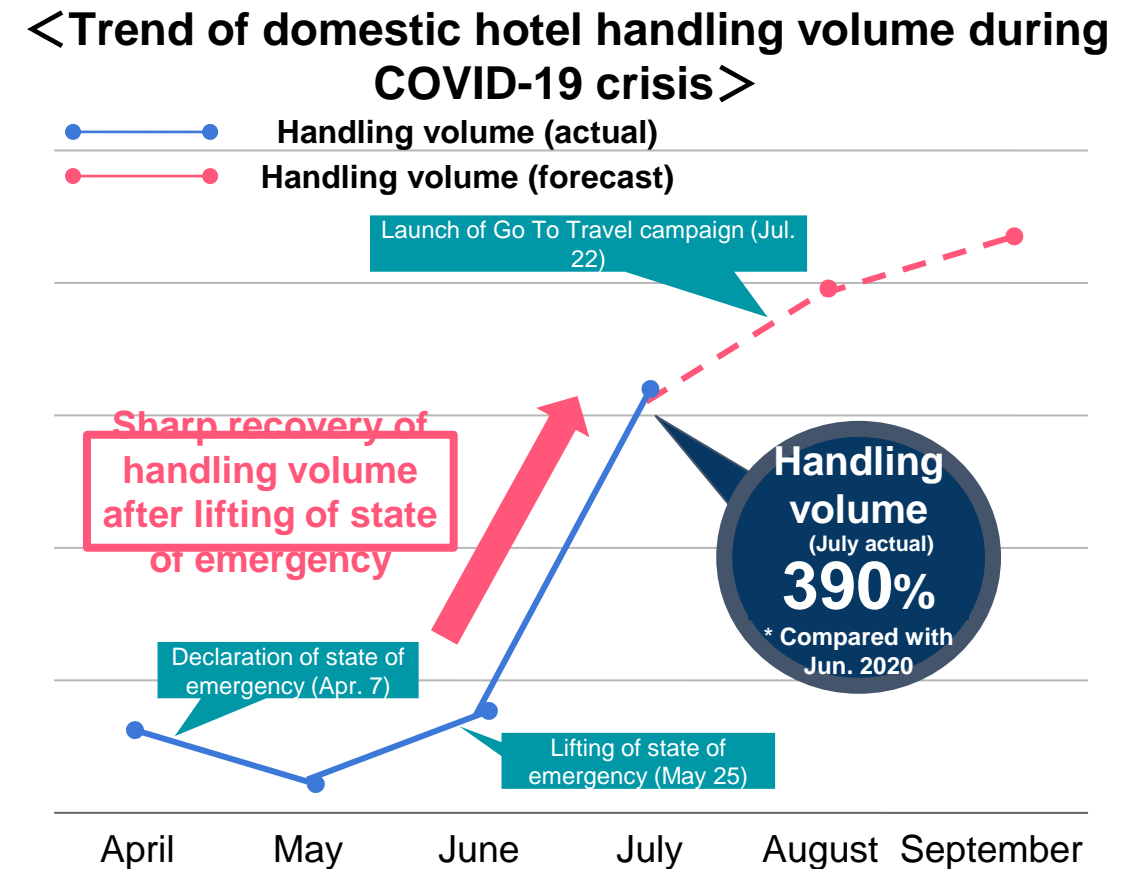
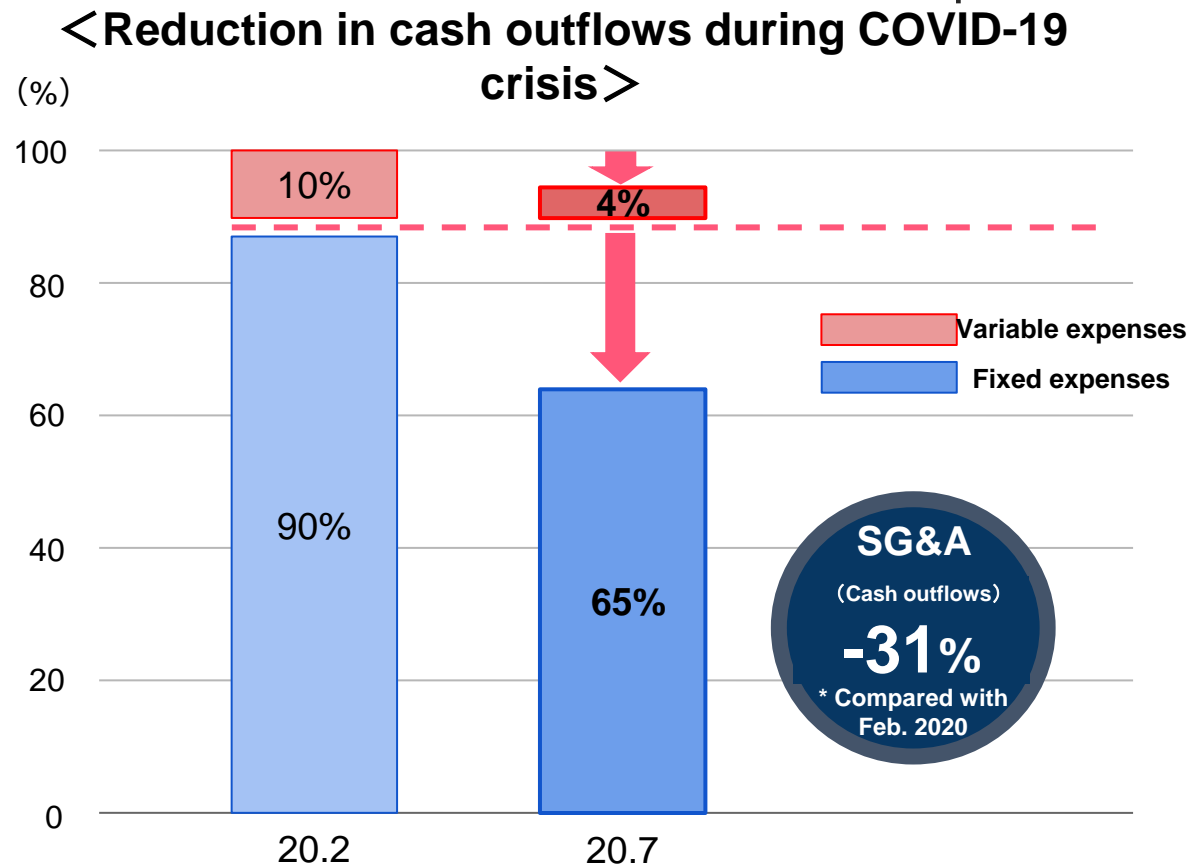


AirTrip Plus provided rigorously selected campaign products which follow company guidelines, offering safety and peace of mind



Achieved sharp recovery in handling volume during COVID-19 crisis by steadily tapping into accommodation needs whilst at the same time curbing business operating costs

~Costs were down **31%** compared with Feb. 2020, while handling volume reached **390%** compared with previous month~



Provided services to meet accommodation needs of Go To Travel campaign users

~Captured accommodation demand by rewarding Go To Travel campaign users with a discount of up to 52%~

Started selling products eligible for Go to Travel campaign at discounted price

Started selling travel products at 35% discount to quickly meet accommodation demand of Go To Travel campaign users



Gave Go To Travel campaign users a discount of up to 52% on domestic hotel bookings

Rewarded customers with 17% AirTrip reward points in addition to Go To Travel campaign discount, giving them a total discount of up to 52%



Improved UI/UX of booking site from customer perspective to fully meet Go To travel conditions

Made improvements to UI/UX of booking site from a customer perspective to fully meet the complex conditions of the Go To Travel campaign



Offered Go To Travel campaign users accommodation facilities which comply with COVID-19 countermeasures

Designed site on which accommodation facilities eligible for Go To Travel campaign are immediately distinguishable for each popular area



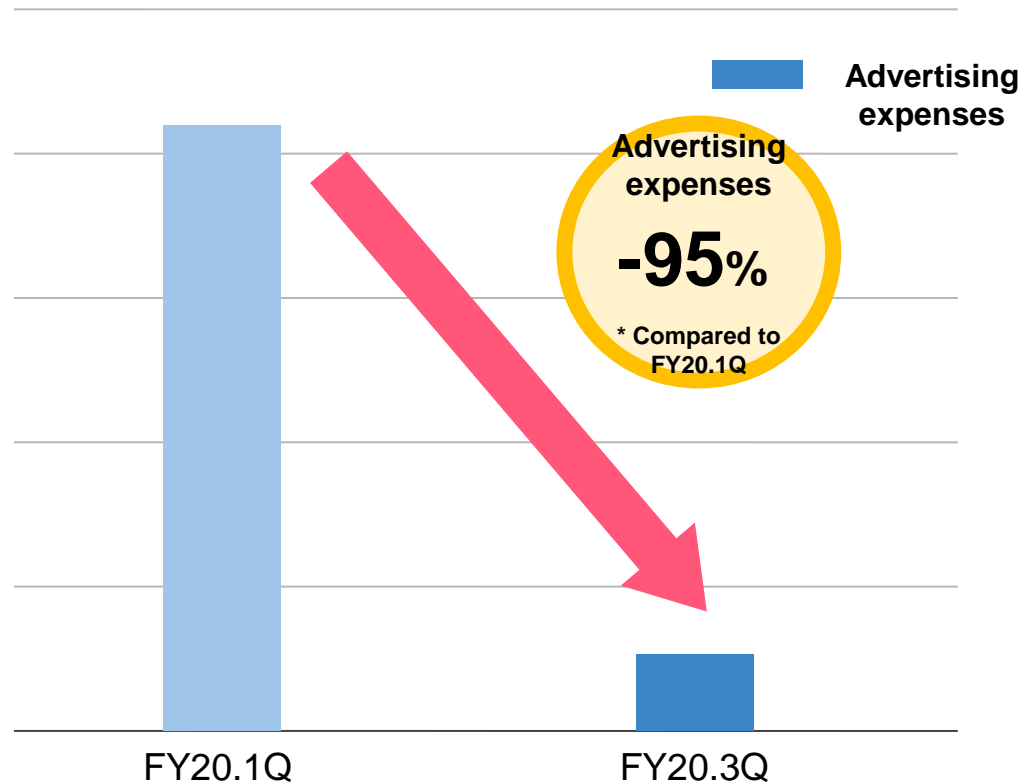
Started selling products eligible for Go To Travel campaign at discounted price

~Handling volume after launch of Go To Travel Campaign exceeded level a year earlier~



Minimized impact of COVID-19 through drastic cost reductions

~Achieved **95%** compared with 1Q level through review of advertising expenses due to COVID-19~



Radical review of marketing costs

Suspended paid advertising to attract customers during COVID-19 crisis and examined resumption based on assessment of signs of recovery

Optimal pricing based on market situation

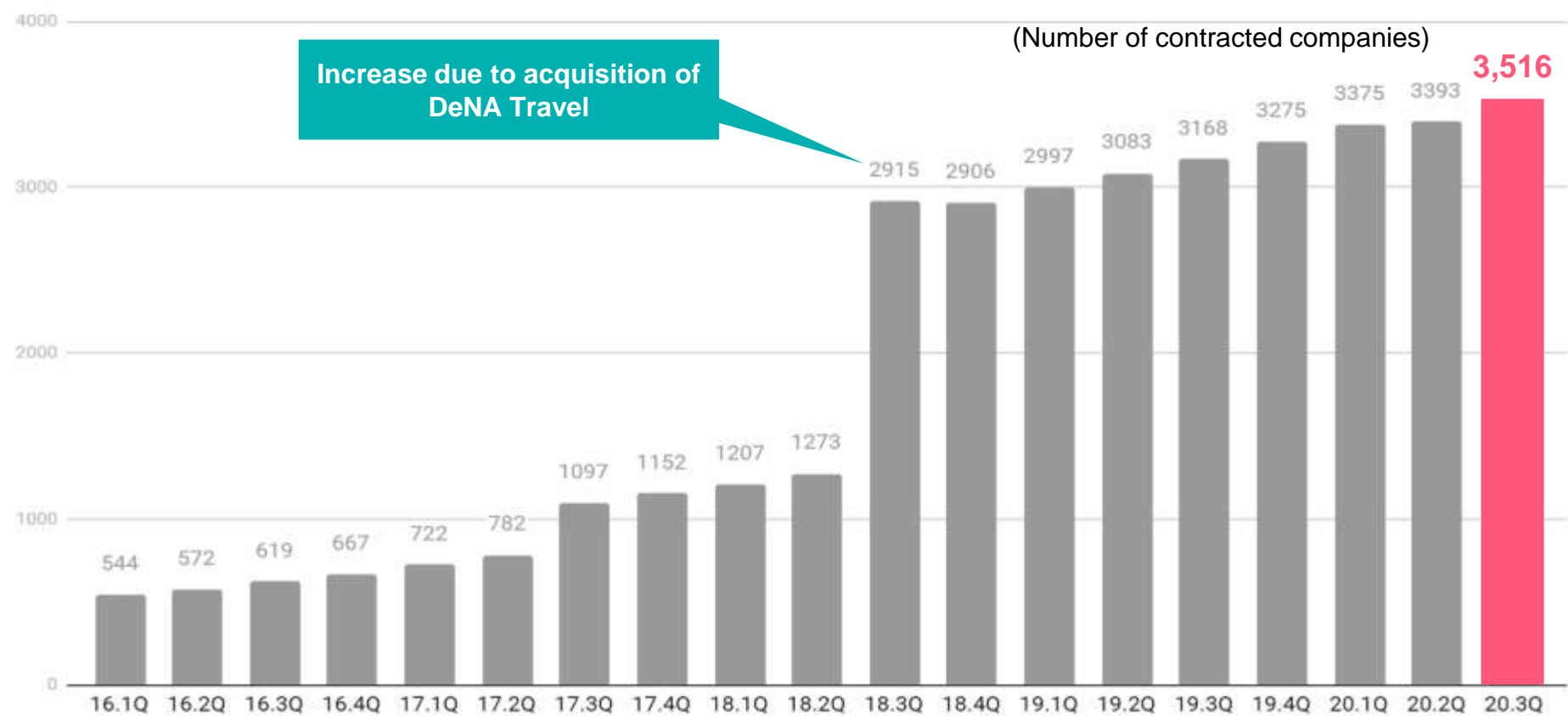
Carefully examined reasonable price brackets based on daily user trend and adopted optimal pricing according to situation

Careful examination of scope for cost reduction and reduction of some fixed expenses

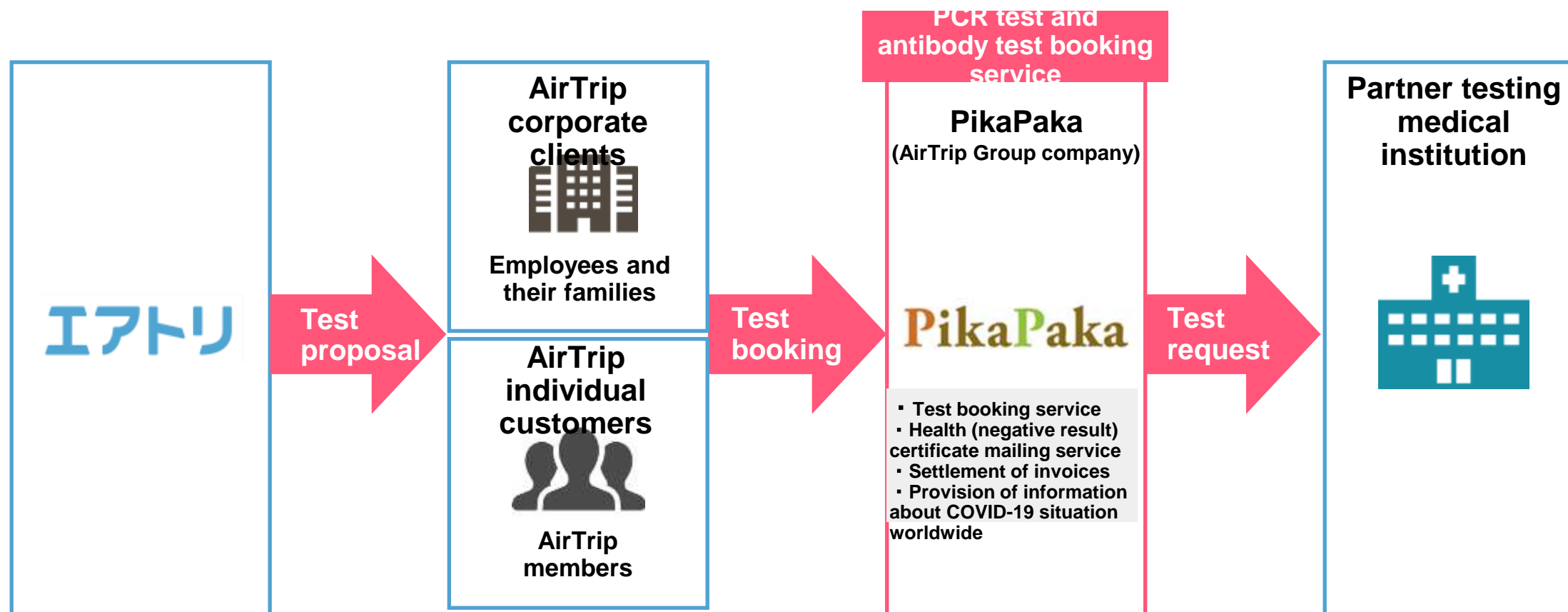
Carefully examined scope for cost reduction by taking stock of operations and reduced

some fixed expenses which made no business sense

Number of BTM clients: Business base is still robust despite slowdown in number of contracted companies due to COVID-19



Launched PCR Test/Antibody Test Booking Service for Corporate Clients as Part of Support for Fight Against COVID-19!!



Number of new orders for development projects increased steadily

Number of new
orders

6

SMbrand



and 4 other
companies

Launch of development/production service combining grant application support!!

~Supporting IT use with the help of grant recipients ~

補助金×申請サポート&開発/制作

申請から開発、納品後の報告申請までワンストップでご対応いたします！



ものづくり補助金

最大1,000万円!
補助率～2/3
個人事業主・中小企業

IT導入補助金

最大450万円!
補助率～3/4
中小企業

小規模事業者持続化補助金

最大100万円!
補助率～3/4
小規模事業者

※詳細は交付規定に基づく
※その他、事業継承補助金、非対面型サービス導入支援金等のサポートも可能

Development/Production Service Combining Grant Application Support
One-stop shop service covering every stage from application to development and report submission after delivery
Consultation
Application support
Selection
Development/Production
Report submission support
Issuance of grant
Manufacturing grant
Up to 10 million yen!
Grant rate: 2/3
Self-employed/ SMEs
IT introduction grant
Up to 4.5 million yen!
Grant rate: 3/4
SMEs
Small Business Sustainability Grant
Up to 1 million!
Grant rate: 3/4
Small businesses
*Details are based on issuance regulations.
Other support such as business succession grants and financial assistance for introduction of non-face-to-face services is also available

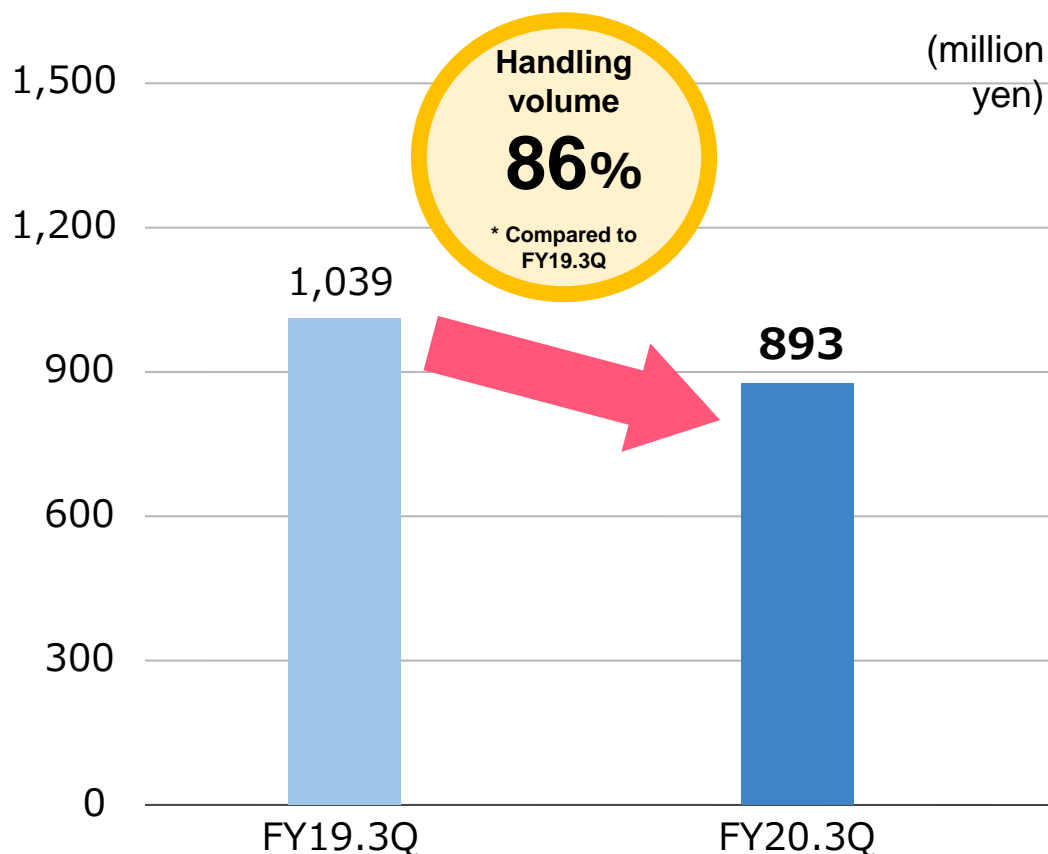
Strengthening of investment development: 64 companies; total investment amount: 2.3 billion yen

* As of July 2020



Covered decline in inbound demand by capturing domestic demand

~Handling volume was **86%** compared to FY19.3Q~



Increased corporate demand in WiFi business

Corporate demand grew due to increase in telework, offsetting decline in inbound demand

Strong performance in camping car business

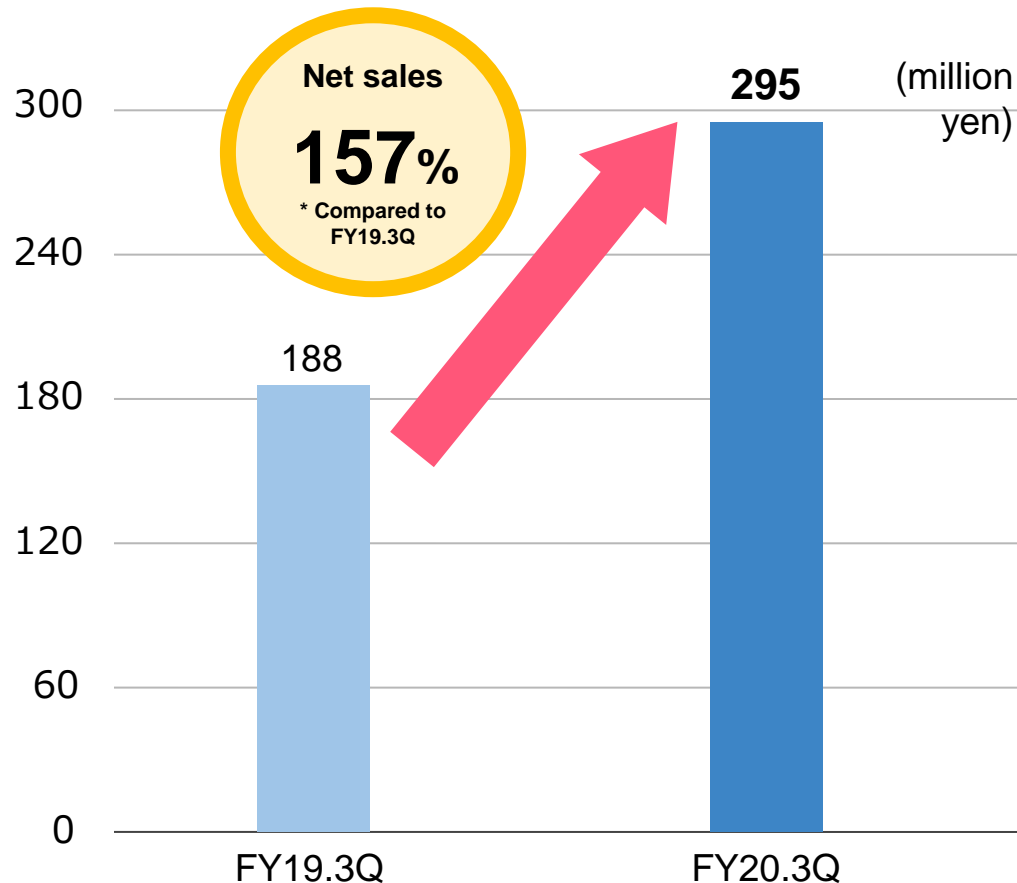
Demand for camping cars that enable travellers to avoid the 3Cs was solid among Japanese customers

Increased cost efficiency through measures such as closure of currency exchange store

Improved efficiency of fixed expenses through closure of Ueno currency exchange store and review of purchases

No. 1 in Japanese offshore development in Southeast Asia through hybrid development

~Net sales were **157%** compared to FY19.3Q~



Made Dentsu Techno Camp into a wholly owned subsidiary

Aim to strengthen digital marketing domain and to increase added value by combining hybrid development and DTC's solutions

Launched One-stop AI Development Service

Formed business alliance with Nishika which specializes in high precision AI model development to realize provision of a one-stop-shop service combining AI models and offshore development

Established business base by combining tea manufacturing expertise with AirTrip assets

~Further strengthened life innovation business~



Achieved cost reductions by strengthening operating base

Achieved higher income through realization of organizational reform and drastic cost reductions

Prepared for growth through operation of EC sites and overseas expansion, etc.

Improved profitability through expansion of e-commerce with individual consumers and expansion of sales channels focusing on Asia

Prepared for development of new businesses

Strengthened business base through the development of new businesses combining Hikawa processing technology with AirTrip knowhow

Made huge cost reductions and took various actions in response to COVID-19



Drastically cut costs

Reduced previous cash outflows by 89% in response to COVID-19 without making any job cuts

Maintained communication with Hawaiian tourist destinations

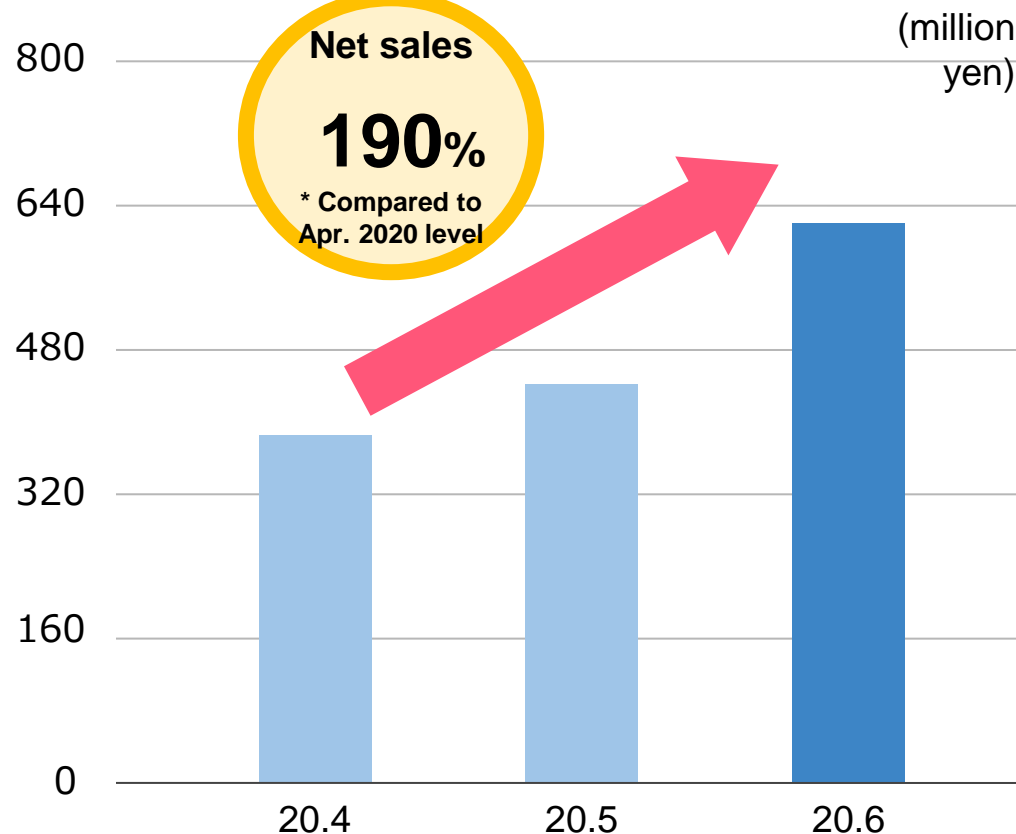
Gave daily updates on situation at Hawaiian tourist destinations including hotels and restaurants

Started handling Okinawa wedding tours!!

Informed customers wanting a resort wedding in Hawaii about wedding options in Okinawa

Net sales recovered sharply through appeal of products based on assessment of market trends

~Net sales reached **190%** compared with April 2020 level~



Increased sales and profits based on assessment of market trends

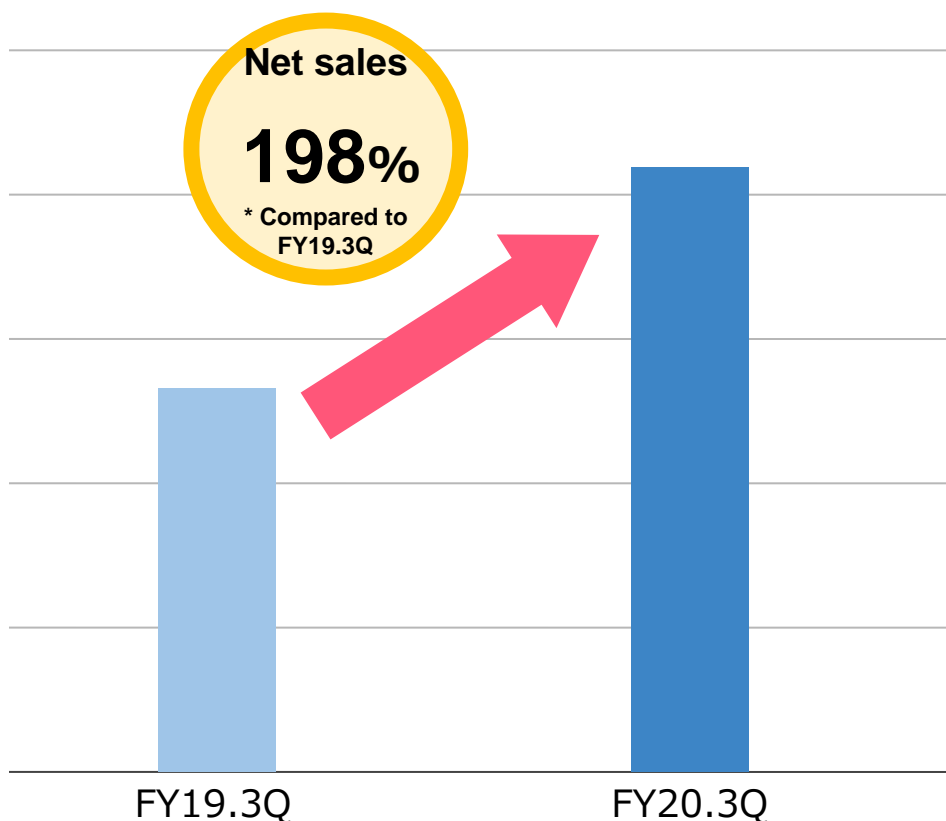
Steadily increased sales and profits by appealing to customers with a lineup of products tailored to the season based on an accurate understanding of active customer trends

Made cost reductions according to earning capacity of stores

Reduced costs by closing stores or shortening their opening hours according to their earning capacity

Increased productivity by replacing listed properties and sharing knowhow

Net sales reached **198%** of level in 3Q of previous year



Increased productivity through careful examination and replacement of listed properties

Whilst the total number of properties remained mostly unchanged during COVID-19, productivity improved significantly through careful examination and replacement of properties listed

Increased handling volume by sharing knowhow on improving occupancy

Developed unique expertise in improving the occupancy of properties. The occupancy rate of almost all properties and handling volume improved significantly through the sharing of this knowledge.

エアトリ

- These materials contain forward-looking statements related to industry trends and the Company's business development based on the Company's current expectations, estimates, and forecasts.
- A variety of risks and uncertainties are inherent in the assertions made in these forward-looking statements. Known and unknown risks, uncertainties, and other factors may result in differences from the statements included in assertions related to forward-looking statements.
- The Company's actual future business and operating performance may differ from the forward-looking statements contained in these materials.
- The assertions related to forward-looking statements made in these materials are based on the best information currently available to the Company and will not update or revise any forward-looking statements to reflect future events or conditions.