



September 11, 2020

Company Name: Ateam Inc.

Representative: Takao Hayashi, President

(Code Number: 3662)

Contact: Akinori Mitsuoka, Corporate Officer/IR Officer, General Manager of Corporate Development Division

(Tel: +81-52-747-5573)

Notice Concerning Recording of Extraordinary Loss

Ateam Inc. (hereafter Ateam) announces that an extraordinary loss will be recorded for the fourth quarter of the fiscal year ended July 31, 2020 (May 1, 2020 through July 31, 2020) as follows.

1. Cause Concerning Extraordinary Loss (Consolidated)

Ateam hereby recorded an extraordinary loss totaling 206 million JPY for non-current assets in the fourth quarter of the fiscal year ended July 31, 2020.

To prevent the spread of new COVID-19 infections, we have been promoting remote work in several stages starting February 2020, and as of August, approximately 85% of our employees are now working from home. From the perspective of how working from home has not hindered business, along with supporting a flexible work style for our employees, Ateam has decided to continue remote work until July 31, 2021.

As for the work style after August 2021, we aim to respond flexibly.

Based on the above, to optimize business operations and reduce fixed costs, we have decided to terminate office leases for part of the Osaka office and Fukuoka office in the fiscal year ending July 31, 2021. As a result, a loss of 191 million JPY in non-current assets along with other impairment loss will be recorded, totaling 206 million JPY in extraordinary loss.

Additionally, restoration costs are expected to incur upon the termination of office leases and will be disclosed accordingly.

Upon termination of leases, rent and common service costs will decrease, and is expected to contribute to future business improvement.

2. Impact on Business Performance

The above-mentioned extraordinary loss is reflected in the “Consolidated Financial Results for The Fiscal Year Ended July 31, 2020 (Japan GAAP)” that was released today.