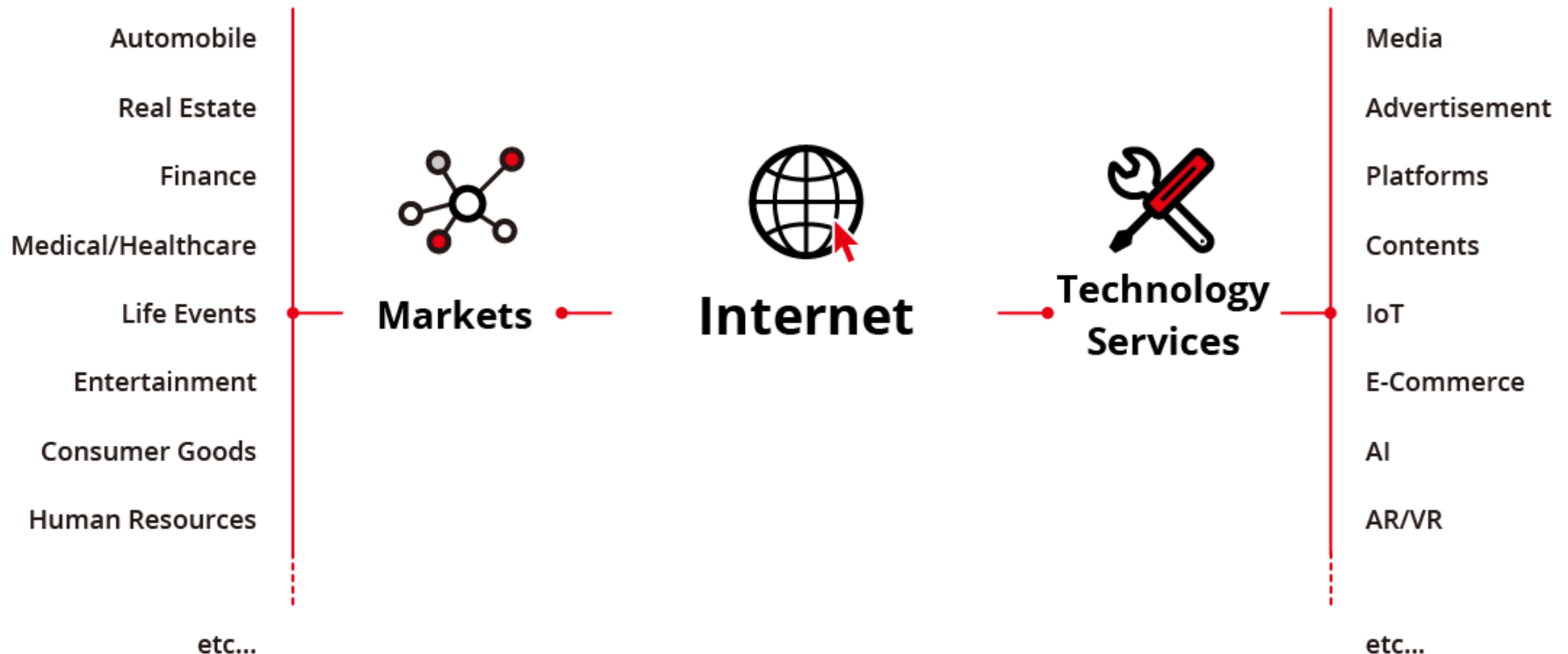


Ateam Inc.

Business Report FY2021 Q2

March 12, 2021

Ateam is an IT Company that Develops Business Around the Internet



Index

- 1. Important Notice**
 - 2. FY2021 Q2 Financial Results**
 - 3. FY2021 Q2 Business Details**
 - 4. FY2021 Guidance**
 - 5. Medium- and Long-Term Policy**
- APPENDIX A : Company Overview
 - APPENDIX B : Supplementary Financial Data

1. Important Notice

2. FY2021 Q2 Financial Results
3. FY2021 Q2 Business Details
4. FY2021 Guidance
5. Medium- and Long-Term Policy

Important Notice (1)

Pure Holding Company

Pure Holding Company

Purpose

- To become a platform for business creation
- Improve the speed of each business' decision-making
- Educate personnel with management experience
- Raise corporate value while enhancing group management

Matters Resolved

- **Transition to a pure holding company**
- **Establish 2 subsidiaries** as split preparation companies

Schedule (tentative)

Establishment of Preparation Company: April 22, 2021
Absorption-Type Split Agreement Date: May 13, 2021
Effective Date of Absorption-Type Split: August 1, 2021

Establishment of Subsidiaries

I Entertainment Business and E-Commerce Business to Company Split

Current
Business
Layout

Ateam Inc.

Entertainment Business



Etc.

E-Commerce Business



Business
Layout
After Aug 1

**Ateam Inc.
Pure Holding
Company**

100%
Owned

Ateam Entertainment
Inc.



Etc.

Ateam Commercetech
Inc.



Important Notice (2)

Treasury Stock Acquisition

Acquisition of Treasury Stock

Through this Acquisition, We Aim to Improve Capital Efficiency,
Implement a Flexible Capital Policy, and Improve the Value Per Share

Overview of Treasury Stock Acquisition

Class of Acquired Shares	Common shares of Ateam Inc.
Total Number of Shares	1,000,000 shares (max)
Total Acquisition Cost	1,200 million JPY (max)
Period of Acquisition	March 15, 2021 ~ December 30, 2021
Method of Acquisition	Tokyo Stock Exchange Market

(Reference) Treasury Stock held as of January 31, 2021

Number of shares issued (excluding treasury stock) 19,753,612 shares

Number of treasury stock 35,588 shares

Important Notice (3)

Development of a New Large-Scale Game Based on a Global IP

Game in Co-Development with Square Enix

FINAL FANTASY VII THE FIRST SOLDIER Official Compilation of FFXVII



Together with Square Enix, Ateam is co-developing FINAL FANTASY VII THE FIRST SOLDIER, a smart device game that is planned to be distributed in the global market.

- Release Date: 2021 (planned)
- Distribution Region: Worldwide (excluding mainland China)
- Languages: English, French, German, Spanish, Japanese, Traditional Chinese, Korean
- Rights: © 1997, 2021 SQUARE ENIX CO., LTD. All Rights Reserved. Powered by Ateam Inc.
CHARACTER DESIGN: TETSUYA NOMURA

Game Overview

Enjoy the World of FINAL FANTASY VII on Your Smartphone
in this Battle Royale Game!



A battle royale action game within the world of FFXVII REMAKE!

As a soldier candidate, players use magic and abilities to battle for survival.

Encounter familiar monsters, use materia, ride Chocobos, unleash summons, and more.

2. FY2021 Q2 Financial Results

- 3. FY2021 Q2 Business Details
- 4. FY2021 Guidance
- 5. Medium- and Long-Term Policy

FY2021 Q2 Financial Summary (Nov 2020 - Jan 2021)

Overall

Revenue & OP Down Y/Y & Q/Q, Net Income Up

Revenue:	7,377 million JPY	(Y/Y 93.8%, Q/Q 98.5%)
Operating income:	-157 million JPY	(Y/Y —, Q/Q —)
Net income:	483 million JPY	(Y/Y 948.8%, Q/Q 187.4%)

Lifestyle Support

Revenue Down Y/Y But Up Q/Q, Profit Down Both

Revenue:	4,841 million JPY	(Y/Y 94.0%, Q/Q 102.0%)
Profit:	64 million JPY	(Y/Y 13.4%, Q/Q 14.4%)

Y/Y & Q/Q Down Due to Continued COVID-19 and Financial Media Promo Fees

% of Revenue

65.6%

Ent.

Revenue and Profit Down Y/Y, Both Up Q/Q

Revenue:	1,932 million JPY	(Y/Y 91.5%, Q/Q 108.2%)
Profit:	120 million JPY	(Y/Y 61.4%, Q/Q 129.4%)

Y/Y Down Due to Continued Decline of Existing, Q/Q Up with Year-End Events

% of Revenue

26.2%

EC

Revenue Flat But Profit Up Y/Y, Both Down Q/Q

Revenue:	603 million JPY	(Y/Y 99.6%, Q/Q 62.7%)
Profit:	6 million JPY	(Y/Y —, Q/Q 9.0%)

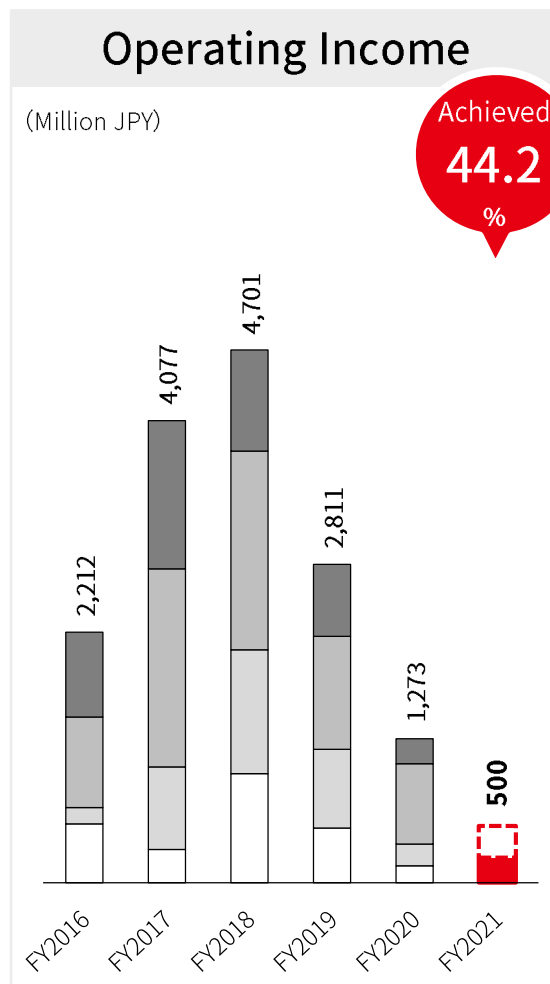
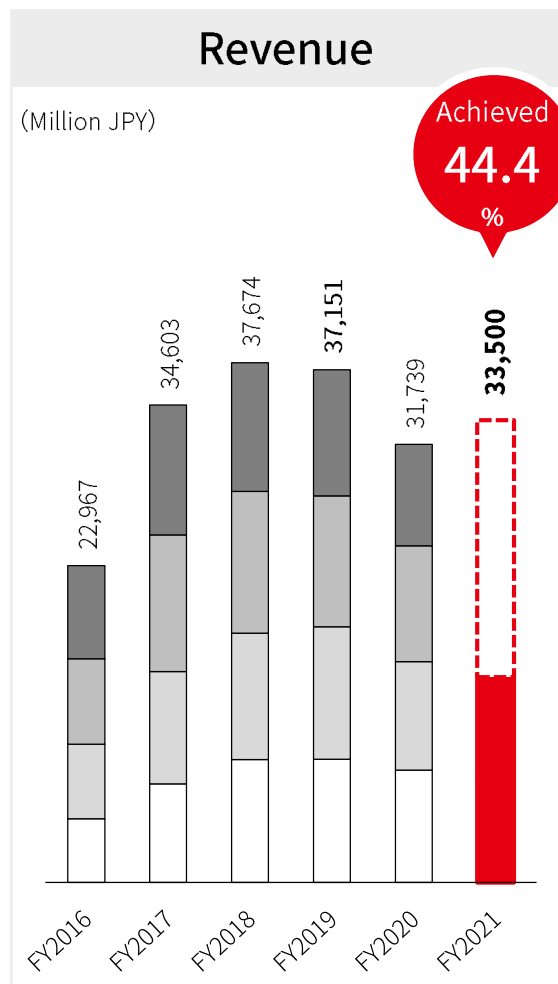
Y/Y Profit Up Despite Flat Revenue Due to Growth, Q/Q Down Due to Off-Season

% of Revenue

8.2%

FY2021 Q2 Financial Results vs. Forecasts

■ Revenue In-Line with Revised Forecast as of Dec 22



FY2021 Q2 Results

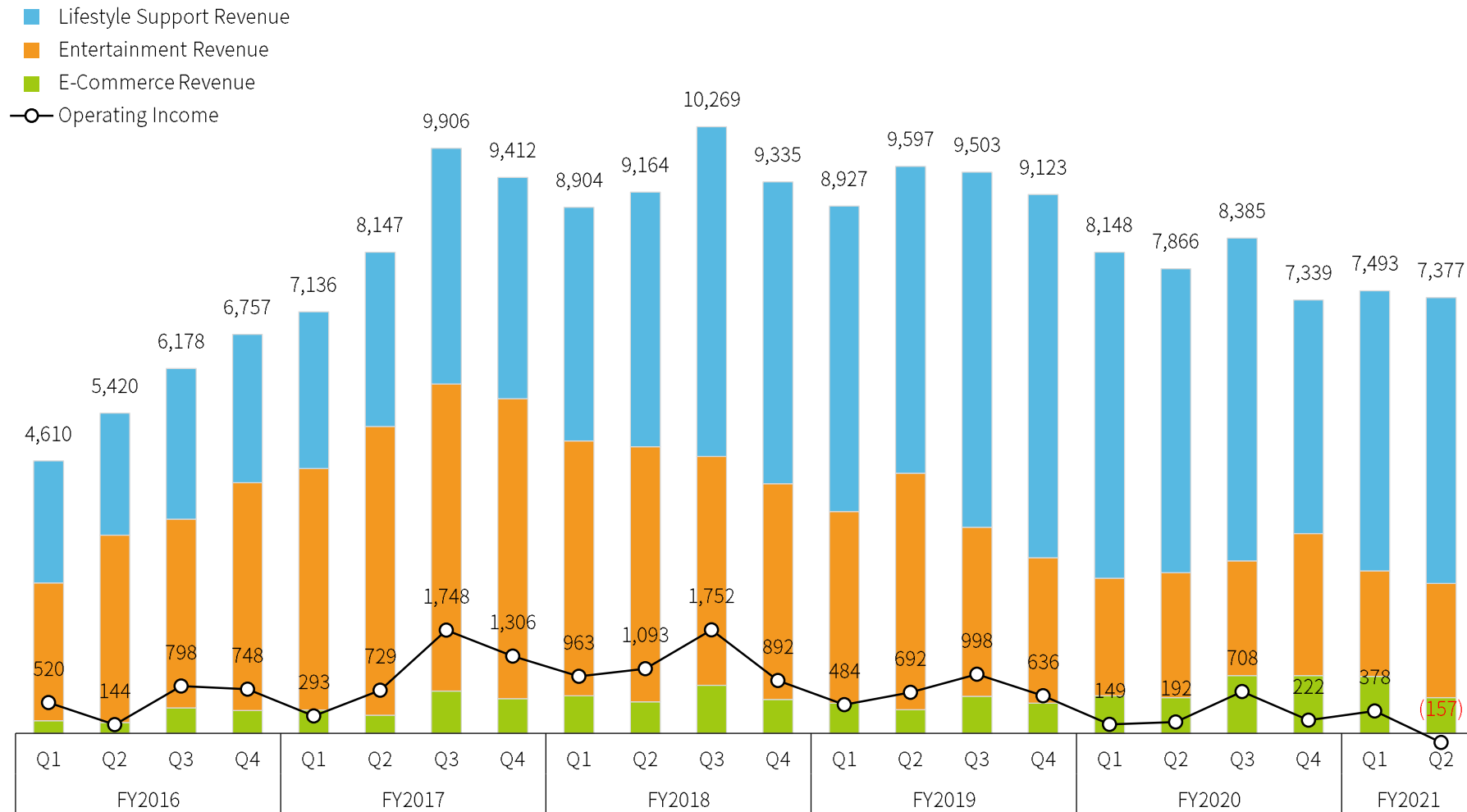
(Million JPY)

FY2021 Q2 <u>Six-Month Results</u> (Aug 2020 – Jan 2021)				
	FY2021 Q2		FY2020 Q2	
		%		Y/Y
Revenue	14,871	100.0%	16,014	92.9%
Operating Income	221	1.5%	342	64.6%
Ordinary Income	363	2.4%	350	103.7%
Net Income	741	5.0%	126	584.6%

FY2021 Q2 <u>Three-Month Results</u> (Nov 2020 – Jan 2021)						
	FY2021 Q2		FY2020 Q2		FY2021 Q1	
		%		Y/Y		Q/Q
Revenue	7,377	100.0%	7,866	93.8%	7,493	98.5%
Operating Income	-157	-	192	-	378	-
Ordinary Income	-30	-	206	-	393	-
Net Income	483	6.6%	50	948.8%	258	187.4%

Consolidated Quarterly Financial Trends

(Million JPY)



Quarterly Trend of Key Management Indicators

(Million JPY)

	FY2018			FY2019				FY2020				FY2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	9,164	10,269	9,335	8,927	9,597	9,503	9,123	8,148	7,866	8,385	7,339	7,493	7,377
Operating income	1,093	1,752	892	484	692	998	636	149	192	708	222	378	-157
Promotional expenses	3,866	3,730	3,609	3,931	3,980	3,726	3,410	3,601	3,229	3,133	2,480	2,843	3,153
Labor costs, recruitment expenses	1,089	1,195	1,443	1,435	1,463	1,529	1,604	1,581	1,560	1,549	1,583	1,548	1,582
Commission fees, etc.	1,572	1,561	1,395	1,304	1,592	1,289	1,201	1,054	1,099	1,147	1,359	1,114	1,329
Subcontractor expense, server fees	518	620	605	605	646	661	660	553	539	519	502	457	464
Office rental fees, utility expenses	251	288	291	292	293	296	296	287	286	282	285	299	298
Employees (people)	788	898	955	989	1,024	1,115	1,115	1,113	1,123	1,193	1,165	1,162	1,182

* Number of employees includes directors, auditors, full-time employees, contract employees, and part-time workers of all Ateam & subsidiary companies

* The number of part-time employees is calculated in FTE (Full-Time Equivalent)

Quarterly Promotional Expense Trends

■ Lifestyle Support Increased Q/Q In Preparation for Moving Peak Season

■ Entertainment Flat Q/Q Due to Prioritizing Operational Efficiency

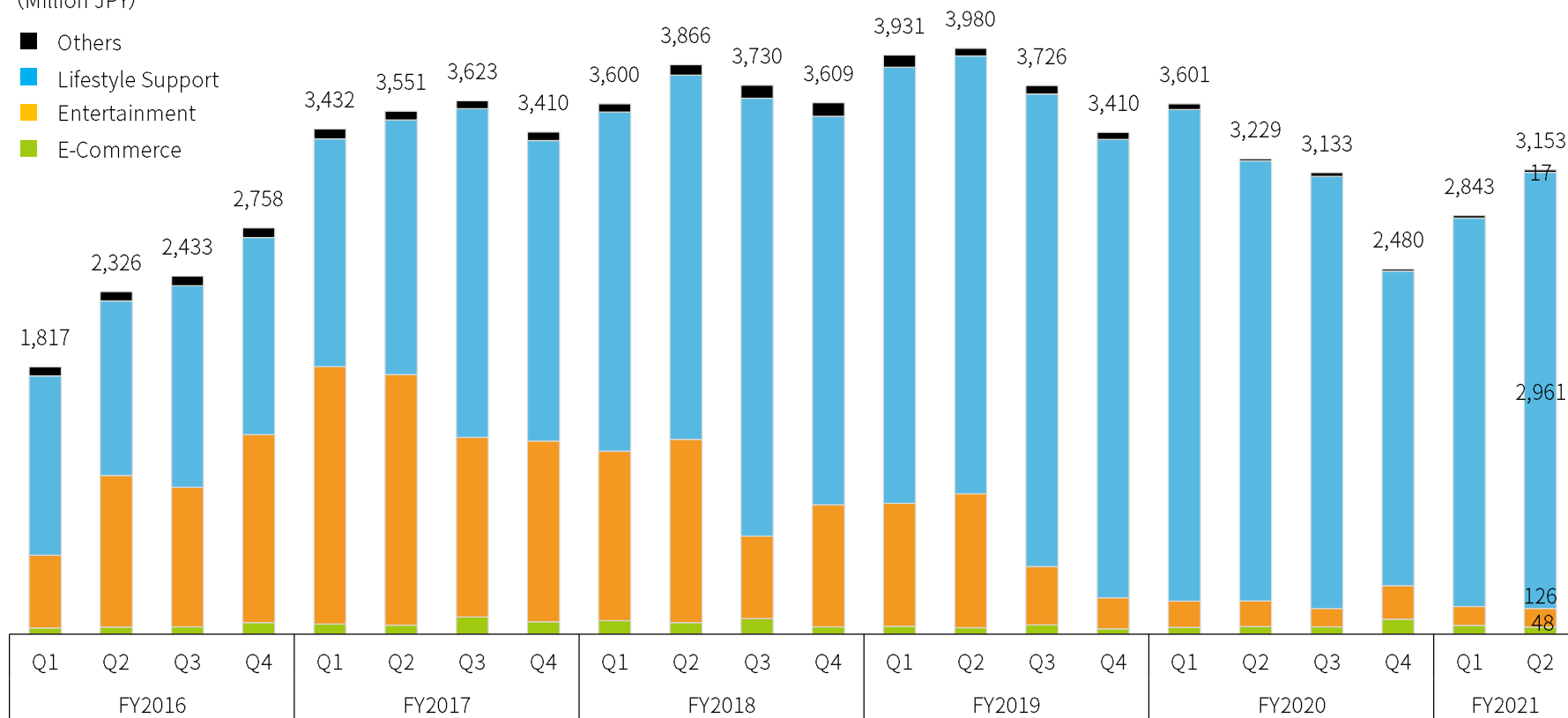
(Million JPY)

■ Others

■ Lifestyle Support

■ Entertainment

■ E-Commerce



* Breakdown of promotional expenses by segment is shown on “Supplementary Financial Data” of this business report

Number of Employees

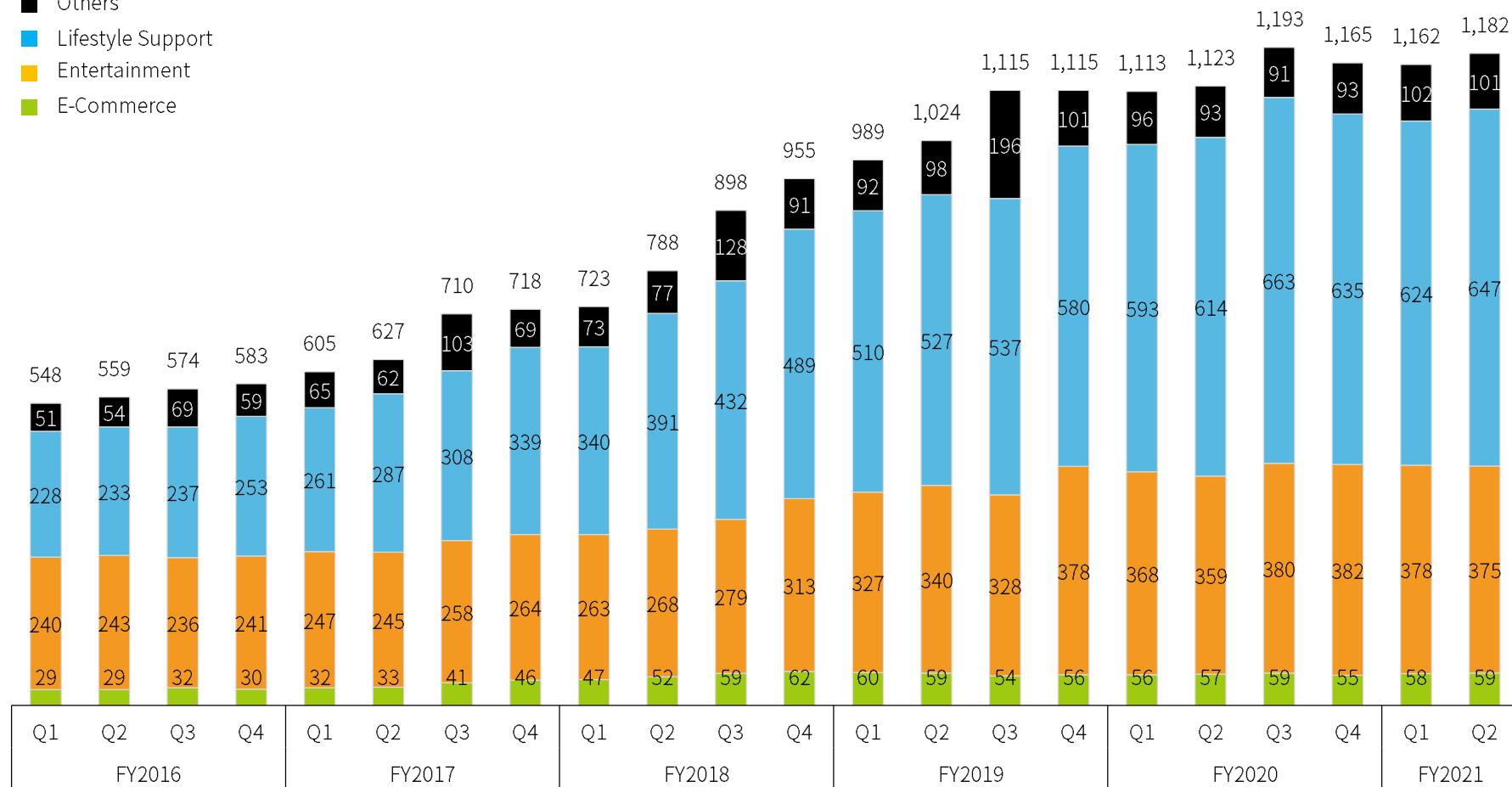
(People)

Others

Lifestyle Support

Entertainment

E-Commerce



* Number of employees includes directors, auditors, full-time employees, contract employees, and part-time workers of all Ateam & subsidiary companies

* The number of part-time employees is calculated in FTE (Full-Time Equivalent)

Balance Sheet

■ Increase in Intangible Assets Due to Recording of Goodwill from M&A

(Million JPY)

	FY2021 Q2	FY2021 Q1
Current assets	11,423	10,936
Cash and cash equivalents	6,868	6,228
Accounts receivable	3,390	3,181
Non-current assets	5,204	4,906
Tangible assets	1,322	1,319
Intangible assets	744	494
Total assets	16,627	15,842

	FY2021 Q2	FY2021 Q1
Current liabilities	3,889	3,636
Non-current liabilities	537	494
Total liabilities	4,426	4,131
Loans payable	2	0
Shareholder's equity	12,130	11,646
Total net assets	12,200	11,711
Liabilities and net assets	16,627	15,842

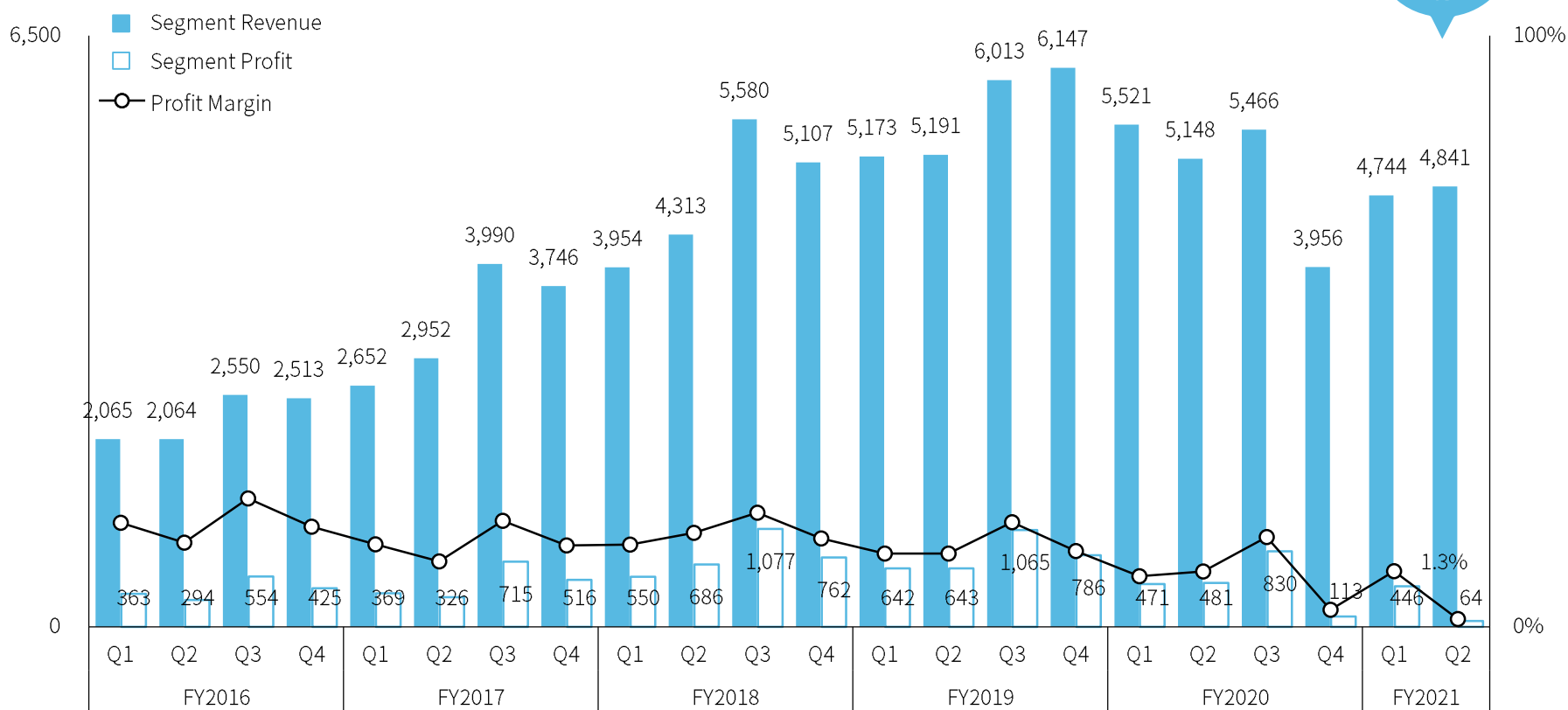
3. FY2021 Q2 Business Details

- 4. FY2021 Guidance
- 5. Medium- and Long-Term Policy

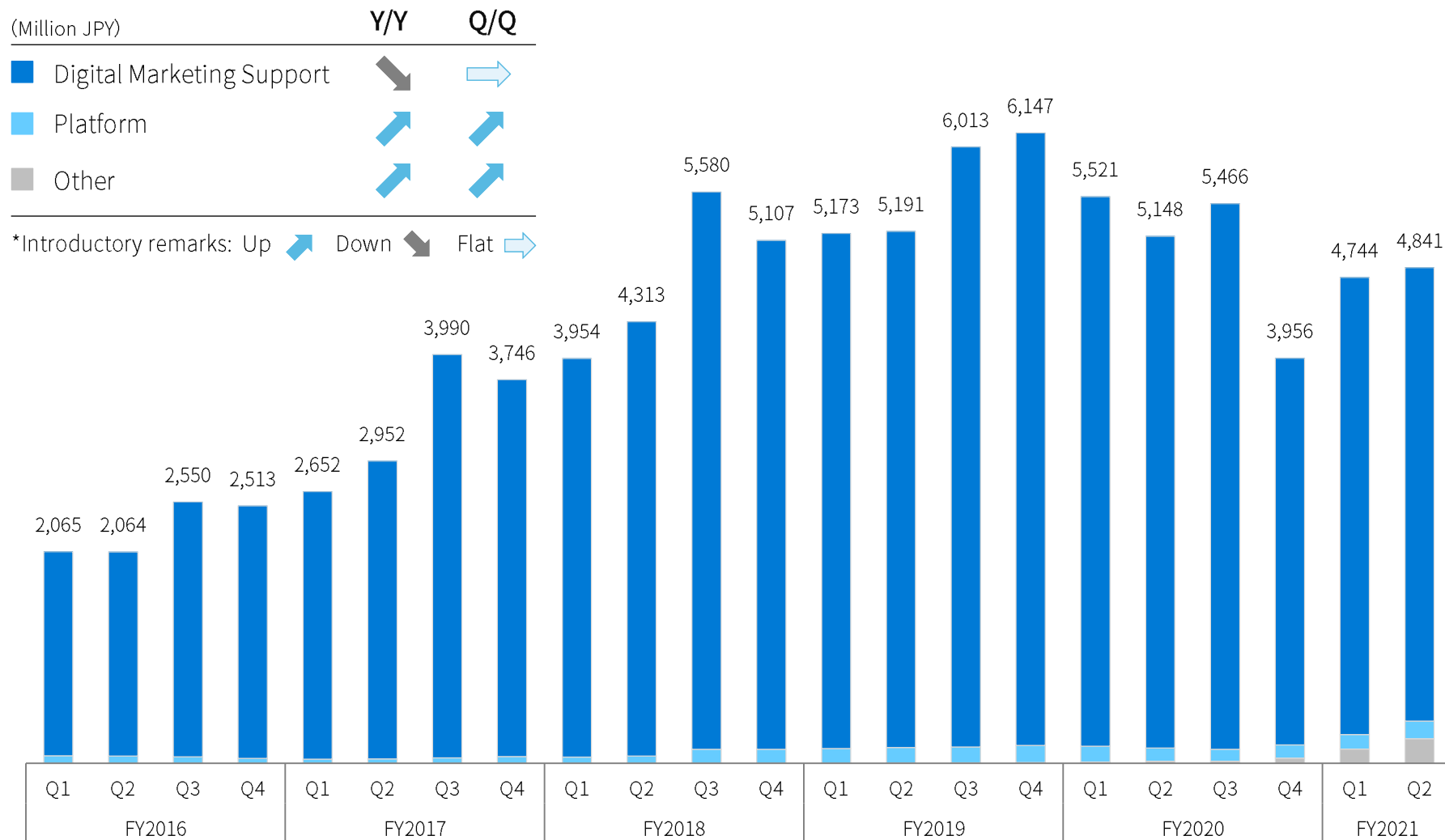
Lifestyle Support Business Performance Trends

- Continued Decline Y/Y Due to COVID-19 Impact on “Hanayume” Demand
- Q/Q Profit Down Due to Increase in Promo Fees For Financial Media Services Including Insurance Service

(Million JPY)



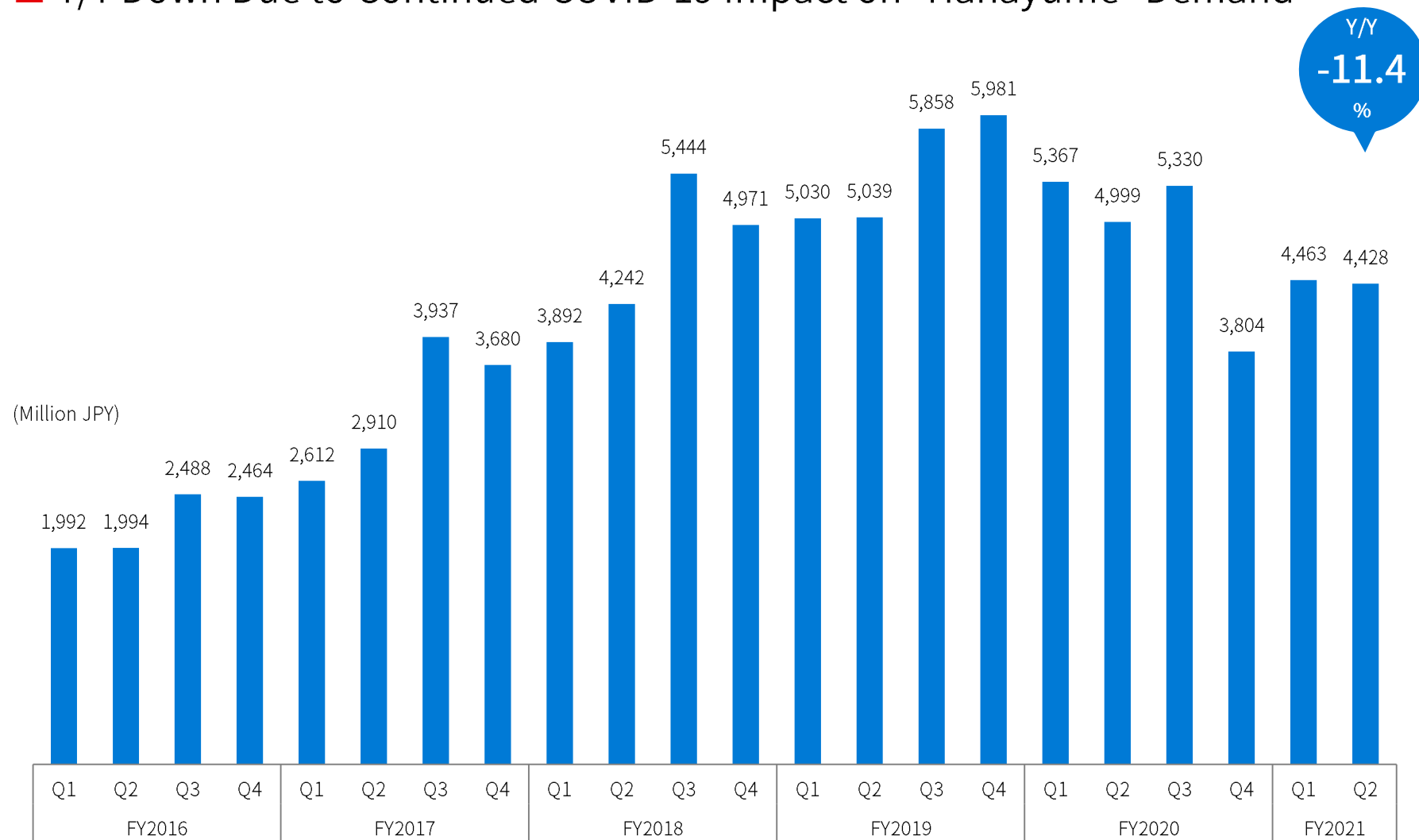
Lifestyle Support Sub-Segment Business Revenue Trends



*As of FY2021, the e-commerce (“minorie”, etc.) of the Women’s Healthcare Service has been classified as “Other”, resulting in a change in graph

Digital Marketing Support Business Revenue Trends

■ Y/Y Down Due to Continued COVID-19 Impact on “Hanayume” Demand



Digital Marketing Support Business KPI Trends

■ User Count Down Y/Y Due to Continued Decrease Caused by COVID-19

■ Q/Q Up Due to Strengthening of Some Moving-Related Peripheral Services



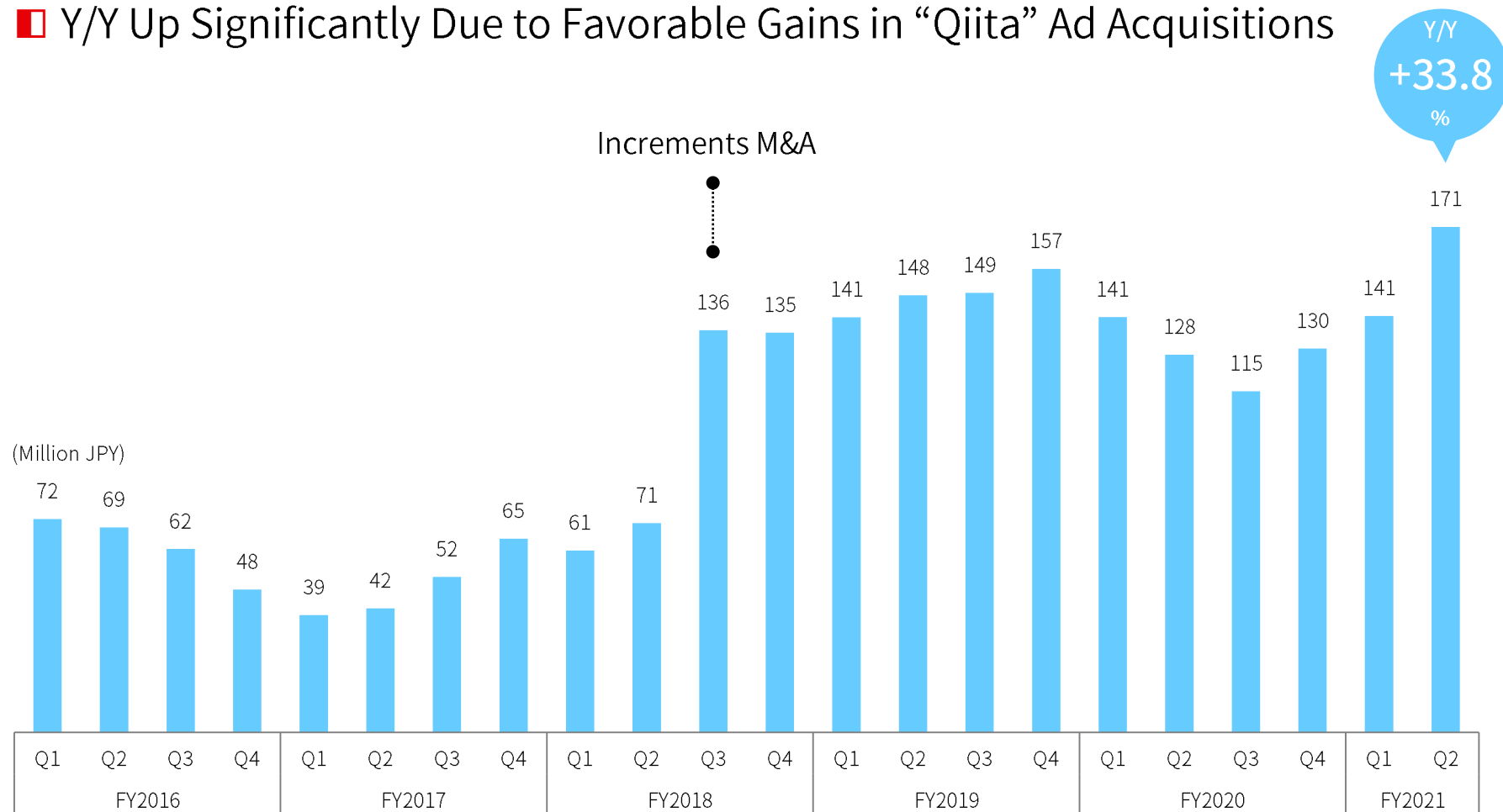
■ [① User count] = total users from four main sub-segment businesses (users that generated segment revenue)

■ [② ARPU: Average revenue per user] = segment revenue ÷ [① User count]

■ [③ CPA: Cost per user acquisition] = advertising cost ÷ [① User count]

Platform Business Revenue Trends

■ Y/Y Up Significantly Due to Favorable Gains in “Qiita” Ad Acquisitions



*As of FY2021, the e-commerce (“minorie”, etc.) of the Women’s Healthcare Service has been classified as “Other”, resulting in a change in graph

Segment Topics

Platform

Qiita

Held “Social Tech Talk #01” in Collaboration with Hitachi!

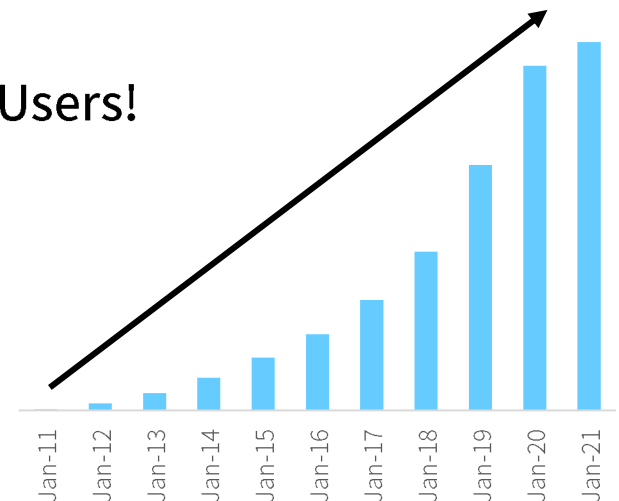
- What is “Social Tech Talk”?
A free online seminar in collaboration with Hitachi, Ltd. to discuss solutions that combine AI/data and domains
- Event Date:
February 25, 2021



Qiita

“Qiita” Members Exceeded 60 Million Users!

- Approximately 9 years from launch, the number of registered members has exceeded 60 million users!
In addition, a major update including improvements in UI was released as a beta version on Jan 18

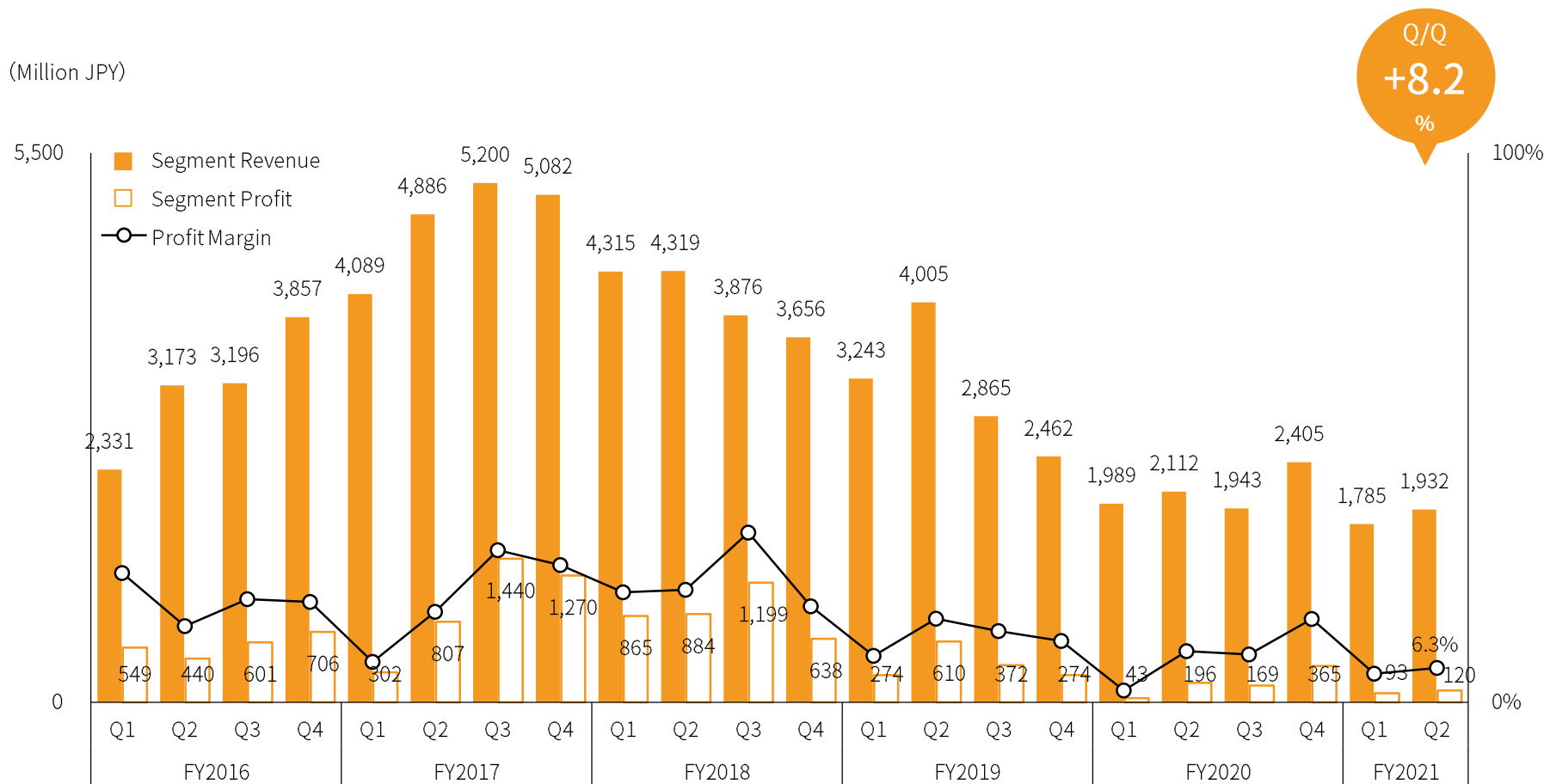


Entertainment Business Performance Trends

■ Q/Q Up Due to Year-End Events Performing Well for Certain Existing Games

■ Y/Y Profit Down With New Development Costs Despite Efficient Operation

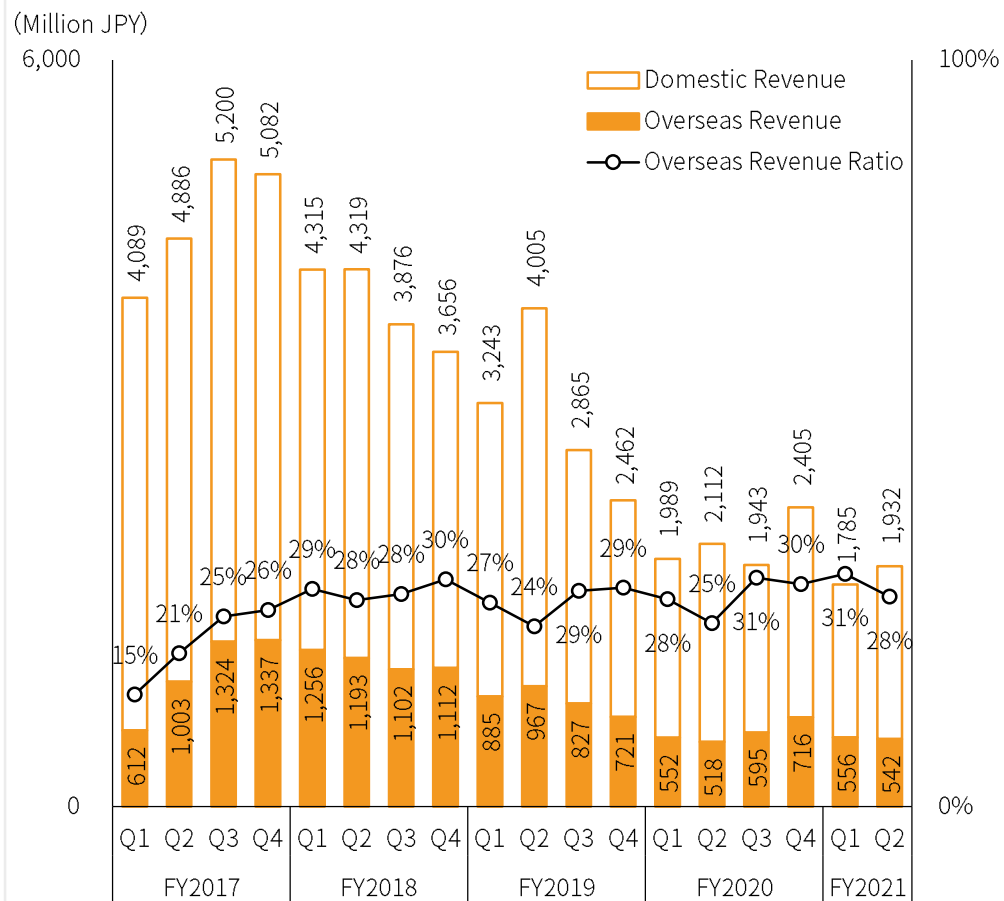
(Million JPY)



Change in Revenue Reporting within the Entertainment Business: Previously, all revenue was recorded at the time of in-app purchase charges; however, for titles released from 2018 and onward, revenue is recorded upon consumption of the in-app items purchased

Entertainment Overseas Revenue Ratio Trends

Overseas Sales Trends



Region:	JP	US	EU	TW HK MO	KR	SE Asia	CN
	●	●	●	●	●	●	
	●	●	●	●	●		
	●			●	●		
	●	●	●	●	●	●	●
	●	●	●	●	●	●	
	●			●		●	
	●			●			
	●	English Version					
	●	English Version					

Segment Topics

Ent.

Unison League

- Collab with “Evangelion” from Feb 17
- Collab with TV anime “That Time I Got Reincarnated as a Slime” from Mar 10



Three Kingdoms Smash!

- Collab with TV anime “Basilisk: The Complete Series” from Feb 18
- Held 6 year anniversary event starting Mar 3



Valkyrie Connect

- Collab with Vtuber Group “NIJISANJI” from Dec 24



Dark Summoner

- Held 6 year anniversary event starting Feb 22



New Game Pipeline Developments

2021 Scheduled Release

NEW



Square Enix

Large-Scale

Smartphone

FY2022~

Developing

Preparing

1

1

Original

IP

Mid Scale

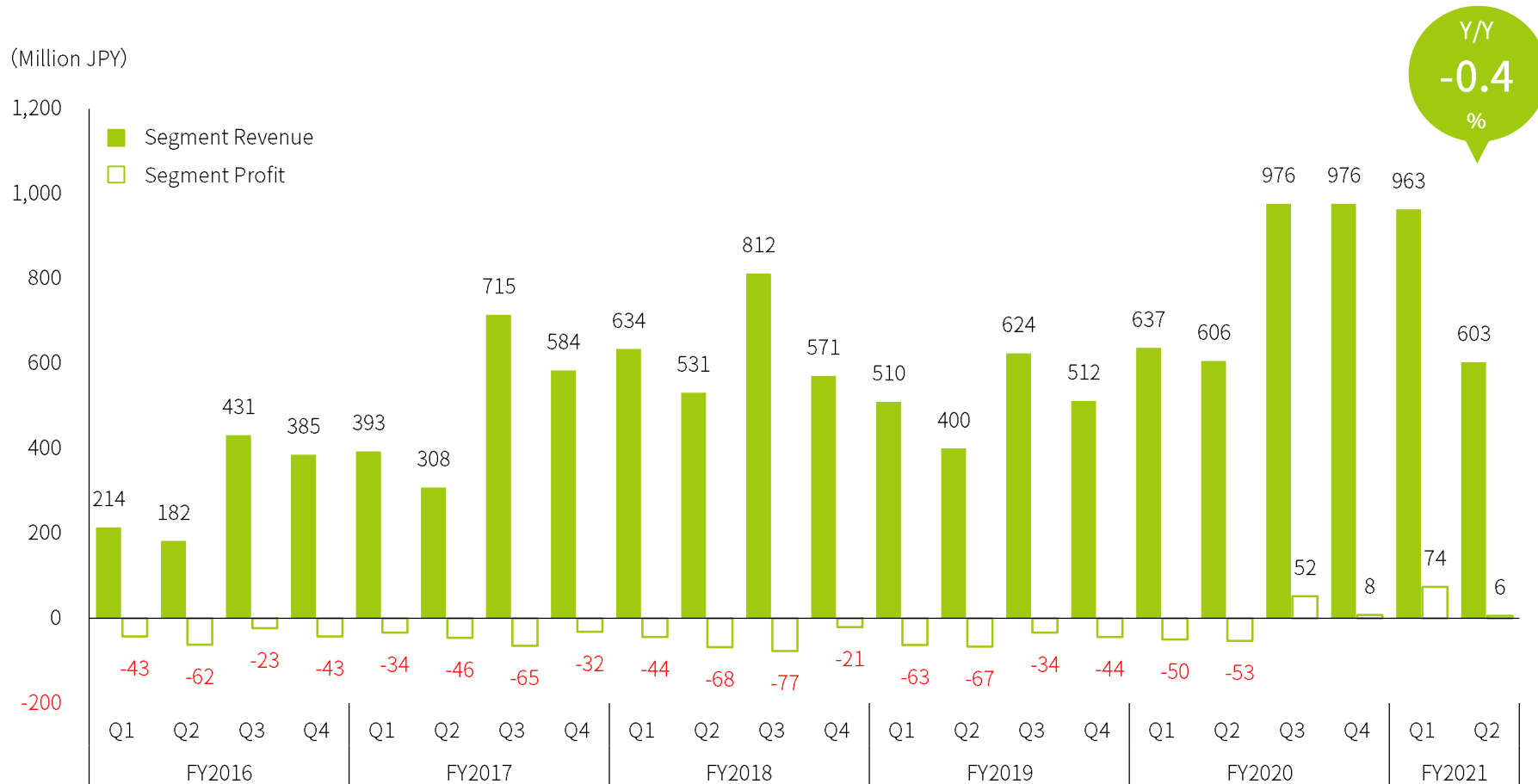
Undecided

Multi-Device

Undecided

E-Commerce Business Performance Trends

■ Although Revenue was Flat Y/Y, Due to Continued Improvements in Operational Efficiency, Achieved Quarterly Profit Despite Off-Season



* Peak business period is March – April (Q3)

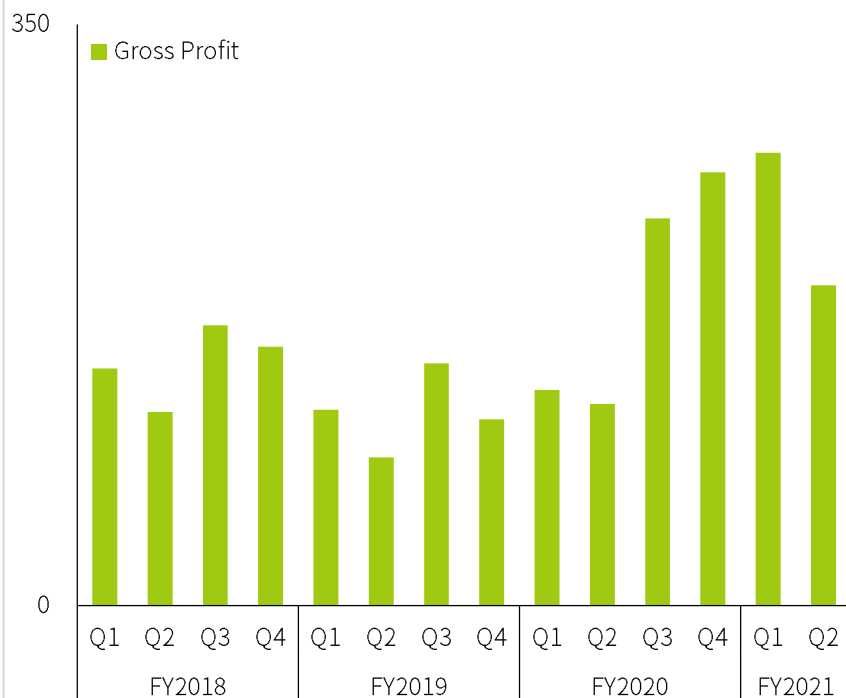
E-Commerce Business Quarterly KPI Trends

■ Gross Profit Up Due to Cost Control & Increase in Electric Bicycle Sales

■ Inventory Turnover Temporarily Down Due to Off-Season

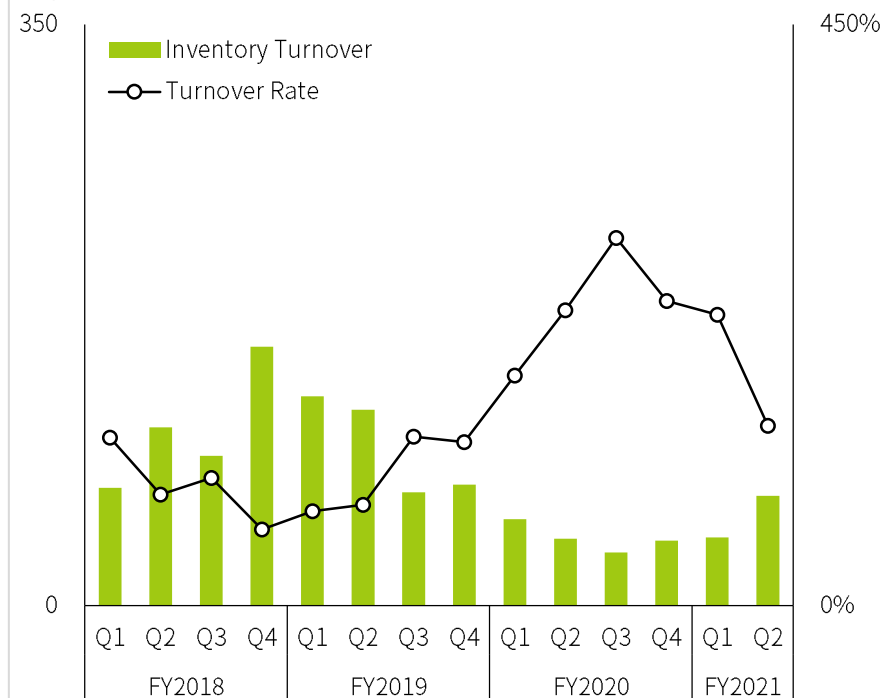
Gross Profit

(Million JPY)



Quarterly Inventory Turnover

(Days)



■ [Gross profit] = segment revenue – variable costs

* Variable costs = purchase + delivery + commission + subcontractor + consumables

■ [①Inventory turnover] = days during the period ÷ [②Inventory rate]

■ [②Inventory rate] = purchase costs ÷ [(beginning inventory + end inventory) ÷ 2]

Overall Topics

Overall

Ranked in Great Place to Work® “Best Workplaces Award 2021” 8 Years in a Row!

- Overview:

Ranked in Great Place to Work® “Best Workplaces Award 2021” for 8 consecutive years in a row. Ranked 15th in the “Large Division” for companies with 1,000 employees or more



Partial Lease Termination of Office Completed

- Completed lease termination of 3 office locations:

Fukuoka office, Osaka office (partial),
and Nagoya Lucent Tower

- Approximately 20% reduction of total

- Date of Completion:

End of February 2021



4. FY2021 Guidance

5. Medium- and Long-Term Policy

FY2021 Consolidated Financial Forecast

■ No Revision to Full-Year Forecasts

(Million JPY)

	FY2020 Results		FY2021 (Aug 2020 – Jul 2021)			
	Interim	Full-Year	Interim Results	Full-Year Forecast	% of Revenue	Progress
Revenue	16,014	31,739	14,871	33,500	100.0%	44.4%
Lifestyle Support	10,669	20,093	9,586	23,000	68.7%	41.7%
Entertainment	4,101	8,450	3,717	7,000	20.9%	53.1%
EC	1,243	3,196	1,567	3,500	10.4%	44.8%
Operating Income	342	1,273	221	500	1.5%	44.2%
Lifestyle Support	952	1,896	510	2,200	6.6%	23.2%
Entertainment	240	776	214	-500	-	-
EC	-104	-43	80	0	-	-
Other	-746	-1,356	-585	-1,200	-	-
Ordinary Income	350	1,249	363	500	1.5%	72.7%
Net Income	126	-519	741	720	0.6%	103.0%

Initiatives and Notes on FY2021 Guidance

Overall

A Year to Hit Bottom for the Leap in FY2022

- Partial office lease termination determined, will further “slim down” business costs
- Invest in business development towards cultivation, while reviewing fixed costs

Lifestyle Support

Forecast Based on Assumption of Continued COVID-19 Effects

- COVID-19 impact on “Hanayume” and “NaviNavi Cashing” expected to continue for some time
- Aim to increase users while strengthening mutual customer referrals between services

Ent.

Focus on New IP Development Along with Efficient Operation

- Existing: aim to maximize efficiency and profitability. Profit reflects improved measures taken
- New: Only upfront costs for new development incorporated into forecast

EC

Aim for First Full-Year Profitability While Investing in Awareness

- Challenge “first full-year profitability” one year ahead of schedule
- Invest to raise brand awareness in order to generate sustainable profits over the long term

Initiatives and Notes on FY2021 Guidance

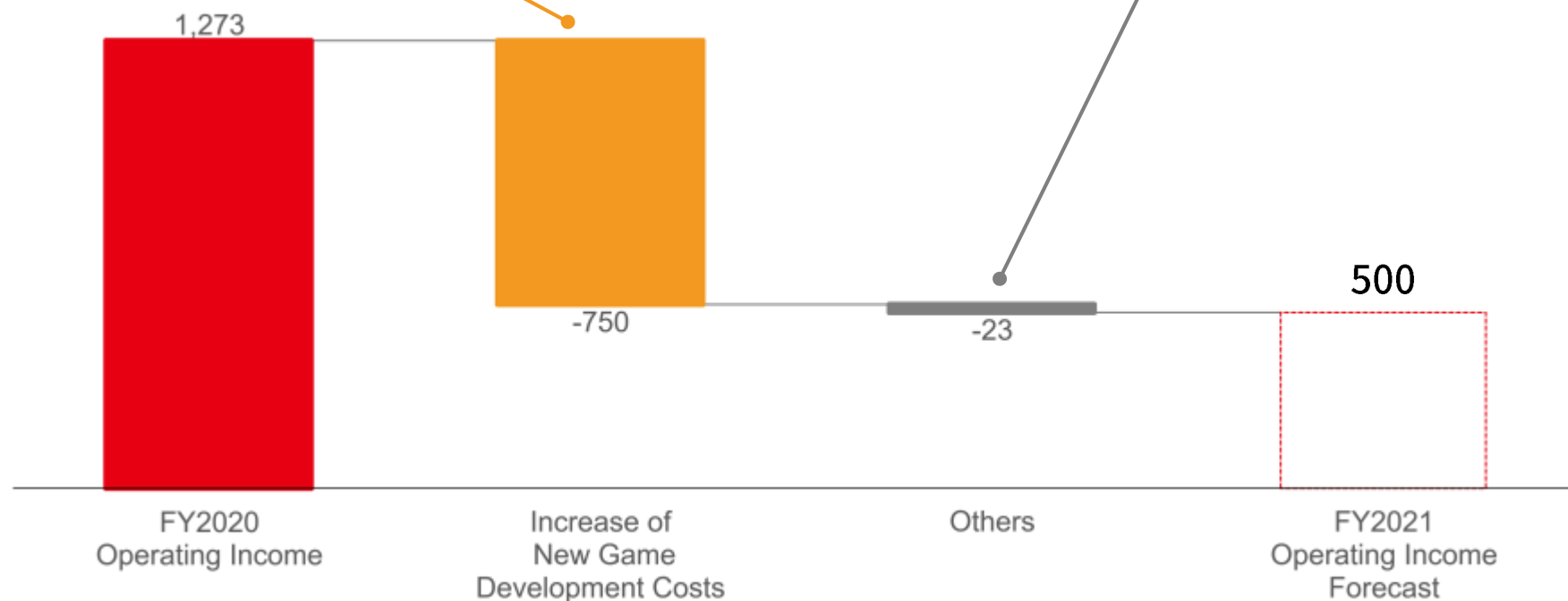
Entertainment

- 700+ Million JPY Increase in New Game Development Costs

Overall

- Profit Maintained Excluding New Game Related Costs
- Temporary Minus for Office Lease Termination
- * From FY2022, Will Save 100+ Million JPY Yearly

(Million JPY)



Notes on Second Half of FY2021

Overall

Increased Uncertainty from COVID-19 to Continue; Execute Cautious Investment

Lifestyle Support

Deviate from Initial Forecast; Selective Upfront Investment

- “Hanayume” continuing to struggle with COVID-19; expect to deviate from initial forecast
 - Reallocate personnel according to the current business environment
 - Careful selection of necessary investment based on future growth and profitability
-

Ent.

Upfront Investment in New Development Expected to Increase

- Costs in large-scale IP game development such as investment in systems expected to increase
-

EC

Revenue and Profit Generally In-Line with Forecasts

- Although profits exceeded in the first half, full-year profit expected to settle in-line with initial forecasts due to upfront investment in preparation for the next fiscal year and onwards
-

FY2021 Year-End Dividend Forecast

■ Continue to Provide Stable Shareholder Returns Over the Long Term While Taking into Account Business Performance

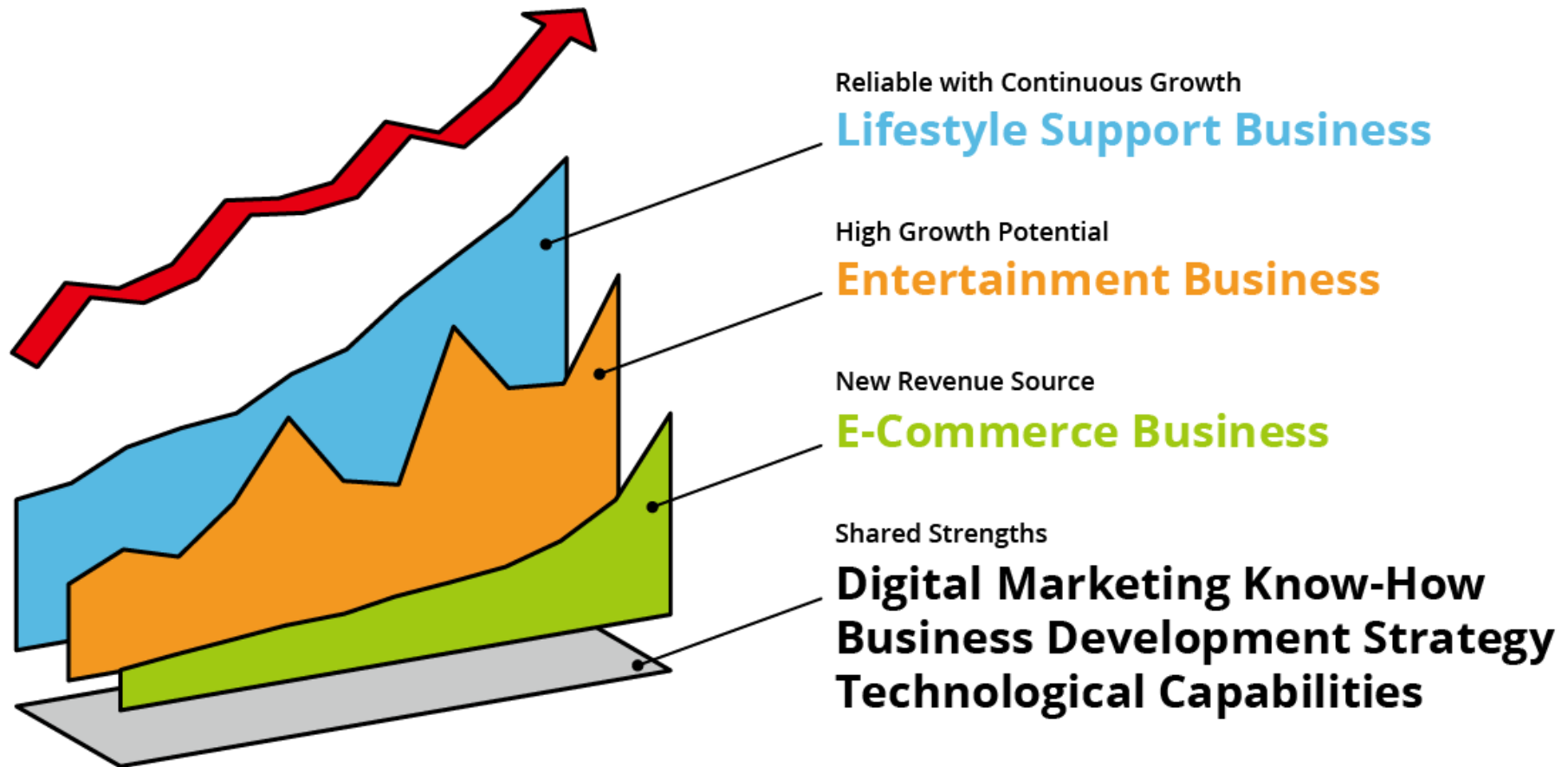
	FY2017 Result		FY2018 Result	FY2019 Result	FY2020 Result	FY2021 Forecast
	Interim	Year-End	Year-End	Year-End	Year-End	Year-End
Date of allotment	01/31	07/31	07/31	07/31	07/31	07/31
Date of distribution	04/04	10/06	10/05	10/04	10/09	October
Dividend per share	5.0 JPY	22.0 JPY	32.5 JPY	16.0 JPY	16.0 JPY	16.0 JPY
Total dividend amount	517 million JPY		640 million JPY	315 million JPY	315 million JPY	-
Full-year payout ratio	19.8%		19.1%	21.2%	-	-

*As of FY2018, full-year performance based dividend will be paid once annually due to the nature of business and profit biased in the second-half of the fiscal year

5. Medium- and Long-Term Policy

Management Strategy

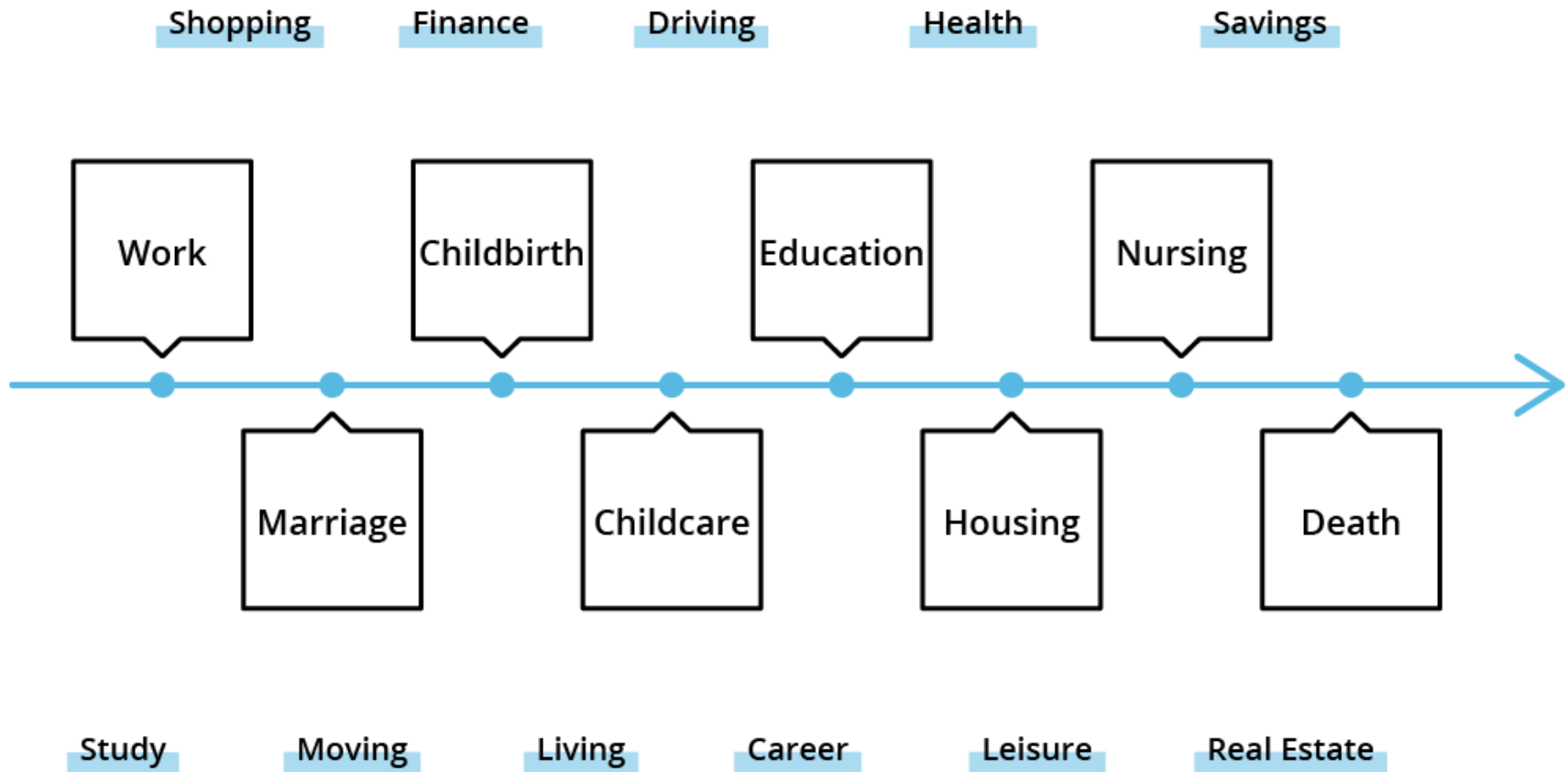
A Business Portfolio that Optimizes Operational Stability



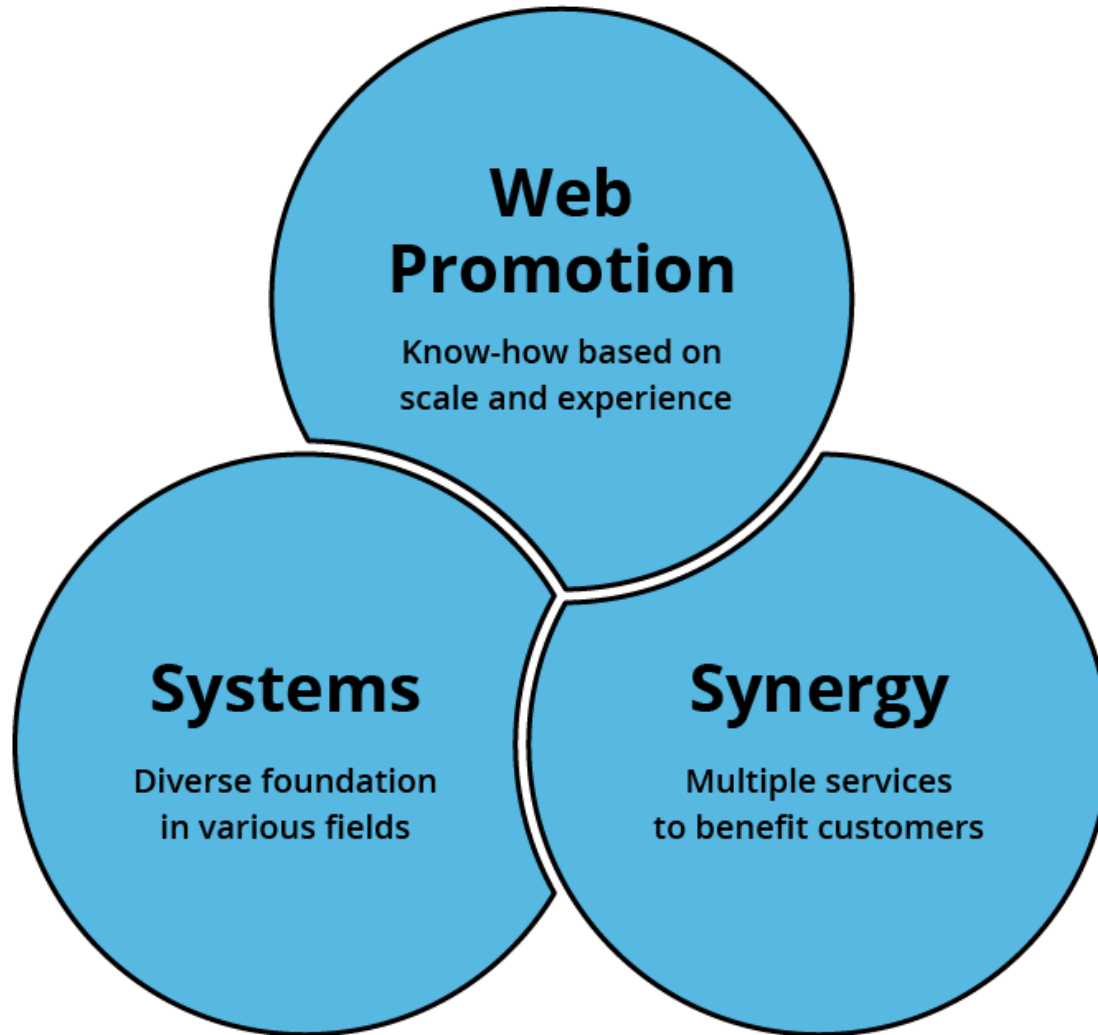
Lifestyle Support Business

Vision of the Lifestyle Support Business

Supporting Various Life Events, From Cradle to Grave



Strengths of the Lifestyle Support Business



Lifestyle Support Business Sub-segments



Digital Marketing Support Business



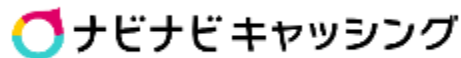
Hikkoshi Samurai



Hanayume



Navikuru



NaviNavi Cashing



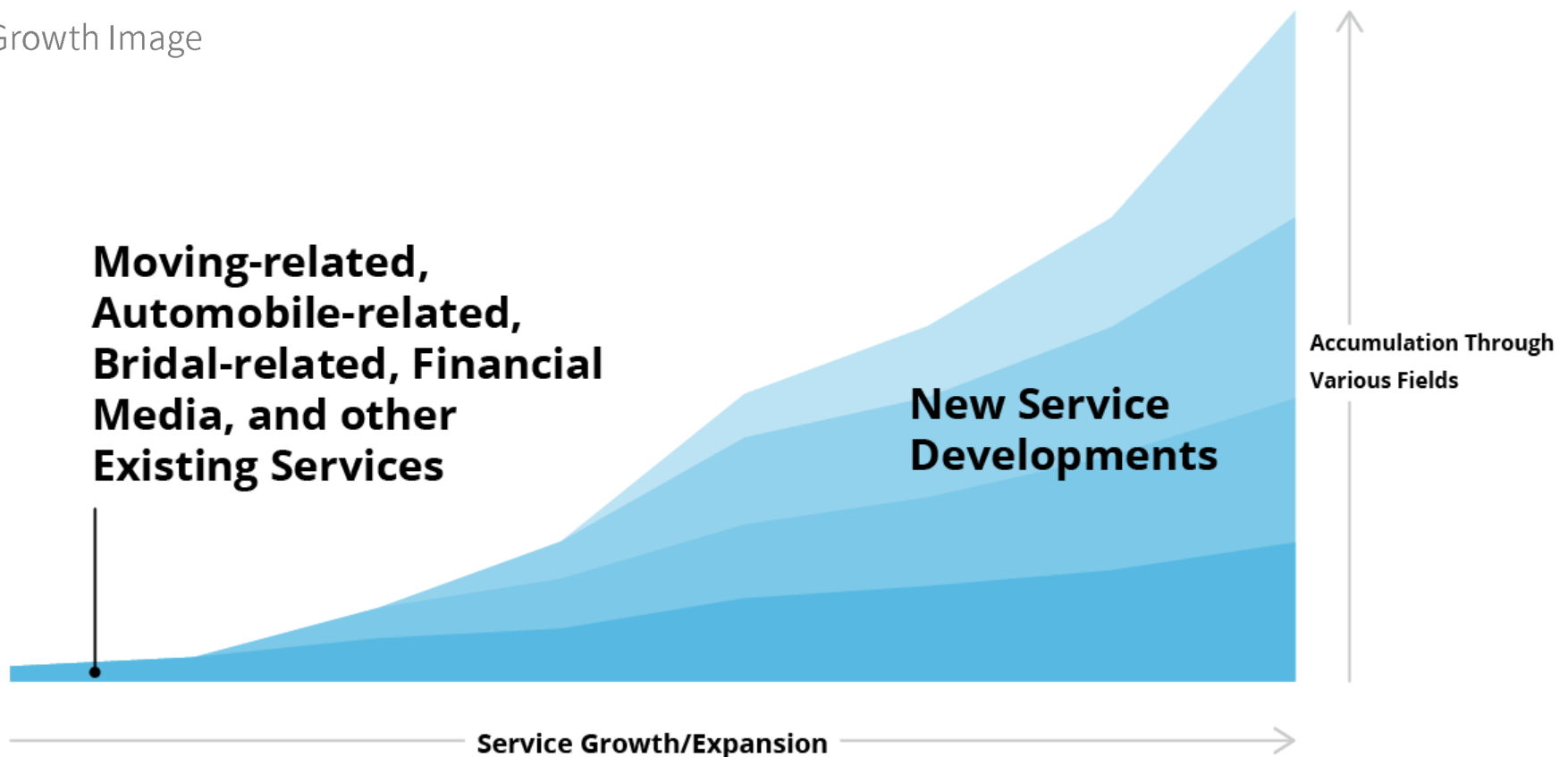
Platform Business



Digital Marketing Support Business

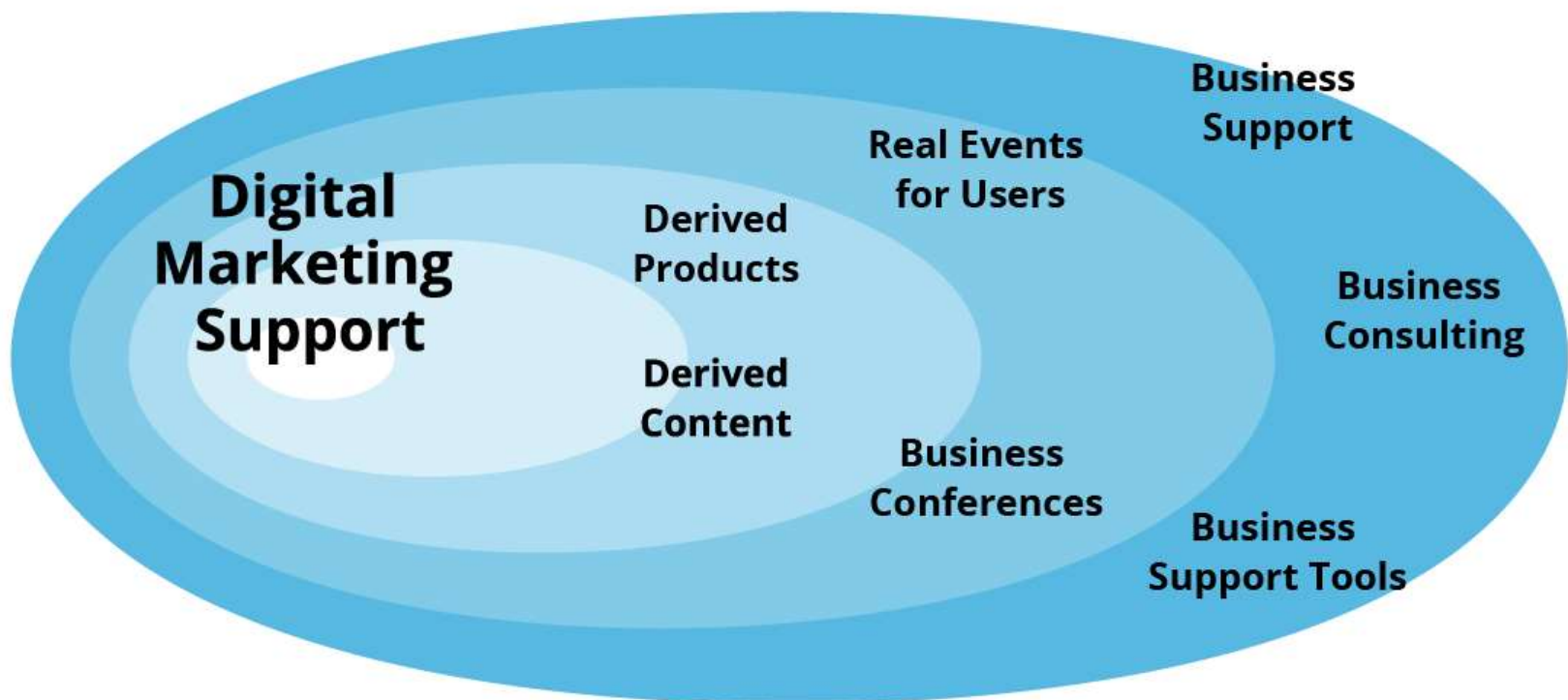
Aim for **Rapid Expansion** in Various Fields Centered on Digital Marketing Support That Refers Prospective Customers to Affiliated Businesses Through Owned Media

*Growth Image



Digital Marketing Support Business Development

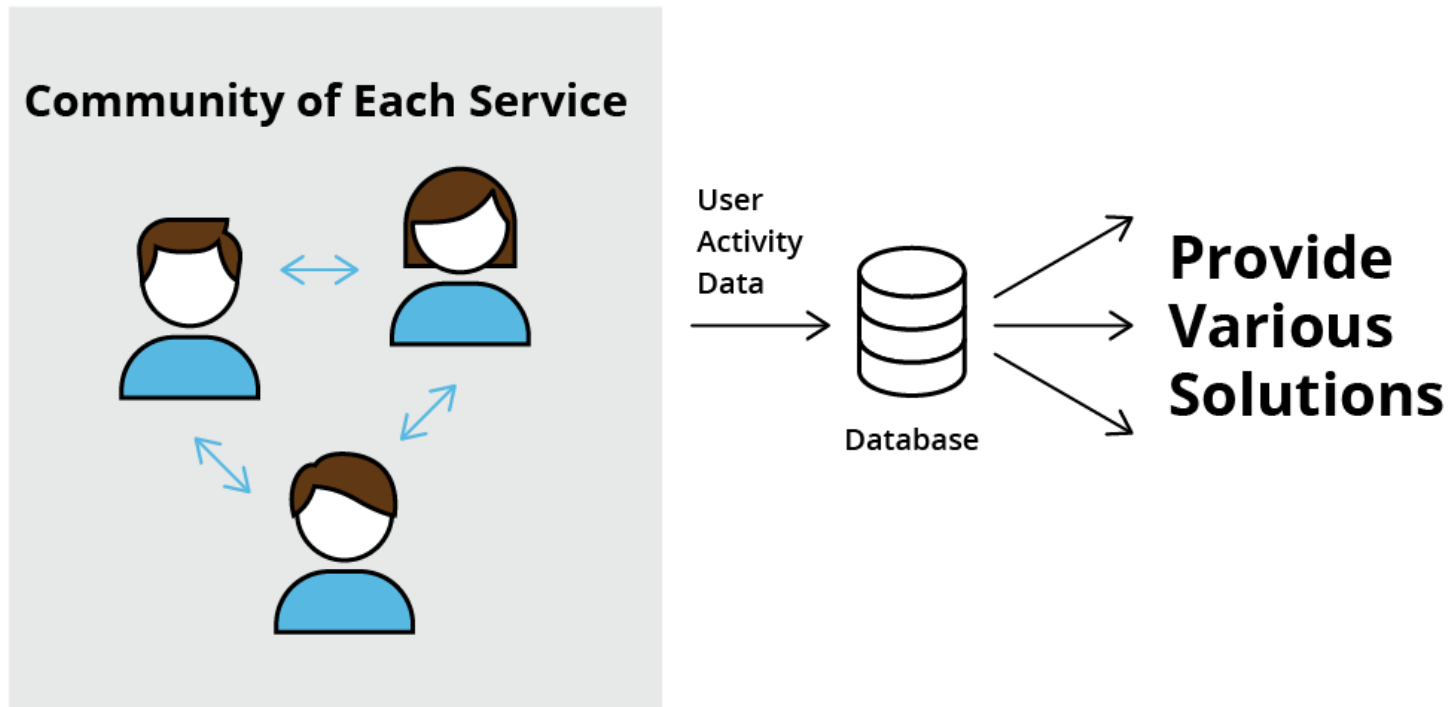
Going Beyond Digital Marketing Support, Aim to Provide Both Users and Partner Companies with Various Peripheral Services to Promote Industry Development



Platform Business

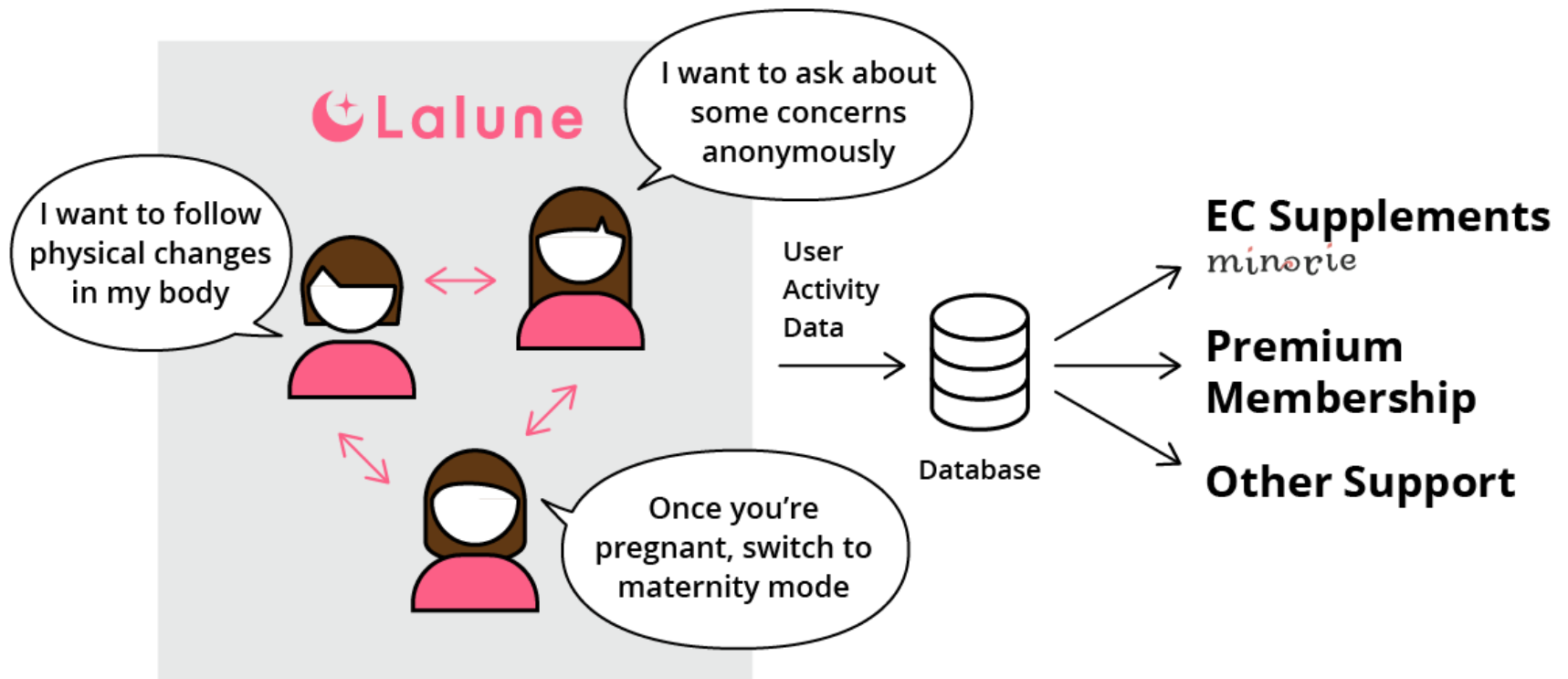
Providing a “Hub” Where User Data is Gathered and Utilized to Further Enhance Business Value in Addition to **Building Market Advantage**

Platform

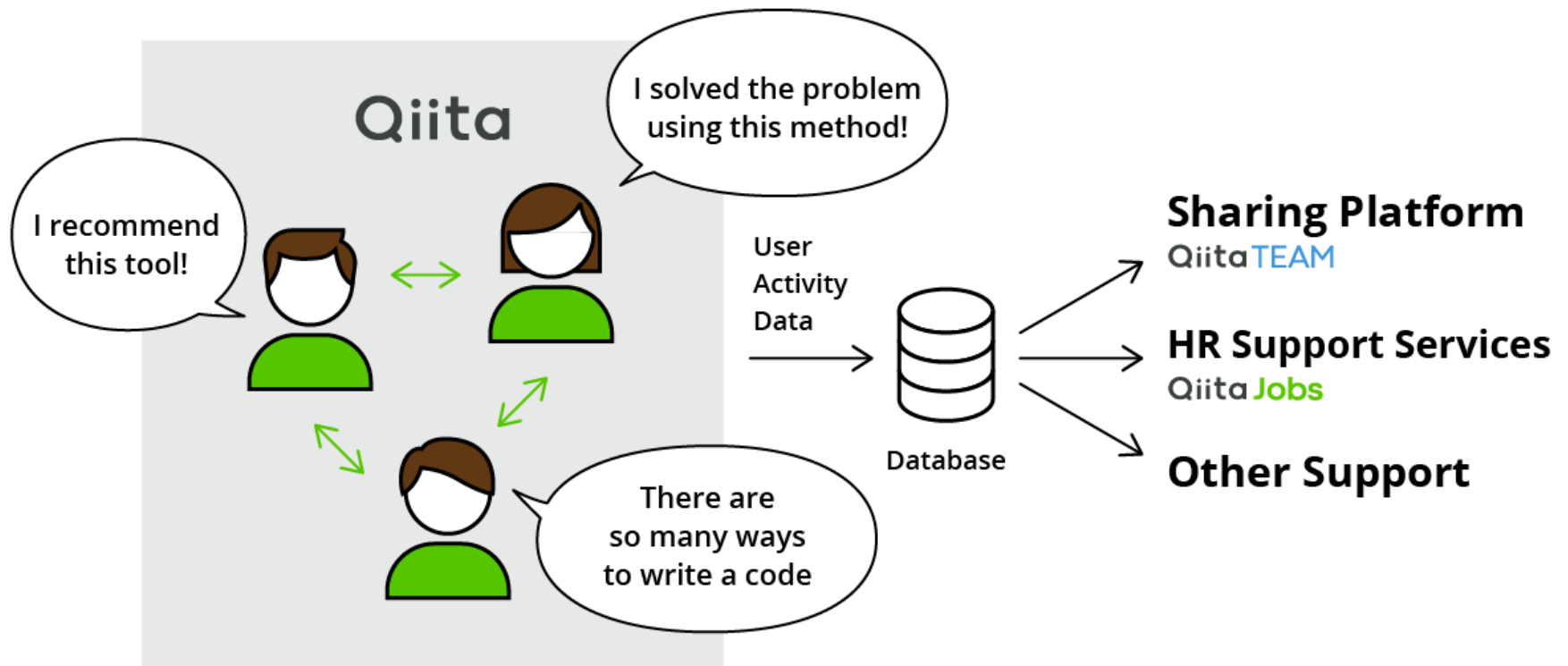


Women's Healthcare Service

Lalune Platform



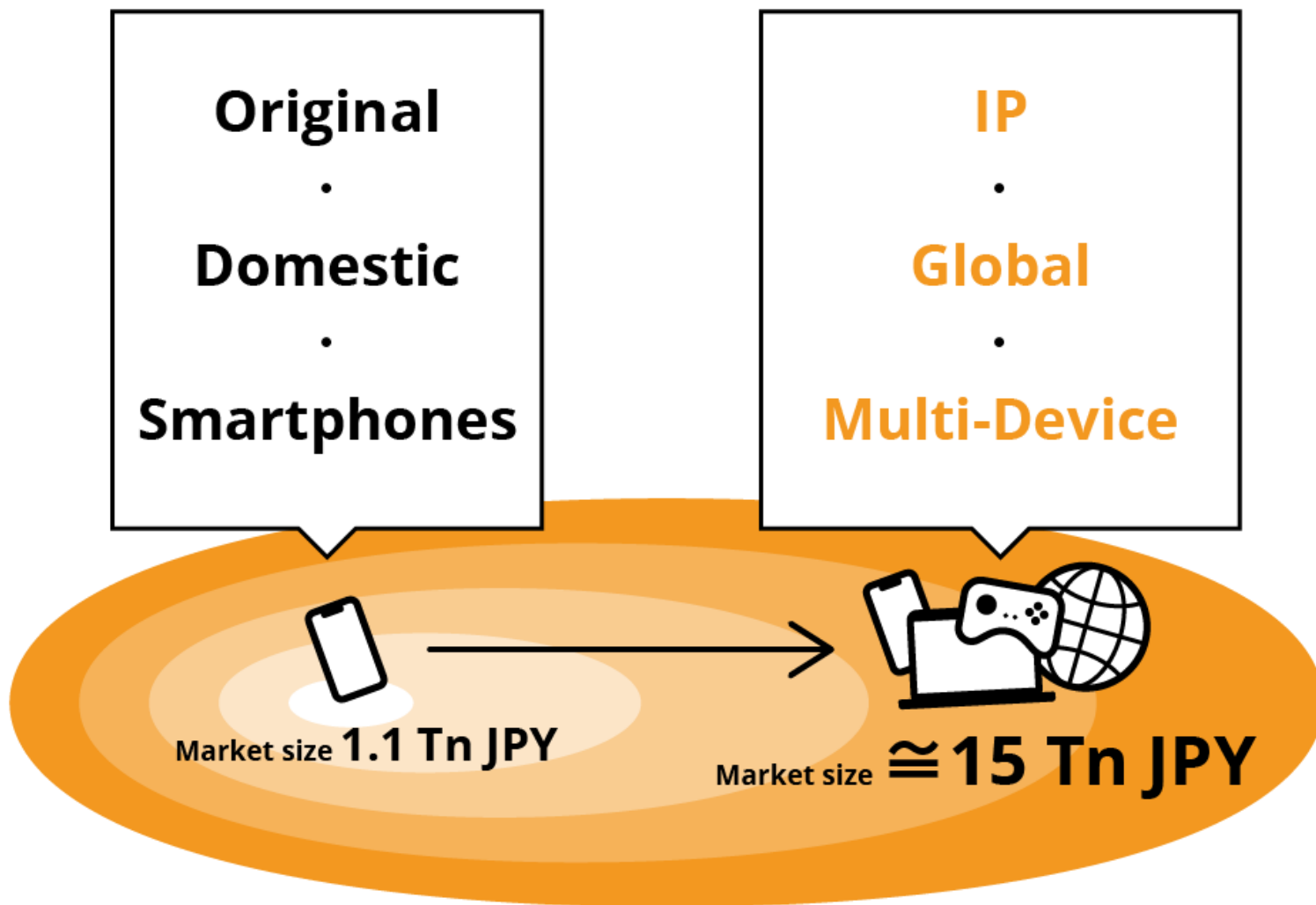
Qiita Platform



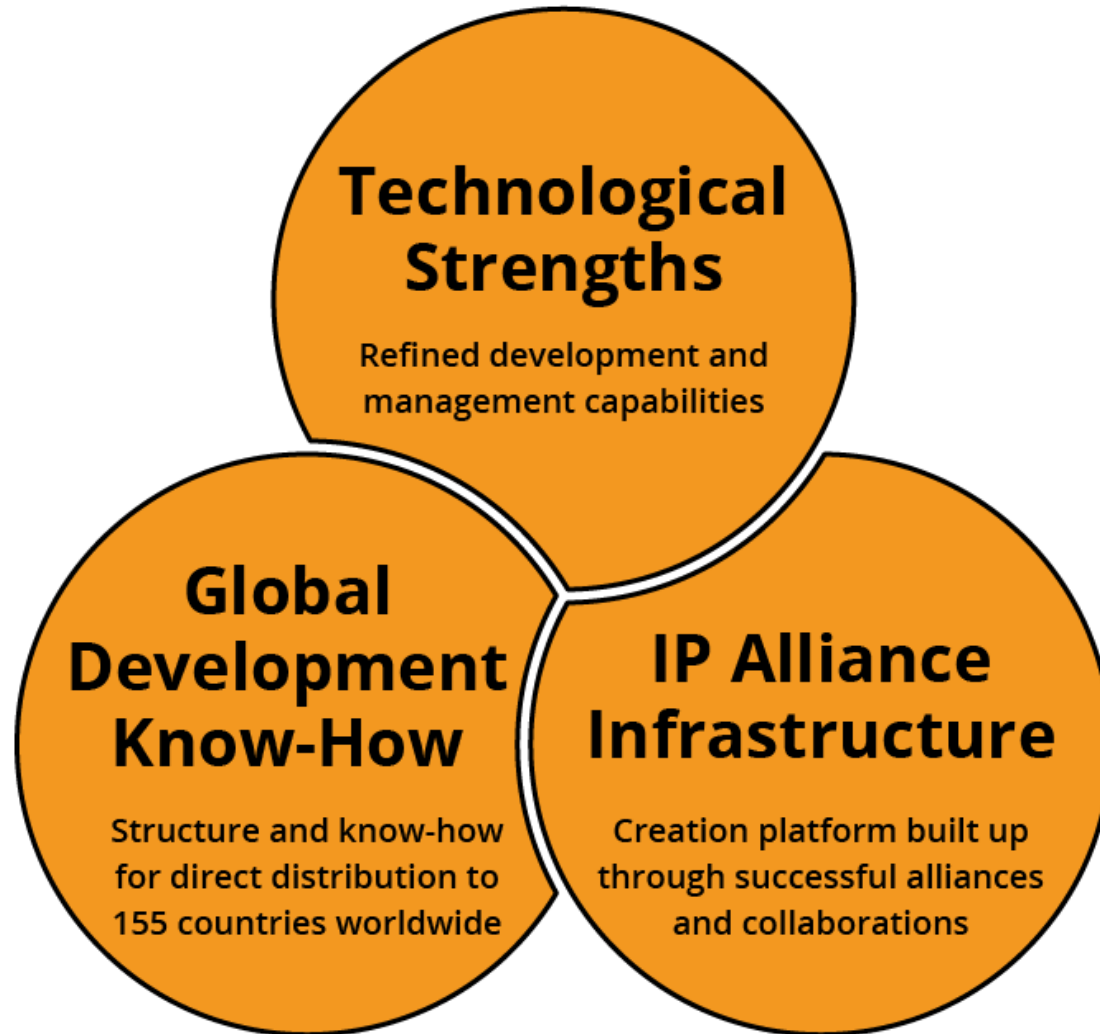
Entertainment Business

Business Policy

Jumping onto the Next Stage with IPs, a Global Focus, and Multi-Device Support!



Strengths of the Entertainment Business



E-Commerce Business

Vision of the E-Commerce Business

Aim to be an Online Bicycle Store that Provides Service Quality Similar to In-Stores,
and The Best Product Line-up

Bikes, Simply Ready to Ride



Purchasing Bikes Online is Easy!

E-Commerce Business Features



Getting IT Done



APPENDIX

Company Overview

Company Profile as of January 31, 2021

Company name	Ateam Inc.
Security code	3662:JP, TSE Section 1
Incorporated on	February 29, 2000
Headquarters	Nagoya, Japan
President	Takao Hayashi
Industry	Information & Communication
Sector	Internet, Mobile Game
Account settled in	July
Group companies (Fully owned subsidiaries)	9 (includes 1 overseas subsidiary)
Number of employees	1,106 (excludes directors & part-time employees)
Shares per unit	100 shares



Personal History of Takao Hayashi, President



1971.12.18 Born in Toki City, Gifu Prefecture, Japan

1982.12 Started computer programming

1987.03 Graduated from Tajimi Junior High School

1987.04 ~ Managed a private preparatory school and involved in part-time jobs of various types

1997.06 Founded Ateam as an unincorporated enterprise

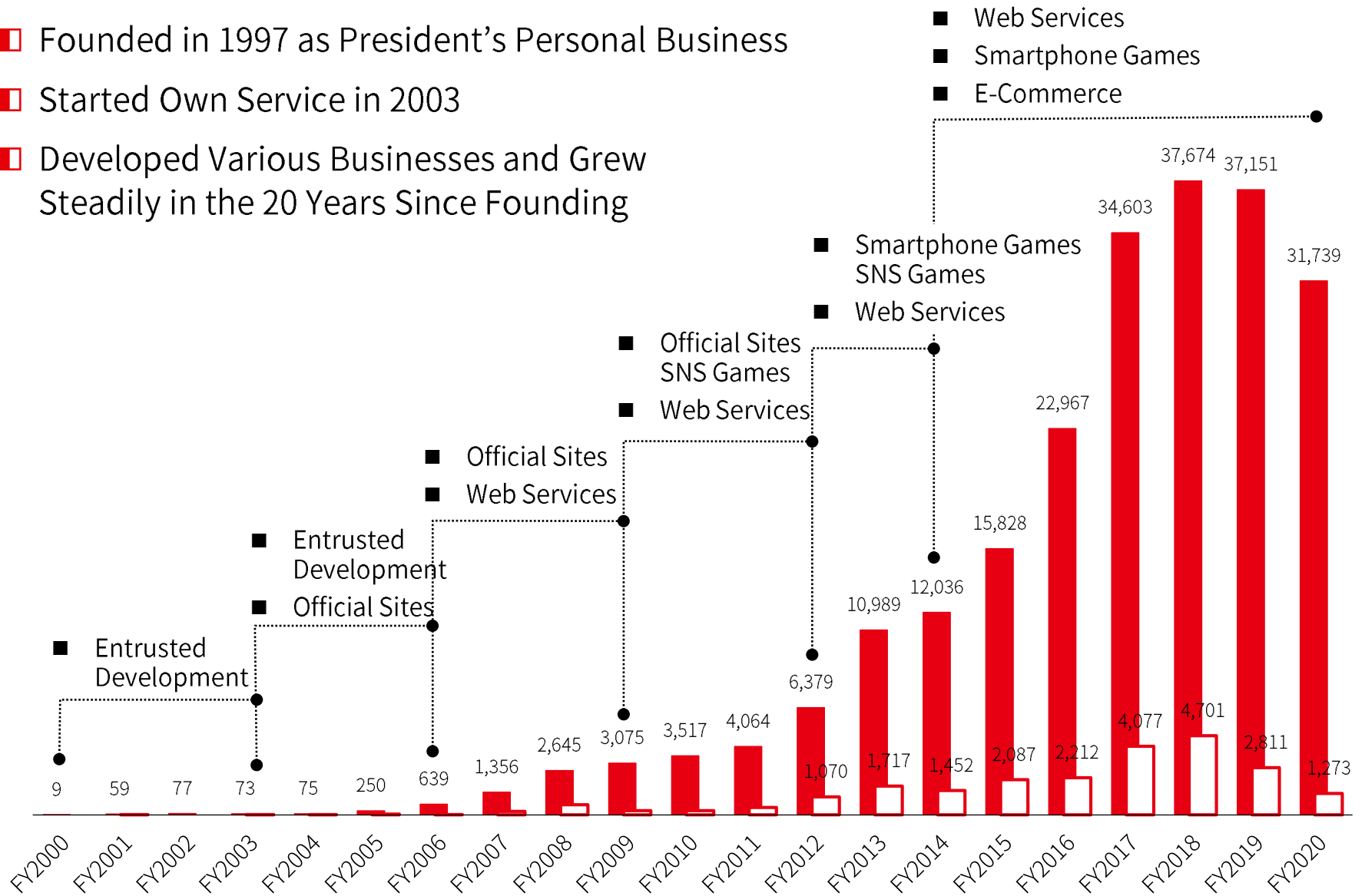
2000.02.29 Established Ateam Ltd.

2004.11.01 Organizational Change to Ateam Inc.

Company History

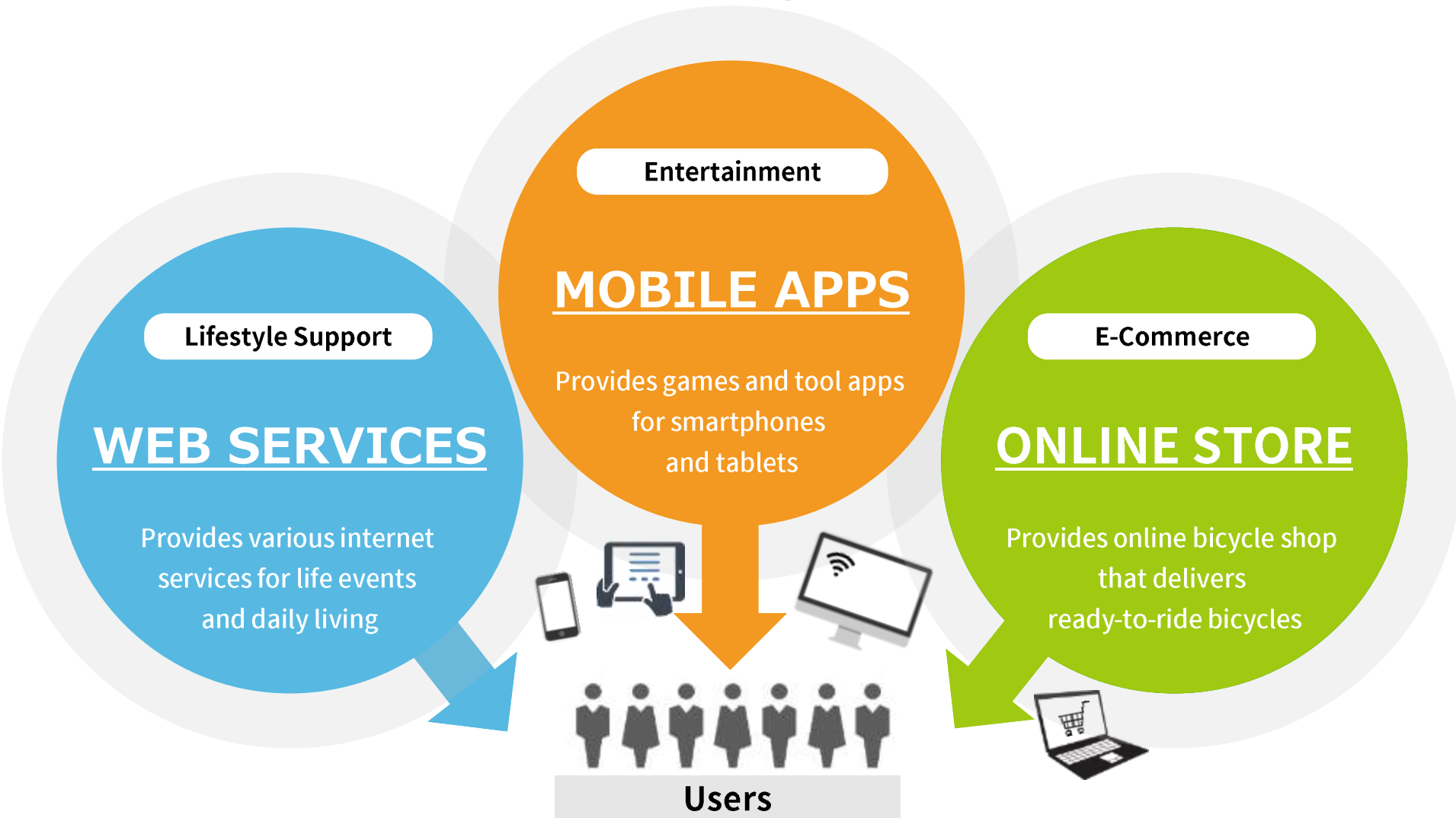
(Million JPY)

- Founded in 1997 as President's Personal Business
- Started Own Service in 2003
- Developed Various Businesses and Grew Steadily in the 20 Years Since Founding



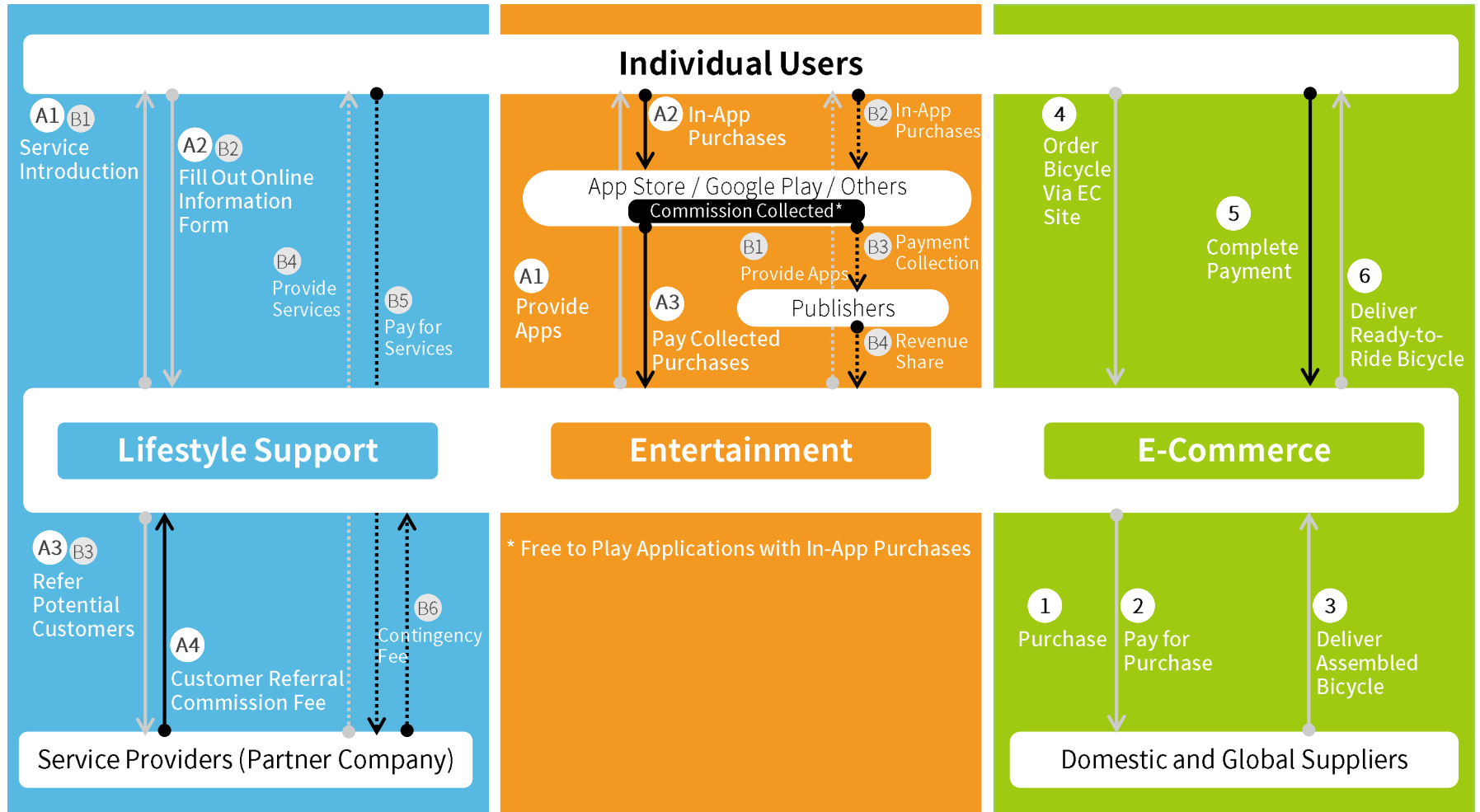
Our Businesses

Ateam Provides Various Services Through the Internet and Smart Devices



Business Models

(A) Main Business Model (Solid Arrow) (B) Sub Business Model (Dotted Arrow)
  Commercial Distribution
  Financial Flow



* **Commission Collected** Commission fees are collected by providers of application distribution platforms such as the iTunes App Store & Google Play

Lifestyle Support Business – Main Services

Digital Marketing Support Business



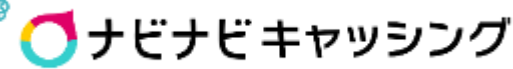
Hikkoshi Samurai



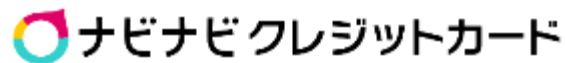
Navikuru



Hanayume



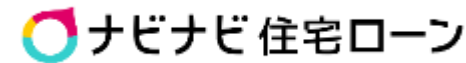
NaviNavi Cashing



NaviNavi Credit Card



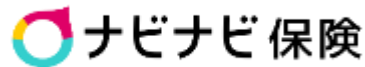
FindPro



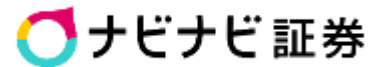
NaviNavi Mortgage



ライフドット
Lifedot



NaviNavi Insurance



NaviNavi Securities



Soldi

Platform Business



minorie

Qiita

Qiita Jobs

Entertainment Business – Main Line-up

Game Apps



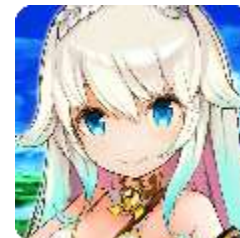
Hatsune Miku –
Tap Wonder



Revue Starlight Re LIVE



Valkyrie Connect



Unison League



BASSA WARRIORS



Three Kingdoms Smash!



Derby Impact



War of Legions



Dark Summoner

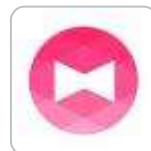
Tool Apps



Game Boost Master



Jam



[+]HOME



Sleep Alarm

M&A and Capital Investment Policy

Mission

Realize Mid- and Long-Term Vision While
Expediting Increase in Corporate Value

M & A

Companies Expected to Increase Ateam's Competitiveness

- Lifestyle Support: (e.g.) Companies or media that would increase our market share or synergize well with our existing businesses
- Entertainment: (e.g.) Media that can acquire more users globally
- EC: (e.g.) E-commerce companies or business other than bicycles

Companies in Industries with High Barriers to Entry

Capital Investment

Companies in Business Industries That Have High Uncertainty
But Have Large Future Potential

Unlisted Companies That Will Develop Businesses Which Can
Expect Large Growth Utilizing Our Know-how

APPENDIX

Supplementary Financial Data

P/L (FY2019 Q2 - FY2021 Q2)

(Million JPY)

	FY2019			FY2020				FY2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	9,597	9,503	9,123	8,148	7,866	8,385	7,339	7,493	7,377
Q/Q (%)	+7.5	-1.0	-4.0	-10.7	-3.5	+6.6	-12.5	+2.1	-1.5
Lifestyle Support	5,191	6,013	6,147	5,521	5,148	5,466	3,956	4,744	4,841
Entertainment	4,005	2,865	2,462	1,989	2,112	1,943	2,405	1,785	1,932
E-Commerce	400	624	512	637	606	976	976	963	603
Cost of revenues	1,878	1,958	1,917	1,808	1,787	2,038	2,020	1,855	1,832
Cost rate (%)	19.6	20.6	21.0	22.2	22.7	24.3	27.5	24.8	24.8
Selling, G&A expenses	7,026	6,547	6,569	6,190	5,886	5,638	5,095	5,259	5,702
Selling, G&A expenses ratio (%)	73.2	68.9	72.0	76.0	74.8	67.2	69.4	70.2	77.3
Total cost and G&A expenses	8,904	8,505	8,486	7,998	7,673	7,676	7,116	7,114	7,535
Labor costs & recruitment expenses	1,463	1,529	1,604	1,581	1,560	1,549	1,583	1,548	1,582
Promotional expenses	3,980	3,726	3,410	3,601	3,229	3,133	2,480	2,843	3,153
Promotional expenses ratio (%)	41.5	39.2	37.4	44.2	41.1	37.4	33.8	37.9	42.7
Lifestyle Support	2,972	3,208	3,111	3,337	2,987	2,934	2,135	2,637	2,961
Entertainment	910	396	212	179	173	125	228	128	126
E-Commerce	44	63	36	46	53	50	102	60	48
Commissions, etc.	1,592	1,289	1,201	1,054	1,099	1,149	1,359	1,114	1,329
Subcontractor expenses, server fees	646	661	660	553	539	519	502	457	464
Office rental fees, utility expenses	293	296	296	287	286	282	285	299	298
Other expenses	928	1,001	1,313	920	958	1,042	905	851	705
Operating income	692	998	636	149	192	708	222	378	-157
Q/Q (%)	42.8	44.1	-36.3	-76.4	28.5	268.2	-68.6	70.3	-141.6
Lifestyle Support	643	1,065	786	471	481	830	113	446	64
Entertainment	610	372	274	43	196	169	365	93	120
E-Commerce	-67	-34	-44	-50	-53	52	8	74	6
Others	-493	-405	-380	-315	-417	-343	-265	-235	-349
Operating income margin (%)	7.2	10.3	7.0	1.8	2.4	8.5	3.0	5.1	—
Ordinary income	661	1,008	632	144	206	682	215	393	-30
Net income	484	358	373	75	50	-511	-135	258	483

P/L (FY2015 - FY2020)

(Million JPY)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Y/Y(%)
Revenue	15,828	22,967	34,603	37,674	37,151	31,739	-14.6
Y/Y (%)	31.5	45.1	50.7	8.9	-1.4	-14.6	—
Lifestyle Support	7,557	9,193	13,342	18,955	22,525	20,093	-10.8
Entertainment	7,914	12,559	19,259	16,168	12,577	8,450	-32.8
E-Commerce	356	1,214	2,001	2,550	2,048	3,196	56.0
Cost of revenues	2,389	3,615	5,669	6,960	7,518	7,654	1.8
Cost rate (%)	15.1	15.7	16.4	18.5	20.2	24.1	+3.9
Selling, G&A expenses	11,351	17,139	24,855	26,012	26,820	22,811	-15.0
Selling, G&A expense ratio (%)	71.7	74.6	71.8	69.0	72.2	71.9	-0.3
Total cost and G&A expenses	13,740	20,755	30,525	32,973	34,337	30,465	-11.3
Labor costs & recruitment expenses	2,798	3,250	3,807	4,754	6,032	6,274	+4.0
Promotional expenses	6,430	9,335	14,018	14,805	15,048	12,444	-17.3
Promotional expenses ratio (%)	40.6	40.6	40.5	39.3	40.5	39.2	-0.7
Lifestyle Support	4,578	5,109	7,547	10,385	12,251	11,394	-7.0
Entertainment	1,651	3,748	5,895	3,785	2,355	706	-70.0
E-Commerce	61	221	335	330	200	253	+26.5
Commissions, etc.	2,586	4,592	7,318	6,117	5,387	4,662	-13.5
Subcontractor expenses, server fees	785	1,035	1,198	2,277	2,574	2,114	-17.9
Office rental fees, utility expenses	433	728	879	1,080	1,179	1,142	-3.2
Other expenses	706	3,340	3,303	3,937	4,115	3,826	-7.5
Operating income	2,087	2,212	4,077	4,701	2,811	1,273	-54.7
Y/Y (%)	43.8	6.0	84.3	15.3	-40.2	-54.7	—
Lifestyle Support	1,298	1,637	1,929	3,076	3,137	1,896	-39.5
Entertainment	1,770	2,297	3,820	3,587	1,532	776	-49.3
E-Commerce	-115	-172	-178	-211	-210	-43	-79.4
Others	-865	-1,549	-1,493	-1,751	-1,648	-1,341	-18.6
Operating income margin	13.2	9.6	11.8	12.5	7.6	4.0	-3.6
Ordinary income	2,164	2,094	4,118	4,730	2,809	1,249	-55.5
Pre-tax income	2,091	1,858	3,854	4,732	2,354	0	—
Net income	1,362	1,292	2,579	3,306	1,473	-519	-135.3

B/S (FY2015 - FY2020)

(Million JPY)

		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Assets							
	Current assets*	6,257	6,827	9,613	11,488	11,543	11,130
	Cash and cash equivalents	3,097	3,505	5,004	5,984	6,713	6,480
	Non-current assets*	1,399	2,759	3,527	5,214	5,729	4,932
	Tangible assets	125	1,321	1,666	1,684	1,711	1,384
	Intangible assets	460	622	507	2,070	1,522	477
	Investments and other assets*	814	815	1,353	1,459	2,495	3,070
Total assets		7,656	9,586	13,140	16,702	17,273	16,063
Liabilities							
	Current liabilities	3,648	4,127	5,202	4,464	4,031	3,847
	Non-current liabilities	0	387	481	583	730	493
Total liabilities		3,648	4,514	5,683	5,047	4,761	4,340
	Interest-bearing liabilities	1,700	1,166	632	186	0	0
Net assets							
	Shareholder's equity	3,900	4,971	7,361	11,566	12,452	11,663
	Treasury stock	-1,403	-1,222	-1,177	-481	-438	-397
	Stock option	108	100	96	85	85	82
Total net assets		4,008	5,072	7,456	11,655	12,511	11,722
Total liabilities and net assets		7,656	9,586	13,140	16,702	17,273	16,063

* From FY2019, applied "Partial Amendments to the Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, Feb 16, 2018) causing category change from "Deferred Tax Assets" to "Investments and Other Assets". Above values are based on new standards causing differences from previous published materials

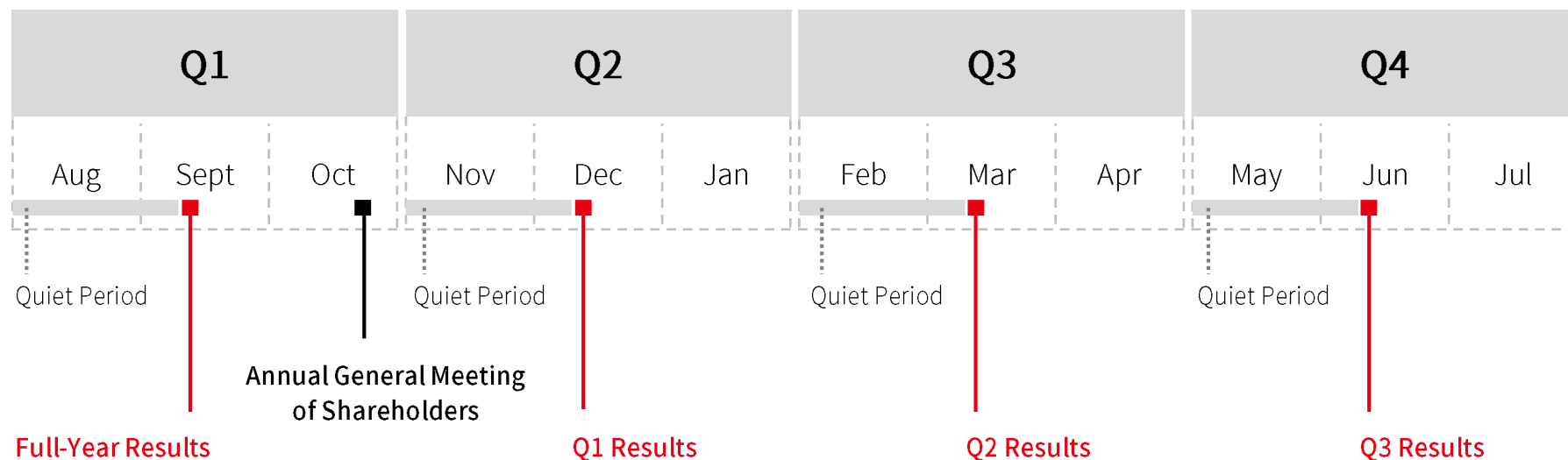
Others (FY2015 - FY2020)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Number of shares issued (year-end)	19,405,600	19,450,000	19,469,800	19,738,200	19,756,200	19,783,200
Treasury stock (shares)	580,020	302,562	302,562	35,562	35,562	35,588
Average number of shares during the FY	19,310,191	18,846,317	18,904,872	19,401,921	19,510,259	19,551,565
EPS (JPY)	70.54	68.58	136.45	170.40	75.52	-26.59
EPS Y/Y (%)	45.6	-2.8	99.0	24.9	-55.7	-135.2
ROA (Ordinary income on total assets, %)	32.9	24.3	36.2	31.7	16.5	7.5
Net assets per share (JPY)	207.2	263.4	389.0	593.7	636.32	594.54
Dividend per share (JPY)	12.50	12.50	27.00	32.50	16.00	16.00
Interim dividend (JPY)	5.00	5.00	5.00	0.00	0.00	0.00
Total dividend amount (JPY)	238	239	517	640	315	315
Payout ratio (%)	17.7	18.2	19.8	19.1	21.2	-
Shareholder's equity ratio (%)	50.9	51.9	56.0	69.2	72.1	72.6
Equity ratio (%)	50.9	51.9	56.0	69.3	71.9	72.5
ROE (%)	33.9	29.1	41.8	34.9	12.3	-4.3
ROIC (=①÷②, %)	21.0	25.1	34.1	27.9	14.1	7.6
① Net operating income after taxes	1,178	1,539	2,729	3,284	1,759	884
② Invested capital (=③+④)	5,600	6,137	7,993	11,755	12,452	11,663
③ Shareholder's equity	3,900	4,971	7,361	11,566	12,452	11,663
④ Short-term loans payable	1,700	1,166	632	186	0	0

* The company carried out common stock splits of 100-for-1 on Oct 27, 2011, 3-for-1 on Jun 1, 2012, and 2-for-1 on May 1, 2015. The per share figures listed above have been adjusted to reflect these splits, and some therefore differ from those in previous materials released by the company

IR Schedule & Contact Information

Yearly Schedule



Contact Information

Corporate Development Division Investor Relations

E-mail: ir@a-tm.co.jp

* For the purpose of preventing the spread of COVID-19 infections, we are currently working from home, thus will only be able to respond via mail

- Corporate Website Shareholder/Investor Information: <https://www.a-tm.co.jp/en/ir/>
- Shared Research Report: <https://sharedresearch.jp/en/3662>
- Ateam IR Facebook Page: <https://www.facebook.com/ateamir/>

“To Be a Company Where All Can Achieve Happiness Together”

“To Be a Company that Continues 100 Years from Today”



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