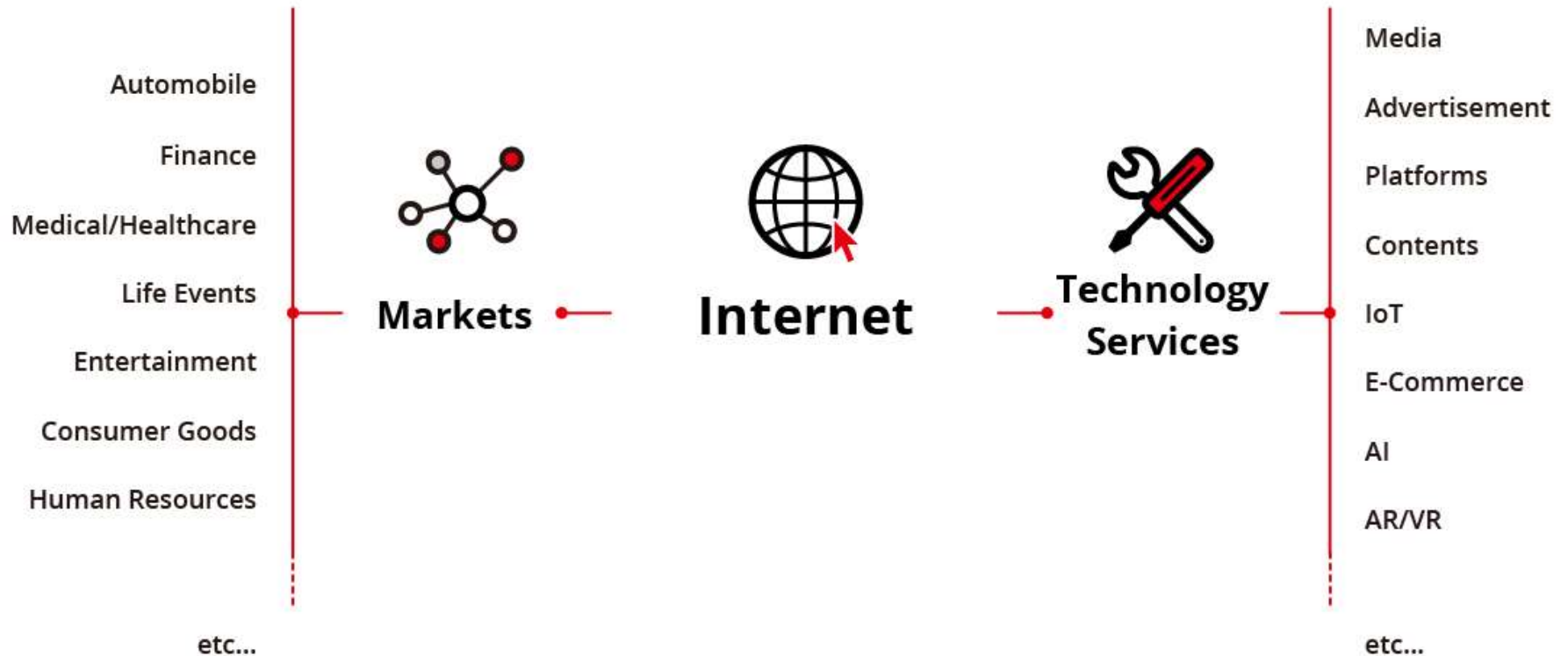


Ateam Inc.

Business Report FY2021

September 10, 2021

Ateam is an IT Company that Develops Business Around the Internet



Index

- 1. Important Notice**
- 2. Medium- and Long-Term Policy**
- 3. FY2021 Financial Results**
- 4. FY2021 Business Details**
- 5. FY2022 Guidance**
 - APPENDIX A : Company Overview
 - APPENDIX B : Supplementary Financial Data

1. Important Notice

2. Medium- and Long-Term Policy
3. FY2021 Financial Results
4. FY2021 Business Details
5. FY2022 Guidance

Important Notice (1)

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	350,000 shares (max)
Total Acquisition Cost	500 million JPY (max)
Period of Acquisition	September 13, 2021 ~ January 31, 2022
Method of Acquisition	Tokyo Stock Exchange Market

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

Number of shares issued (excluding treasury stock)	19,125,812 shares
Number of treasury stock	663,388 shares

Important Notice (2)

**Lifestyle Support
Reorganization**

Lifestyle Support Reorganization

Purpose

- Optimize and strengthen functions by consolidating the Digital Marketing Support business organization
- Promote growth and gain competitive advantage through concentrated investment in DX and AI

Matters Resolved

- **Ateam Hikkoshi Samurai (scheduled for name change) will be the surviving company, and the following businesses will be consolidated:**
 - Automobile-related Service
 - Death Care Service
 - Financial Media Service
 - Human Resource Service

Schedule (tentative)

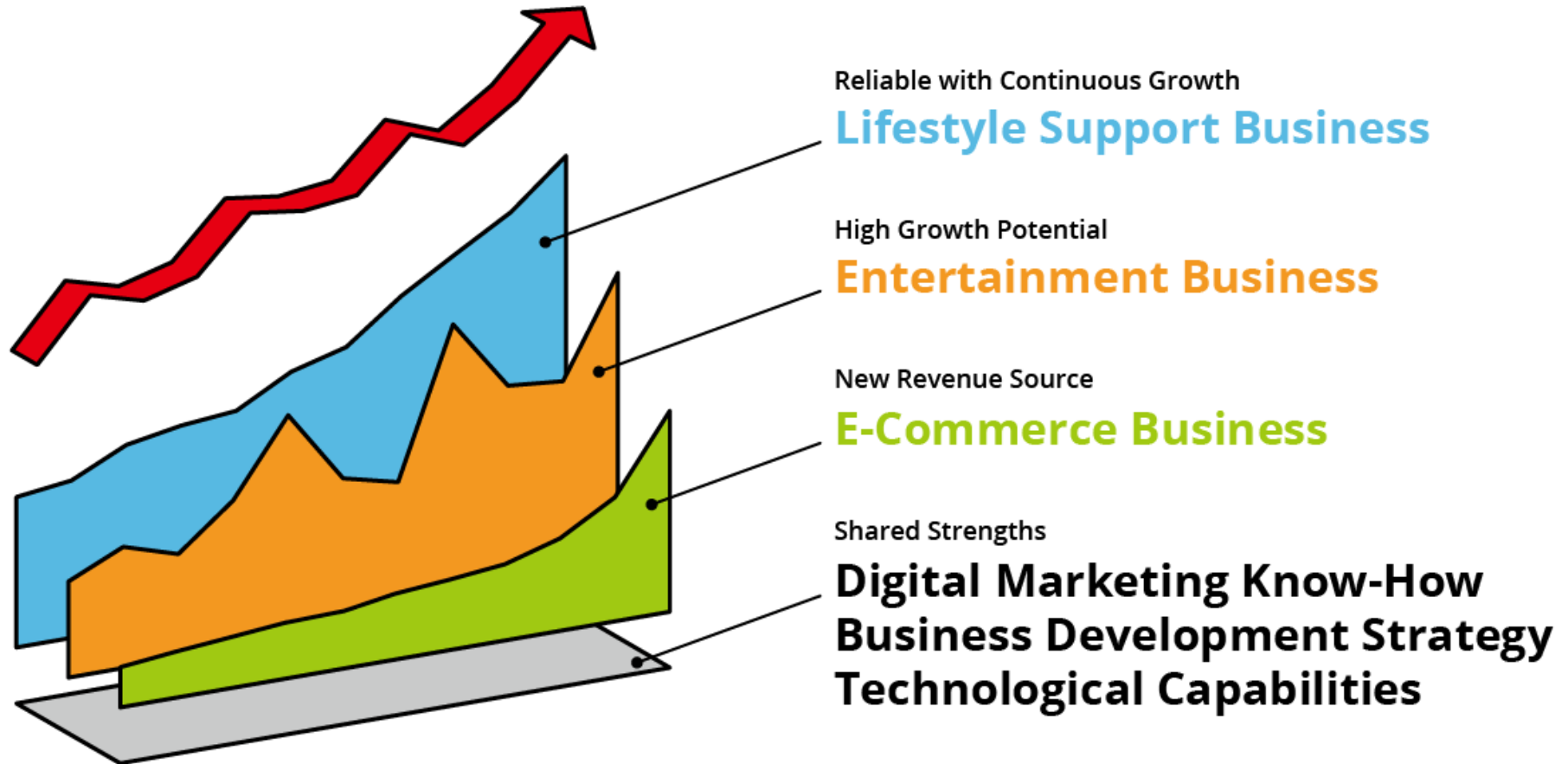
Agreement Date: Mid-November 2021 ~ Mid-December 2021
Effective Date: February 1, 2022

2. Medium- and Long-Term Policy

3. FY2021 Financial Results
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Management Strategy

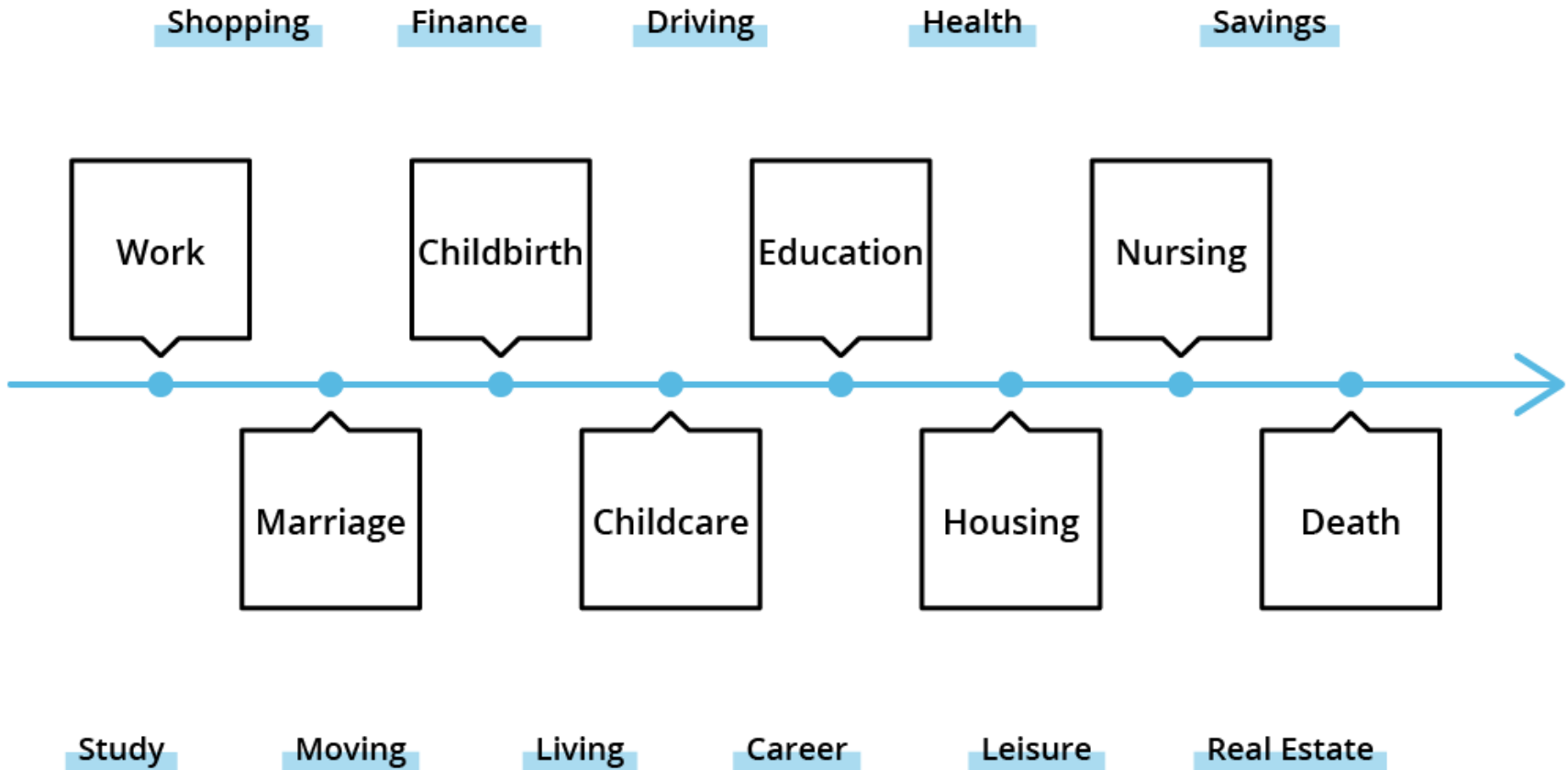
A Business Portfolio that Optimizes Operational Stability



Lifestyle Support Business

Vision of the Lifestyle Support Business

Supporting Various Life Events, From Cradle to Grave



Lifestyle Support Business Sub-segments



Digital Marketing Support Business



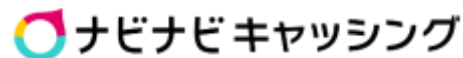
Hikkoshi Samurai



Hanayume



Navikuru



NaviNavi Cashing



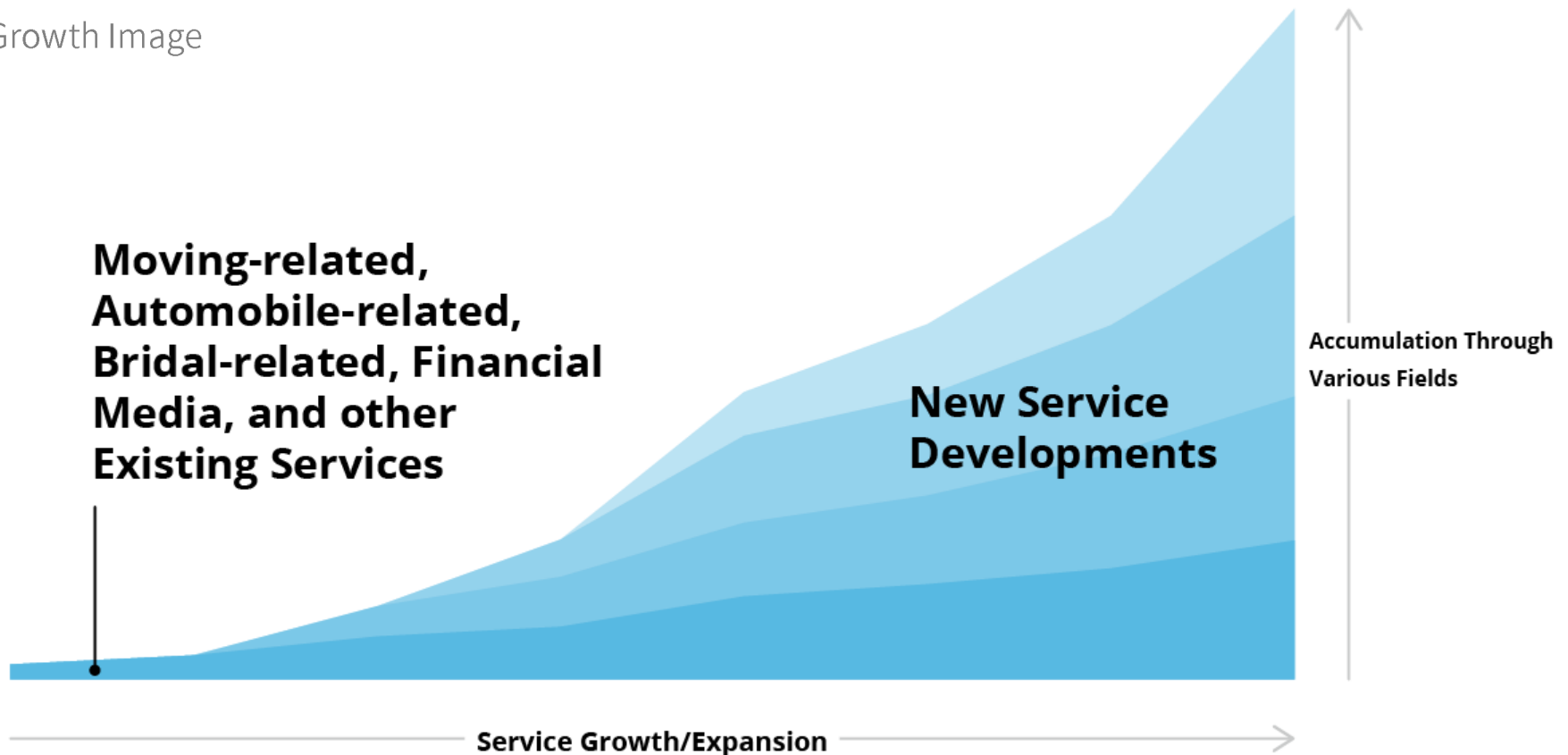
Platform Business



Digital Marketing Support Business

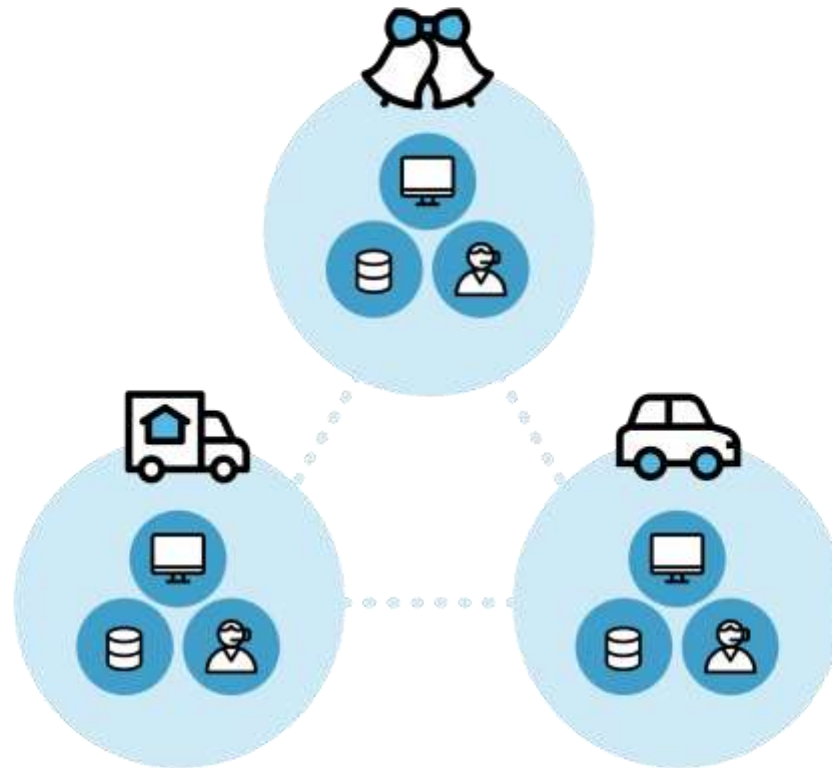
Aim for **Rapid Expansion** in Various Fields Centered on Digital Marketing Support That Refers Prospective Customers to Affiliated Businesses Through Owned Media

*Growth Image



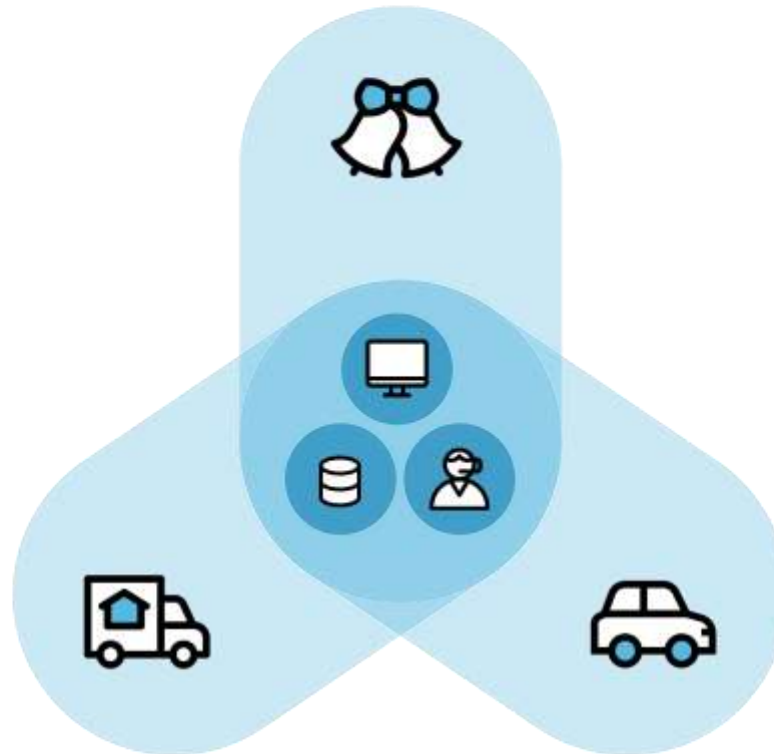
Structure Up Until Now

Each Service Had its Own Independent Provision System,
Thus Making it Difficult to Cross-Reference Between Services



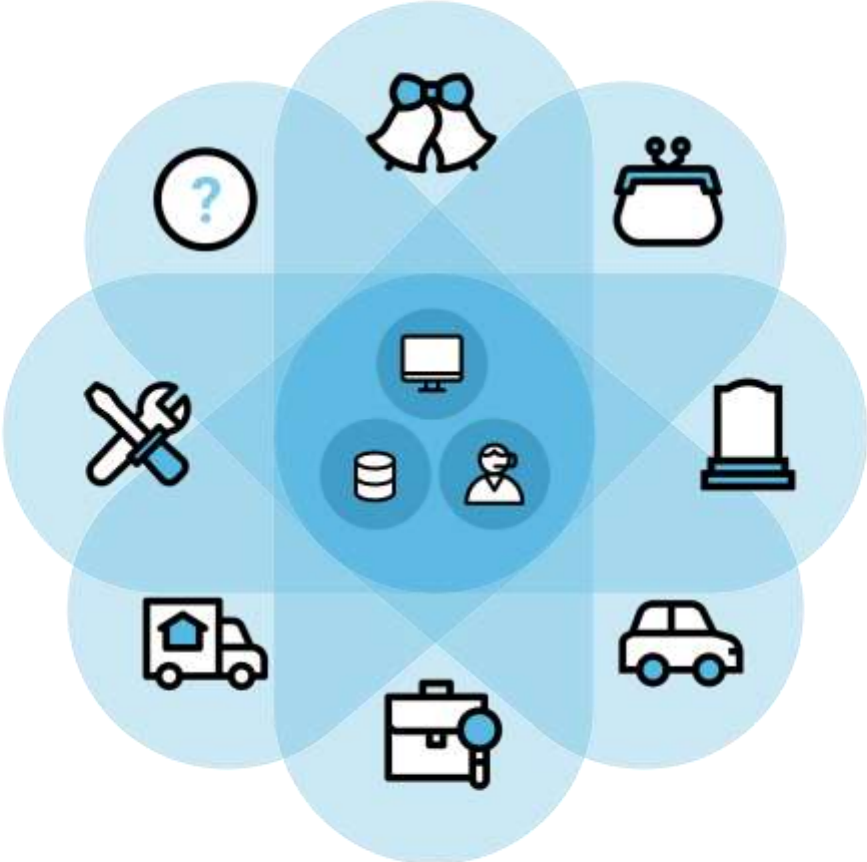
Future Initiatives

By Building a Common Platform Across Services,
We Will Provide the Services that a User Needs at the Right Time and
Improve LTV (Life Time Value)



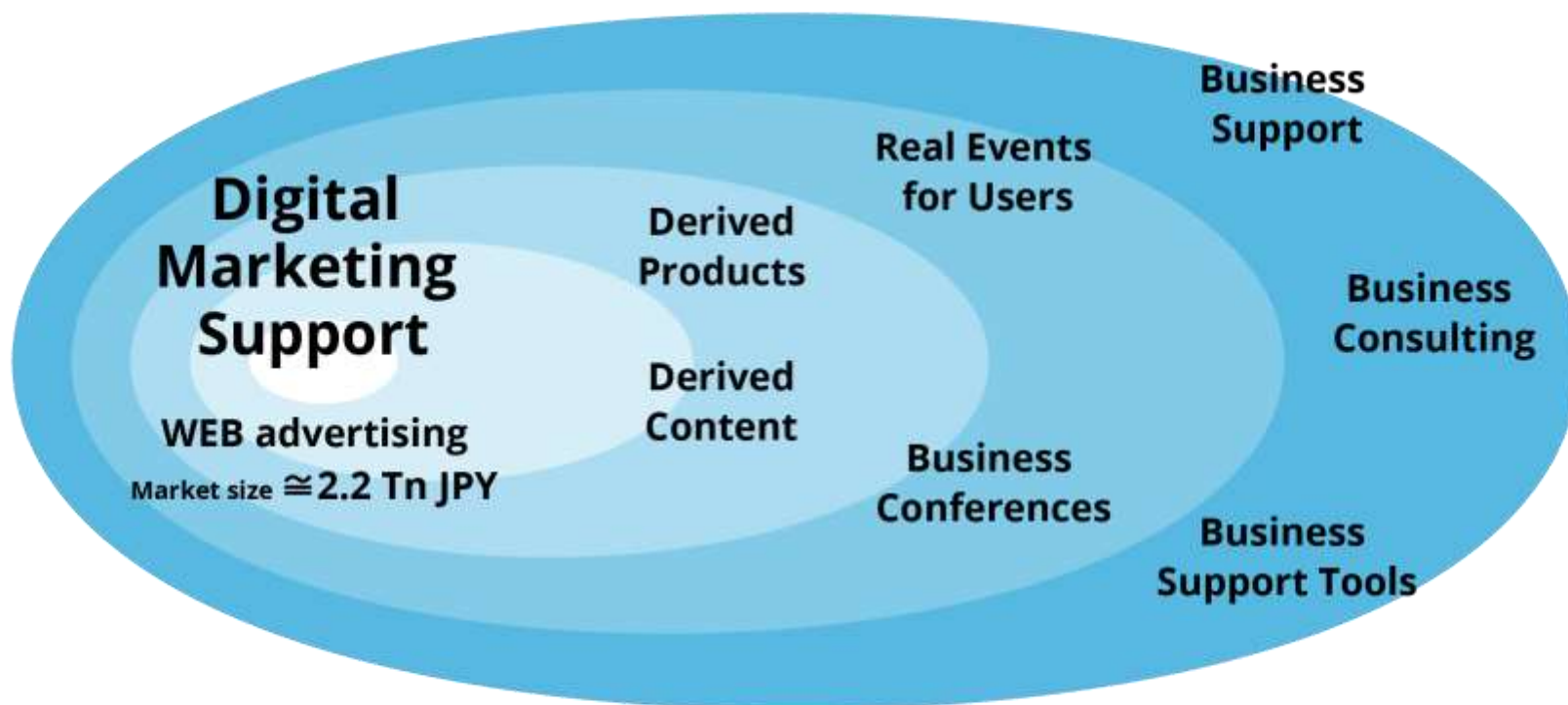
Future Initiatives

**By Building/Growing a Common Foundation that Supports Each Service,
We Will Increase the Value Provided by the Service and
Use it to Our Advantage When Entering New Fields**



Digital Marketing Support Business Development

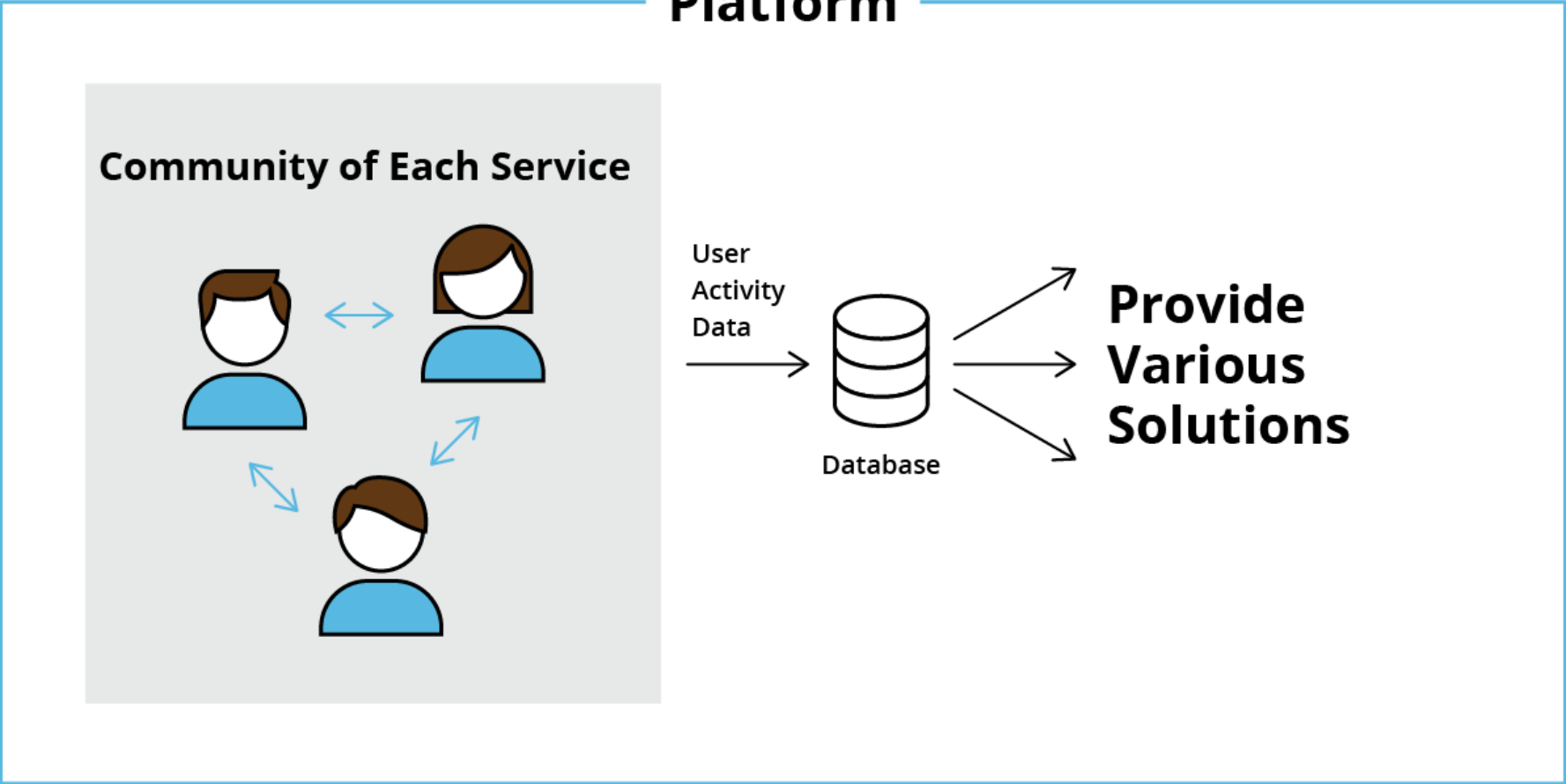
Going Beyond Digital Marketing Support, Aim to Provide Both Users and Partner Companies with Various Peripheral Services to Promote Industry Development



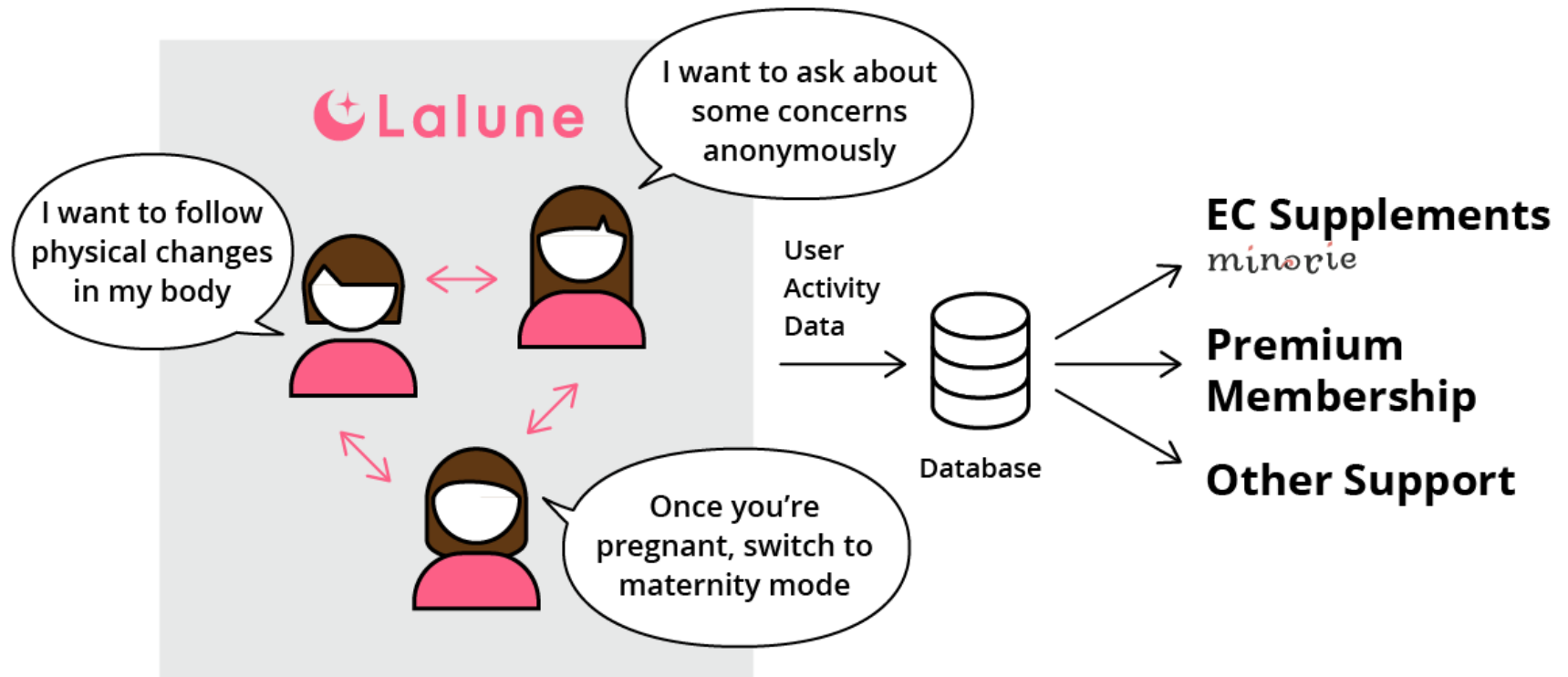
Platform Business

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

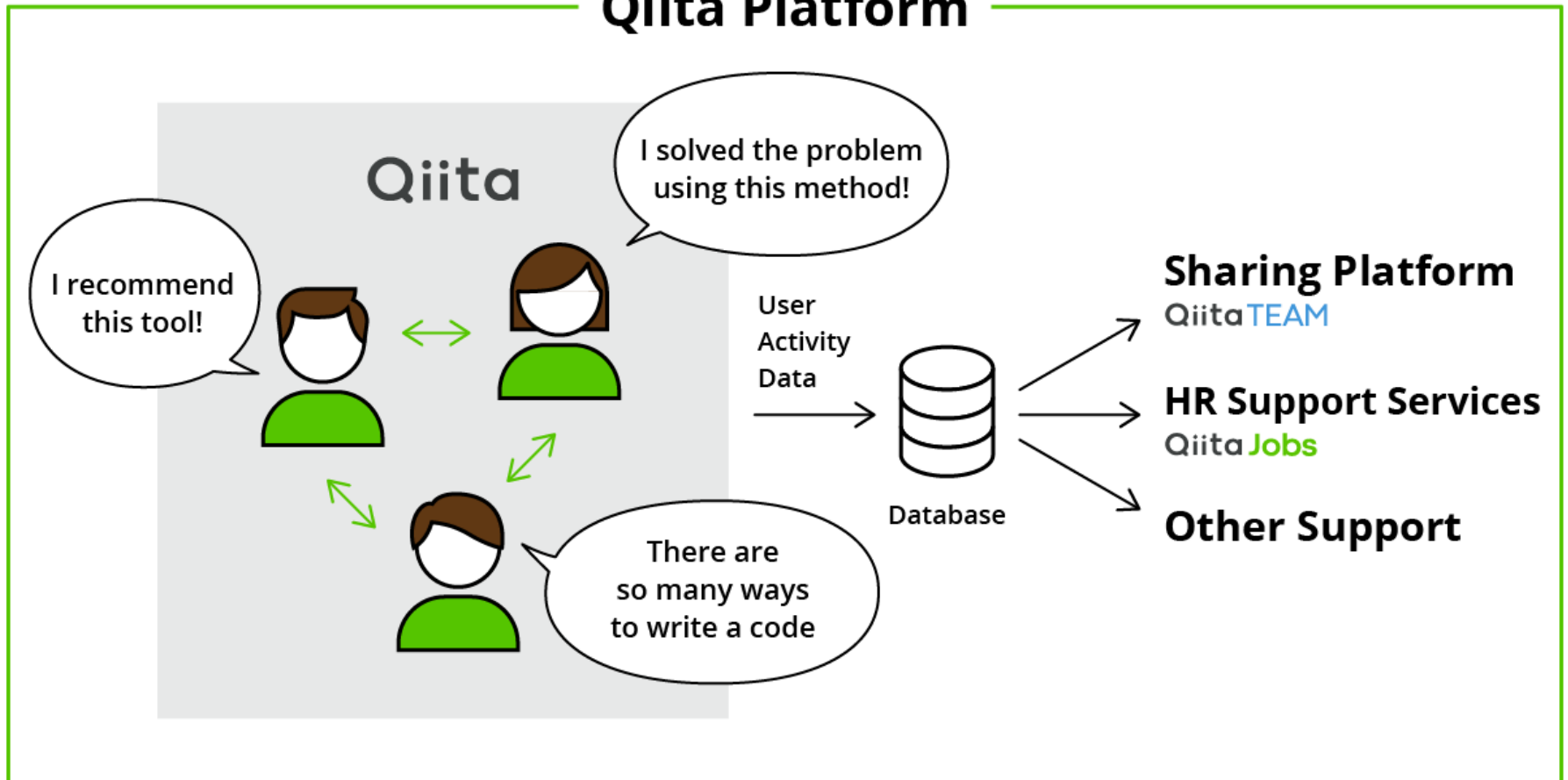
Platform



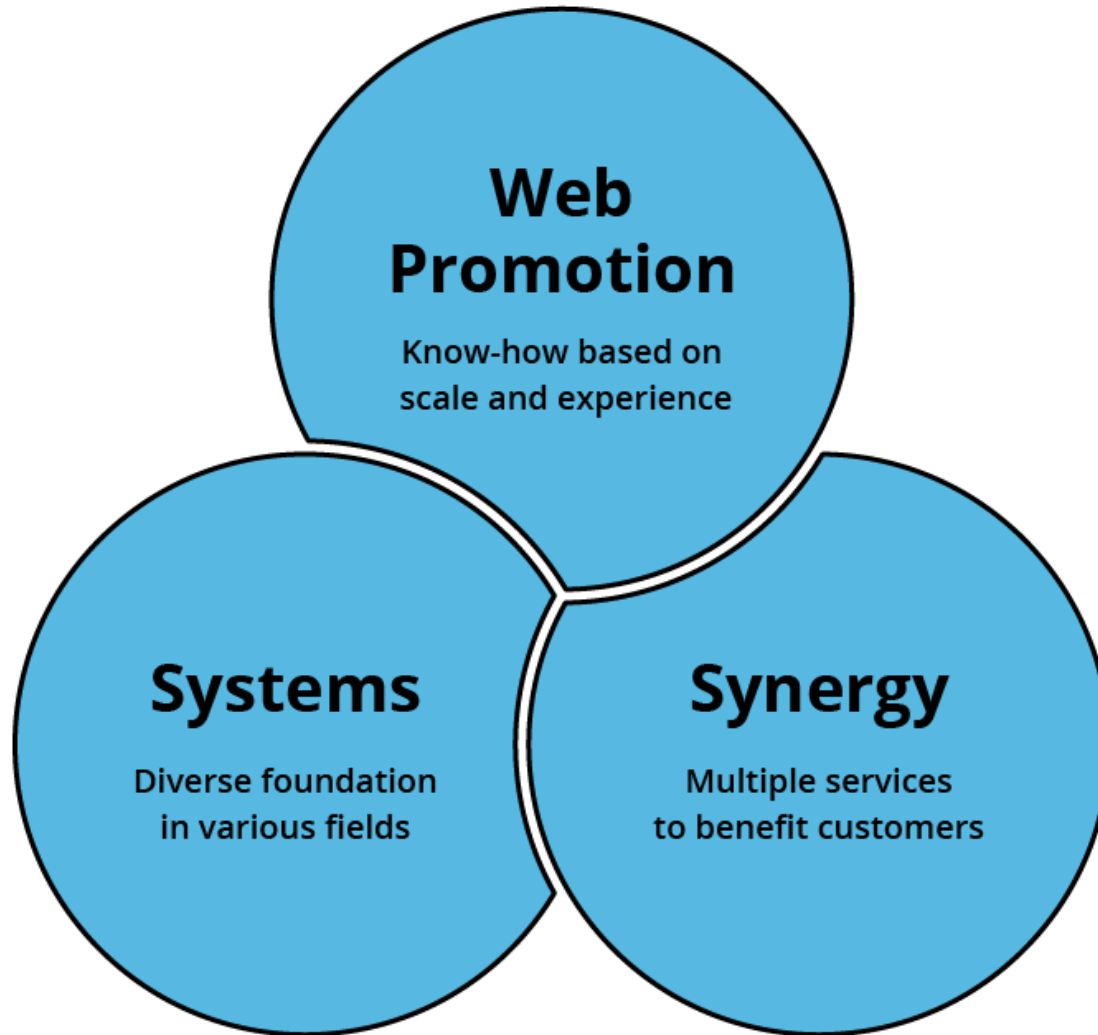
Lalune Platform



Qiita Platform



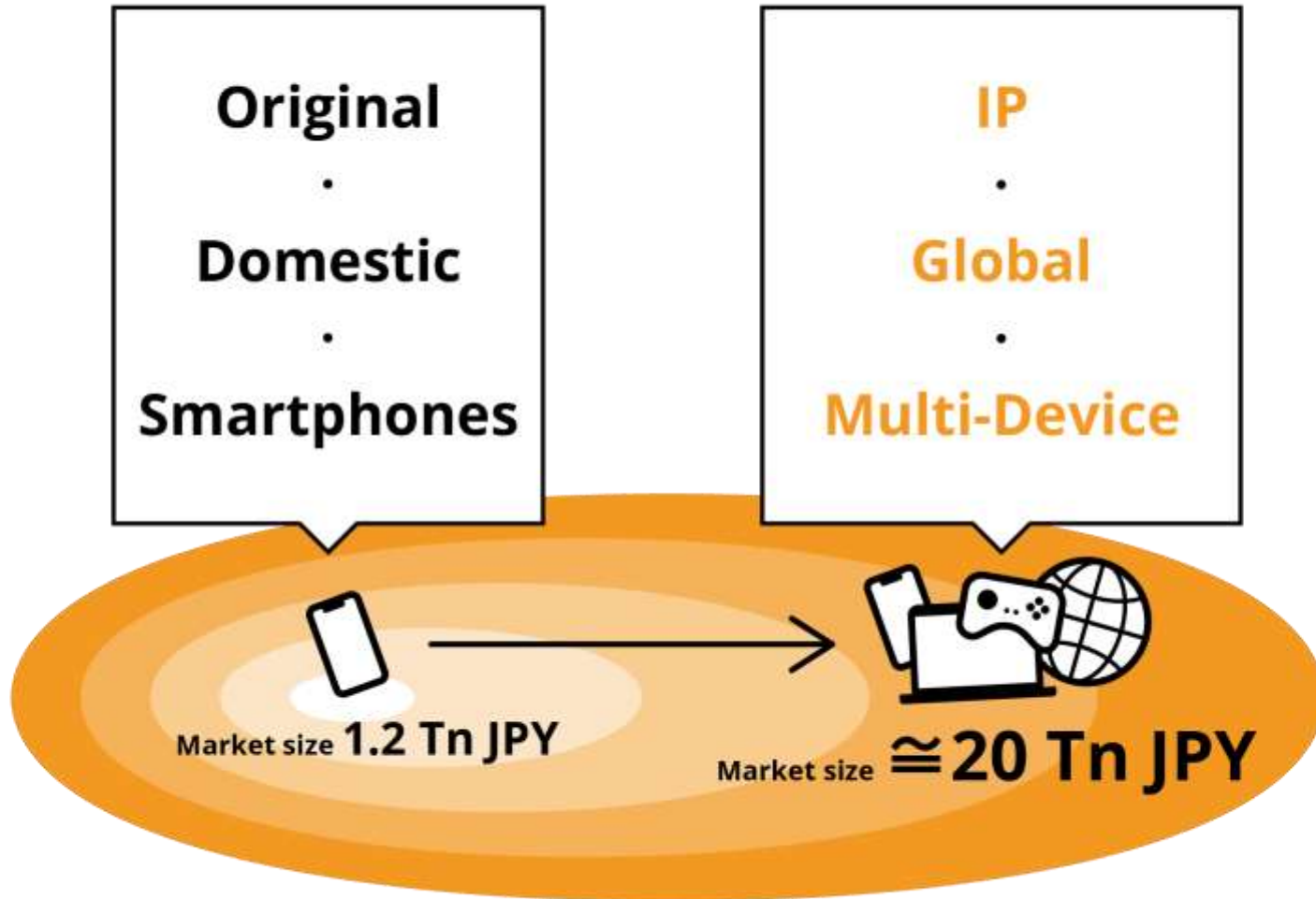
Strengths of the Lifestyle Support Business



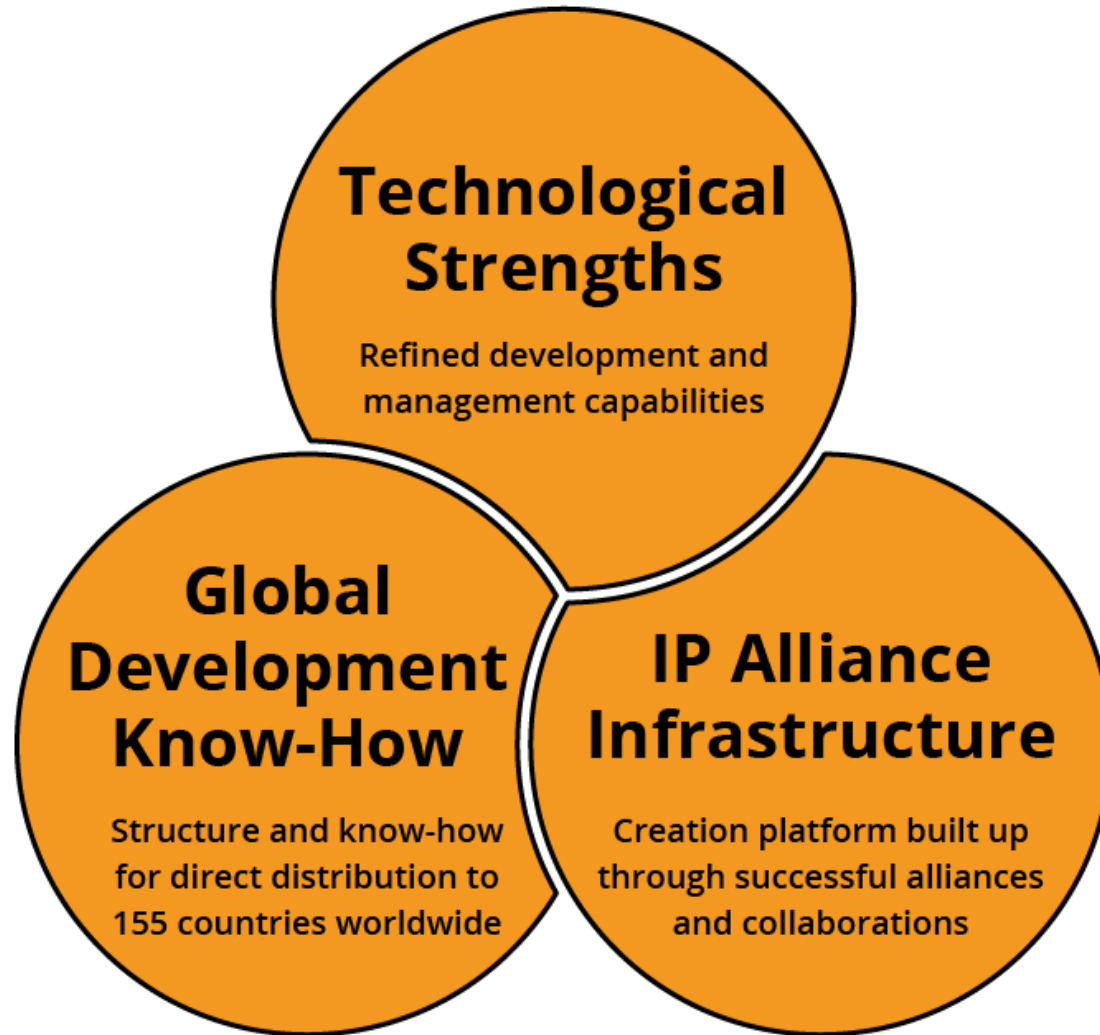
Entertainment Business

Business Policy

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



Strengths of the Entertainment Business



E-Commerce Business

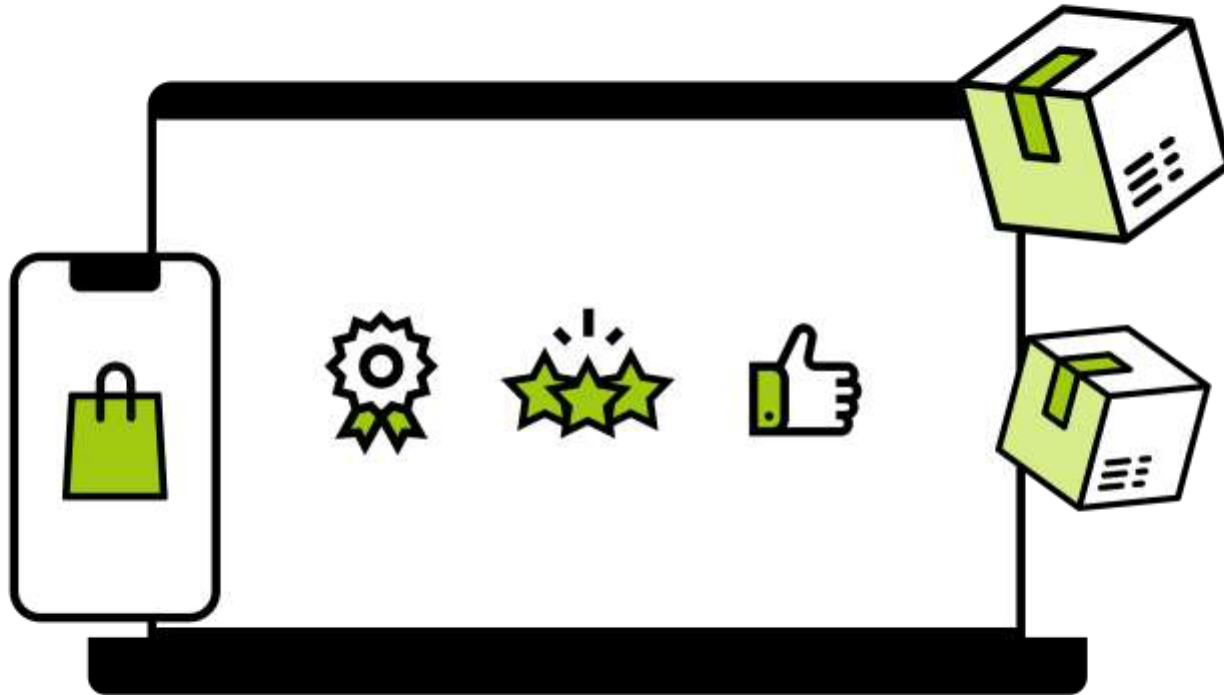
Vision of the E-Commerce Business

To Provide the Most Affordable Purchasing Experience that Goes Beyond Physical Stores



Business Policy

Identify and Enter Products that Seem to Have a Lot of Room for Improvement in the Purchasing Experience



E-Commerce Business Features



Getting IT Done



3. FY2021 Financial Results

- 4. FY2021 Business Details
- 5. FY2022 Guidance

FY2021 Financial Summary (Aug 2020-July 2021)

Overall

Revenue & OP Down Y/Y, Gain from Investment Securities

- Revenue: 31,252 million JPY (Y/Y 98.5%)
- Operating income: 701 million JPY (Y/Y 55.1%)
- Net income: 877 million JPY (Y/Y —)

* Net income = Net income attributable to shareholders of parent company (holds the same meaning on all following pages)

Lifestyle Support

Revenue Up and Profit Down Y/Y

- Revenue: 20,384 million JPY (Y/Y 101.5%)
- Profit: 1,450 million JPY (Y/Y 76.5%)

% of Revenue

65.2%

Revenue and Profit Down Due to COVID-19 and Google Algorithm Impact

Ent.

Revenue and Profit Down Y/Y

- Revenue: 7,272 million JPY (Y/Y 86.1%)
- Profit: 369 million JPY (Y/Y 47.6%)

% of Revenue

23.3%

Existing Continue Downtrend, New Development Costs Cause Profit Decline

EC

Record High Revenue and Profitability Achieved!

- Revenue: 3,595 million JPY (Y/Y 112.5%)
- Profit: 84 million JPY (Y/Y —)

% of Revenue

11.5%

Improved Ops and Bicycle Needs with COVID-19 Resulted in Record Revenue

FY2021 Review

Overall

A Year Focused on a New Stage

- Despite COVID-19, secured operating income through stable business portfolio
 - Each business maintained solid earnings while actively investing
-

Lifestyle Support

New Services Steadily Growing Despite Partial COVID-19 Impact

- Mainly “Hanayume” struggled with continued COVID-19 effects
 - With sustainable growth in mind, new services showed increase in revenue and reduction in red
-

Ent.

Continued to Focus on New IP Collaboration, Showing Progress

- While curbing downtrend of existing, various efforts performed favorably, beating expectations
 - Continued upfront investment in new IP, steadily progressing with title announcement, etc.
-

EC

Full-Year Profitability Achieved! Successful Year of Reformation

- Continued to improve operational efficiency and achieved full-year profitability!
 - Succeeded in preparing for the release of new products by utilizing the success of “cyma”
-

FY2021 Q4 Financial Summary (May 2021 - Jul 2021)

Overall

Revenue Up Y/Y But Down Q/Q, OP Down Both Y/Y and Q/Q

- Revenue: 7,742 million JPY (Y/Y 105.5%, Q/Q 89.6%)
- Operating income: 120 million JPY (Y/Y 54.2%, Q/Q 33.5%)
- Net income: -103 million JPY (Y/Y —, Q/Q —)

Lifestyle Support

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

- Revenue: 5,045 million JPY (Y/Y 127.5%, Q/Q 87.7%)
- Profit: 437 million JPY (Y/Y 385.7%, Q/Q 87.2%)

% of Revenue

65.2%

Y/Y Up Due to Reduced COVID-19 Impact, Q/Q Down Due to Reactionary Decline

Ent.

Revenue and Profit Down Both Y/Y & Q/Q

- Revenue: 1,766 million JPY (Y/Y 73.4%, Q/Q 98.8%)
- Profit: 46 million JPY (Y/Y 12.7%, Q/Q 42.9%)

% of Revenue

22.8%

Y/Y Down with Continued Decline of Existing, Q/Q Profit Dip Due to Investment

EC

Down Both Y/Y & Q/Q, Q Deficit Due to Investment

- Revenue: 930 million JPY (Y/Y 95.3%, Q/Q 84.8%)
- Profit: -48 million JPY (Y/Y —, Q/Q —)

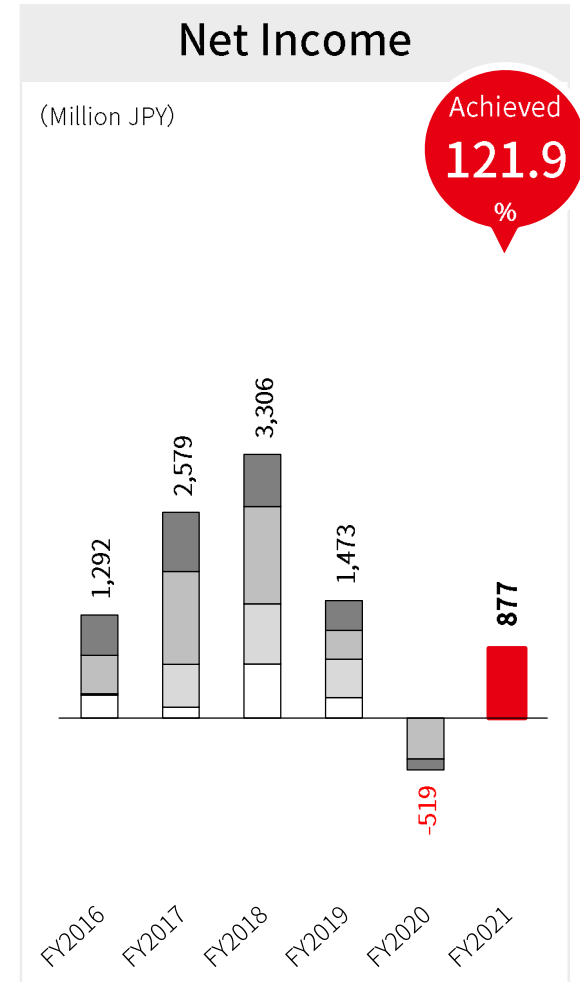
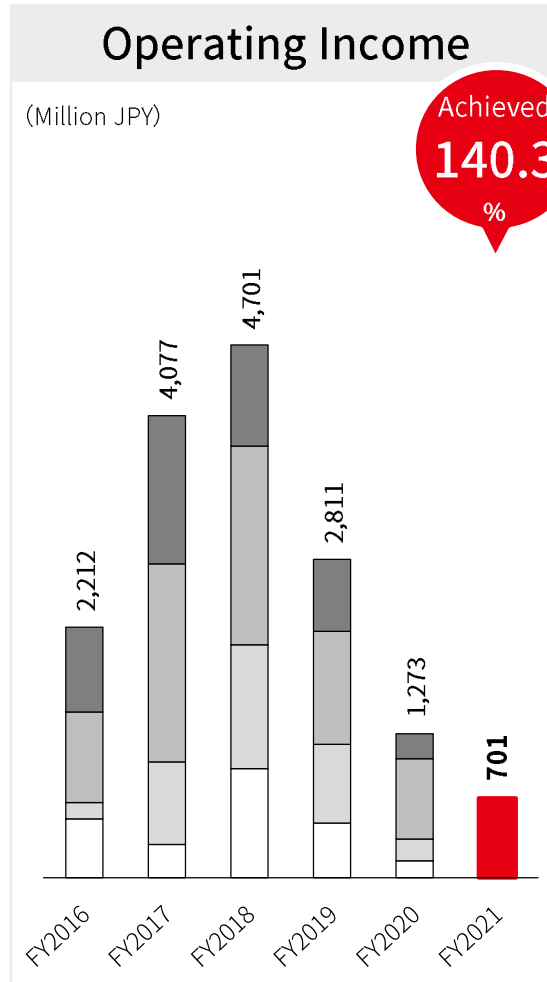
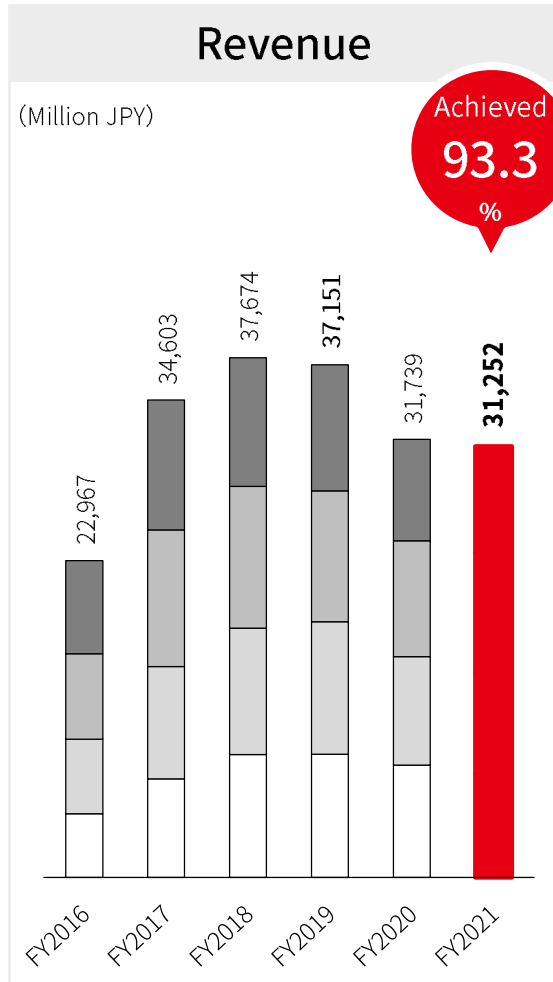
% of Revenue

12.0%

Y/Y Slight Dip Due to End of COVID-19 Effects, Profit Down Due to Investment

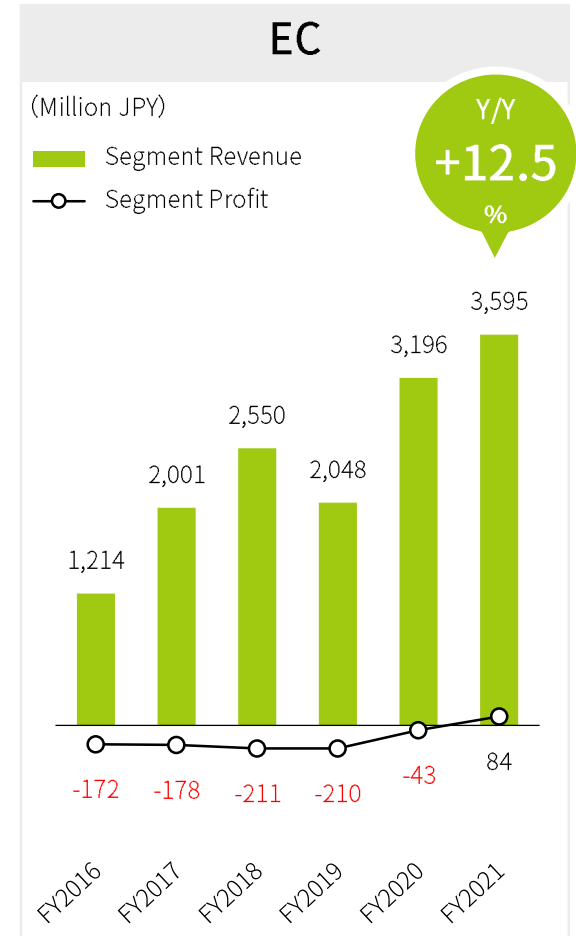
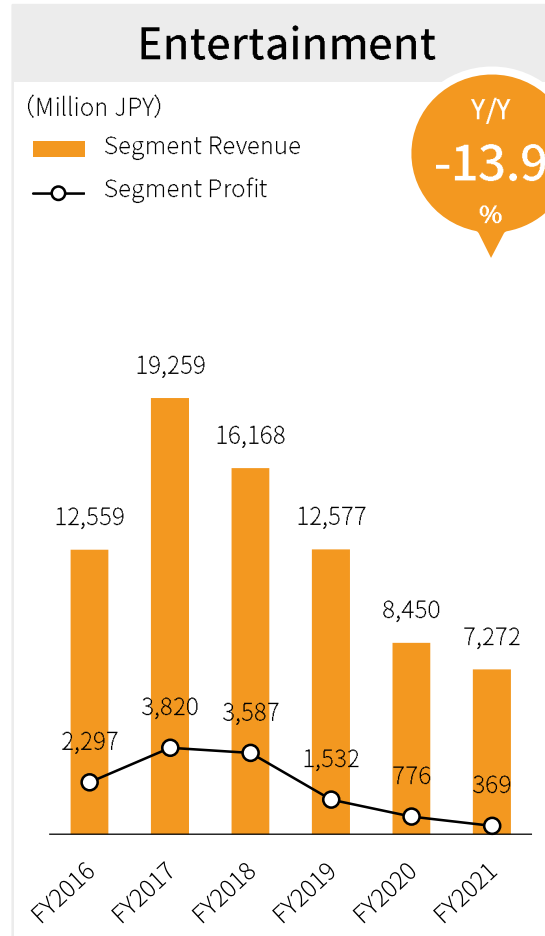
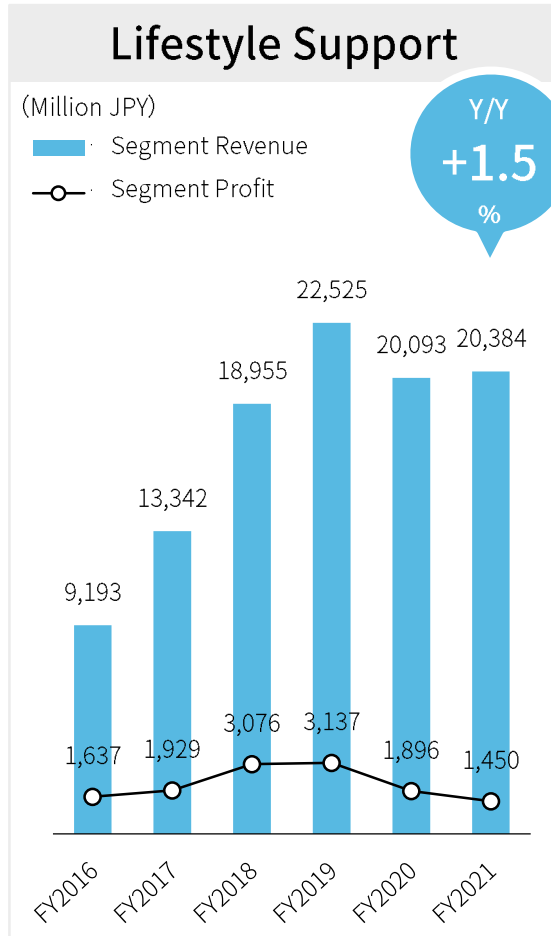
FY2021 Financial Results vs. Forecasts

Revenue Mostly In-Line, Income Exceeded Forecasts



FY2021 Full Year Financial Results by Segment

- EC Hit Record High Revenue and FY Profitability with Improved Efficiency
- Lifestyle Revenue Flat, Entertainment Down Due to Existing Downtrend



FY2021 Full-Year and Q4 Three-Month Results

(Million JPY)

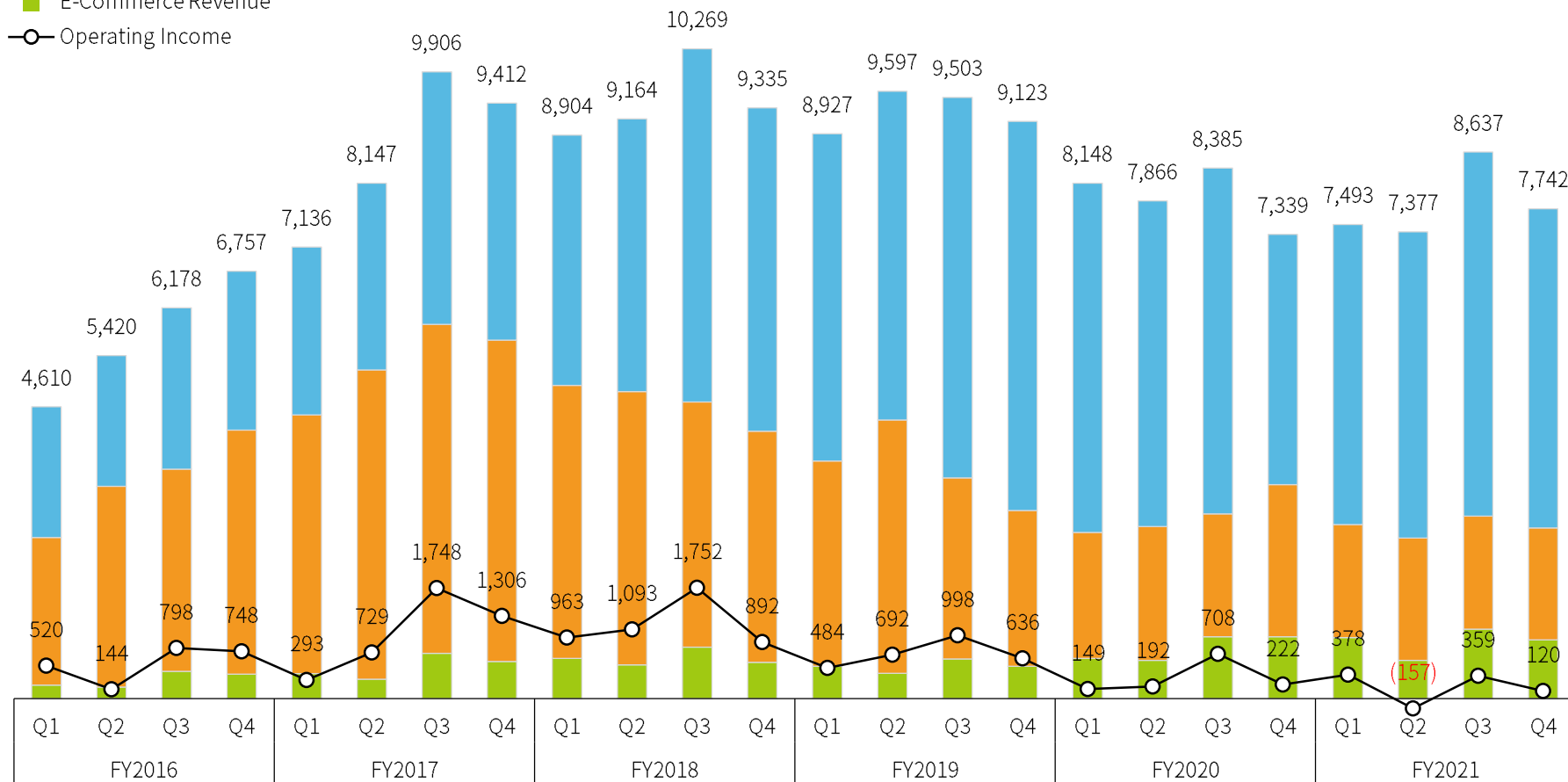
FY2021 Full-Year Results (Aug 2020 – Jul 2021)				
	FY2021		FY2020	
		%		Y/Y
Revenue	31,252	100.0%	31,739	98.5%
Operating Income	701	2.2%	1,273	55.1%
Ordinary Income	895	2.9%	1,249	71.7%
Net Income	877	2.8%	-519	-

FY2021 Q4 Three-Month Results (May 2021 – Jul 2021)						
	FY2021 Q4		FY2020 Q4		FY2021 Q3	
		%		Y/Y		Q/Q
Revenue	7,742	100.0%	7,339	105.5%	8,637	89.6%
Operating Income	120	1.6%	222	54.2%	359	33.5%
Ordinary Income	161	2.1%	215	74.9%	370	43.7%
Net Income	-103	-1.3%	-135	-	239	-

Consolidated Quarterly Financial Trends

(Million JPY)

- Lifestyle Support Revenue
- Entertainment Revenue
- E-Commerce Revenue
- Operating Income



Quarterly Trend of Key Management Indicators

(Million JPY)

	FY18	FY2019				FY2020				FY2021			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	9,335	8,927	9,597	9,503	9,123	8,148	7,866	8,385	7,339	7,493	7,377	8,637	7,742
Operating income	892	484	692	998	636	149	192	708	222	378	-157	359	120
Promotional expenses	3,609	3,931	3,980	3,726	3,410	3,601	3,229	3,133	2,480	2,843	3,153	3,521	2,861
Labor costs, recruitment expenses	1,443	1,435	1,463	1,529	1,604	1,581	1,560	1,549	1,583	1,548	1,582	1,585	1,556
Commission fees, etc.	1,395	1,304	1,592	1,289	1,201	1,054	1,099	1,147	1,359	1,114	1,329	1,358	1,378
Subcontractor expense, server fees	605	605	646	661	660	553	539	519	502	457	464	502	633
Office rental fees, utility expenses	291	292	293	296	296	287	286	282	285	299	298	270	260
Employees (people)	955	989	1,024	1,115	1,115	1,113	1,123	1,193	1,165	1,162	1,182	1,197	1,155

* 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)

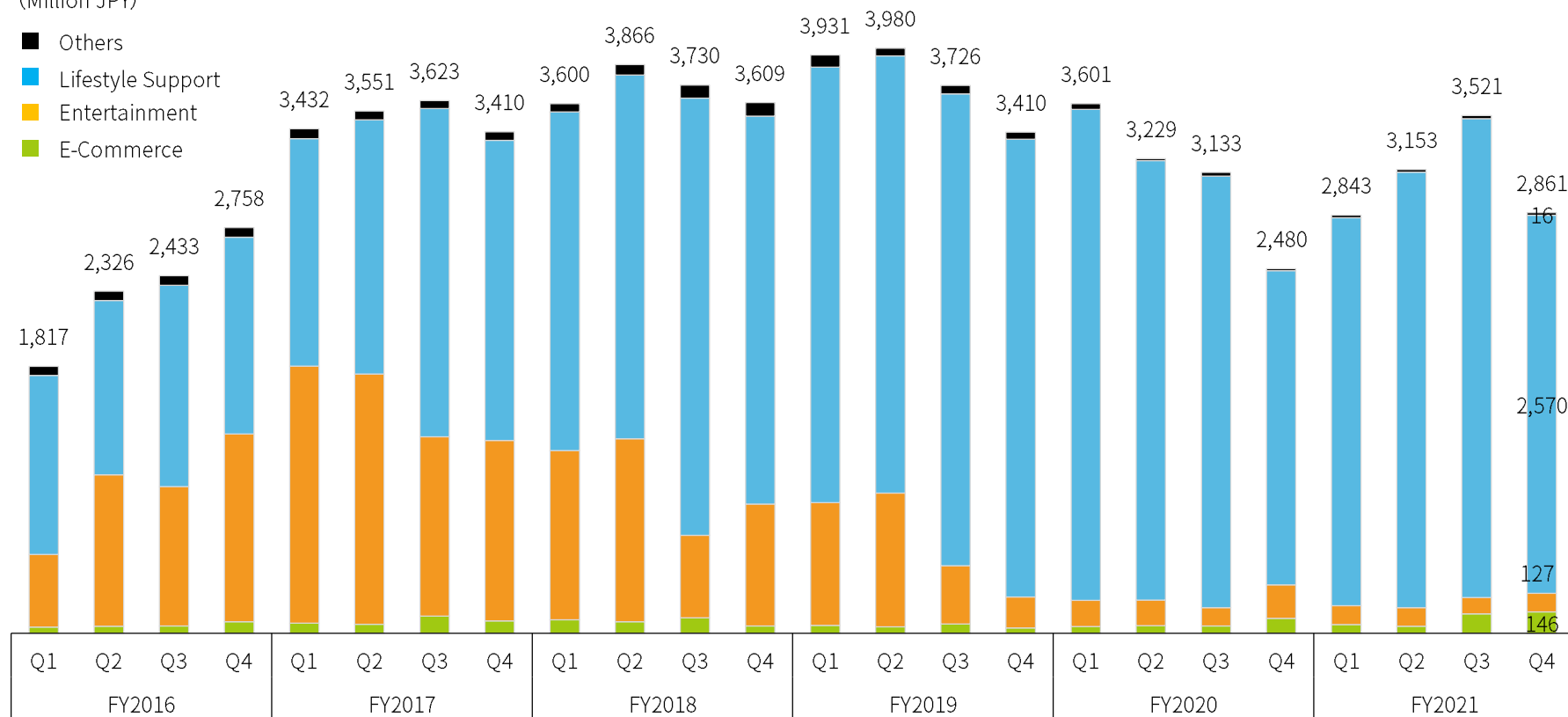
Quarterly Promotional Expense Trends

■ Lifestyle Support Down Due to Reactionary Decline From Busy Season

■ E-Commerce Implemented Promo Resulting in Slight Increase Q/Q

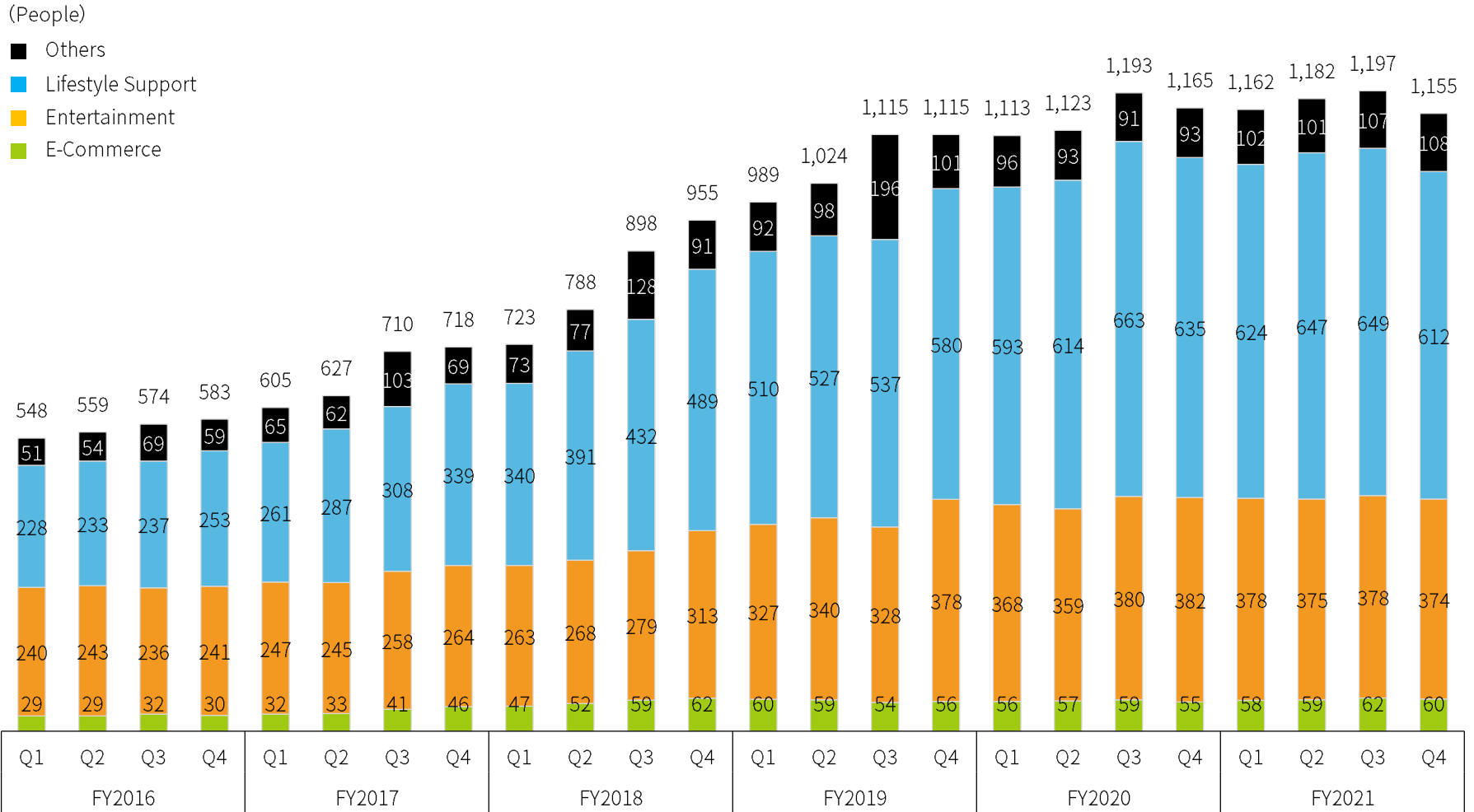
(Million JPY)

- 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



* 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

■ Acquisition of Treasury Stock Progressed, Resulting in Net Asset Decrease

(Million JPY)

	FY2021 Q4	FY2021 Q3
Current assets	10,383	11,102
Cash and cash equivalents	6,035	5,646
Accounts receivable	3,109	3,513
Non-current assets	5,368	5,290
Tangible assets	1,195	1,272
Intangible assets	792	792
Total assets	15,751	16,392

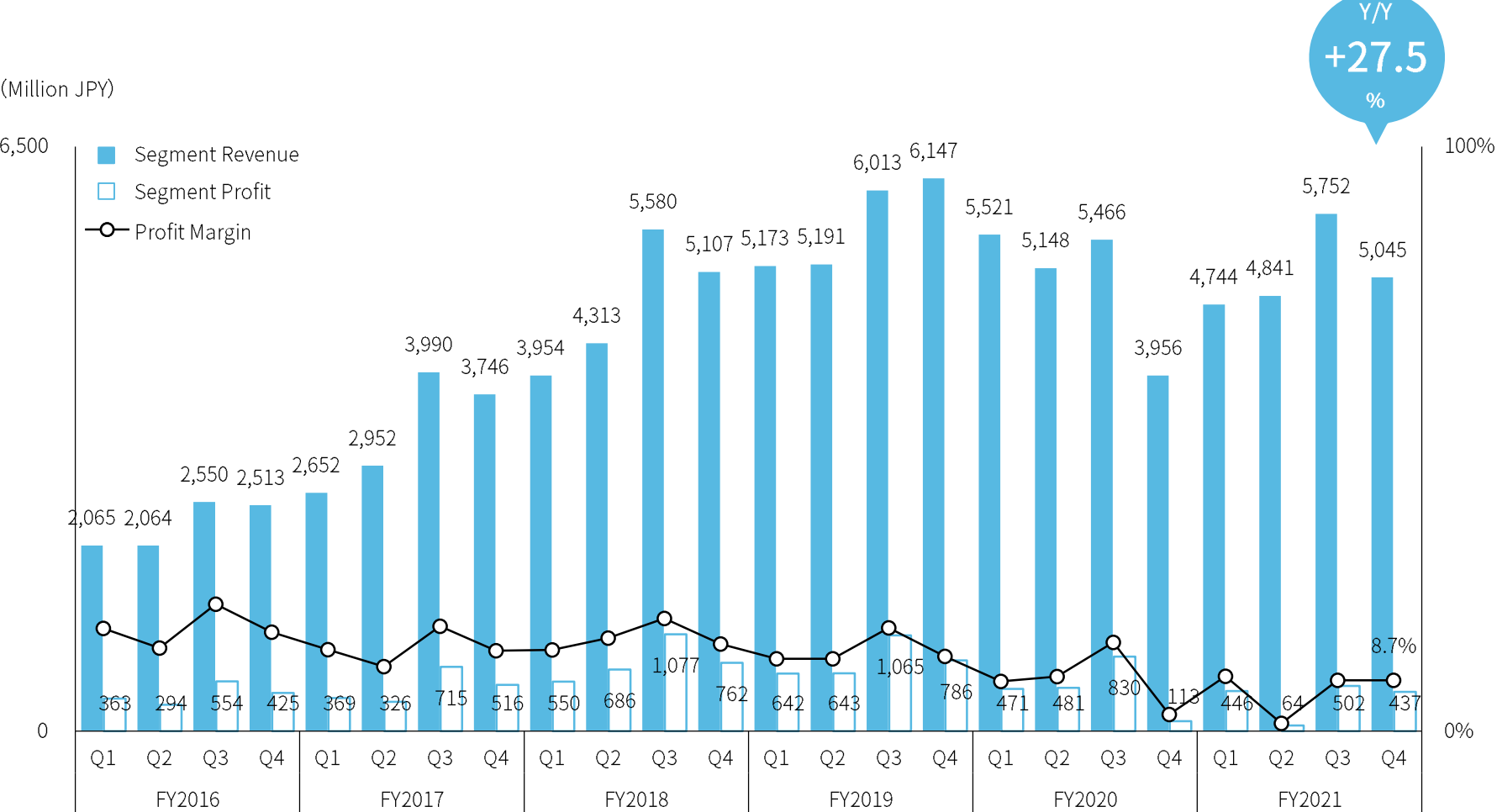
	FY2021 Q4	FY2021 Q3
Current liabilities	3,640	3,620
Non-current liabilities	527	533
Total liabilities	4,168	4,153
Loans payable	0	1
Shareholder's equity	11,232	12,011
Total net assets	11,582	12,239
Liabilities and net assets	15,751	16,392

4. FY2021 Business Details

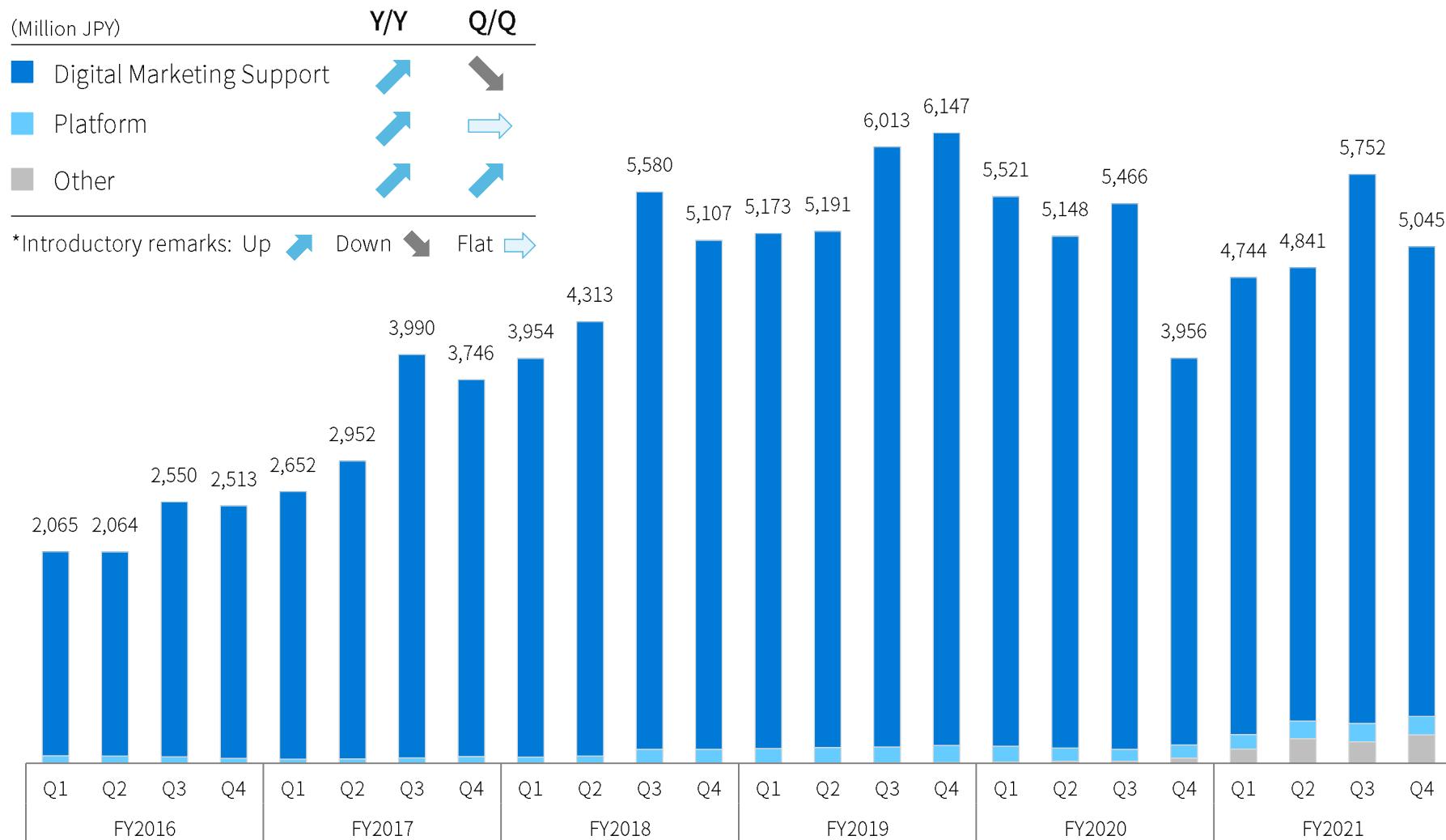
5. FY2022 Guidance

Lifestyle Support Business Performance Trends

■ The Impact of COVID-19 Has Reduced, Resulting in Significant Improvement Y/Y. Q/Q Down Due to Reactionary Decline From Busy Season



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

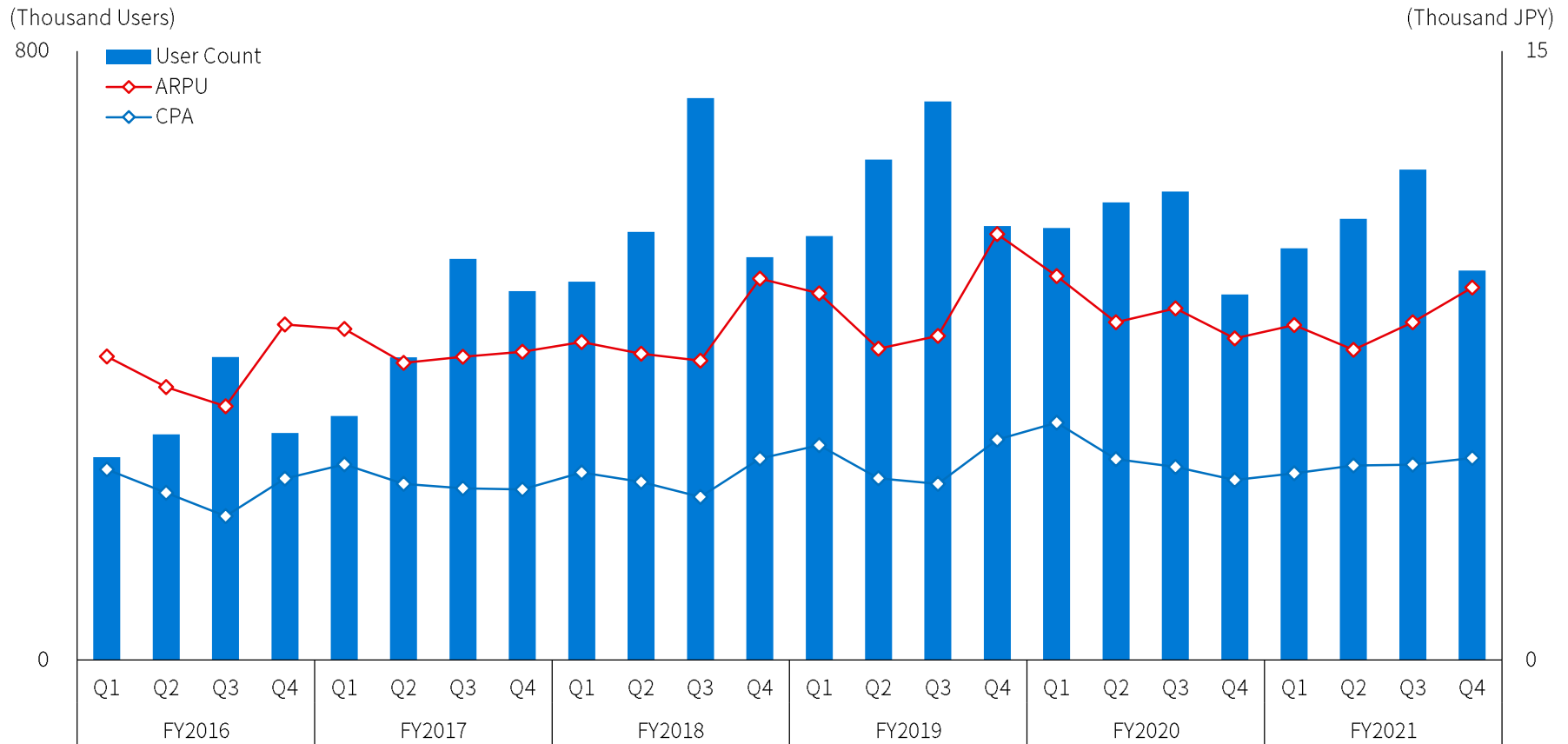
■ The Impact of COVID-19 Has Reduced, Resulting in Significant Improvement Y/Y



Digital Marketing Support Business KPI Trends

■ ARPU Up Y/Y Due to Improved COVID-19 Impact in Bridal and Card Loan

■ User Count Increased for Most Services and Up Y/Y as a Whole

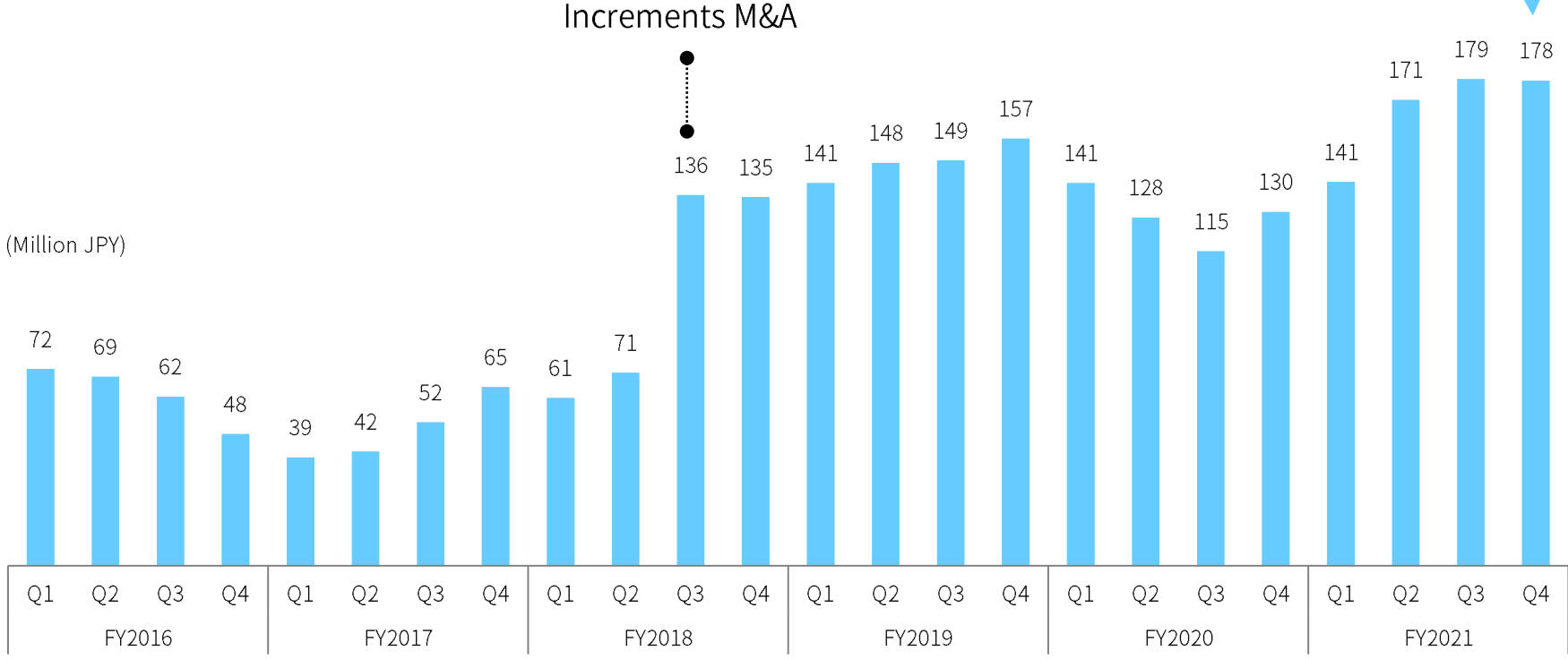


- [① User count] = total users from four main sub-segment businesses (users that generated segment revenue)
- [② ARPU: Average revenue per user] = segment revenue ÷ [① User count]
- [③ CPA: Cost per user acquisition] = advertising cost ÷ [① User count]

Platform Business Revenue Trends

Y/Y Up Due to Continued Increased Media Value of “Qiita” From Increased Demand for DX, Along with “Qiita Jobs” Progressing as Planned

Y/Y
+37.0
%



*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

Digital Marketing Support

Hanayume

First Place for ORICON Customer Satisfaction®Ranking “Wedding Hall Consultation Center” 5 Years in a Row!

■ Overview:

Oricon ME Inc. provides a fair and reliable ranking starting from 2017, and for the first time in history received first place in the 2021 ORICON Customer Satisfaction®Ranking for the fifth consecutive year!



Hanayume

Instagram Recognition Up 147% From the Previous Year!

■ Overview:

With the expansion of service awareness and building relationships with customers, achieved approximately 40,000 followers! Advisors giving advice LIVE and gaining support from couples suffering from COVID-19



Segment Topics

Platform

Qiita Jobs

“Qiita Jobs” Registration Exceeded 10,000 People!

- What is “Qiita Jobs”?:

A recruitment support service specialized for engineers. The service was renewed in August 2020 with the concept “where activities at Qiita lead to career advancements for engineers”, and accumulated 10,000 registrations in one year



Qiita Team

Winner in the Organizational Change/Development Section of the Japanese “HR Reward 2021”

- What is the “HR Reward 2021”?:

An award system that aims to develop companies nationwide through HR, focusing on efforts to promote the growth of companies and individuals in areas related to people and organizations

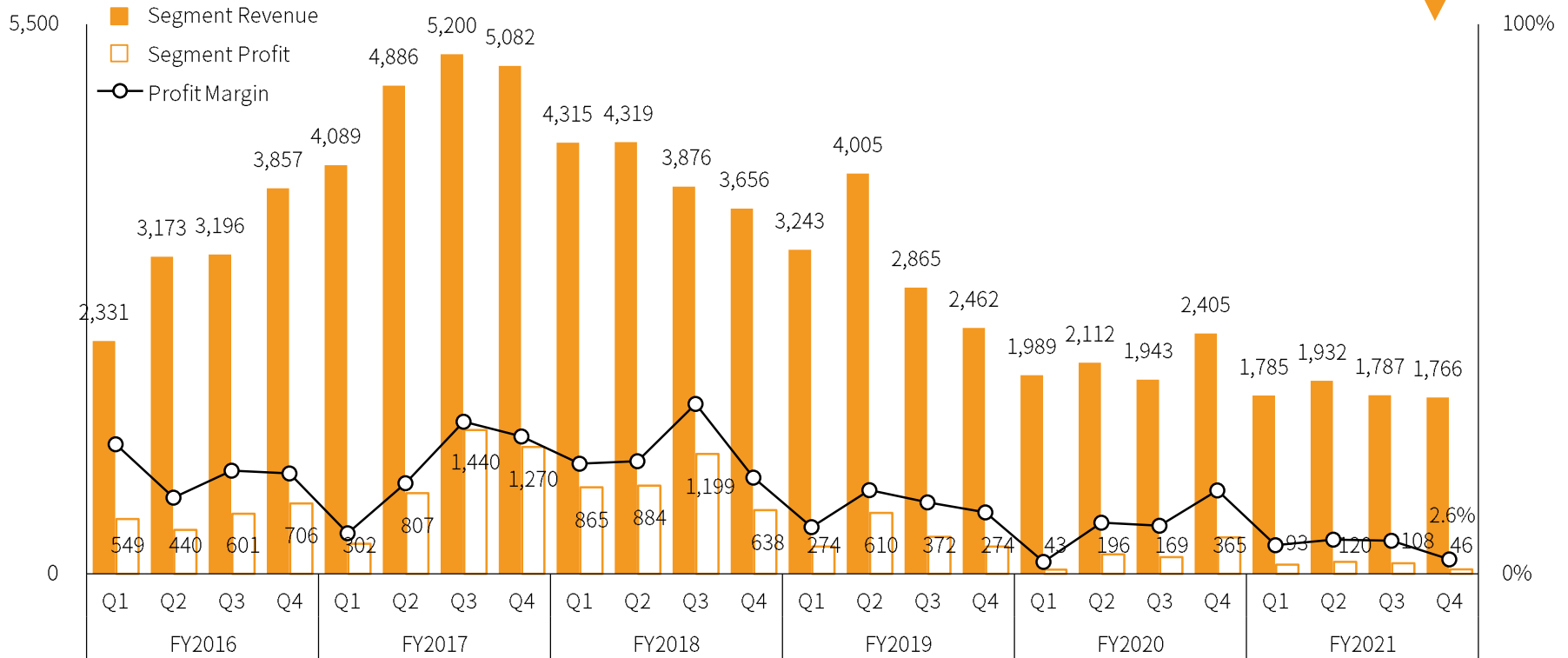


Entertainment Business Performance Trends

- Q/Q Down Due to Continued Downtrend of Existing Game Revenue
- Y/Y Profit Down With New Development Costs Despite Efficient Operation

(Million JPY)

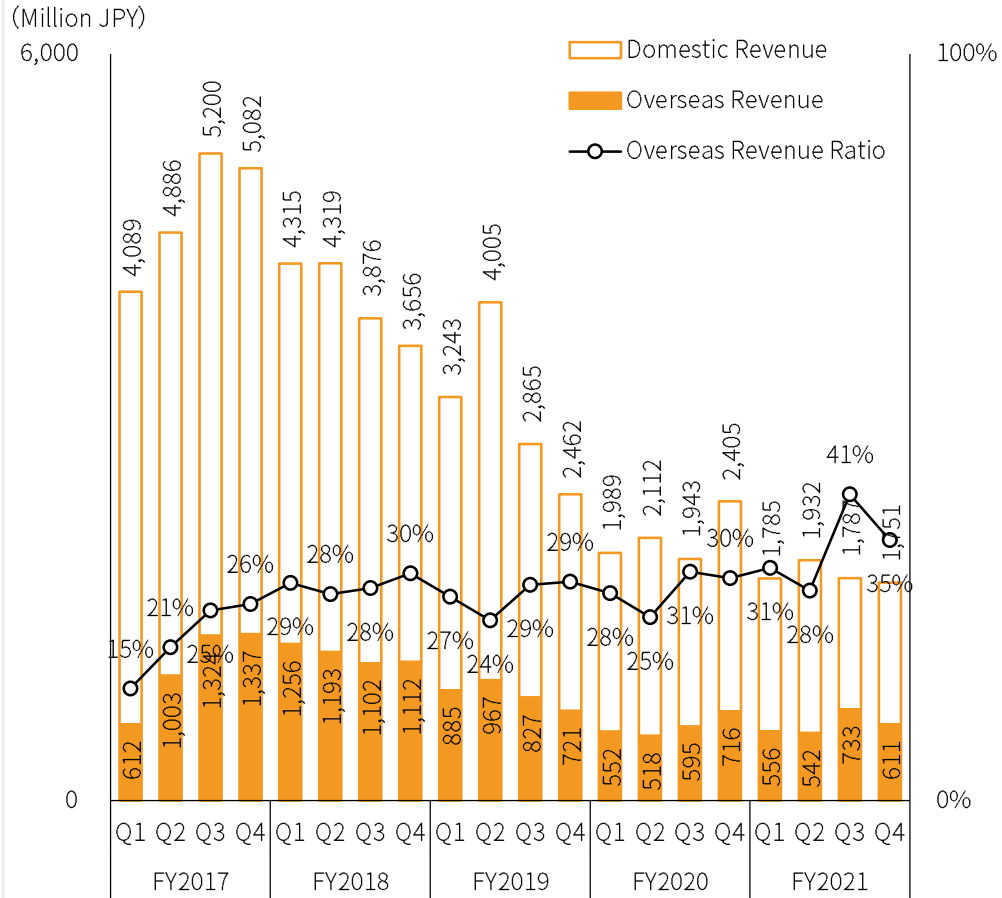
Q/Q
-1.2
%



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

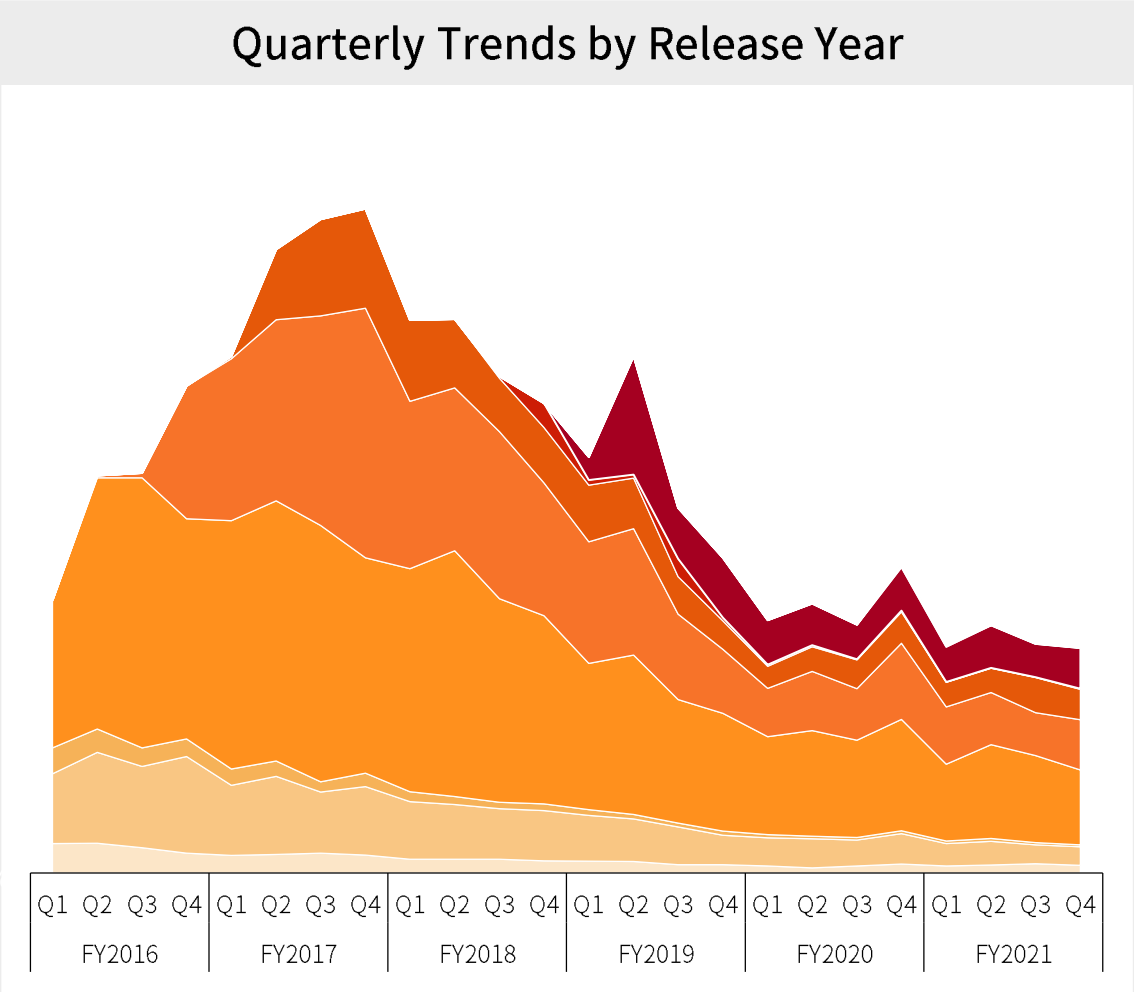
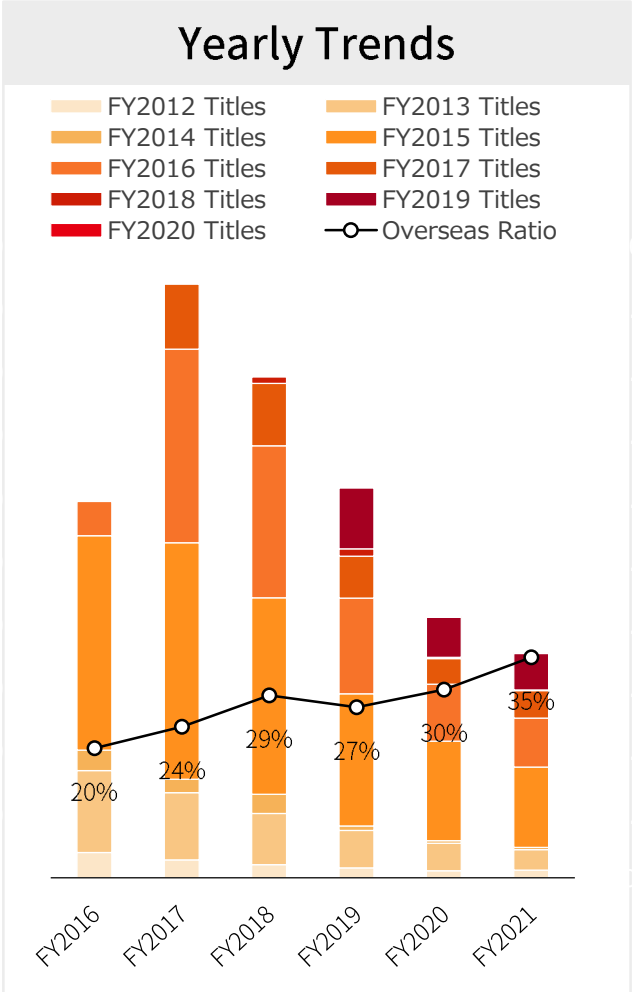
Overseas Sales Trends



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

Native Game App Performance Trends by Release Year

Overseas Ratio Showing Increase Y/Y, Accounting for 35% of Annual Revenue



* Overseas versions of game apps are classified from time of release, which may differ from Japanese versions

Segment Topics

Ent.

Valkyrie Connect

- Collab with TV Anime “BLEACH” Event from Jun 30



Unison League

- Collab with TV Anime “The Misfit of Demon King Academy” Event from Jul 21



Three Kingdoms Smash!

- Collab with TV Anime “Koihime + Musou” Series Event from Aug 16



Revue Starlight Re LIVE

- Held commemorative campaign for “Bushiroad Game Fest 2021” from Aug 11



Segment Topics

Ent.

『FINAL FANTASY VII THE FIRST SOLDIER』

■ Closed Beta Test (CBT) Report Released:

The survey results for the Closed Beta Test (CBT) that was held from June 1, 2021 to June 8, 2021, along with comments from the development team detailing some future plans for the title have been released.



■ About 『FINAL FANTASY VII THE FIRST SOLDIER』 :

A smart device battle royale action game that is planned to be distributed in the global market and co-developed with SQUARE ENIX CO., LTD.

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Powered by Ateam Entertainment Inc. CHARACTER DESIGN: TETSUYA NOMURA

New Game Pipeline Developments

2021 Scheduled Release

NEW



Square Enix

Large-Scale

Smartphone

FY2022~

Developing

1

Original

Mid Scale

Multi-Device

Preparing

1

IP

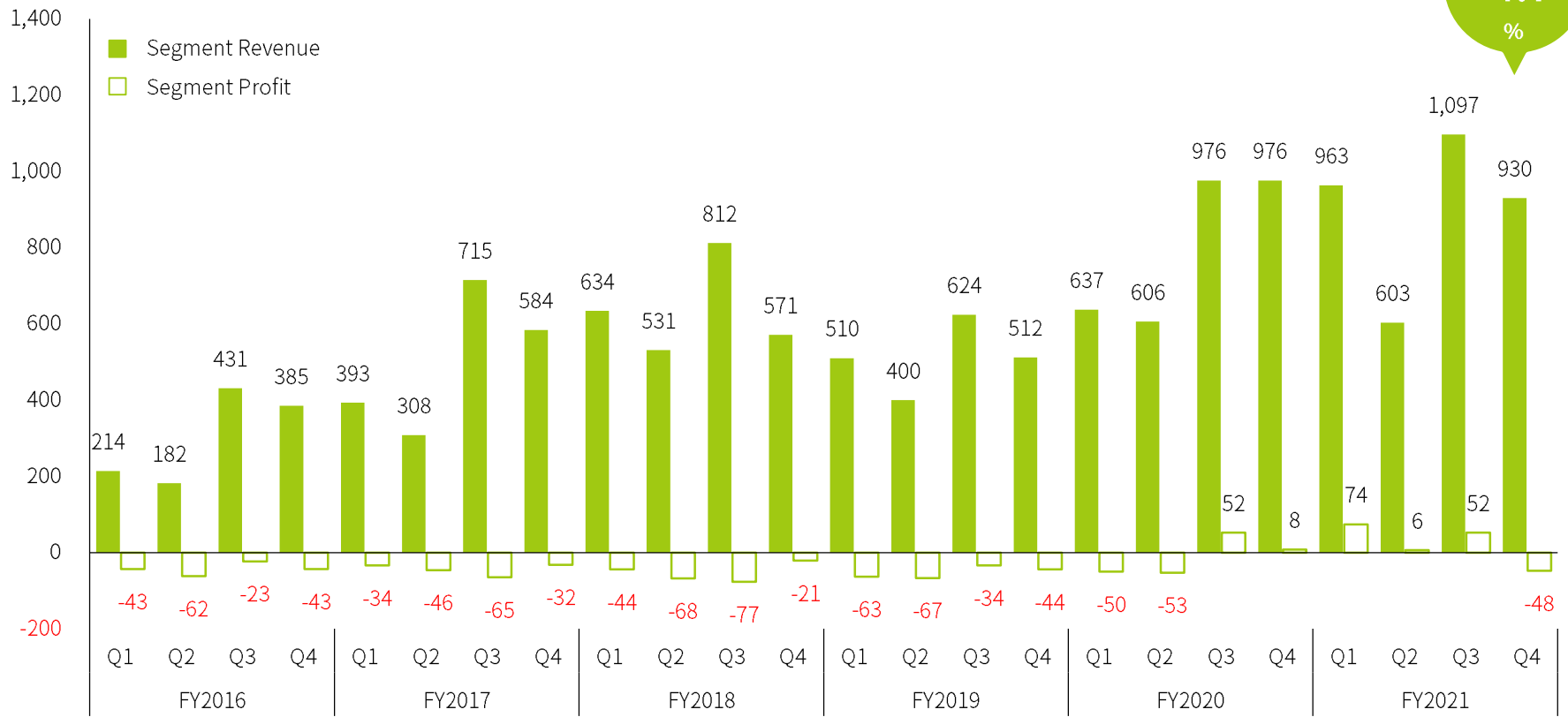
Undecided

Undecided

E-Commerce Business Performance Trends

- Due to the End of COVID-19 Impact and Efficiency Benefits, Revenue Down Y/Y
- Quarterly Deficit for the First Time in 6 Quarters Due to Strengthened Promo

(Million JPY)

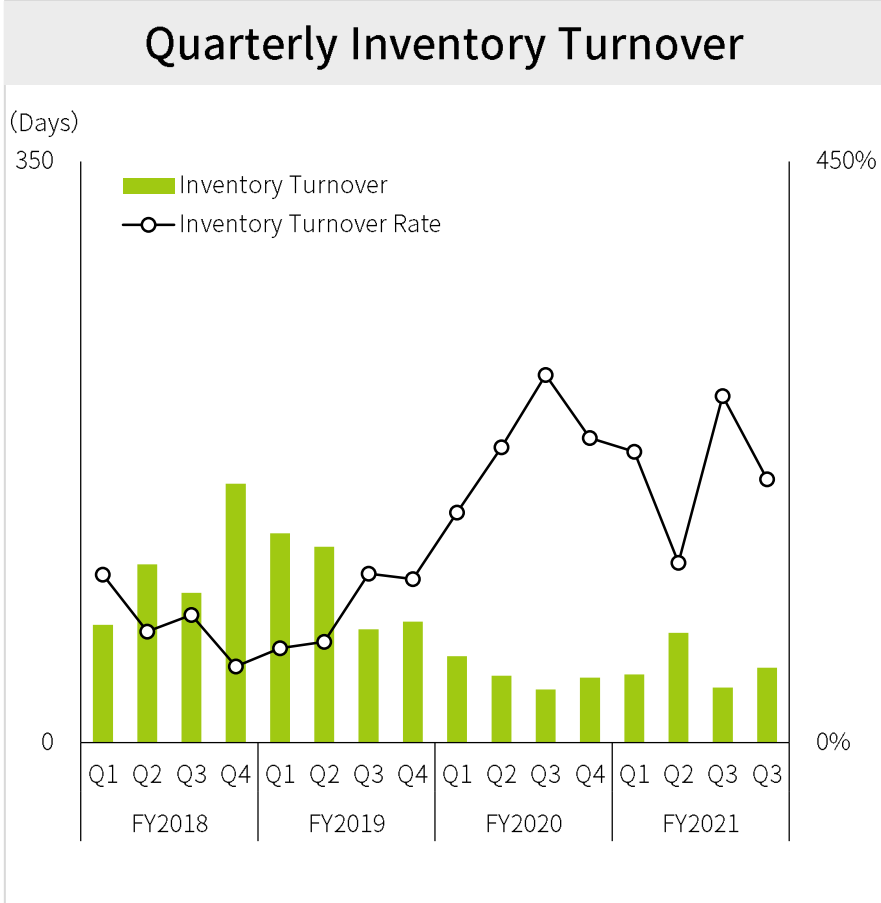
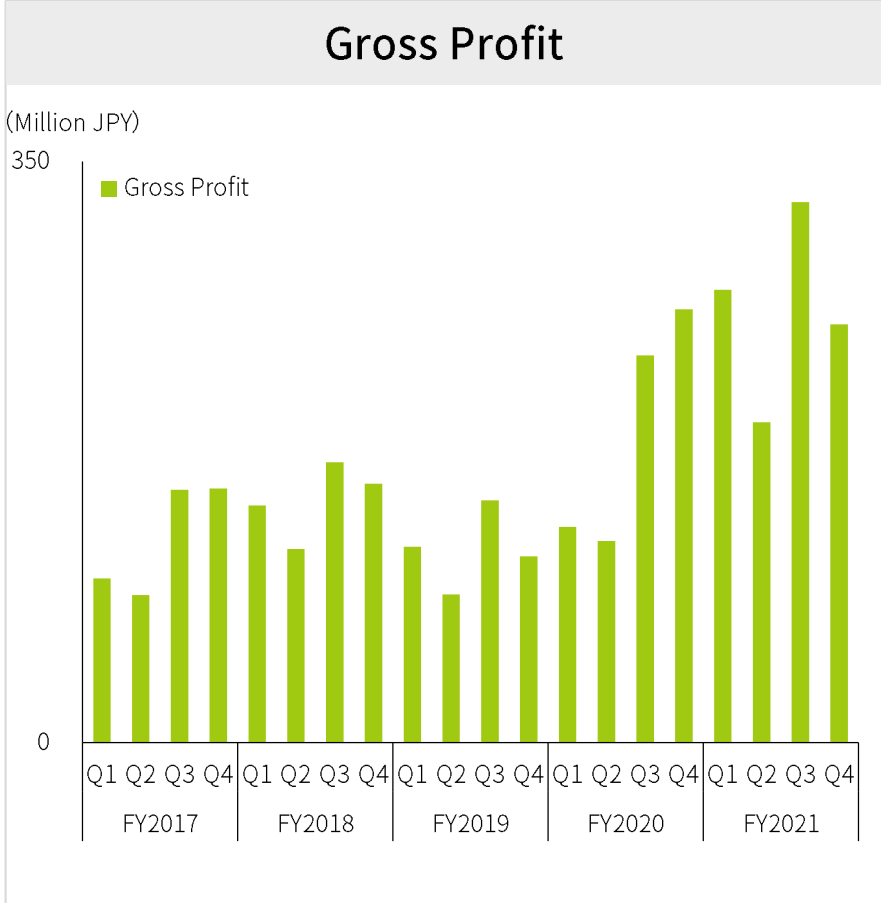


Y/Y
-4.7
%

* Peak business period is March – April (Q3)

E-Commerce Business Quarterly KPI Trends

■ Along with Declined Revenue, Gross Profit Also Decreased



■ [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]

Segment Topics

EC

Human Grade Domestic Non-Synthetic Dog Food “Obremo” on Sale Starting August 30, 2021!

- What is “Obremo”?:

Human-grade dog food born with the concept of “healthy and enjoyable days that deepen family ties”

- Product Features:

1. Three types of products that consider the health of small dogs
2. No synthetic additives used
3. Maintaining a healthy intestinal environment with probiotics

Obremo®

家族の絆が深まる、
健やかで楽しい日々を。



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Overall Topics

Overall

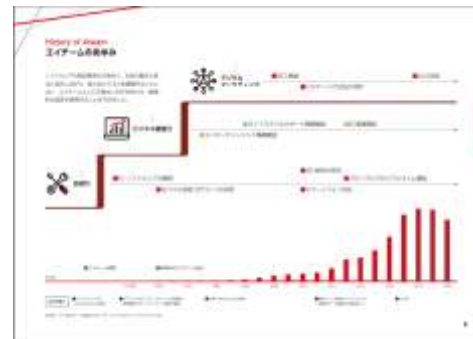
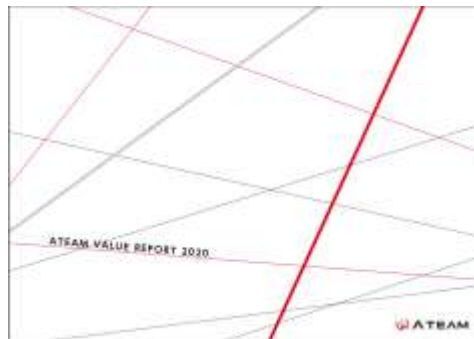
Selected as Best Company in the “Best Workplaces” Ranking

■ Overview:

Selected for the first time as one of the best companies in the 2021 edition of “Best Workplaces in Asia” conducted by Great Place to Work® Institute. Ranked 15 in Japan’s “large-scale category” for companies with 1,000 or more employees for 8 consecutive times



First Integration Report “Ateam Value Report 2020” Released



5. FY2021 Guidance

Initiatives and Notes on FY2022 Guidance

Overall

Towards a New Stage

- A year where investment in each business flourishes and realizes monetization
-

Lifestyle Support

DX For Improving LTV

- Full-scale DX investment in the Digital Marketing Support Business
 - Focused businesses “Qiita Jobs” and “Insurance Business” heading into expansion phase
-

Ent.

New Growth

- Global hit of new game “FINAL FANTASY VII THE FIRST SOLDIER”
 - Gradual full-scale efforts toward multidevice development
-

EC

Development of Multiple EC Products

- Aim for stable business growth of “cyma”
 - Investment and startup of human grade dog food “Obremo”
-

Regarding FY2022 Guidance

Business Forecast

■ FY2022 Forecast to Not be Disclosed

- Business performance will fluctuate significantly due to the release date and launch status of the new IP game, thus making it difficult to make a rational earnings forecast at this time.

Dividend Forecast

■ 16 JPY Per Share For Stable Returns

- With continuous and stable shareholder returns in mind, we aim to keep our dividend the same from FY2021. We will disclose promptly if there is a change in return policy depending on change in business performance.

APPENDIX

Company Overview

Company Profile as of July 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)	11 (includes 1 overseas subsidiary)
Number of employees	1,100 (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.

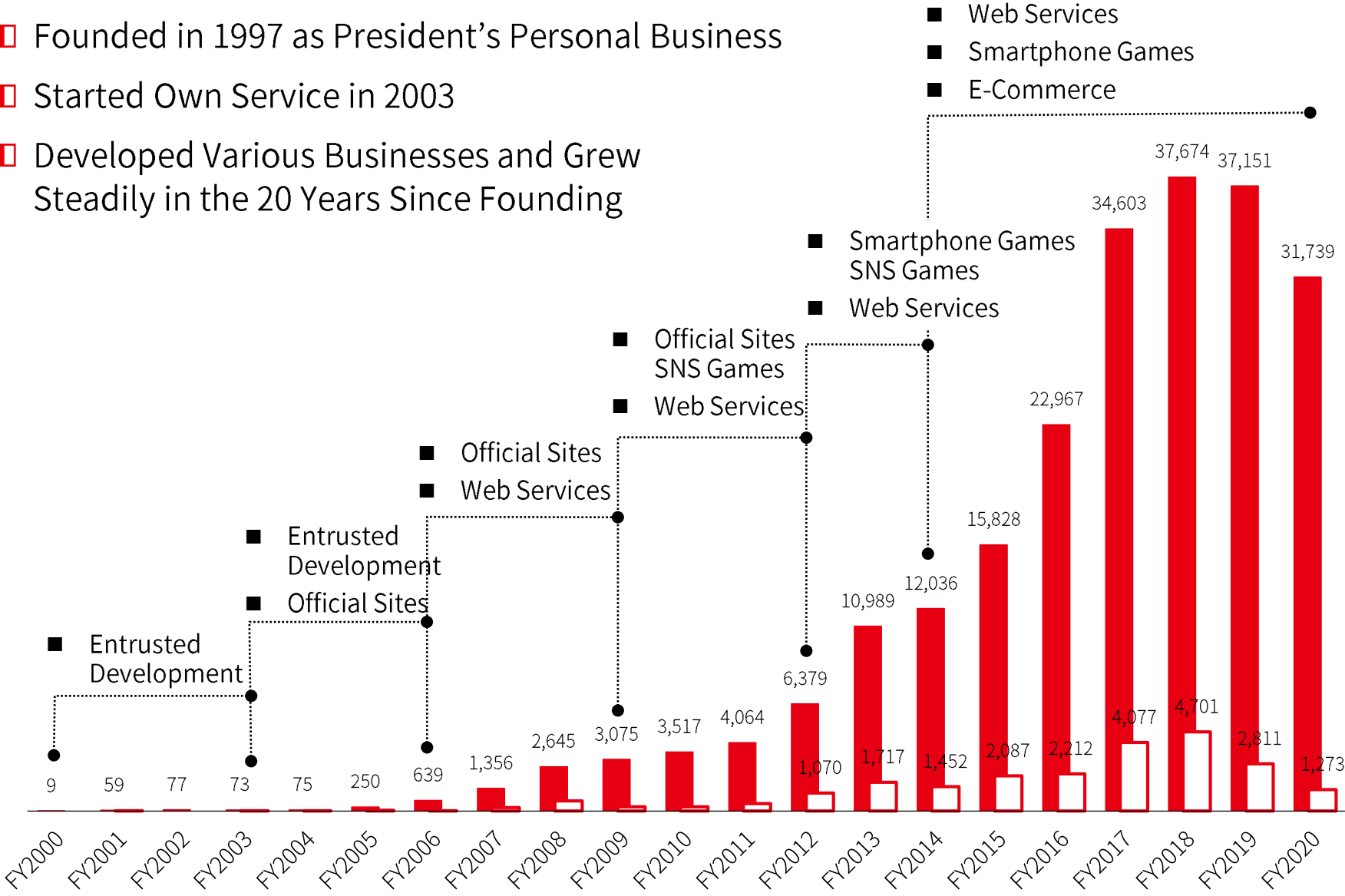
2004.11.01

Organizational Change to Ateam Inc.

Company History

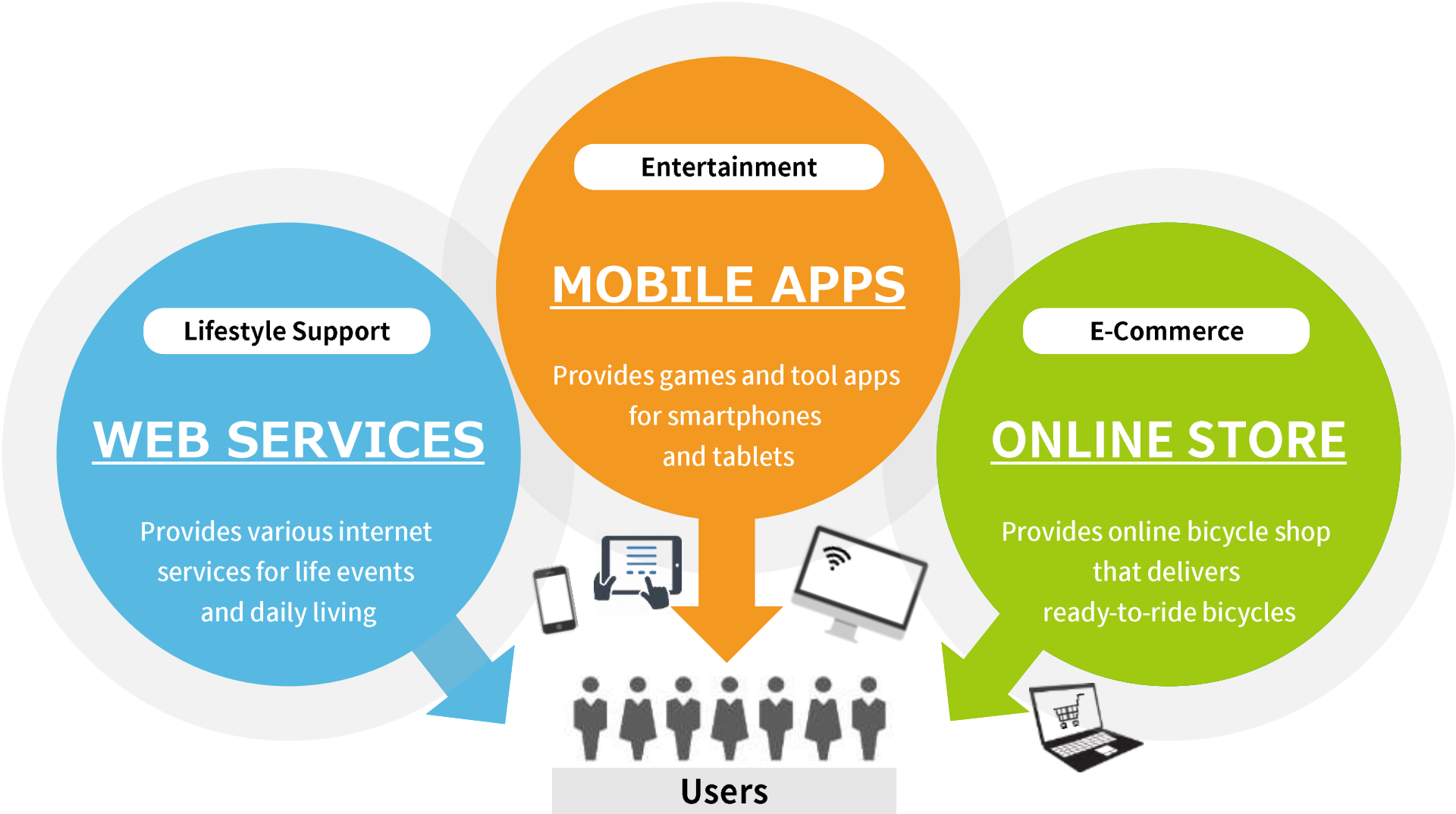
(Million JPY)

- 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



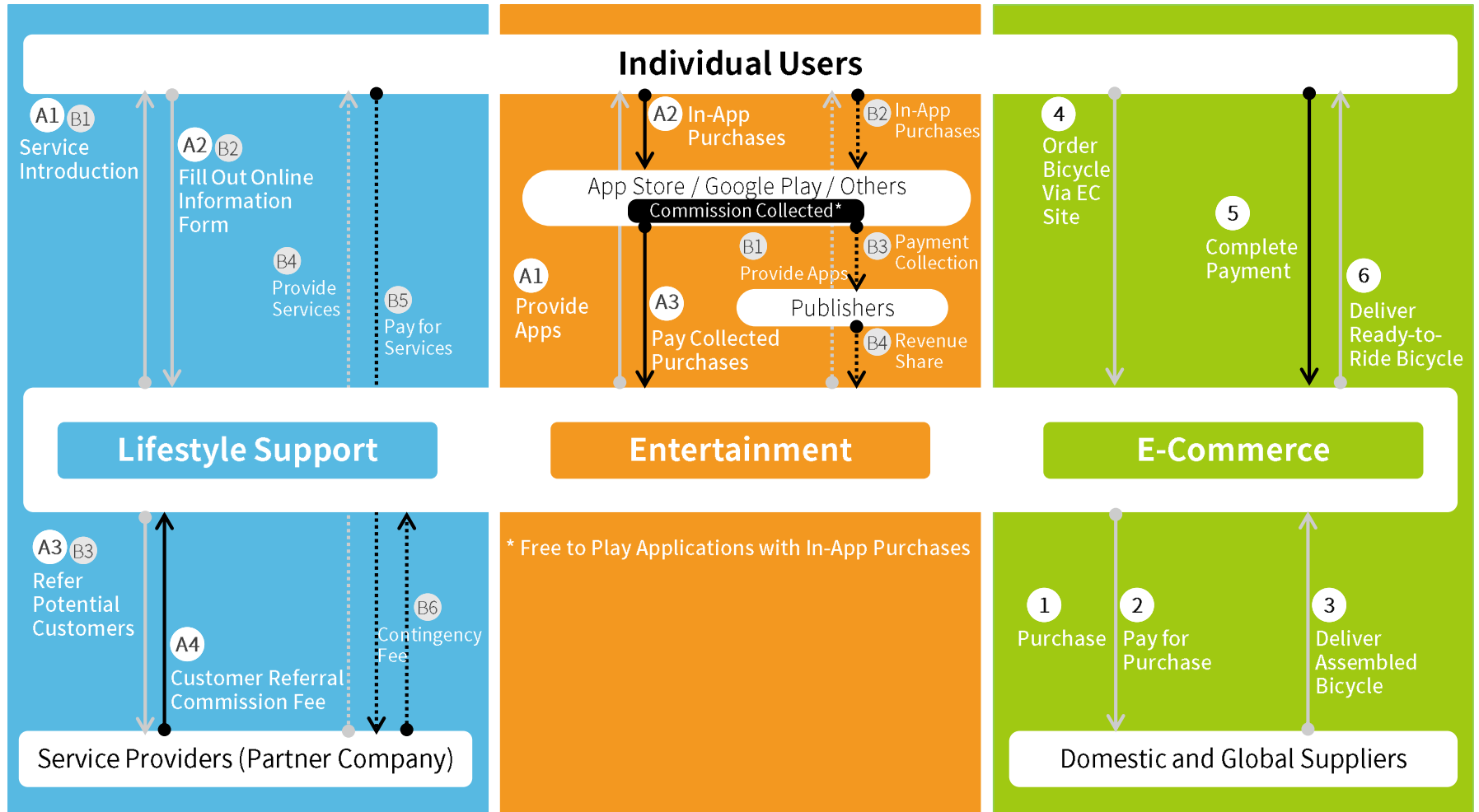
Our Businesses

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



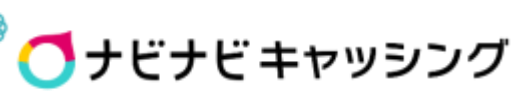
Hikkoshi Samurai



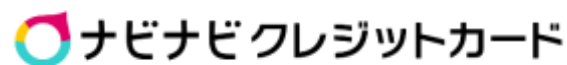
Navikuru



Hanayume



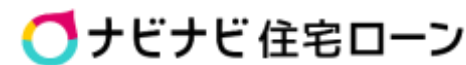
NaviNavi Cashing



NaviNavi Credit Card



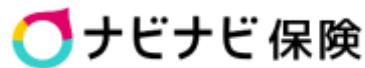
FindPro



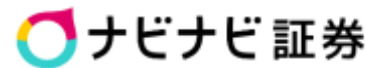
NaviNavi Mortgage



Lifedot
ライフドット



NaviNavi Insurance



NaviNavi Securities



Soldi

Platform Business



Entertainment Business – Main Line-up

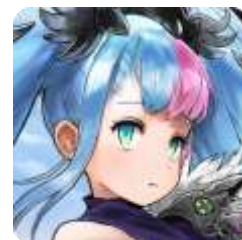
Game Apps



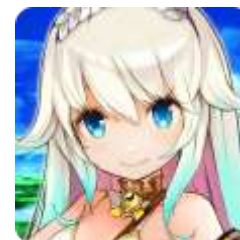
Hatsune Miku –
Tap Wonder



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 Q4 - FY2021 Q4)

(Million JPY)

	FY2019	FY2020				FY2021			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	9,123	8,148	7,866	8,385	7,339	7,493	7,377	8,637	7,742
Q/Q (%)	-4.0	-10.7	-3.5	+6.6	-12.5	+2.1	-1.5	+17.1	-10.4
Lifestyle Support	6,147	5,521	5,148	5,466	3,956	4,744	4,841	5,752	5,045
Entertainment	2,462	1,989	2,112	1,943	2,405	1,785	1,932	1,787	1,766
E-Commerce	512	637	606	976	976	963	603	1,097	930
Cost of revenues	1,917	1,808	1,787	2,038	2,020	1,855	1,832	2,194	2,310
Cost rate (%)	21.0	22.2	22.7	24.3	27.5	24.8	24.8	25.4	29.8
Selling, G&A expenses	6,569	6,190	5,886	5,638	5,095	5,259	5,702	6,083	5,311
Selling, G&A expenses ratio (%)	72.0	76.0	74.8	67.2	69.4	70.2	77.3	70.4	68.6
Total cost and G&A expenses	8,486	7,998	7,673	7,676	7,116	7,114	7,535	8,278	7,622
Labor costs & recruitment expenses	1,604	1,581	1,560	1,549	1,583	1,548	1,582	1,585	1,556
Promotional expenses	3,410	3,601	3,229	3,133	2,480	2,843	3,153	3,521	2,861
Promotional expenses ratio (%)	37.4	44.2	41.1	37.4	33.8	37.9	42.7	40.8	37.0
Lifestyle Support	3,111	3,337	2,987	2,934	2,135	2,637	2,961	3,255	2,570
Entertainment	212	179	173	125	228	128	126	111	127
E-Commerce	36	46	53	50	102	60	48	132	146
Commissions, etc.	1,201	1,054	1,099	1,149	1,359	1,114	1,329	1,358	1,378
Subcontractor expenses, server fees	660	553	539	519	502	457	464	502	633
Office rental fees, utility expenses	296	287	286	282	285	299	298	270	260
Other expenses	1,313	920	958	1,042	905	851	705	1,039	931
Operating income	636	149	192	708	222	378	-157	359	120
Q/Q (%)	-36.3	-76.4	28.5	268.2	-68.6	70.3	-141.6	—	-66.5
Lifestyle Support	786	471	481	830	113	446	64	502	437
Entertainment	274	43	196	169	365	93	120	108	46
E-Commerce	-44	-50	-53	52	8	74	6	52	-48
Others	-380	-315	-417	-343	-265	-235	-349	-302	-315
Operating income margin (%)	7.0	1.8	2.4	8.5	3.0	5.1	—	4.2	1.6
Ordinary income	632	144	206	682	215	393	-30	370	183
Net income	373	75	50	-511	-135	258	483	239	-103

P/L (FY2016 - FY2021)

(Million JPY)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Y/Y(%)
Revenue	22,967	34,603	37,674	37,151	31,739	31,252	-1.5
Y/Y (%)	45.1	50.7	8.9	-1.4	-14.6	-1.5	—
Lifestyle Support	9,193	13,342	18,955	22,525	20,093	20,384	1.5
Entertainment	12,559	19,259	16,168	12,577	8,450	7,272	-13.9
E-Commerce	1,214	2,001	2,550	2,048	3,196	3,595	12.5
Cost of revenues	3,615	5,669	6,960	7,518	7,654	8,193	7.0
Cost rate (%)	15.7	16.4	18.5	20.2	24.1	26.2	+2.1
Selling, G&A expenses	17,139	24,855	26,012	26,820	22,811	22,357	-2.0
Selling, G&A expense ratio (%)	74.6	71.8	69.0	72.2	71.9	71.5	-0.4
Total cost and G&A expenses	20,755	30,525	32,973	34,337	30,465	30,550	0.3
Labor costs & recruitment expenses	3,250	3,807	4,754	6,032	6,274	6,273	0.0
Promotional expenses	9,335	14,018	14,805	15,048	12,444	12,380	-0.5
Promotional expenses ratio (%)	40.6	40.5	39.3	40.5	39.2	39.6	+0.4
Lifestyle Support	5,109	7,547	10,385	12,251	11,394	11,425	0.3
Entertainment	3,748	5,895	3,785	2,355	706	494	-30.1
E-Commerce	221	335	330	200	253	388	+53.1
Commissions, etc.	4,592	7,318	6,117	5,387	4,662	5,180	11.1
Subcontractor expenses, server fees	1,035	1,198	2,277	2,574	2,114	2,058	-2.6
Office rental fees, utility expenses	728	879	1,080	1,179	1,142	1,129	-1.2
Other expenses	3,340	3,303	3,937	4,115	3,826	3,081	-5.7
Operating income	2,212	4,077	4,701	2,811	1,273	701	-44.9
Y/Y (%)	6.0	84.3	15.3	-40.2	-54.7	-44.9	—
Lifestyle Support	1,637	1,929	3,076	3,137	1,896	1,450	-23.5
Entertainment	2,297	3,820	3,587	1,532	776	369	-52.4
E-Commerce	-172	-178	-211	-210	-43	84	—
Others	-1,549	-1,493	-1,751	-1,648	-1,341	-1,203	-10.3
Operating income margin	9.6	11.8	12.5	7.6	4.0	2.2	-1.8
Ordinary income	2,094	4,118	4,730	2,809	1,249	895	-28.3
Pre-tax income	1,858	3,854	4,732	2,354	0	1,511	—
Net income	1,292	2,579	3,306	1,473	-519	877	—

B/S (FY2016 - FY2021)

(Million JPY)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Assets						
Current assets*	6,827	9,613	11,488	11,543	11,130	10,383
Cash and cash equivalents	3,505	5,004	5,984	6,713	6,480	6,035
Non-current assets*	2,759	3,527	5,214	5,729	4,932	5,368
Tangible assets	1,321	1,666	1,684	1,711	1,384	1,195
Intangible assets	622	507	2,070	1,522	477	792
Investments and other assets*	815	1,353	1,459	2,495	3,070	3,380
Total assets	9,586	13,140	16,702	17,273	16,063	15,751
Liabilities						
Current liabilities	4,127	5,202	4,464	4,031	3,847	3,640
Non-current liabilities	387	481	583	730	493	527
Total liabilities	4,514	5,683	5,047	4,761	4,340	4,168
Interest-bearing liabilities	1,166	632	186	0	0	0
Net assets						
Shareholder's equity	4,971	7,361	11,566	12,452	11,663	11,232
Treasury stock	-1,222	-1,177	-481	-438	-397	-1,394
Stock option	100	96	85	85	82	82
Total net assets	5,072	7,456	11,655	12,511	11,722	11,582
Total liabilities and net assets	9,586	13,140	16,702	17,273	16,063	15,751

* 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

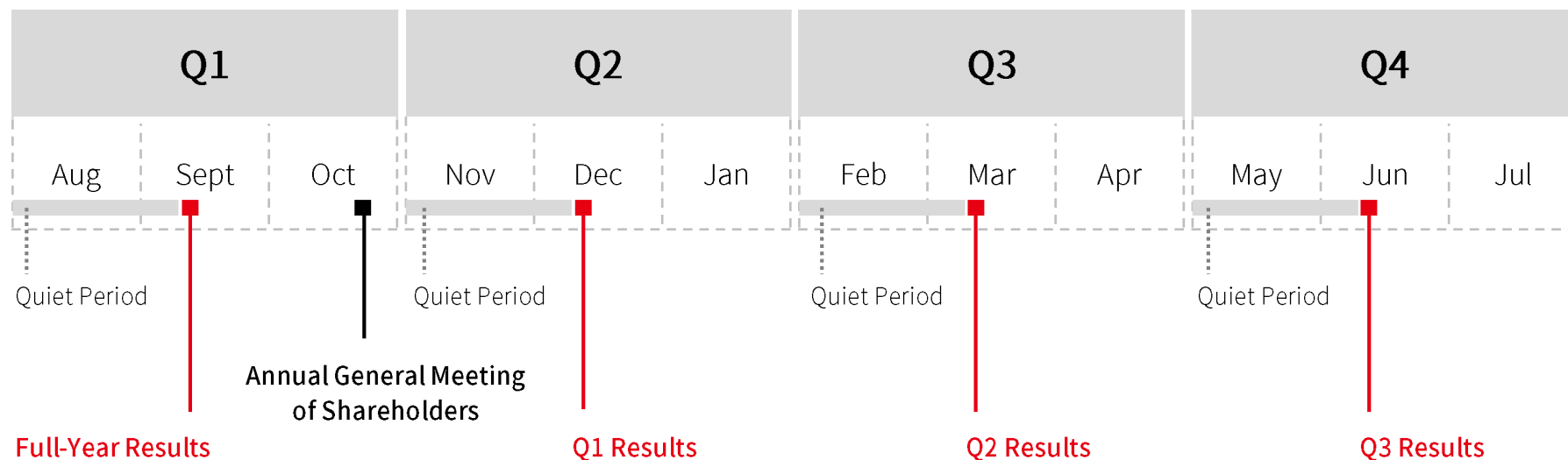
Others (FY2016 - FY2021)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Number of shares issued (year-end)	19,450,000	19,469,800	19,738,200	19,756,200	19,783,200	19,789,200
Treasury stock (shares)	302,562	302,562	35,562	35,562	35,588	663,388
Average number of shares during the FY	18,846,317	18,904,872	19,401,921	19,510,259	19,551,565	19,477,509
EPS (JPY)	68.58	136.45	170.40	75.52	-26.59	45.07
EPS Y/Y (%)	-2.8	99.0	24.9	-55.7	-135.2	—
ROA (Ordinary income on total assets, %)	24.3	36.2	31.7	16.5	7.5	5.6
Net assets per share (JPY)	263.4	389.0	593.7	636.32	594.54	605.98
Dividend per share (JPY)	12.50	27.00	32.50	16.00	16.00	16.00
Interim dividend (JPY)	5.00	5.00	0.00	0.00	0.00	0.00
Total dividend amount (JPY)	239	517	640	315	315	306
Payout ratio (%)	18.2	19.8	19.1	21.2	-	35.5
Shareholder's equity ratio (%)	51.9	56.0	69.2	72.1	72.6	71.3
Equity ratio (%)	51.9	56.0	69.3	71.9	72.5	73.0
ROE (%)	29.1	41.8	34.9	12.3	-4.3	7.6
ROIC (=① ÷ ②, %)	25.1	34.1	27.9	14.1	7.6	4.3
① Net operating income after taxes	1,539	2,729	3,284	1,759	884	486
② Invested capital (=③+④)	6,137	7,993	11,755	12,452	11,663	11,232
③ Shareholder's equity	4,971	7,361	11,566	12,452	11,663	11,232
④ Short-term loans payable	1,166	632	186	0	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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