

First Quarter of the Fiscal Year
Ending September 30, 2020

Results of Operations

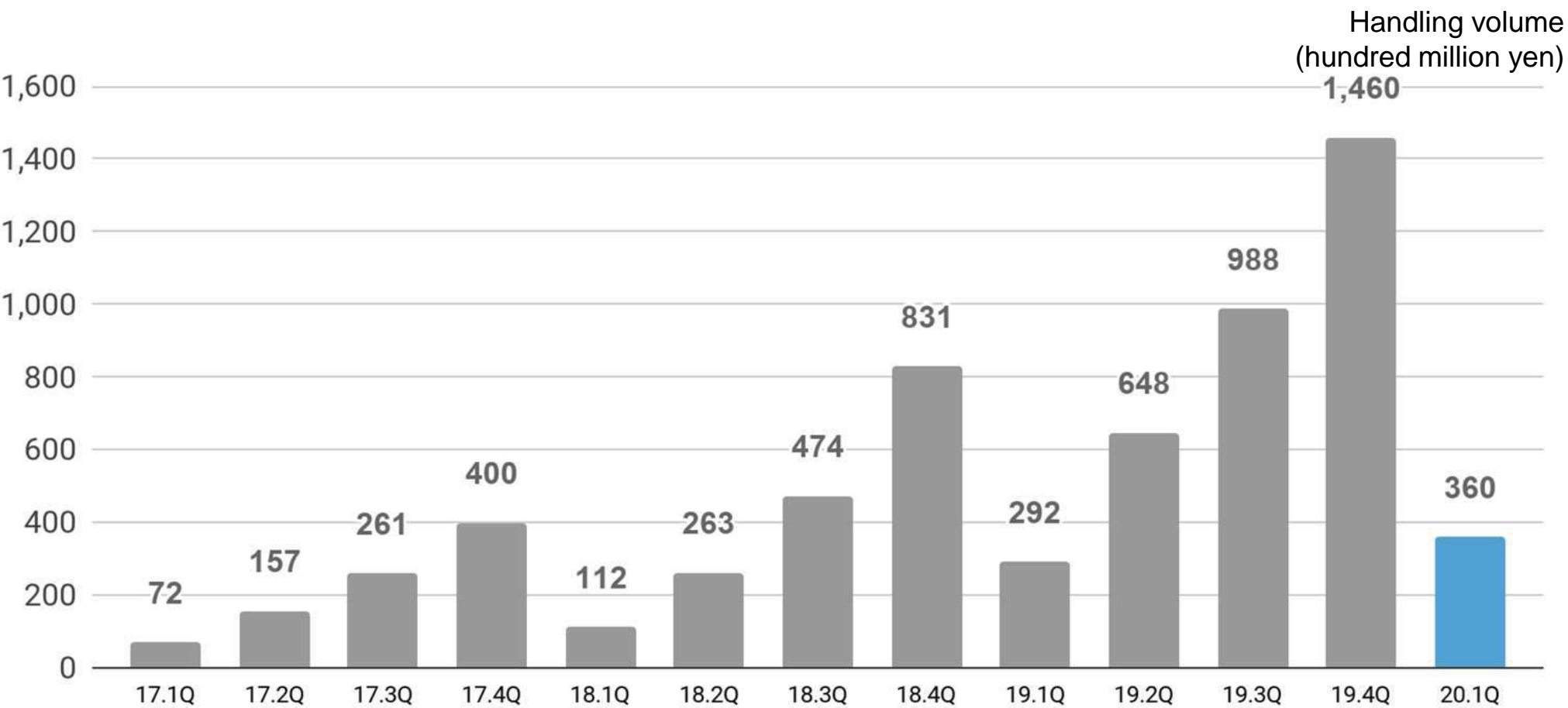
AirTrip Corp.
TSE 1st Section: 6191
February 14, 2020

The logo for AirTrip, featuring the word "AirTrip" in a bold, blue, sans-serif font. The letters are closely spaced, and the overall style is clean and modern.

- Handling volume and net sales increased sharply, up 123% and 168% YoY, respectively.
- Profit rate rose, reflecting entry to the return on investment phase.
- During FY20 1Q, greater-than-planned progress of 800 million yen was made toward achievement of the full-year operating income plan of 2,000 million yen.
- Even taking the impact of the coronavirus into consideration, there are no revisions to the full-year forecasts.

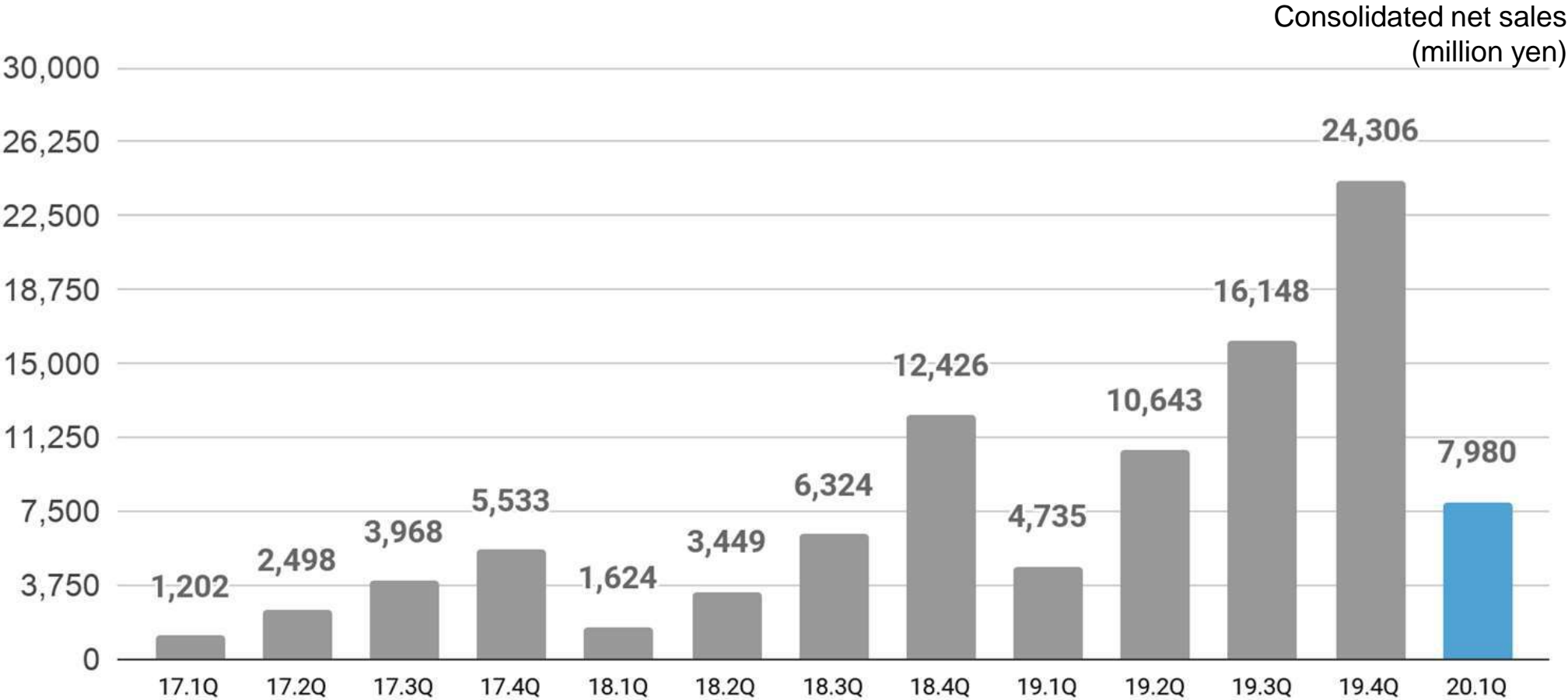
FY20.1Q Financial Summary

Handling volume: 123% Increased sharply

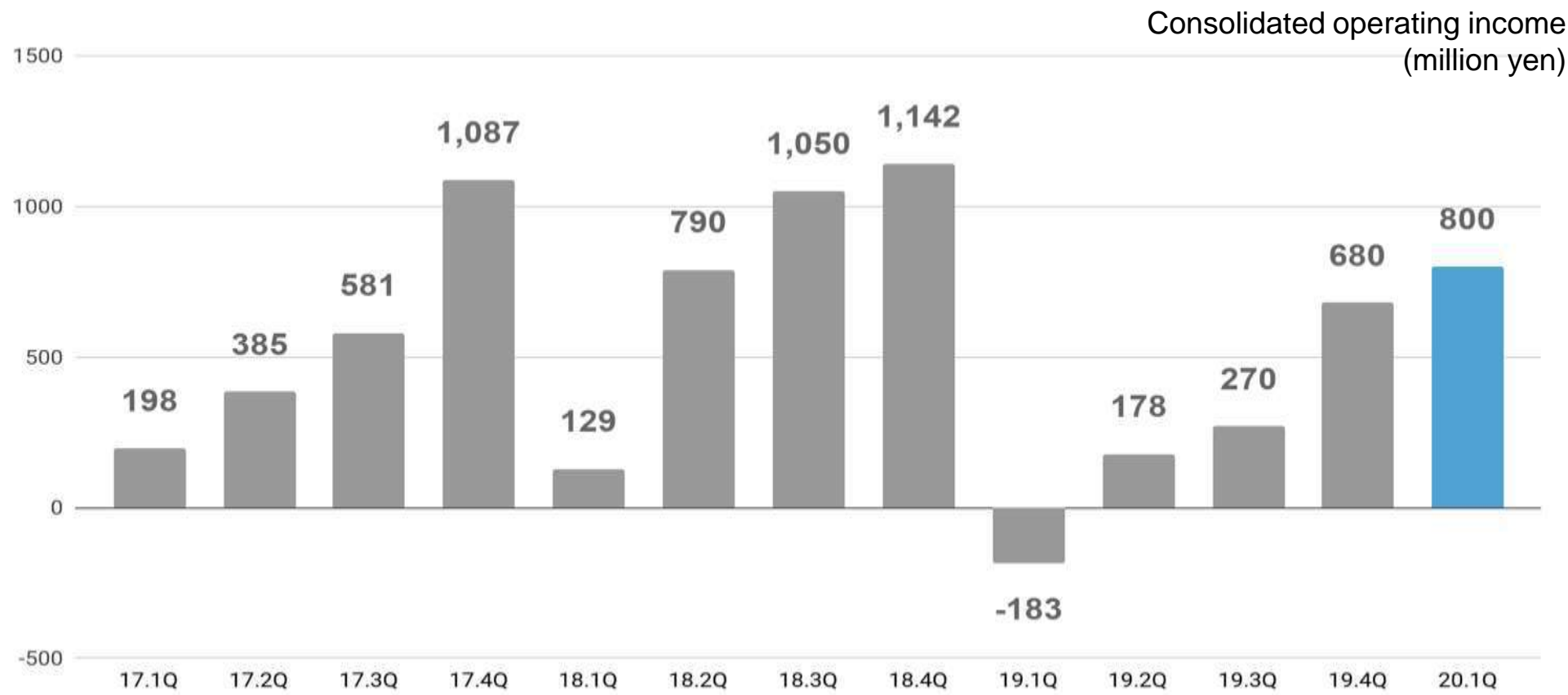


* Changed to pre-cancellation handling volume from 4Q FY19.

Net sales: 168% Increased sharply



During FY20 1Q, greater-than-planned progress of 800 million yen was made toward achievement of the full-year operating income plan of 2,000 million yen.



Profit rate rose and operating income reached 800 million yen, reflecting entry to the return on investment stage.

(million yen)

	FY19.1Q		FY20.1Q		YoY
	Amount	% to Sales	Amount	% to Sales	
Handling Volume	29,258	—	36,046	—	123%
Net Sales	4,735	100.0%	7,980	100.0%	168%
Gross Profit	2,746	58.0%	2,961	37.1%	108%
Operating Income	-183	—	800	10.0%	—
Profit	-201	—	692	8.7%	—

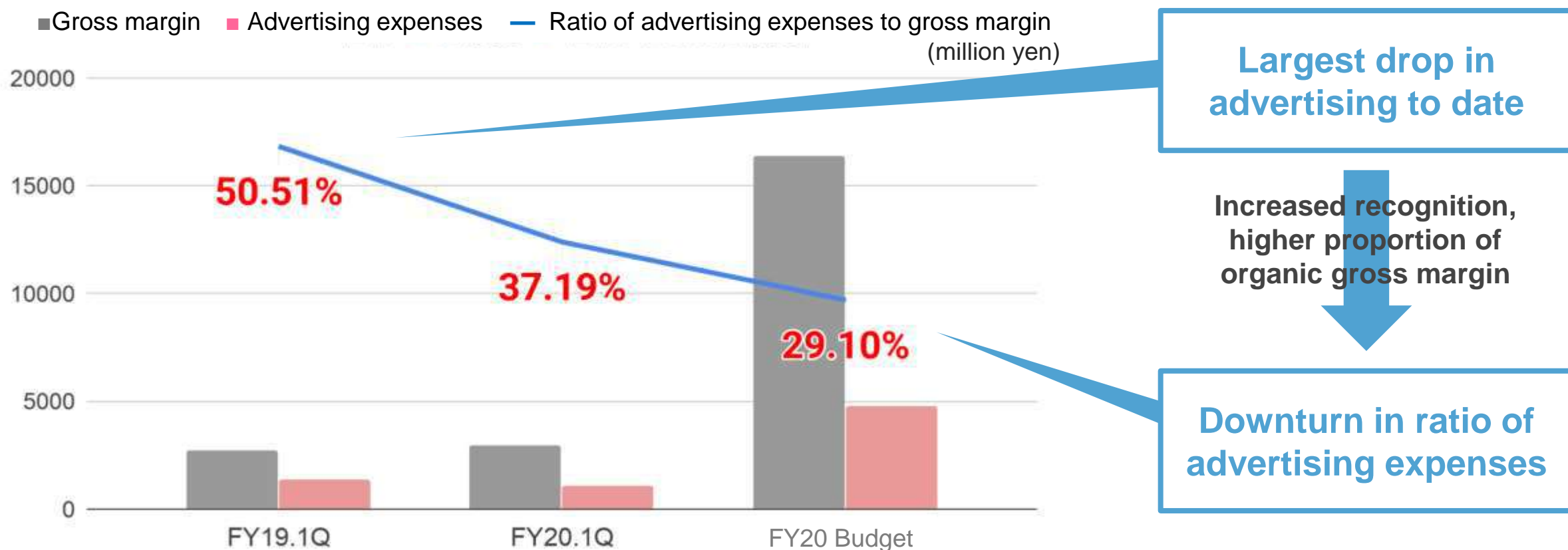
Equity increased due to earnings

(million yen)

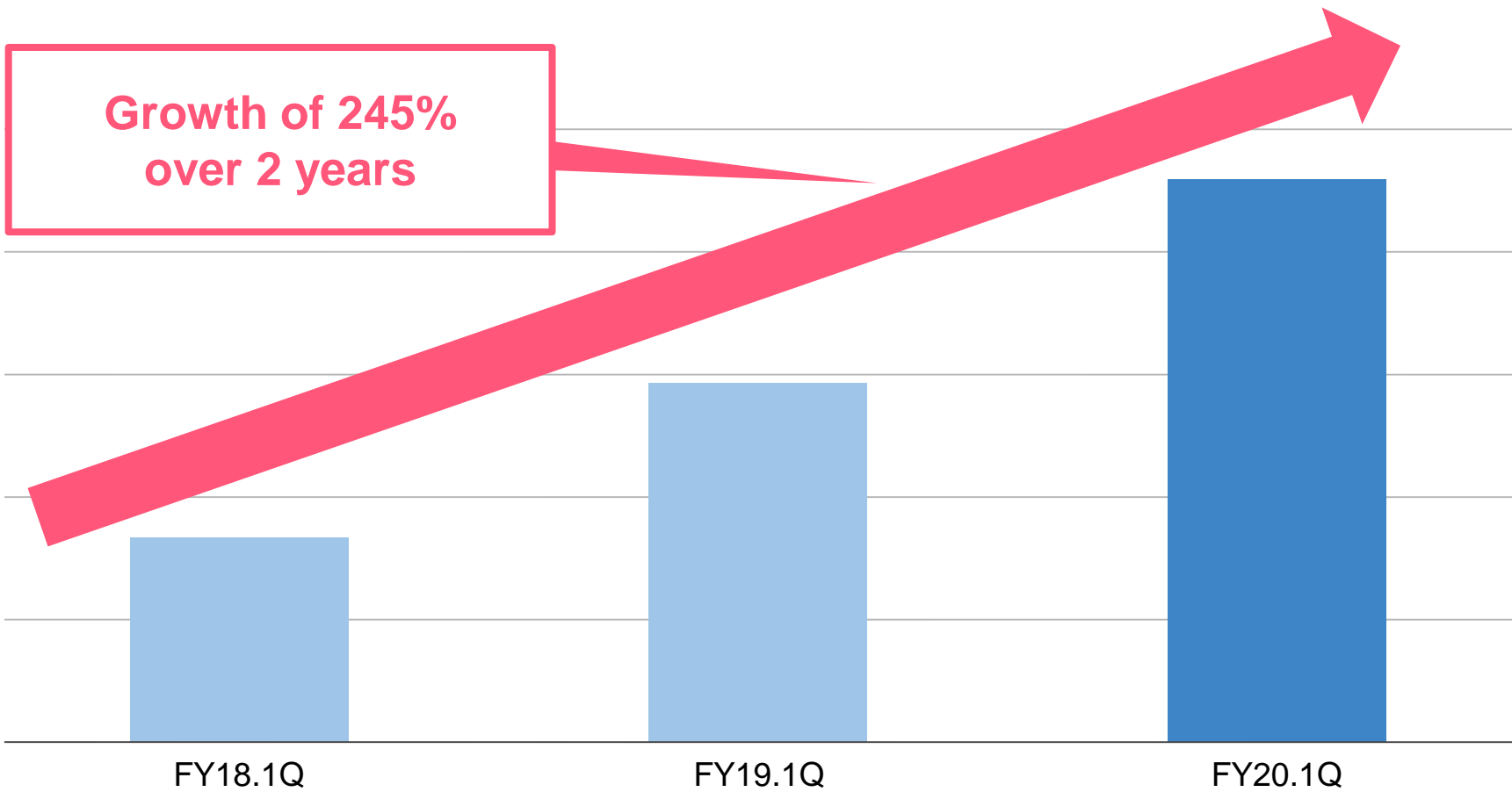
	FY19.4Q	FY20.1Q	YoY Change
Current Assets	20,140	19,789	-351
Cash and Deposits	8,997	6,477	-2,520
Operational investment securities	4,606	4,469	-137
Non-current Assets	11,075	17,105	+6,030
Total Assets	31,216	36,894	+5,678
Liabilities	21,114	25,839	+4,725
Interest-bearing Debts	12,630	13,607	+977
Equity	10,101	11,055	+954
Equity attributable to equity holders of the parent	9,719	10,711	+992
Ratio of equity attributable to equity holders of the parent	31.1%	29.0%	-2.1%

Shifting from advertising investment phase to return on investment phase

~During FY20 1Q, the ratio of advertising expenses to gross margin decreased sharply.~

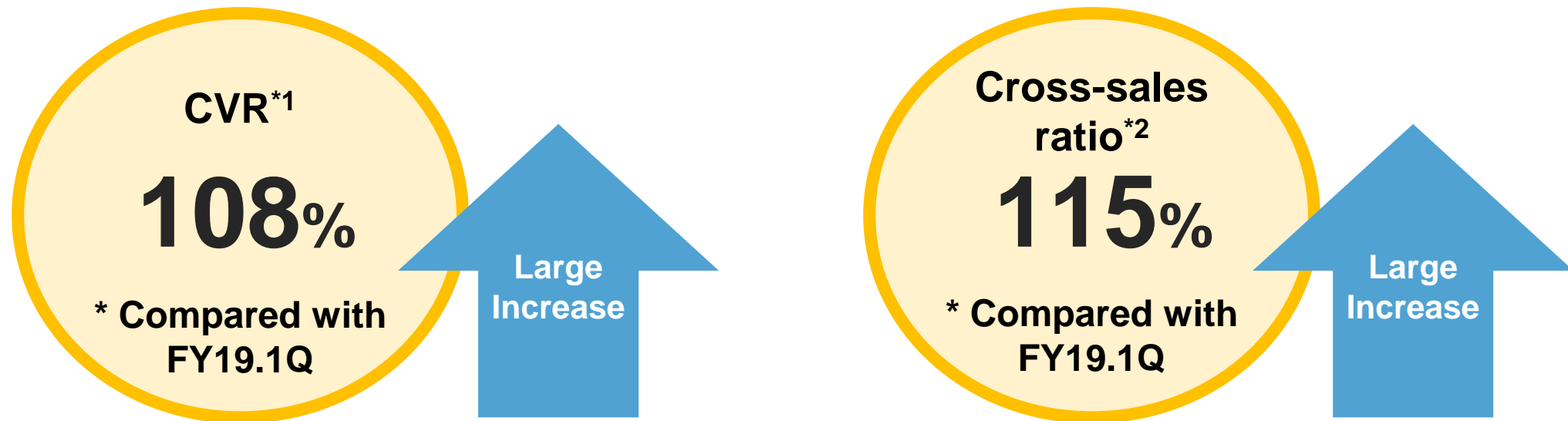


Huge increase in organically-grown gross margin, a top priority KPI.



* Refers to gross margin from customer sales made not through advertising or meta-searching; rather, from customers who find Air Trip via search keyword, app, etc.

Major increase in percentage of CVR/cross-sales, another top priority KPI.



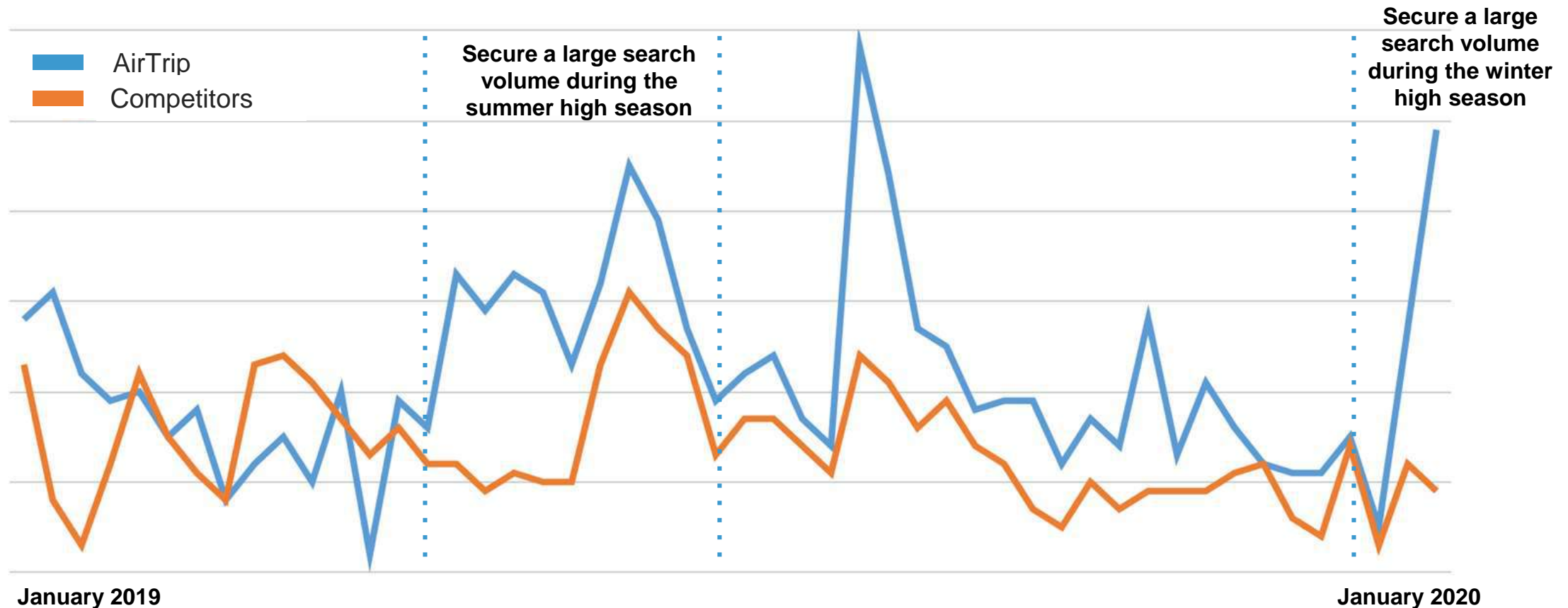
Aim to further improve CVR/cross-sales by overhauling website.

*1 Calculated using weighted average for airline tickets, hotels, and DP in Japan and overseas.

*2 Calculated using weighted average for hotels (including DP) and rental cars in Japan and overseas.

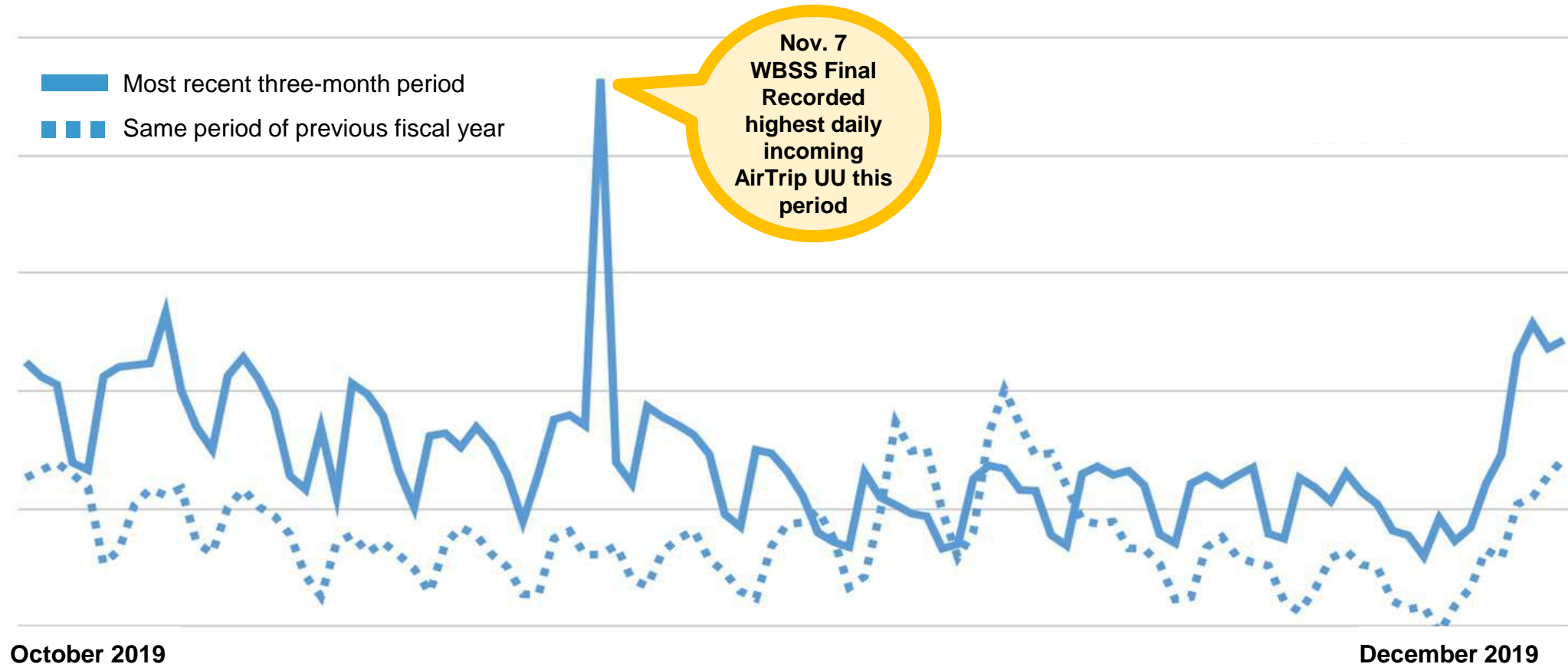
Improvement in brand recognition raised level of search trend

~ Higher search volume than competitors all year round,
especially during summer and winter high seasons ~



Sharp increase in incoming UU from “AirTrip” keyword search

~Recorded highest daily incoming AirTrip UU this period through airing of TV commercials and display of company name at WBSS final~



Latest Topics

Began airing TV commercials with new creative content from January 2020!!

～Aired three different commercials nationally in record volumes ～



Held Brand New Spring Sale with Great Value Offers from January 4, 2020!!

~Offered exclusive products and coupons, etc. to first 50,000 customers~



Made Hikawa, which is involved in the tea processing industry and operates the e-commerce site Hikawa Chaen, into a wholly owned subsidiary

～Further strengthened Life Innovation Business～



Around 50 years' experience in the tea processing industry

A long-established firm in the tea processing industry which, since its foundation in 1971, has built up a vast track record of around 50 years

Growth mainly through operation of e-commerce site and overseas expansion

Aiming for profit growth mainly through operation of e-commerce site and expansion of sales channels centering on Asia

Value enhancement through utilization of AirTrip assets

Aiming to leverage the Company's assets (knowhow, knowledge, etc.) to establish business foundations

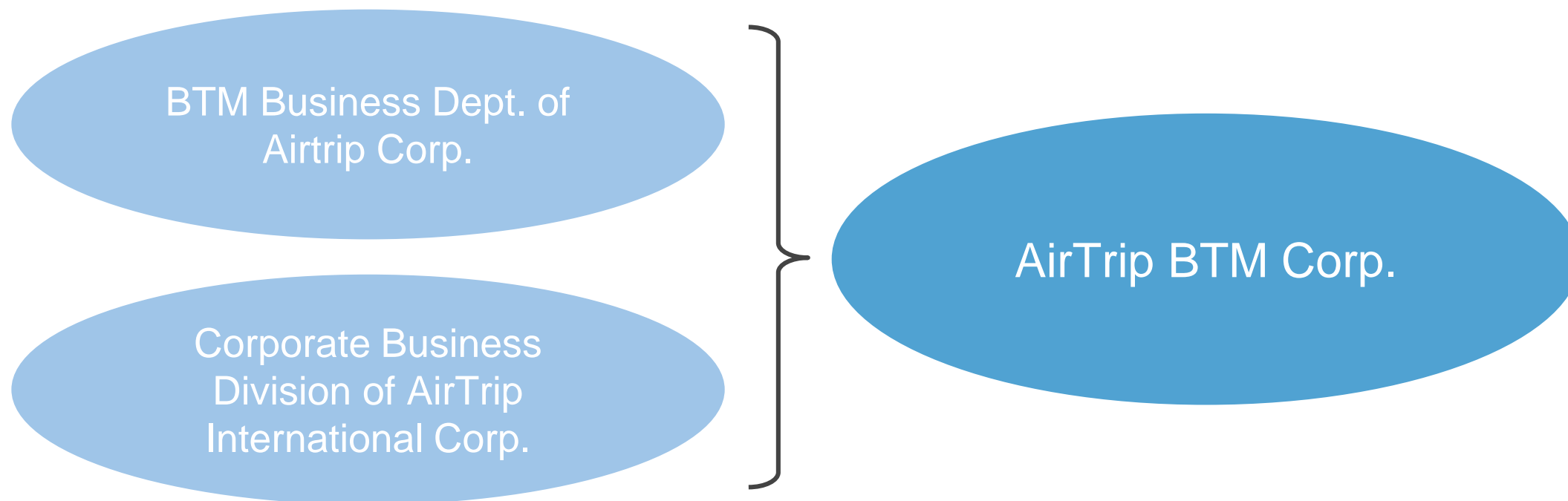
Began offering **20%** mega rewards points on domestic flights and domestic hotel bookings !!

～Significantly improved incoming UU and CVR through travel industry's first high reward points rate～



Examining spinning off BTM business division to form new company

～Aiming to accelerate growth and expansion of corporate business～



Turn into driving force behind **AirTrip5000** Medium-term Growth Strategy

Plan to change name of book now pay later service from “TRAVEL Now” to “AirTrip Now”

～Launch as new AirTrip Service～



Trips can be booked easily without credit card details

Users can make bookings easily without needing to register their credit card details.

Trips can be paid for two months after booking!

Users can pay for their trip at a time that suits them provided they do so within two months of booking.

Users can choose from around 65,000 types of travel product in total!

Service can be used to book around 65,000 types of travel products including flights, tours and express buses.

Changing name of ticket shop of AirTrip Ticket

～Aiming to expand trading platform of ticket shop, which is centered on the Kansai Region ～



Improvement of recognition through renaming of service

Change service name to “AirTrip Ticket” to help improve recognition

Expansion of trading platform through utilization of AirTrip’s assets

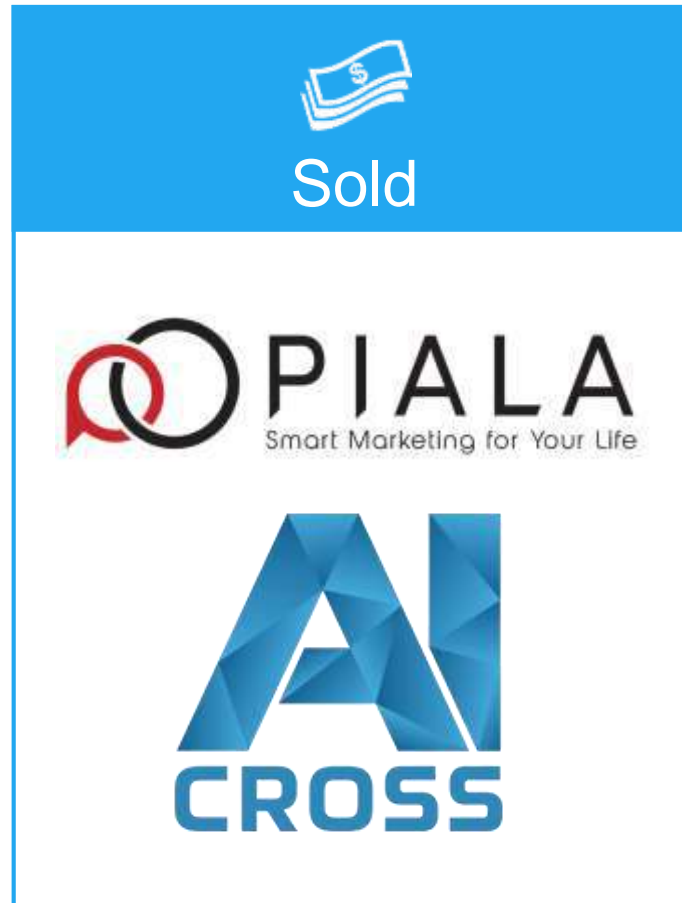
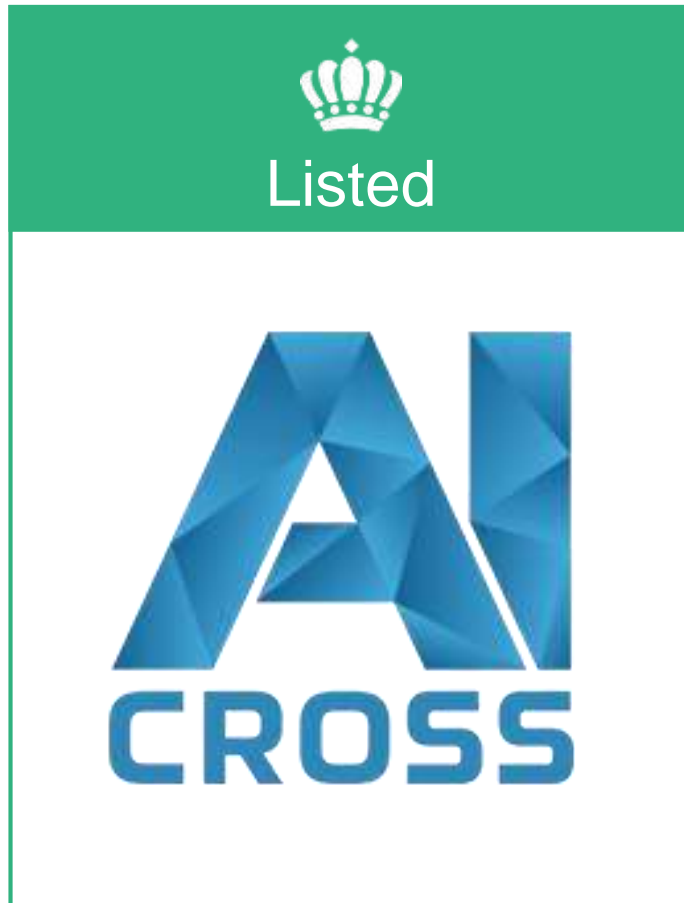
Leverage AirTrip’s assets (resources, connections, etc.) to help expand trading platform

Enhancement of product lineup

Strengthen product lineup including gift vouchers, travel vouchers, shareholder coupons and other AirTrip Group products

Listed and sold shares of **AI CROSS** as fourth IPO project

~ Many exit projects and value enhancement projects ~



Progress Versus Forecasts During FY20 1Q

**the FY2020 full-year plan of handling volume of 180,000 million yen
and operating income of 2,000 million yen**
During FY20 1Q, greater-than-planned progress was made toward achieving

(million yen)

	FY17	FY18	FY19	FY20 Full-year Plan	FY20.1Q Result	Rate of Progress
Handling Volume	40,001	83,166	145,981	180,000	36,046	20.0%
Net Sales	5,533	12,426	24,306	38,000	7,980	21.0%
Operating Income	1,088	1,142	680	2,000	800	40.0%
Profit	708	982	753	1,300	692	53.2%
Dividend	7 yen	10 yen	10 yen	13 yen	—	—

No Revision of Full-year Operating Income Forecast due to Coronavirus

~Impact offset by domestic travel and other business domains~

Overseas travel domain

◆Emergence of negative impact on handling volume in overseas travel domain

Due to recent escalation in the impact of the coronavirus, its negative impact on the handling volume has been evident in the overseas travel domain lately (since January).

◆Minimization of impact on operating income through greater cost efficiency

Plan to minimize impact on operating income in the overseas travel domain through greater cost efficiency (control of advertising expenses, etc.)

Domestic travel domain and other business domains

◆Impact on domestic travel domain and other business domains

Strong results in the domestic travel domain and other business domains and better-than-anticipated progress in the first quarter is helping to offset the negative impact on the overseas travel domain (decrease in handling volume) **and there is currently no revision to the full-year operating income forecast.**

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- Even taking the impact of the coronavirus into consideration, there are no revisions to the full-year forecasts.

FY20.1Q Business Progress

Implemented many kinds of branding-focused marketing



Sponsor for WBSS Bantamweight Finals

2019.12.31 大田区総合体育館 13 時開場
TBS 系列全国生中継 18 時放送



Sponsor for Kazuto Ioka's title defense match



Sponsor for triple title match



Sponsor for KOSUKE KITAJIMA CUP



Held the first ever AirTrip Cup



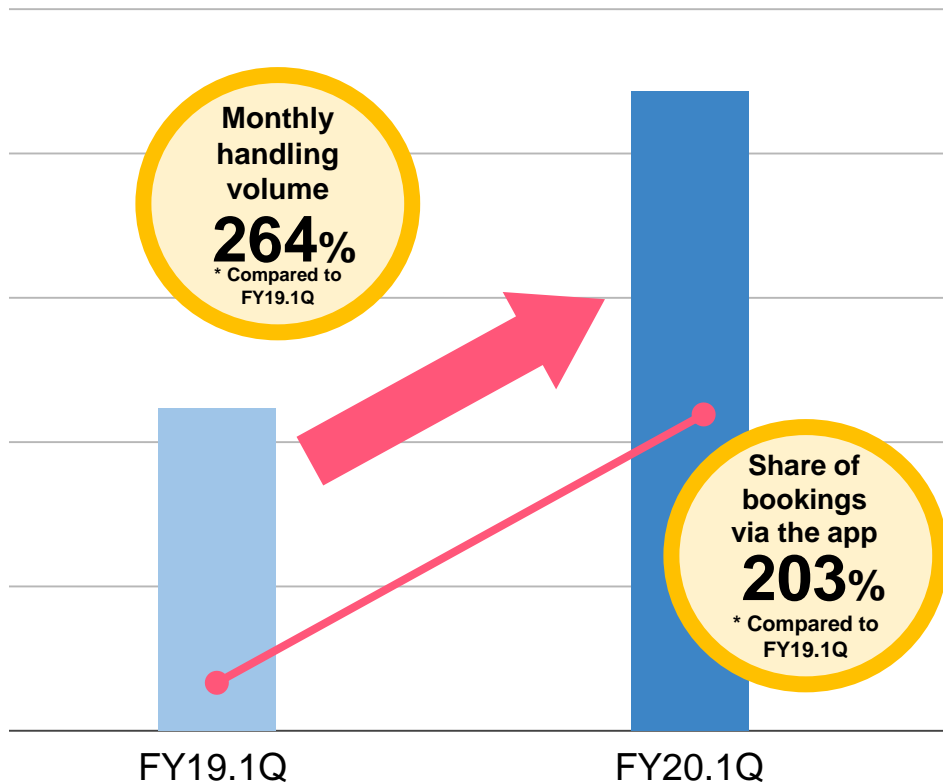
Public transport advertising (Sotetsu Line/Yokohama Station/Keikyu Shinagawa Station)



Sponsored Heat Japan

Pursued expansion in share of bookings via the app, and the monthly handling volume of bookings via the app increased sharply

~Compared to FY19 1Q, monthly handling volume of bookings via the app was **264%** and the share of bookings via the app was **203%**~



Launched a 20% reward points campaign for bookings made via the app!!

The launch of a 20% reward points campaign for customers booking via the app helped increase handling volume and CVR

Completely revamped AirTrip app UI

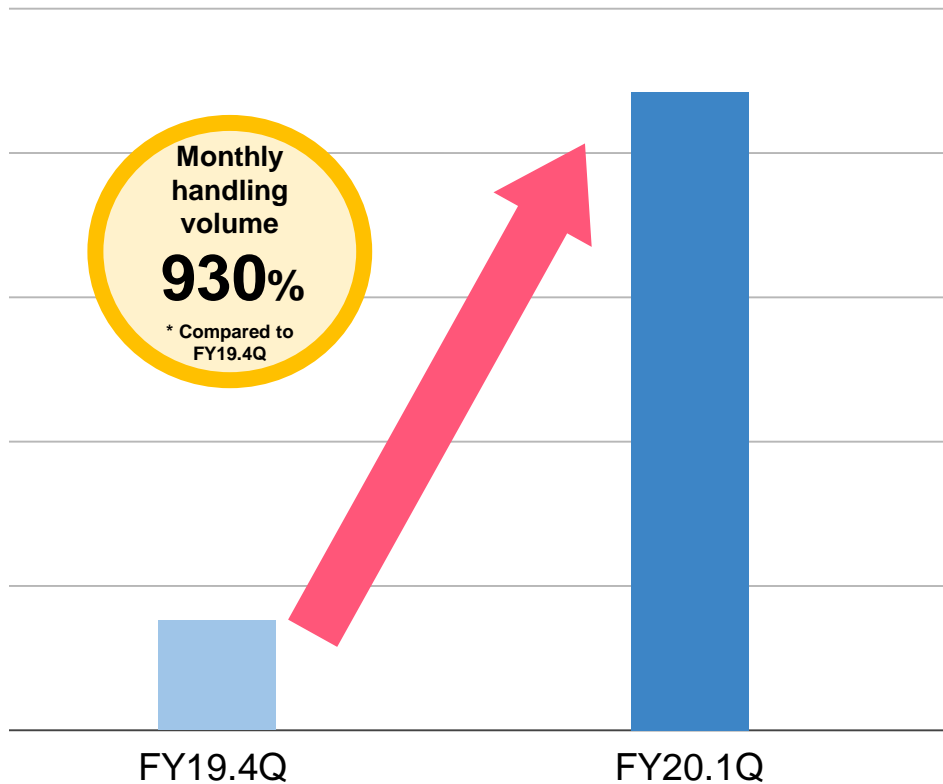
Improvements to AirTrip app UI/UX helped increase handling volume and CVR

Implemented aggressive promotions

A range of measures to encourage users to book via the app helped expand the share of bookings via the app

Strongly promoted “ANA + Hotel”, special plans utilizing ANA roundtrip flights under the AirTrip brand

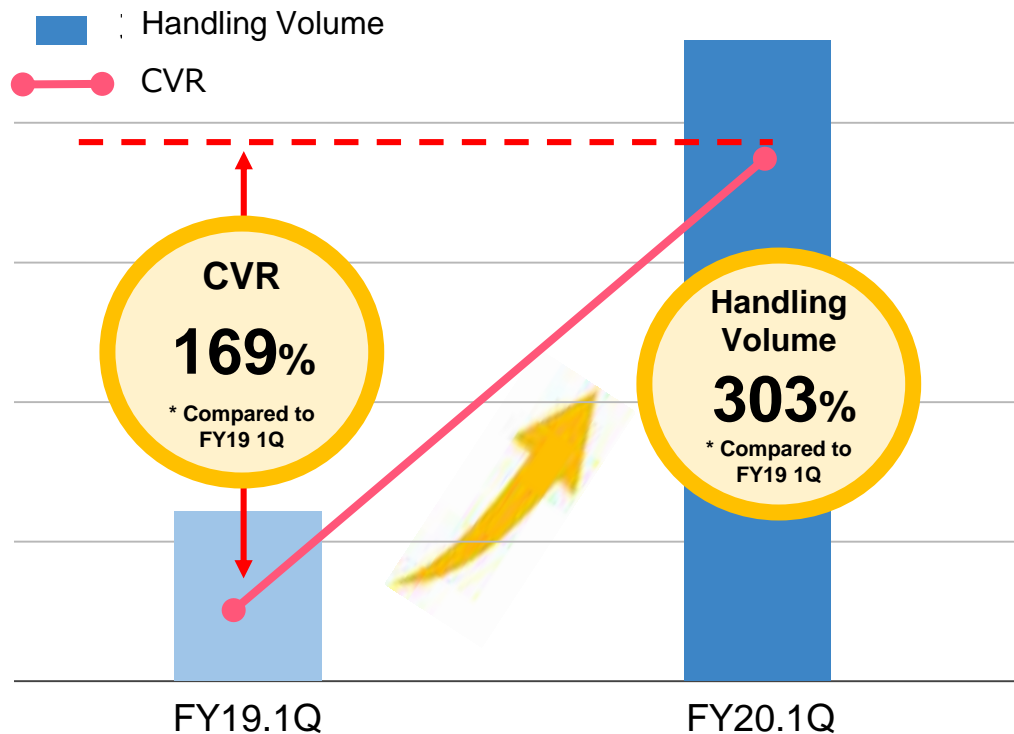
~Monthly handling volume of “ANA + Hotel” was **930%** compared to FY19 4Q~



Added function for searching for hotels best suited to business users

~Handling Volume and CVR grew substantially,
reaching **303%** and **169%** respectively compared to FY19 1Q~

Changes in handling volume and CVR for domestic hotels



Actions and Results during FY20 1Q

(i) Added function for search for hotels best suited to business users

Improved search convenience through a business trip search function that shows hotels best suited to business trips as the top results

(ii) Optimized flow from hotel booking until stay

Optimization of flow from hotel booking to stay resulted in considerable improvement in handling volume and CVR

(iii) Increased listings of popular business hotels

Increased listings of business hotels with good reviews/reputations led to improvement in handling volume and CVR

Introduced reward points redemption function!! Ran 10% reward points campaign to commemorate introduction

~Unique users were **226%** compared with FY19 1Q~

<Trend of Unique Users>



<Effects of introduction of reward points redemption function>



Acquisition of repeat customers

Introduction of the points redemption function helped improve the repeat rate for both private and business trips



Increase in unique users

The 10% reward points campaign resulted in an increase in new incoming customers and helped increase UU

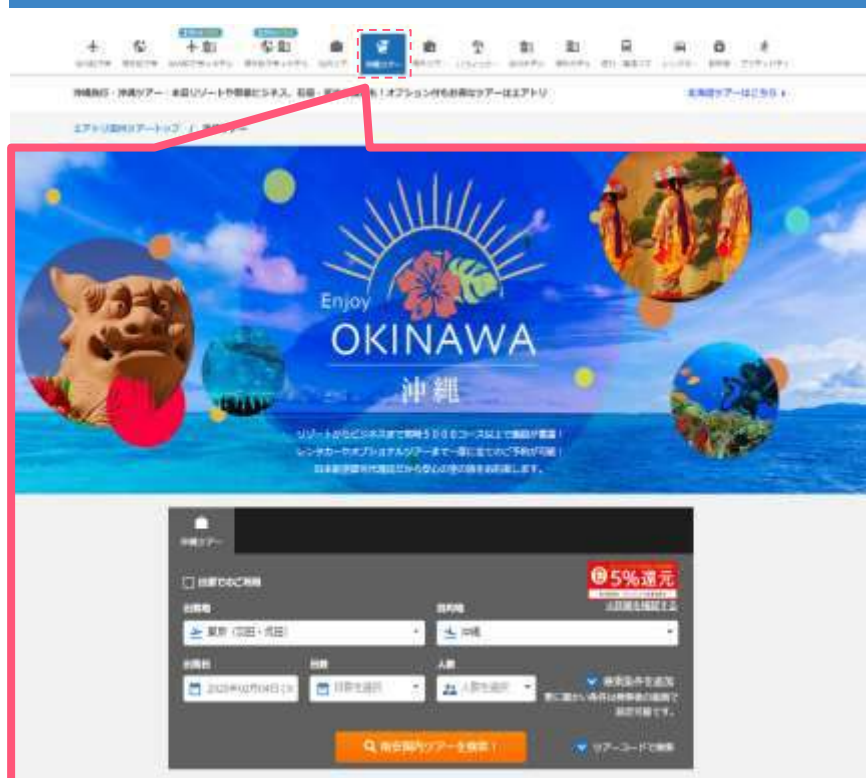


Improvement of handling volume and CVR

The increase in UU among new customers and existing customers helped increase handling volume and CVR

Expanded measures specifically for “Okinawa” as a popular destination

Added “Okinawa Tour” to “AirTrip” menu
 ~Promoted great value products to users
 wanting to go to Okinawa~

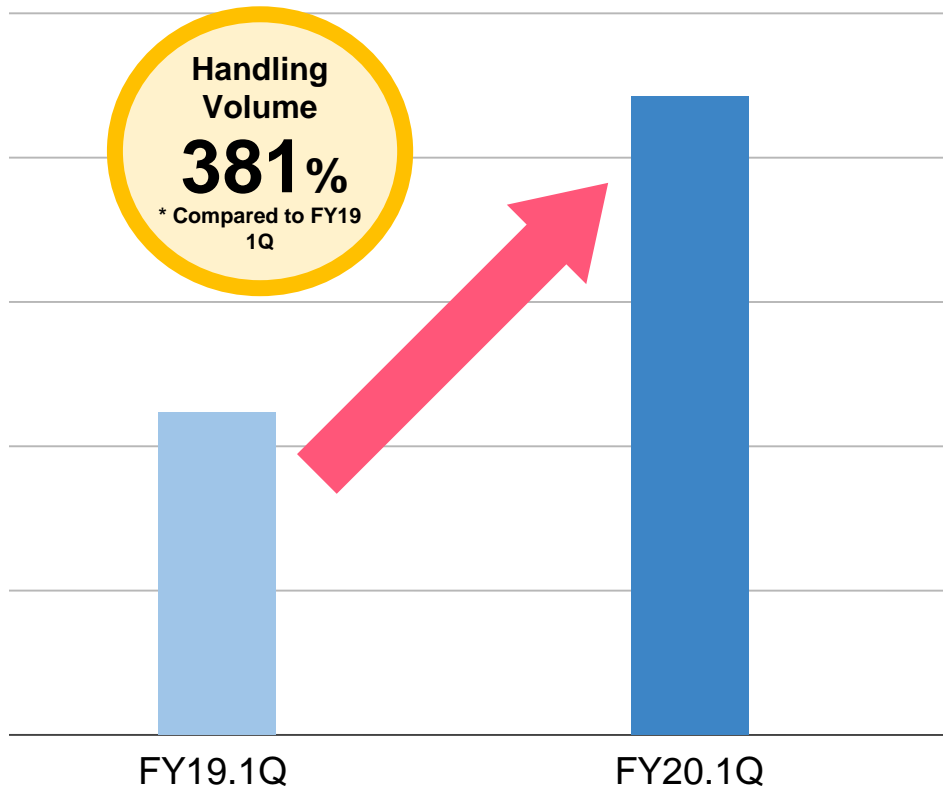


Sold Tours to Support Shuri Castle Fire Restoration Efforts
 ~Collaborated with local government
 and made donations from profits~



Commenced listings on travel comparison site, and handling volume soared

~Handling volume was **381%** compared to FY19 1Q~



Start of listings on travel comparison site

The start of listing on the travel comparison site helped increase handling volume

Renewal of AirTrip Rental Car Site

Renewal of the site including reduction in the number of steps required to make a booking helped increase handling volume and CVR

Expansion of sales area

Rental car products handled by Car Tech Life Japan, a subsidiary of the Company, started being sold in Okinawa.

Added function for searching products most suited to overseas business trips

～Compared to FY19 1Q, CVR was **108%** for overseas airline tickets
and **112%** for overseas hotels～

Addition of “Search for Business Trips” to Search Top Menu

～Promotes products most suited to business trip users～



Effects of Addition of Search Function for Business Trip Users

～Helped improve CVR for both overseas airline tickets and overseas hotels～

Airline Ticket



CVR

108%

* Compared to
FY19 1Q

Large
Increase

Airline Hotel



CVR

112%

* Compared to
FY19 1Q

Large
Increase

Adding a new guiding line for users resulted in considerable organic UU growth

~Unique users were **125%** were compared to FY19 1Q~



Held various sales promotion campaigns for overseas service users based on market trends !!

Special price bargain sale

海外航空券 燃油サーチャージ最大往復 **7,000円値下げ**

大特価バーゲンSALE

が 買 い ど き !

海外航空券 海外ツアー 海外航空券 + ホテル 海外ホテル

東京 (成田・羽田) 発 | 羽田発 | 大阪発 | 名古屋発 | 福岡発

往復 片道 2都市以上

✈ 東京 (成田・羽田)

✈ 目的地

AirTrip Black Friday

エアトリ ブラックフライデー

BLACK FRIDAY

年に1度のBIGセール!

2019/11/27 12:00 ~ 12/2 11:59

海外航空券
エアトリプラス (海外航空券 + ホテル)

割引最大 3,000円OFF!

海外航空券はこちら >

New year's special price bargain sale

年末年始 & 春休みも CHECK!

大特価バーゲンSALE

クーポン 配布中!

海外航空券 海外ツアー 海外航空券 + ホテル 海外ホテル

東京 (成田・羽田) 発 | 羽田発 | 大阪発 | 名古屋発 | 福岡発

割引クーポン配布中!

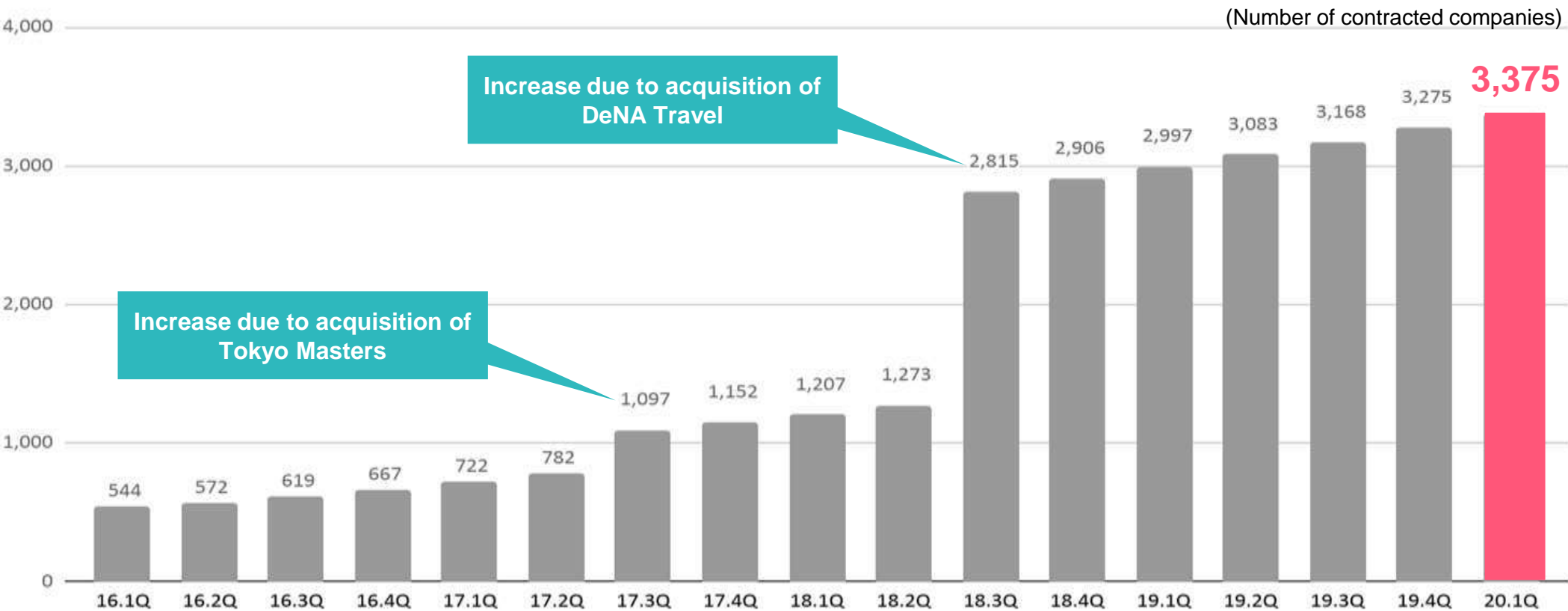
1/4 (土) 11:59 まで

クーポン 海外航空券

最大 10,000円OFF

詳しくはこちら >

Healthy growth in number of BTM clients, exceeding 3,300 companies



Released “JOB Magnet,” a recruitment website creation service ～New service in JV between EAA*₁ and SBC*₂～



*1: EAA...EVOLABLE ASIA AGENT COMPANY LIMITED

*2: SBC...EVOLABLE ASIA SOLUTION & BUSINESS CONSULTANCY COMPANY LIMITED

Realized provision of one-stop service for game development through absorption and merger of KICK*1 by Punch*2



※1 : Punch...Punch Entertainment (Vietnam) Company Limited

※2 : KICK...KICK ENTERTAINMENT CO., LTD

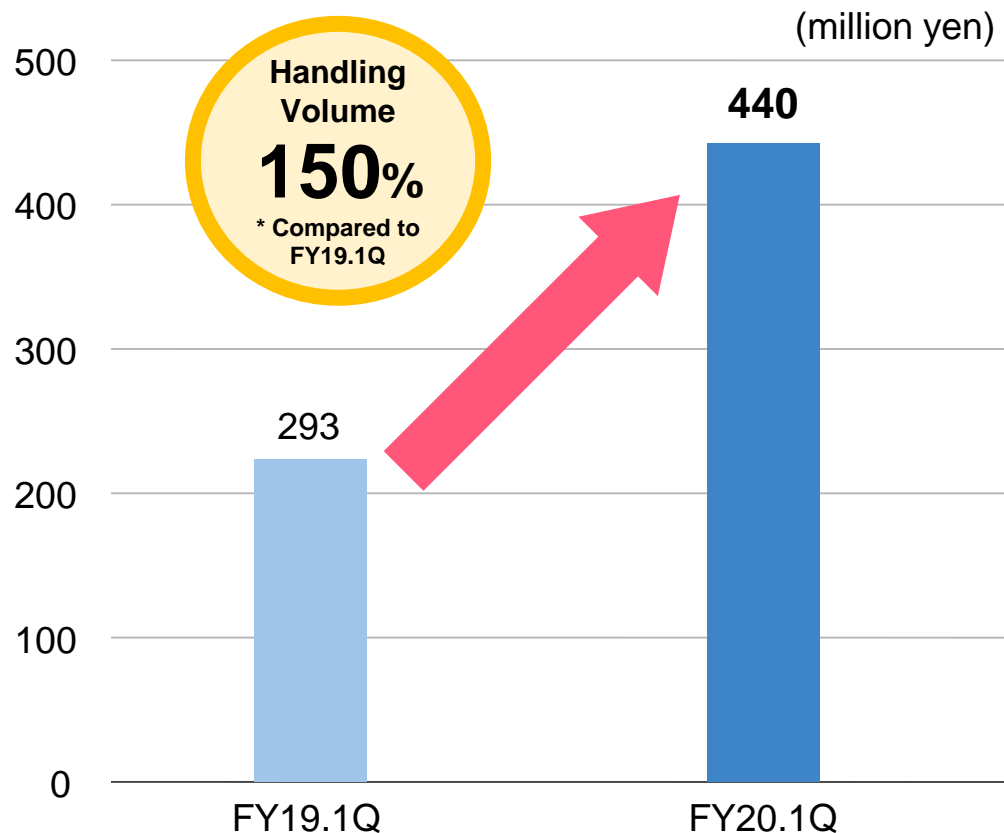
Strengthening of investment development: 62 companies; total investment amount: 2.1 billion yen

* As of February 2020



Handling volume soared as a result of acceleration of investment in system development

~Handling volume was **150%** compared to FY19 1Q~



Complete renewal of Wi-Fi rental website

Renewal of the website led to significant improvement in CVR and helped increase handling volume

Launch of WiFi website for Chinese-speakers

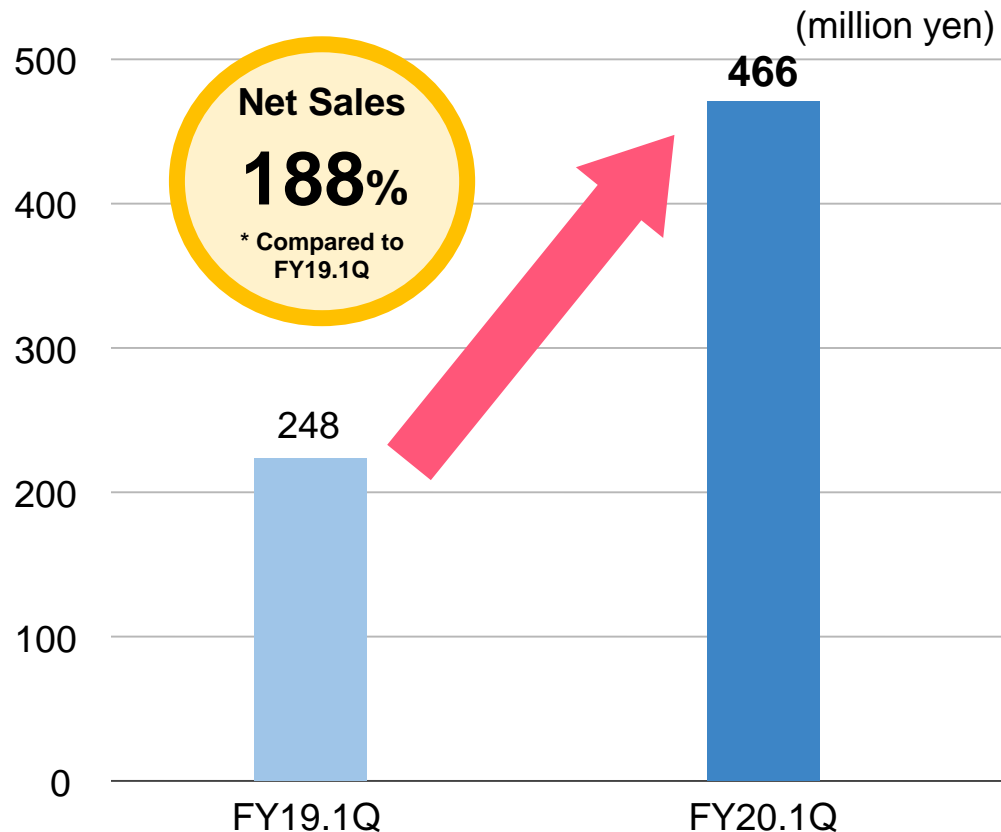
WiFi rental website for China, Taiwan and Hong Kong was created and became fully operational

Growth in camping car demand

Efforts to tap into special demand resulting from Rugby World Cup contributed to growth in handling volume and profit

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

~Net sales were **188%** compared to FY19 1Q ~



Substantial growth in net sales and number of new orders received

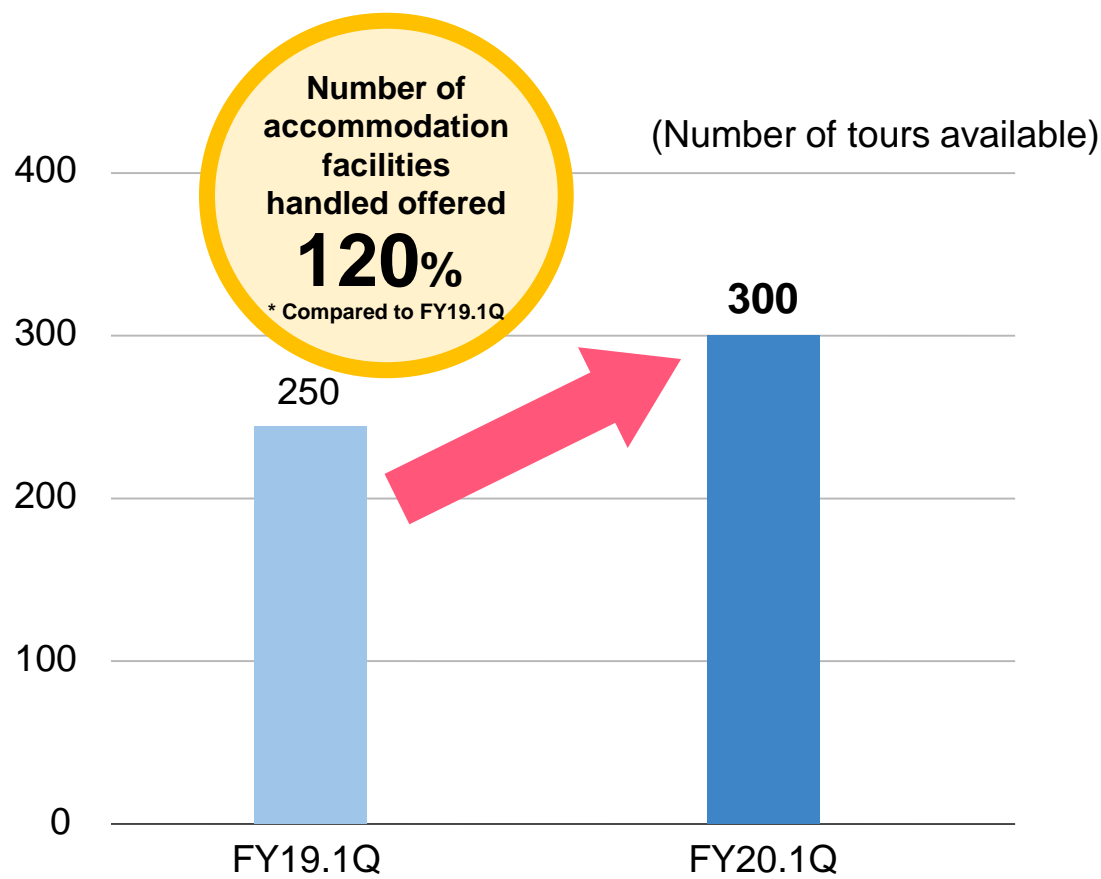
Provision of a hybrid development service pursuing both high quality and cost performance contributed to growth in net sales and the number of new orders received.

Increased recruitment of talented engineers

Promoted retention and referral-based recruitment through the conclusion of a sponsor agreement with Sint-Truiden, a Belgian Pro League Club

Number of tours available increased considerably through efforts to increase the number of accommodation facilities handled

~Number of accomodation facilities handled was 120% compared to FY19 1Q ~



Strengthening of supply of accommodation facilities
Promotion of transactions with accommodation facilities in Kanto, Kansai, Tohoku and Kyushu contributed to growth in the number of accommodation facilities handled that are available as part of tours

Creation of tours to every part of Japan
Creation of tours from Tokyo, Osaka, Nagoya and Sapporo to every part of Japan resulted in tour operations that will not be affected by external factors

Added “Hawaii Tour” to AirTrip menu

～Provision of high quality Hawaii tours by Hawaii specialist～

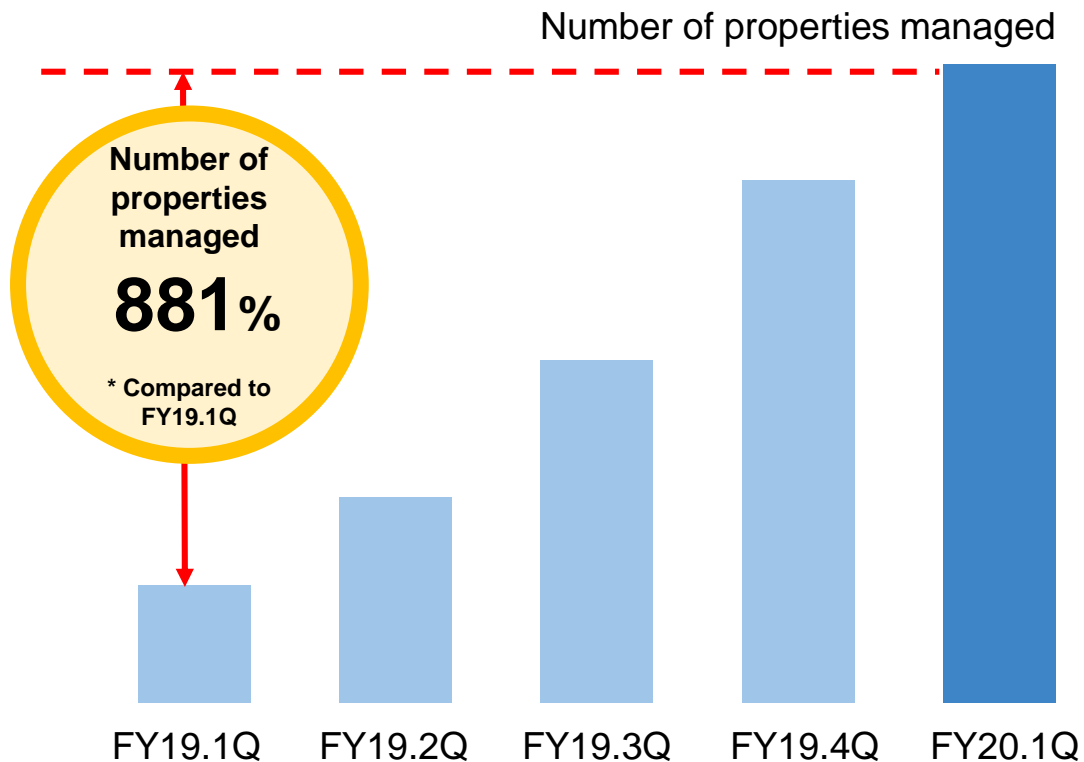


Tailor made services provided by specialist staff
Dedicated Hawaii tour specialists are on hand to help customers plan customized tailormade custom tours

Provision of tour desks in Hawaii
At the Company's tour desks in Hawaii, dedicated local staff help meet customer needs and solve any issues

Drove growth on market for minpaku (private home rental) services for visitors to Japan

~Number of properties managed was **881%** compared with FY19 1Q ~



Airbnb's official partner in Japan

Has so far helped drive the market for minpaku (private home rental services) for visitors to Japan as Airbnb's official partner in Japan

Sharp increase in number of properties managed due to expansion in consultancy business

Number of properties managed increased around 880% from FY19 1Q due to steady expansion in consultancy services for property hosts and newcomers to the property management business

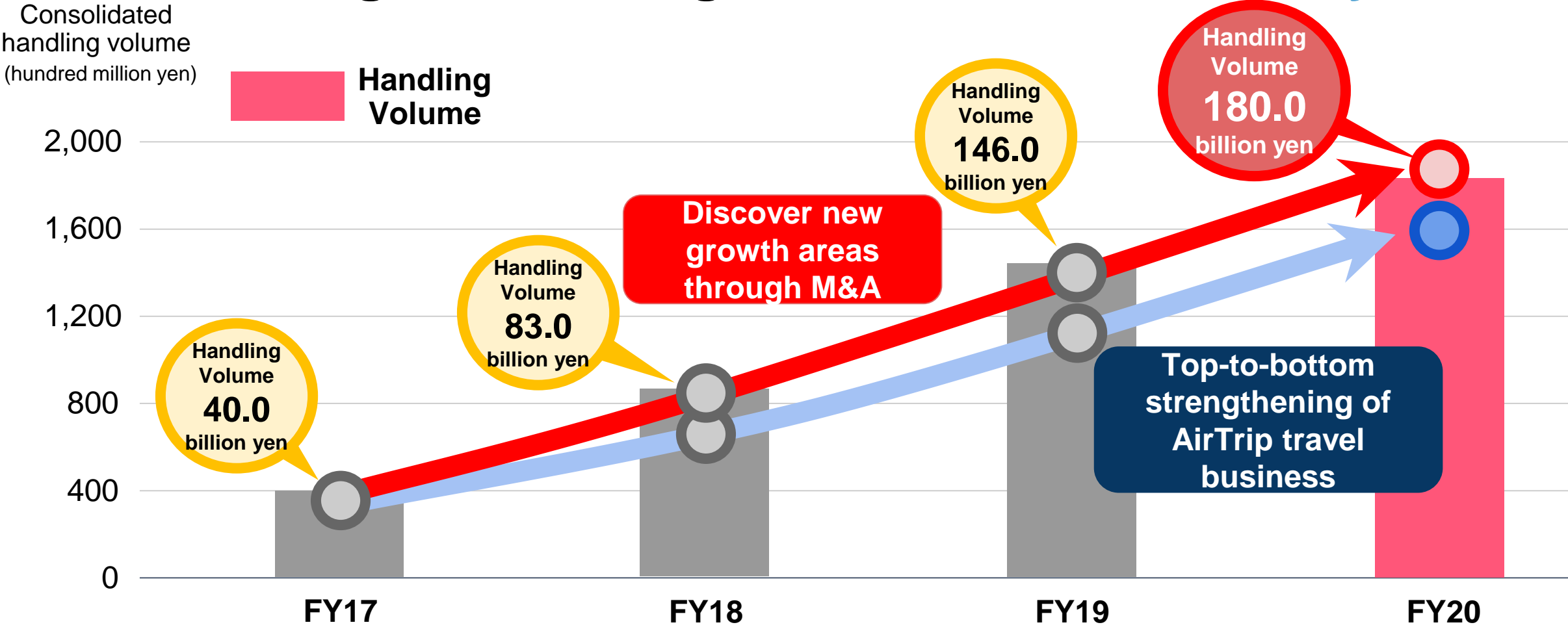
AirTrip

- 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.

Appendix

Growth Strategy for FY20

- aiming for handling volume of 180.0 billion yen











5 New Business Domains in FY20 Growth Strategy

Redefining businesses from original 4 to 5



Maximize synergy in each business domain

AirTrip Travel Business	<p><u>Provides travel contents centered on AirTrip, the Company's comprehensive travel platform.</u></p> 
Inbound Travel Business	<p><u>Provides travel-related services in response to inbound demand.</u></p> 
IT Offshore Development Business	<p><u>Provides high quality, hybrid IT development offshore.</u></p>   
Life Innovation Business	<p><u>Provides services which make customers' lives more convenient in a variety of situations.</u></p>   
Investment Businesses	<p><u>Invests in growing companies in pursuit of synergy through collaboration with those companies.</u></p>