

AOI TYO Holdings

Earnings Presentation

Second Quarter, FYE December 2021

August 2021

AOI TYO Holdings Inc.

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1. Summary of Consolidated Financial Results

Financial Highlights

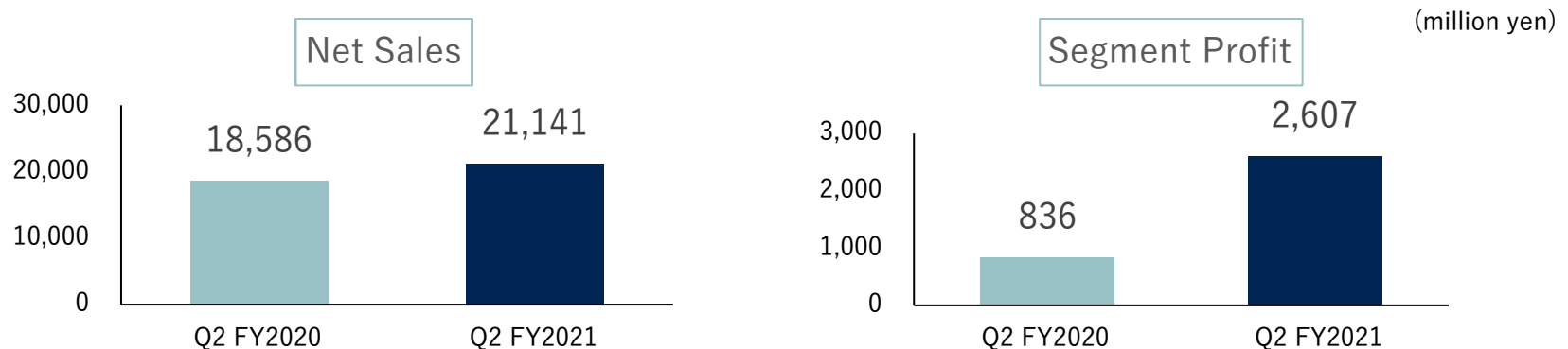
- Business operations normalized due to measures taken to prevent the spread of COVID-19, and infections did not have a significant impact on business results.
- Net sales increased due to the gradual recovery in the domestic advertising market.
- We implemented cost reduction measures established under our medium-term plan ahead of schedule, resulting in increases of every profit measure.

(million yen)	Q2 FY2019	Q2 FY2020	Q2 FY2021	YoY Change
Net Sales	30,636	24,367	29,025	+4,657
Operating Income	816	-881	1,686	+2,568
Ordinary Income	637	-1,047	1,668	+2,716
Profit Attributable to Owners of Parent	257	-956	891	+1,847
EBITDA	1,531	-313	2,120	+2,434

Segment Performance (1) - Content Production Business

Production of various video content for domestic and overseas advertising, post-production business and xR content production

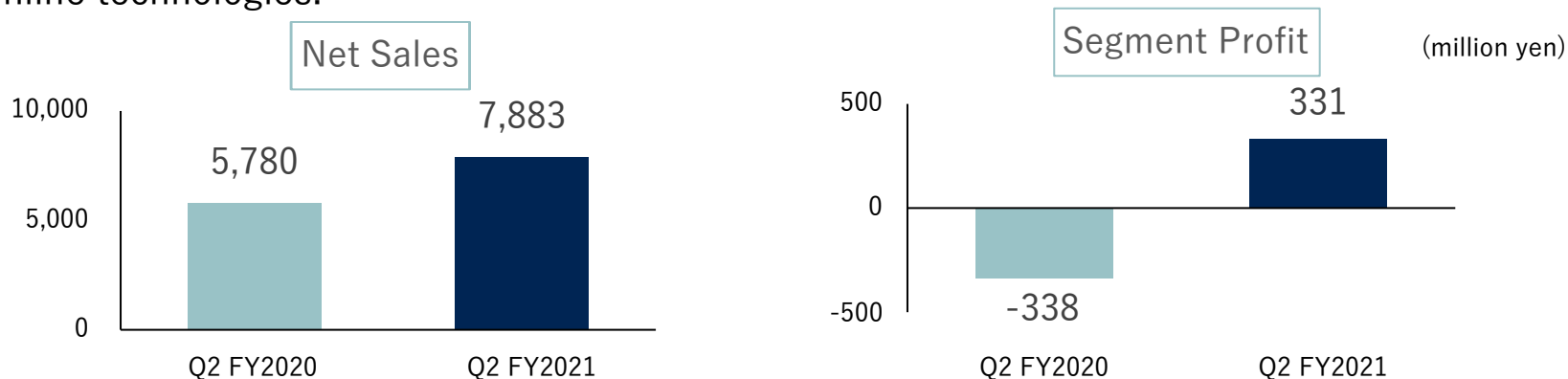
- Net sales increased due to a recovery in orders for CM production and other projects from advertising companies, as well as the postponement and cancellation of projects in year-ago quarter due to the impact of COVID-19.
- Segment profit increased significantly due to the increase in net sales and the decrease in various expenses as a result of cost reduction measures.



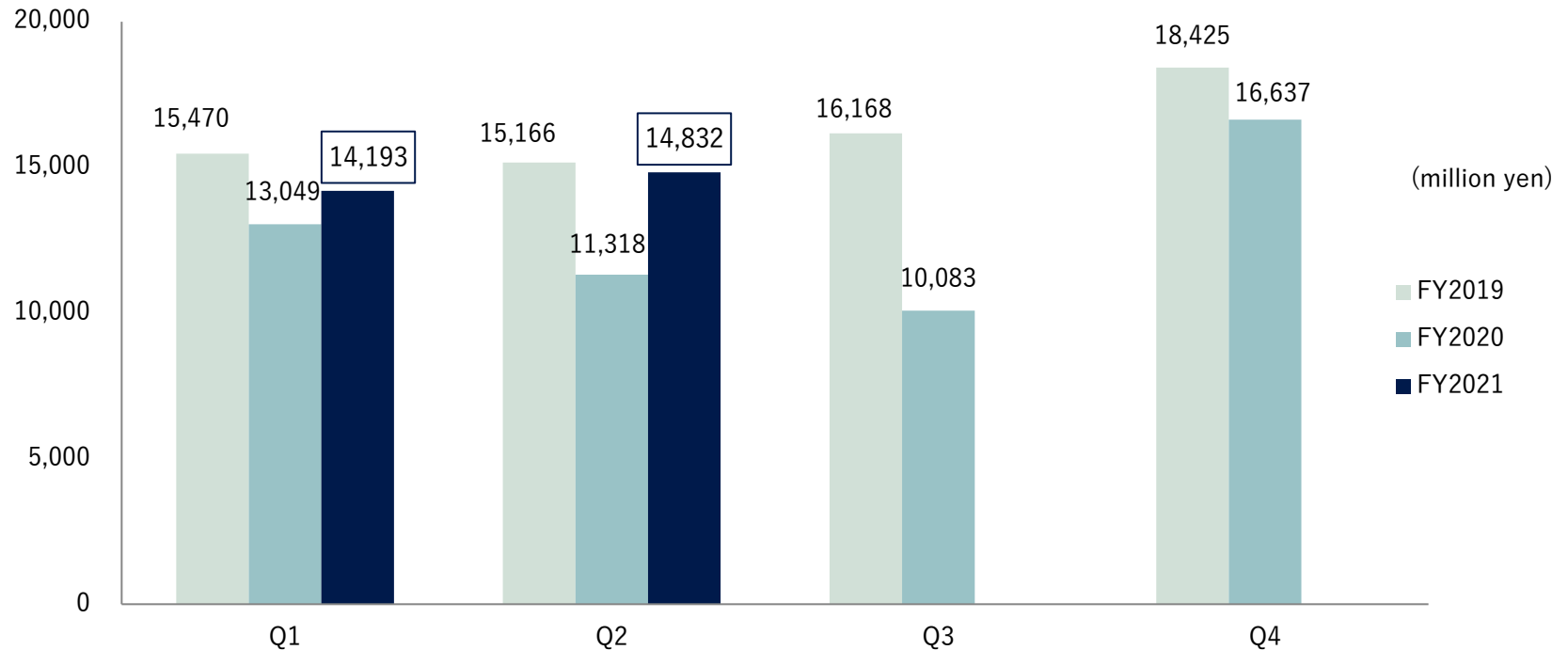
Segment Performance (2) - Communication Design Business

Providing omnidirectional execution from video, to digital solutions, PR, events, spatial design, and more in the advertising / marketing solutions domain

- In January of this year, we merged five companies to form xpd, Inc., while we saw an increase in orders received through direct transactions with advertisers, an area of focus for the company.
- Sales and profits rose in the event business, which was impacted in the year-ago quarter by postponements and cancellations, as demand continues to return in connection with the use of online technologies.

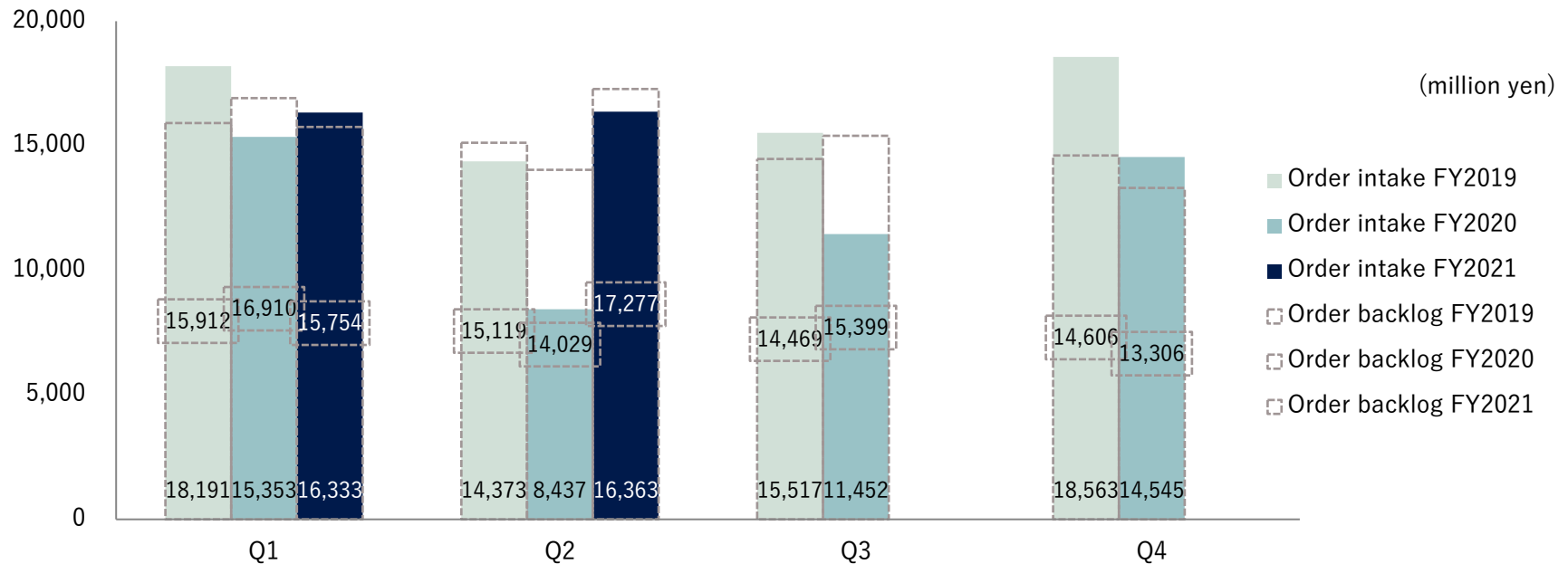


Trend of Net Sales by Quarter

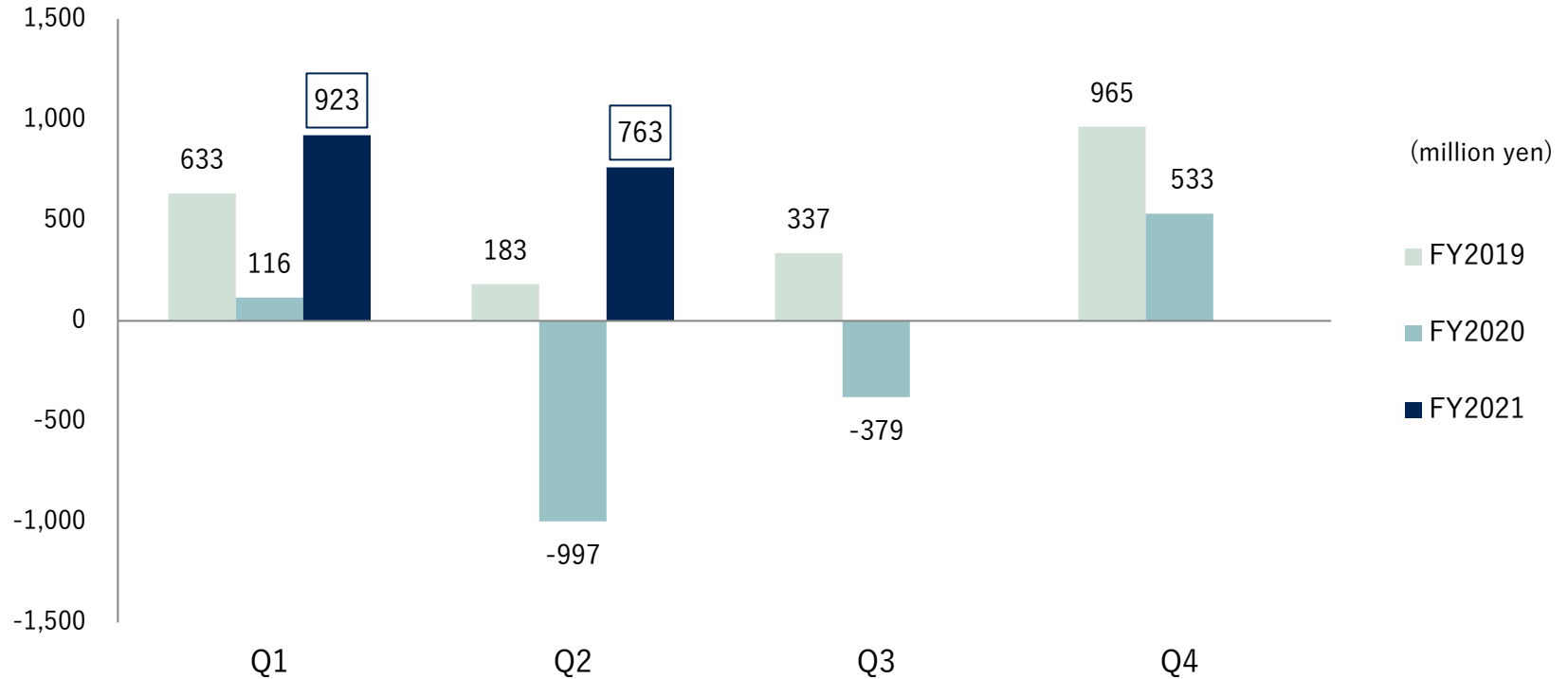


Order Intake and Order Backlog by Quarter

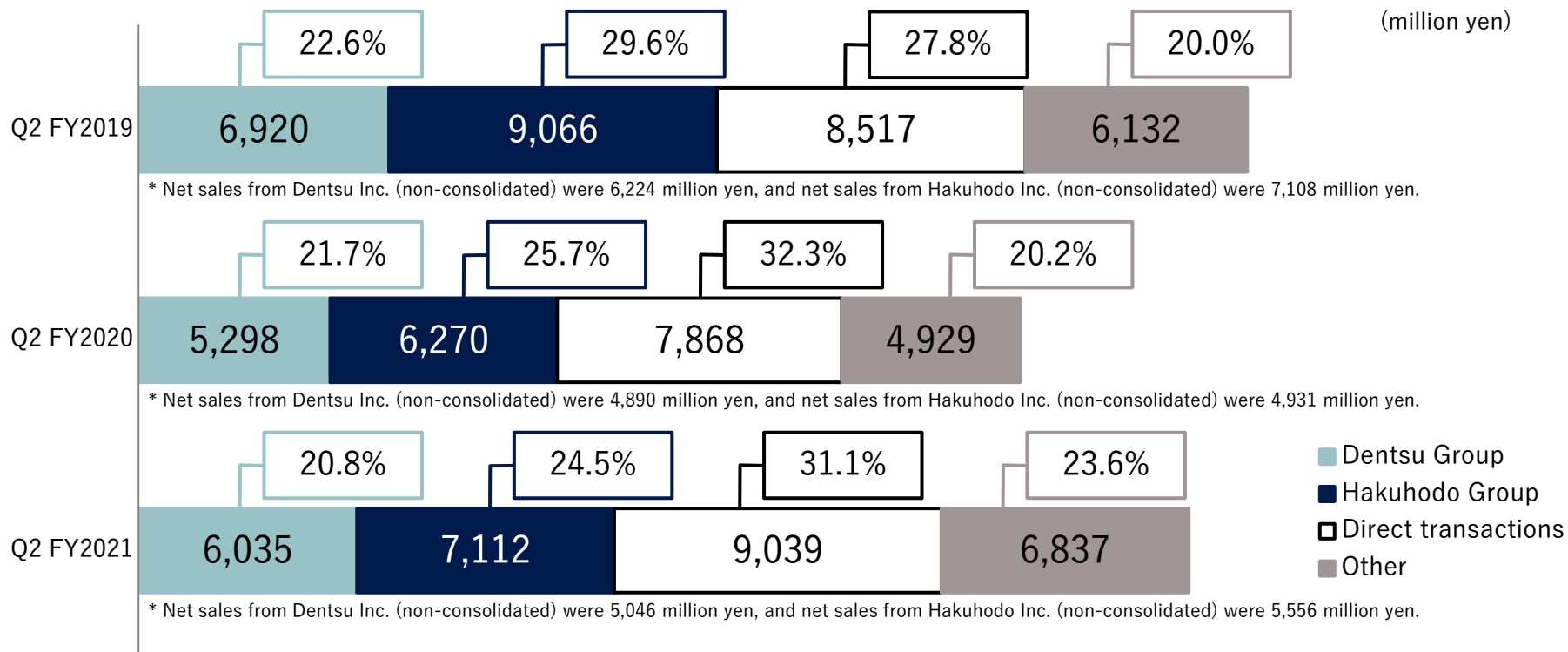
- First-half results for order intake returned to pre-COVID-19 levels.
- End of Q2 order backlog amounted to ¥ 17,277 million (up 23.2% year on year).



Trends of Operating Income by Quarter



Net Sales by Customer



Summary of Consolidated Balance Sheet

(million yen)	FY2020	Q2 FY2021	Major Components
Current Assets	33,014	37,799	Cash and deposits (+5,787); notes and accounts receivable (-1,251); electronically recorded monetary claims (+484)
Non-current Assets	15,667	15,354	
Total Assets	48,682	53,154	
Current Liabilities	14,743	20,275	Accounts payable – trade(-1,330); Short-term loans payable (+6,500)
Non-current Liabilities	13,707	11,892	Long-term loans payable (-1,784)
Total Liabilities	28,451	32,168	
Total Net Assets (percentage of total assets)	20,231 (41.6%)	20,986 (39.5%)	Retained earnings(+604)
Total Liabilities and Net Assets	48,682	53,154	

2. Share Consolidation

Summary of Share Consolidation

- As part of the procedures to take the Company private, we plan to implement a reverse stock split.
- A total of 3,900,000 shares of Company common stock will be consolidated into one share.
- The Company's sole shareholder will be Studio Cruise Co., Ltd., and the Company is expected to be delisted.

Schedule	
Tuesday September 7, 2021	Date of the Extraordinary Shareholders' Meeting
Tuesday September 7, 2021	Designation date as delisted issue
Monday September 27, 2021	Last trading date of Company Stock
Tuesday September 28, 2021	Delisting date of Company Stock
Thursday September 30, 2021	Effective date of Share Consolidation

Disclaimer

This document includes future forecasts that reflect the plans and outlook of AOI TYO Holdings.

The future forecasts and related descriptions are based on information available to the company at the time of the preparation of this document, and the forecasts are affected by the economic environment of the company's businesses, competition, the results of new services provided, and other factors that involve uncertainties. Please acknowledge, therefore, that the actual business results may deviate significantly from the forecasts and related information provided in this document.

In addition, the company does not have any obligation to update and publish the information concerning future forecasts in this document after its publication.

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