

# **AOI TYO Holdings**

Earnings Presentation

First Quarter, FYE December 2021

May 2021

AOI TYO Holdings Inc.

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# 1. Summary of Consolidated Financial Results

# Financial Highlights

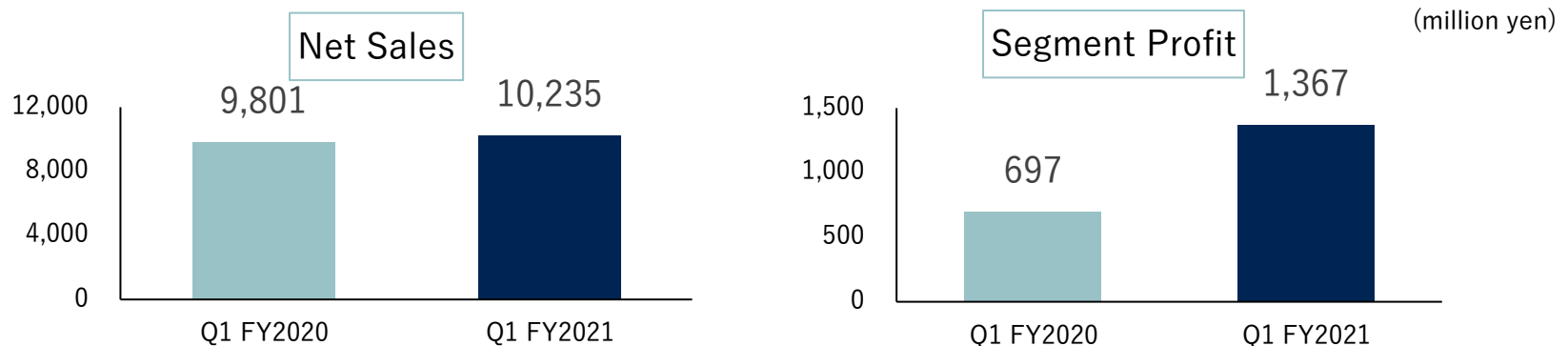
- Net sales increased, continuing the earnings recovery that began in Q4 of last year.
- Every profit measure increased, due in part to a decrease in SG&A expense.

(million yen)	Q1 FY2019	Q1 FY2020	Q1 FY2021	YoY Change
Net Sales	15,470	13,049	14,193	+1,144
Operating Income	633	116	923	+806
Ordinary Income	564	5	923	+918
Profit Attributable to Owners of Parent	263	-32	403	+436
EBITDA	990	400	1,127	+726

# 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 trending recovery in orders for projects from major advertising companies in line with the gradual recovery of the domestic advertising market. Postponements and cancellations of projects in the same quarter of the previous fiscal year due to the impact of COVID-19 were another factor contributing to higher performance this period.
- Segment profit increased due to an increase in sales, decrease in cost of sales stemming from the increase in the period-end balance of labor costs and expenses recorded in work in process compared to the beginning of the period, and a decrease in various expenses as a result of cost reduction measures implemented under our medium-term plan, which we began implementing ahead of schedule in the prior fiscal year.

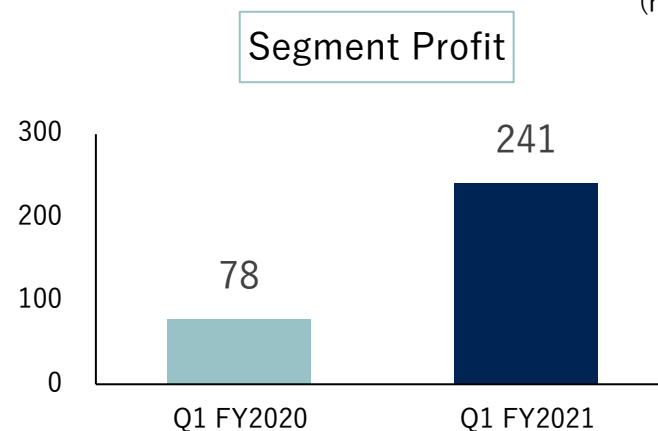
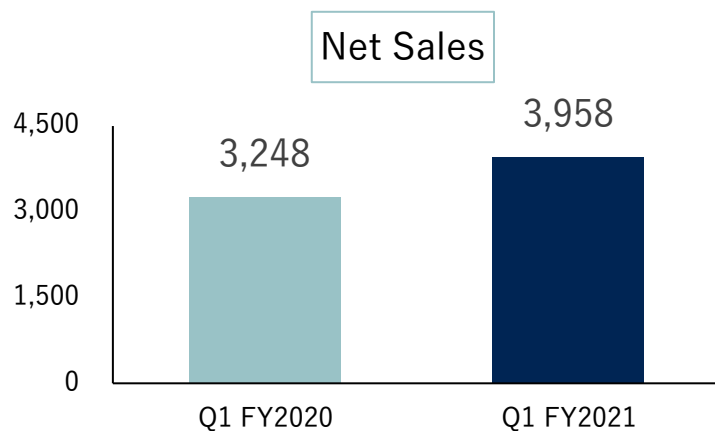


## Segment Performance (2) - Communication Design Business

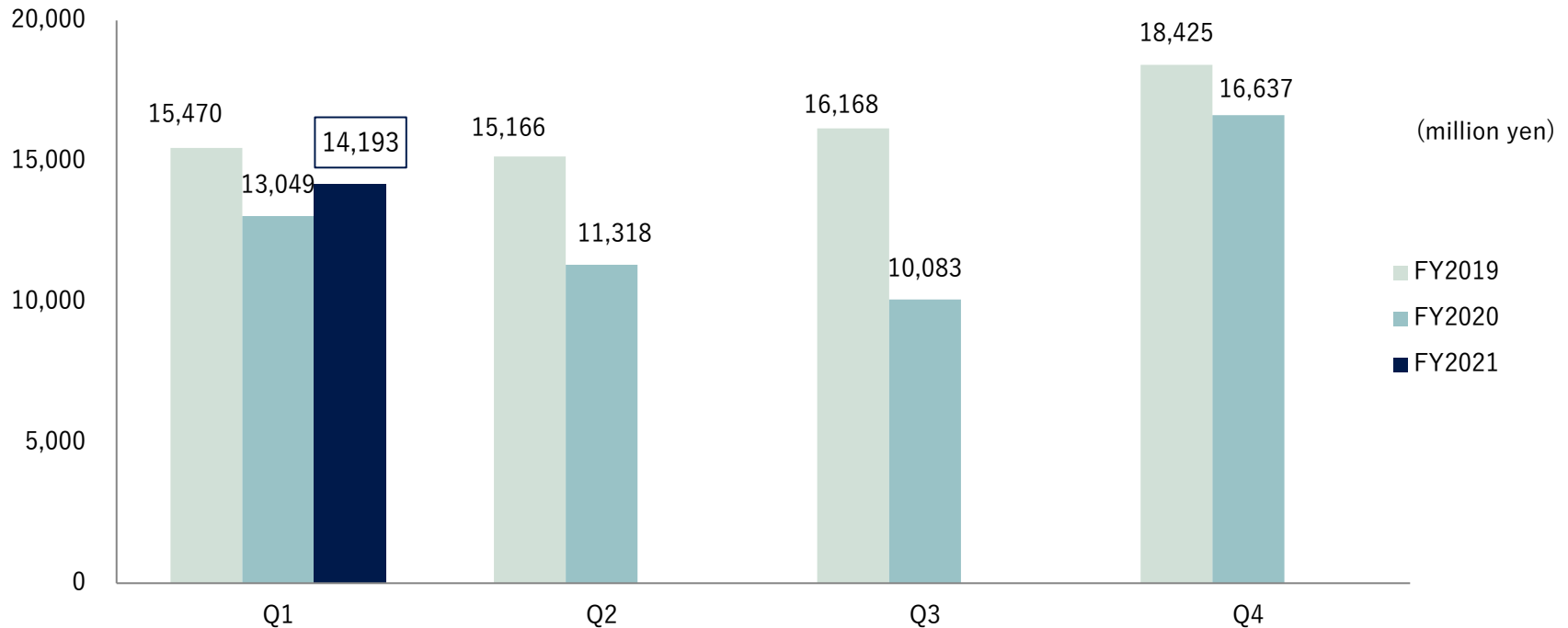
Providing omnidirectional execution from video, to digital solutions, PR, events, spatial design, and more in the advertising / marketing solutions domain

- Sales and profits rose through an increase in direct transactions with advertisers and media sales, stemming from the four-company merger in January of this year resulting in xpd Inc.

(million yen)

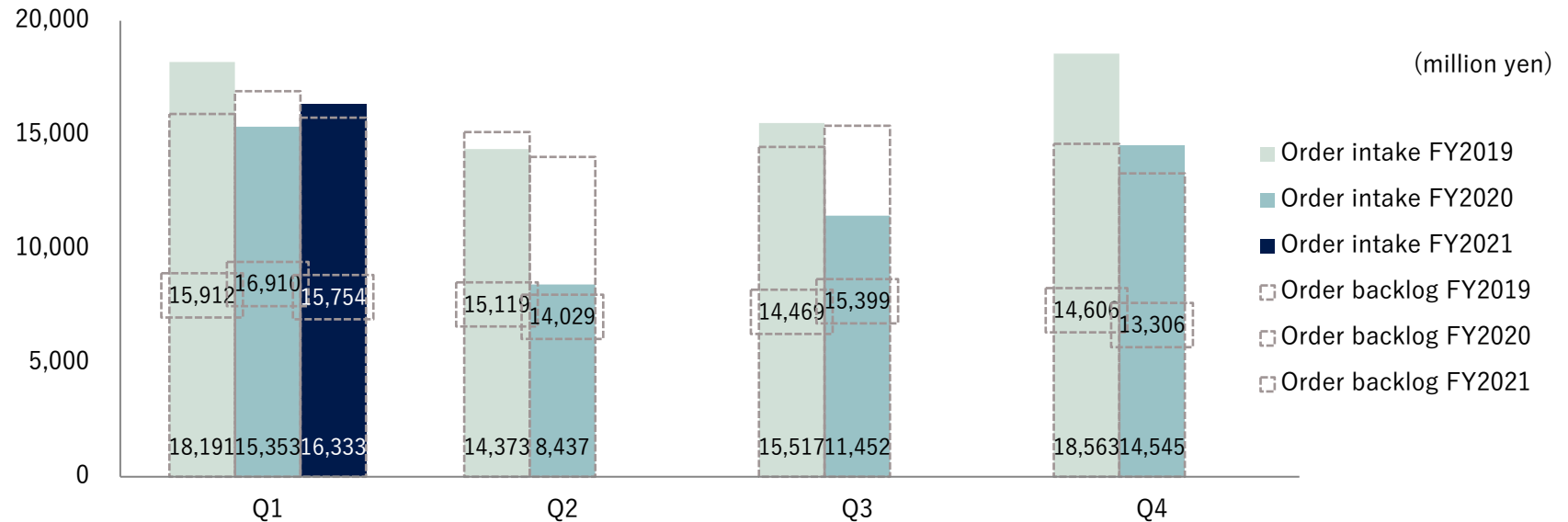


# Trend of Net Sales by Quarter



# Order Intake and Order Backlog by Quarter

- Q1 orders amounted to ¥16,333 million (8.3% increase year on year).
- Backlog as of the end of Q1 amounted to ¥15,754 million (6.9% decrease year on year).

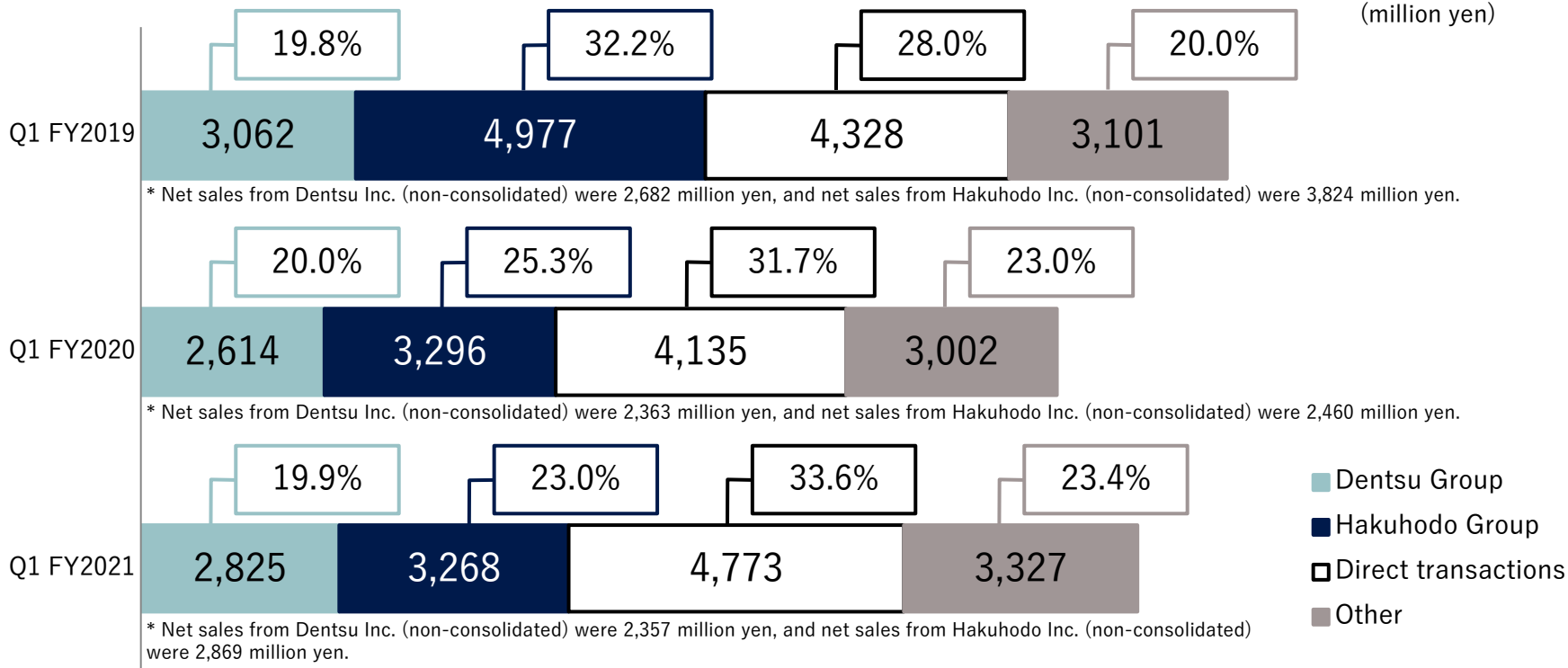




# Trends of Operating Income by Quarter



# Net Sales by Customer



# Summary of Consolidated Balance Sheet

(million yen)	FY2020	Q1 FY2021	Major Components
Current Assets	33,014	35,783	Cash and deposits (+2,697); notes and accounts receivable (+251); electronically recorded monetary claims (-310)
Non-current Assets	15,667	15,516	
<b>Total Assets</b>	<b>48,682</b>	<b>51,300</b>	
Current Liabilities	14,743	17,957	Short-term loans payable (+3,000); advances received (+407)
Non-current Liabilities	13,707	12,829	Long-term loans payable (-890)
<b>Total Liabilities</b>	<b>28,451</b>	<b>30,787</b>	
Total Net Assets (percentage of total assets)	20,231 (41.6%)	20,513 (40.0%)	Retained earnings(+117)
<b>Total Liabilities and Net Assets</b>	<b>48,682</b>	<b>51,300</b>	

## 2. Consolidated Earnings Forecast

# Revised Consolidated Earnings Forecast

- Based on Q1 results, we have made upward revisions to our forecasts, despite the lack of clarity and numerous uncertainties as to the timing of the cessation of COVID-19. These upward revisions include our judgment of a less-than-expected impact of COVID-19 compared to our February projections and a reasonable expectation of increased media sales in line with an increase in direct transactions with advertisers.

(million yen)	FY2021 Previous Forecast	FY2021 Latest Revised Forecast	Vs. Previous Forecast
Net Sales	53,000	56,500	3,500
Operating Income	900	1,600	700
Ordinary Income	800	1,500	700
Profit Attributable to Owners of Parent	400	700	300
EBITDA	1,900	2,600	700

\*Published February 19, 2021

\*Published May 14, 2021



# Dividend Forecast Revision and Abolishment of Shareholder Benefit Program

- As announced in *Notice Regarding Dividend Forecast Revision for the Fiscal Year Ending December 31, 2021 (No Dividend Payment) and Abolishment of Shareholder Benefit Program* published today.

Dividend	End of Q2	End of FY	Total
Previous Forecast	0 yen	12 yen	12 yen
Latest Revised Forecast*	0 yen	0 yen	0 yen

\*The Company will not pay a year-end dividend for the fiscal year ending December 31, 2021, subject to the completion of the tender offer

## Shareholder Benefit Program\*

The Company intends to abolish its shareholder benefit program effective as of the shareholder benefits having a record date of June 30, 2021. (The shareholder benefit program has been discontinued with the implementation of shareholder benefits in September 2020 for shareholders who hold 500 or more shares of the Company as of June 30, 2020.)

\*To be abolished as of the fiscal year ending December 31, 2021, regardless of the completion of the tender offer

### 3. Appendix - Stock Information, etc

# AOI TYO Group

## AOI TYO Holdings

Consolidated subsidiaries: 23 total

Consolidated employees: 1,687

\*As of Mar. 31, 2021.

### Content Production Business

Consolidated subsidiaries: 14

Consolidated employees: 1,106

AOI Pro.



C3Film

tko

+9 overseas firms

Tree  
Digital Studio

### Communication Design Business

Consolidated subsidiaries: 9

Consolidated employees: 432

xpd

Mediator

K&L

MAZRI

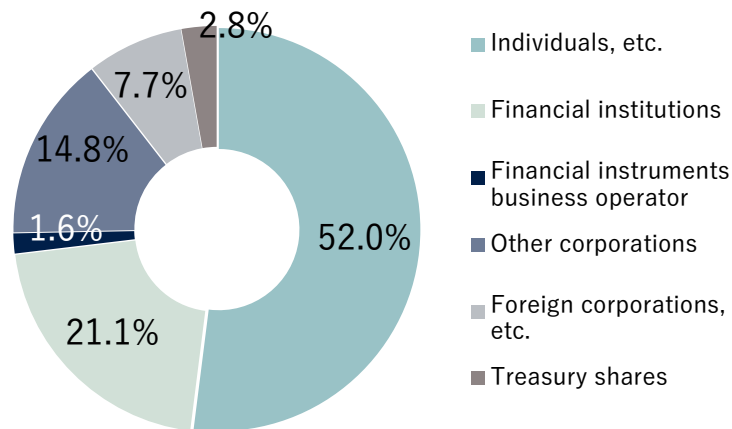
+4 overseas firms, 1 investment partnership

# Status of Stock and Shareholders (as of Dec. 31, 2020)

## Number of Shares and Shareholders

Total number of shares issued	24,566,447
Total number of shareholders	13,646

## Shareholder Composition by Type of Shareholder



## Status of Large Shareholders

	Shareholder Name	Number of Shares Held	Shareholding Ratio
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	1,357,900	5.68%
2	Cosmo Channel	1,153,740	4.83%
3	IMAGICA GROUP Inc.	1,018,000	4.26%
4	Custody Bank of Japan, Ltd. (Trust Account)	849,500	3.56%
5	Yoshihiro Takebayashi	515,100	2.16%
6	Fields Corporation	479,660	2.01%
7	Sumitomo Realty & Development Co., Ltd.	452,600	1.89%
8	Custody Bank of Japan, Ltd. (Trust Account E)	411,200	1.72%
9	Hitoshi Hara	400,000	1.67%
10	Employees' Stockholding	367,035	1.54%

\* The shareholding ratios are calculated by subtracting treasury shares (677,098).



## 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.

Please contact the following for any questions:  
Contact (<https://aoityo.com/en/contact.html>)