

# Results of Operations

For the Fiscal Year Ended September 30, 2017  
(4Q FY9/2017)



**EVOLABLE ASIA**

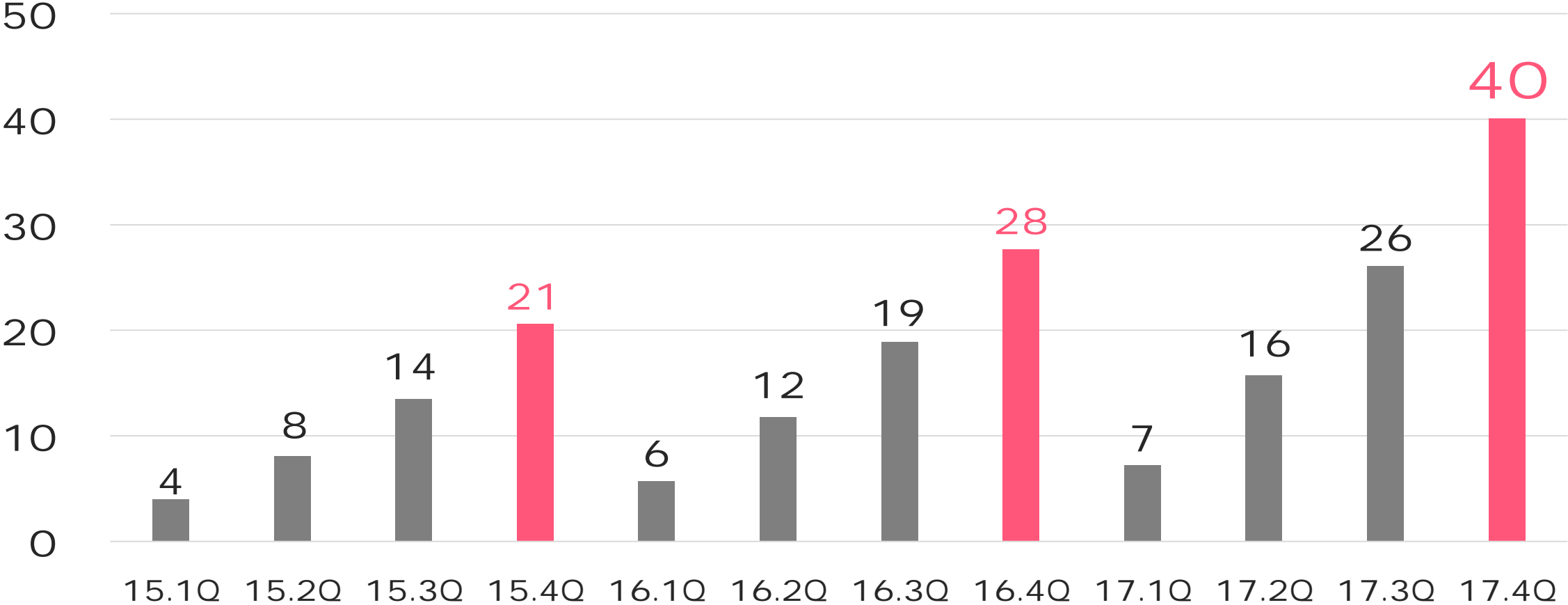
Evolable Asia Corp.  
TSE 1st section: 6191

- Consolidated handling volume, consolidated net sales and consolidated operating income all reached new record highs.
- Preparations were made for the introduction of IFRS.
- Earnings forecasts for the next fiscal year: operating income of 1.5 billion yen
- Medium-term vision: achievement of handling volume of 100.0 billion yen one year ahead of the plan

# Financial Summary for the Fiscal Year Ended September 30, 2017

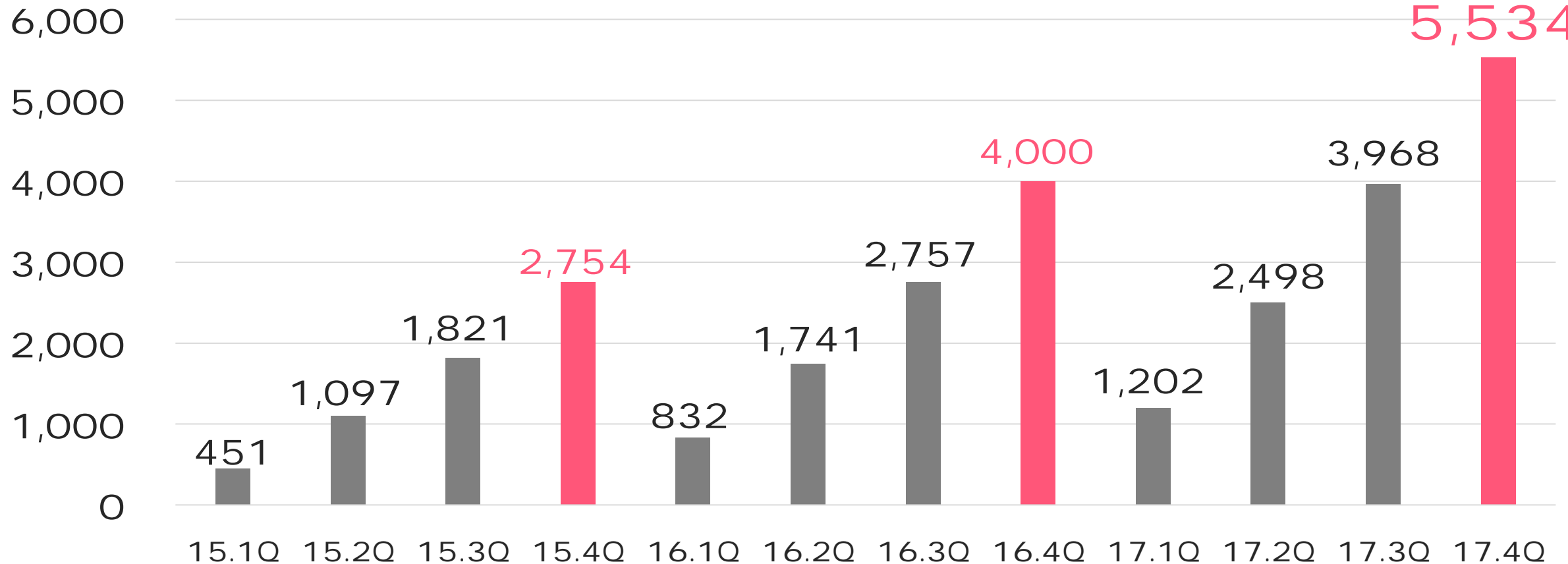
**Record high consolidated handling volume,  
up 44% year on year**

(billions of yen)

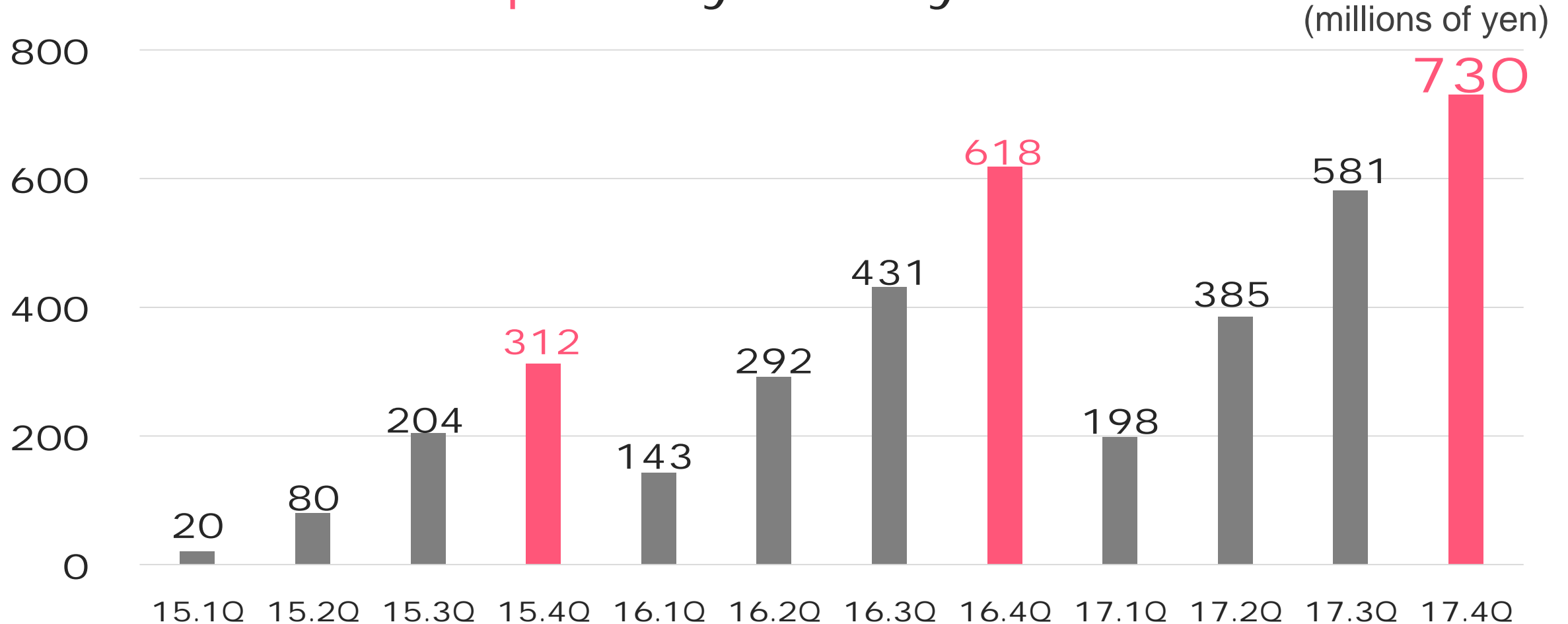


Record high consolidated net sales,  
up 38% year on year

(millions of yen)



Record high consolidated operating income,  
up 18% year on year



## Handling volume, net sales and operating income all reached record highs.

(millions of yen)

	FY9/2016		FY9/2017		YoY Change
	Amount	% to Sales	Amount	% to Sales	
Handling Volume	27,782	—	40,016	—	144.4%
Net Sales	4,000	100.0%	5,534	100.0%	138.3%
Gross Profit	3,321	83.0%	4,597	83.0%	138.4%
Operating Income	618	15.4%	730	13.2%	118.1%
Ordinary Income	571	14.2%	695	13.9%	121.7%
Profit	340	8.5%	420	7.5%	123.4%

Operating income increased due to **loss (gain) on investments**, non-amortization of goodwill, etc.

(millions of yen)

	FY9/2017 Japanese standards		FY9/2017 IFRS (*)		Difference
	Amount	% to Sales	Amount	% to Sales	
Handling Volume	40,016	—	40,116	—	—
Net Sales	5,534	100.0%	5,633	100.0%	+99
Operating Income	730	13.2%	1,008	17.9%	+278
Profit	420	7.5%	652	11.5%	+232

\*Provisional values (not audited): change to IFRS is scheduled for the fiscal year ending September 30, 2018.



## Substantial achievement of operating income of 1 billion yen upon change to IFRS

(millions of yen)

	FY9/2016	FY9/2017		
		Forecasts	Japanese standards	IFRS (*)
Handling Volume	27,782	35,366	40,016	40,116
Net Sales	4,000	6,147	5,534	5,633
Operating Income	618	1,001	730	1,008
Profit	340	594	420	652

- Prior investment of marketing costs for expansion of the share
- Preparation for new business and prior burden of costs due to promotion of M&A

\* Provisional values (not audited): change to IFRS is scheduled for the fiscal year ending September 30, 2018.

# Financial Forecasts

Expected operating income is **1.5 billion** (150% growth).

(millions of yen)

	FY9/2017 IFRS (*)		FY9/2018 IFRS (*)		YoY Change
	Amount	% to Sales	Amount	% to Sales	
Handling Volume	40,116	—	70,000	—	174.4%
Sales Revenue	5,633	100.0%	7,050	100.0%	125.1%
Operating Income	1,008	17.9%	1,500	21.2%	148.8%
Profit	652	11.5%	881	12.5%	135.1%

\* Provisional values (not audited): change to IFRS is scheduled for the fiscal year ending September 30, 2018.

## Investment businesses and other investment for growth promoted

	FY2016	FY2017	YoY Change	(millions of yen)
Current Assets	4,024	5,158	+1,134	
Cash and Deposits	2,356	2,139	-217	
Operational Investment Securities	–	1,100	+1,100	
Non-current Assets	817	2,320	+1,503	
Total Assets	4,841	7,478	+2,637	
Liabilities	2,470	4,252	+1,782	
Interest-bearing Debts	331	1,400	+1,069	
Net Assets	2,371	3,226	+855	
Shareholders' Equity	2,276	2,773	+497	
Equity Ratio	47.0%	37.2%	-9.8	

Promoted investment businesses proactively

# Growth Strategies and Topics

# AirTrip business to be promoted under the three pillars

1

Promotional campaigns



2

Improvement of products



3

Increase of merchandise



TV commercial in the Sapporo/Fukuoka/Okinawa areas to be broadcast

会社	出発地	到着地	時刻	料額
口社	東京	大阪	09:00 - 10:20	¥ 22,600
E社	東京	大阪	12:05 - 13:30	¥ 7,860
F社	東京	大阪	12:05 - 13:30	¥ 11,970
G社	東京	大阪	12:05 - 13:30	¥ 4,360
H社	東京	大阪	13:15 - 14:35	¥ 9,450
I社	東京	大阪	15:20 - 16:40	¥ 5,680
J社	東京	大阪	16:30 - 17:55	¥ 13,790

東京 → 大阪 最安値 ¥4,360

TV commercial in the Kanto/Kansai areas to be broadcast during the current fiscal

By taking in the mag2 members, the number of AirTrip members will be **8.0 million**.





# Increase of merchandise, especially for domestic travel



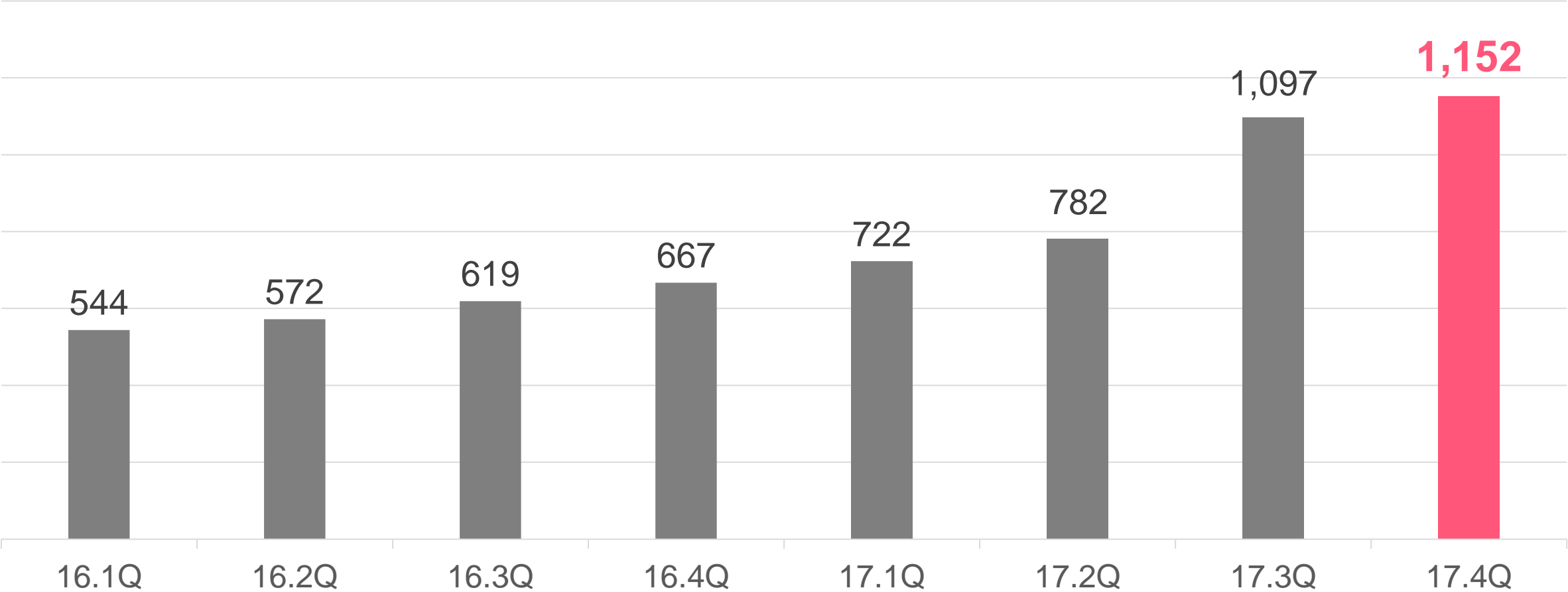
**N' s Enterprise**, which has an advantage in domestic travel, is to be acquired

**N' s Enterprise** will be made a subsidiary. It has an advantage in domestic travel products (package) for Okinawa/Hokkaido.

**Overseas airline tickets** to be increased in dealings

In addition to the domestic airline tickets that have been the major products, sales of overseas airline tickets will be strengthened in future.

# Increasing BTM clients expanded earnings in the stock business.



# Promoting partnerships with travel agencies in China and Taiwan following the partnership with Ctrip, China's No. 1 agency

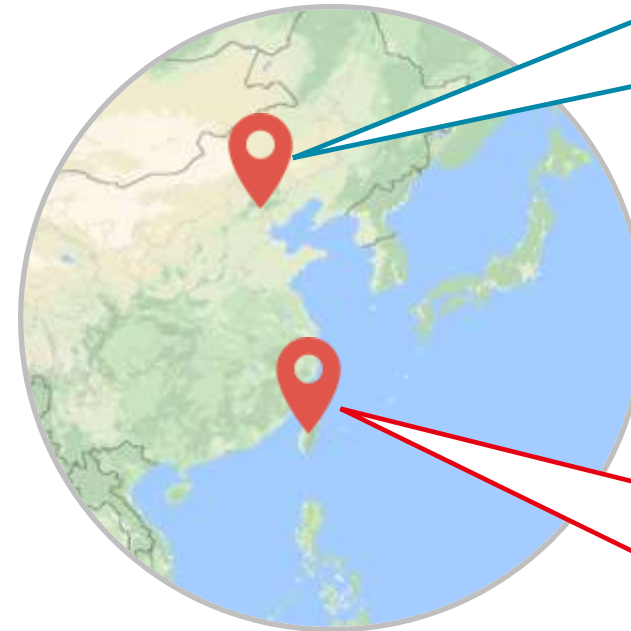
Alliances with more than 500 companies



Alliance with **Qunar**, a major Chinese OTA



Alliance with **LION TRAVEL**, a major Taiwanese OTA

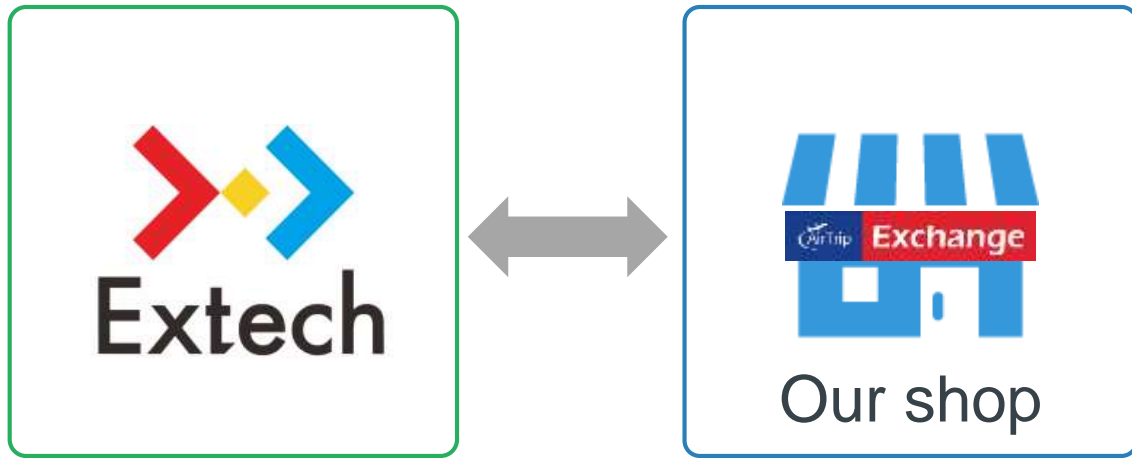


Domestic Airline Tickets



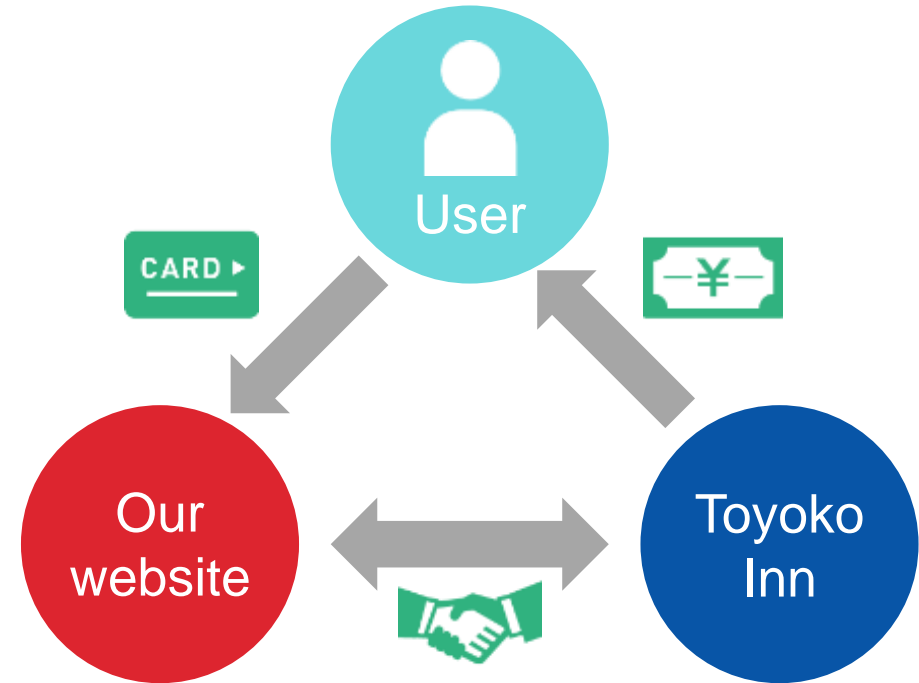
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# Expanding sales channels by installing **fintech currency exchanging machines** and forming an alliance with a hotel chain



## Installing fintech currency exchanging machines at our shops

Installing foreign currency exchanging machines of Extech, which is developing exchanging machines having the IoT function and fintech function with AI, at our exchange shops



## Partnership for currency exchanging service at the counter of the hotel

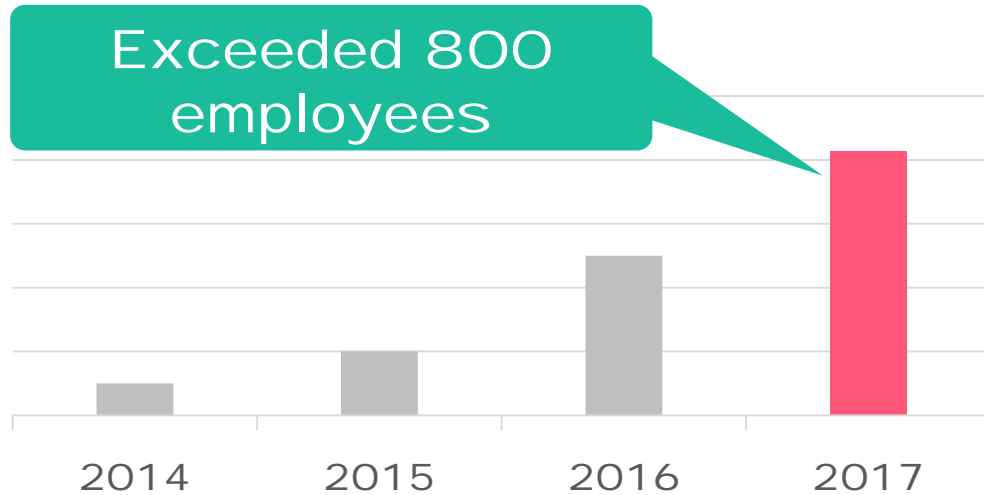
Foreign visitors to Japan can conduct credit card transactions on our website and receive yen at the counter of Toyoko Inn.



## Expanding sales channels and camper rental offices through partnerships with major travel agencies



# Steady progress, including new group companies



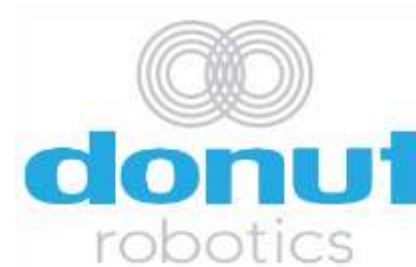
## 4 new openings

SWITCH★SMILE

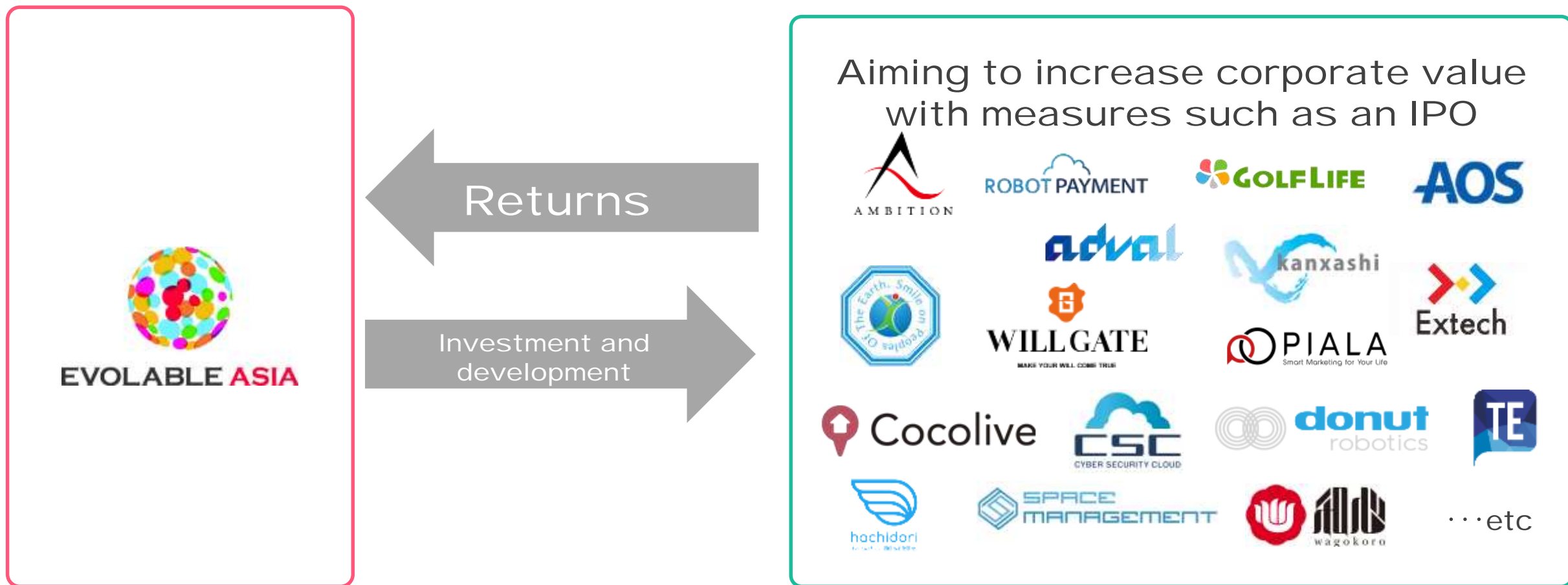


## Exceeded 800 engineers

The number of engineers exceeded 800 during the fiscal year under review due to an increase in the number of engineers for the upstream process by our subsidiary, EVOLABLE ASIA SOLUTION & BUSINESS CONSULTANCY COMPANY.

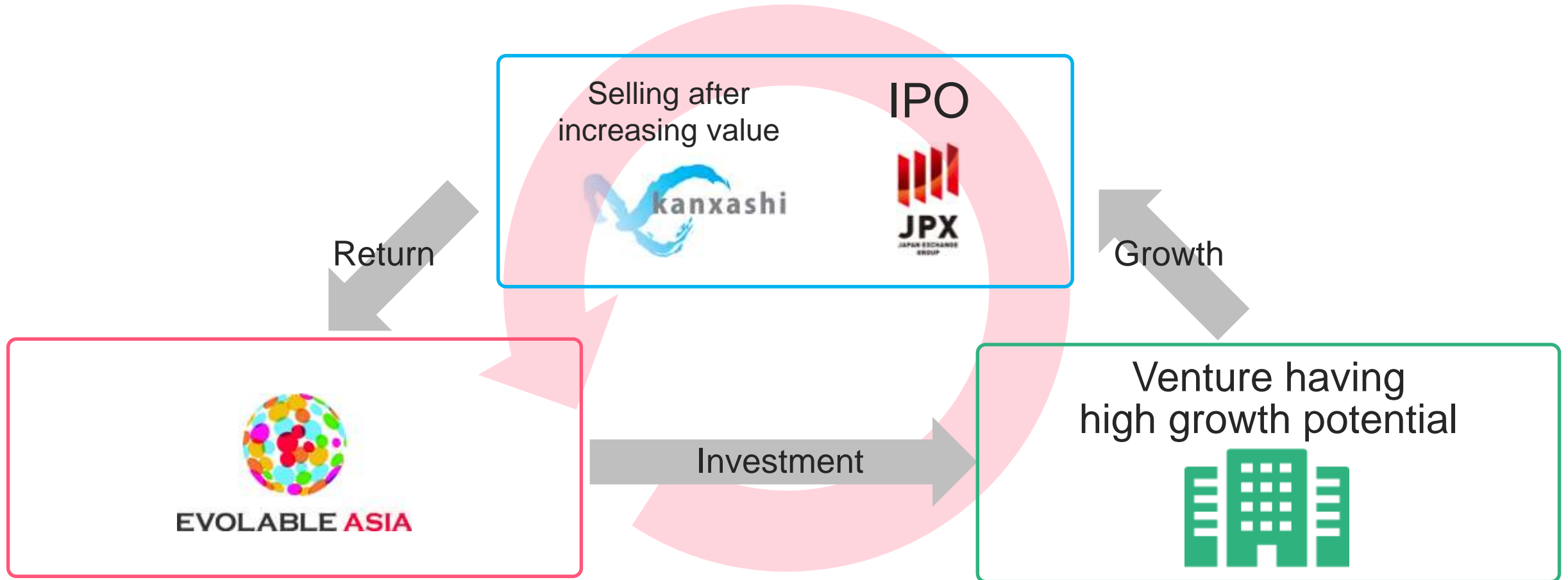


# Strengthening investment and development: Total investment in 22 companies for an aggregate of 1.1 billion yen



Sustainable profits are expected through growth at companies that the Company invests in.

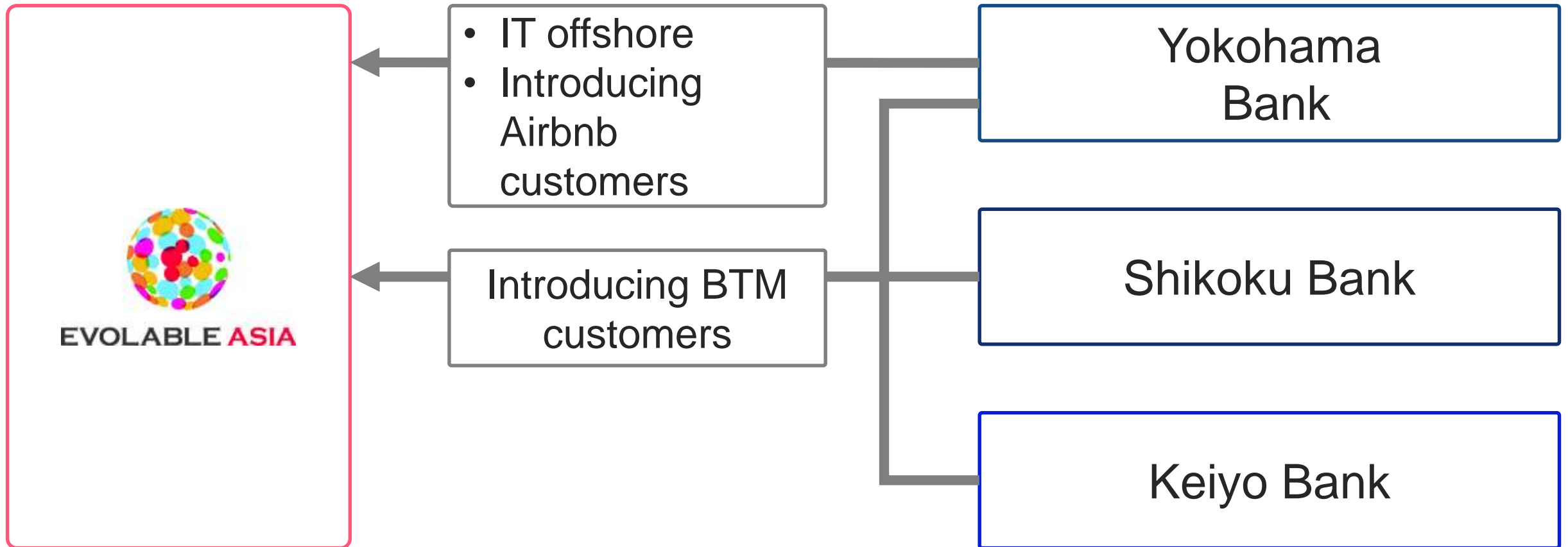
Some companies that the Company invests in plan to make an IPO.





## Business alliances with 3 regional banks to promote sales of corporate services

Alliances with regional banks will continue to be promoted proactively.



## Satisfy conditions for stock acquisition rights early and raise funds

	9th stock acquisition rights	10th stock acquisition rights	11th stock acquisition rights
Method of issuance of stock acquisition rights	Third-party allotment to Credit Suisse Securities (Japan) Limited		
Net rough estimates	10,122 million yen		
Planned financing amount	<b>2,030 million yen</b>	<b>3,044 million yen</b>	<b>5,053 million yen</b>
Number of shares to be issued	572,200 shares	673,200 shares	841,500 shares
Exercise period	24 months		
Total issue price	10,129 million yen		
Exercise price	<b>3,500 yen</b>	<b>4,500 yen</b>	<b>6,000 yen</b>
Surplus rate <sup>*1</sup>	20%	28%	33%
Ratio of shares to be issued to issued shares	3.4%	4.0%	5.0%
Total rate of potential dilution	12.4%		
Major characteristics of these stock acquisition rights	Higher surplus rate setting to reduce dilution		
	Gradual setting of exercise price for gradual issue of new shares		
	Terms for amendment of exercise price to meet any flexible needs for funds		
	System for approval of exercise to control time of financing		
	Higher equity ratio to increase financial strength		

\*1: The surplus rate is calculated according to the following calculation formula:

9th stock acquisition rights:  $(\text{exercise price}/\text{closing price on the day preceding the date of resolution for issue thereof} - 1) \times 100$

10th and 11th stock acquisition rights:  $(\text{exercise price}/\text{exercise price for the previous stock acquisition rights} - 1) \times 100$

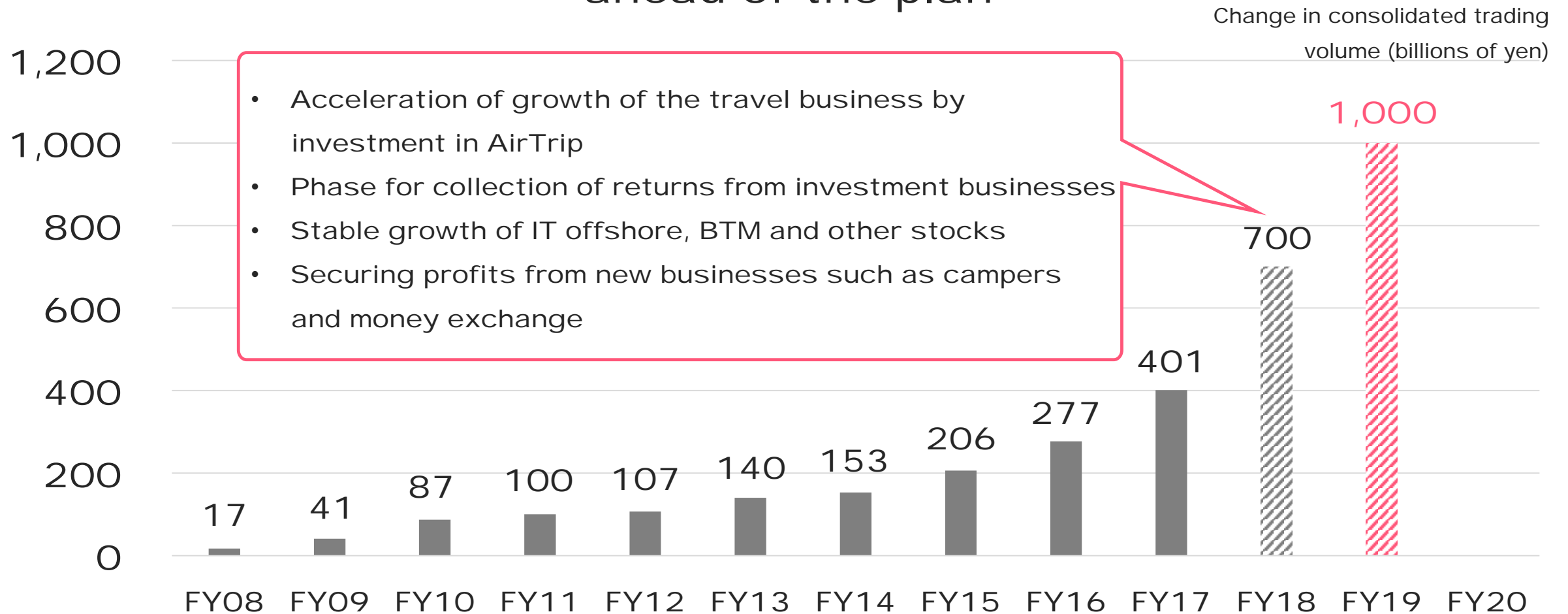
Dividend payout ratio of approx. 20% will continue to be applied for FY9/2018.

	FY9/2017	Dividend forecast for FY9/2018
Record date	September 30, 2017	September 30, 2018
Dividend per share	7 yen	<b>10 yen</b>
Total dividends paid	118 million yen	171 million yen
Effective date	September 30, 2017	September 30, 2018
Source of dividends	Earned surplus	Earned surplus

# Strengthen the management structure by establishing new business divisions



# Achievement of handling volume of 100 billion one year ahead of the plan





Representative Director and President **Hideki Yoshimura** Born in 1982, graduated from the University of Tokyo  
Founded Kabushiki Kaisha Valcom while a college student/in 2007, jointly founded Kabushiki Kaisha Tabi Capital. Took the office of Representative Director and President of our company



Director and Chairman **Munenori Oishi** Born in 1972, graduated from Meiji University  
Founded Kabushiki Kaisha IVT while a college student/in 2007, jointly founded Kabushiki Kaisha Tabi Capital  
Took the office of Director and Chairman of our company

Director and CFO  
**Yusuke Shibata**

Born in 1982, graduated from The University of Tokyo  
In charge of control of the **administrative department**  
Certified public accountant, seconded to Deloitte Touche Tohmatsu LLC/the department for review of subscription of Nomura Securities Co., Ltd.  
Took the office of director of our company in 2015

Director and CMO  
**Toru Matsunami**

Born in 1972, graduated from Tokyo Metropolitan University  
In charge of control of the marketing solution office/manager responsible for Yahoo! travel business of Yahoo Japan **Corporation/executive manager for the travel industry of Google advertising headquarters**/in 2015, took the office of director of our company

Director **O Shin**

Born in 1987, graduated from Keio University  
**General manager of the management planning office**/consulting for transfer pricing strategy of Deloitte Tohmatsu Tax Co./advisory for international business of KPMG/in 2016, took the office of director our company

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.



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