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For Public Release

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**Notice on Variance Between Consolidated Results Projections and Actual Results for  
the Second Quarter of the Term Ending December 2019 and on Revised Results  
Projections for the Full Fiscal Year**

The Company gives notice as follows concerning variance between consolidated results projections released on May 14, 2019 and actual results for the second quarter of the term ending December 2019 (the period from January 1 to June 30, 2019).

Furthermore, the Company gives notice that based on the recent trend in business results it was resolved at the meeting of the board of directors convened on August 13, 2019, to revise results projections for the full fiscal year as set forth below.

**Details**

**1. Variance between consolidated results projections and actual results for the second quarter of the term ending December 2019**

|   | Operating revenue        | Operating profit       | Ordinary profit        | Profit attributable to owners of parent | Profit per share |
|---|--------------------------|------------------------|------------------------|---|------------------|
| Previously announced projections (A)  | Millions of yen<br>1,876 | Millions of yen<br>300 | Millions of yen<br>259 | Millions of yen<br>174                  | Yen<br>6.11      |
| Recently announced results (B)  | 1,934                    | 432                    | 387                    | 263                                     | 9.24             |
| Change in amount (B-A)  | 58                       | 132                    | 128                    | 89                                      |                  |
| Rate of change (%)  | 3.1                      | 44.2                   | 49.1                   | 51.3                                    |                  |
| (Reference) Actual results for the year-earlier period (second quarter of the term ended December 2018) | —                        | —                      | —                      | —                                       | —                |

(Note) No consolidated quarterly financial statements for the second quarter of the term ended December 2018 were prepared by the Company. Data for the second quarter of the previous fiscal year are therefore not stated.

**2. Variance with consolidated results projections for the second quarter**

Business results in the second quarter posted operating revenue exceeding projections due to strong reservation numbers amid the favorable trading environment of the Golden Week holiday.

First-quarter operating expenses reflect costs contained by efficient advertising and the deferral of initially projected recruitment cost and personnel expenses to the second quarter and beyond. Operating expenses from advertising and personnel expenses have accrued in the second quarter in accordance with plan. As a result, operating profit, ordinary profit, and profit attributable to owners of parent exceeded projections.

3. Revision of consolidated results projections for the full term ending December 2019

|  | Operating revenue        | Operating profit       | Ordinary profit        | Profit attributable to owners of parent | Profit per share |
|--|--------------------------|------------------------|------------------------|---|------------------|
| Previously announced projections (A)   | Millions of yen<br>4,055 | Millions of yen<br>600 | Millions of yen<br>547 | Millions of yen<br>356                  | Yen<br>12.49     |
| Recently revised projections (B)   | 4,371                    | 800                    | 729                    | 502                                     | 17.61            |
| Change in amount (B-A)   | 316                      | 200                    | 182                    | 146                                     |                  |
| Rate of change (%)   | 7.8                      | 33.5                   | 33.3                   | 41.0                                    |                  |
| (Reference) Actual results for the previous fiscal year (term ended December 2018) | 3,371                    | 417                    | 319                    | 311                                     | 11.68            |

4. Reason for the revision of the consolidated results projections for the full fiscal year

Based on actual second-quarter results and current trends, projections are for business operations to continue favorably in the time ahead.

As to business results, although operating expenses are seen to rise due to advertising expenses for the acquisition of operating revenues over the medium term in and after the term ending December 2020, along with increases in personnel expenses for business expansion and proactive investment in facilities, etc., associated with the Company's office relocation in preparation for future growth in the Company's work force, expectations are for expanding operating revenue to absorb the higher operating expenses.

Based on this background, expectations are for operating revenue, operating profit, ordinary profit, and profit attributable to owners of parent in the term ending December 2019 to exceed previous projections. Consolidated results projections for the full term ending December 2019 have therefore been revised.

(Note) The results projections set forth above are based on information currently available to the Company. Actual results may differ from projections due to various factors.