



December 13, 2019

FOR IMMEDIATE RELEASE

Company name: VELTRA Corporation
Representative: CEO Wataru Futagi
(Stock code: 7048; Listed on Mothers of
Tokyo Stock Exchange)
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Notice on Establishment of Subsidiary (LINKTIVITY Inc.)

Tokyo, December 13, 2019 --- VELTRA Corporation (hereinafter referred to as the “Company”) is pleased to announce that it has decided at the Board of Directors’ Meeting held on December 13, 2019 to establish a subsidiary company as detailed below:

1. Reasons for Establishment of Subsidiary

LINKTIVITY PTE.LTD. (hereinafter referred to as the “Singaporean Subsidiary”), a consolidated subsidiary of the Company, launched business-to-business services (hereinafter referred to as “Platform Business”) in Singapore in June 2017, providing tour products to travel agents all around the world. The Singaporean Subsidiary has since developed the initial phase of its business, providing tickets for trains, buses, entertainment, and other events through overseas travel agents targeting the inbound travel market in Japan.

With the outlook for Japan’s inbound travel market remaining strong, the Company has identified the necessity to enhance the product line up in Japan, and has decided to establish LINKTIVITY Inc. in Japan, seeking to undertake smooth business transactions with Japanese companies, travel product suppliers.

The assets currently owned by the Singaporean Subsidiary will soon be transferred to LINKTIVITY Inc., with which a platform business will be developed with integrated management resources in Japan

2. Outline of Subsidiary

(1)	Name	LINKTIVITY Inc.
(2)	Address	1-18-1 Kyobashi, Chuo-ku, Tokyo
(3)	Representative	Kou Seiryu, Representative Director
(4)	Line of business	Business-to-business business transaction systems
(5)	Paid-in capital (Capital Reserve)	¥60 million (¥60 million)
(6)	Date of establishment	January 2020 (planned)
(7)	Fiscal year end	December
(8)	Share ownership	The Company : 100%
(9)	Relationship with the listed company	Capital relations The proposed company will become the Company's consolidated subsidiary.
		Personnel relations We expect to dispatch directors and operating staff to the proposed company as its executives.
		Business relations The proposed company will provide products to the Company, and the Company will provide certain services to the proposed company.
(10)	Business results and financial position for the last three years	Not applicable because the proposed company is a newly established entity

3. Schedule

(1) Date of board of directors resolution	December 13, 2019
(3) Date of establishment	January 2020 (planned)

4. Future outlook

The impact of this matter on business performance is expected to be insignificant.

End

(Reference) Consolidated estimates for the current fiscal year (as released on May 14, 2019) and actual results for the previous year

(Unit: Millions of JPY)

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent
Consolidated estimates (December 2019)	4,371	800	729	502
Actuals (consolidated) (December 2018)	3,371	417	319	311