Summary Report on Financial Results for Fiscal Year Ended August 2013 (Japanese Accounting Standards)

October 11,2013

Company name: MEIKO NETWORK JAPAN CO., LTD.
Stock exchange listing: The First Section of the Tokyo Stock Exchange
Stock code: 4668 (URL : http://www.meikonet.co.jp)
Representative: Hirotake Watanabe, President
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Tel: +81-3-5860-2111
Scheduled date for the ordinary general meetingof shareholders: November22, 2013
Scheduled date for commencement of dividend payment: November25, 2013
Scheduled date for filing the securities report: November25, 2013
Supplementary documents for financial results: Yes
Financial results briefing: Yes (for analysts)

(Amounts less than one million yen are discarded)

1. Consolidated financial results for year ended August 2013 (September 1, 2012 through August 31,2013)

(1) Consolidated operating results (percentages represent increases or decreases from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended August 2013	15,279	5.5	3,580	1.1	3,718	(0.2)	2,169	10.2
Year ended August 2012	14,484	5.6	3,543	5.3	3,727	7.2	1,969	2.4

(Note)Comprehensive income:
Year ended August 2013: 2,384 million yen (17.2%)
Year ended August 2012: 2,034 million yen (7.1%)

	Net income per share	Fully diluted net income per share	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
Year ended August 2013	78.60	78.60	19.8	23.4	23.4
Year ended August 2012	71.38	71.37	20.9	25.9	24.5

(Reference) Profit or loss on equity method investments:
Year ended August 2013: (60)million yen
Year ended August 2012: 21 million yen

(2) Consolidated financial situation

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended August 2013	16,557	11,813	71.2	426.82
Year ended August 2012	15,195	10,149	66.6	366.72

(Reference) Shareholders' equity:
Year ended August 2013: 11,781 million yen
Year ended August 2012: 10,117 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from Investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	million yen	million yen	million yen	million yen
Year ended August 2013	2,269	(293)	(1,033)	5,434
Year ended August 2012	2,443	(1,026)	(1,158)	4,431

2. Dividends

	Dividends per share					Total dividends (for the year)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of the first quarter	End of the second quarter	End of the third quarter	End of the term	annual			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended August 2012	—	12.00	—	13.00	25.00	689	35.0	7.3
Year ended August 2013	—	13.00	—	14.00	27.00	745	34.3	6.8
Year ending August 2014 (estimate)	—	16.00	—	16.00	32.00		37.9	

3. Forecast of consolidated financial results for fiscal year ending August 2014 (September 1, 2013 through August 31, 2014)

(percentages represent increases or decreases from the previous year for the full-year figures, and from the second quarter of the previous year for the consolidated second quarter figures.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Consolidated second quarter	8,180	6.5	2,030	(2.8)	2,090	(4.5)	1,260	(5.3)	45.67
Full-year	16,470	7.8	3,780	5.6	3,880	4.3	2,330	7.4	84.43

※Other Information

(1) Change in significant subsidiaries during the year under review: None
Newly added: — (Name of company) Excluded: — (Name of company)

(2) Changes in accounting policies and changes or restatement of accounting estimates:

(i) Changes in accounting policies caused by revision of accounting standards:	Yes
(ii) Changes in accounting policies other than (i):	None
(iii) Changes in accounting estimates:	Yes
(iv) Restatement:	None

(2) Number of shares outstanding (common stock):

(i) Number of shares outstanding at the year-end (including treasury stock):
Year ended August 2013: 27,803,600 shares
Year ended August 2012: 27,788,500 shares

(ii) Number of shares of treasury stock at the year-end:
Year ended August 2013: 200,127 shares
Year ended August 2012: 200,127 shares

(iii) Avarage number of shares outstanding during the term:
Year ended August 2013: 27,599,317 shares
Year ended August 2012: 27,587,068 shares

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for fiscal year ended August 2013 (September 1, 2012 through August 31, 2013)

(1) Non-consolidated operating results (percentages represent increases or decreases from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended August 2013	13,853	(0.5)	3,525	(2.7)	3,734	(1.5)	2,205	22.0
Year ended August 2012	13,925	6.1	3,622	5.7	3,790	7.1	1,807	(9.9)

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended August 2013	79.93	79.92
Year ended August 2012	65.52	65.52

(2) Non-consolidated financial situation

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended August 2013	15,872	11,753	74.1	425.81
Year ended August 2012	14,349	10,067	70.2	364.87

(Reference) Shareholders' equity:
Year ended August 2013: 11,753 million yen
Year ended August 2012: 10,066 million yen

2. Forecast of non-consolidated financial results for fiscal year ending August 2014 (September 1, 2013 through August 31, 2014)

(percentages represent increases or decreases from the previous year.)

	Net sales		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	yen
Full-year	14,910	7.6	3,800	1.8	2,300	4.3	83.35

※ Statement Relating to the Execution Status for Audit Procedures

- This financial summary falls outside the scope of audit procedures based on the stipulations of the Financial Instruments and Exchange Act. The audit procedures for financial statements based on the stipulations of said Act were not completed at the time this financial summary was disclosed.

※ Explanation about appropriate use of the forecasts of financial results, and other noteworthy matters

- Forward-looking statements in the document, such as earnings forecasts, are based on current information in the possession of the company and certain assumptions the company thinks reasonable. Actual results may differ remarkably from the statements due to a variety of different factors.

(Reference) Trend of numbers of Meiko Gijuku cram schools and registered students and system-wide sales

Term	28th term		29th term	
Consolidated Fiscal Year	From September 1, 2011 to August 31, 2012		From September 1, 2012 to August 31, 2013	
	Operating results	Same period the previous year	Operating results	Same period the previous year
Year-end number of company-owned Meiko Gijuku cram schools	214	(1)	210	(4)
Year-end number of franchised Meiko Gijuku cram schools	1,861	+76	1,897	+36
Year-end total number of Meiko Gijuku cram schools	2,075	+75	2,107	+32
Year-end number of registered students of company-owned Meiko Gijuku cram schools	16,060	+1,102	17,291	+1,231
Year-end number of registered students of franchised Meiko Gijuku cram schools	119,849	+236	118,947	(902)
Year-end total number of registered students of Meiko Gijuku cram schools	135,909	+1,338	136,238	+329
Sales from company-owned cram school business (million yen)	6,864	+289	6,814	(49)
Sales from cram school franchise business ※1 (million yen)	6,736	+333	6,613	(123)
Sales from prep school business (million yen)	559	(34)	597	+38
Sales from other businesses (million yen)	324	+180	1,253	+929
Total Sales (million yen)	14,484	+768	15,279	+794
Sales from company owned Meiko Gijuku cram schools (million yen)	6,864	+289	6,814	(49)
System-wide sales from franchised Meiko Gijuku cram schools (million yen)	42,423	+1,091	41,850	(573)
Total system-wide sales from Meiko Gijuku cram schools ※2 (million yen)	49,287	+1,380	48,665	(622)

※ 1 Sales from the cram school franchise business represent royalty revenues and sales of products.

2 Total system-wide sales from Meiko Gijuku cram schools represent the sum of total sales of company-owned cram schools, including entrance fees, tuition, materials fees, and examination fees, and the total sales of franchised cram schools, including entrance fees and tuition, materials fees, and examination fees of franchised cram schools are excluded.

Consolidated financial statements

(1) Consolidated balance sheets

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Assets		
Current assets		
Cash and deposits	5,931,073	7,122,513
Accounts receivable-trade	967,848	1,093,081
Securities	499,916	399,991
Merchandise	113,328	306,195
Supplies	18,456	14,302
Advance payments-trade	19,421	10,713
Prepaid expenses	124,164	126,553
Deferred tax assets	225,713	229,718
Other	60,473	72,675
Allowance for doubtful accounts	(69,490)	(77,756)
Total current assets	7,890,906	9,297,989
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	752,672	766,912
Accumulated depreciation	(339,757)	(371,402)
Buildings and structures, net	412,914	395,510
Tools, furniture and fixtures	202,931	225,330
Accumulated depreciation	(155,410)	(174,749)
Tools, furniture and fixtures, net	47,520	50,581
Land	257,986	283,540
Total property, plant and equipment	718,421	729,631
Intangible assets		
Goodwill	100,809	80,647
Software	192,969	179,618
Telephone subscription right	20,109	20,282
Total intangible assets	313,889	280,548
Investments and other assets		
Investment securities	3,808,709	3,952,540
Long-term loans receivable	205,236	114,232
Long-term prepaid expenses	83,865	11,578
Deferred tax assets	303,992	203,866
Lease and guarantee deposits	529,170	511,983
Real estate for investment	965,822	967,332
Accumulated depreciation	(155,336)	(181,552)
Real estate for investment, net	810,485	785,779
Long-term time deposits	464,000	600,000
Other	66,686	69,437
Allowance for doubtful accounts	(300)	—
Total investments and other assets	6,271,846	6,249,418
Total noncurrent assets	7,304,157	7,259,598
Total assets	15,195,063	16,557,587

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Liabilities		
Current liabilities		
Accounts payable-trade	165,448	144,513
Short-term loans payable	—	70,000
Current portion of long-term loans payable	207,063	1,600,000
Accounts payable-other	49,730	63,759
Accrued expenses	511,830	631,207
Income taxes payable	906,166	660,365
Accrued consumption taxes	85,935	81,770
Advances received	310,416	320,842
Deposits received	151,908	205,052
Provision for bonuses	309,233	320,825
Provision for sales returns	—	17,750
Other	16,185	14,784
Total current liabilities	2,713,918	4,130,871
Noncurrent liabilities		
Long-term loans payable	1,695,212	—
Provision for retirement benefits	14,187	14,484
Long-term accounts payable-other to employees	190,500	178,637
Long-term accounts payable-other to officers	161,650	161,650
Deferred tax liabilities	30,750	31,599
Asset retirement obligations	164,111	150,477
Long-term guarantee deposited	68,935	68,060
Other	6,239	8,783
Total noncurrent liabilities	2,331,586	613,692
Total liabilities	5,045,504	4,744,563
Net assets		
Shareholders' equity		
Capital stock	966,600	972,512
Capital surplus	909,591	915,503
Retained earnings	8,496,240	9,939,732
Treasury stock	(143,612)	(143,612)
Total shareholders' equity	10,228,819	11,684,136
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(99,021)	
Foreign currency translation adjustment	(12,664)	89,842
Total accumulated other comprehensive income	(111,685)	97,681
Subscription rights to shares	1,805	—
Minority interests	30,618	31,206
Total net assets	10,149,559	11,813,023
Total liabilities and net assets	15,195,063	16,557,587

(2-1) Consolidated statements of income

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Net sales	14,484,193	15,279,029
Cost of sales	8,403,862	8,995,031
Gross profit	6,080,331	6,283,998
Selling, general and administrative expenses		
Advertising expenses	607,904	535,496
Promotion expenses	758,574	869,188
Provision of allowance for doubtful accounts	21,168	14,478
Directors' compensations	206,220	241,045
Salaries and allowances	168,571	223,941
Bonuses	19,803	34,774
Provision for bonuses	31,652	29,917
Retirement benefit expenses	572	2,252
Commission fee	93,605	117,887
Depreciation	23,227	21,994
Rent expenses	152,795	168,879
Amortization of goodwill	74,552	20,161
Other	378,643	423,059
Total selling, general and administrative expenses	2,537,292	2,703,077
Operating income	3,543,038	3,580,921
Non-operating income		
Interest income	54,698	48,987
Dividends income	23,798	31,416
Gain on reversal of loss on valuation of investment	21,480	57,570
Equity in earnings of affiliates	21,172	—
Rent income	87,055	80,166
Other	30,292	42,829
Total non-operating income	238,497	260,970
Non-operating expenses		
Interest expenses	11,354	16,983
Equity in losses of affiliates	—	60,485
Rent expenses	36,967	43,680
Other	5,580	1,928
Total non-operating expenses	53,903	123,077
Ordinary income	3,727,632	3,718,813
Extraordinary income		
Gain on sales of investment securities	14,028	—
Gain on step acquisitions	10,842	—
Total extraordinary income	24,871	—
Extraordinary loss		
Loss on sales of property, plant and equipment	—	14,215
Loss on retirement of property, plant and equipment	2,279	2,143
Loss on valuation of investment securities	—	10,958
Loss on redemption of investment securities	9,519	5,067
Impairment loss	155,149	64,488
Loss on closing of stores	—	13,597
Total extraordinary losses	166,948	110,470
Income before income taxes and minority interests	3,585,555	3,608,342
Income taxes-current	1,579,748	1,432,539
Income taxes-deferred	36,697	1,249
Total income taxes	1,616,446	1,433,788
Income before minority interests	1,969,109	2,174,554
Minority interests in income	—	5,154
Net income	1,969,109	2,169,399

(2-2) Consolidated statements of comprehensive income

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Income before minority interests	1,969,109	2,174,554
Other comprehensive income		
Valuation difference on available-for-sale securities	73,519	189,216
Share of other comprehensive income of associates accounted for using equity method	△8,504	20,502
Total other comprehensive income	65,014	209,719
Comprehensive income	2,034,124	2,384,273
Comprehensive income attributable to		
Comprehensive income attributable to owners of the	2,034,124	2,378,766
Comprehensive income attributable to minority interests	—	5,507

(3) Statements of changes in shareholders' equity

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	965,159	966,600
Changes of items during the period		
Issuance of new shares	1,440	5,912
Total changes of items during the period	1,440	5,912
Balance at the end of current period	966,600	972,512
Capital surplus		
Balance at the beginning of current period	908,150	909,591
Changes of items during the period		
Issuance of new shares	1,440	5,912
Total changes of items during the period	1,440	5,912
Balance at the end of current period	909,591	915,503
Retained earnings		
Balance at the beginning of current period	7,189,205	8,496,240
Changes of items during the period		
Dividends from surplus	(662,073)	(717,493)
Net income	1,969,109	2,169,399
Change of scope of consolidation	—	(8,413)
Total changes of items during the period	1,307,035	1,443,491
Balance at the end of current period	8,496,240	9,939,732
Treasury stock		
Balance at the beginning of current period	(143,570)	(143,612)
Changes of items during the period		
Purchase of treasury stock	(41)	—
Total changes of items during the period	(41)	—
Balance at the end of current period	(143,612)	(143,612)
Total shareholders' equity		
Balance at the beginning of current period	8,918,945	10,228,819
Changes of items during the period		
Issuance of new shares	2,881	11,824
Dividends from surplus	(662,073)	(717,493)
Net income	1,969,109	2,169,399
Purchase of treasury stock	(41)	—
Change of scope of consolidation	—	(8,413)
Total changes of items during the period	1,309,874	1,455,316
Balance at the end of current period	10,228,819	11,684,136

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	(172,521)	(99,021)
Changes of items during the period		
Net changes of items other than shareholders' equity	73,500	188,864
Total changes of items during the period	73,500	188,864
Balance at the end of current period	(99,021)	89,842
Foreign currency translation adjustment		
Balance at the beginning of current period	(4,178)	(12,664)
Changes of items during the period		
Net changes of items other than shareholders' equity	(8,485)	20,502
Total changes of items during the period	(8,485)	20,502
Balance at the end of current period	(12,664)	7,838
Total accumulated other comprehensive income		
Balance at the beginning of current period	(176,700)	(111,685)
Changes of items during the period		
Net changes of items other than shareholders' equity	65,014	209,366
Total changes of items during the period	65,014	209,366
Balance at the end of current period	(111,685)	97,681
Subscription rights to shares		
Balance at the beginning of current period	3,326	1,805
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,521)	(1,805)
Total changes of items during the period	(1,521)	(1,805)
Balance at the end of current period	1,805	—
Minority interests		
Balance at the beginning of current period	—	30,618
Changes of items during the period		
Net changes of items other than shareholders' equity	30,618	587
Total changes of items during the period	30,618	587
Balance at the end of current period	30,618	31,206
Total net assets		
Balance at the beginning of current period	8,745,571	10,149,559
Changes of items during the period		
Issuance of new shares	2,881	11,824
Dividends from surplus	(662,073)	(717,493)
Net income	1,969,109	2,169,399
Purchase of treasury stock	(41)	—
Change of scope of consolidation	—	(8,413)
Net changes of items other than shareholders' equity	94,112	208,148
Total changes of items during the period	1,403,987	1,663,464
Balance at the end of current period	10,149,559	11,813,023

(4) Consolidated statements of cash flows

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	3,585,555	3,608,342
Depreciation and amortization	153,034	187,279
Impairment loss	155,149	64,488
Amortization of goodwill	74,552	20,161
Increase (decrease) in allowance for doubtful accounts	13,396	7,662
Increase (decrease) in provision for bonuses	5,083	6,757
Increase (decrease) in provision for sales returns	—	2,250
Increase (decrease) in provision for retirement benefits	1,556	297
Interest and dividends income	(78,497)	(80,403)
Interest expenses	11,354	16,983
Loss (gain) on step acquisitions	(10,842)	—
Equity in (earnings) losses of affiliates	(21,172)	60,485
Rent income	(87,055)	(80,166)
Rent expenses	36,967	43,680
Loss (gain) on sales of property, plant and equipment	—	14,215
Loss on retirement of noncurrent assets	2,279	2,143
Loss (gain) on sales of investment securities	(14,028)	—
Loss (gain) on valuation of investment securities	(21,480)	(46,611)
Loss (gain) on redemption of investment securities	9,519	5,067
Decrease (increase) in notes and accounts receivable-trade	(66,411)	(46,947)
Decrease (increase) in inventories	(20,097)	(15,302)
Increase (decrease) in notes and accounts payable-trade	15,332	(28,231)
Increase (decrease) in accrued consumption taxes	(12,476)	(5,420)
Increase (decrease) in accrued expenses	(124,869)	69,941
Decrease (increase) in other assets	7,667	15,574
Increase (decrease) in other liabilities	12,990	35,370
Other, net	—	13,597
Subtotal	3,627,507	3,871,216
Interest and dividends income received	79,402	82,642
Interest expenses paid	(11,227)	(14,543)
Income taxes paid	(1,252,373)	(1,669,439)
Net cash provided by (used in) operating activities	2,443,308	2,269,875

(Thousand yen)

	Year ended August 31, 2012	Year ended August 31, 2013
Net cash provided by (used in) investing activities		
Purchase of securities	(100,000)	—
Proceeds from redemption of securities	540,000	—
Purchase of property, plant and equipment	(164,221)	(59,939)
Proceeds from sales of property, plant and equipment	418	13,747
Purchase of intangible assets	(59,188)	(118,162)
Proceeds from sales of intangible assets	218	655
Purchase of investment securities	(1,367,256)	(520,787)
Proceeds from sales of investment securities	30,937	—
Proceeds from redemption of investment securities	665,974	507,701
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(39,698)	—
Payments of loans receivable	(500)	(1,000)
Collection of loans receivable	21,552	31,548
Payments for guarantee deposits	(20,103)	(29,952)
Proceeds from collection of guarantee deposits	20,490	44,521
Decrease (increase) in time deposits	(624,000)	(224,000)
Other, net	68,561	62,522
Net cash provided by (used in) investing activities	(1,026,815)	(293,146)
Net cash provided by (used in) financing activities		
Proceeds from loans payable	—	70,000
Repayments of loans payable	(500,000)	(394,155)
Proceeds from issuance of common stock	2,432	10,585
Purchase of treasury stock	(41)	—
Cash dividends paid	(661,222)	(720,279)
Net cash provided by (used in) financing activities	(1,158,832)	(1,033,849)
Net increase (decrease) in cash and cash equivalents	257,660	942,878
Cash and cash equivalents at beginning of period	4,173,387	4,431,048
Increase in cash and cash equivalents from newly consolidated subsidiary	—	60,577
Cash and cash equivalents at end of period	4,431,048	5,434,505

Segment Information

1. Net sales, income or loss, assets and other items by reportable segments

Year ended August 31, 2013

(Thousand of Yen)

	Reportable segment				Others ＊1	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Supplemental education	Total		
Net sales						
Sales to third party	6,814,648	6,613,408	597,812	14,025,868	1,253,160	15,279,029
Intersegmet sales	－	－	－	－	66,300	66,300
Total	6,814,648	6,613,408	597,812	14,025,868	1,319,461	15,345,329
Segment income(loss)	1,461,923	3,276,516	37,715	4,776,154	(126,422)	4,649,732
Other items						
Depreciation and Amortization	41,225	88,233	9,560	139,019	14,311	153,331

(Note)

1. “Others” consists of the operating segments not included in reportable segments. It includes Meiko Soccer Schools, Waseda Academy Kobetsu Schools, Meiko Kids, Abrakadoodle Art Studios,consolidated subsidiary Youdec Co., consolidated subsidiary Koyoshobo Co.,and other businesses.

Year ended August 31, 2012

(Thousand of Yen)

	Reportable segment				Others ＊1	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Supplemental education	Total		
Net sales						
Sales to third party	6,864,251	6,736,471	559,317	14,160,040	324,153	14,484,193
Intersegmet sales	－	182	－	182	－	182
Total	6,864,251	6,736,654	559,317	14,160,223	324,153	14,484,376
Segment income(loss)	1,443,796	3,313,303	(7,016)	4,750,082	(120,362)	4,629,720
Other items						
Depreciation and Amortization	44,106	77,289	10,171	131,567	3,148	134,715

(Note)

1. “Others” consists of the operating segments not included in reportable segments. It includes Meiko Soccer Schools, Waseda Academy Kobetsu Schools, Meiko Kids, Abrakadoodle Art Studios, and other businesses.

2. Reconciliation of Difference Between Reportable Segment Totals and Consolidated Financial Statement Totals
(Matters relating to reconciliation of differences)

(Thousand of Yen)

Sales	Year ended August 31, 2012	Year ended August 31, 2013
Reportable segment total	14,160,223	14,025,868
Sales for “Others”category	324,153	1,319,461
Intersegment eliminations	(182)	(66,300)
Net sales in financial statements	14,484,193	15,279,029

(Thousand of Yen)

Income(Loss)	Year ended August 31, 2012	Year ended August 31, 2013
Reportable segment total	4,750,082	4,776,154
Income(Loss) for "Others"category	(120,362)	(126,422)
Amortization of goodwill	(74,552)	(20,161)
Reconciliations of fixed assets	1,852	3,359
Corporate expenses	(1,013,982)	(1,052,008)
Operating income in financial statements	3,543,038	3,580,921

(Note) Corporate expenses are mainly expenses that relate to the General Affairs section of the parent company that are not attributable to the reportable segment.

(Thousand of Yen)

Other Items	Reportable segment total		Others		Reconciliations		Amount in consolidated financial statements	
	Year ended August 31, 2012	Year ended August 31, 2013	Year ended August 31, 2012	Year ended August 31, 2013	Year ended August 31, 2012	Year ended August 31, 2013	Year ended August 31, 2012	Year ended August 31, 2013
Depreciation and amortization	131,567	139,019	3,148	14,311	17,439	13,212	152,155	166,543

(Note) The reconciliation for depreciation and amortization are mainly depreciation and amortization for assets that relate to the General Affairs section of the parent company that are not attributable to the reportable segment.