Financial Summary for First 3 Quarters of Fiscal 2015
[Japanese GAAP] [Consolidated]

January 30, 2015

Name of listed company: **ZENRIN Co., Ltd.** Stock exchange listings: Tokyo and Fukuoka
Securities code: 9474 URL: http://www.zenrin.co.jp/
Representative: [Title] President and CEO TEL: +81-93-592-9050
[Name] Zenshi Takayama
Contact: [Title] Executive Officer, and Head of Corporate Management Division
[Name] Masami Matsuo

Scheduled date of submission of quarterly securities report: February 2, 2015
Scheduled date of commencement of dividend payouts: –
Preparation of supplementary explanatory materials on quarterly results: Yes
Holding of briefing session on quarterly results: None

[Amounts are rounded down to the nearest million yen]

1. Consolidated Results of Operations in First 3 Quarters of Fiscal 2015

ZENRIN's first 3 quarters of fiscal 2015 is the period from April 1, 2014 to December 31, 2014.

(1) Consolidated Business Performance [Cumulative]

[% figures represent the increase (decrease) compared to the same period of the previous fiscal year]

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
First 3 quarters of fiscal 2015	35,362	(4.4)	30	(95.1)	331	(61.2)	175	–
First 3 quarters of fiscal 2014	37,001	(4.3)	613	(82.2)	855	(76.6)	(212)	–

[Note] Comprehensive income First 3 quarters of fiscal 2015: 1,280 million yen [163.4%]
First 3 quarters of fiscal 2014: 486 million yen [(74.6)%]

	Net income per share	Diluted net income per share
	yen	yen
First 3 quarters of fiscal 2015	4.86	–
First 3 quarters of fiscal 2014	(5.78)	–

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of equity to total assets
	million yen	million yen	%
First 3 quarters of fiscal 2015	57,579	39,741	64.7
Fiscal 2014	57,989	37,939	61.7

[Reference] Equity First 3 quarters of fiscal 2015: 37,272 million yen Fiscal 2014: 35,777 million yen

2. Dividends

	Annual dividend				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal 2014	–	15.00	–	15.00	30.00
Fiscal 2015	–	15.00	–		
Fiscal 2015 [forecast]				15.00	30.00

[Note] Revision from most recently announced forecast for dividends: None

3. Forecast for Consolidated Results of Operations in Fiscal 2015

ZENRIN's fiscal 2014 is the period from April 1, 2014 to March 31, 2015.

[% figures represent the increase (decrease) compared to the previous fiscal year]

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Fiscal year	52,300	(2.4)	2,800	(12.0)	3,100	(15.4)	2,100	65.1	24.52

[Note] Revision from most recently announced forecast for results of operations: No

ATTACHMENT

1. Qualitative Information on Quarterly Results

(1) Explanation of Business Performance

In the first 3 quarters of fiscal 2015 (from April 1, 2014 to December 31, 2014), the Japanese economy saw a moderate recovery due to improvement in the employment situation, etc. However, such factors as downward swings in overseas economies and effects of the rapid depreciation of yen, in addition to a temporary decrease in personal spending due to the rebound of the last-minute surge in demand ahead of the consumption tax hike implemented in April 2014, still continued to pose downside risks to the Japanese economy.

In such an environment, decrease in sales of services for smartphones and other factors led to net sales of 35,362 million yen (decreased 1,639 million yen, or down 4.4%, compared to the same period of the previous fiscal year, operating income of 30 million yen (decreased 583 million yen, or down 95.1%, compared to the same period of the previous fiscal year) and ordinary income of 331 million yen (decreased 523 million yen, or down 61.2%, compared to the same period of the previous fiscal year). In addition, the recording of 707 million yen in deferred income taxes due in part to the impact of deferred tax assets associated with loss carried forward of subsidiaries following restructuring led to net income of 175 million yen (improvement of 387 million yen compared to the same period of the previous fiscal year).

Please note that past net sales of the ZENRIN Group have shown trends of large seasonal fluctuations and sales concentrating in the fourth quarter.

[Segment Results of Operations]

Map Database Segment

The Map Database segment, which is the ZENRIN Group's core business, saw robust sales related to GIS utilizing residential map databases despite the decrease in sales of printed residential maps. On the other hand, in addition to continuous decrease in the number of fee-paying subscribers to services for smartphones related to ICT, sales of data for both Japanese and overseas in-car navigation systems also decreased.

The above resulted in Map Database segment net sales of 30,156 million yen (decreased 30,156 million yen, or down 4.8%, compared to the same period of the previous fiscal year) and segment loss of 195 million yen (downturn of 575 million yen compared to the same period of the previous fiscal year).

General Printing Segment

The results of the General Printing segment were net sales of 2,804 million yen (decreased 108 million yen, or down 3.7%, compared to the same period of the previous fiscal year), and segment income of 22 million yen (decreased 60 million yen, or down 72.8%, compared to the same period of the previous fiscal year).

Other

The results other than that of the Map Database segment and General printing segment were, despite a withdrawal from the selling of sales promotion products and commissioned CAD processing operations, net sales of 2,401 million yen (increased 6 million yen, or up 0.3%, compared the same period of the previous fiscal year) and segment income of 87 million yen (increased 51 million yen, or up 145.3%, compared to the same period of the previous fiscal year) due to effect from a subsidiary included in the scope of consolidation starting from the first 3 quarters of fiscal 2015 and other factors.

[Reportable Segment Information]

I. First 3 Quarters of Fiscal 2014 (from April 1, 2013 to December 31, 2013)

(a) Information on Reportable Segment Net Sales and Income or Loss Amount

[Unit: million yen]

	Reportable segments			Other [Note]	Total
	Map Database segment	General Printing segment	Total		
Net sales					
Net sales to external customers	31,693	2,913	34,606	2,395	37,001
Intersegment net sales or transfers	55	236	291	104	396
Total	31,748	3,150	34,898	2,499	37,398
Segment income (loss)	380	83	463	35	499

[Note] The “Other” item encompasses the selling of purchased products, commissioned CAD processing and other business activities that are not attributable to reportable segments.

(b) Total Amount of Reportable Segment Income or Loss Amount and its Difference in Amount with Amount on Quarterly Consolidated Statements of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

Income	Amount
Total for reportable segments	463
Income of “Other” item	35
Eliminations of intersegment transactions	114
Operating income on quarterly consolidated statements of income	613

II. First 3 Quarters of Fiscal 2015 (from April 1, 2014 to December 31, 2014)

(a) Information on Reportable Segment Net Sales and Income or Loss Amount

[Unit: million yen]

	Reportable segments			Other [Note]	Total
	Map Database segment	General Printing segment	Total		
Net sales					
Net sales to external customers	30,156	2,804	32,961	2,401	35,362
Intersegment net sales or transfers	47	212	260	23	283
Total	30,204	3,016	33,221	2,424	35,646
Segment income (loss)	(195)	22	(172)	87	(85)

[Note] The “Other” item encompasses the selling of purchased products, direct mail delivery services and other business activities that are not attributable to reportable segments.

(b) Total Amount of Reportable Segment Income or Loss Amount and its Difference in Amount with Amount on Quarterly Consolidated Statements of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

Income	Amount
Total for reportable segments	(172)
Income of “Other” item	87
Eliminations of intersegment transactions	115
Operating income on quarterly consolidated statements of income	30

(c) Information on Reportable Segment Impairment Loss on Non-Current Assets or Goodwill, Etc.

Significant Changes in Amount of Goodwill

In “Other,” with the acquisition of ZENRIN BIZNEXUS CO., LTD. (former SEPTENI DIRECT MARKETING CO., LTD.) shares, the company is included in the scope of consolidation, starting from the third quarter of fiscal 2015. The amount of increase in goodwill arising from the concerned event was 1,097 million yen in the first 3 quarters of fiscal 2015.

(2) Explanation of Financial Position

Total assets at the end of the third quarter of fiscal 2015 amounted to 57,579 million yen (decreased 410 million yen, or down 0.7%, compared to at the end of the previous fiscal year). This was attributable to increase in goodwill in the amount of 1,045 million yen due to acquisition of ZENRIN BIZNEXUS CO., LTD. (former SEPTENI DIRECT MARKETING CO., LTD.) shares and other factors being offset by decrease in cash and deposits in the amount of 1,133 million yen, which was due in part to payment of trade accounts payable and capital investment, and decrease in trade notes and accounts receivable in the amount of 2,522 million yen owing to seasonal fluctuations.

Liabilities amounted to 17,837 million yen (decreased 2,212 million yen, or down 11.0%, compared to at the end of the previous fiscal year). This was attributable to decrease in trade accounts payable in the amount of 606 million yen, which was due in part to payment, decrease in short-term loans payable in the amount of 887 million yen, which was due in part to repayment, and decrease in income taxes payable in the amount of 692 million yen, which was due in part to tax payment.

Net assets amounted to 39,741 million yen (increased 1,802 million yen, or up 4.8%, compared to at the end of the previous fiscal year). This was attributable to decrease in the amount of 1,081 million yen due to dividends of surplus being offset by addition of the amount of the effect of application of the Accounting Standard for Retirement Benefits, etc. to retained earnings at the beginning of the period as the initial fiscal year of application in the amount of 1,377 million yen.

As a result, the ratio of equity to total assets at the end of the third quarter of fiscal 2015 was 64.7% (up 3.0% points compared to at the end of the previous fiscal year).

(3) Explanation of Forecast for Consolidated Results of Operations and Other Forward-Looking Statements

Given the many uncertainties over the environment surrounding the ZENRIN Group in and after the fourth quarter, the forecast for consolidated results of operations in fiscal 2015 is left unchanged from that announced on May 8, 2014.

2. Matters Concerning Summary Information (Notes)

(1) Changes in Significant Subsidiaries in Consolidated Fiscal Year to Date

Not applicable.

Although not falling under the category of changes in specified subsidiaries, a total of four companies that were non-consolidated subsidiaries of ZENRIN until fiscal 2014 (ZENRIN INTERMAP CO., LTD., ZENRIN PlusOne Co., Ltd., Will Smart Co., Ltd. and MRC CO., LTD.) are newly included in the scope of consolidation, starting from the first quarter of fiscal 2015. Of these, MRC CO., LTD. is excluded from the scope of consolidation in the second quarter of fiscal 2015 due to completion of liquidation on August 11, 2014.

With acquisition of ZENRIN BIZNEXUS CO., LTD. (former SEPTENI DIRECT MARKETING CO., LTD.) shares, the company is included in the scope of consolidation, starting from the third quarter of fiscal 2015.

ZENRIN PROMO Co., Ltd., which was a consolidated subsidiary in fiscal 2014, is excluded from the scope of consolidation due to an absorption-type merger into the consolidated subsidiary ZENRIN DataCom Co., Ltd. on April 1, 2014.

The consolidated subsidiary DAIKEI DATA PROCESSING (SHENZHEN) CO., LTD. passed a resolution on dissolution at the meeting of the board of directors held on August 27, 2013 and is currently in liquidation proceedings.

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

Change in Accounting Policies

Application of Accounting Standard for Retirement Benefits, Etc.

ZENRIN has applied the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26; issued on May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25; issued on May 17, 2012) for the provisions of the main clause of Paragraph 35 of the Accounting Standard for Retirement Benefits and the main clause of Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, starting from the first quarter of fiscal 2015. Accordingly, the calculation method for retirement benefit obligations and service costs was revised, and the method of attributing expected retirement benefits to periods was changed from the straight-line basis to the benefit formula basis. In addition, the method for determining the discount rate was changed from the method using the discount rate based on the number of years approximate to the expected average remaining working life of employees to the method using the single weighted average discount rate reflecting the estimated timing of retirement benefit payment and amount per estimated timing of retirement benefit payment.

Application of the Accounting Standard for Retirement Benefits, etc. is in accordance with the transitional treatment provided in Paragraph 37 of the Accounting Standard for Retirement Benefits, based on which, at the beginning of the first 3 quarters of fiscal 2015, the amount of the effect accompanying the change in the calculation method for retirement benefit obligations and service costs is added to or deducted from retained earnings.

As a result, at the beginning of the first 3 quarters of fiscal 2015, net defined benefit asset of 1,675 million yen was recorded and net defined benefit liability decreased by 458 million yen, while retained earnings increased by 1,377 million yen. The impact on income (loss) and segment information in the first 3 quarters of fiscal 2015 is minimal.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

[Unit: million yen]

	Fiscal 2014	Third quarter of fiscal 2015
	As of March 31, 2014	As of Dec. 31, 2015
Assets		
Current assets		
Cash and deposits	6,631	5,497
Notes and accounts receivable – trade	12,070	9,548
Electronically recorded monetary claims – operating	24	51
Securities	–	2
Merchandise and finished goods	979	1,024
Work in process	277	835
Raw materials and supplies	52	72
Other	2,583	3,197
Allowance for doubtful accounts	(12)	(11)
Total current assets	22,607	20,219
Non-current assets		
Property, plant and equipment		
Land	8,199	6,745
Other, net	8,711	8,577
Total property, plant and equipment	16,910	15,323
Intangible assets		
Goodwill	367	1,412
Software	8,388	8,840
Other	4,049	4,543
Total intangible assets	12,804	14,796
Investments and other assets		
Other	5,804	7,359
Allowance for doubtful accounts	(137)	(118)
Total investments and other assets	5,666	7,240
Total non-current assets	35,381	37,359
Total assets	57,989	57,579

[Unit: million yen]

	Fiscal 2014	Third quarter of fiscal 2015
	As of March 31, 2014	As of Dec. 31, 2015
Liabilities		
Current liabilities		
Accounts payable – trade	2,278	1,672
Short-term loans payable	5,774	4,886
Income taxes payable	853	161
Provision for directors' bonuses	84	61
Other	6,639	6,213
Total current liabilities	15,630	12,995
Non-current liabilities		
Long-term loans payable	1,304	1,855
Provision for directors' retirement benefits	127	132
Net defined benefit liability	1,797	243
Asset retirement obligations	20	37
Other	1,170	2,573
Total non-current liabilities	4,419	4,842
Total liabilities	20,050	17,837
Net assets		
Shareholders' equity		
Capital stock	6,557	6,557
Capital surplus	13,111	13,111
Retained earnings	19,061	19,779
Treasury stock	(2,840)	(2,842)
Total shareholders' equity	35,890	36,606
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	144	412
Foreign currency translation adjustment	(82)	24
Remeasurements of defined benefit plans	(174)	230
Total accumulated other comprehensive income	(112)	666
Minority interests	2,161	2,468
Total net assets	37,939	39,741
Total liabilities and net assets	57,989	57,579

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income [Cumulative]

[Unit: million yen]

	First 3 quarters of fiscal 2014 From: April 1, 2013 To: Dec. 31, 2013	First 3 quarters of fiscal 2015 From: April 1, 2014 To: Dec. 31, 2014
Net sales	37,001	35,362
Cost of sales	22,672	21,594
Gross profit	14,329	13,768
Selling, general and administrative expenses		
Personnel expenses	7,462	7,409
Provision for directors' bonuses	38	59
Provision for retirement benefits	257	–
Retirement benefit expenses	–	215
Provision of allowance for doubtful accounts	18	–
Other	5,938	6,053
Total selling, general and administrative expenses	13,715	13,738
Operating income	613	30
Non-operating income		
Interest income	9	17
Dividends income	77	174
Share of profit of entities accounted for using equity method	3	4
Other	247	201
Total non-operating income	338	398
Non-operating expenses		
Interest expenses	21	28
Foreign exchange losses	38	45
Other	36	22
Total non-operating expenses	96	96
Ordinary income	855	331
Extraordinary income		
Gain on sales of non-current assets	98	405
Other	–	0
Total extraordinary income	98	405
Extraordinary loss		
Loss on sales and retirement of non-current assets	139	196
Impairment loss	–	189
Loss on liquidation of subsidiaries	120	–
Other	128	67
Total extraordinary losses	388	453
Income before income taxes and minority interests	566	283
Income taxes – current	747	495
Income taxes – deferred	(325)	(707)
Total income taxes	421	(211)
Income before minority interests	144	495
Minority interests in income	356	320
Net income (loss)	(212)	175

Quarterly Consolidated Statements of Comprehensive Income [Cumulative]

[Unit: million yen]

	First 3 quarters of fiscal 2014 From: April 1, 2013 To: Dec. 31, 2013	First 3 quarters of fiscal 2015 From: April 1, 2014 To: Dec. 31, 2014
Income before minority interests	144	495
Other comprehensive income		
Valuation difference on available-for-sale securities	196	267
Deferred gains or losses on hedges	0	–
Foreign currency translation adjustment	151	69
Remeasurements of defined benefit plans, net of tax	–	405
Share of other comprehensive income of associates accounted for using equity method	(6)	42
Total other comprehensive income	342	784
Comprehensive income	486	1,280
[Comprehensive income attributable to]		
Comprehensive income attributable to owners of the parent	107	954
Comprehensive income attributable to minority interests	378	326

(3) Notes to Quarterly Consolidated Financial Statements

Notes on the Going Concern Assumption

Not applicable.

Notes in the Event of Material Change in the Amount of Shareholders' Equity

Not applicable.

Business Combinations, Etc.

Business Combination through Acquisition

1. Outline of Business Combination

(1) Name of Acquired Enterprise and Description of its Business

Name of acquired enterprise: SEPTENI DIRECT MARKETING CO., LTD.

Description of business: Direct mail delivery services, in-ship advertising

(2) Main reason for Conducting Business Combination

Further reinforcement of the ZENRIN Group's base through realization of new uses, applications and promotions of map information by leveraging the business base of the ZENRIN Group and the know-how possessed by Septeni Direct Marketing.

(3) Date of Business Combination

October 1, 2014

(4) Legal Form of Business Combination

Acquisition of shares for cash

(5) Name of Combined Enterprise

ZENRIN BIZNEXUS CO., LTD.

(6) Percentage of Voting Rights Acquired

100%

(7) Main Grounds of Decision on Enterprise to Acquire

ZENRIN acquired shares for cash.

2. Period that Acquired Enterprise's Results of Operations are Included in Quarterly Consolidated Statements of Income for Consolidated Fiscal Year to Date

From October 1, 2014 to December 31, 2014

3. Cost of Acquisition of Acquired Enterprise and Breakdown Thereof

Consideration for acquisition	1,520 million yen
Expenses directly required for acquisition	6
Cost of acquisition	1,526 million yen

4. Amount, Cause, Amortization Method and Amortization Period of Goodwill Arising from Business Combination

(1) Amount

1,154 million yen

(2) Cause

Future excess earning power anticipated from business expansion going forward

(3) Amortization Method and Amortization Period

Amortized by the straight-line method over a period of 5 years

4. Supplementary Information

Sales Turnover based on Business Composition under Medium-Term Business Plan ZGP2015

Business composition	First 3 quarters of fiscal 2014	First 3 quarters of fiscal 2015	Amount of increase (decrease)	Rate of increase (decrease)	Main items
	million yen	million yen	million yen	%	
Advertising business	528	540	12	2.4	Various media
Publishing business	5,222	4,736	(485)	(9.3)	Printed residential maps, special-purpose maps, and purchased products
GIS business	6,962	7,756	793	11.4	Residential map databases
ICT business	10,228	9,134	(1,093)	(10.7)	Services for smartphones and map data provision for internet services
ITS business	7,872	7,446	(426)	(5.4)	Data for Japanese in-car navigation systems
Global business	1,909	1,589	(319)	(16.7)	Data for overseas in-car navigation systems, and various overseas content
Other business	4,278	4,158	(120)	(2.8)	General printing goods, direct mail delivery services, in-ship (enclosing in mail/packages) advertising, commissioned CAD processing*1 and sales promotion products*2, etc.
Total	37,001	35,362	(1,639)	(4.4)	

*ZENRIN withdrew from commissioned CAD processing in the previous fiscal year and no longer conducts the business.
*ZENRIN withdrew from sales promotion products in the previous fiscal year and no longer conducts the sales.