Consolidated Financial Statements for 2Q of FY3/2018〔IFRS〕

November 10, 2017

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Representative's name: Representative Director and President Joe Hirao
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(Millions of yen: Rounded to less than one million yen)

1.Financial Highlights (Apr 1. 2017 – Sep 30. 2017)

（１）Results of Operations

(Percentages are shown as YoY changes)

	Sales		Operating income		Income before income tax		Quarterly income		Attributable to owners of the parent		Total Quarterly comprehensive income	
		%		%		%		%		%		%
2Q of FY3/2018	4,937	51.7	1,681	53.5	1,667	52.4	962	51.2	962	51.2	962	51.2
2Q of FY3/2017	3,254	-	1,095	-	1,094	-	637	-	637	-	637	-

	Quarter basic earnings per share	Quarter diluted earnings per share
	(yen)	(yen)
2Q of FY3/2018	17.58	17.32
2Q of FY3/2017	12.22	11.81

（２）Financial Position

	Total assets	Total equity	Attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets(%)
2Q of FY3/2018	16,872	10,169	10,169	60.3
FY3/2017	14,116	6,596	6,596	46.7

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
FY3/2017	-	0.00	-	0.00	0.00
FY3/2018	-	0.00			
FY3/2017 (Forecasted)			-	0.00	0.00

Note:Revision of forecasts on the dividends: No

3. Consolidated Business Forecast

(Percentages are shown as YoY changes)

	Sales		Operating income		Income before income tax		Net income		Attributable to owners of the parent		Quarter basic earnings per share
		%		%		%		%		%	(yen)
FY3/2018	10,500	39.4	3,220	29.7	1,930	31.0	1,930	31.0	1,930	31.0	36.11

Note:Revision of forecasts on the dividends: No

* Notes

（１）Significant changes in scope of consolidation: No

（２）Changes in accounting policies and accounting estimates

① Changes in accounting policies required by IFRSs: No

② Changes in accounting policies other than those in ①: No

③ Changes in accounting estimates: No

（３） Number of shares issued (common stock)

① Number of shares issued (including treasury stock)

② Number of shares of treasury stock

③ Number of average shares outstanding during six-month period (April-September)

(Shares)

2Q of FY3/2018	55,301,200	2Q of FY3/2017	53,451,200
2Q of FY3/2018	45	2Q of FY3/2017	45
2Q of FY3/2018	54,760,807	2Q of FY3/2017	52,100,490

* This interim consolidated financial report is not subject to interim review procedures.

* Note to forecasts on the consolidated results of operations and other items

Descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point in time and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

（1） Consolidated Balance Sheet

Thousands of yen

	March 31, 2017	Sep 30, 2017
Assets		
Current assets		
Cash and cash equivalents	5,872,990	6,057,700
Trade and other receivables	1,410,906	1,280,711
Other	171,346	76,844
Total current assets	7,455,241	7,415,254
Non-current assets		
Tangible fixed assets	167,389	173,755
Goodwill	5,425,607	5,459,621
Intangible asset	725,901	892,631
Other financial assets	189,271	2,791,597
Deferred tax assets	131,818	118,445
Other	20,779	20,431
Total non-current assets	6,660,765	9,456,479
Total assets	14,116,006	16,871,733

Thousands of yen

	March 31, 2017	Sep 30, 2017
Liabilities		
Current liabilities		
Short-term loans	1,804,916	1,679,916
Operating and other liabilities	595,587	668,004
Other financial liabilities	485,986	553,115
Income taxes payable	711,306	764,064
Allowance	117,531	107,118
Other	475,606	489,447
Total current liabilities	4,190,933	4,261,663
Non-current liabilities		
Long-term loans	3,170,623	2,330,665
Allowance	46,356	51,495
Deferred tax liabilities	112,591	58,826
Total non-current liabilities	3,329,570	2,440,985
Total liabilities	7,520,503	6,702,649
Net assets		
Share capital	1,213,361	2,523,805
Share premium	1,209,224	2,509,940
Retained earnings	4,141,297	5,103,777
Treasury shares	△48	△48
Other	31,668	31,610
Total equity attributable to owners of the parent	6,595,503	10,169,085
Total net assets	6,595,503	10,169,085
Total liabilities and net assets	14,116,006	16,871,733

（2）Consolidated Statements of Profit or Loss and Comprehensive income

Consolidated Statements of Profit or Loss

2Q Consolidated Period

Thousands of yen

	April 1, 2016 – Sep 30. 2016	Apr 1. 2017 – Sep 30. 2017
Sales	3,254,296	4,937,097
Cost of sales	△307,279	△826,547
Gross profit	2,947,016	4,110,550
Selling, general and administrative expenses	△1,861,355	△2,443,228
Other revenue	24,932	14,805
Other expense	△15,569	△765
Operating income	1,095,025	1,681,362
Financial revenue	3,067	282
Financial expense	△4,249	△15,014
Income before income tax	1,093,843	1,666,631
Income taxes-current	△457,109	△704,152
Quarterly income	636,734	962,479
Attribution of net income		
Owner of the parent company	636,734	962,479
Non-controlling interest	-	-
		Yen
Quarterly earnings per share		
Quarter basic earnings per share	12.22	17.58
Quarter diluted earnings per share	11.81	17.32

Consolidated Statements of Profit or Loss and Comprehensive income

2Q consolidated accounting period

Thousands of yen

	Jul 1, 2016 – Sep 30. 2016	Jul 1. 2017 – Sep 30. 2017
Sales	1,661,769	2,434,797
Cost of sales	△152,126	△399,278
Gross profit	1,509,643	2,035,518
Selling, general and administrative expenses	△937,323	△1,208,726
Other revenue	9,456	8,149
Other expense	△11,090	△271
Operating income	570,686	834,670
Financial revenue	2,720	177
Financial expense	△1,948	△12,376
Income before income tax	571,458	822,471
Income taxes-current	△244,619	△359,313
Quarterly income	326,839	463,158
Attribution of net income		
Owner of the parent company	326,839	463,158
Non-controlling interest	-	-
		Yen
Quarterly earnings per share		
Quarter basic earnings per share	6.22	8.37
Quarter diluted earnings per share	6.05	8.25

Consolidated Statements of Comprehensive Income

2Q Consolidated Period

Thousands of yen

	Apr 1. 2016 – Sep 30. 2016	Apr 1. 2017 – Sep 30. 2017
Quarterly income	636,734	962,479
Quarterly comprehensive income	636,734	962,479
Total quarterly comprehensive income attributed		
Owner of the parent company	636,734	969,479
Non-controlling interest	-	-

Consolidated Statements of Comprehensive Income

2Q consolidated accounting period

Thousands of yen

	Apr 1. 2016 – Jul 30. 2016	Apr 1. 2017 – Jul 30. 2017
Quarterly income	326,839	463,158
Quarterly comprehensive income	326,839	463,158
Total quarterly comprehensive income attributed		
Owner of the parent company	326,839	463,158
Non-controlling interest	-	-

（3）Consolidated Statements of Changes in Equity

Apr 1. 2016 – Sep 30. 2016

Thousands of yen

	Equity attributable to owners of the parent					
	Share capital	Share premium	Retained earnings	other	Total equity attributable to owners of the parent	Total net assets
Balance on 1st April 2016	531,366	531,366	2,645,252	66,282	3,774,266	3,774,266
Quarterly income	-	-	636,734	-	636,734	636,734
Quarterly comprehensive income	-	-	636,734	-	636,734	636,734
Issuance of new shares	669,030	665,859	-	-	1,334,889	1,334,889
Stock compensation transaction	-	-	-	6,596	6,596	6,596
Total transaction amount with owner	669,030	665,859	-	6,596	1,341,485	1,341,485
Balance on 30th Sep 2017	1,200,396	1,197,225	3,281,986	72,878	5,752,485	5,752,485

Apr 1. 2017 – Sep 30. 2017

Thousands of yen

	Equity attributable to owners of the parent						
	Share capital	Share premium	Retained earnings	Treasury shares	other	Total equity attributable to owners of the parent	Total net assets
Balance on 1st April 2017	1,213,361	1,209,224	4,141,297	△48	31,668	6,595,503	6,595,503
Quarterly income	-	-	962,479	-	-	962,479	962,479
Quarterly comprehensive income	-	-	962,479		-	962,479	962,479
Issuance of new shares	1,310,444	1,300,716	-	-	-	2,611,160	2,611,160
Exercise of stock acquisition rights	-	-	-	-	△58	△58	△58
Total transaction amount with owner	1,310,444	1,300,716	-	-	△58	2,611,102	2,611,102
Balance on 30th June 2016	2,523,805	2,509,940	5,103,777	△48	31,610	10,169,085	10,169,085

（4）Condensed Interim Consolidated Statement of Cash Flows

Thousands of yen

	April 1, 2016 – Sep 30. 2016	Apr 1. 2017 – Sep 30. 2017
Cash flows from operating activities		
Income before income tax	1,093,843	1,666,631
Depreciation and amortization	59,700	114,732
Financial revenue and finance expense	1,182	14,731
Stock compensation expense	6.596	-
Other expense	12,250	-
Decrease in trade and other receivables	41,436	23,056
Decrease increase in trade and other payables	13,647	△54,035
Decrease in deposits	45,034	71,554
Other	142,819	92,573
Subtotal	1,146,507	1,929,243
Interest and dividends received	158	170
Interest paid	△4,157	△4,735
Income taxes paid	△375,257	△591,281
Income taxes refunded	-	2,871
Net cash provided by operating activities	1,037,250	1,336,269
Cash flows from investing activities		
Purchase of tangible fixed assets	△6,086	△32,501
Purchase of intangible fixed assets	△72,400	△114,417
Proceeds from the sale of investment securities	349,986	-
Payment due to deposit of deposit / security deposit	△133,250	△13,877
Proceeds from deposit of deposit / security deposit	-	61,609
Payment for business transfer	-	△80,000
Payment for acquisition of money trusts	△1,336,720	△2,593,710
Decrease from acquisition of control over subsidiaries	△258,308	-
Other	9,089	-
Net cash used in investing activities	△1,447,690	△2,772,896
Cash flows from financing activities		
Net change in short-term borrowings	△500,000	-
Proceeds from long-term borrowings	1,768,300	-
Repayment of long-term borrowings	△2,196,096	△964,958
Proceeds from issuance of shares by exercising stock acquisition rights	1,316,913	2,600,294
Payment amount for new share issue expenses	-	△14,000
Proceeds from issue of new shares	4,603	-
Net cash provided by financing activitie	393,720	1,612,336
Increase in cash and cash equivalents	△16,719	184,709
Cash and cash equivalents at the beginning of the period	3,987,732	5,872,990
Cash and cash equivalents at the end of the period	3,971,012	6,057,700