Financial Summary for First 3 Quarters of Fiscal 2017
[Japanese GAAP] [Consolidated]

January 30, 2017

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	[Name] Zenshi Takayama	
Contact	[Title] Executive Officer and Head of Corporate Management Division	[Name] Masami Matsuo	TEL +81-93-882-9050

Scheduled date of submission of quarterly securities report: January 31, 2017
Scheduled date of commencement of dividend payments: ―
Preparation of supplementary explanatory materials on quarterly results: Yes
Holding of briefing session on quarterly results: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results of Operations in First 3 Quarters of Fiscal 2017

ZENRIN's first 3 quarters of fiscal 2017 is the period from April 1, 2016 to December 31, 2016.

(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		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
First 3 quarters of fiscal 2017	37,647	1.8	59	(80.3)	291	(56.2)	(170)	―
First 3 quarters of fiscal 2016	36,975	4.6	304	912.9	665	100.6	269	53.7

[Note] Comprehensive income First 3 quarters of fiscal 2017: (334 million yen) [―%]
First 3 quarters of fiscal 2016: 269 million yen [(79.0%)]

	Earnings per share	Diluted earnings per share
	yen	yen
First 3 quarters of fiscal 2017	(4.64)	―
First 3 quarters of fiscal 2016	7.42	―

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of equity to total assets
	million yen	million yen	%
First 3 quarters of fiscal 2017	57,379	39,900	67.3
Fiscal 2016	59,810	41,496	67.1

[Reference] Equity First 3 quarters of fiscal 2017: 38,597 million yen Fiscal 2016: 40,143 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 2016	―	15.50	―	17.00	32.50
Fiscal 2017	―	17.00	―		
Fiscal 2017 [forecast]				17.00	34.00

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

3. Forecast for Consolidated Results of Operations in Fiscal 2017

ZENRIN's fiscal 2017 is the period from April 1, 2016 to March 31, 2017.

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Fiscal year	57,000	3.7	3,400	11.9	3,700	7.9	2,200	36.6	59.97

[Note] Revision from most recently announced forecast for results of operations: None

1. Qualitative Information on Quarterly Results

(1) Explanation of Business Performance

In the first 3 quarters of fiscal 2017 (from April 1, 2016 to December 31, 2016), the Japanese economy continued on a moderate recovery trend, as the employment and income situations improved and personal consumption also showed signs of recovery. Meanwhile, the future of the domestic economy remained unclear due to the uncertainties of the world economy, including the effects of the transition to a new presidential administration in the US and the developments in the emerging economies including China.

In such an environment, the ZENRIN Group reported business performance in the first 3 quarters of fiscal 2017; net sales of 37,647 million yen (increased 671 million yen, or up 1.8% compared to the same period of the previous fiscal year), operating income of 59 million yen (decreased 244 million yen, or down 80.3% compared to the same period of the previous fiscal year), ordinary income of 291 million yen (decreased 373 million yen, or down 56.2% compared to the same period of the previous fiscal year) and loss attributable to owners of parent of 170 million yen (downturn of 439 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 businesses, reported robust sales of Japanese in-car navigation systems and sales related to GIS utilizing residential map databases, despite a decrease in sales from projects commissioned by the local governments, which were reported in the same period of the previous fiscal year. In terms of expenses, increases in amortization of the Zenrin Integrated Geospatial System, etc. were reported, in addition to an increase in selling, general and administrative expenses including personnel expenses.

As a result of the foregoing, the Map Database segment reported net sales of 31,281 million yen (increased 895 million yen, or up 2.9%, compared to the same period of the previous fiscal year) and segment loss of 60 million yen (downturn of 220 million yen compared to the same period of the previous fiscal year).

General Printing Segment

The General Printing segment reported net sales of 2,604 million yen (decreased 122 million yen, or down 4.5%, compared to the same period of the previous fiscal year) and segment loss of 44 million yen (downturn of 34 million yen compared to the same period of the previous fiscal year).

Other

The segment other than the Map Database segment and the General Printing segment reported net sales of 3,761 million yen (decreased 102 million yen, or down 2.6%, compared to the same period of the previous fiscal year) and segment income of 100 million yen (increased 15 million yen, or up 18.4%, compared to the same period of the previous fiscal year).

(2) Explanation of Financial Position

Total assets at the end of the third quarter of fiscal 2017 amounted to 57,379 million yen (decreased 2,431 million yen, or down 4.1% compared to at the end of the previous fiscal year). This was attributable to an increase in work in process in the amount of 742 million yen, in addition to an increase in goodwill in the amount of 690 million yen due to the inclusion of Abalta Technologies, Inc. and its subsidiary, Abalta Technollgies EOOD, in the scope of consolidation in conjunction with the acquisition of the shares of Abalta Technologies, Inc. Other factors include a

decrease in trade notes and accounts receivable in the amount of 3,838 million yen, which was due to net sales in the third quarter of fiscal 2017 decreasing compared to the fourth quarter of fiscal 2016 owing to seasonal fluctuations.

Liabilities amounted to 17,478 million yen (decreased 835 million yen, or down 4.6% compared to the end of the previous fiscal year). This was attributable to a decrease in trade accounts payable in the amount of 1,410 million yen due to payment and the decrease in income taxes payable in the amount of 847 million yen due to tax payment, which were offset by the net increase in short-term loans payable used as working capital in the amount 1,126 million yen.

Net assets amounted to 39,900 million yen (decreased 1,595 million yen, or down 3.8% compared to the end of the previous fiscal year). This was attributable to a decrease in retained earnings in the amount 1,419 million yen due to dividends of surplus in the amount of 1,249 million yen and loss attributable to owners of parent in the amount of 170 million yen, in addition to an increase in capital surplus in the amount of 47 million yen due to the establishment of the Board Benefit Trust (BBT) and an increase in treasury shares in the amount of 48 million yen.

As a result, the ratio of equity to total assets at the end of the third quarter of fiscal 2017 was 67.3% (up 0.2 points compared to the end of the previous fiscal year).

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

The forecast for the consolidated results of operations in fiscal 2017 remains unchanged from the forecast announced on May 9, 2016.

2. Matters Concerning Summary Information (Notes)

(1) Changes in Significant Subsidiaries in the First Quarter of Fiscal 2017

Not applicable.

While not qualifying as a change in specified subsidiary, ZENRIN GEO INTELLIGENCE CO., LTD. (former JPS Marketing Ltd.) has been included in the scope of the Company's consolidation starting from the first quarter of fiscal 2017, due to the acquisition of its shares.

Abalta Technologies, Inc. and its subsidiary, Abalta Technologies EOOD have been included in the scope of consolidation starting from the second quarter of fiscal 2017, in conjunction with the acquisition of its shares

INFOTRACK TELEMATICS PTE.LTD. has been excluded from the Company's scope of consolidation and included in the scope of companies accounted for using the equity method, as at the end of the first quarter of fiscal 2017, in conjunction with the partial disposal of the said company's shares, while INFOTRACK TELEMATICS PRIVATE LIMITED, a subsidiary of the said company has also been excluded from the scope of consolidation.

Additionally, during the first quarter of fiscal 2017, the Company made equity investments for the establishment of Dynamic Map Planning Co, Ltd. (an affiliate not accounted for by the equity method).

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

Changes in accounting policy that are difficult to distinguish from changes in accounting estimates

Change in the depreciation method of property, plant and equipment

Previously the Company and its domestic consolidated subsidiaries had primarily adopted the declining-balance method in the depreciation of property, plant and equipment (excluding lease assets). However, starting from the first quarter of fiscal 2017, the Company and its domestic consolidated subsidiaries, have changed the method of depreciation to the straight-line method.

In recent years, the focus of the ZENRIN Group's core business has been shifting from the sales of printed materials such as residential maps to flat-rate services associated with map data distribution. Furthermore, with the development of map databases based on the integrated geospatial information system in the first quarter of fiscal 2017, more efficient production of map data has become possible.

In conjunction with these changes, the Company, upon examination of the status of usage of its non-current assets, concluded that going forward it expects to use its property, plant and equipment stably in the long-term throughout their useful lives and that allocating the depreciation of property, plant and equipment evenly over their useful lives would appropriately reflect the status of their use; and accordingly, determined that changing its depreciation method to the straight-line method would be the most reasonable course of action.

As a result, in the first 3 quarters of fiscal 2017, operating income improved by 91 million yen, and ordinary income and income before income taxes increased by 91 million yen, respectively, compared with the amounts calculated using the previous method.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheet

[Unit: million yen]

	Fiscal 2016 As of March 31, 2016	Third quarter of fiscal 2017 As of December 31, 2016
Assets		
Current assets		
Cash and deposits	5,105	4,709
Notes and accounts receivable – trade	12,806	8,967
Electronically recorded monetary claims – operating	68	47
Securities	3	—
Merchandise and finished goods	829	842
Work in process	318	1,061
Raw materials and supplies	83	70
Other	2,572	2,857
Allowance for doubtful accounts	(8)	(7)
Total current assets	21,777	18,548
Non-current assets		
Property, plant and equipment		
Land	6,744	6,743
Other, net	8,008	8,262
Total property, plant and equipment	14,753	15,005
Intangible assets		
Goodwill	860	1,551
Software	11,657	12,078
Other	2,708	1,892
Total intangible assets	15,226	15,522
Investments and other assets		
Other	8,174	8,409
Allowance for doubtful accounts	(120)	(106)
Total investments and other assets	8,053	8,302
Total non-current assets	38,032	38,830
Total assets	59,810	57,379

[Unit: million yen]

	Fiscal 2016 As of March 31, 2016	Third quarter of fiscal 2017 As of December 31, 2016
Liabilities		
Current liabilities		
Accounts payable – trade	2,875	1,464
Short-term loans payable	2,154	3,281
Income taxes payable	951	103
Provision for directors' bonuses	111	62
Provision for sales returns	4	3
Other	8,265	8,899
Total current liabilities	14,363	13,815
Non-current liabilities		
Long-term loans payable	1,344	735
Provision for directors' retirement benefits	132	132
Net defined benefit liability	237	234
Asset retirement obligations	36	36
Other	2,198	2,524
Total non-current liabilities	3,950	3,663
Total liabilities	18,314	17,478
Net assets		
Shareholders' equity		
Capital stock	6,557	6,557
Capital surplus	13,314	13,362
Retained earnings	21,537	20,117
Treasury shares	(2,013)	(2,062)
Total shareholders' equity	39,395	37,975
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	355	477
Foreign currency translation adjustment	(26)	(253)
Remeasurements of defined benefit plans	419	397
Total accumulated other comprehensive income	748	621
Non-controlling interests	1,352	1,303
Total net assets	41,496	39,900
Total liabilities and net assets	59,810	57,379

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

Quarterly Consolidated Statement of Income [cumulative]

[Unit: million yen]

	First 3 quarters of fiscal 2016 From: April 1, 2015 To: December 31, 2015	First 3 quarters of fiscal 2017 From: April 1, 2016 To: December 31, 2016
Net sales	36,975	37,647
Cost of sales	23,035	23,303
Gross profit	13,939	14,343
Selling, general and administrative expenses		
Personnel expenses	7,687	8,205
Provision for directors' bonuses	56	66
Retirement benefit expenses	190	205
Provision of allowance for doubtful accounts	—	7
Other	5,701	5,797
Total selling, general and administrative expenses	13,635	14,283
Operating income	304	59
Non-operating income		
Interest income	16	8
Dividend income	109	114
Share of profit of entities accounted for using equity method	100	1
Other	175	163
Total non-operating income	402	287
Non-operating expenses		
Interest expenses	25	26
Foreign exchange losses	—	19
Other	15	10
Total non-operating expenses	40	55
Ordinary income	665	291
Extraordinary income		
Gain on sales of non-current assets	0	1
Gain on sales of investment securities	6	10
Gain on change in equity	28	—
Other	3	—
Total extraordinary income	38	12
Extraordinary losses		
Loss on sales and retirement of non-current assets	38	102
Loss on valuation of investment securities	10	—
Other	0	4
Total extraordinary losses	49	106
Profit before income taxes	654	198
Income taxes – current	306	384
Income taxes – deferred	97	(1)
Total income taxes	404	383
Profit (loss)	250	(185)
Loss attributable to non-controlling interests	(19)	(15)
Profit (loss) attributable to owners of parent	269	(170)

Quarterly Consolidated Statement of Comprehensive Income [cumulative]

[Unit: million yen]

	First 3 quarters of fiscal 2016 From: April 1, 2015 To: December 31, 2015	First 3 quarters of fiscal 2017 From: April 1, 2016 To: December 31, 2016
Profit (loss)	250	(185)
Other comprehensive income		
Valuation difference on available-for-sale securities	141	121
Foreign currency translation adjustment	(57)	(274)
Remeasurements of defined benefit plans, net of tax	(31)	(22)
Share of other comprehensive income of entities accounted for using equity method	(32)	26
Total other comprehensive income	18	(149)
Comprehensive income	269	(334)
[Comprehensive income attributable to]		
Comprehensive income attributable to owners of parent	302	(297)
Comprehensive income attributable to non-controlling interests	(33)	(37)

(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.

[Reportable Segment Information]

Segment Information

I. First 3 Quarters of Fiscal 2016 (from April 1, 2015 to December 31, 2015)

(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	30,385	2,726	33,112	3,863	36,975
Intersegment net sales or transfers	59	254	313	41	355
Total	30,444	2,981	33,425	3,905	37,331
Segment income (loss)	160	(9)	151	84	235

[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 Statement of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

Income	Amount
Total for reportable segments	151
Income of "Other" item	84
Eliminations of intersegment transactions	68
Operating income on quarterly consolidated statement of income	304

II. First 3 Quarters of Fiscal 2017 (from April 1, 2016 to December 31, 2016)

(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	31,281	2,604	33,885	3,761	37,647
Intersegment net sales or transfers	73	274	347	177	524
Total	31,354	2,878	34,233	3,938	38,172
Segment income (loss)	(60)	(44)	(104)	100	(3)

[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 Statement of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

Income	Amount
Total for reportable segments	(104)
Income of “Other” item	100
Eliminations of intersegment transactions	63
Operating income on quarterly consolidated statement of income	59

(c) Changes to Reportable Segments and Other

Change in the Depreciation Method of Property, Plant and Equipment

As stated in “Changes in accounting policy that are difficult to distinguish from changes in accounting estimates,” previously, the Company and its domestic consolidated subsidiaries had primarily adopted the declining-balance method in the depreciation of property, plant and equipment (excluding lease assets). However, starting from the first quarter of fiscal 2017, the Company and its domestic consolidated subsidiaries, have changed the method of depreciation to the straight-line method.

As a result, in the first 3 quarters of fiscal 2017, segment loss improved by 81 million yen in the Map Database segment and by 8 million yen in the General Printing segment, and segment income increased by 1 million yen in the Other segment, compared with the amounts calculated using the previous method.

4. Supplementary Information

Sales Turnover based on Business Categories under the Medium- to Long-Term Business Plan ZGP2020

Business category	First 3 quarters of fiscal 2016	First 3 quarters of fiscal 2017	Amount of increase (decrease)	Rate of increase (decrease)	Main products
	million yen	million yen	million yen	%	
Publishing business	5,444	4,950	(494)	(9.1)	Printed residential maps, special-purpose maps, purchased products, and various media
GIS business	8,394	8,880	485	5.8	Residential map databases
ICT business	7,968	8,053	84	1.1	Services for smartphones, and map data provision for internet services
ITS business	7,581	8,585	1,003	13.2	Data for Japanese in-car navigation systems
Global business	2,065	1,860	(205)	(9.9)	Data for overseas in-car navigation systems, and various overseas content
Other business	5,520	5,318	(201)	(3.7)	General printing goods, direct mail delivery services, in-ship (enclosing in mail/packages) advertising, …etc.
Total	36,975	37,647	671	1.8	