

Financial Results

For the First Quarter of the Fiscal Year 2017 ending January 31, 2017

June 14, 2016

Balance Sheets (Consolidated)

	Thousands of Yen	
	<u>30 Apr., 2016</u>	<u>31 Jan., 2016</u>
Assets		
Current assets:		
Cash & Cash equivalents	2,493,143	1,984,469
Accounts receivable	138,842	124,457
Deferred tax assets	10,261	54,116
Income taxes receivable	124,660	168,179
Consumption taxes receivable	-	176,640
Other	80,558	247,261
Allowance for doubtful accounts	-	(33,285)
Total current assets	<u>2,847,465</u>	<u>2,721,840</u>
Noncurrent assets:		
Tangible fixed assets		
Buildings (net)	24,014	24,734
Tools, furniture and fixture (net)	23,294	24,706
Total tangible fixed assets	<u>47,309</u>	<u>49,441</u>
Intangible fixed assets		
Goodwill	478,100	486,637
Other	33,820	13,449
Total intangible assets	<u>511,920</u>	<u>500,087</u>
Investments and other assets		
Deferred tax assets	9,955	9,462
Other	35,918	34,084
Total investments and other assets	<u>45,873</u>	<u>43,546</u>
Total noncurrent assets	<u>605,103</u>	<u>593,075</u>
Total assets	<u>3,452,569</u>	<u>3,314,915</u>
Liabilities		
Current liabilities:		
Accounts payable	120,855	238,384
Deposits received	931,027	980,156
Provision for point card certificates	27,163	23,255
Other	96,034	24,818
Total current liabilities	<u>1,175,080</u>	<u>1,266,614</u>
Total liabilities	<u>1,175,080</u>	<u>1,266,614</u>
Net assets		
Shareholders' equity:		
Capital stock	381,903	381,903
Capital surplus	391,474	391,474
Retained earnings	1,946,275	1,686,846
Treasury stock	(415,380)	(415,380)
Total shareholders' equity	<u>2,304,272</u>	<u>2,044,843</u>
Accumulated other comprehensive income:		
Deferred gains or losses on hedges	(27,102)	3,131
Total Accumulated other comprehensive income	<u>(27,102)</u>	<u>3,131</u>
Subscription rights to shares	<u>318</u>	<u>326</u>
Total net assets	<u>2,277,488</u>	<u>2,048,301</u>
Total liabilities and net assets	<u>3,452,569</u>	<u>3,314,915</u>

Statements of Income (Consolidated)

	Thousands of Yen	
	Jan. - Apr., 2016	Jan. - Apr., 2015
Revenue	959,699	571,023
Cost of revenue	150,674	96,466
Gross profit	809,024	474,556
Selling, general and administrative expenses	380,887	204,680
Operating profit	428,137	269,875
Non-operating revenues:		
Interest income	124	218
Lecture and manuscript fee	-	194
Interest on refund	793	-
Other	4	61
Total non-operating revenues	922	474
Non-operating expenses:		
Foreign exchange losses	287	10
Equity in losses of affiliates	-	5,320
Miscellaneous loss	843	-
Total non-operating expenses	1,130	5,330
Ordinary profit	427,928	265,019
Extraordinary income:		
Gain on reversal of subscription rights to shares	8	-
Total extraordinary income	8	-
Extraordinary losses:		
Provision of allowance for doubtful accounts	32,404	-
Loss on change in equity	-	15,538
Total extraordinary losses	32,404	15,538
Net profit (loss) before taxes	395,532	249,480
Income tax, inhabitants tax and enterprise tax	77,816	95,357
Income tax adjustments	58,296	13,829
Total corporate taxes	136,112	109,187
Net profit (loss)	259,419	140,292
Profit (loss) attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	259,419	140,292

Statements of Comprehensive Income

	Thousands of Yen	
	Jan. - Apr., 2016	Jan. - Apr., 2015
Net profit (loss)	259,419	140,292
Other comprehensive income:		
Valuation difference on available-for-sale securities	-	4,752
Deferred gains or losses on hedges	(30,233)	1,698
Foreign currency translation adjustment	-	(11,870)
Other comprehensive income	(30,233)	(5,420)
Comprehensive income	229,186	134,872
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	229,186	134,872
Comprehensive income attributable to minority interests	-	-