

Financial Results

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

December 15, 2016

Balance Sheets (Consolidated)

	Thousands of Yen	
	31 Oct., 2016	31 Jan., 2016
Assets		
Current assets:		
Cash & Cash equivalents	2,981,640	1,984,469
Accounts receivable	156,253	124,457
Advance payments-trade	330,751	44,774
Deferred tax assets	48,267	54,116
Income taxes receivable	-	168,179
Consumption taxes receivable	-	176,640
Other	125,027	202,486
Allowance for doubtful accounts	(756)	(33,285)
Total current assets	3,641,184	2,721,840
Noncurrent assets:		
Tangible fixed assets		
Buildings (net)	23,285	24,734
Tools, furniture and fixture (net)	19,082	24,706
Total tangible fixed assets	42,368	49,441
Intangible fixed assets		
Goodwill	461,025	486,637
Other	27,853	13,449
Total intangible assets	488,878	500,087
Investments and other assets		
Stocks of subsidiaries and affiliates	22,650	-
Deferred tax assets	8,977	9,462
Other	35,009	34,084
Total investments and other assets	66,638	43,546
Total noncurrent assets	597,885	593,075
Total assets	4,239,069	3,314,915
Liabilities		
Current liabilities:		
Accounts payable	95,413	238,384
Deposits received	749,182	980,156
Provision for point card certificates	31,426	23,255
Income taxes payable	406,681	-
Other	146,054	24,818
Total current liabilities	1,428,758	1,266,614
Total liabilities	1,428,758	1,266,614
Net assets		
Shareholders' equity:		
Capital stock	381,903	381,903
Capital surplus	391,474	391,474
Retained earnings	2,479,603	1,686,846
Treasury stock	(415,380)	(415,380)
Total shareholders' equity	2,837,600	2,044,843
Accumulated other comprehensive income:		
Deferred gains or losses on hedges	(24,181)	3,131
Foreign currency translation adjustment	(3,426)	-
Total Accumulated other comprehensive income	(27,608)	3,131
Subscription rights to shares	318	326
Total net assets	2,810,310	2,048,301
Total liabilities and net assets	4,239,069	3,314,915

Statements of Income (Consolidated)

	Thousands of Yen	
	Feb. - Oct., 2016	Feb. - Oct., 2015
Revenue	2,885,493	1,888,328
Cost of revenue	456,895	318,399
Gross profit	2,428,597	1,569,929
Selling, general and administrative expenses	1,215,212	1,434,836
Operating profit	1,213,385	135,092
Non-operating revenues:		
Interest income	561	1,188
Foreign exchange gains	-	649
Interest on refund	3,151	-
Other	87	285
Total non-operating revenues	3,801	2,123
Non-operating expenses:		
Foreign exchange losses	695	-
Equity in losses of affiliates	6,218	5,320
Miscellaneous loss	926	-
Total non-operating expenses	7,841	5,320
Ordinary profit	1,209,344	131,895
Extraordinary income:		
Gain on reversal of subscription rights to shares	8	-
Gain on change in equity	28,294	-
Total extraordinary income	28,302	-
Extraordinary losses:		
Provision of allowance for doubtful accounts	32,404	-
Loss on valuation of investment securities	-	123,097
Other	-	2,369
Total extraordinary losses	32,404	125,467
Net profit (loss) before taxes	1,205,242	6,428
Income tax, inhabitants tax and enterprise tax	393,350	12,838
Income tax adjustments	19,145	28,445
Total corporate taxes	412,495	41,283
Net profit (loss)	792,747	(34,855)
Profit (loss) attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	792,747	(34,855)

Statements of Comprehensive Income

	Thousands of Yen	
	Feb. - Oct., 2016	Feb. - Oct., 2015
Net profit (loss)	792,747	(34,855)
Other comprehensive income:		
Valuation difference on available-for-sale securities	-	(31,714)
Deferred gains or losses on hedges	(27,313)	1,636
Foreign currency translation adjustment	(3,426)	(188)
Other comprehensive income	(30,739)	(30,267)
Comprehensive income	762,008	(65,122)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	762,008	(65,122)
Comprehensive income attributable to minority interests	-	-