

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended December 31, 2015	-	0.00	-	35.00	35.00	111	39.0	10.3
Fiscal year ended December 31, 2016	-	0.00	-	42.00	42.00	136	37.5	10.2
Year ending December 31, 2017 (forecast)	-	0.00	-	50.00	50.00		38.4	

3. Consolidated forecasts for the fiscal year ending December 31, 2017 (January 1,2017-December 31,2017)

(Percentage figures compare current results with those of the same period of the previous year)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending June 30,2017	794	17.0	278	18.9	282	37.4	195	39.4	58.80
Year ending December 31,2017	1,673	16.8	620	19.5	620	21.4	430	19.9	129.98

* Note

(1) Change of material subsidiaries during the period : None

(2) Changes in accounting policies, changes in accounting estimates and restatements

- (a) Changes in accounting policies in accordance with changes in accounting standards, etc. : Yes
- (b) Voluntary changes in accounting policies : None
- (c) Changes in accounting estimates : None
- (d) Restatement : None

(3) Number of issued shares (common stock)

(a) Number of issued shares (including treasury shares):

As of December 31,2016	3,260,600shares	As of December 31,2015	3,181,800shares
As of December 31,2016	48shares	As of December 31,2015	27shares
Fiscal year ended December 31,2016	3,201,013shares	Fiscal year ended December 31,2015	3,159,047shares

(b) Number of treasury shares

(c) Average outstanding shares

(Reference) Summary of financial information on a non-consolidated basis

1. Non-consolidated financial results (January 1, 2016 – December 31, 2016)

(1) Results of operation

(Percentage figures compare current results with those of the same period of the previous year)

	Net Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended December 31, 2016	1,341	16.4	474	23.8	480	16.2	340	21.6
Fiscal year ended December 31, 2015	1,152	18.9	383	27.6	413	31.7	279	40.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2016	106.28	103.81
Fiscal year ended December 31, 2015	88.56	85.15

(2) Financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2016	1,979	1,405	71.0	430.94
As of December 31, 2015	1,655	1,124	67.9	353.44

(Reference) Shareholder's Equity: As of December 31, 2016 1,405 Million yen As of December 31, 2015 1,124 Million yen

*Implementation status of audit procedure

This report are outside the scope of audit procedures based on the Financial Instruments and Exchange Law, and audit procedure for consolidated financial statements and financial statements has not been completed as of the date of disclosure of this report.

*Explanation regarding the appropriate use of forecasts, and other special note

The earnings forecasts are based on certain assumptions that the Company deemed reasonable by the information currently available. Actual results may differ significantly due to a wide range of factors.

This report is an English translation of a statement written initially in Japanese for reference purpose only.

In the event of any discrepancy between English version and the Japanese original, the original shall prevail.

1 【Consolidated financial statements】

(1) 【Consolidated balance sheet】

(Unit : thousand yen)

	FY2015 As of Dec.31, 2015	FY2016 As of Dec.31, 2016
Assets		
Current asset		
Cash and deposits	1,359,336	1,738,766
Accounts receivable-trade	25,670	55,129
Work in process	3,275	54
Prepaid expenses	11,136	10,744
Deferred tax assets	8,471	8,606
Other	2,349	1,820
Allowance for doubtful accounts	(621)	(1,709)
Total current assets	1,409,619	1,813,412
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	40,725	40,727
Accumulated depreciation	(11,205)	(13,033)
Buildings and structures, net	29,519	27,694
Land	5,634	5,634
Construction in progress	-	232
Other	21,887	26,366
Accumulated depreciation	(17,340)	(19,845)
Other, net	4,547	6,521
Total property, plant and equipment	39,701	40,082
Intangible assets		
Software	4,294	70,046
Software in progress	35,532	-
Total intangible asset	39,826	70,046
Investments and other assets		
Investment securities	253,290	161,818
Lease deposits	32,799	31,145
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,183	1,081
Deferred tax assets	-	1,177
Long-term prepaid expenses	87	-
Allowance for doubtful accounts	(1,183)	(952)
Investments and other assets total	286,177	194,269
Total noncurrent assets	365,705	304,398
Total assets	1,775,325	2,117,811

(Unit : thousand yen)

	FY2015 As of Dec.31, 2015	FY2016 As of Dec.31, 2016
Liabilities		
Current liabilities		
Accounts payable-trade	2,017	4,564
Accounts payable-other	13,604	20,897
Accrued expenses	22,499	25,792
Income taxes payable	78,225	78,930
Accrued consumption taxes	24,205	17,145
Advances received	428,670	476,944
Deposits received	8,720	10,305
Provision for bonuses	6,853	7,752
Accounts payable-facilities	9,720	5,400
Total current liabilities	594,516	647,732
Noncurrent liabilities		
Deferred tax liabilities	2,042	-
Total noncurrent liabilities	2,042	-
Total liabilities	596,559	647,732
Net assets		
Shareholders' equity		
Capital stock	323,864	354,071
Capital surplus	241,670	271,878
Retained earnings	598,343	845,471
Treasury shares	(74)	(138)
Total shareholders' equity	1,163,804	1,471,283
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,039	(5,630)
Foreign currency translation adjustment	11,921	4,426
Total accumulated other comprehensive income	14,961	(1,204)
Total net assets	1,178,766	1,470,078
Total liabilities and net assets	1,775,325	2,117,811

(2) Consolidated statement of income and consolidated statement of comprehensive income

【 Consolidated statement of income 】

For the fiscal year ended December 31, 2015 and 2016

(Unit : thousand yen)

	Fiscal year ended December 31, 2015 From Jan.1 to Dec. 31,2015	Fiscal year ended December 31, 2016 From Jan.1 to Dec. 31,2016
Net sales	1,232,449	1,432,149
Cost of sales	346,518	404,652
Gross profit	885,930	1,027,496
Selling, general and administrative expenses		
Promotion expenses	6,321	7,141
Sales commission	17,162	4,815
Advertising expenses	8,700	7,207
Directors' compensations	40,935	44,079
Salaries and allowances	213,754	236,997
Provision for bonuses	3,451	4,439
Retirement benefit expenses	3,091	3,930
Legal welfare expenses	37,338	36,644
Depreciation	5,088	5,555
Provision of allowance for doubtful accounts	594	1,555
Rent expenses	37,531	30,388
Other	95,346	126,049
Total selling, general and administrative expenses	469,316	508,803
Operating income	416,613	518,692
Non-operating income		
Gain on sales of investment securities	-	12,484
Interest income	1,404	962
Dividend income	7,730	7,802
Other	1,029	888
Total non-operating income	10,164	22,139
Non-operating expenses		
Foreign exchange losses	3,037	30,020
Commission fee	-	245
Other	-	3
Total non-operating expenses	3,037	30,270
Ordinary income	423,740	510,561
Income before income taxes	423,740	510,561
Income taxes - current	140,796	151,494
Income taxes - deferred	(699)	577
Total income taxes	140,097	152,072
Profit	283,643	358,489
Profit attribute to owners of parent	283,643	358,489

【Consolidated statement of comprehensive income】
For the fiscal year ended December 31, 2015 and 2016

	(Unit : thousand yen)	
	For the fiscal year ended December 31,2015 From Jan. 1 to Dec. 31, 2015	For the fiscal year ended December 31,2016 From Jan. 1 to Dec. 31, 2016
Profit	283,643	358,489
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,389)	(8,670)
Foreign currency translation adjustment	(1,927)	(7,495)
Total other comprehensive income	(7,316)	(16,165)
Total comprehensive income	276,326	342,324
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	276,326	342,324
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated statement of change in equity

For the fiscal year ended December 31, 2015 and 2016

The previous fiscal year (From January 1 to December 31, 2015)

(unit : thousand yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of current period	314,301	232,108	402,530	-	948,940	8,428	13,849	22,278	971,219
changes of items during period									
Issuance of new shares	9,562	9,562			19,125				19,125
Dividends of surplus			(87,830)		(87,830)				(87,830)
Profit attribute to owners of parent			283,643		283,643				283,643
Purchase of treasury shares				(74)	(74)				(74)
Net changes of items other than shareholders' equity						(5,389)	(1,927)	(7,316)	(7,316)
Total changes of items during period	9,562	9,562	195,812	(74)	214,863	(5,389)	(1,927)	(7,316)	207,547
Balance at end of current period	323,864	241,670	598,343	(74)	1,163,804	3,039	11,921	14,961	1,178,766

The current fiscal year (From January 1 to December 31, 2016)

(unit : thousand yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of current period	323,864	241,670	598,343	(74)	1,163,804	3,039	11,921	14,961	1,178,766
changes of items during period									
Issuance of new shares	30,207	30,207			60,415				60,415
Dividends of surplus			(111,362)		(111,362)				(111,362)
Profit attribute to owners of parent			358,489		358,489				358,489
Purchase of treasury shares				(64)	(64)				(64)
Net changes of items other than shareholders' equity						(8,670)	(7,495)	(16,165)	(16,165)
Total changes of items during period	30,207	30,207	247,127	(64)	307,478	(8,670)	(7,495)	(16,165)	291,312
Balance at end of current period	354,071	271,878	845,471	(138)	1,471,283	(5,630)	4,426	(1,204)	1,470,078

(4) Consolidated statement of cash flows

【Consolidated statement of cash flows】

For the fiscal year ended December 31, 2015 and 2016

(Unit : thousand yen)

	Fiscal year ended December 31, 2015 From Jan.1 to Dec. 31,2015	Fiscal year ended December 31, 2016 From Jan.1 to Dec. 31,2016
Cash flows from operating activities		
Income before income taxes	423,740	510,561
Depreciation	13,382	15,500
Increase (decrease) in allowance for doubtful accounts	416	857
Increase (decrease) in provision for bonuses	744	899
Interest and dividend income	(9,134)	(8,765)
Foreign exchange losses (gains)	1,663	26,005
Decrease (increase) in notes and accounts receivable - trade	(4,844)	(29,911)
Loss (gain) on sales of short-term and long-term investment securities	-	(12,484)
Increase (decrease) in accounts payable - other	(15,670)	12,675
Increase (decrease) in accrued consumption taxes	10,064	(7,176)
Increase (decrease) in advances received	75,291	53,759
Other, net	2,826	19,047
Subtotal	498,480	580,968
Interest and dividend income received	7,621	8,720
Income taxes paid	(141,246)	(153,787)
Net cash provided by (used in) operating activities	364,855	435,901
Cash flows from investing activities		
Payments into time deposits	(100,000)	-
Proceeds from withdrawal of time deposits	100,000	-
Proceeds from sales of investment securities	-	112,453
Purchase of property, plant and equipment	(6,276)	(5,280)
Purchase of intangible assets	(25,845)	(52,676)
Purchase of long-term investment securities	(148,833)	(21,100)
Payments for lease deposits	(1,395)	-
Collection of lease deposits	63	244
Net cash provided by (used in) investing activities	(182,287)	33,642
Cash flows from financing activities		
Proceeds from issuance of common shares	19,125	60,415
Purchase of treasury shares	(74)	(64)
Cash dividends paid	(87,422)	(111,237)
Net cash provided by (used in) financing activities	(68,371)	(50,886)
Effect of exchange rate change on cash and cash equivalents	(5,123)	(39,227)
Net increase (decrease) in cash and cash equivalents	109,072	379,429
Cash and cash equivalents at the beginning of the year	1,250,263	1,359,336
Cash and cash equivalents at the end of the year	1,359,336	1,738,766