Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2016 (Japanese Accounting Standards)

November 10, 2015

Company Name: Accordia Golf Co., Ltd.
Listing Exchanges: First section of the Tokyo Stock Exchange
Securities Code: 2131
URL: http://www.accordiagolf.co.jp/english
Representative: (Title) President & CEO (Name) Ryusuke Kamata
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Planned Submission Date for the Quarterly Report: November 13, 2015
Planned Starting Date for Dividend Payments: —
Supplementary documents for quarterly results: YES
Quarterly results briefing: YES (for analysts and institutional investors)

(Rounded down to nearest million yen)

1. Consolidated Performance for the First Half of the Fiscal Year Ending March 31, 2016 (April 1, 2015 – September 30, 2015)

(1) Consolidated Operating Performance (Cumulative) (% indicates year-on-year change)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Yen millions	%	Yen millions	%	Yen millions	%	Yen millions	%
FY 3/2016 H1	25,030	(39.4)	3,458	(29.0)	3,811	416.4	2,507	(37.2)
FY 3/2015 H1	41,319	(15.6)	4,870	(33.5)	738	(88.4)	3,990	27.5

(Note) Comprehensive Income FY 3/2016 H1: 2,498 million yen (-36.2%) FY 3/2015 H1: 3,918 million yen (25.1%)

	Net Income per Share	Fully-Diluted Net Income per Share
	Yen	Yen
FY 3/2016 H1	35.55	–
FY 3/2015 H1	40.97	–

(Notes) Fully-diluted net income per share for the first half of the fiscal year ended March 31, 2015 as well as the first half of the fiscal year ending March 31, 2016 are not presented as there are no dilutive potential shares.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Yen millions	Yen millions	%
FY 3/2016 H1	150,825	47,116	31.1
FY 3/2015	157,775	47,162	29.7

(Reference) Shareholders' Equity FY 3/2016 H1: 46,862 million yen FY 3/2015: 46,902 million yen

2. Dividends

	Dividends per Share				
(Record Date)	End of Q1	End of Q2	End of Q3	Fiscal Year End	Annual
	Yen	Yen	Yen	Yen	Yen
FY 3/2015	–	5.00	–	36.00	41.00
FY 3/2016	–	–			
FY 3/2016 (Forecast)			–	36.00	36.00

(Note) Revisions to dividend forecasts published most recently: NO

3. Forecasts for Consolidated Performance for the Fiscal Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(% indicates year-on-year change)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Yen millions	%	Yen millions	%	Yen millions	%	Yen millions	%	Yen
Full Year	47,800	(25.2)	7,400	1.0	6,900	95.1	4,100	(31.8)	58.15

(Note) Revisions to performance forecasts published most recently: NO

* Notes

(1) Changes in significant subsidiaries during the term under review (changes in subsidiaries via share exchange causing a change in the scope of consolidation): NO

New: -- company (company name:)

Eliminated: -- company (company name:)

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements: NO

(3) Changes in accounting policies and changes or restatement of accounting estimates

(i)	Changes in accounting policies associated with the revision of accounting standards, etc.:	Yes
(ii)	Changes in accounting policies other than (i):	NO
(iii)	Changes in accounting estimates:	NO
(iv)	Restatement:	NO

(4) Number of shares issued (common shares)

(i)	Shares Outstanding (incl. treasury shares):	End of FY 3/2016 H1	84,739,000 shares
		End of FY 3/2015	84,739,000 shares
(ii)	Treasury Shares:	End of FY 3/2016 H1	14,234,433 shares
		End of FY 3/2015	14,234,378 shares
(iii)	Average Number of Shares Outstanding (cumulative of consolidated quarters)	End of FY 3/2016 H1	70,504,604 shares
		End of FY 3/2015 H1	97,378,343 shares

(Note) The Company cancelled 20,659,700 treasury shares in accordance with the provision of Article 178 of the Companies Act based on the resolution of a meeting of the Board of Directors, which was held on November 10, 2014. Chiefly for this reason, the average number of shares outstanding decreased 26,873,739 shares from the same period of the previous fiscal year to 70,504,604 shares.

* Explanation about the quarterly review of consolidated financial statements

This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. The quarterly consolidated financial statements under the Financial Instruments and Exchange Act have not been reviewed at the time of the announcement of this financial summary.

* Explanation on proper use of earnings forecasts and other noteworthy items

(1) The forecasts provided above have been prepared based on currently available information, and includes many uncertainties. Actual results may differ significantly from the above forecasts for various reasons.

For details, please refer to “1. (3) Information on future forecast including consolidated earnings forecast” of the accompanying materials.

○ Accompanying Materials – Contents

Accompanying Materials

1. Qualitative Information on Consolidated Results, etc. for the First Half Ended September 30, 2015

(1) Qualitative information on consolidated results

During the first half of the fiscal year under review, the Japanese economy underwent a sustained recovery at a moderate pace on the back of the monetary easing policies and economic stimulus measures known as “Abenomics.” However, the trend in consumption growth was sluggish due to rising product prices associated with the impact of the weak yen.

In the golf industry, in which the Accordia Golf group operates, demand for golfing remained generally stable despite the impact of inclement weather, such as typhoons and torrential rain.

In these circumstances, the Accordia Golf group, while taking steps to increase the number of rounds played to facilities operated, pursued the basic strategies adopted in the new Medium-Term Management Plan (Accordia Vision 2017), whose final year is fiscal 2017 (“creation of capital gains based on a circulating business model” and “creation of stable cash flows from expanded outsourced management business”), and implemented the following management policies.

Golf Course Management Business

In addition to stepping up efforts to offer customers valuable products and services at reasonable prices, as a result of measures taken to attract customers through the introduction of a golf course brand and an original royalty program and coordination with driving ranges, the number of rounds played to the Group’s golf courses (owned or managed under contract by the Group) totaled 4.45 million (an increase of 80,000 compared to the same period last year) for the first half of the fiscal year under review. As of the end of the first half of the fiscal year under review, the Group operated 137 golf courses (44 courses owned by the Group and 93 courses managed under contract for operations), in addition to sponsoring one golf course in Chiba prefecture.

Driving Range Operation Business

While the number of domestic driving ranges continued to decrease, golfing demand is strong, and each of the Group’s driving ranges aim to become the top driving range in its area through the enhancement of its services, such as by providing a satisfying practice environment and coordinating with each other on attracting customers to golf courses. As of the end of the first half of the fiscal year under review, the Group operated 26 driving ranges, which includes an acquisition of one driving range (Chiba prefecture).

Business trust-based asset-light strategy

The Company is continuing efforts to improve the revenue of its golf courses to further improve its asset efficiency, and is making intensive preparations for additional asset-light strategies for golf courses with confirmed stable profitability.

As a result, operating revenue for the first half of the fiscal year under review decreased 16,289,451,000 yen (39.4%) from the same period of the previous fiscal year (hereinafter “year on year”) to 25,030,225,000 yen, with the main factor being the implementation of the business trust-based asset-light strategy in August 2014 in which the Group transferred the operation of 90 golf courses under its ownership. While affected by this decline in operating revenue, operating income decreased 1,412,202,000 yen (29.0%) year on year to 3,458,539,000 yen, resulting from a decrease in operating expenses following the transfer of the operation of 90 golf courses and Group-wide cost-reduction efforts.

Ordinary income increased 3,073,097,000 yen (416.4%) year on year to 3,811,196,000 yen, driven by the loss of 2,158,768,000 yen in equity in earnings of affiliates from AG Trust, etc. that occurred in the first half of the previous fiscal year turning into investment gains of 866,086,000 yen in the first half of the fiscal year under review.

Profit attributable to owners of the parent decreased 1,483,177,000 yen (37.2%) year on year to 2,507,114,000 yen mainly due to the absence of 6,180,783,000 yen in gains posted in the first half of the previous fiscal year resulting from a transfer of shares of a subsidiary that owned 90 golf courses covered by AG Assets as well as due to a decline of 1,321,072,000 yen in total income taxes.

(2) Qualitative information on consolidated financial position

(Assets)

Total assets at the end of the first half decreased 6,949,518,000 yen from the end of the previous fiscal year to 150,825,829,000 yen. The main factor behind the decline was a 7,009,944,000 yen fall in income taxes receivable included in the Other category under current assets as a result of a refund in income taxes.

(Liabilities)

Total liabilities decreased 6,903,902,000 yen from the end of the previous fiscal year to 103,708,889,000 yen. The main factor behind the fall was that short-term loans payable, the current portion of long-term loans payable as well as long-term loans payable resulted in a total decline of 5,740,952,000 yen due to loan repayment.

(Net assets)

Total net assets decreased 45,615,000 yen from the end of the previous fiscal year to 47,116,939,000 yen. The main factor behind the decrease was a 31,051,000 yen decrease in retained earnings after offsetting 2,507,114,000 yen of quarterly profit attributable to owners of the parent against 2,538,166,000 yen of dividend payments from retained earnings.

(Cash flows)

Cash and cash equivalents (hereinafter "cash") at the end of the first half decreased 1,780,088,000 yen from the end of the first half of the previous fiscal year to 4,139,443,000 yen.

Cash flow by the type of activities is as shown below.

(Cash flow from operating activities)

Cash used in operating activities during the first half under review stood at 9,545,942,000 yen, showing an increase of 20,460,605,000 yen from the same period of the previous year, when cash provided by operating activities was 10,914,662,000 yen. Major factors behind the increase was the 7,261,153,000 yen from income tax refund in the first half under review resulting mainly from the transfer of the business that operated 90 golf courses under its ownership that was implemented under the asset-light strategy, despite the decline of 2,815,723,000 yen in income before income taxes.

(Cash flow from investing activities)

Cash provided by investing activities during the first half under review stood at 231,839,000 yen, showing a decrease of 85,583,504,000 yen from the same period of the previous year, when cash used in investing activities was 85,351,664,000 yen. Major factors behind the decrease was the absence of proceeds of 87,648,314,000 yen that was posted during the first half of the previous year from sales of shares of subsidiaries resulting in change in scope of consolidation, chiefly attributable to the asset-light strategy.

(Cash flow from financing activities)

Cash used in financing activities during the first half under review decreased 64,452,607,000 yen, to 8,659,702,000 yen compared to the same period of the previous fiscal year. Major factors for the decrease were a decline of 45,000,127,000 yen in the purchase of treasury shares, the absence of redemption of bonds, which totaled 15,000,000,000 yen in the first half in the previous fiscal year, and an increase of 10,444,000,000 yen in the net increase (decrease) in short-term loans payable.

(3) Information on future forecast including consolidated earnings forecast

The results for the first half under review were almost in line with the plan shown in the Notice of Revisions to Earnings Forecast, which was announced on May 13, 2015, and no changes were made to the consolidated earnings forecast.

2. Matters Relating to Summary Information (Notes)

(1) Changes in significant subsidiaries during the quarter under review

N/A

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements

N/A

(3) Changes in accounting policies and changes or restatement of accounting estimates

(Changes in accounting policies)

(Application of the Accounting Standard for Business Combination and other standards)

The Accounting Standard for Business Combination (ASBJ Statement No. 21; September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22; September 13, 2013), the Accounting Standard for Business Divestitures (ASBJ Statement No.7; September 13, 2013), and other standards have been applied from the first quarter of the consolidated fiscal year under review. The differences caused by changes in the Company's holdings in subsidiaries that continue to be in its control are recorded as capital surplus, and expenses related to acquisition are now recorded as expenses for the consolidated fiscal year in which the acquisition took place. In regards to the business combination conducted after the beginning of the first quarter of the consolidated fiscal year under review, revisions to the purchase price allocation following the determination of provisional accounting methods are now reflected in the quarterly financial statements for the quarter of the consolidated fiscal year in which the business combination occurred. In addition, the quarterly net income and other statements have been changed accordingly, and minority interest has been changed to non-controlling interests. To reflect these changes, the financial statements for the second quarter of the previous consolidated fiscal year and the previous consolidated fiscal year have been revised.

Starting from the consolidated quarterly statement of cash flows for the first quarter of the current consolidated fiscal year, cash flows related to the acquisition/sale of shares in subsidiaries that do not cause a change in the scope of consolidation are shown in Cash Flows from Financing Activities, while cash flows related to expenses associated with the acquisition of shares in subsidiaries that result in a change in the scope of consolidation or expenses associated with the acquisition/sale of shares in subsidiaries that do not cause a change in the scope of consolidation are shown in Cash Flows from Operating Activities.

The application of the Accounting Standard for Business Combination and other standards follow the transitional treatment stated in paragraph 58-2 (4) of the Accounting Standard for Business Combination, paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements, and paragraph 57-4 (4) of the Accounting Standard for Business Divestitures. The standards are applied from the start of the first quarter of the consolidated fiscal year under review and onwards.

This change has no impact on the consolidated financial statements of the first half under review.

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheet

(Thousand yen)

	Previous Consolidated Fiscal Year (As of March 31, 2015)	As of September 30, 2016
Assets		
Current Assets		
Cash and Deposits	3,485,043	4,139,443
Operating Accounts Receivable	2,380,316	2,375,521
Merchandise	1,971,423	1,878,407
Raw Materials and Supplies	121,127	146,372
Other	9,385,782	2,652,903
Allowance for Doubtful Accounts	(165,794)	(165,468)
Total Current Assets	17,177,898	11,027,178
Non-Current Assets		
Property, Plant and Equipment		
Buildings and Structures, Net	20,646,058	20,566,830
Golf Courses	42,716,094	42,842,317
Land	28,534,208	28,907,931
Other, Net	4,390,771	5,002,054
Total Property, Plant and Equipment	96,287,132	97,319,134
Intangible Assets		
Goodwill	8,930,923	8,304,233
Other	2,707,232	2,551,301
Total Intangible Assets	11,638,156	10,855,535
Investments and Other Assets		
Investment Securities	21,654,803	20,877,073
Long-Term Loans Receivable	542,428	539,428
Other	10,768,284	10,500,455
Allowance for Doubtful Accounts	(293,356)	(292,976)
Total Investments and Other Assets	32,672,159	31,623,980
Total Non-Current Assets	140,597,448	139,798,650
Total Assets	157,775,347	150,825,829

(Thousand yen)

	Previous Consolidated Fiscal Year (As of March 31, 2015)	As of September 30, 2016
Liabilities		
Current Liabilities		
Accounts Payable – Trade	1,626,977	1,969,896
Short-Term Loans Payable	500,000	3,340,000
Commercial Papers	4,998,002	4,998,089
Current Portion of Long-Term Loans Payable	12,410,304	21,497,004
Income Taxes Payable	1,780,077	1,659,807
Provision	1,332,350	1,549,675
Other	8,117,409	6,495,189
Total Current Liabilities	30,765,122	41,509,663
Non-Current Liabilities		
Long-Term Loans Payable	53,132,256	35,464,604
Deposits on Admission	9,522,968	9,353,865
Other	17,192,445	17,380,757
Total Non-Current Liabilities	79,847,670	62,199,226
Total Liabilities	110,612,792	103,708,889
Net Assets		
Shareholders' Equity		
Capital Stock	10,940,982	10,940,982
Capital Surplus	14,122,481	14,122,481
Retained Earnings	41,847,460	41,816,408
Treasury Shares	(19,928,107)	(19,928,179)
Total Shareholders' Equity	46,982,817	46,951,693
Other Cumulative Comprehensive Income		
Deferred Gains or Losses on Hedges	(81,638)	(84,315)
Foreign Currency Translation Adjustment	1,772	(5,268)
Total Other Cumulative Comprehensive Income	(79,866)	(89,584)
Subscription Rights to Shares	140,424	140,424
Non-Controlling Interests	119,178	114,404
Total Net Assets	47,162,554	47,116,939
Total Liabilities and Net Assets	157,775,347	150,825,829

(2) Consolidated quarterly statements of income and comprehensive income

(Consolidated statement of income for the first half)

(Thousand yen)

	First Half of the Fiscal Year Ended March 31, 2015 (From April 1, 2014 to September 30, 2014)	First Half of the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to September 30, 2015)
Operating Revenue	41,319,676	25,030,225
Operating Expenses		
Business Expenses	33,192,977	19,658,577
Selling, General, and Administrative Expenses	3,255,956	1,913,108
Total Operating Expenses	36,448,933	21,571,685
Operating Income	4,870,742	3,458,539
Non-Operating Income		
Interest Income	7,351	8,556
Equity in Earnings of Affiliates	–	866,086
Rent Income	31,260	51,889
Dues and Other Incentive Payments	30,320	11,518
Other	46,121	81,920
Total Non-Operating Income	115,053	1,019,971
Non-Operating Expenses		
Interest Expense	734,042	609,015
Equity in Losses of Affiliates	2,158,768	–
Syndicated Loan Fees	796,250	8,500
Other	558,634	49,799
Total Non-Operating Expenses	4,247,696	667,315
Ordinary Income	738,098	3,811,196
Extraordinary Income		
Gain on Sale of Non-Current Assets	3,781	2,514
Gain on Insurance Adjustment	108,445	1,354
Gain on Negative Goodwill	–	19,535
Gain on Sales of Shares of Subsidiaries and Associates	6,180,783	–
Compensation Income	123,015	33,537
Gain on Forgiveness of Debts	34,403	570
Gain on Transfer of Rights	–	562,297
Total Extraordinary Income	6,450,428	619,809
Extraordinary Losses		
Loss on Sale and Retirement of Non-Current Assets	26,008	24,059
Impairment Loss	–	115,239
Loss on Disaster	95,136	3,936
Compensation Expenses	–	36,110
Total Extraordinary Losses	121,144	179,345
Income before Income Taxes	7,067,383	4,251,660
Income Taxes - Current	6,498,797	1,539,020
Income Taxes - Deferred	(3,434,466)	204,238
Total Income Taxes	3,064,330	1,743,258
Net Income	4,003,052	2,508,401
Profit (Loss) Attributable to Non-Controlling Interests	12,760	1,287
Profit Attributable to Owners of Parent	3,990,292	2,507,114

(Consolidated statement of comprehensive income for the first half) (Thousand yen)

	First Half of the Fiscal Year Ended March 31, 2015 (From April 1, 2014 to September 30, 2014)	First Half of the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to September 30, 2015)
Net Income	4,003,052	2,508,401
Other Comprehensive Income		
Share of Other Comprehensive Income of Entities Accounted for Using Equity Method	(84,983)	(9,717)
Total Other Comprehensive Income	(84,983)	(9,717)
Comprehensive Income	3,918,068	2,498,683
Comprehensive Income Attributable to		
Comprehensive Income Attributable to Owners of Parent	3,905,308	2,497,396
Comprehensive Income Attributable to Minority Interests	12,760	1,287

(3) Consolidated quarterly statement of cash flows

(Thousand yen)

	First Half of the Fiscal Year Ended March 31, 2015 (From April 1, 2014 to September 30, 2014)	First Half of the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to September 30, 2015)
Cash Flows from Operating Activities		
Net Income before Taxes	7,067,383	4,251,660
Depreciation	2,347,446	1,455,523
Impairment Loss	1,074,288	626,552
Amortization of Goodwill	–	115,239
Increase (Decrease) in Allowance for Doubtful Accounts	(12,688)	(704)
Increase (Decrease) in Provision for Bonuses	(111,646)	(15,755)
Increase (Decrease) in Provision for Point Card Certificates	(78,668)	(128,231)
Increase (Decrease) in Provision for Shareholder Benefit Program	304,979	360,613
Interest Income	(7,351)	(8,556)
Interest Expenses	734,042	609,015
Share of (Profit) Loss of Entities Accounted for Using Equity Method	2,158,768	(866,086)
Loss (Gain) on Sales and Retirement of Non-Current Assets	22,227	21,545
Loss (Gain) on Sales of Shares of Subsidiaries and Associates	(6,180,783)	–
Gain on Negative Goodwill	–	(19,535)
Gain on Transfer of Rights	–	(562,297)
Decrease (Increase) in Notes and Accounts Receivable - Trade	(7,339)	4,795
Increase (Decrease) in Notes and Accounts Payable - Trade	760,031	342,918
Increase (Decrease) in Accounts Payable - Other	(2,343,834)	(928,521)
Increase (Decrease) in Unearned Revenue	(2,375,725)	(879,987)
Other	(894,087)	407,404
Subtotal	2,457,042	4,785,592
Interest Income Received	1,127	14,201
Interest Expenses Paid	(744,873)	(602,885)
Income Taxes Paid	(12,627,958)	5,349,034
Net Cash Provided by (Used in) Operating Activities	(10,914,662)	9,545,942
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(1,629,554)	(1,329,286)
Proceeds from Sales of Property, Plant and Equipment	46,191	20,292
Purchase of Intangible Assets	(67,800)	(62,959)
Purchase of Shares of Subsidiaries	(150,000)	–
Purchase of Shares of Subsidiaries Resulting in Change in Scope of Consolidation	–	(702,934)
Proceeds from Sales of Shares of Subsidiaries Resulting in Change in Scope of Consolidation	87,648,314	–
Proceeds from Share of Profits on Investments in Capital	–	1,634,097
Decrease (Increase) in Short-Term Loans Receivable	1,387	(59,740)
Payments of Long-Term Loans Receivable	(500,000)	–
Proceeds from Transfer of Rights	–	562,297
Other	(9,357)	(293,605)
Net Cash Provided by (Used in) Investing Activities	85,351,664	(231,839)

(Thousand yen)

	First Half of the Fiscal Year Ended March 31, 2014 (From April 1, 2013 to September 30, 2013)	First Half of the Fiscal Year Ending March 31, 2015 (From April 1, 2014 to September 30, 2014)
Cash Flows from Financing Activities		
Net Increase (Decrease) in Short-Term Loans Payable	(7,604,000)	2,840,000
Net Increase (Decrease) in Commercial Papers	1,984,348	(15,978)
Proceeds from Long-Term Loans Payable	58,500,000	700,000
Repayments of Long-Term Loans Payable	(61,920,957)	(9,280,952)
Redemption of Bonds	(15,000,000)	–
Purchase of Treasury Shares	(45,000,200)	(72)
Cash Dividends Paid	(5,727,436)	(2,535,317)
Repayments of Finance Lease Obligations	(793,103)	(897,290)
Proceeds from Sale and Leasebacks	2,393,047	595,090
Dividends Paid to Non-Controlling Interests	(26,496)	(6,060)
Repayments of Long-Term Deposits Received	(57,936)	(59,121)
Proceeds from Issuance of Subscription Rights to Shares	140,424	–
Net Cash Provided by (Used in) Financing Activities	(73,112,310)	(8,659,702)
Net Increase (Decrease) in Cash and Cash Equivalents	1,324,691	654,400
Beginning Cash & Cash Equivalents Balance	4,594,840	3,485,043
Ending Cash & Cash Equivalents Balance	5,919,531	4,139,443

(4) Notes on quarterly consolidated financial statements

(Notes concerning the going concern assumption)

N/A

(Notes concerning extreme changes in shareholders' equity)

N/A

4. Supplementary information

Production, orders received, and sales

Production

There are no applicable items, as the Corporate Group is mainly engaged in the golf business. Segment information and geographical information are not provided, as the Group is engaged solely in the golf business and related business, and does not have consolidated subsidiaries or representative offices located in countries or regions outside of Japan. The figures stated are sales by revenue category (hereinafter referred to as “sales performance”).

Purchasing Activities as Cost of Goods

Purchasing activities as cost of goods for the first half of the fiscal year ending March 2016 is as follows.

Revenue Category	Purchases (thousand yen)	Compared to Same Period in Previous Fiscal Year (%)
Products (Golf Equipment, etc.)	1,502,637	2.8
Raw Materials, etc. (Restaurants)	1,461,453	(41.6)
Total	2,964,090	(25.2)

(Notes)
1. Amounts indicated are based on purchase prices.
2. The above figures do not include consumption tax, etc.
3. As golf is an outdoor sport, purchases by the Corporate Group tend to be high in the first and third quarters when the climate is moderate (spring and autumn, respectively) and low in the second and fourth quarters when the climate is extreme (summer and winter, respectively).
4. The significant decrease in Raw Materials, etc. (Restaurants) compared to the same period in the previous fiscal year is due to the decrease in owned golf courses.

Orders Received

There are no applicable items, as the Corporate Group is mainly engaged in the golf business.

Sales Performance

Sales performance by revenue category for the first half of the fiscal year ending March 2016 is as follows.

Revenue Category	Sales (thousand yen)	Compared to Same Period in Previous Fiscal Year (%)
Golf Course Operation	14,901,067	(44.3)
Restaurants	4,521,462	(48.6)
Golf Equipment Sales	2,325,520	3.4
Other	3,282,175	(6.8)
Total	25,030,225	(39.4)

(Notes)
1. The above figures do not include consumption tax, etc.
2. As golf is an outdoor sport, sales of the Corporate Group tend to be high in the first and third quarters when the climate is moderate (spring and autumn, respectively) and low in the second and fourth quarters when the climate is extreme (summer and winter, respectively).
3. The significant decrease in Golf Course Operation and Restaurants compared to the same period in the previous fiscal year is due to the decrease in owned golf courses.