

Summary of Business Results for the Fiscal Year Ended March 31, 2016

[Japan GAAP] (Consolidated)

May 13, 2016

Company name: Hearts United Group Co., Ltd.
 Stock code: 3676
 Representative: Eiichi Miyazawa, President and CEO
 Contact: Keiya Kazama, Director and CFO
 The date of the ordinary general shareholder meeting: June 29, 2016
 The date of the dividend payment starts (planned): June 30, 2016
 The date of filing the security report: June 29, 2016
 Preparation of earnings presentation material: Yes
 Holding of earnings announcement: Yes (for institutional investors and analysts)

Listed on the TSE
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(Figures are rounded down to the nearest million yen.)

1. Fiscal year ended March 2016 consolidated results (April 1, 2015 - March 31, 2016)

(1) Consolidated business results (Percentages are changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal year ended March 31, 2016	15,011	13.0	1,963	29.4	1,958	28.4	361	-33.0
March 31, 2015	13,285	31.0	1,517	-14.8	1,525	-14.7	539	-50.4

(Reference) Comprehensive income: Fiscal year ended March 31, 2016: 382 million yen (-33.9%)
 Fiscal year ended March 31, 2015: 578 million yen (-47.6%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating margin
	(Yen)	(Yen)	%	%	%
Fiscal year ended March 31, 2016	31.44	31.44	10.5	26.5	13.1
March 31, 2015	45.21	45.21	13.8	19.8	11.4

(Reference) Equity in earnings of affiliates: Fiscal year ended March 31, 2016: 0 million yen
 Fiscal year ended March 31, 2015: -27 million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	Yen
As of March 31, 2016	6,533	3,089	43.1	251.60
As of March 31, 2015	8,272	4,168	49.5	342.60

(Reference) Shareholders' equity: As of March 31, 2016: 2,814 million yen As of March 31, 2015: 4,092 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2016	1,080	-17	-1,913	2,197
March 31, 2015	870	-568	-950	3,058

2. Dividends

	Annual dividends					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	Q1	Q2	Q3	Q4	Full fiscal year			
Fiscal year ended March 31, 2015	(Yen) —	(Yen) 8.00	(Yen) —	(Yen) 9.00	(Yen) 17.00	(Millions of yen) 203	(%) 37.6	(%) 5.2
March 31, 2016	—	9.00	—	10.00	19.00	214	60.4	6.4
Fiscal year ending March 31, 2017 (Forecasts)	—	9.00	—	10.00	19.00		13.2	

3. Consolidated earnings forecasts for the fiscal year ending March 2017 (April 1, 2016 - March 31, 2017)

(Percentages are changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full fiscal year	16,705	11.3	2,572	31.0	2,579	31.7	1,608	344.5	143.76

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatement

- ① Changes in accounting policies associated with revision of accounting standards : Yes
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(3) Shares outstanding (common stock)

(a) Number of issued shares (including treasury stock)	As of March 31, 2016:	11,945,400 shares	As of March 31, 2015:	11,945,400 shares
(b) Number of treasury stock	As of March 31, 2016:	757,702 shares	As of March 31, 2015:	2 shares
(c) Average number of shares during the period	Fiscal year ended March 31, 2016:	11,509,655 shares	Fiscal year ended March 31, 2015:	11,944,846 shares

* Implementation status of audit procedures

The audit procedures stipulated in the Financial Instruments and Exchange Act are not applicable to this Financial Results report, and the procedures have not been completed when this Financial Results report was disclosed.

* Explanation of the proper use of earnings forecasts and other special notes

- As the Group manages business results on an annual basis, only earnings forecast for full year is disclosed.
- This document contains forward-looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed using information available at the time. Accordingly, forecasts may differ from actual results due to a variety of factors.
- A financial results meeting for institutional investors and analysts is scheduled to be held on May 16, 2016. Materials to be distributed at this meeting will be posted on the website of Hearts United Group Co., Ltd. shortly after the meeting.
- On May 25, 2016, the Company partially revised the summary of consolidated financial statements [consolidated] (Japanese Standards) for the fiscal year ended March 31, 2016. The revisions are reflected in this document.