

Summary of Business Results for the Third Quarter Ended December 31, 2016

[Japan GAAP] (Consolidated)

February 6, 2017

Company name: Hearts United Group Co., Ltd.	Listed on the TSE
Stock code: 3676	URL: http://www.heartsunitedgroup.co.jp/
Representative: Eiichi Miyazawa, President and CEO	
Contact: Keiya Kazama, Director and CFO	TEL: +81-3-6406-0081
Scheduled date of submission of financial reports:	February 10, 2017
Scheduled commencement of dividend payment:	—
Preparation of supplementary material for quarterly financial results:	Yes
Holding of quarterly financial results meeting:	None

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

1. Consolidated results for the third quarter ended December 31, 2016 (April 1, 2016 - December 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)	(%)
Nine Months Ended								
December 31, 2016	11,616	4.2	1,400	5.8	1,458	9.8	831	46.6
December 31, 2015	11,151	14.3	1,323	7.8	1,329	8.9	567	-5.1

(Reference) Comprehensive income: Nine months ended December 31, 2016: 830 million yen (42.9%)
 Nine months ended December 31, 2015: 581 million yen (-8.7%)

	Net income per share	Diluted net income per share
Nine Months Ended	(Yen)	(Yen)
December 31, 2016	37.17	36.17
December 31, 2015	24.54	24.54

(Note) The Company conducted a 2-for-1 common stock split on October 1, 2016. Accordingly, net income per share and diluted net income per share are calculated based on the assumption that the stock split was conducted on April 1, 2015.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of December 31, 2016	8,105	3,553	41.0
As of March 31, 2016	6,533	3,089	43.1

(Reference) Shareholders' equity: As of December 31, 2016: 3,322 million yen As of March 31, 2016: 2,814 million yen

2. Dividends

	Annual dividends				
	Q1	Q2	Q3	Year End	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2016	—	9.00	—	10.00	19.00
Fiscal year ending March 31, 2017	—	11.00	—		
Fiscal year ending March 31, 2017 (Forecasts)				6.00	—

(Note) Changes from the latest released dividend forecasts: Yes

(Notes) 1. The Company revised year-end dividend forecast for the fiscal year ending March 31, 2017 as announced on the "Notice Regarding Revision of the Year-End Dividends (Dividend Increase) for the Fiscal Year Ending March 31, 2017" released today.

2. The Company conducted a 2-for-1 common stock split on October 1, 2016. Accordingly, year-end dividends for the fiscal year ending March 31, 2017 (forecasts) reflect the effect of the stock split. Year-end dividends when leaving the stock split out of consideration will be 12.00 yen, result in annual dividends of 23.00 yen, an increase of 4.00 yen from the previous year in substance.

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	71.88

(Note) Changes from the latest released earnings forecasts: None

(Note) The Company conducted a 2-for-1 common stock split on October 1, 2016. Accordingly, net income per share in the consolidated earnings forecasts for the fiscal year ending March 31, 2017 reflects the effect of the stock split.

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): Yes

Newly included: 2 (Company name) DIGITAL Hearts (Shanghai) Co., Ltd. Excluded: —
(Company name) EVO Japan Executive Committee LLP

(2) Application of specified accounting treatment used in preparation of quarterly consolidated financial statements: None

(3) 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

(4) Shares outstanding (common stock)

(a) Number of issued shares (including treasury stock)	As of December 31, 2016:	23,890,800 shares	As of March 31, 2016:	23,890,800 shares
(b) Number of treasury stock	As of December 31, 2016:	1,515,404 shares	As of March 31, 2016:	1,515,404 shares
(c) Average number of shares during the period	Nine months ended December 31, 2016:	22,375,396 shares	Nine months ended December 31, 2015:	23,112,742 shares

(Note) The Company conducted a 2-for-1 common stock split on October 1, 2016. Accordingly, number of shares are calculated based on the assumption that the stock split was conducted on April 1, 2015.

* Implementation status of quarterly review procedures

This Quarterly Financial Report is not subject to the quarterly review procedures under the Financial Instruments and Exchange Act, and accordingly, such review procedures have not been completed when this Quarterly Financial Report was disclosed.

* Explanation for proper use of the earnings forecasts, etc.

- Any forward-looking statements included in this report such as earnings forecasts are based on the information available to the Company at this time and certain assumptions considered reasonable; and accordingly, actual results may differ significantly from the forecasts due to various factors.
- Supplementary material for quarterly financial results will be posted on TDnet and the Company's website shortly after the Quarterly Financial Report is disclosed.