

Summary of Business Results for the Second Quarter Ended September 30, 2017

[Japan GAAP] (Consolidated)

November 10, 2017

Company name: Hearts United Group Co., Ltd. Listed on the TSE
 Stock code: 3676 URL: <http://www.heartsunitedgroup.co.jp/>
 Representative: Genichi Tamatsuka, President and CEO
 Contact: Toshiya Tsukushi, Executive Officer and CFO TEL: +81-3-3373-0081
 Scheduled date of submission of financial reports: November 13, 2017
 Scheduled commencement of dividend payment: December 5, 2017
 Preparation of supplementary material for quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

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

1. Consolidated results for the second quarter ended September 30, 2017 (April 1, 2017 - September 30, 2017)

(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	
Six Months Ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
September 30, 2017	8,263	8.8	1,003	14.3	1,008	7.8	674	20.9
September 30, 2016	7,592	2.7	877	10.4	935	17.0	557	107.7

(Reference) Comprehensive income: Six months ended September 30, 2017: 649 million yen (22.1%)
 Six months ended September 30, 2016: 531 million yen (100.2%)

	Net income per share	Diluted net income per share
Six Months Ended	(Yen)	(Yen)
September 30, 2017	31.02	29.88
September 30, 2016	24.94	24.37

(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, 2016.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of September 30, 2017	8,022	3,191	37.1
As of March 31, 2017	7,651	2,858	34.4

(Reference) Shareholders' equity: 2,978 million yen (As of September 30, 2017) 2,632 million yen (As of March 31, 2017)

2. Dividends

	Annual dividends				
	Q1	Q2	Q3	Year End	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2017	—	11.00	—	6.00	—
Fiscal year ending March 31, 2018	—	5.50	—	—	—
Fiscal year ending March 31, 2018 (Forecasts)	—	—	—	6.00	11.50

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

(Note) The Company conducted a 2-for-1 common stock split on October 1, 2016. Accordingly, dividends per share for 2Q of the fiscal year ended March 31, 2017 are calculated without taking into consideration the effect of the stock split.

3. Consolidated earnings forecasts for the fiscal year ending March 2018 (April 1, 2017 - March 31, 2018)

(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	17,622	14.1	2,200	15.4	2,225	11.4	1,382	73.8	63.64

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

* Notes

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

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

(3) Changes in accounting policies and accounting estimates and restatement

(a) Changes in accounting policies associated with revision of accounting standards :None

(b) Changes in accounting policies other than (a) above :None

(c) Changes in accounting estimates :None

(d) Restatement :None

(4) Shares outstanding (common stock)

(a) Number of issued shares (including treasury stock)	As of September 30, 2017	23,890,800 shares	As of March 31, 2017	23,890,800 shares
(b) Number of treasury stock	As of September 30, 2017	2,097,422 shares	As of March 31, 2017	1,943,204 shares
(c) Average number of shares during the period	Six months ended September 30, 2017	21,740,687 shares	Six months ended September 30, 2016	22,375,396 shares

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

* 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 report is disclosed.

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

- 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 Quarterly Financial Report is disclosed.