

# Summary of Non-consolidated Financial Results for the Nine Months Ended December 31, 2017 [Japanese GAAP]



January 30, 2018

Company name: CONEXIO Corporation      Stock exchange listing: Tokyo Stock Exchange, First Section  
 Stock code: 9422      URL: <https://www.conexio.co.jp>  
 Representative: (Title) President      (Name) Hiroo Inoue  
 Contact: (Title) Executive Officer, Deputy of Chief Operating Officer      (Name) Noriaki Kanno  
 Phone: +81-3-5331-3702  
 Scheduled date for filing of quarterly report: February 13, 2018  
 Scheduled date of commencement of dividend payment: —  
 Supplementary briefing material on quarterly financial results: Available  
 Briefing session of quarterly financial results: Not scheduled

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

## 1. Financial Results for the Nine Months Ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

### (1) Non-consolidated Operating Results (Cumulative) (% indicates rate of change from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
3Q FY2017	191,715	0.3	7,589	11.2	7,659	11.2	5,059	11.9
3Q FY2016	191,215	(5.8)	6,823	9.4	6,886	9.1	4,520	15.1
	Earnings per share		Diluted earnings per share					
	yen		yen					
3Q FY2017	113.10		—					
3Q FY2016	101.05		—					

### (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
3Q FY2017	102,790	36,488	35.5
FY2016	95,254	34,016	35.7

(Reference) Equity: 3Q FY2017: 36,488 million yen      FY2016: 34,016 million yen

## 2. Dividends

	Annual dividends				
	1Q end	2Q end	3Q end	Year end	Total
	yen	yen	yen	yen	yen
FY2016	—	26.00	—	30.00	56.00
FY2017	—	30.00	—		
FY2017(Forecast)				35.00	65.00

(Note) Revision of recently-announced dividend forecast: None

Breakdown of annual dividend for FY2017:

Ordinary dividend of 60 yen + Commemorative dividend of 5 yen (celebrating 20th company anniversary)

## 3. Financial Forecast for the Fiscal Year Ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

(% indicates rate of change from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	252,500	(2.9)	10,000	0.2	10,100	0.5	6,500	0.5	145.29

(Note) Revision of recently-announced financial forecast: None

**Notes**

- (1) Application of special accounting method for preparing quarterly non-consolidated financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates and restatements
- (i) Changes in accounting policies due to revision of accounting standards, etc.: None
  - (ii) Changes in accounting policies other than (i) above: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatements: None

- (3) Number of shares issued (common stock)

- (i) Number of shares issued as of the end of period (including treasury stock)
- (ii) Number of shares of treasury stock as of the end of period
- (iii) Average number of shares during the period (cumulative)

3Q FY2017	44,737,938 shares	FY2016	55,923,000 shares
3Q FY2017	49 shares	FY2016	11,185,062 shares
3Q FY2017	44,737,926 shares	3Q FY2016	44,737,938 shares

\* **This Quarterly Financial Results is not subject to quarterly review.**

\* **Explanation of appropriate use of financial forecasts and other special notes**

- Financial forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the time of preparing this report. The Company does not guarantee that any forecasts would be met. Actual results may vary significantly from the forecasts due to a wide range of factors.

# 1. Quarterly Non-Consolidated Financial Statements

## (1) Quarterly Non-Consolidated Balance Sheets

(Million yen)

	As of March 31, 2017	As of December 31, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	4,879	3,015
Notes and accounts receivable - trade	45,343	51,199
Merchandise and finished goods	8,301	12,375
Accounts receivable - other	13,325	12,735
Deposits paid	134	262
Other	2,302	2,460
Allowance for doubtful accounts	(11)	(11)
Total current assets	74,275	82,037
Non-current assets		
Property, plant and equipment	4,170	4,339
Intangible assets		
Goodwill	1,745	1,652
The right of carrier shop management	10,326	9,826
Other	400	369
Total intangible assets	12,472	11,849
Investments and other assets	4,335	4,563
Total non-current assets	20,978	20,752
Total assets	95,254	102,790
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	24,280	24,504
Accrued agency commission	8,395	11,723
Short-term loans payable	—	2,800
Accounts payable - other	11,558	11,813
Income taxes payable	2,122	1,398
Provision for bonuses	3,324	1,797
Provision for directors' bonuses	30	13
Other	4,611	5,198
Total current liabilities	54,322	59,249
Non-current liabilities		
Provision for retirement benefits	4,554	4,838
Asset retirement obligations	416	484
Other	1,943	1,729
Total non-current liabilities	6,914	7,052
Total liabilities	61,237	66,301

(Million yen)

	As of March 31, 2017	As of December 31, 2017
Net assets		
Shareholders' equity		
Capital stock	2,778	2,778
Capital surplus	9,779	585
Retained earnings	30,538	32,913
Treasury shares	(9,194)	(0)
Total shareholders' equity	33,902	36,277
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	114	211
Total valuation and translation adjustments	114	211
Total net assets	34,016	36,488
Total liabilities and net assets	95,254	102,790

**(2) Quarterly Non-Consolidated Statements of Income**

**Third quarter cumulative period**

(Million yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	191,215	191,715
Cost of sales	156,593	154,754
Gross profit	34,621	36,961
Selling, general and administrative expenses	27,797	29,371
Operating profit	6,823	7,589
Non-operating income		
Interest income	0	0
Dividend income	10	2
Support money of store move etc income	47	76
Reversal of allowance for doubtful accounts	7	—
Other	36	38
Total non-operating income	102	117
Non-operating expenses		
Interest expenses	7	4
Loss on sales and retirement of non-current assets	18	31
Rent expenses on real estates	6	4
Other	7	5
Total non-operating expenses	40	47
Ordinary profit	6,886	7,659
Extraordinary income		
Gain on sales of non-current assets	0	1
Other	—	0
Total extraordinary income	0	1
Extraordinary losses		
Loss on sales and retirement of non-current assets	17	17
Impairment loss	13	34
Loss on closing of stores	47	38
Total extraordinary losses	78	90
Profit before income taxes	6,807	7,570
Income taxes - current	1,798	2,661
Income taxes - deferred	489	(150)
Total income taxes	2,287	2,510
Profit	4,520	5,059