



Summary of Business Results for the Third Quarter Ended December 31, 2017 [Japan GAAP] (Consolidated)

February 9, 2018

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:	February 13, 2018
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, 2017 (April 1, 2017 – December 31, 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	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Nine Months Ended December 31, 2017	12,960	11.6	1,551	10.7	1,567	7.4	1,003	20.6
December 31, 2016	11,616	4.2	1,400	5.8	1,458	9.8	831	46.6

(Reference) Comprehensive income: Nine months ended December 31, 2017: 971 million yen (17.0%)
 Nine months ended December 31, 2016: 830 million yen (42.9%)

	Net income per share	Diluted net income per share
	(Yen)	(Yen)
Nine Months Ended December 31, 2017	46.11	44.42
December 31, 2016	37.17	36.17

(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 December 31, 2017	8,219	3,416	38.9
As of March 31, 2017	7,651	2,858	34.4

(Reference) Shareholders' equity: 3,198 million yen (As of December 31, 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): Yes

Newly included: —

Excluded: 1 (Company name) DIGITAL Hearts Korea Co., Ltd.

(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 December 31, 2017	23,890,800 shares	As of March 31, 2017	23,890,800 shares
(b) Number of treasury stock	As of December 31, 2017	2,097,422 shares	As of March 31, 2017	1,943,204 shares
(c) Average number of shares during the period	Nine months ended December 31, 2017	21,758,315 shares	Nine months ended December 31, 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.