English Translation
This is a translation of the original release in Japanese.
In the event of any discrepancy, the original release in Japanese shall prevail.
The original disclosure in Japanese was released on July 30,2018 at 15:00.

Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2018 〔Japanese Standards〕 (Consolidated)

July 30, 2018

Listed company name:	VOYAGE GROUP, Inc.	Listed stock exchange:	TSE first section
Stock Code No.:	3688	URL:	https://voyagegroup.com/en/ir/
Representative:	Title President and CEO	Name:	Shinsuke Usami
Contact:	Title Director and CFO	Name:	Hidenori Nagaoka TEL +81-3-5459-4226

Date to submit the Securities Report:	August 9, 2018
Scheduled date of dividend payments:	—
Availability of supplementary information:	Yes
Holding investors' meeting:	Yes (For security analysts and institutional investors)

(Rounded down to million yen)

1. Consolidated Financial Results for FY2018 First Nine Months (October 1, 2017– June30, 2018)

(1) Consolidated results of operations (cumulative total) (The percentage indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
FY 2018 first nine months	21,272	8.3	1,160	(29.4)	1,249	(26.3)	1,108	31.7
FY 2017 first nine months	19,642	29.6	1,644	20.9	1,697	46.7	841	5.0

(Note) Comprehensive Income: FY 2018 first nine months: ¥ 1,495 million (14.0%)
FY 2017 first nine months: ¥ 1,738 million 171.9%

	Net income per share	Diluted net income per share
	¥	¥
FY 2018 first nine months	92.71	90.85
FY 2017 first nine months	70.45	67.88

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥million	¥million	%	¥
June30,2018	16,832	8,968	51.8	734.06
September 30, 2017	15,775	8,113	49.8	644.62

(Reference) Owned capital: June 30, 2018 8,719 million yen
September 30, 2017 7,860 million yen

2. Dividend status

	Annual dividends				
	1Q end	2Q end	3Q end	Fiscal year-end	Total
	¥	¥	¥	¥	¥
FY 2017	—	0.00	—	15.00	15.00
FY 2018	—	0.00	—		
FY 2018 (Forecast)				15.00	15.00

(Note) Revisions to dividend forecast for the current quarter: No

3. Forecast of Consolidated Financial Results for FY 2018 (October 1, 2017 － September 30, 2018)

(The percentage indicates the change from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company		Net income per share
	¥million	%	¥million	%	¥million	%	¥million	%	Yen
Full year	30,000	15.9	1,200	(33.6)	1,200	(35.6)	1,050	(9.6)	87.79

(Note)

1. Revisions to consolidated financial forecast for the current quarter: Yes
2. For details, please refer to the "Notice of revisions in the Consolidated Performance Forecaset" that has been released Today.

※ Notes

（1）Changes in important subsidiaries the period (Change of specified subsidiaries that lead to a change in the scope of consolidation) : No

（2）Specific accounting procedures: : Yes

（Note）For more information, see page 10, " 2.Consolidated Financial Statements (3) Notes to Condensed Interim Consolidated Financial Statements".

（3）Changes in accounting policies, changes in accounting estimates, corrections and restatements and retrospective restatements

1) Changes in accounting policy resulting from revisions to accounting standards : None
2) Changes in accounting policy other than above : None
3) Changes in accounting estimates : None
4) Retrospective restatements : None

（4）Number of shares issued (common stock)

1) Number of shares issued and outstanding (including treasury shares)

Year ended June 30, 2018	11,878,946	Year ended September30, 2017	12,293,300

2) Number of shares treasury stock issued and outstanding

Year ended June 30, 2018	－	Year ended September30, 2017	100,047

3) Average number of shares during the period (quarterly consolidated cumulative accounting period)

Year ended June 30, 2018	11,960,137	Year ended June 30, 2017	11,949,258

※ Notice regarding audit procedures

This quarterly financial result is excluded from audit procedures based on the Financial Instruments and Exchange Act. As of the time of disclosure of this earnings announcement, auditing procedures for consolidated financial statements based on the Financial Instruments and Exchange Act are still in the process of being implemented.

※ Explanations related to appropriate use of the performance forecast other special instructions

(Note on forward - looking statements)

This forecast of performance is based on the judgment of the Group in accordance with information that was available at the time of its creation, and includes factors of risk and uncertain elements.

Please refer to the section of "1. Qualitative Information on Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information" on page 5 of the attached documents.

Attachment

Contents

1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Analysis of Operating Results

With regard to the online advertising market where the Group operates its mainstay business, according to research by Dentsu Inc., in 2017, internet advertising spending reached ¥1,509.4 billion, up 15.2% year on year, supported by growth of the performance-based advertising on mobile devices (Note 1.) and the video advertising. In addition, performance-based advertising costs rose 27.3% year on year to ¥940.0 billion, due to the fact that more advertisers are using data and technology as well as the spread of programmatic ad trading (Note 2.), with its increasing significance in branding and market reach.

Under these economic circumstances, the Group has developed its business in three reportable segments, namely: 1) the “Ad Platform segment” which operates ad distribution platforms, 2) the “Points Media segment” which plans and operates promotional online media such as point collection websites and point exchange websites, 3) the “Incubation segment” which develops a variety of new businesses in the internet services field.

As a result, the Group posted net sales of ¥21,272 million in the period under review (up 8.3% year on year), operating income of ¥1,160 million (down 29.4% year on year), and ordinary income of ¥1,249 million (down 26.3% year on year). Profit attributable to owners of parent amounted to ¥1,108 million (up 31.7% year on year), since the Company sold part of the shares in logly, Inc., which had been an equity-method affiliate, and posted extraordinary income, including gain on sales of shares of subsidiaries and associates of ¥541 million.

Financial results for each segment were as follows. Sales of each segment include intersegment sales and transfers.

1) Ad Platform Business

The Ad Platform segment mainly operates the SSP (Note 3.) “fluct” and the service for advertisers “Zucks”. With the rapid spread of programmatic ad trading in the online advertising market, the Group has made efforts particularly in proposing the introduction of “fluct” for smartphone publishers and using it to provide support in maximizing advertising revenues, making the most of its know-how developed in operating the Group’s Media segment. In addition, “Zucks” was robust as the Group enhanced its services and functions, while capturing demand of clients.

However, a careful examination of client media conducted at “fluct” in the previous fiscal year resulted in a decline in sales, and the Ad Platform segment recorded sales of ¥14,219 million in the period under review (up 2.6% year on year), and segment income of ¥1,027 million (down 19.6% year on year).

2) Points Media Business

The Points Media segment operates the marketing solutions business for companies, while running its own media that utilizes points, mainly “EC Navi” and “PeX”. In its own media, the Group has tackled a drastic restructuring, including enhancing the return of points to users and cutting costs, in order to achieve business growth over the medium- to long-term.

Consequently, the Points Media segment recorded sales of ¥5,229 million in the period under review (up 19.7% year on year), and segment income of ¥191 million (down 45.8% year on year) due to the increased share of sales from the point exchange business with lower profit margin despite a steady increase in sales from “EC Navi” and “PeX”.

3) Incubation Business

In the Incubation Business segment, the HR field, EC field and FinTech field are considered expansion fields, and the Group is actively investing in these fields in order to create businesses that will be a third pillar in the medium- to long-term. Currently, the Group operates the new graduate recruitment services business in the HR field, the planning and direct selling business of mail order cosmetics as well as the online sales business of housework support services with Kajitaku Co., Ltd., an Aeon Group’s subsidiary in the EC field, develops FinTech related business in the FinTech field, and develops mainly the game publishing business in the other fields. New graduate recruitment services were robust with clients continuously increasing, owing to start-up companies accepting science and engineering students as candidates. In the game publishing business, the Group has developed business partnerships with multiple major overseas game developers, and can now introduce titles that are expected to make a steady contribution to its revenue. On the other hand, expenses increased due to increasing the number of personnel in the Incubation Business, which is a growth field, with an aim of optimizing the allocation of personnel within the Group.

Consequently, the Incubation segment recorded sales of ¥1,978 million in the period under review (up 25.0% year on year), and segment loss of ¥57 million (segment income of ¥13 million in the previous fiscal year).

(Notes)

1. Performance-based advertising is a method of advertising with platforms that process vast amounts of data to help optimize ad distribution either automatically or instantaneously. Typical examples include search engine advertising, certain ad networks, as well as DSPs (systems that aid advertisers in maximizing their advertisements' effectiveness), ad exchanges, and SSPs (systems that aid publishers in maximizing advertising efficiency). Selling advertising space, tie-ups and affiliate advertising are not included in performance-based advertising. (Source: Advertising Expenditures in Japan, 2015, Dentsu Inc.)
2. Programmatic ad trading is a form of trading that enables the automatic online purchase of advertising space based on audience data, where advertisers (buyers of advertising space) and publishers (sellers of advertising space) make transactions through ad distribution platforms such as a DSP or SSP.
3. SSP (Supply Side Platform) is an ad distribution platform for maximizing publishers' advertising revenues. SSP connects to multiple ad networks, DSPs, and ad exchanges, delivering the most appropriate, highly profitable ads for publishers.

(2) Analysis of Financial Position

Assets, Liabilities and Net Assets

(Assets)

Consolidated assets as of the end of the period under review totaled ¥16,832 million, a ¥1,056 million increase from the end of the previous fiscal year, primarily due to increases in investment securities and other current assets.

(Liabilities)

Consolidated liabilities as of the end of the period under review totaled ¥7,863 million, a ¥201 million increase from the end of the previous fiscal year, primarily due to increases in loans payable and other non-current liabilities.

(Net Assets)

Consolidated net assets as of the end of the period under review totaled ¥8,968 million, an ¥854 million increase from the end of the previous fiscal year, primarily due to an increase in valuation difference on available-for-sale securities, an increase in retained earnings from the recording of profit attributable to owners of parent and a decrease in retained earnings resulting from acquisition and cancellation of treasury shares.

(3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information

The Company sold part of the shares in logly, Inc., which had been an equity-method affiliate, and posted extraordinary income, including gain on sales of shares of subsidiaries and associates for the current third consolidated quarter.

As a result, for the full year of the fiscal year ending September 30, 2018 (from October 1, 2017 to September 30, 2018), the forecast for consolidated net income attributable to owners of the parent company is expected to exceed the previous forecasts.

The forecasts and forward-looking statements contained in this report are based on information currently available and on certain assumptions deemed rational as of the date of release.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2017	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	5,445,367	5,607,948
Accounts receivable - trade	3,176,514	3,163,046
Supplies	245,116	278,980
Other	711,068	1,068,174
Allowance for doubtful accounts	△253	△3,891
Total current assets	9,577,814	10,114,259
Non-current assets		
Property, plant and equipment	203,044	212,854
Intangible assets		
Goodwill	1,677,726	1,557,660
Other	523,703	465,184
Total intangible assets	2,201,429	2,022,845
Investments and other assets		
Investment securities	3,263,013	3,978,115
Other	533,054	504,451
Allowance for doubtful accounts	△2,473	−
Total investments and other assets	3,793,594	4,482,567
Total non-current assets	6,198,068	6,718,267
Total assets	15,775,882	16,832,526
Liabilities		
Current liabilities		
Accounts payable - trade	2,387,667	2,266,669
Short-term loans payable	19,600	−
Current portion of long-term loans payable	389,992	489,988
Provision for point card certificates	2,751,226	2,831,893
Income taxes payable	640,216	336,269
Other	742,573	899,559
Total current liabilities	6,931,275	6,824,380
Non-current liabilities		
Long-term loans payable	555,564	621,409
Asset retirement obligations	50,736	50,736
Other	124,476	367,372
Total non-current liabilities	730,776	1,039,517
Total liabilities	7,662,052	7,863,897

(Thousands of yen)

	As of September 30, 2017	As of June 30, 2018
Net assets		
Shareholders' equity		
Capital stock	1,059,734	1,071,382
Capital surplus	978,241	995,240
Retained earnings	4,933,653	5,221,233
Treasury shares	△171,650	—
Total shareholders' equity	6,799,979	7,287,855
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,064,477	1,442,879
Foreign currency translation adjustment	△4,374	△10,844
Total accumulated other comprehensive income	1,060,103	1,432,035
Subscription rights to shares	672	1,967
Non-controlling interests	253,075	246,769
Total net assets	8,113,830	8,968,628
Total liabilities and net assets	15,775,882	16,832,526

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Thousands of yen)

	Nine months ended June 30, 2017	Nine months ended June 30, 2018
Net sales	19,642,448	21,272,812
Cost of sales	13,401,653	15,129,151
Gross profit	6,240,795	6,143,660
Selling, general and administrative expenses	4,596,611	4,982,876
Operating profit	1,644,184	1,160,784
Non-operating income		
Dividend income	7,740	5,805
Foreign exchange gains	68,348	–
Investment dividends	–	137,451
Other	8,061	1,589
Total non-operating income	84,150	144,846
Non-operating expenses		
Interest expenses	5,549	3,184
Foreign exchange losses	–	7,094
Share of loss of entities accounted for using equity method	24,549	40,373
Other	1,171	5,063
Total non-operating expenses	31,270	55,716
Ordinary profit	1,697,063	1,249,914
Extraordinary income		
Gain on sales of investment securities	–	20,365
Gain on sales of shares of subsidiaries and associates	52,328	※1 541,289
Gain on change in equity	–	80,184
Total extraordinary income	52,328	641,839
Extraordinary losses		
Loss on retirement of non-current assets	18,976	30,577
Impairment loss	※2 255,053	–
Loss on valuation of investment securities	3,002	20,599
Loss on step acquisitions	–	36,936
Other	5,990	1,779
Total extraordinary losses	283,021	89,893
Profit before income taxes	1,466,370	1,801,860
Income taxes	608,753	678,114
Profit	857,617	1,123,745
Profit attributable to non-controlling interests	15,776	14,918
Profit attributable to owners of parent	841,841	1,108,826

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Nine months ended June 30, 2017	Nine months ended June 30, 2018
Profit	857,617	1,123,745
Other comprehensive income		
Valuation difference on available-for-sale securities	875,159	378,402
Foreign currency translation adjustment	4,797	－
Share of other comprehensive income of entities accounted for using equity method	653	△6,469
Total other comprehensive income	880,610	371,932
Comprehensive income	1,738,228	1,495,677
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,754,010	1,480,758
Comprehensive income attributable to non-controlling interests	△15,782	14,918

(3) Notes to Condensed Interim Consolidated Financial Statements

(Going Concern Assumption)

None

(Notes on significant changes in the amount of shareholders' equity)

The Company acquired 351,900 treasury shares for a total amount of ¥499,946 thousand during the period under review based on the resolution at the meeting of the Board of Directors held on October 25, 2017.

The Company also cancelled 451,947 treasury shares as of February 28, 2018 based on the resolution at the meeting of the Board of Directors held on February 8, 2018. Consequently, retained earnings and treasury shares decreased ¥571,179 thousand respectively during the period under review, and retained earnings amounted to ¥5,221,233 thousand at the end of the period under review.

(Adoption of Accounting Method Specific to Preparation of Quarterly Consolidated Financial Statements)

Tax expenses for the period are calculated by multiplying net income before income taxes for the period by the reasonably estimated annual effective tax rate after applying tax effect accounting which is calculated based on the estimated net income before income taxes for the entire fiscal year.

(Consolidated statements of income)

*1 Gain on sales of shares of subsidiaries and associates

For the nine-month period ended June 30, 2018 (October 1, 2017 to June 30, 2018)

Gain on sales of shares of subsidiaries and associates is attributable to partial sales of shares the Company held in logly, Inc., which had been an equity-method affiliate.

*2 Impairment loss

For the nine-month period ended June 30, 2017 (October 1, 2016 to June 30, 2017)

The Group recorded impairment loss for the following asset groups.

(1) Overview of asset groups for which impairment loss has been recognized

Location	Usage	Type
Shibuya-ku, Tokyo	Others	Goodwill
Shibuya-ku, Tokyo	Business assets	Software and trademark right

(2) Background of the recognition of impairment loss

As it became unlikely that revenue will be recorded as initially expected for goodwill recorded in connection with an acquisition of the shares of GoldSpot Media Inc., a consolidated subsidiary, the Company reduced the book values to the recoverable amount and recorded the reduced amount as impairment loss.

Due to the decision to withdraw from the business, the Company reduced the book values to the recoverable amount and recorded the reduced amount as impairment loss for some software and trademark right in the Ad Platform segment.

(3) Amount of impairment loss

Goodwill	¥252,531 thousand
Software	¥1,843 thousand
Trademark right	¥678 thousand

(4) Method for grouping assets

In principle, the Company groups business assets by the classification for which continuous profit and loss administration is conducted under management accounting.

(5) Method for measuring recoverable amount

The Company measures recoverable amount by value in use and calculates it by discounting future cash flow by 12.4%. However, recoverable amount is valued at zero for assets with no potential for future cash flow.

For the nine-month period ended June 30, 2018 (October 1, 2017 to June 30, 2018)

None

(Segment information)

I For the nine-month period ended June 30, 2017 (October 1, 2016 to June 30, 2017)

1. Information on sales and income by reportable business segment

(thousands of yen)

	Reportable Segments				Adjustment	Consolidation (Note)
	Ad Platform Business	Point Media Business	Incubation Business	Total		
Sales						
Outside Sales	13,818,132	4,324,885	1,499,430	19,642,448	−	19,642,448
Intersegment Sales or Transfer	35,693	42,640	83,267	161,602	(161,602)	−
Total	13,853,826	4,367,526	1,582,697	19,804,050	(161,602)	19,642,448
Segment Income	1,277,904	352,915	13,363	1,644,184	−	1,644,184

(Note) Segment income is adjusted on operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets, goodwill and other items by reportable business segment

(Material impairment loss on noncurrent assets)

As it became unlikely that revenue will be recorded as initially expected for goodwill recorded in connection with an acquisition of the shares of GoldSpot Media Inc., a consolidated subsidiary, the Company reduced the book values to the recoverable amount and recorded the reduced amount as impairment loss. Also, the decreased amount of goodwill caused by this event was ¥252,531 thousand for the current third consolidated cumulative quarter.

(Material changes in goodwill)

In the Ad Platform Business, shares of CMerTV Inc. were acquired and said company was included in the scope of consolidation from this quarter. Also, the increased amount of goodwill caused by this event was ¥527,906 thousand for the current third consolidated cumulative quarter.

(Material profit from negative goodwill)

No significant items to be reported.

II For the nine-month period ended June 30, 2018 (October 1, 2017 to June 30, 2018)

1. Information on sales and income by reportable business segment

(thousands of yen)

	Reportable Segments				Adjustment	Consolidation (Note)
	Ad Platform Business	Point Media Business	Incubation Business	Total		
Sales						
Outside Sales	14,178,760	5,220,476	1,873,574	21,272,812	—	21,272,812
Intersegment Sales or Transfer	40,326	9,521	105,070	154,919	(154,919)	—
Total	14,219,087	5,229,998	1,978,645	21,427,731	(154,919)	21,272,812
Segment Income	1,027,447	191,158	(57,821)	1,160,784	—	1,160,784

(Note) Segment income or loss is adjusted on operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets, goodwill and other items by reportable business segment

(Material impairment loss on noncurrent assets)
No significant items to be reported.

(Material changes in goodwill)
No significant items to be reported.

(Material profit from negative goodwill)
No significant items to be reported.

July 30, 2018

To whom it may concern:

Company name: VOYAGE GROUP, Inc.
Representative: Shinsuke Usami, President and CEO
(Stock Code No.: 3688,
First Section of Tokyo Stock Exchange)
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Notice of Revisions in the Consolidated Performance Forecast

VOYAGE GROUP, Inc. (the "Company") hereby announces that at its Board of Directors Meeting held on July 30, 2018, it revised the performance forecast for the fiscal year ending September 30, 2018 (from October 1, 2017 to September 30, 2018) announced on October 25, 2017 as shown below, based on the recent trends in performance.

1. Revisions in the Consolidated Performance Forecast for the Fiscal Year Ending September 30, 2018 (from October 1, 2017 to September 30, 2018)

	Consolidated net sales (Unit: Millions of Yen)	Consolidated operating income (Unit: Millions of Yen)	Consolidated ordinary income (Unit: Millions of Yen)	Net income attributable to owners of the parent company (Unit: Millions of Yen)	Net income per share (Unit: Yen)
Previously announced forecast (A) (Announced on October 25, 2017)	30,000	1,200	1,200	700	58.40
Revised forecast (B)	30,000	1,200	1,200	1,050	87.79
Amount of change (B-A)	－	－	－	350	－
Rate of change (%)	－	－	－	50	－
(Reference) Actual results for the previous fiscal year (ended September 30, 2017)	25,895	1,806	1,861	1,161	96.90

2. Reasons for the Revision

As announced in "Announcement concerning reporting of an extraordinary profit from the gain on sale of shares in an affiliated company," released on the June 27, 2018, the Company sold part of the shares in logly, Inc., which had been an equity-method affiliate, and posted extraordinary income, including gain on sales of shares of subsidiaries and associates of ¥541 million for the current third consolidated quarter.

As a result, for the full year of the fiscal year ending September 30, 2018, the forecast for consolidated net income attributable to owners of the parent company is expected to exceed the previous forecasts.

Concerning cash dividend, we forecast a year-end dividend of 15 yen per share, with no change in the information announced on October 25, 2017.

(CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS)

The forecasts and forward-looking statements contained in this report are based on information currently available and on certain assumptions deemed rational as of the date of release.

End