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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

October 29, 2015

Company name:	SMS CO., LTD.		
Stock exchange listing:	Tokyo		
Stock code:	2175 URL http://www.bm-sms.co.j	p/	
Representative:	CEO	Natsuki Goto	
Inquiries:	Director, Corporate Planning Department	Masato Sugizaki	TEL 03-6721-2400
Scheduled date to file (	Quarterly Securities Report:	November 13, 2015	
Scheduled date to comm	mence dividend payments:	-	
Preparation of supplem	entary material on quarterly financial results:	Yes	
Holding of quarterly fir	nancial results meeting:	Yes (for institutional in	vestors and analysts)

(Amounts less than one million yen are rounded down)

 1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

 (1) Consolidated operating results (cumulative)

 Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	9,325	24.5	1,899	46.2	2,391	44.3	1,602	23.7
Six months ended September 30, 2014	7,492	16.7	1,299	(2.9)	1,657	0.7	1,295	19.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2015	39.50	39.40
Six months ended September 30, 2014	31.65	31.55

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2015	12,498	8,185	64.5
As of March 31, 2015	11,421	6,923	59.7

### 2. Cash dividends

		Annual dividends per share					
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total		
	Yen	Yen	Yen	Yen	Yen		
Year ended March 31, 2015	-	0.00	-	7.00	7.00		
Year ending March 31, 2016	-	0.00					
Year ending March 31, 2016 (Forecast)			-	-	_		

### 3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

							Percentages in	dicate ye	ear-on-year changes
	Net sales	5	Operating inc	come	Ordinary inco	ome	Profit attributa owners of pa		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	18,881	25.4	2,702	30.0	3,403	26.3	2,306	26.4	56.87

4. Notes				
<ol> <li>Changes in significant subsidiaries during the six months ended September 30, 2015 (changes in specified subsidiaries resulting in the change in scope of consolidation):</li> </ol>				
(2) Application of special accounting methods for	r preparing quarterly cons	solidated financial statements:	No	
(3) Changes in accounting policies, changes in ac	counting estimates, and r	estatement of prior period finance	cial statements	
Changes in accounting policies due to revise	ions to accounting standar	ds and other regulations:	No	
Changes in accounting policies due to other reasons:				
Changes in accounting estimates:			No	
Restatement of prior period financial statem	ents:		No	
(4) Number of issued shares (common shares)				
Total number of issued shares at the end of	the period (including treas	sury shares)		
As of September 30, 2015	41,887,200 shares	As of March 31, 2015		41,887,200 shares
Number of treasury shares at the end of the	period			
As of September 30, 2015	1,330,272 shares	As of March 31, 2015	1	1,330,272 shares
Average number of shares during the period	(cumulative from the be	vinning of the fiscal year)		

A	Average number of shares during the perio	d (cumulative from the beg	ginning of the fiscal year)	
Ī	Six months ended September 30, 2015	40,556,928 shares	Six months ended September 30, 2014	40,939,000 shares

# Quarterly consolidated financial statements Consolidated balance sheets

Current assets         2,708,623         3,744,0°           Cash and deposits         2,708,623         3,744,0°           Accounts receivable - trade         2,486,428         2,200,89           Merchandise and finished goods         109,185         98,77           Work in process         7,784         5,17           Supplies         12,721         7,22           Accounts receivable - other         1,306,471         1,602,97           Prepaid expenses         572,957         539,47           Deferred tax assets         214,454         238,22           Other         38,232         79,66           Allowance for doubtful accounts         (73,63,018         8,440,10           Non-current assets         7,363,018         8,440,10           Non-current assets         736,643         2,828 <t< th=""><th></th><th></th><th>(Thousands of yen</th></t<>			(Thousands of yen
Current assets         2,708,623         3,744,0°           Cash and deposits         2,708,623         3,744,0°           Accounts receivable - trade         2,486,428         2,200,89           Merchandise and finished goods         109,185         98,77           Work in process         7,784         5,17           Supplies         12,721         7,22           Accounts receivable - other         1,306,471         1,602,97           Prepaid expenses         572,957         539,47           Deferred tax assets         214,454         238,22           Other         38,232         79,66           Allowance for doubtful accounts         (73,63,018         8,440,10           Non-current assets         7,363,018         8,440,10           Non-current assets         736,643         2,828 <t< th=""><th></th><th>As of March 31, 2015</th><th>As of September 30, 2015</th></t<>		As of March 31, 2015	As of September 30, 2015
Cash and deposits         2,708,623         3,744,07           Accounts receivable - trade         2,486,428         2,200,89           Merchandise and finished goods         109,185         98,77           Work in process         7,784         5,12           Supplies         12,721         7,20           Accounts receivable - other         1,306,471         1,602,98           Prepaid expenses         572,957         539,42           Deferred tax assets         214,454         238,22           Other         38,232         79,67           Allowance for doubtful accounts         (93,840)         (76,16           Total current assets         7,363,018         8,440,10           Non-current assets         7,363,018         8,440,10           Machinery, equipment         208,087         235,12           Machinery, equipment and vehicles         111,419         117,20	ssets		
Accounts receivable - trade         2,486,428         2,200,83           Merchandise and finished goods         109,185         98,77           Work in process         7,784         5,17           Supplies         12,721         7,22           Accounts receivable - other         1,306,471         1,602,99           Prepaid expenses         572,957         539,42           Other         38,232         79,67           Allowance for doubtful accounts         (93,840)         (76,19           Total current assets         7,363,018         8,440,10           Non-current assets         7,16,55         (82,82           Buildings         208,087         235,12           Tool	Current assets		
Merchandise and finished goods         109,185         98,7           Work in process         7,784         5,12           Supplies         12,721         7,20           Accounts receivable - other         1,306,471         1,602,90           Prepaid expenses         572,957         539,42           Other         38,232         79,66           Allowance for doubtful accounts         (93,840)         (76,61)           Total current assets         7,363,018         8,440,10           Non-current assets         7,363,018         8,440,10           Non-current assets         7,363,018         8,440,10           Property, plant and equipment         8         8           Buildings         208,087         235,12           Accumulated depreciation         (71,655)         (82,82           Tools, furniture and fixtures         275,425         301,17           Accumulated depreciation         (164,006)         (184,11)           Tools, furniture and fixtures, net         111,419         117,00           Machinery, equipment and vehicles, net         8,548         9,88           Total property, plant and equipment         256,400         279,20           Intangible assets         2,048,954         2,007,	Cash and deposits	2,708,623	3,744,07
Work in process         7,784         5,12           Supplies         12,721         7,24           Accounts receivable - other         1,306,471         1,602,97           Prepaid expenses         572,957         539,42           Deferred tax assets         214,454         238,22           Other         38,232         79,67           Allowance for doubful accounts         (93,840)         (76,15           Non-current assets         7,363,018         8,440,10           Non-current assets         7,363,018         8,440,10           Property, plant and equipment         Buildings         208,087         235,12           Accumulated depreciation         (71,655)         (82,82           Tools, furniture and fixtures         275,425         301,17           Accumulated depreciation         (164,006)         (184,12           Tools, furniture and fixtures, net         111,419         117,00           Machinery, equipment and vehicles, net         8,548         9,88           Total property, plant and equipment         256,400         279,22           Intargible assets         2,048,954         2,007,72           Intargible assets         1,240,328         1,190,80           Other         50	Accounts receivable - trade	2,486,428	2,200,89
Supplies         12,721         7,20           Accounts receivable - other         1,306,471         1,602,90           Prepaid expenses         572,957         539,4           Deferred tax assets         214,454         238,20           Other         38,232         79,67           Allowance for doubtful accounts         (93,840)         (76,19           Total current assets         7,363,018         8,440,10           Non-current assets         111,419         117,01           Accoumulated depreciation         (164,006)         (184,12)	Merchandise and finished goods	109,185	98,77
Accounts receivable - other $1,306,471$ $1,602,90$ Prepaid expenses $572,957$ $539,43$ Deferred tax assets $214,454$ $238,20$ Other $38,232$ $79,67$ Allowance for doubtful accounts $(93,840)$ $(76,11)$ Total current assets $7,363,018$ $8,440,10$ Non-current assets $7,363,018$ $8,440,100$ Property, plant and equipment $90,8087$ $235,12$ Buildings $208,087$ $235,12$ Accumulated depreciation $(71,655)$ $(82,82)$ Buildings, net $136,432$ $1522$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $13,44$ Accumulated depreciation $(3,322)$ $(3,52)$ Machinery, equipment and vehicles, net $11,318,296$ $1,114,56$ Software $730,608$ $893,12$ Other $50$ $25$ Total intangible assets $2,048,954$ $2,007,77$ Investments and other assets $101,309$ $101,99$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $546$ $54,629$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Work in process	7,784	5,12
Prepaid expenses $572,957$ $539,43$ Deferred tax assets $214,454$ $238,22$ Other $38,232$ $79,66$ Allowance for doubtful accounts $(93,840)$ $(76,19)$ Total current assets $7,363,018$ $8,440,16$ Non-current assets $7,363,018$ $8,440,16$ Property, plant and equipment         Buildings, net $136,432$ $152,22$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $118,71$ $134,432$ $132,22$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $134,432$ Accumulated depreciation $(164,006)$ $(184,12)$ Tools, furniture and fixtures, net $11,871$ $134,52$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intargible assets $2,048,954$ $2,007,72$ Investment sand other assets $1,1240,328$ $1,90,80$	Supplies	12,721	7,20
Deferred tax assets $214,454$ $238,20$ Other $38,232$ $79,65$ Allowance for doubtful accounts $(93,840)$ $(76,19)$ Total current assets $7,363,018$ $8,440,10$ Non-current assets $7,363,018$ $8,440,10$ Property, plant and equipment $8uildings$ $208,087$ $225,12$ Buildings, net $136,432$ $152,22$ Tools, furniture and fixtures $275,425$ $301,17$ Accumulated depreciation $(164,006)$ $(184,19)$ Tools, furniture and fixtures, net $111,419$ $117,02$ Machinery, equipment and vehicles $11,871$ $134,43$ Accumulated depreciation $(3,322)$ $(3,52)$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $2,048,954$ $2,007,72$ Intragible assets $2,048,954$ $2,007,72$ Investment saud other assets $1,240,328$ $1,90,80$ Deferred tax assets $101,309$ $101,90$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,66$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Accounts receivable - other	1,306,471	1,602,98
Other $38,232$ $79,6'$ Allowance for doubtful accounts $(93,840)$ $(76,19)$ Total current assets $7,363,018$ $8,440,10$ Non-current assets $7,363,018$ $8,440,10$ Property, plant and equipment $8uidings$ $208,087$ $235,12$ Buildings, net $136,432$ $152,22'$ Tools, furniture and fixtures $275,425$ $301,17'$ Accumulated depreciation $(164,006)$ $(184,12)$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $134,4'$ Accumulated depreciation $(3,322)$ $(3,52)$ Total property, plant and equipment $256,400$ $279,20'$ Intangible assets $2,048,954$ $2,007,7'$ Integrible assets $2,048,954$ $2,007,7'$ Investment securities $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,99'$ Lease and guarantee deposits $382,489$ $42,44'$ Other $28,629$ $54,60'$ Total investments and other assets $1,752,757'$ $1,771,82'$ Total non-current assets $1,752,757'$ $1,771,82'$ Total non-current assets $4,058,113$ $4,058,75'$	Prepaid expenses	572,957	539,43
Allowance for doubtful accounts $(93,840)$ $(76,14)$ Total current assets $7,363,018$ $8,440,10$ Non-current assets $7,363,018$ $8,440,10$ Property, plant and equipment $90,087$ $235,12$ Buildings $208,087$ $235,12$ Accumulated depreciation $(71,655)$ $(82,82)$ Buildings, net $136,432$ $152,22$ Tools, furniture and fixtures $275,425$ $301,17$ Accumulated depreciation $(164,006)$ $(184,12)$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $111,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,55)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intagible assets $2,048,954$ $2,007,72$ Intagible assets $1,318,296$ $1,114,56$ Other $50$ $25$ Total intangible assets $1,240,328$ $1,90,80$ Deferred tax assets $101,309$ $101,90$ Investments and other assets $101,309$ $101,90$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,66$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Deferred tax assets	214,454	238,20
Total current assets $7,363,018$ $8,440,14$ Non-current assetsProperty, plant and equipmentBuildings $208,087$ $235,12$ Accumulated depreciation $(71,655)$ $(82,82)$ Buildings, net $136,432$ $152,22$ Tools, furniture and fixtures $275,425$ $301,11$ Accumulated depreciation $(164,006)$ $(184,13)$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,52)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $730,608$ $893,13$ Other $50$ $25$ Total intangible assets $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,99$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,62$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Other	38,232	79,67
Non-current assetsProperty, plant and equipmentBuildings $208,087$ Buildings, net $(71,655)$ Buildings, net $136,432$ Tools, furniture and fixtures $275,425$ Accumulated depreciation $(164,006)$ Machinery, equipment and vehicles $111,419$ Tools, furniture and fixtures, net $111,419$ Machinery, equipment and vehicles $11,871$ Accumulated depreciation $(3,322)$ Machinery, equipment and vehicles, net $8,548$ Total property, plant and equipment $256,400$ Z79,20Intangible assetsGoodwill $1,318,296$ Other $50$ Total intangible assets $2,048,954$ Investments and other assets $101,309$ Investment securitics $1,240,328$ Investments and other assets $101,309$ Investments and other assets $101,309$ Investments and other assets $1,752,757$ Total non-current assets $4,058,113$ Action and the assets $1,752,757$ Total non-current assets $1,958,757$	Allowance for doubtful accounts	(93,840)	(76,19
Property, plant and equipment           Buildings         208,087         235,12           Accumulated depreciation         (71,655)         (82,82           Buildings, net         136,432         152,29           Tools, furniture and fixtures         275,425         301,17           Accumulated depreciation         (164,006)         (184,12           Tools, furniture and fixtures, net         111,419         117,00           Machinery, equipment and vehicles         11,871         13,42           Accumulated depreciation         (3,322)         (3,55           Machinery, equipment and vehicles, net         8,548         9,88           Total property, plant and equipment         256,400         279,20           Intangible assets         730,608         893,12           Goodwill         1,318,296         1,114,54           Software         50         2           Total intangible assets         2,048,954         2,007,75           Investments and other assets         101,309         101,90           Investment securitics         1,240,328         1,190,80           Deferred tax assets         101,309         101,90           Lease and guarantee deposits         382,489         424,42	Total current assets	7,363,018	8,440,16
Buildings         208,087         235,12           Accumulated depreciation         (71,655)         (82,82)           Buildings, net         136,432         152,22           Tools, furniture and fixtures         275,425         301,17           Accumulated depreciation         (164,006)         (184,13)           Tools, furniture and fixtures, net         111,419         117,00           Machinery, equipment and vehicles         11,871         13,42           Accumulated depreciation         (3,322)         (3,54)           Machinery, equipment and vehicles, net         8,548         9,88           Total property, plant and equipment         256,400         279,20           Intangible assets         730,608         893,11           Other         50         50           Total intangible assets         2,048,954         2,007,73           Investments and other assets         101,309         101,90           Investment securities         1,240,328         1,190,80           Deferred tax assets         101,309         101,90           Lease and guarantee deposits         382,489         424,42           Other         28,629         54,66           Total investments and other assets         1,752,757	Non-current assets		
Accumulated depreciation $(71,655)$ $(82,83)$ Buildings, net $136,432$ $152,29$ Tools, furniture and fixtures $275,425$ $301,17$ Accumulated depreciation $(164,006)$ $(184,19)$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,54)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $730,608$ $893,12$ Other $50$ $50$ Total intangible assets $2,048,954$ $2,007,72$ Investments and other assets $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,92$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,66$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,958,113$ $4,058,757$	Property, plant and equipment		
Buildings, net         136,432         152,22           Tools, furniture and fixtures         275,425         301,17           Accumulated depreciation         (164,006)         (184,12           Tools, furniture and fixtures, net         111,419         117,00           Machinery, equipment and vehicles         11,871         13,42           Accumulated depreciation         (3,322)         (3,54           Machinery, equipment and vehicles, net         8,548         9,88           Total property, plant and equipment         256,400         279,20           Intangible assets         730,608         893,12           Other         50         50           Total intangible assets         2,048,954         2,007,72           Investments and other assets         1,240,328         1,190,88           Deferred tax assets         101,309         101,92           Lease and guarantee deposits         382,489         424,42           Other         28,629         54,66           Total investments and other assets         1,752,757         1,771,82           Total investments and other assets         1,752,757         1,771,82           Total investments and other assets         1,752,757         1,771,82           Total invest	Buildings	208,087	235,12
Tools, furniture and fixtures $275,425$ $301,17$ Accumulated depreciation $(164,006)$ $(184,12)$ Tools, furniture and fixtures, net $111,419$ $117,00$ Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,52)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $730,608$ $893,12$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $250$ Total intangible assets $1,240,328$ $1,90,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,662$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Accumulated depreciation	(71,655)	(82,83
Accumulated depreciation $(164,006)$ $(184,14)$ Tools, furniture and fixtures, net $111,419$ $117,01$ Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,54)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $11,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $25$ Total intangible assets $2,048,954$ $2,007,72$ Investment securities $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,66$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,77$	Buildings, net	136,432	152,29
Tools, furniture and fixtures, net $111,419$ $117,01$ Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,54)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $1,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Other $50$ $50$ Total intangible assets $2,048,954$ $2,007,72$ Investment securities $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,90$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,664$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,77$	Tools, furniture and fixtures	275,425	301,17
Machinery, equipment and vehicles $11,871$ $13,42$ Accumulated depreciation $(3,322)$ $(3,54)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $1,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $50$ Total intangible assets $2,048,954$ $2,007,72$ Investment securities $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,64$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,757$	Accumulated depreciation	(164,006)	(184,15
Accumulated depreciation $(3,322)$ $(3,54)$ Machinery, equipment and vehicles, net $8,548$ $9,88$ Total property, plant and equipment $256,400$ $279,20$ Intangible assets $1,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $2$ Total intangible assets $2,048,954$ $2,007,72$ Investments and other assets $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,64$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,79$	Tools, furniture and fixtures, net	111,419	117,01
Machinery, equipment and vehicles, net8,5489,88Total property, plant and equipment256,400279,20Intangible assets1,318,2961,114,54Goodwill1,318,2961,114,54Software730,608893,15Other5050Total intangible assets2,048,9542,007,75Investments and other assets1,240,3281,190,80Deferred tax assets101,309101,94Lease and guarantee deposits382,489424,42Other28,62954,64Total investments and other assets1,752,7571,771,82Total non-current assets4,058,1134,058,75	Machinery, equipment and vehicles	11,871	13,43
Total property, plant and equipment $256,400$ $279,20$ Intangible assets $1,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $50$ Total intangible assets $2,048,954$ $2,007,72$ Investments and other assets $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,64$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,79$	Accumulated depreciation	(3,322)	(3,54
Total property, plant and equipment $256,400$ $279,20$ Intangible assets $1,318,296$ $1,114,54$ Goodwill $1,318,296$ $1,114,54$ Software $730,608$ $893,12$ Other $50$ $50$ Total intangible assets $2,048,954$ $2,007,72$ Investments and other assets $1,240,328$ $1,190,80$ Deferred tax assets $101,309$ $101,94$ Lease and guarantee deposits $382,489$ $424,42$ Other $28,629$ $54,64$ Total investments and other assets $1,752,757$ $1,771,82$ Total non-current assets $4,058,113$ $4,058,79$	Machinery, equipment and vehicles, net	8,548	9,88
Intangible assets       1,318,296       1,114,54         Goodwill       1,318,296       1,114,54         Software       730,608       893,15         Other       50       50         Total intangible assets       2,048,954       2,007,75         Investments and other assets       1,240,328       1,190,80         Deferred tax assets       101,309       101,94         Lease and guarantee deposits       382,489       424,45         Other       28,629       54,64         Total investments and other assets       1,752,757       1,771,82         Total non-current assets       4,058,113       4,058,79	Total property, plant and equipment		279,20
Goodwill       1,318,296       1,114,54         Software       730,608       893,15         Other       50       50         Total intangible assets       2,048,954       2,007,75         Investments and other assets       1,240,328       1,190,80         Deferred tax assets       101,309       101,94         Lease and guarantee deposits       382,489       424,43         Other       28,629       54,64         Total investments and other assets       1,752,757       1,771,83         Total non-current assets       4,058,113       4,058,79			· · · · · · · · · · · · · · · · · · ·
Software         730,608         893,12           Other         50         6           Total intangible assets         2,048,954         2,007,75           Investments and other assets         1,240,328         1,190,80           Deferred tax assets         101,309         101,94           Lease and guarantee deposits         382,489         424,45           Other         28,629         54,64           Total investments and other assets         1,752,757         1,771,85           Total non-current assets         4,058,113         4,058,79	-	1,318,296	1,114,54
Other50Total intangible assets2,048,954Investments and other assetsInvestment securities1,240,328Deferred tax assets101,309Lease and guarantee deposits382,489Other28,629Total investments and other assets1,752,757Total non-current assets4,058,113	Software		
Investments and other assetsInvestment securities1,240,328Deferred tax assets101,309Lease and guarantee deposits382,489Other28,629Total investments and other assets1,752,757Total non-current assets4,058,113	Other		5
Investments and other assetsInvestment securities1,240,328Deferred tax assets101,309Lease and guarantee deposits382,489Other28,629Total investments and other assets1,752,757Total non-current assets4,058,113	Total intangible assets	2,048,954	2,007,75
Investment securities       1,240,328       1,190,80         Deferred tax assets       101,309       101,94         Lease and guarantee deposits       382,489       424,42         Other       28,629       54,64         Total investments and other assets       1,752,757       1,771,82         Total non-current assets       4,058,113       4,058,79	-		
Deferred tax assets         101,309         101,94           Lease and guarantee deposits         382,489         424,43           Other         28,629         54,64           Total investments and other assets         1,752,757         1,771,82           Total non-current assets         4,058,113         4,058,79		1.240.328	1,190,80
Lease and guarantee deposits       382,489       424,42         Other       28,629       54,64         Total investments and other assets       1,752,757       1,771,82         Total non-current assets       4,058,113       4,058,79			
Other         28,629         54,64           Total investments and other assets         1,752,757         1,771,82           Total non-current assets         4,058,113         4,058,79			
Total investments and other assets1,752,7571,771,82Total non-current assets4,058,1134,058,79			
Total non-current assets         4,058,113         4,058,79			
	Total assets	11,421,131	12,498,95

		(Thousands of yen)
	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	131,641	103,785
Accounts payable - other	2,604,033	2,478,416
Accrued expenses	207,408	105,036
Income taxes payable	554,460	785,836
Accrued consumption taxes	371,521	186,669
Advances received	52,158	84,569
Deposits received	56,556	38,739
Provision for bonuses	241,572	163,402
Provision for repayment	135,835	158,242
Other	38,901	56,340
Total current liabilities	4,394,091	4,161,039
Non-current liabilities		
Net defined benefit liability	89,634	93,561
Other	14,163	58,838
Total non-current liabilities	103,797	152,399
Total liabilities	4,497,889	4,313,438
Net assets		
Shareholders' equity		
Capital stock	304,166	304,166
Retained earnings	7,249,161	8,572,646
Treasury shares	(1,036,485)	(1,036,485
Total shareholders' equity	6,516,843	7,840,328
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,403	9,425
Foreign currency translation adjustment	287,523	215,794
Total accumulated other comprehensive income	297,926	225,219
Subscription rights to shares	47,339	62,221
Non-controlling interests	61,133	57,750
Total net assets	6,923,242	8,185,521
Total liabilities and net assets	11,421,131	12,498,959

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

		(Thousands of yen)
	Six months ended	Six months ended
	September 30, 2014	September 30, 2015
Net sales	7,492,665	9,325,242
Cost of sales	589,137	697,246
Gross profit	6,903,527	8,627,995
Selling, general and administrative expenses	5,604,114	6,728,567
Operating income	1,299,413	1,899,428
Non-operating income		
Share of profit of entities accounted for using equity method	345,234	496,586
Other	18,379	21,732
Total non-operating income	363,613	518,319
Non-operating expenses		
Foreign exchange losses	4,070	19,292
Commission for purchase of treasury shares	295	-
Other	1,206	6,575
Total non-operating expenses	5,572	25,867
Ordinary income	1,657,454	2,391,880
Extraordinary income		
Gain on step acquisitions	185,084	-
Gain on sales of investment securities	1,434	-
Total extraordinary income	186,519	-
Extraordinary losses		
Loss on sales and retirement of non-current assets	-	1,479
Total extraordinary losses	-	1,479
Income before income taxes and minority interests	1,843,973	2,390,401
Income taxes - current	581,250	813,865
Income taxes - deferred	(34,126)	(25,314)
Total income taxes	547,124	788,550
Profit	1,296,849	1,601,851
Profit (loss) attributable to non-controlling interests	1,294	(329)
Profit attributable to owners of parent	1,295,555	1,602,180
	· · · · · ·	

## Consolidated statements of comprehensive income (cumulative)

		(Thousands of yen)
	Six months ended	Six months ended
	September 30, 2014	September 30, 2015
Profit	1,296,849	1,601,851
Other comprehensive income		
Valuation difference on available-for-sale securities	10,153	(1,012)
Foreign currency translation adjustment	116,681	(97,406)
Share of other comprehensive income of entities accounted	(29,743)	19,320
for using equity method	(29,743)	19,520
Total other comprehensive income	97,091	(79,098)
Comprehensive income	1,393,941	1,522,752
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,390,993	1,529,473
Comprehensive income attributable to non-controlling interests	2,947	(6,721)

### Consolidated statements of cash flows

		(Thousands of yen)
	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	1,843,973	2,390,401
Depreciation	106,552	195,819
Amortization of goodwill	161,264	178,870
Loss (gain) on step acquisitions	(185,084)	-
Loss (gain) on sales and retirement of non-current assets	_	1,479
Share of (profit) loss of entities accounted for using equity method	(31,899)	65,934
Increase (decrease) in allowance for doubtful accounts	(2,561)	(17,647
Increase (decrease) in provision for bonuses	39,383	(78,169
Increase (decrease) in provision for repayment	43,075	22,406
Increase (decrease) in provision for repayment	7,025	3,926
Decrease (increase) in notes and accounts receivable - trade	187,304	287,848
Increase (decrease) in accrued consumption taxes	125,178	(185,283)
Decrease (increase) in prepaid expenses	(79,228)	33,728
Increase (decrease) in advances received	55,302	32,410
Increase (decrease) in accounts payable - other	840,084	
Decrease (increase) in lease and guarantee deposits		(85,735)
	(55,974)	(36,542)
Other, net	90,679	(432,588)
Subtotal	3,145,076	2,376,859
Interest and dividend income received	2,077	4,089
Income taxes paid	(529,213)	(580,272)
Net cash provided by (used in) operating activities	2,617,940	1,800,676
Cash flows from investing activities		
Payments into time deposits	—	(78,882)
Purchase of property, plant and equipment	(82,985)	(44,766)
Proceeds from sales of property, plant and equipment	—	911
Purchase of intangible assets	(261,962)	(329,873)
Proceeds from sales of investment securities	8,934	-
Purchase of investment securities	(16)	-
Purchase of shares of subsidiaries resulting in change in scope	(225,415)	(14,789)
of consolidation		(11,70)
Purchase of shares of subsidiaries and associates	(51,833)	-
Payments of loans receivable	-	(28,416)
Other, net	1,341	1,643
Net cash provided by (used in) investing activities	(611,937)	(494,174)
Cash flows from financing activities		
Proceeds from issuance of common shares	495	-
Purchase of treasury shares	(120,714)	-
Cash dividends paid	(204,104)	(281,068)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(534,229)	(4,692)
Other, net	_	(13,007)
Net cash provided by (used in) financing activities	(858,552)	(298,768)
Effect of exchange rate change on cash and cash equivalents		
	(19,681)	(51,168)
Net increase (decrease) in cash and cash equivalents	1,127,768	956,565
Cash and cash equivalents at beginning of period	1,897,846	2,694,008
Increase in cash and cash equivalents from newly consolidated subsidiary	3,828	_
Cash and cash equivalents at end of period	3,029,444	3,650,573