

Summary of Financial Statements for the Fiscal Year Ended March 31, 2015

(Japan GAAP)

May 8, 2015

GEO HOLDINGS CORPORATION

Securities Code: 2681
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 Scheduled date of the Annual General Shareholders Meeting: June 25, 2015
 Scheduled date to submit annual securities report: June 26, 2015
 Scheduled date to start dividend payment: June 26, 2015
 Supplementary material on financial results: Yes
 Briefing on this quarterly financial results : Yes (to institutional investors and securities analysts)

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(Amounts less than million yen are discarded.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2015

(from April 1, 2014 to March 31, 2015)

(1) Consolidated operating results

(The percentages indicate the rates of increase or decrease from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal Year ended:	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
March 31, 2015	270,308	3.0	9,558	3.9	10,030	7.3	7,337	92.6
March 31, 2014	262,324	1.2	9,198	(42.4)	9,344	(40.3)	3,808	(54.5)

(Note) Comprehensive income: 7,322 million yen (increase of 91.6%) for fiscal year ended March 31, 2015
 3,820 million yen (decrease of 51.6%) for fiscal year ended March 31, 2014

	Earnings per share (yen)	Fully diluted earnings per share (yen)	Return on equity (%)	Ratio of ordinary income to total assets (%)	Ratio of operating income to net sales (%)
Fiscal Year ended:					
March 31, 2015	137.99	137.68	12.0	8.2	3.5
March 31, 2014	70.54	70.45	6.6	7.9	3.5

(Reference)

Equity in net income of affiliates: 19 million yen for fiscal year ended March 31, 2015
 17 million yen for fiscal year ended March 31, 2014

A 100 for 1 stock split for common shares was effected on October 1, 2013. The above earnings per share and fully diluted earnings per share were calculated on the basis that this split occurred at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	(Millions of yen)	(Millions of yen)	%	(yen)
As of March 31, 2015	127,612	63,214	49.4	1,204.85
As of March 31, 2014	115,581	59,199	51.1	1,093.16

(Reference) Shareholders' equity: As of March 31, 2015 63,007 million yen
 As of March 31, 2014 59,027 million yen

A 100 for 1 stock split for common shares was effected on October 1, 2013. The above shareholders' equity per share was calculated on the basis that this split occurred at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal Year ended:				
March 31, 2015	17,424	(7,416)	2,107	33,914
March 31, 2014	8,255	(9,401)	(3,790)	21,799

2. Dividends

(Record dates)	Dividend per share (yen)					Total dividend paid (Millions of yen)	Dividend payout ratio (%)	Ratio of dividends to shareholders' equity
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual			
Fiscal Year ended March 31, 2014	-	1,600	-	16	-	1,727	45.3	2.9
Fiscal Year ended March 31, 2015	-	16	-	16	32	1,692	23.2	2.7
Fiscal Year ending March 31, 2016 (Forecast)	-	16	-	16	32		38.0	

A 100 for 1 stock split for common shares was effected on October 1, 2013. The year-end dividend for the year ended March 31, 2014 reflects this stock split, however, if no adjustment is made for this stock split, the annual dividend would be 3,200 yen which is the sum of the 2nd quarter end dividend of 1,600 yen and year-end dividend of 1,600 yen.

3. Projected Consolidated Financial Results for the Fiscal Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(The percentages indicate the rates of increase or decrease from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent company		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	yen
2nd quarter (cumulative)	127,000	1.7	2,900	14.1	3,100	12.0	1,300	(54.9)	24.45
Full-year	275,000	1.7	8,500	(11.1)	9,000	(10.3)	4,500	(38.7)	84.64

Notes

(1) Changes in important subsidiaries during the fiscal year ended March 31, 2015 (changes in Specified Subsidiaries accompanying a change in the scope of consolidation): Yes
Company excluded from the scope of consolidation: WAREHOUSE Co., Ltd.

(2) Changes in accounting policies or changes in accounting estimates or retrospective restatements.

- 1) Changes in accounting policies due to amendments to accounting standards, etc.: None
- 2) Changes in accounting policies other than 1): None
- 3) Changes in estimates used for accounting: None
- 4) Retrospective restatements: None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding (including treasury stock):

As of March 31, 2015 54,401,200 shares
As of March 31, 2014 54,382,800 shares

2) Number of treasury shares:

As of March 31, 2015 2,106,500 shares
As of March 31, 2014 386,300 shares

3) Average number of outstanding shares:

During the fiscal year ended March 31, 2015 53,169,362 shares
During the fiscal year ended March 31, 2014 53,996,500 shares

A 100 for 1 stock split for common shares was effected on October 1, 2013. The number of shares outstanding at the end of the fiscal year (including treasury shares), the number of treasury shares, and the average number of outstanding shares during the fiscal year (cumulative for the four quarters) in the above were calculated on the basis that this split occurred at the beginning of the previous fiscal year.

(Reference) Unconsolidated Results for the Fiscal Year Ended March 31, 2015
(from April 1, 2014 to March 31, 2015)

(1) Unconsolidated operating results

(The percentages indicate the rate of increase or decrease from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal Year Ended:	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
March 31, 2015	6,842	36.4	1,606	260.7	1,831	228.8	2,233	-
March 31, 2014	5,015	(9.9)	445	(72.0)	557	(63.2)	(528)	-

	Earnings per share (yen)	Fully diluted earnings per share (yen)
Fiscal Year Ended:		
March 31, 2015	42.01	41.92
March 31, 2014	(9.78)	-

(Notes)

1. A 100 for 1 stock split for common shares was effected on October 1, 2013. The above earnings per share and fully diluted earnings per share were calculated on the basis that this split occurred at the beginning of the previous fiscal year.
2. The indication for fully diluted earnings per share was omitted because this was a loss per share although there exist potential shares.

(2) Unconsolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	(Millions of yen)	(Millions of yen)	%	(yen)
As of March 31, 2015	90,435	44,546	49.0	847.88
As of March 31, 2014	78,071	45,635	58.2	841.95

(Reference) Shareholders' equity: As of March 31, 2015 44,339 million yen
As of March 31, 2014 45,462 million yen

*Statement regarding audit procedures

This summary is not subject to the audit procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this summary, the audit procedures pursuant to the Financial Instruments and Exchange Act were not completed.

*Explanation regarding appropriate use of financial forecasts and other special remarks

The forward-looking statements included in this summary such as financial forecasts are based on currently available information and certain assumptions which we deem to be reasonable as of the date of this summary. There is no guarantee that the Company will achieve those targets. Actual results may differ significantly from these forecasts due to various factors. Please see "3. Management Policy" on page 10 of the Attachment on the basis of forecasts and a note on reliance on forecasts.

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1. Results of Operations

(1) Analysis of Operating Results

(Results for the current fiscal year)

As an overview of the operating environment of the group for the current period, in the media shop, “Frozen” and “Youkai Watch” became a social phenomenon that generated box-office sales exceeding 200 billion yen for 2014 for the first time in four years, and while we enjoyed the benefits of the trends in packaged software, we must now address the situation where the consumers’ preferences are becoming more diverse in how they wish to spend their time such as in view of the emergence of smart phones.

In the reuse shops, the so-called 3R (Reduce, Reuse, and Recycle) has become an established practice, and “reuse” is becoming more recognized and is continuing to grow including increased transactions among individuals and selling on the internet.

We are also doing business in mobile goods as a commodity common to both the media and reuse businesses, and our efforts in handling more mobile goods by nurturing the mobile segment as our specialty division is beginning to bear fruit also with the aid of the emergence of “low cost smart phones” as a new market force under the liberalization of telecommunication business.

In such an environment, our group focused in expanding our sales network and market share through attempts to adapting to the changing environment.

As a result of our efforts, the group’s stores and facilities for the current consolidated fiscal year are as follows.

	Directly managed stores		Distributors		Franchise stores		Total	
		Increase (decrease)		Increase (decrease)		Increase (decrease)		Increase (decrease)
Total number of GEO group stores and facilities	1,370	(18)	92	(7)	128	7	1,590	(18)
Media	980	(21)	92	(7)	88	5	1,160	(23)
Integrated	98	7					98	7
Reuse	279	39			40	2	319	41
Family Book	0	(43)					0	(43)
Warehouse	10	(1)					10	(1)
Others	3	1					3	1

Notes:

- Media stores include stores that rent DVDs and sell and purchase home game related items.
- Reuse stores include stores that sell and purchase clothing, home electronics and other items.
- A store that operates under multiple store names at one facility is counted as a single store and such store is included among integrated stores.
- If a directly managed store and a franchise store operate inside the same facility as an integrated facility, the franchise store in that integrated facility is excluded from the number of franchise stores.

(i) Net sales

Net sales increased from the previous fiscal year by 7,984 million yen and resulted in 270,308 million yen (an increase of 3.0% increase from the previous fiscal year).

The results for the major segments are as follows.

Segments		Fiscal Year ended March 31, 2015 (Millions of yen)	Increase from the previous fiscal year (%)
Rental		83,307	100.6%
Reuse goods	Media	48,526	107.0%
	Reuse	32,341	110.5%
New goods		79,568	112.0%

(ii) Cost of sales, selling, general and administrative expenses, and operating income

While there was a slight decrease in the gross income ratio as a group, operating income increased by 359 million yen compared to the previous fiscal year and resulted in 9,558 million yen (3.9% increase from the previous fiscal year) as a result of our efforts in controlling the initially projected selling, general and administrative expenses.

(iii) Ordinary income, net income

Ordinary income for the current fiscal year increased by 685 million yen from the previous fiscal year and resulted in 10,030 million yen (7.3% increase from the previous fiscal year). Net income also increased by 3,528 million yen from the previous fiscal year and resulted in 7,337 million yen (92.6% increase from the previous fiscal year) because of deferred income tax that arose from reorganizing subsidiaries.

(2) Analysis of consolidated financial position

[Cash Flows]

Cash and cash equivalents (“cash”) at the end of the current fiscal year increased by 12, 114 million yen from the end of the previous fiscal year and resulted in 33,914 million yen.

The situations of each cash flow and their major factors for the current fiscal year are as follows.

(Cash flows from operating activities)

As a result of operating activities, cash increased 17,424 million yen (where this increased 8,255 million yen in the previous fiscal year).

The major factors for this increase are an expenditure of 12,267 million yen for acquiring rental assets, income before income taxes and minority interests of 8,486 million yen, depreciation and amortization of 5,105 million yen, and depreciation and amortization of rental assets of 13,554 million yen.

(Cash flows from investing activities)

As a result of investing activities, cash decreased 7,416 million yen (where this decreased 9,401 million yen in the previous fiscal year).

The major factor for this decrease is an expenditure of 7,374 million yen from purchasing property, plant and equipment.

(Cash flows from financing activities)

As a result of financing activities, cash increased 2,107 million yen (where this decreased 3,790 million yen in the previous fiscal year).

The major factors for this increase are repayment of long-term loans payable of 9,124 million yen, purchase of

treasury shares of 1,645 million yen, and payment of cash dividends of 1,719 million yen while there were proceeds from long-term loans payable of 15,400 million yen.

(Reference: Trends in cash flow indices)

	Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Shareholders' equity ratio (%)	46.9	51.1	49.4
Shareholders' equity ratio at market value (%)	53.1	42.8	54.1
Years of debt redemption (years)	2.5	2.8	1.7
Interest coverage ratio (ratio)	23.50	23.96	75.39

- * Shareholders' equity ratio = Shareholders' equity/ Total assets
Shareholders' equity ratio at market value = Market capitalization/Total assets
Years of debt redemption=Interest-bearing liabilities/Operating cash flows
Interest coverage ration=Operating cash flows/Interest expenses

- 1) All indices are based on figures in the consolidated financial statements.
- 2) Market capitalization is calculated by multiplying the stock price at the end of the fiscal year by the number of shares issued at the end of the fiscal year.
- 3) The amount of the operating cash flows used in the above calculations is the figure for the operating cash flows in the consolidated statement of cash flows. The amount of the interest-bearing liabilities is the sum of all liabilities on which interest is paid among the liabilities accounted in the consolidated balance sheet. The amount of interest expenses is the amount of interest expenses paid in the consolidated statement of cash flows.

(3) Basic policy in distributing profits and dividends for the current and next fiscal year

One of the Company's top management priorities is to return profit to shareholders. For this purpose, the Company will continue to endeavor to establish a sound managerial base and improve profitability. The Company's policy is to pay dividends that reflect the performance and the Company currently pays dividends twice a year at interim and year-end as dividend of surplus.

The dividend of surplus is decided by the shareholders meeting for the year-end dividend and by the board of directors for the interim dividend.

Pursuant to the above basic policy, an interim dividend of 16 yen per share was paid and an year-end dividend of 16 yen is scheduled to be paid.

The Company paid dividends as follows over the recent five (5) years.

(per share in yen)

	Fiscal Year ended				
	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015
I n t e r i m	1,400	1,500	1,500	1,600	16
Y e a r - e n d	1,400	1,500	1,600	16	16
T o t a l	2,800	3,000	3,100	—	32

In accordance with the above policy, the Company is scheduled to pay an interim dividend of 16 yen per share and an year-end dividend of 16 yen per share which results in an annual dividend of 32 yen per share for the fiscal year ending March 31, 2016.

2. The GEO Group Companies

The GEO group is comprised of the GEO HOLDINGS CORPORATION, 12 subsidiaries, and one affiliate. The group mainly operates stores that rent, purchase and sell used goods, and sell new goods of mainly packaged software to the general public (the “media shop”) and stores that sell and purchase used clothes, variety goods and home electronics and others (the “reuse shop”).

In addition, the group is also advancing into the business of selling these commodities to the franchise stores and other customers, and operating amusement facilities, on-line services, and internet shops.

The group companies and their businesses

(As of March 31, 2015)

Type of company	Business	Operating Company
Holding company	Planning and administration of group management	GEO HOLDINGS CORPORATION
Operating companies	Operation of media shop, reuse shop, and amusement facilities	GEO CORPORATION
	Others	Assist Co., Ltd. AMS CORPORATION Entertainment Network Frontier Inc. EISYS, inc. GEO NETWORKS CORPORATION GEO BUSINESS SUPPORT Co., Ltd. Family Book co., Ltd. RETAIL COMM INC.

A company accounted for by the equity-method:

T&G Inc.

A subsidiary excluded from the scope of consolidation:

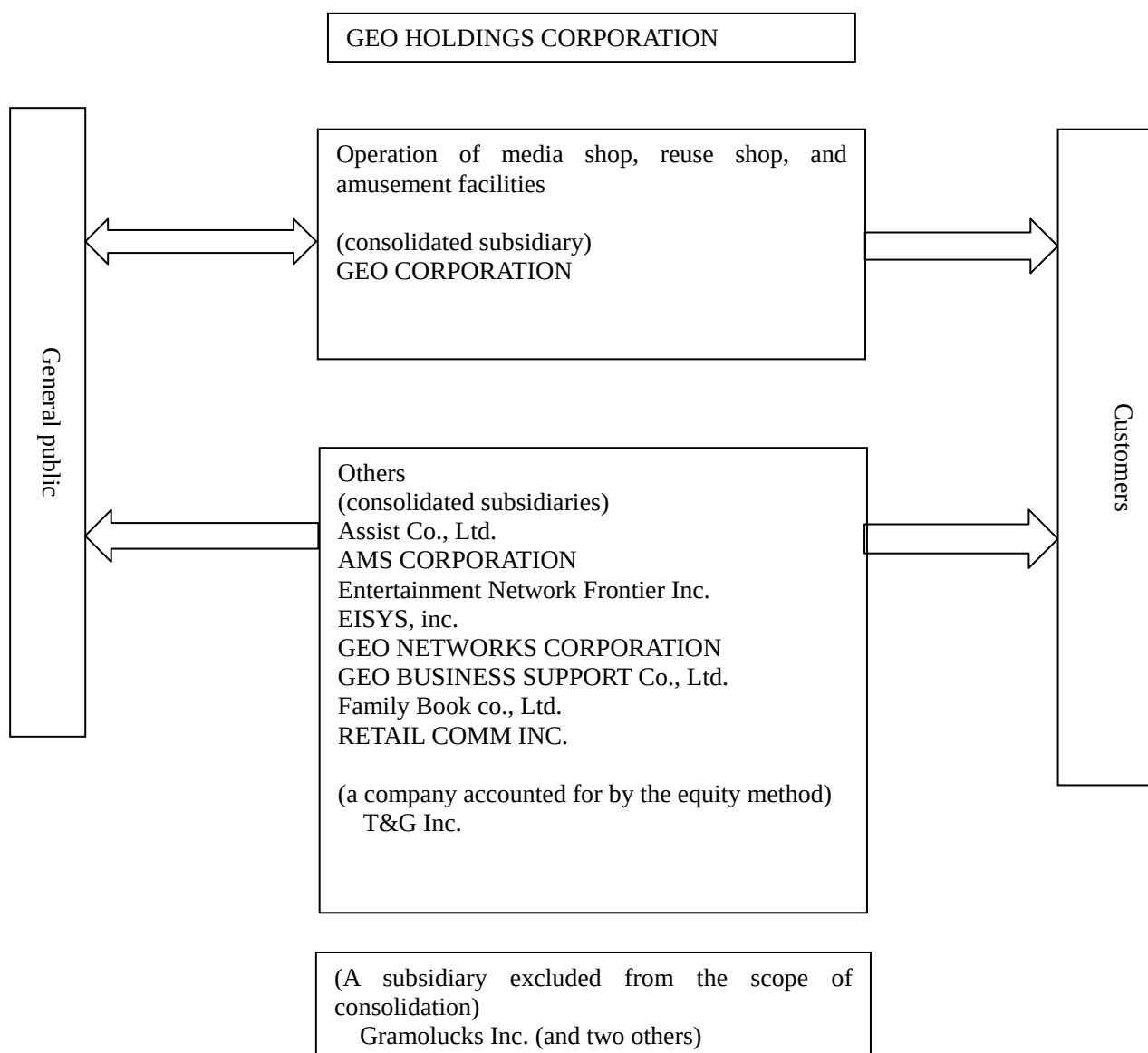
Gramolucks Inc. (and two others)

(Notes)

1. WAREHOUSE Co., Ltd. which was reported as a subsidiary in the previous fiscal year was merged with and absorbed by GEO CORPORATION on April 1, 2014.
2. GEOWeb Service, Inc. which was reported as a subsidiary in the previous fiscal year completed liquidation on June 27, 2014.
3. NESTAGE Co., Ltd. which was reported as a subsidiary in the previous fiscal year was merged with and absorbed by GEO CORPORATION on June 1, 2014.
4. posren Co., Ltd. changed its trade name to GEO NETWORKS CORPORATION on October 1, 2014.

The group's flow chart of business is as follows.

As of March 31, 2015



3. Management Policy

(1) Basic management policy

The basic policy of the group's corporate activities is to "provide a joyful and fun life." We will continue to provide various services based on this policy.

(2) Basic policy in distribution of profit

One of the Company's top management priorities is to return profit to shareholders. For this purpose, the Company will continue to endeavor to establish a sound managerial base and improve profitability. The Company's policy is to pay dividends that reflect the performance and the Company currently pays dividends twice a year at interim and year-end as dividend of surplus.

The Company is a company subject to regulations for dividends based on consolidated financial statements.

(3) Target management indices

Because the group is engaged in business through directly managed stores established nationwide Japan, our target management indices were set to focus on the ratio of operating income to net sales which clearly shows the profitability of the operating activities of the stores. For the fiscal year ended March 31, 2015, the ratio of operating income to net sales was 3.5% (which remained the same from the previous fiscal year end).

We will also focus on return on equity which is becoming a more important index in monitoring return on capital.

The below are the trends in consolidated management indices for the recent five years.

Management indices	Fiscal Year ended				
	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015
Ratio of operating income to net sales	5.6%	7.1%	6.2%	3.5%	3.5%
Return on equity	18.1%	14.3%	15.6%	6.6%	12.0%

(4) Issues to overcome and middle to long term strategies

The environment surrounding the group is continuously and drastically changing and we anticipate the competition to become fierce in the future.

In the media shops, it is necessary to address the competition among the types of media such as HDD recorders and smartphones which are recently spreading at an accelerated speed which competition depends on how consumers prefer to spend their time. The entry of overseas VOD businesses into Japan is also a threat to our group's rental business.

On the other hand, the reuse segment, which our group emphasizes, is gaining more recognition in the market. Further growth in the reuse business is anticipated as there are increasingly more participants not only through stores but by the emergence of internet sales and individual transaction support sites, while small scale stores are dropping out and being reorganized. These trends give us opportunities to prompt the growth of our group.

We believe that by taking advantage of our numerous directly managed stores and to gain a foothold in attaining omni-channel retailing which enables us to deal with all kinds of changes in both businesses are essential for our sustained growth and improvement of corporate value.

Although there was a sense of upturn in the economy since the previous year, we are having difficulties in recruiting. We acknowledge that our staff is our assets and we are determined to overcome such difficulty and aim to recruit more staff and provide proper training.

With the above issues to overcome in mind, we will address the following.

(i) Expedite the expansion of the reuse segment

In the reuse segment, the number of our stores reached to 400 in December 2014 including franchise stores and we will aim to increase this number to 500 during the fiscal year ending March 31, 2016. For our “Jumble Store,” we will maintain specialized stores to propose a life style mainly in clothes in the metropolitan area, and we will sequentially consolidate them into a general reuse store “2nd Street.” This process will create opportunities for reuse to become more close to customers and for both brands to be better recognized.

In addition to the above, we, having the largest store network in the reuse industry and recognition, will reorganize the industry with companies which share the same idea as us, and we will establish ourselves as a leading company by also paving our way for us to advance overseas.

(ii) Maintain and improve profits in the media segment

In the media segment, although the market is scaling down, our media shops are enjoying the so-called “profit of parties remaining in business” by increasing the market share in an oligopolistic market and maintaining their scale of business. Our media shops also have the background and scale to incubate the mobile segment and the network strategy to be discussed later.

Going forward, in an environment where companies are going out of business and second hand stores are closing down quickly, we will more actively propose to the public the attractiveness of our goods and continue to enhance our individual stores. However, we will not be constrained to the idea of centralized management of individual stores by the headquarters but we will allow each individual store to reach the general public to meet their precise needs in each area.

(iii) Establish the mobile segment

The mandatory unlocking of SIM to be commenced from May 2015 is anticipated to strongly promote the spreading of the “low cost smartphones” which have been spreading since last year. We, who have the knowhow in both selling new cell phones and handling reuse commodities and have been addressing various challenges to date, believe that the time has arrived for our mobile segment to become our third core business.

We will capitalize on our ability and knowhow developed through handling used cell phones at more than 1,000 stores and we will rapidly expand our “GEO Mobile” stores that could meet various needs of the users at one-stop by converting current stores and opening new stores.

(iv) Continue to pursue in depth the network strategy

In the reuse segment, we will introduce the system of selling at both the stores and through EC by utilizing the application that we released last year and aim to increase users. We will attract to our stores the users whose number exceeded 3.5 million during a year and a half since the GEO application was renewed. We will develop various services for this great number of users through the GEO CORPORATION network created through reorganization within the group.

(v) Gain a foothold in new business fields

We will actively search and advance into business fields that are new to us where we could become a major player. We will seek new fields of business that are not only at the extension of our current business but also through M&A.

(vi) Acquire human resources and invest in training

In order to realize the strategies discussed in each section, it is necessary for us to establish a sound corporate structure and personnel system which we reformed last year. We will continue to utilize our human resources by recruiting and training our personnel at an appropriate cost.

4. Basic idea in selection of the accounting standards

We currently do not contemplate to advance overseas. Therefore, as a group that has no group companies abroad, we decided to prepare our financial statements on a consolidated basis based on Japanese accounting standards for the time being because there is no inconvenience in management and that it would be possible to compare the results of performance year by year.

We will, however, consider adopting international accounting standards as appropriate in consideration of various circumstances.

5. Consolidated Financial Statements

(1) Consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	19,869	32,052
Notes and accounts receivable - trade	3,992	4,077
Merchandise	23,495	23,834
Deferred tax assets	1,773	1,806
Other	5,942	7,181
Allowance for doubtful accounts	(343)	(292)
Total current assets	54,729	68,659
Non-current assets		
Property, plant and equipment		
Rental assets	104,647	104,514
Accumulated depreciation	(96,055)	(97,475)
Rental assets, net	8,591	7,038
Buildings and structures	39,478	39,984
Accumulated depreciation	(25,976)	(26,362)
Buildings and structures, net	13,501	13,622
Land	6,651	6,356
Leased assets	4,576	3,519
Accumulated depreciation	(2,588)	(1,764)
Leased assets, net	1,988	1,754
Other	17,708	20,562
Accumulated depreciation	(13,236)	(15,292)
Other, net	4,471	5,270
Total property, plant and equipment	35,205	34,043
Intangible assets	2,028	1,277
Investments and other assets		
Investment securities	1,266	1,002
Long-term loans receivable	6,628	6,682
Lease and guarantee deposits	15,034	14,735
Deferred tax assets	2,845	3,774
Other	1,760	1,188
Allowance for doubtful accounts	(3,917)	(3,751)
Total investments and other assets	23,617	23,632
Total non-current assets	60,851	58,952
Total assets	115,581	127,612

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	13,124	13,540
Current portion of long-term loans payable	8,754	7,097
Current portion of bonds	249	149
Provision for bonuses	1,135	1,420
Other	11,450	12,860
Total current liabilities	34,713	35,068
Non-current liabilities		
Bonds payable	403	254
Long-term loans payable	13,910	21,843
Lease obligations	1,590	1,660
Deferred tax liabilities	26	22
Asset retirement obligations	3,898	3,994
Other	1,839	1,554
Total non-current liabilities	21,668	29,329
Total liabilities	56,381	64,398
Net assets		
Shareholders' equity		
Capital stock	8,603	8,615
Capital surplus	6,078	6,090
Retained earnings	44,381	49,998
Treasury shares	(334)	(1,979)
Total shareholders' equity	58,729	62,724
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	297	282
Total accumulated other comprehensive income	297	282
Subscription rights to shares	172	206
Total net assets	59,199	63,214
Total liabilities and net assets	115,581	127,612

(2) Consolidated Income Statement and Statement of Comprehensive Income

Consolidated Income Statement

(Millions of yen)

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Net sales	262,324	270,308
Cost of sales	152,301	157,825
Gross profit	110,022	112,483
Selling, general and administrative expenses	100,823	102,925
Operating income	9,198	9,558
Non-operating income		
Interest and dividend income	111	114
Real estate rent	1,193	1,167
Other	453	1,062
Total non-operating income	1,758	2,343
Non-operating expenses		
Interest expenses	332	231
Rent expenses on real estates	595	609
Provision of reserves included in non-operating expenses	39	252
Provision of allowance for doubtful accounts	123	227
Other	521	550
Total non-operating expenses	1,612	1,871
Ordinary income	9,344	10,030
Extraordinary income		
Gain on bargain purchase	203	-
Total extraordinary income	203	-
Extraordinary losses		
Impairment loss	1,218	1,543
Other	602	-
Total extraordinary losses	1,821	1,543
Income before income taxes and minority interests	7,726	8,486
Income taxes - current	4,027	2,074
Income taxes - deferred	(39)	(925)
Total income taxes	3,987	1,149
Income before minority interests	3,738	7,337
Minority interests in loss	(70)	-
Net income	3,808	7,337

Statement of Comprehensive Income

(Millions of yen)

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Income before minority interests	3,738	7,337
Other comprehensive income		
Valuation difference on available-for-sale securities	82	(15)
Total other comprehensive income	82	(15)
Comprehensive income	3,820	7,322
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,888	7,322
Comprehensive income attributable to minority interests	(67)	-

(3) Consolidated Statements of Change in Net Assets

(For the fiscal year ended March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,603	6,078	42,300	(334)	56,648
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares					—
Dividends of surplus			(1,727)		(1,727)
Net income			3,808		3,808
Purchase of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	2,081	—	2,081
Balance at end of current period	8,603	6,078	44,381	(334)	58,729

	Accumulated other comprehensive income		Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of current period	227	227	155	946	57,978
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares					—
Dividends of surplus					(1,727)
Net income					3,808
Purchase of treasury shares					—
Net changes of items other than shareholders' equity	70	70	16	(946)	(859)
Total changes of items during period	70	70	16	(946)	1,221
Balance at end of current period	297	297	172	—	59,199

(For the fiscal year ended March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,603	6,078	44,381	(334)	58,729
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares	11	11			23
Dividends of surplus			(1,720)		(1,720)
Net income			7,337		7,337
Purchase of treasury shares				(1,645)	(1,645)
Net changes of items other than shareholders' equity					
Total changes of items during period	11	11	5,617	(1,645)	3,995
Balance at end of current period	8,615	6,090	49,998	(1,979)	62,724

	Accumulated other comprehensive income		Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of current period	297	297	172	—	59,199
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares					23
Dividends of surplus					(1,720)
Net income					7,337
Purchase of treasury shares					(1,645)
Net changes of items other than shareholders' equity	(15)	(15)	33	—	18
Total changes of items during period	(15)	(15)	33	—	4,014
Balance at end of current period	282	282	206	—	63,214

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	7,726	8,486
Depreciation	5,166	5,105
Rental assets depreciation	13,150	13,554
Impairment loss	1,218	1,543
Amortization of goodwill	1,103	884
Gain on bargain purchase	(203)	-
Interest and dividend income	(111)	(114)
Interest expenses	332	231
Loss (gain) on sales of shares of subsidiaries and associates	514	-
Decrease (increase) in notes and accounts receivable - trade	1,012	(108)
Decrease (increase) in inventories	(1,673)	(117)
Purchase of Rental assets	(13,422)	(12,267)
Increase (decrease) in notes and accounts payable - trade	(708)	430
Increase (decrease) in accounts payable - other and accrued expenses	901	705
Increase (decrease) in accrued consumption taxes	(208)	2,655
Other, net	551	(291)
Subtotal	15,348	20,698
Interest and dividend income received	93	101
Interest expenses paid	(344)	(231)
Income taxes paid	(6,842)	(3,144)
Net cash provided by (used in) operating activities	8,255	17,424
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,937)	(7,374)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,391)	-
Purchase of shares of subsidiaries	(266)	-
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(506)	-
Other, net	(299)	(41)
Net cash provided by (used in) investing activities	(9,401)	(7,416)
Cash flows from financing activities		
Increase in short-term loans payable	13,550	12,310
Decrease in short-term loans payable	(13,630)	(12,310)
Proceeds from long-term loans payable	11,200	15,400
Repayments of long-term loans payable	(10,972)	(9,124)
Proceeds from issuance of bonds	1,465	-
Redemption of bonds	(1,720)	(249)
Repayments of finance lease obligations	(1,958)	(570)
Purchase of treasury shares	-	(1,645)
Cash dividends paid	(1,716)	(1,719)
Other, net	(6)	15
Net cash provided by (used in) financing activities	(3,790)	2,107
Net increase (decrease) in cash and cash equivalents	(4,935)	12,114
Cash and cash equivalents at beginning of period	26,735	21,799
Cash and cash equivalents at end of period	21,799	33,914

(5) Notes to consolidated financial statements

(Going Concern Considerations)

Not applicable.

(Segment Information)

[Segment Information]

For the previous fiscal year (from April 1, 2013 to March 31, 2014) and the current fiscal year (April 1, 2014 to March 31, 2015):

Description is omitted because the group reports only through one segment, i.e., retail services.

(Per share information (in yen))

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Shareholders' equity per share	1,093.16	1,204.85
Earnings per share	70.54	137.99
Fully diluted earnings per share	70.45	137.68

(Notes)

1. A 100 for 1 stock split for common shares was effected on October 1, 2013. The above shareholders' equity per share, earnings per share and fully diluted earnings per share were calculated on the basis that this split occurred at the beginning of the previous fiscal year.
2. The basis for calculating the shareholders' equity per share is as follows.

(Millions of yen except share information)

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Total net assets	59,199	63,214
Amount to be deducted from total net assets	172	206
(Subscription rights to shares in the above)	(172)	(206)
(minority interests in the above)	(—)	(—)
Net assets at the end of the fiscal year attributable to common shares	59,027	63,007
Number of common shares at the end of the fiscal year used for calculating the shareholders' equity per share	53,996,500	52,294,700

3. The basis for calculating the earnings per share and fully diluted earnings per share is as follows.

(Millions of yen except share information)

	Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015
Earnings per share		
Net income	3,808	7,337
Amount not attributable to common shareholders	—	—
Net income attributable to common shares	3,808	7,337
Average number of shares outstanding during the fiscal year	53,996,500	53,169,362
Fully diluted earnings per share		

Adjustments to net income	—	—
Increase in the number of common shares	69,999	120,521
(subscription rights to shares included in the above as number of shares)	(69,999)	(120,521)
Description of potential shares that were not included in calculating the fully diluted earnings per share due to them having no dilutive effect	932,500 shares subject to the Company's stock options (for the 6th, 8th and 9th stock options)	15,000 shares subject to the Company's stock options (for the 8th stock option)

(Subsequent events after the current period)

Not applicable.