

Summary of Financial Statements for the Fiscal Year Ended March 31, 2018 (Japan GAAP)

May 10, 2018

GEO HOLDINGS CORPORATION

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Scheduled date of the Annual General Shareholders Meeting: June 27, 2018

Scheduled date to submit annual securities report: June 28, 2018

Scheduled date to start dividend payment: June 28, 2018

Supplementary material on financial results: Yes

Briefing on this annual financial results : Yes (to analysts and institutional investors)

(Amounts less than million yen are discarded.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(1) Consolidated operating results

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal Year ended:	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
March 31, 2018	299,262	11.6	14,668	69.3	15,248	68.7	6,614	56.6
March 31, 2017	268,079	0.1	8,662	(47.7)	9,040	(49.3)	4,223	(60.0)

(Note) Comprehensive income: 6,636 million yen (increase of 54.2%) for fiscal year ended March 31, 2018
4,303 million yen (decrease of 58.7%) for fiscal year ended March 31, 2017

	Earnings per share (yen)	Fully diluted earnings per share (yen)	Return on equity (%)	Ratio of ordinary profit to total assets (%)	Ratio of operating profit to net sales (%)
Fiscal Year ended:					
March 31, 2018	137.96	137.25	9.2	11.1	4.9
March 31, 2017	87.47	87.18	6.4	6.9	3.2

(Reference) Equity in net income of affiliates: 17 million yen for fiscal year ended March 31, 2018
10 million yen for fiscal year ended March 31, 2017

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Book value per share
	(Millions of yen)	(Millions of yen)	%	(yen)
As of March 31, 2018	137,335	72,191	52.4	1,502.96
As of March 31, 2017	130,768	67,711	51.7	1,399.06

(Reference) Shareholders' equity: As of March 31, 2018: 71,991 million yen
As of March 31, 2017: 67,562 million yen

(3) Consolidated statement of cash flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow 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, 2018	16,345	(2,969)	(5,253)	45,175
March 31, 2017	8,786	(8,082)	(3,182)	36,908

2. Dividends

	Dividend per share (yen)					Total dividend paid	Dividend payout ratio (consolidated)	Ratio of dividends to shareholders' equity
(Record dates)	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual	(Millions of yen)	%	%
Fiscal Year ended March 31, 2017	-	17	-	17	34	1,641	38.9	2.4
Fiscal Year ended March 31, 2018	-	17	-	17	34	1,627	24.6	2.3
Fiscal Year ending March 31, 2019 (Forecast)	-	17	-	17	34		35.4	

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(The percentages indicate the rates of increase or decrease from the previous year for full year, and from the same period of the previous year for quarter.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	yen
Full year	290,000	(3.1)	8,600	(41.4)	9,100	(40.3)	4,600	(30.5)	96.03

Notes

- (1) Changes in important subsidiaries during the fiscal year ended March 31, 2018 (changes in Specified Subsidiaries accompanying a change in the scope of consolidation): None
- (2) Changes in accounting principles or changes in accounting estimates or retrospective restatements.
 - 1) Changes in accounting principles due to amendments to accounting standards, etc.: None
 - 2) Changes in accounting principles 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, 2018	48,349,700 shares
As of March 31, 2017	48,291,200 shares
 - 2) Number of treasury shares:

As of March 31, 2018	450,000 shares
As of March 31, 2017	0
 - 3) Average number of outstanding shares:

During the fiscal year ended March 31, 2018	47,944,280 shares
During the fiscal year ended March 31, 2017	48,276,086 shares

(Reference) Unconsolidated Results for the Fiscal Year Ended March 31, 2018
(from April 1, 2017 to March 31, 2018)

(1) Unconsolidated operating results

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

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal Year ended:	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
March 31, 2018	8,096	17.2	1,150	3.1	881	(9.3)	(386)	-
March 31, 2017	6,906	7.9	1,115	(1.8)	972	(39.3)	670	(54.6)

	Earnings per share (yen)	Fully diluted earnings per share (yen)
Fiscal Year Ended:		
March 31, 2018	(8.06)	-
March 31, 2017	13.88	13.83

(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, 2018	75,952	34,003	44.5	705.70
As of March 31, 2017	78,925	36,403	45.9	750.75

(Reference) Shareholders' equity: As of March 31, 2018 33,803 million yen
As of March 31, 2017 36,254 million yen

*This summary is not subject to the audit procedures by a certified public accountant or audit corporation.

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

(Notice concerning forward-looking statements)

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 "1. Overview of Results of Operations, etc.," "(1) Overview of Operating Results" on page 2 of the Attachments for the basis of forecasts and notes on reliance on forecasts.

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1. Overview of Results of Operations, etc.

(1) Overview of Operating Results

(i) Results for the current fiscal year

As an overview of the operating environment of the group for the current fiscal year, we benefitted from the scale of the game market which is expected to grow compared to the previous fiscal year for the first time during the last 11 years due to continuous hits in hardware and software, and active growth in consumer game device. On the other hand, we still need to further analyze and follow the customers' changing lifestyles such as diversification of their choice on how they consume their time and spend their leisure due to expanding market of visual distribution, smartphones and other reasons.

In reuse market, the market growth rate is slowing for real stores but "reuse" is expected to obtain stronger recognition and achieve solid growth from continuous expansion through active transactions between individuals and through internet sales.

In addition, in used telecommunication equipment market which we are focusing on as our new merchandise, as smartphones and tablets are spreading and mobilization of the internet environment is progressing in the primary market, the secondary market is also expanding and further growth is anticipated, while on the other hand, there is an issue that it is not widely recognized that used device is sold and that there exists a service to sell and purchase used device.

In such an environment, our group focused on expanding our sales network and market share through attempts to adapting to the changing environment with our policy to "offer joy to everyday life."

As a result, sales for the current fiscal year resulted in 299,262 million yen (11.6% increase from the previous fiscal year) reflecting significant contribution to sales by the sale of new goods from the launch of game-related device such as Nintendo Switch while rental sales were continuously soft. In profits, operating profit resulted in 14,668 million yen (69.3% increase from the previous fiscal year) and ordinary profit resulted in 15,248 million yen (68.7% increase from the previous fiscal year) from the effect of reviewing the SG&A at media shops, and profit attributable to owners of parent resulted in 6,614 million yen (56.6% increase from the previous fiscal year) due to extraordinary losses of 2,122 million yen incurred relating to impairment losses on stores, etc.

The results for major merchandise are as follows.

		Fiscal Year ended March 31, 2018 (Millions of yen)	Increase from the previous fiscal year (%)
Rental		66,644	93.5%
Reuse goods	Media	54,340	109.6%
	Non-media	45,075	113.8%
New goods		101,186	124.3%

The group's stores and facilities as at the end of the current fiscal year are as follows.

	Directly managed stores		Distributors		Franchise stores		Total	
		Increase (decrease) from the previous fiscal year end		Increase (decrease) from the previous fiscal year end		Increase (decrease) from the previous fiscal year end		Increase (decrease) from the previous fiscal year end
Total number of GEO group stores and facilities	1,611	32	108	7	124	(1)	1,843	38
Media	1,054	(8)	108	7	75	(1)	1,237	(2)
GEO mobile (mobile dedicated stores)	17	1					17	1
Reuse	535	29			49	0	584	29
Warehouse	10	(1)					10	(1)
Others	12	12					12	12

Notes:

1. The numbers of stores are counted based on each store name.
2. The stores that rent DVDs and sell and purchase home game related items are counted as media stores (store names: GEO, GEO mobile).
3. GEO mobile means mobile store that does not operate within a media store.
4. The stores that sell and purchase clothing and accessories, etc. are counted as reuse stores (store names: Second Street, Super Second Street, 2nd Outdoor, Jumble Store, etc.).

(ii) Future forecast

In the operating environment of the group, the shrinking trends for rental merchandise have not changed, and the situation where consumer game-related goods such as Nintendo Switch uplifting the overall industry is continuing. As forecast for the next fiscal year, we anticipate reduced income due to completion of a period of good sales for new merchandise comprised of mainly games, and reduced profit due to continuous investment in reuse in the aim of achieving growth over the long term.

We will continue opening new reuse stores that sell clothing and accessories as the core merchandise and demonstrate growing sales and we will also simultaneously invest in e-commerce to strengthen logistics to also focus on used games and other reuse merchandise in order to enhance convenience for customers and to create a seamless environment.

From the above, as forecast for consolidated results for fiscal year ending March 31, 2019, we project sales of 290,000 million yen (3.1% decrease from the previous fiscal year), operating profit of 8,600 million yen (41.4% decrease from the previous fiscal year), ordinary profit of 9,100 million yen (40.3% decrease from the previous fiscal year), and profit attributable to owners of parent of 4,600 million yen (30.5% decrease from the previous fiscal year)

(2) Overview of consolidated financial position

[Cash Flows]

Cash and cash equivalents (“cash”) at the end of the current fiscal year increased by 8,267 million yen from the end of the previous fiscal year and resulted in 45,175 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 16,345 million yen (where this increased 8,786 million yen in the previous fiscal year).

The major factors for this increase were profit before income taxes of 12,502 million yen, depreciation of 5,449 million yen, and impairment loss of 2,122 million yen while there was a decrease in notes and accounts payable of 4,524 million yen.

(Cash flows from investing activities)

As a result of investing activities, cash decreased 2,969 million yen (where this decreased 8,082 million yen in the previous fiscal year).

The major factor for this decrease was expenditures of 3,248 million yen from purchasing property, plant and equipment.

(Cash flows from financing activities)

As a result of financing activities, cash decreased 5,253 million yen (where this decreased 3,182 million yen in the previous fiscal year).

The major factors for this decrease were expenditures of repayments on short-term loans payable of 12,040 million yen and on long-term loans payable of 6,372 million yen, while there were proceeds from short-term loans payable of 10,400 million yen and from long-term loans payable of 5,000 million yen, and payments of cash dividend of 1,630 million yen.

(Reference: Trends in cash flow indices)

	Fiscal Year ended March 31, 2016	Fiscal Year ended March 31, 2017	Fiscal Year ended March 31, 2018
Shareholders' equity ratio (%)	49.8	51.7	52.4
Shareholders' equity ratio at market value (%)	69.3	45.1	60.0

Years of debt redemption (years)	1.4	3.0	1.6
Interest coverage ratio (ratio)	86.12	43.66	92.72

- * 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 ratio=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 17 yen per share was paid and an year-end dividend of 17 yen is scheduled to be paid.

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

	Fiscal Year ended				
	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018
I n t e r i m	1,600	16	16	17	17
Y e a r - e n d	16	16	17	17	17
T o t a l	—	32	33	34	34

(per share in yen)

In accordance with the above policy, the Company is scheduled to pay an interim dividend of 17 yen per share and an year-end dividend of 17 yen per share which results in an annual dividend of 34 yen per share for the fiscal year ending March 31, 2019.

2. The GEO Group Companies

The GEO group is comprised of the GEO HOLDINGS CORPORATION, 18 subsidiaries, and an 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"), stores that sell and purchase used clothes, variety goods and home electronics and others (the "reuse shop"), and amusement facilities.

In addition, the group is also advancing into the wholesale business of these merchandise, and operation of on-line services and internet shop.

The group companies and their businesses

(As of March 31, 2018)

Type of company	Business	Operating Company
Holding company	Planning and administration of group management	GEO HOLDINGS CORPORATION (the Company)
Operating companies	Operation of media shop, reuse shop, and amusement facilities	GEO CORPORATION
	Others	Entertainment Network Frontier Inc. EISYS, inc. Gramolux Inc. GEO INTERACTIVE CORPORATION GEO CONSULTING CORPORATION GEO NETWORKS CORPORATION GEO BUSINESS SUPPORT Co., Ltd. GEO payment service corporation Chelsea International Co., Ltd. Family Book co., Ltd. World mobile corporation 2ND STREET TRADING MALAYSIA SDN. BHD.

A company accounted for by the equity-method:

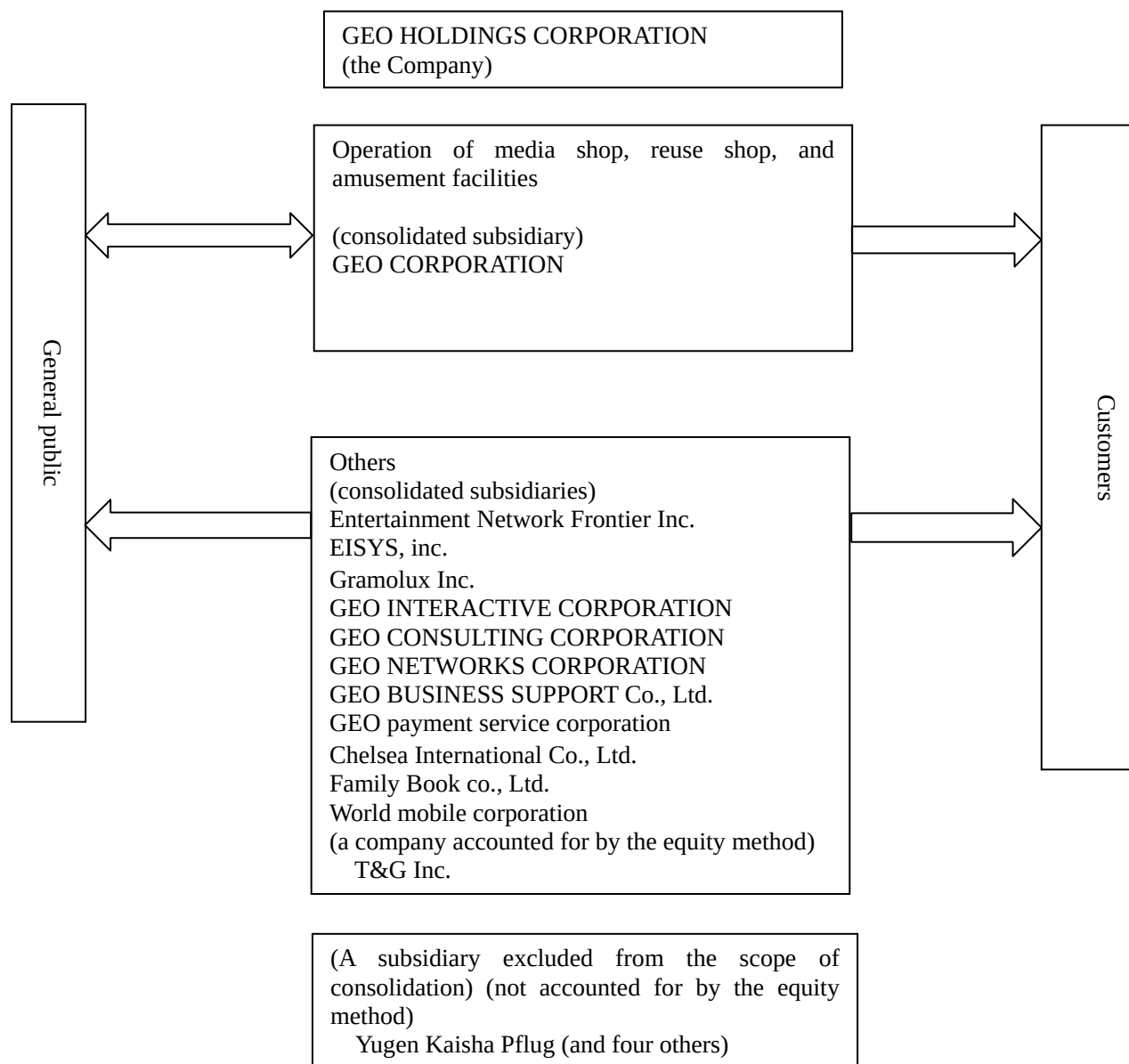
T&G Inc.

A subsidiary excluded from the scope of consolidation (not accounted for by the equity method):

Yugen Kaisha Pflug (and four others)

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

As of March 31, 2018



3. Basic idea in selection of the accounting standards

With respect to accounting standards, we apply the Japanese accounting standards to enable comparison with competitors in the same industry in Japan.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	34,087	42,667
Notes and accounts receivable - trade	4,595	5,562
Securities	2,101	—
Merchandise	25,773	30,007
Deferred tax assets	1,700	1,819
Other	7,945	6,384
Allowance for doubtful accounts	(123)	(55)
Total current assets	76,081	86,385
Non-current assets		
Property, plant and equipment		
Rental assets	98,544	91,478
Accumulated depreciation	(93,633)	(87,292)
Rental assets, net	4,910	4,186
Buildings and structures	42,515	42,869
Accumulated depreciation	(29,032)	(30,461)
Buildings and structures, net	13,482	12,407
Land	5,464	5,235
Other	27,748	28,806
Accumulated depreciation	(20,509)	(22,240)
Other, net	7,238	6,566
Total property, plant and equipment	31,097	28,396
Intangible assets	2,049	1,443
Investments and other assets		
Long-term loans receivable	1,591	2,261
Lease and guarantee deposits	15,319	15,393
Deferred tax assets	2,993	2,614
Other	2,491	1,724
Allowance for doubtful accounts	(856)	(883)
Total investments and other assets	21,539	21,110
Total non-current assets	54,687	50,950
Total assets	130,768	137,335

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Liabilities		
Current liabilities		
Accounts payable - trade	16,322	12,316
Current portion of long-term loans payable	6,072	5,539
Current portion of bonds	49	56
Income taxes payable	448	4,634
Provision for bonuses	1,787	2,085
Other	9,299	10,985
Total current liabilities	33,980	35,618
Non-current liabilities		
Bonds payable	56	—
Long-term loans payable	20,437	19,897
Lease obligations	1,514	1,411
Deferred tax liabilities	22	19
Asset retirement obligations	5,064	6,201
Other	1,981	1,995
Total non-current liabilities	29,076	29,526
Total liabilities	63,056	65,144
Net assets		
Shareholders' equity		
Capital stock	8,896	8,933
Capital surplus	3,309	3,345
Retained earnings	55,125	59,984
Treasury shares	—	△525
Total shareholders' equity	67,331	71,738
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	243	262
Deferred gains or losses on hedges	(12)	(8)
Total accumulated other comprehensive income	231	253
Share acquisition rights	149	200
Total net assets	67,711	72,191
Total liabilities and net assets	130,768	137,335

(2) Consolidated Income Statement and Statement of Comprehensive Income

Consolidated Income Statement

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	268,079	299,262
Cost of sales	156,082	179,678
Gross profit	111,996	119,583
Selling, general and administrative expenses	103,334	104,915
Operating profit	8,662	14,668
Non-operating income		
Interest and dividend income	42	46
Real estate rent	1,284	1,234
Other	540	861
Total non-operating income	1,867	2,142
Non-operating expenses		
Interest expenses	201	176
Rent expenses on real estates	786	936
Provision of allowance for doubtful accounts	51	263
Other	449	185
Total non-operating expenses	1,489	1,562
Ordinary profit	9,040	15,248
Extraordinary income		
Gain on sales of investment securities	47	—
Total extraordinary income	47	—
Extraordinary losses		
Impairment loss	1,862	2,122
Loss on valuation of shares of subsidiaries and associates	120	325
Amortization of goodwill	—	275
Other	42	22
Total extraordinary losses	2,024	2,745
Profit before income taxes	7,064	12,502
Income taxes - current	2,066	5,644
Income taxes - deferred	774	243
Total income taxes	2,841	5,888
Profit	4,223	6,614
Profit attributable to owners of parent	4,223	6,614

Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Profit	4,223	6,614
Other comprehensive income		
Valuation difference on available-for-sale securities	77	18
Deferred gains or losses on hedges	3	3
Total other comprehensive income	80	21
Comprehensive income	4,303	6,636
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,303	6,636

(3) Consolidated Statements of Change in Net Assets

(For the fiscal year ended March 31, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,871	3,283	52,542	—	64,697
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares	25	25			51
Dividends of surplus			(1,640)		(1,640)
Profit attributable to owners of parent			4,223		4,223
Purchase of treasury shares					—
Change in the scope of consolidation					—
Net changes of items other than shareholders' equity					—
Total changes of items during period	25	25	2,582	—	2,633
Balance at end of current period	8,896	3,309	55,125	—	67,331

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of current period	166	(15)	150	113	64,961
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares					51
Dividends of surplus					(1,640)
Profit attributable to owners of parent					4,223
Purchase of treasury shares					—
Change in the scope of consolidation					—
Net changes of items other than shareholders' equity	77	3	80	36	116
Total changes of items during period	77	3	80	36	2,749
Balance at end of current period	243	(12)	231	149	67,711

(For the fiscal year ended March 31, 2018)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,896	3,309	55,125	—	67,331
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares	36	36			72
Dividends of surplus			(1,634)		(1,634)
Profit attributable to owners of parent			6,614		6,614
Purchase of treasury shares				(525)	(525)
Change in the scope of consolidation			(120)		(120)
Net changes of items other than shareholders' equity					—
Total changes of items during period	36	36	4,859	(525)	4,407
Balance at end of current period	8,933	3,345	59,984	(525)	71,738

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of current period	243	(12)	231	149	67,711
Changes of items during period					
Issuance of new shares - exercise of subscription rights to shares					72
Dividends of surplus					(1,634)
Profit attributable to owners of parent					6,614
Purchase of treasury shares					(525)
Change in the scope of consolidation					(120)
Net changes of items other than shareholders' equity	18	3	21	50	72
Total changes of items during period	18	3	21	50	4,480
Balance at end of current period	262	(8)	253	200	72,191

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from operating activities		
Profit before income taxes	7,064	12,502
Depreciation	5,303	5,449
Rental assets depreciation	8,648	7,038
Impairment loss	1,862	2,122
Interest and dividend income	(42)	(46)
Interest expenses	201	176
Decrease (increase) in inventories	(700)	(2,869)
Purchase of Rental assets	(7,857)	(6,429)
Increase (decrease) in notes and accounts payable - trade	3,690	(4,524)
Increase (decrease) in accrued consumption taxes	(537)	1,144
Other, net	(458)	1,578
Subtotal	17,173	16,142
Interest and dividend income received	22	30
Interest expenses paid	(201)	(176)
Income taxes paid	(8,208)	(1,545)
Income taxes refund	—	1,894
Net cash provided by (used in) operating activities	8,786	16,345
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,412)	(3,248)
Purchase of intangible assets	(971)	(805)
Payments of loans receivable	(1,183)	(685)
Other, net	(515)	1,770
Net cash provided by (used in) investing activities	(8,082)	(2,969)
Cash flows from financing activities		
Increase in short-term loans payable	9,900	10,400
Decrease in short-term loans payable	(9,900)	(12,040)
Proceeds from long-term loans payable	7,000	5,000
Repayments of long-term loans payable	(8,333)	(6,372)
Cash dividends paid	(1,636)	(1,630)
Other, net	(212)	(609)
Net cash provided by (used in) financing activities	(3,182)	(5,253)
Net increase (decrease) in cash and cash equivalents	(2,478)	8,123
Cash and cash equivalents at beginning of period	39,386	36,908
Increase in cash and cash equivalents from newly consolidated subsidiary	—	143
Cash and cash equivalents at end of period	36,908	45,175

(5) Notes to consolidated financial statements

(Going concern assumptions)

None

(Segment information)

[Segment information]

For the previous fiscal year (from April 1, 2016 to March 31, 2017) and the current fiscal year (from April 1, 2017 to March 31, 2018):

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

[Related information]

For the previous fiscal year (from April 1, 2016 to March 31, 2017) and the current fiscal year (from April 1, 2017 to March 31, 2018):

1. Information based on products and services:
Description is omitted because the group reports only through one segment, i.e., retail services.
2. Information based on region:
 - (1) Net sales:
Description is omitted because net sales towards outside customers in Japan exceed 90% of the net sales indicated in the consolidated income statement.
 - (2) Property, plant and equipment:
Description is omitted because we do not own any property, plant and equipment outside Japan.

[Information on impairment loss on fixed assets for each reporting segment]

For the previous fiscal year (from April 1, 2016 to March 31, 2017) and the current fiscal year (from April 1, 2017 to March 31, 2018):

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

[Information on amortization and unamortized balance of goodwill for each reporting segment]

For the previous fiscal year (from April 1, 2016 to March 31, 2017) and the current fiscal year (from April 1, 2017 to March 31, 2018):

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

[Information on gain on negative goodwill for each reporting segment]

For the previous fiscal year (from April 1, 2016 to March 31, 2017) and the current fiscal year (from April 1, 2017 to March 31, 2018):

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, 2017	Fiscal Year ended March 31, 2018
Shareholders' equity per share	1,399.06	1,502.96
Earnings per share	87.47	137.96
Fully diluted earnings per share	87.18	137.25

(Notes)

1. The basis for calculating the shareholders' equity per share is as follows.

(Millions of yen except share information)

	Fiscal Year ended March 31, 2017	Fiscal Year ended March 31, 2018
Total net assets	67,711	72,191
Amount to be deducted from total net assets	149	200
(Stock acquisition rights in the above)	(149)	(200)
(Non-controlling interests in the above)	(—)	(—)
Net assets at the end of the fiscal year attributable to common shares	67,562	71,991
Number of common shares at the end of the fiscal year used for calculating the shareholders' equity per share	48,291,200	47,899,700

2. 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, 2017	Fiscal Year ended March 31, 2018
Earnings per share		
Profit attributable to owners of parent	4,223	6,614
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent for common shares	4,223	6,614
Average number of shares outstanding during the fiscal year	48,276,086	47,944,280
Fully diluted earnings per share		
Adjustments to profit attributable to owners of parent	—	—
Increase in the number of common shares	160,109	248,191
(Subscription rights to shares included in the above as number of shares)	(160,109)	(248,191)
Description of potential shares that were not included in calculating the fully diluted earnings per share due to them having no dilutive effect	374,000 shares subject to the Company's stock options (for the 10th stock acquisition rights and the 11th stock acquisition rights)	286,500 shares subject to the Company's stock options (for the 10th stock acquisition rights)

(Subsequent events after the current period)

(Issue of stock options (subscription rights to rights))

The Company, at its board of directors meeting held on April 25, 2018, resolved to submit to the Company's 30th Annual General Shareholders Meeting to be held on June 27, 2018 a proposal to delegate to the Company's board of directors the decision on the terms for offering subscription rights to shares as stock options to the directors of the Company's affiliates and to the employees of the Company and the Company's affiliates pursuant to the provisions of Article 236, Article 238, and Article 239 of the Companies Act.

For details, please see our news release dated April 25, 2018 entitled “Notice concerning issuance of stock options (subscription rights to shares).”

(Purchase of treasury shares)

The Company, at its board of directors meeting held on May 10, 2018, resolved to purchase treasury shares pursuant to the provisions of Article 156, Paragraph 1 of the Companies Act that is applied by rereading the provisions of Article 165, Paragraph 3 of the same act, and pursuant to the Company’s Articles of Incorporation, and to conduct tender offer for the treasury shares as follows as the method of purchase.

1. Reason: To return profit to shareholders and improve capital efficiency
2. Details of the board resolution concerning acquisition of treasury shares:
 - (1) Type of shares to be purchased: Common shares
 - (2) Total number of shares to be purchased: 4,356,100 shares (maximum)
 - (3) Purchase period: From May 11, 2018 to June 29, 2018
 - (4) Total purchase price: 6,804,228,000 yen (maximum)
 - (5) Method of purchase: Tender offer for treasury shares through filing a tender offer registration statement
 - (6) Date of commencement of settlement: June 29, 2018