Summary of Consolidated Financial Results for
the Fiscal Year Ending March 31, 2016 (Japanese GAAP)

May 10, 2016

Company name: Sac's Bar Holdings Inc. Stock exchange: Tokyo Stock Exchange
Code Number: 9990 URL: http://www.sacs-bar.co.jp
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Scheduled date of regular general meeting of shareholders: June 28, 2016
Scheduled date of filing securities report: June 28, 2016
Scheduled date of starting distributing dividends: June 29, 2016
Supplementary materials prepared for financial results: Yes
Results briefing held: Yes (for institutional investors and analysts)

(Million yens, rounded down)

1. Consolidated financial results for the fiscal year ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(1) Consolidated operating results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%
FY2015	56,963	6.6	4,765	1.4	4,844	2.7	2,982	8.0
FY2014	53,434	6.0	4,700	9.0	4,716	9.8	2,762	18.0

Note: Comprehensive income: FY2015 JPY2,970 million (5.0%);
FY2014 JPY2,828 million (20.8%)

	Net income per share	Diluted net income per share	ROE	ROA	Operating Income Margin
	(Yen)	(Yen)	%	%	%
FY2015	101.24	–	13.0	13.5	8.4
FY2014	94.83	94.56	13.4	14.3	8.8

Reference: Equity in net income (losses) of affiliates: FY2015 JPY -- million; FY2014 JPY -- million

Note: The Company conducted a 1.5-for-1 stock split of common stock with an effective date of October 1, 2014. Accordingly, net income per share and diluted net income per share above have been calculated assuming that the stock split had been conducted at the start of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions yen)	(Millions yen)	%	(Yen)
FY2015	37,234	24,209	64.8	819.53
FY2014	34,377	21,915	63.7	743.72

Reference: Shareholders' equity: FY2015 JPY24,141 million; FY2014 JPY21,909 million

Note: The company conducted a 1.5-for-1 stock split of common stock with an effective date of October 1, 2014. Accordingly, net assets per share above have been calculated assuming that the stock split had been conducted at the start of the previous consolidated fiscal year.

(3) Consolidated cash flow

	Cash flow from (used in) operating activities	Cash flow from (used in) investing activities	Cash flow from (used in) financing activities	Cash and cash equivalents at end of year
	(Millions yen)	(Millions yen)	(Millions yen)	(Millions yen)
FY2015	2,048	-3,140	-977	3,034
FY2014	2,656	-1,498	-1,268	5,104

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Ratio of dividends to shareholders' equity (consolidated)
	1Q end	2Q end	3Q end	Year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions yen)	%	%
FY2014	–	0.00	–	25.00	25.00	736	26.4	3.6
FY2015	–	0.00	–	27.00	27.00	795	26.7	3.5
FY2016 (projected)	–	0.00	–	27.00	27.00		26.4	

3. Forecast of Consolidated Operating Results for the fiscal year ending March 31, 2017 (April 1, 2016 - March 31, 2017)

(Percentages indicate changes from the previous fiscal year for full-year, and year-on-year changes for quarter.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	(Yen)
Through 2Q (cumulative)	29,029	4.9	2,398	1.4	2,413	1.4	1,483	0.6	50.35
Full-year	59,330	4.2	4,866	2.1	4,896	1.1	3,008	0.9	102.13

Notes:

(1) Significant changes in consolidated subsidiaries during the period (changes in specific subsidiaries resulting in changes in the scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and revisions and restatements
    (i) Changes in accounting policies in accordance with changes in accounting standards etc. : Yes
    (ii) Changes in accounting policies other than the above: None
    (iii) Changes in accounting estimates : None
    (iv) Revisions and restatements : None

(3) Number of shares issued and outstanding (common stock)
    (i) Number of shares issued and outstanding as of end of period (including treasury stock):
    (ii) Treasury stock as of end of period:
    (iii) Average number of shares issued and outstanding during period:

FY2015	29,859,900 shares	FY2014	29,859,900 shares
FY2015	401,910 shares	FY2014	401,010 shares
FY2015	29,458,289 shares	FY2014	29,127,387 shares

Note: The Company conducted a 1.5-for-1 stock split of common stock with an effective date of October 1, 2014. Accordingly, numbers of shares above have been calculated assuming that the stock split had been conducted at the start of the previous consolidated fiscal year.

* Statement on execution of audit procedures:
This summary of financial statements is not subject to audit procedures pursuant to the Financial Instruments and Exchange Act. At the time this summary was made public, the audit procedures for consolidated financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

* Explanation concerning appropriate use of forecasts of business performance and other notes:
Forecasts of business performance and other forward-looking statements in this document are based on information currently available and certain assumptions that the Company considers reasonable at the time of preparation and are not intended as a promise that such forecasts will be achieved. Actual results may differ materially due to various causes. For information including the assumptions of the forecasts of business performance and notes on their use, see “(1) Analysis of Operating Results” under “1. Analysis of Business Performance and Financial Position” on p. 2 of the attached document.

1. Analysis of Business Performance and Financial Position

(1) Analysis of operating results

During this fiscal year Japan's economy continued a gentle growing trend that included improved corporate earnings, driven by government economic policies and monetary easing by the Bank of Japan. Meanwhile, the outlook on the economy grew more uncertain, reflecting the slowdown in China's economy and concerns about downside risks to the global economy amid falling crude oil prices in addition to factors such as the rising value of the yen on international currency markets and falling stock prices since January 2016.

In the retail industry, despite improvements in employment and income conditions, personal consumption fell overall as consumers became more cautious about purchases due to factors such as rising prices and stagnant income growth.

Under such conditions, the Sac's Bar Group took aggressive steps to grow its businesses, and as a result in this consolidated fiscal year net sales grew slightly toJPY56,963 million (up 6.6% YoY), operating income to JPY4,765 million (up 1.4% YoY), and ordinary income to JPY4,844 million (up 2.7% YoY). Profit attributable to owners of parent was JPY2,982 million (up 8.0% YoY).

Return on equity (ROE) stood at 13.0%.

Since the Group employs only one reporting segment, it does not present results differentiated by business segment.

Conditions by business section are outlined below. Figures shown below are after elimination of transactions conducted within business sections but before elimination of transactions between business sections.

Retail and Other Businesses
In the retail business, we strived to revitalize aspects including product lineups, brands carried, and sales floors, under the theme of "Refresh," aiming to grow our lines of business as a result.

We strived to grow both net sales and gross margin on handbags through opening four exclusive boutiques for our private brand kissora and opening one new boutique each for "and efffy" and "efffy's closet", which mainly stock "efffy" brand products. We also strived to expand our offerings of private-brand products including "kissora" and "efffy" at shops including SAC'S BAR and GRAN SAC'S locations, and we began offering SNOOPY products in addition to Moomin, which has proved successful as a partner brand. We worked to increase sales of casual bags and wallets to F1 consumers (women aged 20-34) through enhancement of tie-ups with popular apparel brands, increasing numbers of brands and items for which the Group holds exclusive or preferred product sales rights. We also carried out aggressive sales promotion activities aimed at growing net sales.

In other product categories as well, we carried out efforts that included revising product lineups, securing hit products, and introducing new brands.

We also aggressively targeted inbound demand from tourists visiting Japan from overseas, through means including greatly increasing the number of stores capable of processing consumption-tax exemptions for shoppers from overseas and enhancing lineups of products made in Japan.

We aggressively opened new stores in various types of retail facilities, centered on new large shopping centers but also including railway-station buildings, fashion centers, and shopping centers serving smaller markets. In addition, we made progress on opening multiple stores, including both new and existing stores, at large retail facilities, where we opened 58 stores during the year, the highest annual number ever. A breakdown by region shows that two of these are located in the Hokkaido-Tohoku region, 17 in the Kanto region, nine in the Chubu region, 12 in the Kinki region, six in the Chugoku-Shikoku region, and 12 in the Kyushu region. In addition to the main shop brands of SAC'S BAR, GRAN SAC'S, and LAPAX, we also opened stores under the kissora, DRASTIC THE BAGGAGE, Luv Sac's, and other brands, as well as the Amatone Accesso'rio and Beau Atout accessory shop brands. We also opened new stores under the FILTERS brand, a new initiative offering a mix of accessories targeting M1 consumers (men aged 20-34).

At the same time, we closed 20 unprofitable stores, so that our total number of stores at the end of this fiscal year stood at 642 stores.

A look at net sales by product type shows that sales of handbags increased by 11.9% YoY to JPY7,336 million due to growth in sales of both private-brand products and tie-up brand products. Growth in sales of casual bags slowed to growth of 5.9% YoY (to JPY6,991 million) due to a gradual decrease in the rate of growth of tie-up products with popular apparel brands targeting F1 consumers, which had continued large-scale growth previously. Among wallets and accessories, while sales of wallets rose by 8.9% YoY thanks to enhancement of the brand line-up, a lack of hit products in the accessories category over the course of the entire year meant that sales of accessories were somewhat slow, falling by 4.5% YoY, resulting in growth of 4.8% YoY to JPY15,019 million in sales of wallets and accessories. In the categories of men's and travel bags, men's bags showed strong sales growth of 10.3% YoY to JPY12,658 million, while sales of travel bags showed somewhat slower growth of 3.3% YoY to JPY7,631 million. Sales of imported bags were largely unchanged from last year, falling by 1.5% YoY to JPY4,145 million.

While existing-store sales cumulative through 3Q had shown strong growth at 101.3%, in 4Q they fell YoY due to factors including decreased sales of causal bags, so that existing-store sales cumulative through 4Q were unchanged from the previous year at 100.0%.

As a result, net sales in these businesses totaled JPY54,048 million (up 6.1% YoY).

We worked to improve gross margin on products through means including improving markup on casual bags, centered on brands targeting F1 consumers, and increasing sales of private-brand products and manufacturer-collaboration products, centered on handbags and travel cases. As a result, gross margin improved 0.5 percentage points YoY to 47.9%, while the selling, general and administrative (SG&A) expense ratio increased by 1.0 percentage points YoY to 39.6% due to factors including rising costs associated with new store openings and remodeling stores as well as rising sales-promotion costs. This increase was 0.5 percentage points higher than the improvement in gross margin.

Manufacturing, Wholesaling Businesses
In the manufacturing and wholesaling businesses, we strived to grow sales by enhancing our marketing abilities together with focusing on product development.

As a result, net sales in these businesses totaled JPY3,375 million (up 20.6% YoY).

Outlook for the next fiscal year
Despite expectations for the results of factors including government economic policies and monetary easing by the Bank of Japan, the outlook for the next fiscal year is increasingly uncertain due to concerns about a global economic downturn and the rapid rise in the value of the yen on international currency markets, among other factors. The trend toward belt tightening in personal consumption is expected to continue.

Regardless of such conditions, the Group plans to expand its lines of business through proposing new products with high senses of value, improving employees' product knowledge, customer-service abilities, and display skills, providing information on stores and products through smartphone apps, and other initiatives, under the theme of "Communicate."

To propose new products with high senses of value, we will choose domestic and international products carefully based on factors including quality, functions, and materials and promote these products' advantages to consumers. With regard to Japanese-made products in particular, as an effort intended in part to pass along the advanced manufacturing technologies of Japan's bag and luggage industry we will partner with manufacturers and wholesalers to develop new products with high senses of value and take steps to expand their introduction in stores.

To improve product knowledge, customer-service abilities, and display skills, we constantly will provide employees with a wide range of opportunities including training, meetings, and use of tablet devices in store, while also holding events such as customer-service competitions and display competitions to increase employees' knowledge and capabilities.

To provide information on stores and products through smartphone apps, we will built and put to use direct ties to consumers by developing an environment in which they can use smartphones to access information on the Group's stores and products at any time and in any place. We also plan to increase sales by focusing even further efforts on e-commerce sales, including sales via smartphones.

In the area of products, we plan to grow sales by reviewing product unit prices, designs, and brand composition for partner brands targeting F1 consumers in the causal bags segment, while also enhancing again our initiatives with brands targeting non-F1 consumers. In the men's bags segment, together with advancing a strategy focused on being the leading retailer in each region and enhancing our brands, we will work to establish the FILTERS brand, a new initiative offering a mix of men's bags and accessories targeting M1 consumers (men aged 20-34), with the goal of expanding sales. In travel bags, we will enhance efforts with brands while also developing high-performance, high-quality original products. In imported bags, we will enhance our handling of products including original designs with Orobianco, for which we have secured sales rights in the form of exclusive boutiques, positioned as a core brand. We will strive to grow sales of handbags focusing chiefly on our private brands and partner brands. In accessories, we will strive to recover and grow sales in independent stores and stores combined with other stores, through efforts including developing new suppliers, revising product lineups and displays, and expanding offerings of original products.

We will endeavor to increase our gross margin on products through means including enhancing sales of private-brand products and manufacturer-collaboration products and negotiating on improved buying conditions with suppliers.

Based on new designs for retail facilities and other information, we expect to open 38 new stores and close 12 stores next year. We project existing-store sales to be 100.8% this fiscal year. We also project an improvement of 0.4 percentage points in gross margin. We project sales in the manufacturing and wholesaling businesses to be 103.0% this fiscal year.

As a result, we project the following consolidated business performance for the Group: net sales of JPY59,330 million (up 4.2% YoY), operating income of JPY4,866 million (up 2.1% YoY), ordinary income of JPY4,896 million (up 1.1% YoY), and net income attributable to owners of the parent of JPY3,008 million (up 0.9% YoY).

(2) Analysis of financial position

(i) Assets, liabilities, and net assets

Total Assets:

Current assets fell by JPY111 million from the end of the previous consolidated fiscal year, to JPY20,570 million. This was due mainly to factors such as a decrease of JPY2,070 million in cash and deposits, despite increases of JPY147 million in notes and accounts receivable-trade and JPY1,367 million in merchandise and finished goods.

Fixed assets rose by JPY2,967 million from the end of the previous consolidated fiscal year, to JPY16,663 million. This was due mainly to factors such as increases of JPY416 million in property, plant and equipment and JPY2,309 million in investment securities.

As a result of the above factors, total assets at the end of this consolidated fiscal year were up JPY2,856 million from the end of the previous consolidated financial year to JPY37,234 million.

Liabilities:

Current liabilities increased by JPY45 million from the end of the previous consolidated fiscal year, to JPY8,191 million. This was due mainly to factors such as increases of JPY63 million in lease obligations and JPY47 million in provision for bonuses despite a decrease of JPY156 million in notes and accounts payable-trade.

Fixed liabilities rose by JPY517 million from the end of the previous consolidated fiscal year, to JPY4,832 million. This was due mainly to factors such as increases of JPY223 million in lease obligations and JPY113 million in net defined benefit liability.

As a result of the above factors, total liabilities at the end of this consolidated fiscal year were up JPY562 million from the end of the previous consolidated financial year to JPY13,024 million.

Net Assets:

Net assets at the end of this consolidated fiscal year were up JPY2,293 million from the end of the previous consolidated financial year to JPY24,209 million. This reflected the recording of JPY2,982 million in profit attributable to owners of the parent after a reduction due to the payment of JPY736 million in dividends.

(ii) Cash flow

The balance of cash and cash equivalents at the end of this consolidated fiscal year totaled JPY3,034 million, down JPY2,070 million from the end of the previous consolidated financial year. The conditions of each type of cash flow in this consolidated fiscal year are summarized below.

Cash flow from operating activities:

Cash flow from operating activities totaled JPY2,048 million, down JPY608 million from the previous consolidated financial year.

The main positive factor was the recording of JPY4,627 million in profit before income taxes, while the main negative factors were an increase of JPY1,414 million in inventories and payment of JPY1,885 million in income taxes.

Cash flow used in investing activities:

Cash flow used in investing activities totaled minus JPY3,140 million, as expenditures were up JPY1,642 million from the previous consolidated financial year.

The main negative factor was capital investment of JPY840 million for purposes such as opening new stores and remodeling.

Cash flow used in financing activities:
Cash flow used in financing activities totaled minus JPY977 million, as expenditures were down JPY290 million from the previous consolidated financial year.

The main negative factors were payment of JPY735 million in dividends and expenditures of JPY364 million on repayments of lease obligations.

(3) Basic policy for profit distribution and dividends for the current and next fiscal years

We believe that providing adequate returns to shareholders is one of the most important issues in corporate management. Our basic policy for profit distribution is one of maintaining stable and gradually increasing dividend payments while strengthening our business foundations and maintaining the internal reserves necessary to fund new business development in the retail industry, which is subject to dramatic changes. Our target consolidated dividend payout ratio is 25% or higher.

Based on the above policy, we will pay year-end dividends of JPY27/share in the fiscal year ending March 2016, up JPY2 from the previous fiscal year.

Based on consideration of full-year consolidated business performance and financial standing as well as other conditions, we plan to pay year-end dividends of JPY27/share next year.

We consider internal reserves to enable gradual growth in dividends by contributing to future business growth, through effective investment and use of such reserves for purposes including capital investment such as opening new stores and remodeling existing stores in the Group's existing businesses, investing in new businesses, and M&A activities targeting promising operating companies.

(4) Business and other risks

The main risks in the Group's businesses that it is considered could possibly have material effects on investor decision-making are outlined below. It is Group policy to strive to prevent these risks from materializing and to respond appropriately if they do materialize, based on a recognition of the possibility of such risks.

Forward-looking statements in the text below reflect the Group's judgment as of the end of this consolidated fiscal year.

(i) Store policies
The Group opens stores as a tenant in shopping centers, railway-station buildings, and other facilities. It opens new stores where it expects stores to be profitable based on taking into consideration factors such as local market, competitive conditions, sales forecasts, rent conditions, and store opening costs. For this reason, there is a possibility that the number of properties available that meet the Group's preconditions for opening stores may differ from initial store-opening plans.

In addition, after opening a store the Group manages profit and loss on a per-store basis, closing unprofitable stores that have no prospects for improvement in business performance. However, in some cases the number of stores closed may differ from the number initially planned. When numbers of stores opened and closed differ from the numbers initially planned, Group business performance may be affected.

(ii) Fashion trends
The Group sells products that include women's bags, other bags, and accessories. These products are susceptible to fashion trends, which could result in decreasing sales or losses accompanying obsolescence of unsold inventories.

(iii) Lease and guarantee deposits
When the Group opens a store as a tenant, it may pay lease and guarantee deposits to shopping-center developers and other parties. There is a possibility that all or part of such lease and guarantee deposits might become unrecoverable due to reasons such as bankruptcy of the lessor.

(iv) Accounts receivable
Most of the Group's sales take place at leased stores inside shopping centers. Most stores deposit each day's sales proceeds with the shopping-center developer or similar party. There is a possibility that the entire amount of such deposits might become unrecoverable in cases such as bankruptcy of the developer.

(v) Legal restrictions
The Group is subject to restrictions under various laws and regulations including those related to consumer protection, privacy, the environment and recycling, and antitrust. The Group strives to comply with all laws and regulations. However, in the event of the violation of laws or regulations due to unforeseen causes the Group's business performance might be affected through means such as restrictions on its activities, incurring costs, or loss of society's trust in the Group.

(vi) Natural disasters, accidents, etc.
In the event of severe damage to a Group store or a retail facility in which the Group operates a store, due to a major earthquake, typhoon, or other natural disaster or to an unforeseen accident, Group business activities may be severely restricted, possibly affecting Group business performance.

2. Group of Companies

As of March 31, 2016, the Group consisted of five companies in total: the Company, three consolidated subsidiaries (Tokyo Derica Co., Ltd., Aishin Tsusho Co., Ltd., and Lojel Japan Co., Ltd.), and one non-consolidated subsidiary (Carnival Company, Ltd.).

The Company is responsible for Group management and administration, and the real-estate management business.

The main line of business of Tokyo Derica Co., Ltd. is retail sales of bags, pouches, wallets, and accessories. It directly operates shops under a variety of brands as tenants in shopping centers, railway-station buildings, and other retail facilities across Japan. While in-store retail sales account for the majority of its sales channel, it also sells some products through ecommerce retail sales and wholesale sales to department stores and other retailers.

The main line of business of Aishin Tsusho Co., Ltd. is planning and manufacture of men's bags and travel bags.

The main line of business of Lojel Japan Co., Ltd. is wholesaling of products purchased from Aishin Tsusho Co., Ltd. to Tokyo Derica Co., Ltd., major mass merchandisers, and other retailers.

The Group employs only one reporting segment.

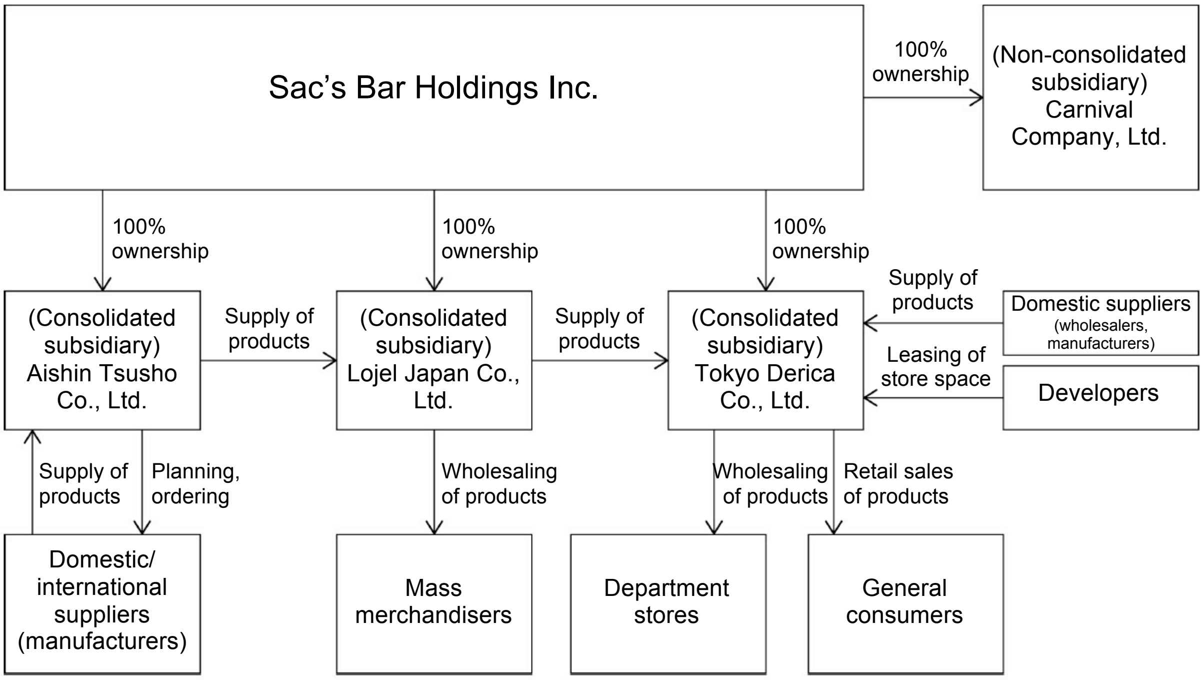
The distinguishing features of the main brand shops of Tokyo Derica Co., Ltd. and their number of stores are outlined below.

As of March 31, 2016

Shop brand	Concept	Stores
SAC’S BAR	Sells a wide range of bags and accessories made in Japan, conveying the uncompromising spirit of craftspeople. Offers a lineup of timeless masterpieces together with the latest products and information at all times, through original brands and special items collected from across Japan and around the world.	173
LAPAX	Sells a full line of women’s bags, men’s bags, travel bags, wallets, accessories, and sundry items ranging from national brands to import brands.	160
GRAN SAC’S	Delivers a comfortable lifestyle through products that are just right, well designed, and casual. This shop is based on the concept of offering bags and accessories with an adult style, to enable shoppers to enjoy a natural style under its theme of “Just Feeling.”	137
Amatone Accesso’rio	Enables style-conscious women to feel a sparkle through a lineup of accessories and sundry items that combine an adult feel with a classical cuteness.	31
DRASTIC THE BAGGAGE	Offers select items centered on urban, sophisticated designed, Under its theme “Design my Lifestyle,” proposes lifestyle solutions to individualistic urban residents and delivers high-quality bags and accessories.	17
BEAU ATOUT	A progressive accessory shop offering innovative interior items. Stocks a wide range of carefully selected accessories and small items for various situations.	9
Others	Other stores include “ama”, which specializes mainly in women’s bags, COLLAGE, which chiefly sells accessories, and KURACHIKA, which sells only Yoshida products.	116

Note: Since stores in which two shop brands are combined in a single shop are counted twice, the combined total of individual brands’ shops is more than the actual total number of stores.

The Group’s business structure is outlined below.



3. Management Policies

(1) The Company’s basic management policies

On October 1, 2014, the Company changed its name to Sac's Bar Holdings Inc. and adopted a holding-company structure that includes three operating companies: Tokyo Derica Co., Ltd., a retailer of bags, pouches, wallets, and accessories; Aishin Tsusho Co., Ltd., a manufacturer of men’s bags and travel bags; and Lojel Japan Co., Ltd., a wholesaler of men’s bags and travel bags. In addition, on January 13, 2015 we established the wholly owned subsidiary Carnival Company, Ltd. to take part in the accessories retail business. This adoption of a holding-company structure is intended to maximize Group corporate value by pursuing Group synergies through separating the Group management and business execution functions in order to improve the speed and efficiency of management and making authority and responsibilities clearer by increasing the independence of individual operating companies. It also should enable each operating company to take responsibility for growing profits and improving capital efficiency, while demonstrating its own individuality.

Under the slogan of being a company that creates products that truly move customers, we carry out business activities with the missions of planning and producing truly moving products in the area of manufacturing and selecting and displaying the best possible products and providing truly moving customer experiences in stores, through interior design, customer service, and other means, in the area of retail sales of fashion merchandise in Japan.

In addition, we have adopted a system of purchase by individual stores that is unique in the retail industry. This helps us achieve sustained growth by giving considerable authority to store managers. Considering store managers and other employees to be true human resources rather than simply workers, we believe that it is vital to deliver rewarding working environments that enable each employee to demonstrate fully his or her own individual capabilities.

(2) Target performance indicators

The Group considers consolidated return on equity (ROE) to be an important indicator of business performance, and we aim to achieve ROE of 10% or higher.

(3) The Company’s medium- to long-term management strategies

In its core business of retail sales of bags and pouches, the Group aims to grow its store network and increase market share by proactively opening new stores in various market areas centered on large-scale retail facilities, with a lineup of products focused on national brands. It also will aggressively open stores in shopping centers serving smaller market areas, aiming for a long-term goal of 1000 stores in Japan.

With regard to opening stores overseas, we will carry out activities including constant collection and analysis of information with an eye toward future advancement into overseas markets.

In addition, while at present the Group includes manufacturing and wholesaling subsidiaries in the area of men’s bags and travel bags and a retail subsidiary in the area of accessories, as we aim to expand our business domains further we will make other entries into the manufacturing sector and related industries. We will enter the manufacturing sector through means including M&A activities targeting individual product lines, enhance the Group’s manufacturing functions, and work to enhance our ability to develop original products as well as increasing profitability. Our activities in related industries will include introducing product lines in areas expected to generate synergy effects with the existing businesses of Tokyo Derica Co., Ltd., to increase customer traffic in our stores, make stores more efficient, grow sales, and enlarge our stores. At the same time, on a Group basis we will expand our lines of business by advancing into new business areas as independent businesses, through means including establishing new subsidiaries and M&A activities targeting promising companies.

(4) Topics the Company needs to address

In its core retail business, the Group aims to develop new business models, introduce new brands and new items, develop private-brand products and manufacturer-collaboration products to differentiate itself from competitors, proactively open various types of stores in a wide range of retail facilities, expand its store network, and grow its sales. It also will target inbound demand even more aggressively in response to the decrease in May 2016 of the amount of sales eligible for exemption from consumption tax. In addition, through improving purchasing conditions in connection with increased shares of sales and growing sales of private-brand products and manufacturer-collaboration products, it will strive to improve gross margins and grow profits.

In the businesses of manufacturing and wholesaling of men's bags and travel bags, it will work to grow sales and profits by increasing the added value of products through enhancement of brand partnerships, while also developing products with outstanding functionality and durability.

4. Basic concept on selection of accounting policies

Since at present the Group is not active overseas but does business in Japan only, for now we apply Japanese GAAP. We intend to consider application of International Financial Reporting Standards (IFRS) in the future while taking into consideration trends in our percentage of foreign shareholders and application of IFRS standards by other companies in Japan.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: JPY thousands)

	Previous consolidated fiscal year (March 31, 2015)	This consolidated fiscal year (March 31, 2016)
Assets		
Current assets		
Cash and deposits	5,132,387	3,061,859
Notes and accounts receivable-trade	3,872,624	4,019,660
Merchandise and finished goods	11,162,013	12,529,648
Raw materials and supplies	52,658	99,538
Deferred tax assets	287,443	296,287
Other	174,967	563,625
Total current assets	20,682,094	20,570,619
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,595,220	4,928,804
Accumulated depreciation	-2,260,265	-2,468,961
Buildings and structures (net)	2,334,954	2,459,842
Land	1,269,656	1,269,656
Leased assets	2,572,308	2,963,015
Accumulated depreciation	-1,764,630	-1,945,353
Leased assets (net)	807,678	1,017,661
Other	1,493,458	1,680,955
Accumulated depreciation	-1,000,929	-1,107,231
Other (net)	492,528	573,723
Total property, plant and equipment	4,904,817	5,320,884
Intangible assets	33,961	52,310
Investments and other assets		
Investment securities	* 856,402	* 3,165,610
Net defined benefit asset	115,312	76,759
Deferred tax assets	561,178	607,685
Lease and guarantee deposits	6,675,892	6,884,953
Other	558,683	555,621
Allowance for doubtful accounts	-10,387	–
Total investments and other assets	8,757,082	11,290,630
Total non-current assets	13,695,861	16,663,825
Total assets	34,377,956	37,234,445
Liabilities		
Current liabilities		
Notes and accounts payable-trade	4,271,381	4,115,297
Short-term loans payable	30,000	30,000
Current portion of bonds	100,000	100,000
Lease obligations	287,831	350,845
Income tax payable	906,959	891,830
Provision for bonuses	330,804	377,890
Provision for directors' bonuses	39,600	23,000
Provision for shareholder benefit program	15,000	8,350
Other	2,165,154	2,294,720
Total current liabilities	8,146,731	8,191,934
Non-current liabilities		
Bonds payable	1,600,000	1,600,000
Long-term loans payable	50,000	20,000
Lease obligations	618,045	841,857
Provision for directors' retirement benefits	116,393	114,306
Net defined benefit liability	831,348	945,319
Deferred tax liabilities	29,862	28,918
Asset retirement obligations	605,269	666,604
Other	464,319	615,740
Total non-current liabilities	4,315,238	4,832,745
Total liabilities	12,461,970	13,024,679

	Previous consolidated fiscal year (March 31, 2015)	This consolidated fiscal year (March 31, 2016)
Net assets		
Shareholders’ equity		
Capital stock	2,986,400	2,986,400
Capital surplus	4,569,597	4,569,597
Retained earnings	14,395,720	16,641,740
Treasury stock	-107,061	-108,909
Total shareholders’ equity	21,844,656	24,088,828
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,746	91,945
Remeasurements of defined benefit plans	45,658	-39,199
Total accumulated other comprehensive income	64,405	52,746
Subscription rights to shares	6,925	68,190
Total net assets	21,915,986	24,209,765
Total liabilities and net assets	34,377,956	37,234,445

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

Consolidated Income Statement

(Unit: JPY thousands)

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Net sales	53,434,104	56,963,273
Cost of sales	*5 28,270,459	*5 29,935,038
Gross profit	25,163,644	27,028,234
Selling, general and administrative expenses	*1 20,463,405	*1 22,263,113
Operating income	4,700,238	4,765,121
Non-operating income		
Interest income	4,993	4,22,434
Dividends income	1,748	2,722
Gain on sales of investment securities	–	24,935
Insurance income	10,413	32,623
Commission fees	15,402	17,685
Foreign exchange gains	256	–
Compensation income	7,047	11,130
Reversal of allowance for doubtful accounts	4,640	–
Other	19,129	21,045
Total non-operating income	63,632	132,576
Non-operating expenses		
Interest expenses	38,687	43,345
Guarantee commission	5,411	5,079
Other	3,709	4,938
Total non-operating expenses	47,808	53,363
Ordinary income	4,716,061	4,844,334
Extraordinary losses		
Loss on retirement of non-current assets	*2 46,305	*2 28,480
Loss on closing of stores	*3 48,577	*3 39,310
Impairment loss	*4 83,901	*4 149,288
Total extraordinary loss	178,784	217,080
Profit before income taxes	4,537,277	4,627,253
Income taxes-current	1,773,621	1,695,223
Income taxes-deferred	1,429	-50,462
Total income taxes	1,775,050	1,644,761
Net income	2,762,226	2,982,492
Net income attributable to owners of the parent	2,762,226	2,982,492

Consolidated Statement of Comprehensive Income

(Unit: JPY thousands)

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Net income	2,762,226	2,982,492
Other comprehensive income		
Valuation difference on available-for-sale securities	4,445	73,198
Remeasurements of defined benefit plans	61,605	-84,857
Total other comprehensive income	* 66,051	*-11,658
Comprehensive income	2,828,278	2,970,834
(Breakdown)		
Comprehensive income attributable to owners of parent	2,828,278	2,970,834
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)

(Unit: JPY thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	2,986,400	4,177,975	12,253,313	-223,006	19,194,682
Cumulative effects of changes in accounting policies			-78,299		-78,299
Restated balance	2,986,400	4,177,975	12,175,013	-223,006	19,116,383
Changes during period					
Dividends from surplus			-541,520		-541,520
Net income attributable to owners of parent			2,762,226		2,762,226
Purchase of treasury stock				-3,996	-3,996
Disposal of treasury stock		391,622		119,940	511,562
Net changes of items other than shareholders' equity					
Total changes during period	–	391,622	2,220,706	115,944	2,728,272
Balance at end of current period	2,986,400	4,569,597	14,395,720	-107,061	21,844,656

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	14,301	-15,947	-1,646	3,759	19,196,795
Cumulative effects of changes in accounting policies					-78,299
Restated balance	14,301	-15,947	-1,646	3,759	19,118,496
Changes during period					
Dividends from surplus					-541,520
Net income attributable to owners of parent					2,762,226
Purchase of treasury stock					-3,996
Disposal of treasury stock					511,562
Net changes of items other than shareholders' equity	4,445	61,605	66,051	3,165	69,216
Total changes during period	4,445	61,605	66,051	3,165	2,797,489
Balance at end of current period	18,746	45,658	64,405	6,925	21,915,986

This consolidated fiscal year (April 1, 2015 - March 31, 2016)

(Unit: JPY thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	2,986,400	4,569,597	14,395,720	-107,061	21,844,656
Cumulative effects of changes in accounting policies					–
Restated balance	2,986,400	4,569,597	14,395,720	-107,061	21,844,656
Changes during period					
Dividends from surplus			-736,472		-736,472
Net income attributable to owners of parent			2,982,492		2,982,492
Purchase of treasury stock				-1,847	-1,847
Disposal of treasury stock					–
Net changes of items other than shareholders' equity					
Total changes during period	–	–	2,246,020	-1,847	2,244,172
Balance at end of current period	2,986,400	4,569,597	16,641,740	-108,909	24,088,828

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	18,746	45,658	64,405	6,925	21,915,986
Cumulative effects of changes in accounting policies					–
Restated balance	18,746	45,658	64,405	6,925	21,915,986
Changes during period					
Dividends from surplus					-736,472
Net income attributable to owners of parent					2,982,492
Purchase of treasury stock					-1,847
Disposal of treasury stock					–
Net changes of items other than shareholders' equity	73,198	-84,857	-11,658	61,265	49,606
Total changes during period	73,198	-84,857	-11,658	61,265	2,293,779
Balance at end of current period	91,945	-39,199	52,746	68,190	24,209,765

(4) Consolidated Cash Flow Statement

(Unit: JPY thousands)

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Cash flows from operating activities		
Income before income taxes	4,537,277	4,627,253
Depreciation	811,903	933,391
Impairment loss	83,901	149,288
Increase (decrease) in allowance for doubtful accounts	-15,955	-10,387
Increase (decrease) in provision for bonuses	4,237	47,086
Increase (decrease) in provision for directors' bonuses	3,600	-16,600
Increase (decrease) in liability for employees' retirement benefits	74,952	113,970
Increase (decrease) in provision for directors' retirement benefits	-23,446	-2,087
Interest and dividends income	-6,742	-25,156
Interest expenses	38,687	43,345
Bond issuance cost	–	1,409
Loss on retirement of non-current assets	46,305	28,480
Decrease (increase) in notes and accounts receivable-trade	297,656	-147,036
Decrease (increase) in inventories	-1,463,118	-1,414,515
Increase (decrease) in notes and accounts payable-trade	395,695	-156,084
Increase (decrease) in accrued consumption taxes	306,067	-31,140
Other	-441,283	-400,255
Subtotal	4,649,738	3,740,962
Interest and dividends income received	1,777	21,843
Interest expenses paid	-39,631	-43,390
Income tax paid	-1,987,793	-1,885,924
Income tax refunded	32,408	214,890
Net cash provided by (used in) operating activities	2,656,499	2,048,381
Cash flows from investment activities		
Payments of loans receivable from subsidiaries and associates	–	-100,000
Payments into time deposits	-50,000	--
Purchase of property, plant and equipment and intangible assets	-631,708	-840,563
Payments for retirement of property, plant and equipment	-5,925	-12,014
Purchase of investment securities	-800,492	-3,306,204
Proceeds from sales of investment securities	–	1,118,071
Purchase of stock in non-consolidated subsidiaries	-10,000	–
Net cash provided by (used in) investment activities	-1,498,125	-3,140,710
Cash flows from financing activities		
Repayment of long-term loans payable	-30,000	-30,000
Increase in accounts payable-installment purchase	308,725	390,739
Decrease in accounts payable-installment purchase	-199,972	-234,371
Repayments of lease obligations	-309,005	-364,574
Proceeds from issuance of bonds	–	98,590
Redemption of bonds	-1,000,000	-100,000
Proceeds from exercise of stock options	26,640	–
Proceeds from disposal of treasury stock	481,163	–
Purchase of treasury stock	-3,996	-1,847
Cash dividends paid	-541,610	-735,675

Net cash provided by (used in) financing activities	-1,268,055	-977,137
Effect of exchange rate change on cash and cash equivalents	–	-1,060
Net increase (decrease) in cash and cash equivalents	-109,681	-2,070,527
Cash and cash equivalents at beginning of current period	5,214,368	5,104,687
Cash and cash equivalents at end of current period	*1 5,104,687	*1 3,034,159

(5) Notes on consolidated financial statements

Notes on going-concern assumption

Not applicable

Changes in Accounting Policies:
The Company has applied the Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013), and the Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013) beginning with this consolidated fiscal year. As a result, it has changed its presentation of net income and other figures and replaced the term "minority interests" with "non-controlling interests." The consolidated financial statements for the previous consolidated fiscal year have been recalculated to reflect these changes in presentation.

Notes to the Consolidated Balance Sheet

* Investments in nonconsolidated subsidiaries are shown below.

	Previous consolidated fiscal year (March 31, 2015)	This consolidated fiscal year (March 31, 2016)
Investment securities (equities)	JPY10,000,000	JPY10,000,000

Notes to the Consolidated Income Statement

*1 Main costs included under selling, general and administrative expenses, and their amounts, are shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Salaries and allowances	JPY6,352,153,000	JPY6,709,018,000
Provision for bonuses	JPY330,804,000	JPY377,890,000
Provision for directors' bonuses	JPY39,600,000	JPY23,000,000
Retirement benefit expenses	JPY156,038,000	JPY158,160,000
Rent expenses	JPY6,608,293,000	JPY7,161,285,000

*2 A breakdown of loss on retirement of non-current assets is shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Buildings and structures	JPY30,754,000	JPY18,453,000
Leased assets	JPY7,246,000	JPY4,885,000
Other property, plant and equipment	JPY8,304,000	JPY5,142,000
Total	JPY46,305,000	JPY28,480,000

*3 A breakdown of loss on closing of stores is shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Loss on cancellation of leasehold contracts	JPY48,577,000	JPY39,310,000

*4 A breakdown of impairment loss is shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Number of stores	21	29
Buildings	JPY39,512,000	JPY74,015,000
Tools, furniture and fixtures	JPY28,784,000	JPY8,623,000
Leased assets	JPY15,604,000	JPY66,649,000
Total	JPY83,901,000	JPY149,288,000

Notes:
1. The Group groups assets into assets for rent, stores, common assets, and dormant assets when recognizing impairment loss. As a result, impairment losses on stored are recorded due to poor sales. While the recoverable price of such assets is estimated using value in use, since no future cash flow is expected they are assessed at a value of zero.
2. Locations of stores closed are summarized below:
   Previous consolidated fiscal year: 15 stores in the Kanto region, two stores in the Chubu region, and four stores in other regions.
   This consolidated fiscal year: 17 stores in the Kanto region, three stores in the Chubu region, and nine stores in other regions.

*5 Amount of book value written off due to reduced profitability of inventories held for ordinary sale purposes.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Cost of sales	JPY102,377,000	JPY95,160,000

Notes to the Consolidated Statement of Comprehensive Income

* Reclassification adjustments for components of other comprehensive income and income tax effect

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Valuation difference on available-for-sale securities		
Amount arising during the period	JPY5,486,000	JPY129,752,000
Reclassification adjustments	--	JPY-24,935,000
Amount before tax effect	JPY5,486,000	JPY104,817,000
Tax effect	JPY-1,041,000	JPY-31,618,000
Valuation difference on available-for-sale securities	JPY4,445,000	JPY73,198,000
Remeasurements of defined benefit plans		
Amount arising during the period	JPY68,116,000	JPY-138,976,000
Reclassification adjustments	JPY22,935,000	JPY16,668,000
Amount before tax effect	JPY91,051,000	JPY-122,308,000
Tax effect	JPY-29,446,000	JPY37,450,000
Remeasurements of defined benefit plans	JPY61,605,000	JPY-84,857,000
Total other comprehensive income	JPY66,051,000	JPY-11,658,000

Notes to the Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)

1. Shares issued and outstanding

Class of stock	Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year
Common stock (shares)	19,906,600	9,953,300	—	29,859,900

Summary of reason(s) for change(s)
A breakdown of the increase in shares is shown below.
Increase due to stock split (1:1.5) effective October 1, 2014: 9,953,300 shares

2. Treasury stock

Class of stock	Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year
Common stock (shares)	566,586	285,724	451,300	401,010

Summary of reason(s) for change(s)
A breakdown of the increase in shares is shown below.
Increase due to stock split (1:1.5) effective October 1, 2014: 283,293 shares
Increase due to purchase of shares in less than minimum trading unit: 2,431 shares

A breakdown of the decrease in shares is shown below.
Disposal of treasury stock due to exercise of stock options pursuant to resolution of general meeting of shareholders held on June 25, 2009: 120,000 shares
Disposal of treasury stock pursuant to resolution of general meeting of shareholders held on November 21, 2014: 331,300 shares

3. Subscription rights to shares

Company	Breakdown	Class of target stock	Shares of target stock				Balance at end of this consolidated fiscal year (JPY thousands)
			Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year	
Reporting company	Subscription rights to shares through 2014 stock options	—	—	—	—	—	6,925
Total			—	—	—	—	6,925

Note: The starting date of the exercise period for the subscription rights to shares through 2014 stock options has not yet occurred.

4. Dividends
(1) Dividends paid

Resolution	Class of stock	Total dividends (JPY thousands)	Dividends per share (JPY)	Record date	Effective date
June 26, 2014 regular general meeting of shareholders	Common stock	541,520	28.00	March 31, 2014	June 27, 2014

(2) Dividends for which the record date occurred during this consolidated fiscal year but the effective date is in the following consolidated fiscal year

Resolution	Class of stock	Source of dividends	Total dividends (JPY thousands)	Dividends per share (JPY)	Record date	Effective date
June 25, 2015 regular general meeting of shareholders	Common stock	Retained earnings	736,472	25.00	March 31, 2015	June 26, 2015

This consolidated fiscal year (April 1, 2015 - March 31, 2016)

1. Shares issued and outstanding

Class of stock	Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year
Common stock (shares)	29,859,900	–	–	29,859,900

2. Treasury stock

Class of stock	Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year
Common stock (shares)	401,010	900	–	401,910

Summary of reason(s) for change(s)
A breakdown of the increase in shares is shown below.
Increase due to purchase of shares in less than minimum trading unit: 900 shares

3. Subscription rights to shares

Company	Breakdown	Class of target stock	Shares of target stock				Balance at end of this consolidated fiscal year (JPY thousands)
			Start of this consolidated fiscal year	Increase	Decrease	End of this consolidated fiscal year	
Reporting company	Subscription rights to shares through 2014 stock options	–	–	–	–	–	68,190
Total			–	–	–	–	68,190

Note: The starting date of the exercise period for the subscription rights to shares through 2014 stock options has not yet occurred.

4. Dividends
(1) Dividends paid

Resolution	Class of stock	Total dividends (JPY thousands)	Dividends per share (JPY)	Record date	Effective date
June 25, 2015 regular general meeting of shareholders	Common stock	736,472	25.00	March 31, 2015	June 26, 2015

(2) Dividends for which the record date occurred during this consolidated fiscal year but the effective date is in the following consolidated fiscal year

Resolution	Class of stock	Source of dividends	Total dividends (JPY thousands)	Dividends per share (JPY)	Record date	Effective date

June 28, 2016 regular general meeting of shareholders	Common stock	Retained earnings	795,365	27.00	March 31, 2016	June 29, 2016

Notes to the Consolidated Cash Flow Statement

*1 The relationship between the balance of cash and cash equivalents at the end of the current period and amounts shown on the Consolidated Balance Sheet is shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Cash and deposits	JPY5,132,387,000	JPY3,061,859,000
Time deposits with original maturities of longer than three months	JPY-27,700,000	JPY-27,700,000
Balance of cash and cash equivalents	JPY5,104,687,000	JPY3,034,159,000

2. Details of material non-funds transactions
Amounts of assets and liabilities related to finance lease transactions are shown below.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Assets related to finance lease transactions	JPY455,803,000	JPY600,744,000
Liabilities related to finance lease transactions	JPY494,252,000	JPY651,399,000

Segment information etc.

Segment information

Since the Group employs only one reporting segment, it does not present results differentiated by business segment.

Per-share information

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Net assets per share	JPY743.72	JPY819.53
Net income per share	JPY94.83	JPY101.24
Diluted net income per share	JPY94.56	–

Notes:

1. The company conducted a 1.5-for-1 stock split of common stock with an effective date of October 1, 2014. Accordingly, net assets per share, net income per share, and diluted net income per share above have been calculated assuming that the stock split had been conducted at the start of the previous consolidated fiscal year.

2. The bases for calculating net income per share and diluted net income per share are shown below. Diluted net income per share for this consolidated fiscal year is not shown because although there were potential dilutive securities, there was no dilutive effect.

	Previous consolidated fiscal year (April 1, 2014 - March 31, 2015)	This consolidated fiscal year (April 1, 2015 - March 31, 2016)
Net income per share		
Net income attributable to owners of the parent (JPY thousands)	2,762,226	2,982,492
Amount not attributable to owners of common stock (JPY thousands)	–	–
Net income attributable to owners of the parent on common stock (JPY thousands)	2,762,226	2,982,492
Average shares of common stock outstanding during the period (thousands of shares)	29,127,387	29,458,289
Diluted net income per share		
Increase in common stock (shares)	83,396	–
(Subscription rights to shares [shares] included in above)	(83,396)	(–)
Summary of information on potential dilutive securities not included in the basis for calculating diluted net income per share since there is no dilutive effect	Subscription rights to shares Date of special resolution of general meeting of shareholders: June 26, 2014 (245,400 shares of common stock)	Subscription rights to shares Date of special resolution of general meeting of shareholders: June 26, 2014 (235,900 shares of common stock)

3. The bases for calculating net assets per share are shown below.

	Previous consolidated fiscal year (March 31, 2014)	This consolidated fiscal year (March 31, 2015)
Total net assets (JPY thousands)	21,915,986	24,209,765
Deductions from total assets (JPY thousands)	6,925	68,190
(Subscription rights to shares [JPY thousands] included in above)	(6,925)	(68,190)
Total net assets attributable to common stock at end of period (JPY thousands)	21,909,061	24,141,575
Common stock (shares) at end of period used in calculating net assets per share	29,458,890	29,457,990