



**\* Notes**

(1) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2017:	8,712,500 shares	As of Dec. 31, 2016:	8,705,600 shares
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2) Number of treasury shares at the end of the period

As of Mar. 31, 2017:	266 shares	As of Dec. 31, 2016:	266 shares
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3) Average number of shares outstanding during the period

Three months ended Mar. 31, 2017:	8,708,724 shares	Three months ended Mar. 31, 2016:	7,799,769 shares
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\* The current quarterly financial report is not subject to quarterly review procedures.

\* Cautionary statement with respect to forward-looking statements, and other special items

Forecasts of future performance in this document are based on assumption judged to be valid and information currently available to the Company's management, but are not promises by the Company regarding future performance. Actual results may differ materially from the forecasts for a number of reasons.

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**1. Quarterly Non-consolidated Financial Statements and Notes****(1) Quarterly Non-consolidated Balance Sheet**

(Thousands of yen)

	2016 (As of Dec. 31, 2016)	First Quarter of 2017 (As of Mar. 31, 2017)
<b>Assets</b>		
Current assets		
Cash and deposits	1,098,687	1,140,729
Accounts receivable-trade	399,854	285,138
Operating loans	440,705	443,890
Merchandise	51,836	162,739
Work in process	3,371	3,762
Supplies	-	986
Other	73,958	78,874
Allowance for doubtful accounts	(5,263)	(8,890)
Total current assets	2,063,149	2,107,231
Non-current assets		
Property, plant and equipment	220,786	268,731
Intangible assets	163,362	166,488
Investments and other assets		
Investment securities	276,745	552,536
Other	107,318	127,340
Allowance for doubtful accounts	(35,364)	(35,364)
Total investments and other assets	348,700	644,512
Total non-current assets	732,850	1,079,732
Total assets	2,796,000	3,186,964
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	144,839	225,660
Short-term loans payable	-	300,000
Current portion of long-term loans payable	76,116	69,450
Income taxes payable	78,463	24,211
Deposits received in bill settlement	523,130	568,047
Provision for bonuses	3,320	18,547
Provision for point card certificates	13,581	14,191
Other	259,444	279,059
Total current liabilities	1,098,896	1,499,168
Non-current liabilities		
Long-term loans payable	166,667	150,000
Provision for retirement benefits	16,963	17,586
Asset retirement obligations	30,580	37,029
Other	4,428	4,875
Total non-current liabilities	218,639	209,492
Total liabilities	1,317,535	1,708,660
<b>Net assets</b>		
Shareholders' equity		
Capital stock	556,103	556,199
Capital surplus	582,418	582,515
Retained earnings	337,524	336,169
Treasury shares	(159)	(159)
Total shareholders' equity	1,475,886	1,474,725
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,349	2,349
Total valuation and translation adjustments	2,349	2,349
Subscription rights to shares	228	1,228
Total net assets	1,478,464	1,478,303
Total liabilities and net assets	2,796,000	3,186,964

**(2) Quarterly Non-consolidated Statement of Income**
**(For the Three-month Period)**

(Thousands of yen)

	First three months of 2016 (Jan. 1 – Mar. 31, 2016)	First three months of 2017 (Jan. 1 – Mar. 31, 2017)
Net sales	673,791	867,340
Cost of sales	389,789	570,209
Gross profit	284,002	297,130
Selling, general and administrative expenses	195,391	251,044
Operating income	88,611	46,086
Non-operating income		
Interest income	286	89
House rent income	999	-
Commission fee	1,750	1,339
Sales commission	-	1,157
Subsidy income	3,683	1,376
Other	396	1,413
Total non-operating income	7,116	5,376
Non-operating expenses		
Interest expenses	747	553
Commission fee	4,000	-
Rent expenses	526	-
Loss on retirement of non-current assets	3,720	-
Other	19	14
Total non-operating expenses	9,013	567
Ordinary income	86,713	50,895
Profit before income taxes	86,713	50,895
Income taxes-current	21,776	21,697
Income taxes-deferred	8,815	4,436
Total income taxes	30,592	26,133
Profit	56,121	24,761

**(3) Notes to Quarterly Non-consolidated Financial Statements**

**Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Not applicable.

*This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*