

D. A. Consortium Inc.

(URL <http://www.dac.co.jp/>)

1. Summary of Financial Results for the Fiscal Year Ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(1) Consolidated Operating Results

	Net sales		Operating income		Ordinary income		Net income	
	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%
Fiscal Year 2014	117,463	(11.5)	2,246	(13.4)	2,518	(24.8)	1,050	(△48.1)
Fiscal Year 2013	105,335	(9.4)	1,980	(19.5)	2,017	(18.4)	2,022	(151.4)

Note: Comprehensive income:

March 31, 2015: 2,867 million yen (△3.0%) March 31, 2014: 2,956 million yen (213.1%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal Year 2014	21.64	21.37	7.3	6.2	1.9
Fiscal Year 2013	41.66	41.24	16.4	5.9	1.9

(Reference) Equity in earnings (losses) of affiliates:

Fiscal year ended March 31, 2015: 206 million yen Fiscal year ended March 31, 2014: 10 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Mil. ¥	Mil. ¥	%	Yen
Fiscal Year 2014 (As of March 31, 2015)	43,897	22,998	34.7	313.35
Fiscal Year 2013 (As of March 31, 2014)	37,499	20,045	35.7	275.98

(Reference) Capital: March 31, 2015: 15,215 million yen March 31, 2014: 13,401 million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Mil. ¥	Mil. ¥	Mil. ¥	Mil. ¥
Fiscal Year 2014	2,625	△2,264	1,020	11,421
Fiscal Year 2013	1,512	△1,660	3,576	9,982

2. Dividends

	Dividend per share					Total Amount of dividends	Dividends payout ratio	Dividends to net assets ratio
	End of 1 st quarter	End of 2 nd quarter	End of 3 rd quarter	End of period	Annual			
	Yen	Yen	Yen	Yen	Yen	Mil. ¥	%	%
Fiscal Year 2013	—	0.00	—	6.00	6.00	291	14.4	2.4
Fiscal Year 2014	—	0.00	—	8.00	8.00	388	37.0	2.7
Fiscal Year 2015 (forecasts)	—	—	—	—	—		—	

Note: Dividends at the end of the second quarter and at the end of the Fiscal year 2015 have yet to be determined.

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2015

(from April 1, 2015 to March 31, 2016)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%	Yen
2nd Quarter of Fiscal Year 2015	—	—	—	—	—	—	—	—	—
Fiscal Year 2015	134,000(14.1)		2,700(20.2)		2,700(7.2)		1,150(9.5)		23.68

Note: Forecast for the cumulative second quarter of the Fiscal year 2015 is not available.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit : Thousands of Yen)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	12,591,170	14,830,950
Notes and accounts receivable - trade	13,922,518	15,390,365
Operational investment securities	886,925	3,680,265
Other	2,344,145	2,154,922
Allowance for doubtful accounts	△5,302	△6,792
Total current assets	29,739,457	36,049,711
Non-current assets		
Property, plant and equipment		
Buildings	670,776	796,304
Accumulated depreciation	△297,075	△351,475
Buildings, net	373,701	444,828
Tools, furniture and fixtures	1,025,679	1,149,848
Accumulated depreciation	△725,659	△779,711
Tools, furniture and fixtures, net	300,020	370,137
Leased assets	17,635	21,269
Accumulated depreciation	△5,511	△9,920
Leased assets, net	12,124	11,349
Total property, plant and equipment	685,847	826,315
Intangible assets		
Goodwill	912,356	911,739
Software	804,916	910,367
Software in progress	126,030	261,062
Other	26,826	149,735
Total intangible assets	1,870,129	2,232,905
Investments and other assets		
Investment securities	4,220,930	3,243,272
Guarantee deposits	794,337	1,186,773
Other	198,506	374,532
Allowance for doubtful accounts	△9,373	△15,684
Total investments and other assets	5,204,400	4,788,893
Total non-current assets	7,760,376	7,848,114
Total assets	37,499,834	43,897,825

(Unit : Thousands of Yen)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Liabilities		
Current liabilities		
Accounts payable - trade	11,379,481	12,428,078
Short-term loans payable	2,100,000	3,104,984
Current portion of long-term loans payable	80,530	82,466
Accounts payable - other	756,401	1,150,812
Income taxes payable	1,044,933	821,974
Provision for bonuses	635,581	737,385
Provision for directors' bonuses	26,000	59,322
Other	807,059	1,960,590
Total current liabilities	16,829,988	20,345,615
Non-current liabilities		
Long-term loans payable	203,750	127,996
Other	421,036	425,612
Total non-current liabilities	624,786	553,608
Total liabilities	17,454,774	20,899,224
Net assets		
Shareholders' equity		
Capital stock	4,031,837	4,031,837
Capital surplus	3,183,953	3,183,953
Retained earnings	7,172,980	7,876,217
Treasury shares	△1,624,753	△1,625,008
Total shareholders' equity	12,764,018	13,467,000
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	412,599	1,367,197
Foreign currency translation adjustment	224,996	381,686
Total accumulated other comprehensive income	637,595	1,748,884
Subscription rights to shares	209,897	197,981
Minority interests	6,433,548	7,584,736
Total net assets	20,045,060	22,998,601
Total liabilities and net assets	37,499,834	43,897,825

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

(Unit : Thousands of Yen)

	FY2013 (April 1, 2013 to March 31, 2014)	FY2014 (April 1, 2014 to March 31, 2015)
Net sales	105,335,780	117,463,668
Cost of sales	90,943,104	101,063,641
Gross profit	14,392,676	16,400,027
Selling, general and administrative expenses	12,411,848	14,153,631
Operating income	1,980,827	2,246,396
Non-operating income		
Interest income	6,498	10,172
Dividend income	11,742	15,004
Share of profit of entities accounted for using equity method	10,264	206,875
Foreign exchange gains	—	51,078
Gain on tax-exempt consumption tax	10,002	—
Other	45,294	32,417
Total non-operating income	83,802	315,549
Non-operating expenses		
Interest expenses	8,540	17,144
Commission fee	—	7,143
Amortization of deferred organization expenses	—	7,398
Rent expenses on real estates	—	5,006
Foreign exchange losses	12,317	—
Loss on insurance cancellation	6,350	—
Other	19,907	7,061
Total non-operating expenses	47,116	43,754
Ordinary income	2,017,512	2,518,191
Extraordinary income		
Gain on sales of investment securities	3,100	466,270
Gain on sales of shares of subsidiaries and associates	1,411,544	141,593
Gain on change in equity	700,098	158,950
Other	62,823	90,059
Total extraordinary income	2,177,566	856,872
Extraordinary losses		
Loss on sales of investment securities	48,307	413,636
Office transfer expenses	5,183	233,546
Amortization of goodwill	28,695	—
Other	101,988	193,662
Total extraordinary losses	184,173	840,845
Income before income taxes and minority interests	4,010,905	2,534,218
Income taxes - current	1,604,600	1,077,178
Income taxes - deferred	△77,804	△159,800
Total income taxes	1,526,795	917,378
Income before minority interests	2,484,109	1,616,839
Minority interests in income	461,445	566,154
Net income	2,022,664	1,050,685

Consolidated Statements of Comprehensive Income

(Unit:Thousands of Yen)

	FY2013 (April 1, 2013 to March 31, 2014)	FY2014 (April 1, 2014 to March 31, 2015)
Income before minority interests	2,484,109	1,616,839
Other comprehensive income		
Valuation difference on available-for-sale securities	267,772	1,015,870
Foreign currency translation adjustment	156,174	201,493
Share of other comprehensive income of entities accounted for using equity method	48,571	32,939
Total other comprehensive income	472,517	1,250,302
Comprehensive income	2,956,627	2,867,142
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,391,714	2,161,973
Comprehensive income attributable to minority interests	564,912	705,168

(3) Statements of Changes In Equity
 FY2013 (April 1, 2013–March 31, 2014)

(Unit : Thousands of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,031,837	3,184,465	5,441,672	△1,628,474	11,029,500
Changes of items during period					
Dividends of surplus			△291,355		△291,355
Net income			2,022,664		2,022,664
Change of scope of equity method					—
Purchase of treasury shares				△229	△229
Disposal of treasury shares		△512		3,950	3,438
Net changes of items other than shareholders' equity					
Total changes of items during period	—	△512	1,731,308	3,721	1,734,517
Balance at end of current period	4,031,837	3,183,953	7,172,980	△1,624,753	12,764,018

	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	194,102	74,442	268,545	242,771	4,931,983	16,472,800
Changes of items during period						
Dividends of surplus						△291,355
Net income						2,022,664
Change of scope of equity method						—
Purchase of treasury shares						△229
Disposal of treasury shares						3,438
Net changes of items other than shareholders' equity	218,496	150,554	369,050	△32,874	1,501,565	1,837,741
Total changes of items during period	218,496	150,554	369,050	△32,874	1,501,565	3,572,259
Balance at end of current period	412,599	224,996	637,595	209,897	6,433,548	20,045,060

FY2014(April 1, 2014-March 31, 2015)

(Unit : Thousands of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,031,837	3,183,953	7,172,980	△1,624,753	12,764,018
Changes of items during period					
Dividends of surplus			△291,389		△291,389
Net income			1,050,685		1,050,685
Change of scope of equity method			△56,058		△56,058
Purchase of treasury shares				△255	△255
Disposal of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	703,236	△255	702,981
Balance at end of current period	4,031,837	3,183,953	7,876,217	△1,625,008	13,467,000

	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	412,599	224,996	637,595	209,897	6,433,548	20,045,060
Changes of items during period						
Dividends of surplus						△291,389
Net income						1,050,685
Change of scope of equity method						△56,058
Purchase of treasury shares						△255
Disposal of treasury shares						—
Net changes of items other than shareholders' equity	954,598	156,690	1,111,288	△11,916	1,151,187	2,250,559
Total changes of items during period	954,598	156,690	1,111,288	△11,916	1,151,187	2,953,541
Balance at end of current period	1,367,197	381,686	1,748,884	197,981	7,584,736	22,998,601

(4) Consolidated Statements of Cash Flows

(Unit : Thousands of Yen)

	FY2013 (April 1, 2013 to March 31, 2014)	FY2014 (April 1, 2014 to March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	4,010,905	2,534,218
Depreciation	577,414	566,193
Amortization of goodwill	233,403	275,214
Increase (decrease) in allowance for doubtful accounts	△3,968	7,564
Increase (decrease) in provision for retirement benefits	△268,873	—
Increase (decrease) in provision for point card certificates	△10,581	11,508
Increase (decrease) in provision for bonuses	260,737	101,803
Increase (decrease) in provision for directors' bonuses	800	33,322
Interest and dividend income	△18,240	△25,177
Interest expenses	8,540	17,144
Share of (profit) loss of entities accounted for using equity method	△10,264	△206,875
Loss (gain) on sales and valuation of investment securities	48,385	△52,633
Loss (gain) on sales of shares of subsidiaries and associates	△1,411,544	△141,593
Office transfer expenses	5,183	233,546
Loss (gain) on change in equity	△696,044	△144,149
Decrease (increase) in notes and accounts receivable - trade	△301,277	△1,377,384
Decrease (increase) in inventories	△659	△47,488
Decrease (increase) in investment securities for sale	△157,931	35,231
Decrease (increase) in accounts receivable - other	△81,761	△82,529
Decrease (increase) in advance payments	△172,717	203,116
Increase (decrease) in notes and accounts payable - trade	622,363	1,004,867
Increase (decrease) in accounts payable - other	110,139	74,939
Increase (decrease) in accrued consumption taxes	234,245	624,038
Increase (decrease) in advances received	△109,199	89,329
Other, net	△212,577	180,676
Subtotal	2,656,476	3,914,883
Interest and dividend income received	23,248	32,518
Interest expenses paid	△8,959	△11,827
Income taxes paid	△1,158,284	△1,310,159
Net cash provided by (used in) operating activities	1,512,481	2,625,413

(Unit : Thousands of Yen)

	FY2013 (April 1, 2013 to March 31, 2014)	FY2014 (April 1, 2014 to March 31, 2015)
Cash flows from investing activities		
Payments into time deposits	△5,200,000	△7,000,000
Proceeds from withdrawal of time deposits	4,634,555	6,200,000
Purchase of property, plant and equipment	△107,766	△343,563
Purchase of intangible assets	△648,080	△586,579
Purchase of investment securities	△1,013,356	△731,630
Proceeds from sales and redemption of investment securities	29,903	710,352
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	△245,441
Purchase of shares of subsidiaries and associates	△991,533	△20,000
Proceeds from sales of shares of subsidiaries and associates	1,577,122	150,268
Payments for transfer of business	△7,773	—
Payments for guarantee deposits	△19,419	△546,948
Proceeds from collection of guarantee deposits	52,076	159,286
Payments of loans receivable	△1,400	△14,895
Collection of loans receivable	1,760	11,654
Purchase of insurance funds	△7,081	△6,603
Proceeds from cancellation of insurance funds	30,638	—
Other, net	9,716	△239
Net cash provided by (used in) investing activities	△1,660,640	△2,264,339
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,850,000	1,000,000
Repayments of long-term loans payable	△119,491	△84,245
Proceeds from share issuance to minority shareholders	8,172	36,744
Proceeds from exercise of share options	288,044	21,008
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	1,491,110	389,130
Proceeds from issuance of subscription rights to shares	29,230	—
Proceeds from withdrawal of found trust for Subsidiarys Treasury Stock	408,595	—
Cash dividends paid	△291,530	△291,636
Cash dividends paid to minority shareholders	△80,815	△44,913
Other, net	△7,215	△5,136
Net cash provided by (used in) financing activities	3,576,100	1,020,951
Effect of exchange rate change on cash and cash equivalents	115,994	57,754
Net increase (decrease) in cash and cash equivalents	3,543,935	1,439,780
Cash and cash equivalents at beginning of period	6,595,701	9,982,170
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	△157,465	—
Cash and cash equivalents at end of period	9,982,170	11,421,950