

**Non-Consolidated Financial Statements for the Fiscal Year Ended in December 2014**  
**(Based on the Standards Generally Accepted in Japan)**

February 13, 2015

Name of registrant: IBJ, Inc.

Stock exchange on which our shares are listed: Tokyo Stock Exchange

Code number: 6071

Website: <http://www.ibjapan.jp/>

Representative: Shigeru Ishizaka, President & CEO

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Date of general meeting of shareholders: March 25, 2015

Date of dividend payment: March 26, 2015

Date of submission of financial statements: March 26, 2015

Preparation of supplementary materials for results briefing: Yes

Plan of results briefing: Yes (for institutional investors and analysts)

(rounded down to the nearest million yen)

1. Financial Results for the Fiscal Year Ended in December 2014 (January 1, 2014 – December 31, 2014)

(1) Business Performance

(%: variance from the previous fiscal year)

	Sales		Operating Income		Ordinary Income		Net Profit for the Fiscal Year	
	million yen	%	million yen	%	million yen	%	million yen	%
FY 2014	3,317	28.8	643	42.8	630	40.5	404	50.4
FY 2013	2,574	21.2	450	42.5	448	36.1	269	46.0

	Net Profit per Share	Diluted Net Profit per Share	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Ordinary Income to Sales
	yen	yen	%	%	%
FY 2014	32.51	30.99	31.2	25.9	19.4
FY 2013	21.62	21.53	25.8	23.8	17.5

(Reference) Profit on Equity Method

FY 2014: \_\_\_ million yen      FY 2013: \_\_\_ million yen

(Note) We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. Assuming that the said stock split had been carried out in the beginning of the previous fiscal year, the “net profit per share” and the “diluted net profit per

share” were calculated.

(2) Financial Position

	Total Assets	Shareholders’ Equity	Equity Ratio (Ratio of Shareholders’ Equity to Total Assets)	Shareholders’ Equity per Share
	million yen	million yen	%	yen
FY 2014	2,735	1,453	53.0	116.37
FY 2013	2,126	1,151	54.0	92.16

(Reference) Shareholders’ Equity FY 2014: 1,448 million yen FY 2013: 1,147 million yen

(Note) We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. Assuming that the said stock split had been carried out in the beginning of the previous fiscal year, the “shareholders’ equity per share” was calculated.

(3) Cash Flows

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Ending Balance of Cash & Cash Deposits
	million yen	million yen	million yen	million yen
FY 2014	651	(369)	(99)	1,358
FY 2013	408	(257)	161	1,175

2. Dividends

	Annual Dividends Per Share					Total Annual Dividends	Dividend Ratio	Dividend Rate for Shareholders’ Equity
	End of 1Q	End of 2Q	End of 3Q	Year End	Total			
	yen	Yen	yen	yen	yen	million yen	%	%
FY2013	-	0.00	-	50.00	-	103	38.5	9.9
FY2014	-	0.00	-	25.00	-	155	38.4	12.0
FY2015 (Forecast)	-	-	-	-	-		-	

(Notes)

1. We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. In the above, the actual amounts of dividends

paid before the stock split are recorded for FY2013. Please see “Retroactive Adjustment of “Dividend Payout” in the Stock Split” described later, as for the retroactive adjustment assuming that the said stock split had been carried out in the beginning of the previous fiscal year. The base date of the stock split on January 1, 2015 is December 31, 2014. Therefore, the year-end dividend for the fiscal year ended in December 2014 would be paid based on the number of shares before the stock split.

2. In the company’s articles of incorporation, the dividend record dates are stipulated to be the end of the second quarter and the year end of the fiscal year. However, the dividend as of the said dividend record date is not forecasted as of the moment.
3. Forecast for the Fiscal Year Ends in December 2015 (January 1, 2015 – December 31, 2015)  
(%: variance from the previous year for the full-year forecast; variance from the same quarter of the previous year for the quarterly forecast)

	Sales		Operating Income		Ordinary Income		Net Profit for the Fiscal Year		Net Profit per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2Q (Cumulative)	1,775	16.3	321	11.1	316	9.8	200	15.3	16.12
Full Year	3,861	16.4	785	22.1	754	19.8	479	18.4	38.50

(Note) We carried out the stock split, which would make 2 shares per share (common stock), on January 1, 2015. The “net profit per share” in the forecast was calculated based on the number of shares outstanding (excluding the treasury stock) after the stock split.

\*Explanatory Notes

(1) Change of Accounting Policies, Change of Forecast & Alterations

- (i) Change of accounting policies due to revision of the accounting standards: None
- (ii) Change of accounting policies due to the reasons other than (i): None
- (iii) Change of accounting estimates: None
- (iv) Alterations: None

(2) Number of Shares Outstanding (Common Stock)

- (i) Year-end number of shares outstanding (including the treasury stock)
- (ii) Year-end number of own shares
- (iii) Average number of shares outstanding

FY2014	12,450,000 shares	FY2013	12,450,000 shares
FY2014	1,028 shares	FY2013	666 shares
FY2014	12,449,040 shares	FY2013	12,449,550 shares

(Note) We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. Assuming that the said stock split had been carried out in the beginning of the previous fiscal year, the “number of shares outstanding (common stock)” was calculated.

**\*Implementation Status of Audit Process**

This summary of the financial statements is out of the audit process in accordance with Financial Instruments and Exchange Act. Thus, before this summary is disclosed, the financial statements would have been audited.

**\*Explanation about Appropriate Use of Business Forecast & Other Special Introductions**

(Precautions for Descriptions about Future Forecasts)

The future forecasts and other projections in this summary are based on the information obtained by us so far and the certain assumptions considered to be reasonable and not intended to promise the future outcomes. Due to various factors, the actuals may differ significantly from the forecasts.

Please see “1. Analysis of Business Performance and Financial Positions (1) Analysis of Business Performance” in this summary (appendix) as for the assumptions of the forecasts and the precautions for use of the forecasts.

(Supplementary Materials for Results Briefing & Schedule of Results Briefing)

We are prepared to hold the results briefing for institutional investors and analysts on the coming February 18, 2015 (Wednesday). We will upload the briefing summary in document and in sound to our website along with the materials used for the briefing immediately after it is held.

**Retroactive Adjustment of “Dividend Payout” in the Stock Split**

We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. Assuming that the said stock split had been carried out in the beginning of the previous fiscal year, the dividend per share was calculated as follows:

	Annual Dividends Per Share				
	End of 1Q	End of 2Q	End of 3Q	Year End	Total
	yen	yen	yen	yen	yen
FY2013	-	0.00	-	8.33	8.33
FY2014	-	0.00	-	12.50	12.50



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## 1. Analysis of Business Performance and Financial Positions

### (1) Analysis of Business Performance

We develop our unique business unprecedented domestically or internationally by providing the integrated marriage hunting services both by virtually via Internet and in the real life, based on the management philosophy “to bring happiness to all the people linked to us by fate”.

According to “the low birth rate paper (version 2014)” issued by Cabinet Office, the number of marriages, which had exceeded 1 million annually during the period from 1970 through 1975 decreased gradually to become the level under 700 thousand annually after 2011. The average age of first marriage of Japanese people was: 27.8 (male) and 25.2 (female) in 1980. However, it became: 30.8 (male) and 29.2 (female) in 2012, which means that the average age of first marriage rose by 3.0 (male) and 4.0 (female) in the three decades. We consider that the low marriage and the delayed marriage are the major factors of the low birth rate problem.

In order to solve this national issue, the sectional committee of population decrease issue of Japan Policy Council has made the proposal “the strategy of stopping the low birth rate and revitalization of local communities” in May 2014, fostering the national momentum to push forward the marriage hunting activities. As a result, the market of our business is expected to expand further.

In the meanwhile, according to “the information and communication paper (version 2014)” issued by Ministry of Internal Affairs and Communications, the prevalence rate of smart phone is 53.5% as of March 2014, winning a majority. In the prefectures where metropolitan areas are located, the use of Internet is occupied by smart phone of which the share is 45%. The marriage hunting activities by unmarried people is expected to be further intensified by the use of Internet by smart phone.

Furthermore, according to “the maintenance of the infrastructure by informatization in the Japan’s economic society in the fiscal year 2012 (the market research about electronic commerce transactions) issued by Ministry of Economy, Trade and Industry, the consumers who visited agents for certain products or services tend to purchase their initial targets via O2O (Online to Offline) at a higher rate than usual.

Under such circumstances, we continued to grow utilizing our original integrated marriage hunting business strategy, by combining the Media Division providing online solutions mainly and the Service Division providing face-to-face services through our own agencies. In the domestic market, both the number of our members and the number of marriages through IBJ are steadily growing. In the overseas market, we established in Taiwan our joint venture company IBT Co., Ltd. (IT Bridal Network of Taiwan), which arranges marriage hunting parties in the Japanese style. We are proud to provide solutions to the issues such as the low marriage, the delayed marriage and the low birth rate and to have achieved favorable and satisfactory business

performance.

In the current fiscal year, we focused on the brand management by declaring “Come to IBJ for your marriage hunting”, through a positive word of mouth reputation by our members of “IBJ Marriage Planning Research” and through our aggressive transportation advertisements in the Tokyo metropolitan area. We also provided marriage hunting support to government and local authorities and launched “Marriage Hunting Support Consortium”, as a part of our social contribution activities, recently, which we believe to come from our own way of original contributions to the society. Meanwhile, we opened the Shinsaibashi hall as a major force in the Kansai area, launched our own event lounges in Tokyo and held the first marriage hunting party in the Japanese style in Taiwan as our first step to our overseas expansion. In addition to introducing our members to the business of engagement and marriage rings as a product of marriage consumption in the life design area, we newly conducted “the coordinate introduction (introduction focused on the members’ demands)” by introducing our members to the business of wedding ceremony halls by alliance with major wedding planners. And, we aggressively entered the surrounding business segments by publishing “the marriage hunting wedding book”. Thus, we will enforce our business platform steadily and soundly from now on.

Consequently, the sales of the current fiscal year ended up with 3,317 million yen, up by 28.8% from the previous fiscal year; the operating income was 643 million yen, up by 42.8% from the previous fiscal year; the ordinary income was 630 million yen, up by 40.5% from the previous fiscal year; and the net profit for the current fiscal year was 404 million yen, up by 50.4% from the previous fiscal year.

The business performance by segment is as follows. The sales of each segment include those of internal transactions and transfers.

In the 3rd quarter, we partially changed the category of our segments. For the details, please see “4. Financial Statements (5) Notes to Financial Statements (Segment Information)” in the page 17.

#### <Media Division>

The Media Division consists of the affiliate business, the media service, the community business and the event business. In the current fiscal year, we focused on the following activities:

##### (i) Affiliate Business

We supported launch of matching servicers of “Japan Matching Service Federation”, renewed IBJ system (Internet matching system) and consolidated the administrative functions of the head office. Thus, we made efforts to enhance profitability by increasing the number of servicers which participate in the federation and the total number of our members



(ii) Media Service

We sold the advertising agency of beauty care and established the advertising network “the marriage hunting ad network” that consists of our members. In addition, we tied up with different business servicers that have a common business target with us and expanded sales through listing advertisings.

(iii) Community Business

We achieved high profitability, increasing the number of our members by membership acquisition via the marriage hunting website “Bridal Net” and by enhancement of efficiency through the consolidated functions.

(iv) Event Business

We increased the number of events held in our own halls after launch of the Ebisu hall, the Shinjuku-Sanchome hall and the Shinsaibashi hall. Additionally, we increased the participants in the event projects held in outside halls, enhanced the hosting rate by reinforcing the matching systems and gained the high number of matchmaking parties.

Consequently, the sales of the segment ended up with 2,277 million yen, up by 40.1% from the previous fiscal year, and the operating income was 849 million yen, up by 44.0% from the previous fiscal year.

<Service Division>

The Service Division consists of the agent business only. In the current fiscal year, we focused on the following activities:

(i) Agent Business

We exerted efforts to acquire new members, to increase the number of marriages and to introduce members to the business of engagement and marriage rings and the business of wedding ceremony halls by launch of the Shinsaibashi hall, as a major force in the Kansai area, which is one of our hardware approaches, and by increase of marriage advisors, counselor staffs as well as by implementation of training plans for their skill upgrading (to lead the members to marriage), which is one of our software approaches.

Consequently, the sales of the segment ended up with 1,122 million yen, up by 13.2% from the previous fiscal year, and the operating income was 477 million yen, up by 21.3% from the previous fiscal year.

In the coming fiscal year, we will strengthen our brand power based on our credit capability generated by being listed in the second section of the Tokyo Stock Exchange. Also, we will attract our future members through improvement of our service systems and development of new applications for smart phone as in the existing Internet services. As in the face-to-face services, we

continue to recruit new counselors and train them to be highly professional for maximization of the number of marriages. Using one of our strengths, the large-scaled business platform of our members, we will form alliances with our future partners in the business sectors that have a common business target with us, in order to improve our profitability by “the coordinate introduction (introduction focused on the members’ demands)”. In the overseas market, we continue to invest in our business in Taiwan aggressively both from the software and hardware approaches. Finally, we plan to further strengthen our synergetic effects by continuing the integrated development of our complex business activities. As our full-year forecast for the fiscal year ends in December 2015, we expect the sales to be 3,861 million yen, up by 16.4% from the current fiscal year, the operating income to be 785 million yen, up by 22.1% from the current fiscal year, the ordinary income to be 754 million yen, up by 19.8% from the current fiscal year and the net profit for the coming fiscal year to be 479 million yen, up by 18.4% from the current fiscal year.

## (2) Analysis of Financial Positions

The forecasts described in the below were projected as of the end of the current fiscal year.

### (i) Assets, Liabilities and Shareholders’ Equity of the Current Fiscal Year

#### (Assets)

The current assets ended up with 1,903 million yen, up by 393 million yen from the end of the previous fiscal year. This resulted mainly from increases in cash & cash deposits by 282 million yen, accounts receivable by 77 million yen and prepaid expense by 15 million yen. The fixed assets ended up with 831 million yen, up by 215 million yen from the end of the previous fiscal year. This resulted mainly from increases in tangible fixed assets by 62 million yen, guarantee money paid by 59 million yen and intangible fixed assets by 40 million yen.

Consequently, the total assets stood at 2,735 million yen, up by 608 million yen from the end of the previous fiscal year.

#### (Liabilities)

The current liabilities ended up with 1,029 million yen, up by 270 million yen from the end of the previous fiscal year. This resulted mainly from increases in income taxes payable by 106 million yen, consumption tax payable by 55 million yen and accrued expenses payable by 41 million yen. The fixed liabilities ended up with 252 million yen, up by 36 million yen from the end of the previous fiscal year. This resulted mainly from an increase in asset retirement obligations by 32 million yen and a decrease in long-term loans by 5 million yen.

Consequently, the total liabilities stood at 1,282 million yen, up by 307 million yen from the end of the previous fiscal year.

#### (Shareholders’ Equity)

The shareholders’ equity ended up with 1,453 million yen, up by 301 million yen from the end of the

previous fiscal year. This resulted mainly from a decrease in earned surplus by 103 million yen caused by distribution of profit and recording of the net profit for the current fiscal year (404 million yen).

Consequently, the capital adequacy ratio was 53.0% (compared to 54.0% of the end of the previous fiscal year).

(ii) Cash Flows of the Current Fiscal Year

The cash & cash deposits (hereinafter referred to as “revenue/spending”) of the current fiscal year stood at 1,358 million yen, up by 182 million yen from 1,175 million yen of the previous fiscal year. This resulted mainly from a revenue of 651 million yen from cash flow from operating activities, a revenue of 369 million yen from cash flow from investing activities and a revenue of 99 million yen from cash flow from financing activities. The details of the cash flows of the current fiscal year are as follows:

(Cash Flow from Operating Activities)

The revenue from cash flow from operating activities was 651 million yen. This resulted mainly from recording of the net profit before tax (666 million yen), increases in other accounts payable and accrued expenses payable (80 million yen) and an increase in trade receivables (77 million yen).

(Cash Flow from Investing Activities)

The spending from cash flow from investing activities was 369 million yen. This resulted mainly from a spending for acquisition of intangible fixed assets (108 million yen), a spending for acquisition of tangible fixed assets (100 million yen) and a spending for rental deposits and guarantees paid (62 million yen).

(Cash Flow from Financing Activities)

The revenue from cash flow from financing activities was 99 million yen. This resulted mainly from a spending for payment of dividends (103 million yen), a revenue from borrowing of long-term loans (50 million yen) and a spending for repayment of long-term loans (45 million yen).

The indicators associated with the cash flows are as follows:

	FY2013	FY2014
Capital Adequacy Ratio (%)	54.0	53.0
Mark-to-Market Capital Adequacy Ratio (%)	201.5	343.1
Interest-Bearing Liabilities to Cash Flows (Annual)	0.9	0.6
Interest Coverage Ratio	124.9	181.1

Capital Adequacy Ratio: Shareholders' Equity/Total Assets

Mark-to Market Capital Adequacy Ratio: Mark-to-Market Aggregate Stock Value/Total Assets

Interest-Bearing Liabilities to Cash Flows: Interest-Bearing Liabilities/Cash Flows

Interest Coverage Ratio: Cash Flows/Interests Paid

(Notes)

- (i) The indicators are calculated based on the amounts of FY 2013 and FY 2014, respectively.
- (ii) The mark-to-market aggregate stock value is calculated by: year-end stock value (closing price) x year-end number of shares outstanding (excluding the treasury stock).
- (iii) The cash flows in the above come from the cash flows from operating activities of FY2013 and FY2014, respectively.

The interest-bearing liabilities in the above come from all the liabilities bearing interests, including the loans booked on the balance sheet.

- (iv) The interests paid in the above come from the interests booked on the cash flow table.

### (3) Basic Policies of Profit Distribution & Dividend for the Current and the Following Fiscal Years

We recognize that the proper distribution of profit to our shareholders is one of the most important management tasks. Our basic policy is to pay dividends of our surplus in line with our business performance, considering the necessity of internal reserve for reinforcement of our financial standing and further business expansion.

In accordance with this basic policy, we plan to distribute 25.00 yen/share to our common stock holders as a year-end dividend of the fiscal year ended in December 2014. Thus, the annual dividend per share for the current fiscal year is predicted to be 25.00 yen, and the dividend ratio will become 38.4%.

The year-end dividend for the coming fiscal year is not yet determined.

### (4) Business Risks

The alterations related to the business risks after the recent submission of the financial statements (submitted on March 27, 2014) are as follows:

The forecasts described in the below were projected as of the end of the current fiscal year.

#### (1) Dilution of Shares by Exercise of Rights to Subscribe for New Shares

We provide our board members the stock warrant (hereinafter referred to as “paid-for stock options”) for the purpose of further enhancing their motivations and increasing their solidarity, in view of our business expansion and boosting our corporate values over a medium term. The said paid-for stock options shall be issued at the fair value on the condition that they would be exercised under the certain business performance level in future. In case the said paid-for stock options are exercised, the value of the owned shares may be diluted.

#### (2) Joint Venture Business in Taiwan

We established the joint venture company IBT Co., Ltd. with our partners (two companies in

Taiwan) in April 2014, in order to enter the market in Taiwan.

Although we carefully examined the situations before establishment of the joint venture, there exist country risks occurred by difference in legal regulations and practices, change in political and economic situations, fluctuation of foreign currencies, terrorisms, wars and other factors, which may affect our financial situations or business performance in some way.

Our partners in Taiwan fully comprehend our business policies on the said joint venture, and our business policies do not give any disadvantage to the management strategies of our partners.

However, if the business of the joint venture slows down, our partners may change their policies on this joint business, which may cause cancellation of the contract or our partnership. In that case, our overseas business strategies may be hit hard by rumors, and our financial situations and business performance may be negatively impacted.

The below posting is cited from “Part I Corporate Information (2) Business Conditions 4. Business Risks” in the financial statements of the previous fiscal year. It was resolved in the board meeting held on September 14, 2014 that the service of marriage hunting website “Like a lot” would be terminated, as we amended the quarterly report for the second quarter. Therefore, the below posting was eliminated from this summary:

(7) Legal Regulations on Marriage Hunting Websites

(ii) "Law on Restrictions Governing the Solicitation of Children via Internet Dating Services" (hereinafter referred to as “the law on dating service website”) protects children from prostitutions and other crimes caused by the dating service websites, in consideration of the features of the dating service websites. For the purpose of sound and healthy situations for child growth, the law on dating service website places the obligations on business managers of dating service websites to register themselves, to confirm that each user is not a child and to eliminate the writes of forbidden sexual inductions.

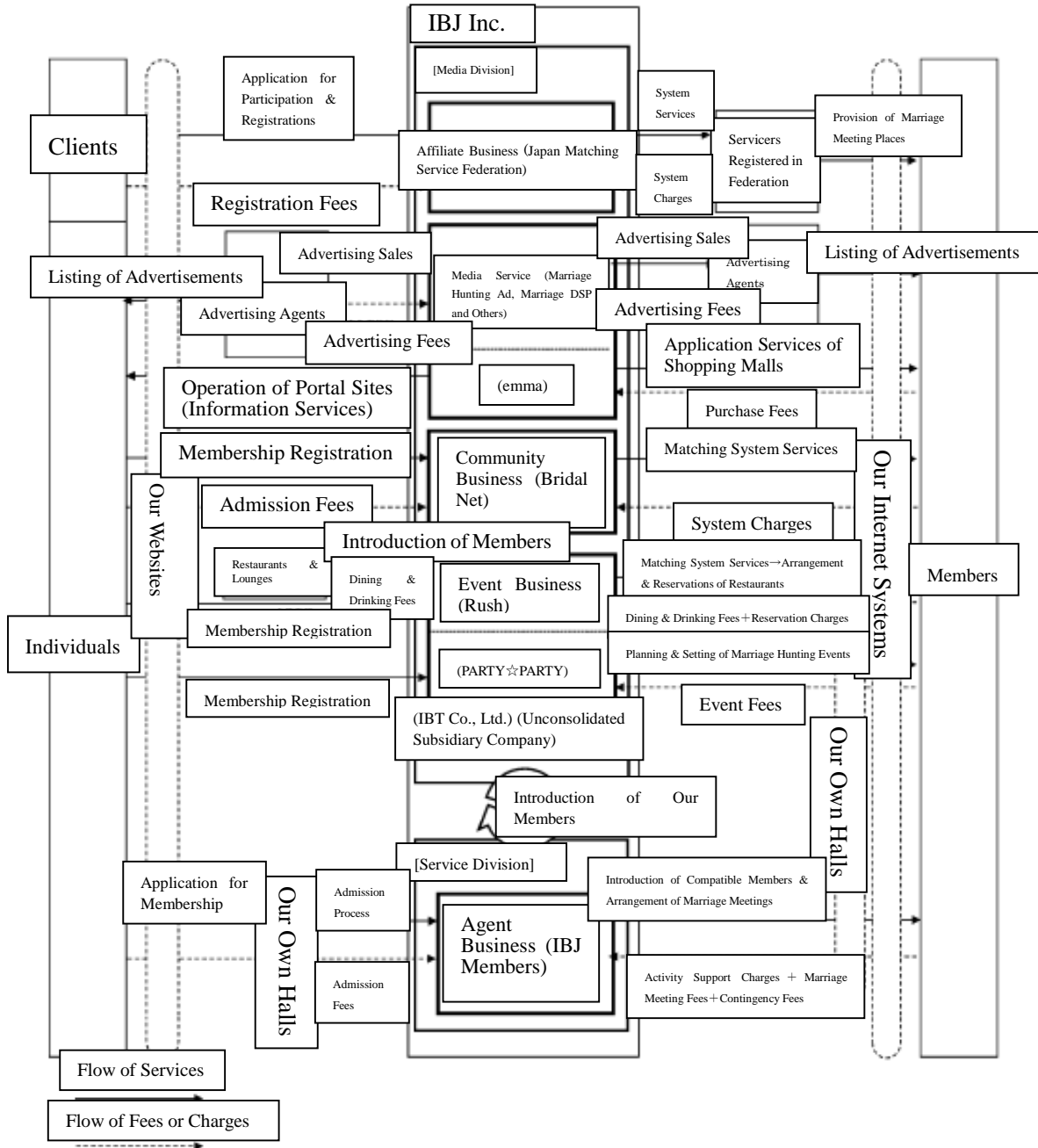
Our marriage hunting websites do not fall under the category of “Dating Service Website” released by the National Police Agency, so we believe that we are free from the regulations on the dating service websites.

However, if by any chance we assume any legal responsibility by conflicting the law on dating service website due to unforeseen circumstances in future, or when the law on dating service website is amended, changed in interpretations or added by new clauses and we are unable to take actions immediately toward such changes or when we suffer from excessive burden of cost to take actions toward the said situations, our services may be regulated, and our financial situations and business performance may be negatively impacted.

## 2. Chart of Business Correlations

We are in a simple body that consists only of IBJ Inc. We have the Media Division and the Service Division. The chart of our business correlations is as follows:

[Chart of Our Business Correlations]



### 3. Management Policies

#### (1) Basic Policies of Company Management

We all work together to practice the management philosophy “to bring happiness to all the people linked to us by fate”. We believe that it is important for our continued growth that each of our staffs strives to coordinate services with full respect for each of our members and to continue leadership to provide solutions satisfying each demand in order to contribute to happiness of “all the people linked to us by fate” or “all the stakeholders”, so to speak, by developing the unique business models to provide the integrated marriage hunting services both by virtually via Internet and in the real life. Whereby, we aim to be widely recognized as a “life-design support company focused on marriage hunting” that will lead our members to their self-actualization and contribute to the communities by continuing cultivation of human resources, as one of our key assignments leading to the social contributions, and by strengthening our profit platform by aggressive business investment of our shareholders’ equity.

The sources of our competitiveness are our unique business models and our coordination capability to solve issues meeting each demand. We will provide marriage hunting services, achieving our goals in number of couples, as well as in success in matchmaking and marriage, which should reach the top level in the domestic market, by taking advantages of “capabilities in information technologies “ and “service skills”. We continue to provide marketing services and promotions by utilizing the foundation of our members, which is the largest class in the domestic market.

#### (2) Management Benchmark

We measure our business growth based on our sales and operating profit, as well as our funding ability based on our cash flows, managing the investment standpoints to increase our profit. We believe that it is an essential factor for our business growth to understand how our profit is reinvested to further enhance our profitability and to encourage investment of our internal reserve. The capital adequacy ratio as of the end of the current fiscal year was 53.0% (compared to 54.0% of the previous fiscal year), exceeding 50%. We also believe that it will lead to improve our corporate values to distribute our earned surplus in accordance with our business results, to invest our internal reserve effectively and to generate the profit that outstrips our funding cost.

Therefore, we will endeavor to manage efficiently by carefully tracking our ROE in addition to our sales, our operating income and our cash flows, which are our standard management benchmark, in order to continue to improve our corporate values.

The ROE ended up with 31.2% (compared to 25.8% of the previous fiscal year) in the current fiscal year. Although there was no big fluctuation in our total asset turnover or our capital adequacy ratio, our ratio of net profit to sales successfully reached 12.2% (compared to 10.5% of the previous fiscal year).

To maintain our high ROE, we recognize that the ratio of net profit to sales remains to be a key factor in reinforcement of our profit base.

In the coming fiscal year and later on, we strive to strengthen our profit base and utilize our net assets efficiently by carefully controlling our ROE to maintain around 30%, paying attention to our ratio of dividends to net assets (ROE x dividend ratio).

### (3) Mid-Term Management Strategies

We aim to attain “reinforcement of cultivation of human resources and recruitment of capable candidates”, “strengthening of our brand power”, “creation of new profit platforms” and “contributions to the society in our own way” as our mid-term management strategies, for achieving our goal “continued growth by 20 % annually”.

Under the circumstances favored by the external situations which are advantageous to us, we believe that our internal factors such as strong organizational powers and high-standard cultivation of human resources are essential for our continued sound business growth. We will undertake revisions of the personnel systems and the human resource training systems for the betterment, settling empathy to our management policies as a basic requirement for the hiring standards.

In order to take full advantages of the favorable external situations, we need to gain recognition of our brand, which is not yet popular, and to penetrate into the market by enhancing our brand images. From now on, we plan to enhance our brand images by sending out the message that “Come to IBJ for marriage hunting” via the existing media such as Internet and transportation advertisements. We are considering to use TV commercials as one of the media for our advertising.

Furthermore, for our continued growth, it is necessary to create new profit platforms based on the existing members. We aim to accelerate the business promotions surrounding the marriage hunting services to satisfy the demands coming up to the surface, represented by “the advisory services for marriage hunting capabilities”, “wedding-related services” and “family solutions after marriage such as insurances and real estate services”.

Finally and conclusively, based on our management philosophies, we try to reach the target, which is “to generate 1% by IBJ of the total number of marriages in Japan” in the near future. To that end, we continue to “improve the number of marriages as well as the rate of marriages” by cultivating the capable staffs. And, we will be aggressively engaged in the business activities that satisfy our members’ demands by our own way with high social significance, contributing to the marriage hunting activities of government and local authorities directly or indirectly.

### (4) Corporate Tasks

Based on the management philosophy “to bring happiness to all the people linked to us by fate”, we develop various marriage & life design support business activities mainly in the field of information



and communications.

In addition to the services via Internet, we provide face-to-face services. The business providing the integrated marriage hunting services both by virtually via Internet and in the real life is one of our strengths that make us get ahead of the competition with other companies in the same business sector. By maximizing this strengths, maintaining the standpoint where we challenge brand new devices and services for revolutions on a company-wide basis, providing services that satisfy our members' demands fully, we are determined to develop business that contribute to the social communities and enhance our profitability.

Whereby, we will address the challenge to work at the following tasks:

(i) Business Expansion to Domestic Urban Areas (Affiliate Business) and Increase of Our Own Halls in the Domestic Principal Towns

The Japan Matching Service Federation (Affiliate Business), which is a core of our business pursuit, is mainly based in Kanto, Tokai and Kansai areas at the moment. Our own halls for matchmaking services are located in Tokyo, Kanagawa, Saitama, Aichi, Osaka and Hyogo. In order to enlarge the entire business installation of our marriage services to the nationwide scale, it is required to:

(a) increase our affiliates in the areas in addition to those mentioned in the above for the affiliate business and spread "IBJ System" to new members of our future affiliates;

(b) increase our own halls under the current policies that we focus our business in the domestic urban areas, which we have not entered yet, in the agent business and the event business.

In order to enlarge our business to the nationwide scale and to increase the number of marriages, we enter the new local markets of the domestic urban areas by spreading our affiliate network to every corner of the country and by increasing our own halls in the principal towns across the country.

(ii) Introduction of Members Among Our Business Sectors Based on "IBJ Accounts"

As we provide several marriage services, we need to consolidate our members' data by "Combined Database". In case our member uses more than one services simultaneously, he/she is able to use the common ID & password by "IBJ Accounts".

In the days ahead, we are determined to use this "IBJ Accounts" for our marketing and service promotions by launching the point program system in addition to renovation of the overall function, in order to introduce members among our business sectors actively.

(iii) Promotion of Advertising Services by Use of Our Membership Platform

We own the nation's largest membership platform and enormous amount of our members. Specially, the members are the constituency that is expected to pay money to use our services. We believe that we have some media value as to the business sectors surrounding marriage activities. Therefore, we try to improve profitability of the media service business by creating our unique media values by

combining “the reachable advertisements in the real life” to the sales force of our counselors of Japan Matching Service Federation and our own halls as well as our members’ data and the membership platform, to approach our clients providing marriage-related services.

(iv) Recruitment and Cultivation of Highly-Professional Human Resources

For enlargement of our corporate scale and continued growth, it is necessary to recruit and cultivate highly professional staffs and educate them to understand our management philosophies and penetrate them into the edge of our organizations. It is also required to foster highly capable leaders who can solve issues with full respect of each of our members. To cope with such tasks, we will recruit mid-career workers as a needed base, cultivate newly-hired employees and plan hiring of new graduates actively. We cultivate the existing staffs to become a leader with “sales capability”, “marketing capability” and “management capability” by conducting periodical trainings in an organized way through various and beneficial internal instruction courses.

#### 4. Financial Statements

##### (1) Balance Sheet

(Unit: thousand yen)

	Previous Fiscal Year (Ended on December 31, 2013)	Current Fiscal Year (Ended on December 31, 2014)
Assets		
Current assets		
Cash and cash deposits	1,175,915	1,458,529
Accounts receivable	278,566	356,263
Raw materials and inventories	57	43
Prepaid expense	26,286	41,652
Deferred tax assets	30,833	47,198
Other assets	206	1,354
Reserve for uncollectible account	(1,769)	(1,120)
Total current assets	1,510,097	1,903,921
Fixed assets		
Tangible fixed assets		
Buildings	155,096	231,203
Cumulative depreciation	(32,713)	(52,694)
Buildings (net)	122,383	178,509
Tools, furniture and fixtures	130,132	176,840
Cumulative depreciation	(54,773)	(93,231)
Tools, furniture and fixtures (net)	75,358	83,608
Lease assets	4,870	-
Cumulative depreciation	(2,678)	-
Lease assets (net)	2,191	-
Total tangible assets	199,933	262,118
Intangible assets		
Goodwill	18,878	12,215
Software	109,882	156,675
Total intangible assets	128,760	168,890
Investments and other assets		
Investment marketable securities	-	10,320

Investments in affiliate companies	-	19,492
Long-term prepaid expense	1,376	2,905
Guarantee money paid	222,595	282,104
Other investments	63,808	85,760
Total investments and other assets	287,780	400,583
Total fixed assets	616,474	831,592
Total assets	2,126,571	2,735,514

(Unit: thousand yen)

	Previous Fiscal Year (Ended on December 31, 2013)	Current Fiscal Year (Ended on December 31, 2014)
Liabilities		
Current liabilities		
Accounts payable	18,234	23,880
Short-term loans	160,000	160,000
Long-term loans (to be payable in one year)	40,000	50,000
Lease liabilities	1,074	-
Other payables	80,779	108,504
Accrued expenses payable	137,866	179,002
Income taxes payable	91,112	197,290
Consumption tax payable	21,776	77,004
Advance payments received	203,502	223,239
Other current liabilities	4,297	10,581
Total current liabilities	758,642	1,029,504
Fixed liabilities		
Long-term liabilities	180,000	175,000
Lease liabilities	1,437	0
Long-term other payables	-	1,432
Asset retirement obligations	33,994	66,212
Deferred tax liabilities	524	10,000
Total fixed liabilities	215,956	252,644
Total liabilities	974,599	1,282,148
Equity		
Shareholders' equity		
Capital	338,380	338,380
Capital surplus		-
Capital reserve	338,380	338,380
Total capital surplus	338,380	338,380
Earned surplus		
Other earned surplus		
Retained earnings carried forward	470,782	771,746
Total earned surplus	470,782	771,746

Treasury stock	(249)	(478)
Total shareholders' equity	1,147,292	1,448,028
Gains/losses by revaluation		
Gains/losses by revaluation of investment marketable securities	-	656
Total gains/losses by revaluation	-	656
Stock warrant	4,680	4,680
Total equity	1,151,972	1,453,365
Total liabilities and equity	2,126,571	2,735,514

## (2) Income Statement

(Unit: thousand yen)

	Previous Fiscal Year (January 1, 2013 – December 31, 2013)	Current Fiscal Year (January 1, 2014 – December 31, 2014)
Sales	2,574,680	3,317,143
Cost of goods sold	265,242	365,805
Gross profit on sales	2,309,438	2,951,338
Selling, general and administrative expenses	1,859,054	2,307,968
Operating income	450,383	643,369
Non-operating income		
Interests received	175	226
Agent service income	600	-
Rent income	300	-
Other non-operating income	493	1,077
Total non-operating income	1,569	1,304
Non-operating expenses		
Interests paid	3,272	3,621
Expense of offering of stock to the public	-	10,761
Other non-operating expense	-	43
Total non-operating expenses	3,272	14,426
Ordinary income	448,679	630,247
Extraordinary income		
Gain on sale of fixed assets	-	55,136
Gain on package deal of stock	13,890	-
Total extraordinary income	13,890	55,136
Extraordinary losses		
Loss on disposal of fixed assets	10,210	1,704
Loss from impairment	14,328	16,856
Loss from cancellation of rental agreements	2,684	-
Loss from cancellation of lease agreements	-	63
Total extraordinary losses	27,224	18,624

Pretax net profit for the fiscal year	435,345	666,759
Corporation tax, residential tax and business tax	168,113	269,303
Income taxes-deferred	(1,929)	(7,252)
Total income taxes	166,183	262,050
Net profit for the fiscal year	296,161	404,708



**【Breakdown of Cost of Goods Sold】**

Breakdown	Note Number	Previous Fiscal Year (January 1, 2013 – December 31, 2013)		Current Fiscal Year (January 1, 2014 – December 31, 2014)	
		Amount (thousand yen)	Ratio (%)	Amount (thousand yen)	Ratio (%)
Event cost		208,750	78.7	263,095	71.9
Media cost		53,746	20.3	76,700	21.0
Other cost		2,745	1.0	26,009	7.1
Total cost of goods sold		265,242	100.0	365,805	100.0

## (3) Statement of Changes in Net Assets

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

(Unit: thousand yen)

	Shareholders' Equity						
	Capital	Capital Surplus		Earned Surplus		Treasury Stock	Total Shareholders' Equity
		Capital Reserve	Total Capital Surplus	Other Earned surplus	Total Earned Surplus		
				Retained Earnings Carried Forward			
Beginning Balance	338,380	338,380	338,380	263,870	263,870	-	940,630
Changes							
Dividends				(62,250)	(62,250)		(62,250)
Net Profit				269,161	269,161		269,161
Acquisition of Treasury Stock						(249)	(249)
Changes in Other than Shareholders' Equity (Net)							
Total Changes	-	-	-	206,911	206,911	(249)	206,661
Ending Balance	338,380	338,380	338,380	470,782	470,782	(249)	1,147,292

	Stock Warrant	Total Equity
Beginning Balance	-	940,630
Changes		
Dividends		(62,250)
Net Profit		269,161

Acquisition of Treasury Stock		(249)
Changes in Other than Shareholders' Equity (Net)	4,680	4,680
Total Changes	4,680	211,341
Ending Balance	4,680	1,151,972

Current Fiscal Year (January 1, 2014 – December 31, 2014)

(Unit: thousand yen)

	Shareholders' Equity						
	Capital	Capital Surplus		Earned Surplus		Treasury Stock	Total Shareholders' Equity
		Capital Reserve	Total Capital Surplus	Other Earned surplus	Total Earned Surplus		
Beginning Balance	338,380	338,380	338,380	470,782	470,782	(249)	1,147,292
Changes							
Dividends				(103,744)	(103,744)		(103,744)
Net Profit				404,708	404,708		404,708
Acquisition of Treasury Stock						(228)	(228)
Changes in Other than Shareholders' Equity (Net)							
Total Changes	-	-	-	300,964	300,964	(228)	300,736
Ending Balance	338,380	338,380	338,380	771,746	771,746	(478)	1,448,028

	Gains/Losses by Revaluation		Stock Warrant	Total Equity
	Gains/Losses by Revaluation of Investment Marketable Securities	Total Gains/Losses by Revaluation		
Beginning Balance	-	-	4,680	1,151,972

Changes				
Dividends				(103,744)
Net Profit				404,708
Acquisition of Treasury Stock				(228)
Changes in Other than Shareholders' Equity (Net)	656	656	-	656
Total Changes	656	656	-	301,392
Ending Balance	656	656	4,680	1,453,365

## (4) Cash Flow Table

(Unit: thousand yen)

	Previous Fiscal Year (January 1, 2013 – December 31, 2013)	Current Fiscal Year (January 1, 2014 – December 31, 2014)
Cash flow from operating activities		
Pretax net profit for the fiscal year	435,345	666,759
Depreciation expense	69,951	104,024
Loss from impairment	14,328	16,856
Amortization of goodwill	6,682	6,662
Amortization of long-term prepaid expense	58	1,360
Increase/decrease in reserve for uncollectible account (decrease)	(113)	(648)
Interests receivable	(175)	(226)
Interests payable	3,272	3,621
Gain on sale of fixed assets (gain)	-	(55,136)
Loss on disposal of fixed assets	10,210	1,704
Gain on package deal of stock (gain)	(13,890)	-
Loss from cancellation of rental agreements	2,684	-
Loss from cancellation of lease agreements	-	63
Increase/decrease in trade receivables (increase)	26,594	(77,697)
Increase/decrease in intangible assets (increase)	9	14
Increase/decrease in trade payables (decrease)	1,317	5,646
Increase/decrease in advance payments received (decrease)	34,771	19,737

Increase/decrease in other payables and accrued expenses payable (decrease)	25,507	80,635
Others	(8,954)	41,032
Subtotal	607,602	814,409
Interests received	175	226
Interests paid	(3,701)	(3,600)
Income taxes paid	(195,366)	(159,403)
Cash flow from operating activities	408,709	651,632
Cash flow from investing activities		
Spending for increase of time deposits	-	(100,000)
Spending for acquisition of tangible fixed assets	(157,525)	(100,174)
Spending for acquisition of intangible fixed assets	(89,835)	(108,507)
Spending for acquisition of stock of subsidiary companies	-	(19,492)
Spending for acquisition of investment marketable securities	-	(9,300)
Revenue from sale of intangible fixed assets	-	59,000
Spending for fulfillment of asset retirement obligations	(13,384)	(3,700)
Spending for payment of deposits or guarantee money	(28,606)	(62,484)
Revenue from repayment of deposits or guarantee money	54,324	86
Increase/decrease in investments and other assets (increase)	(700)	-
Others	(21,952)	(24,962)

Cash flow from investing activities	(257,679)	(369,536)
Cash flow from financing activities		
Revenue from borrowing of long-term loans	250,000	50,000
Spending for repayment of long-term loans	(30,000)	(45,000)
Spending for acquisition of treasury stock	(249)	(228)
Revenue from issuance of stock warrant	4,680	-
Spending for payment of dividends	(62,117)	(103,520)
Spending for repayment of lease liabilities	(1,011)	(733)
Cash flow from financing activities	161,300	(99,482)
Increase/decrease in cash & cash deposits (decrease)	312,331	182,613
Beginning balance of cash & cash deposits	752,089	1,175,915
Increase by joint venture in cash & cash deposits	111,495	-
Ending balance of cash & cash deposits	1,175,915	1,358,529



(5) Notes to Financial Statements

(Explanatory Notes about Going Concern Assumptions)

Not applicable

(Important Accounting Policies)

1. Valuation Standards and Methods of Marketable Securities

(1) Stock of Subsidiary Companies

We adopt the cost approach by the moving-average method.

(2) Other Marketable Securities (with Market Value)

We adopt the market value method based on the market value as of the settlement date; the variance from valuations are totally booked in the net assets, and the cost of the goods sold is calculated by the moving-average method.

2. Valuation Standards and Methods of Inventory Assets (Raw Materials and Inventory Assets)

We mainly adopt the cost approach (the method of write-down of book value due to low profitability) by the moving-average method.

3. Depreciation Methods for Fixed Assets

(1) Tangible Fixed Assets (Excluding Lease Assets)

We adopt the declining-balance method. However, for buildings (excluding the equipment annexed to the building), we adopt the straight-line method.

The durable years are mainly as follows:

Buildings: 6-10 years

Tools, Furniture and fixtures: 3-10 years

(2) Intangible Fixed Assets (Excluding Lease Assets)

We adopt the straight-line method. Goodwill is amortized by the straight-line method over the estimated durable years (2-10 years), which is considered to be an effective period. As for software for internal use, we adopt the straight-line method over the usable period (5 years).

4. Calculation Basis for Reserves (Reserve for Uncollectible Account)

To reserve for loan losses, we book the uncollectible amount estimated by the actual loan loss rates for general receivables. We examine the collectability case by case as for other specific doubtful receivables.

5. Range Covered by Cash Flow Table

The cash flow table covers the short-term investments collectable in three months from the date of acquisition. They should be easily liquidated such as petty cash and bank deposits cashable at any time, bearing limited risks exposed to fluctuations of values.

## 6. Other Basic Important Matters for Preparation of Financial Statements (Accounting Process of Consumption Tax)

We adopt the tax exclusion method for accounting process of consumption tax and the local consumption tax. The non-deductible consumption tax and the local consumption tax are booked as an expense for the fiscal period.

(Change of Accounting Policies)

Not applicable

(Profit on Equity Method)

Not applicable: we do not own any group company.

(Segment and Other Information)

### 【Segment Information】

#### 1. Information about Our Segments

From each of our segments, we are able to obtain the financial information separately, so that the board meeting can decide allocation of management resources, evaluate the business performance and examine the operations periodically.

Our business consists of the Media Division and the Service Division. Each of the divisions plans its comprehensive strategies for the domestic market for its business activities. Thus, we report our business results of the two divisions, the Media Division and the Service Division, which provide different services.

#### (i) Media Division

The Media Division consists of the affiliate business, the media service, the community business and the event business. The details of each business are as follows:

##### Affiliate Business

We provide the ASP-type Internet matching system “IBJ System” for management of our members’ data and arrangement of marriage meetings. We also control the administrative functions of the matchmaking servicers “Japan Matching Service Federation” for each servicer registered in the federation.

##### Media Service

We sold the advertising agency of beauty care and established the advertising network “the marriage hunting ad network” structured on “the marriage hunting member platform (database)”. In addition, we operate and sell the listing advertisings that target the fields of life design support specifically.

##### Community Business

We operate the marriage hunting website “Bridal Net”. Based on the operation results of the website, we develop marriage hunting websites by profession, the marriage hunting websites for the welfare and the marriage hunting websites ordered by our clients to operate the client-tailored websites as an outsourcee.

Event Business

We plan and arrange matchmaking parties and other events, advertise for the participants via Internet, workshops and seminars for self-initiated learnings. We also introduce our members to the restaurants and dining spaces that we use a lounge for matchmaking parties, in addition to planning and operation of the said parties, operation of the matching system of our members, selection and reservation of the restaurants and dining spaces and arrangement of the said parties.

(ii) Service Division

The Service Division consists of the agent business only. The details of the business are as follows:

Agent Business

We operate “Marriage Hunting Lounge IBJ Members” located in the urban areas and principal towns and provide services of marriage counseling, arrangement of marriage meetings, management of association of the members after the marriage meeting and arrange face-to-face introduction of members for marriage meetings,

(Change in Business Segments)

We changed the business segments partially in the 3rd quarter, so some business segments are shifted from the Media Division to the Service Division. The information and data by business segment of the previous fiscal year have been adjusted to compare to those of the current fiscal year.

2. Calculation Methods of Sales, Profit/Loss, Assets, Liabilities and Others by Segment

The accounting process of the reported business segments are nearly identical to the specification in “Important Accounting Policies”, excluding the valuation standards of inventory assets.

We adopt the method of write-down of book value due to low profitability, as for valuation of inventory assets.

The profit by the reported business segments are based on the operating income.

The amounts of internal transactions and transfers are based on the mark-to-market value.

3. Information of Sales, Profit/Loss, Assets, Liabilities and Others by Segment

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

(Unit: thousand yen)

	Reported Business Segments	Adjustments	
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	Media Division	Service Division	Total	(Notes) 1,2	Amounts on Financial Statements (Note) 3
Sales					
General sales	1,583,125	991,554	2,574,680	-	2,574,680
Sales from internal transactions and transfers	42,844	30	42,874	(42,874)	-
Total sales	1,625,969	991,584	2,617,554	(42,874)	2,574,680
Profit	589,945	393,797	983,742	(533,358)	450,383
Assets	406,702	287,174	693,877	1,432,694	2,126,571
Others					
Depreciation	29,506	11,904	41,410	28,540	69,951
Amortization of goodwill	6,662	19	6,682	-	6,682
Amortization of long-term prepaid expense	58	-	58	-	58
Loss from impairment	4,623	9,705	14,328	-	14,328
Increase in tangible and intangible fixed assets	102,077	69,248	171,326	107,986	279,312

(Notes)

1. The adjustments of profit (533,358 thousand yen) includes the deleted internal transactions (42,874 thousand yen) and the overhead cost not allocated to segment (490,484 thousand yen). The overhead cost not allocated to segment is mostly equal to selling, general and administrative expenses not allocated to segment.

2. The adjustments of assets (1,432,694 thousand yen) is equal to the overhead assets (1,432,694 thousand yen). The overhead assets are mainly surplus operating funds (cash and cash deposits) and the assets for administrative functions.

3. The profit is based on the adjusted operating income booked on the financial statements.

Current Fiscal Year (January 1, 2014 – December 31, 2014)

(Unit: thousand yen)

	Reported Business Segments			Adjustments (Notes) 1,2	Amounts on Financial Statements (Note) 3
	Media Division	Service Division	Total		
Sales					
General sales	2,198,777	1,118,366	3,317,143	-	3,317,143
Sales from internal transactions and transfers	78,859	3,981	82,840	(82,840)	-
Total sales	2,277,636	1,122,347	3,399,984	(82,840)	3,317,143
Profit	849,562	477,788	1,327,351	(683,981)	643,369
Assets	622,656	383,173	1,005,830	1,729,684	2,735,514
Others					
Depreciation	54,461	16,085	70,546	33,478	104,024
Amortization of goodwill	6,662	-	6,662	-	6,662
Amortization of long-term prepaid expense	1,360	-	1,360	-	1,360
Loss from impairment	14,603	2,253	16,856	-	16,856
Increase in tangible and intangible fixed assets	135,986	76,571	212,557	26,232	238,790

(Notes)

1. The adjustments of profit (683,981 thousand yen) includes the deleted internal transactions (82,840 thousand yen) and the overhead cost not allocated to segment (601,141 thousand yen). The overhead cost not allocated to segment is mostly equal to selling, general and administrative expenses not allocated to segment.

2. The adjustments of assets (1,729,684 thousand yen) is equal to the overhead assets (1,729,684 thousand yen). The overhead assets are mainly surplus operating funds (cash and cash deposits) and the assets for administrative functions.

3. The profit is based on the adjusted operating income booked on the financial statements.

#### **【Related Information】**

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

##### 1. Information by Product and Service

The description is skipped, as the information is provided in “Segment Information”.

##### 2. Information by Area

###### (1) Sales

The description is skipped, as the amount of general sales exceeds 90% of the total.

###### (2) Tangible Fixed Assets

The description is skipped, as the amount of tangible fixed assets exceeds 90% of the total booked on the balance sheet.

##### 3. Information by Member (Client)

The description is skipped, as there is no member of client that occupies 10% or more of the total sales booked on the income statement.

Current Fiscal Year (January 1, 2014 – December 31, 2014)

##### 1. Information by Product and Service

The description is skipped, as the information is provided in “Segment Information”.

##### 2. Information by Area

###### (1) Sales

The description is skipped, as the amount of general sales exceeds 90% of the total.

###### (2) Tangible Fixed Assets

The description is skipped, as the amount of tangible fixed assets exceeds 90% of the total booked on the balance sheet.

##### 3. Information by Member (Client)

The description is skipped, as there is no member of client that occupies 10% or more of the total sales booked on the income statement.

#### **【Information by Segment of Loss from Impairment of Fixed Assets】**

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

(Unit: thousand yen)

	Media Division	Service Division	Subtotal	Adjustments	Total
Loss from Impairment	4,623	9,705	14,328	-	14,328

Current Fiscal Year (January 1, 2014 – December 31, 2014)

(Unit: thousand yen)

	Media Division	Service Division	Subtotal	Adjustments	Total
Loss from Impairment	14,603	2,253	16,856	-	16,856

**【Information by Segment of Amortization of Goodwill and Remaining Balance of Goodwill】**

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

(Unit: thousand yen)

	Media Division	Service Division	Subtotal	Adjustments	Total
Amortization of Goodwill	6,662	19	6,682	-	6,682
Remaining Balance of Goodwill	18,878	-	18,878	-	18,878

Current Fiscal Year (January 1, 2014 – December 31, 2014)

(Unit: thousand yen)

	Media Division	Service Division	Subtotal	Adjustments	Total
Amortization of Goodwill	6,662	-	6,662	-	6,662
Remaining Balance of Goodwill	12,215	-	12,215	-	12,215

**【Information by Segment of Gain from Negative Goodwill】**

Previous Fiscal Year (January 1, 2013 – December 31, 2013)

Not applicable

Current Fiscal Year (January 1, 2014 – December 31, 2014)

Not applicable

(Per-Share Information)

Previous Fiscal Year (January 1, 2013 – December 31, 2013)		Current Fiscal Year (January 1, 2014 – December 31, 2014)	
Net assets per share	92.16 yen	Net assets per share	116.37 yen
Net profit per share	21.62 yen	Net profit per share	32.51 yen
Diluted net profit per share	21.53 yen	Diluted net profit per share	30.99 yen

(Note) 1. We carried out the stock split: 3 shares per share (common stock) on April 1, 2014; and 2 shares per share (common stock) on January 1, 2015. Assuming that the said stock split had been carried out in the beginning of the previous fiscal year, the net profit per share and the diluted net profit per share were calculated.

2. The calculation basis of the net assets per share is as follows:

	Previous Fiscal Year (Ended on December 31, 2013)	Current Fiscal Year (Ended on December 31, 2014)
Total shareholders' equity (thousand yen)	1,151,972	1,453,365
Deduction (thousand yen)	4,680	4,680
(Including: stock warrant) (thousand yen)	(4,680)	(4,680)
Ending Balance of total shareholders' equity (common stock) (thousand yen)	1,147,292	1,448,685
Number of shares (common stock) used for calculation of net assets per share	12,449,334	12,448,972

3. The calculation basis of the net profit per share and the diluted net profit per share is as follows:

	Previous Fiscal Year (January 1, 2013 – December 31, 2013)	Current Fiscal Year (January 1, 2014 – December 31, 2014)
Net profit per share		





- (ii) Increased number of shares by the stock split 6,225,000 shares
- (iii) Number of shares outstanding after the stock split 12,450,000 shares
- (iv) Total number of authorized shares after the stock split 46,440,000 shares

3. Schedule of Stock Split

Announce Date of Base Date: December 12, 2014  
 Base Date December 31, 2014  
 Effective Date January 1, 2015

4. Impact on Per-Share Information

Please see “4. Financial Statements (5) Notes to Financial Statements (Per-Share Information” for the per-share information assuming that the said stock split had been carried out in the beginning of the previous fiscal year.

5. Others

- (1) This stock split does not give any impact on the capital amount.
- (2) In association with this stock split, the exercise value per share for the stock warrant will be adjusted as of the effective date as follows:

	Before Adjustment		After Adjustment	
	Number of Shares	Exercise Value	Number of Shares	Exercise Value
Stock Warrant	540,000 shares	672 yen	1,080,000 shares	336 yen

- (3) As the effective date of this stock split is January 1, 2015, the year-end dividends for the fiscal year ended in December 2014 are based on the shares before the stock split. This is because the dividend record date is December 31, 2014.