

## D. A. Consortium Inc.

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

Financial Highlights of Fiscal Year 2013 (April 1, 2013 to March 31, 2014) and Fiscal Year 2012 (April 1, 2012 to March 31, 2013)

### (1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
Fiscal Year 2013	105,335	( 9.4)	1,980	( 19.5)	2,017	( 18.4)	2,022	( 151.4)
Fiscal Year 2012	96,319	( 16.3)	1,658	( 25.8)	1,704	( 25.7)	804	( 41.3)

Note: Comprehensive income: March 31, 2014 2,956million yen (213.1%) March 31, 2013 944million yen ( 48.7%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal Year 2013	41.66	41.24	16.4	5.9	1.9
Fiscal Year 2012	16.57	16.39	7.3	5.4	1.7

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

Fiscal year ended March 31, 2014: 10 million yen Fiscal year ended March 31, 2013: 26 million yen

Note: On April 1,2013,DAC conducted a 100-for-1 stock split for shareholders as of March 31,2013.In addition, net income per share and diluted net income per share for fiscal year ended March 31,2013 were calculated assuming that said stock split was conducted at the beginning of the previous fiscal year.

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Mil.¥	Mil.¥	%	Yen
Fiscal Year 2013 (As of March 31,2014)	37,499	20,045	35.7	275.98
Fiscal Year 2012 (As of March 31,2013)	31,344	16,472	36.0	232.69

(Reference) Capital: March 31, 2014: 13,401 million yen March 31, 2013: 11,298 million yen

Note: On April 1,2013,DAC conducted a 100-for-1 stock split for shareholders as of March 31,2013.In addition, net assets per share for fiscal year ended March 31,2013 were calculated assuming that said stock split was conducted at the beginning of the previous fiscal year.

(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
Fiscal Year 2013	Mil.¥ 1,512	Mil.¥ 1,660	Mil.¥ 3,576	Mil.¥ 9,982
Fiscal Year 2012	309	2,688	654	6,595

(4) Dividends

	Dividend per share					Total Amount of dividends	Dividends payout ratio	Dividends to net assets ratio
	End of 1 <sup>st</sup> quarter	End of 2 <sup>nd</sup> quarter	End of 3 <sup>rd</sup> quarter	End of period	Annual			
	Yen	Yen	Yen	Yen	Yen	Mil.¥	%	%
Fiscal Year 2012		0.00		600.00	600.00	291	36.2	2.6
Fiscal Year 2013		0.00		6.00	6.00	291	14.4	2.4
Fiscal Year 2014 (forecasts)								

Note: On April 1, 2013, DAC conducted a 100-for-1 stock split for shareholders as of March 31, 2013. The above figures for Fiscal Year 2012 are based on actual dividend paid before the stock split.

(5) Consolidated earnings forecasts of 1<sup>st</sup> Quarter of Fiscal Year 2014 (April 1, 2014 to June 30, 2014)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%	Yen
1st Quarter of Fiscal Year 2014	27,421	(10.7)	224	( 18.4)	222	( 22.0)	83	( 361.6)	1.71
Fiscal Year 2014	~ 28,415	(14.7)	~ 292	( 6.1)	~ 288	( 1.4)	~ 108	(499.4)	~ 2.22

Consolidated Financial Statements  
(1) Consolidated Balance Sheets

(Unit : Thousands of Yen)

	FY2012 (As of March 31, 2013)	FY2013 (As of March 31, 2014)
<b>Assets</b>		
Current assets		
Cash and deposits	8,138,811	12,591,170
Notes and accounts receivable - trade	13,627,949	13,922,518
Securities	501,014	-
Operational investment securities	681,463	886,925
Other	1,918,238	2,344,145
Allowance for doubtful accounts	7,741	5,302
<b>Total current assets</b>	<b>24,859,737</b>	<b>29,739,457</b>
Non-current assets		
Property, plant and equipment		
Buildings	688,873	670,776
Accumulated depreciation	247,144	297,075
Buildings, net	441,728	373,701
Tools, furniture and fixtures	997,206	1,025,679
Accumulated depreciation	619,095	725,659
Tools, furniture and fixtures, net	378,111	300,020
Leased assets	33,103	17,635
Accumulated depreciation	11,844	5,511
Leased assets, net	21,259	12,124
Construction in progress	3,596	-
<b>Total property, plant and equipment</b>	<b>844,695</b>	<b>685,847</b>
Intangible assets		
Goodwill	697,162	912,356
Software	728,950	804,916
Software in progress	178,707	126,030
Other	28,311	26,826
<b>Total intangible assets</b>	<b>1,633,131</b>	<b>1,870,129</b>
Investments and other assets		
Investment securities	2,768,719	4,220,930
Guarantee deposits	913,386	794,337
Other	345,697	198,506
Allowance for doubtful accounts	20,612	9,373
<b>Total investments and other assets</b>	<b>4,007,191</b>	<b>5,204,400</b>
<b>Total non-current assets</b>	<b>6,485,018</b>	<b>7,760,376</b>
<b>Total assets</b>	<b>31,344,755</b>	<b>37,499,834</b>

(Unit : Thousands of Yen)

	FY2012 (As of March 31, 2013)	FY2013 (As of March 31, 2014)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	10,753,799	11,379,481
Short-term loans payable	295,000	2,100,000
Current portion of long-term loans payable	155,628	80,530
Current portion of bonds	30,600	-
Accounts payable - other	808,888	756,401
Income taxes payable	608,678	1,044,933
Provision for bonuses	374,844	635,581
Provision for directors' bonuses	25,200	26,000
Other	958,972	807,059
Total current liabilities	14,011,611	16,829,988
Non-current liabilities		
Bonds payable	59,400	-
Long-term loans payable	410,794	203,750
Provision for retirement benefits	268,873	-
Other	121,276	421,036
Total non-current liabilities	860,343	624,786
Total liabilities	14,871,954	17,454,774
Net assets		
Shareholders' equity		
Capital stock	4,031,837	4,031,837
Capital surplus	3,184,465	3,183,953
Retained earnings	5,441,672	7,172,980
Treasury shares	1,628,474	1,624,753
Total shareholders' equity	11,029,500	12,764,018
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	194,102	412,599
Foreign currency translation adjustment	74,442	224,996
Total accumulated other comprehensive income	268,545	637,595
Subscription rights to shares	242,771	209,897
Minority interests	4,931,983	6,433,548
Total net assets	16,472,800	20,045,060
Total liabilities and net assets	31,344,755	37,499,834

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

(Unit : Thousands of Yen)

	FY2012 (April 1, 2012 to March 31, 2013)	FY2013 (April 1, 2013 to March 31, 2014)
Net sales	96,319,867	105,335,780
Cost of sales	82,131,029	90,943,104
Gross profit	14,188,838	14,392,676
Selling, general and administrative expenses	12,530,703	12,411,848
Operating income	1,658,135	1,980,827
Non-operating income		
Interest income	10,010	6,498
Dividend income	17,069	11,742
Share of profit of entities accounted for using equity method	26,575	10,264
Insurance premiums refunded cancellation	-	14,791
Gain on investments in partnership	-	12,708
Foreign exchange gains	8,685	-
Gain on tax-exempt consumption tax	41,586	10,002
Other	17,975	17,794
Total non-operating income	121,903	83,802
Non-operating expenses		
Interest expenses	19,745	8,540
Foreign exchange losses	-	12,317
Share issuance cost	198	13,800
Commission fee	36,591	-
Loss on insurance cancellation	-	6,350
Other	18,989	6,107
Total non-operating expenses	75,525	47,116
Ordinary income	1,704,512	2,017,512
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	23,928	1,411,544
Gain on change in equity	101,167	700,098
Other	288,834	65,923
Total extraordinary income	413,930	2,177,566
Extraordinary losses		
Impairment loss	107,035	61,548
Loss on exit penalty	64,762	-
Loss on sales of investment securities	-	48,307
Amortization of goodwill	-	28,695
Other	68,728	45,622
Total extraordinary losses	240,525	184,173
Income before income taxes and minority interests	1,877,916	4,010,905
Income taxes - current	1,093,083	1,604,600
Income taxes - deferred	137,945	77,804
Total income taxes	955,138	1,526,795
Income before minority interests	922,778	2,484,109
Minority interests in income	118,093	461,445
Net income	804,684	2,022,664

## (2) Consolidated Statements of Comprehensive Income

(Unit : Thousands of Yen)

	FY2012 (April 1, 2012 to March 31, 2013)	FY2013 (April 1, 2013 to March 31, 2014)
Income before minority interests	922,778	2,484,109
Other comprehensive income		
Valuation difference on available-for-sale securities	79,710	267,772
Foreign currency translation adjustment	65,907	156,174
Share of other comprehensive income of entities accounted for using equity method	35,212	48,571
Total other comprehensive income	21,409	472,517
Comprehensive income	944,188	2,956,627
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	824,356	2,391,714
Comprehensive income attributable to minority interests	119,831	564,912

(3) Statements of Changes In Equity  
 FY2012(April 1,2012-March 31,2013)

(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	4,928,342	1,626,980	10,517,665
Changes of items during period					
Dividends of surplus			291,355		291,355
Net income			804,684		804,684
Purchase of treasury shares				1,493	1,493
Disposal of treasury shares					-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	513,329	1,493	511,835
Balance at end of current period	4,031,837	3,184,465	5,441,672	1,628,474	11,029,500

	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	257,671	9,213	248,458	287,895	5,399,923	16,453,943
Changes of items during period						
Dividends of surplus						291,355
Net income						804,684
Purchase of treasury shares						1,493
Disposal of treasury shares						-
Net changes of items other than shareholders' equity	63,569	83,655	20,086	45,123	467,940	492,977
Total changes of items during period	63,569	83,655	20,086	45,123	467,940	18,857
Balance at end of current period	194,102	74,442	268,545	242,771	4,931,983	16,472,800

(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
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
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



## (4) Consolidated Statements of Cash Flows

(Unit : Thousands of Yen)

	FY2012 (April 1, 2012 to March 31, 2013)	FY2013 (April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes and minority interests	1,877,916	4,010,905
Depreciation	670,505	577,414
Impairment loss	107,035	61,548
Amortization of goodwill	240,227	233,403
Increase (decrease) in allowance for doubtful accounts	5,399	3,968
Increase (decrease) in provision for directors' bonuses	11,200	800
Increase (decrease) in deposits received	-	4,240
Increase (decrease) in provision for point card certificates	14,772	10,581
Increase (decrease) in provision for retirement benefits	31,302	268,873
Increase (decrease) in provision for bonuses	212,595	260,737
Interest and dividend income	27,080	18,240
Interest expenses	19,745	8,540
Share of (profit) loss of entities accounted for using equity method	26,575	10,264
Loss (gain) on sales and retirement of non-current assets	31,749	10,285
Loss (gain) on sales and valuation of investment securities	129,992	48,385
Loss on valuation of shares of subsidiaries and associates	11,676	-
Gain on reversal of subscription rights to shares	61,052	46,823
Loss (gain) on sales of shares of subsidiaries and associates	-	1,411,544
Loss (gain) on change in equity	94,444	696,044
Decrease (increase) in notes and accounts receivable - trade	1,410,804	301,277
Decrease (increase) in inventories	2,935	659
Decrease (increase) in investment securities for sale	1,433	157,931
Decrease (increase) in prepaid expenses	8,945	166,203
Decrease (increase) in advance payments	82,424	172,717
Increase (decrease) in advances received	135,367	109,199
Increase (decrease) in notes and accounts payable - trade	2,426	622,363
Increase (decrease) in accounts payable - other	291,631	110,139
Increase (decrease) in accrued consumption taxes	13,214	234,245
Increase (decrease) in long-term accounts payable - other	-	288,685
Other, net	137,753	432,407
Subtotal	1,383,508	2,656,476
Interest and dividend income received	26,835	23,248
Interest expenses paid	18,413	8,959
Income taxes paid	1,082,554	1,158,284
Net cash provided by (used in) operating activities	309,376	1,512,481

(Unit : Thousands of Yen)

	FY2012 (April 1,2012 to March 31,2013)	FY2013 (April 1,2013 to March 31,2014)
<b>Cash flows from investing activities</b>		
Payments into time deposits	2,966,450	5,200,000
Proceeds from withdrawal of time deposits	2,000,000	4,634,555
Purchase of investment securities	293,683	1,013,356
Proceeds from sales and redemption of investment securities	268,041	29,903
Purchase of property, plant and equipment	672,778	107,766
Purchase of intangible assets	499,861	648,080
Purchase of shares of subsidiaries and associates	610,695	991,533
Proceeds from sales of shares of subsidiaries and associates	-	1,577,122
Payments of purchase of Investments in other securities of subsidiaries and affiliates	30,000	-
Payments for transfer of business	57,467	7,773
Proceeds from transfer of business	11,660	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	70,652	-
Payments for guarantee deposits	37,396	19,419
Proceeds from collection of guarantee deposits	242,428	52,076
Payments of loans receivable	109,899	1,400
Collection of loans receivable	18,782	1,760
Purchase of insurance funds	12,764	7,081
Proceeds from cancellation of insurance funds	-	30,638
Other, net	8,983	9,716
<b>Net cash provided by (used in) investing activities</b>	<b>2,688,414</b>	<b>1,660,640</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	124,500	1,850,000
Proceeds from long-term loans payable	591,000	-
Repayments of long-term loans payable	439,251	119,491
Proceeds from issuance of bonds	90,000	-
Proceeds from issuance of subscription rights to shares	-	29,230
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	-	1,491,110
Proceeds from exercise of share options	7,526	288,044
Proceeds from withdrawal of found trust for Subsidiarys Treasury Stock	-	408,595
Payments of found trust for Subsidiarys Treasury Stock	424,000	-
Proceeds from share issuance to minority shareholders	66,536	8,172
Cash dividends paid	294,072	291,530
Cash dividends paid to minority shareholders	124,311	80,815
Other, net	3,741	7,215
<b>Net cash provided by (used in) financing activities</b>	<b>654,813</b>	<b>3,576,100</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>45,005</b>	<b>115,994</b>

Net increase (decrease) in cash and cash equivalents	2,988,845	3,543,935
Cash and cash equivalents at beginning of period	9,573,605	6,595,701
Increase in cash and cash equivalents of merged previously non-consolidated subsidiary	10,941	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	157,465
Cash and cash equivalents at end of period	6,595,701	9,982,170