

D. A. Consortium Inc.

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

1. Financial Highlights of 3rd Quarter of Fiscal Year 2015 (April 1, 2015 to December 31, 2015) and 3rd Quarter of Fiscal Year 2014 (April 1, 2014 to December 31, 2014)

(1) Consolidated Operating Results

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
	Mil. ¥ %	Mil. ¥ %	Mil. ¥ %	Mil. ¥ %
3rd Quarter of FY 2015	103,501 (19.7)	3,768 (96.9)	3,884 (76.8)	1,688 (61.7)
3rd Quarter of FY 2014	86,502 (14.4)	1,913 (47.9)	2,197 (68.5)	1,043 (△7.5)

	Net income per share	Diluted net income per share	Comprehensive Income
	Yen	Yen	Mil. ¥ %
3rd Quarter of FY 2015	34.76	34.34	3,634 (64.0)
3rd Quarter of FY 2014	21.50	21.23	2,215 (14.3)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Mil. ¥	Mil. ¥	%
3rd Quarter of FY 2015 (As of December 31, 2015)	52,094	25,088	31.4
Fiscal Year 2014 (As of March 31, 2015)	43,897	22,998	34.7

(Reference) Capital: December 31, 2015: 16,363 million yen March 31, 2015: 15,215 million yen

2. Dividends

Record date	End of 1 st quarter	End of 2 nd quarter	End of 3 rd quarter	End of period	Annual dividend
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2014	—	0.00	—	8.00	8.00
Fiscal Year 2015	—	0.00	—		
Fiscal Year 2015 (forecasts)				—	—

Note: Revisions of the forecasts of consolidated results since the latest announcement: No

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2016

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

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Fiscal Year 2015	Mil. ¥ % 143,500(22.2)	Mil. ¥ % 4,400(95.9)	Mil. ¥ % 4,400(74.7)	Mil. ¥ % 1,800(71.3)	Yen 37.07

Note: Revisions of the forecasts of consolidated results since the latest announcement: Yes

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit:Thousands of Yen)

	FY2014 (As of March 31, 2015)	3rd Quarter of FY2015 (As of December 31, 2015)
Assets		
Current assets		
Cash and deposits	14,830,950	16,379,580
Notes and accounts receivable - trade	15,390,365	17,843,640
Operational investment securities	3,680,265	6,005,480
Other	2,154,922	2,018,831
Allowance for doubtful accounts	△6,792	△14,933
Total current assets	36,049,711	42,232,598
Non-current assets		
Property, plant and equipment	826,315	826,375
Intangible assets		
Goodwill	911,739	388,278
Software	910,367	1,204,987
Software in progress	261,062	376,437
Other	149,735	137,294
Total intangible assets	2,232,905	2,106,997
Investments and other assets		
Investment securities	3,243,272	5,375,451
Guarantee deposits	1,186,773	1,174,890
Other	374,532	394,253
Allowance for doubtful accounts	△15,684	△15,684
Total investments and other assets	4,788,893	6,928,909
Total non-current assets	7,848,114	9,862,282
Total assets	43,897,825	52,094,881

(Unit:Thousands of Yen)

	FY2014 (As of March 31, 2015)	3rd Quarter of FY2015 (As of December 31, 2015)
Liabilities		
Current liabilities		
Accounts payable - trade	12,428,078	15,760,748
Short-term loans payable	3,104,984	5,509,004
Current portion of long-term loans payable	82,466	18,384
Accounts payable - other	1,150,812	1,007,007
Income taxes payable	821,974	849,826
Provision for bonuses	737,385	575,101
Provision for directors' bonuses	59,322	61,250
Other	1,960,590	2,799,907
Total current liabilities	20,345,615	26,581,231
Non-current liabilities		
Long-term loans payable	127,996	35,874
Other	425,612	389,282
Total non-current liabilities	553,608	425,156
Total liabilities	20,899,224	27,006,388
Net assets		
Shareholders' equity		
Capital stock	4,031,837	4,031,837
Capital surplus	3,183,953	5,078,171
Retained earnings	7,876,217	6,667,915
Treasury shares	△1,625,008	△1,615,623
Total shareholders' equity	13,467,000	14,162,301
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,367,197	1,928,941
Foreign currency translation adjustment	381,686	271,900
Total accumulated other comprehensive income	1,748,884	2,200,841
Subscription rights to shares	197,981	225,322
Non-controlling interests	7,584,736	8,500,027
Total net assets	22,998,601	25,088,493
Total liabilities and net assets	43,897,825	52,094,881

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

(Unit:Thousands of Yen)

	3rd Quarter of FY2014 (April 1, 2014 to December 31, 2014)	3rd Quarter of FY2015 (April 1, 2015 to December 31, 2015)
Net sales	86,502,742	103,501,464
Cost of sales	74,337,155	88,535,194
Gross profit	12,165,587	14,966,269
Selling, general and administrative expenses	10,251,740	11,198,190
Operating income	1,913,846	3,768,079
Non-operating income		
Interest income	8,138	13,456
Dividend income	10,852	8,438
Share of profit of entities accounted for using equity method	218,524	77,494
Other	84,143	37,277
Total non-operating income	321,658	136,666
Non-operating expenses		
Interest expenses	12,465	13,170
Other	25,289	6,625
Total non-operating expenses	37,755	19,796
Ordinary income	2,197,749	3,884,950
Extraordinary income		
Gain on sales of investment securities	466,270	-
Gain on sales of shares of subsidiaries and associates	-	360,244
Other	248,558	20,519
Total extraordinary income	714,828	380,763
Extraordinary losses		
Impairment loss	24,701	114,553
Other	256,930	114,653
Total extraordinary losses	281,631	229,206
Income before income taxes and minority interests	2,630,947	4,036,506
Income taxes - current	706,678	1,119,989
Income taxes - deferred	122,783	162,432
Total income taxes	829,462	1,282,422
Profit	1,801,484	2,754,084
Profit attributable to non-controlling interests	757,617	1,066,061
Profit attributable to owners of parent	1,043,867	1,688,023

Consolidated Statements of Comprehensive Income

(Unit:Thousands of Yen)

	3rd Quarter of FY2014 (April 1, 2014 to December 31, 2014)	3rd Quarter of FY2015 (April 1, 2015 to December 31, 2015)
Profit	1,801,484	2,754,084
Other comprehensive income		
Valuation difference on available-for-sale securities	277,106	990,579
Foreign currency translation adjustment	124,612	△25,484
Share of other comprehensive income of entities accounted for using equity method	12,783	△84,927
Total other comprehensive income	414,502	880,167
Comprehensive income	2,215,987	3,634,252
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,323,944	2,139,980
Comprehensive income attributable to non-controlling interests	892,043	1,494,271

(3) Consolidated Statements of Cash Flows

(Unit:Thousands of Yen)

	3rd Quarter of FY2014 (April 1, 2014 to December 31, 2014)	3rd Quarter of FY2015 (April 1, 2015 to December 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	2,630,947	4,036,506
Depreciation	409,487	520,093
Amortization of goodwill	207,678	134,495
Increase (decrease) in allowance for doubtful accounts	10,270	8,140
Increase (decrease) in provision for bonuses	△289,598	△162,283
Increase (decrease) in provision for directors' bonuses	△5,750	1,927
Interest and dividend income	△18,990	△21,894
Interest expenses	12,465	13,170
Share of (profit) loss of entities accounted for using equity method	△218,524	△77,494
Loss (gain) on sales of shares of subsidiaries and associates	—	△360,244
Impairment loss	24,701	114,553
Decrease (increase) in notes and accounts receivable - trade	△893,290	△2,448,079
Decrease (increase) in investment securities for sale	△216,221	△637,818
Increase (decrease) in notes and accounts payable - trade	67,762	3,332,669
Increase (decrease) in accounts payable - other	△80,870	△111,124
Other, net	857,502	364,931
Subtotal	2,497,567	4,707,548
Interest and dividend income received	26,479	29,575
Interest expenses paid	△8,441	△9,333
Income taxes paid	△1,238,630	△1,088,818
Net cash provided by (used in) operating activities	1,276,975	3,638,971

(Unit:Thousands of Yen)

	3rd Quarter of FY2014 (April 1, 2014 to December 31, 2014)	3rd Quarter of FY2015 (April 1, 2015 to December 31, 2015)
Cash flows from investing activities		
Payments into time deposits	△7,000,000	△6,500,000
Proceeds from withdrawal of time deposits	6,200,000	6,800,000
Purchase of property, plant and equipment	△141,358	△265,234
Purchase of intangible assets	△413,823	△762,406
Purchase of investment securities	△633,080	△2,679,349
Proceeds from sales and redemption of investment securities	626,843	533,280
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△102,362	△29,573
Payments for guarantee deposits	△452,850	△43,192
Proceeds from collection of guarantee deposits	158,093	55,276
Payments of loans receivable	△4,133	△398
Collection of loans receivable	11,073	6,125
Other, net	△6,721	15,232
Net cash provided by (used in) investing activities	△1,758,318	△2,870,240
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,173,399	2,400,000
Proceeds from long-term loans payable	—	59,426
Repayments of long-term loans payable	△63,066	△215,630
Payments for specified fund trust of treasury stock of subsidiaries	—	△1,002,160
Proceeds from specified fund trust of treasury stock of subsidiaries	—	307,418
Proceeds from share issuance to non-controlling shareholders	30,000	132,999
Proceeds from exercise of share options	18,759	28,787
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	389,130	—
Cash dividends paid	△291,636	△390,047
Dividends paid to non-controlling interests	△44,913	△222,953
Other, net	△3,979	△4,625
Net cash provided by (used in) financing activities	1,207,692	1,093,214
Effect of exchange rate change on cash and cash equivalents	37,569	△13,316
Net increase (decrease) in cash and cash equivalents	763,919	1,848,629
Cash and cash equivalents at beginning of period	9,982,170	11,421,950
Cash and cash equivalents at end of period	10,746,089	13,270,580