



Summary of Consolidated Financial Results for the Six-month Period Ended September 30, 2015 (Japanese accounting standards)

Released November 4, 2015

Name of listed firm: Nojima Corporation

Listed on the Tokyo Stock Exchange

Code No.: 7419

URL <http://www.nojima.co.jp>

Representative: Hiroshi Nojima, President & Representative Executive Officer

Tel.: +81-50-3116-1220

Contact: Atsushi Yamasaki, Executive Officer/General Manager, Finance and Accounting Division

Scheduled date of quarterly report filing: November 11, 2015

Scheduled start date of dividend payments: December 7, 2015

Supplemental materials on annual results: Yes

Presentation on annual results: Yes

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for the six-month period ended September 30, 2015 (April 1, 2015 – September 30, 2015)

(1) Consolidated results of operations

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six-month period ended September 30, 2015	213,027	109.2	5,864	277.4	6,111	167.4	4,538	208.2
Six-month period ended September 30, 2014	101,814	1.5	1,553	-37.6	2,285	-30.0	1,472	-20.6

Note: Comprehensive income: Six months ended September 30, 2015: 4,563 million yen (204.2%)
 Reference: EBITDA: Six months ended September 30, 2015: 10,771 million yen (225.8%)
 Six months ended September 2014: 1,500 million yen (-20.9%)
 Six months ended September 2014: 3,306 million yen (-20.4%)

For detailed information, including definitions and methods used to calculate indicators, see p. 2, "1. Qualitative Information on Quarterly Consolidated Financial Performance: (1) Explanation of Operating Results."

Net income before amortization of goodwill: Six-month period ended September 30, 2015: 7,466 million yen (369.2%)
 Six-month period ended September 30, 2014: 1,591 million yen (-14.7%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six-month period ended September 30, 2015	95.44	89.70
Six-month period ended September 30, 2014	31.14	31.01

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of the previous consolidated fiscal year to calculate net income per share and diluted net income per share.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2015	219,669	38,451	17.4	800.38
As of March 31, 2015	236,104	34,357	14.3	716.71

Reference: Equity: As of September 30, 2015: 38,309 million yen As of March 31, 2015: 33,865 million yen

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of the previous period to calculate net assets per share.

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
FY ended March 2015	Yen -	Yen 12.00	Yen -	Yen 18.00	Yen 30.00
FY ending March 2016	-	10.00	-	-	-
FY ending March 2016 (planned)	-	-	-	10.00	20.00

Note: Revisions to the most recently announced dividend forecast: Yes

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015. Amounts under "this End of 2Q," "Year-end," and "Total" dividend per share for the fiscal year ending March 2016 (planned) reflect the effects of this stock split.

Without the effects of this stock split, dividend per share for the end of this 2Q and planned dividend per share for the year-end of the fiscal year ending March 2016 each would be 20 yen (increase of 8 yen), and annual dividend per share would be 40 yen (increase of 10 yen.)

3. Forecasts of consolidated financial results for the fiscal year ending March 2016 (April 1, 2015 - March 31, 2016)

(Percentages indicate changes from the previous year for full-year forecasts and changes from the same quarter of the previous fiscal year for quarterly forecasts)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	451,000	84.8	13,300	105.5	13,800	104.9	10,600	196.2	222.92

Note: Revisions to the most recently announced consolidated earnings forecast: Yes

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of this fiscal year to calculate net income per share under fiscal year ending March 2016.

Without the effects of this stock split, net income per share for fiscal year ending March 2016 would be 445.83 yen if the trial calculation of the average number of shares during the period for 2Q is 23,775,825 shares.

Reference: EBITDA: As of March 2016 (planned) 23,200 million yen (143.6%)

Net income before amortization of goodwill: As of March 2016 (planned) 16,250 million yen (279.7%)

* Notes

- (1) Significant changes in subsidiaries during this second quarter (changes in designated subsidiaries resulting in changes in the scope of consolidation): Yes
 Added: ___ company(ies) (name: _____) Removed: 1 company name: ITX Corporation
 Note: See p.6 of attached document, "2. Matters Concerning Summary Information (Notes): (1) Changes in Significant Subsidiaries during the Period:" for details.

- (2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: No

- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 i Changes in accounting policies due to revisions in accounting standards and other regulations: Yes
 ii Changes in accounting policies for reasons other than i : No
 iii Changes in accounting estimates: No
 iv Restatement of prior period financial statements: No

Note: See p. 6 of attached document, "2. Matters Concerning Summary Information (Notes): (3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements:" for details.

- (4) Number of shares issued and outstanding (common stock)

i Number of shares issued and outstanding at the end of the period (including treasury stock)	FY2015 2Q	48,364,816 shares	FY ended March 2015	48,364,816 shares
ii Number of shares of treasury stock at the end of the period	FY2015 2Q	500,991 shares	FY ended March 2015	1,112,918 shares
iii Average number of shares during the period	FY2015 2Q	47,551,651 shares	FY2014 2Q	47,290,174 shares

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of the previous fiscal year to calculate number of shares issued and outstanding at the end of the period (including treasury stock), number of shares of treasury stock at the end of the period, and average number of shares during the period.

Note: The numbers of shares of treasury stock at the end of the period include shares held in trust accounts (336,300 shares in six-month period ended September 30, 2015 and 420,200 shares in FY ended March 2015) for the employee stock ownership plan (ESOP). Shares of Company stock held in ESOP trust accounts are included in treasury stock subtracted from calculations of average number of shares during the period (381,579 shares in six-month period ended September 30, 2015, - shares in the six-month period ended September 30, 2014).

* Information regarding the implementation of quarterly review procedures

This release is not subject to audit procedures as required by the Financial Instruments and Exchange Act of Japan. Audit procedures for quarterly financial statements as required by the Financial Instruments and Exchange Act will not have been completed as of the date this release is issued.

* Explanation concerning appropriate use of forecasts of business performance and other notes

Note on forward-looking statements:

Forecasts of business performance and other forward-looking statements in this release are based on information currently available and certain assumptions the Company deems reasonable at the time of preparation. They do not constitute a guarantee of future results. Actual results may differ materially from those of any forward-looking statements for various reasons.

* Revision of unit for the presentation of amounts

In past years, the Company reported amounts in its quarterly consolidated financial statements in units of one thousand yen. Beginning from the first quarter of the current period, the Company has revised its reporting convention to units of one million yen. To facilitate comparison, the amounts for full-year, first half, and the second quarter of the prior fiscal year also have been restated in units of one million yen.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Operating Results

In the first half of the current fiscal year, Japan's economy recovered slightly due to factors such as the effects of various policies of the Japanese government under an environment with small rebounds in employment and environmental income. Personal consumption remained steady. On the other hand, concerns arose regarding the potential consequences on the domestic economy of a downturn overseas, such as in China.

The market for sales of home electronics remained flat with favorable sales of air conditioners and refrigerators, steady sales of washing machines, vacuum cleaners, and kitchen appliances, and poor performance of PCs.

The mobile phone market saw an increase in replacement demand with the launch of new iPhone in September.

In addition, The market for sales of mobile phones and other mobile devices has been changing dramatically due to sales of package deals, which include mobile phone lines and fiber-optic services, and the penetration of significantly inexpensive SIM cards and smartphones, as well as increases in contracts of mobile virtual network operators (MVNOs), which were achieved by new market entrants. Replacement demand has been increasing due to the release of new iPhones in late September.

Under these conditions, the Nojima Group focused on being the leading star in the digital field and achieving the industry's highest customer satisfaction in anticipation of the Internet of Things (IoT) era. To achieve these goals, we sought to establish sales floors where shoppers can easily find what they want, and provide customer services reflecting the perspectives of customers, while working to improve consulting-based sales and enhance customer services to meet their needs. To understand the perspectives of customers, we hold study meetings and training to acquire knowledge and experience from colleagues, thereby improving consulting-based sales and providing services that better meet the needs of our customers.

In the operation of mobile carrier stores, we have been focusing on creating synergies with ITX Corporation and improving the quality of stores by promoting education and training, and sharing management policies. In the operation of digital home electronics retail stores, we added three digital home electronics retail stores, including scrap and build, bringing the total to 148 stores including 19 dedicated communications device stores. There were 617 mobile carrier stores. We opened one directly operated store and changed 10 retail FC stores to directly operated stores. In addition, we acquired four FC stores and closed two FC stores. Operation of nineteen dedicated communications device stores was transferred to digital home electronics retail stores.

In the light of these factors, the numbers of stores at the end of the first half of the current fiscal year were as shown below.

Stores in operation

Classification	Directly operated	Franchises	Total
Operation of digital home electronics retail stores	148 stores	—	148 stores
Digital home electronics retail stores	129 stores	—	129 stores
Dedicated communications device stores	19 stores	—	19 stores
Operation of mobile carrier stores	371 stores	246 stores	617 stores
Carrier stores	369 stores	246 stores	615 stores
Others	2 stores	—	2 stores
Total	519 stores	246 stores	765 stores

Note: Excludes one store directly operated by an overseas subsidiary

During the first half of the current fiscal year, we recorded net sales of 213,027 million yen (209.2% of the figure for the first half of the previous fiscal year), operating income of 5,864 million yen (377.4% of the figure for the first half of the previous fiscal year), ordinary income of 6,111 million yen (267.4% of the figure for the first half of the previous fiscal year), and net income attributable to shareholders of the parent company of 4,538 million yen (308.2% of the figure for the first half of the previous fiscal year).

Consolidated EBITDA (*), which the Group considers to be an important indicator of business performance, stood at 10,771 million yen (325.8% of the figure for the first half of the previous fiscal year).

(*) Consolidated EBITDA = consolidated ordinary income + interest expenses + depreciation + amortization of goodwill

Business performance by segment is outlined below.

(Operation of digital home electronics retail stores)

Sales of air conditioners and refrigerators were favorable, and sales of washing machines, vacuum cleaners, and kitchen appliances remained steady. Sales of audio-visual products, such as TVs, supported by 4K TVs, were satisfactory.

Gross profit on sales increased due to an acceleration of sales of high value-added products achieved by the Nojima Group's consulting sales, which were coupled with customer demand for high-quality products and services.

As a result, net sales in this segment totaled 90,248 million yen (106.1% of the figure for the first half of the previous fiscal year); segment income was 3,710 million yen (235.6% of the figure for the first half of the previous fiscal year); and, segment net income before amortization of goodwill was 3,712 million yen (235.6% of the figure for the first half of the previous fiscal year).

(Operation of mobile carrier stores)

Net sales, segment income, and segment net income before amortization of goodwill increased significantly compared to the first half of the previous fiscal year because ITX Corporation became a consolidated subsidiary on March 2, 2015.

Furthermore, Nojima Group has invested on education and training to develop human resources, aiming to further improve "quality" in the future.

As a result, net sales in this segment totaled 122,411 million yen (738.7% of the figure for the first half of the previous fiscal year); segment income was 2,306 million yen (351.9% of the figure for the first half of the previous fiscal year); and, segment net income before amortization of goodwill was 5,226 million yen (675.6% of the figure for the first half of the previous fiscal year).

(2) Explanation of Financial Position

Assets and liabilities and net assets

(Assets)

Total assets as of the end of the second quarter of the current fiscal year were 219,669 million yen, down 16,434 million yen from the end of the previous fiscal year.

This decrease was due mainly to a decrease of 15,971 million yen to 94,100 million yen in current assets and a decrease of 463 million yen to 125,569 million yen in fixed assets.

The primary causes underlying the decrease in current assets included a decrease of 15,328 million yen in accounts receivable-trade and a decrease of 1,355 million yen in accounts receivable-other.

The main cause of the decrease in fixed assets was that, despite a 1,664 million yen increase in goodwill, contractual intangible assets decreased 2,141 million yen.

(Liabilities)

Total liabilities as of the end of the second quarter of the current fiscal year were 181,218 million yen, down 20,528 million yen from the end of the previous fiscal year.

This decrease was due mainly to a decrease in fixed liabilities of 22,377 million yen to 97,784 million yen, although current liabilities increased 1,848 million yen to 83,433 million yen.

The main causes of the increase in current liabilities included an increase of 9,880 million yen in the current portion of long-term loans payable, although accounts payable-trade decreased 7,019 million yen.

The main causes of the decrease in fixed liabilities included a decrease of 22,083 million yen in long-term loans payable.

(Net assets)

Net assets as of the end of the second quarter of the current fiscal year totaled 38,451 million yen, up 4,093 million yen from the end of the previous fiscal year, due to factors including an increase of 4,109 million yen in retained earnings.

These factors resulted in an equity ratio of 17.4%, up 3.1 points from the end of the previous fiscal year. .

Cash flow

Cash and cash equivalents ("funds" hereinafter) in the first half of the current fiscal year totaled 9,961 million yen (the figure for first half of the previous fiscal year was 9,219 million yen).

The status of each category of cash flow in this fiscal year and the main reasons are described below.

(Cash flow from operating activities)

Funds gained by operating activities totaled 13,148 million yen (203.5% of the figure for the first half of the previous fiscal year).

This was due mainly to the acquisition of 5,865 million yen in net income before taxes and other adjustments and a decrease of 15,328 million yen in accounts receivable-trade, although notes and accounts payable-trade and income taxes paid decreased 7,019 million yen and 2,618 million yen, respectively.

(Cash flow from investment activities)

Funds used in investment activities totaled 4,088 million yen (141.3% of the figure for the first half of the previous fiscal year).

This was due mainly to expenditures of 1,037 million yen on the acquisition of tangible fixed assets in connection with new store openings and other activities and expenditures of 2,725 million yen in connection with the acquisition of stocks of subsidiaries.

(Cash flow from financing activities)

Funds used in financing activities totaled 9,510 million yen (668.9% of the figure for the first half of the previous fiscal year).

This was due mainly to expenditures of 12,203 million yen on repaying long-term loans payable, despite an increase of 2,868 million yen in short-term loans payable.

(3) Explanation of Consolidated Earnings Forecasts

Nojima Group has revised its consolidated earnings forecasts for fiscal year 2015 ending March 31, 2016 disclosed on August 4, 2015.

For more details, please refer to “連結業績予想の修正に関するお知らせ” which was released on November 4, 2015.

Revision of the consolidated earnings forecasts for FY2015 ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

	Net sales	Operating income	Ordinary income	Net income attributable to shareholders of the parent company	Net income per share
Previous forecast (A)	(Million yen) 452,000	(Million yen) 12,200	(Million yen) 12,500	(Million yen) 9,750	(Yen) 205.72
Latest forecast (B)	451,000	13,300	13,800	10,600	222.92
Difference(B-A)	-1,000	+1,100	+1,300	+850	-
Difference ratio	-0.2%	+9.0%	+10.4%	+8.7%	-
(Ref) Performance in the previous period (FY2014 ended March 31, 2015)	244,067	6,472	6,736	3,578	75.61

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of the previous fiscal year to calculate net income per share.

Nojima Group has revised the dividend per share disclosed on May 7, 2015.

For more details, please refer to “余剰金の配当（中間配当）及び期末配当予想の修正（増配）に関するお知らせ” which was released on November 4, 2015.

	Dividend per share		
	End of 2Q	Year-end	Total
	Yen	Yen	Yen
Previous forecast of dividend per share (May 7, 2015)	9.00	9.00	18.00
Revised forecast	10.00	10.00	20.00
(Ref.) Dividend per share for Previous FY (FY ended March 2015)	12.00	18.00	30.00

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015. Amounts under “this End of 2Q,” “Year-end,” and “Total” dividend per share for the fiscal year ending March 2016 (planned) reflects the effects of this stock split.

Without the effects of this stock split, dividend per share for the end of this 2Q and planned dividend per share for the year-end in the fiscal year ending March 2016 would each be 20 yen (increase of 8 yen), and annual dividend per share would be 40 yen (increase of 10 yen.)

2. Matters Concerning Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

In this second quarter of the consolidated accounting period, ITX Corporation (merged on July 1, 2015) [“ITX (before absorption-type merger)” hereinafter] was merged into ITN Corporation (changed company name to ITX Corporation on July 1, 2015) [“ITN (now ITX Corporation)” hereinafter] and removed from the scope of consolidation. ITN Corporation (now ITX Corporation) changed its company name to ITX Corporation [“ITX (after change of company name)” hereinafter].

(2) Application of Special Accounting Methods in the Preparation of the Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

(Changes in accounting policies)

(Application of revised accounting standard for business combinations)

“Revised accounting standard for business combination” (ASBJ Statement No. 21, September 13, 2013 “business combination accounting standards” hereinafter), “Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013 “consolidated accounting standards” hereinafter), “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013 “business divestitures accounting standards” hereinafter). Nojima Group applied the change from the first quarter of the current fiscal year and began calculating the difference generated from changes in equity related to subsidiaries that is retained as a capital surplus. Acquisition-related costs are changed to calculate cost in the same fiscal year as the acquisition. The group changed the accounting method to reflect a review of the acquisition cost allocations, which are determined by the provisional accounting treatment to consolidated financial statements of the quarterly fiscal year with the date of corporate combination from the beginning of the first quarter of a fiscal year. Moreover, the presentation of net income was changed, and the presentation of minority interests was changed to non-controlling interests. Quarterly and yearly financial statements were recomposed to reflect the relevant parts for the full-year, the first half, and the second quarter of the previous fiscal year.

Application of the revised accounting standard for business combinations, starting from the first quarter of the current fiscal year consolidated accounting period, follow the transitional handling stipulated in business combination accounting standards 58 – section 2(4), consolidated accounting standards 44 – section 5(4), and business divestitures accounting standards 57 – 4(4). There is no effect on the consolidated financial statement for the first half of the current fiscal year.

(4) Additional Information

(Restrictive financial covenants)

1. The following restrictive financial covenants apply under the term loan agreements and revolving credit facilities agreements entered into by the Company to raise working capital.
 - i) The amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of each fiscal year and the first half of each fiscal year must be maintained at not less than the higher of the following figures:
 - A. 80% of the amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of the fiscal year immediately preceding conclusion of the agreement
 - B. 80% of the amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of the immediately preceding fiscal year or first half of the fiscal year
 - ii) An ordinary loss may not be recorded on the consolidated or nonconsolidated income statement for any fiscal year.

The amounts of these agreements and their remaining balances of debt are indicated below.

		Previous consolidated accounting period (March 31, 2015)	This second quarter consolidated accounting period (September 30, 2015)
Agreement amount		17,000 million yen	17,000 million yen
Remaining balance of debt	Short-term loans payable	-	1,000
	Current portion of long-term loans payable	766	766
	Long-term loans payable	934	551

2. The following restrictive financial covenants apply under the loan agreement entered into by the Company as of December 24, 2014 to raise funds to acquire stock in ITX (before absorption-type merger).
 - i) From the fiscal year ended March 2015, the amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of each fiscal year and the first half of each fiscal year must be maintained at not less than the higher of the following figures:
 - A. 80% of the amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of the fiscal year ended March 2014
 - B. 80% of the amount of net assets indicated on the consolidated and nonconsolidated balance sheets on the closing date of the immediately preceding fiscal year or first half of the fiscal year
 - ii) From the fiscal year ended March 2015, an ordinary loss may not be recorded on the consolidated or nonconsolidated income statement for any fiscal year.

The amount of this agreement and its remaining balance of debt are shown below.

		Previous consolidated accounting period (March 31, 2015)	This second quarter consolidated accounting period (September 30, 2015)
Agreement amount		18,000 million yen	18,000 million yen
Remaining balance of debt	Current portion of long-term loans payable	-	10,000
	Long-term loans payable	18,000	-

3. The following restrictive financial covenants apply under the loan agreement entered into by the consolidated subsidiary ITN (now ITX Corporation) as of December 24, 2014 to raise funds to acquire stock in ITX (before absorption-type merger) and working capital for ITN (now ITX Corporation).
 - i) In the 12-month period of each fiscal year starting with the fiscal year ending March 2016 and the 12 months through the first half of each fiscal year starting with the first half ended September 2015, the borrower's gross leverage ratio (*1) on a consolidated basis may not exceed the figure specified by the financial institution two consecutive times.

*1 Gross leverage ratio = interest-bearing debt/EBITDA(*2)

*2 EBITDA = operating income + depreciation + amortization of goodwill + amortization of long-term prepaid expenses + acquisition cost
 - ii) In the 12-month period of each fiscal year starting with the fiscal year ending March 2016 and the 12 months through the first half of each fiscal year starting with the first half ending September 2016, the debt service coverage ratio (*3) may not be less than 1.00 two consecutive times.

*3 Debt service coverage ratio = free cash flow/(principal repayments + interest payments + commitment fees)
 - iii) From the fiscal year ended March 2015, an operating loss may not be recorded two consecutive times on the consolidated income statement during the 12-month period of each fiscal year.
 - iv) From the fiscal year ending March 2016, the amount of net assets indicated on the consolidated balance sheet on the closing date of each fiscal year may not be less than 70% of the amount of net assets indicated on the consolidated balance sheet on the closing date of the immediately preceding fiscal year.

The amount of this agreement and its remaining balance of debt are shown below.

		Previous consolidated accounting period (March 31, 2015)	This second quarter consolidated accounting period (September 30, 2015)
Agreement amount		73,000 million yen	73,000 million yen
Remaining balance of debt	Current portion of long-term loans payable	3,500	3,500
	Long-term loans payable	61,500	59,314

(Trading of issuing shares from treasury stock through a trust to employees)

The group transacts to issue shares from treasury stock through an employee stock ownership trust for the welfare of employees on their behalf.

1. Overview of trading

The group introduced “the employee stock ownership plan (EPOS) trust” (“the System” hereinafter) in March 2015 to increase corporate value. The System acquires the amount of shares at one time in advance, which takes three years for the “NEX employee stock ownership plan” (“Our shareholding association” hereinafter) to acquire, and sells them to our shareholding association to transfer treasury stock to it.

2. Treasury stock retained in trust

Treasury stock retained in trust is allocated as net assets in accordance with trust book value, excluding incidental expenses. The book value and number of shares of applicable treasury stock were 499 million yen and 420,200 shares, respectively, for the previous fiscal year, and 400 million yen and 336,300 shares, respectively, for the second quarter of the current fiscal year.

Note: The Company implemented a 1:2 stock split with the effective date set for July 1, 2015, thereby assuming the stock split occurred at the beginning of the previous fiscal year to calculate the applicable treasury stock retained in trust for the previous fiscal year and the second quarter of the current fiscal year.

3. Recorded book value of loans payable after applying total method

500 million yen for the previous fiscal consolidated year, 417 million yen for the second quarter of the current fiscal year.

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	10,477	10,025
Notes and accounts receivable-trade	55,288	39,959
Merchandise and products	33,323	34,648
Deferred tax assets	4,146	4,028
Accounts receivable-other	5,434	4,079
Other	1,469	1,424
Allowance for doubtful accounts	-67	-65
Total current assets	110,071	94,100
Non-current assets		
Tangible non-current assets		
Buildings and structures (net)	11,890	11,536
Tools, fixtures, and facilities (net)	1,741	1,712
Land	8,182	8,333
Other (net)	965	915
Total tangible non-current assets	22,779	22,497
Intangible assets		
Goodwill	20,356	22,021
Software	909	682
Contractual intangible assets	67,831	65,689
Other	490	456
Total intangible assets	89,588	88,850
Investments and other assets		
Investment securities	1,920	1,798
Deferred tax assets	1,630	2,090
Lease and guarantee deposits	9,772	10,006
Other	384	371
Allowance for doubtful accounts	-43	-44
Total investments and other assets	13,665	14,221
Total non-current assets	126,032	125,569
Total assets	236,104	219,669

(Unit: million yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable-trade	51,931	44,912
Short-term loans payable	252	3,120
Current portion of long-term loans payable	7,511	17,391
Accounts payable-other	7,473	5,966
Accrued income taxes	2,645	2,334
Accrued consumption tax	2,760	630
Allowance for point card certificates	2,291	2,370
Allowance for bonuses	1,491	971
Other	5,227	5,736
Total current liabilities	81,585	83,433
Non-current liabilities		
Long-term loans payable	89,159	67,075
Allowance for guarantees for merchandise sold	3,200	3,430
Allowance for directors' retirement benefits	152	151
Retirement benefit liabilities	4,370	4,562
Deferred tax liabilities	21,924	21,245
Other	1,355	1,320
Total non-current liabilities	120,162	97,784
Total liabilities	201,747	181,218
Net assets		
Shareholders' equity		
Capital stock	5,669	5,669
Capital surplus	5,795	5,860
Retained earnings	23,061	27,170
Treasury stock	-690	-446
Total shareholders' equity	33,835	38,254
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	203	208
Currency conversion adjustments	35	35
Accumulated adjustment to retirement benefits	-208	-189
Total accumulated other comprehensive income	29	54
Stock acquisition rights	154	142
Non-controlling interests	337	-
Total net assets	34,357	38,451
Total liabilities and net assets	236,104	219,669

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

Consolidated income statement

(For the six-month period)

(Unit: million yen)

	Six-month period ended September 30, 2014	Six-month period ended September 30, 2015
Net sales	101,814	213,027
Cost of sales	80,691	167,416
Gross profit on sales	21,122	45,610
Sales, general, and administrative expenses		
Advertising expenses	2,391	4,575
Salaries, allowances, and bonuses	6,618	13,916
Provision of allowance for bonuses	30	748
Provision of allowance for directors' retirement benefits	29	7
Retirement benefit expenses	159	383
Rents	3,682	5,571
Depreciation	922	3,390
Other	5,734	11,152
Total sales, general, and administrative expenses	19,568	39,746
Operating income	1,553	5,864
Non-operating income		
Interest income	10	10
Purchase discounts	703	680
Other	123	229
Total non-operating income	838	920
Non-operating expenses		
Interest expenses	71	529
Other	35	144
Total non-operating expenses	106	673
Ordinary income	2,285	6,111
Extraordinary income		
Gain on reversal of loss on valuation of investment securities	72	36
Gain on reversal of stock acquisition rights	39	5
Total extraordinary income	111	42
Extraordinary losses		
Impairment loss	-	288
Total extraordinary losses	-	288
Net income before taxes and other adjustments	2,397	5,865
Income taxes-current	751	2,311
Income taxes-deferred	173	-984
Total income taxes	924	1,327
Net income	1,472	4,538
Net income attributable to non-controlling interests	-	-
Net income attributable to shareholders of the parent company	1,472	4,538

(For the three-month period)

(Unit: million yen)

	three-month period ended September 30, 2014	three-month period ended September 30, 2015
Net sales	55,038	114,159
Cost of sales	43,445	89,705
Gross profit on sales	11,593	24,453
Sales, general, and administrative expenses		
Advertising expenses	1,247	2,598
Salaries, allowances, and bonuses	3,306	7,039
Provision of allowance for bonuses	20	313
Provision of allowance for directors' retirement benefits	2	2
Retirement benefit expenses	79	209
Rents	1,852	2,811
Depreciation	522	1,753
Other	2,825	5,401
Total sales, general, and administrative expenses	9,857	20,128
Operating income	1,735	4,324
Non-operating income		
Interest income	5	5
Purchase discounts	330	348
Other	56	114
Total non-operating income	392	468
Non-operating expenses		
Interest expenses	36	268
Other	36	68
Total non-operating expenses	72	336
Ordinary income	2,056	4,456
Extraordinary income		
Gain on reversal of loss on valuation of investment securities	45	-
Gain on reversal of stock acquisition rights	1	5
Total extraordinary income	46	5
Extraordinary losses		
Impairment loss	-	278
Other	-	11
Total extraordinary losses	-	289
Net income before taxes and other adjustments	2,103	4,171
Income taxes-current	697	1,716
Income taxes-deferred	70	-692
Total income taxes	767	1,024
Net income	1,335	3,147
Net income attributable to non-controlling interests	-	-
Net income attributable to shareholders of the parent company	1,335	3,147

Consolidated statement of comprehensive income

(For the six-month period)

(Unit: million yen)

	Six-month period ended September 30, 2014	Six-month period ended September 30, 2015
Net income	1,472	4,538
Other comprehensive income		
Valuation difference on available-for-sale securities	15	5
Currency conversion adjustments	12	-0
Adjustments for retirement benefit obligations	-	19
Share in other comprehensive income of equity-method affiliates	0	0
Total other comprehensive income	27	24
Comprehensive income	1,500	4,563
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	1,500	4,563
Comprehensive income attributable to non-controlling interests	-	-

(For the three-month period)

(Unit: million yen)

	three-month period ended September 30, 2014	three-month period ended September 30, 2015
Net income	1,335	3,147
Other comprehensive income		
Valuation difference on available-for-sale securities	0	-63
Currency conversion adjustments	16	-3
Adjustments for retirement benefit obligations	-	-5
Share in other comprehensive income of equity-method affiliates	-0	-0
Total other comprehensive income	16	-72
Comprehensive income	1,351	3,075
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	1,351	3,075
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Cash Flow Statement

(Unit: million yen)

	Six-month period ended September 30, 2014	Six-month period ended September 30, 2015
Cash flow from operating activities		
Income before income taxes	2,397	5,865
Depreciation	1,068	3,556
Impairment loss	-	288
Increase (decrease) in net defined benefit liability	104	192
Increase (decrease) in allowance for point card certificates	-721	78
Increase (decrease) in allowance for guarantees for merchandise sold	194	229
Interest and dividend income	-21	-31
Interest expenses	71	529
Loss (gain) on sales of investment securities	-	-47
Loss (gain) on valuation of investment securities	-72	-36
Decrease (increase) in accounts receivable-trade	11,570	15,328
Decrease (increase) in inventories	1,327	-1,322
Decrease (increase) in accounts receivable-other	2,362	1,355
Increase (decrease) in notes and accounts payable-trade	-4,664	-7,019
Increase (decrease) in accrued consumption taxes	347	-2,129
Increase (decrease) in advances received	-3,305	-298
Other	-1,556	-318
Subtotal	9,101	16,222
Interest and dividend income received	32	74
Interest expenses paid	-74	-529
Income taxes paid	-2,599	-2,618
Cash flow from operating activities	6,461	13,148
Cash flow from investment activities		
Purchase of tangible fixed assets	-2,835	-1,037
Purchase of intangible fixed assets	-1	-54
Sales of investment securities	-	376
Purchase of shares of subsidiaries	-	-2,725
Purchase of stock in subsidiaries resulting in change in scope of consolidation	-61	-
Purchase of shares of subsidiaries and associates	-	-242
Payments for lease and guarantee deposits	-326	-487
Proceeds from collection of lease and guarantee deposits	226	126
Other	105	-44
Cash flow from investment activities	-2,892	-4,088
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	860	2,868
Repayment of long-term loans payable	-1,880	-12,203
Redemption of bonds	-125	-
Cash dividends paid	-283	-429
Other	7	254
Cash flow from financing activities	-1,421	-9,510
Effect of exchange rate changes on cash and cash equivalents	13	-2
Increase (decrease) in cash and cash equivalents	2,160	-452
Opening balance of cash and cash equivalents	7,059	10,413
Closing balance of cash and cash equivalents	9,219	9,961

(4) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable

(Significant Changes in Shareholders' Equity)

Nojima Group distributed total dividends of 429 million yen from retained earnings based upon a resolution of the Board of Directors on May 7, 2015. As a result, retained earnings for the end of second quarter of the current fiscal year were 27,170 million yen.

(Segment information, etc.)

[Segment information]

I Six-month period ended September 30, 2014 (April 1, 2014 – September 30, 2014)

1. Net sales and profit (loss) by reporting segment

(Unit: million yen)

	Reporting segment			Other (*1)	Total	Adjustments (*2)	Amount on consolidated quarterly income statement
	Digital home electronics retail stores	Mobile carrier stores	Subtotal				
Net sales							
Net sales to external customers	85,033	16,571	101,605	209	101,814	-	101,814
Internal sales or transfers between segments	50	-	50	128	178	-178	-
Subtotal	85,084	16,571	101,655	337	101,992	-178	101,814
Segment profit	1,575	655	2,230	115	2,346	-60	2,285

Note: *1. The "Other" business segment consists of businesses not included in the two reporting segments above. These include the shopping mall business, the sports business, the training business, and the mega-solar business.

*2. Adjustments of segment income consist of companywide costs not distributed between reporting segments.

*3. Segment income is adjusted with ordinary income on the consolidated quarterly income statement.

II Six-month period ended September 30, 2015 (April 1, 2015 – September 30, 2015)

1. Net sales and profit (loss) by reporting segment

(Unit: million yen)

	Reporting segment			Other (*1)	Total	Adjustments (*2)	Amount on consolidated quarterly income statement
	Digital home electronics retail stores	Mobile carrier stores	Subtotal				
Net sales							
Net sales to external customers	90,185	122,411	212,597	430	213,027	-	213,027
Internal sales or transfers between segments	62	-	62	149	212	-212	-
Subtotal	90,248	122,411	212,660	579	213,239	-212	213,027
Segment profit	3,710	2,306	6,017	205	6,223	-111	6,111

Note: *1. The "Other" business segment consists of businesses not included in the two reporting segments above. These include the shopping mall business, the sports business, the training business, and the mega-solar business.

*2. Adjustments of segment income consist of companywide costs not distributed between reporting segments.

*3. Segment income is adjusted with ordinary income on the consolidated quarterly income statement.

2. Matters related to reporting segment information

The Group previously had the retail business as its one and only segment. With the addition of ITX (before absorption-type merger), it has revised its method of identifying segments based on the form of management organization and the nature of products and services offered by the Group. Starting from the previous fiscal year, the Group switched from the previous single segment to two reporting segments: operation of digital home electronics retail stores and operation of mobile carrier stores. Segment information for the first half of the previous fiscal year is based on two reporting segments.