

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2016 (Based on Japanese GAAP)

May 13, 2016

Company name: Trust Tech Inc.
Stock exchange listing: Tokyo
Stock code: 2154 URL <http://www.trust-tech.jp/>
Representative: CEO & Chairman Takehiko Ogawa
Board Director
Inquiries: Managing Corporate Executive Officer Noriyuki Murai TEL 03-5777-7727
Chief Administrative Officer
Scheduled date to file Quarterly Securities Report: May 16, 2016
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: No
Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended March 31, 2016 (from July 1, 2015 to March 31, 2016)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2016	22,308	47.3	1,803	70.5	1,795	66.4	1,082	59.4
Nine months ended March 31, 2015	15,144	17.3	1,057	8.5	1,078	8.0	679	14.6

Note: Comprehensive income Nine months ended March 31, 2016

¥1,080 million [58.8%]

Nine months ended March 31, 2015

¥680 million [14.9%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended March 31, 2016	56.07		55.67	
Nine months ended March 31, 2015	35.42		35.06	

* The Company implemented a 2-for-1 common stock split on April 1, 2016. Earnings per share and diluted earnings per share have been calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2016	11,292	4,865	43.0
As of June 30, 2015	7,725	4,406	57.0

Reference: Equity

As of March 31, 2016

¥4,861 million

As of June 30, 2015

¥4,406 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2015	–	25.00	–	35.00	60.00
Year ending June 30, 2016	–	30.00	–		
Year ending June 30, 2016 (Forecast)				25.00	–

Note: Revision of cash dividend forecast most recently announced: No

* The Company implemented a 2-for-1 common stock split on April 1, 2016. The dividend for the fiscal year ended June 30, 2015 and that for the end of the second quarter of the fiscal year ending June 30, 2016 indicate the actual amounts paid prior to the stock split. The year-end dividend for the fiscal year ending June 30, 2016 (forecast) indicates the amount paid after the stock split. On a pre-split basis, the year-end dividend for the fiscal year ending June 30, 2016 (forecast) would be 50.00 yen per share, which makes the annual dividend 80.00 yen per share in total.

3. Forecast of consolidated financial results for the year ending June 30, 2016 (from July 1, 2015 to June 30, 2016)

	Percentages indicate year-on-year changes								
	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	30,000	44.1	2,500	56.5	2,500	54.0	1,500	46.4	77.69

Note: Revision of consolidated financial results forecast most recently announced: No

* The Company implemented a 2-for-1 common stock split on April 1, 2016. The earnings per share in the forecasts of the consolidated financial results have been calculated using the number of issued shares (excluding the number of treasury shares) after the stock split. On a pre-split basis, the earnings per share for the fiscal year ending June 30, 2016 would be 155.38 yen per share.

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2016
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
Newly included: 2 companies
System One Co., Ltd., ECS Co., Ltd.
Excluded: –
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2016	19,313,000 shares	As of June 30, 2015	19,308,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2016	390 shares	As of June 30, 2015	210 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2016	19,308,166 shares	Nine months ended March 31, 2015	19,170,741 shares
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* The Company implemented a 2-for-1 common stock split on April 1, 2016. Number of issued shares (common shares) have been calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

* Presentation of the implementation status of the procedures for quarterly review

This quarterly financial results summary is not subject to the procedures for quarterly review pursuant to the Financial Instruments and Exchange Act. The procedures for reviewing the Company's quarterly consolidated financial statements in accordance with the Financial Instruments and Exchange Act are yet to be completed at the time of disclosure of this quarterly financial results summary.

* Explanation of the appropriate use of earnings forecasts and other special notes

(Notes on forward-looking statements)

Earnings forecasts and other forward-looking statements stated in this document are based on information currently available to the Company and certain assumptions that the Company considers to be reasonable. The actual results may differ materially from the forecasts due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and deposits	3,038,978	3,609,575
Notes and accounts receivable - trade	2,954,078	3,943,206
Other	558,395	854,906
Total current assets	6,551,452	8,407,689
Non-current assets		
Property, plant and equipment	221,662	265,613
Intangible assets		
Goodwill	–	2,066,117
Other	130,607	129,535
Total intangible assets	130,607	2,195,653
Investments and other assets		
Real estate for investment, net	577,970	–
Other	243,767	423,951
Total investments and other assets	821,737	423,951
Total non-current assets	1,174,007	2,885,218
Total assets	7,725,460	11,292,907
Liabilities		
Current liabilities		
Short-term loans payable	–	2,300,000
Accrued expenses	1,754,367	1,585,107
Income taxes payable	388,534	387,681
Accrued consumption taxes	718,793	537,115
Provision for bonuses	188,794	872,506
Other	236,964	681,579
Total current liabilities	3,287,454	6,363,990
Non-current liabilities		
Net defined benefit liability	6,267	37,955
Other	25,291	25,187
Total non-current liabilities	31,558	63,142
Total liabilities	3,319,013	6,427,133
Net assets		
Shareholders' equity		
Capital stock	1,529,690	1,530,690
Capital surplus	687,175	688,175
Retained earnings	2,193,146	2,648,349
Treasury shares	(177)	(397)
Total shareholders' equity	4,409,835	4,866,817
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	61	(185)
Foreign currency translation adjustment	(3,449)	(5,285)
Total accumulated other comprehensive income	(3,388)	(5,470)
Subscription rights to shares	–	4,427
Total net assets	4,406,446	4,865,773
Total liabilities and net assets	7,725,460	11,292,907

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2015	Nine months ended March 31, 2016
Net sales	15,144,359	22,308,857
Cost of sales	11,613,898	16,972,586
Gross profit	3,530,460	5,336,271
Selling, general and administrative expenses	2,473,085	3,533,130
Operating income	1,057,375	1,803,140
Non-operating income		
Interest income	477	728
Subsidy income	13,525	6,926
Foreign exchange gains	6,205	-
Other	1,863	3,609
Total non-operating income	22,071	11,264
Non-operating expenses		
Interest expenses	201	11,746
Foreign exchange losses	-	7,315
Other	407	-
Total non-operating expenses	608	19,062
Ordinary income	1,078,838	1,795,342
Extraordinary income		
Gain on sales of non-current assets	42	22,486
Total extraordinary income	42	22,486
Extraordinary losses		
Loss on retirement of non-current assets	785	470
paymentburden-EL	5,825	-
Total extraordinary losses	6,610	470
Income before income taxes and minority interests	1,072,269	1,817,358
Income taxes - current	304,911	837,260
Income taxes - deferred	88,242	(102,606)
Total income taxes	393,154	734,654
Profit	679,115	1,082,704
Profit attributable to owners of parent	679,115	1,082,704

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2015	Nine months ended March 31, 2016
Profit	679,115	1,082,704
Other comprehensive income		
Valuation difference on available-for-sale securities	18	(246)
Foreign currency translation adjustment	1,151	(1,836)
Total other comprehensive income	1,170	(2,082)
Comprehensive income	680,285	1,080,621
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	680,285	1,080,621