

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended September 30, 2016 (Based on Japanese GAAP)

November 4, 2016

Company name: Trust Tech Inc.  
Stock exchange listing: Tokyo  
Stock code: 2154 URL <http://www.trust-tech.jp/>  
Representative: President and Representative Director Yutaka Nishida  
Board Director  
Inquiries: Managing Corporate Executive Officer Noriyuki Murai TEL 03-5777-7727  
Chief Administrative Officer  
Scheduled date to file Quarterly Securities Report: November 11, 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 three months ended September 30, 2016 (from July 1, 2016 to September 30, 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	%
Three months ended September 30, 2016	10,274	46.9	498	36.2	474	31.0	212	18.2
Three months ended September 30, 2015	6,995	45.4	365	57.0	362	51.4	179	26.0

Note: Comprehensive income Three months ended September 30, 2016 ¥283 million [58.3%]  
Three months ended September 30, 2015 ¥179 million [25.3%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2016	10.98		10.92	
Three months ended September 30, 2015	9.32		9.26	

\* 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 September 30, 2016	14,365		5,220		35.8	
As of June 30, 2016	11,914		5,322		44.6	

Reference: Equity As of September 30, 2016: ¥5,144 million  
As of June 30, 2016: ¥5,318 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, 2016	–	30.00	–	25.00	–
Year ending June 30, 2017	–				
Year ending June 30, 2017 (Forecast)		15.00	–	30.00	45.00

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 end of the second quarter of the fiscal year ended June 30, 2016 indicates the actual amount paid prior to the stock split. On the assumption that the stock split was implemented at the beginning of the previous fiscal year, annual dividend for the fiscal year ended June 30, 2016 would be 40.00 yen per share.

## 3. Forecast of consolidated financial results for the year ending June 30, 2017 (from July 1, 2016 to June 30, 2017)

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
Six months ending December 31, 2016	19,800	36.1	1,142	3.1	1,119	1.4	660	2.6	34.10
Full year	42,000	39.3	3,120	22.4	3,100	22.6	1,870	22.7	96.63

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

## 4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 2016  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (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: No
- 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 September 30, 2016	19,413,000 shares	As of June 30, 2016	19,353,000 shares
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Number of treasury shares at the end of the period

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

Three months ended September 30, 2016	19,366,632 shares	Three months ended September 30, 2015	19,307,790 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) has 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

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, 2016	As of September 30, 2016
<b>Assets</b>		
Current assets		
Cash and deposits	3,930,496	4,124,990
Notes and accounts receivable - trade	4,060,115	5,164,536
Other	993,488	977,563
Total current assets	8,984,101	10,267,091
Non-current assets		
Property, plant and equipment	256,198	374,206
Intangible assets		
Goodwill	2,006,108	3,045,569
Other	196,553	190,137
Total intangible assets	2,202,661	3,235,707
Investments and other assets	471,039	488,821
Total non-current assets	2,929,899	4,098,735
Total assets	11,914,000	14,365,826
<b>Liabilities</b>		
Current liabilities		
Short-term loans payable	1,900,000	2,800,000
Current portion of bonds	–	196,000
Accrued expenses	2,394,623	1,886,811
Income taxes payable	638,511	295,715
Accrued consumption taxes	644,290	675,172
Provision for bonuses	397,992	939,026
Other	556,082	1,077,745
Total current liabilities	6,531,500	7,870,471
Non-current liabilities		
Bonds payable	–	1,204,000
Net defined benefit liability	35,786	37,980
Other	24,280	32,500
Total non-current liabilities	60,067	1,274,480
Total liabilities	6,591,568	9,144,952
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,538,690	1,550,690
Capital surplus	696,175	708,175
Retained earnings	3,089,478	2,818,349
Treasury shares	(397)	(397)
Total shareholders' equity	5,323,946	5,076,817
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(327)	(226)
Foreign currency translation adjustment	(5,613)	67,847
Total accumulated other comprehensive income	(5,940)	67,621
Subscription rights to shares	4,427	4,427
Non-controlling interests	–	72,008
Total net assets	5,322,432	5,220,874
Total liabilities and net assets	11,914,000	14,365,826

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended September 30, 2015	Three months ended September 30, 2016
Net sales	6,995,420	10,274,140
Cost of sales	5,432,329	8,164,999
Gross profit	1,563,090	2,109,140
Selling, general and administrative expenses	1,197,371	1,610,890
Operating income	365,719	498,249
Non-operating income		
Interest income	347	110
Subsidy income	1,891	922
Other	1,531	713
Total non-operating income	3,769	1,746
Non-operating expenses		
Interest expenses	4,549	4,098
Foreign exchange losses	2,298	774
Bond issuance cost	–	20,083
Other	115	136
Total non-operating expenses	6,963	25,093
Ordinary income	362,526	474,902
Extraordinary income		
Gain on sales of non-current assets	22,436	179
Total extraordinary income	22,436	179
Extraordinary losses		
Loss on retirement of non-current assets	30	–
Total extraordinary losses	30	–
Profit before income taxes	384,932	475,081
Income taxes - current	293,964	200,763
Income taxes - deferred	(89,007)	52,185
Total income taxes	204,956	252,949
Profit	179,975	222,132
Profit attributable to non-controlling interests	–	9,445
Profit attributable to owners of parent	179,975	212,686

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended September 30, 2015	Three months ended September 30, 2016
Profit	179,975	222,132
Other comprehensive income		
Valuation difference on available-for-sale securities	(111)	100
Foreign currency translation adjustment	(561)	61,661
Total other comprehensive income	(673)	61,761
Comprehensive income	179,301	283,894
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	179,301	286,249
Comprehensive income attributable to non-controlling interests	–	(2,354)