

Translation

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**Summary of Non-Consolidated Financial Results  
for the Six Months Ended September 30, 2017  
(Based on Japanese GAAP)**

October 31, 2017

Company name: Fundely Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 3137 URL <http://www.fundely.co.jp/>  
 Representative: President, Founder Kosuke Abe  
 Executive Officer, Department Manager of Accounting Masaharu Sugita TEL 03-6741-5880  
 Inquiries: Masaharu Sugita  
 Scheduled date to file Quarterly Securities Report: November 13, 2017  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the six months ended September 30, 2017 (from April 1, 2017 to September 30, 2017)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2017	1,649	6.1	331	34.2	331	30.4	210	31.0
Six months ended September 30, 2016	1,554	19.0	247	38.9	254	46.6	160	37.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2017	32.97		32.48	
Six months ended September 30, 2016	25.23		24.84	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2017	2,466		2,070		84.0	
As of March 31, 2017	2,240		1,860		83.0	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2017	–	0.00	–	0.00	0.00
Year ending March 31, 2018	–	0.00			
Year ending March 31, 2018 (Forecast)			–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,640	12.8	681	12.1	680	10.3	436	10.6	68.54

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) 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: Yes

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of September 30, 2017	6,370,500 shares	As of March 31, 2017	6,370,500 shares
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Number of treasury shares at the end of the period

As of September 30, 2017	– shares	As of March 31, 2017	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2017	6,370,500 shares	Six months ended September 30, 2016	6,356,947 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2017	As of September 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	1,714,500	1,855,709
Notes receivable - trade	6,004	4,935
Accounts receivable - trade	185,565	213,781
Merchandise	222,820	237,677
Work in process	42	2,136
Supplies	602	509
Other	45,867	86,680
Allowance for doubtful accounts	(137)	(109)
Total current assets	2,175,266	2,401,321
Non-current assets		
Property, plant and equipment	9,808	10,931
Intangible assets	9,265	7,923
Investments and other assets	46,450	46,450
Total non-current assets	65,524	65,305
Total assets	2,240,791	2,466,626
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	103,762	93,635
Income taxes payable	134,756	130,038
Provision for bonuses	18,002	21,552
Other	118,019	145,078
Total current liabilities	374,541	390,304
Non-current liabilities		
Asset retirement obligations	5,424	5,437
Total non-current liabilities	5,424	5,437
Total liabilities	379,965	395,742
<b>Net assets</b>		
Shareholders' equity		
Capital stock	274,035	274,035
Capital surplus	224,035	224,035
Retained earnings	1,362,756	1,572,814
Total shareholders' equity	1,860,826	2,070,884
Total net assets	1,860,826	2,070,884
Total liabilities and net assets	2,240,791	2,466,626

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Net sales	1,554,721	1,649,113
Cost of sales	670,731	681,685
Gross profit	883,990	967,428
Selling, general and administrative expenses		
Freightage expenses	151,312	156,786
Provision for bonuses	16,916	21,617
Other	468,712	457,450
Total selling, general and administrative expenses	636,942	635,855
Operating profit	247,048	331,573
Non-operating income		
Commission fee	213	285
Compensation income	1,515	–
Insurance premiums refunded cancellation	1,218	–
Receipt return	4,500	–
Other	31	39
Total non-operating income	7,478	324
Non-operating expenses		
Miscellaneous loss	–	0
Total non-operating expenses	–	0
Ordinary profit	254,526	331,897
Extraordinary losses		
Loss on retirement of non-current assets	1,516	–
Total extraordinary losses	1,516	–
Profit before income taxes	253,010	331,897
Income taxes	92,627	121,839
Profit	160,383	210,057

## Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Cash flows from operating activities		
Profit before income taxes	253,010	331,897
Depreciation	3,721	3,180
Loss on retirement of non-current assets	1,516	–
Increase (decrease) in allowance for doubtful accounts	(66)	(27)
Increase (decrease) in provision for bonuses	(1,332)	3,550
Interest and dividend income	(11)	(9)
Decrease (increase) in notes and accounts receivable - trade	42,860	(27,146)
Decrease (increase) in inventories	24,502	(16,858)
Increase (decrease) in notes and accounts payable - trade	(20,414)	(10,127)
Other, net	(1,702)	(15,787)
Subtotal	302,083	268,672
Interest and dividend income received	9	9
Income taxes paid	(107,496)	(124,510)
Net cash provided by (used in) operating activities	194,596	144,170
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,650)	(2,837)
Payments for retirement of property, plant and equipment	(600)	–
Purchase of intangible assets	(5,297)	(124)
Payments for lease and guarantee deposits	(3,000)	–
Other, net	1,427	–
Net cash provided by (used in) investing activities	(10,120)	(2,961)
Cash flows from financing activities		
Proceeds from exercise of share options	5,708	–
Net cash provided by (used in) financing activities	5,708	–
Net increase (decrease) in cash and cash equivalents	190,185	141,209
Cash and cash equivalents at beginning of period	1,317,865	1,714,500
Cash and cash equivalents at end of period	1,508,050	1,855,709