

Translation

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**Summary of Non-Consolidated Financial Results  
for the Six Months Ended September 30, 2018  
(Based on Japanese GAAP)**

October 31, 2018

Company name: Fundely Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 3137 URL <https://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, 2018  
 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, 2018 (from April 1, 2018 to September 30, 2018)

(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, 2018	1,673	1.5	345	4.1	345	4.1	219	4.7
Six months ended September 30, 2017	1,649	6.1	331	34.2	331	30.4	210	31.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2018	34.46		34.01	
Six months ended September 30, 2017	32.97		32.48	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2018	2,885		2,508		86.7	
As of March 31, 2018	2,677		2,282		85.2	

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, 2018	–	0.00	–	0.00	0.00
Year ending March 31, 2019	–	0.00			
Year ending March 31, 2019 (Forecast)			–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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	3,650	10.4	705	8.6	696	6.8	445	6.0	69.93

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: Yes

Changes in accounting policies due to other reasons: No

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, 2018	6,384,000 shares	As of March 31, 2018	6,373,500 shares
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Number of treasury shares at the end of the period

As of September 30, 2018	– shares	As of March 31, 2018	– 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, 2018	6,381,269 shares	Six months ended September 30, 2017	6,370,500 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2018	As of September 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	2,128,168	1,801,766
Accounts receivable - trade	197,762	215,512
Merchandise	225,227	215,055
Work in process	373	3,678
Supplies	81	324
Other	25,943	36,622
Allowance for doubtful accounts	(93)	(65)
Total current assets	2,577,463	2,272,893
Non-current assets		
Property, plant and equipment		
Land	–	519,753
Other	26,035	27,005
Total property, plant and equipment	26,035	546,759
Intangible assets	6,818	5,805
Investments and other assets	66,836	60,091
Total non-current assets	99,690	612,655
Total assets	2,677,153	2,885,549
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	104,942	105,504
Income taxes payable	130,441	134,919
Provision for bonuses	23,212	24,332
Other	131,077	107,232
Total current liabilities	389,673	371,988
Non-current liabilities		
Asset retirement obligations	5,450	5,454
Total non-current liabilities	5,450	5,454
Total liabilities	395,124	377,443
<b>Net assets</b>		
Shareholders' equity		
Capital stock	274,236	274,939
Capital surplus	224,236	224,939
Retained earnings	1,783,460	2,003,331
Total shareholders' equity	2,281,932	2,503,210
Share acquisition rights	97	4,895
Total net assets	2,282,029	2,508,105
Total liabilities and net assets	2,677,153	2,885,549

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

(Thousands of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Net sales	1,649,113	1,673,037
Cost of sales	681,685	665,409
Gross profit	967,428	1,007,627
Selling, general and administrative expenses	635,855	662,381
Operating profit	331,573	345,246
Non-operating income		
Commission fee	285	255
Other	39	337
Total non-operating income	324	592
Non-operating expenses		
Miscellaneous loss	0	400
Total non-operating expenses	0	400
Ordinary profit	331,897	345,438
Profit before income taxes	331,897	345,438
Income taxes	121,839	125,566
Profit	210,057	219,871

## Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Cash flows from operating activities		
Profit before income taxes	331,897	345,438
Depreciation	3,180	2,371
Increase (decrease) in allowance for doubtful accounts	(27)	(27)
Increase (decrease) in provision for bonuses	3,550	1,120
Interest and dividend income	(9)	(11)
Decrease (increase) in notes and accounts receivable - trade	(27,146)	(17,749)
Decrease (increase) in inventories	(16,858)	6,623
Increase (decrease) in notes and accounts payable - trade	(10,127)	561
Other, net	(15,787)	(10,699)
Subtotal	268,672	327,626
Interest and dividend income received	9	11
Income taxes paid	(124,510)	(122,841)
Net cash provided by (used in) operating activities	144,170	204,796
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,837)	(532,341)
Purchase of intangible assets	(124)	–
Payments for lease and guarantee deposits	–	(264)
Net cash provided by (used in) investing activities	(2,961)	(532,605)
Cash flows from financing activities		
Proceeds from exercise of share options	–	1,407
Net cash provided by (used in) financing activities	–	1,407
Net increase (decrease) in cash and cash equivalents	141,209	(326,402)
Cash and cash equivalents at beginning of period	1,714,500	2,128,168
Cash and cash equivalents at end of period	1,855,709	1,801,766