

**Translation**

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**Summary of Non-Consolidated Financial Results  
for the Year Ended March 31, 2018  
(Based on Japanese GAAP)**

April 27, 2018

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  
 Inquiries: Accounting Masaharu Sugita TEL 03-6741-5880  
 Scheduled date of ordinary general meeting of shareholders: June 26, 2018  
 Scheduled date to file Securities Report: June 27, 2018  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of 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 year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(1) Non-consolidated operating results

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	%
Year ended March 31, 2018	3,306	2.5	649	6.8	651	5.7	420	6.6
Year ended March 31, 2017	3,227	7.0	608	21.4	616	23.2	394	26.2

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2018	66.04	65.06	20.3	26.5	19.6
Year ended March 31, 2017	62.02	61.09	23.8	30.1	18.8

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2018	2,677	2,282	85.2	358.03
As of March 31, 2017	2,240	1,860	83.0	292.10

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2018	423	(10)	0	2,128
Year ended March 31, 2017	402	(11)	6	1,714

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2017	–	0.00	–	0.00	0.00	–	–	–
Year ended March 31, 2018	–	0.00	–	0.00	0.00	–	–	–
Year ending March 31, 2019 (Forecast)	–	0.00	–	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
Six months ending September 30, 2018	1,749	6.1	322	(2.9)	318	(3.9)	204	(2.9)	32.02
Full year	3,650	10.4	705	8.6	696	6.8	445	6.0	69.93

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of March 31, 2018	6,373,500 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 March 31, 2018	– shares	As of March 31, 2017	– shares
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Average number of shares during the period

Year ended March 31, 2018	6,370,862 shares	Year ended March 31, 2017	6,362,929 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	1,714,500	2,128,168
Notes receivable - trade	6,004	–
Accounts receivable - trade	185,565	197,762
Merchandise	222,820	225,227
Work in process	42	373
Supplies	602	81
Prepaid expenses	26,961	25,777
Deferred tax assets	18,844	17,708
Other	61	166
Allowance for doubtful accounts	(137)	(93)
Total current assets	2,175,266	2,595,172
Non-current assets		
Property, plant and equipment		
Buildings	16,248	16,248
Accumulated depreciation	(9,132)	(10,623)
Buildings, net	7,115	5,624
Tools, furniture and fixtures	10,094	12,931
Accumulated depreciation	(7,401)	(9,620)
Tools, furniture and fixtures, net	2,693	3,311
Construction in progress	–	17,100
Total property, plant and equipment	9,808	26,035
Intangible assets		
Trademark right	2,642	2,337
Software	6,622	4,481
Total intangible assets	9,265	6,818
Investments and other assets		
Lease deposits	30,814	30,814
Guarantee deposits	14,621	14,661
Deferred tax assets	1,014	3,652
Total investments and other assets	46,450	49,127
Total non-current assets	65,524	81,981
Total assets	2,240,791	2,677,153

(Thousands of yen)

	As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	103,762	104,942
Accounts payable - other	55,671	81,304
Accrued expenses	14,523	20,711
Income taxes payable	134,756	130,441
Advances received	2,200	2,325
Deposits received	5,694	9,812
Provision for bonuses	18,002	23,212
Other	39,930	16,924
Total current liabilities	374,541	389,673
Non-current liabilities		
Asset retirement obligations	5,424	5,450
Total non-current liabilities	5,424	5,450
Total liabilities	379,965	395,124
<b>Net assets</b>		
Shareholders' equity		
Capital stock	274,035	274,236
Capital surplus		
Legal capital surplus	224,035	224,236
Total capital surpluses	224,035	224,236
Retained earnings		
Other retained earnings		
Retained earnings brought forward	1,362,756	1,783,460
Total retained earnings	1,362,756	1,783,460
Total shareholders' equity	1,860,826	2,281,932
Share acquisition rights	–	97
Total net assets	1,860,826	2,282,029
Total liabilities and net assets	2,240,791	2,677,153

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	3,227,160	3,306,281
Cost of sales		
Beginning goods	249,428	222,820
Cost of purchased goods	1,356,375	1,371,578
Total	1,605,803	1,594,398
Transfer to other account	18,225	9,515
Ending goods	222,820	225,227
Cost of goods sold	1,364,758	1,359,655
Gross profit	1,862,402	1,946,626
Selling, general and administrative expenses		
Freightage expenses	306,573	327,107
Advertising expenses	182,221	144,810
Storage expenses	175,403	170,537
Provision of allowance for doubtful accounts	40	16
Directors' compensations	93,678	96,584
Salaries and allowances	186,461	225,413
Provision for bonuses	18,002	23,277
Rents	42,372	42,899
Depreciation	7,471	6,281
Commission fee	96,650	90,252
Other	145,402	170,020
Total selling, general and administrative expenses	1,254,278	1,297,201
Operating profit	608,124	649,425
Non-operating income		
Interest income	22	58
Commission fee	660	2,214
Compensation income	1,889	–
Insurance premiums refunded cancellation	1,218	–
Receipt return	4,500	–
Miscellaneous income	199	292
Total non-operating income	8,490	2,565
Non-operating expenses		
Miscellaneous loss	–	0
Total non-operating expenses	–	0
Ordinary profit	616,614	651,990
Extraordinary losses		
Loss on retirement of non-current assets	1,516	–
Total extraordinary losses	1,516	–
Profit before income taxes	615,098	651,990
Income taxes - current	219,939	232,789
Income taxes - deferred	547	(1,502)
Total income taxes	220,487	231,287
Profit	394,610	420,703

## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2017

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Capital stock	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings			
Balance at beginning of current period	271,020	221,020	221,020	968,145	968,145	1,460,185	–	1,460,185
Changes of items during period								
Issuance of new shares - exercise of share acquisition rights	3,015	3,015	3,015			6,030		6,030
Profit				394,610	394,610	394,610		394,610
Net changes of items other than shareholders' equity							–	–
Total changes of items during period	3,015	3,015	3,015	394,610	394,610	400,640	–	400,640
Balance at end of current period	274,035	224,035	224,035	1,362,756	1,362,756	1,860,826	–	1,860,826

Fiscal year ended March 31, 2018

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Capital stock	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings			
Balance at beginning of current period	274,035	224,035	224,035	1,362,756	1,362,756	1,860,826	–	1,860,826
Changes of items during period								
Issuance of new shares - exercise of share acquisition rights	201	201	201			402		402
Profit				420,703	420,703	420,703		420,703
Net changes of items other than shareholders' equity							97	97
Total changes of items during period	201	201	201	420,703	420,703	421,105	97	421,203
Balance at end of current period	274,236	224,236	224,236	1,783,460	1,783,460	2,281,932	97	2,282,029

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from operating activities		
Profit before income taxes	615,098	651,990
Depreciation	7,471	6,281
Increase (decrease) in allowance for doubtful accounts	(10)	(43)
Increase (decrease) in provision for bonuses	(246)	5,209
Interest and dividend income	(22)	(58)
Loss on retirement of non-current assets	1,516	–
Decrease (increase) in notes and accounts receivable - trade	(26,076)	(6,191)
Decrease (increase) in inventories	27,314	(2,216)
Increase (decrease) in notes and accounts payable - trade	(10,712)	1,180
Increase (decrease) in accrued consumption taxes	36,365	(23,006)
Other, net	(45,537)	24,951
Subtotal	605,160	658,096
Interest and dividend income received	17	19
Income taxes paid	(202,925)	(234,481)
Net cash provided by (used in) operating activities	402,253	423,633
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,708)	(10,147)
Payments for retirement of property, plant and equipment	(600)	–
Purchase of intangible assets	(5,766)	(256)
Payments for lease and guarantee deposits	(3,000)	–
Other, net	1,427	–
Net cash provided by (used in) investing activities	(11,647)	(10,404)
Cash flows from financing activities		
Proceeds from exercise of share options	6,030	402
Proceeds from issuance of share acquisition rights	–	36
Net cash provided by (used in) financing activities	6,030	438
Net increase (decrease) in cash and cash equivalents	396,635	413,667
Cash and cash equivalents at beginning of period	1,317,865	1,714,500
Cash and cash equivalents at end of period	1,714,500	2,128,168