

**Translation**

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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

April 25, 2018

Company name: OBIC BUSINESS CONSULTANTS CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 4733 URL <http://www.obc.co.jp>  
 Representative: President and Representative Director Shigefumi Wada  
 Senior Managing Director, General Manager  
 Inquiries: of Administrative Headquarters and Manager Hiroko Wada TEL 03-3342-1881  
 of Administrative Division  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2018  
 Scheduled date to file Securities Report: June 26, 2018  
 Scheduled date to commence dividend payments: June 26, 2018  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for 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	23,513	1.0	9,737	(2.2)	11,198	1.8	8,172	6.5
Year ended March 31, 2017	23,290	6.3	9,954	8.8	10,995	5.2	7,669	12.2

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2018	217.45	–	8.0	9.3	41.4
Year ended March 31, 2017	204.08	–	7.8	9.6	42.7

(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	123,920	105,264	84.9	2,800.93
As of March 31, 2017	117,930	100,042	84.8	2,661.96

(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	8,115	516	(2,819)	87,113
Year ended March 31, 2017	8,676	5,565	(2,631)	81,300

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	–	35.00	–	35.00	70.00	2,630	34.3	2.6
Year ended March 31, 2018	–	40.00	–	40.00	80.00	3,006	36.8	2.9
Year ending March 31, 2019 (Forecast)	–	40.00	–	40.00	80.00		35.2	

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	11,600	5.7	4,500	12.7	5,000	(1.9)	4,372	17.9	116.33
Full year	25,000	6.3	10,600	8.9	11,600	3.6	8,536	4.5	227.13

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: No

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	40,352,000 shares	As of March 31, 2017	40,352,000 shares
----------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2018	2,769,940 shares	As of March 31, 2017	2,769,893 shares
----------------------	------------------	----------------------	------------------

Average number of shares during the period

Year ended March 31, 2018	37,582,069 shares	Year ended March 31, 2017	37,582,133 shares
---------------------------	-------------------	---------------------------	-------------------

**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	81,310,586	87,123,504
Notes receivable - trade	1,355,660	1,599,020
Accounts receivable - trade	6,154,738	6,579,912
Merchandise and finished goods	132,528	131,452
Work in process	998	1,078
Raw materials and supplies	64,110	54,178
Prepaid expenses	206,007	183,152
Deferred tax assets	331,890	304,645
Accounts receivable - other	6,846	5,928
Other	6,926	10,083
Allowance for doubtful accounts	(10,067)	(13,077)
Total current assets	89,560,226	95,979,880
Non-current assets		
Property, plant and equipment		
Buildings	558,205	611,110
Accumulated depreciation	(284,964)	(275,755)
Buildings, net	273,241	335,355
Vehicles	12,837	12,837
Accumulated depreciation	(2,616)	(6,019)
Vehicles, net	10,221	6,817
Tools, furniture and fixtures	938,797	921,591
Accumulated depreciation	(744,771)	(726,750)
Tools, furniture and fixtures, net	194,026	194,841
Total property, plant and equipment	477,488	537,014
Intangible assets		
Telephone subscription right	13,003	13,003
Software	390,468	389,101
Software in progress	14,587	51,807
Total intangible assets	418,059	453,912
Investments and other assets		
Investment securities	26,802,115	26,189,944
Shares of subsidiaries and associates	16,093	16,093
Long-term accounts receivable - other	114,030	67,680
Lease and guarantee deposits	623,002	709,715
Membership	37,780	37,780
Claims provable in bankruptcy, claims provable in rehabilitation and other	3,632	2,922
Allowance for doubtful accounts	(121,812)	(74,752)
Total investments and other assets	27,474,840	26,949,383
Total non-current assets	28,370,388	27,940,310
Total assets	117,930,615	123,920,190

(Thousands of yen)

	As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	233,771	243,543
Accounts payable - other	529,131	499,224
Accrued expenses	769,860	757,776
Income taxes payable	1,920,409	2,231,917
Accrued consumption taxes	281,957	217,387
Deposits received	70,339	78,724
Unearned revenue	9,962,491	10,857,959
Provision for directors' bonuses	64,000	64,000
Other	4,035	3,855
<b>Total current liabilities</b>	<b>13,835,996</b>	<b>14,954,388</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	2,461,461	1,904,683
Provision for retirement benefits	1,467,430	1,651,289
Asset retirement obligations	123,581	145,200
<b>Total non-current liabilities</b>	<b>4,052,473</b>	<b>3,701,173</b>
<b>Total liabilities</b>	<b>17,888,470</b>	<b>18,655,562</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	10,519,000	10,519,000
<b>Capital surplus</b>		
Legal capital surplus	18,415,000	18,415,000
Other capital surplus	534,268	534,268
<b>Total capital surpluses</b>	<b>18,949,268</b>	<b>18,949,268</b>
<b>Retained earnings</b>		
Legal retained earnings	140,610	140,610
<b>Other retained earnings</b>		
General reserve	52,100,000	57,100,000
Retained earnings brought forward	13,963,562	14,317,041
<b>Total retained earnings</b>	<b>66,204,172</b>	<b>71,557,652</b>
Treasury shares	(5,348,878)	(5,349,143)
<b>Total shareholders' equity</b>	<b>90,323,562</b>	<b>95,676,776</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	9,718,582	9,587,851
<b>Total valuation and translation adjustments</b>	<b>9,718,582</b>	<b>9,587,851</b>
<b>Total net assets</b>	<b>100,042,145</b>	<b>105,264,628</b>
<b>Total liabilities and net assets</b>	<b>117,930,615</b>	<b>123,920,190</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales		
Total net sales	23,290,465	23,513,216
Cost of sales		
Total cost of sales	3,543,925	3,668,870
Gross profit	19,746,539	19,844,346
Selling, general and administrative expenses	9,792,368	10,107,332
Operating profit	9,954,170	9,737,013
Non-operating income		
Interest income	350	208
Interest on securities	19,001	–
Dividend income	840,247	821,545
Gain on sales of investment securities	42,769	–
Gain on investments in partnership	191,749	523,281
Other	64,534	116,733
Total non-operating income	1,158,653	1,461,769
Non-operating expenses		
Loss on sales of investment securities	–	228
Provision of allowance for doubtful accounts	114,030	–
Other	3,461	307
Total non-operating expenses	117,491	536
Ordinary profit	10,995,332	11,198,246
Extraordinary income		
Gain on sales of non-current assets	1,638	–
Gain on sales of investment securities	5,038	–
Total extraordinary income	6,676	–
Extraordinary losses		
Loss on retirement of non-current assets	3,573	29,819
Loss on valuation of investment securities	667	–
Directors' retirement benefits	42,500	–
Total extraordinary losses	46,740	29,819
Profit before income taxes	10,955,269	11,168,427
Income taxes - current	3,161,554	3,467,094
Income taxes - deferred	123,822	(470,803)
Total income taxes	3,285,376	2,996,291
Profit	7,669,892	8,172,135

## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2017

(Thousands of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	10,519,000	18,415,000	534,268	18,949,268	140,610	48,100,000	12,924,421	61,165,032	(5,348,339)	85,284,961
Changes of items during period										
Provision of general reserve						4,000,000	(4,000,000)	-		-
Dividends of surplus							(2,630,751)	(2,630,751)		(2,630,751)
Profit							7,669,892	7,669,892		7,669,892
Purchase of treasury shares									(539)	(539)
Net changes of items other than shareholders' equity										
Total changes of items during period	-	-	-	-	-	4,000,000	1,039,140	5,039,140	(539)	5,038,601
Balance at end of current period	10,519,000	18,415,000	534,268	18,949,268	140,610	52,100,000	13,963,562	66,204,172	(5,348,878)	90,323,562

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	10,246,317	10,246,317	95,531,278
Changes of items during period			
Provision of general reserve			-
Dividends of surplus			(2,630,751)
Profit			7,669,892
Purchase of treasury shares			(539)
Net changes of items other than shareholders' equity	(527,734)	(527,734)	(527,734)
Total changes of items during period	(527,734)	(527,734)	4,510,866
Balance at end of current period	9,718,582	9,718,582	100,042,145

Fiscal year ended March 31, 2018

(Thousands of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	10,519,000	18,415,000	534,268	18,949,268	140,610	52,100,000	13,963,562	66,204,172	(5,348,878)	90,323,562
Changes of items during period										
Provision of general reserve						5,000,000	(5,000,000)	-		-
Dividends of surplus							(2,818,656)	(2,818,656)		(2,818,656)
Profit							8,172,135	8,172,135		8,172,135
Purchase of treasury shares									(265)	(265)
Net changes of items other than shareholders' equity										
Total changes of items during period	-	-	-	-	-	5,000,000	353,479	5,353,479	(265)	5,353,214
Balance at end of current period	10,519,000	18,415,000	534,268	18,949,268	140,610	57,100,000	14,317,041	71,557,652	(5,349,143)	95,676,776

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	9,718,582	9,718,582	100,042,145
Changes of items during period			
Provision of general reserve			-
Dividends of surplus			(2,818,656)
Profit			8,172,135
Purchase of treasury shares			(265)
Net changes of items other than shareholders' equity	(130,731)	(130,731)	(130,731)
Total changes of items during period	(130,731)	(130,731)	5,222,483
Balance at end of current period	9,587,851	9,587,851	105,264,628

## 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	10,955,269	11,168,427
Depreciation	306,590	316,152
Increase (decrease) in provision for retirement benefits	99,385	183,859
Increase (decrease) in provision for directors' bonuses	6,550	–
Increase (decrease) in allowance for doubtful accounts	107,930	(44,050)
Interest and dividends income received	(859,599)	(821,754)
Loss (gain) on sales of investment securities	(47,808)	228
Loss (gain) on valuation of investment securities	667	–
Loss (gain) on sales of non-current assets	(1,638)	–
Loss on retirement of non-current assets	3,573	29,819
Loss (gain) on investments in partnership	(191,749)	(523,281)
Decrease (increase) in notes and accounts receivable - trade	(512,531)	(668,534)
Decrease (increase) in inventories	21,273	10,928
Decrease (increase) in prepaid expenses	(107,433)	22,854
Increase (decrease) in notes and accounts payable - trade	(26,575)	9,771
Increase (decrease) in accrued consumption taxes	15,668	(64,570)
Increase (decrease) in accrued expenses	108,098	(12,083)
Increase (decrease) in unearned revenue	460,377	895,468
Other, net	201,864	(53,492)
Subtotal	10,539,911	10,449,742
Interest and dividend income received	867,270	821,754
Income taxes paid	(2,730,189)	(3,155,587)
Net cash provided by (used in) operating activities	8,676,993	8,115,910
Cash flows from investing activities		
Proceeds from sales of investment securities	6,053,032	945,762
Decrease (increase) in long-term accounts receivable - other	–	48,930
Purchase of property, plant and equipment	(330,351)	(200,139)
Proceeds from sales of property, plant and equipment	1,638	–
Purchase of intangible assets	(144,101)	(178,026)
Payments for asset retirement obligations	–	(13,595)
Payments for lease and guarantee deposits	(28,439)	(101,939)
Proceeds from collection of lease and guarantee deposits	13,778	15,226
Net cash provided by (used in) investing activities	5,565,558	516,218
Cash flows from financing activities		
Cash dividends paid	(2,630,714)	(2,818,945)
Purchase of treasury shares	(539)	(265)
Net cash provided by (used in) financing activities	(2,631,253)	(2,819,210)
Net increase (decrease) in cash and cash equivalents	11,611,297	5,812,918
Cash and cash equivalents at beginning of period	69,689,288	81,300,586
Cash and cash equivalents at end of period	81,300,586	87,113,504