June 7, 2013

Consolidated Financial Results
For the Three Months Ended April 30, 2013
(Japanese Accounting Standards)

Name of the Listed Company: **Poletowin Pitcrew Holdings, Inc.**
Listing: First Section of Tokyo Stock Exchange
Stock code: 3657
URL: http://www.poletowin-pitcrew-holdings.co.jp
Representative: Naoto Konishi, President
Contact Person: Joji Yamauchi, Chief Financial Officer
Tel: +81-3-5909-7911
Scheduled date to file Securities Report: June 13, 2013
Scheduled date to commence dividend payments: −
Supplementary explanatory materials prepared: Yes
Explanatory meeting: No

(Millions of yen with fractional amounts discarded, unless otherwise noted.)

1. Consolidated financial results for the three months ended April 30, 2013 (from February 1, 2013 to April 30, 2013)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2013	3,251	38.9	507	24.9	573	30.6	326	43.3
April 30, 2012	2,340	−	406	−	439	−	228	−

(Note) Comprehensive income
Three months ended April 30, 2013: ¥295 million (32.6%)
Three months ended April 30, 2012: ¥222 million (−%)

	Net income per share	Diluted net income per share
Three months ended	Yen	Yen
April 30, 2013	34.47	33.50
April 30, 2012	26.79	25.79

(Notes) 1. No year-on-year changes are shown because the Company did not prepare consolidated financial statements for the three months ended April 30, 2011.
2. The Company conducted a stock split on January 9, 2013 at a ratio of two shares of common stock for each one share of common stock. However, the figures for net income per share and diluted net income per share have been calculated on the assumption that this stock split was conducted at the beginning of the year ended January 31, 2013.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
April 30, 2013	7,773	6,168	79.4
January 31, 2013	7,866	6,154	78.2

(Reference) Equity
As of April 30, 2013: ¥6,168 million
As of January 31, 2013: ¥6,154 million

2. Cash dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended January 31, 2013	–	0.00	–	30.00	30.00
Fiscal year ending January 31, 2014	–				
Fiscal year ending January 31, 2014 (Forecasts)		0.00	–	27.00	27.00

(Notes) 1. Change in dividend forecasts for the fiscal year ending January 31, 2014 during the three months ended April 30, 2013: No

2. Dividends for the year ended January 31, 2013 were ordinary dividends of ¥27 per share and a commemorative dividend of ¥3 per share to celebrate a stock listing on the First Section of the Tokyo Stock Exchange.

3. Consolidated financial forecasts for the fiscal year ending January 31, 2014 (from February 1, 2013 to January 31, 2014)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending July 31, 2013	6,169	22.7	767	(10.5)	766	(11.3)	387	(13.9)	40.90
Fiscal year ending January 31, 2014	13,028	19.9	1,842	0.4	1,840	(2.4)	1,041	11.8	109.97

(Note) Change in financial forecasts for the fiscal year ending January 31, 2014 during the three months ended April 30, 2013: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended April 30, 2013 (changes in specified subsidiaries resulting in a change in the scope of consolidation): Yes

New: 1 (Pole To Win Europe, Ltd.)

Excluded: 1 (Pole To Win America Hunt Valley, Inc.)

(Note) For details, please refer to (1) Changes in significant subsidiaries during the three months ended April 30, 2013, under 2. Notes to the Summary Information, on page 7 of the attachment materials to this report.

(2) Use of particular accounting treatments in preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to (2) Use of particular accounting treatments in preparation of quarterly consolidated financial statements, under 2. Notes to the Summary Information, on page 7 of the attachment materials to this report.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

a. Changes in accounting standards due to revisions to accounting standards and other guidelines: Yes

b. Changes in accounting policies due to reasons other than a. above: No

c. Changes in accounting estimates: Yes

d. Restatement of revisions: No

(Note) For details, please refer to (3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions, under 2. Notes to the Summary Information, on page 7 of the attachment materials to this report.

(4) Number of common shares issued

a. Total number of issued shares (including treasury stock)

As of April 30, 2013 9,478,600 shares

As of January 31, 2013 9,473,600 shares

b. Number of shares of treasury stock

As of April 30, 2013 － shares

As of January 31, 2013 － shares

c. Average number of shares

For the three months ended April 30, 2013	9,476,735 shares
For the three months ended April 30, 2012	8,512,000 shares

(Note) The Company conducted a stock split on January 9, 2013 at a ratio of two shares of common stock for each one share of common stock. However, the figures for the number of shares issued have been calculated on the assumption that this stock split was conducted at the beginning of the year ended January 31, 2013.

* Disclosure of status of quarterly review procedures

This report falls outside the scope of quarterly review procedures as laid out in the Financial Instruments and Exchange Act. As of the time of the release of this report, the review procedures of the consolidated financial statements outlined in the Act had not been concluded.

* Proper use of earnings forecasts, and other special matters

(Disclaimer to forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not guarantee that the Company will achieve its earnings forecasts. In addition, actual business and other results may differ substantially due to various factors. For details on the conditions assumed and the cautionary notes and items in the financial forecasts, please refer to (3) Qualitative Information on Consolidated Earnings Forecasts on page 6 of the Attachment Materials to this report.

(How to obtain supplementary materials explaining earnings for the quarter)

The Company discloses the Supplementary Information to the Financial Results on the TDnet on the same day.

1. Qualitative Information on Financial Results

(1) Qualitative information on consolidated operating results

The economy responded favorably to the economic and monetary policies of the new Japanese government during the three months ended April 30, 2013. Depreciation of the yen picked up pace and the stock market rallied amid growing signs of economic recovery in Japan, despite residual weakness in some sectors. In the markets integral to the Group's core Testing/Verification & Evaluation Business, the Japanese home video game market grew for the first time in five years in the year ended March 2013, according to research by ENTERBRAIN, INC. Suggesting the market may have bottomed out, this was partly due to the launch of Nintendo's Wii U console. According to research by Yano Research Institute Ltd., the social game market in Japan grew 37% to ¥387.0 billion in the year ended March 2013. Growth is expected to ease to 10% in the year ending March 2014, with the market expanding to a projected ¥425.6 billion. Smartphone shipments increased 23.0% to 29.72 million units in the year ended March 2013, and also accounted for 71.1% of mobile handset shipments. Smartphone shipments are forecast to grow to 32.4 million units in the year ending March 2014, according to research by MM Research Institute, Ltd. A growing supply of smartphone and social gaming applications, combined with a shift to progressively richer (sophisticated) content, is expected to drive market growth going forward. Other factors supporting strong market growth include the aggressive expansion of social game operators in Japan and overseas, a growing number of new entrants, with a resulting rise in market diversification. The importance of ongoing defect detection (finding bugs) and user support services has increased for mobile applications and social games, especially on smartphone platforms, because of the need for frequent updates after the release of a title and catering to user requirements. In addition, synergies between home video games and social games are expected to support further expansion of the overall game market.

In online markets related to the Group's Internet Monitoring Business, growing popularity of smartphones and tablet PCs and the broader scope of video, e-book and other online content services available, drove greater Internet usage. Demand for monitoring postings and other types of user support services has increased as a result of the need to make safe and reliable Internet access ubiquitous. In the e-commerce market, there is growing demand for handling the review of Internet advertising, merchandise checks, rights infringement investigations, and inquiries. The recent focus in Japan on the issue of cyber-bullying has also prompted municipal boards of education to put efforts into monitoring youth Internet usage and providing Internet literacy education for students, parents and guardians.

The Group provides checking, testing, monitoring and inspection services that require human input on a contractual basis to corporate clients. The demand for such services grew as those clients diversified and expanded overseas, and as business processes became more advanced and sophisticated. Following overseas acquisitions in 2012, the Group now has eight business sites outside Japan and a domestic base of 19 sites. Enhancing collaboration between these sites, the Group sought to offer customers a one-stop, full-service platform in areas such as defect detection (finding bugs), localization, Internet monitoring and user support. The Group is also actively referring domestic and overseas clients to one another, providing clients with mutual introductions around the world, in order to deepen its transactions with each corporate client and expand business. During the quarter, the Group integrated operations in the U.S. and U.K. In February 2013, the U.K. office of Pole To Win America, Inc. (PTWA) was spun off to form Pole To Win Europe Ltd. (PTWE). In April 2013, Pole To Win America Hunt Valley, Inc., a wholly owned subsidiary of PTWA, was merged with PTWA. In May 2013, operations of PTWE and Pole To Win Glasgow Ltd. were merged. These moves will provide overseas subsidiaries with administrative efficiency, raise synergy between sales and operations, and enable the Group to further expand business with client companies overseas, while enhancing the support it provides Japanese clients in global business development.

As a result, consolidated net sales for the three months ended April 30, 2013 were ¥3,251,351 thousand (up 38.9% year on year), operating income was ¥507,874 thousand (up 24.9%), ordinary income was ¥573,561 thousand (up 30.6%) and net income was ¥326,709 thousand (up 43.3%).

Results by segment were as follows.

1) Testing/Verification & Evaluation Business

With the rapid spread of smartphones, users have begun downloading social games directly and playing them as native applications, in addition to playing those games on browsers. The higher level of functionality of smartphones relative to traditional handsets has increased the complexity of native applications. Combined with the growth in the numbers of titles, this led to the Group securing more orders for mobile content defect detection (finding bugs) services in Japan. Overseas, the Group made progress in integrating subsidiaries that had been acquired in the previous fiscal year with existing overseas operations, while also expanding business with overseas firms and providing Japanese clients support for globalizing business. Business finding defects (bugs) in amusement equipment was firm, due to major pachinko and pachislot equipment makers that were busy developing models that offer higher entertainment value. As a result, the Testing/Verification & Evaluation Business saw sales increase 44.2% year on year to ¥2,507,790 thousand. Operating income rose 18.0% to ¥464,414 thousand.

2) Internet Monitoring Business

Increased popularity of smartphones and tablets PCs has broadened the scope of users accessing the Internet. In addition to online vendors, a broad range of other providers have entered the e-commerce arena to sell e-books or other products online. This has boosted demand for Internet monitoring, advertising review, user support and other operations offered by PITCREW CO., LTD. in connection with the real-time services those providers operate. Another area where orders have grown is the online patrol of youth Internet usage, which PITCREW is providing to various municipal boards of education and schools on a contract basis. In the quarter under review, the Group received orders from 16 municipal governments and 14 private schools. The Group’s Internet Monitoring Business and Testing/Verification & Evaluation Business have also collaborated in an effort to create new services and refer clients to each other. As a result, the Internet Monitoring Business saw net sales increase 21.3% year on year to ¥729,693 thousand, with operating income rising 344.4% to ¥49,094 thousand.

3) Others

In this segment, Palabra Inc. (renamed from Daiichi Shorin Co., Ltd. on February 1, 2013) continues to offer Cinematheque Movie Classes. It has instituted a subtitle training curriculum to prepare for the advent of barrier-free motion pictures, and has started producing barrier-free subtitles for television program and video production firms on contract. IMAid Inc. has launched medical staffing services.

On February 28, 2013, we established Pacer Co., Ltd. as an intermediate holding company for integrating businesses in this Others segment. Net sales for Others in the three months ended April 30, 2013 amounted to ¥13,866 thousand (compared with ¥450,000 in the same period the previous year), posting an operating loss of ¥25,809 thousand (compared to a ¥4,304 thousand loss in the same period the previous year).

(2) Qualitative information concerning consolidated financial position

Total Assets

Current assets rose ¥13,049 thousand or 0.2% from January 31, 2013, to ¥5,931,665 thousand as of April 30, 2013. This was mainly attributable to a ¥225,495 thousand increase in notes and accounts receivable-trade and a ¥245,288 thousand decrease in cash and deposits.

Noncurrent assets stood at ¥1,841,357 thousand, ¥106,404 thousand or 5.5% lower than on January 31, 2013. This was mainly due to a ¥44,660 thousand decrease in goodwill.

As a result, total assets decreased by ¥93,355 thousand or 1.2% to ¥7,773,022 thousand.

Liabilities

Current liabilities stood at ¥1,558,162 thousand as of April 30, 2013, ¥31,591 thousand or 2.0% lower than on January 31, 2013. This was mainly attributable to a ¥230,482 increase in accounts payable-other and a ¥49,800 thousand increase in provision for bonuses, which was partially offset by a ¥362,901 thousand decrease in income taxes payable.

Noncurrent liabilities decreased ¥74,894 thousand or 61.5% to ¥46,814 thousand. This was mainly due to a ¥69,597 thousand decrease in long-term accounts payable-other.

As a result, total liabilities decreased by ¥106,486 thousand or 6.2% to ¥1,604,976 thousand.

Net assets

Net assets on April 30, 2013 amounted to ¥6,168,045 thousand, an increase of ¥13,130 thousand or 0.2% from January 31, 2013. This was mainly due to a ¥42,501 thousand increase in retained earnings.

(3) Qualitative Information on Consolidated Earnings Forecasts

Group sales and profits grew in the three months ended April 30, 2013, the first quarter of the fiscal year ending January 31, 2014, and conditions are forecast to remain good in markets linked to Group businesses. In the Testing/Verification & Evaluation Business orders have continued to grow for detecting defects (finding bugs) in mainly smartphone applications, amusement equipment, and from clients overseas. To keep up with operations as they grow, we plan to open more business sites, expand the floor space of our business bases, recruit more managers and invest in equipment for detecting defects (finding bugs) in new games. In the Internet Monitoring Business, where orders are increasing for reviewing Internet advertising and user support services in connection with e-commerce, we plan to expand the floor space of our business sites and recruit more people. The Group’s business is growing as planned for the most part as we invest proactively in personnel, office space and equipment over the remainder of the fiscal year to achieve stable and sustainable business expansion. Consequently, the consolidated earnings forecasts we announced on March 11, 2013 remains unchanged.

Note, however, that the earnings forecasts are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not guarantee that the Company will achieve its earnings forecasts. In addition, actual business and other results may differ substantially due to various factors.

2. Notes to the Summary Information

(1) Changes in significant subsidiaries during the three months ended April 30, 2013

The newly established Pole To Win Europe Ltd., as well as Daiichi Shorin Co., Ltd. and Pacer Co., Ltd., were included in the scope of consolidation from the three months ended April 30, 2013.

Pole To Win America Hunt Valley, Inc. was excluded from the scope of consolidation from the three months ended April 30, 2013 following its termination as a consequence of merger with Pole To Win America, Inc.

(2) Use of particular accounting treatments in preparation of quarterly consolidated financial statements

(Calculation of income taxes payable)

Income taxes payable are derived by multiplying income before income taxes and minority interests for the three months ended April 30, 2013 by the estimated effective taxation rate. This rate is based on a rational estimate after adjusting the income before income taxes and minority interest forecast for the fiscal year (including that income for the three months ended April 30, 2013) for tax-effect accounting.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

Change in accounting policy

(Change in depreciation method)

Upon revision of the Corporation Tax Act of Japan, from the three months ended April 30, 2013, the depreciation method based on the revised Act was applied to the property, plant and equipment acquired on or after February 1, 2013 by the Company and its domestic consolidated subsidiaries.

The effect of this change on operating income, ordinary income and income before income taxes and minority interests was immaterial for the three months ended April 30, 2013.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	Fiscal 2013 (As of January 31, 2013)	1Q Fiscal 2014 (As of April 30, 2013)
Assets		
Current assets		
Cash and deposits	4,199,797	3,954,509
Notes and accounts receivable-trade	1,317,571	1,543,067
Deferred tax assets	72,509	71,768
Other	332,310	365,104
Allowance for doubtful accounts	(3,573)	(2,784)
Total current assets	5,918,616	5,931,665
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	150,083	154,529
Accumulated depreciation	(59,487)	(64,428)
Buildings and structures, net	90,596	90,100
Machinery, equipment and vehicles	2,438	2,576
Accumulated depreciation	(1,959)	(2,142)
Machinery, equipment and vehicles, net	479	433
Tools, furniture and fixtures	393,891	415,829
Accumulated depreciation	(263,087)	(286,911)
Tools, furniture and fixtures, net	130,804	128,918
Total property, plant and equipment	221,880	219,452
Intangible assets		
Goodwill	1,282,155	1,237,495
Software	36,014	35,909
Other	2,126	2,126
Total intangible assets	1,320,296	1,275,531
Investments and other assets		
Investment securities	45,528	49,745
Lease and guarantee deposits	255,296	262,314
Deferred tax assets	32,762	31,197
Other	71,997	3,114
Total investments and other assets	405,584	346,372
Total noncurrent assets	1,947,761	1,841,357
Total assets	7,866,378	7,773,022

(Thousands of yen)

	Fiscal 2013 (As of January 31, 2013)	1Q Fiscal 2014 (As of April 30, 2013)
Liabilities		
Current liabilities		
Accounts payable-other	732,361	962,844
Accrued expenses	36,078	49,179
Income taxes payable	604,629	241,727
Provision for bonuses	11,029	60,830
Other	205,655	243,581
Total current liabilities	1,589,754	1,558,162
Noncurrent liabilities		
Provision for retirement benefits	42,011	44,787
Long-term accounts payable-other	69,597	—
Other	10,100	2,026
Total noncurrent liabilities	121,708	46,814
Total liabilities	1,711,463	1,604,976
Net Assets		
Shareholders’ equity		
Capital stock	1,228,802	1,229,585
Capital surplus	1,275,257	1,276,039
Retained earnings	3,657,737	3,700,239
Total shareholders’ equity	6,161,797	6,205,863
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,239	10,891
Foreign currency translation adjustments	(15,121)	(48,709)
Total accumulated other comprehensive income	(6,882)	(37,818)
Total net assets	6,154,914	6,168,045
Total liabilities and net assets	7,866,378	7,773,022

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	Three months ended April 30, 2012 (From February 1, 2012 to April 30, 2012)	Three months ended April 30, 2013 (From February 1, 2013 to April 30, 2013)
Net sales	2,340,987	3,251,351
Cost of sales	1,509,773	2,117,304
Gross profit	831,214	1,134,046
Selling, general and administrative expenses	424,725	626,171
Operating income	406,489	507,874
Non-operating income		
Interest income	443	270
Foreign exchange gains	20,903	61,425
Subsidy income	10,524	—
Consumption tax adjustment	569	340
Other	364	3,650
Total non-operating income	32,806	65,687
Non-operating expenses		
Interest expenses	1	—
Total non-operating expenses	1	—
Ordinary income	439,293	573,561
Income before income taxes and minority interests	439,293	573,561
Total income taxes	211,280	246,852
Income before minority interests	228,012	326,709
Net income	228,012	326,709

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Three months ended April 30, 2012 (From February 1, 2012 to April 30, 2012)	Three months ended April 30, 2013 (From February 1, 2013 to April 30, 2013)
Income before minority interests	228,012	326,709
Other comprehensive income		
Valuation difference on available-for-sale securities	1,409	2,652
Foreign currency translation adjustments	(6,428)	(33,588)
Total other comprehensive income	(5,019)	(30,935)
Total comprehensive income	222,993	295,773
Comprehensive income attributable to:		
Owners of the parent	222,993	295,773

Segment Information

1. Three months ended April 30, 2012 (from February 1, 2012 to April 30, 2012)

(1) Net sales and income (loss) by reporting segment

(Thousands of yen)

	Reporting segment			Others[*1]	Total	Adjustments[*2]	Amounts in the consolidated statements of income[*3]
	Testing/ Verification & Evaluation Business	Internet Monitoring Business	Total				
Net sales							
Sales to third parties	1,738,955	601,582	2,340,537	450	2,340,987	—	2,340,987
Inter-segment sales and transfers	4,322	600	4,922	4,320	9,242	(9,242)	—
Total	1,743,277	602,182	2,345,460	4,770	2,350,230	(9,242)	2,340,987
Segment income (loss)	393,503	11,047	404,550	(4,304)	400,246	6,242	406,489

*Notes: 1. Others covers operations not included in reporting segments, and mainly encompasses the market research, publishing, and media businesses.

2. Adjustment for segment income of ¥6,242 thousand comprises elimination of intersegment transactions of ¥102,834 thousand and unallocated corporate expenses of ¥96,591 thousand. Unallocated corporate expenses are mainly general administrative expenses.

3. Segment income (loss) is adjusted against the operating income recorded in the consolidated statements of income.

2. Three months ended April 30, 2013 (from February 1, 2013 to April 30, 2013)

(1) Net sales and income (loss) by reporting segment

(Thousands of yen)

	Reporting segment			Others[*1]	Total	Adjustments[*2]	Amounts in the consolidated statements of income[*3]
	Testing/ Verification & Evaluation Business	Internet Monitoring Business	Total				
Net sales							
Sales to third parties	2,507,790	729,693	3,237,484	13,866	3,251,351	—	3,251,351
Inter-segment sales and transfers	—	600	600	2,880	3,480	(3,480)	—
Total	2,507,790	730,293	3,238,084	16,746	3,254,831	(3,480)	3,251,351
Segment income (loss)	464,414	49,094	513,508	(25,809)	487,698	20,175	507,874

*Notes: 1. Others covers operations not included in reporting segments, and mainly encompasses the market research, publishing, and media businesses.

2. Adjustment for segment income of ¥20,175 thousand comprises elimination of intersegment transactions of ¥113,305 thousand and unallocated corporate expenses of ¥93,129 thousand. Unallocated corporate expenses are mainly general administrative expenses.

3. Segment income (loss) is adjusted against the operating income recorded in the consolidated statements of income.