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# **Poletowin Pitcrew Holdings, Inc.**

## **Supplementary Information to the Financial Results for the Nine Months Ended October 31, 2016**

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**Securities code: 3657**  
**Abbreviation: Pole HD**  
**December 9, 2016**

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# 1. Overview of Consolidated Financial Results for the Nine Months Ended October 31, 2016



## 1-1. Overview of Consolidated Financial Results for the Nine Months Ended October 31, 2016

Units: ¥ million (Amounts less than ¥1 million omitted)

	FY2017.1 Nine Months Ended October 31, 2016 (2016.2 - 2016.10)		FY2016.1 Nine Months Ended October 31, 2015 (2015.2 - 2015.10)		Change YoY	
	Results	Margin	Results	Margin	Change	Margin
Net sales	<b>14,035</b>	- %	<b>13,716</b>	- %	<b>+319</b>	+2.3%
Operating income	<b>1,710</b>	12.2%	<b>1,929</b>	14.1%	<b>△219</b>	△11.4%
Ordinary income	<b>1,465</b>	10.4%	<b>1,869</b>	13.6%	<b>△404</b>	△21.6%
Profit attributable to owners of parent	<b>773</b>	5.5%	<b>1,117</b>	8.1%	<b>△343</b>	△30.7%

\*Percentages rounded down to one decimal place

# 1. Overview of Consolidated Financial Results for the Nine Months Ended October 31, 2016



## 1-2. Segment Overviews for the Nine Months Ended October 31, 2016

### Testing/Verification & Evaluation Business

**Net Sales ¥11,419 million (81.4% of net sales)**

	FY2017.1 Nine Months Ended October 31, 2016 (2016.2 - 2016.10)	FY2016.1 Nine Months Ended October 31, 2015 (2015.2 - 2015.10)	Change YoY	
			Change	Margin
Net sales	<b>11,419</b>	<b>11,130</b>	+289	+2.6%
Operating income	<b>1,867</b>	<b>1,978</b>	△110	△5.6%
Operating margin	16.4%	17.8%	△1.4%	-

Units: ¥ million  
(Amounts less than ¥1 million omitted)  
Percentages rounded down to one decimal place

### Internet Monitoring Business

**Net sales ¥2,397 million (17.1% of net sales)**

	FY2017.1 Nine Months Ended October 31, 2016 (2016.2 - 2016.10)	FY2016.1 Nine Months Ended October 31, 2015 (2015.2 - 2015.10)	Change YoY	
			Change	Margin
Net sales	<b>2,397</b>	<b>2,473</b>	△75	△3.1%
Operating income	<b>△71</b>	<b>7</b>	△78	- %
Operating margin	- %	0.3%	- %	-

Units: ¥ million  
(Amounts less than ¥1 million omitted)  
Percentages rounded down to one decimal place

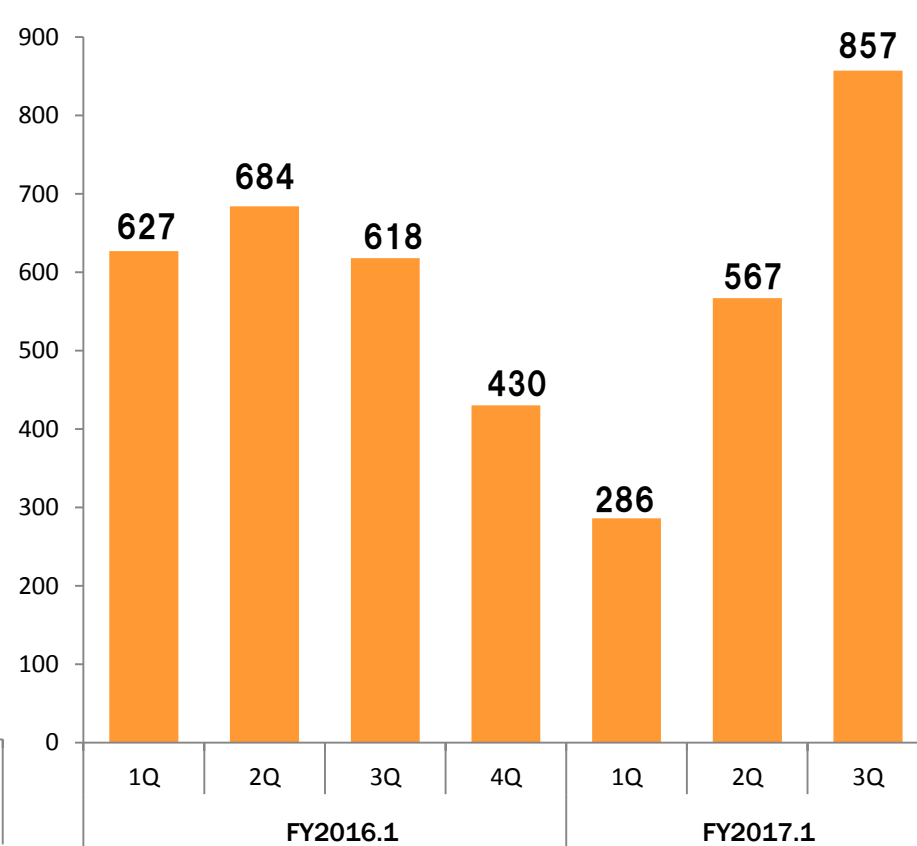
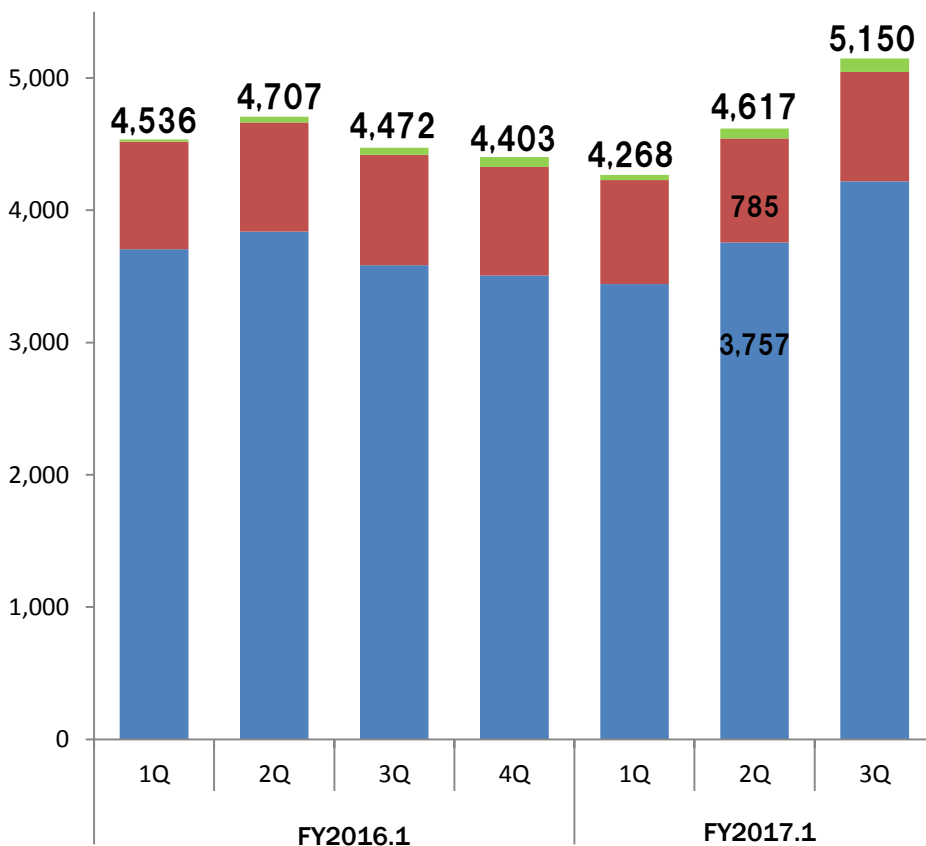
# 1-3. Quarterly Net Sales and Operating Income

- Testing/Verification & Evaluation Business
- Internet Monitoring Business
- Others

Units: ¥ million (Amounts less than ¥1 million omitted)

Quarterly sales

Quarterly operating income



Note: Quarterly sales and operating income are internal management figures provided as reference information

## 1-4. Financial Position: Consolidated Balance Sheets

Units: ¥ million (Amounts less than ¥1 million omitted)

	October 31, 2016	January 31, 2016	Change
<b>Total current assets</b>	7,895	8,936	△1,040
<b>Cash and deposits</b>	4,458	5,636	△1,177
<b>Total property, plant and equipment</b>	514	491	+23
<b>Total intangible assets</b>	1,716	2,144	△428
<b>Investments and other assets</b>	779	744	+34
<b>Total noncurrent assets</b>	3,010	3,381	△370
<b>Total assets</b>	10,906	12,317	△1,411
<b>Total current liabilities</b>	2,321	2,538	△216
<b>Total noncurrent liabilities</b>	188	261	△72
<b>Total liabilities</b>	2,510	2,800	△289
<b>Total net assets</b>	8,395	9,517	△1,121
<b>Capital stock</b>	1,236	1,236	+0
<b>Capital surplus</b>	1,282	1,282	+0
<b>Retained earnings</b>	6,689	6,258	+431
<b>Total liabilities and net assets</b>	10,906	12,317	△1,411

## 2-1. Consolidated Forecasts for the Year Ending January 31, 2017

Units (except for per-share figures): ¥ million (Amounts less than ¥1 million omitted)

	Fiscal 2017 Forecasts	Fiscal 2016 Results	YoY change	
			Amount	Margin
<b>Net sales</b>	<b>20,531</b>	<b>18,120</b>	<b>+2,411</b>	<b>+13.3%</b>
<b>Operating income</b>	<b>2,466</b>	<b>2,360</b>	<b>+106</b>	<b>+4.5%</b>
<b>Ordinary income</b>	<b>2,386</b>	<b>2,228</b>	<b>+158</b>	<b>+7.1%</b>
<b>Profit attributable to owners of parent</b>	<b>1,378</b>	<b>1,286</b>	<b>+92</b>	<b>+7.1%</b>
<b>Net income per share</b>	<b>¥72.40</b>	<b>¥67.58</b>	<b>+¥4.82</b>	<b>-</b>
<b>Cash dividends per share</b>	<b>¥19</b>	<b>¥18</b>	<b>+¥1</b>	<b>-</b>

Percentages rounded down to one decimal place

## 2-2. Progress of Consolidated Forecasts for the Year Ending January 31, 2017

Units (except for per-share figures): ¥ million (Amounts less than ¥1 million omitted)

	Results For the Nine Months Ended October 31, 2016	FY2017.1	
		Forecasts	Progress
Net sales	<b>14,035</b>	<b>20,531</b>	68.4%
Operating income	<b>1,710</b>	<b>2,466</b>	69.4%
Ordinary income	<b>1,465</b>	<b>2,386</b>	61.4%
Profit attributable to owners of parent	<b>773</b>	<b>1,378</b>	56.1%

Percentages rounded down to one decimal place



## 2-3. Shareholder Returns (Forecast of Cash Dividends per Share)

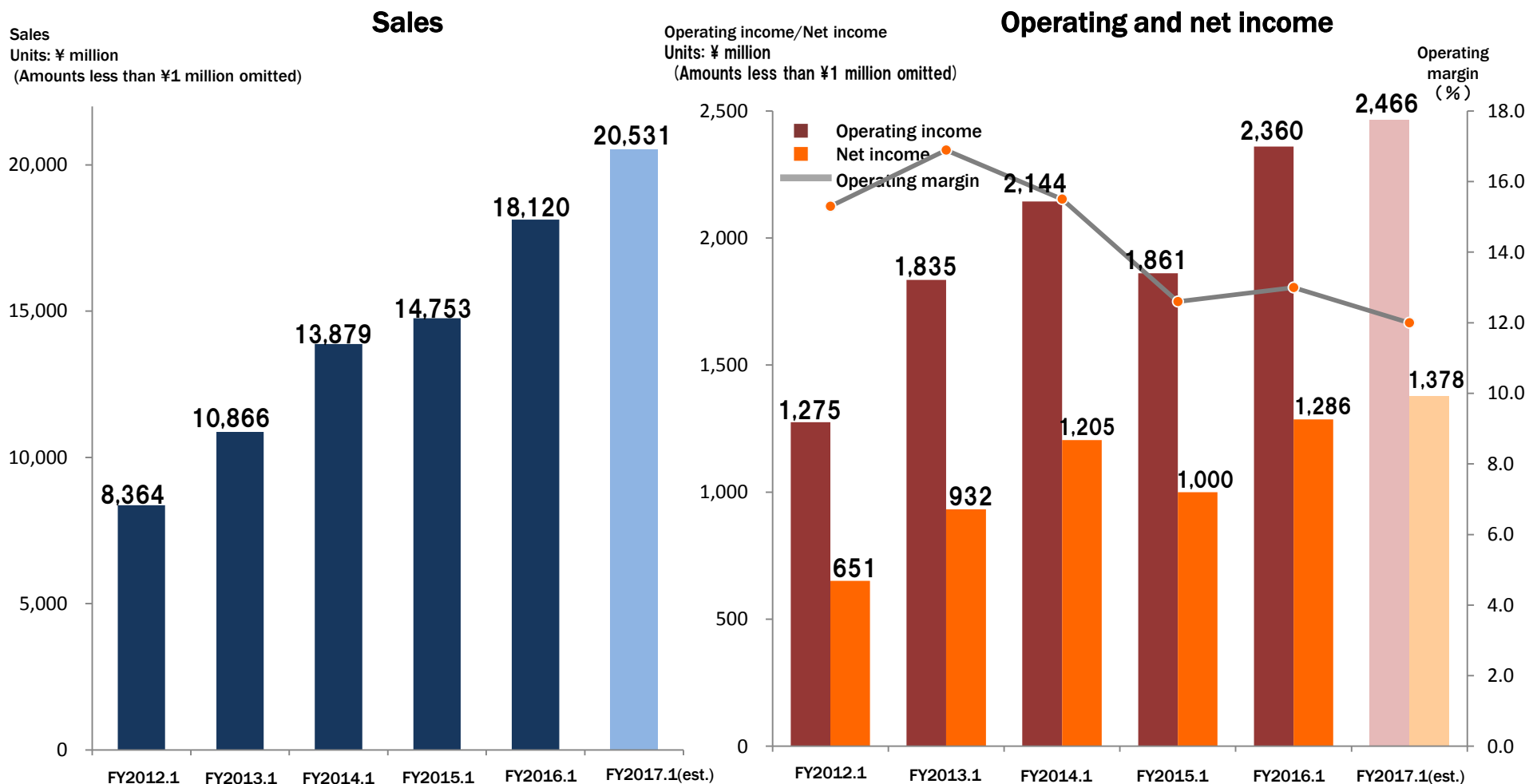
### Dividend policy

**Target payout ratio of 25%** to consolidated net income

### Yearly dividends per share

FY2014.1		FY2015.1		FY2016.1		FY2017.1 Forecast
¥16/share	→	¥16/share	→	¥18/share	→	¥19/share

# 2-4. Consolidated Fiscal Performance and Plan



Note: FY2017.1 estimates are forecasts disclosed on March 8, 2016.

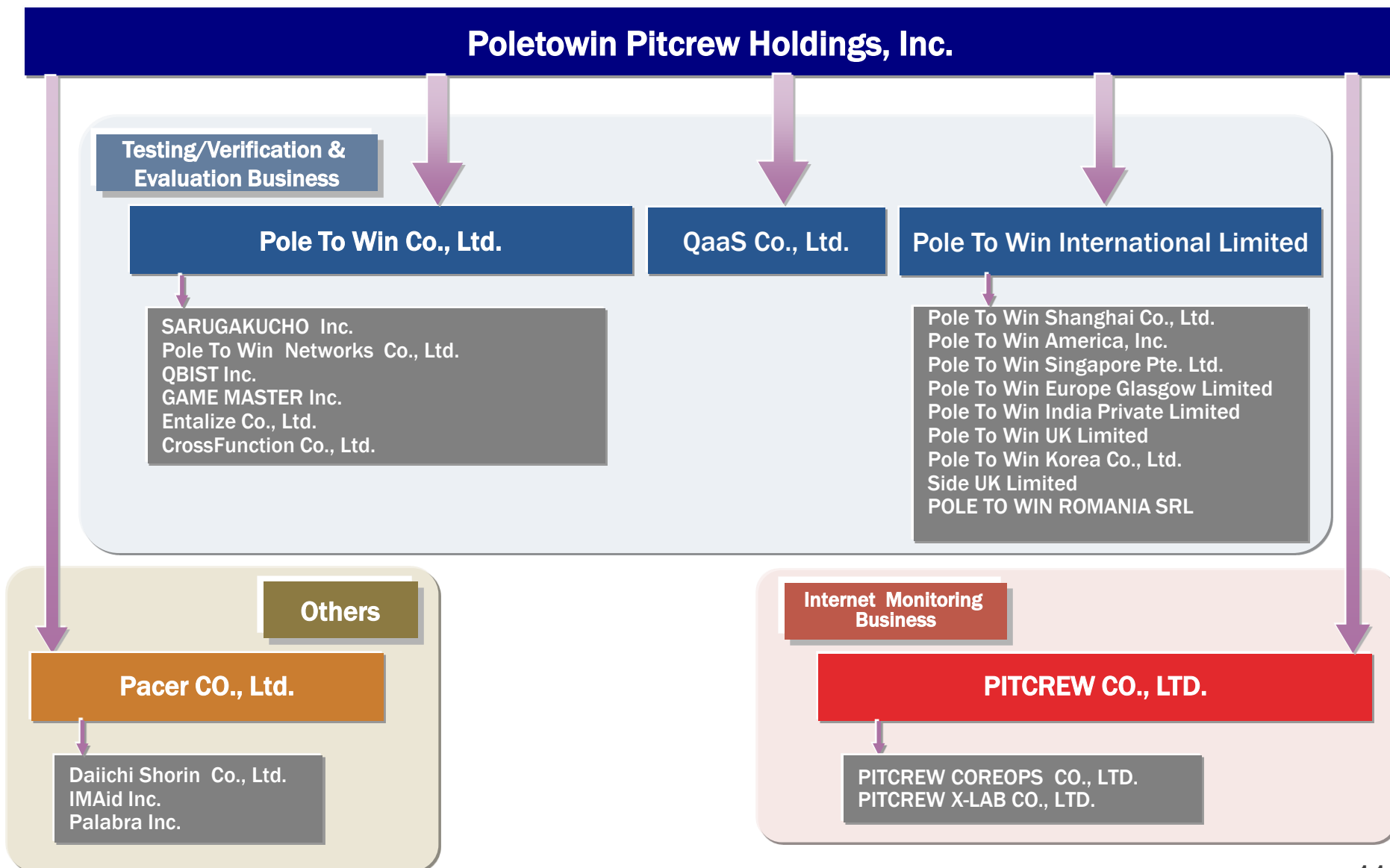
# 3-1. Corporate Profile

(As of October 31, 2016)

Company Name	Poletowin Pitcrew Holdings, Inc.	
Representatives	Tamiyoshi Tachibana, Chairman Naoto Konishi, President	
Head Office	11th Floor, Shinjuku NS Building, 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0811, Japan	
Established	February 2, 2009	
Capital	¥1,236 Million (As of January 31, 2016)	
Stock Exchange/ Securities Code	Tokyo Stock Exchange (First Section) (Securities Code: 3657 Abbreviation: Pole HD)	
Business Description	<p>Operations ancillary and pertaining to the control and management of business activities of the Company and the entire Group comprised of 19 consolidated subsidiaries.</p> <p><b>Major Group businesses</b></p> <p><b>1. Testing/Verification &amp; Evaluation Business</b> Detecting defects (finding bugs) to help enhance software and hardware quality</p> <p><b>2. Internet Monitoring Business</b> Detecting fraud and illegal or harmful information on the Internet to help websites operate soundly</p> <p><b>3. Others</b> Businesses in publishing and media, among others</p>	
Consolidated Financial Results (FY2015.1)	Net Sales: ¥18,120 Million Ordinary Income: ¥2,228 Million Net Income: ¥1,286 Million	No. of Employees on Consolidated Basis: 2,604 (including 1,030 full-time employees, as of January 31, 2016)

## 3-2. Group Composition (20 Consolidated Subsidiaries)

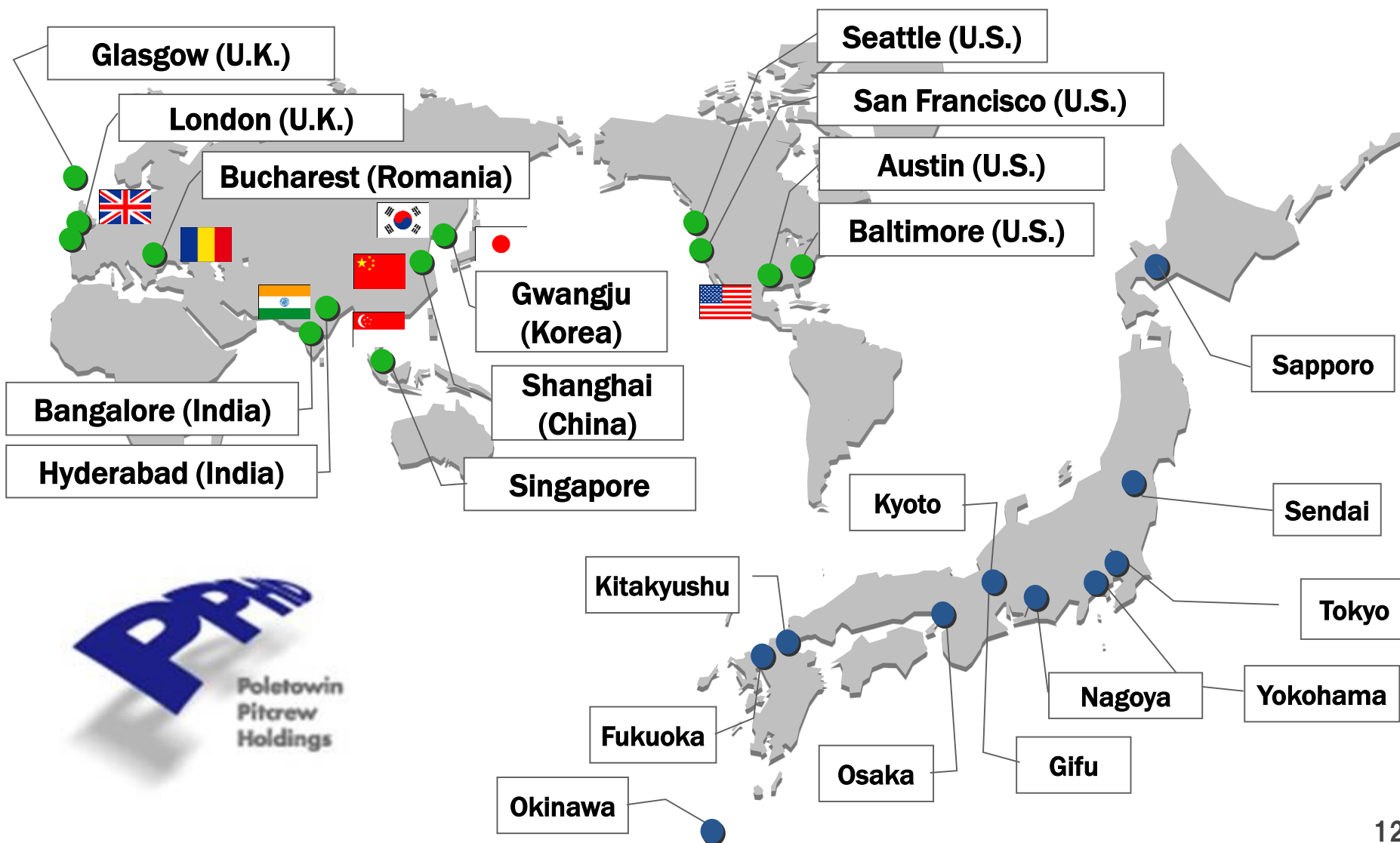
(As of October 31, 2016)



## 3-3. Testing/Verification & Evaluation and Internet Monitoring Business Sites

■ Operating in 11 cities in Japan and 7 foreign countries

(As of October 31, 2016)



# Forward-looking Statements

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- The information on this website includes forward-looking statements. These forward-looking statements do not guarantee our future financial results, but involve risks and uncertainties that could cause actual results to differ materially from those discussed in the forward-looking statements.
- Risks and uncertainties include general and industry market conditions, and general domestic and international economic conditions such as interest rate and foreign exchange fluctuations.
- Poletowin Pitcrew Holdings, Inc. bears no obligation to update and revise the forward-looking statements disclosed herein, even in the event of new information, future events and other material incidents arising.