



Securities code: 3657
Abbreviation: Pole HD
September 7, 2018

Poletowin Pitcrew Holdings, Inc.

Supplementary Information to the Financial Results **for the Six Months Ended July 31, 2018**

<Summary>

Net sales: ¥ 11,735 million (10.8% increase YoY, 0.3% increase compared to forecast)

Operating income: ¥ 1,474 million (31.1% increase YoY, 43.9% increase compared to forecast)

Net income: ¥ 839 million (35.1% increase YoY, 42.3% increase compared to forecast)

- As actual business results exceeded the forecasted figures, “Differences between the consolidated business results and forecasts” was disclosed on September 7th.(Japanese only)
- Sales & operating income for Internet Supporting Business increased by 40%.
 - Started new services for AI, sharing economy, FinTech markets
- Utilization and profitability for Testing/Verification & Evaluation Business improved for overseas group companies
 - Business for localization and voice recording increased in non-game markets.
- Withdrawal from unprofitable Medical Related Business. Recorded extraordinary loss.

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1. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2018

1-1. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2018



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

	FY2019.1 Six Months Ended July 31, 2018 (2018.2 - 2018.7)		FY2018.1 Six Months Ended July 31, 2017 (2017.2 - 2017.7)		Change YoY	
	Results	Margin	Results	Margin	Change	Margin
Net sales	11,735	- %	10,594	- %	+1,140	+10.8%
Operating income	1,474	12.6%	1,124	10.6%	+349	+31.1%
Ordinary income	1,432	12.2%	1,164	11.0%	+268	+23.0%
Profit attributable to owners of parent	839	7.2%	621	5.9%	+218	+35.1%

*Percentages rounded down to one decimal place

1. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2018

1-2. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2018



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

	Results For the Six Months Ended July 31, 2018		Forecasts For the Six Months Ended July 31, 2018		Change in Forecasts	
	Results	Margin	Forecasts	Margin	Change	Progress
Net sales	11,735	- %	11,697	- %	+37	100.3%
Operating income	1,474	12.6%	1,024	8.8%	+449	143.9%
Ordinary income	1,432	12.2%	1,030	8.8%	+402	139.0%
Profit attributable to owners of parent	839	7.2%	590	5.0%	+249	142.3%

*Percentages rounded down to one decimal place

1-3. Segment Overviews for the Six Months Ended July 31, 2018

Testing/Verification & Evaluation Business

Net Sales ¥9,081 million (77.4% of net sales)

	FY2019.1 Six Months Ended July 31, 2018 (2018.2 - 2018.7)	FY2018.1 Six Months Ended July 31, 2017 (2017.2 - 2017.7)	Change YoY	
			Change	Margin
Net sales	9,081	8,595	+485	+5.7%
Operating income	1,563	1,170	+392	+33.6%
Operating margin	17.2%	13.6%	+3.8%	-

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

Percentages rounded down to one decimal place

Internet Supporting Business

Net sales ¥2,480 million (21.1% of net sales)

	FY2019.1 Six Months Ended July 31, 2018 (2018.2 - 2018.7)	FY2018.1 Six Months Ended July 31, 2017 (2017.2 - 2017.7)	Change YoY	
			Change	Margin
Net sales	2,480	1,770	+710	+40.1%
Operating income	102	70	+31	+44.5%
Operating margin	4.1%	4.0%	+0.1%	-

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

Percentages rounded down to one decimal place

1. Overview of Consolidated Financial Results for the Six Months Ended July 31, 2018

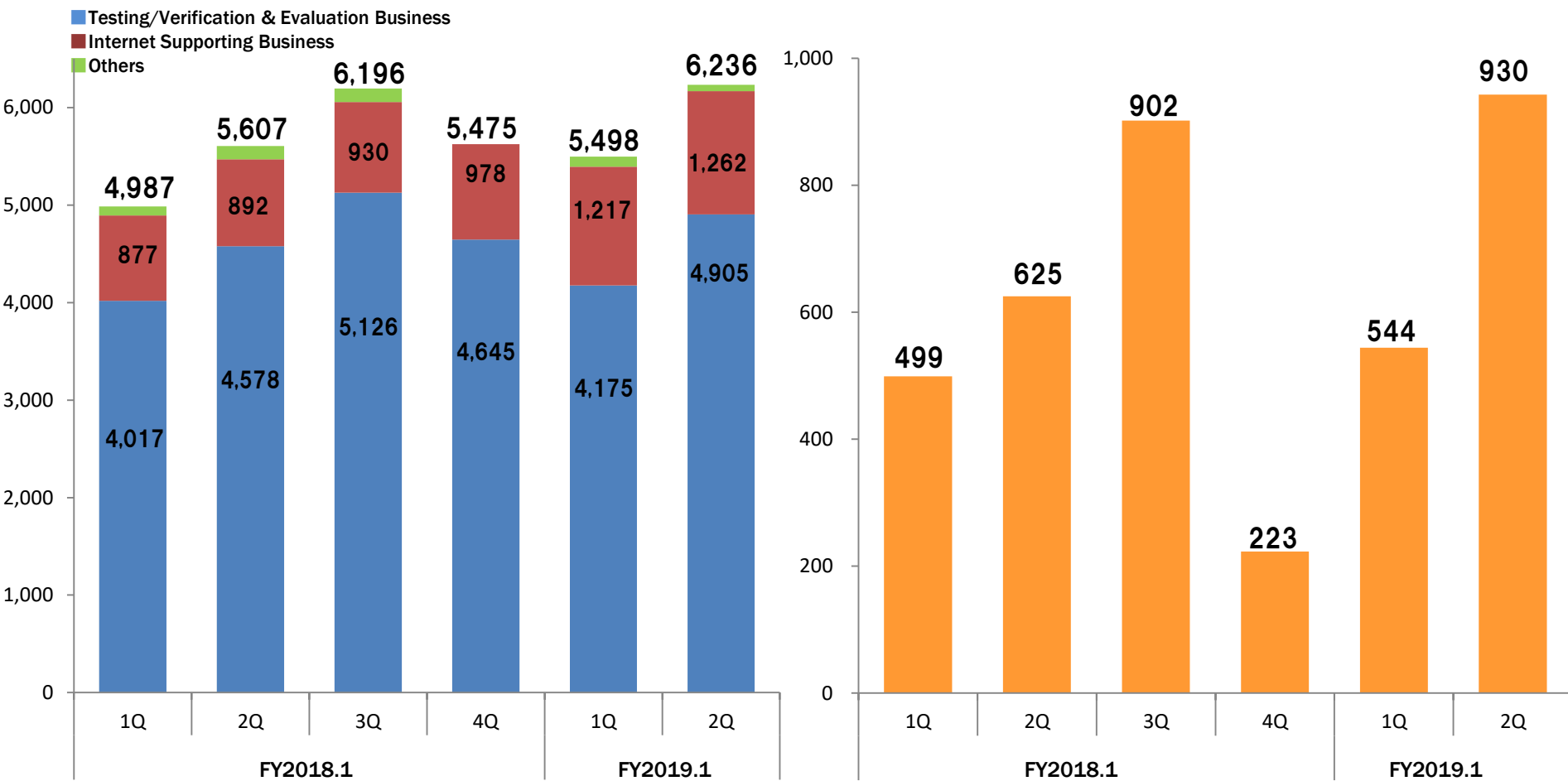
1-4. Quarterly Net Sales and Operating Income

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

Quarterly sales

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

Quarterly operating income



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

1-5. Financial Position: Consolidated Balance Sheets

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

	July 31, 2018	January 31, 2018	Change
Total current assets	10,712	9,398	+1,313
Cash and deposits	6,612	5,746	+865
Total property, plant and equipment	770	749	+21
Total intangible assets	1,166	1,160	+6
Investments and other assets	1,404	984	+420
Total noncurrent assets	3,342	2,893	+448
Total assets	14,054	12,291	+1,762
Total current liabilities	3,790	3,052	+738
Total noncurrent liabilities	192	185	+6
Total liabilities	3,983	3,238	+745
Total net assets	10,070	9,053	+1,016
Capital stock	1,237	1,237	–
Capital surplus	1,587	1,283	+303
Retained earnings	8,335	7,836	+499
Treasury shares	(1,083)	(1,412)	(329)
Total liabilities and net assets	14,054	12,291	+1,762

1-6. Financial Position: Consolidated Cash Flows

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

	Six Months Ended July 31, 2018	Six Months Ended July 31, 2017	YoY Change
Net Cash provided by operating activities	979	950	+28
Net cash used in investing activities	(419)	(273)	(145)
Net cash used in financing activities	396	(1,034)	+1,431
Effect of exchange rate change on cash and cash equivalents	(91)	(14)	(76)
Net increase in cash and cash equivalents	865	(372)	+1,237
Cash and cash equivalents at beginning of period	5,746	5,075	+671
Cash and cash equivalents at end of period	6,612	4,703	+1,909

2. Consolidated Forecasts for the Year Ending January 31, 2019



2-1. Consolidated Forecasts for the Year Ending January 31, 2019

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

	Fiscal 2019 Forecasts	Fiscal 2018 Results	YoY change	
			Amount	Margin
Net sales	25,108	22,266	+2,842	+12.8%
Operating income	2,612	2,250	+362	+16.1%
Ordinary income	2,624	2,351	+273	+11.6%
Profit attributable to owners of parent	1,614	1,099	+515	+46.8%
Net income per share	¥ 84.71	¥ 60.90	¥ +23.81	—
Cash dividends per share	¥ 20	¥ 19	¥ +1	—

Percentages rounded down to one decimal place

2. Consolidated Forecasts for the Year Ending January 31, 2018

2-2. Progress of Consolidated Forecasts for the Year Ending January 31, 2018



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

	Results For the Six Months Ended July 31, 2018	FY2019.1	
		Forecasts	Progress
Net sales	11,735	25,108	46.7%
Operating income	1,474	2,612	56.4%
Ordinary income	1,432	2,624	54.6%
Profit attributable to owners of parent	839	1,614	52.0%

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

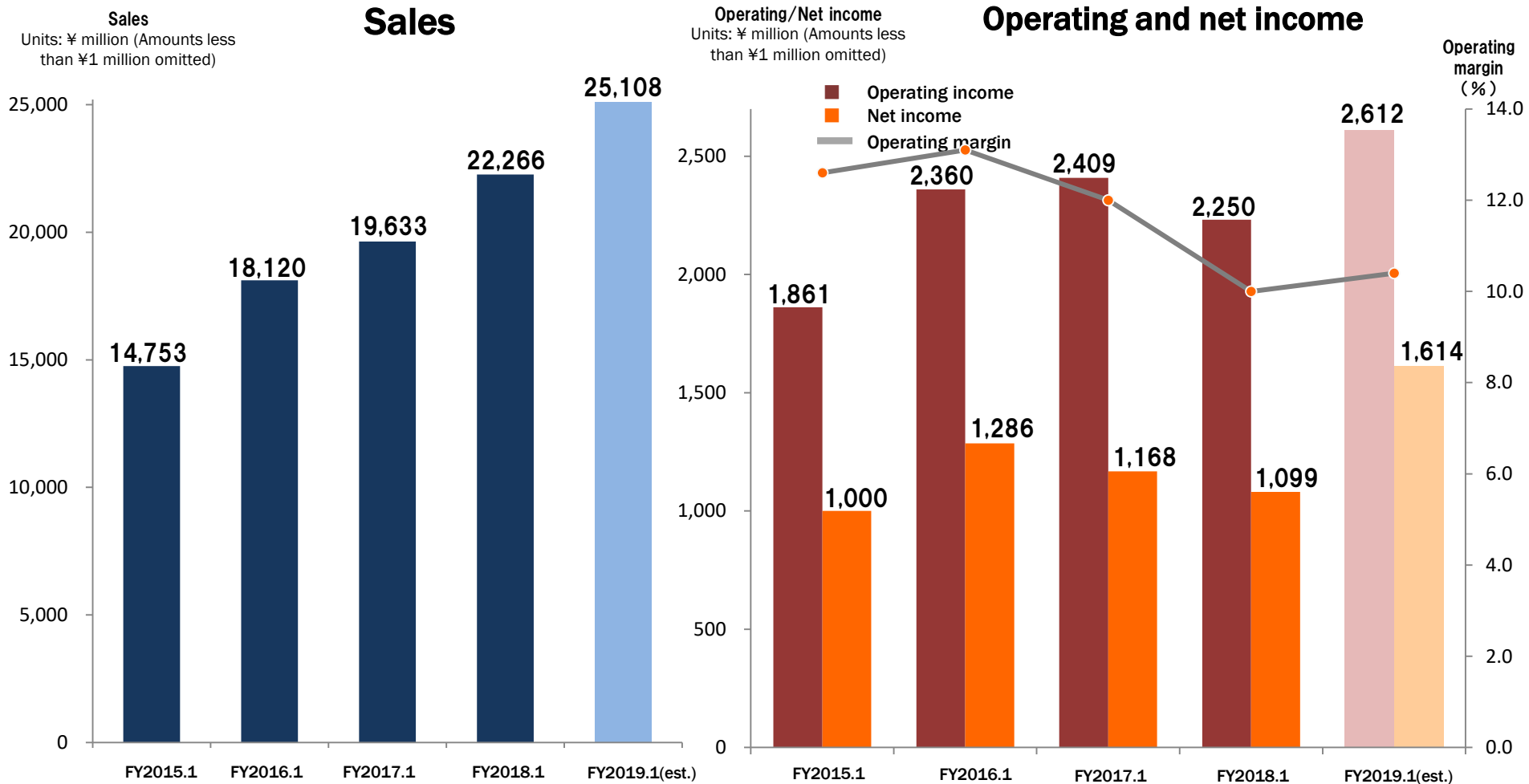
Yearly dividends per share

FY2016.1	FY2017.1	FY2018.1	FY2019.1 Forecast
¥18/share	¥19/share	¥19/share	¥20/share

Flow diagram showing yearly dividends per share: FY2016.1 (¥18/share) → FY2017.1 (¥19/share) → FY2018.1 (¥19/share) → FY2019.1 Forecast (¥20/share). Arrows indicate the progression from left to right.

2. Consolidated Forecasts for the Year Ending January 31, 2019

2-4. Consolidated Fiscal Performance and Plan



Note: FY2019.1 estimates are forecasts disclosed on March 12, 2018.

3. Reference: Corporate Profile/Our Business



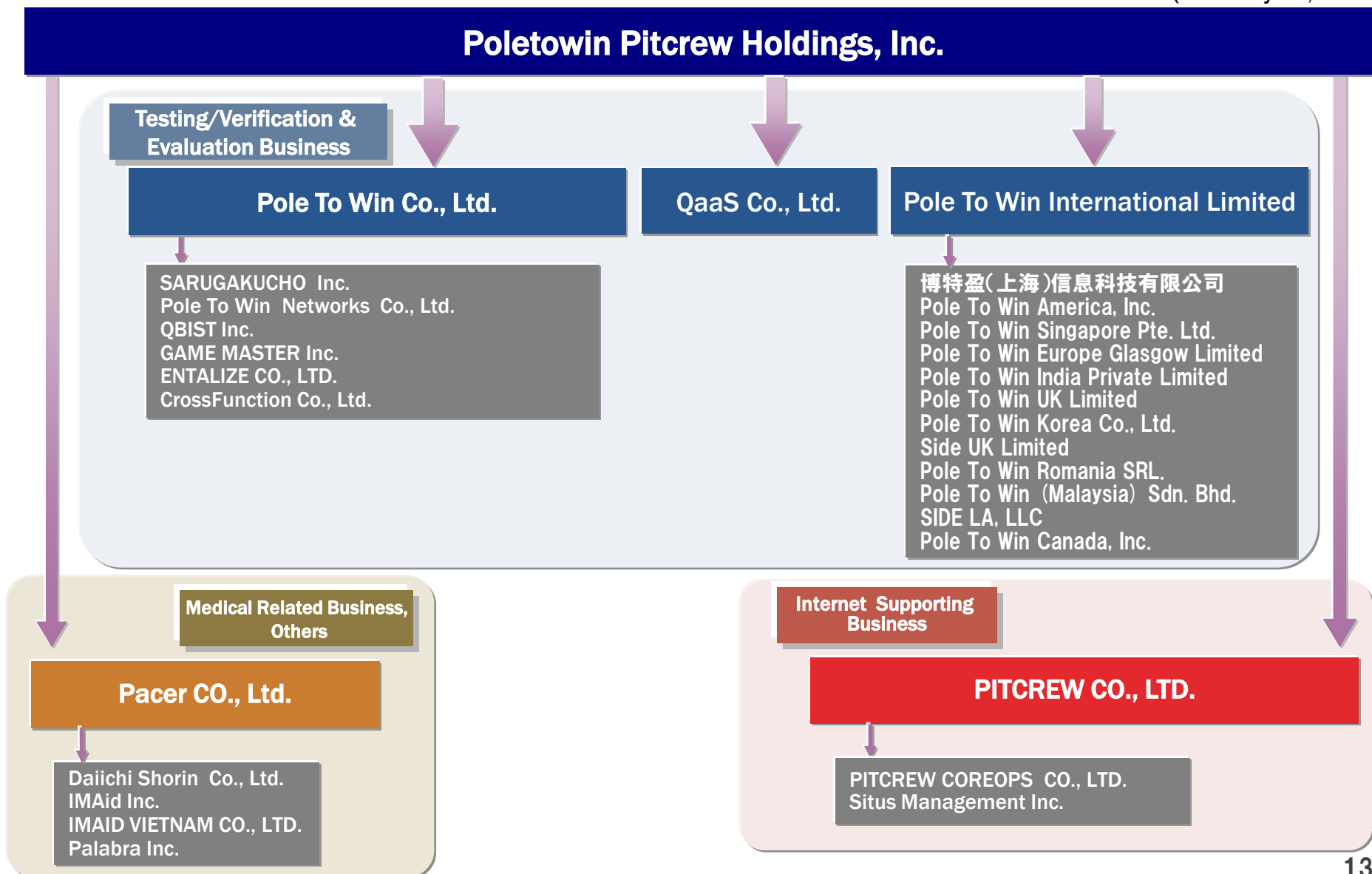
3-1. Corporate Profile

(As of July 31, 2018)

Company Name	Poletowin Pitcrew Holdings, Inc.	
Representatives	Tamiyoshi Tachibana, Chairman Teppei Tachibana, President & CEO	
Head Office	11th Floor, Shinjuku NS Building, 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0811, Japan	
Date Established	February 2, 2009	
Capital	¥1,237 Million (As of January 31, 2018)	
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 encompassed 29 consolidated subsidiaries.</p> <p>Major Group businesses</p> <ol style="list-style-type: none"> 1. Testing/Verification & Evaluation Business Detecting defects (finding bugs) in support of enhancing the quality of software and hardware 2. Internet Supporting Business Detecting fraud and illegal or harmful information on the Internet to help websites operate soundly 3. Medical Related Business and Others Including medical recruitment staffing service, publishing and media businesses 	
Consolidated Financial Results (Fiscal 2018)	<p>Net Sales: ¥22,266 Million</p> <p>Ordinary Income: ¥2,351 Million</p> <p>Net Income: ¥1,099 Million</p>	<p>No. of Employees on Consolidated Basis: 3,363 (including 1,485 full-time employees as of January 31, 2018)</p>

3-2. Group Composition (29 Consolidated Subsidiaries)

(As of July 31, 2018)



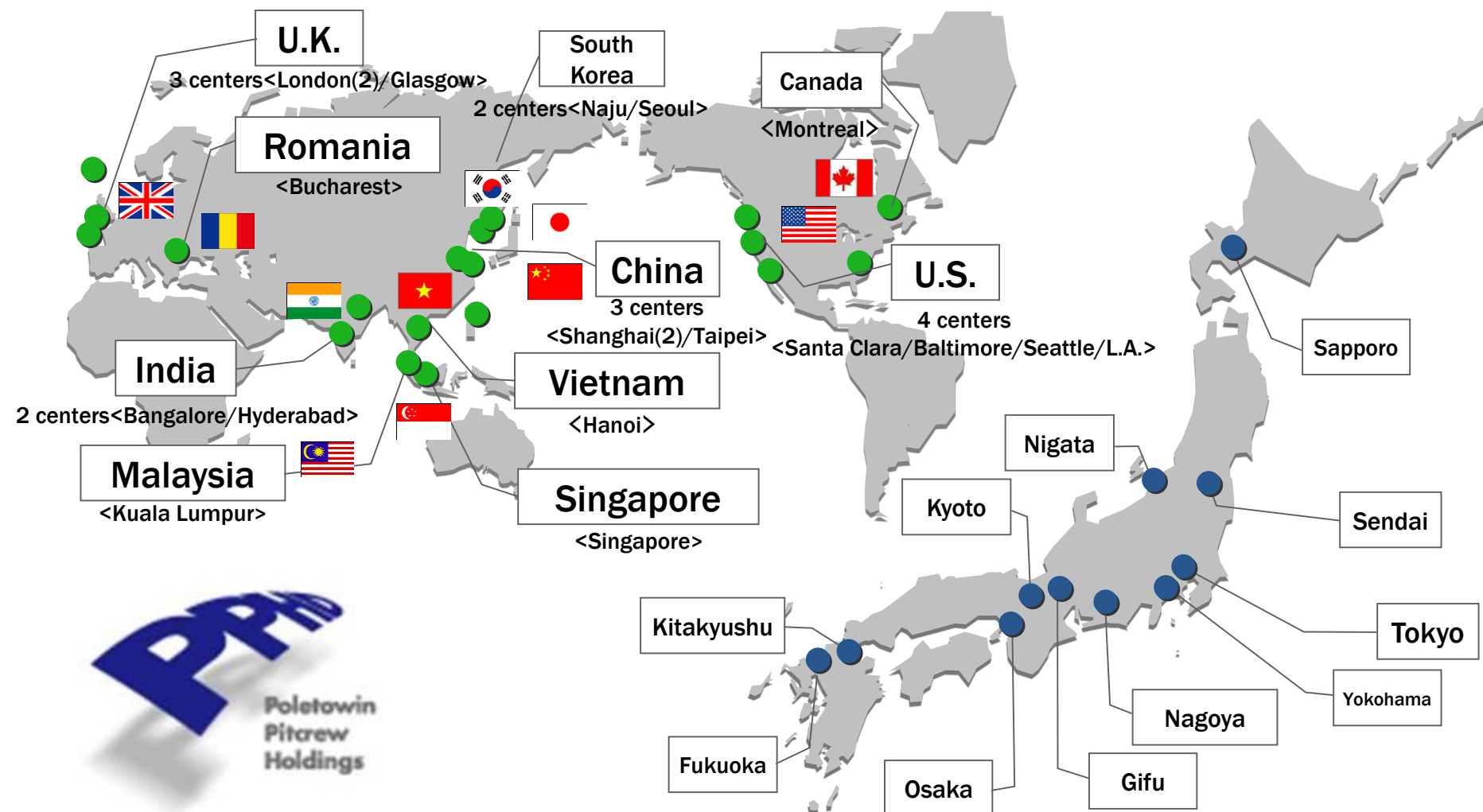
3. Reference: Corporate Profile/Our Business

3-3. Business Sites



■ Operating in 11 cities in Japan and 19 centers in 10 overseas countries

(As of July 31, 2018)



- 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.