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# **Poletowin Pitcrew Holdings, Inc.**

## **Supplementary Information to the Financial Results for the Year Ended January 31, 2016**

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**Securities code: 3657**  
**Abbreviation: Pole HD**  
**March 8, 2016**



# 1. Overview of Financial Results for Year Ended January 31, 2016

## 1-1. Overview of Consolidated Financial Results for Year Ended January 31, 2016(Change YoY) (1)



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

	FY2016.1		FY2015.1		Change YoY	
	Results	Margin	Results	Margin	Change	Margin
Net sales	<b>18,120</b>	- %	<b>14,753</b>	- %	<b>+ 3,367</b>	+22.8%
Operating income	<b>2,360</b>	13.0%	<b>1,861</b>	12.6%	<b>+ 498</b>	+26.8%
Ordinary income	<b>2,228</b>	12.3%	<b>1,879</b>	12.7%	<b>+ 349</b>	+18.6%
Net income	<b>1,286</b>	7.1%	<b>1,000</b>	6.8%	<b>+ 285</b>	+28.6%

\*Percentages rounded down to one decimal place

# 1. Overview of Financial Results for Year Ended January 31, 2016

## 1-2. Overview of Consolidated Financial Results for Year Ended January 31, 2016(vs. Forecast) (2)



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

	FY2016.1		Forecast		Comparison with Forecast	
	Results	Margin	Initial forecast	Margin	Change	Attainment rate
Net sales	<b>18,120</b>	- %	<b>17,881</b>	- %	<b>+ 238</b>	+1.3%
Operating income	<b>2,360</b>	13.0%	<b>2,293</b>	12.8%	<b>+ 66</b>	+2.9%
Ordinary income	<b>2,228</b>	12.3%	<b>2,304</b>	12.9%	<b>△75</b>	△3.3%
Net income	<b>1,286</b>	7.1%	<b>1,387</b>	7.8%	<b>△100</b>	△7.2%

\*Percentages rounded down to one decimal place

# 1. Overview of Financial Results for Year Ended January 31, 2016



## 1-3. Segment Performances

### Testing/Verification & Evaluation Business

**Net sales ¥14,637 million (80.8% of net sales)**

	FY2016.1	FY2015.1	Change YoY	
			Change	Margin
Net sales	<b>14,637</b>	<b>11,278</b>	<b>+3,358</b>	<b>+29.8%</b>
Operating income	<b>2,403</b>	<b>1,775</b>	<b>+628</b>	<b>+35.4%</b>
Operating margin	16.4%	15.7%	+0.7%	—

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

Percentages rounded down to one decimal place

### Internet Monitoring Business

**Net sales ¥3,294 million (18.2 of net sales)**

	FY2016.1	FY2015.1	Change YoY	
			Change	Margin
Net sales	<b>3,294</b>	<b>3,325</b>	<b>△30</b>	<b>△0.9%</b>
Operating income	<b>27</b>	<b>121</b>	<b>△93</b>	<b>△77.2%</b>
Operating margin	0.8%	3.6%	△2.8%	—

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

Percentages rounded down to one decimal place

# 1. Overview of Financial Results for Year Ended January 31, 2016

## 1-4. Quarterly Net Sales and Operating Income

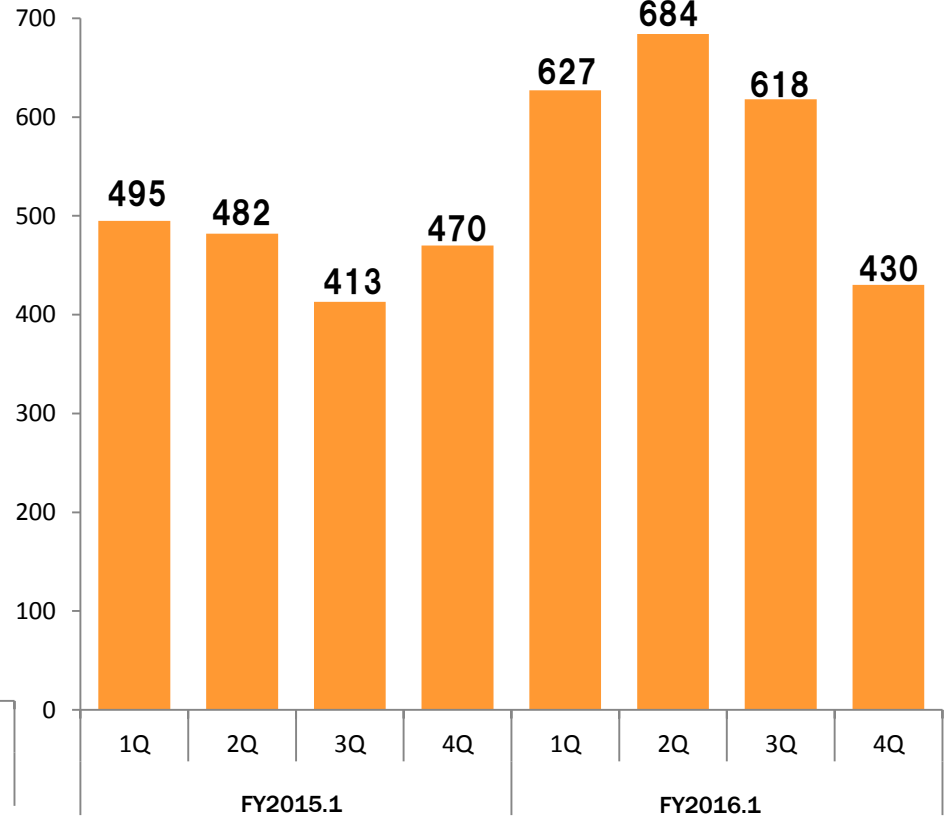
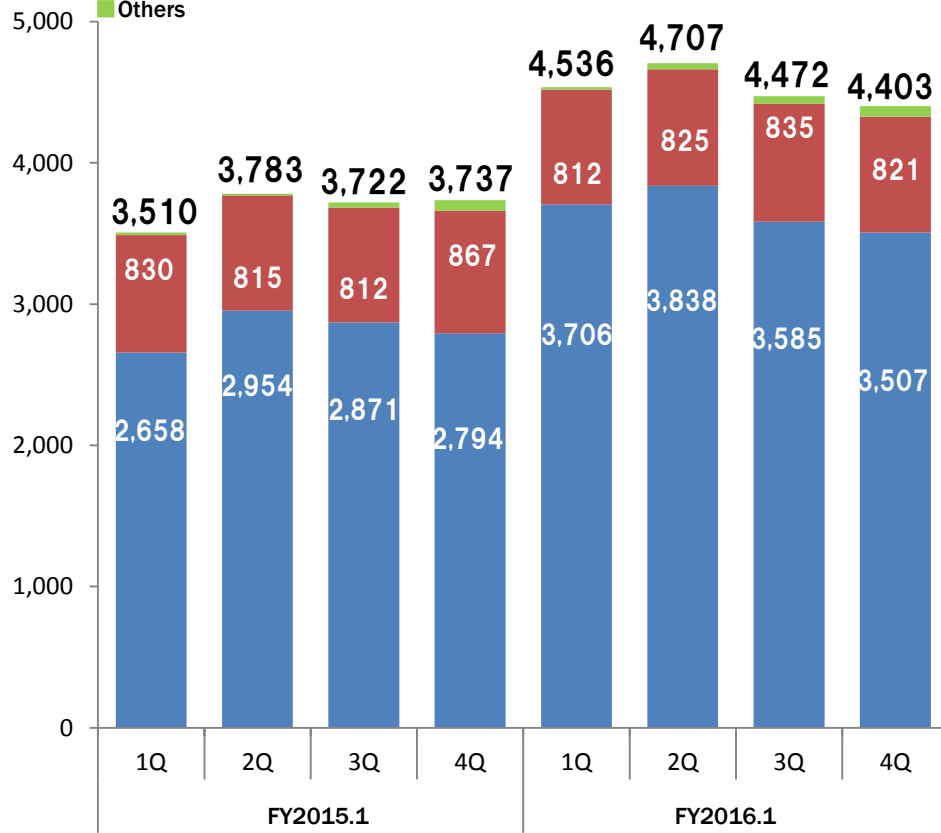
Units: ¥ million (Amounts less than ¥1 million omitted)

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

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

### Quarterly sales

### Quarterly operating income



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

# 1. Overview of Financial Results for Year Ended January 31, 2016

## 1-5. Financial Position: Consolidated Balance Sheets



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

	Jan. 31, 2016	Jan. 31, 2015	Change
<b>Total current assets</b>	<b>8,936</b>	<b>7,960</b>	<b>+975</b>
<b>Cash and deposits</b>	<b>5,636</b>	<b>5,343</b>	<b>+292</b>
<b>Total property, plant and equipment</b>	<b>491</b>	<b>424</b>	<b>+67</b>
<b>Total intangible assets</b>	<b>2,144</b>	<b>1,554</b>	<b>+590</b>
<b>Investments and other assets</b>	<b>744</b>	<b>579</b>	<b>+165</b>
<b>Total noncurrent assets</b>	<b>3,381</b>	<b>2,557</b>	<b>+823</b>
<b>Total assets</b>	<b>12,317</b>	<b>10,518</b>	<b>+1,799</b>
<b>Total current liabilities</b>	<b>2,538</b>	<b>2,036</b>	<b>+501</b>
<b>Total noncurrent liabilities</b>	<b>261</b>	<b>60</b>	<b>+201</b>
<b>Total liabilities</b>	<b>2,800</b>	<b>2,097</b>	<b>+702</b>
<b>Total net assets</b>	<b>9,517</b>	<b>8,421</b>	<b>+1,096</b>
<b>Capital stock</b>	<b>1,236</b>	<b>1,236</b>	<b>+0</b>
<b>Capital surplus</b>	<b>1,282</b>	<b>1,282</b>	<b>+0</b>
<b>Retained earnings</b>	<b>6,258</b>	<b>5,276</b>	<b>+982</b>
<b>Total liabilities and net assets</b>	<b>12,317</b>	<b>10,518</b>	<b>+1,799</b>

# 1. Overview of Financial Results for Year Ended January 31, 2016

## 1-6. Financial Position: Consolidated Statements of Cash Flows



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

	<b>FY2016.1 (2015.2-2016.1)</b>	<b>FY2015.1 (2014.2-2015.1)</b>	<b>Change YoY</b>
<b>Operating cash flows</b>	<b>1,623</b>	<b>1,326</b>	<b>+297</b>
<b>Investing cash flows</b>	<b>△995</b>	<b>△686</b>	<b>△308</b>
<b>Financing cash flows</b>	<b>△304</b>	<b>△298</b>	<b>△5</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>△31</b>	<b>43</b>	<b>△74</b>
<b>Net increase in cash and cash equivalents</b>	<b>292</b>	<b>383</b>	<b>△90</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>5,343</b>	<b>4,959</b>	<b>+383</b>
<b>Cash and cash equivalents at end of year</b>	<b>5,636</b>	<b>5,343</b>	<b>+293</b>

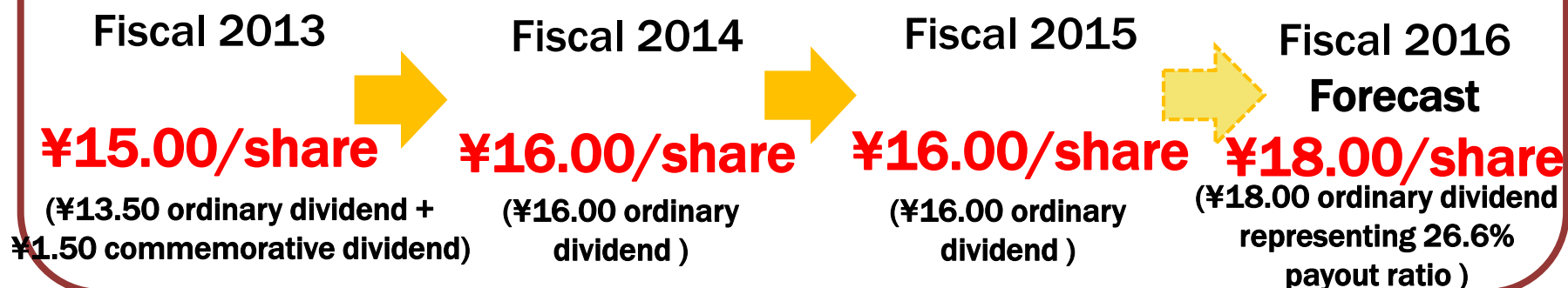


## 1-7. Shareholder Returns (Forecast of Cash Dividends per Share)

### Dividend policy

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

### Yearly dividends per share



Note: The Company conducted stock splits on January 9, 2014, at a ratio of two shares of common stock per share of common stock. The Company therefore retroactively adjusted dividends for fiscal 2013 to reflect the splits.

# 1. Overview of Financial Results for Year Ended January 31, 2016

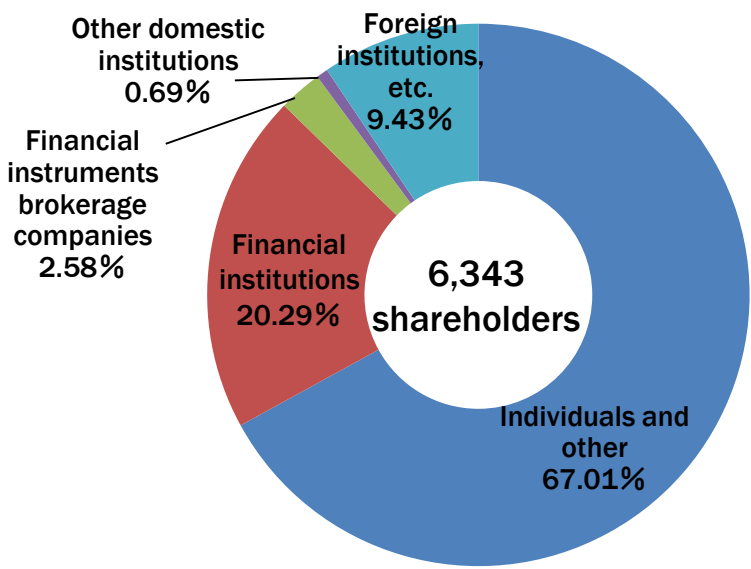
## 1-8. Stock Information

### Number of Shares Issued

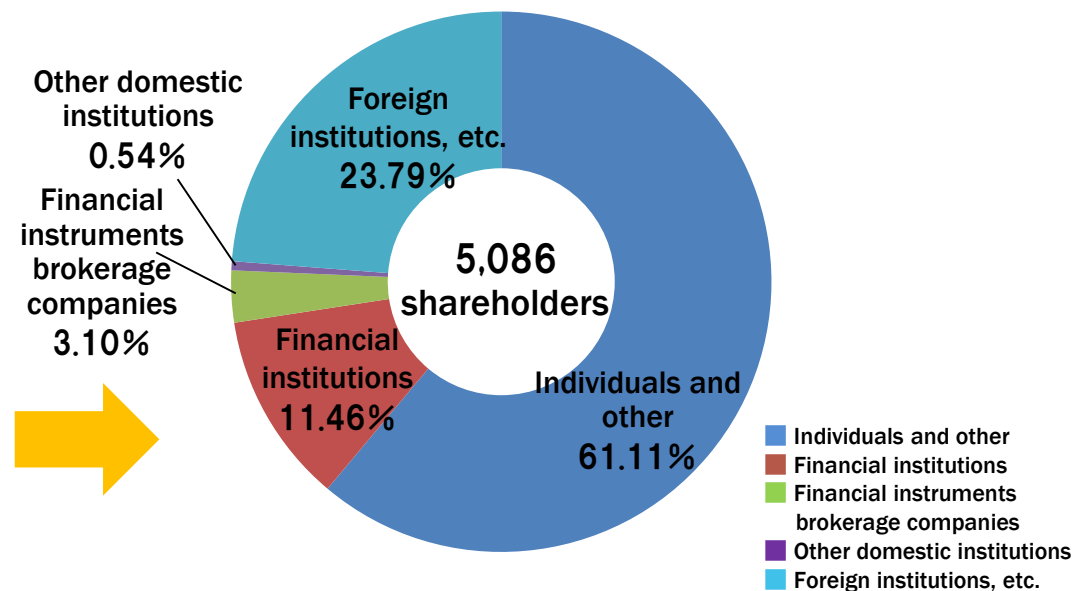
As of January 31, 2015	19,041,200
As of January 31, 2016	19,043,200

### Stock Distribution by Shareholder

As of January 31, 2015



As of January 31, 2016



Note: Both charts have been compiled based on the number of outstanding shares, with fractions rounded off

## 2. Forecasts for Year Ending January 31, 2017

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

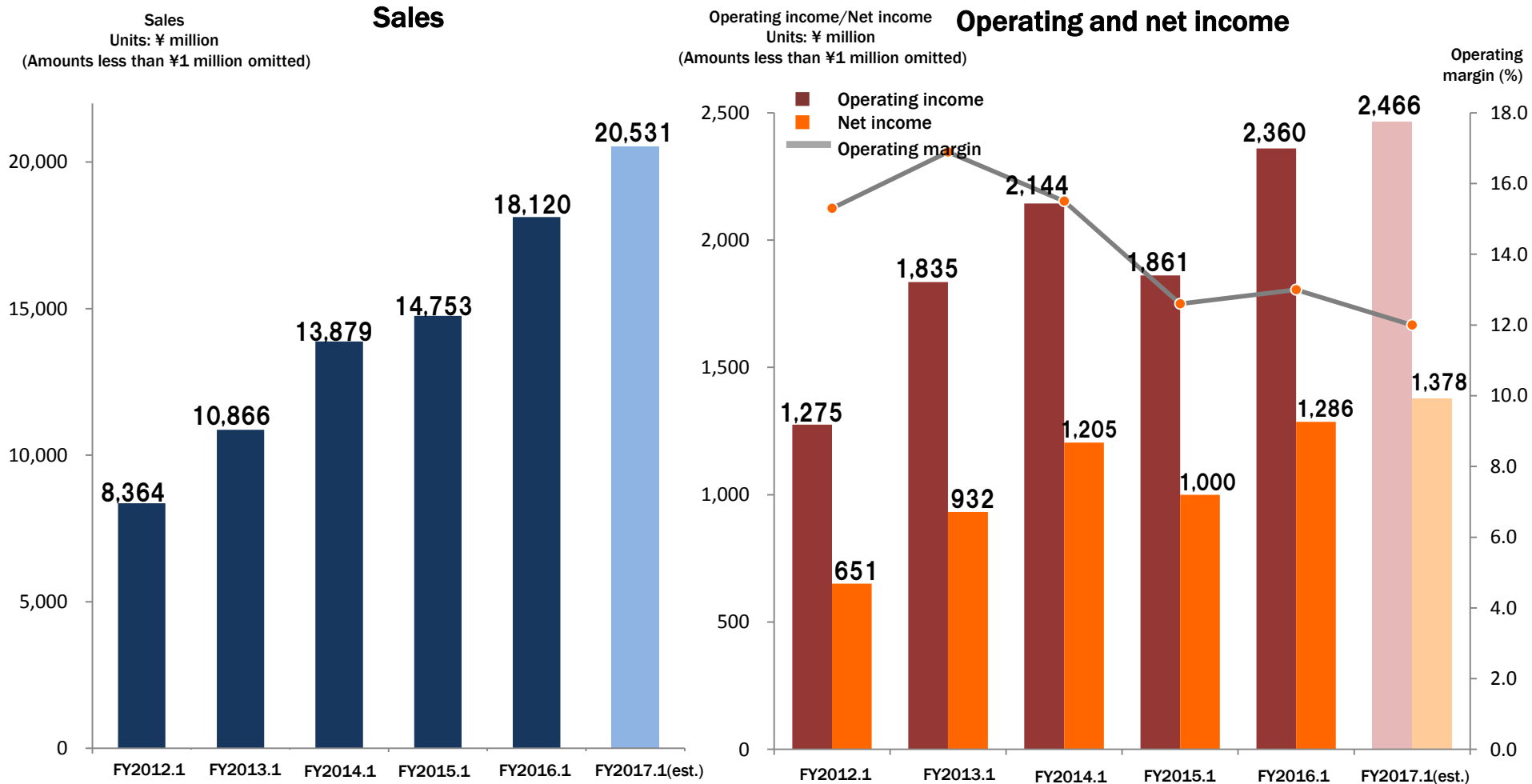
Units (except for per-share figures): ¥ million (Amounts less than ¥1 million omitted)

	Fiscal 2017 Forecasts	Fiscal 2016 Results	YoY change	
			Amount	%
<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>Net income 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. Forecasts for Year Ending January 31, 2017

### 2-2. Consolidated Fiscal Performance and Plan



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

### 3-1. Summary of Future Business Strategies

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**1** Increase transactions with each client by expanding business process outsourcing services, focusing on customer value chain

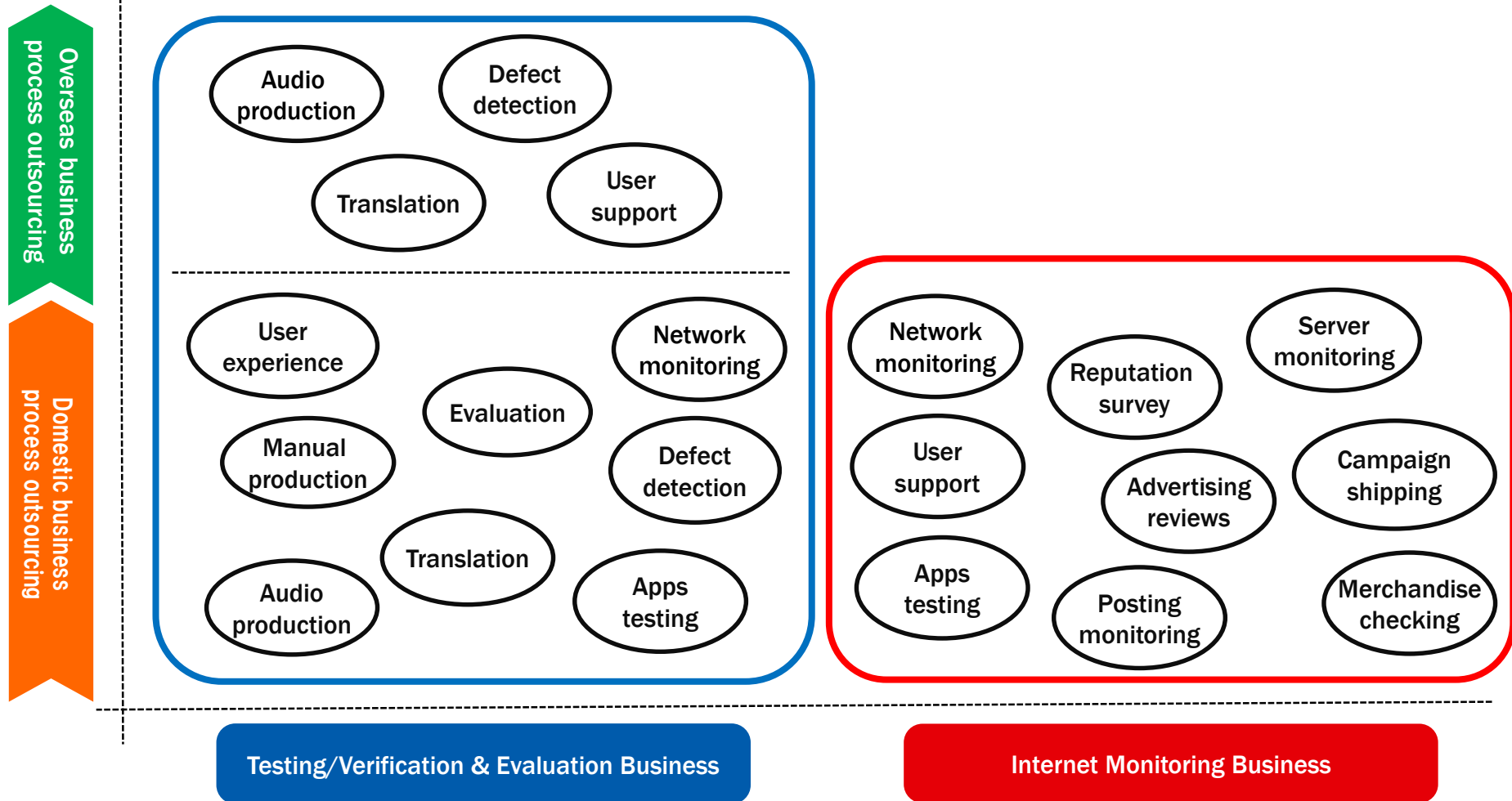
**2** Expand the domestic share of the existing services and bolster business process outsourcing services, for which demand is strong among clients

**3** Bolster business development in overseas market, which offers great growth potential

### 3. Future Business Strategies

## 3-2. Current Business Fields and Segments

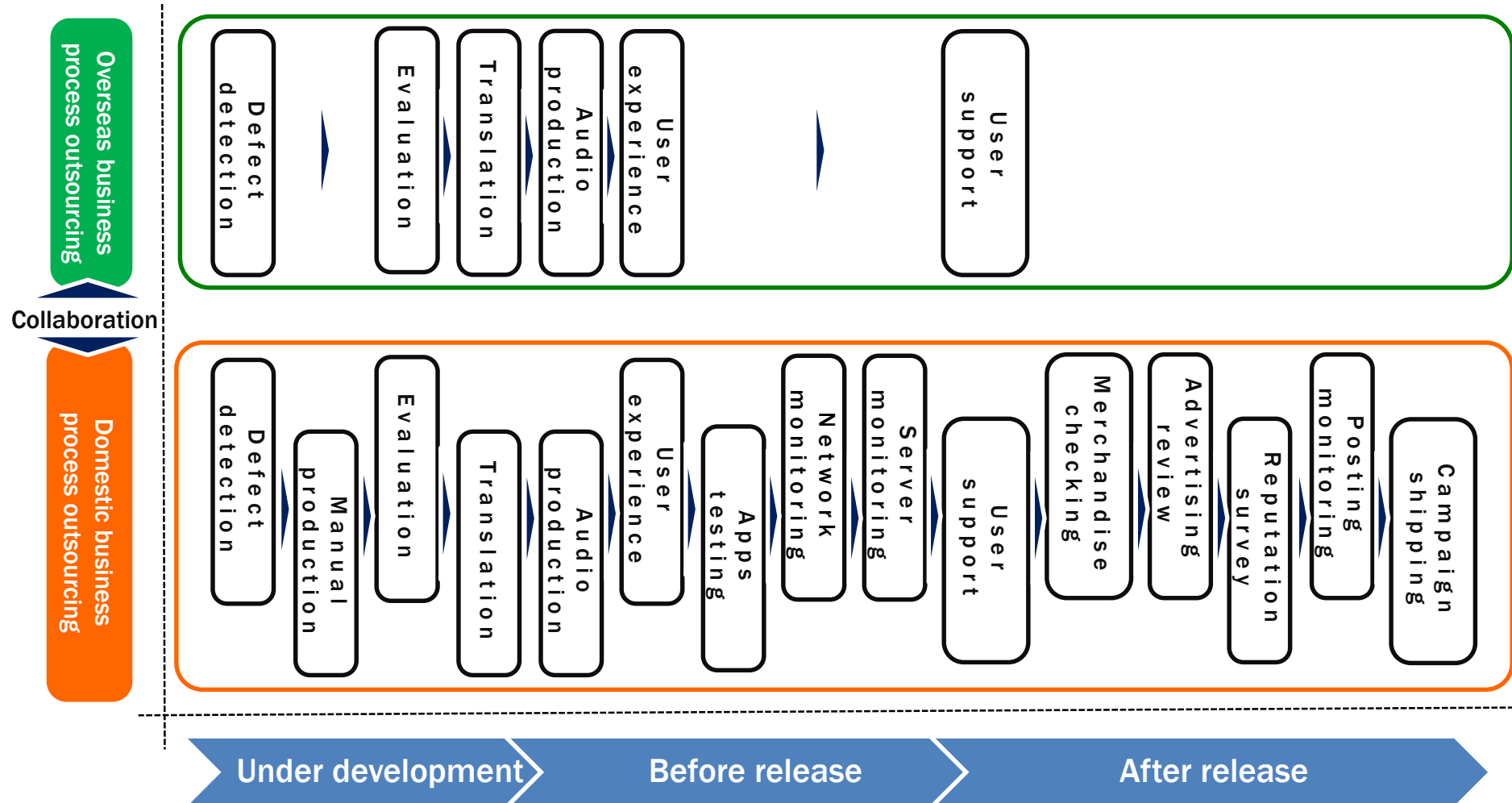
In the process of expanding each business, services or clients overlap between the segments  
 ⇒ Business activities as a whole group is required



### 3. Future Business Strategies

## 3-3. Future Business Strategy Approaches (1)

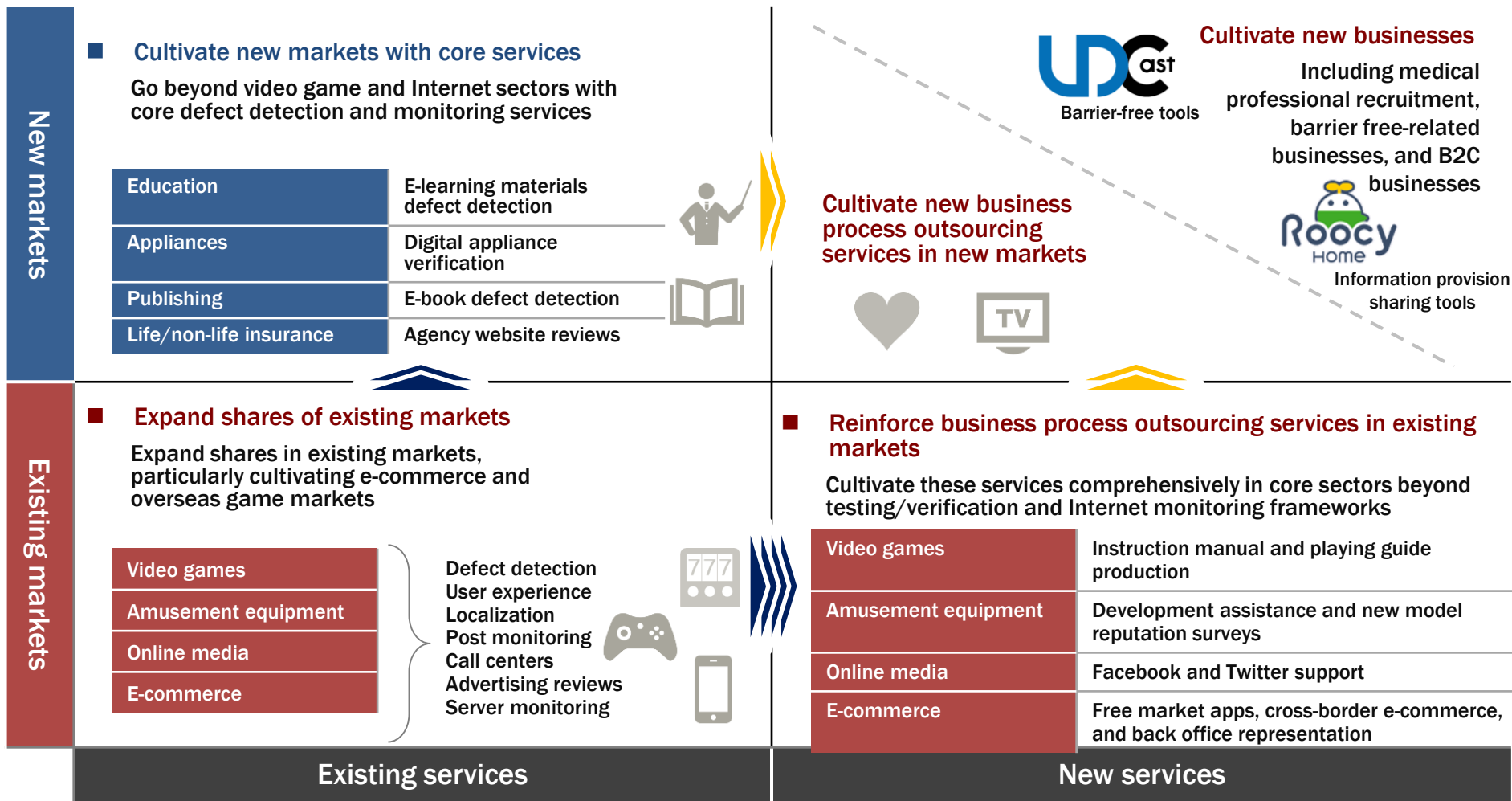
Based on customer value chain, expand business process outsourcing services to provide a one-stop, full service platform with user-friendly support  
 ⇒ Increase transactions with each client



# 3. Future Business Strategies

## 3-4. Future Business Strategy Approaches (2)

- Looking to generate an average 20% annual growth over next three years
- Seeking to boost revenues and earnings by expanding business areas based on growth strategies





## 4. Reference: Corporate Profile/Our Business

### 4-1. Corporate Profile



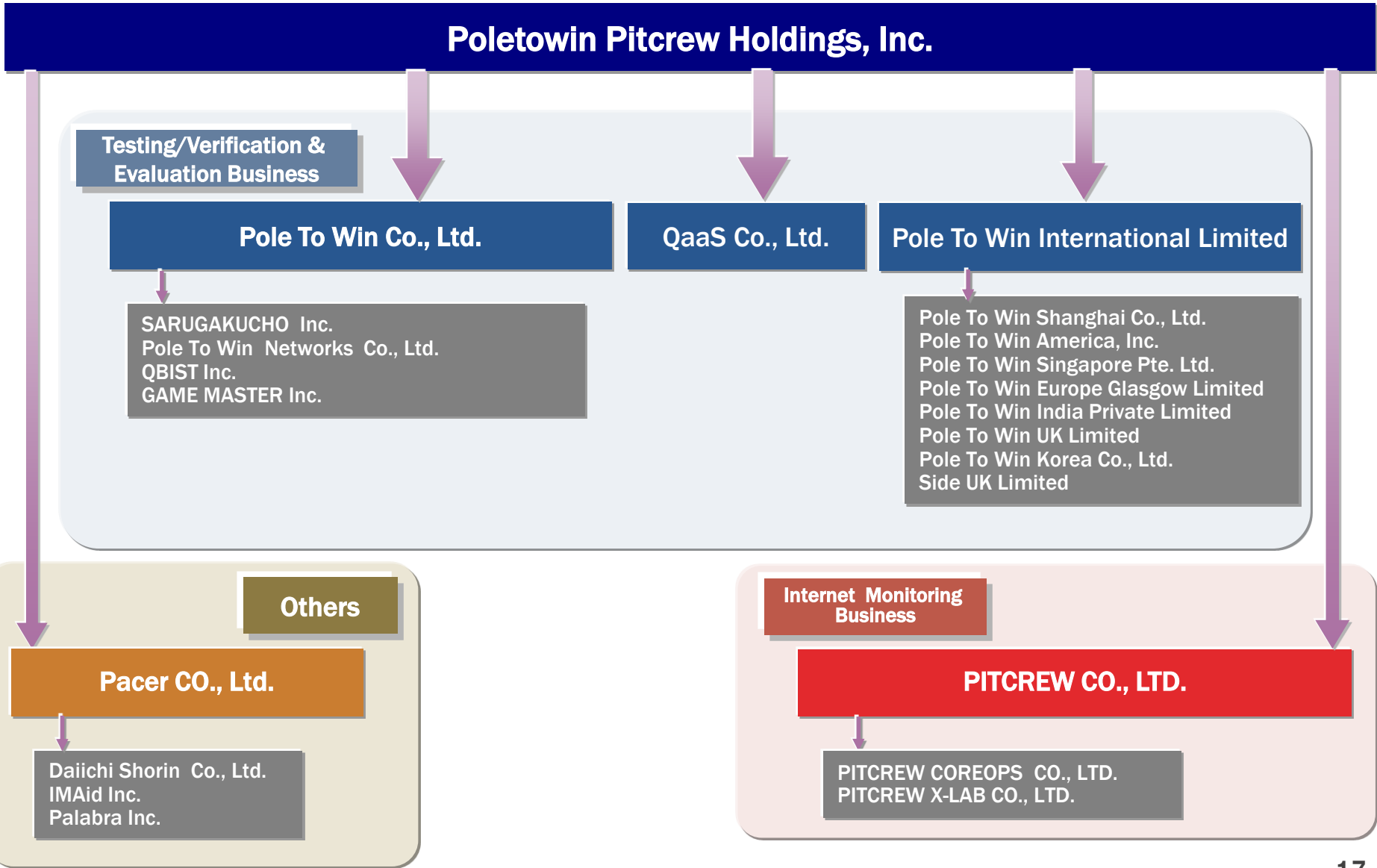
( As of January 31, 2016 )

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	
Date 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 encompassed 19 consolidated subsidiaries.</p> <p>Major Group businesses</p> <ol style="list-style-type: none"><li>1. Testing/Verification &amp; Evaluation Business Detecting defects (finding bugs) in support of enhancing the quality of software and hardware</li><li>2. Internet Monitoring Business Detecting fraud and illegal or harmful information on the Internet to help websites operate soundly</li><li>3. Others Including publishing and media businesses</li></ol>	
Consolidated Financial Results (Fiscal 2016)	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)

# 4. Reference: Corporate Profile/Our Business

## 4-2. Group Composition (22 Consolidated Subsidiaries)

(As of October 31, 2016)

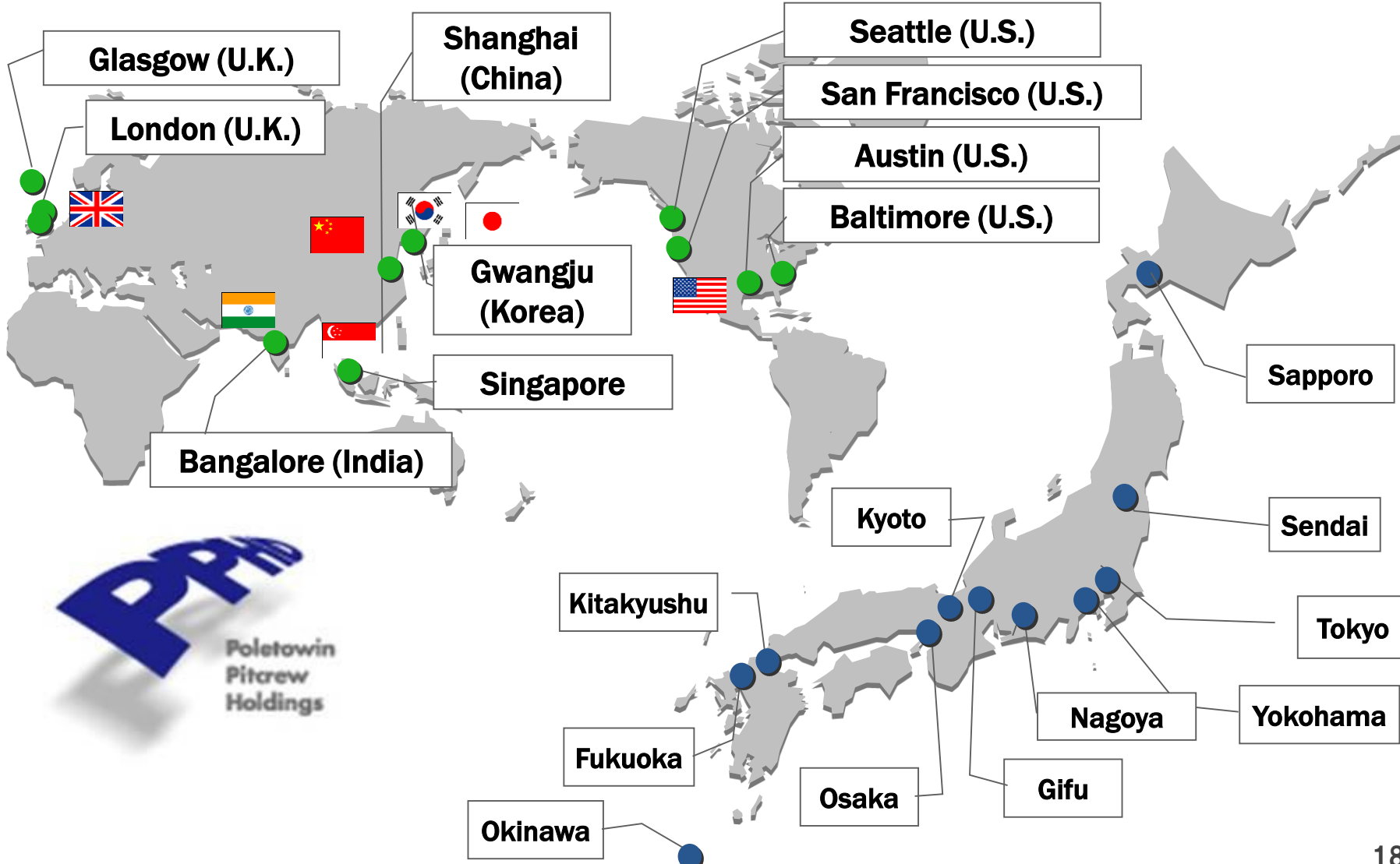


# 4. Reference: Corporate Profile/Our Business

## 4-3. Testing/Verification & Evaluation and Internet Monitoring Business Sites

■ Operating in 11 cities in Japan and 6 foreign countries

(As of January 31, 2016)



- **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.**