

Summary of Business Results for the Second Quarter Ended February 28, 2017

[Japan GAAP] (Non-consolidated)

April 7, 2017

Company **DesignOne Japan, Inc.** Listed on the TSE
 Stock Code 6048 URL: <http://www.designone.jp/>
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 Expected date of filing of quarterly report: April 13, 2017 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: Yes
 Quarterly results briefing: Yes (for institutional investors)

(Rounded down to million yen)

1. Business results for the six months ended February 2017 (September 1, 2016 through February 28, 2017)

(1) Results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Feb. 2017	980	45.9	278	11.5	283	11.5	158	3.3
Six months ended Feb. 2016	672	74.6	249	60.9	253	65.0	153	52.8

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Feb. 2017	10.56	10.46
Six months ended Feb. 2016	10.27	10.11

(Note) The Company conducted a 2-for-1 stock split effective on March 1, 2017. Above net income per share and diluted net income per share are calculated assuming that the stock split was conducted at the beginning of the fiscal year ended August 2016.

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Feb. 2017	2,470	2,155	87.2
As of Aug. 2016	2,358	2,008	85.1

(Reference) Shareholders' equity:

As of February 2017: 2,154 million yen
 As of August 2016: 2,007 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Aug. 2016	-	0.00	-	2.00	2.00
Year ending Aug. 2017	-	0.00	-	-	-
Year ending Aug. 2017 (forecast)	-	-	-	-	-

(Note) 1. Revisions to dividend forecast for the current quarter: None

2. Breakdown of the year-end dividend for the fiscal year ended August 2016: Commemorative dividend 2.00 yen

3. The Company conducted a 2-for-1 stock split effective on March 1, 2017. Dividends for the fiscal year ended August 2016 are paid on pre-split shares.

4. Dividend forecast for the fiscal year ending August 2017 has not been determined.

3. Forecast of business results for the fiscal year ending August 2017 (September 1, 2016 through August 31, 2017)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Aug. 2017	1,950	30.8	600	21.7	607	21.0	379	21.0	25.40

(Note) Revisions to business forecast for the current quarter: None

(Note) The Company conducted a 2-for-1 stock split effective on March 1, 2017. Net income per share for the fiscal year ending August 2017 is presented on a split-adjusted basis. Without taking into account the stock split, net income per share for the fiscal year ending August 2017 would be 50.81 yen.

***Notes**

(1) Applications of accounting procedures specific to preparation of the quarterly financial statements: None

(2) Changes in accounting policies, accounting estimates and restatement

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|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : None |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |

(3) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of February 2017	15,052,500 shares
As of August 2016	14,940,000 shares

② Treasury stock at the end of period

As of February 2017	96 shares
As of August 2016	54 shares

③ Average number of stock during period (quarterly cumulative period)

Six months ended February 2017	15,019,269 shares
Six months ended February 2016	14,940,000 shares

(Note) The Company conducted a 2-for-1 stock split effective on March 1, 2017. Number of shares outstanding at the end of period, treasury stock at the end of period, and average number of stock during period are calculated assuming that the stock split was conducted at the beginning of the fiscal year ended August 2016.

***Implementation status of quarterly review procedures**

This quarterly financial summary is not subject to auditing procedure pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the procedures for review of consolidated financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

***Explanation regarding appropriate use of business forecasts and other special instructions**

The forward-looking statements regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. Therefore, the company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.