

This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version. The financial information contained in this report is derived from our unaudited consolidated financial statements.

Consolidated Financial Report For the Three-month Period Ended May 31, 2017 (IFRS)

July 12, 2017

KOMEDA Holdings Co., Ltd. Stock Exchange Listing: Tokyo and Nagoya Company Name:

: No

Securities Code:

Representative : Okitane Usui, President & CEO

Seiji Shintani, Corporate Officer Contact for enquiries

Filing date of quarterly security report (as planned) : July 13, 2017

Supplemental material of quarterly financial results : Yes Convening briefing of quarterly financial results

URL: http://www.komeda-holdings.co.jp/index.html

(TEL) +81-52-936-8880

Dividend payable date (as planned) :

(Millions of yen; amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended May 31, 2017

(1) Consolidated Operating Results (Percentages represent year-on-year changes)

	Reve	enue	Operating profit		Income before income taxes		Net income		Net inc attributa owne of the p	ble to ers	Tota compreh incor	ensive
	(Millions	%	(Millions	%	(Millions	%	(Millions	%	(Millions	%	(Millions	%
Three months ended	of yen)	70	of yen)	70	of yen)	70	of yen)	70	of yen)	70	of yen)	70
May 31, 2017	6,412	14.5	1,800	6.6	1,771	9.0	1,213	12.1	1,213	12.1	1,203	11.2
May 31, 2016	5,599	10.4	1,688	6.0	1,625	3.5	1,082	7.2	1,082	7.2	1,082	7.2

	Basic earnings per share	Diluted earnings per share
Three months ended	(Yen)	(Yen)
May 31, 2017	27.44	26.66
May 31, 2016	24.70	24.37

The Company conducted a 150-for-1 share split of the common stock on April 20, 2016. Accordingly, the basic earnings per share and diluted earnings per share are calculated assuming that the share split came into effect at the beginning of the fiscal year ended February 28, 2016

(2) Consolidated Financial Position

(2) Consolidated i individu i Cotton								
	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets				
As of	(Millions of yen)	(Millions of yen)	(Millions of yen)	%				
May 31, 2017	59,739	24,336	24,336	40.7				
February 28, 2017	60,981	24,225	24,225	39.7				

2. Dividends

		Dividends per share							
	First quarter	Second quarter	Third quarter	Fourth quarter	Total				
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)				
Fiscal year ended February 28, 2017		25.00		25.00	50.00				
Fiscal year ending February 28, 2018									
Fiscal year ending February 28, 2018 (Forecasted)		25.00		25.00	50.00				

(Note) Revision of dividend forecast: None

3. Forecasts on the Consolidated Financial Results for the Fiscal Year Ending February 28, 2018 (March 1, 2017 - February 28, 2018)

(Percentages represent year-on-year changes)

	Revenue		Opera prof	•	Incon befor incon taxe	re ne	Net inco	ome	Net inco attributab owner of the pa	ole to rs	Basic earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Six months ending August 31, 2017	12,749	10.3	3,475	1.5	3,411	3.9	2,336	6.2	2,336	6.2	52.85
Fiscal year ending February 28, 2018	26,047	8.3	7,243	5.2	7,119	6.8	4,876	8.2	4,876	8.2	110.30

^{*} Notes

Revision of forecasts on the dividends: No

(1) Changes in status of significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in : No scope of consolidation)

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRSs
 : Yes
 (ii) Changes in accounting policies other than those in (i)
 : No
 (iii) Changes in accounting estimates
 : No

(3) Number of issued shares (common stock)

- (i) Number of issued shares (including treasury stock)
- (ii) Number of treasury stock
- (iii) Average number of issued shares during the period

As of May 31, 2017	44,220,450	As of February 28, 2017	44,206,050
As of May 31, 2017	-	As of February 28, 2017	-
Three months ended May 31, 2017	44,211,375	Three months ended May 31, 2016	43,800,000

* Notes

The Company conducted a 150-for-1 share split of the common stock on April 20, 2016. Accordingly, the numbers of issued shared (common stock) are calculated assuming that the share split came into effect at the beginning of the fiscal year ended February 28, 2016

- * This report is not subject to quarterly review procedures
- * Notes for using forecasted information and other matters

The forecasts above are based on information available at the date of this report and certain assumptions deemed to be reasonable. The Company does not provide any assurance as to achievement of these forecasts. In addition, the actual results may vary materially from the forecasts due to various uncertainties.

(Ap	pen	dix)
(, ,b	PO.,	∽ :∧,

Co	nto	nte
CO	nte	HIS

Contents
Condensed Interim Consolidated Financial Statements
(1) Condensed Interim Consolidated Statements of Financial Position • • • • • • • • P.1
(2) Condensed Interim Consolidated Statements of Income · · · · · · · · · · P.2
(3) Condensed Interim Consolidated Statements of Cash Flows • • • • • • • • • • • • • • • • • • •

Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statements of Financial Position (Unaudited)

February 28, 2017 May 31, 2017 Assets Current assets 7,243,860 5,984,345 Trade and other receivables 3,043,706 3,044,056 Other financial assets 389,773 206,710 Inventories 211,577 152,258 Other current assets 579,912 647,561 Total current assets 11,448,828 10,124,930 Non-current assets 200,000 3,312,892 33,312,892 Other intangible assets 6,343,165 5,323,473 30,002 61,138 Goodwill 38,312,892 38,312,892 33,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,312,892 30,		(Thousands of yen) As of			
Current assets 7,243,860 5,984,345 Cash and cash equivalents 3,043,706 3,044,056 Chher frinancial assets 369,773 296,710 Irwentories 211,577 152,258 Other current assets 579,912 647,561 Total current assets 11,448,828 10,124,930 Non-current assets 8,343,165 5,323,473 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Tode and other receivables 3,296,714 3,286,279 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,633 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other financial liabilities 6,347,132 </th <th></th> <th></th> <th>May 31, 2017</th>			May 31, 2017		
Cash and cash equivalents 7,243,860 5,984,345 Trade and other receivables 3,043,706 3,044,056 Other financial assets 369,773 296,710 Inventories 211,577 152,256 Other current assets 579,912 647,561 Total current assets 11,448,828 10,124,930 Non-current assets 11,448,828 10,124,930 Non-current assets 11,448,828 10,124,930 Non-current assets 63,002 61,138 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 2,189,993 2,266,279 Other financial assets 115,693 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,663 49,614,532 Total assets 60,381,481 59,739,462 Liabilities 71,752 71,752 Current liabilities 975,494 980,460 Short-term borrowings 17,79,497	Assets				
Trade and other receivables 3,043,766 3,044,056 Other financial assets 369,773 296,710 Inventories 211,577 152,258 Other current assets 579,912 647,581 Total current assets 11,448,828 10,124,930 Non-current assets 11,448,828 10,124,930 Non-current assets 5,343,165 5,323,473 Goodwill 38,312,892 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,286,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,381 Other non-current assets 211,259 211,752 Total assets 60,981,481 59,739,462 Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other fina	Current assets				
Other financial assets 369,773 296,710 Inventories 211,577 152,258 Other current assets 579,912 647,561 Total current assets 11,448,828 10,124,930 Non-current assets 8 11,448,828 10,124,930 Non-current assets 8 3,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 39,312,892 211,752 211,752 11,752 11,752 11,752 11,752 11,752 11,752 11,752 11,752	Cash and cash equivalents	7,243,860	5,984,345		
Inventories	Trade and other receivables	3,043,706	3,044,056		
Other current assets 579,912 647,561 Total current assets 11,448,828 10,124,930 Non-current assets 8 Property, plant and equipment 5,343,165 5,323,473 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities Current liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 6,347,132 5,318,632	Other financial assets	369,773	296,710		
Total current assets 11,448,828 10,124,930 Non-current assets Property, plant and equipment 5,343,165 5,323,473 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,633 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities 50,739,462 50,739,462 Liabilities 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,148,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,320,617 6,645,934	Inventories	211,577	152,258		
Non-current assets Property, plant and equipment 5,343,165 5,323,473 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities and equity Liabilities and equity Liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 28,622 63,942 <td>Other current assets</td> <td>579,912</td> <td>647,561</td>	Other current assets	579,912	647,561		
Property, plant and equipment 5,343,165 5,323,473 Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 6,520,617 6,645,934 Deferred tax liabilities 6,520,617 6,645,934 Provisions	Total current assets	11,448,828	10,124,930		
Goodwill 38,312,892 38,312,892 Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities and equity Liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other current liabilities 1,199,041 788,931 Other current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 6,520,617 6,645,934 Deferred tax liabilities 6,520,617 6,645,934 Deferred tax liabilities 30,085,229 <	Non-current assets				
Other intangible assets 63,002 61,138 Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,349,213 1,184,616 Other current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 6,520,617 6,645,934 Deferred tax liabilities 6,520,617 6,645,934 Deferred tax liabilities 30,049,754 30,085,229 Total inon-current liabilities <td>Property, plant and equipment</td> <td>5,343,165</td> <td>5,323,473</td>	Property, plant and equipment	5,343,165	5,323,473		
Trade and other receivables 3,296,714 3,328,637 Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 78,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 28,622 6,459,34 Deferred tax liabilities 28,622 6,549,34 Provisions 77,528 77,729 <t< td=""><td>Goodwill</td><td>38,312,892</td><td>38,312,892</td></t<>	Goodwill	38,312,892	38,312,892		
Other financial assets 2,189,983 2,266,279 Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 78,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 28,622 6,545,934 Provisions 77,528 77,729 Other non-current liabilities 30,409,754 30,085,229 Total inon-current liabilities 30,409,754	Other intangible assets	63,002	61,138		
Deferred tax assets 115,638 110,361 Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities and equity Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Provisions 77,528 77,729 Other non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 10,000 414,488 <	Trade and other receivables	3,296,714	3,328,637		
Other non-current assets 211,259 211,752 Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities and equity Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 23,372,957 22,883,136 Other financial liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 30,409,754 30,085,229 Total lon-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12	Other financial assets	2,189,983	2,266,279		
Total non-current assets 49,532,653 49,614,532 Total assets 60,981,481 59,739,462 Liabilities and equity Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 6,520,617 6,645,934 Other financial liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 30,409,754 30,085,229 Total liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 18,600 Capital surplus 12,833,104	Deferred tax assets	115,638	110,361		
Total assets 60,981,481 59,739,462 Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 78,8931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current liabilities 6,520,617 6,645,934 Other financial liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attrib	Other non-current assets	211,259	211,752		
Liabilities and equity Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,199,041 788,931 Other current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Long-term debt 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601	Total non-current assets	49,532,653	49,614,532		
Liabilities Current liabilities Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 6,347,132 5,318,632 Non-current debt 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity a	Total assets	60,981,481	59,739,462		
Current liabilities 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601	Liabilities and equity				
Trade and other payables 975,494 980,460 Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601	Liabilities				
Short-term borrowings 1,797,497 1,847,366 Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601	Current liabilities				
Income tax payable 1,025,887 517,259 Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Trade and other payables	975,494	980,460		
Other financial liabilities 1,349,213 1,184,616 Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Short-term borrowings	1,797,497	1,847,366		
Other current liabilities 1,199,041 788,931 Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Income tax payable	1,025,887	517,259		
Total current liabilities 6,347,132 5,318,632 Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Other financial liabilities	1,349,213	1,184,616		
Non-current liabilities 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Other current liabilities	1,199,041	788,931		
Long-term debt 23,372,957 22,883,136 Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Total current liabilities	6,347,132	5,318,632		
Other financial liabilities 6,520,617 6,645,934 Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Non-current liabilities				
Deferred tax liabilities 28,622 63,942 Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Long-term debt	23,372,957	22,883,136		
Provisions 77,528 77,729 Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Other financial liabilities	6,520,617	6,645,934		
Other non-current liabilities 410,030 414,488 Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 50 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Deferred tax liabilities	28,622	63,942		
Total non-current liabilities 30,409,754 30,085,229 Total liabilities 36,756,886 35,403,861 Equity 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Provisions	77,528	77,729		
Total liabilities 36,756,886 35,403,861 Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Other non-current liabilities	410,030	414,488		
Equity Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Total non-current liabilities	30,409,754	30,085,229		
Common stock 177,558 180,600 Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Total liabilities	36,756,886	35,403,861		
Capital surplus 12,823,350 12,833,104 Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Equity				
Retained earnings 11,213,808 11,321,610 Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Common stock	177,558	180,600		
Other components of equity 9,879 287 Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Capital surplus	12,823,350	12,833,104		
Equity attributable to owners of the parent 24,224,595 24,335,601 Total equity 24,224,595 24,335,601	Retained earnings	11,213,808	11,321,610		
Total equity 24,224,595 24,335,601	Other components of equity	9,879	287		
Total equity 24,224,595 24,335,601			24,335,601		

(2) Condensed Interim Consolidated Statements of Income (Unaudited)

	For the three months e	(Thousands of yen)
	2016	2017
Revenue	5,598,917	6,412,039
Cost of sales	(3,220,660)	(3,782,772)
Gross profit	2,378,257	2,629,267
Other operating income	9,715	5,318
Selling, general and administrative expenses	(662,740)	(832,180)
Other operating expenses	(37,198)	(2,796)
Operating profit	1,688,034	1,799,609
Interest income	4,199	9,553
Interest expense	(66,956)	(38,169)
Income before income taxes	1,625,277	1,770,993
Income taxes	(543,218)	(558,040)
Net income	1,082,059	1,212,953
Net income attributable to:		
Owners of the parent	1,082,059	1,212,953
Net income	1,082,059	1,212,953
Interim earnings per share		
Basic (Yen)	24.70	27.44
Diluted (Yen)	24.37	26.66

(Tho	ousands	0	f yen
------	---------	---	-------

	(Thousands of yen) For the three months ended May 31	
	2016	2017
Cash flows from operating activities		
Income before income taxes	1,625,277	1,770,993
Depreciation and amortization	100,378	115,528
Loss (gain) on disposal of non-current assets	(287)	-
Increase (decrease) in provisions	191	201
Interest income	(4,199)	(9,553)
Interest expense	66,956	38,169
Decrease (increase) in trade and other receivables	238,369	(10,052)
Decrease (increase) in guarantee deposits and construction assistance fund receivables	(138,864)	(88,947)
Decrease (increase) in other financial assets	43,621	(31,594)
Increase (decrease) in trade payables	(121,841)	4,966
Increase (decrease) in guarantee deposits recieved and construction assistance fund received	172,613	134,109
Increase (decrease) in other financial liabilities	(131,295)	(302,890)
Other	127,552	(414,464)
Subtotal	1,978,471	1,206,466
Interest income	50	623
Interest paid	(123)	(15,507)
Income taxes paid	(1,116,006)	(1,013,638)
Net cash provided by operating activities	862,392	177,944
Cash flows from investing activities		
Purchase of property, plant and equipment	(113,033)	(113,472)
Proceeds from sales of property, plant and equipment	595	-
Purchase of intangible assets	(6,307)	(6,450)
Proceeds from redemption of securities	139,026	111,346
Collection of loans receivable	572	597
Net cash provided by (used in) investing activities	20,853	(7,979)
Cash flows from financing activities		
Repayment of long-term debt	-	(450,000)
Repayments of lease obligations	(20,242)	(14,008)
Proceeds from issuance of common stock	-	4,810
Cash dividends paid to owners of the parent	<u>-</u>	(967,551)
Net cash used in financing activities	(20,242)	(1,426,749)
Effect of exchange rate changes on cash and cash equivalents	(6,697)	(2,731)
Net increase (decrease) in cash and cash equivalents	856,306	(1,259,515)
Cash and cash equivalents at the beginning of period	4,488,716	7,243,860
Cash and cash equivalents at the end of period	5,345,022	5,984,345