

(Translation)

Dear Sir/Madam,

Company: JP-HOLDINGS, INC.
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 President and Representative Director
 (Stock Code: 2749, First Section of TSE)

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(Correction)

**Notice Concerning Partial Correction to the “Summary of Business Results for the Fiscal Year Ended
 March 31, 2017 [Japan GAAP] (Consolidated)”**

JP-HOLDINGS, INC. announces that portions of the “Summary of Business Results for the Fiscal Year Ended March 31, 2017 [Japan GAAP] (Consolidated)” released on May 9, 2017 have been corrected. As there were also changes in the numeric data, the corrected data has been disclosed.

Underlined portions of this document indicate corrections.

1. Reason for Correction

As for the reason for the correction, please refer to the “Notice Concerning the Errors Relating to Consolidated Financial Statements for Prior Years” released on July 18, 2017.

2. Details of Correction

(Summary information)

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended March 2017

(April 1, 2016 through March 31, 2017)

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

(Before correction)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2017	<u>22,800</u>	<u>10.9</u>	<u>1,263</u>	<u>-31.1</u>	<u>1,445</u>	<u>-23.3</u>	<u>677</u>	<u>-43.3</u>
Year ended Mar. 2016	20,552	15.0	<u>1,834</u>	<u>28.2</u>	<u>1,884</u>	<u>15.2</u>	<u>1,195</u>	<u>19.1</u>

(Note) Comprehensive income:

Year ended March 2017: 691 million yen (-38.8%)

Year ended March 2016: 1,130 million yen (16.3%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Mar. 2017	<u>8.06</u>	-	<u>9.9</u>	<u>6.3</u>	<u>5.5</u>
Year ended Mar. 2016	<u>14.32</u>	-	<u>19.4</u>	<u>9.3</u>	<u>8.9</u>

(Reference) Investment earnings/loss on equity-method:

Year ended March 2017: - million yen

Year ended March 2016: - million yen

(After correction)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2017	<u>22,799</u>	<u>10.9</u>	<u>1,168</u>	<u>-32.5</u>	<u>1,350</u>	<u>-24.2</u>	<u>661</u>	<u>-38.3</u>
Year ended Mar. 2016	<u>20,552</u>	<u>15.0</u>	<u>1,732</u>	<u>28.7</u>	<u>1,781</u>	<u>14.9</u>	<u>1,071</u>	<u>18.5</u>

(Note) Comprehensive income:

Year ended March 2017: 675 million yen (-32.9%)

Year ended March 2016: 1,006 million yen (15.3%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Mar. 2017	<u>7.87</u>	-	<u>10.1</u>	<u>6.0</u>	<u>5.1</u>
Year ended Mar. 2016	<u>12.84</u>	-	<u>18.0</u>	<u>8.9</u>	<u>8.4</u>

(Reference) Investment earnings/loss on equity-method:

Year ended March 2017: - million yen

Year ended March 2016: - million yen

(2) Consolidated financial position

(Before correction)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2017	<u>24,191</u>	<u>7,161</u>	<u>29.6</u>	<u>84.52</u>
As of Mar. 31, 2016	<u>21,519</u>	<u>6,570</u>	<u>30.5</u>	<u>78.68</u>

(Reference) Shareholders' equity:

As of March 31, 2017: 7,157 million yen

As of March 31, 2016: 6,566 million yen

(After correction)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2017	<u>24,002</u>	<u>6,854</u>	<u>28.5</u>	<u>80.89</u>
As of Mar. 31, 2016	<u>21,126</u>	<u>6,279</u>	<u>29.7</u>	<u>75.20</u>

(Reference) Shareholders' equity:

As of March 31, 2017: 6,850 million yen

As of March 31, 2016: 6,275 million yen

2. Dividends

(Before correction)

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Mar. 2016	-	0.00	-	5.00	5.00	439	<u>34.9</u>	<u>6.8</u>
Year ended Mar. 2017	-	0.00	-	2.50	2.50	219	<u>31.0</u>	<u>3.1</u>
Year ending Mar. 2018 (forecast)	-	0.00	-	3.00	3.00		32.4	

(After correction)

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Mar. 2016	-	0.00	-	5.00	5.00	439	<u>38.9</u>	<u>7.0</u>
Year ended Mar. 2017	-	0.00	-	2.50	2.50	219	<u>31.8</u>	<u>3.2</u>
Year ending Mar. 2018 (forecast)	-	0.00	-	3.00	3.00		32.4	

3. Forecast of consolidated business results for the fiscal year ending March 2018
(April 1, 2017 through March 31, 2018)

(Before correction)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Mar. 2018	26,125	14.6	1,157	<u>-8.4</u>	1,400	<u>-3.1</u>	777	<u>14.8</u>	9.25

(After correction)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Mar. 2018	26,125	14.6	1,157	<u>-1.0</u>	1,400	<u>3.7</u>	777	<u>17.6</u>	9.25

1. Summary of Operating Results

(1) Summary of operating results for the current fiscal year

(Before correction)

In summary, our group's consolidated sales were 22,800 million yen (up 10.9% year on year), operating income 1,263 million yen (down 31.1% year on year) and ordinary income 1,445 million yen (down 23.3% year on year), therefore the net income attributable to owners of parent is 677 million yen (down 43.3% year on year).

(After correction)

In summary, our group's consolidated sales were 22,799 million yen (up 10.9% year on year), operating income 1,168 million yen (down 32.5% year on year) and ordinary income 1,350 million yen (down 24.2% year on year), therefore the net income attributable to owners of parent is 661 million yen (down 38.3% year on year).

(2) Summary of financial condition in the current fiscal year

(Before correction)

The financial condition at the end of the current consolidated fiscal year reported the total assets of 24,191 million yen (up 2,672 million yen from the end of the previous fiscal year).

Current assets were 7,254 million yen (up 300 million yen from the end of the previous fiscal year): this was mainly because the cash and cash deposits grew by 239 million yen and other assets grew by 135 million yen, while the accounts receivable decreased by 71 million yen.

Fixed assets totaled 16,936 million yen (up 2,371 million yen from the end of the previous fiscal year). This was due to an increase in the following assets among others: buildings and structures (949 million yen); long-term loans (294 million yen); goodwill (288 million yen); investment securities (316 million yen); intangible fixed assets (222 million yen); investment and other assets (112 million yen); and deferred tax assets (149 million yen).

Total liabilities were 17,030 million yen (up 2,081 million yen from the end of the previous fiscal year).

Current liabilities were 6,421 million yen (up 471 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: current portion of long-term loans payable (314 million yen); others (157 million yen); note and accounts payable (139 million yen); allowance for bonuses (64 million yen); and a decrease in the accrued consumption taxes, etc. (200 million yen).

Fixed liabilities were 10,608 million yen (up 1,610 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: long-term debt (1,398 million yen); liabilities related to retirement benefits (93 million yen); asset retirement obligations (79 million yen); and others (40 million yen).

Total net assets at the end of the current consolidated fiscal year were 7,161 million yen (up 590 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: retained earnings (238 million yen); valuation difference on available-for-sale securities, etc. (18 million yen); and a decrease in treasury stock (338 million yen).

(After correction)

The financial condition at the end of the current consolidated fiscal year reported the total assets of 24,002 million yen (up 2,875 million yen from the end of the previous fiscal year).

Current assets were 7,060 million yen (up 445 million yen from the end of the previous fiscal year): this was mainly because the cash and cash deposits grew by 239 million yen and other assets grew by 283 million yen, while the accounts receivable decreased by 71 million yen.

Fixed assets totaled 16,941 million yen (up 2,430 million yen from the end of the previous fiscal year). This was due to an increase in the following assets among others: buildings and structures (1,034 million yen); long-term loans (294 million yen); goodwill (288 million yen); investment securities (316 million yen); intangible fixed assets (222 million yen); investment and other assets (115 million yen); and deferred tax assets (119 million yen).

Total liabilities were 17,147 million yen (up 2,300 million yen from the end of the previous fiscal year).

Current liabilities were 6,538 million yen (up 690 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: current portion of long-term loans payable (314 million yen); others (157 million yen); note and accounts payable (139 million yen); allowance for bonuses (64 million yen); and a decrease in the accrued consumption taxes, etc. (95 million yen).

Fixed liabilities were 10,608 million yen (up 1,610 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: long-term debt (1,398 million yen); liabilities related to retirement benefits (93 million yen); asset retirement obligations (79 million yen); and others (40 million yen).

Total net assets at the end of the current consolidated fiscal year were 6,854 million yen (up 574 million yen from the end of the previous fiscal year) and this is due to an increase in the following among others: retained earnings (222 million yen); valuation difference on available-for-sale securities, etc. (18 million yen); and a decrease in treasury stock (338 million yen).

(3) Summary of cash flow in the current fiscal year

(Before correction)

[Cash flows from operating activities]

The funds obtained through operating activities were 1,878 million yen (1,804 million yen during the previous consolidated fiscal year).

This is due to the following: net income before income taxes and others (1,051 million yen); depreciation costs (653 million yen); impairment loss (391 million yen); decrease in accounts receivable (207 million yen); and increase in note and accounts payable and accrued expenses (204 million yen); but there was the payment of corporate tax, etc. (783 million yen).

Compared to the previous consolidated fiscal year, the funds obtained increased by 74 million yen. This is, while the net income before income taxes and others decreased by 744 million yen, there was an increase in the following: accounts receivable (392 million yen); impairment loss (307 million yen); and note and accounts payable and accrued expenses (118 million yen).

The related index of our group's cash flow is as follows:

	FY3/15	FY3/16	FY3/17
Shareholders' equity ratio (%)	<u>30.2</u>	<u>30.5</u>	<u>29.6</u>
Shareholders' equity ratio against current price (%)	<u>154.1</u>	<u>159.0</u>	<u>98.0</u>
Cash flow to interest-bearing debts ratio (years)	7.3	6.3	7.0
Interest coverage ratio (x)	32.9	49.4	36.5

(After correction)

[Cash flows from operating activities]

The funds obtained through operating activities were 1,878 million yen (1,804 million yen during the previous consolidated fiscal year).

This is due to the following: net income before income taxes and others (1,027 million yen); depreciation costs (638 million yen); impairment loss (323 million yen); decrease in accounts receivable (207 million yen); and increase in note and accounts payable and accrued expenses (204 million yen); but there was the payment of corporate tax, etc. (783 million yen).

Compared to the previous consolidated fiscal year, the funds obtained increased by 74 million yen. This is, while the net income before income taxes and others decreased by 585 million yen, there was an increase in the following: accounts receivable (392 million yen); impairment loss (158 million yen); and note and accounts payable and accrued expenses (115 million yen).

The related index of our group's cash flow is as follows:

	FY3/15	FY3/16	FY3/17
Shareholders' equity ratio (%)	<u>29.7</u>	<u>29.7</u>	<u>28.5</u>
Shareholders' equity ratio against current price (%)	<u>156.0</u>	<u>162.0</u>	<u>98.8</u>
Cash flow to interest-bearing debts ratio (years)	7.3	6.3	7.0
Interest coverage ratio (x)	32.9	49.4	36.5

3. [Consolidated Financial Statements and Major Notes]
[Consolidated Balance Sheet]
(Before correction)

(Thousand yen)

	Previous Fiscal Year (March 31, 2016)	Current Fiscal Year (March 31, 2017)
Assets		
Current assets		
Cash and deposits	3,777,936	4,017,591
Notes and accounts receivable-trade	41,839	50,552
Investment securities	21,027	-
Inventories	98,453	108,701
Deferred tax assets	<u>442,078</u>	<u>441,601</u>
Accounts receivable - other	1,770,729	1,698,958
Other	<u>802,493</u>	<u>937,974</u>
Allowance for doubtful accounts	-549	-766
Total current assets	<u>6,954,010</u>	<u>7,254,615</u>
Fixed assets		
Tangible fixed assets		
Buildings and structures	8,404,192	10,296,859
Accumulated depreciation and impairment loss	<u>-2,448,271</u>	<u>-3,391,122</u>
Buildings and structures, net	<u>5,955,921</u>	<u>6,905,736</u>
Machinery, equipment and vehicles	9,148	5,665
Accumulated depreciation	-4,130	-1,370
Machinery, equipment and vehicles, net	<u>5,017</u>	<u>4,294</u>
Tools, furniture and fixtures	484,281	614,965
Accumulated depreciation and impairment loss	<u>-284,812</u>	<u>-381,429</u>
Tools, furniture and fixtures, net	<u>199,469</u>	<u>233,536</u>
Land	980,894	980,894
Construction in progress	1,759,076	1,694,631
Total tangible fixed assets	<u>8,900,378</u>	<u>9,819,092</u>
Intangible fixed assets		
Goodwill	-	288,666
Other	12,135	234,792
Total intangible fixed assets	<u>12,135</u>	<u>523,458</u>
Investments and other assets		
Investment securities	313,534	629,836
Long-term loans receivable	2,881,772	3,176,073
Guarantee deposits	1,628,547	1,701,345
Deferred tax assets	<u>164,472</u>	<u>313,730</u>
Other	<u>679,407</u>	<u>791,899</u>
Allowance for doubtful accounts	-15,213	-18,574
Total investments and other assets	<u>5,652,521</u>	<u>6,594,310</u>
Total fixed assets	<u>14,565,035</u>	<u>16,936,862</u>
Total assets	<u>21,519,046</u>	<u>24,191,477</u>

(Thousand yen)

	Previous Fiscal Year (March 31, 2016)	Current Fiscal Year (March 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	191,107	214,960
Current portion of long-term loans payable	2,935,368	3,250,349
Accounts payable – other	<u>691,961</u>	<u>831,399</u>
Income taxes payable	<u>364,677</u>	<u>164,448</u>
Accrued consumption taxes	67,491	<u>51,182</u>
Reserve for bonuses	334,000	398,839
Asset retirement obligation	23,892	10,726
Deferred tax liabilities	-	577
Other	1,341,386	1,498,695
Total current liabilities	<u>5,949,884</u>	<u>6,421,178</u>
Fixed liabilities		
Long-term loans payable	8,457,330	9,855,493
Deferred tax liabilities	2,240	1,668
Net defined benefit liability	377,714	471,565
Long-term accounts payable - other	4,950	3,700
Asset retirement obligation	156,505	235,619
Other	-	40,923
Total fixed liabilities	<u>8,998,740</u>	<u>10,608,970</u>
Total liabilities	<u>14,948,625</u>	<u>17,030,149</u>
Net assets		
Shareholders' equity		
Capital	1,603,955	1,603,955
Capital surplus	1,449,544	1,449,544
Retained earnings	<u>4,798,586</u>	<u>5,037,085</u>
Treasury stock	-1,208,168	-869,918
Total shareholders' equity	<u>6,643,918</u>	<u>7,220,667</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-52,792	-34,596
Deferred gains or losses on hedges	-	852
Remeasurements of defined benefit plans	-24,742	-29,580
Total accumulated other comprehensive income	<u>-77,534</u>	<u>-63,324</u>
Non-controlling interests	4,036	3,985
Total net assets	<u>6,570,420</u>	<u>7,161,328</u>
Total liabilities and net assets	<u>21,519,046</u>	<u>24,191,477</u>

(After correction)

(Thousand yen)

	Previous Fiscal Year (March 31, 2016)	Current Fiscal Year (March 31, 2017)
Assets		
Current assets		
Cash and deposits	3,777,936	4,017,591
Notes and accounts receivable-trade	41,839	50,552
Investment securities	21,027	-
Inventories	98,453	108,701
Deferred tax assets	<u>426,131</u>	<u>421,877</u>
Accounts receivable - other	1,770,729	1,698,958
Other	<u>480,184</u>	<u>763,876</u>
Allowance for doubtful accounts	-549	-766
Total current assets	<u>6,615,754</u>	<u>7,060,792</u>
Fixed assets		
Tangible fixed assets		
Buildings and structures	8,404,192	10,296,859
Accumulated depreciation and impairment loss	<u>-2,576,335</u>	<u>-3,434,689</u>
Buildings and structures, net	<u>5,827,856</u>	<u>6,862,169</u>
Machinery, equipment and vehicles	9,148	5,665
Accumulated depreciation	-4,130	-1,370
Machinery, equipment and vehicles, net	<u>5,017</u>	<u>4,294</u>
Tools, furniture and fixtures	484,281	614,965
Accumulated depreciation and impairment loss	<u>-285,659</u>	<u>-381,567</u>
Tools, furniture and fixtures, net	<u>198,621</u>	<u>233,398</u>
Land	980,894	980,894
Construction in progress	1,759,076	1,694,631
Total tangible fixed assets	<u>8,771,467</u>	<u>9,775,387</u>
Intangible fixed assets		
Goodwill	-	288,666
Other	12,135	234,792
Total intangible fixed assets	<u>12,135</u>	<u>523,458</u>
Investments and other assets		
Investment securities	313,534	629,836
Long-term loans receivable	2,881,772	3,176,073
Guarantee deposits	1,628,547	1,701,345
Deferred tax assets	<u>208,818</u>	<u>328,764</u>
Other	<u>709,905</u>	<u>824,994</u>
Allowance for doubtful accounts	-15,213	-18,574
Total investments and other assets	<u>5,727,363</u>	<u>6,642,439</u>
Total fixed assets	<u>14,510,966</u>	<u>16,941,286</u>
Total assets	<u>21,126,721</u>	<u>24,002,078</u>

(Thousand yen)

	Previous Fiscal Year (March 31, 2016)	Current Fiscal Year (March 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	191,107	214,960
Current portion of long-term loans payable	2,935,368	3,250,349
Accounts payable – other	<u>701,478</u>	<u>841,422</u>
Income taxes payable	<u>253,518</u>	<u>157,883</u>
Accrued consumption taxes	67,491	<u>165,273</u>
Reserve for bonuses	334,000	398,839
Asset retirement obligation	23,892	10,726
Deferred tax liabilities	-	577
Other	1,341,386	1,498,695
Total current liabilities	<u>5,848,243</u>	<u>6,538,727</u>
Fixed liabilities		
Long-term loans payable	8,457,330	9,855,493
Deferred tax liabilities	2,240	1,668
Net defined benefit liability	377,714	471,565
Long-term accounts payable - other	4,950	3,700
Asset retirement obligation	156,505	235,619
Other	-	40,923
Total fixed liabilities	<u>8,998,740</u>	<u>10,608,970</u>
Total liabilities	<u>14,846,984</u>	<u>17,147,697</u>
Net assets		
Shareholders' equity		
Capital	1,603,955	1,603,955
Capital surplus	1,449,544	1,449,544
Retained earnings	<u>4,507,903</u>	<u>4,730,138</u>
Treasury stock	-1,208,168	-869,918
Total shareholders' equity	<u>6,535,234</u>	<u>6,913,719</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-52,792	-34,596
Deferred gains or losses on hedges	-	852
Remeasurements of defined benefit plans	-24,742	-29,580
Total accumulated other comprehensive income	<u>-77,534</u>	<u>-63,324</u>
Non-controlling interests	4,036	3,985
Total net assets	<u>6,279,737</u>	<u>6,854,381</u>
Total liabilities and net assets	<u>21,126,721</u>	<u>24,002,078</u>

2. Consolidated Statement of Income and Consolidated Statement of Comprehensive Income]
 [Consolidated Statement of Income]
 (Before correction)

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net sales	20,552,867	22,800,084
Cost of sales	<u>16,898,400</u>	<u>19,054,064</u>
Gross profit	<u>3,654,466</u>	<u>3,746,020</u>
Selling, general and administrative expenses	<u>1,819,495</u>	<u>2,482,035</u>
Operating income	<u>1,834,970</u>	<u>1,263,984</u>
Non-operating revenues		
Interest income	57,337	85,298
Guarantee commission received	5,467	65,608
Subsidy income	57,894	86,518
Other	15,578	14,421
Total non-operating revenues	<u>136,277</u>	<u>251,847</u>
Non-operating expenses		
Interest expenses	38,716	49,808
Commission fee	22,795	9,339
Rights on issuance of new shares	16,314	-
Physically handicapped employment levy	6,950	4,625
Other	2,177	6,149
Total non-operating expenses	<u>86,953</u>	<u>69,923</u>
Ordinary income	<u>1,884,295</u>	<u>1,445,908</u>
Extraordinary income		
Gain on sales of fixed assets	-	400
Extraordinary income	<u>-</u>	<u>400</u>
Extraordinary loss		
Loss on retirement of fixed assets	4,270	3,415
Loss on impairment long-lived asset of facilities	37,534	391,040
Loss on impairment long-lived asset of Tokyo branch	45,943	-
Total extraordinary loss	<u>87,748</u>	<u>394,455</u>
Income before income taxes and others	<u>1,796,546</u>	<u>1,051,852</u>
Corporate, inhabitant and enterprise taxes	<u>703,274</u>	<u>502,942</u>
Income taxes-deferred	<u>-102,069</u>	<u>-128,775</u>
Total income taxes	<u>601,204</u>	<u>374,166</u>
Net income	<u>1,195,342</u>	<u>677,686</u>
Net loss attributable to non-controlling interests	-74	-51
Net income attributable to owners of parent	<u>1,195,416</u>	<u>677,737</u>

(After correction)

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net sales	20,552,867	<u>22,799,279</u>
Cost of sales	<u>16,976,557</u>	<u>19,123,914</u>
Gross profit	<u>3,576,309</u>	<u>3,675,364</u>
Selling, general and administrative expenses	<u>1,843,898</u>	<u>2,506,436</u>
Operating income	<u>1,732,411</u>	<u>1,168,927</u>
Non-operating revenues		
Interest income	57,337	85,298
Guarantee commission received	5,467	65,608
Subsidy income	57,894	86,518
Other	15,578	14,421
Total non-operating revenues	<u>136,277</u>	<u>251,847</u>
Non-operating expenses		
Interest expenses	38,716	49,808
Commission fee	22,795	9,339
Rights on issuance of new shares	16,314	-
Physically handicapped employment levy	6,950	4,625
Other	2,177	6,149
Total non-operating expenses	<u>86,953</u>	<u>69,923</u>
Ordinary income	<u>1,781,735</u>	<u>1,350,851</u>
Extraordinary income		
Gain on sales of fixed assets	-	400
Extraordinary income	-	400
Extraordinary loss		
Loss on retirement of fixed assets	<u>4,227</u>	<u>1,202</u>
Loss on impairment long-lived asset of facilities	<u>118,909</u>	<u>323,025</u>
Loss on impairment long-lived asset of Tokyo branch	45,943	-
Total extraordinary loss	<u>169,080</u>	<u>324,227</u>
Income before income taxes and others	<u>1,612,655</u>	<u>1,027,024</u>
Corporate, inhabitant and enterprise taxes	<u>664,383</u>	<u>461,289</u>
Income taxes-deferred	<u>-123,458</u>	<u>-95,687</u>
Total income taxes	<u>540,924</u>	<u>365,601</u>
Net income	<u>1,071,731</u>	<u>661,422</u>
Net loss attributable to non-controlling interests	-74	-51
Net income attributable to owners of parent	<u>1,071,805</u>	<u>661,473</u>

[Consolidated Statement of Comprehensive Income]

(Before correction)

	(Thousand yen)	
	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net income	<u>1,195,342</u>	<u>677,686</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	-53,571	18,195
Deferred gains or losses on hedges	-	852
Remeasurements of defined benefit plans	-11,535	-4,838
Total other comprehensive income	<u>-65,107</u>	<u>14,210</u>
Comprehensive income	<u>1,130,234</u>	<u>691,896</u>
(Breakdown)		
Comprehensive income attributable to owners of parent	<u>1,130,309</u>	<u>691,947</u>
Comprehensive income attributable to non-controlling interests	-74	-51

(After correction)

	(Thousand yen)	
	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net income	<u>1,071,731</u>	<u>661,422</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	-53,571	18,195
Deferred gains or losses on hedges	-	852
Remeasurements of defined benefit plans	-11,535	-4,838
Total other comprehensive income	<u>-65,107</u>	<u>14,210</u>
Comprehensive income	<u>1,006,623</u>	<u>675,632</u>
(Breakdown)		
Comprehensive income attributable to owners of parent	<u>1,006,698</u>	<u>675,683</u>
Comprehensive income attributable to non-controlling interests	-74	-51

[Consolidated Statements of Changes in Shareholders' Equity]

(Before correction)

Previous Fiscal Year (April 1, 2015–March 31, 2016)

(Thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,000,000	845,589	<u>3,936,990</u>	-258	<u>5,782,322</u>
Changes of items during the period					
Issuance of new shares	603,955	603,955			1,207,910
Dividends from surplus			-333,821		-333,821
Net income attributable to owners of parent			<u>1,195,416</u>		<u>1,195,416</u>
Purchase of treasury stock				-1,207,910	-1,207,910
Disposal of treasury stock				-	-
Net changes of items other than shareholders' equity					
Total changes of items during the period	603,955	603,955	<u>861,595</u>	-1,207,910	<u>861,595</u>
Balance at the end of current period	1,603,955	1,449,544	<u>4,798,586</u>	-1,208,168	<u>6,643,918</u>

	Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	779	-	-13,206	-12,427	4,111	<u>5,774,006</u>
Changes of items during the period						
Issuance of new shares						1,207,910
Dividends from surplus						-333,821
Net income attributable to owners of parent						<u>1,195,416</u>
Purchase of treasury stock						-1,207,910
Disposal of treasury stock						-
Net changes of items other than shareholders' equity	-53,571	-	-11,535	-65,107	-74	-65,182
Total changes of items during the period	-53,571	-	-11,535	-65,107	-74	<u>796,413</u>
Balance at the end of current period	-52,792	-	-24,742	-77,534	4,036	<u>6,570,420</u>

Current Fiscal Year (April 1, 2016–March 31, 2017)

(Thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,603,955	1,449,544	4,798,586	-1,208,168	6,643,918
Changes of items during the period					
Issuance of new shares	-	-			-
Dividends from surplus			-439,238		-439,238
Net income attributable to owners of parent			677,737		677,737
Purchase of treasury stock				-	-
Disposal of treasury stock				338,250	338,250
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	238,499	338,250	576,749
Balance at the end of current period	1,603,955	1,449,544	5,037,085	-869,918	7,220,667

	Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	-52,792	-	-24,742	-77,534	4,036	6,570,420
Changes of items during the period						
Issuance of new shares						-
Dividends from surplus						-439,238
Net income attributable to owners of parent						677,737
Purchase of treasury stock						-
Disposal of treasury stock						338,250
Net changes of items other than shareholders' equity	18,195	852	-4,838	14,210	-51	14,159
Total changes of items during the period	18,195	852	-4,838	14,210	-51	590,908
Balance at the end of current period	-34,596	852	-29,580	-63,324	3,985	7,161,328

(After correction)
Previous Fiscal Year (April 1, 2015–March 31, 2016)

(Thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,000,000	845,589	<u>3,769,918</u>	-258	<u>5,615,250</u>
Changes of items during the period					
Issuance of new shares	603,955	603,955			1,207,910
Dividends from surplus			-333,821		-333,821
Net income attributable to owners of parent			<u>1,071,805</u>		<u>1,071,805</u>
Purchase of treasury stock				-1,207,910	-1,207,910
Disposal of treasury stock				-	-
Net changes of items other than shareholders' equity					
Total changes of items during the period	603,955	603,955	<u>737,984</u>	-1,207,910	<u>737,984</u>
Balance at the end of current period	1,603,955	1,449,544	<u>4,507,903</u>	-1,208,168	<u>6,353,234</u>

	Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	779	-	-13,206	-12,427	4,111	<u>5,606,934</u>
Changes of items during the period						
Issuance of new shares						1,207,910
Dividends from surplus						-333,821
Net income attributable to owners of parent						<u>1,071,805</u>
Purchase of treasury stock						-1,207,910
Disposal of treasury stock						-
Net changes of items other than shareholders' equity	-53,571	-	-11,535	-65,107	-74	-65,182
Total changes of items during the period	-53,571	-	-11,535	-65,107	-74	<u>672,802</u>
Balance at the end of current period	-52,792	-	-24,742	-77,534	4,036	<u>6,279,737</u>

Current Fiscal Year (April 1, 2016–March 31, 2017)

(Thousand yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,603,955	1,449,544	<u>4,507,903</u>	-1,208,168	<u>6,353,234</u>
Changes of items during the period					
Issuance of new shares	-	-			-
Dividends from surplus			-439,238		-439,238
Net income attributable to owners of parent			<u>661,473</u>		<u>661,473</u>
Purchase of treasury stock				-	-
Disposal of treasury stock				338,250	338,250
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	<u>222,235</u>	338,250	<u>560,485</u>
Balance at the end of current period	1,603,955	1,449,544	<u>4,730,138</u>	-869,918	<u>6,913,719</u>

	Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	-52,792	-	-24,742	-77,534	4,036	<u>6,279,737</u>
Changes of items during the period						
Issuance of new shares						-
Dividends from surplus						-439,238
Net income attributable to owners of parent						<u>661,473</u>
Purchase of treasury stock						-
Disposal of treasury stock						338,250
Net changes of items other than shareholders' equity	18,195	852	-4,838	14,210	-51	14,159
Total changes of items during the period	18,195	852	-4,838	14,210	-51	<u>574,644</u>
Balance at the end of current period	-34,596	852	-29,580	-63,324	3,985	<u>6,854,381</u>

4. [Consolidated Statement of Cash Flows]

(Before correction)

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	<u>1,796,546</u>	<u>1,051,852</u>
Depreciation and amortization	<u>605,292</u>	<u>653,659</u>
Impairment loss	<u>83,477</u>	<u>391,040</u>
Amortization of goodwill	-	15,192
Increase (decrease) in allowance for doubtful accounts	-1,414	3,578
Increase (decrease) in provision for bonuses	-	38,070
Increase (decrease) in provision for directors' bonuses	-55,000	-
Increase (decrease) in liabilities relating to retirement benefits	45,830	58,998
Increase (decrease) in provision for directors' retirement benefits	-61,140	-
Interest and dividends income	-57,547	-87,919
Interest expenses	38,716	49,808
Loss (gain) on sale of investment securities	-	3,102
Loss (gain) on sales of fixed assets	-	-400
Loss on retirement of fixed assets	<u>4,270</u>	<u>3,415</u>
Decrease (increase) in notes and accounts receivable-trade	16,181	-5,190
Decrease (increase) in inventories	43,852	-10,248
Decrease (increase) in accounts receivable - other	-184,802	207,645
Decrease (increase) in accrued consumption taxes	<u>-80,897</u>	<u>-14,327</u>
Decrease (increase) in notes and accounts payable-trade	-18,752	23,852
Decrease (increase) in accounts payable - other and accrued expenses	<u>85,444</u>	<u>204,142</u>
Increase (decrease) in accrued consumption taxes	-3,271	<u>-16,308</u>
Increase (decrease) in advances received	245,646	47,819
Decrease (increase) in other current assets	<u>-18,605</u>	9,293
Decrease (increase) in other fixed assets	-23	<u>18,130</u>
Increase (decrease) in other current liabilities	10,338	31,521
Increase (decrease) in other fixed liabilities	4,950	11,676
Subtotal	<u>2,499,092</u>	<u>2,688,407</u>
Interest and dividends income received	18,167	24,120
Interest expenses paid	-36,507	-51,410
Income taxes paid	-676,733	-783,076
Net cash provided by (used in) operating activities	<u>1,804,019</u>	<u>1,878,041</u>

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-1,971,194	-2,023,401
Purchase of intangible assets	-2,084	-132,696
Proceeds from sales of property, plant and equipment	12,450	400
Proceeds from sales and redemption of investment securities	300,000	-
Proceeds from cancellation of investment securities	8,144	97,692
Purchase of investment securities	-296,771	-367,651
Payments for guarantee deposits	-187,577	-115,920
Proceeds from collection of guarantee deposits	41,957	51,957
Payments of long-term loans receivable	-504,000	-515,300
Collection of long-term loans receivable	190,730	201,518
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	-349,337
Other payments	-41,136	-152,732
Net cash provided by (used in) investing activities	-2,449,480	-3,305,471
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	-	1,500,000
Repayments of short-term loans payable	-	-1,500,000
Proceeds from long-term loans payable	4,845,910	5,062,000
Repayments of long-term loans payable	-2,958,090	-3,348,855
Repayments of finance lease obligations	-884	-
Proceeds from issuance of common shares	1,207,910	-
Cash dividends paid	-333,819	-436,275
Proceeds from disposal of treasury shares	-	369,189
Purchase of treasury shares	-1,207,910	-
Net cash provided by (used in) financing activities	1,553,116	1,646,058
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	907,654	218,627
Cash and cash equivalents at beginning of period	2,891,309	3,798,964
Cash and cash equivalents at end of period	3,798,964	4,017,591

(After correction)

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	<u>1,612,655</u>	<u>1,027,024</u>
Depreciation and amortization	<u>596,988</u>	<u>638,681</u>
Impairment loss	<u>164,853</u>	<u>323,025</u>
Amortization of goodwill	-	15,192
Increase (decrease) in allowance for doubtful accounts	-1,414	3,578
Increase (decrease) in provision for bonuses	-	38,070
Increase (decrease) in provision for directors' bonuses	-55,000	-
Increase (decrease) in liabilities relating to retirement benefits	45,830	58,998
Increase (decrease) in provision for directors' retirement benefits	-61,140	-
Interest and dividends income	-57,547	-87,919
Interest expenses	38,716	49,808
Loss (gain) on sale of investment securities	-	3,102
Loss (gain) on sales of fixed assets	-	-400
Loss on retirement of fixed assets	<u>4,227</u>	<u>1,202</u>
Decrease (increase) in notes and accounts receivable-trade	16,181	-5,190
Decrease (increase) in inventories	43,852	-10,248
Decrease (increase) in accounts receivable - other	-184,802	207,645
Decrease (increase) in accrued consumption taxes	<u>35,658</u>	<u>-16,292</u>
Decrease (increase) in notes and accounts payable-trade	-18,752	23,852
Decrease (increase) in accounts payable - other and accrued expenses	<u>88,659</u>	<u>204,648</u>
Increase (decrease) in accrued consumption taxes	-3,271	<u>97,782</u>
Increase (decrease) in advances received	245,646	47,819
Decrease (increase) in other current assets	<u>-27,513</u>	9,293
Decrease (increase) in other fixed assets	-23	<u>15,534</u>
Increase (decrease) in other current liabilities	10,338	31,521
Increase (decrease) in other fixed liabilities	4,950	11,676
Subtotal	<u>2,499,092</u>	<u>2,688,407</u>
Interest and dividends income received	18,167	24,120
Interest expenses paid	-36,507	-51,410
Income taxes paid	-676,733	-783,076
Net cash provided by (used in) operating activities	<u>1,804,019</u>	<u>1,878,041</u>

(Thousand yen)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-1,971,194	-2,023,401
Purchase of intangible assets	-2,084	-132,696
Proceeds from sales of property, plant and equipment	12,450	400
Proceeds from sales and redemption of investment securities	300,000	-
Proceeds from cancellation of investment securities	8,144	97,692
Purchase of investment securities	-296,771	-367,651
Payments for guarantee deposits	-187,577	-115,920
Proceeds from collection of guarantee deposits	41,957	51,957
Payments of long-term loans receivable	-504,000	-515,300
Collection of long-term loans receivable	190,730	201,518
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	-349,337
Other payments	-41,136	-152,732
Net cash provided by (used in) investing activities	-2,449,480	-3,305,471
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	-	1,500,000
Repayments of short-term loans payable	-	-1,500,000
Proceeds from long-term loans payable	4,845,910	5,062,000
Repayments of long-term loans payable	-2,958,090	-3,348,855
Repayments of finance lease obligations	-884	-
Proceeds from issuance of common shares	1,207,910	-
Cash dividends paid	-333,819	-436,275
Proceeds from disposal of treasury shares	-	369,189
Purchase of treasury shares	-1,207,910	-
Net cash provided by (used in) financing activities	1,553,116	1,646,058
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	907,654	218,627
Cash and cash equivalents at beginning of period	2,891,309	3,798,964
Cash and cash equivalents at end of period	3,798,964	4,017,591

(5) Notes on the consolidated financial statements

(Per-stock Information)

(Before correction)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net assets per share	<u>78.68</u> yen	<u>84.52</u> yen
Net income per share	<u>14.32</u> yen	<u>8.06</u> yen

Notes:

3. The basis for calculating net income per share is as follows:

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
<u>Net income</u> (thousand yen)	<u>1,195,416</u>	<u>677,737</u>
Amount not belonging to ordinary stockholders (thousand yen)	-	-
<u>Net income</u> regarding the ordinary shares (thousand yen)	<u>1,195,416</u>	<u>677,737</u>
Mid-term average number of ordinary shares (stocks)	83,455,294	84,093,963

(After correction)

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
Net assets per share	<u>75.20</u> yen	<u>80.89</u> yen
Net income per share	<u>12.84</u> yen	<u>7.87</u> yen

Notes:

3. The basis for calculating net income per share is as follows:

	Previous Fiscal Year (April 1, 2015– March 31, 2016)	Current Fiscal Year (April 1, 2016– March 31, 2017)
<u>Net income attributable to owners of parent (thousand yen)</u>	<u>1,071,805</u>	<u>661,473</u>
Amount not belonging to ordinary stockholders (thousand yen)	-	-
<u>Net income attributable to owners of parent</u> regarding the ordinary shares (thousand yen)	<u>1,071,805</u>	<u>661,473</u>
Mid-term average number of ordinary shares (stocks)	83,455,294	84,093,963