

# Flash Report for the 1st Quarter of the Fiscal Year Ending December 31, 2015

## [Japan GAAP] (on a consolidated basis)

April 28, 2015

Stock Exchange Listing: Tokyo

Company Name: OPT Holding, Inc.

Stock Code: 2389 URL <http://www.opt.ne.jp/english/holding/>

Representative: Noboru Hachimine, Founder, President and CEO

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Scheduled date of commencement of dividend payment: —

Supplemental materials prepared for quarterly financial results: Yes

Holding of quarterly financial results explanatory meeting: No

(Amounts of less than one million yen are rounded down and percentages are rounded to the first decimal place)

### 1. Consolidated Results for the 1st Quarter of Fiscal 2015 (January 1, 2015 – March 31, 2015)

(1) Consolidated Business Results (% represents year-on-year change)

	Revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q FY2015	16,397	(16.3)	363	(91.7)	288	(93.3)	120	(95.2)
1Q FY2014	19,602	(12.2)	4,388	830.9	4,303	843.7	2,498	—

Note: Comprehensive income (loss): 1Q FY2015: 203 million yen (—%) 1Q FY2014: (2,234) million yen (—%)

	Basic net income per share		Diluted net income per share	
	Yen		Yen	
1Q FY2015	4.65		—	
1Q FY2014	84.77		83.94	

(Notes)

- Gains (losses) on the sale of operational investment securities relating to the Investment and Value Creation Business are included in the consolidated results for the fiscal year ended December 31, 2014.
- There were no issued and outstanding shares with dilutive effect as of the end of the first quarter of the fiscal year under review. Accordingly, diluted net income per share data is not presented.

### (2) Consolidated Financial Position

	Total assets		Net assets		Net assets ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
March 31, 2015	37,985		17,408		43.8		643.25	
December 31, 2014	39,436		17,703		42.9		655.43	

(Reference) Capital: March 31, 2015: 16,621 million yen

December 31, 2014: 16,936 million yen

### 2. Dividends

	Dividend per share				
	End of 1st quarter (Mar. 31)	End of 2nd quarter (Jun. 30)	End of 3rd quarter (Sep. 30)	Fiscal year-end (Dec. 31)	Annual
	Yen				
FY2014	—	0.00	—	13.00	13.00
FY2015	—	—	—	—	—
FY2015 (forecasts)	—	0.00	—	—	—

(Notes)

- Revisions to the most recently announced dividend forecast: None
- Forecast for the FY2015-end dividend is yet to be determined.

### 3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2015 (January 1, 2015 - December 31, 2015)

(% represents year-on-year change)

	Revenue		Operating income		Ordinary income		Net income		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Interim	—	—	—	—	—	—	—	—	—	
Full fiscal year	70,000	4.5	1,320	(70.5)	820	(79.8)	260	(76.2)	10.06	

(Note) Revisions to the most recently announced consolidated earnings forecast: Yes

**Notes:**

(1) Changes in major subsidiaries during the period  
(changes in specified subsidiaries resulting from changes in the scope of consolidation): None  
Inclusion: None Exclusion: None

(2) Application of special accounting practices in the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements  
(a) Changes in accounting policies arising from the revision of accounting standards, etc.: None  
(b) Changes in accounting policies other than those noted in above (a): None  
(c) Changes in accounting estimates: None  
(d) Retrospective restatements: None

(4) Number of shares outstanding (common stock)

(a) Number of shares outstanding as of the end of the period (including treasury stock)	March 31, 2015	29,980,000 shares	December 31, 2014	29,980,000 shares
(b) Number of shares of treasury stock as of the end of the period	March 31, 2015	4,140,000 shares	December 31, 2014	4,140,000 shares
(c) Average number of shares during the period	1Q FY2015	25,840,000 shares	1Q FY2014	29,480,166 shares

\* Regarding the status of audit procedure implementation

This flash report is outside the scope of audit procedures as prescribed under the Financial Instruments and Exchange Act of Japan. Audit procedures for financial statements as prescribed under the Act have not been completed at the time of disclosure.

\* Explanations about the proper use of earnings forecasts and other specific matters

Forward-looking statements including earnings forecasts and other specific matters in this document are based on information currently available to management and certain assumptions considered by management to be reasonable. A variety of factors could cause actual results and events to differ significantly from those projected.

#### 4. Consolidated Financial Statements

##### (1) Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2014	As of March 31, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	10,398,180	9,962,968
Notes and accounts receivable—trade	9,750,338	10,591,639
Short-term investment securities	3,996,780	—
Operational investment securities	1,585,459	4,778,266
Inventories	61,528	101,695
Deferred tax assets	154,984	47,722
Other	1,108,738	827,924
Allowance for doubtful accounts	(216,157)	(198,386)
Total current assets	26,839,853	26,111,828
Noncurrent assets		
Property, plant and equipment	792,655	725,422
Intangible assets		
Goodwill	2,326,018	2,220,532
Other	1,272,709	1,359,279
Total intangible assets	3,598,727	3,579,812
Investments and other assets		
Investment securities	7,043,462	6,450,967
Other	1,837,463	1,789,960
Allowance for doubtful accounts	(675,711)	(672,119)
Total investments and other assets	8,205,214	7,568,808
Total noncurrent assets	12,596,597	11,874,043
Total assets	39,436,451	37,985,872
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable—trade	8,408,015	9,071,607
Short-term loans payable	220,000	230,000
Current portion of long-term loans payable	907,553	927,210
Income taxes payable	1,687,236	278,513
Deferred tax liabilities	—	149,516
Provision for bonuses	434,055	172,853
Other	2,536,486	2,156,867
Total current liabilities	14,193,346	12,986,568
Noncurrent liabilities		
Long-term loans payable	7,006,347	7,054,577
Net defined benefit liability	159,313	146,001
Deferred tax liabilities	35,807	70,090
Asset retirement obligations	128,781	124,100
Other	208,974	195,946
Total noncurrent liabilities	7,539,225	7,590,716
Total liabilities	21,732,571	20,577,285

(Thousands of yen)

	As of December 31, 2014	As of March 31, 2015
Net assets		
Shareholders' equity		
Capital stock	7,645,948	7,645,948
Capital surplus	7,740,278	7,740,278
Retained earnings	3,490,800	3,131,496
Treasury stock	(3,148,046)	(3,148,046)
Total shareholders' equity	15,728,980	15,369,676
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	487,380	658,191
Foreign currency translation adjustment	719,931	593,756
Total accumulated other comprehensive income	1,207,311	1,251,947
Subscription rights to shares	6,836	6,836
Minority interests	760,750	780,126
Total net assets	17,703,879	17,408,587
Total liabilities and net assets	39,436,451	37,985,872

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****Consolidated Statements of Income**

(Thousands of yen)

	1Q FY2014	1Q FY2015
	(From January 1, 2014	(From January 1, 2015
	to March 31, 2014)	to March 31, 2015)
Revenue	19,602,088	16,397,479
Cost of sales	12,289,825	13,197,103
Gross profit	7,312,262	3,200,375
Selling, general and administrative expenses	2,924,008	2,836,466
Operating income	4,388,253	363,908
Non-operating income		
Interest income	7,779	5,847
Other	12,261	16,981
Total non-operating income	20,040	22,828
Non-operating expenses		
Interest expenses	3,123	7,311
Loss on investments in partnership	18,002	69,409
Equity in losses of affiliates	52,349	1,315
Other	30,839	20,276
Total non-operating expenses	104,315	98,312
Ordinary income	4,303,978	288,424
Extraordinary income		
Gain on sales of investment securities	10,198	587,533
Other	1,876	3,497
Total extraordinary income	12,074	591,031
Extraordinary loss		
Loss on retirement of noncurrent assets	61,520	17,133
Impairment loss	11,140	—
Loss on valuation of investment securities	—	279,656
Other	1,413	700
Total extraordinary loss	74,073	297,489
Income before income taxes	4,241,979	581,966
Income taxes-current	1,694,108	197,125
Income taxes-deferred	8,446	218,908
Total income taxes	1,702,554	416,033
Income before minority interests	2,539,424	165,932
Minority interests in income	40,454	45,750
Net income	2,498,970	120,182

**(2) Consolidated Statements of Comprehensive Income**

(Thousands of yen)

	1Q FY2014 (From January 1, 2014 to March 31, 2014)	1Q FY2015 (From January 1, 2015 to March 31, 2015)
Income before minority interests	2,539,424	165,932
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,676,686)	170,731
Foreign currency translation adjustment	(89,853)	(103,438)
Share of other comprehensive income of associates accounted for using equity method	(6,889)	(29,519)
Total other comprehensive income (loss)	(4,773,429)	37,772
Comprehensive income (loss)	(2,234,005)	203,705
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(2,272,385)	164,819
Comprehensive income attributable to minority interests	38,380	38,886

**(5) Segment Information**

1Q FY2015 (From January 1, 2015 to March 31, 2015)

**1. Information on Revenue, Income (Loss), Assets and Other Amounts by Reporting Segment**

(Thousands of yen)

	Reportable Segment						Adjustments (Note 1)	Amounts Recorded in Consolidated Financial Statements (Note 2)
	Internet Advertising & Solution Business	Database Business	Social & Consumer Business	Overseas Business	Investment and Value Creation Business	Total		
Revenue								
Sales, external	15,679,899	442,733	21,858	252,987	—	16,397,479	—	16,397,479
Intersegment sales or transfers	2,079	61,756	80	56,856	—	120,771	(120,771)	—
Total	15,681,978	504,490	21,938	309,843	—	16,518,251	(120,771)	16,397,479
Segment income (loss)	527,698	(72,760)	(6,969)	(29,802)	(55,511)	362,655	1,253	363,908

Notes:

1. The 1,253 thousand yen adjustment to segment income (loss) is attributable to intersegment eliminations.
2. Segment income (loss) refers to operating income (loss) as reported in the consolidated statements of income after adjustment.

**2. Information concerning Loss on Impairment of Noncurrent Assets and Goodwill by Reporting Segment**

(Significant loss on impairment of noncurrent assets)

Not applicable.

(Significant changes in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.