

**BRIEF STATEMENT OF CONSOLIDATED FINANCIAL RESULTS  
FOR THE 3rd QUARTER OF THE FISCAL YEAR ENDING MARCH 2016**

This is an English translation of summarized consolidated financial results prepared for the convenience of non-resident shareholders. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

February 10, 2016

Faith, Inc. (Stock code 4295, Listed on TSE 1st section)

(URL <http://www.faith.co.jp/>)

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Date of Submission of Securities Report: February 12, 2016

Starting Date of the Dividend Payment: —

Preparation of Supplementary Materials for Quarterly Financial Results: Applicable

Information Meeting for Quarterly Financial Results to be Held: None

Amounts are rounded down to the nearest JPY 1 million.

**1. Results for the 3rd Quarter of the Fiscal Year Ending March 2016**

(From April 1, 2015 to December 31, 2015)

**(1) Consolidated Operating Results**

(Percentages indicate changes compared with the same quarter of the previous fiscal year.)

Q3 of the year ending	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 2016	15,297	8.0	1,225	—	1,220	—	584	—
March 2015	14,163	198.0	△888	—	△864	—	△797	—

(Note) Comprehensive income: 3rd quarter of the fiscal year ending March 2016: ¥899 million (—%); 3rd quarter of fiscal year ending March 2015: △¥1,233 million (—%)

	Net Income per Share	Diluted Net Income per Share
Q3 of the year ending	<i>Yen</i>	<i>Yen</i>
March 2016	57.32	—
March 2015	△70.09	—

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Ratio of Equity Capital	Net Assets Per Share
Q3 of the year ending	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>%</i>	<i>Yen</i>
March 2016	24,189	16,760	64.1	1,571.98
Year ending March 2015	25,835	17,723	65.5	1,540.23

(Reference) Equity capital: 3rd quarter of fiscal year ending March 2016: ¥15,514 million; fiscal year ending March 2015: ¥16,918 million

**2. Dividends**

(Record dates)	Dividends per Share				
	1 <sup>st</sup> Quarter	Interim	3 <sup>rd</sup> Quarter	Year-end	Total
Year ending March 2015	<i>yen</i>	<i>yen</i>	<i>yen</i>	<i>yen</i>	<i>yen</i>
Year ending March 2016	—	5.00	—	5.00	10.00
Year ending March 2016 (Forecast)	—	5.00	—	5.00	10.00

(Note) Forecasts for dividends have not been modified since the time of the most recently announced business forecast.

### 3. Forecast for the Consolidated Results for the Year Ending March 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate changes compared with the previous fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to the Shareholders of the Parent Company		Net Income per Share
	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Yen</i>
Full year	19,900	1.5	1,400	—	1,380	—	630	—	63.83

(Note) Forecasts for dividends have been modified since the time of the most recently announced business forecast.  
For information on the revision of the forecast of consolidated financial results, please refer to the Notice Concerning the Revision of the Forecast of Financial Results issued today (February 10, 2016).

#### ※ Notes

- (1) Changes in significant subsidiaries (accompanying changes in scope of consolidation): None  
Newly added subsidiaries: 0 companies (subsidiary's name: )  
Removed subsidiaries: 0 companies (subsidiary's name: )
- (2) Adoption of simplified accounting practices or specific procedures in preparation of the quarterly consolidated financial reports: Applicable  
\* For details, please refer to "2. Summary Information, (2) Adoption of Simplified Accounting Methods in the Preparation of Quarterly Financial Statements" on page 5 of the accompanying material.
- (3) Changes in accounting policy, changes in accounting estimates, and restatements
  - (i) Changes accompanying revisions of accounting standards, etc.: Applicable
  - (ii) Changes other than the above: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatements: None
 \* For details, please refer to "2. Summary Information, (3) Changes in Accounting Principles, Procedures, and Disclosure Methods" on page 5 of the accompanying material.
- (4) Outstanding shares (common shares)
  - (i) Outstanding shares at the end of the fiscal years (including treasury shares):  
The 3rd quarter of the fiscal year ending March 2016: 11,960,000 shares  
The fiscal year ending March 2015: 11,960,000 shares
  - (ii) Treasury shares at the end of the fiscal years:  
The 3rd quarter of the fiscal year ending March 2016: 2,090,330 shares  
The fiscal year ending March 2015: 975,480 shares
  - (iii) Average number of shares at the interim accounting period  
The 3rd quarter of the fiscal year ending March 2016: 10,198,854 shares  
The 3rd quarter of the fiscal year ending March 2015: 11,380,784 shares

#### \* Indication of auditing procedures implementation status

This financial results report is exempt from quarterly review procedures under Japan's Financial Instruments and Exchange Law. As of the time of disclosure of this report, the auditing procedure based on the Financial Instruments and Exchange Law has not been completed.

#### \* Statement regarding the proper use of financial forecasts and other special remarks

(Notice regarding statements concerning the future)

Statements concerning the future, such as performance forecasts, etc., described in the present material are based on information currently available to the Company and on certain assumptions judged as reasonable by the Company. The Company's actual performance may differ substantially from these forecasts as a result of various factors beyond the Company's control. For details of cautions, etc., employed in making performance forecasts and the assumptions underlying performance forecasts, please refer to 1. (3) Explanation Concerning Future Forecast Information on the Consolidated Financial Results, etc." on page 4 of the accompanying material.

(To obtain supplemental documents relating to financial results)

Supplemental materials related to the Company's Quarterly and other financial results are posted on the company website.

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## 1. Qualitative Information Concerning the Settlement of Accounts for the 3rd Quarter

### (1) Explanation Concerning the Operating Results

In the domestic information communication field, Internet usage via smartphone and tablet type terminals has increased in line with the expanding popularity and declining cost of high-speed communication networks made possible by an improved Internet environment, as well as with the progress of broadband and advances in smart device technology.

In the music contents market, in keeping with the increasing popularity of subscription-type music distribution services that allow subscribers to listen to as much music as they like for a fixed monthly charge, the size of the domestic music market in 2015 is now expected to exceed that of the previous year for the first time in 8 years. Moreover, following the reaching of an outline agreement in the negotiations over the Trans-Pacific Partnership (TPP) in October 2015, the copyright system is set to be modified to incorporate changes such as an extension of the period of copyright protection. The Company is closely monitoring the emerging trends in the copyright field, such as the recent merger between the music copyright handling service provider e-License Inc. and Japan Rights Clearance Inc. (JRC), in which the Company has a capital stake, and we are also pursuing a flexible response in providing new music services.

In future, the migration of users to these services can be expected to accelerate in accordance with the development of the digital information-oriented society and the implementation of new economic policies, which will increase the importance of grasping changing user needs promptly.

In the current environment, the Faith Group is continuing to utilize the results of the efforts it has been pouring into content digital distribution ever since its establishment, and is forging ahead with its Multi-Content and Multi-Platform Strategy of creating an environment that allows people to enjoy a wide diversity of contents whenever and wherever they choose. The Group is also strengthening the development of new services in response to the changing market environment such as platforms that collect and organize the information flooding the Internet and then provide this to users after increasing its added value.

Moreover, with effect from July 1, 2015, the Business Development Department of Faith Wonderworks, Inc., a 100% subsidiary of the Company, was integrated with the Company in the interests of systemic improvement aimed at more efficient operation and enhanced competitiveness through the integration and centralization of our production and development resources. We have also been proceeding with streamlining by deploying our human resources flexibly irrespective of organization, including through office and management departmental integration at the Group level, in response to the needs of the work progress situation, busy periods, etc.

Regarding the Faith Group's business performance for the 3rd quarter of the fiscal year ending March 2016, although sales of distribution services for feature phone use—the Group's largest sales category—continued to decrease, as a consequence of launching new services in response to the environment and of the return to profitability of the Company's 100% consolidated subsidiary Nippon Columbia Co., Ltd., net sales increased by 8.0% compared with the same quarter of the previous fiscal year to ¥15,297 million, while the Group recorded an operating income of ¥1,225 million (compared with an operating loss of ¥888 million for the same quarter of the previous fiscal year), an ordinary income of ¥1,220 million (compared with an ordinary loss of ¥864 million for the same quarter of the previous fiscal year), and a net income attributable to the shareholders of the parent company for the quarter under review of ¥584 million (compared with a net loss attributable to the shareholders of the parent company of ¥797 million for the same period of previous fiscal year).

Information on each business segment is as follows.

#### ***Content Business***

In the Content Business, the Faith Group is actively pursuing the development of new services in response to the market environment including the ongoing popularization of smartphones, changing lifestyles, etc. We are continuously working to build up our music service platforms by utilizing

business synergies between the Group's member companies such as linking the various profit-generating functions, which are diversified in the artist business, and we are proceeding with the creation and nurturing of businesses that possess structural strengths.

By equipping functions that make it possible to provide services essential for artistic activities centered on music artists, such as official site construction, fan club operation, music distribution, etc., the platform business Fans', which integrates a variety of the Company's services, began operating on a full scale from the end of April 2015. In future too, we will promote the activities of various artists both in Japan and overseas and we will work to expand the number of users by making efforts to offer a wider range of functions and services.

FaRao Pro is a store-use solution service for restaurants and retailers equipped with BGM functions in addition to essential functions for in-store operations such as sales promotion. In FaRao Pro, apart from strengthening the system of operations, acoustic construction, and maintenance in partnership with sales stores, we will attempt to expand the service's users by targeting offices that are expecting to use it for mental health purposes in addition to for switchover demand from existing stores employing professional BGM services. Also, we are moving forward with preparations for overseas development based on current services in Japan and are targeting the creation and activation of new BGM markets both in Japan and overseas.

In keeping with above developments, despite the decline in sales of existing distribution services, as a result of the ongoing positive deployment of new services in line with the changing market environment, the Content Business recorded net sales of ¥3,471 million (an increase of 1.3% year on year). Moreover, factoring in reductions in costs beginning with subcontracting costs and advertising and promotional expenses, operating income increased by 3.8% year on year to ¥137 million.

#### ***Point Service Business***

Buoyed by an increase in the number of new points issued by existing participating stores, the Point Service Business recorded net sales of ¥1,759 million, an increase of 5.0% compared with the same period of the previous fiscal year. Moreover, due to a temporary decrease in the expense burden of recovering old points in accordance with the transfer to server management-based operation during the previous fiscal year and other factors, operating income for this business totaled ¥154 million, an increase of 725.1% year on year.

#### ***Columbia Business***

Amid the severe environment facing the music and video-related industry in line with the continuing shrinking of the music market, the Columbia Business proceeded with its strategy of strengthening new future-oriented businesses in order to overcome the present situation in which it remains dependent on sales of package products for which the market remains sluggish.

Due mainly to higher sales of animation-related titles and game software titles and to an improved sales performance in the artist management-related business, overall sales by the Columbia Business totaled ¥10,066 million, an increase of 11.1% compared with the same quarter of the previous fiscal year. Regarding the profit and loss situation, the Direct Sales Business was buoyed by a general increase in sales, and particularly by favorable sales of products utilizing high-margin sound sources. In addition, due to a steep decline in overall fixed costs stemming from the implementation of career change support measures for the purpose of organizational reform during the previous fiscal year, this business segment recorded an operating income for the 3rd quarter under review of ¥926 million (compared with an operating loss for the same period of the previous fiscal year of ¥1,047 million).

\*The product and service names appearing in this document are trademarks or registered trademarks of Faith Inc. either in Japan or in other countries.

## (2) Explanation Concerning the Financial Position

Total assets as of December 31, 2015 decreased by ¥1,645 million compared to the end of the previous consolidated fiscal year (March 31, 2015) to ¥24,189 million. This result was mainly due to decreases in cash and deposits, and accounts and notes receivable.

Total liabilities decreased by ¥683 million compared to the end of the previous consolidated fiscal year to ¥7,428 million. This result was mainly due to decreases in accounts and notes payable, and other accounts payable.

Total net assets decreased by ¥962 million compared to the end of the previous consolidated fiscal year to ¥16,760 million. This was mainly due to the recording of a quarterly net income attributable to the shareholders of the parent company, the payment of dividends, and an increase in the amount of treasury stock, etc.

## (3) Explanation Concerning Future Forecast Information on the Consolidated Financial Results, etc.

The Company has revised its previous performance forecast for the full financial year, which was issued on November 2, 2015. For details of the revised forecast, please refer to the Notice Concerning the Revision of the Forecast of Financial Results issued today (February 10, 2016).

## 2. Summary Information

### (1) Changes in Major Subsidiaries during the 3rd Quarter

Not applicable

### (2) Adoption of Simplified Methods in the Preparation of the Quarterly Financial Statements

Tax expenses for the Company and a portion of its consolidated subsidiaries are calculated by making a reasonable estimate of the effective tax rate after applying tax effect accounting to the amount of quarterly net income before tax deduction for the consolidated financial year including the current 3rd quarter accounting period, and then multiplying the amount of quarterly net income before tax deduction by the current estimated effective tax rate.

### (3) Changes in Accounting Principles, Procedures, and Disclosure Methods

(Changes in Accounting Principles)

(Adoption of the Accounting Standard for Business Combinations)

From the 1st quarter of the current consolidated accounting year, we have applied the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ABSJ) Statement No. 21, issued on September 13, 2013, hereinafter referred to as the Business Combinations Accounting Standard), the Accounting Standard for Consolidated Financial Statements (ABSJ Statement No. 22, issued on September 13, 2013, hereinafter referred to as the Consolidated Accounting Standard), and the Accounting Standard for Business Divestitures (ABSJ Statement No.7, September 13, 2013, hereinafter referred to as the Business Divestitures Accounting Standard). Also, the balance due to changes in the Company's equity with respect to the subsidiaries continuing under the Company's control is recorded as a capital surplus, and the accounting method has been changed to recording this as expenses during the consolidated accounting year in which acquisition-related costs arise. Moreover, for business combinations that take place after the beginning of the 1st quarter of the current consolidated accounting year, the method has been changed to reflect the revision of the proportional amount of the acquisition cost according to the settlement of the provisional accounting treatment in the quarterly consolidated financial statements for the consolidated quarterly accounting period to which the business combination date belongs. In addition, changes have been made in the method of presenting the quarterly net income, etc., and the method of presentation has been changed from "minority interests" to "non-controlling shareholders". In order to reflect the said presentation changes, we have also revised the Quarterly Consolidated Financial Statements and Consolidated Financial Statements accordingly.

Concerning the application of the Business Combinations Accounting Standard, etc. the Company is following the transitional measures decided in the Business Combinations Accounting Standard Section 58-2 (4), the Consolidated Accounting Standard Section 44-5 (4), and the Business Divestitures Accounting Standard Section 57-4 (4), has been applying them since the beginning of the 1st quarter of the current consolidated fiscal year and continue to do so for the foreseeable future.

These changes have no material impact on the Group's retained earnings or profitability in the 3rd quarter of the current consolidated accounting year.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

	(Unit: thousands of yen)	
	FY 2014	3rd Quarter of FY 2015
	(As of March 31, 2015)	(As of Dec. 31, 2015)
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	13,135,625	12,291,948
Accounts and notes receivable	2,868,673	2,545,234
Marketable securities	242,969	243,087
Commercial products	536,992	355,528
Products in progress	314,114	214,278
Primary materials and inventory goods	74,824	48,844
Corporation tax refund receivable, etc.	55,378	4,791
Deferred tax assets	21,503	13,847
Others	986,469	756,660
Allowance for doubtful accounts	△49,909	△56,517
<b>Total current assets</b>	<b>18,186,640</b>	<b>16,417,704</b>
<b>Fixed assets</b>		
Tangible fixed assets	2,983,139	2,926,243
Intangible fixed assets		
Goodwill	1,940,390	2,008,010
Others	793,911	866,472
<b>Total intangible fixed assets</b>	<b>2,734,302</b>	<b>2,874,483</b>
<b>Investment and other assets</b>		
Investment securities	1,571,280	1,654,427
Others	631,994	631,426
Allowance for doubtful accounts	△272,217	△314,962
<b>Total investments and other assets</b>	<b>1,931,057</b>	<b>1,970,891</b>
<b>Total fixed assets</b>	<b>7,648,498</b>	<b>7,771,618</b>
<b>Total assets</b>	<b>25,835,139</b>	<b>24,189,322</b>
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Accounts and notes payable	1,133,715	873,231
Short-term loans payable	546,120	656,120
Lease obligations	17,730	17,678
Accrued expenses payable	2,431,769	2,438,196
Income taxes payable	124,473	161,320
Reserve for bonuses	64,309	62,370
Reserve for point card certificates	39,828	44,480
Reserve for sales returns	160,593	88,571
Others	1,967,451	1,371,124
<b>Total current liabilities</b>	<b>6,485,992</b>	<b>5,713,093</b>
<b>Fixed liabilities</b>		
Long-term loans payable	739,020	937,940
Net defined retirement benefits	645,695	585,072
Lease obligations	23,793	10,890
Deferred tax liabilities	182,465	136,376
Others	35,003	45,154
<b>Total fixed liabilities</b>	<b>1,625,977</b>	<b>1,715,433</b>
<b>Total liabilities</b>	<b>8,111,969</b>	<b>7,428,527</b>

	(Unit: thousands of yen)	
	FY 2014	3rd Quarter of FY 2015
	(As of March 31, 2015)	(As of Dec. 31, 2015)
(Net assets)		
Shareholder's equity		
Common stock	3,218,000	3,218,000
Capital surplus	3,708,355	3,708,355
Retained earnings	10,938,929	11,419,210
Treasury stock	△1,254,787	△3,038,426
Total shareholder's equity	16,610,496	15,307,139
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	215,116	139,845
Foreign currency translation adjustments	5,399	△8,590
Cumulative adjustment for retirement benefit obligations	87,627	76,483
Total other accumulated comprehensive income	308,143	207,738
Stock acquisition rights	58,591	42,734
Holdings of non-controlling shareholders	745,938	1,203,183
Total net assets	17,723,169	16,760,795
Total liabilities and net assets	25,835,139	24,189,322

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
(Consolidated Statement of Income)

	(Unit: thousands of yen)	
	3rd Quarter of FY 2014 (April 1-Dec. 31, 2014)	3rd Quarter of FY 2015 (April 1-Dec. 31, 2015)
Net sales	14,163,008	15,297,589
Cost of sales	9,296,760	9,145,486
Gross profit	4,866,248	6,152,102
Selling, general and administrative expenses	5,754,742	4,926,507
Operating income or loss (△)	△ 888,493	1,225,594
Non-operating income		
Interest income	7,269	2,687
Dividend income	6,101	5,473
Interest on securities	105	107
Foreign exchange gain	3,663	—
Investment partnership operation gain	11,412	10,840
Gain on disposal of unpaid royalties	10,673	—
Miscellaneous receipts	17,530	14,693
Total non-operating income	56,755	33,803
Non-operating expenses		
Interest paid	7,828	11,053
Investment partnership operation loss	6,244	3,162
Investment loss on equity method	18,198	22,151
Foreign exchange loss	—	956
Miscellaneous expenses	691	1,146
Total non-operating expenses	32,962	38,470
Ordinary income or loss (△)	△ 864,701	1,220,927
Extraordinary income		
Gain on disposal of fixed assets	—	990
Gain on change in equity	—	36,228
Gain on step acquisitions	—	13,186
Gain on reversal of subscription rights to shares	3,357	15,857
Other extraordinary income	—	1,512
Total extraordinary income	3,357	67,775
Extraordinary losses		
Loss on disposal of fixed assets	4,308	7,021
Impairment losses	—	13,234
Loss on valuation of investment securities	—	5,490
Provision of reserve for copyright-related losses	—	10,000
Organizational reform-related losses	150,000	—
Other extraordinary losses	—	4,140
Total extraordinary losses	154,308	39,886
Net income or net loss before income taxes (△)	△ 1,015,652	1,248,816
Corporate, local, and business taxes	254,612	239,192
Corporate tax adjustment amount	109,819	△ 293
Net income or net loss before minority interests (△)	△ 1,380,084	1,009,917
Minority interests in loss (△)	△ 582,352	425,360
Net income or loss for the current quarter (△)	△ 797,732	584,557

(Consolidated Statement of Comprehensive Income)

	(Unit: thousands of yen)	
	3rd Quarter of FY 2014	3rd Quarter of FY 2015
	(April 1-Dec. 31, 2014)	(April 1-Dec. 31, 2015)
Net income or loss for the current quarter ( $\Delta$ )	$\Delta$ 1,380,084	1,009,917
Other comprehensive income		
Valuation difference on other available-for-sale securities	29,520	$\Delta$ 74,653
Foreign currency translation adjustments	21,083	$\Delta$ 14,018
Retirement benefit adjustments	96,319	$\Delta$ 21,864
Total other comprehensive income	<u>146,922</u>	<u><math>\Delta</math>110,535</u>
Comprehensive income	<u><math>\Delta</math>1,233,162</u>	<u>899,381</u>
(Details)		
Comprehensive income attributable to shareholders of the parent company	$\Delta$ 708,315	484,151
Comprehensive income attributable to non-controlling shareholders	$\Delta$ 524,846	415,229

(3) Notes Concerning the Consolidated Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable

(Notes in the Case of Significant Changes in the Amount of Shareholders' Equity)

1. Concerning the acquisition of treasury stock based on a resolution at the Board of Directors meeting:

Based on a resolution at the Board of Directors meeting held on December 5, 2014, the Company proceeded to acquire shares of its own stock.

(1) Type of treasury stock acquired

The Company's common stock

(2) Total number of shares of acquired stock

127,900 shares

(3) Total stock acquisition price

¥201,673,000

(4) Acquisition period

April 1, 2015 ~ April 30, 2015

(5) Acquisition method

Market purchasing by means of the trust method

2. Concerning the acquisition of treasury stock from shareholders opposed to the absorption-type corporate split involving a subsidiary

Effective from July 1, 2015, the Company inherited the contents distribution platform development and production business of its 100% subsidiary Faith Wonderworks Ltd. by means of the corporate split (absorption-type demerger) method. Regarding this absorption-type split, in response to a share purchase request from a shareholder opposed to the split based on Article 797, Paragraph 1 of the Companies Act, the Company carried out the treasury stock acquisition procedure outlined below.

(1) Number of shareholders to which share purchase requests were made

1

(2) Date of receipt of share purchase request

June 16, 2015

(3) Number of shares for which purchase was requested

985,650 shares (equal to 8.24% of the Company's total number of issued shares as March 31, 2015)

(4) Purchase price

¥1,579,996,000 (price per share: ¥1,603)

(5) Purchase date

July 10, 2015

(6) Acquisition method

Off-market trading

(Segment Information)

I 3rd quarter of the previous consolidated fiscal year/FY 2014 (April 1, 2014 through Dec. 31, 2014)

1. Information on sales and profit or loss by reportable segment

(Unit: thousands of yen)

	Content	Point Service	Columbia	Total	Adjustment amount (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
Net sales						
Sales to external customers	3,425,788	1,675,431	9,061,788	14,163,008	—	14,163,008
Intersegment sales or transfer amount	102,786	645	33,888	137,320	△137,320	—
Total	3,528,575	1,676,076	9,095,677	14,300,329	△137,320	14,163,008
Segment income/loss (△)	132,752	18,773	△1,047,373	△895,848	7,354	△888,493

Notes: 1. The segment income adjustment amount of ¥7,354 thousand is calculated by eliminating intersegment transactions.

2. Segment income or loss (△) is adjusted with operating income in the quarterly consolidated profit and loss statement.

2. Information regarding impairment loss on fixed assets or goodwill by segment reported

This information is omitted since there is no critical impairment loss on fixed assets or significant change in amount of goodwill.

II 3rd quarter of the current consolidated fiscal year/FY 2015 (April 1, 2015 through Dec. 31, 2015)

1. Information on sales and profit or loss by reportable segment

(Unit: thousands of yen)

	Content	Point Service	Columbia	Total	Adjustment amount (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
Net sales						
Sales to external customers	3,471,830	1,759,508	10,066,249	15,297,589	—	15,297,589
Intersegment sales or transfer amount	104,276	1,524	42,855	148,656	△148,656	—
Total	3,576,107	1,761,033	10,109,105	15,446,246	△148,656	15,297,589
Segment income/loss	137,808	154,899	926,608	1,219,317	6,277	1,225,594

Notes: 1. The segment income adjustment amount of ¥6,277 thousand is calculated by eliminating intersegment transactions.

2. Segment income or loss (△) is adjusted with operating income in the quarterly consolidated profit and loss statement.

2. Information regarding impairment loss on fixed assets or goodwill by segment reported

This information is omitted since there is no critical impairment loss on fixed assets or significant change in amount of goodwill.