

Financial Results Materials for Institutional Investors

*Transforming needs
into solutions*



COMTURE CORPORATION



May, 2018

Koichi Mukai
Chairman & CEO
Founder-Owner

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FY ending March 2018: 3rd Quarter

Outline of Financial Results

1-1 Financial Highlights (announced on Jan.29th)

**Achieved 8 consecutive years of sales growth and
7 consecutive years of earnings growth,
hitting a record high for the interim period**

	FY2017 Mar. 3Q Total Results		FY2018 Mar. 3Q Total Results		Year-on- year rate
	Amount	Rate	Amount	Rate	
Net Sales	9,901 million yen	-	12,116 million yen	-	+22.4%
Operating Income	914 million yen	9.2%	1,383 million yen	11.4%	+51.3%
Ordinary Income	937 million yen	9.5%	1,406 million yen	11.6%	+50.0%
Net income attributable to owners of parent	633 million yen	6.7%	1,039 million yen	8.6%	+64.2%
Net income per share	43.51 yen	-	71.34 yen	-	+63.9%

COMTURE conducted a 3-for-1 stock split effective on October 1, 2017. The net income per share has been calculated under the assumption that the stock split was performed at the beginning of the previous fiscal year (FY 2017 Mar.).



1-2 FY2017 Contributing Factors

Net Sales

YOY **+22.4%**, a huge leap in sales

- + Business expansion in **cloud computing, big data** and **AI**
- + New technology initiatives such as **RPA** and **IoT**
- + Increased demand for **core systems(ERP)** by large enterprises
- + Consolidation of new subsidiaries contributed to steady growth in sales

Operating Income

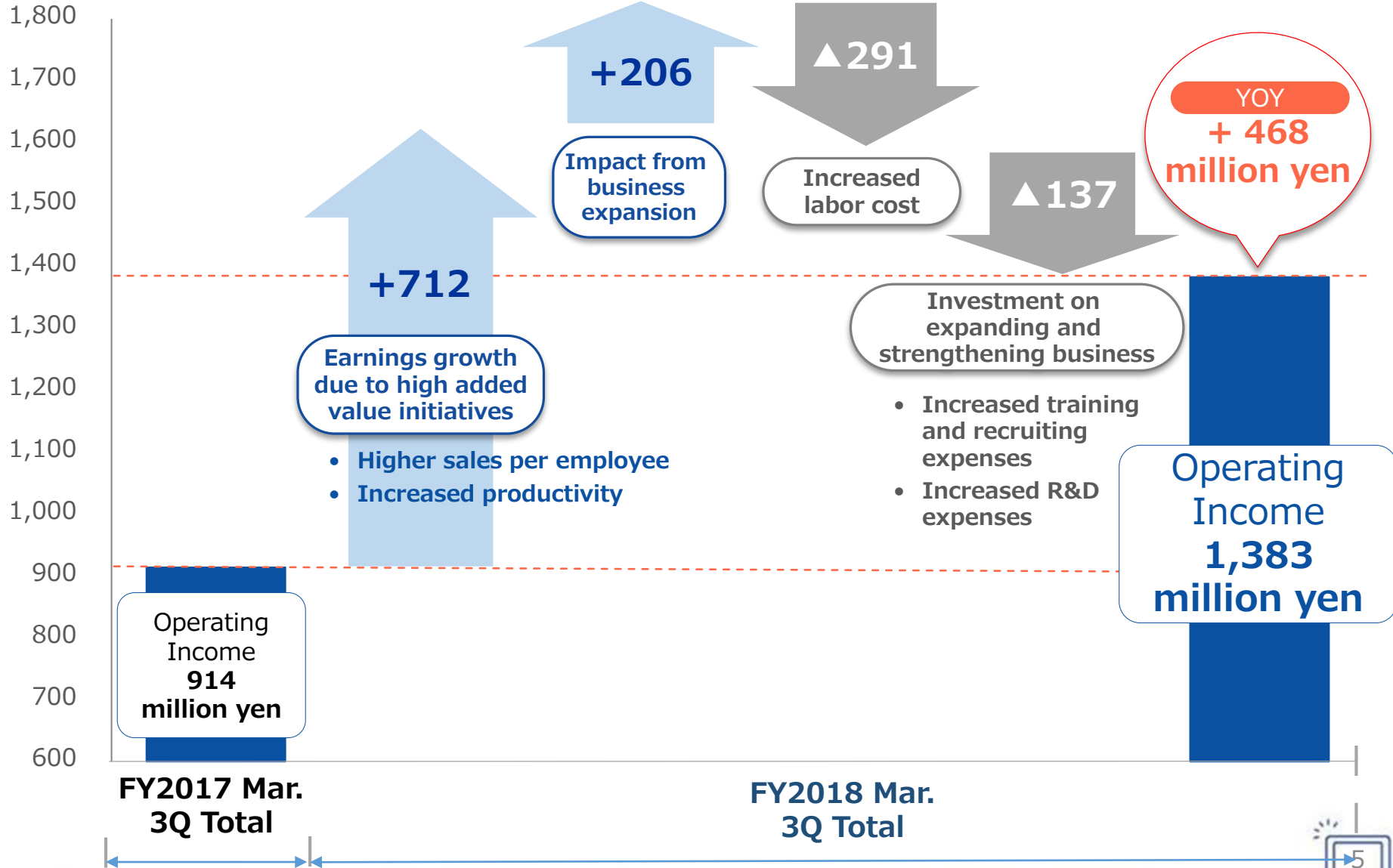
YOY **+51.3%** earnings

- + Adoption of a **high added value strategy** contributed to higher sales per employee and increased earnings
- + Increased earnings driven by **business expansion**
- Increased **labor cost per employee**
- Investment on **expanding and strengthening business**

1-3

Reasons for Fluctuations in Operating Income

(Unit : million yen)

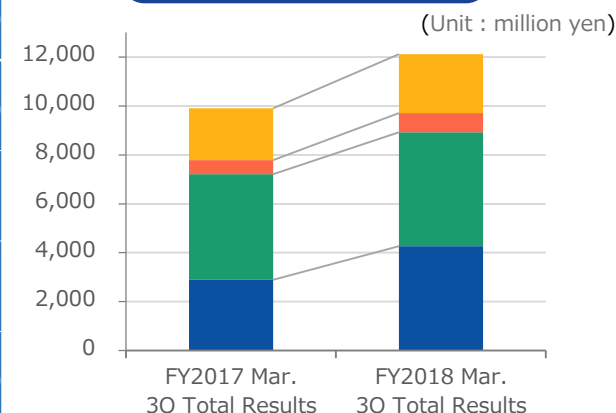


1-4 Business Segment Performance

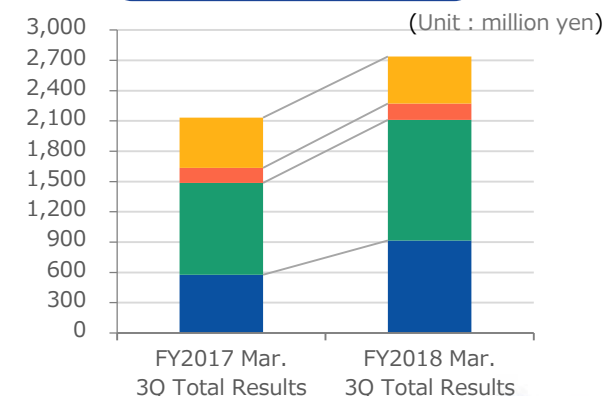
	FY2017 Mar. 3Q Total Results million-yen	FY2018 Mar. 3Q Total Results million-yen	Year-on-year rate
Net sales	9,901	12,116	+22.4%
Groupware Solutions Business	2,116	2,405	+13.6%
ERP Solutions Business	575	793	+37.9%
Web Solutions Business	4,312	4,654	+8.0%
Network Services Business	2,898	4,264	+47.1%
Gross profit	2,133	2,739	+28.4%
Groupware Solutions Business	498	468	▲6.1%
ERP Solutions Business	147	160	8.5%
Web Solutions Business	912	1,197	+31.3%
Network Services Business	575	914	+58.8%

- Groupware Solution Business
- ERP Solution Business
- Web Solution Business
- Network Services Business

Net sales



Gross profit



2**Fiscal year**

Earnings Forecast

No changes in earnings forecast have been made.
(announced on May 1st, 2017)

2-1 Earnings Forecast for fiscal year ending March 2018

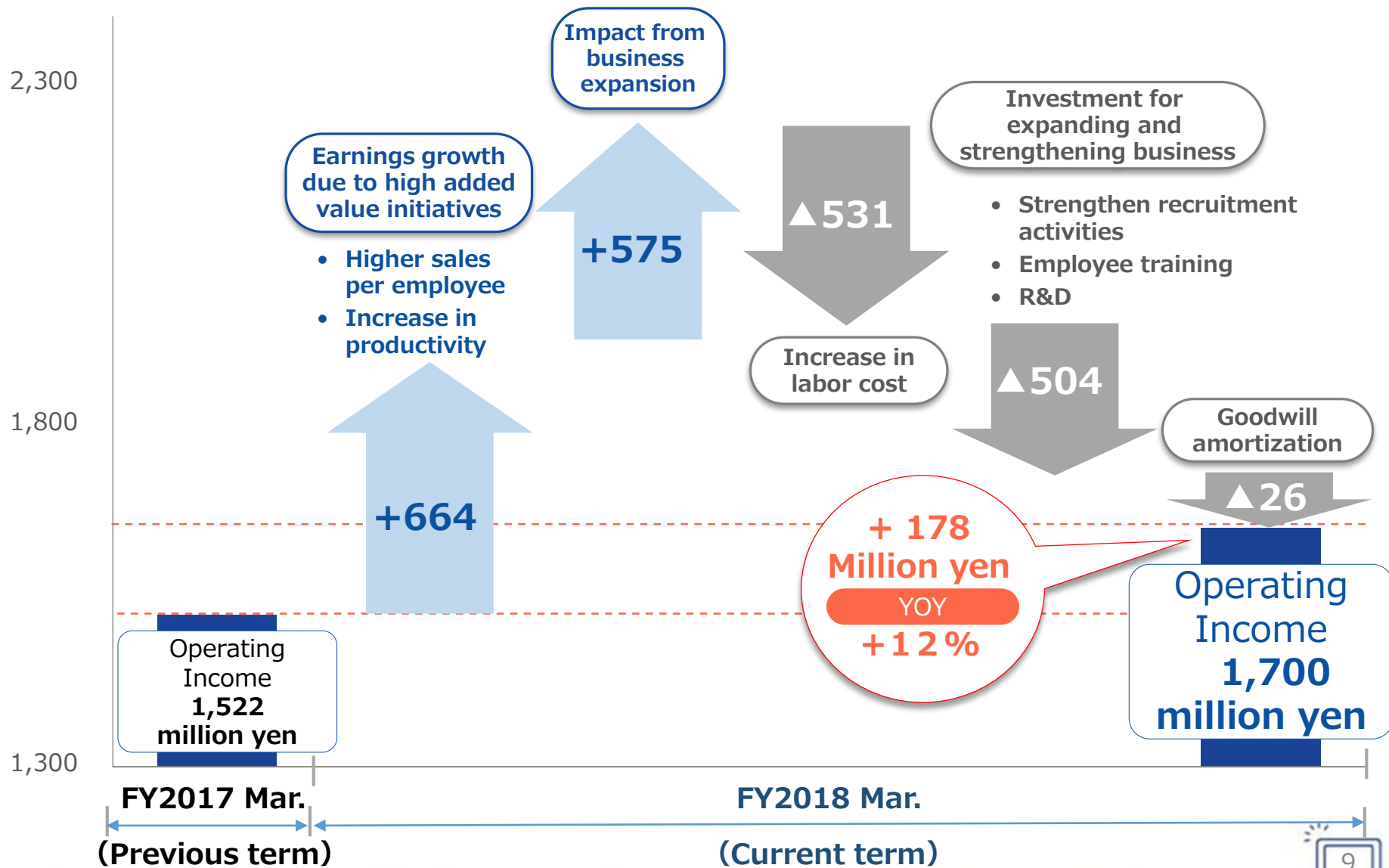
**Aim for 8 consecutive years of sales growth
and 7 consecutive years of earnings growth
reaching new record highs**

	FY2017 Mar. Results		FY2018 Mar. Forecast		Year-on-year rate
	Amount	Rate	Amount	Rate	
Net Sales	13,897 million yen	-	15,300 million yen	-	+10%
Operating Income	1,522 million yen	11.0%	1,700 million yen	11.1%	+12%
Ordinary Income	1,542 million yen	11.1%	1,700 million yen	11.1%	+10%
Profit attributable to owners of parent	1,061 million yen	7.6%	1,180 million yen	7.7%	+11%
Net income per share	72.90 yen	-	81.01 yen	-	+11%

COMTURE conducted a 3-for-1 stock split effective on October 1, 2017. The current net income per share has been calculated under the assumption that the stock split was performed at the beginning of the previous fiscal year (FY 2017 Mar.)

2-2 Fluctuation on Operating Income forecasted for the full year

(Unit : million yen)



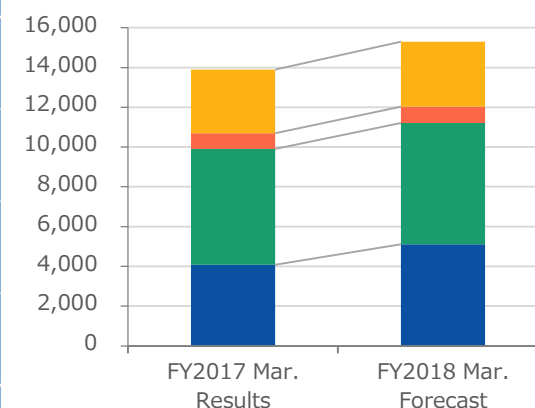
2-3 Business Segment Forecast

	FY2017 Mar. Results million-yen	2018 Mar. Forecast million-yen	Year-on-year rate
Net sales	13,897	15,300	+10%
Groupware Solutions Business	3,206	3,275	+2%
ERP Solutions Business	787	809	+3%
Web Solutions Business	5,830	6,111	+5%
Network Services Business	4,074	5,105	+25%
Gross profit	3,192	3,720	+17%
Groupware Solutions Business	777	803	+3%
ERP Solutions Business	201	207	+3%
Web Solutions Business	1,362	1,613	+18%
Network Services Business	852	1,097	+29%

- Groupware Solution Business
- ERP Solution Business
- Web Solution Business
- Network Services Business

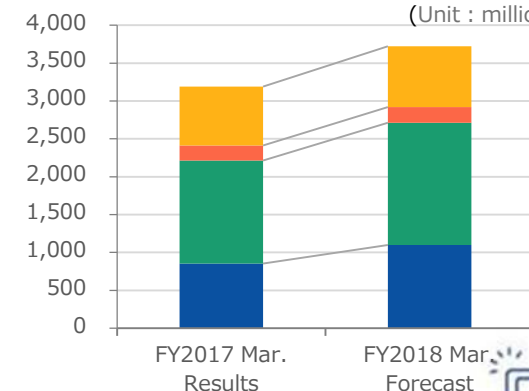
Net sales

(Unit : million yen)



Gross profit

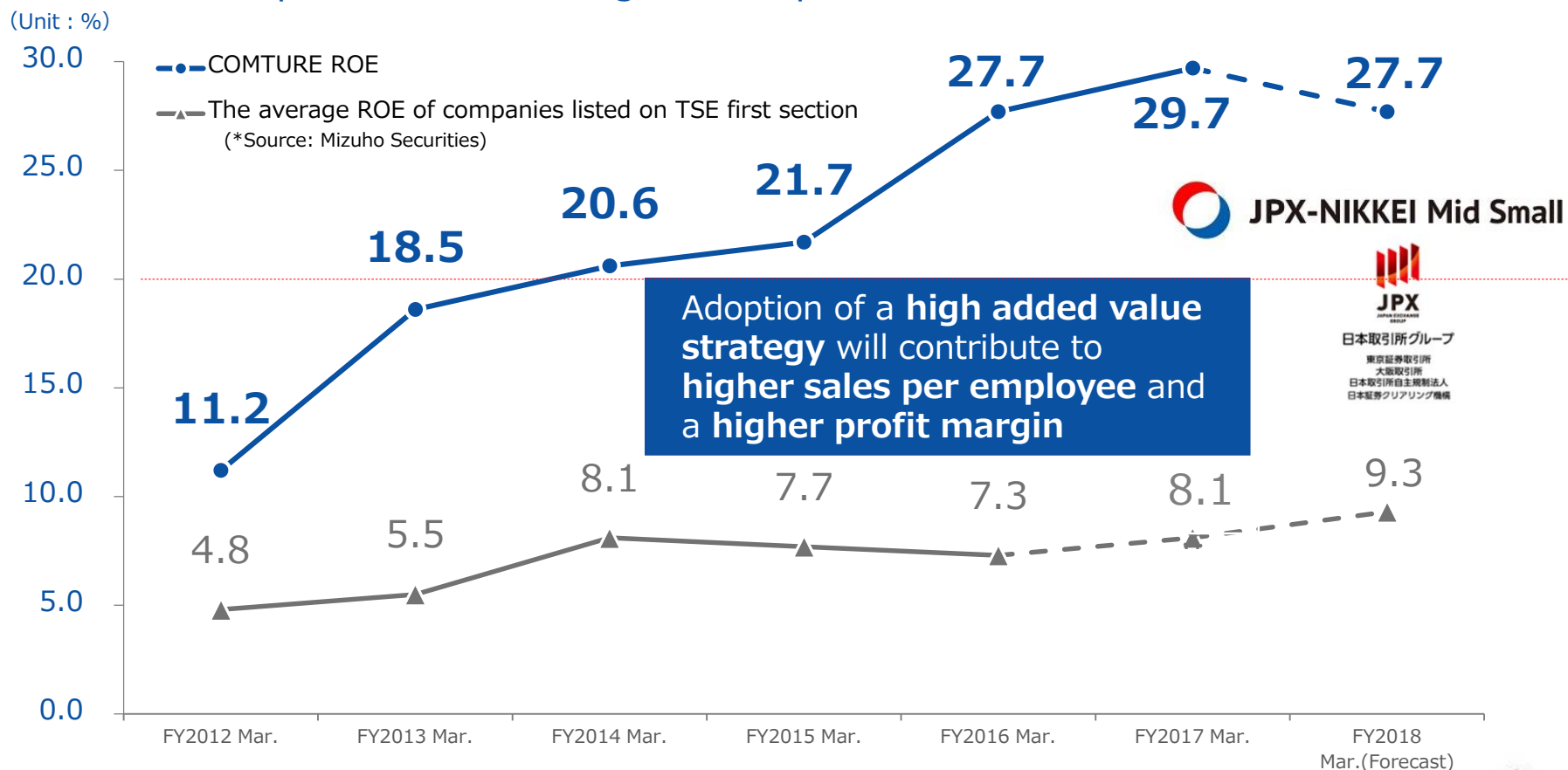
(Unit : million yen)



2-4 High Levels of ROE (net income / shareholders' equity)

We aim to retain a standard level of over 20%

ROE will remain extremely high
compared to the average of companies listed on TSE first section



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Shareholder returns

3-1 Revision of Forecast Dividend

Revision of Forecast Dividend (dividend hike)

As a result of comprehensive consideration of future business trends and financial conditions, we have revised the year-end dividend forecast for the fiscal year ending March 31, 2018 to 10.40 yen, an **increase of 3 yen** from the previous forecast.

	Dividend per share				
	1Q dividend per Share	Interim dividend per Share	3Q dividend per Share	Year-end dividend per Share	Annual dividend per Share
Previous forecast issued July 31, 2017	yen 7.33	yen 7.33	yen 7.40	yen 7.40	yen 29.47
Revised forecast Jan 29, 2018	7.33	7.33	7.40	10.40	32.47
Dividend paid for year ended March 31, 2017	6.00	6.00	6.00	7.67	25.67

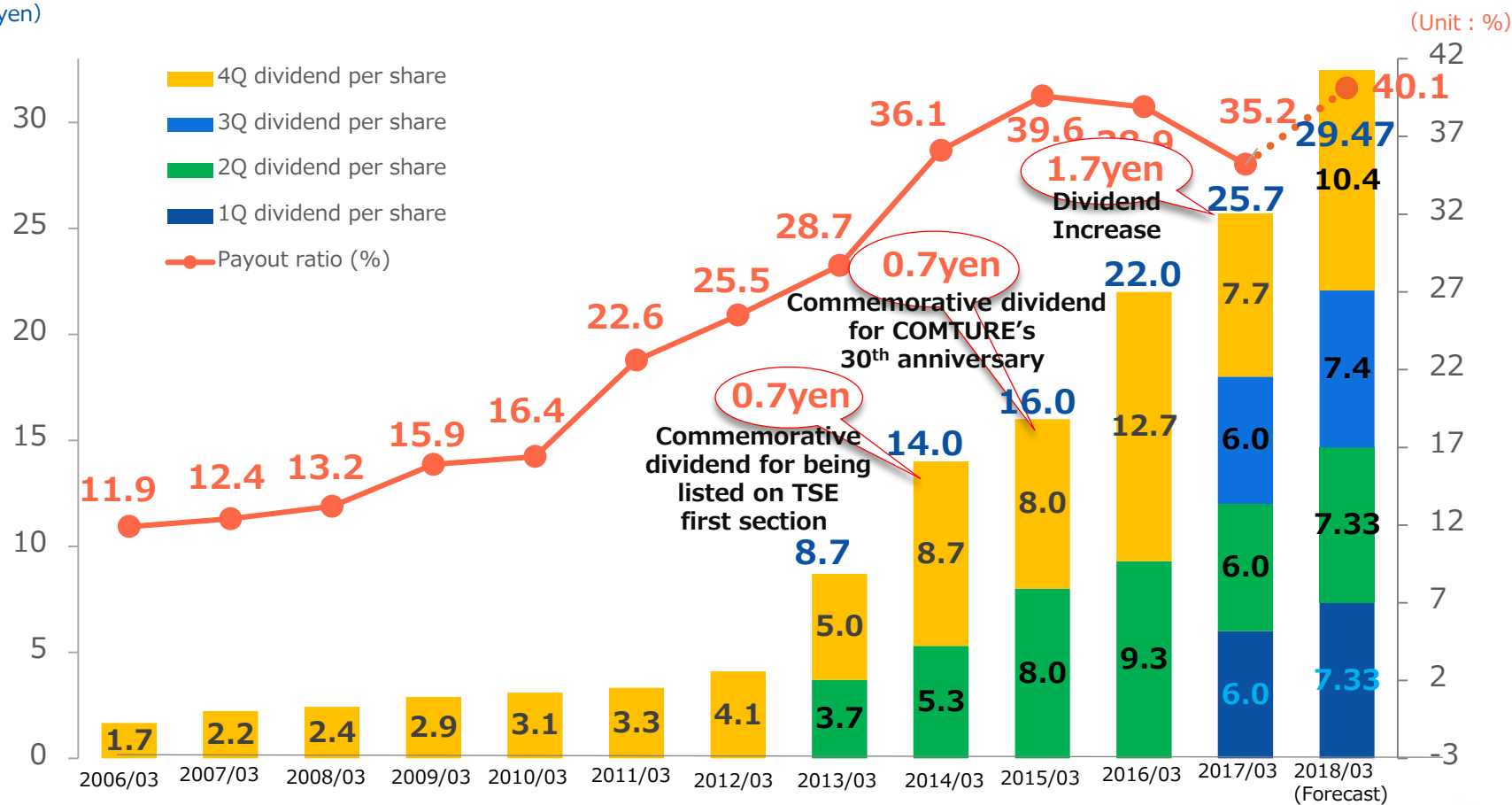
COMTURE conducted a 3-for-1 stock split effective on October 1, 2017. Dividend amounts before 2Q FY2018 are retroactively adjusted to reflect the stock split.

3-2 Dividend

13th consecutive periods of increased dividend (forecast)

We will maintain a dividend payout ratio of over 35%

(Unit : yen)



COMTURE conducted a 3-for-1 stock split effective on October 1, 2017. Dividend amounts before 2Q FY2018 are retroactively adjusted to reflect the stock split.

3-3 Quarterly Dividend Payment

We use a quarterly dividend payment

Due to stable quarterly performance driven by sound management, COMTURE will implement quarterly dividend payments.

Dividend payment schedule

	Dividend record date	Dividend payment date
1Q dividend per share	Jun. 30 th , 2017	Aug. 31 st , 2017 (dividend paid)
2Q dividend per share	Sep. 30 th , 2017	Nov. 30 th , 2017 (dividend paid)
3Q dividend per share	Dec. 31 st , 2017	Feb. 28 th , 2018 (dividend paid)
4Q dividend per share	Mar. 31 st , 2018	The next business day following approval at the general shareholders' meeting (planned)

3-4 Returns to Shareholders Scheme

As part of COMTURE's returns to shareholders scheme, we have a shareholder special benefit plan

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- *Dividend of 9,740 yen + prepaid QUO cards worth 2,000 yen = 11,740 yen annually
- *Total payout ratio including special benefits are expected to be 48.3% for fiscal year ending March 2018 (for 300 shares)

COMTURE conducted a 3-for-1 stock split effective on October 1, 2017. Special benefits for the period ending September 30, 2017, will be distributed on a pre-split basis of 100 shares (shareholders owning more than 100 shares will receive prepaid QUO cards worth 1,000 yen). Dividend amounts for the periods ending June and September of FY2017 will be adjusted to reflect the stock split.



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- Comture exercised care regarding the accuracy of information in this presentation but does not guarantee that this information is complete.
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