

FY2014 Financial Result

(Fiscal Year Ended March, 2014)



Accretive Co., Ltd.

Tokyo Stock Exchange 1st Section
Code : 8423

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1. Overview of Results for FY2014

1. Overview of Results for FY2014

【 Summary of Consolidated Income Statement 】

(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy % change	2015.3 (Forecast)
Factoring(trading volume)	134,568	138,626	157,693	19,066	113.8%	-
Operating Revenue	2,618	2,807	2,932	124	104.4%	3,154
Factoring Revenue	1,773	1,714	1,810	95	105.6%	-
Outsourcing Revenue	844	930	1,013	83	109.0%	-
Other Revenue	0	162	108	△ 54	66.3%	-
Interest Expense-cost	317	288	200	△ 88	69.5%	-
Interest Expense-cost Ratio	12.1%	10.3%	6.8%	-	-	-
SG&A Costs	1,545	1,589	1,621	32	102.1%	-
SGA Ratio	59.0%	56.6%	55.3%	-	-	-
Operating Income	754	929	1,109	179	119.4%	1,276
Operating Income Margin	28.8%	33.1%	37.8%	-	-	40.5%
Ordinary Income	784	979	1,142	163	116.7%	1,300
Ordinary Income Margin	30.0%	34.9%	39.0%	-	-	41.2%
Net Income	708	853	1,177	323	137.9%	1,232
Net Income Margin	27.1%	30.4%	40.1%	-	-	39.1%

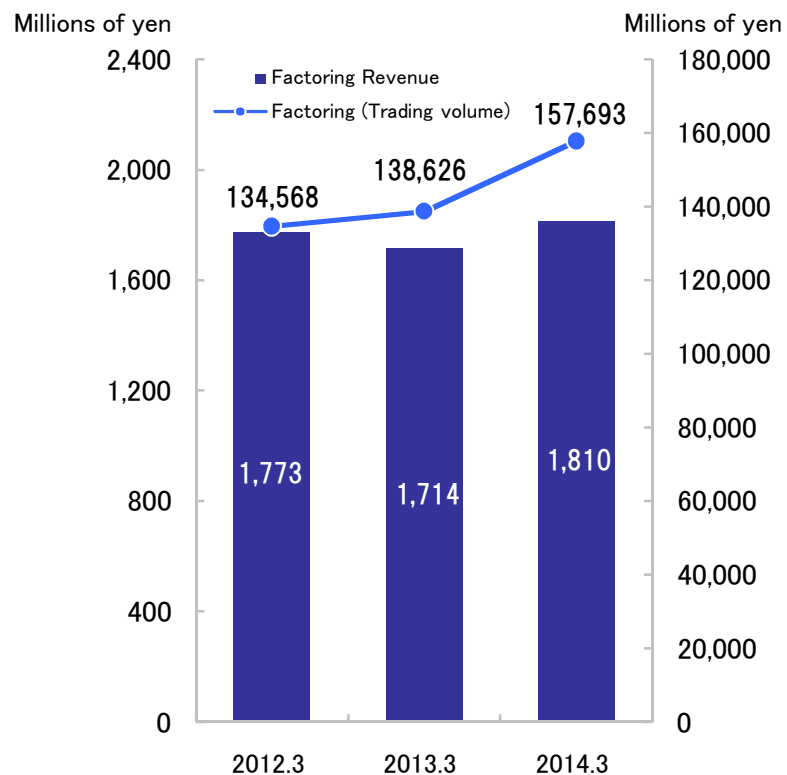
【 Summary of Consolidated Balance Sheet 】

(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy % change
Total Assets	17,300	20,390	19,643	△ 746	96.3%
Debt	15,284	17,566	15,680	△ 1,885	89.3%
Shareholders' Equity	2,015	2,824	3,963	1,138	140.3%

2. Factoring Volume and Factoring Service Related Operating Revenue *Accretive*

Trends in Factoring Volume and Factoring Service Related Operating Revenue



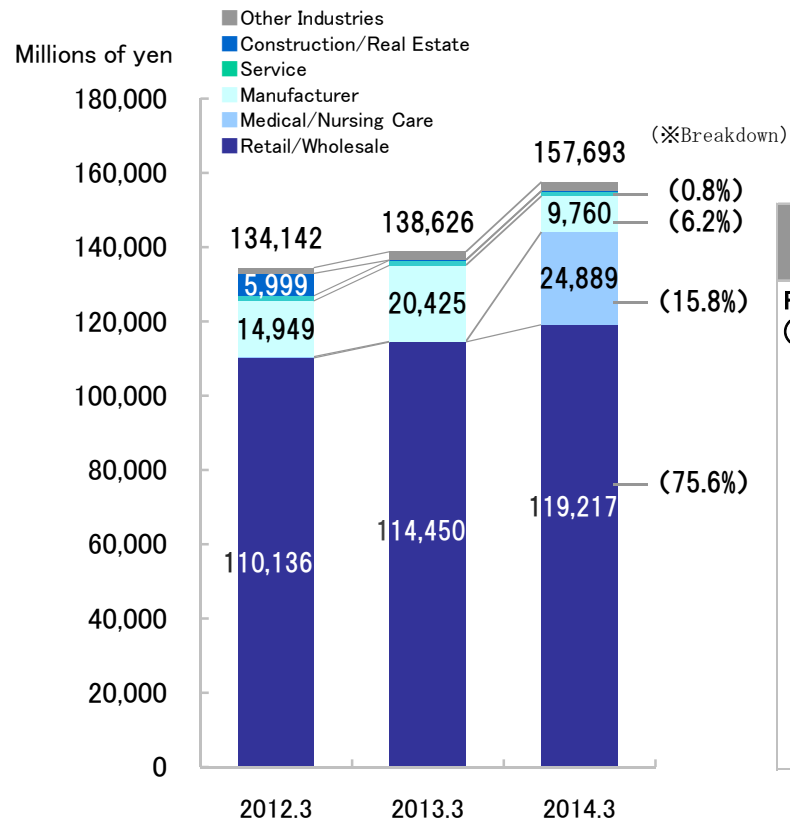
(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy % change
Factoring (trading volume)	134,568	138,626	157,693	19,066	113.8%
Factoring Revenue	1,773	1,714	1,810	95	105.6%

- The trading volume in the medical and nursing care business handled by Accretive Medical Service, which was acquired through an M&A deal this fiscal year, increased significantly, contributing greatly to the overall factoring trading volume and factoring revenue.

3. Factoring (trading volume); Types of Industry

Trends in Factoring (trading volume); Types of Industry



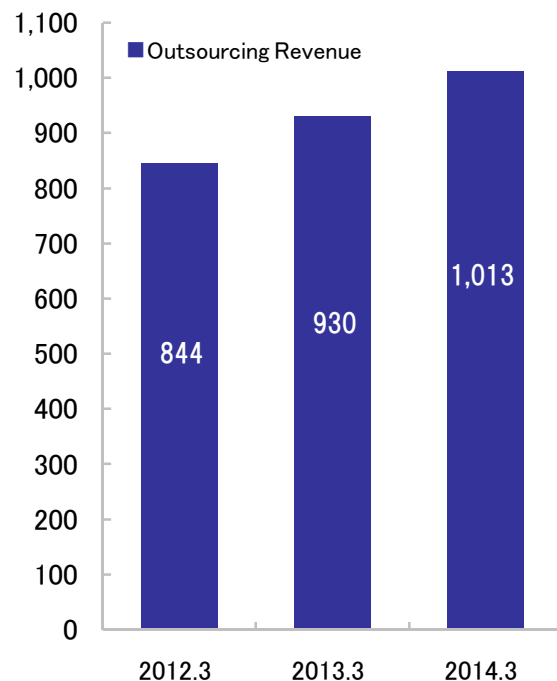
(Unit: Millions of Yen)

	2012.3		2013.3		2014.3		Change	yoy % Change
	Breakdown	Breakdown	Breakdown	Breakdown				
Factoring (trading volume)	134,142	100.0%	138,626	100.0%	157,693	100.0%	19,066	113.8%
Retail/Wholesale	110,136	82.1%	114,450	82.6%	119,217	75.6%	4,766	104.2%
Medical/Nursing care	426	0.0%	259	0.0%	24,889	15.8%	24,629	9590.7%
Manufacturer	14,949	11.1%	20,425	14.7%	9,760	6.2%	△ 10,664	47.8%
Service	1,374	1.0%	1,420	1.0%	1,314	0.8%	△ 105	92.5%
Construction/Real Estate	5,999	4.5%	68	0.0%	19	0.0%	△ 49	28.5%
Other Industries	1,681	1.3%	2,260	1.6%	2,491	1.6%	230	110.2%

4. Outsourcing Service Revenue

Trends in Outsourcing Service Revenue

Millions of yen



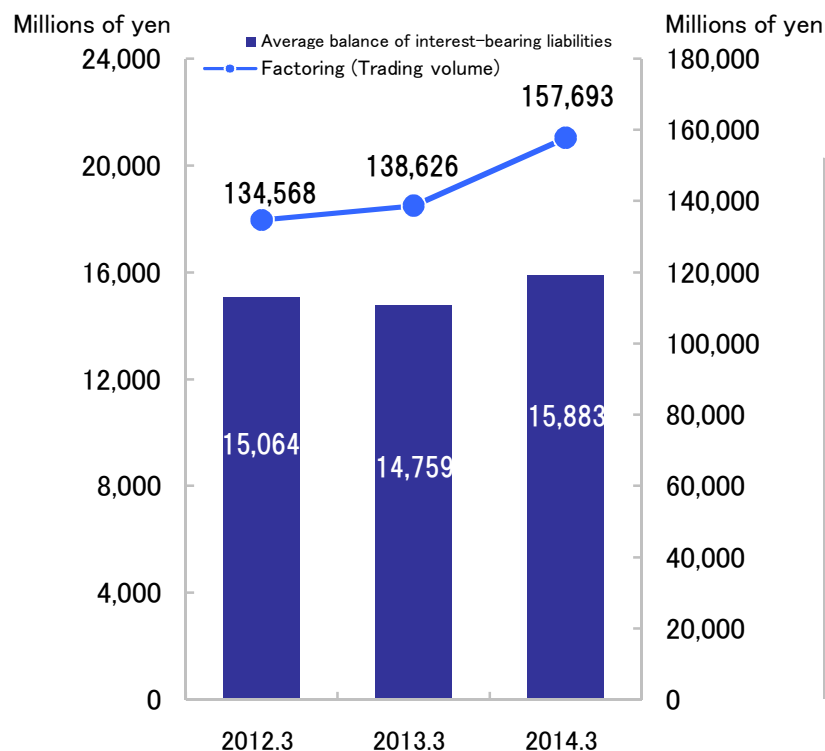
(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy% Change
Operating Revenue	2,618	2,807	2,932	124	104.4%
Factoring Revenue	1,773	1,714	1,810	95	105.6%
Outsourcing Revenue	844	930	1,013	83	109.0%
Outsourcing Revenue Ratio	32.3%	33.1%	34.6%	-	-
Other Revenue	0	162	108	△ 54	66.3%

- An increase in business volume due to a rise in trading volume with existing clients and the expansion of the scope of outsourcing services.
- As a result, outsourcing revenue increased to 9.0% y-o-y.

5. Interest Expense–Cost

Trends in Average balance of interest-bearing liabilities



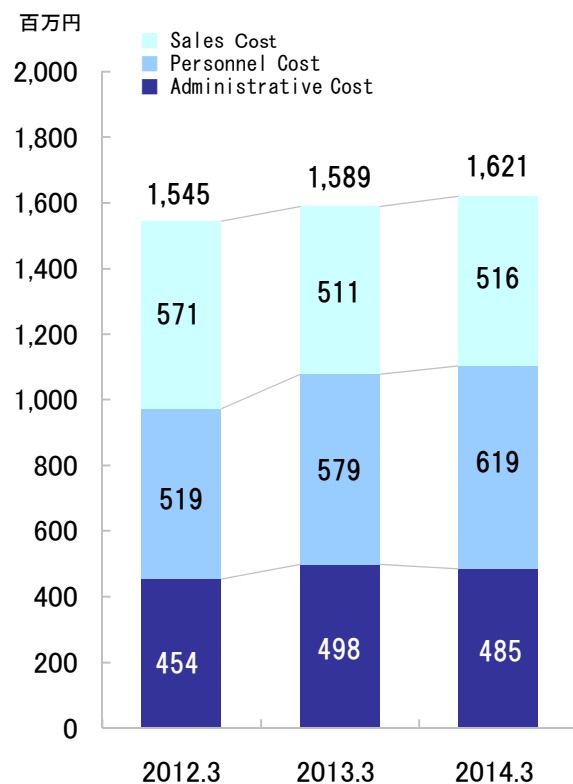
(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy % change
Factoring (trading volume)	134,568	138,626	157,693	19,066	113.8%
Operating Revenue	2,618	2,807	2,932	124	104.4%
Interest Expense-cost & Bond Interest Expense	317	288	216	△ 72	74.8%
Balance of interest-bearing liabilities	14,440	16,487	15,124	△ 1,362	91.7%
Average balance of interest-bearing liabilities	15,064	14,759	15,883	1,124	107.6%
Interest Expense-cost & Bond Interest Expense / Operating Revenue; %	12.1%	10.3%	7.4%	-	-

- The average balance of interest-bearing liabilities increased, but interest expense-cost declined, primarily reflecting changes in terms and conditions. The ratio of interest expense-cost to operating revenue decreased significantly, to 7.4%.
- The introduction of a two-year syndicated loan and increased funds for the factoring of accounts receivable created stable and efficient financial services.

6. SG&A Costs

Trends in SG&A Costs



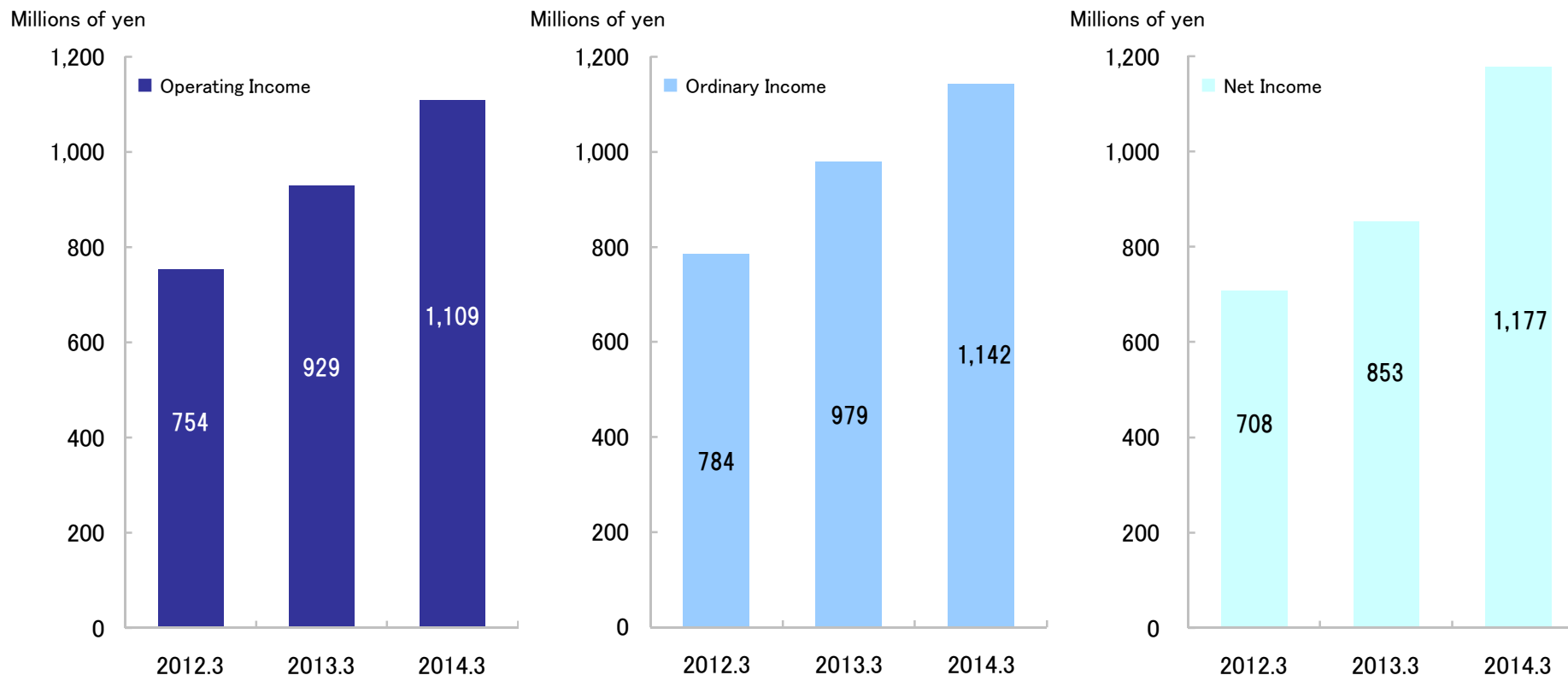
(Unit: Millions of Yen)

	2012.3		2013.3		2014.3		Change	yoy % change
	/Operating Revenue		/Operating Revenue		/Operating Revenue			
Operating Revenue	2,618	100.0%	2,807	100.0%	2,932	100.0%	124	104.4%
Interest Expense-Cost	317	12.1%	288	10.3%	200	6.8%	△ 71	69.5%
SG&A Cost	1,545	59.0%	1,589	56.6%	1,621	55.3%	32	102.1%
Sales Cost	571	21.8%	511	18.2%	516	17.6%	5	101.1%
Personnel cost	519	19.8%	579	20.6%	619	21.1%	40	107.0%
Administrative Cost	454	17.4%	498	17.8%	485	16.6%	△ 13	97.3%
Operating Income	754	28.8%	929	33.1%	1,109	37.8%	179	119.4%
Full - Time Employees	60	-	72	-	83	-	11	115.3%
(All Workers)	196	-	214	-	237	-	23	110.7%

➤ Because of business expansion through M&A deals and other measures as well as an increase in the trade volume with existing clients, SG&A costs increased slightly, by 2.1% y-o-y.

7. Operating Income, Ordinary Income, Net Income

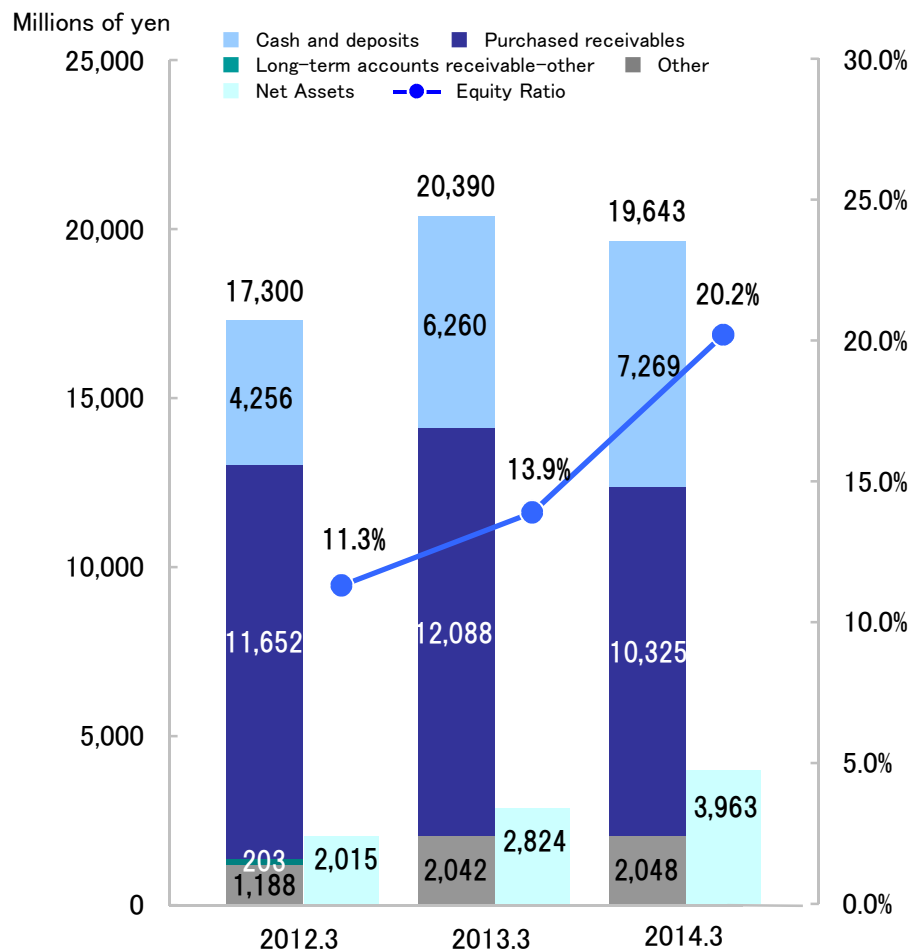
Trends in Operating Income, Ordinary Income and Net Income



- Operating and ordinary incomes remained strong. In addition, extraordinary income was generated through selling off real estate owned by a subsidiary.
- As a result, net income for this fiscal year increased significantly, by 37.9% y-o-y.

8. Summary of Consolidated Balance Sheet

Trends in Total Assets and Shareholder's Equity



(Unit: Millions of Yen)

	2012.3	2013.3	2014.3	Change	yoy % change
Total Assets	17,300	20,390	19,643	△ 746	96.3%
Total Net Assets	2,015	2,824	3,963	1,138	140.3%
Equity Ratio	11.3%	13.9%	20.2%	-	-

- Total assets declined slightly, but net assets rose, reflecting the accrual of incomes.
- As a result, the equity ratio for this fiscal year climbed significantly, to 20.2%.

2. Aiming for Success in FY2015

1. Aiming for Success in FY2015

“FPS” · Tailored Financial Services

1. “FPS”
 - Undertake marketing activities to secure new clients.
 - Enhance service and convenience for supplier.
2. Tailored Financial Services
 - Strengthen the cultivation of individual financial needs for clients in a broad range of enterprises.

Medical and Nursing care Business

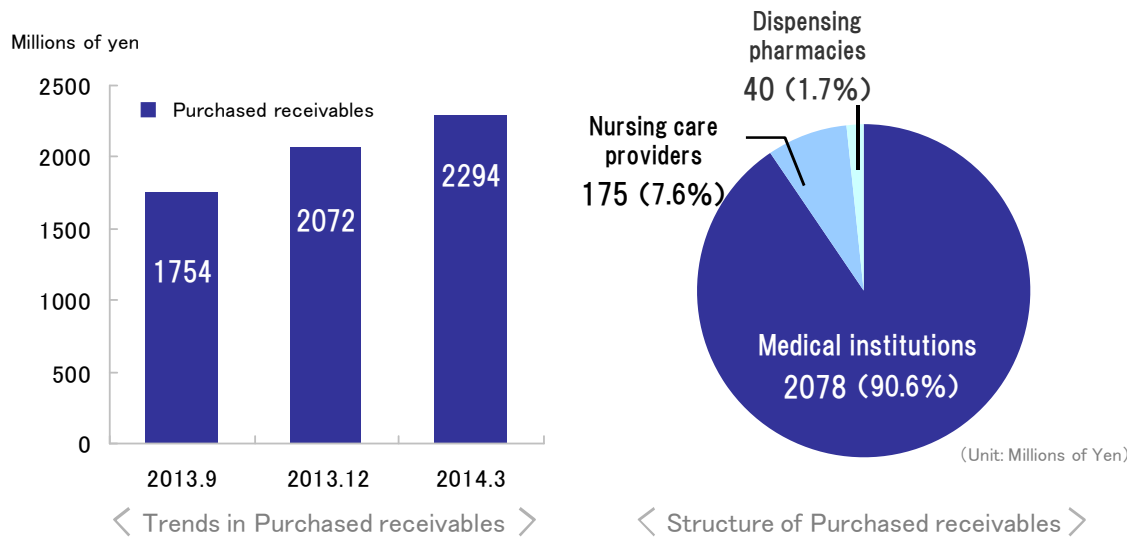
1. Increased the frequency of trades with clients focusing on medical institutions. The factoring trading volume in monetary terms remains solid.
2. Going forward, strengthen services for the nursing care business, which is expected to grow further.

Overseas Business

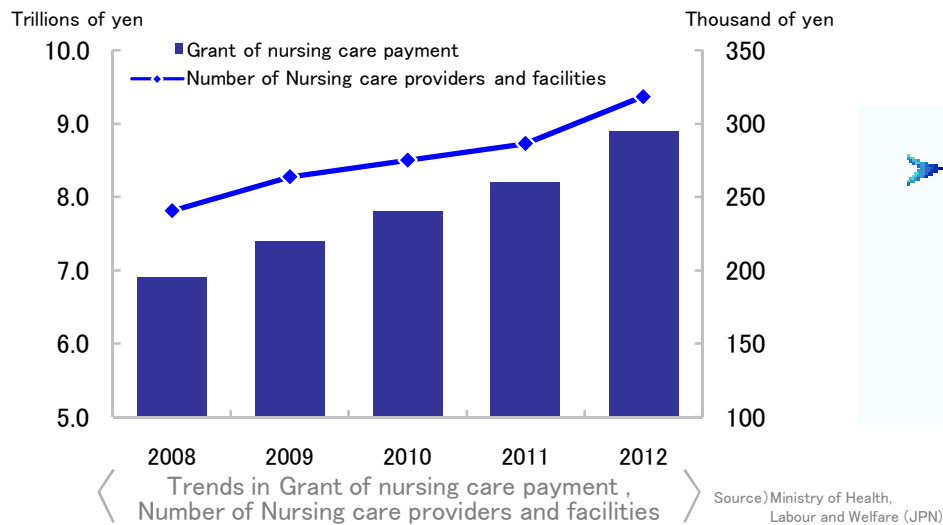
1. Cambodia
 - Investigate expanding the outsourcing services of the whole group and facilitate the reduction of the costs of the whole group.
2. Thailand
 - The operations of Accretive Thailand, which was established in August 2013, are encouraging.
 - Increase the factoring volume with Japanese companies.
3. Overseas expansion of Accretive services
 - A market survey is underway to develop service in ASEAN and the United States.

2. Progress in Trade Volume in the Medical and Nursing Care Business

Accretive Medical Service



- Established advantages over competitors in terms of excellent service content, credibility and financial capabilities.
- Secured clients as projected, primarily in medical institutions.

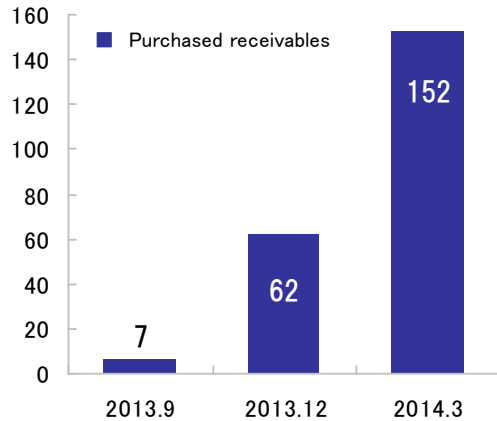


- Developed new clients in the nursing business, a highly notable and growing market, taking collaborations with companies that operate nursing care businesses into consideration.

3. Progress in the Factoring Business in Thailand

Accretive (Thailand)

Millions of THB

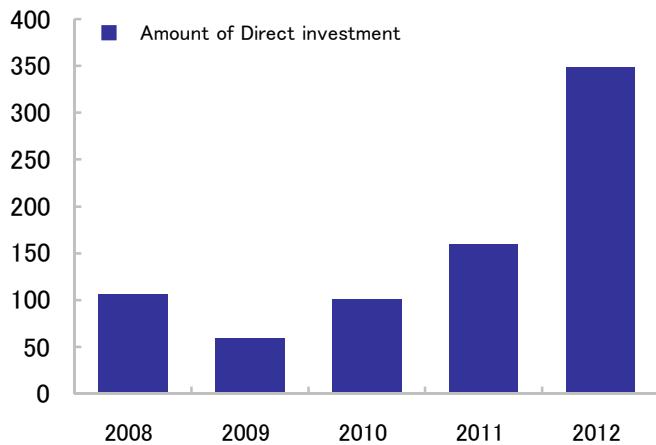


< Trends in Purchased receivables >

- Increased clients as projected, primarily in local sub-contractors such as automotive parts manufacturers and electronics components manufacturers.



Millions of THB

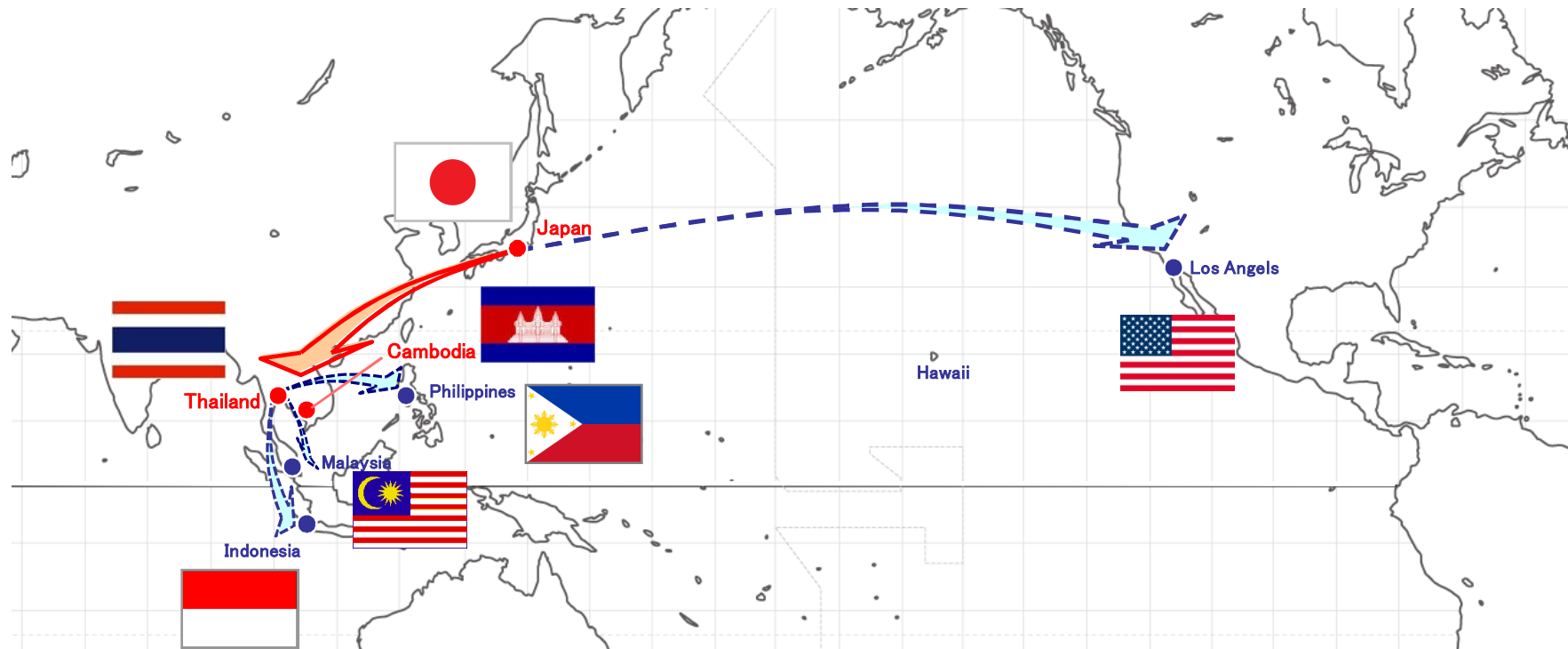


< Amount of Direct investment from Japan to Thailand >

Source) The Board of Investment of Thailand

- Japanese companies have expanded their businesses in Thailand in recent years.
- Respond proactively to the financial needs of Japanese companies, which would be difficult for local competitors.

Development of business in ASEAN and the United States



- A market survey will be undertaken, primarily in ASEAN, to develop business in the growing market.
- Considering that the Don Quijote Group is expanding its business into the United States, a survey has commenced regarding the provision of financial services.

Business Plan for Year Ending March 2015

(Unit: Millions of Yen)

	2013.3	2014.3	2015.3 (Forecast)	Change	yoy % change
Operating Revenue	2,807	2,932	3,154	221	107.6%
Operating Income	929	1,109	1,276	167	115.0%
Ordinary Income	979	1,142	1,300	158	113.8%
Net Income	853	1,177	1,232	55	104.7%
Operating Income Margin	33.1%	37.8%	40.5%	—	—
Dividend (JPY per share)	0.00	0.00	2.30	2.30	—

Dividend policy

- In the fiscal year ending March 31, 2015, Accretive plans to resume dividend payments for the first time in seven fiscal years. It anticipates being ready for the continuous and stable payment of dividends on the back of better business performance and the improved financial situation.

Note Concerning the Future Outlook

This document contains statements regarding future business performance. These statements do not guarantee future business results and do entail risk and uncertainty.

Please be aware that changing preconditions for the business climate may lead to unforeseen changes in the company's business results.

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