

FY2015 Financial Result

(Fiscal Year Ended March, 2015)



Accretive Co., Ltd.

Tokyo Stock Exchange 1st Section
Code : 8423

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I . Overview of Results for FY2015

1. Overview of Results for FY2015

【 Summary of Consolidated Income Statement 】

(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy % change	2016.3 (Forecast)
Factoring(trading volume)	138,626	157,693	181,117	23,424	114.9%	-
Operating Revenue	2,807	2,932	3,345	413	114.1%	3,900
Factoring Revenue	1,714	1,810	1,872	61	103.4%	-
Outsourcing Revenue	930	1,013	1,358	344	134.0%	-
Other Revenue	162	108	115	7	107.0%	-
Interest Expense-cost	288	200	163	△ 37	81.5%	-
Interest Expense-cost Ratio	10.3%	6.8%	4.9%	-	-	-
SG&A Costs	1,589	1,621	1,734	112	106.9%	-
SGA Ratio	56.6%	55.3%	51.8%	-	-	-
Operating Income	929	1,109	1,448	338	130.5%	1,570
Operating Income Margin	33.1%	37.8%	43.3%	-	-	40.3%
Ordinary Income	979	1,142	1,486	343	130.0%	1,600
Ordinary Income Margin	34.9%	39.0%	44.4%	-	-	41.0%
Net Income	853	1,177	1,455	278	123.7%	1,530
Net Income Margin	30.4%	40.1%	43.5%	-	-	39.2%

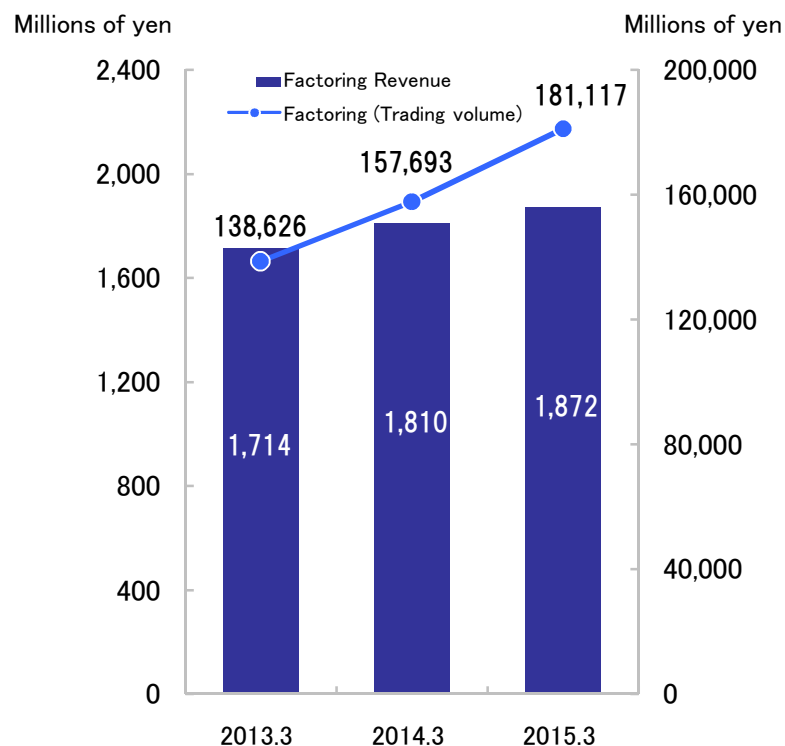
【 Summary of Consolidated Balance Sheet 】

(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy % change
Total Assets	20,390	19,643	20,894	1,250	106.4%
Debt	17,566	15,680	15,465	△ 214	98.6%
Shareholders' Equity	2,824	3,963	5,428	1,465	137.0%

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

Trends in Factoring Volume and Factoring Service Related Operating Revenue



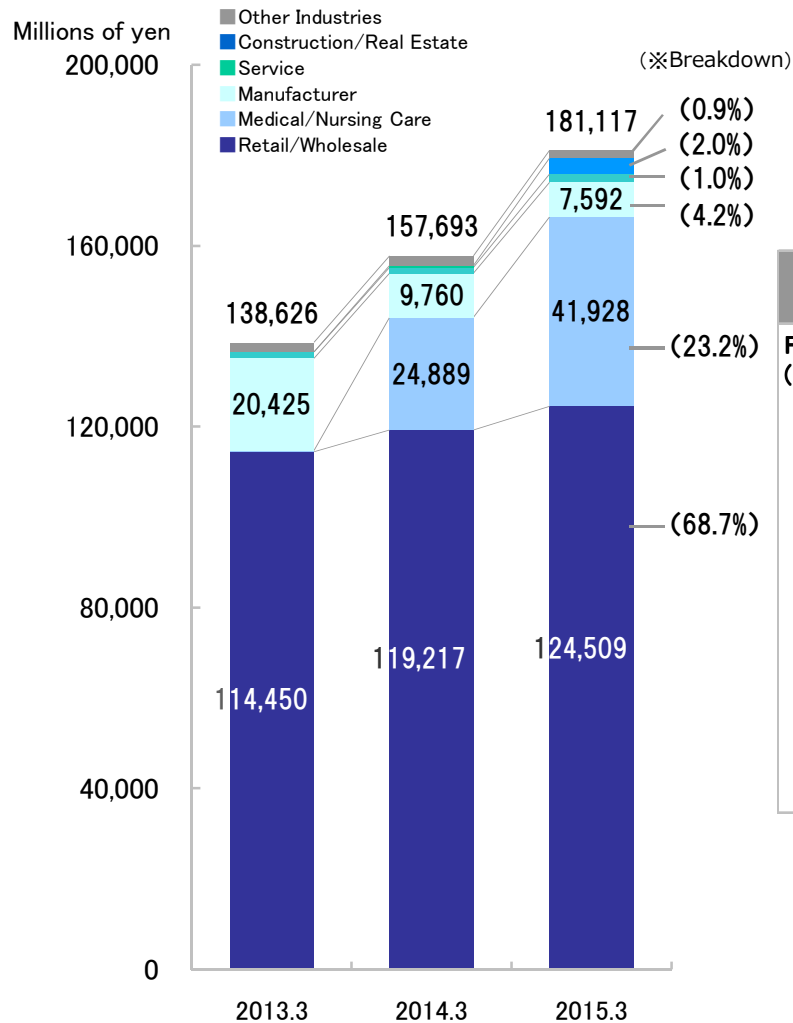
(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy % change
Factoring (trading volume)	138,626	157,693	181,117	23,424	114.9%
Factoring Revenue	1,714	1,810	1,872	61	103.4%

- The medical and nursing care business has increased significantly, which made a substantial contribution to the increase in the total factoring trading volume.
- While the factoring trading volume in retail and the factoring revenue declined temporarily because of the consumption tax hike, they gradually recovered.

3. Factoring (trading volume); Types of Industry

Trends in Factoring (trading volume); Types of Industry

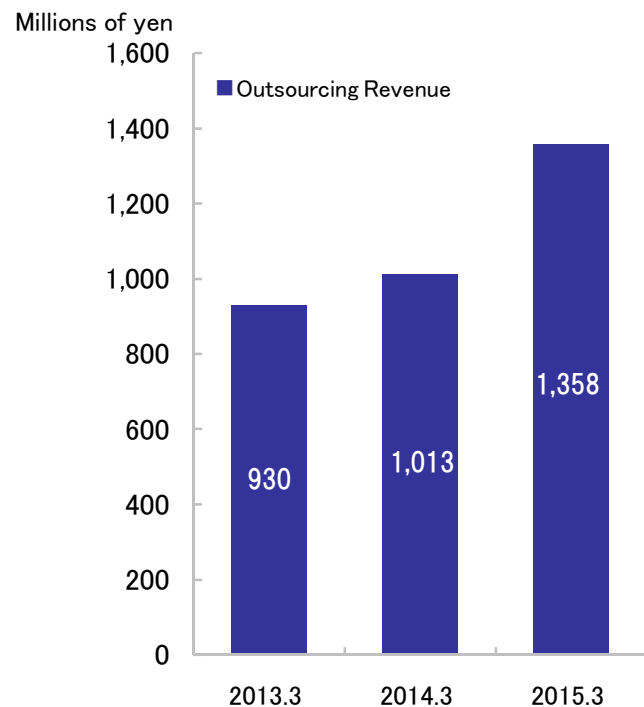


(Unit: Millions of Yen)

	2013.3		2014.3		2015.3		Change	yoy % Change
	Breakdown		Breakdown		Breakdown			
Factoring (trading volume)	138,626	100.0%	157,693	100.0%	181,117	100.0%	23,424	114.9%
Retail/Wholesale	114,450	82.6%	119,217	75.6%	124,509	68.7%	5,291	104.4%
Medical/Nursing care	259	0.2%	24,889	15.8%	41,928	23.2%	17,039	168.5%
Manufacturer	20,425	14.7%	9,760	6.2%	7,592	4.2%	△ 2,167	77.8%
Service	1,420	1.0%	1,314	0.8%	1,842	1.0%	528	140.2%
Overseas (Thailand)	-	-	415	0.0%	3,541	2.0%	3,125	851.6%
Other Industries	2,070	1.4%	2,095	1.3%	1,702	0.9%	△ 393	81.2%

4. Outsourcing Service Revenue

Trends in Outsourcing Service Revenue



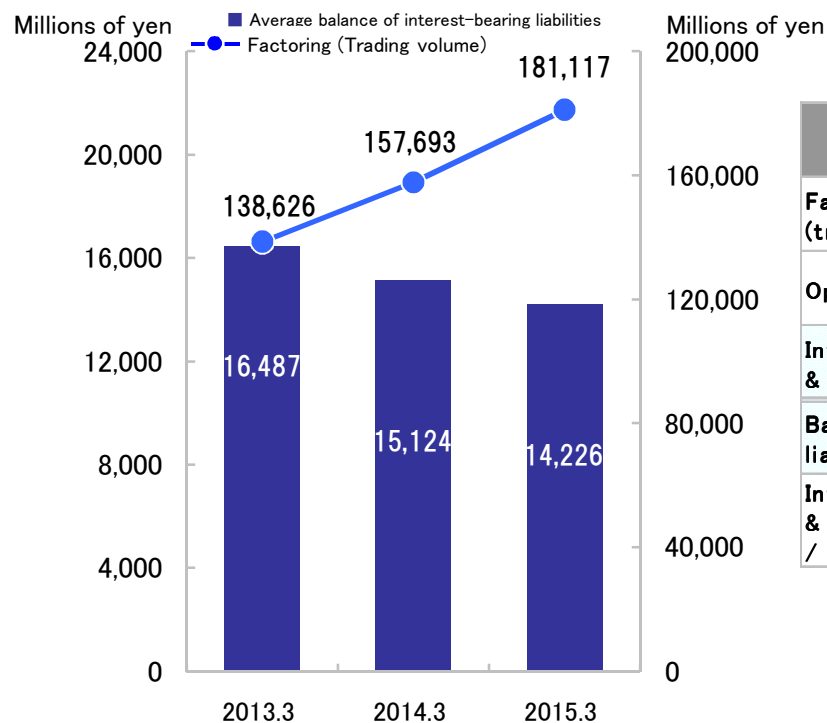
(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy% Change
Operating Revenue	2,807	2,932	3,345	413	114.1%
Factoring Revenue	1,714	1,810	1,872	61	103.4%
Outsourcing Revenue	930	1,013	1,358	344	134.0%
Outsourcing Revenue Ratio	33.1%	34.6%	40.6%	-	-
Other Revenue	162	108	115	7	107.0%

- As the trading volume of the existing clients grew, the business volume increased and the scope of outsourcing services expanded.
- The outsourcing of the register operation, which commenced in the fiscal year under review, led to an increase in revenue.
- As a result, the outsourcing revenue rose by 134.0% year-on-year.

5. Interest Expense–Cost

Trends in Average balance of interest–bearing liabilities



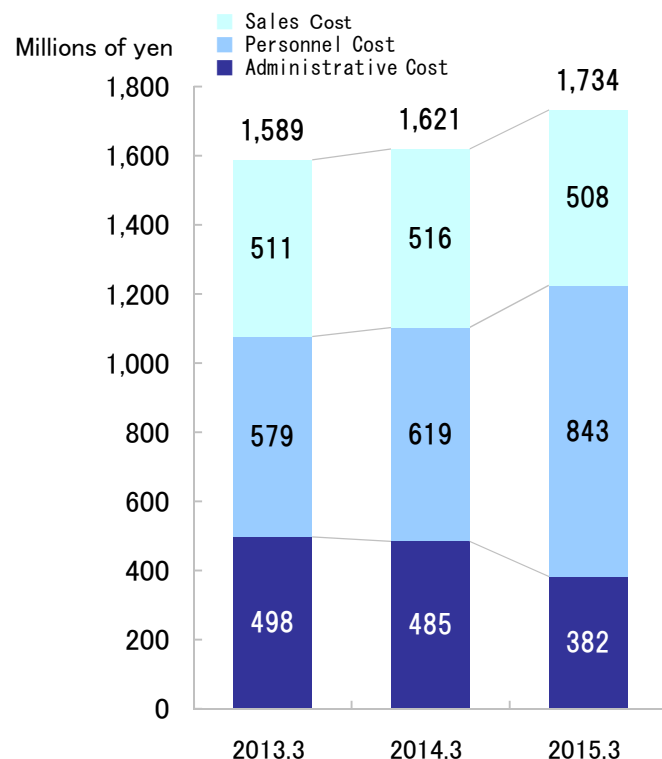
(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy % change
Factoring (trading volume)	138,626	157,693	181,117	23,424	114.9%
Operating Revenue	2,807	2,932	3,345	413	114.1%
Interest Expense-cost & Bond Interest Expense	288	216	175	△ 40	81.4%
Balance of interest-bearing liabilities	16,487	15,124	14,226	△ 898	94.1%
Interest Expense-cost & Bond Interest Expense / Oprating Revenue; %	10.3%	7.4%	5.3%	-	-

- The balance of interest-bearing liabilities fell thanks to efficient fund management. The ratio of interest expense–cost to operating revenue reduced significantly, to 5.3%.
- The introduction of a two-year syndicated loan and the increased funds for the factoring of accounts receivable created a system for stable and efficient financial services.

6. SG&A Costs

Trends in SG&A Costs



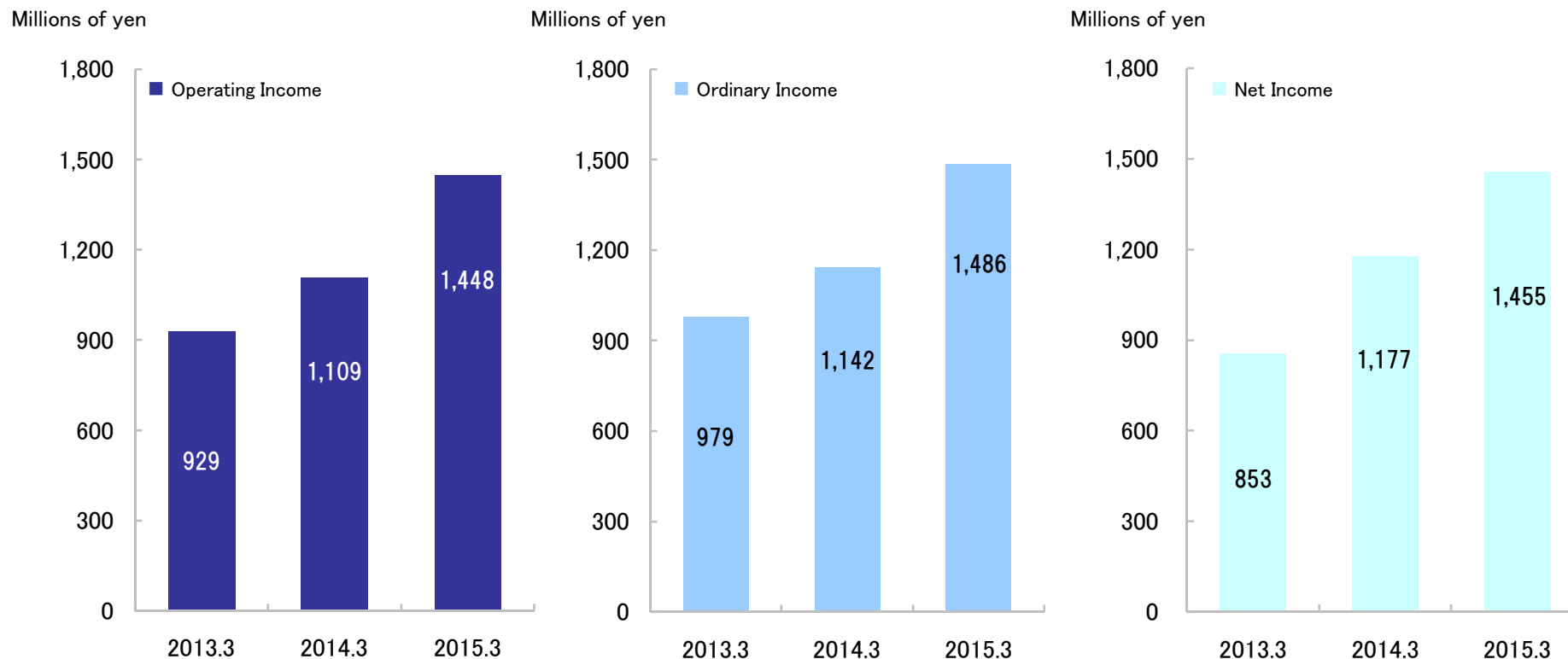
(Unit: Millions of Yen)

	2013.3		2014.3		2015.3		Change	yoy % change
	/Operating Revenue		/Operating Revenue		/Operating Revenue			
Operating Revenue	2,807	100.0%	2,932	100.0%	3,345	100.0%	413	114.1%
Interest Expense-Cost	288	10.3%	200	6.8%	163	4.9%	△ 37	81.5%
SG&A Cost	1,589	56.6%	1,621	55.3%	1,734	51.8%	112	106.9%
Sales Cost	511	18.2%	516	17.6%	508	15.2%	△ 8	98.3%
Personnel cost	579	20.6%	619	21.1%	843	25.2%	224	136.2%
Administrative Cost	498	17.8%	485	16.6%	382	11.4%	△ 103	78.8%
Operating Income	929	33.1%	1,109	37.8%	1,448	0.0%	338	130.5%
Full - Time Employees	68	-	74	-	112	-	38	151.4%

- As the area covered by the outsourcing of the register operation and other operations was expanded, the number of personnel increased significantly.
- The personnel cost rose by 136.2% year-on-year.
- Since the fiscal year under review was a non-updated year for the syndicated loan, the administrative cost dropped.

7. Operating Income, Ordinary Income, Net Income

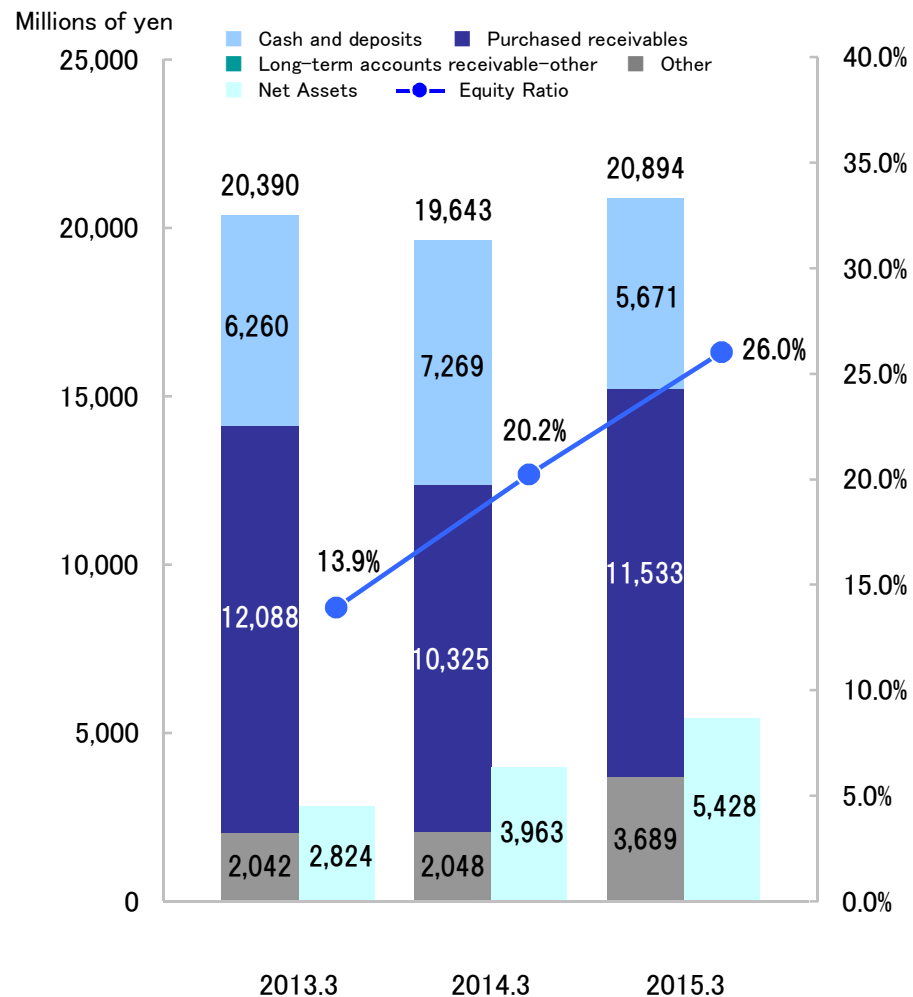
Trends in Operating Income, Ordinary Income and Net Income



Operating income, ordinary income, and net income grew steadily.

8. Summary of Consolidated Balance Sheet

Trends in Total Assets and Shareholder's Equity



(Unit: Millions of Yen)

	2013.3	2014.3	2015.3	Change	yoy % change
Total Assets	20,390	19,643	20,894	1,250	106.4%
Total Net Assets	2,824	3,963	5,428	1,465	137.0%
Equity Ratio	13.9%	20.2%	26.0%	-	-

- The accumulated profit resulted in increased net assets.
- The equity ratio as of the end of the fiscal year under review reached 26.0%, with steady growth.
- Since a system was fully developed to continuously pay stable dividends, a dividend of 2.3 yen per share was paid (resuming for the first time after seven fiscal years).

II . Aiming for Success in FY2016

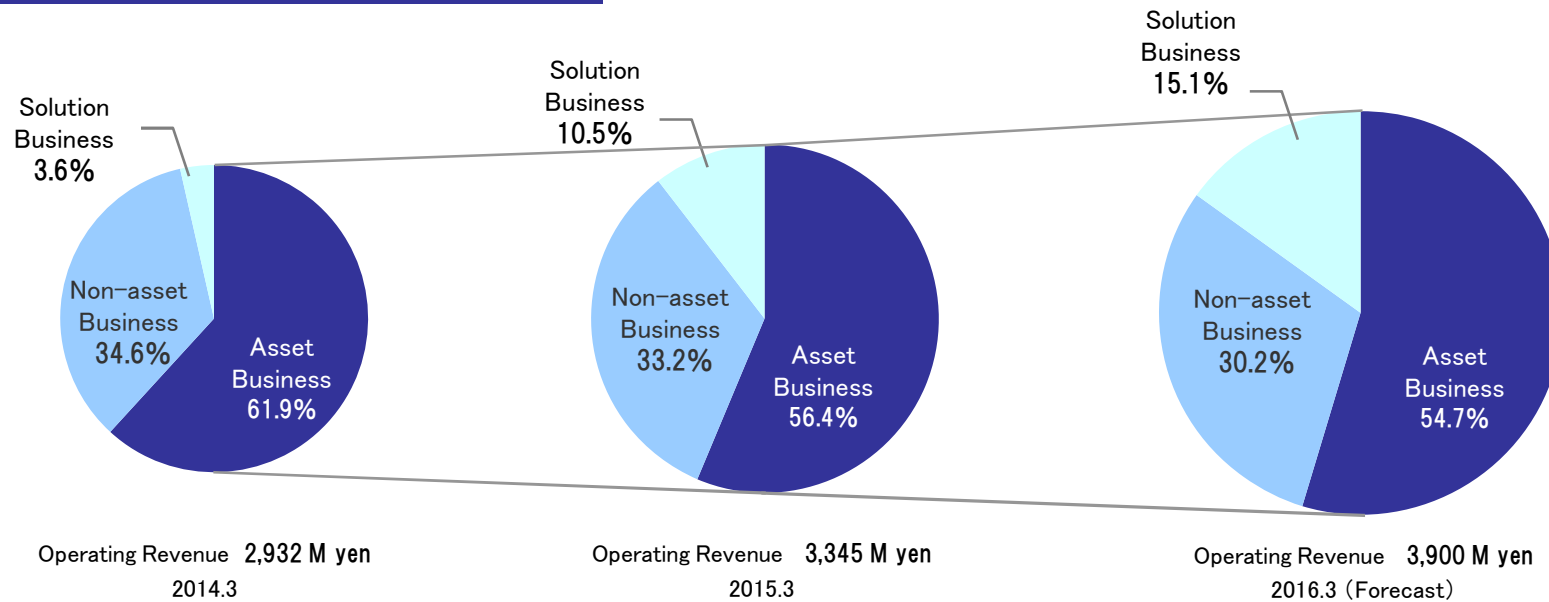
1. The business areas of the Accretive Group

The business areas of the Accretive Group



➤ By taking full advantage of all the different resources of the Group, which are based on our existing business, we will develop a new revenue-earning pillar as a priority initiative agenda during this fiscal year.

Changes in business portfolio

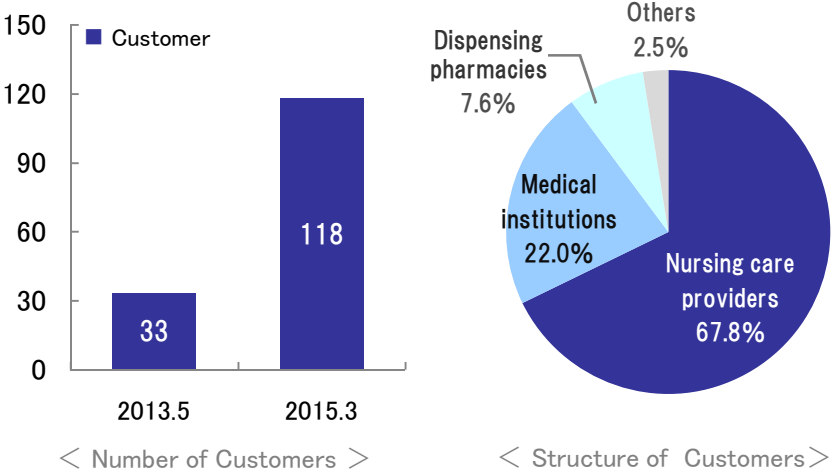


< Changes in business Portfolio(Forecast) >

- Operating revenue remained strong mainly in the factoring business, which is an asset business, and the outsourcing business, which is a non-asset business.
- We proactively commenced our initiatives for new growing markets based on our existing business, and the portfolio gradually started to diversify.

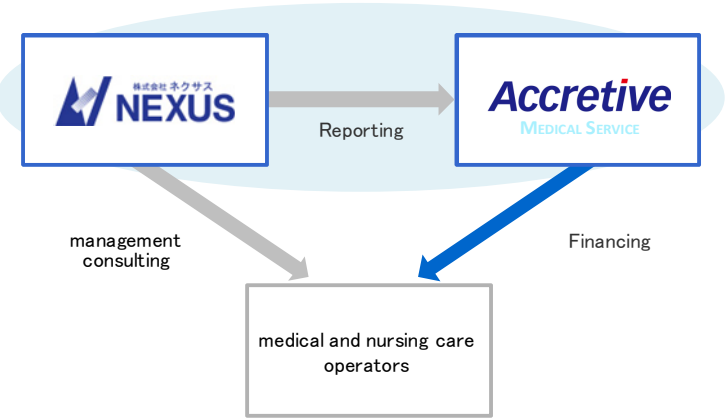
3. Measures in Medical and Nursing care fields

Measures for acquiring new customers



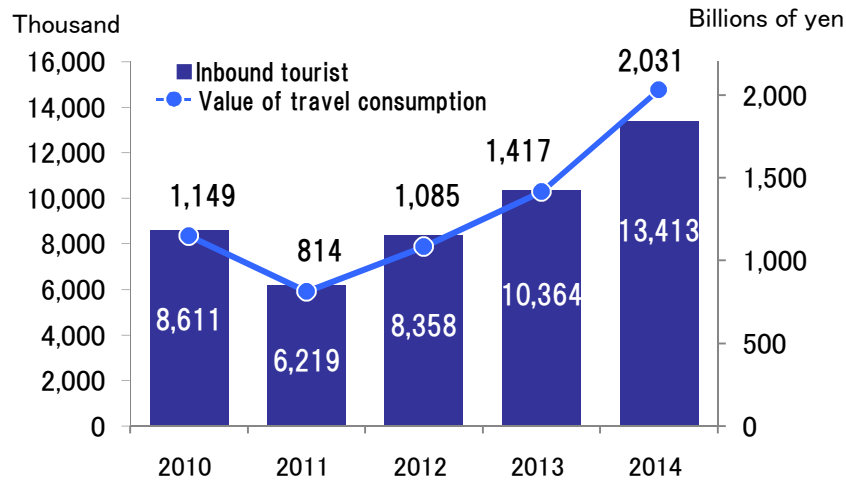
- We continued approaching companies related to our alliance partners, the medical and nursing care businesses.
- The range of trading partners expanded, which advanced the diversification of the portfolio.
- We will continue strengthening our sales and marketing while considering market trends such as trends in nursing care compensation and dispensing fees.

The launch of a new financial service

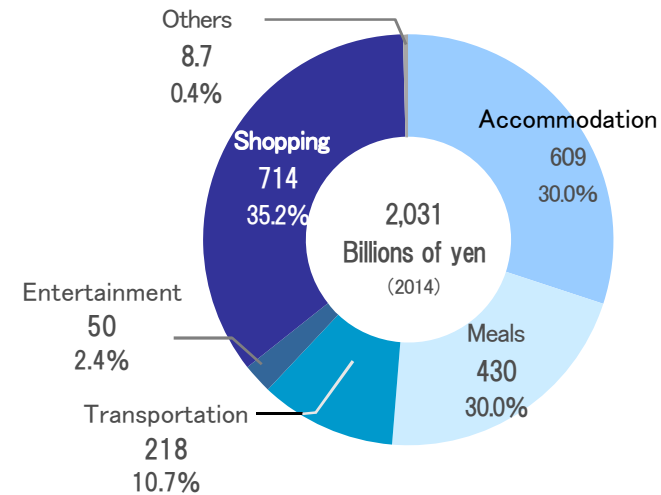


- As a new funding method for medical and nursing care operators, we launched a new financial service in collaboration with Nexus Co., Ltd.
- By providing a long-term loan service that is not yet offered by our competitors, we are developing a new customer base and enhancing the satisfaction of our existing customers.

Inbound-related fields



< Trends of Inbound tourist and Value of travel consumption >



< Structure of Travel consumption >

- In February 2015, a cash register checkout service for foreign currencies was launched in retail stores as an inbound-related business.
- This fiscal year, we will undertake full-scale business expansion into the inbound market, where further growth is expected in the future (the start-up of a cross-organizational project).
- A package including different support services that are derived from checkout operations, depending on the needs of customers, will be offered as a solution for the inbound market.

4-②. Measures in inbound-related fields

<Support services for foreign currencies>
Cash register checkout and exchange support
services for foreign currencies



Foreign Tourist



Currency
Teller

•The functions of a cash register checkout support terminal for foreign currencies; cash register checkout support function for foreign currencies, currency exchange function, currency auto-detect function, counterfeit-detect function

- We are now considering launching the cash register checkout services for foreign currencies for the retail business and other industries, such as hotels and leisure facilities.
- We are planning and developing a new cash register support terminal to help businesses to enter the inbound market.

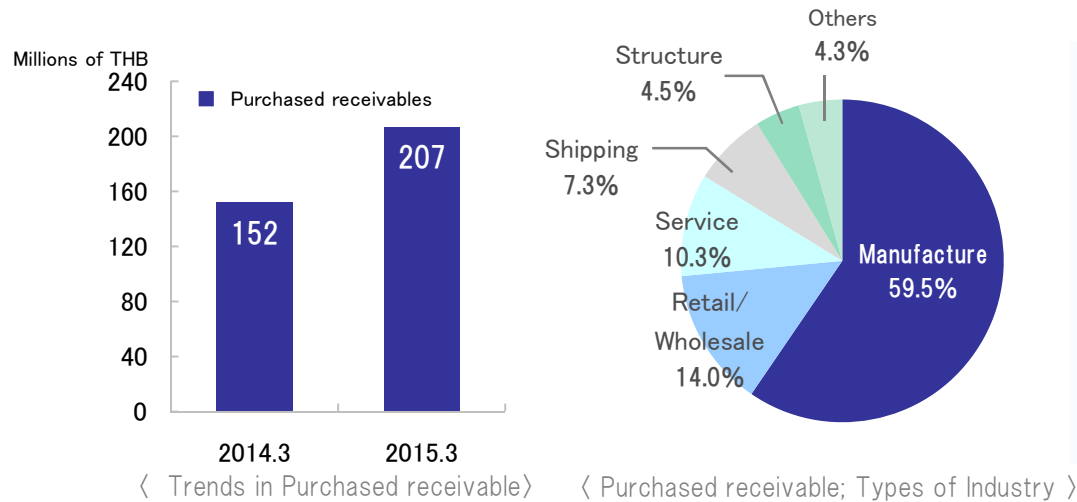
<Duty free support services>
Installation services of duty free batch counters



•Installation of duty free batch counters. The ability to undertake duty free transactions in shopping malls and other areas of installation as a whole.
•Other consultation and support; proxy services to apply for a duty free shop license, customer services for foreign visitors

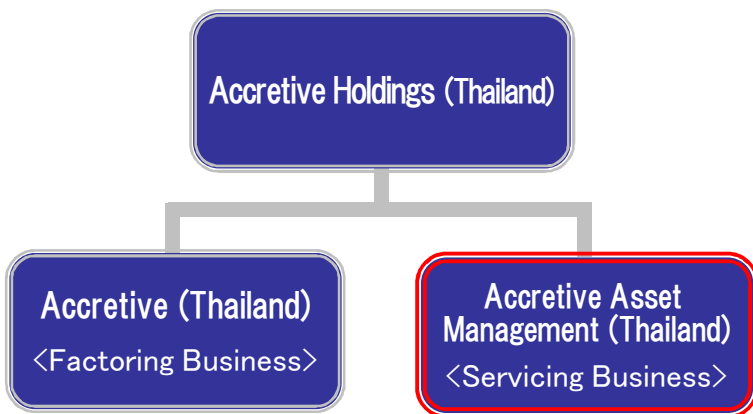
- We will offer proxy services for duty free counter operations ahead of our competitors.
※ The tax reform in April 2015 allows the consumption tax exemption procedures to be assigned to a third party.
- We will take advantage of our expertise in tax exemption procedures to make proposals mainly to shopping districts and shopping malls around the country.

Trends in Purchased receivables



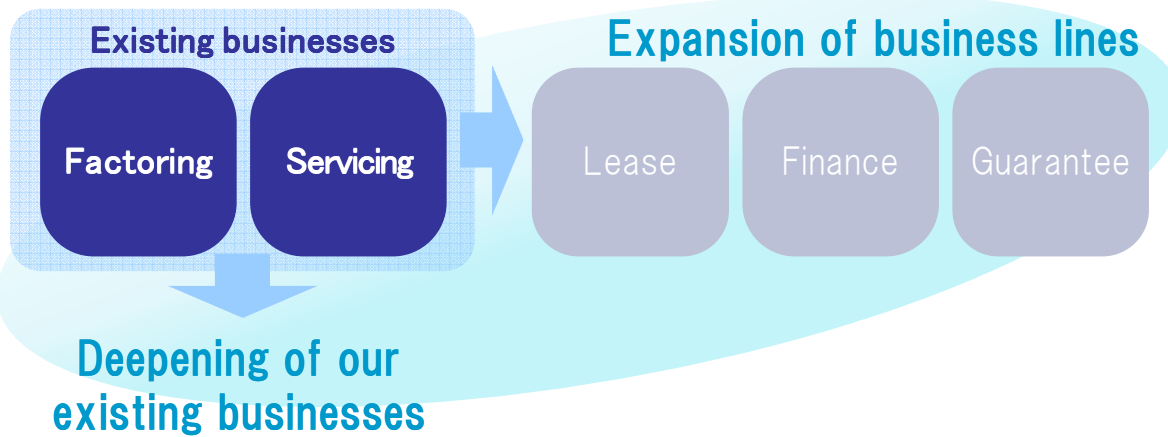
- Outstanding factoring reached 200 million baht, as initially targeted.
- We undertake factoring in a wide variety of industries, including auto parts manufacturers, retail and wholesale, construction, and service industries.

Provision of new services in Thailand



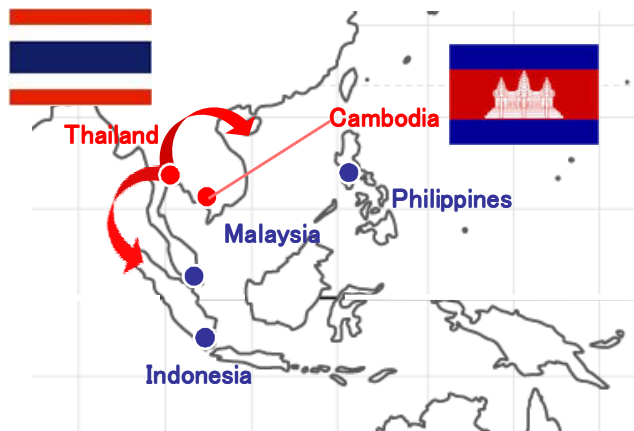
- We launched the servicing business in Thailand (the purchase of real estate secured bad debts).
- Accretive Asset Management (Thailand) was established, and the license was obtained in mid-February.
- We are currently participating in specific tenders.

Business development in Thailand



➤ In Thailand, we continue to actively promote the deepening of our existing businesses and the expansion of business lines.

Business development in countries after Thailand



➤ We consider the ASEAN Economic Community body (AEC), which is to be established at the end of 2015, as an opportunity for business expansion, and we are now reviewing which countries we will enter following Thailand.

6. Business Forecast for FY2016 (2015.04.01~2016.03.31)

Business Plan for Year Ending March 2016

(Unit: Millions of Yen)

	2014.3	2015.3	2016.3 (Forecast)	Change	yoy % change
Operating Revenue	2,932	3,345	3,900	554	116.6%
Operating Income	1,109	1,448	1,570	121	108.4%
Ordinary Income	1,142	1,486	1,600	113	107.7%
Net Income	1,177	1,455	1,530	74	105.1%
Operating Income Margin	37.8%	43.3%	40.3%	—	—
Dividend (JPY per share)	0.00	2.30	2.90	0.60	—

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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