

(English Translation)

**Financial Results for the Third Quarter**  
**of the Fiscal Year Ending September 30, 2017 (under Japan GAAP) (Consolidated)**

July 28, 2017

Company name: M&A Capital Partners Co., Ltd.      Stock exchange listings:  
Tokyo Stock Exchange  
Securities code: 6080      (URL <http://www.ma-cp.com>)  
Representative: Satoru Nakamura  
President and Representative Director  
Contact: Daisuke Uehara      Tel: 03-6880-3803  
Director and Manager at the Planning  
Management Department  
Scheduled date of filing of quarterly report: August 9, 2017  
Scheduled date of commencement of dividend payment: —  
Presentation of supplementary materials on financial results: Yes  
Holding of quarterly financial presentation meeting: No

(Note that all amounts have been rounded down to the nearest one million yen.)

**1. Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2017 (From October 1, 2016 to June 30, 2017)**

(1) Consolidated Operating Results (Cumulative)  
(Percentage figures represent changes from the same period of the previous fiscal year)

|  | Net sales              | Operating income       | Ordinary income        | Profit attributable to owners of parent |
|--|------------------------|------------------------|------------------------|---|
| Third quarter of fiscal year ending September 30, 2017 | ¥6,644 million<br>(—%) | ¥3,074 million<br>(—%) | ¥3,031 million<br>(—%) | ¥2,099 million<br>(—%)                  |
| Third quarter of fiscal year ended September 30, 2016  | —<br>(—%)              | —<br>(—%)              | —<br>(—%)              | —<br>(—%)                               |

(Note)

Comprehensive income:

*Third quarter of fiscal year ending September 30, 2017: 2,099 million yen (— %)*

*Third quarter of fiscal year ended September 30, 2016: — million yen (— %)*

|  | Profit per share | Profit (fully diluted) per share |
|--|------------------|----------------------------------|
| Third quarter of fiscal year ending September 30, 2017 | ¥146.13          | ¥139.65                          |
| Third quarter of fiscal year ended September 30, 2016  | —                | —                                |

*(Note) The Company has begun preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending September 30, 2017, so figures from the third quarter of the fiscal year ended September 30, 2016 and changes from the same period of the previous fiscal year are not included.*

(2) Consolidated Financial Position

|  | Total assets    | Net assets     | Equity ratio |
|--|-----------------|----------------|--------------|
| Third quarter of fiscal year ending September 30, 2017 | ¥11,980 million | ¥9,996 million | 83.0%        |
| Fiscal year ended September 30, 2016                   | —               | —              | —            |

*(Reference)*

*Equity: Third quarter of fiscal year ending September 30, 2017: 9,945 million yen*

*Fiscal year ended September 30, 2016: — million yen*

*(Note) The Company has begun preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending September 30, 2017, so figures from the fiscal year ended September 30, 2016 are not included.*

## 2. Dividends

|  | Annual dividends per share |                |               |           |       |
|--|----------------------------|----------------|---------------|-----------|-------|
|  | First quarter              | Second quarter | Third quarter | Year- end | Total |
| Fiscal year ended September 30, 2016             | —                          | ¥0.00          | —             | ¥0.00     | ¥0.00 |
| Fiscal year ending September 30, 2017            | —                          | ¥0.00          | —             |           |       |
| Fiscal year ending September 30, 2017 (Forecast) |                            |                |               | —         | —     |

(Note) Revision of dividend forecast since the latest announcement: No

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending September 30, 2017 (From October 1, 2016 to September 30, 2017)

(Percentage figures represent changes from the previous fiscal year)

|        | Net sales              | Operating income       | Ordinary income        | Profit attributable to owners of parent | Profit per share |
|--------|------------------------|------------------------|------------------------|---|------------------|
| Annual | ¥7,777 million<br>(—%) | ¥3,168 million<br>(—%) | ¥3,110 million<br>(—%) | ¥2,015 million<br>(—%)                  | ¥140.63          |

(Note) Revision of financial results forecast since the latest announcement: No

(Note) The Company has begun preparing quarterly consolidated financial statements from the first quarter of the fiscal year ending September 30, 2017, so changes from the previous fiscal year and changes from the same period of the previous fiscal year are not included.

\* Notes

- (1) Significant changes in subsidiaries during the consolidated cumulative quarter under review: Yes

(Changes in specified subsidiaries affecting the scope of consolidation)

New: 1 company (RECOF Corporation)

Exclusion: - company

(Note) For details, refer to “2. Matters Related to Summary Information (Notes) (1) Significant Changes in Subsidiaries during the Consolidated Cumulative Quarter under Review” on page six of the attachment.

- (2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: No

- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

(i) Changes in accounting policies due to revisions to accounting standards and other regulations, etc.: No

(ii) Changes in accounting policies due to reasons other than (i): No

(iii) Changes in accounting estimates: No

(iv) Restatements of prior period financial statements after error corrections: No

- (4) Total number of issued shares (common shares)

(i) Total number of issued shares as of the end of the period (including treasury shares):

As of June 30, 2017 15,068,000 shares

As of September 30, 2016 14,104,000 shares

(ii) Number of treasury shares as of the end of the period:

As of June 30, 2017 199 shares

As of September 30, 2016 154 shares

(iii) Average number of shares during the period (cumulative total for the quarter):

Third quarter of fiscal year ending September 30, 2017 14,365,212 shares

Third quarter of fiscal year ended September 30, 2016 13,909,929 shares

**\* The quarterly financial results are not subject to the quarterly review.**

**\* Proper usage of the forecast of financial results, and other special matters**

Descriptions or statements concerning projected figures and future outlooks contained within these materials are based on the decisions and hypotheses resulting from information currently obtainable by the company. The possibility exists that due to the intrinsic uncertainty of those decisions and hypotheses and/or changes in terms of business operations as well as situational changes occurring internally/externally, the actual results may substantially differ from the content of projections. These materials do not constitute a guarantee on the part of our company as to the certainty of any and all content concerning forecasts for the future.

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1. Qualitative Information on Financial Results for the Quarter under Review

(1) Explanation of Operating Results

During the consolidated cumulative third quarter under review, expectations of a mild recovery in the Japanese economy continued against a backdrop of improvements in the employment and income environment. On the other hand, there is concern that increased economic uncertainty overseas, including government policies in the United States following the change in administration, economic prospects and government policies in China, other Asian emerging countries, and others, and the British exit from the EU, as well as fluctuations in the financial and capital markets may impact the economy at home.

We concluded a business integration with RECOF Corporation and RECOF DATA Corporation on October 27, 2016 in the aim of putting together an M&A boutique capable of responding flexibly to various domestic M&A needs.

Established in 1987, RECOF Corporation is a pioneer among independent M&A boutiques like M&A Capital Partners. It provides a wide range of advisory services, from industry-reorganizing M&As in the distribution and other industries to business integrations between listed companies' groups, organizational restructuring, and cross-border M&As primarily in the ASEAN region. RECOF DATA Corporation has independently compiled a database of domestic M&As that have taken place since 1985, and through its own publications, primarily M&A journal *MARR*, it offers services to many users, including M&A staff of business companies, industry professionals, media companies, government agencies, and educational institutions.

We will promote M&As to solve management challenges like business succession which is faced primarily by unlisted companies, growth strategies, and industry reorganization, and will strive to become a diversified M&A group that caters to various needs. We will also continue working to expand our operations to build a solid market share within the industry.

In particular, to maximize the results of the management integration with RECOF Corporation, which is in the same business, we have drawn up several measures to produce synergies in sales, and begun working on these. Additionally, we have started putting together various internal management systems with the purpose of strengthening our management structure before the end of the fiscal year.

As for the status of activities in the consolidated cumulative third quarter under review, abundant inventory of proposals from the previous fiscal year helped us conclude 66 deals, marking a record high for a cumulative third quarter. Additionally, RECOF Corporation concluded 15 deals, including a major industry-reorganizing deal. Thus, our group concluded 81 deals in total in the consolidated cumulative third quarter under review.

Number of deals (consolidated)

| Name of type |                              |  | Previous consolidated cumulative third quarter<br>(From October 1, 2015 to June 30, 2016) | Consolidated cumulative third quarter under review<br>(From October 1, 2016 to June 30, 2017) | Year-on-year Change |   |
|--------------|------------------------------|--|---|---|---------------------|---|
| Whole Group  | M&A deals closed             |  | (number of deals)   | —   | 81                  | — |
|              | By amount of processing fees | Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more   | (number of deals)   | —   | 13                  | — |
|              |                              | Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million | (number of deals)   | —   | 68                  | — |

Number of deals (non-consolidated)

| Name of type                   |                              |  | Previous cumulative third quarter<br>(From October 1, 2015 to June 30, 2016) | Cumulative third quarter under review<br>(From October 1, 2016 to June 30, 2017) | Year-on-year Change |     |
|--------------------------------|------------------------------|--|--|--|---------------------|-----|
| M&A Capital Partners Co., Ltd. | M&A deals closed             |  | (number of deals)  | 40   | 66                  | +26 |
|                                | By amount of processing fees | Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more   | (number of deals)  | 3  | 11                  | +8  |
|                                |                              | Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million | (number of deals)  | 37   | 55                  | +18 |



| Name of type      |                              |  | Previous cumulative third quarter<br>(From October 1, 2015 to June 30, 2016) | Cumulative third quarter under review<br>(From October 1, 2016 to June 30, 2017) | Year-on-year Change |   |
|-------------------|------------------------------|--|--|--|---------------------|---|
| RECOF Corporation | M&A deals closed             |  | (number of deals)  | —  | 15                  | — |
|                   | By amount of processing fees | Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more   | (number of deals)  | —  | 2                   | — |
|                   |                              | Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million | (number of deals)  | —  | 13                  | — |

Furthermore, as a result of large deals being concluded at a faster pace than expected, net sales in the consolidated cumulative third quarter under review were ¥6,644.211 million, operating income was ¥3,074.921 million, ordinary income was ¥3,031.410 million, and profit attributable to owners of parent was ¥2,099.185 million.

Our Group's reporting segment is only the M&A-related services business, and it is immaterial as disclosure information, so segment information is omitted.

## (2) Explanation of Financial Position

### (Current assets)

As of the end of the consolidated third quarter under review, current assets amounted to ¥9,259.015 million. They mainly consisted of ¥8,764.632 million in cash and deposits.

### (Non-current assets)

As of the end of the consolidated third quarter under review, non-current assets amounted to ¥2,721.802 million. They mainly consisted of ¥1,789.506 million in goodwill, ¥305.250 million in trademark right, and ¥276.332 million in facilities attached to buildings, net.

### (Current liabilities)

As of the end of the consolidated third quarter under review, current liabilities amounted to ¥1,678.869 million. They mainly consisted of ¥623.035 million in income taxes payable.

### (Non-current liabilities)

As of the end of the consolidated third quarter under review, non-current liabilities amounted to ¥304.981 million. They mainly consisted of ¥123.198 million in net defined benefit liability.

### (Net assets)

As of the end of the consolidated third quarter under review, net assets amounted to

¥9,996.966 million. They mainly consisted of ¥5,503.297 million in retained earnings brought forward, ¥2,226.601 million in capital stock and ¥2,216.351 million in legal capital surplus.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements

No changes have been made to the forecast for consolidated financial results announced on April 28, 2017.

During the consolidated cumulative third quarter under review, there were several major deals, showing steady progress on the forecast for consolidated financial results. However, the M&A-related services business, which is our business, is affected by various factors, including the economic environment and the business environment of the parties, so there are many uncertainties. Because significant uncertainty accompanies forecasts depending on the timing of each deal and the amount of fees, we are not changing the figures from the forecast at this time.

2. Matters Related to Summary Information (Notes)

(1) Significant Changes in Subsidiaries during the Consolidated Cumulative Quarter under Review

We have acquired all shares of RECOF Corporation and RECOF DATA Corporation, so the companies have been included in the scope of consolidation from the consolidated first quarter. RECOF Corporation falls under the category of specified subsidiaries.

(2) Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Prior Period Financial Statements after Error Corrections

Not applicable.

3. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheet

|                                       | (Unit: thousand yen)  |
|---------------------------------------|---|
|                                       | Third quarter of fiscal<br>year ending September<br>30, 2017<br>(as of June 30, 2017) |
| Assets                                |   |
| Current assets                        |   |
| Cash and deposits                     | 8,764,632   |
| Accounts receivable - trade           | 279,079   |
| Deferred tax assets                   | 137,768   |
| Other                                 | 77,534  |
| Total current assets                  | <u>9,259,015</u>  |
| Non-current assets                    |   |
| Property, plant and equipment         |   |
| Facilities attached to buildings, net | 276,332   |
| Other                                 | 54,773  |
| Total property, plant and equipment   | <u>331,105</u>  |
| Intangible assets                     |   |
| Trademark right                       | 305,250   |
| Goodwill                              | 1,789,506   |
| Other                                 | 50,838  |
| Total intangible assets               | <u>2,145,594</u>  |
| Investments and other assets, gross   |   |
| Lease and guarantee deposits          | 215,733   |
| Other                                 | 29,367  |
| Total investments and other assets    | <u>245,101</u>  |
| Total non-current assets              | <u>2,721,802</u>  |
| Total assets                          | <u>11,980,817</u>   |
| Liabilities                           |   |
| Current liabilities                   |   |
| Advances received                     | 212,360   |
| Provision for bonuses                 | 314,847   |
| Accounts payable - other              | 180,386   |
| Income taxes payable                  | 623,035   |
| Accrued consumption taxes             | 239,310   |
| Other                                 | 108,929   |
| Total current liabilities             | <u>1,678,869</u>  |
| Non-current liabilities               |   |
| Net defined benefit liability         | 123,198   |
| Other                                 | 181,782   |
| Total non-current liabilities         | <u>304,981</u>  |
| Total liabilities                     | <u>1,983,851</u>  |

|                                  | (Unit: thousand yen)   |
|----------------------------------|--|
|                                  | Third quarter of fiscal<br>year ending September<br>30, 2017 |
|                                  | (as of June 30, 2017)  |
| Net assets                       |  |
| Shareholders' equity             |  |
| Capital stock                    | 2,226,601  |
| Capital surplus                  | 2,216,351  |
| Retained earnings                | 5,503,297  |
| Treasury shares                  | (353)  |
| Total shareholders' equity       | <u>9,945,898</u>   |
| Subscription rights to shares    | <u>51,068</u>  |
| Total net assets                 | <u>9,996,966</u>   |
| Total liabilities and net assets | <u>11,980,817</u>  |

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

Quarterly Consolidated Statements of Income  
Consolidated Cumulative Third Quarter

|  | (Unit: thousand yen)  |
|--|---|
|  | Cumulative third quarter<br>of<br>current fiscal year<br>(From October 1, 2016 to<br>June 30, 2017) |
| Net sales                                    | 6,644,211   |
| Cost of sales                                | 2,019,186   |
| Gross profit                                 | 4,625,024   |
| Selling, general and administrative expenses | 1,550,102   |
| Operating income                             | 3,074,921   |
| Non-operating income                         |   |
| Interest income                              | 50  |
| Miscellaneous income                         | 2,083   |
| Total non-operating income                   | 2,134   |
| Non-operating expenses                       |   |
| Interest expenses                            | 14,344  |
| Share issuance cost                          | 20,818  |
| Miscellaneous loss                           | 10,482  |
| Total non-operating expenses                 | 45,645  |
| Ordinary income                              | 3,031,410   |
| Extraordinary income                         |   |
| Gain on bargain purchase                     | 17,162  |
| Total extraordinary income                   | 17,162  |
| Income before income taxes                   | 3,048,573   |
| Income taxes - current                       | 960,474   |
| Income taxes - deferred                      | (11,087)  |
| Total income taxes                           | 949,387   |
| Profit                                       | 2,099,185   |
| Profit attributable to owners of parent      | 2,099,185   |

Quarterly Consolidated Statements of Comprehensive Income  
Consolidated Cumulative Third Quarter

|  | <u>(Unit: thousand yen)</u>     |
|--|---------------------------------|
|  | <u>Cumulative third</u>         |
|  | <u>quarter of</u>               |
|  | <u>current fiscal year</u>      |
|  | <u>(From October 1, 2016 to</u> |
|  | <u>June 30, 2017)</u>           |
| Profit   | <u>2,099,185</u>                |
| Comprehensive income                                     | <u>2,099,185</u>                |
| (Comprehensive income attributable to:)                  |                                 |
| Comprehensive income attributable to owners<br>of parent | 2,099,185                       |

### (3) Notes to Quarterly Consolidated Financial Statements

(Notes on premise of going concern)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

The Company has made a public offering, and payment was completed on June 12, 2017. This resulted in the issuance of 700,000 new shares.

As a result, the completion of payment of the public offering resulted in capital stock and capital surplus each increasing by ¥1,764.280 million during the cumulative third quarter under review leading to capital stock of ¥2,226.601 million and capital surplus of ¥2,216.351 million at the end of the third quarter under review.

(Segment information, etc.)

Our business is comprised of a singular segment made up of M&A-related services and auxiliary businesses. Thus, segment information has been omitted.