

*(Translation)*

**BRIEF STATEMENT OF FINANCIAL RESULTS  
FOR THE SIX MONTHS ENDED AUGUST 31, 2016 [Japanese GAAP] (NON-CONSOLIDATED)**

October 6, 2016

Company Name:	POCKET CARD CO., LTD.
Listed Exchange:	Tokyo Stock Exchange (First Section)
Code No.:	8519
URL:	<a href="http://www.pocketcard.co.jp/">http://www.pocketcard.co.jp/</a>
Representative Director:	Keiichi Watanabe President
Contact Person:	Yoshinori Hayashida, General Manager of Corporate Planning Dept. Tel: +81-3-5441-3450 E-mail: <a href="mailto:koho@pocketcard.co.jp">koho@pocketcard.co.jp</a>
Date of Quarterly Securities Report Filing:	October 14, 2016
Date of Dividend Payment:	November 8, 2016
The additional materials of the Financial Results for the Second Quarter :	Yes
The briefing session of the Financial Results for the Second Quarter :	Yes

This document (unaudited) is an English translation of the original Japanese Financial Statements made public on October 6, 2016.

In the event of any discrepancy between this translated document and the original Japanese document, the original Japanese document shall prevail.

Brief Statements of Financial Results for the Six months ended August 31, 2016 include forward-looking statements about the future performance of POCKET CARD CO.,LTD. that are based on assumptions and beliefs in light of information currently available, and involve certain risk and uncertainties.

(Translation)

Note: Figures in these statements, which have been prepared in accordance with accounting principles generally accepted in Japan, were rounded down to the nearest million yen.

## 1. FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED AUGUST 31, 2016

### (1) RESULTS OF OPERATIONS

The following percentages for operating revenues, operating income, ordinary income and net income represent ratio of change from those in prior year.

	Operating Revenues	Change from Prior Year	Operating Income	Change from Prior Year	Ordinary Income	Change from Prior Year
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Six Months Ended August 31, 2016	18,666	4.7	1,984	7.6	1,983	7.2
Six Months Ended August 31, 2015	17,825	(1.0)	1,844	(27.1)	1,850	(27.1)

	Net Income	Change from Prior Year	Net Income per Share	Diluted Net Income per Share
	(Millions of Yen)	(%)	(Yen)	(Yen)
Six Months Ended August 31, 2016	985	47.6	12.60	—
Six Months Ended August 31, 2015	667	(47.5)	8.53	—

### (2) FINANCIAL POSITION

	Total Assets	Net Assets	Net Worth Ratio
	(Millions of Yen)	(Millions of Yen)	(%)
As of August 31, 2016	260,519	59,087	22.7
Year Ended February 29, 2016	248,972	58,493	23.5

(REFERENCE) Net Worth:

As of August 31, 2016: ¥59,087 million

As of February 29, 2016: ¥58,493 million

## 2. DIVIDENDS

•Cash Dividends	Annual Dividends per Share (Yen)				
	1Q	2Q	3Q	Year End	Total
For the year ended February 29, 2016 (actual)	—	5.00	—	5.00	10.00
For the year ended February 28, 2017 (actual)	—	5.00			
For the year ended February 28, 2017 (forecast)			—	5.00	10.00

Note: There are no revisions to the previous forecast that was announced on April 7, 2016.

(Translation)

### 3. FORECAST OF OPERATIONS FOR THE YEAR ENDING FEBRUARY 28, 2017

	Operating Revenues	Change from Prior Year	Operating Income	Change from Prior Year	Ordinary Income	Change from Prior Year
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Annual	37,300	4.6	4,000	6.4	4,000	5.8

	Net Income	Change from Prior Year	Net Income per Share
	(Millions of Yen)	(%)	(Yen)
Annual	2,200	30.8	28.11

Notes: There are revisions to the previous forecast that was announced on April 7, 2016.

### 4. OTHER INFORMATION

(1) Adoption of simplified accounting practices and particular accounting practices used for the preparation of quarterly financial Statements : None

(2) Changes of accounting policies or estimates and retrospective restatements:

- i Changes with Reform of Accounting Standards: Yes
- ii Changes with Other Than Those Above: None
- iii Changes with Accounting estimates: None
- iv Retrospective restatement: None

(3) NUMBER OF COMMON STOCK ISSUED:

i Total Number of Shares Issued (Including Treasury Stock):

As of August 31, 2016: 79,323,844 shares

As of February 29, 2016: 79,323,844 shares

ii Total Number of Treasury Stock:

As of August 31, 2016: 1,073,288 shares

As of February 29, 2016: 1,073,072 shares

iii Weighted-average number of outstanding shares

Six months ended August 31, 2016: 78,250,705 shares

Six months ended August 31, 2015: 78,251,186 shares

#### Information Regarding the Quarterly Review Procedures

At the time of disclosure of this report, the procedures for audit of quarterly financial statements, pursuant to the "Financial Instruments and Exchange Act" of Japan, have not completed.

(Translation)

## 1. COMPARATIVE NON-CONSOLIDATED BALANCE SHEETS

Note: Figures in these statements, which have been prepared in accordance with accounting principles generally accepted in Japan, were rounded down to the nearest million yen.

Item	February 29, 2016	August 31, 2016
	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I CURRENT ASSETS</b>		
Cash and cash equivalents	8,191	8,731
Installment shopping receivable	194,640	207,694
Cashing loans receivable	41,060	39,274
Other	9,730	9,523
Allowance for possible credit losses	(13,204)	(12,861)
Total current assets	240,418	252,363
<b>II FIXED ASSETS</b>		
<b>Tangible fixed assets</b>	355	318
<b>Intangible fixed assets</b>	4,019	3,506
<b>Investments and other assets</b>		
Investments and other assets	4,210	4,362
Allowance for possible credit losses	(31)	(31)
Total investments and other assets	4,178	4,330
Total fixed assets	8,553	8,155
<b>TOTAL ASSETS</b>	248,972	260,519

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Item	February 29, 2016	August 31, 2016
	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I CURRENT LIABILITIES</b>		
Accounts payable trade	12,651	14,350
Short-term borrowings	18,000	14,000
Long-term debt due within one year	29,302	24,826
Commercial paper	8,000	25,000
Allowance for other	365	404
Other	5,272	5,199
Total current liabilities	73,591	83,780
<b>II NON-CURRENT LIABILITIES</b>		
Bonds payable	30,000	30,000
Long-term debt	76,091	75,877
Liabilities for employees' retirement benefits	445	467
Allowance for refundable excess interest	10,346	11,306
Other	4	0
Total non-current liabilities	116,887	117,651
<b>TOTAL LIABILITES</b>	190,479	201,431
<b>I OWNERS' EQUITY</b>		
Paid-in-capital	14,374	14,374
Capital surplus	15,816	15,816
Earned surplus	29,603	30,197
Treasury stock	(1,300)	(1,300)
Total owners' equity	58,493	59,087
<b>TOTAL NET ASSETS</b>	58,493	59,087
<b>TOTAL LIABILITES AND NET ASSETS</b>	248,972	260,519

(Translation)

## 2. NON-CONSOLIDATED STATEMENTS OF OPERATION

Item	Six Months Ended August 31, 2015	Six Months Ended August 31, 2016
	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>OPERATING REVENUES</b>		
Financing fees on installment shopping	12,711	14,263
Interest income on installment loans	3,451	3,059
Other operating revenues	1,662	1,343
Total operating revenues	17,825	18,666
<b>OPERATING EXPENSES</b>		
Selling, general and administrative expenses		
Provision for possible credit losses	2,844	3,178
Provision for refundable excess interest	2,947	2,842
Other	9,575	10,100
Total selling, general and administrative expenses	15,366	16,121
Interest expense and other finance charges		
Interest expense	445	371
Other finance charges	168	189
Total interest expense and other finance charges	613	560
Total operating expenses	15,980	16,682
<b>OPERATING INCOME</b>	1,844	1,984
<b>NON-OPERATING INCOME</b>	9	8
<b>NON-OPERATING EXPENSES</b>	3	9
<b>ORDINARY INCOME</b>	1,850	1,983
INCOME BEFORE INCOME TAXES	1,850	1,983
INCOME TAXES (CURRENT)	706	927
INCOME TAXES (DEFERRED)	476	70
TOTAL INCOME TAXES	1,182	997
<b>NET INCOME</b>	667	985

(Translation)

(REFERENCE) BUSINESS RESULTS

Item	Six Months Ended August 31, 2015	Six Months Ended August 31, 2016	Year Ended February 29, 2016
Volume of New Contracts (millions of yen)	222,591	239,848	451,356
Shopping	204,055	221,673	415,255
Cashing	16,075	15,453	31,127
Others	2,460	2,721	4,973
Operating Revenue (millions of yen)	17,825	18,666	35,676
Shopping	12,711	14,263	25,943
Cashing	3,451	3,059	6,641
Others	1,662	1,343	3,091
Outstanding Balance (millions of yen)	227,949	246,969	235,701
Shopping (A)	184,053	207,694	194,640
Cashing (B)	43,896	39,274	41,060
Credit Expenses (millions of yen) (C)	3,295	3,327	7,621
Ratio of Credit Expenses to Outstanding Balance of Finance Receivables (%) (C / (A + B))	2.89	2.69	3.23
Number of Card Holders (thousands of holders)	4,851	4,799	4,791

Note: The ratio of credit expenses to financing receivables represents the modulated rate for one-year basis.