

October 31, 2017

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| Financial Highlights for the Second Quarter of the Fiscal Year Ending March 2018 |
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<Outline of consolidated results for the second quarter>

- Incentive and Healthcare posted robust results.
- The number of members steadily increased in the Welfare Program. Expenses were incurred for measures designed to promote the use of our services. However, such expenses are expected to be leveled in the second half.
- In the Personal business, full-scale contribution of the new large-scale project will be postponed to the second half due to the delayed launch of the project.
- Expenses temporarily increased as a result of strategic system-related investment and head-office relocation.
- As a result, operating income was 2,530 million yen (+0.3%) and the operating margin ratio was 15.8% (-1.8 points).
- In the second half, the number of personal memberships will reverse and temporary expenses that were incurred in the first half are expected to be eliminated. For this reason, forecasts for the full term are left unchanged from the initial plan.

1. Consolidated results for the second half (from April 1, 2017 to September 30, 2017)

| (in million yen) | Previous term | | Actual | | Year-on-year | | Full-term plan | |
|---|---------------|----------------|--------|----------------|--------------|--------|----------------|---------------|
| | Amount | Ratio to sales | Amount | Ratio to sales | Change | (%) | Amount | Progress rate |
| Sales | 14,351 | — | 15,993 | — | +1,641 | +11.4% | 35,000 | 45.7% |
| Cost of sales | 8,700 | 60.6% | 10,106 | 63.2% | +1,405 | +16.2% | — | — |
| Gross margin | 5,651 | 39.4% | 5,886 | 36.8% | +235 | +4.2% | — | — |
| SG&A | 3,127 | 21.8% | 3,355 | 21.0% | +228 | +7.3% | — | — |
| Operating income | 2,523 | 17.6% | 2,530 | 15.8% | +7 | +0.3% | 7,000 | 36.2% |
| Ordinary income | 2,504 | 17.5% | 2,533 | 15.8% | +28 | +1.1% | 6,950 | 36.4% |
| Income attributable to owners of parent | 1,684 | 11.7% | 1,661 | 10.4% | ▲23 | ▲1.4% | 4,600 | 36.1% |

2. Results in major businesses (from April 1, 2017 to September 30, 2017)

| (in million yen) | Sales | Year-on-year | | Operating income | Year-on-year | | Factors for changes |
|------------------|--------|--------------|---------|---------------------|--------------|--------|--|
| | | Change | % | | Change | % | |
| Welfare Program | 7,428 | +315 | +4.4% | 2,250 | ▲ 53 | ▲ 2.3% | Number of members steadily increased |
| Personal | 1,899 | ▲ 222 | ▲ 10.5% | | | | New collaboration partners will contribute in the second half. |
| CRM | 274 | +9 | +3.3% | | | | Results remained at the same level as the previous term. |
| Incentive | 2,186 | +364 | +20.0% | 405 | +132 | +48.2% | Use expanded primarily among existing clients. |
| Healthcare | 3,474 | +1,258 | +56.8% | 110 | +50 | +82.9% | Large-scale projects were stably operated. |
| Others | 732 | ▲ 83 | — | ▲ 235 | ▲ 122 | — | |
| Total | 15,993 | +1,641 | +11.4% | 2,530 | +7 | +0.3% | |

3. Quarterly results in major businesses

| (in million yen) | FY03/16 | | | | FY03/17 | | | | FY03/18 | |
|--|---------|-------|-------|-------|---------|-------|-------|-------|---------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Welfare Program | 3,415 | 3,493 | 3,468 | 3,543 | 3,491 | 3,622 | 3,563 | 3,631 | 3,680 | 3,747 |
| Personal | 723 | 833 | 967 | 1,012 | 1,050 | 1,071 | 1,044 | 1,000 | 976 | 923 |
| CRM | 122 | 127 | 119 | 158 | 130 | 136 | 132 | 181 | 126 | 148 |
| Incentive | 677 | 452 | 555 | 757 | 1,114 | 709 | 796 | 1,118 | 1,301 | 885 |
| Healthcare | 757 | 701 | 1,069 | 1,731 | 1,260 | 956 | 1,257 | 1,506 | 1,172 | 2,302 |
| Others | 277 | 376 | 458 | 262 | 335 | 477 | 503 | 394 | 392 | 341 |
| Sales | 5,971 | 5,982 | 6,636 | 7,463 | 7,380 | 6,971 | 7,295 | 7,830 | 7,647 | 8,345 |
| Gross margin | 2,346 | 2,218 | 2,736 | 2,939 | 2,793 | 2,858 | 3,175 | 3,200 | 2,934 | 2,952 |
| <i>Gross margin ratio (%)</i> | 39.3% | 37.1% | 41.2% | 39.4% | 37.8% | 41.0% | 43.5% | 40.9% | 38.4% | 35.4% |
| SG&A | 1,687 | 1,356 | 1,336 | 1,504 | 1,638 | 1,489 | 1,499 | 1,547 | 1,736 | 1,619 |
| Welfare Program + Personal + CRM | 632 | 904 | 1,412 | 1,332 | 991 | 1,312 | 1,535 | 1,453 | 1,020 | 1,208 |
| Incentive | 120 | 50 | 62 | 101 | 185 | 88 | 111 | 171 | 278 | 127 |
| Healthcare | ▲ 32 | ▲ 38 | ▲ 29 | 66 | 38 | 22 | 106 | 127 | ▲ 10 | 120 |
| Others | ▲ 61 | ▲ 54 | ▲ 46 | ▲ 65 | ▲ 60 | ▲ 54 | ▲ 77 | ▲ 98 | ▲ 90 | ▲ 123 |
| Operating income | 659 | 862 | 1,399 | 1,434 | 1,154 | 1,368 | 1,675 | 1,653 | 1,198 | 1,332 |
| <i>Operating income ratio (%)</i> | 11.0% | 14.4% | 21.1% | 19.2% | 15.6% | 19.6% | 23.0% | 21.1% | 15.7% | 16.0% |
| Ordinary income | 638 | 831 | 1,415 | 1,428 | 1,153 | 1,350 | 1,646 | 1,576 | 1,192 | 1,340 |
| <i>Ordinary income ratio (%)</i> | 10.7% | 13.9% | 21.3% | 19.1% | 15.6% | 19.4% | 22.6% | 20.1% | 15.6% | 16.1% |
| Income attributable to owners of parent | 414 | 530 | 920 | 871 | 758 | 926 | 1,119 | 1,051 | 767 | 894 |
| <i>Net income ratio (%)</i> | 6.9% | 8.9% | 13.9% | 11.7% | 10.3% | 13.3% | 15.3% | 13.4% | 10.0% | 10.7% |

The purpose of this material is to provide information about the Company's financial results, and is in no way to be construed as a solicitation to purchase securities issued by the Company.

In addition, this material is prepared based on data as of the end of September 2017. All descriptions and forecasts contained herein stem from the Company's judgments made at the time of preparing this material, and no guarantees or promises are provided concerning the accuracy or completeness of such information. The descriptions and forecasts are subject to change without prior notice.