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TAN CHONG INTERNATIONAL LIMITED

陳唱國際有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 693)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

The announcement of financial results of Zero Co., Ltd. for the year ended 30 June 2017 is originally prepared in Japanese ("Original Announcement"). The attached announcement on the next page is a translation of the Original Announcement solely for the purpose of providing information.

By the order of the Board
Tan Chong International Limited
Teo Siok Ghee
Liew Daphnie Pingyen
Joint Company Secretaries

Hong Kong, 10 August 2017

Website: <http://www.tanchong.com>

As at the date of this announcement, the executive Directors are Mr. Tan Eng Soon, Mr. Tan Kheng Leong, Mdm. Sng Chiew Huat and Mr. Glenn Tan Chun Hong. The non-executive Director is Mr. Joseph Ong Yong Loke. The independent non-executive Directors are Mr. Ng Kim Tuck, Mr. Azman Bin Badrillah, Mr. Prechaya Ebrahim and Mr. Teo Ek Kee.

Summary of Consolidated Financial Results for the Fiscal year ended June 30, 2017 [Based on IFRS]

August 10, 2017

Company name: Zero Co., LTD.

Stock Exchange Listing:

Tokyo

 Stock code 9028 <http://www.zero-group.co.jp/>

Representative: President

Takeo Kitamura

Inquiries: Operating Officer, General Manager Group Strategies

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Scheduled Date of Ordinary General Meeting of Shareholders: September 28, 2017

Scheduled date to commence dividend payments:

September 29, 2017

Scheduled Date for Submission of Annual Securities Report: September 29, 2017

Preparation of supplementary material on quarterly financial results : No

Holding of quarterly financial results meeting : Yes (For Analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the Fiscal year ended June 30, 2017 (From July 1, 2016 to June 30, 2017)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Net income		Profit attributable to owners of parent company		Total comprehensive income of the Fiscal year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended of June 30, 2017	79,134	1.7	5,630	4.4	5,568	1.4	3,455	Δ0.0	3,455	Δ0.0	3,893	28.7
Fiscal year ended of June 30, 2016	77,829	3.3	5,391	39.6	5,492	43.2	3,455	48.1	3,455	48.1	3,026	17.1

	Basic earnings per share	Diluted earnings per share	Equity profit ratio attributable to owners of parent company	Total assets rate of return before tax	Rate of returns of sales revenue and operating income
	Yen	Yen	%	%	%
Fiscal year ended June 30, 2017	207.69	207.29	18.0	15.1	7.1
Fiscal year ended June 30, 2016	207.57	207.17	20.7	15.8	6.9

(Remarks) Investment profit and loss on equity method Fiscal year ended of June 2017 Δ18 Million yen Fiscal year ended of June 2016 118 Million yen

(2) Consolidated financial position

	Total assets	Total capital	Equity attributable to owners of parent company	Equity ratio attributable to owners of parent company	Equity attributable to owners of parent company per stock
	Millions of yen	Millions of yen	Millions of yen	%	Yen
Fiscal year ended of June, 2017	38,007	20,672	20,661	54.4	1,248.04
Fiscal year ended of June, 2016	35,852	17,741	17,741	49.5	1,069.23

(3) Consolidated cash flow position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended of June, 2017	3,391	Δ591	Δ2,623	8,101
Fiscal year ended of June, 2016	5,050	Δ512	Δ2,469	7,924

2. Cash dividends

	Annual dividends per share					Dividend total (Total)	Dividend payout ratio (Consolidated)	Equity dividend ratio attributable to owners of parent company(Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended of June, 2016	Yen ---	Yen 13.00	Yen ---	Yen 37.40	Yen 50.40	Millions of yen 854	% 24.3	% 5.1
Fiscal year ended of June, 2017	---	15.00	---	36.90	51.90	874	25.0	4.5
Fiscal year ending of June, 2018 (forecast)	---	15.00	---	35.00	50.00		25.0	

3. Forecast of consolidated financial results for the year ending June 30, 2018 (From July 1, 2017 to June 30, 2018)

(Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Profit attributable to owners of parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	80,700	2.0	5,400	Δ4.1	5,330	Δ4.3	3,310	Δ4.2	199.94

*(Note)

 (1) Changes in significant subsidiary companies during a year (Changes in the specific subsidiary companies following changes in the scope of consolidation): No
 New __ Co. (Company name), Exclusions __ Co. (Company name)

(2) Changes in accounting policies, changes in accounting estimates

- ① Changes in the accounting policies required by IFRS : No
 ② Changes in the accounting policies due to other reasons : No
 ③ Changes in the accounting estimates : No

(3) Number of issued shares (common shares)

 ① Total number of issued shares at the end of the period

Fiscal year ended June 2017	17,560,242 shares	Fiscal year ended June	17,560,242 shares
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(including treasury shares)
② Number of treasury shares at the end of the period

③ Average number of shares during the period

		2016	
Fiscal year ended June 2017	1,030,367 shares	Fiscal year ended June 2016	967,732 shares
Fiscal year ended June 2017	16,635,602 shares	Fiscal year ended June 2016	16,647,155 shares

※ Earnings summary is not within the scope of the Fiscal year audit

※ Explanation of the proper use of financial results forecast and other notes

The earnings forecast and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions that the Company considers reasonable. The actual results may differ significantly from these forecasts due to a wide range of factors such as economic status of the major domestic and international markets or exchange rates fluctuation.

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1. Overview of business results etc.

(1) Overview of Business results for the current fiscal year

During the current fiscal year, although there is a gradual recovery of Japan's economy with improvements in consumer confidence, there has been a steady improvement in the employment and income environment. In the automotive industry, despite of decrease car sales for the first half of the fiscal year, it recovered due to the new models sales increase in Japan market, the number of new cars sold in Japan was 5,205,451 units (105.9% compared to the same period of the previous year) and the used car sales was 6,838,795 units (101.5% compared to the same period of the previous year). Meanwhile, export of used cars declined to 1,325,101 (96.6% compared to the same period of the previous year) due to the uncertain situation as a result of changes in the international situation and the exchange rate level (Exhibit: Japan Automobile Manufacturers Association Statistics Data · Statistical data of the Japan Automobile Manufacturers Association Federation - Statistics data of the National Association of Light Motor Vehicles Association Federation). In the logistics industry, in addition to the moderate rise in fuel prices, strengthened crackdown on drivers the business environment is in a severe situation, with the effective job offering ratio rising and the labor demand and supply tightened.

In view of these facts, our Group has encouraged each segment to implement strategic operating activities to adapt to the changing market environment, strengthened group synergy in our three business segments to create and deliver value-added services, and promoted activities (including cost reduction) aimed at strengthening our revenue-management system.

In the fiscal year under review, the Group's operating results were ¥79,134 million (101.7% year-on-year), and operating income was ¥5,630 million (104.4% compared with the same period of the previous fiscal year). Income before income taxes was 5,568 million yen (101.4% compared with the same period of the previous fiscal year), and net income attributable to the owner of the parent company was 3,455 million yen (100.0% compared with the same period of the previous year).

Unit sales data relating to domestically-distributed cars

Unit sales

Domestic sales	From July 2015 to June 2016	From July 2016 to June 2017	Compared to the previous year
New cars			
Domestic automakers *1 (Nissan Motor) *1	4,630,867 (542,043)	4,904,841 (598,512)	105.9% (110.4%)
Overseas automakers *2	286,358	300,610	105.0%
Total New Cars	4,917,225	5,205,451	105.9%
Used cars			
Registered car *3	3,737,186	3,822,525	102.3%
Light vehicles *4	3,002,000	3,016,270	100.5%
Total	6,739,186	6,838,795	101.5%
Cars registered for permanent deletion *3	210,762	208,683	99.0%

Exports	From July 2015 to June 2016	From July 2016 to June 2017	Compared to the previous year
Domestic automakers' new cars *1	4,589,303	4,674,106	101.8%
Used passenger vehicles *5	1,372,293	1,325,101	96.6%

*1 Calculated based on the statistics provided by the Japan Automobile Manufacturers Association

*2 Calculated based on the statistics provided by the Japan Automobile Importers Association

*3 Calculated based on the statistics provided by the Japan Automobile Dealers Association

*4 Calculated based on the statistics provided by the Japan Light Motor Vehicle and Motorcycle Association

*5 Estimated based on the number of used cars to be exported which have been registered for deletion, which is recorded in the statistics provided by the Japan Automobile Dealers Association

[Fuel retail price]

Unit: yen / L

National average	From July 2015 to June 2016	From July 2016 to June 2017	Compared to the previous year
Light oil *6	107.0	107.4	100.4%
Regular gasoline *6	125.8	128.2	101.9%

* 6 Calculated from the Agency for Natural Resources and Energy (Mainly light oil for transportation by our company)

The business performance of each segment is summarized below.

Automobile-related business

Nissan's domestic new car sales volume, the major customer, decreased from the same period of the previous fiscal year in the first quarter, but due to the strong sales of new models after second quarter, it recovered significantly. We have promoted customer development activities to expand transactions of new cars and second-hand car transports other than Nissan, and have also promoted deployment to car selections and development of shared inventory services, but due to the restructuring structure and reviewing strategy of export car business used cars and exports declined. As a result, sales revenue was 58,687 million yen (98.3% compared to the same period of the previous year), segment profit was 5,938 million yen (101.2% compared with the same period of the previous year).

Human resources business

With the trend of recovery in the economy, there is a trend toward increasing talent demand for companies, but soaring labor costs and human resources in metropolitan areas are getting worse. While it is necessary to secure high employment opportunities for elderly people due to the declining birthrate and aging society, applicants for young people are tightened, and the employment needs of companies and employment needs of employees are becoming more diversified and sophisticated. In a situation where attitudes of dispatched client companies to contracting charges are severe, the Group strengthens strategic sales activities and sales structures, shifting regional strategies from large cities with high labor costs and business development activities in specialized fields we have promoted such as. As a result, sales revenue was ¥ 15 billion (113.5% compared with the same period of the previous year), segment profit was ¥ 661 million (115.4% compared to the same period of the previous year).

General cargo transportation business

In addition to steadily acquiring orders from existing customers, we are promoting orders from new customers, and measures to improve profitability, such as improving operational efficiency, have been effective. In the subsidiary Kanda Port Kaiko Transportation Co., Ltd., its business performance has been steadily growing, mainly in coal handling and loading, and we have promoted new business acquisition and operational efficiency improvement in Kokura Co., Ltd. As a result, sales revenue was 5,446 million yen (111.2% compared with the same period last year), segment profit was 895 million yen (127.7% compared with the same period of the previous year).

Corporate expenses (expenses pertaining to the management department of the Company) not included in the segment profit / loss are described in "3. Notes to Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Statements (Segment Information)" As stated in "Adjustment amount", it is recorded as 1,864 million yen.

(2) Summary of financial situation for the current fiscal year

Status of assets, liabilities and net assets

(Assets)

Current assets increased by ¥ 1,398 million (7.6%) from the end of the previous consolidated fiscal year to ¥ 19,745 million.

This was mainly due to an increase of ¥ 1,159 million in trade receivables and other receivables.

Non-current assets increased by ¥ 756 million (4.3%) from the end of the previous consolidated fiscal year to ¥ 18,262 million.

This was mainly due to an increase of ¥ 616 million in tangible fixed assets and an increase of ¥ 443 million in other financial assets.

As a result, total assets increased by 2,154 million yen (6.0%) from the end of the previous consolidated fiscal year to 38 billion and 7 million yen.

(Liabilities)

Current liabilities decreased ¥ 60 million (0.5%) from the end of the previous consolidated fiscal year to ¥ 12,118 million.

This is mainly due to a decrease of ¥ 383 million in borrowings although the current liabilities increased by ¥ 299 million.

Non-current liabilities decreased by 716 million yen (12.1%) from the end of the previous consolidated fiscal year to 5,215 million yen.

This was mainly due to a decrease in borrowings by 409 million yen and a decrease in liabilities related to retirement benefits by 398 million yen.

As a result, total liabilities decreased by 776 million (4.3%) from the end of the previous consolidated fiscal year to 17,334 million.

(Total Equity)

Total shareholders' equity increased by 2,931 million yen (16.5%) from the end of the previous consolidated fiscal year to 20,672 million yen.

This was mainly due to an increase of 2,762 million yen in retained earnings due to the recording of profit for the year under review.

(3) Overview of cash flows for the current fiscal year

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the consolidated fiscal year under review amounted to 8,101 million yen, an increase of 176 million yen from the end of the previous consolidated fiscal year.

The status of each cash flow in the current consolidated fiscal year and their factors are as follows.

(Cash flows from operating activities)

Cash provided by operating activities was 3,391 million yen, (5,050 million yen in the previous consolidated fiscal year). The main breakdown of income is net income of 3,455 million yen and depreciation expenses of 1,118 million yen; the main breakdown of expenditure is 2,622 million yen in income tax payments, trade receivables Increase of 978 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 591 million yen (512 million yen in the previous consolidated fiscal year).

The main breakdown of income is income from the sale of tangible fixed assets of 76 million yen, the main breakdown of expenditure is expenditure of 546 million yen for acquiring tangible fixed assets.

(Cash flows from financing activities)

Net cash used in financing activities was 2,623 million yen (2,469 million yen in the previous consolidated fiscal year).

The main components of expenditure are expenditure of repayment of long-term borrowings of 1,244 million yen, payment of dividends of 869 million yen, and payment of finance lease obligations of 595 million yen.

(4) Future Prospects

In the next consolidated fiscal year, despite some concerns about overseas economic trends, it is expected that the domestic economy will continue a gradual recovery due to government economic measures and other factors. In the automotive industry, however, concerns about a shrinking domestic demand such as a decline in the number of holders of drivers due to a declining population, a decrease in vehicle sales due to the long-term possession due to the improvement in durability and the spread of sharing services are not eliminated. Also in the logistics industry, it is predicted that the severe business environment will continue, such as serious shortage of drivers, fears of rising fuel prices over the medium to long term, securing safety and strengthening environmental measures. Under such circumstances, the Group will strengthen its foundation for domestic vehicle transportation business by promoting sales activities, and will develop new business and new services. As a part of business structure restructuring, we are promoting to divide regional groups of transportation business, seeing all of group transportation ability, aim to strengthen efficiency and profitability that makes full use of group synergy. We will also work on promoting "working way reform" such as improvement of working environment and various conditions. By tackling these measures, we are forecasting our earnings forecast for the fiscal year ending June 2018, with sales revenue 80,700 million yen, operating income 5,400 million yen, income before tax of 5,330 million yen, current profit attributable to the owner of the parent company 3,310 million yen.

2. Basic idea on selection of accounting standards

Based on the progress of overseas business development and the policy of Tan Chun International Limited Group as a parent company, the Group aims to improve management efficiency and quality through unification of financial reporting standards, International Financial Reporting Standards (IFRS) are arbitrarily applied from the consolidated financial statements in the securities report for the fiscal year ending June 2016 (70th term) with the aim of international comparability of financial information in the capital market.

3. Consolidated financial statements and main notes

(1) Consolidated statement of financial position

(Unit: Million yen)

	End of previous consolidated fiscal year (30 June 2016)	End of current consolidated fiscal year (30 June 2017)
Assets		
Current assets		
Cash and cash equivalents	7,924	8,101
Trade and other receivables	9,036	10,195
Other financial assets	167	195
Inventories	779	532
Other current assets	438	719
Total current assets	18,346	19,745
Non-current assets		
Property, plant and equipment	8,447	9,064
Goodwill, Intangible assets	2,232	2,499
Investments properties	3,791	3,628
Investments accounted for using the equity method	973	927
Other financial assets	1,393	1,837
Other non-current assets	115	83
Deferred tax assets	552	222
Total non-current assets	17,506	18,262
Total assets	35,852	38,007

(Unit: Million yen)

	End of previous consolidated fiscal year (30 June 2016)	End of current consolidated fiscal year (30 June 2017)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	5,647	6,320
Borrowings	2,235	1,851
Other financial liabilities	496	555
Income taxes payable	1,594	885
Other current liabilities	2,205	2,505
Total current liabilities	12,179	12,118
Non-current liabilities		
Borrowings	768	358
Other financial liabilities	1,943	2,339
Retirement benefits liabilities	2,476	2,078
Other non-current liabilities	741	331
Deferred tax liabilities	2	107
Total non-current liabilities	5,932	5,215
Total liabilities	18,111	17,334
Equity		
Share capital	3,390	3,390
Capital surplus	3,249	3,271
Treasury stock	△561	△687
Other components of equity	21	283
Retained earnings	11,640	14,403
Total equity attributable to owners of the parent	17,741	20,661
Total equity	—	11
Total liabilities and equity	17,741	20,672
Total liabilities and equity	35,852	38,007

(2) Consolidated income statement and consolidated statement of comprehensive income
(Consolidated income statement)

(Unit: Million yen)

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Revenue	77,829	79,134
Cost of sales	Δ65,108	Δ65,731
Gross profit	12,720	13,403
Selling, general and administrative expenses	Δ7,546	Δ8,117
Other income	280	479
Other expenses	Δ62	Δ134
Operating profit	5,391	5,630
Finance income	85	48
Finance costs	Δ103	Δ91
Share of profit (loss) of investments accounted for using the equity method	118	Δ18
Profit before tax	5,492	5,568
Income tax expense	Δ2,036	Δ2,113
Fiscal year profit	3,455	3,455
Fiscal year profit attributable to: Owners of the parent	3,455	3,455
Fiscal year earnings per share attributable to owners of the parent		
Basic quarterly earnings per share (yen)	207.57	207.69
Diluted quarterly earnings per share (yen)	207.17	207.29

(Consolidated statement of comprehensive income)

(Unit: Million yen)

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Quarterly profit	3,455	3,455
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Re-measurement of defined benefit pension plans	△327	177
Total items that will not be reclassified to profit and loss	△327	177
Items that may be reclassified to profit and loss		
Assets measured at fair value through other comprehensive income	21	288
Share of other comprehensive income of investments accounted for using the equity method	△122	△27
Total items that may be reclassified to profit and loss	△101	261
Other comprehensive income for the year, net of tax	△429	438
Total Fiscal year comprehensive income	3,026	3,893
Total Fiscal year comprehensive income attributable to:		
Owners of the parent	3,026	3,893

(3) Consolidated statement of changes in equity

(Unit: Million yen)

	Equity attributable to the owner of the parent company									No controlling interest	Total equity
	Capital	Capital surplus	Treasury stock	Components of other capital				Profit Surplus	Parent company's To owner To belong Total equity		
				Conversion difference of foreign operations	Changes in fair value of available- for-sale financial assets	Remeasurement of defined benefit plan	Total of other capital components				
Balance on July 1, 2015	3,390	3,176	△152	68	54	—	123	9,066	15,603	—	15,603
Current profit Other comprehensive income							—	3,455	3,455	—	3,455
Current profit Other comprehensive income				△122	21	△327	△429		△429	—	△429
Comprehensive income for the year	—	—	—	△122	21	△327	△429	3,455	3,026	—	3,026
Acquisition of treasury stock			△409				—		△409	—	△409
Dividend of surplus							—	△553	△553	—	△553
Stock compensation transaction		73					—		73	—	73
Transfer from other capital components to retained earnings						327	327	△327	—	—	—
Total transaction etc. with owner	—	73	△409	—	—	327	327	△881	△888	—	△888
Balance on 30th June 2016	3,390	3,249	△561	△53	75	—	21	11,640	17,741	—	17,741
Current profit								3,455	3,455	—	3,455
Other comprehensive income				△27	288	177	438		438	—	438
Comprehensive income for the year	—	—	—	△27	288	177	438	3,455	3,893	—	3,893
Acquisition of treasury stock			△142						△142	—	△142
Dividend of surplus								△869	△869	—	△869
Stock compensation transaction etc.		23	17						40	—	40
Capital transaction with non- controlling shareholders		△1							△1	11	9
Transfer from other capital components to retained earnings						△177	△177	177	—	—	—
Total transaction etc. with owner	—	21	△125	—	—	△177	△177	△692	△973	11	△962
Balance at 30 June 2017	3,390	3,271	△687	△81	364	—	283	14,403	20,661	11	20,672

(4) Consolidated statement of cash flows

(Unit: Million yen)

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Cash flows from operating activities:		
Fiscal year profit	3,455	3,455
Depreciation and amortization	973	1,118
Interest income and dividends	△9	△16
Interest expenses	65	67
Share of (profit) loss of investments accounted for using the equity method	△118	18
Income tax expense	2,036	2,113
(Increase) decrease in trade receivables (△ indicates increase)	△130	△978
(Increase) decrease in inventories (△ indicates increase)	114	248
Increase (decrease) in trader payables (△ indicates decrease)	△143	387
Increase (decrease) in retirement benefit liabilities (△ indicates decrease)	△159	△132
Other	567	△216
Sub total	6,652	6,064
Interest received	47	16
Interest paid	△65	△67
Income taxes paid	△1,584	△2,622
Net cash provided by (used in) operating activities	5,050	3,391
Cash flows from investing activities:		
Payments for property, plant and equipment	△422	△546
Proceeds from sales of property, plant and equipment	59	76
Payments for intangible assets	△262	△278
Payments for loans receivable	△29	△11
Proceeds from collection of loans receivable	60	43
Other	82	124
Net cash provided by (used in) investing activities	△512	△591

(Million yen)

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Cash flows from financing activities		
Net change in short-term borrowings	185	105
Proceeds from long-term borrowings	180	114
Repayment of long-term borrowings	Δ1,400	Δ1,244
Repayment of finance lease liabilities	Δ471	Δ595
Dividends paid	Δ553	Δ869
Payment for treasury stocks	Δ409	Δ142
Proceeds from share issuance to minority shareholders	-	9
Net cash provided by (used in) financing activities	Δ2,469	Δ2,623
Increase (decrease) in cash and cash equivalents, net (Δ indicates decrease)	2,068	176
Cash and cash equivalents at the beginning of the year	5,856	7,924
Cash and cash equivalents at the end of the Fiscal year	7,924	8,101

(5) Notes on consolidated financial statements

(Notes concerning premise of going concern)

there is no corresponding matter.

(Segment Information)

(1) Overview of Segment information

The reporting segment information of the Group is as follows. Separated financial information of the Group's constituent units is available, and the highest decision-making body regularly decides allocation of management resources and evaluates performance it is the subject of consideration.

Based on the form of the management organization and the characteristics of the service, the Group consolidates its business segments and then reports on the [Automobile related business], [Human resources business] and [General cargo business] as reporting segments.

Major Services belonging to each Reporting Segment

Segment	Major Service
Automotive related business	Car transportation, maintenance, second hand car auction, secondhand car export etc.
Human resources business	Dispatch of drivers, private car service management etc.
General cargo business	Transportation and storage of general consumable materials, cargo handling such as coal and slag, warehouse rental etc.

(2) Amount of sales revenue, profit and loss, assets and other items for each reporting segment

Sales revenue, profit and loss, assets and other items for each reportable segment of the Group are as follows.

Third quarter consolidated cumulative period the inter-segment sales revenue is based on the actual market price.

Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)

(Unit: million yen)

	Automotive related business	Human resources business	General cargo business	Total	Adjustment amount (Note1)	Amount recorded on consolidated financial statements
Revenue from sales from external customers	59,714	13,215	4,899	77,829	—	77,829
Revenue from sales between segments	67	411	105	585	△585	—
Total	59,782	13,627	5,005	78,414	△585	77,829
Segment Profit (Operating Income)	5,870	573	701	7,145	△1,753	5,391
Segment assets	17,321	4,580	6,633	28,535	7,317	35,852
Other items						
Increase in non-current assets(Note2)	1,147	121	74	1,343	28	1,372
Depreciation and Amortization	659	25	200	885	88	973
Impairment loss	—	—	19	19	—	19

(Note 1) Adjustment amount is as follows.

① Adjustment for segment profit △ 1,753 million yen includes corporate expenses △ 1,753 million yen and intersegment transaction elimination 0 million yen. Corporate expenses are expenses related to the management department of the Company not attributable to the reporting segments.

② Adjustment of segment assets 7,317 million yen includes corporate assets of 8,628 million yen not allocated to each reporting segment, and eliminations of intersegment transactions of △1,311 million yen.

③ Adjustments of other items are related to companywide assets not allocated to each reporting segment.

(Note2) In Non-current assets, financial assets and defferd tax are not included

Current fiscal year (from 1 July 2016 to 30 June 2017)

(Unit: million yen)

	Automotive related business	Human resources business	General cargo business	Total	Adjustment amount (Note 1)	Amount recorded on consolidated financial statements
Revenue from sales from external customers	58,687	15,000	5,446	79,134	—	79,134
Revenue from sales between segments	80	789	238	1,107	Δ1,107	—
Total	58,767	15,789	5,685	80,242	Δ1,107	79,134
Segment Profit (Operating Income)	5,938	661	895	7,495	Δ1,864	5,630
Segment assets	19,328	5,433	6,801	31,562	6,444	38,007
Other items						
Increase in non-current assets(Note2)	1,451	195	57	1,703	35	1,738
Depreciation and Amortization	760	57	212	1,030	88	1,118
Impairment loss	—	—	—	—	—	—

(Note 1) Adjustment amount is as follows.

- ① Adjustment of segment profit Δ 1,864 million yen includes corporate expenses Δ 1,864 million yen and elimination of intersegment transactions Δ 0 million yen. Corporate expenses are expenses related to the management department of the Company not attributable to the reporting segments.
- ② Adjustments for segment assets of 6,444 million yen include corporate assets of 9,622 million yen not allocated to each reportable segment, and eliminations of intersegment transactions of Δ3,177 million yen.
- ③ Adjustments of other items are related to companywide assets not allocated to each reporting segment.

(Note2) In Non-current assets, financial assets and defferd tax are not included

(3) Information on regional basis

- ① Breakdown of sales revenue from external customers by destination is as follows.

Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)

(Unit: million yen)

Japan	Asia	Others	Total
68,578	9,021	229	77,829

Current fiscal year (from 1 July 2016 to 30 June 2017)

(Unit: million yen)

Japan	Asia	Others	Total
73,087	5,860	185	79,134

- ② Non-current assets

there are no applicable items as there are no non-current assets located outside of Japan.

(4) Information per major customer

Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)

(Unit: million yen)

Customer's name or names	Sales revenue	Related segments
Nissan Motor Group (Note)	18,716	Automotive related business

(Note) The sales results of the Nissan Motor group are the sum of Nissan Motor Co., Ltd., Autech Japan Co., Ltd., and sales results to Nissan Motor Sales Companies nationwide.

Current fiscal year (from 1 July 2016 to 30 June 2017)

(Unit: million yen)

Customer's name or names	Sales revenue	Related segments
Nissan Motor Group (Note)	19,845	Automotive related business

(Note) The sales results of the Nissan Motor group are the sum of Nissan Motor Co., Ltd., Autech Japan Co., Ltd., and sales results to Nissan Motor Sales Companies nationwide.

(Per share information)

Basic earnings per share and current diluted earnings per share for the previous consolidated fiscal year and the current consolidated fiscal year are as follows.

(1) Basic earnings per share

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Current profit attributable to the owner of the parent company (Million yen)	3,455	3,455
Weighted average number of outstanding ordinary shares (Thousands shares)	16,647	16,635
Basic earnings per share (Yen)	207.57	207.69

(3) Diluted earnings per share

	Previous consolidated fiscal year (from 1 July 2015 to 30 June 2016)	Current consolidated fiscal year (from 1 July 2016 to 30 June 2017)
Net income used to calculate net income per diluted share(Million yen)	3,455	3,455
Effect of diluted potential common stock Stock Benefit Trust BBT (Thousands shares)	31	32
Weighted average number of diluted shares (Thousands shares)	16,679	16,667
Diluted earnings per share (Yen)	207.17	207.29

(Important subsequent events)

There is no such matter.