

**Non-Consolidated Financial Results for the First Quarter of the Fiscal Year  
Ending March 31, 2016 (Japanese GAAP)**

August 14, 2015

Listed exchange: Tokyo Stock Exchange, Mothers section

Company Name: OPTiM Corporation

Stock code: 3694 URL <http://en.optim.co.jp/>

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Financial results submission date: August 14, 2015

Scheduled dividend payment date: --

Supplementary financial result explanatory materials: none

Quarterly financial report meeting: none

(Amounts less than one million yen are rounded down)

1. Performance for the first quarter of fiscal year 2015 (April 1, 2015 - June 30, 2015)

(1) Financial results (cumulative) (% represents change from same period of the previous year)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to the company	
	(in million yen)	%	(in million yen)	%	(in million yen)	%	(in million yen)	%
FY 2015 Q1	588		114		114		70	
FY 2014 Q1	436	34.7	69	64.3	70	61.9	42	64.3

	Basic Earnings per Share	Diluted Earnings per Share
	yen (with fractions)	yen (with fractions)
FY 2015 Q1	10.67	9.47
FY 2014 Q1	7.63	--

(Notes) 1. The company did not release a financial statement for the fiscal year 2013, so the percent change from that year cannot be shown.

2. The diluted earnings per share for 1Q FY 2014 is not included, because the company was unlisted during the period and the average stock price cannot be calculated although there were dilutive shares.

3. On July 9, 2014, the number of shares of the company was doubled. On April 1, 2015, the number of shares was increased again, this time in 1-to-4 stock split. So the basic earnings per share and the diluted earnings per share are calculated assuming that the split occurred in the beginning of the fiscal year 2014.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	(in million yen)	(in million yen)	%
FY 2015 Q1	2,285	1,788	78.2
FY 2014	2,396	1,717	71.7

(Reference) Equity FY 2015 Q1: 1.788 million yen FY 2014 Q1: 1.717 million yen

2. Dividends

	Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	End of Year	Annual Total
	yen (with fractions)				
FY 2014	--	0.00	--	0.00	0.00
FY 2015	--				
FY 2015 (projected)		--	--	--	--

(Note) Revisions to the latest dividend forecast: none

(Note) The FY 2015 dividend forecast is currently pending.

3. Earnings forecasts for fiscal year 2015 (April 1, 2015 - March 31, 2016)

(% represents change from same period of the previous year)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to the company		Earnings per Share
	(in million yen)	%	(in million yen)	%	(in million yen)	%	(in million yen)	%	
FY 2015	2,500	16.3	500	24.4	500	23.9	327	34.8	49.59

(Note) Revisions to the latest consolidated earnings forecast: none

※ Notes

(1) Use of special accounting for preparing quarterly financial statements: none

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

- ① Changes in accounting policies due to revisions to accounting standards and other regulations: none
- ② Changes in accounting policies other than ①: none
- ③ Changes in accounting estimates: none
- ④ Restatements: none

(3) Number of issued shares (common shares)

1 Total number of issued shares at end of period(including treasury shares)	FY 2015 Q1	6,611,600 shares	FY 2014 Q1	6,611,600 shares
2 Number of treasury shares at end of period	FY 2015 Q1	40 shares	FY 2014 Q1	40 shares
3 Average number of shares (cumulative from the beginning of the year)	FY 2015 Q1	6,611,560 shares	FY 2014 Q1	5,626,514 shares

(Note) On July 9, 2014, number of shares of the company was doubled. On April 1, 2015, the number of shares was increased again, this time in a 1-to-4 stock split. So the number of shares is calculated assuming that the split occurred in the beginning of the fiscal year 2014.

※ Implementation of quarterly review procedures

This financial report is exempt from quarterly review standards based on the Financial Instruments and Exchange Act. However, at the time of this disclosure, the quarterly financial statement review procedures have been completed.

※ Explanation of appropriate use of the earnings forecast and other issues

The forward-looking statements in this document concerning forecasts of performance and other results are based on information held by the company and assumptions that were considered reasonable at the time of drafting this document. As such, actual figures may vary greatly from these estimates.

For the predetermined conditions of these earnings estimates and other notes on the usage of these earnings estimates, please consult supplemental materials page 3, "1. Qualitative information on quarterly results (1) Explanation of financial results."

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## 1. Qualitative information on quarterly results

### (1) Explanation of financial results

The Japanese economy saw the effects of the Bank of Japan's monetary easing policy during the first quarter, leading to the yen becoming cheaper and stock values increasing. Due to this, corporate performance improved and consumer spending remained steady, all contributing to the continuation of a slow recovery. The company's surrounding economic environment included the continuing spread of smart devices. In addition to simply replacing feature phones in the corporate sphere, these devices are becoming increasingly necessary in the workplace.

Furthermore, in the consumer market, MVNO (low-cost SIM) have started being sold in large electronics retail stores, and the availability of cheap and easy-to-use smart devices is growing. For this environment, the company has been expanding its licenses to suit each service. For IoT platform services (note), Optimal Biz supports Apple's Device Enrollment Program in cooperative development with KDDI Corporation, deepening the relationship of the two companies. This partnership has realized automatic forced MDM registration and a superior supervision level to iOS devices for enterprises and educational institutions, reduction of an administrator's MDM registration burden, and provision of more robust security features.

In the educational ICT field, OPTiM provided Optimal Biz to the "Kyoto ICT Educational Model Construction Empirical Research Project." Microsoft Japan, NEC and other companies are also cooperating with the Academic Center for Computing and Media Studies of Kyoto University and the Kyoto City Board of Education for this project, with the goal of collecting big data for educational and practical use.

In addition, the company debuted "mamoly," a remote child monitoring service. Also, new business partnerships were established with comprehensive security solutions company Alps System Integration and Singapore's TreeBox Solutions Pte Ltd, a mobile communications service security expertise company. This allows OPTiM to provide advanced mobile security globally.

OPTiM's remote management service offers functions beyond screen-sharing for IT equipment.

The company is working to expand the segment by offering the concept of "Remote Experience Sharing," providing additional features for smart device cameras and wearables.

In the consumer market, OPTiM will continue to work with companies providing MVNO services. As this field has been growing, it has been found that MVNO service companies are seeing increased customer satisfaction. The company's Unlimited line has also seen growth over the past year, with an increasing number of partners selling Unlimited Tablet and Unlimited Smartphone. Those services are now being sold by NTT Plala, Lawson, AEON and ITS's "Smart Smart" specialized shops.

As a result of all these successes, OPTiM's sales in the first quarter were 588,519,000 yen, an increase of 34.7% from the first quarter of the previous year. Also, the operating income was 114,829,000 yen, a 61.9% increase, ordinary income was 114,894,000 yen, a 61.9% increase, and quarterly net income was 70,554,000 yen, a 64.3% increase.

Finally, as OPTiM focuses on a single segment for license sales and maintenance support service (Optimal), segmentation was omitted from this explanation, however, service classifications will follow.

(Note) In this period the service "Cloud Device Management Service" has been renamed to "IoT Platform Service" in order to properly convey the contents of said service. As a result, the company's service classifications of "Cloud Device Management Service," "Remote Management Service," "Support Service" and "Other Services" are now "IoT Platform Service," "Remote Management Service," "Support Service" and "Other Services."  
(Background of service name change)

Since 2006, the company has strived to develop a platform under the concept of "Creating a platform to manage all network devices." This first concept was to create a service for managing devices on the cloud, and out of that came the service called "Cloud Device Management Service."

However, as technology progresses, it has created an environment where hardware, software and networks are increasingly valuable and are connecting with appliances in the IoT (Internet of Things), with many devices becoming autonomous.

Considering this evolution, OPTiM expanded its focus in 2014, turning attention to devices outside of PCs, mobile devices, and other office IT. Specifically, the company announced its Wearable Device Management service, and supporting wearable devices. Next, it continued R&D to address network cameras and sensors. OPTiM increased the scope of the "Cloud Device Management" concept, and also due to the emergence of the IoT, this update of the service's name "IoT Platform Service" portrays a more accurate description of its reach.

## ① IoT Platform Service

This fiscal year, Optimal Biz licenses sold steadily, and captured the top market share for SaaS model in the Enterprise Mobile Management field for the third year in a row. (Source: "ITR Market View: Enterprise Mobile Management/Smart Application Development 2014") In addition, OPTiM has been strengthening its intellectual property standing, and has acquired a patent in the United States for "Secure Shield," its specialized technology for protecting against loopholes in device management.

And at the same time, the company aggressively developed products and services to quickly support new devices and operating systems, wearables, tablets, smartphones and other devices. In both small to mid-size businesses and large businesses, the required use of smart devices in the workplace is increasing, and the number of devices being managed in the workplace is increasing as well. This trend is likely to continue.

## ② Remote Management Service

This category of OPTiM is steadily growing, with licenses being sold to new accounts in addition to the current accounts. Furthermore, as the company's stock business, Premium Remote Support Service for fixed-lines and "Anshin Pack" for MVNOs are both gaining additional customers in accordance with increasing MVNO subscribers.

In addition, the concept of "Remote Experience Sharing," remotely sharing experience (knowledge, know-how, information) with individuals/groups in real-time, was announced. This is a completely new service, and is not based on the framework of the existing Remote Management Service. OPTiM is continuing to market this combination of IoT and wearables to a variety of industries.

## ③ Support Service

As the PC market is shrinking, OPTiM's sales figures in this area are decreasing. From now, the company will look towards MVNOs and the Hikari Collaboration Model (see note), and develop and offer device diagnostic tools. OPTiM plans to apply these services to mobile line technology in addition to fixed-lines to aim for continued growth.

## ④ Other Services

The growth of business with Unlimited Software and Unlimited Biz Software (corporate-use version of Unlimited Software) has been occurring alongside the increasing focus on businesspeople by major fixed-line communication service carriers. In addition, OPTiM can also use various mobile sales channels with their newly-developed Unlimited Tablet and Unlimited Smartphone services, both of which are targeted to mobile devices. These additional sales channels include MVNO users, ISPs and mobile device sellers.

(Note) Hikari Collaboration Model: A wholesale service of optical fiber access from NTT East and NTT West, combined with the strengths of the customer company, and sold as a product of the customer company to the end users.

## (2) Explanation of the Financial Position

## (Assets)

The total of the current assets at the end of the first quarter of this fiscal year is 2,092,455,000 yen, a decrease of 107,860,000 yen from the end of the previous fiscal year. This is mainly a result from decreases in two values, cash and deposits figures were down 84,919,000 yen, and notes and accounts receivable (trade) decreased by 8,822,000 yen.

The total for current assets at the end of first quarter of this fiscal year is 193,274,000 yen, a decrease of 2,519,000 yen from the end of the previous fiscal year. The reasons for this decrease are mainly due to a decrease of 1,927,000 yen in tangible fixed assets and one of 787,000 yen in intangible fixed assets.

As a result of the above changes, the total balance of total assets of the first quarter of this fiscal year is 2,285,729,000 yen, a decrease of 110,379,000 yen from the end of the previous fiscal year.

(Liabilities)

At the end of the first quarter of this fiscal year, the total liabilities totaled 497,541,000 yen, an 180,933,000 yen decrease from the total at the end of the previous fiscal year. The reason for this decrease is due to an increase in bonus provisions of 7,500,000 yen, while the accrued income tax was reduced by 120,889,000 yen, and bills payable and accounts payable decreased by 56,768,000 yen.

(Net Assets)

The total net assets at the end of the first quarter of this fiscal year is 1,788,187,000 yen, an increase of 70,554,000 yen from the end of the previous fiscal year. This increase is from retained earnings from quarterly profits.

(3) Explanation of earnings forecasts and other forecasts

The achievement forecasts for fiscal year 2015 have not differed from the forecasts officially announced on May 15, 2015 in the Non-Consolidated Financial Statement for Fiscal Year 2014.

2. Quarterly Financial Statements  
 (1) Quarterly balance sheet

(in thousand yen)

	FY 2014 (As of March 31, 2015)	1Q FY 2015 (As of June 30, 2015)
<b>Assets</b>		
Current Assets		
Cash and deposits	1,759,732	1,674,812
Notes and accounts receivable - trade	349,691	340,868
Work in process	12,696	6,737
Other	78,194	70,036
<b>Total current assets</b>	<b>2,200,315</b>	<b>2,092,455</b>
Non-current assets		
Property, plant and equipment	57,556	55,628
Intangible assets	8,530	7,742
Investments and other assets	129,706	129,903
<b>Total non-current assets</b>	<b>195,793</b>	<b>193,274</b>
<b>Total assets</b>	<b>2,396,108</b>	<b>2,285,729</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	122,395	65,627
Income taxes payable	157,932	37,043
Provision for bonuses	61,500	69,000
Provision for directors' bonuses	29,400	34,624
Other	287,771	271,724
<b>Total current liabilities</b>	<b>659,000</b>	<b>478,020</b>
Non-current liabilities		
Asset retirement obligation	19,475	19,521
<b>Total non-current liabilities</b>	<b>19,475</b>	<b>19,521</b>
<b>Total liabilities</b>	<b>678,475</b>	<b>497,541</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	411,356	411,356
Capital surplus	695,487	695,487
Retained earnings	610,804	681,358
Treasury shares	-14	-14
<b>Total shareholders' equity</b>	<b>1,717,633</b>	<b>1,788,187</b>
<b>Total net assets</b>	<b>1,717,633</b>	<b>1,788,187</b>
<b>Total liabilities and net assets</b>	<b>2,396,108</b>	<b>2,285,729</b>

(2) Statement of Income  
(1Q FY 2015)

	(in thousand yen)	
	1Q FY 2014 (April 1, 2014 to June 30, 2014)	1Q FY 2015 (April 1, 2015 to June 30, 2015)
Net Sales	436,887	588,510
Cost of sales	41,498	93,637
Gross profit	395,388	494,872
Selling, general and administrative expenses	325,479	380,042
Operating Income	69,908	114,829
Non-operating income		
Subsidy income	1,012	-
Miscellaneous income	102	108
Total non-operating income	1,115	108
Non-operating expenses		
Foreign exchange loss	64	44
Miscellaneous losses	0	-
Total non-operating expenses	65	44
Ordinary Income	70,959	114,894
Income before taxes	70,959	114,894
Income taxes - current	27,584	34,329
Income taxes - deferred	430	10,010
Total income taxes	28,015	44,339
Profit	42,943	70,554

- (3) Notes on quarterly financial statements  
(Notes on assumptions of going concerns)  
None to report.  
(Notes on significant changes in the amount of shareholder's equity)  
None to report.

\* This English translation is for reference purposes only. The original Japanese version will prevail as the official authoritative version.

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