

## Summary of Non-consolidated Financial Results for the Nine Months Ended December 31, 2014 (J-GAAP)

February 2, 2015

Listed Company Name: IR Japan Holdings, Ltd. (IR Japan, Inc.)

Securities Code: 6035

Listing: Tokyo Stock Exchange

URL: <http://www.irjapan.net/>

Representative: Shirou Terashita, President and Chief Executive Officer

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Scheduled Date to Submit Quarterly Securities Report: February 13, 2015

Scheduled Date to Start Dividend Payment: —

Preparation of Results Briefing Materials: Yes

Holding of Financial Results Briefing: Yes (for institutional investors and analysts)

(Amounts less than one million yen have been truncated)

### 1. Financial Results for the Nine Months Ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

#### (1) Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2014	2,533	-7.6	570	-19.3	571	-10.7	363	-4.7
Nine months ended December 31, 2013	2,742	7.3	707	6.4	640	-3.0	381	10.7

	Net income per share—basic	Net income per share—diluted
	Yen	Yen
Nine months ended December 31, 2014	39.18	—
Nine months ended December 31, 2013	41.82	—

Notes:

- The Company was established on February 2, 2015 as a holding company through a sole-share transfer from IR Japan, Inc. Consequently, the Financial Results for the Nine Months Ended December 31, 2014 are to report business results of IR Japan, Inc., which is the Company's subsidiary.
- IR Japan, Inc. conducted a 5-for-1 stock split of its common stock on November 27, 2013. Net income per share figures have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2014	3,426	2,853	83.3
As of March 31, 2014	3,174	2,674	84.3

Reference: Shareholders' equity      As of December 31, 2014: 2,853 million yen  
As of March 31, 2014: 2,674 million yen

Note: The Company was established on February 2, 2015 as a holding company through a sole-share transfer from IR Japan, Inc. Consequently, the Financial Results for the Nine Months Ended December 31, 2014 are to report business results of IR Japan, Inc., which is the Company's subsidiary.

## 2. Dividends

	Full-year dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Fiscal year ended March 31, 2014	Yen —	Yen 40.00	Yen —	Yen 12.00	Yen 52.00
Fiscal year ending March 31, 2015	—	8.00	—		
Fiscal year ending March 31, 2015 (Forecast)				12.00	20.00

Notes:

1. Revision of dividends forecast since last announcement: None
2. Actual dividends up to and including the third quarter of the fiscal year ending March 31, 2015 are those paid by IR Japan, Inc.
3. IR Japan, Inc. conducted a 5-for-1 stock split for the common stock held by shareholders registered or recorded in the shareholders' registry as at the closing of the record date for the stock split, i.e., November 26, 2013. Thus, the dividend at the end of the second quarter of the fiscal year ended March 31, 2014 has been calculated on a pre-stock split basis.
4. The year-end dividend forecast for the fiscal year ending March 31, 2015 is that of the Company.

## 3. Results Forecast for the Fiscal Year Ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,500	—	920	—	920	—	550	—	59.28

Notes:

1. Revision of results forecast since last announcement: None
2. The above results forecast is the Company's consolidated results forecast for the fiscal year ending March 31, 2015 (from April 1, 2014 to March 31, 2015).
3. As the Company was established on February 2, 2015 through a sole-share transfer, there are no actual results for the previous fiscal year.

Notes:

- (1) Application of special accounting treatments in preparing quarterly financial statements: Yes  
Note: For details, please refer to "(1) Application of Special Accounting Treatments in Preparing Quarterly Financial Statements" under "2. Summary Information (Notes)" on page 9 of the attachment.
- (2) Change in accounting policies and accounting estimates, and retrospective restatements
  - 1) Change in accounting policies in accordance with revision of accounting standards: None
  - 2) Change in accounting policies other than item 1) above: None
  - 3) Change in accounting estimates: None
  - 4) Retrospective restatements: None
- (3) Number of shares issued (common stock)
  - 1) Number of shares issued at the end of the period (including treasury shares)

As of December 31, 2014	9,279,010 shares
As of March 31, 2014	9,279,010 shares
  - 2) Number of treasury shares at the end of the period

As of December 31, 2014	1,455 shares
As of March 31, 2014	1,455 shares
  - 3) Average number of shares during the period

April – December, 2014	9,277,555 shares
April – December, 2013	9,121,279 shares

Notes:

1. The above numbers of shares are those issued by IR Japan, Inc.
2. IR Japan, Inc. conducted a 5-for-1 stock split of its common stock on November 27, 2013. The figures for the number of shares issued (common stock) have been calculated on the basis that the stock split was conducted at the beginning of the previous fiscal year.

Implementation of quarterly review procedures

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to these Financial Results, while the quarterly review for the financial statements based on the Financial Instruments and Exchange Act had not been completed as of the release of this document.

Explanation regarding appropriate use of results forecast and other special notes

The forward-looking statements, including the results forecast, contained in this document are based on information available to the Company and on certain assumptions deemed to be reasonable as of the date of release of this document. Actual business results may differ substantially due to a number of factors. For conditions prerequisite to the results forecast and the points to be noted in the use thereof, please refer to “(3) Forward-looking Statements Including Results Forecast” under “1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2014” on page 7 of the attachment.

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Note: The Company will hold a briefing for investors, as indicated below.

Financial results briefing for institutional investors and analysts: Monday, February 2, 2015

## 1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2014

IR Japan Holdings, Ltd. (hereinafter “the Company”) was established on February 2, 2015, as the wholly owning parent company of IR Japan, Inc. (hereinafter “IR Japan”) through a sole-share transfer. Due to the fact that IR Japan is the sole subsidiary of the Company, and that the Company was yet to be established in the third quarter of the fiscal year ending March 31, 2015, the following operating results and financial position represent those of IR Japan.

### (1) Operating Results

#### 1) General overview

During the third quarter of the fiscal year ending March 31, 2015, IR Japan witnessed a recovery trend in its performance, primarily in the core services of IR/SR Consulting, due to a number of factors including the growing interest among its clients, i.e., listed companies, in shareholder management and relations services (SR services) in conjunction with the introduction of the Stewardship Code by Japan’s Financial Services Agency, as well as IR Japan’s victory in a large-scale proxy fight in which it served as an advisor to the shareholders. However, the nine-month period ended December 31, 2014 saw a decline in net sales by 7.6% year on year, due to a reduction in entrustments for advisory services related to large-scale M&As and large-scale rights offerings, which were undertaken in the same period of the previous fiscal year. In addition, operating income decreased by 19.3% year on year, as a result of increases in personnel and depreciation expenses including investments in systems for IR Japan’s SR Consulting services. Furthermore, ordinary income decreased by 10.7% year on year due to various factors including the absence of a share issuance cost (a non-operating expense) pertaining to a rights offering carried out by IR Japan in April 2013; however, the decrease in net income was limited to 4.7% year on year.

(Millions of yen)

	Nine months ended December 31, 2014 (April to December 2014)			Nine months ended December 31, 2013 (April to December 2013)		
	First nine months	First half	Third quarter	First nine months	First half	Third quarter
Net sales	2,533 -7.6	1,741 -16.8	791 21.9	2,742 7.3	2,093 10.9	648 -3.0
Operating income	570 -19.3	445 -22.7	125 -4.4	707 6.4	575 5.9	131 8.4
Ordinary income	571 -10.7	445 -12.3	125 -4.5	640 -3.0	508 -6.1	131 11.0
Net income	363 -4.7	277 -8.5	86 10.1	381 10.7	303 5.6	78 36.3

Note: The bottom figure for each item in the table is the year-on-year percentage change.

#### Main developments in the nine months ended December 31, 2014

- ✓ Status of large-scale advisory entrustments: Advisory services related to large-scale M&As and large-scale rights offerings decreased compared with the same period of the previous fiscal year, despite IR Japan’s victory as an advisor in a large-scale proxy fight.
- ✓ A shift from IR services to SR services: With the entrustment of IR-related surveys having plateaued, given a substantial increase in demand for shareholder management and relations services (SR services), the pace of staff training and development to address this shift must be accelerated. This remains a key challenge for the business.
- ✓ Development of new consulting business: To meet client needs, new businesses were developed, including advisory services to assist companies in establishing compliance with the Corporate Governance Code and in transitioning to organizations with supervisory committees (i.e., “Company with Supervisory Committee”).
- ✓ Commenced receiving entrustments for systems-based, large-scale SR Consulting services: Contributions to net sales is limited.
- ✓ Steady progress in stock transfer agency business: Steady growth was reported as entrustments were concluded with 34 companies and the number of shareholders under administration reached 204,039.
- ✓ Solid growth in Disclosure Consulting: Despite a decrease in entrustments for the creation of disclosure documents in English, such as annual reports, there has been a steady increase in entrustments for the creation of integrated reports, shareholder newsletters, business reports, and other documents.

### **Status of large-scale advisory entrustments**

Large-scale advisory services in IR Japan's IR/SR Consulting business consist primarily of those related to large-scale M&As and proxy fights, as well as to rights offerings in the field of finance. During the nine months ended December 31, 2014, only a few large-scale M&As took place, while the number of rights offerings issued plummeted due to the impact of the regulations on non-commitment-type rights offerings imposed by the Tokyo Stock Exchange. As a result, the contributions made to net sales by large-scale advisory services were only limited during the period under review.

During the second quarter of the period under review, a proxy fight broke out over management rights between shareholders and management of a listed company with one of the largest number of shareholders, and IR Japan, as an advisor to the shareholders, managed to lead the shareholders to victory at an extraordinary shareholders' meeting. The achievement in this case contributed to net sales in the second and third quarters of the period under review. IR Japan, by scoring this rare victory for shareholders, has earned its place in the history of proxy fights in Japan, and has caught the attention of the legal community as well as the capital markets. This achievement has underscored IR Japan's overwhelming superiority in integrated services related to shareholder management (SR Consulting, stock transfer agency, and disclosure) both at home and abroad. As shareholder proposals by activists and proxy fights resulting from the difference in management policies between shareholders and management are likely to increase, future entrustments are expected to contribute significantly to IR Japan's performance.

Meanwhile, in terms of non-commitment-type rights offerings, which had come to a standstill due to a new regulation by the Tokyo Stock Exchange, IR Japan managed to conclude an entrustment for an advisory service related to the type of issues involving resolutions at shareholders' meetings, which was the first case since the regulation had taken effect. It is this very requirement of having to go through resolutions at shareholders' meetings that will give IR Japan the opportunity to demonstrate its strengths as a provider of advisory services. As IR Japan has, in fact, already started to receive inquiries generated by this success, we will surely be able to continue assisting listed companies diversify their funding methods.

### **A shift from IR services to SR services**

In the core service of shareholder identification surveys, while the entrustment of IR-related surveys plateaued due primarily to the lull in trading by foreign investors during the third quarter of the period under review, a substantial increase in demand was reported for shareholder management and relations services (SR services). While IR Japan gave in to discount demands by certain clients for surveys as part of its IR services, it has shifted its major surveys to SR services and added new types of surveys and services that are compatible with the new SR services, following the enactment of an amendment to the Companies Act, the introduction of the Japanese version of the Stewardship Code, and particularly the surge in opposition to the management of companies that have not achieved their ROE targets. Going forward, IR Japan is expected to overcome the current plateau in IR-related services and transform its core services to new SR Consulting-related surveys. To address this trend, the pace of staff training and development must be accelerated, which remains a key challenge.

### **Development of new consulting business**

Driven by changes in rules and legislation including such issues as compliance with the Corporate Governance Code and companies' transitioning to organizations with supervisory committees (i.e., "Company with Supervisory Committee"), client needs are becoming more diversified. In response to these trends, IR Japan is striving to increase business opportunities through such initiatives as organizing seminars and developing a new consulting business.

### **Commenced receiving entrustments for systems-based, large-scale SR Consulting services**

IR Japan commenced receiving entrustments for systems-based, large-scale SR Consulting services in the second quarter of the period under review. The service has been highly recognized by its client companies, and its sales are expected to increase as an innovative system of shareholder management in shareholder policy that stipulates the elimination of cross-shareholding when applicable. However, the number of entrustments and the service's contribution to net sales through the third quarter of the period under review were limited, due primarily to the prolonged pre-launch preparation period.

### **Steady progress in stock transfer agency business**

In the stock transfer agency business, as of January 31, 2015, entrustments with 34 companies have been concluded, and the number of shareholders under administration reached 204,039 (compared with entrustments concluded with 21 companies and 111,159 shareholders under administration in the same

period of the previous fiscal year). In large-scale proxy fights, it is essential for the proxy advisor (PA), such as IR Japan, to coordinate its actions with the stock transfer agency, and IR Japan is the only company capable of providing both PA and stock transfer agency services. IR Japan's stock transfer agency business is beginning to receive recognition for its strength in integrated shareholder management, as well as for its reliable and swift provision of services to client companies. These assets, coupled with IR Japan's price-competitiveness, have resulted in a dramatic increase in sales opportunities. Going forward, the Company believes that the business will steadily contribute to sales.

### Steady increase in Disclosure Consulting

In Disclosure Consulting, while there was a decrease in entrustments for the creation of disclosure documents in English, such as annual reports, entrustments for the creation of shareholder newsletters, business reports and integrated reports saw an increase, as an appropriate and timely information provision tool for individual investors. An increasing number of companies, primarily among big businesses, are preparing integrated reports in lieu of annual reports, and the competitive advantage of IR Japan in knowing the diverse needs of investors will contribute significantly to securing business opportunities.

### 2) Net sales by type of service

IR Japan engages in the "consulting business specializing in IR/SR activities," which constitutes a single business segment. An overview of net sales by service type is as follows.

(Millions of yen)

Service	Nine months ended December 31, 2014 (April to December 2014)			Nine months ended December 31, 2013 (April to December 2013)	
	Net sales	Percentage of net sales	Percentage change (YoY)	Net sales	Percentage change (YoY)
IR/SR Consulting	1,859	73.4	-10.3	2,074	11.2
Disclosure Consulting	502	19.9	0.7	499	-3.7
Databases and Other	170	6.7	0.9	168	-2.2
Total net sales	2,533	100.0	-7.6	2,742	7.3

#### IR/SR Consulting

IR/SR Consulting is IR Japan's core lineup of services, including shareholder identification surveys, proxy voting simulation, proxy advisory (comprehensive strategy planning for shareholders' meetings), the stock transfer agency business, and the rights offering-related business.

#### Disclosure Consulting

Disclosure Consulting consists of IR tool consulting services (support for the planning and creation of various disclosure documents required for IR activities, including annual reports, shareholder newsletters, and integrated reports) and legal documentation services (the creation of various disclosure documents in English and the translation, etc., of such documents from Japanese to English in connection with business reorganization or M&As).

#### Databases and Other

Databases and Other provides Web-based IR support services via IR-Pro, a comprehensive support system for corporate IR activities that provides information on shareholdings revealed through reports on the possession of large volume and publicly offered domestic and overseas investment trusts, and the Analyst Network, which allows listed companies to accept reservations for IR explanatory meetings and manage attendee information in a single step. IR Japan also operates the *Kabunushi-Hiroba*, a survey system for individual investors.

### 3) Seasonal fluctuation

IR Japan's quarterly net sales tend to be concentrated in the first and second quarters because of the nature of their core business, IR/SR Consulting services. These services are usually in great demand around June, when many Japanese companies organize shareholders' meetings. Recently, however, opportunities for recording net sales also have grown in the third and fourth quarters, and the customary seasonal fluctuations are expected to flatten out, thanks to large-scale service demand distributed evenly throughout the year, as well as to the investment banking business and the stock transfer agency business,

both of which are non-seasonal operations.

## (2) Financial Position

### 1) Assets

Total assets of IR Japan as of December 31, 2014 increased ¥251 million from the end of the previous fiscal year, to ¥3,426 million, due primarily to a decrease in cash and deposits of ¥552 million, an increase in notes and accounts receivable—trade of ¥441 million, and an increase in software of ¥239 million.

### 2) Liabilities

Liabilities of IR Japan as of December 31, 2014 increased ¥73 million from the end of the previous fiscal year, to ¥573 million, due primarily to an increase in income taxes payable of ¥44 million.

### 3) Net assets

Net assets of IR Japan as of December 31, 2014 increased ¥178 million from the end of the previous fiscal year, to ¥2,853 million, due primarily to an increase in retained earnings from net income of ¥363 million and a decrease in retained earnings of ¥185 million as a result of payment of dividends.

## (3) Forward-looking Statements Including Results Forecast

Forecast of operating results for the fiscal year ending March 31, 2015 (as of May 15, 2014)

(Millions of yen)

	Forecast (As of May 15, 2014) Fiscal year ending March 31, 2015			Actual Fiscal year ended March 31, 2014	
	Amount	Amount change (YoY)	Percentage change (YoY)	Amount	Percentage change (YoY)
Net sales	3,500	307	9.6	3,192	4.4
Operating income	920	293	46.8	626	2.3
Ordinary income	920	359	64.1	560	-7.8
Net income	550	213	63.3	336	4.9

The Company's forecast for the fiscal year ending March 31, 2015, adopts without modification the forecast prepared by IR Japan as of May 15, 2014, based on reasonable grounds for calculation. The Company expects the investment banking business to perform below the initial forecast, due mainly to the impact of regulations on non-commitment-type rights offerings. Nevertheless, IR Japan is striving to expand its business through initiatives such as capturing large-scale demand in its IR/SR Consulting business, and deepening shareholder identification surveys in its SR services with higher added value, in addition to the expansion of its stock transfer agency business and diffusion of the use of large-scale SR Consulting services.

As a result of the above, no changes shall be made to the forecast of operating results for the fiscal year ending March 31, 2015.

The interim dividend for the fiscal year ending March 31, 2015 will be ¥8 per share as initially forecasted. The year-end dividend will be ¥12 per share, also as initially forecasted (the full-year dividend will be ¥20 per share, including the interim dividend). This dividend takes into account the stock split conducted on November 27, 2013.

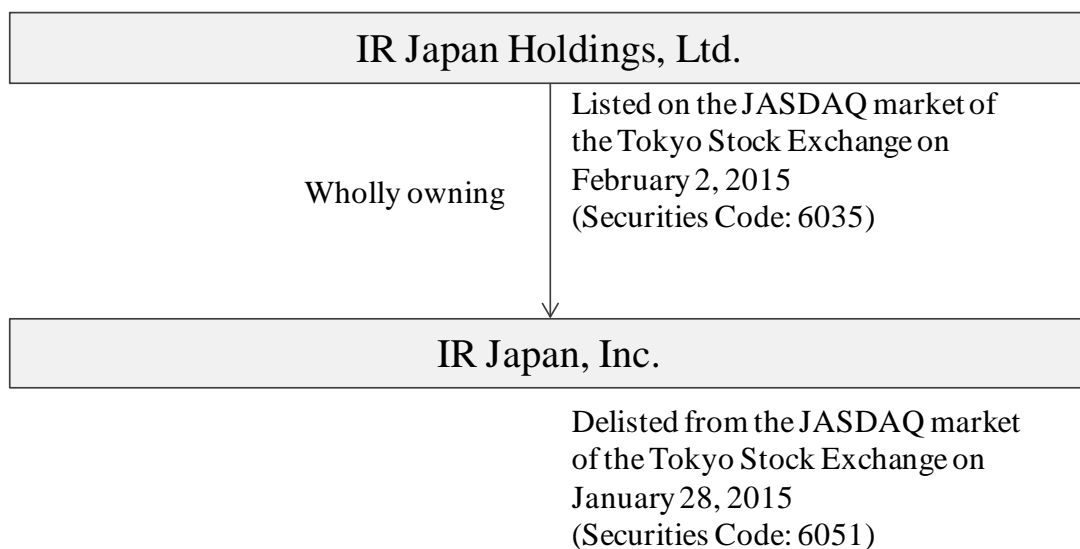
	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ending March 31, 2015
Dividend per share	9 yen	14 yen	20 yen	20 yen
Interim dividend	—	4.5 yen	8 yen	8 yen
Year-end dividend	9 yen	9.5 yen	12 yen	12 yen
Dividend payout ratio	35.3%	36.8%	54.4%	—

Note: Dividend per share and interim dividend up to and including the fiscal year ending March 31, 2015 are actual dividends paid by IR Japan, while the year-end dividend forecast for the fiscal year ending March 31, 2015 is that of the Company (IR Japan Holdings, Ltd.).



Effective February 2, 2015, the Group transitioned to a pure holding company structure, based on the approval at IR Japan's extraordinary shareholders' meeting held on November 25, 2014. The Company, as parent, will engage in the formulation of management plans for the whole group and the drafting of overall strategies including the appropriate allocation of management resources. IR Japan, as subsidiary, will strive to improve the management efficiency of the entire group and enhance corporate value by dedicating itself to its business in a new structure where responsibilities are clearly defined. The organizational, or group, structure and the Group's executive officers as of February 2, 2015 are as follows.

### < Group Structure >



### < Executive Officers >

IR Japan Holdings, Ltd.			
President and CEO	Shirou Terashita	Full-time Corporate Auditor (Outside)	Koichiro Kimura
Executive Vice President and COO	Takuji Kurio	Corporate Auditor	Keiko Nishimura
Director	Keisuke Tomimatsu	Corporate Auditor (Outside)	Nobuyoshi Yamori
Director (Outside)	Hiroshi Inaba		
Director (Outside)	Taro Yamada		

IR Japan, Inc.			
President and CEO	Shirou Terashita	Full-time Corporate Auditor (Outside)	Koichiro Kimura
Executive Vice President and COO	Takuji Kurio	Full-time Corporate Auditor	Keiko Nishimura
Executive Director	Yukihiko Aoyama	Corporate Auditor (Outside)	Nobuyoshi Yamori
Director (Outside)	Hiroshi Inaba		
Director (Outside)	Taro Yamada		

2. Summary Information (Notes)

(1) Application of Special Accounting Treatments in Preparing Quarterly Financial Statements

Calculation of tax expenses

The Company reasonably estimates an effective tax rate after applying tax effect accounting to income before income taxes for the fiscal year ending March 31, 2015, and adopts such a method to calculate tax expenses by multiplying quarterly income before income taxes by the estimated effective tax rate.

(2) Change in Accounting Policies and Accounting Estimates, and Retrospective Restatements

None applicable

3. Financial Statements  
(1) Balance Sheets

(Thousands of yen)

	As of March 31, 2014	As of December 31, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	2,032,671	1,479,738
Notes and accounts receivable—trade	297,919	739,151
Work in process	19,580	37,626
Supplies	2,508	1,932
Other	113,366	264,021
Total current assets	2,466,047	2,522,471
Non-current assets		
Property, plant and equipment	121,643	122,592
Intangible assets		
Software	180,626	420,278
Other	163,585	35,311
Total intangible assets	344,212	455,590
Investments and other assets		
Other	244,237	327,331
Allowance for doubtful accounts	(1,754)	(1,754)
Total investments and other assets	242,482	325,577
Total non-current assets	708,338	903,760
Total assets	3,174,386	3,426,231
<b>Liabilities</b>		
Current liabilities		
Accounts payable—trade	171,192	76,870
Income taxes payable	69,644	113,685
Provision for bonuses	65,020	35,772
Other	93,760	226,195
Total current liabilities	399,618	452,523
Non-current liabilities		
Provision for retirement benefits	1,956	2,665
Provision for directors' retirement benefits	98,290	117,834
Total non-current liabilities	100,246	120,499
Total liabilities	499,865	573,023
<b>Net assets</b>		
Shareholders' equity		
Capital stock	795,803	795,803
Capital surplus	784,605	784,605
Retained earnings	1,096,231	1,274,172
Treasury shares	(2,337)	(2,337)
Total shareholders' equity	2,674,302	2,852,243
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	218	965
Total valuation and translation adjustments	218	965
Total net assets	2,674,521	2,853,208
Total liabilities and net assets	3,174,386	3,426,231

(2) Statements of Income  
For the Nine Months Ended December 31, 2014

(Thousands of yen)

	Nine Months of FY2013 (from April 1, 2013 to December 31, 2013)	Nine Months of FY2014 (from April 1, 2014 to December 31, 2014)
Net sales	2,742,455	2,533,210
Cost of sales	1,165,546	912,926
Gross profit	1,576,909	1,620,284
Selling, general and administrative expenses	869,801	1,049,825
Operating income	707,107	570,458
Non-operating income		
Interest income	289	413
Gain on donation of non-current assets	7,923	—
Gain on disposal of treasury subscription rights to shares	3,157	—
Gain on forfeiture of unclaimed dividends	—	502
Other	553	350
Total non-operating income	11,923	1,266
Non-operating expenses		
Interest expenses	112	—
Loss on sales of notes payable	49	76
Share issuance cost	77,860	—
Other	596	—
Total non-operating expenses	78,619	76
Ordinary income	640,411	571,647
Extraordinary income		
Gain on sales of non-current assets	—	902
Total extraordinary income	—	902
Income before income taxes	640,411	572,550
Income taxes	258,956	209,058
Net income	381,455	363,492

(3) Notes Relating to the Quarterly Financial Statements  
Notes Relating to the “Going Concern” Assumption  
None applicable

Notes Regarding Significant Changes in the Amount of Shareholders’ Equity  
None applicable