



October 31, 2017

Corporate Name: I-NET CORP.

Representative: President Shigemasa Kajimoto

(Code No. 9600 Tokyo Stock Exchange 1st Section)

Contact: Director, Executive Administrative Officer Naokatsu Uchida

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Financial Results of the Second Quarter ended September 30, 2017 (Japanese Accounting Standards)

Scheduled date for commencement of dividend payment – December 5, 2017

Scheduled date for submission of the quarterly report – November 10, 2017

Supplemental material on quarterly results: Yes

Presentation on quarterly results: Yes (for institutional investors and financial analysts)

(Values less than ¥1 million are omitted)

1. Consolidated performance for the first two quarters of the fiscal year ending March 2018 (April 1, 2017- September 30, 2017)

(1) Consolidated business performance (accumulated)

(Percentage figures are changes from the corresponding quarters in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Quarterly profit attributable to owners of parent company	
	¥ mil.	%	¥ mil.	%	¥ mil.	%	¥ mil.	%
2nd Quarter March 2018 term	12,518	2.0	872	(5.8)	849	(4.1)	571	(3.0)
2nd Quarter March 2017 term	12,268	2.4	926	13.5	886	14.2	589	24.5

Note: Comprehensive income: 2nd Quarter March 2018 term: ¥627 million, (9.3%); 2nd Quarter March 2017 term: ¥691 million, 61.6%

	Quarterly basic earnings per share	Quarterly diluted earnings per share
2nd Quarter March 2018 term	¥ 35.96	—
2nd Quarter March 2017 term	¥ 37.09	—

Note: Common shares in inet were split at a ratio of 1:1.1 on October 1, 2016. Net income for FY 2017 are shown based on post-split assumption.

(2) Consolidated financial conditions

	Total assets	Net assets	Equity-to-asset ratio
2nd Quarter March 2018 term	¥ mil. 26,472	¥ mil. 13,025	% 49.2
March 2017 term	25,043	12,684	50.7

(Reference) Equity capital: 2nd Quarter March 2018 term: ¥13,025 million; March 2017 term: ¥12,684 million

2. Dividend position

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
March 2017 term	¥ --.--	¥ --.--	¥ --.--	¥ --.--	¥ --.--
March 2018 term	—	18.00	—	18.00	—
March 2018 term (forecast)	—	—	—	19.00	38.00

Note: Revision from most recently announced dividend forecast: No

*Common shares in inet were split at a ratio of 1:1.1 on October 1, 2016. The dividends before the second quarter for FY 2017 shown herein are pre-split figures.

3. Consolidated performance forecast for the fiscal year ending March 2018 (April 1, 2017 – March 31, 2018)

(Percentage figures for the full fiscal year are changes from the previous fiscal year, and for the 2Q are changes from corresponding quarters in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent company		Basic earnings per share
	¥ mil.	%	¥ mil.	%	¥ mil.	%	¥ mil.	%	¥ --.--
Full fiscal year	25,600	4.0	2,100	5.4	2,050	5.7	1,360	3.5	85.54

Note: Revision from most recently announced performance forecast: No

4. Notes

- (1) Significant transfers of subsidiaries during period (transfer of specific subsidiaries that will effect changes to the scope of consolidation) – No
- (2) Application of accounting specific to the preparation of quarterly consolidated financial statements – Yes
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 - 1) Changes in accounting policies due to revisions of accounting standards, etc.: No
 - 2) Changes in accounting policies other than 1): No
 - 3) Changes in accounting estimates: No
 - 4) Restatements: No
- (4) Number of issued shares (common stock)
 - 1) Number of shares issued and outstanding as of the end of period (incl. treasury stock):
2nd Quarter March 2018 term: 16,242,424 shares, March 2017 term: 16,242,424 shares
 - 2) Number of shares of treasury stock as of the end of period:
2nd Quarter March 2018 term: 343,182 shares, March 2017 term: 342,782 shares
 - 3) Average number of shares over period (accumulated to the end of the quarter):
2nd Quarter March 2018 term: 15,899,430 shares, 2nd Quarter March 2017 term: 15,901,449 shares

*Common shares in inet were split at a ratio of 1:1.1 on October 1, 2016. Average number of shares in FY2017 is shown based on post-split assumption.

* Quarterly financial results report is not subject to quarterly review.

*Notes concerning the appropriate utilization of performance forecasts, other items requiring special attention
Matters concerning the future including performance forecasts that are indicated in this document are derived from judgments based on information available to I-NET CORP. at the time of announcement of this document. Consequent deviation from predicted values may occur due to changes in conditions arising from indeterminable internal or external factors.