

Financial Highlights

1. CONSOLIDATED FINANCIAL RESULTS OF EPS GROUP FOR THE THIRD QUARTER ENDED JUNE 30, 2016

(2015.10.1-2016.6.30)
(UNAUDITED)

(1) CONSOLIDATED OPERATING RESULTS

(UNIT:JPY MILLION)

	Net sales	Operating Income	Ordinary Income	Net Income
Jun-16	38,187 (17.0%)	4,953 (37.7%)	5,174 (39.6%)	3,158 (100.6%)
Jun-15	32,652 (8.2%)	3,597 (25.2%)	3,707 (24.5%)	1,574 (33.9%)

	Net Income per Share (yen)	Net Income per Share,diluted (yen)
Jun-16	74.46	—
Jun-15	42.55	—

Note : 1 Comprehensive income

Jun-16 1,995 Million yen (Δ 14.3%) Jun-15 2,330 Million yen (64.8%)

2 Percentages for net sales, operating income, ordinary income, net income and comprehensive income indicate growth ratio to previous year.

(2) CONSOLIDATED FINANCIAL INFORMATION

(UNIT:JPY MILLION)

	Total Assets	Net assets	Shareholders' Equity ratio (%)
Jun-16	50,412	34,008	66.4%
Sep-15	39,387	23,590	59.0%

Notes : Total shareholders' equity, valuation and translation adjustments as of :

Jun-16 33,475 Million yen

Sep-15 23,219 Million yen

(3) CONSOLIDATED SUBSIDIARIES

Consolidated subsidiaries :

42 companies

Affiliated companies by equity accounting method :

5 companies

2.OVERALL SITUATION OF DIVIDEND DISTRIBUTION

(UNIT:JPY)

		Cash Dividends per share		
		Interim Dividend	Year end Dividend	Annual
Sep-15	(Result)	8.00	10.00	18.00
Sep-16	(Result)	10.00	—	—
	(Projection)	—	10.00	

Note : The FY2016 interim dividend of 10 yen per share includes the 2 yen per share of 25th anniversary commemorative dividend.

3. INFORMATION OF CONSOLIDATED BUDGET 2015.09 (2014.10.1-2015.9.30)

(UNIT:JPY MILLION)

	Net sales	Operating Income	Ordinary Income	Net Income
Sep-16	52,500 (16.1%)	5,600 (2.2%)	6,000 (11.9%)	3,500 (61.8%)

Budgeted net income per share : Sep-16 78.49 yen

Notes : 1 Above figures may differ from actual results as uncertain various factors may affect future earnings.

2 Percentages for net sales, operating income, ordinary income, and net income indicate growth ratio to previous year.

4. OTHER INFORMATION

(1) Total number of shares issued and outstanding as of :

Jun-16 46,311,389 shares

Sep-15 38,426,113 shares

(2) Common stock for treasury as of :

Jun-16 1,718,609 shares

Sep-15 626,280 shares

(3) Average number of shares outstanding during the period as of :

Jun-16 42,419,603 shares

Jun-15 36,999,544 shares

CONSOLIDATED BALANCE SHEETS
June 30, 2016 and September 30, 2015

(UNAUDITED)

(IN MILLIONS, JPY)

	June 30.2016	September 30.2015
ASSETS		
CURRENT ASSETS		
Cash and time deposits	16,527	13,968
Notes and accounts receivable	10,476	9,913
Investment securities	589	762
Inventories	1,065	958
Works in progress	2,574	823
Others	3,405	3,279
Allowance for doubtful accounts	△ 59	△ 66
Total current assets	34,578	29,640
FIXED ASSETS		
Tangible Assets	2,847	3,010
Intangible Assets	7,490	1,616
Investments and other assets ;		
Investment securities	1,860	1,916
Deposits	1,714	1,551
Others	2,823	2,457
Allowance for doubtful accounts	△ 902	△ 806
Total investments and other assets	5,495	5,119
Total fixed assets	15,833	9,746
TOTAL ASSETS	50,412	39,387
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	1,030	894
Short-term debt	1,417	615
Current portion of long-term debt	704	704
Income taxes payable	317	2,454
Provision for bonuses	985	1,707
Provision for loss on order received	21	21
Others	7,300	4,654
Total current liabilities	11,776	11,052
LONG-TERM LIABILITIES		
Long-term debt	2,809	3,178
Provision for directors' retirement benefits	257	230
Net defined benefit liability	803	724
Asset retirement obligations	449	390
Others	308	222
Total long-term liabilities	4,628	4,745
TOTAL LIABILITIES	16,404	15,797
NET ASSETS		
Shareholders' equity		
Common stock	3,888	1,875
Additional paid-in capital	12,107	3,593
Retained earnings	18,590	16,260
Common stock for treasury	△ 2,031	△ 572
Total shareholders' equity	32,554	21,155
Accumulated other comprehensive income (or △loss)		
Unrealized gain (or △loss) on available-for-sale securities	36	65
Foreign currency translation adjustments	865	1,990
Remeasurements of defined benefit plans	19	7
Total accumulated other comprehensive income (or △loss)	921	2,063
Non-controlling interests	532	370
TOTAL NET ASSETS	34,008	23,590
TOTAL LIABILITIES AND NET ASSETS	50,412	39,387

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
For the Third quarter ended June 30 2016 and 2015
(UNAUDITED)

(IN MILLIONS, JPY)

	Third quarter ended June 30.2016	Third quarter ended June 30.2015
NET SALES	38,187	32,652
COST OF SALES	26,442	23,254
Gross profit	11,745	9,397
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	6,791	5,799
Operating income	4,953	3,597
OTHER INCOME (ΔEXPENSES)		
Interest income	28	61
Interest expenses	Δ 25	Δ 25
Gain on consumption tax filing	248	176
Provision for allowance for doubtful accounts	Δ 95	Δ 151
Foreign exchange gain or loss (Δloss)	Δ 3	Δ 72
Gain or loss of equity in associated companies (Δ loss)	Δ 56	Δ 91
Gain on sales of investment securities	196	—
Gain on step acquisitions	48	—
Loss on sale of investments of subsidiaries and affiliates	Δ 4	—
Loss on change in subsidiaries' equity	Δ 95	—
Others- net	123	Δ 76
Other income (Δexpenses)-net	366	Δ 179
Income before income taxes	5,319	3,418
INCOME TAXES		
Current	1,630	1,653
Deferred	498	250
Total	2,128	1,904
PROFIT	3,190	1,513
Profit attributable to non-controlling interests	31	Δ 61
PROFIT ATTRIBUTABLE TO OWNERS OF PARENT	3,158	1,574
PROFIT	3,190	1,513
OTHER COMPREHENSIVE INCOME		
Unrealized gain (or Δloss) on available-for-sale securities	Δ 28	Δ 39
Foreign currency translation adjustments	Δ 1,052	748
Remeasurements of defined benefit plans	11	12
Share of other comprehensive income of associates in equity method	Δ 125	95
Total	Δ 1,194	816
COMPREHENSIVE INCOME	1,995	2,330
Comprehensive income attributable to :		
Owners of the parent	2,016	2,365
Non-controlling interests	Δ 20	Δ 35

STATEMENT OF ORDER ENTRY AND SALES BY ITEMS
For the Third quarter ended June 30 2016

(UNAUDITED)

(1) RESULT OF ORDER ENTRY

DIVISION	2016.06 <2015.10.1-2016.6.30>			
	AMOUNT OF ORDER ENTRY (IN MILLIONS, JPY)	year-to-year comparison (%)	ORDER BACKLOG (IN MILLIONS, JPY)	year-to-year comparison (%)
Domestic CRO				
Monitoring	9,120	82.8%	17,458	91.8%
Data Management	7,408	99.1%	16,355	103.8%
CRO others	1,558	91.3%	2,211	119.4%
TOTAL OF CRO	18,087	89.5%	36,024	98.4%
Domestic SMO	7,461	136.2%	18,187	207.9%
Domestic CSO	5,294	88.8%	6,527	114.8%
Global Research Business	2,904	88.7%	5,657	102.3%
China Business	2,880	97.6%	141	190.3%
Others	1,376	194.9%	1,573	1282.9%
TOTAL	38,006	98.5%	68,111	120.0%

* These figures are expressed by sales price.

* These above figures do not include the consumption tax.

(2) RESULT OF SALES

DIVISION	2016.06 <2015.10.1-2016.6.30>	
	AMOUNT OF SALES (IN MILLIONS, JPY)	year-to-year comparison (%)
Domestic CRO		
Monitoring	10,371	105.4%
Data Management	6,076	101.4%
CRO others	1,726	102.4%
TOTAL OF CRO	18,174	103.7%
Domestic SMO	7,822	164.1%
Domestic CSO	5,432	107.8%
Global Research Business	2,912	173.8%
China Business	2,780	94.9%
Others	1,063	148.1%
TOTAL	38,187	117.0%

* These above figures do not include the consumption tax.

INDUSTRY SEGMENT INFORMATION
For the Third quarter ended June 30 2016 and 2015

(UNAUDITED)

FY 2016 (2015.10.1-2016.6.30)

(IN MILLIONS, JPY)

	Domestic CRO	Domestic SMO	Domestic CSO	Global Research Business	China Business	Others	Total	Eliminations/ Corporate	Consolidation
SALES									
Sales to customers	18,174	7,822	5,432	2,912	2,780	1,063	38,187	—	38,187
Intersegment sales	1,328	69	17	41	13	1,026	2,497	(2,497)	—
Total	19,503	7,891	5,450	2,954	2,793	2,089	40,684	(2,497)	38,187
Operating income	4,880	440	231	247	(71)	(44)	5,683	(730)	4,953

* Non-attributable corporate expenses related to the company are not distributed to each segment. In this regard, operating income of Δ 730 million yen under "Eliminations/ Corporate" consists of elimination of inter-segment and above non-attributable expenses.

* These above figures under "Others" consist of the figures of "CPO" and "Other business".

FY 2015 (2014.10.1-2015.6.30)

(IN MILLIONS, JPY)

	Domestic CRO	Domestic SMO	Domestic CSO	Global Research Business	China Business	Others	Total	Eliminations/ Corporate	Consolidation
SALES									
Sales to customers	17,523	4,768	5,038	1,676	2,928	718	32,652	—	32,652
Intersegment sales	634	17	27	40	16	896	1,633	(1,633)	—
Total	18,157	4,786	5,065	1,716	2,944	1,614	34,285	(1,633)	32,652
Operating income	4,118	478	294	(201)	(163)	(149)	4,376	(779)	3,597

* Non-attributable corporate expenses related to the company are not distributed to each segment. In this regard, operating income of Δ 779 million yen under "Eliminations/ Corporate" consists of elimination of inter-segment and above non-attributable expenses.

* These above figures under "Others" consist of the figures of "BPO" and "Other business".