



**Summary of Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2018
(Three Months Ended June 30, 2017)**

[Japanese GAAP]

August 9, 2017

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Listing: Tokyo Stock Exchange (JASDAQ)

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Scheduled date of filing of Quarterly Report: August 10, 2017

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen.)

**1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2018
(April 1, 2017 – June 30, 2017)**

(1) Consolidated results of operations (Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2017	1,658	10.1	67	(46.1)	73	(37.1)	54	(34.9)
Three months ended Jun. 30, 2016	1,506	33.5	125	76.6	116	48.9	84	45.4

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2017: 56 (down 26.2%)

Three months ended Jun. 30, 2016: 77 (up 119.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2017	0.62	0.62
Three months ended Jun. 30, 2016	0.95	0.95

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2017	4,016	1,955	48.5	21.94
As of Mar. 31, 2017	3,891	1,898	48.6	21.30

Reference: Shareholders' equity (million yen) As of Jun. 30, 2017: 1,949 As of Mar. 31, 2017: 1,892

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended Mar. 31, 2017	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00
Fiscal year ending Mar. 31, 2018	-	-	-	-	-
Fiscal year ending Mar. 31, 2018 (forecast)	-	0.00	-	0.00	0.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 – March 31, 2018)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,700	5.2	310	11.0	310	5.8	200	(12.7)	22.51

Note: Revisions to the most recently announced consolidated earnings forecast: None

The first half forecast is not presented because the Company evaluates performance on a fiscal year basis.

The Company plans to conduct a consolidation of shares according to a ratio of 1:10 effective on October 1, 2017. Net income per share forecast for the fiscal year ending March 31, 2018 is based on the number of shares after the consolidation of shares. Please refer to the "Explanation of appropriate use of earnings forecasts, and other special items"

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Jun. 30, 2017:	88,870,896 shares	As of Mar. 31, 2017:	88,870,896 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2017:	26,098 shares	As of Mar. 31, 2017:	26,098 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2017:	88,844,798 shares	Three months ended Jun. 30, 2016:	88,704,798 shares
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* The current quarterly financial report is not subject to quarterly review procedures.

* Explanation of appropriate use of earnings forecasts, and other special items

Cautionary statement with respect to forecasts

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 3 of the attachments "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements."

Consolidated earnings forecast after a consolidation of shares

The Company approved and passed the resolution related to a consolidation of shares at the 53rd Annual General Meeting of Shareholders held on June 22, 2017 and will conduct a consolidation of shares according to a ratio of 1:10 effective on October 1, 2017. Consolidated earnings forecast that was translated before considering a consolidation of shares is as the follows:

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

Net income per share 2.25 yen (full year)

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements	3
2. Quarterly Consolidated Financial Statements and Notes	4
(1) Quarterly Consolidated Balance Sheet	4
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	6
Quarterly Consolidated Statement of Income	
(For the Three-month Period)	6
Quarterly Consolidated Statement of Comprehensive Income	
(For the Three-month Period)	7
(3) Notes to Quarterly Consolidated Financial Statements	8
Going Concern Assumption	8
Significant Changes in Shareholders' Equity	8
Application of Special Accounting Methods in the Preparation of the Quarterly Consolidated Financial Statements	8
Segment Information	8

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

In the first quarter of the current fiscal year (hereinafter, “the period under review”), the Japanese economy continued to recover moderately thanks mainly to higher corporate earnings, lower unemployment, and increased personal spending.

However, the outlook for the global economy remained uncertain with slowdown of economy in China and other emerging countries and the policy trends of the Trump Administration.

Under the economic circumstance described above, the Group (Striders Corporation and its consolidated subsidiaries) focused on sales activities to attract new customers, cost cutting, and other initiatives to increase earnings in the existing business units. In addition, the Group continued to work on creating new businesses.

Consequently, net sales for the period under review increased 10.1% year-on-year to 1,658 million yen, operating profit decreased 46.1% year-on-year to 67 million yen, ordinary profit decreased 37.1% year-on-year to 73 million yen, and profit attributable to owners of parent decreased 34.9% year-on-year to 54 million yen.

Business segment performance was as follows.

1) Information Technology Business

Mobile Link Inc. has been engaged in sales activities of motor vehicle communication systems and development of the own brand on-board units at the joint venture with a Taiwanese company.

Consequently, segment sales in the period under review increased 8.0% year-on-year to 60 million yen with operating profit of 0 million yen (compared with operating loss of 3 million yen one year earlier).

2) Turnaround Consultancy Business

M&A Global Partners Co., Ltd. has been engaged in operations such as fund procurement support and M&A consulting services. Despite these efforts, it did not receive orders during the period under review.

Consequently, the segment reported no sales with operating loss of 0 million yen in the period under review, compared with sales of 24 million yen with operating profit of 23 million yen one year earlier.

3) Real Estate Lease Management Business

Trust Advisers Corporation has successfully achieved an increase in the number of buildings under management as a result of aggressive marketing efforts in the residential property business. The land agency business also maintained strong performance, but expansion of the business led to an increase in personnel and other expenses.

Consequently, segment sales in the period under review increased 21.9% year-on-year to 1,193 million yen but operating profit decreased 5.7% year-on-year to 53 million yen.

4) Food Business

Y. K. Masuda Seimen produces Chinese and other noodles that are sold mainly to Yokohama house-type ramen restaurants in the Kanagawa area. The amount of orders received increased slightly year-on-year due mainly to an increase in the number of the existing ramen restaurants.

Consequently, segment sales in the period under review increased 1.5% year-on-year to 41 million yen and operating profit increased 14.6% year-on-year to 4 million yen.

5) Hotel Business

We currently operate the Narita Gateway Hotel in the Narita International Airport area and the Kurashiki Royal Art Hotel located in the Kurashiki Bikan Historical Quarter, Okayama prefecture. Despite an increase in the number of foreign tourists visiting Japan, both room rates and occupancy rates declined due mainly to an increase in the number of vacation rentals and openings of new hotels.

Consequently, segment sales in the period under review decreased 10.5% year-on-year to 363 million yen and operating profit decreased 36.8% year-on-year to 53 million yen.

(2) Explanation of Financial Position

Assets

Current assets increased 67 million yen from the end of the previous fiscal year to 2,218 million yen at the end of the period under review. The main factors include increases in cash and deposits by 88 million yen and inventories by 82 million yen, which were partially offset by a decrease in accounts receivable-trade by 22 million yen. Non-current assets increased 58 million yen from the end of the previous fiscal year to 1,798 million yen. This was mainly attributable to an increase in investment securities by 15 million yen.

As a result, total assets were 4,016 million yen, which was 125 million yen more than at the end of the previous fiscal year.

Liabilities

Current liabilities increased 44 million yen from the end of the previous fiscal year to 870 million yen at the end of the period under review. The main factors include increases in current portion of long-term loans payable by 33 million yen, unearned revenue by 20 million yen, and accrued expenses by 16 million yen, which were partially offset by a decrease in provision for bonuses by 15 million yen. Non-current liabilities increased 24 million yen from the end of the previous fiscal year to 1,191 million yen. This was mainly due to an increase in long-term loans payable by 25 million yen.

As a result, total liabilities were 2,061 million yen, which was 68 million yen more than at the end of the previous fiscal year.

Net assets

Net assets increased 56 million yen from the end of the previous fiscal year to 1,955 million yen at the end of the period under review. The main factor includes booking of profit attributable to owners of parent of 54 million yen.

Consequently, the equity ratio was 48.5% (compared with 48.6% at the end of the previous fiscal year).

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements

Regarding the consolidated earnings forecast, we maintain the full-year consolidated earnings forecast that was disclosed in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2017” dated May 12, 2017.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY3/17 (As of Mar. 31, 2017)	First quarter of FY3/18 (As of Jun. 30, 2017)
Assets		
Current assets		
Cash and deposits	1,536,880	1,625,444
Accounts receivable-trade, net	126,757	104,043
Securities	15,541	10,911
Inventories	316,409	399,270
Deferred tax assets	16,000	16,000
Other	139,479	62,579
Total current assets	2,151,067	2,218,249
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	883,211	873,594
Land	348,663	348,663
Other, net	41,932	41,922
Total property, plant and equipment	1,273,807	1,264,180
Intangible assets		
Goodwill	182,638	176,126
Other	22,695	21,342
Total intangible assets	205,333	197,468
Investments and other assets		
Investment securities	49,588	64,936
Shares of subsidiaries and associates	82,671	85,783
Deferred tax assets	68,693	71,807
Other	60,282	114,362
Total investments and other assets	261,235	336,891
Total non-current assets	1,740,376	1,798,540
Total assets	3,891,444	4,016,790
Liabilities		
Current liabilities		
Accounts payable-trade	86,120	78,092
Short-term loans payable	50,000	50,000
Current portion of long-term loans payable	166,108	199,440
Unearned revenue	119,734	140,159
Accrued expenses	84,261	100,568
Accounts payable-other	85,482	76,832
Income taxes payable	23,206	22,858
Provision for bonuses	28,606	12,765
Deposits received	92,383	100,862
Interest rate swaps	33,049	31,372
Other	56,968	57,238
Total current liabilities	825,922	870,189
Non-current liabilities		
Long-term loans payable	733,712	758,853
Net defined benefit liability	10,025	10,526
Long-term lease and guarantee deposited	240,135	237,930
Deferred tax liabilities	183,053	183,730
Total non-current liabilities	1,166,926	1,191,040
Total liabilities	1,992,848	2,061,230

	(Thousands of yen)	
	FY3/17 (As of Mar. 31, 2017)	First quarter of FY3/18 (As of Jun. 30, 2017)
Net assets		
Shareholders' equity		
Capital stock	1,582,416	1,582,416
Capital surplus	270,961	97,693
Retained earnings	68,359	296,559
Treasury shares	(3,020)	(3,020)
Total shareholders' equity	1,918,716	1,973,648
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,641	4,238
Deferred gains or losses on hedges	(33,049)	(30,564)
Foreign currency translation adjustment	2,279	2,213
Total accumulated other comprehensive income	(26,129)	(24,111)
Subscription rights to shares	5,415	5,415
Non-controlling interests	593	607
Total net assets	1,898,595	1,955,559
Total liabilities and net assets	3,891,444	4,016,790

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Three-month Period)**

	(Thousands of yen)	
	First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)	First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)
Net sales	1,506,078	1,658,390
Cost of sales	950,528	1,151,204
Gross profit	555,549	507,185
Selling, general and administrative expenses	430,273	439,702
Operating profit	125,275	67,483
Non-operating income		
Interest income	188	674
Dividend income	214	104
Gain on valuation of securities	-	565
Gain on sales of securities	426	331
Commission fee	3,375	6,357
Office work fee	1,050	-
Other	1,562	2,393
Total non-operating income	6,817	10,427
Non-operating expenses		
Interest expenses	4,734	3,540
Loss on valuation of securities	5,619	-
Share of loss of entities accounted for using equity method	1,084	853
Foreign exchange losses	3,479	-
Other	371	92
Total non-operating expenses	15,289	4,485
Ordinary profit	116,803	73,425
Extraordinary income		
Gain on sales of investment securities	-	2,632
Total extraordinary income	-	2,632
Profit before income taxes	116,803	76,057
Income taxes-current	30,758	22,542
Income taxes-deferred	1,718	(1,431)
Total income taxes	32,476	21,110
Profit	84,327	54,946
Profit attributable to non-controlling interests	1	13
Profit attributable to owners of parent	84,325	54,932

Quarterly Consolidated Statement of Comprehensive Income
(For the Three-month Period)

(Thousands of yen)

	First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)	First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)
Profit	84,327	54,946
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(403)
Deferred gains or losses on hedges	(2,993)	2,485
Foreign currency translation adjustment	(4,104)	(65)
Total other comprehensive income	(7,097)	2,017
Comprehensive income	77,229	56,963
Comprehensive income attributable to:		
Owners of parent	77,227	56,949
Non-controlling interests	1	13

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Based on a resolution passed at the 53rd Annual General Meeting of Shareholders held on June 22, 2017, the Company covered the deficit of retained earnings brought forward by first reducing the amount of legal capital surplus by 173,267 thousand yen to transfer it to other capital surplus in accordance with the provisions of Article 448, Paragraph 1 of the Companies Act, and then reducing the amount of other capital surplus by 173,267 thousand yen to transfer it to retained earnings brought forward in accordance with the provisions of Article 452 of the Companies Act.

Consequently, legal capital surplus decreased by 173,267 thousand yen during the period under review.

Application of Special Accounting Methods in the Preparation of the Quarterly Consolidated Financial Statements

Not applicable.

Segment Information**I. First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)****1. Information related to net sales and profit or loss for each reportable segment (Thousands of yen)**

	Reportable segment					Total	Adjustment (Note 1)	Amount shown on quarterly consolidated statement of income (Note 2)
	Information Technology Business	Turnaround Consultancy Business	Real Estate Lease Management Business	Food Business	Hotel Business			
Net sales								
External sales	55,677	24,000	978,923	40,776	406,700	1,506,078	-	1,506,078
Inter-segment sales and transfers	-	-	-	-	-	-	-	-
Total	55,677	24,000	978,923	40,776	406,700	1,506,078	-	1,506,078
Segment profit (loss)	(3,535)	23,972	56,602	3,983	84,403	165,426	(40,150)	125,275

Notes: 1. The negative adjustment of 40,150 thousand yen to segment profit (loss) is mainly personnel and other expenses for administrative departments.

2. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

II. First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)**1. Information related to net sales and profit or loss for each reportable segment (Thousands of yen)**

	Reportable segment					Total	Adjustment (Note 1)	Amount shown on quarterly consolidated statement of income (Note 2)
	Information Technology Business	Turnaround Consultancy Business	Real Estate Lease Management Business	Food Business	Hotel Business			
Net sales								
External sales	60,146	-	1,193,039	41,389	363,815	1,658,390	-	1,658,390
Inter-segment sales and transfers	-	-	-	-	-	-	-	-
Total	60,146	-	1,193,039	41,389	363,815	1,658,390	-	1,658,390
Segment profit (loss)	358	(28)	53,375	4,566	53,334	111,606	(44,123)	67,483

Notes: 1. The negative adjustment of 44,123 thousand yen to segment profit (loss) is mainly personnel and other expenses for administrative departments.

2. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.