



**Summary of Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2017
(Three Months Ended June 30, 2016)**

[Japanese GAAP]

August 9, 2016

Company name: Striders Corporation Listing: Tokyo Stock Exchange (JASDAQ)
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Scheduled date of filing of Quarterly Report: August 10, 2016

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, 2017
(April 1, 2016 – June 30, 2016)**

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2016	1,506	33.5	125	76.6	116	48.9	84	45.4
Three months ended Jun. 30, 2015	1,128	55.5	70	165.3	78	170.1	57	167.5

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2016: 77 (up 119.5%)

Three months ended Jun. 30, 2015: 35 (up 309.3%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2016	0.95	0.95
Three months ended Jun. 30, 2015	0.65	0.65

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2016	3,647	1,723	47.0	19.33
As of Mar. 31, 2016	3,605	1,646	45.4	18.46

Reference: Shareholders' equity (million yen) As of Jun. 30, 2016: 1,714 As of Mar. 31, 2016: 1,637

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2016	-	0.00	-	0.00	0.00
Fiscal year ending Mar. 31, 2017	-	-	-	-	-
Fiscal year ending Mar. 31, 2017 (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, 2017 (April 1, 2016 – March 31, 2017)

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,500	9.0	350	17.8	330	19.0	230	70.0	2.59

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 full-year basis.

*** 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: Yes

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, 2016:	88,730,896 shares	As of Mar. 31, 2016:	88,730,896 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2016:	26,098 shares	As of Mar. 31, 2016:	26,098 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2016:	88,704,798 shares	Three months ended Jun. 30, 2015:	88,705,298 shares
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* Information regarding the implementation of quarterly review procedures

As the current quarterly financial report is exempted from quarterly review procedures based on the Financial Instruments and Exchange Act, these review procedures for the quarterly consolidated financial statements have not been completed at the time of disclosure.

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

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."

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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 slowly with higher corporate earnings, lower unemployment and other signs of improvement.

However, the outlook for the global economy remained uncertain with slowdown of economy in China and other emerging economies and a continued appreciation of the yen caused by the issue of the UK leaving the European Union.

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

Net sales increased 33.5% year-on-year to 1,506 million yen, operating income increased 76.6% year-on-year to 125 million yen, ordinary income increased 48.9% year-on-year to 116 million yen and profit attributable to owners of parent increased 45.4% year-on-year to 84 million yen.

Business segment performance was as follows.

1) Information Technology Business

Mobile Link Inc. saw decreasing orders due to a delay in the development of own brand on-board units by the joint venture with a Taiwanese company affecting the initially planned system replacement with the existing on-board units.

Segment sales in the period under review decreased 24.6% year-on-year to 55 million yen with operating loss of 3 million yen (compared with operating loss of 2 million yen one year earlier).

2) Turnaround Consultancy Business

M&A Global Partners Co., Ltd. has been engaged in operations such as cash flow improvement through asset sales and other restructuring measures, fund procurement support and M&A consulting services to revitalize companies.

Segment sales in the period under review was 24 million yen (compared with no sales one year earlier) and operating income was 23 million yen (compared with operating loss of 0 million yen one year earlier).

3) Real Estate Lease Management Business

Market conditions in this segment remained strong with a high level of new housing starts due to the prolonged rush demand in anticipation of the consumption tax hike. Under such circumstances, 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 and also maintained a strong performance in the land agency business.

Segment sales in the period under review increased 62.5% year-on-year to 978 million yen and operating income increased 28.9% year-on-year to 56 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. While the volume of sales once dropped mainly due to closure of some ramen restaurants, the situation has improved with a slight increase in orders received with an increase in the number of restaurants of the existing customers.

Segment sales in the period under review increased 4.8% year-on-year to 40 million yen and operating income increased 383.0% year-on-year to 3 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. The Narita Gateway Hotel maintained high occupancy rates, given a growth in foreign tourists caused by the promotion of tourism by the Japanese government. However, because of price competition with other hotels in the area, room rates declined slightly. The Kurashiki Royal Art Hotel, on the other hand, has increased the number of guests because of “Destination Campaign: The Land of Sunshine Okayama” and G7 Kurashiki Education Ministers’ Meeting, but orders for banquets has decreased because of a temporary shutdown of an automobile manufacturing plant in the Mizushima area.

Segment sales in the period under review decreased 1.6% year-on-year to 406 million yen and operating income increased 12.7% year-on-year to 84 million yen.

(2) Explanation of Financial Position

Assets

Current assets increased 59 million yen from the end of the previous fiscal year to 2,005 million yen at the end of the first quarter. The main factors include an increase in cash and deposits by 79 million yen, which was partially offset by decreases in securities by 12 million yen and inventories by 8 million yen. Non-current assets decreased 16 million yen from the end of the previous fiscal year to 1,642 million yen. This was mainly attributable to decreases in goodwill by 6 million yen and shares of subsidiaries and associates by 5 million yen.

As a result, total assets were 3,647 million yen, which was 42 million yen more than at the end of the previous fiscal year.

Liabilities

Current liabilities increased 1 million yen from the end of the previous fiscal year to 725 million yen at the end of the first quarter. The main factors include increases in accounts payable-trade by 11 million yen and deposits received by 22 million yen, which were partially offset by decreases in current portion of long-term loans payable by 6 million yen, accounts payable-other by 19 million yen and income taxes payable by 9 million yen. Non-current liabilities decreased 36 million yen from the end of the previous fiscal year to 1,198 million yen. This was mainly due to decreases in long-term loans payable by 33 million yen and long-term lease and guarantee deposited by 5 million yen.

As a result, total liabilities were 1,924 million yen, which was 34 million yen less than at the end of the previous fiscal year.

Net assets

Net assets increased 77 million yen from the end of the previous fiscal year to 1,723 million yen at the end of the first quarter. The main factors include profit attributable to owners of parent of 84 million yen.

Consequently, the equity ratio was 47.0% (compared with 45.4% 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, 2016” dated May 13, 2016.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

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

Not applicable.

(3) Changes in Accounting Policies and Accounting Estimates, and Restatements

(Application of Practical Solution on a Change in Depreciation Method due to Tax Reform 2016)

Following the revision of the Corporation Tax Act, the Company has applied the “Practical Solution on a Change in Depreciation Method due to Tax Reform 2016” (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No. 32, June 17, 2016) from the first quarter of the current fiscal year, and changed the method for the depreciation of facilities attached to buildings and structures acquired on or after April 1, 2016, from the declining-balance method to the straight-line method.

There is no effect of this change on profit or loss for the first quarter of the current fiscal year.

(4) Additional Information

(Application of Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective from the first quarter of the current fiscal year, the Company has applied the “Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, March 28, 2016).

3. Quarterly Consolidated Financial Statements**(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/16 (As of Mar. 31, 2016)	First quarter of FY3/17 (As of Jun. 30, 2016)
Assets		
Current assets		
Cash and deposits	1,419,638	1,498,849
Accounts receivable-trade, net	112,237	113,438
Securities	51,023	38,650
Inventories	224,573	216,414
Deferred tax assets	39,997	39,997
Other	98,508	97,842
Total current assets	1,945,978	2,005,192
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	865,106	853,552
Land	348,663	348,663
Other, net	30,363	40,188
Total property, plant and equipment	1,244,132	1,242,405
Intangible assets		
Goodwill	208,685	202,173
Other	12,009	11,213
Total intangible assets	220,694	213,386
Investments and other assets		
Investment securities	54,379	54,379
Shares of subsidiaries and associates	78,645	73,456
Other	61,226	58,576
Total investments and other assets	194,251	186,411
Total non-current assets	1,659,078	1,642,203
Total assets	3,605,056	3,647,395
Liabilities		
Current liabilities		
Accounts payable-trade	63,046	74,997
Current portion of long-term loans payable	149,632	143,302
Accounts payable-other	82,273	62,775
Income taxes payable	40,677	31,217
Provision for bonuses	21,929	17,704
Deposits received	101,100	123,570
Interest rate swaps	44,800	47,793
Other	220,355	223,935
Total current liabilities	723,816	725,295
Non-current liabilities		
Long-term loans payable	819,266	786,073
Net defined benefit liability	8,967	9,232
Long-term lease and guarantee deposited	244,695	239,535
Deferred tax liabilities	162,258	163,977
Total non-current liabilities	1,235,187	1,198,818
Total liabilities	1,959,003	1,924,113

	(Thousands of yen)	
	FY3/16 (As of Mar. 31, 2016)	First quarter of FY3/17 (As of Jun. 30, 2016)
Net assets		
Shareholders' equity		
Capital stock	1,578,674	1,578,674
Capital surplus	267,219	267,219
Retained earnings	(160,867)	(76,542)
Treasury shares	(3,020)	(3,020)
Total shareholders' equity	1,682,005	1,766,330
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(44,800)	(47,793)
Foreign currency translation adjustment	-	(4,104)
Total accumulated other comprehensive income	(44,800)	(51,898)
Subscription rights to shares	8,219	8,219
Non-controlling interests	628	630
Total net assets	1,646,052	1,723,282
Total liabilities and net assets	3,605,056	3,647,395

(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 FY3/16 (Apr. 1, 2015 – Jun. 30, 2015)	First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)
Net sales	1,128,476	1,506,078
Cost of sales	626,176	950,528
Gross profit	502,299	555,549
Selling, general and administrative expenses	431,344	430,273
Operating income	70,955	125,275
Non-operating income		
Interest income	1,700	188
Dividend income	2,166	214
Commission fee	3,211	3,375
Office work fee	1,050	1,050
Other	5,792	1,989
Total non-operating income	13,921	6,817
Non-operating expenses		
Interest expenses	5,015	4,734
Loss on valuation of securities	-	5,619
Share of loss of entities accounted for using equity method	-	1,084
Foreign exchange losses	-	3,479
Other	1,403	371
Total non-operating expenses	6,419	15,289
Ordinary income	78,457	116,803
Extraordinary losses		
Loss on valuation of investment securities	3,611	-
Total extraordinary losses	3,611	-
Profit before income taxes	74,845	116,803
Income taxes-current	18,890	30,758
Income taxes-deferred	(1,475)	1,718
Total income taxes	17,414	32,476
Profit	57,430	84,327
Profit (loss) attributable to non-controlling interests	(546)	1
Profit attributable to owners of parent	57,977	84,325

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

	(Thousands of yen)	
	First three months of FY3/16 (Apr. 1, 2015 – Jun. 30, 2015)	First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)
Profit	57,430	84,327
Other comprehensive income		
Valuation difference on available-for-sale securities	(24,672)	-
Deferred gains or losses on hedges	2,428	(2,993)
Foreign currency translation adjustment	-	(4,104)
Total other comprehensive income	(22,244)	(7,097)
Comprehensive income	35,185	77,229
Comprehensive income attributable to:		
Owners of parent	35,732	77,227
Non-controlling interests	(546)	1

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

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information**Segment Information****I. First three months of FY3/16 (Apr. 1, 2015 – Jun. 30, 2015)****1. Information related to net sales, 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	73,870	-	602,399	38,895	413,310	1,128,476	-	1,128,476
Inter-segment sales and transfers	-	-	-	21	16	38	(38)	-
Total	73,870	-	602,399	38,917	413,327	1,128,514	(38)	1,128,476
Segment profit (loss)	(2,419)	(30)	43,898	824	74,901	117,174	(46,219)	70,955

Notes: 1. The negative adjustment of 46,219 thousand yen to segment profit (loss) is mainly personnel and other expenses for administrative departments.

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

II. First three months of FY3/17 (Apr. 1, 2016 – Jun. 30, 2016)**1. Information related to net sales, 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 income 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.