



**Summary of Consolidated Financial Results for the Third Quarter
of the Fiscal Year Ending March 31, 2017**

(Nine Months Ended December 31, 2016)

[Japanese GAAP]

February 9, 2017

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Scheduled date of filing of Quarterly Report: February 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 Third Quarter of the Fiscal Year Ending March 31, 2017

(April 1, 2016 – December 31, 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	%
Nine months ended Dec. 31, 2016	4,684	25.2	246	(1.5)	258	5.9	149	(12.5)
Nine months ended Dec. 31, 2015	3,741	41.9	250	436.8	244	466.2	171	511.5

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2016: 170 (up 81.4%)

Nine months ended Dec. 31, 2015: 93 (up 469.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2016	1.69	1.67
Nine months ended Dec. 31, 2015	1.93	1.91

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2016	3,772	1,822	48.1	20.42
As of Mar. 31, 2016	3,605	1,646	45.4	18.46

Reference: Shareholders' equity (million yen) As of Dec. 31, 2016: 1,813 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	-	0.00	-		
Fiscal year ending Mar. 31, 2017 (forecast)				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	6,150	21.9	260	(12.5)	272	(1.9)	174	28.6	1.96

Note: Revisions to the most recently announced consolidated earnings forecast: Yes

*** 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 Dec. 31, 2016:	88,820,896 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 Dec. 31, 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

Nine months ended Dec. 31, 2016:	88,714,543 shares	Nine months ended Dec. 31, 2015:	88,704,949 shares
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* Information regarding the implementation of quarterly review procedures

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

* 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 nine months of the current fiscal year (hereinafter “the period under review”), the Japanese economy recovered moderately with lower unemployment and resilient personal spending. However, the outlook for the domestic economy remained uncertain with slowdown of economy in China and other emerging countries, concerns about future prospects caused by the issue of the UK leaving the European Union and an increase in geopolitical risk derived from the birth of new leaders in Europe and the United States.

Under the economic circumstance described above, Striders Corporation and its consolidated subsidiaries (hereinafter “the Group”) have focused on sales activities to attract new customers as well as cost cutting and other initiatives in each business segment. In addition, we have considered making business investments to acquire new sources of revenue.

Consequently, net sales in the period under review increased 25.2% year-on-year to 4,684 million yen, operating income decreased 1.5% year-on-year to 246 million yen, ordinary income increased 5.9% year-on-year to 258 million yen, while profit attributable to owners of parent decreased 12.5% year-on-year to 149 million yen due to recording of loss on valuation of investment securities of 47 million yen as an extraordinary loss.

1) Information Technology Business

Mobile Link Inc. has been engaged in sales activities to propose system replacement by using subsidies for the existing systems and as well as development of the own brand on-board units at the joint venture in Taiwan. Segment sales in the period under review increased 2.7% year-on-year to 247 million yen and operating income increased 654.2% year-on-year to 10 million yen.

2) Turnaround Consultancy Business

While 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, it was not able to receive major orders.

Segment sales in the period under review increased 0.0% year-on-year to 30 million yen and operating income decreased 10.0% year-on-year to 26 million yen.

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 with the increased number of contracts, but there was a situation where we had to fulfill a rental guarantee obligation on vacant rooms.

Segment sales in the period under review increased 46.0% year-on-year to 3,150 million yen and operating income decreased 17.8% year-on-year to 117 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 amount of orders received once dropped due mainly to closure of some ramen restaurants and some customers switching to in-house production of noodles, it has recovered with new orders by providing products that meet the customer needs, and with an increase in the number of existing restaurants.

Segment sales in the period under review increased 1.4% year-on-year to 121 million yen and operating income was 9 million yen (compared with operating income of 0 million yen one year earlier).

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. While the both hotels suffered lower room rates because of price competition with other hotels in the area, we have been focusing on cost reductions.

Segment sales in the period under review decreased 4.8% year-on-year to 1,135 million yen and operating income increased 0.7% year-on-year to 202 million yen.

(2) Explanation of Financial Position**Assets**

Current assets increased 91 million yen from the end of the previous fiscal year to 2,037 million yen at the end of the period under review. The main factors include increases in cash and deposits by 98 million yen and inventories by 37 million yen, which were partially offset by a decrease in securities by 35 million yen. Non-current assets increased 75 million yen from the end of the previous fiscal year to 1,734 million yen. This was mainly attributable to an increase in investment securities by 92 million yen.

As a result, total assets were 3,772 million yen, which was 167 million yen more than at the end of the previous fiscal year.

Liabilities

Current liabilities increased 43 million yen from the end of the previous fiscal year to 767 million yen at the end of the period under review. The main factors include increases in accounts payable-trade by 39 million yen and current portion of long-term loans payable by 18 million yen. Non-current liabilities decreased 52 million yen from the end of the previous fiscal year to 1,182 million yen. This was mainly due to decreases in long-term loans payable by 40 million yen and long-term lease and guarantee deposited by 15 million yen.

As a result, total liabilities were 1,950 million yen, which was 8 million yen less than at the end of the previous fiscal year.

Net assets

Net assets increased 176 million yen from the end of the previous fiscal year to 1,822 million yen at the end of the period under review. The main factors include a 3 million yen increase each in capital stock and capital surplus as a result of exercise of subscription rights to shares and booking of profit attributable to owners of parent of 149 million yen.

Consequently, the equity ratio was 48.1% (compared with 45.4% at the end of the previous fiscal year).

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

Given the recent performance trends, we have revised the full-year consolidated earnings forecast for the fiscal year ending March 31, 2017. For details of the revision, please refer to “Notice of Extraordinary Loss (Loss on Valuation of Investment Securities) and Revision of Earnings Forecast,” which was released on February 9, 2017 (Japanese version only).

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 depreciation method for facilities attached to buildings and structures acquired on or after April 1, 2016, from the declining-balance method to the straight-line method.

The effect of this change on profit or loss for the period under review is insignificant.

(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)	Third quarter of FY3/17 (As of Dec. 31, 2016)
Assets		
Current assets		
Cash and deposits	1,419,638	1,517,786
Accounts receivable-trade, net	112,237	111,719
Securities	51,023	15,721
Inventories	224,573	262,347
Deferred tax assets	39,997	39,997
Other	98,508	90,020
Total current assets	1,945,978	2,037,592
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	865,106	852,137
Land	348,663	348,663
Other, net	30,363	37,581
Total property, plant and equipment	1,244,132	1,238,382
Intangible assets		
Goodwill	208,685	189,149
Other	12,009	21,810
Total intangible assets	220,694	210,959
Investments and other assets		
Investment securities	54,379	146,793
Shares of subsidiaries and associates	78,645	77,237
Other	61,226	61,244
Total investments and other assets	194,251	285,275
Total non-current assets	1,659,078	1,734,618
Total assets	3,605,056	3,772,210
Liabilities		
Current liabilities		
Accounts payable-trade	63,046	103,042
Current portion of long-term loans payable	149,632	168,588
Accounts payable-other	82,273	64,907
Income taxes payable	40,677	41,858
Provision for bonuses	21,929	15,139
Deposits received	101,100	89,938
Interest rate swaps	44,800	35,713
Other	220,355	248,343
Total current liabilities	723,816	767,529
Non-current liabilities		
Long-term loans payable	819,266	778,322
Net defined benefit liability	8,967	9,761
Long-term lease and guarantee deposited	244,695	228,711
Deferred tax liabilities	162,258	165,733
Total non-current liabilities	1,235,187	1,182,528
Total liabilities	1,959,003	1,950,057

	(Thousands of yen)	
	FY3/16 (As of Mar. 31, 2016)	Third quarter of FY3/17 (As of Dec. 31, 2016)
Net assets		
Shareholders' equity		
Capital stock	1,578,674	1,581,711
Capital surplus	267,219	270,256
Retained earnings	(160,867)	(11,214)
Treasury shares	(3,020)	(3,020)
Total shareholders' equity	1,682,005	1,837,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-	10,040
Deferred gains or losses on hedges	(44,800)	(35,713)
Foreign currency translation adjustment	-	1,268
Total accumulated other comprehensive income	(44,800)	(24,403)
Subscription rights to shares	8,219	8,169
Non-controlling interests	628	654
Total net assets	1,646,052	1,822,153
Total liabilities and net assets	3,605,056	3,772,210

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

(Thousands of yen)

	First nine months of FY3/16 (Apr. 1, 2015 – Dec. 31, 2015)	First nine months of FY3/17 (Apr. 1, 2016 – Dec. 31, 2016)
Net sales	3,741,208	4,684,364
Cost of sales	2,202,003	3,147,508
Gross profit	1,539,204	1,536,856
Selling, general and administrative expenses	1,288,957	1,290,483
Operating income	250,246	246,373
Non-operating income		
Interest income	6,908	544
Dividend income	2,435	401
Gain on sales of securities	-	6,138
Commission fee	9,798	11,921
Office work fee	3,150	2,800
Other	11,579	7,037
Total non-operating income	33,872	28,844
Non-operating expenses		
Interest expenses	14,782	13,363
Share of loss of entities accounted for using equity method	6,635	2,675
Foreign exchange losses	13,582	-
Other	4,963	535
Total non-operating expenses	39,963	16,574
Ordinary income	244,155	258,643
Extraordinary losses		
Loss on sales of investment securities	1,087	-
Loss on valuation of investment securities	3,611	47,682
Loss on cancellation penalty	9,965	-
Total extraordinary losses	14,664	47,682
Profit before income taxes	229,491	210,960
Income taxes-current	63,369	62,069
Income taxes-deferred	(4,425)	(787)
Total income taxes	58,943	61,282
Profit	170,547	149,678
Profit (loss) attributable to non-controlling interests	(539)	25
Profit attributable to owners of parent	171,086	149,652

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

(Thousands of yen)

	First nine months of FY3/16 (Apr. 1, 2015 – Dec. 31, 2015)	First nine months of FY3/17 (Apr. 1, 2016 – Dec. 31, 2016)
Profit	170,547	149,678
Other comprehensive income		
Valuation difference on available-for-sale securities	(75,034)	10,040
Deferred gains or losses on hedges	(1,780)	9,087
Foreign currency translation adjustment	-	1,268
Total other comprehensive income	(76,815)	20,396
Comprehensive income	93,731	170,075
Comprehensive income attributable to:		
Owners of parent	94,270	170,049
Non-controlling interests	(539)	25

(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 nine months of FY3/16 (Apr. 1, 2015 – Dec. 31, 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	240,449	30,000	2,158,045	119,990	1,192,723	3,741,208	-	3,741,208
Inter-segment sales and transfers	-	-	-	48	16	65	(65)	-
Total	240,449	30,000	2,158,045	120,039	1,192,740	3,741,273	(65)	3,741,208
Segment profit	1,338	29,816	143,153	292	201,179	375,780	(125,533)	250,246

Notes: 1. The negative adjustment of 125,533 thousand yen to segment profit is mainly personnel and other expenses for the administrative departments.

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

II. First nine months of FY3/17 (Apr. 1, 2016 – Dec. 31, 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	247,023	30,000	3,150,351	121,767	1,135,220	4,684,364	-	4,684,364
Inter-segment sales and transfers	-	-	-	12	-	12	(12)	-
Total	247,023	30,000	3,150,351	121,779	1,135,220	4,684,376	(12)	4,684,364
Segment profit	10,095	26,835	117,630	9,488	202,532	366,581	(120,208)	246,373

Notes: 1. The negative adjustment of 120,208 thousand yen to segment profit is mainly personnel and other expenses for the administrative departments.

2. Segment profit 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.