

# **Consolidated Results**

## **First Quarter Fiscal Year 2016**

**July 30, 2015**



**Prestige International Inc.**  
**Security Code: 4290**

# FY2016 Q1 Consolidated Results of Operations



- Solid progress on each business segment
- Operating profit increased mainly due to steady growth on Rent Warranty Program in Warranty Segment, despite occurrence of depreciation cost due to commencement of operations of the new BPO site “ Toyama BPO Town”

( million yen )

	FY2015 Q1 (actual)	FY2016 Q1 (actual)	Change (%)	FY2016 1H (forecast)	Progress ratio ( % )	FY2016 ( forecast)	Progress Ratio (%)
Sales	5,536	6,654	+ 20.2 %	12,700	52.4 %	27,000	24.6 %
Operating Profit (per sales)	661 ( 11.9%)	775 ( 11.6%)	+ 17.3 %	1,430 (11.3%)	54.2 %	3,250 (12.0%)	23.9 %
Ordinary Profit (per sales)	742 ( 13.4%)	730 (11.0%)	- 1.6 %	1,480 ( 11.7%)	49.3 %	3,400 (12.6%)	21.5 %
Profit attributable to owners of the parent (per sales)	495 ( 8.9%)	412 (6.2%)	- 16.7 %	900 ( 7.1%)	45.9 %	2,100 (7.8%)	19.7 %
Exchange rate(JPY)	101.36	122.45	-	119.96		119.96	-

# Consolidated Profit and Loss Statement



**[ Ordinary Profit ]** Exchange loss: + 50 million yen → - 84 million yen

**Note:** retrospective restatement applied to consolidated cumulative fourth quarter (FY2015) due to change in accounting policies regarding Rent Warranty Program in Warranty Segment.

Effects are the following.

Sales: - 19 million yen, cost of sales: + 22 million yen, operating/ ordinary profit: - 42 million yen, profit attributable to owners of the parent: - 41 million yen

(million yen)

	FY2015 Q1	FY2016 Q1	YoY	
			Difference	Change (%)
Sales	5,536	6,654	+ 1,117	+ 20.2%
Cost of Sales (per sales)	4,269 ( 77.1%)	5,047 ( 75.8%)	+ 778	+ 18.2%
Gross Profit (per sales)	1,267 ( 22.9%)	1,607 ( 24.2%)	+ 339	+ 26.8%
SG&A Expenses (per sales)	606 ( 11.0%)	831 ( 12.5%)	+ 225	+ 37.1%
Operating Profit (per sales)	661 ( 11.9%)	775 ( 11.6%)	+ 114	+ 17.3%
Ordinary Profit (per sales)	742 ( 13.4%)	730 ( 11.0%)	- 11	- 1.6%
Profit attributable to owners of the parent (per sales)	495 ( 8.9%)	412 ( 6.2%)	- 82	- 16.7%

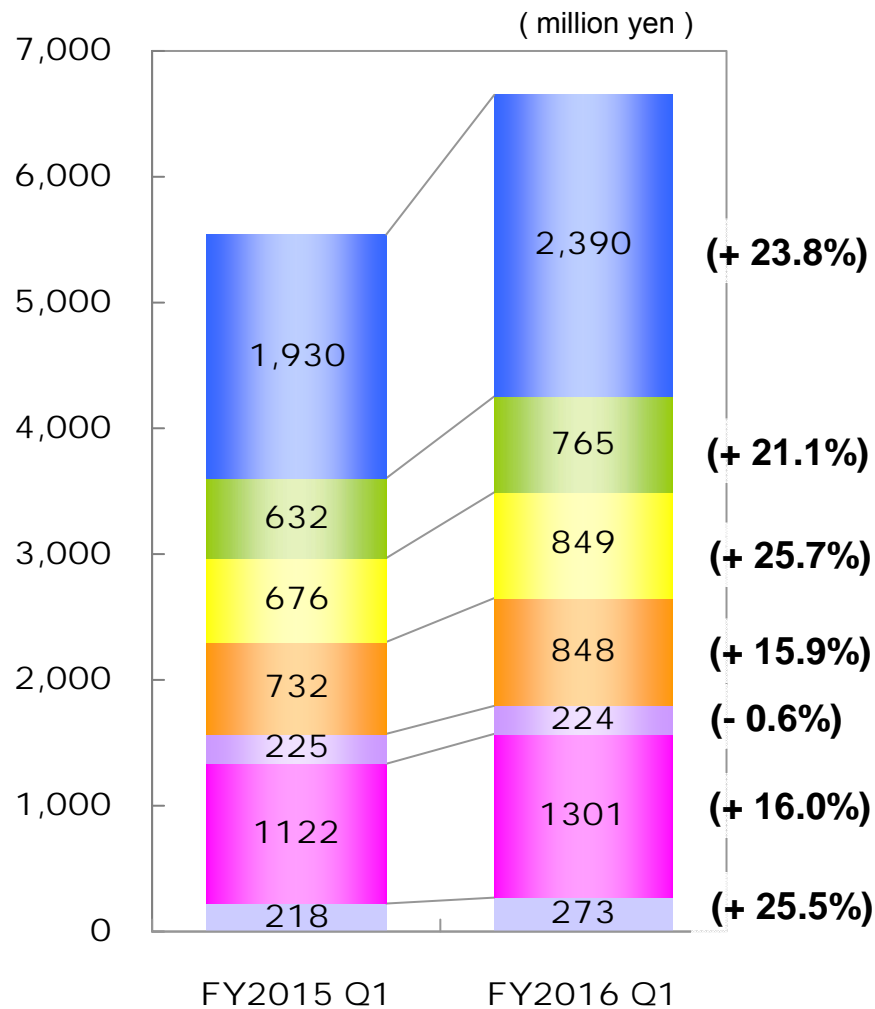
# Consolidated Balance Sheets Summary



( million yen )

	FY2015	FY2016 Q1	Difference	
<b>Current Assets</b>	14,673	14,104	- 568	Cash and deposits - 1,057 Advance + 508 Other - 384
<b>Fixed Assets</b>	8,909	9,394	+ 484	
<b>Total Assets</b>	23,582	23,499	- 83	
<b>Current Liabilities</b>	6,740	5,707	- 1,033	Income taxes payable - 260 Reserve for bonuses - 109
<b>Noncurrent Liabilities</b>	1,350	1,805	+ 455	Asset retirement obligation + 403
<b>Net Assets</b>	15,491	15,986	+ 494	Retained earnings + 225
<b>Liabilities and Net Assets</b>	23,582	23,499	- 83	

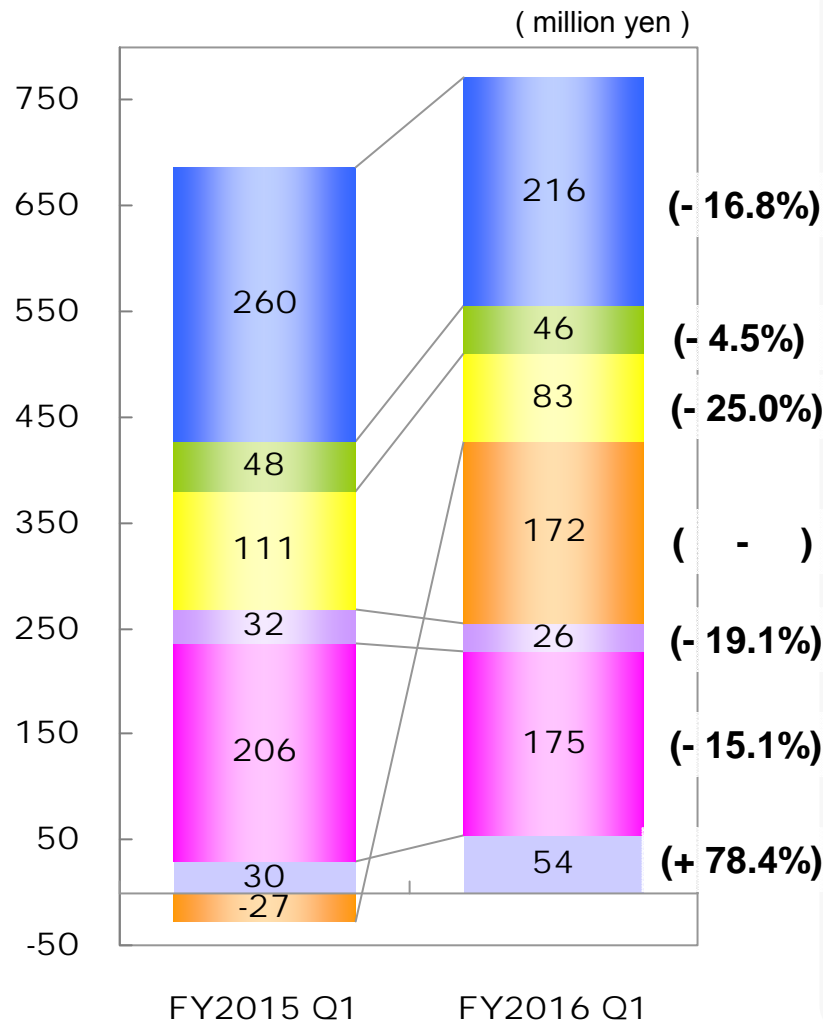
# FY 2016 Q1 Sales (by segment)



- ◆ Roadside Assistance
  - Sales increased due to newly acquired client in addition to solid increase in visibility and service usage.
- ◆ Property Assistance
  - Sales increased with the start of new contracted business and growth of existing contract operations in Home Assistance.
- ◆ Insurance BPO
  - Sales increased due to solid expansion of overseas business (Claim Handling Services, Healthcare Program)
- ◆ Warranty
  - Sales increased due to solid growth in Extended Warranty Program and Rent Guarantee Program.  
Note: retrospective restatement applied to the last Q1 due to change in accounting policies regarding Rent Warranty Program, resulting in 19 million yen decrease.
- ◆ IT Solution
  - Sales slightly decreased due to continuous investment in existing contract operations.
- ◆ Customer Support
  - Sales increased mainly due to steady growth of credit card services for Japanese representatives stationed overseas and expansion of customer contact services.
- ◆ Temporary Worker/ Others
  - Sales increased due to steady growth of the temporary worker business.



# FY 2016 Q1 Operating Profit (by segment)



- ◆ Roadside Assistance
  - Profit decreased due to operational transfer cost of the new site "Toyama BPO Town" although cost-cutting had an effect.
- ◆ Property Assistance
  - Profit slightly decreased due to prior investment for business expansion.
- ◆ Insurance BPO
  - Carried out a structural change to centralize the background operations done overseas to one of the Akita sites "Nikaho Branch". Profit decreased caused due to this structuring cost.
- ◆ Warranty
  - Profit increased due to growth in Rent Guarantee Program and formulation of budget management framework for Extended Warranty Program.
  - Note: retrospective restatement applied to the last Q1 due to change in accounting policies regarding Rent Warranty Program, resulting in 42 million yen decrease.
- ◆ IT Solution
  - Profit decrease caused by prior investment on smartphone application development and systems using mobile terminal device for better work efficiency.
- ◆ Customer Support
  - Profit decreased due to operational transfer cost of the new site "Toyama BPO Town".
- ◆ Temporary Worker/ Others
  - Profit increased due to expansion of sales and indirect cost suppression.



## Topic 1: Toyama BPO Town started operations



- “**Toyama BPO Town**”, with a capacity of 1,000 seats, started operations from April 1<sup>st</sup>, 2015, in addition to Akita and Yamagata sites
- Equipped with nursery, cafeteria, dormitories, training facilities, in-house power generator, parking spaces (for 1,010 cars)
- Started operation with 130 employees and planning to operate at full capacity in 3 – 5 years
- Held first annual shareholder meeting at this site (June 23<sup>rd</sup>)



## Topic 2: Updates on CSR Activities

### Women's corporate teams

- Basketball team in Akita BPO Campus and volleyball team in Yamagata BPO Garden started activities from this fiscal year
- Participated in local events such as teaching local students and junior athletes
- Appearance this term (first appearance)  
[ Basketball ] Akita Prefectural Sports Festival  
[ Volleyball ] 2015 V•Summer League (Eastern region)





## **Cautionary Statement**

This presentation may provide projections or forward-looking statements regarding future conditions, events or performance.

The Company wishes to caution you that such statements are only predictions and the actual events or results may differ materially due to changes in business conditions.