

Financial Summary for First 3 Quarters of Fiscal 2016 [Japanese GAAP] [Consolidated]

January 29, 2016

Name of listed company: **ZENRIN Co., Ltd.** Stock exchange listings: Tokyo and Fukuoka
 Securities code: 9474 URL: <http://www.zenrin.co.jp/>
 Representative: [Title] President and CEO [Name] Zenshi Takayama TEL: +81-93-882-9050
 Contact: [Title] Executive Officer, and Head of Corporate Management Division [Name] Masami Matsuo
 Scheduled date of submission of quarterly securities report: February 1, 2016
 Scheduled date of commencement of dividend payouts: -
 Preparation of supplementary explanatory materials on quarterly results: Yes
 Holding of briefing session on quarterly results: No

[Amounts are rounded down to the nearest million yen]

1. Consolidated Results of Operations in First 3 Quarters of Fiscal 2016

ZENRIN's first 3 quarters of fiscal 2016 is the period from April 1, 2015 to December 31, 2015.

(1) Consolidated Business Performance [Cumulative]

[% figures represent the increase (decrease) compared to the same period of the previous fiscal year]

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | |
|---------------------------------|-------------|-------|------------------|--------|-----------------|--------|---|------|
| | million yen | % | million yen | % | million yen | % | million yen | % |
| First 3 quarters of fiscal 2016 | 36,975 | 4.6 | 304 | 912.9 | 665 | 100.6 | 269 | 53.7 |
| First 3 quarters of fiscal 2015 | 35,362 | (4.4) | 30 | (95.1) | 331 | (61.2) | 175 | - |

[Note] Comprehensive income First 3 quarters of fiscal 2016: 269 million yen [(79.0%)]
 First 3 quarters of fiscal 2015: 1,208 million yen [163.4%]

| | Earnings per share | Diluted earnings per share |
|---------------------------------|--------------------|----------------------------|
| | yen | yen |
| First 3 quarters of fiscal 2016 | 7.42 | - |
| First 3 quarters of fiscal 2015 | 4.86 | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Ratio of equity to total assets |
|---------------------------------|--------------|-------------|---------------------------------|
| | million yen | million yen | % |
| First 3 quarters of fiscal 2016 | 57,417 | 40,996 | 69.1 |
| Fiscal 2015 | 61,322 | 41,963 | 64.4 |

[Reference] Equity First 3 quarters of fiscal 2016: 39,671 million yen Fiscal 2015: 39,478 million yen

2. Dividends

| | Annual dividend | | | | |
|------------------------|----------------------|-----------------------|----------------------|----------|-------|
| | End of first quarter | End of second quarter | End of third quarter | Year-end | Total |
| | yen | yen | yen | yen | yen |
| Fiscal 2015 | - | 15.00 | - | 16.00 | 31.00 |
| Fiscal 2016 | - | 15.50 | - | | |
| Fiscal 2016 [forecast] | | | | 15.50 | 31.00 |

[Note] Revision from most recently announced forecast for dividends: None

3. Forecast for Consolidated Results of Operations in Fiscal 2016

ZENRIN's fiscal 2016 is the period from April 1, 2015 to March 31, 2016.

[% figures represent the increase (decrease) compared to the previous fiscal year]

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | | Earnings per share |
|-------------|-------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------|
| | million yen | % | million yen | % | million yen | % | million yen | % | yen |
| Fiscal year | 55,500 | 6.1 | 2,500 | 4.6 | 2,800 | 1.8 | 1,500 | 2.4 | 41.28 |

[Note] Revision from most recently announced forecast for results of operations: None

ZENRIN disposed of treasury shares by third-party allotment in the first quarter and third quarter of fiscal 2016. In the forecast for consolidated results of operations, "Earnings per share" is calculated based on the number of shares issued and outstanding (excluding treasury shares) after factoring in the disposal of treasury shares.

ATTACHMENT

1. Qualitative Information on Quarterly Results

(1) Explanation of Business Performance

In the first 3 quarters of fiscal 2016 (from April 1, 2015 to December 31, 2015), the Japanese economy was generally on a moderate recovery trend with the improvement in the employment and income situation as well as in corporate earnings due to the effects of the government's and Bank of Japan's various policies, etc., despite economic slowdown in Asian countries including China.

In such an environment, the ZENRIN Group saw addition of the sales of a subsidiary that was newly included in the scope of consolidation, starting from the third quarter of fiscal 2015, and other factors lead to business performance in the first 3 quarters of fiscal 2016 of net sales of 36,975 million yen (increased 1,612 million yen, or up 4.6%, compared to the same period of the previous fiscal year), operating income of 304 million yen (increased 274 million yen, or up 912.9%, compared to the same period of the previous fiscal year), ordinary income of 665 million yen (increased of 333 million yen, or up 100.6%, compared to the same period of the previous fiscal year) and profit attributable to owners of parent of 269 million yen (increased 94 million yen, or up 53.7%, compared to the same period of the previous fiscal year).

Please note that past net sales of the ZENRIN Group have shown trends of large seasonal fluctuations and sales concentrating in the fourth quarter.

[Segment Results of Operations]

Map Database Segment

The Map Database segment, which is the ZENRIN Group's core business, saw an ongoing trend of decrease in the number of fee-paying subscribers to services for smartphones related to ICT. On the other hand, in addition to robust sales related to GIS utilizing residential map databases, projects commissioned by local governments, among other factors, led to increase in sales.

The above resulted in Map Database segment net sales of 30,385 million yen (increased 228 million yen, or up 0.8%, compared to the same period of the previous fiscal year) and segment income of 160 million yen (improvement of 355 million yen compared to the same period of the previous fiscal year).

General Printing Segment

The results of the General Printing segment were net sales of 2,726 million yen (decreased 77 million yen, or down 2.8%, compared to the same period of the previous fiscal year) and segment loss of 9 million yen (downturn of 31 million yen compared to the same period of the previous fiscal year).

Other

The results other than that of the Map Database segment and General Printing segment were net sales of 3,863 million yen (increased 1,462 million yen, or up 60.9%, compared to the same period of the previous fiscal year) and segment income of 84 million yen (decreased 2 million yen, or down 3.0%, compared to the same period of the previous fiscal year), which were due in part to the abovementioned impact of the subsidiary engaging in in-ship (enclosing in mail/packages) advertising, etc. that was newly included in the scope of consolidation, starting from the third quarter of fiscal 2015.

[Reportable Segment Information]**I. First 3 Quarters of Fiscal 2015 (from April 1, 2014 to December 31, 2014)****(a) Information on Reportable Segment Net Sales and Income or Loss Amount**

[Unit: million yen]

| | Reportable segments | | | Other [Note] | Total |
|-------------------------------------|----------------------------|--------------------------------|--------|-----------------|--------|
| | Map Database segment | General Printing segment | Total | | |
| Net sales | | | | | |
| Net sales to external customers | 30,156 | 2,804 | 32,961 | 2,401 | 35,362 |
| Intersegment net sales or transfers | 47 | 212 | 260 | 23 | 283 |
| Total | 30,204 | 3,016 | 33,221 | 2,424 | 35,646 |
| Segment income (loss) | (195) | 22 | (172) | 87 | (85) |

[Note] The "Other" item encompasses the selling of purchased products, direct mail delivery services and other business activities that are not attributable to reportable segments.

(b) Total Amount of Reportable Segment Income or Loss Amount and its Difference in Amount with Amount on Quarterly Consolidated Statement of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

| Income | Amount |
|--|--------|
| Total for reportable segments | (172) |
| Income of "Other" item | 87 |
| Eliminations of intersegment transactions | 115 |
| Operating income on quarterly consolidated statement of income | 30 |

(c) Information on Reportable Segment Impairment Loss on Non-Current Assets or Goodwill, Etc.***Significant Changes in Amount of Goodwill***

In "Other," with the acquisition of ZENRIN BIZNEXUS CO., LTD. (former SEPTENI DIRECT MAERKETING CO., LTD.) shares, the company is included in the scope of consolidation, starting from the third quarter of fiscal 2015. The amount of increase in goodwill arising from the concerned event was 1,097 million yen in the first 3 quarters of fiscal 2015.

II. First 3 Quarters of Fiscal 2016 (from April 1, 2015 to December 31, 2015)**(a) Information on Reportable Segment Net Sales and Income or Loss Amount**

[Unit: million yen]

| | Reportable segments | | | Other [Note] | Total |
|-------------------------------------|----------------------------|--------------------------------|--------|-----------------|--------|
| | Map Database segment | General Printing segment | Total | | |
| Net sales | | | | | |
| Net sales to external customers | 30,385 | 2,726 | 33,112 | 3,863 | 36,975 |
| Intersegment net sales or transfers | 59 | 254 | 313 | 41 | 355 |
| Total | 30,444 | 2,981 | 33,425 | 3,905 | 37,331 |
| Segment income (loss) | 160 | (9) | 151 | 84 | 235 |

[Note] The "Other" item encompasses the selling of purchased products, direct mail delivery services and other business activities that are not attributable to reportable segments.

(b) Total Amount of Reportable Segment Income or Loss Amount and its Difference in Amount with Amount on Quarterly Consolidated Statement of Income, and Principal Components of the Difference in Amount (Matters Concerning Reconciliation of Differences)

[Unit: million yen]

| Income | Amount |
|--|--------|
| Total for reportable segments | 151 |
| Income of "Other" item | 84 |
| Eliminations of intersegment transactions | 68 |
| Operating income on quarterly consolidated statement of income | 304 |

(c) Information on Reportable Segment Impairment Loss on Non-Current Assets or Goodwill, Etc.***Significant Changes in Amount of Goodwill***

Not applicable.

(2) Explanation of Financial Position

Total assets at the end of the third quarter of fiscal 2016 amounted to 57,417 million yen (decreased 3,905 million yen, or down 6.4%, compared to at the end of the previous fiscal year). This was attributable to decrease in trade notes and accounts receivable in the amount of 3,321 million yen, which was due to net sales in the third quarter of fiscal 2016 decreasing compared to the fourth quarter of fiscal 2015 owing to seasonal fluctuations, and decrease in cash and deposits in the amount of 1,533 million yen, which was due in part to payment of trade accounts payable despite increase in other under investments and other assets in the amount of 783 million yen, which was due in part to acquisition of shares in line with capital partnership. Other factors include an increase in software in the amount of 1,851 million yen while other of intangible assets decreased in the amount of 1,565 million yen, which was due mainly to partial operation of 4D geospatial information database production system.

Liabilities amounted to 16,420 million yen (decreased 2,939 million yen, or down 15.2%, compared to at the end of the previous fiscal year). This was attributable to decrease in trade accounts payable in the amount of 1,096 million yen, which was due to payment, decrease in short-term loans payable in the amount of 832 million yen, which was due to repayment, and decrease in income taxes payable in the amount of 428 million yen, which was due to tax payment.

Net assets amounted to 40,996 million yen (decreased 966 million yen, or down 2.3%, compared to at the end of the previous fiscal year). This was attributable to increase in capital surplus in the amount of 202 million yen, which was due to gain on disposal of treasury shares by third-party allotment in the amount of 374 million yen and deduction for additional purchase of consolidated subsidiary shares in the amount of 171 million yen, being offset by decrease in retained earnings in the amount of 871 million yen, which was due to profit attributable to owners of parent in the amount of 269 million yen but dividends of surplus in the amount of 1,141 million yen, decrease in treasury shares in the amount of 828 million yen, which was due in part to the third-party allotment, and decrease in non-controlling interests in the amount of 1,159 million yen, which was due in part to the additional purchase of consolidated subsidiary shares.

As a result, the ratio of equity to total assets at the end of the third quarter of fiscal 2016 was 69.1% (up 4.7 points compared to at the end of the previous fiscal year).

(3) Explanation of Forecast for Consolidated Results of Operations and Other Forward-Looking Statements

Given the many uncertainties over the environment surrounding the ZENRIN Group in and the fourth quarter, the forecast for consolidated results of operations in fiscal 2016 is left unchanged from that announced on May 8, 2015.

2. Matters Concerning Summary Information (Notes)

(1) Changes in Significant Subsidiaries in Consolidated Fiscal Year to Date

Not applicable.

The consolidated subsidiary DAIKEI DATA PROCESSING (SHENZHEN) CO., LTD. passed a resolution on dissolution at the meeting of the board of directors held on August 27, 2013 and is currently in liquidation proceedings.

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

Changes in Accounting Policies

Application of Accounting Standard for Business Combinations, Etc.

ZENRIN has applied the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan (ASBJ) Statement No. 21; issued on September 13, 2013), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22; issued on September 13, 2013), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7; issued on September 13, 2013), etc., starting from the first quarter of fiscal 2016. Accordingly, the method of recognition of the amount of difference arising from change in ZENRIN's equity in subsidiaries that remain under the control of ZENRIN was changed to recognition as capital surplus, and the method of recognition of acquisition-related expenses was changed to recognition as expenses in the fiscal year in which the expenses are incurred. In addition, concerning business combinations implemented at or after the beginning of the first quarter of fiscal 2016, the method of reflecting the adjustment of the allocated amount of the acquisition cost by the finalization of provisional accounting was changed to reflecting such on the quarterly consolidated financial statements of the fiscal quarter in which the date of business combination falls. Moreover, the presentation of net income, etc. was changed, and the presentation was changed from minority interests to non-controlling interests. To reflect the changes in presentation, the quarterly consolidated financial statements and consolidated financial statements of the first 3 quarters of fiscal 2015 and fiscal 2015 have been restated.

Application of the Accounting Standard for Business Combinations, etc. is in accordance with the transitional treatment provided in Paragraph 58-2 (4) of the Accounting Standard for Business Combinations, Paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and Paragraph 57-4 (4) of the Accounting Standard for Business Divestitures, based on which these are applied prospectively from the beginning of the first quarter of fiscal 2016.

As a result, capital surplus at the end of the third quarter of fiscal 2016 decreased by 171 million yen. The impact on income/profit (loss) in the first 3 quarters of fiscal 2016 is minimal.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

| | [Unit: million yen] | |
|---|----------------------|---------------------------------|
| | Fiscal 2015 | Third quarter of fiscal 2016 |
| | As of March 31, 2015 | As of Dec. 31, 2015 |
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,627 | 5,094 |
| Notes and accounts receivable – trade | 12,155 | 8,834 |
| Electronically recorded monetary claims – operating | 61 | 85 |
| Securities | 2 | – |
| Merchandise and finished goods | 1,011 | 906 |
| Work in process | 406 | 834 |
| Raw materials and supplies | 64 | 75 |
| Other | 2,828 | 2,719 |
| Allowance for doubtful accounts | (9) | (7) |
| Total current assets | 23,147 | 18,542 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Land | 6,745 | 6,745 |
| Other, net | 8,303 | 8,173 |
| Total property, plant and equipment | 15,048 | 14,918 |
| Intangible assets | | |
| Goodwill | 1,348 | 1,096 |
| Software | 8,963 | 10,815 |
| Other | 4,981 | 3,416 |
| Total intangible assets | 15,293 | 15,327 |
| Investments and other assets | | |
| Other | 7,947 | 8,731 |
| Allowance for doubtful accounts | (113) | (102) |
| Total investments and other assets | 7,833 | 8,628 |
| Total non-current assets | 38,175 | 38,875 |
| Total assets | 61,322 | 57,417 |

| | [Unit: million yen] | |
|---|----------------------|---------------------------------|
| | Fiscal 2015 | Third quarter of fiscal 2016 |
| | As of March 31, 2015 | As of Dec. 31, 2015 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable – trade | 2,514 | 1,418 |
| Short-term loans payable | 4,436 | 3,604 |
| Income taxes payable | 483 | 55 |
| Provision for directors' bonuses | 99 | 55 |
| Provision for sales returns | – | 4 |
| Other | 7,447 | 6,841 |
| Total current liabilities | 14,983 | 11,980 |
| Non-current liabilities | | |
| Long-term loans payable | 1,732 | 1,416 |
| Provision for directors' retirement benefits | 132 | 132 |
| Net defined benefit liability | 233 | 242 |
| Asset retirement obligations | 36 | 36 |
| Other | 2,241 | 2,611 |
| Total non-current liabilities | 4,376 | 4,439 |
| Total liabilities | 19,359 | 16,420 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 6,557 | 6,557 |
| Capital surplus | 13,111 | 13,314 |
| Retained earnings | 21,068 | 20,196 |
| Treasury shares | (2,842) | (2,013) |
| Total shareholders' equity | 37,894 | 38,055 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 478 | 624 |
| Foreign currency translation adjustment | 183 | 103 |
| Remeasurements of defined benefit plans | 921 | 889 |
| Total accumulated other comprehensive income | 1,583 | 1,616 |
| Non-controlling interests | 2,484 | 1,324 |
| Total net assets | 41,963 | 40,996 |
| Total liabilities and net assets | 61,322 | 57,417 |

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income**Quarterly Consolidated Statement of Income [Cumulative]**

| | [Unit: million yen] | |
|---|--|--|
| | First 3 quarters of fiscal 2015 From: April 1, 2014 To: Dec. 31, 2014 | First 3 quarters of fiscal 2016 From: April 1, 2015 To: Dec. 31, 2015 |
| Net sales | 35,362 | 36,975 |
| Cost of sales | 21,594 | 23,035 |
| Gross profit | 13,768 | 13,939 |
| Selling, general and administrative expenses | | |
| Personnel expenses | 7,409 | 7,687 |
| Provision for directors' bonuses | 59 | 56 |
| Retirement benefit expenses | 215 | 190 |
| Other | 6,053 | 5,701 |
| Total selling, general and administrative expenses | 13,738 | 13,635 |
| Operating income | 30 | 304 |
| Non-operating income | | |
| Interest income | 17 | 16 |
| Dividend income | 174 | 109 |
| Share of profit of entities accounted for using equity method | 4 | 100 |
| Other | 201 | 175 |
| Total non-operating income | 398 | 402 |
| Non-operating expenses | | |
| Interest expenses | 28 | 25 |
| Foreign exchange losses | 45 | — |
| Other | 22 | 15 |
| Total non-operating expenses | 96 | 40 |
| Ordinary income | 331 | 665 |
| Extraordinary income | | |
| Gain on sales of non-current assets | 405 | 0 |
| Gain on change in equity | — | 28 |
| Other | 0 | 9 |
| Total extraordinary income | 405 | 38 |
| Extraordinary losses | | |
| Loss on sales and retirement of non-current assets | 196 | 38 |
| Loss on valuation of investment securities | 10 | 10 |
| Impairment loss | 189 | — |
| Other | 57 | 0 |
| Total extraordinary losses | 453 | 49 |
| Income before income taxes and minority interests | 283 | 654 |
| Income taxes – current | 495 | 306 |
| Income taxes – deferred | (707) | 97 |
| Total income taxes | (211) | 404 |
| Profit | 495 | 250 |
| Profit attributable to non-controlling interests (loss) | 320 | (19) |
| Profit attributable to owners of parent | 175 | 269 |

Quarterly Consolidated Statement of Comprehensive Income [Cumulative]

| | [Unit: million yen] | |
|---|--|--|
| | First 3 quarters of fiscal 2015 From: April 1, 2014 To: Dec. 31, 2014 | First 3 quarters of fiscal 2016 From: April 1, 2015 To: Dec. 31, 2015 |
| Profit | 495 | 250 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 267 | 141 |
| Foreign currency translation adjustment | 69 | (57) |
| Remeasurements of defined benefit plans, net of tax | 405 | (31) |
| Share of other comprehensive income of entities accounted for using equity method | 42 | (32) |
| Total other comprehensive income | 784 | 18 |
| Comprehensive income | 1,280 | 269 |
| [Comprehensive income attributable to] | | |
| Comprehensive income attributable to owners of parent | 954 | 302 |
| Comprehensive income attributable to non-controlling interests | 326 | (33) |

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

Not applicable.

Notes in the Event of Material Change in the Amount of Shareholders' Equity

Not applicable.

4. Supplementary Information***Sales Turnover based on Business Composition under Medium- to Long-Term Business Plan ZGP2020***

| Business composition | First 3 quarters of fiscal 2015 | First 3 quarters of fiscal 2016 | Amount of increase (decrease) | Rate of increase (decrease) | Main items |
|----------------------|---------------------------------|---------------------------------|-------------------------------|-----------------------------|--|
| | million yen | million yen | million yen | % | |
| Publishing business | 5,339 | 5,444 | 105 | 2.0 | Printed residential maps, special-purpose maps, purchased products, and various media |
| GIS business | 7,447 | 8,394 | 946 | 12.7 | Residential map databases |
| ICT business | 8,971 | 7,968 | (1,002) | (11.2) | Services for smartphones, and map data provision for internet services |
| ITS business | 7,619 | 7,581 | (37) | (0.5) | Data for Japanese in-car navigation systems |
| Global business | 1,828 | 2,065 | 237 | 13.0 | Data for overseas in-car navigation systems, and various overseas content |
| Other business | 4,156 | 5,520 | 1,363 | 32.8 | General printing goods, direct mail delivery services, in-ship (enclosing in mail/packages) advertising, ...etc. |
| Total | 35,362 | 36,975 | 1,612 | 4.6 | |