

**Consolidated Financial Results (Japanese Accounting Standards)
for the Fiscal Year Ended March 31, 2018**

May 30, 2018
Listing: Tokyo Stock Exchange

Name of Listed Company: Broadmedia Corporation
Code: 4347 URL: <http://www.broadmedia.co.jp/>
Representative: (Title) President and Representative Director (Name) Taro Hashimoto
Contact: (Title) Director and General Manager of Corporate Management Division (Name) Hideaki Oshio (TEL) 03(6439)3983
Scheduled date of ordinary shareholders' meeting: June 29, 2018 Scheduled date of submission of financial report: June 29, 2018
Scheduled date of commencement of dividend payments: —
Supplementary documents for financial results: ☒ Yes
Financial results briefing: ☒ No

(Amounts of less than one million yen are omitted)

1. Consolidated business results for the fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(1) Consolidated business results

(Figures in percentages denote year-on-year changes)

	Revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 2018	10,800	3.7	86	121.6	79	—	(232)	—
Year ended March 2017	10,413	4.6	38	—	(14)	—	(426)	—

(Note) Comprehensive income: Fiscal 2017: (455) million yen (— %) Fiscal 2016: (359) million yen (— %)

	Net income per share	Net income per share (diluted)	Return on equity	Ordinary income/Total assets	Operating income/Revenue
	Yen	Yen	%	%	%
Year ended March 2018	(3.17)	—	(11.4)	1.1	0.8
Year ended March 2017	(6.22)	—	(21.5)	(0.2)	0.4

(Reference) Equity in earnings (losses) of associated companies: Fiscal 2017: 26 million yen Fiscal 2016: (26) million yen

(2) Financial position

	Total assets	Net assets	Capital ratio	Net assets per share
	Million yen	Million yen	%	Million yen
Year ended March 2018	6,540	2,884	36.6	30.73
Year ended March 2017	7,278	2,420	23.3	24.64

(Reference) Shareholder's equity: Fiscal 2017: 2,396 million yen Fiscal 2016: 1,692 million yen

(3) Consolidated cash flow position

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Year ended March 2018	(98)	(234)	(358)	1,616
Year ended March 2017	416	42	407	2,304

2. Dividends

	Dividends per share					Dividends total (annual)	Dividend payout ratio (consolidated)	Dividends/ Net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 2018	—	0.00	—	0.00	0.00	—	—	—
Year ended March 2017	—	0.00	—	0.00	0.00	—	—	—
March 2019 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Forecasts for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Figures in percentages denote year-on-year changes)

	Revenue		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	11,700	8.3	50	(41.9)	40	(49.4)	(80)	—	(1.09)

*Notes

(1) Important changes of subsidiaries during the period

(changes in specific subsidiaries accompanied by a change in the scope of consolidation):

No

Included: — (Name of company)

Excluded: — (Name of company)

(2) Changes in accounting policies and changes or restatement of accounting estimates

- (i) Changes in accounting policies due to revisions of accounting standards: No
- (ii) Changes in accounting policies other than (i): No
- (iii) Changes in accounting estimates: No
- (iv) Restatement: Yes

(3) Number of shares issued

- (i) Number of shares issued (including treasury shares):
- (ii) Number of treasury shares at the end of the period:
- (iii) Average number of shares issued during the period:

Fiscal 2017	79,147,323 shares	Fiscal 2016	69,861,611 shares
Fiscal 2017	1,157,427 shares	Fiscal 2016	1,157,332 shares
Fiscal 2017	73,458,912 shares	Fiscal 2016	68,545,375 shares

*Status of audit procedures

* Explanations about the proper use of financial forecasts and other important notes

- i) The forward-looking statements, including financial forecasts, discussed in this material, are based on information currently available to the Company and certain assumptions judged to be reasonable, and the Company can provide no assurance that its expectations will be achieved. Actual results may differ materially due to a range of factors.

ii) Having confirmed the existence of fictitious transactions suffered by Fishing Vision Co., Ltd., a consolidated subsidiary, the Company established an Internal Investigation Committee and proceeded with an investigation, as stated in the press release dated January 30, 2018 "Broadmedia Corporation Announced Damages from Fictitious Transactions Suffered by Consolidated Subsidiary and Postponement of Announcement of Financial Results for the First Three Quarters of the Fiscal Year Ending March 31, 2018" and the press release dated March 14, 2018 "Notice of Current Status Related to Damages from Fictitious Transactions Suffered by a Consolidated Subsidiary."

After that, the Company established an independent committee and completed its investigation as stated in the press release dated April 13, 2018 "Notice of Status of Investigations into Damage from Fictitious Transactions Suffered by Consolidated Subsidiary", and the press release dated May 23, 2018 "Notice of Receipt of Investigation Report from the Third-Party Committee and Date of Announcement of Financial Results for Fiscal Year Ended March 31, 2018".

The Company has now successfully identified all of the fictitious transactions suffered by Fishing Vision Co., Ltd. and, consequently, the figures contained in this summary of consolidated financial results, including the figures and year-on-year comparisons for the current third quarter and past years, reflect cancelations of all fictitious transactions.