

Aoyama Zaisan Networks

First Half Business Summary for Fiscal Year 2015 (25th period)

January 1 to June 30, 2015

Aoyama Zaisan Networks Provides the Most Comprehensive Asset Management Solutions

We at Aoyama Zaisan Networks Co., Ltd. have set the management objective of “contributing to the happiness of our customers through the management, administration, and succession of property” and, in accordance with the objective, we are offering one-stop and comprehensive property consulting primarily to individuals and business owners from the three perspectives of property succession, business succession, and property management.

Note also that on May 1, 2015, the shares of Aoyama Zaisan Networks were changed from the Mothers section of the Tokyo Stock Exchange to the Second Section of that exchange. This is entirely due to the support of our many stakeholders, in particular all of our shareholders and our customers, and we are extremely grateful.

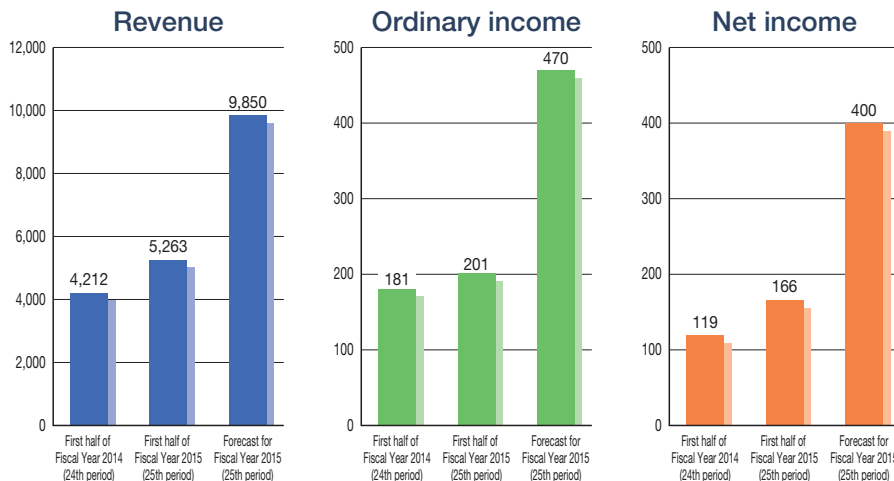
Now, in 2015, the inheritance tax has been raised, and the roadside land prices announced in July rose primarily in the major urban areas, but in regions where the population is continuing to decline, the situation is that the fall in land prices is not stopping. The yen is also continuing to depreciate. As a result, many people feel more concerns about inheritance, concerns that their land might cease to be “an asset”, concerns that the value of their yen assets might erode, etc. and so interest in inheritance strategies and protection of property has become higher than ever before. We believe that we can achieve smooth property and business succession and accurate property management by offering comprehensive property consulting consisting of “accurate analyses of the present state,” “a clear direction,” “specific planning and reliable execution” and “review on a regular basis” and everyone at our company is working together to provide a high-quality property consulting service.



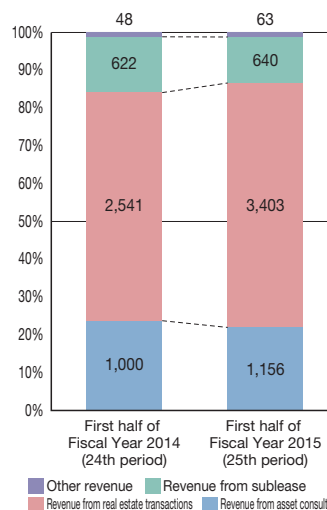
President
Masazumi Hasumi

Business Results for the First Half of Fiscal Year 2015

Highlights of Consolidated Business Results (unit: million yen, rounded down to the nearest million)



Revenue by Segments (unit: million yen, rounded down to the nearest million)



The above forecasts are based on the information available as of the preparation of this document, involving some uncertainty. Actual business results might prove different from these forecasts, depending on the changes in business conditions.

Operating Report

Regarding the Japanese economy in the first half of the fiscal year under review, a correction to the appreciation of the yen and rising stock prices have been seen and expectations of an economic recovery have been rising against the background of the simultaneous implementation of bold monetary policies, flexible fiscal policies, and a growth strategy to stimulate private sector investment. Looking at the real estate industry, which has a big impact on Aoyama Zaisan Networks Group, in the office building rental market within the 5 central wards of Tokyo, the improvement in the occupancy rate and trend toward higher average rents continued, and in the income property market, purchase demand has been rising.

Aoyama Zaisan Networks Group strongly believes that in order for people to be happy, it is necessary for them to enhance their financial, physical, and emotional well-being and achieve a balance among these three elements. In order to support the “financial” element, or in other words, the economic foundation part of people’s lives, and to contribute to making many people happy, the Group has been engaged in the consulting on the succession, management and administration of personal properties, business succession consulting for companies, and real estate solutions for the effective utilization, purchase, sale, etc. of real estate, which accounts for two-thirds of the property of citizens. In a turbulent economic

environment, in order to survive in an “era in which no promises can be made about the future” it is essential to forecast the future economic environment, ascertain the current state of the property, sort out the problem areas, and formulate and execute robust administration plans for management and succession of the property or optimal business succession plans.

Based on the Aoyama Zaisan Networks Group management principle of “We will remain your best partner over 100 years,” everyone in our group works together so that we can master specialized knowledge, develop our human capabilities, master the ability to act so that we can meet the expectations of our customers at all times, and become a group that satisfies its customers as an independent and comprehensive property consulting company.

In the first half of the fiscal year under review, operating revenue was 5,263 million yen (a 25.0% increase compared to the same quarter in the previous year), operating income was 188 million yen (a 30.9% increase compared to the same quarter in the previous year), ordinary income was 201 million yen (a 11.2% increase compared to the same quarter in the previous year), and net income was 166 million yen (a 38.8% increase compared to the same quarter in the previous year).

Consolidated Financial Data in the Second Quarter

Million yen, rounded down to the nearest million

Consolidated Balance Sheet

Item	Term	Fiscal Year 2014 Dec. 31, 2014	First half of Fiscal Year 2015 Jun. 30, 2015
Assets			
Current assets		4,180	3,714
Cash and deposits		3,069	3,201
Accounts receivable		200	200
Real estate held for sale		772	208
Other inventories		11	12
Others		158	118
Allowance for doubtful accounts		(32)	(27)
Fixed assets		1,750	1,881
Tangible fixed assets		77	83
Intangible fixed assets		355	330
Investments and other assets		1,317	1,467
Total assets		5,930	5,595

Item	Term	Fiscal Year 2014 Dec. 31, 2014	First half of Fiscal Year 2015 Jun. 30, 2015
Liabilities			
Current liabilities		1,804	1,096
Fix liabilities		1,679	1,865
Total liabilities		3,483	2,962
Net assets			
Shareholders' equity		2,326	2,383
Common stock		1,030	1,035
Capital surplus		736	742
Retained earnings		559	605
Valuation difference on available-for-sale securities		99	226
Unrealized gain on securities		103	228
Foreign currency translation adjustment		(3)	(1)
Subscription rights to shares		20	22
Total net assets		2,447	2,632
Total liabilities and net assets		5,930	5,595

Consolidated Financial Data in the Second Quarter

Million yen, rounded down to the nearest million

Consolidated Income Statements

Item	Term	First half of Fiscal Year 2014 from Jan. 1, 2014 to Jun. 30, 2014	First half of Fiscal Year 2015 from Jan. 1, 2015 to Jun. 30, 2015
Revenue		4,212	5,263
Operating cost		3,397	4,327
Gross operating income		815	936
SG & A		670	748
Operating income		144	188
Non-operating revenue		61	33
Non-operating expenses		24	20
Ordinary income		181	201
Extraordinary income		10	0
Extraordinary loss		1	-
Net income before income taxes and minority interests before loss distribution to anonymous association		191	201
Loss distribution to anonymous association		28	-
Net income before income taxes and minority interests		162	201
Total income taxes		42	35
Income before minority interests		119	166
Net income		119	166

Consolidated Cash Flows

Item	Term	First half of Fiscal Year 2014 from Jan. 1, 2014 to Jun. 30, 2014	First half of Fiscal Year 2015 from Jan. 1, 2015 to Jun. 30, 2015
Cash flow from operating activities		195	642
Cash flow from investing activities		85	(19)
Cash flow from financing activities		58	(504)
Change in cash and cash equivalents		338	118
Cash and cash equivalents at start of year		2,577	3,069
Increase in cash and cash equivalents resulting from change of scope of consolidation		-	13
Cash and cash equivalents at end of the year		2,915	3,201

TOPICS

TOPIC 1

Change of market to the Second Section of the Tokyo Stock Exchange

Based on the fact that a listed company for which ten years has passed since the first listing on the Mothers section of the Tokyo Stock Exchange can choose its listing market (the choice of listing market based on the Securities Listing Regulations, Rule 316), Aoyama Zaisan Networks changed its listing market to the Second Section of the Tokyo Stock Exchange as of May 1, 2015.

TOPIC 2

Acquisition of a permit based on the Real Estate Specified Joint Enterprise Act

Aoyama Zaisan Networks acquired a permit for the “acts carried out in the course of business listed in the Real Estate Specified Joint Enterprise Act, Article 2, Paragraph 4, Item 1, Item 2, Item 3 and Item 4” from the Commissioner of the Financial Services Agency and the Minister of Land, Infrastructure, Transport and Tourism on June 23, 2015. Due to this, the Group intends to utilize the new schemes of a real estate specified joint enterprise to work on a real estate regeneration business, including rebuilding and refurbishing decrepit real estate and structures with poor earthquake protection, and to develop a business that will contribute to the creation of regions together with ADVANTAGE CLUB.

T O P I C 3

“ADVANTAGE CLUB” Formation

In the first half of fiscal year, Aoyama Zaisan Networks opened three new locations of the real estate joint ownership scheme called ADVANTAGE CLUB, which we have been operating as part of our property consulting business in order to meet the asset management needs of our customers.

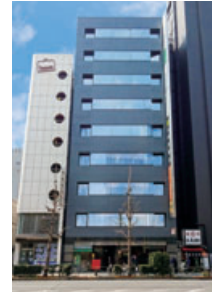
February 2015: ADVANTAGE CLUB Minato-ku Mita

March 2015: ADVANTAGE CLUB Kanda Chuo-dori

June 2015: ADVANTAGE CLUB Minami Aoyama



Minato-ku Mita



Kanda Chuo-dori





Minami Aoyama

T O P I C 4

Shareholder Special Benefit Plan

Aoyama Zaisan Networks has established a Shareholder Special Benefit Plan for the purposes of expressing our gratitude to all of our shareholders for their daily support, and to encourage an increase in the number of shareholders that hold shares of Aoyama Zaisan Networks in the medium to long term by increasing the attractiveness of investing in the shares of Aoyama Zaisan Networks.

In the current fiscal year, just like last year, we will give all of our shareholders benefits that they will appreciate.

<p>Shareholders who hold 1,000 shares or more</p>	<p>Select 1 from 10 products worth 3,000 yen</p> 
<p>Shareholders who hold 10,000 shares or more continuously for over 1 year</p>	<p>A meal certificate from UKAI CO., LTD. (20,000 yen) or Ukai special select beef (worth 20,000 yen)</p> 

Stock Information / Corporate Data

Stock Overview

(as of June 30, 2015)

Number of shares in issue	11,732,100
Number of shareholders	5,001

Major Shareholders (Top 10)

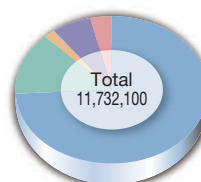
Name	Shares held	Shareholding ratio
MID Investment Co., Ltd.	1,100,300	9.38
Masazumi Hasumi	758,600	6.47
Yasuo Takano	621,700	5.30
kabu.com Securities Co., Ltd.	399,600	3.41
Hiroko Iwase	269,000	2.29
Mutsumi Shimada	161,400	1.38
Eiichiro Iwase	153,600	1.31
Nihon M&A Center Inc.	150,000	1.28
Tomio Sugimura	133,300	1.14
Trust & Custody Services Bank, Ltd. (trust account)	123,000	1.05

Number of Shareholders by Category



- Individuals and others/4,880 (97.58%)
- Other companies/71 (1.42%)
- Overseas companies and others/22 (0.44%)
- Securities firms/21 (0.42%)
- Financial institutions/7 (0.14%)

Number of shares held by Category



- Individuals and others/8,726,971 (74.39%)
- Other companies/1,581,900 (13.48%)
- Overseas companies and others/233,100 (1.99%)
- Securities firms/788,329 (6.72%)
- Financial institutions/401,800 (3.42%)

Corporate Data

(as of June 30, 2015)

Name of Company	Aoyama Zaisan Networks Company, Limited
Head Office	3F Aoyama Tower Place, 8-4-14 Akasaka, Minato-ku, Tokyo 107-0052 Tel. +81-6439-5800
Incorporated	September 17, 1991
Capital stock	1,035.92 million yen
Business line	Individual property consulting, business succession consulting and real estate solutions consulting
Number of employees (Group)	139 (as of June 30, 2015)
Consolidated subsidiaries	8 companies including Nihon Shisan Soken Co., Ltd., Aoyama Estate Co., Ltd. and Project Holdings Co., Ltd.

Executives

(from March 27, 2015)

President
 Director, Managing Executive Officer
 Director, Executive Officer
 Director, Executive Officer
 Director, Executive Officer
 Director
 Outside Director
 Outside Director
 Outside Director
 Standing Auditor
 Outside Auditor
 Outside Auditor

Masazumi Hasumi
 Masayuki Yagi
 Takeshi Matsuura
 Yoshikazu Mizushima
 Seido Nakatani
 Yasuo Takano
 Haruo Shimada
 Keiji Watanabe
 Michihiro Nagasaka
 Yoichiro Shimada
 Keizo Sugita
 Hiroaki Rokugawa

Notes for Shareholder

Fiscal year

Base date for the determination of shareholders with year-end dividend entitlements

Base date for the determination of shareholders with interim dividend entitlements

General meeting of shareholders

Administrator of the shareholder registry/Account management institution for special account

Contact

Account management institution for special accounts
 Contact

Stock exchange listings
 Public announcements

(For reference)

- Due to the dematerialization share certificates, shareholders' address changes, repurchase requests, and such other procedures, as a rule, are filled with the account-administrating institutions where shareholders have their accounts (securities companies, etc.). Shareholders are requested to contact their account holding securities companies, etc., for information. Shareholders are reminded that application filings cannot be made with the administrator of shareholder registry (Mitsubishi UFJ Trust and Banking Corporation).
- For information on procedures concerning shares recorded in special accounts, shareholders are requested to contact The Sumitomo Mitsui Trust Bank, Limited, the account administration institution for special accounts. Shareholders are reminded that procedures cannot be processed by Mitsubishi UFJ Trust and Banking Corporation, which serves as the administrator of the shareholder registry.
- Dividends hitherto uncollected by shareholders are paid by Mitsubishi UFJ Trust and Banking Corporation, Head Office Branch.

January 1 to December 31

December 31

June 30

in March

Mitsubishi UFJ Trust and Banking Corporation

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Department
 7-10-11, Higashisuna, Koto-ku, Tokyo, 137-8081
 Tel. 0120-232-7111 (toll-free, Japan only)

Sumitomo Mitsui Trust Bank, Limited

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Department
 2-8-4, Izumi, Suginami-ku, Tokyo 168-8507
 Tel. 0120-782-031 (toll free, Japan only)

TSE Second Section

To be announced on the Company's website

Nationwide Network (34 bases as of June 30, 2015)

Chugoku, Shikoku

- ▶ Midori Zaisan Consultants Co., Ltd.
- ▶ Zaisan Consultants Tokushima Co., Ltd.
- ▶ Aoyama Zaisan Networks Shimane Support

Kyushu, Okinawa

- ▶ Zaisan Networks Fukuoka Co., Ltd.
- ▶ Zaisan Networks Nagasaki Co., Ltd.
- ▶ Zaisan Networks Okinawa Co., Ltd.
- ▶ Aoyama Zaisan Networks Saga Support
- ▶ Aoyama Zaisan Networks Miyazaki Support

Kinki

- ▶ Zaisan Networks Kyoto Co., Ltd.
- ▶ Zaisan Networks Osaka Co., Ltd.
- ▶ Zaisan Networks Hyogo Co., Ltd.
- ▶ Seki Soken Zaisan Partners Co., Ltd
- ▶ Aoyama Zaisan Networks Kyoto Nijo Support
- ▶ Aoyama Zaisan Networks Mie Support
- ▶ Aoyama Zaisan Networks Wakayama Support

Hokkaido, Tohoku

- ▶ Zaisan Networks Sendai Co., Ltd.
- ▶ Zaisan Networks Fukushima Co., Ltd.
- ▶ Aoyama Zaisan Networks Hokkaido Support
- ▶ Aoyama Zaisan Networks Aomori Support
- ▶ Aoyama Zaisan Networks Yamagata Support

Kanto, Koshinetsu

- ▶ Aoyama Zaisan Networks Saitama Co., Ltd.
- ▶ Zaisan Networks Tochigi Co., Ltd.
- ▶ Zaisan Networks Motegi Co., Ltd.
- ▶ Nihon Shisan Soken Works Co., Ltd.
- ▶ Zaisan Networks Kawasaki Co., Ltd.
- ▶ Zaisan Networks Nagano Co., Ltd.
- ▶ Aoyama Zaisan Networks Ibaraki Support
- ▶ Aoyama Zaisan Networks Kanto Chuo Support
- ▶ Aoyama Zaisan Networks Denenchofu Support
- ▶ Aoyama Zaisan Networks Yokohama Support

Tokai, Hokuriku

- ▶ Zaisan Networks Shizuoka Co., Ltd.
- ▶ Zaisan Consultants Kanazawa Co., Ltd.
- ▶ Zaisan Networks Meinan Co., Ltd.
- ▶ Aoyama Zaisan Networks Fukui Support

■ Aoyama Zaisan Networks Company, Limited

