

**Consolidated Financial Results
for the Fiscal Year Ended December 31, 2016
[Japanese GAAP]**



February 14, 2017

Company name: LEGS COMPANY, LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4286
 URL: <http://www.legs.co.jp/>
 Representative: Junichiro Uchikawa, President & CEO
 Contact: Kazuyuki Hiraga, Senior Managing Director, Chief of Corporate Planning Office
 Phone: +81-3-3408-3090
 Scheduled date of Annual General Meeting of Shareholders: March 29, 2017
 Scheduled date of commencing dividend payments: March 30, 2017
 Scheduled date of filing annual securities report: March 30, 2017
 Availability of supplementary briefing material on annual financial results: Not available
 Schedule of annual financial results briefing session: Scheduled (for institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2016 (January 1, 2016 to December 31, 2016)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2016	12,748	12.5	862	8.0	874	5.1	530	(2.7)
December 31, 2015	11,336	(1.0)	798	27.9	832	24.9	545	48.1

(Note) Comprehensive income: Fiscal year ended December 31, 2016: ¥518 million [4.2%]

Fiscal year ended December 31, 2015: ¥497 million [17.9%]

	Net income per share	Diluted earnings per share	Return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2016	50.61	49.61	11.9	13.8	6.8
December 31, 2015	51.79	50.50	13.1	14.0	7.0

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2016: ¥- million
 Fiscal year ended December 31, 2015: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2016	6,427	4,649	71.5	440.22
As of December 31, 2015	6,275	4,398	69.3	412.14

(Reference) Equity: As of December 31, 2016: ¥4,592 million

As of December 31, 2015: ¥4,348 million

(3) Consolidated Cash Flows

	Net cash from operating activities	Net cash from investing activities	Net cash from financing activities	Cash and cash equivalents at the end of the period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
December 31, 2016	(73)	(102)	(293)	1,929
December 31, 2015	929	(339)	(105)	2,361

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
December 31, 2015	-	4.00	-	17.00	21.00	221	40.6	5.3
December 31, 2016	-	0.00	-	18.00	18.00	189	35.6	4.2
Fiscal year ending December 31, 2017 (Forecast)	-	0.00	-	19.00	19.00		31.0	

(Note) Total dividends for the fiscal year ended December 31, 2016, include the dividends of 1 million yen for the Japanese Employee Stock Ownership Plan (J-ESOP).

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2017 (January 1, 2017 to December 31, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
First half	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,800	(0.7)	250	(36.7)	250	(37.2)	172	(30.7)	16.49
	13,300	4.3	925	7.3	925	5.8	639	20.4	61.25

***Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes
Newly included: -
Excluded: 1 (Name of company) LEGS Singapore Pte. Ltd.
Please refer to “2. Status of the Corporate Group” on page 4 for details.

- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: NoPlease refer to “5. Consolidated Financial Statements (5) Notes to the Consolidated Financial Statements” on page 13 of the attached materials of this document for details.

- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
December 31, 2016: 10,840,000 shares
December 31, 2015: 10,840,000 shares
 - 2) Total number of treasury shares at the end of the period:
December 31, 2016: 406,800 shares
December 31, 2015: 288,000 shares
 - 3) Average number of shares during the period:
Fiscal year ended December 31, 2016: 10,488,936 shares
Fiscal year ended December 31, 2015: 10,533,982 shares(Note) With the introduction of the Japanese Employee Stock Ownership Plan (J-ESOP), 100,000 shares of the Company's stock held by the Trust Account are included in the number of treasury shares at the end of the fiscal year ended December 31, 2016, and the 100,000 shares are included in the treasury shares deducted in the calculation of the average number of shares during the fiscal year ended December 31, 2016.

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2016 (January 1, 2016 to December 31, 2016)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
December 31, 2016	12,477	14.4	881	2.9	883	(0.5)	495	59.8
December 31, 2015	10,910	(0.6)	856	12.3	887	(41.7)	310	(74.8)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Fiscal year ended				
December 31, 2016	47.27		46.34	
December 31, 2015	29.46		28.73	

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2016	6,105	4,454	72.0	421.58
As of December 31, 2015	6,000	4,202	69.2	393.52

(Reference) Equity: As of December 31, 2016: ¥4,398 million

As of December 31, 2015: ¥4,152 million

*Presentation regarding the implementation status of the audit process

These financial results are outside the scope of audit procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these financial results, audit procedures for the financial statements are ongoing.

*Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information available as of this moment and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “1. Analysis concerning operating results and financial position (1) Analysis concerning operating results” on page 2 of the attached material for assumptions for financial results forecast and notes to the use of financial results forecast.