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[Filed with]	Director, Fukuoka Local Finance Bureau
[Filing Date]	February 14, 2018
[Fiscal Year]	Third quarter of FY 2018 (from October 1, 2017 to December 31, 2017)
[Company Name]	Kabushiki Kaisha OPTiM
[Company Name in English]	OPTiM Corporation
[Title and Name of Representative]	Shunji Sugaya, President & CEO
[Address of Head Office]	OPTiM Headquarters Building 1 Honjo-machi, Saga, 840-8502, Japan
[Phone Number]	+81-952-41-4277
[Contact]	No contact person is assigned because there is no dedicated administrative department.
[Adjacent Contact Address]	Shiodome Building 21F 1-2-20 Kaigan, Minato-ku, Tokyo, 105-0022 Japan
[Phone Number]	+81-3-6435-8570
[Contact]	Akihiro Hayashi, Director
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

This is an English translation of the Quarterly Report filed with the Director of Fukuoka Local Financial Bureau via Electronic Disclosure for Investors' NETwork ("EDINET") pursuant to the Financial Instruments and Exchange Act of Japan. This English translation is for reference purposes only. The original Japanese version will prevail as the official authoritative version.

Part I Information on the Company

I. Overview of the Company

1. Key Financial Data

Business Term	FY 2017 Third Quarter (cumulative)	FY 2018 Second Quarter (cumulative)	FY 2017
Fiscal period	From April 1, 2016 to December 31, 2016	From April 1, 2017 to December 31, 2017	From April 1, 2016 to March 31, 2017
Net Sales (in thousand yen)	2,311,531	2,811,284	3,314,636
Ordinary Income (in thousand yen)	454,321	238,611	682,219
Net income attributable to the company (in thousand yen)	236,131	119,781	397,602
Investment return when applying equity method (in thousand yen)	--	--	--
Capital stock (in thousand yen)	417,632	418,671	417,664
Total number of issued shares (shares)	6,663,500	13,344,416	6,663,668
Net assets (in thousand yen)	2,255,726	2,539,058	2,417,260
Total assets (in thousand yen)	2,940,621	3,239,123	3,331,024
Earnings per Share (yen)	17.82	8.98	29.96
Diluted Earnings per Share (yen)	17.05	8.64	28.70
Dividend per Share (yen)	--	--	--
Equity Ratio (%)	76.7	78.4	72.6

Business Term	FY 2017 Q3	FY 2018 Q3
Fiscal period	From October 1, 2016 to December 30, 2016	From October 1, 2017 to December 30, 2017
Earnings per Share (yen)	4.52	-2.31

(Notes) 1. Key financial data relating to consolidated fiscal year is not included, because the company does not release quarterly consolidated financial statements.

2. Net sales do not include consumption tax, etc.

3. Investment return when applying equity method is not included because there are no affiliated companies.

4. Dividend per Share is not included because no distribution of dividend has been made.

5. On April 1, 2017, the number of shares of the company was doubled. So the basic earnings per share and the diluted earnings per share are calculated assuming that the split occurred in the beginning of the previous fiscal year.

2. Business Description

There were no significant changes in principal businesses of the company nor affiliated companies during this third quarter. The following are significant changes related to companies affiliated with OPTiM. As the company focuses on a single segment for license sales and maintenance support service, segmentation was omitted from this explanation.

During this quarter, the company acquired all shares of Telepathy Global Co., Ltd., and as such Telepathy Global became a subsidiary of OPTiM. At this time, this move is considered to have little significance to OPTiM operations,

so Telepathy Global is considered an unconsolidated subsidiary.

II. Business Overview

1. Risk Factors

There were no significant changes in this quarter for the risk factors stated in the Annual Securities Report from the previous business year.

2. Significant Agreements, etc.

No significant agreements were decided or entered during this quarter.

3. Analysis of Financial Condition, Operating Results and Cash Flow

The items regarding future stated here are based on the company's judgment as of the end of this quarter.

(1) Business Results

The Japanese economy saw continued steady improvement in employment and earnings due to the Japanese government's economic policies. However, there are still concerns about the fragility of this recovery and the effect of overseas market uncertainties and financial capital market fluctuations. In such a market environment, the company has prioritized becoming a leader in the Fourth Industrial Revolution. In the coming year, the company is aggressively developing new business and investing in R&D in the AI/IoT/robot fields.

With bold investments, existing services continue to see strong growth. The company's IoT platform service, Optimal Biz, was found to have the largest market share in the Japanese EMM market in FY 2016. This statistic was reported in research reports by IDC Japan, Inc., Fuji Chimera Research Institute Co., Ltd., and MIC Research Institute, Ltd. Optimal Biz was recently upgraded to support Android Enterprise and Android 8.0 Oreo, as well as strengthened management functions for all Android devices. These upgrades enable more advanced security settings on Android devices.

In the field of AI, IoT, and robotics, the company has started development of six services to cater to issues of specific industries, with each solution being based on the AI/IoT platform Cloud IoT OS. AI Predictive Maintenance Service predicts equipment breakdown in factories and power plants. Smart Field is a service that integrates worker support and management into a company's field operations. Automated AI camera surveillance service AI Physical Security Service has already been introduced and tested in railway companies to improve safety. In addition, customer analysis service Smart Retail Management, AI Voice Analytics Service, and AI Call Center Service are under development.

The company also announced its Smart Agriculture Solution, a collection of various services that utilize AI, IoT, and big data. This solution includes field information management service, Agri Field Manager, greenhouse information management service, Agri House Manager, robotics services OPTiM Hawk, OPTiM Agri Drone, and OPTiM Crawler, farm work recording for GAP standards service Agri Assistant, brand for produce cultivated with OPTiM technology Smart Yasai, and block chain-powered traceability platform Agri Block Chain.

The company also reported success in its experiments of cultivating soybeans using its AI/IoT/drone-powered pinpoint agricultural chemical application technology, the first of its kind in the world. Residual agricultural chemical levels were also measured, and the chemicals were found to be at undetectable levels. In these experiments, agricultural chemical use was reduced to just 10% of normal use, and the operation costs were reduced as well. Based on the success of the experiment, the company announced its Smart Agriculture Alliance, which has the goal of creating "fun, cool, and profitable agriculture." The participants of Smart Agriculture Alliance will work with OPTiM for one of three kinds of projects: Smart Agri Food Projects, Smart Device Projects, and Other Projects. The Smart Agri Food Projects for producers, distributors, and sellers of produce cultivated with reduced pesticide use through OPTiM's technology, giving the produce added value. The technology is provided by the company free of charge. In addition, OPTiM will purchase crops of participants who raise soybeans or rice.

LANDLOG Ltd. was established as a joint venture between OPTiM, Komatsu Ltd., NTT Docomo Inc., and SAP Japan. This company is developing the open platform LANDLOG to revolutionize the construction industry.

In December, the company entered the Finance x IT Comprehensive Alliance with Saga Bank, Ltd., to utilize AI, IoT, and block chain technology in finance.

The number of licenses for currently existing remote management services is growing. In the medical field, the introduction of "Remote Medical Consultation Pocket Doctor" has continued to be sold to medical institutions. Furthermore, the number of licenses for companies using remote work support services Remote Action and Optimal Second Sight is increasing. One example of a new license sale is for TOKAI Communications Corporation, which started using Optimal Second Sight for providing support to employees in October. This service allows off-site workers to show their work environment through smart device cameras to operators in real-time, so the employees can give more complete support to not only personal computers and smart phones, but home appliances as well.

The company's Unlimited Tablet and Unlimited Smartphone services are continuing to sell in both regular sales and as the corporate service "Tabuho Spot." In addition, contracts for the service to be used for corporate marketing is increasing; one such collaboration was with Nestlé Japan in December.

In November, Telepathy Global Co., Ltd., became a subsidiary of OPTiM. Telepathy Global is a developer of hardware such as smart glasses and IoT sensors. It operates in Japan, the US, and Europe. As a result of this, the company will incorporate Telepathy Global's hardware development and global marketing capabilities into its AI, IoT, and robotics efforts.

As a result of all these successes, OPTiM's sales in the third quarter were 2,811,284,000 yen, an increase of 21.6% from the first quarter of the previous year. Also, the operating income was 240,672,000 yen, a 47.5% decrease, ordinary income was 238,611,000 yen, a 47.5% decrease, and quarterly net income was 119,781,000 yen, a 49.3% increase.

Finally, as OPTiM focuses on a single segment for license sales and maintenance support service, segmentation was omitted from this explanation, however, service classifications will follow.

① IoT Platform Services

The number of Optimal Biz licenses has been growing steadily, and the service has achieved the top market share in various market research reports. The company has actively invested in OPTiM Cloud IoT OS, an OS optimized for the IoT era. It has announced six services to meet the needs of various industries, including breakdown prediction, AI-powered call center solution, and dangerous situation detection.

In agriculture, the company will continue with partnerships from the Smart Agriculture Alliance, building on the success of its pinpoint agricultural chemical application technology.

② Remote Management Services

The sales of licenses for current services is growing steadily, and the company is working on promoting new services. The company has been able to readily increase the number of medical institutions participating in its Remote Medical Consultation Pocket Doctor. Remote work support services Remote Action and Optimal Second Sight have also had steadily increasing license sales.

③ Support Services

As the PC market is shrinking, OPTiM's sales figures in this area are decreasing. However, in the newly-developed MVNO market, automation and support efficiency is in demand, and the company will continue to expand its services in this area.

④ Other Services

The growth of business with Unlimited Software and Unlimited Biz Software (corporate-use version of Unlimited Software) has been occurring alongside the increasing focus on businesspeople by major fixed-line communication service carriers. The company's Unlimited Tablet and Unlimited Smartphone services are continuing to sell in both regular sales and as the corporate service "Tabuho Spot." In addition, contracts for the service to be used for corporate marketing is increasing; one such collaboration was with Nestlé Japan in December.

(2) Analysis of Financial Position

(Current Assets)

The total for current assets at the end of third quarter of this fiscal year is 2,166,456,000 yen, a decrease of 548,949,000 yen from the end of the previous fiscal year. This is mainly a result from decreases in two values, cash and deposits figures were down 448,756,000 yen, and notes and accounts receivable (trade) decreased by 100,722,000 yen.

(Non-current assets)

The total for current assets at the end of this year's third quarter is 1,072,666,000 yen, an increase of 457,048,000 yen from the end of the previous fiscal year. This is mainly due to a 133,396,000 yen increase of cash and deposits, a 132,394,000 yen increase of deferred tax assets (fixed assets), and a 88,422,000 yen increase of accounts receivable.

(Liabilities)

At the end of the third quarter of this fiscal year, the total liabilities totaled 700,065,000 yen, a 213,697,000 yen decrease from the total at the end of the previous fiscal year. This is mainly a result from a decrease in the values of income tax payable by 248,714,000 yen.

(Net Assets)

The total net assets at the end of this fiscal year's third quarter is 2,539,058,000 yen, an increase of 121,797,000 yen from the end of the previous fiscal year. This is due to an increase of 119,781,000 yen in retained earnings from quarterly profits.

(3) Management Policies and Strategies

There were no significant changes in management policies and strategies this quarter.

(4) Significant Industry or Financial Issues

There were no significant changes in industry or financial issues during this quarter.

(5) Research and Development

There was no significant change in research and development activities during this quarter.

III. Information on the Company

1. Information on the Company's stock, etc.

(1) Total number of shares, etc.

① Total number of shares

Class	Authorized Total Number of Shares to be Issued
Common stock	48,928,000
Total	48,928,000

② Issued shares

Class	Number of shares issued as of the end of the current quarter (December 31, 2017)	Number of shares issued as of the filing date (February 14, 2018)	Listed stock exchange	Descriptions
Common stock	13,344,416	13,439,720	Tokyo Stock Exchange (First section)	The number of shares per one unit of shares is 100 shares. The shares are with full voting rights and the company's standard shares that have no limitation of rights.
Total	13,344,416	13,439,720	—	—

(Note) The "Number of shares issued as of the filing date" column does not include the number of shares issued by use of stock acquisition rights from February 1, 2018 to the date of submission of this report.

(2) Information on the stock acquisition rights, etc.

Not applicable.

(3) Information on moving strike convertible bonds, etc.

Not applicable.

(4) Information on shareholders rights plans

Not applicable.

(5) Changes in the total number of issued shares and the amount of common stock and other stock

Date	Change in the total number of issued shares	Balance of the total number of issued shares	Change in capital stock (in 1000 yen)	Balance of capital stock (in 1000 yen)	Change in capital reserve (in 1000 yen)	Balance of capital reserve (in 1000 yen)
From October 1, 2017 to December 31, 2017	14,400	13,344,416	813	418,671	813	383,171

(Notes) 1. Increase due to exercise of stock acquisition rights.

2. During the period from January 1, 2018 to January 31, 2018, the total number of issued shares increased by 95,304, and the value of common stock and legal capital surplus increased by 5,420,000 yen due to the exercise of stock acquisition rights.

(6) Major shareholders

There are no changes of note.

(7) Information on voting rights

The information on voting rights could not be confirmed during this quarter, so the records from the previous quarter are below.

① Issued shares

As of December 31, 2017

Classification	Number of shares (shares)	Number of voting rights	Descriptions
Shares without voting right	—	—	—
Shares with restricted voting right (treasury shares, etc.)	—	—	—
Shares with restricted voting right (treasury shares, others)	—	—	—
Shares with full voting right (treasury shares, etc.)	Common stock 100	—	—
Shares with full voting right (others)	Common stock 13,325,600	133,256	—
Shares less than one unit	Common stock 4,316	—	Shares less than one unit (100 shares)
Total number of issued shares	13,330,016	—	—
Total number of voting rights	—	133,256	—

② Treasury stock, etc.

As of December 31, 2017

Name of shareholder	Shareholder address	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total shares held (shares)	Ownership percentage to the total number of issued shares (%)
OPTIM Corporation	OPTIM Headquarters Building 1 Honjo-machi, Saga, 840-8502, Japan	100	—	100	0.00
Total	—	100	—	100	0.00

2. Changes in Senior Management

None to report.

IV. Financial Information

1. Preparation Methods of Quarterly Financial Statements

The company's Quarterly Financial Statements is created based on "Rules for terminology, forms and preparation method of Quarterly Financial Statements, etc." (Cabinet Office Ordinance No.63, 2007)

2. Audit Certificate

The company received a review of Quarterly Financial Statements for the financial term of the third quarter (October 1, 2017 to December 31, 2017) and the cumulative term of the third quarter (April 1, 2017 to December 31, 2017) by Deloitte Touche Tohmatsu LLC pursuant to the provisions of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act.

3. Quarterly Financial Statements

The company examines the assets, sales, profit and loss, retained earnings and cash flows of subsidiaries in accordance with Article 5, Paragraph 2 of the "Regulations on Terms, Forms and Preparation Methods of the Quarterly Consolidated Financial Statements" (Cabinet Office Ordinance No. 64, 2007). The company has not prepared financial statements for the subsidiary as its financial results have been judged to have insignificant effect on the financial condition, business performance and cash flow situation of the company.

1. Quarterly financial statements

(1) Balance sheet

(in thousand yen)

	FY 2017 (March 31, 2017)	FY 2018 Q3 Cumulative (December 31, 2017)
Assets		
Current Assets		
Cash and deposits	2,038,659	1,589,903
Notes and accounts receivable - trade	582,144	481,422
Work in process	814	11,999
Other	93,786	83,131
Total current assets	2,715,405	2,166,456
Non-current assets		
Tangible fixed assets	131,847	265,243
Intangible assets	62,752	63,017
Investments and other assets		
Deferred tax assets	197,906	330,301
Other assets	223,112	414,104
Total non-current assets	421,018	744,405
Total assets	615,618	1,072,666
Liabilities	3,331,024	3,239,123
Current liabilities		
Notes and accounts payable-trade		
Income taxes payable	183,250	221,976
Provision for bonuses	294,798	46,083
Provision for directors' bonuses	72,000	52,684
Other	39,900	15,675
Total current liabilities	291,218	330,998
Non-current liabilities	881,167	667,418
Asset retirement obligation		
Total non-current liabilities	32,595	32,646
Total liabilities	32,595	32,646
Net assets	913,763	700,065
Shareholders' equity		
Capital stock		
Capital surplus	417,664	4188,671
Retained earnings	701,795	702,803
Treasury shares	1,298,015	1,417,797
Total shareholders' equity	-213	-213
Total net assets	2,417,260	2,539,058
Total liabilities and net assets	2,417,260	2,539,058

(2) Statement of Income
(Third quarter, Fiscal year 2018)

(in thousand yen)

	FY 2017 Q3 (April 1, 2016 to December 31, 2016)	FY 2018 Q3 (April 1, 2017 to December 31, 2017)
Net Sales	2,311,531	2,811,284
Cost of sales	372,359	738,562
Gross profit	1,939,171	2,072,721
Selling, general and administrative expenses	1,481,117	1,832,049
Operating Income	458,054	240,672
Non-operating income		
Interest income	3	3
Subsidy income	200	300
Miscellaneous income	850	2,374
Total non-operating income	1,054	2,678
Non-operating expenses		
Foreign exchange loss	111	162
Losses on investment partnership management	4,675	4,577
Miscellaneous losses	0	--
Total non-operating expenses	4,787	4,739
Ordinary Income	454,321	238,611
Income before taxes	454,321	238,611
Corporate income, inhabitant, and enterprise taxes	225,039	226,487
Income taxes – previous fiscal year	138,001	--
Income tax adjustments	-144,850	-107,657
Total income taxes	219,189	118,829
Net income	236,131	119,781

(Notes)

(Cash flow statement)

A cash flow statement was not prepared during this quarter. The depreciation (including repayment of intangible fixed assets) from this quarter are as follows.

	FY 2017 Q3 (April 1, 2016 to December 31, 2016)	FY 2018 Q3 (April 1, 2017 to December 31, 2017)
Depreciation	29,166,000 yen	44,109,000 yen

(Segment information)

[Segment information]

I FY 2017 Q3 Accumulative (April 1, 2016 to December 31, 2016)

As the company focuses on a single segment for license sales and maintenance support service, segmentation was omitted from this explanation.

II FY 2018 Q3 Accumulative (April 1, 2017 to December 31, 2017)

As the company focuses on a single segment for license sales and maintenance support service, segmentation was omitted from this explanation.

(Share information)

The current net income per share and the basis for calculating it, as well as the basic net income per share and the basis for calculating it, are shown below.

Item	FY 2017 Q3 (April 1, 2016 to December 31, 2016)	FY 2018 Q3 (April 1, 2017 to December 31, 2017)
(1) Earnings per Share	17.82	8.98
(basic calculation)		
Quarterly profits (in 1000 yen)	236,131	119,781
Amount not belonging to common shareholders (in 1000 yen)	--	--
Quarterly profit involved in common stock (in 1000 yen)	236,131	119,781
Average number of common shares during the term (shares)	13,250,451	13,332,833
(2) Diluted earnings per share	17.05	8.64
(basic calculation)		
Quarterly profits – deferred (in 1000 yen)	--	--
Increased number of common shares (shares)	601,957	527,090
Overview of material changes after the end of the previous business year regarding dilutive shares that were not included in calculation of diluted earnings per share due to no effect of dilution.	--	--

(Note) On April 1, 2017, the number of shares of this company was doubled. So the basic earnings per share and the diluted earnings per share are calculated assuming that the split occurred in the beginning of the previous fiscal year.

(Significant events after the balance sheet date)

(Absorption-Type Merger of a Subsidiary)

At the Board of Directors meeting held on January 18, 2018, it was decided that subsidiary Telepathy Global will become part of OPTiM by way of absorption-type merger effective February 28, 2018. The agreement was concluded on January 18, 2018.

1. Goal of the Subsidiary Absorption-Type Merger

By merging Telepathy Global with the company, OPTiM aims to improve the efficiency of operations by concentrating management resources and continue with development and global expansion of the company's AI, IoT, and robot business.

2. Summary of the Subsidiary Absorption-Type Merger

(1) Schedule

Date of Resolution by the Board of Directors	January 18, 2018
Date of Agreement	January 18, 2018
Scheduled Absorption-Type Merger Effective Date	February 28, 2018 (scheduled)

(Note) This type of merger is defined in Japanese law in the Companies Act, Article 796, Paragraph 2 as a simplified merger, and as an abbreviated merger in Article 784, Paragraph 1 of the same law. As a result, a separate meeting is not required for shareholders' approval of this acquisition.

(2) Method

Telepathy Global will be dissolved, with OPTiM as the sole surviving company.

(3) Allocations

This merger is with a wholly-owned subsidiary of the company, and as a result, no reassignment of shares or other monies shall occur. Furthermore, no new shares will be issued, and there will be no increase in capital value.

(4) Handling of stock acquisition rights and bonds with stock

Acquisition rights due to this acquisition are not applicable.

3. Post-Merger

There will be no change in the name, address, location, name, business content, capital, and fiscal year schedule of OPTiM with the conclusion of this acquisition.

4. Outline of Accounting

According to the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan Statement 21, September 13, 2013), and "Application Guidelines on Accounting Standards for Business Combinations and Business Divestitures" (Guidance No. 10 on Healthcare Enterprise Accounting Standards, September 13, 2013), the company will process this merger as a transaction under common control.

2. Other

Nothing to report.

Part II Information on the Company's bonding company, etc.

Nothing to report.

OPTiM Corporation
Board of Directors

Deloitte Touche Tohmatsu LLC

Designated limited
liability employee

Business executive

Certified Public Accountant Masako Watanabe
Ⓔ

Designated limited
liability employee

Business executive

Certified Public Accountant Norihiko Asai Ⓔ

In accordance with the provisions of Article 193, Paragraph 1 of the Financial Instruments and Exchange Law of Japan, as defined in the "Status of Accounting," OPTiM Corporation held reviews of its quarterly financial statements for the fiscal year occurring from April 1, 2017 to March 31, 2018, specifically for the third quarter (from October 1, 2017 to December 31, 2017) and the third quarter cumulative period (from April 1, 2017 to December 31, 2017), and such documents include the quarterly balance sheet and income statement.

Responsibility of Management

The management's responsibility is to prepare and present quarterly financial statements in compliance with the generally accepted Japanese standards for preparation of quarterly financial statements. This includes the development and operation of internal controls that management deems necessary to prepare and properly display quarterly financial statements without material misstatement due to fraud or error.

Responsibility of Auditors

The responsibility of the auditing firm is to express a conclusion on the quarterly financial statements from an independent standpoint based on a review conducted by the auditing company. The auditing firm is to conduct the review following the generally accepted Japanese standards.

In the quarterly review, questions, analytical procedures and other quarterly review procedures to be implemented primarily for managers, those who are responsible for matters relating to finance and accounting etc. are implemented. According to the generally accepted Japanese auditing standards, the quarterly financial statements review procedure is a less extensive procedure than the audit of yearly financial statements.

The auditing firm believes that it has evidence to properly perform the review.

Conclusion of the Auditors

In the quarterly review conducted by the independent auditing firm, the above quarterly financial statements are based on the finances of OPTiM Corporation as of December 31, 2017 in conformity with the generally accepted Japanese standards for preparing quarterly financial statements, and any items that were not presented properly were not recognized as important.

Relationships of Interest

OPTiM Corporation and the auditing firm nor executive staff do not have interests to be stated in accordance with the provisions of the Certified Public Accountants Act.

(Notes) 1. The above is a digital version of the original document, which is kept by OPTiM Corporation.

2. XBRL data is not included in the quarterly review.

