

Summary of Business Results for the Third Quarter Ended September 30, 2018 [Japan GAAP] (Consolidated)

November 14, 2018

Company **tella, Inc.** Listed on the TSE
 Stock Code 2191 URL: <http://www.tella.jp>
 Representative Seiichi Yusa, President, CEO
 Contact Hikaru Yoshida, Deputy Director of Accounting & Finance Dept. T E L: +81-3-5937-2111
 Expected date of filing of quarterly report: November 14, 2018 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: None
 Quarterly results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the nine months ended September 2018 (January 1, 2018 through September 30, 2018)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Sep. 2018	354	-57.9	-579	-	-642	-	-849	-
Nine months ended Sep. 2017	842	-40.7	-201	-	-230	-	-606	-

(Note) Comprehensive income

Nine months ended September 2018: -849 million yen (-%)

Nine months ended September 2017: -601 million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Sep. 2018	-49.55	—
Nine months ended Sep. 2017	-39.52	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Sep. 2018	1,212	694	57.1
As of Dec. 2017	1,879	1,343	71.4

(Reference) Shareholders' equity

As of September 2018: 692 million yen

As of December 2017: 1,341 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 2017	-	0.00	-	0.00	0.00
Year ending Dec. 2018	-	0.00	-		
Year ending Dec. 2018(forecast)				0.00	0.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the fiscal year ending December 2018

(January 1, 2018 through December 31, 2018)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Dec. 2018	510	-46.7	-1,060	-	-1,115	-	-1,120	-	-71.02

(Note) Revisions to business forecast for the current quarter: None

※Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:
None

(3) Changes in accounting policies, accounting estimates and restatement

- | | |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : None |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |

(4) Shares outstanding (common stock)

- | | |
|---|-------------------|
| ① Number of shares outstanding at the end of period (treasury stock included) | |
| As of June 2018 | 17,409,056 shares |
| As of December 2017 | 16,999,156 shares |
| ② Treasury stock at the end of period | |
| As of June 2018 | 253 shares |
| As of December 2017 | 253 shares |
| ③ Average number of stock during period (quarterly cumulative period) | |
| Six months ended June 2018 | 17,140,040 shares |
| Six months ended June 2017 | 15,356,976 shares |

***Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

***Explanation regarding appropriate use of business forecasts and other special instructions**

Forecasts regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors.