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October 31, 2016

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2017 <under Japanese GAAP>

Company name: **Paramount Bed Holdings Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7817
 URL: <http://www.paramountbed-hd.co.jp>
 Representative: Kyosuke Kimura, President and Chief Executive Officer
 Contact: Kenji Ouchi, Executive Officer, General Manager of Finance Division
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Scheduled date to file Quarterly Securities Report: November 11, 2016
 Scheduled date to commence dividend payments: December 2, 2016
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2017 (from April 1, 2016 to September 30, 2016)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2016	32,383	(3.1)	4,443	16.3	3,887	(7.2)	2,684	(0.7)
September 30, 2015	33,402	(1.4)	3,821	(18.0)	4,190	(17.1)	2,703	(18.1)

Note: Comprehensive income Six months ended September 30, 2016: ¥1,678 million: [(23.9)%]
 Six months ended September 30, 2015: ¥2,206 million: [(37.0)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2016	94.25	86.82
September 30, 2015	92.92	85.74

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2016	122,362	85,955	70.2
March 31, 2016	126,279	85,223	67.5

Reference: Equity

As of September 30, 2016: ¥85,954 million
 As of March 31, 2016: ¥85,223 million

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2016	–	35.00	–	35.00	70.00
Fiscal year ending March 31, 2017	–	40.00			
Fiscal year ending March 31, 2017 (Forecast)			–	45.00	80.00

Note: Revisions to the dividends forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2017	77,000	3.9	10,700	10.8	11,000	11.9	7,500	17.4	263.40

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - a. Changes in accounting policies in accordance with changes in accounting standards, etc.: Yes
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement: None

(4) Number of shares issued (common shares)

a. Number of shares issued at the end of the period (including treasury shares)

As of September 30, 2016	30,877,487 shares
As of March 31, 2016	30,877,487 shares

b. Number of treasury shares at the end of the period

As of September 30, 2016	2,383,597 shares
As of March 31, 2016	2,403,177 shares

c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2016	28,483,096 shares
Six months ended September 30, 2015	29,096,020 shares

*** Indication regarding execution of quarterly review procedures**

The completion of quarterly review procedures in accordance with the Financial Instruments and Exchange Act is not required for preparing this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the review procedures for quarterly consolidated financial statements in accordance with the Financial Instruments and Exchange Act are incomplete.

*** Proper use of earnings forecasts, and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. Please refer to "1. Qualitative information regarding financial results for the first six months, (3) Information regarding consolidated earnings forecasts and other forward-looking statements" on page 2 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.