Consolidated Financial Results for the Fiscal Year Ended March 31, 2016
Asahi Holdings, Inc. [Japan GAAP]

May 10, 2016

Stock code:	5857
Shares listed:	Tokyo Stock Exchange (First Section)
U R L:	http://www.asahiholdings.com
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The Ordinary General Meeting of Shareholders:	June 14, 2016
Filing date of financial statement:	June 15, 2016
Start of dividend payment:	May 30, 2016
Supplementary materials for the financial results:	No
Investor conference for the financial results:	Yes (for institutional investors, analysts)

(Rounded down to the nearest million yen)

1. Results of the fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016)

(1) Results of operations (Percentage: Changes relative to corresponding previous period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2016	118,473	6.3	8,705	(16.9)	8,510	(19.4)	5,031	(12.9)
March 31, 2015	111,417	18.2	10,480	8.8	10,561	5.7	5,774	(3.3)

(Note) Comprehensive income: The fiscal year ended March 31, 2016 2,554 million yen : (57.2%)
The fiscal year ended March 31, 2015 5,973 million yen : (7.0%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
The fiscal year ended	Yen	Yen	%	%	%
March 31, 2016	153.54	―	9.9	8.2	7.3
March 31, 2015	176.89	―	11.9	12.4	9.4

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2016	103,589	51,300	49.1	1.560.21
March 31, 2015	104,877	50,958	48.2	1,542.82

(Reference) Shareholders' equity: As of March 31, 2016 50,862 million yen
As of March 31, 2015 50,504 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the fiscal year
The fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2016	14,289	(1,900)	(6,473)	16,564
March 31, 2015	9,419	(29,633)	21,442	10,841

2. Dividend payments

	Dividends per share					Total Dividend Payment (Annual)	Payout Ratio (Consolidated)	Dividend to Net Assets (Consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual			
The fiscal Year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2015	—	30.00	—	30.00	60.00	1,964	33.9	4.0
March 31, 2016	—	30.00	—	30.00	60.00	1,969	39.1	3.9
Year ending March 31, 2017(Forecast)	—	30.00	—	30.00	60.00		29.6	

3. Forecast (From April 1, 2016 to March 31, 2017) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating income		Profit before tax		Profit attributable to owners of parent		Basic earning per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Six months ending September 30, 2016	53,000	—	4,500	—	4,500	—	2,900	—	88.96
Year ending March 31, 2017	110,000	—	10,000	—	10,000	—	6,600	—	202.46

(Note) The above forecast is calculated under International Financial Reporting Standards(IFRS), as the Company has decided to adopt IFRS since Fiscal 2017. Consequently, percentage changes compared with Fiscal 2016 under Japan GAAP are omitted.

* Notes

(1) Changes in significant subsidiaries during the current fiscal year: No

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

(i) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes

(ii) Changes other than (i) above: Yes

(iii) Changes in accounting estimates: Yes

(iv) Restatement: No

(Note) For details, please refer to the statement under the heading of “5. Consolidated Financial Statements (5) Notes on Consolidated Financial Statements [Changes in accounting policies]” on page 18.

(3) Number of issued shares (common stock)

(i) Number of issued shares at the end of year (including treasury shares)

As of March 31, 2016	36,254,344 shares
As of March 31, 2015	36,254,344 shares

(ii) Number of treasury shares at the end of year

As of March 31, 2016	3,654,607 shares
As of March 31, 2015	3,519,057 shares

(iii) Averaged number of shares during the period

Year ended March 31, 2016	32,773,714 shares
Year ended March 31, 2015	32,646,918 shares

(Reference) Summary of Nonconsolidated Results

1. Nonconsolidated Results of the Year ended March 31, 2016(From April 1, 2015 to March 31, 2016)

(1) Results of operations (Percentage: Changes relative to corresponding previous period)

	Net sales		Operating income		Ordinary income		Net income	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2016	6,865	2.6	5,604	0.5	5,764	1.1	5,670	(0.1)
March 31, 2015	6,690	(18.3)	5,579	(21.3)	5,703	(19.9)	5,674	(19.0)

	Net income per share	Diluted net income per share
The fiscal year ended	Yen	Yen
March 31, 2016	173.01	－
March 31, 2015	173.83	－

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2016	74,009	48,214	65.1	1,478.98
March 31, 2015	50,335	44,726	88.7	1,363.92

(Reference)

Shareholders' equity As of March 31, 2016 : 48,214 million yen As of March 31, 2015: 44,648 million yen

*Indication regarding the situation of audit procedures

These financial results are not subject to the audit procedures pursuant to the Financial Instruments and Exchange Act. As of the disclosure of the financial results, the procedures for auditing financial statements pursuant to the Financial Instruments and Exchange Act are in progress.

*Statement regarding the proper use of financial forecasts and other special remarks

These forecast performance figures are based on the information currently available to the company's management and certain assumptions judged rational. Accordingly, these might be cases in which actual results materially differ from forecasts of this report. Please refer to page 2 "1. Information Regarding Consolidated Performance (1) Consolidated Operating Results for the Year ended March 31, 2016" for the assumptions used and other notes.

【Appendix】

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1. Information Regarding Consolidated Performance

(1) Consolidated Operating Results for the Year ended March 31, 2016

①In the Japanese economy during the consolidated fiscal year ended March 31, 2016, improvements moved forward for the employment and income environment, including corporate earnings, due to such factors as the government's economic policies and the Bank of Japan's monetary easing policy, and the first half of the year had a trend toward gradual recovery. Afterward, the pace of the recovery slowed down, and a leveling-off situation continued. In addition, there was a heightening of aspects such as the deceleration of the economies of emerging nations including China, the impact of factors such as the reduction of the United States' monetary easing and crude oil price trends on exchange rates, and concerns regarding the actualization of geopolitical risks on a global level. In the context of these aspects, there was a deepened sense of uncertainty concerning economic conditions. With regard to personal consumption, with the exception of inbound demand, the situation was lacking vigor throughout the period.

Under these economic conditions, the group's results in each business segment were as follows.

Precious metal business

Volume of collection in the precious metals recycling business was as follows. In the electronics sector, the contraction of the domestic market continues, but by expanding market share in the E-scrap business and the precision cleaning businesses, the group increased the volume of collection of gold from corresponding figures for the previous fiscal year. In the dental sector, with the amount of precious metals used for dental materials declining, the volume of collection of gold and palladium decreased from the previous fiscal year. In the jewelry sector, increasing transactions with customers in jewelry purchasing business led to a higher year-on-year volume of collection of gold and platinum. In the automotive catalyst sector, due to a continuing trend toward a decreasing number of domestic scrapped vehicles, the year-on-year volume of collection of palladium and platinum decreased.

The average sales price of gold was higher than the corresponding figures for the previous fiscal year., and the prices of silver, palladium, and platinum were lower than the corresponding figures for the previous fiscal year.

In the gold and silver refining business in North America, amidst stagnant precious metals prices and a slowdown in global mining activities, both processing volume and unit price continued to decline. Under such circumstances, while endeavoring toward company-wide cost reductions, Asahi Refining continues to strengthen its business infrastructure through technical investments to enhance productivity and efficiency, as well as initiatives to expand sales capabilities.

Environmental preservation business

Reflecting the state of production activity of domestic businesses, a decreasing trend continues for the volume of industrial waste emissions. Under these circumstances, as the result of putting efforts into new contract development by leveraging each group company's characteristics and expanding sales channels by collaboration among group companies while working toward stable plant operations, the performance was solid for the segment as a whole.

Life & health business

In the healthcare equipment sector, amidst lacking recovery of personal consumption, the group is focusing on measures to expand sales including the introduction of new products for women and a full model change of the massage chair lineup, on top of cost reduction, and performance was robust in terms of profits. The harsh business environment continues for the heater sales sector, but in addition to reducing fixed costs, the group is working on promotion of replacement purchases by existing customers, launching new products such as far-infrared heaters, and so on.

As a result of the above, in terms of the performance for this consolidated fiscal year, sales were 118,473 million yen, a year-on-year increase of 7,056 million yen (+6.3 percent). Operating income was 8,705 million yen, a decrease of 1,774 million yen (-16.9 percent) year-on-year. Ordinary income was 8,510 million yen, a year-on-year decrease of 2,051 million yen (-19.4 percent). Current profit attributable to owners of parentnet were 5,031 million yen, a year-on-year decrease of 743 million yen (-12.9 percent). By segment, sales in the precious metal business were 77,516 million yen, a year-on-year increase of 435 million yen (+0.6 percent). In the environmental preservation business, sales were 15,735 million yen, an increase of 319 million yen (+2.1 percent) year-on-year. Sales in the life & health business were 25,221 million yen, an increase of 6,301 million yen (+33.3 percent) year-on-year.

②Outlook

In terms of the Japanese economy from now, a sense of uncertainty continues for future outlooks, and factors such as the strong yen and falling stock prices from the start of the year can be seen to exert a downward pressure on the attitudes of companies and consumers. In addition, there are also concerns about the impacts on the industrial supply chains and so forth caused by a series of earthquakes that occurred in the Kumamoto Prefecture area in April of 2016. Further, uncertainty also continues regarding the recovery of global resource industries activities, and with some exceptions, precious metal prices, which exert a large impact on our group's performance, are predicted to fall greatly below the estimates made at the time of creating the Seventh Medium-Term Management Plan. As a high risk of downturn continues in this way both domestically and overseas, we recognize that it is necessary to maintain a careful watch over future outlooks for the business environment for the group.

In terms of our forecast for performance in the next period, we predict sales revenue of 110,000 million yen, operating income of 10,000 million yen, profit before tax of 10,000 million yen, and profit attributable to owners of parent of 6,600 million yen.

Our company has the policy of voluntarily applying International Financial Reporting Standards (IFRS) from the period of March, 2017, and the above consolidated financial results forecast has been created based on IFRS.

(2) Consolidated Financial Position and Cash Flows for the Year ended March 31, 2016

As of this fiscal year ended March 31, 2016, total assets amounted to 103,589 million yen, down 1,288 million yen from the previous fiscal year end. This was due mainly to increase of 5,622 million yen in cash and deposits, decrease of 3,587 million yen in notes and accounts receivable-trade, decrease of 2,601 million yen in goodwill.

Total liabilities amounted to 52,288 million yen, down 1,631 million yen from the previous fiscal year end. This was due mainly to increase of 2,714 million yen in notes and accounts payable-trade, decrease of 4,291 million yen in loans payable.

Net assets totaled 51,300 million yen up 342 million yen from the previous fiscal year end.

Net cash provided by operating activities amounted to 14,289 million yen due mainly to 8,106 million yen of income before income taxes, 2,044 million yen of depreciation and amortization, decrease in notes and accounts receivable-trade, increase in notes and accounts payable-trade, and income tax paid.

Net cash used in investing activities amounted to 1,900 million yen due mainly to 1,842 million yen in payments for purchase of fixed assets.

Net cash used in financial activities amounted to 6,473 million yen due mainly to 4,265 million yen decrease of loans payable, expenditure of 1,967 million yen for the payment of dividends.

As a result, Cash and cash equivalents as of March 31, 2016, increased 5,723 million yen from March 31, 2015, to 16,564 million yen.

(3) Dividends

Our basic policy is to improve corporate value continuously by maintaining stable profitability and achieving further growth, and to meet shareholders' expectations by continuous stable dividends. We also consider it important to fulfill internal reserves for strategic investment to enhance existing business and develop new business.

Under this basic policy, the fiscal year's end dividend will be 30 yen per share, consequently, the annual dividend per share for the fiscal year ended March 31, 2016 will be totaled 60 yen including the interim dividend of 30 yen per share.

Further, for the year ending March 31, 2017, we are planning to pay out 30 yen per share for both interim and year end dividend, making the full year amount 60 yen per share.

(4) Business and other risks

Major risks that could affect the Group's operating results and financial condition include the following. We believe these matters could have a significant impact on investor decisions, but the categories below are limited to those that the Group is currently aware of; and not necessarily all risks are covered here.

① Precious metals prices and currency exchange rates

The precious metals and rare metals that are the main products of the Group's precious metal business are traded on international markets. Their prices fluctuate based on global elements such as political and economic trends in supply countries and demand countries, currency exchange rates, and so on. The Group therefore hedges through forward transactions, etc., in order to reduce risk, although the size of fluctuation in precious metals prices and currency exchange rates can affect the Group's operating results and financial condition.

② Laws and regulations

In the countries and regions where the Group operates business, various laws and regulations apply regarding matters such as permission to do business, rules for import/export/transport, commercial transactions, labor, taxation, intellectual property rights, and environmental preservation. Taking the stance that compliance is important, the Group carefully follows laws, regulations, and social rules. However, in the unlikely event that laws, regulations, and social rules could not be followed, or if they change such that business is restricted, it could affect the Group's operating results and financial condition.

In the environmental preservation business in particular, the Group engages in the collection, transport and treatment of various types of industrial waste as an enterprise under the Waste Management and Public Cleansing Act. In addition to that law, the business is regulated by laws such as the Water Pollution Control Act, the Air Pollution Control Act, and the Sewerage Act. Furthermore, the Group has a license for the collection and transport of industrial waste in every prefecture and ordinance-designated city, for its disposal in 14 prefectures and 9 ordinance-designated cities and core cities, and for the collection and transport of specially-controlled industrial waste in every prefecture and ordinance-designated city, for its disposal in 12 prefectures and 8 ordinance-designated cities and core cities. Obtaining such licenses is predicated on strict compliance with regulations at the regional level, including each prefectural and municipal ordinance and rule.

With society's interest in environmental issues rising, such legal regulations are tending to tighten. Not only capital investments as countermeasures to those trends but also the construction, relocation, and renovation of disposal facilities require construction permits and permission to change. On such occasions, the consent of nearby residents may also be necessary, which could be difficult to obtain in some cases.

Therefore, such legal regulations and social trends could affect the Group's operating results and financial condition.

③ Economic fluctuation

Manufacturing industries are among the primary demand industries for the Group's precious metal business and environmental preservation business. Demand trends in each sector within these industries are affected by economic conditions in various countries and regions. When demand from such industries declines due to recession and so on, it can affect the Group's operating results and financial condition. Moreover, large reductions in construction-related demand or falls in personal consumption can affect the life & health business, in turn affecting the Group's operating results and financial condition.

④ Business environment

All three of the Group's business segments, the precious metal business, the environmental preservation business, and the life & health business, face the possibility of major changes in customer needs due to changes in laws, regulations, and permits that concern a sector or faster-than-expected shifts overseas by corporate customers. Furthermore, industry reorganization and other major changes in the business environment are possible. The results could affect the Group's operating results and financial condition.

⑤ Intensified competition

All three of the Group's business segments, the precious metal business, the environmental preservation business, and the life & health business, face competition from various companies. The Group continues to make efforts to overcome the competition in each sector by accurately meeting customer needs through sales efforts and initiatives on technology, products, and cost responsiveness. Intensified competition from competitor companies, however, can force the Group's products and services into harsh price competition. The results could affect the Group's operating results and financial condition.

⑥ Overseas business deployment

The Group carries out business in countries and regions in North America, Asia, etc. Political or economic phenomena unfavorable to business, labor disputes due to differences in labor environment, uncertainty in finding suitable local personnel, conflicts, terrorism, and other social disturbances, and unfair intervention by authorities due to underdeveloped business infrastructure in a country or region are inherent risks. If such situations occur, it could affect the Group's operating results and financial condition.

⑦ Corporate acquisition, etc.

The Group has worked to expand its lines of business and business scale through corporate acquisition and expects to take a forward-looking approach to attractive cases in the future. In order to maximize the integration effect with target businesses and companies, the Group will attempt to integrate and unify them with its business strategy and operations. However, it is possible that the expected integration and unification effects will not be realized. Furthermore, target businesses and companies not achieving the business results initially expected and posting markedly worse operating results could lead to impairment of goodwill. The results could affect the Group's operating results and financial condition.

⑧ Natural disasters, accidents, etc.

Natural disasters such as large earthquakes or typhoons could cause serious damage to the Group's production, distribution, sales, and information management facilities. That could affect the Group's operating results and financial condition. Moreover, although the Group works to strengthen its safety management system and regularly carries out disaster/accident prevention activities in order to eliminate occupational and facilities accidents, there is no guarantee that they can be completely prevented or mitigated. Therefore, if a serious occupational or facilities accident should occur it could affect the Group's operating results and financial condition.

⑨ New product development

The Group's life & health business aims to provide devices and equipment that are "people-friendly, for better life and health." We develop attractive products by accurately assessing customer needs and optimally applying the Company's technology. However, if we are unable to respond accurately to market and industry needs and carry out timely product development, it could lessen future growth and profits, affecting the Group's operating results and financial condition.

⑩ Key intellectual property rights

In order to protect intellectual property rights important to business deployment, the Group carries out appropriate management. However, unforeseen leaks to outside parties can occur, and complete protection of intellectual property rights may be impossible in certain regions. Therefore, it may not be possible to effectively prevent third parties from using the Group's intellectual property rights to manufacture and sell similar products and services. The results could affect the Group's operating results and financial condition.

⑪ Product quality assurance and product liability

The Group makes every effort with its product quality assurance system, but if a product produced by the Group causes damages, it could affect the Group's operating results and financial condition.

⑫ Environmental protection

Based on its Environmental Policies, the Group carries out various initiatives to protect the global environment. However, there is no guarantee that all pollution and other environmental risk can be completely prevented or mitigated, so if the Group should cause serious pollution of the environment, it could affect the Group's operating results and financial condition.

⑬ Lawsuits and other legal procedures

As the Group carries out business in Japan and overseas, it could be subjected to lawsuits and other legal procedures. If the Group becomes a party to such action, it might have to pay large damages, etc. The results could affect the Group's operating results and financial condition.

2. Our Group

Our Group comprises of the holdings company “Asahi Holdings, Inc.”, “Asahi Pretec Corp.”, “Japan Waste Corporation”, “Asahi Americas Holdings, Inc.”, and 21 other subsidiaries. Our main businesses are precious metal business, environmental preservation business and life & health business. The details are as follows.

(1) Precious metal business

In the precious metals recycling business, we sell precious/rare metal products such as gold, silver, platinum, palladium, and indium by recycling scrap containing rare metals, etc.

In Japan, Asahi Pretec Corp. collects scraps containing precious/rare metals from the electronics, dentistry, jewelry manufacturing and distribution, and automotive catalyst sectors. At factories around the country, it collects, separates and refines the scrap and sells high-purity metals to trading companies, semiconductor/electronic component makers, film manufacturers, etc. also engages in precision cleaning and precious metal delamination of manufacturing equipment parts from semiconductor/electronic component makers.

Overseas, Asahi G&S Sdn. Bhd. in the Malaysia/Singapore region, Shanghai Asahi Pretec Co., Ltd. in China, Asahi Pretec Korea Co., Ltd. in South Korea, and Asahi Pretec Taiwan Co., Ltd. in Taiwan are engaged in the precious metals recycling business. Additionally, Asahi Pretec Taiwan Co., Ltd. is engaged in the precious metal recycling and the precision cleaning business and Asahi Shih Her Technologies Co., Ltd. collects scraps containing precious metals in Taiwan. Furthermore, Asahi Refining USA Inc. and Asahi Refining Canada Ltd. carry out the refining and processing of gold, silver, and other precious metals in the United States and Canada respectively.

(2) Environmental preservation business

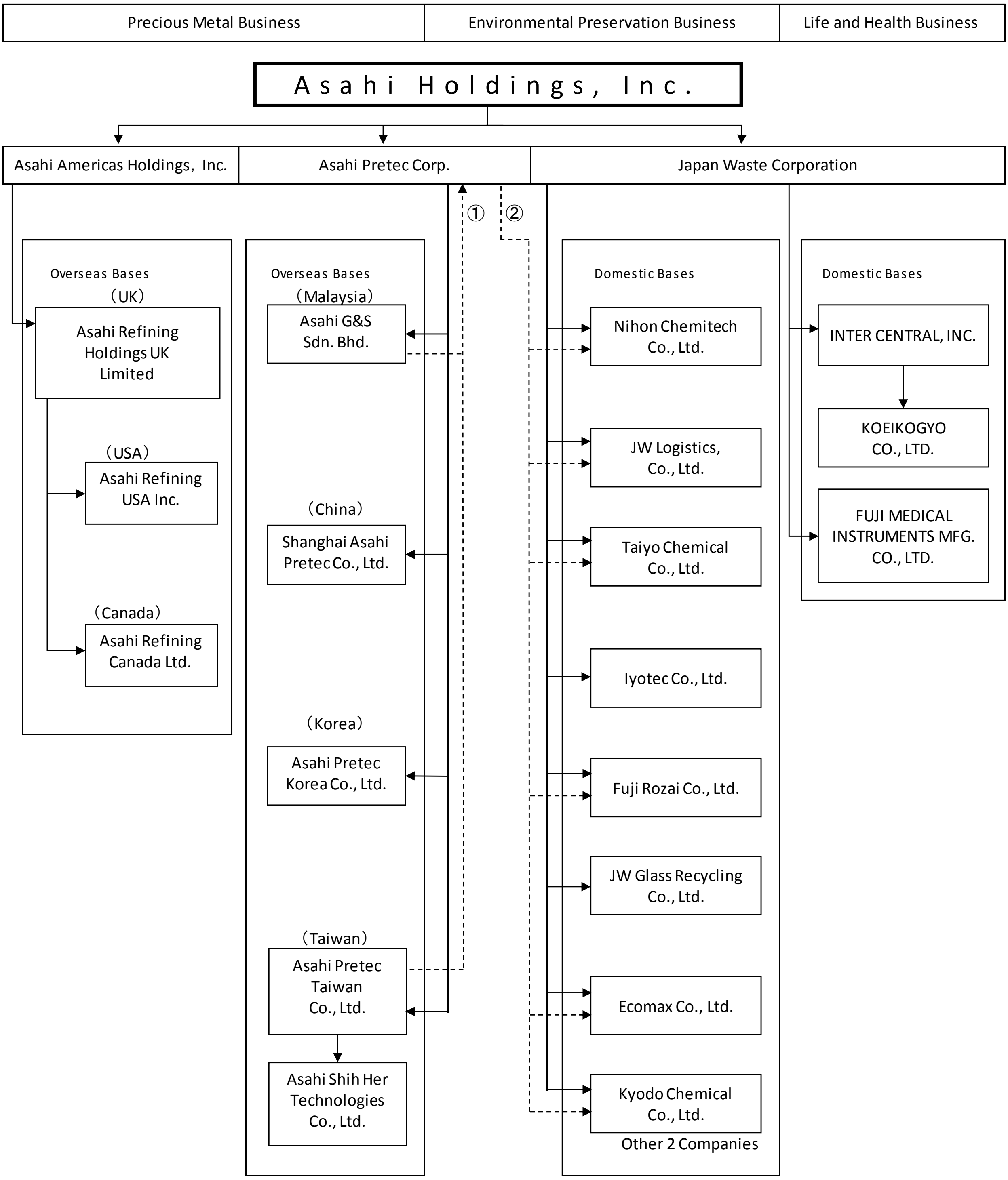
The main line of our environmental preservation business is the collection, transport, and intermediate treatment of industrial waste.

Asahi Pretec Corp. treats and detoxifies waste acid, waste alkali, waste oil, sludge, waste drugs, and medical-related waste generated by sites in various industries, such as factories, photo labs, printing presses, hospitals, schools, and research institutes. Additionally, a group of companies with Japan Waste Corporation as their parent firm is engaged in the environmental preservation business as follows. Nihon Chemitech Co., Ltd. and JW Logistics, Co., Ltd. mainly perform the collection, transport, and intermediate treatment of industrial waste generated by factories. Iyotec Co., Ltd. engages in business such as dispatch of personnel to manufacturers and collaborates on the treatment of waste from industrial sites. Taiyo Chemical Co., Ltd. processes medical-related waste and industrial effluent from companies in the IT, electronics, and petrochemical businesses. Fuji Rozai Co., Ltd. processes specially controlled industrial waste including dioxin and heavy metals at local governments' incinerators. It engages in repair, demolition, and waste brick processing of smelting furnaces for glass manufacturing. It removes firebricks from smelting furnaces and performs materials recycling and hazardous materials handling. JW Glass Recycling Co., Ltd. collects sheet glass and glass bottles, separates them for crushing, and recycles them into high-quality glass cullet, which it sells. Ecomax Co., Ltd. performs detoxification (concrete solidification) treatment of combustion residue, sludge, soot, and dust produced by incineration facilities. Kyodo Chemical Co., Ltd. carries out collection, transport, and intermediate treatment of industrial waste and engages in the photographic materials business.

(3) Life & health business

In the life & health business, the main operation is the manufacture and sale of massagers, hearing aids, and other health equipment, the manufacture and sale of electric heaters, the design and installation of radiant heating and air conditioning systems, and the design and installation of disaster prevention equipment.

As "The Health and Beauty Manufacturer," FUJI MEDICAL INSTRUMENTS MFG. CO., LTD. provides various products approved under the Pharmaceutical Affairs Act, such as massage chairs, hearing aids, and electric therapy apparatus for household use, to electronics store, JA (Japan Agricultural Cooperatives) channel, regional consumer electronics dealers, mail-order companies, and so on. INTER CENTRAL, INC., manufactures and sells electric heaters and designs and installs radiant heating and air conditioning systems. They offer products such as electric heaters that provide warmth efficiently and flexibly and radiant heating and air conditioning equipment that achieves comfortable, clean, and quiet environments. Their products are used in offices, schools, hospitals, cultural facilities, commercial facilities, and ordinary homes. KOEIKOGYO CO., LTD., designs and installs disaster prevention, air conditioning, and sanitation equipment. They have successfully installed equipment in many public facilities, hospitals, cultural facilities, and commercial facilities.



(Notes) capital relationship → business relationship - - - →

① Selling recycling scrap containing precious / rare metals
② Entrustment of industrial waste treatment

* All companies except for parent company (Asahi Holdings, Inc.) are consolidated subsidiaries

3. Management Policy

(1) Basic management policy

We aim to pursue continuous growth by expanding precious metal business, environmental preservation business and life & health business, and also contribute to the material-cycle society. In the process above, we put emphasis on the balance between stable profit and continuous growth. Our basic management policy is to heighten corporate value through these activities and to respond to the expectations of all stakeholders, including customers, shareholders and employees over a long period of time.

(2) Medium to long-term strategies

Along with promoting a growth strategy aimed at domestic and overseas business expansion with the basic directions of "accelerated growth via new business areas," "enhancement of the profitability of core businesses," and "promotion of global management" in the Seventh Medium-Term Management Plan, our group has been improving efficiency for the group as a whole, and working toward the expansion of earnings.

However, in addition to precious metal prices falling far below our initial estimates, a high risk of downturn continues for domestic and overseas economic outlooks, and it seems that optimistic views regarding future trends will continue to be difficult. Based on such changes in the management environment, our group will further strengthen its efforts toward the improvement of earnings, but we have revised the performance goals for the final fiscal year as indicated below.

As for dividends, We are going to decide dividend amount per share putting emphasis on stable returning profits to shareholders and talking medium to long-term dividend payout ratio into consideration.

Net sales	¥ 120 billion
Operating income	¥ 11.5 billion

Statements regarding future performance targets in this document are based on information held by our group at this time and on certain assumptions judged reasonable. Due to various factors, actual performance may differ from what is found in this document.

(3) Challenge to be addressed

Precious metal business segment: As it is the Group's core business, the competitiveness of each Japanese domestic business shall be enhanced. Along with working to expand the business base in North America, we shall work on expansion of new fields in Asian markets. Along with raising awareness of the "Asahi Refining" brand, we shall expand processing volumes of recycling raw materials in the global market.

Environmental preservation business segment: As it is a stable growth business of the Group, profitability shall be emphasized, and active capital expenditure shall be performed. M&A of companies that can contribute to growth will continue.

Life and health business segment: Through new business development, the opening of new sales channels, and the building of a unique business model, it shall be set on the path of business growth as the Group's third business pillar.

(4) The state of internal control system

① The state of fundamental opinion and policy about corporate governance

The relevant matter is stated at corporate governance information.

② Attempt to enhance internal control system through this fiscal year

We are continuously acting to strengthen internal control system, checking and evaluating the usages of the rule for internal control by in-house organization "Internal controls promotion committee".

4. Basic Concept Regarding Selection of Accounting Standards

We are planning to apply International Financial Reporting Standards (IFRS) with the objectives of enhancing our management base for global business development and enabling easier international comparison of financial information in capital markets from the first quarter of fiscal year ending March 31, 2017.

5. Consolidated Financial Statements
(1) Consolidated Balance Sheets

	As of March 31, 2015	As of March 31, 2016	As of March 31, 2016
	Millions of yen	Millions of yen	Thousands of U.S. dollars
ASSETS			
Current assets			
Cash and deposits	11,046	16,668	147,931
Notes and accounts receivable-trade	15,146	11,558	102,577
Merchandise and finished goods	4,855	5,606	49,757
Work in process	9,141	8,365	74,238
Raw materials and supplies	1,633	1,272	11,294
Deferred tax assets	854	937	8,323
Other	5,919	7,192	63,832
Allowance for doubtful accounts	(40)	(31)	(281)
Total current assets	48,556	51,570	457,671
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	24,360	23,467	208,268
Accumulated depreciation	(12,062)	(12,065)	(107,080)
Buildings and structures, net	12,298	11,401	101,188
Machinery, equipment and vehicles	19,917	19,498	173,045
Accumulated depreciation	(14,903)	(14,993)	(133,065)
Machinery, equipment and vehicles, net	5,013	4,504	39,980
Land	14,568	14,190	125,937
Construction in progress	38	256	2,275
Other	3,529	3,449	30,612
Accumulated depreciation	(3,113)	(3,011)	(26,723)
Other, net	415	438	3,889
Total property, plant and equipment	32,334	30,791	273,269
Intangible assets			
Goodwill	21,737	19,136	169,828
Other	906	969	8,603
Total intangible assets	22,643	20,105	178,432
Investments and other assets			
Investment securities	168	155	1,383
Deferred tax assets	368	322	2,860
Net defined benefit asset	154	—	—
Other	676	664	5,896
Allowance for doubt for accounts	(24)	(21)	(187)
Investment and other assets	1,343	1,121	9,952
Total noncurrent assets	56,321	52,019	461,652
Total assets	104,877	103,589	919,324

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2016 of Yen112.68=US$1, and are included solely for the convenience of readers.

	As of March 31, 2015	As of March 31, 2016	As of March 31, 2016
	Millions of yen	Millions of yen	Thousands of U.S. dollars
LIABILITIES			
Current liabilities			
Notes and accounts payable-trade	6,161	8,875	78,770
Short-term loans payable	26,171	1,845	16,376
Current portion of long-term loans payable	270	5,270	46,770
Accounts payable-other	3,473	1,891	16,786
Income taxes payable	2,111	2,012	17,861
Provision for bonuses	747	827	7,344
Provision for directors' bonuses	36	31	276
Provision for repairs	106	107	952
Provision for product warranties	85	82	730
Provision for sales rebates	371	468	4,160
Provision for sales returns	13	17	155
Other	6,053	7,012	62,234
Total current liabilities	45,603	28,442	252,415
Noncurrent liabilities			
Long-term loans payable	6,550	21,584	191,557
Deferred tax liabilities	1,567	1,937	17,197
Provision for management board incentive plan trust	—	31	281
Provision for stocks payment	—	87	781
Net defined benefit liability	126	142	1,265
Other	72	62	550
Total noncurrent liabilities	8,316	23,846	211,631
Total liabilities	53,919	52,288	464,046
NET ASSETS			
Shareholders' equity			
Capital stock	4,480	4,480	39,766
Capital surplus	6,038	6,112	54,250
Retained earnings	44,459	47,524	421,766
Treasury stock	(5,159)	(5,371)	(47,667)
Total shareholders' equity	49,819	52,747	468,116
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	33	29	261
Deferred gains or losses on hedges	313	(111)	(991)
Foreign currency translation adjustment	338	(1,802)	(15,998)
Total accumulated other comprehensive income	685	(1,884)	(16,728)
Subscription rights to shares	77	—	—
Non-controlling interests	375	438	3,890
Total net assets	50,958	51,300	455,278
TOTAL LIABILITIES AND NET ASSETS	104,877	103,589	919,324

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2016 of Yen112.68=US$1, and are included solely for the convenience of readers.

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income for the fiscal year ended March 31, 2016 and 2015

	The fiscal year ended March 31, 2015	The fiscal year ended March 31, 2016	The fiscal year ended March 31, 2016
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Net sales	111,417	118,473	1,051,413
Cost of sales	88,340	92,719	822,857
Gross profit	23,076	25,753	228,555
Selling, general and administrative expenses	12,595	17,048	151,298
Operating income	10,480	8,705	77,258
Non-operating income	183	89	790
Non-operating expenses	102	284	2,521
Ordinary income	10,561	8,510	75,527
Extraordinary income	19	109	970
Extraordinary loss	863	512	4,550
Income before income taxes	9,717	8,106	71,947
Income taxes-current	3,916	3,153	27,991
Income taxes-deferred	(40)	(179)	(1,591)
Total income taxes	3,875	2,974	26,400
Profit	5,842	5,132	45,547
Profit attributable to non-controlling	67	100	890
Profit attributable to owners of parent	5,774	5,031	44,657

Consolidated Statements of Comprehensive Income for the fiscal year ended March 31, 2016 and 2015

	The fiscal year ended March 31, 2015	The fiscal year ended March 31, 2016	The fiscal year ended March 31, 2016
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Profit	5,842	5,132	45,547
Other comprehensive income			
Valuation difference on available-for-sale securities	18	(4)	(36)
Deferred gains or losses on hedges	434	(425)	(3,773)
Foreign currency translation adjustment	(298)	(2,148)	(19,070)
Share of other comprehensive income of associates accounted for using equity method	(23)	—	—
Total other comprehensive income	131	(2,577)	(22,878)
Comprehensive income	5,973	2,554	22,668
Comprehensive income attributable to owners of the parent	5,900	2,461	21,847
Comprehensive income attributable to non-controlling interests	72	92	821

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2016 of Yen112.68=US$1, and are included solely for the convenience of readers.

(3) Consolidated Statements of Changes in Net Assets

For the year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2014	4,480	6,038	40,648	(5,379)	45,788
Changes of items during the period					
Dividends from surplus			(1,964)		(1,964)
Profit attributable to owners of parent			5,774		5,774
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock				221	221
Net changes of items other than shareholders' equity					
Total Changes of items during the period	–	–	3,810	220	4,030
Balance at March 31, 2015	4,480	6,038	44,459	(5,159)	49,819

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at April 1, 2014	15	(121)	665	559	77	66	46,491
Changes of items during the period							
Dividends from surplus							(1,964)
Profit attributable to owners of parent							5,774
Purchase of treasury stock							(0)
Disposal of treasury stock							221
Net changes of items other than shareholders' equity	17	434	(326)	125	–	309	435
Total Changes of items during the period	17	434	(326)	125	–	309	4,466
Balance at March 31, 2015	33	313	338	685	77	375	50,958

For the year ended March 31, 2016

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2015	4,480	6,038	44,459	(5,159)	49,819
Changes of items during the period					
Dividends from surplus			(1,966)		(1,966)
Profit attributable to owners of parent			5,031		5,031
Purchase of treasury stock				(338)	(338)
Disposal of treasury stock		74		127	201
Net changes of items other than shareholders' equity					
Total Changes of items during the period	–	74	3,065	(211)	2,927
Balance at March 31, 2016	4,480	6,112	47,524	(5,371)	52,747

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at April 1, 2015	33	313	338	685	77	375	50,958
Changes of items during the period							
Dividends from surplus							(1,966)
Profit attributable to owners of parent							5,031
Purchase of treasury stock							(338)
Disposal of treasury stock							201
Net changes of items other than shareholders' equity	(3)	(425)	(2,141)	(2,570)	(77)	62	(2,585)
Total Changes of items during the period	(3)	(425)	(2,141)	(2,570)	(77)	62	342
Balance at March 31, 2016	29	(111)	(1,802)	(1,884)	–	438	51,300

(4) Consolidated Statements of Cash Flows

For the year ended March 31, 2016 and 2015

	The fiscal year ended March 31, 2015	The fiscal year ended March 31, 2016	The fiscal year ended March 31, 2016
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Net cash provided by (used in) operating activities			
Income before income taxes	9,717	8,106	71,947
Depreciation and amortization	1,785	2,044	18,147
Impairment loss	57	483	4,290
Amortization of goodwill	649	1,563	13,872
Increase (decrease) in net defined benefit liability	2	17	152
Interest and dividends income	(39)	(39)	(347)
Interest expenses	54	118	1,051
Loss (gain) on sales and retirement of noncurrent assets	59	10	93
Decrease (increase) in notes and accounts receivable-trade	943	3,364	29,862
Decrease (increase) in inventories	903	357	3,175
Increase (decrease) in notes and accounts payable-trade	(646)	2,748	24,393
Increase (decrease) in accounts payable-other	767	(1,360)	(12,078)
Other, net	(342)	1,821	16,165
Subtotal	13,911	19,236	170,722
Interest and dividends income received	44	42	380
Interest expenses paid	(54)	(122)	(1,083)
Income taxes paid	(5,922)	(6,505)	(57,734)
Income taxes refund	1,439	1,637	14,528
Net cash provided by (used in) operating activities	9,419	14,289	126,813
Net cash provided by (used in) investing activities			
Payments into time deposits	(109)	−	−
Proceeds from withdrawal of time deposits	82	92	825
Proceeds from collection of guarantee deposits	130	88	789
Purchase of property, plant and equipment	(1,345)	(1,502)	(13,338)
Proceeds from sales of property, plant and equipment	127	129	1,148
Purchase of intangible assets	(210)	(339)	(3,012)
Purchase of stocks of subsidiaries and affiliates	(28,775)	−	−
Proceeds from sales of shares of subsidiaries and affiliates	116	−	−
Proceeds from liquidation of subsidiaries and associates	15	−	−
Other, net	335	(369)	(3,282)
Net cash provided by (used in) investing activities	(29,633)	(1,900)	(16,869)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	25,676	(24,300)	(215,655)
Proceeds from long-term loans payable	−	20,304	180,197
Repayment of long-term loans payable	(2,492)	(270)	(2,396)
Repayments of finance lease obligations	(45)	(40)	(356)
Purchase of treasury stock	(0)	(338)	(3,006)
Proceeds from sales of treasury stock	270	−	−
Repayments to non-controlling interests	−	(29)	(263)
Proceeds from exercise of stock options	−	167	1,491
Cash dividends paid	(1,965)	(1,967)	(17,462)
Net cash provided by (used in) financing activities	21,442	(6,473)	(57,451)
Effect of exchange rate change on cash and cash equivalents	143	(191)	(1,696)
Net increase (decrease) in cash and cash equivalents	1,371	5,723	50,797
Cash and cash equivalents at beginning of period	9,470	10,841	96,212
Cash and cash equivalents at end of period	10,841	16,564	147,009

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2016 of Yen112.68=US$1, and are included solely for the convenience of readers.

(5) Notes on Consolidated Financial Statements

[Notes on Assumptions for Going Concern]

Not applicable

[Basis of Presenting Consolidated Financial Statements]

1. Scope of consolidation

(1)Number of consolidated subsidiaries: 24

Major consolidated subsidiaries

Asahi Pretec Corp.
Japan Waste Corporation
Nihon Chemitech Co., Ltd.
JW Logistics, Co., Ltd.
Taiyo Chemical Co., Ltd.
Iyotec Co., Ltd.
Fuji Rozai Co., Ltd.
JW Glass Recycling Co., Ltd.
Ecomax Co., Ltd.
Kyodo Chemical Co., Ltd.
INTER CENTRAL, INC.
KOEIKOGYO CO., LTD.
FUJI MEDICAL INSTRUMENTS MFG. CO., LTD.
Asahi G&S Sdn. Bhd.
Shanghai Asahi Pretec Co., Ltd.
Asahi Pretec Korea Co., Ltd.
Asahi Pretec Taiwan Co., Ltd.
Asahi Shih Her Technologies Co., Ltd.
Asahi Americas Holdings, Inc.
Asahi Refining Holdings UK Limited
Asahi Refining USA Inc.
Asahi Refining Canada Ltd.
and 2 other companies

(2) Major unconsolidated subsidiaries

None

2. Equity method affiliate

None

3. Fiscal year of consolidated subsidiaries

Among consolidated subsidiaries, the fiscal year end of Asahi G&S Sdn. Bhd., Shanghai Asahi Pretec Co., Ltd., Asahi Pretec Korea Co., Ltd., Asahi Pretec Taiwan Co.,Ltd and Asahi Shih Her Technologies Co.,Ltd. is December 31 of each year. For the preparation of consolidated financial statements, the company uses financial statements as of December 31 and makes adjustments as necessary for consolidation in relation to significant transactions during their year-end date and the consolidated year-end date.

4. Accounting policies

(1) Valuation standards and methods for major assets

a) Securities

Other securities

1): Other securities for which market quotations are available are stated at fair value prevailing at the balance sheet date with unrealized gains and losses, directly included in net assets. The cost of securities sold is determined by the moving-average method.

2): Other securities for which market quotations are not available are valued at cost mainly determined by the moving-average method.

b) Derivative

Market price method

c) Inventories

Merchandise and finished goods, work in process, raw materials and supplies

Stated at cost. Cost is determined mainly by the moving-average method (the method of write-downs based on the decrease in profitability is applied in order to calculate the inventory value on the balance sheet).

Note: A part of merchandise and finished goods is determined by individual cost method based on the actual cost method.

(2) Depreciation and amortization for major assets

a) Property, plant and equipments other than leased assets

The company and domestic consolidated subsidiaries: straight line method

Foreign consolidated subsidiaries: straight-line method based on accounting standards of local country.

Useful life of principle assets is as follows:

Buildings and structures	2 to 50 years
Machinery, equipment and vehicles	2 to 17 years

b) Intangible assets other than leased assets

The company and domestic consolidated subsidiaries: straight line method

Foreign consolidated subsidiaries: straight-line method based on accounting standards of local country.

Software for internal use is amortized under the straight-line method over the expected useful lives.

c) Leased assets

Leased assets related to financial leases that do not transfer ownership rights to the lessees are amortized under the straight-line method based on the lease term as the useful life and residual value of zero.

(3) Significant allowances

a) Allowances for doubtful account

To prepare for uncollectible credits and loans, general allowance of the company and domestic consolidated subsidiaries is recorded based on the actual bad debt ratio, and specific allowance is recorded based on the amount deemed to the uncollectible considering the collectibility.

As for foreign consolidated subsidiaries, specific credits are based on estimated uncollectable amount.

b) Provision for bonuses

To allow for the payment of bonuses to employees, the company records the standard for estimated amounts of bonuses to be paid.

c) Provision for director's bonuses

To allow for the payment of bonuses to directors, the company records the standard for estimated amounts of bonuses to be paid.

d) Provision for repairs

To allow our payment of periodic maintenance of production equipments, the company records the amount of estimated cost to be paid during this fiscal year.

e) Provision for product warranties

To allow for cost of after-sales service, the company records the actual cost of the past to be paid.

f) Provision for sales rebates

To allow for sales rebates, the company records the cost of this fiscal year's portion of the estimated sales rebate.

g) Provision for sales returns

To allow for sales returns, the company records the estimated sales returns losses at the year - end of this fiscal year.

h) Provision for management board incentive plan trust

To allow for management board incentive plan trust to directors, the company records based on the amount of estimated stock award debt at the year - end of this fiscal year.

i) Provision for stocks payment

To allow for stocks payment to Group employees, the company records based on the amount of estimated stock award debt at the year - end of this fiscal year.

(4) Retirement benefits

a) Method of attributing expected benefit to periods

When calculating retirement benefit obligations, benefit formula is used for attributing expected retirement benefits to periods through March 31, 2016.

b) Amortization of actual gain or loss, prior service cost and others

Prior service costs are expensed in a lump sum in the fiscal year in which they arise.

Actuarial differences are expensed in a lump sum in the fiscal year in which they arise.

c) Simplified method for small companies

Some domestic consolidated subsidiaries use the simplified method to calculate defined benefit liabilities and related costs.

(5) Foreign currency transactions

All monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Resulting gains and losses are included in net profit or loss for the period. All assets and liabilities of foreign subsidiaries and affiliates are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Revenues and expenses for the year are translated into Japanese yen at the average exchange rate during the year and translation adjustments are included in “Foreign currency translation adjustments of “Net assets.”

(6) Main hedge accounting methods

a) Hedge accounting methods

The company accounts for hedging activities under deferral hedge accounting. Furiate-shori (accounting method in which the current and forward rate difference is allocated by period length for the calculation at the accounting period) is applied to forward foreign exchange contracts which conform to the requirements of such hedge accounting.

b) Hedging instruments and targets

1. Hedging instruments
   Derivative transaction
   Hedged targets
   Precious metal products
2. Hedging instruments
   Exchange contract
   Hedged targets
   Monetary assets and liabilities denominated in foreign currencies
3. Hedging instruments
   Currency swap
   Interest rate swap
   Hedged targets
   Foreign currency long-term loan

c) Hedge policy

To reduce the precious metal market price risk and to improve income and expenditure balance, the company hedges price fluctuation risk and exchange rate risk based on internal rules.

(7) Amortization of goodwill

By judging respective case, goodwill is amortized under the straight-line method within a period of 20 years.

(8) Cash and cash equivalents in the consolidated cash flow statements

Cash and cash equivalents are composed of cash on hand, bank deposits able to be withdrawn on demand and short-term highly liquid investments with a maturity of three months or less at the time of purchase and which bear lower risks from fluctuations in value.

(9) Accounting method for consumption taxes

Consumption taxes are accounted for using the net method of reporting.

[Changes in accounting policies]

(Application of "Accounting Standard for Business Combinations," etc.)

The Company has applied the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013), etc. effective from the current fiscal year. As a result, the method of recording the amount of difference caused by changes in the Company's ownership interests in subsidiaries in the case of subsidiaries under ongoing control of the Company was changed to one in which it is recorded as capital surplus, and the method of recording acquisition-related costs was changed to one in which they are recognized as expenses for the fiscal year in which they are incurred. Furthermore, for business combinations carried out on or after the beginning of the current fiscal year, the accounting method was changed to one in which the current fiscal year acquisition cost allocation resulting from the finalization of the tentative accounting treatment is reflected in the consolidated financial statements for the current period in which the business combination occurs.

Additionally the presentation method of net income was amended and the reference to "Minority interests" was changed to "Non-controlling interests". To reflect these changes in presentation, the consolidated financial statements in the previous fiscal year have been reclassified.

Application of the Accounting Standard for Business Combinations, etc. is in line with the transitional measures provided in Paragraph 58-2 (4) of the Accounting Standard for Business Combinations, Paragraph 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and Paragraph 57-4 (4) of the Accounting Standard for Business Divestitures. Accordingly, these changes are effective from the beginning of the current fiscal year.

Those changes had no impact on the consolidated financial statements.

(Change in the depreciation method of property, plant and equipment)

The Company and its domestic consolidated subsidiaries had formerly depreciated property, plant and equipment other than leased assets using the declining-balance method (with the exception of buildings acquired on or after April 1, 1998, which are depreciated using the straight-line method). However, starting from the fiscal year ending March 31, 2016, the Company and its domestic consolidated subsidiaries have changed the depreciation method to the straight-line method.

This change in the depreciation method is due to the determination that depreciation using the straight-line method would better reflect the actual condition of usage of property, plant and equipment in a nod to the result of surveys on the actual status of the usage of property, plant and equipment and future business deployment which is planned in the "Seventh Medium-Term Management Plan".

As a result, operating income, ordinary income and income before income taxes increased by 211 million yen, respectively, as compared with the figures calculated using the previous method.

[Segment Information]

1. Overview of reporting segments

The Company's reporting segments are those Company constituent units for which separate financial information is obtainable, and which the Board of Directors subjects to regular examination in order to decide the allocation of management resources and evaluate business results.

As a pure holding company, the Company is in charge of overall strategic function for the Group, the operating companies engage in the precious and rare metals recycling business and the refining and processing business, industrial waste management and other environmental preservation business, and life & health business manufacturing and selling health equipment and other.

Therefore, the Company is composed of product and service segments based on business sectors. The three reporting segments are the precious metals business, the environmental preservation business, and the life & health business.

The precious metals business engages mainly in recycling, selling, refining and processing precious and rare metals such as gold, silver, palladium, platinum, and indium. The main work of the environmental preservation business is the collection, transport and intermediate processing of industrial waste. In the life & health business, the main work is the manufacture and sale of massagers, hearing aids, and other health equipment, the manufacture and sale of electric heaters, the design and installation of radiant heating and air conditioning systems, and the design and installation of disaster prevention equipment.

The segment which was previously stated as “Precious metal recycling business” has been changed to “Precious metal business” from April 1, 2015.

This change in the segment name does not affect the segment information.

2. Accounting method to calculate segment information on sales and income (loss), identifiable assets, and other items

The accounting method to calculate segment information is same as the method noted in [Basis of Presenting Consolidated Financial Statements].

(Change in the depreciation method of property, plant and equipment)

The Company and its domestic consolidated subsidiaries had formerly depreciated property, plant and equipment other than leased assets using the declining-balance method (with the exception of buildings acquired on or after April 1, 1998, which are depreciated using the straight-line method). However, starting from the fiscal year ending March 31, 2016, the Company and its domestic consolidated subsidiaries have changed the depreciation method to the straight-line method.

Compared to the past method, it increases operating income by precious metals business segment for the current term by 91 million yen, environmental preservation business segment for the current term by 87 million yen and life & health business segment for the current term by 32 million yen.

3. Information on sales and income (loss), identifiable assets, and other items by reporting segment

For the fiscal year ended March 31, 2015(From April 1, 2014 to March 31, 2015)

(Millions of Yen)

	Precious metal business	Environmental preservation business	Life & health business	Total
Net sales				
1) Customers	77,080	15,415	18,920	111,417
2) Intersegment	—	—	—	—
Total	77,080	15,415	18,920	111,417
Operating income by business segment	7,825	2,134	520	10,480
Identifiable asset by business segment	66,250	18,977	19,649	104,877
Other items				
Depreciation and amortization	942	680	162	1,785
Amortization of goodwill	15	293	339	649
Increase of property, plant and equipment and intangible assets	595	677	248	1,521

(Note) 1. Total segment income matches operating income recorded on the consolidated statements of income.
2. Increase in depreciation, property and equipment, and intangible assets includes long-term prepaid expenses and amortization of that related to these expenses.

For the fiscal year ended March 31, 2016(From April 1, 2015 to March 31, 2016)

(Millions of Yen)

	Precious metal business	Environmental preservation business	Life & health business	Total
Net sales				
1) Customers	77,516	15,735	25,221	118,473
2) Intersegment	—	—	—	—
Total	77,516	15,735	25,221	118,473
Operating income by business segment	5,557	2,363	784	8,705
Identifiable asset by business segment	63,875	19,938	19,774	103,589
Other items				
Depreciation and amortization	1,304	602	137	2,044
Amortization of goodwill	846	293	422	1,563
Increase in property, plant and equipment and intangible assets	915	552	198	1,666

(Note) 1. Total segment income matches operating income recorded on the consolidated statements of income.
2. Increase in depreciation, property and equipment, and intangible assets includes long-term prepaid expenses and amortization of that related to these expenses.

[Per Share Information]

	Year ended March 31, 2015	Year ended March 31,2016
Net assets per share (Yen)	1,542.82	1,560.21
Net income per share (Yen)	176.89	153.54

(Note) 1. Not given as the company has no potential stocks with dilution effect.
2. The following shows the basis of calculating net income per share

	Year ended March 31, 2015	Year ended March 31,2016
Profit attributable to owners of parent (Millions of yen)	5,774	5,031
Monetary value not related to common stockholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common stock (Millions of yen)	5,774	5,031
Number of weighted average common shares outstanding during the fiscal year (Thousands of shares)	32,646	32,773
Overview of potential stock not included in calculation of diluted net income per share because the stock have no dilution effect	2010 Stock Option（common stock 202,000 shares）	—

[Significant Subsequent Events]

Not applicable

6. Others

(1)Amounts of Production, Orders Received, Sales

①Production (Amount: millions of yen)

	Year ended March 31,2015		Year ended March 31,2016	
	Amount	Year-on-Year	Amount	Year-on-Year
Gold	44,555	95.4%	45,447	102.0%
Silver	3,995	70.6%	3,152	78.9%
Palladium	14,196	132.1%	10,605	74.7%
Platinum	8,603	122.8%	7,360	85.5%
Indium	9,667	143.8%	5,607	58.0%
Industrial waste treatment	17,706	103.6%	18,004	101.7%
Other	18,919	830.3%	30,815	162.9%
Total	117,644	122.3%	120,994	102.8%

(Note) Amount is provided on the basis of their sales prices.

②Orders received

As we do production according to the amount of the collection, there is no applicable information in the Precious metals business and Environmental preservation business.

We do production along with the production plan based mainly on the sales plan in the Life & health business.

③Sales (Amount: millions of yen)

	Year ended March 31,2015		Year ended March 31,2016	
	Amount	Year-on-Year	Amount	Year-on-Year
Gold	38,867	103.7%	38,931	100.2%
Silver	4,941	71.3%	4,318	87.4%
Palladium	17,517	139.4%	14,401	82.2%
Platinum	8,701	107.3%	7,615	87.5%
Indium	131	17.0%	11	8.9%
Industrial waste treatment	17,706	103.6%	18,004	101.7%
Other	23,550	208.4%	35,190	149.4%
Total	111,417	118.2%	118,473	106.3%