

FINANCIAL SUMMARY

Consolidated Balance Sheets

	FY2015 As of March 31, 2015	FY2016 As of March 31, 2016
Assets		
Current assets	29,968	32,521
Non-current assets	38,325	38,684
Property, plant and equipment	24,187	23,688
Intangible assets	1,125	905
Investments and other assets	13,012	14,089
Total assets	68,293	71,205
Liabilities		
Current liabilities	8,073	8,360
Non-current liabilities	3,185	3,277
Total liabilities	11,259	11,638
Net assets		
Shareholders' equity	52,046	56,249
Accumulated other comprehensive income	4,446	3,001
Non-controlling interests	542	316
Total net assets	57,034	59,567
Total liabilities and net assets	68,293	71,205

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Income

	FY2015 From April 1, 2014 to March 31, 2015	FY2016 From April 1, 2015 to March 31, 2016
Net sales	40,915	46,404
Cost of sales	28,239	30,953
Gross profit	12,676	15,450
Selling, general and administrative expenses	6,424	6,614
Operating income	6,251	8,836
Non-operating income	1,662	849
Non-operating expenses	351	604
Ordinary income	7,562	9,081
Extraordinary income	1,274	123
Extraordinary losses	1,204	15
Income before income taxes and minority interests	7,631	9,188
Income taxes - current	2,525	2,799
Income taxes - deferred	316	357
Net income	4,788	6,031
Net income attributable to non-controlling interests	63	92
Net income attributable to shareholders of the parent company	4,725	5,939

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Cash Flows

	FY2015 From April 1, 2014 to March 31, 2015	FY2016 From April 1, 2015 to March 31, 2016
Cash flows from operating activities	6,599	8,715
Cash flows from investing activities	(1,260)	(6,357)
Cash flows from financing activities	(1,332)	(2,294)
Effect of exchange rate change on cash and cash equivalents	474	465
Net increase in cash and cash equivalents	4,480	529
Cash and cash equivalents at beginning of period	8,475	12,955
Cash and cash equivalents at end of period	12,955	13,484

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Changes in Equity (From April 1, 2015 to March 31, 2016)

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares		Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2015	7,095	7,833	39,183	(2,066)	52,046	2,645	1,852	(51)	4,446	542	57,034
Cumulative effects of changes in accounting policies											
Restated balance	7,095	7,833	39,183	(2,066)	52,046	2,645	1,852	(51)	4,446	542	57,034
Changes of items during the consolidated fiscal year											
Dividends of surplus			(1,750)		(1,750)						(1,750)
Net income attributable to shareholders of the parent company			5,939		5,939						5,939
Purchase of treasury shares				(8)	(8)						(8)
Disposal of treasury shares											
Other		6	16		23						23
Net changes of items other than shareholders' equity during the consolidated fiscal year (net)						(468)	(858)	(117)	(1,444)	(226)	(1,670)
Total changes of items during the consolidated fiscal year		6	4,205	(8)	4,203	(468)	(858)	(117)	(1,444)	(226)	2,533
Balance as of March 31, 2016	7,095	7,840	43,388	(2,074)	56,249	2,177	993	(169)	3,001	316	59,567

Note: Amounts presented are rounded down to the nearest million yen.

CORPORATE / INVESTOR INFORMATION

Company Profile

(As of June 17, 2016)

<ul style="list-style-type: none"> Trade Name: ARIAKE JAPAN Co., Ltd. Representatives: Tomoki Tagawa, President (CEO), Katsutoshi Iwaki, Executive Vice President (COO) Established: June 2, 1966 Capital: 7,095,096 thousand yen Employees: 435 (As of March 31, 2016) Business Activities: 1. Manufacture, processing and sale of natural seasonings, 2. Production, processing, import / export and sale of livestock products, 3. Processing, import / export and sale of marine products, 4. Production, import / export and sale of non-pharmaceutical products, 5. Restaurant management, 6. Technical guidance concerning the above activities, 7. Operations incidental to above activities 	<ul style="list-style-type: none"> Banks: Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., The Eighteenth Bank, Ltd. Affiliated Companies: <ul style="list-style-type: none"> ARIAKE U.S.A., Inc. QINGDAO ARIAKE FOODSTUFF Co., Ltd. Taiwan Ariake Foods Co., Ltd. F.P. Natural Ingredients S.A.S. Ariake Europe N.V. Henningsen Nederland B.V. PT. Ariake Europe Indonesia Dear. SOUP Co., Ltd. A.C.C. Co., Ltd. Ariake Farm. Co., Ltd. 	<ul style="list-style-type: none"> Office Location: <ul style="list-style-type: none"> Headquarters: 3-2-17, Ebisu-Minami, Shibuya-ku, Tokyo 150-0022, TEL: 03-3791-3301 Kyushu Plant: <ul style="list-style-type: none"> No.1 Kyushu Plant No.2 Kyushu Plant Central Research Laboratory R&D Center Packing Center Nagoya Branch Osaka Branch Fukuoka Branch Sendai Branch Sapporo Sales Office
--	---	--



Headquarters building

Stock Data

(As of March 31, 2016)

- Total number of shares authorized to be issued: 130,000,000 shares
- Total issues and outstanding shares: 32,808,683 shares
- Number of shareholders: 10,491
- Stock exchange listing: Tokyo Stock Exchange, First Section
- Securities code number: 2815

Major Shareholders (Top 10)

Name of Shareholders	Thousand Shares	Percentage
Japan Food Business Co., Ltd.	10,608	33.34
Kineo Okada Scholarship Foundation	2,196	6.90
Japan Trustee Services Bank, Ltd. (Trust Account)	1,612	5.07
JP Morgan Chase Oppenheimer JASDEC Lending Account	1,417	4.46
GOLDMAN, SACHS & CO. REG	1,121	3.52
The Master Trust Bank of Japan, Ltd. (Trust Account)	878	2.76
Ohsho Food Service Corp.	784	2.46
JP Morgan Chase Bank 385174	605	1.90
BBH FOR MATTHEWS JAPAN FUND	594	1.87
STATE STREET BANK AND TRUST COMPANY	577	1.82

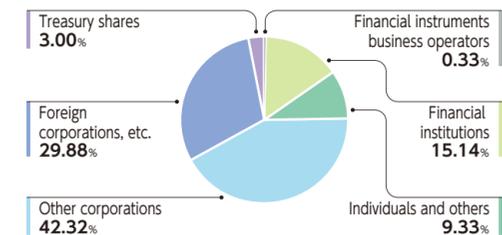
Note1: Treasury shares (984 thousand shares) are excluded from the list above.
 Note2: The percentage of total shares excludes treasury shares.
 Note3: Number of shares less than one thousand is rounded down to the nearest thousand.

Stock Information

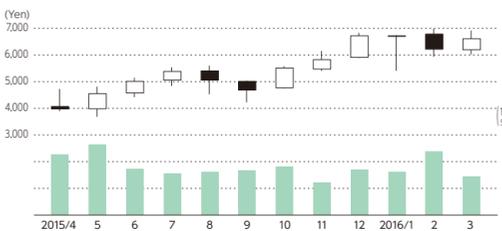
Fiscal year	April 1 to March 31 next year
Record date for receipt of year-end dividends	March 31
Record date for receipt of 2nd quarter dividends	September 30
General shareholders' meeting	Held in June each year
Stock transfer agent	Mitsubishi UFJ Trust and Banking Corporation
Account manager for special accounts	7-10-11, Higashisuna, Koto-ku, Tokyo 137-8081, Japan Mitsubishi UFJ Trust and Banking Corporation Securities Transfer Section TEL: 0120-232-711 (Toll free only in Japan)
Inquiries	
Stock exchange listing	Tokyo Stock Exchange, First Section The Company posts information about settlement announcement on its website. http://www.ariakejapan.com/
Announcement	



Percentage Composition of Shareholders



Stock Price (Monthly) and Trading Volume



Precautions

- In principle, changes of address, requests for purchases of shares and other shareholder procedures will be performed by the account manager (securities company, etc.) for each shareholder's account. These procedures are not performed by the Company's stock transfer agent (Mitsubishi UFJ Trust and Banking).
- For all procedures concerning stock registered in the special account, please contact Mitsubishi UFJ Trust and Banking, which is the manager of this account. These procedures are handled at the head office and all branches of Mitsubishi UFJ Trust and Banking.
- Accrued dividends can be received at the head office or any branch of Mitsubishi UFJ Trust and Banking.



TO OUR SHAREHOLDERS

Achieved renewed record highs in both net sales and earnings as our high quality products won wider support both in Japan and overseas. By constructing our "Global Eight-Pillar System," we aim to record even more growth and to continuously enhance our corporate value.

In delivering the Ariake Group's "Business Report" for the year ended March 31, 2016 (FY2016), we firstly wish to express our sincere condolences to those who lost their lives as victims of the Kumamoto earthquake which occurred in April this year, and also to express our deep and heartfelt sympathy to all those people that have been affected by this disaster.

The Japanese economy during the fiscal year ended March 31, 2016 saw a positive effect of the stimulus measures by the government in the first half of the year and improvement in corporate earnings and the employment situation, but with a slowdown in emerging economies including China and the strengthening of the yen in the second half of the year, the economic recovery has been modest.

Under such circumstances, Ariake Japan Co., Ltd. (the "Company") and its Group companies (collectively, the "Ariake Group") have been striving to understand customer needs early on, expand their existing businesses throughout the world, and actively develop new businesses. In this way, the Ariake Group endeavors, as a leading manufacturer in the field of natural seasonings, and also as a global enterprise setting up a "Global Seven-Pillar System," to fulfill its commitments to food safety, good health, and better taste.

Ariake's high quality products have enjoyed strong demand from food services and ready-made meals against a background of labor shortages in Japan whilst overseas in the USA, China and other countries, we have enjoyed growth in orders not just from Japanese companies but also from local ones as our products won increasing support in regions such as Taiwan and Europe. Consequently, we have recorded new all-time highs in net sales, operating income, ordinary income, and net income for the seventh consecutive fiscal year both on consolidated and non-consolidated bases.

The driving force behind this accomplishment derives from our unique business model which enables us to produce safe, high-quality products in large quantities. Moreover, we have a stable supply and marketing strategy that exploits our strengths as a worldwide enterprise based on our "Global Seven-Pillar System" to the full.

In aiming to achieve yet greater growth in the future, we are making progress with the construction of a new factory in Taiwan and aim to complete construction of the base in August this year. We also

established a new company in Indonesia in March this year which will be our first production base in south-east Asia. This completes the establishment of our "Global Eight-Pillar System." Moreover, we have been scrupulous in pursuing quality and hygiene control in our production bases both in Japan and overseas and are striving to continuously enhance our corporate value by further reinforcing our corporate governance by means of increasing the number of outside directors on our board.

To express our appreciation to shareholders for their support and ask for their continued support, we have decided to increase the year-end dividend by ¥5 to ¥40 per share. This brings the annual dividend to ¥60, including the interim dividend of ¥20.

On the occasion of the annual general meeting of shareholders held on June 17, 2016, Kineo Okada, the founder of our company, resigned from his position as Chairman of the Board (CEO) and assumed his new role as Senior Advisor. We thank all of our shareholders for their many years of support for the company and we humbly request that we will be able to enjoy your continued support and guidance in the future.

June 2016



Senior Advisor
Kineo Okada

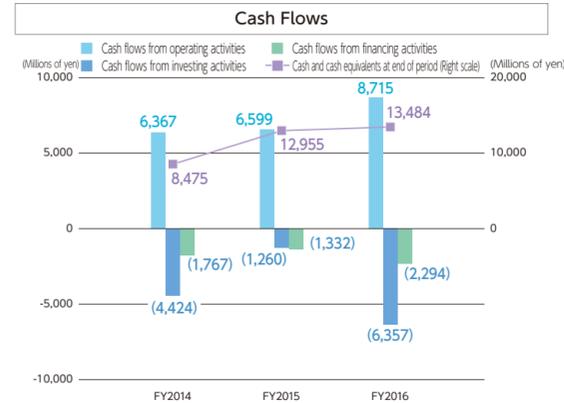
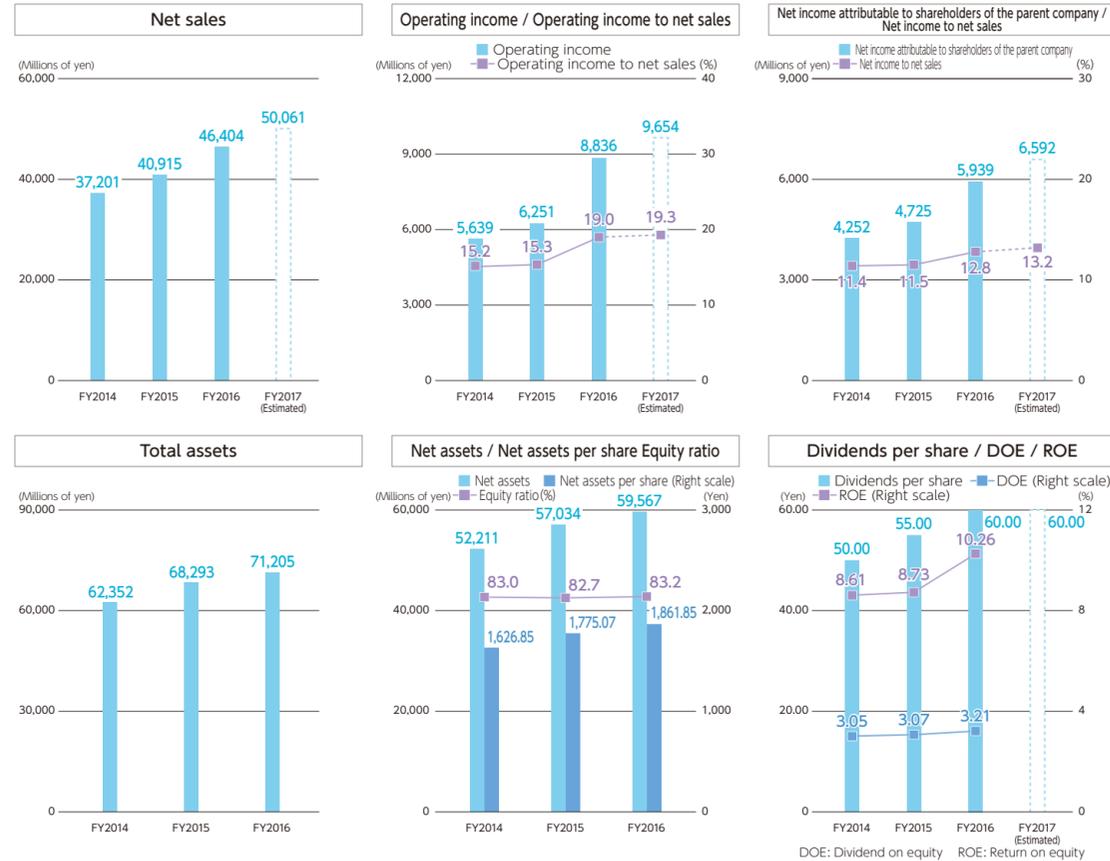


President (CEO)
Tomoki Tagawa



CONSOLIDATED FINANCIAL HIGHLIGHTS

Net sales, operating income, ordinary income and net income attributable to shareholders of the parent company all increased for the seventh consecutive year.



Consolidated net sales, thanks to concerted efforts to expand revenues by maintaining a sustained stance of putting the customer first, and also because of the growth in sales recorded by our overseas subsidiaries, grew by ¥5,488 million (13.4%) year-on-year to ¥46,404 million, and so the company recorded another all-time high in net sales with growth in net sales achieved for the seventh consecutive fiscal year.

Consolidated operating income increased by ¥2,584 million (41.3%) year-on-year to ¥8,836 million, with growth in operating income being greatly boosted by the contribution provided by the increase in net sales, which was able to absorb increases in cost factors in areas including raw materials costs due to yen weakness, and fixed costs for production and manufacturing expenses, etc.

Consolidated ordinary income rose by ¥1,518 million (20.1%) year-on-year to ¥9,081 million.

Net income attributable to shareholders of the parent company grew by ¥1,213 million (25.7%) year-on-year to ¥5,939 million.

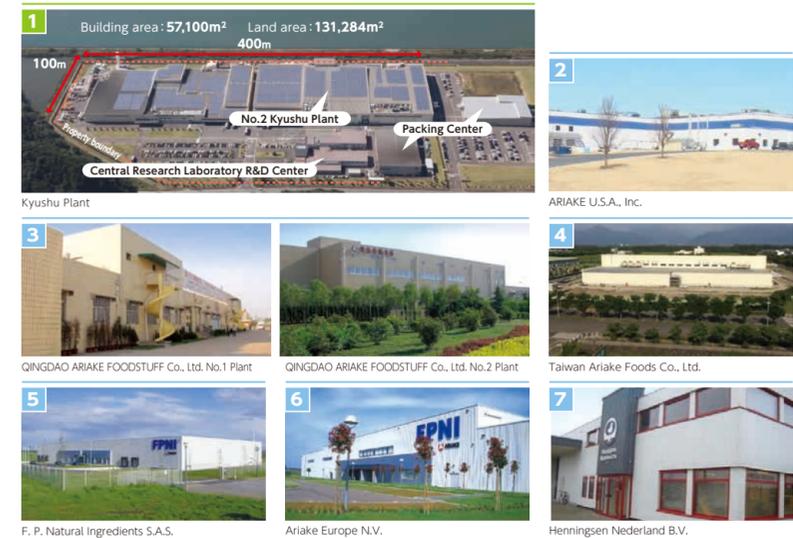
Ariake recorded new highs for the seventh consecutive fiscal year in **consolidated operating income, consolidated ordinary income, and net income attributable to shareholders of the parent company.**

SPECIAL ISSUE Global Network and Business Strategies of the Ariake Group

The optimal regional production system serves a broad array of customer needs worldwide.

Contributing to the advancement of the culture of food worldwide has always been a goal of the Ariake Group. Since our inception, we have been dedicated to operating on a global scale as both a Japanese company and a global enterprise. Since our founding, we have made enormous capital expenditures that total approximately ¥20 billion throughout the world. Having completed this round of overseas investments, we are now in the stage where we generate returns from these expenditures.

Under the optimal regional production system with production bases in seven locations as Japan, the U.S., China, Taiwan, France, Belgium and the Netherlands, we serve the diverse range of needs among our customers worldwide.



- 1 Japan**
Company Name: ARIAKE JAPAN Co., Ltd.
Headquarters Location: Shibuya-ku, Tokyo
Plant Location: Kita-Matsuura-gun, Nagasaki
Established: June 1966
Capital: ¥7,095 million
- 2 U.S.A.**
Company Name: ARIAKE U.S.A., Inc.
Office Location: Harrisonburg, Virginia, U.S.A.
Established: February 1985
Capital: US\$18 million
- 3 China**
Company Name: QINGDAO ARIAKE FOODSTUFF Co., Ltd.
Office Location: Qingdao Jiaonan Shandong Province, China
Established: December 1994
Capital: US\$8.12 million
- 4 Taiwan**
Company Name: Taiwan Ariake Foods Co., Ltd.
Office Location: Ping Tung, Taiwan
Established: May 1985
Capital: NT\$250 million
- 5 France**
Company Name: F.P. Natural Ingredients S.A.S.
Office Location: Alerçon, France
Established: March 2003
Capital: €22 million
- 6 Belgium**
Company Name: Ariake Europe N.V.
Office Location: Maasmechelen, Belgium
Established: January 2004
Capital: €54.5 million
- 7 Netherlands**
Company Name: Henningsen Nederland B.V.
Office Location: Waalwijk, Netherlands
Established: December 1984
Capital: €359 thousand

Business Plan of the Ariake Group

The optimal regional production system of the Ariake Group can provide a consistent supply of high quality, low cost products. Having completed work on this system, the Ariake Group has established a business plan that has clear numerical targets.

		Result		Plan		
		FY2015	FY2016	FY2017	FY2018	FY2019
Net sales	Ariake Japan	31.3	34.5	36.5	38.5	40.5
	Consolidated subsidiaries	12.4	14.4	15.6	18.4	21.5
	Adjustment	(2.8)	(2.5)	(2.0)	(2.5)	(3.0)
	Consolidated net sales	40.9	46.4	50.1	54.4	59.0
Operating income	Ariake Japan	5.6	6.7	7.1	7.5	7.9
	Consolidated subsidiaries	0.7	2.1	2.6	3.3	3.9
	Consolidated operating income	6.3	8.8	9.7	10.8	11.8

Business Strategies of the Ariake Group

The Ariake Group has established a specific business strategy for individual regions and countries of the world in line with the Ariake Group's business plan. Targets for sales three years from now, which is the fiscal year ending in March 2019, were also set up.

			Details	Sales Target for FY2019
Japan	ARIAKE JAPAN Co., Ltd.		Create a new business model	40.5
U.S.A.	ARIAKE U.S.A., Inc.		Perform strategic sales activities and make new capital investments	6.7
Asia	QINGDAO ARIAKE FOODSTUFF Co., Ltd. (China)		Sales growth deriving from stimulation of latent demand	7.4
	Taiwan Ariake Foods Co., Ltd. (Taiwan)			
Europe	F. P. Natural Ingredients S.A.S. (France)		Use the collective strengths of the three locations to increase sales in Europe	5.4
	Ariake Europe N.V. (Belgium)			
	Henningsen Nederland B.V. (Netherlands)			
Other	Indonesia, etc.		Expanding sales in new markets	2.0

Note: Sales targets for FY2019 are before consolidation adjustments.

TOPICS

Constructing our "Global Eight-Pillar System" to deliver even more growth

Ariake is striving hard to expand its overseas production bases so as to be able to achieve yet further growth. We plan to press ahead with the building of a new factory that will be able to cope with the additional demand at the Taiwan plant and to complete construction in August this year.

Moreover, in March this year, we established a new company in Indonesia that will be our first production base in south-east Asia. This completes the establishment of our "Global Eight-Pillar System." By investing a total of approximately ¥1 billion, we aim to commence production operations at the plant around the middle of 2017. This factory will produce seasonings that are used as raw materials in the production of chicken soup and similar products, and with the prospect of sales not being limited to within Indonesia itself but also promising the opportunity of exporting to Thailand and Malaysia, we plan to further expand our sales activities on a global scale.



Taiwan Ariake Foods Co., Ltd.

Advancing into Indonesia and establishing a production base in Southeast Asia for the first time

- Total investment amount: Approximately ¥1 billion
- Operation due to commence in 2017

Driving force for this growth is our unique business model

Ariake has the top share in the domestic market for the high quality, natural seasonings that are made from livestock-related raw materials, and is continuing to deliver steady growth in this area. The driving force for this growth is mainly due to the following distinctive features.

- 1 Consistently manufacturing high quality products** : Ariake, just like professional chefs and cooks, creates deliciousness in an industrial manner. Our huge No.2 Kyushu Plant is unmanned and automated and operates under computerized control, steadily and efficiently manufacturing high quality products in large volumes. Ariake's unique, proprietary know-how in areas such as the combination of the ingredients used, menu planning, and similar activities has been accumulated over many years and satisfies the needs of our clients with a range of approximately 2,500 types of products.
- 2 High Levels of Quality and Hygiene Management** : We are scrupulous in the pursuit of the highest levels of quality and hygiene management, have obtained the ISO9001 certification, the international certification for quality control and achieved the approval of the Japanese Ministry of Health, Labor and Welfare in recognition of our comprehensive hygiene management and production processes. We have introduced the Hazard Analysis & Critical Control Points (HACCP) hygiene management guidelines, and our other achievements in this area include the installation of manufacturing equipment both in Japan and overseas on the basis of compliance with the hygiene standards of the US Department of Agriculture (USDA) which are the strictest and most stringent in the world.
- 3 Recycling Model** : Ariake makes efficient and effective use of the resources within the group by recycling the remnants from its manufacturing process into good quality, specialized fermented fertilizer that is used as a fertilizer at its Ariake Farm agricultural facilities.
- 4 Optimal Regional Production System** : We have established a production system that is optimized on a global basis to enable us to deliver stable supplies of high-quality products to all regions across the world. We continue to strive to further the evolution of this process by building our "Global Eight-Pillar System."

Our website contains a variety of information about the Company.
<http://www.ariakejapan.com/en/>

or