

Summary of Business Results for the Fiscal Year Ended July 2016

[Japan GAAP] (Consolidated)

September 14, 2016

Company **ARDEPRO Co., Ltd.** Listed on the TSE
 Stock Code 8925 URL: <http://www.ardepro.co.jp/>
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 Expected date of annual shareholders' meeting: October 27, 2016 Expected starting date of dividend payment: October 28, 2016
 Expected date of filing of annual securities report: October 28, 2016
 Preparation of supplementary financial document: None
 Results briefing: Yes (for institutional investors)

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended July 2016

(August 1, 2015 through July 31, 2016)

(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	%
Year ended Jul. 2016	27,474	135.1	4,079	80.3	3,361	80.1	3,094	67.4
Year ended Jul. 2015	11,687	12.4	2,262	23.5	1,866	5.1	1,848	13.3

(Note) Comprehensive income:

Year ended July 2016: 3,094 million yen (67.4 %)

Year ended July 2015: 1,848 million yen (13.3 %)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Jul. 2016	13.21	-	68.7	19.0	14.8
Year ended Jul. 2015	7.62	-	52.2	18.7	19.4

(Reference) Investment earnings/loss on equity – method:

Year ended July 2016: – million yen

Year ended July 2015: – million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jul. 2016	19,371	4,809	24.3	-29.78
As of Jul. 2015	15,942	4,383	26.9	-42.26

(Reference) Shareholders' equity:

As of July 2016: 4,715 million yen

As of July 2015: 4,290 million yen

(3) Consolidated results of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Year ended Jul. 2016	258	-1,755	-488	2,956
Year ended Jul. 2015	-7,237	-156	9,727	4,941

2. Dividends

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Jul. 2015	—	0.00	—	1.00	1.00	231	13.1	—
Year ended Jul. 2016	—	0.00	—	2.00	2.00	460	14.8	—
Year ending Jul. 2017 (forecast)	—	—	—	—	—		—	

Above figures are dividends associated with common stock. Dividend forecast for the fiscal year ending July 2017 has not yet been determined, and the company will announce as soon as it is determined.

3. Forecast of consolidated business results for the fiscal year ending July 2017

(August 1, 2016 through July 31, 2017)

For the fiscal year ended July 2016, the company sold all the shares of Sho-Kenchiku Co., Ltd. and S&Standard Co., Ltd., its consolidated subsidiaries. As the business scales of other subsidiaries are small and its importance for the company is limited, financial results of the subsidiaries are non-consolidated. Therefore, from the fiscal year ending July 2017 the company will only present its non-consolidated business forecasts, and the consolidated business forecasts for the fiscal year ending July 2017 is not presented.

※Notes

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

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

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

(3) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of July 2016 237,063,105 shares

As of July 2015 233,873,050 shares

② Treasury stock at the end of period:

As of July 2016 7,011,282 shares

As of July 2015 2,141,790 shares

③ Average number of stock during period (cumulative period)

Year ended July 2016 230,099,346 shares

Year ended July 2015 233,494,153 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended July 2016

(August 1, 2015 through July 31, 2016)

(1) Non-consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Jul. 2016	27,470	140.5	4,088	80.8	3,381	82.2	3,104	68.8
Year ended Jul. 2015	11,424	11.4	2,261	23.4	1,856	4.5	1,839	12.5

	Net income per share		Diluted net income per share	
	Yen		Yen	
Year ended Jul. 2016	13.25		-	
Year ended Jul. 2015	7.58		-	

(2) Non-consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%	Yen		
As of Jul. 2016	19,371		4,809		24.3	-29.78		
As of Jul. 2015	15,878		4,376		27.0	-42.99		

(Reference) Shareholders' equity:

As of July 2016: 4,715 million yen

As of July 2015: 4,282 million yen

2. Forecast of non-consolidated business results for the fiscal year ending July 2017

(August 1, 2016 through July 31, 2017)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Year ending Jul. 2017	49,000	78.4	9,100	122.6	8,000	136.6	7,300	135.2	31.49	

For the fiscal year ended July 2016, the company sold all the shares of Sho-Kenchiku Co., Ltd. and S&Standard Co., Ltd., its consolidated subsidiaries. As the business scales of other subsidiaries are small and its importance for the company is limited, financial results of the subsidiaries are non-consolidated. Therefore, from the fiscal year ending July 2017 the company will only present its non-consolidated business forecasts.

※Implementation status of auditing procedures

This financial summary is not subject to auditing procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the auditing procedures of financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

※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.