Translation

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Summary of Consolidated Financial Statements for the First Quarter Ended June 30, 2016 [Prepared on the basis of Japan's Generally Accepted Accounting Standard (GAAP)]

August 4, 2016

Corporate name : Alfresa Holdings Corporation
Stock exchange listing : The 1st section of Tokyo Stock Exchange
Stock code : 2784 URL : http://www.alfresa.com/
Representative : Taizo Kubo, Representative Director & President
Contact person : Soichi Nemoto, General Manager, Financial Planning Department, Public and Investor Relations Office
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Scheduled date for filing Quarterly Securities Report : August 10, 2016
Scheduled dividend payment date : ―
Preparation of supplementary material on quarterly financial results : None
Financial results meeting : None

(Rounded down to tha nearest million yen)

1. Summary of consolidated financial results for the first quarter of the fiscal year (April 1, 2016 - June 30, 2016)

(1) Consolidated operating results

(Percentages indicate changes over the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Three months ended June 30, 2016	644,917	1.5	10,027	35.8	12,774	29.0	8,792	41.7
Three months ended June 30, 2015	635,482	8.5	7,381	16.4	9,905	7.8	6,203	2.7

Note : Comprehensive income : Three months ended June 30, 2016 ¥ 11,315 million [46.0%]
Three months ended June 30, 2015 ¥ 7,750 million [2.7%]

	Earnings per share of common stock	
	Basic	Diluted
	Yen	Yen
Three months ended June 30, 2016	40.58	―
Three months ended June 30, 2015	27.73	―

(2) Consolidated financial position

	Total assets	Net assets	Owners' equity ratio
	¥ Million	¥ Million	%
As of June 30, 2016	1,271,902	376,345	29.4
As of March 31, 2016	1,253,494	368,727	29.2

Reference : Owners' equity : As of June 30, 2016 ¥ 374,199 million As of March 31, 2016 ¥ 366,542 million

2. Dividends per share of common stock

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2015	―	16.00	―	17.00	33.00
FY2016	―				
FY2016 (Forecast)		17.00	―	17.00	34.00

3. Consolidated performance forecast for FY2016 (April 1, 2016 - March 31, 2017)

(Percentages indicate changes over the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	Yen
1H FY2016	1,292,000	2.4	13,700	(13.2)	18,500	(11.1)	11,100	(16.1)	51.23
FY2016	2,623,000	1.8	37,900	(16.3)	47,600	(14.2)	30,300	(13.4)	139.84

*** Notes**

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

(2) Adoption of special accounting method for preparing quarterly consolidated financial statements : None

(3) Changes in accounting policy, changes in accounting estimates, and restatement

i. Change in accounting policy due to amendment of accounting standard : None
ii. Change in accounting policy due to reasons other than i. : Yes
iii. Change in accounting estimates : None
iv. Restatement : None

(4) Number of outstanding shares of common stock

i. Number of shares outstanding (including treasury stock) at end of period :

As of June 30, 2016	235,017,600	shares
As of March 31, 2016	235,017,600	shares

ii. Number of treasury stock at end of period :

As of June 30, 2016	18,337,859	shares
As of March 31, 2016	18,337,555	shares

iii. Average number of outstanding shares during the period :

3M FY2016	216,679,862	shares
3M FY2015	223,668,999	shares

*Implementation Status of Quarterly Review Procedures

These quarterly financial results are not subject to quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of the disclosure of these quarterly financial results, the review procedures for quarterly consolidated financial statements based on the Financial Instruments and Exchange Act have not been completed.

*Disclaimer regarding the Appropriate Use of Performance Forecasts and Other Notes

The forward-looking statements such as performance forecasts contained herein are forecasts based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual performance may differ substantially from these forecasts due to various factors.

Three-month consolidated financial statements

FY2016 three-month consolidated balance sheets

(Millions of yen)

	Year-end FY2015 (As of March 31, 2016)	FY2016 3M (As of June 30, 2016)
(Assets)		
Current assets		
Cash and deposits	118,174	161,789
Trade notes and accounts receivable	612,182	615,143
Marketable securities	42,000	44
Merchandise and finished goods	129,816	129,094
Work in process	572	1,314
Raw materials and supplies	2,882	3,458
Others	59,851	64,205
Allowance for doubtful accounts	(343)	(345)
Total current assets	965,135	974,705
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	50,133	52,614
Land	64,727	65,509
Others (net)	15,628	16,535
Total property, plant and equipment	130,489	134,659
Intangible assets		
Goodwill	7,337	7,708
Others	7,615	7,681
Total intangible assets	14,952	15,389
Investments and other assets		
Investment in securities	125,409	129,508
Others	22,513	22,649
Allowance for doubtful accounts	(5,006)	(5,009)
Total investments and other assets	142,917	147,148
Total non-current assets	288,359	297,197
Total assets	1,253,494	1,271,902

(Millions of yen)

	Year-end FY2015 (As of March 31, 2016)	FY2016 3M (As of June 30, 2016)
(Liabilities)		
Current liabilities		
Trade notes and accounts payable	795,006	805,072
Short-term debt	679	819
Income taxes payable	12,628	8,360
Reserve for employees' bonuses	7,887	8,501
Others	19,310	21,874
Total current liabilities	835,512	844,629
Non-current liabilities		
Long-term debt	1,309	1,217
Net defined benefit liabilities	17,762	18,893
Others	30,181	30,816
Total non-current liabilities	49,254	50,927
Total liabilities	884,766	895,556
(Net assets)		
Shareholders' equity		
Common stock	18,454	18,454
Capital surplus	103,121	103,121
Retained earnings	205,784	210,893
Treasury stock, at cost	(16,017)	(16,018)
Total shareholders' equity	311,342	316,451
Accumulated other comprehensive income		
Unrealized gain on available-for-sales securities, net of taxes	59,546	62,191
Unrealized gains on deferred hedges	(13)	(18)
Revaluation reserve for land	(4,143)	(4,143)
Foreign currency translation adjustments	175	135
Remeasurements of defined benefit plans, net of taxes	(364)	(417)
Total accumulated other comprehensive income	55,199	57,747
Non-controlling interests	2,185	2,146
Total net assets	368,727	376,345
Total liabilities and net assets	1,253,494	1,271,902

FY2016 three-month consolidated statements of income and comprehensive income (three months ended June 30)

(Millions of yen)

	FY2015 3M (Apr. 1, 2015 - Jun. 30, 2015)	FY2016 3M (Apr. 1, 2016 - Jun. 30, 2016)
Net sales	635,482	644,917
Cost of sales	590,678	597,033
Reversal of allowance for returned unsold goods	777	822
Allowance for returned unsold goods	732	781
Gross profit	44,849	47,924
Selling, general and administrative expenses	37,467	37,896
Operating income	7,381	10,027
Other income		
Interest income	40	20
Dividend income	757	807
Information fees received	1,440	1,491
Others	463	553
Total other income	2,702	2,873
Other expenses		
Interest expenses	31	27
Equity in losses of affiliates	82	9
Expenses for rental property	41	33
Others	23	55
Total other expenses	179	126
Ordinary profit	9,905	12,774
Extraordinary profit		
Gain on sales of non-current assets	4	18
Gain on sales of investment securities	29	7
Total extraordinary profit	33	26
Extraordinary loss		
Loss on sales of non-current assets	－	0
Loss on disposal of non-current assets	12	88
Loss on impairment of non-current assets	175	157
Loss on devaluation of investment securities	91	7
Total extraordinary loss	279	254
Profit before income taxes and non-controlling interests	9,659	12,546
Income taxes		
Current	3,744	7,878
Deferred	(370)	(4,092)
Total income taxes	3,373	3,786
Profit	6,285	8,760
Attributable to :		
Owners of parent	6,203	8,792
Non-controlling interests	82	(32)

(Millions of yen)

	FY2015 3M (Apr. 1, 2015 - Jun. 30, 2015)	FY2016 3M (Apr. 1, 2016 - Jun. 30, 2016)
Other comprehensive income		
Unrealized gain on available-for-sales securities, net of taxes	1,226	2,643
Unrealized gain on deferred hedges	(1)	(1)
Revaluation reserve for land	5	―
Foreign currency translation adjustments	0	(39)
Remeasurements of defined benefit plans, net of taxes	235	(41)
Share of other comprehensive income of entities accounted for using equity method	(2)	(5)
Total other comprehensive income	1,464	2,554
Comprehensive income	7,750	11,315
Attributable to :		
Owners of parent	7,651	11,336
Non-controlling interests	99	(21)