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April 13, 2016

Summary of Financial Results of the Third Quarter of the Fiscal Year ending May 31, 2016
[Japanese standards] (Consolidated)

Company name: SHINWA ART AUCTION CO., LTD.

Stock Exchange listings: Tokyo

Securities code: 2437

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Scheduled date of filing of quarterly report: April 14, 2016

Scheduled date of payment of dividend: N/A

Preparation of supplementary references regarding quarterly results: No

Holding the briefing of quarterly results: No

(All amounts are rounded down to the nearest million yen)
 (△ means negative)

1. Financial Results of the Third Quarter of the Fiscal Year ending May 31, 2016 (Jun. 1, 2015 – Feb. 29, 2016)

(1) Consolidated results of operations (cumulative total)

(Percentages represent changes from previous year)

	Net Sales		Operating income		Ordinary income		Income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q FY05/2016	2,456	88.0	134	—	115	—	33	—
3Q FY05/2015	1,306	54.9	△122	—	△131	—	△98	—

(Note) Comprehensive income 3Q FY05/2016: 33 million yen (—%)
 3Q FY05/2015: △102 million yen (—%)

	Quarterly Net income per share	Diluted quarterly net income per share
	Yen	Yen
3Q FY05/2016	5.89	5.85
3Q FY05/2015	△17.33	—

(Note) Amount of "Diluted quarterly net income per share" is not disclosed for 3Q FY05/2015 because, although there were residual securities, net loss per share has been posted.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
3Q FY05/2016	3,052	1,639	53.6	285.19
FY05/2015	3,360	1,640	48.5	285.56

(Reference) Shareholders equity: 3Q FY05/2016: 1,634 million yen
 FY05/2015: 1,630 million yen

2. Dividends

	Annual dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY05/2015	—	0.00	—	6.00	6.00
FY05/2016	—	0.00	—	6.00	6.00
FY05/2016 (forecasts)				6.00	6.00

(NOTE) Revisions to dividend forecasts published most recently: None

3. Consolidated performance forecasts for the Fiscal Year ending May 31, 2016
(Jun. 1, 2015 – May 31, 2016)

(Percentages represent changes from previous year)

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full term	3,297	11.9	263	238.3	247	369.4	160	878.8	27.95

(NOTE) Revisions to performance forecasts published most recently: None

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***Notes**

- (1) Changes in important subsidiaries during the current consolidated cumulative period: None
(changes in specific subsidiaries resulting in modifications of the consolidation scope)
- (2) Application of special accounting methods to the preparation of quarterly financial statement: None
- (2) Changes in accounting principles, changes and restatements of accounting estimates
- 1) Changes in accounting principles caused by revision of accounting standards: Yes
 - 2) Changes other than 1): None
 - 3) Changes in accounting estimates: Yes
 - 4) Restatements: None
- (Note) Please see the appendix page 5, "2. Matters regarding Summary Information (Notes), (3) Changes in accounting principles, changes and restatements of accounting estimates."
- (3) Number of outstanding shares (common shares)
- 1) Number of shares outstanding at the end of the period (including treasury stock)
 - 3Q FY05/2016: 6,594,900 shares
 - FY05/2015: 6,562,900 shares
 - 2) Number of treasury stock at the end of the period
 - 3Q FY05/2016: 862,800 shares
 - FY05/2015: 854,800 shares
 - 3) Average number of shares outstanding during the period (quarterly cumulative)
 - 3Q FY05/2016: 5,718,617 shares
 - 3Q FY05/2015: 5,659,138 shares

*** Presentation concerning implementation status of quarterly review procedures**

These quarterly financial results are not the subject of a quarterly review procedure based on the Financial Instruments and Exchange Act, and at the time of disclosing these quarterly financial results, review procedures regarding the quarterly financial statements based on the Financial Instruments and Exchange Act had not been completed.

*** Explanation regarding appropriate use of the earnings forecast and other special notes**

Descriptions about the future such as performance forecasts contained in this document are based on information currently available to the Company and certain presumptions considered to be reasonable, and therefore actual business performance and other elements may differ substantially due to various factors. For preconditions for performance forecasts and precaution statements in using such forecasts, please see the appendix, page 4, "1. Qualitative Information regarding the Current Quarter: (3) Descriptions regarding future prospects such as consolidated performance forecasts".

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1. Qualitative Information regarding the Current Quarter**(1) Descriptions regarding operating results**

During the current third quarter consolidated cumulative period (Jun. 1, 2015 - Feb. 29, 2016), Japanese economy has shown steady trend in overall personal spending, and has some sign of shift from quantitative improvement to qualitative improvement found in the employment situation due to solid corporate performance, resulting in gradual upward momentum as a whole. However, geopolitical risks are increasing overseas which have become a risk factor for Japanese economy being continuously depressed, along with concern about economic slowdown in Asian emerging countries, natural resource exporting countries and others, as well as decline in crude oil price.

Amid such environment, the Group has endeavored to offer excellent articles including mainly high-priced art objects to auctions as part of its main business of auction related business, and to recommend art collectors comprising mainly of wealthy class that they should participate in auctions. In addition, the Group concentrated its efforts in the new category of energy related business to sales of low-pressure type photovoltaic installations, and moreover, decided to enter into the field of medical tourism as part of its another new business category of supporting medical institutions, so that the Group could build up its structure to ensure stable profitability at an early stage.

The operating results for each business segment are as follows.

Since the beginning of the current consolidated fiscal period, the Group has renamed its former "Renewable energy related business" to "Energy related business".

① Auction related business

In the current third quarter consolidated cumulative period, handling volume was 2,597,846,000 yen (down 7.1% YoY), net sales was 686,210,000 yen (down 4.4% YoY), and segment loss was 40,035,000 yen (decreased as compared to the segment loss of 110,400 yen in the previous year). These actual performance values are, however, due to seasonal variable factors in that many of auctions are held in the second quarter and the fourth quarter of auction related business, and as such those values are as having been anticipated within the range of performance forecasts for the current consolidated fiscal year.

The operating results for each business category are as follows.

Category	3Q FY05/2016 (consolidated cumulative period) June 1, 2015 - February 29, 2016							
	Volume (thousand yen)	YoY (%)	Net sales (thousand yen)	YoY (%)	Auction(s) held	Items offered	Successful bids	Sell through rate (%)
Modern Art Auction	1,311,360	△11.4	289,949	△0.3	4	468	405	86.5
Modern Ceramics Auction	250,585	39.2	51,175	11.5	4	703	660	93.9
Modern Art Part II Auction	211,370	38.9	47,672	22.4	4	1,273	1,154	90.7
Other auctions	592,841	△11.0	117,605	△21.7	9	3,394	2,173	64.0
Auctions business - total	2,366,156	△4.5	506,402	△3.7	21	5,838	4,392	75.2
Private sale	171,327	△30.8	136,259	△10.1				
Others	60,362	△16.1	43,547	7.9				
Other auction related business - total	231,690	△27.5	179,807	△6.3				
Auction related business - total	2,597,846	△7.1	686,210	△4.4				

(Note) 1. One of major factors causing divergence with respect to YoY ratios of handling volume and of net sales is increase/decrease in merchandise sales. Merchandise sales constitute the Group's net sales, like commission income on successful auction bid price, income from catalog sales and annual membership fee do, and therefore if an article is sold from our stock, its sales price (successful bid price in case of being sold by auction) shall be allocated to net sales, as merchandise sales.

2. As part of the structure of auction-related business, many of auctions would be held during second and fourth quarter periods each year, and therefore there appear some seasonal fluctuations in performance for each quarter consolidated fiscal period.

i) Auction business

During the current third quarter consolidated cumulative period, the Company held 21 auctions in total. These include Modern Art Auction, Modern Ceramics Auction, Modern Art Part II Auction, and Bags/Jewellery & Watches Auction, each of which was held four times, as well as Wine Auction held twice, and European Decorative Art Auction, Post-War & Contemporary Art Auction, and also Noritake Kinashi Auctions as a special one, each of which was held once.

Modern Art Auction, our principal business, has seen decrease in numbers of items offered by 17.5% YoY and decrease in numbers of successful bids by 12.5% YoY, whereas average successful bid value slightly increased by 1.6% YoY. In addition, ratio of successful bid value relative to the estimated minimum sum was as high as 138.6% on average.

As for Modern Ceramics Auction, both numbers of items offered and of successful bids increased by 3.7% and 4.1%, respectively YoY. Especially in the current third quarter consolidated cumulative fiscal period, two auctions was held including antique art auction and achieved good results, in which average successful bid value substantially increased by 35.0% YoY, and in addition, ratio of successful bid value relative to the estimated minimum sum was as high as 140.4% on average.

As for Modern Art Part II Auction, both numbers of items offered and of successful bids increased by 16.4% and 16.2%, respectively YoY. Average successful bid value increased by 19.8% YoY, and ratio of successful bid value relative to the estimated minimum sum was as high as 133.5% on average.

With respect to other auctions, Wine Auction achieved significant performance growth over the previous year, and holding a Post-War & Contemporary Art Auction contributed to the revenues; however, both handling volume and net sales in this category decreased as compared to the previous year in which a special auction titled "Shiko Munakata - Twenty Two Lots From A Private Collection" was held.

ii) Other auction related business

Private Sale department put continuous efforts to deal actively during the current third quarter consolidated cumulative period. Elsewhere, services for purchasing precious metals were also carried out actively, which unfortunately resulted in decrease in both handling volume and net sales as compared to the previous year.

② Energy related business

With respect to sales of low-pressure type photovoltaic power generation installations of 50 kW class, 60 of those were sold during the current third quarter consolidated cumulative period.

Although levels of sales and cost of sales per installation have been lower than as originally planned, they had only small impact on overall profit. On the other hand, demands aiming at application of taxation system for promoting investment on productivity improvement equipment that has been anticipated since previous year have indeed emerged from late June last year, and then from July, Ministry of Economy, Trade and Industry has started to give permission for relevant photovoltaic installations, after which favorable performance in sales has been observed.

In addition, selling out Hokita Photovoltaic Station owned by one of our subsidiary, electric power selling business by using its own photovoltaic installations and other business have contributed to the Group's performance, leading to net sales of 1,767,870,000 yen (increase by 200.3% YoY) and segment income of 175,524,000 yen (in contrast to the segment loss of 9,400,000 yen in the previous year) in the current third quarter consolidated cumulative period.

It should be noted that, as announced in "Notices concerning likelihood of inability of or delay in debt-collection at one of the Company's subsidiaries" dated March 15, 2016, one of the Company's subsidiaries has concerns about collecting certain amount of accounts receivable, and therefore in the current third quarter consolidated cumulative period, provision of allowance for doubtful accounts of 27,534,000 yen was allocated as extraordinary losses.

③ Others

In the business category of supporting medical institutions, medical fee loans factoring business has been provisionally frozen, and as part of medical related business, specific negotiations are underway with medical institutions providing high-level medical services/examinations and with affiliated medical institutions, in order to establish medical tourism that presents cutting-edge medical technologies and high quality medical services to wealthy class in Asia, including Japan, as the Group's pillar of profitability. In the current third quarter consolidated fiscal period, the Company acquired a Hong Kong based company as its sub-subsidiary, which has executed a business tie-up with Coporate Business Network Limited having settlement capabilities handling China UnionPay credit cards in Hong Kong, and these companies have decided to establish a new joint venture. It intends mainly to attract inbound tourists from China and other Asian countries visiting Japan for receiving medical services, and establishing such joint venture aims at building up credit card settlement platform for those services. Moreover, training courses for of medical coordinators and of medical interpreters have started.

Further, the Company has started another business as a nonlife insurance agent from the current third quarter consolidated fiscal period.

In such context, performance of the current third quarter consolidated cumulative period achieved substantial increase in both revenues and earnings as compared to the previous year. It comprises net sales of 2,456,618,000 yen (increase by 88.0% and 1,149,745,000 yen YoY), operating income of 134,350,000 yen (increase by 256,915,000 yen as compared to loss of 122,565,000 yen in the previous year), ordinary income of 115,575,000 yen (increase by 246,860,000 yen as compared to loss of 131,285,000 yen in the previous year), and quarterly net income attributable to owners of parent of 33,687,000 yen (increase by 131,787,000 yen as compared to loss of 98,099,000 yen in the previous year).

(2) Descriptions regarding financial position**(Assets)**

Total assets was 3,052,398,000 yen at the end of the current third quarter consolidated fiscal period, i.e. decrease by 308,363,000 yen as compared to the end of previous consolidated fiscal year. It comprises mainly increase in cash and deposits by 318,697,000 yen, decrease in accounts receivable - other from auction business by 242,725,000 yen and in machinery, equipment and vehicles by 271,406,000 yen, increase in merchandise by 278,915,000 yen, and increase in advance payments by 228,040,000 yen.

(Liabilities)

Total liabilities was 1,412,572,000 yen at the end of the current third quarter consolidated fiscal period, i.e. decrease by 307,363,000 yen as compared to the end of previous consolidated fiscal year. It comprises mainly decrease in accounts payable - auction business by 325,076,000 yen, decrease in long-term loans payable (including current portion) by 277,764,000 yen, increase in short-term loans payable 239,500,000 yen, and increase in provision for directors' bonuses by 53,090,000 yen.

(Net assets)

Total net assets was 1,639,826,000 yen at the end of the current third quarter consolidated fiscal period, i.e. decrease by 1,000,000 yen as compared to the end of previous consolidated fiscal year. It comprises mainly increase in capital stock by 3,714,000 yen, increase in capital surplus by 3,714,000 yen, decrease in subscription rights to shares by 5,365,000 yen, and decrease by 2,125,000 yen due to increase in treasury shares.

(3) Descriptions regarding future prospects such as consolidated performance forecasts

With respect to performance forecasts for the fiscal year ending May 31, 2016, upon consideration of actual results of the current third quarter consolidated cumulative period and the present business circumstances and business environment at this point, current financial position is largely within the performance forecasts as announced on December 21, 2015, and there is no change in such forecasts at this point.

Meanwhile, actual performance in the future may differ from these forecasts, influenced by a wide variety of factors.

2. Matters regarding Summary Information (Notes)

(1) Changes in important subsidiaries during the current consolidated cumulative period

In the current third quarter consolidated fiscal period, although there is no change in any specific subsidiary, APEC CO., LTD., a consolidated subsidiary of SHINWA, has acquired the entire shares of SHINWA MEDICO HONG KONG LIMITED (former LYS BLANC, H.K. CO., LIMITED) and therefore it has been included in the scope of consolidation. Also, Shinwa Myanmar Co., Ltd. has been established and included in the scope of consolidation from the current third quarter consolidated fiscal period.

(2) Application of special accounting methods to the preparation of quarterly consolidated financial statement

Not applicable.

(3) Changes in accounting principles, changes and restatements of accounting estimates

Changes in accounting principles

(Application of Accounting Standard for Business Combination, etc.)

"Accounting Standard for Business Combination" (Corporate Accounting Standard No. 21 of September 13, 2013), "Accounting Standard for Consolidated Financial Statements" (Corporate Accounting Standard No. 22 of September 13, 2013), and "Accounting Standard for Business Divestitures" (Corporate Accounting Standard No. 7 of September 13, 2013) have been applied to the Group's accounting method since the first quarter consolidated fiscal period, and therefore balance amount due to change in equity interest which the Group has in its subsidiaries in case of continuous control over them is allocated as capital surplus and expenses related to acquisition are allocated as having been incurred during the consolidated fiscal year during which such acquisition took place. With respect to business combination to be carried out after the beginning of the first quarter consolidated fiscal period, accounting method has been revised so that allocation amount of acquisition cost readjusted due to ascertainment of provisional accounting treatment should be reflected on the quarterly consolidated financial statements for the quarterly consolidated fiscal period during which relevant business combination took place. In addition, the manner in which quarterly net profit and others are represented has been revised; and reference to "minority shareholders" has been changed to as "non-controlling shareholders". In order to reflect such changes in representation, quarterly consolidated financial statements for the third quarter of the previous consolidated cumulative fiscal period and consolidated financial statements for the previous consolidated fiscal year were reconstructed accordingly.

Application of Accounting Standards for Business Combination and for others are in compliance with the transitional treatments as set out in Accounting Standard for Business Combination, Sec. 58-2 (4), Accounting Standard for Consolidated Financial Statements, Sec. 44-5 (4), and Accounting Standard for Business Divestitures, Sec. 57-4 (4), having been applied since the beginning of the first quarter consolidated fiscal period and onwards.

These have no effect on the Group's loss/profit.

Changes in accounting estimates

(Inventories)

The Company has formerly, concerning evaluation standards for inventories, treated book values having been periodically written down in principle based on certain rates as those to be presented on the balance sheet, if certain period of time has passed since acquisition of any relevant inventory. However, taking current status of holding inventories and selling situation into account, and in order to reflect the fact of decline in profitability due to inventories more properly on the financial position and operating results, the Company decided to make change to certain period of time and certain rates for writing down book values since the first quarter consolidated fiscal period.

This has resulted in, as compared to those according to the previous methods, decrease in cost of sales by 95,822,000 yen in the current third quarter consolidated cumulative period, and accordingly increase in operating income and ordinary income by the same amount and also increase in quarterly net profit before income taxes by the same amount.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousand yen; △ means negative)

	Previous consolidated fiscal year (May 31, 2015)	Current second quarter consolidated fiscal period (February 29, 2016)
Assets		
Current assets		
Cash and deposits	1,446,531	1,127,834
Accounts receivable - trade	52,734	33,923
Accounts receivable - other from auction business	261,616	18,891
Merchandise	352,947	631,863
Work in process	292,581	247,960
Advance payments	139,975	368,015
Other	163,762	216,202
Allowance for doubtful accounts	△395	△34
Total current assets	2,709,754	2,644,656
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	5,770	4,644
Machinery, equipment and vehicles (net)	528,525	257,118
Land	22,500	30,500
Other (net)	3,616	2,609
Total property, plant and equipment	560,412	294,872
Investments and other assets		
Other	104,523	154,281
Allowance for doubtful accounts	△13,928	△41,411
Total investments and other assets	90,595	112,869
Total non-current assets	651,008	407,742
Total assets	3,360,762	3,052,398
Liabilities		
Current liabilities		
Accounts payable - trade	31,896	33,497
Accounts payable - auction business	403,362	78,286
Short-term loans payable	361,500	601,000
Current portion of long-term loans payable	287,227	37,852
Income taxes payable	43,365	72,798
Provision for bonuses	18,446	11,077
Provision for directors' bonuses	—	53,090
Other	172,273	154,829
Total current liabilities	1,318,070	1,042,430
Non-current liabilities		
Long-term loans payable	318,728	290,339
Liabilities on retirement benefits	37,800	40,750
Asset retirement obligations	7,497	—
Other	37,839	39,052
Total non-current liabilities	401,864	370,141
Total liabilities	1,719,935	1,412,572

(Thousand yen; △ means negative)

	Previous consolidated fiscal year (May 31, 2015)	Current second quarter consolidated fiscal period (February 29, 2016)
Net assets		
Shareholders' equity		
Capital stock	926,742	930,457
Capital surplus	532,026	535,740
Retained earnings	394,484	393,922
Treasury shares	△221,530	△223,655
Total shareholders' equity	1,631,723	1,636,465
Accumulated other comprehensive income		
Foreign currency translation adjustment	△1,708	△1,708
Total accumulated other comprehensive income	△1,708	△1,708
Subscription rights to shares	9,893	4,528
Non-controlling interests	919	541
Total net assets	1,640,827	1,639,826
Total liabilities and net assets	3,360,762	3,052,398

(2) Quarterly Consolidated Statements of Income and Statement of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the third quarter consolidated cumulative period)

	(Thousand yen)	
	Previous third quarter consolidated cumulative period (June 1, 2014 - February 28, 2015)	Current third quarter consolidated cumulative period (June 1, 2015 - February 29, 2016)
Net sales	1,306,873	2,456,618
Cost of sales	850,039	1,648,632
Gross profit	456,833	807,986
Selling, general and administrative expenses	579,398	673,636
Operating income or loss (Δ)	Δ 122,565	134,350
Non-operating income		
Interest income	307	463
Compensation income for valuation service	568	222
Foreign exchange gains	2,860	—
Gain on forfeiture of unclaimed dividends	731	160
Reversal of allowance for doubtful accounts	—	411
Other	401	267
Total non-operating income	4,868	1,526
Non-operating expenses		
Interest expenses	12,972	12,480
Loss on valuation of derivatives	—	4,824
Foreign exchange losses	—	1,598
Other	616	1,397
Total non-operating expenses	13,588	20,301
Ordinary income or loss (Δ)	Δ 131,285	115,575
Extraordinary income		
Gain on reversal of subscription rights to shares	—	3,474
Total extraordinary income	—	3,474
Extraordinary losses		
Provision of allowance for doubtful accounts	—	27,534
Total extraordinary losses	—	27,534
Net income or loss (Δ) before income taxes and minority interests	Δ 131,285	91,515
Income taxes - current	1,264	71,958
Income taxes - deferred	Δ 29,990	Δ 13,752
Total income taxes	Δ 28,725	58,205
Net income or loss (Δ)	Δ 102,559	33,309
Net income or loss (Δ) attributable to non-controlling shareholders	Δ 4,459	Δ 377
Net loss attributable to shareholders of parent company (Δ)	Δ 98,099	33,687

(Quarterly Consolidated Statement of Comprehensive Income)
(For the third quarter consolidated cumulative period)

	(Thousand yen)	
	Previous third quarter consolidated cumulative period (June 1, 2014 - February 28, 2015)	Current third quarter consolidated cumulative period (June 1, 2015 - February 29, 2016)
Net loss (Δ)	$\Delta 102,559$	33,309
Other comprehensive income		
Total other comprehensive income	—	—
Comprehensive income	$\Delta 102,559$	33,309
(detail)		
Comprehensive income attributable to owners of parent	$\Delta 98,099$	33,687
Comprehensive income attributable to non-controlling interests	$\Delta 4,459$	$\Delta 377$

(3) Notes on Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Segment Information, etc.)

【Segment Information】

I. Previous third quarter consolidated cumulative period (June 1, 2014 - February 28, 2015)

1. Information on amount of net sales and of income or loss for each reportable segment.

(Thousand yen)

	Reportable segments			Others (see Note)	Total
	Auction related business	Energy related business	Subtotal		
Net sales	717,844	588,717	1,306,561	312	1,306,873
Segment income or loss (△)	△110,400	△9,400	△119,801	△2,763	△122,565

(Note) The category "Others" refers to business segment not included in the reportable segments, which includes the business category of supporting medical institutions.

2. Difference between the total amount of income/loss of reportable segments and the amount presented on the Quarterly Consolidated Statements of Income; and main contents of said difference (items in relation to adjustment of difference)

Total amount of Segment income or loss (△) is in agreement with the operating loss (△) presented on the Quarterly Consolidated Statements of Income.

3. Information on impairment loss of non-current assets or goodwill, etc. for each reportable segment.
Not applicable.

II. Current third quarter consolidated cumulative period (June 1, 2015 - February 29, 2016)

1. Information on amount of net sales and of income/loss for each reportable segment.

(Thousand yen)

	Reportable segments			Others (see Note 2)	Total
	Auction related business	Energy related business (see Note 1)	Subtotal		
Net sales	686,210	1,767,870	2,454,080	2,538	2,456,618
Segment income or loss (△)	△40,035	175,524	135,489	△1,138	134,350

(Note) 1 Since the current third quarter consolidated cumulative period, segment name has been changed from "Renewable energy related business" to "Energy related business".

It should be noted that segment information for the previous third quarter consolidated cumulative period is presented with the newly-changed name of the reportable segment. Such change was made only to the name, and there is no change to the reportable segment itself.

2. The category "Others" refers to business segment not included in the reportable segments, which includes the business category of supporting medical institutions.

2. Difference between the total amount of income/loss of reportable segments and the amount presented on the Quarterly Consolidated Statements of Income; and main contents of said difference (items in relation to adjustment of difference)

Total amount of Segment income or loss (△) is in agreement with the operating loss presented on the Quarterly Consolidated Statements of Income.

3. Information on impairment loss of non-current assets or goodwill, etc. for each reportable segment.
Not applicable.