Online Disclosures Relating to Notice of the 101st Annual Shareholders Meeting

Notes to Consolidated Financial Statements

Notes to Non-Consolidated Financial Statements

(From April 1, 2015 to March 31, 2016)

NAGASE & CO., LTD.

The Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements are provided to shareholders by posting them on the Company's website pursuant to laws and regulations and Article 14 of the Company's Articles of Incorporation.

Notes to Consolidated Financial Statements

1. Notes relating to premise as a going concern
   No applicable information.

2. Matters relating to the scope of consolidation
   The Company has 60 consolidated subsidiaries.
   Main subsidiaries: Nagase ChemteX Corporation, Hayashibara Co., Ltd., Nagase Singapore (Pte) Ltd., Nagase (Hong Kong) Ltd., Nagase (Thailand) Co., Ltd.
   During the consolidated fiscal year, LAUDi Co., Ltd. increased in importance and was included in the scope of consolidation.
   Ten subsidiaries, including Nagase Business Management and Planning (Shanghai) Co., Ltd., were removed from the scope of consolidation, and the total assets, net sales, current profit or loss, retained earnings, and so on of those companies did not have a material impact on the consolidated financial statements.

3. Matters relating to application of the equity method
   There are 25 companies subject to application of the equity method.
   Main companies: Nissei Technology Corporation, Nagase-OG Colors & Chemicals Co. Ltd., Nagase Landauer, Ltd.
   Nissei Technology Corporation is subject to application of the equity method as of the fiscal year in conjunction with acquisition of its shares by the Company. During the consolidated fiscal year, TAGCyx Biotechnologies was removed from the scope of application of the equity method as a result of a sale of shares.
   There are 17 companies not subject to application of the equity method, including 10 non-consolidated subsidiaries such as Nagase Business Management and Planning (Shanghai) Co., Ltd., as well as seven affiliated companies such as Nihon UNF Co., Ltd. None of these companies' total assets, net sales, net income or loss, retained earnings, and so on had a material impact on the consolidated financial statements.

4. Matters relating to fiscal years of consolidated subsidiaries
   As a result of legal requirements in the countries where affiliated companies are located, there are 13 consolidated subsidiaries and three companies subject to application of the equity method whose settlement dates are primarily the last day of December. Consolidation of financial statements is performed based on provisional settlement on the consolidated settlement date.

5. Notes concerning significant accounting policies
   (1) Valuation criteria and policies for major assets
       (i) Securities
           Other securities
           - Securities with market value
             The market value method based on the market price as of the last day of the fiscal period is adopted (all valuation gains or losses are treated as a component of net assets, with the cost of securities sold calculated according to the moving-average

method).

- Securities without market value

  The cost method based on the moving-average method is adopted.

(ii) Derivatives

The market value method is adopted.

(iii) Inventories

Primarily, the weighted average cost method is adopted (the lower of cost or market value based on decreases in profitability).

(2) Depreciation and amortization of significant depreciable assets

(i) Tangible fixed assets (excluding leased assets)

The straight-line method is adopted. The estimated useful lives of major assets are as follows.

Buildings and structures (excluding fixtures): 15 - 50 years

Machinery and equipment: 2 - 18 years

(ii) Intangible fixed assets (excluding leased assets)

The straight-line method is adopted. The estimated useful lives of major assets are as follows.

Technology-based assets: 13 - 17 years

Software used internally: 5 years

(iii) Leased assets

The method of depreciation of leased assets relating to finance lease transactions that do not involve a transfer of ownership is the straight-line method with the lease term as the useful life and a residual value of zero.

(3) Accounting for significant allowances

(i) Allowance for doubtful accounts

In order to provide for losses arising from uncollectible receivables, the Company reviews collectability on an individual basis for particular loans such as those with a higher probability of default and based on the loan loss ratio for general claims and accrues the amounts estimated to be uncollectible.

(ii) Accrued bonuses for employees

In order to provide for the payment of employee bonuses, the amounts that we estimate will be paid are accrued.

(iii) Accrued bonuses for directors

In order to provide for the payment of officer bonuses, the amount that we estimate will be paid during the fiscal year included in projected expenditures is accrued.

(4) Method of accounting for retirement benefits

In order to provide for the payment of employee retirement benefits, amounts are accrued based on the estimated amounts of retirement benefit obligations and pension assets at the end of the consolidated fiscal year. When calculating retirement benefit obligations, the benefit formula method is used for attributing expected retirement benefits to periods through the end of the fiscal year. Past service costs are recognized in full in the consolidated fiscal year in which they were incurred. Actuarial differences are recognized in full in the consolidated fiscal year following which they were primarily incurred.

(5) Significant hedge accounting method

(i) Hedge accounting method

(a) Foreign exchange forward contracts
In principle, the deferred hedge accounting method is used. When the allocation conditions are satisfied with regard to monetary claims and obligations denominated in foreign currencies with foreign exchange forward contracts, allocation is performed.

(b) Interest-rate swaps
The conditions for special accounting are satisfied, and accordingly, special accounting is performed.

(ii) Hedge methods and hedged items

(a) Hedge methods: Foreign exchange forward contracts, foreign currency-denominated deposits, and foreign currency-denominated loans
Hedged items: Monetary claims and obligations denominated in foreign currencies and anticipated transactions denominated in foreign currencies

(b) Hedge methods: Interest-rate swaps
Hedged items: Loan interest

(iii) Hedging policies

(a) In order to avoid the risks of changes in currency exchange rates relating to import and export transactions, the Company enters into foreign exchange forward contracts primarily for accounts receivable and accounts payable in foreign currencies. Execution and management of such contracts is performed in accordance with internal management rules, and foreign exchange forward contracts are conducted to the extent of actual demand (accounts receivable, accounts payable, and volume of contracts in foreign currencies).

(b) In order to avoid the risks of changes in loan interest rates, the Company engages in interest-rate swaps. Execution and management of such contract is performed in accordance with internal management rules, and targets of interest-rate-swap hedging are identified individually for each contract.

(iv) Method of evaluating the effectiveness of hedges

(a) The accumulated changes in market value of hedged items and the accumulated changes in market value of hedging instruments are compared over the period from the start of the hedge to the time of evaluation of effectiveness, and effectiveness is evaluated based on the amounts of changes of both and other factors.

(b) With regard to interest-rate swaps, the conditions for a special accounting are satisfied, and accordingly, evaluation of effectiveness on the settlement date is omitted.

(6) Goodwill amortization method and amortization period
Goodwill is amortized by the straight-line method for the period when its effects will be realized within 20 years after recognition. When the amounts arising are *de minimis*, however, goodwill is amortized when it arises.

(7) Accounting for consumption taxes
Accounting for consumption taxes employs the tax-excluded method.

6. Material changes to matters that serve as the basis for preparation of the consolidated financial statements

(Changes in presentation)

The Company applied the provisions of Paragraph 39 of the Accounting Standard for Consolidated Financial Statements (ASBJ statement No. 22; September 13, 2013), changed the presentation of net income, etc., and changed from presentation of minority interests to presentation of non-controlling interests.

7. Notes to Consolidated Balance Sheet

(1) Accumulated depreciation of tangible fixed assets 93,790 million yen

(2) Guarantee obligations
Guarantees of bank loans, etc. of trading partners 788 million yen
Guarantees of home loans of employees 0 million yen

(3) Discounted export notes 208 million yen

(4) Notes endorsed 1 million yen

(5) The compressed entry amount from acceptance of government subsidies included in tangible fixed assets is 652 million yen, and the compressed entry amount has been deducted from the consolidated balance sheet.

8. Notes to consolidated statements of income
Research and development expenses 5,063 million yen

9. Notes to consolidated statement of changes in net assets

(1) Total number of issued shares as of the last day of the consolidated fiscal year
Common stock 127,408,285 shares

(2) Distribution of surplus during the consolidated fiscal year

Resolution	Type of shares	Total amount of dividend (million yen)	Dividend per share (yen)	Record date	Effective date
Ordinary general meeting of shareholders held on June 24, 2015	Common stock	1,905	15.0	March 31, 2015	June 25, 2015
Board of Directors meeting held on November 4, 2015	Common stock	2,032	16.0	September 30, 2015	December 7, 2015

(3) Distribution of surplus after the last day of the consolidated fiscal year

Planned Resolution	Type of shares	Source of funds	Total amount of dividend (million yen)	Dividend per share (yen)	Record date	Effective date
Ordinary general meeting of shareholders held on June 29, 2016	Common stock	Retained earnings	2,032	16.0	March 31, 2016	June 30, 2016

10. Notes concerning financial instruments

(1) Matters concerning the status of financial instruments

The Group invests excess funds in highly safe short-term financial assets (capital securing) and procures short-term funds through bank loans and commercial paper and long-term funds through bank loans and corporate bonds. Derivatives are used to avoid the risks concerning fluctuations in exchange rates in relation to operating claims and obligations denominated in foreign currency and to avoid risks associated with changes in loan interest rates and are not used for speculative transactions.

Notes and accounts receivable, which are operating receivables, are exposed to customer credit worthiness risks. With regard to these risks, the Group performs due date management and balance management while setting sales limits for each customer based on an internal credit rating system. The credit status of customers is reviewed at a minimum once annually and sales limits are updated.

With regard to operating claims and operating liabilities denominated in foreign currencies, the Group hedges against currency exchange risks by using foreign exchange forward contracts for both claims and obligations. With regard to transactions that are denominated in the same currency on both the selling and buying sides, however, foreign exchange forward contracts are used only with regard to the net position.

Investments in securities are exposed to market price fluctuation risks, but the Group holds primarily stock of companies with which it has business relationships. Prices and the financial status of issuers are periodically checked, and the status of holdings is reviewed from time to time taking into consideration the status of business transactions and financial transactions.

Short-term loans are used to procure capital primarily for operating transactions, and long-term loans and corporate bonds are used to procure capital primarily for capital investment and loans and financing. Variable interest rate loans are exposed to the risk of changes in interest rates, but these risks are hedged through the use of derivative transactions (interest-rate swap transactions).

Derivative transactions conducted by the Group are foreign exchange forward contracts intended to hedge against the risks of changes in exchange rates in relation to operating claims and obligations denominated in foreign currencies as well as interest-rate swap transactions intended to hedge against the risks of changes in interest paid in relation to loans.

Operating obligations and loans are exposed to liquidity risks, but the balance of capital income and expenditures is monitored and management is performed to maintain liquidity at one-half of one month’s sales or higher.

(2) Matters concerning the market value of financial instruments

The carrying amounts reported in the consolidated balance sheets, market values, and the differences between those values as of March 31, 2016 are as set forth below.

(Millions of yen)

	Carrying amount in consolidated balance sheet	Market value	Difference
(1) Cash and time deposits	43,283	43,283	—
(2) Notes and accounts receivable	196,335	196,335	—
(3) Investments in securities			
Other securities	69,702	69,702	—
(4) Notes and accounts payable	97,800	97,800	—
(5) Short-term loans payable	25,294	25,294	—
(6) Current portion of long-term loans payable	8,823	8,823	—
(7) Bonds payable	30,000	30,430	430
(8) Long-term loans payable	23,108	23,375	266
(9) Derivative transactions*	111	111	—

* Net claims and obligations arising from derivative transactions are indicated as a net amount, and in the case of a net obligation, the figure is indicated in parentheses.

Note 1. Matters relating to the method of measurement of market value of financial instruments and matters relating to securities and derivatives transactions

(1) Cash and time deposits
The market value is very close to the book value, and accordingly, the book values are used.

(2) Notes and accounts receivable
The market values of notes and accounts receivable are determined according to the current value discounted at a rate, taking into consideration the period until maturity for each claim classified according to certain periods.

(3) Investments in securities
The market values of stocks are based on prices on exchanges.

(4) Notes and accounts payable
The market values of notes and accounts payable are determined according to the current value discounted at a rate, taking into consideration the period until maturity for each obligation classified according to certain periods.

(5) Short-term loans payable
Short-term loans will be repaid within a short period, and as a result, the market value is very close to the book value, and accordingly the book values are used.

(6) Current portion of long-term loans payable
Such loans will be repaid within a short period, and as a result, the market value is very close to the book value, and accordingly the book values are used.

(7) Bonds payable
The market values of corporate bonds are determined according to market prices.

(8) Long-term loans payable
The market value of long-term loans is calculated based on the present value with the total amount of principal and interest discounted at a rate that is assumed to apply in the case where similar loans are obtained. Long-term loans with variable interest rates are subject to special accounting for interest-rate swaps (see (9)), and the market values of loans payable are calculated by discounting the total amount of principal and interest that are accounted for with the interest-rate swaps using interest rates that are reasonably estimated for similar loans.

(9) Derivative transactions
Items subject to special accounting for interest-rate swaps are handled in the same manner as long-term loans that are subject to hedging, and accordingly, indicated market values are included in the market values of the relevant long-term loans (see (8)). Items subject to allocation accounting such as foreign exchange forward contracts are handled in the same manner as accounts receivable and accounts payable subject to hedging, and accordingly, indicated market values are included in the market values of the relevant accounts receivable and accounts payable.

Note 2. Financial instruments without a market value indicated

Category	Carrying amount on consolidated balance sheet (million yen)
Unlisted stocks	2,144
Stock of subsidiaries and affiliates	9,498

These financial instruments do not have market prices, and as a result it is considered to be extremely difficult to determine their market values, and consequently, they are not included in (3): Investments in securities.

11. Notes concerning per share information

(1) Net assets per share	2,156.67 yen
(2) Earnings per share	96.96 yen

12. Notes concerning significant subsequent events

No applicable information.

13. Other notes

(Revision of deferred tax assets and deferred tax liabilities as a result of changes in income tax rates)

The Act on Partial Amendment of the Income Tax Act (law No. 15 of 2016) and the Act on Partial Amendment of the Local Tax Act (law No. 13 of 2016) were passed by the Diet on March 29, 2016, and as a result, income tax rates were lowered effective as of the consolidated fiscal year starting on or after April 1, 2016. In conjunction with this change, the effective statutory tax rate used for calculating deferred tax assets and deferred tax liabilities changed from the 32.3% used in the previous consolidated fiscal year to 30.9% with regard to temporary differences expected to be extinguished in the consolidated fiscal year commencing on April 1, 2016 and the consolidated fiscal year commencing on April 1, 2017, and further to 30.6% with regard to temporary differences expected to be extinguished in the consolidated fiscal year commencing on April 1, 2018.

As a result of this tax rate change, the amount of deferred tax liabilities (the amount after deducting deferred tax assets) decreased by 381 million yen, income taxes-deferred increased by 448 million yen, and accumulated other comprehensive income increased by 830 million yen.

(Application of Consolidated Taxation System)

The Company and some of its consolidated subsidiaries applied for approval of the consolidated taxation system during the consolidated fiscal year, and the consolidated taxation system will be applied starting with the following consolidated fiscal year. In conjunction with this, accounting will be performed based on application of consolidated taxation accounting in accordance with the Revised Practical Solution on Tentative Treatment of Tax Effect Accounting under Consolidated Taxation System (Part 1) (Corporate Accounting Standards Committee Working Group Report No. 5; January 16, 2015) and Revised Practical Solution on Tentative Treatment of Tax Effect Accounting under Consolidated Taxation System (Part 2) (Corporate Accounting Standards Committee Working Group Report No. 7; January 16, 2015).

As a result of this change, tax expenses (income taxes-current and income taxes-deferred) decreased by 5,192 million yen.

Notes to Non-consolidated Financial Statements

1. Notes relating to premise as a going concern
   No applicable information.

2. Notes concerning significant accounting policies
   (1) Valuation criteria and policies for assets
      (i) Securities
         a. Stock of subsidiaries and affiliates
            The cost method based on the moving-average method is adopted.
         b. Other securities
            i. Securities with market value
               The market value method based on the market price as of the last day of the fiscal period is adopted (all valuation gains or losses are treated as a component of net assets, with the cost of securities sold calculated according to the moving-average method).
            ii. Securities without market value
               The cost method based on the moving-average method is adopted.
      (ii) Derivatives
         The market value method is adopted.
      (iii) Inventories
         Primarily, the weighted average cost method is adopted (the book value reduction method) based on decreased profitability.
   (2) Depreciation and amortization of fixed assets
      (i) Tangible fixed assets (excluding leased assets)
         The straight-line method is adopted. The estimated useful lives of major assets are as follows.
         Buildings and structures (excluding fixtures): 28 - 50 years
         Machinery and equipment: 2 - 17 years
      (ii) Intangible fixed assets (excluding leased assets)
         The straight-line method is adopted. The estimated useful lives of major assets are as follows.
         Software for internal use: 5 years
      (iii) Leased assets
         The method of depreciation of leased assets relating to finance lease transactions that do not involve a transfer of ownership is the straight-line method with the lease term as the useful life and a residual value of zero.
   (3) Accounting for allowances
      (i) Allowance for doubtful accounts
         In order to provide for losses arising from uncollectible receivables, the Company reviews collectability on an individual basis of particular loans such as those with a higher probability of default based on the loan loss ratio of general claims and accrues the amounts estimated to be uncollectible.
      (ii) Accrued bonuses for employees
         In order to provide for the payment of employee bonuses, the amounts that we

estimate will be paid in the fiscal year included in projected expenditures are accrued.

(iii) Accrued bonuses for directors

In order to provide for the payment of bonuses for directors, the amount that we estimate will be paid during the fiscal year included in projected expenditures is accrued.

(iv) Provision for retirement benefits

In order to provide for the payment of employee retirement benefits, amounts are accrued based on the estimated amounts of retirement benefit obligations and pension assets at the end of the consolidated fiscal year.

Past service costs are recognized in full in the consolidated fiscal year in which they were incurred.

Actuarial gains and losses are recognized in full in the consolidated fiscal year following the year in which they were incurred.

Treatment on the balance sheet of unrecognized actuarial differences is different from that on the consolidated balance sheet.

(v) Provision for loss on guarantee

In order to provide for losses relating to debt guarantees provided to affiliated companies, the Company accrues projected loss amounts, taking into consideration the financial status of the guarantee recipients and other factors.

(4) Other material matters that serve as the basis for preparation of the financial statements

(i) Method of account for deferred assets

Bond issuance costs are amortized using the interest method over the redemption period of the bonds.

(ii) Hedge accounting methods

(a) Hedge accounting methods

i. Foreign exchange forward contracts

In principle, the deferred hedge accounting method is used. When the allocation conditions are satisfied with regard to monetary claims and obligations denominated in foreign currencies with foreign exchange forward contracts, allocation is performed

ii. Interest-rate swaps

The conditions for special accounting are satisfied, and accordingly, special accounting is performed.

(b) Hedge methods and hedged items

i. Hedge methods: Foreign exchange forward contracts, foreign currency-denominated deposits, and foreign currency-denominated loans

Hedged items: Monetary claims and obligations denominated in foreign currencies and anticipated transactions denominated in foreign currencies

ii. Hedge methods: Interest-rate swaps

Hedged items: Loan interest

(c) Hedging policies

i. In order to avoid the risks of changes in currency exchange rates relating to import and export transactions, the Company enters into foreign exchange forward contracts primarily for accounts receivable and accounts payable in foreign currencies. Execution and management of such contracts is performed in accordance with internal management rules, and foreign exchange forward contracts are conducted to the extent of actual demand (accounts receivable, accounts payable, and volume of contracts in foreign currencies).

In order to avoid the risks of changes in loan interest rates, the Company engages in interest-rate swaps. Execution and management of such contract is performed in accordance with internal management rules, and targets of interest-rate-swap hedging are identified individually for each contract.

(d) Method of evaluating the effectiveness of hedges

i. The accumulated changes in market value of hedged items and the accumulated changes in market value of hedging instruments are compared over the period from the start of the hedge to the time of evaluation of effectiveness, and effectiveness is evaluated based on the amounts of changes of both and other factors.

ii. With regard to interest-rate swaps, the conditions for special accounting are satisfied, and accordingly, evaluation of effectiveness on the settlement date is omitted.

(iii) Accounting for consumption taxes

Accounting for consumption taxes employs the tax-excluded method.

3. Notes to Balance Sheet

(1) Accumulated depreciation of tangible fixed assets	17,844 million yen
(2) Guarantee obligations	
Guarantees of bank loans, etc. of affiliated companies	27,057 million yen
Guarantees of home loans of employees	0 million yen
(3) Discounted export bills	208 million yen
(4) Guarantees of monetary claims against and obligations owed to affiliated companies (excluding those indicated elsewhere)	
Short-term monetary claims	39,666 million yen
Short-term monetary obligations	29,449 million yen

(5) The compressed entry amount from acceptance of government subsidies included in tangible fixed assets (buildings, equipment, tools, and fixtures) is 32 million yen, and the compressed entry amount has been deducted from the balance sheet.

4. Notes to statements of income

Transactions with affiliated companies

Net sales	137,557 million yen
Net purchases	52,577 million yen
Selling, general, and administrative costs	4,084 million yen
Balance of non-operating transactions	8,143 million yen

5. Notes to statement of changes in net assets

Number of shares of treasury stock on the last day of the fiscal year	377,300 shares

6. Notes concerning tax effect accounting

(1) The primary causes breakdown of the occurrence of deferred tax assets and deferred tax liabilities

The primary causes of the occurrence of deferred tax assets are non-recognition of provisions for retirement benefits and non-recognition of accrued bonuses for employees, and valuation allowances are deducted. The primary cause of the occurrence of deferred tax liabilities is other security evaluation differences.

(2) Revision of deferred tax assets and deferred tax liabilities as a result of changes in income tax rates

The Act on Partial Amendment of the Income Tax Act (law No. 15 of 2016) and the Act on Partial Amendment of the Local Tax Act (law No. 13 of 2016) were passed by the Diet on March 29, 2016, and as a result, income tax rates were lowered effective as of the fiscal year starting on or after April 1, 2016. In conjunction with this change, the effective statutory tax rate used for calculating deferred tax assets and deferred tax liabilities changed from the 32.3% used in the previous fiscal year to 30.9% with regard to temporary differences expected to be extinguished in the fiscal year commencing on April 1, 2016 and the fiscal year commencing on April 1, 2017, and further to 30.6% with regard to temporary differences expected to be extinguished in the fiscal year commencing on April 1, 2018.

As a result of this tax rate change, the amount of deferred tax liabilities (the amount after deducting deferred tax assets) decreased by 811 million yen, Income taxes-deferred increased by 63 million yen, and valuation and translation adjustments increased by 874 million yen.

(3) Application of Consolidated Taxation System

The Company applied for approval of the consolidated taxation system during the fiscal year, and the consolidated taxation system will be applied starting with the following fiscal year. In conjunction with this, accounting will be performed based on application of consolidated taxation accounting in accordance with the Revised Practical Solution on Tentative Treatment of Tax Effect Accounting under Consolidated Taxation System (Part 1) (Corporate Accounting Standards Committee Working Group Report No. 5; January 16, 2015) and Revised Practical Solution on Tentative Trading of Tax Effect Accounting under Consolidated Taxation System (Part 2) (Corporate Accounting Standards Committee Working Group Report No. 7; January 16, 2015).

There was no impact on tax expenses, deferred tax assets, deferred tax liabilities, and so on as a result of this change.

7. Notes concerning related party transactions

Subsidiaries and affiliated companies

Attribute	Company name	Main business activities	Percentage of voting rights held	Details of relationship		Details of transactions	Transaction amount (million yen)	Accounting Category	Balance at end of fiscal year (million yen)
				Concurrent service by officers, etc.	Business relationship				
Subsidiary	Hayashibara Co., Ltd.	Development, manufacture, and sale of food raw materials, pharmaceutical raw materials, cosmetics raw materials, health foods raw materials, functional dyes, etc.	Direct: 100.0 Indirect: —	Four officers serving concurrently, one seconded officer	Sale of goods, purchase of products, lease of building, loan of funds	Purchase of products	8,842	Accounts payable	771
						Loan of funds	—	Short-term loans	6,050
								Long-term loans	33,000
Subsidiary	Nagase ChemteX Corp.	Manufacture of epoxy resins, enzyme preparations, and chemical industry products	Direct: 100.0 Indirect: —	Five officers serving concurrently	Sale of goods, purchase of products, lease of building	Sale of goods	7,368	Accounts receivable	2,610
						Purchase of products	21,848	Accounts payable	5,259
						Dividends received	1,103	—	—
Subsidiary	Totaku Industries, Inc.	Manufacture and sale of plastic products	Direct: 100.0 Indirect: —	Three officers serving concurrently, one seconded officer	Sale of goods, purchase of products	Deposit of funds	—	Deposits	9,055
Subsidiary	Nagase (Hong Kong) Ltd.	Import/export, trade brokerage, market development, information gathering	Direct: 100.0 Indirect: —	One officer serving concurrently, two seconded officers, one transferred officer	Purchase and sale of goods, guarantee of obligations	Sale of goods	14,672	Accounts receivable	1,280
						Dividends received	1,549	—	—
						Obligations guaranteed	1,693	—	—
Subsidiary	Nagase Plastics Co., Ltd.	Sale of plastic products, etc.	Direct: 100.0 Indirect: —	Two officers serving concurrently, two transferred officers	Purchase and sale of goods, lease of building, loan of funds	Sale of products	17,675	Accounts receivable	6,174
						Loan of funds	—	Short-term loans	1,305
Subsidiary	Shanghai Hua Chang Trading Co., Ltd.	Sale of plastics and related products	Direct: 16.2 Indirect: 53.8	Three officers serving concurrently, one seconded officer	Purchase and sale of goods, guarantee of obligations	Sale of goods	2,159	Accounts receivable	440
						Obligations guaranteed	4,916	—	—
Subsidiary	Nagase Chemical Co., Ltd.	Sale of paint raw materials, dyestuffs, industrial chemicals, chemicals for manufacturing paper, plastics, etc.	Direct: 100.0 Indirect: —	Three officers serving concurrently, one transferred officer	Purchase and sale of goods, lease of building	Sale of goods	10,278	Accounts receivable	5,652
						Deposit of funds	—	Deposits	1,702

<table>
<tr><th>Attribute</th><th>Company name</th><th>Main business activities</th><th>Percentage of voting rights held</th><th colspan="2">Details of relationship</th><th>Details of transactions</th><th>Transaction amount (million yen)</th><th>Accounting Category</th><th>Balance at end of fiscal year (million yen)</th></tr>
<tr><td rowspan="3">Subsidiary</td><td rowspan="3">Setsunan Kasei Co., Ltd.</td><td rowspan="3">Coloring and processing plastics</td><td rowspan="3">Direct: 100.0
Indirect: —</td><td rowspan="3">Two officers serving concurrently, two transferred officers</td><td rowspan="3">Sale of goods, purchase of products, lease of building, loan of funds, guarantee of obligations</td><td rowspan="2">Loan of funds</td><td rowspan="2">1,900</td><td>Short-term loans</td><td>800</td></tr>
<tr><td>Long-term loans</td><td>3,900</td></tr>
<tr><td>Amount included in bad debt reserves for affiliated companies</td><td>745</td><td>Bad debt reserves</td><td>3,542</td></tr>
</table>

Notes

1. Transaction terms relating to purchase and sale of goods and purchase of products, and policies on determination of transaction terms are determined in the same manner as general transactions.
2. Deposit and loan of funds are governed by the Group cash management system, and reasonable interest rates are applied, taking into account market interest rates. Lending and borrowing of funds among participating companies takes place on a daily basis, and consequently, transaction amounts are not indicated.
3. Guarantees of obligations are guarantees relating to operating capital from outside financial institutions, and Transaction amounts are balances as of the end of March 2016.
4. Transaction amounts are exclusive of consumption taxes.

8. Notes concerning per share information

(1) Net assets per share 1,449.94 yen

(2) Net income per share 51.77 yen

9. Notes concerning significant subsequent events

No applicable information.