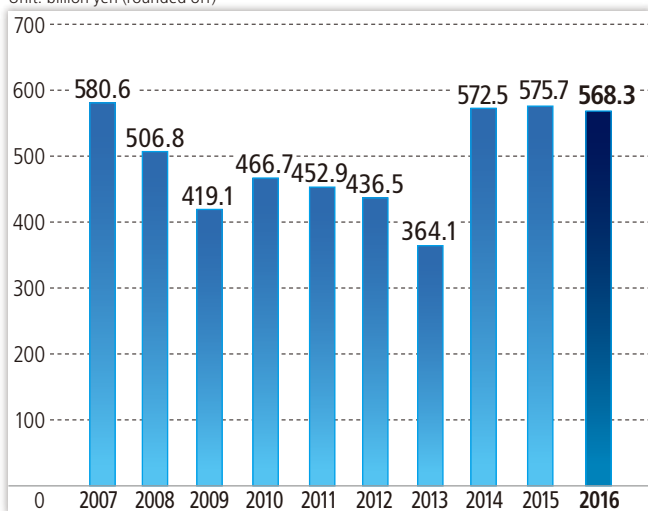


Financial

Profitability

Consolidated net sales

Unit: billion yen (rounded off)

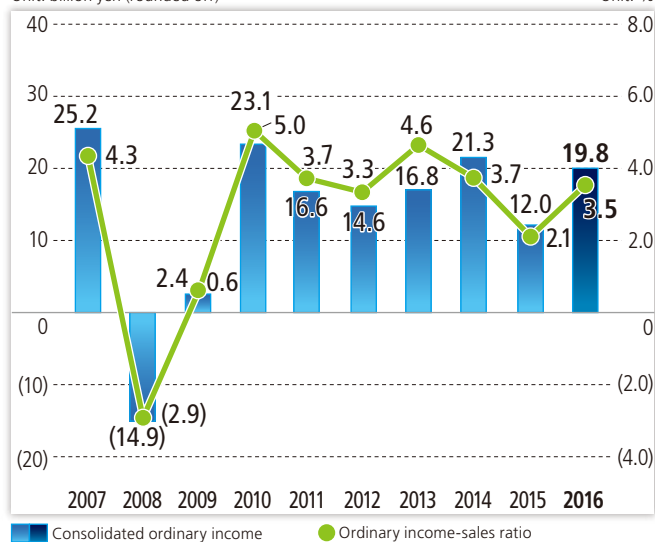


Sales are affected by the ingot market, as the prices of UACJ products reflect the combined primary aluminum ingot price and processing costs. In fiscal 2016, although year-on-year sales volume rose, sales value remained more or less the same as fiscal 2015 due to lower ingot prices and the negative impact of foreign exchange rates.

Consolidated ordinary income/ Ordinary income-sales ratio

Unit: billion yen (rounded off)

Unit: %

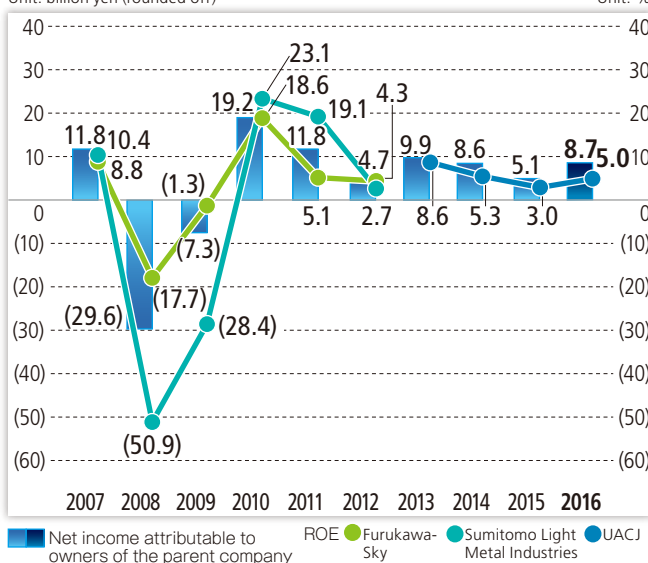


Fiscal 2016 saw a year-on-year rise in income thanks to fewer adverse effects related to lower inventory valuations accompanying the fall in ingot prices, as well as the impact realized by reducing costs.

Net income attributable to owners of the parent company/ROE

Unit: billion yen (rounded off)

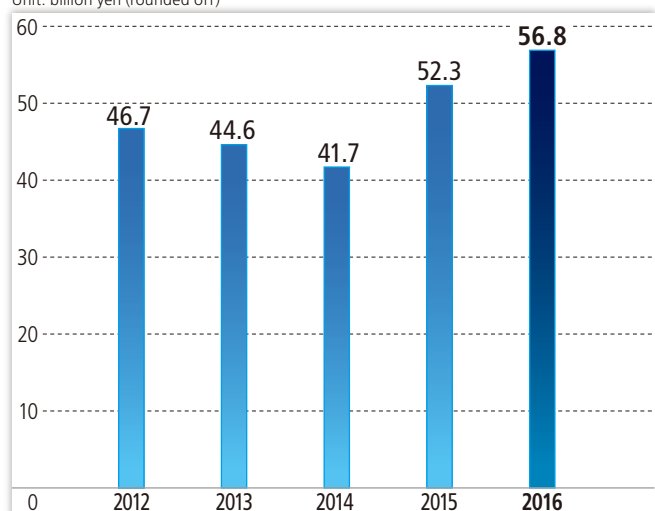
Unit: %



In fiscal 2016, an increase in ordinary income more than offset the effect of the non-recurrence of the insurance proceeds received at Logan Aluminum Inc., which was on the books last fiscal year. Consequently, both net income attributable to owners of the parent company and net income grew year-on-year, with ROE improving as well.

Adjusted EBITDA

Unit: billion yen (rounded off)



Adjusted earnings before interest, taxes and amortization (EBITDA) is determined after inventory valuations are deducted to discount the impact of fluctuations in primary aluminum ingot price so that it reflects real-term profitability.

In fiscal 2016, even without the benefit of improved inventory valuations, which were a major contributor to the rise in earnings, profit in terms of adjusted EBITDA increased for the third consecutive fiscal year. Adjusted EBITDA = Operating income + Depreciation and amortization + Amortization of goodwill – Inventory valuations

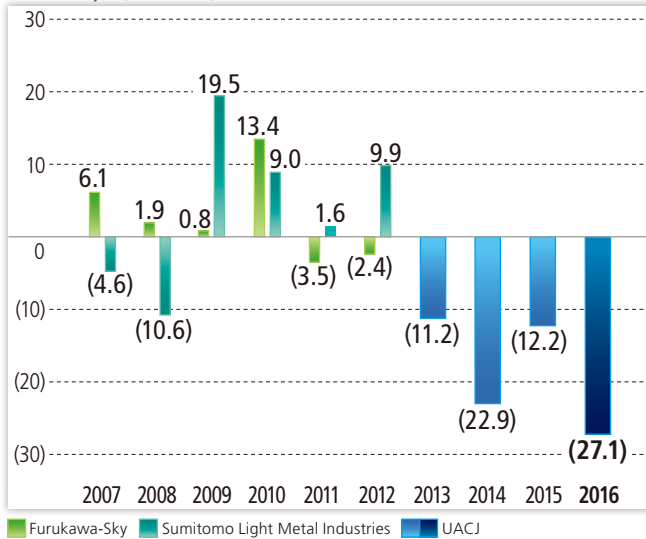
Note: The UACJ fiscal year is from April 1 to March 31 of the following year. Fiscal 2016 is the year ended March 31, 2017

Accounting principles for notes maturing at the end of the fiscal year changed in fiscal 2013. However, the figures prior to retrospective treatment are shown for the main management indicators and other records prior to fiscal 2012. The figures before fiscal 2012 are a simple total of the two former companies, Furukawa-Sky Aluminum Corporation and Sumitomo Light Metal Industries Co., Ltd. In fiscal 2013, the figures reported for the first-half year are the amounts for both former companies, and those for the last half-year are the business results for UACJ.

Investment in Safety and Growth

Free cash flow

Unit: billion yen (rounded off)



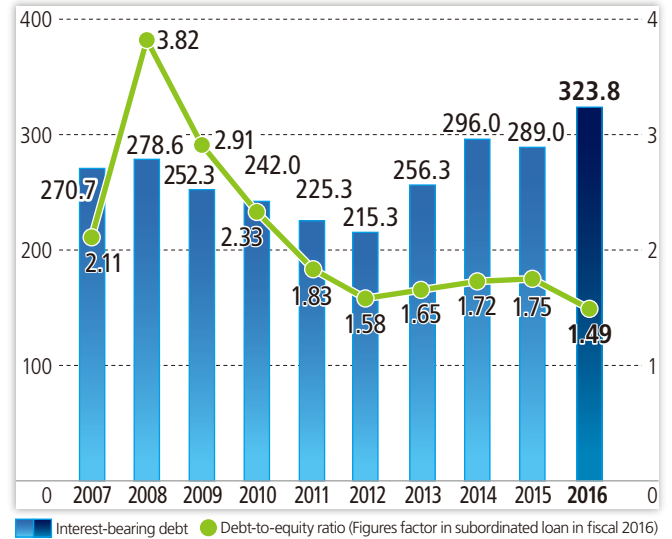
Free cash flow has been suffering continuous deficits since fiscal 2013 due to accelerated investment for global-scale growth. We will press ahead with management taking into account the need to ensure a balance between strategic investment and financial soundness.

Free cash flow = Operating cash flow + Investment cash flow

Interest-bearing debt/Debt-to-equity ratio

Unit: billion yen (rounded off)

Unit: times

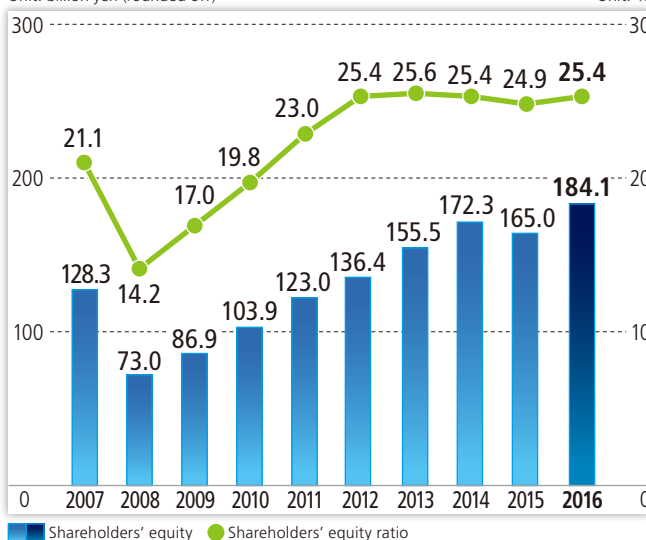


As a result of our aggressive investment, interest-bearing debt has been on the increase. However, we implemented measures in March 2017 to reinforce our financial foundation, including a capital increase through a public offering and the issuance of a subordinated loan, 50% of which is counted as equity by rating agencies. Thanks to these measures, the D/E ratio improved to 1.49 in fiscal 2016.

Shareholders' equity/Shareholders' equity ratio

Unit: billion yen (rounded off)

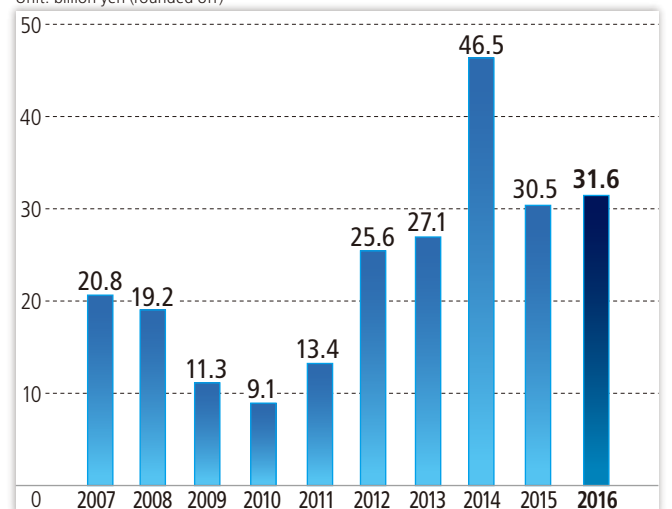
Unit: %



Shareholders' equity increased in fiscal 2016 as a result of the public offering amounting to ¥14.6 billion carried out in March 2017. Shareholders' equity improved accordingly.

Capital investment

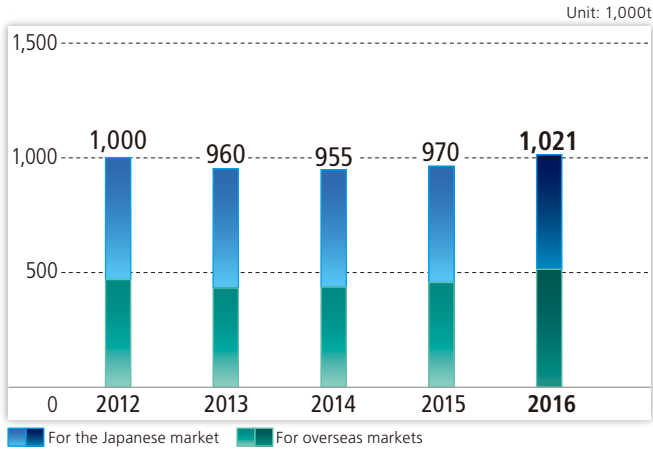
Unit: billion yen (rounded off)



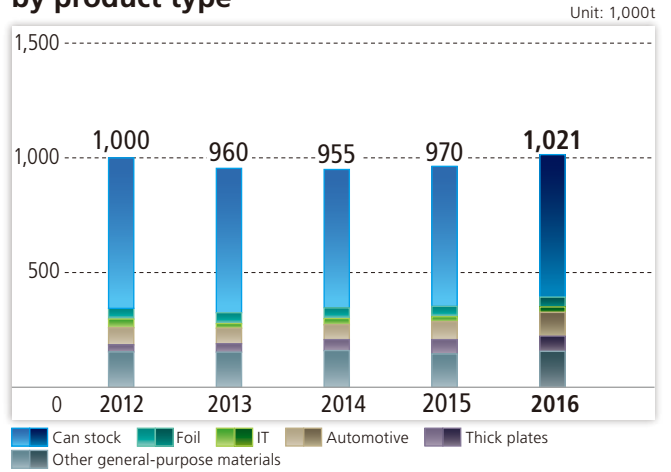
Capital investment soared in fiscal 2014 as the result of building the Rayong Works at UACJ (Thailand) Co., Ltd. In fiscal 2016, we concentrated our investment in casting facilities at Logan Mill in USA.

Financial

Flat rolled product sales volume

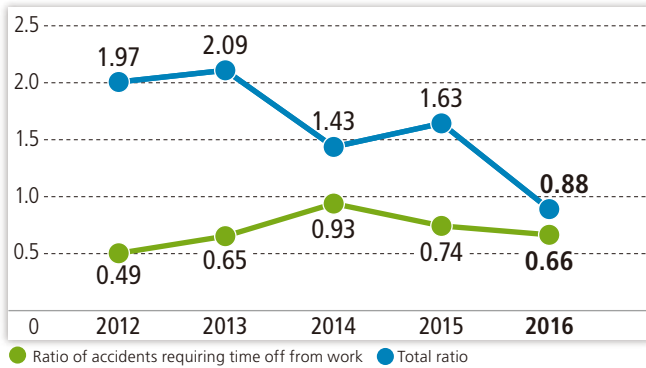


Flat rolled product sales volume by product type

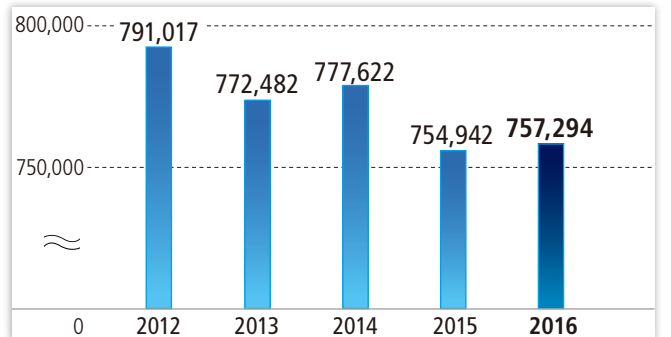


Non-Financial

Workplace accidents

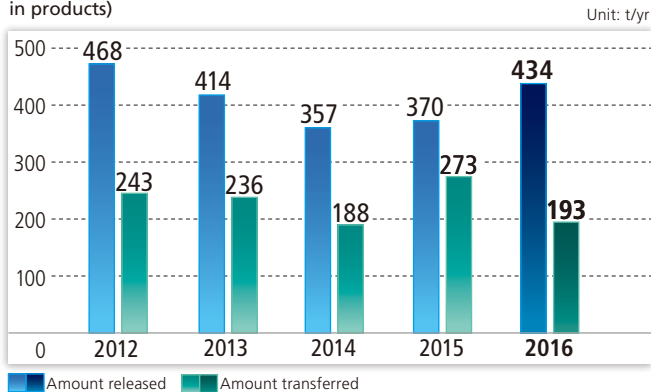


CO2 emissions*

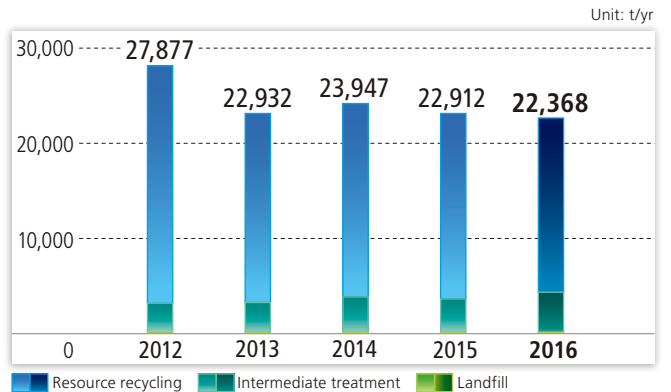


PRTR substance emissions and transfer*

(including manganese, chromium, nickel and lead alloy elements in products)



Industrial waste volume*



Note: The UACJ fiscal year is from April 1 to March 31 of the following year. Fiscal 2016 is the year ended March 31, 2017.

The figures before fiscal 2012 are a simple total of the two former companies, Furukawa-Sky Aluminum Corporation and Sumitomo Light Metal Industries Co., Ltd. In fiscal 2013, the figures reported for the first-half year are the amounts for both former companies, and those for the last half-year are the business results for UACJ.

* Measurement scope: UACJ (Nagoya, Fukui, Fukaya, Nikko), UACJ Color Aluminum, UACJ Extrusion Nagoya (Nagoya, Anjo), UACJ Extrusion Oyama, UACJ Extrusion Gunma, UACJ Extrusion Shiga, UACJ Foundry & Forging, UACJ Foil (Shiga, Nogi, Isezaki), UACJ Copper Tube