

Shareholder Notes

Fiscal year-end	March 31
Ordinary general meeting of shareholders	June
Dates to determine stock ownership	For shareholders with voting rights: March 31 For shareholders eligible for year-end dividends: March 31 For shareholders eligible for interim dividends: September 30
Stock listings	First section of the Tokyo Stock Exchange and Nagoya Stock Exchange
Securities code	6676
Number of shares per trading unit	100 shares
Method of public notice	Posted electronically on http://melco-hd.jp/koukoku/
Transfer agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Stock agencies	The head office and all branch offices in Japan of Sumitomo Mitsui Trust Bank, Limited <ul style="list-style-type: none">• Telephone Inquiries: 0120-782-031 (Toll free) 9:00 to 17:00 (Except on Saturdays, Sundays and public holidays)
Managing underwriters	(Main) Daiwa Securities (Secondary) Nomura Securities, Mizuho Investors Securities and SMBC Nikko Securities

MELCO HOLDINGS INC. (Securities code: 6676)

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Website Guide

MELCO HOLDINGS INC.

Provides the latest news, corporate information, information for investors and other data.



PC melco-hd.jp

BUFFALO INC.

Product information and other data is provided on the site of the core company in the Melco Group.



PC buffalo.jp



Smartphone m.buffalo.jp

BUFFALO™



Melco Group Business Report 2016

April 1, 2015 to March 31, 2016

Giving you a joy through link technology

Moving on to the next stage with the aim of becoming a lasting company under our new corporate statement

Makoto Maki
Chairman and Representative Director
MELCO HOLDINGS INC.



Driving the IoT era with a new growth strategy

The Melco Group formulated Gateway 2.0 (see P.3 for more details) as our new mid-term vision for the five years from the fiscal year ending March 31, 2017. The aim of this is to supply the stable network that will be required as we enter the full-fledged Internet of Things (IoT) era. At the same time, we have changed our corporate statement from the previous "For a more comfortable digital life" to "Giving you a joy through link technology." This expresses that the Melco Group, with our mission of improving the convenience of our customers in the IT era, will make it possible for everybody to easily and securely connect to the Internet in the future and for our company to provide the joy that comes from saving and playing digital data even more safely and comfortably.

Moreover, we have formulated a new capital policy and are working to improve long-term shareholder value. We will continue to aim to deliver a five-year total return ratio of 80% and long-term growth in net income per share with both investments for growth and stable returns to our shareholders.

Switchover to a profitable structure completed through structural reform over three years

The digital consumer appliances industry in this fiscal year has witnessed a significant expansion in the high-quality 4K television market. However, conditions have been severe due to a decrease in demand for personal computers and shrinkage of the smartphone/tablet market.

Under such circumstances, the Melco Group has strived to improve our brand value through high-value-added products in the individual consumer market. At the same time, we have promoted the deepening of custom-made products and specific application products in the corporate market. We have also been focusing on strengthening our loss/cost reduction efforts and expanding our in-house solutions service business with the aim of stabilizing the revenue in our group. Furthermore, we have completed a switchover to a structure that can deliver profits in the low-growth era. For example, we have reduced and withdrawn from unprofitable business with structural reforms over three years. At the same time, we have been looking to cut department costs and optimize our inventory.

Accordingly, our results in this fiscal year showed net sales of 80.040 billion yen (down 3.0% year on year), operating income of 4.354 billion yen (up 24.0% year on year), ordinary income of 5.294 billion yen (up 18.4% year on year) and net income attributable to parent company shareholders of 3.735 billion yen (up 18.0% year on year).

Taking advantage of the strengths in our group to move toward an offensive posture

The Melco Group has accomplished our structural reforms. We are now moving on the offense with network products for corporations and our in-house services/solutions from the next fiscal year. Our new product category that applies PC technology will promote the global expansion of high resolution audio NAS and sales of our popular digital photo album "Omoidebako." In addition, our technical and development capabilities will lead to releases of differentiated, strategic products and brand strength improvement. For example, this includes our wireless LAN products that are capable of connecting stably to many devices, which are targeting the educational market in anticipation of the IoT era. We will also continue to proactively carry out R&D investment and upfront investment in this category. Furthermore, we will also focus on expanding our in-house solutions with a high profit rate centered on "Apartment Wi-Fi."*

The Melco Group is aiming for further development and perpetual growth to be a lasting company under our new mid-term vision and corporate statement.

*"Wi-Fi" is the registered trademark of the Wi-Fi Alliance.

Melco Values

■ A Lasting Company

We earnestly study and put into practice the teachings of our predecessors, and continually look to the future with the aim of achieving the perpetual growth of the Melco Group together with all those who share the Melco Values.

■ Customer Oriented

We always look at things from the perspective of our customers to continue to provide products and services that play a part in the realization of even richer lives. We take pleasure in contributing to the development of society through our wisdom and hard work.

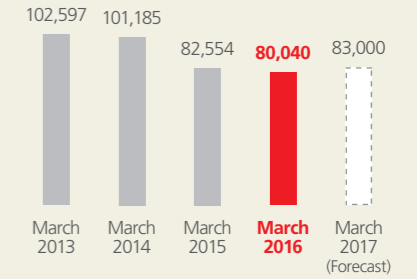
■ Rapid Response to Change

We never shy away from the changes happening in the world around us and we have the courage to change direction when we make mistakes. We always strive to improve ourselves and work hard toward personal transformation.

■ Solidarity

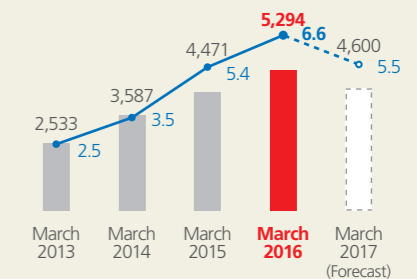
We share high aspirations and passion with a fair and open spirit. At the same time, we overcome any difficulties we encounter to achieve our goals by coming together as one.

Consolidated Net Sales (Unit: million yen)



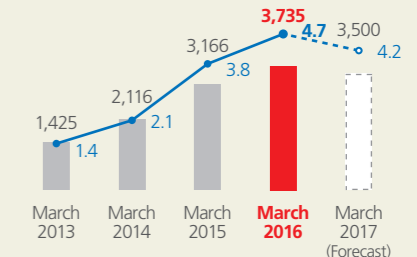
Consolidated Ordinary Income (Unit: million yen)

Consolidated Ordinary Income Margin (Unit: %)

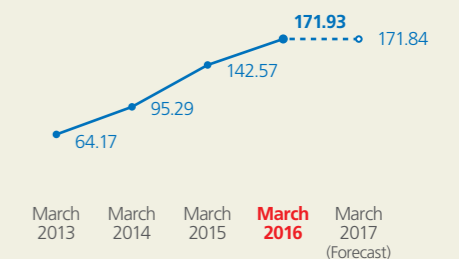


Net Income Attributable to Consolidated Parent Company Shareholders (Unit: million yen)

Consolidated Net Income Margin (Unit: %)



Net Income per Share (Unit: yen)



Mid-term Vision "Gateway 2.0"

Providing a safe network in the whole society for the IoT era



Eliminating the trouble of "not connected," "troublesome to connect" and "scary to connect" to Wi-Fi in public spaces



Eliminating the trouble of "not connected," "cannot be connected" and "no longer connected" of home Wi-Fi

Home network innovations

IoT

(Internet of Things)

The era in which various things in the world are connected to the Internet

Public gateway solutions

Data storage optimization



Eliminating the trouble of "lost," "loss fears," "cannot be reproduced" and "can be used but only slowly" of important data

The Melco Group will continue in the future to expand our solution business to new fields by taking advantage of the technologies and expertise we have built up.

Support to Improve the Quality of Nursing Care and Facilitate Operations

In the nursing care field where there is no rest 24 hours a day, 365 days a year, there is a challenge of how to reduce the burden on staff and provide better services. We provide support for day-to-day operations. For example, we stimulate communication using "Omoidebako" and optimize business operations by using Wi-Fi networks and NAS.



おもいでばこ
Digital photo album Omoidebako



NAS for corporate users



Access point for corporate users

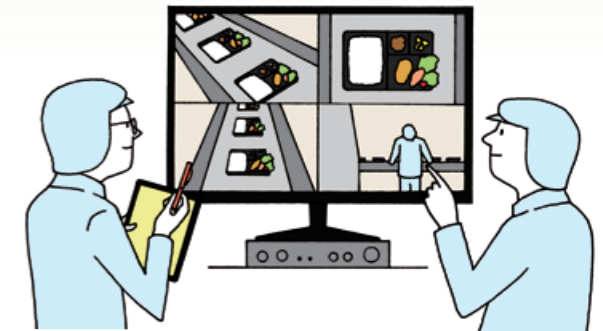


Improving the Safety of Food with the Power of IT

We will continue to take advantage of our network & storage technologies to build monitoring/management systems for manufacturing processes in food factories and to provide mechanisms to prevent contamination by foreign substances, which is a problem in the food industry. We will contribute to the food safety through systems and support to deliver high-quality food more safely.



Network camera



Network video recorder

We support the lifestyles and businesses of our customers by making things more user-friendly and comfortable.

Peripherals

Network Products

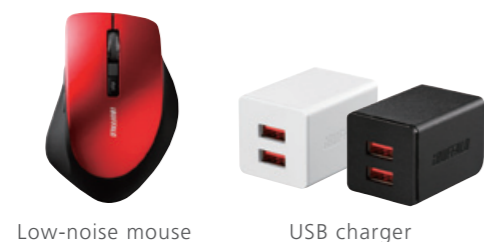
Our network products make it possible to access the Internet and share data via PCs, smartphones and other devices. Wi-Fi environments are becoming the norm in school classrooms, tourist destinations and other locations. Against this background, we strengthen the development of products to achieve stability in communications and to provide comfortable wireless LAN environments.



Wireless LAN router Access point for corporate users

Supplies and Accessories

We have a lineup of products that includes mice, keyboards and other input devices, as well as other accessories for tablets. We are pouring our efforts into developing highly convenient products. These include USB chargers equipped with a function to automatically determine whether a device is an iPhone*1 or Android.



Low-noise mouse USB charger

Other Products

We provide various groups of products with PC technology applied. These include "Kurouto Shikou," a PC component brand that is popular among users who build their own PCs, "Omoidebako," a digital photo album that allows users to digitally view their photos, and our music library dedicated to the storage of high-resolution audio.



Omoidebako High-resolution music library

Storage Products

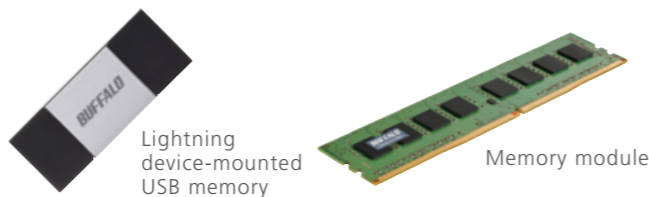
Our storage products can store large amounts of data. We provide products that achieve high reliability and performance. These include external hard disks equipped with highly reliable hard disks designed to be suitable for TV recording and NAS for corporate users equipped with a function to enable network monitoring from remote areas.



External hard disk NAS for corporate users

Memory Products

In addition to high-value-added products like USB memories which can solve the capacity shortages of iPhone that have run out of free space when you take lots of photographs or videos, we are enhancing our development of products for corporate users such as DDR4-compatible products with high reliability in industrial embedded applications.



Lightning device-mounted USB memory Memory module

Services

We have developed various services for individuals, corporations and apartment building owners. We are expanding and enhancing support to meet the needs of our users – from on-site configuration to maintenance services. Our wireless LAN rental service "Apartment Wi-Fi" offers total support – from pre-installation checks through to maintenance. Furthermore, we are also striving to expand new services of our company. For example, we started the NAS/monitoring camera rental service "BITS Rental" for short-term use in building sites and similar locations.



Apartment Wi-Fi



Finance

Our financial business that we started in the previous fiscal year has been making steady progress in the investment management and financial instrument intermediary services under tough conditions around the world due to the downturn in the economies of emerging nations and other factors.



BCN AWARD 2016
(From January to December 2015)
Winner in 15 Categories

These prizes are awarded based on actual aggregate sales at major electrical appliance stores across Japan.

- Wireless LAN Category**
14th consecutive year / 14th win
- NAS Category**
3rd consecutive year / 3rd win
- External HDD Category**
8th consecutive year / 13th win
- Router Category**
13th consecutive year / 14th win
- Hub Category**
15th consecutive year / 16th win
- LAN Card Category**
17th consecutive year / 17th win
- Print Server Category**
16th consecutive year / 16th win
- Recordable DVD Drive Category**
8th consecutive year / 8th win
- Numeric Keyboard Category**
2nd consecutive year / 2nd win
- USB Category**
1st win
- Memory Category**
7th consecutive year / 15th win*2
- Expansion Interface Category**
13th consecutive year / 13th win*3
- PC Power Unit Category**
5th consecutive year / 5th win
- Drive Casing Category**
6th consecutive year / 8th win
- Graphics Board Category**
13th consecutive year / 13th win

*2: This is as the Melco Group. We have won this award five years in a row for a total of five times as CFD sales.
*3: This is as the Melco Group. We have won this award seven years in a row for a total of seven times as CFD sales.



GfK Japan Certified 2015
(From January to December 2015)
Winner in 2 Categories

These prizes are awarded to the manufacturers with the greatest sales volume share for the year.

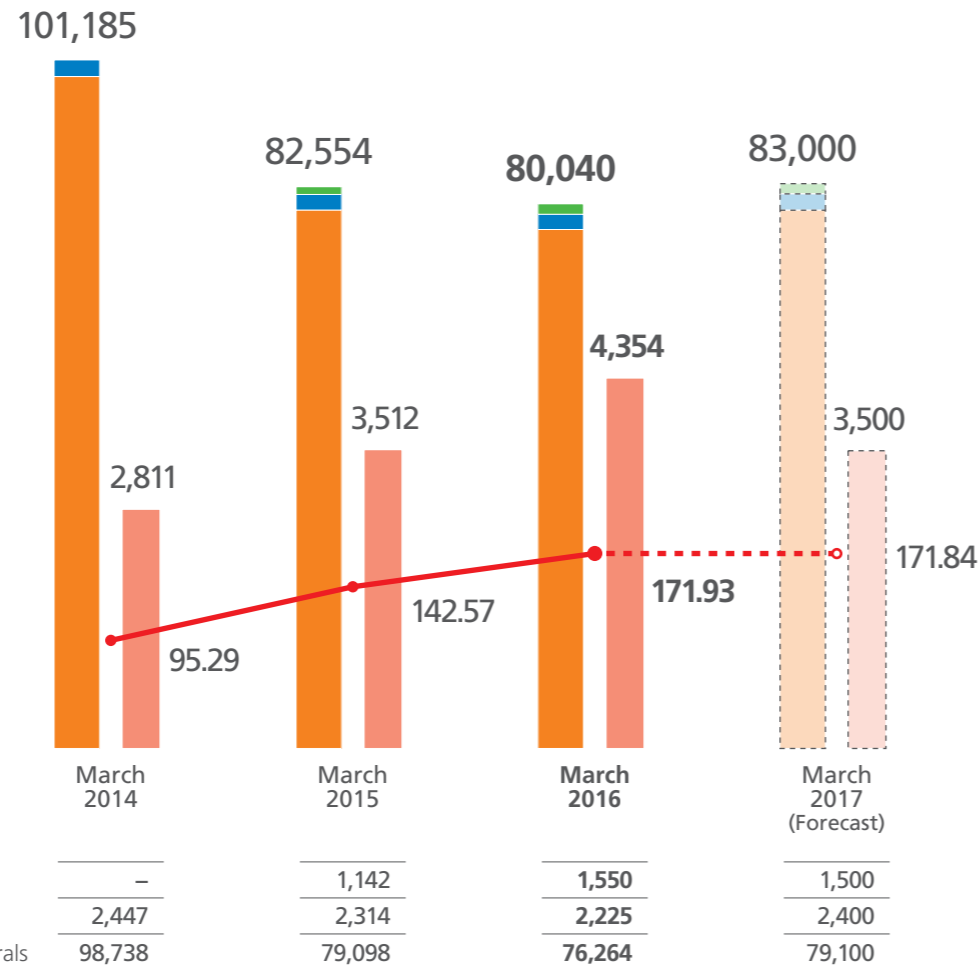
- Network Category**
8th consecutive year / 8th win
- HDD Category**
8th consecutive year / 8th win

*1: iPhone is a trademark of Apple Inc. in the U.S.

Consolidated Net Sales

(Unit: million yen)

- Finance
- Services
- Peripherals

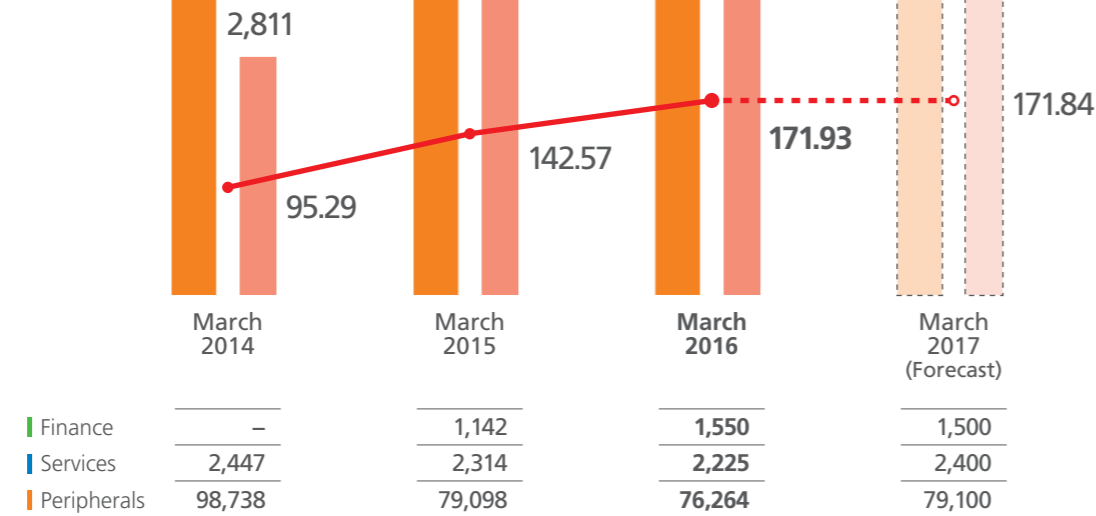


Consolidated Operating Profit

(Unit: million yen)

Net Income per Share

(Unit: yen)

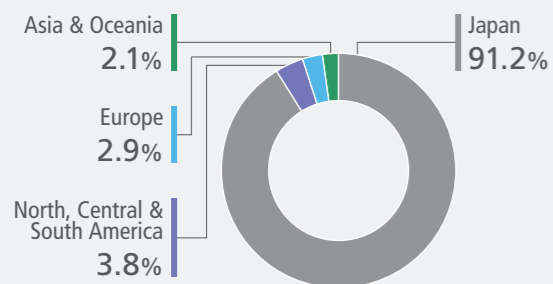


Overseas Sales (Peripheral Equipment Operations)

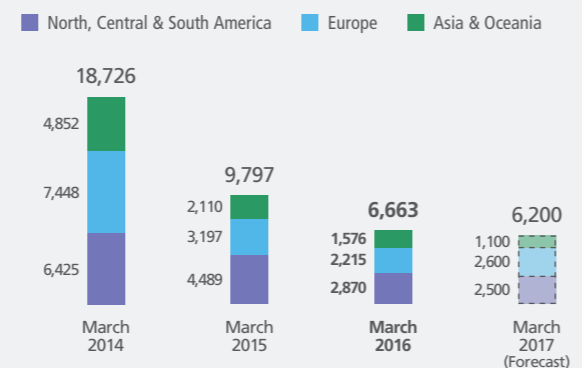
6.663 billion yen 32.0% decrease

We promoted a shift in sales to corporate users focused on NAS products and we were able to reduce our unprofitable businesses with the aim of reconstructing our sales structure in our overseas operations. As a result, net sales were 6.663 billion yen (down 32.0% year on year).

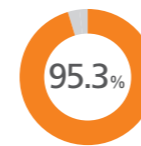
Proportion of Sales by Region (Peripheral Equipment Operations)



Overseas Sales (Peripheral Equipment Operations) (Unit: million yen)



Consolidated Net Sales by Segment

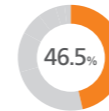


Peripherals

76.264 billion yen

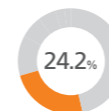
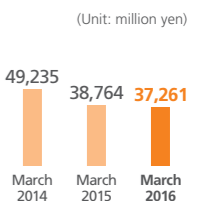
3.6% decrease year on year

Our net sales of peripheral equipment surpassed our performance year on year. This was because we maintained the top market share and strengthened sales of high-value-added products in the network segment even though personal consumption remained stagnant. However, we fell short of our performance year on year in our other segments due to various reasons, such as shrinking markets. As a result, our net sales were 76.264 billion yen (down 3.6% year on year). On the other hand, operating income increased year on year by 11.6% to 3.252 billion yen. This was thanks to an improvement in gross profits, hard work by our sales personnel and the reduction in selling, general and administrative expenses. We present the situation for our main products below.



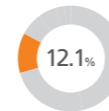
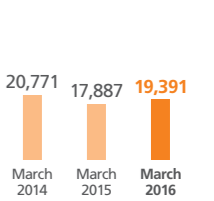
Storage Products

The market in Japan for storage products aimed at individual consumers shrank to a certain extent overall. Under such circumstances, we strived to strengthen sales of high-value-added products and maintain our top share of the market with demand for TV recording applications remaining steady. As a result, the number of units we sold was down 4.3% year on year, but net sales were 25.72 billion yen (same as the previous fiscal year). We worked to enhance products with high performance and high reliability aimed at corporate users in our NAS products. Nevertheless, the market in Japan aimed at individual consumers shrank and we saw a drop in overseas sales due to a reduction in our unprofitable overseas operations from structural reforms. Therefore, the number of units we sold was down 15.8% year on year and net sales were 11.541 billion yen (down 11.6% year on year).



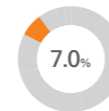
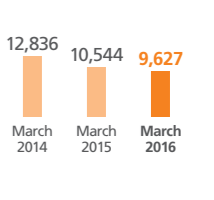
Network Products

The market in Japan for network products aimed at individual consumers remained steady. Against this backdrop, we promoted the provision of comfortable wireless environments that achieve stability in communications from the point of view of the user by taking advantage of our technologies and expertise that we have built up since the dawn of the wireless network era. For example, we launched high-value-added products capable of ensuring stable communications even when using many pieces of equipment at the same time in wireless LAN repeaters for which the market is especially expanding. Nonetheless, the impact of the reduction in our overseas operations meant that the number of units we sold was down 1.5% year on year. Net sales were 19.391 billion yen (up 8.4% year on year).



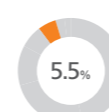
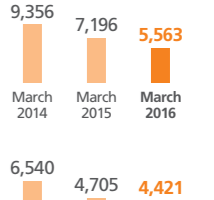
Memory Products

The market for expansion memory products for PCs shrank. In such an environment, our share of the market also fell slightly. As a result, the number of units we sold was down 12.3% year on year and net sales were 4.227 billion yen (down 14.6% year on year). The market in Japan for flash memory products aimed at individual consumers remained at a similar level to the previous fiscal year. Under such circumstances, we strived to enhance sales of high-value-added products. At the same time, we resumed the sale of popular priced products in order to maintain our share of the market while remaining mindful of profitability. As a result, the number of units we sold was up 16.4% year on year. However, net sales were 5.4 billion yen (down 3.5% year on year).



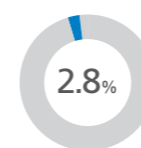
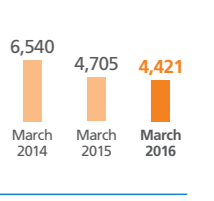
Supplies and Accessories

The smartphone market for supplies and accessories started to shrink during the fiscal year. Against this, we made the decision to sort out our lineup of low-profit product groups. As a result, the number of units we sold was down 7.9% year on year and net sales were 5.563 billion yen (down 22.7% year on year).



Other Products

In our other products segment, sales of our digital photo album "Omoidebako" were strong. In our high resolution audio brand "MELCO," we launched our products in Japan and the United States in the previous fiscal year. However in this fiscal year, we promoted the launch of products in continental Europe, the United States, and the Asia Pacific Region. Nevertheless, the impact from ending sales of other products included in this segment meant that net sales were 4.421 billion yen (down 6.1% year on year).

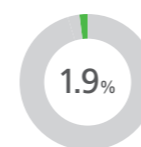


Services

2.225 billion yen

3.8% decrease year on year

We worked on significantly increasing sales of our wireless LAN rental service for apartment owners "Apartment Wi-Fi" – a solution we developed ourselves – in our service business. We were able to install this in 350% more locations year on year. We have now installed this service in a cumulative total of 500 buildings. Furthermore, we started our NAS/monitoring camera rental service "BITS Rental" for short-term use in construction sites and similar locations from this fiscal year with a continuing focus on expanding our own new services. On the other hand, our optical line configuration support business shrank due to an improvement in the penetration rate. Therefore, net sales were 2.225 billion yen (down 3.8% year on year). Operating income was 342 million yen (up 18.4% year on year). This was due to the improvement in our own high margin service ratio.



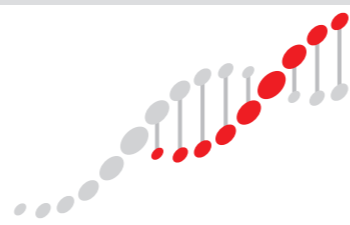
Finance

1.55 billion yen

35.7% increase year on year

We have been making steady progress with our financial business despite the fact that the situation around the world is tough due to the downturn in the economies of emerging nations and other factors. Therefore, net sales were 1.55 billion yen (up 35.7% year on year) and operating income was 869 million yen (up 66.4% year on year).

Products DNA Genealogy of Manufacturing



Protecting the audio culture of Japan by a fusion with PC technology

DELA N1 Series
Masakazu Araki,
President & CEO of Melco Syncretics Inc.

It was around 2007 that network audio was introduced to the world of pure audio. At first, there were hopes that this would exceed CDs with its convenience and sound quality. However, people were unable to accept the usage method of NAS and so these hopes faded. This did not take off in Japan even though there was a shift to digital products overseas. There was a decline in audio culture with that situation continuing. The starting point for Buffalo was as an audio manufacturer. Therefore, we wanted to somehow put a stop to that. We felt we would be able to drive this new culture if digital data would become the source of audio. We developed "DELA" in accordance with the rules of pure audio: Beautiful appearance, easy-to-use operability and high output quality of signals to influence sound quality. We packed in lots of ingenious ideas unique to Buffalo that started with audio in both hardware and software.

Development of wireless LAN for schools: 50 tablets prepared

Access Point for Corporate Users
Akihiko Isohata, Masaya Tanigawa and Daiki Watanabe
of the Network Division

The necessity for wireless LAN in schools is rising every year, such as with the use of tablets in lessons. Nevertheless, there have been issues due to different methods of use even with environments built using access points for corporate users. Accordingly, when we were developing a model for education, we first visited schools and boards of education and started by asking about the environment on the front-line of teaching. We purchased 50 educational model tablets and then carried out development in order to solve the challenges on the front-line of teaching. We were able to solve the problem in communications of there being delays due to loads when connecting to devices simultaneously. Furthermore, we provided support to multiple communications with a (fair communications control) function to distribute communications in regards to existing constraints that only allowed for one-to-one communications. This product is a tool and infrastructure for schools. What made us the happiest is to be told that this product allows lessons to proceed smoothly.

Omoidebako: Rated as having an excellently good design

Digital Photo Album
Masayuki Nemoto of the New Business Department and Naoki Furuhashi of the Design Section

It is four years since the launch of the first generation. "Omoidebako" has obtained civic rights as a tool to easily store and look back on photographs and videos. We have made the fourth generation even more compact and given it higher performance through tablet-based hardware. We have worked on developing its design under the key phrase of a "solid feeling." How could we produce this "solid feeling" without destroying the "world view of Omoidebako" developed with customers different from conventional product users? We made a thorough commitment right down to the fine details – the edge processing, materials and shape of the case. We also moved the power switch that had been on the front to the top of the device in order to ensure space for our logo. We chose the best solutions – even changing the design – in order to protect the "world view of Omoidebako." The fourth generation Omoidebako that we completed like this has now won the "Good Design Award." Omoidebako received this award after being rated as having a total design – from the product concept to the usage method – in addition to the casing and packaging.

Customer support has become the new weapon of Buffalo

Customer Support
Toyoaki Shimada, Yumiko Ao and Mari Yatsurugi
of the CS Section

More than 700 products were launched in FY2014. There were many items and the content of the inquiries we received at the call center also became more complicated. We incorporated "support with videos" to improve this situation. We produced about 140 videos in two years by shooting and editing with the feeling of being a customer. The number of problems solved almost doubled compared with our FAQs. Moreover, we investigated the reason why our customers were not able to find the help desk they were looking for with our automatic voice guidance system. We learned from our analysis of the audio data that both "wireless LAN" and "Wi-Fi" expressed the "Internet" depending on the customer. We repeatedly revised this misunderstanding in expressions to make improvements. These efforts led us to winning the "Contact Center Awards 2015: Best Technology Award," the "HDI Support Center Certification" and "Support Portal Certification." We think that these results will lead to differentiation from our rivals.



Consolidated Balance Sheet (Unit: million yen)

Item	Fiscal Year Ended March 31, 2016	Fiscal Year Ended March 31, 2015
1 Assets		
Current assets	60,476	65,579
Fixed assets	4,506	3,436
Tangible fixed assets	619	587
Intangible fixed assets	968	1,323
Investments, etc.	2,917	1,524
Total assets	64,982	69,015
2 Liabilities		
Current liabilities	18,671	21,276
Long-term liabilities	2,507	2,373
Total liabilities	21,179	23,650
3 Net assets		
Shareholders' equity		
Common stock	1,000	1,000
Additional paid-in capital	774	774
Retained earnings	45,993	43,590
Treasury stock	△3,831	△61
Total shareholders' equity	43,936	45,303
Accumulated other comprehensive income		
Net unrealized gains (losses) on other securities	190	211
Deferred gains or losses on hedges	△50	32
Foreign currency translation adjustments	△233	△184
Remeasurements of defined benefit plans	△40	2
Total accumulated other comprehensive income	△133	61
Total net assets	43,803	45,364
Total liabilities and net assets	64,982	69,015

POINT

1 Assets

Total assets for the fiscal year ended March 31, 2016 were 64.982 billion yen – a decrease of 4.033 billion yen compared to the end of the previous consolidated fiscal year. Current assets totaled 60.476 billion yen – a decrease of 5.103 billion yen. This change was mainly due to a 3.74 billion yen decrease in cash and deposits, a 3.171 billion yen decrease in notes and accounts receivable, a 3 billion yen increase in securities, and a 1.773 billion yen decrease in goods and products. Fixed assets totaled 4.506 billion yen – an increase of 1.07 billion yen. This change was mainly due to a 1.442 billion yen increase in investment securities.

2 Liabilities

Total liabilities for the fiscal year ended March 31, 2016 were 21.179 billion yen – a decrease of 2.471 billion yen compared to the end of the previous consolidated fiscal year. Current liabilities were 18.671 billion yen – a decrease of 2.605 billion yen. This change was mainly due to a 2.437 billion yen decrease in notes and accounts payable. Long-term liabilities totaled 2.507 billion yen – an increase of 133 million yen.

3 Net Assets

Total net assets for the fiscal year ended March 31, 2016 were 43.803 billion yen – a decrease of 1.561 billion yen compared to the end of the previous consolidated fiscal year. This change was mainly due to the acquisition of net income attributable to parent company shareholders of 3.735 billion yen, dividend payments of 1.332 billion yen and the acquisition of 3.769 billion yen in treasury stock.

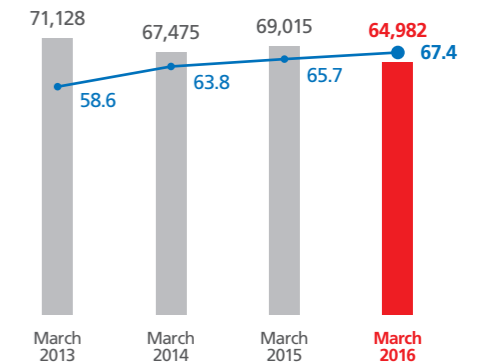
Consolidated Income Statement (Unit: million yen)

Item	Fiscal Year From April 1, 2015 to March 31, 2016	Fiscal Year From April 1, 2014 to March 31, 2015
Net sales	80,040	82,554
Cost of sales	62,537	64,884
Selling, general and administrative expenses	13,148	14,158
Operating income	4,354	3,512
Non-operating income	1,000	999
Non-operating expenses	60	39
Ordinary income	5,294	4,471
Extraordinary income	1	2
Extraordinary loss	144	33
Net income before taxes and other adjustments	5,152	4,440
Income, resident and enterprise taxes	705	1,421
Income taxes – deferred	711	△148
Net income attributable to parent company shareholders	3,735	3,166

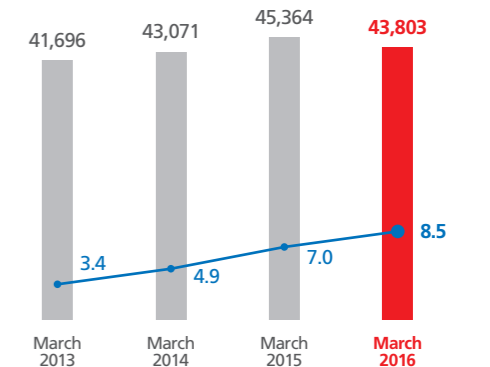
Consolidated Cash Flow Statement (Unit: million yen)

Item	Fiscal Year From April 1, 2015 to March 31, 2016	Fiscal Year From April 1, 2014 to March 31, 2015
Cash flows from operating activities	6,108	2,956
Cash flows from investing activities	△4,662	△3,465
Cash flows from financing activities	△5,102	△889
Effect of foreign exchange rate changes on cash and cash equivalents	△83	241
Net increase (decrease) in cash and cash equivalents	△3,740	△1,156
Cash and cash equivalents at the beginning of the period	8,404	9,561
Cash and cash equivalents at the end of the period	4,664	8,404

Total Assets (Unit: million yen) Capital to Asset Ratio (Unit: %)



Consolidated Shareholders' Equity (Unit: million yen) Consolidated Return on Equity (Unit: %)



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MELCO HOLDINGS IR

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Japan

■ MELCO HOLDINGS INC.

Company Name	Melco Holdings Inc.	Board Members (Current as of June 17, 2016)
Date of Incorporation	July 1, 1986	Chairman and Representative Director Makoto Maki
Capital Stock	1 billion yen	President and CEO Hiroyuki Maki
Business Activities	Melco Holdings Inc. is a pure holding company that holds the shares of the group's operating companies. Governs the operating companies in our group by providing support for business activities and offering managerial guidance.	Executive Vice President Tamio Matsuo
Number of Employees	Non-consolidated: 20 Melco Group consolidated: 741	Senior Managing Director Kuniaki Saiki
Number of Group Companies	17 (9 in Japan; 8 overseas)	Director Iwao Tsusaka
		Director Hiroyuki Minoura
		Senior Corporate Auditor Masanao Tsuzuki
		Corporate Auditor Takami Aoyama
		Corporate Auditor Akio Oguri

■ BUFFALO INC.

Company Name	Buffalo Inc.	Board Members (Current as of June 17, 2016)
Date of Foundation	May 1, 1975	President and CEO Kuniaki Saiki
Date of Incorporation	August 5, 1978	Executive Vice President Tamio Matsuo
Capital Stock	320 million yen	Executive Managing Director Taiji Watanabe
Business Activities	Development, manufacture and sale of digital home appliances and PC peripherals	Executive Managing Director Takehiko Inoue
Number of Employees	454	Director Hironori Seki
		Director Hideo Fukuda
		Director Hidekazu Ogawa
		Director Haruyuki Takefuji
		Corporate Auditor Takeyasu Oshima

Business Locations

Headquarters	Akamon-dori Bldg., 3-30-20 Ohsu, Naka-ku, Nagoya, 460-8315, Japan TEL: 81-52-249-6610 FAX: 81-52-249-6609
Tokyo Branch Office	Kayabacho Tower, 1-21-2 Shinkawa, Chuo-ku, Tokyo, 104-0033, Japan TEL: 81-3-3523-3333 FAX: 81-3-3523-3300
Kansai Sales Office	Sumitomo Seimei Shin-Osaka Kita Bldg., 4-1-14 Miyahara, Yodogawa-ku, Osaka, 532-0003, Japan TEL: 81-50-5533-1250 FAX: 81-6-6398-5755
Hokkaido Sales Office	San Keisei Bldg., 1-4-1 Kitaichijo Higashi, Chuo-ku, Sapporo, 060-0031, Japan TEL: 81-11-200-8150 FAX: 81-11-200-8151
Tohoku Sales Office	Miyagino Center Bldg., 4-5-22 Tsutsujigaoka, Miyagino-ku, Sendai, 983-0852, Japan TEL: 81-22-291-0311 FAX: 81-22-298-9470
Chubu Sales Office	Akamon-dori Bldg., 3-30-20 Ohsu, Naka-ku, Nagoya, 460-8315, Japan TEL: 81-52-249-6600 FAX: 81-52-249-6601
Chu-Shikoku Sales Office	Hiroshima Intes, 10-10 Hashimoto-cho, Naka-ku, Hiroshima, 730-0015, Japan TEL: 81-50-5830-8888 FAX: 81-82-221-8612
Kyushu Sales Office	Yaoji Center Bldg., 4-9-2 Hakataekimae, Hakata-ku, Fukuoka, 812-0011, Japan TEL: 81-92-477-3711 FAX: 81-92-477-3755

■ CFD SALES INC.

Comprehensive supplier of PC parts

■ BUFFALO IT SOLUTIONS INC.

Construction, execution and maintenance of network infrastructure

■ BUFFALO MEMORY CO., LTD.

Development and sale of electronic components and electronic application products

■ BIOS CORPORATION

Development, manufacture and sale of storage-related products

■ MELCO FINANCIAL HOLDINGS INC.

Overall management of financial business within the Melco Group

■ MELCO INVESTMENTS INC.

Investment management and financial instrument intermediary services

Overseas

■ <USA> BUFFALO TECHNOLOGY (USA), INC.

Sale of network-related equipment and PC peripherals

■ <Europe> BUFFALO EU B.V.

Sale of network-related equipment and PC peripherals

■ <China> BUFFALO ASIA LTD.

Product procurement, product management and international logistics

■ <Taiwan> BUFFALO TECHNOLOGY (TAIWAN) INC.

Sale of network-related equipment and PC peripherals

■ <Singapore> MELCO CAPITAL PTE. LTD.

Investment management

Stock Information

(Current as of March 31, 2016)

■ Stock

Number of Shares Outstanding	22,237,873 (Includes 1,870,597 shares of treasury stock)
Number of Shareholders	6,497

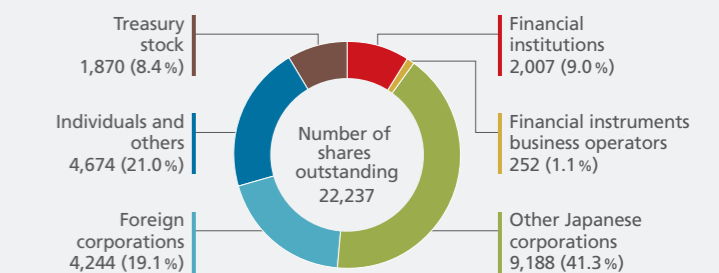
■ Major Shareholders (Top 10)

Shareholder Name	Number of Shares Held (1,000 Shares)	Shareholding Ratio (%)
Makis Inc.	8,485	41.7
Makoto Maki	630	3.1
Hiroyuki Maki	617	3.0
Daisuke Maki	617	3.0
The Bank of Nagoya, Ltd.	501	2.5
The Melco Foundation	500	2.5
State Street Bank and Trust Company	436	2.1
State Street Bank and Trust Company 505103	434	2.1
The Bank of New York 133522	389	1.9
Cbny-Government of Norway	344	1.7

Notes:

1. The number of shares held has been rounded down to the nearest one thousand.
2. The shareholding ratio calculation does not include treasury stock and this has been rounded off to the first decimal place.

■ Shareholding Distribution by Type of Shareholder (Unit: thousand shares)



Notes:

1. The number of shares held has been rounded down to the nearest one thousand.
2. The composition ratio has been rounded off to the first decimal place.