



KPMG Japan Our Story 2015/16

KPMG Japan



KPMG Story

Our Purpose

Inspire Confidence, Empower Change.

Our Purpose

Our Values

Our Values

- We lead by example
- We work together
- We respect the individual
- We seek the facts and provide insight
- We are open and honest in our communication
- We are committed to our communities
- Above all, we act with integrity

Our Vision

The Clear Choice

We aim to be the clear choice by society, clients, and everyone concerned, through consistent delivery of outstanding services.

Our Strategy

Our Vision

Timely

(over the next 5-10 years)

Timeless

Our Strategy

[KPMG-**Quality**] [KPMG-**Cube**] [KPMG-**Career**]

Three keywords denoting strategically achieving our vision

Quality

Quality is the lifeline to achieve our vision. We are persistent in maintaining our quality not only from perspectives of clients but also from perspectives of independent professionals. We will not divert from this and intend to advance this way of thinking.

Cube

KPMG-Cube signifies that KPMG Japan collaborates across multiple organizations, service functions, regions and countries to respond to the needs of society and corporate clients in various industries. It denotes collaboration and comprehensive power. Our best teams support clients without sticking to conventional thinking.

Career

Our people are the most important assets for achieving our vision. KPMG Japan is committed to develop professionals who understand and deliver both KPMG-Quality and KPMG-Cube in services to clients. We also develop human resources who can contribute to realization of a fair and just society and sustainable economic growth in Japan.

At a Glance

About KPMG Japan

KPMG Japan refers collectively to
KPMG International's member firms based in Japan.
There are eight member firms
which deliver professional audit, tax, and advisory services.

AUDIT & ADVISORY

KPMG AZSA LLC

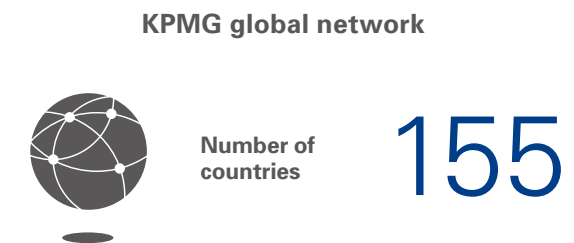
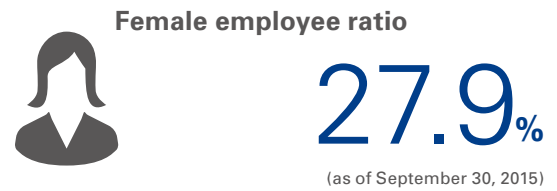
TAX

KPMG Tax Corporation
KPMG BRM
KPMG Social Insurance and
Labor Advisors

ADVISORY

KPMG Consulting
KPMG FAS
KPMG AZSA Sustainability
KPMG Healthcare Japan

as of July 1, 2015

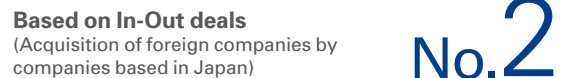
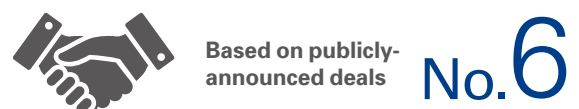


*Global employees are those who have overseas work experience, or have received global skill training courses, or are nationals of countries other than Japan. (as of June 30, 2015)

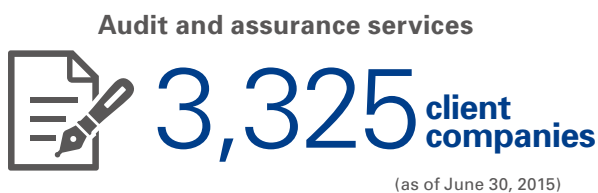


(Audit and Advisory: July 1, 2014 – June 30, 2015; Tax: October 1, 2014 – September 30, 2015)

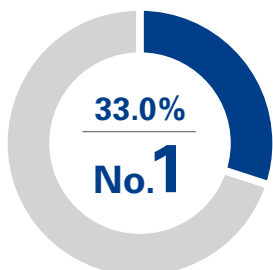
M&A advisory ranking
(including banks, securities companies, and other financial institutions)



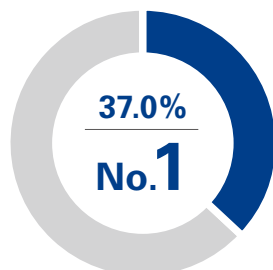
(January 1, 2014 – December 31, 2014)
Source: Thomson Reuters



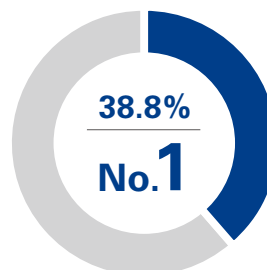
Shares in audit and assurance business



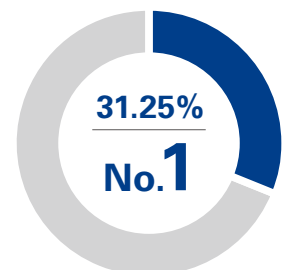
Share in the top 100 listed companies in terms of market capitalization



Share in the top 100 listed companies in terms of consolidated sales



Share in 54 Japanese companies in the Fortune Global 500



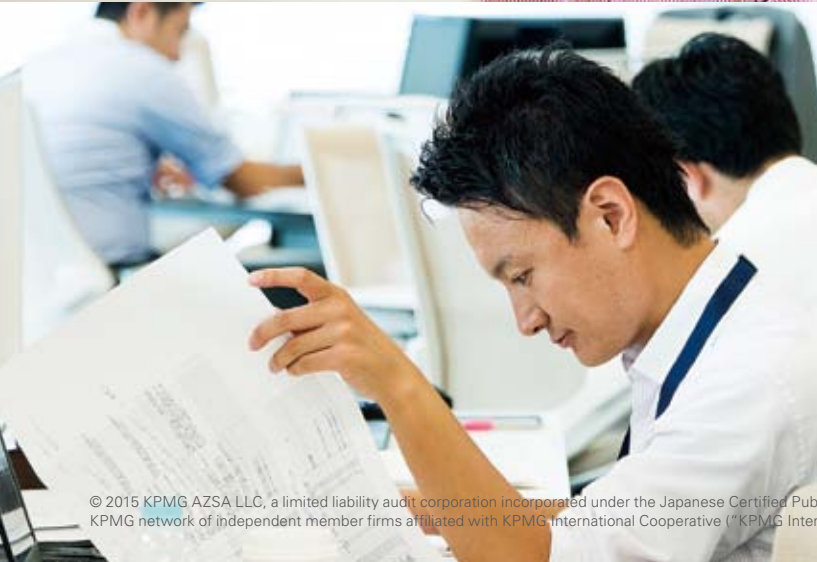
Share in 16 SEC-registered Japanese companies

(as of June 30, 2015)

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Editorial Policy

KPMG in Japan has been involved in various initiatives toward enhancing economic values, social values, and environmental values through its core businesses. We issued the first “Sustainability Report” by a major accounting firm in Japan in 2009, and every year since then. The renewal version, “KPMG Japan Our Story 2015,” issued in October 2015, reports on KPMG Japan’s shared principles and thoughts, as well as initiatives whereby we can consistently respond to expectations from our clients and society and provide more value, as a group of professional firms dedicated to delivering outstanding service. This report is prepared and edited in consideration of concepts behind the integrated reporting.

Scope of the Report

In principle, the Report presents information and performance of KPMG Japan member firms. Those of specific organizations are individually described. KPMG Japan’s member firms are listed on page 34.

Reporting Period

Applicable period of performance data is mainly Fiscal Year 2014 (July 2014 – June 2015). In addition to reviewing the past and the latest year the report presents our outlook for 2016 and beyond.

Publication Information

October 2015

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Message from the CEO

To meet and exceed our clients' expectations and empower change



Hiroyuki Sakai

CEO of KPMG Japan

Managing Partner of KPMG AZSA LLC

Credibility is where Our Story starts

KPMG is proud to present “KPMG Japan Our Story 2015” to convey our vision, our accomplishments, and our commitments.

2014 marked a milestone for us as we celebrated the 65th anniversary since the predecessor of KPMG opened its first office in Japan and the 10th anniversary of the founding of KPMG AZSA LLC. Looking at the Japanese economy, we can say that this was also the year when Japan started to grow out of the so-called Lost Two Decades and recoup its presence in the global economy.

We are strongly aware of our roles regarding the reliability and transparency of financial information, which is indispensable for sustaining fair and healthy capital markets. We need to exercise strong self-discipline and dedicate ourselves to ensuring the trust and credibility by the financial markets and their participants. Adhering to this basic principle, each and every member of our staff must sincerely fulfill their roles as professionals in KPMG Japan in their daily performances.

In the summer of 2015, we took a fresh look at our “KPMG Story” which narrates who we are. By spelling out “Our Purpose” and “Our Vision” that comprise the motif of Our Story, we have begun the process of materializing our initiatives in order to enhance our purpose in and further contribute to society. By sharing Our Story with you. I hope it helps you to better understand KPMG as a partner for innovative change. Our Story cannot be fulfilled only by KPMG members. Our presence only can be meaningful through our engagement with diverse companies, government agencies, public institutions, academic and non-profit organizations, and local communities.

Our Purpose “Inspire Confidence, Empower Change.”

Our Purpose, to “Inspire Confidence, Empower Change,” is shared throughout the KPMG global network. Through our audit, tax and advisory services, it is our role to inspire confidence to companies and society, and support their actions for innovative change.

The services provided by KPMG are diverse, to meet with the complex challenges faced by companies today in an increasingly global environment accompanied by growing uncertainties.

In my view, the essence of our presence and purpose lies in the everyday efforts and actions of each and every one of our professionals. I believe strongly that value can be created and visualized when our professionals with various expertise, skills, and experiences share a common purpose and fulfill their assignments.

Our Vision: “The Clear Choice”

Our Vision, “The Clear Choice,” signifies that we need to be constantly chosen by society, companies, and all related persons, to assist them to empower change. We will be able to provide value only when we are chosen based on our achievements in responding to the confidence of society, in making responsible actions, and in meeting the expectations from society.

We believe that being chosen is clear evidence of the reliability and quality of KPMG. What are society’s needs? How can we serve them? These are the questions we ask ourselves and will continue to explore. Being chosen is a starting point of our role. By continuing to be chosen as a result of increased confidence based on our performances, we are able to build a constructive relationship with related organizations and individuals and more strongly support their needs.

It is through the collaboration with organizations that grow through empowered change that we ourselves can also grow. KPMG Japan has developed a strategy as a roadmap for us to fulfill our role through actions based on Our Purpose and Our Vision. The strategy’s core elements are KPMG-Quality, KPMG-Cube, and KPMG-Career. These three also represent the backbone of our core values. The subsequent pages of this report will illustrate this concept in detail.

Those who empower social changes must themselves also continue to grow accordingly.

Empowering our own changes, we at KPMG Japan sincerely hope to keep writing Our Story, its past, present, and future, together with many of our stakeholders and clients.



Tsutomu Takahashi
Chairman, KPMG Japan



Hiroyuki Sakai
CEO, KPMG Japan
Managing Partner, KPMG AZSA LLC

Management Voice

Realizing KPMG Japan's Vision

"Quality" - the lifeline to the realization of Our Vision

Takahashi KPMG Japan welcomed a new executive team on July 1, 2015. We have also renewed Our Vision and now entitle it "The Clear Choice." The new vision denotes that through the delivery of our outstanding services we will be recognized and continue to be chosen by companies, society, and other parties concerned. This Vision is shared by KPMG around the world and has permeated throughout our organization. Moreover, KPMG Japan has set forth KPMG-Quality, KPMG-Cube, and KPMG-Career as the three strategic key points to achieve Our Vision. I would like to ask each representative of Audit, Tax, and Advisory services to talk about how you are addressing those three concepts. Firstly, I would like to ask Sakai-san to explain KPMG Japan's thinking about "Quality," which is the core of our organization and foundation of all of our activities.

Sakai As a professional firm which delivers Audit, Tax, and Advisory services to our clients, we should not only pursue revenue or scale, but consistently provide KPMG-Quality, which is highly appreciated by our clients. Our involvement should lead to increased credibility of our clients and their operations, and subsequently to enhanced recognition of KPMG's high quality in society. Naturally,

KPMG's Quality will be evaluated by clients. Thus, we should always be mindful of how our service quality can be evaluated from their perspective. The capability to make well-balanced judgments is indispensable in the pursuit of Quality. This does not mean merely to support justifying clients' views and statements, nor simply to give textbook advice, but to give advice based on the sound understanding of their present situation and ideal future state. Based on our persistence to this definition of KPMG-Quality, I truly desire us to be the clear choice for our clients.

Takahashi What is your thinking about Quality for Audit?

Sakai As a firm which provides audit services under legal authority, we have a mission and responsibility to establish information credibility through audit and accounting services, whilst contributing to the realization of a fair society and sound economic development. In order to fulfill our expected role, we find it important to deliver high-quality audit services by retaining both social and corporate perspectives. Matching the needs of Japanese companies as they expand overseas, we are also required to have advanced global capability. However, as I said earlier, I don't think quality from corporate perspectives means to find reasons to justify a client's argument. For us to live up to expectations of society and fulfill our responsibility, we must maintain healthy



Hiroaki Sasaki

Head of Tax, KPMG Japan

skepticism and sincerity as experts, which may in some cases force us, as professionals, to stand up and say an adamant “No” to the client’s argument. However, we believe this may also turn out to be beneficial to the clients from a long-term perspective. As a specific initiative to enhance such quality, we are continually improving IT audit methodology and introducing data analytics in substantive procedures in keeping with KPMG Global’s comprehensive project called “Dynamic Audit.” We are thus building a scheme that allows our professionals to optimize their allocation of time.

Sasaki With Tax, we also believe that quality is an essence which cannot be sacrificed. As it is the companies which evaluate our service quality, we must never be complacent, and we must pursue service quality from companies’ perspectives. For that purpose, I convey four key points to our tax professionals. They are to maintain a high level of expertise, to look not only at what is near at hand but also toward the distant future in addressing issues, to propose practical solutions and not desktop theories, and to form relationships with companies that enables them to easily approach us for advice. As a provider of services we tend to focus on expertise in terms of quality, but all of the four above points are actually important for companies who receive our services. We should also keep in mind that spending time into an assignment per se does not mean enhancement of



Toshiya Mori

Head of Advisory, KPMG Japan

value. What is needed is to efficiently deliver quality services that match the needs of a client

Mori We in Advisory also agree that pursuit of profit at the expense of service quality is nonsense. I tell professionals to ask themselves three questions: Are you delivering value to clients? Are you contributing to creation of values for them? Are you enhancing KPMG’s value with your work? I expect them to pursue services for those they can answer yes to. Despite the many challenges in each assignment, as professionals we must overcome such difficulties and pursue quality that will be appreciated by clients, so as to create a powerful KPMG.

“Cube” - innovative integrated power

Takahashi KPMG-Cube, the second strategic keyword, means that KPMG Japan and KPMG Global intend to enhance collaborative action from cross-function, cross-border, and cross-culture aspects. Cross-culture may be difficult to understand but it means that we consolidate various industry-specific insights, expertise in particular domains, or other knowledge of our professionals while working in collaboration across functions and borders. In today’s uncertain global business environment, our clients bear various risks in their pursuit for sustainable growth. In order to meet their needs, I believe that KPMG-Cube is important and effective. How are you incorporating KPMG-Cube in Audit?



Sakai We in Audit are strengthening network ties with Tax and Advisory. There are several professionals within KPMG AZSA LLC who specialize in delivering advisory services, and we are increasing personnel in this area and seeking enhanced collaboration with Tax and Advisory through them. We also need to enhance not only the KPMG Japan network but also our global network with KPMG firms in other countries, so that we can better assist Japanese companies which have expanded overseas and face various global or local management issues.

In Europe, the mandatory rotation of audit firms of public interest entities has been introduced. In Japan, along with the introduction of the Corporate Governance Code, an increasing number of companies are likely to evaluate their outside audit firms more strictly and we may also see an increase in rotation of auditors. In such an environment, we sincerely hope to implement KPMG-Cube to enhance our organization and to better respond to expectations from our clients.

Sasaki In Tax, we also find it extremely important to have cross-function collaboration with Audit and Advisory. Whatever action a company may take results in generating tax-related issues. This does not mean, however, that addressing tax issues alone could solve corporate challenges. This is why I believe the development of KPMG-Cube, or in other words, cross-function collaboration, directly leads to delivery of quality services. Naturally, cross-border collaboration with KPMG in the world is also expected by our clients in Tax.

Mori In Advisory, we make sure to incorporate the insights and expertise of the most appropriate professionals

in addressing corporate issues. This is to avoid any of our professionals being dominated only by himself or herself, and prevent them from becoming complacent. In advisory services in particular, professionals with high-level expertise need to respect the values of each other and collaborate so as to deliver value-added service. Nowadays, cross-border dealing with corporate issues is almost a norm and herein lies the strength of KPMG. I believe that it is requisite for Advisory to have cross-function, cross-border, and cross-culture operations as signified by the KPMG-Cube.

“Career” – human resource management that embodies “Quality” and “Cube”

Takahashi Let us now move on to the third strategic keyword, KPMG-Career. For KPMG Japan as a professional firm, our people are undoubtedly the most important assets. Without development of our people, KPMG Japan cannot grow. Our definition of a true professional is a person who can deliver KPMG-Quality services as a member of KPMG-Cube. What is your thinking about human resource development in each of your functions?

Sakai In Audit, we are committed to long-term human resource development. While we promote diverse work opportunities to our people, we plan to expand programs for global training as well as overseas assignments, so as to develop professionals who can thrive in an international stage. We also plan to further enhance on-the-job training, tutor system for new staff, and career consulting system. We equally provide such opportunities, carry out fair performance

Management Voice **Realizing KPMG Japan's Vision**

evaluation, and are committed to development of each and every one of our professionals. Moreover, we intend to promote systems and cultures that respect diverse ways of working so that persons of different gender, nationality, age, service area, and expertise can work as members of a team and fulfill expectations of society and clients. Typical examples include a significant increase in the number of participants in overseas assignment programs to and from Japan. We also recognize that it is our expected duty as an audit firm to provide talented professionals out of such processes and programs for the general benefit of society.

Sasaki I could not agree more on importance of our people not only for Tax services but for KPMG as a whole. From a career perspective, I constantly tell professionals in Tax to use KPMG as their development ground. KPMG's role is to provide various professional services to clients but actually we have so much to learn from our clients through our frequent contacts with them. Our professionals should learn and grow from such precious experiences. Obviously programs for human resource development should be enhanced. However, I also find it important to develop a corporate culture that encourages each professional to strive hard for his or her growth.

Mori In Advisory, our goal is to develop best-class professionals with superior expertise and broad perspectives. Similar to Audit and Tax, we provide various work experiences and invest in human resource development. As Sasaki-san pointed out, it is not enough that we provide growth opportunities. Each and every professional must profit from



given opportunities to expand their perspective and accumulate experience for accomplishing a true sense of career growth. We also have professionals with diverse careers who have different assignment or missions in Advisory. Fair and unbiased evaluation is critically important to motivate those professionals. While it is no easy task to fairly evaluate diverse professionals, it is indispensable. We intend to keep evolving fairness of schemes and their operation.

Takahashi Thank you all for sharing your views on KPMG Quality, Cube, and Career, as representatives from Audit, Tax, and Advisory. These are our three strategic keywords to realize our Vision, "The Clear Choice." In KPMG Japan, I am proud that Audit, Tax, and Advisory are working in collaboration with each other, based on those strategic keywords. We, KPMG Japan's management team, will strive hard to develop a culture in which each professional moves forward toward realizing Our Vision, being guided by our seven action principles in Our Values, and keeping in mind Our Purpose "Inspire Confidence, Empower Change." Let us all continue responding to the needs of society and our clients.



Management Committee Members

KPMG Japan provides services in the three areas of Audit Tax, and Advisory, with member firms working in harmony as one, under an efficient and disciplined management structure.



1 Chairman, KPMG Japan
Tsutomu TAKAHASHI

Takahashi serves as Chairman of KPMG Japan since 2013 and is a board member of KPMG International. He continues to strongly support the globalization of major Japanese companies.

2 CEO, KPMG Japan
Managing Partner, KPMG AZSA LLC
Hiroyuki SAKAI

Sakai serves as CEO of KPMG Japan and Managing Partner of KPMG AZSA LLC since July 2015. He has a wide range of experience including China-related business and IT audit, and emphasizes a hands-on approach.

3 COO/CFO, KPMG Japan
Masahiro MEKADA

Mekada serves as COO of KPMG Japan since 2013 and has also served as CFO since 2015. He has extensive experience in working with NYSE-listed Japanese companies and global companies in Japan and abroad.

4 Head of Audit, KPMG Japan
Takuji KANAI

After accumulating experience as accountant in Japan and the United States, Kanai earned an MBA at Stanford University in the United States. He has held numerous lead-partner positions for major Japanese's clients.

5 Head of Tax, KPMG Japan
Hiroaki SASAKI

As Head of Tax services, Sasaki has played important roles in the globalization of Japanese companies. He also serves an important position in KPMG International.

6 Deputy Head of Tax, KPMG Japan
Yuichi KOMAKINE

Komakine will be appointed as the Head of Tax services in 2016. He has extensive experience in overseas assignments, and familiarity with international tax services.

7 Head of Advisory, KPMG Japan
Toshiya MORI

Mori became Head of Advisory services in 2015. He has extensive experience in advising on management issues of global corporations and accounting audits.

8 Head of Marketing & Communications, KPMG Japan
Hiroshi MIURA

Miura has worked in New York and London for many years and served as the Global Japanese Practice (GJP) Manager in Europe before taking the current position of the Head of GJP.

KPMG Japan's Management Structure

The KPMG Japan Management Committee comprises representatives from major member firms such as KPMG AZSA LLC, KPMG Tax Corporation, KPMG Consulting, and KPMG FAS. The Committee discusses and decides on the collaborative

structure used to manage each KPMG Japan firm as well as material matters pertaining to the business management of the firms, including human resource development, service improvement, and service quality control, in order to combine all of the relevant resources of the KPMG Group so as to deliver the best possible services matching clients' management requirements.



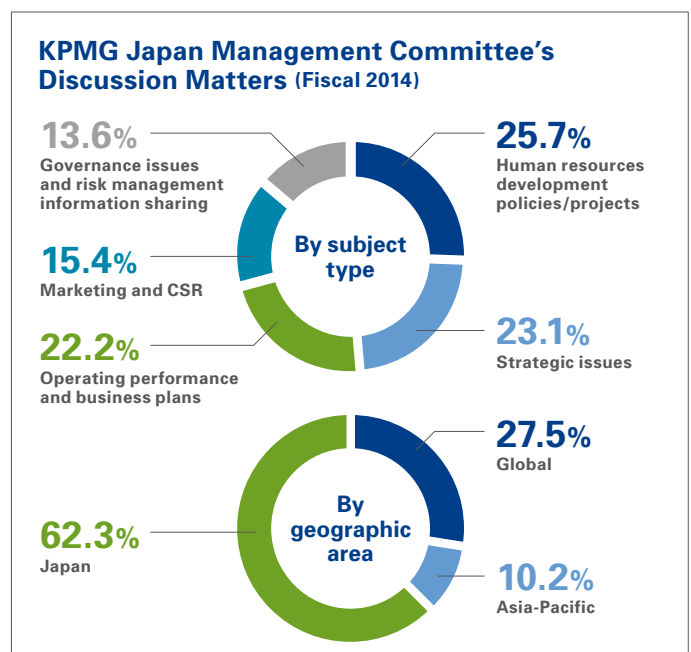
9 Head of Personnel Affairs and Human Resources Development , KPMG Japan Tokyo Office Managing Partner, KPMG AZSA LLC
Hiroyuki TAKANAMI
 Takanami has extensive experience in financial services through auditing of megabanks and government-affiliated financial institutions. He served as the director in charge of finance from July 2011 and as the director in charge of Advisory services from July 2013 to June 2015.

10 Head of Deal Advisory, KPMG Japan
Masahiko CHINO
 Chino serves as a representative of KPMG FAS since 2001. He has extensive experience in advisory services for domestic and cross-border deals, mainly in areas of corporate and business revitalization support and M&A advisory services.

11 Head of Quality and Risk Management
Hideaki KOYAMA
 Koyama has been in charge of quality management and risk management since 2006. He mainly serves global clients with a majority being SEC-registered companies.

12 Nagoya Office Managing Partner, KPMG AZSA LLC
Yasushi YOKOI
 Yokoi has been serving as the Nagoya Office Managing Partner since July 2012. He has extensive experience in services for the public sector, and is also in charge of diversity promotion.

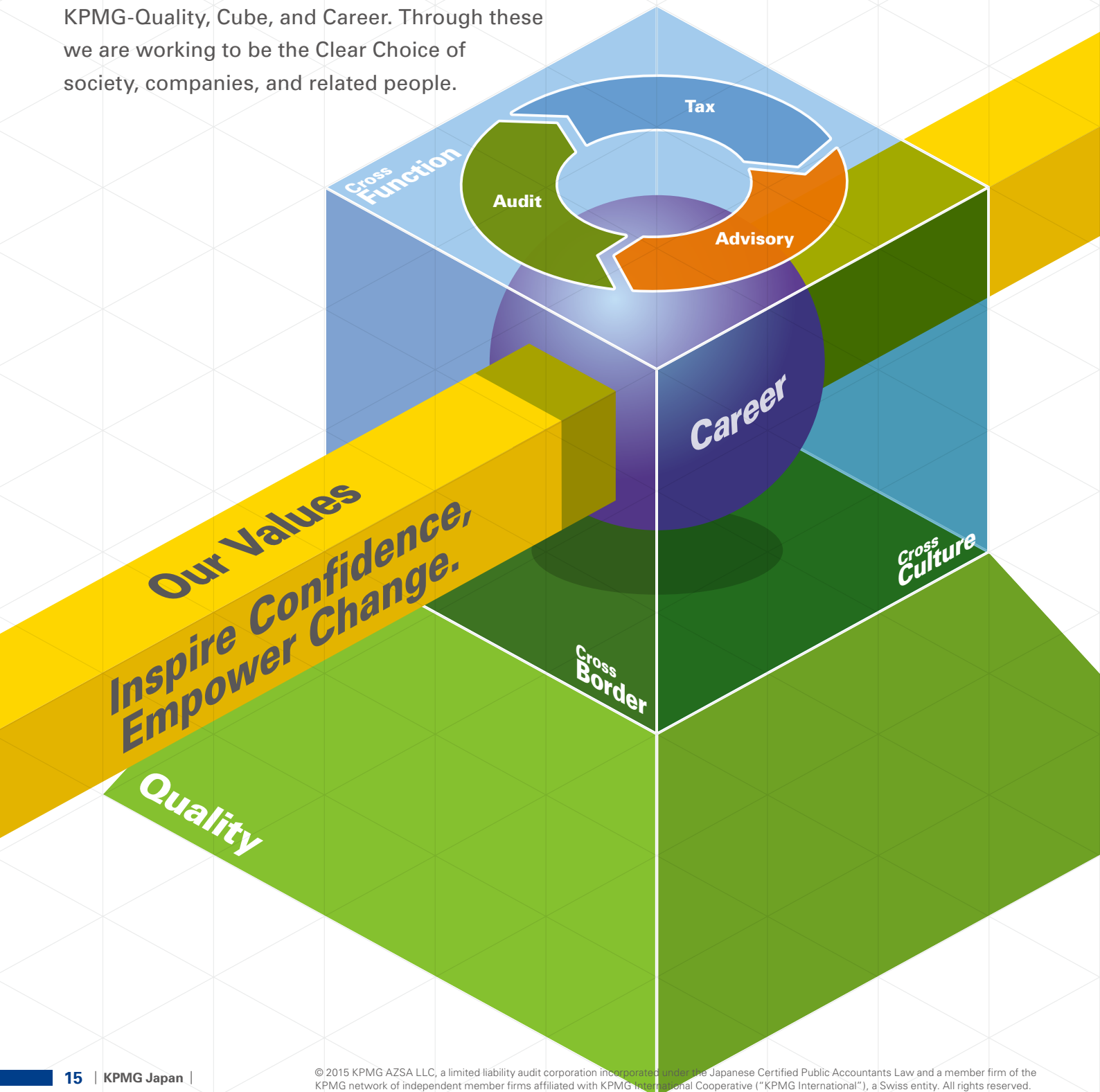
13 Osaka Office Managing Partner, KPMG AZSA LLC
Kenryo GOTO
 Goto has been serving as the Osaka Office Managing Partner since July 2015. He is engaged in auditing major companies headquartered in Osaka. He also has extensive experience in advisory services.



The Road to Our Vision

Realizing our vision by empowering innovative change of society and corporations

KPMG Japan's strategy has three core elements: KPMG-Quality, Cube, and Career. Through these we are working to be the Clear Choice of society, companies, and related people.



Our Vision

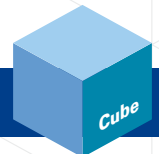
The Clear Choice

Quality



KPMG-Quality is the value the society discovers in and derives from KPMG Japan. KPMG have been and will continue to be providing quality services which is highly regarded by society. As a professional firm, we are dedicated to pursuit of quality in our services, as may be judged from both perspectives of clients and perspectives of independent professionals.

Cube



KPMG-Cube denotes KPMG Japan's comprehensive power and collaboration across multiple organizations, service functions, regions and countries to respond to the needs of society and corporate clients. By realizing cross functional, cross border, and cross cultural collaboration across all KPMG Japan firms with KPMG's global network, KPMG Japan continues to find best solutions to empower innovative change.

Cross Function

KPMG Japan behaves as a truly cross-function-capable organization by forming the best team across Audit, Tax, and Advisory services to meet needs of our clients and help resolve their issues.

Cross Border

By collaboration with the KPMG global network and the Global Japanese Practice (GJP), which is our system for support of Japanese companies doing business overseas, we enhance capability to support the solving of issues in any country or any region of the world.

Cross Culture

To increase and enhance over time our maximum strength and capability, our professionals respect each other and share their skills and expertise. KPMG Japan elevates our organizational functional ability to identify diverse situation and characteristics of industries and solve their true issues.

Career



Our people are the most important assets of KPMG Japan. Their development is our driver for delivery of value services in response to the diverse expectations of our clients. KPMG Japan is committed to encourage development of our human resources, which ultimately contributes to development of not only KPMG Japan but also client companies and society at large.

KPMG Japan's interpretation of

Quality

KPMG Japan's interpretation of Quality is rooted in our strong commitment to responsibility trusted to us by society. Quality also serves as the foundation of our relationship of trust with society and clients, which enables us to play the expected role and create values together with them. To ensure quality, we must have deep understanding and insights on complex rules and schemes. In addition, we must make well-balanced judgment by taking into account the gist of the problem and the current conditions of the client. Each and every professional must certainly make efforts to enhance their quality. We are also introducing various tools to merit from the latest IT development. We have a wide range of initiatives to achieve our Quality, including common methodologies of KPMG global network and best use of our professionals with high-level expertise and knowledge.

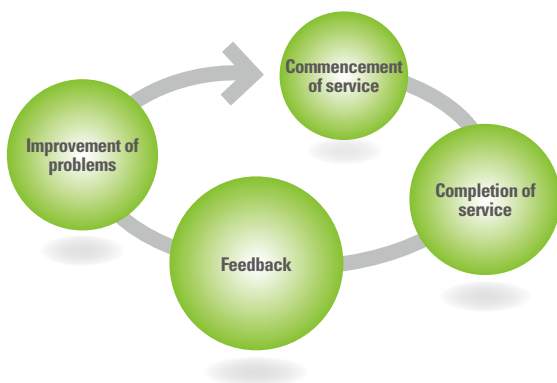


KPMG Japan as a whole and each of Audit, Tax, and Advisory are taking initiatives to deliver outstanding quality services to our clients. We do not merely give them stereotypical advices or services. We do take account of their opinions and requests, understand their present circumstances, and foresee a vision for their future, in providing services. This is how we respond to expectations of our clients and society.

KPMG Japan’s Quality initiatives

Client feedback

The feedback that KPMG Japan receives from clients is of paramount importance for us to deliver service that meets their expectations. Given significant social responsibility we assume in our operations, the feedback from outside is seriously received and utilized to make us become more credible and trustworthy. We have built a scheme to collect feedback from clients via our website, in order to make it more convenient. It has already been adopted in domestic audit services and is scheduled to be introduced in overseas services.



Client Service Team (CST)

CST is formed for each corporate client so that we can utilize KPMG global network and bring our comprehensive power in our service to enhance the client’s corporate value. The team, mainly of professionals with in-depth industry understanding and knowledge, can contribute to the client in solving problems, dealing with potential risks, and acquiring competitiveness for the future. Those team members make efforts to timely and reliably deliver services.

Assurance of global-standard service quality

The worldwide KPMG Group, including KPMG Japan, strives to ensure that member firms collectively and consistently deliver high-quality services of global standards anywhere in the world to globally-operating clients. Our Quality Performance Review Program (QPRP) is to mutually monitor service quality of KPMG in each country, based on KPMG’s internal global quality standard. KPMG in each country is required to be extensively reviewed once a year by quality control specialists from the staff of KPMG in other countries. This is how we ensure all of our people across the world to constantly uphold their highest professional standards in their work.

Accreditation

With the aim of assuring high-quality service delivery, KPMG Japan has an internal accreditation policy that requires professionals to have appropriate knowledge and experience for all of applicable services to clients. These applicable services for the policy include implementation support and audit of International Financial Reporting Standards (IFRS), handling of fraud, transaction services, services related to business revitalization, and IT audit skills. Professionals are evaluated of their experience, knowledge, and skills based on requirements such as service performance and completion of training courses, and then are accredited and administered.

Quality in Audit

The landscape surrounding accounting audits has changed markedly: companies have become more globalized; accounting standards have become more advanced and complex, along with an increasing adoption of IFRS by companies; and corporate accounting fraud cases have left some impacts in recent years in Japan. We deliver high-quality audit services by establishing and retaining

KPMG's common electronic audit tool eAudit

KPMGs all over the world, including KPMG Japan, use internally-developed electronic audit tool "eAudit." This tool reflects KPMG's long-accumulated audit knowhow, including how to address to globalization of companies and handle of fraud. It has enabled us to deliver high-quality audit services more systematically, effectively, and efficiently. In addition, universal use of eAudit by all KPMG member firms across the world ensures that the equal level of quality in audit services is available in Japan and elsewhere.

the structure to ensure quality audit, which is more than ever dearly needed. Living in the time of increasingly-sophisticated information system and information processing technology, we are taking initiatives to make our services more sophisticated and advanced, including the introduction of a new audit method, so as to respond to needs of companies and society.

Dynamic Audit

In the midst of significant changes in the accounting audits and advances in IT, KPMG is globally promoting the Dynamic Audit project in the pursuit of advanced auditing. Based on the four pillars of Data & Analytics, Centralization, Coaching, and Standardization, the Dynamic Audit aims to enhance the quality of auditing and advance it to meet the needs of the coming era.

Responding to increasingly-sophisticated information system and information processing technology, our IT experts help enhance our capability to audit information systems. At the same time, we are making use of data analysis of clients' big data, such as journals and sales data. We are also developing a method to evaluate statistical audit risk by using financial and non-financial data concerning companies and economic environment. KPMG Japan has established the "next-generation audit technology laboratory" to promote this initiative.

Data & Analytics

We consolidate and centrally operate the type of works which do not require professional judgement, with the aim of raising efficiency and standardizing work quality. This has freed up some hours of professionals, who can therefore engage sufficient energy and time to focus on areas which require professional judgement. At KPMG Japan, the Azusa Delivery Center (ADC) was set up and a part of auditing work is transferred to this center.

Centralization

Dynamic Audit

Coaching

We have adopted the coaching program to maintain, enhance, and continuously improve audit quality. From a start of auditing to its completion, the audit team can receive coaching by veteran non-member professionals. This also ensures quality to be enhanced.

Standardization

Companies, our client target, have diverse business categories. Some corporate groups are engaged in global operations, while others have a relatively simple business model. In case of simple business models with relatively less audit risks, we have partly standardized and simplified our audit approach. This enables to achieve higher efficiency and at the same time allows us to focus on high-risk companies or audit areas.

Quality in Tax

The present increasingly-complex business environment is bringing more complex tax issues. We seek to offer quality services that fulfill needs of clients, by our team of tax specialists, each having a field of expertise and addressing to diverse phases of corporate management. On top of sophisticated expertise, we believe it is crucial to propose practical solutions to our clients with consideration into their

Enhanced knowledge management concerning tax practice

The Tax Technical Center (TTC), established to provide services with the higher degree of specialization as a division of KPMG Tax Corporation, collects and analyzes the latest information on tax reform, judicial precedents and various research papers as well as internal information on tax investigation achievements and examples of inquiries to the tax authorities. The TTC strives to share the latest tax-related information within the company and provide information to clients in a timely manner.

Quality in Advisory

We have built good working relationships, forged in credibility and trust, with our clients, due to our client-focused attitude, commitment to excellence, and continuous delivery of values with global perspectives and through coherent services. We believe this is highly valued by our clients, as KPMG Japan's Quality. We are implementing the following initiatives to fulfill expectations of our clients.

Quality control for each advisory service

We have established a structure to line up an operational approach and a team formation, depending on the characteristics of a client company, complexity of the service operation, and expertise required. We have set a rule to assign a Quality Conquering Partner (QCP) who manages operations from a quality perspective, for operations that are of a certain level of difficulty.

KPMG Japan Advisory Steering Committee (KASC)

Advisory member firms of KPMG Japan and leaders of each division meet regularly to share important issues in Advisory and discuss over solution measures, so as to enhance service quality for higher client satisfaction.

future. We also find it important to build a good working relationship with clients so that they can casually look for our advice. Our recent efforts to improve our tax services include the following initiatives.

Fostering human resources with the high degree of expertise as tax experts

KPMG Tax Corporation aspires to offer the higher degree of satisfaction to clients by appropriately responding to diversifying needs of clients and society and providing forward-looking services with high value added. This goal can be achieved only by "people." We are seeking to expand and improve the in-house training system in order to foster personnel with expertise, experiences, and skills as tax practice professionals and international perspectives. We also proactively evaluate and promote excellent personnel with high integrity and expertise.



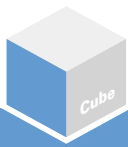
KPMG Japan's interpretation of

Cube

KPMG-Cube denotes our method of synergistically raising quality of services through collaboration among KPMG member firms and global network. In an increasingly uncertain social environment, sustainable growth can be achieved only when challenging new things and overcoming barriers and constraints. Many of Japanese companies, which have chosen to expand overseas, are facing various management issues.

Whenever it is to the advantage of a client, we leverage our collective expertise on a trans-border basis, effectively and efficiently achieving a multiplier effect in which the service we provide is greater than the simple sum of contributions by each individual of our professional and support staff.





Cross Border

KPMG International's global network

KPMG's global network of professional firms providing Audit, Tax and Advisory services has a presence in 155 countries and has around 160,000 people. This is our base to help resolve clients' management issues from a global viewpoint. Our professionals with expert knowledge in various sectors deliver a wide array of services to help our clients succeed in their growth strategies.



Europe, the Middle East, and Africa
83,983



Asia-Pacific
32,867



The Americas
45,181

	Partners	Professionals	Professional support staff	Total
FY13	8,991	119,348	26,841	155,180
FY14	9,137	124,753	28,141	162,031

KPMG International

Representative

Chairman
John. B. Veihmeyer

Headquarter

Amstelveen, Netherland

Revenues

Audit	10.46 US Billion \$
Tax	5.27 US Billion \$
Advisory	9.09 US Billion \$
Total	24.82 US Billion \$

Number of personnel

162,031

Number of countries

155

(As of September 30, 2014)

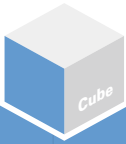
Local Insights – Global Strength

“KPMG has a presence in over 150 countries, and our global network is as rich and diverse as our 162,000 people, who work shoulder-to-shoulder with our clients around the world every day. At KPMG, we pride ourselves on world-class collaboration, ensuring we bring the very best talent and solutions to clients – often, this will span functions, geographies and, of course, cultures. For us, collaboration means listening to and understanding the needs of our clients, enabling us to bring the best services, solutions and market-leading innovations to each engagement. We are incredibly proud of the international and diversified teams that serve KPMG clients in Japan, as well as their subsidiaries across the world. We respect and encourage local insights while ensuring that we leverage our global strength for our clients, so that we can deliver consistently throughout our network. All of us, no matter where we are, reflect the same purpose-driven culture and that’s what differentiates us from many of our competitors. I am confident that KPMG will continue to be the clear choice for you.”



John. B. Veihmeyer
Global Chairman, KPMG International

Veihmeyer, based in New York, has been Chairman since March 2014. From 2010 to June 2015, he served as the Chairman and CEO of KPMG U.S.

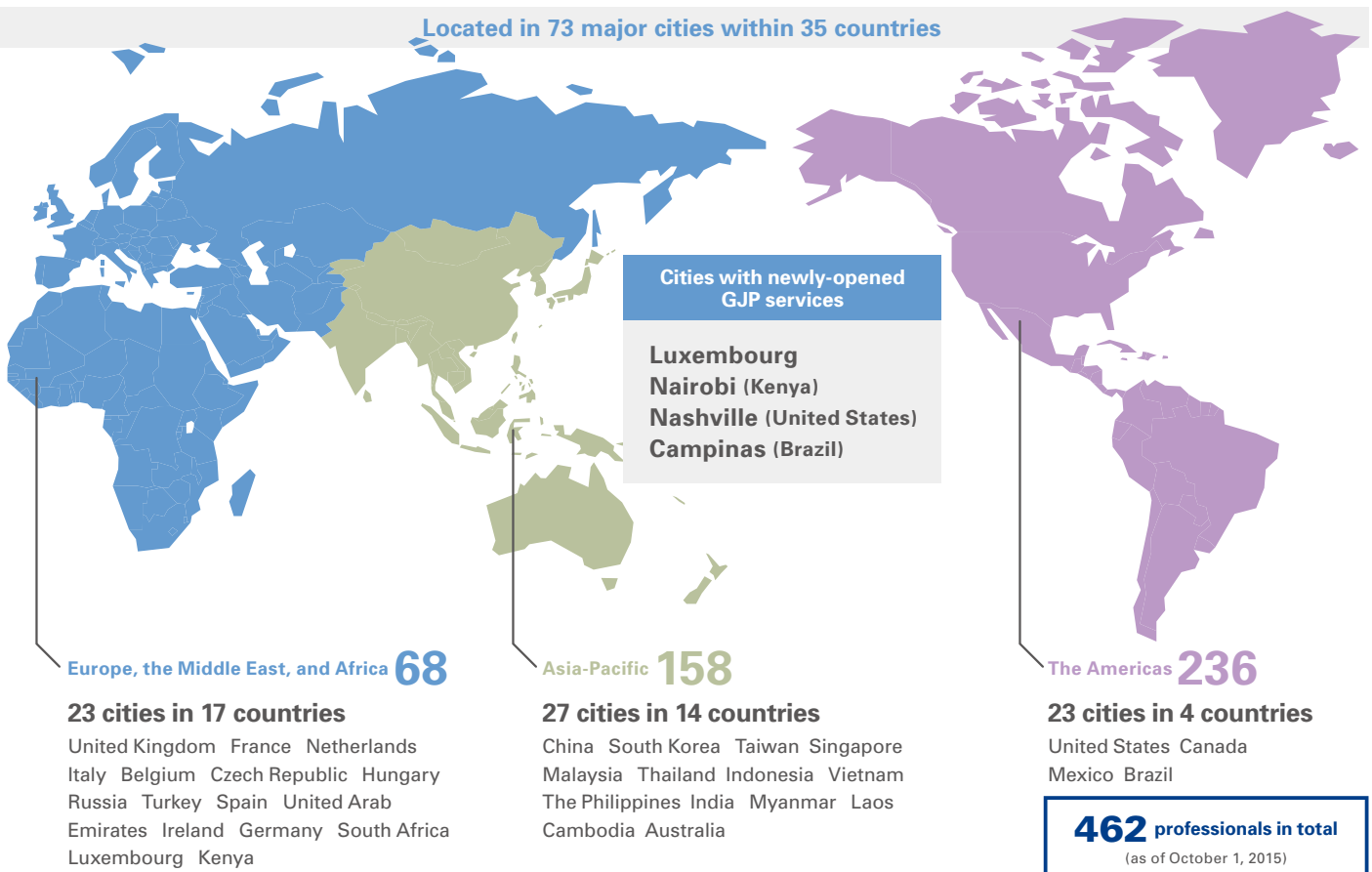


Global Japanese Practice (GJP)

Since the 1970s, KPMG Japan has used an operational network, called the Global Japanese Practice (GJP), to support overseas operations of Japanese companies expanding abroad. As a vanguard firm in providing overseas support, we have helped companies for more than four decades. Our team of accounting, tax, and advisory professionals work in cooperation with industry experts and provide global seamless services. Moreover, we have organized the Japanese Companies' Support Team in Africa, Latin America, Central Asia, and South Asia, have expanded a support network in emerging countries, and have enhanced subregional collaboration on top of collaboration within a country.

Network of Japanese-Speaking Professionals

Located in 73 major cities within 35 countries

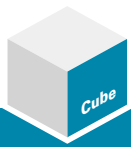


Topics 2015 The ASEAN Business Division is now open as a support desk in Japan

At KPMG Japan, a number of professionals with overseas expatriate experience work at country desks and provide up-to-date information and practical advice regarding a region or country to our clients based in a head office in Japan. In case of China, India, and Africa, the China Business Division, the India Business Division, and the Middle East/Africa Business Divisions have been established respectively.

In August 2015, the ASEAN Business Division was added. Preparing to meet our clients' needs as they are additionally

influenced by the forthcoming implementation of the ASEAN Economic Community (AEC), we are now capable of providing better cross-regional services regarding the ASEAN region. This is to respond to rising needs of Japanese companies to enhance regional control functions, consolidate common functions, and bring in more advanced internal controls for the entire ASEAN region. We intend to deepen collaboration with our clients' contact personnel for each country and broaden our service coverage by country to cover a wider area.



Cross Culture

Enhanced total power and industry focus by professionals with a wide array of expertise

Companies must keep on changing to grow in the ever-changing market environment. At KPMG Japan, our professionals collectively possess diverse backgrounds, astutely capture signs of change, and address the needs or management issues of clients while armed with foresight acquired from their monitoring of the environment. Industry focus is one of our cross-culture initiatives that enhance the level of our insights and demonstrate our collective power. We scrutinize new regulations, policies, and trends of relevance to corporate management and conduct various studies and surveys. We are engaged in activities that contribute to growth of our clients, such as understanding the ever-changing market, accumulating value-added insights, and actively disseminate information.

Global CEO Outlook

Leveraging on our global network, KPMG conducts analyses on corporate trends and opinion surveys of corporate management. In "KPMG Global CEO Outlook 2015," we have surveyed 1,278 chief executive officers of nine major industries in ten countries. This gave us an enhanced in-depth perspective on major issues of those companies and expectations of the CEOs for the future. KPMG Japan also conducts studies of the nature of international comparisons or inquiries into the characteristics of Japanese companies so that we can better advise many of our clients, which are taking challenges in a variety of cultures.

KPMG Global CEO Outlook 2015



Industry Focus

Major industries that KPMG Japan, in collaboration with KPMG Global, continually monitors information as well as updating our insights and knowledge are listed on the right. More details by industry are also available on KPMG Japan website. <http://kpmg.com/jp/industry>

Financial

We understand what financial institutions in Japan and overseas are doing, especially in addressing their increasingly sophisticated complex management issues, such as global regulation, industry consolidation, overseas operations and expansion, and organizing of risk control systems.

Services

The retail and distribution sectors are in the midst of far-reaching industry restructuring and globalization changes, and are affected by domestic consumption trends, prevalence of smartphone use, advance in logistics, among other factors. Our industry experts deliver cutting-edge solutions to clients.

Consumer Goods, Retail and Food

We help resolve complex challenges of the consumer goods, retail, and food industries, which are in a phase of transition to tech-savvy business models.

Technology, Media & Telecommunications

We keep up with the rapid advance in technology and its implications, and incorporate our insight in value-added advices from a global perspective to clients.

Public Sector

We provide services to the national and local governments and other public institutions, which seek to overcome challenges of the declining birthrate and aging of the population, and to achieve sustainable growth and development.

Life Science

We provide advice based on our experiences and expert insights to the pharmaceutical industry which faces challenges of cost increase and drug price reductions, and is required to meet strict compliance requirements, and to pursue efficiency.

Energy & Infrastructure

We help clients resolve their issues by responding to needs of their entire value chain. The issues include investment in oil and gas upstream operations, investment in infrastructure such as electric power generation and transmission, and related improvement in asset performance.

Automotive

The automotive industry is in the midst of structurally and fundamental changes, driven by intensifying competition and technological innovation, such as automated driving. Our industry experts help resolve various issues of companies in this sector.

Electrical and electronics

We provide services to Japanese electrical and electronic manufacturers which are shifting productive resources overseas in keeping with maturation and saturation of the domestic market. Our services utilize KPMG's global network which encompasses emerging as well as industrially developed countries.

Topics 2015

Financials

Foreign Banks in Japan Survey 2015



As a part of our activities to resolve increasingly complex management issues, we have published reports, showing overseas examples, regulatory trends and their impacts, and other matters. The results of KPMG AZSA's analysis of financial statements of 56 foreign banks in Japan are included in this report.

Automotive

KPMG Global Automotive Executive Survey 2015



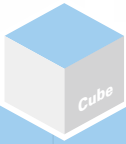
This annual survey is conducted in order to analyze current conditions and future trends of the global automotive industry. In this 16th survey, KPMG interviewed 200 executives of major automotive and related companies in 32 countries, carried out research on the industry's current conditions, and summarized useful points for drawing up strategy for the next several years.

Energy & Infrastructure

Scenario for Widespread Energy Trading in Japan



This booklet takes up new developments and issues of energy trading, which is becoming increasingly important along with the progress of energy system restructuring in Japan. It contains our recommendations on functions that will be needed to cope with the importance of trading risk management.

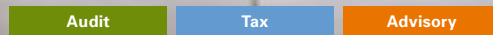


Cross Function

Our people in three KPMG-Cube service areas address to social demand and strive to help clients grow and inspire confidence in society.

Advances in IT have removed the time constraints and space constraints of many economic activities and have boosted corporate activities to a new level. Nowadays, all kinds of information are connected online and the cost of information needed for decision making has dropped significantly. Another outcome, however, is that the accuracy of information and reliability of insights and knowledge have become ever more valuable. At KPMG Japan, we provide audit services that attach credibility and reliability to financial statements, tax services that contribute to realize a trustworthy society through fair tax practices, and advisory services that offer reliable insights and knowledge. Each member firm, as a team of professionals with a sense of responsibility, is engaged in pursuing the growth of clients and earning the confidence of society. This is the mission for each service area of KPMG.

Service Line

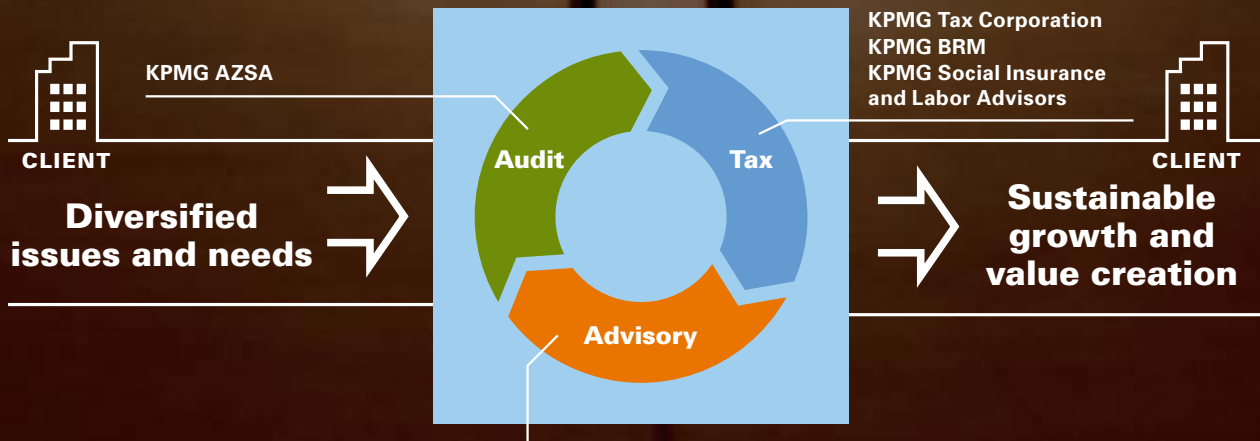


Revenues

¥112.9 billion

Eight professional firms in the three service areas offer highly specialized services

KPMG Japan is organized with the underlying objective of offering comprehensive services in Audit, Tax, and Advisory areas, according to needs of our clients, so as to support their wide array of corporate activities.



KPMG AZSA, KPMG Consulting, KPMG FAS, KPMG AZSA Sustainability, KPMG Healthcare Japan



Audit

Revenues
¥68.1 billion

KPMG AZSA LLC provides audit services, while KPMG AZSA and KPMG AZSA Sustainability offer assurance services excluding audit services. In recent years, the scope of services has been expanding as credibility in non-financial information and IT systems have increased in importance. By providing credible services in such operations which are the prerequisites for smooth economic activities, we contribute to maintaining and developing sound markets.

Reasons to be chosen / Our Story - Audit 2015

- 1** Provision of high quality audit services based on KPMG’s audit methodology and quality control standards
- 2** Provision of accounting audit and assurance services based on well-balanced judgment in light of the conditions of companies and needs of society
- 3** Utilization of the KPMG global network and range of specialized professionals who can cope with globalization and can address complex issues

- 1** Contributed to realize fair capital markets through high quality audit services that fulfilled expectations of economy and society and merited the confidence of information users
- 2** Promoted augmentation of audit methods by use of latest information technology and carried out effective and efficient operations
- 3** Fostered diversification of personnel in terms of knowledge and skills who are capable of promptly coping with the changing environment surrounding our clients

Service portfolio

Audits under the Financial Instruments and Exchange Act
Audits under the Companies Act
Audits of Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRS)
Audit of Financial Statements under SEC Standards
Incorporated Administrative Agency Audit
Incorporated Educational Institution Audit
Credit Union, Workers’ Credit Union, Credit Cooperative Audit
Labor Union Audit
Investment Limited Partnerships (ILPs) Audit
Special Purpose Company (SPC) Audit

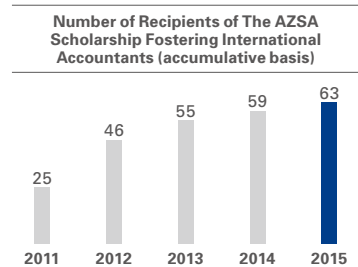


Financial Statement Audits of Companies to which Statutory Audits are not applicable
Audit in accordance with the Financial Instruments and Exchange Act for the purpose of Public Offering
Audit of Financial Statements prepared in accordance with Special Purpose Framework
Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement
Systems Audits
Information security validation service
Sustainability Report assurance service

CLOSE UP! KPMG’s initiative for social value creation 1

The AZSA Scholarship Fostering International Accountants

Development of global accounting professionals is a widespread challenge for corporations in Japan. With the aim of fostering personnel who can communicate fluently in English and Chinese, and have the requisite accounting knowledge, KPMG AZSA LLC established a scholarship to study in China in 2011. In this program, scholarship recipients study English and Chinese at the Central University of Finance and Economics, an elite Beijing university. KPMG AZSA provides a one-year scholarship grant which substantially covers living and travel expenses. In the past five years, 63 CPA graduates, including some employees of KPMG AZSA, have participated in the program. We intend to continue initiatives to foster internationally-minded accounting experts, as we are keenly aware of critical social role played by audit firms.





Tax

Revenues
¥13.6 billion

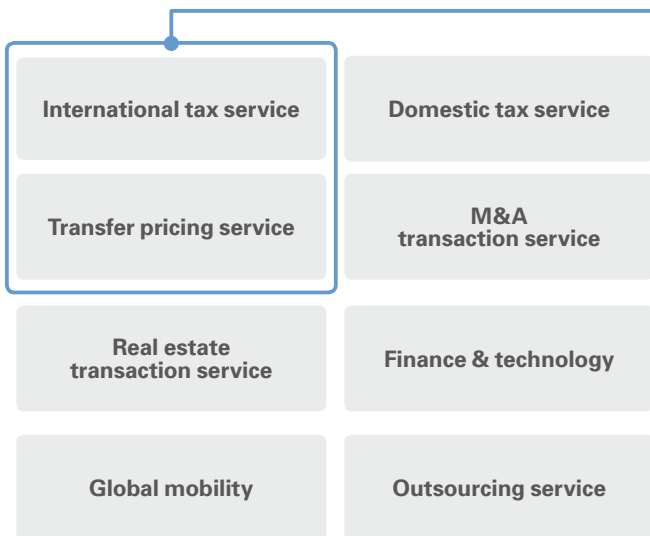
KPMG Tax Corporation is in charge of tax services in KPMG Japan. Companies are facing new global changes, such as issues related to tax avoidance by multinational companies. We take full advantage of our global network and provide our clients comprehensive tax-related advice, based on our knowledge and insights on tax governance and industries, and support the clients in their work to enhance and maintain their international competitiveness while complying with society's norms.

Reasons to be chosen / **Our Story - Tax 2015**

- 1** Offering of borderless highly-specialized services by using KPMG global network
- 2** A wealth of top-class tax specialists with expertise in each specialized area
- 3** Provision of practical tax advice to clients by appropriately understanding their needs

- 1** Expanded M&A related services largely due to an increase in Japanese companies' M&A of foreign companies
- 2** Expanded international tax services especially to respond to rising importance to deal with the issue of Base Erosion and Profit Shifting (BEPS) of multinational companies
- 3** Expanded transfer pricing services to Japanese companies which are expanding overseas operations

Service portfolio



Addressing the BEPS* issue through KPMG international taxation services and transfer pricing services

Following the OECD/G20 review of global tax rules, multinational companies must submit tax reports by country, which has resulted in heightened risk of double taxation. While appropriate control of tax-related risks is an imminent issue, many companies have problems in capturing their overseas subsidiaries' management status, and global tax-related governance tends to lag. Going forward, it is a matter of time that tax authorities in various countries will set up an information network and the companies' status of profit and loss and tax burden in each country base will become transparent. In such an environment, proper handling of BEPS can be a key test for companies to become truly global. At KPMG Japan, we are building a global tax governance system, to be spearheaded by the parent company of Japanese companies. By using this, we help our clients enhance their management and prevail in the intense international competition.

* BEPS is an abbreviation of Base Erosion and Profit Shifting, a term referring to multinational companies' tax avoidance strategies on the basis of national taxation. As BEPS is regarded as a factor that could threaten credibility of tax schemes, international measures are being carried out to prevent it.

CLOSE UP! **KPMG's initiative for social value creation** **2**

KPMG provides opportunities to students for challenging social issues and empowers the next generation leaders

Enactus, an international non-profit organization headquartered in the state of Missouri, in the U.S., offers students with activities with the objective of developing entrepreneurial minds and aspiration to create a better world. Over 70,000 students from more than 1,700 universities in 36 countries participated with the aim of developing leadership, management, and communication skills. KPMG is one of the lead sponsors of the Enactus World Cup contest.

Member firms from over 30 countries support Enactus in their respective countries. Since 2005 KPMG Japan has been a sponsor of the Enactus national competition in Japan. We send judges and volunteer staff members to assist in the running of national competitions, and also coach the national champion on presentation skills prior to the Enactus World Cup.



Advisory

KPMG Japan’s advisory services comprise of three domains: risk consulting, deal advisory, and management consulting services. Leveraging the KPMG global network, we provide a wide range of solutions to challenging management issues of our clients and support them that they may grow.

Revenues
¥31.2 billion

Reasons to be chosen / Our Story - Advisory 2015

- 1** Provision of one-stop advice, through collaboration as specialists with various expertise
- 2** Use of leverage of the KPMG global network and provision of advanced services matching diverse needs of clients
- 3** Provision of quality-focused services by professionals with expertise

- 1** Undertook initiatives to enhance the credibility and improve the profitability of Corporate Japan, as expected in increasingly globalized capital markets
- 2** Expanded advisory services which reflected a current transition phase of industrial structure and the business structure of our clients
- 3** Reinforced advisory services with foresight in advent of wider adoption of IFRS

Three service groups

In Japan, each member firm, which has high-level expertise in its respective area, collaborates with each other under KPMG Japan as one entity to provide various and appropriate value-added services.

Risk consulting

We provide practical knowhow regarding potential risks for clients’ smooth business operation. That knowledge is in matters of risk management, compliance, internal control, internal audit, cyber security, human resources management, and so on. We also support clients to build and implement optimal global group management structure.

Transaction & restructuring service

We provide comprehensive one-stop support needed from pre-deal to post-deal times for M&A advisory and business portfolio restructuring to assist clients to revitalize themselves or their businesses. Advisory services also cover, the improvement of financial position, avoidance of operating deterioration, and formulation and implementation of growth strategies.

Management consulting

We support the implementation of projects related to management, organization, process, technology, and operational improvement. They include cross-border operational support, by utilizing our global network and vast experiences in cross-border projects, as well as shared services and business process outsourcing, to be used as a strategic method to reorganize business structure.

Advisory by industry sector

Our professionals with knowledge and insight in their respective industries satisfy a wide range of client needs, by utilizing global-base tools which have an ample supply of the latest information accumulated across a wide array of industries.

CLOSE UP! KPMG’s initiative for social value creation 3

Advisory services to fulfill social needs

Services that capture the needs of the times are indispensable for KPMG Japan to sustain its growth while satisfying expectations of society. Japan is experiencing structural decline and aging of its population, an issue which could undermine the sustainability of society. The government’s policy response is creating opportunities for new services. Among them is a shift from saving to investing. In order to support investment management companies which respond to changes associated with this shift, KPMG AZSA LLC

has set up its Asset Management Division and brought together talents with knowledge and skills for KPMG Japan. We also address to a new type of threats posed by rapid advance in information and telecommunication technology. As cyber security is becoming a priority issue in risk management, KPMG Japan began to offer advisory services for sophisticated cyber security arrangements of industrial control systems, in addition to services targeted to the conventional Internet environment.

KPMG Japan's interpretation of

Career

As a professional firm, KPMG Japan regards its as its most important assets. Their development is a driver enabling us to deliver valuable services that fulfill the expectations of our clients and society at large. It also supports the growth of KPMG Japan. Based on this belief, we have used programs to foster the capabilities of our professionals who deliver KPMG-Quality services, as a member of the KPMG-Cube. By establishing a system to enable various kinds of relevant information to be obtained and utilized on a global basis, we have created and nurtured a corporate culture which allows each and every professional to utilize their competence and grow autonomously.



KPMG Japan’s human resource development plans are designed by each of eight member firms (see page 34) based on policy and priority issues shared by the KPMG Japan Management Committee and other internal groups. We develop personnel who can deliver consistent high-quality services, by using human resource development tools and programs developed by KPMG for global use.

Priority issues and major policies of human resource development

Expanding opportunities to develop professionals who are responsive to client needs

- Expanding opportunities for overseas assignment** See “Overseas assignment programs,”
- Promoting participation in training courses hosted by KPMG Global or overseas KPMG firms** See “Overseas training programs,”
- Improving training to enhance the mind-set, skill-set, and tool-set of employees as professionals** See “Global skills training programs,”
- Offering diversity in assignments**

Creating corporate culture that makes use of each professional’s strength and individuality and respects those of others

- Constantly reviewing and upgrading the personnel system**
- Designing a fair personnel evaluation system**
- Hiring diverse personnel and making fair and optimum matching of assignments and talents** See “Initiatives to promote diversity,”

From the Director in charge of Personnel Affairs and Human Resources Development

We desire to have employees who bring deep insights to the process of addressing issues of our clients, who make well-balanced judgments based on experience and profound expertise, and who are committed to help resolve those issues with high confidence and conviction. Development of such professionals requires that they themselves proactively work on enhancing their ability to understand and make logical thinking. I believe that the essential basis of personnel development must be an environment in which our people try to learn from each other. This is facilitated in KPMG’s corporate culture, which encourages frank and open communication. We shall strive not only to enrich our human resources development programs and system, but also to deepen our corporate culture which accommodates our actions based on Our Values, which are KPMG’s common set of values. This is how we develop professionals who are trusted by our clients and society.



Hiroyuki Takanami
 In charge of Personnel Affairs and Human Resources Development
 Tokyo Office Managing Partner, KPMG AZSA LLC

Initiatives to develop human resources

Development of global talent through overseas assignment and training

At KPMG Japan, we actively and strategically second our personnel to KPMG firms outside of Japan and act as host for personnel from those firms. Our programs offer a wide range of global opportunities for our professionals. In

addition, by expanding opportunities in Japan and abroad for English language learning by our employees, we develop capabilities for work on global projects.

Overseas Assignment Programs

As of June 2015, a total of 155 of our professionals were working on assignments abroad. They were seconded to 51 cities in 29 countries. We thus aggressively promote the development of globally-relevant talent.

KPMG Overseas Training Programs

We assign selected professionals to new manager, new partner, and business skills training programs hosted by KPMG Global. These programs enable the participants to deepen our relationships with KPMG firms outside Japan and to build a personal network for cooperation in future operations.

Global Skills Training Programs

KPMG Japan defines global talent as “professionals who understand different cultures and diversity, have a certain level of language proficiency, and have the ability to execute operations in global fields.” We have many training programs, for career orientation, specific work tasks and skills, and

English proficiency. The programs include the short-stay training programs in the Philippines, Singapore, New Zealand, and other countries.

Participants in Global Skills Training Programs (July 2014-June 2015)

1,894

Initiatives to promote diversity

KPMG Japan embraces professional men and women, some younger and some older, who have diverse expertise and come from various nations to work together. Our people respect each other for who they are, bring out

their strength, and contribute to consistently deliver high-quality services as individuals and team members with the aim of achieving a common goal of contributing to clients and society.

Promote career advancement of women

We are alert to the importance of progress in improving career advancement initiatives for women, and use the percentage of women in our total partners and in our total managers and executives as a Key Performance Indicator (KPI). Our targets are 10% of the partners and 20% of the managers and executives. Career support training programs and mentoring are used to help women prepare for advancement.

AZSA Office Mate

KPMG Japan established AZSA Office Mate Co., Ltd., as a Special-purpose subsidiary* in September 2011, to promote the employment of the disabled. Persons employed by this company are engaged in support work for KPMG professionals and contribute to our client services.

* Special-purpose subsidiary is certified by the Minister of Health, Labour and Welfare as satisfying the conditions specified in the Act on Employment Promotion, etc., of Persons with Disabilities.

KPMG Japan's Number of Male, Female, and Non-Japanese employees by Rank (as of September 30, 2015)

(Unit: Persons)

Rank	Male	Female	Non-Japanese (number included in the total)	Total	Percentage of women	Percentage of non-Japanese
Partner/ Director	746	43	18	789	5.4%	2.3%
Senior	1,337	236	27	1,573	15.0%	1.7%
Manager/ Manager	2,737	1,583	77	4,320	36.6%	1.8%
Total	4,820	1,862	122	6,682	27.9%	1.8%

Our Values

Sharing values with KPMG member firms around the world

Our values create a sense of shared identity within the KPMG organization, which is a network of member firms in over 155 countries. They define what we stand for and how we do things.

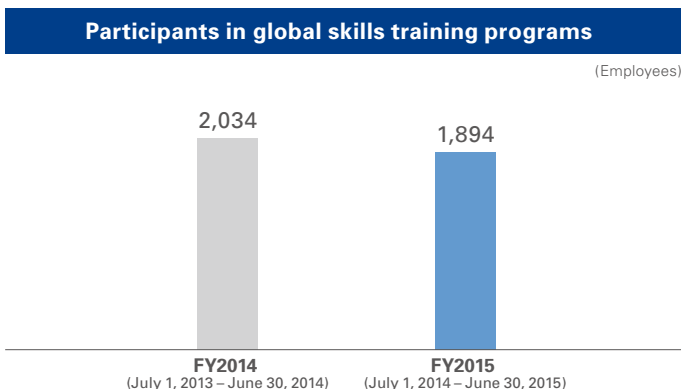
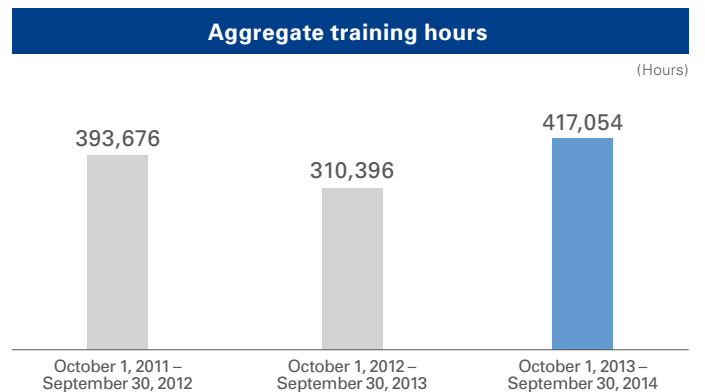
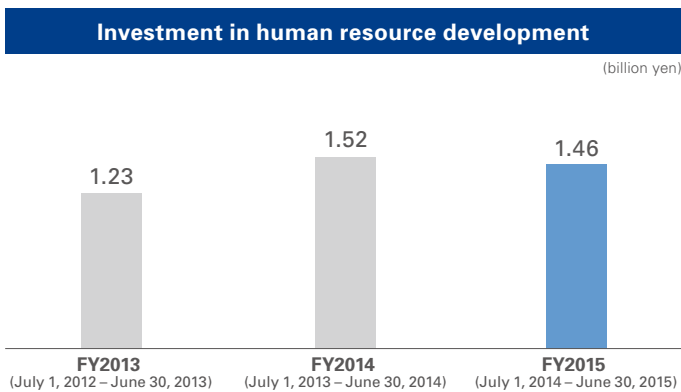
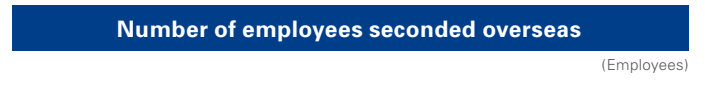
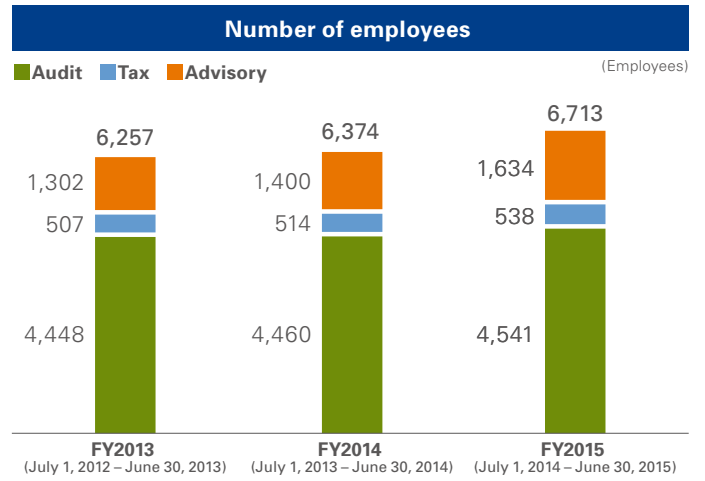
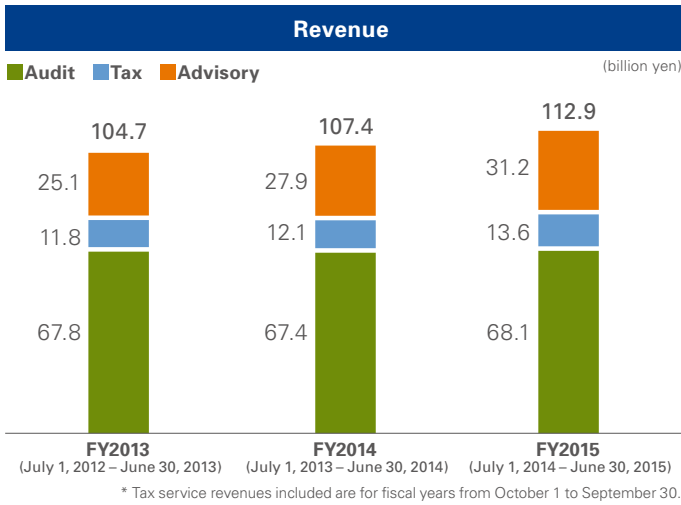
Our values help us to work together in the most effective and fulfilling way. They bring us closer as a global organization.

Our values are a common set of shared values which identify us and guide our behavior.

We lead by example	At all levels act in a way that exemplifies what we expect of each other and our clients.
We work together	Bring out the best in each other and creating strong and successful working relationships.
We respect the individual	Respect people for who they are, and for their knowledge, skills, and experience as individuals and team members.
We seek the facts and provide insight	Challenge assumptions, pursue facts, and strengthen our reputation as trusted and objective business advisors.
We are open and honest in our communication	Share information, insight and advice frequently and constructively and manage tough situations with courage and candor.
We are committed to our communities	Acting as responsible corporate citizens and broaden our skills, experience and perspectives through our work in our communities.
Above all, we act with integrity	Constantly strive to uphold the highest professional standards, provide sound advice and rigorously maintain our independence.



Data / Organization Overview



M&A advisory ranking

(including banks, securities companies, and other financial institutions)

	2012	2013	2014
Based on publicly-announced deals	No.5	No.6	No.6
Based on In-Out deals (Acquisition of foreign companies by companies based in Japan)	No.5	No.2	No.2

Source: Thomson Reuters

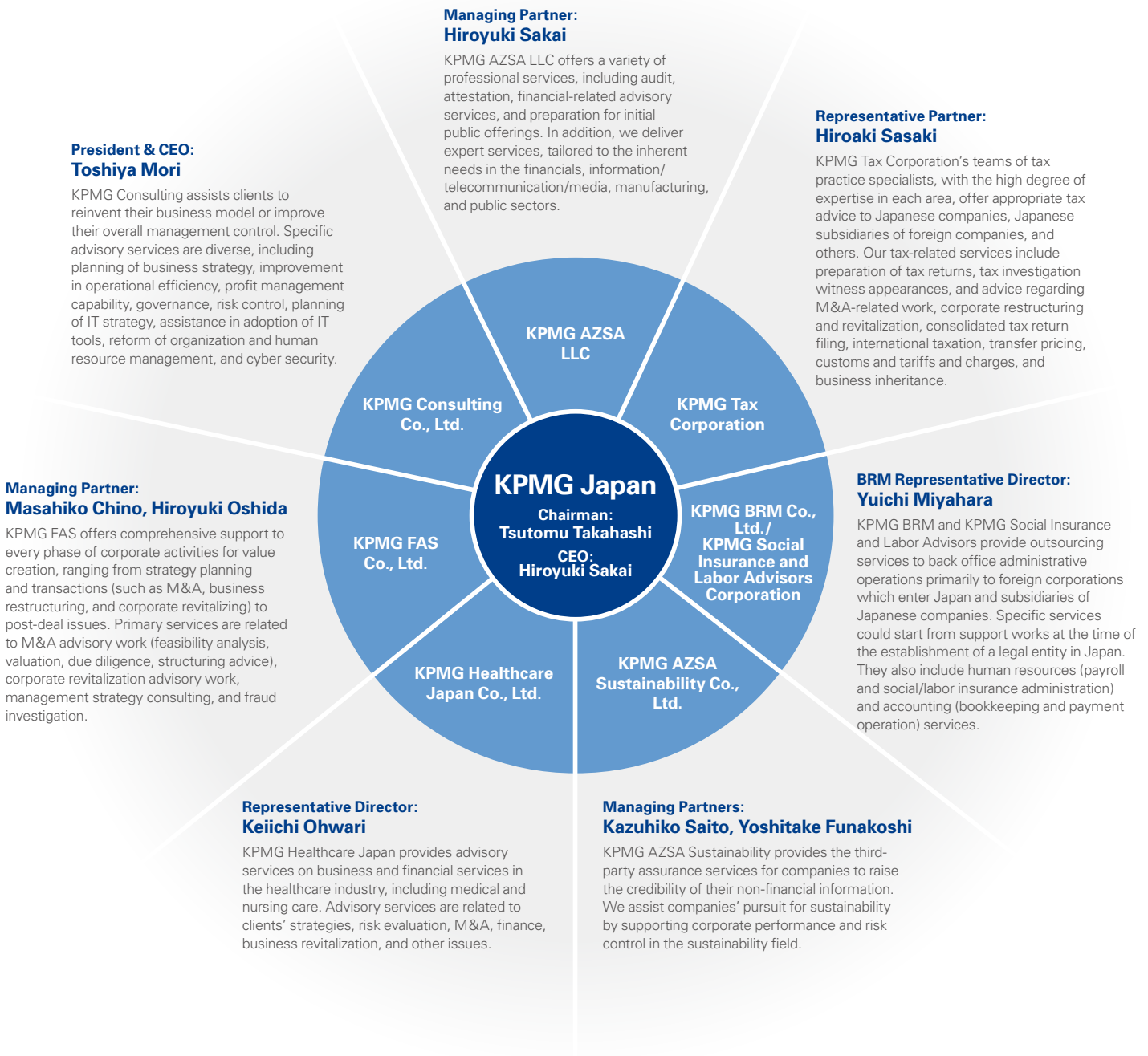
KPMG Japan

(As of June 30, 2015)

KPMG Japan is the general name which represents a group of eight Japan-based member firms of KPMG International.

Number of employees	Revenue
6,713	¥112.9 billion

KPMG Japan Member Firms



Statement of KPMG International

KPMG International Cooperative ("KPMG International") is a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International.

KPMG International provides no client services. Services are provided solely by member firms in their respective geographic areas.



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