

Consolidated Financial Statements

Consolidated Statement of Profit or Loss

	(Millions of yen)	
	FY2016 (For the year ended March 31, 2017)	FY2017 (For the year ended March 31, 2018)
Revenue	955,124	960,195
Cost of sales	349,373	346,021
Gross profit	605,751	614,173
Selling, general and administrative expenses	302,475	301,845
Research and development expenses	214,347	236,046
Operating profit	88,929	76,282
Financial income	6,406	8,642
Financial expenses	7,710	4,223
Share of profit of investments accounted for using the equity method	162	320
Profit before tax	87,788	81,021
Income taxes	40,309	21,210
Profit for the year	47,479	59,811
Profit attributable to:		
Owners of the Company	53,466	60,282
Non-controlling interests	(5,987)	(471)
Profit for the year	47,479	59,811
Earnings per share		
Basic earnings per share (yen)	79.63	91.31
Diluted earnings per share (yen)	79.44	91.10

Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	FY2016 (For the year ended March 31, 2017)	FY2017 (For the year ended March 31, 2018)
Profit for the year	47,479	59,811
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(9,366)	10,688
Remeasurements of defined benefit plans	1,840	1,616
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(7,626)	(10,229)
Share of other comprehensive income of investments accounted for using the equity method	6	3
Other comprehensive income (loss) for the year	(15,146)	2,078
Total comprehensive income for the year	32,332	61,890
Total comprehensive income attributable to:		
Owners of the Company	38,309	62,361
Non-controlling interests	(5,976)	(471)
Total comprehensive income for the year	32,332	61,890

Consolidated Statement of Financial Position

	(Millions of yen)			(Millions of yen)	
	FY2016 (As of March 31, 2017)	FY2017 (As of March 31, 2018)		FY2016 (As of March 31, 2017)	FY2017 (As of March 31, 2018)
ASSETS			LIABILITIES AND EQUITY		
Current assets			Current liabilities		
Cash and cash equivalents	246,050	357,702	Trade and other payables	219,759	226,164
Trade and other receivables	231,867	231,529	Bonds and borrowings	—	20,000
Other financial assets	552,896	429,380	Other financial liabilities	535	516
Inventories	153,138	172,586	Income taxes payable	57,955	64,609
Other current assets	10,461	10,347	Provisions	41,223	34,015
Subtotal	1,194,414	1,201,545	Other current liabilities	6,285	7,800
Assets held for sale	3,374	—	Subtotal	325,758	353,105
Total current assets	1,197,788	1,201,545	Liabilities directly associated with assets held for sale	1,058	—
Non-current assets			Total current liabilities	326,817	353,105
Property, plant and equipment	217,772	217,946	Non-current liabilities		
Goodwill	78,446	75,479	Bonds and borrowings	280,543	260,564
Intangible assets	217,044	173,537	Other financial liabilities	9,069	8,155
Investments accounted for using the equity method	1,424	1,693	Post-employment benefit liabilities	11,381	10,547
Other financial assets	140,856	179,177	Provisions	16,350	48,752
Deferred tax assets	53,502	40,339	Deferred tax liabilities	32,294	18,676
Other non-current assets	8,143	8,035	Other non-current liabilities	67,093	64,911
Total non-current assets	717,190	696,209	Total non-current liabilities	416,733	411,608
Total assets	1,914,979	1,897,754	Total liabilities	743,550	764,713
			Equity		
			Equity attributable to owners of the Company		
			Share capital	50,000	50,000
			Capital surplus	103,750	94,633
			Treasury shares	(113,952)	(163,531)
			Other components of equity	124,489	120,504
			Retained earnings	1,011,610	1,031,376
			Total equity attributable to owners of the Company	1,175,897	1,132,982
			Non-controlling interests		
			Non-controlling interests	(4,469)	58
			Total equity	1,171,428	1,133,041
			Total liabilities and equity	1,914,979	1,897,754

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the Company					
	Equity attributable to owners of the Company			Other components of equity		
	Share capital	Capital surplus	Treasury shares	Subscription rights to shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2016	50,000	103,927	(64,155)	1,935	75,195	69,586
Profit for the year	—	—	—	—	—	—
Other comprehensive income (loss) for the year	—	—	—	—	(7,626)	(9,366)
Total comprehensive income (loss) for the year	—	—	—	—	(7,626)	(9,366)
Purchase of treasury shares	—	(69)	(50,026)	—	—	—
Cancellation of treasury shares	—	—	230	(133)	—	—
Share-based payments	—	—	—	264	—	—
Dividends	—	—	—	—	—	—
Acquisition of non-controlling interests	—	(107)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	(5,366)
Others	—	—	—	—	—	—
Total transactions with owners of the Company	—	(177)	(49,796)	131	—	(5,366)
Balance as of March 31, 2017	50,000	103,750	(113,952)	2,067	67,568	54,853
Profit for the year	—	—	—	—	—	—
Other comprehensive income (loss) for the year	—	—	—	—	(10,229)	10,688
Total comprehensive income (loss) for the year	—	—	—	—	(10,229)	10,688
Purchase of treasury shares	—	(51)	(50,033)	—	—	—
Cancellation of treasury shares	—	—	453	(74)	—	—
Dividends	—	—	—	—	—	—
Acquisition of non-controlling interests	—	(9,064)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	(4,369)
Others	—	—	—	—	—	—
Total transactions with owners of the Company	—	(9,116)	(49,579)	(74)	—	(4,369)
Balance as of March 31, 2018	50,000	94,633	(163,531)	1,993	57,339	61,171

(Millions of yen)

	Equity attributable to owners of the Company					
	Equity attributable to owners of the Company			Other components of equity		
	Remeasurements of defined benefit plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2016	—	146,717	994,916	1,231,406	2,115	1,233,521
Profit for the year	—	—	53,466	53,466	(5,987)	47,479
Other comprehensive income (loss) for the year	1,835	(15,157)	—	(15,157)	10	(15,146)
Total comprehensive income (loss) for the year	1,835	(15,157)	53,466	38,309	(5,976)	32,332
Purchase of treasury shares	—	—	—	(60,095)	—	(60,095)
Cancellation of treasury shares	—	(133)	(95)	1	—	1
Share-based payments	—	264	—	264	—	264
Dividends	—	—	(43,879)	(43,879)	—	(43,879)
Acquisition of non-controlling interests	—	—	—	(107)	(600)	(708)
Transfer from other components of equity to retained earnings	(1,835)	(7,202)	7,202	—	—	—
Others	—	—	—	—	(7)	(7)
Total transactions with owners of the Company	(1,835)	(7,071)	(36,772)	(93,817)	(608)	(94,425)
Balance as of March 31, 2017	—	124,489	1,011,610	1,175,897	(4,469)	1,171,428
Profit for the year	—	—	60,282	60,282	(471)	59,811
Other comprehensive income (loss) for the year	1,620	2,078	—	2,078	—	2,078
Total comprehensive income (loss) for the year	1,620	2,078	60,282	62,361	(471)	61,890
Purchase of treasury shares	—	—	—	(50,085)	—	(50,085)
Cancellation of treasury shares	—	(74)	(75)	304	—	304
Dividends	—	—	(46,430)	(46,430)	—	(46,430)
Acquisition of non-controlling interests	—	—	—	(9,064)	5,007	(4,057)
Transfer from other components of equity to retained earnings	(1,620)	(5,989)	5,989	—	—	—
Others	—	—	—	—	(8)	(8)
Total transactions with owners of the Company	(1,620)	(6,063)	(40,516)	(105,276)	4,998	(100,277)
Balance as of March 31, 2018	—	120,504	1,031,376	1,132,982	58	1,133,041

Consolidated Statement of Cash Flows

(Millions of yen)

	FY2016 (For the year ended March 31, 2017)	FY2017 (For the year ended March 31, 2018)
Cash flows from operating activities		
Profit before tax	87,788	81,021
Depreciation and amortization	47,373	46,680
Impairment loss	26,459	36,672
Financial income	(6,406)	(8,642)
Financial expenses	7,710	4,223
Share of (profit) loss of investments accounted for using the equity method	(162)	(320)
(Gain) loss on sale and disposal of non-current assets	449	(5,125)
(Increase) decrease in trade and other receivables	15,148	2,535
(Increase) decrease in inventories	(10,951)	(19,394)
Increase (decrease) in trade and other payables	(16,979)	238
Others, net	13,398	(9,755)
Subtotal	163,828	128,134
Interest and dividends received	4,289	4,516
Interest paid	(1,511)	(2,038)
Income taxes paid	(30,371)	(22,173)
Net cash flows from (used in) operating activities	136,234	108,439
Cash flows from investing activities		
Payments into time deposits	(492,441)	(388,376)
Proceeds from maturities of time deposits	404,416	488,576
Acquisition of securities	(180,376)	(128,492)
Proceeds from sale of securities	219,049	165,458
Acquisitions of property, plant and equipment	(24,766)	(23,399)
Proceeds from sale of property, plant and equipment	2,403	139
Acquisition of intangible assets	(28,196)	(14,609)
Payments for loans receivable	(71)	(982)
Proceeds from collection of loans receivable	1,472	753
Others, net	1,719	9,501
Net cash flows from (used in) investing activities	(96,792)	108,568
Cash flows from financing activities		
Proceeds from bonds and borrowings	100,000	—
Repayments of bonds and borrowings	(20,000)	—
Purchase of treasury shares	(50,095)	(50,085)
Proceeds from sale of treasury shares	1	1
Dividends paid	(43,889)	(46,420)
Others, net	(1,038)	(5,262)
Net cash flows from (used in) financing activities	(15,022)	(101,766)
Net increase (decrease) in cash and cash equivalents	24,419	115,241
Cash and cash equivalents at the beginning of the year	222,159	246,050
Effect of exchange rate changes on cash and cash equivalents	(527)	(3,590)
Cash and cash equivalents at the end of the year	246,050	357,702