

# Consolidated Results for the Fiscal Year Ended February 28, 2018 [Japan GAAP]

April 12, 2018

Listed company name: YASKAWA Electric Corporation

<https://www.yaskawa.co.jp/en/>

Representative: Hiroshi Ogasawara, Representative Director, President

Stock exchange listings: Tokyo (First section), Fukuoka

Stock ticker number: 6506

(Note: This document is a summarized translation of the financial statement submitted to the Tokyo Stock Exchange and Fukuoka Stock Exchange for the period stated above. Figures under ¥1 million are rounded down.)

## 1. Summary of Consolidated Results for the Fiscal Year Ended February 28, 2017

(March 21, 2016 to March 20, 2017)

### (1) Consolidated Statements of Income

(Millions of yen, percentage change from the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Year ended February 28, 2018	448,523	-	54,126	-	55,300	-	39,749	-
Year ended March 20, 2017	394,883	-4.0%	30,409	-17.2%	31,963	-10.8%	20,397	-8.8%

Note: Comprehensive income

Year ended February 28, 2018: 47,222 million yen (-%)

Year ended March 20, 2017: 22,571 million yen (90.9%)

	Earnings per share (basic, Yen)	Earnings per share (diluted, Yen)	Return on shareholders' equity (%)	Return on assets (%)	Operating income ratio (%)
Year ended February 28, 2018	149.35	-	18.3	13.3	12.1
Year ended March 20, 2017	76.60	-	10.7	8.4	7.7

Reference: Equity in earnings of affiliated companies

Year ended February 28, 2018: ¥1,861 million

Year ended March 20, 2017: ¥2,403 million

Note1: The Company changed its accounting period in fiscal 2017 from March 20 to the last day of February as a result of the approval of "Partial Amendments to the Articles of Incorporation" at the 101st Ordinary General Meeting of Shareholders held on June 15, 2017. As a transitional year for this change, the fiscal year ended February 2018 was from March 21, 2017 to February 28, 2018. Therefore, the percentage changes from the previous fiscal year are not shown.

Note2: Earnings per share (diluted) is not shown as there is no dilutive shares.

### (2) Consolidated Financial Position

(Millions of yen, except ratio and per share data)

	Total assets	Net assets	Shareholders' equity ratio (%)	Net assets per share (Yen)
As of February 28, 2018	441,249	238,626	53.5	886.66
As of March 20, 2017	387,512	200,698	51.2	745.45

Reference: Shareholders' equity

As of February 28, 2018: ¥235,865 million

As of March 20, 2017: ¥198,513 million

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
Year ended February 28, 2018	46,054	-18,852	-14,820	42,213
Year ended March 20, 2017	33,752	-18,936	-16,453	29,735

**2. Dividends**

	Dividends per share (yen)					Annual cash dividends paid (Millions of yen)	Dividend payout ratio (% Consolidated)	Dividend on net assets (% Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual total			
Year ended March 20, 2017	-	10.00	-	10.00	20.00	5,331	26.1	2.8
Year ended February 28, 2018	-	20.00	-	20.00	40.00	10,662	26.8	4.9
Year ending February 28, 2019 (forecast)	-	26.00	-	26.00	52.00		27.5	

Note: Annual cash dividends paid includes dividends for the shares of the Company (9 million yen for the year ended February 28, 2018) held by Board Benefit Trust (BBT) and Employee Stock Ownership Plan (J-ESOP).

**3. Projected Consolidated Results for the Fiscal Year Ending February 28, 2019**

(from March 1, 2018 to February 28, 2019)

(Millions of yen, percentage change from the corresponding period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share (Yen)
Six months ending August 31, 2018	258,500	-	33,300	-	33,800	-	26,500	-	100.32
Year ending February 28, 2019	510,000	-	65,500	-	67,000	-	50,000	-	189.28

Note: As a transitional year for the change in accounting period, the fiscal year ended February 2018 was from March 21, 2017 to February 28, 2018. Therefore, the percentage changes from the corresponding period of the previous year are not shown.

Reference: These forecasts are based on average exchange rate assumptions of 1 USD = 105 JPY and 1 EUR = 130 JPY during the period from March 1, 2018 to February 28, 2019.

Please refer to the supplements to financial results available on Yaskawa Electric's website for details.  
(<https://www.yaskawa.co.jp/en/ir/materials/br>)

**\*Notes:**

(1) Major Change in Scope of Consolidation: No

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements:

1. Changes in accounting policies accompanying revisions in accounting standards: No
2. Changes other than in 1.: Yes
3. Changes in accounting estimates: No
4. Restatements: No

Note: Please refer to “Changes in Accounting Policies” on page 15.

(3) Number of Common Shares Outstanding

<https://www.yaskawa.co.jp/en/ir/materials/br>

The number of shares outstanding including treasury shares

The number of treasury shares

Average during period

	Year ended February 28, 2018	Year ended March 20, 2017
The number of shares outstanding including treasury shares	266,690,497	266,690,497
The number of treasury shares	674,399	387,898
Average during period	266,149,525	266,294,525

Note: The number of treasury shares includes the shares of the Company (290,100 shares as of February 28, 2018, no shares as of March 20, 2017) held by “Board Benefit Trust (BBT)” and “Employee Stock Ownership Plan (J-ESOP).” The shares of the Company held by BBT and J-ESOP are included in treasury shares deducted in calculating the average number of shares during period. (154,315 shares for the year ended February 28, 2018, no shares for the year ended March 20, 2017)

\* This financial report is not subject to the audit procedure.

\*About the appropriate use of business forecasts and other matters

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable, and are not disclosed for the purpose of making a commitment to their achievement. Actual results may differ from these statements for a number of reasons.

The Company will hold an information meeting for securities analysts and institutional investors in Japan on April 13, 2018 (Friday).

List of Attachment

- 1. Business Results .....5
  - Overview on Business Performance .....5
- 2. The Basic Idea for the Selection of the Accounting Standards .....7
- 3. Consolidated Financial Statements .....8
  - 1) Consolidated Balance Sheets .....8
  - 2) Consolidated Statements of Income and Comprehensive Income ..... 10
  - 3) Consolidated Statements of Changes in Net Assets ..... 12
  - 4) Consolidated Statements of Cash Flows ..... 14
  - 5) Notes to the Consolidated Financial Statements ..... 16
    - Notes Pertaining to the Presumption of a Going Concern ..... 16
    - Changes in Accounting Policies ..... 16
    - Segment Information ..... 17
    - Per Share Information ..... 18
    - Subsequence Events ..... 18

## 1. Business Results

### Overview on Business Performance

Business Performance of fiscal 2017 (Fiscal year ended February 28, 2018)

The Company changed its accounting period from March 20 to the last day of February as a result of the approval at the 101st Ordinary General Meeting of Shareholders held on June 15, 2017. Due to irregularity of the accounting period, performance change from the previous fiscal year is not shown for fiscal 2017.

The business performance of the Yaskawa Group in fiscal 2017 (March 21, 2017 – February 28, 2018) was strong due to high demand on the back of sophistication and automation of production equipment in the global manufacturing industry especially in China. Motion control and robotics sales grew significantly especially for the semiconductor and electronic component markets. As a result, record-high sales and profits were achieved as fiscal year results.

#### <Management environment of each region>

##### Japan:

Our business for the semiconductor and electronic component markets was brisk on the back of strong smartphone and data center-related demand. Also, capital expenditures for the purpose of facility replacement, capacity expansion and higher efficiency increased in the manufacturing sector.

##### U.S.:

Automobile-related demand remained steady on the back of stable economic growth. We also saw recovery in demand for the oil&gas-related market, while semiconductor-related demand remained strong.

##### Europe:

Demand for capital expenditures especially in the automobile industry was robust.

##### China:

Sophistication and automation of production equipment accelerated in the manufacturing sector overall, especially in the smartphone-related market. Demand for infrastructure investment also remained strong.

##### Other Asian Countries:

Semiconductor-related investment for memory and OLED especially in Korea remained steady.

The business performance of fiscal 2017 is as follows.

	Fiscal year ended March 20, 2017	Fiscal year ended February 28, 2018	Change
Net sales	394,883 million JPY	448,523 million JPY	-
Operating income	30,409 million JPY	54,126 million JPY	-
Ordinary income	31,963 million JPY	55,300 million JPY	-
Profit attributable to owners of parent	20,397 million JPY	39,749 million JPY	-
Average exchange rate for USD	108.38 JPY	111.46 JPY	+3.08 JPY
Average exchange rate for EUR	119.22 JPY	128.75 JPY	+9.53 JPY

## Performance by Business Segment

The business of the Yaskawa Group is divided into four segments.

The performance of each business segment for fiscal 2017 is as follows.

Starting fiscal 2017, revisions were made to the division of businesses segments for the purpose of expanding clean power business. The PV inverter business, which was previously included in Motion Control, is included in System Engineering.

Motion Control	Net sales	212,095 million JPY
	Operating income	41,729 million JPY
<p>Motion Control segment is comprised of AC servo &amp; controller business and drives business. Both sales and operating income set record highs as fiscal year results, as AC servo &amp; controller business achieved high performance and demand recovered for the drives business.</p> <p>&lt;AC servo &amp; controller business&gt;</p> <ul style="list-style-type: none"> <li>• Sales were strong mainly for the semiconductor and electronic component industries due to promotion of automation of production equipment and robust smartphone-related demand.</li> <li>• Because of the growth in sales ratio of the core product Sigma-7 series and expansion of production in China, profitability significantly improved.</li> </ul> <p>&lt;Drives business&gt;</p> <ul style="list-style-type: none"> <li>• Sales and profitability grew on the back of recoveries in the U.S. oil&amp;gas-related demand and infrastructure investment in China.</li> </ul>		
Robotics	Net sales	163,379 million JPY
	Operating income	17,761 million JPY
<p>Sales were strong on the back of growth in demand from overseas markets including China. Productivity improved significantly because production volume remained high-level and ratio of production in China expanded. As a result, sales and operating income set record highs as fiscal year results.</p> <ul style="list-style-type: none"> <li>• Automobile-related sales for core products such as welding and painting robots increased in overseas markets, especially in China and Europe.</li> <li>• Sales for the general industries increased because of the strong demand for production automation in the manufacturing industry overall including smartphones and home electronics in China.</li> </ul>		
System Engineering	Net sales	52,934 million JPY
	Operating loss	-3,794 million JPY
<p>Sales and operating loss worsened from the influence of change in accounting period.</p> <ul style="list-style-type: none"> <li>• Steel plant and social system businesses progressed according to plan by capturing large-scale projects to meet the need for facility renovation.</li> <li>• As for the clean power business, sales related to large-scale wind turbines were steady. However, the sluggish PV inverter sales in Japan and the U.S. weighed on the segment profitability.</li> </ul>		
Other	Net sales	20,112 million JPY
	Operating loss	-212 million JPY
<p>Other segment is comprised of IT-related business and logistics business. Structural reforms aimed at increasing management efficiency led to a slight improvement in profitability.</p>		

## 2. The Basic Idea for the Selection of the Accounting Standards

The Yaskawa Group has been studying towards the future application of the International Financial Reporting Standards (IFRS) for the sophistication of business management by unified account standard as well as the improvement of the international comparability of financial information.

### 3. Consolidated Financial Statements

#### 1) Consolidated Balance Sheets

(Millions of yen)

	As of March 20, 2017	As of February 28, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	29,792	42,279
Notes and accounts receivable — trade	129,365	142,039
Merchandise and finished goods	48,148	58,640
Work in process	14,127	19,311
Raw materials and supplies	17,611	22,100
Deferred tax assets	9,228	9,369
Other	14,504	13,951
Allowance for doubtful accounts	-2,482	-2,695
<b>Total current assets</b>	<b>260,295</b>	<b>304,995</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,202	32,067
Machinery, equipment and vehicles, net	12,893	14,576
Land	8,819	8,650
Construction in progress	1,734	6,974
Other, net	5,510	5,687
<b>Total property, plant and equipment</b>	<b>61,159</b>	<b>67,956</b>
Intangible assets		
Goodwill	4,053	2,931
Software	9,541	9,457
Other	11,032	9,650
<b>Total intangible assets</b>	<b>24,627</b>	<b>22,039</b>
Investments and other assets		
Investment securities	31,617	37,061
Net defined benefit asset	56	54
Deferred tax assets	6,576	5,840
Other	3,629	3,680
Allowance for doubtful accounts	-449	-379
<b>Total investments and other assets</b>	<b>41,429</b>	<b>46,258</b>
<b>Total non-current assets</b>	<b>127,217</b>	<b>136,254</b>
<b>Total assets</b>	<b>387,512</b>	<b>441,249</b>



(Millions of yen)

	As of March 20, 2017	As of February 28, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable — trade	69,974	84,795
Short-term loans payable	24,647	22,498
Accrued expenses	23,112	24,038
Income taxes payable	3,545	6,338
Provision for directors' bonuses	66	59
Other	20,292	23,942
Total current liabilities	141,638	161,673
Non-current liabilities		
Long-term loans payable	11,145	8,977
Provision for directors' retirement benefits	175	202
Provision for stocks payment	—	367
Net defined benefit liability	28,019	25,917
Other	5,834	5,484
Total non-current liabilities	45,174	40,949
Total liabilities	186,813	202,623
Net assets		
Shareholders' equity		
Capital stock	30,562	30,562
Capital surplus	27,704	27,717
Retained earnings	132,607	164,360
Treasury shares	-249	-1,338
Total shareholders' equity	190,624	221,301
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,627	10,961
Deferred gains or losses on hedges	101	13
Foreign currency translation adjustment	1,292	4,126
Remeasurements of defined benefit plans	-2,132	-538
Total accumulated other comprehensive income	7,889	14,563
Non-controlling interests	2,184	2,761
Total net assets	200,698	238,626
Total liabilities and net assets	387,512	441,249

## 2) Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	Fiscal year ended March 20, 2017	Fiscal year ended February 28, 2018
Net sales	394,883	448,523
Cost of sales	270,864	294,348
Gross profit	124,018	154,174
Selling, general and administrative expenses	93,609	100,048
Operating profit	30,409	54,126
Non-operating income		
Interest income	203	237
Dividend income	336	370
Share of profit of entities accounted for using equity method	2,403	1,861
Subsidy income	260	533
Gain on bad debts recovered	—	347
Other	197	300
Total non-operating income	3,401	3,651
Non-operating expenses		
Interest expenses	565	594
Foreign exchange losses	958	1,625
Other	323	257
Total non-operating expenses	1,847	2,477
Ordinary profit	31,963	55,300
Extraordinary income		
Gain on sales of non-current assets	48	335
Gain on sales of investment securities	0	1,144
Gain on sales of shares of subsidiaries and associates	63	—
Gain on sales of shares of subsidiaries and associates	—	0
Gain on liquidation of subsidiaries and associates	—	7
Gain on exchange from business combination	—	25
Other	—	0
Total extraordinary income	111	1,513
Extraordinary losses		
Loss on sales and retirement of non-current assets	395	94
Loss on valuation of investment securities	589	446
Loss on valuation of shares of subsidiaries and associates	49	7
Loss on sales of shares of subsidiaries and associates	373	20
Loss on sale of investments in capital of subsidiaries and associates	37	—
Impairment loss	718	2,677
Other	0	11
Total extraordinary losses	2,165	3,257
Profit before income taxes	29,910	53,556
Income taxes — current	10,369	14,426
Income taxes — deferred	-1,260	-1,339
Total income taxes	9,109	13,087
Profit	20,800	40,469
Profit attributable to non-controlling interests	403	720
Profit attributable to owners of parent	20,397	39,749

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 20, 2017	Fiscal year ended February 28, 2018
Profit	20,800	40,469
Other comprehensive income		
Valuation difference on available-for-sale securities	2,632	2,251
Deferred gains or losses on hedges	96	-83
Foreign currency translation adjustment	-2,786	2,587
Remeasurements of defined benefit plans, net of tax	2,146	1,397
Share of other comprehensive income of entities accounted for using equity method	-318	599
Total other comprehensive income	1,770	6,753
Comprehensive income	22,571	47,222
Comprehensive income attributable to owners of parent	22,283	46,423
Comprehensive income attributable to non-controlling interests	287	798

3) Consolidated Statements of Changes in Net Assets

Fiscal 2016 (From March 21, 2016 to March 20, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,562	27,705	117,268	-246	175,288
Changes of items during period					
Dividends of surplus			-5,331		-5,331
Profit attributable to owners of parent			20,397		20,397
Purchase of treasury shares				-2	-2
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		-0			-0
Change of scope of consolidation			273		273
Net changes of items other than shareholders' equity					
Total changes of items during period	—	-0	15,339	-2	15,336
Balance at end of current period	30,562	27,704	132,607	-249	190,624

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	6,020	8	4,104	-4,141	5,992	2,620	183,901
Changes of items during period							
Dividends of surplus							-5,331
Profit attributable to owners of parent							20,397
Purchase of treasury shares							-2
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							-0
Change of scope of consolidation							273
Net changes of items other than shareholders' equity	2,606	93	-2,812	2,008	1,896	-435	1,461
Total changes of items during period	2,606	93	-2,812	2,008	1,896	-435	16,797
Balance at end of current period	8,627	101	1,292	-2,132	7,889	2,184	200,698

Fiscal 2017 (From March 20, 2017 to February 28, 2018)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,562	27,704	132,607	-249	190,624
Changes of items during period					
Dividends of surplus			-7,997		-7,997
Profit attributable to owners of parent			39,749		39,749
Purchase of treasury shares				-1,094	-1,094
Disposal of treasury shares		12		5	18
Change in ownership interest of parent due to transactions with non-controlling interests					—
Change of scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	12	31,752	-1,088	30,676
Balance at end of current period	30,562	27,717	164,360	-1,338	221,301

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	8,627	101	1,292	-2,132	7,889	2,184	200,698
Changes of items during period							
Dividends of surplus							-7,997
Profit attributable to owners of parent							39,749
Purchase of treasury shares							-1,094
Disposal of treasury shares							18
Change in ownership interest of parent due to transactions with non-controlling interests							—
Change of scope of consolidation							—
Net changes of items other than shareholders' equity	2,334	-88	2,834	1,594	6,674	576	7,251
Total changes of items during period	2,334	-88	2,834	1,594	6,674	576	37,927
Balance at end of current period	10,961	13	4,126	-538	14,563	2,761	238,626

## 4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 20, 2017	Fiscal year ended February 28, 2018
<b>Cash flows from operating activities</b>		
Profit before income taxes	29,910	53,556
Depreciation	12,076	12,691
Impairment loss	718	2,677
Amortization of goodwill	1,171	1,106
Increase in allowance for doubtful accounts	138	51
Decrease in net defined benefit liability	-1,425	-197
Increase/decrease(-) in provision for directors' retirement benefits	-17	27
Increase/decrease(-) in provision for directors' bonuses	7	-6
Increase in Provision for stocks payment	—	367
Loss/gain(-) on sales and retirement of non-current assets	347	-241
Gain on sales of investment securities	-0	-1,144
Loss on sales of shares of subsidiaries and associates	310	20
Loss/gain(-) on sales of investment in capital of subsidiaries and associates	37	-0
Loss on valuation of investment securities	589	446
Loss on valuation of shares of subsidiaries and associates	49	7
Interest and dividend income	-540	-608
Interest expenses	565	594
Increase in notes and accounts receivable — trade	-10,154	-5,385
Increase in inventories	-3,324	-19,080
Increase in notes and accounts payable — trade	7,835	13,573
Increase/decrease(-) in accounts payable — other	-933	71
Increase in consumption taxes refund receivable	-63	-1,758
Other, net	3,177	-404
<b>Subtotal</b>	<b>40,475</b>	<b>56,366</b>
Interest and dividend income received	1,537	2,306
Interest expenses paid	-575	-590
Income taxes paid	-7,684	-12,027
<b>Net cash provided by operating activities</b>	<b>33,752</b>	<b>46,054</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	-15,154	-17,751
Proceeds from sales of property, plant and equipment and intangible assets	92	423
Purchase of investment in securities	-3,633	-2,808
Proceeds from sales and redemption of investment securities	363	1,367
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-151	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	111	371
Other, net	-563	-455
<b>Net cash used in investing activities</b>	<b>-18,936</b>	<b>-18,852</b>
<b>Cash flows from financing activities</b>		
Net decrease in short-term loans payable	-6,707	-4,418
Proceeds from long-term loans payable	2,371	5,320
Repayments of long-term loans payable	-6,258	-6,224
Purchase of treasury shares	-1	-1,040
Cash dividends paid	-5,331	-7,997
Dividends paid to non-controlling interests	-242	-232
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-117	—
Other, net	-166	-227
<b>Net cash used in financing activities</b>	<b>-16,453</b>	<b>-14,820</b>

(Millions of yen)

	Fiscal year ended March 20, 2017	Fiscal year ended February 28, 2018
Effect of exchange rate change on cash and cash equivalents	-561	96
Net increase/decrease(-) in cash and cash equivalents	-2,198	12,478
Cash and cash equivalents at beginning of period	31,656	29,735
Increase in cash and cash equivalents from newly consolidated subsidiary	277	—
Cash and cash equivalents at end of period	29,735	42,213

5) Notes to the Consolidated Financial Statements

(Notes Pertaining to the Presumption of a Going Concern)

None

(Changes in Accounting Policies)

(Revision in key hedge accounting methods)

Thus far, for foreign exchange contracts that meet the requirements for allocation processing, we have been processing them such that we apply allocation processing, we apply exception processing for interest rate swap that meet the requirements for exception processing, and we apply integral processing for interest rate currency swap that meet the requirements for integral processing (exception processing and allocation processing).

However, starting from this consolidated accounting period, principal processing method will be updated. Such update in accounting policy was implemented as a result of the review of the hedge policy and management system with regards to the foreign exchange risk and interest rate risk as well as reviewing the adequacy of the hedge accounting, it was determined that principal processing method can present consolidated financial statements more appropriately.

Furthermore, since the revision in the hedge accounting method has minimum impact on previous periods, there is no retroactive application.



(Segment Information)

Sales, income (loss), assets and other items for each reporting segment

	Fiscal 2016 (March 21, 2016 - March 20, 2017)					(Millions of yen)	
	Motion Control	Robotics	System Engineering	Other *1	Total	Adjustment *2	Amounts in consolidated financial statements *3
Sales							
Sales to external customers	172,025	139,993	59,354	23,509	394,883	-	394,883
Intersegment sales and transfers	15,596	4,575	562	16,068	36,802	-36,802	-
Total sales	187,622	144,569	59,916	39,578	431,686	-36,802	394,883
Segment operating income (loss)	22,772	10,253	-591	-723	31,711	-1,301	30,409
Segment assets	147,772	130,071	49,647	28,832	356,323	31,189	387,512
Other items							
Depreciation and amortization	5,771	4,177	1,730	367	12,046	30	12,076
Goodwill amortization	397	235	505	32	1,171	-	1,171
Increase in property, plant and equipment and intangible assets	6,225	5,339	1,482	372	13,420	1,484	14,904

Notes

1. IT-related business and logistics services, etc. are included in the Other segment.
2. Adjustment in the segment operating income(loss) of -1,301 million yen includes expenses in basic research and other activities that do not belong to any reportable segments.
3. Segment operating income has been adjusted to consolidated operating income described in the consolidated financial statements.

	Fiscal 2017 (March 21, 2017 - February 28, 2018)					(Millions of yen)	
	Motion Control	Robotics	System Engineering	Other *1	Total	Adjustment *2	Amounts in consolidated financial statements *3
Sales							
Sales to external customers	212,095	163,379	52,934	20,112	448,523	-	448,523
Intersegment sales and transfers	20,443	4,327	114	16,433	41,319	-41,319	-
Total sales	232,539	167,707	53,049	36,546	489,843	-41,319	448,523
Segment operating income (loss)	41,729	17,761	-3,794	-212	55,484	-1,357	54,126
Segment assets	168,554	151,724	40,532	32,593	393,404	47,845	441,249
Other items							
Depreciation and amortization	5,945	4,792	1,593	331	12,662	28	12,691
Goodwill amortization	289	214	566	35	1,106	-	1,106
Increase in property, plant and equipment and intangible assets	8,761	5,148	2,273	503	16,688	2,996	19,684

Notes

1. IT-related business and logistics services, etc. are included in the Other segment.
2. Adjustment in the segment operating income(loss) of -1,357 million yen includes expenses in basic research and other activities that do not belong to any reportable segments.
3. Segment operating income has been adjusted to consolidated operating income described in the consolidated financial statements.

(Per Share Information)

(Yen)

	Fiscal 2016 (March 21, 2016 - March 20, 2017)	Fiscal 2017 (March 21, 2017 - February 28, 2018)
Net assets per share	745.45	886.66
Earnings per share (basic)	76.60	149.35

Note1: Earnings per share (diluted) is not shown as there is no dilutive shares.

Note2: The shares of the Company remaining in Board Benefit Trust (BBT) and Employee Stock Ownership Plan (J-ESOP) recorded as treasury shares in shareholders' equity are included in treasury shares deducted from outstanding shares at end of period in calculating net assets per share, and they are included in treasury shares deducted to calculate average number of shares during period in calculating earnings per share. The number of treasury shares at end of period deducted in calculating net assets per share is 290 thousand for fiscal 2017, and average number of shares during period deducted in calculating earnings per share is 154 thousand for fiscal 2017.

Note3: The basis for calculating earnings per share is shown below.

	Fiscal 2016 (March 21, 2016 - March 20, 2017)	Fiscal 2017 (March 21, 2017 - February 28, 2018)
Earnings per share (basic)		
Profit attributable to owners of parent	20,397	39,749
Profit not available to common shareholders (Millions of yen)	-	-
Profit available to common shareholders (Millions of yen)	20,397	39,749
Weighted average number of shares outstanding (Thousands)	266,294	266,149

(Subsequent Events)

(Acquisition of Treasury Stock)

The Company decided at the board meeting held on April 12, 2018 to acquire treasury stock based on the provisions of the Articles of Incorporation under the provisions of Section 1 of Article 459 of the Companies Act.

1. Reason for the acquisition of treasury stock

For implementation of agile capital policies to match the change in management environment

2. Items concerning acquisition

- |  |                                     |
|--|-------------------------------------|
| (1) Type of shares acquired                  | Common shares                       |
| (2) Number of shares acquired                | 2,000,000 shares (Maximum)          |
| (3) Amount of shares acquired in value terms | 12,000,000,000 yen (Maximum)        |
| (4) Period for acquisition                   | From April 13, 2018 to May 28, 2018 |
| (5) Method of acquisition                    | Market purchase including ToSTNeT-3 |