

Consolidated Financial Results (Japanese Accounting Standards)

for the Fiscal Year Ended March 31, 2017

May 9, 2017

Company name: Fujikura Ltd.
 Stock exchange listing: First Sections of TSE
 Code No. : 5803
 URL: <http://www.fujikura.co.jp/>
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Scheduled date of ordinary general meeting of shareholders: June 29, 2017

Scheduled filing date of the securities report: June 29, 2017

Scheduled dividend payment date: June 30, 2017

(Figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2017

(April 1, 2016 – March 31, 2017)

(1) Consolidated financial results

(Percentages represent changes compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal Year ended March 31, 2017	653,795	(3.6)	34,230	4.9	32,555	32.2	12,900	14.0
Fiscal Year ended March 31, 2016	678,528	2.6	32,632	30.1	24,629	16.8	11,317	(7.2)

Notes: Comprehensive Income: Fiscal year ended March 31, 2017 18,543 million yen — %
 Fiscal year ended March 31, 2016 (13,881) million yen — %

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ordinary income capital ratio	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2017	44.61	—	6.4	5.7	5.2
Fiscal Year ended March 31, 2016	36.98	—	5.4	4.4	4.8

Reference: Equity in earnings of affiliates:

Fiscal year ended March 31, 2017 1,046 million yen
 Fiscal year ended March 31, 2016 (2,918) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2017	588,626	224,546	34.4	710.68
As of March 31, 2016	552,678	217,981	35.9	662.93

Reference: Shareholders' equity:

Fiscal year ended March 31, 2017	202,722 million yen
Fiscal year ended March 31, 2016	198,573 million yen

(3) Consolidated cash flows

	Operating cash flow	Investing cash flow	Financing cash flow	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal Year ended March 31, 2017	43,623	(60,633)	16,411	30,680
Fiscal Year ended March 31, 2016	48,274	(37,283)	(9,932)	32,091

2. Dividends Payments

	Dividend per share			Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	2nd quarter (Sept. 30)	Year-end (Mar. 31)	Annual			
	Yen	Yen	Yen	Million yen	%	%
Fiscal Year ended March 31, 2016	4.00	4.00	8.00	2,420	21.6	1.2
Fiscal Year ended March 31, 2017	5.00	5.00	10.00	2,864	22.4	1.5
Fiscal Year ending March 31, 2018 (forecast)	7.00	7.00	14.00		20.0	

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2018
(April 1, 2017 – March 31, 2018)

(Percentages represent changes compared to the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st half of FY ending March 31, 2018	340,000	11.4	16,000	15.7	15,500	29.5	8,000	339.4	28.05
FY ending March 31, 2018	700,000	7.1	38,000	11.0	36,000	10.6	20,000	55.0	70.11

4. Others

(1) Changes in significant subsidiaries during the period (changes in “*tokutei kogaisha*” as amended, involving changes in the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and restatements (to be described in “Changes in significant matters concerning the preparation of consolidated financial statements”)

- (i) Changes in accounting policies due to revisions of accounting standards, etc. : Yes
- (ii) Changes in accounting policies Other than (i) : No
- (iii) Changes in accounting estimates : No
- (iv) Restatements : No

(3) Number of issued shares (common stock)

(i) Number of issued shares at end of period (including treasury stock)

As of March 31, 2017: 295,863,421 Shares

As of March 31, 2016: 360,863,421 Shares

(ii) Number of shares of treasury at end of period

As of March 31, 2017: 10,610,248 Shares

As of March 31, 2016: 61,327,770 Shares

(iii) Average number of outstanding shares during period

FY ended March 31, 2017: 289,205,928 Shares

FY ended March 31, 2016: 306,006,350 Shares

Notes: concerning the appropriate use of financial forecasts and other significant matters

(Notes to the descriptions concerning the future operating results, etc.)

Forecasts and other descriptions concerning future operations appearing in this document are based on information available to the Company on the date of its publication and certain assumptions considered reasonable. Actual performance may differ substantially from these forecasts due to various factors.

(1) Analysis of Operating Results for FY2016

(i) Operating Results for FY2016

In FY2016, the outlook for the economy in Japan remained uncertain, as corporate earnings and consumer spending momentum was lethargic due in part to unstable movements in the stock and forex markets. Meanwhile, the yen depreciated in value against the US dollar, as the dollar strengthened in tandem with rate hikes in the United States, triggered by expectations of a fiscal expansion policy would be rolled out by the Trump administration, which took office after winning the November 2016 presidential race.

Amid this backdrop, the Fujikura Group recorded net sales of 653.7 billion yen (a decrease of 3.6% year on year), operating income of 34.2 billion yen (an increase of 4.9% year on year), ordinary income of 32.5 billion yen (an increase of 32.2% year on year), and profit attributable to owners of parent of 12.9 billion yen (an increase of 14.0% year on year).

Operating results for the fiscal year under review by business category are stated below:

Note that the Fujikura Group reorganized its reportable segments at the start of the consolidated fiscal year under review. For the purpose of the following year-on-year comparisons, the former segments in the previous consolidate fiscal year were reshuffled to conform to the new reportable segments.

Power & Telecommunication Systems Company

Net sales were 349.6 billion yen (a decrease of 4.6% year on year) while operating income totaled 20.3 billion yen (an increase of 42.3% year on year). Although there was negative impact from forex and a decline in copper prices, performance was brisk in the Telecommunications Systems segment and there was benefit from an improvement in product varieties.

Electronics Business Company

Net sales came to 156.7 billion yen (a decrease of 2.7% year on year) and operating income was 7.5 billion yen (a decrease of 38.4% year on year), partly reflecting negative impact from forex and intensified competition.

Automotive Products Company

Net sales were 133.1 billion yen (a decrease of 2.0% year on year). Although shipment volume increased, there was negative impact from forex. Meanwhile, operating income totaled 2.5 billion yen (an increase of 7.7% year on year), due in part to a reduction in fixed costs because of structural reforms.

Real Estate Business Company

Net sales came to 10.1 billion yen (a decrease of 4.9% year on year) and operating income totaled 4.6 billion yen (a decrease of 13.6% year on year). This performance reflects in part a downward revision to leasing revenue at the Fukagawa Gatharia, which was built as part of a redevelopment project of Fujikura's former Fukagawa plant site.

(ii) Outlook

In FY2017, Fujikura forecasts net sales of 700.0 billion yen (an increase of 7.1% year on year), operating income of 38.0 billion yen (an increase of 11.0% year on year), ordinary income of 36.0 billion yen (an increase of 10.6% year on year), and profit attributable to owners of parent of 20.0 billion yen (an increase of 55.0% year on year). This reflects expectations of sales growth in the Power & Telecommunication Systems Company, the Electronics Business Company, and the Automotive Products Company.

(2) Analysis of Financial Position

(i) Assets, liabilities and net assets

At the end of the consolidated fiscal year under review, total assets stood at 588.6 billion yen, an increase of 35.9 billion yen compared to the previous fiscal year. This was mainly due to an increase in inventory owing to structural reforms in the Power & Telecommunication Systems Company, and a rise in fixed assets owing to the acquisition of a building in the Real Estate Business Company.

Total liabilities were 364.0 billion yen, an increase of 29.3 billion yen compared to the previous fiscal year. This primarily reflects an increase in interest-bearing debt for working capital and capital investments.

Total net assets were 224.5 billion yen, an increase of 6.5 billion yen compared to the previous fiscal year. This is mainly due to an increase in profit attributable to owners of parent.

(ii) Cash flows

At the end of the consolidated fiscal year under review, net cash from operating activities was 43.6 billion yen, a decrease of 4.6 billion yen versus the previous fiscal year. Although there was an increase in accounts receivable and inventory, income sources also increased which included net income before income taxes of 28.3 billion yen and depreciation expense of 27.5 billion yen.

Net cash used in investing activities totaled 60.6 billion yen mainly attributable to capital investments, an increase of 23.3 billion yen versus the previous fiscal year.

Net cash used in financial activities totaled 16.4 billion yen, an increase of 26.3 billion yen, mainly attributable to income from long-term debt.

Accordingly, the balance of cash and equivalents at the fiscal year under review was 30.6 billion yen, a decrease of 1.4 billion yen compared to the previous fiscal year.

(Reference) Changes of cash flow indices

	Fiscal Year ended March 31,2013	Fiscal Year ended March 31,2014	Fiscal Year ended March 31,2015	Fiscal Year ended March 31,2016	Fiscal Year ended March 31,2017
Equity capital ratio (%)	36.0	35.9	37.8	35.9	34.4
Equity capital ratio at market value (%)	20.0	28.8	28.2	28.7	38.8
Cash flow to interest- bearing liability ratio (%)	8.8	6.4	10.1	4.2	5.2
Interest coverage ratio (times)	8.3	9.3	6.8	16.8	16.3

Equity capital ratio: Shareholders' equity/Total assets

Equity capital ratio at market value: Market capitalization/Total assets

Cash flow to interest-bearing liabilities ratio: Interest-bearing liabilities/Cash flow

Interest coverage ratio: Cash flow/Interest payment

Notes:

1. All indicators are calculated based on figures from the consolidated financial statements.
2. Market capitalization is calculated by multiplying the closing stock price on the balance sheet date by the number of shares issued and outstanding, not including treasury shares.
3. The cash flow used in the calculation of the above indicators is cash flow from operating activities.
4. Interest-bearing liabilities include all liabilities on the consolidated balance sheet that incur interest.

(3) Basic dividend policy, status of dividend payments and future dividend forecasts

Fujikura's basic dividend policy is to consistently provide shareholders with stable returns by comprehensively taking into consideration earnings trends, earnings per share, and retained earnings for future business development. The Company targets a dividend payout ratio of 20%.

Fujikura plans to effectively allocate retained earnings for investment in growth areas and to streamline current business operations.

Accordingly, the Company approved a 2 yen per share dividend hike, owing to an increase in profit of Power & Telecommunication Systems business. This is in line with the dividend payout plan at the start of the fiscal year of 5 yen per share at the fiscal year end (10 yen annual dividend).

Note that in the next fiscal year, the Company plans an annual per-share dividend payout of 14 yen (7 yen per share at the interim and also at the end of the fiscal year), which is a 4 yen hike.

2. Management Policies

(1) Basic management policies

Fujikura aims to become a company that creates value for customers through its "Tsunagu" (connection) technologies.

The Company established its 2020 Mid-term Business Plan, which is a five-year plan that runs from FY2016 to FY2020. There are three basic policies in this plan.

- Utmost importance on profitability" to ensure sound growth.
- Build a company that creates value for customers by accelerating "metabolism"
- To secure sustainability, establish corporate governance and enhance reputations of environment and social aspects

(2) Target management indicator

Fujikura has positioned the continuous improvement of profitability as one of its top priority management goals. The Company's medium-term management targets for FY2020 are net sales of 900.0 billion yen, operating margin of 7.0%-plus, an ROE of 10.0%-plus, and a D/E ratio of 0.66x.

(3) Medium- to long-term group management strategies

The Company plans to promote the following four growth strategies in its FY2020 Mid-term Business Plan.

1. Developing deeper ties with strategic customers: Aim for further business growth by working closely with strategic customers and capture new business opportunities
2. Speed up new business creation: Aim to strengthen structure for promoting new businesses. Pour energies into positioning auto, industrial, and medical devices as key fields.
3. Open innovation: Create new customer value by compensating for the missing pieces in the business portfolio and value chain. Aim to accelerate technological and business development, and business growth.
4. Management reform & business restructuring: Address Corporate Governance Code, improve the quality and speed of decision-making for diversified businesses, and strengthen management infrastructure.

(4) Issues to be addressed

In the Power & Telecommunication Systems Company, we plan to complete structural reforms in the industrial electric power cable business for the domestic market, which is a part of the Power Systems Segment. We also aim to establish a business foundation overseas, including Myanmar and Brazil. In the Telecommunications Systems Segment, our goal is to strengthen business operations to serve optical fiber network developers and datacenters around the world.

In the Electronics Business Company, for the FPC and connector business, we look to sustain growth by building stronger ties with strategic customers by providing speedy response to their needs.

In the Automotive Products Company, we plan to move forward with the launch of an efficient production system, mainly in Europe and Latin America, to gear up for mass production of products for a number of new automotive models. We also plan to reinforce operations by enhancing our capabilities to better respond to customer needs. We also aim to establish an appropriate organizational structure sufficient for new automotive products and business development.

3. Basic policy regarding selection of accounting standard

Considering comparability of consolidated financial statements among different periods and companies, the Group policy is to produce consolidated financial statements based on Japanese standard for the time being.

Regarding application of IFRS, our policy is to respond to it adequately, considering both domestic and overseas trends.

4. Consolidated financial statements

(1) Consolidated Balance Sheets

(Unit: Million yen)

	FY 2015 (As of Mar. 31, 2016)	FY 2016 (As of Mar. 31, 2017)
Assets		
Current assets		
Cash and deposits	34,961	31,785
Notes and accounts receivables, trade	143,857	148,969
Finished goods	32,189	35,487
Goods in process	19,168	24,684
Raw materials and supplies	27,910	32,328
Deferred tax assets	5,263	3,766
Other	19,845	20,366
Allowance for doubtful accounts	(759)	(864)
Total current assets	282,438	296,526
Non-current assets		
Tangible fixed assets		
Buildings and structures, net	80,052	89,993
Machinery, equipment and vehicles, net	56,067	62,633
Land	15,732	15,652
Lease assets, net	2,657	2,479
Construction in progress	15,888	14,736
Other, net	9,554	9,788
Total tangible fixed assets	179,953	195,283
Intangible fixed assets		
Goodwill	10,949	7,123
Other	10,346	9,962
Total intangible assets	21,295	17,085
Investments and other assets		
Investment securities	38,533	41,295
Net defined benefit asset	1,547	3,231
Deferred tax assets	10,643	12,484
Other	20,452	25,023
Allowance for doubtful accounts	(2,149)	(2,266)
Allowance for investment loss	(36)	(37)
Total investments and other assets	68,990	79,731
Total non-current assets	270,239	292,100
Total assets	552,678	588,626

(Unit: Million yen)

	FY 2015 (As of Mar. 31, 2016)	FY 2016 (As of Mar. 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable, trade	73,734	77,230
Short-term borrowings	66,328	74,637
Current portion of bonds	20,000	10,000
Income taxes payable	2,029	3,671
Provision for business structure improvement	1,907	—
Other provision	—	24
Other	37,920	37,661
Total current liabilities	201,919	203,226
Non-current liabilities		
Bonds	30,000	40,000
Long-term borrowings	81,317	101,296
Deferred tax liabilities	766	126
Other provision	825	36
Net defined benefit liability	9,218	8,184
Other	10,649	11,210
Total non-current liabilities	132,777	160,854
Total liabilities	334,697	364,080
Net assets		
Shareholders' equity		
Common stock	53,075	53,075
Capital surplus	57,333	30,012
Retained earnings	108,553	118,867
Treasury stock	(25,353)	(5,942)
Total shareholders' equity	193,608	196,013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,607	7,284
Deferred gains (losses) of hedges	(8)	465
Foreign currency translation adjustments	8,010	4,459
Remeasurements of defined benefit plans	(8,644)	(5,500)
Total accumulated other comprehensive income	4,964	6,709
Non-controlling interests	19,407	21,823
Total net assets	217,981	224,546
Total liabilities and net assets	552,678	588,626

(2) Consolidated Statements of Income

(Unit: Million yen)

	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016	FY 2016 From Apr. 1, 2016 to Mar. 31, 2017
Net sales	678,528	653,795
Cost of sales	551,920	525,150
Gross profit	126,607	128,644
Selling, general and administrative expenses		
Packing and transportation expenses	16,592	16,946
Personnel expenses	39,623	39,814
Other	37,758	37,652
Total selling, general and administrative expenses	93,974	94,413
Operating income	32,632	34,230
Non-operating income		
Interest income	227	267
Dividend income	1,210	1,128
Foreign exchange gains	134	746
Share of profit of entities accounted for using equity method	—	1,046
Reversal for product repair expenses	313	—
Other	838	866
Total non-operating income	2,725	4,055
Non-operating expenses		
Interest expenses	2,783	2,623
Share of loss of entities accounted for using equity method	2,918	—
Loss on retirement of non-current assets	565	643
Other	4,460	2,463
Total non-operating expenses	10,727	5,730
Ordinary income	24,629	32,555
Extraordinary gains		
Gain on sales of investment securities	2,420	465
Gain on sales of fixed assets	325	180
Total extraordinary gains	2,745	646
Extraordinary losses		
Business structure improvement expenses	7,801	3,187
Litigation settlement	1,155	1,143
Other	1,227	539
Total extraordinary losses	10,183	4,870
Income before income taxes	17,191	28,331
Total income taxes	4,641	11,303
Profit	12,549	17,027
Profit attributable to non-controlling interests	1,232	4,127
Profit attributable to owners of parent	11,317	12,900

(3) Consolidated Statements of Changes in Net Assets

(Unit: Million yen)

	Shareholders' equity						Total net assets
	Number of shares issued	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	
Balance at March 31, 2016	360,863,421	53,075	57,333	108,553	(25,353)	193,608	
Dividends paid				(2,636)		(2,636)	
Profit attributable to owners of parent				12,900		12,900	
Purchase of treasury stock					(7,910)	(7,910)	
Retirement of treasury stock	(65,000,000)		(27,320)		27,320	—	
Change of scope of consolidation				51		51	
Net changes of items other than shareholders' equity						—	
Total changes of items during period			(27,320)	10,314	19,410	2,404	
Balance at March 31, 2017	295,863,421	53,075	30,012	118,867	(5,942)	196,013	

	Accumulated Other Comprehensive Income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at March 31, 2016	5,607	(8)	8,010	(8,644)	4,964	19,407	217,981
Dividends paid					—		(2,636)
Profit attributable to owners of parent					—		12,900
Purchase of treasury stock					—		(7,910)
Retirement of treasury stock					—		—
Change of scope of consolidation					—		51
Net changes of items other than shareholders' equity	1,676	473	(3,550)	3,144	1,744	2,415	4,160
Total changes of items during period	1,676	473	(3,550)	3,144	1,744	2,415	6,564
Balance at March 31, 2017	7,284	465	4,459	(5,500)	6,709	21,823	224,546

(4) Consolidated Statements of Cash Flows

(Unit: Million yen)

	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016	FY 2016 From Apr. 1, 2016 to Mar. 31, 2017
Cash flows from operating activities		
Income before income taxes	17,191	28,331
Depreciation and amortization	26,311	27,589
Amortization of goodwill	3,149	3,545
Increase (decrease) in provision	396	217
Interest and dividend income	(1,437)	(1,395)
Interest expenses	2,783	2,623
Share of (profit) loss of entities accounted for using equity method	2,918	(1,046)
Business structure improvement expenses	6,358	2,405
Decrease (increase) in notes and accounts receivable, trade	4,432	(7,463)
Decrease (increase) in inventories	(4,579)	(11,361)
Increase (decrease) in notes and accounts payable, trade	559	6,363
Increase (decrease) in other current liabilities	(0)	3,068
Decrease (increase) in net defined benefit asset	1,367	1,340
Increase (decrease) in net defined benefit liability	(642)	(10)
Other, net	(887)	1,462
Sub-total	57,923	55,670
Interest and dividend income received	2,018	2,398
Interest paid	(2,876)	(2,681)
Income taxes (paid) refund	(8,791)	(11,764)
Net cash provided by (used in) operating activities	48,274	43,623
Cash flows from investing activities		
Net decrease (increase) in time deposits	(1,099)	(433)
Payments for purchase of property, plant and equipment and other assets	(30,821)	(46,495)
Proceeds from sales of property, plant and equipment and other assets	2,481	2,205
Proceeds from sales of investment securities	4,313	550
Payments of loans receivable	(791)	(11,774)
Collection of loans receivable	225	3,626
Purchase of long-term prepaid expenses	(2,464)	(2,649)
Proceeds from transfer of business	1,802	—
Payments for transfer of business	—	(4,120)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(9,731)	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	45	—
Payments for investments in capital of subsidiaries and affiliates	(1,222)	(1,477)
Other, net	(19)	(65)
Net cash provided by (used in) investing activities	(37,283)	(60,633)

(Unit: Million yen)

	FY 2015 From Apr. 1, 2015 to Mar. 31, 2016	FY 2016 From Apr. 1, 2016 to Mar. 31, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,402)	(2,673)
Net increase (decrease) in commercial papers	(2,000)	(2,000)
Proceeds from long-term loans payable	22,808	46,155
Repayment of long-term loans payable	(20,378)	(13,866)
Redemption of bonds	—	(20,000)
Proceeds from issuance of bonds	—	19,901
Proceeds from share issuance to non-controlling shareholders	1,500	—
Cash dividends paid	(2,303)	(2,636)
Purchase of treasury stock	(5,590)	(7,909)
Dividends paid to non-controlling interests	(565)	(558)
Other, net	0	—
Net cash provided by (used in) financing activities	(9,932)	16,411
Effect of exchange rate change on cash and cash equivalents	(2,304)	(812)
Net increase (decrease) in cash and cash equivalents	(1,245)	(1,410)
Cash and cash equivalents at beginning of period	33,336	32,091
Cash and cash equivalents at end of period	32,091	30,680

(5) Note on conditions of the surviving entity N/A

(6) Segment information

a. Business Segments

(i) Summary of reportable segments

The Group's reportable segments are components of the Group for which separate financial statements are available that are regularly evaluated by the management in deciding how to allocate the management resources and in assessing performance.

The Group classifies its businesses into 4 segments, which are Power & Telecommunication Systems Company, Electronics Business Company, Automotive Products Company, Real Estate Business Company, considering similarities in production methods, production process, applications and sales methods.

Starting from the consolidated fiscal year under review, some of the businesses previously reported as "Others" have been transferred to Power & Telecommunication Systems Company, after a review of management structure in order to further improve the efficiency of these businesses expected to become full-fledged.

Note that segment information for the previous consolidated fiscal year was disclosed in accordance with the new reportable segments.

The main products for each business segment are as follows:

Business segment	Main products
Power & Telecommunication Systems Company	Power cables, telecommunication cables, aluminum wires, enameled wires, Optical fibers, optical fiber cables, telecommunication components, optical components, fiber optic equipment, network equipment, installation, etc.
Electronics Business Company	Flexible printed circuits, electronic wiring, HDD components, various kinds of connectors, etc.
Automotive Products Company	Automotive wire harnesses, Accessories & Installation, etc.
Real Estate Business Company	Real estate rental, etc.

(ii) Segment profit (loss) is adjusted by operating income stated in the Consolidated Statements of Income.

(iii) Information about net sales, profit & loss, assets, other items in each segment.

I Fiscal Year ended March 31, 2016(April 1, 2015 – March 31, 2016)

(Unit: Million yen)

	Reportable segment				Other Note 1.	Total	Adjustment Note 2.	Consolidated total
	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Business Company				
(1) Sales to outside customers	366,523	161,166	135,876	10,709	4,252	678,528	—	678,528
(2) Inter-segment sales	203	99	41	—	13	359	(359)	—
Total sales	366,727	161,265	135,918	10,709	4,266	678,887	(359)	678,528
Segment profit (loss)	14,316	12,268	2,386	5,394	(1,733)	32,632	—	32,632
Segment assets	241,611	124,337	77,136	36,177	5,833	485,096	67,581	552,678
Depreciation and amortization	8,995	9,167	3,335	1,739	347	23,585	2,725	26,311
Impairment loss	302	116	—	—	—	419	—	419
Increase in tangible fixed assets and intangible fixed assets	7,225	15,178	6,036	679	236	29,356	2,623	31,979

Notes:

1. "Others" includes new businesses to launch and others which are excluded from the aforementioned 4 segments.
2. (1) Adjustment of 67,581 million yen in "Segment total assets" represents common assets not allocated to each reporting segment in the amount of 90,624 million yen and elimination of inter-segment transactions in the amount of (23,042) million yen. Common assets mainly consisted of assets related to investment securities, research and development and administrative divisions of the Company.
 (2) Adjustment of 2,725 million yen to depreciation and amortization represents the depreciation and amortization of the common assets that have not been distributed to each reporting segment.
 (3) Adjustment of 2,623 million yen to increase in tangible fixed and intangible fixed assets represents the increase in the common assets that have not been distributed to each reporting segment.

II Fiscal Year ended March 31, 2017 (April 1, 2016 – March 31, 2017)

(Unit: Million yen)

	Reportable segment				Other Note 1.	Total	Adjustment Note 2.	Consolidated total
	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Business Company				
(1) Sales to outside customers	349,656	156,737	133,107	10,183	4,111	653,795	—	653,795
(2) Inter-segment sales	442	268	35	—	25	772	(772)	—
Total sales	350,098	157,005	133,143	10,183	4,137	654,567	(772)	653,795
Segment profit (loss)	20,366	7,557	2,569	4,661	(924)	34,230	—	34,230
Segment assets	236,170	131,658	89,137	42,833	5,154	504,954	83,672	588,626
Depreciation and amortization	9,222	9,725	3,834	1,814	423	25,020	2,568	27,589
Impairment loss	1	25	—	—	—	27	—	27
Increase in tangible fixed assets and intangible fixed assets	11,454	15,063	7,500	8,545	368	42,933	2,689	45,623

Notes:

1. "Others" includes new businesses to launch and others which are excluded from the aforementioned 4 segments.
2. (1) Adjustment of 83,672 million yen in "Segment total assets" represents common assets not allocated to each reporting segment in the amount of 111,221 million yen and elimination of inter-segment transactions in the amount of (27,549) million yen. Common assets mainly consisted of assets related to investment securities, research and development and administrative divisions of the Company.
(2) Adjustment of 2,568 million yen to depreciation and amortization represents the depreciation and amortization of the common assets that have not been distributed to each reporting segment.
(3) Adjustment of 2,689 million yen to increase in tangible fixed and intangible fixed assets represents the increase in the common assets that have not been distributed to each reporting segment.

b. Related Information

I Fiscal Year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

1. Information by Geographical Segment

(1) Sales

(Unit: Million yen)

Japan	USA	China	Other	Total
269,528	148,891	103,849	156,258	678,528

(2) Fixed assets

(Unit: Million yen)

Japan	Thailand	China	Other	Total
91,033	44,508	19,862	24,549	179,953

2. Information by major customer

This information has been omitted due to no external customer accounting for 10% or more of consolidated net sales as stated in the Consolidated Statements of Income.

II Fiscal Year ended March 31, 2017 (April 1, 2016 – March 31, 2017)

1. Information by Geographical Segment

(1) Sales

(Unit: Million yen)

Japan	USA	China	Other	Total
256,000	124,401	96,991	176,401	653,795

(2) Fixed assets

(Unit: Million yen)

Japan	Thailand	China	Other	Total
99,921	50,880	17,976	26,505	195,283

2. Information by major customer

This information has been omitted due to no external customer accounting for 10% or more of consolidated net sales as stated in the Consolidated Statements of Income.

c. Information concerning goodwill amortization and unamortized balances for each reportable segment

I. Fiscal Year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(Unit: Million yen)

	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Business Company	Total
Amortization in fiscal year ended March 31, 2016	3,145	4	—	—	3,149
Balance as of March 31, 2016	10,941	8	—	—	10,949

II. Fiscal Year ended March 31, 2017 (April 1, 2016 – March 31, 2017)

(Unit: Million yen)

	Power & Telecommunication Systems Company	Electronics Business Company	Automotive Products Company	Real Estate Business Company	Total
Amortization in fiscal year ended March 31, 2017	3,541	4	—	—	3,545
Balance as of March 31, 2017	7,119	4	—	—	7,123

(7) Per share information

(Unit: Yen)

	Fiscal Year ended March 31, 2016	Fiscal Year ended March 31, 2017
Net assets per share	662.93	710.68
Net income per share - basic	36.98	44.61

(*1) As the Company does not have any instruments that have a dilutive effect, the Company has not included net income (loss) - fully diluted per share data.

(*2) Basis for computation of per share data

	Fiscal Year ended March 31, 2016	Fiscal Year ended March 31, 2017
Profit attributable to owners of parent (Millions of yen)	11,317	12,900
Profit attributable to owners of parent attributable to common shareholders (Millions of yen)	11,317	12,900
Average number of outstanding shares during period (Thousands of shares)	306,006	289,205

(Material Subsequent Events)

N/A