

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (Japan GAAP)

English Translation of *Kessan Tanshin*

Company Name: **CASIO COMPUTER CO., LTD.**

(Summary for reference)

(URL <http://casio.jp/>)

May 9, 2018

Stock Exchange Listings: Tokyo

Code Number: 6952

President and COO: Kazuhiro Kashio

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Annual shareholders' meeting (scheduled): June 28, 2018

Start of distribution of dividends (scheduled): June 29, 2018

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 28, 2018

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

Note: The original disclosure in Japanese was released on May 9, 2018 at 15:00 (GMT+9).

(Monetary amounts are rounded to the nearest million yen.)

## 1. Consolidated Financial Results for the year ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(Millions of yen)

### (1) Operating Results

(Percentages indicate changes compared to the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
		%		%		%		%
Year ended March 31, 2018	314,790	(2.0)	29,568	(3.5)	28,726	9.5	19,563	6.3
Year ended March 31, 2017	321,213	(8.8)	30,636	(27.3)	26,239	(36.1)	18,410	(41.0)

(Note) Comprehensive income: Year ended March 31, 2018: 20,219 million yen      0.6 %  
Year ended March 31, 2017: 20,095 million yen      7.4 %

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)	Profit/Equity	Ordinary profit/Total assets	Operating profit/Net sales
			%	%	%
Year ended March 31, 2018	79.42	77.86	9.7	8.0	9.4
Year ended March 31, 2017	72.67	71.28	9.2	7.3	9.5

(Reference) Share of profit of entities accounted for using equity method: Year ended March 31, 2018: 9 million yen  
Year ended March 31, 2017: 15 million yen

### (2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
			%	
As of March 31, 2018	364,398	206,691	56.7	839.10
As of March 31, 2017	351,452	196,332	55.9	797.03

(Reference) Equity: As of March 31, 2018: 206,691 million yen  
As of March 31, 2017: 196,332 million yen

### (3) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended March 31, 2018	34,553	(8,311)	(10,589)	134,554
Year ended March 31, 2017	27,920	(3,255)	(30,933)	118,755

## 2. Dividends

	Dividends per share (Yen)					Total dividends payment (Millions of yen)	Payout ratio (Consolidated)	Dividends/ Net assets (Consolidated)
	June 30	September 30	December 31	March 31	Total			
Year ended March 31, 2017	-	20.00	-	20.00	40.00	10,053	% 55.0	% 5.0
Year ended March 31, 2018	-	20.00	-	30.00	50.00	12,316	63.0	6.1
Year ending March 31, 2019 (Forecast)	-	-	-	-	-		-	

(Note) Details of year-end dividends for the year ended March 31, 2018

Ordinary dividend: 20.00 yen Commemorative dividend: 10.00 yen

The dividends forecast for the fiscal year ending March 31, 2019 has yet to be determined.

## 3. Consolidated Results Forecasts for Fiscal 2019 (From April 1, 2018 to March 31, 2019)

(Millions of yen)

(Percentages indicate changes compared to the corresponding periods of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
First Half	160,000	4.2	15,000	2.5	14,000	2.5	10,000	0.5	40.60
Fiscal 2019	340,000	8.0	35,000	18.4	33,000	14.9	23,000	17.6	93.37

### Notes

(1) Changes in significant subsidiaries (Changes in scope of consolidation): No

Newly included: -

Excluded: -

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements

(a) Changes in accounting policies due to revision of accounting standards: No

(b) Changes in accounting policies other than (a) above: No

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

(3) Number of shares outstanding (common shares)

(a) Number of shares outstanding (including treasury shares):

As of March 31, 2018: 259,020,914 shares

As of March 31, 2017: 259,020,914 shares

(b) Number of treasury shares:

As of March 31, 2018: 12,696,260 shares

As of March 31, 2017: 12,691,770 shares

(c) Average number of shares outstanding

Year ended March 31, 2018: 246,326,992 shares

Year ended March 31, 2017: 253,317,787 shares

This report of consolidated financial results is outside the scope of audit of certified public accountants and audit corporations.

### Proper Use of Business Results Forecasts and Other Notes

(Caution Concerning Forward-looking Statements)

- The forward-looking statements contained in these materials, including business results forecasts, are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to be construed as assurance that they will be accomplished in the future. Actual business results may differ substantially due to a number of factors. Please refer to (1) Analysis of Operating Results included in 1. Analysis of Operating Results and Financial Position on page 4 for the conditions that form the assumptions for business results and cautions concerning the use of business results forecasts.
- The supplementary explanatory materials for the financial results are published on the company's official website on May 9, 2018.

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# 1. Analysis of Operating Results and Financial Position

## (1) Analysis of Operating Results

### Operating Results for Fiscal 2018

In fiscal 2018, the economy in Japan and overseas remained firm overall as Japan, the U.S., and Europe sustained a moderate recovery trend due to improvements in corporate earnings and the hiring environment, and signs of recovery were also observed in China and emerging countries.

In this situation, consolidated net sales for fiscal 2018 amounted to ¥314.7 billion. By segment, sales were ¥268.9 billion in the Consumer segment, ¥38.3 billion in the System Equipment segment, and ¥7.5 billion in the Others segment.

In the timepiece business, G-SHOCK, particularly the mid-price range G-STEEL line, performed well due to the effect of marketing for the 35th anniversary of G-SHOCK, with the acceleration of online sales in China especially driving growth. In the calculator business, scientific calculators for students overseas continued to be robust. The digital camera business was sluggish even with the launch of new products, due to a major contraction in the market, while the electronic musical instrument business contracted temporarily due to such factors as business structure reforms.

In profit for fiscal 2018, Casio posted ¥29.5 billion in consolidated operating profit after allowing for ¥6.6 billion loss in adjustment. In operating profit, the Consumer segment posted ¥35.0 billion, the System Equipment segment recorded ¥500 million, and the Others segment recorded ¥500 million.

In the timepiece business, high profitability was maintained with continued strong sales of highly profitable products. In the calculator business, profitability was secured with robust sales of scientific calculators overseas. In the digital camera business, losses increased due to the recording of expenses aimed at withdrawing from the compact digital camera market. The system equipment business secured a stable earnings base.

Casio posted ¥28.7 billion in ordinary profit, and ¥19.5 billion in profit attributable to owners of parent. Earnings per share (EPS) improved to ¥79.42.

### Forecasts

Amid major changes in the business environment in Japan and overseas, Casio will promote company-wide reform to establish a base for stable growth, with the aim of significantly improving business performance. The main strategies for achieving this are as below.

- (a) In the timepiece business, Casio will expand the G-SHOCK lineup, launch products in new genres, and boost online sales to continue growing this business further and maintain high profitability.
- (b) In the education products business, Casio will continue growing the business and maintain high profitability by expanding school sales of scientific calculators and strengthen corporate sales of English language learning devices.
- (c) In system equipment business, Casio will establish a full-scale contribution to revenue and growth trajectory by boosting the strong hardware and solutions business.
- (d) In new businesses, Casio will strive to grow businesses and contribute to revenue by significantly strengthening wrist devices and accelerating the introduction of 2.5D printing systems.
- (e) In all businesses, Casio will strengthen sales by rebuilding distribution networks in overseas areas.

Currently, the forecasts for fiscal 2019 are as follows.

(Consolidated results forecasts)

Net sales:	¥340.0 billion	(up 8.0% year-on-year)
Operating profit:	¥35.0 billion	(up 18.4% year-on-year)
Ordinary profit:	¥33.0 billion	(up 14.9% year-on-year)
Profit attributable to owners of parent:	¥23.0 billion	(up 17.6% year-on-year)

Exchange rates for fiscal 2019 are estimated at US\$ 1 = ¥105 and Euro 1 = ¥128.

## **(2) Analysis of Financial Position**

Total assets at the end of fiscal 2018 stood at ¥364.3 billion, up ¥12.9 billion compared to the end of the previous year, mainly due to an increase in cash and deposits. Net assets increased ¥10.3 billion to ¥206.6 billion compared to the end of the previous fiscal year, mainly due to an increase in retained earnings. As a result, the equity ratio improved 0.8 points compared to the end of the previous fiscal year to 56.7%.

Net cash provided by operating activities was ¥34.5 billion, net cash used in investing activities was ¥8.3 billion, and net cash used in financing activities was ¥10.5 billion. As a result, consolidated cash and cash equivalents at the end of fiscal 2018 stood at ¥134.5 billion, ensuring adequate liquid funds.

Casio will continue to pursue effective management of its business assets, aiming to build a stable and strong stable financial structure.

## **(3) Basic Policy on Allocation of Profit and Dividends for Fiscal 2018 and 2019**

Casio has positioned the maintenance and expansion of returns for all of its shareholders as an important management issue. The company's dividend policy is based on maintaining stable dividends, and Casio decides the allocation of profit by taking into account all factors such as profit levels, financial position, the dividend payout ratio, and future business expansion and forecasts.

Based on the policy outlined above, and taking business results into consideration, Casio plans to add a commemorative dividend for the 60th anniversary of its founding of ¥10 per share to the annual dividend of ¥40 per share which was the same amount paid in the previous fiscal year, resulting in a dividend of ¥50 per share in fiscal 2018.

## **2. Basic Concept on Selection of Accounting Standard**

Casio uses Japanese GAAP for the preparation of its consolidated financial statements in view of comparability for the period covered by the consolidated financial statements and inter-company comparability.

The Group's policy is to respond to the application of IFRS in an appropriate manner, taking into account a variety of circumstances inside and outside Japan.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	55,197	66,441
Notes and accounts receivable-trade	47,725	45,171
Securities	43,920	48,500
Finished goods	38,352	36,450
Work in process	5,606	5,582
Raw materials and supplies	8,300	7,649
Deferred tax assets	6,155	6,293
Short-term loans receivable with resale agreement	20,000	20,000
Other	8,740	8,202
Allowance for doubtful accounts	(548)	(488)
<b>Total current assets</b>	<b>233,447</b>	<b>243,800</b>
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures	58,239	60,558
Accumulated depreciation	(42,666)	(43,248)
Buildings and structures, net	15,573	17,310
Machinery, equipment and vehicles	14,218	15,046
Accumulated depreciation	(11,552)	(12,260)
Machinery, equipment and vehicles, net	2,666	2,786
Tools, furniture and fixtures	35,285	34,027
Accumulated depreciation	(32,219)	(30,970)
Tools, furniture and fixtures, net	3,066	3,057
Land	34,090	33,543
Leased assets	3,022	2,365
Accumulated depreciation	(1,934)	(1,275)
Leased assets, net	1,088	1,090
Construction in progress	308	246
Total property, plant and equipment	56,791	58,032
Intangible assets	6,784	7,036
Investments and other assets		
Investment securities	35,153	37,029
Net defined benefit asset	13,122	13,000
Deferred tax assets	3,227	2,816
Other	2,995	2,754
Allowance for doubtful accounts	(67)	(69)
Total investments and other assets	54,430	55,530
<b>Total non-current assets</b>	<b>118,005</b>	<b>120,598</b>
<b>Total assets</b>	<b>351,452</b>	<b>364,398</b>

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	31,751	30,752
Short-term loans payable	155	205
Current portion of long-term loans payable	2,000	16,500
Accounts payable-other	19,079	19,444
Accrued expenses	12,357	13,310
Income taxes payable	2,593	3,810
Provision for product warranties	772	794
Provision for business structure improvement	631	1,356
Other	6,157	7,566
<b>Total current liabilities</b>	75,495	93,737
<b>Non-current liabilities</b>		
Bonds with share acquisition rights	10,023	10,013
Long-term loans payable	61,000	46,500
Deferred tax liabilities	1,628	1,544
Provision for business structure improvement	784	1,239
Net defined benefit liability	491	322
Other	5,699	4,352
<b>Total non-current liabilities</b>	79,625	63,970
<b>Total liabilities</b>	155,120	157,707
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	48,592	48,592
Capital surplus	65,058	65,058
Retained earnings	92,228	101,938
Treasury shares	(19,942)	(19,949)
<b>Total shareholders' equity</b>	185,936	195,639
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	9,138	10,885
Foreign currency translation adjustment	(3,573)	(3,326)
Remeasurements of defined benefit plans	4,831	3,493
<b>Total accumulated other comprehensive income</b>	10,396	11,052
<b>Total net assets</b>	196,332	206,691
<b>Total liabilities and net assets</b>	351,452	364,398

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****Consolidated Statements of Income**

(Millions of yen)

	Year ended March 31, 2017	Year ended March 31, 2018
<b>Net sales</b>	321,213	314,790
Cost of sales	187,755	179,215
<b>Gross profit</b>	133,458	135,575
Selling, general and administrative expenses	102,822	106,007
<b>Operating profit</b>	30,636	29,568
Non-operating income		
Interest income	434	517
Dividend income	486	541
Other	321	264
Total non-operating income	1,241	1,322
Non-operating expenses		
Interest expenses	407	284
Foreign exchange losses	4,869	1,171
Settlement package	-	254
Other	362	455
Total non-operating expenses	5,638	2,164
<b>Ordinary profit</b>	26,239	28,726
Extraordinary income		
Gain on sales of non-current assets	909	90
Gain on sales of investment securities	426	519
Gain on transfer of business	500	-
Total extraordinary income	1,835	609
Extraordinary losses		
Loss on retirement of non-current assets	114	55
Impairment loss	19	-
Business structure improvement expenses	4,469	4,668
Other	17	-
Total extraordinary losses	4,619	4,723
<b>Profit before income taxes</b>	23,455	24,612
Income taxes-current	4,450	5,174
Income taxes-deferred	595	(125)
Total income taxes	5,045	5,049
<b>Profit</b>	18,410	19,563
<b>Profit attributable to owners of parent</b>	18,410	19,563



**Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Year ended March 31, 2017	Year ended March 31, 2018
<b>Profit</b>	18,410	19,563
Other comprehensive income		
Valuation difference on available-for-sale securities	1,357	1,747
Foreign currency translation adjustment	(1,729)	247
Remeasurements of defined benefit plans	2,057	(1,338)
Share of other comprehensive income of entities accounted for using equity method	(0)	0
Total other comprehensive income	1,685	656
<b>Comprehensive income</b>	20,095	20,219
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,095	20,219
Comprehensive income attributable to non-controlling interests	-	-

**(3) Consolidated Statements of Changes in Net Assets**

Year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,058	100,041	(20,291)	193,400
Changes of items during period					
Dividends of surplus			(10,894)		(10,894)
Profit attributable to owners of parent			18,410		18,410
Purchase of treasury shares				(14,980)	(14,980)
Disposal of treasury shares		0		0	0
Retirement of treasury shares		(0)	(15,329)	15,329	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(0)	(7,813)	349	(7,464)
Balance at end of current period	48,592	65,058	92,228	(19,942)	185,936

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	7,781	(1,844)	2,774	8,711	202,111
Changes of items during period					
Dividends of surplus					(10,894)
Profit attributable to owners of parent					18,410
Purchase of treasury shares					(14,980)
Disposal of treasury shares					0
Retirement of treasury shares					-
Net changes of items other than shareholders' equity	1,357	(1,729)	2,057	1,685	1,685
Total changes of items during period	1,357	(1,729)	2,057	1,685	(5,779)
Balance at end of current period	9,138	(3,573)	4,831	10,396	196,332

Year ended March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,058	92,228	(19,942)	185,936
Changes of items during period					
Dividends of surplus			(9,853)		(9,853)
Profit attributable to owners of parent			19,563		19,563
Purchase of treasury shares				(7)	(7)
Disposal of treasury shares		0		0	0
Retirement of treasury shares		-	-	-	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	9,710	(7)	9,703
Balance at end of current period	48,592	65,058	101,938	(19,949)	195,639

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	9,138	(3,573)	4,831	10,396	196,332
Changes of items during period					
Dividends of surplus					(9,853)
Profit attributable to owners of parent					19,563
Purchase of treasury shares					(7)
Disposal of treasury shares					0
Retirement of treasury shares					-
Net changes of items other than shareholders' equity	1,747	247	(1,338)	656	656
Total changes of items during period	1,747	247	(1,338)	656	10,359
Balance at end of current period	10,885	(3,326)	3,493	11,052	206,691

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2017	Year ended March 31, 2018
<b>Cash flows from operating activities</b>		
Profit before income taxes	23,455	24,612
Depreciation	9,741	9,394
Impairment loss	19	-
Loss (gain) on sales and retirement of non-current assets	(795)	(35)
Loss (gain) on sales of investment securities	(426)	(519)
Increase (decrease) in net defined benefit liability	(828)	(173)
Interest and dividend income	(920)	(1,058)
Interest expenses	407	284
Foreign exchange losses (gains)	1,309	62
Share of (profit) loss of entities accounted for using equity method	(15)	(9)
Loss (gain) on transfer of business	(500)	-
Decrease (increase) in notes and accounts receivable-trade	164	2,866
Decrease (increase) in inventories	4,157	3,113
Increase (decrease) in notes and accounts payable-trade	(2,456)	(734)
Decrease/increase in consumption taxes receivable/payable	1,156	(331)
Other, net	(82)	(84)
Subtotal	34,386	37,388
Interest and dividend income received	897	1,042
Interest expenses paid	(412)	(285)
Income taxes paid	(6,951)	(3,592)
Net cash provided by (used in) operating activities	27,920	34,553
<b>Cash flows from investing activities</b>		
Payments into time deposits	(1,438)	(1,436)
Proceeds from withdrawal of time deposits	1,439	1,423
Purchase of property, plant and equipment	(4,815)	(6,297)
Proceeds from sales of property, plant and equipment	3,564	624
Purchase of intangible assets	(4,148)	(4,182)
Purchase of investment securities	(23)	(12)
Proceeds from sales and redemption of investment securities	1,816	1,569
Purchase of shares of subsidiaries and associates	(180)	-
Proceeds from transfer of business	500	-
Other, net	30	(0)
Net cash provided by (used in) investing activities	(3,255)	(8,311)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(105)	50
Proceeds from long-term loans payable	21,500	2,000
Repayments of long-term loans payable	(25,500)	(2,000)
Purchase of treasury shares	(14,980)	(8)
Proceeds from sales of treasury shares	0	0
Repayments of finance lease obligations	(954)	(778)
Cash dividends paid	(10,894)	(9,853)
Net cash provided by (used in) financing activities	(30,933)	(10,589)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(3,034)	146
<b>Net increase (decrease) in cash and cash equivalents</b>	(9,302)	15,799
<b>Cash and cash equivalents at beginning of period</b>	128,057	118,755
<b>Cash and cash equivalents at end of period</b>	118,755	134,554

## (5) Notes to Consolidated Financial Statements

### Notes on Premise of Going Concern

Not applicable.

### Segment Information

#### 1. Overview of Reportable Segments

The company's reportable segments consist of the company's constituent units for which separate financial information is available and which are subject to periodic examination in order for the board of directors to determine the allocation of management resources and evaluate financial results.

The company has designated three areas of segment reporting, which are the "Consumer," "System Equipment," and "Others" segments, based on the type of products and services, and the market and consumer categories.

The categories of the main products and services belonging to each reportable segment are as follows.

Consumer ..... Watches, Clocks, Electronic dictionaries, Electronic calculators, Label printers,  
Electronic musical instruments, Digital cameras, etc.

System Equipment ... Handheld terminals, Electronic cash registers, Office computers, Data projectors, etc.

Others ..... Molds, etc.

#### 2. Information on Net Sales, Profit or Loss, Assets and Others for Each Reportable Segment

Year ended March 31, 2017

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	272,804	39,734	8,675	321,213	-	321,213
(2) Intersegment	1	29	6,888	6,918	(6,918)	-
Total	272,805	39,763	15,563	328,131	(6,918)	321,213
Segment profit (loss)	37,194	(2,224)	335	35,305	(4,669)	30,636
Segment assets	190,178	40,744	19,985	250,907	100,545	351,452
Others						
Depreciation	7,044	1,957	421	9,422	319	9,741
Amortization of goodwill	28	11	-	39	-	39
Investment to entities accounted for using equity method	-	-	2,701	2,701	-	2,701
Increase in property, plant and equipment and intangible assets	7,561	2,208	174	9,943	177	10,120

Notes: 1. Adjustments are as shown below:

- (1) The 4,669 million yen downward adjustment to segment profit (loss) includes corporate expenses of 4,669 million yen that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not attributable to any reportable segments.
- (2) The 100,545 million yen adjustment to segment assets includes corporate assets of 101,134 million yen that are not allocated to any reportable segments.
- (3) The 319 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
- (4) The 177 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to any reportable segments.

2. Segment profit (loss) is reconciled with operating profit in the consolidated financial statements.

Year ended March 31, 2018

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	268,905	38,302	7,583	314,790	-	314,790
(2) Intersegment	1	20	6,733	6,754	(6,754)	-
Total	268,906	38,322	14,316	321,544	(6,754)	314,790
Segment profit	35,028	583	570	36,181	(6,613)	29,568
Segment assets	192,596	37,320	18,008	247,924	116,474	364,398
Others						
Depreciation	7,209	1,563	378	9,150	244	9,394
Amortization of goodwill	81	11	-	92	-	92
Investment to entities accounted for using equity method	-	-	2,706	2,706	-	2,706
Increase in property, plant and equipment and intangible assets	9,438	1,817	328	11,583	392	11,975

Notes: 1. Adjustments are as shown below:

- (1) The 6,613 million yen downward adjustment to segment profit includes corporate expenses of 6,613 million yen that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not attributable to any reportable segments.
  - (2) The 116,474 million yen adjustment to segment assets includes corporate assets of 116,550 million yen that are not allocated to any reportable segments.
  - (3) The 244 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
  - (4) The 392 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to any reportable segments.
2. Segment profit is reconciled with operating profit in the consolidated financial statements.