

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (Japan GAAP)

English Translation of *Kessan Tanshin*

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

(Summary for reference)

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

May 13, 2021

Stock Exchange Listings: Tokyo

Code Number: 6952

Representative: Kazuhiro Kashio, President and CEO, Chairman of the Board

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Annual shareholders' meeting (scheduled): June 29, 2021

Start of distribution of dividends (scheduled): June 30, 2021

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 29, 2021

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

Note: The original disclosure in Japanese was released on May 13, 2021 at 15:00 (GMT+9).

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

1. Consolidated Financial Results for the year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(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, 2021	227,440	(19.0)	15,372	(47.1)	16,321	(42.7)	12,014	(31.7)
Year ended March 31, 2020	280,750	(5.8)	29,064	(4.0)	28,481	(4.7)	17,588	(20.5)

(Note) Comprehensive income: Year ended March 31, 2021: 20,203 million yen 193.7 %
Year ended March 31, 2020: 6,878 million yen (60.1) %

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)	Profit/Equity	Ordinary profit/Total assets	Operating profit/Net sales
			%	%	%
Year ended March 31, 2021	49.52	-	5.8	4.9	6.8
Year ended March 31, 2020	72.23	-	8.5	8.2	10.4

(Reference) Share of profit of entities accounted for using equity method: Year ended March 31, 2021: (27) million yen
Year ended March 31, 2020: (153) million yen

(Note) Diluted earnings per share are not shown as there are no dilutive shares.

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
			%	
As of March 31, 2021	332,028	211,895	63.8	873.42
As of March 31, 2020	334,100	202,539	60.6	834.98

(Reference) Equity: As of March 31, 2021: 211,895 million yen
As of March 31, 2020: 202,539 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, 2021	24,587	(3,116)	(22,950)	137,053
Year ended March 31, 2020	33,047	(1,695)	(24,915)	134,314

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, 2020	-	22.50	-	22.50	45.00	10,916	62.3%	5.3%
Year ended March 31, 2021	-	22.50	-	22.50	45.00	10,917	90.9%	5.3%
Year ending March 31, 2022 (Forecast)	-	-	-	-	-		-	

(Note) The dividends forecast for the fiscal year ending March 31, 2022 has yet to be determined.

3. Consolidated Results Forecasts for Fiscal 2022 (From April 1, 2021 to March 31, 2022)

(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	125,000	20.4	10,000	137.4	9,000	97.0	6,000	14.9	24.73
Fiscal 2022	265,000	16.5	26,500	72.4	24,500	50.1	17,000	41.5	70.07

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, 2021: 259,020,914 shares

As of March 31, 2020: 259,020,914 shares

(b) Number of treasury shares:

As of March 31, 2021: 16,416,422 shares

As of March 31, 2020: 16,453,020 shares

(c) Average number of shares outstanding

Year ended March 31, 2021: 242,591,244 shares

Year ended March 31, 2020: 243,489,797 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 13, 2021.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

Operating Results for Fiscal 2021

During fiscal 2021, the Japanese and overseas economies continued to face very challenging conditions due to the COVID-19 pandemic, which drove downturns primarily in personal consumption and corporate production activities. By region, the Chinese economy experienced a steady recovery and there was a trend of gradual recovery in the U.S, but restrictions on economic activities were prolonged in Japan, Europe, and emerging countries in Asia due to the impact of the renewed spread of infection, and the outlook remained uncertain.

In this situation, consolidated net sales for fiscal 2021 amounted to ¥227.4 billion. By segment, sales were ¥204.0 billion in the Consumer segment, ¥18.6 billion in the System Equipment segment, and ¥4.7 billion in the Others segment.

In the timepiece business, sales of G-SHOCK metal models remained strong, and sales of G-SQUAD, which is designed to support workouts, increased, mainly in Europe and the U.S. In the electronic musical instrument business, sales increased, including growing sales of the Slim & Smart piano models, which captured stay-at-home demand. Sales in the educational scientific calculator business declined, impacted by the closure of schools in some regions. In the electronic dictionary business, sales declined, impacted by restrained purchasing of models for school students, despite the trend of recovery in demand. Sales in the system equipment business decreased due to the decline in demand caused by the impact of the pandemic.

In profit for fiscal 2021, Casio posted an operating profit of ¥15.3 billion, allowing for a ¥8.5 billion loss in adjustment due to the impact of a decline in net sales. The Consumer segment posted ¥28.5 billion in operating profit, the System Equipment segment recorded a ¥4.8 billion operating loss, and the Others segment recorded ¥0.2 billion in operating profit.

In the timepiece business, high profitability was maintained with continued strong sales of highly profitable models. In the electronic musical instrument business, profitability improved, driven by the strong sales of Slim & Smart models as well as significant improvement in the profit structure due to the early completion of structural reform. However, the system equipment business recorded a loss amid ongoing structural reform targeting a complete shift from existing markets to the next-generation projection domain.

Casio posted ¥16.3 billion in ordinary profit and ¥12.0 billion in profit attributable to owners of parent. Earnings per share (EPS) was ¥49.52.

Forecasts

Casio expects market conditions to recover gradually as efforts are made to prevent the spread of COVID-19 and various government measures continue. However, the economic impact of COVID-19 is uncertain and unpredictable. Surrounded by a market environment that remains challenging, the Casio Group will strive to deliver sustainable growth by carrying out group-wide structural reform and rebuilding the management base, a process now underway in anticipation of a new era.

The main strategies for achieving this are as below.

- (a) In the timepiece business, Casio will enhance the profit structure by increasing the sales percentage of G-SHOCK watches, expanding loyal fans of the brand, and increasing the percentage of sales made via direct e-commerce, while further growing sales with a focus on emerging country markets where there is large growth potential.
- (b) In the education business, Casio will contribute to global education by providing products (software and hardware) to suit every educational environment. In the electronic musical instrument business, Casio will capture new users by making the “hobbyist/personal needs” market more prominent and strengthening specialized distribution to grow the business.
- (c) In new businesses, Casio will launch “Only 1” recurring businesses to meet the needs of the new era and achieve early commercialization and contribution to profit.
- (d) Leveraging the full-scale implementation of digital marketing via the CASIO Global Marketing System, which connects directly with users around the world, Casio will provide just-right products and services for individual users.

Currently, the forecasts for fiscal 2022 are as follows.

(Consolidated results forecasts)

Net sales:	¥265.0 billion (up 16.5% year-on-year)
Operating profit:	¥26.5 billion (up 72.4% year-on-year)
Ordinary profit:	¥24.5 billion (up 50.1% year-on-year)
Profit attributable to owners of parent:	¥17.0 billion (up 41.5% year-on-year)

Exchange rates for fiscal 2022 are estimated at US\$ 1 = ¥108 and Euro 1 = ¥126.

(2) Analysis of Financial Position

Total assets at the end of fiscal 2021 stood at ¥332.0 billion, down ¥2.0 billion compared to the end of the previous fiscal year, mainly due to a decrease in notes and accounts receivable-trade and inventory assets. Net assets increased ¥9.3 billion to ¥211.8 billion compared to the end of the previous fiscal year. As a result, the equity ratio improved 3.2 points compared to the end of the previous fiscal year to 63.8%.

Net cash provided by operating activities was ¥24.5 billion, net cash used in investing activities was ¥3.1 billion, and net cash used in financing activities was ¥22.9 billion. As a result, consolidated cash and cash equivalents at the end of fiscal 2021 stood at ¥137.0 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 2021 and 2022

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 planned a year-end dividend of ¥22.5 per share, which, when added to the interim dividend of ¥22.5 already paid, will yield an annual dividend of ¥45.0 per share in fiscal 2021.

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, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	71,696	94,976
Notes and accounts receivable-trade	33,701	29,873
Securities	48,000	45,499
Finished goods	36,008	35,999
Work in process	6,324	5,331
Raw materials and supplies	10,818	8,071
Short-term loans receivable with resale agreement	14,999	-
Other	6,331	5,112
Allowance for doubtful accounts	(491)	(598)
Total current assets	227,386	224,263
Non-current assets		
Property, plant and equipment		
Buildings and structures	58,741	57,639
Accumulated depreciation	(43,357)	(43,031)
Buildings and structures, net	15,384	14,608
Machinery, equipment and vehicles	13,025	13,809
Accumulated depreciation	(10,663)	(11,466)
Machinery, equipment and vehicles, net	2,362	2,343
Tools, furniture and fixtures	34,430	34,662
Accumulated depreciation	(31,340)	(31,826)
Tools, furniture and fixtures, net	3,090	2,836
Land	33,551	33,002
Leased assets	6,825	8,045
Accumulated depreciation	(2,370)	(4,037)
Leased assets, net	4,455	4,008
Construction in progress	738	253
Total property, plant and equipment	59,580	57,050
Intangible assets	8,459	8,663
Investments and other assets		
Investment securities	21,077	19,661
Retirement benefit asset	7,924	15,179
Deferred tax assets	7,452	5,195
Other	2,285	2,055
Allowance for doubtful accounts	(63)	(38)
Total investments and other assets	38,675	42,052
Total non-current assets	106,714	107,765
Total assets	334,100	332,028

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,603	20,920
Short-term borrowings	186	153
Current portion of long-term borrowings	25,000	3,634
Accounts payable-other	14,626	16,885
Accrued expenses	11,978	11,973
Income taxes payable	1,454	1,828
Provision for product warranties	762	740
Provision for business restructuring	918	1,342
Other	8,541	7,747
Total current liabilities	87,068	65,222
Non-current liabilities		
Long-term borrowings	37,847	49,500
Deferred tax liabilities	1,290	1,291
Provision for business restructuring	860	600
Retirement benefit liability	1,105	558
Other	3,391	2,962
Total non-current liabilities	44,493	54,911
Total liabilities	131,561	120,133
Net assets		
Shareholders' equity		
Share capital	48,592	48,592
Capital surplus	65,042	65,056
Retained earnings	118,347	119,445
Treasury shares	(24,875)	(24,820)
Total shareholders' equity	207,106	208,273
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,455	4,522
Foreign currency translation adjustment	(7,490)	(3,577)
Remeasurements of defined benefit plans	(1,532)	2,677
Total accumulated other comprehensive income	(4,567)	3,622
Total net assets	202,539	211,895
Total liabilities and net assets	334,100	332,028

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

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Net sales	280,750	227,440
Cost of sales	158,145	129,279
Gross profit	122,605	98,161
Selling, general and administrative expenses	93,541	82,789
Operating profit	29,064	15,372
Non-operating income		
Interest income	793	348
Dividend income	266	196
Insurance claim income	242	-
Foreign exchange gains	-	615
Other	504	369
Total non-operating income	1,805	1,528
Non-operating expenses		
Interest expenses	288	233
Foreign exchange losses	1,556	-
Other	544	346
Total non-operating expenses	2,388	579
Ordinary profit	28,481	16,321
Extraordinary income		
Gain on sale of non-current assets	36	4
Gain on sale of investment securities	3,196	6,201
Total extraordinary income	3,232	6,205
Extraordinary losses		
Loss on retirement of non-current assets	109	53
Impairment losses	-	161
Business restructuring expenses	2,984	3,213
Extra retirement payments	274	1,147
Loss on valuation of investment securities	-	44
Loss on competition law	505	-
Special executive bonuses	200	-
Total extraordinary losses	4,072	4,618
Profit before income taxes	27,641	17,908
Income taxes-current	6,005	5,414
Income taxes-deferred	4,048	480
Total income taxes	10,053	5,894
Profit	17,588	12,014
Profit attributable to owners of parent	17,588	12,014

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Profit	17,588	12,014
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,791)	67
Foreign currency translation adjustment	(3,312)	3,913
Remeasurements of defined benefit plans, net of tax	(3,607)	4,209
Share of other comprehensive income of entities accounted for using equity method	(0)	-
Total other comprehensive income	(10,710)	8,189
Comprehensive income	6,878	20,203
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,878	20,203
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	48,592	65,058	111,757	(19,956)	205,451
Cumulative effects of changes in accounting policies			(55)		(55)
Restated balance	48,592	65,058	111,702	(19,956)	205,396
Changes during period					
Dividends of surplus			(11,616)		(11,616)
Profit attributable to owners of parent			17,588		17,588
Purchase of treasury shares				(5,010)	(5,010)
Disposal of treasury shares		(16)		91	75
Effect of changes in accounting period of consolidated subsidiaries			673		673
Net changes in items other than shareholders' equity					
Total changes during period	-	(16)	6,645	(4,919)	1,710
Balance at end of period	48,592	65,042	118,347	(24,875)	207,106

Year ended March 31, 2020

(Millions of yen)

	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 period	8,246	(4,178)	2,075	6,143	211,594
Cumulative effects of changes in accounting policies					(55)
Restated balance	8,246	(4,178)	2,075	6,143	211,539
Changes during period					
Dividends of surplus					(11,616)
Profit attributable to owners of parent					17,588
Purchase of treasury shares					(5,010)
Disposal of treasury shares					75
Effect of changes in accounting period of consolidated subsidiaries					673
Net changes in items other than shareholders' equity	(3,791)	(3,312)	(3,607)	(10,710)	(10,710)
Total changes during period	(3,791)	(3,312)	(3,607)	(10,710)	(9,000)
Balance at end of period	4,455	(7,490)	(1,532)	(4,567)	202,539

Year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	48,592	65,042	118,347	(24,875)	207,106
Cumulative effects of changes in accounting policies					-
Restated balance	48,592	65,042	118,347	(24,875)	207,106
Changes during period					
Dividends of surplus			(10,916)		(10,916)
Profit attributable to owners of parent			12,014		12,014
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		14		60	74
Effect of changes in accounting period of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	14	1,098	55	1,167
Balance at end of period	48,592	65,056	119,445	(24,820)	208,273

Year ended March 31, 2021

(Millions of yen)

	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 period	4,455	(7,490)	(1,532)	(4,567)	202,539
Cumulative effects of changes in accounting policies					-
Restated balance	4,455	(7,490)	(1,532)	(4,567)	202,539
Changes during period					
Dividends of surplus					(10,916)
Profit attributable to owners of parent					12,014
Purchase of treasury shares					(5)
Disposal of treasury shares					74
Effect of changes in accounting period of consolidated subsidiaries					-
Net changes in items other than shareholders' equity	67	3,913	4,209	8,189	8,189
Total changes during period	67	3,913	4,209	8,189	9,356
Balance at end of period	4,522	(3,577)	2,677	3,622	211,895

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	27,641	17,908
Depreciation	11,767	11,076
Impairment losses	-	161
Loss (gain) on sale and retirement of non-current assets	73	49
Loss (gain) on sale of investment securities	(3,196)	(6,201)
Loss (gain) on valuation of investment securities	-	44
Increase (decrease) in retirement benefit liability	555	(571)
Interest and dividend income	(1,059)	(544)
Interest expenses	288	233
Foreign exchange losses (gains)	(1,212)	(951)
Share of loss (profit) of entities accounted for using equity method	153	27
Decrease (increase) in trade receivables	9,511	4,792
Decrease (increase) in inventories	(1,211)	5,587
Increase (decrease) in trade payables	(751)	(3,042)
Decrease/increase in consumption taxes receivable/payable	(551)	164
Other, net	(277)	392
Subtotal	41,731	29,124
Interest and dividends received	1,096	599
Interest paid	(286)	(233)
Extra retirement payments	(2,601)	(274)
Income taxes paid	(6,893)	(4,629)
Net cash provided by (used in) operating activities	33,047	24,587
Cash flows from investing activities		
Payments into time deposits	(388)	(374)
Proceeds from withdrawal of time deposits	398	362
Purchase of property, plant and equipment	(5,122)	(3,620)
Proceeds from sale of property, plant and equipment	75	553
Purchase of intangible assets	(4,760)	(4,706)
Purchase of investment securities	(8)	(6,007)
Proceeds from sale and redemption of investment securities	5,749	10,648
Proceeds from the liquidation of subsidiaries and associates	2,304	-
Other, net	57	28
Net cash provided by (used in) investing activities	(1,695)	(3,116)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(46)	(33)
Proceeds from long-term borrowings	4,000	15,000
Repayments of long-term borrowings	-	(25,000)
Redemption of bonds	(10,000)	-
Purchase of treasury shares	(5,011)	(7)
Proceeds from sale of treasury shares	0	-
Repayments of lease obligations	(2,242)	(1,994)
Dividends paid	(11,616)	(10,916)
Net cash provided by (used in) financing activities	(24,915)	(22,950)
Effect of exchange rate change on cash and cash equivalents	(1,474)	4,218
Net increase (decrease) in cash and cash equivalents	4,963	2,739
Cash and cash equivalents at beginning of period	132,208	134,314
Increase (decrease) in cash and cash equivalents resulting from changes in accounting period of consolidated subsidiaries	(2,857)	-
Cash and cash equivalents at end of period	134,314	137,053

(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, etc.

System Equipment ... Handheld terminals, Electronic cash registers, Management support systems, Data projectors, etc.

Others Formed parts, Molds, etc.

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

Year ended March 31, 2020

(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	245,059	30,110	5,581	280,750	-	280,750
(2) Intersegment	1	65	5,948	6,014	(6,014)	-
Total	245,060	30,175	11,529	286,764	(6,014)	280,750
Segment profit (loss)	39,025	(2,702)	337	36,660	(7,596)	29,064
Segment assets	179,041	30,686	14,963	224,690	109,410	334,100
Others						
Depreciation	8,532	2,032	357	10,921	846	11,767
Amortization of goodwill	61	11	-	72	-	72
Investment to entities accounted for using equity method	-	-	258	258	-	258
Increase in property, plant and equipment and intangible assets	12,581	2,004	303	14,888	708	15,596

Notes: 1. Adjustments are as shown below:

- (1) The 7,596 million yen downward adjustment to segment profit (loss) includes corporate expenses of 7,596 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 109,410 million yen adjustment to segment assets includes corporate assets of 109,455 million yen that are not allocated to any reportable segments.
- (3) The 846 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
- (4) The 708 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, 2021

(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	204,003	18,682	4,755	227,440	-	227,440
(2) Intersegment	0	38	6,298	6,336	(6,336)	-
Total	204,003	18,720	11,053	233,776	(6,336)	227,440
Segment profit (loss)	28,531	(4,849)	288	23,970	(8,598)	15,372
Segment assets	186,638	25,809	14,057	226,504	105,524	332,028
Others						
Depreciation	8,144	1,937	336	10,417	659	11,076
Amortization of goodwill	61	-	-	61	-	61
Investment to entities accounted for using equity method	-	-	231	231	-	231
Increase in property, plant and equipment and intangible assets	6,539	1,593	292	8,424	1,065	9,489

Notes: 1. Adjustments are as shown below:

- (1) The 8,598 million yen downward adjustment to segment profit (loss) includes corporate expenses of 8,598 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 105,524 million yen adjustment to segment assets includes corporate assets of 105,565 million yen that are not allocated to any reportable segments.
 - (3) The 659 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
 - (4) The 1,065 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.