

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (Japan GAAP)

English Translation of *Kessan Tanshin*

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

(Summary for reference)

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

May 22, 2020

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 26, 2020

Start of distribution of dividends (scheduled): June 29, 2020

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 26, 2020

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

Note: The original disclosure in Japanese was released on May 22, 2020 at 15:00 (GMT+9).

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

## 1. Consolidated Financial Results for the year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(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, 2020	280,750	(5.8)	29,064	(4.0)	28,481	(4.7)	17,588	(20.5)
Year ended March 31, 2019	298,161	(5.3)	30,262	2.3	29,894	4.1	22,135	13.1

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

Year ended March 31, 2019: 17,226 million yen (14.8) %

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)	Profit/Equity	Ordinary profit/Total assets	Operating profit/Net sales
			%	%	%
Year ended March 31, 2020	72.23	-	8.5	8.2	10.4
Year ended March 31, 2019	89.86	88.09	10.6	8.3	10.1

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

Year ended March 31, 2019: 17 million yen

(Note) Diluted earnings per share for the fiscal year ended March 31, 2020 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, 2020	334,100	202,539	60.6	834.98
As of March 31, 2019	357,530	211,594	59.2	859.02

(Reference) Equity: As of March 31, 2020: 202,539 million yen

As of March 31, 2019: 211,594 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, 2020	33,047	(1,695)	(24,915)	134,314
Year ended March 31, 2019	20,738	(6,227)	(16,934)	132,208

## 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, 2019	-	20.00	-	25.00	45.00	11,084	% 50.1	% 5.3
Year ended March 31, 2020	-	22.50	-	22.50	45.00	10,916	62.3	5.3
Year ending March 31, 2021 (Forecast)	-	-	-	-	-		-	

(Note) The dividends forecast for the fiscal year ending March 31, 2021 has yet to be determined.

## 3. Consolidated Business Results Forecasts for Fiscal 2021 (From April 1, 2020 to March 31, 2021)

At the present stage, it is difficult to reasonably calculate the impact of the novel coronavirus (COVID-19) on business results. Consequently, the consolidated business results forecasts for fiscal 2021 are undetermined. Going forward, Casio will carefully assess the impact on business results and announce the business results forecasts promptly once it is possible to make reasonable calculations.

### 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: Yes

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

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

(Note) Please refer to Changes in Accounting Policies on page 15.

(3) Number of shares outstanding (common shares)

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

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

As of March 31, 2019: 259,020,914 shares

(b) Number of treasury shares:

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

As of March 31, 2019: 12,699,990 shares

(c) Average number of shares outstanding

Year ended March 31, 2020: 243,489,797 shares

Year ended March 31, 2019: 246,323,016 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)

1. At the present stage, it is difficult to reasonably calculate the impact of the novel coronavirus (COVID-19) on business results. Consequently, the consolidated business results forecasts for fiscal 2021 are undetermined. Going forward, Casio will carefully assess the impact on business results and announce the business results forecasts promptly once it is possible to make reasonable calculations.
2. The supplementary explanatory materials for the financial results are published on the company's official website on May 22, 2020.

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## 1. Analysis of Operating Results and Financial Position

### (1) Analysis of Operating Results

#### Operating Results for Fiscal 2020

In the Japanese economy during fiscal 2020, uncertainty in the economic outlook increased as a result of a downturn in personal consumption due to the increase in the consumption tax rate. Overseas, the economic outlook also remained uncertain due to the impact of trade friction between the U.S. and China and concerns about geopolitical risk related to the situation in the Middle East. In addition, the impact from the novel coronavirus (COVID-19) increased in Japan and overseas in the fourth quarter, and the economic conditions deteriorated sharply.

Casio temporarily shut down its production sites. Moreover, demand in many of Casio's businesses dropped significantly due to lockdowns imposed in major cities across the world. The impact included delays in the recording of sales until the following fiscal year for education-related products.

In this situation, consolidated net sales for fiscal 2020 amounted to ¥280.7 billion. By segment, sales were ¥245.0 billion in the Consumer segment, ¥30.1 billion in the System Equipment segment, and ¥5.5 billion in the Others segment.

In the timepiece business, G-SHOCK recorded strong sales, particularly in China and other emerging countries, and expansion in the product line-up of G-SHOCK metal models drove the business overall. However, the impact of COVID-19 in the fourth quarter temporarily resulted in a dramatic slowdown in sales, particularly for standard watches. The electronic musical instrument business recorded sales growth due to the strong performance of Slim & Smart models. The electronic dictionary business was impacted by such factors as the postponement of school sales events during a period of peak demand, and sales declined, as recording of sales was delayed until the following fiscal year. The system equipment business experienced a decline in sales due to a more challenging market environment for projectors.

In profit for fiscal 2020, Casio posted ¥29.0 billion in consolidated operating profit after allowing for a ¥7.5 billion loss in adjustment. The Consumer segment posted ¥39.0 billion in operating profit, the System Equipment segment recorded a ¥2.7 billion operating loss, and the Others segment recorded ¥0.3 billion in operating profit.

In the timepiece business, high profitability was maintained with continued strong sales of highly profitable products. In the electronic musical instrument business, profitability improved due to strong sales of Slim & Smart models. However, the system equipment business recorded a loss due to the slump in projector sales.

Casio posted ¥28.4 billion in ordinary profit, and ¥17.5 billion in profit attributable to owners of parent. Earnings per share (EPS) was ¥72.23.

#### Forecasts

At the present stage, it is difficult to reasonably calculate the impact of COVID-19 on business results. Consequently, the consolidated business results forecasts for fiscal 2021 are undetermined.

Going forward, Casio will carefully assess the impact on business results and announce the business results forecasts promptly once it is possible to make reasonable calculations.

### (2) Analysis of Financial Position

Total assets at the end of fiscal 2020 stood at ¥334.1 billion, down ¥23.4 billion compared to the end of the previous fiscal year, mainly due to a decrease in notes and accounts receivable-trade. Net assets decreased ¥9.0 billion to ¥202.5 billion compared to the end of the previous fiscal year. As a result, the equity ratio improved 1.4 points compared to the end of the previous fiscal year to 60.6%.

Net cash provided by operating activities was ¥33.0 billion, net cash used in investing activities was ¥1.6 billion, and net cash used in financing activities was ¥24.9 billion. As a result, consolidated cash and cash equivalents at the end of fiscal 2020 stood at ¥134.3 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 2020 and 2021**

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 ¥22.50 per share, which, when added to the interim dividend of ¥22.50 already paid, will yield an annual dividend of ¥45 per share in fiscal 2020.

## **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, 2019	As of March 31, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	73,714	71,696
Notes and accounts receivable-trade	44,141	33,701
Securities	50,000	48,000
Finished goods	39,061	36,008
Work in process	5,836	6,324
Raw materials and supplies	9,377	10,818
Short-term loans receivable with resale agreement	8,900	14,999
Other	8,143	6,331
Allowance for doubtful accounts	(556)	(491)
<b>Total current assets</b>	<b>238,616</b>	<b>227,386</b>
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures	59,028	58,741
Accumulated depreciation	(42,523)	(43,357)
Buildings and structures, net	16,505	15,384
Machinery, equipment and vehicles	14,093	13,025
Accumulated depreciation	(11,926)	(10,663)
Machinery, equipment and vehicles, net	2,167	2,362
Tools, furniture and fixtures	33,400	34,430
Accumulated depreciation	(30,121)	(31,340)
Tools, furniture and fixtures, net	3,279	3,090
Land	33,564	33,551
Leased assets	2,043	6,825
Accumulated depreciation	(998)	(2,370)
Leased assets, net	1,045	4,455
Construction in progress	245	738
Total property, plant and equipment	56,805	59,580
Intangible assets	8,978	8,459
Investments and other assets		
Investment securities	30,630	21,077
Retirement benefit asset	11,414	7,924
Deferred tax assets	8,451	7,452
Other	2,702	2,285
Allowance for doubtful accounts	(66)	(63)
Total investments and other assets	53,131	38,675
<b>Total non-current assets</b>	<b>118,914</b>	<b>106,714</b>
<b>Total assets</b>	<b>357,530</b>	<b>334,100</b>

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	28,522	23,603
Short-term borrowings	232	186
Current portion of long-term borrowings	-	25,000
Current portion of bonds with share acquisition rights	10,003	-
Accounts payable-other	19,784	14,626
Accrued expenses	13,123	11,978
Income taxes payable	3,584	1,454
Provision for product warranties	781	762
Provision for business restructuring	212	918
Other	6,522	8,541
<b>Total current liabilities</b>	82,763	87,068
<b>Non-current liabilities</b>		
Long-term borrowings	58,988	37,847
Deferred tax liabilities	1,320	1,290
Provision for business restructuring	1,020	860
Retirement benefit liability	578	1,105
Other	1,267	3,391
<b>Total non-current liabilities</b>	63,173	44,493
<b>Total liabilities</b>	145,936	131,561
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	48,592	48,592
Capital surplus	65,058	65,042
Retained earnings	111,757	118,347
Treasury shares	(19,956)	(24,875)
<b>Total shareholders' equity</b>	205,451	207,106
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	8,246	4,455
Foreign currency translation adjustment	(4,178)	(7,490)
Remeasurements of defined benefit plans	2,075	(1,532)
<b>Total accumulated other comprehensive income</b>	6,143	(4,567)
<b>Total net assets</b>	211,594	202,539
<b>Total liabilities and net assets</b>	357,530	334,100

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

(Millions of yen)

	Year ended March 31, 2019	Year ended March 31, 2020
<b>Net sales</b>	298,161	280,750
Cost of sales	168,778	158,145
<b>Gross profit</b>	129,383	122,605
Selling, general and administrative expenses	99,121	93,541
<b>Operating profit</b>	30,262	29,064
Non-operating income		
Interest income	646	793
Dividend income	482	266
Insurance claim income	-	242
Other	198	504
Total non-operating income	1,326	1,805
Non-operating expenses		
Interest expenses	270	288
Foreign exchange losses	976	1,556
Other	448	544
Total non-operating expenses	1,694	2,388
<b>Ordinary profit</b>	29,894	28,481
Extraordinary income		
Gain on sales of non-current assets	18	36
Gain on sales of investment securities	4,864	3,196
Subsidy income	50	-
Total extraordinary income	4,932	3,232
Extraordinary losses		
Loss on retirement of non-current assets	856	109
Business restructuring expenses	1,981	2,984
Loss on competition law	-	505
Extra retirement payments	2,620	274
Special executive bonuses	-	200
Total extraordinary losses	5,457	4,072
<b>Profit before income taxes</b>	29,369	27,641
Income taxes-current	4,913	6,005
Income taxes-deferred	2,321	4,048
Total income taxes	7,234	10,053
<b>Profit</b>	22,135	17,588
<b>Profit attributable to owners of parent</b>	22,135	17,588



## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2019	Year ended March 31, 2020
<b>Profit</b>	22,135	17,588
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,639)	(3,791)
Foreign currency translation adjustment	(852)	(3,312)
Remeasurements of defined benefit plans, net of tax	(1,418)	(3,607)
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	(4,909)	(10,710)
<b>Comprehensive income</b>	17,226	6,878
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,226	6,878
Comprehensive income attributable to non-controlling interests	-	-

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

Year ended March 31, 2019

(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	101,938	(19,949)	195,639
Cumulative effects of changes in accounting policies					-
Restated balance	48,592	65,058	101,938	(19,949)	195,639
Changes during period					
Dividends of surplus			(12,316)		(12,316)
Profit attributable to owners of parent			22,135		22,135
Purchase of treasury shares				(7)	(7)
Disposal of treasury shares		0		0	0
Effect of changes in accounting period of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	0	9,819	(7)	9,812
Balance at end of period	48,592	65,058	111,757	(19,956)	205,451

Year ended March 31, 2019

(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	10,885	(3,326)	3,493	11,052	206,691
Cumulative effects of changes in accounting policies					-
Restated balance	10,885	(3,326)	3,493	11,052	206,691
Changes during period					
Dividends of surplus					(12,316)
Profit attributable to owners of parent					22,135
Purchase of treasury shares					(7)
Disposal of treasury shares					0
Effect of changes in accounting period of consolidated subsidiaries					-
Net changes in items other than shareholders' equity	(2,639)	(852)	(1,418)	(4,909)	(4,909)
Total changes during period	(2,639)	(852)	(1,418)	(4,909)	4,903
Balance at end of period	8,246	(4,178)	2,075	6,143	211,594

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

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

(Millions of yen)

	Year ended March 31, 2019	Year ended March 31, 2020
<b>Cash flows from operating activities</b>		
Profit before income taxes	29,369	27,641
Depreciation	9,684	11,767
Loss (gain) on sales and retirement of non-current assets	838	73
Loss (gain) on sales of investment securities	(4,864)	(3,196)
Subsidy income	(50)	-
Increase (decrease) in retirement benefit liability	259	555
Interest and dividend income	(1,128)	(1,059)
Interest expenses	270	288
Foreign exchange losses (gains)	(1,198)	(1,212)
Share of loss (profit) of entities accounted for using equity method	(17)	153
Decrease (increase) in trade receivables	786	9,511
Decrease (increase) in inventories	(5,336)	(1,211)
Increase (decrease) in trade payables	(2,278)	(751)
Decrease/increase in consumption taxes receivable/payable	476	(551)
Other, net	(1,603)	(277)
Subtotal	25,208	41,731
Interest and dividends received	1,215	1,096
Interest paid	(276)	(286)
Extra retirement payments	-	(2,601)
Income taxes paid	(5,409)	(6,893)
Net cash provided by (used in) operating activities	20,738	33,047
<b>Cash flows from investing activities</b>		
Payments into time deposits	(1,868)	(388)
Proceeds from withdrawal of time deposits	1,915	398
Purchase of property, plant and equipment	(7,127)	(5,122)
Proceeds from sales of property, plant and equipment	13	75
Purchase of intangible assets	(5,606)	(4,760)
Purchase of investment securities	(11)	(8)
Proceeds from sales and redemption of investment securities	6,565	5,749
Proceeds from liquidation of subsidiaries and associates	-	2,304
Other, net	(108)	57
Net cash provided by (used in) investing activities	(6,227)	(1,695)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	27	(46)
Proceeds from long-term borrowings	12,488	4,000
Repayments of long-term borrowings	(16,500)	-
Redemption of bonds	-	(10,000)
Purchase of treasury shares	(8)	(5,011)
Proceeds from sales of treasury shares	0	0
Repayments of lease obligations	(625)	(2,242)
Dividends paid	(12,316)	(11,616)
Net cash provided by (used in) financing activities	(16,934)	(24,915)
<b>Effect of exchange rate change on cash and cash equivalents</b>	77	(1,474)
<b>Net increase (decrease) in cash and cash equivalents</b>	(2,346)	4,963
<b>Cash and cash equivalents at beginning of period</b>	134,554	132,208
<b>Increase (decrease) in cash and cash equivalents resulting from changes in accounting period of consolidated subsidiaries</b>	-	(2,857)
<b>Cash and cash equivalents at end of period</b>	132,208	134,314

## **(5) Notes to Consolidated Financial Statements**

### **Notes on Premise of Going Concern**

Not applicable.

### **Changes in Accounting Policies**

#### **Application of IFRS 16 “Leases”**

At subsidiaries adopting IFRS, IFRS 16 “Leases” (hereinafter referred to as “IFRS 16”) has been applied from the fiscal year ended March 31, 2020. Due to this application, lessees, in principle, record all leases as assets and liabilities on the balance sheets. In applying the accounting standard, retained earnings have been adjusted for cumulative effects of the application at the beginning of the fiscal year ended March 31, 2020 in line with the transitional treatment of the standard.

As a result, on the Consolidated Balance Sheet for the fiscal year ended March 31, 2020, the balance of “property, plant and equipment” increased by 3,546 million yen, “other” in current liabilities increased by 1,325 million yen, and “other” in non-current liabilities increased by 2,307 million yen. The effect of this change in accounting policy on the Consolidated Statement of Income and information per share during the fiscal year ended March 31, 2020 is immaterial.

In Consolidated Statements of Changes in Net Assets, the beginning balance of retained earnings for the current period declined 55 million yen, as the cumulative effect of the change was reflected on the net assets at the beginning of the fiscal year ended March 31, 2020.

## 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, 2019

(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	257,354	33,821	6,986	298,161	-	298,161
(2) Intersegment	4	168	6,782	6,954	(6,954)	-
Total	257,358	33,989	13,768	305,115	(6,954)	298,161
Segment profit (loss)	38,232	(910)	336	37,658	(7,396)	30,262
Segment assets	196,340	37,903	15,820	250,063	107,467	357,530
Others						
Depreciation	6,746	2,044	376	9,166	518	9,684
Amortization of goodwill	65	11	-	76	-	76
Investment to entities accounted for using equity method	-	-	2,719	2,719	-	2,719
Increase in property, plant and equipment and intangible assets	7,682	2,856	539	11,077	969	12,046

Notes: 1. Adjustments are as shown below:

- (1) The 7,396 million yen downward adjustment to segment profit (loss) includes corporate expenses of 7,396 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 107,467 million yen adjustment to segment assets includes corporate assets of 107,536 million yen that are not allocated to any reportable segments.
  - (3) The 518 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
  - (4) The 969 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, 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.