

Consolidated Results for the Fiscal Year Ended February 28, 2019 [Japan GAAP]

April 11, 2019

Listed company name: YASKAWA Electric Corporation

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

Representative: Hiroshi Ogasawara, Representative Director, President

Stock exchange listings: Tokyo (First section), Fukuoka

Stock ticker number: 6506

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

1. Summary of Consolidated Results for the Fiscal Year Ended February 28, 2019 (from March 1, 2018 to February 28, 2019)

(1) Consolidated Statements of Income

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Year ended February 28, 2019	474,638	-	49,766	-	50,844	-	41,164	-
Year ended February 28, 2018	448,523	-	54,126	-	55,300	-	39,749	-

Note: Comprehensive income

Year ended February 28, 2019: 34,729 million yen (-%)

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

	Earnings per share (basic, Yen)	Earnings per share (diluted, Yen)	Return on shareholders' equity (%)	Return on assets (%)	Operating income ratio (%)
Year ended February 28, 2019	155.86	-	17.1	11.3	10.5
Year ended February 28, 2018	149.35	-	18.3	13.3	12.1

Reference: Equity in earnings of affiliated companies

Year ended February 28, 2019: ¥1,456 million

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

Note1: The Company changed its accounting period in fiscal 2017 from March 20 to the last day of February. As a transitional year for this change, the fiscal year ended February 2018 was from March 21, 2017 to February 28, 2018. Therefore, the percentage changes from the previous fiscal year are not shown.

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

(2) Consolidated Financial Position

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

	Total assets	Net assets	Shareholders' equity ratio (%)	Net assets per share (Yen)
As of February 28, 2019	455,957	249,753	54.1	935.27
As of February 28, 2018	441,249	238,626	53.5	886.66

Reference: Shareholders' equity

As of February 28, 2019: ¥246,737million

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

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
Year ended February 28, 2019	32,832	-27,111	-8,754	39,289
Year ended February 28, 2018	46,054	-18,852	-14,820	42,213

2. Dividends

	Dividends per share (yen)					Annual cash dividends paid (Millions of yen)	Dividend payout ratio (% Consolidated)	Dividend on net assets (% Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual total			
Year ended February 28, 2018	-	20.00	-	20.00	40.00	10,662	26.8	4.9
Year ended February 28, 2019	-	26.00	-	26.00	52.00	13,757	33.4	5.7
Year ending February 28, 2020 (forecasts)	-	26.00	-	26.00	52.00		38.9	

Note: Annual cash dividends paid includes dividends for the shares of the Company (9 million yen for the year ended February 28, 2018 and 14 million yen for the year ended February 28, 2019) held as trust asset of Board Benefit Trust (BBT) and Employee Stock Ownership Plan (J-ESOP).

3. Projected Consolidated Results for the Fiscal Year Ending February 29, 2020

(from March 1, 2019 to February 29, 2020)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Earnings per share (Yen)
Year ending February 29, 2020	465,000	-2.0%	46,500	-6.6%	48,000	-5.6%	35,000	-15.0%	135.43

Reference: These forecasts are based on average exchange rate assumptions of 1 USD = 110 JPY and 1 EUR = 125 JPY during the period from March 1, 2019 to February 29, 2020.

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

***Notes:**

(1) Major Change in Scope of Consolidation: No

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

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

(3) Number of Common Shares Outstanding

	Year ended February 28, 2019	Year ended February 28, 2018
The number of shares outstanding including treasury shares at the end of period	266,690,497	266,690,497
The number of treasury shares at the end of period	2,877,251	674,399
Average number of shares during period	264,120,233	266,149,525

Note: The number of treasury shares includes the shares of the Company (284,800 shares as of February 28, 2019 and 290,100 shares as of February 28, 2018) held by “Board Benefit Trust (BBT)” and “Employee Stock Ownership Plan (J-ESOP).” The shares of the Company held by BBT and J-ESOP are included in treasury shares deducted in calculating the average number of shares during period. (286,454 shares for the year ended February 28, 2019 and 154,315 shares for the year ended February 28, 2018)

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

*About the appropriate use of business forecasts and other matters

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

The Company will hold an information meeting for securities analysts and institutional investors in Japan on April 12, 2019 (Friday).

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1. Business Results

Overview on Business Performance

Business Performance of fiscal 2018 (Fiscal year ended February 28, 2019)

The Company changed its accounting period from March 20 to the last day of February in the previous fiscal year. Due to the difference in the periods of fiscal 2018 (from March 1, 2018 to February 28, 2019) and fiscal 2017 (from March 21, 2017 to February 28, 2018), performance changes from the previous fiscal year are not shown.

The business environment of the Yaskawa Group in fiscal 2018 was favorable in the beginning with the high demand for sophistication and automation of production equipment. However, at the middle of the fiscal year, the smartphone-related demand entered a lull, and the demand for semiconductor-related capital expenditures fell rapidly. Also the effects of the U.S.-China trade friction expanded, and cautious stance on capital expenditures was seen in the manufacturing sector overall.

In this environment, the Yaskawa group's performance was steady overall by properly capturing the global automotive-related demand, while being affected by the slowdown in the Chinese market. As a result, record-high sales were achieved.

<Management environment of each region>

Japan:

We enjoyed solid environment created by the demand for improvement of production efficiency mainly in the automotive sector, while the demand for semiconductor-related capital expenditures dropped in the second half of the fiscal year.

U.S.:

Machine tool- and oil&gas-related demand remained steady on the back of sustained economic growth. However, we saw slowdown in semiconductor-related capital expenditures in the second half of the fiscal year.

Europe:

We enjoyed favorable environment due to robust demand for automotive-related capital expenditures. The clean power business also enjoyed positive environment on the back of aggressive investment made in the large-scale wind turbines.

China:

The smartphone-related demand, which was strong in the previous fiscal year, fell rapidly. The escalation of U.S.-China trade friction and funding difficulties as a result of tight monetary policy led to the reduction in the capital expenditures in the manufacturing sector overall.

Other Asian Countries:

Although the semiconductor- and OLED-related demand mainly in South Korea stagnated, the automotive-related capital expenditures were steady.

The business performance of fiscal 2018 is as follows.

	Fiscal year ended February 28, 2018	Fiscal year ended February 28, 2019	Change
Net sales	448,523 million JPY	474,638 million JPY	-
Operating income	54,126 million JPY	49,766 million JPY	-
Ordinary income	55,300 million JPY	50,844 million JPY	-
Profit attributable to owners of parent	39,749 million JPY	41,164 million JPY	-
Average exchange rate for USD	111.46 JPY	110.49 JPY	-0.97 JPY
Average exchange rate for EUR	128.75 JPY	128.88 JPY	+0.13 JPY
Average exchange rate for CNY	16.71 JPY	16.56 JPY	-0.15 JPY
Average exchange rate for KRW	0.099 JPY	0.099 JPY	±0.000 JPY

Performance by Business Segment

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

The performance of each business segment for fiscal 2018 is as follows.

Motion Control	Net sales	205,423 million JPY
	Operating income	33,907 million JPY
<p>Motion Control segment is comprised of AC servo & controller business and drives business. While the drives business saw steady sales globally, AC servo & controller business saw sales decline in China and Asia, which led to stagnant segment results.</p> <p><AC servo & controller business></p> <ul style="list-style-type: none"> Both sales and profits stagnated due to rapid decline in the smartphone- and semiconductor-related capital expenditure demand from the middle of fiscal year, as well as the slowdown in capital expenditures in the Chinese manufacturing sector overall, which was affected by the U.S.-China trade friction. <p><Drives business></p> <ul style="list-style-type: none"> Steady sales were achieved globally due to solid oil&gas-related demand in the U.S. We also enjoyed high profitability through high-value added products, which were achieved by enhancing our offering of solutions to customers' challenges. 		
Robotics	Net sales	177,995 million JPY
	Operating income	17,298 million JPY
<p>Sales were strong on the back of solid automotive-related demand. However, profitability stagnated due to drop in the operation ratio caused mainly by the abrupt slowdown in demand from general industries in China.</p> <ul style="list-style-type: none"> Automobile-related sales for core products such as welding and painting robots remained high level globally. Sales in Europe especially grew significantly. Sales for general industries stagnated due to the effect from the drop in the smartphone-related demand which was strong in the previous fiscal year. 		

System Engineering	Net sales	59,463 million JPY
	Operating loss	65 million JPY
<p>Sales were steady, and the segment turned into the black due to cost reduction through restructuring of clean power business.</p> <ul style="list-style-type: none"> • Steel plant and social system businesses were solid by capturing the need for facility renovation mainly in Japan. • As for the clean power business, sales in Europe significantly grew as we properly captured projects related to large-scale wind turbines. However, the PV inverter sales in the U.S. stagnated. 		
Other	Net sales	31,755 million JPY
	Operating loss	446 million JPY
<p>Other segment is comprised of IT-related business and logistics business. Sales and operating income remained steady due to the temporary effect from reorganization of subsidiaries and newly consolidated subsidiaries, as well as the start of commercial production of EV-related products.</p>		

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

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

3. Consolidated Financial Statements

1) Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2018	As of February 28, 2019
Assets		
Current assets		
Cash and deposits	42,279	39,320
Notes and accounts receivable — trade	142,039	136,201
Merchandise and finished goods	58,640	66,668
Work in process	19,311	19,221
Raw materials and supplies	22,100	25,599
Deferred tax assets	9,369	8,937
Other	13,951	12,561
Allowance for doubtful accounts	-2,695	-2,379
Total current assets	304,995	306,130
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,067	42,490
Machinery, equipment and vehicles, net	14,576	19,109
Land	8,650	8,583
Construction in progress	6,974	3,124
Other, net	5,687	6,834
Total property, plant and equipment	67,956	80,142
Intangible assets		
Goodwill	2,931	6,797
Software	9,457	8,042
Other	9,650	14,209
Total intangible assets	22,039	29,050
Investments and other assets		
Investment securities	37,061	28,865
Net defined benefit asset	54	9
Deferred tax assets	5,840	6,591
Other	3,680	5,587
Allowance for doubtful accounts	-379	-420
Total investments and other assets	46,258	40,632
Total non-current assets	136,254	149,826
Total assets	441,249	455,957

(Millions of yen)

	As of February 28, 2018	As of February 28, 2019
Liabilities		
Current liabilities		
Notes and accounts payable — trade	84,795	71,823
Short-term loans payable	22,498	28,991
Accrued expenses	24,038	25,862
Income taxes payable	6,338	798
Provision for directors' bonuses	59	70
Provision for product warranties	1,480	1,285
Other	22,462	24,800
Total current liabilities	161,673	153,632
Non-current liabilities		
Long-term loans payable	8,977	16,858
Provision for directors' retirement benefits	202	232
Provision for stocks payment	367	707
Provision for product warranties	785	796
Net defined benefit liability	25,917	27,148
Other	4,698	6,828
Total non-current liabilities	40,949	52,571
Total liabilities	202,623	206,203
Net assets		
Shareholders' equity		
Capital stock	30,562	30,562
Capital surplus	27,717	27,638
Retained earnings	164,360	193,333
Treasury shares	-1,338	-12,487
Total shareholders' equity	221,301	239,047
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,961	6,948
Deferred gains or losses on hedges	13	15
Foreign currency translation adjustment	4,126	1,959
Remeasurements of defined benefit plans	-538	-1,232
Total accumulated other comprehensive income	14,563	7,690
Non-controlling interests	2,761	3,015
Total net assets	238,626	249,753
Total liabilities and net assets	441,249	455,957

2) Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	Fiscal year ended February 28, 2018	Fiscal year ended February 28, 2019
Net sales	448,523	474,638
Cost of sales	294,348	317,946
Gross profit	154,174	156,692
Selling, general and administrative expenses	100,048	106,926
Operating profit	54,126	49,766
Non-operating income		
Interest income	237	355
Dividend income	370	478
Share of profit of entities accounted for using equity method	1,861	1,456
Subsidy income	533	1,105
Gain on bad debts recovered	347	—
Other	300	175
Total non-operating income	3,651	3,572
Non-operating expenses		
Interest expenses	594	597
Foreign exchange losses	1,625	1,459
Other	257	436
Total non-operating expenses	2,477	2,494
Ordinary profit	55,300	50,844
Extraordinary income		
Gain on sales of non-current assets	335	42
Gain on sales of investment securities	1,144	87
Gain on sales of shares of subsidiaries and associates	0	—
Gain on liquidation of subsidiaries and associates	7	—
Gain on acquisition of subsidiary	—	6,014
Gain on exchange from business combination	25	—
Other	0	4
Total extraordinary income	1,513	6,148
Extraordinary losses		
Loss on sales and retirement of non-current assets	94	383
Loss on valuation of investment securities	446	670
Loss on valuation of shares of subsidiaries and associates	7	399
Loss on sales of shares of subsidiaries and associates	20	—
Loss on valuation of investments in capital of subsidiaries and associates	—	204
Impairment loss	2,677	1,166
Other	11	6
Total extraordinary losses	3,257	2,829
Profit before income taxes	53,556	54,163
Income taxes — current	14,426	10,817
Income taxes — deferred	-1,339	1,679
Total income taxes	13,087	12,497
Profit	40,469	41,666
Profit attributable to non-controlling interests	720	501
Profit attributable to owners of parent	39,749	41,164

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended February 28, 2018	Fiscal year ended February 28, 2019
Profit	40,469	41,666
Other comprehensive income		
Valuation difference on available-for-sale securities	2,251	-3,884
Deferred gains or losses on hedges	-83	2
Foreign currency translation adjustment	2,587	-2,078
Remeasurements of defined benefit plans, net of tax	1,397	-850
Share of other comprehensive income of entities accounted for using equity method	599	-125
Total other comprehensive income	6,753	-6,936
Comprehensive income	47,222	34,729
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	46,423	34,291
Comprehensive income attributable to non-controlling interests	798	437

3) Consolidated Statements of Changes in Net Assets

Fiscal 2017 (From March 21, 2017 to February 28, 2018)

(Millions of yen)

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

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

Fiscal 2018 (From March 1, 2018 to February 28, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,562	27,717	164,360	-1,338	221,301
Changes of items during period					
Dividends of surplus			-12,190		-12,190
Profit attributable to owners of parent			41,164		41,164
Purchase of treasury shares				-9,395	-9,395
Disposal of treasury shares		-0		24	24
Change in ownership interest of parent due to transactions with non-controlling interests		-78			-78
Change of scope of consolidation				-1,778	-1,778
Net changes of items other than shareholders' equity					
Total changes of items during period	—	-78	28,973	-11,149	17,745
Balance at end of current period	30,562	27,638	193,333	-12,487	239,047

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	10,961	13	4,126	-538	14,563	2,761	238,626
Changes of items during period							
Dividends of surplus							-12,190
Profit attributable to owners of parent							41,164
Purchase of treasury shares							-9,395
Disposal of treasury shares							24
Change in ownership interest of parent due to transactions with non-controlling interests							-78
Change of scope of consolidation							-1,778
Net changes of items other than shareholders' equity	-4,013	2	-2,167	-694	-6,872	254	-6,618
Total changes of items during period	-4,013	2	-2,167	-694	-6,872	254	11,126
Balance at end of current period	6,948	15	1,959	-1,232	7,690	3,015	249,753

4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended February 28, 2018	Fiscal year ended February 28, 2019
Cash flows from operating activities		
Profit before income taxes	53,556	54,163
Depreciation	12,691	14,314
Impairment loss	2,677	1,166
Amortization of goodwill	1,106	955
Gain on acquisition of subsidiary	—	-6,014
Increase (decrease) in allowance for doubtful accounts	51	-509
Decrease in net defined benefit liability	-197	-1,690
Increase (decrease) in provision for directors' retirement benefits	27	-30
Increase (decrease) in provision for directors' bonuses	-6	10
Increase in provision for stocks payment	367	363
Increase (decrease) in provision for product warranties	398	-153
Loss (gain) on sales and retirement of non-current assets	-241	340
Gain on sales of investment securities	-1,144	-87
Loss on sales of shares of subsidiaries and associates	20	—
Gain on sales of investment in capital of subsidiaries and associates	-0	—
Loss on valuation of investment securities	446	670
Loss on valuation of shares of subsidiaries and associates	7	399
Loss on valuation of investments in capital of subsidiaries and associates	—	204
Interest and dividend income	-608	-834
Interest expenses	594	597
Decrease (increase) in notes and accounts receivable - trade	-5,385	16,906
Increase in inventories	-19,080	-9,106
Increase (decrease) in notes and accounts payable - trade	13,573	-22,732
Increase (decrease) in accounts payable - other	71	-1,724
Decrease (increase) in consumption taxes refund receivable	-1,758	855
Other, net	-802	80
Subtotal	56,366	48,145
Interest and dividend income received	2,306	1,792
Interest expenses paid	-590	-610
Income taxes paid	-12,027	-16,494
Net cash provided by operating activities	46,054	32,832
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-17,751	-23,057
Proceeds from sales of property, plant and equipment and intangible assets	423	289
Purchase of investment in securities	-2,808	-1,458
Proceeds from sales and redemption of investment securities	1,367	98
Purchase of shares of subsidiaries	—	-1,181

Purchase of investment of subsidiaries resulting in change in scope of consolidation	—	-3,058
Proceeds from purchase of investment of subsidiaries resulting in change in scope of consolidation	—	1,353
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	371	—
Other, net	-455	-97
Net cash used in investing activities	-18,852	-27,111

(Millions of yen)

	Fiscal year ended February 28, 2018	Fiscal year ended February 28, 2019
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-4,418	15,412
Proceeds from long-term loans payable	5,320	10,697
Repayments of long-term loans payable	-6,224	-12,114
Purchase of treasury shares	-1,040	-9,390
Cash dividends paid	-7,997	-12,190
Dividends paid to non-controlling interests	-232	-418
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation t	—	-140
Other, net	-227	-608
Net cash used in financing activities	-14,820	-8,754
Effect of exchange rate change on cash and cash equivalents	96	109
Net increase (decrease) in cash and cash equivalents	12,478	-2,924
Cash and cash equivalents at beginning of period	29,735	42,213
Cash and cash equivalents at end of period	42,213	39,289

5) Notes to the Consolidated Financial Statements
(Notes Pertaining to the Presumption of a Going Concern)

None

(Segment Information)

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

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

Notes

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

	Fiscal 2018 (March 1, 2018 - February 28, 2019)					(Millions of yen)	
	Motion Control	Robotics	System Engineering	Other *1	Total	Adjustment *2	Amounts in consolidated financial statements *3
Sales							
Sales to external customers	205,423	177,995	59,463	31,755	474,638	-	474,638
Intersegment sales and transfers	19,593	4,098	1,922	17,816	43,430	-43,430	-
Total sales	225,017	182,094	61,386	49,571	518,069	-43,430	474,638
Segment operating income (loss)	33,907	17,298	65	446	51,717	-1,951	49,766
Segment assets	149,994	164,571	63,254	32,454	410,275	45,681	455,957
Other items							
Depreciation and amortization	6,436	5,693	1,660	504	14,294	19	14,314
Goodwill amortization	-	197	562	35	796	159	955
Increase in property, plant and equipment and intangible assets	13,660	7,544	5,309	756	27,271	8,383	35,654

Notes

1. IT-related business and logistics services, etc. are included in the Other segment.
2. Adjustment in the segment operating income(loss) of -1,951 million yen includes expenses in basic research and other activities that do not belong to any reportable segments.
3. Segment operating income has been adjusted to consolidated operating income described in the consolidated financial statements.

(Per Share Information)

(Yen)

	Fiscal 2017 (March 21, 2017 - February 28, 2018)	Fiscal 20178 (March 1, 2018 - February 28, 2019)
Net assets per share	886.66	935.27
Earnings per share (basic)	149.35	155.86

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

Note2: The shares of the Company remaining in Board Benefit Trust (BBT) and Employee Stock Ownership Plan (J-ESOP) recorded as treasury shares in shareholders' equity are included in treasury shares deducted from outstanding shares at end of period in calculating net assets per share, and they are included in treasury shares deducted to calculate average number of shares during period in calculating earnings per share. The number of treasury shares at end of period deducted in calculating net assets per share is 290 thousand for fiscal 2017 and 284 thousand for fiscal 2018, and average number of shares during period deducted in calculating earnings per share is 154 thousand for fiscal 2017 and 286 thousand for fiscal 2018.

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

	Fiscal 2017 (March 21, 2017 - February 28, 2018)	Fiscal 20178 (March 1, 2018 - February 28, 2019)
Earnings per share (basic)		
Profit attributable to owners of parent	39,749	41,164
Profit not available to common shareholders (Millions of yen)	-	-
Profit available to common shareholders (Millions of yen)	39,749	41,164
Weighted average number of shares outstanding (Thousands)	266,149	264,120

(Subsequent Events)

(Acquisition of Treasury Stock)

The Company decided at the board meeting held on April 11, 2019 to acquire treasury stock based on the provisions of the Articles of Incorporation under the provisions of Section 1 of Article 459 of the Companies Act.

1. Reason for the acquisition of treasury stock

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

2. Items concerning acquisition

- | | |
|--|--|
| (1) Type of shares acquired | Common shares |
| (2) Number of shares acquired | 2,000,000 shares (Maximum) |
| (3) Amount of shares acquired in value terms | 9,000,000,000 yen (Maximum) |
| (4) Period for acquisition | From April 15, 2019 to June 28, 2019 |
| (5) Method of acquisition | Market purchases through Tokyo Stock Exchange
(Market purchases based on the discretionary dealing contract
regarding own shares purchase) |