

## Consolidated Financial Highlights for the Year Ended March 31, 2018 [under Japanese GAAP]

Company name : **SMC Corporation**  
 Stock exchange listing : **Tokyo Stock Exchange first section**  
 Security code : **6273**  
 URL : <http://www.smcworld.com/ir/en/>  
 Representative : **Katsunori Maruyama, President**  
 Contact person : **Ikuji Usui, Director and Senior Managing Executive Officer**  
 Projected date of annual shareholders' meeting : **June 27, 2018**  
 Projected date of filing Annual report : **June 27, 2018**  
 Projected starting date of dividend payment : **June 28, 2018**

### 1. Consolidated Financial Highlights for the Year Ended March 31, 2018

(April 1, 2017 to March 31, 2018)

(Millions of yen, except per share figures)

#### (1) Consolidated Operating Results

Fiscal Year ended March 31	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
2018	591,035 21.2%	192,428 36.4%	196,846 32.8%	136,869 21.0%
2017	487,625 2.5%	141,107 5.1%	148,237 14.7%	113,095 22.7%

Fiscal Year ended March 31	Net income per share (Yen)	Net income per share (diluted basis) (Yen)	Return on equity	Return on assets	Operating income ratio
2018	2,036.33	—	12.6%	15.4%	32.6%
2017	1,683.12	—	11.5%	12.8%	28.9%

(Note) Comprehensive Income Year ended March 31, 2018 : ¥ 146,163 million 43.4%  
 Year ended March 31, 2017 : ¥ 101,936 million 202.9%  
 Profit/Loss on equity method Year ended March 31, 2018 : —  
 Year ended March 31, 2017 : —

#### (2) Consolidated Financial Positions

As of March 31	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
2018	1,360,883	1,150,416	84.3%	17,067.08
2017	1,192,444	1,030,369	86.2%	15,292.53

(Note) Shareholders' equity As of March 31, 2018 : ¥ 1,147,245 million  
 As of March 31, 2017 : ¥ 1,027,607 million

#### (3) Consolidated Cash Flows

Fiscal Year ended March 31	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at the end of period
2018	154,315	(70,658)	(36,785)	322,690
2017	120,949	(90,365)	(45,507)	277,449

## 2. Dividends

For the year ended March 31	Dividend per share (Yen)					Total dividends	Dividend ratio	Dividend on equity
	1Q	2Q	3Q	4Q	Total			
2017(Actual)	—	100.00	—	200.00	300.00	20,158	17.8%	2.0%
2018(Actual)	—	200.00	—	200.00	400.00	26,887	19.6%	2.5%
2019(Projected)	—	*	—	*	*		—	

(Notes) Breakdown of the dividend per share      2017 4Q (Actual) Ordinary dividend: ¥100.00      Special dividend: ¥100.00  
 2018 2Q (Actual) Ordinary dividend: ¥100.00      Special dividend: ¥100.00  
 2018 4Q (Actual) Ordinary dividend: ¥100.00      Special dividend: ¥100.00

\* Dividends for 2019 2Q and 4Q are not determined yet.

## 3. Forecasts of Consolidated Operating Results for the Year Ending March 31, 2019

(Millions of yen, except per share figures)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share (Yen)
Half year ending September 30, 2018	305,000	4.7%	100,000	4.8%	102,500	(0.9%)	71,500	(3.4%)	1,063.67
Year ending March 31, 2019	610,000	3.2%	200,000	3.9%	205,000	4.1%	143,000	4.5%	2,127.35

### \* Notes

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2018: None

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

1. Changes in accounting policies applied due to revisions of accounting standards: None

2. Changes in accounting policies other than the above: None

3. Changes in accounting estimates: None

4. Retrospective restatement: None

(3) Number of shares issued

(As of March 31, 2018) (As of March 31, 2017)

1. Number of common shares issued (including treasury shares)      67,369,359      67,369,359

2. Number of treasury shares      149,588      172,660

3. Average number of common shares for the year      67,213,727      67,193,970

### < Reference >

#### Non-consolidated Financial Highlights for the Year Ended March 31, 2018

(April 1, 2017 to March 31, 2018)

(Millions of yen, except per share figures)

#### (1) Non-consolidated Operating Results

Fiscal Year ended March 31	Net sales		Operating profit		Ordinary profit		Profit		Net income per share (Yen)
2018	394,581	24.9%	127,500	54.0%	126,784	45.4%	90,363	28.3%	1,344.42
2017	315,875	4.3%	82,791	(1.7%)	87,194	19.2%	70,423	39.3%	1,048.06

#### (2) Non-consolidated Financial Positions

As of March 31	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
2018	832,458	670,610	80.6%	9,976.38
2017	728,262	604,304	83.0%	8,993.07

(Note) Shareholders' equity      As of March 31, 2018 :      ¥ 670,610 million

As of March 31, 2017:      ¥ 604,304 million

\* These Consolidated Financial Highlights are not subject to audit procedures by the independent accounting auditor.

\* Explanation of appropriate use of financial forecasts; other special items

Forecasts are based on information and certain premises that we consider to be reasonable at the time we released these Consolidated Financial Highlights.

Some factors could cause actual results to differ from expectations.

# 1. Overview of Operating Results

## (1) Overview of the fiscal year under review

During the fiscal year under review, the global economic growth showed a recovery trend as a whole. Economic expansion continued in the US due to increases in personal consumptions and capital investments, capital investments and production activities picked up mainly in Euro zone in Europe, and high economic growth rate was maintained in China due to various policy effects. In Japan, under continuously stable employment conditions, exports and capital investments increased, and corporate performances improved as well.

Demands for automatic control equipment were steadily expanded in various industries such as electronics, machine tools and automobiles, as well as substantially increased in semi-conductor related industries in Japan, Asia and North America.

Under these circumstances, in order to respond to the strong demands from our customers, we SMC group strengthened our production systems both at home and abroad, while we promoted far-sighted expansion of production capability as well as developed products that meet the needs such as streamlining, cost reductions, energy savings and space savings, and continued to work on issues such as aggressive sales activities.

As a result, consolidated net sales for the fiscal year under review were 591,035 million yen (21.2% increase year on year). Operating profit was 192,428 million yen (36.4% increase) mainly due to a revenue growth and ordinary profit was 196,846 million yen (32.8% increase) despite increases in foreign exchange losses by strong yen toward the end of the fiscal year. Profit attributable to owners of parent was 136,869 million yen (21.0% increase).

ROE became 12.6%, increased by 1.1 points from the previous period.

## (2) Overview of financial positions

Total assets as of the end of the fiscal year under review increased 168,438 million yen (14.1%) yoy to 1,360,883 million yen, mainly due to increases in cash and deposits, notes and accounts receivable-trade, inventories and investment securities.

Total liabilities increased 48,390 million yen (29.9%) yoy to 210,466 million yen, mainly due to increases in notes and accounts payable-trade and income taxes payable.

Net assets increased 120,047 million yen (11.7%) yoy to 1,150,416 million yen, mainly due to increase in retained earnings.

## (3) Overview of cash flow

The balance of cash and cash equivalents (hereinafter “cash”) as of the end of the fiscal year under review was 322,690 million yen, which was increase of 45,241 million yen yoy.

### (Cash flow from operating activities)

Net cash provided by operating activities was 154,315 million yen (revenue increase of 33,365 million yen yoy) mainly due to positive results by increases in profit before income taxes, depreciation and increase in notes and accounts payable-trade, and due to negative results by increase in notes and accounts receivable-trade and increase in inventories and income taxes paid.

### (Cash flow from investment activities)

Net cash used in investing activities was 70,658 million yen (decrease of 19,707 million yen yoy) mainly due to purchase of property, plant and equipment and purchase of short-term and long-term investment securities (net of proceeds from sale and redemption).

### (Cash flow from financing activities)

Net cash used in financing activities was 36,785 million yen (decrease of 8,721 million yen yoy) mainly due to net decrease in short-term loans payable and cash dividends paid.

#### **(4) Outlook for the next fiscal year**

In terms of recent trends, rapid expansion of semiconductors has now stabilized and demands for other industries such as automobiles and machine tools have remained steady, while there have been concerns about effects of protectionist policies in various countries, which have made the outlook uncertain.

However, since the needs for investments in automation and labor-saving by overall industries including emerging countries with rapid growth are expected to continuously increase in the medium- and long-term, we SMC group will consistently carry out enhancement of our production capability in response to demand expansion, improvement of our sales and distribution systems and development of our information network.

Consolidated financial results for the next fiscal year are forecasted to be 610,000 million yen for net sales, 200,000 million yen for operating profit, 205,000 million yen for ordinary profit and 143,000 million yen for profit attributable to owners of parent on the assumption that exchange rates of the U.S. dollar against the yen, the euro against the yen and the Chinese yuan against yen are 105 yen, 130 yen and 16.50 yen, respectively.

## **2. Basic concept on selection of accounting standards**

SMC Group has adopted accounting standards based on Japanese GAAP.

For IFRS adoption, our policy is to respond appropriately based on domestic and international situation and trend of other companies while acquiring knowledge of IFRS and understanding difference between IFRS and Japanese GAAP.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
<b>[ASSETS]</b>		
<b>Current assets</b>		
Cash and deposits	459,874	506,436
Notes and accounts receivable-trade	141,057	162,637
Securities	22,401	37,074
Merchandise and finished goods	79,909	89,731
Work in process	15,001	18,210
Raw materials and supplies	84,274	97,717
Deferred tax assets	19,806	24,144
Other	14,421	28,829
Allowance for doubtful accounts	(818)	(697)
<b>Total current assets</b>	<b>835,928</b>	<b>964,085</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	74,603	73,203
Machinery, equipment and vehicles, net	28,332	28,444
Tools, furniture and fixtures, net	6,278	6,804
Land	32,705	35,391
Construction in progress	7,332	13,081
<b>Total property, plant and equipment</b>	<b>149,252</b>	<b>156,925</b>
<b>Intangible assets</b>		
Leasehold right	8,349	9,348
Other	2,710	2,408
<b>Total intangible assets</b>	<b>11,060</b>	<b>11,756</b>
<b>Investments and other assets</b>		
Investment securities	54,187	96,058
Net defined benefit asset	73	60
Insurance funds	122,966	126,861
Other	20,784	6,675
Allowance for doubtful accounts	(1,808)	(1,541)
<b>Total investments and other assets</b>	<b>196,203</b>	<b>228,115</b>
<b>Total non-current assets</b>	<b>356,516</b>	<b>396,798</b>
<b>Total assets</b>	<b>1,192,444</b>	<b>1,360,883</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	60,648	88,411
Short-term loans payable	11,735	1,640
Income taxes payable	20,066	33,935
Provision for bonuses	2,812	3,062
Other	34,177	46,101
<b>Total current liabilities</b>	<b>129,439</b>	<b>173,151</b>
<b>Non-current liabilities</b>		
Long-term loans payable	5,338	4,798
Deferred tax liabilities	11,374	17,877
Provision for directors' retirement benefits	869	890
Net defined benefit liability	8,427	7,022
Other	6,627	6,726
<b>Total non-current liabilities</b>	<b>32,635</b>	<b>37,315</b>
<b>Total liabilities</b>	<b>162,075</b>	<b>210,466</b>
<b>[NET ASSETS]</b>		
<b>Shareholders' equity</b>		
Capital stock	61,005	61,005
Capital surplus	72,871	73,372
Retained earnings	875,230	985,216
Treasury shares	(3,348)	(3,066)
<b>Total shareholders' equity</b>	<b>1,005,758</b>	<b>1,116,528</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	8,864	10,864
Foreign currency translation adjustment	14,459	20,594
Remeasurements of defined benefit plans	(1,475)	(742)
<b>Total accumulated other comprehensive income</b>	<b>21,848</b>	<b>30,716</b>
<b>Non-controlling interests</b>	<b>2,761</b>	<b>3,171</b>
<b>Total net assets</b>	<b>1,030,369</b>	<b>1,150,416</b>
<b>Total liabilities and net assets</b>	<b>1,192,444</b>	<b>1,360,883</b>

## (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

### 1. Consolidated Statement of Income

(Millions of yen)

	Year ended March 31, 2017	Year ended March 31, 2018
<b>Net sales</b>	<b>487,625</b>	<b>591,035</b>
<b>Cost of sales</b>	<b>244,476</b>	<b>286,381</b>
<b>Gross profit</b>	<b>243,148</b>	<b>304,654</b>
<b>Selling, general and administrative expenses</b>	<b>102,041</b>	<b>112,226</b>
<b>Operating profit</b>	<b>141,107</b>	<b>192,428</b>
<b>Non-operating income</b>		
Interest income	5,946	7,885
Gain on investments in insurance funds	716	927
Other	3,044	2,971
<b>Total non-operating income</b>	<b>9,707</b>	<b>11,784</b>
<b>Non-operating expenses</b>		
Loss on sales of securities	—	876
Foreign exchange losses	2,054	6,025
Other	523	465
<b>Total non-operating expenses</b>	<b>2,577</b>	<b>7,366</b>
<b>Ordinary profit</b>	<b>148,237</b>	<b>196,846</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	337	197
Gain on sales of investment securities	276	43
Other	28	17
<b>Total extraordinary income</b>	<b>642</b>	<b>259</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	81	94
Impairment loss	2,708	923
Loss on sales of investment securities	392	—
Other	25	20
<b>Total extraordinary losses</b>	<b>3,208</b>	<b>1,038</b>
<b>Profit before income taxes</b>	<b>145,671</b>	<b>196,067</b>
Income taxes - current	35,466	57,592
Income taxes for prior periods	(6,938)	—
Income taxes - deferred	3,726	1,305
<b>Total income taxes</b>	<b>32,254</b>	<b>58,897</b>
<b>Profit</b>	<b>113,417</b>	<b>137,169</b>
<b>Profit attributable to non-controlling interests</b>	<b>321</b>	<b>300</b>
<b>Profit attributable to owners of parent</b>	<b>113,095</b>	<b>136,869</b>

## 2. Consolidated Statement of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2017	Year ended March 31, 2018
<b>Profit</b>	<b>113,417</b>	<b>137,169</b>
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	6,053	2,101
Foreign currency translation adjustment	(17,892)	6,158
Remeasurements of defined benefit plans, net of tax	357	733
<b>Total other comprehensive income</b>	<b>(11,480)</b>	<b>8,993</b>
<b>Comprehensive income</b>	<b>101,936</b>	<b>146,163</b>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	101,562	145,737
Comprehensive income attributable to non-controlling interests	373	425



### (3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (from April 1, 2016 to March 31, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Net assets at beginning of the period	61,005	72,778	775,655	(3,411)	906,027
Changes of items during period					
Dividends of surplus			(13,438)		(13,438)
Profit attributable to owners of parent			113,095		113,095
Purchase of treasury shares				(20)	(20)
Disposal of treasury shares		92		83	175
Change of scope of consolidation			(81)		(81)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	92	99,575	63	99,730
Net assets at end of the period	61,005	72,871	875,230	(3,348)	1,005,758

	Other accumulated comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Net assets at beginning of the period	2,879	32,336	(1,833)	33,381	2,403	941,813
Changes of items during period						
Dividends of surplus						(13,438)
Profit attributable to owners of parent						113,095
Purchase of treasury shares						(20)
Disposal of treasury shares						175
Change of scope of consolidation						(81)
Net changes of items other than shareholders' equity	5,985	(17,876)	357	(11,533)	357	(11,175)
Total changes of items during period	5,985	(17,876)	357	(11,533)	357	88,555
Net assets at end of the period	8,864	14,459	(1,475)	21,848	2,761	1,030,369

**Consolidated fiscal year under review (from April 1, 2017 to March 31, 2018)**

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Net assets at beginning of the period	61,005	72,871	875,230	(3,348)	1,005,758
Changes of items during period					
Dividends of surplus			(26,883)		(26,883)
Profit attributable to owners of parent			136,869		136,869
Purchase of treasury shares				(30)	(30)
Disposal of treasury shares		501		312	814
Change of scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	501	109,986	282	110,769
Net assets at end of the period	61,005	73,372	985,216	(3,066)	1,116,528

	Other accumulated comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Net assets at beginning of the period	8,864	14,459	(1,475)	21,848	2,761	1,030,369
Changes of items during period						
Dividends of surplus						(26,883)
Profit attributable to owners of parent						136,869
Purchase of treasury shares						(30)
Disposal of treasury shares						814
Change of scope of consolidation						—
Net changes of items other than shareholders' equity	1,999	6,134	733	8,868	409	9,277
Total changes of items during period	1,999	6,134	733	8,868	409	120,047
Net assets at end of the period	10,864	20,594	(742)	30,716	3,171	1,150,416

#### (4) Consolidated Statement 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	145,671	196,067
Depreciation	14,246	15,252
Impairment loss	2,708	923
Increase (decrease) in allowance for doubtful accounts	(87)	(432)
Increase (decrease) in provision for directors' retirement benefits	59	20
Increase (decrease) in net defined benefit liability	(439)	(392)
Interest and dividend income	(6,513)	(8,379)
Interest expenses	153	110
Foreign exchange losses (gains)	(155)	5,094
Loss (gain) on sales of investment securities	115	(43)
Decrease (increase) in notes and accounts receivable-trade	(24,750)	(19,819)
Decrease (increase) in inventories	(206)	(25,951)
Increase (decrease) in notes and accounts payable-trade	6,483	26,882
Decrease (increase) in other current assets	(315)	(3,501)
Increase (decrease) in other current liabilities	3,782	3,840
Other, net	(920)	262
Subtotal	139,833	189,934
Interest and dividend income received	5,739	9,047
Interest expenses paid	(178)	(126)
Income taxes (paid) refund	(28,676)	(44,540)
Refund of income taxes for prior periods	4,232	—
<b>Net cash provided by operating activities</b>	<b>120,949</b>	<b>154,315</b>

(Millions of yen)

	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2018</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(114,485)	(118,580)
Proceeds from withdrawal of time deposits	73,585	110,455
Purchase of property, plant and equipment	(19,273)	(24,152)
Purchase of intangible assets	(4,953)	(1,364)
Purchase of short-term and long-term investment securities	(24,738)	(45,400)
Proceeds from sales and redemption of short-term and long-term investment securities	2,657	11,327
Payments of loans receivable	(235)	(779)
Collection of loans receivable	233	268
Purchase of insurance funds	(7,533)	(8,233)
Proceeds from maturity of insurance funds	3,995	4,099
Other, net	380	1,701
<b>Net cash used in investing activities</b>	<b>(90,365)</b>	<b>(70,658)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(30,200)	(10,070)
Proceeds from long-term loans payable	3,668	1,000
Repayments of long-term loans payable	(5,638)	(1,565)
Purchase of treasury shares	(20)	(30)
Cash dividends paid	(13,438)	(26,880)
Other, net	122	760
<b>Net cash used in financing activities</b>	<b>(45,507)</b>	<b>(36,785)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(4,837)</b>	<b>(1,630)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(19,760)</b>	<b>45,241</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>295,270</b>	<b>277,449</b>
<b>Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation</b>	1,939	—
<b>Cash and cash equivalents at the end of period</b>	<b>277,449</b>	<b>322,690</b>

## (5) Notes to consolidated financial statements

### (Notes on going-concern assumption)

N/A

### (Segment information, etc.)

#### [Segment information]

#### Reportable segment information on net sales, profit/loss and assets

#### Previous consolidated fiscal year (from April 1, 2016 to March 31, 2017)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment amount	Amount included in consolidated financial statements
	Automatic control equipment business				
Net sales					
Sales to external customers	485,723	1,902	487,625	—	487,625
Inter-segment sales or transfers	—	140	140	(140)	—
Total	485,723	2,043	487,766	(140)	487,625
Segment profit	145,633	158	145,792	(4,685)	141,107

#### Consolidated fiscal year under review (from April 1, 2017 to March 31, 2018)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment amount	Amount included in consolidated financial statements
	Automatic control equipment business				
Net sales					
Sales to external customers	589,044	1,991	591,035	—	591,035
Inter-segment sales or transfers	—	161	161	(161)	—
Total	589,044	2,152	591,197	(161)	591,035
Segment profit	197,902	189	198,091	(5,663)	192,428

**[Related information]****(1) Geographical Net sales**

(Millions of yen)

Fiscal Year ended March 31	Japan	United States	China	Asia (excl. China)	Europe	Other	Total
2017	152,597	63,980	85,766	85,536	79,367	20,376	487,625
2018	179,354	68,153	113,612	107,506	94,790	27,616	591,035

**(2) Geographical Property, plant and equipment**

(Millions of yen)

Fiscal Year ended March 31	Japan	China	Asia (excl. China)	Other	Total
2017	64,291	29,252	21,756	33,952	149,252
2018	65,884	29,986	26,665	34,389	156,925

**(Per share information)**

	Previous consolidated FY (April 1, 2016 – March 31, 2017)	Consolidated FY under review (April 1, 2017 – March 31, 2018)
Net asset per share	15,292.53 yen	17,067.08 yen
Net income per share	1,683.12 yen	2,036.33 yen

**(Significant subsequent events)**

N/A

## 4. Additional Information

### (1) Geographic segment information

(Millions of yen)

	Year ended March 31, 2018							
	Japan	North America	Europe	Asia	Other	Total	Intersegment Eliminations	Consolidated
Net sales								
(1) Sales to external customers	188,205	87,036	90,183	213,952	11,657	591,035	—	591,035
(2) Intersegment sales	230,545	4,893	1,575	55,122	26	292,163	(292,163)	—
Total	418,750	91,930	91,759	269,074	11,684	883,198	(292,163)	591,035
Operating profit	134,194	16,612	8,361	47,830	928	207,928	(15,500)	192,428

### (2) Consolidated capital expenditures, Depreciation and R&D expense

(Millions of yen)

	Year ended March 31, 2018 (Actual)		Year ending March 31, 2019 (Forecast)	
Capital expenditures	23,683	9.3%	40,000	68.9%
Depreciation	15,252	7.1%	16,800	10.1%
R&D expense	20,239	5.9%	21,300	5.2%

### (3) Foreign currency exchange rates

	Year ended March 31, 2018 (Actual)		Year ending March 31, 2019 (Forecast)
	(average)	(at end)	(average)
U S \$	¥ 110.85	¥ 106.27	¥ 105
E U R	¥ 129.63	¥ 130.58	¥ 130
C N Y	¥ 16.73	¥ 16.92	¥ 16.50

### (4) Consolidated full-time employees and temporary employees

(Number of personnel)

	Year ended March 31, 2018	increase from last year end
Full-time employees (at end)	19,680	489
Temporary employees (average)	5,787	648