

Summary of Consolidated Financial Statements for the First Quarter of Fiscal Year Ending December 31, 2018 (IFRS)



April 27, 2018

Name of listed company: Nabtesco Corporation

Stock listed on: First Section of the Tokyo Stock Exchange

Code number: 6268

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Scheduled date for filing of quarterly report: May 15, 2018

Scheduled dividend payment date: –

Quarterly material to supplement the financial results: Yes

Quarterly financial results conference: Yes (Teleconference for institutional investors and financial analysts)

(Amounts rounded to the nearest million)

1. Consolidated Results for the First Three-month Period of FY 2018 (January 1, 2018 to March 31, 2018)

(1) Consolidated Operating Results

(Percentages indicate year-on-year change)

	Net sales		Operating income		Income before tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First three-month period, FY 2018	71,954	12.3	6,713	10.7	12,338	46.3	9,959	50.7	9,520	47.3	7,712	40.4
First three-month period, FY 2017	64,055	12.5	6,062	5.4	8,435	47.4	6,610	84.3	6,462	81.7	5,494	–

	Total basic earnings per share	Diluted earnings per share
	Yen	Yen
First three-month period, FY 2018	76.82	76.80
First three-month period, FY 2017	52.31	52.29

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of March 31, 2018	307,552	180,306	170,832	55.5
As of December 31, 2017	301,557	177,002	167,537	55.6

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
FY 2017	–	34.00	–	38.00	72.00
FY 2018	–	–	–	–	–
FY 2018 (Forecast)	–	36.00	–	37.00	73.00

(Note) Revisions to the latest dividend forecasts: None

3. Forecast of Consolidated Operating Results for FY 2018 (January 1, 2018 to December 31, 2018)

(Percentages indicate year-on-year change for full year and quarter-on-quarter change for quarter)

	Net sales		Operating income		Income before tax		Net income attributable to owners of the parent		Total basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First six-month period ending June 30, 2018	150,000	12.5	14,500	5.4	15,700	(7.6)	10,500	(16.0)	85.12
Full year	308,000	9.1	32,600	10.6	35,900	2.8	25,700	2.2	208.34

(Note) Revisions to the latest forecast of operating results: None

* Matters of note:

(1) Changes in significant subsidiaries during the first quarter of consolidated FY 2018 (Changes in specified subsidiaries resulting in a change in the scope of consolidation): None
 Newly added: 0 (Company name: –) Excluded: 0 (Company name: –)

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: Yes

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

(3) Shares outstanding (Common shares)

1) Number of shares outstanding (including treasury stock) as of the end of the term

2) Amount of treasury stock

3) Average number of shares during the term

1)	As of March 31, 2018	125,133,799	As of December 31, 2017	125,133,799
2)	As of March 31, 2018	1,175,550	As of December 31, 2017	1,888,247
3)	January 1, 2018 to March 31, 2018	123,918,729	January 1, 2017 to March 31, 2017	123,529,332

Notes:

Quarterly summary of financial statements is not subject to quarterly reviews by a certified public accountant or an audit firm.

Explanation of proper use of forecasts of operating results and other matters of special note

Forward-looking statements in this document concerning future figures including forecasts for operating results, etc. are based on currently available information and certain assumptions that the Company considers reasonable, and are not intended to guarantee the achievement of such forecasts. Actual results may vary significantly from such forecasts due to a variety of factors. Please refer to "1. Qualitative Information on Consolidated Operating Results for the Three Months Ended March 31, 2018, (3) Explanation on Information Concerning Future Projections Such as Forecasts for Consolidated Operating Results" on page 4 of the attached document.

Table of Contents of Attached Documents

1. Qualitative Information on Consolidated Operating Results for the Three Months Ended March 31, 2018.....	2
(1) Analysis of Consolidated Operating Results	2
(2) Analysis of Financial Position	4
(3) Explanation on Information Concerning Future Projections Such as Forecasts for Consolidated Operating Results.....	4
2. Matters Related to Summary Information (Notes)	5
(1) Changes in Accounting Policies and Accounting Estimates	5
3. Summary of Quarterly Consolidated Financial Statements and Notes on the Summary of Quarterly Consolidated Financial Statements	6
(1) Summary of Quarterly Consolidated Statement of Financial Position	6
(2) Summary of Consolidated Statements of Income and Consolidated Statements of Comprehensive Income ..	8
(3) Consolidated Statement of Changes in Equity	10
(4) Notes on the Summary of Quarterly Consolidated Financial Statements	12
4. Other Information.....	14
(1) Order Backlog by Business Segment.....	14

1. Qualitative Information on Consolidated Operating Results for the Three Months Ended March 31, 2018

(1) Analysis of Consolidated Operating Results

The consolidated operating results of the Group for the period under review recorded net sales of ¥71,954 million and operating income of ¥6,713 million, reflecting the robust demand for industrial robots and sales to construction machinery in the Chinese market. Income before tax was ¥12,338 million, due to an increase in equity in earnings of affiliates. Net income attributable to owners of the parent amounted to ¥9,520 million.

1) Amount of orders received, net sales and operating income

The amount of orders received for the period under review decreased by ¥1,089 million, or 1.5%, year-on-year to ¥73,978 million. Net sales and operating income increased by ¥7,899 million, or 12.3%, and ¥651 million, or 10.7%, year-on-year, respectively, to ¥71,954 million and ¥6,713 million, respectively. Operating margin was 9.3%.

Operating results by business segment were as follows:

[Amount of orders received]

	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)	Change (%)
Component Solutions	28,773	30,183	4.9
Transport Solutions	19,097	20,420	6.9
Accessibility Solutions	22,808	18,651	(18.2)
Others	4,390	4,724	7.6
Total	75,067	73,978	(1.5)

(Million yen)

[Net sales]

	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)	Change (%)
Component Solutions	25,069	29,388	17.2
Transport Solutions	16,184	18,513	14.4
Accessibility Solutions	19,011	19,680	3.5
Others	3,790	4,373	15.4
Total	64,055	71,954	12.3

(Million yen)

[Operating income]

	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)	Change (%)
Component Solutions	4,480	5,254	17.3
Transport Solutions	1,358	1,562	15.0
Accessibility Solutions	1,359	1,370	0.8
Others	487	660	35.6
Elimination or Corporate	(1,622)	(2,133)	-
Total	6,062	6,713	10.7

(Million yen)

[Component solutions business]

The amount of orders received for component solutions increased by ¥1,411 million, or 4.9% year-on-year to ¥30,183 million. Net sales rose by ¥4,319 million, or 17.2%, to ¥29,388 million, while operating income increased by ¥774 million, or 17.3%, to ¥5,254 million.

Sales of precision reduction gears increased from the same period of the previous year, mainly reflecting robust demand for products for industrial robots and automation and labor-saving needs in production facilities. Sales of hydraulic equipment saw a year-on-year increase due to the rise in demand for construction machinery in the Chinese market.

[Transport solutions business]

The amount of orders received for transport solutions increased by ¥1,323 million, or 6.9% year-on-year to ¥20,420 million. Net sales rose by ¥2,329 million, or 14.4% year-on-year to ¥18,513 million, and operating income increased by ¥204 million, or 15.0%, to ¥1,562 million.

Railroad vehicle equipment saw net sales increase from the same period of the previous year due to robust order intake in Japan and growth in order intake for the Chinese subway. Sales of aircraft equipment increased year-on-year by capturing orders for the Ministry of Defense, despite a continued off-season in demand for private-sector aircraft due to the switch to the new B777 model. Sales of commercial vehicle equipment increased year-on-year, reflecting the robust domestic market. Marine vessel equipment saw net sales unchanged from the same period of the previous year due to continued sluggishness in the marine transport and shipbuilding markets.

[Accessibility solutions business]

The amount of orders received for accessibility solutions decreased by ¥4,157 million, or 18.2% year-on-year to ¥18,651 million. Net sales increased by ¥669 million, or 3.5% year-on-year to ¥19,680 million, and operating income increased by ¥11 million, or 0.8% year-on-year to ¥1,370 million.

Sales of automatic doors increased compared to the same period of the previous year, reflecting robust domestic demand.

[Others]

The amount of orders received for others increased by ¥334 million, or 7.6% year-on-year to ¥4,724 million. Net sales increased by ¥583 million, or 15.4% year-on-year to ¥4,373 million, while operating income rose by ¥173 million, or 35.6% year-on-year to ¥660 million.

Sales of packaging machinery increased from the same period of the previous year, on the back of robust sales both in Japan and abroad.

Reference: Information by region

[Net sales]

(Million yen)

	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)	Change (%)
Japan	37,619	41,015	9.0
China	7,365	10,394	41.1
Other Asia	4,629	4,904	5.9
North America	4,610	4,697	1.9
Europe	9,553	10,620	11.2
Other areas	278	324	16.7
Total	64,055	71,954	12.3

Notes: 1. Net sales are classified by country or region based on the location of the buyer.

2. The increase in net sales to China mainly reflected the increase in sales of hydraulic equipment and railroad vehicle equipment.

2) Quarterly income before tax

Finance income was ¥52 million and finance costs were ¥613 million, mainly reflecting the incurrence of foreign exchange losses. Equity in earnings of affiliates was ¥6,187 million, a ¥3,304 million (114.6%) year-on-year increase, reflecting a decline in the ratio of equity in an equity method affiliate of the Group due to the issuance of new shares and the sale of treasury shares by said equity method affiliate and a significant increase in net assets as of March 31, 2018. As a result, income before tax ended at ¥12,338 million, an increase of ¥3,904 million, or 46.3% year-on-year.

3) Quarterly net income attributable to owners of the parent

In sum, net income attributable to owners of the parent was ¥9,520 million, an increase of ¥3,058 million, or 47.3% year-on-year, net of expenses of income tax of ¥2,380 million and net profit attributable to non-controlling interests of ¥439 million.

Total basic earnings per share were ¥76.82, an increase of ¥24.51 year-on-year.

(2) Analysis of Financial Position

1) Assets, liabilities and equities

(Million yen)

	As of the end of the previous consolidated fiscal year (December 31, 2017)	As of the end of the first three-month period of the current consolidated fiscal year (March 31, 2018)	Change
Total assets	301,557	307,552	5,994
Liabilities	124,556	127,246	2,690
Equities	177,002	180,306	3,305

[Assets]

Total assets as of March 31, 2018 were ¥307,552 million, an increase of ¥5,994 million from December 31, 2017, consisting of ¥163,421 million in current assets and ¥144,130 million in non-current assets. The key contributing positive factor was the increase of ¥6,359 million in investments accounted for using the equity method.

[Liabilities]

Total liabilities as of March 31, 2018 were ¥127,246 million, an increase of ¥2,690 million from December 31, 2017, reflecting ¥100,446 million in current liabilities and ¥26,799 million in non-current liabilities. The main contributing positive factor was the rise of ¥2,749 million in other current liabilities.

[Equities]

Total equities as of March 31, 2018 stood at ¥180,306 million. Equity attributable to owners of the parent was ¥170,832 million, an increase of ¥3,296 million from December 31, 2017. The key contributing positive factor was the increase in retained earnings due to net income attributable to owners of the parent of ¥9,520 million, while the main contributing negative factors included decreases of ¥4,720 million in retained earnings due to dividend payment and ¥2,112 million in other components of equity due to the drop in exchange differences arising from exchange differences on foreign operations.

(3) Explanation on Information Concerning Future Projections Such as Forecasts for Consolidated Operating Results

We have not changed our forecasts for our consolidated business performance for the first six-month period of the fiscal year ending December 31, 2018 and full-year FY 2018, which were announced on February 9, 2018.

We are currently examining the uncertainty to our business performance due to changes in the market environment of our overseas subsidiaries. We will make an announcement concerning the impact on the forecasts for consolidated operating results as soon as it is determined.

2. Matters Related to Summary Information (Notes)

(1) Changes in Accounting Policies and Accounting Estimates

The Group has applied “revenues from contracts with customers” (IFRS 15) from the period under review. In applying IFRS 15, the Group adopts a method of recognizing the cumulative impact of the application on the day of the start of application, which is accepted as a transitional measure.

Following the application of IFRS 15, the Group recognizes revenues based on the five-step approach below.

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

1) Performance obligations that are satisfied at a point in time

The Group's main lines of business are the manufacture and sale of industrial robot components, equipment for construction machinery, brake systems and automatic door operating systems for railroad vehicles, aircraft components, brake systems and drive control units for vehicles, control systems for marine vessels, automatic door operating systems for buildings and general industry, and platform safety systems. In the sale of such products, the Group recognizes revenue principally at delivery of the product since the Group deems that performance obligation is satisfied when the customer gains control over the product at delivery in most cases. Revenue is measured by deducting discounts, rebates and returns from the compensation promised in the contract with customers.

2) Performance obligations that are satisfied over time

The Group satisfies its performance obligations and recognizes revenue over time if one of the following criteria is met, since control over a product or service is transferred over time:

- a. the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs;
- b. the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c. the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group's revenues concerning performance obligations that are satisfied over time include those for the performance obligation of platform safety systems. The revenue of platform safety systems is recognized by estimating the stage of completion. The stage of completion is calculated by the percentage of the actual cost of construction to the total estimated cost of construction (input method).

Due to the application of the standard, ¥1,527 million in contractual assets that were previously included in trade receivables under current assets and ¥7,283 million in contractual liabilities that were included in trade payables under current liabilities are indicated separately. This has no impact on net sales, operating income or net income.

3. Summary of Quarterly Consolidated Financial Statements and Notes on the Summary of Quarterly Consolidated Financial Statements

(1) Summary of Quarterly Consolidated Statement of Financial Position

(Million yen)

	Note No.	End of consolidated FY 2017 (as of December 31, 2017)	End of the first three-month period of consolidated FY 2018 (as of March 31, 2018)
Assets			
Current assets			
Cash and cash equivalents		44,121	42,785
Trade receivables		76,874	72,596
Contract assets		—	1,527
Other receivables		1,216	1,859
Inventories		40,298	42,174
Other financial assets		190	198
Other current assets		2,996	2,283
Total current assets		165,695	163,421
Non-current assets			
Property, plant and equipment		70,700	73,265
Intangible assets		5,850	5,524
Goodwill		21,310	20,669
Investment property		5,404	5,384
Investments accounted for using the equity method		20,184	26,543
Other financial assets		8,547	8,941
Deferred tax assets		1,633	1,610
Other non-current assets		2,236	2,194
Total non-current assets		135,863	144,130
Total assets		301,557	307,552

(Million yen)

	Note No.	End of consolidated FY 2017 (as of December 31, 2017)	End of the first three-month period of consolidated FY 2018 (as of March 31, 2018)
Liabilities and equities			
Liabilities			
Current liabilities			
Operating payables		57,148	51,121
Contract liabilities		–	7,283
Bonds and borrowings		16,365	16,209
Other payables		12,492	14,002
Income taxes payable		4,550	2,733
Provisions		732	707
Other financial liabilities		7	–
Other current liabilities		5,641	8,390
Total current liabilities		96,934	100,446
Non-current liabilities			
Bonds and borrowings		11,355	11,346
Liabilities concerning retirement benefit		9,339	9,323
Deferred tax liabilities		4,801	4,521
Other non-current liabilities		2,127	1,610
Total non-current liabilities		27,621	26,799
Total liabilities		124,556	127,246
Equities			
Capital stock		10,000	10,000
Share premium		14,956	14,944
Retained earnings		143,349	148,139
Treasury shares		(3,600)	(2,971)
Other components of equities		2,831	719
Equity attributable to owners of the parent		167,537	170,832
Non-controlling interests		9,465	9,474
Total equities		177,002	180,306
Total liabilities and equities		301,557	307,552

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

Summary of Consolidated Statements of Income

First Three-month Period

(Million yen)

	Note No.	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)
Net sales	2	64,055	71,954
Cost of sales		(45,739)	(51,770)
Gross profit		18,316	20,184
Other income		148	535
Selling, general and administrative expense		(12,046)	(13,935)
Other expenses		(357)	(72)
Operating income	2	6,062	6,713
Financial income		29	52
Financial costs		(539)	(613)
Equity in earnings of affiliates		2,883	6,187
Profit (loss) before tax		8,435	12,338
Expenses of income tax		(1,824)	(2,380)
Quarterly income		6,610	9,959
Quarterly income attributable to			
Owners of the parent		6,462	9,520
Non-controlling interests		148	439
Quarterly income		6,610	9,959
Quarterly income per share			
Basic earnings per share		52.31	76.82
Diluted earnings per share		52.29	76.80

Summary of Consolidated Statements of Comprehensive Income

First Three-month Period

(Million yen)

	Note No.	First three-month period of consolidated FY 2017 (January 1, 2017 to March 31, 2017)	First three-month period of consolidated FY 2018 (January 1, 2018 to March 31, 2018)
Quarterly income		6,610	9,959
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net changes in financial assets measured at fair value through other comprehensive income		(50)	(247)
Share of other comprehensive income for equity method affiliates		(11)	6
Total components that will not be reclassified to profit or loss		(61)	(241)
Components that will be reclassified to profit or loss			
Exchange differences on foreign operations		(1,055)	(2,006)
Total components that will be reclassified to profit or loss		(1,055)	(2,006)
Other comprehensive income after taxes		(1,116)	(2,247)
Total quarterly comprehensive income		5,494	7,712
Comprehensive income attributable to			
Owners of the parent		5,539	7,430
Non-controlling interests		(45)	282
Total comprehensive income		5,494	7,712

(3) Consolidated Statement of Changes in Equity

First three-month period of previous consolidated fiscal year (January 1, 2017 to March 31, 2017)

(Million yen)

	Note	Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equities	
						Exchange differences on foreign operations	Valuation difference due to change in fair value
Balance as of January 1, 2017		10,000	14,703	125,493	(2,649)	(2,788)	3,169
Net income		–	–	6,462	–	–	–
Other comprehensive income		–	–	–	–	(862)	(40)
Total comprehensive income		–	–	6,462	–	(862)	(40)
Acquisition, sales, etc. of treasury shares		–	–	(4)	36	–	–
Acquisition, sales, etc. of non-controlling interests		–	–	–	–	–	–
Dividends		–	–	(3,229)	–	–	–
Transfer from other components of equities to retained earnings		–	–	(21)	–	–	–
Share-based compensation transactions		–	(16)	–	–	–	–
Total transactions with owners, etc.		–	(16)	(3,253)	36	–	–
Balance as of March 31, 2017		10,000	14,687	128,701	(2,612)	(3,649)	3,129

	Note	Other components of equities		Total equity attributable to owners of the parent	Non-controlling interests	Total equities
		Remeasurements of net defined benefit liability (asset)	Total			
Balance as of January 1, 2017		–	382	147,929	7,974	155,904
Net income		–	–	6,462	148	6,610
Other comprehensive income		(21)	(923)	(923)	(193)	(1,116)
Total comprehensive income		(21)	(923)	5,539	(45)	5,494
Acquisition, sales, etc. of treasury share		–	–	33	–	33
Acquisition, sales, etc. of non-controlling interests		–	–	–	39	39
Dividends		–	–	(3,229)	(257)	(3,486)
Transfer from other components of equities to retained earnings		21	21	–	–	–
Share-based compensation transactions		–	–	(16)	–	(16)
Total transactions with owners, etc.		21	21	(3,212)	(217)	(3,430)
Balance as of March 31, 2017		–	(520)	150,256	7,712	157,968

First three-month period of current consolidated fiscal year (January 1, 2018 to March 31, 2018)

(Million yen)

	Note	Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equities	
						Exchange differences on foreign operations	Valuation difference due to change in fair value
Balance as of January 1, 2018		10,000	14,956	143,349	(3,600)	(773)	3,604
Net income		–	–	9,520	–	–	–
Other comprehensive income		–	–	–	–	(1,851)	(262)
Total comprehensive income		–	–	9,520	–	(1,851)	(262)
Acquisition, sales, etc. of treasury shares		–	–	(32)	133	–	–
Dividends		–	–	(4,720)	–	–	–
Transfer from other components of equities to retained earnings		–	–	23	–	–	–
Share-based compensation transactions		–	(12)	–	–	–	–
Others		–	–	–	496	–	–
Total transactions with owners, etc.		–	(12)	(4,729)	629	–	–
Balance as of March 31, 2018		10,000	14,944	148,139	(2,971)	(2,623)	3,342

	Note	Other components of equities		Total equity attributable to owners of the parent	Non-controlling interests	Total equities
		Remeasurements of net defined benefit liability (asset)	Total			
Balance as of January 1, 2018		–	2,831	167,537	9,465	177,002
Net income		–	–	9,520	439	9,959
Other comprehensive income		23	(2,090)	(2,090)	(157)	(2,247)
Total comprehensive income		23	(2,090)	7,430	282	7,712
Acquisition, sales, etc. of treasury shares		–	–	100	–	100
Dividends		–	–	(4,720)	(273)	(4,992)
Transfer from other components of equities to retained earnings		(23)	(23)	–	–	–
Share-based compensation transactions		–	–	(12)	–	(12)
Others		–	–	496	–	496
Total transactions with owners, etc.		(23)	(23)	(4,134)	(273)	(4,407)
Balance as of March 31, 2018		–	719	170,832	9,474	180,306

(4) Notes on the Summary of Quarterly Consolidated Financial Statements

1. Notes Relating to the Going Concern Assumption

None

2. Business Segments

(1) Summary of reportable segments

The Group's reportable segments are components of the Group about which separate financial statement is available that is evaluated regularly at the Board of Directors' meetings in deciding how to allocate the management resources and in assessing performance.

The Group classifies its business segments into the following three reportable segments, based on the similarity of business models: 1) the "Component Solutions Business;" 2) the "Transport Solutions Business;" and 3) the "Accessibility Solutions Business."

The main lines of business of each reportable segment are as below.

Business segment	Main lines of business
Component Solutions Business	The design, manufacture, sale, maintenance and repair of industrial robot components and equipment for construction machinery and its components
Transport Solutions Business	The design, manufacture, sale, maintenance and repair of brake systems and automatic door operating systems for railroad vehicles, aircraft components, brake systems and drive control units for vehicles, control systems for marine vessels, and components thereof
Accessibility Solutions Business	The design, manufacture, sale, installation, maintenance and repair of automatic door operating systems for buildings and general industry, platform safety systems, and components thereof

(2) Information on reportable segments

I. For the three months ended March 31, 2017 (January 1, 2017 to March 31, 2017)

(Million yen)

	Reportable segments				Others	Total	Adjustments	Amount stated in summary of consolidated statements of income
	Component	Transport	Accessibility	Total				
Net sales								
Sales to external customers	25,069	16,184	19,011	60,265	3,790	64,055	–	64,055
Inter-segment sales	409	78	1	488	111	600	(600)	–
Total sales	25,479	16,262	19,012	60,753	3,901	64,654	(600)	64,055
Segment income (Operating income)	4,480	1,358	1,359	7,197	487	7,683	(1,622)	6,062
Finance income				–				29
Finance costs				–				(539)
Equity in earnings of affiliates				–				2,883
Income before tax				–				8,435

Notes: 1. "Others" is a business segment that is not a reportable segment and consists of businesses that are engaged in the design, manufacture, sale, maintenance and repair of packaging machinery, three-dimensional model production device, vacuum equipment, machine tools, and components thereof.

2. Adjustment to sales is as a result of eliminations of inter-segment transactions.

3. Adjustment to segment income (operating income) is total profit/loss, etc. that are not allocated to the respective segments.

II. For the three months ended March 31, 2018 (January 1, 2018 to March 31, 2018)

(Million yen)

	Reportable segments				Others	Total	Adjustments	Amount stated in summary of consolidated statements of income
	Component	Transport	Accessibility	Total				
Net sales								
Sales to external customers	29,388	18,513	19,680	67,581	4,373	71,954	–	71,954
Inter-segment sales	571	135	2	709	65	773	(773)	–
Total sales	29,959	18,649	19,682	68,290	4,437	72,727	(773)	71,954
Segment income (Operating income)	5,254	1,562	1,370	8,186	660	8,846	(2,133)	6,713
Finance income				–				52
Finance costs				–				(613)
Equity in earnings of affiliates				–				6,187
Income before tax				–				12,338

- Notes: 1. "Others" is a business segment that is not a reportable segment and consists of businesses that are engaged in the design, manufacture, sale, maintenance and repair of packaging machinery, three-dimensional model production device, vacuum equipment, machine tools, and components thereof.
2. Adjustment to sales is as a result of eliminations of inter-segment transactions.
3. Segment income (operating income) is total profit/loss, etc. that are not allocated to the respective segments.

4. Other Information

(1) Order Backlog by Business Segment

Reportable segments	As of the end of the first three-month period of consolidated FY 2017 (March 31, 2017)		As of the end of the first three-month period of consolidated FY 2018 (March 31, 2018)	
	Amount (million yen)	% to total	Amount (million yen)	% to total
Component Solutions Business	26,521	23.0	29,376	24.2
Transport Solutions Business	53,253	46.2	52,990	43.7
Accessibility Solutions Business	28,565	24.8	30,779	25.3
Others	6,904	6.0	8,226	6.8
Total	115,243	100.0	121,371	100.0