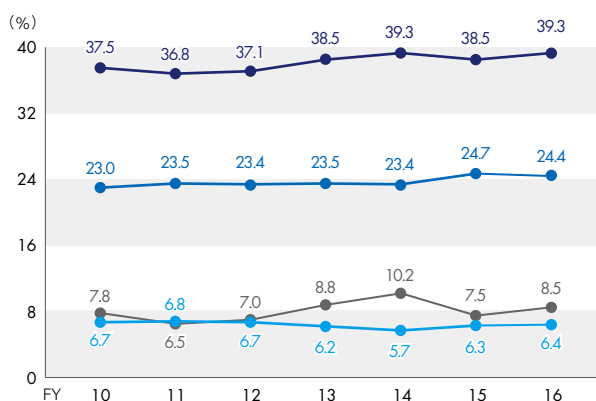


Financial Highlights

Gross Profit Margin

- Gross profit margin
- Selling, general and administrative expenses ratio (excluding R&D expenses)
- R&D expenses ratio
- Operating income margin

39.3%

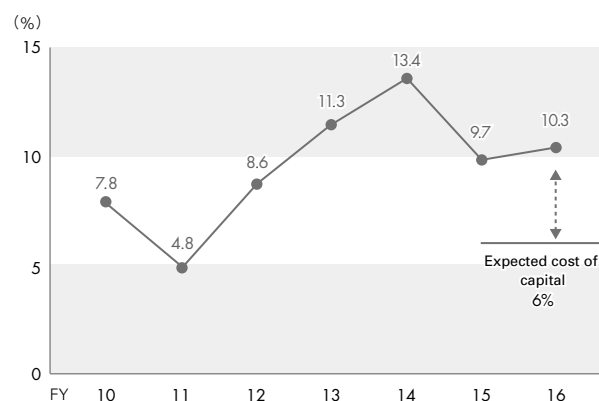


Gross profit margin and operating income margin improved due to a stronger earnings structure, countering an even stronger yen valuation than the prior year. We aim for over 41% gross profit margin and 10% operating income margin by fiscal 2020.

ROIC

- Return on invested capital (ROIC)
- ROIC = $\frac{\text{Net Income}}{\text{Invested Capital}^*}$
(Net Assets + Interest-Bearing Debt)
- * Invested capital represents the average of prior year-end result and current year quarterly results

10.3%

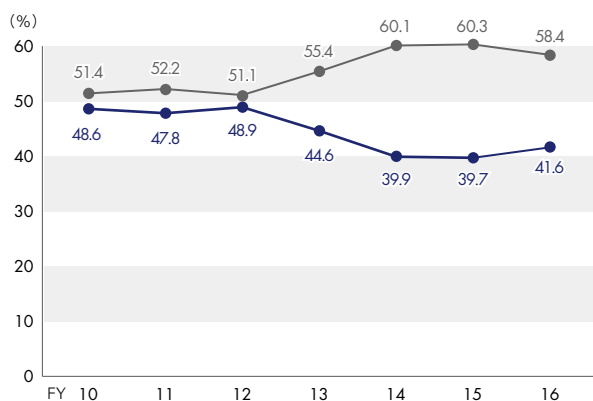


A focus on ROIC management moved results back to double-digit levels. This helped us achieve ROIC in excess of the Company's expected cost of capital at 6% under our EARTH-1 STAGE plan. We plan to continue to reach ROIC levels in excess of 10%.

Ratio of Overseas Sales to Total Net Sales

- Overseas total
- Japan

58.4%



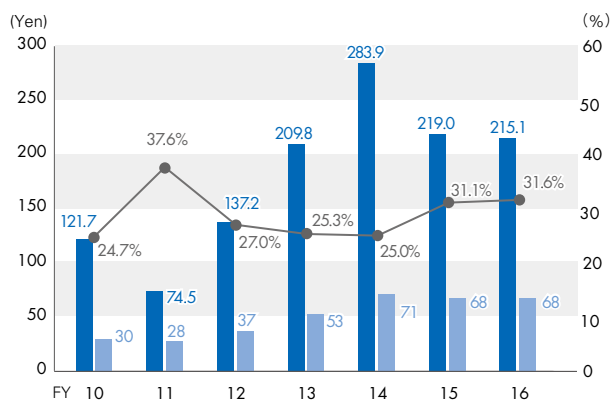
The negative impact of the strong yen led to a slightly lower ratio of overseas sales for the year. However, sales in Southeast Asia and other emerging economies continued to grow. We intend to expand our businesses, particularly among the emerging economies.



EPS

- Earnings per share
- Cash dividends per share
- Dividend payout ratio

¥215.1

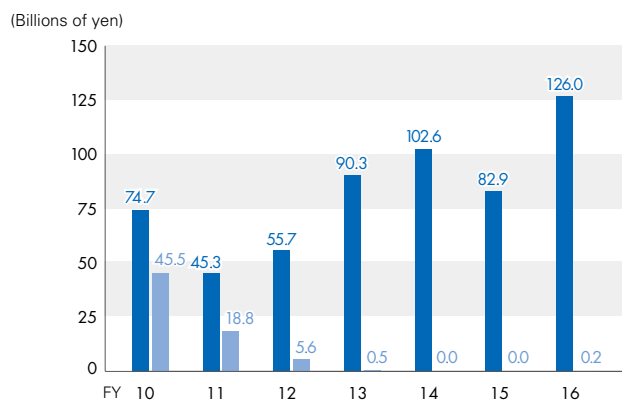


The Company continued to provide a dividend payout ratio in excess of 30% to shareholders. We will continue stable and sustainable shareholder returns.

Cash and Cash Equivalents

- Cash and cash equivalents
- Total interest-bearing liabilities

¥126.0 billion

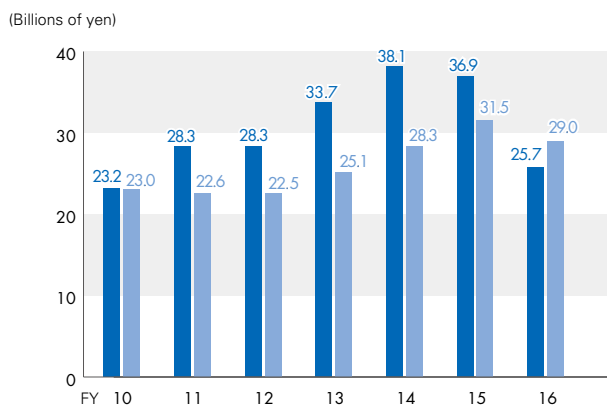


The Company maintained a zero balance in real terms for interest-bearing debt (cash in excess of interest-bearing debt). We may raise capital to invest in future growth as the need arises.

Capital Expenditures

- Capital expenditures
- Depreciation and amortization

¥25.7 billion



The Company restrained capital investment temporarily in response to changes in the business environment. Moving forward, we plan to re-engage in active investment, building a strong foundation for growth. We expect to invest ¥160 billion over the next four years in capital investment.

