

Consolidated Statements of Shareholders' Equity

OMRON Corporation and Subsidiaries
Years ended March 31, 2017, 2018 and 2019

(Millions of yen)

	Number of common shares issued	Common stock	Capital surplus	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total shareholders' equity	Noncontrolling interests	Total net assets
Balance, March 31, 2016	213,958,172	¥ 64,100	¥ 99,101	¥ 15,194	¥ 317,171	¥ (50,204)	¥ (644)	¥ 444,718	¥ 2,316	¥ 447,034
Net income					45,987			45,987	335	46,322
Cash dividends paid to OMRON Corporation shareholders, ¥68 per share					(14,539)			(14,539)		(14,539)
Cash dividends paid to noncontrolling interests								—	(297)	(297)
Equity transactions with noncontrolling interests and other			14					14	(484)	(470)
Transfer to legal reserve				2,619	(2,619)			—		—
Other comprehensive income (loss)						(7,159)		(7,159)	(142)	(7,301)
Acquisition of treasury stock							(16)	(16)		(16)
Sale of treasury stock					(0)		1	1		1
Issuance of stock acquisition rights			23					23		23
Balance, March 31, 2017	213,958,172	64,100	99,138	17,813	346,000	(57,363)	(659)	469,029	1,728	470,757
Net income					63,159			63,159	347	63,506
Cash dividends paid to OMRON Corporation shareholders, ¥76 per share					(16,083)			(16,083)		(16,083)
Cash dividends paid to noncontrolling interests								—	(215)	(215)
Equity transactions with noncontrolling interests and other			6		1			7	(6)	1
Stock-based payment			444					444		444
Transfer to legal reserve				2,127	(2,127)			—		—
Other comprehensive income (loss)						8,004		8,004	2	8,006
Acquisition of treasury stock							(19,030)	(19,030)		(19,030)
Balance, March 31, 2018	213,958,172	64,100	¥99,588	19,940	390,950	(49,359)	(19,689)	505,530	1,856	507,386
Cumulative impact of the application of FASB Accounting Standards Update 2016-01 and 2018-03*					7,650	(7,426)		224		224
Balance, April 1, 2018 (reflecting application of FASB Accounting Standards Update 2016-01 and 2018-03)	213,958,172	64,100	99,588	19,940	398,600	(56,785)	(19,689)	505,754	1,856	507,610
Net income					54,323			54,323	668	54,991
Cash dividends paid to OMRON Corporation shareholders, ¥84 per share					(17,398)			(17,398)		(17,398)
Cash dividends paid to noncontrolling interests								—	(343)	(343)
Equity transactions with noncontrolling interests and other								—	(65)	(65)
Share-based compensation			645					645		645
Transfer to legal reserve				1,886	(1,886)			—		—
Other comprehensive income (loss)						(13,415)		(13,415)	(17)	(13,432)
Acquisition of treasury stock							(25,697)	(25,697)		(25,697)
Balance, March 31, 2019	213,958,172	¥ 64,100	¥ 100,233	¥ 21,826	¥ 433,639	¥ (70,200)	¥ (45,386)	¥ 504,212	¥ 2,099	¥ 506,311

* Represents the impact of adopting the new accounting standard related to financial instruments.

Consolidated Statements of Cash Flows

OMRON Corporation and Subsidiaries
Years ended March 31, 2017, 2018 and 2019

(Millions of yen)

	FY2016	FY2017	FY2018
Operating Activities:			
Net income	¥46,322	¥63,506	¥54,991
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	28,966	29,465	30,459
Net loss (gain) on sale and disposals of property, plant, and equipment	705	949	(1,098)
Impairment losses on long-lived assets	12,998	911	196
Net loss on sale of investment securities	—	—	563
Net gain on sale of investment securities	(3,764)	(3,003)	—
Impairment losses on investment securities	558	155	—
Gain on contribution of securities to retirement benefit trust	(7,004)	—	—
Termination and retirement benefits	2,863	2,706	3,818
Deferred income taxes	11	(2,607)	(383)
Equity in earnings of affiliates	(712)	(1,754)	1,578
Loss (gain) on sales of business	(3,686)	14	(407)
Changes in assets and liabilities:			
Decrease (increase) in notes and accounts receivable - trade	(8,923)	(3,210)	(534)
Decrease (increase) in inventories	(7,112)	(17,409)	(3,491)
Decrease (increase) in other assets	2,604	(6,113)	(294)
Increase (decrease) in notes and accounts payable - trade	8,384	4,116	(5,401)
Increase (decrease) in income taxes payable	852	(614)	(2,775)
Increase (decrease) in accrued expenses and other current liabilities	5,097	6,276	(6,851)
Other, net	(284)	285	874
Total adjustments	31,553	10,167	16,254
Net cash provided by operating activities	77,875	73,673	71,245
Investing Activities:			
Proceeds from sale or maturities of investment securities	4,606	3,776	465
Purchase of investment securities	(3,274)	(649)	(602)
Capital expenditures	(25,816)	(38,542)	(39,045)
Decrease in leasehold deposits, net	(145)	(634)	(193)
Proceeds from sale of property, plant, and equipment	2,278	990	3,475
Decrease (increase) in investment in and loans to affiliates	30	—	(498)
Proceeds from sale of business, net of cash paid	7,187	(427)	1,817
Acquisition of business, net of cash acquired	—	(20,445)	(830)
Other, net	93	89	454
Net cash used in investing activities	(15,041)	(55,842)	(34,957)
Financing Activities:			
Net borrowings (repayments) of short-term debt	155	951	2,109
Dividends paid by the Company	(14,539)	(15,378)	(16,776)
Dividends paid to noncontrolling interests	(297)	(215)	(343)
Payments for equity transactions with noncontrolling interests	(470)	—	—
Acquisition of treasury stock	(16)	(18,530)	(25,716)
Other, net	155	90	(57)
Net cash used in financing activities	(15,012)	(33,082)	(40,783)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4,706)	2,248	1,722
Net Increase (Decrease) in Cash and Cash Equivalents	43,116	(13,003)	(2,773)
Cash and Cash Equivalents at Beginning of the Year	82,910	126,026	113,023
Cash and Cash Equivalents at End of the Year	¥126,026	¥113,023	¥ 110,250