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FLASH REPORT

February. 13, 2019

Company name (official) : KYB Corporation

URL <https://www.kyb.co.jp/english/>

Stock listing : Tokyo Stock Exchange (First Section)

Code number : 7242

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The following statements are an English-translation of the original Japanese-language document for your convenience.
In the case that there is any discrepancy between Japanese and English versions, Japanese version is assumed to be correct.

(All amounts are rounded to the nearest million yen, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

(1) Consolidated operating results

(Percentages indicate the change of the same period of the previous year)

	Net sales		Segment profit		Operating profit		Profit before taxes	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2018	306,909	6.1	15,443	(6.7)	(17,769)	—	(18,688)	—
December 31, 2017	289,139	10.5	16,559	28.9	16,684	24.4	16,539	26.5

	Profit for the period		Profit attributable to owners of the parent		Comprehensive income for the period		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Nine months ended							
December 31, 2018	(15,451)	—	(15,756)	—	(20,180)	—	(616.83)
December 31, 2017	12,427	24.7	11,915	24.1	20,512	66.9	466.41

	Diluted earnings per share
Nine months ended	Yen
December 31, 2018	—
December 31, 2017	—

*We carried out 1-for-10 reverse stock split on the effective date of October 1, 2017. Therefore basic earnings per share is calculated assuming that the reverse stock was carried out at the beginning of the previous consolidated fiscal year.

*We started to include 'Royalty income' and 'Income related to mold compensation' into the 'Net sales' in Consolidated Statements of Income from this first quarter of this fiscal year, which were previously included in 'Other income'. Financial information for the previous fiscal year has been revised to reflect this change.

*Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from sales.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of					
December 31, 2018	413,864	164,105	157,760	38.1	6,176.10
March 31, 2018	412,493	186,651	180,225	43.7	7,055.40

2. Cash dividends

	Annual cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Previous fiscal year	—	7.00	—	80.00	—
Current fiscal year	—	0.00	—		
Current fiscal year (forecast)				—	—

*The amount of Year-end dividends has not been decided.

*We carried out 1-for-10 reverse stock split on the effective date of October 1, 2017.

As for cash dividends per share of fiscal year 2017, we disclose the amount after we take the reverse stock split into consideration. And we disclose total annual cash dividends per share as "-". With taking reverse stock split into consideration, cash dividends per share for the previous fiscal year were 150.00 yen.

3. Forecasts for the current fiscal year (April 1, 2018 to March 31, 2019)

(Percentages indicate the change of the same period of the previous year)

	Net sales		Segment profit		Operating profit		Profit before taxes	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Current fiscal year	416,000	5.7	21,300	(7.2)	(12,000)	—	(12,900)	—

	Profit for the period		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Current fiscal year	(9,500)	—	(10,000)	—	(391.48)

*We started to include 'Royalty income' and 'Income related to mold compensation' into the 'Net sales' in Consolidated Statements of Income from this first quarter of this fiscal year, which were previously included in 'Other income'. Therefore, the fluctuation ratio is also calculated using the reclassified value with the change.

*Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from sales.

Consolidated Statements of Financial Position

KYB Corporation and its Consolidated Subsidiaries

(Unit: Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	42,702	37,538
Trade and other receivables	103,881	101,628
Inventories	54,001	61,513
Other current financial assets	1,066	1,332
Other current assets	9,904	9,903
Total current assets	211,554	211,914
Non-current assets:		
Property, plant and equipment	161,886	161,745
Goodwill	268	259
Intangible assets	6,692	7,375
Investments accounted for using the equity method	4,342	5,640
Other non-current financial assets	24,731	20,784
Other non-current assets	532	617
Deferred tax assets	2,487	5,531
Total non-current assets	200,938	201,950
Total assets	412,493	413,864

(Unit: Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities and equity		
Current liabilities:		
Trade and other payables	82,695	87,089
Borrowings	57,098	51,672
Income tax payables	1,944	655
Other current financial liabilities	22,760	18,834
Provisions	5,438	20,505
Other current liabilities	1,708	441
Total current liabilities	171,643	179,196
Non-current liabilities:		
Borrowings	34,986	41,807
Liabilities for retirement benefits	9,592	9,675
Other non-current financial liabilities	2,255	2,209
Provisions	2,189	14,904
Other non-current liabilities	21	20
Deferred tax liabilities	5,156	1,947
Total non-current liabilities	54,198	70,562
Total liabilities	225,841	249,759
Equity		
Equity attributable to owners of the parent:		
Share capital	27,648	27,648
Capital surplus	29,414	29,414
Retained earnings	114,363	96,569
Treasury shares	(598)	(600)
Other components of equity	9,398	4,730
Total equity attributable to owners of the parent	180,225	157,760
Non-controlling interests	6,426	6,345
Total equity	186,651	164,105
Total liabilities and equity	412,493	413,864

Consolidated Statements of Income

KYB Corporation and its Consolidated Subsidiaries

(Unit: Millions of yen)

	For the nine months ended December 31, 2017 (Apr. 1 through Dec. 31, 2017)	For the nine months ended December 31, 2018 (Apr. 1 through Dec. 31, 2018)
Net sales	289,139	306,909
Cost of sales	229,831	246,001
Gross profit	59,308	60,908
Selling, general and administrative expenses	42,748	45,464
Equity in loss of affiliates	35	6
Other income	1,464	862
Other expenses	1,303	34,068
Operating profit (loss)	16,684	(17,769)
Finance income	611	623
Finance costs	756	1,541
Profit (loss) before taxes	16,539	(18,688)
Income tax expenses	4,112	(3,237)
Profit (loss) for the period	12,427	(15,451)
Profit attributable to:		
Owners of the parent	11,915	(15,756)
Non-controlling interests	513	305
Profit (loss) for the period	12,427	(15,451)
Earnings per share		
Basic earnings (loss) per share (in yen)	466.41	(616.83)

Consolidated Statements of Comprehensive Income

KYB Corporation and its Consolidated Subsidiaries

(Unit: Millions of yen)

	For the nine months ended December 31, 2017 (Apr. 1 through Dec. 31, 2017)	For the nine months ended December 31, 2018 (Apr. 1 through Dec. 31, 2018)
Profit (loss) for the period	12,427	(15,451)
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	3,773	(2,819)
Remeasurements of defined benefit plans	(5)	2
Share of other comprehensive income of investments accounted for using the equity method	1	4
Total	3,768	(2,813)
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	4,368	(1,647)
Effective portion of the net changes in the fair value of cash flow hedges	(67)	(7)
Share of other comprehensive income of investments accounted for using the equity method	15	(261)
Total	4,317	(1,915)
Total other comprehensive income	8,085	(4,728)
Comprehensive income for the period	20,512	(20,180)
Comprehensive income for the period attributable to:		
Owners of the parent	19,740	(20,419)
Non-controlling interests	772	239
Comprehensive income for the period	20,512	(20,180)

Consolidated Statements of Changes in Equity

KYB Corporation and its Consolidated Subsidiaries

(Unit: Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance at April 1, 2017	27,648	29,414	100,995	(587)
Comprehensive income for the period:				
Profit for the period	—	—	11,915	—
Other comprehensive income	—	—	—	—
Total comprehensive income for the period	—	—	11,915	—
Transactions with owners:				
Contributions by and distributions to owners in their capacity as owners:				
Acquisition of treasury shares	—	—	—	(5)
Dividends of surplus	—	—	(3,576)	—
Changes due to business combination	—	—	69	—
Transfer to retained earnings	—	—	(3)	—
Total contributions by and distributions to owners in their capacity as owners	—	—	(3,510)	(5)
Changes in equity interest of subsidiaries:				
Dividends of surplus	—	—	—	—
Total changes in equity interest of subsidiaries	—	—	—	—
Total transactions with owners	—	—	(3,510)	(5)
Balance at December 31, 2017	27,648	29,414	109,399	(592)
Balance at April 1, 2018	27,648	29,414	114,363	(598)
Comprehensive income for the period:				
Loss for the period	—	—	(15,756)	—
Other comprehensive income	—	—	—	—
Total comprehensive income for the period	—	—	(15,576)	—
Transactions with owners:				
Contributions by and distributions to owners in their capacity as owners:				
Acquisition of treasury shares	—	—	—	(2)
Dividends of surplus	—	—	(2,044)	—
Changes due to business combination	—	—	—	—
Transfer to retained earnings	—	—	6	—
Total contributions by and distributions to owners in their capacity as owners	—	—	(2,038)	(2)
Changes in equity interest of subsidiaries:				
Dividends of surplus	—	—	—	—
Total changes in equity interest of subsidiaries	—	—	—	—
Total transactions with owners	—	—	(2,038)	(2)
Balance at December 31, 2018	27,648	29,414	96,569	(600)

(Unit: Millions of yen)

	Other components of equity					Comprehensive income for the year attributable to owners of the parent	Non-controlling interests	Total equity
	Net changes in financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Effective portion of the net changes in the fair value of cash flow hedges	Total other components of equity			
Balance at April 1, 2017	8,274	—	(1,521)	77	6,829	164,299	5,472	169,771
Comprehensive income for the period:								
Profit for the period	—	—	—	—	—	11,915	513	12,427
Other comprehensive income	3,773	(2)	4,120	(65)	7,825	7,825	259	8,085
Total comprehensive income for the period	3,773	(2)	4,120	(65)	7,825	19,740	772	20,512
Transactions with owners:								
Contributions by and distributions to owners in their capacity as owners:								
Acquisition of treasury shares	—	—	—	—	—	(5)	—	(5)
Dividends of surplus	—	—	—	—	—	(3,576)	—	(3,576)
Changes due to business combination	—	—	—	—	—	69	—	69
Transfer to retained earnings	0	2	—	—	3	—	—	—
Total contributions by and distributions to owners in their capacity as owners	0	2	—	—	3	(3,512)	—	(3,512)
Changes in equity interest of subsidiaries:								
Dividends of surplus	—	—	—	—	—	—	(257)	(257)
Total changes in equity interest of subsidiaries	—	—	—	—	—	—	(257)	(257)
Total transactions with owners	0	2	—	—	3	(3,512)	(257)	(3,769)
Balance at December 31, 2017	12,047	—	2,598	12	14,658	180,527	5,987	186,514

Balance at April 1, 2018	9,480	—	(88)	6	9,398	180,225	6,426	186,651
Comprehensive income for the period:								
Loss for the period	—	—	—	—	—	(15,756)	305	(15,451)
Other comprehensive income	(2,819)	5	(1,843)	(6)	(4,663)	(4,663)	(66)	(4,728)
Total comprehensive income for the period	(2,819)	5	(1,843)	(6)	(4,663)	(20,419)	239	(20,180)
Transactions with owners:								
Contributions by and distributions to owners in their capacity as owners:								
Acquisition of treasury shares	—	—	—	—	—	(2)	—	(2)
Dividends of surplus	—	—	—	—	—	(2,044)	—	(2,044)
Changes due to business combination	—	—	—	—	—	—	—	—
Transfer to retained earnings	(1)	(5)	—	—	(6)	—	—	—
Total contributions by and distributions to owners in their capacity as owners	(1)	(5)	—	—	(6)	(2,046)	—	(2,046)
Changes in equity interest of subsidiaries:								
Dividends of surplus	—	—	—	—	—	—	(321)	(321)
Total changes in equity interest of subsidiaries	—	—	—	—	—	—	(321)	(321)
Total transactions with owners	(1)	(5)	—	—	(6)	(2,046)	(321)	(2,367)
Balance at December 31, 2018	6,660	—	(1,931)	—	4,730	157,760	6,345	164,105

Consolidated Statements of Cash Flows

KYB Corporation and its Consolidated Subsidiaries

(Unit: Millions of yen)

	For the nine months ended December 31, 2017 (Apr. 1 through Dec. 31, 2017)	For the nine months ended December 31, 2018 (Apr. 1 through Dec. 31, 2018)
Cash flows from operating activities:		
Profit (loss) before taxes	16,539	(18,688)
Depreciation and amortization	12,596	12,985
Impairment losses	426	2,301
Increase (decrease) in assets and liabilities for retirement benefits	420	90
Increase (decrease) in provisions for product warranties	545	25,881
Increase (decrease) in provision for loss on cancellation of joint venture agreement	—	(1,189)
Finance income	(611)	(623)
Finance costs	756	1,541
Equity in profit of affiliates	35	6
Loss on sales of investments accounted for using the equity method	367	—
(Increase) decrease in trade and other receivables	(9,024)	1,899
(Increase) decrease in inventories	(4,443)	(6,907)
Increase (decrease) in trade and other payables	6,201	346
Loss associated with the Anti-Trust law	—	4,424
Other	(956)	(3,336)
Subtotal	22,852	18,731
Interest received	96	146
Dividends received	1,349	867
Interest paid	(782)	(768)
Income taxes paid	(4,038)	(3,816)
Net cash from operating activities	19,476	15,160
Cash flows from investing activities:		
Payment into time deposits	(99)	(446)
Proceeds from withdrawal of time deposits	136	180
Payment for purchases of property, plant and equipment	(9,233)	(14,670)
Proceeds from sales of property, plant and equipment	77	184
Payment for purchases of other financial assets	(9)	(20)
Proceeds from sale of other financial assets	8	2
Proceeds from changes in ownership interests in subsidiaries that result in changes in scope of consolidation	—	841
Payment for purchases of Investments accounted for using the equity method	—	(1,755)
Proceeds from sale of investments accounted for using the equity method	286	—
Other	(1,564)	(1,846)
Net cash flows from investing activities	(10,397)	(17,528)

(Unit: Millions of yen)

	For the nine months ended December 31, 2017 (Apr. 1 through Dec. 31, 2017)	For the nine months ended December 31, 2018 (Apr. 1 through Dec. 31, 2018)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	2,743	(3,207)
Repayments of lease obligations	(417)	(375)
Proceeds from long-term borrowings	5,172	17,629
Repayment of long-term borrowings	(10,192)	(13,762)
Payments for purchase of treasury shares	(5)	(2)
Dividends paid	(3,576)	(2,044)
Dividends paid to non-controlling interests	(257)	(321)
Net cash flows from financing activities	(6,532)	(2,082)
Effect of changes in foreign exchange rates	1,041	(714)
Net increase (decrease) in cash and cash equivalents	3,587	(5,164)
Cash and cash equivalents at beginning of period	33,988	42,702
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	42	—
Cash and cash equivalents at end of period	37,618	37,538

Segment Information

KYB Corporation and its Consolidated Subsidiaries

For the nine months ended December 31, 2017

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Automotive components	Hydraulic components	System Products	Subtotal				
Net sales:								
Outside customers	180,576	89,779	5,498	275,854	13,285	289,139	—	289,139
Intersegment sales and transfers	568	1,013	244	1,824	59	1,883	(1,883)	—
Total	181,144	90,792	5,742	277,678	13,344	291,022	(1,883)	289,139
Segment profit	7,643	8,175	77	15,895	385	16,281	279	16,559
Equity in earnings (loss) of affiliates	(220)	184	—	(35)	—	(35)	—	(35)
Other income and expenses (net)	672	(399)	(1)	272	(111)	160	—	160
Operating profit	8,096	7,960	76	16,132	274	16,406	279	16,684
Finance income and costs (net)								(145)
Profit before taxes								16,539

Notes: 1. "Others" includes "Special-purpose Vehicles", "Aircraft Components" and "Electronic Equipment" that are not included in the three of reportable segment.

2. ¥279 million of adjustment of segment profit is the elimination of intersegment transactions.

For the nine months ended December 31, 2018

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Automotive components	Hydraulic components	System Products	Subtotal				
Net sales:								
Outside customers	185,926	103,721	4,687	294,334	12,575	306,909	—	306,909
Intersegment sales and transfers	604	1,042	120	1,767	92	1,858	(1,858)	—
Total	186,530	104,763	4,807	296,100	12,667	308,767	(1,858)	306,909
Segment profit (loss)	6,798	8,780	(98)	15,479	(199)	15,280	163	15,443
Equity in earnings (loss) of affiliates	(178)	172	—	(6)	—	(6)	—	(6)
Other income and expenses (net)	(4,207)	(104)	(28,881)	(33,192)	(14)	(33,206)	—	(33,206)
Operating profit (loss)	2,412	8,848	(28,979)	(17,719)	(213)	(17,932)	163	(17,769)
Finance income and costs (net)								(919)
Loss before taxes								(18,688)

Notes: 1. "Others" includes "Special-purpose Vehicles", "Aircraft Components" and "Electronic Equipment" that are not included in the three of reportable segment.

2. ¥163 million of adjustment of segment profit is the elimination of intersegment transactions.

*With regard to the changes of reportable segment

*Conventionally, as for "Special-purpose Vehicles", "Aircraft Components" and "System Products and Electronic Equipment", as a result of taking into account the quantitative criteria etc. in the reporting segment, they were included in "Others".

We and our subsidiary, Kayaba System Machinery manufacture and sell oil dampers as seismic isolation/mitigation materials for buildings. Recently, it has come to light that some already shipped seismic isolation/mitigation oil dampers products that do not conform to performance evaluation standards approved by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), or the standards of our customers where installed in buildings through falsification of performance inspection record data.

As a result of recording the estimated cost of this case, the "System Products" included in "Others" increased its qualitative importance, so "System Products" is separated from "Others" from the second quarter in FY2018.

Therefore, we have three reporting segments, "Automotive Components", "Hydraulic Components" and "System Products".

*We started to include 'Royalty income' and 'Income related to mold compensation' into the 'Net sales' in Consolidated Statements of Income from this first quarter of this fiscal year, which were previously included in 'Other income'. Financial information for the previous fiscal year has been revised to reflect this change.

As a result, "Net sales" and "Segment profit" increased by 765 million yen in the Automotive components and 73 million yen in the Hydraulic components, respectively.

Third Quarter of FY2018 Financial Results Supplementary Information

1. Breakdown of sales

	FY2018 3Q	
	Sales (¥ million)	composition ratio
Automotive Components	185,926	60.6%
Shock absorber for automobiles	127,305	41.5%
Shock absorber for motorcycles	21,987	7.2%
Hydraulic equipment for automobiles	32,696	10.7%
Others	3,938	1.3%
Hydraulic Components	103,721	33.8%
Hydraulic equipment for industrial use	97,468	31.8%
Others	6,253	2.0%
Special-purpose vehicles, hydraulic equipment for aircraft, and system product and electronic components	17,262	5.6%
Special-purpose vehicles	6,386	2.1%
Hydraulic equipment for aircraft	4,262	1.4%
System products and electronic components, etc.	6,613	2.2%
Total	306,909	100.0%

2. FOREX Rate

Average FOREX Rate	FY2017				FY2018		
	Apr-Jun 2017	Apr-Sep 2017	Apr-Dec 2017	Full year	Apr-Jun 2018	Apr-Sep 2018	Apr-Dec 2018
JPY/USD	111.10	111.07	111.70	110.85	109.07	110.26	111.14
JPY/EUR	122.18	126.28	128.52	129.70	130.06	129.84	129.48
JPY/CNY	16.21	16.42	16.64	16.74	17.12	16.74	16.60
JPY/THB	3.24	3.28	3.33	3.35	3.42	3.40	3.41
JPY/RUB	1.94	1.91	1.92	1.91	1.76	1.73	1.72

FOREX Rate prevailing at the end of quarter	FY2017				FY2018		
	30 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018	31 Dec 2018
JPY/USD	112.00	112.74	113.05	106.27	110.54	113.58	110.91
JPY/EUR	127.95	132.81	134.95	130.58	127.88	132.15	126.88
JPY/CNY	16.49	16.96	17.30	16.92	16.67	16.50	16.14
JPY/THB	3.30	3.38	3.46	3.40	3.33	3.50	3.41
JPY/RUB	1.89	1.94	1.96	1.86	1.76	1.73	1.59

3. Segment sales

	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Automotive Components	59,662	59,931	60,983	63,149	62,816	60,906	62,204
Hydraulic Components	28,210	29,235	32,334	33,007	33,741	33,483	36,496
Other (*1)	5,879	6,531	6,374	8,447	5,580	6,262	5,420
Total	93,752	95,697	99,691	104,604	102,137	100,651	104,120

	FY2017			FY2018
	1st Half	2nd Half	Full year	1st Half
Automotive Components	119,593	124,132	243,725	123,722
Hydraulic Components	57,445	65,341	122,787	67,224
Other (*1)	12,410	14,821	27,231	11,842
Total	189,448	204,294	393,743	202,789

4. Segment operating income (*2)

	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Automotive Components	3,239	2,007	2,570	2,802	3,138	1,213	2,549
Hydraulic Components	2,865	2,394	3,002	3,043	3,019	2,575	3,243
Other (*1)	156	36	289	545	△ 555	79	182
Total	6,260	4,438	5,861	6,390	5,601	3,867	5,975

	FY2017			FY2018
	1st Half	2nd Half	Full year	1st Half
Automotive Components	5,246	5,372	10,619	4,351
Hydraulic Components	5,259	6,045	11,304	5,594
Other (*1)	193	834	1,026	△ 477
Total	10,698	12,251	22,949	9,468

5. Capital Expenditure, Depreciation

	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Capital Expenditure	3,445	5,274	4,182	5,587	4,470	5,454	4,700
Depreciation Expenses	4,035	4,148	4,413	4,392	4,256	4,321	4,408

	FY2017			FY2018
	1st Half	2nd Half	Full year	1st Half
Capital Expenditure	8,719	9,769	18,488	9,924
Depreciation Expenses	8,183	8,804	16,988	8,577

6. R&D Expenses

	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
R&D Expenses	1,699	1,703	2,367	2,334	1,737	1,810	1,673

	FY2017			FY2018
	1st Half	2nd Half	Full year	1st Half
R&D Expenses	3,401	4,700	8,102	3,547

7. Foreign Exchange gain or loss (*3)

	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Other Income / Other Expenses	244	317	143	△ 441	89	△ 85	△ 61
Finance Income / Finance Costs	63	20	35	311	△ 812	△ 117	163
Total	307	336	178	△ 129	△ 723	△ 202	102

	FY2017			FY2018
	1st Half	2nd Half	Full year	1st Half
Other Income / Other Expenses	561	△ 298	262	3
Finance Income / Finance Costs	82	347	429	△ 929
Total	643	49	692	△ 926

(*1) "Other" includes "special-purpose vehicles", "Hydraulic equipment for aircraft" and "System Products and Electronic Equipment" that are not included in the two reportable segments.

(*2) "Segment operating income", which is described above, is different from "Segment profits (losses)" which is described in "Segment Information" section in the Flash Report. "Segment operating income" amount includes "Adjustment" amount, which is described in the Flash Report.

(*3) "Foreign Exchange Gain or Loss", which is described above, comes from the amount of foreign exchange gain or loss in "Other income", "Other expense", "Finance income" and "Finance costs" in the Consolidated Statements of Income. Foreign exchange gain is written as plus and foreign exchange loss is written as minus.