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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (under IFRS)

April 27, 2018

Company name: **F.C.C. CO., LTD.**  
 Listing: Tokyo Stock Exchange  
 Securities code: 7296  
 URL: <http://www.fcc-net.co.jp/>  
 Representative: Toshimichi Matsuda, President and Representative Director  
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Scheduled date for holding ordinary general meeting of shareholders: June 19, 2018

Scheduled date to commence dividend payments: June 20, 2018

Scheduled date to file annual securities report: June 21, 2018

Preparation of supplementary results briefing material on consolidated financial results: Yes

Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded, unless otherwise noted)

### 1. Consolidated financial results for the fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Sales revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2018	173,174	10.1	14,052	25.1	14,083	23.3	9,923	32.3	9,691	34.5	7,935	12.9
March 31, 2017	157,217	(6.1)	11,236	15.4	11,419	40.7	7,498	8.6	7,204	16.9	7,027	—

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Ratio of profit to equity attributable to owners of parent	Ratio of profit before income taxes to total assets	Ratio of operating profit to sales revenue
	Yen	Yen	%	%	%
March 31, 2018	193.11	—	8.5	8.5	8.1
March 31, 2017	143.54	—	6.6	7.1	7.1

Reference: Share of profit (loss) in investments accounted for using the equity method

For the fiscal year ended March 31, 2018: ¥(13) million

For the fiscal year ended March 31, 2017: ¥(10) million

#### (2) Consolidated financial position

As of	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2018	170,302	118,900	117,311	68.9	2,337.43
March 31, 2017	162,708	113,155	111,624	68.6	2,224.12

### (3) Consolidated cash flows

	Net cash flows from (used in) operating activities	Net cash flows from (used in) investing activities	Net cash flows from (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2018	24,120	(19,122)	(2,657)	25,230
March 31, 2017	24,165	(15,846)	(7,641)	23,474

### 2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2017	–	20.00	–	20.00	40.00	2,007	27.9	1.8
March 31, 2018	–	21.00	–	21.00	42.00	2,107	21.7	1.8
Fiscal year ending March 31, 2019 (Forecast)	–	23.00	–	23.00	46.00		22.2	

### 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Percentages indicate year-on-year changes.)

	Sales revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2018	86,000	5.0	6,200	(6.9)	6,500	(11.9)	4,700	(3.1)	4,600	(3.1)	91.66
Fiscal year ending March 31, 2019	175,000	1.1	14,500	3.2	14,800	5.1	10,600	6.8	10,400	7.3	207.22

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: None

Excluded: None

(2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

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

c. Changes in accounting estimates: None

(3) Number of shares issued (ordinary shares)

a. Total number of shares issued at the end of the period (including treasury shares)

As of March 31, 2018	52,644,030 shares
As of March 31, 2017	52,644,030 shares

b. Number of treasury shares at the end of the period

As of March 31, 2018	2,455,841 shares
As of March 31, 2017	2,455,809 shares

c. Average number of shares during the period

Fiscal year ended March 31, 2018	50,188,216 shares
Fiscal year ended March 31, 2017	50,188,255 shares

**(Reference) Summary of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2018  
(from April 1, 2017 to March 31, 2018)**

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2018	39,663	7.9	1,977	–	5,897	38.4	2,278	(21.6)
March 31, 2017	36,756	(7.9)	131	(94.0)	4,259	(12.6)	2,905	68.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2018	45.39	–
March 31, 2017	57.90	–

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2018	94,930	69,385	73.1	1,382.50
March 31, 2017	95,458	68,527	71.8	1,365.40

Reference: Equity

For the fiscal year ended March 31, 2018: ¥69,385 million

For the fiscal year ended March 31, 2017: ¥68,527 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

*Caution regarding forward-looking statements*

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

*How to obtain supplementary results briefing material on consolidated financial results*

The Company plans to hold a financial results presentation meeting on May 10, 2018. The Company also plans to post to its website the materials that are used at the meeting promptly after the meeting is held.

## Consolidated financial statements

### (1) Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and cash equivalents	23,474	25,230
Trade and other receivables	26,986	28,855
Other financial assets	1,294	2,339
Inventories	17,961	18,428
Other current assets	1,905	2,038
Total current assets	<u>71,620</u>	<u>76,892</u>
Non-current assets		
Property, plant and equipment	74,521	72,942
Goodwill and intangible assets	3,408	4,396
Investments accounted for using the equity method	140	117
Other financial assets	9,389	12,561
Deferred tax assets	2,983	2,734
Other non-current assets	644	657
Total non-current assets	<u>91,087</u>	<u>93,410</u>
Total assets	<u>162,708</u>	<u>170,302</u>

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	14,373	16,044
Borrowings	13,266	16,179
Other financial liabilities	103	128
Income taxes payable	2,095	2,784
Other current liabilities	5,812	6,006
Total current liabilities	35,652	41,143
Non-current liabilities		
Borrowings	4,040	365
Other financial liabilities	607	448
Defined benefit liability	2,021	2,027
Provisions	36	33
Deferred tax liabilities	6,863	7,086
Other non-current liabilities	333	297
Total non-current liabilities	13,901	10,258
Total liabilities	49,553	51,402
Equity		
Issued capital	4,175	4,175
Retained earnings	104,908	112,828
Treasury shares	(3,409)	(3,409)
Other components of equity	5,949	3,716
Total equity attributable to owners of parent	111,624	117,311
Non-controlling interests	1,530	1,589
Total equity	113,155	118,900
Total liabilities and equity	162,708	170,302

## (2) Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Sales revenue	157,217	173,174
Cost of sales	(132,648)	(142,877)
Gross profit	24,568	30,297
Selling, general and administrative expenses	(13,109)	(15,070)
Other income	766	657
Other expense	(989)	(1,831)
Operating profit	11,236	14,052
Finance income	739	808
Finance costs	(545)	(763)
Share of profit (loss) in investments accounted for using the equity method	(10)	(13)
Profit before income taxes	11,419	14,083
Income tax expense	(3,921)	(4,160)
Profit	7,498	9,923
Profit attributable to		
Owners of parent	7,204	9,691
Non-controlling interests	294	231
Profit	7,498	9,923
Earnings per share (Attributable to owners of parent)		
Basic earnings per share (Yen)	143.54	193.11
Diluted earnings per share (Yen)	—	—

**(3) Consolidated statement of comprehensive income**

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Profit	7,498	9,923
Other comprehensive income		
Components that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	133	286
Total	<u>133</u>	<u>286</u>
Components that may be reclassified to profit or loss		
Changes in fair value of available-for-sale financial assets	547	720
Exchange differences of foreign operations	(1,097)	(2,988)
Share of other comprehensive income of associates accounted for using equity method	(54)	(6)
Total	<u>(603)</u>	<u>(2,274)</u>
Total other comprehensive income	<u>(470)</u>	<u>(1,988)</u>
Comprehensive income	<u><u>7,027</u></u>	<u><u>7,935</u></u>
Comprehensive income attributable to		
Owners of parent	6,763	7,744
Non-controlling interests	264	190
Comprehensive income	<u><u>7,027</u></u>	<u><u>7,935</u></u>



#### (4) Consolidated statement of changes in equity

	Equity attributable to owners of parent				
	Issued capital	Retained earnings	Treasury shares	Other components of equity	
				Exchange differences of foreign operations	Changes in fair value of available-for-sale financial assets
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2016	4,175	99,720	(3,408)	2,907	3,615
Profit	–	7,204	–	–	–
Other comprehensive income	–	–	–	(1,114)	540
Total comprehensive income	–	7,204	–	(1,114)	540
Purchase of treasury shares	–	–	(0)	–	–
Dividends	–	(2,007)	–	–	–
Increase (decrease) through changes in interests	–	(141)	–	–	–
Transfer from other components of equity	–	133	–	–	–
Total transactions with the owners	–	(2,016)	(0)	–	–
Balance as of March 31, 2017	4,175	104,908	(3,409)	1,792	4,156
Profit	–	9,691	–	–	–
Other comprehensive income	–	–	–	(2,949)	716
Total comprehensive income	–	9,691	–	(2,949)	716
Purchase of treasury shares	–	–	(0)	–	–
Dividends	–	(2,057)	–	–	–
Increase (decrease) through changes in interests	–	–	–	–	–
Transfer from other components of equity	–	286	–	–	–
Total transactions with the owners	–	(1,771)	(0)	–	–
Balance as of March 31, 2018	4,175	112,828	(3,409)	(1,156)	4,872

	Equity attributable to owners of parent				
	Other components of equity		Total	Non-controlling interests	Total equity
	Remeasurements of defined benefit plans	Total			
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance as of April 1, 2016	–	6,523	107,010	5,585	112,596
Profit	–	–	7,204	294	7,498
Other comprehensive income	133	(440)	(440)	(30)	(470)
Total comprehensive income	133	(440)	6,763	264	7,027
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	–	(2,007)	(1,359)	(3,366)
Increase (decrease) through changes in interests	–	–	(141)	(2,960)	(3,101)
Transfer from other components of equity	(133)	(133)	–	–	–
Total transactions with the owners	(133)	(133)	(2,149)	(4,319)	(6,468)
Balance as of March 31, 2017	–	5,949	111,624	1,530	113,155
Profit	–	–	9,691	231	9,923
Other comprehensive income	286	(1,947)	(1,947)	(41)	(1,988)
Total comprehensive income	286	(1,947)	7,744	190	7,935
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	–	(2,057)	(131)	(2,189)
Increase (decrease) through changes in interests	–	–	–	–	–
Transfer from other components of equity	(286)	(286)	–	–	–
Total transactions with the owners	(286)	(286)	(2,057)	(131)	(2,189)
Balance as of March 31, 2018	–	3,716	117,311	1,589	118,900

**(5) Consolidated statement of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from (used in) operating activities		
Profit before income taxes	11,419	14,083
Depreciation and amortization expense	12,182	12,766
Impairment loss	650	1,454
Finance income and finance costs	(504)	(599)
Share of loss (profit) in investments accounted for using the equity method	10	13
Loss (gain) on sales and retirement of non-current assets	59	133
(Increase) decrease in inventories	(263)	(1,156)
(Increase) decrease in trade and other receivables	(1,573)	(2,619)
Increase (decrease) in trade and other payables	261	1,812
Increase (decrease) in defined benefit liability	134	331
Other	1,756	1,512
Subtotal	24,132	27,732
Interest and dividend income received	718	649
Interest expenses paid	(156)	(207)
Income taxes paid	(2,436)	(4,312)
Income taxes refund and interest on refund received	1,907	259
Net cash flows from (used in) operating activities	24,165	24,120
Cash flows from (used in) investing activities		
Payments into time deposits	(1,885)	(3,887)
Proceeds from withdrawal of time deposits	1,505	2,737
Purchase of property, plant and equipment	(14,650)	(14,199)
Proceeds from sales of property, plant and equipment	196	301
Purchase of intangible assets	(1,248)	(1,196)
Proceeds from sales of intangible assets	0	4
Payments for acquisition of newly consolidated subsidiaries	-	(791)
Proceeds from liquidation of subsidiaries and associates	377	-
Payments of loans receivable	(119)	(115)
Collection of loans receivable	170	196
Purchase of investments	(54)	(2,070)
Proceeds from sales of investments	0	-
Other	(137)	(100)
Net cash flows from (used in) investing activities	(15,846)	(19,122)
Cash flows from (used in) financing activities		
Net increase (decrease) in short-term borrowings	(1,004)	(365)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(3,101)	-
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(2,006)	(2,058)
Cash dividends paid to non-controlling shareholders	(1,357)	(131)
Other	(170)	(101)
Net cash flows from (used in) financing activities	(7,641)	(2,657)
Net increase (decrease) in cash and cash equivalents	677	2,340
Cash and cash equivalents at beginning of period	23,450	23,474
Effect of exchange rate change on cash and cash equivalents	(653)	(584)
Cash and cash equivalents at end of period	23,474	25,230