May 13, 2016

Consolidated Financial Highlights for the Year Ended March 31, 2016 [under Japanese GAAP]

Company name : **SMC Corporation**
Stock exchange listing : **Tokyo Stock Exchange first section**
Security code : **6273**
URL : http://www.smcworld.com/ir/en/
Representative : **Katsunori Maruyama, President**
Contact person : **Ikuji Usui, Executive Managing Director**
Projected date of annual shareholders' meeting : **June 28, 2016**
Projected date of filing Annual report : **June 28, 2016**
Projected starting date of dividend payment : **June 29, 2016**

1. Consolidated Financial Highlights for the Year Ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Millions of yen, except per share figures)

(1) Consolidated Operating Results

Fiscal Year ended March 31	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
2016	475,608 3.8%	134,233 5.1%	129,188 (18.7)%	92,138 (15.9)%
2015	458,081 15.9%	127,686 21.4%	158,816 31.2 %	109,583 27.0 %

Fiscal Year ended March 31	Net income per share (Yen)	Net income per share (diluted basis) (Yen)	Return on equity	Return on assets	Operating income ratio
2016	1,371.34	—	9.9%	11.5%	28.2%
2015	1,629.38	—	12.9%	15.2%	27.9%

(Note) Comprehensive Income Year ended March 31,2016 : ¥ 33,651 million (78.7)%
Year ended March 31,2015 : ¥ 157,790 million 27.8 %
Profit/Loss on equity method Year ended March 31,2016 : —
Year ended March 31,2015 : —

(2) Consolidated Financial Positions

As of March 31	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
2016	1,120,171	941,813	83.9%	13,981.17
2015	1,129,001	921,483	81.4%	13,682.01

(Note) Shareholders' equity As of March 31,2016 : ¥ 939,409 million
As of March 31,2015 : ¥ 919,245 million

(3) Consolidated Cash Flows

Fiscal Year ended March 31	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at the end of period
2016	102,006	(34,282)	(34,299)	295,270
2015	111,652	(45,240)	(12,762)	281,716

2. Dividends

For the year ended March 31	Dividend per share (Yen)					Total dividends	Dividend ratio	Dividend on equity
	1Q	2Q	3Q	4Q	Total			
2015(Actual)	—	90.00	—	100.00	190.00	12,765	11.7%	1.5%
2016(Actual)	—	100.00	—	100.00	200.00	13,437	14.6%	1.4%
2017(Projected)	—	100.00	—	100.00	200.00		— %	

3. Forecasts of consolidated operating results for the Year Ending March 31, 2017

(Millions of yen, except per share figures)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (Yen)
Half year ending September 30,2016	225,000 (7.4%)	53,500 (24.3%)	57,000 (24.8%)	41,000 (24.0%)	610.20
Year ending March 31,2017	450,000 (5.4%)	107,000 (20.3%)	114,000 (11.8%)	82,000 (11.0%)	1,220.40

4. Others

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2016: None

(2) Change in accounting policy, treatment, and presentation manner :

1. Changes in accounting standard : Yes
2. Changes of accounting policies other than the above: None
3. Changes in accounting estimates: None
4. Retrospective restatement: None

(3) Number of shares issued	(As of March 31,2016)	(As of March 31,2015)
1. Number of common shares issued (including treasury shares)	67,369,359	67,369,359
2. Number of treasury shares	178,285	182,971
3. Average number of common shares for the year	67,188,543	67,254,711

< Reference >

Non-consolidated Financial Highlights for the Year Ended March 31, 2016
(April 1, 2015 to March 31, 2016)

(Millions of yen, except per share figures)

(1) Non-consolidated Operating Results

Fiscal Year ended March 31	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)
2016	302,755 5.7%	84,254 13.1%	73,164 (25.1)%	50,551 (22.0)%	752.38
2015	286,362 10.4%	74,463 32.5%	97,648 49.0 %	64,841 44.9 %	964.12

(2) Non-consolidated Financial Positions

As of March 31	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
2016	682,194	541,370	79.4%	8,057.18
2015	686,238	506,817	73.9%	7,543.45

(Note) Shareholders' equity As of March 31,2016 : ¥ 541,370 million
As of March 31,2015: ¥ 506,817 million

Information on status of the audit procedures

These highlights are not subject to audit procedures by the independent auditor in accordance with Financial Instruments and Exchange Law of Japan.
Thus, at the time of disclosure of these highlights, the audit procedures of consolidated financial statement based on the Financial Instruments and Exchange Law, are in progress.

Appropriate use of business forecasts; other special items

The forecast contains forward-looking statements that are based on available data at the time of this release.
Some factors could cause actual results to differ from expectations.

1. Analysis of Operating Results and Financial Positions

(1) Analysis of Operating Results

1. Overview of the fiscal year under review

During the fiscal year under review, the U.S. personal consumption and employment situation were steadily maintained and Europe showed a sign of an economic upturn even on a low level under ongoing monetary easing measures, while the emerging countries saw strong slowdowns in economic growth on the back of China's deceleration of economic growth and falling the market price of natural resources. Japan's personal consumption kept declining and capital investment was weakened, moreover, drastic continuing strong yen after the turn of the year put severe pressure on corporate performance, which led to the situation where an economic recovery was not realized.

In the automatic control equipment business, there was strong demand related to automobile industries mainly in the North America and Europe.

Under these circumstances, SMC group strengthened its sales capabilities, improved its distribution channels and extended its production bases.

As a result, consolidated net sales for the fiscal year under review were 475,608 million yen (3.8% increase year on year) and selling and general administrative expenses were 103,147 million yen (7.7% increase), while operating income was 134,233 million yen (5.1% increase) mainly because revenue growth as well as beneficial effect of the weakened yen. However because of 14,245 million yen of foreign exchange losses (21,851 million yen of foreign exchange gains in previous period), ordinary income was 129,188 million yen (18.7% decrease), and profit attributable to owners of parent was 92,138 million yen (15.9% decrease).

ROE became 9.9%, declined by 3.0 points from previous period.

2. Outlook for the next fiscal year

During the next fiscal year, the U.S. economy is expected to remain steady and the European economy is also expected to gradually recover, while there are concerns that China's economic slowdown will have a negative effect on the whole world economy. In Japan, the economy is also expected to gradually recover due to effects of various economic policies, while there are concerns that corporate performance will be declined by sluggish personal consumption, continuing strong yen and downturn in emerging countries including China etc, which has led to an unpredictable situation.

Given this environment, SMC group will continue its efforts to achieve "Long-term business vision" as hereinafter defined.

Consolidated financial results for the next fiscal year are forecasted to be as follows, assuming average exchange rates of the U.S. dollar and the euro against the yen are 108 yen and 123 yen, respectively.

(Millions of yen)

Forecast for consolidated financial results				
	First half		Full year	
		yoy change (%)		yoy change (%)
Net sales	225,000	(7.4%)	450,000	(5.4%)
Operating income	53,500	(24.3%)	107,000	(20.3%)
Ordinary income	57,000	(24.8%)	114,000	(11.8%)
Profit attributable to owners of parent	41,000	(24.0%)	82,000	(11.0%)

(2) Analysis of financial positions

1. Assets, liabilities and net assets

Total assets as of the end of the fiscal year under review were 1,120,171 million yen, which was decrease of 8,829 million yen (0.8%) yoy, mainly due to decrease in inventory.

Total liabilities decreased 29,159 million yen (14.1%) yoy to 178,357 million yen, due to decreases in short-term loans payable and income taxes payable.

Net assets increased 20,329 million yen (2.2%) yoy to 941,813 million yen, mainly due to increase in retained earnings while significant decrease in foreign currency translation adjustment as a result of the strong yen.

2. Cash flow

The balance of cash and cash equivalents (hereinafter "cash") as of the end of the fiscal year under review was 295,270 million yen, an increase of 13,554 million yen yoy.

(Cash flow from operating activities)

Net cash provided by operating activities was 102,006 million yen (revenue decrease of 9,646 million yen yoy). This is primarily attributable to 129,343 million yen of income before income taxes and minority interests, 14,863 million yen of depreciation, and 10,514 million yen of increase in notes and accounts payable-trade.

(Cash flow from investment activities)

Net cash used in investing activities was 34,282 million yen (decrease of 10,957 million yen yoy). This is primarily attributable to 23,997 million yen of purchase of property, plant and equipment, and 6,180 million yen of payments for investments in capital of subsidiaries and associates.

(Cash flow from financing activities)

Net cash used in financing activities was 34,299 million yen (increase of 21,536 million yen yoy). This is primarily attributable to 19,814 million yen of net decrease in short-term loans payable and 13,435 million yen of cash dividends paid.

(3) Basic profit distribution policy, and dividends for the fiscal year under review and the next fiscal year

The Company considers that its highest priority issue is to maximize shareholder value through corporate value improvement accompanied by mid- to long-term profit growth.

The Company will also strive to increase net assets and create an environment enabling smooth capital procurement by maintaining high ratings so that it can build a solid financial base that is not affected by financial and economic turmoil and rapid changes in foreign exchange rates like those occurred in connection with the collapse of Lehman Brothers in 2008.

In addition, the Company will continue to maintain its competitive advantage, positively make necessary investments in production facilities, research and development activities, human resources, etc. for sustained operations, and keep adequate cash on hand to meet relevant capital requirements.

To increase shareholder returns, the Company basically continues to pay stable dividends and also flexibly acquire treasury shares depending on situations.

SMC plans to pay a year-end dividend of 100 yen per share for the fiscal year under review, which together with the interim dividend of 100 yen per share paid last December, will result in a full-year dividend of 200 yen per share.

Next fiscal year, SMC plans to pay 100 yen per share as an interim dividend and a year-end dividend, respectively, which is the same amount as the year-end dividend for the fiscal year under review.

2. Management Policy

(1) Management philosophy

1. Contributing to automated, labor-saving operations

   The Company considers that its social mission is “contributing to automated, labor-saving operations in industries” through the manufacturing and sales of automatic control equipment including pneumatic instruments.

2. Focusing on the main business

   As a maker of component parts “contributing to automated, labor-saving operations in industries,” the Company fulfills its objectives and strives to improve its competitive advantages by concentrating its management resources on the automatic control equipment business, its main business.

3. Supplying products globally

   The Company will supply products that can meet the rules and needs of foreign countries and regions and are accepted in all the markets of the world.

(2) Long-term management vision

Issues that the Company needs to deal with toward the future are clarified as the “long-term management vision.”

1. The Company strives to develop products capable of accurately capturing customer needs and to create a framework capable of responding to customer requests for delivery dates, quality, prices, etc.
2. The Company focuses on newly expanding production facilities and replacing existing facilities, establishes a globally optimal production system with future vision in mind, and accelerates rationalization and cost reduction.
3. The Company aims to survive competitions in the global markets and to acquire higher market shares.

3. Basic concept on selection of accounting standards

SMC Group has adopted accounting standards based on Japanese GAAP.

For IFRS adoption, our policy is to respond appropriately based on domestic and international situation and trend of other companies while acquiring knowledge of IFRS and understanding difference between IFRS and Japanese GAAP.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
[ASSETS]		
Current assets		
Cash and deposits	453,178	412,707
Notes and accounts receivable-trade	120,956	118,264
Merchandise and finished goods	90,044	79,645
Work in process	16,396	15,650
Raw materials and supplies	88,132	87,267
Deferred tax assets	21,041	20,547
Other	13,796	13,933
Allowance for doubtful accounts	(1,288)	(894)
Total current assets	**802,257**	**747,123**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	60,405	65,918
Machinery, equipment and vehicles, net	31,288	32,167
Tools, furniture and fixtures, net	6,410	7,000
Land	32,824	32,232
Construction in progress	15,932	10,990
Total property, plant and equipment	**146,861**	**148,309**
Intangible assets		
Leasehold right	3,842	3,339
Other	1,042	1,213
Total intangible assets	**4,884**	**4,553**
Investments and other assets		
Investment securities	48,294	44,311
Net defined benefit asset	80	73
Insurance funds	115,579	118,992
Other	12,182	58,696
Allowance for doubtful accounts	(1,139)	(1,889)
Total investments and other assets	**174,997**	**220,184**
Total non-current assets	**326,743**	**373,048**
Total assets	**1,129,001**	**1,120,171**

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
[LIABILITIES]		
Current liabilities		
Notes and accounts payable-trade	48,753	55,405
Short-term loans payable	63,475	45,918
Income taxes payable	29,528	12,352
Provision for bonuses	2,969	2,611
Other	34,345	33,962
Total current liabilities	**179,071**	**150,249**
Non-current liabilities		
Long-term loans payable	7,106	3,325
Deferred tax liabilities	12,123	7,855
Provision for directors' retirement benefits	794	808
Net defined benefit liability	1,421	9,388
Other	6,999	6,730
Total non-current liabilities	**28,445**	**28,108**
Total liabilities	**207,517**	**178,357**
[NET ASSETS]		
Shareholders' equity		
Capital stock	61,005	61,005
Capital surplus	72,677	72,778
Retained earnings	696,953	775,655
Treasury shares	(3,458)	(3,411)
Total shareholders' equity	**827,178**	**906,027**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,841	2,879
Foreign currency translation adjustment	81,697	32,336
Remeasurements of defined benefit plans	4,527	(1,833)
Total accumulated other comprehensive income	92,066	33,381
Non-controlling interests	**2,238**	**2,403**
Total net assets	**921,483**	**941,813**
Total liabilities and net assets	**1,129,001**	**1,120,171**

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

1. Consolidated Statement of Income

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Net sales	**458,081**	**475,608**
Cost of sales	**234,578**	**238,227**
Gross profit	**223,503**	**237,381**
Selling, general and administrative expenses	**95,816**	**103,147**
Operating income	**127,686**	**134,233**
Non-operating income		
Interest income	5,589	5,553
Gain on investments in insurance funds	1,402	1,823
Foreign exchange gains	21,851	―
Other	2,935	2,474
Total non-operating income	**31,779**	**9,851**
Non-operating expenses		
Foreign exchange losses	―	14,245
Other	650	651
Total non-operating expenses	**650**	**14,897**
Ordinary income	**158,816**	**129,188**
Extraordinary income		
Gain on sales of non-current assets	522	241
Gain on sales of investment securities	428	166
Other	4	1
Total extraordinary income	**955**	**409**
Extraordinary losses		
Loss on retirement of non-current assets	136	104
Loss on sales of investment securities	―	132
Loss on valuation of investment securities	398	―
Loss on revision of retirement benefit plan	152	―
Impairment loss	267	―
Other	81	16
Total extraordinary losses	**1,037**	**253**
Profit before income taxes	**158,734**	**129,343**
Income taxes-current	48,736	36,112
Income taxes-deferred	209	874
Total income taxes	**48,946**	**36,986**
Profit	**109,788**	**92,356**
Profit attributable to non-controlling interests	**204**	**218**
Profit attributable to owners of parent	**109,583**	**92,138**

2. Consolidated Statement of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Profit	**109,788**	**92,356**
Other comprehensive income		
Valuation difference on available-for-sale securities	4,067	(2,977)
Foreign currency translation adjustment	42,395	(49,366)
Remeasurements of defined benefit plans, net of tax	1,539	(6,361)
Total other comprehensive income	**48,002**	**(58,705)**
Comprehensive income	**157,790**	**33,651**
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	157,566	33,454
Comprehensive income attributable to non-controlling interests	223	197

(3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Net assets at beginning of the period	61,005	72,677	629,616	(23,892)	739,407
Cumulative effects of changes in accounting policies			188		188
Restated balance	61,005	72,677	629,804	(23,892)	739,595
Changes of items during period					
Dividends of surplus			(12,125)		(12,125)
Profit attributable to owners of parent			109,583		109,583
Purchase of treasury shares				(10,035)	(10,035)
Disposal of treasury shares		88		72	160
Retirement of treasury shares		(88)	(30,308)	30,396	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	67,149	20,433	87,583
Net assets at end of the period	61,005	72,677	696,953	(3,458)	827,178

	Other accumulated comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Net assets at beginning of the period	1,813	39,282	2,988	44,083	2,030	785,521
Cumulative effects of changes in accounting policies						188
Restated balance	1,813	39,282	2,988	44,083	2,030	785,709
Changes of items during period						
Dividends of surplus						(12,125)
Profit attributable to owners of parent						109,583
Purchase of treasury shares						(10,035)
Disposal of treasury shares						160
Retirement of treasury shares						—
Net changes of items other than shareholders'equity	4,028	42,415	1,539	47,982	207	48,190
Total changes of items during period	4,028	42,415	1,539	47,982	207	135,774
Net assets at end of the period	5,841	81,697	4,527	92,066	2,238	921,483

Consolidated fiscal year under review (from April 1, 2015 to March 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Net assets at beginning of the period	61,005	72,677	696,953	(3,458)	827,178
Cumulative effects of changes in accounting policies					—
Restated balance	61,005	72,677	696,953	(3,458)	827,178
Changes of items during period					
Dividends of surplus			(13,437)		(13,437)
Profit attributable to owners of parent			92,138		92,138
Purchase of treasury shares				(25)	(25)
Disposal of treasury shares		100		72	173
Retirement of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	100	78,701	46	78,848
Net assets at end of the period	61,005	72,778	775,655	(3,411)	906,027

	Other accumulated comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Net assets at beginning of the period	5,841	81,697	4,527	92,066	2,238	921,483
Cumulative effects of changes in accounting policies						—
Restated balance	5,841	81,697	4,527	92,066	2,238	921,483
Changes of items during period						
Dividends of surplus						(13,437)
Profit attributable to owners of parent						92,138
Purchase of treasury shares						(25)
Disposal of treasury shares						173
Retirement of treasury shares						—
Net changes of items other than shareholders' equity	(2,962)	(49,360)	(6,361)	(58,684)	165	(58,518)
Total changes of items during period	(2,962)	(49,360)	(6,361)	(58,684)	165	20,329
Net assets at end of the period	2,879	32,336	(1,833)	33,381	2,403	941,813

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	158,734	129,343
Depreciation	13,620	14,863
Impairment loss	267	―
Increase (decrease) in allowance for doubtful accounts	519	526
Increase (decrease) in provision for directors' retirement benefits	55	14
Increase (decrease) in net defined benefit liability	(1,244)	(1,325)
Interest and dividend income	(5,984)	(5,953)
Interest expenses	305	274
Foreign exchange losses (gains)	(15,433)	9,309
Loss (gain) on sales of investment securities	(428)	(34)
Loss (gain) on valuation of investment securities	398	―
Decrease (increase) in notes and accounts receivable-trade	(11,624)	(4,948)
Decrease (increase) in inventories	12,818	391
Increase (decrease) in notes and accounts payable-trade	(4,492)	10,514
Decrease (increase) in other current assets	(867)	(673)
Increase (decrease) in other current liabilities	1,370	12
Other, net	(1,782)	(2,653)
Subtotal	146,231	149,662
Interest and dividend income received	5,994	5,700
Interest expenses paid	(334)	(251)
Income taxes (paid) refund	(40,238)	(53,105)
Net cash provided by operating activities	**111,652**	**102,006**

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from investing activities		
Payments into time deposits	(60,035)	(67,432)
Proceeds from withdrawal of time deposits	42,842	67,895
Purchase of property, plant and equipment	(25,221)	(23,997)
Purchase of investment securities	(3,169)	(1,925)
Proceeds from sales of investment securities	2,544	1,276
Payments for investments in capital of subsidiaries and associates	(2,379)	(6,180)
Payments of loans receivable	(446)	(226)
Collection of loans receivable	723	192
Purchase of insurance funds	(5,773)	(7,224)
Proceeds from maturity of insurance funds	3,503	3,659
Other, net	2,171	(319)
Net cash used in investing activities	**(45,240)**	**(34,282)**
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	9,740	(19,814)
Proceeds from long-term loans payable	2,000	2,000
Repayments of long-term loans payable	(2,454)	(3,197)
Purchase of treasury shares	(10,035)	(25)
Cash dividends paid	(12,127)	(13,435)
Other, net	114	173
Net cash used in financing activities	**(12,762)**	**(34,299)**
Effect of exchange rate change on cash and cash equivalents	**19,488**	**(19,870)**
Net increase (decrease) in cash and cash equivalents	**73,138**	**13,554**
Cash and cash equivalents at beginning of period	**208,577**	**281,716**
Cash and cash equivalents at the end of period	**281,716**	**295,270**

(5) Notes to consolidated financial statements

(Notes on going-concern assumption)

N/A

(Changes in accounting policies)

SMC Corporation has applied the “Accounting Standard for Business Combinations” (ASBJ Statement No.21, September 13, 2013, hereinafter the “Business Combinations Standard”), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, September 13, 2013, hereinafter the “Consolidated Financial Statements Standard”), and the “Accounting Standard for Business Divestures” (ASBJ Statement No.7, September 13, 2013, hereinafter the “Business Divestures Standard”), etc. from the beginning of the consolidated fiscal year under review, causing differences resulting from changes in the SMC’s ownership of subsidiaries of which ownership continues to be recorded in capital surplus and changing the method of recording acquisition-related expenses in the fiscal year in which such expenses are incurred. Also, for corporate combinations occurring after the beginning of the consolidated fiscal year under review, the allocation of acquisition costs determined under provisional accounting treatment have been revised, reflecting such cost in the consolidated financial statements for the consolidated fiscal year to which the business combination date belongs. Furthermore, the presentation of "net income" and other related items has been changed, and the presentation of "minority interests" has been changed to "non-controlling interests". The consolidated financial statements for the previous fiscal year have been revised to reflect these changes in presentation.

With regard to application of the Business Combinations Standard, etc., in accordance with transitional treatments as stipulated in paragraph 58-2(4) of the Business Combinations Standard, paragraph 44-5(4) of the Consolidated Financial Statements Standard, and paragraph 57-4(4) of the Business Divestitures Standard, these standards will be applied going forward from the beginning of the consolidated fiscal year under review.

These adoptions had no impact on the consolidated financial statements for the consolidated fiscal year under review.

(Segment information, etc.)

[Segment information]

Reportable segment information on net sales, profit/loss and assets

Previous consolidated fiscal year (from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment amount	Amount included in consolidated financial statements
	Automatic control equipment business				
Net sales					
Sales to external customers	456,032	2,049	458,081	—	458,081
Inter-segment sales or transfers	—	133	133	(133)	—
Total	456,032	2,182	458,215	(133)	458,081
Segment profit	131,615	165	131,780	(4,093)	127,686

Consolidated fiscal year under review (from April 1, 2015 to March 31, 2016)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment amount	Amount included in consolidated financial statements
	Automatic control equipment business				
Net sales					
Sales to external customers	473,705	1,903	475,608	—	475,608
Inter-segment sales or transfers	—	138	138	(138)	—
Total	473,705	2,042	475,747	(138)	475,608
Segment profit	137,846	139	137,986	(3,752)	134,233

[Related information]

(1) Geographical Net sales

(Millions of yen)

Fiscal Year ended March 31	Japan	United States	China	Asia (excl. China)	Europe	Other regions	Total
2015	141,717	56,505	79,571	75,575	78,821	25,889	458,081
2016	147,262	61,857	83,745	75,943	81,970	24,830	475,608

(2) Geographical Property, plant and equipment

(Millions of yen)

Fiscal Year ended March 31	Japan	China	Asia (excl. China)	Other regions	total
2015	51,259	36,428	17,608	41,564	146,861
2016	57,879	33,364	17,649	39,415	148,309

(Per share information)

	Consolidated FY under review (April 1, 2014 – March 31, 2015)	Consolidated FY under review (April 1, 2015 – March 31, 2016)
Net asset per share	13,682.01 yen	13,981.17 yen
Net income per share	1,629.38 yen	1,371.34 yen

(Significant subsequent events)

N/A

5. Additional Information

(1) Geographic segment information

(Millions of yen)

	Year ended March 31, 2016							
	Japan	North America	Europe	Asia	Other	Total	Intersegment Eliminations	Consolidated
Net sales								
(1) Sales to external customers	154,493	78,753	77,767	154,493	10,101	475,608	—	475,608
(2) Intersegment sales	168,176	2,483	1,189	48,892	20	220,761	(220,761)	—
Total	322,669	81,237	78,956	203,385	10,121	696,370	(220,761)	475,608
Operating income (loss)	88,996	12,600	7,639	32,239	(346)	141,131	(6,897)	134,233

(2) Consolidated capital expenditures, Depreciation and R&D expense

(Millions of yen)

	Year ended March 31, 2016 (Actual)		Year ending March 31, 2017 (Forecast)	
Capital expenditures	24,756	(13.7)%	47,600	92.3%
Depreciation	14,346	9.0%	14,800	3.2%
R&D expense	18,452	4.8%	18,900	2.4%

(3) Foreign currency exchange rates

	Year ended March 31, 2016 (Actual)		Year ending March 31, 2017 (Forecast)
	(average)	(at end)	(average)
U S $	¥ 120.14	¥ 112.69	¥ 108
E U R	¥ 132.59	¥ 127.57	¥ 123

(4) Consolidated full-time employees and temporary employees

(Number of personnel)

	Year ended March 31, 2016	increase from last year end
Full-time employees (at end)	18,382	993
Temporary employees (average)	4,998	59