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May 10, 2018

# Kakaku.com, Inc.
# Consolidated Earnings Report for the Fiscal Year Ended March 31, 2018

Stock listings: Tokyo Stock Exchange (First Section)
Securities code: 2371
URL: http://corporate.kakaku.com/?lang=en
Representative: Shonosuke Hata, President and Representative Director
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Scheduled dates
Ordinary general meeting of shareholders: June 21, 2018
Dividend payout: June 22, 2018
Filing of statutory year-end financial report: June 21, 2018
Supplementary materials to financial results available: Yes
Fiscal year-end earnings presentation held: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded.)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(1) Consolidated Operating Results

(% = year-on-year change)

| | Revenue | | Operating profit | | Profit before income taxes | | Profit for the period | | Profit attributable to owners of the parent company | | Total comprehensive income for the period | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % |
| FY2018/3 | 46,782 | 7.6 | 22,876 | 6.7 | 22,820 | 6.4 | 15,737 | 6.0 | 15,699 | 6.0 | 15,850 | 6.4 |
| FY2017/3 | 43,464 | - | 21,447 | - | 21,457 | - | 14,851 | - | 14,812 | - | 14,896 | - |

| | Basic earnings per share | Diluted earnings per share | Profit to equity attributable to owners of the parent company ratio | Profit before income taxes to total assets ratio | Operating profit to revenue ratio |
|---|---|---|---|---|---|
| | ¥ | ¥ | % | % | % |
| FY2018/3 | 73.96 | 73.92 | 45.7 | 53.5 | 48.9 |
| FY2017/3 | 68.11 | 68.08 | 44.2 | 52.5 | 49.3 |

For reference: Share of profit (loss) of associates and joint ventures accounted for by the equity method:
Year ended March 31, 2018: (62) million yen
Year ended March 31, 2017: - million yen

(2) Consolidated Financial Position

| | Total assets | Total equity | Total equity attributable to owners of the parent company | Total equity attributable to owners of the parent company ratio | Equity per share attributable to owners of the parent company |
|---|---|---|---|---|---|
| | ¥ million | ¥ million | ¥ million | % | ¥ |
| As of March 31, 2018 | 42,770 | 33,908 | 33,573 | 78.5 | 160.02 |
| As of March 31, 2017 | 42,481 | 35,380 | 35,158 | 82.8 | 162.40 |

(3) Consolidated Cash Flows

| | Cash flow from operating activities | Cash flow from investing activities | Cash flow from financing activities | Cash and cash equivalents at end of period |
|---|---|---|---|---|
| | ¥ million | ¥ million | ¥ million | ¥ million |
| FY2018/3 | 16,000 | (8,415) | (17,447) | 21,029 |
| FY2017/3 | 16,337 | (2,105) | (11,657) | 30,890 |

## 2. Dividends

| | Annual dividends | | | | | Total payout (full year) | Payout ratio (consolidated) | Dividends to equity attributable to owners of the parent company (consolidated) |
|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Year-end | Annual total | | | |
| | ¥ | ¥ | ¥ | ¥ | ¥ | ¥ million | % | % |
| FY2017/3 | - | 14.00 | - | 14.00 | 28.00 | 6,062 | 41.1 | 18.2 |
| FY2018/3 | - | 16.00 | - | 16.00 | 32.00 | 6,777 | 43.3 | 19.9 |
| FY2019/3 (forecast) | - | 18.00 | - | 18.00 | 36.00 | | 44.2 | |

## 3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 to March 31, 2019)

(% = year-on-year change)

| | Revenue | | Operating profit | | Profit before income taxes | | Profit attributable to owners of parent company | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % | ¥ |
| Six months ending September 30, 2018 | 24,000 | 10.8 | 11,430 | 8.9 | 11,370 | 8.5 | 7,750 | 8.6 | 36.94 |
| Full year | 52,000 | 11.2 | 25,200 | 10.2 | 25,080 | 9.9 | 17,090 | 8.9 | 81.45 |

***Notes**

(1) Changes in Significant Subsidies during the Period: None

(2) Accounting policy changes and accounting estimate changes:

i) Changes in accounting policies required by IFRS: No

ii) Changes other than the above 1): None

iii) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

1) Number of shares issued at end of period (treasury stock included):
March 31, 2018: 210,605,000 shares
March 31, 2017: 218,160,100 shares

2) Number of shares held in treasury at end of period:
March 31, 2018: 794,107 shares
March 31, 2017: 1,668,325 shares

3) Average number of shares outstanding during the period:
Year ended March 31, 2018: 212,274,989 shares
Year ended March 31, 2017: 217,463,481 shares

**For Reference**

**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 1, 2017 to March 31, 2018)**

(1) Operations Results (% = year-on-year change)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % |
| FY2018/3 | 43,992 | 6.2 | 21,948 | 4.9 | 21,906 | 4.6 | 15,327 | 11.3 |
| FY2017/3 | 41,422 | 9.3 | 20,915 | 7.8 | 20,934 | 7.0 | 13,775 | 4.5 |

| | Net income per share - basic | Net income per share - fully diluted |
|---|---|---|
| | ¥ | ¥ |
| FY2018/3 | 72.21 | 72.17 |
| FY2017/3 | 63.35 | 63.31 |

(2) Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | ¥ million | ¥ million | % | ¥ |
| As of March 31, 2018 | 40,284 | 33,513 | 82.7 | 158.79 |
| As of March 31, 2017 | 41,302 | 35,041 | 84.4 | 161.01 |

For reference: Total equity: March 31, 2018: 33,316 million yen March 31, 2017: 34,857 million yen
Total equity = Shareholders' equity plus total accumulated other comprehensive income

* This earnings report is exempt from audit procedures.

***Appropriate Use of Earnings Forecasts and Other Important Information**

(Disclaimer Regarding Forward-Looking Statements)

The above forecasts, which constitute forward-looking statements, are prospects based on information available to the Company as of the date of the release of this document. Actual results may differ materially from the above forecasts due to a range of factors.

(Application of International Financial Reporting Standards (IFRS))

The Group has applied the International Financial Reporting Standards ("IFRS") from the first quarter of the fiscal year ended March 31, 2018. In addition, data for the fiscal year ended March 31, 2017 have been presented in accordance with the IFRS.

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## 1. Operating Results and Financial Position

### (1) Operating Results

The Kakaku.com Group (the "Company") adopted International Financial Reporting Standards (IFRS) effective from the first quarter of the fiscal year ended March 31, 2018. Financial statement data presented herein for the fiscal year ended March 31, 2017, have been restated on an IFRS basis to facilitate comparative analysis.

The Company's operating results for the fiscal year ended March 31, 2018, are as follows.

Consolidated revenue grew 7.6% year on year to 46,782 million yen, driven mainly by revenue growth in *tabelog*'s restaurant sales promotion business and *kakaku.com*'s service business.

Consolidated operating profit grew 6.7% year on year to 22,876 million yen, mainly as a result of revenue growth partially offset by growth in advertising, outsourcing and advertising agency commission expenses.

Consolidated profit before income taxes grew 6.4% year on year to 22,820 million yen, mainly as a net result of operating profit growth and a net loss on equity-method investments.

Consolidated profit attributable to owners of the parent company grew 6.0% year on year to 15,699 million yen.

Operating results (after intersegment eliminations) are presented below by business segment.

(a) Internet Media Business

The Internet media business's revenue grew 7.1% year on year to 45,564 million yen while its segment income grew 5.7% year on year to 22,523 million yen in the fiscal year ended March 31, 2018.

(*kakaku.com*)

*kakaku.com*'s revenue grew 3.2% year on year to 21,973 million yen in the fiscal year ended March 31, 2018.

In *kakaku.com*'s shopping business, revenue was up 1.2% year on year to 9,248 million yen, boosted by commission revenue growth stemming from growth in gross consumer-goods transaction volume by virtue of site usability improvements in the consumer goods category. In *kakaku.com*'s service business, revenue rose 7.2% year on year to 8,559 million yen, lifted largely by SIM card, Wi-Fi and credit card comparison services' strong performance. In *kakaku.com*'s advertising business, revenue edged up 0.1% year on year to 4,166 million yen as external distribution advertising revenue growth offset the impact of a falloff in PC traffic.

*kakaku.com* had 61.88 million monthly unique users[1] in March 2018.

(*tabelog*)

*tabelog*'s revenue grew 8.3% year on year to 20,148 million yen in the fiscal year ended March 31, 2018.

In its restaurant sales promotion business, *tabelog* increased the number of restaurants using its fee-based services as new fee plan[2] subscribers by both gaining new subscribers and converting some existing subscribers from its old fee plans[3] to the new ones. As of March 2018, new fee plan subscribership totaled 21,300 restaurants, a year-on-year increase of 17,800. In April, this total increased to 23,500 restaurants. Additionally, online reservation bookings grew briskly as a result of an increase in restaurants that accept online reservations via *tabelog*. The restaurant sales promotion business's revenue consequently increased 19.6% year on year to 14,990 million yen.

In *tabelog*'s premium membership business, revenue was down 16.5% year on year to 2,942 million yen as a result of decreased commission revenue from alliance partners.

In *tabelog*'s advertising business, revenue fell 13.1% year on year to 2,216 million yen as growth in revenue from tie-up ads planned in collaboration with restaurants was overshadowed by a reduction in commission revenue from referrals to other media in the wake of growth in *tabelog*'s new fee plans' subscribership.

*tabelog* had 142.91 million monthly unique users[1] in March 2018.

(New Media and Solutions)

The new media and solutions business's revenue grew 30.5% year on year to 3,444 million yen in the fiscal year ended March 31, 2018.

*Kinarino* achieved growth in revenue from *Kinarino Mall* commissions and from advertising, mainly

tie-up ads. *Kyujin Box*'s commission revenues grew in tandem with traffic growth.

Additionally, LCL Incorporated and gaie, Inc., two new consolidated subsidiaries effective from January and February 2018, respectively, began contributing to earnings from the fourth quarter of the fiscal year.

(b) Finance Business

The finance business's revenue and segment income both grew year on year, the former by 31.3% to 1,218 million yen and the latter by 150.8% to 348 million yen, in the fiscal year ended March 31, 2018.

Consolidated subsidiary Kakaku.com Insurance, Inc., achieved growth in data-driven advertising revenue in addition to growth in applications for both life and non-life insurance coverage in its insurance agency business.

1. The number of monthly unique users is the number of browsers that visited the site, not the number of cumulative visits, during a month. Multiple visits by a single browser are counted as one user. Effective from November 2016, the Company changed its sites' traffic measurement logic in conjunction with diversification of mobile webpages.
2. *tabelog*'s new fee plans are restaurant service plans for which *tabelog* charges a monthly base fee plus a variable fee based on online reservation bookings.
3. *tabelog*'s old fee plans are restaurant service plans for which *tabelog* charges a monthly base fee only.

## (2) Financial Position

Assets

Consolidated assets at March 31, 2018, totaled 42,770 million yen, a 289 million yen increase from March 31, 2017. The increase was mainly the net result of a 5,071 million yen increase in goodwill and other intangible assets, 2,183 million yen increase in trade and other receivables, 2,004 million yen increase in investments accounted for using equity method and 9,861 million yen decrease in cash and cash equivalents.

Liabilities

Consolidated liabilities at March 31, 2018, totaled 8,862 million yen, a 1,761 million yen increase from March 31, 2017. The increase was mainly attributable to a 605 million yen increase in trade and other payables and 498 million yen increase in income taxes payable.

Total equity

Consolidated equity at March 31, 2018, totaled 33,908 million yen, a 1,472 million yen decrease from March 31, 2017. The decrease was mainly the net result of 15,699 million yen of profit attributable to owners of the parent company, acquisition and disposal of 12,341 million yen of treasury shares, a drawdown of retained earnings due to dividend distributions of 6,451 million yen and a 1,764 million yen reduction in treasury shares.

## (3) Cash Flows

Cash and cash equivalents ("cash") at March 31, 2018, totaled 21,029 million yen, a 9,861 million yen decrease from March 31, 2017. Cash flows from operating, investing and financing activities were as follows.

Cash flows from operating activities

Operating activities provided net cash of 16,000 million yen (vs. 16,337 million yen provided in the previous fiscal year). The net cash inflow was mainly attributable to of profit before income taxes of 22,820 million yen net of 6,869 million yen of income taxes paid.

Cash flows from investing activities

Investing activities used net cash of 8,415 million yen (vs. 2,105 million yen used in the previous fiscal year). The main uses were acquisition of equity interests in subsidiaries for 4,439 million yen, investment securities purchases of 2,605 million yen and acquisition of intangible assets, including software purchased for use in servers, for 1,166 million yen.

Cash flows from financing activities
Financing activities used net cash of 17,447 million yen (vs. 11,657 million yen used in the previous fiscal year). The main uses were 10,780 million yen spent to purchase treasury shares and 6,454 million yen paid out as dividends.

### (4) Outlook for Fiscal Year Ending March 31, 2019

The Kakaku.com Group aims to strengthen its overall earnings foundation by accelerating growth in the new media and solutions business and finance business while keeping *kakaku.com* and *tabelog* growing robustly. The Group is committed to gaining new earnings sources by investing in overseas businesses and also aggressively challenging to build businesses that utilize its proprietary data.

Among selling, general and administrative expenses, the Group expects advertising and agency commission expenses to increase as its operations expand in scale. It also anticipates growth in expenses related to investment in IT systems to stably provide services.

For the fiscal year ending March 31, 2019, the Group is forecasting consolidated revenue of 52,000 million yen, consolidated operating profit of 25,200 million yen, consolidated profit before income taxes of 25,080 million yen and consolidated profit attributable to owners of the parent company of 17,090 million yen.

These forecasts are judgments based on currently available information. They involve many uncertainties. Actual operating results may differ from the forecasts as a result of changes in business conditions or other factors.

## 2. Basic Approach to Selection of Accounting Standards

The Group has adopted International Financial Reporting Standards (IFRS) effective from the fiscal year ended March 31, 2018, to enhance its financial information’s international comparability in capital markets.

## 3. Consolidated Financial Statements

### (1) Consolidated Statement of Financial Position

(Millions of yen)

| | As of April 1, 2016 | As of March 31, 2017 | As of March 31, 2018 |
|---|---|---|---|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 28,319 | 30,890 | 21,029 |
| Trade and other receivables | 5,761 | 5,428 | 7,612 |
| Other financial assets | 3 | 7 | 36 |
| Other current assets | 220 | 437 | 883 |
| Total current assets | 34,303 | 36,762 | 29,559 |
| Non-current assets | | | |
| Property, plant and equipment | 1,184 | 1,224 | 1,128 |
| Goodwill and other intangible assets | 1,979 | 2,176 | 7,247 |
| Investments accounted for using equity method | — | — | 2,004 |
| Other financial assets | 1,281 | 1,840 | 2,644 |
| Deferred tax assets | 412 | 413 | 142 |
| Other non-current assets | 64 | 65 | 46 |
| Total non-current assets | 4,920 | 5,719 | 13,211 |
| Total assets | 39,222 | 42,481 | 42,770 |

(Millions of yen)

| | As of April 1,2016 | As of March 31, 2017 | As of March 31, 2018 |
|---|---|---|---|
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 1,191 | 1,182 | 1,787 |
| Bonds and borrowings | - | - | 168 |
| Other financial liabilities | 125 | 168 | 219 |
| Income taxes payable | 3,780 | 3,488 | 3,986 |
| Employee benefit obligations | 857 | 937 | 1,092 |
| Other current liabilities | 964 | 1,033 | 1,038 |
| Total current liabilities | 6,917 | 6,809 | 8,291 |
| Non-current liabilities | | | |
| Bonds and borrowings | - | - | 235 |
| Provisions | 136 | 156 | 164 |
| Other non-current liabilities | 91 | 136 | 172 |
| Total non-current liabilities | 227 | 292 | 571 |
| Total liabilities | 7,144 | 7,101 | 8,862 |
| Equity | | | |
| Capital stock | 916 | 916 | 916 |
| Capital surplus | 819 | 822 | 441 |
| Retained earnings | 31,877 | 36,154 | 33,060 |
| Treasury shares | (1,984) | (3,019) | (1,255) |
| Other components of equity | 267 | 285 | 411 |
| Total equity attributable to owners of the parent company | 31,895 | 35,158 | 33,573 |
| Non-controlling interests | 183 | 222 | 335 |
| Total equity | 32,078 | 35,380 | 33,908 |
| Total liabilities and equity | 39,222 | 42,481 | 42,770 |

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

### Consolidated Statement of Income

(Millions of yen)

| | Fiscal year ended March 31, 2017 | Fiscal year ended March 31, 2018 |
|---|---|---|
| Revenue | 43,464 | 46,782 |
| Operating expenses | 22,014 | 24,105 |
| Other income | 11 | 204 |
| Other expenses | 13 | 5 |
| Operating profit | 21,447 | 22,876 |
| Finance income | 10 | 9 |
| Finance expenses | 1 | 3 |
| Share of profit (loss) of associates and joint ventures accounted for by the equity method | — | (62) |
| Profit before income taxes | 21,457 | 22,820 |
| Income tax expense | 6,606 | 7,083 |
| Profit | 14,851 | 15,737 |
| Profit attributable to: | | |
| Owners of the parent company | 14,812 | 15,699 |
| Non-controlling interests | 39 | 39 |
| Earnings per share | | |
| Basic earnings per share (yen) | 68.11 | 73.96 |
| Diluted earnings per share (yen) | 68.08 | 73.92 |

## Consolidated Statement of Comprehensive Income

(Millions of yen)

| | Fiscal year ended March 31, 2017 | Fiscal year ended March 31, 2018 |
|---|---|---|
| Profit | 14,851 | 15,737 |
| Other comprehensive income (Net of related tax effect) | | |
| Items that will not be reclassified to profit or loss | | |
| Net gain (loss) on financial assets measured at fair value through other comprehensive income | 50 | 111 |
| Total items that will not be reclassified to profit or loss | 50 | 111 |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | (4) | 1 |
| Share of other comprehensive income of associates and joint ventures accounted for using the equity method | — | 1 |
| Total items that may be reclassified to profit or loss | (4) | 2 |
| Other comprehensive income (Net of related tax effect) | 45 | 113 |
| Comprehensive income | 14,896 | 15,850 |
| Comprehensive income attributable to: | | |
| Owners of the parent company | 14,857 | 15,812 |
| Non-controlling interests | 39 | 39 |

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2017 (From April 1, 2016 to March 31, 2017)

(Millions of yen)

| | Equity attributable to owners of the parent company | | | | | | | | | | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Other components of equity | | | | | Total | | |
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Net changes in fair value of financial assets measured at fair value through other comprehensive income | Exchange differences on translation of foreign operations | Share of other comprehensive income of associates and joint ventures accounted for using the equity method | Subscription rights to shares | Total other components of equity | | | |
| Balance at beginning of period | 916 | 819 | 31,877 | (1,984) | 79 | — | — | 188 | 267 | 31,895 | 183 | 32,078 |
| Profit | — | — | 14,812 | — | — | — | — | — | — | 14,812 | 39 | 14,851 |
| Other comprehensive income | — | — | — | — | 50 | (4) | — | — | 45 | 45 | — | 45 |
| Total comprehensive income | — | — | 14,812 | — | 50 | (4) | — | — | 45 | 14,857 | 39 | 14,896 |
| Dividends | — | — | (7,629) | — | — | — | — | — | — | (7,629) | — | (7,629) |
| Purchase or disposal of treasury shares | — | — | (2,937) | (1,035) | — | — | — | (50) | (50) | (4,022) | — | (4,022) |
| Change in ownership interest in subsidiaries that do not result in loss of control | — | — | — | — | — | — | — | — | — | — | — | — |
| Share-based payment transactions | — | — | — | — | — | — | — | 49 | 49 | 49 | — | 49 |
| Cancellation of subscription rights to shares | — | 3 | — | — | — | — | — | (3) | (3) | — | — | — |
| Change in scope of consolidation | — | — | — | — | — | — | — | — | — | — | — | — |
| Others | — | — | 7 | — | — | — | — | — | — | 7 | — | 7 |
| Transfer from other components of equity to retained earnings | — | — | 24 | — | (24) | — | — | — | (24) | — | — | — |
| Total transactions with owners | — | 3 | (10,535) | (1,035) | (24) | — | — | (4) | (28) | (11,595) | — | (11,595) |
| Balance at end of period | 916 | 822 | 36,154 | (3,019) | 105 | (4) | — | 184 | 285 | 35,158 | 222 | 35,380 |

Fiscal year ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

(Millions of yen)

| | Equity attributable to owners of the parent company | | | | | | | | | | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Other components of equity | | | | | Total | | |
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Net changes in fair value of financial assets measured at fair value through other comprehensive income | Exchange differences on translation of foreign operations | Share of other comprehensive income of associates and joint ventures accounted for using the equity method | Subscription rights to shares | Total other components of equity | | | |
| Balance at beginning of period | 916 | 822 | 36,154 | (3,019) | 105 | (4) | — | 184 | 285 | 35,158 | 222 | 35,380 |
| Profit | — | — | 15,699 | — | — | — | — | — | — | 15,699 | 39 | 15,737 |
| Other comprehensive income | — | — | — | — | 111 | 1 | 1 | — | 113 | 113 | — | 113 |
| Total comprehensive income | — | — | 15,699 | — | 111 | 1 | 1 | — | 113 | 15,812 | 39 | 15,850 |
| Dividends | — | — | (6,451) | — | — | — | — | — | — | (6,451) | — | (6,451) |
| Purchase or disposal of treasury shares | — | — | (12,341) | 1,764 | — | — | — | (38) | (38) | (10,616) | — | (10,616) |
| Change in ownership interest in subsidiaries that do not result in loss of control | — | (359) | — | — | — | — | — | — | — | (359) | — | (359) |
| Share-based payment transactions | — | — | — | — | — | — | — | 62 | 62 | 62 | — | 62 |
| Cancellation of subscription rights to shares | — | 11 | — | — | — | — | — | (11) | (11) | — | — | — |
| Change in scope of consolidation | — | — | — | — | — | — | — | — | — | — | 74 | 74 |
| Others | — | (32) | — | — | — | — | — | — | — | (32) | — | (32) |
| Transfer from other components of equity to retained earnings | — | — | — | — | — | — | — | — | — | — | — | — |
| Total transactions with owners | — | (381) | (18,793) | 1,764 | — | — | — | 13 | 13 | (17,397) | 74 | (17,322) |
| Balance at end of period | 916 | 441 | 33,060 | (1,255) | 216 | (4) | 1 | 197 | 411 | 33,573 | 335 | 33,908 |

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

| | Fiscal year ended March 31, 2017 | Fiscal year ended March 31, 2018 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 21,457 | 22,820 |
| Adjustments to reconcile profit before income taxes | | |
| Depreciation and amortization | 1,325 | 1,581 |
| Interest and dividend income | (8) | (9) |
| Decrease (increase) in trade and other receivables | 333 | (1,779) |
| Increase (decrease) in trade and other payables | 48 | 309 |
| Other | 164 | (62) |
| Subtotal | 23,318 | 22,860 |
| Interest and dividend income received | 8 | 9 |
| Income taxes paid | (6,989) | (6,869) |
| Net cash provided by (used in) operating activities | 16,337 | 16,000 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (414) | (193) |
| Purchase of intangible assets | (1,187) | (1,166) |
| Purchase of investment securities | (510) | (2,605) |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | - | (4,439) |
| Other | 6 | (11) |
| Net cash provided by (used in) investing activities | (2,105) | (8,415) |
| Cash flows from financing activities | | |
| Repayments of long-term loans payable | - | (77) |
| Purchase of shares of subsidiaries that do not result in change in scope of consolidation | - | (373) |
| Purchase of treasury shares | (4,233) | (10,780) |
| Dividends paid | (7,625) | (6,454) |
| Proceeds from issuance of shares to non-controlling shareholders | - | 30 |
| Proceeds from issuance of share options | 201 | 206 |
| Net cash provided by (used in) financing activities | (11,657) | (17,447) |
| Effect of exchange rate change on cash and cash equivalents | (4) | 1 |
| Net increase (decrease) in cash and cash equivalents | 2,571 | (9,861) |
| Cash and cash equivalents at beginning of period | 28,319 | 30,890 |
| Cash and cash equivalents at end of period | 30,890 | 21,029 |

## (5) Notes on Consolidated Financial Statements

### (Notes regarding the going concern assumption)

Not applicable.

(Segment Information)

(1) Outline of reportable segments

The Group's reportable segments comprise the business units of the Group for which separate financial information is available and of which the Board of Directors periodically conducts reviews for the purpose of determining the allocation of management resources and evaluating their business results.

The Group has established business divisions and subsidiaries by product/service, and each business division and subsidiary draw up comprehensive domestic and overseas strategies of the services for which it is responsible and engages in business activities.

The Group, thus, comprises segments based on services under the business divisions and subsidiaries, which have been divided into the reportable segments of Internet Media and Finance.

The Internet Media segment mainly operates *kakaku.com*, a customer purchasing support site which provides necessary information relating to the purchase of various products and services on the Internet; as well as *tabelog*, a restaurant search and reservation site ; *yoyaQ.com*, a site for hotel deals and last minute discounts; *Sumaity*, a real estate/housing information site; *4travel*, a travel review and comparison site operated by 4travel, Inc., a consolidated subsidiary; *eiga.com*, a comprehensive movie information site operated by eiga.com, Inc., a consolidated subsidiary; *webCG*, a dedicated automobile site operated by webCG, Inc., a consolidated subsidiary; a dynamic package business of the consolidated subsidiary, Time Design Co., Ltd.; *Yako Hikaku Navi*, an overnight bus trip comparison service operated by LCL Incorporated., a consolidated subsidiary; and the movie contents and website production of gaie, Inc., a consolidated subsidiary.

The Finance segment is engaged in the insurance agency business through Kakaku.com Insurance, Inc., a consolidated subsidiary.

(2) Information on the amounts of revenue, profit/loss, assets and other items by reportable segment

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Millions of yen)

| | Reportable segment | | | Adjustments (Notes 1, 2) | Amount reported in the consolidated financial statements |
|---|---|---|---|---|---|
| | Internet Media | Finance | Total | | |
| Revenue | | | | | |
| Revenue from external customers | 42,536 | 928 | 43,464 | - | 43,464 |
| Inter-segment revenue or transfers | 3 | - | 3 | (3) | - |
| Total | 42,539 | 928 | 43,467 | (3) | 43,464 |
| Operating expenses | 21,233 | 789 | 22,022 | (7) | 22,014 |
| Segment income | 21,304 | 139 | 21,443 | 5 | 21,447 |
| Finance income | | | | | 10 |
| Finance expenses | | | | | 1 |
| Profit before income taxes | | | | | 21,457 |
| Other items | | | | | |
| Depreciation and amortization | 1,311 | 14 | 1,325 | - | 1,325 |
| Capital expenditures (Note 3) | 1,546 | 24 | 1,570 | - | 1,570 |
| Segment assets | 41,628 | 922 | 42,549 | (68) | 42,481 |

(Note 1) Adjustments of segment income refer to the elimination of intersegment transactions.

(Note 2) Adjustments of segment assets refer to the elimination of intersegment receivables and payables.

(Note 3) Capital expenditures include investments in property, plant and equipment, and intangible assets.

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Millions of yen)

| | Reportable segment | | | Adjustments (Notes 1, 2) | Amount reported in the consolidated financial statements |
|---|---|---|---|---|---|
| | Internet Media | Finance | Total | | |
| Revenue | | | | | |
| Revenue from external customers | 45,564 | 1,218 | 46,782 | - | 46,782 |
| Inter-segment revenue or transfers | 2 | - | 2 | (2) | - |
| Total | 45,566 | 1,218 | 46,784 | (2) | 46,782 |
| Operating expenses | 23,242 | 870 | 24,112 | (7) | 24,105 |
| Segment income | 22,523 | 348 | 22,871 | 5 | 22,876 |
| Finance income | | | | | 9 |
| Finance expenses | | | | | 3 |
| Share of profit (loss) of associates and joint ventures accounted for by the equity method | | | | | (62) |
| Profit before income taxes | | | | | 22,820 |
| Other items | | | | | |
| Depreciation and amortization | 1,566 | 15 | 1,581 | - | 1,581 |
| Capital expenditures (Note 3) | 1,417 | 6 | 1,423 | - | 1,423 |
| Segment assets | 41,503 | 1,337 | 42,840 | (70) | 42,770 |

(Note 1) Adjustments of segment income refer to the elimination of intersegment transactions.

(Note 2) Adjustments of segment assets refer to the elimination of intersegment receivables and payables.

(Note 3) Capital expenditures include investments in property, plant and equipment, and intangible assets.

(Per share data)

Basic earnings per share and diluted earnings per share attributable to owners of the parent company are as follows.

| | Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017) | Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018) |
|---|---|---|
| Basic earnings per share (yen) | 68.11 | 73.96 |
| Diluted earnings per share (yen) | 68.08 | 73.92 |

The basis for calculating basic earnings per share and diluted earnings per share attributable to owners of the parent company as follows.

| | Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017) | Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018) |
|---|---|---|
| Basic earnings per share | | |
| Profit attributable to owners of the parent company (Millions of yen) | 14,812 | 15,699 |
| Amounts not attributable to common shareholders of the parent company (Millions of yen) | - | - |
| Amount of profit used in the calculation of basic earnings per share (Millions of yen) | 14,812 | 15,699 |
| Average number of outstanding common stock during the period (shares) | 217,463,481 | 212,274,989 |
| Diluted earnings per share | | |
| Adjustment to profit (Millions of yen) | - | - |
| Amount of profit used in the calculation of diluted earnings per share (Millions of yen) | 14,812 | 15,699 |
| Increase in number of common stock (shares) | 119,087 | 109,388 |
| [Stock acquisition rights] (shares) | [119,087] | [109,388] |
| Summary of dilutive stock not included in the calculation of diluted profit per share due to not having dilutive effects | 7th Series of Stock Acquisition Rights by resolution of Board of Directors on November 20, 2013 (Number of stock acquisition rights: 1,778 units)<br>9th Series of Stock Acquisition Rights by resolution of Board of Directors on August 17, 2016 (Number of stock acquisition rights: 1,150 units)<br>Stock acquisition rights issued by consolidated subsidiaries<br>4travel, Inc.<br>Common stock: 138 units<br>Time Design Co., Ltd.<br>Common stock: 272 units | 7th Series of Stock Acquisition Rights by resolution of Board of Directors on November 20, 2013 (Number of stock acquisition rights: 1,588 units)<br>9th Series of Stock Acquisition Rights by resolution of Board of Directors on August 17, 2016 (Number of stock acquisition rights: 1,150 units) |

(First-time adoption)

The consolidated financial statements for the fiscal year ended March 31, 2018 are the first consolidated financial statements prepared in accordance with IFRS. The last consolidated financial statements prepared in accordance with the Generally Accepted Accounting Principles in Japan ("J-GAAP") were for the fiscal year ended March 31, 2017, and the date of transition to IFRS was April 1, 2016.

(1) Exemptions under IFRS 1

As a general rule, IFRS requires first-time adopters to apply standards required under IFRS retrospectively. However, IFRS 1 provides exemptions that allow first-time adopters to voluntarily choose not to apply certain standards retrospectively and mandatory exceptions that prohibit retrospective application of certain standards. The effects of applying these exemptions have been reconciled in the retained earnings and other components of equity as of the transition date.

Major voluntary exemptions adopted by the Group are as follows.

・Business combinations

Under IFRS 1, a first-time adopter may choose not to retrospectively apply IFRS 3 to past business combinations. If retrospectively applied, all subsequent business combinations are restated in accordance with IFRS 3.

The Group has chosen not to retrospectively apply IFRS 3 to business combinations that occurred prior to the date of transition to IFRS. As a result, the amount of goodwill recognized in business combinations that occurred prior to the date of transition to IFRS has not been adjusted and represent the carrying amount in accordance with the previous accounting standards. Moreover, the said goodwill has undergone impairment testing as of the date of transition to IFRS, regardless of whether it had exhibited any signs of impairment.

・Share-based payment transactions

Under IFRS 1, with respect to share-based payments, a first-time adopter is encouraged, but not required, to apply IFRS 2 Share-based Payment to equity instruments that were granted on or before November 7, 2002 and vested before the later of (a) the date of transition to IFRSs and (b) January 1, 2005. The Group has not retrospectively applied IFRS 2 to share-based payments vested prior to the date of transition to IFRS.

・Exchange differences on translation of foreign operations

Under IFRS 1, a first-time adopter may choose to deem the cumulative amount of exchange differences on translation of foreign operation to be zero as of the date of transition to IFRS. The Group has chosen to deem the cumulative amount of exchange differences on translation of foreign operation to be zero as of the date of transition to IFRS and recognized the said amount under retained earnings.

・Decommissioning liabilities included in the cost of property, plant and equipment

Under IFRS 1, with respect to specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates, a first-time adopter may measure the liability as at the date of transition to IFRS, estimate the amount that would have been included in the cost of the related asset by discounting the liability to the date when the liability first arose, and calculate the accumulated depreciation on that amount, as at the date of transition to IFRSs, on the basis of the current estimate of the useful life of the asset, using the depreciation policy adopted by the entity in accordance with IFRS. The Group has applied this exemption and has calculated liabilities and accumulated depreciation based thereon.

(2) Mandatory exceptions of IFRS 1 prohibiting retrospective application

IFRS 1 prohibits the retrospective application of IFRS to "estimates," "derecognition of financial assets and financial liabilities," "non-controlling interests," "classification and measurement of financial assets" and "impairment of financial assets." The Group applies IFRS prospectively to these items from the date of transition to IFRS.

(3) Reconciliations

Reconciliations required by IFRS 1 are as follows. In the reconciliations below, "Reclassification" include items that do not affect retained earnings and comprehensive income, while "Recognition and measurement differences" include those that affect retained earnings and comprehensive income.

Additionally, the amounts in "J-GAAP" have been rounded down to the nearest one million yen, while the amounts in "Reclassification," "Recognition and measurement differences" and "IFRS" have been rounded off to the nearest one million yen.

Reconciliation of equity as of the date of transition to IFRS (April 1, 2016)

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Assets | | | | | | Assets |
| Current assets | | | | | | Current assets |
| Cash and deposits | 28,319 | — | — | 28,319 | | Cash and cash equivalents |
| Notes and accounts receivable-trade | 5,764 | (3) | — | 5,761 | | Trade and other receivables |
| | | 3 | — | 3 | G | Other financial assets |
| Deferred tax assets | 367 | (367) | — | — | G | |
| Other | 226 | (3) | (4) | 220 | | Other current assets |
| Allowance for doubtful accounts | (3) | 3 | — | — | | |
| Total current assets | 34,673 | (367) | (4) | 34,303 | | Total current assets |
| Non-current assets | | | | | | Non-current assets |
| Property, plant and equipment | 855 | — | 328 | 1,184 | A | Property, plant and equipment |
| Intangible assets | 1,978 | — | 0 | 1,979 | B | Goodwill and other intangible assets |
| Investment securities | 675 | 605 | — | 1,281 | G | Other financial assets |
| Guarantee deposits | 605 | (605) | — | — | | |
| Deferred tax assets | 50 | 367 | (6) | 412 | G | Deferred tax assets |
| Other | 68 | (5) | — | 64 | | Other non-current assets |
| Allowance for doubtful accounts | (4) | 5 | — | — | | |
| Total non-current assets | 4,230 | 367 | 322 | 4,920 | | Total non-current assets |
| Total assets | 38,903 | — | 318 | 39,222 | | Total assets |

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Liabilities | | | | | | Liabilities |
| Current liabilities | | | | | | Current liabilities |
| Accounts payable-trade | 187 | 1,004 | — | 1,191 | G | Trade and other payables |
| Accounts payable-other | 1,117 | (1,117) | — | — | G | |
| Income taxes payable | 3,780 | — | — | 3,780 | | Income taxes payable |
| Accrued consumption taxes | 535 | (411) | — | 125 | G | Other financial liabilities |
| Provision for bonuses | 384 | 178 | 294 | 857 | C | Employee benefit obligations |
| Other | 617 | 347 | 0 | 964 | | Other current liabilities |
| Total current liabilities | 6,623 | — | 294 | 6,917 | | Total current liabilities |
| Non-current liabilities | | | | | | Non-current liabilities |
| Asset retirement obligations | 119 | — | 16 | 136 | | Provisions |
| Other | 50 | — | 41 | 91 | | Other non-current liabilities |
| Total non-current liabilities | 169 | — | 57 | 227 | | Total non-current liabilities |
| Total liabilities | 6,792 | — | 351 | 7,144 | | Total liabilities |
| Net assets | | | | | | Equity |
| Shareholders' equity | | | | | | |
| Capital stock | 915 | — | — | 916 | | Capital stock |
| Capital surplus | 819 | — | — | 819 | | Capital surplus |
| Retained earnings | 31,894 | — | (18) | 31,877 | E | Retained earnings |
| Treasury shares | (1,984) | — | — | (1,984) | | Treasury shares |
| Accumulated other comprehensive income | 93 | 188 | (15) | 267 | D | Other components of equity |
| Subscription rights to shares | 188 | (188) | — | — | | |
| | | | | 31,895 | | Total equity attributable to owners of the parent company |
| Non-controlling interests | 183 | — | 0 | 183 | | Non-controlling interests |
| Total net assets | 32,111 | — | (33) | 32,078 | | Total equity |
| Total liabilities and net assets | 38,903 | — | 318 | 39,222 | | Total liabilities and equity |

Reconciliation of equity as of March 31, 2017

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Assets | | | | | | Assets |
| Current assets | | | | | | Current assets |
| Cash and deposits | 30,890 | — | — | 30,890 | | Cash and cash equivalents |
| Notes and accounts receivable-trade | 5,430 | (3) | — | 5,428 | | Trade and other receivables |
| | | 7 | — | 7 | G | Other financial assets |
| Deferred tax assets | 277 | (278) | — | — | G | |
| Other | 445 | (7) | (2) | 437 | | Other current assets |
| Allowance for doubtful accounts | (2) | 3 | — | — | | |
| Total current assets | 37,041 | (278) | (2) | 36,762 | | Total current assets |
| Non-current assets | | | | | | Non-current assets |
| Property, plant and equipment | 913 | — | 310 | 1,224 | A | Property, plant and equipment |
| Intangible assets | 2,151 | — | 25 | 2,176 | B | Goodwill and other intangible assets |
| | | 1,815 | 25 | 1,840 | G | Other financial assets |
| Investment securities | 1,202 | (1,202) | — | — | | |
| Guarantee deposits | 612 | (612) | — | — | | |
| Deferred tax assets | 141 | 278 | (6) | 413 | G | Deferred tax assets |
| Other | 67 | (2) | — | 65 | | Other non-current assets |
| Allowance for doubtful accounts | (2) | 2 | — | — | | |
| Total non-current assets | 5,087 | 278 | 354 | 5,719 | | Total non-current assets |
| Total assets | 42,129 | — | 352 | 42,481 | | Total assets |

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Liabilities | | | | | | Liabilities |
| Current liabilities | | | | | | Current liabilities |
| Accounts payable-trade | 296 | 886 | — | 1,182 | G | Trade and other payables |
| Accounts payable-other | 1,031 | (1,032) | — | — | G | |
| Income taxes payable | 3,488 | — | — | 3,488 | | Income taxes payable |
| Accrued consumption taxes | 547 | (548) | — | — | | |
| | | 168 | — | 168 | G | Other financial liabilities |
| Provision for bonuses | 386 | 237 | 314 | 937 | C | Employee benefit obligations |
| Provision for directors' bonuses | 34 | (35) | — | — | | |
| Other | 709 | 323 | — | 1,033 | | Other current liabilities |
| Total current liabilities | 6,494 | — | 314 | 6,809 | | Total current liabilities |
| Non-current liabilities | | | | | | Non-current liabilities |
| Asset retirement obligations | 140 | — | 15 | 156 | | Provisions |
| Other | 95 | — | 41 | 136 | | Other non-current liabilities |
| Total non-current liabilities | 236 | — | 56 | 292 | | Total non-current liabilities |
| Total liabilities | 6,730 | — | 370 | 7,101 | | Total liabilities |
| Net assets | | | | | | Equity |
| Shareholders' equity | | | | | | |
| Capital stock | 915 | — | — | 916 | | Capital stock |
| Capital surplus | 819 | — | 3 | 822 | | Capital surplus |
| Retained earnings | 36,174 | — | (20) | 36,154 | E | Retained earnings |
| Treasury shares | (3,019) | — | — | (3,019) | | Treasury shares |
| Accumulated other comprehensive income | 101 | 184 | (1) | 285 | D | Other components of equity |
| Subscription rights to shares | 184 | (184) | — | — | | |
| | | | | 35,158 | | Total equity attributable to owners of the parent company |
| Non-controlling interests | 222 | — | 0 | 222 | | Non-controlling interests |
| Total net assets | 35,398 | — | (18) | 35,380 | | Total equity |
| Total liabilities and net assets | 42,129 | — | 352 | 42,481 | | Total liabilities and equity |

Reconciliation of comprehensive income for the fiscal year ended March 31, 2017

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Net sales | 45,089 | — | (1,625) | 43,464 | F | Revenue |
| Cost of sales | 4,493 | (4,493) | — | — | F, H | |
| Selling, general and administrative expenses | 19,434 | 4,493 | (1,914) | 22,014 | H | Operating expenses |
| | | 11 | — | 11 | H | Other income |
| | | 13 | — | 13 | H | Other expenses |
| Operating income | 21,161 | (3) | 289 | 21,447 | | Operating profit |
| Non-operating income | 20 | (21) | — | — | H | |
| Non-operating expenses | 18 | (18) | — | — | H | |
| Extraordinary income | 36 | — | (37) | — | H | |
| | | 10 | — | 10 | H | Finance income |
| | | 5 | (4) | 1 | H | Finance expenses |
| Profit before income taxes | 21,200 | — | 256 | 21,457 | | Profit before income taxes |
| Income taxes - current | 6,317 | 6 | 282 | 6,606 | | Income tax expense |
| Income taxes - deferred | 5 | (6) | — | — | | |
| Profit | 14,877 | — | (26) | 14,851 | | Profit |
| Profit attributable to non-controlling interests | 38 | — | 0 | 39 | | Attributable to: Non-controlling interests |
| Profit (loss) attributable to owners of parent | 14,838 | — | (26) | 14,812 | | Owners of the parent company |

(Millions of yen)

| Presentation under J-GAAP | J-GAAP | Reclassification | Recognition and measurement differences | IFRS | Notes | Presentation under IFRS |
|---|---|---|---|---|---|---|
| Profit | 14,877 | — | (26) | 14,851 | | Profit |
| Other comprehensive income | | | | | | Other comprehensive income |
| | | | | | | Items that will not be reclassified to profit or loss |
| Valuation difference on available-for-sale securities | 11 | — | 38 | 50 | | Net gain (loss) on financial assets measured at fair value through other comprehensive income |
| | | | | | | Items that may be reclassified to profit or loss |
| Foreign currency translation adjustment | (4) | — | — | (4) | | Exchange differences on translation of foreign operations |
| Total other comprehensive income | 7 | — | 38 | 45 | | Total other comprehensive income |
| Comprehensive income | 14,884 | — | 11 | 14,896 | | Comprehensive income |
| | | | | | | Attributable to: |
| Comprehensive income attributable to owners of parent | 14,846 | — | 11 | 14,857 | | Owners of the parent company |
| Comprehensive income attributable to non-controlling interests | 38 | — | 0 | 39 | | Non-controlling interests |

Notes to reconciliations

A. Property, plant and equipment

Property, plant and equipment, which were primarily depreciated using the declining balance method under J-GAAP, are depreciated using the straight-line method under IFRS.

B. Goodwill

Under J-GAAP, goodwill had been amortized by the straight-line method over the period in which it was reasonably estimated to have effect. Under IFRS, however, goodwill arising from business combinations is not amortized but undergoes impairment testing each period.

C. Accumulating paid absences

Under IFRS, a liability is recognized for accumulating paid absences, for which accounting treatment was not required under J-GAAP.

D. Exchange differences on translation of foreign operations

The Group has adopted the exemption of IFRS 1 with respect to the cumulative amount of exchange differences on translation of foreign operations and has chosen to deem the cumulative amount of exchange differences on translation of foreign operation to be zero as of the date of transition to IFRS and recognized the said amount under retained earnings.

E. Retained earnings

The effects of the above reconciliations on retained earnings (net of related tax effects) are as follows. (Figures in parentheses represent loss)

(Millions of yen)

| | As of April 1, 2016 | As of March 31, 2017 |
|---|---|---|
| Property, plant and equipment (See Note A) | 217 | 206 |
| Goodwill (See Note B) | ― | 25 |
| Accumulating paid absences (See Note C) | (203) | (217) |
| Exchange differences on translation of foreign operations (See Note D) | 15 | 15 |
| Other | (47) | (49) |
| Total adjustments to retained earnings | (18) | (20) |

F. Reconciliation of net sales

Under J-GAAP, revenue and cost of sales from transactions in which the Group acted as the principal were presented gross. Under IFRS, transactions in which the Group acted as an agent are presented net.

G. Reclassifications in the Consolidated Statements of Financial Condition

In accordance with the provisions of the IFRS, reclassification has been carried out mainly with respect to the following items.

・All deferred tax assets and deferred tax liabilities have been reclassified as non-current.

・Financial assets and financial liabilities are presented separately.

・Accounts payable-other have been reclassified under trade and other payables.

H. Reclassifications in the Consolidated Statement of Income

In accordance with the provisions of the IFRS, reclassification has been carried out mainly with respect to the following items.

・Expenses, which were presented as cost of sales and selling, general and administrative expenses under J-GAAP, have been included in operating expenses under IFRS.

・Income and expenses, which were presented as non-operating income, non-operating expenses, extraordinary income and extraordinary losses under J-GAAP, have been presented as finance income and finance expenses in terms of finance-related items; while all other income and expenses are included in other income and other expenses under IFRS.

Reconciliations of cash flows for the fiscal year ended March 31, 2017 (From April 1, 2016 to March 31, 2017)
There are no material differences between the Consolidated Statements of Cash Flows disclosed in accordance with J-GAAP and the Consolidated Statements of Cash Flows disclosed in accordance with IFRS.