



METAWATER Co., Ltd.

For Immediate Release

April 25, 2018

CONSOLIDATED RESULTS FOR THE FISCAL YEAR ENDED MARCH 31, 2018 (Unaudited)

[JP GAAP]

Company name	METAWATER Co., Ltd.
Stock exchanges on which the shares are listed	First Section of Tokyo Stock Exchange
Securities code	9551
URL	http://www.metawater.co.jp
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Contact person	Masayuki Nakagawa Executive Officer Executive General Manager of Financial Planning Office (TEL.:+81-3-6853-7317)
Scheduled date of annual meeting of shareholders	June 26, 2018
Filing date of annual securities report	June 26, 2018
Payment date of cash dividends	June 7, 2018
Supplementary information materials on annual results	Available
Annual results briefing	Held for institutional investors and analysts

(Amounts are rounded down to the nearest million yen)

1. Highlight of consolidated results for the fiscal year ended March 31, 2018

(1) Consolidated operating results

(Percentages are year-to-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2018	110,895	(0.7)	6,745	6.6	6,465	3.4	3,931	(17.1)
Fiscal year ended March 31, 2017	111,688	8.3	6,328	17.2	6,251	21.5	4,742	70.7

Note: Comprehensive income Fiscal year ended March 31, 2018 4,287 million yen (23.5) %
Fiscal year ended March 31, 2017 5,603 million yen 195.9 %

	Net income per share - Basic -	Net income per share - Diluted -	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2018	151.65	—	7.3	5.3	6.1
Fiscal year ended March 31, 2017	182.95	—	9.5	5.2	5.7

Note: Share of profit (loss) of entities accounted for by the equity method

Fiscal year ended March 31, 2018 Nil
Fiscal year ended March 31, 2017 Nil

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2018	122,991	55,042	44.6	2,118.02
As of March 31, 2017	120,961	52,260	43.1	2,011.42

Note: Shareholders' equity As of March 31, 2018 54,906 million yen

As of March 31, 2017 52,142 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2018	5,175	(868)	(2,619)	24,977
Fiscal year ended March 31, 2017	7,769	(1,531)	(2,697)	23,352

2. Dividends

Period	Dividends per share				
	1Q	2Q	3Q	4Q	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2017	—	29.00	—	29.00	58.00
Fiscal year ended March 31, 2018	—	29.00	—	29.00	58.00
Fiscal year ending March 31, 2019 (Forecast)	—	31.00	—	31.00	62.00

	Total amount of dividends (Annual)	Payout ratio (Consolidated)	Dividend to net assets (Consolidated)
	Million yen	%	%
Fiscal year ended March 31, 2017	1,503	31.7	3.0
Fiscal year ended March 31, 2018	1,503	38.2	2.8
Fiscal year ending March 31, 2019 (Forecast)		34.2	

3. Forecast for consolidated operating results for the fiscal year ending March 31, 2019

(Percentages are year-to-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share - Basic -
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2019	120,000	8.2	7,000	3.8	6,900	6.7	4,700	19.6	181.30

Notes:

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2018 (Changes in specified subsidiaries that caused a change in the scope of consolidation) : No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - (a) Changes by a newly issued or amended accounting pronouncement: No
 - (b) Changes other than (2)-(a) above: No
 - (c) Changes in accounting estimates: No
 - (d) Retrospective restatement: No
- (3) Number of shares issued and outstanding (common stock)
 - (a) Number of shares issued and outstanding (including treasury stock): 25,923,500 shares as of March 31, 2017 and 25,923,500 shares as of March 31, 2018.
 - (b) Number of treasury stock: 44 shares as of March 31, 2017 and 91 shares as of March 31, 2018.
 - (c) Average number of shares issued and outstanding for fiscal year: 25,923,467 shares for the fiscal year ended March 31, 2017 and 25,923,452 shares for the fiscal year ended March 31, 2018.

[For Reference]

Financial Highlights (Non-consolidated)

Highlight of non-consolidated results for the fiscal year ended March 31, 2018

(1) Non-consolidated operating results

(Percentages are year-to-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2018	87,439	(3.0)	4,633	(4.2)	4,687	(8.5)	3,062	(9.9)
Fiscal year ended March 31, 2017	90,170	(2.0)	4,834	(13.6)	5,121	(7.0)	3,400	(4.4)

	Net income per share - Basic -	Net income per share - Diluted -
	Yen	Yen
Fiscal year ended March 31, 2018	118.15	—
Fiscal year ended March 31, 2017	131.16	—

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1. Operating Results Review

(1) Operating Results Review for the Current Fiscal Year

During the fiscal year ended March 31, 2018, business conditions of the Japanese economy have recovered moderately. This is reflected in an improving labor market and increases in salary levels brought about as a result of the implementation of the economic and monetary policy set out by the Government. In terms of the world economy, despite concern about impact of political climate in Europe and uncertainty of the United States administration, moderate economic recovery has been achieved.

The domestic business environment in which the Group operates has continued to face challenges including a downward trend in the level of public spending, a sharp increase in labor costs arising from shortage of human resources, and some delays in civil engineering projects and construction work.

Consequently, following the principles set out in the “Midterm business plan (from the fiscal year ended March 31, 2016 to fiscal year ended March 31, 2018)”, the Group continued to focus on reinforcing our core businesses: domestic EPC (Note 1) and O&M (Note 2) businesses and expanding our growing businesses: PPP (Note 3) and overseas businesses throughout the current fiscal year, aiming to be a “company acts in advance of changes and continues to grow”.

In the domestic businesses, as there are increasing public-private partnership arrangements and use of private sectors to address local governments' financial difficulties and human resources issues, the Group has continued to make efforts for improvement of earnings as realized in strategic alliances with partner companies, development and expansion of distinguished technologies and products, the Company-wide streamlining of operations and cost saving initiatives.

In the overseas businesses, the Group sought to accelerate business developments centered around Europe and the United States., where stable market growth is expected. As part of it, the Group has sought to achieve further business expansion especially through Aqua-Aerobic Systems, Inc., the subsidiary located in the United States, as our business base.

For the operating results of the Group for the fiscal year ended March 31, 2018, net sales was ¥110,895 million (0.7% decrease year to year), operating income was ¥6,745 million (6.6% increase year to year), ordinary income was ¥6,465 million (3.4% increase year to year) and profit attributable to owners of parent was ¥3,931 million (17.1% decrease year to year). Profit attributable to owners of parent decreased as favorable movement of tax-effect accounting was recorded at the subsidiary in the United States for the fiscal year ended March 31, 2017.

As a result of orders of large-scale projects of PPP business, sales orders for the fiscal year ended March 31, 2018 reached a record high of ¥131,589 million (10% increase year to year), of which ¥135,868 million (17.9% increase year to year) was outstanding as of March 31, 2018.

Operating results by segment are as follows:

(Plant Engineering Business)

For the Plant Engineering Business, net sales amounted to ¥64,965 million (2.7% decrease year to year), due to sluggish growth in domestic EPC business resulted from an increase in large-scale long-term projects and extension of completion date of construction caused by delays in civil engineering work and construction work, which was offset by a steady growth in overseas businesses. By contrast, operating income amounted to ¥2,623 million (56.6% increase year to year) due to cost saving initiatives. Outstanding order was ¥69,907 million (11.9% increase year to year).

(Service Solutions Business)

For the Service Solutions Business, net sales amounted to ¥45,930 million (2.3% increase year to year) due to a steady growth in PPP and O&M businesses. By contrast, operating income amounted to ¥4,121 million (11.4% decrease year to year) due to varied composition of projects. Outstanding order was ¥61,681 million (7.9% increase year to year).

Note:

1. EPC: Engineering, Procurement and Construction
2. O&M: Operation and Maintenance
3. PPP (Public-Private Partnership): the means for the private sector to participate in providing services to the public

(2) Financial Position Review for the Current Fiscal Year

Total assets as of March 31, 2018 increased by ¥2,030 million compared to March 31, 2017 to ¥122,991 million.

Current assets increased by ¥3,313 million compared to March 31, 2017 to ¥106,894 million due to an increase in cash and deposits and notes and accounts receivable - trade, offsetting with a decrease in work in process and supplies.

Non-current assets decreased by ¥1,282 million compared to March 31, 2017 to ¥16,097 million due to a decrease in goodwill and customer-related assets.

Current liabilities increased by ¥512 million compared to March 31, 2017 to ¥49,042 million due to an increase in advances received, offsetting with a decrease in accounts payable - trade.

Non-current liabilities decreased by ¥1,263 million compared to March 31, 2017 to ¥18,906 million due to a decrease in PFI and other project finance loans.

Total net assets increased by ¥2,782 million compared to March 31, 2017 to ¥55,042 million due to recognition of profit attributable to owners of parent and payment of dividends.

(3) Cash Flow Review for the Current Fiscal Year

The balance of cash and cash equivalents (hereinafter the “funds”) as of March 31, 2018 increased by ¥1,625 million compared to March 31, 2017 to ¥24,977 million. An analysis of the cash flows for the fiscal year ended March 31, 2018 and related commentary thereon is presented below:

(Cash flows from operating activities)

The funds generated by operating activities was ¥5,175 million (¥2,594 million decrease year to year): ¥6,465 million of income before income taxes, ¥2,067 million increase in advances received and ¥1,441 million of depreciation, offsetting with ¥4,311 million increase in notes and accounts receivable - trade and ¥2,394 million used for payment of income taxes.

(Cash flows from investing activities)

The funds used for investing activities was ¥868 million (¥663 million decrease year to year): ¥527 million used for purchase of property, plant and equipment and ¥217 million used for purchase of intangible assets.

(Cash flows from financing activities)

The funds used for financing activities was ¥2,619 million (¥78 million decrease year to year): ¥1,503 million used for payment of dividends and ¥825 million used for repayments of PFI and other project finance loans.

(Reference) Index related to cash flows over the years

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Shareholders' equity to total assets (%)	41.7	39.8	43.1	44.6
Shareholders' equity to total assets based on market value (%)	55.7	60.2	62.1	70.1
Interest-bearing debt to cash flows (%)	271.9	17,966.2	205.0	284.1
Interest coverage ratio	29.7	0.5	35.5	23.7

Shareholders' equity to total assets: Shareholders' equity / Total assets

Shareholders' equity to total assets based on market value: Total market value of equity / Total assets

Interest-bearing debt to cash flows: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payment

Note:

1. These indexes are calculated based on the consolidated financial data.
2. Cash flows represent cash flows from operating activities.
3. Interest-bearing debt includes all liabilities recorded in the consolidated balance sheet that pay interest.

(4) Future Forecast

We anticipate that the business conditions of the Japanese economy will continue to recover moderately in the fiscal year ending March 31, 2019, backed by improving labor market and salary levels as well as positive effect of various government policies. With respect to the world economy, we anticipate the trend of moderate recovery will continue, while we should consider impact and development of the policy set by the United States administration and economic outlook of emerging countries in Asia. It is expected that the business environment will continue to be challenging, due to a downward trend in public investments in Japan and a sharp increase in labor costs.

Nevertheless, the Group's outstanding orders as of March 31, 2018 grew steadily mainly for large-scale and long-term projects of PPP business, which is expected to contribute to sales in the following years. Moreover, we will continue to make efforts for streamlining of operations and cost saving initiatives in order to enhance profitability, and will make strategic development investments. Consequently, the consolidated results for the fiscal year ending March 31, 2019 is forecasted as follows:

Sales	¥120,000 million (8.2% increase year to year)
Operating income	¥7,000 million (3.8% increase year to year)
Ordinary income	¥6,900 million (6.7% increase year to year)
Profit attributable to owners of parent	¥4,700 million (19.6% increase year to year)

The Group developed "Midterm business plan 2020" for the three fiscal years ending March 31, 2021. Under the plan, we will focus on securing materials and enhancing profitability with respect to EPC and O&M businesses, our core businesses. With respect to PPP business, our growing business, we will build a foundation to respond to concession*. With respect to overseas businesses, we will continue to implement our policies to expand businesses in Europe and the United States.

Because of the nature of the business, sales of the Group to Japanese government agencies and local governments tend to be concentrated in the fourth quarter. We assume that this trend will continue in the next fiscal year.

Note:

Concession: the method to grant private enterprises the right to operate public infrastructure for a long term without transfer of ownership of facilities.

2. Basic Approach to the Selection of Accounting Standards

The Group currently operates in Japan and hence, continues to apply Japanese Accounting Standards. However, we will consider adopting IFRS (International Financial Reporting Standards) based on the proportion of foreign shareholders, and the adoption trend of other domestic companies.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	24,230	25,805
Notes and accounts receivable - trade	67,946	72,164
Work in process	3,119	2,623
Supplies	4,127	3,299
Deferred tax assets - current	1,582	1,492
Other current assets	2,572	1,508
Total current assets	103,580	106,894
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,244	1,189
Machinery and equipment, net	1,064	818
Tools, furniture and fixtures, net	444	423
Construction in progress	12	235
Other property, plant and equipment, net	292	315
Total property, plant and equipment	3,059	2,982
Intangible assets		
Software	1,272	890
Software in progress	88	94
Goodwill	2,045	1,842
Customer-related assets	3,044	2,769
Other intangible assets	1,708	1,463
Total intangible assets	8,160	7,060
Investments and other assets		
Investment securities	1,204	1,345
Long-term loans receivable	251	224
Guarantee deposits	1,407	1,528
Assets for retirement benefits	756	821
Deferred tax assets - non-current	2,513	2,087
Other non-current assets	26	47
Total investments and other assets	6,160	6,055
Total non-current assets	17,380	16,097
Total assets	120,961	122,991

(1) Consolidated Balance Sheets (continued)

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Liabilities		
Current liabilities		
Accounts payable - trade	20,037	18,372
Electronically recorded obligations	7,637	8,155
Short-term loans payable	284	269
Current portion of PFI and other project finance loans	825	833
Income taxes payable	2,367	2,173
Advances received	8,672	10,719
Provision for warranties for completed construction	1,063	857
Provision for loss on construction contracts	167	204
Other current liabilities	7,474	7,456
Total current liabilities	48,530	49,042
Non-current liabilities		
Long-term loans payable	2,436	2,050
PFI and other project finance loans	12,382	11,549
Liability for retirement benefit	5,350	5,294
Other non-current liabilities	—	11
Total non-current liabilities	20,170	18,906
Total liabilities	68,700	67,949
Net assets		
Shareholders' equity		
Capital stock	11,946	11,946
Capital surplus	15,080	15,080
Retained earnings	27,787	30,214
Treasury stock	(0)	(0)
Total shareholders' equity	54,814	57,241
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32	54
Foreign currency translation adjustment	133	84
Remeasurements of defined benefit plans	(2,838)	(2,474)
Total accumulated other comprehensive income	(2,671)	(2,335)
Non-controlling interest	117	136
Total net assets	52,260	55,042
Total liabilities and net assets	120,961	122,991

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

Consolidated Statement of Income

	(Millions of yen)	
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	111,688	110,895
Cost of sales	88,216	86,925
Gross profit	23,471	23,970
Selling, general and administrative expenses	17,142	17,224
Operating income	6,328	6,745
Non-operating income		
Interest income	205	193
Dividends income	41	34
Miscellaneous income	4	17
Total non-operating income	251	245
Non-operating expenses		
Interest expenses	218	217
Loss on disposal of non-current assets	83	66
Foreign exchange loss	26	236
Miscellaneous loss	0	4
Total non-operating expenses	329	526
Ordinary income	6,251	6,465
Extraordinary loss		
Loss on valuation of investment securities	40	—
Total extraordinary loss	40	—
Income before income taxes	6,210	6,465
Income taxes - current	2,410	2,187
Income taxes - deferred	(954)	325
Total income taxes	1,456	2,513
Net income	4,753	3,951
Profit attributable to non-controlling interests	11	20
Profit attributable to owners of parent	4,742	3,931

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

Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net income	4,753	3,951
Other comprehensive income		
Valuation difference on available-for-sale securities	9	21
Foreign currency translation adjustment	(329)	(49)
Remeasurements of defined benefit plans	1,170	364
Total other comprehensive income	849	336
Comprehensive income	5,603	4,287
(Details)		
Comprehensive income attributable to owners of the parent	5,592	4,267
Comprehensive income attributable to non-controlling interests	11	20

(3) Consolidated Statement of Changes in Shareholders' Equity

(Millions of yen)

	Fiscal year ended March 31, 2017				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2016	11,946	15,080	24,548	—	51,575
Changes during the year					
Dividends from surplus			(1,503)		(1,503)
Profit attributable to owners of parent			4,742		4,742
Purchase of treasury stock				(0)	(0)
Changes in other equity, net					
Total changes during the year	—	—	3,239	(0)	3,238
Balance at March 31, 2017	11,946	15,080	27,787	(0)	54,814

(Millions of yen)

	Fiscal year ended March 31, 2017					
	Accumulated other comprehensive income				Minority 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		
Balance at April 1, 2016	23	463	(4,008)	(3,521)	108	48,161
Changes during the year						
Dividends from surplus						(1,503)
Profit attributable to owners of parent						4,742
Purchase of treasury stock						(0)
Changes in other equity, net	9	(329)	1,170	849	9	859
Total changes during the year	9	(329)	1,170	849	9	4,098
Balance at March 31, 2017	32	133	(2,838)	(2,671)	117	52,260

(3) Consolidated Statement of Changes in Shareholders' Equity (continued)

(Millions of yen)

	Fiscal year ended March 31, 2018				
	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2017	11,946	15,080	27,787	(0)	54,814
Changes during the year					
Dividends from surplus			(1,503)		(1,503)
Profit attributable to owners of parent			3,931		3,931
Purchase of treasury stock				(0)	(0)
Changes in other equity, net					
Total changes during the year	—	—	2,427	(0)	2,427
Balance at March 31, 2018	11,946	15,080	30,214	(0)	57,241

(Millions of yen)

	Fiscal year ended March 31, 2018					
	Accumulated other comprehensive income				Minority 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		
Balance at April 1, 2017	32	133	(2,838)	(2,671)	117	52,260
Changes during the year						
Dividends from surplus						(1,503)
Profit attributable to owners of parent						3,931
Purchase of treasury stock						(0)
Changes in other equity, net	21	(49)	364	336	18	354
Total changes during the year	21	(49)	364	336	18	2,782
Balance at March 31, 2018	54	84	(2,474)	(2,335)	136	55,042

(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		
Income before income taxes	6,210	6,465
Depreciation	1,099	1,441
Amortization of goodwill	136	140
Increase/(decrease) in liabilities for retirement benefits	(120)	(349)
(Increase)/decrease in assets for retirement benefits	100	68
Increase/(decrease) in provision for warranties for completed construction	213	(194)
Increase/(decrease) in provision for loss on construction contracts	69	37
Interest income and dividends income	(247)	(228)
Interest expenses	218	217
Foreign exchange (gain)/loss	61	209
Loss on disposal of property, plant and equipment	88	66
(Increase)/decrease in accounts receivable	2,745	(4,311)
(Increase)/decrease in inventory	(432)	1,292
Increase/(decrease) in notes and accounts payable-trade	(4,292)	(858)
Increase/(decrease) in advances received	2,845	2,067
Other cash flows from operating activities	1,196	1,496
Subtotal	9,892	7,562
Interest and dividends income received	247	228
Interest expenses paid	(224)	(220)
Income taxes paid	(2,145)	(2,394)
Cash flows from operating activities	7,769	5,175

(4) Consolidated Statement of Cash Flows (continued)

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from investing activities		
Net (increase)/decrease in time deposits	47	50
Purchase of property, plant and equipment	(474)	(527)
Purchase of intangible assets	(261)	(217)
Purchase of investment securities	(69)	(110)
Proceeds from sale of investment securities	5	—
Acquisition of newly consolidated subsidiary	(789)	—
Payments of loans receivable	(17)	(1)
Collection of loans receivable	27	28
Other cash flows from investing activities	0	(91)
Cash flows from investing activities	(1,531)	(868)
Cash flows from financing activities		
Proceeds from short-term loan payable	—	452
Repayments of short-term loans payable	(372)	(740)
Repayments of PFI and other project finance loans	(819)	(825)
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(1,503)	(1,503)
Cash dividends paid to non-controlling interests	(1)	(1)
Cash flows from financing activities	(2,697)	(2,619)
Effect of exchange rate change on cash and cash equivalents	(185)	(63)
Net increase/(decrease) in cash and cash equivalents	3,355	1,625
Cash and cash equivalents at April 1	19,997	23,352
Cash and cash equivalents at March 31	23,352	24,977

(5) Notes to the Consolidated Financial Statements

(Notes on Going Concern Assumption)

No items to report.

(Segment Information)

1. Outline of reportable segment

The Company's segments represent components of the Company for which separate financial information is available and that are subject to periodical review by the board of directors in determining how to allocate operating resources and evaluating performance.

The Company has established business headquarters by its products and services at the corporate office, each of which operates under comprehensive domestic and overseas strategies developed for its products and services.

Therefore, the Group basically consists of two reportable segments: "Plant Engineering" and "Service Solutions", which are based on the Company's business divisions in consideration of similarities of types and natures of products and services. "Plant Engineering" segment is primarily involved in design and construction of water and sewage treatment plants. "Service Solutions" segment is primarily involved in operation, control and repair of water and sewage treatment plant facilities.

2. Determination of sales, income or loss for each reportable segment

Accounting treatment applied to the business segment reported is generally consistent with accounting treatment applied to prepare consolidated financial statements.

In addition, segment income is determined based on operating income, which is consistent with operating income for the consolidated statement of income.

3. Sales, income or loss by reportable segment

Fiscal year ended March 31, 2017

(Millions of yen)

	Reportable segments			Adjustments	Consolidated
	Plant Engineering Business	Service Solutions Business	Total		
Net Sales					
Sales to third parties	66,788	44,899	111,688	—	111,688
Inter-segment transactions and transfers	—	—	—	—	—
Net sales	66,788	44,899	111,688	—	111,688
Segment income	1,675	4,652	6,328	—	6,328

Fiscal year ended March 31, 2018

(Millions of yen)

	Reportable segments			Adjustments	Consolidated
	Plant Engineering Business	Service Solutions Business	Total		
Net Sales					
Sales to third parties	64,965	45,930	110,895	—	110,895
Inter-segment transactions and transfers	—	—	—	—	—
Net sales	64,965	45,930	110,895	—	110,895
Segment income	2,623	4,121	6,745	—	6,745

(Per Share Information)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
	Yen	Yen
Net assets per share	2,011.42	2,118.02
Net income per share	182.95	151.65

Note: 1. Diluted net income per share is not presented as there are no diluted shares.

2. Net income per share is calculated on the following basis.

Net income per share	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
	Millions of yen	Millions of yen
Profit attributable to owners of parent	4,742	3,931
Profit not attributable to common shareholders	—	—
Profit attributable to owners of parent related to common stock	4,742	3,931
Average number of shares outstanding during the period (number of shares)	25,923,467	25,923,452

(Significant subsequent events)

No items to report.

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