Consolidated Financial Results (Tanshin)
for the Fiscal Year Ended March 31, 2020 (Based on IFRS)

May 15, 2020

Name of listed company	: CYBERDYNE Inc.	Stock exchange listing	: Mothers Section of TSE
Stock code	: 7779	URL	: https://www.cyberdyne.jp/english
Representative (title)	: President and CEO	Name	: Yoshiyuki Sankai
Contact (title)	: Director and CFO	Name	: Shinji Uga
			Tel. +81-29-869-9981
Scheduled date of Ordinary General Meeting of Shareholders		: June 24, 2020	Scheduled start of dividend payment : —
Scheduled date for submission of the Securities Report		: June 25, 2020	
Additional materials for the financial results	: yes		
Information meeting for the financial results	: yes (for institutional investors)		

(Millions of yen: Rounded to less than one million yen)

Ⅰ. Consolidated financial results for the fiscal year ended March 31, 2020 (April 1, 2019 –March 31, 2020)

1. Consolidated result of operations (percentages denote year-on-year change)

	Revenue		Operating profit (loss)		Profit (loss) before tax		Profit (loss) attributable to owners of parent	
		%		%		%		%
Fiscal year ended March 31, 2020	1,792	4.8	(1,039)	—	91	—	(152)	—
Fiscal year ended March 31, 2019	1,709	(1.1)	(830)	—	(569)	—	(632)	—

	Basic earnings (loss) per share	Diluted earnings (loss) per share
	Yen	Yen
Fiscal year ended March 31, 2020	(0.71)	(0.71)
Fiscal year ended March 31, 2019	(2.94)	(2.94)

2. Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Net assets per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	47,808	44,259	44,268	92.6	205.71
As of March 31, 2019	45,746	44,203	44,217	96.7	205.50

3. Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2020	(215)	(244)	1.304	9,636
As of March 31, 2019	(775)	(1,917)	670	8,796

Ⅱ. Dividends

	Dividends per share				
	End of 1st quarter (Jun.30, 2019)	End of 2nd quarter (Sep.30, 2019)	End of 3rd quarter (Dec.31, 2019)	Fiscal year end (Mar.31, 2020)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	—	0.00	—	0.00	0.00
Fiscal year ended March 31, 2020	—	0.00	—	0.00	0.00

Note: The table of "Dividends" indicates dividend payments on Common Shares. Dividend payments on Class Shares (non-listed) for which the number of share units differs from Common Shares are shown below as "Dividends on Class Shares".

Ⅲ. Forecast of consolidated financial results for the year ended March 31, 2020 (April 1, 2020 – March 31, 2020)

As the business of CYBERDYNE, INC. (the "Company") and its group companies (with the Company, collectively referred to as "the Group") is based on a new market with innovative technologies, there are many uncertain factors that could have an impact on its performance and make it difficult for the Company to provide a forecast with accurate figures. As such the Company will not announce the forecast of consolidated financial results.

Notes:

1. Changes in key subsidiaries during the fiscal year under review (changes in specific subsidiaries resulting in changes of consolidation scope): none

2. Changes in accounting policies and accounting estimates
   (i) Changes in accounting policies required by IFRSs: yes
   (ii) Changes in accounting policies other than those in (i): none
   (iii) Changes in accounting estimates: none

3. Total number of issued shares (Common Shares)
   (i) Total number of issued shares at the end of period (including treasury shares)

As of March 31, 2020	215,145,809 shares	As of March 31, 2019	215,145,809 shares

   (ii) Total number of treasury shares at the end of period

As of March 31, 2020	4,451 shares	As of March 31, 2019	138 shares

   (iii) Average number of shares during the period

Apr.1-March 31, 2020	215,141,368 shares	Apr.1-March 31, 2019	215,054,735 shares

   Note: Class B Shares are ranked the same as Common Shares and paid the same amount as Common Shares with regard to dividends of surplus and distribution of residual assets. Therefore, the total number of issued shares at each end of period and the average number of shares during each period include Class B Shares as Common Shares.

*This Consolidated Financial Results (Tanshin) is outside the scope of audit procedures by certified public accountants or audit firms.

(Reference) Dividends on Class Shares

Details of dividends on the Company’s Class Shares which differ in shareholder's rights from its Common Shares are as below.

	Dividends per share				
	End of 1st quarter (Jun.30, 2019)	End of 2nd quarter (Sep.30, 2019)	End of 3rd quarter (Dec.31, 2019)	Fiscal year end (Mar.31, 2020)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	—	0.00	—	0.00	0.00
Fiscal year ended March 31, 2020	—	0.00	—	0.00	0.00

Note:

The company issued Class B Shares which were accorded the same rights as its Common Shares with regard to dividends of surplus and distribution of residual property, but for which share units differ from Common Shares.

○Contents of the Attached Material

I. Qualitative information regarding settlement of accounts for the fiscal year ended March 31, 2019 ····· 2
1. Explanation of operating results ····· 2
2. Explanation of financial position ····· 5
3. Status of cash flow ····· 5
4. Explanation related to the forecast of consolidated financial results and other forward-looking statements ·· 5
Ⅱ. Accounting standards ····· 6
Ⅲ. Consolidated Financial Statements and Notes to consolidated financial statements ····· 7
1. Consolidated statement of financial position ····· 7
2. Consolidated statement of profit or loss and consolidated statement of comprehensive income ····· 9
Consolidated statement of profit or loss ····· 9
Consolidated statement of comprehensive income ····· 10
3. Consolidated statement of changes in equity ····· 11
4. Consolidated statement of cash flows ····· 13
5. Notes to consolidated financial statements ····· 14
(Notes on premise of going concern) ····· 14
(Changes in the accounting policy) ····· 14
(Segment information) ····· 14
(Revenue) ····· 15
(Earnings per share) ····· 16

I. Qualitative information regarding settlement of accounts for the fiscal year ended March 31, 2019

1. Explanation of operating results

All forward-looking statements included in this explanation were determined reasonable by CYBERDYNE Inc. (the "Company") and its group companies (collectively referred to as the "Group") based on currently available information for the consolidated fiscal year ended March 31, 2019 and certain assumptions made by the Group.

The Group aims to establish Society 5.1, a new vision of society where the "humans" are combined with the cyberspace (virtual world) and physical space (real world) of Society 5.0, by utilizing innovative Cybernic Technology. The Group continues to drive the movement to revision society and industry to realize Society 5.0/5.1 as a future "Techno-Peer Support Society" where humans and technology support each other.

Endeavor to create "Cybernics Industry"

The Group's business is to implement Cybernic Technology powered by Internet of Humans/Internet of Things ("IoH/IoT"), Robots, and AI, to create a Cybernic Industry that will connect medicine, nursing-care, production, work place and daily life in order to solve the various problems that is becoming apparent in hyper-aging society. The Group's business has a unique advantage in its ability to access and integrate information within the human body (e.g. Brain-nerve and vital systems) in addition to information outside the human body (behavior, life and environmental information) and applying them to different fields such as medicine, nursing care, production work places and daily life. All of the Group's devices and interfaces are compatible with Internet of Humans/Internet of Things ("IoH/IoT"), and through these products, information of the brain-nerve, vital, physiological, behavioral, life and environmental systems can be integrated and connected to a supercomputer. The Group aims to realize a system where Big Data of the aforementioned information are accumulated, analyzed and processed with AI. In June 2019, the Company presented the concept of "Cybernics Industry" as the new industry after robotics and IT industry towards digital economy and trade ministers of G20 visited the Company Headquarters. In December of the same year, the Company hosted the first ever "Cybernics Expo" under the theme of "Start of Cybernics Industry", sharing the future of people and society as they should be. The Group will continue to work simultaneously on research and development, business development and formation of business alliances to further accelerate the emergence of a Cybernic Industry that will solve the problems facing society.

During the consolidated fiscal year ended March 31, 2019, the Group carried out the following activities.

Status of business operation

<<Business operation around the medical application>>

The Group continues its efforts to establish Cybernic Treatment, a treatment program using Medical HAL systems that aims to induce improvement and regeneration of the functions of the brain, nerves and muscles, into a global standard of treatment.

(Status of medical device approvals by each types of HAL)

For Medical HAL Lower Limb Type, in order to expand the scope of medical device approval to include stroke, which is a disease with over eight million patients in Japan and U.S. combined, an investigator-initiated multicenter clinical trial using the Single-Leg model is in progress and it is scheduled to be complete around the end of year 2020. Since obtaining 510k marketing clearance from the U.S. Food and Drug Administration ("U.S. FDA") in December 2017, the Company worked to accelerate the approval processes in the Asia Pacific Region ("APAC"). The Group obtained medical approval in Malaysia in October 2019, Thailand and Indonesia in April 2020 (as in the EU, approved for wide range of diseases like stroke, spinal cord injury, and neuromuscular disease). Approval process is underway in Taiwan, Singapore, Turkey, and other countries.

For HAL Single Joint Type, the Group obtained medical device certificate (certification of compliance with the European Medical Device Directive) from TUV Rheinland, a third-party certification organization. Following this event, the Group is preparing to apply for medical device approval in the U.S., and in some countries in APAC (Thailand, Malaysia, Indonesia, Taiwan and etc.)

For HAL Lumbar Type, the Group completed the medical device registration with the Food and Drug Administration of Taiwan ("TFDA"). The Group is now preparing to apply for medical device approval in the U.S., EU and in some countries in APAC (Thailand, Malaysia, Indonesia, and etc.).

(Business development by each region)

In the U.S., in order to obtain insurance coverage towards Cybernics Treatment, the Group continues to strengthen the coordination with partner medical institutions in the field of clinical research. For example, CEO Sankai gave a keynote speech at the Neuroscience Convergence 2019, held by the Mayo Clinic (Ranked No.1 in "excellent hospital across the U.S.")

in November 2019. The Group also continues to accumulate experience of Cybernics Treatment at Brooks Cybernic Treatment Center, while conducting marketing and sales activity for HAL.

In Europe, the Group works on entering into contracts with various private insurance countries in parallel with the treatment service in Germany which centers on Public Workers Compensation Insurance. In July 2019, the German subsidiary Cyberdyne Care Robotics GmbH reached an agreement with Nurmberger, a leading insurance group in Germany, to provide coverage for Cybernics Treatment. In Poland, the Company's partner Constance Care has signed an agreement with WARTA and PZU, two major private insurers in Poland, to cover the cost of Cybernics Treatment. The Group continues to work on introducing HAL to other countries in Europe and held the first "International HAL Forum" in Italy in October 2019.

In the Middle East, a clinical trial led by the Ministry of Health of Saudi Arabia has been completed with clinical results that greatly improved ambulatory function of the patients. In October 2019, the Group signed a contract with the ALJ group to promote Cybernics Treatment and are preparing to expand sales channels in the Middle East.

In APAC, total of 24 units, composed from 3 different types of HAL are operating in Neuro-Robotics Rehabilitation and Cybernics Center, located inside SOCSO Rehabilitation Malaysia, making the facility largest operator of HAL in the region. In August 2019, we entered into distributor agreement with P USAT REHABILITASI PERKESO SDN. BHD, a subsidiary of SOCSO (Areas covered: Middle East, South Asia and Southeast Asia). In October 2019, following the approval of medical devices in Malaysia, 3 different types of HAL were introduced to University of Science in Malaysia (USM), which is known to be one of Malaysia's leading University. In Thailand and Indonesia, two large South Asian medical device markets equivalent to Malaysia, the Group has received a formal and informal decision from several hospitals to install HAL in their facilities. As the Group obtained the medical device approval for those market in April 2020, HAL will be exported to Thailand and Indonesia as soon as the restriction due to COVID-19 pandemic are lifted on the local side. In Taiwan, a tie-up with CHC Healthcare Group, a major medical equipment trading company, led to installment of HAL Lumbar Type at Yee Zen General Hospital, a group hospital of CHC Healthcare Group, in October 2019. Once HAL Lower Limb Type and HAL Single Joint Type are approved, those types are also scheduled be installed.

<<Business operation around applications to support care givers and care receivers>>

The Group has developed various types of HAL with the aim of improving elderly people’s level of need of nursing care, preventing severity of their illness, preventing frailty and maintaining their independence from care. For example, HAL Lower Limb Type for inducing improvement of ambulatory functions, HAL Single Joint Type that can be used to train elbow and knee movements and HAL Lumbar Type for inducing improvement of trunk and lower limb function.

(Implementation of products)

As part of the “Single Joint Type”, the Group began selling “Ankle Joint Attachment” to improve the voluntary movement of the ankle joint and gait patterns in July 2019.

As part of the “Lumbar Type”, the Group began selling “HAL Lumbar Type for Well-being (BB04)” as a new model that could support both caregivers and care receivers with a single unit. The new model is installed with a new control mode that can be used without attaching a sensor. It can be strapped on as little as 10 seconds to improve usability. Also, since January 2020, the Group announced a feature where users can implement more effective exercise by visualizing the information of their physical functions (bio-electrical signals from their brain-nerve-musculoskeletal system and the angle of inclination of the trunk) on a real-time monitor display.

(Business of Robocare Center)

The Group continues to reinforce “Neuro HALFIT” at Robocare Centers, as a program that induces improvement of the brain -nerve and musculoskeletal system through utilization of HAL. By coordinating with business partners in each region. Since April 2019, the centers have been opened in Okayama and Sendai (May), Kitakyushu and Hiroshima (July), Nagoya and Sapporo (August), and Kobe and Tokyo Yotsuya (October), bringing the total to 14 centers nationwide.

Daido Life, a business partner of the Group, became the first company to offer long-term care insurance on the “Neuro HALFIT” program in April 2020. As a result, those who are certified under the public long-term care insurance system “Support Need Level 1 to Long-Term Care Need Level 2” can use the Neuro HALFIT free of charge.

Furthermore, in January 2020, the Group announced “IWA Neuro HAL Plus” as an innovative program for athletes to strengthen and adjust the brain-nerve systems. The Group plan to develop programs for athletes and the general public in addition to programs for elderly and people with disability.

(Start of service for home)

In April 2020, the Group launched a new service for individuals that allows them to work on Neuro HALFIT program at home. In response to the risk of decline in physical functions due to the loss of exercise opportunities from the effect of

COVID-19, the Group have made it possible for individual customers to use HAL Lumbar Type for Well-being for supporting independence from the need of care.

<<Business operation around applications for workplace and daily life>>
(HAL Lumbar Type for Labor Support)
HAL Lumbar Type for Labor Support (LB03), which is dust-proof and waterproof is being introduced not only to major users in airports, construction and logistics, but also to fire departments in Tsukuba City, Ibaraki Prefecture and Ebina City, Kanagawa Prefecture as fire defense equipment for emergency personnel. In Daigo-machi, Ibaraki Prefecture, and Sagamihara City, Kanagawa Prefecture, both of which were severely damaged by Typhoon No. 19, HAL Lumbar Type was rented for disaster recovery.

(Autonomous navigated robots)
In addition to commercial facilities run by Mitsui Fudosan Co., Ltd. And office buildings owned by Sumitomo Corporation and NTT East, 10 units of next-generation Cleaning Robot CL02 ("CL02") were introduced at Narita International Airport and 4 units (5 including ones that was already introduced) in November 2019 and are now in full-scale operation. In March 2020, as one of potential solution to prevent infection from COVID-19, the Group announced an expansion of functionality for CL02 by mounting on disinfectant sprayer on the robot and installed this to Haneda Airport. CL02 achieve high-speed autonomous navigation using the world's most advanced SLAM technology.

Status of Research and Development
A palm-sized small vital sensor "VS-AS01" designed to detect arteriosclerosis and arrhythmia at an early stage is being prepared for external applications and new functions to improve usability. The Group are also researching and developing photoacoustic imaging for real-time analysis of microvascular information and small sensing devices for various types of vital information
As technologies to promote independence for elderly and disabled person, the Group is developing a cloth-type HAL to maintain and improve ambulatory functions, a watchful communication robot to maintain and improve ADL (activities of daily living) with its conversation functions while acquiring vital and environmental information, and a toilet docking type excretion support robot for people who have difficulty walking.

Numbers of operating units
As of the end of March 2020, 310 units of Medical HAL Lower Limb Type were in operation worldwide including those used for clinical research. Out of the aforementioned number, 81 were rented out in Japan for treatment. 300 units of HAL for Well-being Single Joint Type were in operation and most of the units were used by hospital in Japan for clinical research.
There was a total of 357 units of HAL for Well-being Lower Limb Type and HAL for Living Support Lower Limb Type (older model) put together in operation as of end of March 2020. While the number of HAL for Well-being Lower Limb Type is increasing following adoption by care facilities and hospitals in Japan, the old mode is starting to meet its service life and the Group is disposing the units that have exceeded it. 951 units of HAL Lumbar Type for Well-being and HAL Lumbar Type for Care Support put together in operation. While the number of HAL Lumbar Type for Well-being is increasing, the old model of HAL Lumbar Type for Care Support is starting to meet its service life and the Group is disposing the units that have exceeded it.
As of the end of March 2020, 624 units of HAL Lumbar Type for Labor Support were in operation. 75 units of Cleaning Robot as well as Transportation Robot were in operation.

As the result of the aforementioned, in the fiscal year ended March 31, 2020, the Group recorded revenue of ¥1,792 million (4.8% increase year on year) mainly due to increase of rental income from Medical HAL. Gross profit ratio improved 0.7 points to 72.5% year on year, resulting in the gross profit of ¥1,300 million (5.9% increase year on year).
Research and development expenses were recorded at ¥812 million (18.7% decrease year on year), mainly due to development of new products at the Company's own expense and consigned research projects. In addition, other selling, general and administrative expenses increased to ¥1,646 million (13.2% increase year on year).
Other income was recorded at ¥138 million (65.9% decrease year on year), mainly due to income from consigned research project, while other expenses were recorded at ¥18 million (62.8% increase year on year), resulting in the operating loss of ¥1,039 million (25.1% increase year on year).
Finance income was recorded at ¥1,184 million, finance costs were recorded at ¥100 million, mainly due to valuate difference of investment and gains related to CEJ Fund were recorded at ¥75 million, leading to improvement of ¥660 million in the profit before tax to ¥91 million. Income tax expense was recorded at ¥240 million, mainly due to deferred tax expense.

As a result, the Group improved ¥480 million to ¥152 million (75.9% decrease year on year) in the loss attributable to owners of the parent.

The Company forms business and capital alliances with various startup companies that develop unique technologies. The Company calculates the fair value of unlisted stocks of such companies using the IFRS 9 “Financial Instruments”. As a result, gain on investments in securities was recorded at ¥853 million as "finance income" and the deferred tax expense related to this valuation was recorded at ¥260 million as "income tax expense". Also, loss on investments in securities was recorded at ¥97 million as "finance costs". Therefore, the result of calculation of fair value, impact towards quarterly profit was ¥496 million.

2. Explanation of financial position

(i) Assets:

For the fiscal year ended March 31, 2020, assets increased ¥2,062 million to ¥47,808 million in comparison to the end of the previous fiscal year. This was mainly due to decrease of ¥1,501 million in other financial assets (current), partly offset by increase of ¥840 million in cash and cash equivalents, ¥2,441 million in other financial assets (non-current), and posting of ¥361 million in the right of use asset following the adoption of IFRS 16 "Leases" from the beginning of the fiscal year ending March 31, 2020.

(ⅱ) Liabilities:

For the fiscal year ended March 31, 2020, liabilities increased ¥2,006 million to ¥3,549 million in comparison to the end of the previous fiscal year. This was mainly due to decrease of ¥37 million in trade and other payables, partly offset by increases of ¥1,170 million in third-party interests in CEJ Fund, ¥314 million in deferred tax liability, and posting of ¥61 million in lease liability (current) and ¥313 million in lease liability (non-current) following the adoption of IFRS 16 "Leases" from the beginning of the fiscal year ending March 31, 2020.

(ⅲ) Equity:

For the fiscal year ended March 31, 2020, equity increased ¥56 million to ¥44,259 million in comparison to the end of the previous fiscal year. This was mainly due to increase in other components of equity associated with increase of financial assets measured at fair value through other comprehensive income.

3. Status of cash flow

For the fiscal year ended March 31, 2020, cash and cash equivalents increased ¥840 million to ¥9,636 million in comparison to the end of the previous fiscal year. Status of each cash flow within the fiscal year ended March 31, 2020 and its main influencing factors are stated below.

(Cash flows from operating activities)

For the fiscal year ended March 31, 2020, net cash provided by operating activities recorded outflow of ¥215 million (outflow of ¥775 million in the previous fiscal year). This is mainly attributed to depreciation and amortization posted at ¥492 million, partly offset by finance income recorded at ¥1,184 million.

(Cash flows from investment activities)

For the fiscal year ended March 31, 2020, net cash provided by investing activities recorded outflow of ¥244 million (outflow of ¥1,917 million in the previous fiscal year). This is mainly attributed to proceeds of ¥29,000 million from redemption of investments and ¥2,500 million from withdrawal of time deposits, partly offset by purchase of ¥29,999 million into investments and ¥1,715 million into investment securities.

(Cash flows from financing activities)

For the fiscal year ended March 31, 2020, net cash used in financing activities recorded inflow of ¥1,304 million (inflow of ¥670 million in the previous fiscal year). This is mainly attributed to proceeds of ¥1,360 million from contributions into CEJ Fund from third-party investors.

4. Explanation related to the forecast of consolidated financial results and other forward-looking statements

As the business of the Company and the Group is based on a new market with innovative technologies, there are many uncertain factors that could have an impact on its performance and make it difficult for the Company to provide a forecast with accurate figures. As such the Company will not announce the forecast of consolidated financial results.

Ⅱ. Accounting standards

The Group adopts International Financial Reporting Standard (IFRS) from the consolidated financial statements and the Annual Securities Report for the fiscal year ended March 31, 2018, with the aim of improving the international comparability of the Groups' financial information in the capital markets and strengthening the Groups' business foundations by unifying accounting standards throughout the Group.

Ⅲ. Consolidated financial statements and Notes to consolidated financial statements

1. Consolidated statement of financial position

	As of March 31, 2019	As of March 31, 2020
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	8,796	9,636
Trade and other receivables	257	263
Other financial assets	20,505	19,004
Inventories	901	832
Other current assets	169	156
Total current assets	30,627	29,891
Non-current assets		
Operating lease assets	463	481
Property, plant and equipment	11,624	11,553
Right of use assets	―	361
Goodwill	―	57
Intangible assets	70	53
Investments accounted for using equity method	456	472
Other financial assets	2,431	4,872
Other non-current assets	74	68
Total non-current assets	15,118	17,917
Total assets	45,746	47,808

	As of March 31, 2019	As of March 31, 2020
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	284	247
Bonds and borrowings	—	37
Lease liabilities	—	61
Other current liabilities	370	464
Total current liabilities	654	810
Non-current liabilities		
Bonds and borrowings	—	51
Third-party interests in CEJ Fund	544	1,714
Lease liabilities	—	313
Provisions	91	93
Deferred tax liabilities	254	568
Total non-current liabilities	889	2,739
Total liabilities	1,543	3,549
Equity		
Share capital	26,745	26,753
Capital surplus	26,494	26,494
Treasury shares	(0)	(0)
Other components of equity	(1,048)	(854)
Retained earnings	(7,972)	(8,124)
Total equity attributable to owners of the parent	44,217	44,468
Non-controlling interests	(15)	(9)
Total equity	44,203	44,259
Total liabilities and equity	45,746	47,808

2. Consolidated statement of profit or loss and consolidated statement of comprehensive income

(Consolidated statement of profit or loss)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of yen	Millions of yen
Revenue	1,709	1,792
Cost of sales	(481)	(492)
Gross profit	1,227	1,300
Selling, general and administrative expenses		
Research and development expenses	(998)	(812)
Other selling, general and administrative expenses	(1,454)	(1,646)
Total selling, general and administrative expenses	(2,453)	(2,459)
Other income	406	138
Other expenses	(11)	(18)
Operating profit (loss)	(830)	(1,039)
Finance income	239	1,184
Finance costs	(15)	(100)
Gains related to CEJ Fund	61	75
Share of profit (loss) of investments accounted for using equity method	(24)	(29)
Profit (loss) before tax	(569)	91
Income tax expense	(74)	(240)
Profit (loss)	(643)	(149)
Profit (loss) attributable to		
Owners of parent	(632)	(152)
Non-controlling interests	(11)	3
Profit (loss)	(643)	(149)
Earnings (loss) per share		
Basic earnings (loss) per share (yen)	(2.94)	(0.71)
Diluted earnings (loss) per share (yen)	(2.94)	(0.71)

(Consolidated statement of comprehensive income)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of yen	Millions of yen
Profit (loss)	(643)	(149)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(858)	191
Total of items that will not be reclassified to profit or loss	(858)	191
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	14	4
Total of items that may be reclassified to profit or loss	14	4
Total other comprehensive income, net of tax	(845)	195
Comprehensive income	(1,487)	46
Comprehensive income attributable to		
Owners of parent	(1,480)	42
Non-controlling interests	(7)	4
Comprehensive income	(1,487)	46

3. Consolidated statement of changes in equity

Fiscal year ended March 31, 2020

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share acquisition rights
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 1, 2018	26,744	26,495	(0)	(77)	(7)	19
Profit (loss)	—	—	—	—	—	—
Other comprehensive income	—	—	—	(858)	10	—
Total comprehensive income	—	—	—	(858)	10	—
Issuance of new shares	1	(2)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(135)	—	—
Equity transaction with non-controlling interest	—	—	—	—	—	—
Total transactions with owners	1	(2)	—	(135)	—	—
March 31, 2019	26,745	26,494	(0)	(1,071)	3	19
Profit (loss)	—	—	—	—	—	—
Other comprehensive income	—	—	—	191	3	—
Total comprehensive income	—	—	—	191	3	—
Acquisition of treasury shares	—	—	(0)	—	—	—
Share-based payment transactions	8	—	—	—	—	—
Equity transaction with non-controlling interest	—	—	—	—	—	—
Increase (decrease) by business combination	—	—	—	—	—	—
Total transactions with owners	8	—	(0)	—	—	—
March 31, 2020	26,753	26,494	(0)	(880)	6	19

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity	Retained earnings	Total		
	Total				
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 1, 2018	(65)	(7,476)	45,698	(24)	45,674
Profit (loss)	—	(632)	(632)	(11)	(643)
Other comprehensive income	(848)	—	(848)	4	(845)
Total comprehensive income	(848)	(632)	(1,480)	(7)	(1,487)
Issuance of new shares	—	—	(1)	—	(1)
Transfer from other components of equity to retained earnings	(135)	135	—	—	—
Equity transaction with non-controlling interest	—	—	—	17	17
Total transactions with owners	(135)	135	(1)	17	16
March 31, 2019	(1,048)	(7,972)	44,217	(15)	44,203
Profit (loss)	—	(152)	(152)	3	(149)
Other comprehensive income	194	—	194	1	195
Total comprehensive income	194	(152)	42	4	46
Acquisition of treasury shares	—	—	(0)	—	(0)
Share-based payment transactions			8	—	8
Equity transaction with non-controlling interest	—	—	—	8	8
Increase (decrease) by business combination	—	—	—	(6)	(6)
Total transactions with owners	—	—	8	2	10
March 31, 2020	(854)	(8,124)	44,268	(9)	44,259

4. Consolidated statement of cash flows

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2019
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit (loss) before tax	(569)	91
Depreciation and amortization	436	492
Finance income	(239)	(1,184)
Finance costs	15	100
Gains on CEJ Fund	(61)	(75)
Share of loss (profit) of investments accounted for using equity method	24	29
Decrease (increase) in inventories	(336)	85
Decrease (increase) in trade and other receivables	128	1
Increase (decrease) in trade and other payables	24	(45)
Other	(138)	85
Subtotal	(716)	(420)
Interest and dividends received	17	318
Interest paid	(0)	(0)
Income taxes paid	―	(2)
Payments for administrative expenses etc. related to CEJ Fund	(76)	(111)
Net cash provided by (used in) operating activities	(775)	(215)
Cash flows from investing activities		
Purchase of investments	(28,000)	(29,999)
Proceeds of redemption of investments	30,000	29,000
Payments into time deposits	(2,500)	―
Proceeds from withdrawal of time deposits	―	2,500
Purchase of property, plant and equipment	(789)	(399)
Purchase of intangible assets	(7)	(6)
Purchase of investment securities	(618)	(1,715)
Proceeds from sale of investment securities	―	333
Proceeds from purchase of stock of subsidiaries with change of scope of consolidation	―	91
Purchase of investments accounted for using equity method	(5)	(46)
Other	2	(2)
Net cash provided by (used in) investing activities	(1,917)	(244)
Cash flows from financing activities		
Lease liabilities paid	―	(53)
Contributions into CEJ Fund from third-party investors	680	1,360
Proceeds from stock issuance to non-controlling interests	4	―
Other	(14)	(3)
Net cash provided by (used in) financing activities	670	1,304
Effect of exchange rate changes on cash and cash equivalents	(3)	(5)
Net increase (decrease) in cash and cash equivalents	(2,025)	840
Cash and cash equivalents at beginning of fiscal year	10,820	8,796
Cash and cash equivalents at end of year	8,796	9,636

5. Notes to consolidated financial statements

(Notes on premise of going concern)

There are no items to report.

(Changes in accounting policy)

Significant accounting policies applied to the condensed consolidated financial statements for the fiscal year ended March 31, 2020 are the same as those applied to the consolidated financial statements for the fiscal year ended March 31, 2019, with the following exceptions.

The income tax expense for the fiscal year ended March 31, 2020 has been calculated based on the estimated annual effective income tax rate.

The Group has applied the following accounting standards from the beginning of the fiscal year ended March 31, 2020.

IFRSs		Nature of the new standards or amendments
IFRS 16	Leases	Revised accounting process upon leases

The Group adopted IFRS 16 "Leases" (issued on January 2019; hereinafter "IFRS 16") in the beginning of the fiscal year ended March 31, 2020.

Upon applying IFRS 16, the Group recognizes cumulative effect of application at the point of effective date. Furthermore, in transition to IFRS 16, the Group has chosen the practical expedient detailed in IFRS 16 paragraph C3 by conducting assessment of whether contracts contain leases based on IAS 17 "Leases" (hereinafter "IAS 17") and IFRIC 4 "Determining whether an Arrangement contains a Lease."

For the leases that the Group previously classified as operating leases based on IAS 17, the Group recognizes lease liabilities at the point of effective date. These lease liabilities are measured at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate at the point of effective date. At the point of effective date, the amount of lease liabilities recognized by the Group is ¥363 million and the weighted average of the lessee's incremental borrowing rates is 0.7%.

Upon applying IFRS 16 the Group has chosen the following practical expedient.

- A single discount rate is applied to portfolios of leases with reasonably similar characteristics
- As an alternative to performing an impairment review, the Group relies on its assessment of whether leases are onerous applying IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" immediately before the date of initial application
- Leases for which lease contracts ends after 12 months from the point of effective date are processed in the same manner as short-term lease
- Initial direct costs are excluded from the measurement of right-of-use assets at the point of effective date
- Use hindsight: e.g. in determining the lease term of the contract that contains options to extend or terminate the lease

(Segment information)

Segment information:

Fiscal year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

Since the company group had a single segment, segment information was omitted.

Fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

Since the company group had a single segment, segment information was omitted.

(Revenue)

Disaggregation of revenue

Details of disaggregation of revenue are set forth below.

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of yen	Millions of yen
Timing of revenue recognition		
Service transferred over time	1,167	1,315
Asset transferred at a point of time	214	186
Service transferred at a point of time	328	291
Total	1,709	1,792

(Note) Since the Group operates under a single segment of business, segment information on revenue is omitted.

Service transferred over time

Service transferred over time includes rental income based on the individual rental contract and maintenance income based on the maintenance contract in relation to finance lease income where the Group acts as a lessor of right-of-use asset.

The Group recognizes rental income as income generated throughout the rental period after the customer acceptance of the relevant product, by either of the following method. Pay-per-use model based on times of product usage in the relevant month and base fee model based on fixed monthly price.

The Group recognizes maintenance income as performance obligation satisfied over time. The Company records this revenue during this contract period based on average amount during the period.

Asset transferred at a point of time

Asset transferred at a point of time includes revenue from sales of commodities and products based on sales contract.

The Group mainly determines that performance obligation of sales of commodities as well as products are satisfied at the point of customer acceptance the relevant product. The Group receives most of the payment within one month from the point of satisfying the performance obligation. With regards to transaction price, there is no significance in the amount of sales revenue that includes variable consideration. Furthermore, there are no significant financial components in the amount of promised consideration.

Furthermore, if the Group acts as a lessor of right-of-use of its devices such as HAL, the Group classifies the relevant lease as finance lease. Finance lease income is processed in the same way as cases where the Group acts as a lessor of manufacturer or distributor of sales of goods. The Group determines that performance obligation is satisfied at the point of customer acceptance and the revenue is recognized at a point of time.

Service transferred at a point of time

Service transferred at a point of time includes revenue from offering Cybernic Treatment and training service at Cybernic Treatment Center and Robocare Centers, to end users (such as patients). It also includes revenue received in return of providing outcomes of consigned research projects.

The Group determines that performance obligation of Cybernic Treatment as well as training services are satisfied at the point of completion of such services. The Group determines that performance obligation of providing outcomes of consigned research projects are satisfied at the point when the customer inspects and accepts the outcome.

(Earnings per share)

1. The basis for calculating basic earnings per share

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Loss attributable to owners of parent (Millions of yen)	(632)	(152)
Amount not available for common shareholders and shareholders equivalent to common shareholders (Millions of yen)	—	—
Loss used to calculate basic earnings per share (Millions of yen)	(632)	(152)
Average number of common shares and shares equivalent to common shares during the period (Shares)	215,054,735	215,141,368
Basic earnings (loss) per share (Yen)	(2.94)	(0.71)

2. The basis for calculating diluted earnings per share

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Loss used to calculate basic earnings per share (Millions of yen)	(632)	(152)
Adjustments to loss (Millions of yen)	—	—
Loss used to calculate diluted earnings per share (Millions of yen)	(632)	(152)
Average number of common shares and shares equivalent to common shares during the period (Shares)	215,054,735	215,141,368
Adjustment *Note	—	—
Average number of diluted common shares and shares equivalent to common shares during the period (Shares)	215,054,735	215,141,368
Diluted earnings (loss) per share (Yen)	(2.94)	(0.71)

(Note) Summary of potential shares not included in the calculation of diluted earnings per share as it does not have dilutive effects

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Shares	Shares
2015 1st Series Stock Option of CYBERDYNE, INC.	(Common share) 7,800	(Common share) 7,800
2016 1st Series Stock Option of CYBERDYNE, INC.	(Common share) 4,600	(Common share) 4,600
2017 1st Series Stock Option of CYBERDYNE, INC.	(Common share) 10,500	(Common share) 10,500